

KYRO

TECHNOLOGIES



Annual Report 1999

Annual General Meeting

The Annual General Meeting of Kyro Corporation will be held on Thursday, 6 April 2000 at 3.00 p.m at the LordHotel, address Lönnrotinkatu 29, 00180 Helsinki.

Shareholders entered in the register of the Finnish Central Securities Depository Ltd. as of 31 March 2000 are entitled to attend the Annual General Meeting.

Shareholders whose stock has not been transferred to the book-entry system are also entitled to attend the Annual General Meeting, provided that they were on the company's share register before 22 December 1995. Such shareholders must present their share certificates, or other proof that title to their holdings has not been transferred to a book-entry account, at the Annual General Meeting.

Shareholders wishing to attend the Annual General Meeting must inform the Company by 4.00 p.m on 3 April 2000 either in writing, addressed to Kyro Corporation, FIN-39200 Kyröskoski, Finland, or by telephone on +358 3 382 3072 (Ms Terttu Uusitalo), or by e-mail at terttu.uusitalo@kyro.fi.

Dividend

The Board of Directors proposes paying a dividend of FIM 0.60 per share, equivalent to a total of FIM 23,805,000 million, for the 1999 fiscal year. Payment will be made to shareholders entered in the register maintained by the Finnish Central Securities Depository Ltd. on

the record date of 11 April 2000. In accordance with the proposal of the Board of Directors, the dividend will be paid at the conclusion of the record period on 18 April 2000.

Kyro Corporation's financial reporting during 2000

Interim Report 1/2000 (January - April 2000): 7 June 2000.

Interim Report 2/2000 (January - August 2000): 6 October 2000.

Reports will be published in Finnish, Swedish and English.

The reports can be ordered by telephone at +358 3 382 3072 (Ms Terttu Uusitalo), or by e-mail at terttu.uusitalo@kyro.fi.

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The Annual Report is a translation of the original Finnish text.



Kyro is a financially sound and growth-oriented international technology group operating in the fields of safety glass production line manufacturing, information technology, and energy. The group consists of three companies representing the various business groups: Tamglass, Tecnomen, and Kyro Power. The companies have 20 customer service offices and production plants in Europe, Asia, and North and South America. Kyro was listed at the Helsinki Exchanges in 1997. The group's eventful history dates back 130 years.

The most important individual investment was the new Tamglass factory for the safety glass machines. The construction project in Tampere, which was started in 1998, was completed in the summer of 1999.





Tamglass - safety glass expert

Tamglass operates globally as a supplier of machinery for safety glass processing. The company's activity involves developing, designing, manufacturing and marketing safety glass production lines and providing repair and maintenance services for automotive and architectural glass industries. Measured in terms of net sales and number of machines delivered, the company is the world's leading manufacturer of safety glass machinery. Tamglass also has a safety glass factory of its own, which enhances the company's overall expertise in the sector. The company has delivered more than 1,100 safety glass production lines to over 70 countries.

Products

- Flat and bent glass tempering machines and lines
- Flat and bent glass lamination machines and lines
- Safety glass products

Main customers

- Architectural glass manufacturers
- Automotive glass manufacturers
- Furniture and appliance glass manufacturers

Tecnomen - a pioneer in Messaging systems

Tecnomen operates in the development and marketing of communication systems and wireless Internet applications for the use of teleoperators and service providers utilising wireless Internet technology. Its operations are focused on Messaging systems and wireless Internet applications. Tecnomen's range of products includes prepaid systems and personal paging systems. Tecnomen has operating units in several countries worldwide, and it has delivered Tecnomen systems to over 50 countries.

Products

- Messaging systems
- Wireless Internet solutions
- Prepaid systems
- Paging systems

Main customers

- Telecommunications operators and service providers
- Wireless Internet service providers

Kyro Power - environment-friendly, modern producer of energy

Kyro Power produces and markets energy directly to Finnish industry and both retailers and wholesalers of energy. The company is an environment-friendly energy producer, compliant with the modern requirements for non-polluting energy production. Its advanced, environment-friendly gas-fired power plant produces electricity, heat, and steam; its hydropower plant produces electricity. Both power plants are located in Kyröskoski of Hämeenkyrö, where the story of the Kyro Group once began.

Products

- Natural gas-generated electricity, heat, and steam
- Hydropower-generated electricity

Main customers

- Forest products companies
- Electricity utilities and sales companies
- The municipality of Hämeenkyrö

Kyro in 1999

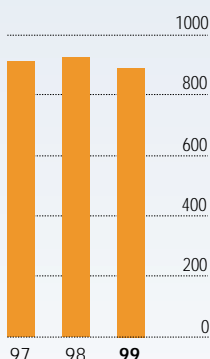
KYRO CORPORATION

- Consolidated net sales totalled FIM 889.7 million (925.7)
- Operating result totalled FIM 63.9 (70.7)
- Result before minority interest and taxes was FIM 85.6 million (88.1)
- Earnings per share FIM 1.03 (1.34)
- Equity per share FIM 18.70 (18.10)
- Dividend per share FIM 0.60 (proposal by the Board of Directors)
- Equity ratio 66,3% (65.9)
- Highest price of share EUR 7.33 (FIM 43.58), lowest EUR 3.81 (FIM 22.65)
- Average personnel during the year 848

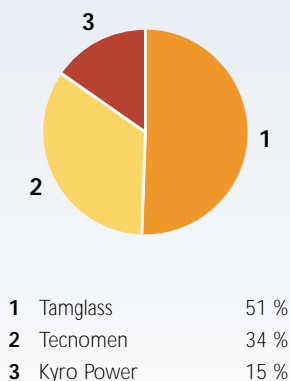
TAMGLASS

- Net sales totalled FIM 450.2 million (536.9) decreased 16% as anticipated
- Operating result FIM 40.0 million (69.6), good result
- Tamglass strengthened its position despite reduced market
- The share of product development 9% of the net sales
- Demand for safety glass machines grew in the latter part of the year
- Increased sales of after-sales services
- New safety glass factory in Finland started operating in the summer
- A record-breaking number of over 800 participants in the Glass Processing Days event

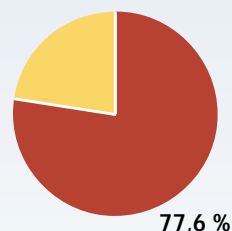
Consolidated net sales 1997-1999, FIM million



Consolidated net sales by business group 1999, %



Exports and foreign operations, share of net sales 1999, %



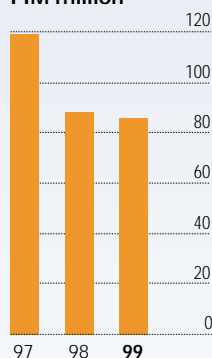
TECNOMEN

- Net sales totalled FIM 301.6 million (239.7), an increase of 26%
- Operating result FIM 7.1 million (-26.6), positive result
- Approximately 85% of net sales from value-added service systems
- Future priorities in Messaging systems and Wireless Internet applications
- Clientele expanded as new service providers entered into the market
- The share of product development 21% of the net sales
- Cooperation with turnkey system suppliers progressed
- New products included e.g. WAP and VoIP compatible Unified Messaging systems
- eZoner, the first product in the Wireless Internet product family was launched at the beginning of 2000

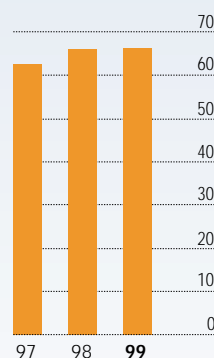
KYRO POWER

- Net sales totalled FIM 136.9 million (147.8),
- Operating result FIM 34.4 million (37.2), good result
- Full capacity utilization at both the hydropower and gas-fired plants
- Maintenance investments on both plants
- Long-term energy supply contracts with customers
- Variation of the surface level of the Kyrösjärvi lake feeding the hydropower diminished

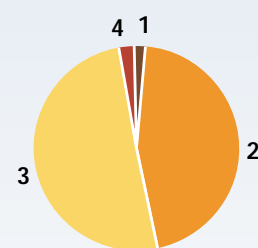
Result before extraordinary items and taxes 1997-1999, FIM million



Equity ratio 1997-1999, %



Personnel by business group as of 31.12.1999



1	Kyro Corporation	13
2	Tamglass	380
3	Tecnomen	421
4	Kyro Power	23

President's Review

The result of the Group in 1999 was good and its solidity improved further, providing a firm foundation for growth in company value.

All business groups are soundly profitable, which creates a good basis for developing business operations in the long term. Tamglass, Tecnomen, and Kyro Power focused strong efforts during the fiscal year on strengthening their business operations and competitiveness. The objective of the globally operating companies Tamglass and Tecnomen, is a leading position in their chosen technology sectors. Essential means to achieve this goal consist of a technology leadership based on strong R&D development efforts and a wide range of cooperation partners.



Kyro has now been listed in the Helsinki Exchanges for nearly three years. The listing has proved to be a successful decision, and interest towards the quoted Kyro has grown steadily. In the year 2000, the Group is a strongly international multi-business company which has built a firm financial standing through profitability and gained a prominent market position in its chosen fields of technology.

The international capital goods markets essential for Kyro were characterised in 1999 by economic uncertainty in Asia and South America. World glass machine markets were accordingly weaker than previously. The economic situation also impacted certain local markets for telecommunication systems, which nevertheless generally continued their strong growth. Furthermore, the domestic energy market was unstable with strong fluctuations in the price of electricity. Corresponding to this incoherent market situation, group-wide objectives were set lower than for the previous year. Kyro succeeded better than anticipated by achieving targeted net sales and by clearly exceeding targeted profits. Following the good result, financial solidity improved further, and this provides a firm foundation for growth in company value.

The objective of the globally operating business group companies Tamglass and Tecnomen, is a leading position in their chosen technology sectors. Both companies have carried out sizeable R&D work, which shows today in their market positions as well as their product innovations. This development work, which is geared to improve competitiveness and generate new technologies, constitutes a major part of the companies' expenditures and ensures their capacity to continue making profits in the future.

Tamglass strengthened its market position regardless of the contraction in the market for safety glass machines. The company developed new products and increased its production capacity by opening a new Finnish production plant in Vehmainen, Tampere in the summer of 1999. The technologies for laminating, bending and tempering glass, which have been developed by the company, are more advanced than those

of its competitors'. As an overall expert in the safety glass sector with an enhanced production capacity and technology leadership position, Tamglass is in a good position to further strengthen its leadership in the market.

Tecnomen has since the listing of Kyro been developing new strategies, which have led the company back to profitable growth with considerable improvement in net sales after two unsatisfactory years. In 1999 Tecnomen adapted its product range to respond to the expanding market of operators and service providers by enhancing the development of new Unified Messaging systems and Wireless Internet solutions, by which the company aims at growing more rapidly than its business sector. The first product in Tecnomen's Wireless Internet product family, "eZoner", was received with interest both among customers and the stock market. Owing to the success of Tecnomen, the Board of Directors of Kyro has decided to investigate possibilities to list the company on the Helsinki Exchanges during 2000.

The past year was the second year for Kyro Power in its current configuration of power plants. The company strengthened its position as a reliable and environment-friendly supplier of energy to industry and made a good result. Favourable environmental impacts of the new hydropower plant were further demonstrated in practice.

Future growth of the business groups will be ensured primarily through organic development, but opportunities for acquisitions will also be actively utilised. Any restructuring aims to produce synergy benefits within current business sectors, to complement existing businesses, or to strengthen the group's competitive and market positions. Organic growth is based on focusing strong development resources on those objectives, which provide the best outlook for long-term growth. Kyro's business groups are internationally top-ranking in their own sectors as regards investment in product development.

Markets for Kyro's business groups are currently developing favourably, and the profit prospects for Kyro are good. The markets are undergoing a period of revolu-

tion resulting from technology and internationalisation, which entails changes in human behaviour. This enables the creation of new added value to the customers of Tamglass, Tecnomen, and Kyro Power. Safety is being increasingly emphasised in construction and traffic while the amount of glass surfaces in buildings and vehicles grows. This leads to growth in the use of safety glass and offers new opportunities for Tamglass. Competition among operators and independent service providers is intensifying, which generates demand for new services based on wireless communication technology. This presents good growth prospects to Tecnomen as an established pioneer in the sector. The importance of environment-friendly energy sources in energy production is growing, and this strengthens Kyro Power's position as a modern producer of energy.

The development, motivation, and enthusiasm of personnel are essential factors for success to a know-how-based technology group such as Kyro. One of Kyro's key resources is a skilled and professional staff. To ensure future success we focus attention on competitive skills and challenging duties for our employees. Kyro's objective is to continue its technology-based growth so that its personnel can feel proud of the results of its work.

I would like to thank our owners, customers, personnel, and all of our partners for your confidence and support over the past year.

Tampere, March 2000


Pentti Yliheljo

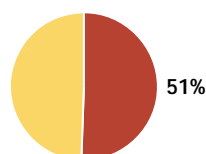
TAMGLASS – Safety Glass Expert

The net sales of Tamglass decreased by 16% from the previous year. This was primarily due to the impact of uncertainty in the world economy on the demand for safety glass machines in the markets of Asia and South America. The operating result of the company was good, although it decreased owing to the decline in net sales and outlays in development programmes made during the fiscal year. The company's global market position strengthened in the intensified competitive situation.

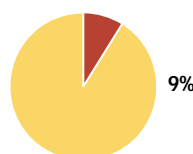
Key figures

	1999	1998	Change
Net sales, FIM million	450.2	536.9	-16%
Operating result, FIM million	40.0	69.6	
Personnel, average	390	415	

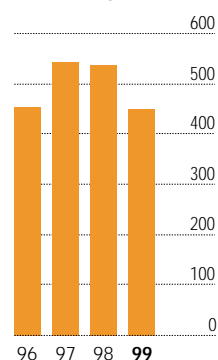
As % of Group net sales 1999



Product development, % of net sales 1999



Net sales 1996–1999, FIM million



Cumulative orders at a record level in the last three months of the year

The quiet market of the beginning of the year revived during the summer and turned to strong growth during the last three months of the year, when a record order book value was accumulated. The demand for Tamglass products in Europe and in the United States was good, and also the Asian market began to revive during the latter part of the year. In the Middle East the increase in the price of oil generated new demand. Machinery investments made by customers focused on increasing production capacity, and machines designed for production of flat tempered glass machines continued to be the main machinery group. The increase of glass surfaces in vehicles and buildings as well as the introduction of regulations demanding safety glass e.g. in Eastern Europe and in Asia are setting the stage for a growing demand for safety glass and safety glass machines even in the future.

Tamglass meets new challenges in the production of architectural glass

Glass is increasingly used in buildings as a visual and structural element. New regulations demand a growing consideration of energy-saving and safety qualities of glass surfaces in public premises. The use of coated and energy-saving Low-E glass has increased for a few years already, and such glass with a high degree of processing is more and more often safety glass. The increased quality requirements by manufacturers of architectural glass improves the position of Tamglass in the market, owing to its continuous expenditure on product development.

Tamglass strengthened its position as a machinery supplier to original equipment manufacturers for automotive industries

The share of glass surface in vehicles continues to grow, and increasingly versatile and demanding forms of automotive glass require new technology from glass manufacturers. Rapid changes in car models challenge glass manufacturers to further develop their production, to which purpose the Tamglass machines for flexible production are well adapted. Versatile bending and tempering techniques have become the strength of Tamglass in automotive glass machines, and the demand grew in 1999 compared to the previous year. Production lines delivered for original equipment manufacturers constituted a larger share of net sales than in the previous year.

The significance of service and maintenance in the glass sector increased

An extensive network of installation, maintenance and spare part services has become an important competitive factor in the field of glass machines. Through its eleven service units around the world, Tamglass ensures comprehensive service and a reliable supply of spare parts to its customers. Add-on equipment for machines and production lines ensure the glass manufacturers' ability to adapt their machines' production capacity and processing capability for different types of glass to meet the needs of their own market. The net sales and volume of Tamglass service activities continued to grow during 1999.

Glass Processing Days exceeded expectations

In June 1999, Tamglass organised the Glass Processing Days event, where a record-breaking number of over 800 glass technology experts from around the world convened. This conference, organised biannually by the company, has become the biggest conference in its field, which has enhanced the recognition of Tamglass as the leading manufacturer of safety glass machines. The event was attended by leading experts in the sector, both as speakers and as audience, which is an indication of the confidence towards Tamglass.

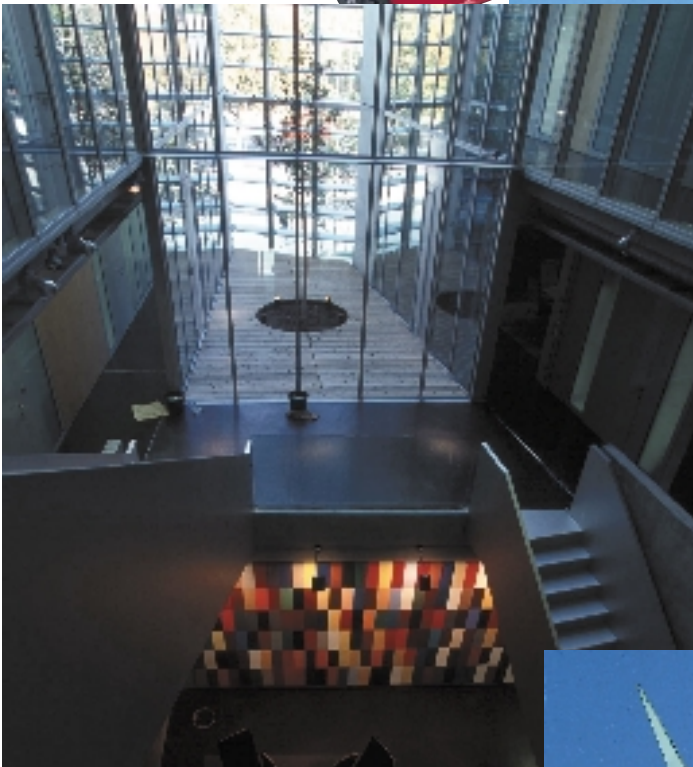
Operations of the safety glass factory progressed

The Tamglass safety glass factory increased its sales in 1999. In safety glass production the focus was on more demanding products, which raises business profitability. The safety glass factory serves as a demonstration centre for Tamglass machinery and has a significant role in the product development of Tamglass as well as in the training of customers and staff. During 2000, the production of safety glass will be concentrated in new, logistically more efficient facilities.

Tamglass enters the new millennium as the leader in safety glass technology

The demand for safety glass is estimated to grow in 2000. During 1999, Tamglass increased its manufacturing capacity to be able to respond to the future demands of suppliers of automotive and architectural glass. One of the world's most modern

manufacturing units for safety glass machines with a surface of almost 12,000 m² was commissioned in Tampere in the summer. The new plant enables development of the company's operations in Finland and expedition of deliveries. Tamglass will strengthen its position as the overall safety glass expert in the new millennium, and continues to expend strongly on product development.



In 1999, higher quality demands of architectural and automotive glass manufacturers further improved the competitive position of the Tamglass group, which invests in product development. The growing share of safety glass in glass consumption, as well as the ever larger glass surfaces in vehicles, buildings and furniture lay the foundation for increased demand for safety glass and safety glass production machinery. Tamglass technology has been used, among others, for manufacturing the glass used in the Embassy of the Nordic countries in Berlin, as well as in the Statue of Liberty. A new safety glass machine factory has started operating in Vehmainen in Tampere, Finland, and provides the capacity to respond to future demand.

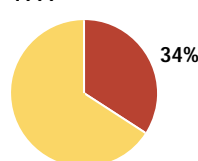
TECNOMEN – a Pioneer in Messaging Systems

The net sales of Tecnomen grew by 26 % from the previous year, and the operations became profitable after two years of losses. Although the result improved clearly, it was diminished by development outlays during the fiscal year. The sales of value-added service systems grew by approximately 40% from the previous year, constituting already 75 % of the company's net sales. Paging systems rose to profitability despite a declining market. The market launch of prepaid systems continued with success, but expenditure in this new sector still exceeds the revenue generated by it.

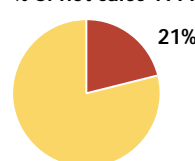
Key figures

	1999	1998	Change
Net sales, FIM million	301.6	239.7	+25.8%
Operating result FIM million	7.1	-26.6	
Personnel, average	423	399	

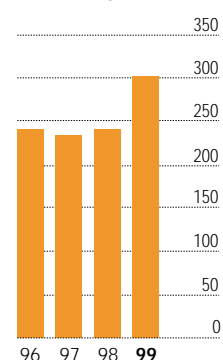
As % of Group net sales 1999



Product development, % of net sales 1999



Net sales 1996–1999, FIM million



Wireless data services increase rapidly

As data services in wireless networks increase faster than voice traffic, operators assume the role of service providers in addition to their traditional function as network operators. Consumers and business users expect new services which utilise data transfer and the Internet. For example, users may wish to receive all messages both in their personal mobile phones and to their e-mail addresses. As the data content in communications increases, text, voice and images will increasingly be transferred through wireless applications. This development was also able to be seen in the reviewed year in the first mobile phones and applications using the WAP standard.

Tecnomen's market expands

The increase of wireless data transfer, a growing offering of new services and the intensifying competition in the operator business are expanding the market of Tecnomen. The demand for systems provided by Tecnomen continued to increase as mobile phone networks became more common globally, and as the services provided by them are introduced even in fixed line networks. Existing operators will continue to merge at the same time as new forms of applications introduce companies which produce new services, e.g. Internet service providers, among the customers of Tecnomen.

Focusing of strategy continued

Tecnomen continued to focus its strategy in 1999 in order to better respond to the

demands of the rapidly changing market. Consequently, the company allocated more resources in Messaging systems and commenced the development of Wireless Internet solutions. The target was set at achieving a leading position in its core product areas. In order to develop its global operations, Tecnomen shifted during 1999 into a regional organisation model, where the principle business units operating in different market areas are responsible for sales and system deliveries.

Strong increase in the sales of Messaging systems

The sales of Tecnomen's Messaging systems increased strongly, and the majority of Tecnomen's European customers ordered a Unified Messaging product in connection with voice mail system extensions. These systems, which manage and record voice, fax and e-mail messages, were also delivered to new service provider customers. During the fiscal year, Tecnomen also sold its first full-scale Unified Messaging system to Asia.

New prepaid systems and their extensions were sold to Asia and South America during the fiscal year. As the number of mobile phones is growing in developing new market areas and among young people, the demand for prepaid systems increases.

New paging systems were delivered to Kuwait and Russia. Other deliveries within the product area were system extensions. Tecnomen strengthened its position as the leading supplier of the ERMES paging systems in the globally declining market for paging systems.

Cooperation with turnkey solution providers generated orders

Tecnomen's cooperation with network suppliers Siemens and Nokia developed favourably. The sales of Tecnomen products through cooperation partners started to yield results, and the company received several orders during the fiscal year. Tecnomen delivered Intelligent Network products associated with prepaid systems in cooperation with Compaq and ICL during the fiscal year.

In order to increase its share of the market, the company continues to establish partnerships. During the latter part of the year, Tecnomen signed a co-operation agreement for delivering Critical Path e-mail servers in connection with Tecnomen's own products. Also, Tecnomen enhanced its cooperation with Aersoft, a company partly owned by the Kyro Group, and the integration of its SMX-products with Tecnomen's Unified Messaging Systems progressed well.

Strong expenditure on product development

Tecnomen invested in product development and introduced several innovative new products and enhancements. First orders were received for the world's first WAP-compatible Unified Messaging system, which had been introduced at the beginning of the year. At the Telecom 99 fair in Geneva, the company introduced its VoIP (Voice Over IP) Access product, which enables the use of Unified Messaging services in Internet Protocol networks. Tele Dan-

mark's Duét service, developed using a Tecnomen system, was given the World Communications Award as a recognition for the world's most innovative telecom service, which enables the listening of messages left both via mobile and fixed subscription lines through a single voice mail service.

Innovation and a global operation network are the basis for a strong growth

As the new wireless services increase, data-based communications become more and

more common. Tecnomen's Unified Messaging systems already have a firm position among telecommunication operators and service providers. The new generation of mobile networks (3G) and the rapid increase of new services will open significant opportunities for Tecnomen in the near future. By expenditures in product development and marketing, mainly focused on Unified Messaging systems and Wireless

Internet solutions, Tecnomen will secure growth even in the future. Continuous strengthening of its worldwide organisation and partnership network is an essential part of the company's development.

Tecnomen System Solutions achieved its objectives

Tecnomen System Solutions developed in accordance with the objectives set. The company designs and provides equipment and systems for data acquisition, access control and monitoring of working hours.

As the share of data transfer in wireless networks grows more rapidly than voice traffic, Tecnomen's customer operators expand their traditional business operations towards providing services. Consumers and business users expect more and more data transfer capacities and services using the Internet from their operators and service providers. With the aim to respond directly to the demands of the rapidly changing market, Tecnomen focused its strategy further during the year. The company renewed its graphic image at the beginning of 2000 to better correspond to its own reform. The share of Messaging systems in Tecnomen's net sales amounted to as much as 75% in 1999. The future priority of Tecnomen's operations is in developing these systems and Wireless Internet solutions.



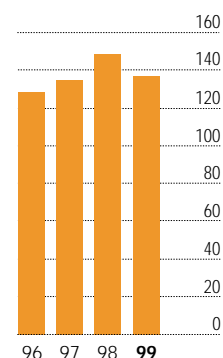
KYRO POWER – Environment-friendly, Modern Producer of Energy

The net sales of Kyro Power decreased from the previous record year owing to a clear reduction of hydropower production caused by the year's weaker rainfall and the fact that energy consumption of forest industry customers was lower than during the previous year. Despite of a corresponding decrease, the company's result was good.

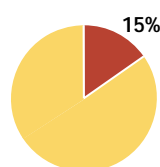
Key figures

	1999	1998	Change
Net sales, FIM million	136.9	147.8	-7.4%
Operating result, FIM million	34.4	37.2	
Personnel, average	23	23	

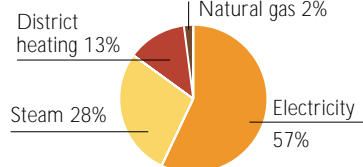
Net sales 1996–1999, FIM million



As % of Group net sales 1999



Distribution of energy sales in 1999



Total energy sales amounted to 850 000 MWh

The total energy sales of Kyro Power in 1999 amounted to approximately 850 000 MWh, whereof the share of electricity was more than a half, 490 000 MWh. Process steam constituted 237 000 MWh, district heating 110 000 MWh and gas 15 000 MWh of the total sales. The total energy sales of Kyro Power decreased by approximately 45 000 MWh from the previous year.

Intensified competition did not cause a reshaping of the market

The opening up of the electricity market in autumn 1998 made the competition even more intense in 1999. This, however, did not cause a reshaping of the market. In spite of strong marketing campaigns, only two per cent of households have changed their electricity supplier. The market prices for electricity were on average at the same level as during the previous year, although fluctuation during 1999 was considerable. In the earlier part of the year, the spot market price of electricity was as much as FIM 30 lower, in the latter part of the year FIM 40 higher than during the previous year. With such drastic changes in prices the effect of long-term contracts in balancing the price level and securing the continuous supply of electricity became more emphasised for both consumers and suppliers.

Kyro Power expanded its network of wholesalers

During the fiscal year, Kyro Power made a retail contract with Maakunnan Sähkö, a company delivering electricity mainly to households. Other wholesale companies cooperating with Kyro Power were Tampere Power Utility and TXU Nordic Energy Oy, previously known as Teollisuuden Sähkönmyynti Oy. Major industrial customers were the Kyröskoski plants of Metsä-Serla and Finnforest. Kyro Power was the district heating supplier for the municipality of Hämeenkyrö also in 1999. The majority of the energy supply contracts between Kyro Power and its customers have several years' duration.

Both power plants operated without disturbances

Southern Finland, unlike Nordic countries in general, experienced an exceptionally dry year. Owing to this, the production of water power at Kyro Power was 30% lower than during the previous year, although at the anticipated level. The new hydropower plant, commissioned at the end of the year 1997, has operated without disturbance and undergone a warranty inspection during the reviewed period. The regular annual maintenance of the gas turbine and the basic maintenance of the back-pressure turbine due every seven years were carried out. The energy of the exhaust gas from the gas turbine of the energy-efficient gas-fired power plant is largely utilised as heat.

Positive environmental effects of the new hydropower plant

Additional proof on the positive environmental effects of the new hydropower plant was obtained during its second year of operation. Although the plant, operating with a 12 MW turbine, enables a 70% greater production of electricity in comparison with the old hydropower plant, variation of the surface level of the Kyrösjärvi lake feeding the plant diminished in 1999. Flood peaks in the springtime were also controlled better than earlier.

The major part of the new hydropower plant is located underground. The Hälläpuisto park landscaped above it continued attracting visitors as a popular recreational area during the period reviewed. The rapids, located in the historical environment of Kyröskoski, roared freely on seven occasions during the year.

Kyro Power strengthens its status as a stable supplier of energy

In the year 2000, the objective of Kyro Power is to strengthen its already established status as a stable supplier of energy to industry. The uninterrupted and secure operation of its power plants ensures its customers a steady supply of energy. The strategy of Kyro Power is to emphasise the significance of environmental aspects in its energy production and to maintain its status as a reliable energy supplier even in the future.



Kyro Power strengthened its position as a reliable and environment-friendly energy supplier in 1999. Additional proof on the positive environmental effects of the new hydropower plant, commissioned in 1997, was obtained. Variation of the surface level of the Kyrösjärvi lake lessened from the previous years, and springtime flood peaks were better controlled than earlier. The gas turbine and the back-pressure turbine underwent basic maintenance as planned. Both power plants are located in Kyröskoski, the original home of the Kyro Group.



Report of the Board of Directors

GENERAL REVIEW

The net sales of the Kyro Group decreased by approximately 4%. The net sales of the business groups developed according to objectives, and each of them produced a positive result. The operating result of the Group decreased slightly, but was at the same level as in the previous year relative to net sales.

The net sales of the Tamglass Group decreased as anticipated. The main reason for this was the economic recession still affecting the markets in Asia, Eastern Europe and South America. The company's result decreased but remained good.

The net sales of the Tecnomen Group increased by roughly a quarter. The company achieved a positive result as had been targeted.

The net sales of Kyro Power decreased by just under one tenth due to reduced sales of energy and low precipitation during the year. The company's result decreased but remained good.

The Group's result was good and its solidity improved further, thus strengthening the possibilities for developing the business groups.

MARKETS

The demand in the world market for glass machines was low at the beginning of the year due to the economic recession in several market areas. Improving prospects for the world economy had a reviving impact on the demand for glass machines during the second half of the year. The Asian market began to recover at the end of the year, and the rise in the price of oil improved the market situation in the Middle East. In Europe and in North America the demand was good throughout the year. In the competitive situation tightened by the diminished demand of the earlier part of the year, Tamglass Group retained its leading position in the market world wide.

The telecommunications market continued to undergo major changes. Operators expanded their traditional line of business more and more towards the provision of new services. In addition to this, new service providers generated by the development of wireless communication technologies and the Internet added to the customer

Net sales and operating result

FIM million	Net sales		Operating result	
	1999	1998	1999	1998
Tamglass Group	450.2	536.9	40.0	69.6
Tecnomen Group	301.6	239.7	7.1	-26.6
Kyro Power	136.9	147.8	34.4	37.2
Kyro Corporation	4.2	4.2	-13.0	-8.6
Group eliminations	-3.2	-2.9	-4.6	-0.9
Total Kyro Group	889.7	925.7	63.9	70.7

base of Tecnomen. Tecnomen's position as a supplier of Messaging systems was strong.

The opening up of the electricity market had a minor impact on the market: only 2% of households changed their supplier of electricity during the year. The market prices for electricity were on average at the same level as during the previous year, although they fluctuated notably. This emphasized the balancing effect of long-term contracts. Southern Finland experienced a dry year, although in the rest of the country and other Nordic countries precipitation was at its average level.

NET SALES AND RESULT

The net sales of the Group amounted to FIM 889.7 million (925.7), which was 4% lower than the year before.

The net sales of the Tamglass Group decreased by 16%. The net sales and result of Tamglass developed well during the last tertiary period. As the prospects for world economy brightened, Tamglass received an ample amount of new orders.

The net sales of the Tecnomen Group increased by 26% and its result improved clearly due to the increase in net sales. A major part of the net sales and the result was generated during the last tertiary period.

The net sales of Kyro Power decreased by 7%. This resulted from of a clear drop in the production of hydropower and a reduction from the previous year in energy consumption of the forest industry.

The operating result of the entire Group was FIM 63.9 million (70.7), equivalent to 7.2% (7.6) of net sales.

The parent company's business activi-

ties consist mainly of financing and investing. The operating result of the parent company was FIM -13.0 million (-8.6) and the profit before appropriations and taxes was FIM 15.6 million (17.9). The operating result for Tamglass was FIM 40.0 million (69.6), for Tecnomen FIM 7.1 million (-26.6), and for Kyro Power FIM 34.4 million (37.2).

The Group's profit before minority interest and taxes was FIM 85.6 million (88.1). The profit for the fiscal year was FIM 45.5 million (53.1) and the return on invested capital 9.8% (11.0). Earnings per share were FIM 1.03 (1.34) and the shareholders' equity per share was FIM 18.70 (18.10).

FINANCING

The Group's financial situation was good. The cash flow from operations was FIM 79.2 million (-20.1). Investment expenditures for the fiscal year were FIM 61.7 million (81.6). Net financing income was FIM 17.3 million (17.4).

The structure of the consolidated balance sheet continued to strengthen. The equity ratio was 66.3% (65.9). Gearing was -15.8% (-13.7). Interest-bearing financial assets amounted to FIM 316.5 million, interest-bearing liabilities to FIM 195.3 million.

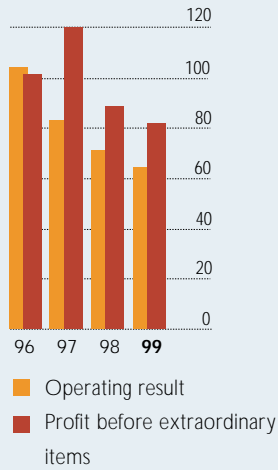
INVESTMENTS

The Group's gross investments were FIM 61.5 million (71.3).

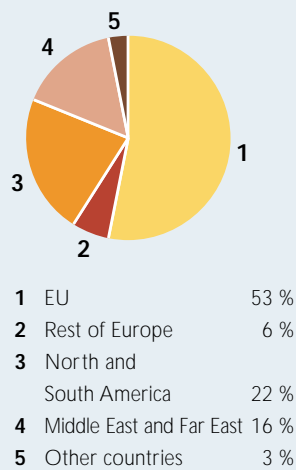
The most important individual investment was the new Tamglass factory for safety glass machines. The construction project in Tampere, which was started in



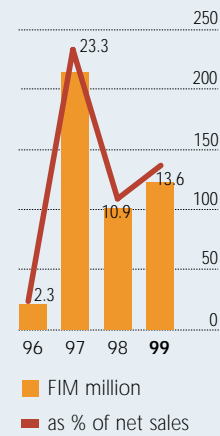
**Result
1996–1999, FIM million**



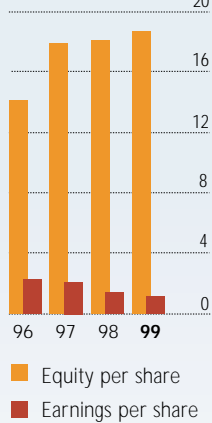
**Net sales by market area
1999, %**



**The difference between
interest-bearing current
assets and interest-bearing
debts 1996–1999**



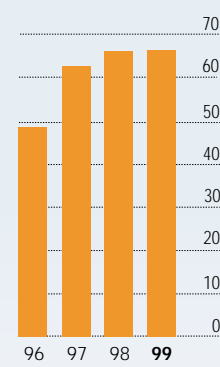
**Shareholder's equity and
earnings per share
1996–1999, FIM**



**Return on invested
capital 1996–1999, %**



**Equity ratio
1996–1999, %**



Financial Statements

1998, was completed in the summer of 1999. The total building area is approximately 12,000 m².

The Group acquired a 39% holding in Aersoft Ltd, an Irish data communication software company, which develops e.g. transmission systems for short messages.

The investments made by Kyro Power during the financial year were mainly related to the maintenance program and regular service of power plants.

In July, Kyro sold its shares of Oy Metsä-Rauma Ab.

RESEARCH AND DEVELOPMENT

The entire Group's product development amounted to 12% (12) of the net sales. The Tamglass Group expended some 9% (11) of its net sales on research and product development. The outlays made by the Tecnomen Group on research and development amounted to 21% (21) of its net sales. The focus of the company's product development was on Unified Messaging and Wireless Internet solutions.

GROUP STRUCTURE

During the fiscal year, Aersoft Ltd became an associated company of Kyro Group on basis of Kyro's 39% ownership. The Tamglass and Tecnomen Groups and Kyro Power Oy are 100% owned by the Corporation.

BOARD OF DIRECTORS AND MANAGEMENT

The Annual General Meeting re-elected board members due to step down and the composition of the Board of Directors remained unaltered.

M.Sc. (Eng.) Vesa Helkkula was appointed President of Tecnomen Oy as of 6 April 1999, until which he was Senior Vice President in the Kyro Group, responsible for Corporate Planning.

M.Sc. (Eng.) Esko Rantala was appointed Senior Vice President in the Kyro Group, responsible for Corporate Planning, as of 6 April 1999, until which he was the President of Tecnomen Oy.

PERSONNEL

At the end of the fiscal year, the Group employed 837 (840) persons, of which 305 (302) worked abroad. The number of personnel during the fiscal year was on average 848 (848). The TOP KYKY programme, included in the T2000 programme of Tamglass and geared to develop the personnel's skills, was continued in 1999.

BUSINESS GROUPS

Safety glass

The net sales of the Tamglass Group decreased by approximately 16%, amounting to FIM 450.2 million (536.9). The operating result of the group was good, but it was

weakened from the previous year due to the drop in the net sales and outlays on developing the production units in Finland.

The quiet situation in the world market for safety glass machines at the beginning of the year revived towards the end of the year and clearly increased the number of orders placed on the Tamglass Group. The demand for safety glass grew, and as a result the manufacturers of safety glass increased their capacity. The majority of machines delivered by Tamglass were for new investments. The growth in demand is supported by the increasing share of safety glass in total glass consumption and the increasing use of glass surfaces in vehicles, buildings appliances and furniture. The major group of equipment delivered was flat tempering machines.

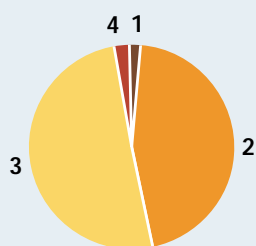
The increase in quality requirements by manufacturers of architectural glass and the need to produce larger glass surfaces further improved the competitiveness of the Tamglass Group, which invests strongly on product development. The position of the company was also strengthened in the design and manufacturing of machines for the production of increasingly versatile glass types for the automotive industry.

The net sales and volume of Tamglass maintenance services continued to grow in 1999. Tamglass ensures comprehensive services and a continuous supply of spare part to its customers through 11 service units located in different parts of the world.

In summer 1999, Tamglass organised the Glass Processing Days event in Tampere, where a record-breaking number of over 800 experts convened. This event, provided by Tamglass and organized biannually, enhances significantly the recognition of Tamglass as the leading manufacturer of safety glass machines and as an expert in the overall sector.

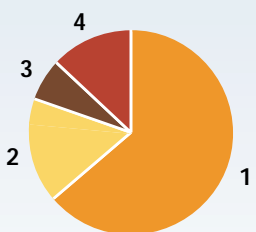
The group's safety glass factory increased its net sales and enhanced the effectiveness of its operation. The start-up of new machine models is carried out in the factory, which places it in a significant role in product development and as a venue for demonstrations and training.

The new Finnish factory for safety glass machines, a part of the T2000 programme, was commissioned in the spring of 1999. It provides a good starting point



Personnel as of 31.12.

	1999	1998
1 Kyro Corporation	13	11
2 Tamglass Group	380	398
3 Tecnomen Group	421	410
4 Kyro Power	23	21
Total	837	840



Personnel by location 31.12.1999

1 Finland	532
2 Europe	141
3 North America	54
4 Other countries	110



for the Tamglass Group to meet future demands.

Telecommunications

The net sales of the Tecnomen Group grew by some 26% from the previous year, amounting to FIM 301.6 million (239.7), and its result was positive. The share of Value-added Service systems in the net sales of the company was 85%, and they made a significant contribution to the result. Furthermore, paging systems turned profitable during the fiscal year. The launching of pre-paid systems, which was started during the previous year, continued with success, but the investments made in this new product area still exceeded the profit generated by it.

As data transfer in wireless networks grows more rapidly than voice traffic, the operators have increasingly assumed a role as service providers alongside their traditional function as providers of telecommunication services. Consumers and business users expect new services utilising data transfer and the Internet. For example, users may wish to receive all messages both in their mobile phones and in their e-mail address.

In order to respond to the demands of the rapidly changing market, Tecnomen continued to focus its strategy during the fiscal year. The sales of Messaging Systems were revived considerably. New Prepaid Systems and system extensions were sold to Asia and to South America during the fiscal year. New deliveries of Paging Systems were directed to Kuwait and to Russia, which strengthened Tecnomen's position as the market leader in ERMES paging systems.

The cooperation with providers of turnkey systems Nokia and Siemens proceeded in 1999 as anticipated. Both companies offer the products of Tecnomen as a part of their comprehensive system deliveries. Cooperation with Nokia was affirmed this year by signing a cooperation contract.

During the fiscal year, Tecnomen invested strongly in product development. The company introduced several innovative new products and product upgrades. The company received first orders for the WAP-compatible Unified Messaging system, which was introduced at the begin-

ning of the year. At the Telecom 99 fair the company introduced the VoIP Access product, which enables the use of Unified Messaging services in Internet Protocol networks.

Tecnomen's outlays on product development and marketing are geared to secure the continuation of growth. The future focus will increasingly be on new Unified Messaging systems and Wireless Internet solutions.

Energy

The net sales of Kyro Power decreased from the preceding record year, amounting to FIM 136.9 million (147.8). This was the result of a decrease in the total amount of energy deliveries, caused by the year's weak rainfall, the reduced consumption of energy in the forest industry, and a maintenance shutdown at the gas-fired power plant. The result of the company was good.

The total energy sales of Kyro Power in 1999 amounted to some 850,000 MWh. The share of electricity was more than one half, 490,000 MWh. The sales volume for process steam was 237,000 MWh, and for district heat 110,000 MWh.

Kyro Power expanded its wholesale customer base through the signing of a retail contract with Maakunnan Sähkö, a company delivering electricity mainly for households. Long-term vendors of energy produced by Kyro Power were Tampere Power Utility and TXU Nordic Energy Oy, previously known as Teollisuuden Sähkömyynti Oy. The major direct sales customers were Metsä-Serla Corporation, Finnforest Corporation and the municipality of Hämeenkyrö.

The new hydropower plant, which became operational at the end of 1997, functioned without disturbance and underwent a warranty inspection during the fiscal year. The regular annual maintenance of the gas turbine and the basic seven-year maintenance of the back-pressure turbine were also carried out.

More evidence of the positive environmental impact of the new hydropower plant was obtained during the year. The variation of the surface level of the Kyrösjärvi lake above the power plant diminished, and flood peaks in the springtime were better controlled than earlier.

EURO AND INSIDER GUIDELINES

The financial management of the Group and its business group units has prepared for the introduction of the euro. During the fiscal period the Group has been using euro in its accounting and reporting systems since 1 January 2000, when euro was adopted as the home currency by all Finnish Group companies. The financial information of the company published in the Interim Reports of 2000 will be presented in euros.

At the end of 1999, listed companies received a recommendation for the introduction of and compliance with guidelines for insiders. The Group will adopt the guidelines for insiders in listed companies as of 1 March 2000.

FUTURE OUTLOOK

The Group's objective is to be the market leader in its chosen technology sectors. The Group's good financial standing enables the investments and eventual acquisitions needed for developing the priority areas.

Thanks to continuous product development at Tamglass, its products are competitive and of the latest technology. The good development of the company's sales and the growth in the order book during the latter part of the year are foretelling a favourable development in sales revenue and result during the ongoing fiscal year.

Tecnomen's sales during the last tertiary period of the past year were good and the stock of orders at the turn of the year was larger than the year before. The company has good possibilities to continue improving its result, however, it also continues with determined and high expenditures into product development and marketing.

The basis of the future business operations of Kyro Power will continue to be long-term supply contracts for energy. With a continuing favourable economic situation the company's rate of energy production utilisation, net sales, and result are expected to be good.

With the market outlook for the business groups continuing to be favourable, the net sales and result of the group are anticipated to improve over the previous year.

Shares and Shareholders

Share capital

The number of Kyro Corporation's outstanding shares totalled 39,675,000. During the fiscal year, the Company's share capital was converted into euros. The share capital of the Company is EUR 7,935,000 (FIM 47,179,367.56). The nominal value of a share is EUR 0.20 (FIM 1.19). The Company's minimum share capital is EUR 5 million (FIM 29,728,650) and maximum share capital EUR 20 million (FIM 118,914,600), within which boundaries the share capital may be increased and reduced without amending the company's Articles of Association.

Voting restrictions

Shareholders are entitled to one vote per share at elections held at the Annual General Meeting. No individual shareholder is entitled to vote at the Annual General Meeting using more than one fifth of the combined votes of the shares represented at the Meeting (Articles of Association, Section 12).

Trading at the Helsinki Exchanges

Since 9 June 1997, Kyro Corporation's shares have been listed at the Helsinki Exchanges (HEX Oy, the marketplace for Finnish securities and derivative products).

During the financial year, a total of 9,337,558 Kyro Corporation's shares were

traded at the Helsinki Exchanges, which equals 23.5% of the total number of shares.

The market value of the capital stock was EUR 277,725,000 (FIM 1,651,277,864) at the end of the financial year. At the end of the year, the number of shareholders registered under the book-entry system was 2,266.

Share price development

The highest price paid for a Kyro Corporation share at the Helsinki Exchanges was EUR 7.33 (FIM 43.58), the lowest price EUR 3.81 (FIM 22.65). The average price of the financial year was EUR 5.37 (FIM 31.93). The last trading price was EUR 7.00 (FIM 41.62).

Taxable value in Finland

The taxable value of a Kyro Corporation's share in Finland under 1999 taxation is EUR 4.90 (FIM 29.13) per share.

Management ownership of shares

The number of shares owned by members of the Board and the President was 3,461,700 on 31 December 1999. These shares constitute 8.73% of the entire share capital.

Bonds with warrants issues

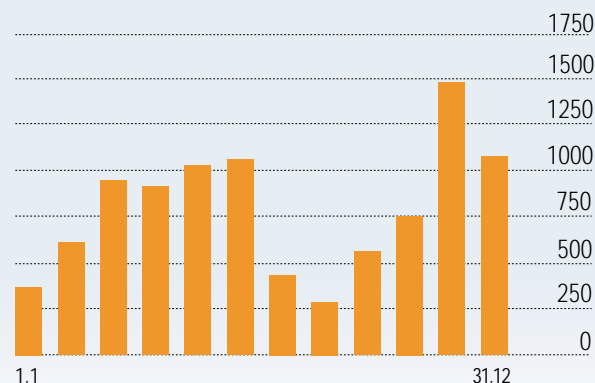
The Annual General Meetings of Tamglass Ltd. Oy and Tecnomen Oy, subsidiaries

100% owned by the Kyro Corporation, have in 1997 and 1998 decided on the issue of warrants for the management. The warrants given in the arrangements entitle holders to subscribe 60,000 Tamglass Ltd. Oy shares, constituting 7.0% of the company's share capital, and 5,400 Tecnomen Oy shares, constituting 9.9% of the company's share capital.

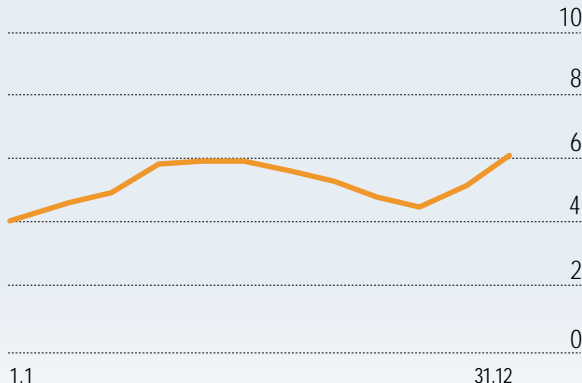
The subscription period will begin in two stages: the first half of the options will be available for subscription as of 2 May 2000, and the second half as of 2 May 2002. The subscription period for all options expires on 30 June 2004.

The share subscription price for warrants issued in 1998 has been determined on the basis of the net asset value of the companies in the consolidated balance sheet of 31 December 1997; the subscription price for warrants issued in 1997 has been determined on the basis of the net asset value of the companies in the consolidated balance sheet of 31 December 1996. The subscription price will be reduced by the dividend distributed between the date of the warrant issue and the date of subscription. Correspondingly, the subscription price will be changed with the amount of group contributions paid or received per share. Irrespective of these warrants, Kyro Corporation can retain 100% ownership in the companies, as subscription requires the permis-

Trading volume by month, 1,000 shares



Kyro's share price development, euro





sion of the Board of Directors of Kyro Corporation. Holders of options are entitled to sell their options to Kyro Corporation during the period reserved for subscription and by 31 May 2004 at the latest, and Kyro Corporation is obliged to purchase these options. The purchase price of options will be defined on the basis of the value of a share. The value of a share for an option buy-back is determined as the weighted average of the relevant company's net asset value and earning capacity value (1 x net asset value + 2 x earning capacity value). Earning capacity value is calculated on the basis of the average of the relevant company's result in the consolidated financial statement of the three previous years, and on the basis of the P/E ratio of a Kyro Corporation's share. Net asset value is calculated on the basis of the last consolidated balance sheet prior to the moment of surrender.

The option arrangements include a provision that the options, or a part thereof, must be offered back to the company free

of charge, if the subscriber's contract of employment ends before 2 May 2002. On the basis of options thus returned to the company, new warrants have been issued in 1999 with altered conditions. New conditions provide that the subscription price be determined on the net asset value of the consolidated balance sheet on 31 December, and that the first half of these options be available for subscription as of 2 May 2002, the second half as of 2 May 2003.

The Group takes the obligations associated with the options into account as a minority interest in its year-end financial statements and interim financial statements.

Shareholder agreements

The company is unaware of any shareholder agreements which would essentially affect the ownership of Kyro Corporation's shares or the use of votes within the company.

Book-entry system

A total of 39,635,000 of the company's

shares were registered in the book-entry system on 31 December 1999. A register of shareholders is maintained by the Finnish Central Securities Depository Ltd.

Board authorisation

The Board of Directors has no authorisation to change share capital.

The Annual General Meeting authorised the Board of Directors to acquire and transfer treasury shares. The authorisation is valid for one year from 14 April 1999. The board has not exercised this authorisation during 1999.

Announcements made in 1999 as required by chapter 2, section 9 of the Securities Market Act

Shareholding of Henki-Sampo Life Insurance Company in Kyro Oyj Abp exceeded 5 percent as the company increased its holdings to 5.2 percent.

Distribution of ownership

Ownership of Kyro Corporation's shares at the end of the financial year:

Number of shares	Number of owners	% of holders	Number of shares	% of shares
1 – 500	1,092	48.18	305,300	0.77
501 – 1,000	490	21.62	396,285	1.00
1,001 – 5,000	390	17.21	978,782	2.47
5,001 – 10,000	84	3.71	663,323	1.67
10,001 – 50,000	84	3.71	2,010,459	5.07
50,001 – 100,000	40	1.77	3,233,320	8.15
100,001 – 500,000	69	3.05	14,808,216	37.32
500,001 –	17	0.75	17,239,315	43.45
Total	2,266	100.00	39,635,000	99.90
Shares not transferred to the book-entry system			40,000	0.10
Total			39,675,000	100.00

Ownership by sector %

	%
Private companies	7.38
Banks and insurance companies	14.65
Public organisations	3.82
Non-profit organisations	1.80
Private households and individuals	61.95
Foreign owners	10.30
Shares not transferred to the book-entry system	0.10
Total	100.00

Major shareholders on 31 December 1999

	Shares	%
Lars Hammarén	2,264,300	5.7
Sampo Life Insurance Company Ltd.	2,079,800	5.2
Henning Sumelius	2,022,300	5.1
Marina Sumelius	1,122,400	2.8
Maria Sumelius	1,025,400	2.6
Charlie von Christiernson	1,000,000	2.5
Odin Norden	969,500	2.4
Oy Investsum Ab	910,000	2.3
Helena Suutarinen, estate	901,200	2.3
Bjarne Sumelius	700,000	1.8
LEL Employment Pension Fund	682,500	1.7
Albatre Oy	600,400	1.5
Birgitta Sumelius-Fogelholm	586,800	1.5
Pohjola Insurance Company	569,000	1.4
Shares held in trust	5,035,840	12.7
Others	19,205,560	48.5
Total	39,675,000	100.0

Financial Statements

Key indicators by share in FIM

		1999	1998	1997	1996	1995
Earnings per share	FIM	1.03	1.34	2.07	2.20	1.57
Equity per share	FIM	18.70	18.10	17.85	14.06	12.21
Dividend/result	%	58.3	52.3	33.8	31.8	28.6
Dividend/share	FIM	0.60 ¹⁾	0.70	0.70	0.70	0.45
Effective dividend yield	%	1.4	3.0	2.2		
P/E ratio		40.4	17.2	15.2		
Number of shares	1,000 items					
average		39,675	39,675	36,181	32,549	32,700
at the end of the year		39,675	39,675	39,675	31,500	32,700

¹⁾ Board's proposal

Share price trend

average price	FIM	31.93	28.80	36.55		
lowest price	FIM	22.65	20.60	28.40		
highest price	FIM	43.58	35.50	42.00		
Share price at the end of the year	FIM	41.62	23.06	31.50		

Market value of the share capital

at the end of the year	FIM million	1,651	916	1,221		
Turnover	items	9,337,558	9,416,856	9,606,216		
Turnover, % of the total number		23.5	23.7	26.6		
Turnover	FIM million	297.9	272.3	351.2		

Key indicators by share in euros

		1999	1998	1997	1996	1995
Earnings per share, euro	euro	0.17	0.23	0.35	0.37	0.26
Equity per share, euro	euro	3.14	3.04	3.00	2.36	2.05
Dividend/result	%	58.3	52.3	33.8	31.8	28.6
Dividend/share	euro	0.10 ¹⁾	0.12	0.12	0.12	0.08
Effective dividend yield	%	1.4	3.0	2.2		
P/E ratio		40.4	17.2	15.2		
Number of shares	1,000 items					
average		39,675	39,675	36,181	32,549	32,700
at the end of the year		39,675	39,675	39,675	31,500	32,700

¹⁾ Board's proposal

Share price trend

average price	euro	5.37	4.84	6.15		
lowest price	euro	3.81	3.46	4.78		
highest price	euro	7.33	5.97	7.06		
Share price at the end of the year	euro	7.0	3.99	4.47		

Market value of the share capital

at the end of the year	EUR million	277.7	154.1	205.4		
Turnover	items	9,337,558	9,416,856	9,606,216		
Turnover, % of the total number		23.5	23.7	26.6		
Turnover	EUR million	50.1	45.8	59.1		



Consolidated Income Statement

1,000 FIM	Note	1 Jan – 31 Dec 1999	%	1 Jan – 31 Dec 1998	%
Net sales	1	889,697	100	925,689	100
Increase (+) and decrease (-) in inventories of finished products and work in progress		-5,534		-12,462	
Production for own use (+)		4,875		5,770	
Other operating income	2	1 623		2 917	
Materials and services	3	357,190		404,771	
Personnel expenses	4	238,468		223,674	
Depreciation	5	49,107		45,665	
Other operating expenses	6	181,996		177,089	
Operating result		63,900	7.2	70,715	7.6
Financial income and expenses	7	17,271		17,404	
Profit before extraordinary items and tax		81,171	9.1	88,119	9.5
Extraordinary items	8	4,478			
Profit before taxes		85,649	9.6	88,119	9.5
Direct taxes	10	-26,176		-27,128	
Minority interest included in the result for the fiscal year		-13,952		-7,897	
Profit for the fiscal year		45,521	5.3	53,094	5.7

Consolidated Balance Sheet

1,000 FIM	Note	31 Dec1999	31 Dec 1998
ASSETS			
Fixed assets			
Intangible assets	11	20,497	28,308
Tangible assets	11	410,747	402,467
Investments	12, 13	20,215	50,295
Holdings in associated companies	12	6,149	
Fixed assets total		457,608	481,070
Current assets			
Inventories	14	97,040	102,384
Long-term receivables	15	40,715	30,769
Short-term receivables	15, 16	335,799	269,063
Bonds and securities	17	94,864	163,872
Cash at bank and in hand		219,966	124,433
Current assets total		788,384	690,521
		1,245,992	1,171,591
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	18	47,179	39,675
Reserve fund		207,611	215,116
Retained earnings		441,583	410,281
Profit for the fiscal year		45,521	53,094
Shareholders' equity total		741,894	718,166
Minority interest		27,171	13,732
Liabilities			
Long-term liabilities	20, 21	162,405	192,755
Short-term liabilities	22, 23	314,522	246,938
Liabilities total		476,927	439,693
		1,245,992	1,171,591

Consolidated Sources and Application of Funds



1,000 FIM

1999

1998

Cash flow from business operations

Payments from sales	814,824	867,622
Payments from other returns of business operations	1,623	3,758
Costs of business operations	-747,003	-871,736
Cash flow from business operations before financing items and taxes	69,444	-356
Paid interest and payments for other financing of business operations	-19,587	-27,269
Received interests on business operations	44,568	39,316
Received dividends on business operations	1,202	1,193
Paid direct taxes	-16,467	-32,973
Cash flow from business operations	79,160	-20,089

Cash flow from investments

Investments in tangible and intangible assets	-54,181	-81,625
Other investments	-7,472	
Proceeds from sales and investments	32,816	3,296
Cash flow from investments	-28,837	-78,329

Cash flow from financing

Change in current receivables	2,403	1,245
Increase in short-term liabilities	40,000	14,437
Decrease in short-term liabilities	-8,671	
Increase in long-term liabilities		40,000
Decrease in long-term liabilities	-30,965	-19,373
Dividend paid and other distribution of profit	-27,745	-27,744
Other financing items, (-/+)	70,188	-22,738
Cash flow from financing	45,210	-14,173

Increase + or decrease – in liquid funds

	95,533	-112,591
Liquid funds at the beginning of the financial year	124,433	237,024
Liquid funds at the end of the financial year	219,966	124,433

Income Statement of the Parent Company

1,000 FIM	Note	1 Jan – 31 Dec 1999	1 Jan – 31 Dec 1998
Net sales	1	4,222	4,151
Other operating income	2	449	654
Personnel expenses	4	13,053	10,014
Depreciation	5	610	462
Other operating expenses	6	4,048	2,929
Operating result		-13,040	-8,600
Financing income and expenses	7	28,607	29,678
Profit before extraordinary items		15,567	21,078
Extraordinary items	8		-3,157
Profit before appropriations and taxes		15,567	17,921
Decrease in accelerated depreciations	9	64	6
Direct taxes	10	-4,845	-5,000
Profit for the fiscal year		10,786	12,927



Balance Sheet of the Parent Company

1,000 FIM	Note	31 Dec 1999	31 Dec 1998
ASSETS			
Fixed assets			
Intangible assets	11	421	328
Tangible assets	11	7,896	7,431
Investments	12,13	20,023	50,102
Holdings in associated companies	12,13	9,282	
Shares and holdings	12,13	134,347	133,858
Fixed assets total		171,969	191,719
Current assets			
Long-term receivables	15	115,000	
Short-term receivables	15, 16	85,271	169,891
Bonds and securities	17	94,864	163,872
Cash at bank and in hand		165,149	90,159
Current assets total		460,284	423,922
		632,253	615,641
LIABILITIES			
Shareholders' equity			
Share capital	18	47,179	39,675
Reserve fund		207,146	214,650
Retained earnings		179,967	194,812
Profit from the financial year		10,786	12,927
Shareholders' equity total		445,078	462,064
Accelerated depreciation	19	29	93
Liabilities			
Long-term liabilities	21	70,000	
Short-term liabilities	22, 23	117,146	153,484
Liabilities total		187,146	153,484
		632,253	615,641

Parent Company Sources and Applications of Funds

1,000 FIM	1999	1998
Cash flow from business operations		
Payments from sales	4,222	4,083
Payments from other operating income	422	637
Costs of business operations	-15,670	-10,419
Cash flow from business operations before financing items and taxes	-11,026	-5,699
Paid interest and payments for other financing of business operations	-9,414	-11,763
Received interests on business operations	47,888	44,593
Received dividends on business operations	1,198	1,194
Paid direct taxes	-4,089	-10,482
Cash flow from business operations	24,557	17,843
Cash flow from investments		
Investments on tangible and intangible assets	-1,295	-735
Other investments	-7,961	-2,127
Proceeds from sales and investments	30,327	30,638
Cash flow from investments	21,071	27,776
Cash flow from financing		
Change in current receivables	-43,139	
Increase in short-term liabilities	30,058	20,548
Decrease in short-term liabilities		-77,185
Decrease in long-term liabilities		-2,108
Dividend paid and other distribution of profit	-27,745	-27,745
Other financing items, purchase/sale (+/-)	70,188	-22,737
Cash flow from financing	29,362	-109,227
Increase+ or decrease- in liquid resources	74,990	-63,608
Liquid resources at the beginning of the financial year	90,159	153,767
Liquid resources at the end of the financial year	165,149	90,159



Accounting Principles

The financial statements of the Kyro Group, the Parent Company, and the subsidiaries with a seat in Finland have been drafted in compliance with the Accounting Act (1997/1336), the Accounting Decree (1997/1339), and other statutes and regulations related to financial statements. The financial statements of subsidiaries operating outside Finland have been rectified to comply with the Finnish principles applied in drafting financial statements. The comparison data from the financial statement of the year 1998 has been altered in a similar manner.

CONSOLIDATED FINANCIAL STATEMENTS

Extent of consolidation

The consolidated financial statement includes all Group companies of which the direct or indirect ownership of the Parent Company exceeds 50%, excluding housing companies. Partly owned companies have been combined by using the acquisition cost method.

Intra-Group shareholding

The consolidated financial statement has been drafted following the acquisition cost method. The price paid for the shares of subsidiaries which exceeds the shareholders' equity has in part been allocated to fixed assets, in part entered as Group goodwill. The items included in fixed assets will be depreciated in accordance with the relevant depreciation plan.

Internal transactions and margins

The Group's internal transactions, the unrealised margins of internal deliveries and internal receivables and debts have been eliminated.

Minority interests

Minority interests have been separated from the consolidated shareholders' equity and result, and they are entered as a separate item. Obligations resulting from bonds with warrants are itemised as a minority share.

Translation differences

The income statements of the Group companies operating outside Finland have been translated into Finnish markka using the average rate of the year 1999, and the balance sheet items, excluding the result of the financial year, have been translated into Finnish markka using the exchange rate quoted on the date of the financial statement.

Profits and losses on exchange generated by the translation of shareholders' equity, elimination of the equity of foreign subsidiaries, and the translation of the income statement and bal-

ance sheet using different rates have been entered under unrestricted equities.

Exchange rates used in consolidation

	Income statement		Balance sheet	
	1999	1998	1999	1998
USD	5,58161	5,3440	5,9185	5,0960
DEM	3,0400	3,038	3,0400	3,0400
IEP	7,54952	7,6093	7,54952	7,54952
GBP	9,02891	8,8493	9,56366	8,4280
FRF	0,90642	0,9062	0,90642	0,90642
CHF	3,71515	3,6884	3,70427	3,6981

Items denominated in foreign currencies

Receivables and liabilities denominated in foreign currencies, excluding the currencies of the countries in the euro area, have been translated into Finnish markka using the exchange rate quoted by the Bank of Finland on the date of the financial statement. Receivables and liabilities denominated in the national currencies of the euro area have been translated into markka from the original currencies via euro using the official exchange rates. Receivables and liabilities hedged with derivative contracts have been entered at the exchange rate quoted on the date of the financial statement. The interest portions of forward contracts will be periodized over the duration of the contract. The exchange rate differences on derivative contracts made for hedging purposes have been used to balance the exchange rate differences of corresponding hedged items.

Net sales

Net sales comprise sales profits from which indirect taxes, exchange rate differences and discounts have been deducted.

Pension arrangements

In Finland, statutory pension security as well as additional, voluntary pension security are arranged by pension insurance companies. The pension security of personnel of companies operating outside Finland has been arranged in accordance with local relevant legislation and practice.

Leasing

Leasing payments have been entered as renting expenses. Outstanding leasing payments have been entered as liabilities in the financial statements.

Research and development expenses

Research and development expenses have been entered as expenses for the financial year during which they have occurred.

Valuation of inventories

Inventories are presented, using the FIFO principle, at the variable costs of purchase and manufacturing, or at the lower repurchase price or the probable selling price. Fixed purchase and manufacturing costs have not been capitalised.

Valuation of fixed assets

Fixed assets have been capitalised on the direct acquisition cost. Depreciations according to plan have been calculated on a straight-line basis over the useful life of the fixed assets. Other long-term expenses include, inter alia, a natural gas participation fee for which the depreciation period is 10 years. Other tangible assets include the tunnel and dam structures of the hydropower plant for which the depreciation period is 40 years.

Depreciation period according to plan:

Intangible rights	5-10 years
Group goodwill	5 years
Other long-term expenses	5-10 years
Buildings and structures	25-40 years
Heavy machinery	10-40 years
Other machinery and equipment	3-5 years
Computer hardware and software	3-5 years
Other tangible assets	10-40 years

Accrued financial statement transfers

The difference between accumulated depreciations and depreciations according to plan has in the consolidated balance sheet been divided into deferred tax liability and shareholders' equity. Funds entered under shareholders' equity are not included in the Group's distributable assets. In the consolidated income statement, the year-end transfers made during the financial year have been entered under the result of the financial year and under change in deferred tax liability.

Deferred tax liability and tax claims

During the financial year the Group has adopted a deferred tax liability and tax claim practice provided by law. The Group's deferred tax liability and tax claims are a result from the combination procedures inherent in the consolidated financial statement. The impact of the change in the accounting method, which focused on the previous financial years, has been entered as extraordinary income.

Notes to the Financial Statements

1,000 FIM	Group		Parent Company	
	1999	1998	1999	1998
INCOME STATEMENT				
1. Net sales				
Net sales by business group				
Parent company	1,203	1,232		
Safety glass industry (Tamglass group)	449,992	536,935		
Telecommunications (Tecnomen group)	301,635	239,748		
Energy (Kyro Power)	136,867	147,774		
Net sales total	889,697	925,689		
Net sales by market area				
Finland	199,281	196,691		
EU Member States	267,717	231,847		
European countries outside EU	55,803	82,115		
North and South America	198,978	211,739		
Middle East and Far East	144,217	177,525		
Others	23,701	25,772		
Total	889,697	925,689		
2. Other operating income				
Sales profit from selling fixed assets	390	899	284	108
Rent income	205	155		
Other income	1,028	1,863	165	546
Other operating income total	1,623	2,917	449	654
3. Materials and services				
Materials and supplies				
Purchases during the fiscal year	320,428	364,344		
Changes in inventories of materials and supplies	2,228	-1,273		
	322,656	363,071		
Outside services	34,534	41,700		
Materials and services total	357,190	404,771		
4. Personnel expenses				
Salaries and fees	192,291	181,504	7,412	6,896
Pension expenses	25,457	21,367	4,871	2,707
Other personnel expenses	20,720	20,803	770	411
Total	238,468	223,674	13,053	10,014

Salaries and remuneration paid to members of the Board and

Managing Directors	12,398	11,431	2,817	2,791
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The President of the Parent Company is entitled to retire at the age of 55. The retirement age of the Managing Directors of certain Group companies is set to 60 years. The Members of the Board are covered by a pension insurance. The President of the Parent Company has been granted a loan for FIM 500,000. The interest rate charged on the loan is the base rate confirmed by the Ministry of Finance.



1,000 FIM	Group		Parent Company	
	1999	1998	1999	1998
The Group and the parent company employed during the financial year on average				
Clerical personnel	654	648	12	11
Workers	194	200		
Total	848	848	12	11
5. Depreciation				
Depreciation according to plan				
Intangible assets				
Intangible rights	2,551	2,691	71	63
Group goodwill	5,806	3,548		
Other expenditure with a long-term impact	2,141	2,584	67	36
Tangible assets				
Buildings and structures	7,995	7,869	29	28
Machinery and equipment	29,255	27,732	301	210
Other tangible assets	1,359	1,241	142	125
Depreciation according to plan total	49,107	45,665	610	462
6. Other expenses of business operations				
Rents	14,437	13,818	785	479
Other expenses	164,425	163,271	3,263	2,450
Portion of the result of the associated company	3,134			
Other expenses of business operations total	181,996	177,089	4,048	2,929
7. Financial income and expenses				
Dividend income				
from others	1,668	1,660	1,664	1,659
Dividend income total	1,668	1,660	1,664	1,659
Interest income from long-term investments				
from Group companies			29	45
Interest income from long-term investments total			29	45
Other interest income				
from Group companies			6,921	5,144
from others	8,819	19,189	7,896	17,317
Interest income total	8,819	19,189	14,817	22,461
Financial income				
from others	26,754	17,388	20,687	21,050
Financial income total	26,754	17,388	20,687	21,050
Interest income from long-term investments and other interest and financing income total	35,573	36,577	35,533	43,556

Financial Statements

1,000 FIM	Group		Parent Company	
	1999	1998	1999	1998
Interest expenses				
to Group companies			-3,541	-5,220
to others	-10,816	-10,395	-623	1,089
Interest expenses total	-10,816	-10,395	-4,164	-4,131
Other financing expenses				
to others	-9,154	-10,438	-4,426	-11,406
Other financing expenses total	-9,154	-10,438	-4,426	-11,406
Interest and other financing expenses total	-19,970	-20,833	-8,590	-15,537
Financing income and expenses total	17,271	17,404	28,607	29,678
Other financing income and expenses				
include differences in exchange rates (net)	1,755	-1,473	-13	110
8. Extraordinary income and expenses				
Extraordinary income				
Calculated tax receivables from previous years	4,696			
Extraordinary expenses				
Other extraordinary expenses				-3,157
Calculated tax liabilities from previous years	-218			
Extraordinary income and expenses total	4,478			-3,157
The Group has adopted a deferred tax liability and tax claim practice as provided by the new Accounting Act. The impact of the change in the accounting method, FIM 4.7 million, has been entered as extraordinary income and FIM 0.2 million as extraordinary expense.				
9. Financial statement transfers				
Difference between depreciation according to plan				
and actual depreciation in taxation			64	6
Change of reserves total			64	6
10. Direct taxes				
Income taxes for actual business operations	20 546	23 509	4 845	5 000
Change in calculated tax receivable	-174			
Change in deferred tax liabilities	5 804	3 619		
Total	26 176	27 128	4 845	5 000



BALANCE SHEET

11. Fixed assets and other long-term investments

1,000 FIM	Intangible rights	Group goodwill	Other expenses with long-term impact	Investments in progress	Total
Intangible assets, Group					
Acquisition cost 1 January 1999	27,989	23,661	28,904	387	80,941
Translation difference	230		92		323
Increase	1,687		152	104	1,943
Decrease	-4	-1			-5
Transfers between items	491			-491	
Acquisition cost 31 December 1999	30,393	23,661	29,149		83,202
Accrued depreciation 1 January 1999	-17,870	-15,810	-18,566		-52,246
Translation difference	124		-89		35
Accrued depreciation from deductions and transfers	4				4
Depreciation during the financial year	-2,551	-5,806	-2,141		-10,498
Accrued depreciation 31 December 1999	-20,293	-21,616	-20,796		-62,705
Book value 31 December 1999	10,100	2,045	8,352		20,497
Book value 31 December 1998	10,119	7,851	10,337	387	28,695
Intangible assets, Parent Company					
Acquisition cost 1 January 1999	621		860		1,481
Increase	97		134		231
Acquisition cost 31 December 1999	719		994		1,713
Accrued depreciation 1 January 1999	-410		-744		-1,153
Depreciation during the financial year	-71		-67		-138
Accrued depreciation 31 December 1999	-481		-811		-1,292
Book value 31 December 1999	238		183		421
Book value 31 December 1998	212		116		328

Financial Statements

1,000 FIM	Land and water areas	Buildings	Machinery and equipment	Other tangible assets	Investments in progress	Total
Tangible assets, Group						
Acquisition cost 1 January 1999	27,677	148,546	319,909	32,811	33,767	562,710
Translation difference	1	29	335			364
Increase	46	1,170	27,550	220	20,641	49,627
Decrease	-3		-7,149			-7,152
Transfers between items	442	46,521	3,115	1,357	-51,435	
Acquisition cost 31 December 1999	28,162	196,266	343,760	34,387	2,973	605,548
Accrued depreciation 1 January 1999		-37,244	-119,493	-3,893		-160,630
Translation difference		-3	-262			-265
Accrued depreciation from deductions and transfers			4,703			4,703
Depreciation during the financial year		-7,995	-29,255	-1,359		-38,609
Accrued depreciation 31 December 1999		-45,241	-144,308	-5,252		-194,801
Book value 31 December 1999	28,162	151,025	199,453	29,135	2,973	410,747
Book value 31 December 1998	27,677	111,302	200,416	28,918	33,767	402,080
Tangible assets, Parent Company						
Acquisition cost 1 January 1999	5,152	495	1,366	2,400		9,414
Increase	468		395	78		941
Decrease	-3		-14			-18
Acquisition cost 31 December 1999	5,616	495	1,747	2,478		10,337
Accrued depreciation 1.1.1999		-186	-746	-1,051		-1,983
Accrued depreciation 1 January 1999			13			13
Depreciation during the financial year		-29	-300	-142		-471
Accrued depreciation 31 December 1999		-215	-1,033	-1,192		-2,441
Book value 31 December 1999	5,616	280	714	1,286		7,896
Book value 31 December 1998	5,152	309	620	1,350		7,431
Group						
		1999	1998			
Book value of production machinery and equipment		171,073	182,773			



1,000 FIM	Shares Group companies	Shares Interest companies	Shares others	Total
12. Investments, Group				
Acquisition cost 1 January 1999			50,295	50,295
Increase		9,282	23	9,305
Decrease			-30,103	-30,103
Acquisition cost 31 December 1999		9,282	20,215	29,498
Portion of the financial year in the result		-3,134		-3,134
Accrued depreciation 31 December 1999		-3,134		-3,134
Book value 31 December 1999		6,149	20,215	26,364
Book value 31 December 1998			50,295	50,295

The goodwill of the interest company is FIM 5.3 million, which will be written off in five years. The company has been acquired in March 1999 and combined on the basis of the interim report of 1 April - 31 December 1999, thus resulting in a share of goodwill write-off amounting to FIM 0.8 million.

	Shares Group companies	Shares Interest companies	Shares Others	Total
Investments, Parent Company				
Acquisition cost 1 January 1999	133,858		50,102	183,960
Increase	489	9,282	23	9,794
Decrease			-30,103	-30,103
Acquisition cost 31 December 1999	134,347	9,282	20,022	163,651
Book value 31 December 1999	134,347	9,282	20,022	163,651
Book value 31 December 1998	133,858		50,102	183,960

Financial Statements

13. Companies owned by the Group and the Parent Company

Group companies	Seat	Group ownership %	Parent Company ownership %	Parent Company shares/holdings		
				Number	Nominal value 1,000 FIM	Book value 1,000 FIM
Kyro Power Oy	Kyröskoski, Finland	100.0	100.0	1,505,500	17,903	56,305
Tamglass Ltd. Oy	Tampere, Finland	100.0	100.0	800,000	9,513	42,816
Tamglass Engineering Ltd. Oy	Tampere, Finland	100.0				
Tamglass Turvalasi Oy	Tampere, Finland	100.0				
Tamglass EMA Sales Ltd. Oy	Tampere, Finland	100.0				
Tamglass Far East Ltd.	Shatin, NT, Hong Kong	100.0				
Tamglass America, Inc.	Pittsburgh, PA, USA	100.0				
Tamglass Tempering Systems, Inc.	Cinnaminson, N.J., USA	100.0				
Tamglass UK Ltd.	Nottinghamshire, United Kingdom	99.9				
Tamglass S.A.R.L.	Boulogne, France	99.8				
Tamglass GmbH	Nürnberg, Germany	100.0				
Tamglass Japan, Inc.	Osaka, Japan	100.0				
Tamglass Project Development Oy	Tampere, Finland	100.0				
Tamglass Singapore Pte. Ltd.	Singapore	100.0				
Cattin Machines, S.A.	La Chaux-de-Fonds, Switzerland	100.0				
Kiint. Oy Kauppilaisenkatu 2	Tampere, Finland	100.0				
Kiint. Oy Alhonmetsä	Tampere, Finland	100.0				
Tecnomen Oy	Espoo, Finland	100.0	100.0	49,066	9,919	35,226
Tecnomen Ltd.	County Clare, Ireland	100.0				
Tecnomen GmbH	Dreieich, Germany	100.0				
Tecnologia de Mensajes						
Tecnomen S.L.Madrid,	Spain	100.0				
Tecnomen System Solutions Oy	Espoo, Finland	65.9				
Tecnomen Hong Kong Ltd.	Wan Chai, Hong Kong	100.0				
Tecnomen Sistemas de Telecomunicacao Ltda	São Paulo - SP CEP, Brazil	100.0				
Total						134,347

Interest companies

Associated companies

		Group ownership %	Parent Company ownership %	Nominal value	
				1,000 FIM	1,000 FIM
Aersoft Ltd	Dublin, Ireland	39.0	39.0	2,913	9,282

The associated company has been included in the consolidated financial statement following the principle of capital share.

Other shares and holdings owned by the Parent Company

	Ownership %	Number	Nominal value 1,000 FIM/share	Book value 1,000 FIM
Shares and holdings				
Kiinteistö Oy Torikyrö	63.4	804	402	1,427
Other housing companies				1,156
Other shares and holdings				246
Total				2,829

Other Parent Company investments

	Number	Nominal value 1,000 FIM/share	Book value 1,000 FIM
Pohjolan Voima Oy C	61,856	619	17,194
Pohjolan Voima Oy H	1,860	19	
Total			17,194



1,000 FIM	Group		Parent Company	
	1999	1998	1999	1998
14. Fixed assets				
Materials and supplies	34,953	35,876		
Work in progress	58,914	62,384		
Finished products	3,173	3,003		
Advance payments		1,121		
Fixed assets total	97,040	102,384		
15. Receivables				
Long-term receivables				
Accounts receivable	40,715	30,769		
Receivables from Group companies				
Loan receivables			115,000	
Long-term receivables total	40,715	30,769	115,000	

Financial Statements

1,000 FIM	Group		Parent Company	
	1999	1998	1999	1998
Short-term receivables				
Receivables from Group companies				
Loan receivables			81,543	152,855
Prepaid expenses and accrued income			160	185
			81,703	153,040
Accounts receivable	307,296	215,458		
Loan receivables	1,636	2,650	550	550
Other receivables	2,139	4,045		
Prepaid expenses and accrued income	24,728	46,910	3,018	16,301
	335,799	269,063	3,568	16,851
Short-term receivables total	335,799	269,063	85,271	169,891
16. Prepaid expenses and accrued income				
Personnel expenses	509	64	92	40
Interest income	3,589	18,739	2,507	14,786
Income taxes	4,482	5,185	381	1,137
Indirect taxes	4,719	2,400	99	157
Others	11,429	20,522	99	367
Prepaid expenses and accrued income total	24,728	46,910	3,178	16,487
17. Shares included in financial assets				
Shares included in financial assets mainly include shares and bonds traded in the open market.				
Market value	108,577	179,999	108,577	179,999
Book value	96,566	169,050	96,566	169,050
Difference	12,011	10,949	12,011	10,949



1,000 FIM	Group		Parent Company	
	1999	1998	1999	1998
18. Shareholders' equity				
Share capital 1 January	39,675	40,875	39,675	40,875
Increase	7,504		7,504	
Decrease		-1,200		-1,200
Share capital 31 December	47,179	39,675	47,179	39,675
Reserve fund 1 January	215,116	213,916	214,650	213,450
Increase		1,200		1,200
Decrease	-7,504		-7,504	
Reserve fund 31 December	207,611	215,116	207,146	214,650
Retained earnings	463,375	441,316	207,740	222,585
Dividends	-27,773	-27,773	-27,773	-27,773
Exchange rate and translation differences	5,980	-3,262		
Total on 31 December	441,583	410,281	179,967	194,812
Profit from the financial year	45,521	53,094	10,786	12,927
Shareholders' equity on 31 December	741,894	718,166	445,078	462,064

The Company's share capital has been increased by a capitalisation issue amounting to EUR 1,262,144.02 (FIM 7,504,367.56). The nominal value of a share converted into euros is 0.20 euros. The share capital of the Company is EUR 7,935,000 (FIM 47,179,367.56).

Account on distributable assets

Retained earnings	441,583	410,281	179,966	194,812
Profit from the financial year	45,521	53,094	10,786	12,927
Portion of accrued depreciation differences and voluntary reserves entered under shareholders' equity	-100,207	-99,173		
Distributable funds	386,897	364,202	190,752	207,739

Financial Statements

1,000 FIM	Group		Parent Company	
	1999	1998	1999	1998
19. Accrued financial statement transfers				
Accelerated depreciation 1 January			93	99
Increase (+), decrease (-)			-64	-6
Accelerated depreciation 31 December			29	93
Accrued financial statement transfers in the Parent Company consist of accelerated depreciation.				
20. Deferred tax liability				
Calculated tax receivables				
Combination procedure 1 January				
Increase (+), decrease (-)	4,854			
Combination procedure 31 December	4,854			
Deferred tax liabilities				
Financial statement transfers 1 January	38,568	34,949		
Increase (+), decrease (-)	4,006	3,619		
Financial statement transfers 31 December	42,574	38,568		
Deferred tax liability total	37,720	38,568		
21. Long-term liabilities				
Loans from financial institutions	113,171	140,369		
Pension loans	4,363	4,691		
Advances received	5,779	8,668		
Other liabilities	1,372	459		
Debts to Group companies				
Other debts			70,000	
Total	124,685	154,187	70,000	
Deferred tax liability	37,720	38,568		
Long-term liabilities total	162,405	192,755	70,000	
Maturity of long-term liabilities				
Time of maturity				
1-2 years	31,526	30,583		
2-3 years	33,733	31,468		
3-4 years	16,667	33,493		
4-5 years	9,406	16,426	70,000	
over 5 years	33,353	42,217		
Total	124,685	154,187	70,000	
Non-interest-bearing debts				
Non-interest-bearing liabilities	243,937	210,638		
Deferred tax liability	37,720	38,568		
Non-interest-bearing debts total	281,657	249,206		



1,000 FIM	Group		Parent Company	
	1999	1998	1999	1998
22. Short-term liabilities				
Loans from financial institutions	67,200	32,557	40,000	
Pension loans	328	353		
Advances received	79,600	52,274		
Accounts payable	45,019	43,428	103	
Short-term liabilities total	192,147	128,612	40,103	
Debts to Group companies				
Accounts payable			44	
Other payables			35,900	143,408
Accrued liabilities and deferred income			133	354
Debts to Group companies total			36,077	143,762
Debts to interest companies				
Other debts	1,812		1,812	
Debts to interest companies total	1,812		1,812	
Other short-term liabilities	9,457	18,381	29,688	1,549
Accrued liabilities and deferred income	111,106	99,945	9,466	8,173
Short-term liabilities total	314,522	246,938	117,146	153,484
23. Accrued liabilities and deferred income				
Salary and other personnel expense periodising	42,111	35,138	7,295	5,828
Interests	5,132	3,707	1,711	354
Direct taxes	8,684	4,313		
Others	55,179	56,787	593	2,345
Accrued liabilities and deferred income total	111,106	99,945	9,599	8,527

Financial Statements

1,000 FIM	Group		Parent Company	
	1999	1998	1999	1998
24. Contingent liabilities				
Debts with mortgage on property as security				
Debts to financial institutions	106,085	132,954		
Mortgages	110,753	171,855		
Securities on behalf of Group companies and on own behalf				
Mortgage on company assets				
On own behalf	32,400	32,400		
On behalf of Group companies			30,000	30,000
Pension liabilities		1,901		1,901
Contingent liabilities and liabilities non included in the balance sheet				
Leasing liabilities				
With due date in the current financial year	3,221	3,364	153	50
With a later due date	2,186	3,451	65	50
Pledges				
On own behalf	25,303	14,590		
On behalf of Group companies			77,091	60,748
Repurchase commitments	18,307			
Other liabilities	8,519	9,831	520	520
25. Values of the underlying instruments of derivative contracts				
I. Interest derivatives				
Interest rate swaps	65,000	81,000		
		1999		1998
		Market value	Value of under-	Market value
			lying instrument	Value of under-
				lying instrument
II. Currency derivatives				
Forward agreements	156,743	149,815	114,067	116,109



MANAGEMENT OF FINANCIAL RISKS

The Group's financial risks comprise currency risks, interest risks, and liquidity risks. The Group's principle is to hedge itself from the negative impact these risks may have on the result and on the balance sheet. Management of risks related to currency and counterparties in connection with normal business transactions is a part of the operational activities of the Group companies. The rest of the Group's financial activities are concentrated in the Parent Company, which is in charge of bank relations, arrangements for long-term financing, investments, and the Group's internal allocation of funds according to the need for liquidity in the Group companies.

The Group has no foreign currency denominated loans in Finland. Credit limits of a fixed asset nature secured by subsidiaries outside Finland are held in the currencies of the countries concerned. Currency positions consist of receivables and liabilities by currency, and of currency income and expenses based on binding orders. The net positions are primarily hedged by means of forward contracts for a maximum of 12 months. After the introduction of euro at the beginning of 1999, the currency risk has mainly been caused by the changes in the rates of euro and US dollar.

The Group has not hedged the shareholders' equity in its subsidiaries outside Finland.

Long-term loans have been divided into fixed-rate and floating-rate items so that one third of the liabilities are fixed-rate loans, two thirds floating-rate loans. 65% of the floating-rate loans have been converted into fixed-rate loans through interest swap contracts until 30 May 2000.

Liquid funds are invested prudently to ensure that the Group retains the capability to make investments and acquisitions. Funds are invested in market deposits, long-term bonds, and, to a limited extent, in shares. The board of Directors of the Parent Company has approved the Group's investment principles and risk limits.

Financial Performance Indicators in FIM

		1999	1998	1997	1996	1995
Consolidated income statement						
Net sales	FIM million	889.7	925.7	913.4	818.6	1,119.9
change		-3.9	1.4	11.6	34.6	2.6
Exports and international operations		690.4	729.0	730.7	650.8	983.3
as % of net sales	%	77.6	78.8	80.0	79.5	87.8
Depreciation		49.1	45.7	40.0	40.6	56.3
Operating result		63.9	70.7	82.2	103.6	95.7
as % of net sales	%	7.2	7.6	9.0	12.7	8.5
Financial items		17.3	17.4	37.6	-2.8	-24.7
Profit before extraordinary items		81.2	88.1	119.8	100.8	71.0
as % of net sales	%	9.1	9.5	13.1	12.3	6.3
Extraordinary items		4.5	-	-15.3	-1.1	6.9
Profit before taxes		85.6	88.1	104.6	99.7	77.9
as % of net sales	%	9.6	9.5	11.4	12.2	7.0
Taxes		-26.2	-27.1	-29.8	-29.2	-19.1
Profit for the year before minority interest		59.5	61.0	74.8	70.5	58.8
Balance sheet						
Fixed assets		457.6	481.1	471.8	419.4	374.3
Current assets						
Inventories		97.0	102.4	115.5	87.9	65.5
Receivables		691.3	588.1	635.6	463.9	536.8
Shareholders' equity		741.9	718.2	708.3	442.8	399.1
Distributable assets		386.9	364.2	351.4	318.7	289.5
Minority interest		27.2	13.7	8.2	1.6	1.7
Liabilities						
Interest-bearing liabilities		195.3	190.1	173.7	220.1	263.1
Non-interest-bearing liabilities		243.9	211.0	297.8	276.8	288.4
Deferred tax liability		37.7	38.6	34.9	29.9	24.3
Balance sheet total		1,246.0	1,171.6	1,222.9	971.2	967.6
Return on capital invested	%	9.8	11.0	18.0	18.4	16.2
Return on equity	%	7.3	8.4	14.2	16.9	13.6
Equity ratio	%	66.3	65.9	62.6	48.5	43.7
Debt/equity ratio	%	-15.8	-13.7	-29.7	-4.3	-26.4
Interest-bearing net liabilities		-121.2	-100.5	-213.1	-19.0	-105.8
as % of net sales	%	-13.6	-10.9	-23.3	-2.3	-9.4
Gross investments		61.5	71.3	94.4	89.7	238.2
as % of net sales	%	6.9	7.8	10.3	11.0	21.3
Research and development		102.9	108.6	108.1	95.9	64.6
as % of net sales	%	11.6	11.7	11.8	11.7	5.8
Order book		405	321	463	396	364
The order book includes the share of long-term annual contracts for the next financial year.						
Comparison figures have been corrected accordingly.						
Personnel on average		848	848	782	659	780
Personnel at year-end		837	840	819	700	536
in Finland		532	538	542	455	406

The figures for 1995 include Kyro's forest industry operations, which were sold on 30 June 1995.



Financial Performance Indicators in Euros

		1999	1998	1997	1996	1995
Consolidated income statement						
Net sales	EUR million	149.6	155.7	153.6	137.7	188.4
change		-3.9	1.4	11.6	34.6	2.6
Exports and international operations		116.1	122.6	122.9	109.5	165.4
as % of net sales	%	77.6	78.8	80.0	79.5	87.8
Depreciation		8.3	7.7	6.7	6.8	9.5
Operating result		10.7	11.9	13.8	17.4	16.1
as % of net sales	%	7.2	7.6	9.0	12.7	8.5
Financial items		2.9	2.9	6.3	-0.5	-4.2
Profit before extraordinary items		13.7	14.8	20.1	17.0	11.9
as % of net sales	%	9.1	9.5	13.1	12.3	6.3
Extraordinary items		0.8	-	-2.6	-0.2	1.2
Profit before taxes		14.4	14.8	17.6	16.8	13.1
as % of net sales	%	9.6	9.5	11.4	12.2	7.0
Taxes		-4.4	-4.6	-5.0	-4.9	-3.2
Profit for the year before minority interest		10.0	10.3	12.6	11.9	9.9
Balance sheet						
Fixed assets		77.0	80.9	79.4	70.5	63.0
Current assets						
Inventories		16.3	17.2	19.4	14.8	11.0
Receivables		116.3	98.9	106.9	78.0	90.3
Shareholders' equity		124.8	120.8	119.1	74.5	67.1
Distributable assets		65.1	61.3	59.1	53.6	48.7
Minority interest		4.6	2.3	1.4	0.3	0.3
Liabilities						
Interest-bearing liabilities		32.8	32.0	29.2	37.0	44.2
Non-interest-bearing liabilities		41.0	35.5	50.1	46.6	48.5
Deferred tax liability		6.3	6.5	5.9	5.0	4.1
Balance sheet total		209.6	197.0	205.7	163.3	164.2
Return on capital invested	%	9.8	11.0	18.0	18.4	16.2
Return on equity	%	7.3	8.4	14.2	16.9	13.6
Equity ratio	%	66.3	65.9	62.6	48.5	43.7
Debt/equity ratio	%	-15.8	-13.7	-29.7	-4.3	-26.4
Interest-bearing net liabilities		-20.4	-16.9	-35.8	-3.2	-17.8
as % of net sales	%	-13.6	-10.9	-23.3	-2.3	-9.4
Gross investments		10.3	12.0	15.9	15.1	40.1
as % of net sales	%	6.9	7.8	10.3	11.0	21.3
Research and development		17.3	18.3	18.2	16.1	10.9
as % of net sales	%	11.6	11.7	11.8	11.7	5.8
Order book		68.1	31.0	52.9	44.1	39.7
The order book includes the share of long-term annual contracts for the next financial year.						
Comparison figures have been corrected accordingly.						
Personnel on average		848	848	782	659	780
Personnel at year-end		837	840	819	700	536
in Finland		532	538	542	455	406

The figures for 1995 include Kyro's forest industry operations, which were sold on 30 June 1995.

Definitions of Key Ratios

Equity Ratio, % =

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

Debt/equity ratio (gearing), % =

$$\frac{\text{Net interest-bearing liabilities}}{\text{Shareholder's equity} + \text{minority interest}} \times 100$$

Net interest-bearing liabilities =

Net interest-bearing liabilities – interest-bearing receivables – cash and other liquid financial assets

Return on equity (ROE) =

$$\frac{\text{Profit or loss before extraordinary items and tax} - \text{taxes for the fiscal year}}{\text{Shareholder's equity} + \text{minority interest (average)}} \times 100$$

Return on invested capital (ROI) =

$$\frac{\text{Profit before extraordinary items and tax} + \text{interest and other financial expenses}}{\text{Balance sheet total} - \text{non interest-bearing liabilities (average)}} \times 100$$

Earnings per share (EPS) =

$$\frac{\text{Profit before extraordinary items and taxes} - \text{taxes for the fiscal year}}{\text{Adjusted average number of shares during the fiscal year}}$$

Equity/share =

$$\frac{\text{Shareholder's equity}}{\text{Adjusted number of shares during the fiscal year}}$$

Dividend/result, % =

$$\frac{\text{Dividend distribution for the fiscal year}}{\text{Profit before extraordinary items and taxes} - \text{taxes for the fiscal year} -/+ \text{minority interest}} \times 100$$

Dividend/share =

$$\frac{\text{Dividend distribution for the fiscal year}}{\text{Adjusted number of shares at the end of the fiscal year}}$$

Effective dividend yield, % =

$$\frac{\text{Dividend/share}}{\text{Adjusted stock price at the end of the year}} \times 100$$

P/E ratio, % =

$$\frac{\text{Adjusted stock price at the end of the year}}{\text{Earnings/share (EPS)}}$$

Market capitalization =

Number of shares x stock price on December 31



Proposal by the Board of Directors

The Group's distributable assets amounted to FIM 386,896,745.00.

The Parent Company's distributable assets, according to the Parent Company's balance sheet of December 31, 1999, amounted to:

Retained earnings	FIM	179,966,497.53
Profit for the fiscal year	FIM	10,785,948.88
Total	FIM	190,752,446.41

The number of shares entitling holders to a dividend total 39,675,000.

The Board of Directors proposes that:

A dividend of FIM 0.60/share should be paid	FIM	23,805,000.00
And that the balance of should be carried forward to retained earnings	FIM	166,947,446.41
Total	FIM	190,752,446.41

Helsinki, February 23, 2000

Carl-Johan Numelin
Lars Hammarén
Barbro Koljonen
Carl-Olaf Homén

Christer Sumelius
Lauri Fontell
Carl-Johan Rosenbröijer
Gerhard Wendt

Pentti Ylihjeljo
President and Chief Executive Officer

Auditors Report

To the shareholders of Kyro Corporation

We have audited the accounting, the financial statements and the administration of Kyro Corporation for the year ended 31 December 1999. The financial statements, which include the report of the Board of Directors, consolidated and parent company income statements, balance sheets, cash flow statements and notes to the financial statements, have been prepared by the Board of Directors and the President and Chief Executive Officer. Based on our audit we express an opinion on these financial statements and on administration.

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 administration is to examine that the Board of Directors and the President and Chief Executive Officer have 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 President and Chief Executive Officer of the parent company can be discharged from liability for the period audited by us. The proposal made by the Board of Directors on how to deal with the distributable funds is in compliance with the Companies Act.


Tampere, 23 February 2000

KPMG WIDERI OY AB

Sixten Nyman
Authorized Public Accountant

Other Information

Administrative Bodies and Auditors

			From	Term of office
		BOARD OF DIRECTORS		
		Chairman		
		Carl-Johan Numelin (62), M.Sc. (Eng.)	1990	1999–2002
		Deputy Chairman		
		Christer Sumelius (53), M.Sc. (Econ.)	1995	1998–2001
<i>Carl-Johan Numelin</i>	<i>Christer Sumelius</i>			
		Members		
		Lars Hammarén (57), B.Sc. (Eng.)	1982	1998–2001
		Lauri Fontell (64), Lic. Phil.	1987	1999–2002
<i>Lars Hammarén</i>	<i>Lauri Fontell</i>			
		Barbro Koljonen (47), M.Sc. (Agr.)	1996	1999–2002
		Carl-Johan Rosenbröijer (36), D.Sc. (Econ.)	1996	1999–2002
<i>Barbro Koljonen</i>	<i>Carl-Johan Rosenbröijer</i>			
		Carl-Olaf Homén (64), Master of Laws (due to step down)	1997	1997–2000
		Gerhard Wendt (65), Ph.D.	1998	1998–2001
<i>Carl-Olaf Homén</i>	<i>Gerhard Wendt</i>			

MANAGEMENT	President and Chief Executive Officer	Pentti Yliheljo (54), M.Sc. (Eng.)	1992
	Chief Financial Officer	Erkki Hautaniemi (60), B.Sc. (Econ.)	1986
	Senior Vice President, Corporate Planning	Esko Rantala (38), M.Sc. (Eng.) (as of April 6, 1999)	1999

AUDITORS

KPMG WIDERI OY AB
Responsible Auditor Sixten Nyman, Authorized Public Accountant

Kyro Corporate Structure

Parent Company

KYRO CORPORATION

Board of Directors

Chairman
Carl-Johan Numelin

Deputy Chairmen
Christer Sumelius

Lars Hammarén
Lauri Fontell
Barbro Koljonen
Carl-Johan Rosenbröjjer
Carl-Olaf Homén
Gerhard Wendt

Management

President and
Chief Executive Officer
Pentti Yliheljo

Chief Financial Officer
Erkki Hautaniemi
until May 31, 2000

Veli Kronqvist
As of June 1, 2000

Senior Vice President
Corporate Planning
Esko Rantala

Information Management

Director,
Information Management
Jyrki Santaholma

Corporate Communications

Communications Manager
Mika Nevalainen

Business Groups

TAMGLASS

President Pentti Yliheljo

Business areas:

Architectural Glass Industry Mauri Leponen

Automotive Glass Industry Tommi Salenius

After Sales Tapio Rauhala

Functions:

Sales	Pentti Salin
Product Development and Manufacturing	Juha Liettyä
Finance	Veli Kronqvist
Quality	Erkki Kekkonen
Personnel	Anneli Ranki
Marketing Communications	Anne Riekkola

Marketing, Sales and Servicing Units:

Tamglass EMA Sales Seppo Lautamäki
Scandinavia, Italy, Middle East, Eastern Europe, the Balkans, Eastern Africa

Tamglass America Inc. Raimo Nieminen
North, Central and South America

Tamglass Far East Ltd. Michael Tsui
China, Hong Kong, Taiwan

Tamglass Japan Inc. Juhani Salminen
Japan

Tamglass Singapore Pte. Ltd. Markku Karvonen
South-East Asia, Australia, New-Zealand

Tamglass Middle East Tapio Rauhala
Middle-East (After sales)

Tamglass GmbH Hermann Frey
German-speaking Europe, Poland, Slovakia, Czech Republic

Tamglass S.A.R.L. Richard Bazin
France, Spain, Benelux, Portugal, French-speaking Africa

Tamglass UK Ltd. Neil Butler
Great Britain, Ireland, South Africa

Glass Processing Machine Plants:

Tamglass Engineering Ltd. Oy, Finland Juha Liettyä

Tamglass Tempering Systems Inc., USA Ken Freidel

Cattin Machines S.A., Switzerland Georges Béquet

Glass Processing Plants:

Tamglass Turvalasi Oy, Finland Pertti Iivanainen

TECNOMEN

President Vesa Helkkula

Functions:

Sales and Customer Operations	Jukka Hurri
Product Management	Kai Kauto
Product Development	Timo Ruoho
Production and Logistics	Paul Fitzgerald
Personnel and Administration	Froste Ahlfors
Finance	Riitta Järnstedt
Paging Systems	Timo Kangas

Tecnomen Ltd. Ireland Paul Fitzgerald
Ireland, Great Britain

Data acquisition systems:

Tecnomen System Solutions Oy, Finland
Matti Loukunen

Regional Business Units:

Europe Vesa Helkkula

Tecnomen Finland Ari Paganus (Sales)
Scandinavia, Benelux, Eastern Europe, Greece, Cyprus

Tecnomen Germany Kai Honetschlaeger
German-speaking Europe

Tecnomen Spain Jukka Haukkovaara
South Europe

Tecnomen Ireland Philip Heyes (Sales)
Ireland, Great Britain

South-East and East Asia Jarmo Häärä

Tecnomen Malaysia Christian Rönblad
Australia, South-East Asia

Tecnomen Thailand Jarmo Häärä
Thailand, Cambodia, Laos, Vietnam

Tecnomen Beijing Kai Kunnasmaa
Main China

Tecnomen Hong Kong Ltd. Albert Wong
Hong Kong, Japan, Korea, Taiwan

Tecnomen Taiwan Pekka Tuttonen
Taiwan, Japan, Africa

Middle East Matti Kakko

Tecnomen Middle East Matti Kakko
India, Middle East, Pakistan, Turkey, Africa

South America Kimmo Aura

Tecnomen Brasil Kimmo Aura
Argentina, Bolivia, Brazil, Chile, Paraguay, Peru, Uruguay

KYRO POWER

President Matti Heino
Production Esa Kujala

Electricity, Steam and District Heat Sales
Matti Heino

Production Units:

Gas-Fired Power Plant

Hydro Power Plant

Other Information

Locations and Addresses

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- Tecnomen Group
- Kyro Power
- Kyro Corporation, Head Office
- Kyro Corporation, Helsinki Office



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Key Concepts and Terminology

A number of product names and technical terms related to the Group's technology businesses are used in Kyro's Annual Report. As some of these may be unfamiliar to the reader, some key concepts and terms are explained below:

TAMGLASS GROUP

ORIGINAL EQUIPMENT MANUFACTURER

A manufacturer who supplies glass to the production process of automotive industries.

FLOAT GLASS

Flat glass manufactured using the float process from raw materials including sand, soda ash, dolomite, lime, and recycled glass. Molten glass is poured from the furnace on to a surface of molten tin, where the glass is cooled into sheet form. Float glass is used in the manufacturing of architectural and automotive glass.

HTF PROE

A high-capacity production line for tempering flat glass.

TEMPERING

A safety glass manufacturing process in which float glass is heated to a high temperature and then quickly cooled down to room temperature. The powerful compressive tension imposed on the surface of the glass in this process increases the strength of glass by as much as five times that of float glass.

LAMINATION AND LAMINATED GLASS

A safety glass manufacturing process in which sheets of glass and a special plastic film placed between them are bonded together at high temperature by means of a vacuum and high pressure. The resulting product is a high-quality safety glass capable of withstanding high levels of mechanical stress and offering good fire resistance and optical qualities.

COATED GLASS AND ENERGY-SAVING (LOW-E) GLASS

The insulation properties and visual appearance of glass can be modified using various coating processes to produce glass with specific types of responses to sunlight, colour, and heat.

BENT OR FLAT TEMPERING

See Tempering. Glass can be bent or kept flat depending on the intended use in the end product.

BENT OR FLAT LAMINATION

See Lamination. Either bent or flat glass may be used depending on the intended use in the end product.

SAFETY GLASS

Glass produced by tempering or lamination processes. Safety glass is many times stronger than normal glass. In the event of breakage, laminated glass remains in its frame and tempered glass shatters into small pieces without inducing damage.

SAFETY GLASS MACHINE

A machine used in the production of tempered or laminated safety glass products.

TECNOMEN GROUP

DATA TRANSFER

Transmission of text, images, and voice in wireless and fixed digital communication networks.

ERMES PAGING SYSTEM

The Enhanced Radio Message System (ERMES) is an advanced paging system standard developed by the European Telecommunications Standards Institute (ETSI). ERMES ensures that paging messages reach their right destination when subscribers travel from country to country.

PAGING SYSTEM

A one-way telecommunications service used to locate a person. The Tecnomen product range includes high-capacity, wide-area paging systems.

INTELLIGENT PERIPHERAL

A component of an intelligent network that communicates with the end-user in accordance with a set of logistical service criteria.

MESSAGING PRODUCTS

Products providing a variety of data services needed for relaying messages. Messaging products enable the sending of messages between different telecommunication networks.

SERVICE PROVIDER

A company that produces services with various contents for the Internet and for mobile phones utilising the networks of existing operators.

PREPAID

A service technology enabling customers to pay for a time-limited package of services in advance.

OPERATOR

An organisation that maintains a telecommunication network and provides telecommunication services. Operators can provide services both to service providers and directly to users. Operators are typically licensed telephone companies.

UNIFIED MESSAGING

A system of common 'post-boxes' designed to collect a variety of messages, such as voice, fax, and e-mail, in a single location and in a user-defined format.

WIRELESS APPLICATION PROTOCOL (WAP)

A network-independent technology that enables new, Internet-type enhanced services to be brought to users of telephone networks.

WIRELESS INTERNET SOLUTION

A data communication solution which enables modified use of Internet services with a mobile phone.

KYRO POWER

COMBINED CYCLE POWER PLANT

A power plant where the energy from the exhaust gases of a gas turbine are utilised as electricity and heat.

ELECTRICITY SPOT MARKET

A marketplace of energy producers and consumers for buying and selling electricity at a price determined by the current market situation.



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