

The background of the slide is a dark green to black gradient. It features several thick, glowing, multi-colored lines (blue, green, purple, red) that curve and loop across the frame. In the upper right, there is a bright green light source that creates a lens flare effect. The PKC Group logo, consisting of the text 'PKC GROUP' followed by four slanted parallel lines, is positioned in the top left corner.

PKC GROUP 

PKC Group Oyj
Q3/2009
Investor Presentation
29 of October 2009

1-9/09 Highlights

- Net sales amounted to EUR 146.4 million (EUR 247.0 million), down 40.7% compared to 1-9/08.
- The result is burdened by expenses of EUR 5.0 million resulting from rationalisation measures.
- Operating profit totalled EUR 2.0 million negative (EUR 25.0 million), accounting for 1.3% negative (10.1%) of net sales.
- Profit for the report period totalled EUR 0.9 million negative (EUR 15.0 million positive).
- Earnings per share were EUR 0.05 negative (EUR 0.84 positive).
- Cash flow after investments was EUR 31.4 million.

Key Figures, 1-9/09

	1-9/09	1-9/08	Change %	1-12/08
Net sales (EUR 1,000)	146 424	247 033	-40.7	311 713
EBIT (EUR 1,000)	-1 950	24 967		21 039
% of net sales	-1.3	10.1		6.7
Net result (EUR 1,000)	-896	15 031		5 567
EPS, (EUR)	-0.05	0.84		0.31
ROI, %	4.8	18.7		14.5
Net debt (EUR million)	30.8	33.9	-9.3	59.5
Gearing, %	41.3	37.6		75.7
Average number of employees	4 580	5 636	-18.7	5 588

Key Figures, 1-9/09

	1-9/09	1-9/08	Change %	1-12/08
Wiring Harnesses				
Net sales (EUR 1,000)	108 984	195 718	-44.3	246 487
EBIT (EUR 1,000)	-4 873	15 961		9 744
% of net sales	-4.5	8.2		4.0
Electronics				
Net sales (EUR 1,000)	37 440	51 315	-27.0	65 226
EBIT (EUR 1,000)	2 923	9 007	-67.5	11 295
% of net sales	7.8	17.6		17.3

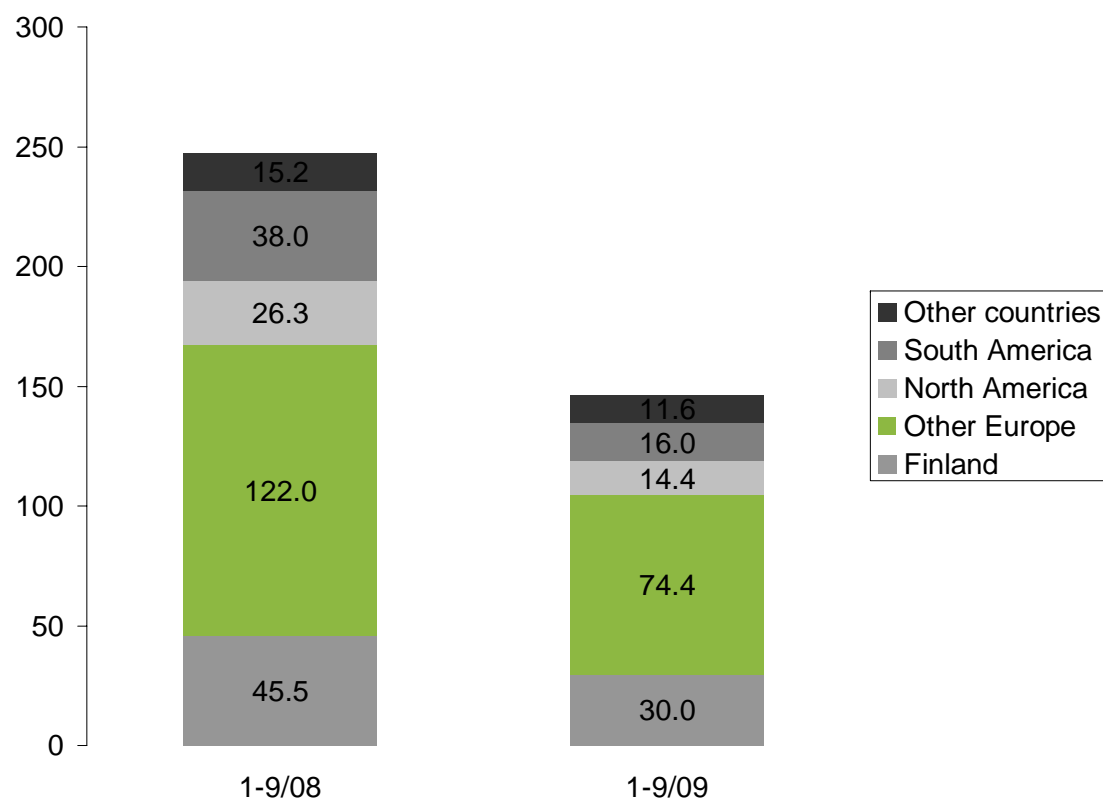
Turnover

EUR million



Net Sales by Geographical Segments

EUR million

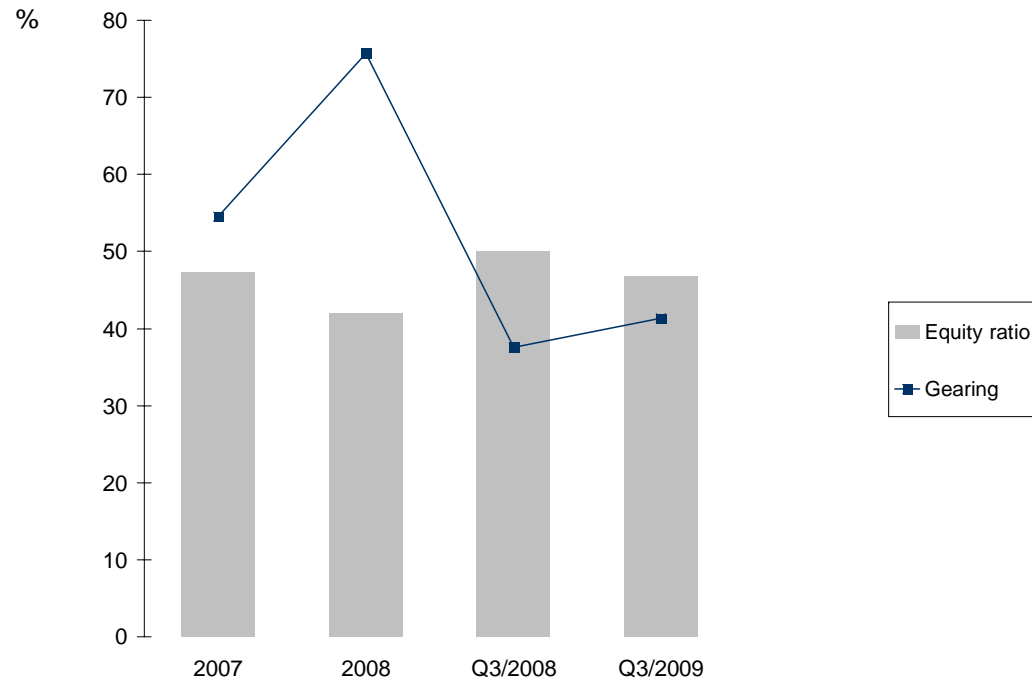


Operating Profit

EUR million



Equity Ratio and Gearing



Equity ratio, %

Gearing, %

Q3/09

46.7

41.3

Q3/08

50.0

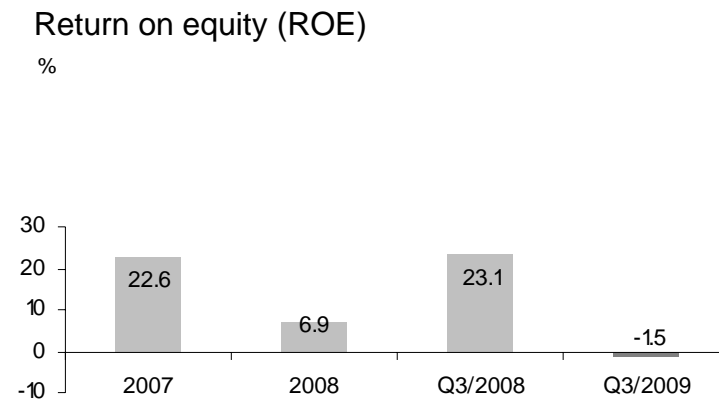
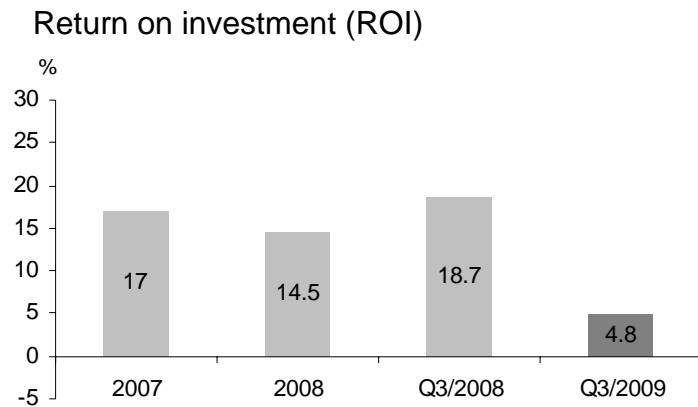
37.6

2008

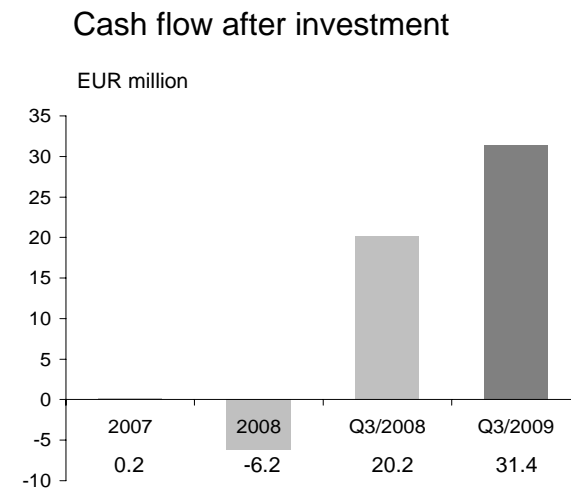
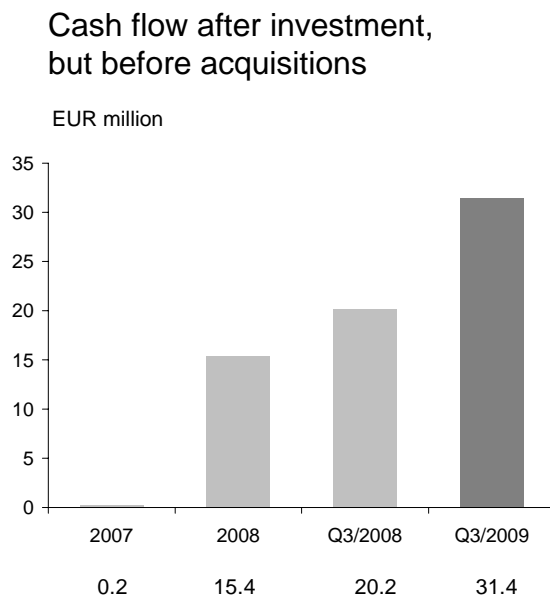
41.9

75.7

Key Figures



Key Figures



Key Figures

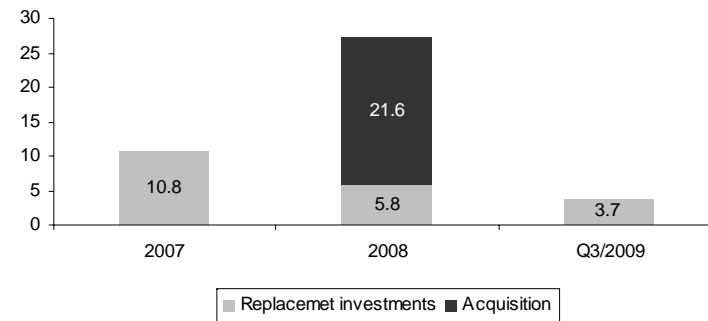
Earnings per share (EPS)

EUR



Capex

EUR million



Key Figures, 1-9/09

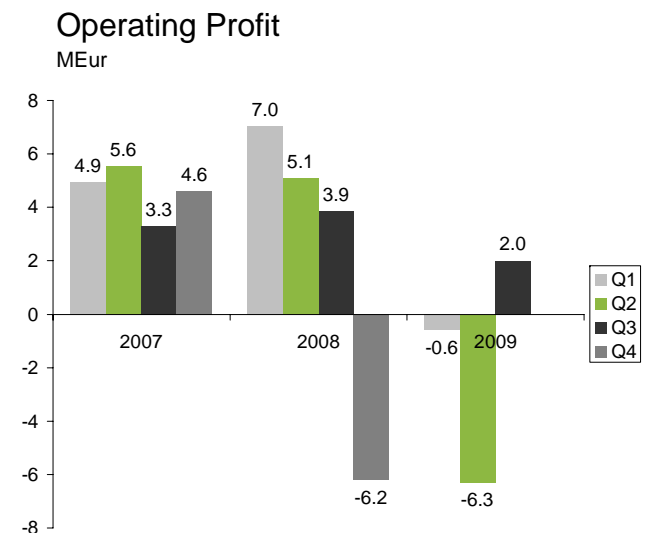
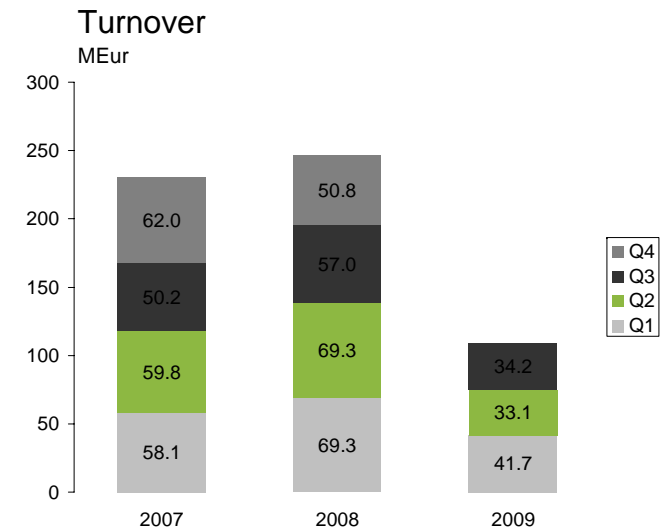
	1-9/09	1-9/08	1-12/08
Net sales, EUR 1,000	146 424	247 033	311 713
Operating profit, EUR 1,000	-1 950	24 967	21 039
% of net sales	-1.3	10.1	6.7
Profit before taxes, EUR 1,000	-721	22 660	15 228
% of net sales	-0.5	9.2	4.9
Profit for the report period , EUR 1,000	-896	14 993	5 519
% of net sales	-0.6	6.1	1.8
Return on equity (ROE), %	-1.5	23.1	6.9
Return on investment (ROI), %	4.8	18.7	14.5
Gearing, %	41.3	37.6	75.7
Equity ratio , %	46.7	50.0	41.9
Current ratio	2.0	1.8	1.9
Gross capital expenditure, EUR 1,000	3 669	5 210	27 426
% of net sales	2.5	2.1	8.8
R&D expenditures , EUR 1,000	4 063	4 444	5 812
% of net sales	2.8	1.8	1.9
Personnel average	4 580	5 636	5 588

Cost Savings, 1-9/09

(1,000 EUR)	1-9/09	1-9/08	Change %
Net sales	146 424	247 033	-40.7
Staff expenses	39 855	57 665	-30.9
Other operating expenses	16 620	23 518	-29.3
Non-recurring expenses	5 000	1 500	
All operative expenses	51 475	79 683	-35.4

Wiring Harnesses

- Net sales during first nine month amounted to EUR 109.0 million (EUR 195.7 million) and was 44.3% less than in 1-9/08.
- The segment's share of consolidated net sales was 74.4% (79.2%).
- Operating profit was EUR 4.9 million negative (EUR 16.0 million positive), equivalent to 4.5% negative (8.2% positive) of the segment's net sales.
- The result is burdened by expenses of EUR 5.0 million resulting from rationalisation measures.



Market Development of Customer Sectors

- The deliveries and new orders of heavy trucks saw a very sharp decline during the first nine months of the year in all of our market areas in comparison to the previous year.
- In Europe, our main market, the volume of deliveries and the value of the new orders received by our customers reached only a third of what it had been a year earlier.
- The amount of order bookings falling short by a third in comparison to delivery volumes indicates that the situation in Europe continues to weaken.
- Deliveries for the machinery industry in Europe reached approximately two-fifths compared to the previous year.

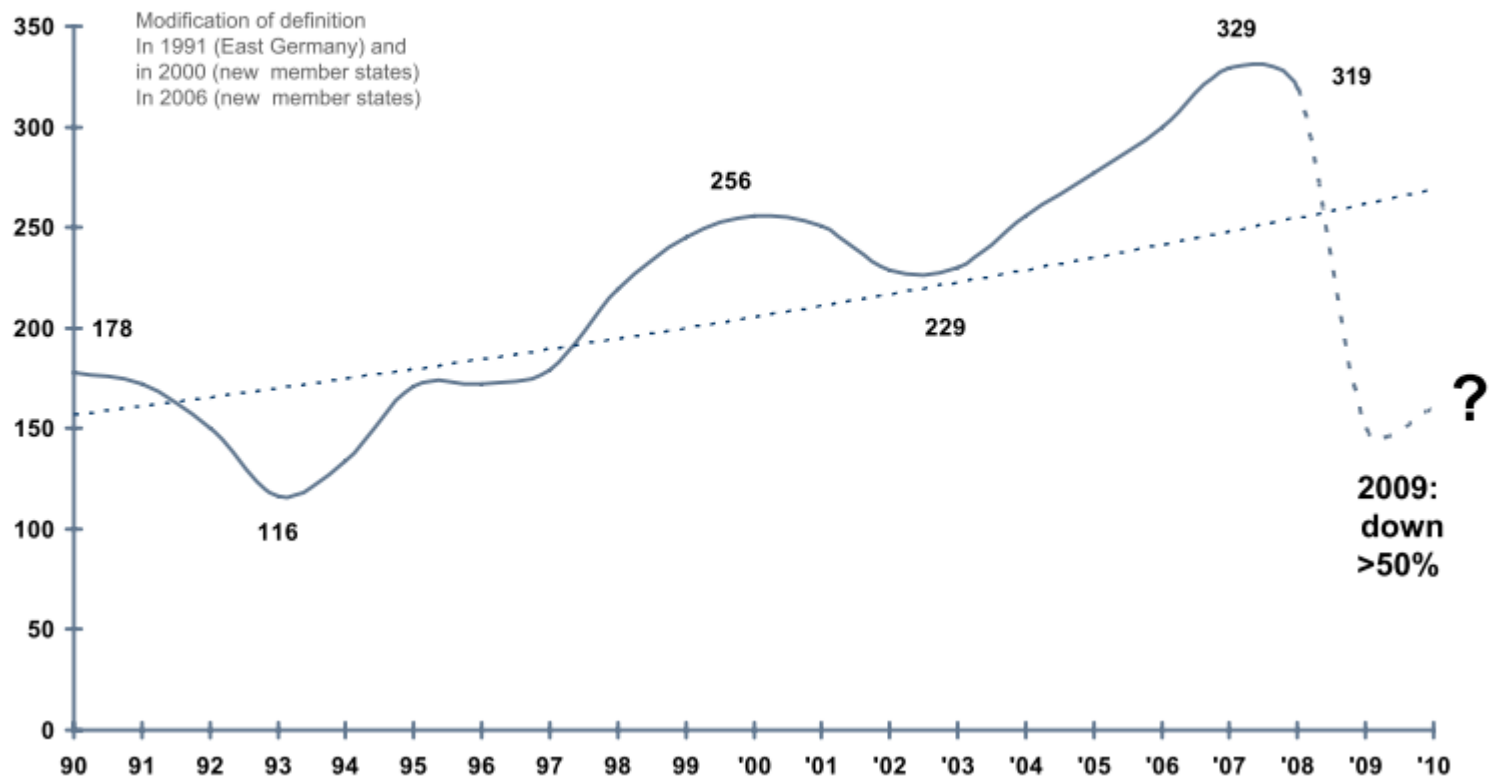
Market Development of Customer Sectors

- In South America, deliveries and new orders fell by about a third in comparison to the previous year.
- The order bookings exceeded cumulatively the delivery volumes, which indicates that the markets in Latin America are recovering.
- In North America both the volume of deliveries and the new orders received by our customers reached only a half of what it had been a year earlier.
- Order bookings were almost at the level of the deliveries. North American truck industry has only a minor impact on PKC Group's business.
- The production and deliveries of recreational products were halved in North America.

Heavy-duty Truck Market – Europe

(EU Members + Switzerland and Norway)

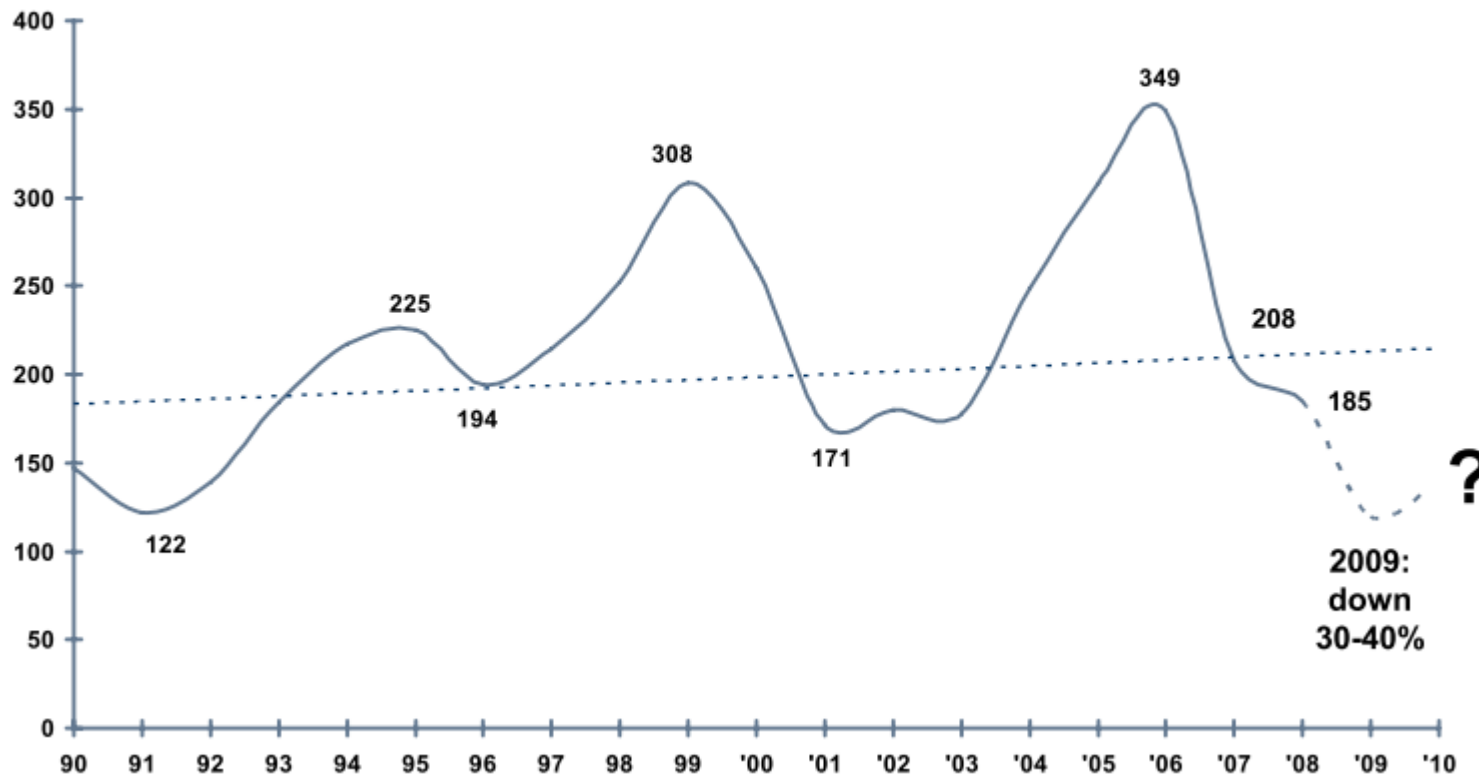
Units, Thousands (heavy trucks)



Source: Volvo.com
AB Volvo, Third Quarter 2009

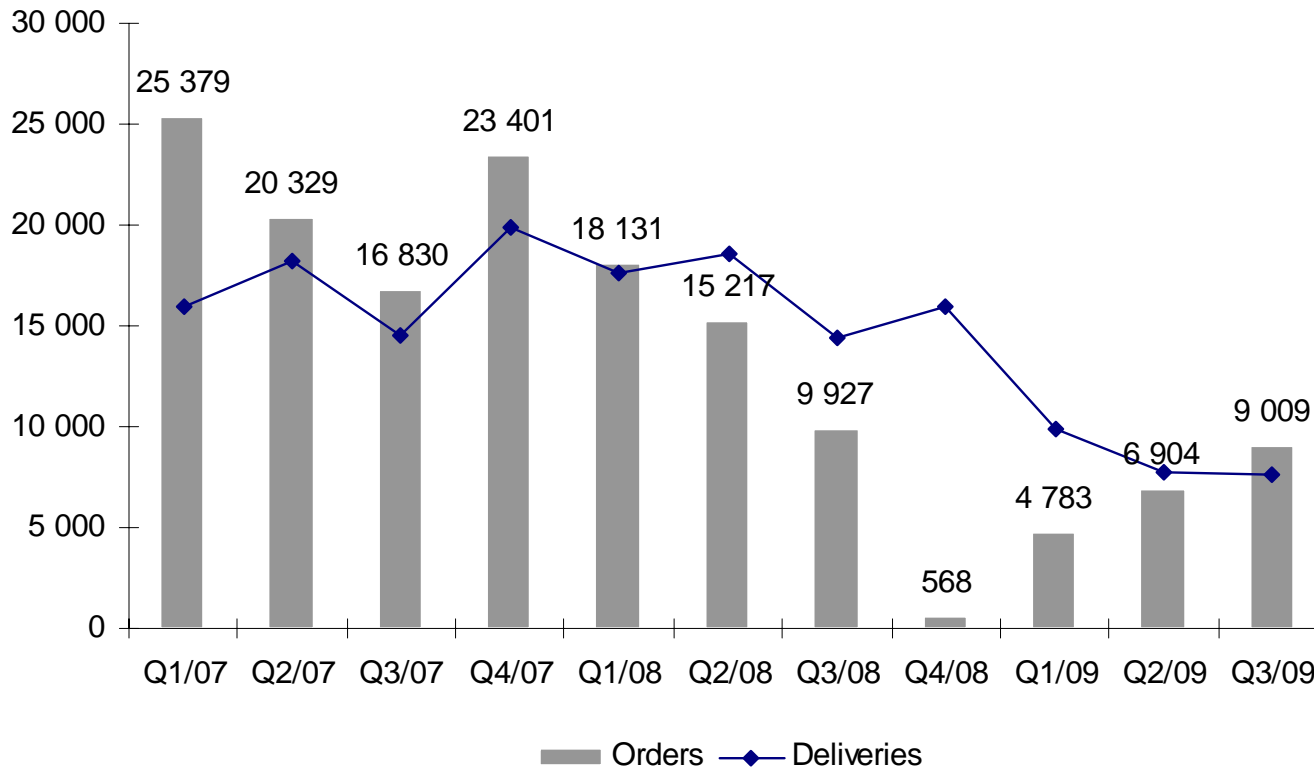
Heavy-duty Truck Market - North America

Units, Thousands (heavy trucks)



Source: Volvo.com
AB Volvo, Third Quarter 2009

Scania's Global Net Orders



Source: Scania.com

Scania, Order Bookings, Trucks

Quarterly Data, Units by Geographic Area

	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08
Western Europe	3014	3 001	1 856	1 921	3 077	6 209	8 477
Central and Eastern Europe	815	416	230	-665	1 907	2 518	3 713
Latin America	3 668	1 563	1 659	-724	3 099	3 777	2 874
Asia	945	1 263	585	-341	1 046	2 098	2 032
Other Markets	567	661	453	377	798	615	1 035
Total	9 009	6 904	4 783	568	9 927	15 217	18 131

Source: Scania.com

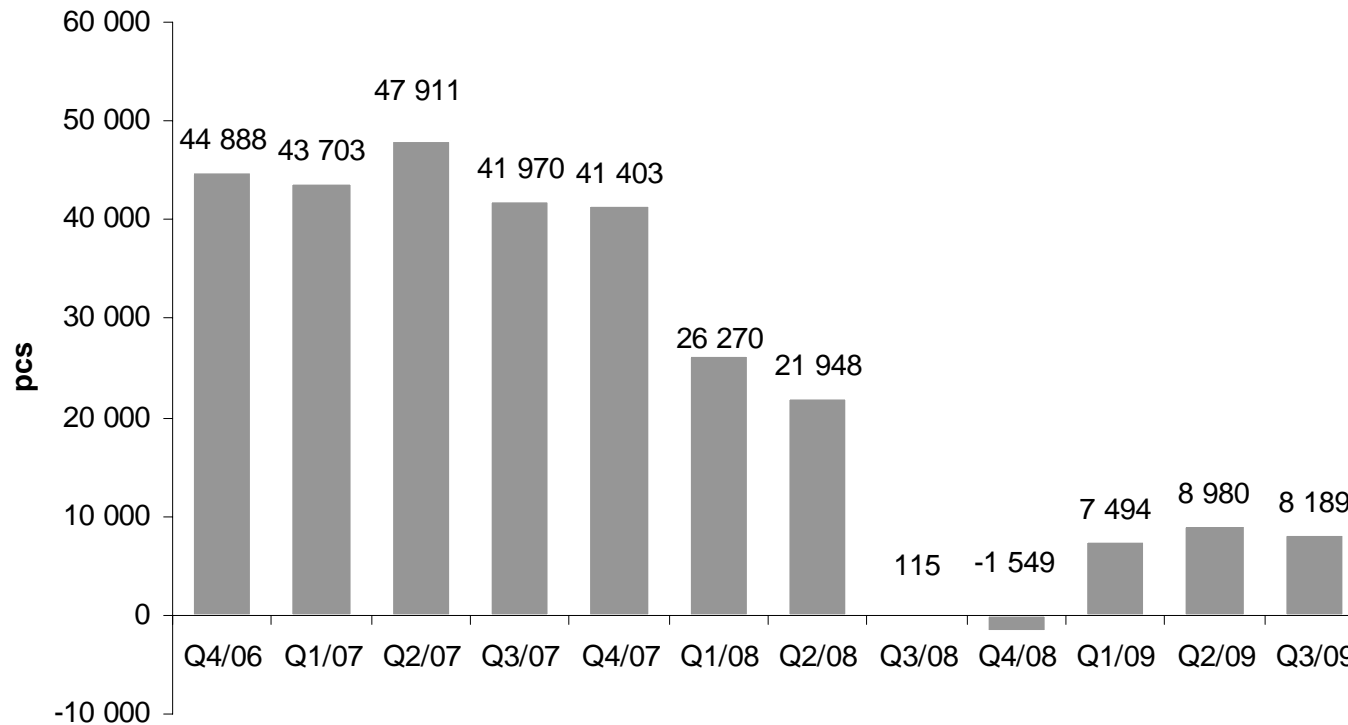
Scania, Trucks Delivered

Quarterly Data, Units by Geographic Area

	Q3/09	Q2/09	Q1/09	Q4/08	Q3/08	Q2/08	Q1/08
Western Europe	3 354	3 723	5 131	8 076	6 931	9 646	9 412
Central and Eastern Europe	637	549	861	1 987	2 942	3 949	3 696
Latin America	2 026	1 778	2 113	3 194	2 412	2 903	2 266
Asia	939	947	1 237	1 851	1 613	1 489	1 768
Other Markets	605	684	595	838	558	557	428
Total	7 561	7 681	9 937	15 946	14 456	18 544	17 570

Source: Scania.com

Volvo Group's Net Truck Orders in Europe



Source: Volvo.com

Volvo Group Net Order Intake per Market

Number of trucks	Q3/09	Q3/08	Change in %	1-9/09	1-9/08	Change in %
Europe	8 189	115	7 021	24 663	48 348	-49
North America	5 093	7 578	-33	11 219	19 611	-43
South America	5 284	5 096	4	10 013	13 639	-27
Asia*	10 079	14 607	-31	23 674	43 067	-45
Other markets	3 353	4 607	-28	9 235	19 823	-53
Total	31 998	32 072	0	78 804	144 488	-45

* 50% of VECV, the joint venture with Eicher Motor Limited, was consolidated in the Volvo Group on August 1, 2008.

Volvo Trucks, Deliveries

	Q3/09	Q3/08	Change in %	1-9/09	1-9/08	Change in %
Europe	3 285	11 709	-72	14 281	44 990	-68
Western Europe	2 666	7 157	-63	12 305	30 755	-60
Eastern Europe	619	4 552	-86	1 976	14 235	-86
North America	1 663	3 531	-53	5 271	11 660	-55
South America	2 351	3 226	-27	6 661	9 240	-28
Asia	1 104	2 935	-62	3 888	8 315	-53
Middle East	266	1 631	-84	2 017	4 895	-59
Other Asia	838	1 304	-36	1 807	3 420	-45
Other markets	593	1 318	-55	2 915	3 712	-21
Total Volvo Trucks	8 996	22 719	-60	33 016	77 917	-58

Source: Volvo.com

MAN, Order Intake

Units	1-9/09	1-9/08	Change in %	Q3/09	Q3/08	Change in %
Commercial Vehicles	28 383	73 687	-61	8 443	15 962	-47
Trucks	24 644	68 512	-64	7 254	14 285	-49
Buses	3 739	5 175	-28	1 189	1 677	-29
MAN Latin America	22 964			12 025		

Source: www.man-mn.com

MAN, Deliveries

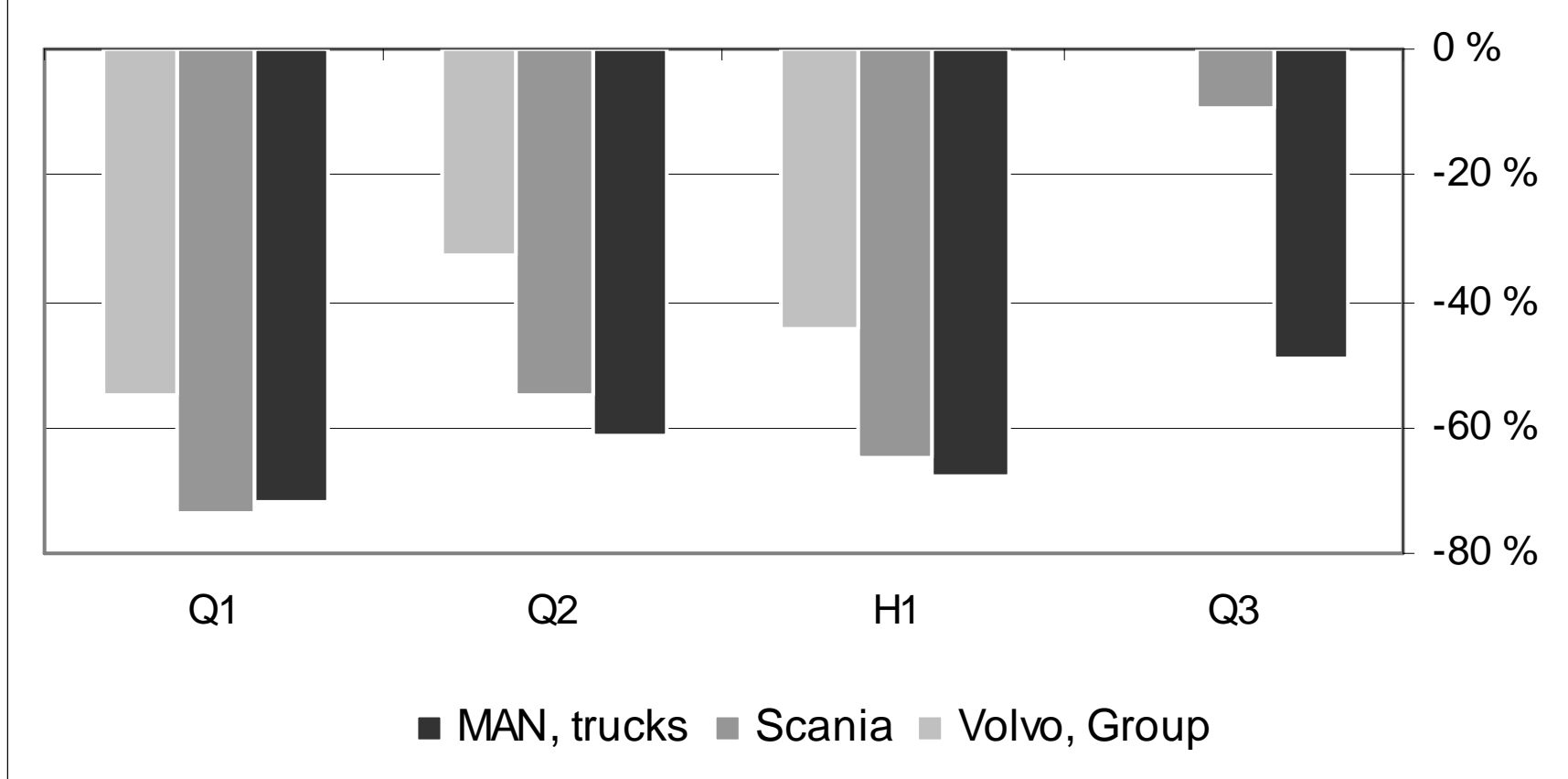
Units	1-9/09	1-9/08	Change in %	Q3/09	Q3/08	Change in %
Commercial Vehicles	35 480	78 919	-55	11 134	25 612	-57
Trucks	30 824	74 159	-58	9 528	24 089	-60
Buses	4 656	4 760	-2	1 606	1 523	5
MAN Latin America	22 964			12 025		

Source: www.man-mn.com

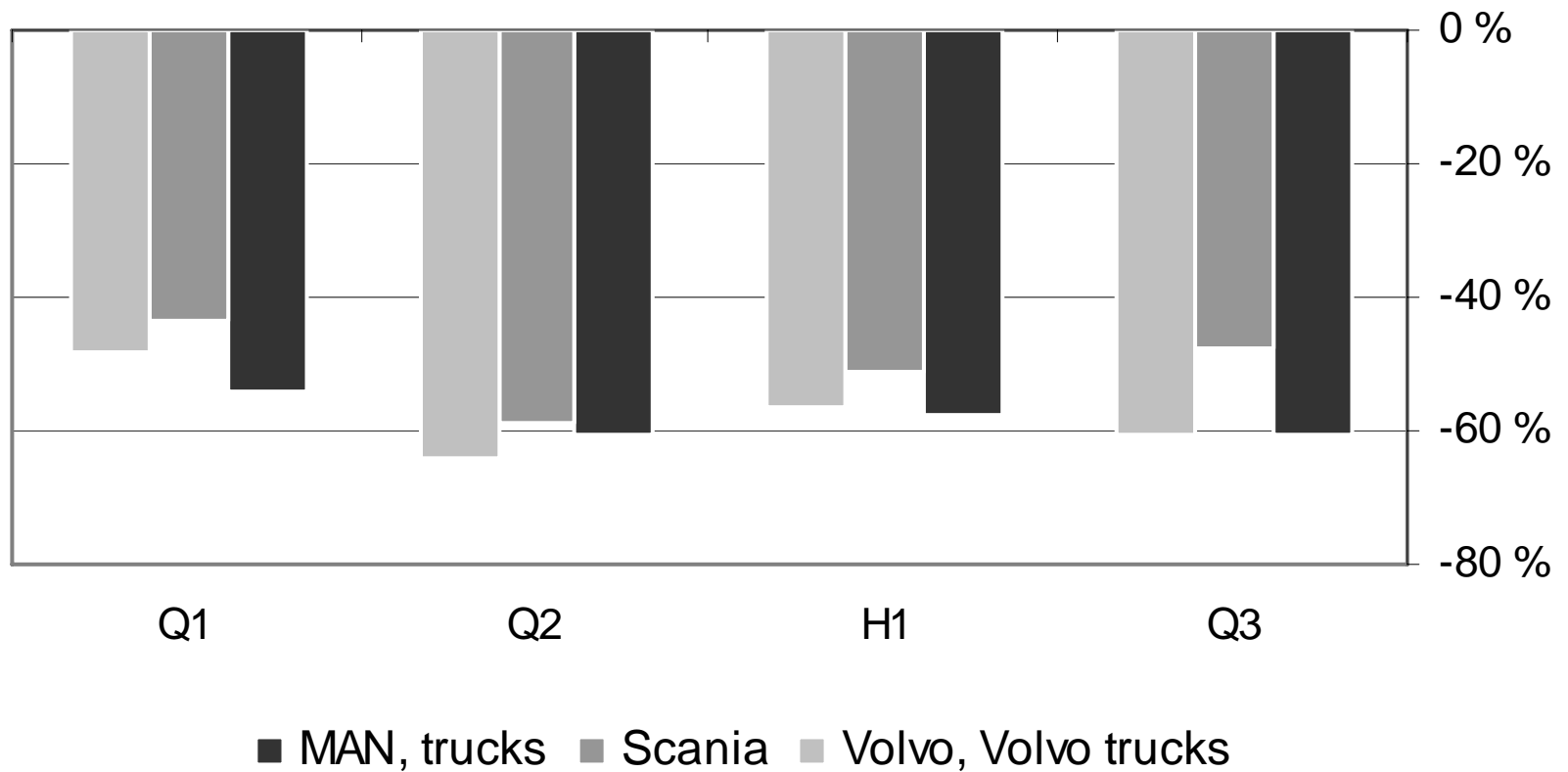
Summary

	Q3/08 to Q3/09	H1/08 to H1/09
Change in Order Bookings		
MAN	-49%	-68%
SCANIA	-9%	-65%
VOLVO	0%	-58%
Change in Truck Deliveries		
MAN	-60%	-57%
SCANIA	-48%	-51%
VOLVO	-60%	-56%

Changes from 2008 to 2009, truck order bookings

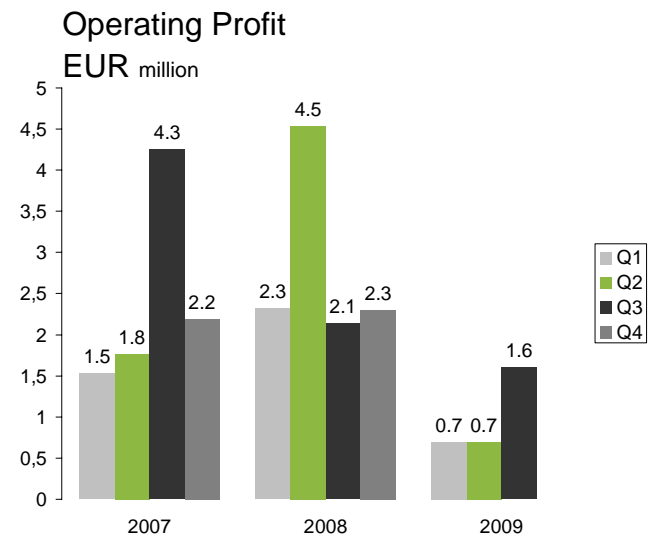
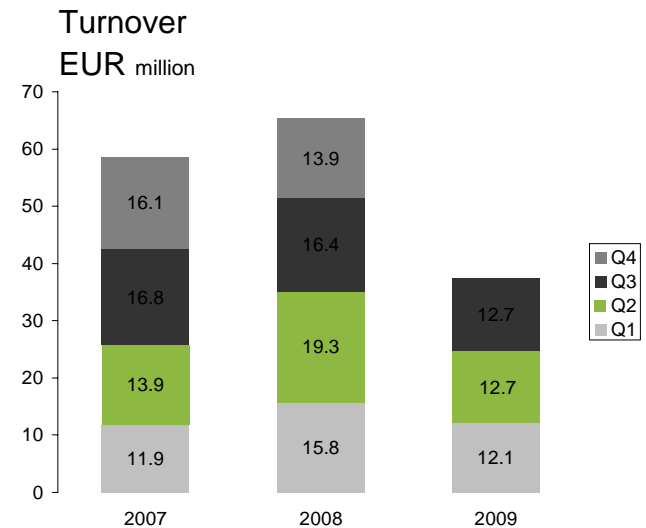


Changes from 2008 to 2009, truck deliveries



Electronics

- Net sales during first nine month amounted to EUR 37.4 million (EUR 51.3 million) and was 27.0% less than in 1-9/08.
- The segment's share of consolidated net sales was 25.6% (20.8%).
- Operating profit was EUR 2.9 million (EUR 9.0 million), equivalent to 7.8% (17.6%) of the segment's net sales.



Market Development of Electronics Sectors

- The demand for electronics design and manufacturing services in the market weakened.
- Except for the Asian market, the industrial investments decreased substantially, and the PKC Group's industrial electronics deliveries were cut by about a fourth.

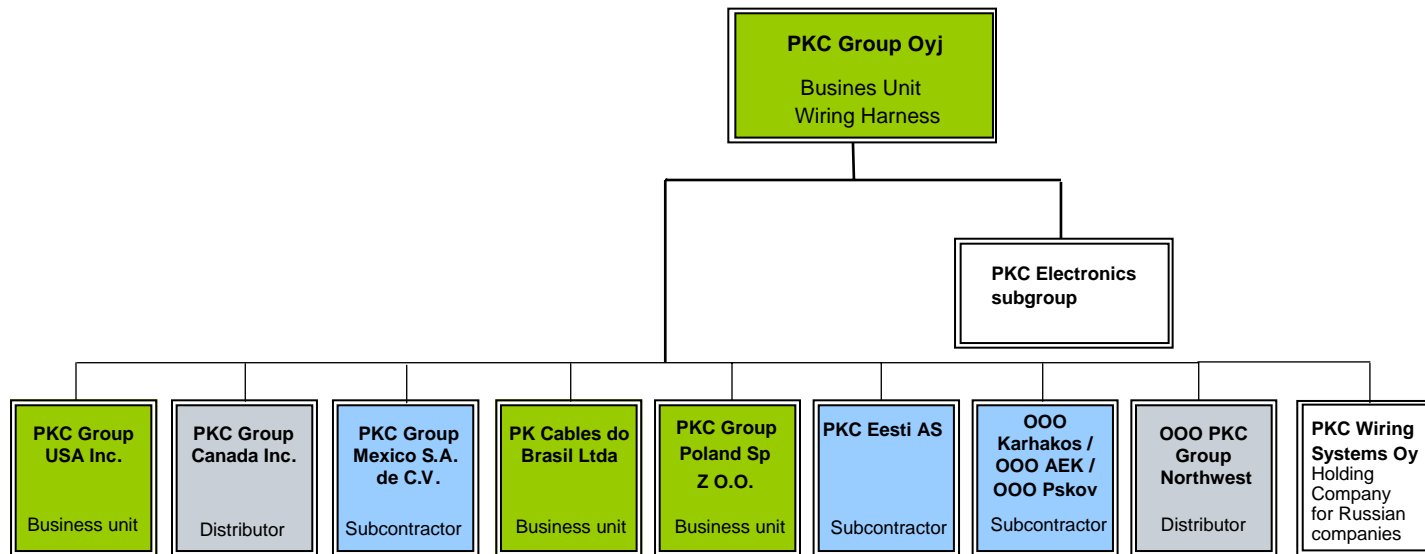
Outlook for the Future

- It is currently difficult to estimate how long the economic downturn will last.
- We estimate that the low predictability in the demand in commercial vehicle industry and general uncertainty of financing will keep the demand for wiring harnesses exceptionally low.
- We also estimate that demand for electronics design and manufacturing services in the market will weaken compared to last year.

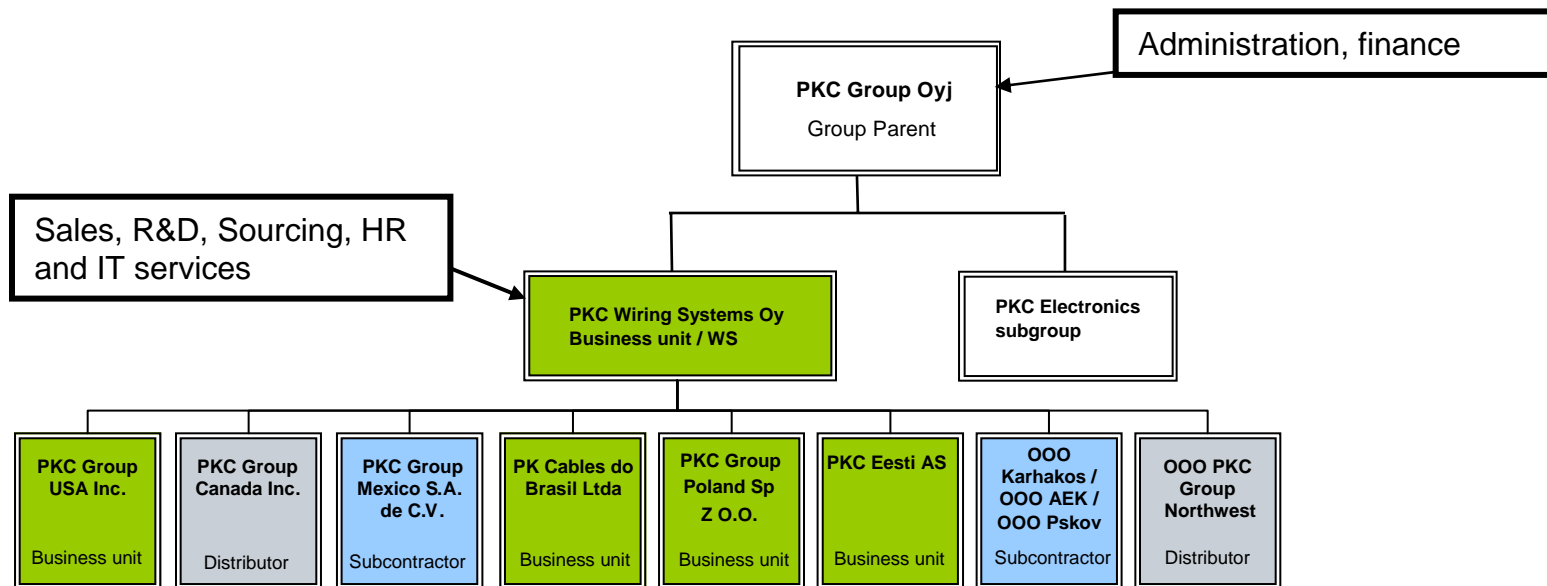
Outlook for the Future

- We predict that the full-year net sales will decrease substantially and for operating profit to be negative.
- The full year estimation contains significantly more uncertainty than usual due to the customer segments' exceptionally short outlooks.
- Thanks to the low need for capital expenditures and decrease of working capital, cash flows after investments are expected to be positive.
- PKC's balance sheet, liquidity and good customer relationships all enable improvement in PKC's relative competitive position.

Current Group structure



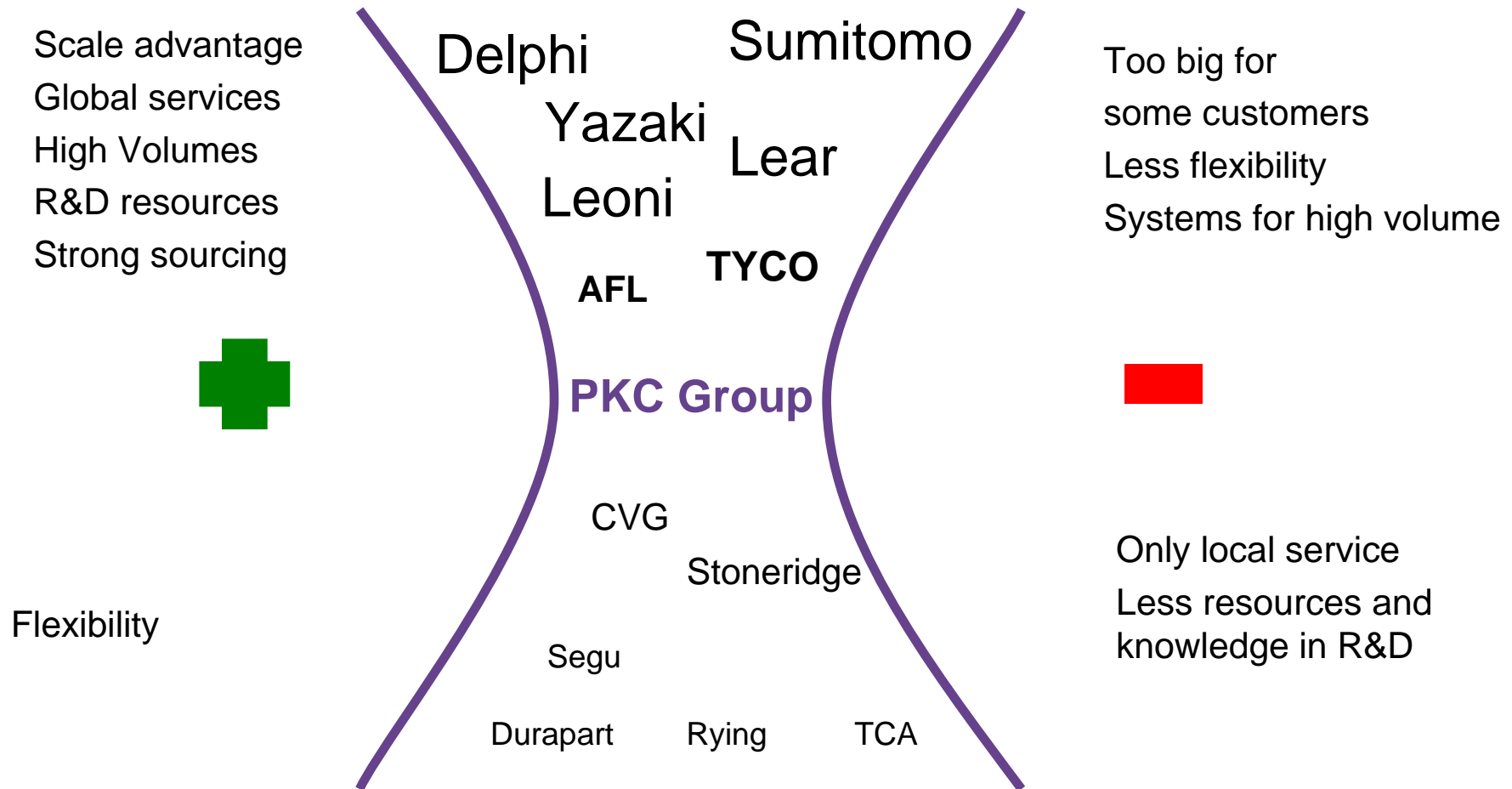
Group structure post reorganisation



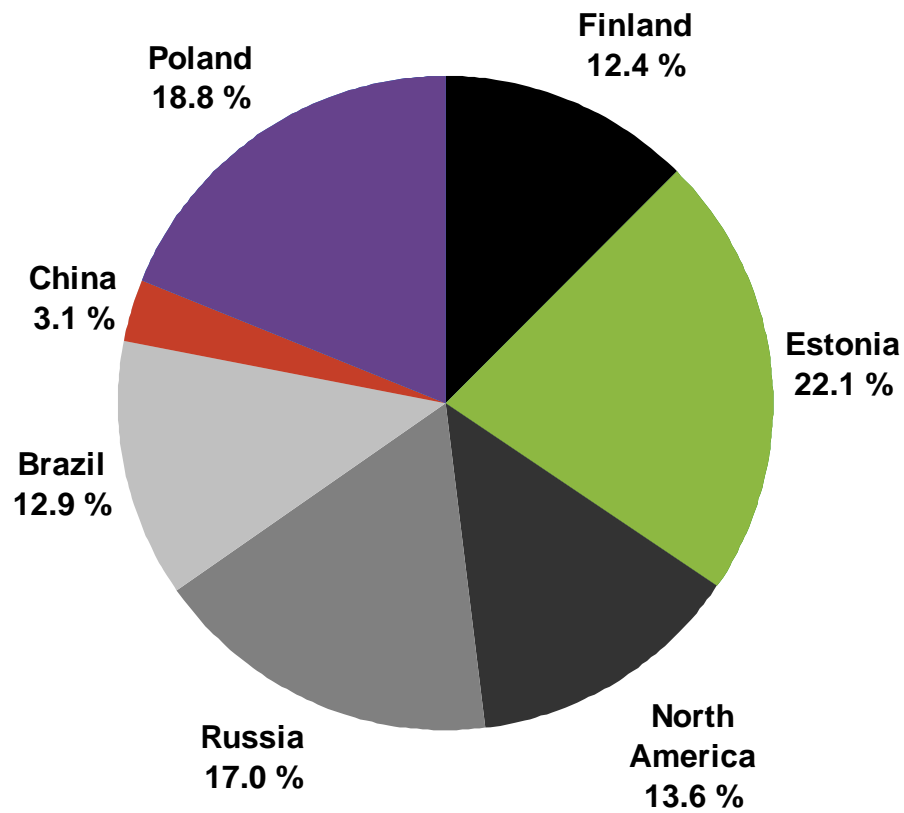
PKC is recovering and strengthening

- Despite the heavy reduction of the market, PKC Group's profitability has returned to a satisfactory level during the third quarter due to the executed rationalisation measures.
- Continued rationalisation measures and inputs in R&D puts trust in the continuous improvement of PKC's competitive position.
- Due to the current market situation, the supplier base in the commercial vehicle industry is going through radical changes, in turn opening up new possibilities for PKC. PKC is participating in several competitive bid processes concerning new customer relationships.
- Success in these processes might lead to new long-term delivery relationships and the subsequent strengthening of the company's market position.

In the consolidation of the industry, PKC is going to grow further and challenge big players



Personnel at the end of Q3



Totally 4 205 employees

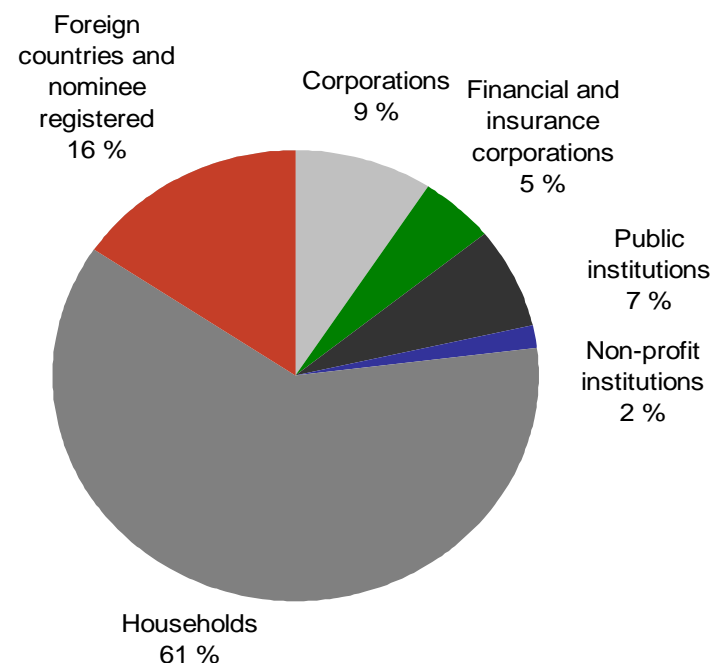
Shareholders 30 September, 2009

Major shareholders

AS Harju Elekter	8.3
Takanen Jorma	7.2
Ilmarinen Mutual Pension Insurance Company	4.8
Laakkonen Mikko	3.5
Ravaska Veikko	1.9
Varma Mutual Pension Insurance Company	1.8
Special Mutual Fund Avenir (non-UCITS)	1.7
Eestilä Matti	1.7
OP-Finland Small Firms Fund	1.6
Takanen Harri	1.6
Nordea Nordic Small Cap Fund	1.4
Suutari Harri	1.3
Laakkonen Hannu	1.2
Metsä-Simola Olli	0.8
Saukkonen Timo	0.7

Total 39.7%

Distribution of share ownership



7 640 owners

Thank you!

www.pkcgroup.com