



Annual Report 1998



NORDIC  ALUMINIUM

Nordic Aluminium's Business Areas



Profiles

Customer Profiles

Components

Building Systems

Electrotechnical Products

Lighting Tracks

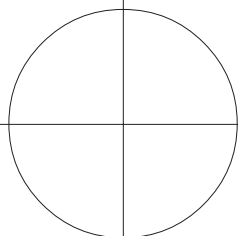
Office Trunkings

Cable Ladders

Nordic Aluminium designs, produces, markets and supplies advanced aluminium products for the electrotechnical industry, engineering industry, transport equipment industry, construction industry and telecommunications industry, and for builders and electrical contractors.

Nordic Aluminium's business idea is to utilize its know-how and experience in the field of aluminium extrusion and its production applications, and provide customers with high-quality aluminium profiles, and products and services incorporating high added value.

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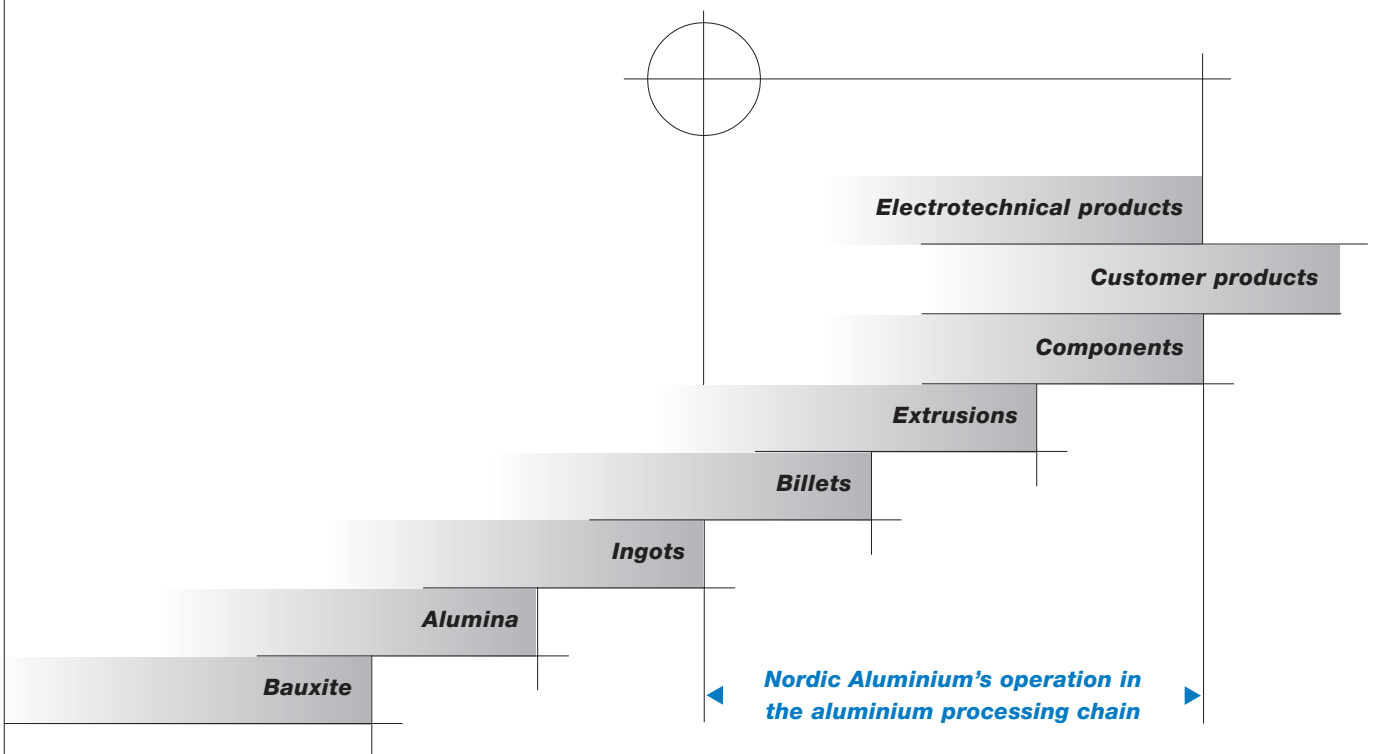
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Nordic Aluminium - Finland's Leading Aluminium Processor



Problems with long electric cords and cables? If your work station is far from fixed wall sockets, the DUCTEL service pole brings the electricity right to you.

Products - operations - material

Nordic Aluminium designs, produces, markets and supplies advanced aluminium products for the electrotechnical industry, engineering industry, transport equipment industry, construction industry and telecommunications industry, and for builders and electrical contractors.

Operations differ from those of the base metal industry. The Nordic Aluminium's process starts with aluminium ingots, the end products of the base metal industry. These are worked into advanced branded products using extensive special know-how involving design and process technology.

Aluminium profiles and products processed from them are extruded into the desired shapes using special steel dies tailored to customers' demands. The finished products are then delivered to customers or processed further - for example, into our own electrotechnical product systems.

Nordic Aluminium aluminium profiles are produced by the Profiles Business Area, which processes part of its production into profiles ordered by customers, and into building systems and components for various industries. The Business Area supplies a major part of its production to Electrotechnical Products, the second Nordic Aluminium Business Area, which manufactures lighting track, office trunking and cable ladder systems.

Electrotechnical product systems are marketed as branded product families. The leading Nordic Aluminium brands are DUCTEL[®] office trunking systems, SYSTEMAL[™] cable ladder systems, the GLOBAL trac[™] lighting track family, the MULTI-adapter[™] and the FIX-point[™] spotlight adapter.

Aluminium has a number of unique properties, and products processed from it gain cost-effective added value. These properties include lightness, good electrical and thermal conductivity, easy machinability and corrosion resistance. Moreover, a multitude of surface treatments are possible, and even untreated aluminium surfaces are durable and high quality. Aluminium can also be recycled easily. Aluminium can thus be considered a material of the future, and one with great potential.

Nordic Aluminium as a company

Nordic Aluminium's highly-integrated production system incorporates the entire chain of aluminium processing in one logistic entity. Production was launched by the company's predecessor in 1962 and unique process know-how has been developed, stretching from aluminium ingots to advanced special products.

Nordic Aluminium's business idea is to utilize its know-how and experience in the field of aluminium extrusion and its production applications, and provide customers with high-quality aluminium profiles, and products and services incorporating high added value.

The Nordic Aluminium's central strategy is to increase the percentage of products with high added value and of exports in its business operations. In its internal operations, the Group focuses on increased productivity, product quality and reliable supplies. It also strives to improve its competitiveness by investing heavily in product design and development. All this is done in close cooperation with customers.

The Group's main economic aim is to ensure continuous added value.

Management and business operations as a whole are based on **Group values**. Internally, these values are formulated as follows: Care for the customer's concerns, Being a top aluminium professional, Maintaining motivated personnel with winning spirit under an Inspiring management, and Promoting the environment, health and safety. Though aluminium as processed by Nordic Aluminium is a safe and environmentally friendly material, the Group has adopted an environmental policy that emphasizes awareness and management of environmental risks and the principles of sustainable development.

In adding value for its shareholders, **Nordic Aluminium has adopted aims proper to a listed company**. As the Group's business operations are on a steady course, dividend policy is based on performance. The Group has offered its personnel - 25 per cent of whom are also shareholders - a warrant bond as part of a bonus scheme. A same percentage of the personnel also hold warrants entitling them to subscribe company shares.

Also Nokia Corporation strives to use recyclable materials in constructing.

All the suppliers involved in the construction of the Nokia-house in Espoo, Finland, were also required a written guarantee that no part of the structure or furnishing would make any harmful emissions. All our building systems pass both of these standards with flying colours.



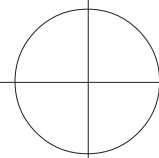
Financial Summary

Extent of operations	1998 EUR ¹⁾	1998	1997	1996	1995 Pro forma ²⁾
Net sales, FIM million	61.3	364.2	341.8	314.7	349.5
change, %		7	9	-10	
Profiles, share of net sales, %		59	62	62	65
Electrotechnical Products, share of net sales, %		41	38	38	35
Exports, share of net sales, %		33	30	32	29
R & D expenditures, FIM million	1.4	8.2	7.4	6.8	6.4
share of net sales, %		2.2	2.2	2.1	1.8
Gross capital expenditures, FIM million	3.5	20.8	17.5	9.8	18.7
share of net sales %		5.7	5.1	3.1	5.3
Extraordinary expenses, FIM million	0.0	0.0	-3.5	0.0	0.0
Personnel, average		383	368	370	391
Net sales/employee, FIM million	0.2	0.95	0.93	0.85	0.89
Order backlog Dec. 31, FIM million	3.6	21.2	26.8	21.1	24.6
Profitability	1998 EUR	1998	1997	1996	1995 Pro forma
Operating profit, FIM million	3.9	23.1	24.9	21.8	20.8
% of net sales		6.4	7.3	6.9	5.9
Profit before extraordinary items and taxes, FIM million	3.8	22.4	24.4	17.8	12.6
% of net sales		6.1	7.1	5.7	3.6
Profit before taxes, FIM million	3.8	22.4	20.9	17.8	12.6
% of net sales		6.1	6.1	5.7	3.6
Net profit, FIM million	2.7	16.1	14.9	13.5	8.3
% of net sales		4.4	4.4	4.3	2.4
Return on equity, % (ROE)		19.8	25.1	24.6	19.0
Return on investment, % (ROI)		20.7	22.1	17.2	15.5
Financing and financial position	1998 EUR	1998	1997	1996	1995 Pro forma
Liquidity (Current ratio)		1.5	1.4	1.2	1.8
Income/investments, %		175	196	343	144
Equity ratio, %		47.6	41.0	34.3	24.5
Interest-bearing debt, FIM million	5.8	34.4	42.1	63.2	95.4
Gearing, %		6.8	17.5	51.5	135.4
Balance sheet total, FIM million	30.3	180.2	186.9	179.6	196.7

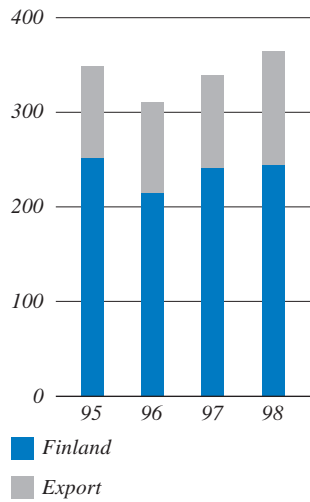
¹⁾ EUR = 5.94573 FIM

²⁾ The pro forma data for the fiscal period 1995 have been presented as if the business operations had been purchased Dec. 31, 1994 instead of March 20, 1995.

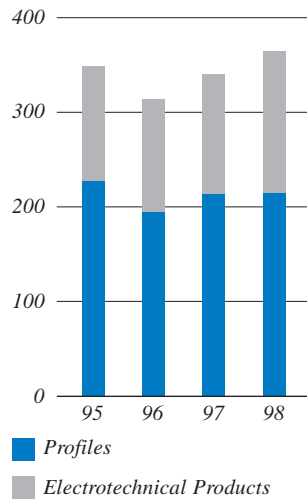
Formulae for calculation of financial indicators are on page 39.



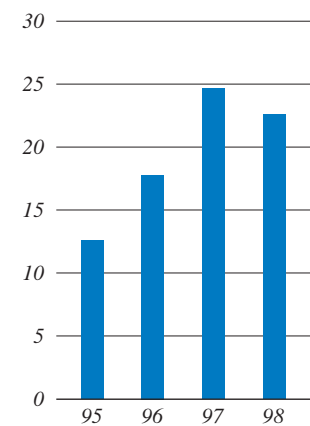
Net sales, MFIM



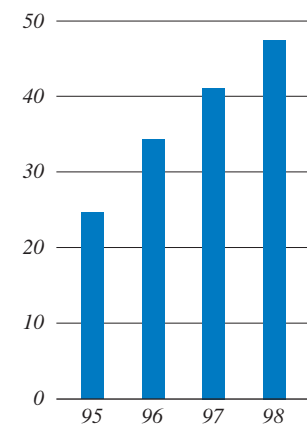
Sales by business area, MFIM



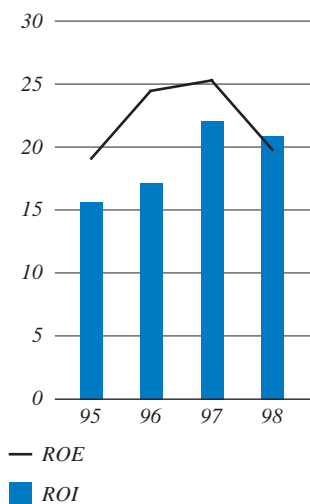
Profit before extraordinary items, MFIM



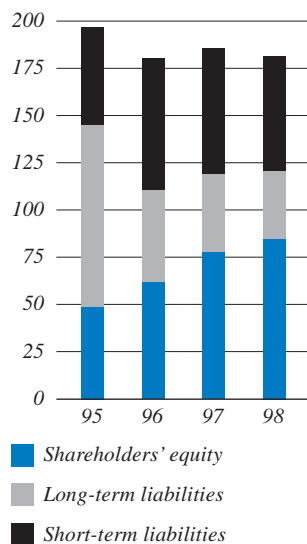
Equity ratio, %



ROE and ROI, %



Balance sheet, MFIM



Managing Director's Review

A year with two sides

The fourth financial year of Nordic Aluminium Plc and its second year as a listed company had two different development trends. On the positive side net sales grew, performance remained good and the equity ratio improved. Highly-processed products accounted for a larger percentage of sales than in 1997. As envisaged in the company strategy, exports rose and accounted for a larger percentage of total sales. However, even though overall performance was good, demand and performance in the case of individual Business Areas and Product Areas differed somewhat. Brisk customer demand for profile products early in 1998 gave way to caution in early summer, and towards the end of the year the outlook grew weaker, especially in Finland, which also had an impact on profits. However, rapid growth in exports helped to keep sales at the previous year's level. There was a marked rise in exports of electrotechnical products, and in particular exports of advanced lighting tracks reached record levels. The Electrotechnical Products Business Area performed well in 1998. However, the Group's overall performance remained unsatisfactory and thus costs must be cut and sales increased so that the performance can reach satisfactory levels.

Tougher competition

Compared with previous years, orders arrived on short notice and the delivery periods expected by customers got shorter, but Nordic Aluminium's flexibility helped to cope with the situation successfully. Competition was tougher and put pressure on sales margins in some product groups, especially in those with low added value. Raw material costs rose on the previous year's levels, mainly because of the timing of aluminium and currency derivatives.

Solid position on the export market

The single most important marketing event for Nordic Aluminium was preparation for cooperation with Lithonia Lighting Inc, the leading manufacturer of light fixtures in North America. Deliveries of the jointly-developed single-circuit lighting track system will give Nordic Aluminium a firm foothold in this important market area. It is estimated that the partnership will boost production of lighting tracks by 50 per cent in three years. Deliveries of the new system will start early 1999, slightly behind schedule. The delay has been caused by the necessary authorizations and Lithonia's revised marketing plans.

In other fields, too, export performance was outstanding. Almost all lighting tracks were sold outside Finland when indirect sales are included. Nordic Aluminium lighting tracks attracted new customers in both existing and new market areas. Also the deliveries to existing customers went up and new products such as GLOBAL pro lighting tracks demonstrated the high level of our product development. Exports of office trunking systems and profile products rose also, 26 and 14 per cent respectively.

Customer-oriented organisation

Group organisation has been geared to ensure efficient customer service. Among Nordic Aluminium's main customer branches, products are developed and introduced at a rapid pace and thus, successful customer service must be combined with product development and adequate production capacity, two areas that must be comprehensively managed. Feedback from customers indicates that the new Product Area organisation has resulted in a better service level, shorter lead-times for new products and keener overall competitiveness for the Group.

More added value and exports

As envisaged in the Nordic Aluminium strategy, products with higher added value accounted for a larger share of the product range and exports grew during the year under review. Products with higher added value accounted for 53 per cent of net sales (1997: 50 %) and in absolute terms the share grew with 15 per cent compared to last year. Also exports went up in both absolute (18 %) and relative terms (3 %-units). Exports and external operations accounted for 33 per cent (30 %) of consolidated net sales.





Co-entrepreneurship becomes a reality

The rapidly changing competitive environment is a great challenge to the company's personnel. Nordic Aluminium has invested a great deal in training and in jointly-specified areas of basic know-how. Personnel development programmes extend from an understanding of business operations in general to IT and quality training. Environmental training continued in accordance with the guidelines already set. Personnel development is based on the principle that staff members must all be top experts in their own field. Moreover, all are professionals who take justifiable pride in their own skills and make an important contribution to the development process. Dissemination of skills and knowledge in teams and in the organisation as a whole is essential to the company's success. We are also happy to report that our staff are active in submitting proposals, as required by the principle of continuous improvement.

To ensure satisfactory share value and performance, each member of the personnel must be committed to the company's aims. In connection with the listing process in spring 1997, a quarter of the staff subscribed company shares. The warrant bond issued in spring 1998 to provide incentives for the entire personnel attracted equal interest.

Industrial investment

As stated in the information on shares (pages 35 – 37), overall developments in the stock market for the Finnish metal industry in 1998 did not favour those investing in Nordic Aluminium. The share price went down and consequently, the whole Group had a lower market capitalization than at the corresponding point in the previous year. All this had a negative impact on individual investments, and on warrants held by company personnel. Investments in industrial shares should, however, be seen as long-term undertakings: while many short-term demand and supply factors have an impact on daily share prices, an industrial enterprise bases its systematic value-building on profitable operations. The strength of Nordic Aluminium and its shares lies in the stable development the company aims at. In the year under review, the net worth of the share grew by 12 per cent.

The dividend policy that company pursues reflects the long-term profit development. As a demonstration of this and that the company is determined to actively ensure a good return on shareholders' investments, the Board proposes also this year a dividend of 1.50 FIM per share to be paid (1997: 1.50 FIM). This represents a dividend ratio of 43.1 per cent (1997: 39.1 %).

Sustainable performance

Nordic Aluminium is the leading Finnish company in its field. Its core competence derives from know-how in profile technology and the manufacture of electrotechnical products and systems involving aluminium, a material of the future. Manufacturing cooperates closely with the customers. Resources include design know-how based on solid industrial tradition, and extensive production facilities in one logistic entity. Advanced product families integrated into customers' system deliveries have proved competitive. Examples include our long partnerships with Philips Lighting, ABB Group companies and Lexel Group, and the recently-concluded agreement with Lithonia Lighting.

I would like to thank all our partners, customers and suppliers for their successful cooperation during 1998.

I would also like to thank our personnel for their fantastic flexibility in a demanding working environment.

March 1999

Kari Blomberg
Managing Director

Aluminium - a Material of the Future

World aluminium production and consumption in 1998

Primary aluminium production

	1,000 tonnes
North America	6,086
- USA	3,713
- Canada	2,373
Western Europe	3,754
Africa and Oceania	2,978
Latin America	2,075
Asia	1,755
Western world total	16,648
CIS	3,322
Eastern Europe and others	383
China	2,384
Eastern world total	6,088
World total	22,736

Primary aluminium consumption

	1,000 tonnes
North America	6,614
- USA	6,004
- Canada	610
Western Europe	5,762
Africa and Oceania	705
Latin America	926
Asia	4,805
Western world total	18,811
CIS	441
Eastern Europe and others	558
China	2,363
Eastern world total	3,361
World total	22,173

Source: CRU Monitor

Aluminium is a natural material

Aluminium is a natural element found as an oxide throughout the earth's crust. The primary aluminium used by the industry is processed from bauxite, which contains about 25 per cent aluminium. Most of the world's bauxite deposits are in the zone bordering the equator, and the biggest producers are Australia, Brazil, Jamaica, Suriname and the Russian Federation. Bauxite is first processed into aluminium oxide and then into primary aluminium. There is no aluminium base industry in Finland. Mining, refining and the production of primary aluminium all take place abroad, and further processing of the material starts with imported aluminium ingots.

In 1998, Nordic Aluminium supplied its customers with about 11,600 tonnes of aluminium products.

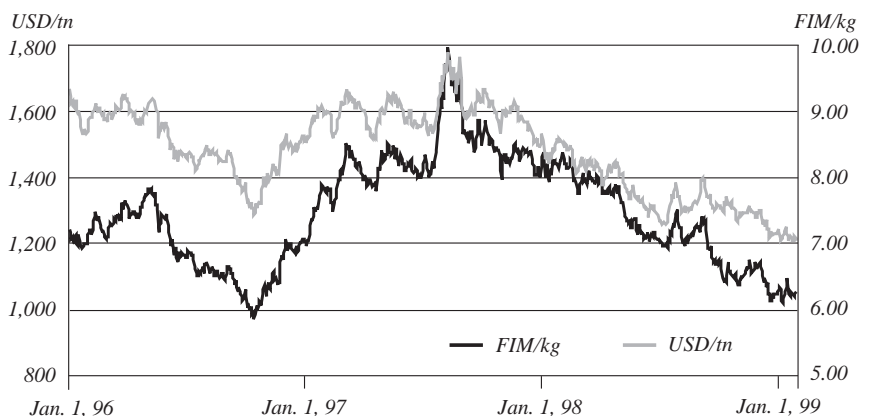
At world market price

The aluminium raw material is quoted daily on the world's derivative markets, the most important of which is the London Metal Exchange, LME. The price varies, depending on the demand, supply and inventories. Markka prices of aluminium dropped in 1998 because the LME aluminium quotation went down, and because of changes in the exchange rate between the US dollar and the markka. In January, the aluminium three-month LME quotation averaged USD 1,509/tonne (FIM 8,294/tonne), whereas in December the average was USD 1,259/tonne (FIM 6,340/tonne). In 1997, the trend had been exactly the opposite. The end-of-year aluminium price was quite low, even judged on a long-term basis, and on a par with break-even limit of Western primary aluminium producers.

Supply and demand should not cause any steep aluminium price fluctuations in the near future. Nevertheless, as a quoted metal, aluminium may attract short-term speculation, depending on overall economic developments and the yield expectations for alternative investments.

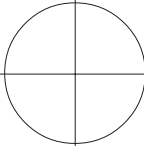
The purpose of Nordic Aluminium's active derivatives trading is to minimize the impact of changes in the world market price of aluminium and fluctuations of foreign exchange rates on earnings of the company and to provide for more competitiveness.

The market price of primary aluminium



Aluminium in brief - element no. 13

- Aluminium makes up 8 per cent of the earth's crust, making it the third most common element after oxygen (47 per cent) and silicon (28 per cent).
- Aluminium is the second most commonly used construction metal, after steel.
- Aluminium is only a third the weight of structural steel, though it is equally strong.
- Aluminium does not need any surface treatment, even when it is used in urban environments, industrial areas or by the seaside.
- Aluminium products are corrosion-resistant and thus, long-lasting.
- Aluminium is fully recyclable. Recycled material can be used for the same products as new aluminium, without losing any of its good qualities.

- 
- 95 per cent of the aluminium used in the car industry is recycled, and 85 per cent in the construction sector.
 - Aluminium products save energy because they are light and easily recyclable. Primary aluminium production, on the other hand, is very energy-intensive.
 - Aluminium recycling requires only 5 per cent of the energy needed for primary aluminium production.
 - World aluminium consumption totals about 20 million tonnes every year.
 - Aluminium has a specific weight of 2.7 kilos per cubic decimetre and melts at around +650° C.

Added value from aluminium

Aluminium has a number of unique properties which give products made of it cost-effective added value. They include lightness, good electrical and thermal conductivity, easy machinability and corrosion resistance. Moreover, aluminium is easy to work and even unfinished, its surface is extremely durable. Aluminium also lends itself to economic recycling.

Aluminium profiles and components based on them are used for an increasing number of applications - for example, in the electrical and electronics industries, transport equipment industry, engineering industry and construction. By combining the material's special properties and the shaping that can be achieved using profiling techniques and working, the company and its customers can work out product solutions that make the end products even more competitive and take the entire life cycle into account.

The electrical and electronics industries make increasing use of the good electrical and thermal conductivity of aluminium. Aluminium is an excellent protection material for fault-prone devices, especially in the telecommunications industry, which uses radio frequencies. Customers of the transport equipment industry, on the other hand, can benefit from the lightness, strength and corrosion resistance of the material. Especially in utility vehicles, where the costs of the product's entire life-cycle are taken into account when an investment decision is made, aluminium has been gaining ground rapidly. The engineering industry can make itself more competitive by exploiting aluminium and its workability and strength/weight ratio. Using profiling techniques, it is possible to find solutions where the working costs are only a fraction of those of products or parts made of other materials. The construction industry is a keen user of aluminium because of the material's excellent strength/weight ratio and durability and the multitude of surface treatment options.

Nordic Aluminium's comprehensive processing chain

Nordic Aluminium has the most extensive production facilities in its field in Finland, in one logistic entity. Production was first launched by the company's predecessor in 1962, and a unique production process has since been developed, stretching from aluminium ingots to advanced finished products. The processing chain comprises a billet cast house, three profile extrusion lines, an anodising plant, a powder coating plant, component manufacture and the manufacture of electrotechnical systems. The Nordic Aluminium Quality Management System has been granted an ISO 9001 quality certificate by Lloyd's Register Quality Assurance Ltd.

The aluminium profiles are extruded through dies in extrusion presses to form products tailored to customer specifications. The profiles are then delivered to customers as ordered, often as advanced components, or processed further into electrotechnical products on the company's own product lines. The electrotechnical products are sold to end users through wholesalers and industry. Architects and electrical designers play an important role in the discovery of product innovations and new product applications.

Nordic Aluminium's most advanced products form branded product families which are often integrated into the customer's system deliveries. During this process, customer relationships develop into long-term partnerships.

Profiles Business Area



Profiles, MFIM	1998	1997	Change
Sales	261.4	256.9	4.5
./. Internal invoicing	48.0	43.7	
Net sales	213.4	213.2	0.2
Operating profit	2.3	11.2	-8.9

Base station bays for directing Nokia GSM 1800 network antennas are made by the Nordic Aluminium Components Product Area in Kirkkonummi. The bay is a good example of the growing demand for complete product entities ordered directly from competent professionals.



Three men with high profiles (from left to right): Aimo Kankare, Manager, Components Product Area, Tuomo Airaksinen, General Manager, Profiles Business Area, and Anders Åström, Manager, marketing and sales of Customer Profiles and Building Systems.



Kiasma, the Museum of Contemporary Art in Helsinki, was completed in 1998. Its elegant reflective walls are clad with aluminium, a modern and dynamic material. Building system profiles supplied by Nordic Aluminium form part of Kiasma's facade.

Solid know-how in aluminium technology

The Profiles Business Area designs and produces aluminium profiles and processes them into components and building systems. It also supplies aluminium profiles as input material for Nordic Aluminium's Electrotechnical Products. The Business Area's success is based on in-depth know-how in aluminium profile technology and related customer support, and the ability to supply advanced aluminium profile products reliably. The products are manufactured to customers' orders. The Business Area manufactures its own extrusion dies. It comprises three Product Areas: Customer Profiles, Building Systems and Components.

Demand dropped at year end

In early 1998, demand for aluminium profiles was still on the same good level as at the end of 1997. The upsurge in domestic construction in 1997 also kept demand for aluminium profiles high throughout the winter, which is unusual. Demand on export markets, i.e. Sweden and Western Europe, remained high throughout the first four months of the year. The first signs of caution among customers appeared in early summer, and during the last four months of the year there was a major decline in demand, compared with the corresponding period the previous year. In Finland and Sweden, the most important export market, total demand for aluminium profiles remained at the previous year's level. In aluminium components, on the other hand, demand was more evenly distributed, and there was growth throughout the year. The only Profiles Business Area products in high demand in Russia are building systems, and as a result of recent developments there, exports stagnated.

Competition tougher

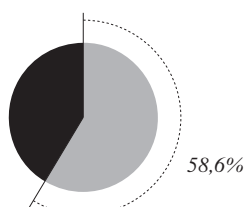
As demand slowed down towards the end of the year, domestic competition got tougher. Moreover, our Nordic competitors were showing growing interest in the Finnish market. The product prices followed raw material prices, and processing margins remained at the previous year's level. The competitive situation and the surplus capacity on neighbouring markets are putting pressure on processing margins.

Major fluctuation in volumes

The changing market situation also had an impact on sales in the Business Area. In the four first months of the year, they exceeded the previous year's level by a wide margin, in the second tertial, they were on the 1997 level, and in the last four months, there was a significant drop compared with the corresponding period in 1997. As demand for building profiles declined, domestic sales fell slightly. Export sales grew 14 per cent on the previous year's levels.

Net sales in the Profiles Business Area totalled FIM 213.4 million (1997: FIM 213.2 million). The sales, including internal sales, an indication of operating volumes, reached FIM 261.4 million. Operating profit dropped to FIM 2.3 million, from the previous year's FIM 11.2 million. The difference is explained by increased exports, though with a low profit margin and cyclical fluctuations in raw material prices. The impact of hedging during the period of declining prices in 1998 was reflected in raw material prices, while the rising trend during the previous year brought savings. Moreover, volumes during the last four months of the year failed to reach the 1997 levels. In early 1999, volumes rose back to normal seasonal levels.

Share of consolidated sales, 1998





Aluminium building systems have been supplied for the different construction stages of the Helsinki-Vantaa Airport for thirty years now. Passengers hurrying through the terminal are lit along their way by our lighting track systems.

Markka prices of aluminium fell sharply during 1998 as the material's LME quotation went down. The trend was aggravated by the simultaneous change in the exchange rate between the markka and the US dollar. In January, the aluminium three-month forward rate was USD 1,509/tonne (FIM 8,294/tonne) and in December it had reached USD 1,259/tonne (FIM 6,340/tonne). The trend had been exactly the opposite in 1997. At the end of 1998, the price of aluminium was quite low, even judged on a long-term basis, and was approaching the break-even limit of Western primary aluminium producers. Supply and demand should not cause any steep price fluctuations in the near future. Nevertheless, as a quoted metal, aluminium may be attractive as a short-term speculation, depending on overall economic developments and the yield expectations for alternative investments.

Profiles tailored to customer needs

Nordic Aluminium is the Finnish market leader in aluminium profiles. The Customer Profiles Product Area designs, manufactures and supplies aluminium profiles tailored to customer needs. It also assists customers in product design and development. Its operations are based on know-how in aluminium profile technology, including mastering of aluminium properties, profile design, profile manufacture, surface treatment methods and production logistics. Profiles are supplied untreated or processed (anodised, painted or cut to specific size), according to customers' needs.

The electrical and electronic industries and the manufacture of transport equipment, three of Nordic Aluminium's customer sectors, continued to grow in both Finland and Sweden. In engineering industry with significant markets in the Far East, demand fell towards the year end but was in total on the previous year's level.

Expanding distribution network for building profiles

Demand for building profiles went down, especially towards the end of the year, and failed to reach the 1997 level. In April, Nordic Aluminium Plc and Onninen Ltd concluded a cooperation agreement on the sale, storage and distribution of building systems in Finland, the Baltic States and Russia. This agreement covers distribution also to Poland, a new market area for Nordic Aluminium.

More effective customer service

The company's delivery capability remained good throughout the year, and improvements in manufacturing logistics made customer deliveries more reliable. One of the stages of the extrusion line modernization was completed at the end of the year, providing the potential for more cost-effective production and higher-quality profiles. The extruding dies equipment modernization was also completed at year end, so the Business Area is now in a good position to exploit the advantages of its own die manufacture and can provide better and faster customer service.

The order backlog of an aluminium profile manufacturer is usually very short, and at the end of 1998 we had fewer orders than a year earlier. This reflects the wait-and-see position on the market and is in contrast to the keen demand a year earlier. The situation was also affected by a drop in raw material prices and shorter delivery times, a result of more efficient operations, and improved delivery capability.

Electrotechnical industry components

The Components Product Area processes aluminium profiles by working and assembling customer-specific components and incorporating them into customers' products. In the most important customer branches, product development and market introduction takes place at a rapid pace. Therefore, successful customer service requires continuous involvement in the customers' product development, and adequate and well-managed production capacity.

The electrical and electronic industries and manufacture of telecommunication equipment are the most important customers for component manufacture. They continued to grow in 1998, both in Finland and on export markets. Although production capacity for aluminium components in Finland has risen sharply, heavy demand has kept plants working at capacity.

The major operational change in 1998 concerned the concentration of sales, design and production into one unit, resulting in better customer service and shorter lead times for new products. Several new products and product generations designed in close cooperation with customers will have an impact on net sales in 1999.

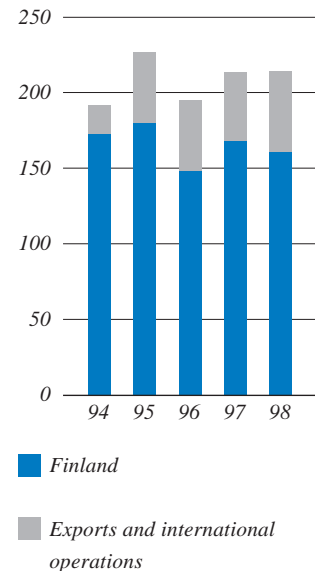
Heat sinks are products where the Components Product Area can make full use of its special know-how. Sales have gone up, as both existing and new customers are adopting this solution to new product generations.

Growth in our major customer branches is expected to continue in 1999. Working capacity was expanded and there will be more investment here. Production will be further automatized and capability expanded to supply customers with more advanced ready-to-assemble components.

Strategy results in more added value, exports and efficiency

The Profiles Business Area plans to boost its growth through increased exports and added value. Finland remains the most important market area. Profiles tailored to customers' needs are exported to other Nordic countries - especially Sweden - and to Western Europe and the Baltic States. Sweden and Germany are the main export markets for components and the Baltic States and Russia for building systems. The Business Area aims to gain more added value by processing profiles with surface treatment methods, and especially by increasing the percentage of components manufacture. Measures to improve cost-effectiveness have already been launched. Internal development programmes and investments are designed to raise productivity in the production units.

Profiles: External sales
1994 - 1998, MFIM



Of course, it's aluminium profile rims that make Helkama bicycle wheels go round.

Electrotechnical Products Business Area

Electrotechnical Products, MFIM	1998	1997	Change
Net sales	150.8	128.6	22.2
Operating profit	20.8	13.7	7.1



Office electrical wiring, data connections and telecommunications are all catered for by versatile and highly-adaptable DUCTEL poles. In the open-plan offices at Sanoma Corporation's new Sanoma House in Helsinki, to be completed in autumn 1999, power will be supplied discreetly from above to panels under each work station.





Setting the trend for the Electrotechnical Product Areas (from left to right): Jarmo Tomperi, Cable Ladders, Stig Winstén, Lighting Tracks and Matti Savolainen, Office Trunkings.



Lighting needs change from time to time and it is often difficult to determine the location of lighting fittings in advance. Flexible GLOBAL trac lighting tracks are used in museums, exhibition halls, department stores, schools and laboratories.

Mastering electrotechnology

The Electrotechnical Products Business Area's product systems are designed and assembled by Nordic Aluminium. They are supplied as customer products or as complete systems. The three Product Areas in the Business Area form branded product families incorporating well-known brands such as GLOBAL trac™ lighting tracks, DUCTEL® office trunking systems and SYSTEMAL™ cable ladder systems. The Business Area's main competitive advantage is its electrotechnical know-how based on a solid industrial history; this is evident in its advanced product innovations, comprehensive systems, customer orientation and high-quality products and operations.

Sales rose and exports boomed

Sales of both Lighting Tracks and Office Trunking systems rose. Sales of lighting tracks were spurred by exports, and an upsurge in renovation and new construction of commercial premises in Finnish growth centres boosted sales of office trunking systems. Net sales in the Business Area reached FIM 150.8 million (1997: FIM 128.6 million), an increase of 17.3 per cent. Operating profit grew from FIM 13.7 to 20.8 million. 1998 was a banner year for lighting tracks in more ways than one. The net sales went up profitably by 24 per cent, direct exports accounted for 71 per cent of net sales, and almost all of the lighting track systems, indirect sales included, went outside Finland. There was also a steady rise in domestic sales of office trunking systems throughout the year. Determined marketing efforts in Sweden and Norway bore fruit and exports to these countries went up. In Cable Ladders, net sales and deliveries reached the 1997 level, even though relatively few industrial plants were built on the main markets in Finland and German-speaking countries.

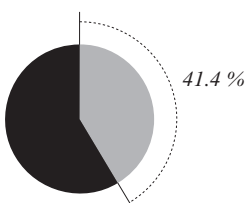
Vigorous product development

Nordic Aluminium developed a new single-circuit lighting track system in cooperation with Lithonia Lighting Inc, the leading North American manufacturer of lighting fittings. A new easy-to-install and user-friendly lighting adapter and technologically advanced GLOBAL control lighting track system were presented at the Hanover trade fair in spring. In the latter system, the three-circuit lighting track comes with separate control circuits, which can individually control each lighting fitting attached to the track. In office trunking systems, development work on the new JOKA office trunking system was completed. The system, which has been designed specifically for the tough Finnish market, was launched in early 1999. Updating of the SYSTEMAL cable ladder product range was nearing completion, and the entire product family will be relaunched in early April. Nordic Aluminium uses trademarks, registered designs and patents to actively protect the result of its innovation and product development. In 1998, the company obtained four patents.

A record year for lighting tracks

Although competition on export markets got tougher in 1998, sales of lighting tracks boomed. They attracted new customers on both new and existing markets, and existing customers increased their purchases. The exports to Holland doubled and the lighting track system to Italy went up by 52 per cent compared to the previous year. Direct exports accounted for 71 per cent of net sales, and almost all lighting track systems, including indirect sales, went abroad. The estimated market share in Europe

Share of consolidated sales, 1998





We provide universal light on a global scale. The GLOBAL base single circuit lighting track system has been designed in cooperation with the British company Thorn Lighting. The system was introduced in early 1998 and has been favourably received, especially in Britain and France.

has risen to 40 per cent, thus strengthening Nordic Aluminium's position as a clear market leader. The net sales of the Product Area rose by 24 per cent and profits even more compared to the year before.

Tracks were supplied for several projects, such as a museum on Suomenlinna of Helsinki, renovated to honour the jubilee year of this coastal fortress, a number of French museums, such as Chateau d'Angers, the Carréfour and C&A department store chains, and new airport facilities in Helsinki, Copenhagen and Oslo.

In Lighting Tracks, 1998 was marked by vigorous product development. A new single-circuit lighting track was developed for Lithonia Lighting Inc, a leading North American manufacturer of lighting fittings. Deliveries will start early this year and will be an important addition to the lighting track sales. The new system will also ensure us a foothold on the North American market. The new easy-to-install and user-friendly MULTI-adapter for light fittings was presented at the Hanover trade fair in spring and went into production in autumn 1998. The advanced GLOBAL control lighting track system of the future was also on show in Hanover. The system incorporates separate control circuits for LON or DMX signals, which can individually control the lighting fittings attached to the track. In addition to light control, this new system will eventually be able to carry other signals, too, such as HEPAC information, which can be controlled, say, with a computer.

1999 will see continuous investment in product development and automatization of production. Attention will also focus on logistical cooperation with suppliers and key customers. These measures and the new lighting track products launched in 1998 have significant growth potential.

DUCTEL trunking systems in a growing number of offices

Sales of office trunking systems grew by 29 per cent compared with the previous year. The upsurge in new construction and renovation of office premises in Finnish growth centres pushed the demand for trunking systems to high levels early in 1998, and growth was sustained throughout the year.

The most important projects included trunking system deliveries for Tieto Corporations Oyj in Espoo, the Lasipalatsi building in Helsinki, the fifth stage of the Tampere Technology Centre Hermia and the main building of the University of



*A bridge or a tunnel?
After more than a century of wrangling, a combined bridge and tunnel between Denmark and Sweden is nearing completion. The eight-kilometre long connection across the Sound is to be opened in spring 2000. We supply 50 kilometres of SYSTEMAL cable ladders for the project. Made of aluminium, they are corrosion-resistant and thus able to withstand the impact of the punishing marine climate. The central pylons are over 200 metres high.*

Oulu. Determined marketing efforts in Sweden and Norway bore fruit and sales to these areas rose markedly compared with the previous year. In both countries, Nordic Aluminium has achieved a solid market share in office trunking systems made of aluminium. Exports to Russia got off to a good start but the economic crisis started in August had a negative impact on end-of-year sales. Thus, the overall volume of deliveries did not quite reach the previous year's level.

DUCTEL poles, involving comprehensive system know-how and vigorous product development, incorporate solutions tailored to customer demands. Thus, the system meets electrical and telecommunications needs in a growing number of open-plan offices. They include the Helsinki University of Technology IT building in Espoo and KOY Westport in Helsinki. Technical customer service plays a major role in comprehensive system deliveries. Improvements in the field and ensuring reliable deliveries are the major future challenges. New JOKA office trunking systems, intended for the tough Finnish market, were launched in early 1999.

Although the construction of business premises is slowing down in all major markets, we believe that our well-established DUCTEL office trunkings and the new JOKA system will keep us busy.

Tough competition in cable ladders

Sales by the Cable Ladders Product Area reached the levels of 1997. As in the previous year, the domestic situation was characterized by a boom in the construction of business premises and relatively few starts on industrial facilities. Price competition remained tough. Nordic Aluminium is the market leader in Finland in aluminium cable ladders, and was able to raise its share during 1998. In the export sector, the year began quietly. The deepening crisis in Asia and predictions that it would spread to other parts of the world delayed deliveries of industrial projects, and affected the sales, especially early in the year. The economic collapse in Russia added to the global uncertainty. Nevertheless, brisk autumn demand helped the Product Area's export sales and volumes to reach the 1997 levels.

The most important deliveries in Finland were the middle terminal at Helsinki-Vantaa Airport and the HTV premises project of Nokia Telecommunications in Tampere. The most important export project was the start of deliveries for the bridge spanning the Sound between Denmark and Sweden. These deliveries, eventually totaling 50 kilometres, will continue until early 2000. There were also major deliveries to paper mills in China and Indonesia.

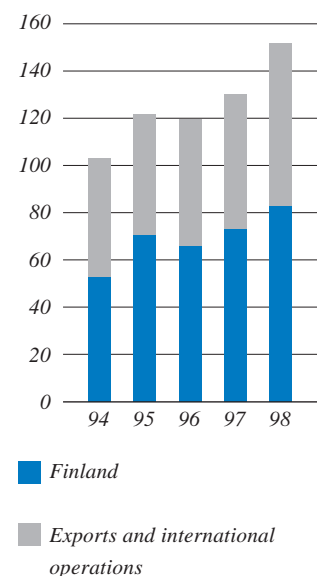
The most important development measures in the Cable Ladders Product Area concerned the reorganization of its operations and ways of making them more cost-effective. The reorganized Product Area can now respond flexibly to development challenges. An improved order-delivery process and data processing solutions covering production will make internal operations more cost-effective. Updating of the SYSTEMAL product range entered its final stage, and special solutions were tailored for projects and new export sales representatives. All these measures had a positive impact on performance, reliability of deliveries and customer service.

In 1999, growth in the construction of business premises in Finland will probably slow down and competition in the field will get tougher. On the other hand, the construction of industrial premises is likely to pick up. The cooperation contracts concluded in 1998 are expected to result in new exports, despite an uncertain economic outlook. As in 1998, the focus will be on improved cost-effectiveness and customer service, which will involve continued reorganization of operations and major production investments.



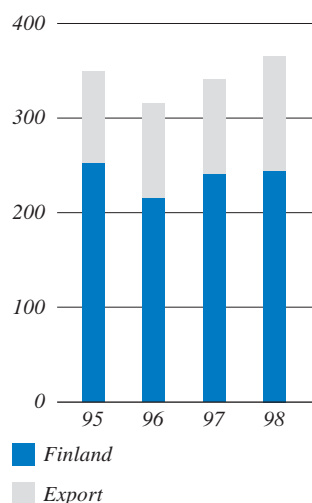
The revamped SYSTEMAL product family will be launched in April 1999. The modular system is both flexible and versatile and caters for all cabling needs.

Electrotechnical Products: External sales 1994 - 1998, MFIM

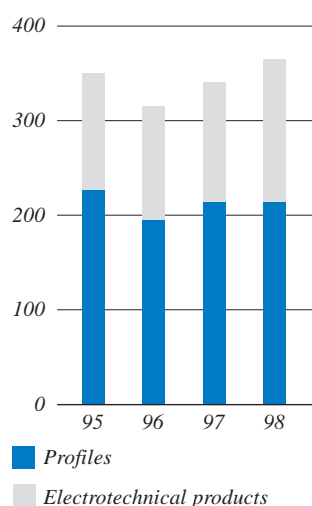


Report of the Board of Directors January 1 - December 31, 1998

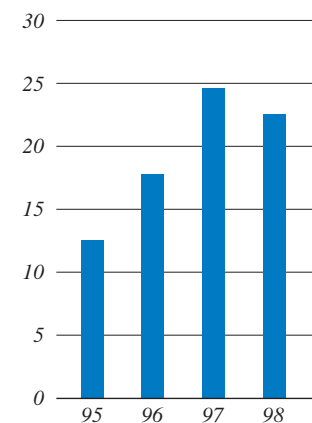
Net sales, MFIM



Sales by business areas, MFIM



Profit before extraordinary items, MFIM



The year in brief

The net sales of the Nordic Aluminium Group grew in 1998. Tough competition and cost escalation reduced margins particularly in the lower value added product segments. The growing share of higher value added products in the product range and the successes scored on export markets, however, contributed to a satisfactory overall result. The net profit for the period grew to FIM 16.1 million (1997: FIM 14.9 million) and solvency improved. At the end of the fiscal year equity ratio stood at 47.6 %.

Fluctuating demand

In the beginning of 1998 demand for Nordic Aluminium's aluminium profiles held up on the good year end level of 1997. The growing volume of domestic construction was evident in the demand for aluminium profiles all through the winter season. Demand on export markets, Sweden and Western Europe, was also good during the first third of the year. Signs of growing hesitation in ordering became apparent in early summer. Orders had very short lead-times which on the one hand meant peaks in deliveries but on the other hand also a reduced longer term order backlog. During the last third of the year demand from domestic profile customers was significantly lower than in the same period of the previous year. In the final analysis the total Nordic demand for aluminium profiles in 1998 reached on the level of the year before. The growth in demand for aluminium components on the other hand was more stable and growth was even throughout the whole year. Sales grew particularly on export markets.

As to Electrotechnical Products the sales of lighting tracks and office trunkings grew. The growth of the lighting track sector was due to exports. Office trunkings growth was boosted by the strong newbuilding and refurbishment activity in business facilities which took place in domestic regional growth areas. The success of Nordic Aluminium's product areas reflected in a clear growth of sales despite the effect that the declining aluminium price trend had on the prices of end products. The price effect of the raw material was smaller in the higher value added segments of electrotechnical products than it was in the case of profiles with a lower value added.

On April 16 a significant agreement was announced regarding cooperation between Nordic Aluminium and the leading North American manufacturer of lighting fixtures, Lithonia Lighting Inc. The agreement provides Nordic Aluminium with a strong foothold on the North American market and it is expected to boost the current volume of lighting track shipments by around 50 % in the next three years.

Group structure and organisation

The Nordic Aluminium Group comprises the parent company Nordic Aluminium Plc of Helsinki and its subsidiary Nordic Aluprofil AB in Stockholm. The subsidiary acts as a sales company for Nordic Aluminium in Sweden. There were no changes in the corporate structure during the year. Both Nordic Aluminium's Business Areas, Profiles and Electrotechnical Products, consist of three product areas. In Profiles they are Customer Profiles, Building Systems and Components. The three product areas of Electrotechnical Products are Lighting Tracks, Office Trunkings and Cable Ladders. The Swedish subsidiary Nordic Aluprofil AB is part of the Profiles Business Area. Nordic Aluminium's production and other activities are based in the Kirkkonummi factory.

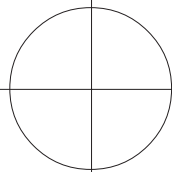
The Euro

Nordic Aluminium Plc presents its financial accounts for 1998 in FIM-denomination. The Group's home and reporting currency continues to be FIM in 1999. In its business activities the Group is prepared to make use of the euro.

Net sales

The net sales of Nordic Aluminium in 1998 were FIM 364.2 million (1997: 341.8 million). Growth on the previous year was 7 %. The share of exports continued to grow and now came to 33 % (1997: 30 %). The higher value added products accounted for 53 % of net sales. The corresponding share in 1997 was 50 %. The turbulence on the Russian market had no material influence on the net sales or profits of Nordic Aluminium.

The net sales by the Profiles Business Area were FIM 213.4 million, i.e. on the level of the previous year. The total invoicing of this Business Area was FIM 261.4 million which includes internal invoicing. Thanks to the strong growth of the Electrotechnical Products Business Area this figure is bigger than that of the year before. As market demand fell towards the end of the year domestic competition also tough-



ened. There were signs of a growing interest among Nordic competitors for the Finnish market. Exports by the Profiles Business Area grew by 14 % on the year before.

The net sales by the Electrotechnical Products Business Area were FIM 150.8 million (1997: 128.6 million). Growth on the previous year was 17 %. For the Lighting tracks product area the year 1998 was a record year by several parameters. Net sales grew profitably by 24 %. Direct exports accounted for 71 % of net sales and when indirect exports are taken into account the lighting track production is almost entirely export oriented. The domestic sales of office trunkings also grew clearly and growth was evenly spread over full year. Dedicated investments in marketing in Sweden and Norway yielded results and exports grew. Despite the low level of industrial construction the net sales of the cable ladders and the volume of shipments stayed roughly on the level of the year before. Domestic markets were influenced by strong price competition from alternative materials for cable ladders just as in the year before. This was countered by developing internal efficiency.

Results

The operating profit of Nordic Aluminium in 1998 was FIM 23.1 million (1997: 24.9 million). Despite the clear growth in net sales the tough competitive situation reduced the share of operating profit of sales from 7.3 % of the year before to 6.4 %. This was mainly due to the Profiles Business Area where operating profit declined from FIM 11.2 million to FIM 2.3 million. Operating profit by the Electrotechnical Products Business Area grew from FIM 13.7 million to FIM 20.8 million.

Nordic Aluminium's consolidated net sales and operating profit by Business Area are presented in the tables beside.

The reduction in operating profit of the Profiles Business Area was due to the growth in lower margin exports and the modest volume increase during the end of the year. The declining trend in the world market price for aluminium also affected profits. The raw material costs of Nordic Aluminium were higher than the year before which was mainly due to the timing of aluminium and currency derivatives contracts. At the same time customer prices were adjusted to reflect the lower world market price for aluminium. On the other hand in 1997 the raw material costs of the Group grew more slowly than the world market price increased. The objective of the active derivatives trading upheld by Nordic Aluminium is to stabilise the long range profit level and reduce the impact of temporary, short range price fluctuations on results.

The growth in the net sales and operating profit of the Electrotechnical Products Business Area was due to the significant growth in sales of lighting track systems to old as well as new customers. Thanks to cost efficiency the profit development of cable management systems was positive as well. The share of new products in the overall growth of the Business Area was significant.

There were no major changes in the cost structure of the Group during 1998. The reduced margins on lower value added products in tough price competition and the increase in fixed costs reduced the operating profit. Profits after financial items now came to FIM 22.4 million when the corresponding figure of the year before was FIM 24.4 million. As there were no extraordinary expenses in 1998 (in 1997 FIM 3.5 million) profit before taxes grew from last year's FIM 20.9 million to FIM 22.4 million. Net profit for the fiscal year grew to FIM 16.1 million (1997: FIM 14.9 million).

Net sales per employee have grown steadily in Nordic Aluminium over the last three years. This ratio was now FIM 0.95 million. At the year end 1997 it was FIM 0.93 million and the year before FIM 0.85 million.

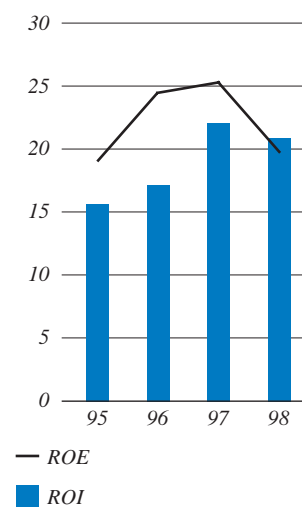
Profitability

Net profit per share was FIM 3.48 (1997: FIM 3.28). Nordic Aluminium's return on equity (ROE) for 1998 was 19.8 % (1997: 25.1 %). Return on capital invested (ROI) was 20.7 % (22.1 %).

Financial structure and balance sheet

Nordic Aluminium's net financial expenses in 1998 were FIM 0.8 million, i.e. 0.2 % of net sales. At the end of 1998 gearing in the Nordic Aluminium Group was 6.8 %. At the corresponding time last year it was 17.5 %. Equity ratio at the end of the fiscal year stood at 47.6 % whereas the corresponding figure a year earlier was 41.0 %. Interest bearing debt at the end of 1998 was FIM 34.4 million. The corresponding amount at the end of the previous year was FIM 42.1 million.

ROE and ROI, %



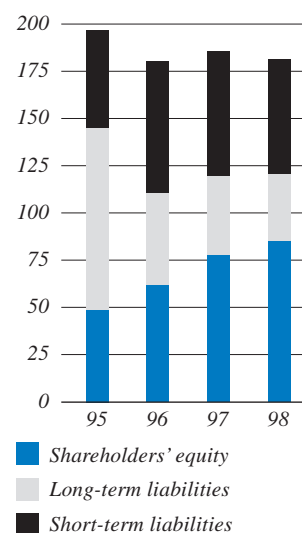
Net sales, MFIM

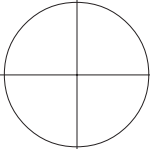
	1998	1997	Change,%
Profiles	261.4	256.9	1.8
Electrotechnical Products	150.8	128.6	17.3
Internal invoicing	-48.0	-43.7	
Total	364.2	341.8	6.6

Operating profit, MFIM

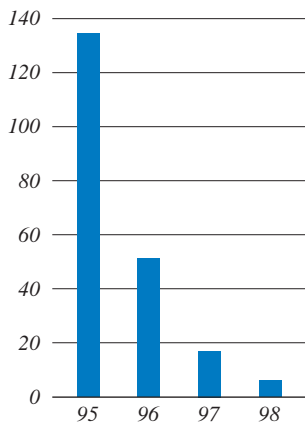
	1998	1997	Change,%
Profiles	2.3	11.2	-79.5
Electrotechnical Products	20.8	13.7	51.8
Total	23.1	24.9	-7.2

Balance sheet, MFIM

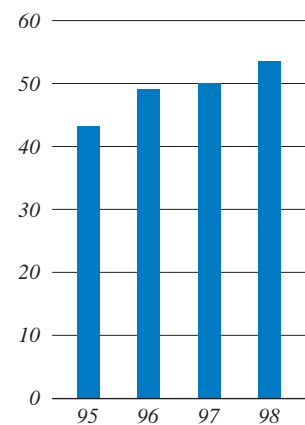




Gearing, %

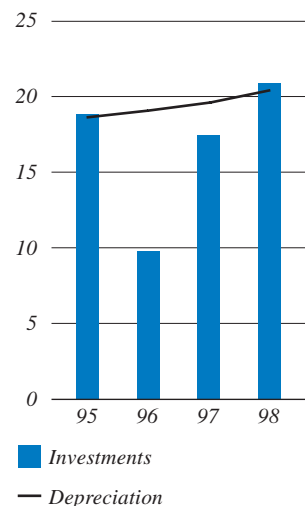


Share of high value added products, %^{*)}



^{*)} share of net sales.

Investments and depreciation, MFIM



The consolidated balance sheet total at the end of the year was FIM 180.2 million. At the end of the previous year it was FIM 186.9 million.

Liquidity was good throughout the year. Current ratio was 1.5 as compared with 1.4 the year before.

Order backlog

The order backlog, which is usually very short in the aluminium products industry, was FIM 21.2 million at the end of 1998. A year earlier it was FIM 26.8 million. The reduction reflects the hesitancy of the market. The backlog was also reduced by the lower prices on raw materials and the shorter through-put times and improved delivery potential of the company.

Research and development

Nordic Aluminium's R & D expenditures in 1998 were FIM 8.2 million (1997: FIM 7.4 million) and came to 2.2 % of net sales.

Profile technology continued to be in the focus of development efforts within the Profiles Business Area. The objective of this development work, which takes place in close association with customers, is to help improve the competitiveness of the end-products. In the components area development work on the heat sinks continued with the aim of boosting the cooling effect per dimension for this product which serves the needs of electrical and electrotechnical industries. In building systems new glazing facade solutions were developed in which the glass is glued to aluminium profiles and additional fastening profiles become unnecessary. There is a strong trend towards this type of surface architecture on exteriors of buildings.

The lighting tracks product area developed a new single circuit lighting track system in co-operation with North America's leading lighting fixtures manufacturer Lithonia Lighting inc. At the Hanover Fair in the spring of 1998 a new multi-adapter product for lighting fixtures was introduced. This product is developed with special emphasis on easiness in use and installation. The new GLOBAL control lighting track system, which represents novel technology, was also launched at the Hanover Fair. In this system individual control circuits have been introduced in a 3-circuit track to enable the fixtures attached to the track to be individually controlled.

In office trunking systems the development work on the JOKA trunking system was brought to completion. This product was launched in early 1999 and it has been designed with special view to the current competitive climate. In cable ladders the development work on the SYSTEMAL ladder family system was taken into its final stages.

Investments

In 1998 total capital expenditures came to FIM 20.8 million, which equals 5.7 % of net sales (1997: FIM 17.5 million, 5.1 %). The main investment items during the year were the procurements related to the modernisation of the presses, a program, which makes the after treatment of profiles upon extrusion more efficient. In addition investments were made in the manufacturing of extrusion dies. In this way the advantages available from Nordic Aluminium's own die production will improve the competitive position through faster customer service. In the components product area investments were made into new machining capacity. The new production line for the Lithonia Lighting 1-circuit track and tooling for their plastic and metal components underwent trial runs in connection with the pilot shipments. The deliveries of the new products will commence in the beginning of 1999 and the state of production readiness was rated good. The 1998 investments were financed without the use of external funds.

Authorizations

The Board of Directors has no valid authority to raise the share capital and/or to issue warrant bonds or convertible bonds.

Warrant bonds

The Shareholders' Meeting on April 2, 1998 decided to issue a warrant bond to the personnel of Nordic Aluminium Plc and its subsidiary Nordic Aluprofiler AB. The loan amount was FIM 300,000 and the subscription period May 11-29, 1998. A total of 300,000 warrants were attached to the bonds. Each warrant entitles to the subscription of one company share at a price of FIM 65.00. The shares may be subscribed in stages commencing May 1, 1999, May 1, 2000, May 1, 2001 and May 1, 2002. All subscriptions end on May 30, 2006 and may raise the share capital by a maximum of FIM 2.25 million that equals 6.1 % of the shares and the voting rights of the company.

At its meeting on August 12, 1998 the Board approved the allocation of the full capital of the warrant bond of FIM 300,000 and noted that the capital was in the company's possession. A total of 105 employees subscribed the loan which equals 27 % of personnel. The management subscribed the loan in total with FIM 25,000.

Ownership

At the end of 1998 Nordic Aluminium Plc had 809 shareholders. The share capital at the end of the year was FIM 34.6 million and the total number of shares 4,616,132. The market capitalization of the company was FIM 125.9 million at the end of 1998. The share price was on a declining trend during the year and the average quotation on the last trading day was FIM 27.28 (1997: FIM 42.08). At the end of the year equity per share was FIM 18.56 (1997: 16.60).

At the end of 1998 the managing director and members of the board and the companies controlled by them owned 1,666,740 shares of the company. This equals to 36.1 % of the voting rights and share capital of the company.

At the end of 1998 nominee-registered shareholders held 6.6 % of the share capital.

Ownership changes

During the year the company communicated some significant changes in ownership.

On February 5 the company announced that it had received information that the ownership of Henderson Investors Limited and funds administered by that company had fallen below the 10 % limit and at that time stood at 9.94 %.

On February 13 the company communicated that it had received information that Stig Lival-Lindström and Oy Lival Ab, controlled by him, held a total of over 10 % of the company's shares and votes and that the combined ownership was 10.6 %.

On February 27 the company received information that Veikko Laine Ltd's ownership had exceeded the 10 % limit and that 10.58 % of the company's shares and votes were held at that time.

Personnel

The average number of personnel in 1998 was 383 (1997: 368). At the end of the year the Nordic Aluminium Group had a total personnel of 372 (1997: 368). The corresponding numbers in the parent company were on average 379 (1997: 363) and at the end of the year 367 (1997: 364).

Nordic Aluminium and its personnel have jointly defined the basic skills that each employee should master in order for the organisation to be able to live up to the company's strategies and values. The emphasis in training is on comprehension of the entity of the business and on information technology. Quality and language abilities are also among central educational areas. The project work undertaken to facilitate job capability has been active. During the year the process for personnel development was made more systematic in a personnel-oriented approach. A clear framework for personnel development was created within the firm.

Annual General Meeting

The Annual General Meeting of Nordic Aluminium Plc on April 2, 1998 adopted the financial statements and the Board's proposal for the allocation of profits, discharged those accountable from responsibility, elected the Board Members and approved of the changes in the company's articles of association including the new name form for the company Nordic Aluminium Plc (Finnish: Nordic Aluminium Oyj).

According to the Board's proposal the dividend for 1997 was declared to be FIM 1.50 per share for a total dividend payment of FIM 6,924,198.

The Annual General Meeting elected Henrik Eklund, Tapio Hintikka, Antti Lagerroos, Pertti Laine, Stig Lival-Lindström and Pentti Ranta-aho Members of the Board. At its meeting on April 15, 1998 the Board elected Tapio Hintikka Chairman.

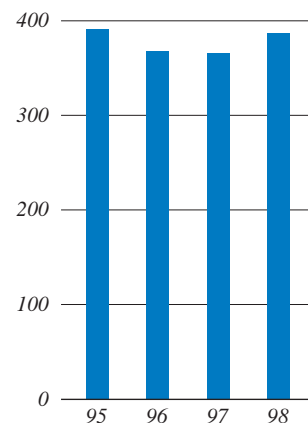
The company's Managing Director is Kari Blomberg.

The Annual General Meeting nominated Tilintarkastajien Oy Ernst & Young auditors for the Group. The auditors are Kristian Hallbäck, C.A. and Harri Pärssinen, C.A.

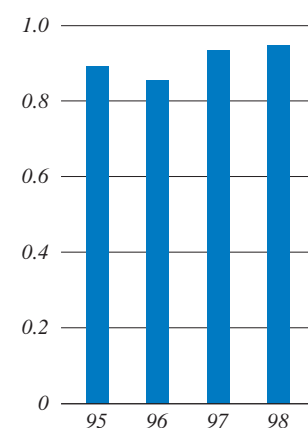
Corporate governance

The election and duties of the Nordic Aluminium Plc Board Members and Managing Director conform with the statutes of the Companies Act and the company's articles of association. The Board Members have no specific areas of responsibility outside of that. The Board elected by the Annual General Meeting is presented on page 41 of the Annual Report.

Personnel, average



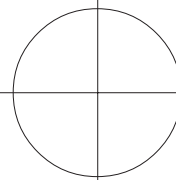
Net sales/employee, MFIM



Nordic Aluminium personnel, year end:

	1998	1997	Change
Profiles	265	262	+3
Electrotechnical Products	81	79	+2
Other	26	27	-1
Total	372	368	+4

At the end of the year 5 people were employed by the Group outside Finland.



Dividend policy

The company pursues a dividend policy which reflects its profit development. The Board's dividend proposal for 1998 FIM 1.50 per share (1997: FIM 1.50) represents a dividend ratio of 43 % (1997: 39 %).

Environmental issues

The Nordic Aluminium Group operates in the center of the aluminium processing chain. The input is in the form of imported aluminium ingots. In Nordic Aluminium's phase of the process aluminium is an environmentally friendly and safe material. Aluminium may be 100 % recycled and in the process it does not lose any of its good properties. In Europe around 95 % is currently recycled within the automobile industry and 85 % within the construction industry. All aluminium scrap which results from Nordic Aluminium's own process is recycled mainly in company's own foundry. Nordic Aluminium actively promotes productive use and environmental care for the aluminium material in Finland as a member of the Aluminium industry sector of the Federation of Finnish Metal, Engineering and Electrotechnical Industries Association (FIMET).

Training in environmental issues continued within the Group in accordance with the principles adopted earlier. According to its environmental policy the Group shows due care for the environment in all its activities. The environmental responsibility covers external as well as internal factors. Occupational health and safety are part of the environmental policy adopted by the Board.

Legal issues

Nordic Aluminium has no pending legal processes nor has the Board any awareness of legal risks which would affect the operating results of the Group.

The year 2000 and information technology

Nordic Aluminium Plc has made adequate preparations for potential IT-problems due to the year 2000 by auditing its operational and administrative information systems. Based on this audit a plan has been established for the necessary action to be undertaken and which will be completed within the first half of 1999. The updating of information systems are estimated to lead in total expenses of FIM 2.5 million and they will be spread over several years. An amount of FIM 0.5 million of this expenditure was charged to income in 1998. Some expenses will materialize in the form of procurements that would in any event be part of normal updating investments in the Group's information systems. The year 2000 causes them to be speeded up. Inquiries undertaken among the key business partners of the Group indicate that the communication connections between the Group and its partners do not include any system risks in view of the year 2000. The overall investment in information equipment and systems is material and the financial consequences have been included in the budgets and estimates as well as forecasts prepared.

Future prospects

Despite the prevailing volatile and fragmented market situation the management believes, that the operative result during 1999 remains at least on last year's level. In key positions are the investments aiming to raise the level of value added and productivity and ongoing cost reductions as well as the good control of the entire manufacturing chain.

The demand patterns within the customer categories of Nordic Aluminium vary from the strong growth of electrotechnical industry to the contracting demand within business construction. In the beginning of 1999 the domestic demand for aluminium profiles is somewhat lower than that of a year ago. Growth in domestic demand is predicted to be modest and competition will increase as a result of new aluminium profile production capacity coming on stream in Northern countries. Nordic Aluminium and the Profiles Business Area in particular continue the ongoing dedicated work in order to raise the level of value added and the share of such products in the total product range. Competitive positions are strengthened by the long-range partnership agreements concluded with customers. Even if general economic uncertainty prevails on the key European export markets, the growth of sales in the high-value added lighting track segment is expected to continue well into 1999.

Nordic Aluminium Consolidated

INCOME STATEMENT (1,000 FIM)

	1.1. - 31.12.1998	1.1. - 31.12.1997	Note
Net sales	364,232	341,797	4
Incr. (+) or decr. (-) of finished goods and of work in progress	-2,748	3,435	
Other operating income	1,646	1,483	
Operating expenses and depreciation			
Raw materials and consumables			
Purchases during the financial period	151,438	141,322	
Incr. (-) or decr. (+) of inventories	418	-840	
External services	21,556	19,142	5
Personnel expenses			
Wages, salaries and emoluments	65,780	64,457	6
Social security expenses	21,368	21,413	6
Depreciation and reductions			
Depreciation according to plan	20,361	19,480	7
Other operating expenses	59,077	56,835	
Operating expenses and depreciation total	339,998	321,810	
Operating profit	23,133	24,906	
Financial income and expenses			
Other interest and financial income	1,548	2,007	
Interest and other financial expenses	-2,322	-2,519	
Financial income and expenses total	-773	-512	
Profit before extraordinary items	22,360	24,394	
Extraordinary items			
Extraordinary expenses	0	-3,466	
Profit before taxes	22,360	20,928	
Income taxes	-5,307	-4,180	
Change in deferred tax	-988	-1,868	
NET PROFIT FOR THE PERIOD	16,065	14,880	

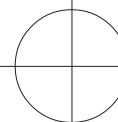
Nordic Aluminium Consolidated

BALANCE SHEET (1,000 FIM)			
	31.12.1998	31.12.1997	Note
ASSETS			
Non-current assets			
Intangible assets			
Intangible rights	1,171	1,551	8
Other long-term expenditures	2	18	8
Advance payments	0	278	8
	1,173	1,847	
Tangible assets			
Machinery and equipment	81,793	82,023	9
Other tangible assets	1,436	1,523	9
Construction in progress	8,757	7,348	9
	91,986	90,894	
Investments			
Other shares and holdings	80	80	10, 11
	80	80	
Current assets			
Stocks			
Raw materials and supplies	3,208	3,625	
Work in progress	9,974	13,444	
Finished products	10,436	9,714	
	23,618	26,783	
Receivables			
Debtors			
Accounts receivable	32,206	34,813	
Loans receivable	77	59	
Other receivables	201	1,055	
Deferred expenses and accrued income	2,234	2,631	
	34,718	38,558	
Cash in hand and at banks	28,623	28,724	
TOTAL ASSETS	180,199	186,885	

BALANCE SHEET (1,000 FIM)

	31.12.1998	31.12.1997	Note
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	34,621	34,621	13
Reserve fund	12,763	12,763	13
Retained earnings	22,319	14,350	13
Translation difference	-71	13	13
Net profit for the year	16,065	14,880	13
Shareholders' equity total	85,697	76,628	
Liabilities			
Long-term liabilities			
Loans from financial institutions	26,741	34,444	16
Other long-term loans	300	0	15
Deferred tax liability	8,023	7,036	14
	35,064	41,480	
Short-term liabilities			
Accounts payable	27,549	30,925	
Other short-term liabilities	7,833	7,722	
Accrued expenses and deferred income	24,056	30,131	
	59,438	68,778	
Liabilities total	94,502	110,258	
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	180,199	186,885	

Nordic Aluminium Consolidated



CASHFLOW STATEMENTS (1,000 FIM)

	Consolidated 1998	Consolidated 1997	Parent Company 1998	Parent Company 1997
OPERATIONS				
Income financing				
Operating profit	23,133	24,906	23,033	25,520
Depreciation	20,361	19,480	20,350	19,464
Financial income and expenses	-773	-512	-864	-647
Extraordinary income and expenses	0	-3,466	0	-3,466
Current taxes	-5,307	-4,180	-5,307	-4,180
Change in deferred tax	-988	-1,868	0	0
	36,426	34,361	37,211	36,691
Change in net working capital				
Inventories, increase (-)/decrease (+)	3,165	-4,275	3,165	-4,275
Short-term trade receivables, increase (-)/decrease (+)	3,003	-6,730	2,317	-4,239
Short-term non-interest bearing liabilities, increase (+)/decrease (-)	-9,451	11,425	-8,647	11,181
	-3,282	420	-3,165	2,667
Cash flow from operations	33,143	34,781	34,046	39,358
INVESTMENTS				
Investments in fixed assets	-20,779	-17,513	-20,780	-17,513
Cash flow before financing	12,364	17,267	13,266	21,845
FINANCING				
Short-term receivables, increase (-)/decrease (+)	836	-892	859	-892
Short-term liabilities, increase (+)/decrease (-)	111	-12,907	111	-12,907
Long-term loans, increase (+)/decrease (-)	-6,416	-6,236	-7,404	-8,104
Share capital, increase (+)/decrease (-)	0	3,181	0	3,181
Reserve fund, increase (+)/decrease (-)	0	2,288	0	2,288
Dividends	-6,924	-5,406	-6,924	-5,406
	-12,393	-19,972	-13,358	-21,840
Change of liquid funds according to statement, increase (+)/decrease (-)	-29	-2,705	-92	5
Other adjustments (translation difference)	-71	13	0	0
Change of liquid funds according to balance sheet, increase (+)/decrease (-)	-100	-2,691	-92	5

Nordic Aluminium Plc

INCOME STATEMENT (1,000 FIM)

	1.1. - 31.12.1998	1.1. - 31.12.1997	Note
Net sales	360,487	337,590	4
Incr. (+) or decr. (-) of finished goods and of work in progress	-2,748	3,435	
Other operating income	1,646	1,483	
Operating expenses and depreciation			
Raw materials and consumables			
Purchases during the financial period	151,119	141,191	
Incr. (-) or decr. (+) of inventories	418	-840	
External services	21,556	19,142	5
Personnel expenses			
Wages, salaries and emoluments	65,119	62,817	6
Social security expenses	21,092	20,846	6
Depreciation and reductions			
Depreciation according to plan	20,350	19,464	7
Other operating expenses	56,699	54,369	
Operating expenses and depreciation total	336,353	316,988	
Operating profit	23,033	25,520	
Financial income and expenses			
Other interest and financial income	1,457	1,867	
Interest and other financial expenses	-2,322	-2,514	
Financial income and expenses total	-864	-647	
Profit before extraordinary items	22,169	24,873	
Extraordinary items			
Extraordinary expenses	0	-3,466	
Profit before appropriations and taxes	22,169	21,407	
Appropriations			
Change in depreciation reserves, increase (-) or decrease (+)	-3,527	-6,920	7
Income taxes	-5,307	-4,180	
NET PROFIT FOR THE PERIOD	13,334	10,307	

Nordic Aluminium Plc

BALANCE SHEET (1,000 FIM)

	31.12.1998	31.12.1997	Note
ASSETS			
Non-current assets			
Intangible assets			
Intangible rights	1,171	1,551	8
Other long-term expenditures	2	18	8
Advance payments	0	278	8
	1,173	1,847	
Tangible assets			
Machinery and equipment	81,781	81,999	9
Other tangible assets	1,436	1,523	9
Construction in progress	8,757	7,348	9
	91,974	90,870	
Investments			
Shares in subsidiary company	886	886	10, 11
Other shares and holdings	80	80	10, 11
	966	966	
Current assets			
Stocks			
Raw materials and supplies	3,208	3,625	
Work in progress	9,974	13,444	
Finished products	10,436	9,714	
	23,618	26,783	
Receivables			
Debtors			
Accounts receivable	32,367	34,324	
Loans receivable	54	59	
Other receivables	201	1,055	
Deferred expenses and accrued income	2,147	2,508	
	34,770	37,946	
Cash in hand and at banks	26,861	26,953	
TOTAL ASSETS	179,363	185,366	

BALANCE SHEET (1,000 FIM)

	31.12.1998	31.12.1997	Note
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	34,621	34,621	13
Reserve fund	12,763	12,763	13
Retained earnings	4,440	1,058	13
Net profit for the year	13,334	10,307	13
Shareholders' equity total	65,158	58,749	
Appropriations			
Accumulated excess depreciation	28,655	25,127	14
Liabilities			
Long-term liabilities			
Loans from financial institutions	26,741	34,444	16
Other long-term loans	300	0	15
	27,041	34,444	
Short-term liabilities			
Accounts payable	27,494	30,863	
Other short-term liabilities	7,833	7,722	
Accrued expenses and deferred income	23,181	28,460	
	58,509	67,045	
Liabilities total	85,550	101,490	
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	179,363	185,366	

Notes to the Financial Statements

1. GROUP STRUCTURE

The parent company Nordic Aluminium Plc, Helsinki and subsidiary Nordic Aluprofiler AB, Stockholm form Nordic Aluminium Group. The subsidiary acts as a sales company of Nordic Aluminium Plc in Sweden. Copies of the Nordic Aluminium financial statements are available at Nordic Aluminium Plc, P.O.Box 117, FIN-02401 Kirkkonummi, Finland.

2. PRINCIPLES APPLIED IN THE FINANCIAL STATEMENTS

“Net sales” and “Other operating expenses” in the income statement for 1997 have been restated to reflect the definition of 1998.

Receivables and liabilities in EMU-currencies have been translated into Finnish markka applying the fixed exchange rates of December 31, 1998. Other receivables and liabilities in foreign currency have been translated into Finnish markka applying the Bank of Finland average rate on the balance sheet date.

The company hedges risks in connection with raw materials procurements, currency-denominated purchases and sales and fluctuations in interest rates on loans by using derivatives (raw materials futures and options, currency forward contracts and options, interest options).

The interest difference on currencies on forward contracts is entered based on the contract durations. Other realized and unrealized gains and losses are written against the expenses and income from the position hedged. When the future cash flow from the order backlog is hedged, the computed result

from the hedging instrument is not entered in the income statement but is charged against the future income or expenses of the objective hedged when realized.

The premiums paid for interest options have been amortized over the contract period.

Fixed assets are carried at direct procurement cost. A predetermined plan is used in carrying out depreciation of depreciable fixed assets. The depreciation periods in the consolidated accounts are uniform.

Inventories are valued at the lower procurement cost or replacement or probable sales value according to the average-price principle. Inventory values include an appropriate portion of the fixed costs of their acquisition and manufacture.

3. CONSOLIDATION PRINCIPLES

Consolidation is based on the acquisition cost method.

The balance sheet of the subsidiary has been translated into Finnish markka at the Bank of Finland’s official average currency rate on the balance sheet date. The income statement of the subsidiary has been translated into Finnish markka at the means of the official Bank of Finland average rates on the last day of each month. The translation difference in elimination of the subsidiary’s equity has been entered in full into non-restricted equity.

In consolidation the appropriations have been divided up into non-restricted equity and deferred tax liability.

	Consolidated 1998 (1,000 FIM)	Consolidated 1997 (1,000 FIM)	Parent Company 1998 (1,000 FIM)	Parent Company 1997 (1,000 FIM)
4. NET SALES BY MARKET AREA				
Finland	243,509	239,659	243,509	239,659
Nordic countries (excl. Finland)	47,964	40,962	44,219	36,755
European Union (excl. Nordic countries)	53,455	43,104	53,455	43,104
Other Europe (excl. EU and Nordic countries)	11,773	11,464	11,773	11,464
Other market areas	7,531	6,608	7,531	6,608
Total	364,232	341,797	360,487	337,590

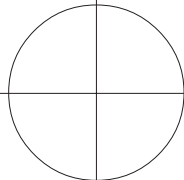
5. EXTERNAL SERVICES

Subcontractor expenses	7,918	6,814	7,918	6,814
Maintenance expenses	13,638	12,328	13,638	12,328
Total	21,556	19,142	21,556	19,142

6. PERSONNEL EXPENSES

Wages and salaries	65,780	64,458	65,119	62,817
Pension costs	9,995	9,892	9,929	9,739
Other mandatory personnel expenses	7,866	7,823	7,665	7,435
Total	83,641	82,173	82,713	79,991
Voluntary personnel expenses	3,507	3,698	3,498	3,671
Personnel expenses in the income statement	87,148	85,871	86,211	83,662
Money-value of fringe benefits	623	711	587	614
Total	87,771	86,582	86,798	84,276

Salaries and emoluments paid to Board members and the Managing Director	1,026	1,422	1,026	805
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	Consolidated 1998	Consolidated 1997	Parent Company 1998	Parent Company 1997
Average personnel	383	368	379	363

7. DEPRECIATION

Depreciation is based on the estimated economical life-span of various assets as follows:

Intangible assets	5 years
Other long-term expenditures	5 years
Machinery and equipment	4 - 20 years
Other tangible assets	20 years

Extrusion dies are expensed in the year they were procured. The inventory of extrusion dies, amounting to FIM 40.0 million, purchased as part of the acquisition March 20, 1995 has, however, been capitalized and is amortized proportionately over five years and will thus be completely depreciated in March, 2000.

	Consolidated 1998 (1,000 FIM)	Consolidated 1997 (1,000 FIM)	Parent Company 1998 (1,000 FIM)	Parent Company 1997 (1,000 FIM)
Depreciation according to plan				
Intangible assets				
Intangible rights	820	935	820	935
Other long-term expenditures	15	99	15	99
Tangible assets				
Machinery and equipment	11,439	10,359	11,428	10,343
Extrusion dies	8,000	8,000	8,000	8,000
Other tangible assets	87	87	87	87
Total	20,361	19,480	20,350	19,464

Change in excess depreciation

Intangible assets				
Intangible rights	0	0	-232	181
Other long-term expenditures	0	0	55	321
Tangible assets				
Machinery and equipment	0	0	3,617	6,331
Other tangible assets	0	0	87	87
Total	0	0	3,527	6,920

8. INTANGIBLE ASSETS

Intangible rights				
Acquisition cost at Jan. 1	4,101	4,050	4,101	4,050
Additions	440	51	440	51
Retirements	0	0	0	0
Accumulated depreciation according to plan Dec. 31	-3,370	-2,550	-3,370	-2,550
Net book value Dec. 31	1,171	1,551	1,171	1,551

Other long-term expenditures

Acquisition cost at Jan. 1	1,259	1,259	1,259	1,259
Additions	0	0	0	0
Retirements	0	0	0	0
Accumulated depreciation according to plan Dec. 31	-1,257	-1,241	-1,257	-1,241
Net book value Dec. 31	2	18	2	18

Work in progress

Acquisition cost at Jan. 1	278	0	278	0
Additions	0	278	0	278
Retirements	-278	0	-278	0
Net book value Dec. 31	0	278	0	278

	Consolidated 1998 (1,000 FIM)	Consolidated 1997 (1,000 FIM)	Parent Company 1998 (1,000 FIM)	Parent Company 1997 (1,000 FIM)
9. TANGIBLE ASSETS				
Machinery and equipment				
Acquisition cost at Jan. 1	90,537	77,920	90,426	77,809
Additions	19,209	12,617	19,209	12,617
Retirements	0	0	0	0
Accumulated depreciation according to plan Dec. 31	-37,953	-26,514	-37,854	-26,427
Net book value Dec. 31	71,793	64,023	71,781	63,999
Extrusion dies				
Acquisition cost at Jan. 1	40,000	40,000	40,000	40,000
Additions	0	0	0	0
Retirements	0	0	0	0
Accumulated depreciation according to plan Dec. 31	-30,000	-22,000	-30,000	-22,000
Net book value Dec. 31	10,000	18,000	10,000	18,000
Other tangible assets				
Acquisition cost at Jan. 1	1,749	1,749	1,749	1,749
Additions	0	0	0	0
Retirements	0	0	0	0
Accumulated depreciation according to plan Dec. 31	-313	-226	-313	-226
Net book value Dec. 31	1,436	1,523	1,436	1,523
Work in progress				
Acquisition cost at Jan. 1	7,348	2,781	7,348	2,781
Additions	8,757	7,348	8,757	7,348
Retirements	-7,348	-2,781	-7,348	-2,781
Net book value Dec. 31	8,757	7,348	8,757	7,348
10. SHARES AND HOLDINGS IN FINANCIAL ASSETS AND OTHER LONG-TERM INVESTMENTS				
Shares in subsidiary				
Acquisition cost Jan. 1	0	0	886	886
Net book value Dec. 31	0	0	886	886
Other shares and holdings				
Acquisition cost Jan. 1	80	0	80	0
Additions	0	80	0	80
Net book value Dec. 31	80	80	80	80

11. SPECIFICATION OF SHARES OWNED BY THE COMPANY

	Parent Company 1998	Parent Company 1997
Shares in the subsidiary company:		
Nordic Aluprofiler AB, Sweden		
Ownership share	100 %	100 %
Number of shares	1,000	1,000
Nominal value of shares	SEK 100,000.00	SEK 100,000.00
Asset value of shares	FIM 886,290.00	FIM 886,290.00
Net profit for the period	SEK 284,886.06	SEK -337,325.01

Other shares and holdings:

Helsinki Halli Oy		
Number of shares	4	4
Nominal value of shares	FIM 40,000.00	FIM 40,000.00
Asset value of shares	FIM 80,000.00	FIM 80,000.00
Taxation value of shares	FIM 89,600.00	FIM 59,600.00
Suomen Asiakastieto Oy		
Number of shares	6	6
Nominal value of shares	FIM 900.00	FIM 900.00
Asset value of shares	FIM 0.00	FIM 0.00
Taxation value of shares	FIM 3,660.00	FIM 2,370.00

12. RECEIVABLES FROM GROUP COMPANIES

Accounts receivable from Nordic Aluprofiler AB, 1,000 FIM	2,310	2,396
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	Consolidated 1998 (1,000 FIM)	Consolidated 1997 (1,000 FIM)	Parent Company 1998 (1,000 FIM)	Parent Company 1997 (1,000 FIM)
13. SHAREHOLDERS' EQUITY				
Share capital Jan. 1	34,621	31,440	34,621	31,440
Increase in share capital	0	3,181	0	3,181
Share capital Dec. 31	34,621	34,621	34,621	34,621
Reserve fund Jan. 1	12,763	10,475	12,763	10,475
Change in reserve fund	0	2,288	0	2,288
Reserve fund Dec. 31	12,763	12,763	12,763	12,763
Non-restricted equity Jan. 1	29,243	19,755	11,365	6,463
Dividends	-6,924	-5,406	-6,924	-5,406
Net profit for the year	16,065	14,880	13,334	10,307
Translation difference	-71	13	0	0
Non-restricted equity Dec. 31	38,313	29,243	17,774	11,365

Consolidated non-restricted equity includes the portion of non-distributable equity, which refers to appropriation. In 1998 the portion of non-distributable equity amounted to FIM 20,631 thousand. The distributable equity of the Group thus amounted to FIM 17,681 thousand.

14. DEFERRED TAX LIABILITY IN APPROPRIATIONS

The deferred tax liability related to FIM 28,655 thousand of depreciation in excess plan is FIM 8,023 thousand.

15. CONVERTIBLE AND OTHER LONG-TERM LOANS

The Annual General Meeting on April 4, 1998 decided to take a bond loan with warrants on the following terms: The amount of the bond loan is FIM 300 thousand. 1,500 bond certificates in the nominal value of FIM 200 will be issued for the bond

loan. To each bond certificate will be attached 200 warrant certificates. The term of bonds is three years and the loan, dated May 29, 1998, shall be repaid in one instalment on May 29, 2001. Each warrant certificate entitles its holder to subscribe for one share of Nordic Aluminium Plc with the nominal value of FIM 7.50. The share capital of Nordic Aluminium Plc may be increased by a maximum of 300,000 shares, i.e., by a maximum of FIM 2,250,000.

16. LIABILITIES WHICH FALL DUE AFTER FIVE YEARS OR MORE	Consolidated 1998 (1,000 FIM)	Consolidated 1997 (1,000 FIM)	Parent Company 1998 (1,000 FIM)	Parent Company 1997 (1,000 FIM)
Loans from financial institutions	0	3,630	0	3,630

17. CONTINGENT LIABILITIES

Consignment responsibilities	11,007	7,712	11,007	7,712
Rent liabilities	13,747	24,240	13,586	23,923
Leasing liabilities	5,595	3,956	5,595	3,956
Assets mortgaged for the company's own debt	100,000	100,000	100,000	100,000

18. DERIVATIVE CONTRACTS

Nominal values for derivatives

Interest rate options	10,000	30,000	10,000	30,000
Currency forward contracts	36,433	56,590	36,433	56,590
Raw material futures (metal)	13,528	35,019	13,528	35,019

Market values for derivatives

Interest rate options	0	1	0	1
Currency forward contracts	42	2,042	42	2,042
Raw material futures (metal)	-752	-1,454	-752	-1,454

The fair values of all derivative contracts are based on market quotations prevailing on the closing dates and gains and losses in foreign currency have been translated into FIM at the rate of exchange of the Bank of Finland on the closing date.

At the end of 1998 the unrealized losses on currency futures of FIM 70 thousand and on metal futures of FIM 752 thousand remained unentered. The both losses apply to the delivery contracts and budgeted sales for 1999.

Shares and Share Capital

Shares and share capital

The listing of Nordic Aluminium Plc's shares at the Helsinki Stock Exchange commenced in April 1997. The trading identifier for the shares is NOA1V, the trading lot is 100 shares and the ISIN-code, which is used in international securities trading, is FI0009006415. The company has one share series and each share has equal right to vote and to a dividend. The nominal value of the share is FIM 7.50 and the total number of shares at the year end was 4,616,132. The registered share capital at the end of the year accounted for FIM 34.6 million. Details on the warrant bond to the personnel of Nordic Aluminium Plc, decided by the Shareholders' meeting on April 2, 1998, are published on page 20, Report of the Board.

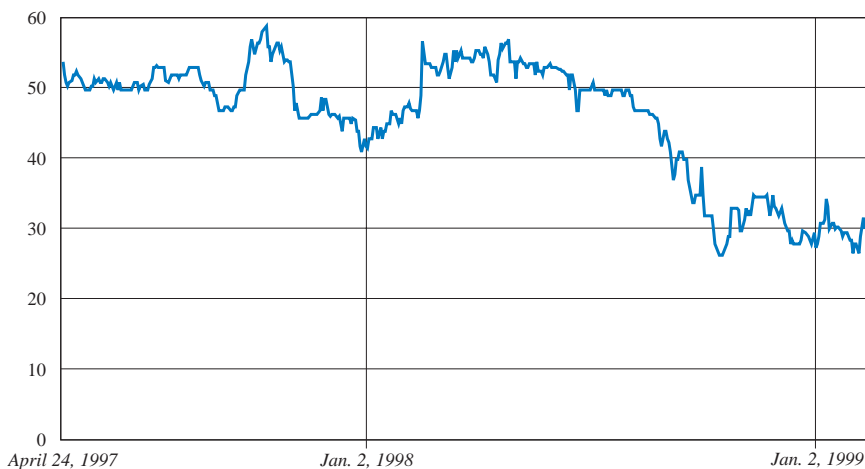
Authorization for increasing the share capital

The Board holds no valid authorization for the increase of the company's share capital and/or issue warrant or convertible bonds.

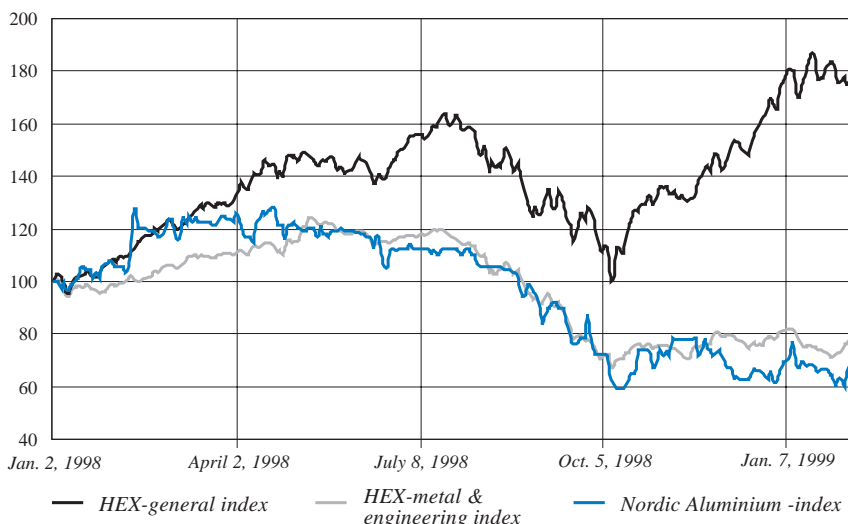
Share price and turnover

The average quotation for the Nordic Aluminium Plc share in 1998 was FIM 44.53 and on the last trading day FIM 27.28. The year's highest quotation was FIM 58.00 and the lowest FIM 26.00. During 1998 a total of 4,908,909 of the company's shares were traded with FIM 218.6 million. The average daily turnover was 19,636 shares equaling FIM 874,444. The market capitalization of the company's shares stood at FIM 125.9 million at the end of the year. The taxation value of the share is FIM 20.

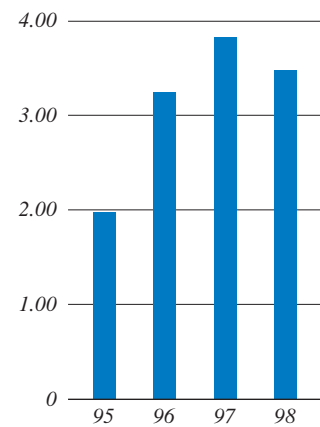
Share price development, FIM



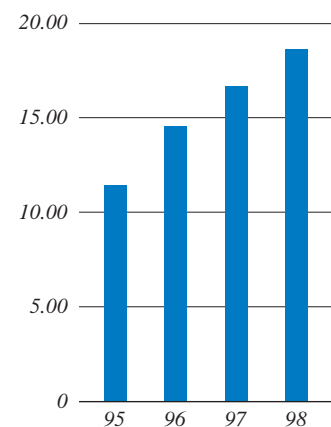
Share price development index

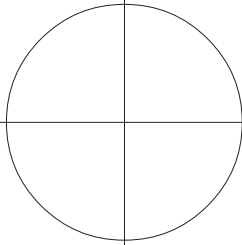


Earnings per share, FIM



Equity per share, FIM





Redemption obligation

According to a provision of the Articles of Association a shareholder whose holding of the total shares or the total votes carried by the shares of the Company equals or exceeds 33 1/3 per cent or 50 per cent shall, at the request of other shareholders and in the manner prescribed in the Articles of Association, be liable to redeem their shares and their securities which under the Companies Act carry a right to such shares.

Shareholdings

At the end of 1998 the company had a total of 809 shareowners and the amount of nominee-registered owners was 6.6 per cent. The ten biggest shareholders owned altogether 64 per cent of the Nordic Aluminium share capital and the largest category of owners was companies (36.9 %). In connection with the listing 1997 about a quarter of the personnel subscribed the shares of Nordic Aluminium Plc. At the end of 1998 the Managing Director and Members of the Board and the companies controlled by them owned 1,666,740 of the company's shares, which equals to 36.1 per cent of the portion of shares and voting rights. Additionally, the management subscribed the warrant bond loan in total with FIM 25,000. If all the warrants were exercised, would the management's share of the share capital and voting rights increase by 0.5 percentage point. The significant ownership changes in 1998 are described on page 21, Report of the Board.

SHARE RELATED INDICATORS	1998	1997	1996	1995
Earnings/share, FIM	3.48	3.83	3.23	1.99
Net profit/share, FIM	3.48	3.28	3.23	1.99
Dividend/share, FIM	1.50 ¹⁾	1.50	1.18	
Dividend to earnings ratio, %	43.1 ¹⁾	39.1	40.0 ²⁾	
Dividend yield, %	5.5 ¹⁾	3.6		
Turnover of shares	4,908,909	4,294,702		
Turnover ratio, %	106.3	94.8		
Equity/share, FIM	18.56	16.60	14.71	11.49
P/E-ratio	7.8	11.0		
Market capitalization, MFIM	125.9	194.2		
Dividend, MFIM	6.9 ¹⁾	6.9	5.4	
Number of shares	4,616,132	4,616,132	4,192,000	4,192,000
Weighted, average share number	4,616,132	4,531,332		
Quotation, FIM:				
- year's lowest	26.00	41.00		
- year's highest	58.00	59.50		
- year's average	44.53	51.92		
- average quotation Dec. 30	27.28	42.08		
Nominal value FIM/share	7.50	7.50	7.50	7.50
Taxation value FIM/share	20.00	29.00	10.00	9.10

¹⁾ Proposal by the Board of Directors

²⁾ Calculated on the basis of the number of shares entitled to dividends. The number of shares was 4,581,052.

Nordic Aluminium Plc's business operations started March 20, 1995 and the share was quoted for the first time on the Helsinki Stock Exchange on April 24, 1997.

Formulae for calculation of financial indicators are on page 39.

Biggest shareholders Dec. 31, 1998

	No of shares	Share of capital and votes, %
Veikko Laine Ltd	870,740	18.9
Oy Lival Ab	670,400	14.5
Merita Bank, nominee-registered	285,900	6.2
Ilmarinen Mutual Pension Insurance	261,800	5.7
Esa Rannila	211,300	4.6
Tapiola Mutual Pension Insurance Company	210,900	4.6
Tapiola General Mutual Insurance Company	141,500	3.1
The Local Government Pensions Institution	120,000	2.6
The LEL Employment Pension Fund	102,000	2.2
Federation of Finnish Metal, Engineering and Electrotechnical Industries, FIMET	80,100	1.7
Others	1,661,492	36.0
Total	4,616,132	100.0

Shareholders by sector Dec. 31, 1998

	No of shares	Share of capital and votes, %
Companies	1,701,470	36.9
Financial institutions	1,054,050	22.8
Associations	924,350	20.0
Non-profit associations	47,420	1.0
Households	880,028	19.1
Outside Finland	7,700	0.2
Registration pending	1,114	0.0
Total	4,616,132	100.0

Shareholders Dec. 31, 1998 by size of holdings

Number of shares	Shareholders	%	No of shares	%
1 - 200	290	35.9	35,648	0.8
201 - 2,000	432	53.4	292,440	6.3
2,001 - 20,000	53	6.6	291,540	6.3
20,001 - 200,000	28	3.5	1,484,350	32.2
200,001 -	6	0.7	2,511,040	54.4
Registration pending			1,114	0.0
Total	809	100.0	4,616,132	100.0

The Board's Proposal on the Allocation of Profits

Consolidated non-restricted equity on December 31, 1998 is FIM 38,312,804.53 and the distributable equity amounts to FIM 17,681,458.93. The net profit of the parent company is FIM 13,333,781.94, after which the non-restricted equity of the parent company is FIM 17,774,214.27.

The Board proposes that a dividend of FIM 1.50 per share or a total of 6,924,198.00 be declared and that the remaining balance FIM 10,850,016.27 be retained in non-restricted equity.

Helsinki, February 9, 1999

Tapio Hintikka	Henrik Eklund	Antti Lagerroos
Pertti Laine	Stig Lival-Lindström	Pentti Ranta-aho

Auditors' Report

To the shareholders of Nordic Aluminium Plc

We have audited the accounting, the financial statements and the corporate governance of Nordic Aluminium Plc for the financial year 1998. The financial statements, which include the report of the Board of Directors, the consolidated and parent company income statements, balance sheets and notes to the financial statements have been prepared by the Board of Directors and the Managing Director. Based on our audit we express an opinion on these financial statements and on corporate governance.

We have conducted our audit in accordance with Finnish Standards on Auditing. Those standards require, that we 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, assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. The purpose of our audit of corporate governance is to examine 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, showing a profit of 13,333,781.94 FIM 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 the consolidated and parent company's results of operations and financial position. The financial statements and consolidated financial statements can be adopted and the members of the Board of Directors and the Managing Director of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the result is in compliance with the Companies Act.

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

Helsinki, February 10, 1999

TILINTARKASTAJIEN OY - ERNST & YOUNG
Authorised Public Accounting Firm

Kristian Hallbäck
Authorised Public Accountant

Harri Pärssinen
Authorised Public Accountant

Computation of Key Ratios

FORMULAE FOR CALCULATION OF FINANCIAL INDICATORS

Income before extraordinary items:
Is derived directly from the income statement

Taxes for the fiscal year:
Taxes from the income statement
+ - the tax effect of the extraordinary items

Net profit:
Profit before taxes
./. taxes from income statement

Return on equity, (ROE):
Profit before extraordinary items
./. taxes for the fiscal year

Shareholders' equity x 100
(average of year beginning and year end)

Return on capital invested, (ROI):
Profit before extraordinary items
+ interest expenses and other financial expenses
Balance sheet total ./. non-interest bearing liabilities x 100
(average of year beginning and year end)

Current ratio:

Current assets
Short-term liabilities

Internal funding of investment:
Funds generated from operations
from the consolidated cash flow statement

Net investments x 100

Equity ratio:

Shareholders' equity
Balance sheet total ./. advances received x 100

Gearing:
Interest-bearing liabilities at the end of year
./. cash in hand and at banks at the end of year

Shareholders' equity at the end of year x 100

FORMULAE FOR CALCULATION OF ADJUSTED SHARE RELATED INDICATORS

Earnings per share (EPS):
Profit before extraordinary items
./. Taxes for the fiscal year

Adjusted average number of shares during the fiscal period

Net profit per share:
Profit before taxes
./. Taxes from income statement

Adjusted average number of shares during the fiscal period

Nominal dividend per share:
Dividend declared for the period

Dividend to earnings ratio:
Adjusted dividend per share x 100

Earnings per share x 100

Dividend yield:
Adjusted dividend per share

Share price on the balance sheet date x 100
(Average quotation weighted with turnover Dec. 30)

Equity per share:

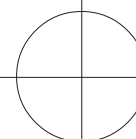
Shareholders' equity
Adjusted number of shares on the balance sheet date

P/E-ratio:

Share price on the balance sheet date
Earnings per share (EPS)

Market capitalization:
Total number of shares x share price on the balance sheet date

Risk Management



The purpose of risk management is to soften the impact of fluctuating aluminium prices, exchange rates and interest rates on the company's performance. These risks are buffered with various kinds of derivative contract in accordance with the company's financial principles. Derivatives are used for hedging and are not intended to increase business-related risks.

In hedging, the emphasis is on balance sheet items, the order backlog and binding sales, purchase and financing contracts. Budgeted and estimated items and binding tenders are hedged on a case-by-case basis in accordance with the company's financial principles.

Managing the aluminium price risk

Nordic Aluminium bases sales of its aluminium products and purchases of its aluminium supplies on world market prices. The aim of the price risk management is to stabilize the price of aluminium raw material and keep purchases and sales in balance, so that world market prices do not affect performance. This is done using aluminium derivatives, mainly aluminium futures, but also with aluminium options, usually with a duration of less than a year.

Managing exchange risks

About a third of the company's sales and purchases are currency-based. Currency surpluses and deficits arising from income and expenses in foreign currency are balanced using, for example, currency derivatives, usually currency forward contracts and, if necessary, currency options. Most of the currency derivatives have a duration of less than a year.

Nordic Aluminium will continue to use the markka as its operating currency but is prepared to use it in parallel with the euro, which will minimize export-related currency risks. Outside the eurozone, the Group's most important export currencies are the British pound, Swedish krona and US dollar.

Managing the interest risk

In managing its interest risk, the company focuses on the management of loans and receivables based on market rates. Net interest expenditure should remain at the envisaged levels and changes in interest rates should not have any major impact on performance. If necessary, the difference between loans and receivables is hedged using interest derivatives. Hedging can be through interest futures, interest options or interest swaps.

Board of Directors



From left: Pertti Laine, Henrik Eklund, Tapio Hintikka, Pentti Ranta-aho, Stig Lival-Lindström and Antti Lagerroos.

Tapio Hintikka

(1942)
M. Sc. (Eng.)
CEO, Hackman Group

Other key positions:
Board member, FIMET
Board member, General Industry Federation
Board member, Nokian Tyres Plc
Member of supervisory board, Sonera Group Plc
Member of supervisory board,
NKF Holding N.V.

Owns personally 500 of
Nordic Aluminium shares

Pertti Laine

(1941)
B. Sc. (Econ.)
Managing director, Veikko Laine Ltd

Other key positions:
Board member, Arctos Capital Ltd
Board member, Finnlines Plc
Chairman of the board, LänsiAuto Ltd

No personal shareholding of
Nordic Aluminium shares

Henrik Eklund

(1939)
M. Sc. (Eng.)
President, Sanitec Ltd Oy

Other key positions:
Board member, Sanitec Ltd Oy
Board member, Saunatec Plc
Member of board of management,
Metra Corporation

No personal shareholding of
Nordic Aluminium shares

Stig Lival-Lindström

(1937)
M. Sc. (Econ.)
Managing director, Oy Lival Ab

Other key positions:
Chairman of the board, Oy Livalux Ab
Chairman of the board, Oy Nibel Ab
Board member, Eurolys AS

Owns personally 74,100 of
Nordic Aluminium shares

Antti Lagerroos

(1945)
LL. Lic.
President & CEO, Finnlines Plc

Other key positions:
Board member, BTL AB (publ) Sweden
Member of supervisory board, Ilmarinen
Mutual Pension Insurance Company
Board member, Finnish Maritime Administration
Board member, Finnish Shipowners' Association
Board member, WM-data AB (publ), Sweden

No personal shareholding of
Nordic Aluminium shares.

Pentti Ranta-aho

(1943)
B. Sc. (Eng.)
until April 1, 1999 president, Eglas International
from April 1, 1999 Managing director,
German-Finnish Chamber of Commerce

Owns personally 1,000 of
Nordic Aluminium shares

Organisation

PROFILES Tuomo Airaksinen

	CUSTOMER PROFILES	BUILDING SYSTEMS	COMPONENTS
Customer order fulfilment	Gun-Britt Flygar	Gun-Britt Flygar	
Products, sales and marketing	Anders Åström	Anders Åström	
Components			Aimo Kankare
Continuous development	Seppo Helin	Seppo Helin	
Business development	Jorma Laakso	Jorma Laakso	

ELECTROTECHNICAL PRODUCTS

LIGHTING TRACKS Stig Winstén	OFFICE TRUNKINGS Matti Savolainen	CABLE LADDERS Jarmo Tomperi	
Heikki Laine	Heikki Laine	Heikki Laine	Domestic sales and marketing
Ismo Jaraskari Paula Ristoja	Kari Kanerva	Jarmo Tomperi	Exports
Sami Hynynen	Kai Raittila	Ilmari Pasanen	Production
	Kari Lipsunen	Kari Lipsunen	Operations development
Esko Väisänen	Markku Astola Antero Lundahl	Aimo Niskanen Juhani Tuure	R & D

Managing Director
Kari Blomberg

Economy
Torolf Theman

Finance and Hedging
Juhani Ilvonen

Logistics
Pekka Laurinus

Operations development and Quality
Folke Jansson

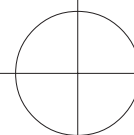
Personnel development and Internal communications
Päivi Karimaa

External communications
Anna-Maija Hevosmaa

MIS
Jorma Hirvelä

Corporate planning
Eric Westerlund

Environmental Policy of the Nordic Aluminium Group



The Nordic Aluminium Group complies with the environmental laws and provisions of the countries where it operates. The Board of Directors approved the company's first environmental policy in July 1996. This has since been updated and is published here in the form approved on August 17, 1998.

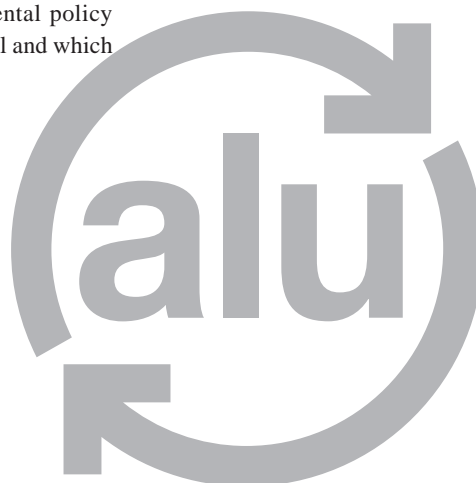
Principles

- Nordic Aluminium Plc manufactures aluminium profiles and products processed from them, using aluminium ingots and recycled aluminium.
- We strive to use the best available technology and operate in accordance with the principles of sustainable development and an ethically sustainable environmental approach.
- We continuously strive to minimize the environmental impact of our operations.
- In addition to the ISO 9001 quality system, we are also maintaining a workable environmental management system as a means of implementing our environmental policy.
- We encourage our material suppliers and contract partners to adopt environmental systems and also encourage them and our customers to contribute to work in the interests of sustainable development.
- We strive to maintain and improve the knowledge and skills of our personnel by providing them with training, information and incentives so that they can take the environment into account in their work.

Implementation

- We strictly observe all relevant environmental laws and provisions.
- Tasks and responsibilities related to the management of environmental impacts are specified on all organizational levels.
- We assess the environmental impacts of our products throughout their life cycle. The same applies to the environmental impact of the semifinished products and raw materials we supply to our customers.
- We minimize the risks arising from malfunctions, dangerous situations and accidents related to machines and operations by good planning, maintenance, adequate supervision and good staff skills.
- We actively maintain an open dialogue, both externally and internally, with our personnel, owners, the various authorities, customers and other interest groups.
- We provide our customers with adequate information about the proper use, properties and recycling of raw materials and products, and their packaging.
- We provide our major subcontractors with information about our environmental requirements.

The Managing Director and the Management Team of Nordic Aluminium are committed to the development, implementation and observance of this environmental policy statement, which has been brought to the knowledge of the entire personnel and which is available to all those interested.



Competent and Cooperative Personnel



In keeping with the company's open information policy, staff members and the Managing Director hold informal morning meetings every month. During the get-togethers, views are exchanged and company business is discussed.

Competent personnel identifying themselves with the company's strategy and targets in accordance with its shared values are fundamental to Nordic Aluminium's operations. The company has adopted the following shared values: care for the customer's concerns, being a top aluminium professional, maintaining motivated and capable personnel with a winning spirit under an inspiring and involving management, and promoting the environment, health and safety.

Values as guidelines

- Every aluminium professional must give priority to the customer's concerns. Thus, we must be familiar with their business operations and do everything to exceed their expectations. We know that a colleague is also a customer.
- The best aluminium professionals master their field, are forward-looking and eager to learn new things and assume full responsibility for their work.
- The motivation and winning spirit of the personnel derives from flexible teamwork, the ability to give and receive constructive feedback. It is based on a willingness to work in teams, succeed and win - on high performance.
- Inspiring and involving leadership is founded on trust, openness and participation. At its best, it is a form of training that motivates and gives everybody more power and responsibility. Everybody must also live up to his responsibilities.
- Environment, health and safety mean environmental responsibility. No compromises are allowed in occupational health matters; maintaining the personnel's mental and physical working capacity is fundamental to the company's operations.

Competence through training

The basic skills of each aluminium professional are based on the company strategy and jointly-agreed specifications.

To feel involved in the company's affairs, personnel must be familiar with its business operations. The whole personnel receive training in economic matters to ensure that operations are in accordance with sound economic thinking. Regular training in information technology enables the entire personnel to master the basic skills. Internationalization requires language skills; small-group language training has been continuously expanded. Quality and competence - the concern of each staff member - is also the focus of the company's internal training programmes.

Management training is based on two development programmes for experts and middle management, which are being implemented in both Finland and abroad in cooperation with partnership companies. Managerial, supervisory and interactive skills are an important part of these training programmes which have involved almost 40 persons since 1991. Supervisors can discuss the challenges involved in their work at an annual training event.

“Tekijät Kunnossa”

“Tekijät Kunnossa”, a joint project with NK Cables, also in Pikkala, aims at maintaining working capacity. The physical, mental and social well-being of the personnel are maintained through projects, themes and events. Occupational safety and health organisations, leisure and hobby clubs and the different personnel groups are involved. As of 1998, the “Tekijät Kunnossa” group also assumed the responsibilities of the occupational safety committee. Last spring saw the launch of the KUNTO 2000 project for over 40-year olds, aimed at improving the working capacity of mature members by the year 2000. There are also more than 25 company-supported hobby and leisure clubs for staff members. Working conditions were surveyed carefully during the year. Occupational safety is an integral part of the induction of new staff members.

Free flow of information

Under the inspiring management strategy, information must flow freely in all directions. According to an internal survey of the corporate image 1998, provision of information is one of Nordic Aluminium’s strengths. The survey also showed that relations between management and staff are in good shape, forming an excellent basis for an unhindered flow of information. Personnel representatives take part in the work of the Management Team. At the Aluforum, which takes place several times a year and is open to all the personnel, information on financial and other issues is provided and topical matters discussed. The personnel can also meet the Managing Director every month on an informal basis. The lean organization and teamwork enable the management and personnel to stay in direct and informal contact. For more than eight years now, Alukanava, the personnel bulletin run by staff members, has been an important source of information and still retains its role, even though electronic media have been gaining ground in in-house communications. The net publication Avoprofilii provides a tool for management of the Profiles Business Area. Tiimiposti, Tiimifoorumi and Intranet relay both personal messages and company instructions.

Aluminium professionals as co-entrepreneurs

To ensure satisfactory share value and performance, each member of the personnel must be committed to the company’s aims. In connection with the listing process in spring 1997, a quarter of staff members exercised the opportunity to subscribe the company’s shares. The warrant bond issued in spring 1998 to provide incentives for the entire personnel attracted equal interest.

Each staff member is a professional

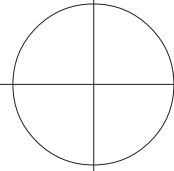
Personnel development is based on the concept that staff members must all be top experts in their own field and take genuine pride in their skills. Providing all the individual teams and levels of the organisation with the necessary skills and information is essential to the company’s success. Multiple skills and diversification of work are still crucial to teamwork development. Even by Finnish standards, quite a few initiatives and suggestions are made for that purpose and thus the organization is being geared to development needs and more resources are being provided. Development is being pursued under a separate organisation, which seeks new ways to improve production and internal efficiency. Moreover, internal transfers are enabling staff members to learn new skills, ensuring continuous improvements in operations. Job rotation is also used to improve internal cooperation.

A project carried out by staff members during the year under review systematized the personnel development process and provided a clear framework for personnel development at Nordic Aluminium. Development talks and induction were found to be crucial, so it was decided that they should be given priority when improvements are made. Rapid enhancement of staff skills is the central challenge, in view of the age structure and training system. During the year under review, recruitment focused on export personnel.



An extensive recruitment drive, which attracted widespread interest, took place in early autumn 1998, in both the press and over the Internet. Nordic Aluminium was contacted by 400 people, providing the company with an excellent recruiting base for new aluminium professionals.

Product Families and Trademarks



The Nordic Aluminium products form versatile branded product families. All are based on advanced design and specialized manufacturing. New generations are developed in close partnerships with end-users.

DUCTEL® DUCTEL®

The DUCTEL system is a family of office trunking and service pole products, which offer stylish and streamlined solutions including outlets and accessories.

DUCTEL is a Nordic Aluminium registered trademark.

SYSTEMAL™

The optimal solution for demanding projects in industry and commercial building can be found in the wide range of SYSTEMAL cable ladder system products.

SYSTEMAL is a Nordic Aluminium trademark.



SYSTEMAL cable ladder system has been type approved by Det Norske Veritas for extremely demanding corrosion resistant installations.

GLOBAL

GLOBAL trac is a family of lighting track systems which have been designed to support flexible and versatile lighting in prestigious installations.

GLOBAL trac is a Nordic Aluminium trademark.

MULTI-adapter™

MULTI-adapter is a product intended for connection of spotlights to three circuit lighting tracks of most commonly used.

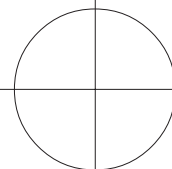
MULTI-adapter is a Nordic Aluminium trademark.

FIX-point™

FIX-point is used for surface and recessed mounting of spotlights in ceilings and on walls.

FIX-point is a Nordic Aluminium trademark.

General Information for Shareholders



Annual General Meeting

Nordic Aluminium Plc's Annual General Meeting will be held on April 7, 1999 at 1 p.m. in the Conference Room of Hotel Palace, 10th floor, Eteläranta 10, Helsinki, Finland.

Shareholders, who have been entered in the book-entry shareholders' register kept by the Central Securities Depository of Finland by the record-date April 1, 1999 have the right to participate in the shareholders' meeting.

Shareholders who wish to participate should notify the company of their intention to do so by April 6, 1999 latest at 9 a.m.

- in written under the address Nordic Aluminium Plc, AGM
P.O. Box 117, FIN-02401 Kirkkonummi, Finland or
- to fax number +358 9 298 2178 or
- to email address anna-maija.hevosmaa@nordicaluminium.fi

Proxies entitling to use the vote of shareholders at the meeting should be forwarded to the company by the notification date.

Dividends

The Board proposes to the Annual General Meeting that a dividend of FIM 1.50 per share be paid for the year 1998. The record-date for the dividend payment is April 12, 1999 and the payment commences on April 19, 1999 should the AGM approve of the Board's proposal.

Financial information in 1999

Nordic Aluminium Plc will publish financial reports as follows:

Financial statements bulletin	February 10
Annual report 1998	March 10
Interim report January - April	May 27
Interim report January - August	September 28

The reports will be published in Finnish and English.

The bulletins and interim reports can be sent by email when requested under the address: anna-maija.hevosmaa@nordicaluminium.fi

Addresses



Head office:

Nordic Aluminium Plc

P.O.Box 117

FIN-02401 Kirkkonummi

Finland

Phone +358 9 68 251

Fax +358 9 298 2154

first name.family name@nordicaluminium.fi

Turku Sales office

Mustionkatu 10

FIN-20750 Turku

Finland

Phone +358 2 251 5142

Fax +358 2 251 5832

Oulu Sales office

Kirkkokatu 27 A 44

FIN-90100 Oulu

Finland

Phone +358 8 311 2393

Fax +358 8 311 2970

Subsidiary:

Nordic Aluprofiler AB

Box 42080

S-126 13 Stockholm

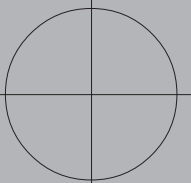
Sweden

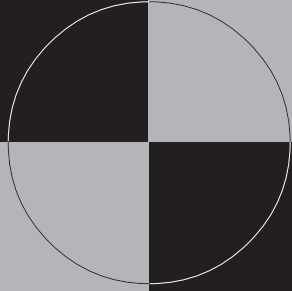
Phone +46 8 744 5510

Fax +46 8 186 708



The Quality Management System of Nordic Aluminium Plc has been approved by Lloyd's Register Quality Assurance Limited to the following Quality Management Standards: ISO 9001: 1994, SFS-EN ISO 9001: 1994.





NOA