NET SALES INCREASED STRONGLY – RESULT IN THE RED

January-March 2011:
-Net sales increased by 21% to EUR 71.9 million (EUR 59.6 million in January-March 2010).
-Number of chargers delivered increased by 7% to 70.8 million chargers (65.9 million chargers).
-Market share in mobile phone chargers was some 19% (20%), when the so-called grey market phones, i.e. mobile phones produced without a license, were also included.
-Operating profit weakened to EUR -1.5 million (EUR 1.5 million).
-Operating profit includes a cost of EUR 0.5 million related to the termination of long-term incentive schemes, due to ongoing redemption and delisting process.
-Operating profit, excluding the exchange rate gains/losses, was EUR -1.1 million (EUR 1.1 million).
-Earnings per share weakened to EUR -0.05 (EUR 0.04).
-Cash flow from operating activities was EUR 1.4 million negative (EUR 1.8 million positive).
-Group's net interest-bearing debt totaled to EUR 4.7 million (EUR -1.3 million).
-Cash and cash equivalents at the end of the period were EUR 12.3 million (EUR 19.4 million).
-The holding of Salcomp's biggest shareholder, Nordstjernan AB, in Salcomp exceeded 90%, and Nordstjernan started a procedure in order to redeem the rest of the shares and delist the company shares.

Outlook for 2011 unchanged:
-Salcomp's net sales in 2011 are expected to be EUR 280-320 million.
-The operating margin in 2011 is expected to be 2-4% of the net sales.
-Due to the strategy revision of a major customer, as well as the earthquake and tsunami in Japan, Salcomp's outlook for 2011 continues to be more uncertain than usual.

Markku Hangasjärvi, President and CEO:
"According to estimates made by market research companies and our biggest customers, some 374 million mobile phones were sold during the first quarter of the year, up by some 16% compared with the January-March period in 2010.

In the market share review, we have changed over to use the same figures as our biggest customers. When determining the market volume, we also include the so-called grey market phones, i.e. mobile phones produced without a license. Salcomp does not deliver chargers to the grey market phones. Calculated with these figures, our market share was approximately 19% in the first quarter of the year and approximately 20% in the corresponding period in 2010. The decrease in our market share was mainly due to the faster-than-average growth in the grey market phones.

Salcomp's net sales grew by over one-fifth, compared with the first quarter in 2010. Despite the increase in net sales, the operating profit ended up in the red. Operating profit was weakened by higher material prices and a rise in labor costs and fixed costs.

The earthquake in Japan and the tsunami after that have so far only had minor influence on Salcomp's material purchases. However, the total picture has not yet completely cleared up, and material deliveries, both to us and at least to some of our customers, are expected to encounter disruptions during the year."

Financial development in January-March 2011
In the first quarter of the year, Salcomp's net sales increased by 21% to EUR 71.9 million (EUR 59.6 million in January-March 2010) and the number of chargers delivered increased by 7% to 70.8 million (65.9 million) chargers. In addition to the growth in the number of chargers delivered, net sales were increased due to the higher average sales prices of chargers, which resulted mainly from exchange rate changes, but also from a product mix consisting of more expensive products, especially smart phone chargers.

Salcomp's operating profit weakened to EUR -1.5 million (EUR 1.5 million). This was due to an increase in material prices and higher labor costs. In addition, accelerated efforts in broadening the product range and customer base increased fixed costs. Operating profit was weakened by a cost of EUR 0.5 million related to the termination of long-term incentive schemes, due to the ongoing redemption and delisting process. Operating profit was also burdened by realized and unrealized exchange rate losses of EUR 0.4 million (EUR 0.4 million of gains). The operating margin in January-March 2011 was
-2.1% (2.5%).

The profit for the period amounted to EUR -1.9 million (EUR 1.6 million). Earnings per share were EUR -0.05 (EUR 0.04), and diluted earnings per share were EUR -0.05 (EUR 0.04).

R&D and capital expenditure
The Group's R&D expenditure in January-March was EUR 1.6 million (EUR 1.5 million), or 2.2% (2.5%) of net sales. R&D focused on developing new products for current and new customers, and constant improvement in the cost structure of existing products.

Capital expenditure in the period amounted to EUR 1.7 million (EUR 0.9 million). The capital expenditure mainly involved increasing the production capacity in the low and medium power range chargers, as well as increasing the automation level.

Financing
Cash flow from operating activities in January-March was EUR 1.4 million negative (EUR 1.8 million positive). The cash flow from operating activities decreased mainly due to an increase in net working capital. Cash and cash equivalents at the end of period were EUR 12.3 million (EUR 19.4 million).

The Group's equity ratio at the end of the period was 42.2% (43.1%) and gearing was 6.0% (-1.8%). Net interest-bearing debt totaled EUR 4.7 million (EUR -1.3 million) at the end of March.

Decisions at the Annual General Meeting
Salcomp Plc's Annual General Meeting was held on 24 March 2011 in Helsinki. The AGM approved the 2010 financial statements and discharged the members of the Board and the President and CEO from liability for the financial year.

The AGM decided that no dividend for 2010 will be paid.

The AGM decided that the number of the members of the Board of Directors remains at five and the Board composition unchanged. The AGM elected Carl Engström, Mats Heiman, Petri Kähkönen, Jukka Rinnevaara and Kari Vuorialho as members of the Board of Directors until the conclusion of the 2012 Annual General Meeting. The AGM appointed Carl Engström as the Chairman and Kari Vuorialho as the Vice Chairman. The AGM decided to leave the remuneration for the Board of Directors unchanged: the remuneration for a full term will be EUR 40,000 for the Chairman, EUR 32,000 for the Vice Chairman and EUR 25,000 for the members.

At its organizing meeting following the AGM, Salcomp's Board of Directors concluded, due to the company's size and composition of the Board of Directors, that it is not necessary to establish any separate Board committees. The Board of Directors further stated that all Board members are independent of the company, and Petri Kähkönen, Jukka Rinnevaara and Kari Vuorialho are also independent of the company's significant shareholders.

KPMG Oy Ab, Authorized Public Accounting Firm, continues as the company auditor and Pauli Salminen, APA, as the responsible auditor.

The AGM authorized the Board of Directors to decide on issuance of no more than 11.8 million new shares or own shares held by the company. Furthermore, the AGM decided to authorize the Board of Directors to repurchase no more than 3.8 million of the company's own shares.

A total of 16 shareholders were present at the AGM, either in person or represented by proxy, representing 35,675,973 shares, or 91.4 per cent of the total number of shares in the company.

Personnel and management
The number of Group personnel at the end of March totaled 9,269 (9,295): 5,140 were employed in China, 2,591 in India, 1,468 in Brazil and 70 in Finland and other countries.

Changes in ownership
Salcomp's biggest shareholder, Nordstjernan AB, informed on 9 March 2011 that it has acquired an additional 4,982,473 shares in Salcomp Plc. After the transaction, Nordstjernan's total holding in Salcomp amounted to 35,147,189 shares, corresponding to 90.1 per cent of all the shares and votes excluding the 337,000 shares that are in the possession of Salcomp.

After the title to the acquired shares had passed, Nordstjernan informed that it intends to use the right and obligation to redeem the minority shareholders' shares as stipulated in Chapter 18, Paragraph 1 of the Companies Act. Nordstjernan will further apply for a delisting of the company from the NASDAQ OMX Helsinki exchange in due course.

In accordance with Chapter 2, Section 9 of the Securities Markets Act, Salcomp received a flagging notification from Sampo plc regarding the changes in the holdings in Salcomp on 9 March 2011. The portion held by Mandatum Life Insurance Company Limited, belonging to Sampo Group, of the share capital and votes in Salcomp Plc decreased to below 5% as a result of the sale of shares on 8 March 2011. After the transaction, Mandatum Life Insurance Company does not hold any Salcomp shares.

On 5 April 2011, Nordstjernan informed that the Redemption Committee of the Central Chamber of Commerce has, on the basis of Nordstjernan's application, requested the District Court of Varsinais-Suomi to appoint a trustee for the arbitral proceedings to supervise the interests of the minority shareholders of Salcomp during the redemption proceedings. The District Court of Varsinais-Suomi appointed, on 31 March 2011, attorney-at-law Kim Kyntölä as the trustee.

Shares and shareholders
Salcomp's registered share capital amounts to EUR 9,832,735.12, divided into 39,023,840 fully paid outstanding shares and 337,000 shares in the possession of the company. The shares in the possession of the company were acquired through share issues carried out in 2010 related to the share-based incentive programs. The company has one series of shares, and all the shares entitle the shareholder to equal rights in the company.

Salcomp’s share price fluctuated between EUR 1.83 and EUR 2.15 in January-March. The average share price during the period was EUR 2.00 and the closing price at the end of March EUR 2.00. Share trading amounted to EUR 12.4 million and 6.2 million shares. According to the book-entry system, Salcomp had 937 shareholders at the end of the period. Foreign ownership at the end of March was 92.9% and the market value for outstanding shares EUR 78.7 million.

Risks and uncertainties in the near future
Salcomp's business involves uncertainty factors that may affect the company's financial development in the near future. These include the general development of the mobile phone markets, substantial changes in the purchase prices and availability of materials and charger components, significant changes in labor costs, especially in China, as well as changes in the competition in the mobile phone charger markets. Furthermore, changes in the market shares of customers and deterioration in the financial position of major customers may have a negative effect on Salcomp’s business.

Major changes in exchange rates can be considered one of the other short- term uncertainty factors, especially the exchange rate of the US dollar in relation to the euro and to currencies in those countries in which Salcomp has production. In addition, the impact of the global economy on the stability of the financial market, as well as accessibility of financing, has an influence on Salcomp’s business.

In the medium term, Salcomp’s business may be affected by standardization projects concerning mobile phone chargers in the different market areas. Due to standardization, it is possible that, in the future, in some market areas, some mobile phone kits will not include a separate mobile phone charger.

Risks are managed to the extent that the company has influence over them. Further details on risks and risk management are available on the company web site.

Events after the reporting period
There are no events after the reporting date which would have a significant influence on the figures presented in the Financial Statements.

Outlook for 2011
According to the estimates published by some of Salcomp's key customers and by various market research companies, the mobile phone market, including also the so-called grey market phones, is expected to grow, measured by the number of units, by some 9% during 2011, compared with 2010. This would mean approximately 1.6 billion mobile phones and, therefore, mobile phone chargers, to be sold in 2011. The volume growth in chargers used in other consumer electronic applications is also estimated to continue in 2011.

Salcomp's net sales in 2011 are expected to be EUR 280-320 million. The operating margin in 2011 is expected to be 2-4% of the net sales. Due to the strategy revision of a major customer, as well as the earthquake and tsunami in Japan, Salcomp’s outlook for 2011 continues to be more uncertain than usual.

Helsinki 20 May 2011

Salcomp Plc
Board of Directors

Salcomp Plc’s Interim Report has been prepared in accordance with the international financial accounting standard IAS 34, Interim Reports. This Interim Report is unaudited.

CONDENSED FINANCIAL STATEMENTS AND NOTES

STATEMENT OF COMPREHENSIVE INCOME
(EUR 1 000)

	1-3/2011	1-3/2010	Change %	1-12/2010
Net sales	71 937	59 635	20.6%	299 008
Cost of sales	-68 456	-53 760	27.3%	-270 524
Gross margin	**3 481**	**5 875**	**-40.7%**	**28 484**
Other operating income	2	0	-	110
Sales and marketing expenses	-705	-589	19.7%	-3 047
Administrative expenses	-2 678	-2 292	16.8%	-8 875
Research and development expenses	-1 577	-1 512	4.3%	-6 884
Other operating expenses	-3	-2	50.0%	-76
Operating result	**-1 480**	**1 480**	**-**	**9 712**
Finance income	13	662	-98.0%	971
Finance expenses	-286	-445	-35.7%	-1 660
Result before tax	**-1 753**	**1 697**	**-**	**9 023**
Income tax expenses	-140	-66	112.1%	-1 057
Result for the period	**-1 893**	**1 631**	**-**	**7 966**
Other comprehensive income for the period				
Exchange differences on translating foreign operations	-405	1 064	-	2 449
Other comprehensive income for the period, net of tax	**-405**	**1 064**	**-**	**2 449**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-2 298**	**2 695**	**-**	**10 415**
Basic earnings per share, EUR	-0.05	0.04	-	0.20
Diluted earnings per share, EUR	-0.05	0.04	-	0.20

STATEMENT OF FINANCIAL POSITION
(EUR 1 000)

	31.3.2011	31.3.2010	Change %	31.12.2010
Non-current assets				
Property, plant and equipment	24 376	20 883	16.7%	25 281
Goodwill	66 412	66 412	0.0%	66 412
Other intangible assets	815	521	56.4%	830
Deferred tax assets	4 024	3 240	24.2%	4 023
	95 627	**91 056**	**5.0%**	**96 546**
Current assets				
Inventories	30 580	22 072	38.5%	37 246
Trade and other receivables	48 088	36 289	32.5%	46 233
Cash and cash equivalents	12 255	19 411	-36.9%	18 553
	90 923	**77 772**	**16.9%**	**102 032**
Total assets	**186 550**	**168 828**	**10.5%**	**198 578**
Equity and liabilities				
Share capital	9 833	9 833	0.0%	9 833
Invested unrestricted equity	5 820	19 305	-69.9%	5 820
Retained earnings	63 125	43 516	45.1%	64 881
	78 778	**72 654**	**8.4%**	**80 534**
Non-current liabilities				
Deferred tax liabilities	17 289	17 288	0.0%	17 317
Capital loans	0	10 000	-	0
Interest-bearing liabilities	8 996	4 881	84.3%	11 187
	26 285	**32 169**	**-18.3%**	**28 504**
Current liabilities				
Trade and other payables	73 514	60 773	21.0%	81 321
Interest-bearing current liabilities	7 973	3 232	146.7%	8 219
	81 487	**64 005**	**27.3%**	**89 540**
Total equity and liabilities	**186 550**	**168 828**	**10.5%**	**198 578**

STATEMENT OF CHANGES IN EQUITY
(EUR 1 000)

Attributable to equity holders of the parent

	Share capital	Invested unrestricted equity	Translation differences	Retained earnings	Total equity
Equity on 1 Jan 2010	**9 833**	**22 035**	**2 285**	**38 456**	**72 609**
Total comprehensive income for the period	0	0	1 064	1 631	2 695
Option costs	0	0	0	80	80
Repayment of capital*	0	-2 730	0	0	-2 730
Equity on 31 March 2010	**9 833**	**19 305**	**3 349**	**40 167**	**72 654**
Equity on 1 Jan 2011	**9 833**	**5 820**	**4 734**	**60 147**	**80 534**
Total comprehensive income for the period	0	0	-405	-1 893	-2 298
Incentive plans**	0	0	0	542	542
Equity on 31 March 2011	**9 833**	**5 820**	**4 329**	**58 796**	**78 778**

*Decision by the AGM on 24 March and payment on 7 April
**Delisting cost effect included

STATEMENT OF CASH FLOWS
(EUR 1 000)

	1-3/2011	1-3/2010	Change %	1-12/2010
Cash flow before change in working capital	419	2 781	-84.9%	15 113
Change in working capital	-1 777	-758	134.4%	-2 878
Financial items and taxes	-56	-216	-74.1%	-2 562
Net cash flow from operating activities	**-1 414**	**1 807**	**-**	**9 673**
Purchases	-1 720	-863	99.3%	-8 950
Sales	0	0	-	19
Cash flows from investing activities	**-1 720**	**-863**	**99.3%**	**-8 931**
Cash flow before financing	**-3 134**	**944**	**-**	**742**
Withdrawal of borrowings	0	0	-	20 794
Repayment of borrowings	-2 437	-1 000	143.7%	-20 583
Share issue	0	0	-	96
Dividends*	0	0	-	-2 730
Net cash flow from financing activities	**-2 437**	**-1 000**	**143.7%**	**-2 423**
Change in cash and cash equivalents	**-5 571**	**-56**	**9 848.2%**	**-1 681**
Cash and cash equivalents at the beginning of the period	**18 553**	**18 872**	**-1.7%**	**18 872**
Translation difference	-727	595	-	1 362
Cash and cash equivalents at the end of the period	**12 255**	**19 411**	**-36.9%**	**18 553**

*Repayment of capital

KEY FIGURES

	1-3/2011	1-3/2010	Change %	1-12/2010
Sold chargers, Mpcs	70.8	65.9	7.3%	296.6
Average sales price, EUR	1.02	0.90	12.9%	1.01
Net sales, MEUR	71.9	59.6	20.7%	299.0
EBITDA, MEUR	-0.1	2.7	-	15.0
EBITDA%, %	-0.1%	4.5%		5.0%
Operating result, MEUR	-1.5	1.5	-	9.7
Operating margin, %	-2.1%	2.5%		3.2%
Basic earnings per share, EUR	-0.05	0.04	-	0.20
Diluted earnings per share, EUR	-0.05	0.04	-	0.20
Earnings per share excluding deferred tax, EUR	-0.05	0.04	-	0.20
Equity per share, EUR	2.02	1.86	8.6%	2.06
Return on equity, %	5.6%	12.2%		10.4%
Return on capital employed, %	7.2%	14.9%		11.1%
Return on net assets, %	23.0%	59.8%		39.8%
Equity ratio, %	42.2%	43.1%		40.6%
Gearing, %	6.0%	-1.8%		1.1%
Capital expenditure, MEUR	1.7	0.9	99.3%	9.0
Capital expenditure, % of net sales	2.4%	1.4%		3.0%
Personnel on average	8 977	8 060	11.4%	9 825
Personnel at the end of period	9 269	9 295	-0.3%	10 350
Average number of shares outstanding	39 016 543	38 975 190		39 000 461
Number of shares outstanding at the end of period	39 023 840	38 975 190		39 023 840
Diluted number of shares outstanding on average	39 018 358	38 975 190		39 001 219
Highest share price, EUR	2.15	2.19		2.19
Lowest share price, EUR	1.83	1.90		1.73
Average share price, EUR	2.00	2.00		1.99
Traded shares, Mpcs	6.2	0.6		2.1
Traded shares, MEUR	12.4	1.3		4.2

NOTES TO THE INTERIM REPORT

This Interim Report has been prepared in accordance with the international financial accounting standard IAS 34 Interim Reports. The same accounting principles are applied in this Interim Report as in the Financial Statements. Compared with the Financial Statements, amended standards or interpretations have not affected this Interim Report. Salcomp has one business segment, chargers. Internal management reporting complies with the IFRS reporting and due to this, separate adjustments are not presented.

LIABILITIES

(EUR 1 000)

	31.3.2011	31.3.2010	Change %	31.12.2010
For own debt				
Company and real estate mortgages	82 000	82 000	0.0%	82 000
Others	5 872	5	117 340.0%	5 872
Leasing and rental liabilities	5 695	7 323	-22.2%	5 382
	93 567	**89 328**	**4.7%**	**93 254**

QUARTERLY INFORMATION

	1-3/11	10-12/10	7-9/10	4-6/10	1-3/10	4/10-3/11
Sold chargers, kpcs	70 771	81 933	80 098	68 586	65 941	301 388
Net sales, kEUR	71 937	80 733	86 470	72 170	59 635	311 310
Operating result, kEUR	-1 480	2 540	3 365	2 327	1 480	6 752
Operating margin, %	-2.1%	3.1%	3.9%	3.2%	2.5%	2.2%
Average sales price, EUR	1.02	0.99	1.08	1.05	0.90	1.03

OPTION RIGHTS

During the financial year 2007, the General Meeting of Shareholders established an option program with a total of 2,047,500 option rights that entitle to subscribe the same amount of new shares of the company. The option program is divided to symbols 2007A, 2007B and 2007C. The Board of Directors has not granted option rights to Group key personnel during the financial year. The share based incentives are conditional. The vesting conditions are based on that the total shareholder return is at least 8 % per annum. Options are lost when a person is leaving the company before the settlement period begins. The Board of Directors can decide in these cases that the stock option owner is entitled to keep the options or a part of them. The fair value has been determined using the Cox-Ross-Rubinstein binomial model.

Program symbol	**2007A**	**2007B**	**2007C**	**Total options**
Number of options	657 500	682 500	707 500	2 047 500
Vesting period	1.4.2007-31.3.2010	1.4.2008-31.3.2011	1.4.2009-31.3.2012	
Options granted before the current financial year	465 000	507 500	627 500	1 600 000
Options granted during the current financial year	0	0	0	0
Options forfeited during the current financial year	0	0	0	0
Settlement (shares / option)	1	1	1	
Settlement period	1.4.2010-31.3.2012	1.4.2011-31.3.2013	1.4.2012-31.3.2014	
Grant date	02.05.07	07.05.08	11.08.09	
Exercise price	2.81	3.33	1.40	
Share price at grant date	3.51	3.79	1.51	
The fair value of option at grant date	1.44	1.44	0.61	

SHARE BASED INCENTIVE PROGRAMS

The Board of Directors of Salcomp Plc has approved two new share-based incentive programs for the Group key personnel. The new programs are a Matching Share Program targeted at the members of the Extended Global Management Team, as well as a Performance Share Program targeted at 53 key employees including also the members of the Extended Global Management Team. Both Programs include one earning period, from calendar year 2010 to 2012. The potential rewards from both the Matching and Performance Share programs will be paid partly in Company shares and partly in cash during 2013. The cash payment is intended to cover the personal taxes and tax-related costs arising from the reward. No reward will be paid to a key person, if his or her employment or service in a Group Company ends before the reward payment. The rewards to be paid on the basis of the earning period will correspond to the value of maximum 532,000 Salcomp Plc shares. Global Management Team can earn a total of 281,000 pcs of Salcomp Plc shares during the total earning period.

Releases relating to the new incentive program have been issued on 19 May and 21 June 2010.

Cost effect of delisting is presented in the Statement of Changes in Equity.

RELATED PARTY INFORMATION

(EUR 1 000)

Related party transactions with Nordstjernan AB	31.3.2011	31.3.2010	Change %	31.12.2010
Capital loans	0	10 000	-	0
Interest payable of capital loans	0	1 087	-	0
Sales of receivables	0	0	-	0
Interest expense of the period	0	0	-	553

Salcomp has renewed the financing arrangements in May 2010. In this connection, the capital loans have been repaid to Nordstjernan AB. Release on the issue has been published on 25 May 2010.

OWN SHARES

	31.3.2011	31.3.2010	31.12.2010
Parent company own shares (pcs)	337 000	0	337 000

CALCULATION OF FINANCIAL RATIOS

Average personnel: Average number of personnel at end of each month

Return on equity (%) = Result for the period x 100 : Equity on average

Return on capital employed (%) = (Result before tax + interest charges and other financial expenses) x 100 : (Total liabilities less interest-free debt (on average))

Return on net assets (%) = Operating result x 100 : (Fixed assets less goodwill and deferred tax assets + inventory + short-term receivables less short-term interest-free debt on average)

Equity ratio (%) = Equity x 100 : Total liabilities less received advance payments

Gearing (%) = (Interest-bearing debt less cash and cash equivalents) x 100 : Equity

Earnings per share = Result for the period : Weighted average number of shares outstanding during the period

Equity per share = Equity : number of shares outstanding at the end of period

Earnings per share, diluted = Result for the period : Weighted average number of shares outstanding during the period, adjusted for the share issue