

The logo for eimo, featuring the word "eimo" in a bold, blue, lowercase sans-serif font. The background of the entire page is a light blue gradient with a faint, abstract pattern of overlapping, curved lines that create a sense of depth and movement.

Partner in Technology

Annual Report 2001

## Strategic Objective

Eimo is a leading global manufacturer of precision plastics components, whose main customers are companies in the mobile communications industry. Eimo serves its customers on four continents with eleven injection molding plants and six tool manufacturing units.

Our objective is to be our customers' first choice service provider and a technology forerunner in our field. Our mission is to serve our customers with tomorrow's solutions - today.

# Annual General Meeting

The Annual General Meeting of Eimo Oyj will be held on April 15, 2002 at 10.00 a.m. at Hotel Grand, Vapaudenkatu 23, Lahti, Finland.

## Annual and Interim Reports

The annual and interim reports are published in Finnish and English. The publications can be read at the company website at [www.eimo.com](http://www.eimo.com). Reports can be ordered from Eimo Oyj, Corporate Communications, P.O. Box 104, FIN-15101 Lahti, Finland, tel. +358-3- 85050, fax +358-3-850 5420, email: [ir@eimo.com](mailto:ir@eimo.com).

Interim reports for 2002 will be published on May 3 (January-March), August 7 (January-June), and October 31 (January-September).

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## Comprehensive Service on Four Continents

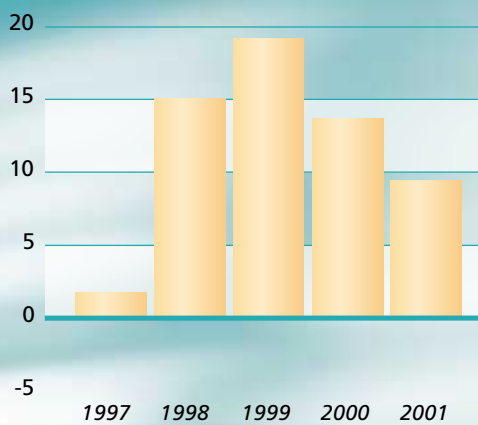
- Merger with the American Triple S Plastics, Inc.
  - excellent reception from global customers
  - wider customer base
  - four injection molding units in the US, one in Brazil
  - one rapid prototyping unit and two mold manufacturing units in the US
- Efficient service network in Europe
- Foothold in Asia
  - new, modern production lines
  - quality certification by Det Norske Veritas
- Customer oriented, global project teams

## Key Figures

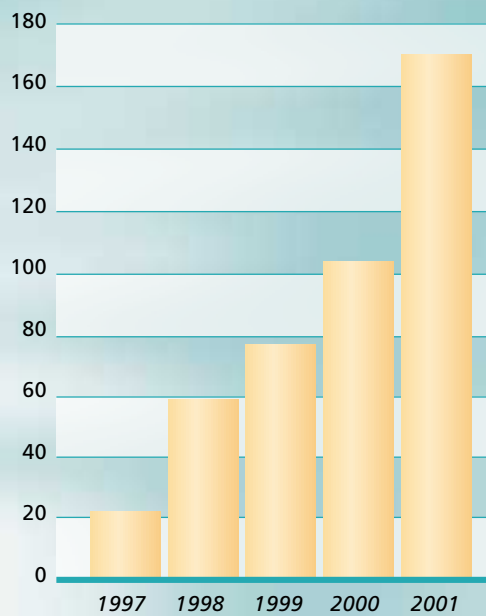
	2001	2000
Net sales, EUR millions	165.8	105.5
Operating profit, EUR millions	9.6	13.7
Net profit, EUR millions	6.1	9.4
Gross investments, EUR millions	44.9	28.8
Equity ratio, %	47	53
Net gearing, %	50	35
Earnings/share, diluted, EUR	0.11	0.20
Return on investment (ROI), %	9.5	21
Return on equity (ROE), %	8.8	17
Average number of personnel	1229	768



Operating profit 1997-2001, M EUR



Net sales 1997-2001, M EUR



## Major Moves Completed

The past year was a time for completing some key aspects in our internationalization program. The eventful merger with Triple S Plastics was finally completed on 15 August 2001. We have now largely achieved the goals for internationalization set three years ago. Eimo has developed from being a local Finnish company into an international group with operations on four continents and in seven countries. I am firmly convinced that the chosen strategy has been the correct one. As a global company we have the capabilities to win and keep the confidence of our customers. We regularly receive new evidence of this.

The year 2002 gives us the chance to concentrate on fine tuning our operations and improving our performance. We are now extremely well placed for this. We can take advantage of the best techniques and technologies and target our resources for optimal results. Our business sector is challenging and offers great opportunities.

The economic forecasts for 2001 proved inaccurate and growth declined. The terrorist attack in the US in September deepened the problems. Growth stopped altogether in the information technology sector, and many suppliers in our sector faced serious problems.

The stock market experienced a sharp fall. Against this background, Eimo's performance can be considered a positive exception.

For shareholders the past year was a poor one. I believe, however, that Eimo's current position creates a strong foundation for the company's share performance to be positive. It is time to show now that the consequences of the strategic moves taken are also reflected in the value of the company.

Eimo's employees and management have done outstanding work during the past year. The production units in Americas have identified with Eimo and its principles and values amazingly well. My sincere thanks to everyone for this. An international and expert Eimo team can achieve outstanding results.

Despite the uncertain general economic situation I see a bright future for Eimo. Eimo has started the new year stronger than ever.

*Jalo Paananen*  
*Chairman of the Board*







# Shares and Shareholders

## Listings

Eimo Oyj's Series A shares have been quoted on the Main List of the Helsinki Exchanges since their listing on March 23, 1999, following an initial public offering.

Trading symbol: EIMAV, trading in euros.

Since August 16, 2001, Eimo Oyj's American Depository Shares (ADSs) have been traded on the Nasdaq Stock Market, New York. Each ADS represents ten (10) Eimo Series A shares.

Trading symbol: EIMO, trading in U.S. dollars.

## Share series

All Series K shares were converted to Series A shares on a 1-for-1 basis in August 2001, and since then Eimo has had only one series of shares outstanding, Series A shares. Each Series A share carries one vote and has equal dividend and other rights. A proposal is submitted to the Annual General Meeting that the article, under which the company may issue or have outstanding K Series shares (none of which are currently outstanding), be removed from the Articles of Association, and that the Series A shares be renamed common shares. At the end of the year 2001, there were 64,680,000 (Series A) shares outstanding. Each share has a book counter-value of EUR 0.25, and no nominal value. Eimo Oyj's registered share capital at year end was EUR 16.17 million.

## Board authorizations

Based on the decisions of the 2001 Annual General Meeting of Shareholders, the Eimo Oyj Board of Directors holds several authorizations that are in force until the Annual General Meeting of shareholders. However, it is proposed that similar authorizations are granted at the Annual

General Meeting, for a period of one year or until the next Annual General Meeting if earlier.

The Board is authorized to issue Series A shares or convertible loans with a combined maximum diluting effect of up to 7,500,000 shares minus any warrants issued. Substantial financial grounds are needed to justify such action for the company, such as the financing of an acquisition and/or other transactions, or to provide additional financing for the company.

The Board is also authorized to acquire, in public trading, up to 2,320,000 own shares, and if such purchases take place, to convey such shares for example in connection with corporate acquisitions.

Warrants and options, including the one existing authorization, are described in 'Warrants and options' below.

## Warrants and options

Eimo has three warrant and option programs. These programs are part of the corporate incentive programs, and the majority of the warrants and options are held by key corporate personnel, with the rest held by present and former board members of Eimo and Triple S Plastics, Inc., and a former president of Eimo. New warrants or options can only be issued under the "2001 program", not under either of the other two programs.

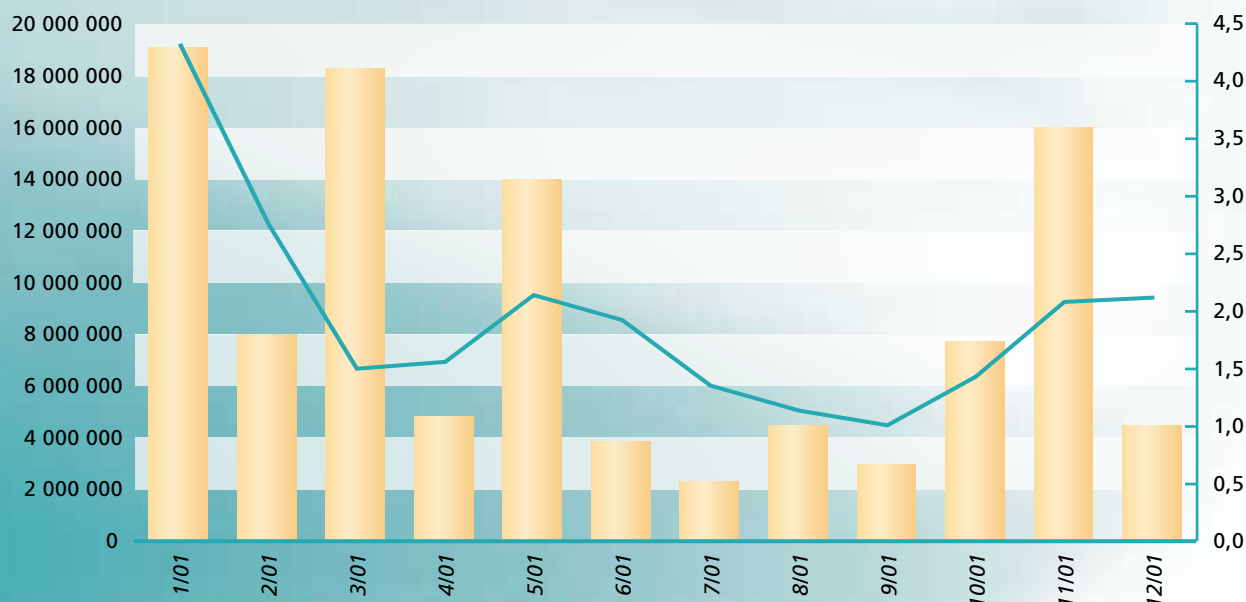
The "1999 program" had 425,600 warrants outstanding at year-end, each entitling the holder to subscribe for one Series A share. The majority of these are C warrants for which the subscription period begins on June 1, 2004 and ends on May 31, 2006. The subscription price for these is EUR 4.68, less the dividends per share paid between



## Price and activity of Eimo shares

January 2 - December 28, 2001

Sales, EUR      Average price, EUR



March 1, 2002 and May 31, 2004, and possibly adjusted by an amount based on the relative performance of the Eimo Oyj Series A share.

Under the "2001 program", 530,400 warrants had been issued by December 31, 2001. The total number that can be issued is 1,000,000 warrants. Of these warrants, 30% are labeled A warrants, 30% B warrants and 40% C warrants. Each warrant entitles the holder to subscribe for one Series A share. The subscription price per share is EUR 2.70, less the dividends per share paid between March 1, 2002 and the beginning of the subscription period. The subscription period begins for the A warrants on June 1, 2002, for the B warrants on June 1, 2003 and for the C warrants on June 1, 2004. The subscription period for all of these warrants ends on May 31, 2006.

The "Triple S conversion program" had a total of 188,865 options outstanding at December 31, 2001. Each option entitles the holder to subscribe for one Eimo ADS (ten Series A shares), at subscription prices per share ranging from USD 1.03

to USD 3.92, with an average price of USD 1.69 (EUR 1.94). The subscription period for most of these options has started, and the subscription periods end on different dates between 2002 - 2009.

On the basis of the shares that can be issued through the exercise of warrants and options that had been issued or could still be issued at year-end, the number of shares of Eimo can rise by at most 3,314,250 shares. Assuming all the warrants and options are exercised to subscribe for shares, the company will receive approximately EUR 7.0 - 7.5 million in subscription payments, assuming that no major changes take place in dividend policy or in the relative share performance.

### Shareholdings of Board of Directors and CEO

On January 31, 2002, the Eimo Board of Directors and CEO, directly or through companies controlled by them, held a total of 13,727,510 company shares, representing 21.0% of the company's shares and votes.

In addition to these, board members and CEO held warrants and options entitling them to subscribe for 673,000 new shares. Assuming all issued and issuable warrants are exercised to subscribe for shares, Eimo board members and the CEO would then hold 21.0% of the total number of shares.

### Price and activity of Eimo shares

The price for Eimo shares varied between EUR 0.85 and EUR 5.95 in the period January 2 - December 28, 2001. On December 28, 2001 the closing price was EUR 2.07.

### Major registered shareholders

As of January 31, 2002, the free float (the total number of shares excluding those held by Eimo top management, Eimo board members, members of the Paananen family or companies controlled

by the family, and those held by Victor V. Valentine Jr.) was 60.4% of the shares. Some 25% of all shares were nominee registered or held by foreigners.

### Dividend policy

Eimo Oyj pays dividends in compliance with the Finnish Companies Act. The company aims to pay a dividend every year. Dividends are generally paid once a year, following the Annual General Meeting (usually in April). The size of the dividend depends, among other things, on Eimo's earnings, financial position and capital requirements, as well as other factors that the Eimo Board of Directors may deem relevant. Eimo's dividend policy also takes into account the equity ratio goal of 45% to 60%, set by the Board of Directors.

*The table only lists registered shareholders, or those otherwise recognized by the company. Major shareholders listed in the nominee register are not shown on the table, unless they have identified themselves to Eimo.*

### Major Shareholders January 31, 2002

	Name	Qty	% of shares and votes
1.	Paananen Jalo	4,801,600	7.4
2.	Canavan Daniel B (held in ADS form)	3,953,010	6.1
3.	Valentine Victor V., Jr. (held in ADS form)	3,790,790	5.9
4.	Jukko Annamari	3,500,000	5.4
5.	Paananen Elmar	3,500,000	5.4
6.	Paananen Topi	3,500,000	5.4
7.	Ilmarinen Mutual Pension Fund	2,619,400	4.0
8.	E.A.T-Invest Oy	1,300,000	2.0
9.	Sampo Suomi Osake Mutual Fund	1,109,975	1.7
10.	Rannila Esa	925,200	1.4
11.	State Pension Fund	650,000	1.0
12.	CIM Technology Limited	548,000	0.8
13.	Eläke-Fennia Mutual Insurance Company	492,100	0.8
14.	Sitra, Finnish National Fund for Research and Development	484,600	0.7
15.	Aktia Capital Mutual Fund	467,200	0.7
16.	Sampo Suomi Yhteisöosake Mutual Fund	388,400	0.6
17.	Aktia Secura Mutual Fund	345,700	0.5
18.	Finnish Cultural Fund	340,000	0.5
19.	Mandatum Global Tech	315,300	0.5
20.	Ulkomarkkinat Oy	270,000	0.4

## Internationalization and Vigorous Growth

Year 2001 was a time of internationalization and vigorous growth in our company. The merger with the American company Triple S Plastics, Inc. has opened up the North and South American markets for us. At the same time we have obtained major reinforcements in our expertise and personnel resources for our international needs. The integration of the companies has proceeded faster than anticipated and we are well equipped, commercially and technically, as we launch into 2002 to serve our customers globally and with a wider range of products. The major efforts made during 2001 in internationalization, growth and improving profitability have already begun to produce added value for our customers and profits for our company.

During the past year significant changes have taken place in our business sector. Our customers have reorganized their businesses - they have formed strategic alliances and reassessed their business operations to keep up with changes in the state of the market. However, the basis of our own customer structure has remained unchanged. Through the merger our company has succeeded in diversifying its customer base and considerably increasing its market share, despite the at times difficult state of the market. Our global service and production network has aroused great interest among customers in the telecommunications, automotive and health care sectors. Our goal is to further strengthen our market position by improving the flexibility and cost-competitiveness of our services and products. Our development investments

are also focusing heavily on highly advanced technology required by our sector and on introducing this in all our business units.

During 2001 we restructured our organization. Our operations are based on a low, interactive organization, which is built around the business processes and international teams. Through a small, effective global management team we will allocate personnel, technical and financial resources where they will be put to best use for our customers and our company. Our goal is to speed up the performance of our services, simplify logistic chains, make more efficient use of production equipment, and optimize the need for investments. During the past year the number of our professional staff has grown, mainly through the merger, from 830 to more than 1800.

Year 2001 has been a period of major changes and of building growth opportunities. We have succeeded in our key strategic programs and achieved many of our targets. May I express my warmest thanks to our customers, partners and the company's personnel in Europe, North and South America, and Asia.

*Heikki Marttinen*  
President and CEO



## Market

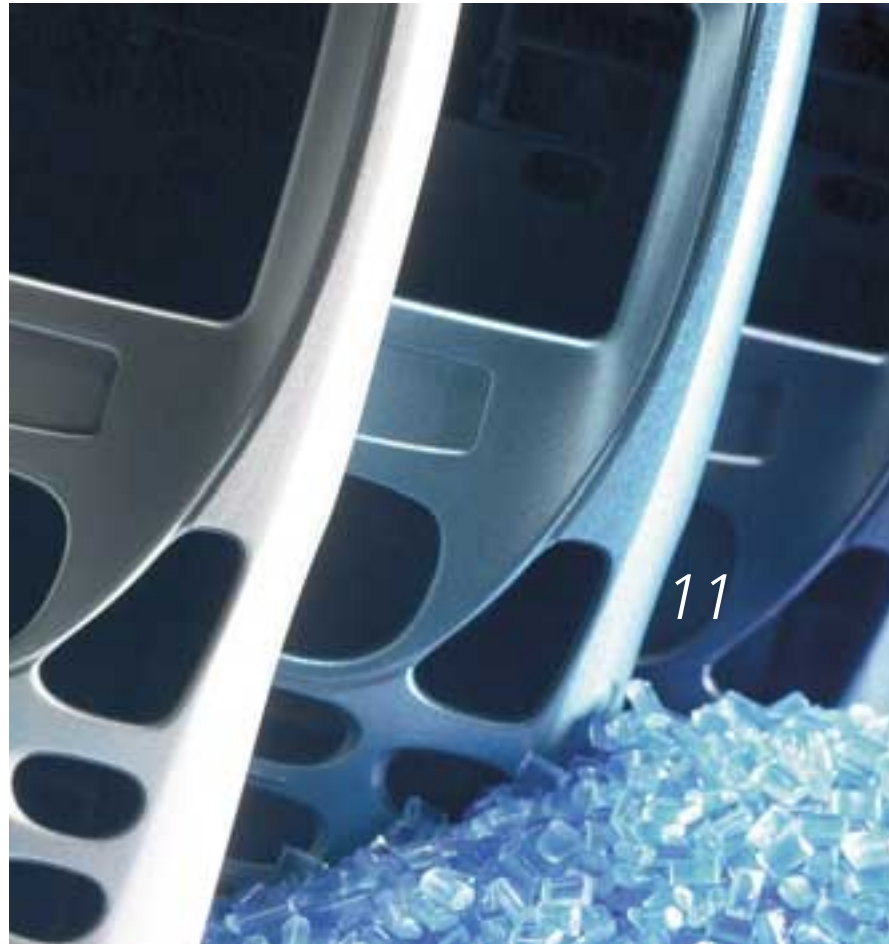
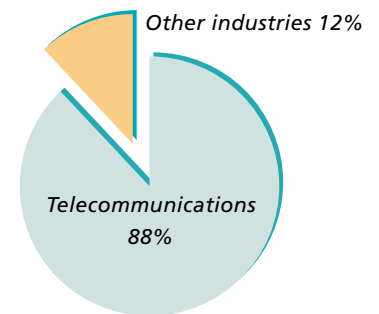
Wireless telecommunications form the main market for the company. In 2001 it accounted for 88% of net sales. Other important customers include the automotive industry and the health care and environment sectors.

Technical innovations in our customers' industries follow one another at a rapid pace and product life cycles are shrinking. Eimo's early involvement in the product creation projects of its customers has become an increasingly important form of partnership, and Eimo has systematically increased its resources in this area. The earlier we start co-operation with customers, the better the manufacturability of the products and the reliability of the processes.

Eimo's comprehensive service concept comprises co-operation in product development, rapid prototyping services, the design and manufacture of molds, injection molding, different surface treatment and decoration services, as well as the final assembly of products. Eimo provides its customers with:

- **Global capabilities:** Eimo's factories are located on four continents close to the production plants of key customers.
- **Global execution:** Customer product programs can start up simultaneously in different parts of the world.
- **Standardized equipment and processes:** Standard equipment and processes make it easy to transfer product programs.
- **Advanced technology:** Eimo's expert personnel continuously develops processes.
- **Supply chain alignment:** The supply of components and outsourced processes are coordinated with approved partners.

Close co-operation in implementing customer product programs has become a distinct competitive edge in our business. New products are launched faster and more frequently than in the past, and customers have appreciated Eimo's support in ramping up production and synchronizing processes. Eimo can move with confidence into 2002 knowing that it is well placed to face its competitors.





## Facilities and Technology

In 2001 Eimo achieved one of its strategic targets: Eimo became a global supplier for its customers. As a result, Eimo now serves its customers on four continents with eleven injection molding units and six mold factories.

### **Eimo Europe**

In Europe, Eimo serves its customers from its facilities located in Finland, the Netherlands and Hungary.

The investments in the company's mold production over the past few years are now bearing fruit: Eimo is able to manufacture mass production molds in series with high levels of accuracy and repeatability. This is extremely important for major product programs.

The injection molding and assembly processes at all locations are highly automated. All Eimo locations in Europe have obtained ISO 9002/QS9000 quality certification. The most extensive investments in 2001 focused on the company's painting operations in Finland and the Netherlands.

### **Eimo Americas**

Eimo has facilities strategically placed in North America in the states of Michigan, Texas and New York and, to serve the South American market, in Brazil.

The customer base of the Michigan operations, with production plants in Battle Creek and Vicksburg, consists of telecommunications, electronics, medical instrument and transportation companies. In 2002, these units start numerous new programs. The service capabilities of the company's factory in Ft. Worth, Texas were considerably enhanced in the autumn of 2001 with the addition of a state-of-the-art painting system and clean room facilities for IMD (in-mold decorating) and IML (in-mold labeling). Similar improvements were made at the company's factory in Brazil, which is now able to serve an even wider range of customers looking for the benefits in terms of strategic location and cost efficiency offered by Brazil. An ISO 9002/QS9000 quality system is in operation at all the injection molding plants in America.

The Dynacept business in Brewster, New York makes a major contribution to Eimo's service for its customers, providing first class rapid prototyping and prototype molds.



### **Eimo Asia**

In January 2001, Eimo (HK) Ltd. acquired the assets of Century Step Company Limited with its plant in Shenzhen, China. This was the first step in providing services for the rapidly growing Asian market.

Eimo has clear goals for this market. Firstly, we wish to provide customers with manufacturing services in Asia. Secondly, we wish

to build an organization with a customer driven philosophy. Thirdly, we wish to respect the local culture by continuing to hire, train and develop local experts for key management and other staff positions.

Customers have shown great interest in our plant. We started to modernize the plant in spring 2001 and continue to expand its technology services in the spring of 2002.



# Human Resources

During the past year the number of Eimo's personnel has grown, mainly through the merger, from 830 to more than 1800. In October-November, 2001 Eimo conducted a cultural survey in its European and American units. According to the survey, Eimo's personnel hold very similar views of the company and have similar expectations of it. The company's personnel are firmly behind the merger and expect it to open up new opportunities for developing the business and for international growth.

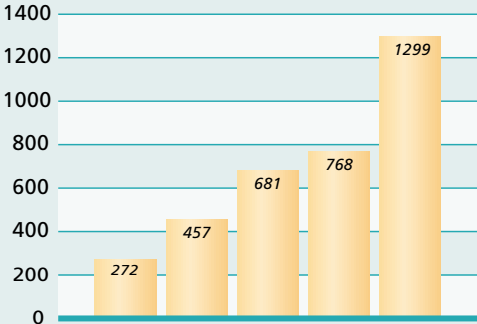
Eimo has invested heavily in personnel development, in ongoing learning, and in equipping employees with skills to work in international partnerships. Eimo Peak Academy - Link to the Future started up in the autumn of 2001 to manage personnel development needs with advanced training and monitoring tools.

The Eimo Young Professionals Program, which started in Finland in 2000, has produced excellent results. This success has encouraged the company to start a new program in spring 2002, with the aim of equipping young professionals for international careers within the company.

Eimo's personnel are highly educated, dynamic and motivated. They have taken the company's values to heart and are ready to take on new challenges.



Average number of personnel 1997-2001





## Research and Development

As a result of the merger, the company's research and development function has obtained more resources. It now has even greater expertise to respond to the development challenges set by customers. The development of the company's technology and global customer processes is coordinated from corporate headquarters in Lahti, Finland.

Eimo works closely with customers and suppliers and with R & D units at universities and other higher education institutions. In August 2001, Eimo announced an alliance with Dow Chemical's newly formed Inclosia business unit. Eimo will provide design, tooling and injection molding services for telecom and data communication products developed by Dow Chemical. Eimo has established a full-service team to serve the needs of this new venture.

In 2001 the company used EUR 2.5 million (1.5% of net sales) on research and development, which includes quality development and training but not the development costs for customer product programs. Capital investments accounted for 4% of this.

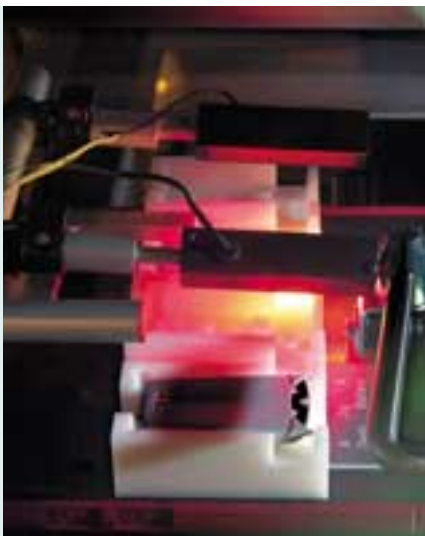
## Quality and Environment

At Eimo, quality means excellence in business performance - with first-class products as a natural result.

The company's quality management system is based on the ISO 9002/QS 9000 standard on all continents, and the plants have either QS 9000 or ISO 9002 certification.

The Six Sigma Methodology is widely used by the company in its process development. Altogether 35 Eimo employees have received 'Black Belt' training, and the company's 6th Six Sigma training program is starting in spring 2002. In 2001, Eimo had 16 Six Sigma projects in progress at its plants. The company has achieved major benefits through these projects.

Eimo operations do not involve significant environmental risks. The injection molding process in itself does not produce any emissions, and the waste generated is sorted and recycled. The company is committed to the continuous improvement of the environment. The environmental impact of our key suppliers is also an area of continuous development for us. The company's environmental systems are based on the ISO 14001 standard.



# Corporate Governance

The Board of Directors of Eimo Oyj is elected annually by the Annual General Meeting. In accordance with the Corporate Articles of Association, the Board comprises 4-8 members.

The company's President and CEO is elected by the Board. The President and CEO has a written service agreement. The Annual General Meeting decides on the remuneration paid to the Board. The Board decides on the salaries and benefits of the President and CEO and those of the CEOs of Eimo Europe, Eimo Americas and Eimo Asia. The salaries and benefits of other executive managers are decided by the regional CEOs, in accordance with guidelines given by the Board and the Compensation Committee.

## Board of Directors

Members of the Board of Directors in 2001:

### *Paananen, Jalo (Chairman)*

*Graduate of commercial institute, b. 1939*

Jalo Paananen established his first company in 1965 and he chairs the Boards of Directors of the companies he owns. He is also a member of the administrative bodies of numerous organizations representing commerce and industry and is a member of the Board of Directors of several other companies. He has been Chairman of Eimo's Board since 1985.

*From left:  
Jalo Paananen, Markku  
Puskala, Anssi Soila,  
Arto Kajanto, Evan Harter,  
Dan Canavan and  
Elmar Paananen.*



**Paananen, Elmar (Vice Chairman)**

*M.Sc. (Econ.), Associate in Laws, b. 1965*

Elmar Paananen is employed by Eimo Oyj and is responsible for investor relations and certain international projects in the company. He is a member of the Board of Directors of some of the family's companies. He is also a member of the Financing Working Group of the Confederation of Finnish Industry and Employers and of its SME Financing Working Group. Elmar Paananen has been a member of Eimo's Board since 1995.

**Canavan, Daniel B.**

*B.A. in Business Administration, b. 1953*

Daniel B. Canavan was the Chairman of the Board of Triple S Plastics, Inc. for more than five years. He has also served as Triple S's Chief Executive Officer. Daniel B. Canavan has been a member of Eimo's Board since August 15, 2001. He is also CEO of Eimo Asia.

**Harter, Evan C.**

*B.A. in Business Administration and Marketing, b. 1942*

Evan C. Harter is the Chairman of the Board of AppsMall.com, an internet start-up company. He is also Chairman of the Board of International Marketing Strategies, Inc. He was a member of the Board of Triple S Plastics in 1998-2001. Evan Harter has been a member of Eimo's Board since August 15, 2001.

**Kajanto, Arto**

*B.Sc. (Econ.), b. 1943*

Arto Kajanto was Managing Director of Hämeen Sanomat Oy during 1997-2001. As from January 1, 2002, after a company restructuring, he chairs the Board of the group's parent company, Hämeen Puhelin Oy. He has many years' experience as a consultant to numerous family-owned companies and on Boards of Directors. Arto Kajanto has been a member of Eimo's Board since 1992.

**Puskala, Markku**

*M.Sc. (Eng.), B.Sc. (Econ.), b. 1948*

Markku Puskala is a director of Eqvitec Partners Oy. He has been the representative of a venture capital association, serving on the Boards of numerous growth companies. Markku Puskala has been a member of Eimo's Board since 1998.

**Soila, Anssi**

*M.Sc. (Eng.), B.Sc. (Econ.), b. 1949*

Anssi Soila is Chairman of the Board of Sponda Oyj. He was previously employed at Kone Oy in a variety of positions over a period of 25 years, serving as CEO during the last five years. He is Chairman or a member of the Boards of several companies. Mr. Soila has been a member of Eimo's Board since 2000.

**Sulonen, Markku**

*M.Sc. (Eng.), born 1949*

Markku Sulonen was a member of Eimo's Board from 1998 until August 2001.





### **Auditors**

Eimo Oyj's auditors in 2001, elected by the Annual General Meeting, were the CPA accounting company of Tilintarkastustoimisto Idman & Vilén Oy, and CPA Matti Pettersson was principal auditor. Tilintarkastustoimisto Idman & Vilén Oy works in partnership with Grant Thornton International.

### **Audit Committee, Compensation Committee**

The company has an Audit Committee whose task is to assist the Board in monitoring the integrity of the financial reports of the company and its subsidiaries, and in its internal auditing, accounting and external auditing. Eimo's Audit Committee is chaired by Markku Puskala, with Anssi Soila and Arto Kajanto as members.

The company's Compensation Committee assists the Board in defining the compensation principles in the company. The Compensation Committee is chaired by Jalo Paananen, with Evan C. Harter and Niilo Oksa as members.

### **Management Group**

#### ***Marttinen, Heikki***

##### ***Group President and CEO, b. 1946***

M.B.A., President and CEO of Eimo since 1 October 2000, previously CEO at Fortum Oyj and President and Chairman of the Board at Imatran Voima Oy.

#### ***Jaakkola, Seppo***

##### ***CEO, Eimo Europe, b. 1948***

B.Sc. (Engineering), Eimo's Vice President since 1997, previously Managing Director of Eimo Oy and Makron Oy, and Plant Manager at Teräspeikko Oy.

#### ***Schauer, A. Christian***

##### ***CEO, Eimo Americas, b. 1942***

B.B.A. (Accounting), Chief Executive Officer of Triple S Plastics, Inc. since 1999, previously Chairman and CEO of Clausing Industrial Inc.

#### ***Canavan, Daniel B.***

##### ***Managing Director, Eimo Asia, b. 1953***

B.A. in Business Administration, Managing Director for Eimo Asia since 1 November 2001, previously Chairman and CEO of Triple S Plastics, Inc.

#### ***Seppä, Timo***

##### ***Sr. Vice President, Technology, Eimo Group, b. 1960***

M.Sc. (Engineering), Eimo's Technical Director since 1992, previously Managing Director of Makron Oy.

#### ***Oksa, Niilo***

##### ***Executive Vice President, Eimo Americas, b. 1948***

M.Sc. (Political Science), Eimo's Sr. Vice President, HR & Administration, since January 2001, previously Sr. VP, HR & Administration at Fortum Oyj.

#### ***Weaver, Phillip W.***

##### ***Sr. Vice President, HR & Administration, Eimo Americas, b. 1952***

B.A. in Psychology, M.A. in Administration, Vice President, HR & Administration of Triple S Plastics, Inc. since 1996, previously Director of Human Resources at Atlantic Automotive Components.

### **Insider Regulations**

According to the Securities Market Act, Eimo's statutory insiders are the members of the company's Board, the secretary of the Board, the President and CEO with his/her Deputy, and the Chief Auditors. In addition, certain persons closely connected with the global operations of the company are permanent insiders, e.g. the management group.

Eimo's insider regulations are in line with the Guidelines for Insiders issued by Helsinki Exchanges. In some respects, the company has stricter regulations.



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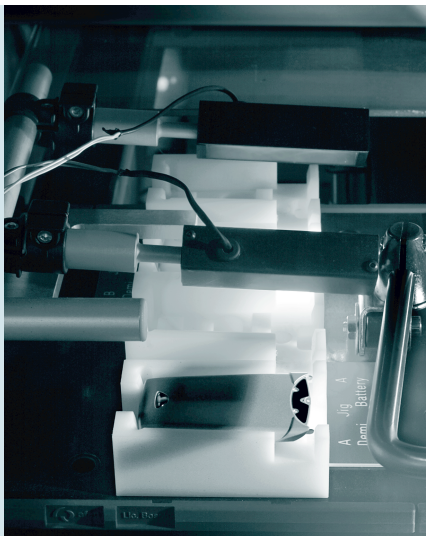
Partner in Technology

Financial Statements  
1 January - 31 December, 2001



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# Board of Directors Review

1 January - 31 December 2001

## General

In 2001 Eimo Oyj had three 100% owned subsidiaries: Eimo B.V. in the Netherlands, Eimo Kft. in Hungary, and Eimo (HK) Ltd. in Hong Kong with its subsidiaries in China and Hong Kong. In October what is now Eimo Decoration B.V. became a 100 % owned subsidiary of Eimo B.V. In August 2001, Triple S Plastics, Inc., a 100 % owned company in the United States of America with subsidiaries in the United States of America and Brazil, joined the Group. CIM Technology Ltd. (35 %) is consolidated in accordance with the regulations concerning affiliated companies. The consolidated financial statements concern these companies. The Group's financial year is the calendar year.

In 2001 Eimo had production operations at its plants in Finland, the Netherlands, Hungary, the USA, Brazil and China, and through an affiliated company in Hong Kong.

## Net sales

In 2001 the company had net sales of EUR 165.8 million (EUR 105.5 million in 2000 - an increase of 57%). Telecommunications and other electronics sectors accounted for 88% of total net sales. Deliveries in Finland made up 30% of net sales, 33% went to other European countries, 34% to the Americas and 3% to Asia and other countries. Following the acquisition of Triple S, towards the end of the year approximately half of net sales came from the Americas.

## Financial result

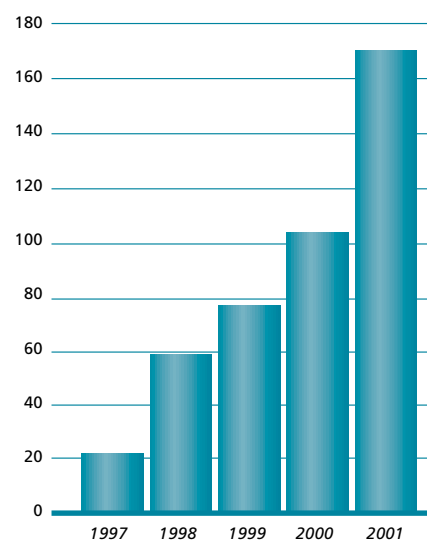
The operating profit was EUR 9.6 (13.7) million, or 5.8% of net sales. Profit before extraordinary items was EUR 7.8 (13.4) million and after extraordinary items EUR 6.6 (12.6) million. Extraordinary items consist mainly of the costs relating to the first attempted merger with Triple S called off in March 2001.

Undiluted and diluted earnings per share were EUR 0.11 (EUR 0.20). Return on investment was 9.5% and return on equity 8.8%.

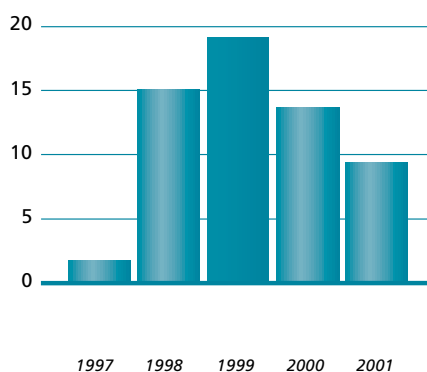
## Personnel

In 2001 the group employed on average 1,229 (768) people. At the end of the year the group had 1,833 employees.

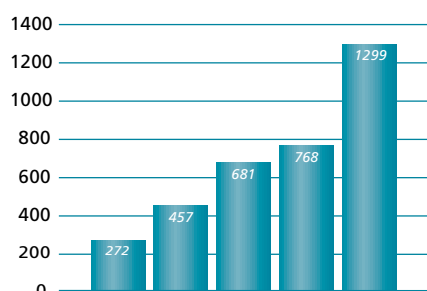
Net sales 1997-2001, M EUR



Operating profit 1997-2001, M EUR



Average number of personnel 1997-2001



## Investments

The company's gross expenditure on fixed assets in 2001 totaled EUR 44.9 (28.8) million, which is 27% of net sales. Of this, EUR 27.4 million was spent on company acquisitions, including EUR 25.1 million for Triple S Plastics, Inc., of which EUR 24.8 million was paid with a directed share issue. Most of the other capital expenditure went on modernizing and expanding production plants in different countries and was financed from operating income and with loans from financial institutions.

## Research and development

In 2001 the company spent EUR 2.5 (2.4) million (1.5% of net sales) on research and development, which includes quality development and training but not the costs of customer product programs. Of this amount, 4% was spent on capital investments.

## Financing

The company's financial position remained stable. The company makes extensive use of overdraft facilities instead of maintaining substantial cash surpluses. The group's equity ratio was 47%.

## Share capital and shares

At the end of 2001 the company had a share capital of EUR 16.17 million and a total of 64,680,000 shares. All shares are A shares listed on Helsinki Exchanges. The American Depository Shares (ADSs), which each represents ten (10) A shares, are traded on the Nasdaq national market. In 2001 all K shares were converted to A shares on a one for one basis, and the number of shares rose by 18,280,000 as a result of the directed issue in connection with the Triple S acquisition and to a small extent because of shares subscribed on the basis of warrants. The share has a book counter-value of EUR 0.25. The free float at January 31, 2002 was 60% of all shares. Trading in Eimo Oyj's A shares has been active: 112% of the average number in 2001.

## Option rights and warrants

Under the 1999 warrant program, the company has issued 425,600 warrants, each entitling the holder to subscribe to a single A share. Under the 2001 warrant program, the company may issue a maximum of 1,000,000 warrants, each with entitlement to subscribe to a single A share. Of these year 2001 warrants,

530,400 had been issued by December 31, 2001. Under the Triple S option conversion program, options to purchase up to 1,888,650 shares had been issued by December 31, 2001.

## Company governance, auditors and insider dealing

In 2001 the company Board of Directors consisted of the following: Jalo Paananen, Chairman; Elmar Paananen, Vice Chairman; and Arto Kajanto, Markku Puskala, Markku Sulonen and Anssi Soila, board members. Daniel B. Canavan and Evan C. Harter were appointed by the shareholders' meeting to the Board on 15 August 2001. Markku Sulonen resigned from the Board on the same date. Heikki Marttinen is Company President and CEO. In 2001 the firm of certified public accountants of Tilintarkastustoimisto Idman & Vilén Oy served as auditors, with CPA Matti Pettersson as principle auditor. Eimo operates with insider dealing regulations that are stricter than the HEX regulations that came into force on March 1, 2000.

## Business prospects

The company is well placed for 2002 as a result of its international expansion during 2001. The company expects net sales to increase strongly on 2001 figures, and the earnings per share should also improve.

## Board proposal for the distribution of profits

Consolidated distributable funds total EUR 18.0 million and annual profits EUR 5.2 million. The parent company has distributable funds of EUR 12.4 million after deduction of the loss of EUR 1.2 million for the review period.

At the Annual General Meeting the Board proposes that a dividend of EUR 0.04 per share be paid from the profit for previous years, a total of EUR 2.6 million.

## Events after the date of closing

Eimo has acquired the remaining 30 % of its subsidiary Eimo (HK) Ltd. through a directed issue by issuing 548,000 new shares.

Lahti, February 13, 2002

Board of Directors

# Consolidated profit and loss account, FAS

(1 000 EUR)	Note	1 Jan-31 Dec 2001	1 Jan-31 Dec 2000
<b>NET SALES</b>	<b>2.1</b>	<b>165 837</b>	<b>105 530</b>
Change in stocks of finished goods and work in progress		5	3 986
Production for internal use		0	259
Share of results of associated companies		-684	-27
Other operating income	2.2	963	327
Raw materials and services			
Raw materials and consumables			
Purchases during the financial year		-78 118	-54 504
Change in stock		-1 348	3 812
External services		-9 818	-6 783
Personnel expenses	2.3		
Wages and salaries		-29 453	-17 583
Social security expenses			
Pension expenses		-2 328	-2 417
Other social security expenses		-4 230	-1 790
Depreciation and write-downs			
Planned depreciation	2.4	-10 239	-6 245
Write-downs of investments		-1 542	0
Reversal of negative goodwill		2 529	0
Amortization of goodwill		-620	-74
Other operating costs		-21 338	-10 822
<b>OPERATING PROFIT</b>		<b>9 616</b>	<b>13 669</b>
Financial income and expenses	2.5		
Dividend income		0	1
Interest income		148	170
Interest expenses		-1 946	-442
Other financial items		-10	29
<b>PROFIT BEFORE EXTRAORDINARY ITEMS</b>		<b>7 808</b>	<b>13 427</b>
Extraordinary items			
Extraordinary expenses	2.6	-1 237	-857
<b>PROFIT BEFORE APPROPRIATIONS AND TAXES</b>		<b>6 571</b>	<b>12 570</b>
Income taxes	2.8		
For financial period and previous years		-2 576	-3 183
Change in deferred tax liability		455	-601
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>4 450</b>	<b>8 786</b>
Minority interests		744	-7
<b>CONSOLIDATED NET PROFIT</b>		<b>5 194</b>	<b>8 779</b>

# Consolidated balance sheet, FAS

(1 000 EUR)	Note	31 Dec 2001	31 Dec 2000
<b>A S S E T S</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	3.1		
Intangible rights		950	588
Goodwill		1 600	735
Tangible assets	3.2		
Land and water		1 376	637
Buildings and structures		29 955	16 639
Machinery and equipment		53 892	34 831
Other tangible assets		1 976	895
Advance payments and construction in progress		6 486	2 386
Investments	3.3		
Holdings in associated companies	3.8	545	2 086
Other shares and holdings		105	72
<b>CURRENT ASSETS</b>			
Inventories			
Materials and supplies		14 726	9 314
Work in progress		3 088	2 219
Finished products/goods		4 628	3 789
Advance payments		568	1 100
Deferred tax receivable	3.13	1 127	0
Long-term receivables		0	0
Short-term receivables	3.10		
Trade receivables		45 352	20 057
Loan receivables		13	252
Other receivables		401	2 382
Prepaid expenses and accrued income		1 358	2 418
Marketable securities		0	0
Cash and bank accounts		5 851	1 665
<b>TOTAL ASSETS</b>		<b>173 997</b>	<b>102 065</b>

(1 000 EUR)	Note	31 Dec 2001	31 Dec 2000
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>	<b>3.11</b>		
Share capital		16 170	11 600
Share premium account		38 655	18 124
Retained earnings		21 928	14 566
Profit for financial year		5 194	8 779
<b>APPROPRIATIONS</b>		<b>0</b>	<b>0</b>
<b>MINORITY INTERESTS</b>		<b>1 009</b>	<b>1 664</b>
<b>NEGATIVE GOODWILL</b>		<b>1 686</b>	<b>0</b>
<b>PROVISIONS</b>		<b>0</b>	<b>0</b>
<b>LIABILITIES</b>			
Deferred tax liability	3.14	3 272	2 980
Non-current liabilities	3.15		
Loans from financial institutions		29 153	16 107
Other non-current liabilities		239	0
Current liabilities			
Loans from financial institutions		16 273	3 982
Other interest bearing liabilities		1 295	77
Advances received		1 278	2 563
Accounts payable		26 347	17 330
Other non-interest bearing liabilities		2 296	719
Accruals and deferred income	3.16	9 202	3 574
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>173 997</b>	<b>102 065</b>

# Source and application of funds, FAS

(1 000 EUR)	1 Jan-31 Dec 2001	1 Jan-31 Dec 2000
Cash flow from operating activities		
Operating profit	8 617	13 669
Adjustments to operating profit	10 836	6 318
Change in net working capital	-1 607	-7 436
Cash flow from operating activities before financing activities and taxes	17 846	12 551
Interest received	151	171
Interest paid and other financial expenses	-1 966	-413
Dividends received	0	1
Income taxes paid	-2 189	-4 969
Extraordinary income and expenses	-1 237	-857
Net cash from operating activities	12 605	6 484
Cash flow from investing activities		
Acquisition of group companies	-661	-2 316
Investments in associated companies	0	-2 225
Other investments	-33	-9
Investments in tangible and intangible assets	-17 211	-24 235
Proceeds from sale of other investments	1 281	1
Net cash used in investing activities	-16 624	-28 784
Cash flow before financing activities	-4 019	-22 300
Cash flow from financing activities		
Long-term receivables, increase /decrease	5 294	13 634
Short-term loans, increase /decrease	6 256	3 826
Dividends paid	-3 649	-11 600
Share issue	304	1 388
Net cash from financing activities	8 205	7 248
Change in liquid assets	4 186	-15 052
Liquid assets on 1 Jan.	1 665	16 717
Liquid assets on 31 Dec	5 851	1 665
Supplemental cash flow information		
Adjustments include:		
Depreciation and amortization	11 048	6 319
Profits and losses on sale of fixed assets	1 156	-1
Other income and expense w/o payment	-1 368	0
	10 836	6 318
Change in working capital consists of:		
Change in inventories	1 744	-12 461
Change in trade receivables	-9 402	0
Change in non-interest bearing receivables	3 609	-8 567
Change in accounts payable	4 942	0
Change in short-term non-interest bearing liabilities	-2 500	13 592

## Key Financial Ratios for Fiscal Years 2001 - 1999 and Pro Forma Figures for 1998 - 1997

	2001	2000	1999	1998	1997
Net sales (1 000 EUR)	165 837	105 530	78 011	59 630	22 353
Operating profit/loss (1 000 EUR)	9 616	13 669	19 215	15 144	1 810
% of net sales	5.8	13.0	24.6	25.4	8.1
Profit/loss before extraordinary items and taxes (1 000 EUR)	7 808	13 427	18 199	14 544	1 440
% of net sales	4.7	12.7	23.3	24.4	6.4
Profit/loss before taxes (1 000 EUR)	6 571	12 570	18 728	14 541	535
% of net sales	4.0	11.9	24.0	24.4	2.4
Profit/loss for the financial year (1 000 EUR)	5 194	8 779	13 598	10 409	387
% of net sales	3.1	8.3	17.4	17.5	1.7
Net profit (1 000 EUR)	6 072	9 387	13 070	10 411	1 178
% of net sales	3.7	8.9	16.8	17.5	5.3
Return on equity (ROE), %	8.8	16.9	33.4	66.0	12.3
Return on investment (ROI), %	9.5	21.0	43.2	53.8	8.7
Equity ratio, %	47.4	53.3	79.9	48.9	37.6
Net gearing, %	50.2	34.9	-29.2	34.0	64.7
Current Ratio	1.36	1.53	2.93	1.87	1.44
Gross investments in fixed asset	44 936	28 785	15 281	16 541	1 145
% of net sales	27.1	27.3	19.6	27.7	5.1
R & D expenditure	2 537	2 400	1 295	942	437
% of net sales	1.5	2.3	1.7	1.6	2.0
Average number of personnel	1 229	768	681	457	272
Dividends paid *)	2 609	3 248	11 600	1 598	0
<b>Per share ratios</b>					
Earnings per share (EPS), EUR (issue adjusted)	0.113	0.200	0.290	0.275	0.030
Shareholders' equity per share, EUR (issue adjusted)	1.27	1.14	1.21	0.55	0.26
Dividend per share, EUR *)	0.04	0.07	0.25	0.04	
Payout ratio, %	35.3	34.6	86.0	15.3	
Effective dividend yield, %	1.9	1.3	3.3		
P/E multiple	18.26	26.94	25.81		
<b>Share performance:</b>					
Average price, EUR	1.95	8.42	4.47		
Lowest price, EUR	0.85	4.80	3.00		
Highest price, EUR	5.95	13.75	7.50		
On 31 December, EUR	2.07	5.39	7.50		
Market capitalization on 31 December, 1000 EUR	133 888	250 096	348 000		
Trading volume, qty	54 325 213	63 781 516	48 113 932		
Trading volume, %	111.6	162.7	122.7		
Issue adjusted average number of shares diluted	53 570 511	46 923 040	44 977 778	37 797 200	
Issue adjusted number of shares at end of period	53 195 250	46 400 000	44 977 778	37 797 200	
Number of shares at end of period	64 680 000	46 400 000	46 400 000	40 000 000	

\*) Proposal of the Board of Directors for 2001



# Calculation of Key Financial Ratios

The ratios have been calculated in accordance with instructions issued by the Finnish Central Accounting Board.

## Net profit, EUR

Profit/loss before extraordinary items, reserves and taxes - taxes +/- tax impact of extraordinary items +/- change in deferred tax liability +/- minority interest

## Return on equity (ROE), %

Profit/loss before extraordinary items, reserves and taxes - income taxes +/- tax effects of extraordinary items +/- change in deferred tax liability x 100  
Shareholders' equity + minority interest + voluntary reserves and accumulated depreciation difference less deferred tax liability (average)

## Return on investment (ROI), %

Profit/loss before extraordinary items, reserves and taxes + interest and other financing costs x 100  
Balance sheet total - non-interest bearing liabilities (average)

## Equity ratio, %

Shareholders' equity + minority interest + voluntary reserves and accumulated depreciation difference less deferred tax liability x 100  
Balance sheet total - advances received

## Net gearing, %

Interest bearing liabilities - cash, bank receivables and marketable securities x 100  
Shareholders' equity + minority interest + voluntary reserves and accumulated depreciation difference less deferred tax liability

## Current Ratio

Inventories + receivables + liquid assets  
Short-term liabilities

## Earnings per share, EUR

Net profit  
Issue adjusted average number of shares

## Shareholders' equity per share, EUR

Shareholders' equity + voluntary reserves and accumulated depreciation difference less deferred tax liability and minority interest  
Issue adjusted average number of shares

## Dividend per share, EUR

Issue adjusted dividend per share is calculated by dividing the dividend per share for the period under review with the share adjustment ratios

## Payout ratio, %

Dividend per share x 100  
Earnings per share

## Effective dividend yield, %

Dividend per share x 100  
Issue adjusted closing price on December 31

## P/E multiple

Issue adjusted closing price on December 31  
Earnings per share

## Market capitalization, EUR

Number of shares on December 31 x issue adjusted closing price on December 31

## Trading activity as a percentage

Number of shares traded during the year x 100  
Average number of A shares during the year

# Profit and loss account, FAS

(1 000 EUR)	Note	1 Jan-31 Dec 2001	1 Jan-31 Dec 2000
<b>NET SALES</b>	2.1	<b>71 956</b>	<b>91 155</b>
Change in stocks of finished goods and work in progress		-123	1 938
Production for internal use		0	259
Other operating income	2.2	1 316	326
Raw materials and services			
Raw materials and consumables			
Purchases during the financial year		-28 570	-41 323
Change in stock		-1 997	990
External services		-5 087	-5 226
Personnel expenses	2.3		
Wages and salaries		-16 347	-16 345
Social security expenses			
Pension expenses		-2 173	-2 388
Other social security expenses		-1 524	-1 610
Depreciation and write-downs			
Planned depreciation	2.4	-6 393	-5 546
Other operating costs		-9 326	-8 818
<b>OPERATING PROFIT</b>		<b>1 732</b>	<b>13 412</b>
Financial income and expenses	2.5		
Dividend income		0	1
Interest income		891	663
Interest expenses		-1 539	-454
Other financial items		-11	30
<b>PROFIT BEFORE EXTRAORDINARY ITEMS</b>		<b>1 073</b>	<b>13 652</b>
Extraordinary items			
Extraordinary income	2.6	-1 236	-857
<b>PROFIT BEFORE APPROPRIATIONS AND TAXES</b>		<b>-163</b>	<b>12 795</b>
Extraordinary expenses	2.7		
Change in depreciation difference		-1 008	-2 303
Appropriations	2.8		
For financial period and previous years		0	-3 054
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>-1 171</b>	<b>7 438</b>

# Balance sheet, FAS

(1 000 EUR)	Note	31 Dec 2001	31 Dec 2000
<b>A S S E T S</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	3.4		
Intangible rights		568	554
Tangible assets	3.5		
Land and water		224	232
Buildings and structures		12 355	11 155
Machinery and equipment		25 424	27 098
Other tangible assets		403	523
Advance payments and construction in progress		401	1 637
Investments	3.6		
Holdings in group companies	3.7	33 424	8 022
Holdings in associated companies	3.8	2 252	2 252
Other shares and holdings		105	72
Other receivables		1 200	0
<b>CURRENT ASSETS</b>			
Inventories			
Materials and supplies		4 494	6 492
Work in progress		1 562	1 962
Finished products/goods		2 275	1 997
Advance payments		470	1 100
Long-term receivables	3.9		
Loan receivables		14 422	13 217
Short-term receivables	3.10		
Trade receivables		22 637	18 332
Loan receivables		13	173
Other receivables		41	2 013
Prepaid expenses and accrued income		1 043	2 407
Marketable securities		0	0
Cash and bank accounts		401	857
<b>TOTAL ASSETS</b>		<b>123 714</b>	<b>100 095</b>

(1 000 EUR)	Note	31 Dec 2001	31 Dec 2000
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>	3.11		
Share capital		16 170	11 600
Share premium account		38 655	18 124
Retained earnings		13 558	9 367
Profit for financial year		-1 171	7 438
<b>APPROPRIATIONS</b>	3.12	<b>11 283</b>	<b>10 275</b>
<b>PROVISIONS</b>		<b>0</b>	<b>0</b>
<b>LIABILITIES</b>			
Non-current liabilities	3.15		
Loans from financial institutions		20 379	15 631
Current liabilities			
Loans from financial institutions		6 723	3 825
Other interest bearing liabilities		0	3 727
Advances received		1 279	3 761
Accounts payable		11 845	12 451
Other non-interest bearing liabilities		1 525	608
Accruals and deferred income	3.16	3 468	3 288
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>123 714</b>	<b>100 095</b>

# Source and application of funds, FAS

(1 000 EUR)	1 Jan-31 Dec 2001	1 Jan-31 Dec 2000
Cash flow from operating activities		
Operating profit	1 001	13 413
Adjustments to operating profit	7 124	5 546
Change in net working capital	2 109	-7 386
Cash flow from operating activities before financing activities and taxes	10 234	11 573
Interest received	891	663
Interest paid and other financial expenses	-1 550	-424
Dividends received	0	1
Income taxes paid	-571	-4 840
Extraordinary income and expenses	-1 237	-857
Net cash from operating activities	7 767	6 116
Cash flow from investing activities		
Acquisition of group companies	-25 402	-5 824
Investments in associated companies	0	-2 252
Other investments	-33	-9
Investments in tangible and intangible assets	-7 708	-13 769
Proceeds from sale of other investments	1 551	0
Loans granted	-7 819	-11 217
Repayment of loan receivables	5 415	0
Net cash used in investing activities	-33 996	-33 071
Cash flow before financing activities	-26 229	-26 955
Cash flow from financing activities		
Long-term receivables, increase /decrease	4 748	15 474
Short-term loans, increase /decrease	-827	7 433
Dividends paid	-3 248	-11 600
Share issue	25 101	0
Net cash from financing activities	25 774	11 307
Change in liquid assets	-455	-15 648
Liquid assets on 1 January	857	16 505
Liquid assets on 31 December	402	857
Supplemental cash flow information		
Adjustments include:		
Depreciation and amortization	6 393	5 546
Profits and losses on sale of fixed assets	731	0
	7 124	5 546
Change in working capital consists of:		
Change in inventories	2 751	-3 698
Change in trade receivables	-4 305	-7 662
Change in non-interest bearing receivables	3 496	-3 445
Change in accounts payable	981	5 702
Change in short-term non-interest bearing liabilities	-814	1 717
	2 109	-7 386

# Notes to the financial statements

## 1. ACCOUNTING PRINCIPLES

### VALUATION AND TIMING

#### Valuation of fixed assets

Fixed assets are listed on the balance sheet at the acquisition cost less planned depreciation. Planned depreciation is calculated on a straight-line basis, based on the estimated useful economic life of the fixed assets.

#### Planned depreciation periods

	Years
Intangible rights	5
Goodwill	5
Buildings	25 or 40
Buildings, movable property	10
Machinery and equipment	3 - 10
Other tangible assets	2 - 10

#### Valuation of inventories

Inventories are valued in accordance with the FIFO principle at the lower of acquisition cost, replacement price or probable selling price. Only variable costs are included in the value of inventories.

#### Research and development expenses

Research and development costs are expensed in the financial period during which they are incurred. Machinery and equipment relating to research and development activities are capitalised and depreciated over the period of their active use.

#### Income recognition

Net sales are calculated by deducting indirect taxes, discounts and sales-related foreign exchange losses from sales income. Sales of goods or services produced are recognised as income on the date of delivery.

#### Maintenance and repairs

Maintenance and repair costs are expensed in the financial period.

#### Leasing

Leasing payments are treated as rental costs. For related liabilities, see other notes, 4.1.

#### Accrual of pensions expenses

Staff pension obligations are managed by an external pension insurance company.

#### Items denoted in foreign currency

Receivables and liabilities denoted in foreign currency are translated into euros at the rate quoted by the Bank of Finland on the closing date.

#### Appropriations

Appropriations at Eimo Oyj consist of tax write-downs that exceed planned depreciation. In the consolidated financial statements appropriations are divided between Shareholders' Equity and Deferred Tax Liability in the balance sheet, and changes are included in the profit for the financial period.

## PRINCIPLES OF CONSOLIDATION

### Scope of consolidated financial statements

The consolidated financial statements include the parent company Eimo Oyj and its 100% owned subsidiaries Eimo B.V. (the Netherlands), Eimo Kft. (Hungary), Eimo Decoration B.V. (the Netherlands), Triple S Plastics Inc. (USA) and the 70% owned subsidiary Eimo (HK) Ltd. (Hong Kong, indirect ownership 81%). In addition, they incorporate the 35% holding in the associated company CIM Technology Ltd. The indirect ownership via Eimo (HK) Ltd. is noted in the consolidated financial statements of the associated company.

### Intra-group share ownership

The consolidated financial statements are prepared using the acquisition cost method.

### Intra-group transactions and margins

Intra-group transactions, margins related to internal transactions, internal receivables and liabilities, and internal profit distribution have been eliminated in the consolidated financial statements.

### Taxes

The consolidated financial statements include taxes that are based on the profits for the financial period of group companies and calculated according to local tax regulations. They also include the deferred tax liability arising from appropriations, the elimination of intra-group margins, and losses.

### Translation differences

Translation differences arise because of differences in the exchange rates for the share equity of Eimo (HK) Ltd., Triple S Plastics, Inc. and the associated company CIM Technology Ltd. between the acquisition date and the closing date.

## 2. NOTES TO PROFIT AND LOSS ACCOUNT

(1 000 EUR)

### 2.1 NET SALES BY MARKET AREA

	Group		Parent company	
	2001	2000	2001	2000
Finland	49 066	41 531	48 626	41 515
Rest of Europe	55 431	61 090	17 785	46 731
Other countries	61 340	2 909	5 545	2 909
	165 837	105 530	71 956	91 155

### 2.2 OTHER OPERATING INCOME

	Group		Parent company	
	2001	2000	2001	2000
Labour market and product development subsidies	157	261	157	261
Rental revenues	36	63	36	63
Profit on sales of tangible assets	335	5	774	5
Other revenues	435	-2	349	-3
	963	327	1 316	326

### 2.3 MANAGEMENT REMUNERATION AND AVERAGE NUMBER OF PERSONNEL

	Group		Parent company	
	2001	2000	2001	2000
Remuneration of CEO's	1 277	-	-	-
Remuneration of Board of Directors	22	16	22	16
	1 299	16	22	16
Average number of personnel employed by the group and by parent company during financial period				
Production personnel	827	624	487	582
Executive and administrative staff	402	144	158	131
	1 229	768	645	713

## 2.4 PLANNED DEPRECIATION

	Group		Parent company	
	2001	2000	2001	2000
Intangible assets	138	86	115	77
Buildings and structures	1 260	656	581	528
Machinery and equipment	8 348	5 228	5 577	4 697
Other tangible assets	493	275	120	244
	10 239	6 245	6 393	5 546

## 2.5 FINANCIAL INCOME AND EXPENSES

	Group		Parent company	
	2001	2000	2001	2000
Dividend returns				
From non-group companies	-	1	-	1
	-	1	-	1
Interest income from short-term investments				
From non-group companies	148	170	56	153
	148	170	56	153
Interest income from long-term investments				
From group companies	-	-	835	510
	-	-	835	510
Interest expenses from short-term debts				
To group companies	-	-	-95	-12
To non-group companies	-4	-3	-4	-3
	-4	-3	-99	-15
Interest expenses from long-term debts				
To non-group companies	-1 942	-439	-1 440	-439
	-1 942	-439	-1 440	-439
Other financial items	-10	29	-11	30
<b>Financial income and expenses, total</b>	<b>-1 808</b>	<b>-242</b>	<b>-659</b>	<b>240</b>

## 2.6 EXTRAORDINARY INCOME

	Group		Parent company	
	2001	2000	2001	2000
Fees for drafting registration documents for Triple S Plastics and setting up Asian business operations	1 237	857	1 236	857
	1 237	857	1 236	857

## 2.7 APPROPRIATIONS

Differences between planned depreciation and tax depreciation	-	-	1 008	2 303
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## 2.8 INCOME TAX

Income tax on extraordinary items	-359	-249	-	-249
Income tax on ordinary operations	2 935	3 432	-	3 303
Change in deferred tax receivable	-747	-	-	-
Change in deferred tax liability	292	601	-	-
	2 121	3 784	-	3 054



### 3. NOTES TO BALANCE SHEET

(1 000 EUR)

#### FIXED ASSETS

##### GROUP

#### 3.1 INTANGIBLE ASSETS

	Intangible rights	Goodwill	Total
Acquisition cost Jan 1, 2001	1 052	809	1 861
Additions	510	2 082	2 592
Decreases	-10	-597	-607
Acquisition cost Dec 31, 2001	1 552	2 294	3 846
Accrued depreciation Jan 1, 2001	464	74	538
Depreciation for financial period	138	620	758
Accrued depreciation on decreases	-	-	-
Accrued depreciation Dec 31, 2001	602	694	1 296
<b>Book value Dec 31, 2001</b>	<b>950</b>	<b>1 600</b>	<b>2 550</b>

#### 3.2 TANGIBLE ASSETS

	Land and water	Buildings and structures	Machinery and equipment	Other tangible assets	Adv. payment and construction in progress	Total
Acquisition cost Jan 1, 2001	637	19 486	54 447	2 072	2 386	79 028
Additions	747	14 896	28 568	1 581	5 898	51 690
Decreases	-8	-601	-2 212	-	-1 798	-4 619
Acquisition cost Dec 31, 2001	1 376	33 781	80 803	3 653	6 486	126 099
Accrued depreciation Jan 1, 2001	-	2 847	19 616	1 177	-	23 640
Translation difference	-	10	39	7	-	56
Depreciation for financial period	-	1 260	8 348	493	-	10 101
Accrued depreciation on decreases	-	-291	-1 092	-	-	-1 383
Accrued depreciation Dec 31, 2001	-	3 826	26 911	1 677	-	32 414
<b>Book value Dec 31, 2001</b>	<b>1 376</b>	<b>29 955</b>	<b>53 892</b>	<b>1 976</b>	<b>6 486</b>	<b>93 685</b>
<b>Book value of machinery and equipment Dec 31, 2001</b>			<b>50 725</b>			

### 3.3 INVESTMENTS

	Shares, associated companies	Shares, other companies	Total
Acquisition cost Jan 1, 2001	2 252	72	2 324
Additions	-	33	33
Decreases	-	-	-
Acquisition cost Dec 31, 2001	2 252	105	2 357
Translation difference	-31	-	-31
Share of accumulated earnings	-450	-	-450
Accrued depreciation Jan 1, 2001	20	-	20
Write-downs of investments	961	-	961
Depreciation for financial period	245	-	245
Accrued depreciation on decreases	-	-	-
Accrued depreciation Dec 31, 2001	1 226	-	1 226
<b>Book value Dec 31, 2001</b>	<b>545</b>	<b>105</b>	<b>650</b>

### FIXED ASSETS

#### PARENT COMPANY

### 3.4 INTANGIBLE ASSETS

	Intangible rights	Total
Acquisition cost Jan 1, 2001	951	951
Additions	138	138
Decreases	-9	-9
Acquisition cost Dec 31, 2001	1 080	1 080
Accrued depreciation Jan 1, 2001	397	397
Depreciation for financial period	115	115
Accrued depreciation on decreases	-	-
Accrued depreciation Dec 31, 2001	512	512
<b>Book value Dec 31, 2001</b>	<b>568</b>	<b>568</b>

### 3.5 TANGIBLE ASSETS

	Land and water	Buildings and structures	Machinery and equipment	Other tangible assets	Adv. payment and construction in progress	Total
Acquisition cost Jan 1, 2001	232	13 698	45 868	1 650	1 637	63 085
Additions	-	2 092	4 854	-	-	6 946
Decreases	-8	-601	-1 960	-	-1 236	-3 805
Acquisition cost Dec 31, 2001	224	15 189	48 762	1 650	401	66 226
Accrued depreciation Jan 1, 2001	-	2 544	18 770	1 127	-	22 441
Depreciation for financial period	-	581	5 577	120	-	6 278
Accrued depreciation on decreases	-	-291	-1 009	-	-	-1 300
Accrued depreciation Dec 31, 2001	-	2 834	23 338	1 247	-	27 419
<b>Book value Dec 31, 2001</b>	<b>224</b>	<b>12 355</b>	<b>25 424</b>	<b>403</b>	<b>401</b>	<b>38 807</b>
<b>Book value of machinery and equipment Dec 31, 2001</b>			<b>23 332</b>			

### 3.6 INVESTMENTS

	Shares, group companies	Shares, associated companies	Shares, other companies	Long-term loan receivables	Total
Acquisition cost Jan 1, 2001	8 022	2 252	71	-	10 345
Additions	25 402	-	34	1 200	26 636
Decreases	-	-	-	-	-
<b>Book value Dec 31, 2001</b>	<b>33 424</b>	<b>2 252</b>	<b>105</b>	<b>1 200</b>	<b>36 981</b>

### 3.7 GROUP COMPANIES

	Group share		Parent company share	
	2001	2000	2001	2000
Eimo B.V.	100%	100%	100%	100%
Eimo Kft.	100%	100%	100%	100%
Eimo (HK) Ltd.	70%	70%	70%	70%
Eimo Decoration B.V.	100%	-	100%	-
Triple S Plastics, Inc.	100%	-	100%	-

### 3.8 ASSOCIATED COMPANIES

	Group share		Parent company share	
	2001	2000	2001	2000
CIM Technology Ltd.	35%	35%	35%	35%

### 3.9 LONG-TERM RECEIVABLES

	Group		Parent company	
	2001	2000	2001	2000
Receivables from group companies				
Loan receivables	-	-	14 422	13 217

### 3.10 SHORT-TERM RECEIVABLES

	Group		Parent company	
	2001	2000	2001	2000
Receivables from non-group companies				
Trade receivables	45 352	20 057	21 594	17 959
Loan receivables	13	252	13	173
Other receivables	401	2 382	41	2 013
Prepaid expenses and accrued income	1 358	2 418	610	2 406
	47 124	25 109	22 258	22 551
Receivables from group companies				
Trade receivables	-	-	1 043	373
Prepaid expenses and accrued income	-	-	433	2
	-	-	1 476	375
<b>Short-term receivables, total</b>	<b>47 124</b>	<b>25 109</b>	<b>23 734</b>	<b>22 926</b>

### 3.11 SHAREHOLDERS' EQUITY

	Group		Parent company	
	2001	2000	2001	2000
Share capital Jan 1, 2001	11 600	11 600	11 600	11 600
Share issue	4 570	-	4 570	-
Share capital Dec 31, 2001	16 170	11 600	16 170	11 600
Share premium fund Jan 1, 2001	18 124	18 124	18 124	18 124
Share issue	20 531	-	20 531	-
Share premium fund Dec 31, 2001	38 655	18 124	38 655	18 124
Retained earnings Jan 1, 2001	23 345	26 539	16 806	20 968
Change in translation and exchange rate differences	1 831	-373	-	-
Dividend distribution	-3 248	-11 600	-3 248	-11 600
Retained earnings Dec 31, 2001	21 928	14 566	13 558	9 368
Profit/loss for financial period	5 194	8 779	-1 171	7 438
Shareholders' equity, total	81 947	53 069	67 212	46 530
<b>Distributable funds Dec 31, 2001</b>				
	Group		Parent company	
	2001	2000	2001	2000
Retained earnings	21 928	14 566	13 558	9 367
Profit for financial period	5 194	8 779	-1 171	7 438
Translation difference	-876	-	-	-
Share of appropriations entered under shareholders' equity	-8 246	-7 295	-	-
	18 000	16 050	12 387	16 805

### Distribution of share capital of parent company by share type

	2001		2000	
	No.	1000 EUR	No.	1000 EUR
A-series (one vote per share)	64 680	16 170	39 200	9 800
K-series (20 votes per share)	-	-	7 200	1 800
	64 680	16 170	46 400	11 600

### 3.12 APPROPRIATIONS

Appropriations comprise accrued depreciation differences in the parent company.

### 3.13 DEFERRED TAX RECEIVABLE

	Group		Parent company	
	2001	2000	2001	2000
Included in losses	595	-	-	-
From elimination of internal margins	152	-	-	-
From temporary differences	380	-	-	-
	1 127	-	-	-

### 3.14 DEFERRED TAX LIABILITY

	Group		Parent company	
	2001	2000	2001	2000
From depreciation difference	3 272	2 980	-	-

### 3.15 LIABILITIES MATURING IN MORE THAN 5 YEARS

	Group		Parent company	
	2001	2000	2001	2000
Loans from financial institutions	3 494	66	81	66

### 3.16 ACCRUALS AND DEFERRED INCOME

	Group		Parent company	
	2001	2000	2001	2000
Debts to non-group companies				
Debts for personnel expenses	6 518	2 828	2 789	2 727
Operating expense accruals	2 684	350	679	252
Tax liability according to tax calculation	-	396	-	289
	9 202	3 574	3 468	3 268
Debts to group companies				
Operating expense accruals	-	-	-	20
	-	-	-	20
Accruals and deferred income, total	9 202	3 574	3 468	3 288

#### 4. OTHER NOTES

(1 000 EUR)

##### 4.1 COLLATERAL, CONTINGENT LIABILITIES AND OTHER COMMITMENTS

	2001	Group 2000	Parent 2001	company 2000
Mortgages given as security and other pledges for debts/liabilities				
Mortgaged promissory notes	18 585	8 081	15 750	8 081
Pledged liens on company assets	42 835	16 819	40 000	16 819
Total amount of other pledges = Machinery as security for investment funding loans from finance company at loan amount at date of financial statements	1 476	85	1 476	85
	62 896	24 985	57 226	24 985
Total debts and guarantees for which liens and pledges are issued				
Loans from financial institutions	32 655	19 296	26 985	19 296
Guarantees and liabilities	350	336	350	336
	33 005	19 632	27 335	19 632
Other liabilities				
Leasing and rental agreements	3 579	-	52	-
Social security payment liability arising from option plans	-	37	-	37
<b>4.2 CONTINGENT LIABILITIES ON BEHALF OF OTHER GROUP COMPANIES</b>				
Guarantees on behalf of subsidiaries			488	634
<b>4.3 DERIVATIVE CONTRACTS</b>				
Nominal value	20 186	-	8 334	-
Market value	-93	-	-364	-
Book value	-93	-	-364	-

##### 4.4 MANAGEMENT OF FINANCIAL RISKS

###### Foreign exchange risk

The group's foreign exchange risk relating to sales is minor. The purchase of raw materials and certain production equipment takes place in the yen region, and these items involve a foreign exchange risk for a limited period. Foreign exchange risk is monitored on a monthly basis. During the financial year, foreign exchange risks have been hedged by forward currency trading at the US and European units.

###### Interest rate risk

The interest risk on loans is considered minor. Some of these risks at the American units have been secured with derivative contracts.

###### Credit risk

Our customers are mainly major companies whose credit risk is assessed as being minor.

###### Liquidity risk

Group liquidity is good. There are no factors in sight that would considerably weaken it.

#### 4.5 SHARE OWNERSHIP DECEMBER 28, 2001

Companies	8.9%
Financial and insurance institutions	33.9%
Public corporations	7.7%
Non-profit organizations	2.6%
Households	46.7%
Foreign shareholders	0.2%
	100.0%

#### By size of holding

Shares	Number of shareholders	Proportion of shareholders %	Number of shares total	Proportion of shares %
1 - 1 000	7 576	70.9	3 461 508	5.4
1 001 - 10 000	2 812	26.3	8 411 562	13.0
10 001 - 100 000	242	2.3	6 107 815	9.4
over 100 000	51	0.5	46 699 115	72.2
	10 681	100.0	64 680 000	100.0

#### 4.6 LARGEST REGISTERED SHAREHOLDERS DECEMBER 28, 2001

	Number of shares total	% of shares and votes
Paananen Jalo	4 801 600	7.4
Paananen Elmar	3 500 000	5.4
Paananen Topi	3 500 000	5.4
Jukko Annamari	3 500 000	5.4
Ilmarinen Mutual Pension Fund	2 609 400	4.0
E.A.T-Invest Oy	1 300 000	2.0
Sampo Suomi Osake Mutual Fund	1 109 975	1.7
Rannila Esa	925 200	1.4
State Pension Fund	578 400	0.9
Sitra, Finnish National Fund for Research and Development	544 600	0.8
Eläke-Fennia Mutual Insurance Company	524 600	0.8
Kuntien Eläkevakuutus	448 400	0.7
Aktia Capital Mutual Fund	427 000	0.7
Sampo Suomi Yhteisöosake Mutual Fund	388 400	0.6
Aktia Secura Mutual Fund	345 700	0.5
Finnish Cultural Fund	340 000	0.5
Mandatum Global Tech	315 300	0.5
FIM Fenno Sijoitusrahasto	300 000	0.5
Nominee registered total	16 232 340	25.1

#### 4.7 MANAGEMENT HOLDINGS DECEMBER 28, 2001

The Members of the Board of Directors of the company and the CEO together owned a total of 12,285,010 A-shares, or 19.0% of the company's share capital and voting rights. In addition, the Members of the Board and CEO held a total of 673,000 warrants. On the basis of these, they can subscribe for a maximum of 673,000 new A-shares, which would represent 1.0% of the share capital and votes after conversion. In total, after a full subscription, the Members of the Board and CEO would own 19.8% of the share capital and votes.

# Auditor notation

This financial statement has been drafted in accordance with proper accounting procedures.  
A report on the completed audit has been given on this day.

Lahti, March 4, 2002

Certified Public Accountants Idman & Vilén Oy  
Central Accounting Board

Matti Pettersson, CPA

# Auditor's report

To the shareholders of Eimo Oyj

We have audited the accounting, the financial statements and the corporate governance of Eimo Oyj for the period 1.1.2001 - 31.12.2001.

The financial statements, which include the report of the Board of Directors, consolidated and parent company income statements, balance sheets and notes to the 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 period audited by us.

The proposal by the Board of Directors regarding the distribution of retained earnings is in compliance with the Companies Act.

Lahti, March 4, 2002

Certified Public Accountants Idman & Vilén Oy  
Central Accounting Board

Matti Pettersson  
Authorized public accountant



