

Ensto Oy

PRESS RELEASE

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for immediate publication**Financial review - First Quarter 2001****Ensto's core businesses continued to do well**

The Ensto Group consolidated net sales in the first quarter of 2001 were 48.1 million euros. The net sales of the comparable period a year ago, 50.8 million euros, include business operations divested during the year. In comparable terms the net sales of the first quarter grew by 8.6 %. The first quarter operating profit was 2.4 million euros against a comparable operating profit of 2.9 million euros a year ago.

- Net sales was 48.1 million euros, a growth of 8.6 % in comparable terms.
- Operating profit was 2.4 million euros, i.e. 5.1 % of net sales.
- The product development was still strong growing by 22.6 % and being 1.7 million euros (2000:1.4 M€).
- The new business structure took effect as of the beginning of 2001. The contract manufacturing of large plastic parts, technical ceramics and trace heating businesses were divested during the year 2000.
- Total personnel at the end of March 2001 stood at 1,661, growth from the turn of the year was 12 (March 31, 2000: 1,820).

Ensto's development was satisfactory in the first quarter of 2001. The figures of comparison from 2000 represent Ensto's best year ever. The reduction in comparable operating profit was mainly due to the structural changes within Ensto Industry's contract manufacturing operations. Otherwise the market situation continued to be favourable on the Group's main markets. The other business units, Building Technology, Utility Networks and Enclosures & Components, all boosted their net sales and profits.

NET SALES AND OPERATING PROFIT

1.1.-31.3. M€	Net sales			Operating profit		
	2001	2000	Change%	2001	2000	Change%
Building Technology	15,1	14,3	+5,5	1,6	1,4	+11,5
Utility Networks	14,5	12,5	+15,8	1,8	1,7	+6,4
Enclosures and Components	7,6	7,5	+2,1	0,3	0,2	+43,4
Industry	17,6	16,7	+5,4	0,6	2,0	-71,2
-Other and eliminations	-6,7	-0,2		-1,9	-3,2	
Total	48,1	50,8	-5,3	2,4	2,1	+14,1

BUSINESS UNITS

Building Technology

Sales by Building Technology developed favourably in the first quarter. Good growth was recorded on all markets, especially on export markets. The business unit has continued to build up its product development activities and enhance its Building Technology concepts. The EnstoNet business operations are included in the figures for Building Technology as of the beginning of the year.

Utility Networks

Sales by Utility networks developed well in the beginning of the year but as the year progressed market uncertainty grew especially in Central Europe. In the Nordic countries the situation continued to be stable. The work to strengthen market positions in Russia continued.

Enclosures and Components

The sales of Enclosures and Components continued to grow but in the biggest market for plastic enclosures, the United States, the growth rate slowed down significantly. The Ensto Clampo connector family launched at the beginning of the year was very well received on the market.

Industry

The development in the Industry business unit was uneven in the first quarter. Results were affected by the uncertainty of the telecom business and the recession in the IT-sector was clearly evident in market demand for contract manufacturing. Among the companies of the Ensto Industry business unit Sormat and Ensto Audel had a successful first quarter.

PROSPECTS

The uncertainty on the international market grew in the first quarter. The weakened demand has not, however, so far affected the development prospects of the Ensto Group. Achievement of the objectives set for the year will be a very demanding task especially since the building market demand is expected to level off as the year progresses. The demand for utility network equipment in Central Europe also seems to face a reduced growth rate.

INTERIM FIGURES

Income Statement, Summary

M€	1-3/2001	1-3/2000	Change%	1-12/2000
Net sales	48.1	50.8	-5.3	200.7
Operating profit	2.4	2.1	+14.1	17.9
% of net sales	5.1	4.2		8.9
Profit before extraordinary items	2.0	1.5	+35.2	16.0
Balance sheet total	3/2001	3/2000	Change%	12/2000
M€	125.3	142.1	-11.8	126.9
FINANCIAL INFORMATION	1-3/2001	1-3/2000	Change%	1-12/2000
M€				
Exports from Finland	15.2	13.7	+11.1	55.9
Gross investments	1.4	1.2	+17.2	8.3
Product development	1.7	1.4	+22.6	5.8
% of net sales	3.6	2.8		2.9
Order book	15.2	14.8	+2.8	16.3
Return on equity, %	11.4	6.7		21.8
Return on investments, %	13.4	10.0		19.9
Equity/assets ratio, %	31.7	34.3		45.5
Earnings/share, €	0.06	0.03		0.67
Equity/share, €	2.27	2.92		3.51
Personnel, end of period	1,661	1,820	-8.7	1,649

The financial review for the first half of 2001 will be published on July 30, 2001.