

DEMERGER PLAN

1. DEMERGER

The Board of Directors of Sievi Capital plc proposes that Sievi Capital plc ("Sievi Capital" or "the Demerged Company") demerge partially so that part of its assets and liabilities will be transferred to a newly established publicly listed company Scanfil plc ("Scanfil" or "the Recipient Company") without liquidation proceedings.

The shareholders of the Demerged Company will receive shares in the Recipient Company in proportion to their holdings as consideration for the demerger.

The demerger will comply with the provisions of Chapter 17 of the Companies Act and section 52c of the Act on Business Income Taxation.

Upon approving the demerger plan, the general meeting of shareholders of Sievi Capital will establish the Recipient Company and ratify its proposed Articles of Association.

2. DEMERGED COMPANY

Company name:	Sievi Capital plc
Business ID:	0190457-0
Address:	Yritystie 6, FI-85410 Sievi, Finland
Registered office:	Sievi, Finland

3. RECIPIENT COMPANY

Planned company name:	Scanfil plc
Planned address:	Yritystie 6, FI-85410 Sievi, Finland
Planned registered office:	Sievi, Finland

4. REASONS FOR THE DEMERGER

The purpose of the demerger is to implement the division of the different business functions of the Sievi Capital group of companies into legally separate units so that contract manufacturing and other industrial operations demerged into a separate unit with investment operations remain in the Demerged Company as a unit of its own. The Board of Directors of Sievi Capital believes that the demerger will promote any future restructuring, with industrial operations demerged into a separate legal unit. The demerger will clarify the corporate structures, enhance operative transparency and promote the value appreciation for shareholders in the long term.

5. ARTICLES OF ASSOCIATION OF THE COMPANIES INVOLVED IN THE DEMERGER

A proposal for the Articles of Association of the Recipient Company is enclosed with this demerger plan as **Appendix 1**.

6. ADMINISTRATIVE BODIES AND AUDITORS OF THE COMPANIES INVOLVED IN THE DEMERGER

Board of Directors, President and auditors of Sievi Capital plc

The current number of members of the Board of Directors of Scanfil plc will remain unchanged, and the present Board members will continue in their positions until the next Annual General Meeting, with the exception that Asa-Matti Lyytinen will be appointed as the Chairman of the Board of Directors, replacing Jorma J. Takanen. The composition of the Board of Directors will, after the execution of the demerger, therefore be as follows: Asa-Matti Lyytinen (Chair), Jorma J. Takanen , Reijo Pöllä, Jarkko Takanen and Tuomo Lähdesmäki .

It is proposed that Jorma J. Takanen be appointed as Sievi Capital's President to replace Harri Takanen following the execution of the demerger.

Sievi Capital's present auditor and main auditor will continue in their positions also after the demerger.

If a Board member, President, auditor or main auditor should resign or be disqualified before the demerger execution date or the general meeting of shareholders of the Demerged Company otherwise decides to complement or amend the composition of the Board of Directors or other members of the above-mentioned administrative bodies, the general meeting of shareholders of the Demerged Company will appoint the other members of the administrative bodies, if necessary.

Scanfil's Board of Directors, President and auditors

According to Scanfil's proposed Articles of Association, the Board of Directors comprises a minimum of three (3) and maximum of seven (7) members. According to the proposed Articles of Association, the term of office of the Board members ends at the close of the next Annual General Meeting following their election. The Board of Directors elects the Chairman of the Board from among its members. If the votes are even, the election of the Chairman will be determined by the drawing of lots.

The initial number of members of the Board of Directors of Scanfil is proposed to be five (5) and it is proposed that Jorma J. Takanen, Asa-Matti Lyytinen, Tuomo Lähdesmäki , Reijo Pöllä and Jarkko Takanen be elected as regular members of the Board of Directors. It is proposed that Jorma J. Takanen be elected as the Chairman of the Board.

It is proposed that Harri Takanen be appointed as Scanfil's President.

It is proposed that KPMG Oy Ab (Business ID 1805485-9) be elected as Scanfil's auditor, with Ari Ahti as the main auditor.

If a Board member, President, auditor or main auditor should resign or be disqualified before the demerger execution date or the general meeting of shareholders of the Demerged Company otherwise decides to complement or amend the composition of the Board of Directors or other members of the above-mentioned administrative bodies, the general meeting of shareholders of the Demerged Company will appoint the other members of the administrative bodies, if necessary.

7. NUMBER OF SHARES IN THE RECIPIENT COMPANY

The number of shares in the Recipient Company will be the number corresponding to the number of shares in the Demerged Company less the number of treasury shares held by the Demerged Company. On the date of signing this demerger plan, the Demerged Company holds 2,983,831 treasury shares. The estimated number of shares is therefore $60,714,270 - 2,983,831 = 57,730,439$. The final number of shares in the Recipient Company may differ from the estimated number if, for example, the Demerged Company issues new shares or repurchases shares prior to the execution date of the demerger. The shares in the Recipient Company are of a single type.

8. DEMERGER CONSIDERATION AND TIME OF DEMERGER

The Board of Directors proposes that the shareholders of the Demerged Company be issued one (1) share in the Recipient Company for each share in the Demerged Company as consideration for the demerger.

No demerger consideration will be distributed on the basis of any treasury shares held by the Demerged Company.

The demerger consideration will be distributed to the shareholders of Sievi Capital in proportion to their holdings. The payment of the demerger consideration to the shareholders of the Demerged Company will commence on the registration date of the demerger execution, which is estimated to be 1 January 2012. The demerger consideration will be distributed in the book-entry securities system so that the number of shares in the Recipient Company corresponding to the number of shares in the Demerged Company registered in the book-entry accounts of the shareholders of the Demerged Company will be distributed using the exchange rate specified in the Demerger Plan. The shareholding structure and voting right proportions in the Recipient Company following the demerger will correspond with the shareholding structure of the Demerged Company on the registration date of the demerger execution.

The shareholders of the Demerged Company do not have the right to claim for the redemption of their shares due to the demerger.

9. OTHER CONSIDERATION DISTRIBUTED IN THE DEMERGER

The Board of Directors proposes that no other consideration be distributed in the demerger.

10. RIGHTS OF HOLDERS OF OPTIONS OR OTHER SPECIAL RIGHTS UPON THE DEMERGER

The Demerged Company has not issued any options or other special rights entitling their holders to subscribe for shares in the company.

11. RECIPIENT COMPANY'S SHARE CAPITAL

The share capital of the established Recipient Company is proposed to be EUR 2,000,000. The amount of the share capital does not depend on the total number of Scanfil shares distributed as Demerger Consideration.

12. ASSETS, LIABILITIES AND SHAREHOLDERS' EQUITY OF THE DEMERGED COMPANY AND PROPOSAL FOR THEIR DIVISION TO THE RECIPIENT COMPANY

As the result of the demerger, the Demerged Company's assets, liabilities and risks related to contract manufacturing and other industrial operations will be transferred to the Recipient Company. In accordance with this general rule, the following will be transferred to the Recipient Company:

- Scanfil EMS Oy shares
- EUR 100,000 in cash assets
- the Demerged Company's agreements related to contract manufacturing operations and
- any other assets and liabilities associated with contract manufacturing operations.

The Demerged Company has guaranteed some of Scanfil EMS Oy's liabilities and may have other responsibilities concerning the assets and liabilities transferred to the

Recipient Company. It is the aim of the Demerged Company and Scanfil EMS Oy to relieve the Demerged Company of such responsibilities prior to the demerger execution date, or if relief is not possible, agree on another arrangement satisfying the Demerged Company in connection with such responsibilities.

An account of the Demerged Company's assets, liabilities and shareholders' equity and factors influencing their valuation and a proposal for the division of the Demerged Company's assets and liabilities to the Recipient Company, the planned impact of the demerger on the Recipient Company's balance sheet and accounting methods applied to the demerger can be found in **Appendix 2** to this demerger plan.

13. PROPOSAL TO DECREASE SHARE CAPITAL TO DISTRIBUTE ASSETS TO THE RECIPIENT COMPANY

The Board of Directors proposes that the Demerged Company's share capital is not reduced.

14. ARRANGEMENTS NOT INCLUDED IN ORDINARY BUSINESS OPERATIONS

The demerger procedure does not prevent the Demerged Company also deciding on matters not included in ordinary business operations, such as reducing or increasing its shareholders' equity, distribution of profit, repurchase or conveyance of treasury shares, merger or demerger or sale of a significant part of the company's business operations.

15. SUBORDINATED LOANS

The Demerged Company has not issued subordinated loans referred to in Chapter 12 section 1 of the Companies Act on the date of this demerger plan.

16. BUSINESS MORTGAGES

The business mortgages on the Demerged Company's assets pursuant to the act on business mortgages (634/1984) are listed in **Appendix 3**.

The Board of Directors will separately negotiate with the mortgagees on the arrangement of business mortgages upon the demerger.

17. SPECIAL TERMS AND PROPOSAL FOR THE FEES OF THE BOARDS OF DIRECTORS AND AUDITORS

No special benefits or rights have been given to the Demerged Company's Board members, President, auditor or authorised auditors acting as independent experts in connection with the demerger.

It is proposed that the fees paid to the members of the Boards of Directors of Sievi Capital and Scanfil be decided upon by the general meeting of shareholders of the Demerged Company in connection with the election of Scanfil's Board members. The general meeting of shareholders of the Demerged Company may decide on amending the fees paid to the Boards of Directors of the Demerged Company and the Recipient Company and their bases of determination.

The Board of Directors proposes that the members of the Board of Directors of the Demerged Company be paid fees as follows:

Chairman	EUR 700 per month
Board member not employed by the company	EUR 700 per month
Board member employed by the company	EUR 200 per month

The Board of Directors proposes that the members of the Board of Directors of the Recipient Company be paid fees as follows:

Chairman	EUR 1,000 per month
Board member not employed by the company	EUR 1,300 per month
Board member employed by the company	EUR 300 per month

It is proposed that the auditor and the independent expert be paid as invoiced.

The Board of Directors proposes that Jorma J. Takanen be appointed as President of Sievi Capital in accordance with item 6 of this demerger plan. The replacement of the President will not result in the payment of termination compensation or other remunerations.

The Board of Directors proposes that Harri Takanen be appointed as Scanfil's President from the date of registration of the execution of the demerger. Scanfil will sign a service contract pursuant to general practice with Harri Takanen, with no special provisions regarding the demerger.

18. PLANNED REGISTRATION TIME OF THE EXECUTION OF THE DEMERGER

The planned registration date of the execution of the demerger is 1 January 2012. The registration date of the execution of the demerger may change.

19. OTHER MATTERS

19.1 Business names

In connection with the execution of the demerger, the Demerged Company's auxiliary business names Pohjanmaan Elektriikka and Wecan Electronics will be transferred to the Recipient Company. No changes will take place in the fields of operations of the auxiliary business names. Furthermore, the auxiliary business name Scanfil of the Demerged Company will be transferred to the Recipient Company and registered as the Recipient Company's auxiliary business name.

19.2 Preparatory measures

The Board of Directors of the Demerged Company will take care of measures associated with the execution of the demerger.

19.3 Changes in shares and share capital and distribution of dividend

Based on its valid authorisation, the Board of Directors of the Demerged Company may decide to convey a maximum of 5,900,000 shares in the Demerged Company also after the approval and registration of the demerger plan.

Based on its authorisation, the Board of Directors of the Demerged Company may decide to repurchase a maximum of 3,000,000 shares in public trading arranged by Nasdaq OMX Helsinki Ltd. also after the approval and registration of the demerger plan.

The general meeting of shareholders of the Demerged Company may decide on the distribution of dividend to shareholders in the Demerged Company or other distribution of profits, including the repurchase of company shares or authorising the Board of Directors to decide on the repurchase of company shares also after the approval and registration of the demerger plan.

The purpose is that the Demerged Company's subsidiary Scanfil EMS Oy will not pay a dividend prior to the registration date of the execution of the demerger, otherwise

distribute assets or pay group contribution unless distribution of the subsidiaries' assets is absolutely necessary in order to ensure the execution of the demerger or for another significant reason.

19.4 Expenses

All expenses arising from the demerger will be equally divided between the Demerged Company and the Recipient Company until the execution date of the demerger. The Demerged Company will pay all expenses until the execution date and charge half of such expenses from the Recipient Company in arrears.

After the execution date, both companies are liable for their own expenses.

19.5 Listing

Scanfil will apply for the listing of its shares in public trading on the Nasdaq OMX Helsinki Ltd. stock exchange from or around 3 January 2012. The quoting of the Demerged Company's shares on the Nasdaq OMX Helsinki Ltd. stock exchange will continue normally after the registration of the execution of the demerger.

19.6 Other factors

The Board of Directors of the Demerged Company is authorised to decide on amendments of a technical nature to the Demerger Plan or its appendices required by the authorities or otherwise deemed appropriate by the Board of Directors. The Board of Directors of the Demerged Company may decide not to execute the demerger if significant reasons for abandoning the demerger arise after the general meeting of shareholders deciding on the demerger and prior to the execution of the demerger.

This Demerger Plan has been made in three (3) identical copies, one (1) for the Demerged Company, one (1) for the Recipient Company and one (1) for the authorities.

Helsinki, 11 August 2011

SIEVI CAPITAL PLC
BOARD OF DIRECTORS

Jorma Takanen

Asa-Matti Lyytinen

Tuomo Lähdesmäki

Reijo Pöllä

Jarkko Takanen

APPENDICES

1. Proposal for the Articles of Association of the Recipient Company
2. Account of the Demerged Company's assets, liabilities and shareholders' equity, accounting procedure, etc.
3. Business mortgages on the assets of the Demerged Company
4. Auditor's statement

APPENDIX 1

ARTICLES OF ASSOCIATION

Scanfil plc

1 § Company's name and registered office

The name of the company is Scanfil Oyj, in Finnish, and Scanfil plc, in English. The company's registered office is in Sievi, Finland.

2 § Field of business

The company's line of business is electronics manufacturing services and manufacturing, marketing, trade, import and export of electrotechnical equipment, components and other devices and parts thereof, consulting and design as well as telecommunications and related services. The company may own and possess real estate, shares and securities.

3 § Financial period

The company's financial period is the calendar year.

4 § Board of Directors

The company's administration and proper organisation of operations shall be the responsibility of the Board of Directors, consisting of a minimum of five (3) and a maximum of seven (7) members in accordance with the decision made by the Annual General Meeting. The Board of Directors shall elect a Chairman from among its members. The term of office of the members of the Board of Directors ends at the close of the next Annual General Meeting following their election. The majority's opinion will be the Board's decision. If the votes are even, the Chairman's casting vote shall decide.

5 § Managing Director

The company shall have a Managing Director, who is elected by the Board of Directors. The Board of Directors shall decide on the remuneration paid to the Managing Director.

6 § Rights to sign on behalf of the company

The Managing Director and the Chairman of the Board of Directors each separately, or two members of the Board of Directors jointly, have the right to sign on behalf of the company as well as two persons authorised by the Board of Directors jointly or each jointly with a member of the Board of Directors. The Board of Directors shall decide on granting procuration rights.

7 § Auditors

The general meeting of shareholders shall elect one (1) auditor of firm of auditors as the company auditor, which must be authorized by the Central Chamber of Commerce. If the selected auditor is not a firm of auditors, one (1) additional deputy auditor shall be elected.

Auditors shall be elected to their duties for an indefinite period.

8 § Invitation to shareholders' meeting and attendance at a shareholders' meeting

Invitations to a shareholders' meeting shall be delivered not earlier than three (3) months and not later than three (3) weeks prior to the shareholders' meeting; however, a minimum of nine (9) days prior to the shareholders' meeting reconciliation date as defined in the Companies Act by publishing the invitation on the company's website or a newspaper decided upon by the Board of Directors or by sending the invitation to the shareholders in a letter mailed to the address specified in the company's list of shareholders. In order to attend a shareholders' meeting, shareholders must notify the company of their

attendance at the latest on the date specified in the invitation to the meeting, which can be at the earliest ten (10) days before the meeting.

9 § Annual General Meeting

The Annual General Meeting of shareholders shall be held annually on a day determined by the Board of Directors within six (6) months of the end of the accounting period in the same locality as the company's registered office, in Helsinki, in Vantaa or in Oulu.

At the meeting, the following shall be decided:

1. ratification of the financial statement, including the consolidated financial statement;
2. allocation of the profit shown on the balance sheet;
3. release from personal liability of the members of the Board of Directors and the Managing Director;
4. election of the members of the Board of Directors and, when necessary, that of the auditor and deputy auditor;
5. the remuneration to be paid to the members of the Board of Directors and to the auditors; and
6. any other issues listed in the invitation.

10 § Rights attached to shares

The company's shares are included in the book-entry securities system.

APPENDIX 2

ASSETS AND LIABILITIES AND EQUITY OF THE DEMERGING COMPANY AND A PROPOSAL OF ALLOCATING THESE TO RECEIVING COMPANY

Shares and agreements in connection to contract manufacturing business are transferred to new Scanfil plc. In Sievi Capital plc remains assets, liabilities and commitments in connection to investment business. Shares of Belgium subsidiary Scanfil NV, which hasn't have any production activities since 2006, will remain in Sievi Capital plc.

In demerger assets are measured at the carrying amount.

BALANCE SHEET	Demerging Sievi Capital plc 30.6.2011	Sievi Capital plc	New Scanfil plc
ASSETS			
Non-current assets			
Intangible assets			
Intangible rights	750,00	750,00	0,00
	<u>750,00</u>	<u>750,00</u>	<u>0,00</u>
Tangible assets			
Land	735 123,22	735 123,22	0,00
Buildings	6 241 885,40	6 241 885,40	0,00
Machinery and equipments	1 273,25	1 273,25	0,00
Other tangible assets	24 505,92	24 505,92	0,00
	<u>7 002 787,79</u>	<u>7 002 787,79</u>	<u>0,00</u>
Investments			
Holdings in Group companies	13 971 166,62	1 349 900,00	12 621 266,62
Holdings in Associated companies	25 562 249,74	25 562 249,74	0,00
Receivables from Associates	500 000,00	500 000,00	0,00
Other shares and holdings	8 167 016,36	8 167 016,36	0,00
Other receivables	22 414 597,00	22 414 597,00	0,00
	<u>70 615 029,72</u>	<u>57 993 763,10</u>	<u>12 621 266,62</u>
Total non-current assets	77 618 567,51	64 997 300,89	12 621 266,62
Current assets			
Long-term receivables			
Deferred tax assets	743 526,42	743 526,42	0,00
	<u>743 526,42</u>	<u>743 526,42</u>	<u>0,00</u>

Short-term receivables			
Receivables from Associates	2 548,61	2 548,61	0,00
Other receivables	3 002 110,66	3 002 110,66	0,00
Accrued income	<u>367 764,31</u>	<u>367 764,31</u>	<u>0,00</u>
	3 372 423,58	3 372 423,58	0,00
Marketable securities	25 955 352,84	25 955 352,84	0,00
Cash and cash equivalents	5 591 698,74	5 491 698,74	100 000,00
Total current assets	35 663 001,58	35 563 001,58	100 000,00
Total assets	<u>113 281 569,09</u>	<u>100 560 302,47</u>	<u>12 721 266,62</u>

	Demerging Sievi Capital plc 30.6.2011	Sievi Capital plc	New Scanfil plc
EQUITY AND LIABILITIES			
Equity			
Share capital	15 178 567,50	15 178 567,50	2 000 000,00
Share premium account	16 088 978,49	16 088 978,49	
Retained earnings	73 752 629,66	60 817 049,10	10 721 266,62
Profit for the period	<u>-214 313,94</u>		
Total equity	104 805 861,71	92 084 595,09	12 721 266,62
Appropriations			
Depreciation difference	1 523 701,36	1 523 701,36	0,00
Liabilities			
Long-term			
Liabilities to Group companies	4 897 000,00	4 897 000,00	0,00
Short-term			
Account payables	25 568,49	25 568,49	0,00
Liabilities to Group companies	1 884 317,37	1 884 317,37	0,00
Other creditors	43 857,08	43 857,08	0,00
Accrued liabilities	<u>101 263,08</u>	<u>101 263,08</u>	<u>0,00</u>
	2 055 006,02	2 055 006,02	0,00
Total liabilities	6 952 006,02	6 952 006,02	0,00
Total equity and liabilities	<u>113 281 569,09</u>	<u>100 560 302,47</u>	<u>12 721 266,62</u>

APPENDIX 3

BUSINESS MORTGAGES AGAINST ASSETS OF SIEVI CAPITAL PLC

<u>Numbers</u>	<u>Qnt</u>	<u>Ä-price (€)</u>	<u>Total</u>	<u>Bearer</u>
001-002	2	42 046,98	84 093,96	Nordea Bank Finland plc
003	1	33 637,59	33 637,59	Nordea Bank Finland plc
001-003	3	168 187,93	504 563,79	Nordea Bank Finland plc
004	1	168 187,93	168 187,93	Nordea Bank Finland plc
005	1	168 187,93	168 187,93	Nordea Bank Finland plc
001-003	3	168 187,93	504 563,79	Nordea Bank Finland plc
004	1	168 187,93	168 187,93	Nordea Bank Finland plc
005-007	3	168 187,93	504 563,79	Nordea Bank Finland plc
008	1	168 187,93	168 187,93	Nordea Bank Finland plc
001	1	168 187,93	168 187,93	Nordea Bank Finland plc
002	1	168 187,93	168 187,93	Nordea Bank Finland plc
003	1	168 187,93	168 187,93	Nordea Bank Finland plc
004	1	168 187,93	168 187,93	Nordea Bank Finland plc
005	1	168 187,93	168 187,93	Nordea Bank Finland plc
006	1	168 187,93	168 187,93	Nordea Bank Finland plc
007	1	168 187,93	168 187,93	Nordea Bank Finland plc
008	1	168 187,93	168 187,93	Nordea Bank Finland plc
001	1	168 187,93	168 187,93	Nordea Bank Finland plc
002-003	2	168 187,93	336 375,86	Nordea Bank Finland plc
004	1	168 187,93	168 187,93	Nordea Bank Finland plc
005-006	2	168 187,93	336 375,86	Nordea Bank Finland plc
007	1	168 187,93	168 187,93	Nordea Bank Finland plc
008-009	2	168 187,93	336 375,86	Nordea Bank Finland plc
010	1	168 187,93	168 187,93	Nordea Bank Finland plc
011	1	500 000,00	500 000,00	Nordea Bank Finland plc
012	1	500 000,00	500 000,00	Nordea Bank Finland plc
013	1	500 000,00	500 000,00	Nordea Bank Finland plc
014	1	500 000,00	500 000,00	Sievi Capital plc
015	1	500 000,00	500 000,00	Sievi Capital plc
001-015	15	500 000,00	7 500 000,00	Sievi Capital plc
001-003	3	33 637,59	100 912,77	Sievi Capital plc
001-002	2	33 637,59	67 275,18	Sievi Capital plc
001	1	16 818,79	16 818,79	Sievi Capital plc
002-005	4	16 818,79	67 275,16	Sievi Capital plc
001-005	5	168 187,93	840 939,65	Sievi Capital plc
001-007	7	500 000,00	3 500 000,00	Sievi Capital plc

Total business mortgages 19 924 778,93

In Nordea: 6 831 557,38

In Sievi Capital: 13 093 221,55

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