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LEMMINKÄINEN

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Financial reporting

During the course of the year 2001 Lemminkäinen Corporation will publish a bulletin on the year 2000 financial statements, an annual report and three interim financial reviews. The latter will appear on the 16th May, 15th August and 14th November.

The annual report and interim financial reviews will be published in Finnish and English. The publications

will be mailed to the Company's registered shareholders. The publications may also be ordered from the Company's information services by phone: + 358 9 159 9511, or by e-mail: library@lemminkainen.fi

Currencies used in the annual report

The monetary amounts in this Annual Report are stated in euro. However, the

year 2000 figures in the table of economic trends and financial indicators, the income statements, the balance sheets and the statements of source and application of funds are additionally stated in Finnish marks.

EUR 1 = FIM 5.94573

■ *The company's Highway 3 contracts were completed in the autumn.*



THE YEAR 2000 IN BRIEF

- The Finnish construction market continued to grow at an annual rate of 6 %.
- Lemminkäinen's net sales rose 17 % to EUR 965 million.
- The profit before extraordinary items was 16 % up at EUR 46 million.
- Moderate growth of the construction market is forecast for 2001. Further growth in Lemminkäinen's net sales and steady development of its profits are expected.
- The company's Board of Directors proposes that a dividend of EUR 0.84 per share be paid for the 2000 financial year.

LEMMINKÄINEN IN BRIEF

The Lemminkäinen Group operates in all sectors of the construction industry: civil engineering, building contracting, technical building services and the manufacture of building materials and related contracting.

Business sectors

PAVING AND MINERAL AGGREGATES DIVISION

The Division produces asphalt, recycled asphalt macadam and specialist paving. It carries out contracting in the fields of road paving, milling and road marking as well as quarrying and crushing. The Division also produces ready-mixed concrete and mineral aggregates for resale, as well as environmental geotechnology products and services.

BUILDING MATERIALS DIVISION

The Division manufactures and imports a range of building products, and carries out

contracting related to these materials. The main product groups are bituminous roofing materials, pre-cast concrete and natural stone products, and materials used in the construction of sporting facilities.

LEMMINKÄINEN CONSTRUCTION LTD
Lemminkäinen Construction Ltd is an international building project contractor. The company operates internationally from the Far East to South America, with a strong focus currently in Europe. In Finland the company is a leading contractor in the fields of project management, sports-related construction and civil engineering. In recent years telecommunications network construction has grown to become an important part of the company's business.

OY ALFRED A. PALMBERG AB

Oy Alfred A. Palmberg Ab, the parent company of the Palmberg Group, operates in the

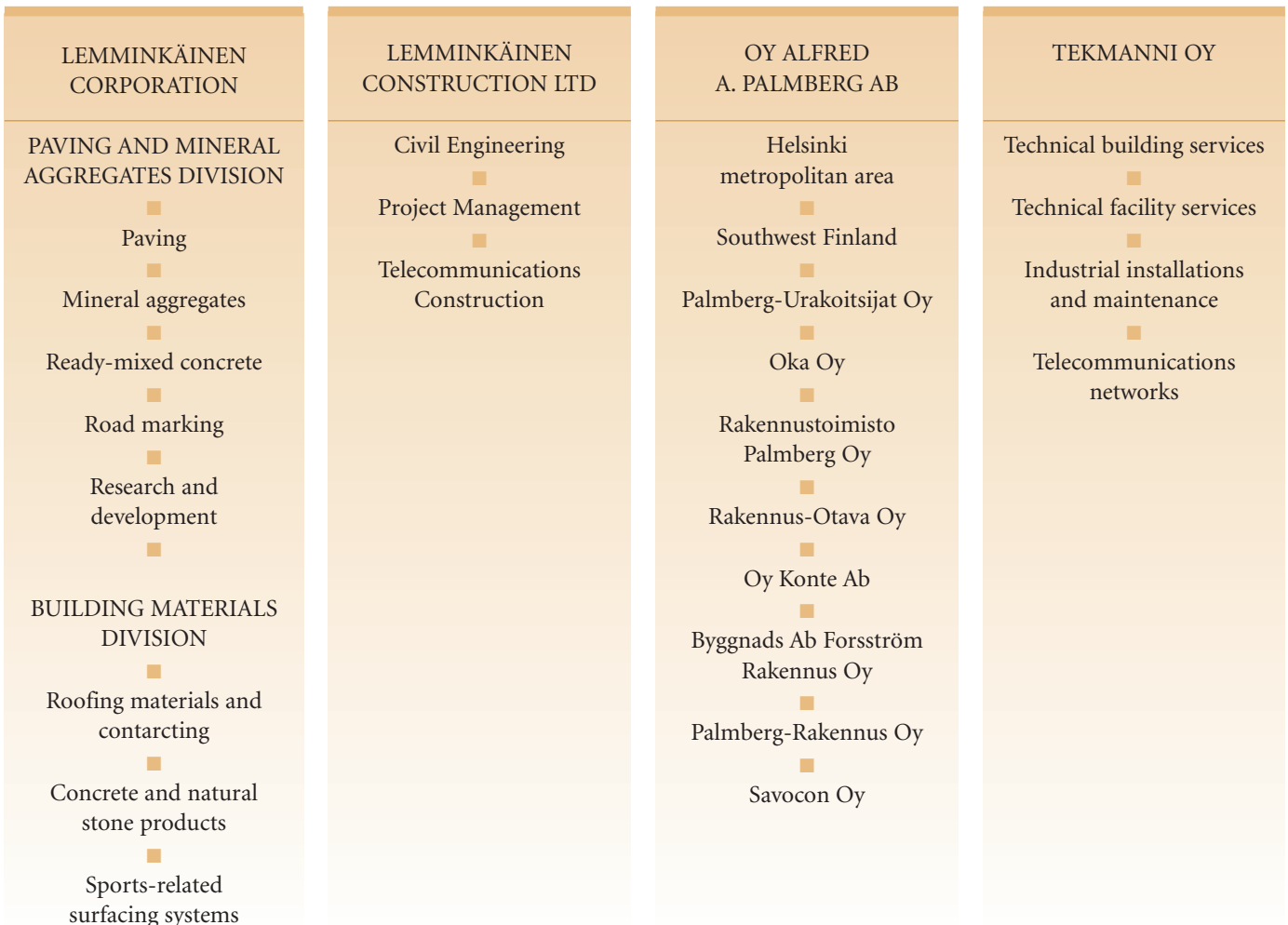
Helsinki metropolitan area and Southwest Finland. In addition to the parent company, the Group has eight subsidiaries, each operating regionally under its own name.

The Group's business areas include competitive tender contracting of both new and refurbishment work as well as private-sector housing, commercial and industrial developments.

TEKMANNI OY

Tekmanni Oy is one of Finland's leading contractors in the fields of technical building and facility services, industrial installations and maintenance, and telecommunications network construction. Commercial, industrial, public and residential apartment buildings are typical construction and maintenance sites. The company's telecommunications network contracting services include the construction of base stations and city networks.

THE LEMMINKÄINEN GROUP



The domestic construction market continued to grow steadily and without any major surprises. Structural change stemming from Finland's transition to an information society has also sustained the growth in demand for construction. The integration process in the Nordic countries and more generally in the Baltic Rim region has continued as expected.

The year 2000 was the fifth consecutive year of rapid growth for Lemminkäinen. Indeed, the Group's net sales have more than doubled since 1996.

The paving and mineral aggregates market is mature. Despite this, Lemminkäinen succeeded in growing its business in this sector by almost a third, while at the same time preserving its good level of profitability. In Finland, the company's position in the mineral aggregates market was strengthened by means of acquisitions. Moreover, the company expanded into the production of ready-mix concrete, which has obvious synergy with mineral aggregate operations. In Sweden, Lemminkäinen again used acquisitions to secure a firm foothold in the asphalt paving market of that country. In the Baltic states and Poland the company continued to pursue its policy of moving forward one small step at a time. When the financial statements had already been prepared, Lemminkäinen acquired the asphalt paving and mineral aggregates operations of the Danish company Icopal a/s. The acquisition will significantly strengthen Lemminkäinen's position in Denmark and Norway. Due to all these actions, Lemminkäinen has consolidated its position as one of the paving and mineral aggregates industry's leading actors in the Nordic countries.

The business operations of Lemminkäinen's Building Materials Division include the manufacture of roofing materials and concrete products as well as related but independent contracting that secondarily serves as a distribution



channel for some of these products. The growth in net sales of this division clearly exceeded the growth in the domestic construction market. Moreover, the relatively good profitability of the previous year was successfully maintained despite the fact that the margins of roofing material production were eroded by a sharp rise in the price of bitumen. The Building Materials Division is now operating at the upper limits of its production capacity.

The operations of Lemminkäinen Construction Ltd are more clearly defined than previously into three separate business areas: civil engineering contracting demanding special expertise and equipment in Finland and based on project work abroad, project management contracting for building construction in Finland and abroad, and international projects in the field of telecom network construction. In the latter two business areas Nokia Corporation has long been a key client of the company. Lemminkäinen Construction Ltd's reduced net sales and improved profitability were in line with the set targets.

Palmberg is a subsidiary group of Lemminkäinen that carries out all types of building construction in Finland. Palmberg continued to grow in the year 2000, although not as quickly as in some

earlier years of very rapid growth. Even though most of Palmberg's regionally operating subsidiaries did achieve rather good results, the performance of the subsidiary group as a whole did not live up to expectation. There were two reasons for this: the losses of the Tampere-based subsidiary, Rakennustoimisto Palmberg Oy, and a slow-down in the housing market towards the end of the year. The management of Rakennustoimisto Palmberg Oy has been changed. The housing market slow-down led to the postponement of a number of planned new starts, which also slowed down the income recognition of margins on private-sector construction in progress.

For Lemminkäinen, the acquisition of a majority interest in Tekmanni Oy meant expansion into an entirely new area of business. There were a number of good reasons for this move. It enabled the company to secure a strong position in a growing market. The share of technical building systems in new construction is growing all the time. The acquisition also puts Lemminkäinen a key position in the field of building maintenance services. As a business, building services contracting is very similar to the roofing and urban environment contracting that Lemminkäinen has been carrying out for many years. The acquisition of Tekmanni also increases Lemminkäinen's capabilities in telecom network construction.

Lemminkäinen enjoys a strong position in all of the business areas and markets in which it operates. The diversity of these operations reduces the company's cyclic sensitivity and risks. I am confident that the Group will continue to develop steadily in the future. I would like to thank Lemminkäinen's personnel for their work and also our other stakeholder groups for their co-operation and confidence.

PARENT COMPANY BOARD OF DIRECTORS



Heikki Pentti (54)
• B. Sc. (Econ.)
• Chairman of the Board since 1994
• Board member since 1969
• Company employee since 1973



Teppo Taberman (56)
• M. Sc. (Econ.)
• Vice-chairman since 1998
• Board member since 1997



Paul Blomqvist (69)
• B.Sc. (Econ.)
• Board member since 1968
• Company employee 1960-1990



Erkki J. Pentti (52)
• Graduate in business studies
• Board member since 1975
• Company employee since 1973



Juhani Sormaala (51)
• M.Sc. (Eng.), B.Sc. (Econ.)
• Managing Director since 1994
• Board member since 1989
• Company employee since 1981

Construction market

The domestic construction market continued to grow steadily at an annual rate of approximately 6 %.

The fastest growth was once again in new building construction, which grew slightly faster than total production. The number of new housing starts was roughly the same as in the previous year at approximately 35 000 housing units, whereas the total volume of industrial, warehousing, office and commercial developments rose strongly. The number of new starts made on industrial buildings was almost 20 % up on the previous year.

Refurbishment work and civil engineering contracting both grew by about 2 %. The additional funds allocated to civil engineering works in the state budget were largely used up on higher raw material costs and equipment costs. The volume of asphalt paving contracting rose slightly to 3.8 million tonnes (3.7). The demand for crushed aggregates fell by about 10% and the volume of rock engineering contracting rose slightly.

The construction companies' international sales continued to decline. Total billing for construction exports last year was some 15 % down at EUR 450 million. However, foreign orders and billing both showed signs of picking up towards the end of the year.

Net sales and profits

The net sales of the Lemminkäinen Group rose 17 % and were EUR 964.6 million (826.4), of which operations abroad accounted for EUR 117.6 million (139.6) or 12 % (17). The improvement in the Group's result continued. The operating profit was EUR 50.2 million (42.8), the profit before extraordinary items EUR 50.2 million (39.9), the profit before taxes EUR 46.4 million (39.9) and the profit for the accounting period EUR 29.3 million (26.4). The return on investment was 20.7 % (21.7), the return on equity 19.9 % (20.6) and earnings per share EUR 1.72 (1.55).

The net sales of the Paving and Mineral Aggregates Division were EUR 233.0 million (175.9). The Division's operating profit improved and was EUR 25.6 million (19.1). The favourable trend in profitability was based on improved cost effectiveness, continued growth of

demand in the private sector, and the recovery of operations abroad, especially in Russia. Net sales from exports and operations abroad were EUR 32.6 million (23.1). Sales of ancillary products related to asphalt paving operations also rose.

The net sales of the Building Materials Division continued to rise and were EUR 87.2 million (74.1). The Division's operating profit improved and was EUR 5.2 million (4.4). The Division's profitability was adversely affected by a sharp rise in the price of raw materials, especially bitumen.

The net sales of Lemminkäinen Construction Ltd fell according to plan and were EUR 165.0 million (185.0). The company's business continues to be focused on its traditional strengths of civil engineering and project management contracting. The company's operating profit improved and was EUR 4.9 million (3.2).

The net sales of Oy Alfred A. Palmberg Ab, which specialises in building contracting on the Finnish market, rose and were EUR 452.8 million (399.6). Palmberg's operating profit was down on last year at EUR 14.7 million (17.5). This was due to longer selling times for private-sector housing and the negative result of Palmberg's Tampere-based subsidiary, Rakennustoimisto Palmberg Oy. The number of own residential development apartments completed by the company was 718 units (481). New apartments completed under competitive tender contracting totalled 1 691 (888).

Tekmanni Oy, a newly acquired company specialising in technical building services, was consolidated into the Lemminkäinen Group in October 2000. The company's net sales for the fourth quarter were EUR 45.1 million and its operating profit EUR 1.8 million. For the year as a whole, Tekmanni Oy's net sales were EUR 139.9 million (122.3) and its operating profit EUR 4.9 million (5.1).

Investments

The Group's gross investments in fixed assets were EUR 72.4 million (42.2), which includes the acquisition of a majority interest in Tekmanni Oy for EUR 37.5 million.

The investments of the Paving and Mineral Aggregates Division were replacement investments in asphalt batching, laying and transport equipment

and in quarrying, crushing and loading plant for mineral aggregate production. The Division's investments included an increase in the stake held in the Lithuanian company UAB Vakaru Automagistrale from 67 % to 99.3 %. The Division also acquired a 97.5 % stake in another Lithuanian company, UAB Greitkelis, and a 75 % stake in the Swedish company Kvalitetsasfalt I Mellansverige Ab. In Finland, the Division acquired full ownership of the mineral aggregate producer Keski-Suomen Sora Oy.

The investments of the Building Materials Division were replacement investments in material production plant and site installation equipment.

The investments of Lemminkäinen Construction Ltd were replacement investment in civil engineering plant for tunnelling and foundation works.

Oy Alfred A. Palmberg Ab invested in building construction plant. The company's investments also included increases in the stakes held in two ready-mix concrete producers: Oy Kokkobe Ab to 90.3 % and Ab Jakobe Oy to 85 %.

Order book

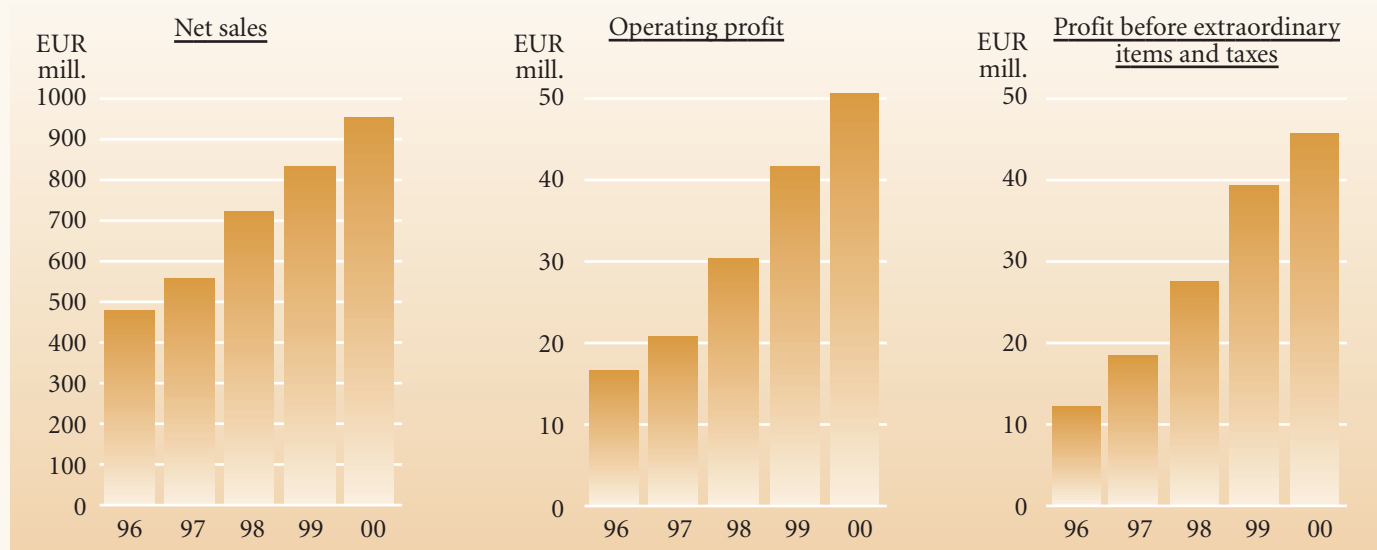
The value of the Group's uninvoiced orders at the end of the accounting period was EUR 451.1 million (386.6), of which operations abroad accounted for EUR 37.9 million (56.5). The increase in the order book's value is attributable to the acquisition of Tekmanni Oy.

Financing

Net financing expenses were EUR 3.8 million (2.9), representing 0.4 % (0.4) of net sales. According to the source and application of funds statement, the cash flow from business operations was EUR 23.4 million (26.8). The net increase in outstanding loans was EUR 47.3 million (10.0). The equity ratio was 36.9 % (43.5) and the equity per share EUR 9.08 (8.20). Dividends totalling EUR 14.3 million were paid. Interest-bearing liabilities were EUR 120.6 million (73.3). There were no outstanding foreign currency loans. The interest-bearing net debt was EUR 87.5 million (47.3).

Personnel

The average number of personnel in the Group in the accounting period was



4,487 (3,500), of whom 1,507 (1,218) were salaried staff and 2,980 (2,282) hourly paid employees. The number of employees at the end of the year was 5,439 (3,329).

Wages and salaries paid by the Group amounted to EUR 131.9 million (101.3), of which the members of the Board of Directors and the Managing Director received EUR 1.5 million (1.3).

The focus of employee training was on developing business operations and competitiveness, and on improving and broadening the professional skills of employees. Staff capabilities were developed in order to ensure the availability and sustainable supply of professional staff both now and in the longer term. The co-operation with vocational training schools than began in the previous year was continued and strengthened all over the country. This collaboration resulted in the Group's functions being incorporated into the curriculum of the relevant vocational training course. The study groups established on the basis of an earlier training agreement continued their vocational studies in the Roofing Unit. Quality training was also increased as a part of the development of the quality systems of the Group's businesses.

Research and development

Research and development was practised in all divisions on the Group as an integral part of business operations. The emphasis in this work has been on technical development projects, but attention has also been paid to working systems.

Almost all of the Group's business units have quality systems, and work in also underway on the completion of environmental management systems.

Based on a study of the possibilities of electronic commerce, Lemminkäinen Corporation joined BuildForum, an electronic trading site operated jointly by a group of large building material manufacturers. Palmberg has started to use the services of Buildercom Oy, an electronic project bank associated with the BuildForum portal.

The focus of the Paving and Mineral Aggregates Division's R&D work continued to be on environmental issues. Different types of dense asphalt pavements and structures were developed for groundwater protection applications, and their frost resistance was studied. Research work on the immobilisation and exploitation of contaminated soil was rewarded when asphalt immobilisation technology developed by Lemminkäinen featured in the winning entry for a technology competition organised by the City of Helsinki and the National Technology Agency (Tekes). The Mineral Aggregates Unit and Forssan Betonituote Oy launched a study with the aim of producing crushed aggregate that is optimally suited to the manufacture of concrete. Tielinja Oy developed new road marking products with better reflectivity characteristics in the dark.

In the Building Materials Division, development work focused mainly on environmental issues and the life cycle concept. The service life and eco-profile of roofing products were studied in a

number of projects. The Concrete Products Unit has developed new products such as a soundproofed pre-cast concrete stair unit and granite masonry products. Omni-Sica Oy has developed new methods of coating the decks of ships.

The emphasis in Lemminkäinen Construction Ltd's development work was on quarrying and reinforcement techniques as well as new construction methods for foundation works. The Project Management Unit developed project management service concepts and partnering building procedures.

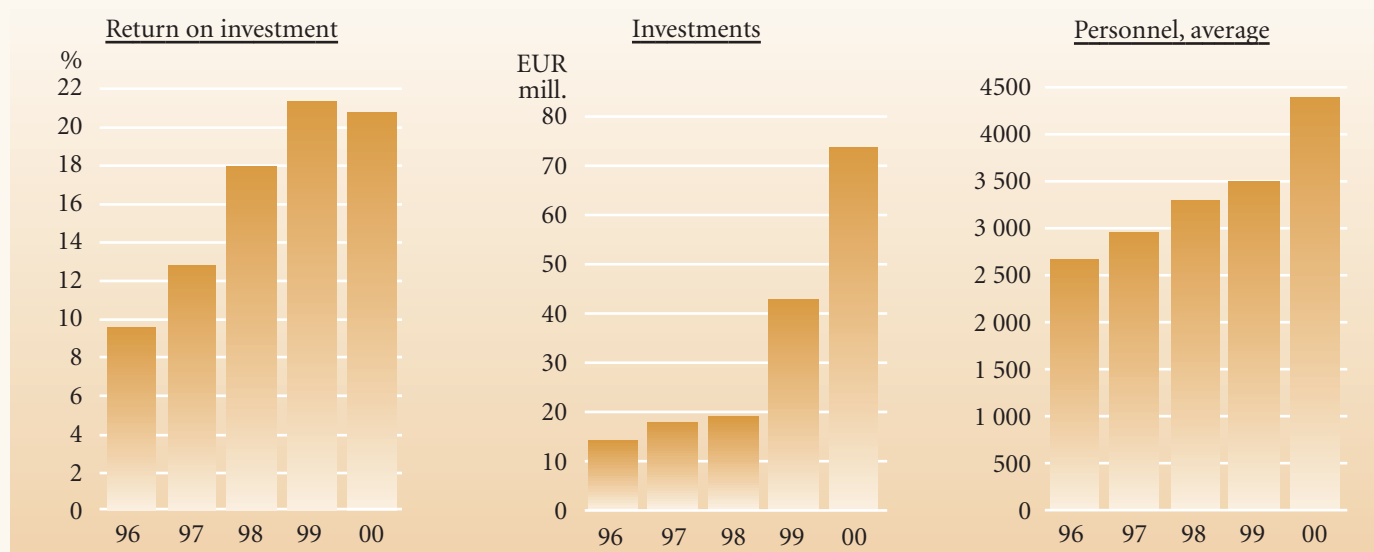
The Palmberg Group continued to focus on quality work, and all of the group companies completed their quality systems. Palmberg's internal benchmarking will be maintained by means of uniform quality measures.

Tekmanni Oy operates in accordance with its certificated quality system. Development work in the company has concentrated on life cycle analysis and information systems.

Lemminkäinen's Central Laboratory served all the Group's divisions and companies of the Group in research and development work.

Environmental protection

Environmental management was boosted by the development of ISO 14000 environmental management systems in different units of the Group. Environmental management systems were completed in Lemminkäinen Construction Ltd's Civil Engineering Unit and at the Roofing Unit's Lohja factory. Development work



on similar systems got underway in the Paving Unit, the Concrete Products Unit, and Oy Alfred A. Palmberg Ab. Tekmanni Oy has introduced a life cycle analysis tool that can assess the life cycles of technical building systems and products and calculate their life cycle costs.

The environmental protection measures taken by the units were targeted at improving waste management and reducing and eliminating the risks caused by the storage and handling of chemicals. A study on the bituminous vapours of the Lohja factory was completed and resulted in further measures being taken to reduce the malodorous impact of these emissions. A significant proportion of the wastes generated by the company's factories is now being reclaimed, for instance, to meet the needs of the building industry. More recycled asphalt mix was produced than in previous years, accompanied by a significant increase in the reclamation of old asphalt pavement.

Environmental protection issues were dealt with in conjunction with different interest groups. The licensing and reporting procedures required by the Environmental Protection Act were put into practice throughout the Group. The company carried out research and development work on products and services that improve environmental protection.

Group structure

Lemminkäinen Corporation increased its stake in the Lithuanian asphalt paving contractor, UAB Vakarų Automagistrālė, to 99.3 % during the accounting period. It also acquired 97.5 % of UAB Greitkelis, another Lithuanian company operating in the same field. The company's net sales in the year 2000 were EUR 1.6 million.

A 75 % interest was acquired in the Swedish asphalt paving contractor, Kvalitetsasfalt i Mellansverige Ab, in the early part of the accounting period. The company's net sales in the year 2000 were

EUR 7.3 million. In November, Kvalitetsasfalt acquired the asphalt paving operations of the Oden Group, a Swedish concern operating in the civil engineering industry. As a result of the acquisition, Kvalitetsasfalt's net sales are expected to rise to about EUR 20 million this year. In September, Lemminkäinen Corporation agreed to purchase Keski-Suomen Sora Oy, a mineral aggregate producer based in Jyväskylä. The acquisition came into effect in November. The company's net sales in the year 2000 were EUR 1.5 million.

The Group's stakes in the ready-mix concrete producers Oy Kokkobe Ab and Ab Jakobe Oy were increased to 90.3 % to 85 %, respectively.

In October, Lemminkäinen Corporation acquired the Turku-based company Sähkö-Vihanto Oy. Renamed TEK Holding Oy in connection with the acquisition, the company owns 81.8 % of the shares in the technical building services firm Tekmanni Oy and 92.5 % of the con-

KEY FIGURES BY BUSINESS SECTOR

EUR mill.	Net sales			Operating profit			Net investments		Order book	
	2000	1999	Change	2000	1999	Change	2000	1999	2000	1999
Lemminkäinen Corporation										
Paving and Mineral										
Aggregates Division	233.0	175.9	57.1	25.6	19.1	6.5	23.6	21.8	42.9	31.9
Building Materials Division	87.2	74.1	13.1	5.2	4.4	0.8	1.7	2.3	12.3	11.4
Lemminkäinen Construction Ltd	165.0	185.0	-20.0	4.9	3.2	1.7	2.4	2.8	107.1	112.7
Oy Alfred A. Palmberg Ab	452.8	399.6	53.2	14.7	17.5	-2.8	7.7	3.3	217.5	230.5
Tekmanni Oy	45.0	0.0	45.0	1.8	0.0	1.8	0.5	0.0	71.2	0.0
Others	-18.5	-8.3	-10.2	-2.0	-1.4	-0.6	32.1	-1.5		
Group total	964.6	826.4	138.2	50.2	42.8	7.4	67.9	28.7	451.1	386.6

ferred voting rights. The remainder of the shares are held by employees of the company. Tekmanni Oy's net sales in the year 2000 were EUR 139.9 million.

Lemminkäinen Corporation's subsidiary Lemminkäinen Construction Ltd established a subsidiary called Lemcon Networks Oy towards the end of the year 2000. The company specialises in the construction of telecom networks. Lemminkäinen Construction Ltd owns 79 % of the company's shares and 98.17 % of the conferred voting rights. Lemcon Networks Oy's minority shareholders are employees of the company.

After the end of the accounting period, the merger of subsidiaries Keski-Suomen Sora Oy and Stenberg-Yhtiöt Oy into Lemminkäinen Corporation was initiated.

Shares and share capital

Lemminkäinen Corporation's share is included in the book entry system for securities. The share is listed on Helsinki Exchanges. The company has a market-making agreement with Aros-Maizels Oyj.

The company's share capital was raised during the accounting period to EUR 34 042 500 in connection with its redenomination. This was achieved by means of a bonus issue and no new shares were issued. At the same time the minimum and maximum share capital specified in the Articles of Association were changed to EUR 20 000 000 and EUR 80 000 000, respectively. The nominal value of the company's share is EUR 2 and the number of shares 17 021 250. The company has one share series.

Share price and trading

The average listed price of Lemminkäinen Corporation's share during the accounting period was EUR 11.89 (8.78). The year-end price of the Company's share was EUR 12.00 (9.80) and the market capitalisation was EUR 204.3 million (166.8). At the end of the year the Company had 1 720 (1 738) shareholders. The trading volume was 1 185 415 shares (1 657 490).

Notice as defined in section 2, article 9 of the Securities Market Act

During the accounting period the company did not receive any notices as

defined in section 2, article 9 of the Securities Market Act.

Shareholder agreements

The Company is not aware of any agreements between shareholders which might markedly influence voting behaviour at meetings of shareholders.

Share issue authorisation

The Board of Directors is not currently authorised to make a share issue; neither is it authorised to decide on convertible promissory notes or bonds with equity warrants.

Management share ownership

As of 31st December 2000, the members of the Board of Directors and the Managing Director held a total of 7 500 062 shares, representing 44.1% of the Company's shares and their conferred voting rights.

Administration

The Annual General Meeting of Lemminkäinen Corporation was held on 24th March 2000. The Company's Board of Directors comprised Messrs. Heikki Pentti (Chairman), Teppo Taberman (Vice-chairman), Paul Blomqvist, Erkki J. Pentti and Juhani Sormaala.

The Managing Director of Lemminkäinen Corporation is Mr. Juhani Sormaala.

The Company's auditors are Messrs. Jan Holmberg, A.P.A. and Jarmo Alén, A.P.A. The deputy auditor is Authorised Public Accountants Oy Joe Sundholm & Co. Ab, with Kim Karhu, A.P.A. as the responsible auditor.

Insider rules

Lemminkäinen Corporation's new insider rules came into force on 1st March 2000. They embrace the insider rules drawn up by Helsinki Exchanges, the Central Chamber of Commerce of Finland and the Confederation of Finnish Industry and Employers.

Outlook for the year 2001

The volume of domestic building construction is expected to grow this year still at rate of 3-4 %. The emphasis in construction will remain on commercial, office and residential buildings in growth

centres. The favourable trend will apply to both new construction and refurbishment work. The volume of civil engineering contracting is expected to remain at last year's level.

No significant changes are foreseeable in either the Finnish or foreign markets of the Paving and Mineral Aggregates Division. The acquisitions made last year offer the prospect for growth in the Division's net sales. The Division is expected to maintain the good profitability of its operations.

The development of the Building Materials Division's net sales will be determined mainly by its own production capacity and the total volume of building construction, so any changes are likely to be moderate. Conditions may be regarded as being favourable for improved profitability, which last year was hit by high raw material costs.

Lemminkäinen Construction Ltd's order book is good in both project management contracting and civil engineering contracting. There is significant potential for growth in telecommunications network construction in markets abroad, but the timing of its realisation is difficult to forecast. The company will aim to maintain its net sales and profitability at the present level.

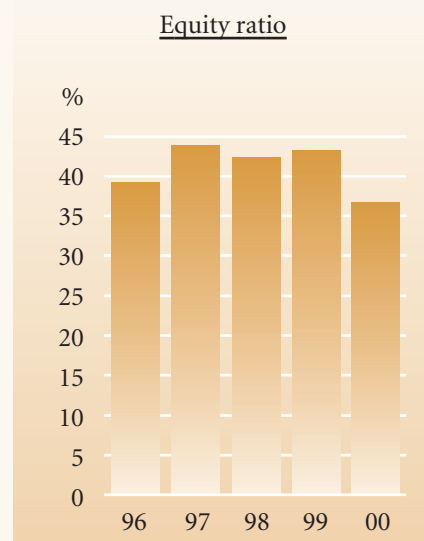
The rapid growth of Palmberg's net sales that has lasted for several years appears to be waning, as the growth in demand for private-sector dwellings has slowed down and it has become more difficult to purchase building plots suitable for their production. For these reasons the present outlook gives little cause for any serious expectation of an improvement in the company's result.

Tekmanni's order book has grown significantly and the technical building services market is growing faster than construction as a whole. On the basis of these preconditions, increased net sales and improved profitability have been set as targets for Tekmanni.

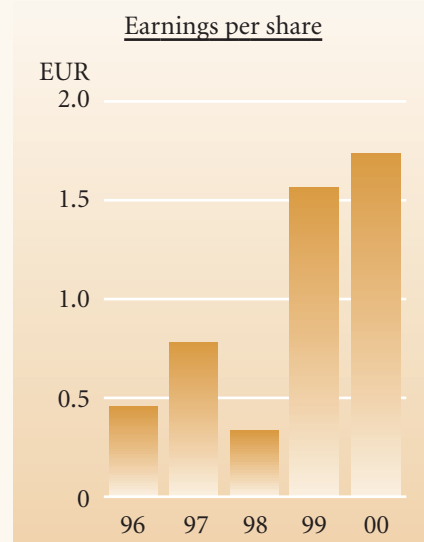
The construction market is expected to continue growing, albeit more moderately than last year. Lemminkäinen's net sales are expected to rise already as a consequence of the companies and business operations acquired. Profitability is expected to develop steadily.

THE COMPANY'S MAJOR SHAREHOLDERS 31st December 2000

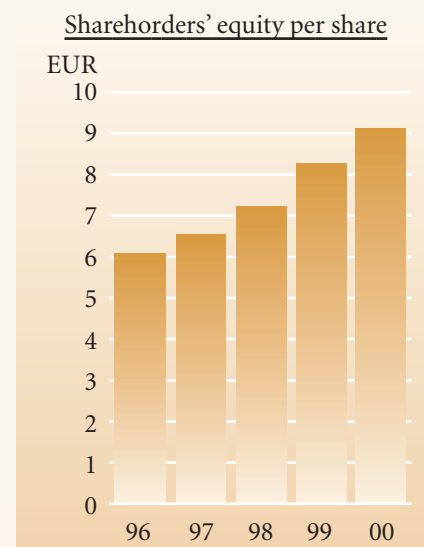
Shareholder	Number of shares	% of total stock
Heikki Pentti	3 813 956	22.41
Erkki J. Pentti	3 673 956	21.58
Olavi Pentti	3 673 953	21.58
Pohjola Non-Life Insurance Company Limited	1 172 400	6.89
Etra Invest Oy	444 400	2.61
Varma-Sampo Mutual Pension Insurance Company	441 100	2.59
Placeringsfonden Aktia Capital	414 800	2.43
Ilmarinen Mutual Pension Insurance Company	350 000	2.06
The Local Government Pension Institution	201 800	1.19
Tukinvest Oy	201 600	1.18
Total, 10 largest	14 387 165	84.52

OWNER GROUPS 31st December 2000

	Number of shareholders	% of shareholders	Shares held	% of total
Households	1 515	88.08	12 294 236	72.23
Firms	148	8.60	1 106 452	6.50
Financial institutions	15	0.87	2 073 119	12.18
Public corporations	6	0.35	1 218 300	7.16
Non-profit organisations	31	1.80	205 973	1.21
Foreign owned or nominee-registered	5	0.30	108 810	0.64
Others			14 360	0.08
Total	1 720	100.00	17 021 250	100.00

SHARE OWNERSHIP DISTRIBUTION 31st December 2000

Number of shares per shareholder	Number of shareholders	% of shareholders	Shares held	% of total
1 - 100	399	23.20	21 580	0.13
101 - 1 000	1 030	59.88	403 304	2.37
1 001 - 10 000	248	14.42	761 351	4.47
10 001 - 100 000	29	1.69	775 915	4.56
100 001 - 1 000 000	10	0.58	2 604 700	15.30
1 000 001 -	4	0.23	12 334 265	72.47
Nominee-registered shares			105 775	0.62
Others			14 360	0.08
Total	1 720	100.00	17 021 250	100.00



ECONOMIC TRENDS AND FINANCIAL INDICATORS

ECONOMIC TRENDS AND FINANCIAL INDICATORS

	2000 EUR mill.	1999 EUR mill.	1998 EUR mill.	1997 EUR mill.	1996 EUR mill.	2000 FIM mill.
Net sales	964.6	826.4	715.6	568.5	487.4	5 735.0
Exports and operations abroad	117.6	139.6	159.6	124.3	119.7	699.0
% net sales	12.2	16.9	22.3	21.9	24.6	12.2
Operating profit	50.2	42.8	30.6	21.3	15.9	298.4
% net sales	5.2	5.2	4.3	3.8	3.3	5.2
Profit before extraordinary items	46.4	39.9	27.1	18.3	12.4	275.6
% net sales	4.8	4.8	3.8	3.2	2.6	4.8
Profit before taxes	46.4	39.9	38.9	18.3	12.4	275.6
% net sales	4.8	4.8	5.4	3.2	2.6	4.8
Profit for the accounting period	29.3	26.4	14.2	11.9	8.9	174.2
% net sales	3.0	3.2	2.0	2.1	1.8	3.0
Non-current assets	169.5	124.5	114.1	111.6	114.9	1 007.9
Inventories	137.2	114.6	116.1	200.1	190.5	815.8
Financial assets	192.5	153.4	114.7	78.2	83.0	1 144.3
Shareholders' equity	154.5	139.6	122.0	105.6	97.8	918.8
Minority interests	7.5	3.3	2.1	1.5	0.9	44.5
Interest-bearing liabilities	120.6	73.3	63.4	62.6	79.0	717.3
Interest-free liabilities	216.5	176.3	157.4	220.2	210.7	1 287.4
Balance sheet total	499.2	392.5	344.8	389.9	388.3	2 968.0
Return on equity, %	19.9	20.6	5.6	12.1	8.0	19.9
Return on investment, %	20.7	21.7	18.0	12.8	9.8	20.7
Equity ratio, %	36.9	43.5	42.6	44.0	39.5	36.9
Gearing, %	54.0	33.1	30.3	37.4	47.2	54.0
Interest-bearing net liabilities	87.5	47.3	37.6	40.0	46.6	520.2
Gross investments	72.4	42.2	18.8	18.4	13.9	430.6
% net sales	7.5	5.1	2.6	3.2	2.9	7.5
Order book 31.12.	451.1	386.6	388.1	294.5	230.6	2 682.2
Number of employees	4 487	3 500	3 288	2 966	2 637	4 487

SHARE-ISSUE-ADJUSTED FINANCIAL INDICATORS

	2000 EUR	1999 EUR	1998 EUR	1997 EUR	1996 EUR	2000 FIM
Earnings per share (EPS)	1.72	1.55	0.34	0.73	0.45	10.23
Equity per share	9.08	8.20	7.16	6.52	6.04	53.98
Dividend per share	0.84 ¹⁾	0.84	0.50	0.34	0.25	5.00 ¹⁾
Dividend to earnings ratio, %	48.9	54.3	150.8	45.9	55.5	48.9
Effective dividend yield, %	7.0	8.6	6.7	4.3	3.8	7.0
Price/earnings ratio (P/E)	7.0	6.3	22.2	10.5	14.6	7.0
Share price						
mean	11.89	8.78	9.32	8.65	6.44	70.69
lowest	10.00	7.25	6.22	7.06	4.54	59.46
highest	14.00	10.10	11.94	9.75	7.23	83.24
at end of accounting period	12.00	9.80	7.57	7.74	6.66	71.35
Market capitalisation, mill.	204.3	166.8	128.8	125.3	107.9	1 214.5
Shares traded, 1 000	1 185	1 658	2 079	4 345	2 712	1 185
% of total	7.0	9.7	12.4	26.8	16.7	7.0
Issue-adjusted number of shares						
average for the period, 1 000	17 021	17 021	16 700	16 200	16 200	17 021
at end of period, 1 000	17 021	17 021	17 021	16 200	16 200	17 021

¹⁾ Board of Directors' proposal

FORMULAE FOR CALCULATION OF FINANCIAL INDICATORS

RETURN ON INVESTMENT, %

$$\frac{\text{Profit before extraordinary items + interest expenses and other financial expenses} \times 100}{\text{Balance sheet total - interest-free liabilities}} \times 100$$

(average for the accounting period)

RETURN ON EQUITY, %

$$\frac{\text{Profit before extraordinary items - income taxes} \times 100}{\text{Shareholders' equity + minority interests}} \times 100$$

(average for the accounting period)

EQUITY RATIO, %

$$\frac{\text{Shareholders' equity + minority interests} \times 100}{\text{Balance sheet total - advances received}}$$

GEARING, %

$$\frac{\text{Interest-bearing net liabilities - investments - cash in hand and at banks} \times 100}{\text{Shareholders' equity + minority interests}}$$

INTEREST-BEARING NET DEBT

Interest-bearing liabilities - investments - cash in banks and at banks

EMPLOYEES

$$\frac{\text{Sum of monthly employee totals}}{\text{Number of months in accounting period}}$$

EARNINGS PER SHARE:

$$\frac{\text{Profit before extraordinary items and taxes - income taxes - minority interests}}{\text{Share-issue-adjusted average number of shares}}$$

SHAREHOLDERS' EQUITY PER SHARE

$$\frac{\text{Shareholders' equity}}{\text{Share-issue-adjusted number of shares at end of period}}$$

DIVIDEND PER SHARE

$$\frac{\text{Dividend for the accounting period}}{\text{Share-issue-adjusted number of shares at end of period}}$$

DIVIDEND TO EARNINGS RATIO, %

$$\frac{\text{Dividend for the accounting period} \times 100}{\text{profit before extraordinary items - taxes - minority interests}}$$

EFFECTIVE DIVIDEND YIELD, %

$$\frac{\text{Dividend per share} \times 100}{\text{Final share quotation}}$$

P/E RATIO

$$\frac{\text{Final share quotation}}{\text{Earnings per share}}$$

MEAN SHARE PRICE

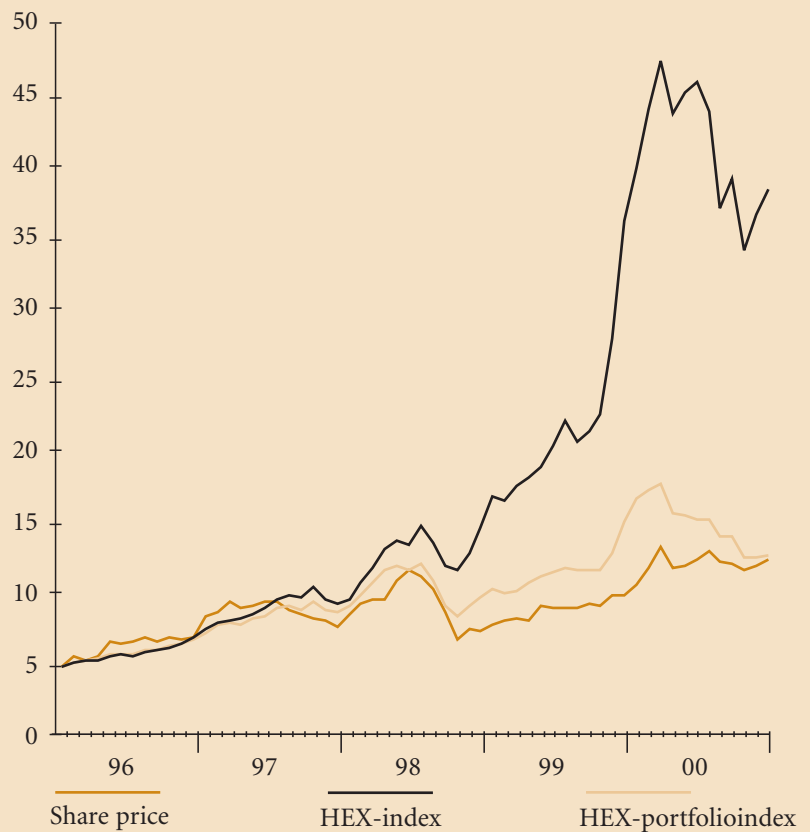
$$\frac{\text{Trading value of total share turnover}}{\text{Share-issue-adjusted number of shares traded during the period}}$$

MARKET CAPITALISATION

Number of shares x final share quotation

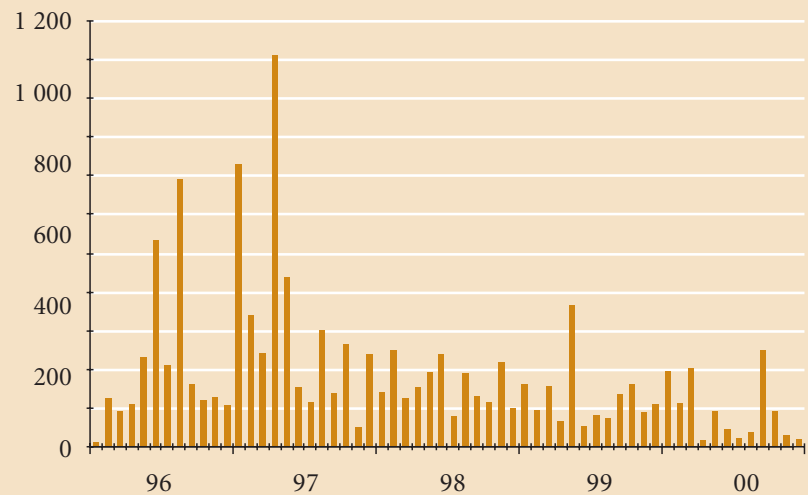
Share-issue-adjusted price trend

EUR



Share trading (Non-share-issue-adjusted)

shares
x 1000



CONSOLIDATED INCOME STATEMENT

	Note	EUR 1 000 1.1.2000-31.12.2000	EUR 1 000 1.1.1999-31.12.1999	FIM 1 000 1.1.2000-31.12.2000
NET SALES	1.1	964 558	826 354	5 734 999
Increase (+) or decrease (-) in stocks of finished goods and work in progress		14 298	-3 709	85 010
Production for own use		479	660	2 847
Other operating income	1.2	4 825	3 562	28 688
Materials and services	1.3	663 590	554 760	3 945 526
Personnel expenses	1.4	170 157	130 053	1 011 709
Depreciation	1.5	22 868	18 383	135 966
Other operating expenses		77 363	80 870	459 977
OPERATING PROFIT		50 182	42 801	298 366
Financial income and expenses	1.6	-3 827	-2 920	-22 754
PROFIT BEFORE EXTRAORDINARY ITEMS		46 355	39 881	275 612
Extraordinary items				
PROFIT BEFORE TAXES		46 355	39 881	275 612
Indirect taxes	1.8	-16 055	-12 335	-95 461
Minority interests		-1 009	-1 186	-5 997
PROFIT FOR THE ACCOUNTING PERIOD		29 291	26	174 154

CONSOLIDATED BALANCE SHEET

Note	EUR 1 000 31.12.2000	EUR 1 000 31.12.1999	FIM 1 000 31.12.2000
ASSETS			
NON-CURRENT ASSETS			
	2.1		
Intangible assets	2.1.1	7 163	2 738
Goodwill on consolidation	2.1.2	32 515	4 480
Tangible assets	2.1.3	119 918	106 922
Holdings in affiliated undertakings	2.1.4	2 500	2 496
Other investments	2.1.4	7 417	7 847
		169 513	124 483
CURRENT ASSETS			
	2.2		
Inventories	2.2.1	137 208	114 558
Non-current receivables	2.2.2	236	229
Deferred tax asset	2.2.3	1 130	2 011
Current receivables	2.2.4	157 955	125 192
Investments	2.2.5	8 743	6 365
Cash in hand and at banks		24 394	19 619
		329 666	267 974
		499 179	392 457
LIABILITIES			
SHAREHOLDERS' EQUITY			
	2.3		
Share capital		34 043	28 628
Share premium account		5 750	11 165
Revaluation reserve		119	183
Retained earnings		85 329	73 251
Profit for the accounting period		29 291	26 360
		154 532	139 587
MINORITY INTERESTS			
		7 479	3 308
OBLIGATORY PROVISIONS			
	2.5	3 766	1 899
LIABILITIES			
	2.6		
Deferred tax liability	2.6.1	14 011	16 722
Non-current liabilities	2.6.2	102 800	59 264
Current liabilities	2.6.3	216 592	171 677
		333 403	247 663
		499 179	392 457

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

	EUR 1 000 1.1.2000-31.12.2000	EUR 1 000 1.1.1999-31.12.1999	FIM 1 000 1.1.2000-31.12.2000
INCOME FINANCING			
Operating profit	50 182	42 801	298 366
Depreciation	22 868	18 383	135 966
Financial income and expenses	-3 827	-2 920	-22 754
Taxes	-18 171	-13 257	-108 037
Total	51 052	45 007	303 541
CHANGE IN NET WORKING CAPITAL			
Increase (-) or decrease (+) in inventories	-22 650	1 517	-134 671
Increase (+) or decrease (-) in advances against work in progress	-4 652	10 461	-27 661
Increase (-) or decrease (+) in current receivables	-32 763	-38 714	-194 802
Increase (+) or decrease (-) in interest-free current liabilities	32 378	8 531	192 514
Total	-27 687	-18 205	-164 620
CASH FLOW FROM BUSINESS OPERATIONS	23 365	26 802	138 921
INVESTMENTS			
Investments in fixed assets	-72 421	-42 175	-430 596
Disposal of and other changes in fixed assets	4 523	13 472	26 893
Total	-67 898	-28 703	-403 703
CASH FLOW BEFORE FINANCING	-44 533	-1 901	-264 782
FINANCING			
Increase (-) or decrease (+) in non-current receivables	-8	306	-45
Increase (+) or decrease (-) in non-current liabilities	43 535	10 308	258 847
Increase (+) or decrease (-) in current liabilities	19 056	-357	113 303
Distribution of dividend	-14 314	-8 588	-85 106
Others	3 417	450	20 313
Total	51 686	2 119	307 312
INCREASE OR DECREASE IN LIQUID FUNDS	7 153	218	42 530
Liquid funds at 1.1.	25 983	25 765	154 490
LIQUID FUNDS AT 31.12.	33 136	25 983	197 020

P A R E N T C O M P A N Y I N C O M E S T A T E M E N T

	Note	EUR 1 000 1.1.2000-31.12.2000	EUR 1 000 1.1.1999-31.12.1999	FIM 1 000 1.1.2000-31.12.2000
NET SALES	1.1	265 537	224 852	1 578 810
Increase (+) or decrease (-) in stocks of finished goods and work in progress		2 374	1 707	14 113
Production for own use		43	24	256
Other operating income	1.2	3 553	2 498	21 125
Materials and services	1.3	139 709	114 572	830 674
Personnel expenses	1.4	63 283	58 582	376 267
Depreciation	1.5	8 384	9 385	49 849
Other operating expenses		27 897	22 943	165 866
OPERATING PROFIT		32 233	23 599	191 648
Financial income and expenses	1.6	-2 092	-1 793	-12 440
PROFIT BEFORE EXTRAORDINARY ITEMS		30 141	21 806	179 208
Extraordinary items				
PROFIT BEFORE APPROPRIATIONS AND TAXES		30 141	21 806	179 208
Appropriations	1.7	2 245	5 951	13 350
Direct taxes	1.8	-9 367	-7 830	-55 692
PROFIT FOR THE ACCOUNTING PERIOD		23 019	19 927	136 866

P A R E N T C O M P A N Y B A L A N C E S H E E T

Note	EUR 1 000 31.12.2000	EUR 1 000 31.12.1999	FIM 1 000 31.12.2000	
ASSETS				
NON-CURRENT ASSETS				
Intangible assets	2.1 2.1.1	1 790	2 053	10 644
Tangible assets	2.1.3	55 761	55 130	331 537
Holdings in group undertakings	2.1.4	158 571	108 802	942 823
Holdings in affiliated undertakings	2.1.4	1 262	1 262	7 505
Other investments	2.1.4	5 653	6 196	33 609
		223 037	173 443	1 326 118
CURRENT ASSETS				
Inventories	2.2 2.2.1	24 624	22 763	146 410
Non-current receivables	2.2.2	136	166	810
Current receivables	2.2.4	30 710	24 481	182 590
Investments	2.2.5	3 262	6 068	19 392
Cash in hand and at banks		1 525	1 528	9 066
		60 256	55 006	358 268
		283 293	228 449	1 684 386
LIABILITIES				
SHAREHOLDERS' EQUITY				
Share capital	2.3	34 043	28 628	202 408
Share premium account		5 675	11 090	33 740
Revaluation reserve		119	183	711
Retained earnings		61 169	55 492	363 696
Profit for the accounting period		23 019	19 927	136 866
		124 025	115 320	737 421
APPROPRIATIONS	2.4	18 307	20 553	108 847
LIABILITIES				
Deferred tax liability	2.6 2.6.1	2 132	2 157	12 674
Non-current liabilities	2.6.2	70 519	29 304	419 289
Current liabilities	2.6.3	68 310	61 115	406 155
		140 961	92 576	838 118
		283 293	228 449	1 684 386

P A R E N T C O M P A N Y S T A T E M E N T O F S O U R C E
A N D A P P L I C A T I O N O F F U N D S

	EUR 1 000 1.1.2000-31.12.2000	EUR 1 000 1.1.1999-31.12.1999	FIM 1 000 1.1.2000-31.12.2000
INCOME FINANCING			
Operating profit	32 233	23 599	191 648
Depreciation	8 384	9 385	49 849
Financial income and expenses	-2 092	-1 792	-12 440
Taxes	-9 367	-7 831	-55 692
Total	29 158	23 361	173 365
CHANGE IN NET WORKING CAPITAL			
Increase (-) or decrease (+) in inventories	-1 862	-2 497	-11 069
Increase (+) or decrease (-) in advances against work in progress	-379		-2 254
Increase (-) or decrease (+) in current receivables	-6 229	-533	-37 034
Increase (+) or decrease (-) in interest-free current liabilities	-3 360	-3 274	-19 979
Total	-11 830	-6 304	-70 336
CASH FLOW FROM BUSINESS OPERATIONS	17 328	17 057	103 030
INVESTMENTS			
Investments in fixed assets	-61 153	-34 906	-363 598
Disposal of and other changes in fixed assets	3 086	14 843	18 347
Total	-58 067	-20 063	-345 251
CASH FLOW BEFORE FINANCING	-40 739	-3 006	-242 222
FINANCING			
Increase (-) or decrease (+) in non-current receivables	29	306	175
Increase (+) or decrease (-) in non-current liabilities	41 216	7 094	245 057
Increase (+) or decrease (-) in current liabilities	10 934	4 554	65 013
Distribution of dividend	-14 314	-8 588	-85 106
Others	63		374
Total	37 928	3 366	225 513
INCREASE OR DECREASE IN LIQUID FUNDS	-2 810	360	-16 708
Liquid funds at 1.1.	7 596	7 236	45 166
LIQUID FUNDS AT 31.12.	4 786	7 596	28 458

Consolidated financial statements

The parent company, Lemminkäinen Corporation, and all the group and affiliated undertakings classified as investments under non-current assets are included in the consolidated financial statements.

Intra-group shareholdings have been eliminated using the past equity method, whereby the acquisition cost of shares in subsidiary undertakings has been eliminated against the shareholders' equity of the subsidiary undertakings at the time of acquisition. The voluntary provisions and depreciation reserves of subsidiary undertakings at the time of acquisition less the deferred tax liability are included in shareholders' equity. Where the cost of acquiring shares in a subsidiary undertaking exceeds the corresponding value of its shareholders' equity, the excess is assigned to fixed assets and/or goodwill on consolidation. The depreciation periods for goodwill on consolidation are 5-10 years according to the plan in effect at the time of acquisition. A depreciation period of longer than five years is applied to companies whose longer-term earnings expectations are good, based on factors such as strength of market position or good technical expertise in their own areas of business.

Intra-group transactions and the internal margin included in inventories have been eliminated in the consolidated income statement, as have intra-group receivables, liabilities and dividend payments.

Minority interests have been deducted from the Group's profit and shareholders' equity and entered as a separate item in the consolidated income statement and balance sheet.

Figures from the final accounts of foreign subsidiary undertakings have been converted into Finnish marks at the rates of exchange quoted by the Bank of Finland on the last day of the accounting period. Translation differences arising from eliminations of the shareholders' equity in foreign subsidiary undertakings have been recorded in unrestricted shareholders' equity.

The accounts of affiliated undertakings have been consolidated using the equity method. The Group's share of the profit/loss of affiliated undertakings on the basis of proportional ownership is entered in the consolidated income statement under other operating income/expenses.

Recognition of income from construction projects

Since 1st January 1998 the consolidated and parent company financial statements have been prepared in accordance with the percentage-of-completion method, whereby income from construction projects is recognised according to the degree of project completion. Although the completed contract method of income recognition has still been used in the official financial statements of subsidiary undertakings, they have prepared additional financial statements based on the percentage-of-completion method. The degree of project completion is calculated as the ratio of actually incurred expenses to estimated total expenses. The margin on Lemminkäinen's own developments is recognised as income on the basis of either the degree of building completion or the percentage of housing units sold, the lower value taking precedence. Anticipated losses from unprofitable projects on the order book are recorded in total as expenses.

Valuation and depreciation of fixed assets

Fixed assets are shown on the balance sheet at their original acquisition costs less accumulated annual planned depreciation. In addition, the values of some land, buildings and shareholdings include revaluations, against which no depreciation has been charged.

Depreciation according to plan is computed using the straight-line method and is based on the economic lifetimes of the assets.

The depreciation periods are as follows:

Intangible assets	
- goodwill	5 or 10 years
- others	5 or 10 years
Office buildings	40 years
Other buildings	10-30 years
Machinery and equipment	4-10 years
Other tangible assets	
- mineral deposits	depreciation for decrease of substance
- others	10 years

Depreciation has not been charged to the revaluation increases. The revaluation increase applying to any item sold in connection with the disposal of fixed assets has been cancelled.

Valuation of inventories

Inventories have been valued according to the FIFO principle at their acquisition cost or, if lower, their new acquisition price or probable selling price. The value of inventories includes the variable expenditure arising from their acquisition and production.

Valuation of financial assets

Investments are valued at their acquisition cost or, if lower, their market value.

Foreign currency items

Receivables and liabilities denominated in foreign currencies have been converted into Finnish marks at the rates of exchange quoted by the Bank of Finland on the last day of the accounting period.

Foreign currency receivables and liabilities protected by forward rate agreements are valued at the forward rate, and the interest share is periodised on the basis of the duration of the agreements.

Pension liability

Pension security for employees of the Group, inclusive of additional benefits, is covered by policies with pension insurance companies.

Research and development expenses

R&D expenses are recorded in the year during which they are incurred.

Financial leasing

Financial leasing payments are recorded as annual expenses. The remaining rental payments of financial leasing contracts are presented in the notes to the financial statements under liabilities.

Direct taxes

Taxes calculated on the basis of the results of group undertakings for the accounting period, adjustments to the taxes of earlier accounting periods, and the change in the deferred tax liability and asset are recorded as direct taxes on the consolidated income statement. The deferred tax liability or asset is calculated for the timing differences between taxation and accounting using the tax rate in force at the closing of the accounts. Confirmed losses that are deductible against taxation are treated as a tax asset to the extent that the Company will likely be able to utilise them in the near future.

NOTES TO THE FINANCIAL STATEMENTS

Thousands of euro	GROUP		PARENT COMPANY	
	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999
1. INCOME STATEMENT				
1.1 NET SALES AND OPERATING PROFIT				
Net sales by business sector				
Paving and Mineral Aggregates Division	233 043	175 932	186 100	154 136
Building Materials Division	87 170	74 135	77 254	68 959
Lemminkäinen Construction Ltd	164 990	185 023		36
Oy Alfred A. Palmberg Ab	452 782	399 569		
Tekmanni Oy	45 080			
Intra-group sales / others	-18 507	-8 305	2 183	1 721
Total	964 558	826 354	265 537	224 852
Net sales by market area				
Finland	846 986	686 724	256 674	217 115
Nordic countries	39 572	35 483	2 650	1 265
Eastern Europe	15 765	38 797	5 282	5 547
Western Europe	53 272	52 338	169	494
Asia and Latin America	6 534	7 800	762	262
Africa	2 429	5 212		169
Total	964 558	826 354	265 537	224 852
Operating profit/loss by business sector				
Paving and Mineral Aggregates Division	25 586	19 048	25 611	18 224
Building Materials Division	5 155	4 433	5 159	4 337
Lemminkäinen Construction Ltd	4 880	3 249		
Oy Alfred A. Palmberg Ab	14 664	17 490		
Tekmanni Oy	1 842			
Group eliminations / others	-1 945	-1 419	1 463	1 038
Total	50 182	42 801	32 233	23 599
1.2 OTHER OPERATING INCOME				
Profit on the sale of fixed assets	2 714	1 755	2 246	1 559
Share of the results of affiliated undertakings	459	379		
Others	1 652	1 428	1 307	939
Total	4 825	3 562	3 553	2 498
1.3 MATERIALS AND SERVICES				
Raw materials, consumables and goods				
Purchases during the accounting period	317 219	251 616	82 238	64 184
Change in inventories	-6 734	-1 183	512	-789
	310 485	250 433	82 750	63 395
External services	353 105	304 327	56 959	51 177
Total	663 590	554 760	139 709	114 572

Thousands of euro	GROUP		PARENT COMPANY	
	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999

1.4 NOTES CONCERNING PERSONNEL, MANAGEMENT AND BOARD MEMBERS

Personnel expenses

Salaries, wages and emoluments	135 147	102 636	50 525	45 934
Pension expenses	23 291	17 205	8 705	7 958
Other personnel-related expenses	11 719	10 212	4 053	4 690
Total	170 157	130 053	63 283	58 582

Management salaries and emoluments

Board members and managing directors	1 519	1 324	419	323
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Average number of employees

Salaried staff	1 507	1 218	476	457
Hourly paid employees	2 980	2 282	1 136	1 079
Total	4 487	3 500	1 612	1 536

Average number of employees by business sector

Paving and Mineral Aggregates Division 1	369	1 104	984	947
Building Materials Division	654	610	628	589
Lemminkäinen Construction Ltd	497	453		
Oy Alfred A. Palmberg Ab	1 584	1 333		
Tekmanni Oy	383			
Total	4 487	3 500	1 612	1 536

Pension commitments concerning board members and managing directors

The retirement age of the managing directors of Lemminkäinen Corporation, Oy Alfred A. Palmberg Ab and Lemminkäinen Construction Ltd is 60 years. The retirement age of the managing directors of other group undertakings is the statutory retirement age.

1.5 DEPRECIATION

Intangible rights	413	211	185	102
Goodwill	437	65	369	378
Other capitalised expenditure	69	19	9	8
Buildings	2 431	2 075	949	864
Machinery and equipment	14 257	12 315	6 635	7 669
Other tangible assets	804	722	237	364
Depreciation of tangible and intangible assets	18 411	15 407	8 384	9 385
Depreciation of goodwill on consolidation	4 457	2 976		
Total	22 868	18 383	8 384	9 385

Thousands of euro	GROUP		PARENT COMPANY	
	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999
1.6 FINANCIAL INCOME AND EXPENSES				
Dividend income				
From group undertakings			309	
From others	237	251	165	230
Total	237	251	474	230
Other interest and financial income				
From group undertakings			520	227
From others	1 141	738	381	261
Total	1 141	738	901	488
Interest expenses and other financial expenses				
To group undertakings			-622	-312
To others	-5 205	-3 909	-2 845	-2 198
Total	-5 205	-3 909	-3 467	-2 510
Net financial income/expenses	-3 827	-2 920	-2 092	-1 792
Exchange rate differences (net) included in financial income/expenses	189	40	-157	-133
1.7 APPROPRIATIONS				
Difference between depreciation according to plan and depreciation charged against taxation			2 245	5 951
1.8 DIRECT TAXES				
Income taxes on normal business operations	-18 378	-13 319	-9 086	-7 864
Income taxes in respect of previous years	208	61	-307	34
Change in the deferred tax liability	2 115	923	26	
Total	-16 055	-12 335	-9 367	-7 830
2. BALANCE SHEET				
2.1 NON-CURRENT ASSETS				
2.1.1 Intangible assets				
Intangible rights	1 373	877	557	650
Goodwill	4 688	1 076	876	1 222
Other capitalised expenditure	683	664	54	64
Advance payments	419	121	303	117
Total	7 163	2 738	1 790	2 053

Thousands of euro	GROUP		PARENT COMPANY	
	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999
2.1.2 Goodwill on consolidation	32 515	4 480		
2.1.3 Tangible assets				
Land and Waters	8 361	8 048	7 305	7 297
Buildings	39 370	37 088	16 104	15 903
Machinery and equipment	60 858	53 687	27 478	27 232
Other intangible assets	9 844	7 370	4 250	3 908
Advance payments and work in progress	1 485	729	624	790
Total	119 918	106 922	55 761	55 130
2.1.4 Investments				
Holdings in group undertakings			158 571	108 802
Holdings in affiliated undertakings	2 500	2 496	1 262	1 262
Other shares and holdings	7 417	7 847	5 653	6 196
Total	9 917	10 343	165 486	116 260
2.1.1. Intangible assets				
Intangible rights				
Acquisition cost 1.1.	1 856	1 259	1 121	646
Translation difference	-1			
Increases	1 303	645	91	516
Decreases	-57	-48	-2	-41
Acquisition cost 31.12.	3 101	1 856	1 210	1 121
Accumulated depreciation 31.12.	-1 728	-979	-653	-471
Book value 31.12.	1 373	877	557	650
Goodwill				
Acquisition cost 1.1.	2 733	1 727	3 894	2 889
Increases	4 705	1 006	24	1 005
Decreases	-601		-601	
Acquisition cost 31.12.	6 837	2 733	3 317	3 894
Accumulated depreciation 31.12.	-2 149	-1 657	-2 441	-2 672
Book value 31.12.	4 688	1 076	876	1 222
Other capitalised expenditure				
Acquisition cost 1.1.	712	501	93	78
Increases	91	215		15
Decreases	-2	-4		
Acquisition cost 31.12.	801	712	93	93
Accumulated depreciation 31.12.	-118	-48	-39	-29
Book value 31.12.	683	664	54	64

Thousands of euro	GROUP		PARENT COMPANY	
	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999
Advance payments				
Acquisition cost 1.1.	121	164	117	164
Increases	323	98	207	94
Decreases	-25	-141	-22	-141
Acquisition cost 31.12.	419	121	303	117
2.1.2 Goodwill on consolidation				
Acquisition cost 1.1.	29 284	27 495		
Increases	32 435	1 789		
Acquisition cost 31.12.	61 719	29 284		
Accumulated depreciation 31.12.	-29 204	-24 804		
Book value 31.12.	32 515	4 480		
2.1.3 Tangible assets				
Land				
Acquisition cost 1.1.	4 825	4 540	4 074	3 937
Increases	318	293	13	145
Decreases	-5	-8	-5	-8
Acquisition cost 31.12.	5 138	4 825	4 082	4 074
Revaluations	3 223	3 223	3 223	3 223
Book value 31.12.	8 361	8 048	7 305	7 297
Buildings				
Acquisition cost 1.1.	61 963	59 773	26 594	26 141
Increases	5 052	2 413	1 150	629
Decreases	-285	-223	-82	-176
Acquisition cost 31.12.	66 729	61 963	27 662	26 594
Accumulated depreciation 31.12.	-29 960	-27 475	-14 158	-13 291
Revaluations	2 600	2 600	2 600	2 600
Book value 31.12.	39 370	37 088	16 104	15 903
Machinery and equipment				
Acquisition cost 1.1.	120 577	103 376	71 917	74 265
Translation difference	-7	-5		
Increases	28 658	34 904	9 466	15 068
Decreases	-7 395	-17 698	-5 324	-17 416
Acquisition cost 31.12.	141 833	120 577	76 059	71 917
Accumulated depreciation 31.12.	-80 975	-66 890	-48 581	-44 685
Book value 31.12.	60 858	53 687	27 478	27 232

Thousands of euro	GROUP		PARENT COMPANY	
	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999
Other tangible assets				
Acquisition cost 1.1.	11 179	9 106	6 814	5 631
Translation difference	-3			
Increases	3 483	2 198	582	1 222
Decreases	-72	-125	-4	-39
Acquisition cost 31.12.	14 587	11 179	7 392	6 814
Accumulated depreciation 31.12.	-4 743	-3 809	-3 143	-2 906
Book value 31.12.	9 844	7 370	4 250	3 908
Advance payments and construction in progress				
Acquisition cost 1.1.	729	617	790	559
Increases	1 479	909	618	790
Decreases	-723	-797	-784	-559
Acquisition cost 31.12.	1 485	729	624	790
2.1.4 Investments				
Holdings in group undertakings				
Acquisition cost 1.1.			108 802	92 814
Increases			49 769	15 988
Acquisition cost 31.12.			158 571	108 802
Holdings in affiliated undertakings				
Acquisition cost 1.1.	2 497	2 078	1 262	1 142
Increases	316	424		120
Decreases	-313	-5		
Acquisition cost 31.12.	2 500	2 496	1 262	1 262
Other shares				
Acquisition cost 1.1.	6 156	7 931	4 505	6 317
Increases	259	205	96	15
Decreases	-599	-1 980	-549	-1 827
Acquisition cost 31.12.	5 816	6 156	4 052	4 505
Revaluations	1 601	1 691	1 601	1 691
Book value 31.12.	7 417	7 847	5 653	6 196
2.1.5 Revaluations				
Land				
Value 1.1.	3 223	3 149	3 223	3 149
Increase		74		74
Value 31.12.	3 223	3 223	3 223	3 223
Buildings				
Value 1.1.	2 600	2 600	2 600	2 600
Value 31.12.	2 600	2 600	2 600	2 600

Thousands of euro	GROUP		PARENT COMPANY	
	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999
Shares				
Value 1.1.	1 691	1 691	1 691	1 691
Decrease	-90		-90	
Value 31.12.	1 601	1 691	1 601	1 691
2.2 CURRENT ASSETS				
2.2.1 Inventories				
Raw materials and consumables	9 164	8 105	6 184	6 696
Building plots	45 018	33 499		
Work in progress	35 667	33 801		
Apartments and premises	27 028	21 933		
Finished products/goods	20 331	17 220	18 440	16 067
Total	137 208	114 558	24 624	22 763
2.2.2 Non-current receivables				
Loan receivables	236	229	136	166
2.2.3 Deferred tax asset				
From timing differences	1 130	2 011		
2.2.4 Current receivables				
Accounts receivable	114 555	92 054	12 678	9 417
Amounts owed by group undertakings				
Other receivables			2 646	1 288
Prepayments and accrued income			173	179
Total			14 291	9 752
Amounts owed by affiliated undertakings				
Accounts receivable	17	144	17	144
Loan receivables	11 538	6 486	532	534
Other receivables	2 200	4 273	74	75
Prepayments and accrued income	29 645	22 235	3 117	4 559
Total	43 383	32 994	3 723	5 168
Current receivables, total	157 955	125 192	30 710	24 481
Items included in prepayments and accrued income:				
Project income	23 460	17 039	1 383	1 081
Taxes	568	245	28	79
Wage- and salary-related expenses	324	746	71	491
Others	5 293	4 205	1 635	2 908
Total	29 645	22 235	3 117	4 559

Thousands of euro	GROUP		PARENT COMPANY	
	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999
2.2.5 Investments				
Other securities	8 743	6 365	3 262	6 068
2.3 SHAREHOLDERS' EQUITY				
Share capital 1.1.	28 628	28 628	28 628	28 628
Bonus issue	5 415		5 415	
Share capital 31.12.	34 043	28 628	34 043	28 628
Share premium account 1.1	11 165	11 165	11 090	11 090
Bonus issue	-5 415		-5 415	
Share premium account 31.12.	5 750	11 165	5 675	11 090
Revaluation reserve 1.1.	183	183	183	183
Increase		74		74
Decrease	-64		-64	
Transfer to deferred tax liability		-74		-74
Revaluation reserve 31.12.	119	183	119	183
Retained earnings 1.1.	99 611	82 248	75 420	64 081
Distribution of dividend	-14 314	-8 588	-14 314	-8 589
Transfer from revaluation reserve	64		64	
Translation difference	-32	-409		
Retained earnings 31.12.	85 329	73 251	61 169	55 492
Profit for the accounting period	29 291	26 360	23 019	19 927
Shareholders' equity, total	154 532	139 587	124 025	115 320
Distributable funds 31.12.				
At beginning of the accounting period	98 202	74 561		
Distribution of dividend	-14 314	-8 588		
Transfer from revaluation reserve	64			
Profit for the accounting period	29 291	26 360		
Change in translation difference	-32	-141		
Net change in appropriations	1 409	6 010		
At end of the accounting period	114 619	98 202		
2.4 APPROPRIATIONS				
Depreciation reserve				
Intangible rights				
Depreciation in excess of plan 1.1			126	78
Increase/decrease			-18	48
Depreciation in excess of plan 31.12.			108	126

Thousands of euro	GROUP		PARENT COMPANY	
	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999
Goodwill				
Depreciation in excess of plan 1.1			172	
Increase/decrease			3	172
Depreciation in excess of plan 31.12.			175	172
Other capitalised expenditure				
Depreciation in excess of plan 1.1			1	
Increase/decrease				1
Depreciation in excess of plan 31.12.			1	1
Buildings				
Depreciation in excess of plan 1.1			3 432	3 595
Increase/decrease			-130	-163
Depreciation in excess of plan 31.12.			3 302	3 432
Machinery and equipment				
Depreciation in excess of plan 1.1			16 812	22 822
Increase/decrease			-2 104	-6 010
Depreciation in excess of plan 31.12.			14 708	16 812
Other tangible assets				
Depreciation in excess of plan 1.1			11	9
Increase/decrease			2	2
Depreciation in excess of plan 31.12.			12	11
Depreciation reserve				
Depreciation reserve 1.1			20 553	26 504
Increase/decrease			-2 246	-5 951
Depreciation reserve 31.12.			18 307	20 553
Division of appropriations of individual group undertakings between tax liability and shareholders equity				
Depreciation reserve	25 237	27 319		
Voluntary provisions	6			
Deferred tax liability	-7 314	-7 922		
Equity share	17 929	19 397		
Eliminated at time of acquisition	-17 929	-17 988		
Remaining equity share included in shareholders' equity		1 409		

Thousands of euro	GROUP		PARENT COMPANY	
	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999
2.5 OBLIGATORY PROVISIONS				
Guarantee provisionst	3 699	1 750		
Other obligatory provisions	67	149		
Total	3 766	1 899		
2.6 LIABILITIES				
2.6.1 Deferred tax liability				
Appropriations	7 312	7 923		
Revaluations	2 132	2 157	2 132	2 157
Timing differences	4 567	6 642		
Total	14 011	16 722	2 132	2 157
2.6.2 Non-current liabilities				
Loans from credit institutions	80 679	50 640	55 319	29 304
Pension loans	6 863	8 616		
Other non-current liabilities	15 258	8	15 201	
Total	102 800	59 264	70 519	29 304
Liabilities due after five years or later				
Loans from credit institutions	21 805	6 856	18 501	2 283
Pension loans	122	1 771		
Total	21 927	8 627	18 501	2 283
2.6.3 Current liabilities				
Loans from credit institutions	31 339	12 384	15 486	5 688
Pension loan	1 753	1 653		
Advances received	59 589	64 242	53	433
Accounts payable	42 206	29 385	7 754	4 684
Accounts payable to group undertakings			306	347
Other liabilities to group undertakings			27 028	26 564
Other liabilities	22 175	15 232	1 711	1 039
Accruals and deferred income	59 530	48 781	15 971	22 360
Total	216 592	171 677	68 310	61 115
Items included in accruals and deferred income:				
Project expenses	6 303	5 988		
Value added tax	6 180	7 969	2 063	4 446
Income tax	6 794	5 000	1 664	1 719
Wage- and salary-related expenses	33 183	20 827	10 939	9 378
Others	7 070	8 997	1 305	6 817
Total	59 530	48 781	15 971	22 360

Thousands of euro	GROUP		PARENT COMPANY	
	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999	1.1.2000- 31.12.2000	1.1.1999- 31.12.1999
2.7 EFFECT OF PERCENTAGE-OF-COMPLETION METHOD ON BALANCE SHEET ITEMS				
Inventories				
Work in progress, total	248 127	233 913		
Portion recognised as income	-212 460	-200 112		
Work in progress on the balance sheet	35 667	33 800		
Current liabilities				
Advances received, total	240 185	275 852		
Portion recognised as income	-180 596	-211 610		
Advances received on the balance sheet	59 589	64 242		
2.8 CONTINGENT LIABILITIES				
Securities for own commitments				
Property mortgages	11 953	10 181		
Business mortgages	59 379	48 546	25 228	25 228
Bonds pledged as security	4 570	5 221		93
Total	75 903	63 948	25 228	25 321
Securities for commitments of others				
Bonds pledged as security		105		
Guarantees given				
On behalf of group undertakings			131 033	97 752
On behalf of affiliated undertakings	951	869	951	869
Pension liabilities				
	34	37		
Leasing liabilities				
Payable in the year 2001	3 319	1 340	2 915	1 836
Payable in subsequent years	14 233	11 402	13 614	11 480
Total	17 552	12 742	16 529	13 316
Derivative contracts				
Forward foreign exchange contracts				
Nominal value	1 917	1 918	1 917	1 918

SHARES AND HOLDINGS

Company	Consolidated shareholding %	Parent company shareholding			Shareholding of other group undertakings Value, EUR 1 000
		%	Shares	Value, EUR 1 000	
Group undertakings 31st December 2000					
UAB Vakarų Automagistrė, Lithuania	99.3	99.3	1 713 663	1 835	
Asfaltti-Ajax Oy, Kempele	100.0	100.0	100	390	
Forssan Betonituote Oy, Forssa	100.0	50.0	1 000	1 581	168
UAB Greitkelis, Lithuania	97.5	97.5	1 555 094	1 620	
Kainuun Murske Oy, Kajaani	54.2	54.2	13	149	
Keski-Suomen Sora Oy, Jyväskylä	100.0	100.0	100	2 990	
Kvalitetsasfalt i Mellansverige Ab, Sweden	75.0	75.0	7 500	5 066	
Lemcon Baumanagement GmbH, Germany	100.0	100.0	100	21	
Lemcon Bauprojekt-Management GmbH, Austria	100.0	100.0	1	18	
Lemcon Company S.A., Luxemburg	100.0	100.0	1 605	31	
Lemcon Építőipari Kft, Hungary	100.0	100.0		12	
Lemcon (UK) Ltd, United Kingdom	100.0	100.0	100	0	
Lemminkäinen A/S, Denmark	100.0	100.0	45 500	6 121	
Lemminkäinen Eesti AS, Estonia	100.0	100.0	10	3	
Lemminkäinen Svenska Ab, Sweden	100.0	100.0	10	12	
Omni-Sica Oy, Helsinki	100.0	100.0	50	9	
Oy Alfred A. Palmberg Ab, Helsinki	100.0	51.5	2 551	27 960	10 392
Oy Finnasfalt Ab, Helsinki	100.0	100.0	200	10	
Lemminkäinen Construction Ltd, Helsinki	100.0	100.0	100	1 682	
Sica Oy, Helsinki	100.0	100.0	1 003	55 946	
Stenberg-Yhtiöt Oy, Forssa	100.0	100.0	500	14 405	
TEK Holding Oy, Helsinki	100.0	100.0	900	37 859	
Tielinja Oy, Helsinki	100.0	100.0	75	309	
ZAO Lemminkäinen Dor Stroi (Lemdorstroi), Russia	100.0	100.0	49	544	
As Rajar TL, Estonia					5
WPL-System Oy, Helsinki	100.0				42
Neccos Oy, Helsinki	100.0				52
Lemcon Latvija SIA, Latvia	100.0				375
Lemcon Vilnius UAB, Lithuania	100.0				979
Lemcon Polska Sp.z o.o, Poland	100.0				387
ZAO Lemstroi, Russia	100.0				18
ZAO Neccos, Russia	100.0				2
ZAO Lemminkäinen/St. Petersburg	100.0				2
ZAO Rakennus Lemminkäinen/Moscow	100.0				1
ICM International Construction Management, Hungary	70.0				497
Lemcon Networks Ltd, Helsinki	79.0				316
Kiint. Oy Esterinportti 2, Helsinki	100.0				22 816
Oü Sten Killustik, Estonia	100.0				1
Tekmanni Oy, Helsinki	81.8				1 296
Rakennustoimisto Palmberg Oy, Tampere	90.0				735
Oy Konte Ab, Vaasa	90.9				168
Rekab Entreprenad Ab, Sweden	80.0				243
Palmberg-Rakennus Oy, Oulu	100.0				168
Rakennusliike S. Horttanainen Oy, Porvoo	100.0				67
Byggnads Ab Forsström Rakennus Oy, Kokkola	75.0				151
Savocon Oy, Kuopio	96.4				417
Palmberg-Urakoitsijat Oy, Hyvinkää	90.0				45
AAP-Insinöörit Oy, Helsinki	100.0				3
Rakennus-Otava Oy, Jyväskylä	100.0				596
Oka Oy, Kouvola	70.0				2 463
Ab Jakobe Oy, Pietarsaari	85.0				1 087
Oy Kokkobe Ab, Kokkola	90.3				1 452
Total				158 571	44 944
Affiliated undertakings					
Pointti-Talo Oy, Lahti	45.0	45.0	27	293	
Talter AS, Estonia	51.0	51.0	2 040	417	413
Tasfil AS, Estonia	40.5	40.5	951	552	392
Laing-Loy Management Ltd, United Kingdom	50.0				32
Oy Tara-Element Ab, Kokkola	48.9				400
Total				1 262	1 238
Other shares and holdings					
		Shareholding		Nominal value EUR 1 000	Total EUR 1 000
		%	Shares		
Helsinki Halli Oy A, Helsinki			12	20	202
Oy Nordgolf Ab Y, Äminnefors	1.4		16	67	61
Sampo Vakuutus Oy, Turku			17 692	15	153
Talentum Oyj, Helsinki	0.3		47 344	20	117
Vierumäen Kuntokylä Oy, Helsinki	3.4		2 640	44	137
Property shares					2 015
Housing shares					3 902
Other shares and holdings					830
Total					7 417

BOARD OF DIRECTORS' PROPOSAL FOR APPROPRIATION OF RETAINED EARNINGS

Distributable funds shown on the consolidated balance sheet at the end of the accounting period amount to EUR 114 619 305.37. The Parent Company's retained earnings from previous years are EUR 61 169 263.77, the Parent Company's profit for the accounting period is EUR 23 019 285.97 and the Parent Company's total retained earnings at the end of the accounting period are EUR 84 188 549.75. The Board of Directors will propose to the Annual General Meeting that a total dividend of EUR 14 313 843.72 be paid to shareholders, after which retained earnings would stand at EUR 69 874 706.03.

Helsinki, 14th February 2001

Heikki Pentti

Teppo Taberman

Paul Blomqvist

Erkki J. Pentti

Juhani Sormaala
Managing Director

AUDITOR'S REPORT

To the shareholders of Lemminkäinen Corporation

We have audited the accounting, the financial statements and the corporate governance of Lemminkäinen Corporation for the financial year ended December 31, 2000. The financial statements, which include the report of Board of Directors, consolidated and parent company income statements, balance sheets and notes to financial statements, have been prepared by the Board of Directors and the Managing Director. Based on our audit we express an opinion on these financial statements and on corporate governance.

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

In our opinion the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of the financial position. The financial statements with the consolidated financial statements can be adopted and the members of the Board of Directors and the Managing Director of the parent company can be discharged from liability for the financial year audited by us. The proposal by the Board of Directors regarding distributable funds is in compliance with the Companies Act.

Helsinki, 6 March 2001

Jan Holmberg
Authorised Public Accountant

Jarmo Alén
Authorised Public Accountant

The Division produces asphalt, recycled asphalt macadam and specialist paving. It carries out contracting in the fields of road paving, milling and road marking as well as quarrying and crushing. The Division also produces ready-mixed concrete and mineral aggregates for resale, as well as environmental geotechnology products and services.

The Division's net sales were EUR 233.0 million (175.9). Net sales in Finland rose 31 % to EUR 200.4 million (152.8). Net sales from exports were up 41 % at EUR 32.6 million (23.1). Exports accounted for 14 % (13) of the Division's net sales.

The Division's operating profit improved and was EUR 25.6 million (19.1). The average number of employees in 2000 was 1 369 (1 104).

Net sales by business area

	2000 EUR mill.	1999 EUR mill.
Asphalt paving and road marking	178.8	135.6
Mineral aggregates and ready-mix concrete	63.0	47.2
Internal invoicing	-8.8	-6.9
Total	233.0	175.9

Asphalt paving and road marking

The Finnish paving market grew by about five per cent. The protracted downward trend in public road paving volumes continued. The volume of work received from local authorities remained unchanged, whereas the volume of private-sector contracting rose in line with the growth in other construction.

Lemminkäinen produced 2.7 million tonnes (2.5) of asphalt, retaining its position as the market leader in Finland. The company's production of asphalt rose slightly in Finland and by about a fifth abroad. Russia accounted for most of this growth.

Sales of paving-related ancillary products as well as environmental geotechnology products and services continued to grow. The most important contract in the latterly mentioned busi-



Head of Paving and Mineral Aggregates Division, Mr. Matti Kokko, B.Sc.(Eng.)

ness area was the construction of a landfill site in Savonlinna and the paving of Ämmässuo composting depot and seep water basin in Espoo.

The net sales of the Paving Unit were EUR 174.9 million (132.3), of which operations abroad accounted for 18 % (17).

Lemminkäinen's paving operations expanded into Sweden in June, when the company acquired a 75 % stake in Kvalitetsasfalt i Mellansverige Ab, an asphalt paving contractor operating in central Sweden. Operations in Sweden were further expanded in the autumn when Kvalitetsasfalt acquired the asphalt paving and mineral aggregate operations of the Oden Group. After the acquisition Kvalitetsasfalt's net sales were about EUR 20 million.

In Russia, most of the company's production capacity was in use. In Togliatti a 10-km-long oval test track was completed for Avtovaz. In Moscow and St. Petersburg, asphalt was produced for resale and contracting use. In Saratov, bridge deck waterproofing systems and pavements were constructed for a 2.3-km-long bridge over the River Volga.

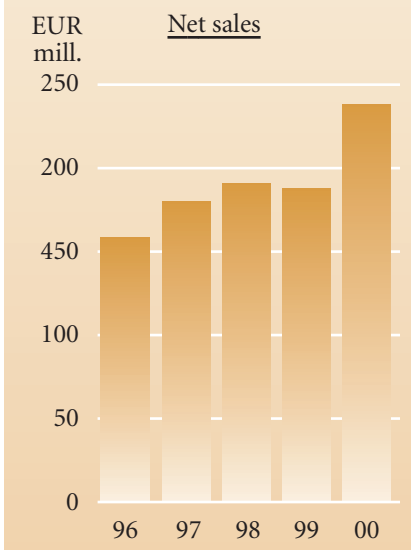
In Estonia, the volume of paving work was about the same as in the previous year. In Latvia, asphalt paving contracts were completed for private-sector clients and for the City of Riga. In Lithuania, paving works were carried out by Lemminkäinen's subsidiaries in Klaipeda (UAB Vakaru Automagistrale) and Vilnius (UAB Greitkelis). The latter of these two subsidiaries was acquired in the autumn.

In Denmark the asphalt production of Lemminkäinen's local subsidiary (Lemminkäinen A/S) rose slightly. The highway improvement contract carried out by the same company in Zambia was completed in April 2000.

The average number of employees in 2000 was 934 (766). The Head of the Unit is Mr. Matti Kokko, B.Sc. (Eng.).

The net sales of Lemminkäinen's road marking contractor, Tielinja Oy, were EUR 3.9 million (3.3), of which exports accounted for 34 % (39). The most important export contracts were road marking works carried out for the national road administrations of Sweden and Estonia.

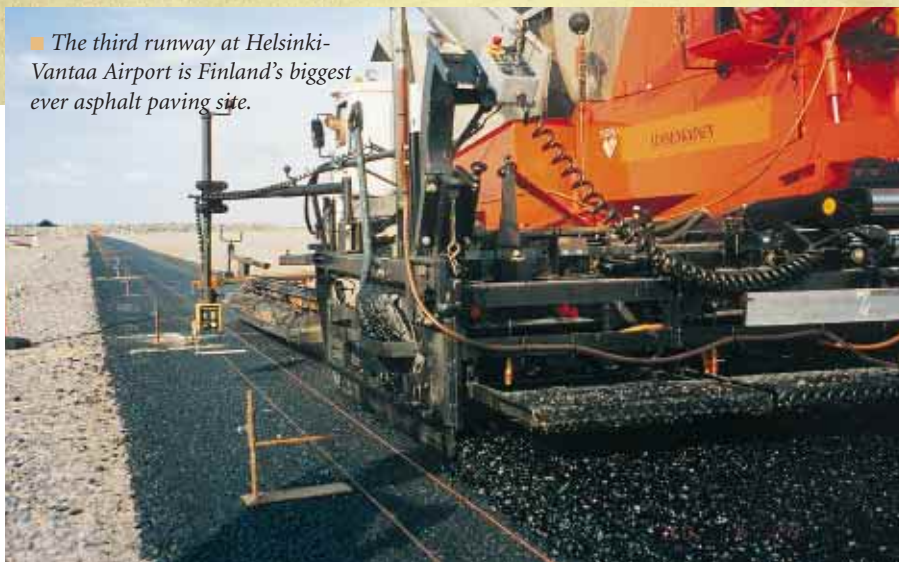
EUR mill.	2000	1999
Net sales	233.0	175.9
Operating profit	25.6	19.1
Net investments	23.6	21.8
Employees	1 369	1 104



■ Almost 14 million tonnes of crushed aggregates was produced.



■ The third runway at Helsinki-Vantaa Airport is Finland's biggest ever asphalt paving site.



Kotka were completed during the review period. Concrete production got underway on the Porvoo-Koskenkylä section of Highway 8 and at the Tornio steel mill.

The Head of the Mineral Aggregates Unit is Mr. Juhani Innanen, B.Sc.(Eng.), and the Managing Director of Stenberg-Yhtiöt Oy and Forssan Betonituote Oy is Mr. Jari Stenberg.

Research and development

Lemminkäinen's Central Laboratory performed development work, testing and technical services for the Group's various units and companies.

The most important development projects were concerned with asphalt technology. New mixing methods were developed for the design of more durable pavements, and work continued on the improvement of waterproof asphalt pavements for groundwater protection applications. More work was also done on developing methods by which contaminated soils can be immobilised and utilised. The Central Laboratory also participated in development projects concerning asphalt, bituminous roofing and road marking products.

The Central Laboratory had a staff of 13 (13) at the end of the year. The Head of R&D is Mr. Lars Forstén, M.Sc.(Eng.).

Mineral aggregates and ready-mix concrete

The funding of public road building and upkeep continued to decline, further reducing the use of mineral aggregates in the public sector by more than a fifth compared with the previous year. However, the growth of building construction partially offset the public-sector losses, so that the total demand for mineral aggregates fell by about 10 per cent.

The decline in demand led to a situation in which not all of the increases in production costs could be passed on to selling prices.

Keski-Suomen Sora Oy, a mineral aggregates producer, and the rock crushing operations of Oulun Autokuljetus Oy were acquired during the review period.

A total of 13.6 million tonnes (12.3) of crushed aggregate was produced and the net sales from mineral aggregate operations were EUR 63.0 million (47.2). The average number of employees in 2000 was 320 (227). These production and net sales figures are aggregated totals for Lemminkäinen Corporation's Mineral Aggregates Unit, Stenberg-Yhtiöt Oy and Keski-Suomen Sora Oy.

The most important mineral aggregates works were the completion a nine-

year-long expansion project for the Ämmässuo landfill site in Espoo, mineral aggregate deliveries to a number of cities and track ballast contracts for various rail track centres.

The demand for ready-mix concrete was good throughout the whole review period and production rose by more than five per cent. The full capacity of Forssan Betonituote Oy, which was acquired at the end of 1999, was brought on stream towards the end of the review year. The company produced 105 000 m³ of ready-mix concrete and generated net sales of EUR 6.8 million. The average number of employees was 25.

Forssan Betonituote Oy's works on Highway 3 and at Mussalo harbour in

■ A 10-km-long test track was completed for Avtovaz in Togliatti, southern Russia.



Lemminkäinen Corporation's Building Materials Division manufactures a range of building products and carries out contracting related to these materials. The product range includes bituminous roofing materials and primers, pre-cast concrete stair units, and natural stone and concrete-based urban environment products. The Division also imports building boards and materials used in the construction of sporting facilities and urban environments.

Demand for the Division's services was good throughout the work season. A shortage of professional labour limited operations to some extent during the height of the summer season. The long and mild autumn provided an exceptionally long work season.

The capacity utilisation rate of production plants and contracting was high, but delivery times were kept short by increasing the number of shifts. The Division's information, quality and environmental management systems have been the subject of continuous development work.

The net sales of the Building Materials Division were EUR 87.2 million (74.1). The Division improved its result compared with the previous year and achieved the set profitability target. The operating profit was EUR 5.2 million (4.4). The Division's net sales are expected to rise slightly and a further improvement in the result for the coming year is anticipated.

The average number of employees in the Division was 654 (610).

Net sales by business area

	2000 EUR mill.	1999 EUR mill.
Roofing	55.0	46.4
Concrete Products	25.5	22.5
Sporting Facilities	6.7	5.2
Total	87.2	74.1

Production of roofing materials and roofing contracting

Lemminkäinen is Finland's leading roofing contractor and manufacturer of bituminous roofing materials. The company's Roofing Unit operates out of 15

locations in Finland and has operations abroad in Tallinn and St. Petersburg. Bituminous roofing materials are exported mainly to Russia, South Korea, Scandinavia and Poland. The Unit imports various building materials, such as Cape calcium silicate boards from the United Kingdom.

The net sales of the Roofing Unit were EUR 55.0 million (46.4).

The Lohja bituminous roofing factory operated mainly on five shifts and at almost full capacity throughout the production season. The factory's profitability was hit by a sharp rise in the price of synthetic rubber and especially bitumen. It was not possible to pass on these price rises adequately to selling prices. Thanks to efficient operation and the long production season, an all-time production record was set at the Lohja factory. Exports of roofing materials, mainly bituminous roofing shingles, grew significantly.

Roofing contracting grew more quickly than the construction market. The work load grew most strongly in urban growth centres, and a shortage of professional labour restricted operations. A great deal more attention than before was given to the training of waterproofing system fitters. The profitability of contracting was good. Among the most important roofing contracting projects were the roof of the Jusla cold store in Tuusula, and the roofing and waterproofing works at Finnair Stadium in Helsinki.

The outlook for the Roofing Unit over the coming year is good. The Unit plans to have its environmental management systems certificated during 2001.

The average number of employees in 2000 was 393 (364). The Head of the Unit is Mr. Ari Junttila, M.Sc.(Eng.).

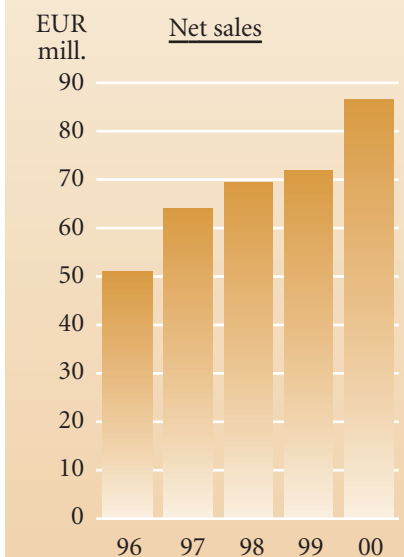
Concrete and natural stone products

The production and contracting resources of the Concrete Products Unit were fully utilised throughout the year thanks to the favourable demand situation. The Unit's volume rose and profitability improved. Production capacity in pre-cast concrete stair units was increased to match the market situation by making internal spatial arrangements and recruiting new employees. Delivery times were kept reasonably short despite



Head of Building Materials Division, Mr. Ari Junttila, M.Sc.(Eng.)

EUR mill.	2000	1999
Net sales	87.2	74.1
Operating profit	5.2	4.4
Net investments	1.7	2.3
Employees	654	610



■ A new showroom for environmental products was opened in Tuusula.



■ Finnair Stadium in Helsinki – Lemminkäinen carried out the roofing and waterproofing works, and erected the spectator stands.



■ A 5 500 m² roofing contract was completed for Porvoon Liikenne Oy (left).



as Finland's leading supplier and contractor of sports-related surfacing systems. The company has also expanded in operations in urban environment construction and polyurethane waterproofing works. Deck coating contracts for the shipbuilding industry is a growing new area of business for the company.

The construction and repair of sports field and sports hall surfacings continued to be brisk throughout the review period. In urban environment construction, deliveries of Legi fences, Toro watering systems and Novokid safety surfacing for parks and playgrounds all increased. The first orders for ship deck coatings were received from Masa Yards.

The most important sports-related construction contracts included the installation of the Mondo surfacing product at Lapinlahti athletics field, the erection of spectator stands at Finnair Stadium, and the construction of two football fields in Helsinki. The Desso football surfacing product was installed at Seinäjoki Arena. Watering systems were installed at golf courses in Sipoo and Helsinki, and also in several new football fields. Work started on the refurbishment of Uusikaupunki athletics field.

The company's net sales were EUR 6.7 million (5.2). The average number of employees in 2000 was 26 (24). The Managing Director of the company is Mr. Pekka Peho.

the strong growth in demand volume.

The capacity and efficiency of the Viitasaari natural stone factory was raised by opening an extension to the factory building and bringing a cable sawing line into operation. The investments made at the factory will improve its cost effectiveness.

A new showroom for environmental products was opened in Tuusula. The size of the showroom and the product range on display make it unique in Finland.

One of the most important projects completed in 2000 was the Big Apple shopping centre in Espoo, for which Lemminkäinen supplied the staircases and carried out the terrazzo and natural stone flooring contracts. The most important urban environment contracting projects completed in the review year included Maatullinaukio Square in

Helsinki, the courtyard walls and grounds of the Stella Business Park in Espoo, and natural stone works for Kuusankoski city centre and for the Kyrön-salmi bridge in Savonlinna.

The net sales of the Concrete Products Unit were EUR 25.5 million (22.5).

Product development work was carried out on the soundproofing of precast concrete stair units and included a natural stone wall project partially funded by the National Technology Agency (Tekes). The Unit aims to have its environmental management system certificated during 2001.

The average number of personnel in 2000 was 207 (194). The Head of the Unit is Mr. Juhani Uljas, M.Sc.(Eng.).

Sporting facilities

Omni-Sica Oy strengthened its position

Lemminkäinen Construction Ltd primarily specialises in international construction projects: over a half of its net sales are generated abroad. In recent years the main focus of the company's business has clearly shifted to Europe and, in the case of telecom network construction, also to the Far East and South America. Lemcon Networks Ltd, a subsidiary specialising in network-related operations, was established at the end of the review year. In Finland, Lemminkäinen Construction Ltd has consolidated its position as one of the country's leading project management companies. The state of the company's order book remained good. At the end of the year it stood at EUR 107.1 million (112.7), which, taken in conjunction with the positive market outlook, offers a good starting point for coming year.

The net sales of Lemminkäinen Construction Ltd were EUR 165.0 million (185.0) and its operating profit EUR 4.9 million (3.2). The average number of employees in 2000 was 497 (453), of whom 326 (282) were salaried staff.

Net sales by business area

	2000 EUR mill.	1999 EUR mill.
Civil engineering	62.7	69.8
Project management	102.3	115.2
Total	165.0	185.0

Civil engineering

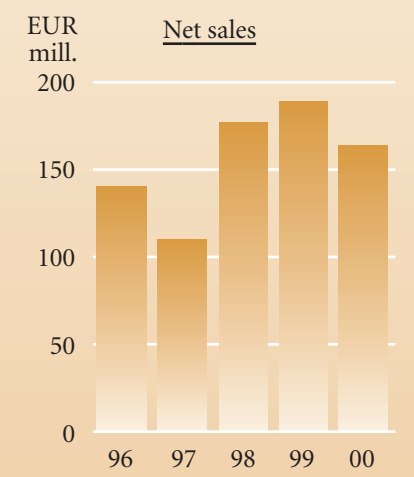
The net sales of the Civil Engineering Unit were EUR 62.7 million (69.8).

The Civil Engineering Unit produces rock engineering, foundation building and other civil engineering services mainly in Finland, to a lesser extent in other Nordic countries, and on a project-basis in other countries. The works comprise a diverse and extensive range of projects and special contracts carried out using the Unit's own equipment. The demand for rock engineering contracting picked up during the review year. The most important rock engineering projects in Finland were the Puolalanmäki underground parking facility in Turku, the Merihaka civil defence shelter



*Managing Director of
Lemminkäinen Construction Ltd,
Mr. Matti A. Mantere, M.Sc.(Eng.)*

EUR mill.	2000	1999
Net sales	165.0	185.0
Operating profit	4.9	3.2
Net investments	2.4	2.8
Employees	497	453



in Helsinki, and the Kamppi depot of the City of Helsinki's Building Office. Excavation work on an underground coal bunker for Helsinki Energy got underway in December 2000. The contract is being carried out in partnership with YIT Construction Ltd.

The market situation for foundation works remained good thanks to the buoyant state of building construction and especially refurbishment contracting. The single most important refurbishment contract was the foundation reinforcement work carried out on the National Theatre in Helsinki. The market situation for deep stabilisation works also remained good throughout the whole year.

The company's Highway 3 contracts, which lasted for four years and were together worth about EUR 45 million, were completed in the autumn. No replacement projects of similar magnitude were forthcoming during the year, which is the reason for the decline in the unit's net sales. In Sodankylä, the power plant project that began in autumn 1999 will continue until autumn 2001. Other significant projects included a sewer in Porvoo, a road intersection at the eastern end of the Hanko motorway, and the diversion of Monikonpuro stream in Espoo.

Project in progress abroad included the construction of a gas storage facility in Sines, Portugal and a railway tunnel in Örnköldsvik, Sweden.

The average number of employees in 2000 was 289 (271). The Head of the Unit is Mr. Timo Kohtamäki, Lic. (Tech.).

Project management

Net sales from project management contracting were EUR 102.3 million (115.2).

Lemminkäinen's project management business continued to expand. In addition to operations in Finland and Europe, business was also conducted in Russia and the Far East. The unit sourced income from 15 countries during the year.

In Finland, office and product development buildings were constructed for Nokia Corporation in Espoo, Tampere and Oulu. The projects in Tampere and Oulu were carried out in partnership with Palmberg. In the spring, work began on the construction of an office



building for Merita Bank in Helsinki. The construction of Bauhaus' new department store was agreed at the end of the year. Silva Stadium in Vantaa and Tahko Golf's new golf course in Nilsia were both completed in the spring. Construction work on Taivallahti tennis hall in Helsinki began in the autumn.

In Germany a new mobile phone factory was completed for Nokia Mobile Phones at Bochum. At the beginning of the year work began on the construction of a research and product development building on the same site. Finland's pavilion at the EXPO2000 World Fair was completed in Hanover. Planning and preparatory work for the construction of Arena Hamburg got underway in the autumn.

■ *Lemcon Networks Ltd, a subsidiary specialising in telecom network construction, was established.*

At Komarom in Hungary, Lemminkäinen's local subsidiary, ICM International Construction Management Rt., completed a mobile phone factory for Nokia Corporation and a production plant for Perlos. As a new project, work began on the construction of a factory building for Elcoteq. In Tallinn, Estonia, construction work got underway on the Saku Hall. The regional offices in St. Petersburg and Moscow carried out a number of smaller projects and commissions in Russia.

■ *Foundation strengthening works underway at the National Theatre in Helsinki.*

Project management consulting for Nokia Networks continued during the review year at various different sites in Hungary, Brazil, Taiwan and other countries. The telecommunications construction business grew significantly, and for this reason a new subsidiary, Lemcon Networks Ltd, was set up to specialize in the field.

The average number of project management personnel in 2000 was 194 (166). The Head of the Unit is Mr. Juha Nurmi, M.Sc.(Eng.).



■ *Kelukoski power plant under construction in Lapland.*

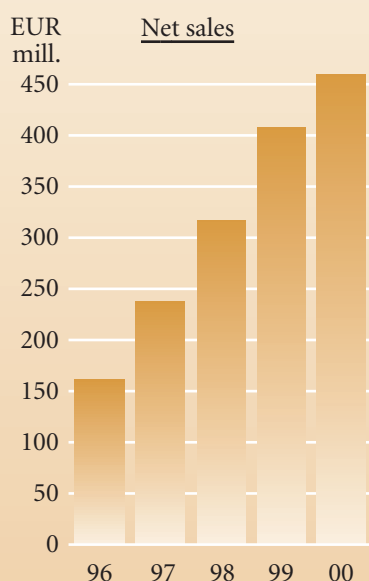


■ *Nokia Corporation's R&D building in Bochum, Germany.*



Managing Director
 Mr. Risto Bono, M.Sc. (Econ.),
 M.Sc. (Eng.)

EUR mill.	2000	1999
Net sales	452.8	399.6
Operating profit	14.7	17.5
Net investments	7.7	3.3
Employees	1 584	1 333



The Palmberg Group consists of the parent company, Oy Alfred A. Palmberg Ab, and its eight regionally operating subsidiaries. The Group's business area is building construction, which includes competitive tender contracting of both new building and refurbishment work as well as private-sector housing, commercial and industrial developments.

The Group's net sales were EUR 452.8 million (399.6), representing a 13.3 % increase in business volume. The value of the order book at the end of the accounting period stood at EUR 217.5 million (230.5).

The Group's operating profit was 14.7 million (17.5).

The number of own residential development apartments completed by the Group was 718 (481). At the end of the accounting period, 719 (732) own development apartments were under construction. New apartments completed under competitive tender contracting totalled 1 691 (888), and 1 081 (1 675) apartments were under construction at the end of the accounting period.

The average number of employees in the Group during the accounting period was 1 584 (1 333), of whom 487 (408) were salaried staff.

Completed contracts and work in progress

The Palmberg Group's most important completed contracts included the University of Dramatic Arts' Kokos building in Helsinki and the Hansa Centre in Kouvola, a development consisting of 94 housing units, about 11 000 m² of business premises and parking for 350 vehicles. Of the office building contracts being carried out for Nokia Corporation in partnership with Lemminkäinen Construction Ltd, phase III in Tampere and phase I in Oulu were both completed. Gigantti Oy's 5 000 m² commercial building in Jyväskylä, the 200 000 m² Seinäjoki Arena, and a 7000 m² government office building in Kokkola were all completed. The latter is owned by Nordisk Renting Oy and leased to the population registry, with the builder being responsible for the property's upkeep for the full duration of the 20-year lease. A drawbridge spanning the approximately 450-metre-wide straits

of Kyrönsalmi was completed at Savonlinna.

The most important projects in progress included the first two phases (approx. 20 000 m²) of the Portaali office complex being built with consortium partners in the Arabia district of Helsinki. Phases IV and V of the Stella Business Park in Espoo will be completed in collaboration with NCC during the early months of 2001. Palmberg and its consortium partners started work on Phase I (approx. 8 600 m²) of the Trivium Business Park in Turku. A start was also made on an approximately 8 000 m² extension to the Tohtoritalo building in Turku city centre. Work began on the construction of an approximately 18 000 m² court house and police building in Kouvola and a central warehouse for the Kainuu Brigade in Kajaani. The construction of an approximately 13 000 m² police building got underway as a so-called French contract in Vaasa. In Sweden, phase II construction works on Örnköldsvik Hospital are in progress. Works belonging to the main contract of Alholma power plant in Pietarsaari will be completed in the early months of 2001.

Net sales by business area

	2000 EUR mill.	1999 EUR mill.
Competitive-tender contracting		
Housing	82.5	71.5
Other new construction	103.7	71.9
Refurbishment work	57.7	57.6
Developments		
Housing	87.8	69.7
Commercial and industrial buildings	39.2	32.2
Other activities	10.6	-
Total	381.5	302.8



■ Phase I of an office building contract was completed in partnership with Lemminkäinen Construction Ltd for Nokia Corporation in Oulu.



■ Seinäjoki Arena

■ The Hansa Centre in Kouvola

■ The Sateenkaari 2000 show house at the National Housing Exhibition in Tuusula.



PALMBERG GROUP 2000

	Region	Net sales EUR mill.	Personnel average	Regional Director
Parent company				
Oy Alfred A. Palmberg Ab	Helsinki metropolitan area	114.0 (131.1)	322 (288)	Pauli Mäkelä
Helsinki Metropolitan Area Unit	Turku, Salo and surrounding areas			Kari Mäkelä
Subsidiary undertakings				
	Region	Net sales EUR mill.	Personnel average	Managing Director
Palmberg-Urakoitsijat Oy	Western Uusimaa	32.0 (31.5)	36 (36)	Ahti Kara
Oka Oy	Lahti, Kymenlaakso and Southern Karelia	93.6 (64.8)	321 (244)	Jorma Tamminen
Rakennustoimisto Palmberg Oy	Tampere and southern central Finland	59.9 (62.1)	304 (292)	Juhani Pousi
Rakennus-Otava Oy	Jyväskylä and neighbouring municipalities	15.2 (9.6)	55 (39)	Jussi Kari
Oy Konte Ab ¹⁾	Ostrobothnia, Southwest Finland, Umeå region in Sweden	51.8 (51.3)	254 (218)	Göran Pellfolk
Byggnads Ab Forsström Rakennus Oy ²⁾	West coast region	26.9 (13.5)	121 (85)	Peter Forsström
Palmberg-Rakennus Oy	Provinces of Oulu and Lapland	48.3 (27.8)	120 (92)	Ahti Heikka
Savocon Oy	Kuopio and surrounding areas	11.1 (8.3)	51 (39)	Martti Kankkunen

¹⁾ Includes the Swedish company Rekab Entreprenad Ab.

²⁾ Includes Ab Jakobe Oy and Oy Kokkobe Ab, which were acquired in 2000.



*Managing Director,
Mr. Antero Huhta, B.Sc.(Eng.)*

Tekmanni Oy produces technical building and facility systems and services as well as solutions and services concerning telecommunications networks and industrial installations and maintenance. Tekmanni's service network covers the whole of Finland from 30 different locations. Bids for contracts are prepared at the company's offices in St. Petersburg, Moscow, Tallinn and Vilnius.

The company introduced new financial and personnel administration systems during the review year. In addition, the ISO 9002 quality system certificated at the end of 1999 was further developed.

Tekmanni Oy's net sales for the full year were EUR 139.9 million (122.3), and its operating profit for the same period was EUR 4.9 million (5.1). The value of the order book at the end of the accounting period was EUR 71.2 million (41,2). The average number of employees in the company during 2000 was 1 416 (1 287), of whom 325 (319) were salaried staff.

Technical building services

The field of technical building services continued to grow strongly in Finland. Tekmanni's net sales from technical building services were EUR 109.1 million (86.6). The primary focus of development work in technical building services during the review year was on the improvement of project management models.

The most important contracts completed by Tekmanni included Finnair Stadium in Helsinki, for which the company installed all of the technical building services, the field lighting and sound reproduction systems, and the underground arena heating and watering systems. Tekmanni carried out the electrical services contract and installed the telephone, security and data systems for a 17-storey office building completed on Itämerenkatu Street in Helsinki. Work began on the technical building services for the Airport Plaza Business Park in the vicinity of Helsinki-Vantaa Airport. Tekmanni is installing the technical building services for all three of the office buildings that make up this business park. Work also got underway at the 35 000 m² High Tech Center in Ruoholahti, Helsinki; Tekmanni is carrying out the plumbing and electrical works on this prestigious office building site.

Tekmanni installed all the technical building services in the 20 000 m² Agora building, which was completed in Jyväskylä for use by the city's university. In Kuopio, Tekmanni carried out the plumbing and electrical contracts for phase I of the 13 500 m² Mikroteknia building for IT companies. All the technical building services were completed for phase I of the city science park in Joensuu, and the electrical contracts for phase I and II of Nokia Peltola's buildings (26 700 m²) were completed in Oulu. The electrical contract for a 9 200 m² office building was completed for Sonera in Tampere; all the technical building services were installed in WM-Data's office building in Lahti; and the plumbing contract for Seinäjoki Arena was completed. Work began on the installation of the technical building services at PharmaCity, a 24 000 m² biotechnology research centre in Turku. Work also started on the sprinkler and electrical contracts for one of Finland's biggest shopping centres, the 86 000 m² Mylly Shopping Centre in Raisio.

Technical facility services

The Technical Facility Services unit specialises in comprehensive maintenance and upkeep services for demanding projects, taking account of the building's entire life cycle. The unit's services were packaged so that in future the following

■ Technical building services were installed in the University of Jyväskylä's Agora building.





■ Plumbing and electrical works are being carried out at the High Tech Center in Ruoholahti, Helsinki.

services will form the foundation of the business: acute repair works, repairs and modification works, and telecommunications, security, expert and maintenance agreement services.

The net sales of the Technical Facility Services unit were EUR 11.4 million (12.3).

The most important maintenance agreements included those with Helsinki Fair Centre and Stockmann Department Store in Helsinki, and with Myyrmanni Shopping Centre in Vantaa. In Riihimäki, Tekmanni has maintenance agreements with AGA and Ekokem.

Industrial installations and maintenance

The key services in the business area of industrial installations and maintenance are technical building services projects for production plants, and process electrification and instrumentation installations.

The net sales from industrial installations and maintenance were EUR 24.9 million (24.3).

There was a marked increase in industrial investment in Finland. In development work on Tekmanni's industrial services the emphasis was on quality systems and the improvement of project management models.

Stora Enso Oyj is a major client of Tekmanni in the business area of industrial installations and maintenance. The electrical systems of the board machine and drying section at Stora Enso's Kaukopää mill were modernised during the review year. For the same client Tekmanni also carried out electrical and automation installations for a drier pro-



■ The electrical services and the telecommunications, security and data systems were installed in a new 17-storey office building on Itämerentori Square in Helsinki.

■ New links were added to the Finnish Broadcasting Company's TV tower in Pasila.



ject at Imatra Research Centre and at the Skutskär biological treatment plant in Sweden.

For UPM-Kymmene Corporation, Tekmanni carried out the electrification of the slitter-reeler at Jämsänkoski mill and made electrical and instrumentation installations for the back-up boiler at Kaipola mill. Electrification and instrumentation work on Ekokem Oy's incineration plant is underway in Riihimäki. Work began on plumbing and ventilation contracts at Alholm power plant in Pietarsaari. At Loviisa nuclear power plant, revision works were carried out and a new fire alarm system was installed.

Telecommunications networks

The most important services of the telecommunications networks business area include base stations and city networks. The market for telecom network installations is growing strongly, and Tekmanni is now focusing more intensively on this business area.

In the business area of telecommunications networks Tekmanni has focused on the construction of base stations for Telia's GSM network and Ericsson's 2G network in Finland. In addition, fibre-optic network solutions have been delivered to various telecom operators.

CONTACT INFORMATION

HEAD OFFICE

LEMMINKÄINEN
CORPORATION
Esterinportti 2, 00240 Helsinki
Telephone +358 9 15 991
Fax +358 9 140 672
E-mail:
information@lemminkainen.fi
Website:
www.lemminkainen.fi

REGIONAL OFFICES

HUITTINEN
Risto Rytin katu 22
32700 Huittinen
+358 2 569 236

HÄMEENLINNA
Tölkkimäentie 4
13130 Hämeenlinna
+358 3 628 0010, 628 0020

IISALMI
Louhenkatu 7, 74100 Iisalmi
+358 17 816 861

IMATRA
Karjalantie 857, 55800 Imatra
+358 5 473 8666

JOENSUU
Parrutie 1, 80100 Joensuu
+358 13 264 210

JYVÄSKYLÄ
Vasarakatu 1, 40320 Jyväskylä
+358 14 334 400

KAJAANI
Brahenkatu 16 as. 9
87100 Kajaani
+358 8 613 1303

KEMI
Valtakatu 30, 94100 Kemi
+358 16 221 647

KOKKOLA
Outokummuntie
67100 Kokkola
+358 6 831 1089

KOTKA
Valajantie 7, 48230 Kotka
+358 5 210 4300, 210 4340

KOUVOLA
Alakyläntie 23, 45100 Kouvola
+358 5 375 6910

KUOPIO
Yrittäjätie 17, 70150 Kuopio
+358 17 264 4000

KUUSAMO
Kalliovaara, 93600 Kuusamo
+358 8 851 4468

LAHTI
Kerintie 20, 15500 Lahti
+358 3 874 200



LAPPEENRANTA
Ruukintie 9
53500 Lappeenranta
+358 5 416 2025, 416 2940

LOHJA
Puistokatu 25, 08150 Lohja
+358 19 362 0231

MIKKELI
Kaarikuja 1 C 20
50170 Mikkeli
+358 15 366 034

MUIJALA
Pysäkkitie 14
08680 Muijala
+358 19 335 245

OULU
Sälpätie 5, 90630 Oulu
+358 8 556 0111, 556 0255

PORI
Tuomolantie 2, 28360 Pori
+358 2 646 2505, 646 0961

RAAHE
Kirkkokkatu 28 B
92100 Raahе
+358 8 223 7019

SALO
Perämiehenkatu 9, 24100 Salo
+358 2 777 828

SAVONLINNA
Pohjolankatu 21
57230 Savonlinna
+358 15 515 750

SEINÄJOKI
Teollisuustie 11
60100 Seinäjoki
+358 6 420 3500

TAMPERE
Possijärvenkatu 3
33400 Tampere
+358 3 237 6600

TURKU
Voimakatu 13, 20520 Turku
+358 2 274 6611

TUUSULA
Sammonmäki, PL 10
04321 Tuusula
+358 9 870 441

VAASA
Teollisuustie 11
65610 Mustasaari
+358 6 322 3557, 322 1656

VALKEAKOSKI
Vainionkatu 2
37600 Valkeakoski
+358 3 584 4344

VANTAA
Eläntie 5, 01510 Vantaa
+358 9 478 4410

■ The construction site of
Helsinki-Vantaa Airport's
third runway.

FACTORIES

CONCRETE PRODUCTS
FACTORIES

Sammonmäki, P.O. Box 10
04321 Tuusula
+358 9 870 441

16300 Orimattila
+358 3 887 450

NATURAL STONE WORKS

07600 Myrskylä
+358 19 677 0650

Kölkynvuorentie 6
44500 Viitasaari
+358 14 570 010

BITUMINOUS
PRODUCTS FACTORY
(ROOFING)

Puistokatu 25-27
08150 Lohja
+358 19 362 0201

**DOMESTIC
SUBSIDIARIES****LEMINKÄINEN
CONSTRUCTION LTD**

Esterinportti 2
00240 Helsinki
+358 9 15 991
Managing Director
Matti A. Mantere

Lemcon Networks Ltd
Esterinportti 2
00240 Helsinki
+358 9 15 991
Managing Director
Juha Nurmi

* * *

OY ALFRED A.
PALMBERG AB
Esterinportti 2, 00240 Helsinki
+358 9 15 991
Managing Director Risto Bono

S.W. Finland regional unit
Linnankatu 3 a B
20100 Turku
+358 2 274 5800
Area Manager Kari Mäkelä

Palmberg-Urakoitsijat Oy
Uudenmaankatu 32-34
05800 Hyvinkää
+358 19 475 9100
Managing Director Ahti Kara

Oka Oy
Ilmarinkuja 3, 45100 Kouvola
+358 5 741 8100
Managing Director
Jorma Tamminen

Rakennustoimisto
Palmberg Oy
Satakunnankatu 22 E
33210 Tampere
+358 3 3397 1100
Managing Director
Juhani Pousi

Rakennus-Otava Oy
Pajatie 8, 40630 Jyväskylä
+358 14 339 3800
Managing Director Jussi Kari

Oy Konte Ab
Olympiakatu 16, 65100 Vaasa
+358 6 323 0311
Managing Director
Göran Pellfolk

Byggnads Ab Forsström
Rakennus Oy
Äströminkuja, 67100 Kokkola
+358 6 823 2200
Managing Director
Peter Forsström

Palmberg-Rakennus Oy
Valtatie 21, 90500 Oulu
+358 8 514 4600
Managing Director
Ahti Heikka

Savocon Oy
Puijonkatu 29 A
70100 Kuopio
+358 17 266 3400
Managing Director
Martti Kankkunen

* * *

TEKMANNI OY
Mikkolantie 1 B
00640 Helsinki
+358 9 35 031
Managing Director
Antero Huhta

ESPOO
Sinikalliontie 12, 02630 Espoo
+358 9 512 3930

FORSSA
Murrontie 3, 30420 Forssa
+358 3 412 7555

HÄMEENLINNA
Larin Kyöstin katu 28
13130 Hämeenlinna
+358 3 644 141

JOENSUU
Ukkolantie 21, 80130 Joensuu
+358 13 126 811

JYVÄSKYLÄ
Vasarakatu 9, 40320 Jyväskylä
+358 14 334 9211

JÄMSÄ
Koskentie 1, 42100 Jämsä
+358 14 749 8800

KEMI
Asentajankatu 6, 94600 Kemi
+358 16 271 329

KOKKOLA
Vasarakuja 9, 67100 Kokkola
+358 6 832 6200

KUOPIO
Kartanonkatu 2, 70700 Kuopio
+358 17 264 6600

LAHTI
Sopenkorvenkatu 15
15800 Lahti
+358 3 544 7800

LAPPEENRANTA
Skinnarilankatu 28 A 13 53850
Lappeenranta
+358 5 610 0611

OULU
Lumijoenkatu 8, 90400 Oulu
+358 8 534 4700

PORI
Itsenäisyydenkatu 42
28130 Pori
+358 2 630 7400

PORVOO
Yrittäjänkatu 2, 06150 Porvoo
+358 19 5298 700

RAAHE
Pajuniityntie 21, 92120 Raahe
+358 8 263 758

RAUMA
Paananvahe 6, 26100 Rauma
+358 2 549 8680

RIIHIMÄKI
Saranpää 2, 11130 Riihimäki
+358 19 716 050

SEINÄJOKI
Päivölänkatu 40
60120 Seinäjoki
+358 6 223 2500

SÄKYLÄ
Yrittäjätie 1, 27800 Säkyä
+358 2 867 1435

TAMPERE
Paasikiventie 16 C
33230 Tampere
+358 3 236 7700

TURKU
Lukosepänkatu 7
20320 Turku
+358 2 515 1600

VAASA
Wolffintie 36, 65200 Vaasa
+358 6 312 4700

VALKEAKOSKI
Asemantie 8
37630 Valkeakoski
+358 3 585 0510

VIHTI
Asemantie 10
03100 Nummela
+358 9 3503 3131

ÄÄNEKOSKI
Yrittäjänkatu 4
44150 Äänekoski
+358 14 520 643

* * *



TIELINJA OY
Päiviöntie 3, 12400 Tervakoski
+358 19 760 460
Managing Director
Harri Linnakoski

STENBERG-YHTIÖT OY
Kaikulantie 57, 30100 Forssa
+358 3 4240 300
Managing Director
Jari Stenberg

**FORSSAN
BETONITUOTE OY**
Kaikulantie 57, 30100 Forssa
+358 3 4240 3300
Managing Director
Jari Stenberg

KESKI-SUOMEN SORA OY
Vasarakatu 1, 40320 Jyväskylä
+358 14 334 400
Managing Director
Mauri Kumpulainen

OMNI-SICA OY
Esterinportti 2
00240 Helsinki
+358 9 148 1144
Managing Director
Pekka Peho

FOREIGN SUBSIDIARIES

Denmark
LEMMINKÄINEN A/S
Damhaven 5 C, 7100 Vejle
+45 75 725 722

Estonia
LEMMINKÄINEN EESTI AS
Liivalaia 14, 10118 Tallinn
+372 6 461 125

AS RAJAR TL
Lagedi. Rae vald
75303 Harju Maakond
+372 6 766 141

AS TALTER
Betooni 26, 11415 Tallinn
+372 6 066 192

AS TASFIL
Betooni 26, 11415 Tallinn
+372 6 057 574

Hungary
**ICM INTERNATIONAL
CONSTRUCTION
MANAGEMENT Rt.**
H-1063 Budapest
Bajnok u. 13
+36 1 3120 484

Latvia
LEMCON LATVIJA SIA.
E. Birznieka Upisa 10-2
LV-1050 Riga
+371 72 87 010

Lithuania
**UAB LEMCON VILNIUS
UAB GREITKELIS**
Granito g. 4, 2028 Vilnius
+370 2 641 426,
+370 2 641 648

**UAB VAKARU
AUTOMAGISTRALE**
Tilzes 53, 5799 Klaipeda
+370 6 314 354

Poland
LEMCON POLSKA Sp. z o.o.
ul. Marconich 9 m 4
02-954 Warsaw
+48 22 8589 837

Russia
**ZAO LEMMINKÄINEN
DORSTROI
ZAO LEMSTROI
ZAO RAKENNUS
LEMMINKÄINEN**
Ul. Narodnaja 12
109172 Moscow
+7 095 2340 647
+7 095 956 04 71/72

**ZAO LEMMINKÄINEN
ZAO LEMMINKÄINEN
DORSTROI**
Pr. Kosmonavtov 1
196105 St. Petersburg
+7 812 298 8700

OOO TEKMEEN SPb
ul. Polevaja-Sabirovskaja, 44
197183 St. Petersburg
+7 812 430 4270

Sweden
**LEMMINKÄINEN
CONSTRUCTION LTD.**
Torsgatan 12
11123 Stockholm
+46 8 5452 5380

**KVALITETSASFALT
I MELLANSVERIGE AB**
Bråstagan 4 b, 73330 Sala
+46 22 437 550

Waterproof asphalt structures are being used increasingly for waste management applications. Paving work in progress at Savonlinna's regional waste treatment centre.



Silva-Stadion in Vantaa Myyrmäki



LEMMINKÄINEN GROUP WEBSITES

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ICM International	
Construction Management Rt.	www.icm.hu
Lemcon Networks Ltd	www.lemcon.com



LEMMINKÄINEN CORPORATION

Esterinportti 2, 00240 HELSINKI

P.O.Box 23, 00241 HELSINKI

Telephone +358 9 15 991

Fax +358 9 140 672

Website: www.lemminkainen.fi