

ANNUAL REPORT 1997



LEMMINKÄINEN

CONTENTS

Information for Shareholders	1
Lemminkäinen in brief	2
Review by the Managing Director	3
Parent company Board of Directors	4
Board of Directors' report for the accounting period 1st Jan. 1997-31st Dec. 1997	5
Economic trends and financial indicators	9
Consolidated income statement	11
Consolidated balance sheet	12
Consolidated statement of source and application of funds	14
Parent company income statement	15
Parent company balance sheet	16
Parent company statement of source and application of funds	18
Accounting principles	19
Notes to the financial accounts	20
Board of Directors' proposal for distribution of parent company's profit	29
Auditors' Report	29
Business sector reviews	30
Contact information	38



Connecting tunnel between Stockmann's department store and the Forum shopping centre in Helsinki.



Milling plant and crew at work.

The Russian Federation Savings Bank in St. Petersburg.



FINANCIAL REPORTING

During the course of 1998 Lemminkäinen Oy will publish a bulletin on the 1997 financial statements, an annual report and three interim financial reviews. The latter will appear on the 14th May, 20th August and 12th November.

The annual report and interim financial reviews will be published in both Finnish and English. The publications will automatically be mailed to the Company's registered shareholders. Non-shareholders may order the publications from the Company's information services by phone: + 358 9 159 9522, or by e-mail: aila.sateri@lemminkainen.fi

CURRENCY

All monetary sums reported throughout this annual report are in Finnish marks and in units of 1000. Middle rates of exchange as quoted by the Bank of Finland on 31st December 1997 against some selected currencies were as follows.

DEM (German marks)	3.03
USD (U.S. dollars)	5.42
GBP (Pounds sterling)	8.99
SEK (Swedish crowns)	0.69
DKK (Danish crowns)	0.79

LEMMINKÄINEN IN BRIEF

The Lemminkäinen Group operates in all sectors of the construction industry: civil engineering, building contracting and the manufacture of building materials and related contracting.

BUSINESS SECTORS

PAVING AND MINERAL AGGREGATES DIVISION

The Division produces asphalt, recycled asphalt macadam and specialist paving. It carries out contracting in the fields of road paving, milling and road marking as well as quarrying and crushing. The Division also produces mineral aggregates for resale.

BUILDING MATERIALS DIVISION

The Division manufactures and imports a range of building products, and carries out contracting related to these materials. The main product groups are bituminous roofing materials, pre-cast concrete and natural stone products, and materials used in the construction of sporting facilities.

LEMMINKÄINEN CONSTRUCTION LTD

Lemminkäinen Construction's operations in Finland include civil engineering contracting and specialist project management. The Company operates in more than ten other countries, the regional emphasis being around the Baltic Rim and in Russia. Export projects range from the refurbishment of architecturally important buildings to turnkey deliveries and civil engineering, water treatment plant and sporting facility projects demanding specialised know-how.

OY ALFRED A. PALMBERG AB

Oy Alfred A. Palmberg Ab, the parent company of the Palmberg Group, operates in the Helsinki metropolitan area and Southwest Finland. In addition to the parent company, the Group has 10 subsidiaries, each operating regionally under its own name.

The Group's business areas include competitive tender contracting of both new and refurbishment work as well as private-sector housing, commercial and industrial developments.

THE LEMMINKÄINEN GROUP

LEMMINKÄINEN OY	LEMMINKÄINEN CONSTRUCTION LTD	OY ALFRED A. PALMBERG AB
PAVING AND MINERAL AGGREGATES DIVISION	Civil engineering	Helsinki metropolitan area
Paving	Project exports	Southwest Finland
Mineral aggregates	Baltic and Northwest Russia	Palmberg-Urakoitsijat Oy
Road marking	Project management	Rakennusliike S. Horttanainen Oy
Central Laboratory	Water and environmental technology	Oka Oy
BUILDING MATERIALS DIVISION		Rakennusliike Seppo J. Rätty Oy
Roofing materials and contracting		Rakennustoimisto Palmberg Oy
Concrete and natural stone products		Rakennus-Otava Oy
Omni-Sica Oy		Oy Konte Ab
		Byggnads Ab Forsström Rakennus Oy
		Palmberg-Rakennus Oy
		Savocon Oy

1997 IN BRIEF

DOMESTIC CONSTRUCTION DEMAND CONTINUED TO GROW STEADILY.

LEMMINKÄINEN GENERATED NET SALES OF FIM 3,380 MILLION, 16.6 % UP ON THE PREVIOUS YEAR.

PRE-TAX PROFITS ROSE TO FIM 108.8 MILLION.

THE GROUP NOW HAS OPERATIONS IN ALL THE COUNTRIES ON THE BALTIC RIM.

CONTINUED GROWTH OF THE GROUP'S NET SALES AND PROFITS IS EXPECTED.

THE BOARD OF DIRECTORS WILL PROPOSE A DIVIDEND PAYMENT OF FIM 2.00 PER SHARE FOR THE 1997 FINANCIAL YEAR.

As expected, the construction market in Finland developed favourably in 1997. A number of factors would suggest that the 12% growth rate in total demand is quite appropriate. The increased GNP-share of building investments is now approaching an economically sound level. The industry's high rate of unemployment is declining. Contract prices and residential property prices developed moderately, while the input costs of construction rose only slightly. Companies in the construction industry continued to improve their profitability.

The structural imbalance in total demand was partially rectified during the review year. Whereas in 1996 demand was heavily weighted in favour of state-subsidised housing production, the increased number of new starts in office and commercial building and in private-sector housing signified a turn for the better in 1997.

Two factors cast a shadow over the generally favourable development of the building industry: regional imbalance in demand due to internal migration, and concern that balanced development could be jeopardised by possible government over-reactions, such as premature and radical cutbacks in subsidised housing loans, interest subsidy schemes and renovation grants.

The integration of the Finnish construction market into those of the Nordic countries and the Baltic Rim area has continued as expected. In this new "domestic market" the Finnish companies must be able to compete on equal terms with their rivals, especially those in the other Nordic countries. They certainly have every chance of meeting this challenge, although the process of specialisation at business area and company level must be continued. Last year's handsome growth in building product exports is a good example of the success that the Finnish construction industry has had in taking advantage of the opportunities offered by the Baltic Rim market.

The performances of Lemminkäinen as a whole and its individual business areas in 1997 were very much in line with expectation. The increase in consolidated net sales to FIM 3,380 million slightly exceeded the growth in total domestic building demand. Profits rose in line with the present trend. However, considering the generally prevailing conditions last year and the targets set for the next few years, the level now achieved still leaves room for improvement.

A substantial non-recurring extraordinary item in the 1997 financial statements is an additional tax liability of approximately FIM 41 million incurred as a consequence of the group companies' transitional reserves being discharged. The Group's normal level of investment has not nearly been high

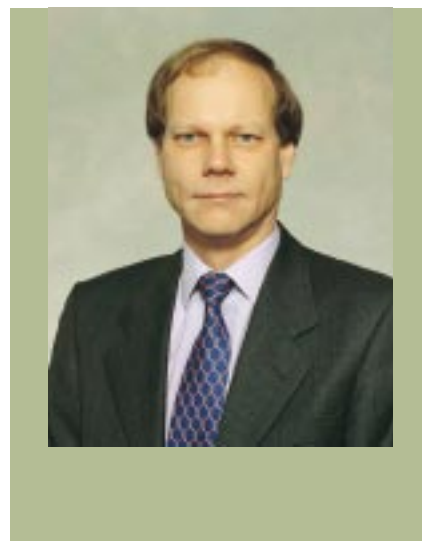
enough to cover the discharge of the transitional reserves with investments.

Despite the increase in business volume, interest-bearing net liabilities were reduced and the Group's financial position further strengthened. Moreover, all of the financial and share-performance indicators have developed favourably.

Even though demand on the domestic road paving market continued to weaken, the Paving and Mineral Aggregates Division was able to increase its sales and to match the good result achieved in the previous year. The Division's result fell slightly short of earlier expectations, which was mainly due to market nervousness that characterised the beginning of the road paving season coupled with the fact that the length of the season was below average. The Company's mineral aggregates business developed favourably and the capacity utilisation rate remained high throughout the year. With the Finnish National Road Administration having assumed leadership of the domestic road marking market, most of the Company's capacity in this business area was utilised for contracts obtained from Sweden and Russia.

The net sales and profits of the Building Materials Division developed even more favourably than expected. The success of the Division's roofing materials and contracting operations is gratifying. The modernisation investments made at the Lohja roofing materials plant have achieved the desired results in terms of improved quality, lower costs and improved capital efficiency. The value of roofing material exports rose to FIM 20 million, representing a fifth of the value of the plant's total output. There was also an improvement in the result for concrete products and their associated contracting, albeit a comparatively modest one. The Company's capacity utilisation in this business area has now been put on a proper footing, and the aim is to extend the favourable profitability trend into the future.

The review year brought very few surprises for Lemminkäinen Construction Ltd. The volume of business has been steadily increasing since the state of the Company's order book recovered. However, this does not show up in the net sales or results of the review year owing to the Group's accounting practice. The Company's order book improved especially after new contracts worth approximately FIM 650 million were secured at the end of last year and the beginning of this year. Most of these new contracts are abroad. In the business area of project management contracting, Lemminkäinen Construction has succeeded in improving its ability to serve Finnish industrial companies in the implementation of their projects in different countries.



Oy Alfred A. Palmberg Ab's net sales grew more than expected and the Company's profits improved. The growth in net sales is partially explained by a pick-up in sales of property and housing units in residential developments. The Company's result was boosted by a capital gain of approximately FIM 28 million on the sale of rented premises classified as fixed assets. On the other hand, the Company's result was burdened by an approximately FIM 11 million loss on certain test building sites for wooden apartment blocks. As a consequence of the pick-up in housing unit sales, Palmberg's balance sheet is significantly lighter and rental incomes correspondingly lower than in the previous year. Owing to the recovery in demand for private-sector housing, there were more new starts towards the end of the year than had been planned earlier.

Environmental issues have been incorporated into Lemminkäinen's operations and their development in all business areas. The importance of these issues has grown continuously. Lemminkäinen's environmental policy defines the Company's environmental principles, and the development of environmental systems based upon them is underway. Environmental protection offers companies like Lemminkäinen significant business opportunities both at home and in targeted export countries.

The favourable development of building demand is expected to continue in 1998. Opportunities to improve the quality and profitability of Lemminkäinen's operations are evident in all of the Company's business areas.

I would like to thank the Company's staff for their hard work and also our various interest groups for their confidence and co-operation.

A handwritten signature in blue ink, appearing to read "Alfred A. Palmberg". The signature is fluid and cursive, written over a light background.

PARENT COMPANY BOARD OF DIRECTORS



Heikki Pentti



Paul Blomqvist



Erkki J. Pentti



Juhani Sormaala



Teppo Taberman



Katri Pentti

BOARD OF DIRECTORS

Heikki Pentti (51)
B.Sc. (Econ.)
Chairman since 1994
Member of the Board of Directors
since 1969
Company employee since 1973

Paul Blomqvist (66)
B.Sc. (Econ.)
Vice-chairman since 1991
Member of the Board of Directors
since 1968
Company employee 1960-1990

Erkki J. Pentti (49)
Graduate in business studies.
Member of the Board of Directors
since 1975
Company employee since 1973

Juhani Sormaala (48)
M.Sc. (Eng.), B.Sc. (Econ.)
Managing director since 1994
Member of the Board of Directors
since 1989
Company employee since 1981

Teppo Taberman (53)
M.Sc. (Econ.)
Member of the Board of Directors
since 1997

Katri Pentti (37)
LL.B.
Secretary to the Board of Directors
since 1994
Company employee since 1987

BOARD OF DIRECTORS' REPORT FOR THE ACCOUNTING PERIOD 1st Jan. 1997 - 31st Dec. 1997

CONSTRUCTION MARKETS

The growth in domestic construction demand that began in 1996 continued steadily in 1997 at an annual rate of approximately 12%.

The fastest growth was in new building, where it is estimated to have exceeded 20%. Starts were made on approximately 31,000 new housing units, which was about 7,000 more than in 1996. The volume of new starts in office and commercial construction more than doubled to approximately three million cubic meters. The volume of new starts in industrial building, on the other hand, declined by about 20% and was approximately 4.5 million cubic meters.

Refurbishment work continued to grow steadily at an annual rate of approximately 10%.

The value of the civil engineering market remained at the 1996 level. The volume of asphalt paving contracting, which is a key market for Lemminkäinen in this business sector, declined by about 5% to approximately 4 million tonnes. The demand for crushed aggregates rose by about 10% to approximately 45 million tonnes. The volume of rock engineering contracting also increased by about 10%.

The total value of the Finnish construction companies' international operations was about FIM 2.5 billion. Lemminkäinen's share of this total was almost a third.

NET SALES AND PROFIT

Earnings from construction projects have been recorded only upon completion and final hand over to the customer, as has been the practice in previous years.

Net sales for the Group were FIM 3,380.3 million (2,898.0) and invoicing FIM 3,429.3 million (2,809.2). Net sales from operations abroad were FIM 738.8 million (711.8), representing 21.9% (24.6) of the total. Other operating income amounting to FIM 40 million comprised capital gains mainly on the sale of fixed assets. The profit from operations before depreciation was FIM 219.6 million (179.9), the profit before extraordinary items and taxes FIM 108.8 million (73.9), and the profit for the accounting period FIM 70.7 million (52.7), representing 2.1% (1.8) of net sales. The return on investment was 12.8% (9.8), the return on equity 12.1% (8.0) and earnings per share FIM 4.36 (2.70). The Group's taxes totalled FIM 34.5 million (19.8). Taxes of FIM 89.5 million (37.9) for the accounting

period include approximately FIM 41 million in respect of reserves discharged and recorded as income in the accounts of the group companies. The Group's deferred tax liability is reduced accordingly.

INVESTMENTS

The Group's gross investments in the accounting period were FIM 109.5 million (82.8). Net investments in fixed assets were FIM 83.0 million (74.4).

Machinery and equipment investments were replacement investments in asphalt batching, laying and transporting equipment for both domestic and foreign operations, quarrying, crushing and loading plant for aggregate production, and building materials manufacturing equipment. The latterly mentioned investments include a natural stone processing plant acquired from the bankrupt's estate of VMK Granit Oy. The road resurfacing business and plant of Oy Sillanpää Trading Ltd as well as rock engineering equipment was procured to meet the needs of civil engineering operations.

ORDER BOOK

The value of the Group's uninvoiced orders at the end of the accounting period was FIM 1,750.9 million (1,370.8), of which operations abroad accounted for FIM 496.3 million (455.9).

FINANCING

Net financing expenses were FIM 18.0 million (20.7), representing 0.5% (0.7) of net sales.

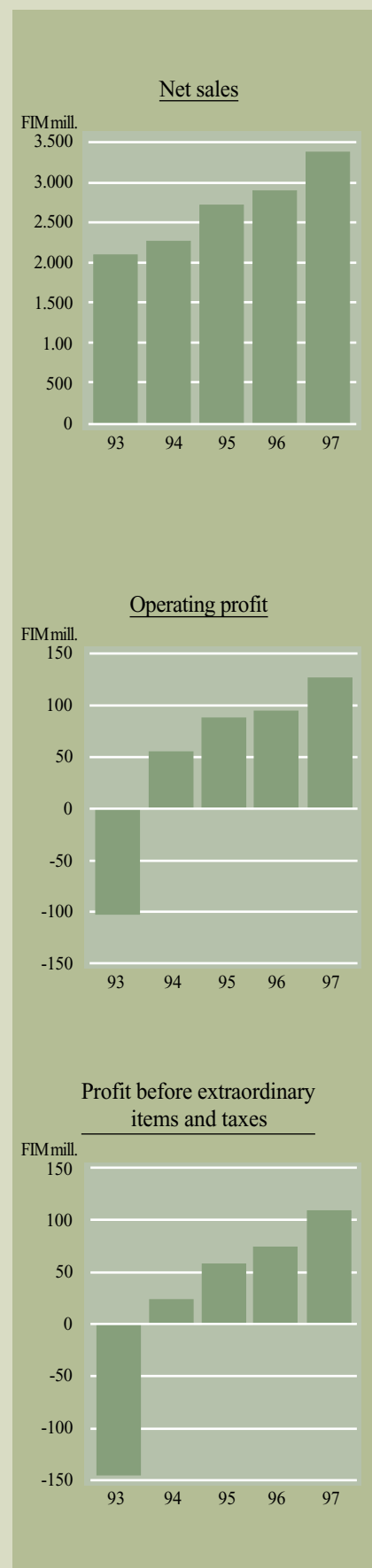
Cash flow according to the statement of source and application of funds was FIM 156.6 million (87.9). Net loan amortisation payments were FIM 106.0 million (64.5).

The equity ratio was 44.0% (39.5). Balance sheet reserves were divided amongst unrestricted equity and deferred tax liability. The deferred tax liability was FIM 66.5 million (122.2), a reduction of FIM 55.7 million from the level of the previous year.

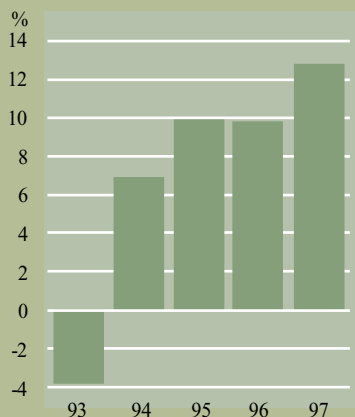
Interest-bearing liabilities amounted to FIM 372.2 million (469.7). There were no outstanding foreign currency loans. Interest-bearing net liabilities were FIM 238.1 million (276.9).

PERSONNEL

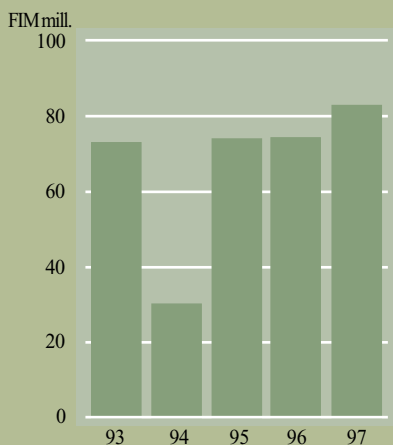
The average number of employees in the Group in 1997 was 2,966 (2,637) of whom 1,049 (974) were salaried staff and 1,917 (1,663) hourly paid employees.



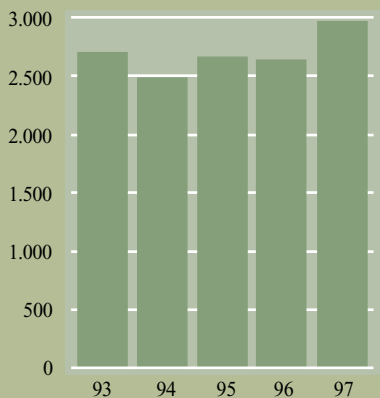
Return on investment



Investments



Personnel, average



The highest number of people employed in the Group in 1997 was 3,501 (3,109). The number of employees at the end of the year was 2,623 (2,192).

Salaries, wages and emoluments paid by the Group amounted to FIM 481.9 million (426.5), of which the members of the Board of Directors and the Managing Director received FIM 7.8 million (7.6).

The focus of employee training was on the development of business operations and competitiveness. The improvement of customer service, work quality and efficiency were the areas of emphasis. Training was targeted at middle managers, supervisors and operatives. The aim was to create more flexible organisations and the conditions necessary for the delegation of responsibility and decision-making authority.

RESEARCH AND DEVELOPMENT

Research and development was practised in all divisions on the Group as an integral part of business operations.

Lemminkäinen's Central Laboratory served all the divisions and companies of the Group in development work, quality assurance and testing. Twelve people are employed in the Central Laboratory.

The focus of the Paving and Mineral Aggregates Division's development projects was on international operations. The most important technical development projects of the Paving Unit were concerned with environmental geotechnology. The development of environmentally friendly pavement structures has led to the creation of a new family of products and services. The Paving Unit is studying how contaminated soil and industrial by-products can be bound and utilised by means of asphalt technology. In addition, the reuse of old asphalt in municipal pavements has also been under study. The Mineral Aggregates Unit has concentrated on the development of mineral aggregate fractions with better strength and the shape value characteristics by improving production methods and the procurement function.

The Building Materials Division has been occupied with special quality projects. The Concrete Products Unit's quality system was certificated to the ISO 9001 standard. The Concrete Products Unit has renewed its product range of pre-fabricated concrete stair units, and developed new sand-blasted stone products and accessories as well as a new range of exterior stone furniture. Product development work at the Roofing Unit has fo-

cused on the development of better polymer-modified bitumen sheet membranes and roofing shingles for the export market. New operating models for roofing contracting have been developed and a Roofers Handbook has been published.

Lemminkäinen Construction Ltd. has concentrated on the development of a new operating system and laid the groundwork for its certification. The efficiency of the data drilling rig used in tunnel excavation work has been improved by developing new drilling and blasting techniques. In addition, the Company has carried out project development work and created a new model for the implementation of full-service turnkey projects. This new model will be employed to carry out the building contract for the Kluuvi underground car park and civil defence shelter in Helsinki's city centre. The energy efficiency of ice stadia has been studied and improved in a project financed by the Technology Development Centre (Tekes).

The Palmberg Group has been conducting trials with new construction methods on experimental building sites.

ENVIRONMENTAL PROTECTION

Lemminkäinen aims to provide environmentally friendly, safe and economic services and products which satisfy the requirements set by customers and society. The Company strives to promote environmental protection, safety and employee well-being.

Lemminkäinen assesses all the risks associated with its operations and endeavours to eliminate them at source. Environmental issues are in integral part of the business operations of every division and subsidiary. All employees within the Group are trained to act responsibly with regard to the environment. Lemminkäinen strictly adheres to national and international environmental regulations and laws. The Company's aim is to create the minimum of waste and pollution through its use of raw materials and energy. Recyclable materials are given precedence in production. The Company's research and development operations support the development of environmentally friendly processes and methods.

GROUP STRUCTURE

During the accounting period Oka Oy acquired a 70% stake in Rakennusliike Seppo J. Rätty Oy, a building firm based in Imatra.

SHARE CAPITAL AND SHARES

The share capital of Lemminkäinen Oy is

FIM 162,000,000. Under the Articles of Association the minimum share capital is FIM 54,000,000 and the maximum share capital FIM 216,000,000. The nominal value of the share is FIM 10. There are 16,200,000 shares in the Company and one share series.

Management share ownership and bonds with equity warrants

As of 31st December 1997, the members of the Board of Directors and the Managing Director held a total of 7,410,062 shares, representing 45.7% of the Company's shares and their conferred voting rights.

An issue of bonds with equity warrants offered to the Group management in 1994 has been subscribed in the amount of FIM 1,875,000. The bonds mature on 23rd May 1998. The warrant associated with each FIM 1,000 bond confers entitlement to subscribe 450 Lemminkäinen Oy shares. Exercise of the equity warrants may raise the Company's share capital by a maximum of FIM 8,437,500, which corresponds to 5% of the shares and voting rights in the Company.

As of 31st December 1997 the members of the Board of Directors and the Managing Director held 16% of the equity warrants outstanding. If these bondholders choose to exercise their warrants, they may subscribe 135,000 Lemminkäinen Oy shares, representing 0.8% of the shares and voting rights in the Company.

Share issue authorisation

The Board of Directors is not currently authorised to make a share issue; neither is it authorised to issue convertible promissory notes nor bonds with equity warrants.

Place of trading

The Company's shares are traded on the Helsinki Stock Exchange. The Company has a brokerage agreement with Merita Pankkii-rilike Oy.

Share price and trading

The average price of the Lemminkäinen Oy share in 1997 was FIM 51.42 (38.29) and the market capitalisation at 31st December 1997 was FIM 745.2 million (641.5). On that date the share price was FIM 46.00 (39.60).

A total of 4,344,515 shares were traded during the accounting period.

The Company's shares are included in the book-entry securities system. No notification under section 2, article 9 of the Securities Trading Act has been made during the accounting period.

Shareholder agreements

The Company is not aware of any agreements between shareholders which might markedly influence voting behaviour at meetings of shareholders.

ADMINISTRATION

Lemminkäinen Oy's Annual General Meeting was held on 9th April 1997.

The Company's Board of Directors comprised Messrs. Heikki Pentti (Chairman), Paul Blomqvist (Deputy Chairman), Erkki J. Pentti, Juhani Sormaala, Arvo Kaksonen (up to 9th April 1997) and Teppo Taberman (from 9th April 1997). Ms. Katri Pentti, LL.B. served as the secretary to the Board.

The Managing Director of Lemminkäinen Oy is Mr. Juhani Sormaala.

The Company's auditors are Messrs. Joe

Sundholm, M.Sc. (Econ.), A.P.A. and Jan Holmberg, B.Sc. (Econ.), A.P.A. The Deputy auditors are Authorised Public Accountants Oy Joe Sundholm & Co. Ab and Mr. Kim Karhu, M.Sc. (Econ.), A.P.A.

OUTLOOK FOR 1998

The growth in domestic building demand is expected to continue in 1998 at an annual rate of about 10%. The growth figures forecast for the various sectors of the construction market are also close to those achieved last year: approximately 15% in new construction, 10% in refurbishment work, and 2% in civil engineering.

Demand on the domestic market of the Paving and Mineral Aggregates Division is expected to be much the same as last year. In existing export markets, resources will be focused on protecting and strengthening established positions with a view to the longer term. A moderate rise in the price level of paving and mineral aggregates is regarded as a possibility. No significant increase in the sales of the Division is expected. Conditions favourable to an improvement in the Division's result are considered likely.

Demand for the products and contracting services of the Building Materials Division is expected to rise in harmony with the forecast development for domestic building demand generally. The Division would therefore seem to have growth potential. However, the intention is that this should be channelled into improving profitability.

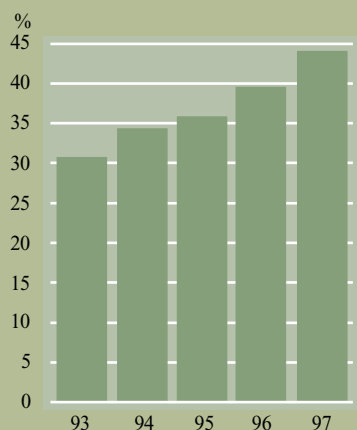
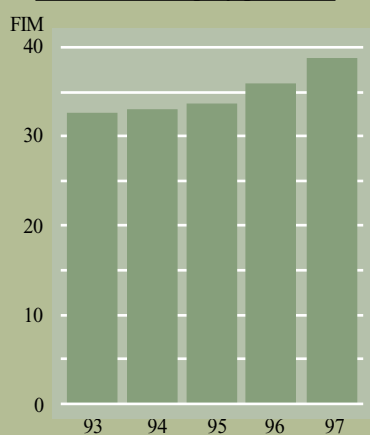
The outlook for Lemminkäinen Construction Ltd. is looking much brighter now that the Company's order book is healthier. The uninvoiced order book already provides an adequate level of capacity utilisation for the whole year in all business sectors. The Company's net sales are expected to grow and conditions are favourable for improved profits.

The Palmberg Group focuses on the domestic building contracting and refurbishment markets, which are expected to grow as the recovery in private-sector housing production continues. The healthy state of the Group's order books offers a good opportunity for improved profits.

The outlook for the construction market remains good. Lemminkäinen's order books are much healthier than they were a year ago. Conditions are regarded as being favourable for further growth in net sales and improved profits.

KEY FIGURES BY BUSINESS SECTOR

FIM mill.	Net sales		Operating profit/loss		Net investments		Orderbook	
	1997	1996	1997	1996	1997	1996	1997	1996
Lemminkäinen Oy								
Paving and Mineral Aggregates Division	1,000.1	888.3	70.7	73.4	48.5	37.4	206.7	225.2
Building Materials Division	396.8	308.4	14.6	- 2.3	22.9	8.6	45.3	45.1
Lemminkäinen Construction Ltd.	615.3	807.6	9.5	10.4	20.3	2.8	716.5	541.2
Oy Alfred A. Palmberg Ab	1,398.0	947.0	43.3	20.5	-7.8	23.1	782.4	559.3
Other items	-29.9	-53.3	-11.3	-7.3	-0.9	2.5	0.0	0.0
Group total	3,380.3	2,898.0	126.8	94.7	83.0	74.4	1,750.9	1,370.8

Equity ratioEarnings per shareShareholders' equity per share

THE COMPANY'S MAJOR SHAREHOLDERS Dec. 31st. 1997

Shareholder	No. of Shares	% of total stock
Heikki Pentti	3,723,956	22.99
Erkki J. Pentti	3,673,956	22.68
Olavi Pentti	3,673,953	22.68
Pohjola Insurance Company Ltd.	1,322,400	8.16
The Local Government Pension Institution	201,800	1.24
Tukinvest Oy	201,600	1.24
Ilmarinen Pension Insurance Company Ltd.	150,000	0.93
Pohjola Life Assurance Company Ltd.	125,000	0.77
LEL Employment Pension Fund	117,800	0.73
Placeringsfonden Gyllenberg Small Firm	82,100	0.51
Total, 10 largest	13,272,565	81.93

OWNER GROUPS Dec. 31st.1997

	Number of shareholders	% of shareholders	Shares held (1,000)	% of total
Individuals	1,776	85.33	12,201,114	75.31
Companies	218	10.48	708,289	4.37
Financial institutions	37	1.78	2,228,777	13.76
Public corporations	16	0.77	708,000	4.37
Non-profit organisations	33	1.59	154,000	0.95
Foreign owned or under foreign administrative control	1	0.05	177,950	1.10
Non-converted book-entry securities			21,870	0.14
Total	2,081	100.00	16,200,000	100.00

SHARE OWNERSHIP DISTRIBUTION Dec. 31st. 1997

No. of Shares	No. of shareholders	% of shareholders	Shares held (1,000)	% of total stock
1- 100	429	20.62	23,730	0.15
101- 1,000	1,283	61.65	504,232	3.11
1,001- 10,000	315	15.14	967,713	5.97
10,001- 100,000	45	2.16	1,314,190	8.11
100,001- 1,000,000	5	0.24	796,200	4.91
1,000,001-	4	0.19	12,394,265	76.51
Under administrative control			177,800	1.10
Non-converted book-entry securities			21,870	0.14
Total	2,081	100.00	16,200,000	100.00

ECONOMIC TRENDS AND FINANCIAL INDICATORS

ECONOMIC TRENDS

	1997	1996	1995	1994 ¹⁾	1993
Net sales, FIM million	3,380.3	2,898.0	2,718.7	2,267.9	2,097.1
Export and foreign operations FIM million	738.8	711.8	475.3	258.0	239.7
% of net sales	21.9	24.6	17.5	11.4	11.4
Operating profit, FIM million	126.8	94.7	88.0	55.2	-102.1
% of net sales	3.8	3.3	3.2	2.4	-4.9
Profit before extraordinary items and taxes, FIM million	108.8	73.9	57.7	23.5	-144.7
% of net sales	3.2	2.6	2.1	1.0	- 6.9
Profit before taxes, FIM million	108.8	73.9	57.7	21.2	-156.7
% of net sales	3.2	2.6	2.1	0.9	-7.5
Fixed assets, FIM million	666.8	682.9	694.2	700.6	790.3
Inventories, FIM million	1,190.0	1,132.7	1,257.0	1,036.3	1,095.7
Current assets, FIM million	461.6	493.4	493.2	539.3	619.4
Shareholders' equity, FIM million	627.7	581.6	545.0	534.6	528.1
Interest-bearing liabilities, FIM million	372.2	469.7	534.2	565.3	703.1
Interest-free liabilities, FIM million	1,309.5	1,252.6	1,361.8	1,175.9	1,273.8
Total equity and liabilities	2,318.4	2,309.0	2,444.4	2,276.2	2,505.4
Return on equity, %	12.1	8.0 ³⁾	6.6 ³⁾	2.2	-17.5
Return on investment %	12.8	9.8	9.9	6.9	-3.8
Equity ratio, %	44.0	39.5	35.8	34.3	30.7
Interest-bearing net liabilities, FIM million	238.1	276.9	273.9	297.0	502.3
Gross investments, FIM million	109.5	82.8	89.0	49.7	89.3
% of net sales	3.2	2.9	3.3	2.2	4.3
Order book 31.12., FIM million	1,750.9	1,370.8	1,160.6	978.4	770.0
Employees	2,966	2,637	2,662	2,484	2,701

SHARE-ISSUE ADJUSTED FINANCIAL INDICATORS

	1997	1996	1995	1994	1993
Earnings per share (EPS), FIM	4.36	2.70 ³⁾	2.19 ³⁾	0.96	- 6.63
Shareholders' equity/share, FIM	38.75	35.90	33.64	33.00	32.60
Dividend/share, FIM	2.00²⁾	1.50	1.00	1.00	0.33
Dividend to earnings ratio, %	45.9	55.5 ³⁾	45.6 ³⁾	104.5	neg.
Effective dividend yield, %	4.3	3.8	3.7	2.6	2.0
P/E ratio	10.5	14.6 ³⁾	12.3 ³⁾	39.6	neg.
Share price trend					
mean, FIM	51.42	38.29	33.76	35.93	13.97
lowest, FIM	42.00	27.00	22.00	14.53	7.50
highest, FIM	58.00	43.00	36.00	48.33	19.33
at end of period, FIM	46.00	39.60	27.00	37.90	16.33
Market capitalisation at end of period, FIM million	745.2	641.5	437.4	614.0	264.6
Share trading trend					
Shares traded (1,000)	4,345	2,712	749	2,435	676
% of total	26.8	16.7	4.6	15.0	4.2
Share issue adjusted					
during the accounting period, (1,000)	16,200	16,200	16,200	16,200	16,200
at end of accounting period, (1,000)	16,200	16,200	16,200	16,200	16,200

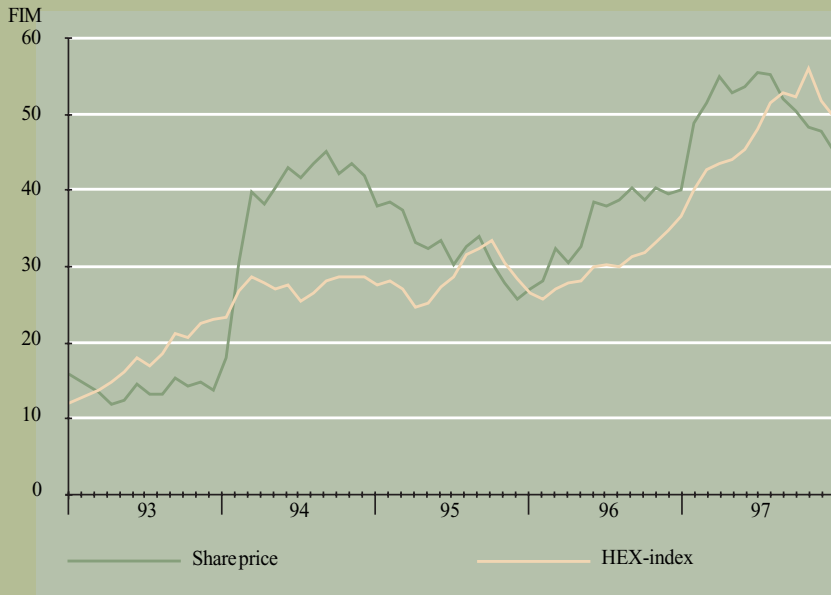
Formulae for calculation of financial indicators are given on page 10.

1) 16 month accounting period figures have been pro-rated to correspond to a 12 month period.

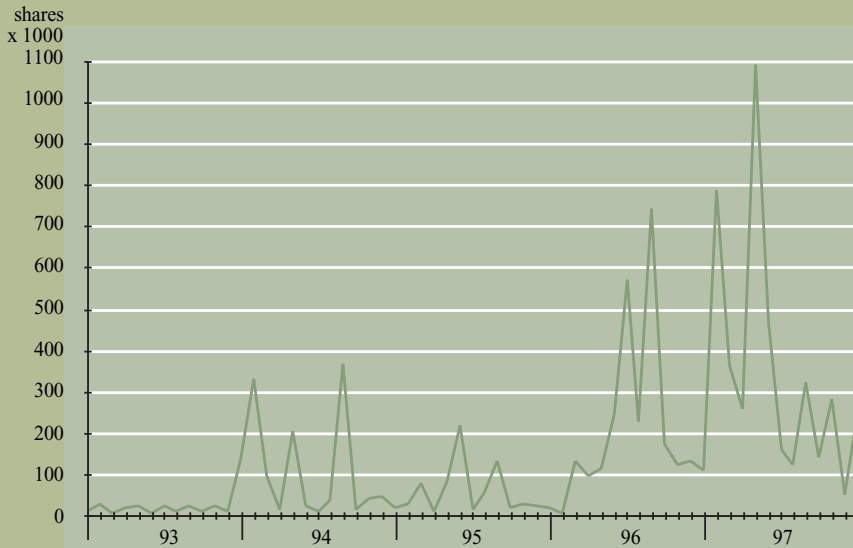
2) Board of Directors proposal.

3) Financial indicators have been calculated, ignoring an FIM 8.9 million tax assessment, levied in 1995 and reimbursed in 1996.

Share-issue adjusted price trend



Share trading (Nonshare-issue adjusted)



FINANCIAL INDICATOR
CALCULATION FORMULAE

RETURN ON INVESTMENT %

$$\frac{\text{Profit before extraordinary items} + \text{interest and other financing costs} \times 100}{\text{Balance sheet total} - \text{non-interest-bearing liabilities}}$$
 (average for the accounting period)

RETURN ON EQUITY %

$$\frac{\text{Profit before extraordinary items} - \text{taxes} \times 100}{\text{Shareholders' equity} + \text{minority interest}}$$
 (average for the accounting period)

EQUITY RATIO, %

$$\frac{\text{Shareholders' equity} + \text{minority interest} \times 100}{\text{Balance sheet total} - \text{advances received}}$$

INTEREST-BEARING NET LIABILITIES
 Interest-bearing liabilities - interest-earning deposits and receivables

EMPLOYEES

$$\frac{\text{Sum of monthly employee totals}}{\text{Number of months in accounting period}}$$

EARNINGS PER SHARE

$$\frac{\text{Profit before extraordinary items} - \text{taxes} - \text{minority interest}}{\text{Share-issue-adjusted average number of shares}}$$

EQUITY PER SHARE

$$\frac{\text{Shareholders' equity}}{\text{Share-issue-adjusted number of shares at end of period}}$$

DIVIDEND PER SHARE

$$\frac{\text{Dividend for accounting period}}{\text{Share-issue-adjusted number of shares at end of period}}$$

DIVIDEND TO EARNINGS RATIO, %

$$\frac{\text{Dividend for accounting period} \times 100}{\text{Profit before extraordinary items} - \text{taxes} - \text{minority interest}}$$

EFFECTIVE DIVIDEND YIELD, %

$$\frac{\text{Dividend per share} \times 100}{\text{Final share quotation}}$$

P/E RATIO

$$\frac{\text{Final share quotation}}{\text{Earnings per share}}$$

MEAN SHARE PRICE
 (share-issued-adjusted)

$$\frac{\text{Trading value of total share turnover}}{\text{Share-issue-adjusted number of shares traded during the period}}$$

MARKET CAPITALISATION
 Number of shares x share price at end of accounting period

CONSOLIDATED INCOME STATEMENT

	Note	1.1.1997 - 31.12.1997	1.1.1996 - 31.12.1996
NET SALES	1	3,380,314	2,898,009
Increase (+) or decrease (-) in stocks of finished products		26,125	- 134,931
Production for own use (+)		2,300	17,808
Share of net profits from affiliated companies		1,564	319
Other operating income		40,035	7,768
Variable and fixed costs			
Raw materials and consumables			
Purchases during the accounting period		1,137,687	768,096
Increase (-) or decrease (+) in inventories		-31,757	- 10,725
External charges		1,114,514	1,012,943
Personnel costs	2	635,631	569,395
Rents		15,530	11,261
Other costs		359,112	258,125
Total costs		3,230,717	2,609,095
PROFIT FROM OPERATIONS BEFORE DEPRECIATION		219,621	179,878
Depreciation according to plan	3		
On fixed assets and other capitalised expenditure		75,637	68,089
On consolidated goodwill		17,196	17,129
Total depreciation		92,833	85,218
OPERATING PROFIT	1	126,788	94,660
Financial income and expenses			
Dividend income		495	328
Interest income from short-term investments		4,018	6,353
Other financial income		368	1,904
Net exchange gains and losses		83	1,026
Interest expenses		-21,542	- 28,319
Other financial expenses		-1,366	- 2,041
Depreciation on investments		- 82	
Total financial income and expenses		-18,026	- 20,749
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES		108,762	73,911
Extraordinary income and expenses			
Extraordinary income		0	0
Extraordinary expenses		0	0
Total extraordinary income and expenses		0	0
PROFIT BEFORE TAXES		108,762	73,911
Direct taxes			
for the accounting period		-89,547	- 37,883
for previous periods		-645	9,054
Change in deferred tax		55,682	9,022
Minority interest in the net income of the accounting period		-3,561	- 1,389
PROFIT FOR THE ACCOUNTING PERIOD		70,691	52,715

CONSOLIDATED BALANCE SHEET

ASSETS	Note	31.12.1997	31.12.1996
FIXED ASSETS AND OTHER NON-CURRENT INVESTMENTS			
Intangible assets	5		
Intangible rights		3,058	2,972
Goodwill		1,338	2,206
Goodwill on consolidation		50,818	68,036
Other capitalised expenditure		2,899	2,702
Advance payments		2	1,133
Total		58,115	77,049
Tangible assets	5		
Land and water		41,399	41,751
Buildings		226,725	248,606
Machinery and equipment		239,403	216,088
Other tangible assets		35,701	36,776
Advance payments and construction in progress		6,347	1,073
Total		549,575	544,294
Non-current financial assets			
Affiliated company shares and holdings	5, 15	6,201	4,924
Other shares and holdings	5, 15	49,572	47,403
Loan receivables		3,183	9,129
Other investments		177	62
Total		59,133	61,518
CURRENT ASSETS			
Inventories	8		
Raw materials and consumables		31,423	34,631
Land		186,736	155,159
Work in progress		798,926	710,378
Apartments and properties		92,193	170,012
Finished goods		80,695	62,565
Total		1,189,973	1,132,745
Receivables			
Accounts receivables		275,208	273,832
Loan receivables		20,862	14,919
Prepaid expenses and accrued income		34,611	23,002
Other receivables		3,310	3,625
Total		333,991	315,378
Marketable securities included in current assets			
Shares and holdings			5,000
Other securities		51,540	77,645
Total		51,540	82,645
Cash in hand and at bank		76,057	95,333
		2,318,384	2,308,962

LIABILITIES	Note	31.12.1997	31.12.1996
SHAREHOLDERS' EQUITY			
Restricted equity	10		
Share capital		162,000	162,000
Reserve fund		27,450	27,450
Revaluation reserve		1,230	1,484
Total		190,680	190,934
Unrestricted equity	10		
Retained earnings		366,356	337,941
Profit for the accounting period		70,691	52,715
Total		437,047	390,656
MINORITY INTEREST		8,980	5,116
PROVISIONS	11		
Obligatory provisions		11,980	6,985
LIABILITIES			
Non-current	12		
Loans from financial institutions		211,938	281,944
Pension fund loans		90,339	99,640
Deferred tax liability		66,566	122,249
Other non-current liabilities	13	5,051	7,744
Total		373,894	511,577
Current			
Loans from financial institutions		49,616	71,005
Pension loans		6,800	9,382
Advances received		871,541	822,523
Accounts payable		120,870	96,739
Accrued liabilities and deferred income		216,847	179,396
Other current liabilities		30,129	24,649
Total		1,295,803	1,203,694
		2,318,384	2,308,962

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996
BUSINESS OPERATIONS		
Income financing		
Profit from operations before depreciation	219,621	179,878
Financial income and expenses	-18,026	- 20,749
Taxes	-90,193	- 28,829
Total	111,402	130,300
Change in working capital		
Increase (-) or decrease (+) in inventories	-57,229	124,205
Increase (+) or decrease (-) in advance against work in progress	49,018	- 88,743
Increase (-) or decrease (+) in current receivables	-18,613	- 66,382
Increase (+) or decrease (-) in interest-free current liabilities	72,056	- 11,522
Total	45,232	- 42,442
Cash-flow from business operations	156,634	87,858
INVESTMENTS		
Investments in fixed assets	-109,549	- 82,805
Disposal of and changes in fixed assets	26,555	8,375
Total	-82,994	- 74,430
Cash-flow before financing	73,640	13,428
FINANCING		
Increase (-) or decrease (+) in non-current receivables	5,946	236
Increase (+) or decrease (-) in non-current liabilities	-82,000	- 67,087
Increase (+) or decrease (-) in current liabilities	-23,971	2,589
Distribution of dividend	-24,300	- 16,200
Other financial items	304	784
Financing cash-flow	-124,021	- 79,678
Change in liquid funds as per the statement	-50,381	- 66,250
INCREASE (+) OR DECREASE (-) IN LIQUID FUNDS	-50,381	- 66,250

PARENT COMPANY INCOME STATEMENT

	Note	1.1.1997 - 31.12.1997	1.1.1996 - 31.12.1996
NET SALES	1	1,245,941	1,044,678
Increase (+) or decrease (-) in stocks of finished products		-22,717	29,656
Production for own use (+)		1,475	
Other operating income		9,115	8,364
Variable and fixed costs			
Raw materials and consumables			
Purchases during the accounting period		348,529	328,163
Increase (-) or decrease (+) in inventories		3,014	- 1,086
External charges		290,960	242,219
Personnel costs	2	317,143	286,841
Rents		6,415	6,603
Other costs		117,529	108,172
Total costs		1,083,590	970,912
PROFIT FROM OPERATIONS BEFORE DEPRECIATION		150,224	111,786
Depreciation on fixed assets and other capitalised expenditure according to plan	3	47,365	42,635
OPERATING PROFIT	1	102,859	69,151
Financial income and expenses	4		
Dividend income		478	317
Interest income from short-term investments		3,559	5,622
Other financial income		75	1,757
Net exchange gains and losses		1,325	338
Interest expenses		-14,882	- 18,462
Other financial expenses		-975	- 865
Total financial income and expenses		-10,420	- 11,293
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES		92,439	57,858
Extraordinary income and expenses			
Extraordinary income		0	0
Extraordinary expenses		0	0
Total extraordinary income and expenses		0	0
PROFIT BEFORE RESERVES AND TAXES		92,439	57,858
Depreciation in excess of plan	3, 11	-8,848	- 18,348
Increase (-) or decrease (+) in voluntary reserves	11	34,762	45,519
Direct taxes			
for the accounting period		-33,451	- 24,218
for previous periods		-375	- 100
PROFIT FOR THE ACCOUNTING PERIOD		84,527	60,711

PARENT COMPANY BALANCE SHEET

ASSETS	Note	31.12.1997	31.12.1996
FIXED ASSETS AND OTHER CURRENT INVESTMENTS			
Intangible assets	5		
Intangible rights		1,613	1,063
Goodwill		5,610	8,015
Other capitalised expenditure		381	139
Advance payments			1,050
Total		7,604	10,267
Tangible assets	5		
Land and water		37,949	37,551
Buildings		99,241	99,978
Machinery and equipment		168,982	153,115
Other tangible assets		18,916	18,958
Advance payments and construction in progress		6,347	88
Total		331,435	309,690
Non-current financial assets			
Subsidiary company shares	5, 7, 15	512,470	512,435
Shares and holdings in affiliated companies	5, 7, 15	1,745	1,745
Other shares and holdings	5, 15	39,943	39,859
Loan receivables		2,808	2,808
Total		556,966	556,847
CURRENT ASSETS			
Inventories			
Raw materials and consumables		23,635	26,648
Work in progress		29,769	70,615
Finished goods		80,678	62,549
Total		134,082	159,812
Receivables			
Accounts receivables	9	65,872	88,440
Loan receivables		2,415	2,667
Prepaid expenses and accrued income		15,401	5,904
Other receivables		57,548	51,322
Total		141,236	148,333
Marketable securities included in current assets			
Shares and holdings			5,000
Other securities		51,500	77,645
Total		51,500	82,645
Cash in hand and at bank		9,687	8,578
		1,232,510	1,276,172

LIABILITIES	Note	31.12.1997	31.12.1996
SHAREHOLDERS' EQUITY			
Restricted equity	10		
Share capital		162,000	162,000
Reserve fund		27,000	27,000
Revaluation reserve		1,230	1,484
Total		190,230	190,484
Unrestricted equity	10		
Retained earnings		287,430	251,019
Profit for the accounting period		84,527	60,711
Total		371,957	311,730
RESERVES	11		
Accumulated depreciation in excess of plan		183,952	175,104
Voluntary reserves			
Transitional reserve			34,762
LIABILITIES	9		
Non-current	12		
Loans from financial institutions		79,966	110,140
Pension fund loans		90,339	97,138
Other non-current liabilities	13		1,875
Total		170,305	209,153
Current			
Loans from financial institutions		30,174	31,008
Pension fund loans		6,800	7,311
Advances received		32,901	84,610
Accounts payable		28,236	27,757
Accrued liabilities and deferred income		78,140	72,583
Other current liabilities		139,815	131,670
Total		316,066	354,939
		1,232,510	1,276,172

PARENT COMPANY STATEMENT OF SOURCE AND APPLICATION OF FUNDS

	1.1.1997 - 31.12.1997	1.1.1996 - 31.12.1996
BUSINESS OPERATIONS		
Income financing		
Profit from operations before depreciation	150,224	111,787
Financial income and expenses	-10,420	- 11,293
Taxes	-35,194	- 24,319
Total	104,610	76,175
Change in working capital		
Increase (-) or decrease (+) in inventories	25,731	- 30,742
Increase (+) or decrease (-) in advances against work in progress	-51,709	40,318
Increase (-) or decrease (+) in current receivable	7,096	1,414
Increase (+) or decrease (-) in interest-free current liabilities	7,404	- 17,159
Total	-11,478	- 6,169
Cash-flow from business operations	93,132	70,006
INVESTMENTS		
Increases in fixed assets	-69,615	- 49,511
Disposal of and changes in fixed assets	2,796	11,758
Total	-66,819	- 37,753
Cash-flow before financing	26,313	32,253
FINANCING		
Increase (-) or decrease (+) in non-current loan receivables		200
Increase (+) or decrease (-) in non-current liabilities	-38,849	- 39,044
Increase (+) or decrease (-) in current liabilities	6,800	- 64,914
Distribution of dividend	-24,300	- 16,200
Financing cash-flow	-56,349	- 119,958
Change in liquid funds as per the statement	-30,036	- 87,705
Adjustment item		2,683
INCREASE (+) OR DECREASE (-) IN LIQUID FUNDS	-30,036	- 85,022

CONSOLIDATION PRINCIPLES AND METHODS

Scope of the consolidated financial statements

The final accounts of all the Group's subsidiaries and affiliated companies have been included in the consolidated financial statements. Detailed information concerning the Group's subsidiaries and affiliated companies is given in the Notes to the Financial Statements, section "Group, subsidiary and other companies".

Consolidation principles

Intra-group interests

Intra-group shareholdings have been eliminated using the past equity method, whereby the cost of shares in subsidiaries has been eliminated against shareholders' equity at the time of acquisition. The reserves of subsidiaries at the time of acquisition less the deferred tax liability are included in shareholders' equity. Where the cost of acquiring shares in a subsidiary exceeds the corresponding value of shareholders' equity, the excess is assigned to fixed assets and/or goodwill. Goodwill accrued prior to 1st September 1993 is written off over ten years, and after that date over five years.

Untaxed reserves

The change in untaxed reserves of the group companies is shown on the consolidated income statement as a change in deferred tax and as profit for the accounting period. In the consolidated balance sheet the untaxed reserves are divided between deferred tax liability and unrestricted equity. The deferred tax liability is calculated using the 28% tax rate.

Intra-group transactions and internal margin

Intra-group transactions and the internal margin included in inventories have been eliminated in the consolidated income statement, as have intra-group receivables, liabilities and dividend payments.

Minority interest

Minority interest has been separated out from the Group's profit and shareholders' equity and entered as its own item on the consolidated income statement and balance sheet.

Translation difference

Figures from the final accounts of foreign subsidiaries have been converted into Finnish marks at the middle rates of exchange quoted by the Bank of Finland on the last day of the accounting period.

Currency translation differences arising from the elimination of shareholders' equity in foreign subsidiaries have been entered in retained earnings.

Affiliated companies

The accounts of affiliated companies have been consolidated using the equity method. The Group's share of net profits from affiliated companies on the basis of proportional shareholdings is entered in the consolidated income statement as a separate item above "Profit from Operations before Depreciation".

VALUATION AND DEPRECIATION OF FIXED ASSETS

Fixed assets are shown on the balance sheet at their original acquisition costs less accumulated annual planned depreciation. In addition, the values of land, buildings and stocks include re-valuation increases made in previous years.

Depreciation according to plan is computed using the straight-line method and is based on the economic lifetimes of the assets.

The depreciation periods are as follows:

Immaterial goods	
- goodwill	5 or 10 years
- others	5 or 10 years
Office buildings	40 years
Other buildings	15-25 years
Machinery and equipment	4-10 years
Other material goods	
- mineral deposits	depreciation for decrease of substance
- others	10 years

VALUATION OF INVENTORIES

Inventories have been valued according to the FIFO principle at their acquisition cost or, if lower, the new acquisition price or probable selling price. The value of inventories includes the variable expenditure arising from their acquisition and production.

MARKETABLE SECURITIES CLASSIFIED AS CURRENT ASSETS

Marketable securities classified as current assets have been valued at their acquisition cost or, if lower, their market value.

FOREIGN CURRENCY ITEMS

Receivables and liabilities denominated in foreign currencies have been converted into Finnish marks at the middle rates of exchange quoted by the Bank of Finland on the last day of the accounting period.

Foreign currency receivables and liabilities protected by forward rate agreements are valued at the forward rate and the interest share is periodised on an accrual basis.

If the incoming or outgoing cash flow is covered by forward rate agreements, the effect on earnings is entered only upon their maturity.

PENSION LIABILITY

Pension security for employees of the Group, inclusive of additional benefits, is covered by policies with pension insurance companies.

REVENUE FROM CONSTRUCTION PROJECTS

Revenue from construction projects is recorded upon final completion and hand over to the client. In the event that a loss is expected from a project in progress, this is entered in total as expenditure.

RESEARCH AND DEVELOPMENT COSTS

R&D costs are entered as annual expenditure.

NOTES TO THE INCOME STATEMENT

	CONSOLIDATED		PARENT COMPANY	
	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996
1. DISTRIBUTION OF NET SALES AND OPERATING PROFIT				
Net sales by business area				
Paving and Mineral Aggregates Division	1,000,168	888,329	879,370	765,630
Building Materials Division	396,806	308,417	357,820	271,540
Lemminkäinen Construction Ltd.	615,303	807,535		
Oy Alfred A. Palmberg Ab	1,397,973	947,033		
Intra-group sales/others	-29,936	- 53,305	8,751	7,508
Total	3,380,314	2,898,009	1,245,941	1,044,678
Net sales by market area				
Domestic	2,641,545	2,186,225	1,100,660	938,863
Nordic countries	185,974	162,586	18,556	36,522
Eastern Europe	425,565	327,692	122,074	63,153
Western Europe	50,228	146,115	29	1,954
Asia	77,002	72,070	4,622	3,706
Africa		3,321		480
Total	3,380,314	2,898,009	1,245,941	1,044,678
Operating profit by business area				
Paving and Mineral Aggregates Division	70,701	73,395	87,461	72,633
Building Materials Division	14,580	- 2,346	13,828	- 3,912
Lemminkäinen Construction Ltd.	9,528	10,423		
Oy Alfred A. Palmberg Ab	43,262	20,459		
Group eliminations/others	-11,283	- 7,271	1,570	430
Total	126,788	94,660	102,859	69,151
2. PERSONNEL EXPENSES, MANAGEMENT PENSION COMMITMENTS AND PERSONNEL				
Salaries and wages	485,213	427,736	243,695	218,311
Pension fund payments	81,571	73,605	40,867	37,519
Other personnel- related expenses	68,847	68,054	32,581	31,011
Personnel expenses on income statement	635,631	569,395	317,143	286,841
Fringe benefits	7,432	7,891	3,336	3,386
Total	643,063	577,286	320,479	290,227
Salaries of Board members and managing director	7,770	7,643	1,745	1,610
Total salaries and wages	481,933	426,454	241,518	218,928
The retirement age for the managing directors of Lemminkäinen Oy, Oy Alfred A. Palmberg Ab and Lemminkäinen Construction Ltd. is 60.				
The retirement age for the manging directors of other companies of the Group is statutory under Finnish labour law.				
Average number of employees by business area				
Paving and Mineral Aggregates Division	985	941	896	871
Building Materials Division	563	472	532	445
Lemminkäinen Construction Ltd.	462	422		
Oy Alfred A. Palmberg Ab	956	802		
Total	2,966	2,637	1,428	1,316

	CONSOLIDATED		PARENT COMPANY	
	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996
3. DEPRECIATION				
According to plan				
Intangible rights	928	890	409	373
Goodwill	1,567	1,507	2,405	2,405
Other capitalised expenditure	131	177	46	17
Buildings	12,789	14,152	6,415	6,606
Machinery and equipment	57,124	49,830	36,367	31,933
Other tangible assets	3,098	1,533	1,723	1,301
Total	75,637	68,089	47,365	42,635
Goodwill on consolidation	17,196	17,129		
Total	92,833	85,218		
Change in excess depreciation				
Intangible rights	-75	754	-69	684
Buildings	-7,899	7,294	4,196	- 1,336
Machinery and equipment	15,579	15,952	4,721	19,000
Subsidiary company shares				
Other tangible assets	434	1,986		
Other capitalised expenditure	-3	- 326		
Total	8,036	25,660	8,848	18,348
4. INTRA-GROUP FINANCIAL INCOME AND EXPENSES				
Financial income received from Group companies				
Interest income from short-term investments			1,430	1,878
Financial expenses paid to Group companies				
Interest expenses			1,601	3,254

NOTES TO THE BALANCE SHEET

	CONSOLIDATED		PARENT COMPANY	
	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996
5. FIXED ASSETS AND OTHER CAPITALISED EXPENDITURE AND ACCUMULATED DEPRECIATION				
Intangible rights				
Acquisition cost at start of accounting period	5,696	5,771	3,055	5,442
Increases during accounting period	973	3,090	958	854
Decreases during accounting period	-162	- 3,165	-200	- 3,241
Acquisition cost at end of accounting period	6,507	5,696	3,813	3,055
Accumulated depreciation according to plan at end of accounting period	- 3,449	- 2,724	-2,200	- 1,992
Book value at end of period	3,058	2,972	1,613	1,063
Accumulated depreciation in excess of plan at start of period	744	- 10	684	
Increase in excess depreciation during the period		754		684
Decrease in excess depreciation during the period	-75		-69	
Accumulated depreciation in excess of plan at end of period	669	744	615	684
Goodwill				
Acquisition cost at start of accounting period	10,560	15,988	18,166	20,576
Increases during accounting period	700			
Decreases during accounting period		- 5,428		- 2,410
Acquisition cost at end of accounting period	11,260	10,560	18,166	18,166
Accumulated depreciation according to plan at end of accounting period	-9,921	- 8,354	-12,556	- 10,151
Book value at end of period	1,339	2,206	5,610	8,015
Consolidated goodwill				
Acquisition cost at start of accounting period	163,498	163,492		
Increases during accounting period		6		
Decreases during accounting period	-23			
Acquisition cost at end of accounting period	163,475	163,498		
Accumulated depreciation according to plan at end of period	-112,657	- 95,462		
Book value at end of period	50,818	68,036		
Other long-term expenses				
Acquisition cost at start of accounting period	3,647	4,046	173	173
Increases during accounting period	338		289	
Decreases during accounting period	-291	- 399		
Acquisition cost at end of accounting period	3,694	3,647	462	173
Accumulated depreciation according to plan at end of period	-795	- 945	-81	- 34
Book value at end of accounting period	2,899	2,702	381	139
Accumulated depreciation in excess of plan at start of period	41	367		
Increase in excess depreciation during the period	7	2		
Decrease in excess depreciation during the period	-10	- 328		
Accumulated depreciation in excess of plan at end of period	38	41		

	CONSOLIDATED		PARENT COMPANY	
	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996
Advance payments				
Acquisition cost at start of accounting period	1,133	3,500	1,050	1,876
Increases during accounting period	2	733		650
Decreases during accounting period	-1,133	- 3,100	-1,050	- 1,476
Book value at end of accounting period	2	1,133		1,050
Land				
Acquisition cost at start of accounting period	41,751	41,960	37,551	37,400
Increases during accounting period	548	403	398	403
Decreases during accounting period	-900	- 612	-1	- 252
Book value at end of accounting period	41,399	41,751	37,948	37,551
Revaluation increases included in acquisition cost of land at start of accounting period	14,504	14,854	14,504	14,504
Increases during accounting period				
Decreases during accounting period		- 350		
Revaluation increases included in acquisition cost of land at start of accounting period	14,504	14,504	14,504	14,504
Buildings				
Acquisition cost at start of accounting period	381,727	394,558	166,130	165,941
Increases during accounting period	9,981	5,261	5,678	571
Decreases during accounting period	-22,719	- 18,092	-1,820	- 382
Acquisition cost at end of accounting period	368,989	381,727	169,988	166,130
Accumulated depreciation according to plan at end of period	-142,264	- 133,121	-70,747	- 66,152
Book value at end of accounting period	226,725	248,606	99,241	99,978
Accumulated depreciation in excess of plan at start of period	37,480	30,186	18,754	20,090
Increase in excess depreciation during the period	4,366	8,630	4,196	
Decrease in excess depreciation during the period	-12,265	- 1,336		- 1,336
Accumulated depreciation in excess of plan at end of period	29,581	37,480	22,950	18,754
Revaluation increases included in acquisition cost of buildings at start of period	15,460	15,460	15,460	15,460
Revaluation increases included in acquisition cost of buildings at end of period	15,460	15,460	15,460	15,460
Machinery and equipment				
Acquisition cost at start of accounting period	550,924	551,326	409,100	400,334
Increases during accounting period	85,125	55,795	54,192	46,018
Decreases during accounting period	-93,570	- 56,197	-82,660	- 37,252
Acquisition cost at end of accounting period	542,479	550,924	380,632	409,100
Accumulated depreciation according to plan at end of accounting period	-303,076	- 334,836	-211,649	- 255,985
Book value at end of accounting period	239,403	216,088	168,983	153,115

	CONSOLIDATED		PARENT COMPANY	
	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996
Accumulated depreciation in excess of plan at start of period	187,973	172,020	144,187	125,187
Increase in excess depreciation during the period	21,813	24,264	4,720	19,000
Decrease in excess depreciation during the period	-6,234	- 8,311		
Accumulated depreciation in excess of plan at end of period	203,552	187,973	148,907	144,187
Other tangible assets				
Acquisition cost at start of accounting period	49,980	35,753	31,795	32,818
Increases during accounting period	2,013	15,572	1,682	261
Decreases during accounting period	-479	- 1,345	-491	- 1,284
Acquisition cost at end of accounting period	51,514	49,980	32,986	31,795
Accumulated depreciation according to plan at end of accounting period	-15,813	- 13,204	-14,070	- 12,837
Book value at end of accounting period	35,701	36,776	18,916	18,958
Accumulated depreciation in excess of plan at start of period	1,982	- 4		
Increase in excess depreciation during the period	434	1,986		
Accumulated depreciation in excess of plan at end of period	2,416	1,982		
Advance payments and construction in progress				
Acquisition cost at start of accounting period	1,073		88	
Increases during accounting period	6,347	1,073	6,347	88
Decreases during accounting period	-1,073		-88	
Book value at end of accounting period	6,347	1,073	6,347	88
Subsidiary company shares				
Acquisition cost at start of accounting period			512,435	518,716
Increases during accounting period			35	276
Decreases during accounting period				- 6,557
Book value at end of accounting period			512,470	512,435
Accumulated depreciation in excess of plan at start of period			11,480	11,480
Accumulated depreciation in excess of plan at end of period			11,480	11,480
Affiliate company shares and holdings				
Acquisition cost at start of accounting period	4,924	4,773	1,745	1,754
Increases during accounting period	1,277	160		
Decreases during accounting period		- 9		- 9
Book value at end of accounting period	6,201	4,924	1,745	1,745

	CONSOLIDATED		PARENT COMPANY	
	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996
Other shares and holdings				
Acquisition cost at start of accounting period	47,403	48,158	39,859	40,508
Increases during accounting period	4,336	711	1,464	395
Decreases during accounting period	-2,167	- 1,466	-1,380	- 1,044
Book value at end of accounting period	49,572	47,403	39,943	39,859
Revaluation increases of other shares included in the acquisition cost at the start of period	2,281	2,355	2,281	2,355
Decreases during period	-254	- 74	-254	- 74
Revaluation increases of other shares included in the acquisition cost at the end of period	2,027	2,281	2,027	2,281
6. TAXABLE VALUE OF FIXED ASSETS				
Land	20,328	31,872	19,587	29,408
Buildings	98,982	108,870	55,323	58,135
Subsidiary company shares			395,128	316,209
Shares and holdings	44,473	35,834	34,069	27,987
7. PARENT COMPANY'S LONG-TERM INVESTMENT IN GROUP AND AFFILIATED COMPANIES				
Subsidiary company shares			512,470	512,435
Affiliated company shares			1,745	1,745
8. MARKET VALUE OF SECURITIES INCLUDED IN INVENTORIES				
Shares				
Total market value	92,194	170,011		
Corresponding book value	92,194	170,011		
Difference	0	0		
The asking price of residential apartments has been taken as their market value.				
9. RECEIVABLES AND LIABILITIES/ GROUP AND AFFILIATED COMPANIES				
Receivables				
Accounts receivable/Group subsidiaries			3,649	7,283
Accounts receivable/Affiliated companies			706	706
Other receivables/Group subsidiaries			57,106	51,421
Total			61,461	59,410

	CONSOLIDATED		PARENT COMPANY	
	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996
Liabilities				
Advances received/Group subsidiaries				
Accounts payable/Group subsidiaries			2,078	2,193
Accounts payable/Group subsidiaries			7	600
Other current liabilities/Group subsidiaries			137,264	131,073
Total			139,349	133,866

10. CHANGES IN SHAREHOLDERS' EQUITY

Restricted equity

Share capital at start of accounting period	162,000	162,000	162,000	162,000
Share capital at end of accounting period	162,000	162,000	162,000	162,000
Reserve fund at start of accounting period	27,450	27,000	27,000	27,000
Profit from share issue		450		
Reserve fund at end of accounting period	27,450	27,450	27,000	27,000
Revaluation reserve at start of accounting period	1,484	1,484	1,484	1,484
Reversal of valuation gain	-254		-254	
Revaluation reserve at end of accounting period	1,230	1,484	1,230	1,484
Restricted equity at end of accounting period	190,680	190,934	190,230	190,484

Unrestricted equity

Unrestricted equity at start of accounting period	390,656	354,491	311,730	267,219
Distribution of dividend	-24,300	- 16,200	-24,300	-16,200
Reversal of valuation gain		- 350		
Profit for accounting period	70,691	52,715	84,527	60,711
Unrestricted equity at end of period	437,047	390,656	371,957	311,730
Equity share of untaxed reserves at end of accounting period	73,083	88,765		
Distributable unrestricted equity	363,964	301,891		

The equity portion of untaxed reserves of subsidiaries at the time of acquisition has been eliminated from the Group's unrestricted equity.

11. CHANGES IN EXCESS DEPRECIATION AND UNTAXED RESERVES

Depreciation in excess of plan and voluntary reserves**Accumulated depreciation in excess of plan**

Balance sheet value at start of accounting period			175,104	156,757
Increases during the period			8,848	18,347
Balance sheet value at end of accounting period			183,952	175,104

Transitional reserve

Balance sheet value at start of accounting period			34,762	77,598
Increases during the period				2,683
Decreases during the period			-34,762	- 45,519
Balance sheet value at end of accounting period			0	34,762

	CONSOLIDATED		PARENT COMPANY	
	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996	1.1.1997- 31.12.1997	1.1.1996- 31.12.1996
Accumulated depreciation in excess of plan and untaxed reserves in the financial statements of the individual companies of the Group:				
Accumulated depreciation in excess of plan	237,736	229,701		
Untaxed reserves		206,902		
Total	237,736	436,603		
Deferred tax on untaxed reserves	66,566	122,249		
Equity share of untaxed reserves	171,170	314,354		
Portion of equity share eliminated at time of acquisition	98,087	225,589		
Portion of equity share included in unrestricted equity	73,083	88,765		
Obligatory reserves				
Guarantee reserves				
Balance sheet value at start of accounting period	6,985	4,377		
Increases during the period	5,477	3,744		
Decreases during the period	-482	- 1,136		
Balance sheet value at end of accounting period	11,980	6,985		
12. LIABILITIES DUE AFTER 5 YEARS OR LATER				
Loans from financial institutions	10,461	42,764		13,890
Pension fund loans	67,578	74,536	67,578	72,665
Other non-current liabilities		500		
Total	78,039	117,800	67,578	86,555
13. ISSUE OF BONDS WITH EQUITY WARRANTS				
	1,875	1,875	1,875	1,875
Issue of bonds with equity warrants offered to the Group management in 1994:				
- The issue of bonds totalling FIM 1,875,000 was subscribed in full.				
- The time to maturity is four years, the maturity date being 23rd May 1998.				
- The coupon rate is 1 % below the Bank of Finland's base rate.				
- The exercise price is FIM 57.41 per share.				
- The exercise period is 2nd January - 30th November annually, commencing on 2nd January 1995 and ending on 23rd May 1998.				
- The warrant associated with each FIM 1,000 bond confers entitlement to subscribe 450 Lemminkäinen Oy shares at the exercise price specified above.				
- Exercise of the equity warrants of this issue may raise the Company's share capital by a maximum of FIM 8,437,500, which corresponds to 5 % of the shares and voting rights in the Company.				
- New shares are entitled to dividend for the first time in respect of the accounting period during which they are subscribed.				
- Other ownership rights begin as soon as the increase in share capital is recorded on the Trade Register of Finland.				
14. CONTINGENT LIABILITIES				
Specified securities, mortgages, guarantees and liabilities				
Own liability				
Bonds pledged as security	57,208	130,108		10,972
Mortgaged bearer bonds	371,670	525,613	165,000	274,775
On behalf of subsidiary companies				
Guarantees given			503,949	385,748
On behalf of others				
Guarantees given	1,676	113	106	113
Other own contingent liabilities				
Pension liabilities	218	216		

No pledges or contingent liabilities have been given in favour of management, shareholders or affiliated companies. Likewise the company has no liabilities stemming from derivatives' trading agreements.

15. SHARES AND HOLDINGS OF THE GROUP AND PARENT COMPANY

SHAREHOLDINGS IN SUBSIDIARY COMPANIES, 31st Dec. 1997

COMPANY	CONSOLIDATED			PARENT COMPANY					
	Share of ownership (%)	Voting rights (%)	Share stockholder's equity	Share of ownership (%)	Shares owners (No.)	Normal value of share holding	Book-value of share holding	Book-value of share holding in other companies of the Group	Operating profit loss in last balance sheet
Oy Finnasfalt Ab	100,0	100,0	56	100,0	60	50	58		- 8
Kainuun Murske Oy	54,2	54,2	- 70	54,2	13	65	885		- 9
Lemminkäinen Construction Ltd.	100,0	100,0	68,406	100,0	100	10,000	10,000		26,512
Sica Oy	100,0	100,0	216,085	100,0	1,003	10,030	332,639		7,791
Oy Alfred A. Palmberg Ab	100,0	100,0	136,184	52,0	2,551	2,551	166,242	61,788	57,209
Tielinja Oy	100,0	100,0	9,694	100,0	75	1,500	1,835		1,309
Lemcon Company S.A.	100,0	100,0	- 37	100,0	1,605		182		- 37
Lemcon Baumanagement GmbH	100,0	100,0	811	100,0	100		122		- 240
Lemminkäinen Svenska Ab	100,0	100,0	10	100,0	5	36	36		
Lemminkäinen A/S (Denmark)	100,0	100,0	- 21,966	100,0	200	157	400		- 19,761
Lemcon (U.K.) Ltd.	100,0	100,0	1	100,0	100	1	1		
Lemminkäinen Eesti AS	100,0	100,0	3,923	100,0	144	15	15		1,548
Omni-Sica Oy	100,0	100,0	1,496	100,0	300	50	55		458
As Rajar TI	58,0	58,0	456					27	304
WPL-System Oy	100,0	100,0	5,111					249	1,615
Neccos Oy	100,0	100,0	13					15	- 2
ZAO Lemminkäinen /St. Petersburg	100,0	100,0	4					4	
ZAO Rakennus Lemminkäinen/Moscow	100,0	100,0							
Lemcon Latvija SIA	100,0	100,0	21					20	3
Lemcon Vilnius UAB	100,0	100,0	- 349					11	- 363
Lemcon Polska Sp.z o.o	100,0	100,0	- 704					150	- 658
ZAO Neccos	100,0	100,0	- 2					9	- 91
Kiinteistö Oy Esterinportti 2	100,0	100,0	44,808					135,657	444
Rakennustoimisto Palmberg Oy	100,0	100,0	- 867					4,855	- 166
Teollisuuden Rakennuspalvelu Oy	100,0	100,0	3,668					3,300	3,430
Oy Konte Ab	90,9	90,9	11,810					1,000	10,650
Palmberg-Rakennus Oy	100,0	100,0	8,481					1,000	6,576
Rakennusliike S. Horttanainen Oy	100,0	100,0	355					3,000	29
Byggnads Ab Forsström Rakennus Oy	75,0	75,0	6,887					900	6,262
Savocon Oy	92,7	92,7	2,972					2,144	1,667
Palmberg-Ürakoitsijat Oy	90,0	90,0	1,337					270	1,144
AAP-Insinöörit Oy	100,0	100,0	15					15	
Rakennus-Otava Oy ¹⁾	100,0	100,0	3,804					3,542	3,762
Oka Oy	70,0	70,0	10,348					14,645	13,356
Rakennusliike Seppo J. Rätv Oy ²⁾	70,0	70,0	235					280	47
Total							512,470	232,881	

1) Wholly owned through a subsidiary.

2) 70 % owned through a subsidiary.

SHARES AND HOLDINGS IN ASSOCIATED COMPANIES, 31st Dec. 1997

COMPANY	CONSOLIDATED			PARENT COMPANY						
	Share of ownership (%)	Voting rights (%)	Share of shareholder's equity	Share of ownership (%)	Shares owned (No.)	Nominal value of share holding	Book-value of share holding	Book-value of share holding in other companies of the Group	Operating profit/loss in last balance sheet	Closing date of accounts/ duration of finance period
Pointti-Talo Oy	45,0	45,0	1.320	45,0	27	27	1.745		- 14	31.03.97/12
Laing-Loy Management Limited	50,0	50,0	224					224	99	31.12.97/12
Oy Jakobe Ab	33,2	33,2	2.451					2.451	600	31.12.97/12
Oy Kokkobe Ab	26,4	26,4	920					920	10.104	30.06.97/12
Oy Tara-Element Ab	48,9	48,9	861					861	361	31.10.97/12
Total							1.745	4.456	6.201	

Book value of parent and other group company holdings

OTHER SHARES AND HOLDINGS, 31st Dec. 1997

COMPANY	Share of ownership %	Number of share held	Nominal value of share holding	Book value
Aamulehti-Yhtymä Oy		0,5	1.296	191
Helsingin Puhelin Oy			260	423
Helsingin Puhelin Oyj			2.592	146
Helsinki Halli Oy A			12	120
Hex Oy	0,6		24.400	244
Kohdematkat Oy	9,3		50	250
Merita Pankki Oy			410.199	4.102
Oy Nordgolf Ab	5,7		65	1.625
Oulun Teknologia Oy			1.200	60
Puijon Mäet Oy			300	150
Sampo Vakuutus Oy			19.576	98
Scandinavian Link Finska Oy	7,7		100	100
Oy Talentum Ab A			11.700	59
Oy Talentum Ab B			35.100	176
Tennis Tapiola Oy	3,9		509	322
Thomesto Trading Yhtiöt Oy			80.000	800
Vaasan Toripysäköinti Oy			3	240
Vierumäen Kuntokylä Oy	3,4		2.640	264
Property company shares				12.591
Residential company shares				16.456
Other shares and holdings				2.461
Total				49.572

BOARD OF DIRECTORS' PROPOSAL FOR DISTRIBUTION OF PARENT COMPANY PROFIT

The unrestricted shareholders' equity of the Group is FIM 437,047,182.81, of which FIM 363,963,614.18 is in the form of distributable funds. Retained earnings from previous years are FIM 287,430,223.42, and the profit for the accounting period FIM 84,527,015.58, thus giving the Parent Company an unrestricted shareholders' equity of FIM 371,957,239.00. The Board of Directors will propose to the Annual General Meeting that a dividend of FIM 32,400,000.00 be distributed, after which retained earnings would stand at FIM 339,557,239.00.

Helsinki, 18th February 1997

Heikki Pentti

Paul Blomqvist

Juhani Sormaala

Erkki J. Pentti

Teppo Taberman

AUDITORS' REPORT

To the shareholders of Lemminkäinen Oy

We have audited the accounting records, the financial statements and the administration of Lemminkäinen Oy for the financial year ended December 31, 1997. The financial statements prepared by the Board of Directors and the Managing Director comprise the board of directors' report, consolidated and parent company income statements, balance sheets and notes to the financial statements. Based on our audit we express an opinion on these financial statements and on the administration.

We have conducted the audit in accordance with generally accepted Finnish Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. The purpose of our audit of the administration is to assure ourselves that the members of the Board of Directors and the Managing Director have legally complied with the rules of the Companies Act.

In our opinion the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of the financial position. The financial statements including the consolidated financial statements may be adopted and the members of the Board of Directors and the Managing Director of the parent company be discharged from liability for the financial year audited by us. The appropriation of profits proposal by the Board of Directors is in compliance with the Companies Act.

We have reviewed the interim report published during the financial year. The interim report has been prepared in accordance with applicable regulations.

Helsinki, 10 March 1998

Joe Sundholm
Authorised Public Accountant

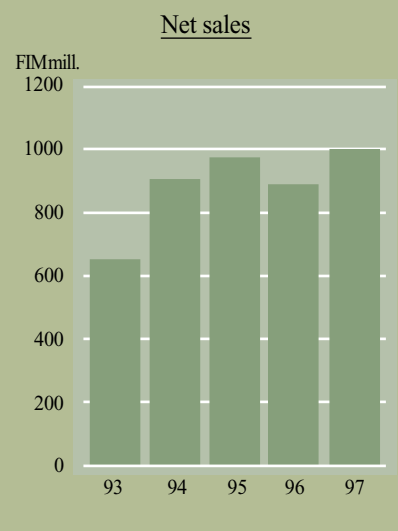
Jan Holmberg
Authorised Public Accountant

PAVING AND MINERAL AGGREGATES DIVISION



Head of Paving and Mineral Aggregates Division,
Mr. Matti Kokko B.Sc. (Eng.)

FIM mill.	1997	1996
Net sales	1.000.1	888.3
Operating profit	70.7	73.4
Net investments	48.5	37.4
Employees	910	863



The Paving and Mineral Aggregates Division produces asphalt, recycled asphalt and special pavements. It carries out contracting in the fields of road paving, milling and road marking as well as quarrying and crushing. The Division also produces mineral aggregates for resale.

The overall level of demand fell in a number of the Division's business sectors. This was caused by reduced government funding of the Finnish National Road Administration (Finrra) coupled with deviation from the established pattern of fund allocation and an increase in Finrra's own contracting in the paving and road marking field.

The Division's invoicing was FIM 983 million (935.5). Invoicing rose by 6.5 % to FIM 761.4 million (715.1) from domestic business, and by 0.5 % to FIM 221.6 million (220.4) from operations abroad. The latter accounted for 22.5 % (23,6) of the Division's total invoicing.

The Division's operating profit remained at the level of the previous year and was FIM 70.7 million (73.4).

The order book at the end of the year stood at FIM 207 million (225). The average number of employees in the Division in 1997 was 910 (863).

Invoicing by business area

	1997 FIM mill.	1996 FIM mill.
Asphalt Paving	807.0	779.2
Mineral Aggregates	197.6	161.2
Tielinja Oy	27.1	18.9
Internal invoicing	-48.7	- 23.8
Total	983.0	935.5

ASPHALT PAVING

Domestic demand continued to decline. The value of work for the Finnish National Road Administration fell by 24%. The volumes of work received from local authorities and the private sector remained at the previous year's levels. Competition from foreign companies forced down the price level.

The Company produced 3.2 million tons (2.9) of asphalt, retaining its position as the market leader in Finland. Production rose by 8% in Finland and by 24% abroad.

The invoicing of the Paving Unit was FIM 807.0 million (779.2), of which operations abroad accounted for 25% (27.1).

In Russia the second stage of the Vaalimaa - St. Petersburg highway contract, the Minsk highway contract, and the first stage of the Moscow ring road were all completed. In St. Petersburg the Unit produced asphalt for resale and its own contracting use. A construction contract for the test track of the Lada car plant at Togliatti will be completed in the summer of 1998.

In Estonia, paving contracts were carried out for the Estonian National Road Administration, the City of Tallinn, and private-sector clients. In Latvia, work began on a number of paving contracts for the national road administration of that country.

Lemminkäinen's asphalt business operations in Denmark remained at the level of the previous year. A major motorway resurfacing contract near Copenhagen airport was completed on schedule in December.

The highway linking the capitals of Zambia and Tanzania is currently being upgraded. In the spring a consortium of Lemminkäinen and the Danish firm Højgaard & Schoultz A/S started work on a 200-kilometer stretch of highway on the Zambian side of the border. The contract has proceeded according to plan and will be completed in 1999.

The average number of employees in 1997 was 724 (701). The Head of the Paving Unit is Mr. Matti Kokko, B.Sc. (Eng.).

MINERAL AGGREGATES

Domestic demand for the products and services of the mineral aggregates industry rose by 10% in the review year. Some of the over-capacity that has long burdened the profitability of the industry has now been sold to foreign owners, but strong seasonal variation still kept the price level down and margins narrow.

The Mineral Aggregates Unit produced 10.1 million tonnes (7.1) of crushed aggregates during the review year.

The invoicing of the Mineral Aggregates Unit was FIM 197.6 million (161.2)

The most important domestic contracts during the review year were foundation excavation works for Finland Post Ltd's parcel handling centre in Vantaa and rail track ballast deliveries to customers all over the country.

The most important export projects were a crushing contract for the Vaalimaa - St. Petersburg highway and asphalt pavements in the St. Petersburg area, and a crushing contract for the Rajajooseppi - Murmansk highway improvement project.

The average number of employees in the Mineral Aggregates Unit in 1997 was 155 (134). The Head of the Unit is Mr. Juhani Innanen, B.Sc. (Eng.).

TIELINJA OY

Tielinja Oy carried out a total of 582,000 m² (273,000) of road markings in paint and a further 370,000 m² (215,000) in thermoplastics. The Company produced a total of 1,800,000 kg (1,900,000) of thermoplastic road marking materials and cement-based repair mortars and facade coatings.

The Company's invoicing was FIM 27.1 million (18.9), with operations abroad accounting for 56 % (9) of the total.

The most important export contracts were road marking works carried out for the national road administrations of Sweden and Estonia. In addition to these, several thermoplastic road marking contracts were carried out for clients in Russia.

The average number of employees in the Company in 1997 was 31 (28). The Managing Director of the Company is Mr. Risto Vento.

RESEARCH AND DEVELOPMENT

Lemminkäinen's Central Laboratory is located in Tuusula near Helsinki-Vantaa airport. It serves the needs of the entire

Group in development work, quality assurance and testing, and also undertakes technical assignments for the business units and their clients. In addition, the Central Laboratory carries out quality audits on the asphalt field laboratories both in Finland and abroad.

The Central Laboratory has a staff of 13 (12) and is headed by Mr. Lars Forstén, M.Sc.(Eng.).



Stone crushing plant at Suomenoja in Espoo.



Work started on a highway improvement contract covering a 200-kilometer stretch of road in Zambia.



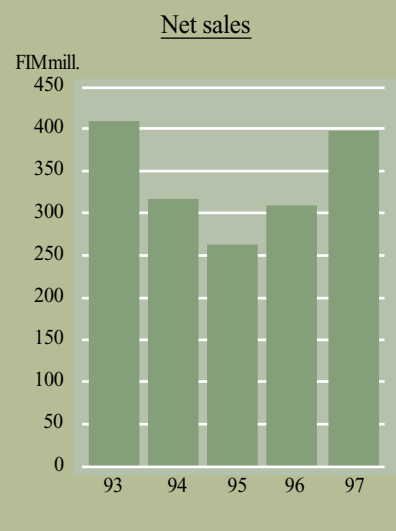
Paving work in progress on the Moscow-Minsk highway.

BUILDING MATERIALS DIVISION



Head of Building Materials Division
Division, Mr. Ari Junttila M.Sc.(Eng.)

FIM mill.	1997	1996
Net sales	396.8	308.4
Operating profit	14.6	- 2.3
Net investments	22.9	8.6
Employees	533	444



The Building Materials Division manufactures and imports a range of building products, and carries out contracting related to these materials. The main product groups are bituminous roofing materials, pre-cast concrete and natural stone products, and materials used in the construction of sporting facilities.

The review year was a period of active investment and favourable profitability development for the Division. The effects of earlier investments and development measures on efficiency were clearly evident in 1997. Demand rose and the Division operated at almost full capacity for the whole year.

The invoicing of the Building Materials Division was FIM 394.2 million (325.5).

All of the Division's business units achieved or exceeded their budget targets. The Division's operating profit was FIM 14.6 million (-2.3). Market growth and the positive profit trend are expected to continue in 1998.

The average number of employees in the Division in 1997 was 533 (444).

Invoicing by business area

	1997 FIM mill.	1996 FIM mill.
Roofing	254.0	213.5
Concrete products	102.1	76.6
Omni-Sica Oy	42.8	36.2
Other	0.7	0.2
Internal invoicing	- 5.4	- 1.0
Total	394.2	325.5

PRODUCTION OF ROOFING MATERIALS AND ROOFING CONTRACTING

Lemminkäinen strengthened its position as the country's leading bituminous roofing manufacturer and contractor. The Roofing Unit followed up on its good performance in the previous year by boosting sales yet again and achieving better than expected profitability. The biggest growth area was roofing contract-

ing, and export targets for roofing materials were also clearly exceeded.

The invoicing of the Roofing Unit was FIM 254.0 million (213.5).

In the spring of 1997 the third phase of an investment programme began at Lohja bituminous roofing plant. The work involves modernising the final section of the production line, introducing an automated warehousing system and building a new production line for roof shingles. The new facilities will be brought into service in the spring of 1998.

Development programmes concerned with the quality and working practices of roofing contracting were implemented. Reorganisation of the district management systems will improve contracting services and simplify operations.

The average number of employees in 1997 was 337 (288). The Head of the Roofing Unit is Mr. Ari Junttila M.Sc. (Eng.).

CONCRETE PRODUCTS AND URBAN ENVIRONMENT CONSTRUCTION

The manufacturing volume of pre-cast concrete stair units doubled as the result of increased demand and the transfer of Partek Betonila's stair manufacturing business to Lemminkäinen at the beginning of 1997. There was a sharp fall in the demand for terrazzo floor tiles, whereas flooring contracting remained at the previous year's level. There was a significant increase in urban environment contracting, although the growth in product sales was minimal.

The invoicing of the Concrete Products Unit was FIM 102.1 million (76.6).

The most important contracts carried out during the review year were the yard of the President's official residence in Helsinki, Hämeenpuisto park in Tampere, and the town centre of Oitti. Stone materials were delivered to pedestrian precinct projects in Kouvola, Lahti and Oulu.

In June the Concrete Products Unit was awarded an ISO 9001 quality certificate covering the design, manufacture and sales of concrete products and pre-

fabricated units. Concrete stair manufacturing operations have been transferred from Lohja and Hämeenlinna to Tuusula, where the production of these prefabricated units is now centralised.

A new line of exterior stone furniture called Oodi was launched on the market. The investments necessary to manufacture sand-blasted concrete products were initiated at the Orimattila plant. Production will start up in the spring of 1998. At the end of the accounting period the machinery and equipment necessary to manufacture natural stone products were purchased and the necessary premises rented in Viitasaari. The manufacture of cut and variously surface-treated natural stone products began at the plant at the beginning of 1998.

The average number of employees in 1997 was 166 (125). The Head of the Concrete Products Unit is Mr. Juhani Uljas, M.Sc. (Eng.).

OMNI-SICA OY

Omni-Sica Oy imports and sells building materials, and carries out installation contracting in the specialist field of surfacing and waterproofing systems for sporting facilities. In addition to sports-related surfacing systems, the main product lines are Mondo floor coverings, Audience spectator stands, Cape building boards and Novocoat waterproofing systems.

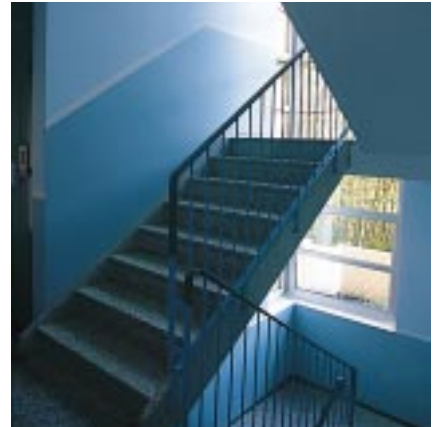
The order book for sports-related building was good throughout the review year. The most important projects were resurfacing contracts for Botnia Hall and Mustasaari athletics track in Vaasa, further deliveries of spectator seating for Hartwall Arena in Helsinki, resurfacing of the Ojalahti athletics track in Rauma, waterproofing work on the terrace and yard of Kouvola town hall, and the installation of an irrigation system in Helsinki's Esplanade Park.

The Company's invoicing was FIM 42.8 million (36.2). The Managing Director of the Company is Mr. Erkki J. Pentti.

The average number of employees in 1997 was 28 (26).



A new line of exterior stone furniture called Oodi was launched on the market.



The production volume of prefabricated concrete stair units doubled in 1997.



Huittinen old persons' service centre with its new tiled roof.



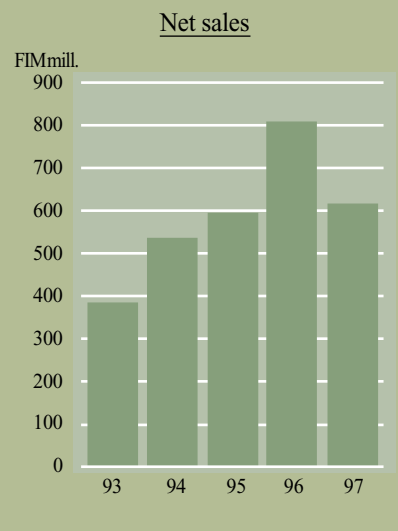
The remodelled forecourt of Hotel Kalastajatorppa in Helsinki.

LEMMINKÄINEN CONSTRUCTION LTD.



Managing director of
Lemminkäinen Construction Ltd.,
Mr. Matti A. Mantere M.Sc.(Eng.)

FIM mill.	1997	1996
Net sales	615.3	807.6
Operating profit	9.5	10.4
Net investments	20.3	2.8
Employees	462	422



Lemminkäinen Construction Ltd. had business operations in 16 different countries during the review year. International operations accounted for over 60% of the Company's total business volume.

The Company's order book developed favourably, but owing to the Group's accounting practice, this does not show up in the net sales or profits for the review year. The Company's order book at the end of the year was FIM 716 million (541), which augers well for 1998.

The beginning of 1998 saw the creation of a new unit called Water and Environmental Technology, which will serve as the focal point for the Company's expertise in the relevant engineering fields.

The invoicing of Lemminkäinen Construction Ltd. was FIM 686.2 million (599.8) and its operating profit FIM 9.5 million (10.4).

The average number of employees in 1997 was 462 (422), of whom 267 (239) were salaried staff.

Invoicing by business area

	1997 FIM mill.	1996 FIM mill.
Civil Engineering	308.9	237.6
Project exports	313.3	247.8
Project Management	77.9	102.4
WPL-System Oy	0.4	29.9
Internal invoicing	-14.3	-17.9
Total	686.2	599.8

CIVIL ENGINEERING

The invoicing of the Civil Engineering Unit was FIM 308.9 million (237.6). Demand in the rock engineering sector remained weak in Finland, but there were signs of a slight recovery in civil engineering. The most important road building projects were a FIM 100 million contract for an interchange on Highway 3 at Konho, the Kevola road contract on Highway 1, and the Ring Road II bridge contract. In Estonia the Tammsaare tee Highway, which is part of Tallinn's ring road, was handed over to the client. The most important domestic rock engineering projects were a car parking cavern for University of Helsinki Central Hospital and the Maunula civil defence shelter. In Sweden construction work on the country's longest railway tunnel continued at Norrala, and towards the end of the year work started on a

high-speed tramway tunnel in Stockholm. The Myllykoski and Kyröskoski power plants were completed.

Towards the end of the year Lemminkäinen finalised a contract for the construction of the Kluuvi underground car park and civil defence shelter in Helsinki's city centre. The contract is valued at over FIM 120 million, and work is scheduled to start at the beginning of 1998.

In order to strengthen its position in the civil engineering market, Lemminkäinen Construction acquired the road resurfacing business and plant of Sillanpää Trading Oy in the spring of 1997.

The number of employees in the Civil Engineering Unit was 266 (234). The Head of the Unit is Mr. Erkki Holopainen B.Sc. (Eng.).

PROJECT EXPORTS

The total invoicing from project exports, excluding project management contracting, was FIM 313.3 million (247.8), with over a half being generated in the St. Petersburg and Baltic states areas. The focal point of project exporting operations was once again in Russia, where the most significant projects were in Moscow, St. Petersburg and western Siberia. In Moscow, work began on the construction of a logistics centre for the French firm, Faure & Machet, and a number of refurbishment projects were carried out. In St. Petersburg, work continued on new construction and refurbishment projects for the Hermitage Arts Repository, the Russian Federation Savings Bank, the Moscow Industrial Bank and October Railways. In western Siberia a residential art school and cultural centre was completed at Khanti-Mansiisk and handed over to the client. Work began on the construction of a TV and radio centre in the same region.

At the beginning of 1998 Lemminkäinen and Neste Corporation signed an agreement on the construction of an oil products storage facility at Lomonsov near St. Petersburg. The total value of the project is FIM 120 million. Also in St. Petersburg, an extension contract valued at almost FIM 50 million began at Vena Brewery.

Lemminkäinen Construction Ltd. intensified its operations in the Baltic states. In Tallinn, work started on the construction of Estonia's biggest car market, Rocca al Mare. The construction of a wastewater treatment plant for the city of Klaipeda in Lithuania is also an important project. In addition to these, a number of smaller projects were also

carried out in the Baltic states. The Company secured its first contract from Poland.

The Company continued to operate in several countries in the Middle and Far East: Egypt, Sri Lanka, Vietnam and China. The most important projects were the construction of the Marandana motorway interchange and the Sapugaskanda diesel power plant in Sri Lanka.

Project exports are divided into two profit centres: the Project Exports Unit and the Baltic & Northwest Russia Unit, which are headed by Mr. Osmo S. Härkönen, M.Sc. (Eng.) and Mr. Timo U. Korhonen, M.Sc. (Eng.), respectively. The number of employees in these two units in 1997 was 148 (134).

PROJECT MANAGEMENT CONTRACTING

The total invoicing from project management contracts was FIM 77.9 million (102.4). As in the previous year, the dual focal points of project management contracting were in Finland and Germany. New contracts were secured from the Company's established export countries and also from elsewhere in Europe. Income was generated in no fewer than nine different countries during the review year.

In Germany a mobile phone factory was completed for Nokia Mobile Phones GmbH at Bochum, and construction work on the Regensburg ice stadium got underway in the autumn. In the United Kingdom, construction work began on a deinking plant for the Shotton Paper Company. In Russia, the Unit was involved in projects in Moscow and St. Petersburg.

At the end of the review year work started on the construction of an office building for Nokia Corporation in Tampere. This contract is being carried out together with Rakennustoimisto Palmberg Oy.

The Company forged even closer collaborative links with Nokia Corporation during 1997. The Company is involved in the Nokia Telecommunications' projects in a number of European and Southeast Asian countries.

The most important projects concerning sporting facilities were the Espoonlahti ice stadium, the Turku ice rink, the Kulosaari tennis hall and refurbishment of the Oulunkylä ice rink.

The average number of employees in the Project Management Contracting Unit during the review year was 30 (30). The Head of the Unit is Mr. Juha Nurmi, M.Sc. (Eng.).



Espoonlahti ice stadium.



The Hermitage Arts Repository has been a client of Lemminkäinen Construction Ltd. for over decade.



In Sweden the country's longest railway tunnel was built at Norrala.

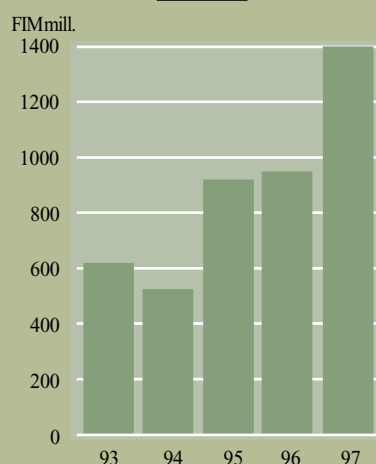
OY ALFRED A. PALMBERG AB



Managing director of
Oy Alfred A. Palmberg Ab
Mr. Risto Bono M.Sc. (Econ.),
M.Sc. (Eng.)

FIM mill.	1997	1996
Net sales	1.398.0	947.0
Operating profit	43.3	20.5
Net investments	-7.8	23.1
Employees	956	802

Net sales



The Palmberg Group consists of the parent company, Oy Alfred A. Palmberg Ab, and its ten regionally operating subsidiaries.

The Group's business areas include competitive tender contracting of both new building and refurbishment work as well as private-sector housing, commercial and industrial developments.

Measured in terms of invoicing, the business volume of the Palmberg Group rose by 39.5 %. The Group's net sales, inclusive of rental income, were FIM 1,398.0 million (947.0), and the value of the order book at the end of the accounting period stood at FIM 782 million (559).

The Group's operating profit improved compared with the previous year and was FIM 43.3 million (20.5).

The number of own residential development apartments completed by the Group was 162 (192). At the end of the accounting period, 305 (113) own development apartments were under construction, and completed but unsold apartments numbered 16 (40). New apartments completed under competitive tender contracting totalled 1,078 (781), and 803 (919) apartments were under construction at the end of the accounting period.

During the accounting period Oy Alfred A. Palmberg Ab's subsidiary Oka Oy acquired a majority interest in Rakenusliike Seppo J. Rätty Oy.

The average number of employees in the Group during the accounting period was 956 (802), of whom 288 (262) were salaried staff.

Value of Group production by business area

	1997 FIM mill.	1996 FIM mill.
Competitive tender contracting		
Housing	312.2	240.2
Other new building work	391.9	380.4
Refurbishment work	179.3	140.9
Developments		
Housing	135.1	74.4
Commercial and industrial buildings	2.7	52.8
Total	1.021.2	888.7

PARENT COMPANY

The net sales of Oy Alfred A. Palmberg Ab were FIM 458.0 million (182.6).

The projects carried out by the regional office for the Helsinki metropolitan area are in the cities of Helsinki, Espoo and Vantaa. The value of the unit's new building and renovation projects was FIM 169.7 million, of which competitively tendered work accounted for FIM 154.2 million and private developments the remaining FIM 15.5 million.

The regional office for the Helsinki metropolitan area is headed by Mr. Hannu Sohlberg B.Sc. (Eng.).

The Southwest Finland regional office's projects are carried out in and around Turku. The total value of work was FIM 77.3 million (52.1), of which private developments accounted for FIM 14.9 million.

The regional office for Southwest Finland is headed by Mr. Raimo Salo, B.Sc. (Eng.).

Oy Alfred A. Palmberg Ab's order book stood at FIM 176 million (145). The average number of salaried staff and hourly paid employees during the accounting period was 76 (69) and 125 (108), respectively.



Laivalahdenkaari 9 in the Herttoniemi suburb of Helsinki.



Savocon Oy constructed the K 120 ski-jumping hill at Puijo, Kuopio.



The Åbo Akademi University's Axelia II was completed in Turku.

SUBSIDIARES

Subsidiary	Region	Net sales FIM mill.	Invoicing FIM mill.	Order Book FIM mill.	Personnel total	Managing Director
Palmberg-Urakoitsijat Oy	Western Uusimaa	74.1 (47.1)	81.3 (42.3)	48.8 (42.1)	20 (15)	Mr. Ahti Kara
Rakennusliike S. Horttanainen Oy	Eastern Uusimaa	57.5 (25.4)	56.5 (46.8)	50.7 (60.5)	37 (38)	Mr. Ahti Kara
Oka Oy ¹⁾	Kymenlaakso and Southern Karelia	174.3(156.7)	201.0 (124.2)	113.5 (84.2)	139 (113)	Mr. Juhani Pousi
Rakennustoimisto Palmberg Oy	Tampere and southern central Finland	131.9(140.9)	141.1 (131.0)	95.7 (48.9)	140 (126)	Mr. Jukka Vahila
Rakennus- Otava Oy	Jyväskylä and neighbouring municipalities	37.0 (45.2)	55.2 (28.8)	57.0 (11.9)	38 (24)	Mr. Jussi Kari
Oy Konte Ab	Ostrobothnia, Southwest Finland, projects in Sweden	228.7(136.4)	211.8 (161.2)	125.4 (82.3)	166 (137)	Mr. Göran Pellfolk
Byggnads Ab Forsström Rakennus Oy	West coast region	91.8 (44.6)	91.9 (56.9)	38.3 (33.4)	100 (78)	Mr. Peter Forsström
Palmberg-Rakennus Oy	Provinces of Oulu and Lapland	123.3(130.8)	136.4 (93.7)	57.1 (42.6)	86 (70)	Mr. Ahti Heikka
Savocon Oy	Kuopio and surrounding areas	23.6 (37.1)	35.4 (26.2)	20.2 (8.7)	23 (26)	Mr. Martti Kankkunen

¹⁾ Also includes Rakennusliike Seppo J. Rätty Oy, in which a majority interest was acquired during 1997.

CONTACT INFORMATION



REGIONAL OFFICES

HUITTINEN

Risto Rytin katu 22, FIN-32700 Huittinen
+358 2 569 236

HÄMEENLINNA

Tölkkimäentie 4, FIN-13130 Hämeenlinna
+358 3 616 1213

IMATRA

Karjalantie 1324, FIN-55800 Imatra
+358 5 473 8666

JOENSUU

Parrutie 1, FIN-80100 Joensuu
+358 13 264 210

JYVÄSKYLÄ

Vasarakatu 1, FIN-40320 Jyväskylä
+358 14 334 400

KAJAANI

Brahenkatu 16 as. 9, FIN-87100 Kajaani
+358 8 613 1303

KEMI

Valtakatu 30, FIN-94100 Kemi
+358 16 221 647

KOKKOLA

Outokummuntie, FIN-67100 Kokkola
+358 6 831 1089

KOTKA

Valajantie 7, FIN-48230 Kotka
+358 5 228 8433
+358 5 228 1800

KOUVOLA

Alakyläntie 23, FIN-45100 Kouvola
+358 5 375 6910

KUOPIO

Yrittäjätie 17, FIN-70150 Kuopio
+358 17 264 4000

KUUSAMO

Kalliovaara
FIN-93600 Kuusamo
+358 8 851 4468

LAHTI

Kerintie 20, FIN-15500 Lahti
+358 3 751 5611

LAPPEENRANTA

Ruukintie 9, FIN-53500 Lappeenranta
+358 5 416 2025

LOHJA

Puistokatu 25, FIN-08150 Lohja
+358 19 312 260

MIKKELI

Kaarikuja 1 C 20, FIN-50170 Mikkeli
+358 15 366 034

NÄRPIÖ

Karila
FIN-64200 Närpiö
+358 6 225 8701

OULU

Sälpätie 5, FIN-90630 Oulu
+358 8 556 0111
+358 8 556 0255

PORI

Tuomolantie 2, FIN-28360 Pori
+358 2 646 2505

RAAHE

Brahenkatu 23 B 1, FIN-92100 Raahе
+358 8 223 7019

SALO

Perämiehenkatu 9, FIN-24100 Salo
+358 2 777 828

SAVONLINNA

Pohjolankatu 21, FIN-57230 Savonlinna
+358 15 515 750

SEINÄJOKI

Teollisuuskatu 11, FIN-60100 Seinäjoki
+358 6 420 3500

TAMPERE

Possijärvenkatu 3, FIN-33400 Tampere
+358 3 237 6600

TURKU

Voimakatu 13, FIN-20520 Turku
+358 2 274 6611

TUUSULA

Sammonmäki, P.O.Box 10
FIN-04321 Tuusula
+358 9 870 441

VAASA

Teollisuustie 7, FIN-65610 Mustasaari
+358 6 322 1666

VALKEAKOSKI

Vainionkatu 2
FIN-37600 Valkeakoski
+358 3 584 4344

VANTAA

Elannon tie 5, FIN-01510 Vantaa
+358 9 478 4410

FACTORIES

CONCRETE PRODUCTS FACTORIES

Sammonmäki, P.O.Box 10
FIN-04321 Tuusula
+358 9 870 441

FIN-16300 Orimattila
+358 3 777 2995

NATURAL STONE WORKS

FIN-07600 Myrskylä
+358 19 70 650

Kölkynvuorentie 6
FIN-44500 Viitasaari
+358 14 570 010

**BITUMINOUS PRODUCTS FACTORY
(ROOFINGS)**

Puistokatu 25-27, FIN-08150 Lohja
+358 19 362 0203

DOMESTIC SUBSIDIARIES

**LEMMINKÄINEN CONSTRUCTION
LTD.**

Esterinportti 2
FIN-00240 Helsinki
+358 9 15 991
Managing director Matti A. Mantere

OY ALFRED A. PALMBERG AB

Esterinportti 2
FIN-00240 Helsinki
+358 9 15 991
Managing director Risto Bono

S.W. Finland regional unit
Linnankatu 3 a B, FIN-20110 Turku
+358 2 274 5800
Area manager Raimo Salo

Palmberg-Urakoitsijat Oy
Uudenmaankatu 32-34
FIN-05800 Hyvinkää
+358 19 475 9100
Managing director Ahti Kara

Rakennusliike S. Horttanainen Oy
Linnankoskenkatu 9

FIN-06100 Porvoo
+358 19 524 9899
Managing director Ahti Kara

Oka Oy
Ilmarinkuja 3, 45100 Kouvola
FIN-+358 5 741 8100
Managing director Juhani Pousi

Rakennusliike Seppo J. Rätty Oy
Sukkulakatu 3, FIN-55120 Imatra
+358 5 436 7066
Managing director Seppo Rätty

Rakennustoimisto Palmberg Oy
Hämeenkatu 13 A, FIN-33100 Tampere
+358 3 213 7300
Managing director Jukka Vahila

Rakennus-Otava Oy
Pajatie 8, FIN-40630 Jyväskylä
+358 14 618 500
Managing director Jussi Kari

Oy Konte Ab
Olympiakatu 16, FIN-65100 Vaasa
+358 6 323 0311
Managing director Göran Pellfolk

Byggnads Ab Forsström Rakennus Oy
Åströminkuja, FIN-67100 Kokkola
+358 6 823 2200
Managing director Peter Forsström

Palmberg-Rakennus Oy
Valtatie 21, FIN-90500 Oulu
+358 8 554 2511
Managing director Ahti Heikka

Savocon Oy
Puijonkatu 29 A, FIN-70100 Kuopio
+358 17 261 3400
Managing director Martti Kankkunen

TIELINJA OY
Päiviöntie 3, FIN-12400 Tervakoski
+358 19 754 600
Managing director Risto Vento

OMNI-SICA OY
Esterinportti 2, FIN-00240 Helsinki
+358 9 148 1144
Managing director Erkki J. Pentti

FOREIGN SUBSIDIARIES

Denmark
LEMMINKÄINEN A/S
Damhaven 5 B, 1. sal.
7100 Vejle
+45 75 725 722

Estonia
LEMMINKÄINEN EESTI AS
Liivalaia 14, Tallinn EE0001
+372 6 461 125

Lithuania
UAB LEMCON VILNIUS
A. Juozapaviciaus 9/k. 308
2686 Vilnius
+370 2 728 413

Poland
LEMCON POLSKA Sp. z o.o.
ul. Marconich 9 m 4, 02-954 Warsaw
+48 22 409 837

Russia
ZAO RAKENNUS LEMMINKÄINEN
Ul. Narodnaja 12, 109172 Moscow
+7 095 956 0472

ZAO LEMMINKÄINEN
Pr. Kosmonavtov 1,
196105 St. Petersburg
+7 812 298 8700

Sweden
LEMMINKÄINEN CONSTRUCTION
LTD.
Torsgatan 12, 11123 Stockholm
+46 8 247 850

Vietnam
LEMMINKÄINEN CONSTRUCTION
LTD.
23, Nquyen Van Thu
District 1
Ho Chi Minh City
+84 8 8230 359



LEMMINKÄINEN

LEMMINKÄINEN OY
Esterinportti 2, FIN-00240 HELSINKI
P.O.Box 23, FIN-00241 HELSINKI
Tel.int. +358 9 15 991