

ASPOCOMP'S INTERIM REPORT JANUARY 1 - MARCH 31, 2014

Key figures 1-3/2014 in brief

Aspocomp	1-3/2014	1-3/2013	Change
Net sales	5.5 M€	4.9 M€	0.6 M€
EBITDA	0.6 M€	-0.4 M€	0.9 M€
Operating profit excluding non-recurring items	0.3 M€	-0.7 M€	1.0 M€
<i>% of net sales</i>	4.8 %	-15.0 %	19.8 ppts
Operating profit	0.2 M€	-0.7 M€	0.9 M€
Earnings per share	0.03 €	-0.12 €	0.15 €
Operative cash flow	-0.7 M€	0.3 M€	-1.0 M€
Equity ratio	71.9 %	72.1 %	-0.2 ppts

Outlook for the future

In 2014, net sales are expected to be between EUR 20 and 25 million and operating profit without one-time items between EUR -0.5 and 1.5 million.

CEO's review

“The market situation improved significantly toward the end of the first quarter. We responded to the increase in demand by changing over from one to two shifts at the Teuva plant in March. At the end of the reporting period, the Oulu plant operated at full capacity utilization. Due to the slow start of the year, net sales amounted to EUR 5.5 million and the operating result excluding non-recurring items to EUR 0.3 million, or 5 percent of net sales. It's encouraging that the heavy loss posted in the previous quarter now turned into clear profit.

Operating cash flow dipped clearly into the red at EUR -0.7 million. Increased demand will bind capital in the coming months, but the company will come out of this without any special financial arrangements.

Our short-term challenge is to satisfy increased demand while maintaining an excellent level of service quality with all customers, including new emerging ones who still account for a small share of our net sales. On the whole, the outlook for this year is positive.”

Net sales and earnings

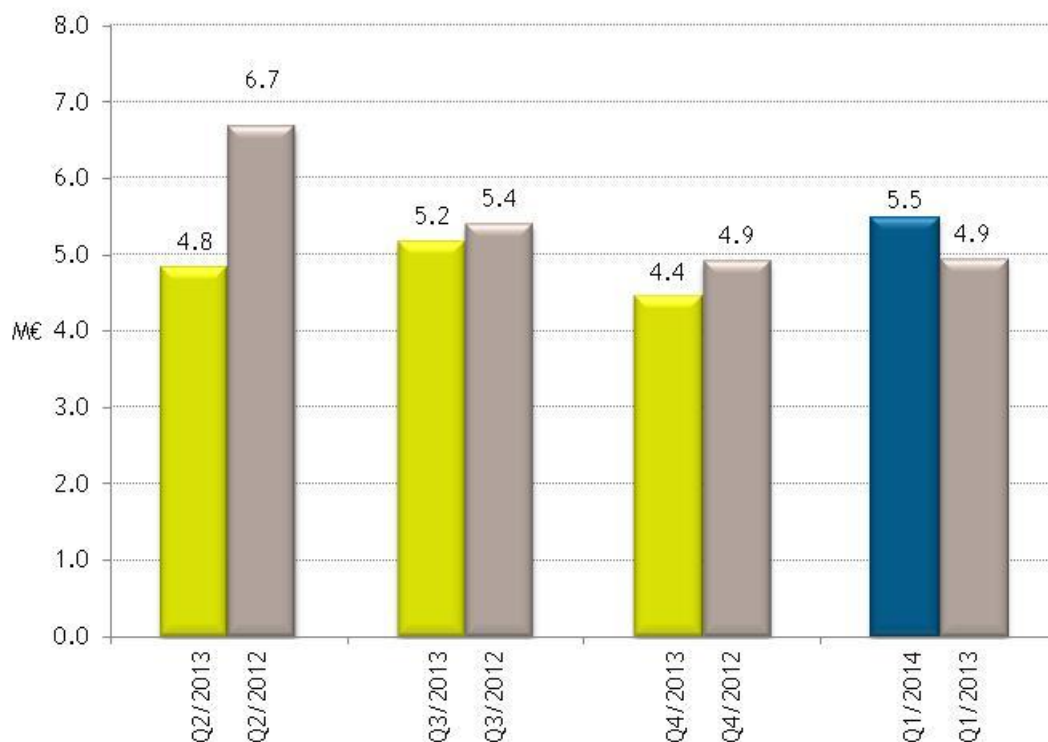
January-March 2014

First-quarter net sales amounted to EUR 5.5 million, a year-on-year increase of 11 percent. The five largest customers accounted for 70 percent of net sales (66% 1-3/2013). In

geographical terms, 86 percent of net sales were generated in Europe (88%) and 14 percent in Asia (12%).

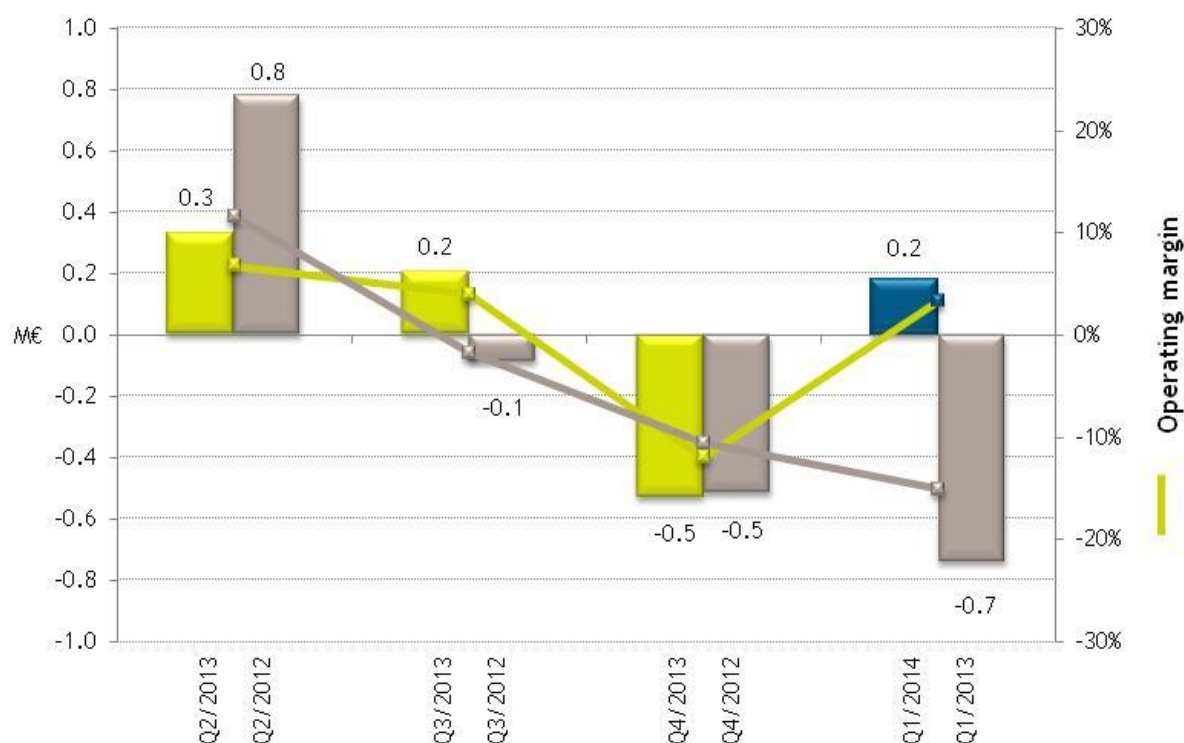
The level of demand improved toward the end of the reporting period. In particular, demand in the telecom sector picked up significantly. The net sales of the other segments were also higher than expected.

Fig. 1 Quarterly net sales in 2014 and 2013 (M€)



The operating result was EUR 0.2 million (EUR -0.7 million 1-3/2013). At the end of the period, the Oulu plant operated at full capacity utilization. In mid-March, the Teuva plant transitioned from one to two shifts per day, allowing again quick deliveries from Teuva, too.

Net financial expenses for the review period amounted to EUR 0.0 million (EUR 0.0 million). Earnings per share were EUR 0.03 (EUR -0.12).

Fig. 1 Quarterly operating result in 2014 and 2013 (M€, %)

Investments and R&D

Investments during the review period amounted to EUR 0.2 million (EUR 0.4 million 1-3/2013).

The bulk of the investments comprised the last installments of those initiated in 2013. The investments were mainly earmarked for capability improvement at the Oulu plant.

R&D costs comprise general production development costs. These costs do not fulfill the IAS 38 definition of either development or research and are therefore booked into plant overheads.

Cash flow and financing

Cash flow from operations during the period was EUR -0.7 million (EUR 0.3 million 1-3/2013). Cash flow after investments was EUR -0.9 million (EUR -0.1 million).

The Group's financial position remains good. Cash assets amounted to EUR 1.3 million at the end of the period (EUR 1.7 million 3/2013). Interest-bearing liabilities amounted to EUR 1.8 million (EUR 0.3 million 3/2013). Gearing was 4.4 percent (-10.4%). Non-interest-bearing liabilities amounted to EUR 3.2 million (EUR 4.9 million). At the end of the period, the Group's equity ratio amounted to 71.9 percent (72.1%).

The company also has a EUR 0.5 million credit facility. The facility was not in use on the closing date.

Personnel

During the review period, the company had an average of 151 employees (152 in 1-3/2013). The personnel count on March 31, 2014 was 150 (153 in 3/2013). Of them, 107 (106) were non-salaried and 43 (47) salaried employees.

The Board of Directors and authorizations given to the Board

In its organization meeting on April 23, 2013, the Board of Directors of Aspocomp Group Plc. re-elected Tuomo Lähdesmäki as chairman of the Board. Board committees were not established as the extent of the company's business did not require it.

The Annual General Meeting decided to authorize the Board of Directors to decide on the issuance of shares and the issuance of options and other special rights entitling to shares as referred to in Chapter 10, Section 1 of the Companies Act in one or more transactions as follows:

The number of shares to be issued based on the authorization may in total amount to a maximum of 4,000,000 shares. The Board of Directors decides on all the terms and conditions of the issuances of shares and options and other special rights entitling to shares. The authorization concerns both the issuance of new shares and the transfer of treasury shares. The issuance of shares and options and other special rights entitling to shares as referred to in Chapter 10, Section 1 of the Companies Act may be carried out in deviation from the shareholders' pre-emptive rights (directed issue).

The authorization cancels the authorization given by the General Meeting on December 20, 2011 to decide on the issuance of shares and the issuance of special rights entitling to shares. The authorization is valid until June 30, 2015.

Shares

The total number of Aspocomp's shares at March 31, 2014 was 6,406,505 and the share capital stood at EUR 1,000,000. The company did not hold any treasury shares.

A total of 673,646 Aspocomp Group Plc. shares were traded on NASDAQ OMX Helsinki during the period from January 1 to March 31, 2014. The aggregate value of the shares exchanged was EUR 682,206. The shares traded at a low of EUR 0.95 and a high of EUR 1.17. The average share price was EUR 1.01. The closing price at March 31, 2014 was EUR 1.00, which translates into market capitalization of EUR 6.4 million.

Nominee-registered shares accounted for 5.1 percent of the total shares.

Aspocomp's business operations

Aspocomp sells and manufactures PCBs and offers related design and logistics services. The company's own manufacturing units in Oulu and Teuva comprise the core of its business operations. Both units focus on prototype and quick-turn deliveries and the commercialization of new PCB technologies in cooperation with customers' product design departments. In addition, Aspocomp provides high-volume PCB trading services, including added-value services.

Aspocomp's customers are companies that design and manufacture telecom systems and equipment, industrial and automotive electronics, and healthcare systems.

The Oulu plant manufactures HDI (*High Density Interconnection*), multilayer and special material PCBs. It is capable of very fast deliveries, even in the case of structurally complex PCBs. Aspocomp's HDI product development and commercialization are centralized in Oulu. In addition, the Oulu plant develops technologies for heat management on PCBs.

The Teuva plant manufactures two-layer, multilayer and special material PCBs. It also specializes in the production of short series and quick-turn deliveries. The Teuva plant develops and commercializes new material and structural solutions based on standard (not HDI) multilayer technology. It also develops heat management applications.

Electronics supply chains are occasionally hit by disturbances that result in urgent needs. For instance, PCB deliveries might be hindered by overdemand, accidents, natural catastrophes or holiday seasons. Furthermore, problems with deliveries of any of the components assembled on PCBs could lead to layout changes in PCBs. Fulfilling urgent needs due to such changes is difficult and cost-ineffective for high-volume PCB suppliers that manufacture long series. In such situations, Aspocomp's plants can step in to plug these urgent high-volume needs.

In addition to its in-house manufacture, Aspocomp also offers PCB trading services to its customers. These services include the selection of the most suitable high-volume manufacturer, provision of the technical specifications of the product, quality assurance and logistics services. These trading services round out Aspocomp's own manufacturing, enabling customers to cost-effectively buy their PCBs from a single provider over the entire life cycle of a product. Aspocomp's own production operations keep it up to date on developments in PCB technology – customers can thus rest assured that the company will provide them with the best knowledge and service.

Outlook for the future

As Aspocomp's business focuses on prototypes and quick-turn deliveries, the company's order book is very short. As a result, business development is difficult to predict and profit forecasts involve significant uncertainties.

In 2014, net sales are expected to be between EUR 20 and 25 million and operating profit without one-time items between EUR -0.5 and 1.5 million.

Assessment of short-term business risks

Dependence on key customers

The acquisition of the Teuva plant in 2012 reduced the share of net sales accounted for by the five largest customers from over 80 percent to less than 70 percent and balanced out the net sales differences of the largest customers. However, Aspocomp does not as yet have enough medium-sized customers and still remains too dependent on four to seven key customers. This exposes the company to significant fluctuations in demand.

Market trends

Although Aspocomp is a marginal player in the global electronics market, changes in global PCB demand also have an impact on the company's business. A prolonged downturn has increased competition in quick-turn deliveries and short production series and has had a negative impact on both demand and prices. Correspondingly, overdemand for PCBs increases the need for quick-turn deliveries and decreases competition in short series, as high-volume manufacturers seek to optimize their capacity utilization ratios.

Aspocomp's main market area comprises Northern and Central Europe. In case Aspocomp's clients would transfer their R&D out of Europe, demand for Aspocomp's offerings might weaken significantly.

Publication of financial releases

Aspocomp Group Plc.'s financial information publication schedule for 2014 is:

- Interim report for January-June: Thursday, August 7, 2014

- Interim report for January-September: Thursday, October 23, 2014

Interim reports will be published at around 9:00 a.m.

Accounting policies

The reported operations include Aspocomp Oulu Oy and the Group's parent company, Aspocomp Group Plc. These operations comprise a single business segment.

All figures are unaudited. The interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The accounting principles that were applied in the preparation of the financial statements of December 31, 2013 have been applied in the preparation of this report. However, as of January 1, 2014 the company has applied the following new or modified standards. The amendments do not have an impact on the consolidated financial statements.

- Amendment to transition rules of IFRS 10, 11 and 12 (adjustment of comparison data)
- IFRS 10, Consolidated Financial Statements: control
- IFRS 12, Disclosure of Interests in Other Entities
- IAS 36 (revised), Impairment of Assets

Profit and Loss Statement

January - March

	1 000 €	1-3/2014		1-3/2013		Change	1-12/2013	
Net sales		5,490	100%	4,933	100%	11%	19,333	100%
Other operating income		9	0%	8	0%	13%	82	0%
Materials and services		-2,019	-37%	-2,167	-44%	-7%	-8,209	-42%
Personnel expenses		-1,657	-30%	-1,786	-36%	-7%	-6,878	-36%
Other operating costs		-1,293	-24%	-1,349	-27%	-4%	-3,523	-18%
Depreciation and amortization		-399	-7%	-377	-8%	6%	-1,540	-8%
Operating profit		184	3%	-740	-15%	-125%	-735	-4%
Financial income and expenses		-16	0%	-9	0%	75%	-52	0%
Profit before tax		168	3%	-749	-15%	-122%	-788	-4%
Income taxes		-1	0%	0	0%		-984	-5%
Profit for the period		167	3%	-749	-15%	-122%	-1,772	-9%
<i>Other comprehensive income</i>								
Items that will not be reclassified to profit or loss		0	0%	0	0%		0	0%
Items that may be reclassified subsequently to profit or loss:								
Currency translation differences		-2	0%	4	0%	-153%	-4	0%
Total other comprehensive income		-2	0%	4	0%	-153%	-4	0%
Total comprehensive income		165	3%	-745	-15%	-122%	-1,776	-9%
Earnings per share (EPS)								
Basic EPS		0.03 €		-0.12 €		-125%	-0.28 €	
Diluted EPS		0.03 €		-0.12 €		-125%	-0.28 €	

Potential ordinary shares have not been included in the calculation of diluted earnings per share when they are antidilutive for the period presented.

All remaining convertible bonds have been redeemed in 2013.

Consolidated Balance Sheet

	1 000 €	3/2014	3/2013	Change	12/2013
Assets					
Non-current assets					
Intangible assets		3,103	3,077	1%	3,105
Tangible assets		3,629	3,793	-4%	4,003
Available for sale investments		15	15	0%	15
Deferred income tax assets		2,259	3,242	-30%	2,259
Total non-current assets		9,006	10,127	-11%	9,382
Current assets					
Inventories		2,743	2,617	5%	2,615
Short-term receivables		4,724	4,344	9%	3,434
Cash and bank deposits		1,271	1,773	-28%	2,380
Total current assets		8,738	8,684	1%	8,429
Total assets		17,744	18,811	-6%	17,810
Equity and liabilities					
Share capital		1,000	1,000	0%	1,000
Reserve for invested non-restricted equity		3,962	3,911	1%	3,955
Retained earnings		7,792	8,658	-10%	7,627
Total equity		12,754	13,568	-6%	12,582
Long-term financing loans		1,239	0		1,279
Employee benefits		184	275	-33%	266
Deferred income tax liabilities		16	18	-11%	16
Short-term financing loans		596	316	89%	744
Trade and other payables		2,955	4,634	-36%	2,923
Total liabilities		4,990	5,243	-5%	5,228
Total equity and liabilities		17,744	18,811	-6%	17,810

Consolidates Changes in Equity

January-March 2014					
	Share capital	Other reserve	Translation differences	Retained earnings	Total equity
1000 €					
Balance at Jan. 1, 2014	1,000	3,955	6	7,622	12,582
Comprehensive income					
Comprehensive income for the period				167	167
<i>Other comprehensive income for the period, net of tax</i>					
Translation differences			-2		-2
Total comprehensive income for the period	0	0	-2	167	165
Business transactions with owners					
Reissuance of treasury shares		7		0	7
Business transactions with owners, total		7		0	7
Balance at Mar. 31, 2014	1,000	3,962	4	7,789	12,754
January-March 2013					
Balance at Jan. 1, 2013	1,000	3,896	9	9,394	14,299
Comprehensive income					
Comprehensive income for the period				-749	-749
<i>Other comprehensive income for the period, net of tax</i>					
Translation differences			4		4
Total comprehensive income for the period	0	0	4	-749	-745
Business transactions with owners					
Reissuance of treasury shares		15		0	15
Business transactions with owners, total	0	15		0	15
Balance at Mar. 31, 2013	1,000	3,911	13	8,645	13,568

Consolidated Cash Flow Statement

	1 000 €	1-3/2014	1-3/2013	1-12/2013
Profit for the period		167	-749	-1,772
Adjustments		333	405	1,501
Change in working capital		-1,221	652	1,100
Received interest income		0	0	2
Paid interest expenses		-16	-3	-99
Paid taxes		-1	0	-19
Operational cash flow		-738	305	713
Investments		-189	-412	-1,874
Proceeds from sale of property, plant and equipment		5	0	12
Cash flow from investments		-184	-412	-1,862
Increase in financing		0	0	2,130
Decrease in financing		-187	-125	-557
Cash flow from financing		-187	-125	1,573
Change in cash and cash equivalents		-1,109	-233	424
Cash and cash equivalents at the beginning of period		2,380	1,955	1,955
Cash and cash equivalents at the end of period		1,271	1,723	2,380

Key Financial Indicators

	Q1/2014	Q4/2013	Q3/2013	Q2/2013	Q1/2013
Net sales, M€	5.5	4.4	5.2	4.8	4.9
Operating result before depreciation (EBITDA), M€	0.6	-0.1	0.6	0.7	-0.4
Operating result (EBIT), M€	0.2	-0.5	0.2	0.3	-0.7
<i>of net sales, %</i>	3%	-12%	4%	7%	-15%
Profit/loss before taxes, M€	0.2	-0.5	0.2	0.3	-0.7
<i>of net sales, %</i>	3%	-12%	4%	6%	-15%
Net profit/loss for the period, M€	0.2	-1.5	0.2	0.3	-0.7
<i>of net sales, %</i>	3%	-34%	4%	6%	-15%
Equity ratio, %	72%	71%	75%	74%	72%
Gearing, %	4%	0%	0%	-3%	-10%
Gross investments in fixed assets, M€	0.2	0.1	0.8	0.6	0.4
<i>of net sales, %</i>	3%	0%	15%	13%	8%
Personnel, end of the quarter	150	152	154	153	153
Earnings/share (EPS), €	0.03	-0.24	0.03	0.05	-0.12
Equity/share, €	1.99	1.96	2.20	2.17	2.12

Formulas and definitions

Equity/share, € =	$\frac{\text{Equity attributable to shareholders}}{\text{Number of shares at the end of period}}$
Equity ratio, % =	$\frac{\text{Equity}}{\text{Total assets - advances received}} \times 100$
Gearing, % =	$\frac{\text{Net interest bearing liabilities}}{\text{Total equity}} \times 100$
Earnings/share (EPS), € =	$\frac{\text{Profit attributable to equity shareholders}}{\text{Adjusted weighted average number of shares outstanding}}$
EBITDA =	Earnings before interests, taxes, depreciations and amortisations

Contingent Liabilities

	1 000 €	3/2014	3/2013	12/2013
Business mortgage		4,000	0	4,000
Operating lease liabilities		1,538	1,956	1,622
Other liabilities		23	40	23
Total		5,561	1,996	5,645

All figures are unaudited.

Espoo, April 24, 2014

Board of Directors of Aspocomp Group Plc.

ASPOCOMP

For further information, please contact Sami Holopainen, CEO, tel. +358 20 775 6860, sami.holopainen(at)aspocomp.com.

Aspocomp - PCB technology company

Aspocomp develops and sells PCB manufacturing services. Our seasoned professionals help customers to create the most optimal PCB designs, both in terms of performance and cost. Our trimmed production lines produce the most challenging designs with the shortest lead-times in the industry. Our volume supply services offer cost-efficient access to all PCB technologies.

A printed circuit board (PCB) is the principal interconnection method in electronic devices. PCBs are used for electrical interconnection and as a component assembly platform in most electronic applications. Aspocomp's PCBs are used in many applications, such as telecommunication networks and devices, automotive electronics, security and medical systems, chipset development and industrial automation.

www.aspocomp.com

Some statements in this stock exchange release are forecasts and actual results may differ materially from those stated. Statements in this stock exchange release relating to matters that are not historical facts are forecasts. All forecasts involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performances or achievements of the Aspocomp Group to be materially different from any future results, performances or achievements expressed or implied by such forecasts. Such factors include general economic and business conditions, fluctuations in currency exchange rates, increases and changes in PCB industry capacity and competition, and the ability of the company to implement its investment program.