

STOCK EXCHANGE RELEASE

28 April 2005

Cencorp Corporation Interim Report for 1 January – 31 March 2005

January–March 2005

- Net sales amounted to EUR 8.6 (5.4) million, showing a growth of 59%
- EBITDA totalled EUR 0.9 (-1.4) million
- Operating profit (EBIT) totalled EUR 0.7 (-1.7) million
- Profit before taxes was EUR 0.6 (-1.7) million
- The third successive quarter showing a positive result
- The order book on 31 March 2005 totalled EUR 6.9 million (31 March 2004: EUR 4.8 million)
- The company continued to make substantial investments in product development, with expenses amounting to 7.8% of net sales, or EUR 0.7 (0.4) million.

Cencorp adopted IFRS-compliant reporting on 1 January 2005. The impact of IFRS on the financial information previously reported for 2004 is described in a stock exchange release published on 27 April 2005.

The figures in this interim report comply with IFRS, unless otherwise indicated.

(The figures given for comparison are those for the corresponding period in the previous year unless otherwise stated.)

Group's key figures

(unaudited)			
EUR 1,000	1-3/2005	1-3/2004	1-12/2004
Net sales	8 636	5 424	32 473
Operating profit/loss (EBIT)	693	-1 666	-541
% of net sales	8 %	-31 %	-2 %
Profit/loss before taxes (EBT)	569	-1 781	-1 286
% of net sales	7 %	-33 %	-4 %
Research and development costs	671	399	2 148
% of net sales	8 %	7 %	7 %
Equity ratio, %	20,2 %	11,3 %	17,6 %
Personnel on average	205	276	263
Personnel at the end of period	207	273	207
Profit/share (diluted), EUR	0,02	-0,06	-0,04

Net sales and earnings performance

The January–March 2005 period was the third successive quarter in which Cencorp posted a positive result. Net sales grew by 59% over the corresponding period last year, amounting to EUR 8.6 (5.4) million, while operating profit (EBIT) totalled EUR 0.7 (-1.7) million. Operating profit (EBIT) includes non-recurring expenses of EUR 0.1 million resulting from business restructuring. The Group's net financial items totalled EUR -0.1 (-0.1) million. Profit before taxes totalled EUR 0.6 (-1.7) million, while diluted earnings per share were EUR 0.02 (-0.06).

Balance sheet and financing

The balance sheet figures for 31 March 2005 are compared to the balance sheet for 31 December 2004, adjusted to comply with the IFRS standards.

The balance sheet total at the end of the review period was EUR 23.6 (25.3) million. The Company's cash flow after investments was EUR -0.3 million, while interest-bearing net debts at the end of the review period amounted to EUR 12.4 (12.1) million. Accounts receivable increased to EUR 4.8 (4.7) million, and inventories decreased to EUR 7.2 (8.8) million.

Non-interest-bearing liabilities amounted to EUR 4.0 (6.5) million and interest-bearing liabilities to EUR 14.4 (14.4) million. The equity ratio was 20.2% (17.6%). Gross investments in January–March totalled EUR 0.8 (0.3) million, or 9.0% (5.4%) of the period's net sales, and mainly came from product development.

Decisions by the Annual General Meeting

Following the Board's proposal, the company's trade name was changed from PMJ automec Corporation to Cencorp Corporation. Section 1 of the Articles of Association was changed to read as follows:

“Section 1: The company's trade name and domicile: The company's trade name is Cencorp Oyj in Finnish, Cencorp Abp in Swedish and Cencorp Corporation in English. The company's domicile is Lohja.” The name change was registered in the Trade Register on 31 March 2005.

The Annual General Meeting adopted the financial statements for 2004 and, in accordance with the Board of Director's proposal, decided not to pay a dividend for 1 January–31 December 2004. It also decided to use the share premium account to cover the confirmed losses in the balance sheet for the period ended on 31 December 2004. The parent company's Board members and CEOs employed over the period were discharged from liability for the financial year 1 January – 31 December 2004.

Four members were elected to the Group's Board of Directors: Markku Jokela, Jorma Kielenniva, Petri Väinölä and Pekka Välimäki, all of whom were elected as old members. As proposed by the Compensation and Nomination Committee, stock options held by the company's subsidiary will be given to PMJ automec's Board

members as part of the compensation for Board work. Each Board member will receive a maximum of 107,000 stock options in compliance with the terms and conditions of PMJ automec Corporation's option programme for 2004. The subscription price equals EUR 0.78 per share as determined in the terms. At its organization meeting the Board of Directors elected Jorma Kielenniva, LL.M. with court training, as Chairman of the Board, and Markku Jokela, B.Sc. (Eng.), as Deputy Chairman.

The firm of independent public accountants KPMG Oy Ab, with Sune Almquist, Authorised Public Accountant, acting as chief auditor, was re-elected as the company's auditor.

The Board of Directors was authorised to decide on an increase in the company's share capital through a subscription issue and/or through the issue of option rights and/or through the issue of convertible bonds in one or more instalments so that the increase in the share capital shall not exceed EUR 78,126.40. This means that a maximum of 781,264 new shares with a counter-value of EUR 0.10 can be issued through a subscription issue, option rights issue or convertible bonds issue. The total authorised amount equals approximately 2.5 per cent of the currently registered share capital. The authorisation includes the right to differ from the shareholders' preemptive subscription right in case there is an important financial reason affecting the company, such as the need to finance or implement corporate acquisitions or other arrangements or to develop the company's capital structure. The Board has the authority to determine who has the right to subscribe for shares. In addition, the Board decides on the subscription price of the shares, on the subscription price determination principles and other share subscription conditions as well as on other conditions and matters relating to the new issue, the issue of convertible bonds and the issue of option rights. If necessary, the new issue can be subscribed against property given as capital contribution or by using the right of set-off. The Board is also entitled to decide on all other matters and conditions related to the subscription, option rights or convertible bond issue. The authorisation is valid for a period of one year as of the Annual General Meeting, until 23 March 2006.

Incorporation of fibre laser business and appointment of new CEO

Cencorp's strategic goal is to develop semiconductor production automation into a strong field, complementing production and testing automation for the electronics industry. Semiconductor production automation is a new market area for Cencorp, and the market for new-generation fibre laser applications is expected to see significant growth. Owing to this, the company's Board has decided to incorporate the marketing, sales and product development operations of the fibre laser business into a separate Cencorp subsidiary. The equipment will be manufactured by the parent company.

The assets and liabilities related to the business will be transferred to the new company. The employees involved in the business will also transfer to the new company under their existing terms of employment. A total of seven employees will transfer to the new company.

Incorporation will enable the key employees involved in the business to focus on the core operations of the new company. To ensure that the strategy is implemented, Cencorp's present CEO Jouni Suutarinen (37) has been appointed CEO of the subsidiary as of 1 May 2005. Suutarinen has acquired profound product development and marketing skills in the Cencorp Group. Prior to his new duties, Suutarinen acted in the company as Director for Product Development and Technology and as member of the Management Team in 2000–2004. Suutarinen has been responsible for the development of fibre laser applications for the semiconductor industry's needs, as well as for the development of related business operations.

Cencorp's new CEO as of 1 May 2005 will be Petri Väinölä (54), who will also continue in his post as member of the company's Board of Directors. Väinölä has been on Cencorp's Board since 2003. In 2004 he acted as Chairman of the Board and actively collaborated with the company's management to develop the company's strategy and logistics operations, acquire new customers and enhance sales. Väinölä previously worked in various managerial posts at Nokia from 1984 to 2003, most recently as Vice President Sourcing & Procurement APAC.

The subsidiary's trade name and the goals set for its business operations will be published in the second quarter of 2005. Singulase LD10, the first fibre laser and precision robot-based product for thin silicon wafer depaneling, was introduced at the Semicon Europe fair in Munich on 12 April 2005. Product deliveries to customers will be launched in the third quarter of 2005.

Business conditions and customers

Cencorp operates in the global market for production automation for the electronics industry. The Company supplies production automation systems and testing equipment to the telecommunications, consumer electronics, industrial electronics and automotive electronics industries.

Companies began to show renewed interest in investments over the period under review. This was also reflected in Cencorp's order books, which amounted to EUR 6.9 million on 31 March 2005. The figure translates to a growth rate of 44% compared to the same period in the previous year.

Research & development

The R&D expenses for January–March totalled 7.8% of net sales, or EUR 0.7 (0.4) million, EUR 0.3 million of which was capitalised in the balance sheet.

R&D investments have focused especially on new product groups to enable growth in new market segments, such as production automation for the semiconductor industry.

Board, management and personnel

Following the decision made by the Annual General Meeting, the make-up of Cencorp's Board of Directors remains the same as that in the period 1 January –31 December 2004. The company's management team includes: Jouni Suutarinen (CEO), Pekka Kettunen (Technology), Marko Liimatainen (Sales, Marketing and After-Sales), Hannu Seppälä (Operations), Veli Olavi Kataja (Cencorp USA), Juha Kantola (Production), Olli-Pekka Juhantila (Finance and Administration) and Ville Parpola (Legal Affairs).

Cencorp employed an average of 205 (276) people from January to March. The payroll at the end of the period totalled 207 (273) employees: 159 (221), or 77% (81%), in Finland and 48 (51), or 23% (19%), abroad.

Share performance and changes in ownership

The price of the company's share ranged from EUR 0.60 (1-3/2004: EUR 0.52) to EUR 0.73 (1-3/2004: EUR 1.02) over the review period, the average share price being EUR 0.69 (1-3/2004: EUR 0.79). A total of 3,508,033 (1-3/2004: 6,281,400) shares, or 11.2% (1-3/2004: 21.6%) of the company's entire capital stock, were traded during the period.

The company's market capitalisation at the end of the review period was EUR 22 million (31 March 2004: EUR 16 million).

At the end of the review period the company had 6,872 registered shareholders (31 March 2004: 7,611). A total of 239,291 (31 March 2004: 504,491) shares, or 0.8%, were nominee registered. PMJ automec had a total of 31,250,591 shares outstanding at the end of the review period (31 March 2004: 29,133,470), and it had one share series.

Outlook for the future

In line with its strategy, revised in 2004, the company will focus in particular on increasing its standard equipment sales. The main goal in customised automation lines is to support existing customers in cooperation with Photonium Oy. Cencorp will also continue to invest heavily in product development in the second quarter.

New products linked to the Singulase precision robot platform and related ultra-short pulse fibre laser applications will be introduced in the third quarter. The Singulase platform differs considerably from Cencorp's previous products because the tasks performed with it cannot be done manually due to the precision required.

The assembly product family of special components will be expanded in the third quarter, for example, with soldering applications based on a continuously operating fibre laser, which have been specially designed for lead-free soldering.

In 2005 the company will also launch three new circuit depaneling products and continue to develop the Cencorp 1000 and Cencorp MLT product families.

Cencorp aims to increase its net sales to over EUR 35 million in 2005. The profitability is estimated to exceed 8 per cent of net sales.

Virkkala, Finland, 28 April 2005

Cencorp Corporation

Board of Directors

CONSOLIDATED INCOME STATEMENT

(unaudited figures)

EUR 1 000	1-3/2005	1-3/2004	1-12-/2004
Net sales	8 636	5 424	32 473
Other operating income	70	59	1 551
Expenses, total	-7 763	-6 838	-33 174
Depreciations and write-downs	-250	-311	-1 391
Operating result	693	-1 666	-541
Financial income and expenses	-124	-115	-745
Result before taxes	569	-1 781	-1 286
Income taxes	-20	80	-66
Consolidated net result	549	-1 701	-1 352

CONSOLIDATED BALANCE SHEET

(unaudited figures)

EUR 1 000	1-3/2005	1-3/2004	31.12.2004
ASSETS			
Long-term assets			
Tangible assets	3 364	4 922	3 334
Goodwill	1 902	1 902	1 902
Other intangible assets	1 517	593	1 668
R & D projects in process	1 330	1 789	650
Shares in associated companies		17	
Other shares and memberships	85	85	85
	8 198	9 308	7 639
Short-term assets			
Inventories	7 220	8 519	8 844
Accounts receivable	4 846	5 235	4 708
Other short-term assets	1 350	1 121	1 874
Cash and bank receivables	1 964	1 396	2 264
	15 380	16 271	17 690
Total assets	23 578	25 579	25 329
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Share capital	3 125	2 913	3 125
Other restricted equity	4 158	5 770	6 658
Non-restricted equity	-2 528	-5 817	-5 657
Total shareholders' equity	4 755	2 866	4 126
Long-term liabilities			
Long-term loans	8 766	10 028	8 745
Deferred tax liability	36	52	46
Long-term reserves	50	2	43
Total long-term liabilities	8 852	10 082	8 834
Short-term liabilities			
Accounts payable and other liabilities	3 951	5 733	6 428
Short-term loans	4 613	4 743	3 634
Long-term loans shortening	1 039	1 602	2 004
Tax liabilities	46		24
Short-term reserves	322	553	279
Total short-term reserves	9971	12 631	12 369
Total liabilities	18 823	22 713	21 203
Total liabilities and shareholders' equity	23 578	25 579	25 329

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY 1.1. - 31.3.2004

((unaudited figures))

EUR 1 000	Share capital	Other restricted equity	Translation difference	Retained earnings	Total
Shareholders' equity FAS					
31.12.2003	2813	6541	-3608	-1256	4490
IAS-17 effect in 2003				-303	
Shareholders' equity IFRS					
31.12.2003	2813	6541	-3608	-1559	4187
Directed share issue	100	250			350
Transfer of the reserve fund		-1021		1021	
Translation difference			248		248
Net result, FAS				-1786	
IFRS 3 effect				79	
IAS 17 effect				6	
Net result, IFRS				-1701	-1701
The effect of IFRS 3 and IAS 17 to the retained earnings				-218	-218
Shareholders' equity					
31.3.2004	2913	5770	-3360	-2457	2866

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY 1.1. - 31.3.2004

((unaudited figures))

EUR 1 000	Share capital	Other restricted equity	Translation difference	Retained earnings	Total
Shareholders' equity					
31.12.2004	3125	6658	-3767	-1890	4126
Transfer of the reserve fund		-2500		2500	
Translation difference			80		80
Net result				549	549
Shareholders' equity					
31.3.2005	3125	4158	-3697	1159	4755

CONSOLIDATED CASH FLOW STATEMENT

((unaudited figures))

EUR 1 000	1-3/2005	1-3/2004	1-12/2004
Cash flow from operations	419	-1 090	1 224
Cash flow into and from investments	-773	-295	-830
Financial cash flow	35	-879	-341
Increase(+)/ decrease(-) in financial assets	-319	-2 264	53

GROUP KEY FIGURES

(unaudited figures)

EUR 1 000	1-3/2005	1-3/2004	1-12/2004
Net sales	8 636	5 424	32 473
Operating result	693	-1 666	-541
% of net sales	8,0 %	-30,7 %	-1,7 %
Result before taxes	569	-1 781	-1 286
% of net sales	6,6 %	-32,8 %	-4,0 %
Total assets	23 578	25 579	25 329
Equity ratio*, %	20,2 %	11,3 %	17,6 %
Gearing ratio**, %	261,9 %	522,6 %	293,7 %
Gross investments	773	295	860
% of net sales	9,0 %	5,4 %	2,6 %
R&D expenditure	671	399	2 148
% of net sales	7,8 %	7,4 %	6,6 %
Personnel, average	205	276	263
Personnel, at end of period	207	273	207
Non-interest bearing liabilities	4 033	5 785	6 498
Interest bearing liabilities	14 418	16 373	14 383
Per-share key figures			
Equity per share*, EUR	0,16	0,10	0,13
Earnings per share, EUR/share (diluted)	0,02	-0,06	-0,04
Earnings per share, EUR/share (undiluted)	0,02	-0,06	-0,05
Share price trend			
High, euros	0,73	1,02	1,02
Low, euros	0,60	0,52	0,48
Average, euros	0,69	0,79	0,72
Price at end of period, euros	0,70	0,55	0,66
Market capitalization at end of period, EUR millions	22	16	21

CONTINGENT LIABILITIES

(unaudited figures)

EUR 1 000	31.3.2005	31.3.2004	31.12.2004
Pension loans	101	369	182
Corporate mortgages granted	235	235	235
Real-estate mortgages granted	0	0	0
Loans from financial institutions	8 340	9 635	8 137
Corporate mortgages granted	12 452	12 452	12 452
Real-estate mortgages granted	168	168	168
Other loans	2 977	3 369	3 064
Real-estate mortgages granted	0	0	0
Used bank guarantee facility	308	1 312	1 936
Real-estate mortgages granted	0	0	0
Given as collateral			
Corporate mortgages granted, total	12 687	12 687	12 687
Real-estate mortgages granted, total	168	168	168
Leasing commitments			
falling due during the next 12 months	128	103	156
falling due later	75	49	199
Rental liabilities			
falling due during the next 12 months	88	8	96
falling due later	24	32	179
Liabilities due to derivative contracts			
Forward exchange contracts	0	2 454	734
of which taken out to hedge the parent company's accounts receiv	0	2 454	734
of which taken out to hedge the parent company's other receivabl	0	0	0

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Cencorp supplies the electronics and semiconductor industries with automation solutions that enhance productivity.

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