ANNUAL REPORT
2000

HYY
GROUP

The HYY Group is a multibusiness, international
corporate group in the service sector.

The Group is active in the real estate, travel, restaurant and other businesses.
Its Travel Group has business locations in seven countries.
The other divisions operate in Finland.

The HYY Group comprises the real estate owned
by the Student Union of the University of Helsinki (HYY) and HYY Group Ltd,
which is owned by the Union, plus the companies in which
it has a majority holding.

The HYY Group's financial result for 2001 will be made public in March 2002.
The 2001 Annual Report will be completed at the beginning of May 2002.

CONTENTS

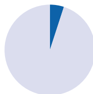
INTRODUCTION TO THE HYY GROUP'S OPERATIONS, 1 JAN. 2001

Field of business | *Unit* | *Operations* | *Location*

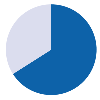
REAL ESTATE DIVISION

Unit	*Operations*	*Location*
HYY Real Estate	Operations involving commercial premises, plus the maintenance of premises in support of the Student Union's mission.	The City Centre Property in the heart of Helsinki and the Leppäsuo Property in the Kamppi district of Helsinki.
Kaivopiha Ltd	A company handling the management, leasing out and maintenance of HYY's properties. The company owns individual investment suites.	Business location: Helsinki. Investment suites in Finland.

Share of the Group's net sales:



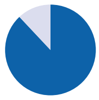
Share of the Group's result*):



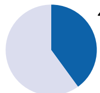
TRAVEL GROUP

Unit	*Operations*	*Location*
KILROY travels subgroup	A major European student and youth travel agency.	Business locations in Finland (6), Sweden (12), Norway (9), Denmark (13), the Netherlands (2), Germany (5) and Spain (1).

Share of the Group's net sales:



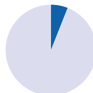
Share of the Group's result*):



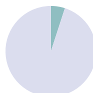
RESTAURANTS

Unit	*Operations*	*Location*
Oy UniCafe Ab	A restaurant chain offering lunch, café, catering and take-away services. Its main customer groups are university students and staff.	23 restaurants in Helsinki.
Oy Vanha Ylioppilastalo Ab	A company providing restaurant and café services and entertainment events.	Activities at the Old Student House in Helsinki.

Share of the Group's net sales:



Share of the Group's result*):



OTHER COMPANIES

Unit	*Operations*	*Location*
University Press Finland Ltd	Publisher of literature on the humanities, social sciences and technology.	Publishing houses Gaudeamus and Otatieto, Helsinki.
Oy Academica Hotels Ltd	A company engaged in the summer hotel business.	A summer hotel in the Kamppi district of Helsinki.
Oy UniCard Ab	A company engaged in smart card operations.	Serves students and university communities in the Helsinki Metropolitan Area.

Share of the Group's net sales:

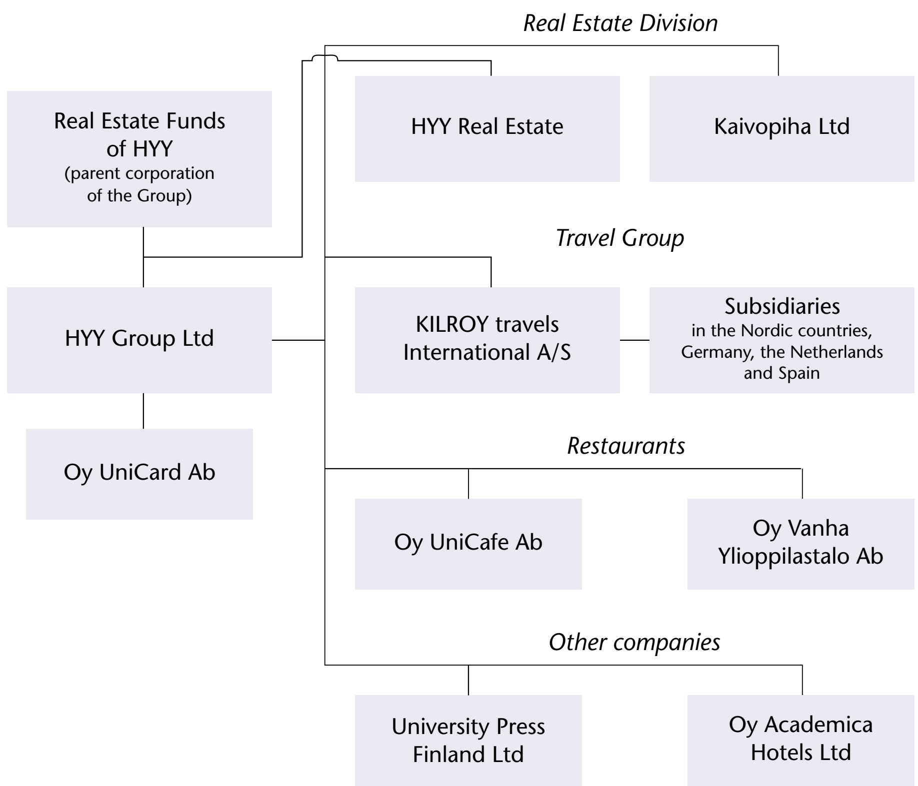
Share of the Group's result*):

*) profit before taxes and extraordinary items

2000 IN BRIEF

- Net sales grew by 5% and were FIM 1.4 billion. Growth was primarily attributable to KILROY travels.
- Profit before extraordinary items and taxes was FIM 39 million. The overall result was FIM 30 million.
- Gross investments amounted to FIM 40 million.
- Return on investment was 18.8%; including capital gains from investments, the figure is 20.2%.
- Capital return was 25.8%; including capital gains from investments, the figure is 28.9%.
- The equity ratio exclusive of revaluations was 25.9%; including the potential revaluation of land areas allowed by the Accounting Act, the figure is 50.3%.
- Total assets were FIM 574 million. The positive difference between the balance sheet values and market values of real estate included in fixed assets was FIM 813 million.
- Proposed dividends amounted to FIM 13.5 million.

ORGANIZATION CHART, 1 JANUARY 2001



MANAGEMENT AND MAINTENANCE OF THE STUDENT UNION'S ASSETS

The general premise for the ownership of business operations by the Student Union of the University of Helsinki is to provide financial support for the performance of the real duties of the Student Union, as specified in the regulations of the Union. Another ground for ownership may also be the improvement and maintenance of essential services for the members of the Union if it can be shown that this makes it possible to achieve benefits compared with what is available on the open market.

The general aim of ownership is to manage the property of the Student Union both safely and profitably, so as to safeguard the opportunities available to future generations of members. The purpose of business activities is, in all circumstances, to achieve higher profits in the long term than would be possible with risk-free investments. The maximum risk-taking capacity of the owner's business operations is defined conservatively, so that the ability of the Student Union of the University of Helsinki to handle its basic duties will not be jeopardized under any circumstances.

GENERAL PRINCIPLES OF BUSINESS OPERATIONS

Business and investment activities

The Group engages in **business and investment activities with a long-term perspective,** taking moderate risks, employing profit targets which are set for each division, and complying with business practices that are ethical and environmentally responsible.

Investment-driven shareholdings

The company can, above and beyond its own business operations, act on an investment-driven basis as a major or influential shareholder (associated companies, influenced companies) in businesses that fit in with the Group's values.

Net sales and net profit

The Group has no need to boost net sales as an end in itself. Net profit and the cash flow from operations are more important than net sales.

Critical mass

The business divisions must be appropriately small or large for their field. The critical factor for growth, if any, is to reach and maintain the critical mass required for successful operations.

Management

The Group management aims to harmonize the missions and limitations set and/or approved by the owner, the strategic efforts based on the business divisions' requirements for successful operations, the learning capacity of the working community, and individuals' commitment to change.

Integration of decision-making

The traditional, close-knit integration of decision-making by the owner and the Group management is both accepted and utilized. The ability for rapid decision-making is essential for successful business, and this is maintained by anticipating development and forecasting future scenarios: by preparing in advance for the risk framework and Board authorizations.

Synergy benefits of ownership

The Group's communications and marketing make effective use of opportunities for cooperation with the Student Union and of the positive impression that comes about from seeing the Student Union and the Group as being part of the same entity.

Conservative risk-taking

The Group's business divisions and units are conservative in taking financial risks; this must not, however, lead to passivity. Companies that do well and generate value added for their owner take an active approach to their business operations and their improvement. The Group accepts the occasional losses that may result from dynamic business operations if these losses are proportionate to the gains made over an agreed period of time, and if they are appropriate to the risk-taking facility of the unit in question.

Taking the environmental perspective into consideration

The Group is mindful of the environmental impact of its operations. The Group employs a system for the management of environmental matters. The implementation of this environmental programme is monitored by means of an ecological accounting system and an environmental management system.

Social responsibility

The Group takes the social impacts, both interpersonal and societal, of its operations into consideration. The Group realizes the principles of social responsibility by means such as seeking to establish a good working environment and by promoting the use of ethically sound products such as "fair trade" products (which are bought from small-scale producers).

Distribution of profits

When the Group decides on the distribution of profits, it takes into account the liquidity of the Group or unit, as well as the need to safeguard future operations. No profit is distributed on the basis of the unrealized capital return of the Real Estate Division, as this represents the prime risk buffer of the entire Group.

The profit target was not met

The profit target set for 2000 by the Group's owner, before extraordinary items and taxes, was approximately FIM 45 million. Earnings came in at about FIM 39 million, that is, at the same level as last year. A significant improvement had been foreseen for KILROY travels. When set against the peer group, KILROY travels' earnings were good, but the company did not improve its financial result enough to meet its target.

The HYY Real Estate profits continued to improve, surpassing the target. The combined earnings from operations geared towards university communities weakened more than planned.

The overall result, or profit after extraordinary items and taxes, slightly exceeded the previous record set in 1998.

Realized capital return from revaluations

In accordance with the Group's owner strategy, the main divisions can record as returns any increases in market value at an appropriate time considering the companies' internal development and the trend in the investment markets. In both of the main divisions, the capital return from revaluations – both realized and unrealized – is the second key income component. In 2000, no major realizations were carried out.

Unrealized capital return from revaluations

In order to give a true and fair view, the Group has, for the fifth time, included in the notes to the financial statements the market values of its real estate and the changes in these values during the financial year, along with the income return, the capital return and the total return.

The Group has been involved in the development of the national real estate index of the Finnish Institute for Real Estate Economics from day one; all major Finnish property owners renting business premises now contribute to its database. Europe-wide comparability of the indicators has been ensured through cooperation with the Investment Property Databank. It is regrettable that only a few of the companies participating in the real estate index publish comparable key indicators in their financial statements. In fact, the figures published for "income from real estate" are most often based on company-specific accounting formulae. For as long as this situation persists, we cannot expect analysts and financial reporters to understand the difference between, for instance, invested capital and market value in the calculation of financial results.

The positive capital return on HYY's real estate amounted to about FIM 45.9 million during the financial year. The total return on real estate declined from last year's figure of 9.3 per cent to 9.1 per cent. The total return on the City Centre Property was about 10.8% exclusive of the effect of investments. The modest total return on the Leppäsuo Property, 3.9%, was mainly due to the usage purposes and rent levels decided upon for the property by the owner.

Twenty-four companies and 1,565 properties – which were valued at about FIM 50 billion – participated in the national real estate index in 2000. The average total return on these properties was 10.2%. A factor dampening the rise of market values was that investors increased their total return requirement, from 6.70 to 7.50 per cent in the case of HYY's real estate.

A challenging year for KILROY travels

At the end of 1999, the managing director and CEO of the KILROY travels subgroup resigned and another took his place as planned, and the management group was substantially reshuffled during 2000. The takeover of operations and the reviewing of strategies when a new management steps into a company most often make for a highly demanding period, even if other factors are not in play. During the report year a final decision also had to be made on the company's largest IT project to date – a project that is mission critical in terms of the company's future performance. Likewise, the set goal of increasing the size class of the company rapidly has not only made it necessary to launch new operations and an online channel, but also required it to participate in numerous acquisition projects, one of which – Team Travel – was consummated at the end of the year. In addition, the company's main markets in the Nordic countries saw exceptional turbulence and in some respects unhealthy price competition. Considering all of this, the fact that the company improved its result slightly compared with the previous year can be viewed as a significant defensive victory. For example, a Swedish listed company that operates in the same market areas as KILROY travels and which is included in KILROY's peer group saw its result slump dramatically into the red.

We can be even more satisfied with the result in view of the fact that realignments having a permanent effect on the income and cost structure were both prepared and implemented during the report year. Our reaction speed to changes in the business environment has been improved. The IT project which will be put into operation during the latter half of 2001 will play a key role in improving cost-efficiency. Improving the expertise of personnel and decreasing personnel turnover in some of the countries where the company operates will also be positive factors influencing earnings in the future.

The European and global travel industry will undergo major restructuring in the coming years owing to two partly intertwined megatrends: the impact of technology on consumer behaviour and the consolidation of the industry. The rapid change in consumer behaviour has lifted the size of and the risks related to IT investments to a level that cannot be borne by traditional travel agencies at their present earnings levels and size. Size needs to be increased also in order to maintain relative purchasing and negotiation power as airlines, hotels and other partners consolidate and strive to shorten the value chain by bypassing the traditional travel agency level and general reservation systems. The different parties are also driven to consolidate to counter the "new economy paradox", which is actually considered a threat: the new technology enables market steering to change direction.

When the general decline in the earnings of travel agency players in Europe is considered in tandem with the above considerations, it is apparent that an accelerating consolidation process is now under way. KILROY travels boasts a strong brand in Northern Europe and a long history of solid earnings in its field of business, and will take an active part in this process. The company's capital and financing structure is exceptionally strong and it receives support from its main owners, whose objectives are strong and clearly defined.

Services for the university communities register losses

Oy UniCafe Ab continued to strengthen its market leadership in restaurant services for universities in the Helsinki Metropolitan Area. The large new restaurant in Ylioppilasaukio, which the company invested in at the end of the previous year, has been a success from the start. The company's loss-making result was due to the fact that, for the most part, the prices of student lunches were kept unchanged during the period from 1 January 1991 to 20 January 2001, that is, for a decade. This company and the expansion of its operations in the educational segment in Finland will comprise one of the Group's key focus areas in the future.

Oy Vanha Ylioppilastalo Ab was not properly able to carry out its restaurant and festive services due to facade renovation works that placed the building under wraps. However, business environment factors do not fully explain the company's loss-making result.

The business operations of University Bookstore Finland Ltd were sold to Suomalainen Kirjakauppa Oy at the beginning of November 2000. Bookstore operations were not part of the Group's core business areas, and it was not prepared to carry out the long-term IT investments required to meet the demands of the changing competition situation. The decision to sell was the best solution both for serving the university community and for the personnel.

Within University Press Finland Ltd, the operations of the Gaudeamus imprint developed especially favourably.

Oy Academica Hotels Ltd once again achieved good earnings in its hotel business considering its size class and business period.

Prospects for the 2001 financial year

The net sales and especially the earnings level of the KILROY travels subgroup are expected to improve significantly from their level in 2000. The possible booking of goodwill related to acquisitions may put the brakes on the growth of earnings.

In the case of HYY Real Estate, the excellent market situation in the centre of Helsinki makes it possible to increase rent levels of commercial and business premises when renewing agreements. Profits from the rental of HYY Real Estate are expected to improve yet again from their level in 2000.

The results of the restaurant companies Oy UniCafe Ab and Oy Vanha Ylioppilastalo Ab are expected to rise slightly into the black.

The development direction and scale of outlays on the smart card company Oy UniCard Ab, which was hived off from the parent company at the end of 2000, will be decided upon during 2001. The loss level that will be approved for this stage of the company's evolution will depend on the chosen strategy.

The net sales budgeted for the entire Group in 2001 are about FIM 1.6 billion (EUR 270 million). The budgeted profit before extraordinary items and taxes is approximately FIM 54 million (EUR 9 million).

Acknowledgement

I would like to thank our customers, personnel and owners for making 2000 a good year.

Tapio Kiiskinen

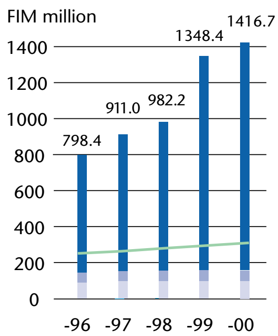
KEY INDICATORS 1996–2000

		1996	1997*)	1998	1999	2000
Net sales	FIM million	798.4	911.0	982.2	1348.4	1416.7
Change	%	12.3	14.1	7.8	37.3	5.1
Personnel costs	FIM million	93.5	101.8	106.8	142.0	152.8
Personnel costs as a share of net sales	%	11.7	11.2	10.9	10.5	10.8
Result of operations**)	FIM million	22.2	28.1	49.8	38.7	38.6
Gross investments	FIM million	24.9	15.7	36.8	88.0	40.6
Gross investments as a share of net sales	%	3.1	1.7	3.7	6.5	2.9
Net investments	FIM million	15.0	9.7	-19.9	79.4	32.8
Total assets	FIM million	337.9	363.3	377.8	541.9	574.4
Shareholders' equity	FIM million	28.5	47.5	64.7	72.3	80.9
Fixed assets	FIM million	177.4	173.9	168.5	220.1	229.7
Liquid funds***)	FIM million	124.3	148.2	170.7	272.3	286.1
Net debts	FIM million	105.7	55.0	-3.4	-20.8	-36.5
Payment of dividends to minority shareholders	FIM million	0.2	0.6	2.2	1.8	2.2
Distribution of profits to the Student Union	FIM million	12.8	13.0	13.0	13.5	13.5
Direct distribution of profits, total	FIM million	13.0	13.6	15.2	15.3	15.7
Return on investment excluding capital gains	%	17.1	18.9	19.1	21.0	18.8
Return on investment including capital gains	%	18.9	21.1	33.0	22.0	20.2
Return on equity excluding capital gains	%	36.2	36.7	21.0	28.9	25.8
Return on equity including capital gains	%	45.8	45.6	58.7	31.4	28.9
Equity ratio at book value	%	11.6	18.5	29.2	23.9	25.9
Equity ratio including potential revaluation of land areas	%	47.7	51.8	58.6	50.0	50.3
Return on equity (initial yield) if the revaluation of land is realized	%	8.0	8.9	9.2	10.6	10.0

*) The figures for 1997 have been converted to correspond to the new accounting practices introduced in 1998
**) Profit before extraordinary items and taxes
***) Cash in hand and at bank as well as securities included in financial assets

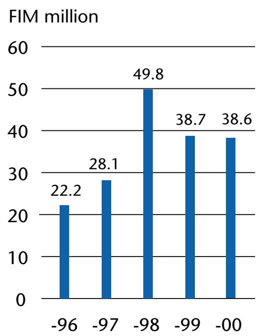
The formulas for key indicators are presented on page 59.

Calculated in accordance with the conventions of the Finnish Committee for Corporate Analysis

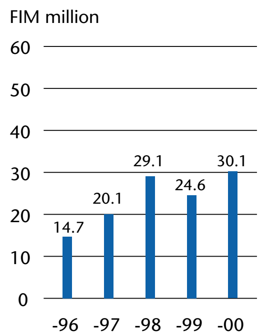


Net sales

- Travel Group
- Real Estate Division
- Other Companies
- The net sales of Finnish units are presented under the line

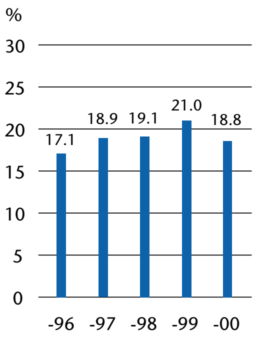


Profit before taxes and extraordinary items

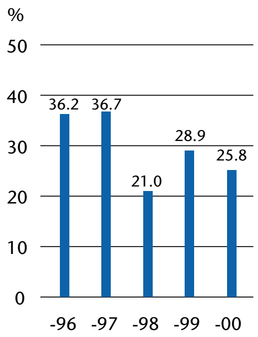


Overall result

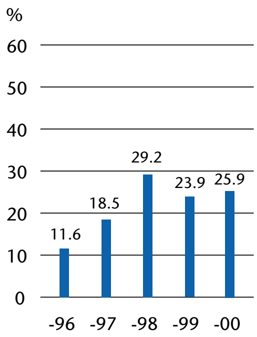
Calculated in accordance with the conventions of the Finnish Committee for Corporate Analysis



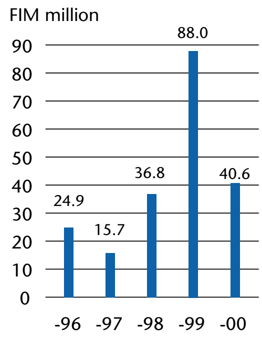
Return on investment, %



Return on equity, %

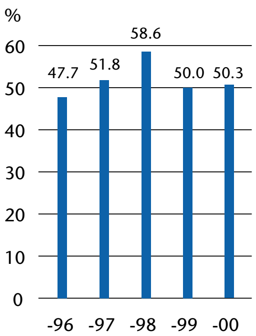


Equity ratio, %

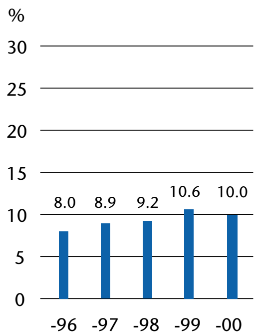


Gross investments

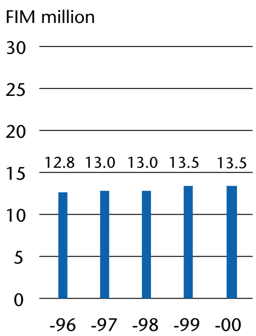
Other key indicators



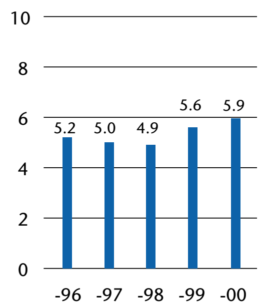
Equity ratio including potential revaluation of land areas, %



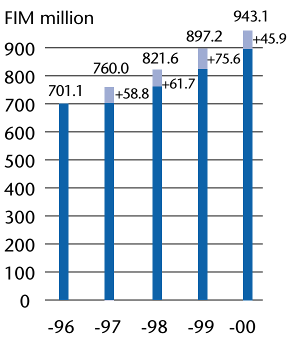
Return on equity (initial yield) if the revaluation of land areas is realized, %



Dividends from the HYY Group to the Student Union´s contingency fund

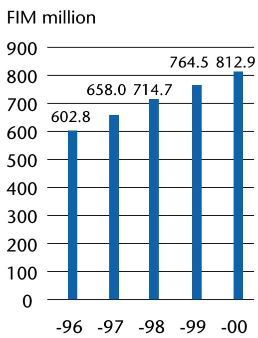


Security ratio

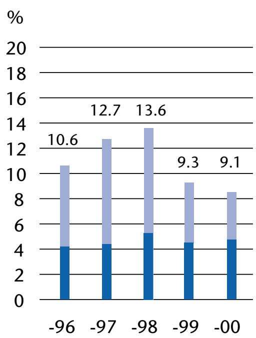


Market value of HYY Real Estate and annual change in capital return

Market value
Annual change in capital return

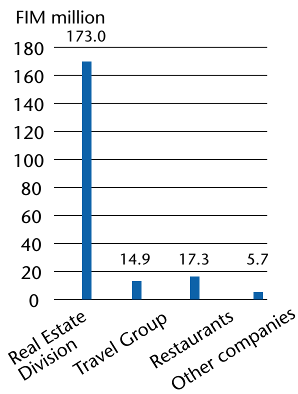


Difference between the market values and book values of the fixed assets in the balance sheet (real estate)



Total return on HYY Real Estate

Income return, %
Capital return ratio, %
Total return, %



Tied-up risks by division, 2000

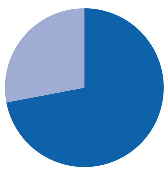
The HYY Group's personnel strategy

The aim of our personnel strategy is to ensure that the Group's various business units both have access to the right amount of competent and motivated personnel and have sufficiently low personnel turnover in terms of their operational target levels.

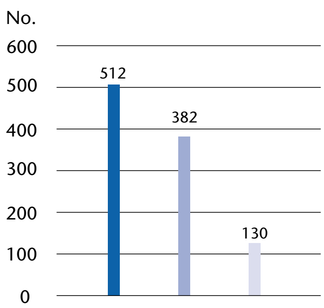
The implementation of the strategy is based on

- the openness of the management culture
- supporting and rewarding personnel for participating in activities and for their initiative
- treating personnel in a fair and equitable manner, with gender equality a given
- a compensation level that is appropriate in view of the tasks and results, and rewarding excellent work
- personnel training and development are based on the Group's values and the objectives of the business units
- taking the development needs and life situation of a committed employee into account

Distribution by gender



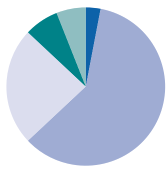
- Women................................ 72%
- Men.................................... 28%



Personnel turnover 2000

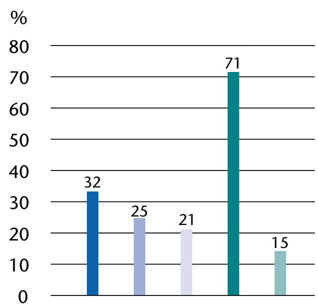
- Started in 2000
- Leaving the Group's employ in 2000
- Net increase

Distribution of personnel ages



The average age of personnel was 30 years.

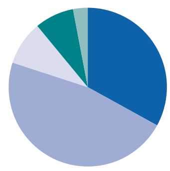
- Under 20 years 3%
- 20 – 29 yrs 60%
- 30 – 39 yrs 24%
- 40 – 49 yrs 7%
- over 50 yrs 6%



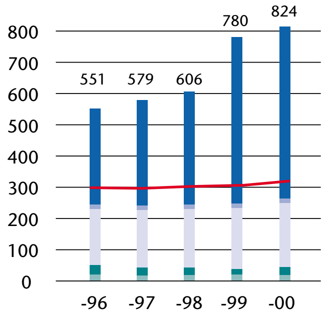
Turnover of permanent employees by division in 2000, % (personnel leaving the Group's employ / personnel at beginning of year x 100)

- Travel Group
- Real Estate Division
- Restaurants
- Other companies
- Parent company

Time of employment in the HYY Group



- Under 1 year 33%
- 1 – 5 yrs 47%
- 6 – 10 yrs 9%
- 11 – 20 yrs 8%
- over 20 yrs 3%



Average number of employees in Finland/abroad 1996 –2000

- Travel Group
- Real Estate Division
- Restaurants
- Other companies
- Parent company
- Personnel below the line were in Finland

Personnel communications, training and research are employed to guarantee that the Group's values and corporate culture are understood and accepted within all business units and at the different personnel levels. Two of the central aspects of the corporate culture are preparedness for changes and working together with others in the effort to reach the objectives at hand. The Group's values are specified in the owner strategy documents decided upon by the owner every other year and in the equality plan and training principles that were approved in 2000.

At the Group's management level, people are expected not only to have the personal characteristics required of successful managers and to develop them, but also to have the constant willingness and ability to commit themselves, in all honesty, to the Group's objectives, values and operating principles.

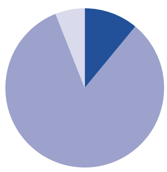
Information on the HYY Group's management

The average age of the HYY Group's management was 43 years.

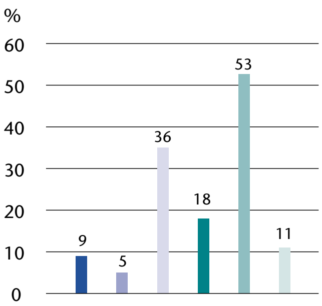
Of the directors, ten were women and eight were men.

The directors' average time of employment with the Group was about nine years.

Educational level



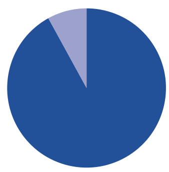
- Comprehensive school.......... 11%
- Post-comprehensive degree 83%
- University degree.................... 6%



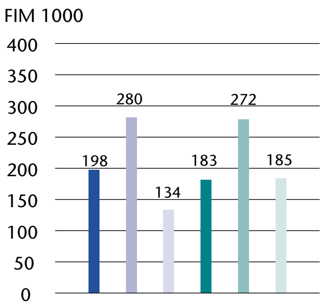
Personnel expenses as a share of net sales by division, 2000

- Travel Group
- Real Estate Division
- Restaurants
- Other companies
- Parent company
- Entire Group

Nature of employment



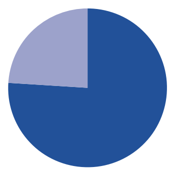
- Permanent 92%
- Temporary 8%



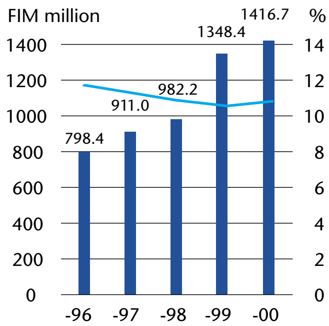
Personnel expenses per employee by division, 2000

- Travel Group
- Real Estate Division
- Restaurants
- Other companies
- Parent company
- Entire Group

Nature of employment



- Full-time 76%
- Part-time 24%



Personnel expenses as a share of net sales, 1996 – 2000

- Net sales
- Personnel expenses as a share of net sales, %


MARKKAA
YHTYMÄ
00101 Helsinki

HYY Group Ltd owns and manages the companies in its corporate group in accordance with the general principles and guidelines laid down by its owner. Its aim is to:

- Organize the operational and corporate structure of the HYY Group and attend to its strategic management

Vice President Linnea Meder

- Attend to the financing of the HYY Group
- Produce internal services for the HYY Group and its owner, the Student Union of the University of Helsinki
- Examine and develop new businesses
- Implement centralized changes
- Long-term investment activities

HYY Group Ltd does not seek to achieve distributable earnings of its own through the HYY Group's or its corporate group's internal day-to-day management, administration or financing services. The company strives to support the earnings performance of the entire Group by means of its operations which are cost-efficient and of a high professional standard. HYY Group Ltd's distributable equity and periodic dividend payout to the Group's parent corporation, the Real Estate Funds of HYY, are based on long-term investment activities, inclusive of its fixed assets and the related profits which are booked as income from time to time.

Focus areas of operations in 2000

As internal services in 2000, the company attended to tasks related to the financial and personnel administration of its owner – that is, HYY – and its subsidiaries (excluding the KILROY travels subgroup) as well as acted as an internal corporate bank. In addition, the company maintained the Group's information network and the related email system along with other software that is in shared use.

The company also handled the UniCard smart card system's customer service, the system's clearing function, and the owner/loyal customer marketing within the context of the UniCard system until the end of October 2000. The UniCard smart card system was hived off to form Oy UniCard Ab, a limited company, on 1 November 2000.

Personnel

The company employed an average of 20 people in 2000. Years of service/person within the HYY Group amount to 12 years on average. 85% of employees are permanently employed. The average age of employees is 43 years and women account for 90%.

Investments

The company primarily invests in updating IT software and replacing hardware. The company also slightly increased its holding in the KILROY travels subgroup.

Near-term outlook

The company's net sales target for 2001 is about FIM 9.6 million (EUR 1.6 million).

One of the company's key objectives is to give the best possible support for the earnings potential of the parent corporation and its domestic subsidiaries with services that are properly dimensioned and competitive in terms of their price/quality ratio.

A special task is to support the future development of the incorporated UniCard operations. Oy UniCard Ab's near-term outlook is presented in the section entitled Other Companies.

In 2001, the Group will gradually change over to the euro. In April 2001, the euro will replace the Finnish markka as the accounting currency in Finland. In the case of salary and wage administration, the changeover will take place in the autumn. Cash till systems in turn will make the change on the first business day of 2002, when cash sales will gradually begin to be made in euros. Personnel training on this topic has already commenced. In autumn, the focus area of training, especially training for customer service employees, will shift to dealing with two currencies.

Key indicators for the Group's parent company

	2000	*1999*
Net sales, FIM million	**10.3**	10.0
Profit before taxes and extraordinary items, FIM million	**-2.1**	-0.3
Invested capital, FIM million	**80.0**	91.1
Return on investment, %	**-1.3**	0.4
Return on investment, including sales of investments, %	**-0.1**	2.4
Gross investments, FIM million	**1.5**	2.5
Average personnel	**20**	20

Finland's most widely-used payment card, the UniCard, can now be found in the wallets of over 30,000 members of the university community.


HYY

The Real Estate Division's business is to make long-term investments in real estate and premises, and to develop and maintain these investments. The Real Estate Division's service operations provide the various units of the Student Union and related organizations with premises, and the division rents out reasonably-priced flats primarily to members of the Student Union.

The City Centre Property stands in the heart of Helsinki and comprises the Kaivopiha Commercial Building and the premises used by the Student Union itself. In the Leppäsuo quarter of the Kamppi district is the Leppäsuo Property, which comprises Domus Academica and the Library Building; the property has student housing and various facilities, including library and restaurant premises.

Kaivopiha Ltd's main task is to attend to the facility management of HYY's real estate, the renting of facilities, building management and maintenance. In addition, the company may own, as investments, shares in Finnish residential and real estate corporations.

Focus areas of operations in 2000

In the general market for office premise rentals, only about 9,000 m^2 was available for rent in the heart of Helsinki in autumn 2000. In all of Helsinki, the vacancy rate of business premises declined from about two to 1.1 per cent during the report year. The paid occupancy rate of both commercial and business premises was close to 100% at the end of the year.

Residences were rented to members of the Student Union and to students attending the University of Helsinki under student exchange programmes, and the levels of the rents that were set accounted for the location, residential level and condition of the residences. The occupancy rate of the residential premises that were in use was about 97% during the report year.

The net sales of the Kaivopiha Commercial Building amounted to FIM 50.8 million, up almost 6% on the previous year. Profit before extraordinary items and taxes was FIM 25.3 million (FIM 24.6 million in 1999). The net sales of the service properties were FIM 15.5 million, increasing by 28% compared with the previous year. Profit before extraordinary items and taxes was FIM 2.0 million (a loss of FIM 1.0 million in 1999). Earnings from the rental of premises totalled FIM 20.9 million (FIM 19.1 million in 1999) after taxes.

Personnel

The Real Estate Division had an average payroll of 12 people in 2000. Operational tasks have been primarily outsourced to HYY Group Ltd's corporate group and external providers. Employees of the Real Estate Division have been in the employ of the HYY Group for nine years on average. The share of permanent employees is 80%. The average age of employees is 43 years and 65% of them are women.

Investments

In 2000, investments in the refurbishing of buildings and building equipment systems, replacements and maintenance, and repairs related to the rental of premises amounted to about FIM 7.3 million. The property management and rental system was modernized in 2000.

Research and development

The division took part in the field's R&D in numerous development projects organized by the Finnish Institute for Real Estate Economics, together with major Finnish corporations owning real estate. In the customer satisfaction benchmarking project, the Real Estate Division achieved the best overall grade out of 14 Finnish real estate owners. Other joint projects included the real estate yield and cost information projects and the real estate return index development project.

Yrjö Herva, Director of the Real Estate Division

Assistant Director Jukka Leinonen

Near-term outlook

The Real Estate Division's net sales target for 2001 is FIM 69.6 million (EUR 11.7 million) and the profit target before planned depreciation, interest and taxes is FIM 22.2 million (EUR 3.7 million).

The market for business premise rentals might register an increase in the vacancy rate due to the decrease in demand for business premises among Internet and other new technology companies. In addition, extensive new office capacity will be completed in the Helsinki Metropolitan Area in 2001.

The excellent market situation seen in the last few years and the concurrent increase in rent levels are levelling off. Some customers renting real estate from HYY still need more space to achieve organic growth and centralize their functions.

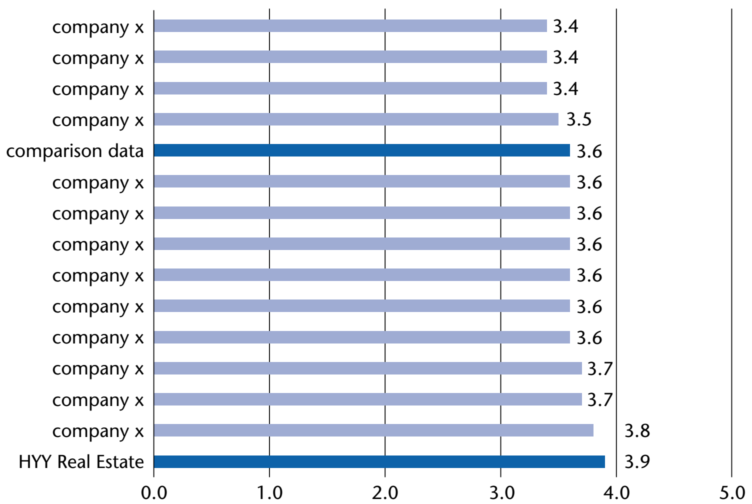
It is intended that the zoning and building rights of the Ylioppilasaukio project, which is Kaivopiha's development investment, will be completed during 2001. The actual implementation of the project is scheduled for the beginning of 2002.

The residential premises of Domus Academica, a student dormitory that is located in the centre of Helsinki and which boasts excellent local services, have encountered no occupancy rate problems at the current rent and housing grant levels. During the past few years, renovation works have been primarily targeted at the residential premises. The technical and economic lifecycles and business concepts of the other facilities – especially the underground premises – have progressed to their final stage. During 2001, efforts will be made to procure zoning permits for conversion works; construction will take place later. The Library Building has been permanently rented to the library of the Helsinki School of Economics and Business Administration.

Key indicators for the Real Estate Division

	2000	*1999*
Net sales, FIM million	**66.7**	60.6
Profit before taxes and extraordinary items, FIM million	**28.3**	26.6
Invested capital, FIM million	**172.8**	162.0
Return on investment, %	**19.4**	21.1
Gross investments, FIM million	**7.3**	37.1
Average personnel	**12**	13

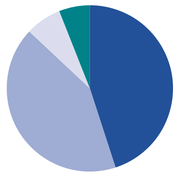
Aggregate satisfaction (offices, business premises, storage facilities)



Aggregate satisfaction = the total average of all the queried attributes.

The customer satisfaction of the tenants of HYY's real estate was assessed in the Customer Satisfaction Benchmarking 2000 study carried out by the Finnish Institute for Real Estate Economics and the Tampere University of Technology. Fourteen leading Finnish renters of commercial, office and other business premises participated in the study. Close to 1,500 tenants in all were interviewed by telephone.

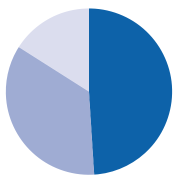
Leasable area in the City Centre Property
by type of facility, 31 Dec. 2000



- Commercial premises: stores/restaurants 45%
- Office premises: offices/halls 42%
- Storage 7%
- Other.................................... 6%

Leasable area: a total of 31,693 m²

Leasable area in Leppäsuo Property
by type of facility, 31 Dec. 2000



- Residential 49%
- Business premises 35%
- Library 16%

Leasable area: a total of 15,544 m²

The HYY Group's Travel Group comprises the KILROY travels Group, which is a subgroup of the HYY Group. The parent company of the KILROY travels Group is the Danish company KILROY travels International A/S, in which HYY Group Ltd has a 56.9% holding of the shares and voting rights. The principal minority shareholder is Axcel IndustriInvestor a.s. of Denmark, which has a 35% stake. KILROY travels International A/S is the sole owner of its sales companies in all of the Nordic countries, the Netherlands, Germany and Spain. The solely-owned Benns Rejser A/S – which specializes in friendship association travel, especially to Australia, New Zealand, Canada and the United States – also operates with its own sales companies in Denmark, Sweden and Norway. KILROY travels has a worldwide agreement-based service network that offers value-added services to travellers.

KILROY travels focuses on a customer community comprising students under the age of 33 and other youth under the age of 26. In this segment, KILROY is and seeks to remain the leading and most preferred provider of travel information, products and other services in Northern Europe. Its travel services, which are appropriately priced for the customer community and adapted for its customers' needs, are divided into three operational business areas: Individual travel, Group travel and Friendship associations travel (Benns). KILROY purchases customized flight transportation and other travel products, and then wraps them in its own branding concept. Sales of products and services and the building and maintenance of customer relations take place through three integrated distribution channels: retail offices, call centres and Internet/online services.

Mogens Jønck, Managing Director and CEO of the Travel Group

Focus areas of operations in 2000

The KILROY travels Group had net sales of FIM 1,254 million, up about 5% compared with the previous year. The result before taxes was a profit of FIM 16.5 million. Expressed in accordance with Danish accounting principles, net sales amounted to DKK 1,576 million, an increase of about 6%. KILROY travels' net sales, gross margin and operating profit did not fully meet all the targets set for 2000. The main reason behind this was the heating up of price competition between online travel agencies, especially in the Nordic countries; airlines also entered this competition. Operating profit was also affected by the dramatic stepping up of IT and Internet investments, which are expected to have a positive impact on earnings in coming years.

New sales outlets were opened in Vaasa in Finland; Kristiansand and Oslo (Benns) in Norway; Linköping, Örebro and Stockholm in Sweden; and in Copenhagen in Denmark (Group travel). In total, KILROY travels had 48 sales outlets, seven call centres and a centralized, international online booking unit at the end of 2000.

Of the products sold by KILROY travels, 75% are supplied by airlines. KILROY travels sold almost one million airplane seats in 2000 under its own ticket concept, up 5%. KILROY's own tickets accounted for approximately 65% of the company's total airline ticket sales. KILROY has made agreements with over 40 leading airlines, some of which have entered into long-term strategic partnerships with the company. A corporate procurement program was implemented at the end of 2000. Centralization will have a substantial, positive effect on the gross profit in the future.

Personnel

KILROY travels had an average of 562 employees in 2000 (532 in 1999). The distribution of employees by country was:

	2000	*1999*
Denmark	**261**	253
Norway	**89**	88
Finland	**60**	56
Sweden	104	88
Spain	**9**	9
Germany	**26**	29
The Netherlands	**13**	9
Total	**562**	532

Investments

KILROY travels' gross investments in 2000 totalled FIM 29.7 million. The company invested in the expansion of operations, e-commerce and the IT platform of the new and advanced sales system that will be implemented in 2001.


KILROY
travels

Research and development

One of KILROY travels' key success factors is a good knowledge of its clientele and the ability to communicate with customers. Within the travel industry, an exceptionally large amount of KILROY's expenditures goes towards continually studying its customers and their needs as well as for regularly monitoring the brand awareness and the company's market share.

Near-term outlook

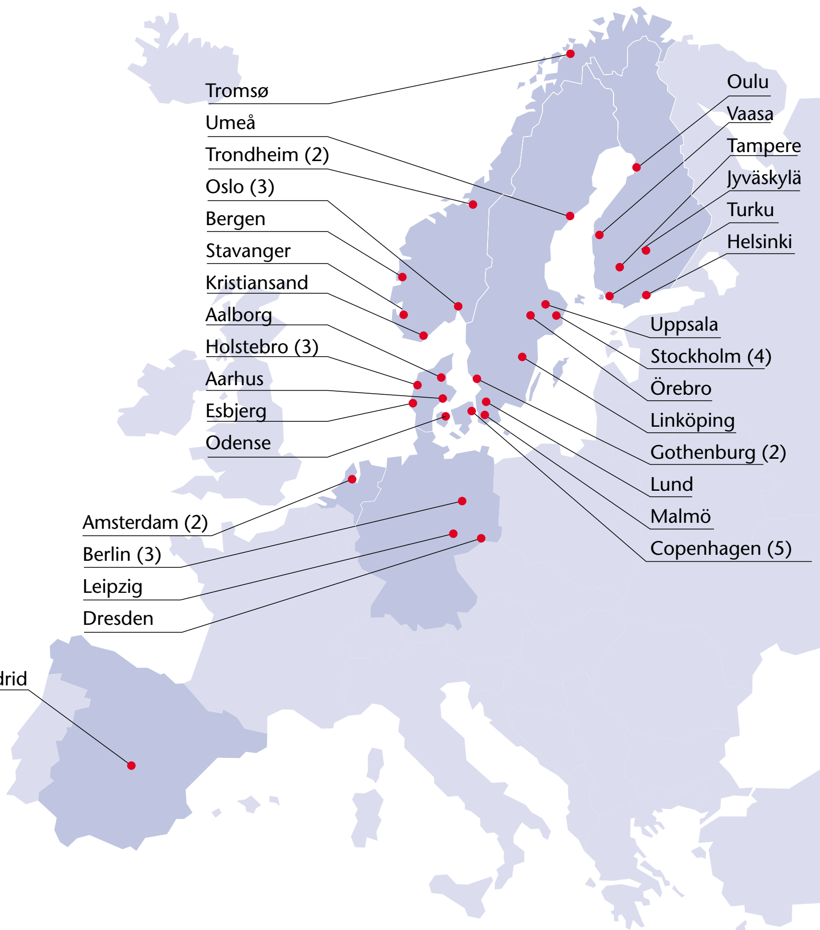
Barring unforeseen events or trends that would affect the entire travel industry, net sales are expected to grow by about 15% and operating profit by at least as much as in 2000 based on organic growth and acquisitions. The full implementation of the large-scale IT programme – which the company has invested in during the past few years – at the end of 2001 will have a positive effect on cost-efficiency and earnings only from 2002 onwards.

The consolidation trend in the international leisure travel market is accelerating. KILROY travels and its owners are prepared to actively influence this trend.

Key figures for the Travel Group

	2000	*1999*
Net sales, FIM million	**1253.6**	1190.9
Profit before taxes and extra-ordinary items, FIM million	**16.5**	15.8
Invested capital, FIM million	**69.8**	55.9
Return on investment, %	**25.3**	29.6
Gross investments, FIM million	**29.7**	44.8
Average personnel	**562**	532

The business locations of the KILROY travels Group in spring 2001



Two strong brands for youth – Coca-Cola and KILROY travels – will launch a joint promotional campaign in the Nordic countries in spring 2001.


UNICAFE
www.unicafe.fi

The Restaurants Division comprises Oy UniCafe Ab and Oy Vanha Ylioppilastalo Ab. Oy UniCafe Ab is an established provider of meals to students and personnel, and of festive, take-away and café services primarily on the premises of the University of Helsinki. Oy Vanha Ylioppilastalo Ab provides restaurant, terrace bar, festive, rental and entertainment services at the Old Student House.

Marjo Berglund, Director of the Restaurant Division

Focus areas of operations in 2000

Oy UniCafe Ab

At the end of 2000, Oy UniCafe Ab had 23 restaurants. One new restaurant was established during the year. The UniCafe restaurants performed reasonably well. The company's net sales were FIM 62.0 million, up 14% on the previous year. The result before extraordinary items and taxes was a loss of FIM 1.0 million (a profit of FIM 0.1 million in 1999). The loss was due to the pricing of student lunches.

The building of UniCafe's brand continued according to plans. The success of the brand was based on the fact that the company truly catered to the needs and wishes of its customers. The aim of the UniCafe brand is to be the leading student and personnel restaurant for the University of Helsinki and other universities and polytechnics.

Oy Vanha Ylioppilastalo Ab

Festive services were the cornerstone of Restaurant Vanha's profitability. Major customers of Vanha's festive services included the Student Union and the organizations under it, external companies and civic organizations. The Beercafe, which is open every day, suffered from a reduction in its clientele due to the renovation of the building's facade. Sales on terraces were low due to the poor summer weather. Club Kajal, open every Saturday, consolidated its position and racked up steady sales.

The company's net sales in 2000 amounted to FIM 16.2 million, down 14% compared with the previous year. The result before extraordinary items and taxes was a loss of FIM 1.1 million (a profit of FIM 1.0 million in 1999).

Personnel

In 2000, an average of 186 people worked for Oy UniCafe Ab and 27 for Oy Vanha Ylioppilastalo Ab. Employees of the Restaurants Division have been in the employ of the HYY Group for five years on average. The share of permanent employees is 82%. The average age of employees is 33 years and 76% of them are women.

Investments

In 2000, Oy UniCafe Ab's gross investments amounted to FIM 1.4 million and Oy Vanha Ylioppilastalo Ab's to FIM 0.2 million. The investments were primarily earmarked for kitchens and service lines.

Research and development

Oy UniCafe Ab has researched its customer and personnel satisfaction in a manner that is methodical and which permits the figures to be compared since 1995.

Near-term outlook

The restaurants' net sales target for 2001 is FIM 86.9 million (EUR 14.6 million). The objective is to break even, with the result slightly in the black.

Oy UniCafe Ab will continue to engage in goal-directed brand building efforts and improve food quality constantly. UniCafe is looking for new premises in the centre of Helsinki and new partners in the polytechnic and university sectors. The UniCard loyal customer card comprises a key element in UniCafe's marketing. UniCafe aims to make payment transactions easier and faster, such as by modernizing its cash tills and increasing UniCard usage. UniCafe constantly monitors the pricing policy applied in wireless debiting.

Efforts will be made to improve the satisfaction of Restaurant Vanha's owner-customers during the business year, both in the case of festive services and day-to-day restaurant operations. The owner-customer bonuses UniCard holders receive by using their smart cards were increased effective 1 January 2001.

Key indicators for the Restaurants Division

	2000	*1999*
Net sales, FIM million	**78.2**	73.0
Profit before taxes and extraordinary items, FIM million	**-2.1**	2.2
Invested capital, FIM million	**15.3**	15.9
Return on investment, %	**-13.6**	6.7
Gross investments, FIM million	**1.6**	3.5
Average personnel	**213**	195

Customers perceive the UniCafe brand in many ways.

University Press Finland Ltd, included under Other Companies, publishes literature on the humanities, social sciences, the environment and current affairs under the name of Gaudeamus, and literature on technology under the Otatieto imprint. Oy Academica Hotels Ltd runs a summer hotel in Leppäsuo, Helsinki. University Bookstore Finland Ltd was engaged in the book and stationery store business until the end of October 2000.

Focus areas of operations in 2000

University Press Finland Ltd
In 2000, Gaudeamus published 28 new titles and 25 reprints. Otatieto published 4 new titles and 29 reprints. The company's net sales in 2000 amounted to FIM 4.8 million and its result before taxes and extraordinary items was a loss of FIM 0.2 million. After figuring in the final sales price of the teaching handout business that was sold in 1999, its result was a profit of FIM 0.3 million.

Oy Academica Hotels Ltd
Oy Academica Hotels Ltd acts as a tenant of HYY Real Estate in Building D of Domus Academica on Hietaniemenkatu street. 115 rooms were in use, of which 23 served as hostel rooms. The occupancy rate was 92% in the summer. The company's full-year net sales were FIM 2.5 million. Its profit before taxes and extraordinary items was FIM 0.2 million after FIM 0.2 million in intra-Group goodwill amortization.

University Bookstore Finland Ltd
The functions of the Porthania and city centre stores of the University Bookstore chain were merged as from the beginning of 2000. The company's resources were scaled down in spring and summer 2000 to match the resources required by the new number of stores. In October 2000, the company's business operations were sold to Suomalainen Kirjakauppa Oy in their entirety. At the beginning of November, the company acquired the UniCard smart card unit from HYY Group Ltd and renamed itself Oy UniCard Ab. The University Bookstore racked up net sales of FIM 10.4 million in a ten-month period. The result was a loss of FIM 0.5 million before capital gains on the sale of business operations.

Personnel

In 2000, University Press Finland Ltd had an average of five employees, Oy Academica Hotels Ltd had three and University Bookstore Finland Ltd (now Oy UniCard Ab) had nine. The employees have been in the employ of the HYY Group for seven years on average. The share of permanent employees is 64%. The average age of employees is 37 years and 82% of them are women.

Investments

In 2000, investments in the improvement of IT capabilities amounted to FIM 0.4 million.

Near-term outlook

The companies' net sales target for 2001 is FIM 10.0 million (EUR 1.7 million). The financial result target before extraordinary items and taxes is a loss of FIM 1.1 million (EUR 0.2 million).

The focus of the operations of University Press Finland Ltd will be shifted to the development of the Gaudeamus imprint.

Oy Academica Hotels Ltd's operations will expand in summer 2001. Its room capacity will grow to 215. Judging from the number of prebooked rooms, the market has given the additional capacity a good reception.

The UniCard smart card, with its debit and loyal customer system, has achieved the major quantitative targets set for it at the time when the investments were made. UniCard remains the only smart card that is actively used in Finland. In 2001, the objective is to expand the customer base to encompass other universities in the Helsinki Metropolitan Area and to increase the number of services that can be accessed with the card. During the current year, it will also be assessed whether it would be feasible to set up within the UniCard system an electronic market place for young students that would be both useful to them and profitable for the company. The financial result target for 2001 remains in the red.

Assistant Director Arja Kosonen

Key indicators for the Other Companies

	2000	*1999*
Net sales, FIM million	**17.2**	23.0
Profit before taxes and extraordinary items, FIM million	**2.4**	0.6
Invested capital, FIM million	**5.3**	6.2
Return on investment, %	**-7.5**	8.4
Return on investment, when accounting for capital gains from the sale of the terminated operations, %	**50.8**	14.8
Gross investments, FIM million	**2.0**	0.1
Average personnel	**17**	20

The books published by University Press Finland Ltd's Gaudeamus imprint pique interest in the media.

FINANCIAL STATEMENTS, 31 DEC. 2000

BUSINESS CLIMATE AND TRENDS

The travel industry and business travel in particular continued to grow briskly in Europe, with growth topping 10% in many countries. In the case of the countries where KILROY travels does business, growth was substantially smaller in Norway and Germany, and the aggregate market contracted in Denmark. In Finnish markka terms, the aggregate market grew only slightly in KILROY travels' market segment in the Nordic countries due to the general decline in price levels.

In the real estate business, the demand for rental business premises remained extremely high in Helsinki. Rents have continued to rise for many years running. In 2000, the increase in rents in the heart of Helsinki levelled off. In the case of new rental agreements, the median rent of commercial premises in the Helsinki city centre rose by about 6% in the period from autumn 1999 to autumn 2000, or an increase of approximately 4% in the prevailing rent level. The corresponding increases in the rents of office premises were 10% and 7%. The number of unrented business premises was exceptionally low.

Demand has been especially stable in the case of business related primarily to university and educational communities.

NET SALES

The Group's net sales amounted to FIM 1,416.7 million, up 5% compared with the previous year.

The net sales of the Group's parent company and domestic companies accounted for 22% of the aggregate net sales. The remainder, 78%, came from the net sales of the Travel subgroup's foreign companies.

Net sales by division:

FIM million	**2000**	1999	Change, %
Real Estate Division (HYY Real Estate, Kaivopiha Oy)	**66.7**	60.6	+10
Travel Group (KILROY travels subgroup)	**1,253.6**	1,190.9	+5
Restaurants (Oy UniCafe Ab, Oy Vanha Ylioppilastalo Ab)	**78.2**	73.0	+7
Other companies (University Press Finland Ltd, Oy Academica Hotels Ltd, Oy UniCard Ab)	**17.2**	23.0	-25
Parent company: HYY Group Ltd *)	**1.1**	0.9	-
TOTAL	**1,416.7**	1,348.4	+5

*) internal sales have been eliminated

DIVISIONS

Real Estate Division

The net sales of the Real Estate Division (HYY's real estate and Kaivopiha Oy) came in at FIM 66.7 million, an increase of 10% compared with the previous year. The net profit amounted to FIM 28.3 million (FIM 26.6 million in 1999), after FIM 8.8 million in planned depreciation, FIM 1.2 million in dividends from subsidiaries and FIM 6.4 million in net interest expenses. Earnings from the actual renting of business premises totalled FIM 25.6 million (FIM 23.3 million in 1999). Indirect taxes and real estate taxes were FIM 5.0 million. The net profit exceeded the target. In terms of net profit, the division is one of the best performers in its field when compared with other businesses renting business premises in the Helsinki city centre.

The annual revaluation of the Group's primary real-estate holdings and the total return on real estate

Real Estate Division
Net sales and profit*) by unit:

FIM million	**2000** Net sales	**2000** Profit	1999 Net sales	1999 Profit
HYY Real Estate				
Corporate real estate	50.8	25.3	48.0	24.6
Service real estate	15.5	2.0	12.1	-1.0
Dividend income		1.2		5.0
Interest expenses of investment activities		-0.3		-0.3
Kaivopiha Oy	4.5	0.0	4.3	-1.7
TOTAL	66.7	28.3	60.6	26.6

*) profit before extraordinary items and taxes

	2000	1999
Return on investment, %	**19.4**	21.1
Return on equity (initial yield), if the revaluation of land is added to shareholders' equity	**9.0**	9.4

Travel Group
Net sales by company:

FIM million	***2000***	*1999*	*Change, %* [1]
KILROY travels International A/S [2]	**32.7**	8.6	280
KILROY travels Denmark A/S	**188.8**	201.2	-6
KILROY travels Finland OY AB	**141.6**	133.8	6
KILROY travels Norway A/S	**219.9**	213.4	3
KILROY travels Sweden AB	**256.8**	241.8	6
KILROY travels Spain S.A.	**43.6**	42.4	3
KILROY travels Germany GmbH	**42.3**	37.3	13
KILROY travels Netherlands B.V.	**28.9**	18.4	57
Benns Rejser Group [3]	**293.2**	294.0	-
KILROY Invest	**5.7**	-	
NET SALES	**1,253.6**	1,190.9	5

[1] these percentages may vary when presented in the company's home currency
[2] parent company's sales to subsidiaries have been eliminated
[3] includes Benns Rejser A/S, Benns Resor AB and Benns Reiser AS

	2000	*1999*
Return on investment, %	**25.3**	29.6

(net income return + revaluation income return), calculated at the market values, are presented in detail in the notes to the financial statements. These figures are only directly comparable to those of real-estate companies that comply with the accounting conventions approved by the Finnish Institute of Real Estate Economics, that is, if their income return, market value and required return are calculated in a comparable manner.

Travel Group

Denominated in Finnish markkaa, the KILROY travels subgroup's net sales amounted to FIM 1,253.6 million, up 5% on the previous year. The Travel subgroup's profits were FIM 16.5 million (FIM 15.8 million in 1999) before extraordinary items and taxes and after FIM 16.8 million in depreciation and FIM 4.1 million in net financing income. FIM 5.0 million was booked in taxes. The result after extraordinary items and taxes and before minority interest was a profit of FIM 13.0 million (FIM 6.8 million in 1999). Minority interest totalled -0.1 million (+0.4 million in 1999). Profits fell short of the target.

The results of the Nordic subsidiaries – with the exception of the Norwegian company – were clearly positive. The earnings trend of Benns Rejser A/S remained good. The results were in the black in the Netherlands and Spain as well. The result of the German company is still in the red, but improving.

The net sales of the subgroup's parent company, after the elimination of sales to subsidiaries, come from sales to the travel agencies acting as its agents outside its own territories.

According to the subgroup's Danish financial statements, KILROY travels' net sales grew by about 6% and amounted to DKK 1,576 million. Profit before taxes and minority interest was DKK 20.7 million.

In the subgroup's own financial statements, drawn up according to Finnish Accounting and IAS conventions, shareholders' equity was FIM 57.5 million as of 31 December 2000 (FIM 49.1 million in 1999), of which FIM 38.8 million was non-restricted equity. On the basis of the net profit for 1999, a dividend of 22% was paid on share capital, or about 38% of earnings after taxes.

Restaurants

The net sales of the restaurants (Oy UniCafe Ab and Oy Vanha Ylioppilastalo Ab) amounted to FIM 78.2 million, up 7% on the previous year. The result was a loss of FIM 2.1 million (a profit of 1.3 million in 1999), after FIM 2.0 million in planned depreciation and FIM 0.7 million in net financing income, and before financial statement adjustments.

At the end of 2000, there were 23 UniCafe restaurants. They were reasonably successful. A total of close to 2.4 million lunches were sold during the financial year. Over 1.8 million student lunches were sold, an increase of 8%. The UniCard owner-customer programme and outlays on the quality of food ensured the positive growth in lunch sales. The division's result was in the red due to its deliberate pricing decisions.

For ten years, the maximum price level of UniCafe's student lunches remained at the same level as on 1 January 1991. UniCafe was significantly cheaper than its competitors.

Oy Vanha Ylioppilastalo Ab's Restaurant Vanha posted a clear loss. The renovation of the façade of the Old Student House, which began in 1999 and required the façade to be placed under wraps, lasted until

Restaurants
Net sales and profit*) by company:

FIM million	**2000**		1999	
	Net sales	**Profit**	Net sales	Profit
Oy UniCafe Ab	**62.0**	**-1.0**	54.3	0.1
Oy Vanha Ylioppilastalo Ab	**16.2**	**-1.1**	18.8	1.2
TOTAL	**78.2**	**-2.1**	73.0	1.3

*) profit before extraordinary items and taxes

	2000	1999
Return on investment, %	**-13.6**	6.7

summer 2000. The renovation works hindered the marketing of festive services in particular, and did not leave the day-to-day operations of the restaurant unaffected. During the report year, the number of restaurants and bars in the centre of Helsinki increased dramatically.

Other companies

The other companies (University Press Finland Ltd, Oy Academica Hotels Ltd and Oy UniCard Ab, formerly known as University Bookstore Finland Ltd) had net sales of FIM 17.2 million, or 25% less than in the previous year. Other operating income primarily comprised capital gains on the sale of the business operations of the former University Bookstore Finland Ltd and the portion of capital gains on the sale of the teaching handout business which materialized in 2000. Profit amounted to FIM 2.4 million, after FIM 0.5 million in planned depreciation and FIM 0.3 million in net interest, and before financial statement adjustments. Profit before the capital gains on the sale of business operations was not in line with the target.

Other companies
Net sales and profit*) by company:

FIM million	**2000**		1999	
	Net sales	**Profit**	Net sales	Profit
University Press Finland Ltd	**4.8**	**-0.2**	6.8	0.0
Oy Academica Hotels Ltd	**2.5**	**0.2**	2.5	0.4
Oy UniCard Ab (former University Bookstore Finland Ltd)	**10.6**	**-0.9**	14.6	-0.2
Elimination of intra-company sales/ Capital gains from sales of business functions	**-0.7**	**3.1**	-0.9	0.4
TOTAL	**17.2**	**2.4**	23.0	0.6

*) profit before extraordinary items and taxes

	2000	1999
Return on investment, %	**-7.5**	8.4
Return on investment, %, when accounting for the capital gains on the sale of the terminated operations	**50.8**	14.8

HYY Group Ltd's corporate group:

	2000	1999
Consolidated return on investment, %	**10.2**	15.5
Consolidated return of investment including capital gains from the sale of investment-driven fixed assets, %	**13.2**	17.7

The earnings of University Press Finland Ltd's Gaudeamus imprint matched the targets set for it. The number of books published by Otatieto declined substantially and its earnings fell short of the target.

Hostel Academica, which operates under Oy Academica Hotels Ltd, racked up good earnings and it achieved all the targets set for it. The occupancy rate in the summer was 92%.

The functions of the Porthania and city centre stores of the University Bookstore chain, which operated under University Bookstore Finland Ltd, were merged as from the beginning of 2000. The companies' resources were scaled down in spring and summer 2000 to match the resources required by the new number of stores. In October 2000, the company's university bookstore functions were sold to Suomalainen Kirjakauppa Oy in their entirety and the company was renamed Oy UniCard Ab. At the beginning of November, the company acquired the UniCard smart card unit from HYY Group Ltd.

The parent company HYY Group Ltd and its corporate group (exclusive of the parent corporation of the HYY Group, the Real Estate Funds of HYY)

HYY Group Ltd's net sales, which primarily comprise the Group's internal services, were FIM 10.3 million, up 3% on the previous year. Other operating income, FIM 0.9 million, mainly comprised capital gains on the sale of the UniCard smart card unit. The parent company posted a loss of FIM 1.7 million after net financing income of FIM 2.1 million and FIM 0.4 million in Group contributions that were received and were recorded in extraordinary items. The company's shareholders' equity as at 31 December 2000 was FIM 33.9 million. The share of non-restricted equity accounted for by fully distributable funds was FIM 17.7 million. On the basis of the net profit for 1999, a dividend of 8% was paid in 2000 on share capital amounting to FIM 15.0 million.

Consolidated net sales amounted to FIM 1,358 million and grew by 5% compared with the previous year. Other operating income amounted to FIM 7.9 million (1999: FIM 4.8 million). Operating profit came in at FIM -0.8 million (1999: FIM 6.9 million). Profit before taxes and minority interest was FIM 13.1 million (1999: FIM 12.8 million), after FIM 12.4 million in financing income and FIM 1.6 million in extraordinary income. The net profit for the financial year was FIM 2.3 million (1999: FIM 3.4 million), after FIM 5.0 million in direct taxes and a minority interest of FIM 5.8 million.

The consolidated shareholders' equity as at 31 December 2000 was FIM 41.2 million, of which FIM 26.1 million were distributable funds included in non-restricted equity.

CONSOLIDATED RESULT

The Group's profit before extraordinary items and taxes was FIM 38.6 million (FIM 38.7 million in 1999). The capital gains from investments made by the main divisions in the course of their operations, which are included in the financial result, amounted to FIM 2.8 million (FIM 3.2 million in 1999). Other operating income also includes FIM 3.5 million in recurring income from operations.

A quasi-provision item amounting to FIM 2.6 million, which is due to the change in the accounting policy of the Danish KILROY travels subgroup, was recorded under extraordinary items in 1999. Accordingly, the portion of the provision recognized as income, FIM 1.6 million, was booked in extraordinary items in 2000.

Return on investment exclusive of earnings from investment operations amounted to 18.8% (21.0% in 1999). Return on investment inclusive of earnings from investment operations amounted to 20.2% (22.0% in 1999). When calculating returns, FIM 3.1 million in capital gains on the sale of the terminated operations, which are recorded under other operating income, have been deducted from the financial result.

The as yet unaudited figure for the unrealized capital return or change in value of the Student Union's real estate for the financial year, calculated by the Finnish Institute for Real Estate Economics, was approximately FIM 46 million (FIM 76 million in 1999), and is included in the notes to the financial statements rather than the income statement. The market value of the real estate (the present-day value of net rental income receivable in the future) was about FIM 897 million at the beginning of the year and around FIM 943 million at year's end. The calculation of market values is based on a 7.50% total return requirement and a 95% occupancy rate. The income return of the real estate (net rental yield as a percentage of the market value at the beginning of the financial year) was 4.7% (4.5% in 1999). The capital return ratio (change in the market value since the beginning of the year, expressed as a percentage) was 4.4% (4.8% in 1999). The total income return of the real estate was thus 9.1% in 2000 (9.3% in 1999). The decline in the total income return was due to the fact that the investors' return requirement figure used in the calculation of the market value rose by 0.8 percentage points (6.70%/7.50%) and the usage purposes of some of the facilities of the Leppäsuo Property were changed.

Exclusive of the effect of investments made during the financial year, the total return of the City Centre Property was 10.8%.

INVESTMENTS

Gross investments by division:

Real Estate Division	FIM 7.3 million
Travel Group	FIM 29.7 million
Others	FIM 3.6 million
Total	**FIM 40.6 million**

Investments in basic renovations of real estate were earmarked for the modernization of the existing capacity. The Travel subgroup invested in the expansion of operations and information technology, particularly in paving the way for e-commerce.

The Group's net investments totalled FIM 32.8 million after sales of fixed assets amounting to FIM 7.8 million.

FINANCING

Liquid assets at year's end totalled FIM 286.1 million (FIM 272.3 million in 1999). The Group's liquidity has been good. The net amount of the principal of interest-bearing loans at year-end was FIM 123.3 million

(FIM 131.0 million in 1999). Net financing income amounted to FIM 6.3 million (FIM 3.7 million in 1999).

The equity ratio at book values was 25.9% (23.9% in 1999). The as yet unaudited potential revaluation of the Group's land areas, as given in the notes to the financial statements and figuring in solvency, leads to an equity ratio of 50.3% (50.0% in 1999).

The cash flow generated by the Group's ordinary business activities was a surplus of FIM 73.7 million. The Group's cash-based net investments were FIM 36.3 million. As of 31 December 2000, the weighted effective interest rate on the loans of the Finnish part of the Group was 5.5% (4.7% in 1999).

PERSONNEL

The HYY Group employed an average of 824 people during the report year, an increase of 44 employees on the previous year. The growth of personnel was primarily due to hiring by KILROY's Nordic companies. Of the personnel, 322 were employed in Finland, 454 in other Nordic countries and 48 elsewhere in Europe.

Trends in personnel, by division:

Division	***2000***	*1999*
Real Estate Division	**12**	13
Travel Group	**562**	532
Restaurants	**213**	195
Other companies	**17**	20
Parent company:		
HYY Group Ltd	**20**	20
Group, total	**824**	780

GOING EASY ON THE ENVIRONMENT

Ecological activities in 2000 involved the implementation of a two-part training programme for the ecological supervisors of the Group's business locations. The training was carried out twice in the spring and autumn. People who had served as ecological supervisors for at least half a year and the close to 40 ecological supervisors who completed the training programme for ecological supervisors received a lump sum bonus in December. By paying this bonus, the corporate administration wished to emphasize the importance of these new tasks.

The offices of the Group's City Centre Property and UniCafe Ylioppilasaukio changed over to the use of "eco-electricity" at the beginning of the year. Seven per cent of the electricity transmitted by HYY's real estate was eco-electricity purchased for the Group's units.

A second environmental audit was carried out within the Group during the spring and the early autumn. The aim was to assess the standard of the implementation of the Group's environmental programme and to carry out a basic review of the major development focuses of the environmental programme. A key observation was that, although the HYY Group has for the most part been diligent in its handling of environmental compliance, the priority areas of the programme must be redefined if the service sector companies are to maintain their position at the head of the pack. Discussions on this matter within the administrative body of the Group's owner started during the beginning of the present year.

The working groups engaged in ecological activities, the dissemination of information to the Group's customers and ecological efforts having an effect on the corporate image received especial attention when the Group rewarded ecological efforts.

EURO

The HYY Group already began preparations for the implementation of the euro in 1998 with the aim of making a controlled changeover to the new currency. The euro will be adopted as the accounting currency in April 2001.

PRESIDENT AND AUDITOR

Tapio Kiiskinen, M.Sc. (Econ.), was the President and CEO of the Group for the duration of the entire financial year.

KPMG Wideri Oy Ab, Authorized Public Accountants, were selected by the Representative Council of the Student Union to act as the auditors of the parent corporation, and they were likewise selected by the Annual General Meeting to act as the auditors of HYY Group Ltd and its corporate group in 2000.

OWNERSHIP OF THE GROUP

The Student Union of the University of Helsinki is a public sector entity having the right to autonomy. Its status is based on the Universities Act (645/1997) and the Student Union Decree; the latter was passed on 6 February 1998 on the basis of the Universities Act and entered into force on 1 August 1998. As per the rules ratified by the Student Union on the basis of the decree, the real estate funds that are owned by the Student Union, and which are subject to the Accounting Act, function as the parent corporation of a separate corporate body in the manner defined in the Accounting Act, that is, the real estate funds are the parent corporation of the HYY Group. The Real Estate Funds of HYY owns 100% of HYY Group Ltd's shares. HYY Group Ltd is the parent company of its corporate group. The HYY Group Ltd has a 100% or majority holding in all its subsidiaries.

Funds of the Student Union

The current funds required in the performance of the Student Union's purpose, as specified in the decree, are funds which are tied to the budget of the public sector entity, and as such are not subject to bookkeeping requirements on the basis of the Accounting Act. The regulations concerning the Student Union (the decree, the rules of the Student Union, financial rules) lay down rules concerning the Funds of the Student Union and its budget, accounting, financial statements and auditing. The Funds of the Student Union and the HYY Group are not consolidated. The Group's distribution of profits is performed as a transfer of funds from the parent corporation's non-restricted equity to the contingency fund of the Funds of the Student Union.

The operating costs of the Funds of the Student Union amounted to about FIM 17.0 million in 2000. Of this amount, FIM 0.9 million was covered with self-acquired funding, grants and income from collections, and FIM 5.6 million was covered with membership fees collected from the Student Union and FIM 0.7 million in interest on the contingency fund. The Student Union membership fee – FIM 180/member/semester – has remained unchanged since 1991. The FIM 9.8 million deficit of the Funds of the Student Union was covered with funds from the HYY Group's contingency fund, which had been enlarged by dividends.

On 31 December 2000, the Funds of the Student Union had a balance sheet total of FIM 18.4 million. Of this amount, FIM 0.7 million was accounted for by the capital in the member loan fund that was covered by the Funds of the Student Union and FIM 12.2 million by other shareholders' equity.

CHANGES IN THE GROUP STRUCTURE

University Bookstore Finland Ltd's business operations were sold to Suomalainen Kirjakauppa Oy effective 29 October 2000. The smart card unit, which had previously been part of HYY Group Ltd's operations, was hived off to form Oy UniCard Ab on 1 November 2000.

The parent company of the subgroup, KILROY travels International A/S, acquired the business operations of Team Travel A/S on 1 January 2001.

NEAR-TERM OUTLOOK

KILROY travels was reorganized into three development areas (Individual travel, Group travel and Friendship travel/Benns Rejser) as from the beginning of 2001. The company will continue to stimulate organic growth actively, keeping the development focus of its multichannel strategy on e-commerce and telephone service. Acquisitions and the divestment of external parts of the development areas have not been shut out as an option. Earnings in 2001 are expected to improve substantially on earnings in 2000, thanks especially to the partnership agreements made at the end of 2000.

In the case of the real-estate business, the excellent market situation in the centre of Helsinki makes it possible to increase rent levels when renewing agreements. Earnings from the rental of HYY's real estate are expected to improve further on their level in 2000.

The catering operations of UniCafe's university restaurants and the festive facilities of the Old Student House are expected to break even in line with their earnings target. The other companies (Academica Hotels, University Press Finland and UniCard) only have a slight impact on the Group's financial result.

The budgeted net sales for the entire Group in 2001 are about FIM 1.6 billion (EUR 278.3 million). The budgeted profit before extraordinary items and taxes is about FIM 54 million (EUR 9.1 million).

DIVIDENDS

According to the consolidated balance sheet, non-restricted equity amounts to FIM 63,571,202, of which distributable funds amount to FIM 58,503,219. According to the separate balance sheet of the Real Estate Funds of HYY, the fully distributable funds in non-restricted equity amount to FIM 33,104,957. The Board of Directors proposes that the Funds of the Student Union be paid a dividend of FIM 13,500,000, with the remainder being kept in the profit and loss account.

INCOME STATEMENT

FIM	***1 Jan.–31 Dec. 2000***	*1 Jan.–31 Dec. 1999*
Net sales	**1 416 721 956**	**1 348 394 334**
Other operating income	9 368 663	4 830 081
Materials and services		
Raw materials and consumables		
Purchases during the financial year	-1 078 031 825	-1 038 757 987
Increase/decrease in inventories	-560 146	1 743 941
External services	-10 331 600	-9 895 909
Personnel costs	-152 836 726	-141 971 452
Depreciation and value adjustments	-28 901 553	-24 885 097
Other operating expenses	-123 167 653	-104 338 641
Total	-1 393 829 504	-1 318 105 145
Operating profit	**32 261 115**	**35 119 269**
Financial income and expenses		
Income from investments in fixed assets	23 842	125 257
Other interest and financial income	13 351 891	10 120 076
Value adjustments of securities in current assets	0	-521 359
Interest and other financial expenses	-7 036 382	-6 163 263
Total	6 339 351	3 560 711
Profit before extraordinary items	**38 600 466**	**38 679 981**
Extraordinary items		
Extraordinary income	1 559 278	0
Extraordinary expenses	0	-2 638 779
Total	1 559 278	-2 638 779
profit before taxes and minority interest	**40 159 744**	**36 041 202**
Income taxes	-10 047 727	-11 473 768
Minority interest	-5 800 998	-2 696 041
Net profit for the year	**24 311 020**	**21 871 393**

BALANCE SHEET
ASSETS

FIM	***31 Dec. 2000***	*31 Dec. 1999*
Fixed assets		
Intangible assets		
Intangible rights	978 333	1 104 225
Group goodwill	20 172 308	17 210 621
Other capitalized expenditure	29 631 361	25 526 417
Advance payments	4 701 209	0
	55 483 210	43 841 264
Tangible assets		
Land	4 804 295	4 804 295
Buildings and structures	119 712 235	121 650 400
Machinery and equipment of the buildings	7 686 971	8 489 383
Machinery and equipment	32 764 236	30 191 373
Other tangible assets	51 560	51 560
Advance payments and acquisitions in progress	593 462	1 970 366
	165 612 759	167 157 377
Investments		
Shares in Group undertakings	332 380	332 380
Receivables from Group undertakings	4 175 541	4 252 836
Other shares and participations	4 133 950	4 528 346
	8 641 871	9 113 562
Fixed assets, total	**229 737 841**	**220 112 203**
Current assets		
Inventories		
Completed products/goods	6 032 458	8 919 290
Advance payments	25 894	78 273
	6 058 352	8 997 563
Receivables		
Current		
Accounts receivable	35 484 423	19 852 798
Receivables from Group undertakings	77 295	77 295
Receivables from the owners	272 649	97 660
Loan receivables	10 400	5 600
Prepaid expenses and accrued income	16 723 156	20 460 026
	52 567 923	40 493 379
Securities included in fixed assets		
Other shares and participations	0	393 156
Other securities	59 537 490	73 116 076
	59 537 490	73 509 232
Cash at bank and in hand	226 521 375	198 767 222
Current assets, total	**344 685 140**	**321 767 395**
Assets	**574 422 980**	**541 879 598**

BALANCE SHEET
LIABILITIES

FIM	***31 Dec. 2000***	*31 Dec. 1999*
Shareholders' equity		
Capital	17 250 000	17 250 000
Retained earnings	39 260 182	33 102 858
Net profit for the year	24 311 020	21 871 393
Capital loans	80 000	80 000
Shareholders' equity, total	**80 901 202**	**72 304 251**
Minority interest	**24 916 828**	**19 450 840**
Liabilities		
Non-current		
Loans from financial institutions	68 363 982	69 893 636
Pension loans	17 074 021	18 907 549
Debts to the owners	16 910 000	12 710 000
Other debts	9 201 860	17 679 866
Imputed deferred tax liabilities	11 031 534	11 067 943
	122 581 396	130 258 995
Current		
Loans from financial institutions	6 227 694	6 228 058
Pension loans	1 833 528	1 896 267
Advances received	166 523 801	158 154 565
Accounts payable	131 895 520	118 770 716
Debts to the owners	42 191	160 163
Other debts	22 374 757	18 811 725
Accrued liabilities and prepaid income	17 126 062	15 844 018
	346 023 554	319 865 511
Liabilities, total	**468 604 950**	**450 124 507**
Liabilities	**574 422 980**	**541 879 598**

CASH FLOW STATEMENT

FIM 1000	*2000*	*1999*
Ordinary operations		
Cash inflow		
From sales	1 403 826	1 343 423
Cash payments		
Purchases	-1 067 181	-971 141
Wages and salaries	-155 031	-144 055
Other expenses	-105 922	-95 560
Extraordinary expenses	0	0
Interest	6 482	3 294
Taxes	-8 484	-12 244
	-1 330 136	-1 219 705
Net cash flow from ordinary operations	**73 690**	**123 718**
Investments		
Investment loans, decrease	77	77
Investments in associated companies	0	4 084
Investments in shares	0	1 236
Investments in subsidiaries	-5 856	-27 138
Income from sale of business operations	3 371	0
Income from sale of fixed assets	931	204
Investments in fixed assets	-34 797	-59 832
Net cash flow from investments	**-36 273**	**-81 369**
Financing		
Non-current liabilities, decrease	-12 024	19 760
Quasi-equity financing, increase	265	409
Loans receivable and deposits, change	4 430	3 140
Securities included in fixed assets, increase	14 051	-42 389
Dividends received	20	183
Dividends paid to minority shareholders	-1 802	-2 282
Distribution of profit	-13 500	-13 000
Net cash flow from financing	**-8 560**	**-34 179**
Net change in cash assets	**28 857**	**8 170**
Cash assets, 1 Jan.	198 767	142 654
Effect of exchange rate fluctuations	-1 106	929
Effect of changes in the Group structure *)	0	47 015
Cash assets, 31 Dec.	**226 521**	**198 767**

*) The effect of changes in the Group structure comprises the cash assets of acquired companies at the time of acquisition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The parent corporation of the HYY Group is the Real Estate Funds of the Student Union of the University of Helsinki, which is domiciled in Helsinki. The subgroup's parent company is HYY Group Ltd, which is domiciled in Helsinki. Copies of the consolidated financial statements of the aforementioned groups can be had from the head office of the HYY Group, Mannerheimintie 5 C, 00100 Helsinki.

ACCOUNTING PRINCIPLES

The HYY Group's financial statements have been prepared in accordance with the Accounting Act and Finnish statutes and regulations.

Scope

The consolidated financial statements include all Finnish and foreign subsidiaries in which the parent corporation owns more than 50% of the voting rights either directly or indirectly.

Associated companies

Companies in which the Group has a direct or indirect holding of 20-50% are classified as associated companies. Associated real estate companies are not, however, included in the consolidated financial statements, as they have no effect on the Group's financial result or shareholders' equity. At the end of the financial year, the Group had no associated companies with the exception of two associated real estate companies which fall outside the consolidated financial statements.

Accounting policies

The consolidated financial statements are presented in Finnish markkaa and the figures are based on the original acquisition cost. Book values based on the acquisition cost have been reduced to match the market value when necessary. The Group's internal business transactions, distribution of profit, receivables and liabilities have been eliminated in their entirety. There were no internal margins that had to be eliminated.

Intra-Group share ownership has been eliminated using the acquisition-cost method. The difference between the acquisition cost and shareholders' equity has been presented as Group goodwill, which will be depreciated over the period in which it has a financial effect. Five and ten years have been used as the depreciation periods.

In the income statement, minority interest has been stated separately as a share of the profit for the financial year, and in the balance sheet as a share of the shareholders' equity.

Items denominated in foreign currency

The income statements of foreign subsidiaries have been converted to Finnish markkaa at the average rate for the financial year, and the balance sheets at the rate on the closing date. Translation differences arising from conversion and the elimination of the shareholders' equity of foreign subsidiaries have been recorded in non-restricted equity. Receivables and liabilities denominated in foreign currency have been valued at the rate on the closing date.

Net sales

Net sales comprise capital gains from the sale of products and services, rental income from real estate operations and charges for consumption less indirect taxes and discounts and exchange rate losses related to accounts receivable, plus exchange rate gains related to accounts receivable.

Pensions and pension funding

The pension security of the employees of the Group's Finnish companies, including additional benefits, has been handled through external insurance companies. The pension arrangements of foreign subsidiaries have been handled in accordance with local practices.

Extraordinary items

Presented as extraordinary income and expenses are major non-recurring income and expense items that are not part of ordinary business operations or are related to the capitalization of a business that is being wound down. Recurring operating income and expenses are included in the items presented before operating profit.

Fixed assets and depreciation

Fixed assets are recorded in the balance sheet at the variable acquisition cost minus planned depreciation, which is calculated on a straight-line basis from the economically useful life of fixed assets.

The recommended useful life periods used in planned depreciation are:

Incorporation and adjusting expenses	3 years
Intangible rights	3–10 years
Group goodwill	5–10 years
Other capitalized expenditure	3–5 years
Buildings	30–40 years
Machinery and equipment of the buildings	5–15 years
Machinery and equipment	3–5 years

In line with the principle of essentiality, which is part of generally accepted accounting practices, minor fixed assets – such as computers with an estimated economically useful life of under three years and mobile phones – have been recorded directly as annual costs. Land areas have not been depreciated. The securities included in fixed assets have been valued at the acquisition cost or, if their market value has permanently fallen, at the lower market value.

Capital gains and losses from the sale of fixed assets are included in operating profit.

Other capitalized expenditure primarily includes the cost of the renovation of rental premises, where the depreciation period is the probable rental period at most. In the Real Estate Division, the other capitalized expenditure comprises such renovation costs of rented premises as have been agreed, during rent agreement negotiations, to be the responsibility of the landlord and whose effect has been accounted for when determining the rent. In those cases, the depreciation period is generally the duration of the rental period.

Separate information on the market values of fixed assets, their potential revaluation and collateral value is provided in the notes to the balance sheet. Information on capital return, or changes in value, during the financial year is presented separately in the notes to the income statement.

Current assets

Inventories have been valued using a weighted average price. In the case of self-manufactured products, the price includes the variable wage and raw material costs of production. The upper limit used in the valuation of inventory assets is the probable sale price and the probable acquisition cost.

Securities included in fixed assets are valued at acquisition cost or the probable sale price on the closing date.

Appropriations

Appropriations are those depreciation differences causing a change in the imputed deferred tax liability which is presented in the consolidated financial statements under the taxes for the financial year. In the consolidated balance sheet, accumulated appropriations have been divided into a tax liability and non-restricted equity.

Advances received

The bulk of the Travel subgroup's net sales is generated by the subgroup's air ticket system – a system which is unusual in the travel business – where customers pay a considerable amount in advance. Presented as advances received is the share of advance airfares paid by customers, who have the right to a refund, for which accounts receivable had not materialized between the subgroup and the airlines by the closing date, or a total of FIM 128.9 million (1999: FIM 126.0 million). The advances received are presented in current liabilities under the liabilities side of the balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE INCOME STATEMENT

FIM	*2000*	*1999*
NET SALES		
Net sales by division		
Real Estate Division	66 715 221	60 348 578
Travel Group	1 253 554 120	1 190 872 966
Restaurants	78 166 957	73 041 079
Other companies	18 285 658	24 131 711
Total	**1 416 721 956**	**1 348 394 334**
Net sales by market area		
Finland	304 737 689	291 306 663
Other Nordic countries	969 316 008	940 146 581
Other European countries	139 242 223	114 903 632
Other	3 426 036	2 037 457
Total	**1 416 721 956**	**1 348 394 334**
OTHER OPERATING INCOME		
Capital gains from sales of investments in non-current fixed assets	2 788 817	3 195 862
Other capital gains from continuous operations	3 506 945	839 777
Capital gains from the sale of terminated business functions	3 072 901	794 442
Total	**9 368 663**	**4 830 081**
NOTES CONCERNING PERSONNEL AND MEMBERS OF ADMINISTRATIVE BODIES		
Salaries, remuneration and other compensation paid to members of the Board of Directors and the President*)	6 791 156	6 561 582
Salaries	125 989 058	115 455 859
Pension costs	6 752 670	6 597 148
Other personnel costs	13 303 842	13 356 862
Personnel costs in the income statement	**152 836 726**	**141 971 452**

*) The salaries and remuneration of the Boards of Directors and Presidents/ Managing Directors include the salaries and remuneration paid to the members of 16 Boards of Directors (1999: 16 Boards of Directors) and 9 Presidents/ Managing Directors (1999:9 Presidents/ Managing Directors). The remuneration paid to the Board of Directors of the Student Union, which is the parent corporation of the Group and acts as a public sector Board of Directors, are not included in the figures because such remuneration is paid from the Funds of the Student Union in the first instance. Part of these remunerations have been invoiced from the HYY Group and are included in other operating expenses. The invoiced remunerations are not included in the notes concerning the salaries paid to Board members and the President.

As part of his pay structure, the Managing Director of the Danish subgroup has been granted a scheme that is based on the trend in the share prices; the parent company of the subgroup is responsible for the scheme, which is intended to be consummated in 2004. The scheme involves a maximum of 3.6% of the shares outstanding at the time of signing and hinges on the shares outperforming the target figure for their market capitalization.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE INCOME STATEMENT

	2000	*1999*
Average number of people employed by the Group		
Real Estate Division	12	13
Travel Group	562	532
Restaurants	216	197
Other	34	38
	824	780
In Finland	322	304
In other Nordic countries	454	429
In other European countries	48	47
	824	780

Pension commitments and loans granted to management or shareholders
The retirement age of Managing Directors and Directors of companies belonging to the HYY Group has been set at 60. The Group's President and CEO is entitled to retire at the age of 55. There are no pension commitments to Board members.

No loans have been granted to management or shareholders with the exception of loans granted to the only shareholder of HYY Group Ltd, the Real Estate Funds of HYY, which pledges collateral directly to the party granting the loan; HYY Group Ltd grants these loans in the manner specified in the description of its field of business in its Articles of Association. In addition, on the grounds of point 3 of section 12:7.2 of the Companies Act, HYY Group Ltd may grant a cash loan to the Real Estate Funds of HYY, disregarding the restrictions in section 12:7.1 of the Companies Act.

FIM	*2000*	*1999*
DEPRECIATION AND VALUE ADJUSTMENTS		
Depreciation by type of fixed asset		
Intangible assets		
Intangible rights	422 456	474 240
Group goodwill	2 243 253	3 074 648
Other capitalized expenditure	5 508 455	3 284 187
Tangible assets		
Buildings	5 421 118	4 936 877
Machinery and equipment of the buildings	1 049 027	1 152 882
Machinery and equipment	14 257 244	11 962 263
Total	28 901 553	24 885 097
FINANCIAL INCOME AND EXPENSES		
Income from long-term investments		
Dividend income		
From others	23 842	125 257
Other interest and financial income		
From Group undertakings	172 432	175 524
From others	13 179 459	9 944 552
Interest and financial income, total	13 375 733	10 245 333
Value adjustments of investments		
Value adjustments of securities included in financial assets	0	-521 359
Interest and other financial expenses		
To others	-7 036 382	-6 163 263
Interest and other financial expenses, total	-7 036 382	-6 684 622
Financial income and expenses, total	6 339 351	3 560 711

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE INCOME STATEMENT

FIM	*2000*	*1999*
Extraordinary items		
Extraordinary income and expenses		
Change in accounting principles*)	1 559 278	-2 638 779

*) In 1999, an item amounting to FIM 2.6 million was recorded in extraordinary expenses due to the change in the accounting principles of the KILROY travels subgroup. Accordingly, the share of this sum recognized as income in 2000 has been recorded in extraordinary income.

FIM	*2000*	*1999*
Direct taxes		
Real estate taxes	2 519 002	2 302 995
Income taxes on ordinary operations		
For the current year	8 582 902	9 817 433
For the previous year	-1 053 488	-18 699
Change in the imputed deferred tax liability	-689	-627 961
Direct taxes, total	10 047 727	11 473 768

The revaluation or the capital return of the central real estate which is included in the parent company's fixed assets but is not included in the income statement

FIM	*Market value 31 Dec. 2000*	*Market value 31 Dec. 1999*	*Capital return (revaluation) 2000*	*Capital return ratio, %*
City Centre Property	810 951 803	767 090 030	43 861 773	5.0
Leppäsuo Property	132 124 781	130 130 978	1 993 803	0.6
Market value, total	943 076 584	897 221 008		
Capital return, total			45 855 576	
Average capital return ratio, %				4.4

In accordance with the accounting formula, the activated investment expenditure on construction works will be deducted in its entirety from the revaluation during its year of completion when calculating the capital return. In 2000, the investment expenditure deducted from the revaluation amounted to FIM 6.1 million for the City Centre Property and FIM 1.2 million for the Leppäsuo Property.

Total return of the central real estate

	Income return, %		*Capital return ratio, %*		*Total return, ratio, %*	
	2000	*1999*	*2000*	*1999*	*2000*	*1999*
City Centre Property	**4.9**	5.0	**5.0**	5.1	**10.0**	10.1
Leppäsuo Property	**3.3**	1.0	**0.6**	3.0	**3.9**	4.0
Average (weighted)	**4.7**	4.5	**4.4**	4.8	**9.1**	9.3

Exclusive of the effect of investments made in 2000, the total return of the City Centre Property was 10.8%.

The income return is the net rental yield as a percentage of the market value at the beginning of the financial year.
The capital return ratio is the change in the market value as a percentage since the beginning of the year.
Total return = Income return + Capital return.
The notes to the balance sheet present detailed information on the properties and the calculation of their capitalized values and yield in accordance with the formulae of the Finnish Institute for Real Estate Economics.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE BALANCE SHEET

FIM	*2000*	*1999*
Fixed assets		
Intangible assets		
Intangible rights		
Acquisition cost, 1 Jan.	2 251 032	1 775 706
Increases	734 078	475 326
Decreases	-1 326 671	0
Acquisition cost, 31 Dec.	1 658 439	2 251 032
Accumulated depreciation, 1 Jan.	-1 146 808	-672 567
Accumulated depreciation of decreases and transfers	889 158	0
Depreciation for the financial year	-422 456	-474 240
Accumulated depreciation, 31 Dec.	-680 106	-1 146 807
Book value, 31 Dec.	978 333	1 104 225
Group goodwill		
Acquisition cost, 1 Jan.	19 249 938	13 488 712
Increases	5 250 751	19 181 277
Exchange rate differences	-110 294	0
Acquisition cost, 31 Dec.	24 390 395	32 669 989
Accumulated depreciation, 1 Jan.	-1 974 834	-12 384 719
Depreciation for the financial year	-2 243 253	-3 074 648
Accumulated depreciation, 31 Dec.	-4 218 087	-15 459 368
Book value, 31 Dec.	20 172 308	17 210 621
Other capitalized expenditure		
Acquisition cost, 1 Jan.	39 042 547	21 748 835
Increases	9 244 428	13 341 629
Decreases	-512 914	0
Translation difference	0	250 122
Transfers from acquisitions in progress	534 348	3 483 444
Exchange rate differences	-104 624	218 517
Acquisition cost, 31 Dec.	48 203 785	39 042 547
Accumulated depreciation, 1 Jan.	-13 439 252	-9 474 427
Accumulated depreciation of decreases and transfers	372 586	-758 354
Depreciation for the financial year	-5 505 758	-3 283 347
Accumulated depreciation, 31 Dec.	-18 572 424	-13 516 129
Book value, 31 Dec.	29 631 361	25 526 418
Advance payments		
Acquisition cost, 1 Jan.	0	0
Increases	4 701 209	0
Acquisition cost, 31 Dec.	4 701 209	0
Book value, 31 Dec.	4 701 209	0

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE BALANCE SHEET

FIM	*2000*	*1999*
Tangible assets		
Land		
Acquisition cost, 1 Jan.	4 804 295	4 804 295
Book value, 31 Dec.	4 804 295	4 804 295
Buildings		
Acquisition cost, 1 Jan.	207 118 482	177 636 411
Increases	2 215 811	24 421 751
Transfers from acquisitions in progress	1 272 642	5 055 950
Exchange rate differences	-11 207	4 369
Acquisition cost, 31 Dec.	210 595 728	207 118 482
Accumulated depreciation, 1 Jan.	-85 462 782	-80 911 813
Accumulated depreciation of decreases and transfers	0	380 376
Depreciation for the financial year	-5 420 711	-4 936 646
Accumulated depreciation, 31 Dec.	-90 883 493	-85 468 083
Book value, 31 Dec.	119 712 235	121 650 400
Machinery and equipment of the buildings		
Acquisition cost, 1 Jan.	16 773 418	13 095 331
Increases	246 615	0
Transfers between asset groups	0	3 678 087
Acquisition cost, 31 Dec.	17 020 033	16 773 418
Accumulated depreciation, 1 Jan.	-8 284 035	-4 603 344
Accumulated depreciation of decreases and transfers	0	-2 527 809
Depreciation for the financial year	-1 049 027	-1 152 882
Accumulated depreciation, 31 Dec.	-9 333 062	-8 284 035
Book value, 31 Dec.	7 686 971	8 489 383
Machinery and equipment		
Acquisition cost, 1 Jan.	76 000 046	62 702 131
Increases	17 904 501	19 059 675
Decreases	-3 984 522	-9 973 586
Translation difference	0	7 016 976
Transfers between asset groups	0	-3 952 181
Exchange rate differences	-489 703	1 210 250
Acquisition cost, 31 Dec.	89 430 322	76 063 264
Accumulated depreciation, 1 Jan.	-45 476 816	-42 456 140
Accumulated depreciation of decreases and transfers	3 052 699	8 491 674
Depreciation for the financial year	-14 241 969	-11 907 425
Accumulated depreciation, 31 Dec.	-56 666 086	-45 871 891
Book value, 31 Dec.	32 764 236	30 191 373
Other tangible assets		
Acquisition cost, 1 Jan.	51 560	51 560
Book value, 31 Dec.	51 560	51 560
Advance payments and acquisitions in progress		
Acquisition cost, 1 Jan.	1 970 366	8 466 905
Increases	430 085	1 806 989
Decreases	0	-38 227
Transfers to buildings and other capitalized expenditure	-1 806 989	-8 265 301
Book value, 31 Dec.	593 462	1 970 366

The changeover to planned depreciation was made over the years, with fixed asset groups being included gradually; planned depreciation was applied to the last of these groups on 1 January 1993. Finnish properties began to use depreciation according to plan in 1982.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE BALANCE SHEET

FIM	*2000*	*1999*
Investments		
Shares in Group undertakings		
Acquisition cost, 1 Jan.	332 380	3 403 603
Decreases	0	-1 746 746
Transfers to other shares	0	-1 324 476
Acquisition cost, 31 Dec.	332 380	332 380
Book value, 31 Dec.	332 380	332 380
Receivables from Group undertakings		
Acquisition cost, 1 Jan.	4 252 836	4 330 131
Decreases	-77 295	-77 295
Book value, 31 Dec.	4 175 541	4 252 836
Other shares and participations		
Acquisition cost, 1 Jan.	4 528 346	5 915 571
Increases	0	846 906
Decreases	-393 415	-3 559 001
Transfers from shares in Group undertakings	0	1 324 476
Exchange rate differences	-981	395
Acquisition cost, 31 Dec.	4 133 950	4 528 346
Book value, 31 Dec.	4 133 950	4 528 346

Market values of fixed assets*) insofar as they significantly deviate from the book values

City Centre Property	810 951 803	767 090 030
Mannerheimintie 5, Kaivokatu 10, Aleksanterinkatu 23		
Land area: 8,984 m²		
Building rights: 38,141 m²		
Commercial and office premises		
Leasable area: 31,693 m², Parking places: 70 kpl		
Leppäsuo Property	132 124 781	130 130 978
Leppäsuonkatu 9, Hietaniemenkatu 14		
Land area: 6,882 m²		
Building rights: 18,570 m²		
Residential, library and commercial premises		
Leasable area: 15,544 m², Parking places: 65 kpl		
Market value, total	943 076 584	897 221 008
Equivalent book value, total	130 214 037	132 718 466
Difference between market values and book values	**812 862 547**	**764 502 542**

The combined market value of other real estate as well as real estate and premises based on share ownership equals at least their combined book value, which is FIM 5,929,082.

*) In accordance with the formula of the Finnish Institute for Real Estate Economics, the market value has been calculated as being the present value of future net rental income returns. The market values as at 31 Dec. 2000 have been calculated on the basis of a 7.50% total return requirement and a 95% occupancy rate. The total return requirement is based on the 2000 interest on the government's 10-year bonds, 5.50, with an added risk premium of 2.00%. The previous year's market values have been calculated on the basis of a corresponding 6.70% total return and a 95% occupancy rate.

NOTES TO THE BALANCE SHEET

Revaluation contingency of fixed assets (land areas)

The plot of the city centre property (the Kaivopiha Commercial Building), which is owned by the parent corporation of the Group and has a land area of 8,984 m^2 and building rights (commercial and office premises) of 38,141 m^2, meets the Finnish Accounting Act's requirements for revaluation contingency. The usable taxable value of the plot was FIM 232,434,048 in 2000. The book value of the plot as at 31 December 2000 was FIM 4,229,570. Using the cost of the building rights of commercial and office plots in the district as the reference value, the value of the plot exceeds its taxable value. The revaluation contingency indicated in the notes to the financial statements as at 31 December 2000 is FIM 200,000,000.

Seurity value of the securable assets

The security value (market value – realization reserve) of the securable assets in the Group's fixed assets is about FIM 800,000,000. At least 30% of the market value of each asset item has been used as a realization reserve. Included in the securable assets are not only the Finnish real estate, housing shares and cooperative housing shares, but also the value of the share lot in KILROY travels International A/S. The calculation also includes a lesser amount of marketable Finnish securities. Liabilities allocated to securable assets, i.e. mortgages and pledges, amounted to a total of FIM 94,908,931 on 31 December 2000.

Market value of securities

FIM	*Book value*	*Market value*	*Difference*
Quoted shares	101 188	1 753 877	1 652 689

FIM	*2000*	*1999*
Current assets		
Receivables		
Current receivables		
Receivables from Group undertakings		
Loan receivables	77 295	77 295
Receivables from the owner		
Account receivables	233 499	86 410
Prepaid expenses and accrued income	39 150	11 250
	272 649	97 660

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE BALANCE SHEET

Shares and participations

	Group's holding, %	*Parent corporation's holding, %*
Group companies		
HYY Group Ltd	100.0	100.0
Oy Vanha Ylioppilastalo Ab	100.0	
Oy UniCafe Ab	100.0	
Oy UniCard Ab	90.0	
University Press Finland Ltd	100.0	
Kaivopiha Ltd	100.0	
Oy Academica Hotels Ltd	100.0	
KILROY travels International A/S	56.9	
KILROY travels Denmark A/S	56.9	
Benns Rejser A/S	56.9	
Benns Resor AB	56.9	
Benns Reiser AS	56.9	
KILROY travels Finland OY AB	56.9	
KILROY travels Germany GmbH	56.9	
KILROY travels Norway A/S	56.9	
KILROY travels Trondheim A/S	56.9	
KILROY travels Sweden AB	56.9	
KILROY travels Spain S.A.	56.9	
KILROY Invest A/S	56.9	
KILROY travels Netherlands B.V.	56.9	
Associated companies		
Kiinteistö Oy Kehitystalo	25.0	

FIM	*2000*	*1999*
Shareholders' equity		
Share capital, 31 Dec.	17 250 000	17 250 000
Retained earnings, 1 Jan.	54 974 252	47 469 864
Dividends paid to minority shareholders	-1 802 400	-2 208 057
Other changes	17 042	15 200
Exchange rate differences	-428 712	825 851
Dividends paid	-13 500 000	-13 000 000
Retained earnings, 31 Dec.	39 260 182	33 102 859
Net profit for the period	24 311 020	21 871 393
Non-restricted equity, total	63 571 202	54 974 252
Share of the accumulated depreciation difference recorded in shareholders' equity	5 067 984	4 620 825
Distributable funds from shareholders' equity	58 503 219	50 353 427

NOTES TO THE BALANCE SHEET

FIM			*2000*	*1999*
Liabilities				
Interest-bearing and non-interest-bearing liabilities				
Interest-bearing				
Non-current			111 549 862	119 191 052
Current			11 759 004	11 761 003
			123 308 866	130 952 055
Non-interest-bearing				
Non-current			11 031 534	11 067 943
Current			334 264 550	308 104 509
			345 296 084	319 172 452
Liabilities, total			468 604 950	450 124 507
Non-current liabilities				
Loans from financial institutions			74 591 675	76 001 828
Pension loans			18 907 550	20 803 817
Other non-current debts			40 841 175	45 094 487
			134 340 400	141 900 132
Repayment of loans			-11 759 004	-11 641 137
Total			122 581 396	130 258 995
Repayment plan for non-current liabilities				
Year	2001	2002	2003–2005	2006→
Loans from financial institutions	6 227 694	5 227 694	32 366 682	27 002 528
Pension loans	1 833 528	1 775 181	5 014 896	10 283 944
Other loans	3 697 781	303 362	5 934 299	12 419 641
Total	11 759 004	7 306 238	43 315 877	49 706 113
Liabilities to the owners				
Other liabilities			16 910 000	12 710 000
Current liabilities				
Current liabilities to the owners				
Accounts payable			33 830	88 731
Accrued liabilities and prepaid income			8 361	71 432
			42 191	160 163
Significant items in accrued liabilities and prepaid income				
Difference between advance and final rents				1 790 957

OTHER NOTES

FIM	*2000*	*1999*
Collateral granted, contingent liabilities and other commitments		
Liabilities for which real estate mortgages have been granted as collateral		
Pension loans	18 907 550	20 803 817
Mortgages granted	18 990 000	22 390 000
Loans from financial institutions	54 293 488	50 401 680
Mortgages granted	56 060 000	54 280 000
Other debts	11 707 893	20 236 528
Mortgages granted	34 987 950	40 578 950
Mortgages granted as collateral, total	110 028 950	117 248 950
Liabilities for which shares have been pledged as collateral		
Loans from financial institutions	597 510	719 198
Book value of pledged shares	629 377	787 921
Collateral given on behalf of Group companies		
Commitments	10 000 000	10 000 000
Mortgaged promissory notes	10 000 000	10 000 000
Leasing commitments		
Unpaid amounts of leasing agreements		
Payable during the current financial year	104 026	80 705
Payable later	369 892	133 440
Total	473 918	214 145
Guarantees on behalf of Group companies		
HYY Group Ltd's endorsed guarantees for the credit of a Group company	508 000	588 000
Parent corporation's endorsed guarantees for the credits of HYY Group Ltd	10 000 000	10 000 000
Guarantees on behalf of others		
Parent corporation's endorsed guarantees For the liabilities of an associated company	0	11 250

MANAGEMENT OF FINANCIAL RISKS

Principles underlying the management of financial risks

The HYY Group's management of financial risks in Finland is based on a decision which was taken by the Group's Board of Directors and will be in effect until further notice. The management of the financial risks of the KILROY travels subgroup is based on the decisions taken by the Board of Directors of the subgroup's parent company. Finnish financial risks are managed in Helsinki and those of the KILROY travels subgroup in Copenhagen. Financial functions are primarily geared towards attending to the funding of the Group and the divisions in a cost-effective manner with the aim of identifying and gauging risks pertaining to financing as well as hedging against them in cooperation with the Group's various divisions.

Market risks

Foreign exchange risk
The most important means of hedging against translation risks pertaining to the foreign currency-denominated items in the balance sheet is the harmonization of the currency basis of balance sheet items by means of foreign currency loans.

The international scope of the Danish KILROY travels subgroup exposes it to foreign exchange risks between numerous different currencies. Receivables and liabilities denominated in a foreign currency constitute the subgroup's foreign exchange exposure. The subgroup has made agreements with air carriers based in many countries, and for this reason the foreign exchange risk is managed with respect to numerous local currencies. Sales are made in the local currency of each country. In addition to the balance sheet items, the foreign exchange exposure involves predictable, agreement-based receivables that are denominated in a foreign currency. The primary currencies are the USD, GBP and the euro. In accordance with the hedging policy, significant exposures are hedged.

In its Finnish operations, the Group has not drawn down long-term loans in foreign currencies. Moreover, Finnish receivables and current liabilities do not involve foreign exchange exposure that is material in amount. The only significant investment denominated in a foreign currency has been made in a currency whose fluctuations closely follow the rate of the euro.

As the HYY Group has foreign subsidiaries outside the euro zone, the Group's shareholders' equity is exposed to exchange rate fluctuations. Changes in shareholders' equity due to exchange rate changes are shown as translation differences in the consolidated financial statements.

Interest rate risk
The HYY Group is exposed to interest rate risks primarily through the interest-bearing net debt in the balance sheet. The main objective of the management of interest rate risks is to restrict the interest rate maturities of liabilities such that they correspond as closely as possible to the interest rate maturity of the asset items in the balance sheet.

Credit risks

Commercial credit risk
The bulk of the operations of the Group's business divisions, with the exception of the Real Estate Division, is based on cash sales. The objective of the management of credit loss risks is to minimize the probability that risks will materialize. In practice, this entails making agreements only with contractual partners that fulfil the Group's credit criteria.

Financial credit risk
The primary consideration in investment activities is to recoup the invested capital, with returns as a secondary consideration. Interest-earning investments are made only with well-known domestic and international banks that have a good reputation. Investments in funds and other such investments are made only in well-known domestic and international funds that have a good reputation.

Liquidity risk
The Group maintains sufficient liquidity by means of effective cash management. When investing surplus liquid assets, the investment portfolio is to be a liquid financial market portfolio that is subject to small risk.

Financial arrangements are seen to in a centralized and long-term manner. The Group's good solvency and the high market value of its fixed assets enable it to exploit the money markets effectively.

SIGNATURES

Signatures of the Board of Directors and the President and CEO of the HYY Group and HYY Group Ltd

Helsinki, 23 March 2001

Jukka Nohteri
Chair

Hannes Saarinen

Sari Havukainen

Hanna Järvinen

Jukka Pajarinen

Jaakko Hietala

Mika Ihamuotila

Kerstin Rinne

Harri Tanhuanpää

Tapio Kiiskinen
President and CEO

STATEMENT BY THE SUPERVISORY BOARD OF THE HYY GROUP LTD

The Supervisory Board has examined the 2000 financial statements and consolidated financial statements of the HYY Group and HYY Group Ltd as well as the auditors' reports and consolidated auditors' reports, and has not found any such defects in them as would give cause for comments. The Supervisory Board is thus in favour of the adoption of the financial statements, and is in accord with the Board of Directors' proposal on the distribution of profits.

Helsinki, 4 April 2001

On behalf of the Supervisory Board,

Petteri Huovinen
Chair of the Supervisory Board

AUDITORS' REPORT

To the Representative Council of the Student Union of the University of Helsinki

We have audited the accounting records and the financial statements, as well as the administration by the Board of Directors and the President and CEO of the Real Estate Funds of HYY (the parent corporation) and the HYY Group, which is formed by the Real Estate Funds, HYY Group Ltd and its corporate group, for the financial year from 1 January to 31 December 2000. The financial statements, which include the report of the Board of Directors, consolidated and parent corporation income statements, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the President and CEO. 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 Audited 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 preparation. The purpose of our audit of the administration has been to examine that the members of the Board of Directors and the President and CEO have complied with the rules of the Student Union and the Finnish Companies Act.

In our opinion, the financial statements have been prepared in accordance with the Finnish Accounting Act and other rules and regulations governing the preparation of financial statements in Finland. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent corporation result of operations, as well as of the financial position. The financial statements, including the consolidated financial statements, can be adopted and the members of the Board of Directors and the President and CEO of the parent corporation can be discharged from liability for the period audited by us. We support the proposal made by the Board of Directors on how to deal with the earnings for the financial year.

Helsinki, 30 March 2001
KPMG WIDERI OY AB

Reino Tikkanen
Authorized Public Accountant

AUDITORS, 2000

KPMG Wideri Oy Ab
The HYY Group and its Finnish companies

KPMG C. Jespersen,
KPMG Wideri Oy Ab
Travel subgroup KILROY travels
KILROY travels International A/S

THE HYY GROUP'S ACCOUNTING COMMITTEE, 2000

The regular auditors of the HYY Group's owner, the Student Union of the University of Helsinki, will, once they have given their consent, form the Group's Auditing Committee. The chair will be the responsible Authorized Public Accountant appointed by the Group's Authorized Public Accountants. The Committee shall report to the Board of Directors of the HYY Group.

Reino Tikkanen,
Authorized Public Accountant, Chair
Erkki Helaniemi
Rauno Välimaa
Hanna Leskinen
Tero Metsärinta

Ten years of environmental work

The HYY Group has engaged in practical and goal-directed environmental efforts for a decade. Now, the Group will overhaul its environmental programme; concurrently, the most important aspects affecting the Group's environmental compliance will be reassessed and defined. The content of the Group's current environmental programme was formulated at the beginning of the 1990s. The business environment has changed substantially since then. The environmental standard, too, has been modified. The new environmental programme will comply with the standard defined for the service sector. An auditing report prepared by KPMG Environmental Services will be used to facilitate environmental efforts.

Ritva Kuuluvainen, Manager of Group Financing and Coordinator of Environmental Affairs

The Group's goal is to be in the vanguard of companies attending to environmental compliance in an exemplary manner in the service sector. This is the reason why the environmental programme is being modernized and updated, even though many environmental compliance measures have already been instituted as day-to-day functions and routines within the Group. For example, environmentally-friendly waste management is a matter of routine within HYY's real estate. By acting to prevent waste from being generated, we will be taking another step forward.

Lifecycle thinking is part of the HYY Group's operations, even though the Group does not operate an industrial plant. In practice, lifecycle thinking entails only purchasing products that are of a good quality and can be repaired or recycled, for example, or products that can be fully consumed without generating waste.

The EU's directives and other international agreements have a bearing on the environmental programme.

Training and rewards

The Group has an eco-network, that is, an environmental group which organizes training and ensures that the programme is kept up to date. In addition, a person responsible for ecological matters who knows the aims of the programme has been appointed for each business location.

The Group has elicited the commitment of its personnel to the environmental programme by disseminating information, training and rewarding them. Environmentally sound ways of working are taught during the orientation phase and in the "welcome to the HYY Group" guidebooks. Information on good environmental deeds within the Group is collected annually and those who did them are rewarded.

Favouring organic, local and "fair trade" products

The HYY Group's owner-customers are interested in eating healthy food. For this reason, the Group wishes to ensure that the ingredients used by the UniCafe restaurants are safe and diverse. When the previous environmental programme was drafted, products with genetically modified organisms (GMO) were not an issue; now that the programme is being reformulated, the Group will take a stand on such products. It is possible that GMO products will not be used at all. In addition to favouring organic products, local produce will also be important. The Group already stocks "fair trade" products (which are bought from small-scale producers).

Taking a stand on social responsibilities

In the overhauled environmental programme, the company will adopt a position on many issues pertaining to its social responsibilities.

During spring 2001, the Boards of Directors of the Finnish subsidiaries will deliberate on the significant focus areas of each company's field of business. About one hundred people representing different fields of business will take part in these discussions.

Each business area's views and chosen focus areas will be collected for airing during the discussions on the Group's environmental strategy – which is linked to the owner and business strategies – that will be conducted by the HYY Group's Board of Directors and Supervisory Board. The HYY Group's Board of Directors will make a decision on the reworked environmental programme in autumn 2001. The HYY Group's Supervisory Board will be heard on the issue before the decision is made.

ADMINISTRATION AND MANAGEMENT 23 MARCH 2001

THE GROUP'S OWNER

The Student Union of the University of Helsinki (HYY) was founded in 1868. Today, the Union has about 30,000 members. All those who are studying for a Bachelor's or Master's degree at the University of Helsinki are automatically members of the Student Union. Post-graduate students may also enrol as members of the Student Union. The Student Union can, in accordance with its regulations, also accept other university students as its members. The Student Union acts as a service and interest organization for its members.

The Student Union funds its operations with membership fees and revenues from the capital in the contingency fund; the capital in the fund comes from the profits distributed by the HYY Group. During the past few years, membership fees funded about one-third of operations, while the remaining two-thirds were funded with revenues from the contingency fund.

POWER OF DECISION AT THE STUDENT UNION AND THE HYY GROUP

REPRESENTATIVE COUNCIL

The Student Union's highest power of decision is exercised by the Representative Council, whose 60 members are elected by the members of the Student Union in a proportional and general election which is held every second year. The Representative Council approves the HYY Group's owner strategy documents and thus sets the objectives and central targets of business operations. In addition, the Representative Council decides on the annual investment and risk framework of the Group's parent corporation, that is, the Real Estate Funds of HYY, basing its decision on the report submitted by the Supervisory Board. The Representative Council ratifies the parent corporation's annual target budget as well as decides on adopting the financial statements of the parent corporation and the granting of release from liability. The Representative Council both elects and releases the Student Union's financial director and the auditors of the HYY Group's parent corporation, who also act as the auditors of HYY Group Ltd and its corporate group.

Chair of the Student Union
Veera Mustonen

Deputy Chairs
Mikko Myller
Ulla Kuisma

Members
The Student Union has 60 members who are chosen by general election for a two-year term.

BOARD OF THE STUDENT UNION

The Representative Council elects the Board of the Student Union for a term of one calendar year. The Board approves the proposals concerning the owner strategy documents of the HYY Group, the parent corporation's annual investment and risk frameworks and the target budget for real estate which will be submitted to the Representative Council. The Board of the Student Union holds the Annual General Meeting of HYY Group Ltd and elects the HYY Group's Supervisory Board, Board of Directors and the Real Estate Management Board.

Chair
Elina Moisio

Deputy Chair
Mikko Myllys

Members
Mikko Alakare
Teemu Alaranta
Johanna Haapala
Aleksi Henttonen
Päivi Lahti
Tommi Laitio
Jukka Nohteri
Stiven Perttunen
Aija Salo
Elina Sojonen
Ville Ylikahri

SUPERVISORY BOARD OF THE HYY GROUP

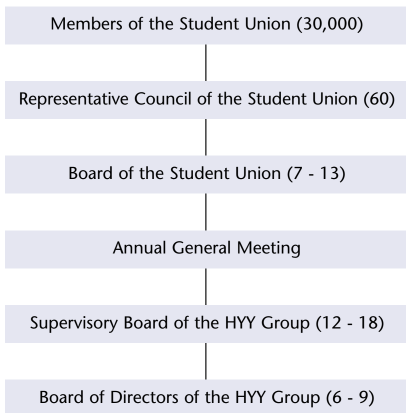
The Supervisory Board is elected by the Board of the Student Union and it comprises 12-18 members. The Supervisory Board's term of office is the period between Annual General Meetings, or about a year.

The Supervisory Board acts as the Supervisory Board of the HYY Group and HYY Group Ltd. The Board of Directors of the HYY Group submits to the review of the Supervisory Board such matters as are significant to the entire corporate entity or concern its principles. The Supervisory Board gives reports or opinions on various final acts to the Representative Council and the Board of the Student Union. The Supervisory Board elects and releases HYY Group Ltd's President and CEO.

Chair
Petteri Huovinen

Deputy Chair
Nora Malin

Members
Sebastian Gripenberg
Isto Havu
Jussi Huovila
Perttu Iso-Markku
Panu Laturi
Antti Lauri
Jukka Lepola
Salla Pyykkönen
Laura Rissanen
Minna Romppanen
Kaisu Salumäki
Niko Simola
Mikko Strahlendorff
Johanna Sumuvuori
Anu Säilä
Taneli Vuori



BOARD OF DIRECTORS OF THE HYY GROUP

The Board of Directors of the HYY Group acts as the Board of Directors of the Group's parent corporation – the Real Estate Funds of HYY – and of HYY Group Ltd and its corporate group. The Board of Directors has 6 to 9 members. A personnel representative has the right to attend and be heard at meetings. About half of the members of the Board are elected from amongst the students who are members of the Student Union and the rest from amongst external experts. The Chair is elected from amongst the members of the Board of the Student Union. The "student members", including the Chair, have the majority vote when they are unanimous. Expert members are elected for two-year terms, while the other members are elected for terms of one year.

The main task of the Board of Directors of the HYY Group is to direct the operations of the Group in accordance with legislation, the rules of the Student Union and the Articles of Association of HYY Group Ltd. Matters which must be subordinated to processing and approval by the Group's Board of Directors include, but are not limited to, decisions to establish, acquire, merge, terminate or sell subsidiaries, competition strategies, operating plans, target budgets, significant investments, financial statement plans and proposals for the distribution of profit. The Group's Board of Directors oversees the operations of the Boards of Directors of companies which are part of HYY Group Ltd's corporate group. The Group's Board of Directors attends to supporting, supervising and assessing management.

Chair

Jukka Nohteri, born 1975
a member of the Board of Directors
since 1999

Deputy Chair

Hannes Saarinen, born 1975
a member of the Board of Directors
since 1999

Members

Sari Havukainen, born 1971
a member of the Board of Directors
since 1999

Hanna Järvinen, born 1974
a member of the Board of Directors
since 2000

Jukka Pajarinen, born 1975
a member of the Board of Directors
since 2000

Jaakko Hietala, born 1966
Fennica Oy Attorneys-at-Law, partner
a member of the Board of Directors
from 1992 to 1995 and since 2000

Mika Ihamuotila, born 1964
Sampo Oyj, Executive Vice President
a member of the Board of Directors
since 1996

Kerstin Rinne, born 1950
SanomaWSOY Oyj, Director in charge of legal affairs and planning
a member of the Board of Directors
since 1999

Harri Tanhuanpää, born 1968
Rettig Oy Ab, Group Treasurer
a member of the Board of Directors
since 1993

Personnel Representative

Kaisa Siitonen, born 1960
a member of the Board of Directors
since 1997

BOARD OF DIRECTORS OF KILROY TRAVELS INTERNATIONAL A/S

25.4.2001

The tasks of the Board of Directors have been specified in the Danish Companies Act and the standing procedures required by the Act. In addition, the principles to be applied in the structure, duties and work of the Board of Directors have been agreed upon in the shareholder agreement made between the principal owners. The Chair and Deputy Chair of the Board of Directors comprise the Executive Board.

Chair

Tapio Kiiskinen, born 1947
President and CEO,
HYY Group

Deputy Chair

Christian Frigast, born 1951
Managing Director and CEO,
Axcel IndustriInvestor a.s.

Members

John Dueholm, born 1951
Group Chief Operating Officer,
Group 4 Falck A/S

Børge Faaborg, born 1939
Former Managing Director and CEO,
KILROY travels International A/S

Kaj Storbacka, born 1957
Founder and Chairman of the Board of Directors of CRM Group Ltd.

Claus Warming, born 1945
Chairman of the Board of Directors of Sportgoods Holding A/S

Odd Wilhelmsen, born 1946
Financial Manager,
Studentsamskipnaden i Oslo

Personnel Representative

Robert Doeleman, born 1950

Board of Directors of the HYY Group
Top row, from left: Kerstin Rinne, Mika Ihamuotila, Harri Tanhuanpää, Jaakko Hietala
Middle row, from left: Kaisa Siitonen, Hannes Saarinen, Jukka Pajarinen, Sari Havukainen
Bottom row, from left: Jukka Nohteri, Hanna Järvinen

THE HYY GROUP'S PRESIDENT AND CEO AND EXECUTIVE MANAGEMENT

The HYY Group's current President and CEO acts as the financial director of the Student Union (with his responsibilities including the Real Estate Funds of HYY) and also acts as the President and CEO of HYY Group Ltd and its corporate group.

The members of the executive management of the Group's Finnish part include the Group's President and CEO as Chair, the Group's Vice President, the Directors of the business divisions and Assistant Directors responsible for units of their own. The Group's subgroup, KILROY travels International A/S, has its own executive management.

HYY GROUP'S EXECUTIVE MANAGEMENT

Tapio Kiiskinen, born 1947
President and Chief Executive Officer
Chair of the Boards of Directors:
KILROY travels International A/S,
Oy UniCard Ab, University Press
Finland Ltd, Oy Academica Hotels Ltd
Financial Director of the Student Union
Employed by the Student Union and
the HYY Group since 1969

Linnea Meder, born 1947
Vice President
HYY Group Ltd
Corporate Finance and
Internal Auditing
Managing Director: Oy UniCard Ab,
University Press Finland Ltd
Employed by the Student Union and
the HYY Group since 1973

HYY GROUP LTD

Liisa Lehtinen, born 1947
Assistant Director
Separate projects
Employed by the HYY Group
since 1978

REAL ESTATE DIVISION

Yrjö Herva, born 1961
Director
Kaivopiha Ltd
HYY Real Estate
Employed by the HYY Group
since 1990

Jukka Leinonen, born 1957
Assistant Director
Kaivopiha Ltd
Technical and building
superintendent operations
Employed by the HYY Group
since 1995

TRAVEL GROUP

Mogens Jønck, born 1953
Managing Director and
Chief Executive Officer
KILROY travels International A/S
Chair of the Boards of Directors
of the subsidiaries of KILROY travels
International A/S
Employed by the HYY Group
since 1999

Anne-Marie Hertz, born 1958
Director, Corporate Financial and
IT Services
KILROY travels International A/S
Employed by the HYY Group
since 2000

Dagmar Thomsen, born 1954
Director, Corporate Human Resources,
Airline Relations and Marketing
KILROY travels International A/S
Employed by the HYY Group
since 1988

Peter Cramon, born 1970
Director, e-business / Business
Development
KILROY travels International A/S
Employed by the HYY Group
since 2001

Claus H. Hejlesen, born 1962
Director: Group travel
Managing Director: TEAM TRAVEL A/S
Employed by the HYY Group
since 1990

Annelise Dam Larsen, born 1956
Director: Friendship travel
Managing Director: Benns Rejser A/S,
Benns Resor AB, Benns Reiser AS
Employed by the HYY Group
since 1999

Lars Kornbech, born 1967
Managing Director:
KILROY travels Denmark A/S
Employed by the HYY Group
since 2000

Åsne Trommald, born 1960
Managing Director:
KILROY travels Norway A/S
Employed by the HYY Group
since 1997

Monica Murphy, born 1959
Managing Director:
KILROY travels Sweden AB
Employed by the HYY Group
since 1991

Leena Dahl-Mäkinen, born 1954
Managing Director:
OY KILROY travels Finland AB
Employed by the HYY Group
since 1991

Bart C.M. Govaert, born 1965
Managing Director:
KILROY travels Netherlands B.V.
Employed by the HYY Group
since 2001

Michael Kirk-Jensen, born 1964
Managing Director: KILROY travels
Germany - ARTU - GmbH
Employed by the HYY Group
since 1999

Luis Almonacid, born 1946
Managing Director:
KILROY travels Spain S.A.
Employed by the HYY Group
since 1989

RESTAURANTS, OY ACADEMICA HOTELS LTD

Marjo Berglund, born 1964
Director: Oy UniCafe Ab,
Oy Vanha Ylioppilastalo Ab
Managing Director:
Oy Academica Hotels Ltd
Employed by the HYY Group
since 1992

OY UNICARD AB, UNIVERSITY PRESS FINLAND LTD

Arja Kosonen, born 1964
Assistant Director:
University Press Finland Ltd,
Oy UniCard Ab
Employed by the HYY Group
since 1991

PARENT COMPANY

HYY Group Ltd

Group Management and Internal Services
P.O. Box 1099, Mannerheimintie 5 C
FIN-00101 HELSINKI
Tel. +358 9 1311 4225
Fax +358 9 1311 4306
www.hyy.fi

REAL ESTATE DIVISION

Kaivopiha Ltd

Kaivopiha Service Office
Kaivotalo, Kaivokatu 10 C
FIN-00100 HELSINKI
Tel. +358 9 1311 4250
Fax +358 9 601 020
www.kaivopiha.fi

HYY Real Estate

City Centre Property/
Kaivopiha Commercial Building
Leppäsuo Property/
Domus Academica
P.O. Box 1099
Mannerheimintie 5 C
FIN-00101 HELSINKI
www.kaivopiha.fi

Domus Academica Dormitory Office
The Housing Office of the Foundation for Student Housing in the Helsinki Region (HOAS)
PL 799, Pohjoinen Rautatiekatu 29
FIN-00100 HELSINKI
Tel. +358 9 549 900
Fax +358 9 5499 0345
www.hoas.fi

TRAVEL GROUP

www.kilroytravels.com

KILROY travels International A/S
Tel. +45 33 48 07 00
Knabrostraede 8
DK-1210 COPENHAGEN K

KILROY travels Denmark A/S
Tel. +45 70 15 40 15

Skindergade 28
DK-1159 COPENHAGEN K

Falkoner Allé 14
DK-2000 FREDERIKSBERG

Østerbrogade 100
DK-2100 COPENHAGEN Ø

Kongensgade 8
DK-6700 ESBJERG

Nørregade 51
DK-7500 HOLSTEBRO

Vestergade 100
DK-5000 ODENSE C

Fredensgade 40
DK-8100 AARHUS C

Østeraagade 23
DK-9000 AALBORG

OY KILROY travels Finland AB
Tel. +358 203 545769

Kaivokatu 10 D
FIN-00100 HELSINKI

Forum Kauppakeskus
Vapaudenkatu 49-51
FIN-40100 JYVÄSKYLÄ

Pakkahuoneenkatu 8
FIN-90100 OULU

Hämeenkatu 17
FIN-33200 TAMPERE

Eerikinkatu 2
FIN-20100 TURKU

Hartmaninkuja 6
FIN-65100 VAASA

KILROY travels Germany - ARTU - GmbH
Tel. +49 30 310 00 40

Hardenbergstraße 9
Charlottenburg
D-10623 BERLIN

Georgenstraße 3
Mitte
D-10117 BERLIN

Takustraße 47
Dahlem
D-14195 BERLIN

Augustusplatz 9
D-04109 LEIPZIG

Zellescher Weg 21
D-01217 DRESDEN

KILROY travels Netherlands B.V.
Tel. +31 0 524 5100

Singel 413-415
NL-1012 WP AMSTERDAM

Spuistraat 281
NL-1012 VR AMSTERDAM

KILROY travels Norway AS
Tel. +47 23 10 23 00

Nedre Slottsgate 23
N-0157 OSLO

Universitetssentret
Box 54, Blindern
N-0313 OSLO

Vaskerelven 16
N-5014 BERGEN

Tollbodgata 15
N-4611 KRISTIANSAND

Breigata 11
N-4006 STAVANGER

Strandgata 36
N-9008 TROMSØ

KILROY travels Trondheim AS

Tel. +47 23 10 23 00

Jomfrugata 1
N-7011 TRONDHEIM

Kolbjørn Hejes vei 4
Gamle Kjemi NTH
Boks 21
N-7491 TRONDHEIM

KILROY travels Spain S.A.

Tel. +34 915 44 70 21
Hilarion Eslava 18
E-28015 MADRID

KILROY travels Sweden AB

Tel. +46 8 402 93 07

Kungsgatan 4
Box 7144
S-103 87 STOCKHOLM

Sveavägen 71
S-113 50 STOCKHOLM

Universitetsvägen 9
(Allhuset Frescati), Box 50004
S-104 05 STOCKHOLM

Vasagatan 7
S-411 24 GOTHENBURG

Klostergatan 31
S-582 23 LINKÖPING

Bytaregränd, Klostergatan 14
S-222 22 LUND

Engelbrektsgatan 18
S-211 33 MALMÖ

Kungsgatan 71, Box 327
S-901 07 UMEÅ

Bredgränd 3
S-753 20 UPPSALA

Rudbecksgatan 16
S-702 23 ÖREBRO

KILROY group travel A/S

Tel. +45 33 48 06 00

Nygade 3
DK-1164 COPENHAGEN K

Nørregade 51
DK-7500 HOLSTEBRO

TEAM TRAVEL A/S

www.teamtravel.dk
Tel. +45 70 10 60 61
Tomsgårdsvej 15
DK-2400 COPENHAGEN NV

Benns Rejser A/S

www.benns.com
Tel. +45 97 42 50 00

Nørregade 51
DK-7500 HOLSTEBRO

Frederiksberg Allé 18-20
DK-1820 FREDERIKSBERG C

Benns Resor AB

Tel. +46 31 774 00 25

Kastellgatan 17, Box 7124
S-402 33 GOTHENBURG

Roslagsgatan 35-37, Box 19175
S-104 32 STOCKHOLM

Benns Reiser AS

Tel. +47 23 32 66 30
Wergelandsveien 7
N-0167 OSLO

RESTAURANTS

Oy UniCafe Ab

Office
P.O. Box 1099, Mannerheimintie 5 C
FIN-00101 HELSINKI
Tel. +358 9 1311 4271
Fax +358 9 1311 4346
www.unicafe.fi

Restaurants

Biokeskus (Bio Centre)
Viikinkaari 9
FIN-00710 HELSINKI
Tel. +358 9 1915 9526

Domus
Hietaniemenkatu 14
FIN-00100 HELSINKI
Tel. +358 9 454 3538

Eläinmuseo (Animal Museum)
Pohj. Rautatiekatu 13
FIN-00100 HELSINKI
Tel. +358 9 1912 8807

Infokeskus Korona
(Korona Information Centre)
Viikinkaari 11
FIN-00710 HELSINKI
Tel. +358 9 1915 8768

Kasvitiede (Botany)
Kaisaniemenranta 2
FIN-00170 HELSINKI
Tel. +358 9 1912 4468

Klubikahvila (Club Café)
Unioninkatu 38
FIN-00170 HELSINKI
Tel. +358 9 1912 4309

Kumpula
P.O. Box 55 (A.I. Virtasen aukio 1)
FIN-00014 HELSINGIN YLIOPISTO
Tel. +358 9 1915 0109

Käsityö (Handicrafts)
Helsinginkatu 34
FIN-00530 HELSINKI
Tel. +358 9 191 7051

Ladonlukko
Latokartanonkaari 9
Viikki department
FIN-00710 HELSINKI
Tel. +358 9 1915 8042

Meilahti
Haartmaninkatu 3
FIN-00290 HELSINKI
Tel. +358 9 241 8775

Metsätalo (Forest Building)
Fabianinkatu 39
FIN-00170 HELSINKI
Tel. +358 9 191 7603

Nilsiä
Nilsiänkatu 3
FIN-00510 HELSINKI
Tel. +358 9 1915 0960

Opettaja (Teachers' Restaurant)
Ratakatu 6
FIN-00120 HELSINKI
Tel. +358 9 1912 8108

Physicum (Physics)
Väinö Auerin katu 11
FIN-00560 HELSINKI
Tel. +358 9 1915 0720

Porthania
Yliopistonkatu 3
FIN-00100 HELSINKI
Tel. +358 9 1912 2558

Päärakennus (Main Building)
Fabianinkatu 33
FIN-00170 HELSINKI
Tel. +358 9 1912 2407

Ruskeasuo
Kytösuontie 9
FIN-00300 HELSINKI
Tel. +358 9 1912 7429

Soc&kom
Topeliuksenkatu 16
FIN-00250 HELSINKI
Tel. +358 9 1912 8434

Stobelia
Fabianinkatu 37
FIN-00170 HELSINKI
Tel. +358 9 1912 4307

Vallila
Teollisuuskatu 23-25
FIN-00510 HELSINKI
Tel. +358 9 1914 4291

Valtiotiede (Social Sciences)
Unioninkatu 37
FIN-00170 HELSINKI
Tel. +358 9 1912 4836

Vuorikatu
Vuorikatu 20
FIN-00100 HELSINKI
Tel. +358 9 622 4369

Yliopiston kirjasto (University Library)
Unioninkatu 36
FIN-00170 HELSINKI
Tel. +358 9 1912 2748

Ylioppilasaukio (Ylioppilasaukio Square)
Mannerheimintie 3 B
FIN-00100 HELSINKI
Tel. +358 9 260 9491

Oy Vanha Ylioppilastalo Ab

Restaurant Vanha
Mannerheimintie 3 B
FIN-00100 HELSINKI
Tel. +358 9 1311 4368 / Beercafe
+358 9 1311 4367 / Sales
Fax +358 9 1311 4236
www.vanha.fi

OTHER COMPANIES

University Press Finland Ltd

www.yliopistokustannus.fi

Gaudeamus Publishing House
P.O. Box 1099, Mannerheimintie 5 C
FIN-00101 HELSINKI
Tel. +358 9 1311 4280
Fax +358 9 1311 4317

Otatieto Publishing House
P.O. Box 1099, Mannerheimintie 5 C
FIN-00101 HELSINKI
Tel. +358 9 1311 4280
Fax +358 9 1311 4317

Oy Academica Hotels Ltd

Hostel Academica
Hietaniemenkatu 14
FIN-00100 HELSINKI
Tel. +358 9 1311 4334
Fax +358 9 441 201
www.hyy.fi/hostel

Oy UniCard Ab

UniCard Office
P.O. Box 1099, Mannerheimintie 5
Kaivopiha, Hansakäytävä
FIN-00101 HELSINKI
Tel. +358 9 1311 4272
Fax +358 9 1311 4306
www.unicard.fi

FORMULAS FOR KEY INDICATORS

Calculated in accordance with the conventions of the Finnish Committee for Corporate Analysis

Overall result	Profit before taxes and minority interest - taxes +/- adjustment of exchange rate differences
Return on investment (ROI), %	Net profit + financing expenses + taxes x 100 / Balance sheet total – non-interest-bearing liabilities (average)
Return on equity, %	Net profit x 100 / Shareholders' equity (average)
Equity ratio, %	Shareholders' equity + minority interest + reserves x 100 / Balance sheet total - advance payments

The key figures have been calculated in accordance with the conventions of the Finnish Committee for Corporate Analysis, which were renewed in 1999.

Other key indicators

Return on equity, % if revaluation of land areas is realized [1)]	Net profit + financing expenses + taxes x 100 / Balance sheet total + revaluation contingency - non-interest-bearing liabilities (average)
Equity ratio, if revaluation of land areas is included, % [2)]	Shareholders' equity + minority interest + reserves + revaluation contingency x 100 / Balance sheet total – advance payments + revaluation contingency
Security ratio	Security value of the securable assets / Pledges, mortgages and other guarantees
Market value of real estate	The discounted present value of the net rental income receivable in the future
Income return	Net rental income as a percentage of the market value of real estate at the beginning of the financial year
Capital return	Change in the market value as a percentage of the market value at the beginning of the year. Investments activated during the report year are deducted from the change in the market value.
Total return	The sum of the income return and the capital return for the report year
Tied-up risk by division	Owner's total risk = equity and quasi-equity investments + loans granted + collateral provided as pledges and guarantees given

The market value, annual capital return and total return of the main items of real estate have been calculated in accordance with the conventions of the Finnish Institute of Real Estate Economics.

1) Income return without forthcoming capital return at the beginning of the year, if the revaluation had been realized at the end of the previous year. Does not indicate the realized overall result or return on investment.

2) In the officially audited financial statements, the requirements for revaluation contingency under the Finnish Accounting Act are added to the shareholders' equity in the capital structure review.

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HYY Group
P.O. Box 1099
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www.hyy.fi

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