

INTERIM REPORT OF NORDIC ALUMINIUM PLC Jan 1 - Sept 30, 2012

Net sales of Nordic Aluminium were EUR 51.11 million (EUR 54.42 million 1-9/2011). The operating profit for the period was EUR 11.84 million (12.07), the net profit was EUR 9.18 million (8.99) and earnings per share were EUR 1.90 (1.86).

Revised Outlook

The uncertainty of the global economy still continues. According to the management, reaching the previous year's net sales is unlikely. The company's market position remains strong, which makes last year's operating profit still to be achievable without possible extraordinary items.

The company will continue focusing on electro-technical products and highly processed aluminium components.

The above mentioned predictions are based on the company's management's best view of the company's condition and market outlook.

Net sales and profitability

The net sales of Nordic Aluminium accounted for EUR 51.11 million (54.42). The profitability decreased from the previous year's first three quarters so that the operating profit was EUR 11.84 million (12.07). Compared with year 2011 the net sales decreased by -6.1 per cent and the operating profit by -1.9 per cent. The operating profit margin was 23.2 per cent which was greater than previous year's three first quarters (22.2 per cent). Earnings per share were EUR 1.90 (1.86).

International operations and export accounted for EUR 26.35 million (26.41), which is 51.6 per cent of the net sales (48.5 per cent).

The order backlog at the end of the period was 3.21 EUR million (3.89).

Third quarter in a nutshell

Net sales of Nordic Aluminium during April-Sept 2012 were EUR 15.69 million (15.75). The operating profit for the period was EUR 3.56 million (2.61). Earnings per share were EUR 0.56 (0.43).

Seasonality of sales and profit

Seasonal fluctuations are not significant in general. However, the concentration of summer vacations to July 2012 has an effect on how sales and earnings will spread over the third and fourth quarter.

Investments

The gross capital expenditures for the period were EUR 2.78 million (2.53).

Personnel

During the first nine months of 2012 the average number of personnel in Nordic Aluminium Group was 109 (128). At the end of the period the number of employees was 107 (123).

Events after the period

Nordic Aluminium Plc started employee negotiations in compliance with the Act on Cooperation on October 9, 2012. The first negotiations were held on October 15, 2012. The negotiations affect employees at Kirkkonummi and Nivala premises and the possible effects are approximately 22 persons.

Risks

Main business risks are related to the increased uncertainty in global economy and its influence on market demand. In addition, the fluctuations of aluminium, copper and plastic market prices are considered as risks.

Shares

The shares of Nordic Aluminium Plc are traded at the Helsinki Exchanges. The trading identifier is NOA1V and the ISIN code is FI0009006415. During the first nine months of the year 2012 a number of 1,571,422 shares were traded with EUR 46.26 million. The share quotation ranged between EUR 25.20 and EUR 33.50. The number of shares was 4,836,882 which remained unchanged during the reporting period. The market capitalisation of the company's shares stood at EUR 144.9 million (117.1) at the end of September.

Dividend from the financial year 2011 was EUR 2.20 per share, amounting to EUR 10,641,140.40.

Ownership

During the period (1-9/2012) Nordic Aluminium Plc (Nordic Aluminium) has gained knowledge of the disclosure notification of Lival Oy pursuant to Chapter 2, Section 9 of the Finnish Securities Markets Act. In accordance with the disclosure notification, the ownership of Lival Oy in Nordic Aluminium exceeded 66.7 per cent. (Stock exchange release NOAE0712/ 24.04.2012)

After the transaction of shares the total number of shares and votes in Nordic Aluminium Plc owned by Stig Lival-Lindström and Oy Lival Ab is 4,607,696 shares, 95,26 per cent.

Oy Lival Ab made a public takeover bid regarding Nordic Aluminium Plc's shares, which commenced on 20 August 2012. (Stock exchange release NOAE1212 / 17.08.2012)

Nordic Aluminium published the final outcome of the Takeover Bid from Oy Lival Ab on September 19, 2012. According to the final outcome, the Shares offered in the Takeover Bid represent approximately 20.14 percent of all Shares and votes attached to the Shares. Together with Shares previously acquired or owned by Lival, the Shares offered in the Takeover Bid represent approximately 92.48 percent of all Shares and votes attached to the Shares based on situation per 14 September 2012. (Stock exchange release NOAE1412 / 19.09.2012)

Oy Lival Ab ("Lival") announced on September 25, 2012, that in accordance with Section 2 of Chapter 18 of the Finnish Companies Act given Nordic Aluminium Plc ("Nordic Aluminium", "Company") a notification regarding the fact that its ownership for the Company's shares ("Shares") and votes attached to the Shares has exceeded nine-tenths (9/10). Lival has, in accordance with Section 1 of Chapter 18 of the Finnish Companies Act, a right to redeem Shares of the other shareholders of Nordic Aluminium. (Stock exchange release NOAE1612 / 25.09.2012)

Lival made a request for appointment of the arbitral tribunal on 26 September 2012 for the Redemption Board of the Finnish Chamber of Commerce in respect of the squeeze out of the Company's minority shareholders' shares. (Stock exchange release NOAE1712 / 27.09.2012)

On October 18, 2012 Oy Lival Ab notified about its nomination of a special representative to look after the interest of Nordic Aluminium Plc's minority share holders in the arbitration process. (Stock exchange release NOAE1912 / 25.09.2012)

During the period (1-9/2012) Nordic Aluminium has received a flagging notification in accordance with the chapter 2, section 9 of the Securities Market Act from Varma Mutual Pension Insurance Company ("Varma") regarding Nordic Aluminium's shares, according to which Varma's ownership in Nordic Aluminium decreased from 6 percent to 0 percent. (Stock exchange release NOAE1512 / 19.09.2012)

Disclaimer

This release contains certain forward-looking statements that reflect the current views of the company's management. Due to the nature of these statements, they contain risks and uncertainties and are subject to changes in the general economic situation and in the company's business sector.

Accounting policies

These presented interim financial statements have been prepared in accordance with IAS34 Interim Financial Reporting. Nordic Aluminium Plc applies the same accounting policies as are applied in 2011 annual financial statements.

The financial information is prepared in accordance with international financial reporting standards IFRS. Since the beginning of 2012 the company has introduced new and revised standards as described for the 2011 financial statements.

As the group has only one primary business segment, "Aluminium products", which is equal to the official consolidated income statement and profit and loss account, the interim report do not include separate information over the group's primary business segment.

The key figures in this interim financial report are calculated with the same accounting principles as in year 2011 annual financial statement. The calculation rules of key figures are presented in the financial statements bulletin of the previous year.

The figures presented in the tables below have been rounded to two decimals, which should be taken into account when reading the sum figures.

The interim report has not been subject to audit.

CONSOLIDATED INCOME STATEMENT

EUR MILLION	7-9/12 %	7-9/11 %	1-9/12 %	1-9/11 %	1-12/11 %	
Net sales	15,69	15,75	51,11	54,42	69,66	
Other operating income	0,00	0,01	0,00	0,32	0,46	
Increase(+) or decrease(-) finished goods and work in progress	-0,70	0,83	-0,68	0,53	0,41	
Raw materials and consumables	-7,09	-9,18	-24,86	-27,71	-35,72	
Personnel expenses	-1,03	-1,55	-3,55	-5,20	-6,39	
Depreciation and reduction of value	-0,88	-1,00	-2,64	-3,03	-3,99	
Other operating expenses	-2,44	-2,25	-7,54	-7,27	-9,80	
Operating profit	3,56 22,7 %	2,61 16,6 %	11,85 23,2 %	12,07 22,2 %	14,63 21,0 %	
Financial items	0,01	0,2	0,21	0,10	0,22	
Profit before taxes	3,56 22,7 %	2,81 17,8 %	12,05 23,6 %	12,18 22,4 %	14,85 21,3 %	
Income taxes	-0,88	-0,75	-2,90	-3,22	-4,08	
	0,02	0,01	0,03	0,03	0,30	
Net profit for the period	2,71 17,2 %	2,07 13,1 %	9,18 18,0 %	8,99 16,5 %	11,07 15,9 %	
Profit attributable to:						
Owners of the parent	2,71 17,3 %	2,07 13,1 %	9,18 18,0 %	8,99 16,5 %	11,07 15,9 %	
Minority interest	0,00	0,00	0,00	0,00	0,00	
Other comprehensive income						
Conversion difference	-0,01	0,06	-0,10	0,02	0,04	
Total comprehensive income						
Owners of the parent	2,70 17,2 %	2,13 13,5 %	9,08 17,9 %	9,01 16,6 %	11,11 15,9 %	
Minority interest	0,00	0,00	0,00	0,00	0	
Basic and diluted earnings per share, EUR	0,56	0,43	1,90	1,86	2,29	

CONSOLIDATED BALANCE SHEET

EUR Million	Sept 30,2012	Sept 30,2011	Dec 31, 2011
Non-current assets			
Tangible assets	25,84	25,05	25,80
Goodwill	2,25	2,25	2,25
Intangible assets	0,78	0,72	0,71
Tradable financial assets	0,02	0,02	0,02
Other financial assets	0,01	0,01	0,01
Deferred tax liabilities	0,10	0,10	0,09
Total	29,00	28,14	28,86
Current assets			
Inventories	6,40	7,23	7,09
Accounts receivable and other current assets	12,96	13,66	9,70
Advance payments	0,00	0,00	0,00
Cash in hand and at banks	13,10	14,81	17,05
Total	32,46	35,68	33,84
Total assets	61,46	63,82	62,70
Shareholders`equity and liabilities			
Equity			
Shareholders` equity	6,19	6,19	6,19
Share premium account	3,45	3,45	3,45
Conversion difference	-0,20	-0,16	-0,10
Retained earnings	43,13	42,49	44,58
Shareholders` equity			
Owners of the parent	52,58	51,98	54,13
Minority interest	0,00	0,00	0,00
Total	52,58	51,98	54,13
Long-term liabilities			
Deferred tax liabilities	2,91	3,20	2,89
Provisions	0,20	0,20	0,20
Interest bearing liabilities	0,01	0,01	0,00
Total	3,11	3,41	3,10
Short-term liabilities			
Accounts payable	5,77	8,42	5,48
Provision	0,00	0,00	0,00
Short-term interest bearing liabilities	0,00	0,01	0,00
Total	5,77	8,43	5,48
Total liabilities	8,88	11,84	8,58
Total shareholders`s equity and liabilities	61,46	63,82	62,70

CONSOLIDATED CASH FLOW STATEMENTS

EUR million	7-9/12	7-9/11	1-9/12	1-9/11	1-12/11
Cash flow from operations					
Net profit (loss)	2,71	2,07	9,18	8,99	11,07
Corrections					
Depr, according to plan	0,87	1,00	2,64	3,03	3,99
Financial items	-0,01	-0,20	-0,21	-0,10	-0,22
Taxes	0,88	0,75	2,90	3,22	3,78
Cash flow before change in net working capital	4,45	3,62	14,51	15,13	18,62
Change in net working capital:					
Short-term receivables, increase(-)/decrease(+)	0,75	2,07	-3,66	-4,02	-0,30
Inventories increase(-)/decrease(+)	0,75	-0,90	0,69	-0,45	-0,31
Short-term interest bearing liabilities increase(+)/decrease(-)	-1,64	-0,47	0,48	3,18	0,09
Total	-0,14	0,70	-2,49	-1,29	-0,52
Cash flow from operations before interests and taxes	4,31	4,32	12,02	13,84	18,10
Paid interests and payments for other financial expenses	-0,01	-0,01	-0,05	-0,25	-0,29
Received interests and payments from other financial income	0,18	0,21	0,26	0,35	0,51
Paid income taxes	-0,88	-0,75	-1,76	-2,93	-3,67
Cash flow from operations (A)	3,60	3,77	9,59	11,02	14,65
Cash flow from investing activities					
Investments in tangible and intangible assets	-1,28	-1,23	-2,78	-2,53	-4,16
Income from sales of tangible and intangible assets	0,00	0,00	0,00	0,00	0,18
Repayment of loan receivables	0,00	0,00	0,00	0,00	0,00
Cash flow from investments (B)	-1,28	-1,23	-2,78	-2,53	-3,98
Cash flow from financial items					
Rights issue	0,00	0,00	0,00	0,00	0,00
Withdrawals of short-term loans	0,00	0,00	0,00	0,00	0,00
Amortization of short-term loans	0,00	0,00	0,00	-0,01	-0,02
Withdrawals of long-term loans	0,00	0,00	0,00	0,00	0,00
Amortization of long-term loans	0,00	0,01	0,00	0,00	0,00
Dividends paid	0,00	0,00	-10,64	-10,16	-10,16
Cash flow from financial items (C)	0,00	0,01	-10,65	-10,17	-10,18
Change in cash flow (A+B+C)	2,31	2,55	-3,84	-1,68	0,50
Conversion difference	-0,01	0,06	-0,10	-0,02	0,04
Total	2,30	2,61	-3,94	-1,70	0,54
Cash in hand and at banks in the beginning of period	10,80	12,20	17,05	16,51	16,51
Cash in hand and at banks in the end of period	13,10	14,81	13,10	14,81	17,05
Change	2,30	2,61	-3,94	-1,70	0,54

STATEMENT OF CHANGES OF CONSOLIDATED EQUITY

EUR million

	Shareholders Equity	Sh.pr. account	Convers. diff.	Retained. earnings	Total equity
Equity					
01.01.2011	6.19	3.45	-0.14	43.66	53.17
Comprehensive income			-0.02	8.99	8.97
Earning and costs tot.					8.97
Dividends				-10.16	-10.16
Equity					
30.09.2011	6.19	3.45	-0.16	42.49	51.98
Equity					
01.01.2012	6.19	3.45	-0.10	44.58	54.13
Comprehensive income			-0.10	9.18	9.08
Earning and costs tot.					
Dividends				-10.64	-10.64
Equity					
30.09.2012	6.19	3.45	-0.20	43.13	52.58

KEY FIGURES:

	7-9/12	7-9/11	1-9/12	1-9/11	1-12/11
Basic and diluted earnings per share, EUR	0.56	0.43	1.90	1.86	2.29
	Sept 30, 2012	Sept 30, 2011	Dec 31, 2011		
Equity ratio, %	85.6	81.4	86.3		
Gearing, %	-24.9	-28.5	-31.5		
Balance sheet total, EUR million	61.46	63.82	62.70		

NOTES:

	Sept 30, 2012	Sept 30, 2011	Dec 31, 2011		
Equity/share, EUR	10.87	10.75	11.19		
Average number of personnel at the end of the period	107	123	105		
	7-9/12	7-9/11	1-9/12	1-9/11	1-12/12
Average number of personnel	111	123	109	128	128
Investments, EUR mill.	1.28	1.16	2.78	2.53	4.16

Geographical segments:

Net sales

EUR million	7-9/12	7-9/11	1-9/12	1-9/11	1-12/11
Finland	6.75	7.83	24.76	28.01	36.22
Other countries	8.95	7.92	26.35	26.41	33.44
Total	15.70	15.75	51.11	54.42	69.66

Taxes:

EUR million	7-9/12	7-9/11	1-9/12	1-9/11	1-12/11
Current income tax	-0.88	-0.75	-2.90	-3.22	-4.08
Change in deferred income tax	0.02	0.01	0.03	0.03	0.30
Total	-0.86	-0.74	-2.87	-3.19	-3.78

Inventories:

EUR million	Sept 30, 2012	Sept 30, 2011	Dec 31, 2011
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Raw materials and consumables	0.88	0.97	0.92
Work in progress	2.35	3.75	3.80
Finished goods	3.17	2.50	2.37
Total	6.40	7.22	7.09

Interest bearing loans and borrowings:

EUR million	Sept 30,	Sept 30,	Dec 31,
	2012	2011	2011
Obligations under finance leases	0.00	0.01	0.01
Total	0.00	0.01	0.01

Contingent liabilities:

EUR million	Sept 30,	Sept 30,	Dec 31,
	2012	2011	2011
Consignation liability	0.29	0.74	0.15
Rental and leasing liabilities	2.52	4.39	4.03

Related party disclosures:

EUR million	7-9/12	7-9/11	1-9/12	1-9/11	1-12/11
Sales	1.59	2.14	8.39	8.49	10.53
Purchases	0.00	0.00	0.00	0.01	0.02

EUR million	Sept 30,	Sept 30,	Dec 31,
	2012	2011	2011
Receivables	0.41	0.49	0.09
Accounts payable	0.00	0.02	0.00

Order backlog:

EUR million	Sept 30,	Sept 30,	Dec 31,
	2012	2011	2011
	3.21	3.89	3.67

The company bulletins will be published also on web-pages www.nordicaluminium.fi.

Kirkkonummi October 19, 2012

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