



January – June

2000

I N T E R I M R E P O R T

J O T A U T O M A T I O N G R O U P

JOT □

INTERIM REPORT

January—June 2000

During the period under review the net sales of JOT Automation Group rose 43,1 % over the corresponding period in the previous year to 75,7 (52,9) million euros. The operating profit totalled 10,2 (10,8) million euros, or 13,4 (20,4) % of net sales. The Group's profit before extraordinary items and taxes amounted to 9,6 (11,1) million euros. The Group's earnings/share for the period stood at 0,04 (0,05) euros, while equity per share 0,20 (0,15) euros. The Group's return on investment (ROI) was 40,4 (88,3) % and its equity ratio stood at 40,9 (59,3) % at the end of the period. Net sales for fiscal 2000 are expected to reach approximately 160 million euros, which translates into annual growth of approximately 60 %. The Group's operation profit relative to its net sales is expected to exceed the previously estimated figure of approximately 11 %.

During the second quarter the Group put in a better net sales and earnings performance than expected. Net sales for the second quarter rose 67 % to 42,3 (25,3) million euros, while the company's operating profit for the quarter increased 43,5 % to 6,3 (4,4) million euros. The reasons for this included faster than expected returns on investments in marketing, production and product development, as well as certain unrealized expenditures related to the termination of an intended merger.

SECOND QUARTER OPERATIONAL REVIEW

In its stock exchange bulletin of April 7, 2000 the company announced that the JOT Group's investments, particularly in marketing, production and product development would impact the profitability in the short-run, particularly in the first quarter of 2000. The company management estimates that the operating margin (%) for fiscal 2000 will be approximately 11 % of the company's estimated net sales, while net sales are expected to grow at a rate of approximately 60 %.

At the Annual General Meeting held on April 12, 2000, the shareholders approved the Board's proposal to distribute a dividend for fiscal 1999 totalling 0,013 euros/share. Messrs. Juha Sipilä, Jorma Terentjeff and Mika Kettula were

elected to the Board. The Board of the Parent Company also withdrew its proposal concerning the merger plan for JOT Automation Group Plc and PMJ automec Plc, since the shareholders of the other party to the merger were opposed to the plan.

In the aftermath of the bulletin published April 7, 2000 the Finnish Financial Supervision Authority (RATA) carried out an investigation into the financial communications activities of JOT Automation Group Plc with respect to net sales and profit reporting. It is the position of the company management that JOT has acted in accordance with regulations pertaining to stock exchange bulletins. The company has complied with RATA requests for clarifications showing that its net sales and profit-related reporting has been performed in accordance with the required regulations. The Helsinki Stock Exchange made a similar request later on in the year. No decision has been made as yet regarding the company's handling of its financial reporting procedures.

On April 26, JOT Automation Group Plc published its interim report for the period January 1 - March 31, 2000. The release included an announcement that net sales for the period totalled 33,4 (27,6) million euros, with growth over the previous corresponding period of 21 %. Operating profit fell 41 % to 3,8 (6,4) million euros.

The Board of JOT Automation Group Plc made a decision, as authorized at the Annual General Meeting, to provide JOT Automation Group personnel with stock options entitling them to subscribe a maximum of 3 000 000 JOT Automation Group Plc shares, which would increase the company's share capital by a maximum of 60 000 euros. In an exception to ordinary shareholder subscription rights, the stock options are to be provided to practically all of the Group's personnel, as part of the company's staff incentive and commitment programs.

The shareholding of the Capital Research and Management Company, a subsidiary of the Capital Group Companies, Inc. declined as of June 2, 2000 to 4,86 %.

Mr. Mika Mämmelä was named Vice-President in charge of Group tech-

nology and product development strategy for JOT Automation Group Plc effective June 21, 2000. Mika Kettula was repatriated from his task as President of the Group's U.S. subsidiary, and will continue in his capacity as a member of the company's Board. Mr. Patrick O'Brien was named Managing Director for JOT Automation, Inc. He worked previously as Sales Director of JOT Automation, Inc.

On June 28, 2000, JOT Automation Group Plc acquired a 10 % holding in the Swedish Laxnet Automation AB. The deal allows JOT Automation Group Plc to acquire the entire shareholding in Laxnet Automation AB within a period of one year. Laxnet Automation AB is an industry cluster owned by six companies who focus on the supply of electronics production automation, primarily for the Ericsson mobile phone plant in Kumla.

The total shareholding of Scudder Kemper Investment, Inc. in JOT Automation Group Plc stood at 5,73 %, or in excess of 1/20th of the company's outstanding shares as of June 20, 2000.

At the end of June JOT Automation Group Plc signed an agency agreement with Schmidt Scientific International Ltd covering the Taiwan market area.

NET SALES AND EARNINGS

The Group's net sales for the first six months of the fiscal year totalled 75,7 (52,9) million euros, an increase of 43,1 % over the previous corresponding period. The share of exports and offshore operations in net sales totalled 62,2 (41,7) million euros or 82,2 (78,8) %, an increase of 49,2 %. Net sales by market area broke down as follows: Nordic area 19,5 %, other Europe 44,7 %, Asia 21,9 % and Americas 13,9 %.

The Group's profit before taxes came to 9,2 (11,1) million euros, or 12,1 (20,9) % of net sales. The net profit for the period totalled 6,7 (7,8) million euros, or 8,9 (14,7) % of net sales. The Group's ROI was 40,4 (88,3) % its return on equity (ROE) was 37,1 (71,7) %. A total of 4,1 million euros in research and development expenses totalling 4,4 (2,1) million euros were charged directly to the income statement during the period.

During the period under review the company's operational profitability proved

better than expected partly due to a faster than expected return on Group investments, as well as unrealized costs due to the termination of the planned merger.

As of June 30, 2000 the Group's order book stood at 34,0 (21,5) million euros.

FINANCING

The figures contained in the balance sheet for June 30, 2000 have been compared with those of the balance sheet as of December 31, 1999.

The balance sheet total as of the period end increased from the end of the last fiscal year to 84,3 million euros. Liquid assets declined to 16,9 (21,6) million euros, while short-term receivables rose to 42,2 (28,0) million euros and inventories to 13,0 (10,9) million euros.

The Group had interest-free liabilities totalling some 22,9 (17,9) million euros and interest bearing liabilities totalling another 27,6 (23,9) million euros. Of the interest-free debt, a total of 1,5 (0,6) million euros derived from advances received.

The Group's operational cash flow was 3,0 million euros negative, compared with a positive figure totalling 4,5 million euros for the corresponding period last year.

The Group's equity ratio stood at 40,9 (59,3) % as of the period end and its net debts (gearing) were 31,6 (-34,3) %.

RESEARCH AND DEVELOPMENT

The Group continued investing in R&D during the period. At the period end approximately 27 % of the Group's staff were employed in R&D and design tasks. R&D expenses totalled 4,4 (2,1) million euros, or 5,9 (4,0) % of net sales. A total of 4,1 million euros in R&D expenses were charged to the year 2000 income statement during the period, or 5,4 % of net sales. The R&D projects completed during the second quarter included packaging automation system development. The company's annual R&D expenditure has been estimated at approximately 7 % of net sales.

INVESTMENTS

Gross investments in fixed and long-lived assets totalled 3,2 (2,8) million euros. These investments included machinery and equipment expenditure for the com-

pany's Oulunsalo facility, as well as software license and IT-related machinery and equipment expenditure.

PERSONNEL AND ORGANIZATION

During the period under review a total of 675 (521) persons were employed by the Group and the figure stood at 747 (594) persons at the period end, of whom 347 (292) were employed by non-domestic business units.

SHARE PRICES

The quotation of the company's shares began on the main list of the Helsinki Stock Exchange on September 15, 1998. During the period under review the company's shares reached a high of 13,11 euros and a low of 4,60 euros, with the stock ending the period at a price of 6,99 euros. During the period a total of 127,1 million shares with a value of 1 127,6 million euros changed hands, representing 74,5 % of the total number of shares outstanding. The market value of the company's stock as of June 30, 2000 was 1 192,6 million euros.

COMPANY OWNERSHIP BY TYPE AND SHAREHOLDING AS OF JUNE 30, 2000

BREAKDOWN OF SHAREHOLDERS BY TYPE AS OF JUNE 30, 2000

	Shareholders Number	Holding %	Shares Number	Holding %
Private firms	1611	4,64	12 838 577	7,52
Listed companies	10	0,03	188 267	0,11
Financial and Insurance companies	127	0,37	31 633 647	18,54
Public sector	60	0,17	19 014 066	11,14
Non-profit organizations	173	0,50	4 503 535	2,64
Private investors	32556	93,83	40 560 629	23,77
Foreign and nominee registered	159	0,46	61 878 479	36,27

LARGEST SHAREHOLDERS EXCLUDING NOMINEE

REGISTERED SHAREHOLDERS	amount of shares	% of shares
Terentjeff Jorma, CEO, Board Member	9 002 983	5,3
Tapiola General Mutual Insurance Company	5 377 900	3,2
Varma-Sampo Mutual Pension Insurance Company	4 101 009	2,4
Ilmarinen Mutual Pension Insurance Company	3 566 200	2,1
Tapiola Mutual Pension Insurance Company	3 322 900	1,9
Conventum Plc	3 000 000	1,8
Kettula Mika, Board Member	2 339 740	1,4
Evatec Oy	2 052 000	1,2
Finnish National Fund for Research and Development	1 645 550	1,0
OP-Delta -Fund	1 537 600	0,9

NOMINEE REGISTERED SHARES:

Merita Bank Plc	57 452 915	33,7
Svenska Handelsbanken AB (publ) Branch Operation in Finland	2 175 757	1,3

JOT AUTOMATION GROUP PLC: SHARES HELD BY MANAGEMENT

JOT Automation Group Plc shares held by board members, the CEO and their dependents	11 592 723	6,8
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POST-FISCAL EVENTS

JOT Automation Group Plc and the French Fenwick S.A. concluded a distribution agreement covering the marketing, sales and after sales support for JOT Automation products and turn-key systems in France, Spain, Portugal and the Benelux countries.

PROSPECTS FOR FISCAL 2000

The Group's net sales are expected to rise by approximately 60 % over last year. These expectations are based upon actual sales for the year to date, and the company's order and offer backlogs, as well as year end forecasts received from customers.

Shortened lead times are typical of the sector in which the company operates. For this reason, JOT has raised the level of product standardization and strengthened its external production network. The shorter lead times also have an impact on the predictability of the company's net sales.

The cumulative operating profit for the year 2000 is expected to exceed the approximately 11 % forecast announced earlier in the year.

The interim report for January-September will be released on November 2, 2000.

INCOME STATEMENT (MILLION EUROS)	1-6/2000 6 months	1-6/1999 6 months	Change %	1-12/1999 12 months
NET SALES	75,7	52,9	43,1	99,4
Increase or decrease in finished good inventory	1,1	-6,0	-117,9	-3,9
Other operating income	0,2	0,3	-20,9	1,1
Expenses	-65,4	-35,5	84,3	-78,3
Depreciation	-1,6	-0,9	90,7	-2,0
OPERATING PROFIT	10,2	10,8	-6,0	16,3
Net financial expenses	-0,5	0,3	-305,3	0,7
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES	9,6	11,1	-13,2	17,0
Extraordinary income and expenses	-0,4	0,0		0,0
PROFIT BEFORE TAXES	9,2	11,1	-16,9	17,0
Direct taxes	-2,6	-3,5	-26,0	-5,2
Minority interest	0,1	0,2	-48,0	0,1
NET PROFIT	6,7	7,8	-13,6	11,8

BALANCE SHEET (MILLION EUROS)	30.6.2000	30.6.1999	Change %	31.12.1999
ASSETS				
Fixed and other long-lived assets	12,2	5,5	124,0	10,6
Inventories	13,0	7,9	64,4	10,9
Receivables	42,2	20,8	102,9	28,0
Cash and bank deposits	16,9	11,5	46,2	21,6
TOTAL ASSETS	84,3	45,7	84,5	71,1
LIABILITIES AND SHAREHOLDERS' EQUITY				
Share capital	3,4	3,4	0,0	3,4
Other equity	30,3	21,6	40,5	25,7
Minority interest	0,0	0,0	8,3	0,2
Long term liabilities	7,7	1,7	353,6	11,1
Short term liabilities	42,7	18,9	125,8	30,7
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	84,3	45,7	84,5	71,1

CASH FLOW (MILLION EUROS)	1-6/2000 6 months	1-6/1999 6 months	1-12/1999 12 months
Income from operations	8,2	8,4	13,7
Change in working capital	-11,2	-4,0	-14,0
Operational cash flow	-3,0	4,5	-0,3
Investments in fixed assets	-3,2	-2,8	-9,3
Gain on the sale of fixed assets	0,0	0,2	0,6
Cash flow before financing	-6,1	1,9	-9,0
Financing	1,4	-3,9	17,0
Nominal change in liquid assets	-4,7	-2,0	8,0

FINANCIAL PERFORMANCE RELATED RATIOS (EUROS)	1-6/2000 6 months	1-6/1999 6 months	Change %	1-12/1999 12 months
Net Sales, million	75,7	52,9	43,1	99,4
Operating profit, million	10,2	10,8	-6,0	16,3
Operating profit, % of net sales	13,4	20,4		16,4
Profit before taxes, million	9,2	11,1	-16,9	17,0
Profit before taxes, % of net sales	12,1	20,9		17,1
Net profit, million	6,7	7,8	-13,6	11,8
Return on equity % (ROE)	37,1	71,7		47,7
Return on investment % (ROI)	40,4	88,3		47,6
Interest-bearing net liabilities, million	10,7	-8,6	-224,4	2,4
Net gearing, %	31,6	-34,3		8,0
Equity ratio, % (nominal, net of deferred taxes)	40,9	59,3		41,5
Gross investments, million	3,2	2,8	14,2	9,3
Gross investments, % of net sales	4,2	5,2		9,3
R&D costs, million	4,4	2,1	109,3	6,4
R&D costs, % of net sales	5,9	4,0		6,4
Order book at the end of the period, million	34,0	21,5	57,9	21,1
Average personnel during the period	675	521	29,6	565
Personnel at the period end	747	594	25,8	601

ADJUSTED NUMBER OF SHARES (thousands)	30.6.2000	30.6.1999	Change %	31.12.1999
At the end of period	170 617	170 617		170 617
Average for the period	170 617	170 617		170 617
Average for the period diluted with stock options	174 461	175 716		175 716

STOCK-RELATED FINANCIAL RATIOS (EUROS)

Earnings per share	0,04	0,05	-8,3	0,07
Stock options diluted earnings per share	0,04	0,04		0,07
Equity per share (nominal, net of deferred taxes)	0,20	0,15	35,0	0,17

MARKET VALUES OF SHARES (EUROS)**

Highest	13,11	4,50		9,50
Lowest	4,60	1,68		1,68
Average	8,87	2,60		3,92
At the end of period	6,99	3,93		9,25

Market value of the stock, million	1 192,6	670,5		1 578,2
Trading value of shares	1 127,6	255,4		754,3
Number of shares traded	127 148	98 124		192 373
Related to average number of shares %	74,5	57,5		112,8

** Figures corresponding to the value after the split in April 28, 1999 and in October 6, 1999.

CONTINGENT LIABILITIES (MILLIONS)

AGAINST OWN LIABILITIES			
Company mortgages	27,8	3,8	22,8
Mortgages are pledged for liabilities totalled, million	25,7		20,8

OTHER DIRECT AND CONTINGENT LIABILITIES

Leasing liabilities			
Falling due in the next year	0,3	0,2	0,3
Falling due after one year	0,4		0,5
Rental liabilities			
Falling due in the next year	1,1		1,1
Falling due after one year	14,4		15,0
Repurchasing liabilities			
Falling due in the next year	0,1	1,0	0,1
Falling due after one year	0,8		0,8

NOMINAL VALUE OF CURRENCY DERIVATIVES (MILLION EUROS)

Foreign exchange forward contracts			
Market value	0,3		-0,1
Nominal value	5,0	0,0	2,0
Purchased currency options			
Market value	0,6		0,1
Nominal value	21,0	5,0	18,0
Sold currency options			
Market value	-0,2		-0,2
Nominal value	36,0	5,0	9,0

Oulunsalo, August 3, 2000

JOT Automation Group Plc
The Board of Directors

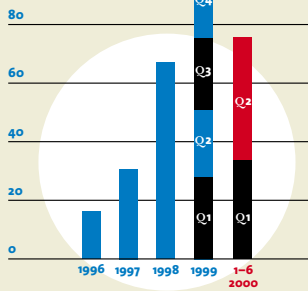
Jorma Terentjeff
President, CEO

JOT IN FIGURES

January – June 2000

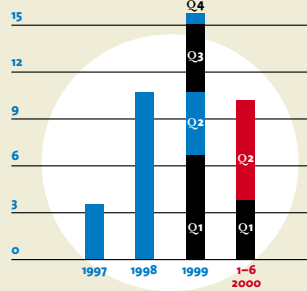
NET SALES

Million EUR



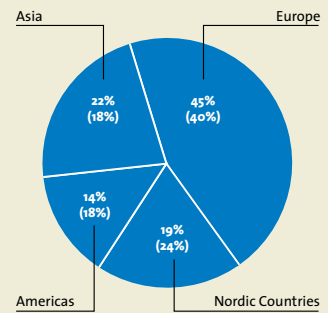
OPERATING PROFIT

Million EUR



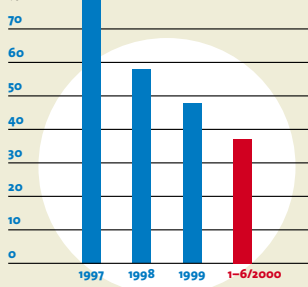
NET SALES BY MARKET AREA

January – June 2000 (1999)



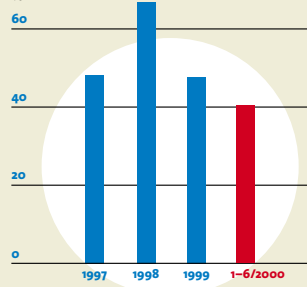
RETURN ON EQUITY (ROE)

%

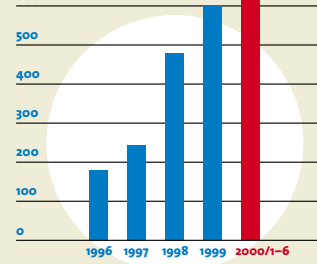


RETURN ON INVESTMENT (ROI)

%



PERSONNEL



FURTHER INFORMATION

Jorma Terentjeff
 President, CEO
 JOT Automation Group Plc
 tel. +358 20 568 20
 fax +358 20 568 2611
 ceo@jotautomation.com

Irma-Liisa Korhonen
 IR Manager
 JOT Automation Group Plc
 tel. +358 20 568 2703
 fax +358 20 568 2704
 irma.korhonen@jotautomation.com

Pertti Tarvainen
 CFO
 JOT Automation Group Plc
 tel. +358 20 568 2589
 fax +358 20 568 2503
 pertti.tarvainen@jotautomation.com



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JOT AUTOMATION GROUP PLC

Automaattiotie 1

90460 Oulunsalo Finland

tel. +358 20 568 20

fax +358 20 568 2600

www.jotautomation.com

