Aspocomp Group Annual Report 2000

ASPOCOMP

Contents

Notice to the Shareholders

Shareholder's Meeting

The Aspocomp Group Oyj Annual Shareholder's Meeting will be held on Friday, March 23, 2001 at 2:00 PM. The meeting will take place at the hotel Radisson SAS Plaza, Mikonkatu 23, Helsinki, Finland.

Any shareholder who has been officially registered by the Finnish Central Securities Depository no later than March 13, 2001, is entitled to participate in the meeting.

Shareholders wishing to participate in the meeting are requested to notify the company either by telephone, e-mail or in writing by March 19, 2001, 4:00 PM. The address is Aspocomp Group Oyj, P.O. Box 381, FIN-00811 Helsinki. Telephone +358 9 759 70712/Minna Pitkänen, e-mail: yhtiokokous@aspocomp.fi

Payment of Dividends

The Board of Directors will propose to the shareholders that a dividend of EUR 0,50 per share be distributed. The dividend will be paid to shareholders who have been registered by the Finnish Central Securities Depository. The dividend clearance date will be March 28, 2001 and the dividends will be paid on April 4, 2001, assuming the proposal of the Board is approved.

Financial Information in 2001

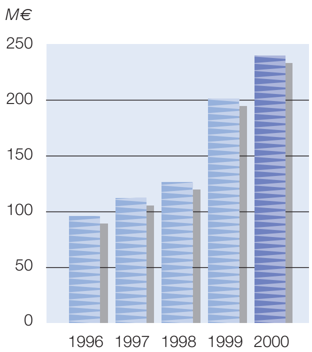
Aspocomp Group Oyj plans to release interim reports for fiscal 2001 on May 2, 2001, July 30, 2001 and October 29, 2001.

2000 in Brief

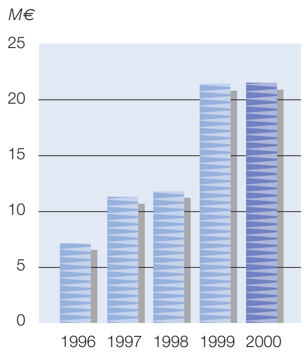
Highlights

- Share offering in May EUR 81 million net
- Investment program in Finland and France
- Participation in Thai printed wiring board company P.C.B. Center
- Joint Venture in China

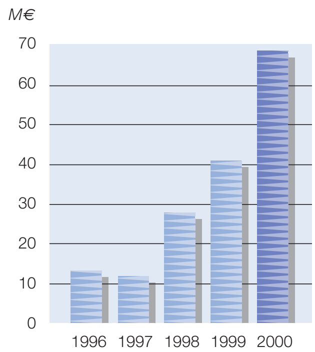
Net Sales 1996-2000



EBIT 1996-2000



Capital Expenditure 1996-2000



Key Figures

	2000	1999	%-Change
	M€	M€	
Net Sales	240	201	19
EBITDA	48	41	16
EBIT	22	21	1
Net Profit	16	14	18
Capital Expenditure	68	41	66
Shareholders' Equity	162	69	
Earnings/Share, €	1.59	1.64	-3
Equity/Share, €	15.96	7.87	103
Equity Ratio, %	64.6	43.9	
Return on Equity (ROE), %	13.2	23.2	
Return on Investment (ROI), %	15.2	21.6	
Personnel, December 31	1 948	1 858	5
Shares Outstanding December 31, 1 000 each	10 142	8 770	16

CEO's Review

Fiscal 2000 was another year of solid growth, and except for dramatically rising raw material prices which caught us somewhat off guard, the year turned out basically just as we expected it would, and most importantly, the Group evolved in the right direction and at the right pace.

Moving Up and Out

Our strategy has been to play to our strengths by focusing increasingly on cutting edge PWB technologies in order to maintain a position as a first tier supplier to the world's leading electronics companies. At the same time we are moving systematically forward in our own internationalization, to provide our global customers with a full palette of technology services. The implementation of this strategy took several important steps forward in 2000. The critical strategic events for fiscal 2000 were our share issue in May, our expansion into Asia, first through the P.C.B. Center (Thailand) Co., Ltd. acquisition in February, and second, through our establishment of a joint venture in China with Chin-Poon Industrial Co., Ltd., a listed Taiwanese PWB company. We also continued a major investment program in Europe aimed at significantly increasing advanced technology sales volumes while facilitating the transfer of standard PWB technology production to Asia.

Mixed Results on the Aspocomp Share Issue

The primary goal of our share issue was to increase the liquidity of the Aspocomp share. We did not succeed in achieving this target, and the lack of liquidity in our stock remains a problem. On the other hand, we did reach our second target, which was to attract more international investors, with approximately 26% of our shares now in the hands of non-domestic institutional investors. Our third target was to generate capital for our investments. Succeeding in this target has enabled us to finance critical development projects while maintaining a very strong equity position and keeping our debts low. At the end of the day, this means that we will be able to finance ambitious growth targets for upcoming years with our own financial resources.

Opening the Door to the Far East

Aspocomp took its first important step in its non-European internationalization with a new venture in Thailand. We took a minority shareholding in the Thai printed wiring supplier, P.C.B. Center, in February and later we decided to use our option to take a majority holding in the company. The background to this move was the deterioration of the competitiveness of European PWB plants with respect to standard PWB technologies. At the same time, to be a first tier global partner for our clients, we must be able to provide the entire palette of PWB technologies. Our goal in the P.C.B. Center joint venture will be to achieve a low cost production base for standard technology products. And since P.C.B. Center is QS 9000 certified, has good profitability and a solid reputation among its mainly European and U.S. clients, we feel strongly that our goals will be met.

Joint Venture in China

Our other Asian initiative involved approaching the critical Chinese market through a new joint venture in China with Chin-Poon. We expect growth in the mobile phone industry to remain robust in the next few years, with Asia taking the lead. Forecasts call for average growth of over 60% per annum through 2003 in China which is expected to overtake Europe as the world's largest single mobile phone market by 2003. The objective of our new program is to be present in this enormous market with HDI microvia technology in advance of the anticipated growth. The mobile growth will lead to correspondingly explosive growth on the networks side of the business as well. Chin-Poon, which has a long history in the PWB sector and a very good reputation, will support these aims by providing us with a strong, well managed partner who already has well established operations in mainland China. Chin-Poon has already built an approximately 28,000 square meter facility in Suzhou, close to Shanghai, a venue that is evolving into the nerve center of the Chinese telecom and electronics sector. Aspocomp holds a majority in the Chinese venture and will bring the manufacturing technology and telecom know-how to the new company throughout the next fiscal year. Start-up is scheduled for the third quarter of 2001.

European Capacity Investments

While our Asian investments aim at creating high end capacity in 2001, the focus of our investments in Europe for fiscal 2000 was to raise our high end capacity, which has already experienced a breakthrough among our key clients. These investments have proved crucial to our competitiveness, generating a direct net increase in sales volumes of approximately 20%, despite price erosion and the transfer of standard technology production to Thailand. In the last quarter of the year we increased high end capacity, especially in France, which will generate profitable growth in fiscal 2001. With standard technologies being increasingly shifted to our lower-cost Asian facility, we will be able to increasingly focus our European operations on cutting edge integrated PWB technologies and in this way protect and consolidate our strategic position.

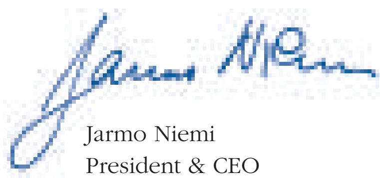
Know-How Investments

During the year we also continued to take a more proactive role in long-term research. Changes in the PWB industry structures, especially outside Japan, have led to the fragmentation of the value chain, as outsourcing separates the individual parts of formerly vertically integrated companies. This will necessitate the reorganization of R&D activities around multi-company industry consortiums. Aspocomp must lead collaborative research into the evolution of interconnection solutions in order to remain ahead and sustain our position as one of the top 10 global high-end PWB producers. Our goal is to generate more focused, systematic pursuit of development aims by bringing the entire range of activities together under our leadership.

Future Directions

Next year the demand for mobile phone PWBs will continue to rise, while at the same time the importance of the Asian markets will begin to manifest itself. Our Chinese joint venture will start to ramp up its production in the third quarter with a similar HDI microvia technology to what we are already doing in Europe. We will also begin to serve U.S. clients from our European HDI microvia plants in the second quarter of 2001. There is exceptional growth potential on the telecom infrastructure side, as our clients have indicated that a rapid ramp-up of wide-band UMTS (3G) network technology after the second quarter of 2001 will take place, implying a significant increase in volumes. We are prepared to make the necessary investments in Europe to meet this challenge. It is our current view that there is significant growth potential, we are well prepared to meet the demand, and we have the prerequisites to reach our long-term earnings targets at the same time.

Fiscal 2000 was a fast-paced year and it looks like next year the pace will quicken. I'd like to thank all of our shareholders, personnel as well as our customers and suppliers for their commitment, and look forward to working with you all again next year.



Jarmo Niemi
President & CEO

Overview of Aspocomp Group

Aspocomp Group

Aspocomp Group creates high-tech products and services for the global electronics industry, especially the telecom sector. Aspocomp´s operations comprise two business units, Printed Wiring Boards (PWB) and Electronics Manufacturing Services (EMS). Aspocomp manufactures mainly high-tech, multi-layer PWBs using state-of-the-art HDI microvia technology. The products and services of our EMS units comprise mechanical assemblies and thick film hybrid circuits.

Strategic Goal

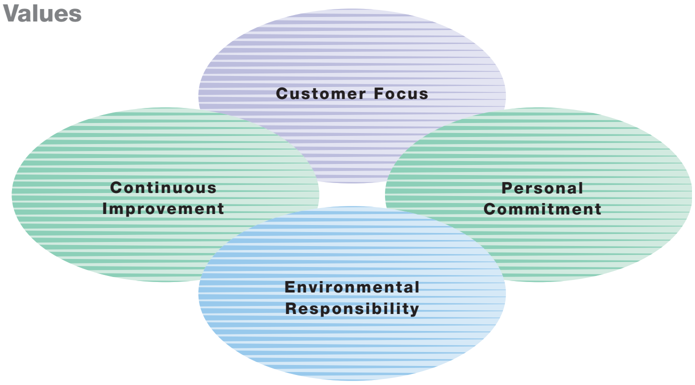
Aspocomp is committed to increasing shareholder value by:

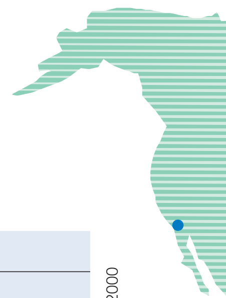
- Generating strong growth
- Sustaining high profitability
- Maintaining a global presence
- Retaining technology leadership

The Aspocomp Group strategy is to operate in segments requiring cutting edge products, high volumes and high growth. This requires that we partner with world class electronics companies, and that we continuously renew and improve the company's technical competences.

Aspocomp aims at being a process innovator and a global technology partner.

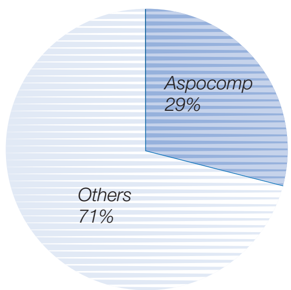
Values





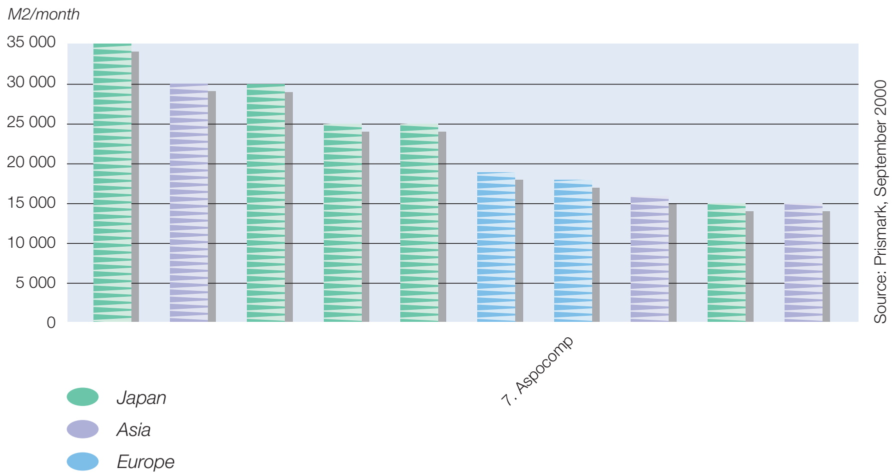
Market Position

Market Position in HDI/Microvia PWBs in Europe

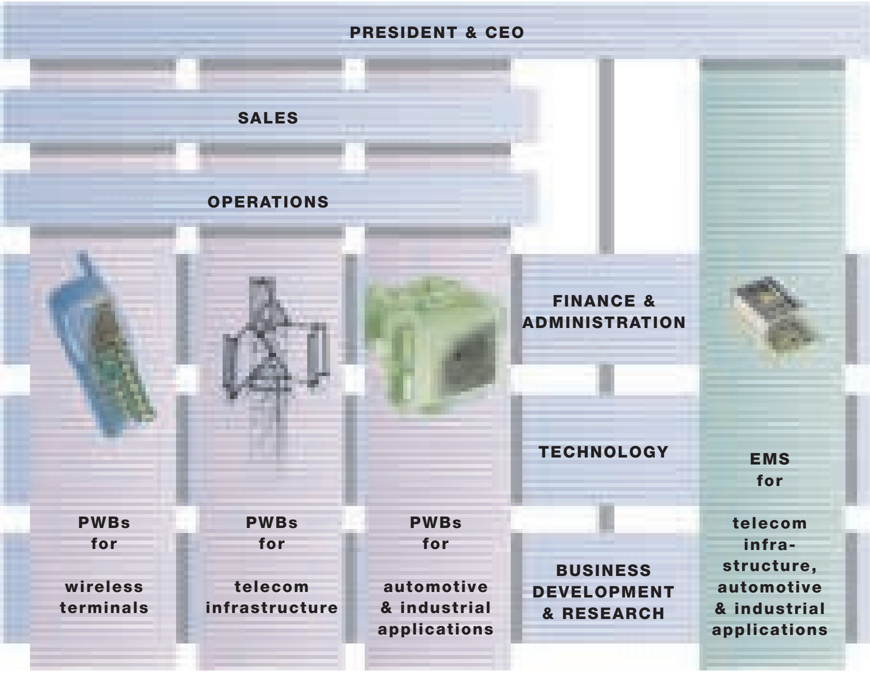


Source: Prismark, September 2000

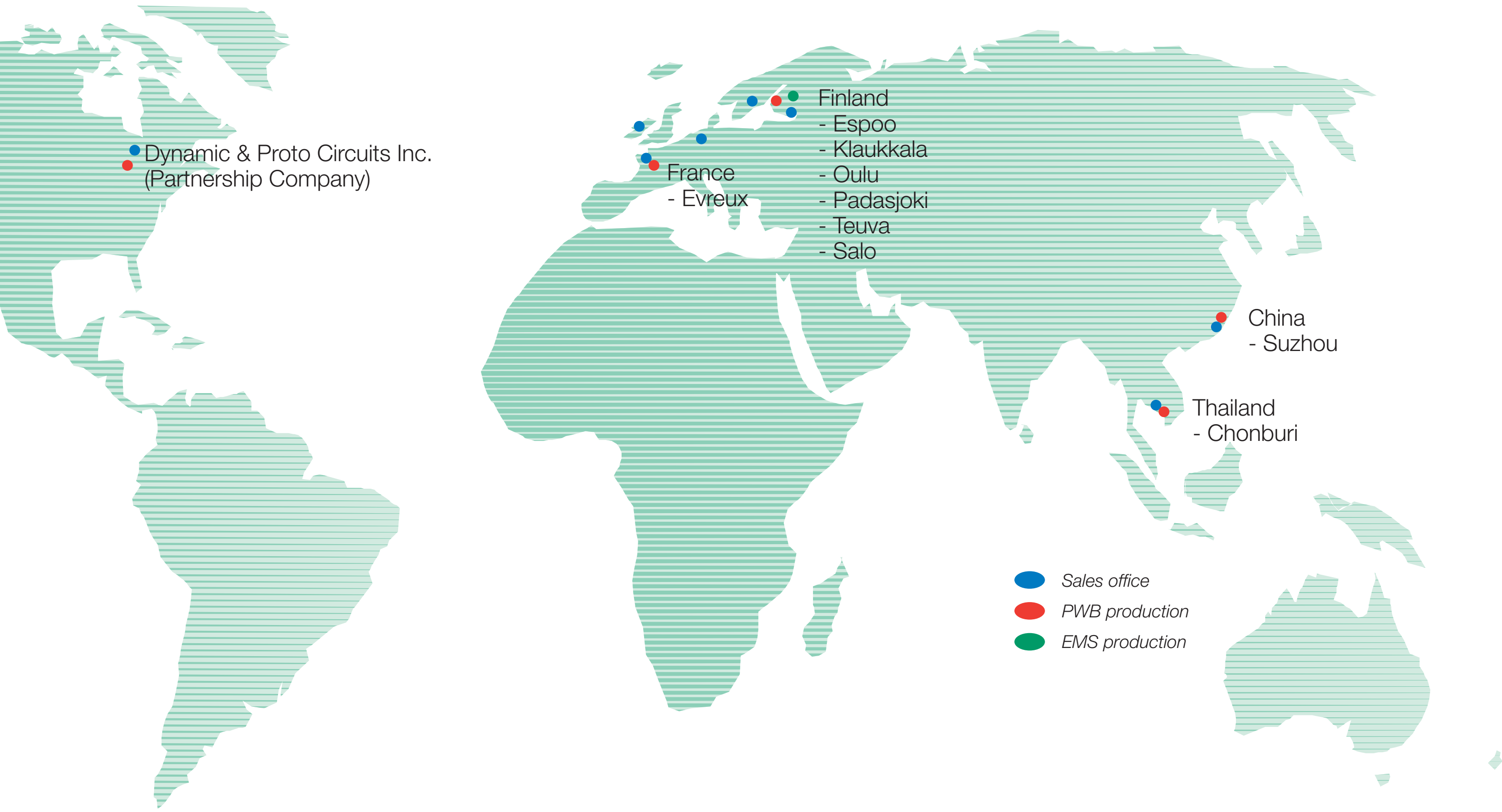
Market Position in HDI/Microvia PWBs Worldwide



Organization from February 15, 2001



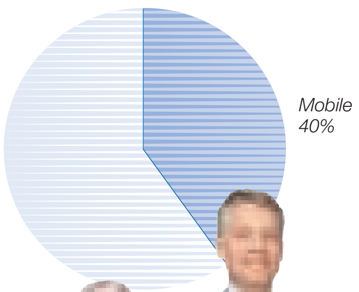
Service Network



“Enabling latest wireless terminals - globally”

Mobile provides demanding, global mobile telecommunications customers with state-of-the-art PWB technologies for sophisticated applications. The successful supplier must also have the manufacturing resources and skills to follow the intense growth curve characteristic of the mobile sector.

Share of Aspocomp Group Net Sales, 2000



***Jari Ontronen**, Senior Vice President, Operations, PWB, COO*

***Tore Wiberg**, Senior Vice President, Sales, PWB*

As in the Telecom area, the competitive advantage of Mobile derives from partnership-based, long-term cooperation with clients aimed at generating the lowest total cost of ownership with optimal performance characteristics and a high level of manufacturability. In practice, this means early involvement in product development and projects aimed at continuously seeking out new materials, new processes and new methods. Mobile is committed to combining sufficient capacity with advanced technologies to optimize our customers' production as volumes rise, lifecycles shorten and products become smaller and smarter.

Business Conditions

Fiscal 2000 remained a growth year, with demand remaining strong. The healthy growth rate has attracted competition, and consequently industry capacity has been expanding as new players enter the market. Despite this, business conditions were relatively favourable.

Price erosion remains a problem in the conventional technologies, whereas in the high-end HDI technologies, the more relevant issue during the fiscal period was sufficient production capacity as clients launched major roll-outs using this technology. It is becoming evident that HDI (High Density Interconnection) will become the dominant PWB design specification over the next few months in our production.

Strong volatility is a typical feature of this sector, since product lifecycles are increasingly short and new launches are always accompanied by uncertainty with respect to the ultimate materialization of demand. Consequently, mobile suppliers sometimes over or underestimate the initial demand for new products, which results in relatively sudden shifts in short-term purchasing. Usually the demand evens out after a few months, but this volatility remains a permanent feature of our business. In 2000 the introduction of new models by our customers caused some volatility in demand that led to quarterly variances in volumes compared to forecasts. By the yearend volumes had stabilized.

Financial Performance

The healthy demand described above led to significantly rising sales volumes, upwards of approximately 30% over the previous year and the increases focused in particular on our value-added technologies, while the share of conventional technologies proportionally declined. Earnings remained on a good level, although lower than forecasted volumes in

the third and fourth quarters led to unexploited capacity utilization. In addition, heavy investments in production technology development and increased capacity generated higher depreciation costs that began to impact operations in the fourth quarter.

Highlights 2000

Mobile invested heavily in technology and capacity expansion during the year, focusing implementation mainly on the year 2000. Our target was to complete the shift to HDI technologies, raise capacity and develop our processes in line with our customer road maps for the next few years. The ramp-up phase began at the yearend, and our new facilities will be fully operational during the first half of 2001.

Future Prospects

We expect demand to remain strong, but volatile in 2001 due to the abovementioned product launch-related and lifecycle issues, as well as seasonal fluctuations in demand. In the future Mobile will increasingly move away from conventional technologies, in keeping with its customers' requirements. By the end of fiscal 2001 we expect nearly all of our production capacity to be HDI-based.

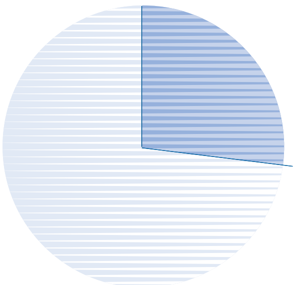
In addition, the expansion of Aspocomp's production into mainland China will give us access to the substantial potential offered by the emerging Chinese mobile telecom markets. However, since the new joint venture will not be fully operational until the yearend, we do not expect significant returns until 2002.

Given these conditions and assumptions, we expect continued healthy growth and good profitability.

"Tailoring key components for 3G telecom networks to order"

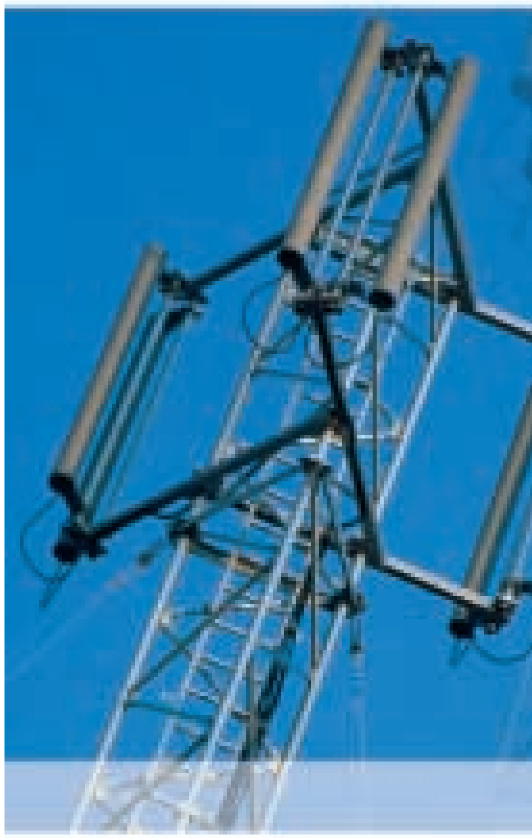
The Telecom sector's basic business idea is to provide connection solutions for the industrial players who are building the infrastructure for the global telecom and multi-platform electronics business. Telecom manufactures PWB solutions tailored to client requirements and its clientele includes the key players in the global telecom networks industry.

Share of Aspocomp Group Net Sales, 2000



Today, the unit is increasingly focusing its energies on wireless and Internet infrastructure solutions. The Telecom sector features relatively large business-to-business players, who must respond rapidly to changes in consumer and operator demand. This means that major network projects can emerge suddenly and operators want to get on the air as rapidly as possible in order to gain a competitive advantage.

Telecom's competitive advantage lies in close customer relationships that enable the company to work with the client from the early design phase throughout the entire product life cycle. This process provides the client with the lowest total life-cycle cost as well as responsiveness through flexible production and efficient logistics services.



Business Conditions

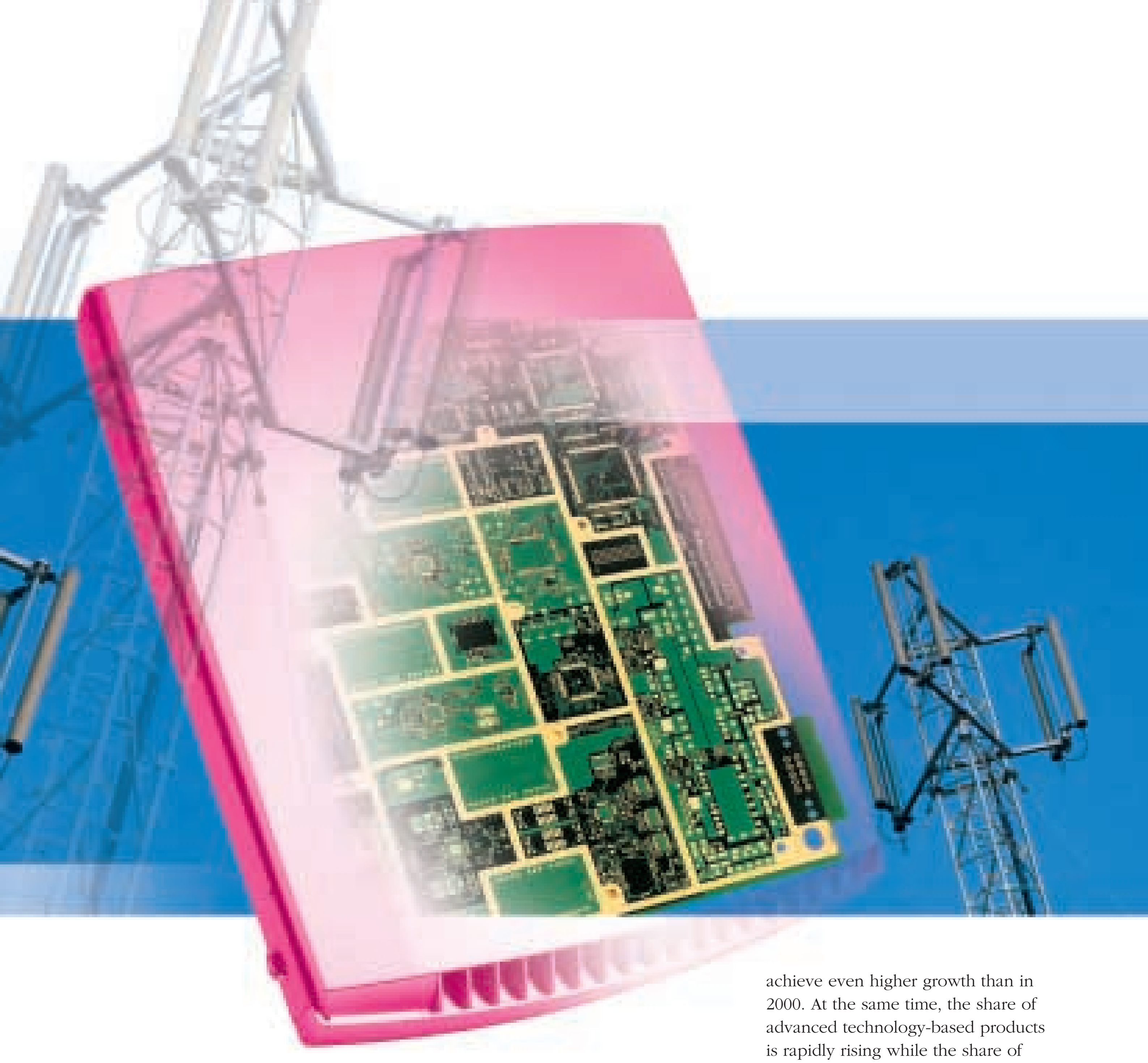
The same relatively heavy growth and focus on the digital mobile networks that has prevailed in recent years, remained valid for fiscal 2000 as well. Now, however, the roll-out for the coming third generation mobile technologies (3G) has already begun in earnest, and we expect that the same large network producers who are our primary clients today, will dominate the 3G market in the future as well.

The market has been strong with roughly 30% growth, and we expect this trend to continue or even intensify. Markets are reasonably stable because strong demand has absorbed supply, in spite of significant competition. On the other hand, the same set of conditions has led to material price increases, particularly in laminates, which in turn, has put pressure on our cost structure, as these increases could not be passed on.

In 2000 the price erosion of low end products in particular which began in 1999 continued to impact our operations, putting pressure on our margins. Our response was to hasten our shift toward the higher end HDI and Sequential Build-Up (SBU) products where price erosion plays a significantly weaker role.

Financial Performance

During fiscal 2000 top line sales growth, driven by both market growth and rising market share, came in at around 30%, meeting our expectations, and representing a significant increase over the previous year. On the other hand, raw material pricing pressures in combination with low-end price erosion and depreciation related to essential investments in future technologies, had a negative impact on earnings, which didn't reach set targets.



Highlights 2000

The roll-out of HDI and SBU products in telecom application was the single most important product development program. This translated into a significant increase in sales volume through the addition of a totally new product group. Despite high expectations, the roll-out proceeded as planned and our clients were satisfied with the performance of the new products.

The other major event was an investment program aimed at improving our technical capabilities. We invested in HDI capacity increases, including technologies such as Laser Direct Imaging (LDI), which creates the conductive pattern on the PWB without the use of photo tools. This simplifies and speeds the complex process and supports miniaturization.

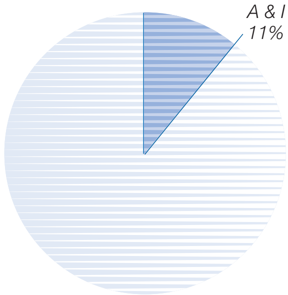
Future Prospects

At this point we expect that the 2G (current GSM) subscriber base will continue to grow robustly, with additional increases in data content as services become more sophisticated. When we add to this the roll-out of 3G expected to begin in the second quarter of 2001, volumes should increase significantly. Our goal is to achieve even higher growth than in 2000. At the same time, the share of advanced technology-based products is rapidly rising while the share of so-called low-end boards is clearly declining. This implies that our competitiveness will improve steadily, and consequently we expect earnings to show substantial improvement.

"Accelerating automotive applications - reliably"

In accordance with the reorganization of Aspocomp's businesses which calls for all PWB operations to be integrated into a single division, the Automotive & Industry business unit was transformed during fiscal 2000 into a broader-based business unit which will exploit the technologies we use in the telecom and mobile sectors for a wide variety of other PWB applications.

Share of Aspocomp Group Net Sales, 2000



PWB applications are such as navigator systems for the automotive industry, internet applications in fixed line telecom networks and specialized industrial electronics. The reason for this move was to focus on higher technologies and growth sectors where we can maintain a competitive advantage and relatively higher margins. At the same time, the move facilitates the transfer of lower end PWB technologies to our low-cost facility in Thailand.

Business Conditions

For the reasons outlined above, fiscal 2000 was a year of restructuring, the target of which was to focus our product mix on advanced technologies.

To accomplish this target, we reorganized our customer portfolio, focusing in Europe on customers who require more advanced solutions, and transferring higher volume but lower margin business to Thailand.

In addition, we changed the structure of our French production to focus on microvia technologies for mobile telecommunication, while the bulk of our automotive PWB production was transferred to Thailand.

These necessary measures had an important impact on the volumes and profitability of this unit. In addition, market conditions during 2000 were

P.C.B. Center factory, Chonburi, Thailand

characterized, on the one hand by some relief in pricing pressures, but on the other hand, by significant increases in raw material prices due to a weak euro and rising oil prices.

Financial Performance

The combination of continued difficult market conditions with the streamlining of our customer portfolio led to reduced sales volumes and lower profitability. Net sales for the year declined approximately 18%, due mainly to the transfer of business to Thailand and customer portfolio rationalization. At the same time, operating earnings remained unsatisfactory.

This stands in sharp contrast with the performance of our new Thai unit (not yet consolidated in this report) which was able to generate a healthy financial performance using the same technology and primarily serving the same customer base as in our European production unit.

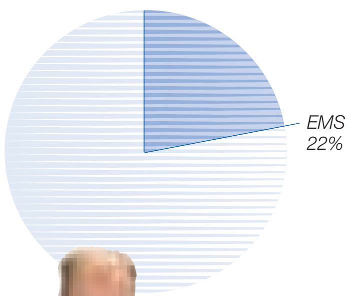
Future Prospects

Aspocomp can now offer its customers low-cost production capacity in Asia. In the future we expect the share of non-telecom-related PWB technologies produced in Europe to decline, while their production in Asia will increase. Our goal is for the relative share of non-PWB technology production to stabilize at approximately 20% of our total sales volume following the consolidation of the operations in Thailand (P.C.B. Center), despite the dynamic growth of the mobile and telecom sectors. This will balance the fluctuations that characterize these sectors. As to fiscal 2001, with the consolidation of P.C.B. Center and the completion of our restructuring program, we expect increasing sales volumes. At the same time we expect earnings to reach acceptable levels.

"Profitable niching in the EMS arena"

The EMS Business Unit's business idea is to provide custom designed electronics manufacturing services for the telecom players who are building the infrastructure for the global telecom business.

Share of Aspocomp Group Net Sales, 2000



***Reijo Savolainen**,*
Senior Vice President, EMS

The clientele of EMS includes most of the key players in the global telecom networks industry, especially the GSM network sector, with the majority of revenues coming from the Nordic area. EMS has focused on value-added EMS, where we provide not only assembly, but also a complete palette of services with a highly developed end product. The assemblies include electronics, mechanical components and their custom assembly to order, as well as thick film hybrid circuits mainly for high frequency mobile infrastructure applications.

EMS' competitive advantage lies in its technology and logistic services. The extremely high quality of the subassembly allows the client to fit the product into his own final assembly process seamlessly, in combination with very short lead times, down to 24 hours, if necessary. The extremely close partnership that EMS enjoys with its clients enables highly accurate forecasting, advanced planning and open sharing of critical process data, enabling us to optimize the entire process and creating a stable, long-term operational platform.

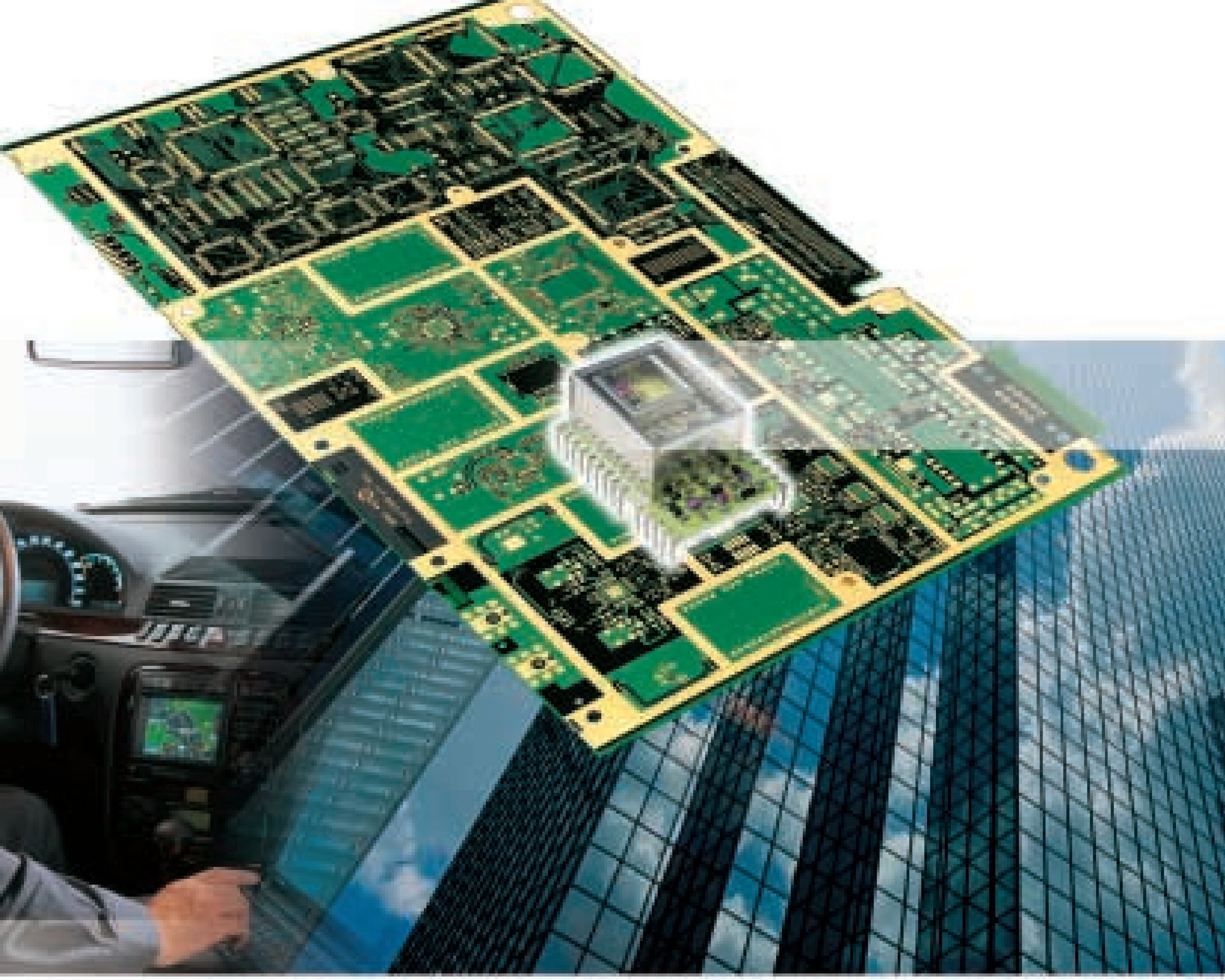
Business Conditions

Business conditions for Fiscal 2000 were healthy on the whole. The environment panned out basically as we expected and there were few surprises. On the one hand, demand was very strong and all plants were operating at full capacity. On the other hand, there was a lack of components, a so-called component allocation problem, consequently, the price of components has been very high, and we were forced to buy on the spot market. Toward the yearend, the situation began to stabilize, as component availability and prices began returning to more acceptable levels. However, the shortage did impact earnings, as we

were not able to pass increases on to all clients. Competition remains extremely intense, as the existing players continue to consolidate their positions and take market share through ongoing investment in production efficiency and service quality which translates into increasingly better products, services and lower prices. There is increasing consolidation as mergers and acquisitions take place in the international arena.

Financial Performance

In the networks sector growth rates of 10-20% are historically considered average. This year growth exceeded the average, running to about 20%, as volumes responded to the increased demand in the networks segment. Customers were rolling out new network solutions which were in the pro-



totype phase last year. Thanks to high capacity utilization we were able to increase earnings in absolute terms. Proportionally our earnings were on last year level.

Highlights 2000

In 2000 our most critical project involved the commissioning and full exploitation of the new IT system (ERP = Enterprise Resource Planning) launched in 1999. The system was intended to replace three separate IT solutions with a single, integrated approach for our entire process management, from sales and order handling to logistics and after sales. The training, start-up and implementation of the new system took place in accordance with plans, and it is now fully operational. The main benefit of the new system is agility. We now have significantly better customer responsiveness, since high precision forecasting enables anticipatory manufacturing and we can then respond more quickly to client orders and cut the lead times, which are a critical success factor.

We also began the expansion and modernization of the Oulu production facilities in response to capacity expansion requirements and the need to upgrade the infrastructure. It was completed at the end of the year and now the majority of our Oulu operations take place within a single facility. EMS has focused its production on two locations: Klaukkala and Oulu.

EMS also invested in the automation of its Klaukkala facility in order to speed our responsiveness to high volumes and support better cost-effectiveness. This will allow for higher potential sales volumes while reducing labor-intensiveness.

Future Prospects

Forecasting has improved to some extent thanks to better familiarization with the key customers, as well as better tools. At the moment, prospects based upon these forecasts appear to be quite positive and we are anticipating fairly strong sales volume increases for fiscal 2001. At the same time, we believe that the combination of rising sales with the benefits of automation should enable us to maintain profitability at its current healthy level.

"HDI PWBs will boost the productivity of electronics industry"

The trend in PWB technology development has become clear. Clients want faster solutions in smaller boxes, and now they want to operate in a 3G environment. For Aspocomp this means new kinds of materials and new kinds of production technologies will need to be brought on line rapidly. Throughout fiscal 2000 we worked hard to implement technological development aimed at responding to these demands effectively.

***Hannu Päärni**,*
Senior Vice President, Technology, CTO

New Materials for New Applications

In the telecom sector we are now facing the need for materials that work with high frequency applications. Conventional laminates are no longer adequate, so we will shift to materials that can handle higher frequencies with lower loss and more speed. These materials are also more stable, which gives steady performance across the whole bandwidth, a very important characteristic for the new 3 G wideband applications. On the other hand, these materials are more difficult to handle, so we have to implement new production techniques, such as plating chemistries and multi-layer press programs, in order to ensure robust production and product performance. On the mobile side of our business, we are working on lighter, better materials, such as the extremely stable fibre aramid materials. This will give us better dimensional stability in the assembly of high-density components.

Production Technologies

Last year our focus was on the implementation of microvia PWBs. Now we are concentrating our resources on optimizing the robust performance of this advanced technology. We are also implementing new technologies such as EDR (Electro-Deposited Resist) and Tin-Tent technology, both of which will enable us to produce landless board designs that will help our customers to squeeze significantly more components into a smaller space. We began to ramp up this technology for the first time for mobile applications at our Evreux plant at the end of 2000.

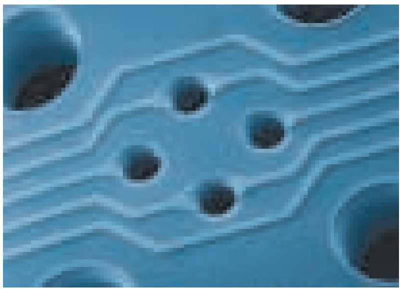
Environmental Management

The other driving force in our technology development is environmental design. We are implementing methods aimed at improving the environmental lifecycle management of our products as soon as they become available. One example of this is the Nordic Greenpack project in which leading Nordic electronics firms and governments are partnering to build an environmental design database that will enable the players to manage the products in a more environmentally responsible manner throughout their lifecycle, including disposal and recycling.

Next Steps

In the short term we are working on collaborative projects with our clients aimed at increasing the performance of PWBs through the embedding process, which will transform the PWB into an active component. On the environmental side we will begin

testing more environmentally friendly board materials that will allow for more responsible lifecycle management with as good or better technical performance. We are also working on a material declaration system, which requires suppliers to show the point of origin and entire content of different chemicals and elements in their products, in order to generate better transparency and support retroactive analysis as the products move through their lifecycle.



HDI microvia PWB (printed wiring board)

"PWB will evolve into active component"

What playing field does Aspocomp actually play on? Who are we playing with and who are the opposition. What is the business logic of this sector? More importantly, how will this logic evolve into the future and how will Aspocomp position itself to exploit the resulting business opportunities?

***Jukka Ranta**, Senior Vice President, Research and Business Development*

Ground Zero: A Relatively Passive Component

Today, the PWB is a component used to attach and connect active components and discreet components. It's just a device to interconnect signals and route power among components. This means that as signals move faster or we operate on higher frequencies, interconnections become longer and signals are delayed - so we end up with a performance problem.

Toward Better Performance

The most immediate driver behind the transformation of the PWB into an active, value-adding component are the technical pressures for better performance that are currently limiting the capabilities of devices such as mobile phones and game consoles. Evolving the PWB itself will remove these obstacles and Aspocomp is on the cutting edge of this development. In order to decrease the length of the connections, one solution already in the proto phase involves embedding passive and active components like semiconductor or mechanical devices, such as sound speakers, microphones or different sensors for automotive or mobile applications directly into the board. It's a natural continuity to high density and microvia circuits, already implemented on the electronics side. Embedded components significantly improve performance because they allow for smaller size, less interconnection delays, reduced energy consumption, better reliability and in this way better performance.

The Wireless Revolution

A little farther down the line is a discreet, but powerful force that will ensure a central role for the active PWB in the future: the wireless revolution. Our clients want wireless devices that enable you to operate efficiently in mobile networks, with

devices that can handle dynamic, 3D graphics. We have to be able to work with extremely high frequencies, in addition to the problematics of wireless communications. This will set very demanding parameters for active PWB performance.

The Inevitability of Digital Convergence

The convergence of electronics technologies will drive this process forward as the trend to combine the features of various electronic devices moves inexorably forward. I am convinced that the demand for high density and other features, especially if you combine gaming, mobility and wireless, will force something has to happen because there is no way to make solutions based on the existing technologies. When 3D gaming and

mobile communications are married there will be yet another revolution and we will have to be ready. Already today, hand-held mobile devices will support spreadsheets and word processing applications. This is just a hint of what the future holds, and when the future unfolds we will be ready with a PWB solution that will be the key to technical implementation.

Not to Reinvent the Wheel

On the supply side of our industry the same process is going on in response to the very same market forces. Intel, among others, has shown us that increasing power and miniaturization force you to develop very sophisticated materials to cope with the consequences of seemingly contradictory demands. For instance, the more you put transistors on silicon, the more power you consume. This generates what we call waste heat. The same thing happens if you integrate more and more components into a smaller space - producing more heat per square centimeter. We can learn from the semiconductor industry how to use material sciences to conduct the waste heat and miniaturize at the same time. After all, semiconductor industry started microvia and the same drivers are pushing the PWB industry, so we can use the same thinking in our own product development.

Finding the Right Technology

The challenge here is that it is always difficult to forecast with any accuracy exactly what is going to happen. We don't have a crystal ball. On the other hand, if we respond only after the trends are evident, it will be too late to take a strong position and the result will be slippage toward non-value-added production. Our target is therefore to be ready in advance of all these changes and evolve into a player committed to cutting edge technology and avoiding commoditization. The players who fail in this game will end up at the mercy of the laws of economies of scale. Those who succeed will be able to command first-mover advantage and in doing so, maximize returns. We want to be among those.

Report of the Board of Directors

General about Aspocomp Group

Aspocomp Group Oyj acts as the parent company of the Group. Business activities take place in the Group's subsidiaries, Aspocomp Oy, Aspocomp S.A.S, Aspocomp AB and Aspocomp GmbH. The Group's business activities cover printed wiring board and mechatronics technologies as well as related services for the electronics industry, primarily in Europe and South East Asia. The business is organized into two divisions: Electronics Manufacturing Services (EMS) and Printed Wiring Boards (PWB). PWB sales were divided into the Mobile, Telecom and Auto & Industry customer segments. The fiscal period under review was the Group's first complete fiscal year, as the operations were launched on October 1, 1999 after the division of the Aspo Group. For this reason pro forma financial statements have been used for purposes of fiscal comparison in Group figures.

Net Sales

The Group's net sales increased by 38.5 million euros to 239.8 million euros for the year. There was over 17% growth in Finland and approximately 23% growth in France. The share of the Group's three biggest customers, Nokia, Ericsson and Philips, in net sales was 62%. Direct exports from Finland totalled 28.0 million euros (19.7 million euros) and the share of offshore operations in net sales was 71.0 million euros (57.7 million euros). Printed Wiring Board operations accounted for 187.7 million euros (160.2 million euros) and Electronics Manufacturing Services generated 52.1 million euros in sales (41.1 million euros). PWB sales rose 17.2% and EMS sales rose 26.8%.

Financial Performance

The Group generated an operating profit totalling 21.6 million euros (21.5 million euros) or 9.0% (10.7%) of net sales. The profit after financial items totalled 21.2 million euros (20.1 million euros). PWB operations generated earnings of 15.9 million euros (17.0 million euros) while EMS-operations produced 5.7 million euros profit (4.5 million euros). The corresponding margins were 8.5% (10.6%) for the PWB sector and 11.0% (11.0%) for EMS. Operations in France remained unprofitable, despite a dramatic, approximately 23% increase in net sales and a 150% jump in operating earnings before depreciation. The second straight year of losses resulted from significant increases in depreciation from the investment program currently under way. The Group's net financial expenses totalled 0.4 million euros (1.3 million euros). The company's May share issue improved liquidity. Funds from the issue were used to pay off an active credit facility and the rest was invested in a variety of money market instruments. As a result, net interest expenses declined sharply from June onward. The Group's profit before extraordinary items and taxes totalled 21.2 million euros (20.1 million euros), and its pre-tax profit was 22.0 million euros (19.4 million euros). The net profit for the year stood at 16.2 million euros (13.7 million euros).

Financing, Investments and Capital Structure

Thanks to the Group's share issue, its financial status was very healthy after June. The company had a liquid reserve at the year end totalling 33.8 million euros despite a 68.3 million euros investment program totalling approximately 28.5% of net sales. 27.4 million euros of the investments were aimed primarily at the development of French operations, while 32.3 million euros were invested in PWB operations in Finland and approximately 7.4 million euros were invested in EMS. About 1.4 million euros were invested in other operations. Net financial expenses totalled 0.2 % of net sales (0.7%) and the non-interest-bearing debts totalled 53.8 million euros (51.5 million euros). Following the share issue the Group's equity ratio rose to over 64.6% (43.9%).

Shares and Shareholders

The Aspocomp Group Oyj Board of Directors made a decision on May 2, 2000 to initiate a share issue aimed at Finnish and international institutional investors, the general public in Finland and the Group's personnel. The decision rested on an authorization given at the Annual Shareholders' Meeting held on March 17, 2000. Merrill Lynch International was the lead manager for the international issue, while the lead organizer for the domestic issue was Conventum Corporate Finance Oy. The issue comprised a total maximum of 1 200 000 shares. In addition to that two of Aspocomp Group Oyj's shareholders, the Kaleva Mutual Insurance Company and European Strategic Investors Holdings NV, offered a maximum of 570 000 shares for sale. The institutional placement offered a total of 1 700 000 shares for sale and subscription, while the public issue offered 60 000 shares and the personnel offering released 10 000 shares.

For the institutional and public offerings a subscription and sale price of 62.00 euros per share was approved on May 23, 2000. A subscription price of 55.80 euros was approved for personnel.

A total of 73% of the offered shares were placed with international investors and 27% with Finnish institutional investors. A total of 1 745 960 shares were placed with institutional investors, while 14 040 went to the general public and 1 510 shares were placed with personnel.

The resulting increase in the share capital of Aspocomp Group Oyj from 8 770 416 euros to 9 961 926 euros was registered on May 29, 2000. The quotation of the registered shares on the main list of the Helsinki Stock Exchange began on May 30, 2000.

On June 5, 2000 Merrill Lynch International decided to exercise its authorization to increase the total stock offered by 180 000 shares in order to cover the over-subscription. Consequently, the company's share capital rose by 180 000 euros to 10 141 926 euros. The increase was registered on June 7, 2000 and the quotation of the new shares on the main list of the Helsinki Stock Exchange began on June 8, 2000.

In the aftermath of the share issue described above, the Board retained its authorization, as of the year end, to arrange additional share issues covering a total maximum 382 573 of the shares that remain from the original 1 754 083 shares covered by the authorization. The authorization will remain valid until the Annual Shareholders' Meeting in spring 2001. The shares issued through the offerings carry the same shareholder privileges as other shares. This includes dividend rights for fiscal 2000 and the fiscal years that follow.

The company received a total of 85.0 million euros in funds from the issue before organizing fees and expenses. The funds will be used to finance the company's future operational expansion in Europe, and to finance investments and acquisitions in Asia. The company paid organizers fees totalling 3.9 million euros. The fees have been deducted from share issue gains. The remaining related costs, totalling 0.7 million euros, have been written off directly against the income statement.

At an Extraordinary Aspocomp Group Oyj Shareholders' Meeting held on October 22, 1999, it was decided that 750 000 stock options would be given to key persons to be named separately by Aspocomp Group Oyj and to a wholly owned subsidiary of Aspocomp Group Oyj. Of this total, 375 000 were subscribed as A Options and 375 000 as B Options. The options allow for conversion into a total maximum of 750 000 Aspocomp Group Oyj shares, representing a total of 7.4% of the company's post-subscription stock outstanding. Share capital will rise by a maximum total of 750 000 euros at a subscription price of 25 euros, net of pre-subscription dividends paid on the stock. The shares, once subscribed, entitle the holder to dividend rights starting from the period during which they were converted. Other shares offer dividend rights from the point of registration. The subscription period is staggered, starting with the A Options on November 1, 2001 and with the B options following on November 1, 2003. The subscription period for all options will expire on November 30, 2005. The above-mentioned options were registered on December 29, 1999.

A total of 3 560 823 Aspocomp Group Oyj shares changed hands during the period under review on the Helsinki Stock Exchange with a total trading value of 192 650 366.73 euros. The shares reached a low of 24.50 euros, a high of 86.96 euros and maintained an average share price of 54.10 euros during the fiscal year. The year end price as of December 29, 2000 was 30.00 euros.

The Board has decided that, as of March 1, 2000, the Group will adopt and apply the recommended insider information management and trading principles of the Helsinki Exchanges, the Central Chamber of Commerce and the Confederation of Finnish Industry and Employers.

Personnel and EVA-Based Bonus System

The Group experienced growth in personnel during the year as operations expanded. The number of personnel employed by the Group averaged 2 007 between January 1 and December 31, 2000, compared with 1 886 for the corresponding period last year. There were a total of 1 948 people working for the Group at the year end (1 858). The average number of office workers was 309 and non-office workers 1 698. Within the parent company there were a total of 9 people at the year end and the staff averaged 7 individuals during the year.

There has been an EVA (economic value added) based bonus system in use within the Aspocomp Group from the year 1998. All the personnel in Europe have been included in this bonus system, except for the separately named key persons belonging to the stock option program. The Board of the parent company decides on the implementation and principals of the bonus system on an annual basis. The payment of the bonus is based on the economic value added of the Group and can be of three months' salary maximum.

Research & Development

The Group's R&D activities primarily comprised the development of line activities, methodologies and production technologies within the Group's subsidiaries and functional processes, as a result of which the related costs are included in normal operational costs and are not separated.

Dr. (Technology) Jukka-Pekka Ranta was appointed Director of

Strategic Planning and Research & Business Development for Aspocomp Group Oyj, starting from September 1, 2000. Professor Ranta resigned from his position as Chairman and Member of the company Board as of July 1, 2000.

Environmental Issues

Aspocomp continued to develop its environmental activities in accordance with its adopted environmental policy and the principles laid out in the bylaws of the International Chamber of Commerce. All Aspocomp plants have ISO 14001 certified environmental systems.

Corporate Governance & Auditors

The Aspocomp Group Oyj Board gathered on 21 occasions during the fiscal year.

The Board Members will be presented in the tables below:

Board Oct 1, 1999 - March 17, 2000

Chairman	Mr. Jukka Ranta Professor
Vice-Chairman	Mr. Teuvo Juuvinmaa Industrial Counsellor
Member	Mr. Jorma Eloranta CEO, Kvaerner Masa-Yards Inc.
Member	Mr. Roberto Lencioni CEO, Oy Baltic Protection Alandia Ab
Member	Mr. Gustav Nyberg CEO, Aspo Plc
Member	Mr. Karl Van Horn Chairman, Arlington Capital Investors NV

Board March 17 – June 30, 2000

Chairman	Mr. Jukka Ranta
Vice-Chairman	Mr. Jorma Eloranta
Member	Mr. Aimo Eloholma Director, Sonera Plc
Member	Mr. Roberto Lencioni
Member	Mr. Gustav Nyberg
Member	Mr. Karl Van Horn
Member	Mr. Apichart Vilassakdanont CEO, P.C.B. Center (Thailand) Co., Ltd.

Board from July 1, 2000

Chairman	Mr. Jorma Eloranta
Vice-Chairman	Mr. Karl Van Horn
Member	Mr. Aimo Eloholma
Member	Mr. Roberto Lencioni
Member	Mr. Gustav Nyberg
Member	Mr. Apichart Vilassakdanont

The terms of all other Board Members will continue as defined in the Articles of Association through the next fiscal year. Only CEO Gustav Nyberg's two-year term is due to expire in accordance with the Articles of Association.

The total aggregate shareholdings of the company's Board Members in Aspocomp Group Oyj are 43 691 shares, or 0.43% of the total shares outstanding.

The total shareholdings of the CEO and his Deputy amount to 17 600 shares, or 0.17% of the total shares outstanding. These executives have stock options entitling them to subscribe a total maximum of 90 000 shares, representing 0.83% of the total shares outstanding.

The public accounting firm SVH Pricewaterhouse Coopers Oy has acted as the company's auditor during the fiscal year and Mr. Ilkka Haarlaa (APA) has been in charge of the auditing. The local business units of Pricewaterhouse Coopers have also audited the accounts of the other Group companies.

Prospects for 2001

We see that the increased uncertainty of the telecommunication market softens the end user demand. This is mainly originating from the US economy. Also the weak Christmas sales and too optimistic demand expectations at the end of 2000 have created high inventory levels within the whole supply chain.

The above-mentioned factors have an impact on Aspocomp's capacity utilization rate, especially during the first three months and sales growth will be flat compared to the same period the previous year. Lower than planned capacity utilization rate will partly continue also during the second quarter of the year. Sales growth for the first six months is expected to be over 10% compared to previous year. A part of the sales growth of the first half of the year 2001 is coming from consolidating of the South East Asia operations into Group figures. Loading situation is expected to recover in the beginning of the third quarter of 2001 when new mobile phone models are ramped up and the volume production of PWBs for the UMTS infrastructure is rolling out. Sales growth for the whole year is expected to reach 30% and EBIT-margin is expected to develop positively quarter-to-quarter throughout the year.

Investments and Post-Fiscal Events

After the year end, on January 5, the Group acquired a 51% interest in ACP Electronics Co., Ltd., a PWB producer operating out of Suzhou, China. Aspocomp's share of the investments in this Chinese joint venture, whose holdings it acquired at the beginning of 2001, will total approximately 35 million euros, and its joint venture partner, Chin-Poon Industrial Co., Ltd., will invest 21 million euros, in addition to the 12 million euros it has already put in to the operation. This brings the total investment program to 68 million euros. The aim of the program is to build up a PWB plant for telecommunication customers employing HDI technology. The plant's sales volume is expected to reach 100 million euros per annum over the next 5 years and the plant's personnel will rise to about 600 people by the year end.

During the fiscal year under review the Group acquired, in February, a 12.5% minority holding in P.C.B. Center (Thailand) Co., Ltd. After the year end the holding will be increased to 51%, giving the Group a majority interest in the company. The investment in shares require a total of 5.3 million euros. In 2000 the company generated net sales totalling approximately 39 million euros and the volume is expected to reach 50 million euros during the current fiscal year. Currency losses deriving from the 1997 devaluation of the Thai baht, the allocation of which will end in fiscal 2001, had a negative impact on the company's Net Profit. Operationally, the company's profitability is on the level specified in Aspocomp's long-term earnings targets. The company's business plan calls for investments in the expansion and technological development of the production facilities started at the end of the year.

Group Income Statement

	Note	**Jan 1 - Dec 31, 2000**	Jan 1 - Dec 31, 1999
		1 000 €	1 000 €
Net Sales	1.1	**239 824**	201 283
Increase (+)/Decrease (-) in finished goods inventory		2 229	4 290
Other operating income	1.2	2 981	2 475
Materials and services	1.3	-98 058	-77 152
Personnel costs	1.4	-62 491	-57 075
Depreciation and write-downs	1.5	-26 209	-19 817
Other operating expenses	1.6	-36 654	-32 548
Operating Profit		**21 623**	21 455
Financial income and expenses	1.7	-436	-1 332
Profit Before Extraordinary Items		**21 187**	20 124
Extraordinary items +/-	1.8	862	-725
Profit Before Appropriations and Taxes		**22 049**	19 399
Direct taxes	1.9	-5 890	-5 699
Net Profit for the Period		**16 159**	13 700

Group Balance Sheet

Assets	Note	Dec 31, 2000	Dec 31, 1999
		1 000 €	1 000 €
Non-Current Assets			
Intangible assets	2.1	2 693	3 167
Tangible assets	2.1	134 178	93 369
Long-term investments	2.2	1 149	113
Total Non-Current Assets		138 020	96 649
Current Assets			
Inventories	2.3	29 274	23 387
Long-term receivables	2.4		65
Short-term receivables	2.4	49 391	34 916
Investments	2.5	29 097	0
Cash and bank deposits		4 677	2 338
Total Current Assets		**112 439**	60 706
		250 460	157 355

Liabilities and Shareholders' Equity		Dec 31, 2000	Dec 31, 1999
Shareholders' Equity	2.6		
Share capital		10 142	8 770
Share premium account		83 847	4 117
Retained earnings		51 720	42 406
Net profit for the fiscal year		16 159	13 700
Total Equity		**161 868**	68 993
Mandatory Reserves	2.8	**5 456**	4 849
Liabilities			
Long-term liabilities	2.9	35 309	34 030
Short-term liabilities	2.10	47 827	49 484
Total Liabilities		**83 135**	83 513
		250 460	157 355

Group Cash Flow Statement

	2000	1999
	1 000 €	1 000 €
Operational Cash Flow		
Operating profit	21 623	21 455
Adjustments to operating profit	26 160	19 540
Net change in working capital	-17 991	-4 014
Interests	-436	-1 332
Dividends received	2	1
Other financial items	1 815	0
Taxes paid	-6 843	-6 534
Net Operational Cash Flow	**24 330**	29 116
Investments		
Purchases of shares and holdings	-1 036	
Purchases of other fixed assets	-67 263	-41 123
Disposal of other fixed assets	785	941
Total Cash Flow from Investments	**-67 515**	-40 182
Cash Flow Before Financing	**-43 185**	-11 067
Financing		
Increase/decrease in long-term financing	1 344	7 655
Increase/decrease in short-term financing	-3 421	2 930
Dividends paid	-4 385	0
Share issue	81 082	0
Total Financing	**74 621**	10 584
Increase/Decrease in Liquid Funds	**31 436**	-482
Liquid funds as of January 1	2 338	2 820
Liquid Funds as of December 31	**33 774**	2 338

Accounting Principles

The financial statements and reports of the Group and Group companies have been prepared in accordance with the procedures laid out in the Finnish accounting law and other Finnish Accounting Standards (FAS). The figures from the previous year have been adjusted for comparability. The financial statements regarding the years previous to year 2000 are presented in pro forma figures. The calculation principles for the pro forma financial statements are presented later in more detail.

Consolidation Principles

The Group financial statements and reports include the parent company and all operational subsidiaries in which the parent has, either directly or indirectly, more than a 50 % holding. Acquired companies are consolidated into the Group accounts from the point of acquisition. The financial statements of foreign subsidiaries are adjusted to match the Group's accounting principles and to meet Finnish Accounting Standards.

The Group financial statements are prepared using the acquisition cost method. This means that the acquisition costs of subsidiaries are matched against the equity accounts at the point of acquisition. Any amounts in excess of shareholders' equity are recorded in the subsidiary's fixed asset accounts and are then amortized using the planned depreciation schedule of the asset account in question.

Intra-Group transactions, internal receivables and payables, internal dividend payments and internal gross margins included in inventories are eliminated. Margins and gains related to the internal sales of fixed assets are also eliminated from the accounts.

The income statements of foreign subsidiaries are converted into euros using a fixed exchange rate. Regarding subsidiaries located in countries not having the euro as an official currency the income statements are converted using the average exchange rate of the financial period and the balance sheets using the exchange rate of the financial statement date. Discrepancies arising from conversions are recorded along with equity-related conversion effects in the retained earnings account.

Fixed and Other Long-Lived Assets

Fixed assets have been recorded in the balance sheet at their acquisition cost net of planned depreciation. In the Group financial statement assets under financial leasing agreements are presented as fixed assets and the obligations of the agreements as interest-bearing debt. Operational leasing rent is recorded as expenses. Planned depreciation has been calculated straight-line over the entire economic lifetime of the asset from the point of acquisition.

The depreciation schedules for different asset classes are as follows:

Intangible assets	3 - 5 years
Other long-term assets	5 - 10 years
Buildings and structures	15 - 25 years
Machinery and equipment	3 - 8 years
Other fixed assets	5 - 10 years
Group goodwill	5 years

Inventories

Inventories are accounted for using the FIFO-method and are valued at their acquisition cost, their resale value, or their probable market value. The value of the inventories includes the variable expenses as well as their share of the fixed expenses of purchasing and manufacturing costs.

Current Assets

Cash and bank deposits include cash, bank deposits and overnight deposits.

Marketable securities are valued at their acquisition cost.

Net Sales

Discounts and VAT have been accounted for under adjustments to net sales.

Research and Development Costs

Research and development costs are fully expensed against the income statement during the fiscal year under review.

Extraordinary Items

Extraordinary items include significant events that are not related to the Group's line operations.

Expense and Loss Provisions

Expenses that are unlikely to generate profits and the probable losses are deducted from the revenues as cost reserves. These are presented in the balance sheet as mandatory reserves or accrued expenses.

Pension Arrangements

Pension benefits have been organized on behalf of the Group's personnel in Finland using pension insurance. The excess pension benefits of the persons covered under the now terminated Aspoyhtymä pension fund, closed in 1992, are fully covered and the pension liabilities have been transferred to a pension insurance company from the beginning of 2000.

The pension benefits of foreign subsidiaries have been organized according to local practices.

In the Group financial statement all of the estimated pension liabilities of the foreign personnel have also been recorded on the date of payment.

Foreign Currency

Liabilities and receivables denominated in foreign currencies have been recorded at the prevailing exchange rate on the date of transaction. Liabilities and receivables converted into euros in connection with the preparation of financial statements are converted using the average exchange rate on the closing date. Foreign currency denominated advances are converted using the prevailing exchange rate on the date of payment.

Voluntary Reserves

Accumulated excess depreciation is allocated into the equity and deferred taxes (nominal tax liability) accounts. Changes in excess depreciation are recorded in the change in deferred taxes account and the profit for the fiscal year account.

According to the Finnish Companies' Act excess depreciation deducted from the tax liability included in the Group's unrestricted Shareholders' Equity is not distributable.

Taxes

Allocations pertaining to deferred taxes are performed using the prevailing tax base in the given country. In addition, taxes of the income statement include the change in tax liability generated by the excess depreciation. The effect of other items than excess depreciation on the recording of the tax liabilities and receivables is also noted in the financial statement. The accruals of the significant temporary tax liabilities and receivables have been recorded except for the allocated goodwill (different from IAS). In the recording of the deferred tax receivables related to losses the probability of materialization is noted.

Calculation Principles for the Pro Forma Figures

The pro forma calculations are prepared on the basis of the financial statements of the years 1996-1999. The Group companies, except for Aspocomp GmbH, are integrated for the years 1996-1998 as presented in the division prospectus of Aspo Plc. Aspocomp GmbH is included in figures regarding the year 1999. EUR 0.3 million has been added to the expenses of Aspocomp Group Oyj. The additional expenses are estimated to have been incurred from being a public limited company. The calculations presented in the division prospectus have been modified to correspond better to international calculation principles. Significant changes can be seen in the handling of the financial leasing items and in deferred taxes and receivables and in the recording of the estimated pension liabilities of foreign subsidiaries.

Notes to the Financial Statements

	2000	1999
	1 000 €	1 000 €
1. NOTES TO THE INCOME STATEMENT		
1.1 Net Sales		
Net sales by sector and market area		
Net sales by sector		
PWBs	187 749	160 157
EMS	52 075	41 125
Total	**239 824**	201 283
Net sales by market area		
Finland	142 729	126 071
France	33 276	28 539
Other Europe	61 816	41 054
North America	1 669	1 501
Others	334	4 119
Total	**239 824**	201 283
1.2 Other Operating Income		
Gains on the sale of fixed assets	461	353
Other income	2 520	2 122
Total	**2 981**	2 475
1.3 Materials and Services		
Materials and supplies (goods)		
Purchases during the fiscal period	95 672	76 161
Change in inventories	-3 764	-2 312
	91 909	73 848
Outsourced services	6 149	3 304
Total	**98 058**	77 152

	2000	1999
	1 000 €	1 000 €
1.4 Personnel-Related Notes		
Personnel costs and benefits		
Salaries and wages	47 845	42 021
Bonuses	895	2 300
Pension costs	5 573	5 012
Other personnel costs	8 178	7 742
Total	**62 491**	57 075
Management salaries and benefits		
President and CEO and his Deputy and Board Members	324	260
Employees of the Group and Parent Company during the fiscal period		
Office workers	309	287
Non-office workers	1 698	1 599
Total	**2 007**	1 886
President and CEO and his Deputy and Board Member Pension Liabilities		
The President and CEO and his Deputy have the option to retire at 60.		
1.5 Depreciation and Write-Downs		
Depreciation of tangible and intagible assets	26 209	19 817
Total	**26 209**	19 817
1.6 Other Operating Income		
Rental income	2 134	4 365
Other expenses	34 519	28 183
Total	**36 654**	32 548

	2000	1999
	1 000 €	1 000 €
1.7 Financial Income and Expenses		
Income from long-term investments		
Dividend income		
From others	2	1
Total income from long-term investments	**2**	1
Other interest and financial income		
From others	1 319	118
Total other interest and financial income	**1 319**	118
Interest and other financial expenses		
To others	1 758	1 450
Total interest and other financial expenses	**1 758**	1 450
Total financial income and expenses	**-436**	-1 332
Interest and financial income includes currency gains	**-9**	9
1.8 Extraordinary Items		
Tax effect of the offering fee	1 137	0
Contribution to the pension fund	275	725
Total	**862**	725
1.9 Direct Taxes		
Accrued taxes	6 843	6 534
Change in deferred taxes	-953	-835
Total	**5 890**	5 699
Taxes on operational income	5 890	5 699
Taxes on extraordinary items	0	0
Total	**5 890**	5 699

2. NOTES TO THE BALANCE SHEET

2.1 Non-Current Assets

2.1.1 Intangible and tangible assets

Intangible assets

	Intangible assets	Goodwill	Other long-lived assets	Intangible assets Total
1 000 €				
Fixed assets				
Acquisition cost Jan 1, 2000	2 558	2 011	3 268	7 837
Conversions				
Increase	392		164	556
Decrease	-103		-5	-108
Transfers				
Acquisition cost December 31, 2000	**2 847**	**2 011**	**3 427**	**8 285**
Accumulated depreciation Jan 1, 2000	980	1 959	1 730	4 669
Conversions				
Accumulated depreciation on transfers and deductions	-103		-3	-105
Planned depreciation	639	31	359	1 029
Accumulated depreciation Dec 31, 2000	**1 517**	**1 990**	**2 086**	**5 592**
Book value December 31, 2000	**1 330**	**21**	**1 341**	**2 693**
Machinery and equipment balance sheet value December 31, 2000				

2.2 Investments

Group

	Other Shares	Total
	1 000 €	1 000 €
Acquisition cost Jan 1, 2000	113	113
Increase	1 036	1 036
Acquisition cost December 31, 2000	**1 149**	**1 149**
Book value December 31, 2000	**1 149**	**1 149**

Tangible assets

Land	Buildings	Machinery and equipment	Other tangible assets	Other prepaid expenses	Tangible assets total
420	22 752	149 382	2 723	10 889	186 165
		21			21
35	9 332	49 722	417	7 201	66 707
	-16	-3 669			-3 684
	2 706	4 518		-7 225	
455	**34 774**	**199 974**	**3 139**	**10 865**	**249 209**
	3 892	87 771	1 132		92 796
	-9	-2 937			-2 946
	1 298	23 520	362		25 180
0	**5 182**	**108 354**	**1 495**	**0**	**115 030**
455	**29 593**	**91 620**	**1 645**	**10 865**	**134 178**
		89 441			

Group Companies

	Group interest %	Parent Company interest %	Parent Shares and Holdings Number of Shares	Face Value 1 000 €	Book Value 1 000 €
Aspocomp AB, Sweden	100.00	0.00			
Aspocomp GmbH, Germany	100.00	100.00	1 000	51	41
Aspocomp SAS, France	100.00	100.00	709 999	10 824	9 613
Aspocomp Oy, Finland	100.00	100.00	55 000	9 250	15 717
Total					**25 371**

	2000	1999
	1 000 €	1 000 €
2.3 Inventories		
Inventories		
Materials and supplies	13 562	9 763
Work in progress	12 416	10 346
Finished goods	3 297	3 277
Total	**29 274**	23 387
2.4 Receivables		
Long-term receivables		
Receivables from associated companies		
Deferred receivables	0	65
Total long-term receivables	**0**	65
Short-term receivables		
Accounts receivable	41 436	31 063
Receivables from associated companies		
Loans receivable	47	47
Deferred receivables	6 245	3 022
	6 292	3 069
Calculated tax receivables		
On confirmed losses	1 243	573
Other tax receivables	419	180
	1 662	753
Total short-term receivables	**49 391**	34 916

No calculated tax receivable has been recorded on the confirmed loss of Aspocomp AB.

	2000	1999
2.5 Investments		
Repurchase price	29 101	0
Book value	29 097	0
Difference	**4**	0

	2000	1999
	1 000 €	1 000 €
2.6 Shareholders' Equity		
Share capital January 1	8 770	8 770
Share issue	1 372	0
Share capital December 31	**10 142**	8 770
Contingency fund January 1	4 117	4 117
Share issue	79 730	0
Contingency fund December 31	**83 847**	4 117
Retained earnings January 1	56 106	42 404
Dividend	-4 385	0
Conversions	0	2
Retained earnings December 31	**51 720**	42 406
Net profit for the year	**16 158**	13 700
Total shareholders' equity	**161 868**	68 993
Share of accumulated excess depreciation and voluntary reserves transferred to equity	5 279	5 345
Distributable unrestricted equity	62 600	50 761
2.7 Appropriations		
Accumulated depreciation in excess of plan December 31	7 435	7 528
Calculated tax receivable	2 156	2 183
Voluntary reserves in equity	**5 279**	5 345
2.8 Mandatory Reserves		
Employee benefit costs	4 901	4 597
Environmental costs	297	152
Reserves for unemployment pension	75	99
Other mandatory reserves	183	0
Total	**5 456**	4 849

	2000	1999
	1 000 €	1 000 €
2.9 Long-Term Liabilities		
Loans from financial institutions	28 351	25 851
Pension loans	2 355	3 532
Other long-term debt	90	90
	30 796	29 473
Nominal tax liability		
Taxes on appropriations	4 490	4 533
Other taxes	23	23
	4 513	4 556
Total long-term liabilities	**35 309**	34 030
Debts with maturities longer than 5 years	**0**	0

2.10 Short-Term Liabilities

Loans from financial institutions	2 798	6 749
Pension loans	1 177	1 177
Payables	30 767	28 396
Other debt	0	161
Deferred payables	13 084	13 000
Total short-term liabilities	**47 827**	49 484

	2000	1999
	1 000 €	1 000 €
3. OTHER NOTES		
3.1 Securities, Contingent Liabilities and Other Liabilities		
Debts secured by real estate		
Loans from financial institutions	0	731
Mortgages	0	2 135
Securities on behalf of others	1 766	1 766
Total securities given	**1 766**	3 901
Operational leasing agreements		
Year 2000	0	285
Year 2001	115	222
Following years	113	0
Total	**228**	507
Financial leasing agreements		
Value in balance sheet		
Buildings under construction	0	2 706
Buildings	18 176	10 630
Advances on machinery	0	1 744
Machinery & equipment	8 084	5 630
	26 260	20 712
Long-term liabilities	26 383	23 585
Short-term liabilities	2 473	1 434
	28 856	25 019
Unpaid lease payments		
Year 2000	0	2 128
Year 2001	3 126	1 443
Year 2002	2 150	984
Year 2003	2 142	984
Year 2004	2 095	923
Year 2005	331	0
Following years	881	0
	10 726	6 463
Advances without payment schedules	0	4 451
Residual value liability on financial leasing agreements	19 995	15 300
Total unpaid financial leases and residual value	**30 722**	26 214

According to chapter 14 A, section 6 of the Companies Act, the recipient companies (Aspocomp Group Oyj and Aspo Plc) are jointly responsible for debts and liabilities prior to the division. The total liability of the Company corresponds to the net value of the transferred assets.

Financial Statements of Parent Company

INCOME STATEMENT

	Note	Jan 1 - Dec 31, 2000 1 000 €	Oct 1 - Dec 31, 1999 1 000 €
Other operating income	1.1	1 064	274
Personnel costs	1.2	-661	-209
Depreciation and write-downs	1.3	-61	-15
Other operating expenses	1.4	-2 263	-298
Operating Loss		**-1 921**	**-249**
Financial income and expenses	1.5	6 393	11 714
Profit Before Extraordinary Items		**4 471**	**11 465**
Extraordinary Items +/-	1.6	**-76**	
Profit Before Appropriations and Taxes		**4 395**	**11 465**
Appropriations	1.7	9	-20
Direct taxes	1.8	-142	-3 205
Net Profit for the Period		**4 262**	**8 240**

CASH FLOW STATEMENT

	Jan 1 - Dec 31, 2000 1 000 €	Oct 1 - Dec 31, 1999 1 000 €
Operational Cash Flow		
Operating loss	-1 921	-249
Adjustments to operating loss	61	15
Net change in working capital	-50 638	-1 298
Interest received	2 195	34
Dividends	8 409	0
Other financial items	-76	0
Taxes	-129	66
Net Operational Cash Flow	**-42 099**	**-1 432**
Investments		
Purchase of shares and holdings	-1 036	0
Purchases of other fixed assets	-143	-121
Disposal of other fixed assets	14	5
Total Cash Flow from Investments	**-1 166**	**-116**
Cash Flow before Financing	**-43 265**	**-1 548**
Financing		
Increase/decrease in short-term financing	-2 396	3 479
Payment of dividends	-4 385	
Share Issue	81 082	
	74 301	**3 479**
Increase/Decrease in Liquid Funds	**31 036**	**1 931**
Liquid funds as of Jan 1	1 931	0
Liquid Funds as of December 31	**32 966**	**1 931**

BALANCE SHEET

	Note	Dec 31, 2000 1 000 €	Dec 31, 1999 1 000 €
Assets			
Non-Current Assets			
Intangible assets	2.1	29	20
Tangible assets	2.1	373	306
Investments	2.2	26 408	25 371
Total Non-Current Assets		**26 810**	**25 697**
Current Assets			
Short-term receivables	2.3	67 442	21 016
Investments	2.4	29 097	0
Cash and bank deposits		3 869	1 931
Total Current Assets		**100 409**	**22 947**
		127 219	**48 644**

	Note	Dec 31, 2000 1 000 €	Dec 31, 1999 1 000 €
Liabilities and Shareholders' Equity			
Shareholders' Equity	2.5		
Share capital		10 142	8 770
Share premium fund		83 847	4 117
Retained earnings		27 850	23 995
Net profit for the fiscal year		4 262	8 240
Total Equity		**126 101**	**45 122**
Appropriations	2.6	18	27
Liabilities			
Short-term liabilities	2.7	1 099	3 495
Total Liabilities		**1 099**	**3 495**
		127 219	**48 644**

Notes to the Financial Statements of Parent Company

	Jan 1 - Dec 31, 2000 1 000 €	Oct 1 - Dec 31, 1999 1 000 €
1. NOTES TO THE INCOME STATEMENT		
1.1 Other Operating Income		
Gains on the sale of fixed assets	4	0
Other income	1 059	274
Total	**1 064**	**274**
1.2 Personnel-Related Notes		
Personnel costs and benefits		
Salaries	550	126
Bonuses	0	41
Pension costs	88	27
Other personnel costs	23	15
Total	**661**	**209**
Management salaries and benefits		
President and CEO and his Deputy and the Board of Directors	324	51
Employees of the Parent Company during the fiscal period		
Office workers	7	6
Total	**7**	**6**

President and CEO and his Deputy and Board Member Pension Liabilities

The President and CEO and his Deputy have the option to retire at 60.

1.3 Depreciation and Write-Downs		
Depreciation of tangible and intangible assets	61	15
Total	**61**	**15**
1.4 Other Operating Income		
Rental income	62	13
Other expenses	2 201	286
Total	**2 263**	**298**

1.5 Financial Income and Expenses		
Income from long-term investments		
Dividend income	2 980	8 409
Avoir fiscal	1 217	3 270
Total income from long-term investments	**4 197**	11 680
Other interest and financial income		
From Group companies	1 024	62
From others	1 292	2
Total other interest and financial income	**2 316**	**64**
Interest and other financial expenses		
To Group companies	30	7
To others	91	23
Total interest and other financial expenses	**121**	**30**
Total financial income and expenses	**6 393**	**11 714**
Interest and financial income includes currency gains (net)	**3**	**0**
1.6 Extraordinary items		
Pension expenses	76	0
Total	**76**	**0**
1.7 Appropriations		
Accumulated depreciation in excess of plan	9	-20
Total	**9**	**-20**
1.8 Direct Taxes		
Taxes on operational income	141	3 205
Total	**141**	**3 205**

2.1 Non-Current Assets

2.1.1 Intangible and tangible assets

Intangible assets

	Intangible assets	Goodwill	Other long-lived assets	Total
1 000 €				
Fixed assets				
Acquisition cost Jan 1, 2000			22	22
Conversions				
Increase				
Decrease	15			15
Transfers				
Acquisition cost December 31, 2000	**15**	**0**	**22**	**37**
Accumulated depreciation Jan 1, 2000			2	2
Conversions				
Accumulated depreciation on transfers and deductions				
Planned depreciation	1		6	7
Accumulated depreciation Dec 31, 2000	**1**	**0**	**8**	**8**
Book value December 31, 2000	**15**	**0**	**14**	**29**
Machinery and equipment balance sheet value December 31, 2000				

2.2 Investments

	Affiliate shares & holdings	Other shares	Total
	1 000 €	1 000 €	1 000 €
Acquisition cost Jan 1, 2000	25 371	0	25 372
Increase	0	1 036	1 036
Acquisition cost December 31, 2000	**25 371**	**1 036**	**26 408**
Book value December 31, 2000	**25 371**	**1 036**	**26 408**

Group companies

	Group interest %	Parent company interest %	Number of shares	Parent share and holdings face value 1 000 €	Book value 1 000 €
Aspocomp GmbH, Germany	100	100	1 000	51	41
Aspocomp SAS, France	100	100	709 999	10 824	9 613
Aspocomp Oy, Finland	100	100	55 000	9 250	15 717
Total					**25 371**
Book value December 31, 2000					**25 371**

Tangible assets

Land	Buildings	Machinery and equipment	Other tangible assets	Other prepaid expenses	Total
185		135		0	320
35		82		10	128
		-6			-6
0	0	0		0	
220	**0**	**212**	**0**	**10**	**441**
	0	14	0		14
		55			55
0	**0**	**68**	**0**	**0**	**68**
220	**0**	**143**	**0**	**10**	**373**
		0			

	Dec 31, 2000 1 000 €	Dec 31, 2000 1 000 €
2.3 Receivables		
Short-Term receivables		
Receivables from Group companies		
Loans receivables	62 642	20 943
Deferred receivables	2 980	0
	65 622	20 943
Receivables from others		
Deferred receivables	1 820	73
Total Short-term Receivables	**67 442**	**21 016**
2.4 Investments		
Repurchase price	29 101	0
Book value	29 097	0
Difference	4	0
2.5 Shareholders' Equity		
Share capital Jan 1	8 770	8 770
Share issue	1 372	0
Share capital Dec 31	10 142	8 770
Share premium account	4 117	4 117
Share issue	79 730	0
Share premium account	83 847	4 117
Retained earnings Jan 1	32 235	23 995
Dividends	-4 385	0
Retained earnings Dec 31	27 850	23 995
Net profit to the period	4 262	8 240
Total shareholders' equity	**126 101**	**45 122**
Distributable unrestricted equity	**32 112**	**32 235**

2.6 Appropriations		
Accumulated depreciation	18	26
2.7 Short-Term Liabilities		
Payables	145	38
Deferred payables	173	119
	318	157
Intra-Group Debts		
Other short-term liabilities	782	3 338
Total short-term liabilities	**1 099**	**3 495**

3. OTHER NOTES

3.1 Securities, Contingent Liabilities and Other Liabilities

Securities on behalf of Group companies		
Securities	0	4 827
Property buy-out liabilities	0	1 682
	0	**6 509**

Key Figures

ASPOCOMP GROUP FINANCIAL PERFORMANCE AND KEY FIGURES 1996-2000

(Key figures are calculated on the basis of the pro forma financial statements concerning years 1996-1999)

	2000	1999	1998	1997	1996
Net sales, M€	239.8	201.3	126.7	112.4	96.2
Operating profit after depreciation, M€	21.6	21.5	11.8	11.3	7.1
Share of net sales, %	9.0	10.7	9.3	10.1	7.4
Profit before extraordinary items and taxes, M€	21.2	20.1	10.2	9.5	4.8
Share of net sales, %	8.8	10.0	8.1	8.4	5.0
Profit before taxes, M€	22.0	19.4	10.2	9.3	4.8
Share of net sales, %	9.2	9.6	8.0	8.3	5.0
Net profit for the period, M€	16.2	13.7	7.3	6.6	3.3
Share of net sales, %	6.7	6.8	5.8	5.9	3.4
Return on equity (ROE), %	13.2	23.2	14.0	15.3	8.0
Return on investment (ROI), %	15.2	21.6	14.8	15.6	10.0
Equity ratio, %	64.6	43.9	43.5	50.1	46.2
Gearing, %	0.6	56.4	56.6	55.7	72.3
Gross investments in fixed assets, M€	68.3	41.1	27.8	11.9	13.2
Share of net sales, %	28.5	20.4	21.9	10.6	13.8
Personnel, December 31	1 948	1 858	1 678	1 150	1 112
Personnel, average	2 007	1 886	1 216	1 120	1 138
Earnings/share (EPS), €	1.59	1.64	0.83	0.78	0.38
Earnings per share (EPS), € (diluted)	1.52				
Equity/share, €	15.96	7.87	6.30	5.47	4.71
Nominal dividend/share, € (Board's proposal*)	0.50*	0.50			
Dividend/earnings, %	31.45	30.40			
Effective dividend yield, %	1.67	1.35			
Price/earnings ratio (P/E)	18.9	22.5			
Share prices (adjusted)					
average, €	54.10	23.73			
low, €	24.50	21.50			
high, €	86.96	37.66			
Closing share price, December 31, €	30.00	37.00			
Market value of total shares outstanding, December 31, M€	304.3	324.51			
Share turnover, 1 000 each	3 560.8	805.3			
Share turnover, %	35.11	9.18			
Total shares changing hands, M€	192.7	19.11			
Adjusted total number of shares, pcs 1 000					
December 31	10 142	8 770	8 770	8 770	
Total number of shares					
average	9 578				
average, diluted	9 988				

Calculation of Key Figures

Return on Equity (ROE), %
Profit before extraordinary items and taxes - direct taxes x 100 / shareholders' equity

Return on Investment (ROI), %
Profit before extraordinary items and taxes + interest and other financial costs x 100 / balance sheet total - non-interest-bearing liabilities (average)

Equity Ratio, %
Shareholders' equity x 100 / balance sheet total - advances received

Gearing, %
Interest-bearing liabilities – cash, bank deposits and other investments / shareholders' equity

Average Personnel
Average number of personnel as of the month end

Earnings per Share (EPS), euros
Profit before extraordinary items and taxes - direct taxes / average number of shares outstanding at the year end

Equity/Share, euros
Shareholders' equity / number of shares outstanding at the year end

Adjusted Dividend/Share, euros
Dividend paid in period

Dividend/Earnings, %
Dividend per share x 100 / earnings per share

Effective Dividend Yield, %
Dividend / share x 100 / the year end price for the fiscal year

Price Earnings Ratio (P/E)
year end share price / earnings per share

Adjusted Average Share Price
Total share turnover, euro / adjusted number of shares changing hands during the period

Market Value of Shares
Total number of shares outstanding x the year end price for the fiscal year

Shares and Shareholders

Aspocomp Group Oyj shares have been quoted on the main list of the Helsinki Stock Exchange since October 1, 1999 in the aftermath of the division of the Aspo Group into two separately listed companies, Aspocomp Group Oyj and Aspo Plc. The code for the share is ACG1V.

The Share capital of Aspocomp Group Oyj was increased in May 2000 following a share issue. The total number of issued shares is now 10 141 926. All the shares have a nominal book value of 1 euro each. The company´s registered share capital is EUR 10 141 926.

There is only one share series and each share entitles the holder to vote at shareholder´s meeting and to identical dividend rights.

Investor Relations

Proactiveness, transparency and clear messages are the key elements of Aspocomp´s investor relations philosophy. Our goal is to serve equally all our partners on the market in accordance with the substance and spirit of the Finnish Securities Market Act.

Contacts:
Investor relations at Aspocomp are managed by:

Mr. Pertti Vuorinen, Chief Financial Officer
Tel. + 358-9-759 70714
Fax. +358-9-782 904
E-mail pertti.vuorinen@aspocomp.fi

Ms. Raija Heimonen, Communications Manager
Tel. +358-9-759 70724
Fax. +358-9-782 904
E-mail raija.heimonen@aspocomp.fi

Increases in Share Capital 1999 - 2000

		Number of shares
1999		8 770 416
May 2000	Share Issue	1 191 510
June 2000	Share Issue, global coordinator's increase	180 000
Total		10 141 926

Major Shareholders as of December 29, 2000

Shareholders	Number of shares	Holdings and votes, %
Sampo Group		
Sampo Life Insurance Company Limited	460 726	4.54
Sampo Leonia Plc	314 000	3.10
Sampo Enterprise Insurance Company Limited	300 000	2.96
Industrial Insurance Company Ltd	200 000	1.97
	1 274 726	12.57
Nyberg H.B.	820 000	8.09
Pohjola Group		
Pohjola Non-Life Insurance Company Limited	387 810	3.82
Suomi Mutual Life Assurance Company	209 400	2.06
Pohjola Life Assurance Company Ltd	153 500	1.51
	750 710	7.39
Varma-Sampo Mutual Insurance Company	560 900	5.53
Vehmas A.E.	398 456	3.93
Vehmas Tapio	374 146	3.69
Vehmas Liisa	333 130	3.28
European Strategic Investors Holdings N.V.	256 000	2.52
Estlander Henrik	242 146	2.39
FIM Forte Investment Fund	178 700	1.76
Nominee registered shares	2 251 037	22.20

Number of nominee registered and foreign ownership as of December 30, 2000 was 2 681 259 shares or 26.44% of the holdings and votes.

European Strategic Investors Holdings NV sent a notification on June 2, 2000 stating that its holdings in the voting rights and share capital of Aspocomp Group Oyj had fallen below 1/20 as a result of share transaction concluded on May 29, 2000.

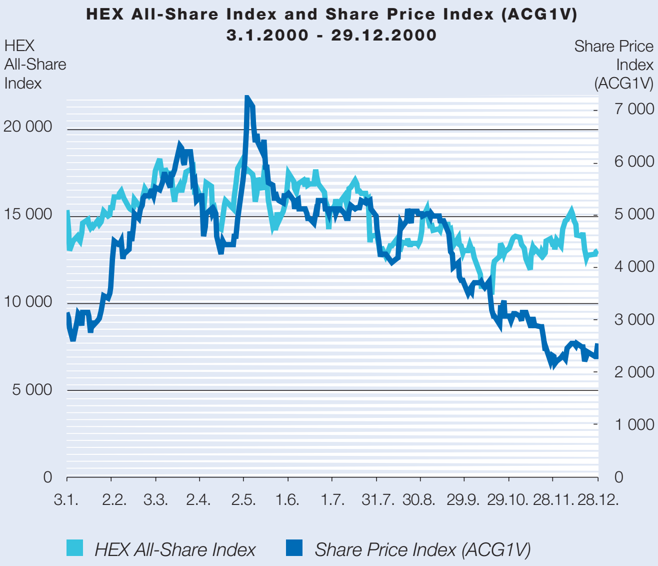
Management Share Ownership
The Board Members and President and CEO and his Deputy held a total of 61 291 shares or 0.60% of the shares outstanding as of December 29, 2000.

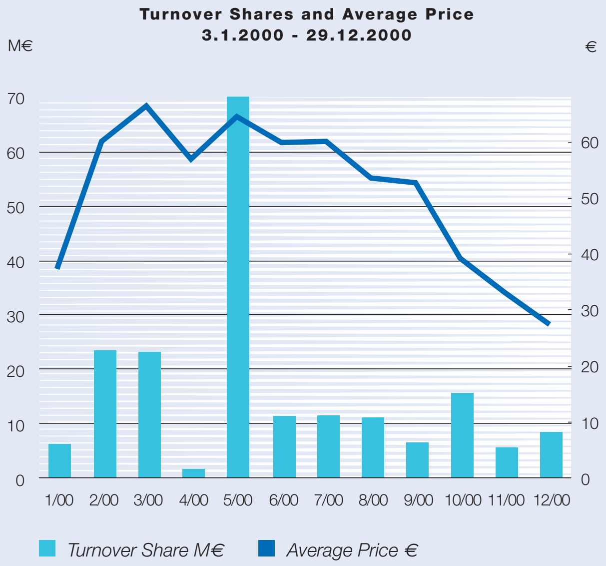
Distribution of Share Ownership December 29, 2000
By number of shares

Number of shares	Number of shareholders	% of share-holders	Total shares	% of share capital
1-100	502	33.62	30 079	0.30
101-500	488	32.69	139 113	1.37
501-1 000	185	12.39	138 773	1.37
1 001-10 000	252	16.88	743 856	7.33
10 001-100 000	48	3.22	1 593 144	15.71
100 001-500 000	14	0.94	3 928 014	38.73
500 000-	4	0.27	3 566 427	35.17
Shares in trust and awaiting clearance			2 520	0.02
Total	**1 493**	**100.00**	**10 141 926**	**100.00**

Shareholder Breakdown

	Total holding, %	Total shares, %
1. Households	82.77	32.78
2. Companies	11.71	4.74
3. Financial and insurance institutions	2.15	48.29
4. Non-profit organizations	1.95	2.41
5. Non-domestic	0.81	4.18
6. Public sector organizations	0.61	7.57
Shares in trust and awaiting clearance		0.02
Total	**100.00**	**100.0**





Corporate Governance

These principles represent the view of the Board of Directors of Aspocomp Group Oyj as to proper Corporate Governance. By following these principles the Board of Directors expects that sufficient information will be available for its decision making.

These principles are based on the recommendation of the Helsinki Stock Exchange to comply with the corporate governance guidelines prepared by the Finnish Central Chamber of Commerce and the Confederation of Finnish Industry and Employers in 1997.

Group Structure

The legal and operational structure of the Aspocomp Group has the primary impact on Corporate Governance. The names of the Group companies are presented separately in the Notes to the Financial Statements. The Group structure will be decided by the Board of Directors. Changes in the Group structure are to be published in stock exchange bulletins. As the ultimate parent of the Group, Aspocomp Group Oyj is responsible for the management, corporate planning, accounting and financing of the Group companies and it also organizes and provides services related to the joint Group functions for the divisions.

The Group's management and operations are the responsibility of the statutory bodies of Aspocomp Group Oyj. These are the Annual General Meeting of Shareholders, the Board of Directors and the President and Chief Executive Officer and his Deputy.

The Duties and Responsibilities of the Annual General Meeting of Shareholders

The Annual General Meeting of Shareholders is the highest decision making body of the Group and it convenes once a year.
According to the Finnish Companies Act the following are among the issues decided at the Annual General Meeting of Shareholders, if not stated otherwise in the Articles of Association:
- amendments to the Articles of Association
- approval of the financial statements
- decision on the share dividend
- election of the Board of Directors.

The Annual General Meeting of Shareholders decides the number of the Board Members and elects new Members to replace those whose term is expiring and, if necessary, other Board Members. Members are elected for a term of two years. It is provided in the Articles of Association of Aspocomp Group Oyj that the Board consists of no less than four and no more than eight Members.
- election of the auditors
- remuneration of the Board of Directors and the auditors

The Duties and Responsibilities of the Board of Directors

The Board elects the Chairman and the Vice-Chairman from the Board Members. The Board of Directors of Aspocomp Group Oyj acts within the powers and responsibilities provided in the Finnish Companies Act and in other applicable legislation as well as in the Articles of Association. The Board of Directors has a general authorization to decide on all matters which are not prescribed by the law or in the provisions of the Articles of Association to other bodies of the Group.

The Board is responsible for organizing and supervising the management of the Group and its business.

The principal duties of the Board include:
- setting the Group business strategies
- evaluating and approving business plans and monitoring their implementation and taking the corrective measures, if needed
- approval of the 12 months' rolling total amount of capital investments and deciding on major investments and aqcuisitions and disposal of assets. The Board of Directors authorizes the President and CEO to make investment decisions up to a certain limit
- deciding on the dividend policy and preparing a dividend distribution proposal to the Annual General Meeting of Shareholders
- confirming the Group organizational structure
- appointing and dismissing the President and CEO and his Deputy
- setting the guidelines for accounting principles and risk management as well as for internal control. The risk management includes e.g. insurance policy, covering the exchange risks and exceptional credit risks. Internal control includes acceptance principles, which are based on the fact that no one can accept one's own expenses and further, when accepting for example salaries and other compensation no one can accept those of his direct subordinate
- appointing the Compensation Committee

The Board decides the annual number of meetings. The decision is made after the Annual General Meeting of Shareholders. Typically, four meetings are reserved for the preparation and handling of the interim reports as well as reports of the annual closing of the books. At the other meetings the Board exercises its role as a value creator by setting the Group's objectives and strategy.

Committees of the Board of Directors

The Board has formed a Compensation

Committee to prepare and present the remuneration principles and incentive systems of the President and Chief Executive Officer and his Deputy prior to the submission of those to the Board of Directors. The details of these incentive systems are disclosed in the Report of the Board of Directors.

The President and Chief Executive Officer and the Group Executive Committee

The President and Chief Executive Officer is responsible for the management and control of the Group's business in accordance with the instructions and decisions of the Board of Directors. The Group Executive Committee will be nominated by the Board of Directors based on the proposals of the President and CEO and it will be published on a stock exchange bulletin. The Group Executive Committee supports the President and CEO in his work. The members of the Group Executive Committee are responsible for organizing and supervising the management of the Group in practice.

The Group Executive Committee is also responsible for supporting the Board of Directors and the President and Chief Executive Officer in managing the Group and preparing matters for the Board meetings. These matters including strategic and business plans as well as budgets, are to be prepared either to be discussed or to be approved at the meetings. The President and Chief Executive Officer and his Deputy are appointed and dismissed by the Board of Directors. In case the President and Chief Executive Officer is temporarily indisposed the Deputy holds his authority in significant issues. The President and Chief Executive Officer acts as a Chairman of the Group Executive Committee. The Group Executive Committee meets on a monthly basis.

Share Ownership and Stock Options

The number of the shares of Aspocomp Group Oyj held by the Board Members and the President and Chief Executive Officer and his Deputy and the number of new shares for which they may subscripe on the basis of their options will be disclosed in the Report of the Board of Directors every year.

Control Systems

The Board of Directors has the ultimate responsibility for the accounting and internal control of the Group. The President and Chief Executive Officer is responsible for organizing of the accounting and control systems in practice.

The parent company and its subsidiaries are legal entities in different countries. The bookkeeping of the separate companies and their tax-related issues are taken care of consistently in accordance with the legislation and other rules prevailing in the home countries of the separate companies.

The President and Chief Executive Officer and the members of the Group Executive Committee are responsible for ensuring that the day-to-day operations are carried out in compliance with the law, the operating principles of the Group and the decisions of the Board of Directors. The internal reporting of the Group is based on the financial statements of the Group companies.

The accounts of each Group company are subject to an annual external audit by the auditors elected by the Annual General Meeting of Shareholders. Aspocomp Group Oyj has an operational reporting system to facilitate the financial planning and control of the Group. Inside the divisions there are different systems for planning and supervising the operations of subunits.

The current auditors are disclosed in the Report of the Board of Directors.

Each year the auditor in charge and the Group's management prepare jointly an auditing program for the Group companies.

The auditors issue an auditors' report to the shareholders on the annual financial statements of each of the Group companies and the whole Group, as required by the law. In addition, they report their findings to the President and Chief Executive Officer and to the Board of Directors at least twice a year. The Board of Directors and the auditors meet at least once a year.

Proposal of the Board for the Distribution of Earnings

The Group has a total of EUR 67 878 673.18 in its unrestricted earnings account, of which EUR 62 599 613.38 is distributable. The parent company has a total of EUR 32 112 079.00 in its unrestricted equity account. As of December 31, 2000 there were a total of 10 141 926 registered shares outstanding.

The Board proposes that the company's earnings be distributed as follows:

- a dividend of EUR 0.50/share to be paid out on each of the 10 141 926 shares outstanding	EUR 5 070 963.00
- to be held in the retained earnings account	EUR 27 041 116.00
	EUR 32 112 079.00

Helsinki, February 15, 2001

Jorma Eloranta
Chairman

Karl Van Horn
Vice-Chairman

Aimo Eloholma

Roberto Lencioni

Gustav Nyberg

Apichart Vilassakdanont

Jarmo Niemi
President and CEO

Auditors' Comment and Auditors' Report

Auditors' Comment

The financial reports contained in this annual report were prepared in accordance with generally accepted accounting standards. An auditors' report on the fiscal period has been submitted this day.

Helsinki, March 2, 2001

SVH Pricewaterhouse Coopers Oy,
Authorized Public Accountants

Ilkka Haarlaa
Authorized Public Accountant

To the shareholders of Aspocomp Group Oyj

We have audited the accounting, the financial statements and the corporate governance of Aspocomp Group Oyj for the period 1.1. - 31.12.2000. The financial statements, which include the report of the Board of Directors, consolidated and parent company income statements, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the President & CEO. Based on our audit we express an opinion on these financial statements and on corporate governance.

We have conducted the audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. The purpose of our audit of corporate governance is to examine that the members of the Board of Directors and the Managing Director have legally complied with the rules of the Companies' Act.

In our opinion the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of the financial position. The financial statements with the consolidated financial statements can be adopted and the members of the Board of Directors and the Managing Director of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the distributable assets is in compliance with the Companies' Act.

Helsinki, March 2, 2001

SVH Pricewaterhouse Coopers Oy
Authorized Public Accountants

Ilkka Haarlaa
Authorized Public Accountant

Board of Directors, Executive Committee and Auditors

Jorma Eloranta

Karl Van Horn

Aimo Eloholma

Roberto Lencioni

Gustav Nyberg

Apichart Vilassakdanont

Aspocomp Group Oyj
Board of Directors

Jorma Eloranta, b. 1951
Chairman
President and CEO, Kvaerner Masa-Yards Inc.
Master of Science degree in Technology

Karl Van Horn, b. 1935
Vice-Chairman
Chairman, Arlington Capital Investors N.V.
Master of Science degree in Economics

Aimo Eloholma, b. 1949
Board Member
Director, Executive Vice President,
Sonera Corporation
Master of Science degree in Technology

Roberto Lencioni, b. 1961
Board Member
President, Oy Baltic Protection Alandia Ab
Master of Laws degree

Gustav Nyberg, b. 1956
Board Member
President and CEO, Aspo Plc
Master of Science degree in Economics

Apichart Vilassakdanont, b. 1952
Board Member
President, P.C.B. Center (Thailand) Co., Ltd
Master of Science in Metallurgical
Engineering

Auditors

SVH Pricewaterhouse Coopers Oy
Authorized Public Accountants

Executive Committee

Jarmo Niemi, b. 1953
President & CEO

Pertti Vuorinen, b. 1949
CFO

Jari Ontronen, b. 1954
Senior Vice President,
Operations, PWB, COO

Tore Wiberg, b. 1954
Senior Vice President,
Sales, PWB

Reijo Savolainen, b. 1955
Senior Vice President, EMS

Hannu Päärni, b. 1951
Senior Vice President, Technology, CTO

Jukka Ranta, b. 1949
Senior Vice President,
Research & Business Development

Aspocomp Directory

Aspocomp Group Head Office
Aspocomp Group Oyj
President and CEO Jarmo Niemi
CFO Pertti Vuorinen
Suolakivenkatu 1
P.O.Box 381
FIN-00811 Helsinki, Finland
Phone +358 9 759 7070
Fax +358 9 782 904

New address from June 1, 2001
Äyritie 12 A
P.O. Box 230
FIN-01511 Vantaa, Finland

Printed Wiring Boards Production

Espoo plant
Aspocomp Oy
Karaniityntie 1
P.O.Box 13
FIN-02601 Espoo, Finland
Phone +358 9 59 181
Fax +358 9 591 8200

Oulu plant
Aspocomp Oy
Tutkijantie 11
FIN-90570 Oulu, Finland
Phone +358 8 551 5700
Fax +358 8 5515 711

Padasjoki plant
Aspocomp Oy
Valutie 4
FIN-17500 Padasjoki, Finland
Phone +358 3 55 251
Fax +358 3 552 5240

Salo plant
Aspocomp Oy
Örninkatu 15
FIN-24100 Salo, Finland
Phone +358 2 770 6600
Fax +358 2 770 6611

Teuva plant
Aspocomp Oy
Mäki-Mikkiläntie 3
FIN-64700 Teuva, Finland
Phone +358 6 269 0111
Fax +358 6 267 2737

Evreux plant
Aspocomp SAS
41, Rue Pierre-Brossolette
B.P. 1851
27018 Evreux Cedex, France
Phone +33 2 32 31 70 18
Fax +33 2 32 31 71 92

Suzhou plant
ACP Electronics Ltd.
No 189 Jin Feng Road
Suzhou New District, China
Phone +86 512 661 3033
Fax +86 512 661 3035

Chonburi plant
P.C.B. Center (Thailand) Co., Ltd.
600 Sukhapibarn 8 Road
Nongkham Sriracha
Chonburi, 20280 Thailand
Phone +66 38 76 3301
Fax +66 38 48 1409

CAD Services
Aspocomp Oy
Karaniityntie 1
P.O.Box 13
FIN-02601 Espoo, Finland
Phone +358 9 59 181
Fax +358 9 591 8245

Sales Offices
Aspocomp GmbH
Kupfergasse 11
45892 Glesenkirchen-Resse, Germany
Phone +49 209 79 86 91
Fax +49 209 79 86 93

Aspocomp Ab
Veddestavägen 17
P.O.Box 602
SE-17526 Järfälla, Sweden
Phone +46 8 621 0770
Fax +46 8 621 1775

Aspocomp Ab
Sickla Industriväg 7
SE-13134 Nacka, Sweden
Phone +46 8 642 8090
Fax +46 8 644 3835

Aspocomp Ab
Tunnlandsgatan 5
P.O. Box 1447
SE-70114 Örebro, Sweden
Phone +46 19 260 530
Fax +46 19 263 269

P.C.B. Center (Europe) Co., Ltd.
39 Milford
Old Yellow Walls Road, Malahide
CO. Dublin, Ireland
Phone +353 1 845 5337
Fax +353 1 845 5337

P.C.B. Center (USA) Co., Ltd.
1149 El Rio Ct.
Livermore, Ca. 94550, USA
Phone +1 925 455 0656
Fax +1 925 455 0657

EMS Mechatronics and Hybrid Circuits Production

Klaukkala plant
Aspocomp Oy
Yrittäjäntie 13
FIN-01800 Klaukkala, Finland
Phone +358 9 878 011
Fax +358 9 8780 1200

Oulu plant
Aspocomp Oy
Tutkijantie 13
P.O.Box 43
FIN-90571 Oulu, Finland
Phone +358 8 551 5300
Fax +358 8 551 5250

Oulu plant
Aspocomp Oy
Ruskontie
P.O.Box 350
FIN-90551 Oulu, Finland
Phone +358 8 551 1500
Fax +358 8 551 1511

LOUNATUULI ® 2001

Analysts

The following analysts have regularly monitored Aspocomp Group during the last year. The list may be incomplete. The listed analysts monitor Aspocomp Group on their own initiative. Aspocomp Group is not responsible for their views.

Company	Analyst	Telephone	E-mail
ArozMaizels Equities Oy	Jussi Uskola	+358 9 1234 0433	jussi.uskola@arosmaizels.com
Crédit Agricole Indosuez Chevreux Nordic AB	Jan Kaijala	+358 9 6969 2969	jkaijala@indocdv.com
Conventum Securities Ltd	Aarni Pursiainen	+358 9 5499 3321	aarni.pursiainen@conventum.fi
D. Carnegie Ltd, Finland Branch	Kim Sandlund	+358 9 6187 1237	kim.sandlund@carnegie.fi
Enskilda Securities AB, Helsinki Branch	Ville Ahoranta	+358 9 6162 8716	ville.ahoranta@enskilda.se
Evli Securities Ltd	Jari Honko	+358 9 4766 9638	jari.honko@evli.com
FIM Securities Ltd	Pasi Pitkäjärvi	+358 9 6134 6307	pasi.pitkajarvi@fimi.fi
Handelsbanken	Jari Wallasvaara	+358 10 444 2408	jari.wallasvaara@handelsbanken.fi
Mandatum Stockbrokers Ltd	Janne Uski	+358 10 236 4711	janne.uski@mandatum.fi
Merrill Lynch & Co	Ian Rennardson	+44 20 7892 4748	ian_rennardson@ml.com

ASPOCOMP

(Suolakivenkatu 1)
P.O. Box 381
FIN-00811 Helsinki
Finland
Phone +358 9 759 7070
Fax +358 9 782 904
www.aspocomp.com

New contact information
from June 1, 2001:
(Äyritie 12 A)
P.O. Box 230
FIN-01511 Vantaa
Finland