

Annual Report 1999



Conventum



In 2000 Conventum wishes to
showcase Finnish art and artists.
This annual report presents works
by four Finnish goldsmiths.
These goldsmiths work at the
Union Design atelier workshop.

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Chairman's letter

Dear shareholder,

You are holding a new kind of Annual Report. Not just because it is Conventum Limited's first, but also because it is fresh and different.

Conventum began operations in its new form on March 1, 1999, following the merger of investment activities and financial services. We have been able to offer our clients the full range of financial services, while at the same time giving our shareholders the opportunity to participate in the growth and potential value of primarily unlisted technology companies. This mix is unique in Finland, though numerous examples can be found in other countries.

We performed well during our first year though we didn't reach all our targets for market shares. We succeeded in carrying out the merger swiftly, building for the company a new – and in my opinion strong – organisation, and our profits for the year are at a record level. The most important fact was that the market accepted the newcomer and our market capitalisation doubled. We cannot forecast our share price, but we expect profits to develop favourably also in the new year.

The market has favoured a company of our kind both during the past year and, in my opinion, will also do so in the foreseeable future. The growth in the securities market, the general public's migration from bank savings to new forms of investment and the structural change which the integrating economies must go through are all permanent phenomena with long-term implications. Since the retail banks have gone over to marketing mutual funds, the latent potential is finally being released, and it will be hard to reverse the trend. Increasing wealth is leading to a greater need and demand for investment services.

The past year will nonetheless not be remembered for the growth in the securities market, but rather for the ultimate breakthrough of information technology. The internet and wireless communications represent a "revolution" in communications, commerce and even in the logistics deployed in industry and services. No doubt, we do not yet even fathom the full extent of the transformation. Valuation levels already reflect great expectations. I shall not attempt to forecast which way valuation levels will move, but it is not too daring to claim that the good companies will stand out from the rest when technology choices crystallise. As long as all players are in with a chance, the market has invested broadly in nearly every opportunity offered.

Conventum has good prospects to grow in the business areas. Our profits, solidity and, thereby, our financial resources, are strong. As will be discussed in this Annual Report further on, Conventum has an abundance of unrealised asset values which can be reallocated when required.

Although operating expenses have increased markedly in step with our growth, we are nevertheless a fairly low-cost operation compared with our competitors. This is ensured by streamlined and flexible service distribution channels whose potential will be expanded further by making the most of networking and information technology.

Within financial services, i.e. corporate finance, brokerage and asset management, there is a good deal of room for increasing our volume and market share even in the face of stiff competition.

Based on initial results, the focus of our investments in high-growth technology companies appears to have been right on target. Over the next few years the markets, especially in the Nordic countries, will continue to offer plenty of opportunities.

Part of the growth in Conventum's operations over the past reporting year came by way of acquisitions. In future we shall seek openly to examine various corporate structural solutions for developing the capital markets and strengthening our own position.

For our shareholders, the value of the company's share has shown positive development. We are aware of the share's liquidity constraints. There are only a few direct means to increase liquidity, but we are confident that a solution can be found. We will continue to expand our investment activities during the current year, but because the company has a strong financial position, the Board will suggest paying out about half of the company's net profits in dividends to shareholders.

I wish to express my thanks to our entire staff for a successful year. You have shown motivation in your daily work and also had fun doing it – which is important too. To you, our customer and shareholder, my thanks for your confidence in us.



Peter Fagernäs

President's review

Conventum's first year of operations was successful. We achieved our financial objectives and our Pro Forma operating profit rose to EUR 25.8 million. Our clientele expanded during the financial year and I wish to thank both the old and new clients of the enlarged Conventum for their confidence and co-operation, which have continued without interruption during our merger process.

Conventum's objective is to be the leading Finnish investment bank and to achieve profitable growth in all its business areas. The means of achieving growth, in addition to organic growth, are acquisitions, partnership and alliance agreements as well as network services.

The merger we carried out also means that we now have a better ability to serve both present and new clients by offering more versatile and extensive service packages. The merger furthermore contributes to implementing our growth objectives. The synergies between the divisions make growth in incomes possible. There are several changes in the business environment of our divisions that create us an opportunity to grow.

Conventum's corporate finance activity has strengthened its market position as an advisor for its clients on M&A transactions. We have been able to carry out very demanding and substantial transactions successfully facing fierce competition. The market of M&A will remain strong and I believe that our chances of succeeding in this sector are good furthermore because of our growing professional team. Demand for the advisory services in equity financing and public offerings will increase further in the coming years, especially among the growth companies. Our long-standing experience of equity offerings and our international contacts together with our enlarged Research Department will offer us good growth opportunities.

The market share of our Brokerage Division was lower than we had anticipated, mostly because of the reduction in the low margin foreign brokerage activity. During the year we strengthened both our equity research and brokerage resources significantly. I believe that with our increased resources we can raise our market share among institutional investors. The equity research internet pages were renewed during the year to enable us to provide our clients swiftly with extensive and high-quality research material and thereby to expand our customer base.

Demand for asset management services will increase further in the coming years because of the change in the Finnish investing culture, which will be more security focused and more international. The importance of the traditional bank saving will decrease. During last year mutual funds grew significantly and the value of the markets grew to 10.2 billion euro. From this growth approximately half came from new investments and the rest from the increase in value of the mutual funds. Currently the greatest interest is in international and sector specific mutual funds.

This development makes growth possible also for Conventum's asset management services. During the last year the mutual funds managed by Conventum grew satisfactorily. Our co-operation

with universities and the fact that we use independent experts to assist us with the portfolio management emphasize the analytical focus of our asset management. The private asset management service is one of the key areas for our Asset Management and the outlook for it is favourable.

The use of internet-based financial services will show strong increase in the coming years. During the past year we continue to develop further our internet services. The internet will make possible a wide and effective distribution of equity issues and mutual funds. During the year 2000 we will open comprehensive internet services including brokerage services.

Venture capital markets have grown strongly in Finland. In our investments we have concentrated on information technology and biotechnology companies and have succeeded in strengthening our competitive position in this sector. The importance of Investment Division in our Group will grow and we believe that the outlook for the technology focused venture capital activity is good.

Last year our staff grew by 33 new Conventum team members, bringing the number of our staff to 87 professionals in step with the growth of our operations. New staff were recruited mainly to fill skilled professional positions. It is important to take care of the professional skills and motivation of our staff to maintain the quality and efficiency of our operations at a competitive level. I wish to take this opportunity to thank Conventum's entire staff for the good joint contribution they have made in ensuring our successful performance.

During our first year of operations we were able to increase the value of our shareholders' investments by way of both a good dividend yield and a rising share price. Increasing shareholder value calls for long-term and systematic operations, maintaining profitability and keeping control during the growth. In view of our expanding operations and our professional and motivated staff, we are well positioned to succeed in realising this goal.

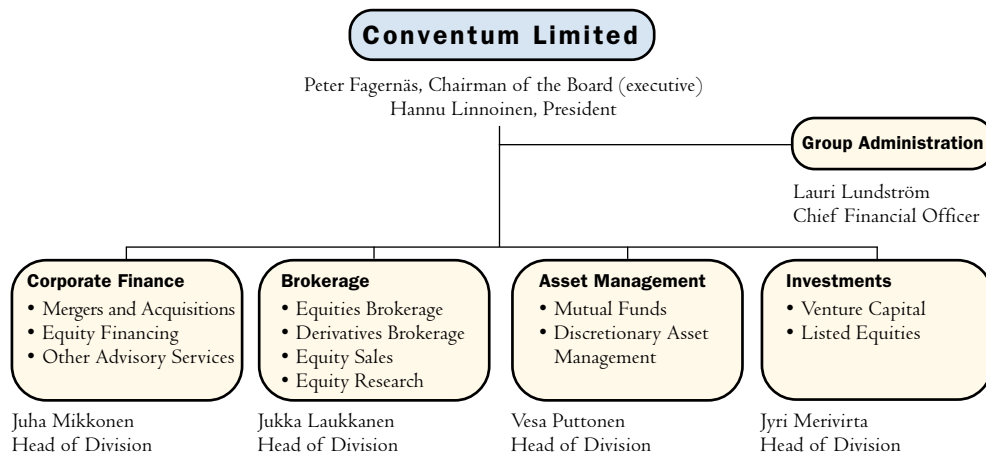


Hannu Linnoinen

Conventum in Brief

Conventum is a leading Finnish full-service investment bank. It is a professional organisation that is independent of the banks and insurance companies. Conventum offers a versatile palette of high quality financial services and it plays an active role as an investor in growing information technology and biotechnology companies. Conventum's clientele includes of Finnish and international corporations, institutions and private individuals.

The foundation of Conventum's operations is its well-educated and professional staff, whose commitment to the company's good performance is strengthened via ownership and a share option programme. At the beginning of 2000 Conventum had a staff of 87 people.



The objective of Conventum's operations is to achieve fast and profitable growth in all its business areas and to deliver a competitive return to shareholders.

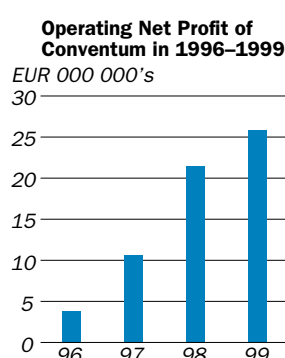
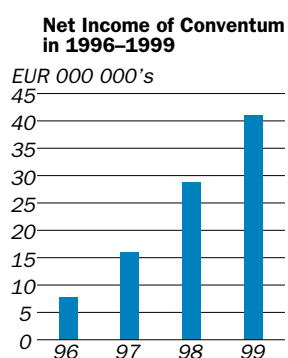


Conventum's first year 1999

- Conventum Limited was formed as a result of the combination merger of Arctos Capital Oyj, Arctos Holding Oy and Conventum Oy on February 28th. The company's share was admitted to the Main List of Helsinki Exchanges on March 1st
- The company's Board of Directors appointed the Management Board and approved the Group's organisation in February 1999
- The company distributed a dividend of EUR 0.34 per share on April 23rd
- Hannu Linnoinen, LL.M.,B.Sc. (Econ.), was effective as the company's President on May 10th
- The staff's commitment to the company's success was reinforced by introducing a comprehensive share option programme in June
- Conventum acted as an adviser in a number of major M&A transactions during the year
- Conventum made 11 new investments, primarily in information technology companies. Total amount of investments made including second round investments were EUR 7.2 million
- The sale of shares in Santa Monica Software Finland Oy resulted in a profit of EUR 4 million. The company was merged into the Cygate Group, in which Conventum has a 9.4% ownership
- The value of the portfolio of listed equities grew strongly and at the end of the year the difference between the book value and market value of the portfolio was EUR 60.9 million. The largest single equity holding was in JOT Automation Plc, whose value rose by 420% in value in 1999
- Conventum acquired and merged Diana Fund Management Company Ltd and launched two new mutual funds. Total assets under management in the mutual funds on December 31st, 1999, were EUR 207 million and in Discretionary Asset Management totalled EUR 150 million
- Conventum's staff increased by 33 employees during the financial year, and at the end of the year the company had a payroll of 87 employees.

1996-1999 in figures (Pro Forma)

	Dec 31, 1996	Dec 31, 1997	Dec 31, 1998	Dec 31, 1999
Income from investment services (MEUR)	7,8	16,0	28,8	40,7
Operating profit (MEUR)	3,8	10,6	21,5	25,8
Net profit for the financial year (MEUR)	3,1	7,4	16,0	17,6
Total assets (MEUR)	26,8	50,1	66,4	103,5
Return on equity, %	22,8%	24,6%	35,6%	31,6%
Income/expenses ratio	2,0	2,5	3,6	3,0
Earnings per share (EUR)	0,13	0,31	0,68	0,74
Equity per share (EUR)	0,86	1,67	2,14	2,54
Equity ratio, %	76,4%	79,4%	76,7%	58,4%



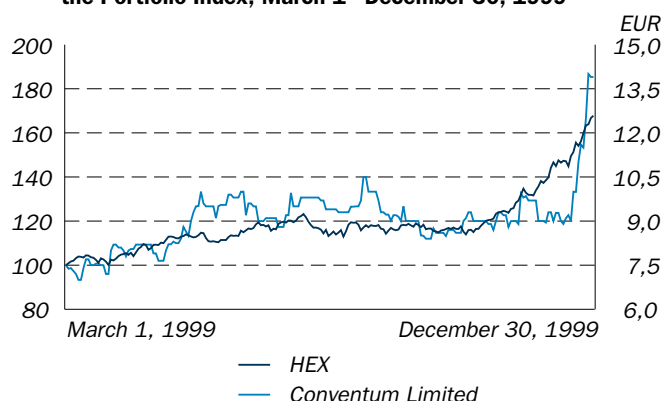
Share Price Trend and Shareholders 1999

- The company had 970 shareholders by the end of financial year
- Approximately 49% of the share capital is owned by the staff
- The share capital was converted in to euros and after the bonus issue the par value of the share was 0.85 euros
- The company distributed a dividend of 0.34 euros per share on April 23rd, 1999.

The trading price of Conventum's share on the HEX Helsinki Exchanges fluctuated between a high of 14 euros and a low of 7 euros in the March-December period. The closing price at the end of December was 13.90 euros. The share price rose by 85.33% from March to December and the market value of the company was EUR 331 million on December 31st, 1999.

The Board of Directors proposes a dividend of 0.40 euros per share.

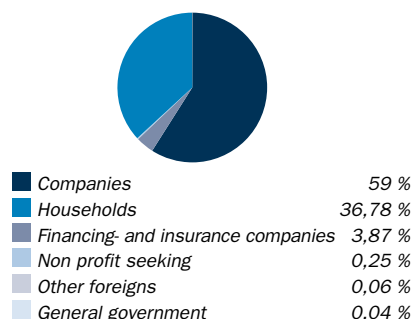
Conventum share price trend compared with the Portfolio Index, March 1 - December 30, 1999



Largest shareholders per December 31, 1999

Shareholder	Shares and votes, %
Thominvest Oy	21,58
Peter Fagernäs	12,01
Thomproperties Oy	11,50
Jyri Merivirta	6,30
Pine Invest Oy	6,01
Juha Mikkonen	6,00
Veikko Laine Oy	3,42
Dreadnought Finance Oy	3,39
Lakefront Oy	1,54
Asuuri Oy	1,54

Conventum's owners per December 31, 1999



Board of Directors, Management and Auditors

Board of Directors

Peter Fagernäs,

Chairman (executive)

Timo Jauhki, Vice Chairman CEO

Raimo Hertto, Member Commercial Counsellor

Pertti Laine, Member CEO

Kari Rannila, Member CEO



Behind from left Pertti Laine, Kari Rannila. Front from left Raimo Hertto, Peter Fagernäs, Timo Jauhki.

President

Hannu Linnoinen

Management Board

Hannu Linnoinen, chairman President

Jukka Laukkanen Head of Division, Brokerage

Lauri Lundström Chief Financial Officer

Jyri Merivirta Head of Division, Investments

Juha Mikkonen Head of Division, Corporate Finance

Vesa Puttonen Head of Division, Asset Management



Behind from left Hannu Linnoinen, Jyri Merivirta, Vesa Puttonen. Front from left Juha Mikkonen, Lauri Lundström, Jukka Laukkanen.

Auditors

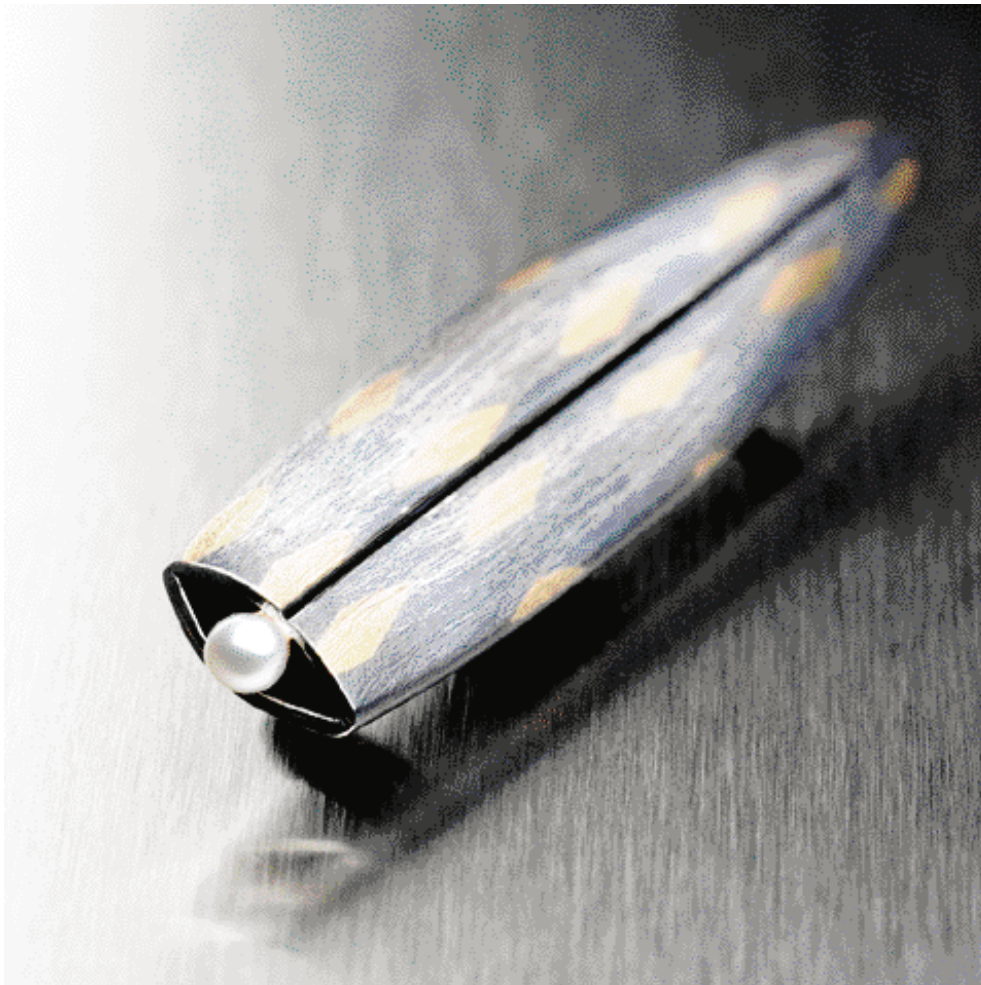
SVH Pricewaterhouse Coopers & Lybrand Oy,

with Pekka Nikula, Authorised Public Accountant acting as responsible auditor;

Johan Kronberg, Authorised Public Accountant

Deputy auditor

Markku Marjomaa, Authorised Public Accountant



Kaisa Vuorinen: *brooch "Siivet"*

Corporate Finance

Conventum's goal is to be the leading advisor for companies in domestic M&As and equity offerings.

Conventum's advisory work in the field of mergers and acquisitions comprises of acquisitions and disposal for client companies, mergers and dimergers, as well as tender offers and share redemptions. In equity offerings, Conventum's work for clients included their initial public offerings, equity offerings, and sales of shares aimed at expanding the ownership base, as well as advisory services for raising venture capital for growth companies.

In 1999 the corporate field in Finland witnessed a large number of mergers and acquisitions. During the last year an exceptionally large number of new companies have applied for stock exchange listings in Hex Helsinki Exchanges and raised equity capital.

Conventum enhanced its position as a provider of corporate finance services. The company's clients are mainly large and medium-sized companies as well as an increasing number of rapidly growing technology companies. During the past year Conventum broadened considerably its clientele. Staff resources were expanded in order to serve the increased clientele.

The focus of corporate finance services was on advisory services related to M&A transactions. Conventum acted, e.g. as joint advisor to Rauma Corporation and Valmet Corporation in the merger of the companies to form Metso Corporation, as advisor to Amer Group Plc, for its tender offer for Suunto Oyj, as joint advisor to Sampo Insurance Company plc and Leonia plc in the formation of Sampo-Leonia, and as Metso Corporation's advisor in the sale of forest machinery manufacturer Timberjack Group to the American company Deere & Company. In the field of equity offerings, Conventum acted as the lead manager for the IPO and the sale of shares of Eimo Oyj and arranged as advisor venture capital financing for several growth companies.



The dapping die and the dapping punches are used for working metal plates into hemispheres. The punches are made of hardened steel and their tips have been polished.



Juha Koskela: *earrings "Sylli"*

Brokerage

Conventum acts as a broker for securities and derivative contracts on Helsinki Exchanges, as a provider of research and as a provider of custodial services for securities. Conventum's brokerage clients are both domestic and foreign corporates, institutional investors as well as retail clients.

Trading on the Helsinki Exchanges reached record levels during 1999. The exchanges set new records for share price development, share turnover and the volume of trades. The introduction of the euro in share pricing at the start of 1999 reduced the currency risk for foreign investors and boosted interest in Finnish shares. The introduction of the euro passed smoothly. The HEX All-Share Index rose by over 160% to 14578.7 and the Portfolio Index also rose by over 65%. The market value of shares on the Main List at the end of 1999 was EUR 346 billion. Trading volume grew steadily throughout the year and share turnover reached EUR 104.8 billion, an increase of over 90% on the previous year. Turnover in Nokia shares accounted for two thirds of turnover on the exchange.

Conventum's market share in equities brokerage in 1999 was nearly 4% and Conventum was among the three largest brokers for derivative contracts. In the Autumn Conventum Securities Limited was accepted as a member of the EUREX derivatives exchange in Frankfurt. The Brokerage Division recruited a number of stockbrokers and analysts for the Research Department during the year in order to strengthen its customer service capability also in the future. The Research Department produces regularly company research and macro analyses for clients. These analyses are also available to clients in the new equity research internet service on Conventum's website.

The move to euro-denominated trading at the start of 1999 and the new millennium meant an increased workload, particularly for the Brokerage Division's data processing and back-office staff. Both projects went according to plan. The centralisation of book-entry securities registers in Finland during 2000 should help to clear settlement bottlenecks for the Helsinki Exchanges' share transactions, which were particularly problematic in late Autumn 1999.



Gravers are the goldsmith's universal tool, used for engraving text or patterns as well as setting stones. The handles are wooden and the blades are made of special steel that has been ground and polished.



Juha Koskela: *pendant "Kentauri"*

Asset Management

Conventum's asset management activities are divided into the management of mutual funds and the offering of discretionary asset management services. The Discretionary Asset Management offers services to institutional investors and private individuals. Conventum Fund Management Company Limited manages a total of ten mutual funds registered in Finland investing their assets in the Finnish and international securities markets. These assets grew by EUR 50 million during 1999, totalling EUR 149 million on December 31st, 1999.

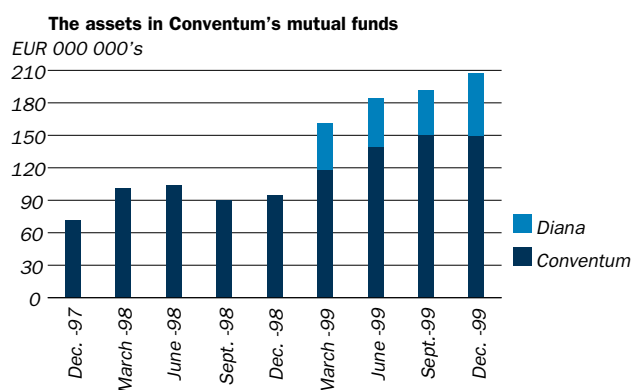
Diana Fund Management Company Ltd and the three mutual funds it manages, as well as key employees, became part of Conventum in February 1999, and Diana Fund Management Company Ltd merged with Conventum Fund Management Company Limited on December 31st, 1999. The Diana Funds will be renamed as Conventum funds following a review by the authorities, and the mutual funds Diana Korko and Conventum Euro Obligaatio will be merged in Spring 2000. The assets under management in Diana funds totalled EUR 58 million on December 31st, 1999.

In the beginning of 2000 the value of assets under management in Conventum's 13 mutual funds was EUR 207 million.

The Asset Management Division has systematically developed its portfolio management and analysis operations throughout 1999. The range of mutual funds has been increased and mutual funds' investment strategies have been adjusted to meet clients' rapidly changing needs. Conventum's analysts and portfolio managers co-operate on a regular basis with experts in different sectors and with universities. The risk-adjusted long-term portfolio management results for equity and balanced mutual funds remained good during the year under review.

The Conventum Pharma pharmaceuticals and technology fund, which was established at the beginning of 1999, has grown rapidly and the fund had assets of EUR 18.9 million at December 31, 1999. Since Autumn 1999 the Conventum Finland (Value) equity fund has applied a systematic value philosophy to its investment policy – the first fund in Finland to do so. In October balanced fund, Conventum Vision, was launched that concentrates its equity investments on companies that invest heavily in their personnel recruitment, training and welfare.

During the current year Conventum's Discretionary Asset Management has been centralised into Conventum Asset Management Limited. Most of the Group's portfolio management resources, which were strengthened during the year under review, have also been centralised to this company.



This was reflected in a rapid growth of assets under management, which in addition to the mutual funds stood at around EUR 150 million.



Kirsti Doukas: rings "*Hiillos*"

Investments

Conventum's objective is to be one of the leading technology investors in the Nordic countries. Investment operations are focused on venture capital investments in unlisted growth companies and investments in listed technology shares especially on the Helsinki Exchanges and the NASDAQ.

The main areas of focus for investment operations are information technology and biotechnology.

Conventum strives to analyse trends in information technology and to make either venture capital investments in these technologies or to invest in listed companies developing these technologies. The main areas of interest within information technology are telecommunications, the internet and software production. Conventum makes venture capital investments in companies at different development cycles depending on the company's sector and the growth prospects for the market. Conventum's aim is to prepare target companies for a stock exchange listing within two to four years after investing in these companies.

In the biotechnology sector Conventum invests in companies whose research projects are considered to have significant market potential and which are likely to seek a stock exchange listing within one to three years after the investment being made.

As a venture capital investor Conventum offers target companies its in-depth knowledge of domestic and foreign capital markets, its long-term expertise of market listing in developing company structures, and its understanding of the technology sector. The principal assessment factors for Conventum's investment decision are management, technology expertise and the business plan of the prospect company. Investment prospects must possess substantial upside potential for growth and appreciation in value.

Conventum has made 22 venture capital investments. These companies are presented on pages 42-49 of this Annual Report.



Nippers for cutting thin wires and plates. One of the cutting surfaces is completely smooth. With the brush on the handle the goldsmith can clean the surfaces that he is working on.

Report of the Board of Directors

Start of Operations and Organisation

Conventum Limited was formed on February 28th, 1999, as a result of the combination merger of Arctos Capital Oyj, Arctos Holding Ltd and Conventum Limited, and the company's share was admitted to the Main List of Helsinki Exchanges on March 1st, 1999. The measures connected with the merger have been seen to completion. The Board of Directors of Conventum Limited held its organisation meeting at the beginning of 1999. The Executive Chairman of the Board is Peter Fagnäs and the other members are Timo Jouhki (Vice Chairman), Raimo Hertto, Pertti Laine and Kari Rannila. The Board of Directors appointed Hannu Linnoinen, B.Sc. (Econ.), LL M, as the company's President effective on May 10th, 1999. The Board of Directors also appointed a Group Management Board, comprising the president (chairman) and the heads of the business divisions as well as the Group CFO. A separate Group Administration unit was set up to assist the President. The Group's ongoing operations were organised into four business divisions: Corporate Finance, Brokerage, Asset Management and Investments.

Consolidated turnover and earnings

Conventum Group's pro forma income from investment services for the year 1999 was EUR 40.7 million, representing a substantial increase compared with the result in the corresponding period (1998: EUR 28.8 million). Consolidated pro forma operating profit grew to EUR 25.8 million (1998: EUR 21.5 million). Net operating profit reduced by EUR 1.5 million writedown of the book value of real-estate shares on December 31st, 1999, which increased the taxlevel for the financial period. The difference between the book value of the company's portfolio of listed equities and its market value was EUR 60.9 million. All the business divisions were profitable. The importance of investment operations increased during the past year, but both corporate finance and brokerage were also very profitable throughout the year. Asset management focused on marketing, and both human resources and data processing resources were increased, with a corresponding impact on the profitability of operations. The outlays were nevertheless justified because assets under management grew rapidly during the year. Group administrative costs were in part attributable to the implementation of the Conventum merger, the start of operations, including the related marketing campaign, as well as to the costs of internet development projects. The Group's solidity ratio was 55.07% on December 31st, 1999.

Operating Net Profit by Division 1999 (Pro Forma)

Corporate finance	EUR 4.5 million
Brokerage	EUR 6.4 million
Asset management	EUR 0.3 million
Investments	EUR 16.7 million
Group administrative expenses	EUR -2.1 million
Operating profit, total	EUR 25.8 million

Pro Forma profit for the year after taxes was EUR 17.6 million.

Accounting practice during the company's first year of operations

Conventum Limited began operations in March and in the company's first financial year the Conventum Group prepared three Interim Reports as well as annual Financial Statements. Interim Reports and Financial Statement include on Group-level also Pro Forma consolidated Income Statement and Balance sheet. The Pro Forma figures present the Group's operations from the beginning of the entire calendar year 1999, which gives a more correct picture of the Group's earnings and financial position. Conventum Limited's first actual financial year is ten months long (March 1-December 31, 1999). For this period accounting financial statement has been prepared. Conventum's consolidated financial statements and the financial statements of the parent company and all the subsidiaries are prepared in accordance with the instructions issued by the Financial Supervision Authority for use by investment service companies and fund management companies. The company has used the euro as its account currency in 1999.

The parent company, Conventum Limited

The Group's investments are mainly in the parent company's Balance sheet. The parent company has a payroll of 13 employees who comprise the Group's directors and management as well as Group administration. The parent company provides the rest of the Group with financial, risk management, legal, information technology and accounting services.

Corporate Finance

Conventum's corporate finance activities are organised within Conventum Corporate Finance Limited, which was granted an investment services licence on February 18th, 1999. The business division has strengthened its position as a provider of corporate finance services. During the past year the company has expanded its clientele, consisting mainly of medium-sized and large corporations as well as an increasing number of rapidly growing technology companies. In order to serve an ever wider clientele, human resources have been increased throughout the year. The focus of the company's operations has been on advisory services connected with M&A and transactions. The division's reported Pro Forma operating profit was EUR 4.5 million.

Brokerage

Conventum's brokerage operations serve both domestic and foreign institutional and retail investors. Conventum Securities Limited acts as a broker for securities and derivative contracts, as a provider of research and as a provider of custodial services for securities on Helsinki Exchanges. The company's market share in equity brokerage was nearly 4% in 1999, and as a broker for derivative contracts Conventum was among the largest Finnish brokers in 1999. The reorganisation of the Equity Research Department was completed during the autumn, and the department provides comprehensive company research and macro analyses. The division's Pro Forma operating profit was EUR 6.4 million.

Asset Management

Conventum's asset management activities are divided into the management of mutual funds and the provision of discretionary asset management services. Conventum Fund Management Company Limited manages ten mutual funds registered in Finland investing their assets in the Finnish and international securities markets. As a result of the acquisition of Diana Fund Management Company Ltd, its whole share capital, the three mutual funds managed by it and the key employees became a part of Conventum Group in February, 1999. Diana Fund Management Company Ltd was merged with Conventum Fund Management Company Limited on December 31st, 1999. Diana Fund Management Company Ltd's latest confirmed closure of accounts of December 31st, 1998 shows a result of EUR 0.003 million and the balance sheet shows equity capital of EUR 1.0 million. The merger of the company did not effect the distributable funds of the company. After the merger Conventum Fund Management Company Limited manages thirteen mutual funds. The Diana funds will be renamed as Conventum funds following a review by the authorities, and the Diana Korko and Conventum Euro Obligaatio mutual funds will be merged during spring 2000.

The discretionary asset management section offers its services to institutional investors and private individuals. Conventum's discretionary asset management operations will be centralised, during this current year, within Conventum Asset Management Limited. Assets under management in Conventum's mutual funds were EUR 207 million. Assets under management by the Discretionary Asset Management section, not including mutual funds, totalled about EUR 150 million at the turn of the year. The division's Pro Forma operating profit was EUR 0.3 million.

Investments

Conventum's investment activities are divided into private equity investments (venture capital investments), the management of these investments, and investments in listed equities and bonds and their related derivative instruments in Finland and internationally. Investments in unlisted companies are mainly carried in the Balance sheet of the parent company, Conventum Limited, and the portfolio of quoted equity investments is carried in the Balance sheets of both the parent company and Conventum Capital Limited. Conventum has made 22 venture capital investments. The portfolio companies are presented on pages 42-49 of the annual report. The division's posted Pro Forma operating profit was EUR 16.7 million. The difference between the book value of the portfolio of listed equities and its market value was EUR 60.9 million.

New investments (venture capital)

During 1999 new investments were made in the Finnish company Aplicom Oy, which is the leading European manufacturer of mobile data terminals for professional vehicles, in the Finnish company Fibrogen Europe Oy, which is specialised in the manufacture and marketing in Europe of collagen and gelatine that are produced using a new manufacturing method, in WCL Wireless Commerce Ltd Oy, a Finnish company specialised in software development and value added services for the Internet and wireless communications, in the Norwegian biotech company Photocure ASA, which is developing a new method of treating melanoma and similar skin diseases, in the Swedish company Projector New Media AB, which offers advisory services for the design and development of its customers' on-line

strategies, in the Futuremark Corporation (MadOnion.com Oy), a Finnish-Canadian software company which specialises in designing measurement and diagnostic software for PC end users and hardware manufacturers, in Capslock Oy, which develops software for providers of services for new media terminal devices and in WS Wireless Services Ltd, which maintains auctions acting on the Internet and in RTS NetWorks Group Plc which is a provider of Internet and wireless services and is listed on AIM in London.

Sales of investments (venture capital)

During the first part of the year Investment AB Bure purchased from Conventum 19.3% of Santa Monica Software Finland Oy, which generated a profit of about EUR 4 million for Conventum. After this deal Conventum held a 20% interest in the company. At the end of April, Santa Monica Software Finland Oy and Salcom Ab of Sweden were merged into the Cygate Group in accordance with the original plan. Conventum exchanged all of its remaining shares in Santa Monica Software Finland Oy, receiving in consideration for the exchange 9.4% of the new shares outstanding in the Cygate Group. Cygate AB supplies integrated communications systems in the Nordic countries, the Baltic Region and Poland. The company intends to list on the Stockholm Stock Exchange by the end of 2000.

The profit of the associated companies

The Pro Forma loss of the associated companies consolidated by equity method including goodwill depreciation was EUR 1.1 million in 1999.

Listed equities portfolio

A significant proportion of Conventum's investment assets has been invested in listed equities and the investments have generated both realised gains and appreciation in value. The largest single investment measured in terms of market value at December 31st, 1999, was in the shares of JOT Automation Group Plc, which were acquired before the company's initial public offering in 1998. The value of JOT Automation Group Plc's share rose by 420% during the reporting period.

During the late autumn Conventum has increased ownership in Incap Limited which is listed in Hex Helsinki Exchanges. By the end of the year Conventum owned 11.8 % of the company's share capital.

The market value of the listed securities in Conventum's portfolios exceeded the book value at December 31st, 1999, by EUR 60.9 million.

Other investments

Other investments include companies or securities that are not technology investments by their nature. The investments division is not responsible for the management of these investments. The majority of this group are investments in real-estate shares and shares of the HEX Helsinki Exchanges. The value of real-estate was reduced by EUR 1.5 million on December 31st, 1999. The book value of real-estate is EUR 1.9 million which is based on the estimate of the going value of real-estate. All the properties owned by the company have been leased.

Resolutions of the extraordinary General Meeting and their implementation

The extraordinary General Meeting of the shareholders of Conventum Limited held on April 13th, 1999, passed resolutions on amendments to the Articles of Association, concerning the redenomination of the company's share capital to euros and a bonus issue to be carried out in connection with the conversion. In going over to euro-denominated share capital, the nominal value of the share was dropped and following the bonus issue the accounting countervalue of the share was 0.85 euros or 85 eurocents. New shares were not floated in the bonus issue, nor did the number of the company's shares change.

The General Meeting of shareholders authorised the Board of Directors to decide, during one year from the date of the General Meeting, on increasing the share capital through a rights issue in one or more instalments such that the aggregate amount of the increases in share capital may be a maximum of EUR 3,002,262.90. The total number of new shares to be subscribed for in the rights issue or issues may be a maximum of 3,532,074. The authorisation empowers the Board to regard the shareholders' pre-emptive right to subscribe to new shares as well as to decide on the bases of determining the subscription price and the subscription price itself as well as the terms and conditions of subscriptions for the new shares. The authorisation was registered on May 14th, 1999, and it has not been exercised.

The General Meeting furthermore passed a resolution that the employees of Conventum Limited and its wholly-owned subsidiaries shall be offered for subscription a maximum of one million share options entitling them to subscribe for the same number of the company's shares. The personnel subscribed for 927,500 share options in June. The share option programme is part of the incentive system for the personnel and it was targeted, as a rule, at persons other than the company's present shareholders who are private individuals. The subscription price of the share was the average price of Conventum Limited's share, weighted for share turnover, on Helsinki Exchanges from March 15th to March 31st, 1999 (EUR 7.89). The subscription price of the share will be lowered by the amount of dividends that are distributed prior to subscribing for the shares, as calculated on the record date for the payment of dividends. The subscription period for the shares under the options commences on July 1st, 2001 and ends on June 30th, 2002.

The extraordinary General Meeting resolved that from the company's non-restricted equity, a dividend of EUR 0.34 per share be paid to shareholders. The dividend payout was made on April 23rd, 1999.

Operating environment and outlook for the future

The company's operations have achieved a good foothold in the market and both human and other key resources have been strengthened. We believe that the company's operating environment will remain favourable and that this will be reflected directly in the performance of all Conventum's business divisions. The profitability of the financial services is expected to remain good during 2000. The importance of Conventum's investment operations will grow in the future, and the success of the growth companies will create very good basis for the profitability of Conventum's investment division. *

* Conventum Limited's Board of Directors estimates that the Group's operating profit also in 2000 will exceed the previous year's figure and that the consolidated operating profit for the first quartal of 2000 will substantially exceed the consolidated operating profit of the corresponding period of the previous year.

PRO FORMA CONSOLIDATED PROFIT AND LOSS ACCOUNT (Notes to the financial statements)	1.1.-31.12.1999 TEUR	1.1.-31.12.1998 TEUR
Commission income	18,218	17,863
Net income from securities transactions and foreign exchange dealing		
Net income from securities transactions		
Net income from quoted investment services	16,835	3,776
Net income from unquoted investment services	4,132	5,490
Net income from foreign exchange dealing	70	34
Income from equity investments	945	943
Interest income	252	392
Other operating income	256	308
NET INCOME FROM INVESTMENT SERVICES	40,708	28,806
Commission expenses	-787	-845
Interest expenses	-523	-311
Administrative expenses		
Staff costs		
Salaries and fees	-3,298	-2,063
Staff-related costs		
Pension costs	-585	-362
Other staff-related costs	-243	-232
Other administrative expenses	-4,519	-3,147
Depreciation and write-downs on tangible and intangible assets	-2,063	-312
Other operating expenses	-1,769	-784
Loan and guarantee losses	0	35
Share of profit/loss of undertakings included in the consolidated accounts using equity method	-1,148	737
NET OPERATING PROFIT	25,773	21,522
Extraordinary items		
Extraordinary income	0	59
Extraordinary expenses	0	-141
PROFIT BEFORE APPROPRIATIONS AND TAXES	25,773	21,440
Income taxes		
Taxes for the financial year and previous financial year	-8,152	-5,401
Change in imputed taxes due	-23	5
PROFIT FOR THE FINANCIAL YEAR	17,598	16,044

PRO FORMA CONSOLIDATED BALANCE SHEET
(Notes to the financial statements)

31.12.1999
TEUR

31.12.1998
TEUR

ASSETS

Liquid assets	10	28
Claims on credit institutions	23,703	10,219
Claims on the public and public sector entities	1,842	3,230
Debt securities		
On public sector entities	177	177
Other	2,990	2,145
Share and participations	50,831	26,308
Participating interests	6,906	11,306
Intangible assets		
Goodwill	1,543	0
Other long-term expenditure	509	101
Tangible assets		
Real estate and shares and participations in real estate corporations	1,890	3,390
Other tangible assets	1,090	571
Other assets	6,294	3,982
Accrued income and prepayments	5,712	4,919
	103,497	66,376

LIABILITIES

LIABILITIES

Liabilities to credit institutions	10,091	2,187
Liabilities to public and public sector entities	22,815	4,065
Other liabilities	2,465	2,768
Accrued expenses and deferred income	7,703	6,464
Imputed taxes due	27	0

EQUITY CAPITAL

Share capital	20,231	20,015
Share premium account	5,132	4,559
Other restricted reserves		
Reserve fund	7,486	7,702
Profit brought forward	9,949	2,572
Profit for the financial year	17,598	16,044
	103,497	66,376

OFF BALANCE SHEET COMMITMENTS:

Commitments given to a third party on behalf of a customer		
Guarantees and pledges	1,436	622
Undelivered securities transactions	5,127	3,386
Pledged assets and other liabilities	24,855	11,180

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Group 1.3.-31.12.1999 EUR	Parent company 1.3.-31.12.1999 EUR
Commission income	15,351,020.03	0.00
Net income from securities transactions and foreign exchange dealing		
Net income from securities transactions	15,101,690.08	14,441,951.83
Net income from foreign exchange dealing	72,597.09	-131.33
Income from equity investments	872,601.46	1,101,150.18
Interest income	226,940.49	125,492.02
Other operating income	221,855.69	142,413.23
NET INCOME FROM INVESTMENT SERVICES	31,846,704.84	15,810,875.93
Commission expenses	-659,151.69	0.00
Interest expenses	-478,230.32	-425,494.74
Administrative expenses		
Staff costs		
Salaries and fees	-2,828,166.92	-581,701.28
Staff-related costs		
Pension costs	-501,320.92	-91,147.75
Other staff-related costs	-198,235.02	-36,366.25
Other administrative expenses	-3,733,358.93	-856,414.76
Depreciation and write-downs on tangible and intangible assets	-2,003,466.21	-1,568,136.28
Other operating expenses	-1,626,719.65	-837,563.54
Share of profit/loss of undertakings included in the consolidated accounts using equity method	-1,021,367.86	0.00
NET OPERATING PROFIT	18,796,687.32	11,414,051.33
Extraordinary items		
Extraordinary income	0.00	10,720,000.00
Extraordinary expenses	0.00	-729,000.00
PROFIT BEFORE APPROPRIATIONS AND TAXES	18,796,687.32	21,405,051.33
Appropriations	0.00	-24,933.89
Income taxes		
Taxes for the financial year and previous financial year	-6,023,445.83	-6,413,625.13
Change in imputed taxes due	-22,854.88	0.00
PROFIT FOR THE FINANCIAL YEAR	12,750,386.61	14,966,492.31

CONSOLIDATED BALANCE SHEET

	Group 31.12.1999 EUR	Parent company 31.12.1999 EUR
ASSETS		
Liquid assets	9,573.15	105.47
Claims on credit institutions	23,702,920.75	984,276.32
Claims on the public and public sector entities	1,842,186.03	5,866,832.50
Debt securities		
On public sector entities	177,126.41	177,126.41
Other	2,990,177.55	2,990,177.55
Share and participations	50,831,660.01	50,114,226.81
Participating interests	6,905,845.97	8,332,190.32
Shares and participations in group undertakings	0.00	10,683,280.53
Intangible assets		
Goodwill	1,543,455.11	0.00
Other long-term expenditure	509,125.55	84,294.02
Tangible assets		
Real estate and shares and participations in real estate corporations	1,889,972.06	1,889,972.06
Other tangible assets	1,089,647.02	244,397.30
Other assets	6,293,878.67	500,950.00
Accrued income and prepayments	5,711,567.10	3,757,929.47
	103,497,135.38	85,625,758.76

	Group 31.12.1999 EUR	Parent company 31.12.1999 EUR
LIABILITIES		
LIABILITIES		
Liabilities to credit institutions	10,091,275.59	10,091,275.59
Liabilities to public and public sector entities	22,815,153.61	6,151,027.40
Other liabilities	2,464,738.84	2,464,738.84
Accrued expenses and deferred income	7,702,853.78	6,323,454.87
Depreciation difference	0.00	24,933.89
Imputed taxes due	26,822.95	0.00
EQUITY CAPITAL		
Share capital	20,230,732.70	20,230,732.70
Share premium account	5,132,419.16	5,132,419.16
Other restricted reserves		
Reserve fund	7,486,127.12	7,486,127.12
Profit brought forward	14,796,625.02	12,754,556.88
Profit for the financial year	12,750,386.61	14,966,492.31
	103,497,135.38	85,625,758.76

OFF BALANCE SHEET COMMITMENTS:

Commitments given to a third party on behalf of a customer		
Guarantees and pledges	1,436,355.94	0.00
Undelivered securities transactions	5,127,314.47	0.00
Pledged assets and other liabilities	24,855,250.00	24,855,250.00

STATEMENTS OF CHANGES IN FINACIAL POSITION

	1999 Group TEUR	1999 Parent company TEUR
Cash flow from operating activities		
Operating profit	18,797	11,414
Share of the profit of associated companies by using the consolidated equity method	1,021	-
Depreciation and write-downs	2,003	1,568
Changes in working capital	17,801	1,673
Income taxes for the financial year	-6,046	-6,414
Net cash from operating activities	33,576	8,242
Cash flow from investing activities		
Investments in other equity investments	-4,908	-7,259
Investments in tangible and intangible assets	-1,262	-333
Proceeds from other equity investments	1,992	855
Appropriated loans	-2,645	-2,668
Net cash from investing activities	-6,823	-9,405
Cash flow before financing activities	26,753	-1,163
Cash flow from financing activities		
Increase in long-term receivables	-17	-17
Dividends paid	-8,092	-8,092
Group contributions received and given	0	9,991
Net cash used in financing activities	-8,109	1,882
Change in liquid funds	18,644	719
Liquid funds at Mar. 1, 1999	5,068	265
Liquid funds at Dec. 31, 1999	23,712	984

Accounting Principles

Conventum Limited was formed by way of a combination merger on March 1, 1999. The company's first financial year is from March 1 to December 31, 1999. The financial statements also include the Pro Forma income statement and balance sheet of the merged companies for the period January 1-December 31, 1999. The Consolidated Pro Forma income statement January 1-December 31, 1999 has been formed by the combination of the merged companies audited consolidated income statements during January 1-February 28, 1999 included in final accounts and the official consolidated income statement during March 1-December 31, 1999. The Consolidated Pro Forma income statement and balance sheet January 1-December 31, 1999 have been prepared on the basis of the merged companies audited financial statements, the prospectus of Conventum Ltd dated on September 23, 1998 and the complementary prospectus dated on February 17, 1999.

The difference between the Pro Forma and official consolidated income statement and balance sheet consists of the Group's net profit during the period January 1-February 28, 1999. The financial statements have been prepared in accordance with the Investment Services Company Act and regulations 203.13 and 203.14 of the Financial Supervision Authority, as well as according to the Accounting Act and the Companies Act.

Consolidated financial statements

The consolidated financial statements include all the Group's subsidiaries and associated companies. The consolidated financial statements have been prepared using the acquisition cost method. The difference between the acquisition cost of subsidiaries and the shareholders' equity corresponding to the holding acquired is stated as goodwill on consolidation, which is amortised over 10 years. The Group company Diana Rahastoyhtiö Oy was merged with Conventum Fund Management Limited through a standard merger on December 31, 1999. The income statement of Diana Rahastoyhtiö Oy is included in the consolidated income statement up to the time of the merger. The associated companies are consolidated in accordance with the equity method. The goodwill of associated companies is amortised over 10 years.

Classification of asset items according to current assets and non-current assets

Debt securities, shares and participations and other similar securities are divided into items belonging to current and non-current assets in accordance with the regulations issued by the Financial Supervision Authority. Securities held in current assets are valued at their acquisition cost or the probable market value on the balance sheet date, whichever is lower. Securities held in non-current assets are valued at the acquisition cost or at their going value, whichever is lower. Shares in real-estate corporations are valued at the going value.

Valuations of receivables and liabilities

Receivables and liabilities are entered in the accounts in the amount paid for or received from them at the time of acquisition.

Tangible and intangible assets and depreciation

Tangible and intangible assets are entered in the accounts at the acquisition cost less depreciation according to plan. Depreciation according to plan is calculated as straight-line depreciation based on the economic life of fixed assets.

The depreciation periods are:

Other non-current expenditure	5 years
Machinery and equipment	3 - 5 years

Derivative contracts

During the financial year equity- and equity index-tied derivative contracts have been used. They have been taken out both for hedging and other purposes. Derivative contracts are valued on the basis of the publicly quoted prices on the balance sheet date. Derivative contracts hedging securities held in current assets and other derivative contracts are valued at the estimated probable value. In respect of the change in value of a contract taken out for hedging purposes, an amount corresponding to the opposite-signed change entered for the hedged position is taken into account as an adjusting item. For derivative contracts, the valuation result entered in the balance sheet is booked to other funds or other liabilities.

Items denominated in foreign currency

Items denominated in foreign currency are translated into euros at the average rate quoted by the European Central Bank.

Notes to the Financial Statements

	Group 1.3.1999-31.12.1999 EUR	Parent company 1.3.1999-31.12.1999 EUR
I. Breakdown of net income from securities		
Net income from transactions in shares and participations	15,101,690.08	14,441,951.83
2. Total values of securities held as current assets purchased or sold during the financial year		
Shares and participations		
Sold	1,121,977,438.93	390,065,567.31
Purchased	1,118,618,657.33	388,748,814.07
3. Breakdown of other operating income and expenses		
Rental income	131,585.63	131,585.63
Other operating income	90,270.06	10,827.60
	221,855.69	142,413.23
Loss on the sale of shares held as non-current assets	560,213.04	560,213.04
Other operating expenses	1,066,506.61	277,350.50
	1,626,719.65	837,563.54
4. Account of planned depreciation and write-downs entered		
Shares and participations		
Write-down on shares in real-estate corporations	1,500,000.00	1,500,000.00
Intangible assets		
Depreciation according to plan	217,031.33	9,759.86
Tangible assets		
Depreciation according to plan	286,434.88	58,376.42
5. Amounts of extraordinary income and expenses		
Extraordinary income, group contribution received		10,720,000.00
Extraordinary expenses, group contribution given		729,000.00
6. Breakdowns of appropriations		
Change in depreciation difference		24,933.89
7. Changes in compulsory provisions included in income and expense items		
Nothing to report		
8. Breakdown of combined items		
Nothing to report		
9. Income by fields of activity and geographical markets		
Income from investment services		
Income by fields of activity		
Corporate Finance	5,030,680.39	0.00
Brokerage	9,338,087.45	0.00
Asset Management	2,414,730.58	0.00
Investment	16,117,496.58	15,810,575.93
The market area is Finland		
The figures are stated without elimination		
Breakdown of staff by business division		
Corporate Finance	13	0
Brokerage	36	0
Asset Management	22	0
Investment	3	0
Group Administration	13	13

	Group I.3.1999-31.12.1999 EUR		Parent Company I.3.1999-31.12.1999 EUR	
10. Subordinated claims				
Debt securities, others		39,079.80		39,079.80
11. Debt securities by type of asset, broken down into quoted and other securities				
	Quoted	Others	Quoted	Others
Securities held as current assets				
Convertible bonds	177,126.41	0.00	177,126.41	0.00
Other				
Convertible bonds	0.00	1,025,682.37	0.00	1,025,682.37
Other	0.00	1,964,495.18	0.00	1,964,495.18
12. Shares and participations by type of asset, broken down into quoted and other shares and participations				
	Quoted	Others	Quoted	Others
Shares and participations				
Securities held as current assets	33,371,897.92	17,459,762.09	33,173,146.87	16,941,079.94
The aggregate amount of differences between the probable fair value and lower book value of shares and participations				
Shares and participations				
Securities held as current assets	60,945,974.21		60,945,974.21	
Securities lent				
Securities held as current assets	200,000.00	0.00	200,000.00	0.00
Average loan period of lent securities	8 months		8 months	
13. Increases and decreases in shares held as financial fixed assets and in tangible assets				
Participating interests				
Book value at Mar. I, 1999		8,622,757.69		8,749,389.83
Increases Mar. I-Dec. 31, 1999		2,143,463.29		2,143,463.29
Decreases Mar. I-Dec. 31, 1999		-1,299,712.21		0.00
Transfers between groups Mar. I-Dec. 31, 1999		-2,560,662.80		-2,560,662.80
Book value at Dec. 31, 1999		6,905,845.97		8,332,190.32
Shares and participations in group undertakings				
Book value at Mar. I, 1999				8,948,586.15
Increases Mar. I-Dec. 31, 1999				1,734,694.38
Book value at Dec. 31, 1999				10,683,280.53
Other tangible assets				
Book value at Mar. I, 1999		565,061.68		60,498.15
Increases Mar. I-Dec. 31, 1999		838,908.57		242,275.57
Decreases Mar. I-Dec. 31, 1999		-27,888.35		0.00
Planned depreciation during Mar. I-Dec. 31, 1999		-286,434.88		-58,376.42
Book value at Dec. 31, 1999		1,089,647.02		244,397.30

	Group I.3.1999-31.12.1999 EUR	Parent Company I.3.1999-31.12.1999 EUR
I4. Breakdown of intangible assets		
Goodwill on consolidation		
Book value at Mar. I, 1999	1,685,407.34	
Planned depreciation during Mar. I-Dec. 31, 1999	-141,952.23	
Book value at Dec. 31, 1999	1,543,455.11	
Other long-term expenditure		
Book value at Mar. I, 1999	161,100.15	3,086.59
Increases Mar. I-Dec. 31, 1999	423,104.50	90,967.29
Planned depreciation during Mar. I-Dec. 31, 1999	-75,079.10	-9,759.86
Book value at Dec. 31, 1999	509,125.55	84,294.02
I5. Breakdown of real-estate holdings		
Shares and participations in real-estate corporations		
Other	1,889,972.06	1,889,972.06
I6. The number, total nominal value and purchase price of the investment firm's own retained shares or shares in the parent company		
Nothing to report		
I7. Breakdown of other assets		
Claims in respect of the sale of securities	5,792,928.67	0.00
Derivative contracts	500,950.00	500,950.00
I8. Breakdown of combined assets		
Nothing to report		
I9. The total aggregate value of the differences between the nominal value and the book value of liabilities		
Nothing to report		
I20. Breakdown of other liabilities		
Derivative contracts	2,464,738.84	2,464,738.84
I21. The breakdown of material items entered under compulsory provisions if this is necessary for clarification of balance sheet items		
Nothing to report		
I22. Breakdown of subordinated liabilities		
Nothing to report		
I23. Breakdown of increases and decreases in equity capital during the financial year, by balance sheet item		
Share capital at Mar. I, 1999	20,015,088.14	20,015,088.14
Transfer from reserve fund	215,644.56	215,644.56
Share capital at Dec. 31, 1999	20,230,732.70	20,230,732.70
Share premium account at Dec. 31, 1999	5,132,419.16	5,132,419.16
Reserve fund at Mar. I, 1999	7,701,771.68	7,701,771.68
Transfer to share capital account	-215,644.56	-215,644.56
Reserve fund at Dec. 31, 1999	7,486,127.12	7,486,127.12
Profit brought forward at Mar. I, 1999	22,888,918.11	20,846,849.96
Dividend paid	-8,092,293.08	-8,092,293.08
Profit brought forward at Dec. 31, 1999	14,796,625.03	12,754,556.88
I24. Breakdown of the investment firm's share capital by types of shares, and the main rules concerning the different types of shares according to the Articles of Association		
The company has 23,800,862 shares, all of the same series		
I25. The total amount of non-distributable items included in non-restricted items		
Equity proportion of provisions	58,769.72	0.00

Group	Parent Company
I.3.1999-31.12.1999	I.3.1999-31.12.1999
EUR	EUR

26. Information on share issues and share options as well as issues of convertible bonds decided on during the financial year, and on their terms and conditions

The extraordinary General Meeting of the shareholders of Conventum Limited held on April 13th, 1999, passed resolutions on amendments to the Articles of Association, concerning the redenomination of the company's share capital to euros and a bonus issue to be carried out in connection with the conversion. In going over to euro-denominated share capital, the nominal value of the share was dropped and following the bonus issue the accounting countervalue of the share was 0.85 euros or 85 eurocents. New shares were not floated in the bonus issue, nor did the number of the company's shares change. The share capital was increased through a bonus issue in the amount of EUR 215,644.56 by transferring said amount from the reserve fund to the share capital account.

The General Meeting of shareholders authorised the Board of Directors to decide, during one year from the date of the General Meeting, on increasing the share capital through a rights issue in one or more instalments such that the aggregate amount of the increases in share capital may be a maximum of EUR 3,002,262.90. The total number of new shares to be subscribed for in the rights issue or issues may be a maximum of 3,532,074. The authorisation empowers the Board to regard the shareholders' pre-emptive right to subscribe for new shares as well as to decide on the bases of determining the subscription price and the subscription price itself as well as the terms and conditions of subscriptions for the new shares. The authorisation was registered on May 14th, 1999, and it has not been exercised.

The General Meeting furthermore passed a resolution that the employees of Conventum Limited and its wholly-owned subsidiaries shall be offered for subscription a maximum of one million share options entitling them to subscribe for the same number of the company's shares. The personnel subscribed for 927,500 share options in June. The share option programme is part of the incentive system for the personnel and it was targeted, as a rule, at persons other than the company's present shareholders who are private individuals. The subscription price of the share was the average price of Conventum Limited's share, weighted for share turnover, on Helsinki Exchanges from March 15th to March 31st, 1999 (EUR 7.89). The subscription price of the share will be lowered by the amount of dividends that are distributed prior to subscribing for the shares, as calculated on the record date for the payment of dividends. The subscription period for the shares under the options commences on July 1st, 2001 and ends on June 30th, 2002.

27. Information on the breakdown of shareholdings and major shareholders

Breakdown by shareholdings by sector	% of shares
Corporate	59.00
Households	36.78
Financial and insurance institutions	3.87
Non-profit organisations	0.25
Public sector entities	0.04
Others	0.06
	100.00

Breakdown of shareholdings by number of shares

Number of shares	Number of shareholders	% of shareholders	Number of shares	% of shares
1-500	634	65.42	97,062	0.40
501-1,000	133	13.73	110,777	0.47
1,001-10,000	144	14.86	409,054	1.72
10,001-50,000	21	2.17	505,158	2.12
50,001-100,000	5	0.52	382,253	1.61
100,001- unregistered	32	3.30	22,283,383	93.62
			13,175	0.06
		100.00	23,800,862	100.00

Major shareholders	% of shares	% of votes
Thominvest Oy	21.58	21.58
Peter Fagnäs	12.01	12.01
Thomproperties Oy	11.50	11.50
Jyri Merivirta	6.30	6.30
Pine Invest Oy	6.01	6.01
Juha Mikkonen	6.00	6.00
Veikko Laine Oy	3.42	3.42
Dreadnought Finance Oy	3.39	3.39
Lakefront Oy	1.54	1.54
Asuuri Oy	1.54	1.54

	Group 1.3.1999-31.12.1999 EUR		Parent Company 1.3.1999-31.12.1999 EUR	
28. Capital loans and their main terms and conditions				
Nothing to report				
29. Combined items under liabilities				
Nothing to report				
30. Breakdown of asset and liability items into items denominated in domestic and foreign currency				
	Domestic currency	Foreign currency	Domestic currency	Foreign currency
Claims on credit institutions	22,554,976.40	1,147,944.35	984,276.32	0.00
Claims on the public and public sector entities	1,813,198.02	28,988.01	5,866,832.50	0.00
Debt securities	3,167,303.96	0.00	3,167,303.96	0.00
Other assets	74,784,724.64	0.00	75,607,345.98	0.00
Liabilities to credit institutions	10,091,275.59	0.00	10,091,275.59	0.00
Liabilities to the public and public sector entities	22,815,153.61	0.00	6,151,027.40	0.00
Other liabilities	10,167,592.62	0.00	8,788,193.71	0.00
31. Notes to the accounts concerning income taxation				
Taxes arising from ordinary business	6,023,445.83		3,616,145.13	
Taxes arising from extraordinary items	0.00		2,797,480.00	
	6,023,445.83		6,413,625.13	
32. Assets pledged as collateral on own behalf and on behalf of third parties, plus the liabilities and commitments for which the collateral has been pledged				
	Collateral value	Book value	Collateral value	Book value
On the company's own behalf				
Other collateral given/assets pledged on collateral				
Shares and participations				
Securities pledged as collateral for derivatives trading	24,855,250.00	1,359,600.00	24,855,250.00	1,359,600.00
The collateral requirement at Dec. 31, 1999, was zero euros				
33. Pension liabilities concerning an investment company				
The staff's pension security has been arranged through a pension insurance company				
34. Leasing liabilities				
No remarkable leasing liabilities.				
35. Breakdown of off-balance sheet commitments				
Commitments given on behalf of Group companies for a third party				
Guarantees and pledges		1,436,355.94		0.00
36. Derivatives contracts				
	For hedging purposes	Other	For hedging purposes	Other
Values of underlying assets				
Equity derivatives				
Futures	11,562,500.00	29,854,000.00	11,562,500.00	29,854,000.00
Options				
Written	0.00	1,850.00	0.00	1850.00
Share index derivatives				
Options				
Purchased	0.00	16,114,150.00	0.00	16,114,150.00
Written	0.00	16,114,150.00	0.00	16,114,150.00
37. Any commitments or contingent liabilities of the investment firm				
Nothing to report				

	Group 1.3.1999-31.12.1999 EUR		Parent Company 1.3.1999-31.12.1999 EUR	
38. Notes concerning the staff and administrative bodies				
Full-time staff				
Average during the financial year		65		8
Change during the financial year		22		4
Part-time staff				
Average during the financial year		6		1
Change during the financial year		5		1
Salaries and remuneration, pension expenses and staff-related costs of the president and directors		1,010,218.94		344,673.67
	holding %	voting rights %	holding %	voting rights %
Shareholdings of directors and the president	40.2	40.2	19.0	19.0
39. Shareholdings in other companies				
Name of company	Domicile	Line of business	Holding, %	Book value EUR
Shares and participations in Group companies				
Conventum Asset Management Oy	Helsinki	Asset management	100.00%	1,700,040.36
Conventum Capital Oy	Helsinki	Investments	100.00%	672,805.53
Conventum Corporate Finance Oy	Helsinki	Corporate finance	100.00%	2,509,302.49
Conventum Pankkiiriliike Oy	Helsinki	Brokerage	100.00%	1,947,715.92
Conventum Rahastoyhtiö Oy	Helsinki	Mutual funds	100.00%	3,853,416.23
				10,683,280.53
Participating interests				
MadOnion.com Oy	Espoo	Information technology software	20.32%	2,143,463.29
Omni Weight Control Ltd Oy	Lappeenranta	Weight measurement systems	35.71%	504,563.78
Pirene Oy	Hollola	Processing of surface soil and wastes	30.65%	714,210.03
Pohjanmaan Mikro Oy	Kempele	Manufacture and sale of computers	25.00%	1,708,789.33
Profec Engineering Oy	Nummela	Electronics industry	24.17%	1,668,087.85
Solid Information Technology Oy	Helsinki	Data management software	28.09%	1,593,076.04
				8,332,190.32
Real estate and shares and participations in real estate corporations				
KOY Silkinkulma 19976-22285	Vantaa	Administration of commercial premises	5.13%	477,623.71
KOY Silkinkulma 26526-28420	Vantaa	Administration of commercial premises	4.21%	324,669.97
KOY Silkinkulma 28421-40290	Vantaa	Administration of commercial premises	26.36%	1,569,523.00
Mannerheimintie 170	Helsinki	Administration of commercial premises	7.94%	1,018,155.38
Write-downs during the financial year				-1,500,000.00
				1,889,972.06
Unlisted shares and participations, current assets				
Aplicom Oy	Äänekoski	Data transfer in vehicles	12.20%	2,970,806.95
BioTie Therapies Oy	Turku	Biotechnology	2.94%	1,177,298.67
Capslock Oy	Espoo	Software for neomedia terminal divices	13.36%	688,928.27
Cygate AB	Täby	Integrated data networks and data security	9.40%	2,560,662.79
Fibrogen Europe Oy	Helsinki	Biotechnically produced collagens	1.76%	840,939.63
IWS International Oy	Oulu	Power distribution systems	6.34%	444,151.04
Jokerit HC Oyj	Helsinki	Entertainment and leisure group	4.52%	1,576,736.24
Okmetic Oy	Vantaa	Silicon wafer manufacture	1.17%	501,190.81
Phoenix Kapitaldienst GmbH	Germany	Investments	-	656,183.51
Projector PNM AB	Stockholm	Neomedia services	5.26%	351,947.41
Supratek Pharma Inc.	Montreal	Pharmaceutical industry	1.18%	439,240.68
WCL Wireless Commerce Ltd	Ii	Wireless communications software	11.11%	336,375.85
WS Wireless Services Oy	Helsinki	Internet commerce	16.92%	673,592.66
X-net Oy	Oulu	Products for testing		
		telecommunication networks	12.05%	3,417,565.21
Other shares and participation (5 units)				305,460.22
				16,941,079.94

		Group 1.3.1999-31.12.1999 EUR	Parent Company 1.3.1999-31.12.1999 EUR
40. Trustee operations of a financial services company			
Nothing to report			
41. Information concerning and investment firm belonging to a group			
Conventum Limited			
Pohjoisesplanadi 25 B, P.O. BOX 359, FIN-00101 Helsinki, Finland			
A copy of the consolidated financial statements can be obtained at the address below or on the Internet at www.conventum.fi			
Information concerning Group companies			
Interest income			78,076.40
Interest expenses			246,027.36
Claims on the public and public sector entities			5,684,995.27
Liabilities to the public and public sector entities			6,108,812.54
42. Subsidiaries included in the consolidated accounts			
Conventum Pankkiiriliike Oy	Helsinki	100%	
Conventum Corporate Finance Oy	Helsinki	100%	
Conventum Rahastoyhtiö Oy	Helsinki	100%	
Conventum Capital Oy	Helsinki	100%	
Conventum Asset Management Oy	Helsinki	100%	
43. Subsidiaries which have been omitted from the consolidated accounts			
Nothing to report			
44. Associated companies included in the consolidated accounts			
Solid Information Technology Oy	Helsinki	28.09%	
Profec Engineering Oy	Nummela	24.17%	
Pohjanmaan Mikro Oy	Kempele	25.00%	
Omni Weight Control Ltd Oy	Lappeenranta	35.71%	
Pirene Oy	Hollola	30.65%	
MadOnion.com Oy	Espoo	20.32%	
Associated companies are consolidated according to the equity method			
45.- 51. Nothing to report			
52. Imputed deferred taxes			
Based on appropriations		26,822.95	
53. Goodwill and negative consolidation difference in respect of associated companies			
		Goodwill on consolidation	
Solid Information Technology Oy		960,458.03	
Profec Engineering Oy		479,970.33	
Pohjanmaan Mikro Oy		1,207,717.05	
Omni Weight Control Ltd Oy		312,262.01	
Pirene Oy		108,586.43	
MadOnion.com Oy		1,712,669.03	

NON-CURRENT ASSETS AND UNLISTED INVESTMENTS

Group

	Acquisition cost at the beginning of the financial year	Increases	Decreases/ transfers	Accumulated depreciation and write-downs at the beginning of the financial year	Accumulated depreciation on reductions	Depreciation during the financial year	Write-downs (-) and their reversals (+)	Asset value at the end of the financial year
Intangible assets								
Goodwill on consolidation	1,699,216.64	0.00	0.00	-13,809.30	0.00	-141,952.23		1,543,455.11
Other long-term expenditure	311,711.69	423,104.50	0.00	-150,611.54	0.00	-75,079.10		509,125.55
Intangible assets, total	2,010,928.33	423,104.50	0.00	-164,420.84	0.00	-217,031.33	0.00	2,052,580.66
Tangible assets								
Machinery and equipment	1,232,839.91	838,908.57	-27,888.35	-665,939.26	-8,984.50	-279,289.35		1,089,647.02
Shares and participations in real-estate corporations	3,389,972.06	0.00	0.00	0.00	0.00	0.00	-1,500,000.00	1,889,972.06
Tangible assets, total	4,622,811.97	838,908.57	-27,888.35	-665,939.26	-8,984.50	-279,289.35	-1,500,000.00	2,979,619.08
Investments								
Debt securities from others	322,656.83	2,667,520.72	0.00					2,990,177.55
Shares in associated companies	8,749,389.83	2,143,463.29	-3,987,007.15					6,905,845.97
Unlisted investments	12,373,344.12	5,941,872.65	-855,454.68					17,459,762.09
Investments, total	21,445,390.78	10,752,856.66	-4,842,461.83	0.00	0.00	0.00	0.00	27,355,785.61
	28,079,131.08	12,014,869.73	-4,870,350.18	-830,360.10	-8,984.50	-496,320.68	-1,500,000.00	32,387,985.35

Parent company

	Acquisition cost at the beginning of the financial year	Increases	Decreases/ transfers	Accumulated depreciation and write-downs at the beginning of the financial year	Accumulated depreciation on reductions	Depreciation during the financial year	Write-downs (-) and their reversals (+)	Asset value at the end of the financial year
Intangible assets								
Intangible rights	0.00	90,967.29	0.00	0.00	0.00	-8,523.14		82,444.15
Other long-term expenditure	8,947.60	0.00	0.00	-5,861.01	0.00	-1,236.72		1,849.87
Intangible assets, total	8,947.60	90,967.29	0.00	-5,861.01	0.00	-9,759.86	0.00	84,294.02
Tangible assets								
Real estate and shares in real estate corporations	3,389,972.06						-1,500,000.00	1,889,972.06
Machinery and equipment	144,867.43	226,465.90	0.00	-84,369.28	0.00	-58,376.42		228,587.63
Other tangible assets	0.00	15,809.67	0.00	0.00	0.00	0.00		15,809.67
Tangible assets, total	3,534,839.49	242,275.57	0.00	-84,369.28	0.00	-58,376.42	-1,500,000.00	2,134,369.36
Investments								
Debt securities from others	322,656.83	2,667,520.72	0.00					2,990,177.55
Shares in group companies	8,948,586.15	1,734,694.38						10,683,280.53
Shares in associated companies	8,749,389.83	2,143,463.29	-2,560,662.80					8,332,190.32
Unlisted investments	11,854,661.97	5,941,872.65	-855,454.68					16,941,079.94
Investments, total	29,875,294.78	12,487,551.04	-3,416,117.48	0.00	0.00	0.00	0.00	38,946,728.34
	33,419,081.87	12,820,793.90	-3,416,117.48	-90,230.29	0.00	-68,136.28	-1,500,000.00	41,165,391.72

Proposed Distribution of Earnings

The distributable funds of Conventum Limited were EUR 27,721,049.19 million and the Group's distributable funds were EUR 27,488,241.91 million. The company's net profit was EUR 14,966,492.31 million. The Board of Directors proposes that a dividend of 0.40 euros per share be distributed, totally EUR 9,520,344.80 million and the rest of the net profit of the year EUR 5,446,147.51 million, be retained in the distributable funds.

Helsinki, February 16th, 2000.

Board of Directors

Peter Fagernäs
Chairman of the Board

Timo Jouhki
Vice-chairman of the Board

Raimo Hertto

Pertti Laine

Kari Rannila

Auditors' Report

To the shareholders of Conventum Oyj

We have audited the accounting, the financial statements and the corporate governance of Conventum Oyj for the period 1.3.-31.12.1999. The financial statements, which include the report of the Board of Directors, 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 the 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 the 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 have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of the financial position. The financial statements with the 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 distributable assets is in compliance with the Companies' Act.

Helsinki, February 16th, 2000.

SVH Pricewaterhouse Coopers Oy
Authorised Public Accountants

Pekka Nikula
APA

Johan Kronberg
APA

PRO FORMA FINANCIAL INDICATORS AND KEY RATIOS OF THE GROUP

Key financial indicators

	1999	1998	1997	1996
Net income from investment services (EUR millions)	41	29	16	8
Net operating profit (EUR millions)	26	22	11	4
% of net income from investment services	63.3%	75.9%	68.8%	50.0%
Profit before appropriations and taxes (EUR millions)	26	21	11	4
% of net income from investment services	63.3%	72.4%	68.8%	50.0%
Return on equity (ROE) %	31.6%	35.6%	24.6%	22.8%
Return on assets (ROA) %	20.7%	27.7%	19.3%	11.6%
Adjusted return on assets (ROA) %*	23.8%	28.9%	20.5%	14.2%
Equity/assets ratio%	58.4%	76.7%	79.4%	76.4%
Adjusted equity assets ratio %*	74.1%	82.8%	87.4%	93.5%
Earnings to operating costs	3.0	3.6	2.5	2.0

Share performance indicators

Earnings per share (EUR)	0.74	0.68	0.31	0.13
Equity per share (EUR)	2.54	2.14	1.67	0.86
	Date of payment 27.3.2000	Date of payment 23.4.1999		
Dividend per share (EUR)	(Proposal by the Board of Directors/2000)	0.40	0.34	
Dividend payout %		54.1%		
Effective dividend yield %		2.9%		
Price to earnings		18.8		
Adjusted share price performance (EUR)				
- average price		8.80		
- lowest price		7.00		
- highest price		14.00		
Market capitalization, (EUR millions)		331		
Trading volume, (in thousands)		3063		
Share capital %		12.9%		
Adjusted number of shares				
- Weighted average of the adjusted total numbers of shares during the financial year (in thousands)		23 801		
- Adjusted number of shares at year's end (in thousands)		23 801		

Conventum Limited's share was admitted to the Main List of Helsinki Exchanges on March 1st, 1999; accordingly, per-share key figures are not presented for the prior period.

* The figures are adjusted for advance payments for clearing and settlement of clients' brokerage orders.

Calculation Formulas

Key financial indicators

NET INCOME FROM INVESTMENT SERVICES

The item includes commission income, net income from securities transactions and foreign exchange dealing, income from equity investments, interest income and other operating income.

NET OPERATING PROFIT

Net operating profit refers to the corresponding item in the profit and loss account.

NET OPERATING PROFIT, AS A PERCENTAGE OF THE NET INCOME FROM INVESTMENT SERVICES

$$\frac{\text{Net operating profit}}{\text{Net income from investment services}} \times 100$$

PROFIT BEFORE APPROPRIATIONS AND TAXES

This figure refers to the corresponding item in the profit and loss account.

PROFIT BEFORE APPROPRIATIONS AND TAXES, AS A PERCENTAGE OF NET INCOME FROM INVESTMENT SERVICES

$$\frac{\text{Profit before appropriations and taxes}}{\text{Net income from investment services}} \times 100$$

RETURN ON EQUITY, % (ROE)

$$\frac{\text{Net operating profit - taxes}}{\text{Equity capital + voluntary provisions + depreciation difference less deferred taxes due}} \times 100$$

(average of the figures for the beginning and the end of the year)

RETURN ON ASSETS, % (ROA)

$$\frac{\text{Net operating profit - taxes}}{\text{Average balance sheet total}} \times 100$$

(average of the figures for the beginning and the end of the year)

EQUITY-TO-ASSETS

$$\frac{\text{Equity capital + voluntary provisions + depreciation difference less deferred taxes due}}{\text{Balance sheet total}} \times 100$$

EARNINGS TO OPERATING COSTS

$$\frac{\text{Net income from investment services}}{\text{Commission expenses + interest expenses + administrative expenses + depreciation + other operating expenses}}$$

Share performance indicators

EARNINGS PER SHARE

$$\frac{\text{Net operating profit - minority interest in the profit for the financial year - taxes}}{\text{Adjusted average number of shares during the financial year}}$$

EQUITY PER SHARE

$$\frac{\text{Equity capital + voluntary provisions + depreciation difference at year end less deferred taxes due and minority interest}}{\text{Adjusted average number of shares on balance sheet date}}$$

DIVIDEND PER SHARE

$$\frac{\text{Dividend paid for the financial year}}{\text{Adjusted average number of shares on balance sheet date}}$$

DIVIDEND PAYOUT

$$\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$$

EFFECTIVE DIVIDEND YIELD

$$\frac{\text{Dividend per share}}{\text{Adjusted closing price for the financial year}} \times 100$$

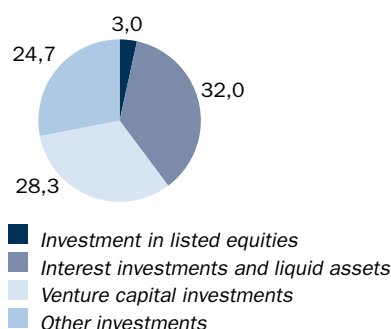
PRICE TO EARNINGS

$$\frac{\text{Adjusted closing price for the financial year}}{\text{Earnings per share}}$$

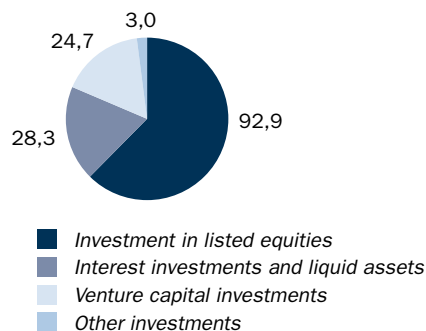
Investments and Venture Capital Portfolio

The allocation at December 31st, 1999, of Conventum's investment assets is shown below stated at both the market price and the book value. Unlisted shares (venture capital) and other investments are valued at the book value in both exhibits. A large proportion of the equity investments measured in terms of the market value – this group includes listed equities and equity/balanced mutual funds – consists of the shares in JOT Automation Group Plc. Other investments comprise companies or securities that do not rank as technology investments, like investments in shares in real-estate corporations.

Investments in book value
(Total EUR 000's 87,934)



Investments in market value
(Total EUR 000's 148,880)



Venture capital investments

The accompanying table gives basic information on Conventum's 22 venture capital investments. The companies are presented in alphabetical order and additional information on most of the companies can be obtained by visiting their home pages. Page 19 of this annual report tells about the objectives of Conventum's investment activities, the investment decision process and monitoring as well as co-operation with the portfolio companies in developing their business operations. Conventum's venture capital investments will have a growing significance over the next few years and Conventum is continually seeking new growth companies for inclusion in its portfolio.

Aplicom Oy

Aplicom is a leading manufacturer of data communication terminals for vehicles in Europe. The solutions of the company are based on generally used technologies such as GSM and Windows CE. The market for terminals is expected to grow rapidly in the next few years.



Investment	3.0 MEUR
Ownership (non diluted)	12.20 %
Turnover (est. 99)	6.9 MEUR
www.aplicom.fi	

BioTie Therapies Oy Ltd

BioTie Therapies is a biopharmaceutical research and development company using modern molecular biology and gene technology to drug development and manufacturing. Three of its products are in phase I-stage.



Investment	1.2 MEUR
Ownership (non diluted)	2.94 %
Turnover (est. 99)	0 MEUR
www.biotie.fi	

Capslock Oy

Capslock focuses on software platforms, which are used by various end-user terminals, such as WWW , WAP, DTV and wireless PDAs. Initially, Capslock will launch an e-Commerce software product, which will enable shops or shopping malls to simultaneously serve both WWW and

WAP users. The company expects to broaden its product portfolio and it aims to achieve global market leadership in given, narrow product segments.



Investment	0.7 MEUR
Ownership (non diluted)	13.36 %
Turnover (est. 99)	0.1 MEUR
www.capslock.fi	

Cygate AB (Täby, Sweden)

Cygate offers integrated, customized data-network solutions including security in internet, intranet and extranet. The company services include complete or partial projects comprising analysis, design, planning, integration and management. Cygate has deep co-operation with

companies like Cisco, Lucent, CheckPoint and RSA Security. Cygate has operations in Sweden, Finland, Denmark, Estonia and Poland.



Investment	2.6 MEUR
Ownership (non diluted)	9.40 %
Turnover (est. 99)	70.0 MEUR
www.cygate.fi	

Fibrogen Europe Oy

Fibrogen Europe is a biotechnology company focusing on the development of innovative recombinant human/animal collagen biomaterials and novel antifibrotic pharmaceuticals.

FIBROGEN EUROPE	Investment	0.8 MEUR
	Ownership (non diluted)	1.76 %
	Turnover (est. 99)	0 MEUR
	www.fibrogen.com	

Ideachip Oy

Ideachip is an innovative Finnish company in the area of environmental technology. The company has two business segments: attachments to construction machinery and organic waste treatment solutions. Ideachip has an international distributor network for its patented attachments screener/crusher product line.

Investment	0.7 MEUR
Ownership (non diluted)	10.25 %
Turnover (est. 99)	4.8 MEUR
www.ideachip.fi	

Jokerit HC Oyj

Jokerit HC is an entertainment company which owns ice-hockey and football teams and develops and manages indoor and outdoor stadiums in Europe.



Investment	1.6 MEUR
Ownership (non diluted)	4.52 %
Turnover (actual 99)	15.0 MEUR
www.jokerit.com	

JOT Automation Group Oyj

JOT Automation specializes in the design and manufacturing of production automation equipment for the electronics industry. JOT is the leading supplier of automation lines for the mobile phone industry and it aims to further leverage this position to improve its global market share. Additionally JOT aims to grow among customers in other electronics areas. The company is listed on the Helsinki Stock Exchange.



Investment	49.4 MEUR (market value 31.12.1999)
Ownership (non diluted)	2.80 % (31.12.1999)
Turnover (est. 99)	over 100.0 MEUR
www.jotautomation.com	

MadOnion.com Oy

MadOnion.com is a Finnish-Canadian internet oriented software company. It specializes in designing international testing standards for hardware vendors and end users. The company's first testing product 3DMark 99 is used by testing professionals all around the world. Over 8 million copies of the software has been distributed to date and over 200 international computer publications and web sites use it. The corporation has launched two new software products in November, 1999 in Comdex: 3DMark 2000, an update to 3DMark 99, the de-facto testing standard for PC based 3D performance, and Videomark 2000, the first comprehensive testing suite for DVD and real time video, which is being designed in cooperation with NASA.



Investment	2.1 MEUR
Ownership (non diluted)	20.32 %
Turnover (est. 99)	0.3 MEUR
www.madonion.com	

Okmetic Oy

Okmetic is a manufacturer and supplier of high quality Cz-silicon wafers for the semiconductor industry. The company has production facilities in Finland and USA. Silicon wafers demand is expected to be good in the next few years.



Investment	0.5 MEUR
Ownership (non diluted)	1.17 %
Turnover (est. 99)	44.7 MEUR
www.okmetic.fi	

Oy Omni Weight Control Ltd

Omni Weight Control develops and markets weight and load measuring systems. The company has developed a signal sensor and handling technique by applying modern topnotch knowledge and neurocomputing when measuring weights by means of strain gauges. Main applications are automatic weighing points at highways and railways and weighing systems for industrial drums, cranes and conveyor belts.

Investment	0.5 MEUR
Ownership (non diluted)	35.71 %
Turnover (est. 99)	0.5 MEUR

PhotoCure ASA (Oslo, Norway)

PhotoCure is a pharmaceutical company whose mission is to develop and market novel, medicinal products and medicinal devices based on proprietary technology in photodynamic therapy.

Investment	0.1 MEUR
Ownership (non diluted)	0.22 %
Turnover (est. 99)	0 MEUR
www.photocure.no	

Pohjanmaan Mikro Oy

Pohjanmaan Mikro is the leading Finnish supplier of PCs, laptops and servers. The company manufactures the majority of its products based on orders, thus minimizing the need for costly warehousing. Customers include both home-PC users as well as large corporations and other organizations.



Investment	1.7 MEUR
Ownership (non diluted)	25.00 %
Turnover (est. 99)	35.0 MEUR
www.pomi.fi	

Profec Holding Oy/Profec Engineering Oy

Profec manufactures inductive components for electronics industry throughout the world. The company specializes in custom-made coils and transformers, which are used in the telecommunications, automotive, medical and defence industries and consumer electronics. Profec has



been actively improving its international market position by making focused acquisitions. Due to internal growth and these acquisitions, the sales outlook is very strong.

Investment	1.7 MEUR
Ownership (non diluted)	24.17 %
Turnover (est. 99)	15.0 MEUR
www.profec.com	

Projector PNM AB (Stockholm, Sweden)

Projector is a consulting company specialized in business and competence development that incorporates new technologies. The company's projects cover large business simulations to information services on the web, and include intranet and complete eCommerce solutions. Projector has already signed a letter of intent to be merged to German Internet company Kabel New Media AG listed on the Neuer Markt.

Investment	0.4 MEUR
Ownership (non diluted)	5.26 %
Turnover (est. 99)	2.7 MEUR
www.projector.se	

RTS NetWorks Group PLC

RTS NetWorks creates business added-value for its strategic clients through high quality Internet, extranet, intranet and wireless services. The goal of RTS NetWorks is to become the leading European supplier in its focus area by the end of 2001. The company is listed on AIM in London.



Investment	10.1 MEUR (market value 31.12.1999)
Ownership (non diluted)	2.0 % (31.12.1999)
Turnover (est. 99)	5.0 MEUR
www.rtsnetworks.fi	

Solid Information Technology Oy

Solid develops and markets packaged data management software optimized for local data storage and system-wide data synchronization for networking, Internet service and telecommunications infrastructure systems. As the networks are becoming increasingly complex and the traffic volumes are expected to explode, the fluent operation of all types of networks requires efficient management and synchronization of system data. As a result, demand for Solid's products is expected to skyrocket. Currently, Solid is the leading global supplier with operations in the



SOLID

US, Finland and Central Europe. Solid has an extensive number of customers such as Nokia, Nortel, Alcatel and Hewlett-Packard.

Investment	1.6 MEUR
Ownership (non diluted)	28.09 %
Turnover (est. 99)	5.5 MEUR
www.solidtech.com	

Supratek Pharma Inc. (Montreal, Canada)

Supratek's mission is to fight major human diseases by discovering better drugs and by making discovered drugs better (Cancers, AIDS, Cardio-Vascular diseases).



SUPRATEK PHARMA INC.

Investment	0.4 MEUR
Ownership (non diluted)	1.18 %
Turnover (est. 99)	0 MEUR
www.supratek.com	

Tehdasmallit Scandinavia Oy

Tehdasmallit focuses on Internet solutions, which improve production efficiency, speed up production ramp-up time, improve the quality of R & D operations as well as shorten time-to-market of production and services. The company holds a leading position of the production 3D-simulation business in Scandinavia and customers include such as ABB, DaimlerChrysler,



TEHDASMALLIT

Nokia, SAAB, Volvo and Metso. International sales of company's Syslink software products family is expected to enable the Tehdasmallit to grow substantially during the next few years.

Investment	0.4 MEUR
Ownership (non diluted)	22.10 %
Turnover (est. 99)	2.4 MEUR
www.tdm.fi	

WCL Wireless Commerce Ltd. Oy

WCL Wireless Commerce is a solution provider specialized in wireless communication. The company offers a new wireless solution for commercial service providers (CPSs) like tele operators, portals, ISP-providers and retail businesses. The company's first product is an



interactive auction solution based on SMS and Internet. WCL has technological partnership with Microsoft, Ericsson and Radiolinja.

Investment	0.3 MEUR
Ownership (non diluted)	11.11%
Turnover (est. 99)	0.1 MEUR
www.wcl.fi	

WS Wireless Services Oy

WS Wireless Services operates an eCommerce side which focuses auctions and travel. The company has close co-operation with Alma Media and MTV3.

Investment	0.7 MEUR
Ownership (non diluted)	16.92 %
Turnover (est. 99)	0.1 MEUR

X-Net Oy

X-Net is a software company, which supplies portable, PC-based telecommunications testing and monitoring equipment. X-Net has over 150 customers in about 40 countries such as Nokia, Lucent, Ericsson and several leading global network operators. During 1999, X-Net has clearly improved its market position particularly in the GPRS segment, which is currently the fastest growing area in GSM networks. As a result, X-Net aims to grow at a faster rate than the overall

GSM testing equipment market.



Investment	3.4 MEUR
Ownership (non diluted)	12.05 %
Turnover (est. 99)	7.2 MEUR
www.xnet.fi	

Information to the Shareholders

Financial Information in year 2000

Conventum Limited will publish Interim Reports in year 2000 as follows:

for the period January I-March 31, 2000

on Thursday May 4, 2000,

for the period January I-June 30, 2000

on Thursday August 10, 2000 and

for the period January I-September 30, 2000

on Thursday November 9, 2000.

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Financial bulletins are published in Finnish and English.



Union Design

Founded in 1997, Union Design is an atelier workshop that has brought together 16 goldsmiths, silversmiths and jewellers. It is located in a prestigious district in the heart of Helsinki, close by the sea.

The spacious and modern atelier workshop has its own gallery/shop area, which offers an unobstructed view into the workshop. In the gallery area the customer can browse at leisure amongst the works of the different designers. If the right article isn't there on display, a piece of jewellery can be ordered directly from the artisan whose language of form and loving craftsmanship are the most pleasing. The goldsmiths can provide design assistance for implementing one's own ideas, or else a design can be brought to life entirely at Union Design. Customers also have an opportunity to take a look at how jewellery is made in the adjacent workshop, with a goldsmith acting as a guide. In Finland, products made by Union Design can only be purchased from its own gallery shop.

Union Design's goldsmiths are carefully chosen, and each has his own area of specialisation in addition to general goldsmith's skills. The smiths operate as independent entrepreneurs, enabling them to undertake whatever design work they desire. Union Design can be likened to an umbrella under which the various small businesses operate. All the products and services are sold through Union Design under the name of the craftsman who made them. The supporting stays of the umbrella are Union Design's founders: Eero Taskinen, a silversmith, and Hannu Taskinen, M.Sc. (Eng.).

In its design and manufacturing, Union Design concentrates on artisanal small series and unique production. The company's objective is to make Finnish design, forms and craftsmanship well-known both in Finland and internationally.

Union Design arranges its own showings at least twice a year. The exhibitions that have become well established are the summer and wedding exhibition that are held at the beginning of summer and the Christmas exhibition.

Union Design

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