

Componenta Corporation Interim report 1 January - 30 June 2011

Result improved considerably, demand outlook for the rest of year remains encouraging

April - June 2011 in brief (corresponding period in the previous year in brackets)

- The Group's net sales in the April - June period rose 33% to EUR 156.5 million (EUR 117.3 million).
- Operating profit excluding one-time items rose to EUR 10.7 (4.0) million. Operating profit after one-time items was EUR 10.1 (4.0) million.
- The Group's capacity utilization rate was 76% (58%).
- Result after financial items excluding one-time items improved from the previous year to EUR 4.1 (-2.2) million and after one-time items to EUR 3.5 (-2.2) million.
- The profit attributable to shareholders excluding one-time items for the second quarter was EUR 2.9 (-1.7) million, or EUR 0.16 (-0.10) per share.
- The net cash flow from business operations in the April - June period was EUR 5.3 (12.1) million.

Operating profit improved from the previous year mainly due to considerably higher production volumes and measures taken earlier to adjust costs. However, the rise in prices for local raw materials and other, non-surcharged raw materials had a negative impact of EUR -0.7 million on the operating profit for the second quarter.

January - June 2011 in brief (corresponding period in the previous year in brackets)

- The Group's order book rose 33%, standing at MEUR 111 (MEUR 84) at the end of June.
- Consolidated net sales in the review period increased 44% to MEUR 301 (MEUR 209).
- Capacity utilization rate in the review period was 74% (54%).
- Operating profit excluding one-time items was MEUR 19.2 (MEUR 4.3). Operating profit after one-time items was MEUR 16.1 (MEUR 4.3).
- Result after financial items excluding one-time items was MEUR 7.3 (MEUR -7.8). Result after financial items including one-time items was MEUR 4.2 (MEUR -7.8).
- Earnings per share excluding one-time items, was EUR 0.29 (EUR -0.33). Earnings per share after one-time items, was EUR 0.15 (EUR -0.33).
- Unused committed credit facilities and cash in bank totaled MEUR 57 at the end of the review period.

Market outlook

The demand outlook in all the Group's customer sectors is good at the beginning of the third quarter of 2011. However, the increased uncertainty in the financial markets may impact on the business confidence negatively.

Demand in the heavy trucks sector is expected to continue at good level, in particular because of positive market development in Europe and Northern America.

Demand for mining machinery components is expected to continue developing favorably, mainly because of the high material prices. Demand for construction equipment is expected to continue growing in the developing countries. In the developed countries, the demand growth comes mainly from fleet renewals.

Demand for agricultural machinery in the second half of the year is estimated to rise from the previous year as a result of higher food prices and positive market development in Europe and Russia.

The market development in the automotive industry is expected to be modest in Europe. However, the development in demand for aluminium alloy wheels is estimated to continue favourably in the second half of 2011.

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Demand in the wind power sector is expected to develop moderately in Europe during the year 2011.

Demand in the machine building industry is expected to continue to grow to some extent in Northern and Central Europe.

Componenta's prospects

Componenta's prospects for 2011 are based on general external economic indicators, delivery forecasts given by customers, and on Componenta's order intake and order book.

Componenta's order book at the end of June was 33% higher than at the end of the comparison period. In 2011 the Group's net sales are expected to rise more than 30% and the result after financial items excluding one-time items to be positive. Full year net cash flow from operations is expected to be positive. Investments in 2011 are expected to be some EUR 25 million.

Key figures

	1-6/2011	1-6/2010	1-12/2010
Order book at end of review period, MEUR	111.2	83.6	94.6
Net sales, MEUR	300.6	208.5	451.6
Operating profit before one-time items, MEUR	19.2	4.3	13.6
Operating profit % before one-time items	6.4	2.1	3.0
Result after financial items excl. one-time items, MEUR	7.3	-7.8	-9.9
Net result for the period, MEUR	3.3	-5.7	-7.5
Earnings per share excl. one time items, EUR	0.29	-0.33	-0.45
Net gearing, % (preferred capital notes as equity)	208.8	192.4	170.5
Return on investment, excl. one-time items, %	13.1	3.4	5.0
Return on equity, excl. one-time items, %	18.7	-15.6	-10.2
Number of personnel at period end, incl. leased personnel	4,815	4,261	4,414

President and CEO Heikki Lehtonen:

"Componenta's net sales in the first half of the year 2011 rose 44% compared to the previous period in 2010 and the operating profit improved significantly mainly due to higher production volumes and measures taken earlier to adjust costs. Volumes have increased in all our operating countries. Especially strong the growth has been in Turkey, where the net sales increased 50% compared to the same period in the previous year, and in Sweden, where the growth in net sales was 75%. Average capacity utilization rate in the Group was 74% in the review period.

Componenta's order book at the end of June was 33% higher than at the same time in the previous year. The market outlook in all our customer sectors is good at the beginning of the third quarter, and the net sales is expected to grow clearly in 2011. In order to secure the increasing deliveries we will continue developing and improving our operations to guarantee our customers the solutions, components and service they need."

Componenta's complete Interim Report for the period January - June 2011 as a PDF format is available as an attachment of this release. The interim report is also available on the Componenta's website at www.componenta.com.

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Press conference to analysts and media representatives at 10.30 (EEST)

A press conference will be arranged in Käpylä, in auditorium of the Sato house, at the address Panuntie 4, 00610 Helsinki starting at 10.30 (EEST). The press conference will be webcast simultaneously via internet. Link can be found on Componenta's Internet pages at www.componenta.com.

Helsinki, 15 July 2011

COMPONENTA CORPORATION

Heikki Lehtonen
President and CEO

ENCLOSURE. Componenta's Interim Report January - June 2011

FURTHER INFORMATION

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Componenta is a metal sector company with international operations and production plants located in Finland, Turkey, the Netherlands and Sweden. The net sales of Componenta were EUR 452 million in 2010 and its share is listed on the NASDAQ OMX Helsinki. The Group employs approx. 4,400 people. Componenta specializes in supplying cast and machined components and total solutions made of them to its global customers who are manufacturers of vehicles, machines and equipment.

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