ANNUAL REPORT 1999

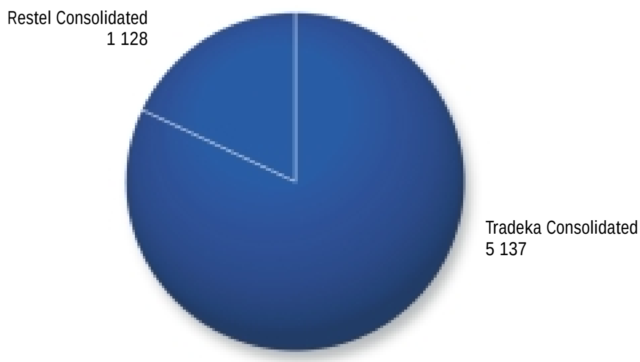
Tradeka Corporation

CONTENTS

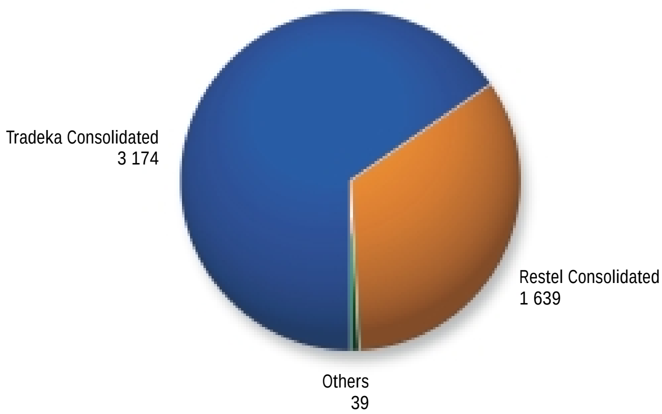
TRADEKA CORPORATION IN BRIEF

	1999	1998	99/98
Net Turnover FIM million	**6 268**	6 206	+1.0%
Profit before extraordinary items FIM million	**203**	312	-109
Balance Sheet Total FIM million	**2 918**	2 996	-78
Personnel, average	**4 852**	4 955	-103
Outlets:			
– Stores	**516**	531	-15
– Hotels	**34**	33	+1
– Restaurants	**229**	235	-6

Distribution of Turnover FIM million



Distribution of Personnel



PRESIDENT'S REVIEW

Tradeka Corporation booked a profit of FIM 203 million before extraordinary items. Our financial performance included successes as well as some minor disappointments. The restructuring programme devised for the Co-operative will be completed in three and a half years, but the profit buffer achieved in the first five years of the programme already guarantees that the programme will be successfully implemented.

The performance of our retail arm, Tradeka Consolidated, was disappointing. Nevertheless, together with Elannon Vähittäiskauppa Oy we were able to increase our market share slightly, even though our investments compared to those of our competitors were very small.

Restel Consolidated, which is engaged in the hotel and restaurant business, continued to make an excellent financial result. All of the existing chains in the restaurant business saw their market shares decrease as new individual restaurants entered the market. The hotels run by Restel did well in the hotel sector's competitive environment. Restel Consolidated's objective for the current year is to maintain its present good profitability level. In a business where profits are mostly made by small units, ongoing success requires further development of the management system and mastery of small details.

This year's objective for Tradeka Consolidated is to clearly improve its profits. We will not attempt to achieve this goal by setting up new business units. The underlying assumption when drawing up the restructuring programme was that new debts incurred by Tradeka Oy in the course of the programme would amount to FIM 1,065 million. However, since we have decided to limit borrowing to a maximum of FIM 350 million over the duration of the programme, we will also need to cut investments. Instead of making new investments, we will focus on improving the existing network of outlets. Furthermore, we are about to start making full use of the information systems upgraded last year, and the gradual implementation of the new organisational model began at the turn of the year. Our personnel are anxious to learn new working methods and improve their skills. Deriving the full benefit from the new tools will require hard work from all of us as well as effective intra-group co-ordination.

For the past couple of years, the trend in trade and industry in Europe has been towards increasingly large units, and last year this development could also be seen in the Nordic countries. In the present business environment, where companies seek larger and larger volumes, all Finnish companies operating in the trade sector are too small on their own. Tradeka has also started exploring the opportunities that will be open to it once the restructuring programme has been completed.

I would like to express my warmest thanks to the personnel of all companies in Tradeka Corporation for the past year. I would also like to thank our suppliers and other partners for their excellent co-operation.

Helsinki, 19 April 2000

Antti Remes

TRADEKA CONSOLIDATED

Growth of net turnover failed to meet the targets. This could be attributed to two things: weaker than expected growth in demand across the business sector, and the very small number of new business outlets Tradeka's chains have set up over the past few years. Net turnover of the subsidiaries operating in Russia shrank to less than one third of the previous year's figures. Furthermore, financial performance was adversely affected by non-recurring costs associated with preparations for the Y2K switch.

The YkkösBonus loyal customer scheme saw continued favourable development. Sales to loyal customers generated by Tradeka's chains amounted to FIM 4.1 billion; an increase of 7.1 percent over the previous year. The market presence of the YkkösBonus brand was enhanced through advertising and co-operation with the popular Salatut elämät (Secret Lives) TV series on the MTV3 television channel. New partners to join the loyal customer scheme included the Ellos Oy mail order company and the KappAhl Oy clothing store. Co-operation with Ellos was expanded to cover the delivery of packages; a pilot stage was carried out at outlets in the Tampere region.

Tradeka and Neste agreed to continue their co-operation related to the YkkösBonus loyal customer scheme, and a partnership agreement was being drafted covering product management in the Neste Quick Shop minimarkets and goods deliveries to these shops. According to the agreement, Tradeka will become a shareholder of the Neste Quick Shops operated by Neste, and these units will become Tradeka's subsidiaries.

Preparations were made with the Swedish co-operative organisation KF and the Norwegian co-operative organisation NKL to launch co-operation in electronics procurement. Tradeka Oy has a 4 percent interest in Coop Elektro AB, a company established in January 2000, which will supply home electronics to Tradeka's chains in the future.

The information systems upgrade project, which has been under way since 1996, was completed. A new organisation to ensure full-scale utilisation of the upgraded systems was introduced on 1 January 2000. In this connection, a process-based operating model was introduced and the product management and marketing organisations that previously operated in three separate chains were joined. Logistics operations concentrated on redesigning the order and delivery patterns of the retail outlets and on expanding terminal deliveries.

A NEW IMAGE FOR SIWA

Tradeka-owned stores in the Siwa chain generated a net turnover of FIM 1,922 million, down 1.4 percent from the previous year. In general, grocery stores of fewer than 400 square metres in size saw sales decreases of almost 4 percent, which means that Siwa's market share in this category grew.

Four new outlets were opened during the year. Two Siwa stores were extended, six stores relocated to new facilities and 19 were closed. At the year-end, the chain included 384 Tradeka-owned Siwa outlets, which is 15 fewer than a year earlier. The chain also includes 54 stores owned by Elannon Vähittäiskauppa Oy.

During the year, the introduction of new information systems and programme upgrades across the entire outlet network continued. A new Piccolink order terminal was introduced in all stores. The switchover to Piccolink was slightly hampered by the preparations for the year 2000 and some problems detected in the company's and suppliers' computers; this required patience from store personnel.

An in-store bakery was introduced in more than 10 Tradeka-owned Siwa stores. The image of Siwa stores was fully revamped and tested over the course of 1999. Modernisation of the stores and personnel uniforms began in 2000 and the project is scheduled to be completed in 2002.

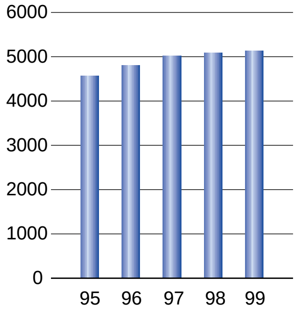
VALINTATALO SHARPENED ITS MARKETING STRATEGY

The net turnover of the Tradeka-owned Valintatalo stores totalled FIM 1,404 mil-

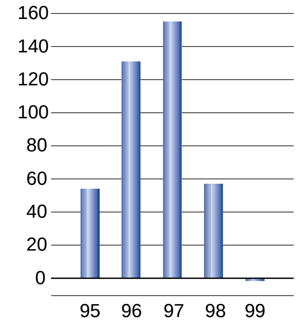
The net turnover of Tradeka Consolidated was up 0.9 percent over the previous year, reaching FIM 5,137 million. Tradeka Consolidated showed a loss of FIM 1 million before extraordinary items while a year earlier it had made a profit of FIM 57 million. The total market share of Tradeka and Elanto's shared chains was 12.3 percent, showing an increase of 0.1 percent in their share of grocery sales.

President
Aarno Mäntynen

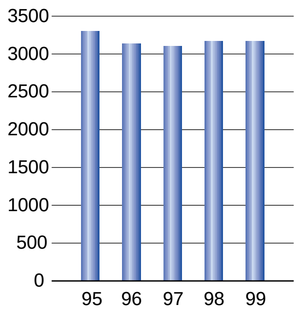
Development of Turnover
FIM million



Development of Profit before extraordinary items
FIM million



Number of Employees



Store outlets 31 Dec 1999

Siwa	384	-15
Valintatalo	109	+1
Euromarket	21	
International	2	-1
Total	516	-15

lion, showing an increase of 2.9% over the previous year. According to A.C. Nielsen's classification, the majority of Valintatalo outlets represent the category of small supermarkets. Sales in this category fell by 0.3%, which means that Valintatalo was also able to improve its market share in its competitive category.

The chain concept development project was completed, and the implementation of changes began. In connection with this, the chain's marketing strategy for the period 2000-2001 was reviewed. In addition to sharpening the basic marketing message, a decision was made to focus more sharply on TV advertising rather than newspaper advertising.

One new outlet, Valintatalo Plus in Savonlinna, was opened during the year. Furthermore, product selections of the outlet in Hamina were upgraded to the Plus category. Other refurbishment and expansion investments were carried out in the outlets in Kellokoski, Pyhäsalmi, Kuusankoski, Rautalammi, Vihti and Karkkila.

At the year-end, Tradeka operated 109 Valintatalo stores – one more than in 1998. The chain also covers 30 stores owned by Elannon Vähittäiskauppa Oy. Six of the Tradeka-owned stores and four Elanto-owned stores are Valintatalo Plus stores, which feature more than 1,000 square metres of selling area.

THE EUROMARKET BUSINESS IDEA UNDER REVIEW

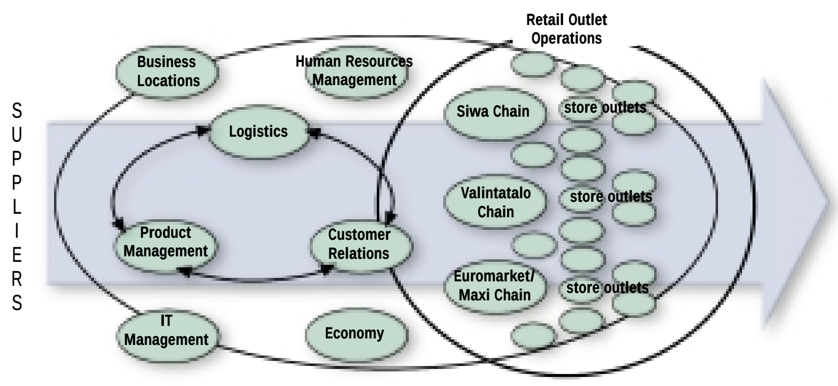
The net turnover of the Euromarkets grew by 5.9% over the previous year, reaching FIM 1,784 million. In general, hypermarkets increased their sales by 6.3%, which means that Tradeka's outlets have lost some ground in their competitive category. This could be attributed to major investments made by competitors.

Tradeka did not open any new hypermarkets. The expansion of the Euromarket in Lappeenranta was completed in the summer, and a similar expansion in Turku in the autumn. In the first half of the year, the EKA market in Lohja was refurbished and converted into a Euromarket. The number of outlets in the Euromarket/Maxi chains remains unchanged: there are 21 Tradeka-owned markets, of which 19 are Euromarkets, one is an EKA market (in Varkaus) and one a Maxi market (in Kerava).

During the year, several development projects were under way. A consumer shopping habit analysis was conducted in co-operation with Infominer Oy, a subsidiary of A.C. Nielsen, in order to identify the connection between different products. Results of the shopping basket analysis were applied in practice in conjunction with the expansion of the Euromarket in Lappeenranta, where the product selections were positioned in accordance with local preferences. At the year-end, the chain's business idea development project with Gemini Consulting began.

RUSSIAN OPERATIONS GENERATED A LOSS

Tradeka's subsidiaries operating in Russia produced a net turnover of FIM 27 mil-



A new process organisation was introduced in the retail business on 1 January 2000.

lion, which is less than one third of the previous year's turnover. The collapse of the Russian economy and the resulting insecurity prompted Tradeka to discontinue its business operations in Moscow in July when the five-year contract with a local partner expired.

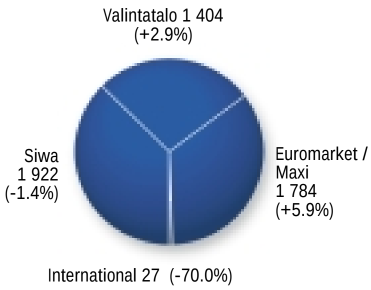
The Helsinki-based support organisation of Tradeka International was dissolved and the business activities in St. Petersburg were adjusted to meet the dramatically changed demand. The sharp drop in turnover and the costs involved in the discontinuation of business in Moscow resulted in a loss for Tradeka International.

2000 - A YEAR OF ACTIVITY

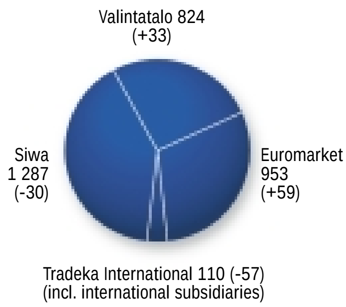
The future will prove the effectiveness of the new organisation introduced at the beginning of the year. Team- and change-oriented training will help personnel become familiar with the new practices and co-operation models to be used between different parts of the organisation. Reviewing the flow of goods and data in retail trade as a continuous chain of activities – an approach previously used mainly in the process industry – is entirely new in Finland. The objective is to employ the model to get the greatest benefit from the new information systems and from the nation-wide, centrally managed chain structure.

The key objective set for 2000 is to achieve a major profit improvement. This year we will not seek growth by setting up large new outlets, but by improving the efficiency and quality of the existing network of outlets. By switching to a daily order and delivery pattern, in other words through continuous replenishment, we seek improved freshness, wider selections and improved efficiency.

Distribution of Turnover FIM million



Distribution of Personnel



RESTEL CONSOLIDATED

The hotel and restaurant business continued to grow, although at a clearly slower rate than in the previous year. Sales volume grew by less than 3%. Capacity in the business also increased by some 3%, in other words occupancy rates remained on the previous year's level. Sales at licensed restaurants picked up by about 6%, of which price increases accounted for 2.5%. The sales increase was largely attributable to the positive development in the sale of meals, as the sales volume of alcoholic beverages remained virtually unchanged. Owing to the increase in capacity, sales per seating did not improve from the previous years. Sales income from hotel accommodation rose by 9%, with price increases accounting for 7% of the growth. Since the overall hotel capacity grew 2%, occupancy rate remained on the previous year's level.

Even though Restel's net turnover showed only a slight increase, the group was able to secure a good profit. Good performance was ensured by raising the relative gross profit and by careful operating-cost management. Restel Consolidated spent FIM 112 million on investments that focused on new business acquisitions, network maintenance, changes in business concepts and information systems. Restel's financial position remained good throughout the year.

MAJOR INVESTMENTS INCLUDED THE AULANKO AND TROPICLANDIA HOTELS

Restel hotels generated a net turnover of FIM 645 million, up 7.3% over the previous year. Turnover from hotel accommodation picked up 9.6% over the previous year. Restel Consolidated comprises four hotel companies: Cumulus Oy, Rantasipi Oy, Kansainväliset Restel Hotellit Oy (International Restel Hotels) and Restel Kylpylähotellit Oy (Restel Spa Hotels). All companies made a profit and the overall financial performance in the hotel business was good.

The Vaasa-based Tropiclandia Spa Hotel was incorporated into Restel's chain of Rantasipi hotels in the summer. Guest rooms, conference facilities and restaurants were refurbished in ten hotels. The full renovation of the Rantasipi Aulanko hotel was completed. Hotel data systems were replaced in 1999.

At the year-end, Restel owned 34 hotels and the 61 restaurants located in these hotels. Restel also runs three Elanto-owned hotels in Helsinki as well as the Rantasipi Pohjanhovi and Cumulus hotels in Rovaniemi under business management contracts.

NEW CATERING SERVICES AND FAMILY RESTAURANTS

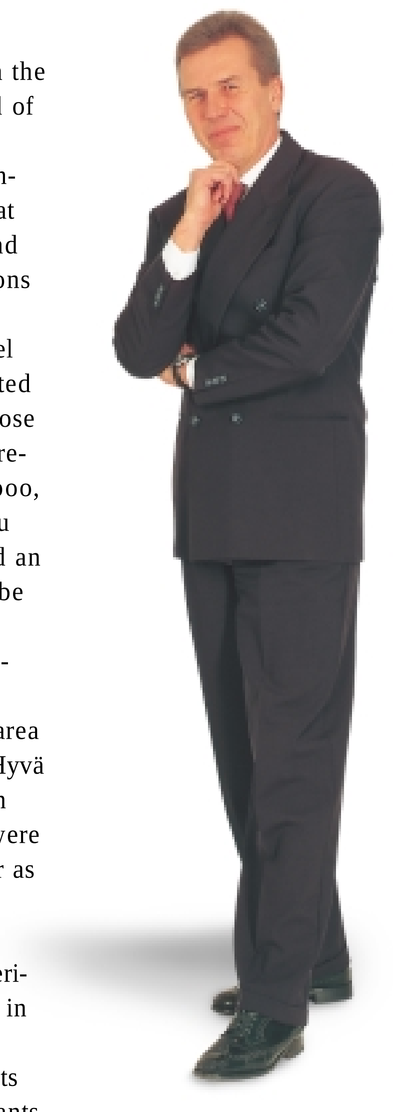
Net turnover from the restaurant business shrank 6.8% from the previous year and totalled FIM 467 million. The decrease could be attributed to the reduced number of restaurants and a decline in the sale of alcoholic beverages. At the end of the year, Restel Consolidated included two restaurant companies: Restel Ravintolat Oy and Helsingin Restel Ravintolat Oy. Both companies turned a profit and the overall result of restaurant operations was good.

Catering services provided by Restel expanded considerably as it was selected as the caterer to three more multipurpose stadiums in addition to the Hartwall Arena, namely the LänsiAuto Arena in Espoo, the Helsinki Ice Stadium and the Turku Fair Centre. Furthermore, Restel signed an agreement on the catering services to be provided to Finnair Stadium, the new football stadium in Helsinki to be completed early in the summer of 2000.

Restel ventured into a whole new area of restaurant business as it opened a Hyvä Ystävä Pizza Buffet family restaurant in Tampere. Family restaurant activities were expanded at the beginning of this year as Restel and Kotipizza Oy started a joint venture that acquired the Golden Rax Pizza Buffet chain comprising 12 pizzerias. Restel Oy has a controlling interest in this joint venture.

The image of the Martina restaurants was modernised and ten other restaurants were remodelled. During the year, nine

The net turnover of Restel Consolidated grew 1.3% over the previous year and totalled FIM 1,128 million. Profit before extraordinary items remained at FIM 113 million. Despite the increased hotel and restaurant capacity, Restel was able to maintain a good profit level.



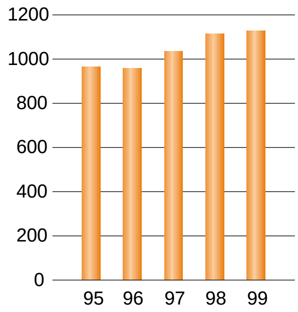
President
Ralf Sandström

restaurants were sold or discontinued. At the year-end, Restel owned 168 separate restaurants ran by restaurant companies.

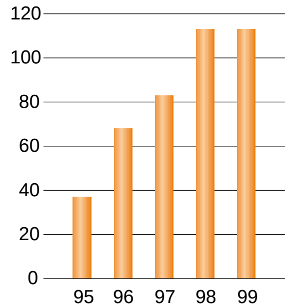
OUTLOOK FOR 2000

The hotel and restaurant business is expected to see growth similar to that of the previous year. An increase in the capacity of licensed restaurants will continue to hamper the growth of sales per seating. A growing hotel capacity in Helsinki will also tax the hotel occupancy rates. Profitable expansion, improved service management and careful management of operating costs will continue to play key roles in Restel's activities in 2000. In the first months of the year, Restel Consolidated performed as planned.

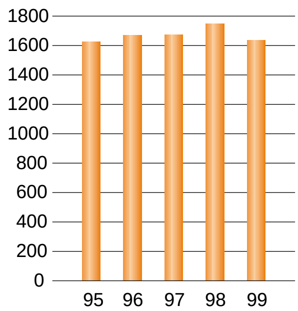
Development of Turnover
FIM million



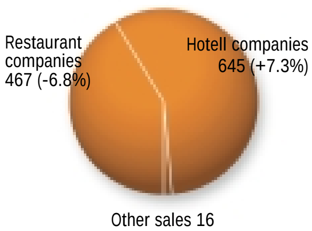
Development of Profit before extraordinary items
FIM million



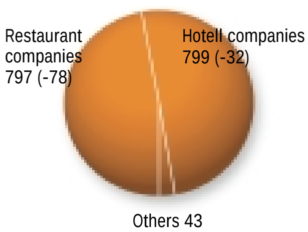
Number of Employees



Distribution of Turnover
FIM million



Distribution of Personnel



EKA REAL ESTATE DEVELOPMENT

The real estate business was transferred to Eka Real Estate Develop ment Oy in accordance with the restructuring programme of the Co-operative Tradeka Corporation. With the agreements made on 4 January and 3 May 1999, the company purchased all of the Co-operative's real estate holdings and shares as well as a significant amount of receivables from the group companies. The total cost of the acquisitions was FIM 1,481 million and they were financed by means of an increase in share capital, an interest-bearing loan taken from the Co-operative, an interest-free capital loan and a convertible bond loan. Co-operative Tradeka Corporation owns the entire share capital of the company.

At the year-end, Eka Real Estate Development Oy owned 90 properties and shares in 36 real estate companies. This property totalled 220,221 square metres, and the occupancy rate was 82%. Group companies and associated companies of Tradeka Corporation generated 67% of the company's rental income. The most significant business transactions completed during the year included the sale of shares in Kiinteistö Oy Kvarnbacka, Kiinteistö Oy Hämeenlinnan Raatihuoneenkatu 14, Kiinteistö Oy Kouvolan Valtakatu 11, Kiinteistö Oy Hotelli Turku and Kiinteistö Oy Voima.

By the beginning of 2000, two thirds of the real property owned at the beginning of the restructuring programme had been sold, and little over a half of the real property measured in area and value. Property was sold at a better price than that defined in the restructuring programme.

The total value of investments was FIM 13 million and they were financed entirely from cash funds. The most important investment was the Lintulahti area in Sörnäinen, Helsinki. Investments were made particularly to improve the functionality and rentability of the property. Sales potential and value were also improved through leasing; good examples of these activities include the sale of properties in Kouvola and Hämeenlinna.

The national economy is expected to see continued rapid growth in 2000, but the growth will be increasingly restricted to certain regions. There is already a periodic shortage of business premises in growth centres. With the economic growth, the construction business recovered and slowed down the increase in rents. Moreover, the value of nonmarketable premises will drop. Due to the increase in interest levels, real-estate investors are demanding a higher return. At the same time, however, high stock prices and the insecurity involved in them make real property an increasingly attractive investment. At the moment, the outlook for the real estate market in view of securitisation is not very promising. The shares of real estate investment companies are undervalued on stock exchanges, and listing is not easy for new companies.

Increasingly problematic for Eka Real Estate Development are the properties the company owns in cities in Eastern and Northern Finland. Many of them are centrally located and have a high occupancy rate, but there is no significant investment demand in the cities in question. To secure a healthy revenue on the property, continued investments in refurbishment must be made in the future.

With the sale of profitable real estate property, the average rate of capital income will continue to decrease. Despite a decline in net turnover, Eka Real Estate Development Oy will be able to maintain a positive cash flow and the company's cash position will remain good. The most significant investments in 2000 include the property in Sörnäinen, Helsinki, and the property located in the centre of Lappeenranta. The investments, which will be financed with cash funds, will improve the revenue receivable from the property and make them more attractive investments.

The business operations of Eka Real Estate Development Oy were launched at the beginning of 1999. In its first year of operations, the company booked a net turnover of FIM 85 million, which mainly consisted of rental income and maintenance charges received. Profit before extraordinary items totalled FIM 23 million. The total sales value of property divested during the year was FIM 161 million.

President
Heikki Venho

ENVIRONMENTAL REPORT

This environmental report discusses the environmental issues related to the activities of Tradeka Corporation's companies Tradeka Oy, Palveluetu Oy T & E, Ketjuetu Oy T & E, Tradeka Group Oy and Tradeka Co-operative in 1999; the environmental impact of their activities and the companies' environmental objectives and measures.

THE ENVIRONMENTAL IMPACT OF TRADEKA'S ACTIVITIES

Tradeka's retail operations and their supporting activities contribute directly and/or indirectly to key environmental problems such as climatic changes, ozone depletion and the environment becoming increasingly acidic, eutrophic and polluted with chemicals.

The location of stores makes a direct impact on urban structure and land use. Construction, repair, maintenance and demolition of property affect the use of materials, energy consumption and waste management. The most significant direct environmental impact of the stores' activities come from energy consumption, use of materials and production of waste. This also applies to offices that consume large quantities of paper. Furthermore, fires and fuel distribution stations involve risks, as do oil tanks in buildings.

As Inex Partners Oy is in charge of sourcing goods and delivering them to the stores, the impact of transportation is indirect but depends on Tradeka's decisions and solutions. Other activities affecting the environment indirectly, primarily through the customers, include the manufacture, logistics, consumption and disposal of products and packaging.

ENVIRONMENTAL MANAGEMENT

Tradeka's environmental activities are guided by the company's environmental policy, which was approved on 25 March 1998. This document is available from Tradeka's Corporate Communications department and Ketjuetu's Business Locations and Shop Design Unit, and it can also be accessed on Tradeka's Web site. The Business Locations and Shop Design Unit is in charge of developing Tradeka's environmental measures.

During the year, these measures included identifying the environmental aspects of Tradeka's retail trade and support activities, charting their environmental impact and assessing the significance of the impact. The environmental management system is based on this information, and it serves as a starting point for environmental programmes aimed at identifying, managing and reducing key environmental stress factors.

The objective of environmental measures is to use energy more efficiently, reduce the need for energy, reduce the amount of packaging materials used and the resulting waste, improve the efficiency of their re-use and recycling, preparing a strategy that favours pro-environmental products, increasing environmental awareness among personnel and clients, and environmental risk management. During the year, much work was carried out to define clear, concrete objectives for environmental activities.

An environmental management system is currently being devised and is expected to be completed in 2000. More attention will be paid to producing the guidelines, measurements and files required by the system in 2001.

During the year, one incident of soil contamination was detected and three fires occurred. Tradeka expressed its opinion on environmental issues in the joint statements issued by the Federation of Finnish Commerce and Trade, such as the recommendation to avoid the use of PVC in packaging materials. Detailed information on the costs or savings involved in environmental

protection is not yet available. Decontamination of the fuel distribution stations may create extra costs in the future.

ENERGY CONSUMPTION

In the retail sector, energy is needed for heating, cooling, lighting, ventilation and for running different machinery and equipment. When energy is produced, carbon dioxide, sulphur and nitrogen are discharged into the environment. These emissions aggravate climatic changes, acidification and eutrophication.

Oil consumption and related emissions

Tradeka owns 137 oil-heated buildings. During the year, some 1,973 cubic meters of light heating oil were consumed. Carbon dioxide emissions from oil heating totalled 5,248 tonnes, which represented less than one percent of the total carbon dioxide emissions in Finland.

Electricity consumption and related emissions

All electricity used by Tradeka is procured from one supplier. Electricity consumption figures also include the electricity used by companies that lease office premises in Tradeka-owned buildings.

Over the year, consumption was monitored in 380 locations. Monitoring was extended to a few new locations and some of the previously monitored locations were left out. The measured energy consumption was approximately 100 million kWh. This figure includes all Euromarkets, the biggest Valintatalo stores and Siwa stores. This figure is not directly comparable to the consumption measured and estimated a year earlier.

The energy supplier produces energy mainly through combined production using natural gas and coal (75%). The remainder is nuclear, hydroelectric and wind power or imported energy. According to the environmental declaration of the energy supplier, the emissions involved in the production of electricity were as follows:

Sulphur dioxide 36 tonnes
Nitrogen oxides 46 tonnes
Carbon dioxide (CO_2) 31,600 tonnes
Particles 3.3 tonnes

Tradeka's share of all emissions is less than 0.3% of the total emissions in Finland.

In the new stores and the largest stores to be refurbished (4 new and 4 refurbished stores in 1999), cooling equipment will be fitted with a heat recovery system. The recovery system considerably reduces the amount of energy required for heating.

District heating

There is no statistical data on the consumption of district heating used in stores or the emissions involved in the production of district heating. All stores were provided with new, energy-saving guidelines in the autumn before the heating season began.

WASTE AND RECYCLING

The waste taken to refuse dumps produces methane, which aggravates climatic changes. To reduce this type of waste, Tradeka's retail chains sort their waste and collect them separately. Cardboard is sorted regularly and set apart from other packaging waste. Waste that can be reused for energy production and biodegradable waste are collected in municipalities where it is required by waste management regulations. A pilot project involving the voluntary collection of waste that can be reused for energy production was launched at one Euromarket. Statistical compilation methods are being improved and standardised.

Recycling points

Three Euromarkets provide their customers with "Ecopark" recycling points. Ten Euromarkets feature other recycling points for custom-

ers, maintained either by the store or the municipality. A large number of Valintatalo and Siwa stores have adjacent recycling points for one or more types of waste (paper, glass, drink cartons).

Logistics and transport equipment

In co-operation with the Inex Partners Oy logistics company, Tradeka has been able to reduce the amount of disposable transport packages by increasing the use of circulating transport equipment such as pallets, racks and boxes. More than 5,000 circulating boxes were used to transport tobacco last year, which reduced the need for disposable cardboard boxes by more than 80 tonnes.

A system of continuous replenishment was launched in stores in 1999. So-called “combined transport” is used for replenishment, as it helps reduce the goods traffic to stores as well as the related emissions. Detailed information on the effects of continuous replenishment is not available at this time.

Head office

The collection of biodegradable waste began in the building located on Hämeentie in Helsinki. The collection had previously only covered cardboard, office paper and household recycling paper. Measures were taken to improve the collection of hazardous waste, the reuse of ink cartridges and the recycling of office furniture, machinery and supplies. As the cash register systems were replaced, the older equipment was delivered for appropriate disposal after all valuable material had been recovered.

A total of more than 52 tonnes of office paper and roughly 4.5 tonnes of cardboard were collected.

Recycling helped save the equivalent of approximately 620 virgin-wood fir logs.

PRO-ENVIRONMENTAL PRODUCTS

Retail outlets strive to meet the demand reflected in the pro-environmental lifestyles of their customers. The chains’ selections include organic products and products carrying eco labels (the Nordic environmental label and the ÖkoTex mark). Since the selections vary over the course of the year, it is impossible to present any exact figures.

Siwa stores offer 1-2 organically grown grain products. More than 60 percent of tissue paper products and 8 to 13 percent of detergents and washing powders carry the Nordic environmental label.

The range of organic alternatives offered by Valintatalo stores varies between 12 and 30 products depending on the location, the size of the store and the selection category. More than 65 percent of tissue paper and 6-15 percent of washing powders and detergents carry the Nordic environmental label. All batteries carry an eco label.

The selections of Euromarkets and Maximarkets include 35-80 organic products, depending on the location of the stores, the availability of products and the season. The market share of organic products is roughly 1-2 percent.

Washing agents, detergents and tissue paper feature a particularly large number of pro-environmental products: more than 60 percent of all tissue paper and 5-15 percent of all detergents carry an eco label. Pro-environmental tissue paper represents 90 percent of the total turnover, and 29 of the paper products carry an eco label. The ÖkoTex label is used on products such as underwear.

The largest Valintatalo and Euromarkets also sell two Fair Trade products. Tradeka purchases the

majority of its consumer goods through the international Inter-Group purchase organisation, which requires that the products purchased are not manufactured using child labour. The offices and experts of the InterGroup Far East Limited (IGFEL) organisation supervise the compliance with these requirements in Asia Pacific.

USE OF MATERIALS

The use of raw materials affects the environment in two ways: it affects the landscape and creates emissions and waste. When assessing the environmental impact of materials, the entire chain must be taken into account, including the sourcing of raw material, such as quarrying and logging, transport, the manufacture and use of products and eventually recycling and disposal.

Use of packaging materials

To fulfil its obligation to recycle and reuse the packaging materials of imported products and those packaged in its own stores, Tradeka joined the Environmental Register of Packaging PYR Oy.

The amount of packaging material used by Tradeka's stores was 1,003 tonnes. The increase of 0.006% from the previous year is less than the increase in sales and in market share. Compared with the total volume of packaging materials used in Finland in 1997, Tradeka's share was approximately 0.03%.

The volume of packaging materials used on imported products was about 693.8 tonnes. This figure is not comparable to last year's figures owing to changes in the compilation of statistics.

Publications

Tradeka publishes a company magazine intended for its clients and personnel on a regular basis. Other printed materials include bulletins, marketing material for the chains and Bonus news. In 1999, 2283.1 tonnes of paper were used for these publications. This was approximately 18% less than in the previous year. For in-house communications purposes, the Intranet system is being used more systematically, which helps reduce the use of paper.

Paper

The head office and other premises on Hämeentie used about 22.5 tonnes of paper for copying and printing.

FUEL DISTRIBUTION STATIONS

At the year-end, 24 stores had adjacent fuel distribution stations, four of which were operated by Neste. During the year, discontinued distribution stations were charted. At Teuva, the contaminated soil was removed and replaced with clean soil and the distribution station was closed.

OTHER ACTIVITIES

– A recycling guide for households on fibre-based packages is being distributed to customers
– Information on a hazardous waste campaign distributed to stores
– Participation in the environmental committee of EuroCoop
– Participation in the environmental committee of the Federation of Finnish Commerce and Trade
– Representative of the trade sector in the Nordic Environmental Labelling Board.

REPORT BY THE BOARD OF DIRECTORS

OPERATIONS IN 1999

At the beginning of January, the Co-operative Tradeka Corporation transferred all of its real estate business operations to its wholly-owned company, Eka Real Estate Development. The Co-operative increased the company's share capital, subscribed the convertible bonds issued by the company and granted the company an interest-bearing loan and a capital loan.

No other significant changes were made to the group structure. The group consists of the Co-operative and 71 active subsidiaries (68 in 1998), 50 (49) of which are real estate companies. In addition, there are 57 associated companies.

The group's business activities are organised through three subgroups: Tradeka Consolidated, Restel Consolidated and Eka Real Estate Development. The Co-operative is the group's parent company and is in charge of corporate governance and management.

Co-operation with Elanto Co-operative continued in the retail sector and in the hotel business. At the beginning of 2000, a decision was made to take part in the preparations for the Coop Norden project, which was launched by other Nordic co-operative organisations. The objective of this project is to explore the opportunities of expanding co-operation and mutual ownership between the co-operative organisations of Norway (NKL), Sweden (KF) and Denmark (FDB). In the retail sector, co-operation with NKL and KF was launched by setting up a Nordic electronic company, Coop Elektro Ab. Tradeka Oy has a 4-percent minority interest in the company. In the future, this company will deliver the home electronics sold at Tradeka's retail chains.

The implementation of the Co-operative restructuring programme and the handling of matters of interpretation associated with the programme continued. A total of FIM 315 million was spent over the year to amortise the restructuring debt. Over the course of the programme, the restructuring debt has been amortised by FIM 1.6 billion. Arrangements related to the termination of the programme on 31 December 2003 were discussed with the creditors.

The YkkösBonus loyal customer scheme developed favourably. New partners to join the scheme included the Ellos Oy mail order company and the KappAhl Oy chain of clothing stores. At the year-end, there were 916,168 loyal customer accounts, and a total of 1,492,338 loyal customer cards were in circulation. During the year, 156,248 new households joined the scheme. Sales to loyal customers amounted to FIM 6,140 million (+13%) of which Tradeka Consolidated and Restel Consolidated accounted for FIM 4,460 million (+ 9%). Bonuses paid out to loyal customers totalled FIM 124 million (FIM 110 million).

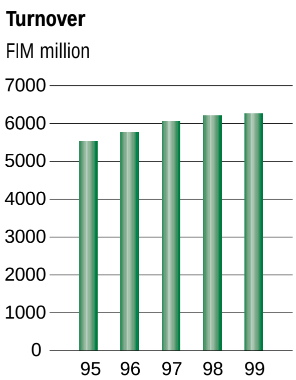
Careful preparations were made to ensure the Y2K compliance of the information systems and other technology and equipment used in business outlets. For the information systems, these preparations were part of the overall upgrade project that Tradeka Consolidated launched in 1996 and Restel Consolidated in 1998. Even though there were some disturbances in both the companies' and their suppliers' systems during the year, the rollover into the year 2000 occurred without any problems. The new systems also support the introduction of the euro.

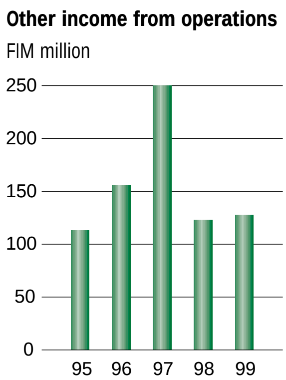
After the IS upgrade project was completed, a new organisation based on a process model was introduced in retail operations management. This change, which took place at the beginning of 2000, brought together the product management and marketing units that had previously operated in three different chains.

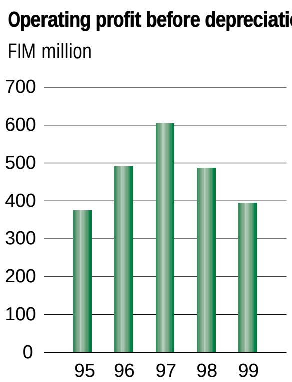
On the whole, the Corporation was not able to meet the profit targets. Restel Consolidated and Eka Real Estate Development exceeded their profit targets, but Tradeka Consolidated fell short of its objectives. This setback does not affect the restructuring programme. Both Tradeka and Restel Consolidated are clearly ahead of cumulative objectives set for them in the Co-operative's restructuring programme.

NET TURNOVER AND OTHER INCOME FROM OPERATIONS

The Corporation's net turnover was up 1.0% over the previous year, reaching FIM 6,268 million. Other income from operations amounted to FIM 128 million (FIM 123 mil-







lion). Rental revenue accounted for FIM 75 million, while the income from the sale of fixed assets grew FIM 6 million over the previous year, reaching FIM 52 million.

Tradeka Consolidated reported a net turnover of FIM 5,137 million. The increase of 0.9% in net turnover was lower than planned. The disappointing development could be attributed to the sluggish increase in demand in the grocery trade, the small number of new business outlets set up over the past years and the downsizing of the business activities in Russia.

The net turnover of Restel Consolidated picked up by 1.3% and totalled FIM 1,128 million. In accordance with the development objectives, growth focused on the hotel business while the net turnover from the restaurant business shrank.

The FIM 88-million net turnover of Eka Real Estate Development, which consisted primarily of rental revenue and maintenance charges received, has been booked as other income from operations in the consolidated income statement.

The Co-operative's net turnover of FIM 18 million was generated from the sale of management services and securities. As a result of the transfer of the real estate business, other income from operations decreased to FIM 2 million (FIM 149 million).

PROFITS

The Corporation's operating profit before depreciation was FIM 395 million (FIM 487 million). Tradeka Consolidated recorded an operating profit before depreciation of FIM 145 million, showing a decrease of FIM 65 million from the previous year. Profit was taxed by slack sales growth, non-recurring costs associated with the information system upgrades and Y2K preparations as well as an increase in pension costs. Restel Consolidated's operating profit before depreciation totalled FIM 177 million, down FIM 3 million from the previous year. Eka Real Estate Development made an operating profit before depreciation of FIM 45 million.

The Co-operative's operating profit before depreciation was FIM 16 million in the red. The increase in uncovered liabilities to the Eläkekassa Tuki pension fund during the year was booked under pension costs.

The Corporation's operating profit fell FIM 97 million from the previous year to FIM 232 million. The Co-operative reported a loss of FIM 16 million (profit of FIM 45 million).

The Corporation's extraordinary income totalled FIM 76 million (FIM 156 million). This includes a share of the distributed surplus in the amount of FIM 11 million and deferred tax receivables in the amount of FIM 64 million (FIM 141 million). Extraordinary expenses totalled FIM 39 million. Major cost items included booking the uncovered liabilities from previous years to the Eläkekassa Tuki pension fund and the tax paid by the parent Co-operative involved in the transfer of all assets and liabilities of the real estate business. The net value of extraordinary items was FIM 37 million (FIM 121 million).

The Co-operative's extraordinary income also includes FIM 119 million of subvention received from subsidiaries and FIM 271 million of capital gain from the transfer of real property to Eka Real Estate Development Oy. The net value of the Co-operative's extraordinary items was FIM 366 million (FIM 35 million).

Tradeka Corporation's profit for the accounting period was FIM 179 million (FIM 349 million) and the Co-operative's surplus was FIM 377 million (FIM 153 million).

The Board of Directors proposes that the Co-operative's surplus for 1999 be used to cover losses brought forward and that the remainder be transferred to a contingency fund, since the reserve fund has already reached its full amount.

INVESTMENTS

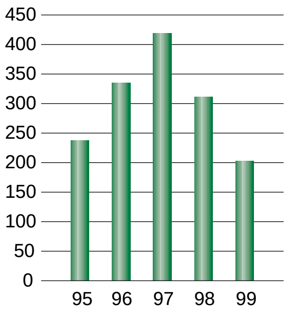
The Corporation's investments totalled FIM 300 million, the same as a year earlier. Investments focused on the refurbishment of business premises, setting up new outlets and on information systems. Gross investments in Tradeka Consolidated amounted to FIM 164 million (FIM 185 million) and to FIM 112 million (FIM 68 million) in Restel Consolidated. Eka Real Estate Development invested FIM 13 million in developing its real property.

FINANCING

The Corporation's financial income was FIM 24 million and financial expenses FIM 54 million (FIM 42

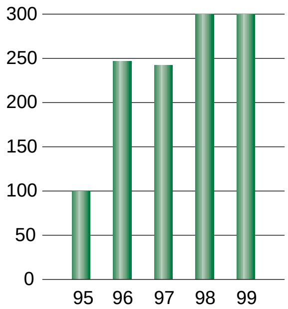
Result before extraordinary items

FIM million

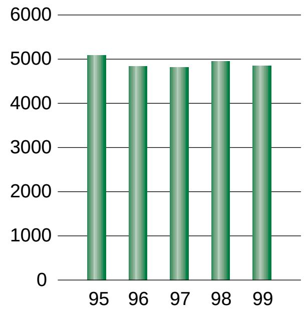


Investments

FIM million



Number of Personnel



million). Net financial expenses amounted to FIM 30 million, showing an increase of FIM 12 million over the previous year. Interest expenses were affected by the rise in the interest on collateral loans to 3% (2%) and a change in the booking practice that allowed the interest on regressive debt associated with the subordinated loan of the Eläkekassa Tuki pension fund to be booked under financial expenses, including the interests from previous years.

The net long-term credit from financial institutions at Tradeka Oy grew FIM 157 million over the year. Consequently, the company's credit liabilities are considerably smaller than anticipated in the Co-operative's restructuring programme.

The Co-operative's financial income shrank and financial expenses increased as a result of the transfer of real estate business and changes in interests. Financial items improved the financial result by FIM 27 million (FIM 72 million).

Even though, owing to weaker financial performance, the financial position was more rigid than in the previous year, the cash position of all group companies was good in view of the objectives, and liquidity remained good throughout the year.

BALANCE SHEET STRUCTURE

The consolidated balance sheet total stood at FIM 2,918 million, down FIM 78 million from the previous year.

Real property booked under fixed assets was down FIM 165 million owing to sales, depreciations and the elimination of internal profit margins. Under current assets, securities and cash and bank increased FIM 93 million to FIM 667 million.

Owing to the assignment of real property to Eka Real Estate Development Oy, revaluations in the amount of FIM 152 million were cancelled. Under liabilities, subordinated debt decreased by FIM 52 million and other restructuring debt by FIM 315 million. Other liabilities increased by FIM 255 million.

The Corporation's shareholders' equity (co-operative equity) totalled FIM -208 million (FIM -235 million).

As a result of structural changes, the Co-operative's balance sheet total decreased by FIM 83 million to FIM 2,522 million. Shareholders' equity (co-operative equity) amounted to FIM 340 million (FIM 114 million).

PERSONNEL

The number of personnel in the Corporation expressed as full-time employees was approximately 4,852, showing a drop of 103 or 2.1%. Tradeka Consolidated employed 3,174 (3,169) personnel, Restel Consolidated 1,639 (1,749), Eka Real Estate Development Oy 11 (-), Tradeka Group Oy 22 (20) and Co-operative Tradeka Corporation 6 (17).

MEMBERS

During the year, 1,280 new members joined the Co-operative, 935 memberships were terminated and 651 members whose contact information had expired were removed from the statistics. At the end of the year, there were 356,085 (356,391) members. Co-operative capital was FIM 50.3 million (FIM 50.1 million), and the membership fees of resigned members totalled FIM 3.7 million (FIM 3.6 million).

OPERATIONS IN 2000

In retail trade, the year's objective is to considerably improve financial performance, while in the hotel and restaurant businesses the goal is to maintain the previous year's profit level. Since Eka Real Estate Development will continue to dispose of its assets, the company will generate a lower profit in the future.

There are no plans to open new, large-scale units in the retail sector this year. Profit targets are based on the revised operating model and the gradual introduction of this model into the activities of retail outlets. To ensure the success of this introduction, training and coaching aimed at the entire personnel will be of key importance. Furthermore, the completion of new information systems will cut costs as parallel systems can be removed. An increasingly large part of the investments can be used to improve the network of business outlets.

In the hotel and restaurant businesses, good performance will be ensured with the opening of new units and the family restaurant activities, a new business concept introduced at the beginning of 2000.

Tradeka Corporation will focus on developing its business activities, upgrading existing outlets and setting up new ones while at the same time taking into account the requirements placed on the development of Tradeka and Restel Consolidated in the Co-operative's restructuring programme.

TRADEKA CORPORATION

CONSOLIDATED INCOME STATEMENT 1 JAN TO 31 DEC 1999

	FIM million			% of Net Turnover	
	1999	1998	99/98	1999	1998
Net turnover	**6 268**	**6 206**	**62**	**100.0**	**100.0**
Other income from operations	128	123	5	2.04	1.98
Operating costs:					
Goods	-4 346	-4 271	-75	-69.34	-68.82
Personnel costs	-803	-772	-31	-12.81	-12.44
Depreciation and value adjustments	-162	-158	-4	-2.59	-2.55
Other operating costs	-852	-799	-53	-13.59	-12.87
Total	-6 163	-6 000	-163	-98.33	-96.69
Operating profit	**233**	**329**	**-96**	**3.71**	**5.30**
Financial income and expenses	-30	-17	-13	-0.47	-0.28
Profit before extraordinary items	**203**	**312**	**-109**	**3.23**	**5.02**
Extraordinary items	36	121	-85	0.59	1.95
Profit before taxes	**239**	**433**	**-194**	**3.82**	**6.97**
Income taxes	-60	-84	24	-0.96	-1.34
Minority interest	0	0	0	0.00	0.00
Profit for the financial period	**179**	**349**	**-170**	**2.86**	**5.63**

TRADEKA CORPORATION

CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER 1999

Assets

	FIM million			% of Balance Sheet	
	1999	1998	99/98	1999	1998
Fixed assets:					
Intangible assets	248	222	26	8.5	7.4
Consolidated goodwill	10	0	10	0.4	0.0
Tangible assets	1 087	1 252	-165	37.2	41.8
Investments:					
Shares in associated companies	170	199	-29	5.8	6.6
Other investments	143	123	20	4.9	4.1
Fixed assets, total	**1 658**	**1 796**	**-138**	**56.8**	**59.9**
Current assets:					
Stocks	344	346	-2	11.8	11.5
Receivables	170	212	-42	5.8	7.1
Deferred tax receivables	79	68	11	2.7	2.3
Short-term investments	230	205	25	7.9	6.8
Cash and bank	437	369	68	15.0	12.3
Current assets, total	**1 260**	**1 200**	**60**	**43.2**	**40.1**
Assets, total	**2 918**	**2 996**	**-78**	**100.0**	**100.0**

Shareholders' Equity and Liabilities

	FIM million			% of Balance Sheet	
	1999	1998	99/98	1999	1998
Shareholders' equity (Cooperative equity):					
Share capital (Cooperative capital)	51	51	0	1.7	1.7
Resigned members' fees	3	3	0	0.1	0.1
Revaluation reserve	1	153	-152	0.0	5.1
Contingency fund	79	79	0	2.7	2.7
Retained loss	-521	-870	349	-17.8	-29.0
Profit for the financial period	179	349	-170	6.1	11.6
Shareholders' equity (Cooperative equity), total	**-208**	**-235**	**27**	**-7.1**	**-7.8**
Minority interest	**21**	**19**	**2**	**0.7**	**0.7**
Statutory reserves	**0**	**0**	**0**	**0.0**	**0.0**
Liabilities:					
Deferred tax liability	26	21	5	0.9	0.7
Subordinated debt	1 029	1 081	-52	35.3	36.1
Other restructuring debt	1 020	1 334	-314	34.9	44.5
Other liabilities	1 030	776	254	35.3	25.9
Liabilities, total	**3 105**	**3 212**	**-107**	**106.4**	**107.2**
Shareholders' equity (Cooperative equity), total	**2 918**	**2 996**	**-78**	**100.0**	**100.0**

TRADEKA CORPORATION

CONSOLIDATED CASH FLOW STATEMENT 1 JAN TO 31 DEC 1999

FIM million	1999	1998
BUSINESS OPERATIONS:		
Operating profit	233	329
Corrections to operating profit	162	143
Financial income and expenses	-30	-17
Extraordinary items	-27	-20
Taxes	-2	-4
Funds from operations	336	431
Decrease in stocks	2	1
Decrease in current receivables	42	25
Increase in current interest-free liabilities	48	5
Change in working capital	92	31
Cash Flow from Business Operations	**428**	**462**
IINVESTMENTS:		
Fixed assets	-300	-300
Decrease in fixed assets	137	93
Net investments	-163	-207
Cash Flow before Financing	**265**	**255**
FINANCING:		
Increase in long-term liabilities	254	52
Payment of long-term liabilities	-48	-35
Change in stabilised debt	-52	-9
Decrease in restructuring debt	-315	-331
Increase in long-term receivables	-12	0
Increase in minority interest	1	-9
Increase in share capital (cooperative capital)	0	0
Cash Flow from financing	-172	-332
Increase of liquid funds	**93**	**-77**

TRADEKA CORPORATION

NOTES TO THE FINANCIAL STATEMENTS 31 DEC 1999

Cooperative Tradeka Corporation is the parent company of the Tradeka Corporation. Cooperative Tradeka Corporation's registered office is located in Helsinki, Finland. Copies of the consolidated financial statements are available from Cooperative Tradeka Corporation at Hämeentie 19, 00500 Helsinki, Finland.

ACCOUNTING PRINCIPLES OF THE FINANCIAL STATEMENTS

Principles of Valuation and Income Spreading

Assets are entered, minus depreciation according to plan, in the Balance Sheet under Acquisition cost. Depreciation according to plan is calculated as straight-line depreciation from the acquisition cost based on the economic lifetime of goods in fixed assets.

Periods of Depreciation:

Goodwill	5-10 years
Other long-term expenditure	5-10 years
Buildings and plant	10-40 years
Machinery and equipment	5-10 years
Other tangible assets	5-10 years

As concerns the internal transfer of real estate business within the group, the revaluations included in Balance Sheet values in the previous years have been annulled almost completely for the year 1999. As consequence of the abovementioned, the book value of the Group's real estate property decreased by FIM 150 million. Except for the remaining revaluations of buildings, totalling FIM 0.6 million, the real estate book values as stated in the Consolidated Balance Sheet correspond to the original acquisition costs or acquisition cost residuals according to plan or probable transfer prices, when lower.

Stocks are reported at the original acquisition cost or lower of cost at estimated realizable value. The consolidated stocks mainly consist of goods found at daily goods and consumer product stores. The valuation practise of consumer goods has been modified to correspond better to the estimated realizable sales prices of seasonal goods sold from previous periods.

Sales receivables are made up partly of credit card receivables. Other receivables include mostly cost and purchase compensations. Receivables are assessed at their nominal value or estimated lower realizable value.

Securities held in current assets consist of commercial papers that are the object of public trading. They are assessed at acquisition cost.

Pension Arrangements

The retirement plan for employees of the companies that belong to the Group is insured by insurance companies. Cooperative Tradeka Corporation and certain of its subsidiaries are shareholders in Eläkekassa Tuki. Liabilities related to this shareholding are listed as secured liabilities for both Tradeka Consolidated and Cooperative Tradeka Corporation.

Comparability of Data from the Previous Accounting Period

When comparing accounting data with the figures from the previous accounting period, it should be noted for the parent Cooperative that in 1999 the real estate business was transferred to Eka Real Estate Development established for the business in question in 1996.

In the consolidated financial statements, effects of the abovementioned transfer are eliminated except for effects of annullation of revaluations. When comparing data in the consolidated financial statements, also the chance in accounting principles regarding pension and interest expenses as well as the significantly lower amount of deferred tax receivables entered as income should be noted. Lesser incomparability is caused in other respects by the termination of business of the subsidiary ZAO Tradeka Moskova in the summer of 1999.

Income and expenses targeted to previous accounting periods

Cooperative Tradeka Corporation's debts to Eläkekassa Tuki have in the previous years covered the most part of the Group's share of the non-covered pension liability of Eläkekassa Tuki. The remaining part of the aforementioned liability has been presented as pension liability not included in the balance sheet. In 1999, the liabilities have been entered in full as costs and debt included in pension loans. The FIM 16 million (FIM 13 million for the parent Cooperative) presented as liability not included in the Consolidated balance sheet in 1998, has been entered in extraordinary costs and the change in liability, in adjustments to the pension costs under operating costs.

Pertaining to the pension liability arrangements included in the corporate restructuring programme of Cooperative Tradeka Corporation, the State of Finland and Restel Oy have, as guarantors, paid the total sum of FIM 100 million to Eläkekassa Tuki from 1995 to 1999. The interests for remittances in 1995-1998 as specified in the surety bond conditions have in previous financial statements been entered as interest liabilities not included in the balance sheet. In the 1999 financial statements these interests have been added to the debt to the guarantors and entered as interest expenses, of which FIM 12 million for the parent Cooperative and FIM 9 million for the Group are targeted to previous accounting periods.

The total sum of FIM 64 million of deferred tax receivables has been entered as income under extraordinary income, while the sum entered for 1998 was FIM 141 million. The increase is mainly based on confirmed losses of the parent Cooperative and on depreciations remaining not deducted in taxation as well as on write-offs, of which, in accordance with special prudence, still only a fraction has been noted when adding deferred tax receivables and estimating the possibilities to utilise the tax receivables.

Deferred taxes

Deferred tax liabilities and receivables have been calculated in the consolidated financial statements spreading them between the income spreading differences between taxation and the financial statements, with 29% tax rate. The consolidated balance sheet includes the deferred tax liabilities in their entirety, and deferred tax receivables for a sum estimated exercising extreme prudence.

ACCOUNTING PRINCIPLES OF THE CONSOLIDATED FINANCIAL STATEMENTS

Scope of the Consolidated Financial Statements

The consolidated financial statements include the financial statements of Tradeka Consolidated, Restel Consolidated and Eka Real Estate Development, as well as those of the subsidiaries listed on page 34-35, and the financial statement data from the associated companies listed on page 36. Those pages also make note of individual companies that were not included.

Those subsidiaries not included in the consolidated financial statements are non-functional, and financial statement data was not received from all of the associated companies. Those that were not included have no essential effect on the consolidated result, nor on consolidated non-restricted equity.

Based on Section 6, Paragraph 1, Subsection 4 of the Accounting Act, Tradeka Group Oy has not prepared a consolidated financial statement. For that matter, preparation of a consolidated financial statement is not required by Section 11, Paragraph 10, Subsection 2 of the Companies Act.

Changes in Corporate Structure

In connection with the transfer of real estate business, Cooperative Tradeka Corporation sold the capital stocks of 33 subsidiaries and 10 real estate associated companies to Eka Real Estate Development. Of the subsidiaries sold, 27 were real estate companies and the rest are non-functional.

In early 1999, Eka Real Estate Development established three real estate subsidiaries, for which some of the real estate holdings of Cooperative Tradeka Corporation were bought. The companies founded are Asunto Oy Kantolanniemi, Kiinteistö Oy Kouvolan Valtakatu 11 and Kiinteistö Oy Hyvinkään Hämeenkatu 2-4.

During the year 1999, Eka Real Estate Development has sold the capital stocks of the following subsidiaries: Kiinteistö Oy Kvarnbacka, Asunto Oy Imatran Torkkelinkatu 7, Asunto Oy Kantolanniemi, Kiinteistö Oy Hämeenlinnan Raatihuoneenkatu 14, Savonlinnan Palvelupiste Oy, Kiinteistö Oy Suolahden Asemankatu 7, Kiinteistö Oy Kouvolan Valtakatu 11 and Kiinteistö Oy Oriveden Keskustie 34.

Rantasipi Airport Expo Oy, acquired by Restel Oy in 1998, purchased the capital stocks of 12 Rax companies at the end of the year 1999.

Tradeka Oy purchased the majority of shares in Kiinteistö Oy Siekkilän Kauppatalo (59%) as well as shares in Kiinteistö Oy Hirvensalmen Liikekeskus so that the company is now an associated company (38%).

In October 1999, Tradeka Oy sold the entire capital stock of ZAO Tradeka Moskova.

As to associated companies, shares of the capital stock of the following companies have been sold during the year 1999: Kiinteistö Oy Voima, Kiinteistö Oy Mandinkulma, Asunto Oy Jurvalankatu 2, Kiinteistö Oy Hotelli Turku and Kiinteistö Oy Sompasaaren Tuoretavaravarasto. Moreover, the company Suomen Yrityskehitys Oy Syke was finally dissolved in March 1999.

Internal Shareholding

The consolidated financial statements are based on acquisition method. A significant proportion of the subsidiaries have been established by the Corporation. The acquisition costs paid for subsidiaries exceeding their own equity are primarily stated in the fixed assets; otherwise they are stated as consolidated goodwill. The land areas in the Consolidated Balance Sheet included FIM 1.6 million of these allocations, and buildings FIM 0.3 million, while shares included FIM 4.8 million.

Internal Business Transactions and Margins

The internal business transactions between the Group companies, internal receivables and payables, as well as non-realised fixed-asset sales profits have been eliminated.

In the 1999 consolidated financial statement, internal margins totalling FIM 728 million (FIM 503 million the previous year) were eliminated, of which FIM 92 million (FIM 99 million) was from the 1990 incorporation of Restel Oy and FIM 259 million (FIM 269 million) was from the 1995 incorporation of Tradeka Oy and later fixed-asset sales. The transfer of real estate business to Eka Real Estate Development in 1999 increased the amount of internal margins to be eliminated by FIM 281 million, of which FIM 253 million remained at the end of the year. Other contributions to be eliminated, relating to the Cooperative's internal real estate sales, totalled FIM 124 million (FIM 135 million).

Minority Interests

Minority interests have been separated from the Cooperative's shareholders' equity (Cooperative Capital) and handled as a separate item.

Currency Translation Differences

Financial statement figures of foreign subsidiaries have been translated into Finnish marks by the 'monetary-non-monetary' method. The effect of the translation difference on the result is handled in the financial items.

Associated Companies

The associated companies have been consolidated using the equity method. The share of their results corresponding to the Corporation's holding is stated as an amended item in the costs of goods for the Inex Partners Group, under other operating costs for Ketjuetu Oy T & E and Palveluetu Oy T & E, and under financial items for associated real estate companies.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

NET TURNOVER

FIM million	1999	1998	99/98
Net Turnover by operation:			
Retail trade	5 111	4 996	115
Hotel and restaurant services	1 109	1 094	15
Other sales	48	116	-68
Total	**6 268**	**6 206**	**62**

Net turnover is composed mainly of domestic sales. 'Other sales' include sales amounting to FIM 27 million (FIM 90 million in the previous year) generated by companies in Russia.

OPERATING PROFIT BEFORE DEPRECIATION

FIM million	1999	1998	99/98
Operating profit before depreciation (business profit + depreciation)	**395**	**487**	**-92**

OTHER INCOME FROM OPERATIONS

FIM million	1999	1998	99/98
Rental income	75	76	-1
Profit from sales of fixed assets	52	46	6
Other income	1	1	0
Total	**128**	**123**	**5**

OPERATING COSTS

Goods

FIM million	1999	1998	99/98
Purchases during the accounting period	-4 348	-4 277	-71
Change in inventories	2	6	-4
Total	**-4 346**	**-4 271**	**-75**

Personnel Costs

FIM million	1999	1998	99/98
Wages and salaries	-611	-605	-6
Pension costs	-119	-95	-24
Other personnel costs	-73	-72	-1
Total	**-803**	**-772**	**-31**

The increase in pension costs is mainly due to revised accounting practises as regards pension liabilities.

Fringe Benefits

FIM million	1999	1998	99/98
Total	2	2	0
(not included in personnel costs)			

Wages and salaries subject to withholding tax, with fringe benefits

FIM million	1999	1998	99/98
Paid to the Presidents and the administrative body	5	4	1
Other salaries and wages	596	612	-16
Total	601	616	-15

The retirement age for the management of the Cooperative Tradeka Corporation, Tradeka Oy, Restel Oy and Eka Real Estate Oy has been set at 60.

Average number of Corporate Employees

	1999	1998	99/98
Retail trade	3 174	3 169	5
Hotel and restaurant operations	1 639	1 749	-110
Other personnel	39	37	2
Total	4 852	4 955	-103

Depreciation and Write-offs

FIM million	1999	1998	99/98
Depreciation of goodwill	-20	-21	1
Depreciation from other long-term costs	-42	-28	-14
Buildings	-33	-28	-5
Machinery and equipment	-66	-79	13
Other tangible assets	-1	-2	1
Depreciation of consolidated goodwill	0	0	0
Total	**-162**	**-158**	**-4**

Other operating costs

FIM million	1999	1998	99/98
Total costs deriving from sales	-21	-20	-1
Marketing costs	-54	-65	11
Share of associated companies' results	0	0	0
Rental costs	-257	-227	-30
Real estate costs	-85	-77	-8
Administrative costs	-76	-54	-22
Other usage and maintenance costs	-346	-352	6
Losses from sales of fixed assets	-13	-4	-9
Total	**-852**	**-799**	**-53**

FINANCIAL INCOME AND EXPENSES

FIM million	1999	1998	99/98
Income from other fixed-asset investments:			
Income from shares in other companies	3	1	2
Other interest and financial income:			
Interest income from current assets	19	24	-5
Other financial income from current assets:			
Exchange rate gains	0	1	-1
Others	0	0	0
Total interest income and other financial income	22	26	-4
Share of associated real estate companies' profits	4	0	4
Share of associated real estate companies' losses	-2	-1	-1
Share of associated real estate companies' result	2	-1	3
Interest costs	-46	-30	-16
Other financial costs:			
Conversion differences	-3	-6	3
Exchange rate losses	0	-4	4
Other financial costs	-5	-2	-3
Other financial costs, total	-8	-12	4
Interest costs and other financial costs, total	-54	-42	-12
Net financial income and costs	**-30**	**-17**	**-13**

EXTRAORDINARY ITEMS

FIM million	1999	1998	99/98
Extraordinary income:			
Proportional shares received	10	0	10
Deferred tax receivables	64	141	-77
Reduction of restructuring debt	0	5	-5
Other extraordinary income	1	10	-9
Total	75	156	-81
Extraordinary costs:			
Return from reduction of restructuring debt	-1	-6	5
Other restructuring expenses	-6	-26	20
Transfer tax	-15	0	-15
Pension liability entered as expenses 1 Jan 1999	-15	0	-15
Other extraordinary costs	-2	-3	1
Total	-39	-35	-4
Net extraordinary items	**36**	**121**	**-85**

The proportional shares were received from subsidiary companies declared bankrupt in connection with restructuring.

Transfer taxes due from internal transfer of real estate business were paid by the transferer, i.e. Cooperative Tradeka Corporation.

Other extraordinary income and costs include the effect of structural changes in the Group stemming from the sale of subsidiary companies' holdings.

TAXES INCLUDED IN THE FINANCIAL STATEMENTS

FIM million	1999	1998	99/98
Taxes for the accounting period	-2	-4	2
Change in deferred tax liability	-6	-7	1
Application of deferred tax receivables	-52	-73	21
Income taxes, total	**-60**	**-84**	**24**

NOTES TO THE CONSOLIDATED BALANCE SHEET

FIXED ASSETS

Intangible Assets 31 Dec.

FIM million	1999	1998	99/98
Immaterial rights	8	8	0
Goodwill	32	51	-19
Other long-term costs	208	143	65
Advance payments	0	20	-20
Intangible Assets, total	**248**	**222**	**26**

Immaterial rights

FIM million	1999	1998
Acquisition cost 1 Jan	8	9
Additions	0	0
Disposals; sales	0	-1
Book value 31 Dec	**8**	**8**

Goodwill

FIM million	1999	1998
Acquisition cost 1 Jan	260	260
Additions	2	0
Disposals; fully depreciated	0	0
Acquisition cost 31 Dec	262	260
Accumulated depreciation 1 Jan	-209	-188
Depreciation during the accounting period	-21	-21
Accumulated depreciation 31 Dec	-230	-209
Book value 31 Dec	**32**	**51**

Other long-term costs

FIM million	1999	1998
Acquisition cost 1 Jan	275	193
Additions	107	84
Disposals; sales	0	-2
Acquisition cost 31 Dec	382	275
Accumulated depreciation 1 Jan	-132	-106
Depreciation during the accounting period	-42	-26
Accumulated depreciation 31 Dec	-174	-132
Book value 31 Dec	**208**	**143**

Advance Payments

FIM million	1999	1998
Acquisition cost 1 Jan	20	40
Introduced	-20	-20
Book value 31 Dec	**0**	**20**

Consolidated Goodwill

FIM million	1999	1998	99/98
Acquisition cost 1 Jan	3	3	
Additions	10	0	
Disposals	0	0	
Acquisition cost 31 Dec	13	3	
Accumulated depreciation 1 Jan	-3	-3	
Depreciation during the accounting period	0	0	
Accumulated depreciation 31 Dec	-3	-3	
Book value 31 Dec.	**10**	**0**	**10**

Tangible Assets 31 Dec

FIM million	1999	1998	99/98
Land and water	69	184	-115
Buildings and plant	703	739	-36
Machinery and equipment	297	265	32
Other tangible assets	9	10	-1
Advance payments and work in progress	9	54	-45
Total	**1 087**	**1 252**	**-165**

Land and water

FIM million	1999	1998
Acquisition cost *) 1 Jan	186	211
Additions	1	17
Disposals; sales	-116	-42
Realised and refunded decreases in value	0	0
Acquisition cost 31 Dec	71	186
Accumulated decreases in value 1 Jan	-2	-2
Accumulated decreases in value of sold property	0	0
Accumulated depreciation and decreases in value 31 Dec	-2	-2
Book value 31 Dec	**69**	**184**
Land acquisition cost includes:		
*) Value appreciation 1 Jan	96	103
Cancellations	-96	-7
Value appreciation 31 Dec	0	96

Buildings and plant

FIM million	1999	1998
Acquisition cost *) 1 Jan	849	869
Additions	93	67
Disposals; sales	-96	-87
Acquisition cost *) 31 Dec	846	849
Accumulated depreciation and decreases in value 1 Jan	-110	-79
Depreciation during the accounting period	-33	-31
Accumulated depreciation and decreases in value 31 Dec	-143	-110
Book value 31 Dec	**703**	**739**
Building acquisition cost includes:		
Value appreciation 1 Jan	55	72
Cancellations	-54	-17
*) Value appreciation 31 Dec	1	55

Machinery and equipment

FIM million	1999	1998
Acquisition cost 1 Jan	575	607
Additions	101	93
Disposals; sales	-3	0
Disposals; fully depreciated	0	-125
Acquisition cost 31 Dec	673	575
Accumulated depreciation 1 Jan	-310	-374
Depreciation during the accounting period	-66	-61
Disposals; fully depreciated	0	125
Accumulated depreciation 31 Dec	-376	-310
Book value 31 Dec	**297**	**265**

Other tangible assets

FIM million	1999	1998
Acquisition cost 1 Jan	13	12
Additions	1	2
Disposals	-1	-1
Acquisition cost 31 Dec	13	13
Accumulated depreciation 1 Jan	-3	-1
Depreciation during the accounting period	-1	-2
Accumulated depreciation 31 Dec	-4	-3
Book value 31 Dec	**9**	**10**

Advance Payments and Work in Progress

FIM million	1999	1998
Acquisition cost 1 Jan	54	33
Additions	122	33
Introduced	-167	-12
Book value 31 Dec	**9**	**54**

Investments 31 Dec

FIM million	1999	1998	99/98
Shares in partly-owned companies	170	199	-29
Other investments:			
Receivables from partly-owned companies	1	0	1
Other shares and holdings	93	85	8
Other receivables	49	38	11
Other investments, total	143	123	20
Investments, total	**313**	**322**	**-9**

Shares in partly-owned companies

FIM million	1999	1998
Acquisition cost 1 Jan	200	193
Additions	8	8
Disposals; sales	-37	-1
Realised and refunded decreases in value	-1	0
Acquisition cost 31 Dec	170	200
Accumulated decreases in value 1 Jan.	-1	-1
Accumulated decreases in value of sold property	1	0
Accumulated decreases in value 31 Dec	0	-1
Book value 31 Dec	**170**	**199**

Other shares and holdings

FIM million	1999	1998
Acquisition cost 1 Jan	91	71
Additions	9	28
Disposals; sales	-1	-1
Realised and refunded decreases in value	-6	-7
Acquisition cost 31 Dec	93	91
Accumulated decreases in value 1 Jan.	-6	-13
Decreases in value entered during the period	0	0
Accumulated decreases in value of sold property	6	7
Accumulated decreases in value 31 Dec	0	-6
Book value 31 Dec	**93**	**85**

Total Shares and Holdings

FIM million	1999	1998
Acquisition costs 1 Jan	291	264
Additions	17	36
Disposals; sales	-38	-2
Realised and refunded decreases in value	-7	-7
Acquisition cost 31 Dec	263	291
Accumulated decreases in value 1 Jan.	-7	-14
Decreases in value entered during the period	0	0
Accumulated decreases in value of sold property	7	7
Accumulated decreases in value 31 Dec	0	-7
Book value 31 Dec	**263**	**284**

Receivables from Partly-Owned Companies

FIM million	1999	1998
Receivables on the nominal value 1 Jan	0	1
Amortisations	0	-1
Transfers between items	1	0
Receivables on the nominal value 31 Dec	1	0
Book value 31 Dec	**1**	**0**

Other receivables

FIM million	1999	1998
Receivables on the nominal value 1 Jan	38	37
Additions	13	8
Transfers between items	-1	0
Amortisations	-1	-7
Decreases in value: credit loss	0	0
Book value 31 Dec	**49**	**38**

CURRENT ASSETS

Stocks 31 Dec

FIM million	1999	1998	99/98
Goods	344	346	-2

Receivables 31 Dec

FIM million	1999	1998	99/98
Long-term receivables:			
Receivables from partly-owned companies	0	0	0
Loan receivables	0	6	-6
Other receivables	0	0	0
Accrued liabilities and prepaid income	4	10	-6
Total	4	16	-12
Short-term receivables:			
Accounts receivable	72	79	-7
Receivables from partly-owned companies	7	29	-22
Loan receivables	1	1	0
Other receivables	43	42	1
Accrued liabilities and prepaid income	43	45	-2
Total	166	196	-30
Receivables, total	**170**	**212**	**-42**

Long-term accrued liabilities and prepaid income include:		
Compensations in connection with l the parent company's restructuring	3	9
Social Insurance institution's compensation for employee health care costs	1	1
Other items unreceived	0	0
Total	4	10

Short-term accrued liabilities and prepaid income include:		
Unreceived annual compensations	24	24
Other unreceived expense compensations	7	3
Prepaid social security expenses	3	10
Other prepaid business expenses	1	2
Other withheld tax to be refunded	1	0
Financial yields to be received	7	6
Total	43	45

Receivables from partly-owned companies

FIM million	1999	1998	99/98
Long-term receivables:			
Loan receivables	0	0	0
Short-term receivables:			
Accounts receivable	0	0	0
Other receivables	1	1	0
Accrued liabilities and prepaid income	6	28	-22
Total	7	29	-22
Receivables Total	7	29	-22

Short-term accrued liabilities and prepaid income include:		
Unreceived annual compensations	6	28
Other unreceived expense compensations	0	0
Total	6	28

Securities held in Current Assets 31 Dec

FIM million	1999	1998	99/98
Other securities	**230**	**205**	**25**

The securities held in current assets include commercial papers that are the object of public trading.

SHAREHOLDERS' EQUITY (COOPERATIVE CAPITAL)

Restricted equity

FIM million	1999	1998
Share capital 1 Jan	51	50
Share fees	0	1
- Fees of members resigned during the year	0	0
Share capital 31 Dec	51	51
Resigned members' fees 1 Jan	3	3
+ Fees of members resigned during the year	0	0
Resigned members' fees 31 Dec	3	3
Reserve fund 1 Jan	79	85
- Previous year's funded rents	0	-6
Reserve fund 31 Dec	79	79
Revaluation fund 1 Jan	153	177
- cancelled as regards sold property	-152	-24
Revaluation fund 31 Dec	1	153
Restricted equity 31 Dec	**134**	**286**
Uncalled share capital 31 Dec	51	51

Non-Restricted Equity

FIM million	1999	1998
Other funds 1 Jan and 31 Dec	0	0
Losses from previous years 1 Jan	-870	-1 317
Transferred from the previous year's profit	349	410
From accumulated depreciation difference	0	37
Accumulated losses 31 Dec	-521	-870
Profit for the period	179	349
Non-Restricted Equity 31 Dec	**-342**	**-521**

Calculation of Distributable funds 31 Dec

FIM million	1999	1998
Non-Restricted Equity	-342	-521
- Appropriations entered as shareholders' equity *)	-64	-52
According to the Consolidated Balance Sheet	**-406**	**-573**

*) Share entered in shareholders' equity from accumulated appropriations.

STATUTORY RESERVES 31 DEC

FIM million	1999	1998	99/98
Reserves for security payments	**0**	**0**	**0**

LIABILITIES

Total Liabilities 31 Dec

FIM million	1999	1998	99/98
Total	**3 105**	**3 212**	**-107**

Deferred Tax Liability 31 Dec

FIM million	1999	1998	99/98
Total	**26**	**21**	**5**

Subordinated Loan 31 Dec

FIM million	1999	1998	99/98
Subordinated pension loans	175	224	-49
Equity loan	233	233	0
Interest-free equity loan	607	607	0
Other equity loan	14	17	-3
Total	**1 029**	**1 081**	**-52**

Other Restructuring Debt 31 Dec

FIM million	1999	1998	99/98
Long-term:			
Secured debt	533	710	-177
Long-term partitioning debt	286	386	-100
Total	819	1 096	-277
Short-term:			
Secured debt	72	108	-36
Long-term partitioning debt	96	97	-1
Short-term partitioning debt	3	3	0
Other restructuring debt	30	30	0
Total	201	238	-37
Total	**1 020**	**1 334**	**-314**

Other liabilities 31 Dec

FIM million	1999	1998	99/98
Long-term:			
Loans from financial institutions	214	58	156
Pension loans	92	97	-5
Other liabilities	100	1	99
Total	406	156	250
Short-term:			
Loans from financial institutions	4	47	-43
Pension loans	7	7	0
Prepayments	5	5	0
Accounts receivable	267	230	37
Debt to partly-owned companies	62	63	-1
Other liabilities	67	70	-3
Prepaid income and accrued liabilities	212	198	14
Total	624	620	4
Total	**1 030**	**776**	**254**

Short-term prepaid income and accrued liabilities include:		
Unpaid discounts (loyal customer payments)	127	117
Unpaid personnel costs	79	74
Other unpaid business expenses	5	7
Unpaid financial expenses	1	0
Total	212	198

Debt to partly-owned companies:			
Short-term accounts payable	62	63	-1

Subordinated Loan 31 Dec

Stabilised pension liabilities:

FIM million	1999	1998	99/98
Total	175	224	-49

Stabilised pension liabilities are described in notes to the parent company's balance sheet.

Equity loans:

FIM million	1999	1998	99/98
Equity loan	233	233	0
Interest-free equity loan	607	607	0
Total	840	840	0

Equity loans relate to Cooperative Tradeka Corporation, and they are described in notes to the parent company's balance sheet.

Other equity loan:

FIM million	1999	1998	99/98
Total	14	17	-3

The recipient of the other equity loan is Rantasipi Oy, a subsidiary of Restel Oy. The loan's conditions correspond to an equity loan as referred to in corporate law, but the Cooperative Corporation handles it in the same manner as stabilised liabilities. In Restel Consolidated the loan is included in shareholders' equity.

Other Restructuring Debt According to Due Date 31 Dec

FIM million	1999	1998
Total restructuring debt	1 020	1 334
- In short-term liabilities	-201	-238
= In long-term liabilities	819	1 096
- Payments in the next 2-5 years	-819	-1 096
Due in over 5 years	0	0

For comments on other restructuring debts, see the Notes to the Balance Sheet of the parent co-operative.

Other Long-Term Liabilities According to Due Date 31 Dec

FIM million	1999	1998
Loans from financial institutions:		
Total liabilities	218	105
- In short-term liabilities	-4	-47
= In long-term liabilities	214	58
- Payments in the next 2-5 years	-214	-58
Due in over 5 years	0	0
Pension loans:		
Total liabilities	99	104
- In short-term liabilities	-7	-7
= In long-term liabilities	92	97
- Payments in the next 2-5 years	0	-33
Due in over 5 years	92	64
Other liabilities:		
Total liabilities	100	0
- In short-term liabilities	0	0
= In long-term liabilities	100	0
- Payments in the next 2-5 years	-15	0
Due in over 5 years	85	0

In 1999, other liabilities include the debt to the guarantor of the parent's pension arrangements.

COMMITMENTS AND CONTINGENCIES 31 DEC

Mortgages on Real Estate, and Business Mortgages, Pledged as Security for Debts

FIM million	1999	1998	99/98
Loans from financial institutions	*209*	*52*	*157*
Pledged real estate mortgages	50	0	50
Pledged business mortgages	156	52	104
Pension loans	*91*	*96*	*-5*
Real estate mortgages given	62	62	0
Business mortgages given	39	39	0
*) *Secured debt*	*605*	*818*	*-213*
Pledged real estate mortgages	640	888	-248
Pledged business mortgages	717	613	104
Total mortgages pledged as security for debt	**1 664**	**1 654**	**-10**

The pledgings of Tradeka Oy's business mortgages in accordance with Cooperative Tradeka Corporation's restructuring programme, totalling FIM 118.8 million, have been implemented in December 1999. The pledgings are compensated by the Cooperative's own pledges on business mortgages totalling FIM 95.0 million.

Securities Pledged as Security for Debt

FIM million	1999	1998	99/98
Loans from financial institutions	*209*	*0*	*209*
Book value of pledged securities	23	0	23
Pension loans	*91*	*96*	*-5*
Book value of pledged securities	112	112	0
*) *Secured debt*	*605*	*818*	*-213*
Book value of pledged securities	626	682	-56
Pledged securities, total	**761**	**794**	**-33**

Other Pledges

FIM million	1999	1998	99/98
Pledged real estate mortgages	0	6	-6
*) Pledged receivables	853	1 613	-760
Total	**853**	**1 619**	**-766**

The receivables are pledged as security for secured debts of the Parent Cooperative.

*) The pledged receivable 31 Dec 1999 is from Tradeka Oy, and it is presented in the total amount of its nominal value, which is in accordance with the promissory note value, while the book value is FIM 422,0 million lower after loan payments have been made.

Pledges Made on behalf of Others

FIM million	1999	1998	99/98
Mortgaged promissory notes secured by a pledge	125	133	-8
Pledged deposits	1	8	-7
Total	**126**	**141**	**-15**

Pension Liabilities Not Entered as Costs and Debt

FIM million	1999	1998	99/98
Liabilities due from			
Pension liabilities Total	**0**	**16**	**-16**

The share of Group companies for the non-covered pension liability of Eläkekassa Tuki has been entered in 1999 totally as costs and debt included in pension loans. Based on its shareholder and guarantee undertakings, Cooperative Tradeka Corporation has, together with the other shareholders, an adhesion liability for all of Eläkekassa Tuki's non-covered pension liability.

Amounts due for Leasings Contracts

FIM million	1999	1998	99/98
To be paid the following year	3	1	2
To be paid later	4	3	1
Total	**7**	**4**	**3**

The leasing contracts are mainly 5-year contracts with no redemption clauses.

Contingent Liabilities on Behalf of Companies in the Same Group

FIM million	1999	1998	99/98
Guarantees given	**16**	**16**	**0**

Other Contingent Liabilities

FIM million	1999	1998	99/98
Guarantees on behalf of others	43	51	-8
Liability for environmental damage	7	0	7
From consolidated company's debt	26	34	-8
Interest liabilities for equity loan	131	121	10
Total	**207**	**206**	**1**

After the end of the financial period, Cooperative Tradeka Corporation has made a commitment for its part to lump-sum compensation for the environmental damage of the fuel distribution company previously partly owned by Cooperative Tradeka Corporation.

The interest liabilities relate to Cooperative Tradeka Corporation, and they are described in Notes to the Balance Sheet of the Cooperative. As of 31 Dec 1999, the sum of capital accumulating interest liability and previous interest liability equals FIM 364 million.

Tradeka Corporation

SUBSIDIARIES AS OF 31 DECEMBER 1999

	Domicile	Corporation's share %	Corporation's share of s.e.[**] FIM 1000	Shares owned by Cooperative Tradeka Corporation: Shareholding %	Shareholding no of shares	Book value FIM 1000	Inc./Dec. 1999 FIM 1000
Operative companies:							
Tradeka Group Oy	Helsinki	100	10 506	100	15	10 000	
Tradeka Oy	Helsinki	100	460 175	100	4 000	286 115	
- ZAO Renlund SPb	St. Petersburg	100	475				
- Kolmenkeikka Ki Oy	Lieksa	55	135				
- Kotkan Kirkkokatu Ki Oy	Kotka	100	7 949				
- Kuussalon Liikekeskus Ki Oy	Kangasala	60	1 730				
- Muotialantie As Oy	Tampere	58	76				
- Mäntyharjun Torinkulma Oy	Mäntyharju	71	1 184				
- Mäntän Seppälänpuistotie 7 Ki Oy	Mänttä	100	5 108				1 888
- Oulun Eka Ki Oy	Oulu	100	6 458				
- Peimarin Puoti Oy	Paimio	84	32				
- Peltosaaren Liikekeskus	Riihimäki	86	304				
- Pihlavan Palvelukeskus Ki Oy	Pori	87	474				58
- Piispankylän Mestaritie Ki Oy	Vantaa	100	40				7
- Pykälikkö Ki Oy	Jyväskylä	56	1 627				
- Sallan Kauppakeskus Oy	Salla	60	1 235				
- Salon Vanamopolku Ki Oy	Salo	100	2 199				
- Siekkilän Kauppatalo Ki Oy	Mikkeli	59	801				711
- Sodankylän Sompiontie 6 Ki Oy	Helsinki	64	3 712				
- Tampereen Eka Ki Oy	Tampere	100	15 686				
- Tenavan Ostoskeskus Oy	Lahti	92	223				20
- Tesomankeskus Ki Oy	Tampere	57	80				
- Mukkulan Ostoskeskus Oy	Lahti	52	1 247				
Restel Oy	Helsinki	100	-55 613	100	166 700	105 000	
- Restel Ravintolat Oy	Helsinki	100	872				
- Cumulus Oy	Helsinki	100	321				
- Rantasipi Oy	Helsinki	100	24 736				
- Helsingin Restel Ravintolat Oy	Helsinki	100	2 867				
- Kansainväliset Restel Ravintolat Oy	Helsinki	100	244				
- Restel Kylpylähotellit Oy	Helsinki	100	123				
- Rantasipi Airport Expo Oy	Helsinki	100	15				
- Ki Oy Koppelokuja 9 A	Kuopio	100	0				
- Ki Oy Keskusväylä Oy	Pori	54	0				
- Nastolan Liikekeskus Oy	Nastola	58	0				
Kansankulma Oy	Pori	97	634	97	5 673	250	
Merihaan Rantakuja Ki Oy	Helsinki	100	-90	100	2 000	3	
Ylä-Voima Talo Oy	Tampere	100	368	80	100	81	
Eka-kiinteistöt Oy	Helsinki	100	407 222	100		135 415	
- 22 real-estate subsidiaries		83	75 471	86	569 606	49 135	-18 486
- Savonjuoma Oy	Mikkeli	100	13	100	100	5	
- Tirkkosen Seuraajat Oy	Tampere	100	43	100	8 371	30	
Other companies, non-operative:							
[*] E-myymälät ja tavaratalot Oy	Helsinki	100	0	67	4	0	
[*] Paraisten Centrum	Parainen	100	0	100	5	0	
[*] Vähittäiskauppaketjut Oy	Helsinki	100	0	100	30	15	
[*] Yhteistukku Oy	Helsinki	67	0	67	2	0	
- ZAO Tradeka Moskova	Moscow	100	0				-338
			995 770		756 606	586 050	-16 140

[*] not included in consolidated financial statements   [**] of s.e. = of shareholders' equity

Tradeka Corporation

REAL ESTATE SUBSIDIARIES 31 DECEMBER 1999

	Domicile	Corporation's share		Shares owned by Eka Real Estate Development			
			of s.e.*)	Shareholding	no of	Book value	Inc./Dec. 1999
		%	FIM 1000	%	shares	FIM 1000	FIM 1000
Real Estate Subsidiaries of Eka Real Estate Development:							
Haminan Kiinteistö Oy	Hamina	100	5	100	10	1 541	
Helsingin Hämeentie 19 Ki Oy	Helsinki	100	25 236	100	20 000	336	
Hyvinkään Hämeenkatu 2-4 Ki Oy	Hyvinkää	100	500	100		500	
Huoltotammi Oy	Forssa	98	137	98	5 894	60	
H:linnan Hämeensaarentie 5 Ki Oy	Hämeenlinna	100	1 581	100	996	3 722	
Jokitammi Ki Oy	Jokioinen	100	1 882	100	390 000	2 779	
Karkkilan Koulukatu 10	Karkkila	88	718	59	5 920	284	
Kemin Keskuspuistok.	Kemi	100	4 763	100	50	16 620	
Kenraalintie 6 Ki Oy	Anjalankoski	100	1 079	100	2 441	759	
Keuruun Pihlajavedentie 2	Keuruu	100	275	100	1 000	64	
Kuopion Kiwikartano Ki Oy	Kuopio	61	13 697	23	12 257	1 980	
Lappeenrannan Liike- ja Hotelli Ki Oy	Lappeenranta	100	1 921	100	10 000	2 200	
Lintulahdenkallio Ki Oy	Helsinki	100	7 379	100	15 000	577	
Luukkaantori 5 Ki Oy	Lappeenranta	100	523	100	1 373	267	
Parkanon Tavaratalo Ki Oy	Parkano	100	919	100	10 000	674	
Porokoan Lomakylä Oy	Kolari	100	94	100	15 200	11	
Skutnäsinkatu 18 Ki Oy	Pietarsaari	53	77	53	185	200	
Suurlohjankatu 4-8 Ki Oy	Lohja	100	1 011	100	10 000	10 382	
Turun Kärsämäentie 8 Ki Oy	Turku	100	3 369	100	996	3 105	
Valkeakosken Apiankatu 2 Ki Oy	Valkeakoski	100	1 531	100	10 000	864	
Varkauden Kauppakatu 42-44	Varkaus	100	1 673	100	10 000	891	
Varkauden Kauppakatu 47	Varkaus	100	809	100	10 000	1 319	
H:linnan Raatihuoneenkatu 14 Ki Oy	Hämeenlinna	100	4 885	100	10 000	0	-3 724
Imatran Torkkelinkatu 7 As Oy	Imatra	100	207	100	10 000	0	-724
Kvarnbacka Ki Oy	Vantaa	100	-2 181	100	100	0	-7 816
Oriveden Keskustie 34 Ki Oy	Orivesi	100	2 012	100	10 000	0	-3 714
Savonlinnan Palvelupiste Oy	Savonlinna	100	95	100	40	0	-1 583
Suolahden Asemakatu 7 Ki Oy	Suolahti	100	1 273	81	8 144	0	-925
22 Real Estate Subsidiaries		83	75 471	86	569 606	49 135	-18 486

*) of s.e. = of shareholders' equity

Tradeka Corporation

ASSOCIATED COMPANIES AS OF 31 DECEMBER 1999

	Domicile	Corporation's share		Shares owned by Cooperative Tradeka Corporation			
			of s.e.[**]	Shareholding		Book value	Inc./dec. 1999
		%	FIM 1000	%	no. of shares	FIM 1000	FIM 1000
Inex Partners Oy	Helsinki	50	113 987	50	40 000	67 000	
Kantava Oy	Helsinki	37	2 060	37	146 997	2 227	
Palveluetu Oy T & E	Helsinki	50	1 503	50	333	1 473	
Eka Real Estate Development's Associated Real Estate Companies							
Kasperin Liiketalo Oy [*]	Seinäjoki	50	51	50	50	20	
Kauppalantie 22 As Oy	Helsinki	21	98	21	28	900	
Lapinmaan Ki Oy	Rovaniemi	50	3 427	50	30	17 544	
Sompasaaren Tukoeka Ki Oy	Helsinki	34	6 307	34	38	19 375	
Suomen Yrityskehitys Syke	Helsinki	25	1 179	25	5 250		-1 068
Hotelli Turku Ki Oy	Turku	50	24 996	50	2 967		-20 000
Mandinkulma Ki Oy	Seinäjoki	24	310	24	1 454		-2 900
Sompasaaren Tuoretuotevar. Ki Oy	Helsinki	33	4	33	546		-5
Voima Ki Oy	Tampere	35	548	35	110		-8 980
Tradeka Oy's Associated Real Estate Companies	**38 companies**						
Restel Oy's Associated Real Estate Companies	**10 companies**						
Associated companies, total					197 803	108 539	-32 953

[*] the company is included in the Consolidated Financial Statements under acquisition cost

[**] of s.e. = of shareholders' equity

Cooperative Tradeka Corporation

INCOME STATEMENT 1 JAN TO 31 DEC 1999

FIM million	1999	1998	99/98
Net turnover	**18**	**8**	**10**
Other income from operations	2	149	-147
Operating costs:			
Goods	-3	-1	-2
Personnel costs	-24	-12	-12
Depreciation and value adjustments	-0	-8	8
Other operating costs	-9	-91	82
Total	-36	-112	76
Operating loss	**-16**	**45**	**-61**
Financial income and expenses	27	72	-45
Profit before extraordinary items	**11**	**117**	**-106**
Extraordinary items	366	36	330
Profit before appropriations and taxes	**377**	**153**	**224**
Income taxes	0	0	0
Surplus for the financial period	**377**	**153**	**224**

Cooperative Tradeka Corporation

BALANCE SHEET 31 DECEMBER 1999

Assets

	FIM million			% of Balance Sheet	
	1999	1998	99/98	1999	1998
Fixed assets:					
Intangible assets	0	2	-2	0.0	0.1
Tangible assets	0	358	-358	0.0	13.7
Investments:					
Shares in group undertakings	237	143	94	9.4	5.5
Other investments	1 974	1 757	217	78.3	67.4
Fixed assets, total	**2 211**	**2 260**	**-49**	**87.7**	**86.8**
Current assets:					
Stocks	0	3	-3	0.0	0.1
Receivables	175	121	54	7.0	4.6
Short-term investments	34	80	-46	1.3	3.1
Cash and bank	102	141	-39	4.0	5.4
Current assets, total	**311**	**345**	**-34**	**12.3**	**13.2**
Assets, total	**2 522**	**2 605**	**-83**	**100.0**	**100.0**

Shareholders' Equity and Liabilities

	FIM million			% of Balance Sheet	
	1999	1998	99/98	1999	1998
Shareholders' Equity:					
Share capital (Cooperative capital)	50	50	0	2.0	1.9
Resigned members' fees	4	4	0	0.1	0.1
Revaluation reserve	27	179	-152	1.1	6.9
Contingency fund	79	79	0	3.2	3.1
Deficit from previous years	-198	-351	153	-7.9	-13.5
Surplus for the year	377	153	224	15.0	5.9
Shareholders' equity (Cooperative equity), total	**340**	**114**	**226**	**13.5**	**4.4**
Statutory reserves	**0**	**0**	**0**	**0.0**	**0.0**
Liabilities:					
Subordinated restructuring debt	1 015	1 084	-69	40.2	41.6
Other restructuring debt	1 020	1 334	-314	40.4	51.2
Other liabilities	147	73	74	5.8	2.8
Liabilities, total	**2 182**	**2 491**	**-309**	**86.5**	**95.6**
Liabilities and shareholders' equity, total	**2 522**	**2 605**	**-83**	**100.0**	**100.0**

Cooperative Tradeka Corporation

CASH FLOW STATEMENT 1 JAN TO 31 DEC 1999

FIM million	1999	1998
BUSINESS OPERATIONS:		
Operating loss	-16	45
Corrections to operating loss	0	-1
Financial income and expenses	27	72
Extraordinary items	366	35
Taxes	0	0
Funds from operations	377	151
Decrease in stocks	3	1
Increase in current receivables	-18	-44
Increase in current interest-free liabilities	1	17
Change in working capital	-14	-26
Cash Flow from Business Operations	**363**	**125**
INVESTMENTS:		
Fixed assets	-135	-47
Decrease in fixed assets	337	90
Net investments	202	43
Cash Flow before Financing	**565**	**168**
FINANCING:		
Increase in long-term liabilities	118	0
Payment of long-term liabilities	-427	-354
Increase in income from investments	-1 513	0
Decrease in income from investments	1 172	126
Increase in share capital (cooperative capital)	0	0
Cash Flow from financing	-650	-228
Decrease in liquid funds	**-85**	**-60**

Cooperative Tradeka Corporation

NOTES TO THE INCOME STATEMENT

NET TURNOVER

FIM million	1999	1998	99/98
Current assets from sales of securities	8.4	0.0	8.4
Sales of management services	9.6	8.2	1.4
Net Turnover total	**18.0**	**8.2**	**9.8**

OTHER INCOME FROM OPERATIONS

FIM million	1999	1998	99/98
Rental income	0.0	99.1	-99.1
Profit from sales of fixed assets	1.9	49.0	-47.1
Dividends from shares of current assets	0.0	0.2	-0.2
Other income	0.0	0.2	-0.2
Total	**1.9**	**148.5**	**-146.6**

OPERATING PROFIT BEFORE DEPRECIATION

FIM million	1999	1998	99/98
Operating profit before depreciation (business profit + depreciation)	**-15.9**	**53.4**	**-69.3**

OPERATING COSTS

Goods (shares in current assets)

FIM million	1999	1998	99/98
Purchases during the accounting period	0.0	0.0	0.0
Change in inventories	-3.4	-0.8	-2.6
Total	**-3.4**	**-0.8**	**-2.6**

Personnel Costs

FIM million	1999	1998	99/98
Wages and salaries	-4.8	-7.8	3.0
Pension costs	-18.9	-3.6	-15.3
Other personnel costs	-0.3	-0.4	0.1
Total	**-24.0**	**-11.8**	**-12.2**

The increase in pension costs is due to revised accounting practises as regards pension liabilities.

Value of Fringe Benefits comparable to remuneration

FIM million	1999	1998	99/98
Total	0.1	0.3	-0.2
(not included in personnel costs)			

Wages and salaries subject to withholding tax, with fringe benefits

FIM million	1999	1998	99/98
Paid to administrative bodies and President	2.5	2.6	-0.1
Other salaries and wages	2.4	3.0	-0.6
Total	4.9	5.6	-0.7

The retirement age for the President has been set at 60.

Average number of Corporate Employees

	1999	1998	99/98
Corporate administration and management	6	6	0
Real estate administration (Eka Real Estate Development)	-	11	-11
Total	6	17	-11

Depreciation and Write-offs

FIM million	1999	1998	99/98
Other long-term costs	0.0	0.0	0.0
Buildings	0.0	-7.6	7.6
Machinery and equipment	-0.0	-0.2	0.2
Other tangible assets	0.0	-0.5	0.5
Total	**-0.0**	**-8.3**	**8.3**

Other operating costs

FIM million	1999	1998	99/98
Total credit losses deriving from sales	0.5	0.5	0.0
Marketing costs	0.0	-0.1	0.1
Rental costs	-2.8	-50.3	47.5
Real estate costs	0.0	-23.1	23.1
Administrative costs	-4.0	-7.6	3.6
Other usage and maintenance costs	-2.0	-6.6	4.6
Losses from sales of fixed assets	-0.1	-3.6	3.5
Total	**-8.4**	**-90.8**	**82.4**

Voluntary social costs are included in administrative costs, in 1998 financial statements they were presented as separate item under other costs of business operations.

FINANCIAL INCOME AND EXPENSES

FIM million	1999	1998	99/98
Income from shares in partly-owned companies	3.2	3.2	0.0
Income from other fixed-asset investments:			
Income from shares in other companies	0.0	0.7	-0.7
Interest income from investments:			
from companies in the same corporation	61.8	84.7	-22.9
from external parties	5.1	6.1	-1.0
Interest and other financial income total	70.1	94.7	-24.6
Interest expenses:			
to companies in the same corporation	-6.9	0.0	-6.9
to external parties	-36.2	-22.5	-13.7
Interest expenses total	-43.1	-22.5	-20.6
Net financial income and expenses	**27.0**	**72.2**	**-45.2**

Interest expenses to companies in the same corporation include FIM 3.3 million worth of assets entered in interest liabilities in 1995-1998.
A 3% (2% in the previous year) annual interest has been paid in accordance with the restructuring programme for secured debts.

Total dividends and other income from shares	3.2	3.9	-0.7
Total interest income	66.9	90.8	-23.9

EXTRAORDINARY ITEMS

FIM million	1999	1998	99/98
Extraordinary income:			
Group contributions received	119.3	60.4	58.9
Proportional shares received	10.5	0.3	10.2
Sales profits inside the corporation	271.3	0.0	271.3
Reduction of restructuring debt	0.5	4.9	-4.4
Other extraordinary income	0.1	1.4	-1.3
Total extraordinary income	401.7	67.0	334.7
Extraordinary costs:			
Return from reduction of restructuring debt	-0.8	-5.5	4.7
Other restructuring expenses	-6.2	-26.1	19.9
Transfer tax from transfers inside the corporation	-15.2	0.0	-15.2
Pension liability entered as expenses 1 Jan 1999	-13.2	0.0	-13.2
Other extraordinary costs	-0.0	-0.0	0.0
Total extraordinary costs	-35.4	-31.6	-3.8
Net extraordinary items	**366.3**	**35.4**	**330.9**

As to Group contributions, FIM 103.0 million were granted by Restel Oy and FIM 16.3 million by Eka Real Estate Development. The proportional shares came from subsidiary companies declared bankrupt.
Sales profits inside the corporation are related to the transfer of real estate business to Eka Real Estate Development. The transfer taxes incurred (FIM 15.2 million) were paid by the seller, Cooperative Tradeka Corporation.
Extraordinary costs include the share of the non-covered pension liability of Eläkekassa Tuki, presented as pension liability in the previous year. Most of the share of the non-covered pension liability of Eläkekassa Tuki was included in “Stabilised Pension Liability” in the Balance Sheet in previous years.

Cooperative Tradeka Corporation

NOTES TO THE BALANCE SHEET

FIXED ASSETS

Intangible Assets 31 Dec.

FIM million	1999	1998	99/98
Immaterial rights	0.0	2.2	-2.2
Other long-term costs	0.0	0.0	-0.0
Total	**0.0**	**2.3**	**-2.3**

Immaterial rights

FIM million	1999	1998
Acquisition cost 1 Jan	2.2	2.7
Disposals; sales	-2.2	-0.5
Book value 31 Dec	**0.0**	**2.2**

Other long-term costs

Mmk	1999	1998
Acquisition cost 1 Jan	0.3	2.1
Disposals; sales	0.0	-1.8
Acquisition cost 31 Dec	0.3	0.3
Accumulated depreciation 1 Jan	-0.3	-0.3
Depreciation during the accounting period	0.0	-0.0
Accumulated depreciation 31 Dec	-0.3	-0.3
Book value 31 Dec	**0.0**	**0.0**

Tangible Assets 31 Dec

FIM million	1999	1998	99/98
Land and water	0.0	112.7	-112.7
Buildings and plant	0.0	209.0	-209.0
Machinery and equipment	0.0	0.4	-0.4
Other tangible assets	0.3	1.1	-0.8
Advance payments and work in progress	0.0	34.7	-34.7
Total	**0.3**	**357.9**	**-357.6**

Land and water

FIM million	1999	1998
Acquisition cost *) 1 Jan	114.9	125.0
Disposals; sales	-112.7	-10.1
Realised and refunded decreases in value	-2.2	-0.0
Acquisition cost 31 Dec	-0.0	114.9
Accumulated decreases in value 1 Jan	-2.2	-2.2
Accumulated decreases in value of sold property	2.2	0.0
Accumulated decreases in value 31 Dec	0.0	-2.2
Book value 31 Dec	**0.0**	**112.7**

Land includes:		
*) Value appreciation 1 Jan	96.0	102.9
Disposals	-96.0	-6.9
Value appreciation 31 Dec	0.0	96.0

Buildings and plant

FIM million	1999	1998
Acquisition cost *) 1 Jan	234.3	290.1
Additions	0.0	7.0
Disposals; sales	-209.0	-62.8
Disposals; accumulated depreciation of sold property	-25.3	0.0
Acquisition cost 31 Dec	0.0	234.3
Accumulated depreciation 1 Jan	-25.3	-17.7
Depreciation during the accounting period	0.0	-7.6
Accumulated depreciation of sold property	25.3	0.0
Accumulated depreciation 31 Dec	0.0	-25.3
Book value 31 Dec	**0.0**	**209.0**

Buildings include:		
*) Value appreciation 1 Jan	54.8	71.8
Disposals	-54.8	-17.0
Value appreciation 31 Dec	0.0	54.8

Machinery and equipment

FIM million	1999	1998
Acquisition cost 1 Jan	1.0	0.7
Additions	0.0	0.3
Disposals; sales	-0.4	0.0
Disposals; accumulated depreciation of sold property	-0.6	0.0
Acquisition cost 31 Dec	-0.0	1.0
Accumulated depreciation 1 Jan	-0.6	-0.4
Depreciation duringthe accounting period	-0.0	-0.2
Accumulated depreciation of sold property	0.6	0.0
Accumulated depreciation 31 Dec	-0.0	-0.6
Book value 31 Dec	**0.0**	**0.4**

Other tangible assets

FIM million	1999	1998
Acquisition cost 1 Jan	2.0	2.0
Additions	0.0	0.0
Disposals; sales	-0.8	0.0
Disposals; accumulated depreciation of sold property	-0.9	0.0
Acquisition cost 31 Dec	0.3	2.0
Accumulated depreciation 1 Jan	-0.9	-0.4
Depreciation during the accounting period	0.0	-0.5
Accumulated depreciation of sold property	0.9	0.0
Accumulated depreciation 31 Dec	0.0	-0.9
Book value 31 Dec	**0.3**	**1.1**

Advance payments and work in progress

FIM million	1999	1998
Acquisition cost 1 Jan	34.7	10.4
Additions	0.0	24.3
Disposals; sales	-34.7	0.0
Book value 31 Dec	**0.0**	**34.7**

Investments 31 Dec

FIM million	1999	1998	99/98
Shares in the Same Corporation	237.1	143.3	93.8
Other investments:			
Receivables from companies in the same corporation	1 871.2	1 568.4	302.8
Shares in partly-owned companies	67.0	113.1	-46.1
Other shares and holdings	0.0	41.2	-41.2
Other receivables	35.6	34.0	1.6
Other investments total	1 973.8	1 756.7	217.1
Total	**2 210.9**	**1 900.0**	**310.9**

Shares in the Same Corporation

FIM million	1999	1998
Acquisition cost 1 Jan	242.7	305.5
Additions	135.4	0.0
Disposals	-41.6	-38.2
Realised and refunded decreases in value	-47.2	-24.6
Acquisition cost 31 Dec	289.3	242.7
Accumulated decreases in value 1 Jan	-99.4	-124.0
Accumulated decreases in value of sold property	47.2	24.6
Accumulated decreases in value 31 Dec	-52.2	-99.4
Book value 31 Dec	**237.1**	**143.3**

Shares in partly-owned companies

FIM million	1999	1998
Acquisition cost 1 Jan	114.0	114.8
Disposals; sales	-46.2	-0.6
Realised and refunded decreases in value	-0.8	-0.3
Acquisition cost 31 Dec	67.0	114.0
Accumulated decreases in value 1 Jan	-0.8	-1.1
Returns from decreases in value	0.8	0.3
Accumulated decreases in value 31 Dec	0.0	-0.8
Book value 31 Dec	**67.0**	**113.1**

Other shares and holdings

FIM million	1999	1998
Acquisition cost 1 Jan	46.9	38.6
Additions	0.0	15.7
Disposals; sales	-41.2	0.0
Realised and refunded decreases in value	-5.7	-7.4
Acquisition cost 31 Dec	0.0	46.9
Accumulated decreases in value 1 Jan	-5.7	-13.1
Accumulated decreases in value of sold property	5.7	7.4
Accumulated decreases in value 31 Dec	-0.0	-5.7
Book value 31 Dec	**0.0**	**41.2**

Total Shares and Holdings

FIM million	1999	1998
Acquisition cost 1 Jan	403.6	458.9
Additions	135.4	15.7
Disposals	-129.0	-38.8
Realised and refunded decreases in value	-53.7	-32.3
Acquisition cost 31 Dec	356.3	403.6
Accumulated decreases in value 1 Jan	-105.9	-138.2
Accumulated decreases in value of sold property	52.9	32.0
Refunded decreases in value	0.8	0.3
Accumulated decreases in value 31 Dec	-52.2	-105.9
Book value 31 Dec	**304.1**	**297.6**

Receivables from companies in the same corporation

FIM million	1999	1998
Receivables on the nominal value1 Jan	1 819.3	1 940.5
Additions	1 511.0	0.0
Amortisations and sales	-1 172.2	-118.1
Transfers to current assets	-36.0	0.0
Realised and refunded decreases in value	-160.9	-3.1
Receivables on the nominal value31 Dec	1 961.2	1 819.3
Accumulated decreases in value 1 Jan	-250.9	-254.0
Accumulated decreases in value of sold property	160.9	3.1
Accumulated decreases in value 31 Dec	-90.0	-250.9
Book value 31 Dec	**1 871.2**	**1 568.4**

Receivables from Partly-Owned Companies

FIM million	1999	1998
Receivables on the nominal value 1 Jan	0.0	-1.3
Amortisations	0.0	1.3
Book value 31 Dec	**0.0**	**0.0**

Other receivables

FIM million	1999	1998
Receivables on the nominal value1 Jan	34.0	40.8
Additions	1.6	0.0
Amortisations	0.0	-6.8
Book value 31 Dec	**35.6**	**34.0**

CURRENT ASSETS

Stocks 31 Dec

FIM million	1999	1998	99/98
Shares	0.0	3.4	-3.4

Receivables 31 Dec

FIM million	1999	1998	99/98
Long-term receivables:			
Loans receivable	0.0	5.8	-5.8
Receivables from companies in the same corporation	36.0	0.0	36.0
Accrued liabilities and prepaid income	0.0	8.6	-8.6
Long-term receivables total	36.0	14.4	21.6
Short-term receivables:			
Accounts receivable	0.0	2.9	-2.9
Receivables from companies in the same corporation	127.1	89.2	37.9
Receivables from partly-owned companies	0.0	0.3	-0.3
Loans receivable	0.2	0.3	-0.1
Other receivables	0.7	0.0	0.7
Accrued liabilities and prepaid income	11.5	13.8	-2.3
Short-term receivables total	139.5	106.6	32.9
Receivables total	**175.5**	**121.0**	**54.5**

Long-term accrued liabilities and prepaid income are unreceived interest compensations and other compensations related to the restructuring programme.

Short-term accrued liabilities and prepaid income include:

Unreceived expense compensations	1.7	7.4
Prepaid social expenses	0.4	0.0
Other prepaid expenses	0.0	0.1
Unreceived financial yields	9.4	6.3
Total	11.5	13.8

Receivables from Companies in the Same Corporation

FIM million	1999	1998	99/98
Long-term receivables:			
Other receivables	36.0	0.0	36.0
Short-term receivables:			
Accounts receivable	0.0	14.3	-14.3
Other receivables	127.1	74.9	52.2
Short-term receivables total	127.1	89.2	37.9
Total	163.1	89.2	73.9

Unpaid group contributions are included in other receivables. The long-term group contribution receivable 31 Dec 1998 (FIM 40 million) is included in investment receivables in previous year's figures.

Receivables from Partly-Owned Companies

FIM million	1999	1998	99/98
Long-term receivables:			
Loans receivable	0.0	0.3	-0.3
Short-term receivables:			
Accounts receivable	0.0	0.1	-0.1
Total	0.0	0.3	-0.3

Securities Held in Current Assets 31 Dec

FIM million	1999	1998	99/98
Other securities	**33.7**	**80.3**	**-46.6**

Securities held in current assets consist of commercial papers that are the object of public trading.

SHAREHOLDERS' EQUITY (COOPERATIVE CAPITAL)

Restricted Equity

FIM million	1999	1998
Share capital 1 Jan	50.1	49.9
Share fees	0.3	0.3
- Fees of members resigned during the year	-0.1	-0.1
Share capital 31 Dec	50.3	50.1

All holders of cooperative capital shares have equal voting rights and the right to return of surplus.

Resigned members' fees 1 Jan	3.6	3.5
+ Fees of members resigned jduring the year	0.1	0.1
Resigned members' fees 31 Dec	3.7	3.6
Reserve fund 1 Jan and 31 Dec	79.5	79.5
Revaluation fund 1 Jan	179.1	203.1
- Cancelled in connection with completed sales	-152.1	-24.0
Revaluation fund 31 Dec	27.0	179.1
Restricted Equity 31 Dec	**160.5**	**312.3**
Uncalled share capital	50.8	50.9

Non-restricted Equity

FIM million	1999	1998
Deficit from previous years 1 Jan	-350.8	-637.4
Transferred from the previous year's profit	152.5	286.6
Accumulated deficit from previous years 31 Dec	-198.3	-350.8
Surplus for the year	377.4	152.5
Non-restricted Equity 31 Dec	**179.1**	**-198.3**

Statutory Reserves 31 Dec

FIM million	1999	1998	99/98
Total	**0.4**	**0.4**	**0.0**

Statutory reserves consist of potential security payments based on agreement.

LIABILITIES

Liabilities total 31 Dec

FIM million	1999	1998	99/98
Total	**2 182.2**	**2 490.7**	**-308.5**

Subordinated loan 31 Dec

FIM million	1999	1998	99/98
Subordinated pension loans	174.7	243.5	-68.8
Equity loan	233.0	233.3	-0.3
Interest-free equity loan	607.3	607.1	0.2
Total	**1 015.0**	**1 083.9**	**-68.9**

Other Restructuring Debt 31 Dec

FIM million	1999	1998	99/98
Long-term:			
Secured debt	532.9	710.4	-177.5
Long-term partitioning debt	286.4	385.9	-99.5
Total	819.3	1 096.3	-277.0
Short-term:			
Secured debt	72.1	107.7	-35.6
Long-term partitioning debt	95.5	97.3	-1.8
Short-term partitioning debt	2.8	3.0	-0.2
Other restructuring debt	30.0	30.0	0.0
Total	200.4	238.0	-37.6
Other restructuring debt total	**1 019.7**	**1 334.3**	**-314.6**

Other Liabilities 31 Dec

FIM million	1999	1998	99/98
Long-term:			
Debt to companies in the same corporation	32.7	0.0	32.7
Other liabilities	84.9	0.0	84.9
Total	117.6	0.0	117.6
Short-term:			
Loans from financial institutions	0.0	44.0	-44.0
Prepayments	0.0	0.3	-0.3
Accounts receivable	0.7	4.7	-4.0
Debt to companies in the same corporation	27.5	19.6	7.9
Debt to partly-owned companies	0.0	0.1	-0.1
Other liabilities	0.4	0.6	-0.2
Prepaid income and accrued liabilities	1.3	3.2	-1.9
Total	29.9	72.5	-42.6
Other Liabilities total	**147.5**	**72.5**	**75.0**

Short-term prepaid income and accrued liabilities include:

Unpaid personnel costs	0.6	2.0
Other unpaid business expenses	0.7	1.2
Prepaid income and accrued liabilities total	1.3	3.2

Debt to Companies in the Same Corporation

FIM million	1999	1998	99/98
Other long-term liabilities	32.7	0.0	32.7
Short-term:			
Accounts receivable	0.2	0.3	-0.1
Other liabilities	27.3	19.3	8.0
Prepaid income and accrued liabilities	0.0	0.0	-0.0
Total	27.5	19.6	7.9
Total	60.2	19.6	40.6

Debt to Partly-Owned Companies

FIM million	1999	1998	99/98
Short-term accounts payable	0.0	0.1	-0.1

Subordinated loan

Stabilised Pension Liabilities 31 Dec

FIM million	1999	1998
Stabilised debt to Eläkekassa Tuki	174.7	171.5
Debts to guarantors of pension policy in other liabilities		72.0
Total	174.7	243.5

In accordance with the promissory note signed in 1994, Eläkekassa Tuki granted a loan of FIM 181.9 million to the Cooperative Tradeka Corporation on the condition that repayment of the loan and payment of interest can take place on the basis of the Cooperative's confirmed financial statement and confirmed consolidated financial statement, and within the framework of the unrestricted equity indicated by them. Loan repayment must not jeopardise payments under the payment plan. In addition, other terms of the loan state that other stabilised loans take precedence over this one.

The liabilities based on the guarantees and counter-guarantee agreements for Restel Oy and Tradeka Oy by the State of Finland and certain creditor banks connected with the loan granted by Eläkekassa Tuki cover the compliance of the conditional amortisation plan included in the stabilised loan during the time of the debtor's restructuring programme. The maximum liability has been set at FIM 194.2 million and the guarantees are valid only during the debtor's restructuring programme, not in case of the debtor going bankrupt. By virtue of the guarantee, the guarantors receive on the basis of their payments a recessive right, which is deferred until 2004. Interest is calculated, as per the loan agreement, at 8% and counted as recessive balance. The maximum amount of liabilities of providers of the counter-guarantee agreement is limited to the total amount of the guarantor banks, FIM 53.945 million. In other respects, obligations and rights that apply to the guarantors also apply to the providers of the counter-guarantee agreement.

The maximum capitalised value of the recessive liability was calculated at FIM 61.6 million when the promissory note and guarantees were made; this figure was booked in the 1994 financial statement as stabilised recessive liability. At that time, the stabilised pension loans of FIM 243.5 million in the Notes to the Balance Sheet covered stabilised principal of FIM 181.9 million and a FIM 61.6 million calculable equity of recessive liability.

During 1999, guarantors have, on behalf of the Cooperative, paid Eläkekassa Tuki FIM 27.5 million, making a cumulative total of FIM 99.5 million for 1995-99; of this, the subsidiary Restel Oy paid FIM 27.7 million as the provider of the counter-guarantee agreement (FIM 23.9 million at the end of the previous year). Liability for interest relating to the payments totalled FIM 18.0 million as of 31 December 1999 (FIM 15.5 million the previous year).

In 1999 Financial Statements, Stabilised Pension Liabilities include Cooperative Tradeka Corporation's share of the the non-covered pension liability of Eläkekassa Tuki in full, and the cecessive liabilities related to guarantees are included in long-term liabilities in other liabilities, capitalised with the interst accumulated from 1995 to 1999.

Equity loans 31 Dec

FIM million	1999	1998	99/98
Equity loan	233.0	233.3	-0.3
Interest-free equity loan	607.3	607.1	0.2
Total	840.3	840.4	-0.1

As part of the liability arrangement connected with Cooperative Tradeka Corporation's restructuring programme, the liability creditors had the opportunity to convert part of the receivables that were to be cut during restructuring, into an equity loan conditional on shareholders' equity. Separate promissory notes were not drawn up with the loans, partly because the agreed action for recovery, and especially the payments in lieu of performance based on the guarantees, have changed the liability-creditor structure. Drafts of promissory notes for equity loans are included in the restructuring program agreement. Equity loans were neither increased nor amortised during 1999.

Equity loan:

According to the terms of the equity loan, if the receiver of the loan should go bankrupt or the Cooperative be dissolved, the loan receivables have a lower priority than the interest-free equity loans intended in the restructuring program, and than the loan receiver's other liabilities, within the exception of equity loans taken out later. Otherwise the loan principal can be repaid only if the Cooperative has full cover on the share capital on the basis of the confirmed balance sheet and consolidated balance sheet of the previous accounting period, or if otherwise specified by the law.

According to the restructuring program, an annual interest rate (five years' market rate + 2%) will be capitalised on the loan until the due date. The principal will be paid before the interest. In the financial statement, the interest has been booked as liability for interest outside the balance sheet. In 1999 the liability for interest has been calculated on the basis of a 6.4% annual interest rate for both the principal and the previous years' liability for interest. Increase in the liability for interest in 1999 was FIM 22 million and the total liability was FIM 131 million.

Interest-free Equity Loan:

The conditions for an interest-free equity loan correspond to those for an equity loan, except for the priority and interest conditions.

Other Restructuring Debt According to Due Date

Secured Debts 31 Dec

FIM million	1999	1998
Total debts	605.0	818.1
- In short-term liabilities	-72.1	-107.7
= In long-term liabilities	532.9	710.4
- Amortisations in the next 2-5 years	-532.9	-710.4
Due in over five years	0.0	-0.0

Secured debts consist of debts to be amortised on a straight-line basis between 1996 and 2003 in accordance with the restructuring program, as well as debts that must be paid back in real estate realisations.

In accordance with the restructuring programme, the yearly consumer price index bound interest rate for 1999 was 3% (2% the previous year).

Long-term Partitioning debt 31 Dec

FIM million	1999	1998
Total debts	381,9	483,2
- In short-term liabilities	-95,5	-97,3
= In long-term liabilities	286,4	385,9
- Amortisations in the next 2-5 years	-286,4	-385,9
Due in over five years	-0,0	-0,0

The long-term partitioning debt will be amortised on a straight-line basis between 1998 and 2003. There is no interest on the debt.

Short-Term Partitioning Debt

FIM 3 million remains of the short-term partitioning debt (FIM 3 million the previous year), partly because of missing payment information. According to the program, the debt was to be amortised on a straight-line basis between 1994 and 1997. There is no interest on the debt.

Other Restructuring Debt:
Future Convertible bonds of Subsidiaries

The Cooperative Tradeka Corporation has subscribed and paid for the FIM 10 million in convertible bonds that were issued by Tradeka Oy and Restel Oy, and subscribed for the convertible bonds of Eka Real Estate Development in early 1999 in connection with its incorporation. The convertible bonds will be handed over to the Cooperative's secured creditors in accordance with the restructuring program as payment for the FIM 30 million in restructuring debts.

Creators of secured debt have the right to convert the convertible bonds of Tradeka Oy and Restel Oy into shares, provided that the terms defined in the restructuring program, which relate to the profitability of business operations, cash flow from business operations and investments, are not met.

If the convertible bonds are converted into shares, they will grant the shareholder an approximately 75% share of votes and ownership in the mentioned companies.

Other Long-Term Liabilities According to Due Date

Loans from Financial Institutions 31 Dec

FIM million	1999	1998
Total debts	0.0	44.0
- In short-term liabilities	0.0	-44.0
= In long-term liabilities	0.0	0.0

Long-term Debts to Companies in the Same Corporation 31 Dec

Debt to provider of counter-guarantee agreement of pension liability arrangements

FIM million	1999
Guarantor's payments from 1995 to 1999 incl. prev. stabilised pension liability	27.7
Interests accrued from 1995 to 1998 previously incl. in interest liabilities, not incl. in the Balance Sheet	3.3
Interest for 1999	1.7
Total debts	32.7
- In short-term liabilities	0.0
= In long-term liabilities	32.7
- Amortisations in the next 2-5 years recessive right begins on 1 Jan 2004	-32.7
Due in over five years	0.0

Other Long-Term Liabilities 31 Dec

Debt to guarantor pension arrangements

FIM million	1999
Guarantor's payments from 1995 to 1999 incl. prev. in stabilised pension, liability	71.9
Interests accrued from 1995 to 1998 previously incl. in interest liabilities, not incl. in the Balance Sheet	8.6
Interest for 1999	4.4
Total debts	84.9
- In short-term liabilities	0.0
= In long-term liabilities	84.9
- Amortisations in the next 2-5 years recessive right begins on 1 Jan 2004	-84.9
Due in over five years	0.0

OTHER NOTES

COMMITMENTS AND CONTINGENCIES 31 DEC

Real Estate Mortgages and Business Mortgages Pledged as Security for Debt

FIM million	1999	1998	99/98
*Secured debts *)*	*605.0*	*818.0*	*-213.0*
Pledged real estate mortgages	0.0	325.5	-325.5
Pledged business mortgages	608.0	613.0	-5.0
Total mortgages pledged	**608.0**	**938.5**	**-330.5**

The real estate property mortgaged at the end of 1998, totalling FIM 325.5 million, has been transferred to Eka Real Estate Development on 4 January 1999 in connection with the real estate business transfer.

*) Securities Pledged as Security for Debt

FIM million	1999	1998	99/98
Book value of shares pledged	**158.3**	**177.4**	**-19.1**

The securities are pledged as security for secured debts.
Of the securities pledged at the end of 1998, FIM 19.0 million have been transferred to Eka Real Estate Development.

*) Other Pledges

FIM million	1999	1998	99/98
Receivables pledged	**852.6**	**1 604.3**	**-751.7**

The amounts that have been pledged in security by Tradeka Oy are presented in the total at their nominal values, which are in accordance with the promissory note values, while the book value is FIM 422.0 million lower after loan payments have been made.
Receivables pledged at the end of 1998, totalling FIM 751.7 million, have been transferred to Eka Real Estate Development on 4 January 1999 in connection with the real estate business transfer.

Pledges Made on Behalf of Companies in the Same Corporation

FIM million	1999	1998	99/98
Mortgaged pledge notes	**0.0**	**5.0**	**-5.0**

Assets pledged at the end of 1998, totalling FIM 5.9 million, have been transferred to Eka Real Estate Development.

Pledges Made on Behalf of Others

FIM million	1999	1998	99/98
Mortgaged pledge notes	0.0	0.8	-0.8
Pledged securities	0.5	7.6	-7.1
Total	**0.5**	**8.4**	**-7.9**

Assets pledged at the end of 1998, totalling FIM 0.8 million, have been transferred to Eka Real Estate Development.

Pension Liability Not Entered as Costs and Debt 31 Dec

FIM million	1999	1998	99/98
Pension liability	**0.0**	**13.2**	**-13.2**

As required by the restructuring programme, the non-covered pension liability of Eläkekassa Tuki was booked in 1994 as costs and debt; FIM 243.5 million corresponds to the stabilised pension liability (see page 45). The cost and debt entry carried out was sufficient until 1998 for Cooperative Tradeka Corporation to cover the calculated pension liability, as well as other items connected to recessive liability, except interest liabilities.
In 1999, Cooperative Tradeka Corporation's share of the non-covered pension liability of Eläkekassa Tuki has been entered in full as costs and stabilised pension liability.
Based on its shareholder and guarantee undertakings, Cooperative Tradeka Corporation has an adhesion liability of FIM 3 million for Eläkekassa Tuki's non-covered pension liability.

Leasing contracts 31 Dec

FIM 1000	1999	1998	99/98
To be paid the following year	27.7	27.7	0.0
To be paid later	6.9	41.5	-34.6
Total	**34.6**	**69.2**	**-34.6**

Contingent Liabilities from Companies in the Same Corporation 31 Dec

FIM million	1999	1998	99/98
Guarantees given	**8.5**	**9.1**	**-0.6**

Other Contingent Liabilities

FIM million	1999	1998	99/98
Guarantees on behalf of others	42.2	50.7	-8.5
Interest liabilities for stabilised equity loan	131.3	109.4	21.9
Interest liabilities to guarantors of pension loan	0.0	11.9	-11.9
Total	**173.5**	**172.0**	**1.5**

The interests of recessive liability related to guarantees of the stabilised loan of Eläkekassa Tuki have been entered in financing expenses in the 1999 financial statements, and capitalised for the debts in question.

THE BOARD'S PROPOSAL FOR THE DISPOSAL OF SURPLUS

The Board proposes that the surplus of FIM 377,363,478.26 for the 1999 accounting period be used to cover the losses of FIM 198,271,155.82 brought forward in accordance with article 10:1 of the Co-operative's rules and regulations, and that the remaining FIM 179,092,322.44 be transferred to the contingency fund in accordance with article 10:2 of the rules and regulations since the reserve fund has reached the amount specified in section 9 of the rules.

Helsinki, 31 March 2000

Olavi Syrjänen
Chairman

Maunu Ihalainen
Vice Chairman

Markku Alhava
Tuire Mannila
Ritva Vartia

Margit Eteläniemi
Jukka Simula

Antti Remes
President

AUDITORS' REPORT

To the Council of Representatives of the Co-operative Tradeka Corporation

We have audited the financial statements, the accounting records and the administration of the Co-operative Tradeka Corporation for the 1999 financial year. The financial statements prepared by the Board of Directors and the President include both the consolidated and the Co-operative's income statements, balance sheets and notes to the financial statements. Based on our audit we express our opinion on the financial statements and the administration.

We have performed the audit in accordance with generally accepted auditing standards in Finland. Those standards require that we perform the audit in order to obtain reasonable assurance as to whether the financial statements are free of material misstatements. The purpose of our audit of corporate governance is to ensure that the Board of Directors and the President have legally complied with the regulations of the Co-operatives Act.

The financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. They give a true and fair view of both the consolidated and the Co-operative's result of operations and financial position.

The financial statements, including the consolidated financial statements, can be adopted, and the members of the Co-operative's Supervisory Board and the Board of Directors, as well as the President, can be discharged from liability. The Board's proposal regarding the use of the surplus is in compliance with the Co-operatives Act.

Helsinki, 18 April 2000

Mauri Palvi
Authorised Public Accountant

Veijo Riistama
Authorised Public Accountant

SUPERVISORY BOARD'S STATEMENT

The Supervisory Board has examined the Co-operative Tradeka Corporation's financial statements and consolidated financial statements and reviewed the Board of Directors' report on operations and its proposal for the disposal of surplus, and submits them together with the auditors' report to the meeting of the Council of Representatives.

The Supervisory Board proposes that the financial statements and consolidated financial statements be adopted.

As its opinion in accordance with article 21:1 of the Co-operative's rules and regulations, the Supervisory Board states that the proposal of the Board of Directors regarding the disposal of surplus is in compliance with article 10 of the rules.

Helsinki, 19 April 2000

Markku Pohjola

Raimo K. Mäkelä

TRADEKA CORPORATION'S COUNCIL OF REPRESENTATIVES

The annual general meeting of the Co-operative Tradeka Corporation's Council of Representatives was held on 19 May 1999.

The district of Uusimaa:
Ms Hilkka Ahde, Helsinki
Mr Timo Ahola, Mäntsälä
Ms Eila Asikanius, Järvenpää
Ms Maija Jakka, Vihti
Mr Pentti Järvinen, Lohja
Ms Minna Karhunen, Hyvinkää
Mr Jouko Launonen, Hyvinkää
Ms Toini Nieminen, Lohja
Mr Veijo Nyman, Nummi-Pusula
Ms Raija Rönkä-Nieminen, Lohja
Mr Matti Saarinen, Lohja
Mr Reijo Varalahti, Karkkila

The district of South Häme:
Ms Maija Auvinen, Riihimäki
Mr Jorma Hacklin, Jokioinen, until 19 May 1999
Mr Raimo Hyytiäinen, Lahti, as of 17 March 2000
Ms Liisa Kajander, Turenki
Mr Matti Kauppila, Lahti
Mr Aarne Kauranen, Hämeenlinna
Ms Vuokko Kautto, Lahti
Ms Merja Leppänen, Forssa
Ms Minna Lintonen, Forssa, as of 19 May 1999
Ms Anna-Maija Martikainen, Lahti
Ms Hilkka Nousiainen, Hämeenlinna, until 17 March 2000
Ms Marja-Leena Taavila, Lahti

The district of Tampere:
Ms Pirkko Behm, Tampere
Ms Inna Ilivitzky, Valkeakoski
Ms Hannele Isotalo, Valkeakoski
Ms Anneli Kivistö, Tampere
Ms Sirpa Koivisto, Tampere
Ms Arja Laine, Hämeenkyrö
Ms Arja Ojala, Tampere
Mr Heikki A. Ollila, Kangasala
Mr Seppo Salminen, Tampere
Mr Matti Salo, Parkano
Ms Eila Terävä, Tampere
Mr Pertti Turtiainen, Kangasala
Ms Auli Välimäki, Mänttä

The district of Turku:
Mr Heikki Aaltonen, Uusikaupunki
Mr Mikko Immonen, Mynämäki
Ms Anna-Liisa Jokinen, Turku
Mr Matti Kankaanpää, Salo
Ms Ulla Kauppinen, Turku
Ms Helena Keto-oja, Salo
Ms Annika Lapintie, Turku
Mr Pertti Paasio, Turku
Ms Virpa Puisto, Turku
Mr Jukka Roos, Perniö
Mr Sauli Saarinen, Turku

The district of Pori:
Ms Raila Aho, Pori
Ms Annikki Järvinen, Pori
Mr Reijo Kallio, Rauma
Mr Timo Laaksonen, Pori
Ms Mirjam Lepistö, Pori
Ms Leila Mäkelä, Kankaanpää
Mr Veikko Nurmi, Kauttua
Ms Leila Rostedt, Rauma
Ms Kirsti Willberg, Noormarkku

The district of Jyväskylä:
Mr Eero Hakonen, Äänekoski
Ms Seija Janhonen, Jyväskylä
Mr Raimo Rajanen, Jyväskylä
Ms Emmi Rossi, Viitasaari
Ms Marja-Leena Viljamaa, Jyväskylä
Mr Teuvo Vuorenpää, Jämsänkoski
Ms Leena Yksjärvi, Jyväskylä rural municipality

The district of Seinäjoki:
Mr Markus Aaltonen, Seinäjoki
Ms Taina Lehto, Vaasa
Ms Riitta Lehtola, Seinäjoki
Ms Jaana Pikkarainen-Haapasaari, Kokkola
Mr Raimo Rauhala, Vaasa
Ms Taina Tulima, Pietarsaari

The district of Kuopio:
Mr Olavi Huttunen, Suonenjoki
Ms Marita Juuti, Varkaus
Mr Jorma Kukkonen, Rautalampi
Ms Asta Kyyriäinen, Iisalmi
Ms Marja-Leena Kärkkäinen, Kiuruvesi
Mr Kari Rajamäki, Varkaus
Ms Marja-Liisa Tykkyläinen, Kuopio
Mr Jorma Vokkolainen, Varkaus

The district of Kymi:
Ms Ellen Helo, Imatra
Mr Juha Koivula, Kouvola
Mr Pekka Koskimies, Imatra
Mr Jouko Kotola, Kotka
Mr Jukka Kärnä, Imatra
Ms Sinikka Mönkäre, Imatra (abstaining from representative duties as of 19 May 2000)
Mr Kari Soininen, Kouvola
Mr Pentti Tiusanen, Kotka
Mr Matti Vähänäkki, Hamina

The district of Mikkeli:
Mr Valto Aholainen, Mikkeli
Mr Juha Bilund, Savonlinna
Ms Virpi Kaksonen, Punkaharju
Ms Kaija Karvinen, Savonlinna
Mr Raimo Mähönen, Pieksämäki

The district of Joensuu:
Mr Ossi Haatainen, Joensuu
Mr Reijo Jeskanen, Joensuu
Mr Esa Lahtela, Kitee
Ms Kerttu Törnqvist, Lieksa

The district of Oulu:
Mr Aarno von Bell, Kajaani
Ms Paula Grekelä, Oulu
Ms Anne Huotari, Kajaani
Ms Anneli Kiiskinen, Oulu
Mr Alpo Löytynoja, Ylivieska
Ms Leena Mustonen, Kuusamo
Mr Osmo Polvinen, Sotkamo
Mr Asser Siuvatti, Raahe
Mr Martti Turkka, Oulu
Mr Unto Valpas, Raahe

The district of Lappi:
Ms Sisko Akujärvi, Inari
Mr Pentti Haimakainen, Rovaniemi
Mr Jukka Ikäläinen, Kemi
Ms Eeva-Liisa Kilpeläinen, Kemi
Mr Juha Pikkarainen, Kemijärvi
Ms Helena Tiuraniemi, Rovaniemi

THE SUPERVISORY BOARD OF TRADEKA CORPORATION

Mr Markku Pohjola, Vihti,
Chairman

Mr Seppo Grönqvist, Eräjärvi,
Vice Chairman

Ms Ritva Kitinoja, Oulu,
Vice Chairman

Mr Jukka Gustafsson, Tampere

Ms Iiris Hacklin, Jämsä

Mr Jorma Hacklin (as of 19 May 1999), Jokioinen

Mr Raimo Järvenpää, Oulu

Ms Anna-Liisa Kasurinen, Kotka

Ms Marjo Kiukkonen, Hyvinkää

Mr Matti Kivikoski, Kemiö

Ms Marketta Korrensalo, Kemi

Ms Leila Koski, Rauma

Mr Johannes Koskinen (until 19 May 1999), Hämeenlinna

Mr Pekka Leppänen, Suolahti

Mr Antti Leskinen, Savonlinna

Mr Tapio Luttinen, Lahti

Ms Maija Martikainen, Joensuu

Mr Turkka Merisaari, Turku

Mr Hannu Myyryläinen, Lappeenranta

Mr Matti Mänttäri, Kuopio

Mr Matti Pajuoja, Lohja

Mr Iivo Polvi, Iisalmi

Mr Timo Roos, Karkku

Ms Marketta Semi, Vaasa

Mr Ilkka Sepponen, Turku

Ms Marjatta Vehkaoja, Vaasa

Personnel representatives:

Mr Matti Koskenmäki, Turku

Ms Pirjo Thilman (until 31 December 1999), Karhula

Deputy representatives:

Mr Christer Paasila, Helsinki

Ms Ritva Vartia (until 31 December 1999), Mikkeli

BOARD OF DIRECTORS

Mr Olavi Syrjänen
Chairman of the Board

Mr Maunu Ihalainen
Vice Chairman

Mr Markku Alhava

Ms Margit Eteläniemi

Ms Tuire Mannila

Mr Jukka Simula

President
Mr Antti Remes

Personnel representatives:
Regular members
Mr Kari Pöyhönen
(until 31 December 1999), Jyväskylä

Ms Ritva Vartia
(as of 1 January 2000), Mikkeli

Deputy member
Mr Martti Kesseli, Mikkeli

AUDITORS

Regular auditors:
Mr Mauri Palvi, Authorised Public Accountant

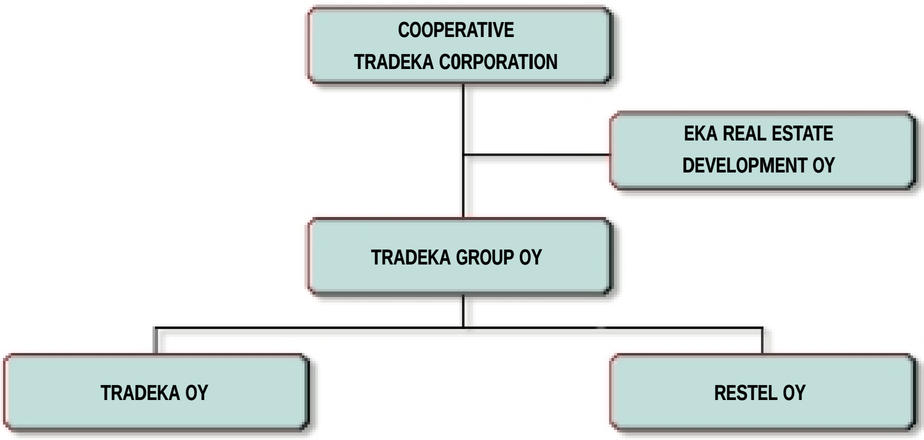
Mr Veijo Riistama,
Authorised Public Accountant

Deputy auditors:
KPMG Wideri Oy Ab

Mr Kari Lydman,
Authorised Public Accountant

Supervisor of the mandatory restructuring programme appointed by the Helsinki District Court:
Mr Jyrki Tähtinen,
Attorney

BUSINESS ORGANISATION



COOPERATIVE TRADEKA CORPORATION

President
Mr Antti Remes

Legal Affairs
Mr Juha Laisaari

Membership Administration
Mr Raimo K. Mäkelä

EKA REAL ESTATE DEVELOPMENT OY

President
Mr Heikki Venho

TRADEKA GROUP OY

President
Mr Antti Remes

Internal Auditing
Mr Risto Salminen

Communications
Ms Riitta Raasakka-Niklander

RESTEL OY

President
Mr Ralf Sandström

Finance
Mr Mats Rosengård

Administration
Mr Kari Lalu

Hotel Division
Mr Jari Laine

Restaurant Division
Mr Björn Pahlberg

TRADEKA OY KETJUETU OY

President
Mr Aarno Mäntynen

Vice President
Mr Pekka Kosonen

SIWA

Chain Director
Ms Jaana Lehto

VALINTATALO

Chain Director
Mr Harri Finér

EUROMARKET/MAXI

Chain Director
Mr Leo Järvensivu

DIRECTORS OF RETAIL TRADE PROCESSES:

Customer relations
Mr Tapio Finér

Product Management
Mr Markku Uitto

Logistics and Information
Mr Veijo Heinonen

Retail Outlet Operations
Ms Jaana Lehto

Finance
Mr Tapio Lehikoinen

Human Resources
Ms Pirkko Virtanen

Business outlets
Mr Reijo Kiukkonen

PALVELUETU OY

President
Mr Olli Suominen

Accounts and Taxation
Mr Uolevi Lahti

Operational Accounting
Mr Mikko Harjunen

Financial Administration
Mr Ossi Hynninen

KEY FIGURES OF THE TRADEKA CORPORATION 1995-1999

Fim million	1995	1996	1997	1998	1999
Net Turnover	5 534	5 770	6 061	6 206	6 268
Other Income from Operations	113	156	250	123	128
Variable Costs	5 272	5 435	5 853	6 000	6 163
- % of Net Turnover	95.3	94.2	96.6	96.7	98.3
Operating Profit	246	363	458	329	232
- % of Net Turnover	4.5	6.3	7.6	5.3	3.7
Profit before Extaordinary Items	238	335	419	312	203
- % of Net Turnover	4.3	5.8	6.9	5.0	3.2
Investments	100	247	242	300	300
Balance Sheet Total	3 023	3 105	3 006	2 996	2 918
Personnel, Average	5 090	4 842	4 818	4 955	4 852

Tradeka

HÄMEENTIE 19, P.O.BOX 72, FIN-00501 HELSINKI, FINLAND
TEL: +358 9 7331, FAX.: +358 9 733 2120
HTTP://WWW.TRADEKA.FI