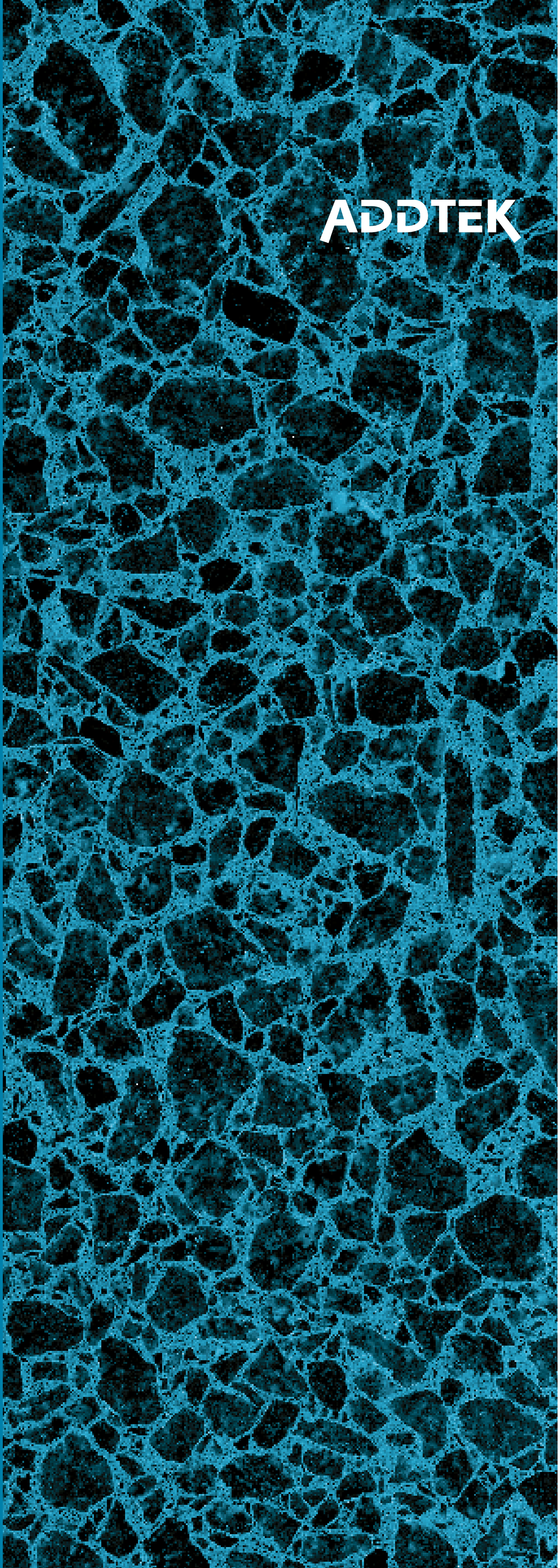
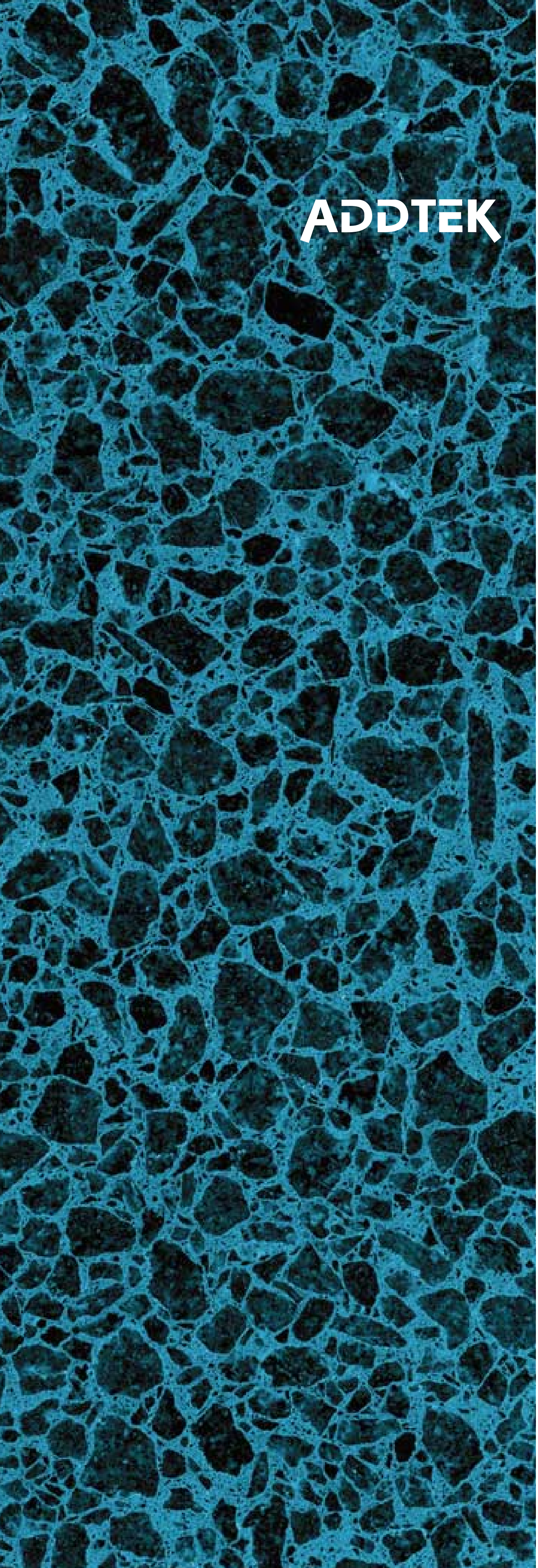


Annual Report 2000

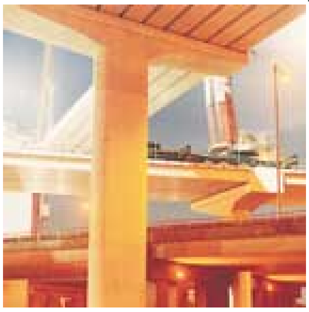
Addtek International

Annual Report 2000



In its Right Element

Addtek in Brief



Addtek is the largest manufacturer of prefabricated concrete elements in Europe. The company has manufacturing companies in 9 countries: Finland, Sweden, Norway, Germany, the Netherlands, Estonia, Russia, Lithuania and Poland.

Addtek produces a wide range of prefabricated concrete products, such as floors, structures and walls. These products are used in the construction of buildings. Addtek also makes products for infrastructure, such as railway sleepers and structures for bridges and tunnels. In addition Addtek provides services ranging from planning to erection of its products.

In 2000 Addtek had a net sales of EUR 542 million, an increase of 11 per cent on 1999, and employed on average 4,169 employees. Orders received amounted to EUR 535 million, an increase of 8 per cent on the previous year.

Addtek acquired its present form in December 1997 following the merger of Partek Precast Concrete and the Swedish Company Strängbetong. Addtek's major shareholders are the Finnish engineering company Partek and the Swedish private equity fund Industri Kapital. Management also has a shareholding in Addtek.

Business concept

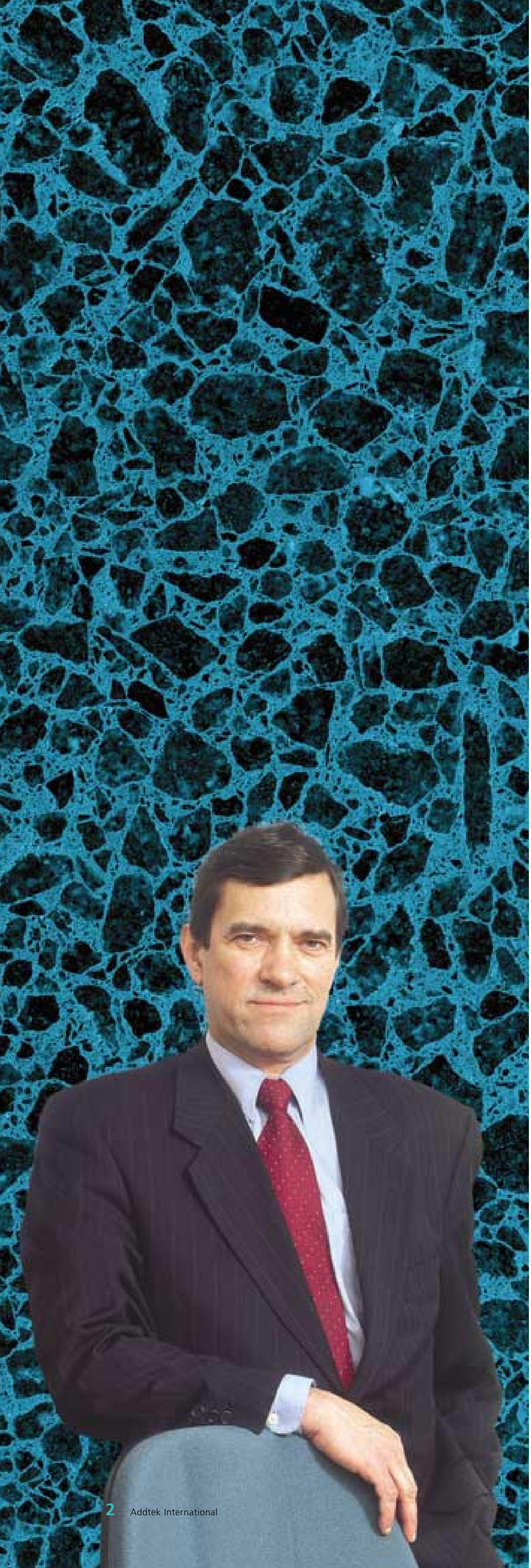
Addtek's mission is to offer its customers the most advantageous and comprehensive solutions for various building and infrastructure projects based on prefabricated concrete systems, products and related services.

Addtek aims to improve the quality of its products and the efficiency of the construction process by continually developing and applying state-of-the-art technologies to the benefit of the customer.

Addtek intends to expand in its existing markets and enter new markets in northern and eastern Europe, utilising its wide experience and leadership in the precast concrete industry.

Through its market leadership and international presence, Addtek offers customers the benefits of

- the latest solutions and technology transfer within the Group
- unique benchmarking possibilities
- pan-European purchasing power
- extensive design and engineering resources
- production capacity sufficient to deal with the largest projects



CEO´s Review

Addtek’s success continued in 2000. It was a year of major investment for the future, both geographically and in new production capacity. Net sales amounted to EUR 541.6 million, an increase of 10.7% compared to 1999. The growth was mainly achieved in Addtek's main countries of operations, the Netherlands, Sweden and Finland. The new geographical areas, Poland and Lithuania, started their operations according to plan but their effect on net sales was still minor during 2000. The biggest increase in both net sales and profitability was achieved in Estonia where the negative impact of the "crash of 98" in Russia had past with the economy now exhibiting healthy growth. The Group's operations in Russia also showed an encouraging increase and the prospects for the future are bright.

The net result was EUR 23.0 million, same as in 1999, while the return on capital employed increased to 25.9% compared to 25.4% in 1999.

The average number of employees increased from 3,786 to 4,169 mostly due to the start-up of new geographical operations. Increases were also due in part to the acquisition of three factories in Finland by Parma Betonila, 50% owned leading precast company. This acquisition improved its ability to serve its clients throughout Finland.

The biggest disappointment during the year was the market in Germany, where contrary to all predictions, the activity level in construction continued to decrease with the resulting surplus in production capacity leading to an unrealistically low price level.

The operating profit of the Group was EUR 42.4 million, an increase of 3.3% compared to the previous year. The result was according to plan and considering that start-up costs in the new countries are included the result is satisfactory.

Improving productivity, increasing flexibility and raising the quality of our products and services will continue to be a primary emphasis during 2001.

Our Transfer of Best Practice has been enlarged to include most aspects of our operations. This is an important tool in striving to make continued improvements for the future. All the employees in the Group are, to various degrees, involved in this process and their interest and efforts have been crucial in enabling the Group to achieve good results and growth during its development.

Product innovations such as the "pipe-floor" were introduced in the Netherlands to ease installations on-site. Further innovations such as the super-wide and super-long double-T slab were introduced in Finland and elsewhere. Additionally, the Group has invested heavily in various information technology improvements such as AddCAD. This is a design program for precast construction, tailored to the needs of the Group companies. At Spanbeton in the Netherlands, an ERP-system will be on-stream in July this year.

The main owners of the Group, Industri Kapital and Partek, have since the establishment of Addtek in 1997 expressed their intention to secure a stable, long-term ownership structure for the Group either through a public listing or through incorporation of the company in a bigger industrial Group active in the same or closely related business segment. In accordance with this strategy, the Group, assisted by its advisers Alfred Berg ABN Amro, investigated the options available. The volatility of the Stock Exchanges world-wide rendered the IPO-alternative less attractive and when the opportunity emerged to include Addtek as an independent entity in one of the largest and most successful building materials groups in Europe, CRH plc of Ireland, an agreement to sell the company was signed on 1.2.2001. The transaction is subject to the approval of the relevant competition authorities.

Addtek will continue to operate as a separate entity under the previous management. The strength of our new owners will enable us to grow more aggressively in the future as well as serve our new and existing clients with the improved know-how and experience of a large Group.

I want to thank our customers for their continued trust in Addtek and its subsidiaries, as well as our personnel who have made it possible to achieve this trust, enabling the good result for 2000.

Vantaa, April 2001

Bengt Jansson
CEO

Highlights and Key Data

Addtek's net sales grew by 11 per cent to EUR 541.6 million.

Operating profit grew by 3 per cent to EUR 42.4 million.

Net profit was EUR 23.0 million.

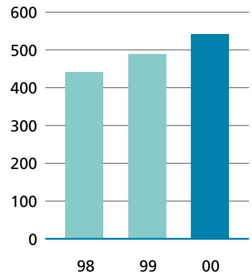
Parma Betonila acquired three new factories in Finland.

Parma Betonila opened a second plant in Nastola, Finland.

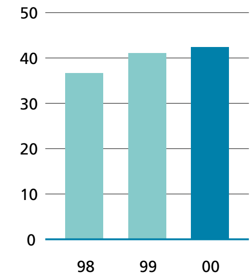
The investment in a new hollow-core factory in Huissen, the Netherlands was completed.

The development work of a new AddCAD system within the Addtek Group was started.

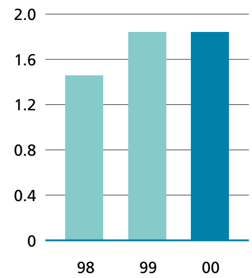
Addtek Group, Net Sales, EUR m



Addtek Group, Operating Profit, EUR m



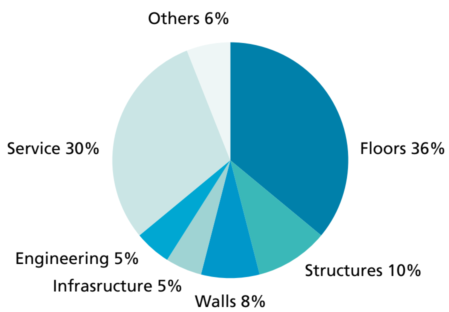
Addtek Group, Earnings per Share, EUR



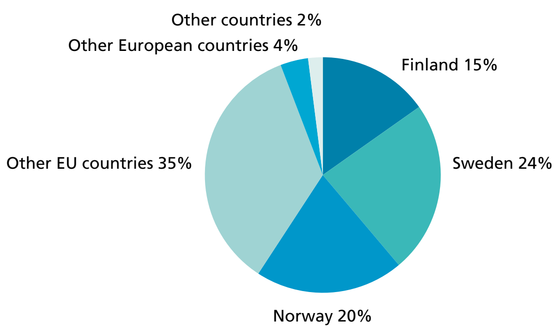
		1998	1999	2000
Net Sales	EUR million	442.0	489.4	**541.6**
Operating profit	EUR million	36.7	41.1	**42.4**
per cent of Net sales	%	8.3	8.4	**7.8**
Result for the period	EUR million	18.8	23.0	**23.0**
per cent of Net sales	%	4.2	4.7	**4.2**
Earnings per share	EUR	1.46	1.84	**1.84**
Return on Capital (ROC)	%	21.4	25.4	**25.9**
Gearing (incl. Capital Loan)	%	85	50	**36**
Personnel (average)	Number	3,765	3,786	**4,169**

The Addtek Group

Net Sales by Product Group 2000



Net Sales by Geographic Area 2000



Parma Betonila's company figures 100% but on Group level calculated on 50%.

Business environment and market trends

The volume of construction in Finland increased by approximately 6% on the previous year. New building construction grew by an estimated 2%. Commercial and office buildings saw the highest growth at 11%. Residential buildings rose 3%, whereas the level of industrial construction was even. Overall demand for precast concrete rose by 6%, with slabs leading the way at an increase of some 11%. The demand for structures also rose. Wall elements stayed at the level of the previous year. Demand for railway sleepers decreased. Profitability in the concrete industry as a whole was good.

Operations in 2000

Parma Betonila increased its sales by 30% to EUR 168 million. Profitability increased from last year. The market share of Parma Betonila increased due to the acquisition of three factories. Supplies to commercial and office buildings accounted for approximately 42% of the sales of Parma Betonila, with residential buildings accounting for 48%. Russian operations accounted for 8% of sales.

Due to increased volumes, capacity utilisation has improved. Positive developments in productivity have offset higher materials and labour costs, and have improved the company's competitive situation.

Customised partnerships with clients are a major tool of Parma Betonila in a competitive market place. Parma Betonila is strengthening its position as a leader in quality by putting strong emphasis on training its personnel in teamwork and continuous quality improvement.

The Foundation System for one-family housing has secured a good market position.

Innovations and investments

New technical solutions play a key role in maintaining Parma Betonila's market position. In accordance with the new sound insulation standard, a new intermediate flooring product will be launched to the market. The ventilated and jointless façade elements are a response to ecological and visual challenges.

PARMA BETONILA

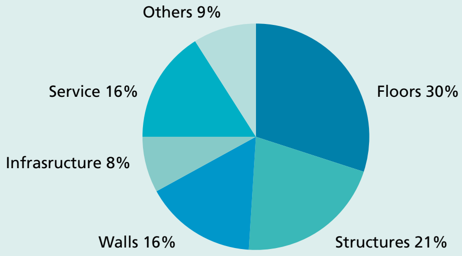
Addtek ownership 50 per cent

Market leader in all segments of prefab elements

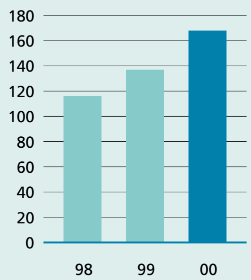
Key ratios 2000 (100%)

Net Sales, EUR m	**168.3**
Investments, EUR m	**13.1**
Personnel (average)	**1067**

Net Sales by Product Group 2000



Net Sales Development 1998–2000, EUR m



The demand for structural elements, like these 33.6 m long roof beams, grew during year 2000. Steveco, Kotka.

New structure solutions enabling easy-to-install, advanced HEPAC applications present the best opportunities in the office and commercial building and high-tech architecture sectors. Eco efficiency is the common feature of all product innovations.

In the beginning of 2000 the company purchased three factories from Betonimestarit. Situated in Vantaa, Uurainen and Rusko, these factories produce hollow-core slabs and structural elements. Nastola factory began production after its second hall was equipped with the required machinery. Renovations continue in the mixing plant of Hyrylä factory.

Outlook for the future

After several years of growth, the construction market is expected to stabilise during 2001. Nevertheless, the demand of the main market - the Helsinki area - will still be the strongest area. The population in this area is estimated to increase by 170,000 – 250,000 people by year 2020. This equates to approx. 9,000 new apartments, with an increased floor area, to be completed annually for those in the market for larger apartments. The increased migration into the city area is one factor for the increase in demand for office and commercial buildings.

Parma Betonila's sales volumes are predicted to decrease slightly.

Business environment and market development

Driven by a strong Swedish GDP growth of about 4% the market for new building construction increased by approximately 15%. There are significant differences in construction activity between the densely populated areas of Stockholm, Gothenburg, Malmoe and the rest of the country. Construction activity in the north of the country has remained extremely low.

New housing construction grew by 10%. Apartment housing construction remained at a low level of about 9,000 units. Commercial buildings increased strongly by more than 20%. There was a slight decrease in infrastructure and an evident reduction in demand for railway sleepers.

Operations in 2000

Strängbetong's order volume grew by 17%. Net sales grew only slightly, resulting in a strongly increased backlog. The growth was particularly evident in the office buildings sector. Industrial and storage premises sectors also grew strongly. For these sectors, a marketing campaign concerning the concept of "Bashallen" took place during the last four months of the year. Tunnel barriers of a length of 33 km were sold to the Southern Link infrastructure project in Stockholm

Capacity utilisation has been good in the factories that serve the Stockholm region, but worse on the west coast and in the north. The increased demand has caused occasional bottlenecks in the design and engineering functions. Strängbetong has during the year increased its capacity in these departments.

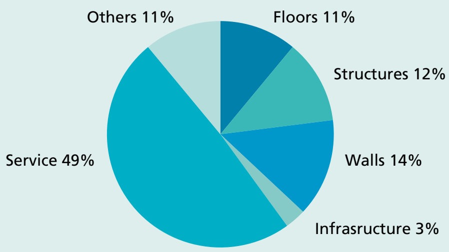
STRÄNGBETONG

Leading supplier of precast solutions

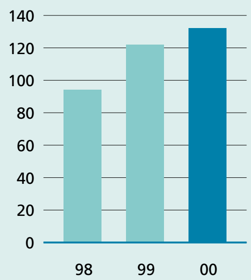
Key ratios 2000

Net Sales, EUR m	**131.7**
Investments, EUR m	**3.0**
Personnel (average)	**940**

Net Sales by Product Group 2000



Net Sales Development 1998–2000, EUR m



Construction volumes grew especially in the Stocholm area.

Compac, Solna.

Innovations and investments

A new system for car-parking buildings has been used in five pilot projects. During 2001, the system will be thoroughly documented.

One factory uses self-compacting concrete in regular production. The concrete is saving manpower and improving the work environment. It also contributes to a better finish.

To raise profitability, an educational project has been instituted emphasising business knowledge and change. Quality and purchasing are also topics of special importance. Quality certification according to ISO 9001 and environmental certification according to ISO 14001 are ongoing projects, which will be finished toward the end of 2001.

Outlook for the future

The construction market will continue expanding during 2001, albeit at a more sedate pace. Investments in industrial buildings are forecast to increase, while the market of commercial buildings will stabilise to a volume approaching that achieved in 2000. Apartment housing construction will also increase.

Market conditions, coupled with Strängbetong's strategic position, indicate an improvement in sales and profitability for 2001.

Business environment and market development

The downward trend of 1999 in general construction in Norway continued in 2000 mainly caused by a significant recession in civil engineering.

The volume of new buildings constructed increased, but with large variations both geographically as well as between residential, commercial and office building sectors. The total growth in the residential market was 15%, but this market is still, however, dominated by wooden single-family housing. The non-residential market experienced only a marginal increase.

Building construction in the middle part of the country was extremely low. The highest growth took place in the Oslo region in apartment construction whilst there was a reduction in the construction of office buildings.

A single project, the new head office for Telenor, represented a significant share of the office building market. The resultant market climate led to fierce competition. Overall demand for precast concrete was at last year's level.

The demand for hollow-core slabs increased while the demand for wall and structural elements dropped below last year's level.

The demand for sleepers decreased by 50%. Profitability in the building industry was reduced compared to the previous year.

Operations in 2000

Spenncon's sales in 2000 increased by 9% while the volume of manufactured concrete elements approximated the previous year's level.

Overall the market share of Spenncon increased slightly. On average, price level was reduced by 3%. Fixed costs were at the same level as 1999 and the company was able to strengthen its market position as a leading supplier of precast concrete and precast concrete/steel solutions. Spenncon was the preferred supplier of Telenor for their new head office. This was the biggest office building project of all Nordic countries in 2000.

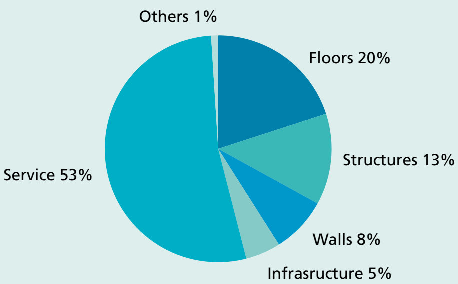
Spenncon

Customized solutions country-wide

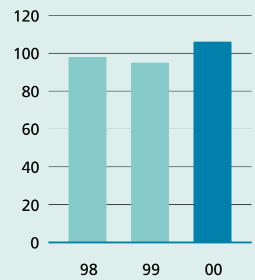
Key ratios 2000

Net Sales, EUR m	**106.3**
Investments, EUR m	**3.4**
Personnel (average)	**616**

Net Sales by Product Group 2000



Net Sales Development 1998–2000, EUR m



Housing is becoming an important part of Spenncon's activities.

Colosseum Park, Oslo.

This achievement was a result of dedicated efforts in 1999, focusing on product quality, a successful alliance with the Finnish steel-producer PPTH and specially enhanced project management skills and capacity.

Innovations and investments

As in 1999 design and IT resources have been allocated to standardise engineering details and develop applications for the new AddCAD-system and other IT-based steering tools. Other major investments include a new production hall in Sandnes.

Outlook for the future

At the end of 2000 the government launched a special tax on office buildings construction solely for the year 2001. Although it was withdrawn in January 2001, it led to a setback of at least 3 months in new contracts. Conversely, looking at the backlog of prospects, i.e. designed but unordered projects, the total volume is higher than at the beginning of the previous year.

The company will continue to focus on growth, developing new products and services together with an emphasis on strong customer relations.

Business environment and market development

In spite of the generally positive economic development in Germany, construction was one of the few areas in which activity significantly slowed during 2000, despite positive predictions. There were large regional differences. Market growth continued in western part of Germany, stayed level in north and declined clearly in east.

Brespa operates in north and east; therefore, the total impact of market activity for Brespa is somewhat negative.

The deliveries of pre-stressed hollow-core slabs amounted to the same volume as in the previous year. Considering the overall negative market development this indicated a further growth in penetration.

There was a significant increase in the hollow-core capacity in the east, which put prices under considerable pressure.

Operations 2000

The activities of Brespa remained at the same level as in the previous year, but strong decrease in prices resulted in unsatisfactory profitability.

The circumstances in the home market made further expansion temporarily unattractive. Alternatively, Brespa secured production volumes with additional exports to Denmark. Considered attention was directed to fulfilling the requirements of product quality demanded by the Danish market.

There were significant cyclical differences between the activity levels in winter and summer. Capacity utilisation maximised during the peak periods of the year. Brespa operated continuously with very short delivery times, giving Brespa a further advantage in fulfilling customer demands.

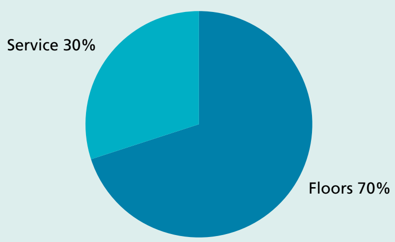
BRESPA

The leading manufacturer of prestressed hollow-core flooring

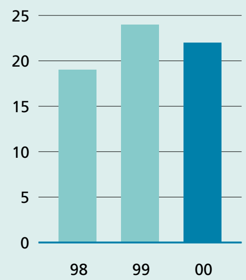
Key ratios 2000

Net Sales, EUR m	**21.7**
Investments, EUR m	**2.0**
Personnel (average)	**131**

Net Sales by Product Group 2000



Net Sales Development 1998–2000, EUR m



The combination of hollow-core slabs and steel structures is a popular alternative.

Exhibiton Centre, Frankfurt am Main.

Innovations and investment

Significant new investments were implemented both in production and logistics.

The extruder production line was modified to incorporate slipform technology. This improves production speed and reduces maintenance costs with selected product types.

Load handling was improved by installing a new crane within the slipformer production line. A new system of a hydraulic trailer was introduced for hauling products to the stockyard where also a new, heavy crane was installed. These investments removed the most significant bottlenecks when considering factory logistics.
Investments in the recycling of fresh concrete, water and slurry were implemented in the summer.

Outlook for the future

The outlook for the construction market is generally pessimistic. However, the expectation is that the construction market will continue to decrease in the coming year, albeit to a lesser degree. Pre-stressed hollow-core slabs have a good chance of gaining further market share, as in previous years. This ought to compensate for a possible reduction in construction. In the medium term, hollow-core has immense growth potential, from a niche product to a standard solution within the flooring market.

The over capacity of hollow-core production will continue, especially in east.

Business environment and market development

In 2000, the building activities in the Netherlands were at the same level as in 1999. Analysis of the contractors' order books showed that 2000 was booming, but the output has been dampened by a lack of skilled personnel. Activity in the residential sector was at a lower level than in 1999.

Two significant mergers in the building industry took place: The building activities of NBM-Amstelland were taken over by BAM, with Heijmans taking over IBC.

Two competitors Wildo and Unibeton started production of hollow-core slabs. Unibeton also started production of beam block flooring.

Operations in 2000

Orders received for the Dutch market were according to expectations, and were somewhat higher than in 1999. Orders for the German market decreased dramatically. Sales prices in the Netherlands developed favourably, however, the prices in Germany reached an unprofitable level.

The Pipe Floor, introduced by VBI in 1999, has been very successful. In the traditional housing market the company succeeded in selling over 4,000 residential homes with this solution.

Production of insulated hollow-core began in Weert, with production of Pipe Flooring beginning at Oss in January and Schuilenburg in July. For the first time, production levels over 1,000,000 m^2 in one year was reached at Schuilenburg.

In general the lack of professional labour in the construction industry has effected VBI's operations.

Innovations and investments

In 2000, VBI developed and patented the Apartment Floor. This type of flooring was introduced at the Utrecht building exhibition in February 2001. Architects and contractors have demonstrated particular interest in this product. These floor slabs have the ability to span approximately 10 metres, while meeting all sound regulations. Furthermore, it is possible to incorporate sewage piping and ventilation systems.

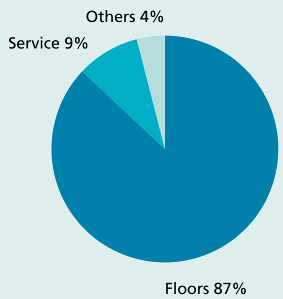
Production in the new factory in Huissen started in January 2001.

The leading manufacturer of prefab flooring systems

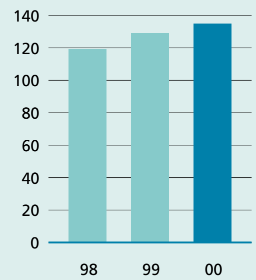
Key ratios 2000

Net Sales, EUR m	**135.4**
Investments, EUR m	**12.4**
Personnel (average)	**940**

Net Sales by Product Group 2000



Net Sales Development 1998–2000, EUR m



The office market was good during the year. Cisco Systems, Amsterdam.

Outlook for the future

The growth of economy is slowing, this may reduce building activities. In contrast, interest rates are declining and there will be changes made to the Dutch taxation system. As a result, the Dutch will have more funds available.

In the Netherlands similar construction levels are forecast for 2001 as experienced in 2000. Due to the lack of personnel at building sites the winter weather will have a greater effect on VBI's operations, as delays cannot be recuperated as in normal conditions.

The implementation of a new ERP and AddCAD systems is planned to start during 2001.

In Germany the market development is worrying due to the dramatically reduced order-intake from contractors. This will influence the activities in 2001.

Business environment and market development

The overall economic climate in the Netherlands has been favourable: GNP growth is estimated at 4.5%, interest rates are at a low level, and inflation is modest. The increase in total construction output is estimated to be 4.3%.

Spanbeton is operating in two market segments: civil engineering and industrial buildings, both solely in new constructions. New constructions represent approx. 50% of the total construction output.

In civil engineering, Spanbeton is market leader with its bridge beams, sheet piles and railway sleepers. Spanbeton consolidated its position in 2000, although under pressure by new competitors: Structon Xanten (Germany) for bridges and Koehne (Germany) for sleepers.

Operations in 2000

Total factory output was approx. 2% lower than in 1999. The bridge market volume suffered from delays in building starts. Spanbeton's market share suffered from entrance of new competitor, but sales prices were stable. The building market volume was constant on a high level and Spanbeton's market share improved. Sales prices were consolidated on the improved level of the second half of 1999. The sheet pile market volume suffered from delays in starts, but the tender list was on a high level. Spanbeton is still the one and only manufacturer of this product. For railway sleepers the existing 10 years' contract has expired. A new agency agreement with Railpro was signed.

Spanbeton faces an overheated labour market and has difficulties in recruiting personnel, particularly in lower management levels.

Infrastructure investments expected to grow. Metro Beneluxline, Rotterdam.

Innovations and investments

Investments were concentrated on replacement and improvement of existing installations, including a hollow-core-sawing machine.

The main investment is the Glovia ERP-project which started mid 2000 and will continue until mid 2001.

The foremost innovation was the introduction of self-compacting concrete, which was used for bridge beams, sheet piles and some building elements.

Product improvements were constantly implemented; one of the most interesting was the introduction of a curved bridge beam with a radius of no more than 100 metres.

Outlook for 2001

An ongoing, positive economic climate is anticipated and the order book is at a good level. Forecast improvements will be achieved by an increase in volume, mainly in civil engineering, whereas sales prices are forecast to remain at their present levels.

SPANBETON

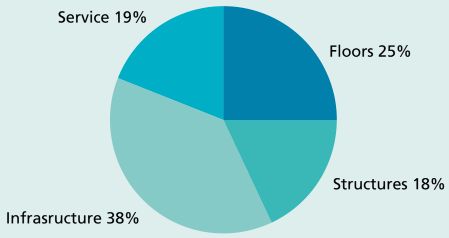
VOORGESPANNEN BOUWELEMENTEN

Leading supplier of prefab products for civil engineering

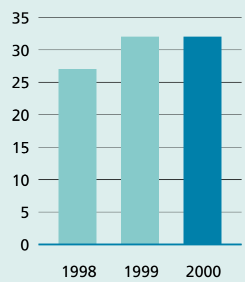
Key ratios 2000

Net Sales, EUR m	**32.0**
Investments, EUR m	**1.6**
Personnel (average)	**267**

Net Sales by Product Group 2000



Net Sales Development 1998–2000, EUR m



Business environment and market development

The Estonian economy has passed the crisis point. The estimated growth in GDP is 5.5-6.5%. Growth has been achieved through rise in external demand and continued investment in the Estonian economy attributable to the EU enlargement policy.

The construction market showed a 10% growth in the later part of the year compared with the previous year. Within the construction market, there is an increasing demand for residential constructions, industrial buildings and infrastructure projects. The demand for shopping facilities is anticipated to slow during 2001.

Operations in 2000

Net sales of E-Betoonelement increased by 32% compared to 1999. At the beginning of the year, when construction volumes are low, E-Betoonelement had a good competitive advantage that was successfully utilised.

Good capacity utilisation continued throughout the summer period with E-Betoonelement experiencing a historical high in output figures during July. The erection department has worked at full capacity since it was established in 1999.

Towards the end of the year, the volume decreased slightly due to strong competition and the completion of large supermarket projects.

Innovations and investments in 2000

The Termo-Deck ventilation system was used for the first time in Estonia in the construction of E-Betoonelement's new head office, the company’s largest investment for the year.

High quality façades gain popularity. School at Rocca al Mare.

Termo-Deck is offered to customers as an added value inclusion in prefabricated concrete element solutions.

In 2000, E-Betoonelement presented an extensive selection of terrazzo stairs, façades, and grinded floors. Glazing coat was used in external finishes for the first time in Estonia.

Outlook for 2001

The economic situation in Estonia, Latvia and Russia encourages to expect continuous growth for E-Betoonelement.

E-Betoonelement has high expectations for the future, having achieved market penetration due to two precast concrete bridge projects in 2000 along with a positive developing of infrastructure projects.

The sales will be strongly supported by the new service oriented business concept and an extensive sales staff training program in 2000.

AS Swetrak

Swetrak is an Estonian company, owned jointly by Addtek (50%) and Scancem (50%). The company develops and sells railway sleepers for restoring and renovating the railway networks in the Baltic and CIS countries. The company utilises the know-how of its owner companies in the design and manufacturing of the sleepers.

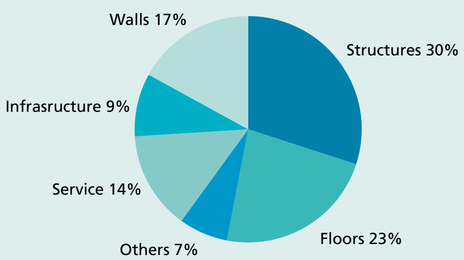
E-BETOONELEMENT

Market leader in prefab concrete solutions

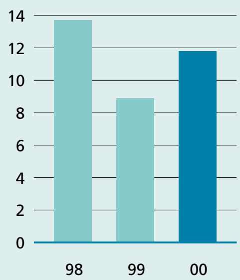
Key ratios 2000

Net Sales, EUR m	**11.8**
Investments, EUR m	**0.9**
Personnel (average)	**361**

Net Sales by Product Group 2000



Net Sales Development 1998–2000, EUR m



New production line for prestressed elements. Kaunas, Lithuania.

Business environment and market development

The construction market in Lithuania showed a decline of 30% in 2000 compared with the previous year. This is due to the crisis in Russia in 1998, which is still being felt in the Lithuanian economy.

The dramatic fall of the Lithuanian economy has halted. The economy is starting to show signs of recovery. GDP growth was about 2% in year 2000.

Betonika is experiencing a tough competition between precast and alternative solutions. Steel structures are in a strong position in the industrial buildings sector.

Betonika is a pioneer in introducing prestressed hollow-core slabs in the Lithuanian market and is currently the sole producer of the product.

The revival of the economy necessitates the construction of more supermarkets and efficient office buildings.

Precast frame structures are becoming more popular among designers and customers due to faster erection time and reduced additional operations on site.

Solid relationships were established with premium Lithuanian and international contractors, like Skanska, Vovytas and Eika.

Operations in 2000

The year 2000 was the start-up year for Betonika as an independent supplier of precast solutions and components. Betonika's net sales amounted to EUR 1.5 million in 2000.

Supplies to commercial and office buildings amounted to approximately half the total production, the remaining 50% is for residential buildings. In cooperation with Addtek Polska and Strängbetong Latvia, Betonika had deliveries to Poland and Latvia.

Innovations and investments

During 2000, Betonika introduced the full frame system to the Lithuanian market. A new prestressed beam production line was launched.

Preparation work for the TT-slabs production line was completed. Investments in moulds for the TT-slabs production line as well as I and HI-beams is forecast for 2001. Alterations were made to existing battery moulds so that partition walls met with European standards.

The Design and Finance departments software systems were upgraded.

Outlook for the future

The construction market is expected to grow in 2001. Growth is forecast both in the residential and non-residential sectors.

Foreign and local investors are planning large-scale projects. Penetration of precast elements and frame solutions are expected to increase. Betonika is increasing its competitiveness by providing a total systems solution including design manufacturing and transportation. An erection team will be introduced during 2001.

The company expects a growth in sales and profitability.

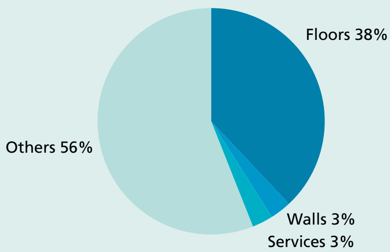
BETONIKA

Modern pre-cast solutions for all segments of construction

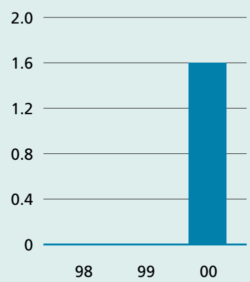
Key ratios 2000

Net Sales, EUR m	1.6
Investments, EUR m	0.9
Personnel (average)	127

Net Sales by Product Group 2000



Net Sales Development 1998–2000, EUR m



Hollow-core slabs are the main product. Gorzkowice, Poland.

Business environment and market development

Poland's economy is growing rapidly in most sectors with the construction industry benefiting by increased development opportunities. If development is sustained, Poland can narrow the economic gulf between itself and Western Europe, prolonging the existing construction boom.

Currently, the demand is for commercial buildings; supermarkets, offices and storage buildings. The demand for construction in infrastructure and industrial buildings is increasing. Substantial growth is forecast in the residential sector due to enormous demand.

Precast construction is recovering after the recession in the early 90's. Production levels are, however, still very low compared to the total level of construction. Precast concrete companies in Poland are small, predominantly concentrating on a narrow sector of element products.

Operations in 2000

Addtek (Poland) commenced marketing and production in mid 2000. Addtek Polska Sp. z o.o., was created as a developing and marketing unit, Addtek Gorzkowice Sp. z o.o. for production.

Commercial production commenced in all target sectors with hollow-core slabs being the main product.

Innovations and investments

The production facilities in Gorzkowice were completed.

During 2000 a concerted effort was given to creating a solid base for marketing and product sales.

A product catalogue was produced for the Polish market. The main products, hollow-core slabs of various thicknesses were certified according to local regulations.

Outlook for the future

The growth in construction activity allows opportunities for developing the precast building industry.

The need to create longer spans and improve flexibility as well as raising the fire resistance standard are lending support to Addtek's products.

Cooperative customer servicing allows the client to purchase the entire building frame from one supplier.

Addtek Polska is targeting to take a growing proportion of the construction market in Poland, offering up-to-date precast concrete solutions to residential and non-residential buildings as well as infrastructure projects.

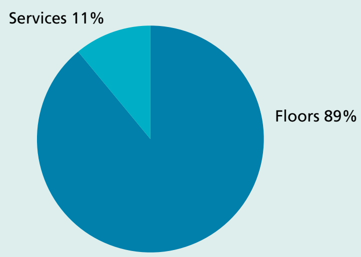
ADDTEK POLSKA

Rational solutions for flooring and structures

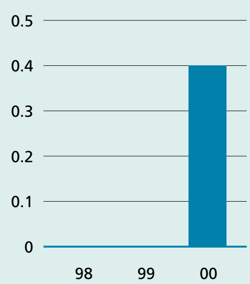
Key ratios 2000

Net Sales, EUR m	**0.4**
Investments, EUR m	**6.1**
Personnel (average)	**85**

Net Sales by Product Group 2000



Net Sales Development 1998–2000, EUR m



PCE Engineering at a worksite demonstration in Orlando.

Business environment and market development

The demand for precast concrete machinery and equipment in Western Europe, the Middle East and the USA was good. Markets were weaker than forecasted in South East Asia and the CIS countries.

The competitive position of PCE improved markedly as the share of steel moulds increased and Rimera Oy´s capacity was utilised to the full during the entire year. The orders received from Addtek Group companies was 29% of all the new orders received in 2000. The Custom Service sales development was also significant.

Operations

From PCE’s perspective, 2000 yielded a positive result. The operation of PCE Elematic Inc. (USA) established in the spring of 1998, remained steady during 2000.

The capacity utilisation rate was very high during the year. PCE’s subsidiary Rimera Oy suffered a shortage of capacity, which disturbed the company’s sales activities. Overall, the increase in purchasing and sales prices was moderate.

The most important projects were commissioned in Spain, the Middle East, Barbados and the USA. In July PCE opened the new Customer Service Centre in Toijala, which improves the company's ability to service its customers more effectively.

Outlook for the future

From an economic perspective, the total level of demand is expected to remain at the previous year’s level. Spain and the USA may slow whilst other regions are assumed to recover.

The depression in Asia’s precast concrete industry continues, but the market is expected to recover in the second half of 2001. The Middle East will stabilise at its previous level. The main markets for 2000 will be Europe and the USA. The greatest uncertainty and threat lies with economic development in the USA and the possible influences from alternate market areas and economies.

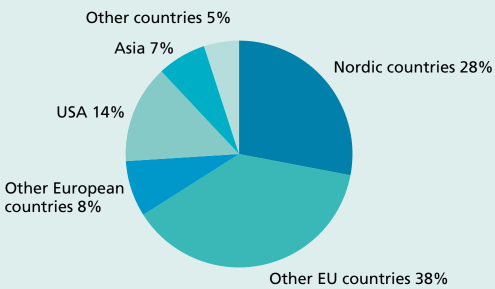
PCE Engineering

Production technology and know-how to the prefab industry world-wide

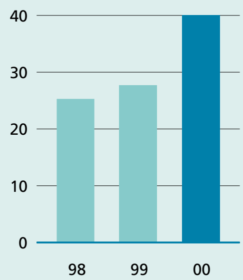
Key ratios 2000

Net Sales, EUR m	**40**
Investments, EUR m	**0.3**
Personnel (average)	**130**

Net Sales by Geographic Area 2000



Net Sales Development 1998–2000, EUR m



Measurements in the ARD laboratory in Parainen.

Addtek Research and Development (ARD) co-ordinates R&D efforts in the Group. ARD is also vital in the Group's Transfer of Best Practice activities. This work covers a whole range of individual projects that aim at increased standardisation and continuous improvement, utilising the know-how and experience of all the Group's operating units.

Transfer of Best Practice

TOB-groups continued their activities in all core areas: floors, structures, walls, railway sleepers and procurement. TOB-activities were started also in the areas of marketing and structural design. The Products & Applications group is closely following the European standardisation procedure, with Addtek´s specialists taking part in crucial working groups and committees.

Considerable expertise was over the previous year transferred into Poland and Lithuania to support the operations during the start-up period.

Development projects in 2000

During the year an extensive Finnish-German development project was started with ARD´s coordination. The focus is on the construction process as a whole with a goal toward increasing profitability and quality improvement.

Along with Parma Betonila and Brespa, the project partners are the Finnish construction company YIT Rakennus Oy, air-conditioning company Vallox Oy and the German company imbau Industrielles Bauen GmbH. This project, which is partly financed by The National Technology Agency of Finland (TEKES), received also the Eureka status.

As one phase of the hollow-core slab technology development, a prototype machine using new production technologies was built in Vantaa. This installation is designed to test the critical phases and components within the casting technology. Computer simulation was used to test the impact this technique has on productivity.

ARD was also involved in a project to find more appropriate and accurate measurement procedures for wall element production together with increased quality assurance. The result was the adoption of three different measurement technologies. Practical testing of these continues in 2001.

The ARD laboratory continued its research of the material properties of concrete with the purpose of attaining improved quality consistency. In cooperation with some cement suppliers, ARD is also investigating methods of controlling the consequences of quality variation of cement.

Development of self-compacting concrete continued. Initial production of this promising, albeit demanding product, has been started in Sweden, Finland, Holland and Norway.

The safety barrier concept, which ARD developed together with Parma Betonila gained subsequently approval by the Finnish Department of Roads. This approval secured a contract for Parma Betonila to provide 9 kilometers of these safety barrier elements.

AddCAD – a new CAD System for Precast Concrete Elements and Buildings

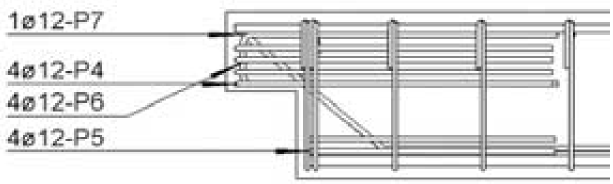
The development of a new CAD system, which is tailored especially for precast concrete elements, has been started. The system is called AddCAD. The target is to develop a CAD system which is suitable for all Addtek companies. At this moment Spanbeton, Strängbetong, Parma Betonila and Spenncon are participating actively to the development work.

Earlier many companies had their own tailored CAD programs. These programs have been developed on top of some commercial CAD program. In some cases the vendor has stopped to support the program and this has caused severe problems in the maintenance of the design tools. This experience was one reason to start the development of an own CAD tool especially made for precast industry.

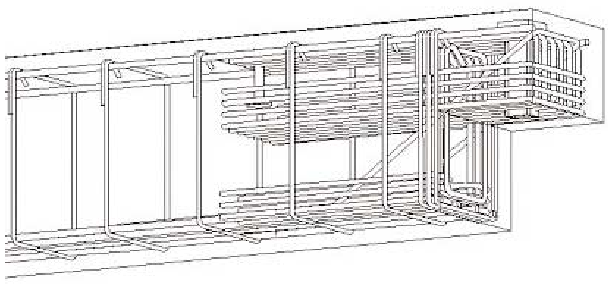
The ongoing work is mainly done in Spenncon and the first version is according to Spenncon's specifications. The first pilot version of the new AddCAD system has been completed and the tests are going on.

AddCAD is expected to increase efficiency, standardisation and quality in the design of precast buildings. In AddCAD program precast concrete elements are 100 % parameterised. This means that the user answers a dialog and the program produces the model and drawing(s) automatically according to drawing rules. The user can change the model interactively if necessary.

3-D model of a reinforcement



2-D drawing of an element

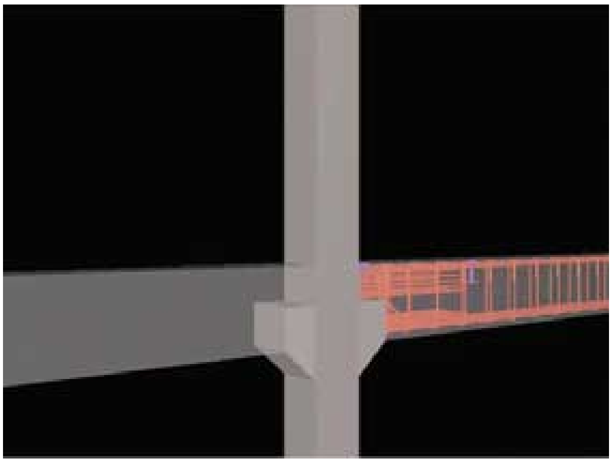


AddCAD includes the following properties:

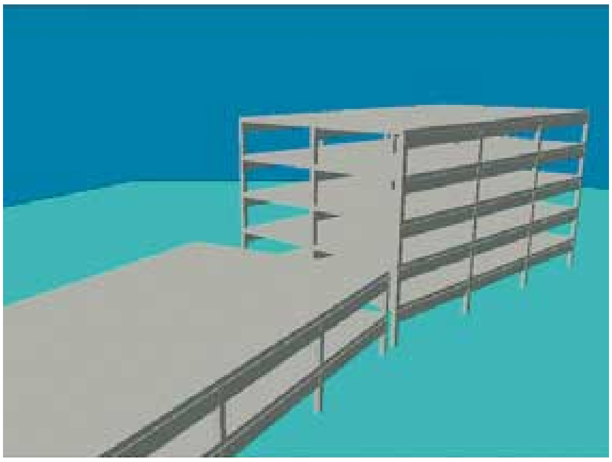
- Creating 3D-building models with "intelligent" objects
- Model includes elements, reinforcement, connections, inserts and assembly parts
- Production drawings can be created effectively
- Individual company standards are included to the program in order to comply with the special needs
- The system has an effective connection to company's other administrative systems
- The program can be connected to AutoCAD and the information can be transferred effectively between these two CAD systems

The AddCAD system has been divided into two parts; AddCAD Kernel (which is company independent) and company specific part (which includes company's own standards and design rules).

AddCAD is an independent CAD program. This means that the expected life time is longer and we are more flexible to adapt new technology, new formats and new systems in the future. Addtek believes that the increased efficiency and standardisation made possible by AddCAD will reduce design costs, reduce errors, reduce turnaround time, increase communication on international level between Addtek engineering offices and improve the quality of the whole building process.



3-D model of a joint



3-D model of a building

Report of the Board of Directors

General

During year 2000 economic development was positive in most European countries. There was a 3.3% growth in the gross national product, thereby exceeding 3% for the first time since 1989. Development within new construction projects was also positive, with 2.1% growth in Western Europe and 3.4% in Eastern Europe. Demand increased in most of Addtek's geographical areas, particularly in Finland, Sweden and Estonia. In Germany and Norway, the volume of construction projects decreased by 5% despite moderate economic growth.

The Group's market position was strengthened due to sales development being better than the common market development. In terms of result and profitability development goals were reached by focusing on capacity utilisation and productivity. The costs of start-up operations in the new markets of Poland and Lithuania weakened the Group's result.

Net sales, orders received and order backlog

The Group's net sales rose by 11%, from EUR 489 million to EUR 542 million. Sales rose in the Nordic countries particularly, as well as in Estonia and within the globally active PCE Engineering. Due to the increasing use of hollow-core in Germany, the volume of sales in Brespa maintained the same level as in 1999. However, Brespa's turnover sank by 10%, which was due to a slowdown in construction activity and tougher price competition due to over-capacity.

Orders received rose to EUR 535 million and was 8% higher than the year before. Order backlog was EUR 179 million by the end of the year, 4% more than the previous year.

Result and profitability

The result before extraordinary items, taxes and minority shares, was EUR 35.4 million. This was 6% more than the 1999 result of EUR 33.5 million. The result includes other operational income with a net amount of EUR 0.2 million, including the costs of new activities in Poland and Lithuania, amounting to EUR 1.3 million.

The improved result in Finland was mostly attributable to Parma Betonila and PCE Engineering. E-Betoonelement in Estonia also managed to reverse the poor result of last year, due to increased demand and successful product solutions. The result was weaker in Norway and Germany than in 1999, due to falling price levels. Germany was particularly affected by seasonal variation and overcapacity.

Taxes totalled EUR 11.6 million, equivalent to an effective tax rate of 32.8%.

Return on capital employed rose by 0.5 points, to 25.9% (25.4% in 1999). Return on equity was 19.2%, compared with 23.8% in the previous year. Both rates of return on investment were in accordance with the Group's long-term plans. Earnings per share remained the same as in 1999, EUR 1.84.

Liquidity and capital

Liquidity was good. Interest-bearing net debt decreased from EUR 56.2 million to EUR 49.4 million. Equity, including the capital loan of EUR 45.5 million and the minority share of EUR 5.1 million, was EUR 136.2 million by the turn of the year, which gives an equity ratio of 40.4 % by the end of the year. The parent company's distributable funds were EUR 18.7 million by the end of the year (EUR -2.9 million in 1999).

Research and development activities

Addtek Research and Development's specialist knowledge has been diversified. The Transfer of Best Practice operations actively continued, and now include project planning and marketing. Addtek R & D participated in the planning of new factories in Poland and Lithuania, as well as contributing towards technical marketing material and assisting with employee training.

Initial steps toward the production of self-levelling concrete began at the Strängbetong factory in Örebro. Preparations have also begun within other units. In collaboration with several other concrete companies Addtek participated in ongoing research to control variation in concrete quality.

The development of new technology for producing hollow-core was intensified.

Investments

The Group's investments totalled EUR 37.2 million. Their breakdown was as follows:

	EUR Million
Land	0.5
Buildings and constructions	4.5
Machinery and equipment	19.0
Construction in progress	9.9
Other	3.3

The investment in the Dutch subsidiary VBI that began in 1998 was completed at the end of the year. Test runs and real production started during 2001. The factory's total investment was approximately EUR 16 million. In Poland, Addtek Gorzkowice completed a factory for producing hollow-core and structural elements. In Finland, Parma Betonila acquired three factories, mainly for the production of hollow-core and structural elements. In Germany, Brespa enlarged their stockyard and improved logistics by investing in conveyors and cranes. Production capacity rose at Schneverdingen by 20%. Additional investments in the other companies were replacement and productivity supporting machinery and inventory investments.

Changes in Group structure

The wholly owned Polish trading company Addtek Polska, the production company Addtek Gorzkowice (property share 58.8 %) and the wholly owned company Betonika in Lithuania have been consolidated into the Group as new companies from the beginning of 2000.

In Sweden, within the subsidiary Strängbetong, the Group's structure has been clarified through mergers and the liquidation of some real estate companies and inactive companies.

At the beginning of the year, the corporate structure in Germany was simplified by transferring the business activity from Brespa Spannbeton GmbH & Co. KG to the limited company Brespa GmbH.

Board of Directors, company management and auditors

At the end of the year the Board of Directors consisted of: Olof Ljunggren, Chairman, Kari Heinistö, Vice Chairman, Jan Segerberg, Vice Chairman, Heikki Allonen, Andrejs Cakste, Bengt Jansson, Stefan Linder, Michael Rosenlew and Olav Uppgård.

Bengt Jansson has been acting as the company's President and CEO. The Authorised Public Accountants KPMG Wideri Oy Ab and SVH PricewaterhouseCoopers Oy have been serving as auditors.

Shares and shareholders

Addtek International Oy Ab's share capital is EUR 21.090.766. At the end of the year the parent company's major shareholders were: Partek Oyj Abp; investors in Industri Kapital's 1994 Fund; Sampo-Leonia Insurance Company plc; Verdandi Pension Insurance Company Ltd.; Verdandi Life Insurance Company Ltd. and the company management. Private and institutional investors held the remaining shares.

On 1 February 2001 CRH plc of Ireland signed a conditional agreement to buy all the shares in Addtek International Oy Ab.

Outlook for 2001

Despite the fact that some national economic indicators hint that development should worsen, growth in Europe is still expected to be at a healthy level. This together with a good order backlog, plus improved internal development within the Group's new markets, creates conditions for continuous positive development both in sales and result.

Income Statement

1 January – 31 December

In million euro	Note	Group 2000	%	Group 1999	%	Parent company 2000	Parent company 1999
Net sales	1, 2	541.6	100	489.4	100	3.2	3.3
Cost of goods sold		-441.0	-82	-391.8	-80	0.0	0.0
Gross profit		100.6	18	97.6	20	3.2	3.3
Selling and marketing costs		-28.2		-27.7		0.0	0.0
Administration costs		-30.5		-30.7		-4.7	-6.5
Other operating income	5	1.2		2.0		0.0	0.0
Other operating expenses	5	-0.9		-0.5		-0.1	0.0
Earnings of associated companies		0.2		0.4		0.0	0.0
		-58.2	-11	-56.5	-12	-4.8	-6.5
Operating profit	3, 4, 5	42.4	7	41.1	8	-1.6	-3.2
Financial income and expenses	6	-7.0	-1	-7.6	-1	21.5	2.3
Result before extraordinary items, taxation and minority interest		35.4	6	33.5	7	19.9	-0.9
Extraordinary income	7	0.0	0	0.0	0	2.7	0.8
Result before taxation and minority interest		35.4	6	33.5	7	22.6	-0.1
Taxes	8	-11.6	-2	-9.9	-2	-1.0	0.0
Minority interest		-0.8	0	-0.6	0	0.0	0.0
Result for the period		23.0	4	23.0	5	21.6	-0.1

Cash Flow Statement

1 January – 31 December

In million euro	Group 2000	Group 1999	Parent company 2000	Parent company 1999
Operating activities				
Operating profit/loss	42.3	41.1	-1.6	-3.1
Depreciation	16.7	14.6	0.1	0.0
Other adjustments	-2.6	0.1	0.0	0.0
Cash flow before changes in working capital	56.4	55.8	-1.5	-3.1
Change in working capital				
Interest free short-term receivables increase (-), decrease (+)	-1.7	-2.0	-0.5	0.7
Inventories, increase (-), decrease (+)	-10.7	0.9	0.0	0.0
Interest free short-term liabilities increase (+), decrease (-)	9.4	-2.5	-1.4	1.5
Cash generated from operations before financial items and taxes	53.4	52.2	-3.4	-0.9
Interest paid and other financial expenses	-7.6	-5.1	-5.4	-2.2
Dividends received	0.0	0.0	21.3	5.1
Interest received and other financial income	4.0	1.0	6.5	2.3
Income taxes	-8.5	-7.2	0.0	0.0
Cash flow from operating activities	41.3	40.9	19.0	4.3
Investing activities				
Investments in fixed assets	-36.2	-19.4	-0.1	-1.8
Proceeds from sale of fixed assets	0.9	1.7	0.0	0.0
Change in loan receivables	0.4	1.5	-18.5	-6.8
Cash flow from investing activities	-34.9	-16.2	-18.6	-8.6
Financing activities				
Change in minority	0.6	0.0	0.0	0.0
Translation differences	0.4	-0.9	0.0	0.0
Change in short-term debt	2.1	-2.7	-1.9	4.3
Change in long-term debt	-7.4	-24.1	-0.9	-2.0
Group contribution	0.0	0.0	0.8	0.0
Cash flow from financing activities	-4.3	-27.7	-2.0	2.3
Change in cash and cash equivalents	2.1	-3.0	-1.6	-2.0
Cash and cash equivalents at the beginning of the period	6.2	8.5	1.7	3.5
Adjustment due to change in exchange rates	-0.2	0.7	0.0	0.2
	6.0	9.2	1.7	3.7
Cash and cash equivalents at the end of the period	8.1	6.2	0.1	1.7
Change in cash and cash equivalents	2.1	-3.0	-1.6	-2.0

The figures above can not directly be found in the balance sheet because of the exchange rate differences occurred upon consolidation.

Balance Sheet

31 December

In million euro	Note	Group 2000	%	Group 1999	%	Parent company 2000	Parent company 1999
Assets							
Fixed assets	9, 10						
Intangible assets		5.0	1	4.6	1	0.1	0.1
Tangible assets		220.2	63	203.7	64	0.1	0.0
Investments		2.7	1	2.6	1	50.9	50.9
Fixed assets, total		227.9	65	210.9	66	51.1	51.0
Current assets and long-term receivables							
Long-term loan receivables	11	0.4	0	0.8	0	79.1	60.6
Deferred tax receivable	17	1.6	1	1.7	1	0.0	0.0
Inventories	12	39.9	11	29.3	9	0.0	0.0
Short-term receivables	11	73.9	21	69.7	22	13.3	4.6
Cash and bank		8.1	2	6.3	2	0.1	1.7
Current assets and long-term receivables, total		123.9	35	107.8	34	92.5	66.9
Assets, total		351.8	100	318.7	100	143.6	117.9

In million euro	Note	Group 2000	%	Group 1999	%	Parent company 2000	Parent company 1999
Equity and liabilities							
Shareholders' equity	13, 14						
Share capital		21.1	6	21.1	7	21.1	21.1
Retained earnings		41.1	12	17.2	6	-2.9	-2.8
Result for the period		23.0	7	23.0	7	21.6	-0.1
Translation difference		0.4	0	0.9	0	0.0	0.0
Capital loan	14	45.5	13	45.5	14	45.5	45.5
Shareholders' equity total		131.1	38	107.7	34	85.3	63.7
Minority interest		5.1	1	3.8	1	0.0	0.0
Provisions	15	4.5	1	6.9	2	0.0	0.0
Liabilities							
Long-term liabilities	16	56.2	16	60.3	19	45.2	41.4
Deferred tax liability	17	37.8	11	35.5	11	0.0	0.0
Short-term liabilities	18	117.1	33	104.5	33	13.1	12.8
Liabilities, total		211.1	60	200.3	63	58.3	54.2
Equity and liabilities, total		351.8	100	318.7	100	143.6	117.9

Accounting Principles

Basis of the financial statements

The consolidated financial statements, the financial statements of the parent company and the financial statements of the Finnish subsidiaries have been prepared in accordance with the legislation and current regulations in force in Finland. The financial statements of the foreign subsidiaries have been adjusted to conform to accounting practice in Finland.

Consolidation principles

The consolidated financial statements cover the parent company Addtek International Oy Ab and all the companies in Finland and abroad in which the parent company directly or indirectly controls more than 50% of the voting rights. One dormant company in Norway has been excluded.

The associated companies have been consolidated in accordance with the equity method. The associated company Parma Betonila Oy, of which the Group holds 50%, has, however, been consolidated on a row by row basis according to the ownership share. In the notes Parma Betonila has been consolidated in the same way.

The consolidated balance sheet has been prepared in accordance with the so-called direct acquisition method. Companies acquired during the year have been included in the consolidated income statement from the time they were acquired. In preparation of the consolidated financial statements internal transactions have been eliminated.

At the time of acquisition on 1.12.1997, the Group assets have been valued by taken into account the deferred tax. In accordance with the recommendation of the Accounting Board, the purchase price for shares in subsidiaries has been allocated to the acquired assets and liabilities. The allocation has been made on the basis of a valuation at market value according to the acquisition analysis and it covers the Group's share of the acquired assets and liabilities.

The value of the acquired assets and assumed liabilities is based on independent external valuations and well documented internal analyses. Deferred tax has been calculated for those balance sheet items for which the value in the Group deviates from the tax base values of the individual companies.

Possible untaxed reserves in the acquired companies at the time of acquisition have been divided into equity and a deferred tax liability at applicable tax rates.

Valuation of long-term assets

Shares included in fixed assets in the individual companies are entered at their acquisition value. The parent company's values of shares in subsidiaries are entered at their acquisition value.

Foreign currency

Group companies

Transactions in foreign currency are translated to the reporting currency at the rate applicable at the transaction date. In the financial statements the monetary assets and liabilities in foreign currencies are translated to the reporting currency at the central bank rates applicable at 31.12.2000.

Group

Foreign subsidiaries are considered to have independent operations and they are therefore not an integral part of the operations of the parent company. Foreign subsidiary assets and liabilities are therefore translated at central bank rates applicable at the year end, while income and expenditure are translated at the average rate during the accounting period. Translation differences are transferred to equity.

Rates of exchange

The following exchange rates have been used compared to euro:

EMU countries	Currency	Fixed rates
Finland	FIM	5.94573
Germany	DEM	1.95583
The Netherlands	NLG	2.20371

Other countries	Currency	Year end rates 31.12.2000	Average rates 2000
Sweden	SEK	8.83131	8.44590
Norway	NOK	8.23350	8.11381
Estonia	EEK	15.64660	15.64660
Latvia	LVL	0.57640	0.55925
Lithuania	LTL	3.72290	3.69527
Poland	PLN	3.84980	4.00690
USA	USD	0.93050	0.92376

Taxes

Tax costs are calculated on the result before tax after taking into account permanent differences between taxable and recorded profit. Tax on differences due to the fact that items are recorded and taxed during different periods is included in the balance sheet as a deferred tax liability or receivable.

Deferred tax receivables and liabilities are calculated on the periodisation differences between the accounting and taxation with the tax rates applicable during the following year, or if these are not known, with the tax rates of the period.

The credit on corporation tax in connection with internal dividend payments has been eliminated in the Group from direct taxes.

Inventory

Inventory has been valued either at the direct acquisition value or net realisable value, whichever is lowest. The FIFO-principle has been applied in the valuation. The value of finished and semi-finished goods includes in addition to the acquisition cost a reasonable proportion of indirect production costs and depreciation.

Advance payments equivalent to completed work are deducted from the sales income calculated in accordance with the percentage of completion of ongoing projects. The difference is included in inventories.

Tangible fixed assets

Land, factory buildings, machines and other equipment are recorded according to their historic acquisition cost less depreciation according to plan in the individual companies. The Group assets have been valued at the date of acquisition taking into account the deferred tax. The valuation is based on the current values and the depreciation in the Group is based on the remaining economic life of the assets, which has been estimated as 20 to 25 years for buildings and constructions and 5 to 15 years for machinery and equipment.

The depreciation rates in the individual companies are based on the following economic life times:

Goodwill	5 – 20 years
Intangibles	10 years
Other capitalised expenditure	3 – 17 years
Buildings and constructions	15 – 40 years
Machinery and equipment	3 – 25 years
Other tangible assets	5 – 10 years

Leasing

There are no material leasing contracts on fixed assets. Leased assets are not included in the balance sheet and the lease fees are charged to income.

Income recognition

Net sales for product deliveries include invoiced amounts after the deduction of indirect taxes and discounts given. Project deliveries are recognised on the basis of the percentage of completion.

Research and development

Research and development costs are charged to income during the year they arise. Investments related to research and development are activated and deducted according to their economic life.

Pension arrangements

In the parent company and in the Finnish subsidiaries the pension responsibility is covered by means of pension insurance and the pension costs are charged to income at the same rate as pension rights are earned. The pension costs in other countries are recorded according to the practice of the country in question.

Minority interest

The minority share of the result after taxes is shown separately in the consolidated income statement. The minority share of equity is shown separately in the balance sheet.

Provisions

Costs, which are based on agreements or other liabilities and have not yet been realised, are shown as provisions in the balance sheet. The change of the provisions during the year is included in the income statement as a correction of the corresponding expense item.

Notes to Financial Statements

1. Net sales

In million euro	Group 2000	1999
Per geographic area		
Finland	82.4	64.3
Sweden	128.1	118.6
Norway	110.3	99.7
The Netherlands	147.2	139.1
Germany	33.3	35.9
Other countries	40.3	31.8
	541.6	489.4

2. Income from projects according to percentage of completion

In million euro	Group 2000	1999
Amount of total annual net sales	429.6	377.6
Ongoing projects 31 Dec		
Amount included in net sales	241.1	198.6
Sales not yet booked	118.4	95.2

3. Wages and salaries

In million euro	Group 2000	1999	Parent company 2000	1999
Salaries				
Salaries and fees				
To Board members and Managing Directors	1.6	1.5	0.3	0.4
To others	114.2	103.5	1.0	1.2
Bonus to Managing Directors	0.2	0.1	0.1	0.0
	116.0	105.1	1.4	1.6
Other salary-related costs				
Pensions and pension premiums	8.5	8.5	0.6	0.6
Other salary-related costs	33.2	28.5	0.2	0.1
	41.7	37.0	0.8	0.7
Total	157.7	142.1	2.2	2.3
Managing Directors' pension age	60 – 65 y	60 – 65 y	60 y	60 y

In million euro	Group 2000	1999	Parent company 2000	1999
Average number of employees				
Workers	2,899	2,620	0	0
Clerical	1,270	1,166	13	9
Total	4,169	3,786	13	9

Salaries and fees of the Board of Directors and CEO

The fees of the Board of Directors are defined by the Annual General Meeting and the salary and other benefits of the CEO by the Board. The CEO of the parent company has during the year received a salary including fringe benefits totalling 233,452 euro and a bonus of 58,866 euro. The fees to the Board during the year were 111,105 euro. The employees of Addtek International who also are Board members of Group companies have received no separate fees.

Pension terms

The retirement age of the CEO of the parent company is 60 years. The full old-age pension is 60% of the salary on which the pension is determined. The pension liabilities are covered in full by pension insurances, which have been taken out with pension insurance companies.

Dismissal

The dismissal time is both for the company and the CEO six months. If the company dismisses the CEO, he will be paid compensation for the dismissal, which will correspond to 18 months of the fixed salary including fringe benefits in addition to the salary for the dismissal period.

4. Depreciation

In million euro	Group 2000	Group 1999	Parent company 2000	Parent company 1999
Depreciation per function				
Production	14.3	12.8	0.0	0.0
Sales and marketing	0.7	0.7	0.0	0.0
Administration	1.4	1.0	0.1	0.0
Other operating expenses				
Goodwill	0.3	0.1	0.0	0.0
Total	16.7	14.6	0.1	0.0
Depreciation according to plan per type of asset				
Goodwill	0.3	0.1	0.0	0.0
Intangible rights	0.1	0.4	0.0	0.0
Other capitalized expenditure	0.7	0.1	0.0	0.0
Land	0.7	0.2	0.0	0.0
Buildings and constructions	4.1	4.5	0.0	0.0
Machinery and equipment	9.4	8.7	0.0	0.0
Other tangible assets	1.4	0.6	0.1	0.0
Total	16.7	14.6	0.1	0.0

5. Other operating income and expenses

In million euro	Group 2000	Group 1999	Parent company 2000	Parent company 1999
Income				
Profit on sale of fixed assets	0.2	1.1	0.0	0.0
Public regional development subsidy	0.3	0.2	0.0	0.0
Other income	0.7	0.7	0.0	0.0
	1.2	2.0	0.0	0.0
Costs				
Loss on sale of fixed assets	0.1	0.0	0.0	0.0
Depreciation of goodwill	0.3	0.1	0.0	0.0
Other expenses	0.5	0.4	0.1	0.0
	0.9	0.5	0.1	0.0

6. Financial income and expenses

In million euro	Group 2000	Group 1999	Parent company 2000	Parent company 1999
Dividend income from Group companies	-	-	16.3	0.0
Dividend income from associated companies	0.0	0.0	5.0	3.7
Dividend income from others	0.0	0.0	0.0	0.0
Credit on corporate tax	0.0	0.0	2.0	1.4
Interest income from Group companies	-	-	4.1	2.4
Interest income from others	0,7	0.5	0.1	0.3
Interest expenses to Group companies	-	-	-1.4	-1.0
Interest expenses to others	-4.5	-4.9	-1.4	-1.2
Interest expenses on capital loan	-3.2	-3.2	-3.2	-3.2
Other financial items to others	0.0	0.0	0.0	-0.1
	-7.0	-7.6	21.5	2.3
Other financial items				
Other financial income				
Exchange rate differences	4.6	1.7	4.1	1.6
Other income	0.0	0.5	0.0	0.0
	4.6	2.2	4.1	1.6
Other financial expenses				
Exchange rate differences	4.4	2.0	4.1	1.7
Other expenses	0.2	0.2	0.0	0.0
	4.6	2.2	4.1	1.7
Total	0.0	0.0	0.0	-0.1

7. Extraordinary income

In million euro	Group 2000	Group 1999	Parent company 2000	Parent company 1999
Group contribution	-	-	2.7	0.8

8. Taxes

In million euro	Group 2000	Group 1999	Parent company 2000	Parent company 1999
Taxes paid	-8.5	-5.9	0.0	0.0
Change in deferred taxes during the year	-3.1	-4.0	-1.0	0.0
	-11.6	-9.9	-1.0	0.0

9. Fixed assets

In million euro	Group 2000	Group 1999	Parent company 2000	Parent company 1999
Intangible assets				
Goodwill				
Acquisition value 1 Jan	1.6	0.9	0.0	0.0
+ Increase during the year	0.7	0.7	0.0	0.0
Acquisition value 31 Dec	2.3	1.6	0.0	0.0
- Accumulated depreciation	-0.5	-0.2	0.0	0.0
Residual value 31 Dec	1.8	1.4	0.0	0.0
Intangible rights				
Acquisition value 1 Jan	3.8	3.6	0.0	0.0
+ Increase during the year	0.8	0.2	0.0	0.0
Acquisition value 31 Dec	4.6	3.8	0.0	0.0
- Accumulated depreciation	-1.6	-0.9	0.0	0.0
Residual value 31 Dec	3.0	2.9	0.0	0.0
Other capitalized expenditure				
Acquisition value 1 Jan	1.1	1.0	0.2	0.2
+ Increase during the year	0.1	0.1	0.0	0.0
Acquisition value 31 Dec	1.2	1.1	0.2	0.2
- Accumulated depreciation	-1.0	-0.8	-0.1	-0.1
Residual value 31 Dec	0.2	0.3	0.1	0.1
Intangible assets, total	5.0	4.6	0.1	0.1
Tangible assets				
Land				
Acquisition value 1 Jan	27.4	27.3	0.0	0.0
+ Valuation	15.6	15.6	0.0	0.0
+ Investments	0.5	0.2	0.0	0.0
+ Other increase	0.5	0.0	0.0	0.0
- Decrease during the year	0.0	-0.1	0.0	0.0
Acquisition value 31 Dec	44.0	43.0	0.0	0.0
- Accumulated depreciation	-5.3	-4.4	0.0	0.0
Residual value 31 Dec	38.7	38.6	0.0	0.0
Buildings and constructions				
Acquisition value 1 Jan	75.1	74.2	0.0	0.0
+ Valuation	45.6	46.8	0.0	0.0
+ Investments	4.5	1.2	0.0	0.0
+ Other increase	0.5	0.0	0.0	0.0
- Decrease during the year	0.0	-0.3	0.0	0.0
Acquisition value 31 Dec	125.7	121.9	0.0	0.0
- Accumulated depreciation	-38.6	-33.8	0.0	0.0
Residual value 31 Dec	87.1	88.1	0.0	0.0

In million euro	Group 2000	Group 1999	Parent company 2000	Parent company 1999
Machinery and equipment				
Acquisition value 1 Jan	122.7	113.9	0.1	0.1
+ Valuation	18.8	18.8	0.0	0.0
+ Investments	19.1	9.1	0.1	0.0
+ Other increase	1.2	1.6	0.0	0.0
- Decrease during the year	-1.7	-1.9	0.0	0.0
Acquisition value 31 Dec	160.1	141.5	0.2	0.1
- Accumulated depreciation	-89.2	-78.9	-0.1	-0.1
Residual value 31 Dec	70.9	62.6	0.1	0.0
Other tangible assets				
Acquisition value 1 Jan	22.6	21.7	0.0	0.0
+ Investments	1.8	0.9	0.0	0.0
+ Other increase	0.7	0.2	0.0	0.0
- Decrease during the year	0.0	-0.2	0.0	0.0
Acquisition value 31 Dec	25.1	22.6	0.0	0.0
- Accumulated depreciation	-17.2	-15.9	0.0	0.0
Residual value 31 Dec	7.9	6.7	0.0	0.0
Construction in progress				
Acquisition value 1 Jan	7.7	2.1	0.0	0.0
+ Investments	9.9	6.0	0.0	0.0
- Decrease during the year	-2.0	-0.4	0.0	0.0
Acquisition value 31 Dec	15.6	7.7	0.0	0.0
Tangible assets, total	220.2	203.7	0.1	0.0
Investments				
Shares and participations in subsidiaries				
Acquisition value 1 Jan	-	-	37.6	35.8
+ Increase during the year	-	-	0.0	1.8
- Decrease during the year	-	-	0.0	0.0
Acquisition value 31 Dec	-	-	37.6	37.6
Shares and participations in associated companies				
Acquisition value 1 Jan	1.8	1.6	13.3	13.3
+ Other increase	0.5	0.4	0.0	0.0
- Decrease during the year	0.0	-0.2	0.0	0.0
Acquisition value 31 Dec	2.3	1.8	13.3	13.3

In million euro	Group 2000	Group 1999	Parent company 2000	Parent company 1999
Shares and participations, external				
Acquisition value 1 Jan	0.8	0.9	0.0	0.0
- Decrease during the year	-0.4	-0.1	0.0	0.0
Acquisition value 31 Dec	0.4	0.8	0.0	0.0
Investments, total	2.7	2.6	50.9	50.9

10. Shares and participations as per 31 Dec 2000

In million euro	Group holding % 1999	Parent company holding % 2000	Book value Parent company 1999
Group and associated companies			
Addtek Holding Oy Ab, Helsinki Finland	100.0	100.0	0.0
Addtek Polska S.p. z o.o., Poland	100.0		
Addtek Gorzkowice S.p. z o.o., Poland	58.8		
Betonika, Lithuania	100.0	100.0	1.8
PCE Engineering Oy Ab, Toijala Finland	100.0	100.0	5.6
PCE International Oy Ab, Toijala Finland	95.0		
Rimera Oy, Riihimäki Finland	100.0		
PCE Roth GmbH, Germany	100.0		
PCE Elematic Inc., USA	100.0		
Addtek Research & Development Oy Ab, Nummela Finland	100.0	100.0	0.7
Addtek International AB, Sweden	100.0	100.0	29.5
Strängbetong AB, Sweden	100.0		
A/S E-Betoonelement, Estonia	75.0	30.9	1.5
Swetrak A/S, Estonia*)	50.0		
Strangbetong Latvija SIA, Latvia	100.0		
Addtek International B.V., The Netherlands	90.0		
Spanbeton B.V., The Netherlands	90.0		
VBI Verenigde Bouwprodukten Industrie B.V., The Netherlands	90.0		
Waalwijk Elementen Beton-industri B.V., The Netherlands	100.0		
Brespa GmbH, Germany	100.0		
Addtek International AS, Norway	100.0		
Spenncon AS, Norway	100.0		

In million euro	Group holding % 1999	Parent company holding % 2000	Book value Parent company 1999
Parma Betonila Oy, Forssa Finland*)1)	50.0	50.0	11.8
Parastek Holding Oy Ab, Parainen Finland*)	50.0		
A/O Parastek, Russia*)	50.0		
A/O Parastek Beton, Russia*)	50.0		
ZAO Mospart, Russia*)	50.0		
ZAO Extruder, Russia*)	51.0		
Parent company's total holding in Group and associated companies			50.9

A complete list of the Group and associated companies is included in the statutory accounts.

*) Associated company

1) The Parma Betonila Group consolidated according to the row by row method in accordance with the holding of the Addtek Group

11. Long and short-term receivables

In million euro	Group 2000	Group 1999	Parent company 2000	Parent company 1999
Other personnel				
Long-term loans	0.0	0.1	0.0	0.0
Subsidiaries				
Long-term loan receivables	-	-	79.1	60.5
Accounts receivables	-	-	1.1	0.0
Accrued income and prepaid expenses	-	-	0.6	1.4
Other short-term receivables	-	-	6.4	0.9
	-	-	87.2	62.8
Associated companies				
Long-term loan receivables	0.0	0.0	0.0	0.0
Accounts receivables	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0

In million euro	Group 2000	1999	Parent company 2000	1999
External				
Long-term loan receivables	0.4	2.5	0.0	0.0
Short-term interest-bearing receivables	0.0	0.0	0.0	0.0
Accounts receivables	64.6	60.0	0.0	0.0
Accrued income and prepaid expenses	6.9	6.3	5.2	2.0
Other short-term receivables	2.4	1.6	0.0	0.4
	74.3	70.4	5.2	2.4
Total	74.3	70.5	92.4	65.2

Long-term receivables

Interest-bearing				
Subsidiaries	-	-	79.1	60.6
Associated companies	0.0	0.0	0.0	0.0
External	0.3	0.3	0.0	0.0
	0.3	0.3	79.1	60.6
Interest free				
Subsidiaries	-	-	0.0	0.0
Associated companies	0.0	0.0	0.0	0.0
External	0.1	0.5	0.0	0.0
	0.1	0.5	0.0	0.0
Long-term receivables total	0.4	0.8	79.1	60.6

Short-term receivables

Interest-bearing				
Subsidiaries	-	-	2.7	0.0
	0.0	0.0	2.7	0.0
Interest free				
Subsidiaries	-	-	5.4	2.2
Associated companies	0.0	0.1	0.0	0.0
External	73.9	69.6	5.2	2.4
	73.9	69.7	10.6	4.6
Short-term receivables total	73.9	69.7	13.3	4.6
Total	74.3	70.5	92.4	65.2

The most important of the Group's accrued income and prepaid expenses are related to the periodisation of financial items 5.1 million euro.

12. Inventories

In million euro	Group 2000	1999	Parent company 2000	1999
Materials and supplies	15.9	12.8	0.0	0.0
Finished and semi-finished goods	23.5	16.4	0.0	0.0
Advance payments	0.5	0.1	0.0	0.0
	39.9	29.3	0.0	0.0

13. Shareholders' equity

In million euro	Group 2000	1999	Parent company 2000	1999
Share capital 1 Jan	21.1	21.1	21.1	21.1
Share capital 31 Dec	21.1	21.1	21.1	21.1
of which				
- series A, 4 votes per share, dividends	15.2	15.2	15.2	15.2
- series B, 4 votes per share, no dividend	3.2	3.2	3.2	3.2
- series C, 1 vote per share, no dividend	2.7	2.7	2.7	2.7
Retained earnings	41.1	17.2	-2.9	-2.8
Result for the year	23.0	23.0	21.6	-0.1
Translation differences	0.4	0.9	0.0	0.0
Capital loan 1 Jan	45.5	45.5	45.5	45.5
Capital loan 31 Dec	45.5	45.5	45.5	45.5
Shareholders' equity 31 Dec	131.1	107.7	85.3	63.7
Distributable funds 31 Dec				
Retained earnings	41.1	17.2	-2.9	-2.8
Result for the year	23.0	23.0	21.6	-0.1
Translation differences	0.4	0.9	0.0	0.0
The equity share deducted from untaxed reserves	-11.5	-7.2	0.0	0.0
Total	53.0	33.9	18.7	-2.9

14. Capital loan

The parent company Addtek International Oy Ab has a capital loan in the amount of 45.5 million euro from the following investors:

In million euro	2000	Parent company 1999
Partek Oyj Abp	20.5	20.5
Investors represented by		
Industri Kapital 1994 Ltd.	25.0	25.0
	45.5	45.5

The booked but unpaid interest at 31 December 2000 was 9.8 million euro and it has been booked in the parent company as a long-term interest free liability.

Principle loan terms:

- The principle amount of the loan an the interest can in case of bankrupcy, reconstruction or liquidation only be repaid if other liabilities have been repaid.
- The loan and the interest can be repaid at any time assuming that the company's restricted equity is covered.
- The loan can be converted to equity assuming that the company's non-restricted equity is retained at an allowed level.
- The company is not allowed to reduce its share capital, merge with another company or demerge without permission from 2/3 of the lenders.
- The loan carries an interest charge of 7%. The payment of the interest and repayment of the loan has priority over the payment of dividends. After 31 December 2002 no interest will be charged.
- The loan has to be repaid when the shareholders' agreement ceases to apply or on 31 December 2007 at the latest. If the loan and the interest can not be repaid at that point of time, the lenders can convert the loan in whole or in part to shares of series B for 10 mk per share, resulting in a maximum of 27 060 000 new shares in series B.

15. Provisions

		Group		Parent company
In million euro	2000	1999	2000	1999
Pension liabilities	2.3	3.4	0.0	0.0
Guarantees	1.6	1.1	0.0	0.0
Restructuring costs	0.5	0.9	0.0	0.0
Other provisions	0.1	1.5	0.0	0.0
	4.5	6.9	0.0	0.0

16. Long-term liabilities

		Group		Parent company
In million euro	2000	1999	2000	1999
Loans from financial institutions	46.1	42.8	12.6	5.0
Other interest-bearing liabilities, external	0.2	10.6	0.0	8.4
Other interest-bearing liabilities, internal	-	-	22.8	21.4
Other interest free liabilities, external	9.9	6.9	9.8	6.6
	56.2	60.3	45.2	41.4

Of the long-term liabilities the following will fall due in 2005 or later:

Loans from financial institutions	4.0		1.8	
Other interest-bearing liabilities, internal	-		22.8	
Other interest free liabilities, external	9.8		9.8	
	13.8		34.4	

17. Deferred taxes

		Group
In million euro	2000	1999
Deferred tax receivable		
From joining measures	0.9	1.3
From periodisation differences	0.7	0.4
	1.6	1.7
Deferred tax liability		
From joining measures	19.2	18.9
From periodisation differences	18.6	16.6
	37.8	35.5

18. Short-term liabilities

		Group		Parent company
In million euro	2000	1999	2000	1999
Interest-bearing				
Subsidiaries				
Other interest-bearing liabilities	-	-	5.8	10.1
Other				
Amortisation on long-term loans	6.3	9.1	3.6	0.0
Other interest-bearing liabilities	5.3	0.3	1.7	0.2
	11.6	9.4	5.3	0.2
Interest-bearing, total	11.6	9.4	11.1	10.3

In million euro	2000	Group 1999	2000	Parent company 1999
Interest free				
Subsidiaries				
Trade creditors	-	-	0.0	0.0
Accrued expenses and deferred income	-	-	0.0	0.0
Associated companies				
Accrued expenses and deferred income	0.2	-	0.0	0.0
Others				
Advances received	14.3	17.3	0.0	0.0
Trade creditors	50.4	37.7	0.3	0.9
Accrued expenses and deferred income	25.2	23.1	1.6	1.5
Other interest free liabilities	15.4	17.0	0.1	0.1
	105.3	95.1	2.0	2.5
Interest free, total	105.5	95.1	2.0	2.5
Total	117.1	104.5	13.1	12.8

The most important of the Group's accrued expenses and deferred income items are related to the periodisation of personnel costs of 16.5 million euro, taxes of 1.5 million euro, purchase costs of 4.3 million euro and financial items of 0.3 million euro.

19. Pledged assets and contingent liabilites

In million euro	2000	Group 1999	2000	Parent company 1999
Pledged assets				
As security for own debt				
Real estate mortgages	115.5	113.8	0.0	0.0
Other mortgages	46.6	45.2	0.0	0.0
Shares	0.0	0.0	35.8	35.8
	162.1	159.0	35.8	35.8
Credit and guarantee lines for which collateral is pledged	125.3	124.7	47.6	28.8
- of which booked as loans on the balance sheet	56.7	52.0	17.9	5.1

Shares owned by the parent company have been pledged as security for both own and Group company debt.

In million euro	2000	Group 1999	2000	Parent company 1999
Guarantees given and other contingent liabilities				
For Group companies	-	-	142.6	161.1
For commercial obligations	61.5	49.2	0.0	0.0
	61.5	49.2	142.6	161.1
-of which guarantees for unused but committed credit and guarantee lines available for Group companies			57.0	77.8
Pension liabilities	0.8	0.0	-	-
Lease and long term rent agreements				
Payments due during the coming year	3.1	2.4	0.1	0.0
Payments due thereafter	7.4	3.9	0.0	0.1
	10.5	6.3	0.1	0.1

20. Derivative instruments

In million euro	2000	Group 1999	2000	Parent company 1999
Foreign exchange forward contracts				
Market value	1.6	-0.3	1.1	-0.1
Nominal amount	62.1	39.3	53.9	32.7

At the end of the financial period, the forward contracts were used for hedging loans between the parent company and subsidiaries and the sales in foreign currencies of some Group companies.
The forward contracts have been valued at the rate on the closing date, and the result has been booked among other financial income or expenses at the same pace as the bookings regarding the hedged items.

21. Personnel at 31 Dec

In million euro	2000	Group 1999
By geographic area		
Finland	688	601
Sweden	966	915
Norway	612	624
Germany	142	140
The Netherlands	1 202	1 176
Estonia	362	356
Lithuania	123	0
Poland	85	0
Other countries	11	11
	4 191	3 823

22. Distribution of shares

Distribution of shares by shareholder category at 31 December 2000

	Series of shares			Shares	%
	A	B	C	total	
Private and public companies	3,553,200	91,330	0	3,644,530	29.06
Financial and insurance institutions	2,756,840	532,720	0	3,289,560	26.23
Investment companies and funds	2,208,580	1,278,550	0	3,487,130	27.81
Private persons	538,780	0	1,580,000	2,118,780	16.90
Total	9,057,400	1,902,600	1,580,000	12,540,000	100.00

Distribution of shares by shareholding at 31 December 2000

Number of shares	Shareholders	%	Shares	%
1 - 5 000	57	36.31	234,962	1.87
5 001 - 10 000	19	12.10	173,038	1.38
10 001 - 50 000	51	32.48	1,492,120	11.90
50 001 - 100 000	11	7.01	913,960	7.29
100 001 - 500 000	16	10.19	4,722,410	37.66
500 001 -	3	1.91	5,003,510	39.90
Total	157	100.00	12,540,000	100.00

Key Ratios

		2000	1999	1998
Income Statement				
Net Sales	Million euro	541.6	489.4	442.0
Gross Profit	Million euro	100.6	97.6	86.1
% of Net Sales	%	18.6	19.6	19.5
Operating profit	Million euro	42.4	41.1	36.7
% of Net Sales	%	7.8	8.4	8.3
Result before Extraordinary Items, Taxation and Minority Interest	Million euro	35.4	33.5	27.4
% of Net Sales	%	6.5	6.9	6.2
Result for the Period	Million euro	23.0	23.0	18.8
% of Net Sales	%	4.2	4.7	4.2
Balance Sheet and Key Ratios				
Total Assets	Million euro	351.8	318.7	304.0
Return on Capital Employed	%	25.9	25.4	21.4
Return on Equity (incl. Capital Loan)	%	19.2	23.8	25.0
Return on Equity (excl. Capital Loan)	%	30.4	44.0	61.2
Equity Ratio (incl. Capital Loan)	%	40.4	37.0	30.7
Equity Ratio (excl. Capital Loan)	%	26.9	21.9	14.7
Gearing (incl. Capital Loan)	%	36	50	85
Gearing (excl. Capital Loan)	%	105	154	288
Earnings per Share	euro	1.84	1.84	1.46
Equity per Share (excl. Capital Loan)	euro	6.82	4.96	3,06
Gross Investments	Million euro	37.2	20.0	18.7
% of Net Sales	%	6.9	4.1	4.2
Net Debt (incl. Capital Loan)	Million euro	94.9	101.7	119.6
Net Debt (excl. Capital Loan)	Million euro	49.4	56.2	74.1
Order book	Million euro	179.5	172.6	145.3
Average Number of Personnel	Number	4 169	3 786	3 765
of which in Finland	"	644	598	562
of which outside Finland	"	3 525	3 188	3 203

Definitions to Key Ratios

Return on Capital Employed, %	$\frac{\text{Profit after financial items + financial expenses}}{\text{Total assets - interest free liabilities, year average}} \times 100$
Return on Equity, %	$\frac{\text{Profit after financial items - taxes}}{\text{Equity + minority share, year average}} \times 100$
Equity Ratio, %	$\frac{\text{Equity + minority share}}{\text{Total assets - advances received}} \times 100$
Gearing, %	$\frac{\text{Interest-bearing liabilities - cash - other interest-bearing receivables}}{\text{Equity + minority share}} \times 100$
Earnings per Share, in euro	$\frac{\text{Profit after financial items - taxes - minority share}}{\text{Number of shares, average}}$
Equity per Share, in euro	$\frac{\text{Equity}}{\text{Number of shares, closing balance}}$

Proposal for the Distribution of Profit to the Annual General Meeting

The net profit of the Group during the year was 23.0 million euro and the distributable funds amounted to 53.0 million euro on 31 December 2000.

The net profit of the parent company during the year was 21.6 million euro and the distributable funds amounted to 18.7 million euro on 31 December 2000.

The Board of Directors proposes to the Annual General Meeting that the profit of the parent company of 21,574,063.52 euro for the financial period will be transferred to the profit and loss account and that no dividend will be paid.

Vantaa, 13 February 2001

Olof Ljunggren, Chairman

Kari Heinistö, Vice Chairman

Jan Segerberg, Vice Chairman

Heikki Allonen

Andrejs Cakste

Stefan Linder

Michael Rosenlew

Olav Uppgård

Bengt Jansson, President and CEO

Auditors' Report

To the shareholders of Addtek International Oy Ab

We have audited the accounting records and the financial statements, as well as the administration by the Board of Directors and the Managing Director of Addtek International Oy Ab for the year ended 31 December 2000. The financial statements prepared by the Board of Directors and the Managing Director include the report of the Board of Directors, consolidated and parent company income statements, balance sheets, cash flow statements and notes to the financial statements. Based on our audit we express an opinion on these financial statements and the company's administration.

We have conducted our audit in accordance with Finnish Generally Accepted Auditing Standards. Those standards require that we plan and perform the audit in order to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. The purpose of our audit of the administration has been to examine that the Board of Directors and the Managing Director have complied with the rules of the Finnish Companies Act.

In our opinion, the financial statements, showing a profit of 23,038,000 euro in the consolidated income statement and a profit of 21,574,063.52 euro in the parent company income statement, have been prepared in accordance with the Finnish Accounting Act and other rules and regulations governing the preparation of financial statements in Finland. The financial statements give a true and fair view, as defined in the Finnish Accounting Act, of both the consolidated and parent company result of operations, as well as the financial position. The financial statements can be adopted and the members of the Board of Directors and the Managing Director of the parent company can be discharged from liability for the financial year audited by us. The proposal made by the Board of Directors on how to deal with the result is in compliance with the Finnish Companies Act.

Vantaa, 13 February 2001

KPMG WIDERI OY AB
Solveig Törnroos-Huhtamäki
Authorized Public Accountant

SVH PricewaterhouseCoopers Oy
Kim Karhu
Authorized Public Accountant

Board of Directors

Standing from left: Olav Uppgård, Andrejs Cakste, Michael Rosenlew, Stefan Linder, Bengt Jansson
Sitting from left: Heikki Allonen, Jan Segerberg, Olof Ljunggren, Kari Heinistö

Olof Ljunggren
Born 1933. Chairman.
Chairman of the Board of Intentia AB, AFA Försäkring and AMF Pension.
Vice Chairman of the Board of Liber AB.
Member of the Board of Försäkringsbolaget Pensionsgaranti (FGP) and Catella Kapitalförvaltning AB.
Shareholding: 5,678 shares
Share of capital loan: EUR 6,576

Kari Heinistö
Born 1958. Vice Chairman.
Senior Executive Vice President of Partek Oyj Abp.
Vice Chairman of the Board of Paroc Group Oy Ab.
Member of the Board of Polar Kiinteistöt Oyj, Partek Nordkalk Oyj Abp, Partek Forest AB and Valtra Oy Ab.
Chairman of the Board of Partek Cargotec Oy, Oy Sisu Auto Ab and the Scout Foundation of Finland.
Shareholding: 2,732 shares.

Jan Segerberg
Born 1947. Vice Chairman.
Managing Partner of Merchant Venture Investments (MVI) Germany.
Chairman of the Board of Brendmoe and Kirkestuen Holding AS, Plymovent AB and 24 HR International AB.
Member of the Board of PEAB AB (publ.), Bosvik AS, Hov+Dokka AS and DynaMed AB.
Shareholding: 350,000 shares.

Heikki Allonen
Born 1954. Member.
President of SRV Group.
Member of the Board of SRV Group, SRV Viitoset Oy, Teräsbetoni Oy, Arvo Westerlund Oy and Tehorakentajat Oy.

Andrejs Cakste
Born 1952. Member.
Chairman of Infologic AB.
Member of the Board of PartnerTech AB.
Shareholding: 108,430 shares.
Share of capital loan: EUR 452,678.

Bengt Jansson
Born 1946. Member.
President and CEO, Addtek International Oy Ab
Chairman of the Board of major Group Companies.
Shareholding: 100,000 shares

Stefan Linder
Born 1968. Member.
Associate Director of Industri Kapital AB.

Michael Rosenlew
Born 1959. Member.
Director of Industri Kapital AB
Member of the Board of Noviant Group Oy, Elektrokoppar Holding AB, Paroc Group Oy Ab, Enermet Group Oy, Nordkemi Oy and CPS Color Group Oy.

Olav Uppgård
Born 1955. Member.
Senior Vice President and Group Treasurer of Partek Oyj Abp.
Chairman of the Board of Green Arrow Insurance Ltd.
Member of the Board of Partek Finance N.V.

Group Management

Standing from left: Seppo Rajamäki, Lasse Lappalainen, Timo Linna
Sitting from left: Bengt Jansson, Vesa Vertanen

Bengt Jansson
President and CEO,
Addtek International

Seppo Rajamäki
Vice President,
Technical Director,
Addtek International

Lasse Lappalainen
Vice President,
Business Development Director,
Addtek International

Vesa Vertanen
Chief Financial Officer,
Addtek International

Timo Linna
Legal Councel,
Addtek International

Management Group

Standing from left: Sakari Sipilä, Kornelijus Valaitis, Johnny Ståhl, Vesa Vertanen, Heikki Haikonen, Seppo Rajamäki, Leo Sandqvist, Jaan Valbet, Ove Johansson, Timo Linna
Sitting from left: Hannu Martikainen, Terje Søhoel, Heerke Kuiper, Lasse Lappalainen, Bengt Jansson, Petri Janhunen

Bengt Jansson
President and CEO,
Addtek International

Vesa Vertanen
Chief Financial Officer,
Addtek International

Lasse Lappalainen
Vice President,
Business Development Director,
Addtek International

Seppo Rajamäki
Vice President,
Technical Director,
Addtek International

Timo Linna
Legal Council,
Addtek International

Heikki Haikonen
Managing Director,
Brespa

Petri Janhunen
Managing Director,
Addtek Research & Development

Ove Johansson
Chairman,
E-Betoonelement
Managing Director,
Swetrak

Heerke Kuiper
Managing Director,
VBI and Spanbeton

Hannu Martikainen
Managing Director,
Parma Betonila

Leo Sandqvist
Managing Director,
PCE Engineering

Sakari Sipilä
Managing Director,
Addtek Polska

Johnny Ståhl
Managing Director,
Strängbetong

Terje Søhoel
Managing Director,
Spenncon

Jaan Valbet
Managing Director,
E-Betoonelement

Kornelijus Valaitis
Managing Director,
Betonika

Finland

Addtek International Oy Ab
Rälssitie 7 A
FIN-01510 Vantaa
Tel: +358 204 553 500
Fax: +358 204 553 510
Email: info@addtek.com
www.addtek.com
President and CEO: Bengt Jansson

Addtek Research & Development Oy Ab
P.O. Box 99
FIN-03101 Nummela
Tel: +358 204 555 750
Fax: +358 204 555 642
Managing Director: Petri Janhunen

PCE Engineering Oy Ab
P.O. Box 33
FIN-37801 Toijala
Tel: +358 3 549 511
Fax: +358 3 549 5300
Email: info@elematic.com
www.elematic.com
Managing Director: Leo Sandqvist

Rimera Oy
Tehtaankatu 3 a
FIN-11710 Riihimäki
Tel: +358 19 720 318
Fax: +358 19 720 636
E-mail: antti.lahti@rimera.fi
Managing Director: Antti Lahti

Parma Betonila Oy
P.O. Box 76
FIN-03101 Nummela
Tel: +358 204 555 799
Fax: +358 204 555 757
E-mail: info@parmabetonila.fi
www.parmabetonila.fi
Managing Director: Hannu Martikainen

Parastek Oy Ab
P.O. Box 76
FIN-03101 Nummela
Tel: +358 204 555 799
Fax: +358 204 555 625
Managing Director: Aapo Rahkjärvi

Sweden

Strängbetong AB
P.O. Box 5074
S-131 05 Nacka
Tel: +46 8 615 8200
Fax: +46 8 640 8288 (Management)
Fax: +46 8 641 6670 (Technical, Finance & Marketing depts)
Fax: +46 8 640 7460 (Sales)
www.strangbetong.se
Managing Director: Johnny Ståhl

Norway

Spenncon AS
Industriveien 2
N-1337 Sandvika
Tel: +47 67 573 900
Fax: +47 67 573 901
Email: post@spenncon.no
www.spenncon.no
Managing Director: Terje Søhoel

The Netherlands

Spanbeton BV
P.O. Box 5
NL-2396 ZG
KOUDEKERK AAN DEN RIJN
Tel: +31 71 341 9115
Fax: +31 71 341 2101 (office)
E-mail: info@spanbeton.nl
www. spanbeton.nl
Managing Director: Heerke Kuiper

VBI Verenigde Bouwprodukten Industrie BV
P.O. Box 31
NL-6850 AA Huissen
Tel: +31 26 379 7979
Fax: +31 26 379 7950
E-mail: vbi@vbi.nl
www.vbi.nl
Managing Director: Heerke Kuiper

Leenstra Machine- en Staalbouw BV
P.O. Box 9
NL-9200 AA Drachten
Tel: +31 512 589 700
Fax: +31 512 510 708
E-mail: info@leenstra.nl
www.leenstra.nl
Managing Director: Paul Schut

Germany

BRESPA GmbH
Stockholmer Strasse 1
D-29640 Schneverdingen
Tel: +49 519 3850
Fax: +49 5193 8549
E-mail: info@brespa.de
www.brespa.de
Managing Director: Heikki Haikonen

VERBIN Baufertigteile GmbH
P.O. Box 170341
D-47183 Duisburg
Tel: 0800 181 5939*
Fax: 0800 181 5938*
*(In Germany only. From abroad please call VBI BV.)
E-mail: verbin@verbin.de
www.verbin.de
Managing Director: Heerke Kuiper

PCE Roth GmbH
Kleebergstrasse 1
D-63667 Nidda
Tel: +49 6043 961 80
Fax: +49 6043 6218
E-mail: pce.roth@t-online.de
Managing Director: Simo Lääperi

Estonia

AS E-Betoonelement
Tammi tee 51
EE-76902 Harku
Harju maakond
Tel: +372 6 712 500
Fax: +372 6 712 555
E-mail: ebe@betoonelement.ee
www. betoonelement.ee
Managing Director: Jaan Valbet

AS Swetrak
P.O. Box 16
EE-76902 Harku
Harju maakond
Tel: +372 6 712 500
Fax: +372 6 712 555
E-mail: taimi@betoonelement.ee
Managing Director: Ove Johansson

Poland

Addtek Polska Sp. z o.o.
ul. Wejnerta 26/2
PL-02-619 Warszawa
Tel: +48 22 844 1838
Tel: +48 22 844 6410
Fax: +48 22 844 9535
E-mail: office@addtek.pl
www.addtek.pl
Managing Director: Sakari Sipilä

Addtek Gorzkowice Sp. z o.o
ul. Przemyslowa 40
PL-97-350 Gorzkowice
Tel: +48 44 680 8456
Fax: +48 44 680 8455
E-mail: addtekgo@unet.pl
Vice Managing Director: Martti Voutilainen

Latvia

SIA Strängbetong Latvia
Hospitalu iela 18
LV-1013 Riga
Tel: +371 7 501 800
Tel: +371 7 501 801
Fax: +371 7 501 803
E-mail: juris@strangbetong.lv
Managing Director: Juris Mors

Lithuania

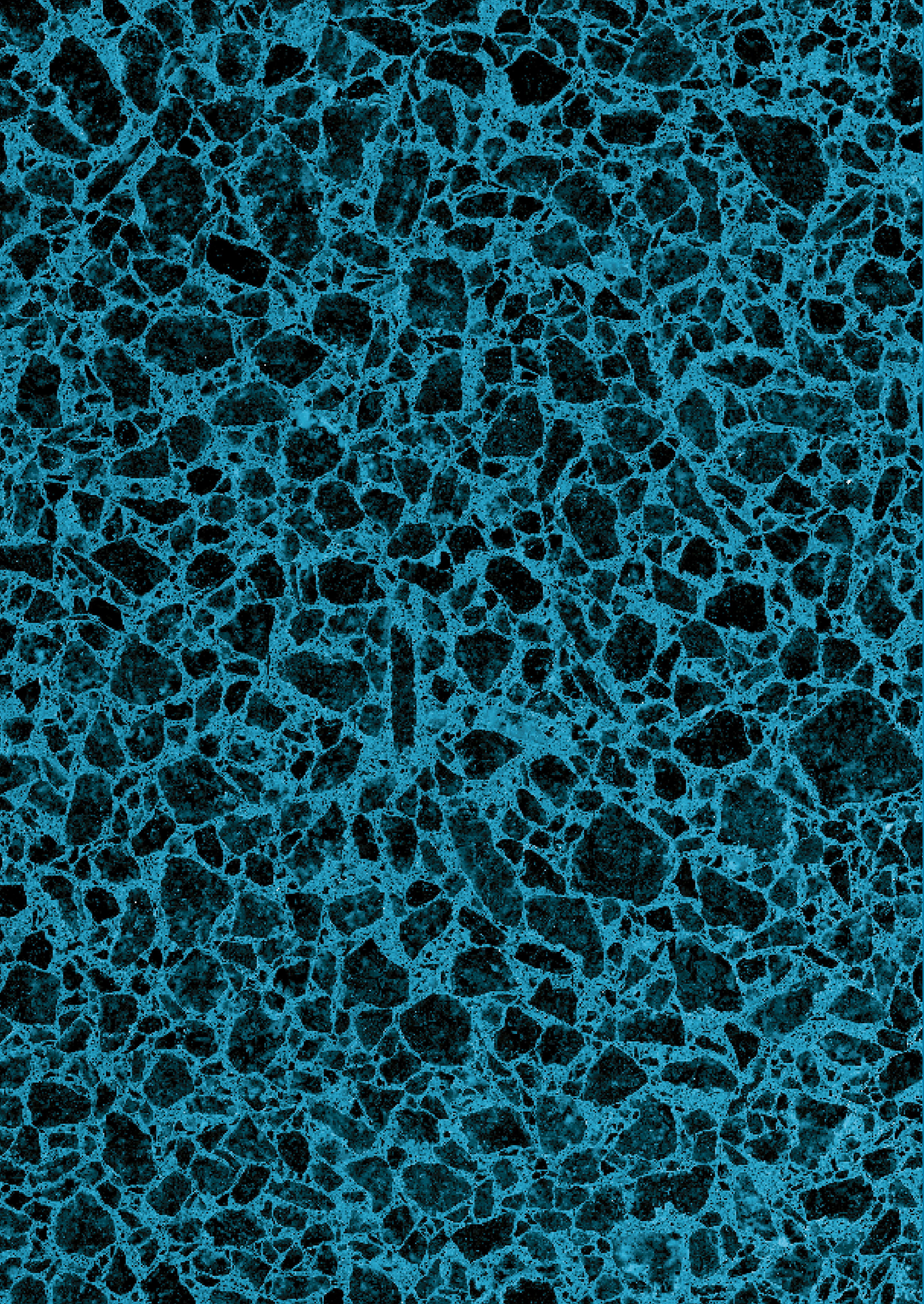
UAB Betonika
Naglio 4 A
LT-3014 Kaunas
Tel: +370 7 400 100
Fax: +370 7 400 111
E-mail: info@betonika.lt
www. betonika.lt
Managing Director: Kornelijus Valaitis

Russia

ZAO Parastek Beton
3, Silikatny proezd, 10
123308 Moscow, Russia
Tel: +7 095 742 5911
Tel: +7 095 742 5912
Fax: +7 095 946 2680
Managing Director: Olli Ruutikainen

USA

PCE Elematic Inc.
21795 Doral road
USA, Waukesha, WI 53186
Tel: +1 262 798 9777
Fax: +1 262 798 9776
E-mail: pceinfo@execpc.com
Local Manager: Matt Cherba



Addtek International

Annual Report 2000