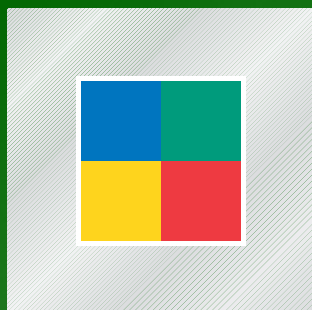


MARKKINOINTI VIHERJUURI

ANNUAL REPORT 1999



"We at Viherjuuri are experts in total communications; in fact, this has been the basis for developing our clients' competitiveness for years.

We want to emphasise the importance of our staff as the foundation for success.

Creativity, internationalisation and new media are the keys to the new millennium for our strong organisation."

Arto Liinpää

Our client Vattenfall

The energy company Vattenfall has operated in the Finnish market since 1994. Vattenfall became a client of the Viherjuuri Group in the spring of 1999, selecting us based on their need for integrated communications.

Since electricity is a product that generates little interest amongst consumers, our greatest initial challenge was to get Vattenfall into the competitive arena. Having established the brand strategy, we are now building uniform communications for Vattenfall taking into consideration all the various aspects of marketing communications. Integrated communica-

tions professionals from the Group's different divisions are supporting our co-operation with the client by providing their own specialised expertise.

Some of the people active in the Vattenfall project include (from left to right) Account Director Tiina Kuusisto and Copywriter Mika Vierula from Viherjuuri Saatchi&Saatchi, Account Executive Saija Timonen from Viherjuuren Viestintätoimisto, Concept Designer Timo Laitakari from Axel Digital Group and Copywriter Helena Hulkko from Viherjuuren Suora.



MANAGING DIRECTOR'S REVIEW



With their huge range of applications, digital communications and new media have revolutionised the way we think and do things in the field of communications. Our business environment has changed decisively, and these changes continue to take place at an ever-faster pace. Consequently, new media will become an inseparable part of all integrated communications within the near future.

The first customer projects using new communications technology were carried out within the Viherjuuri Group as early as the beginning of the 1990s. The multimedia division that was then created has, during the past seven years, developed into an important new media company, and one of the fastest growing business areas within the integrated communications structure. Viherjuuri has maintained a strong position in this area by investing heavily and continuously in new media know-how.

Striking a balance and developing solutions to promote business activities between traditional integrated communications areas and new media has become one of the central roles of management.

The operations of the Viherjuuri Group are based on the concept of integrated communications, which is a much broader concept than marketing communications. In addition to marketing communications, integrated communications includes, for example, new media, graphic design and corporate communications.

The Viherjuuri Group operates centrally within five business areas that differ from each other significantly in terms of market size and growth. The area of strongest growth is new media, a market whose value is estimated to grow to EUR 250 million in 2000. The growth in the gross income volumes of advertising agencies is estimated to be only a few percentage points, meaning that the size of this market will effectively be the same as in 1999. The growth in the graphic design, corporate communications and direct

MANAGING DIRECTOR'S REVIEW

marketing sectors is, depending on the business area, estimated at between 5% and 15% for the year 2000.

The development trend of the integrated communications market is highlighted by the fact that new media agencies – which barely existed in their present form ten years ago – will overtake advertising agencies in terms of combined gross income volumes during 2000.

During 1999, the efficiency of integrated communications has been increased, both through systematic development work and by relocating the specialists from each of the business areas in Helsinki to group headquarters at Bulevardi 6, where Markkinointi Viherjuuri has operated since being established in 1955.

The structural organisation of the Viherjuuri Group has been developed during the year under review according to the strategy approved in 1998, whereby each business area is represented by a single office, thus eliminating competition within each division.

These organisational and operational changes have placed heavy demands on intellectual and economic resources during 1999. This is reflected in smaller growth than earlier and weaker profitability than expected. However, the revitalising of the competitiveness and efficiency of the Viherjuuri Group has established the conditions for improving profitability.

Listed enterprises can be considered either as value companies or growth companies. Growth companies operate in rapidly growing and expansive markets that are characterised by unpredictability as well as by the large number of new companies. Value companies, on the other hand, operate in established markets where growth is more steady and predictable. The Viherjuuri Group operates in both. The strongest growth company is of course Axel Digital Group Oyj, the new media company established at the beginning of February 2000 by combining divisions within the

group and merging them with another company. The advertising and media agencies are more clearly value companies, whereas others like the graphic design, corporate communications and direct marketing agencies can be seen as growth companies, primarily due to their relationship with the world of new digital communications.

During the year under review, a lot of effort has been put into international relations. The co-operation with the Saatchi&Saatchi advertising agency that began in 1998 was consolidated by combining the group's advertising agencies into Viherjuuri Saatchi&Saatchi Oy.

Saatchi&Saatchi is one of the world's largest and most creative advertising agencies. Under the terms of the agreement, the working methods and tools that Saatchi&Saatchi has developed are available for utilisation by the entire Viherjuuri Group. International co-operation has also been strengthened through agreements with the Zenith Media agency, communications office chain Edelman Public Relations Worldwide and direct marketing agency InterDirect Network.

Although the result of the year under review was better than that of the previous year, it did not meet expectations. A strong commitment to attracting new clients and projects, and to bringing the number of employees better into line with the workload, will create more favourable conditions for achieving the desired profitability.

In wishing everyone a good start to the new millennium, I would also like to warmly thank our staff, clients, shareholders and other partners for their support throughout the past year.

Arto Liinpää
Managing Director

THE VIHERJUURI GROUP IN BRIEF

Integrated communications – our strategic competitive advantage

The Viherjuuri Group develops its customers' competitiveness through integrated communications. Integrated communications is also the Group's competitive advantage. We are the only company in Finland that can offer companies and organisations professional services in every important sector of communications: advertising, graphic design, new media, corporate communications and direct marketing.

Viherjuuri's integrated communications model has been developed by the Group's own in-house specialists. The main idea behind the model is that thorough analysis, logical procedures and continuity create a lasting basis for establishing and maintaining a brand and company image.

Advertising

The goal behind developing the planning, production and distribution of Viherjuuri's advertising services during these past years has been to strengthen international connections. Viherjuuren Mainostoimisto became Viherjuuri Saatchi&Saatchi on 1 January 2000, at which time our contract with the international advertising agency chain Saatchi&Saatchi became effective. This co-operation offers new tools for our advertising agency, as well as new foreign clients who are operating in the Finnish market.

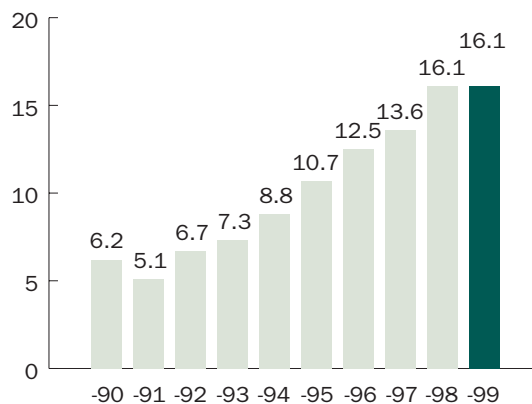
Graphic design

Viherjuuren Ilme is Finland's leading graphic design agency, creating the visual image for products, companies, organisations and events according to the design management principle. Visual image thus designed is utilised, for example, in communications and product design as well as in architectural and interior design. Viherjuuren Ilme's biggest competition comes from London based companies.

Key data for the Group

	1999	1998
Gross income, EUR million	16.1	16.1
Operating profit, EUR million	0.8	0.6
Profit before taxes and extraordinary items, EUR million	0.6	0.4
Earnings/share, EUR	0.19	0.08
Equity/share, EUR	2.39	2.41
Return on equity, %	7.5	3.4
Return on investment, %	9.2	6.9
Equity ratio, %	43.7	45.0
Average number of employees	210	217
Number of employees at year-end	177	235
Gross investments, EUR million	0.5	0.5
Gross investments, % of turnover	0.8	1.0

Gross income, EUR million



THE VIHERJUURI GROUP IN BRIEF

New media

The need to establish a stronger unit for the growing digital communications and e-commerce markets led to the establishment in January 2000 of Axel Digital Group Oyj. The company, which was created through the merging of Diart Oy, Frame Graphics Oy, Spektrico Oy and Viherjuuren Verkkoviestintä Oy, develops and carries out technological and content solutions for communications in the digital business sector. Axel Digital Group is Finland's first new media company that combines moving image production technology and Internet technology.

Corporate communications

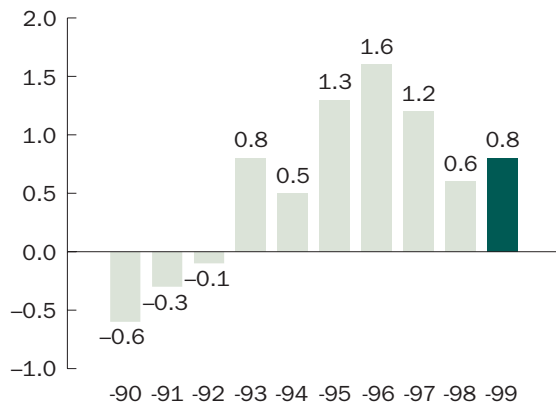
Viherjuuren Viestintätoimisto is a company specialising in the strategic planning and operative implementation of corporate communications. There is an increasing demand for companies to co-ordinate their communications, and combine both corporate

and marketing communications to support the realisation of their business strategies. In this development, the Viherjuuri Group's range of integrated communications services offers Viherjuuren Viestintätoimisto a unique competitive advantage.

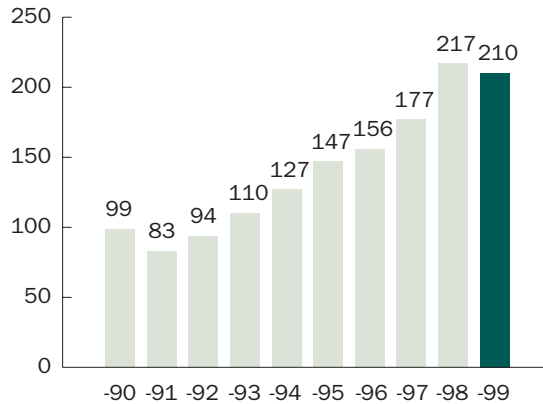
Direct marketing

According to research carried out by Taloustutkimus in May-June 1999, Viherjuuren Suora is one of the two best-known and among the four highest-rated direct marketing agencies in Finland. The most significant challenge for direct marketing is shifting the emphasis of development to the Internet. The importance of targeting and using databases more effectively is growing together with customer relations marketing.

Operating profit, EUR million



Average number of employees



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Our client Elisa Communications

The Viherjuuri Group has co-operated over a long period of time with the Elisa Communications Group. Our diverse and fruitful co-operation has produced, for example, the new Group logo and visual image, as well as the communications procedures linked to the listing of HPY Holding. Other products of our close co-operation include product and distribution advertising for Kolumbus, Yrityslinja, Citypuhelin, ISDN and ADSL as well as other customer projects. This challenging and rapidly developing field involves, apart from communications challenges, the need to stay abreast of the very latest developments of telecommunications.

Some of the people active in the Elisa Communications projects include (from left to right) Account Director Arja Yli-Hemmo from Viherjuuren Viestintätöistö, AD Vesa Ala-Seppälä and Copywriter Kimmo Hattunen from Viherjuuri Saatchi&Saatchi, Account Coordinator Sari Osmala from Viherjuuren Suora, Group Account Director Jaana Kaartinen from Viherjuuri Saatchi&Saatchi and Creative Director Ilmo Valtonen from Viherjuuren Ilme.



ADVERTISING

During the year under review, three advertising agencies: Viherjuuren Mainostoimisto, Komeetta Saatchi&Saatchi and Viherjuuren Turku and one media agency operated within Markkinointi Viherjuuri's advertising business sector. In accordance with group strategy, all operations within this division were concentrated at the beginning of 2000 into a single advertising agency and a single media agency, Viherjuuri Saatchi&Saatchi and Pyramid Zenith Media.

Business climate

In line with the positive growth of the Finnish national economy, advertising spending increased in 1999 by 5.6% over the previous year. The strongest growth was in Internet, cinema and outdoor advertising, whilst the weakest growth was in television and radio advertising. The relative share of each mode of advertising nevertheless remained at the same level as the previous year. Newspaper advertising accounted for 52% of media spending, television 20% and magazines 16%.

Measured in terms of gross income, the market for advertising planning grew in Finland by 1.2% over the previous year. The combined gross income of all advertising agencies was approximately EUR 0.2 billion. Viherjuuren Mainostoimisto Oy was Finland's fifth largest with gross income of EUR 6.1 million, compared to gross income of EUR 17.2 million for Finland's largest advertising agency.

In 1999 the turnover of Finnish media agencies grew on average by 7.6%. Pyramid Zenith Media was the fifth largest media agency in Finland with a turnover of EUR 34.9 million, while the leading agency's turnover in this sector was EUR 152.2 million.

Strengthening international co-operation

During the past two years, Viherjuuri's emphasis in the development of advertising planning, production and distribution has been on strengthening its inter-

national networks. The franchise-based co-operations with the international advertising agency Saatchi&Saatchi and with media agency Zenith Media that were established in 1998, produced practical benefits during the year under review with the introduction of the tools and operating methods developed by these two companies. This co-operation has also attracted international clients. For advertising and media agencies offering professional services, corporate image is the key to competitiveness. This corporate image is moulded on visual image, actions and communications. Operations have been sharpened in all these areas through the use of our own resources as well as, amongst other things, by benefiting from international co-operation.

The principal competitive advantage of Viherjuuri's advertising and media agencies is the linking of their expertise and know-how to the integrated communications concept. This requires close-knit co-operation with the other specialised operations within the Group. It is essential that within each business sector there is a unit with superior expertise in its own market. For the advertising agency, this means that creative solutions meet the goals that have been set as a result of integrated communications and/or advertising strategies. One measure of the effectiveness of such creative solutions is through awards received, an example being the work done for the Pohjola insurance company that has fared very well in competitions in this field. The success of our media agency can be gauged by their ability to support advertising's creative solutions with the correct choice of media utilised, thus ensuring that the message is successfully communicated.

Some of the key clients in this sector have included: Helsinki Telephone Corporation, Leonia, Toyota, Pohjola, Hewlett-Packard, Finnexpo, Esso, Vattenfall, Engel, Veikkaus, Chips, Lännen Tehtaat, Lindex, Siemens, Sunco, Kemira and Nordic Jet Line.

ADVERTISING

Financial position

Advertising gross income amounted to EUR 8.3 million, marking an increase of 3% over the previous year. The combined gross income of the group's advertising companies was EUR 6.9 million (7.1 million), marking a decline of 2%. Gross income for the media agency amounted to EUR 1.4 million (1.1 million), an increase of 32%.

The average number of personnel employed by the advertising and media agencies was 98, compared to 93 the previous year. Advertising accounted for 52% of the Group gross income and 47% of the personnel employed within the Viherjuuri Group.

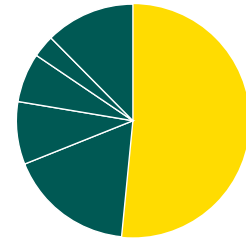
Profits from this sector amounted to EUR 0.50 million (EUR 1.1 million in 1998). The growth for the advertising agencies did not meet expectations. However the growth of the media agency exceeded both expectations and the growth of the market. The profitability of this sector weakened compared to the previous year and did not meet expectations. Markkinointi Viherjuuri's Managing Director has acted as Managing Director for the advertising agency Viherjuuren Mainostoimisto since the position was vacated last July.

Outlook for the year 2000

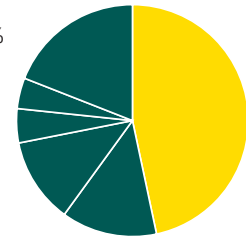
Advertising volumes for this year are expected to be at the same level as last year – approximately EUR 1 billion in media spending – in addition to which the planning and production costs for advertising agencies will be an estimated EUR 200 million.

The restructuring within the Group, combined with the strengthening of international networks and the increased role given to this within the integrated communications projects of Viherjuuri, provide a solid base for this year's activities. With regard to growth, the matching of last year's level is the goal for both the advertising agency and the media agency. The positive adjustment of the staff to the changes

Share of total Group gross income, 52%



Share of Group personnel, 47%



made, provides grounds for improving profitability despite the prospect of zero growth.

GRAPHIC DESIGN

Viherjuuren Ilme is Finland's leading graphic design agency, creating visual image solutions for products, companies, organisations and events. The unit's work is carried out according to the 'design management' principle, which covers the four areas of company or group image: products, environment, communication and activity. The design work is based on a solid concept that begins with the customer's business strategy and profile of image. On the basis of these and qualitative research, the goals and content of the visual image is determined.

The visual image, product and corporate identity solutions created by Viherjuuren Ilme for companies and organisations, are applied and used, for example, in internal and external communications, product design and architectural and interior design.

Business climate

Throughout 1999 the demand for graphic design and especially integrated design management, continued to develop positively. Increased competition, the public listing of companies, and the consolidation of businesses into larger corporate entities have created a growing demand for the development of corporate and product identity solutions. Integrated design management plays a central role in the development and creation of such identities.

Viherjuuren Ilme is the only Finnish graphic design agency that fulfils the criteria for design management know-how on an international level. The agency carries out design management projects both in Finland and abroad. The main competition comes from London.

It is not possible to determine the exact size of the graphic design market using current auditing methods.

A year of significant design management projects

In 1999 Viherjuuren Ilme carried out several large design management projects. Our largest clients included Helsinki Telephone Corporation, Finland Post, Board of Education, Noiro, Finpro (Finnish Foreign Trade Association), Finnexpo and the National Board of Customs.

Finpro is the new marketing name created by Viherjuuren Ilme, together with a new logo and visual image for the Finnish Foreign Trade Association. Finnexpo was also given a new logo and visual image. At the same time, Finnexpo's hierarchy of nomenclature was simplified. The main focus of the project for Finland Post was on producing a new external and internal image for its network of offices. The most challenging project at the end of the year was the design of a logo and visual image for the Helsinki Telephone Corporation and its parent company. The basis for the design of the Elisa Communications logo was a three-dimensional image that would work when presented electronically. Viherjuuren Ilme also designed the visual image for the Helsinki – European City of Culture 2000 campaign.

Viherjuuren Ilme's design work has received recognition and awards both in Finland and abroad. Altogether, Viherjuuren Ilme received 11 awards and honourable mentions in 1999. Representatives of the company lectured frequently throughout the year at various training courses and seminars.

Personnel and product development

A particular challenge for the staff of Viherjuuren Ilme has been the demand for a high level of design and broad know-how, as well as by the understanding of the full potential of digital technology. We have succeeded well in meeting these demands.

The goal of Viherjuuren Ilme is to maintain our position as Finland's leading and largest graphic design agency, and to measure up to the level of design

GRAPHIC DESIGN

of the world's top agencies. Our personnel have made a strong commitment to achieving this goal. Our young, highly motivated and capable staff continue to educate themselves and develop their personal skills. One member of the staff is pursuing an MBA degree, three are preparing university theses on design management, and one is writing a doctoral thesis. In addition, several staff members are seeking professional degrees. The number of personnel at the end of the year was 24.

At the end of the year under review Viherjuuren Ilme presented a new product, Image ManageNet, which enables new media and digital technology to be applied, for example, to graphic design manuals and to the planning and production of graphic design material. In the future, a client will be able to order a complete printing job, such as business cards, using Image ManageNet. For this purpose, a new team was formed and a new head of design recruited from Viherjuuren Verkkoviestintä.

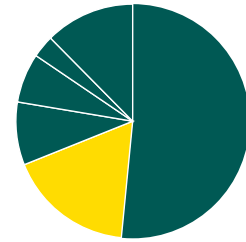
Performance

Viherjuuren Ilme continues to be the market leader in graphic design in Finland as measured in terms of both revenue and number of employees. During 1999 the operations of Varis & Ojala Oy were merged with those of Viherjuuren Ilme. Costs relating to this had a negative impact on Viherjuuren Ilme's profitability during the spring and summer of 1999. The combining of operations was completed at the end of the year. Viherjuuren Ilme's gross income represented 17% of the total for the Viherjuuri Group, while the share of personnel employed was 13%. Gross income in 1999 amounted to EUR 2.7 million (EUR 2.2 million in 1998).

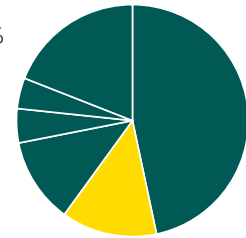
Outlook for 2000

The prospects for 2000 are good. Contracts for the spring and summer were confirmed already before the

Share of total Group gross income, 17%



Share of Group personnel, 13%



end of 1999. The goal is to increase profitability and strengthen our market position by offering new products and services.

NEW MEDIA

Viherjuuren Verkkoviestintä Oy is a highly specialised company with expertise in the design and creation of communications delivered through information networks or other digital distribution channels. The company's operational focus is on developing the client's competitiveness via digital integrated communications.

Business climate

There has continued to be strong growth and development of the Internet. Among our clientele, there was a marked growth in spending on business operations and communications using information networks, and this growth is expected to continue in 2000. Although digital television was not yet introduced, the digitalisation of moving images progressed significantly. The Wireless Application Protocol (WAP) that was introduced during the year under review brought wireless communications closer to the Internet, thus broadening the usability of these applications.

In addition to the growth in the use of the Internet, changes in the competitive situation concerning digital integrated marketing and network communications will affect Viherjuuren Verkkoviestintä's prospects for success. A new factor affecting the business climate is the strong investment being made by IT companies into developing digital business operations relating to both communications and services content. The accelerating consolidation of companies within this field is also having some effect.

The development of Internet and new media

Between November 1998 and November 1999, the percentage of Internet subscribers in Finland increased from 38% to 51% (Taloustutkimus). In November 1999, 1 487 000 people used the Internet per week. This represents an increase of 37% during one year.

Internet use nevertheless remains experimental, and its functional uses have not yet been fully established. This can be seen above all in the fact that consumer e-commerce has not taken off as expected.

Finland has remained at the forefront of these rapid developments, although it has forfeited the lead in Internet penetration to Sweden. Many other countries are also investing heavily in increasing Internet usage.

With regard to marketing communications, the advertising barometer of the Finnish Association of Advertisers predicts that Internet advertising will continue to grow in 2000. Over 60% of the association's member companies plan to invest more than they did in 1999 web advertising.

The growth of new media companies has continued to be rapid. For 1999 the growth for the leading companies is estimated at 80–100%, and the number of personnel employed by the larger offices is already well in excess of one hundred. Strong growth is expected to continue in 2000, after which it will stabilise to between 30–50%.

The market for new media in Finland is estimated to have grown by 50% over the previous year. The combined gross income of new media companies amounted to EUR 150 million in 1999. Viherjuuren Verkkoviestintä's gross income was EUR 1.4 million.

As clients' projects become larger, the demands for know-how and quality have increased significantly, thus providing the impetus for growth in the size of new media companies.

A year for laying foundations

Fundamentally 1999 was difficult, as the income from business operations did not meet the level demanded by expenses. Furthermore, all resources at the beginning of the year had to be invested in acquiring clients and initiating projects. We nevertheless succeeded well in doing this, with significant projects being under-

NEW MEDIA

taken for Finland Post, Finnvera and Finpro. The most important factor for our success in this was the support of the Viherjuuri Group and the integrated communications concept.

To ensure the quality and efficiency of the project work, the project communications extranet service Trialogi was developed for use by Viherjuuren Verkkoviestintä. The service was later adopted also for use with clients in the Group's integrated communications work.

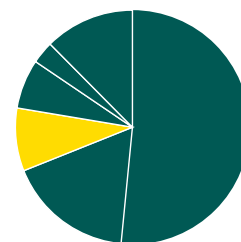
Our success in acquiring new clients, however, created difficulties at times in directing our capacity. Furthermore, dividing tasks into sometimes heavily communicational, and at other times clearly technical projects, caused imbalance.

By the end of the year, notable client relationships had been established with such companies as Vattenfall, Engel and WSOY. The end of the year was marked by the growing technicality of projects and the challenges they presented, and also in part by preparations for the Y2K problem. This had a negative impact on profitability as projects and deadlines were shifted. Also, in the second half of the year an intense development and growth project was initiated to ensure the company's future competitiveness. This led to the creation in early 2000 of a new broad-based company, Axel Digital Group Oyj.

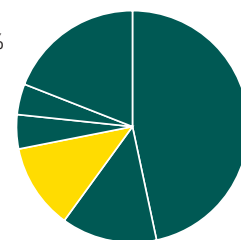
Products and services

Development work was focused primarily on the development of products. Progress here was made on two fronts. Initially, systems stemming from customer or project work were used to develop product-like services that were easier to sell – such as a remote monitoring system, a basic intranet system, a network service for project communications, and a publicity analysis service. In the autumn, a new product developed with Viherjuuren Suora was introduced. Digital-Dialogue is a conceptual product for combining the

Share of total Group gross income, 9%



Share of Group personnel, 12%



possibilities of direct marketing and the information network. At the end of the year a process of product development was begun whereby a product's function is determined and the principles for its development and maintenance prescribed. This work is continuing in 2000 and is expected to have a significant and positive effect on profitability.

During the course of the year, the quality system was developed in several ways. However, due to the lack of resources the development was temporarily halted in summer 1999. Work nevertheless continued during the closing months of the year with the aim of initiating possible quality certification during 2000.

Personnel

The overall motivation and desire to work at Viherjuuren Verkkoviestintä has remained good and employee turnover was low. The challenging goals that had been set made development expectations difficult. Know-how developed significantly during the year, as did our ability to design and carry out even large projects. The rapid progress and high degree of technicality, combined with the restrictions on development

NEW MEDIA

and training resources, nevertheless had an impact on the development of planned know-how. For this reason, personnel training is the biggest challenge and priority for 2000.

Financial position

Growth in the demand for Viherjuuren Verkkoviestintä's services remained strong, and gross income increased to EUR 1.4 million (EUR 0.6 million in 1998), representing growth of 140% over the previous year.

Profitability improved significantly compared to the previous year, and operations covered direct costs. However, the declared goal of a positive result was not realised, and the company suffered losses of EUR 0.3 million. Therefore, the improvement of profitability remains one of the central goals.

Outlook for 2000

As a result of the process of development in network communications, a need was seen within the Viherjuuri Group to build a stronger unit to serve the growing market for digital communications and e-commerce. It is important that know-how be built up with a heavy emphasis on technology in order for the unit to maintain and strengthen its modest position in a sector that is growing extremely fast. Continued development is also seen as important from the point of view of increasing shareholder value.

In 1999 a process was started with the aim of establishing a viable new media unit employing initially a staff of around 75. As a result of this process, Axel Digital Group Oyj was created in February 2000 by merging Diart Oy, Frame Graphics Oy, Spektrico Oy and Viherjuuren Verkkoviestintä Oy.

The emphasis for the operations of this new company is on the development and realisation of technical solutions and content concepts for communications in the digital working environment. The Axel Digital Group is Finland's first new media com-

pany that combines the production technology of moving images with Internet technology. The goal of the company is to establish integration know-how that would cover all the distribution channels of digital communications from mobile devices to digital television.

The Axel Digital Group is aiming at rapid, higher than industry-average growth immediately during its first year of operations. Although heavy investments are needed during the initial phases in the development of operations, special attention will be given to profitability and viability. The goal is for a positive result in 2000.

Our client Engel

Engel operates in a fast-growing and rapidly developing business sector. The importance of corporate communications and marketing communications in providing a competitive edge, and as tools for leadership, is very much emphasised. With this in mind, Engel selected the Viherjuuri Group as its working partner in planning the organisation's marketing communications. The goal is to increase the awareness of the company, and to strengthen its corporate image as a provider of a diverse range of services in the property sector. A profiling programme was implemented to create Engel's communications targets. The project continued with an image campaign in the major daily newspapers and business publications, and the updating of the company's visual image and defining its applications. The organisation's customer magazine was re-conceptualised, and its web services updated by renewing Engel's homepages.

Some of the people active in the Engel projects include (from left to right) Account Director Päivi Kankaanpää from Viherjuuren Viestintätoimisto, Account Manager Janne Saarikko from Axel Digital Group, Media Manager Seija Eräkangas from Pyramid Zenith Media, Creative Director Juha Pohjola from Viherjuuren Ilme, and Senior Account Executive Juha Kontu from Viherjuuren Viestintätoimisto.



CORPORATE COMMUNICATIONS AND PUBLIC RELATIONS

Viherjuuren Viestintätoimisto specialises in the strategic planning and operational implementation of corporate communications. Through its strong know-how in communications Viherjuuren Viestintätoimisto plays a key role in adding to the range of integrated communications services offered by the Viherjuuri Group. Almost half of Viherjuuren Viestintätoimisto's clients are also clients of other Viherjuuri Group companies.

Business climate

The demand for services provided by corporate communications agencies has remained strong. Average growth within the sector is estimated to be 15-20% above the previous year. Although precise statistics are not available, the total market for companies is estimated to be EUR 25-33 million. Gross income of Finland's largest agency was over EUR 3.5 million. Viherjuuren Viestintätoimisto was among the five largest agencies in Finland.

During the year under review, 28 new companies were listed on the Helsinki Exchanges, as a result of which there was a demand for investor relations services. Customer magazines, for which the demands on professionalism and journalistic standards are increasingly emphasised, have also regained popularity. Demand has also been strong for profiling programmes for strategic planning.

In order to support the realisation of corporate operational strategies, an increasing number of companies are finding the need to co-ordinate and combine both corporate and marketing communications. In this, the Viherjuuri Group's range of integrated communications services provides a unique competitive advantage for Viherjuuren Viestintätoimisto.

New players are entering the market all the time. With the growth in demand, the average size of companies in the sector increases and the services offered become more professional. Another significant trend

has been the shift towards international ownership, as well as the forming of alliances with international companies or advertising agencies. With this increased competition, knowledgeable and experienced personnel are essential in ensuring the future of agencies. Also important is the ability of these companies to keep themselves abreast of the latest industry developments in order to satisfy the demands of new media and the new economy.

A successful year

1999 was in many ways a successful year for Viherjuuren Viestintätoimisto. The process of offering services as products that was begun the previous year continued, making it easier to market the company's services as part of the Viherjuuri Group's campaign to attract new clients.

During the year, co-operation with 12 new clients was begun. The share of gross income from these clients in 1999 was 45%.

The emphasis during the spring for the investor relations team was on the production of annual reports. There was a demand for improving the content of annual reports, for producing annual reports on a turnkey basis, and for producing texts. The most significant project during the spring and summer was the change in corporate structure of the Telephone Cooperative HPY into a listed holding company and the communication services that this required. In this process, HPY Holding acquired the broadest ownership base of any listed company on the Helsinki Exchanges.

The work of the corporate communications team centred on profiling programmes and on customer magazines. The profiling programme has proven to be a basis for strategies within the integrated communications concept, which can be used to direct the goals of advertising and other means of communications. This kind of profiling work was done during the

CORPORATE AND COMMUNICATIONS PUBLIC RELATIONS

year under review, for example, for the Engel Group.

The focus of the consumer communications team was on taking care of media relations for consumer-oriented companies in a systematic and professional manner. New client co-operation for example, was established with Ericsson Mobile Phones and Olvi Oyj. Olvi's customer magazine, which was modernised and produced by Viherjuuren Viestintätoimisto, won third place in its class in Finland Post's annual customer magazine competition.

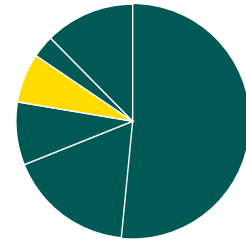
The operations of the separate information network services team were suspended as a result of changes in personnel. Instead, co-operation with Viherjuuren Verkkoviestintä was increased. The first result of this co-operation was a web based publicity analysis service. New products will be developed together during 2000.

The co-operation with Edelman Public Relations Worldwide that began already in the 1980s was consolidated with the signing of an affiliate agency agreement. This enables Viherjuuren Viestintätoimisto to benefit fully from the chain's know-how and service products, as well as from the use of the Edelman name in marketing. Edelman's current clients come from the fields of information technology and telecommunications as well as pharmaceuticals and food products.

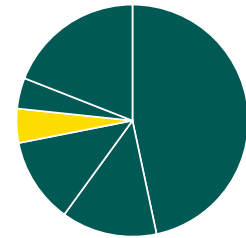
Positive results

Gross income of Viherjuuren Viestintätoimisto increased to EUR 1.1 million (EUR 0.8 million in 1998), representing growth of 42% over the previous year, which is clearly higher than average growth in this sector. The share of gross income from the 15 largest clients increased to almost 90%. Altogether, the agency served more than 30 clients. Profitability was good, and the year-end result was markedly better than had been budgeted. Viherjuuren Viestintätoimisto's share of the Viherjuuri Group's total gross income was 6.7%.

Share of total Group gross income, 7%



Share of Group personnel, 5%



Viherjuuren Viestintätoimisto is a highly specialised organisation consisting of a 10 person work group. One of the company's consultants acted as head of communications for one of our client's for the whole year. Typically, the staff's professional skills are based on considerable experience either in corporate communications, or as consultants. On average, each member of the staff has in excess of 12 years professional experience. Furthermore, 80 per cent of the staff are university graduates.

Outlook for 2000

The central goal of 2000 is to maintain the company's good profitability through steady growth. The new projects that were undertaken at the beginning of 2000 suggest that the positive trend will continue. The strategic focus points in the development of services are increasing international co-operation via the Edelman chain, and increasing digital and network services together with the Viherjuuri Group's new media division.

DIRECT MARKETING

The most significant challenge for direct marketing at the start of the new millennium is the shift of focus towards the Internet. Along with customer relationship marketing (CRML) grows the importance of targeting and using databases more efficiently. Much greater emphasis is being laid on segmentation, resulting in decreased mailing lists but an increase in mailing frequency.

Business climate

During 1999, a total of EUR 450 million was spent on direct marketing, of which around EUR 340 million was for addressed and EUR 110 million for non-addressed direct mail. Growth over the previous year was only 3.4%. Growth in volumes was only 1.6% for addressed mailings, while non-addressed mailings decreased by 3.4%. Expenditures for planning and production was EUR 280 million. Printing costs in production remained at the same level as the previous year, but the added value increased as a result of more demanding projects. The emphasis on targeting and the diversity of the projects resulted in higher printing and postage services costs.

The combined gross income of direct marketing agencies in 1999 was approximately EUR 17 million. The gross income of Finland's largest direct marketing agency was EUR 4.5 million. Viherjuuren Suora's gross income in 1999 was EUR 0.5 million.

The demand for integrated marketing communications has increased due to media fragmentation and the interactive possibilities offered by new media. The varying customer needs and the emphasis on one-to-one-marketing also play a significant role in the increased demand. This development requires expertise in customer database management. Communications is constantly being refined and targeting made more accurate on the basis of customer feedback.

The importance of customer relationship mar-

keting has increased competition in this market. Management consultants offer CRM strategies, whilst the information technology sector actively offers database solutions for CRM. The direct marketing agencies working together with successful advertising agencies have grown the fastest. The integration of database marketing and promotions with customer loyalty programmes has created a number of new specialised agencies. Many of these belong to international advertising agency chains.

According to a survey by Taloustutkimus in April-June 1999, Viherjuuren Suora is one of the two best-known, and among the four highest-rated direct marketing agencies. In the future the competitive situation will be somewhat different with the introduction of new agencies differentiating from direct marketing agencies as CRM or interactive marketing specialists.

Towards DigitalDialog

A year of difficult changes best summarises 1999 for Viherjuuren Suora. The beginning of the year was marked by a loss of clients and a shortage of work, as well as by large staff turnover. A new Managing Director took over in August, and the company's area of expertise as well as the offering to clients were re-defined. Viherjuuren Suora's mission was defined as providing its clients well targeted interactive marketing communications that is perceived as good customer service.

At the same time, it was decided that strategic partners would be chosen in order to meet the challenges set by CRM regarding database management and data analysis. Product development for customer-focused marketing communications led to the launch of DigitalDialog in October during the 'Client 99' event. DigitalDialog aims at increasing the loyalty and productivity of profitable customer segments with specifically targeted marketing communications. This concept, which was developed together with Viherjuu-

DIRECT MARKETING

ren Verkkoviestintä, combines in an unprecedented manner the possibilities of direct marketing with the Inter-, intra- and extranet.

From the point of view of companies' competitiveness, it is important to develop profitable customer relations alongside building corporate image and brands. Therefore, achieving a well functioning dialogue between a company and its customers is an essential element in integrated communications services.

Successful CRM and functioning dialogue require a strong database know-how. Viherjuuren Suora has signed a contract regarding co-operation with TietoEnator to ensure its clients access to Finland's best and most diverse address and database services.

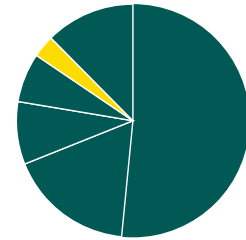
Financial development did not meet expectations

The year had a slow start due to big losses of clientele. New business operations did not succeed as well as hoped in the early part of the year. Under new leadership in the second half of the year, the situation notably improved, and the client base was both broadened and increased. New clients created approximately 48% of revenues. The largest clients were Vattenfall, Helsinki Telephone Corporation, MTV Media and Olsten Personal.

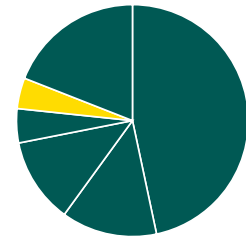
The turnover of half of the company's personnel had an unavoidable impact on the activities undertaken. The number of employees decreased during the year from ten to eight. In recruiting of new personnel, educational background has been emphasised together with a readiness to adopt and manage processes related to CRM and the digitalisation of communications.

Gross income decreased to EUR 0.5 million (EUR 0.8 million in 1998). This meant a negative result despite decreasing costs. Viherjuuren Suora's share of the gross income of the Viherjuuri Group was 3%.

Share of total Group gross income, 3%



Share of Group personnel, 4%



Outlook for 2000

Besides making the agency profitable, the biggest challenges for year 2000 remain the development of relations with current clients and attracting new business. The target is to increase revenues to EUR 0.8 million with a profit of more than 10% of revenues. A prerequisite for success is the further development of the DigitalDialog concept in co-operation with Viherjuuri Group's other agencies. Examples of development projects underway include e-commerce start-ups, brand-loyalty programmes, internal marketing programmes, interactive customer magazines, and new design management programmes.

SERVICES SUPPORTING INTEGRATED COMMUNICATIONS

Markkinointi Viherjuuri Oyj, the parent company of the Viherjuuri Group, provides both external, as well as internal client oriented services, in order to support integrated communications operations. External services are provided by the Promotions and Events Unit, while internal services are provided by the Marketing Unit, as well as by the Financial and Information Technology Unit.

The gross income of the parent company also includes that part of the Viherjuuri Group's electronic audio-visual production that was transferred to Axel Digital Group Oyj upon its formation in January 2000.

Marketing Unit

The Marketing Unit is responsible for the Viherjuuri Group's marketing and both internal and external communications. The main emphasis is on acquiring new business and on co-ordinating and directing this within the Group. The Marketing Unit has also played an important role in developing the Group's operations as well as, amongst other things, strengthening the creative image. Active participation in competitions has promoted works designed by various units within the Group.

New Business

The Viherjuuri Group's competitive advantage – expert-level, co-ordinated integrated communications – was utilised more effectively than previously in acquiring new business. The process by which Viherjuuri handles the co-ordinating of two or more communications services purchased by a client, has been increasingly in demand. Major new integrated communications clients include Vattenfall, Engel and Pukkila.

Existing clients are also being increasingly introduced to the services of the Group's other areas of expertise, and offered the possibility to adopt integrated communications solutions. This process is

directed and co-ordinated by the parent company.

The target of EUR 3.4 million for new business in 1999 was exceeded. The focus for new business operations in 2000 is on continuing the expansion of client business within the Group.

Developing the integrated communications operations model

The upgraded development programme for the integrated communications model that was initiated at the end of 1998, produced concrete results in 1999. The Viherjuuri Group's management team has been responsible for this development. In addition, four project teams made up of specialists from the different disciplines of integrated communications, have carried out development work.

Leadership and development know-how of change processes was attained from the world's leading business universities such as the Harvard Business School in the USA and the IMD in Switzerland.

During the year under review, many integrated communications development projects were initiated. Among those completed were projects focusing on combined vision and goals, strategies, integrated communication's values and a common terminology. The process for offering services as products has advanced significantly and furthered the ease of purchasing. A number of shared tools help in the management of integrated communications projects, the majority of which are new media solutions. In these projects the essential internal co-ordination and exchange of information occurs via intranet. In addition, the project-based Trialogue tool has been developed from Internet technology.

Promotions and Events Unit

The activities of the Promotions and Events Unit, which functions as a unit of the parent company, were

SERVICES SUPPORTING INTEGRATED COMMUNICATIONS

established during the year under review. The unit's competitive advantages are a strong know-how in planning promotion strategies, an analytic working method, and the integration of promotions and events with integrated communications. Co-operation with the Group's other units has broadened our outlook concerning combining different promotion tools. Services have been introduced as products, and network services are systematically benefited from in all promotional activities.

During the year under review the unit, in co-operation with Pyramid Zenith Media, developed the Category Scan research method. The method allows promotions to be better focused on those sales outlets where the clientele best represents the desired target group. The goal for promotional activities in 2000 includes continuing the development of the virtual shop concept.

In 1999, the unit organised client, staff, and other events according to the needs of its clients. The larger events attracted up to 3000 guests.

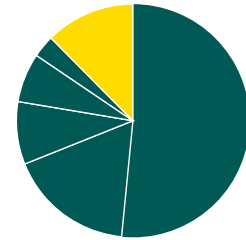
Financial and Information Technology Unit

The renewal of the Group's administrative computer systems that was begun in 1998 was completed; new systems were adopted at the beginning of 1999.

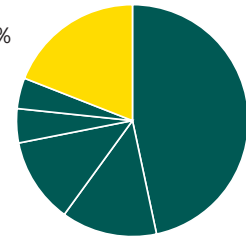
During the year under review, the Information Technology Unit was also responsible for setting up the network connections of the new office facilities at Bulevardi 6, as well as updating the computer systems in the existing facilities.

In January 2000 the Information Technology Unit was separated from the Financial Unit. The purpose was to clarify the areas of responsibility of the service units within the Viherjuuri Group, and to increase efficiency.

Share of total Group gross income, 12%



Share of Group personnel, 19%



THE BOARD OF DIRECTORS



Arto Liinpää

Matti Lainema

Raimo Hertto

Matti Lainema, 60

D.Econ.
Management consultant

Member of the Board 1997-98
Chairman of the Board since 1998

Raimo Hertto, 61

B.Sc. (Econ)
Commercial counsellor

Member of the Board since 1998
Member of the Board of Onninen Oy since 1994
Member of the Board of Finnair Oyj since 1994
Member of the Board of Conventum Oyj since 1999
Member of the Board of Tiimari Oyj since 1999

Arto Liinpää, 56

B.Sc. (Econ)
Managing Director

Member of the Board since 1974
Financial Director, Account Director and Deputy
Managing Director of Markkinointi Vihertuuri Oyj
1970-1978
Member of the Management Group since 1972
Managing Director and Chairman of the Manage-
ment Group since 1979
Member of the supervisory board of Alma Media Oyj
since 1998

Auditors

Erkki Mitro, Authorised Public Accountant
Arthur Andersen Oy, Authorised Public Accountants

THE MANAGEMENT GROUP



Marjatta Virtanen

Anja Naarvala

Maija Isotalo

Arto Liinpää

Riitta Mutikainen

Iiro Pohjanoksa

Arto Liinpää, 56

B.Sc. (Econ)

Managing Director of Markkinointi Viherjuuri Oyj

Managing Director of Viherjuuri Saatchi&Saatchi Oy

Joined Viherjuuri Group in 1970

Member of the Management Group since 1972

Chairman of the Management Group since 1979

Maija Isotalo, 44

B.Sc. (Econ)

Director responsible for new business for
Viherjuuri Group

Joined Viherjuuri Group in 1994

Member of the Management Group since 1998

Riitta Mutikainen, 46

Dip. IAA

Managing Director of Viherjuuren Ilme Oy

Joined Viherjuuri Group 1994

Member of the Management Group since 1997

Anja Naarvala, 49

M.Sc. (Econ)

Managing Director of Viherjuuren Suora Oy

Joined Viherjuuri Group and member of the Management Group since 1999

Iiro Pohjanoksa, 34

M.Sc. (Eng)

Managing Director of Axel Digital Group Oyj

Joined Viherjuuri Group and member of the Management Group since 1998

Marjatta Virtanen, 49

M.Sc. (Econ)

Managing Director of Viherjuuren Viestintätoimisto Oy

Joined Viherjuuri Group in 1994

Member of the Management Group since 1998

BOARD OF DIRECTOR'S REPORT

Business climate

There is a link between investments in marketing communications and the rise in gross domestic product. Typically, the increase in marketing communications revenues is close to twice that of the growth in GDP, which for 1999 is estimated at 3.5 per cent. Investments in marketing communications are thus estimated to increase to EUR 2.27 billion (FIM 13.5 billion), representing growth of around 5 per cent. Of this amount, approximately EUR 1 billion was spent on media advertising in 1999, representing growth of 5.6 per cent. It should be noted that marketing communications does not cover all areas of integrated communications. For example, new media, graphic design and corporate communications are separate from marketing communications.

Therefore, investments in integrated communications can be estimated to increase to EUR 2.5 billion (FIM 15 billion). Growth in new media continued to be strong, and the added-value of companies in this sector is estimated to surpass the combined gross income of advertising agencies in 2000.

Group restructuring

The principal competitive advantage of the Group is integrated communications. The main areas of competence of integrated communications are advertising, new media, graphic design, direct marketing and corporate communications. Strategy planning, content planning and project management of integrated communications are the Group's core competences.

Group restructuring has taken place in line with strategy. As a result each business area is now represented by a single agency operating with strong expertise within its own market sector. This means that there are no longer units within the Group competing against each other.

The biggest structural changes in this respect during the year under review occurred within the advertising and graphic design sectors. Advertising is now handled by Viherjuuren Mainostoimisto Oy, which signed a co-operation agreement with the Saatchi&Saatchi advertising agency early in the year 2000, and changed its name to Viherjuuri Saatchi&Saatchi Oy. At the beginning of the year under review, the operations of Mainostoimisto Vera Oy and the planning group of Markkinointi Viherjuuri Oyj were merged into Viherjuuren Mainostoimisto Oy, as were the business operations of Komeetta Saatchi&Saatchi Oy at the beginning of 2000. In October, the business operations of Viherjuuren Turku Oy were sold in a management buy-out. Within the graphic design sector, the business operations of Varis&Ojala Oy were merged with Viherjuuren Ilme Oy, which is the leading design management agency in Finland.

Business operations and results

Markkinointi Viherjuuri Group's consolidated result before taxes and extraordinary items was EUR 0.6 million (EUR 0.4 million). Turnover was EUR 57.2 million, representing an increase of 10.9% from 1998's EUR 51.6 million. The Group's gross income was EUR 16.1 million (EUR 16.1 million). Group's operating profit in 1999 was EUR 0.8 million (EUR 0.6 million). Earnings per share for the Markkinointi Viherjuuri Oyj Group was EUR 0.19 (EUR 0.08) while equity per share plus provisions was EUR 2.39 (EUR 2.41). Other income from business operations (EUR 0.8 million) consisted primarily of profit from the sale of shares in Helsinki Telephone Corporation and HPY Holding Oyj.

The shares of gross income and profits of the Group's main business areas in 1999 were as follows:

	Gross income EUR million	Operating profit EUR 1000	Average number of employees
Advertising	8.3 (52%)	500	98
Graphic design	2.8 (17%)	443	28
New media	1.4 (9%)	-305	25
Corporate communications	1.1 (7%)	236	10
Direct marketing	0.5 (3%)	-142	9
Services supporting integrated communications	2.0 (12%)	320	40
Imputed items, Group		-234	
Total	16.1	818	210

BOARD OF DIRECTOR'S REPORT

Financing

The Group's total interest-bearing liabilities at the end of the year amounted to EUR 3.9 million (EUR 2.3 million in 1998). At the same time, the Group's liquid assets were EUR 1.2 million (EUR 0.2 million). In the group balance sheet, the shareholders' equity, reserves and the current year's financial result amounted to EUR 5.9 million (EUR 6.0 million). The Group's equity ratio was 43.7% (45.0%).

Board of Directors and auditors

The Board of Directors of Markkinointi Viherjuuri Oyj acts as the strategic board of the entire Group. Members of the Board have included Chairman Matti Lainema plus Raimo Hertto and Arto Liinpää, who has also acted as Managing Director of the parent company.

The Managing Director of the parent company is responsible for Group operations. In this he is supported by a Management Group consisting of representatives of the Group's five business areas plus new business operations. The Management Group has consisted of Arto Liinpää (Chairman), representing also the advertising sector, together with Iiro Pohjanoksa (new media), Riitta Mutikainen (graphic design), Anja Naarvala (direct marketing), Marjatta Virtanen (corporate communications) and Maija Isotalo (new business operations).

Authorised Public Accountant Erkki Mitro and Arthur Andersen Oy have acted as auditors for Markkinointi Viherjuuri Oyj.

Personnel

Salaries and wages represented 62% of the Group's total operational expenses. The number of employees declined by a total of 58 during 1999. The number of employees at the beginning of the year was 235 reducing to 177 by year's end. The average number of personnel employed was 210.

The average number of personnel employed by the parent company Markkinointi Viherjuuri Oyj during the financial year was 26. At the end of the year there were 21 employees. The average number of employees during the previous year was 40.

Outlook for the financial year 2000

The dynamic growth in gross domestic product combined with controlled inflation, a decline in unemployment and the increased purchasing power of Finns, create a good basis for marketing and communications. Although traditional advertising volumes are not expected to grow significantly, strong growth in integrated communications appears likely. The heavy commitment made by the Viherjuuri Group to the various applications of digital communications during the

last two years, is particularly relevant in this trend.

Viherjuuri's main objective for 2000 is to improve profitability. Although profitability is considered to be more important than growth, the strong growth in new media markets is likely to have a positive impact on the entire Viherjuuri Group. In response to the change in the markets, the emphasis of the Group's business operations is shifting increasingly towards new media and integrated digital communications.

Events subsequent to the financial year

The Viherjuuri Group's commitment to new media led to the creation of a new media company in January 2000. Viherjuuren Verkkoviestintä Oy, Diart Oy, Frame Graphics Oy and Spektrico Oy were merged to form a new media company under the name Axel Digital Group Oyj. Markkinointi Viherjuuri Oyj owns 70% of this company. The operational focus of this company is on developing technological solutions and content concepts for communications, and their implementation in the digital business environment. Axel Digital Group is Finland's first new media company to combine moving image production technology with Internet technology. The goal of the company is to build integration know-how covering all the distribution channels of digital communications, from mobile data terminal equipment to digital television.

All employees of the aforementioned companies will transfer to the new company. Initially Axel Digital Group Oyj has a staff of about 50, with an estimated turnover for the current year of approximately EUR 5 million. Iiro Pohjanoksa, M.Sc.(Eng), has been appointed Managing Director of the new company.

The Axel Digital Group aims at growth in excess of 50% already during its first year of business, which is stronger than average for the new media sector. The company's operations are divided into three divisions; Axel Networks, Axel Multimedia and Axel Digital Films.

Proposal of the Board

The Group's unrestricted shareholders' equity as at 31 December 1999 amounted to FIM 8,373,591.76.

The Parent Company's unrestricted shareholders' equity as at 31 December 1999 amounted to FIM 17,192,225.21, of which the net profit for the financial year was FIM 2,779,774.39.

The Board of Directors proposes that the distributable funds be used as follows:

- a dividend of FIM 1.00 per share be paid to shareholders, amounting to FIM 2,475,000
- the remaining sum of FIM 14,717,225.21, be carried forward as retained earnings.

CONSOLIDATED PROFIT & LOSS ACCOUNT

1.1.–31.12. (EUR 1000)

	1999	1998
Turnover	57 205	51 566
Other operating income	803	2
Materials and services		
Purchases during the financial year	-41 887	-35 470
Inventory change	-2	5
	-41 889	-35 465
Personnel costs		
Salaries and bonuses	-7 244	-7 300
Indirect employee costs		
Pension expenses	-1 246	-1 329
Other direct employee costs	-569	-461
	-9 059	-9 090
Depreciation and writedowns		
Planned Depreciations	-350	-320
Group business value depreciation	-233	-267
	-583	-587
Other operating expenses	-5 659	-5 859
OPERATING PROFIT	818	567
Financial income and expenses		
Income from other long-term investments	0	0
Other interest and financial income	24	8
Value adjustments from long-term investments	0	-6
Interest and financial income charges	-203	-154
	-179	-152
PROFIT BEFORE EXTRAORDINARY ITEMS	639	415
Extraordinary items		
Extraordinary expenses, Group	0	-95
PROFIT BEFORE APPROPRIATIONS AND TAXES	639	320
Adjustments to depreciation difference	64	-63
Income taxes	-187	-194
PROFIT FOR THE FINANCIAL YEAR BEFORE MINORITY INTERESTS	516	63
Minority interests	1	-1
PROFIT FOR THE FINANCIAL PERIOD	517	62

CONSOLIDATED BALANCE SHEET

ASSETS 31.12. (EUR 1000)	1999	1998	LIABILITIES & SHAREHOLDERS' EQUITY 31.12. (EUR 1000)	1999	1998
FIXED ASSETS			SHAREHOLDERS' EQUITY		
Intangible goods			Share capital	4 163	4 163
Intangible rights	349	294	Reserves	126	126
Goodwill	54	60		4 289	4 289
Group business value	1 214	1 528			
	1 617	1 882	Profit on previous financial year	891	1 335
			Profit on current financial year	517	62
				1 408	1 397
Tangible goods					
Machinery and equipments	455	667	TOTAL SHAREHOLDERS' EQUITY	5 697	5 686
Other tangible goods	512	348			
	967	1 015	MINORITY INTEREST	2	6
Investments			ACCUMULATED APPROPRIATIONS		
Other stocks and shares	3 647	3 751	Depreciation Difference	326	390
TOTAL FIXED ASSETS	6 231	6 648	LIABILITIES		
			Long-term		
CURRENT ASSETS			Pension loans	501	584
Inventories					
Materials and goods	19	21	Short-term		
			Loans from financial institutions	3 271	1 598
Short-term receivables			Pension loans	83	82
Sales receivables	4 818	5 349	Accounts payable	1 511	2 406
Loan receivables	4	6	Other current liabilities	1 714	846
Other receivables	378	148	Adjusting entries for liabilities	453	1 662
Tax receivables	347	366		7 032	6 594
Adjusting entries for assets	546	498			
	6 093	6 367	LIABILITIES TOTAL	7 533	7 178
Cash and bank receivables	1 215	224	LIABILITIES AND SHAREHOLDERS' EQUITY TOTAL	13 558	13 260
TOTAL CURRENT ASSETS	7 327	6 612			
TOTAL ASSETS	13 558	13 260			

CONSOLIDATED FINANCIAL STATEMENT

1.1.–31.12. (EUR 1000)

	1999	1998
BUSINESS OPERATIONS		
Internal financing		
Operating profit	1 401	1 153
Financial yields and expenses	-179	-146
Extraordinary items	-	-
Taxes	-187	-194
Other internal financing	-	-
	1 035	813
Change in working capital		
Inventories, increase (-), decrease (+)	3	-5
Short-term receivables, increase (-), decrease (+)	274	-1 972
Non-interest bearing short-term liabilities, increase (+), decrease (-)	-1 236	764
	-959	- 1 213
CASH FLOW FROM BUSINESS OPERATIONS	76	-400
Investments		
Investments in fixed assets	-489	-524
Sales of fixed assets	230	16
	-259	-508
CASH FLOW BEFORE FINANCING	-183	-908
Financing		
Long-term receivables, increase (-), decrease (+)	-	-
Long-term loans, increase (+)	-	-
Long-term loans, decrease (-)	-82	-181
Short-term loans, increase (+), decrease (-)	1 672	242
Dividends	-416	-541
Other change in shareholders' equity	-	-
Other financing	-	-
	1 174	-480
Calculated change in liquid funds, increase (+), decrease (-)	991	-1 388
Adjustments	-	-
CHANGE IN LIQUID FUNDS	991	-1 388

KEY FINANCIAL RATIOS

Ten-year financial review

Key indicators 1990-1999

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Turnover (EUR million)	19.2	14.5	29.1	23.3	30.7	40.8	45.0	45.4	51.6	57.2
Growth, %	-9.9	-24.6	101.6	-20.0	31.5	33.0	10.4	0.7	13.6	10.9
Gross income (EUR million)	6.2	5.1	6.7	7.3	8.8	10.7	12.5	13.6	16.1	16.1
Growth, %	5.1	-17.6	32.2	9.0	20.0	21.7	16.6	9.1	18.1	0.1
Operating Income (EUR million)	-0.6	-0.3	-0.1	0.8	0.5	1.3	1.6	1.2	0.6	0.8
As a percentage of turnover	-3.0	-2.3	-0.4	3.3	1.7	3.3	3.6	2.7	1.1	1.4
Profit before extraordinary items (EUR million)	-0.7	-0.5	-0.3	0.6	0.4	1.2	1.5	1.1	0.4	0.6
As a percentage of turnover	-3.5	-3.1	-1.1	2.7	1.2	3.0	3.3	2.4	0.8	1.1
Profit before appropriations and taxes (EUR million)	-0.6	-0.4	-0.3	0.6	0.1	1.1	1.5	1.1	0.3	0.6
As a percentage of turnover	-3.4	-2.9	-1.1	2.7	0.4	2.7	3.3	2.4	0.6	1.1
Gross investments (EUR million)	0.3	0.1	0.7	0.2	2.2	0.7	0.5	0.7	0.5	0.5
As a percentage of turnover	1.4	0.9	2.3	0.8	7.1	1.7	1.0	1.6	1.0	0.8
Return on equity, %	-12.3	-9.2	-7.1	13.1	6.1	17.1	18.9	9.4	3.4	7.5
Return on investments, %	-5.8	-3.7	-1.2	10.8	8.0	19.2	20.9	14.9	6.9	9.2
Equity ratio, %	60.4	60.9	54.7	60.0	44.2	44.2	48.8	49.5	45.0	43.7
Average number of employees	99	83	94	110	127	147	156	177	217	210

Group Balance Sheet 1990-1999

EUR millions

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Assets										
Fixed assets	5.0	4.9	5.2	5.1	6.8	6.8	6.7	6.7	6.7	6.2
Currents assets	3.7	3.0	3.0	3.3	4.8	6.0	5.9	6.0	6.6	7.4
Total	8.7	7.9	8.2	8.4	11.6	12.8	12.6	12.7	13.3	13.6
Liabilities and shareholders' equity										
Shareholders' equity	4.7	4.4	4.1	4.6	4.6	5.2	5.8	6.1	5.7	5.7
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reserves	0.5	0.4	0.4	0.5	0.5	0.4	0.5	0.3	0.4	0.3
Non-interest bearing liabilities	1.6	1.3	2.1	1.9	3.6	5.5	4.0	4.5	4.9	3.7
Interest bearing liabilities	1.9	1.8	1.6	1.4	2.9	1.7	2.3	1.8	2.3	3.9
Total	8.7	7.9	8.2	8.4	11.6	12.8	12.6	12.7	13.3	13.6

KEY ECONOMIC RATIOS

Per share adjustments for share issues, Key Figures 1990-1999

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Earnings per share (EPS) (EUR)	-0.27	-0.20	-0.13	0.20	0.12	0.36	0.44	0.23	0.08	0.19
Equity per share (EUR)	2.12	1.95	1.80	2.00	2.07	2.28	2.48	2.54	2.41	2.39
Dividend per share (EUR)	0.00	0.00	0.00	0.03	0.07	0.17	0.20	0.22	0.17	0.17
Dividend/earnings, %	0.00	0.00	0.00	16.95	54.79	46.30	45.63	93.30	200.00	89.09
Effective dividend yield, %	0.00	0.00	0.00	1.25	2.76	8.00	6.15	5.42	5.41	5.52
Price/earnings relationship	-4.72	-6.64	-3.38	13.56	19.86	5.79	7.41	17.27	37.76	16.19
Adjusted average share price (EUR)	1.87	0.75	0.58	0.84	2.68	1.50	2.88	4.02	4.31	2.54
Adjusted trading low (EUR)	1.03	0.62	0.30	0.45	1.60	1.18	1.85	3.28	3.03	2.08
Adjusted trading high (EUR)	3.36	1.30	1.01	2.86	3.28	2.54	3.46	4.84	5.05	3.90
Year-end adjusted share price (EUR)	1.26	1.30	0.45	2.69	2.44	2.10	3.28	4.04	3.11	3.05
Year-end share capital value (EUR million)	3.12	3.21	1.12	6.66	6.04	5.20	8.12	9.99	7.70	7.55
Shares traded (1000)	42	58	124	1 177	547	527	591	662	332	292
As a percentage of share capital	1.7	2.4	5.0	47.5	22.1	21.3	23.9	26.7	13.4	11.8
Adjusted average number of shares per share issue (1000)	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475
Adjusted total number of shares at end of the financial year (1000)	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475	2 475

Calculation of key ratios

Earnings per share

Profit before extraordinary items, reserves and taxes – direct taxes – minority interest

Adjusted average number of shares per share issue

Equity per share

Shareholders' equity + voluntary reserves and write-offs after calculated
(deferred) tax liabilities and minority interest deduction

Issue-adjusted average number of shares

Effective dividend yield, %

Issued-adjusted dividend / share

Issue-adjusted trading price at the end of the financial year

x 100

Return on investment, %

Profit before taxes and extraordinary items + interest and other financial expenses

Balance sheet total – non-interest bearing liabilities (average)

x 100

Return on equity, %

Profit of loss before extraordinary items, reserves and taxes – taxes

Shareholders' equity + minority interests, voluntary reserves and write-offs
after calculated (deferred) tax liabilities deduction (average)

x 100

Equity ratio, %

Shareholders' equity + minority interests + voluntary reserves and write-offs after
calculated (deferred) tax liabilities deduction

Balance sheet total – advances received

x 100

NOTES TO THE FINANCIAL STATEMENTS

Accounting principles

The fundamental accounting and accrual principles and methods used in preparing this financial statement: Acquisitions of fixed assets include irregular expenses. Acquisitions of inventories include irregular expenses. Inventories have been valued according to direct acquisition cost or their estimated net realisable value below that.

Currency used in financial statement

The official financial statement of the Markkinointi Viherjuuri Oyj Group submitted to the trade register uses the Finnish markka. For the annual report, the official financial statement has been converted into euros.

Consolidation of Group financial statement

The Group financial statement includes all the companies belonging to the Group.

Accounting principles of the Group financial statement

Mutual shareholdings

The Group financial statement has been prepared according to the acquisition cost method. The price paid for shares exceeding shareholders' equity is recorded as goodwill.

Internal transactions

The Group's internal transactions, including receivables and debts between the Group's subsidiary companies, have been eliminated in the preparation of the financial statement.

Contingent Liabilities

EUR 1000	1999	1998
Collateral given		
Group companies	1 589	1 598
Guarantees		
Group companies	228	551
Leasing liabilities	999	1 163
Total	2 816	3 312

Shares and shareholdings

Bulevardi 6 Oy (1,106 m2)
As Oy Ukkometso (151 m2)
Shares in other companies
Total

Minority interests

Minority interests have been separated from the Group's equity, reserves and result, and presented as a separate item.

Depreciations

The acquisition of inventories is entered as an expense based on regular depreciation according to estimated lifetime. In estimating planned depreciation, the following periods have been applied:

Intangible rights	5 years
Machinery	5 years
Equipment	10 years
Other long-term expenditures	10 years

Straight-line depreciation of 10% has been made for the Group's goodwill.

Shareholders' equity

EUR 1000	1999	1998
Share capital 1 January	4 163	4 163
Share capital 31 December	4 163	4 163
Reserve fund 1 January	126	126
Transfer of retained earnings	-	-
Reserve 31 December	126	126
Net profit from the previous financial year	1 397	1 781
Payment of dividend	-416	-541
Change in subsidiaries' shareholders equity	-90	95
Result for the financial year	517	62
Distributable equity 31 December	1 408	1 397

Share of ownership %	Number of shares	Number nominal value (EUR)	Book value (EUR 1000)
23.4	329	~0.17	3 404
6.1	13 730	~1.68	216
			27
			3 647

SHARES AND SHAREHOLDERS

Shares and share capital

Markkinointi Viherjuuri Oyj has 2,475,000 shares. The Company has one series of shares. Each share entitles the holder to 20 votes at General Meetings. The nominal value of each share is EUR 1.68. The book value of each share is EUR 1.68. The Company's fully paid-in share capital entered in the Trade Register on 31.12.1999 was EUR 4,162,651. According to the Articles of Association, the minimum share capital is EUR 1,681,879 and the maximum EUR 6,727,517. All shares carry entitlement to the same dividend.

The Company's shares have been linked to the book-entry securities system since 19.9.1994. At General Meetings of Shareholders, only shares that are entered into the ownership registry carry voting rights.

Share performance and trading

Altogether 292,350 shares in Markkinointi Viherjuuri Oyj were traded on the Helsinki Exchanges, their trading value totalling EUR 742,261. This amount represents 11.8 per cent of the total number of shares.

The average share price at time of issue was EUR 2.54. The lower price adjusted for the share issue was EUR 2.08 and the highest EUR 3.90. At the end of 1999, the issue-adjusted share price was EUR 3.05. The total market value at year-end was EUR 7.55 million.

Shares owned by executive management

At year-end, Members of the Board and the Managing Director owned a total of 1,387,350 shares in Markkinointi Viherjuuri. This represents 56.1 per cent of the Company's shares and 56.1 per cent of their voting rights. The Managing Director and the Members of the Board do not have stock options.

Distribution of share ownership 31.12.1999 by shareholder category

Private companies	11.2 %
Non-profit organisations	0.2 %
Financial institutions and insurance companies	5.0 %
Non-Finnish shareholders	5.4 %
Households	78.1 %
Joint accounts	0.1 %
Total	100.0 %

Distribution of share ownership 31.12.1999

Shares/shareholder

	Number of share-holders	Percentage of total	Number of shares	Percentage of shares
1 – 1000	198	58.75	115 017	4.65
1001 – 2000	51	15.14	90 820	3.67
2001 – 5000	60	17.80	214 383	8.66
5001 – 20000	18	5.34	155 950	6.30
over 20000	10	2.97	1 897 600	76.67
Total	337	100.00	2 473 770	99.95
Joint accounts			1 230	0.05
Number of issued shares			2 475 000	100.00

SHARES AND SHAREHOLDERS

Main shareholders 31.12.1999

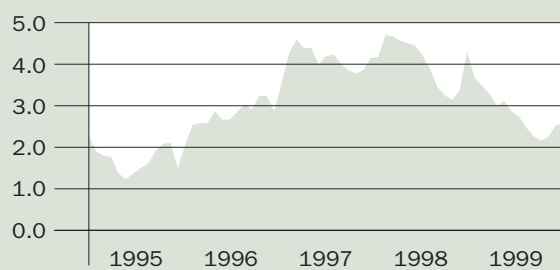
	Number of shares	Number of votes	% of shares and votes
Liinpää Arto	1 382 350	27 647 000	55.9
Odin Finland	133 800	2 676 000	5.4
Gyllenberg Small Firm Investment Fund	109 600	2 192 000	4.4
Seppo Saario Oy	83 250	1 665 000	3.4
Mäensivu Hannu	40 700	814 000	1.6
Briiffi Oy	37 000	740 000	1.5
Siven Pertti	34 100	682 000	1.4
Q&A Consulting Oy Ab	28 500	570 000	1.2
Suutari Pekka	27 500	550 000	1.1
Oy Bond&Stock Ab	20 800	416 000	0.8
Maijos Oy	14 850	297 000	0.6
Nominee registered	5 500	110 000	0.2
Other	557 050	11 141 000	22.5
Total	2 475 000	49 500 000	100.0

There is only one series of shares. Each share entitles its holder to 20 votes.

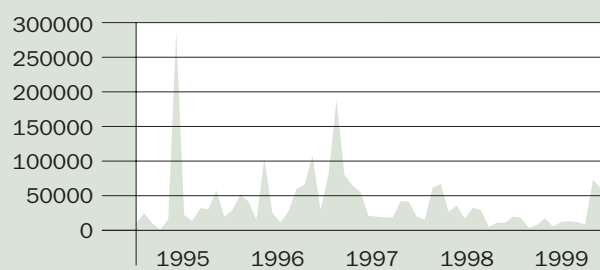
Management interests 31.12.1999

	Number of shares	Number of votes	% of shares and votes
Liinpää Arto	1 382 350	27 647 000	55.9
Lainema Matti	5 000	100 000	0.2

Share performance



Share trading



AUDITOR'S REPORT

To the shareholders of Markkinointi Viherjuuri Oyj

We have audited the accounting, the financial statements and the administration of Markkinointi Viherjuuri Oyj for the period 1 January – 31 December 1999. The financial statements that have been prepared by the Board of Directors and the Managing Director include the report of the Board of Directors, consolidated and parent company income statements and balance sheets and notes to the financial statements. Based on our audit we express our opinion on these financial statements and on the administration.

We have conducted our audit in accordance with Finnish Generally Accepted Auditing Standards. The preparation, content and presentation of the accounts and financial statements have thus been audited adequately to state that the financial statements do not include any essential mistakes or deficiencies. The purpose of our audit of the administration has been to examine that the Board of Directors and the Managing Director have complied with the rules of the Finnish Companies Act.

In our opinion, the financial statements have been prepared in accordance with the Finnish Accounting Act and other rules and regulations governing the preparation of financial statements in Finland. The financial statements give a true and fair view of both the consolidated and parent company result of operations. The financial statements can be adopted and the members of the Board of Directors and the Managing Director of the parent company can be discharged from liability for the period audited by us. The proposal made by the Board of Directors on how to deal with the retained earnings is in compliance with the Finnish Companies Act.

We have reviewed the interim reports made public by the company during the year. It is our understanding that the interim reports have been prepared in accordance with the rules and regulations governing the preparation of such reports in Finland.

Helsinki, 2 March 2000

Arthur Andersen Oy, Authorised Public Accountants
Reijo Peltola, Authorised Public Accountant

Erkki Mitro, Authorised Public Accountant

INFORMATION FOR SHAREHOLDERS

General meeting

Markkinointi Viherjuuri Oyj's annual general meeting will be held on Thursday 30 March 2000 at 3.00 p.m. at Tekniska TFIF, 6th floor, Yrjönkatu 30, 00100 Helsinki.

Shareholders who would like to attend the Annual General Meeting and receive a voting card must be registered in the Company Shareholder Register held by Suomen Arvopaperikeskus Oy by 24 March 2000 at the latest, and register to attend the Annual General Meeting by 4.00 p.m. on 27 March 2000 by contacting Marja Karjalainen either by telephone +358 9 1255 2434, telefax +358 9 1255 2260, e-mail marja.karjalainen@viherjuuri.fi or by writing to Markkinointi Viherjuuri Oyj, Att. Marja Karjalainen, Bulevardi 6 A, FIN-00120 Helsinki, Finland. We request that letters of authorisation be submitted with pre-registration.

According to the proposal of the Board of Directors, a dividend of FIM 1.00 per share will be paid on 11 April 2000 to shareholders who are registered no later than 4 April 2000 in the Company Shareholder Register held by Suomen Arvopaperikeskus Oy.

Financial information

Financial reports are published in Finnish. They are available by order from Markkinointi Viherjuuri Oyj, Bulevardi 6 A, 00120 Helsinki or telephone +358 9 12 551.

Markkinointi Viherjuuri Oyj's Internet website (<http://www.viherjuuri.fi/>) includes information for in-

vestors under the heading 'Talous'. Stock Exchange bulletins, interim reports and financial information are updated in real-time.

Shares

The company has altogether 2 475 000 shares. The nominal value per share is FIM 10. There is only one series of shares, and each share entitles the holder to 20 votes. Detailed information concerning Markkinointi Viherjuuri Oyj's shares is presented on pages 34–35. Markkinointi Viherjuuri Oyj's shares are listed on the Helsinki Exchanges' I-list.

Shareholder registry

For the purpose of registering changes of name and address, shareholders are requested to contact the bank or security registration institute of their book-entry account.

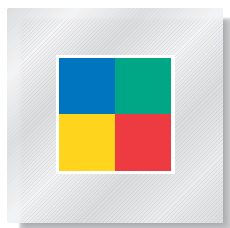
Publication schedule of Markkinointi Viherjuuri Oyj's financial reports for 2000

Interim report January-April 2000	29.5.2000
Interim report January-August 2000	2.10.2000

Investor relations

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PLACEMENTS 1999

Viherjuuren Mainostoimisto

Kultajyvä competition, Pohjola Insurance/Shortlisted Company ads
AdProfit competition, Toyota campaign/Shortlisted

Viherjuuren Ilme

London MPMA Best in Metals, Herbina Hairspray/Gold
Japan Typodirection Annual, 2000.hel.fi/Book and exhibition
Japan Typodirection Annual, Siemens 200 logo/Book and exhibition
Japan Typodirection Annual, Siemens Christmas Card/Book and exhibition
The Year's Best, 2000.hel.fi/Book
Sibelius House Competition/Gold
GallerieArt annual report competition, Finland Post annual report/Silver
Lumiart competition, Ilmarinen annual report/Gold
Lumiart competition, Viherjuuri Group annual report/Honourable mention
Helsinki Exchanges annual report competition, Ilmarinen annual report/Gold
Helsinki Exchanges annual report competition, Elcoteq annual report/Bronze

Axel Digital Group

Axel Networks

Finnish Publicist Association's intra-competition, Post's intra/Honourable mention

Frame Graphics

Media&Message Festival, TV programme themes series/Winner of all prizes in series

Programme/producer:

Ben Furman/Filmiteollisuus

The homeland's future hopes/Media-Active

War of the Chefs/Broadcasters

Uutisvuoto/Media-Active

Stiller/Media-Active

Viherjuuren Viestintätoimisto

Finland Post customer magazine competition, Olvi News/Third place