ASPOCOMP

ASPOCOMP'S FINANCIAL STATEMENTS, JAN. 1 - DEC. 31, 2018

Key figures 10-12/2018 in brief

	10-12/2018	10-12/2017	Change *
Net sales	8.5 M€	6.3 M€	2.2 M€
EBITDA	1.5 M€	0.7 M€	0.8 M€
Operating result	1.2 M€	0.4 M€	0.8 M€
% of net sales	14.5 %	6.5 %	8.1 ppts
Earnings per share	0.25 €	0.13 €	0.12 €

Key figures 2018 in brief

	1-12/2018	1-12/2017	Change *
Net sales	29.1 M€	23.9 M€	5.2 M€
EBITDA	4.0 M€	1.9 M€	2.0 M€
Operating result	2.9 M€	0.8 M€	2.0 M€
% of net sales	9.9 %	3.5 %	*6.4* ppts
Earnings per share	0.49 €	0.19 €	0.30 €
Operative cash flow	2.0 M€	0.8 M€	1.2 M€
Equity ratio	57.6 %	69.1 %	-11.5 ppts
Order book at the end of period	2.8 M€	2.5 M€	0.2 M€
Dividend/share **	0.12 €	0.07 €	0.05 €

* The total may deviate from the sum totals due to rounding up and down.

** The Board of Directors will propose to the Annual General meeting

OUTLOOK FOR THE FUTURE

In 2019, net sales are expected to grow approximately 10 percent compared with 2018 and the operating result to be better than in 2018. In 2018, net sales amounted to EUR 29.1 million and the operating result to EUR 2.9 million.

CEO'S REVIEW

"Excellent development continued in the fourth quarter. Full-year net sales grew 22 percent, rising to their highest level since 2006. Our growth was clearly faster than the PCB market as a whole, which is expected to grow by approximately 5.5 percent (Custer Consulting, February 2019). The customer segments selected in the strategy all posted strong growth, with the exception of the security and defense segment. In the telecommunications network segment, demand was strengthened by the development of the next generation of 5G technology and the launch of the first commercial networks and equipment. The segment has over 10 significant customers and total growth was 42 percent. Development was slightly more moderate in both the automotive industry and industrial electronics segments, about 17 and 15 percent, respectively. The semiconductor testing segment grew by as much as 54 percent and its net sales amounted to EUR 2 million. In the security and defense segment, sales decreased by almost a fifth due to strong performance in the reference year and delays in the startup of certain projects.

In 2018, net sales rose to EUR 29.1 million. Performance was clearly strongest in the fourth quarter, with sales reaching EUR 8.5 million, representing growth of 36 percent. In the fourth quarter, sales were boosted particularly by strong demand in the telecommunications network segment.

Full-year operating result amounted to EUR 2.9 million and rose to 10 percent of net sales. Profitability developed well and exceeded the target level set in the strategy. The target level was at least 7 percent by 2022. The extremely strong earnings trend is the result of the focus on technologically more demanding printed circuit boards (PCBs) in our sales and manufacturing as well as higher net sales. In addition, we have been able to provide end-to-end service for our customers' high-volume orders by utilizing our strong partner network.

The operating result for the fourth quarter tripled compared to last year's reference period and amounted to EUR 1.2 million. Operating margin was exceptionally high, 14 percent of net sales. In the fourth quarter, the Oulu plant managed to increase its delivery reliability to a record level and at the same time reduced production losses by raising yields. New investments in capability are starting to deliver results.

The ongoing EUR 10 million investment program focuses in the first stage on enhancing the capabilities of the Oulu plant, while the main focus in the second stage is to increase its capacity. Most of the first stage equipment has been ordered and installation will be completed in 2019. With the start-up of new equipment depreciation, total depreciation will increase faster than net sales, and relative profitability is estimated to decline slightly in the early stages. At the same time, we estimate that net sales of our volume production service will grow faster than our own production, which also puts pressure on relative profitability."

NET SALES AND EARNINGS

October- December 2018

Fourth-quarter net sales amounted to EUR 8.5 (6.3) million, a year-on-year increase of 36 percent. The fourth quarter was clearly strongest, and sales were boosted particularly by strong demand in the telecommunications network segment.

The five largest customers accounted for 55 (49)percent of net sales. In geographical terms, 98 (95) percent of net sales were generated in Europe, 1 (2) percent in Asia and 1 (3) percent in North America.

The operating result for the fourth quarter tripled compared to last year's reference period and amounted to EUR 1.2 (0.4) million. Fourth-quarter operating result was 14.5 percent of net sales. The Oulu plant managed to increase its delivery reliability to a record level in the fourth quarter and at the same time reduced production losses.

Net financial expenses amounted to EUR 0.0 (0.0) million. Earnings per share were EUR 0.25 (0.13).

The order book at the end of the review period was EUR 2.8 (2.5) million, representing a year-on-year increase of about EUR 0.2 million.

Financial year 2018

Net sales amounted to EUR 29.1 (23.9) million, a year-on-year increase of 21.8 percent. All the customer segments selected in the strategy posted strong growth, except for the security and defense segment. In the telecommunications network segment, demand was strengthened by the development of the next generation of 5G technology and the launch of the first commercial networks and equipment. The semiconductor testing segment also saw significant growth and its net sales amounted to EUR 2 million. The automotive industry and industrial electronics segments grew also, but more modestly than the ones above. Of the customer segments selected in the strategy, sales decreased only in the security and defense segment, mainly due to strong performance in the reference year and changes in the schedules of customer projects.

The five largest customers accounted for 54 (51) percent of net sales. In geographical terms, 97 (95) percent of net sales were generated in Europe, 1 (2) percent in Asia and 2 (3) percent in North America.

Operating result amounted to EUR 2.9 (0.8) million, rising to 10 percent of net sales. The extremely strong earnings trend is the result of the focus on technologically more demanding printed circuit boards (PCBs) in sales and own manufacturing as well as higher net sales.

Net financial expenses amounted to EUR 0.1 (0,1) million. Earnings per share were EUR 0.49 (0.19).

Investments

Investments during 2018 amounted to EUR 3.4 (1.0) million. The investments were mainly focused on the acquisition of the production facility and improving the capabilities of the Oulu plant. The investment program to enhance the capabilities of the Oulu plant and increase its capacity, announced in December 2017, is proceeding on schedule. The investment program focuses in the first stage on enhancing the capabilities of the plant and in the second stage on increasing capacity. Most of the first stage equipment has been already ordered and installation will be completed in 2019. With the investment program, the company will be able to respond better to the rise in demand generated by global digitalization and thereby bolster the company’s position as a partner to the world’s leading technology and semiconductor companies.

Cash flow and financing

Cash flow from operations amounted to EUR 2.0 (0.8) million due to positive development of net sales and earnings

Cash assets amounted to EUR 2.6 (0.4) million at the end of the period. Interest-bearing liabilities amounted to EUR 5.4 (1.5) million after the company raised a new loan to finance its investments in the Oulu plant. Gearing was 19 (9) percent. Non-interest-bearing liabilities amounted to EUR 5.5 (3.9) million. At the end of the period, the Group’s equity ratio amounted to 58 (69) percent.

The company also has a EUR 1.0 (0.2) million credit facility, which was not in use at the end of the review period. In addition, the company has a recourse factoring agreement, of which EUR 0.0 (0.0) million was in use.

Deferred tax assets

At the end of the 2018 financial year, the company had EUR 4.0 million in deferred tax assets in its balance sheet. The deferred tax assets are primarily due to decelerated tax depreciation.

PERSONNEL

During the review period, the company had an average of 116 (111) employees. The personnel count on December 31, 2018 was 117 (113). Of them, 74 (71) were blue-collar and 43 (42) white-collar employees.

ANNUAL GENERAL MEETING

The decisions of the Annual General Meeting 2018, the authorizations given to the Board of Directors by the AGM and the decisions relating to the organization of the Board of Directors have been published in separate stock exchange releases on March 16, 2018.

The Annual General Meeting 2019 will take place on Wednesday, April 3 at 10:00 a.m. EET. The meeting will be convened by the company's Board of Directors later on.

OTHER MAJOR EVENTS IN THE FINANCIAL YEAR 2018

Aspocomp Group Plc announced on March 29, 2018 that the company has acquired from Technopolis Plc the production facility, located at Tutkijantie 11-13 in Oulu, Finland, which has been in the company's own use. The ownership and control of the buildings was transferred from Technopolis to Aspocomp on April 1, 2018. As part of the transaction, Aspocomp gained land lease rights to the plot.

Aspocomp Group Plc announced on January 22, 2018 that the company has been granted about EUR 1.3 million in development support from the European Regional Development Fund under the Leverage from the EU 2014-2020 program for investments in high-tech and capability development. The development support granted by the Centre for Economic Development, Transport and the Environment of North Ostrobothnia (ELY Centre) is earmarked for the EUR 10 million investment program that Aspocomp announced on December 2017. With these investments, the company will bolster its position as a partner to the world’s leading technology and semiconductor companies by introducing more advanced technology at its Oulu plant and increasing production capacity. The support is targeted at the part of the investment project that aims to develop and improve Aspocomp’s ability to deliver high-tech PCBs for the testing of demanding semiconductor components.

SHARES

The total number of Aspocomp’s shares at December 31, 2018 was 6,666,505 and the share capital stood at EUR 1,000,000. The company did not hold any treasury shares. Each share is of the same share series and entitles its holder to one vote at a General Meeting and to have an identical dividend right.

A total of 1,592,430 Aspocomp Group Plc. shares were traded on Nasdaq Helsinki during the period from January 1 to December 31, 2018. The aggregate value of the shares exchanged was EUR 5,306,346. The shares traded at a low of EUR 2.30 and a high of EUR 4.48. The average share price was EUR 3.33. The closing price at December 28, 2018 was EUR 3.70, which translates into market capitalization of EUR 24.7 million.

The company had 2,970 shareholders at the end of the review period. Nominee-registered shares accounted for 4.2 percent of the total shares.

OUTLOOK FOR THE FUTURE

In 2019, net sales are expected to grow approximately 10 percent compared with 2018 and the operating result to be better than in 2018. In 2018, net sales amounted to EUR 29.1 million and the operating result to EUR 2.9 million.

The cornerstones of Aspocomp's growth include, for instance, next-generation 5G telecommunications and government networks, the e-revolution in the automotive industry, the development of testing requirements for semiconductor components as well as the spread of artificial intelligence and mechanical applications in the industry.

A major share of Aspocomp's net sales is generated by quick-turn deliveries and R&D series, and thus the company's order book is short. The company's aim is to systematically expand its services to cover the PCB needs of customers over the entire life cycle and thereby balance out variations in demand and the order book.

ASSESSMENT OF SHORT-TERM BUSINESS RISKS

Dependence on key customers

Aspocomp's customer base is concentrated; around half of sales are generated by a small number of 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. Competition for quick-turn deliveries and short production series accelerated as the market for PCBs weakened, and continues to have a negative impact on both total demand and market prices.

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

Liquidity

Although the Group's liquidity has improved markedly due to the improvement in operating profit, the company still remains dependent on the net sales generated by its key customers. Liquidity risk is managed, if necessary, with a recourse factoring agreement and credit facility.

BOARD OF DIRECTORS' DIVIDEND PROPOSAL AND ANNUAL GENERAL MEETING

According to the financial statements dated on December 31, 2018 the parent company's distributable earnings amounted to EUR 8,188,581.68, of which the retained earnings were EUR 5,405,353.58.

The Board of Directors will propose to the Annual General Meeting to be held on April 3, 2019, that a dividend of EUR 0.12 per share be paid. The dividend would be paid to shareholders registered in the Register of Shareholders maintained by Euroclear Finland Ltd on the record date of the dividend distribution, April 5, 2019. The Board of Directors proposes that the dividend will be paid on April 12, 2019.

There have been no significant changes in the company's financial position since the close of the financial period. According to the Board of Directors, the proposed dividend distribution does not endanger the company's financial standing.

PUBLICATION OF THE FINANCIAL STATEMENTS AND REPORT OF THE BOARD OF DIRECTORS

Aspocomp's financial statements and report of the Board of Directors as well as Corporate Governance Statement for 2018 will be released in full with the Annual Report on Wednesday, March 13, 2019. The Corporate Governance Statement 2018 is also available on the company's website at www.aspocomp.com/governance.

PUBLICATION OF FINANCIAL RELEASES

Aspocomp Group Plc.'s financial information publication schedule for 2019 is:

- Interim report January-March 2019 Tuesday, April 30, 2019
- Half-year report for January-June 2019 Thursday, August 8, 2019
- Interim report January-September 2019: Tuesday, October 29, 2019

The interim report will be published at around 9:00 a.m. (EET) on the given date.

Aspocomp's silent period commences 30 days prior to the publication of its financial information.

Summary of Financial Statements and Notes

ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICES

The reported operations include the Group's parent company, Aspocomp Group Plc. This Financial Statement release has been prepared in accordance with IAS 34, following the same accounting principles as in the annual financial statements. The full-year numbers presented in the financial report have been audited. All presented figures have been rounded and consequently the sum of individual figures may deviate from the sum presented.

The preparation of the financial statements in accordance with IFRS requires Aspocomp's management to make estimates and assumptions that affect the valuation of the reported assets and liabilities and the recognition of income and expenses in the statement of income. Although the estimates are based on the management's best knowledge at the date of this report, actual results may differ from the estimates.

R&D

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.

New and amended IFRS standards not yet adopted

Aspocomp Group Plc adjusted its 2018 opening statement of financial position due to the adoption of the following new and amended IFRS standards: Amendments to IFRS 9 Financial Instruments and the new IFRS 15 Revenue from Contracts with Customers as well as IFRS 2 Share-based Payment.

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments introduced new requirements for the classification and measurement of financial assets. In summary, it includes revised guidance on the classification, recognition and measurement of financial assets, new general hedge accounting requirements and a new expected credit loss model for calculating impairment on financial assets. Furthermore, IFRS 9 requires disclosures.

Aspocomp does not have significant amounts of financial instruments except customer receivables and interest rate derivatives. Aspocomp does not apply hedge accounting as defined by IFRS.

Aspocomp applies the simplified approach to recognize lifetime expected credit losses for its trade receivables and amounts due from customers under long-term projects as required or permitted by IFRS 9. In general, the application of the expected credit loss model of IFRS 9 resulted in earlier recognition of credit losses for the respective items regarding overdue receivables for which the Group has not previously recognized generic credit loss provisions. Following this, the Group has made an adjustment of EUR -0.05 million in retained earnings and trade receivables as at January 1, 2018.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 Revenue from Contracts with Customers establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers (effective for financial periods beginning on or after January 1, 2018 in the EU). IFRS 15 superseded IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations. The core principle of IFRS 15 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers with an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under IFRS 15, an entity recognizes revenue when (or as) a performance obligation is satisfied, i.e., when control of the good or service underlying the particular performance obligation is transferred to the customer. These principles are applied using the following five steps:

1. Identify the contract(s) with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognize revenue

The Group does not engage in project sales or recognize revenue on the basis of percentage of completion. The bulk of the Group’s sales comprise ordinary orders and deliveries of products, and such revenue is recognized in accordance with the criteria of the delivery terms as currently in force. On the other hand, the Group has agreed on consignment warehousing with certain customers, which may mean that the recognition of revenue from such performance obligations may result in the earlier timing of earnings, with revenue being recognized when the product arrives in the warehouse.

Aspocomp has adopted IFRS 15 Revenue from Contracts with Customers as of January 1, 2018.

Aspocomp Group Plc's financial reporting and transition. The effect is based on earlier revenue recognition. The adoption of the standard had an impact of EUR 0.1 million on shareholders’ equity in the Group’s opening balance sheet of January 1, 2018, and EUR 1.0 million on net sales for January-December 2017. In addition, in the statement of financial position, trade receivables of EUR 1.0 million and inventories of EUR -0.8 million were adjusted following the IFRS 15 adoption.

IFRS 2 Share-based Payment

The amendments made to IFRS 2 in June 2016 clarify the measurement basis for cash-settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled.

The change has had no impact on Aspocomp’s equity.

IFRS 16 Leases (application from January 1, 2019)

The new standard replaces IAS 17 and its interpretations. Above all, IFRS 16 provides guidance for the lessee and defines principles for the accounting treatment of a rental agreement as an asset and a liability (lease obligation). In the income statement, the cost of rental agreements will be presented as depreciations and financing expenses instead of rental expenses.

The implementation of the standard into the Group's reporting is in progress. The application of the standard will be carried out with a simplified approach and therefore the comparative information will not be adjusted for the previous financial year. Lease liability is determined based on the present value of the remaining lease payments using the rate of interest of additional credit at the time of application. The standard contains two exemptions regarding short-term (less than 12 months) or low-value leases, both of which will also be applied in the Group's reporting.

Right-of-use assets recognized by the Group from January 1, 2019 onwards will consist of leasing cars, rented offices and land lease. The amount of right-of-use assets to be recognized for the Group will be approximately EUR 0.2–0.3 million and the impacts arising from implementation of the standard will not be material. In the balance sheet, the lease liability is presented as long-term and short-term interest-bearing liabilities.

PROFIT AND LOSS STATEMENT

October - December

1 000 €	10-12/2018		10-12/2017		Change
Net sales	**8,548**	***100%***	**6,307**	***100%***	***36%***
Other operating income	38	*0%*	2	*0%*	*2266%*
Materials and services	-3,709	*-43%*	-2,906	*-46%*	*28%*
Personnel expenses	-2,174	*-25%*	-1,628	*-26%*	*33%*
Other operating costs	-1,209	*-14%*	-1,101	*-17%*	*10%*
Depreciation and amortization	-255	*-3%*	-267	*-4%*	*-4%*
Operating result	**1,240**	***15%***	**407**	***6%***	***205%***
Financial income and expenses	-38	*0%*	-12	*0%*	
Profit/loss before tax	**1,202**	***14%***	**395**	***6%***	***204%***
Income taxes	483	*6%*	481	*8%*	
Profit/loss for the period	**1,685**	***20%***	**876**	***14%***	***92%***
Other comprehensive income					
Items that will not be reclassified to profit or loss	0	*0%*	0	*0%*	
Items that may be reclassified subsequently to profit or loss:					
Remeasurements of employee benefits	-13	*0%*	-41	*-1%*	
Currency translation differences	0	*0%*	3	*0%*	
Total other comprehensive income	-13	*0%*	-38	*-1%*	
Total comprehensive income	**1,672**	***20%***	**838**	***13%***	***99%***
Earnings per share (EPS)					
Basic EPS	0.25 €		0.13 €		*92%*
Diluted EPS	0.25 €		0.13 €		*92%*

January-December

1 000 €	1-12/2018		1-12/2017		Change
Net sales	**29,136**	***100%***	**23,924**	***100%***	***22%***
Other operating income	57	*0%*	24	*0%*	*139%*
Materials and services	-13,162	*-45%*	-11,350	*-47%*	*16%*
Personnel expenses	-7,733	*-27%*	-6,294	*-26%*	*23%*
Other operating costs	-4,338	*-15%*	-4,385	*-18%*	*-1%*
Depreciation and amortization	-1,075	*-4%*	-1,074	*-4%*	*0%*
Operating result	**2,885**	***10%***	**845**	***4%***	***242%***
Financial income and expenses	-122	*0%*	-53	*0%*	*131%*
Profit/loss before tax	**2,763**	***9%***	**792**	***3%***	*249%*
Income taxes	481	*2%*	477	*2%*	
Profit/loss for the period	**3,244**	***11%***	**1,269**	***5%***	***156%***
Other comprehensive income					
Items that will not be reclassified to profit or loss	0	*0%*	0	*0%*	
Items that may be reclassified subsequently to profit or loss:					
Remeasurements of employee benefits	-13	*0%*	-41	*0%*	
Currency translation differences	0	*0%*	5	*0%*	-
Total other comprehensive income	-12	*0%*	-36	*0%*	-
Total comprehensive income	**3,232**	***11%***	**1,233**	***5%***	***162%***
Earnings per share (EPS)					
Basic EPS	0.49 €		0.19 €		*158%*
Diluted EPS	0.49 €		0.19 €		*158%*

Consolidated Balance Sheet

1 000 €	12/2018	12/2017	Change
Assets			
Non-current assets			
Intangible assets	3,281	3,268	*0%*
Tangible assets	4,941	2,572	*92%*
Available for sale investments	15	15	*0%*
Deferred income tax assets	3,985	3,501	*14%*
Total non-current assets	**12,222**	**9,356**	***31%***
Current assets			
Inventories	2,332	1,922	*21%*
Short-term receivables	8,714	5,842	*49%*
Cash and bank deposits	2,565	384	*568%*
Total current assets	**13,611**	**8,148**	***67%***
Total assets	**25,833**	**17,504**	***48%***
Equity and liabilities			
Share capital	1,000	1,000	*0%*
Reserve for invested non-restricted equity	4,504	4,478	*1%*
Remeasurements of employee benefits	-53	-41	
Retained earnings	9,436	6,659	*42%*
Total equity	**14,888**	**12,096**	***23%***
Long-term financing loans	4,266	1,003	*325%*
Other non-current liabilities	424	402	*5%*
Deferred income tax liabilities	21	21	*0%*
Short-term financing loans	1,170	508	*130%*
Trade and other payables	5,064	3,473	*46%*
Total liabilities	**10,946**	**5,408**	***102%***
Total equity and liabilities	**25,833**	**17,504**	***48%***

CONSOLIDATED CHANGES IN EQUITY

1000 €	Share capital	Other reserve	Remeasuremets of empolyee benefits	Translation differences	Retained earnings	Total equity
Balance at Jan. 1, 2018	**1,000**	**4,478**	**-41**	**4**	**6,655**	**12,096**
Comprehensive income						
Comprehensive income for the period					3,244	**3,244**
Other comprehensive income for the period, net of tax						
Remeasurements of employee benefits			-13			**-13**
Translation differences				0		**0**
Total comprehensive income for the period	**0**	**0**	**-13**	**0**	**3,244**	**3,232**
Business transactions with owners						
Dividends paid					-467	**-467**
Share-based payment		26				**26**
Business transactions with owners, total	**0**	**26**	**0**	**0**	**-467**	**-440**
Balance at December 31, 2018	**1,000**	**4,504**	**-53**	**4**	**9,432**	**14,888**
January-December 2017						
Balance at Jan. 1, 2017	**1,000**	**4,255**	**0**	**-1**	**5,386**	**10,639**
Comprehensive income						
Comprehensive income for the period					1,269	**1,269**
Other comprehensive income for the period, net of tax						
Remeasurements of employee benefits			-41			**-41**
Translation differences				5		**5**
Total comprehensive income for the period	**0**	**0**	**-41**	**5**	**1,269**	**1,233**
Business transactions with owners						
Share-based payment		223				**223**
Business transactions with owners, total	**0**	**223**	**0**	**0**	**0**	**223**
Balance at December 31, 2017	**1,000**	**4,478**	**-41**	**4**	**6,655**	**12,096**

CONSOLIDATED CASH FLOW STATEMENT

1 000 €	1-12/2018	1-12/2017
Profit for the period	**3,244**	**1,269**
Adjustments	729	644
Change in working capital	-1,794	-1,023
Received interest income	0	2
Paid interest expenses	-138	-51
Paid taxes	-3	-5
Cash flow from operating activities	**2,039**	**836**
Investments	-3,357	-962
Proceeds from sale of property, plant and equipment	34	35
Cash flow from investing activities	**-3,323**	**-928**
Increase in financing	4,556	373
Decrease in financing	-625	-357
Dividends paid	-467	0
Stock options exercised	0	201
Cash flow from financing activities	**3,465**	**217**
Change in cash and cash equivalents	2,181	126
Cash and cash equivalents at the beginning of period	384	258
Cash and cash equivalents at the end of period	**2,565**	**384**

Key Financial Indicators

	Q4/2018	Q3/2018	Q2/2018	Q1/2018	Q4/2017
Net sales, M€	8.5	6.7	7.7	6.1	6.3
Operating result before depreciation (EBITDA), M€	1.5	0.9	1.1	0.6	0.7
Operating result (EBIT), M€	1.2	0.6	0.8	0.3	0.4
of net sales, %	*15%*	*9%*	*10%*	*5%*	*6%*
Profit/loss before taxes, M€	1.2	0.5	0.8	0.3	0.4
of net sales, %	*14%*	*8%*	*10%*	*4%*	*6%*
Net profit/loss for the period, M€	1.7	0.5	0.8	0.3	0.9
of net sales, %	*20%*	*8%*	*10%*	*4%*	*14%*
Equity ratio, %	58%	60%	58%	61%	69%
Gearing, %	19%	14%	22%	22%	9%
Gross investments in fixed assets, M€	0.7	0.6	0.6	1.4	0.3
of net sales, %	9%	10%	7%	23%	5%
Personnel, end of the quarter	117	120	116	115	113
Earnings/share (EPS), €	0.25	0.08	0.12	0.04	0.13
Equity/share, €	2.23	1.98	1.90	1.79	1.81

The Alternative Performance Measures (APM) used by the Group

Aspocomp presents in its financial reporting alternative perfomance measures, which describe businesses' financial performance and its development as well as investments and return on equity. In addition to accounting measures which are defined or specified in IFRS, alternative performance measures complement and explain presented information. Aspocomp presents in its financial reporting the following alternative performance measures:

EBITDA	=	Earnings before interests, taxes, depreciations and amortizations EBITDA indicates the result of operations before depreciations, financial items and income taxes. It is an important key figure, as it shows the profit margin on net sales after operating expenses are deducted.
Operating result	=	Earnings before income taxes and financial income and expenses presented in the IFRS consolidated income statement. The operating result indicates the financial profitability of operations and their development.
Profit/loss before taxes	=	The result before income taxes presented in the IFRS consolidated statements.
Equity ratio, %	=	$\frac{\text{Equity}}{\text{Total assets - advances received}} \times 100$
Gearing, %	=	$\frac{\text{Net interest bearing liabilities}}{\text{Total equity}} \times 100$ Gearing indicates the ratio of capital invested in the company by shareholders and interest-bearing debt to financiers. A high gearing ratio is a risk factor that may limit a company’s growth opportunities and financial latitude.
Gross investments	=	Acquisitions of long-term intangible and tangible assets (gross amount).
Order book	=	Undelivered customer orders at the end of the financial period.
Cash flow from operating activities	=	Profit for the period + non-cash transactions +- other adjustments +- change in working capital '+ interest income - interest expenses -taxes

CONTINGENT LIABILITIES

1 000 €	12/2018	12/2017
Business mortgage	4,000	2,000
Operating lease liabilities	330	477
Other liabilities	1,235	21
Total	**5,565**	**2,498**

All figures have been audited.

Espoo, February 28, 2019

Board of Directors of Aspocomp Group Plc.

For further information, please contact Mikko Montonen, President and CEO, tel. +358 40 5011 262, mikko.montonen(at)aspocomp.com.

ASPOCOMP – A SERVICE COMPANY SPECIALIZING IN PCB TECHNOLOGIES

A printed circuit board (PCB) is used for electrical interconnection and as a component assembly platform in electronic devices. Aspocomp provides PCB technology design, testing and logistics services over the entire lifecycle of a product. The company's own production and extensive international partner network guarantee cost-effectiveness and reliable deliveries.

Aspocomp's customers are companies that design and manufacture telecommunication systems and equipment, automotive and industrial electronics, and systems for testing semiconductor components for security technology. The company has customers around the world and most of its net sales are generated by exports.

Aspocomp is headquartered in Espoo and its plant is in Oulu, one of Finland's major technology hubs.

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.