2001

ANNUAL REPORT
2001

HYY GROUP

2001

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

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

The HYY Group's parent corporation is the Real Estate Funds of HYY (the Student Union of the University of Helsinki); two subgroups, HYY Group Ltd and KILROY travels International A/S, are consolidated into it. The Real Estate Funds of HYY owns 100% of HYY Group Ltd and about 57% of the shares in KILROY travels International A/S.

The HYY Group's financial result for 2002 will be made public in March 2003.
The 2002 Annual Report will be completed in May 2003.

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2001

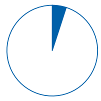
2001 IN BRIEF

- Net sales declined by 2% and were EUR 232.9 million. The decline was primarily attributable to KILROY travels.
- Profit before extraordinary items and taxes was EUR 6.3 million.
- Gross investments amounted to EUR 7.3 million.
- Return on investment was 19.5%.
- Return on equity was 14.9%.
- The equity ratio exclusive of revaluations was 26.4%; including the potential revaluation of land areas allowed by the Accounting Act, the figure is 51.3%.
- Total assets were EUR 94 million. The positive difference between the balance sheet values and market values of real estate included in fixed assets was EUR 138 million.
- Proposed dividends amounted EUR 2.4 million.

INTRODUCTION TO THE HYY GROUP'S OPERATIONS, 1 JAN. 2002

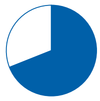
Division	Unit	Operations	Location
REAL ESTATE DIVISION			
	HYY Real Estate	HYY Real Estate owns commercial, office and residential premises, plus maintains premises in support of the Student Union's operations.	The City Centre Property in the heart of Helsinki and the Leppäsuo Property in the Kamppi district of Helsinki.
	Kaivopiha Ltd	Kaivopiha Ltd handles the management, leasing out and maintenance of HYY's properties. The company also owns individual investment suites.	Business location: Helsinki. Investment suites in other cities in Finland.

Share of the Group's net sales:



5%

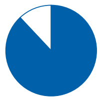
Share of the Group's result*)



69%

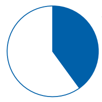
Division	Unit	Operations	Location
TRAVEL GROUP			
	KILROY travels group	The leading student and youth travel agency in Northern Europe.	Business locations in Finland (6), Sweden (11), Norway (8), Denmark (9), the Netherlands (4) and Spain (1).
	MyPlanet subgroup	A subgroup of KILROY travels specializing in friendship association trips to Australia, New Zealand, Canada and the United States.	Business locations in Denmark (2), Sweden (3) and Norway (1).

Share of the Group's net sales:



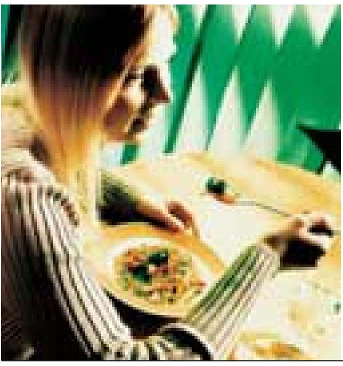
88%

Share of the Group's result*)

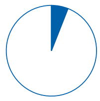


40%

Division	Unit	Operations	Location
RESTAURANTS			
	Oy UniCafe Ab	Oy UniCafe Ab offers lunch, café, catering and takeaway services. Its main customer groups are university students and staff.	A chain of 23 restaurants in Helsinki.
	Oy Vanha Ylioppilastalo Ab	A wide range of restaurant and festive services and entertainment events.	Activities at the Old Student House in Helsinki.

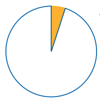


Share of the Group's net sales:



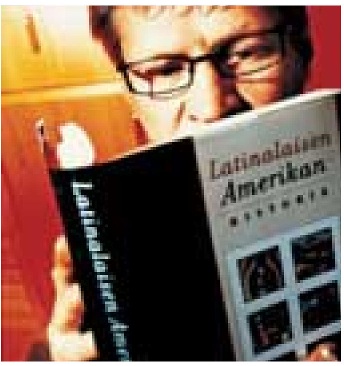
6%

Share of the Group's result*)

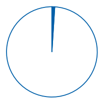


-5%

Division	Unit	Operations	Location
OTHER COMPANIES			
	University Press Finland Ltd	Publisher of literature on the humanities, social sciences and technology.	Publishing houses Gaudeamus and Otatieto, Helsinki.
	Oy Academica Hotels Ltd	An environmentally friendly summer hotel.	Located in the Kamppi district of Helsinki.
	Oy UniCard Ab	Offers smart cards to the university community and maintains the HYY Group's loyal customer system.	Active in the Helsinki area.

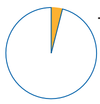


Share of the Group's net sales:



1%

Share of the Group's result*)



-4%

*) profit before taxes and extraordinary items

THE HYY GROUP'S VALUES

Humility
before the principles and wishes of the Group's owner, when said principles and wishes are based on due process and represent the considered position of the majority of the legally elected representatives.

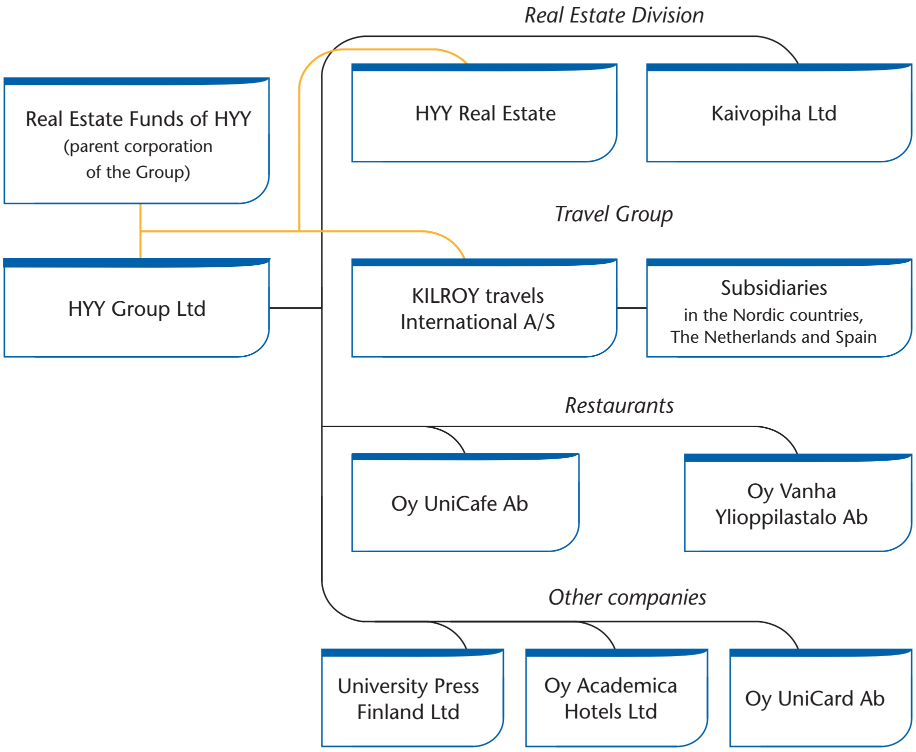
Long-term approach
coupled with an active stance and the will to renew ourselves. Moderation in both the setting of objectives and the taking of risks. Accepting and learning from such failures as are unavoidable when engaged in successful business operations and which are proportionate to our successes and risk framework.

Responsibility
towards our customers, employees, partners and environment. We keep our promises.

Openness
Every member of the working community has the right and obligation to access the information she or he needs. We maintain open and equitable discussions within the Group and in the administrative body of the Group's owner. We release truthful information to the public on all such issues as we are allowed to and compelled to by our regulations and agreements.

Good conscience
in all matters. The Group does not implement solutions that violate societal regulations or good codes of conduct.

ORGANIZATION CHART, 1 JANUARY 2002



THE GROUND RULES OF THE GROUP'S OWNER

MANAGEMENT AND MAINTENANCE OF THE STUDENT UNION'S ASSETS

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

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

GENERAL PRINCIPLES OF BUSINESS OPERATIONS

Business and investment activities

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

Investment-driven shareholdings

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

Net sales and net profit

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

Critical mass

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

Management

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

Integration of decision-making

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

Synergy benefits of ownership

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

Conservative risk-taking

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

Taking the environmental perspective into consideration

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

Social responsibility

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

Distribution of profits

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

"Barring unforeseen events that would affect the entire travel industry ..."

In the spring of 2001, I wrote those very words in the 2000 Annual Report to qualify my statement that the KILROY travels Group – and thus the entire HYY Group – would enjoy a positive earnings trend. After all, travel is one of the Group's two earnings mainstays, the other being real estate.

Unfortunately, my prophetic reservation came to pass. That Black Tuesday, 11 September 2001, and the subsequent developments in the last months of the year put the brakes on the good earnings trends that had prevailed until September. KILROY travels' profit stalled at EUR 2.8 million, the previous year's level. In comparison with large travel players operating on the Nordic scale, the company's return on investment and earnings were good, both in general and especially considering what transpired in 2001.

The HYY Real Estate profits, about EUR 5 million, were a significant improvement on the previous year and exceeded the target. The combined earnings from operations geared towards university communities were in the red, and did not improve as planned.

The consolidated result was about EUR 6.3 million, and thus the original earnings target was not achieved. In operational terms, the result was slightly better than in 2000. Earnings for 2000 included the booking of about EUR 0.5 million in capital gains from sales; no such capital gains materialized in 2001. The overall result was at the previous year's level before the booking of a significant tax item related to an intra-group acquisition. The future will show whether it was wise to pay these taxes in advance. This tax item temporarily depressed return on equity as well.

Trend in the total return on real estate

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

The calculation of income is based on a Finnish real estate index that can be used to make international comparisons. All major Finnish property owners renting business premises contribute to the index database.

The positive capital return on the market value (about EUR 159 million) of HYY Real Estate amounted only to about EUR 0.2 million during the financial year. When investments capitalized during the financial year are deducted from this figure in accordance with the formula, the capital return from revaluations (capital return) is negative. The total return on real estate declined from last year's figure of 9.1 per cent to 4.5 per cent. The total return on the City Centre Property was 5.3 per cent exclusive of the effect of investments. The modest total return on the Leppäsuo Property, 2.8 per cent, was mainly due to the usage purposes and rent levels decided upon for the property by the owner. The average total return on the properties which were entered in the national real estate index was 7.3 per cent in 2001. When the market peaked, the total return on the best properties located in the heart of Helsinki, calculated in accordance with the market values, was lower than the average figure for the entire country.

In a national customer satisfaction study carried out in 2001, HYY Real Estate achieved the best overall grade out of 15 large Finnish renters of business premises for the second time running.

The return on investment from the rental of HYY Real Estate, calculated in accordance with the instructions of the Committee for Corporate Analysis, was 23.3 per cent (20.1 per cent in 2000).

From turbulence to Darwinism in the travel industry

In my review a year ago, I looked into the megatrends affecting the travel industry both globally and in Europe, especially the consolidation of the industry and the impact of technology on consumption behaviour. 2001 demonstrated that online sales in general are evolving at a slower rate than expected. This has caused many "online only" players to bow out of the market. Multichannel operators such as traditional airlines and travel agencies have also had to adapt their online sales structures to match the rate of development. However, the online market still exists, although even when it becomes ripe it will most likely be smaller in scale than it was believed and hoped.

The competition in the flight market will heat up further. The rapid success of discount airline companies in continental Europe and short-distance mass destinations led many traditional airlines to re-evaluate their operating models, pricing and cost structures, in some cases in a state of panic. The events of September accelerated the weakening of the profitability and liquidity of the various operators – including airlines and travel agencies – in the travel industry's value chain. The greater risks have imposed larger collateral requirements and shorter repayment periods on the various parties in the chain. The Darwinistic survival process has eliminated many players from the industry, and will continue to do so, but it will also further step up the rate of consolidation amongst viable companies as well.

Students and youth comprise about 20 per cent of all passengers carried by the world's airlines. Their share is growing. KILROY travels' operations still hinge on focusing and specialization. Even during the rapid restructuring of the travel industry, the success factors are: having a critical mass, knowledge of customers, customer loyalty, cost-effective processes and a strong financial foundation for the company, as well as the ability to take on responsibility for promises made to customers and for commitments to partners.

In 2001, KILROY travels demonstrated its ability to rack up an acceptable level of earnings even during a difficult market situation. KILROY is a strong player that will thrive in the face of future developments in the field.

Services for the university communities register losses

Oy UniCafe Ab retained its market leadership in restaurant services for universities in the Helsinki Metropolitan Area. Its result was significantly in the red. Structural changes in demand and cost levels will call for adapting in the future. The company and the expansion of its operations in the educational segment – at least in the Helsinki Metropolitan Area – are key focus areas for the Group. The company ventured into a significant new area by opening a restaurant in Otaniemi, Espoo, in September 2002.

Oy Vanha Ylioppilastalo Ab achieved its objective of racking up a positive result.

The smart card company Oy UniCard Ab was in the red, as it provides services for the members of the Student Union. University Press Finland Ltd met its earnings targets, thanks especially to the Gaudeamus imprint. Oy Academica Hotels Ltd, operating with additional capacity, once again achieved good earnings in its hotel business considering its size class and business period.

Prospects for the 2002 financial year

The net sales and earnings of KILROY travels and its MyPlanet subgroup – without the effect of possible acquisitions – are expected to come in at least at the same level as in 2001, provided that no new events or trends impact negatively on the entire travel industry.

The vacancy rate of offices and similar business premises will increase, even in the centre of Helsinki. The general demand for business premises will weaken and new capacity will still be completed. In 2002, profits from the rental of HYY Real Estate are still expected to hit at least the same level as in 2001 due to the good portfolio of tenants.

The other companies have only a slight combined effect on the Group's result.

The net sales budgeted for the entire Group in 2002 are about EUR 250 million. The budgeted profit before extraordinary items and taxes is about EUR 7 million.

In 2003, a new CEO will step in

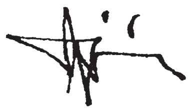
This is my last and 33rd year in charge of the financial reins of HYY and the HYY Group. When I made my last five-

year agreement in 1997, I announced that I would avail myself of my right to retire at the end of 2002. Effective at the beginning of 2003, my long-term colleague and the Group's current First Vice President, Linnea Meder, M.Sc. (Econ.), eMBA, will take over as CEO. She was elected unanimously. In its role as the owner of the HYY Group, the Student Union of the University of Helsinki once again demonstrated its responsible and long-term attitude in line with its confirmed values.

The new CEO proposed that I would stay on as the Chair of the Board of Directors of KILROY travels International A/S and take on responsibility for the pending development of the ownership structure of the subgroup, and I have agreed with the HYY Group's Board of Directors to do so. This agreement will be in effect until 2007.

Acknowledgement

I would like to thank our customers, personnel, partners and owners for their efforts during 2001, a year fraught with challenges.



Tapio Kiiskinen

KEY INDICATORS 1997 – 2001

		1997*	1998	1999	2000	2001
Net sales	EUR million	153.2	165.2	226.8	238.3	232.9
Change	%	14.1	7.8	37.3	5.1	-2.3
Personnel costs	EUR million	17.1	18.0	23.9	25.7	28.1
Personnel costs as a share of net sales	%	11.2	10.9	10.5	10.8	12.1
Result of operations**	EUR million	4.7	8.4	6.5	6.5	6.3
Gross investments	EUR million	2.6	6.2	14.8	6.8	7.3
Gross investments as a share of net sales	%	1.7	3.7	6.5	2.9	3.1
Net investments	EUR million	1.6	-3.4	13.4	5.5	6.1
Total assets	EUR million	61.1	63.5	91.1	96.6	94.0
Shareholders' equity	EUR million	8.0	10.9	12.1	13.6	13.4
Fixed assets	EUR million	29.2	28.3	37.0	38.6	39.8
Liquid funds***	EUR million	24.9	28.7	45.8	48.1	45.4
Net debts	EUR million	9.2	-0.6	-3.5	-6.1	-3.0
Payment of dividends to minority shareholders	EUR million	0.1	0.4	0.3	0.4	0.0
Distribution of profits to the Student Union	EUR million	2.2	2.2	2.3	2.3	2.4
Direct distribution of profits, total	EUR million	2.3	2.6	2.6	2.7	2.4
Return on investment excluding capital gains	%	18.9	19.1	21.0	18.8	19.5
Return on investment including capital gains	%	21.1	33.0	22.0	20.2	19.5
Return on equity excluding capital gains	%	36.7	21.0	28.9	25.8	15.9
Return on equity including capital gains	%	45.6	58.7	31.4	28.9	15.9
Equity ratio at book value	%	18.5	29.2	23.9	25.9	26.4
Equity ratio including potential revaluation of land areas	%	51.8	58.6	50.0	50.3	51.3
Return on equity (initial yield) if the revaluation of land is realized	%	8.9	9.2	10.6	10.0	10.2

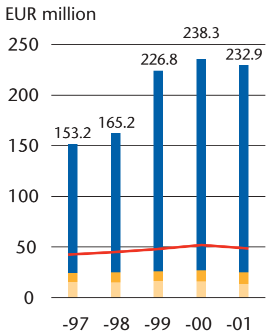
* The figures for 1997 have been converted to correspond to the new accounting practices introduced in 1998

** Profit before extraordinary items and taxes

*** Cash in hand and at bank as well as securities included in financial assets

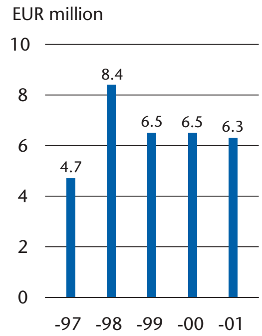
The formulas for key indicators are presented on page 58.

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

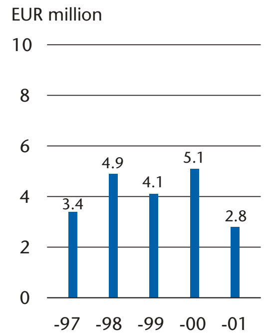


Net sales

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

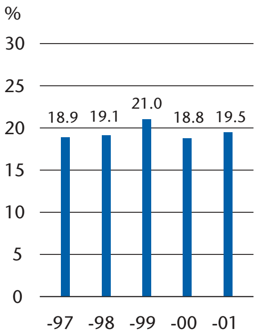


Profit before taxes and extraordinary items

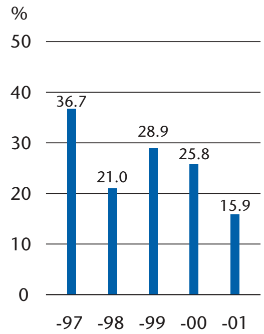


Overall result

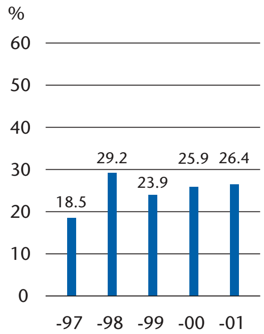
Calculated in accordance with the conventions of the Finnish Committee for Corporate Analysis



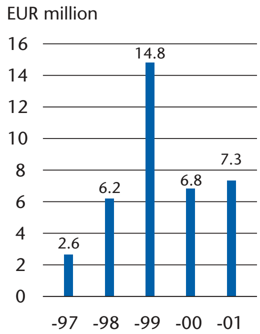
Return on investment, %



Return on equity, %

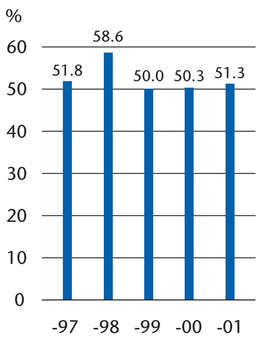


Equity ratio, %

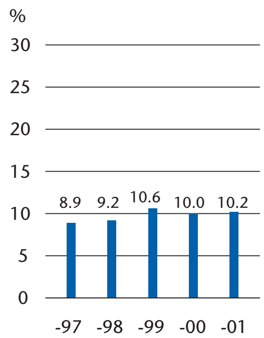


Gross investments

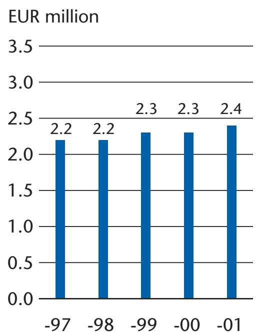
Other key indicators



Equity ratio including potential revaluation of land areas, %

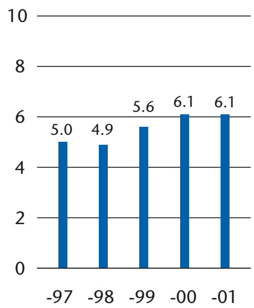


Return on equity (initial yield) if the revaluation of land areas is realized, %

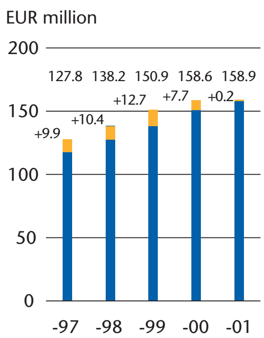


Dividends

- from the HYY Group to the Student Union's contingency fund

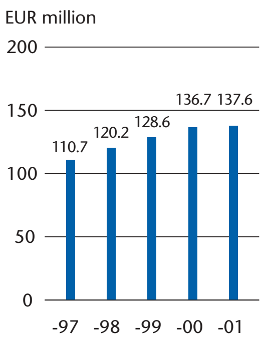


Security ratio

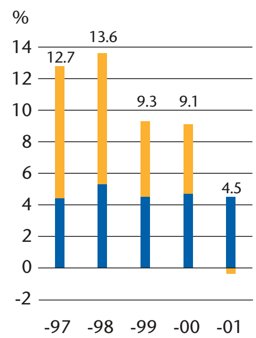


Market value of HYY Real Estate and annual change in capital return

- Market value
- Annual change in capital return

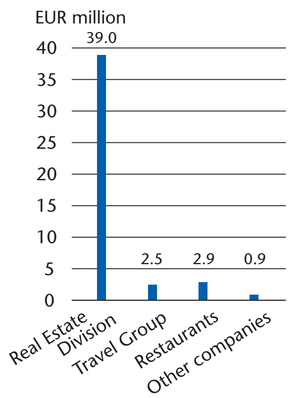


Difference between the market values and book values of the fixed assets in the balance sheet (real estate)



Total return on HYY Real Estate

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



Tied-up risks by division, 2001

INFORMATION ON PERSONNEL, 31 DEC. 2001

The HYY Group's personnel strategy

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

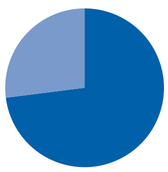
The implementation of the strategy is based on

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

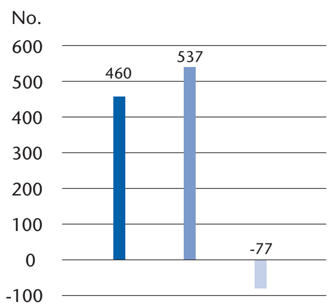
Personnel communications, training and research are employed to guarantee that the Group's values and corporate culture are understood and accepted within all business units and at the different personnel levels. Two of the central aspects of the corporate culture are preparedness for changes and working together with others in the effort to reach the objectives at hand.

The Group is consistent in its handling of basic issues related to employer policy and complies with a uniform personnel policy. In this respect, the

Distribution by gender



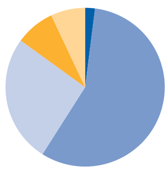
Women	73%
Men	27%



Personnel turnover

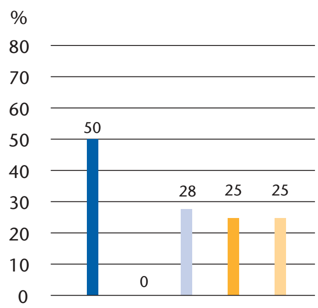
- Started
- Leaving the Group's employ
- Net increase

Distribution of personnel ages



The average age of personnel was 31 years.

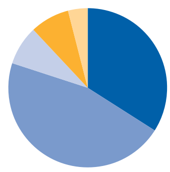
Under 20 years	2%
20 – 29 yrs	57%
30 – 39 yrs	26%
40 – 49 yrs	8%
over 50 yrs	7%



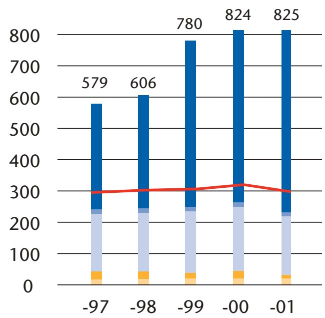
Turnover of permanent employees by division in 2000, % (personnel leaving the Group's employ/ personnel at beginning of year x 100)

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

Time of employment in the HYY Group



Under 1 year	34%
1 – 5 yrs	46%
6 – 10 yrs	8%
11 – 20 yrs	8%
over 20 yrs	4%



Average number of employees in Finland/ abroad 1997 – 2001

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

Group's personnel activities are coordinated by the parent company, which maintains a Group-level personnel register. In 2000, an equality plan and training principles were drafted for the Group.

Wellbeing of personnel

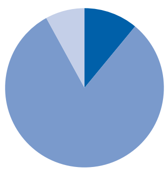
A personnel satisfaction survey covering the Group's Finnish employees was carried out for the first time in November 2001. According to the answers to the questions pertaining to the entire Group which were asked of all the employees, HYY is perceived as a secure background owner and the Group is thought to have a good reputation. Employees know which values the Group's operations are based on. They consider their own contributions on the job important and have a responsible attitude to their work. No sexual harassment or workplace bullying takes place in the working environment. The employees are satisfied with the occupational health services. They state that there is room for improvement in matters such as the flow of information, the Group's image as an employer, personnel management and the facilitation of suggestion-making. In addition, they were not fully satisfied in all aspects of pay levels. In the future, the development of personnel satisfaction will be tracked by means of repeat surveys.

The average age of the HYY Group's management was 42 years.

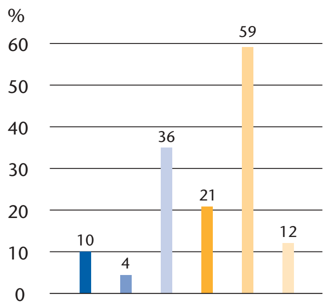
Of the directors, nine were women and eleven were men.

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

Educational level



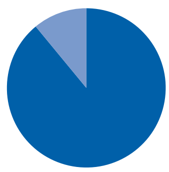
- Comprehensive school......... 11%
- Post-comprehensive degree 81%
- University degree.................. 8%



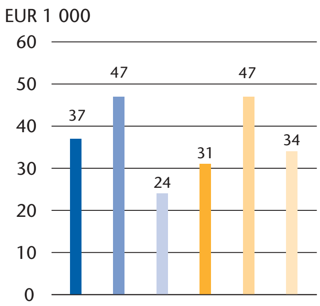
Personnel expenses as a share of net sales by division, 2001

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

Nature of employment



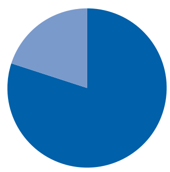
- Permanent 89%
- Temporary 11%



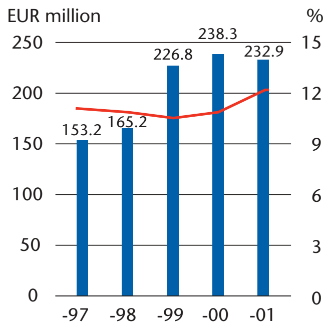
Personnel expenses per employee by division, 2001

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

Nature of employment

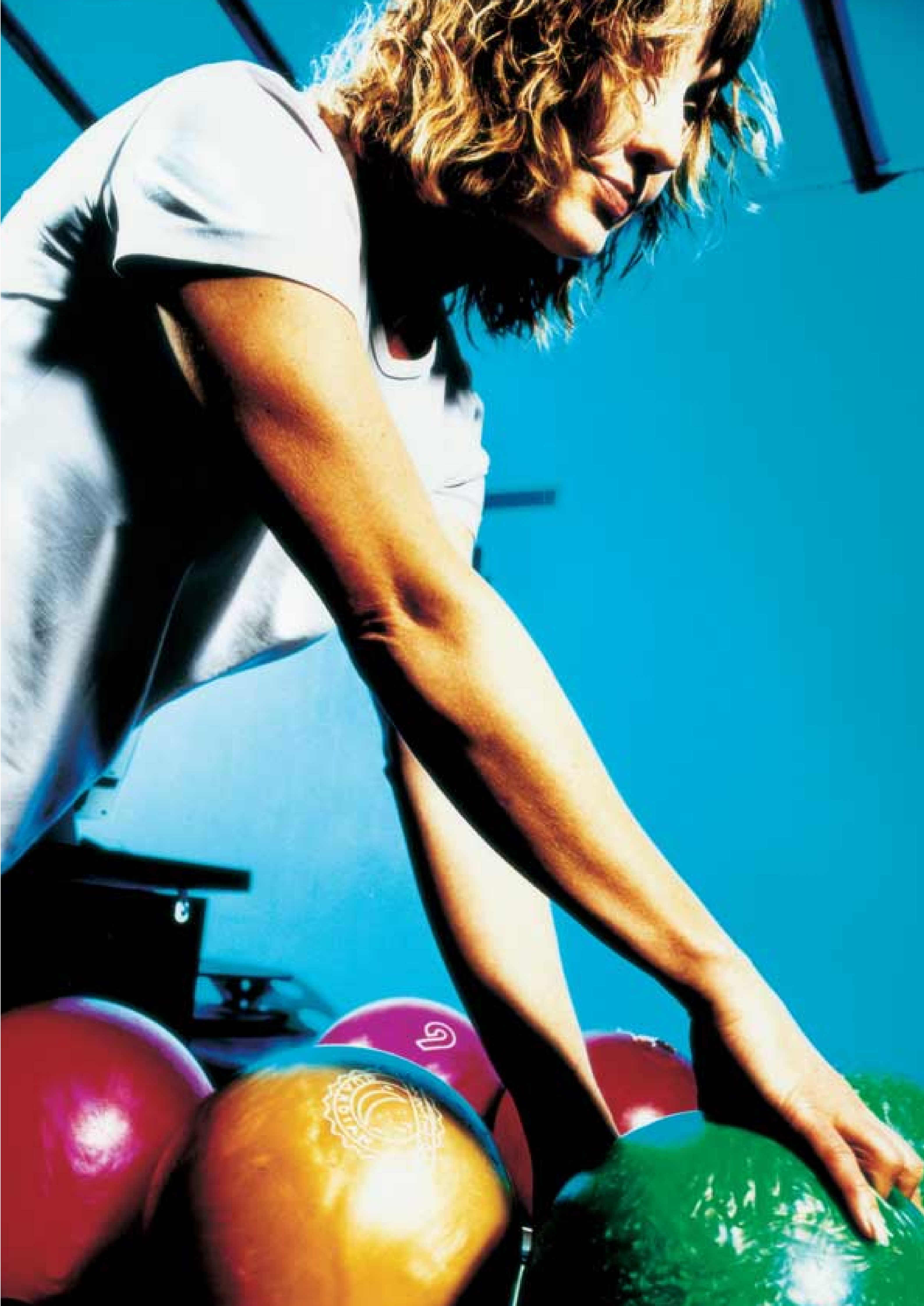


- Full-time 80%
- Part-time 20%



Personnel expenses as a share of net sales, 1997 – 2001

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



THE FINNISH GROUP'S PARENT COMPANY, HYY GROUP LTD

HYY Group Ltd owns and manages the companies in its corporate group in accordance with the objectives laid down by its owner, the Student Union of the University of Helsinki. The company's aim is to organize the operational and corporate structure of the HYY Group and attend to its strategic management, attend to the financing of the HYY Group, produce internal services for the HYY Group and its owner, examine and develop new businesses, implement centralized changes and engage in long-term investment activities.

HYY Group Ltd does not seek to achieve distributable earnings of its own. The company strives to support the earnings performance of the entire Group by means of its operations which are cost-efficient and of a high professional standard. The company may take business risks with the aim of generating or maintaining earnings, especially in its development operations. When necessary, the company pays dividends to its parent corporation, the Real Estate Funds of HYY, from profitable financial results based on the dividend payouts of subsidiaries and capital gains from the sale of shares.

Focus areas of operations in 2001

As internal services, the company attended to tasks related to the financial and personnel administration of its owner and its subsidiaries (excluding the KILROY travels subgroup) as well as acted as an internal corporate bank. In addition, the company maintained the Group's information network and was responsible for corporate communications and centralized personnel administration tasks. During the report year, the company prepared itself for the introduction of the euro as a cash currency by updating its software and training its employees. In April 2001, the Finnish companies changed over to the euro as their currency of account.

Personnel

The company employed an average of 20 people in 2001. Years of service/ person within the HYY Group amount to 12 years on average. 77% of employees are permanently employed. Their average age is 43 years and women account for 86%.

Investments

The company's gross investments, EUR 0.04 million, comprised software updates and the replacement of hardware. As part of the reorganization of intragroup shareholdings, HYY Group Ltd sold all its shares in KILROY travels International A/S to the Real Estate Funds of HYY in September 2001.

Near-term outlook

The company's net sales target for 2002 is about EUR 1.6 million.

During 2002, all the working processes of the parent company will be reviewed by means of a block diagramming process. As the processes related to the parent company's operations are usually closely tied to the processes of the service users, they will be examined in association with all the units. The aim is to clarify concepts and tasks throughout the entire Group's administrative organization, including work carried out within the units.

THE HYY GROUP HAS A NEW ENVIRONMENTAL PROGRAMME

The HYY Group's environmental programme for 2002 is the latest achievement of the Group's long-term environmental efforts, which have now lasted for more than 10 years. The Group aims to belong to that group of forerunners in the service sector that attends to its environmental efforts in an exemplary fashion. The new elements of the environmental policy are social and ethical responsibility.

The new programme specifies an environmental strategy and policy influenced by the Group's values and business principles. The Group seeks to meet its stakeholders' and owner's expectations regarding its level of social responsibility. Missing profits and extra expenses are accepted in the earnings targets if they are incurred due to environmental considerations. Practical environmental work aims at economical business operations and savings that at least match the expenses caused by the maintenance of the environmental system. The programme is structured in line with the ISO 14001 environmental standard.

First Vice President Linnea Meder.

Key indicators for the Group's parent company

	2001	*2000*
Net sales, EUR million	**1.6**	1.7
Profit before taxes and extraordinary items, EUR million	**-0.0**	-0.4
Invested capital, EUR million	**15.4**	13.5
Return on investment, %	**1.9**	-1.3
Return on investment, including sales of investments, %	**53.9**	-0.1
Gross investments, EUR million	**0.0**	0.0
Average personnel	**20**	20

The Group pays attention to the wellbeing of its employees. Activities are coordinated by the parent company, which maintains a Group-level personnel register. A personnel satisfaction survey was carried out in November 2001. Activities are developed on the basis of the survey results.


HISSI
HISS

REAL ESTATE DIVISION

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

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

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

Since 1984, the Real Estate Funds of HYY has owned 100% of HYY Group Ltd. In September 2001, the Real Estate Funds of HYY gained another subsidiary and subgroup, when it acquired all of HYY Group Ltd's shares in KILROY travels International A/S (56.6% of the shares outstanding).

Focus areas of operations in 2001

In the general market for office premise rentals, about 121,000 m^2 was available for rent in Helsinki in autumn 2001. The vacancy rate of business premises rose from about 1.1 to 1.7 per cent during the report year. The paid occupancy rate of HYY Real Estate's office premises and commercial and business premises was 99.5% during the year.

Residences were rented to members of the Student Union and to students attending the University of Helsinki under student exchange programmes, and the levels of the rents that were set accounted for the location, residential level and condition of the residences. The average occupancy rate of the residential premises that were in use was about 98% during the report year.

The net sales of the properties (HYY Real Estate and Kaivopiha Ltd) amounted to EUR 11.9 million, up 6% on the previous year. Profit after EUR 1.5 million in planned depreciation and EUR 1.2 million in net interest expenses amounted to EUR 4.8 million (EUR 4.8 million in 2000). Earnings from the rental of business premises totalled EUR 5.0 million (EUR 4.4 million in 2000). Indirect and property taxes amounted to EUR 0.9 million. Earnings exceeded the target. In a comparison of businesses renting out business premises in the centre of Helsinki, the division is one of the best in its field.

Personnel

The Real Estate Division had an average payroll of 12 people in 2001. Operational tasks have been primarily seen to by purchasing them as services from HYY Group Ltd's corporate group and external providers. The personnel within the Real Estate Division has been employed by the HYY Group for 16 years on average. The share of permanent employees is 100%. The average age of employees is 44 years and 64% of them are women.

From right: Yrjö Herva, Director of the Real Estate Division, and Assistant Director Jukka Leinonen.

Investments

In 2001, investments in the refurbishing of buildings and building equipment systems, replacements and maintenance, and repairs related to the rental of premises amounted to about EUR 0.8 million (2000: EUR 1.2 million).

Research and development

The division took part in the field's R&D in numerous development projects organized by the Finnish Institute for Real Estate Economics, together with major Finnish corporations owning real estate. In the customer satisfaction benchmarking project of the real estate sector, the Real Estate Division achieved the best overall grade out of 15 Finnish real estate owners for the second time running. Other joint projects included the real estate yield and cost information projects, the real estate return index development project and environmental benchmarking.

Near-term outlook

The Real Estate Division's net sales target for 2002 is EUR 12.3 million and the target for profits from rental activities is EUR 5.0 million after planned depreciation and interest and before taxes and EUR 4.2 million after taxes. Thanks to its good portfolio of tenants,

HYY Real Estate took part in the nationwide Customer Satisfaction Benchmarking 2001 survey of the real estate sector, which assessed how satisfied tenants are with their landlords. HYY Real Estate achieved the best overall grade for tenant satisfaction out of 15 leading Finnish renters of commercial and office premises for the second time running.

earnings from HYY Real Estate's rental operations are expected to reach at least the same level in 2002 as in 2001.

As a general trend in the rental market for business premises, it is to be expected that the vacancy rate will continue to increase due to the prevailing slight demand for business premises and the new overcapacity in relation to the market situation.

The excellent market situation seen in the last few years has levelled off and there is already a considerable oversupply of premises. The current renters only have sporadic needs for additional capacity.

Rent levels for new renters will decrease and, if desired, rent levels can be maintained only with substantial investments of profits and offering additional services for the customers' premises.

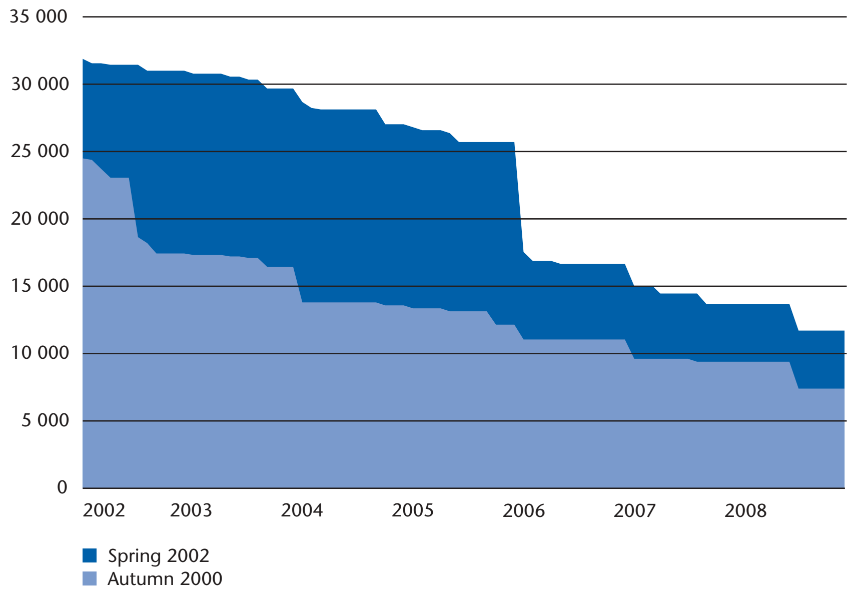
In the market situation for business premises in the centre of Helsinki, it is characteristic that there is a lack of good store locations available on the market. This enables the implementation of development investments in Kaivopiha and, in most cases, the development of the tenants as a whole in the next few years as well. The key factor is to continuously attend to proper business property management and carry out properly-targeted investments in support of the Kaivopiha brand.

The residential premises of Domus Academica, a student dormitory that is located in the centre of Helsinki, have encountered no occupancy rate problems at the current rent and housing grant levels. Thanks to the property's excellent location, the demand for housing in Domus remains high and stable in spite of the modest condition of the apartments in Domus' buildings C and D. The Library Building has been permanently rented to the library of the Helsinki School of Economics and Business Administration.

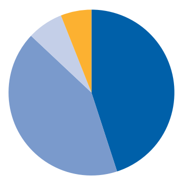
Key indicators for the Real Estate Division

	2001	*2000*
Net sales, EUR million	**11.9**	11.2
Profit before taxes and extraordinary items, EUR million	**4.8**	4.8
Invested capital, EUR million	**33.9**	29.1
Return on investment, %	**17.8**	19.4
Gross investments, EUR million	**0.8**	1.2
Average personnel	**12**	12

The duration of the Real Estate Division's rental contracts in the City Centre Property in square metre terms. Leasable area 31,693 m²



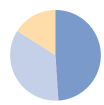
Leasable area in the City Centre Property
by type of facility, 31 Dec. 2001



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

Leasable area: a total of 31,693 m²

Leasable area in Leppäsuo Property
by type of facility, 31 Dec. 2001



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

Leasable area: a total of 15,544 m²

TRAVEL GROUP

The HYY Group's Travel Group comprises the KILROY travels Group and its MyPlanet subgroup. The parent company of the KILROY travels Group is the Danish company KILROY travels International A/S, in which Real Estate Funds of HYY has a 56.6% holding of the shares and voting rights. The principal minority shareholder is Axcel IndustriInvestor a.s. of Denmark, which has a 35% stake. KILROY travels International A/S is the sole owner of its sales companies in all of the Nordic countries, the Netherlands and Spain. KILROY travels has a worldwide agreement-based service network that offers value-added services to travellers. MyPlanet International A/S – which specializes in friendship association travel, especially to Australia, New Zealand, Canada and the United States – operates with its own sales companies in Denmark, Sweden and Norway. All customers of MyPlanet are members of friendship associations of the respective destination countries. Membership brings significant value-added services.

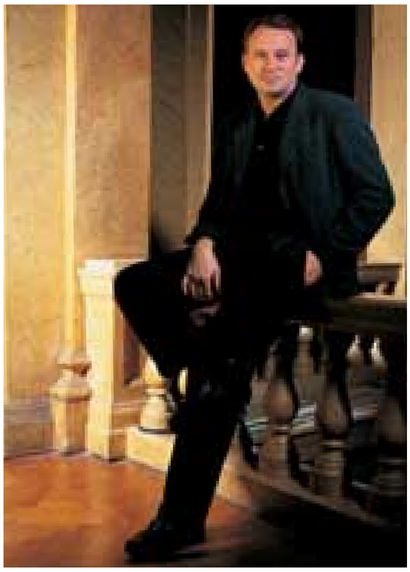
KILROY travels focuses on a customer community comprising students under the age of 33 and other youth under the age of 26. In this segment, KILROY is and seeks to remain the leading and most respected provider of travel information, products and other services in Northern Europe. Its travel services, which are appropriately priced for the customer community and adapted for its customers' needs, are divided into two operational business units: Individual Travel and Group Travel. MyPlanet's customer community included over 40,000 members in 2001; its typical customer is a well-educated person who has a good income, is aged 40 to 55 and is interested in the culture of the destination country. KILROY purchases customized flight transportation and other travel products, and then wraps them in its own branding concept. KILROY has agreements concerning its own airline ticket concept with over 40 leading airlines. About one million airline tickets were sold under the company's own concept in 2001. Sales of products and services and the building and maintenance of customer relations take place through three integrated channels: retail offices, call centres and Internet/online services.

Focus areas of operations in 2001

The KILROY travels Group's net sales amounted to EUR 206.5 million, down about 2% compared with the previous year. The result before extraordinary items and taxes was a profit of EUR 2.8 million. KILROY travels' net sales and operating profit did not reach the targets set for 2001.

KILROY Individual Travel's net sales declined somewhat compared with the previous year. The unit sold its unprofitable German company in April 2001. The weakening of the exchange rate of the Swedish krona, the currency of the largest foreign subsidiary, also cut into net sales. However, the unit further strengthened its market leadership in the Nordic countries, and continued to grow strongly in the Netherlands, where it achieved market leadership once its main competitor went out of business. The Spanish company held on to its market position in wholesale to independent agents in Spain and Portugal. After the situation ushered in by September 11th, the sought-for significant growth in net sales and earnings was not achieved. At the end of 2001, however, net sales began to recover.

Online bookings began to increase substantially after a sluggish start. New



Mogens Jønck, Managing Director and CEO of the Travel Group.

customized KILROY products were launched successfully.

KILROY Group Travel's net sales grew in Denmark, partially due to the acquisition of the Danish company TEAM TRAVEL at the beginning of 2001.The group travel businesses of Benns Rejser A/S (MyPlanet) and KILROY travels Denmark A/S were merged into KILROY Group Travel A/S. The group travel organizations that are, for the time being, operating within the legal frameworks of the local companies of Norway, Sweden and Finland were bolstered. The unit beefed up its standardized product range and marketing with good results.

MyPlanet is a new brand that was launched in 2001. The outlays were fully booked as annual expenses. Benns Rejser A/S was also renamed MyPlanet. September 11th drastically reduced net sales of trips to destinations in the United States and Canada. Net sales of trips to destinations in Australia and New Zealand had returned to normal by the end of 2001. All in all, MyPlanet's net sales grew

slightly, partially due to the acquisition of the Swedish company World Wide Education AB in May 2001. The company was renamed MyPlanet Education AB.

Personnel

KILROY travels had an average of 588 employees in 2001 (562 in 2000). The distribution of employees by country was:

	2001	2000
Denmark	**278**	261
Norway	**97**	89
Finland	**62**	60
Sweden	**114**	104
Spain	**9**	9
Germany	**6**	26
The Netherlands	**22**	13
Total	**588**	562

Of the Travel Group's employees, 88% have been in the HYY Group's employ for under five years. 92% of them are permanent employees. The average age of employees is 29 years and 71% of them are women.

Investments

KILROY travels' gross investments in 2001 totalled EUR 6.0 million. The company's investments comprised the new IT system for business processes that went into the inauguration phase towards the end of the year, the goodwill of acquisitions and the renovation of business locations.

Research and development

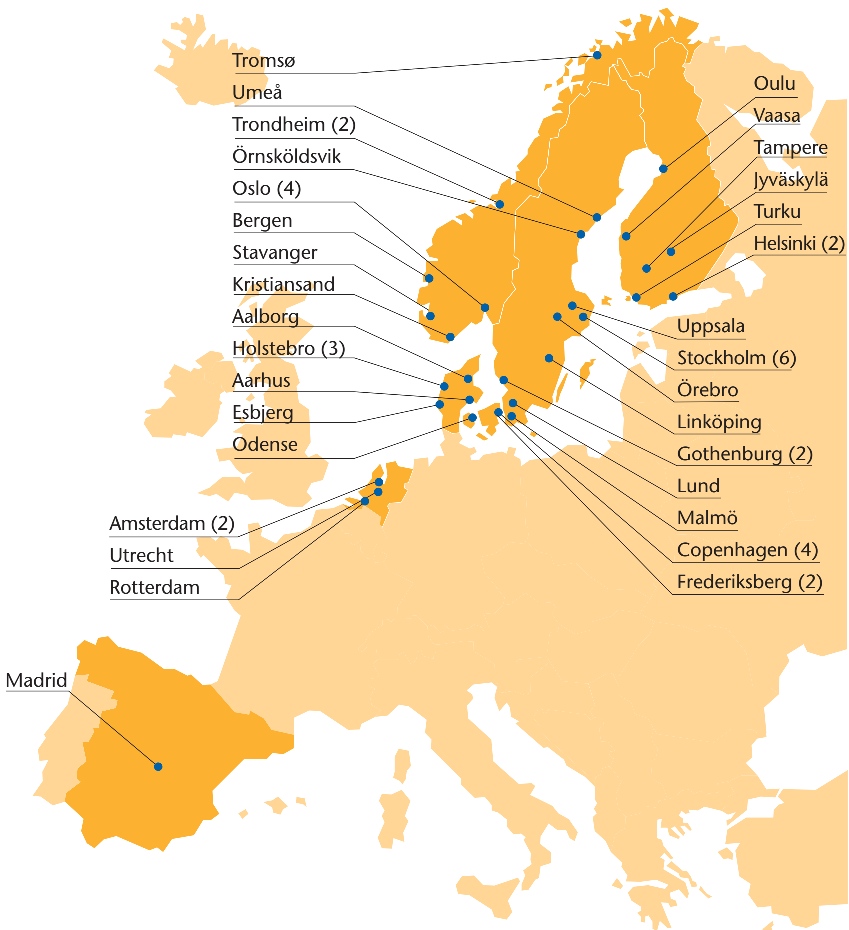
One of KILROY travels' key success factors is a good knowledge of its clientele and the ability to communicate with customers. Within the travel industry, an exceptionally large amount of KILROY's expenditures goes towards continually studying its customers and their needs as well as for regularly monitoring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

Near-term outlook

Due to the external business environment of the travel sector, and flight travel in particular, the outlook for the positive development of net sales and earnings is tinged with many reservations. However, the aim is to at least achieve the same levels as in 2001. New KILROY outlets will be established mainly in the Netherlands, where new business locations either have been or will be opened at least in Utrecht and Rotterdam. In other respects, operations are focused on transferring a greater share of sales into the online sales channel. In view of the field's consolidation trend, KILROY and its subgroup MyPlanet are actively looking into making acquisitions that could have an impact on the trend in net sales and earnings.

Key figures for the Travel Group

	2001	2000
Net sales, EUR million	**206.5**	210.8
Profit before taxes and extraordinary items, EUR million	**2.8**	2.8
Invested capital, EUR million	**12.9**	11.7
Return on investment, %	**23.0**	25.3
Gross investments, EUR million	**6.0**	5.0
Average personnel	**588**	562



KILROY travels and Music Television started up marketing cooperation in May 2002. People can now book affordable trips to concerts of all stripes from KILROY and MTV's joint site and get information related to the trips. The partnership is also given visibility on MTV's channel and in various programmes and advertising.

RESTAURANTS

Oy UniCafe Ab runs restaurants that serve meals to students and personnel, and the company provides festive, take-away and café services primarily on the premises of the University of Helsinki. Oy Vanha Ylioppilastalo Ab provides restaurant, festive, premise rental and entertainment services at the Old Student House.

Focus areas of operations in 2001

Oy UniCafe Ab

During 2001, two new UniCafe restaurants were opened, and one was closed for renovations. At the end of the year, there were 23 restaurants. The company's net sales amounted to EUR 10.1 million, down about 3% compared with the previous year. The operating loss was EUR 416,000, which was partially due to the company's deliberate pricing policies and partially due to the short-term impact on earnings of the new cash till system that was introduced at the end of the year.

Oy Vanha Ylioppilastalo Ab

The operations of the Old Student House returned to normal upon the completion of the façade renovation in 2000. Net sales in 2001 came in at EUR 2.8 million, representing an increase of about 1% compared with the previous year. The operating result was a profit of EUR 6,000. Sales of festive services were better in the first half of the year than in the previous year. After September 11th, events were cancelled, weakening sales in the latter part of the year. The product range stocked by the Beercafe, which is open daily, was rationalized. Sales on terraces declined. In its third year in business, Club Kajal retained its popularity as a Saturday club.

Personnel

On average, 172 people worked for Oy UniCafe Ab and 22 for Oy Vanha Ylioppilastalo Ab. Employees of the Restaurants Division have been in the employ of the HYY Group for six years on average. The share of permanent employees is 87%. The average age of employees is 33 years and 78% of them are women.

Investments

Gross investments totalled about EUR 0.1 million. Investments were earmarked for improving the technological functionality and the pleasantness of the restaurants. In addition, the companies invested in a new cash till system featuring new technology that covers all the restaurants; the price tag was about EUR 0.4 million. The investment was funded by means of an intra-group leasing arrangement.

Research and development

Oy UniCafe Ab has researched its customer and personnel satisfaction in a manner that is methodical and which permits the figures to be compared since 1995. UniCafe also examines changes in the eating habits of its clientele and trends in café and takeaway products. Oy Vanha Ylioppilastalo Ab carried out a customer and staff satisfaction survey in 2001.

Near-term outlook

The net sales target of the Restaurants Division for 2002 is EUR 14 million. UniCafe's university restaurants and the restaurant operations of the festive facilities of the Old Student House are expected to break even in line with their earnings targets.

UniCafe's important objectives for 2002 include the piloting of regional supervisor practices in the campus areas and establishing individual profiles for the restaurants in the framework of the benefits imparted by chain operations. Strong growth in customer volumes is not anticipated. UniCafe must come up with different, attractive product concepts: the company must step up its sales to the current clientele. UniCafe is making outlays on the expansion of its operations, especially in the educational segment in the Greater Helsinki area. UniCafe will open its first restaurant outside Helsinki in Otaniemi, Espoo, in autumn 2002.

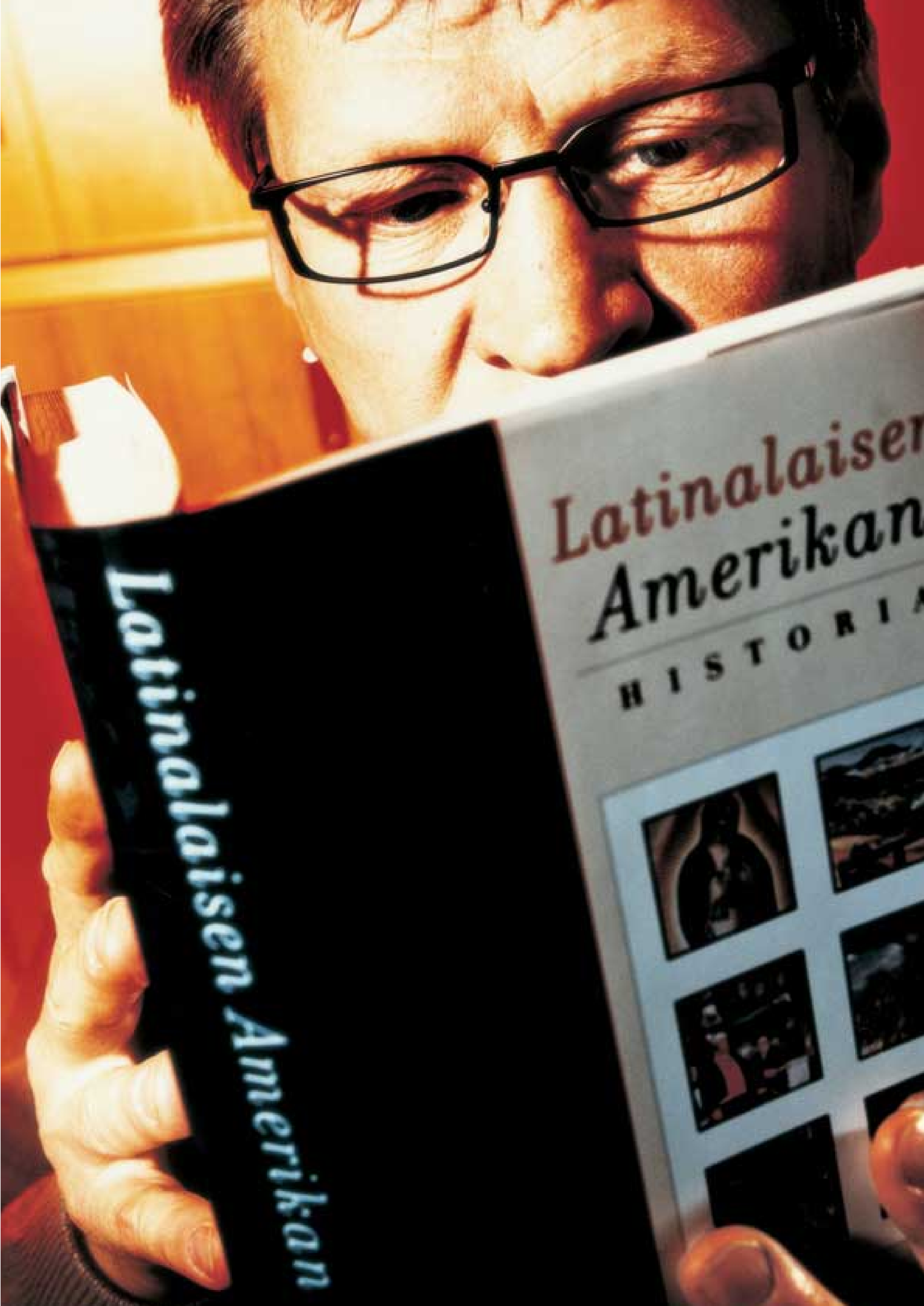
The Old Student House seeks to improve the satisfaction of its owner-customers by means such as UniCard bonuses. Festive services are sold actively in association with UniCafe.

From left: Marjo Berglund, Director of the Restaurants Division, and Arja Kosonen, Director of Oy UniCafe Ab.

Key indicators for the Restaurants Division

	2001	*2000*
Net sales, EUR million	**12.9**	13.1
Profit before taxes and extraordinary items, EUR million	**-0.3**	-0.4
Invested capital, EUR million	**2.6**	2.6
Return on investment, %	**-12.6**	-13.6
Gross investments, EUR million	**0.1**	0.3
Average personnel	**194**	213

In autumn 2002, UniCafe will expand its operations outside Helsinki to Otaniemi in Espoo. Its aim is to expand its operations in the educational segment in the Helsinki Metropolitan Area.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OTHER COMPANIES

University Press Finland Ltd publishes literature on the humanities, social sciences, the environment and current affairs under the name of Gaudeamus, and literature on technology under the Otatieto imprint. Oy Academica Hotels Ltd runs a summer hotel in Kamppi, Helsinki. Oy UniCard Ab is engaged in smart card operations within the University of Helsinki community and maintains the HYY Group's loyal customer system.

Focus areas of operations in 2001

University Press Finland Ltd

The company's net sales in 2001 amounted to EUR 0.7 million and its result before taxes and extraordinary items was EUR 8,857. Gaudeamus published 26 new titles and 27 reprints. Otatieto published one new title and 32 reprints. Thanks to the Gaudeamus publishing house, University Press Finland Ltd met its earnings target. The number of books published by Otatieto declined substantially and its earnings fell short of the target.

Oy Academica Hotels Ltd

Oy Academica Hotels Ltd's net sales were EUR 0.7 million. Its profit before taxes and extraordinary items was EUR 0.1 million. The company's summer hotel, Hostel Academica, acts as a tenant of HYY Real Estate in Building D of Domus Academica on Hietaniemenkatu street and, for the first time this summer, in a building on Pohjoinen Rautatienkatu street that is owned by the Foundation for Student Housing in the Helsinki Region (HOAS). A total of 215 rooms were in use, or close to twice as many as in the previous summer. Hostel Academica once again racked up record-breaking earnings.

Oy UniCard Ab

The company's full-year net sales amounted to EUR 0.2 million and its result before taxes and extraordinary items was a loss of EUR 0.4 million. The UniCard smart card, maintained by Oy UniCard Ab, is the debit and loyal customer card of the University of Helsinki community, used by students since 1997 and by university staff since 1999. During these years, an extensive database on customers has been collected into the system's loyal customer register. Towards the end of the year, the company began to provide internal leasing services for its parent and sister companies. In spite of reviews and the seeking of potential new partners in 2001, the company is still strongly loss-making at its present earnings rate.

Personnel

In 2001, University Press Finland Ltd had an average of five employees, Oy Academica Hotels Ltd had three and Oy UniCard Ab had three. The personnel within Other Companies have been in the employ of the HYY Group for four years on average. The share of permanent employees is 37%. The average age of employees is 32 years and 74% of them are women.

Investments

As part of its leasing activities, Oy UniCard Ab invested EUR 0.4 million in the cash till system of the Group's restaurants.

Near-term outlook

The focus of the operations of University Press Finland Ltd will be shifted to the development of the Gaudeamus imprint. The operations of the Otatieto publishing house will be merged into the Gaudeamus imprint in 2002.

Oy Academica Hotels Ltd will continue to operate in two buildings, employing centralized reception and other services.

Oy UniCard Ab's operations are still loss-making. During 2002, Oy UniCafe Ab, the major user of the smart card's debit and bonus system, will formulate operating procedures that are expedient in terms of its competitive advantages for the duration of the economic life of the basic technological solution employed in the card. The operations of the smart card company will be downsized in line with the needs of the main user.

Kati Salmivaara, Assistant Director of UniCard.

Key indicators for the Other Companies

	2001	***2000***
Net sales, EUR million		
University Press Finland Ltd	**0.7**	0.8
Oy Academica Hotels Ltd	**0.7**	0.4
Oy UniCard Ab	**0.2**	0.2
Profit before extraordinary items and taxes, EUR million		
University Press Finland Ltd	**0.0**	-0.0
Oy Academica Hotels Ltd	**0.1**	0.0
Oy UniCard Ab	**-0.4**	-0.3
Invested capital, EUR million	**1.0**	0.9
Return on investment, %		
University Press Finland Ltd	**13.8**	0.6
Oy Academica Hotels Ltd	**66.4**	22.2
Oy UniCard Ab	**-83.1**	
Gross investments, EUR million	**0.4**	0.3
Average personnel	**11**	9

University Press Finland Ltd wrapped up a large project in autumn 2001 when it completed a history of Latin America. This handbook is a reference work that fits in well with Gaudeamus' business concept.

FINANCIAL STATEMENTS, 31 DEC. 2001

BUSINESS CLIMATE AND TRENDS

In the real estate business, the rental demand for business premises in Helsinki began to decline towards the end of the year. The supply of office premises on the general rental market in Helsinki was about 121,000 m² in autumn 2001. The vacancy rate of office premises in Helsinki rose from about 1.1 per cent to 1.7 per cent during the report year. Demand for shop and restaurant premises remained good in the heart of Helsinki.

September 11th set back the entire travel industry. Competition tightened, ushering in an elimination game. The market for student and youth travel, however, continued to grow at a faster rate than travel in general. September's events had a dramatic impact on airlines in particular; the general overcapacity of airlines, caused by a substantial drop in passenger volumes, led many of the traditional air carriers into serious financial difficulties. The rapid entry of discount airlines into the market, especially in continental Europe, has complicated the situation of the traditional airlines further. The greater financial risks facing the various branches of the travel industry has led to a vicious cycle of mutual collateral and liquidity requirements, which has both accelerated the consolidation trend and is eliminating the weakest companies from the market.

Demand for student meals remains stable, although it is declining slightly. Young adults are increasingly accustomed to studying off campus, and do not visit the university premises as actively as in the past.

In the licensed restaurant business, the safety risks ushered in by autumn 2001 and the general weakening of the financial situation led to the cancellation of large corporate events.

Capacity and competition increased in almost all restaurant segments in the centre of Helsinki.

Net sales by division:

EUR million	**2001**	*2000*	*Change %*
Real Estate Division (HYY Real Estate, Kaivopiha Ltd)	**11.9**	11.2	+6
Travel Group (KILROY travels subgroup)	**206.5**	210.8	-2
Restaurants (Oy UniCafe Ab, Oy Vanha Ylioppilastalo Ab)	**12.9**	13.1	-2
Other companies (University Press Finland Ltd, Oy Academica Hotels Ltd, Oy UniCard Ab)	**1.6**	2.9	-44
Parent company: HYY Group Ltd *)	**0.1**	0.1	–
TOTAL	**232.9**	238.3	-2

*) internal sales have been eliminated

NET SALES

The Group's net sales, EUR 232.9 million, were down 2% compared with the previous year.

The net sales of the Group's parent company and domestic companies accounted for 21% of the aggregate net sales. The remainder, 79%, came from the net sales of the Travel subgroup's foreign companies.

DIVISIONS

Real Estate Division

The net sales of the Real Estate Division (HYY Real Estate and Kaivopiha Ltd) came in at EUR 11.9 million, up 6% on the previous year. The net profit amounted to EUR 4.8 million (EUR 4.8 million in 2000), after EUR 1.5 million in planned depreciation and EUR 1.2 million in net interest expenses. Earnings from the actual renting of business premises totalled

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

EUR million	*2001*		*2000*	
	Net sales	***Profit***	*Net sales*	*Profit*
HYY Real Estate				
Corporate real estate	**9.1**	**4.9**	8.5	4.3
Service real estate	**2.7**	**0.1**	2.6	0.3
Extraordinary items		**0.0**		0.2
Investment activities		**-0.2**		0.2
Kaivopiha Ltd	**0.7**	**0.0**	0.7	0.0
TOTAL	**11.9**	**4.8**	11.2	4.8

*) profit before extraordinary items and taxes

	2001	*2000*
Rental activities' return on investment, %	**23.3**	20.1
Return on equity (initial yield), if the revaluation of land is added to shareholders' equity, %	**8.9**	9.0

Travel Group
Net sales by business unit:

EUR million	***2001***	*2000*	*Change %*
KILROY Individual Travel	**140.8**	153.0	-8
KILROY Group Travel	**28.1**	21.7	+29
MyPlanet	**37.6**	36.1	+4
NET SALES	**206.5**	210.8	-2

	2001	2000
Return on investment, %	**23.2**	25.3

EUR 5.0 million (EUR 4.4 million in 2000). Indirect taxes and real estate taxes were EUR 0.9 million. The net profit exceeded the target. In terms of net profit, the division is one of the best performers in its field when compared with other businesses renting business premises in the Helsinki city centre.

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

Travel Group

The KILROY travels subgroup's net sales amounted to EUR 206.5 million, down 2% on the previous year. Net sales declined in the KILROY Individual business unit, which divested itself of its German operations at the beginning of April 2001. Trends after September 11th cut into the growth of net sales and earnings in all the business units. The Travel subgroup's profits were EUR 2.8 million (EUR 2.8 million in 2000) before extraordinary items and taxes and after EUR 3.6 million in depreciation and EUR 0.9 million in net financing income. EUR 0.9 million was booked in taxes. The result after extraordinary items and taxes and before minority interest was a profit of EUR 1.8 million (EUR 2.2 million in 2000). The result fell short of the target, but is good when compared with those of other major players in the Nordic travel sector.

According to the subgroup's Danish financial statements, KILROY travels' net sales amounted to DKK 1,539 million, down 2%. Profit before taxes and minority interest was DKK 19.9 million.

In the subgroup's own financial statements, drawn up according to Finnish Accounting and IAS conventions, shareholders' equity was EUR 10.6 million as of 31 December 2001 (EUR 9.7 million in 2000), of which EUR 7.5 million was non-restricted equity. On the basis of the net profit for 2000, a dividend of about 28% was paid on share capital in 2001, or about 50% of earnings after taxes.

Restaurants

The net sales of the restaurants (Oy UniCafe Ab and Oy Vanha Ylioppilastalo Ab) amounted to EUR 12.9 million, representing a decrease of 2% on the previous year. The result was a loss of EUR 0.3 million (a loss of EUR 0.4 million in 2000), after EUR 0.3 million in planned depreciation and EUR 0.1 million in net financing income, and before financial statement adjustments.

Oy UniCafe Ab's result was in the red partly due to its deliberate pricing decisions and partly due to the short-term impact on earnings of the new cash till system that was inaugurated at the end of the year.

At the end of 2001, there were 23 UniCafe restaurants. In 2001, the customer volume of the UniCafe restaurants declined by about 10% compared with the previous year, primarily due to measures implemented by the University of Helsinki. A total of close to 2.2 million lunches were sold during the financial year. Over 1.8 million student lunches were sold, down 3%. Thanks to the UniCard bonus, UniCafe is significantly cheaper than its competitors, especially so considering the comparable prices of the meal components.

Within Oy Vanha Ylioppilastalo Ab, the operations of Restaurant Vanha returned to normal during 2001, as the renovation of the façade carried out in 2000 had been completed and the building looked impressive. Customers gradually became confident that the Old Student House was back in business as usual. The Old Student House achieved its earnings target.

Restaurants

Net sales and profit*) by company:

EUR million	*2001*		*2000*	
	Net sales	***Profit***	*Net sales*	*Profit*
Oy UniCafe Ab	**10.1**	**-0.3**	10.4	-0.2
Oy Vanha Ylioppilastalo Ab	**2.8**	**0.0**	2.7	-0.2
TOTAL	**12.9**	**-0.3**	13.1	-0.4

*) profit before extraordinary items and taxes

	2001	2000
Return on investment, %	**-12.6**	-13.6

Other companies

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

Hostel Academica, which operates under Oy Academica Hotels Ltd, racked up good earnings and it achieved the targets set for it.

The UniCard smart card, maintained by Oy UniCard Ab, is the debit and loyal customer card of the University of Helsinki community, used by students since 1997 and by university staff since 1999. In spite of reviews and the seeking of potential new partners in 2001, the company is still strongly loss-making at its present earnings rate.

Other companies

Net sales and profit*) by company:

EUR million	*2001*		*2000*	
	Net sales	***Profit***	*Net sales*	*Profit*
University Press Finland Ltd	**0.7**	**0.0**	0.8	-0.0
Oy Academica Hotels Ltd	**0.7**	**0.1**	0.4	0.0
Oy UniCard Ab[1)]	**0.2**	**-0.4**	0.2	-0.3

*) profit before extraordinary items and taxes

1) net sales and profit before 30 Oct. 2000 generated by the parent company's UniCard business unit

Return on investment, %	***2001***	*2000*
University Press Finland Ltd	**13.8**	0.6
Oy Academica Hotels Ltd	**66.4**	22.2
Oy UniCard Ab	**-83.1**	

HYY Group Ltd's corporate group

	2001	*2000*
Return on investment, %	**7.0**	10.2
Return on investment including capital gains from the sale of investment-driven fixed assets, %	**34.6**	13.2

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

HYY Group Ltd's net sales, which primarily comprise the Group's internal services, were EUR 1.6 million, representing a decrease of 8% on the previous year. The parent company's result was EUR 6.6 million after net financing income of EUR 0.6 million, EUR 8.0 million in capital gains on the sale of shares in KILROY travels International A/S which were recorded in extraordinary items, and EUR 1.4 million in Group contributions that were granted. The company's shareholders' equity as at 31 December 2001 was EUR 10.7 million. The share of non-restricted equity accounted for by fully distributable funds was EUR 7.9 million.

Consolidated net sales amounted to EUR 157.2 million, declining by 31% compared with the previous year due to an intra-group transaction. Other operating income amounted to EUR 4.7 million (2000: EUR 1.3 million). Operating profit came in at EUR 3.0 million (2000: EUR -0.1 million). Profit before taxes and minority interest was EUR 5.4 million (2000: EUR 2.2 million), after EUR 2.4 million in financing income. The net profit for the financial year was EUR 2.7 million (2000: EUR 0.4 million), after EUR 2.3 million in direct taxes and a minority interest of EUR 0.5 million.

The consolidated shareholders' equity as at 31 December 2001 was EUR 10.4 million, of which EUR 7.7 million were distributable funds included in non-restricted equity.

CONSOLIDATED RESULT

The Group's profit before extraordinary items and taxes was EUR 6.3 million (EUR 6.5 million in 2000).

Return on investment exclusive of earnings from investment operations amounted to 19.5% (18.8% in 2000). No major earnings from investment operations were booked as income in 2001.

The as yet unaudited figure for the unrealized capital return or change in value of HYY Real Estate for the financial year, calculated by the Finnish Institute for Real Estate Economics, was approximately EUR 0.2 million (EUR 7.7 million in 2000), and is included in the notes to the financial statements rather than the income statement. The market value of the real estate (the present-day value of net rental income receivable in the future) was about EUR 158.6 million at the beginning of the year and around EUR 158.9 million at year's end. The calculation of market values is based on a 7.5% total return requirement and a 95% occupancy rate. The income return of the real estate (net rental yield as a percentage of the market value at the beginning of the financial year) was 4.8% (4.7% in 2000). The income return of the City Centre Property was 5.1%. The capital return ratio (change in the market value since the beginning of the year less capitalized investments, expressed as a percentage) was -0.3% (4.4% in 2000). The total income return of the real estate was thus 4.5% in 2001 (9.1% in 2000). The investors' return requirement figure used in the calculation of the market value, 7.5%, remained at the previous year's level. The interest on the State's 10-year bonds declined to 5.1%, but the real estate market risk premium increased to 2.4% (a change of 0.4 percentage points in each). The return on investment in property rental activities (guidelines of the Committee for Corporate Analysis) was 23.3% (20.1% in 2000).

INVESTMENTS

Gross investments by division:

Real Estate Division	EUR 0.8 million
Travel Group	EUR 6.0 million
Others	EUR 0.5 million
Total	**EUR 7.3 million**

Investments in basic renovations of real estate were earmarked for the modernization of the existing capacity.

The Travel subgroup invested in a new fully integrated operating system. Its implementation began at the end of 2001 and will continue in 2002. In addition, the subgroup acquired two subsidiaries and sold one.

During 2001, the Restaurant Division invested in a cash till system utilizing entirely new technology that covers all the restaurants.

All business areas invested in the euro compliance of their systems.

The Group's net investments totalled EUR 6.1 million after sales of fixed assets amounting to EUR 1.2 million.

FINANCING

Liquid assets at year's end totalled EUR 45.4 million (EUR 48.1 million in 2000). The Group's liquidity has been good. The net amount of the principal of interest-bearing loans at year-end was EUR 19.1 million (EUR 20.7 million in 2000). Net financing income amounted to EUR 1.7 million (EUR 1.1 million in 2000).

The equity ratio at book values was 26.4% (25.9% in 2000). The potential revaluation of the Group's land areas, in line with the Accounting Act and as given in the notes to the financial statements, leads to an equity ratio of 51.3% (50.3% in 2000). When assessing actual capital adequacy, the positive difference between the book and market values of real estate included in fixed assets must be taken into consideration; according to the notes to the balance sheet, this figure was about EUR 138 million on 31 December 2001.

The cash flow generated by the Group's ordinary business activities was a surplus of EUR 7.9 million. The Group's cash-based net investments were EUR 6.4 million. As of 31 December 2001, the weighted effective interest rate on the loans of the Finnish part of the Group was 5.1% (5.5% in 2000).

PERSONNEL

The HYY Group employed an average of 825 people during the report year, an increase of one employee on the previous year. Of the personnel, 299 were employed in Finland, 489 in other Nordic countries and 37 elsewhere in Europe.

Trends in personnel, by division:

Division	***2001***	*2000*
Real Estate Division	**12**	12
Travel Group	**588**	562
Restaurants	**194**	213
Other companies	**11**	17
Parent company HYY Group Ltd	**20**	20
Group, total	**825**	824

GOING EASY ON THE ENVIRONMENT

In 2001, the Group's long-term environmental efforts received recognition when Academica Hotels became the third hotel and first hostel to receive the Vihreä hotelli (Green Hotel) label in Finland. The label will be valid for three years. A Green Hotel label is granted to hotels that take a broad range of environmental perspectives into consideration in their operations, have trained their employees to be environmentally responsible on the job and provide guests with an opportunity to participate in the improvement of the environment. The label was granted to Academica Hotels thanks to the HYY Group's environmental programme, communications and training.

The Group's environmental programme was updated during the summer and early autumn. The aim was to overhaul the programme in line with the ISO 14001 environmental management system and to draft the environmental programme into an easy-to-update manual format. In the spring, the administrative body of the Group's owner specified the focus areas of the development of environmental efforts. Company-specific working groups defined environmental targets and objectives. The entire environmental programme was completed for processing by the administrative body of the Group's owner in November, and approved by the Group's Board of Directors in January 2002.

PRESIDENT AND AUDITOR

Tapio Kiiskinen, M.Sc. (Econ.), was the President and CEO of the Group for the duration of the entire financial year. CEO Kiiskinen will retire at the end of 2002. The Group's current First Vice President, Linnea Meder, eMBA, M.Sc. (Econ.), has been appointed as his successor effective on 1 January 2003.

KPMG Wideri Oy Ab, Authorized Public Accountants, were selected by the Representative Council of the Student Union to act as the auditors of the parent corporation, and they were likewise selected by the Annual General Meeting to act as the auditors of HYY Group Ltd and its corporate group in 2001.

OWNERSHIP OF THE GROUP

The Student Union of the University of Helsinki is a public corporation having the right to autonomy. Its status is based on the Universities Act (645/1997) and the Student Union Decree; the latter was passed on 6 February 1998 on the basis of the Universities Act and entered into force on 1 August 1998. As per the rules ratified by the Student Union on the basis of the decree, the real estate funds that are owned by the Student Union, and which are subject to the Accounting Act, function as the parent corporation of a separate corporate body in the manner defined in the Accounting Act, that is, the real estate funds are the parent corporation of the HYY Group. The Real Estate Funds of HYY owns 100% of HYY Group Ltd's shares and 57% of KILROY travels International A/S's shares. Both companies are the parent companies of their respective corporate subgroups. The groups include both fully-owned subsidiaries and ones in which the Group has a majority holding.

Funds of the Student Union

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

The operating costs of the Funds of the Student Union amounted to about EUR 3.0 million in 2001. Of this amount, EUR 0.2 million was covered with self-acquired funding, grants and income from collections, and EUR 0.9 million was covered with membership fees collected from the Student Union and EUR 0.1 million in interest on the contingency fund. The Student Union membership fee – EUR 30.27/member/semester – has remained unchanged since 1991.

The EUR 1.7 million deficit of the Funds of the Student Union was covered with funds from the contingency fund, which had been enlarged by dividends paid by the HYY Group.

On 31 December 2001, the Funds of the Student Union had a balance sheet total of EUR 3.5 million. Of this amount, EUR 0.1 million was accounted for by the capital in the member loan fund that was covered by the Funds of the Student Union and EUR 2.7 million by other shareholders' equity.

CHANGES IN THE GROUP STRUCTURE

Two subgroups were formed under the Real Estate Funds of HYY, which operates within the HYY Group's parent corporation, when HYY Group Ltd sold all its shares in KILROY travels International A/S (56.6% of the shares outstanding) to the Real Estate Funds of HYY at the beginning of September 2001. The Real Estate Funds of HYY has owned 100% of HYY Group Ltd's shares since 1984.

Effective on 1 January 2001, KILROY travels International A/S acquired the business operations of the Danish company TEAM TRAVEL A/S, which is part of the KILROY Group Travel business unit. Likewise, Benn's Rejser A/S's group travel business was transferred to this unit by means of an intra-group deal.

In line with the brand decided on during 2001, the names of Benn's Rejser A/S and its subsidiaries are MyPlanet International A/S in the case of the former, with the subsidiaries being entitled MyPlanet Sweden AB and MyPlanet Norway AS. On 1 May 2001, MyPlanet Sweden acquired the Swedish company World Wide Education AB, which was renamed MyPlanet Education AB.

KILROY travels International A/S sold the German subsidiary of its KILROY Individual Travel unit on 1 April 2001.

NEAR-TERM OUTLOOK

The vacancy rate, especially that of offices and similar business premises, will rise in the real estate sector. Overall demand for business premises will weaken and new capacity will still be completed on the market. In 2002, earnings from HYY Real Estate's rental operations are expected to hit at least the same level as in 2001, thanks to the good portfolio of tenants.

In the case of travel, demand has returned to normal at the KILROY Individual Travel and Group Travel business units, and will develop well unless unforeseeable events have a dramatic impact on it. The rapid transformation in the competitive structure of airline travel and the panicky solutions deployed by companies that have fallen on hard times may temporarily complicate operational viability in youth and student travel as well.

The MyPlanet business unit is expected to have great growth potential, especially in the case of trips to Australia/New Zealand. Demand for trips to the second major destination area, Canada/USA, is also recovering. Senior citizens comprise the bulk of the clientele of the MyPlanet companies, greatly due to Scandinavian MyPlanet friendship associations that have over 40,000 active members associated with the destination countries. In line with the strategy kicked off in 2001, operational and ownership co-operation with the friendship associations will become firmer and in the first stage, MyPlanet will consolidate its market leadership in Northern Europe in the case of trips to the aforementioned destinations.

The net sales and earnings of KILROY travels and its MyPlanet subgroup – exclusive of the effect of possible acquisitions – are expected to come in at least at the same level as in 2001.

The catering operations of UniCafe's university restaurants and the festive facilities of the Old Student House are expected to break even in line with their earnings targets. UniCafe will make outlays on expanding its operations, especially in the educational segment in the Greater Helsinki area. It will open its first restaurant outside of Helsinki in autumn 2002 in Otaniemi, Espoo.

The other companies (Academica Hotels, University Press Finland Ltd and UniCard) only have a slight combined impact on the Group's financial result.

The budgeted net sales for the entire Group in 2002 are about EUR 250 million. The budgeted profit before extraordinary items and taxes is about EUR 7 million.

DIVIDENDS

According to the consolidated balance sheet, non-restricted equity amounts to EUR 10,377,007, of which distributable funds amount to EUR 9,505,848. According to the separate balance sheet of the Real Estate Funds of HYY, the fully distributable funds in non-restricted equity amount to EUR 7,008,872. The Board of Directors proposes that the Funds of the Student Union be paid a dividend of EUR 2,360,000, with the remainder being kept in the profit and loss account.

INCOME STATEMENT

EUR	***1 Jan. – 31 Dec. 2001***	*1 Jan. – 31 Dec. 2000*
Net sales	**232 909 651**	**238 275 528**
Other operating income	235 307	1 575 696
Materials and services		
Raw materials and consumables		
Purchases during the financial year	-171 767 662	-181 311 937
Increase/decrease in inventories	-155 447	-94 210
External services	-1 640 924	-1 737 650
Personnel costs	-28 112 367	-25 705 292
Depreciation and value adjustments	-5 598 591	-4 860 892
Other operating expenses	-21 296 485	-20 715 312
Total	-228 571 476	-234 425 294
Operating profit	**4 573 481**	**5 425 930**
Financial income and expenses		
Income from investments in fixed assets	2 502	4 010
Other interest and financial income	2 815 179	2 245 627
Interest and other financial expenses	-1 091 577	-1 183 435
Total	1 726 103	1 066 202
Profit before extraordinary items	**6 299 585**	**6 492 132**
Extraordinary items		
Extraordinary income	0	262 252
Profit before taxes and minority interest	**6 299 585**	**6 754 384**
Income taxes	-3 453 816	-1 689 906
Minority interest	-784 291	-975 658
Net profit for the year	**2 061 478**	**4 088 820**

BALANCE SHEET

ASSETS

EUR	***31 Dec. 2001***	*31 Dec. 2000*
FIXED ASSETS		
Intangible assets		
Intangible rights	215 724	164 544
Group goodwill	4 231 671	3 392 739
Other capitalized expenditure	4 908 959	4 983 637
Advance payments	3 183 712	790 687
	12 540 066	9 331 606
Tangible assets		
Land	808 024	808 024
Buildings and structures	19 436 451	20 134 153
Machinery and equipment of the buildings	1 294 182	1 292 856
Machinery and equipment	4 402 578	5 510 549
Other tangible assets	8 672	8 672
Advance payments and acquisitions in progress	121 893	99 813
	26 071 799	27 854 067
Investments		
Shares in Group undertakings	55 902	55 902
Receivables from Group undertakings	678 470	702 276
Other shares and participations	483 535	695 281
	1 217 907	1 453 458
FIXED ASSETS, TOTAL	**39 829 771**	**38 639 131**
CURRENT ASSETS		
Inventories		
Completed products/goods	857 690	1 014 587
Advance payments	6 441	4 355
	864 132	1 018 942
Receivables		
Current		
Accounts receivable	5 079 822	5 968 052
Receivables from Group undertakings	23 806	13 000
Receivables from the owners	46 552	45 856
Loan receivables	0	1 749
Other receivables	130 124	6 260
Prepaid expenses and accrued income	2 597 839	2 806 373
	7 878 143	8 841 290
Securities included in fixed assets		
Other securities	15 764 859	10 013 487
Cash at bank and in hand	29 650 154	38 098 160
CURRENT ASSETS, TOTAL	**54 157 287**	**57 971 879**
ASSETS	**93 987 059**	**96 611 010**

BALANCE SHEET

LIABILITIES

EUR	***31 Dec. 2001***	*31 Dec. 2000*
Shareholders' equity		
Capital	3 000 000	2 901 242
Retained earnings	8 315 529	6 603 089
Net profit for the year	2 061 478	4 088 820
Capital loans	0	13 455
Shareholders' equity, total	**13 377 007**	**13 606 605**
Minority interest	**4 640 716**	**4 190 710**
Liabilities		
Non-current		
Loans from financial institutions	10 505 644	11 497 996
Pension loans	2 573 080	2 871 644
Debts to the owners	3 235 000	2 844 058
Other debts	1 483 569	1 547 642
Imputed deferred tax liabilities	1 840 664	1 855 371
	19 637 957	20 616 711
Current		
Loans from financial institutions	879 307	1 047 423
Pension loans	298 564	308 377
Advances received	25 722 182	28 007 293
Accounts payable	21 309 837	22 183 234
Debts to the owners	26 425	7 096
Other debts	2 941 299	3 763 164
Accrued liabilities and prepaid income	5 153 764	2 880 397
	56 331 378	58 196 984
Liabilities, total	**75 969 336**	**78 813 695**

Liabilities	**93 987 059**	**96 611 010**

CASH FLOW STATEMENT

EUR 1,000	*2001*	*2000*
ORDINARY OPERATIONS		
Cash inflow		
From sales	234 458	236 095
Cash payments		
Purchases	-177 484	-179 485
Wages and salaries	-28 523	-26 078
Other expenses	-20 219	-17 803
Interest	1 707	1 091
Taxes	-2 023	-1 427
	-226 543	-223 701
NET CASH FLOW FROM ORDINARY OPERATIONS	**7 915**	**12 394**
INVESTMENTS		
Investment loans, decrease	13	13
Investments in shares	402	98
Investments in subsidiaries	-221	-985
Income from sale of business operations	77	566
Income from sale of fixed assets	278	59
Investments in fixed assets	-6 971	-5 850
NET CASH FLOW FROM INVESTMENTS	**-6 422**	**-6 099**
FINANCING		
Non-current liabilities, decrease	-2 091	-2 022
Quasi-equity financing, change	-13	45
Loans receivable and deposits, change	427	744
Securities included in fixed assets, change	-5 704	2 363
Dividends received	1	3
Dividends paid to minority shareholders	-384	-303
Distribution of profit	-2 271	-2 271
NET CASH FLOW FROM FINANCING	**-10 035**	**-1 441**
NET CHANGE IN CASH ASSETS	**-8 542**	**4 854**
Cash assets, 1 Jan.	38 098	33 430
Effect of exchange rate fluctuations	117	-186
Effect of changes in the Group structure *)	-22	0
CASH ASSETS, 31DEC.	**29 650**	**38 098**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The parent corporation of the HYY Group is the Real Estate Funds of the Student Union of the University of Helsinki, which is domiciled in Helsinki. HYY Group Ltd, which is domiciled in Helsinki and is solely owned by the Real Estate Funds of the Student Union of the University of Helsinki, is the parent company of a subgroup.

KILROY travels International A/S, in which the Real Estate Funds of the Student Union of the University of Helsinki has a majority holding and which is domiciled in Copenhagen, is the parent company of a subgroup.

Copies of the consolidated financial statements of the aforementioned groups can be had from the head office of the HYY Group, Mannerheimintie 5 C, 00100 Helsinki.

ACCOUNTING PRINCIPLES

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

Scope

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

Associated companies

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

Accounting policies

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

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

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

Items denominated in foreign currency

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

Net sales

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

Pensions and pension funding

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

Extraordinary items

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

Fixed assets and depreciation

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

The recommended useful life periods used in planned depreciation are:

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

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

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

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

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

Current assets

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

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

Appropriations

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

Advances received

The bulk of the Travel subgroup's net sales is generated by the subgroup's air ticket system – a system which is unusual in the travel business – where customers pay a considerable amount in advance. Presented as advances received is the share of advance airfares paid by customers, who have the right to a refund, for which accounts receivable had not materialized between the subgroup and the airlines by the closing date, or a total of EUR 18.5 million (2000: EUR 21.7 million). The advances received are presented in current liabilities under the liabilities side of the balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE INCOME STATEMENT

EUR	*2001*	*2000*
Breakdown of net sales		
Net sales by division		
Real Estate Division	11 908 342	11 220 695
Travel Group	206 523 643	210 832 668
Restaurants	12 886 242	13 146 738
Other companies	1 591 424	3 075 427
Total	**232 909 651**	**238 275 528**
Net sales by market area		
Finland	49 760 027	51 253 200
Other Nordic countries	163 798 353	163 027 249
Other European countries	18 717 492	23 418 861
Other	633 779	576 218
Total	**232 909 651**	**238 275 528**
Other operating income		
Capital gains from the sale of investments in non-current fixed assets	198 770	469 045
Other capital gains from continuous operations	36 537	589 826
Capital gains from the sale of terminated business functions	0	516 825
Total	**235 307**	**1 575 696**
Notes concerning personnel and members of administrative bodies		
Salaries, remuneration and other compensation paid to members of the Board of Directors and the President*)	1 221 585	1 142 190
Salaries	22 988 914	21 189 838
Pension costs	1 417 013	1 135 718
Other personnel costs	2 484 855	2 237 546
Personnel costs in the income statement	**28 112 367**	**25 705 292**

*) The salaries and remuneration of the Boards of Directors and Presidents/ Managing Directors include the salaries and remuneration paid to the members of 17 Boards of Directors (2000: 16 Boards of Directors) and 10 Presidents/ Managing Directors (2000: 9 Presidents/ Managing Directors). The remuneration paid to the Board of Directors of the Student Union, which is the parent corporation of the Group and acts as a public sector Board of Directors, is not included in the figures because such remuneration is paid from the Real Estate Funds of HYY in the first instance. Part of these remunerations have been invoiced from the HYY Group and are included in other operating expenses. The invoiced remunerations are not included in the notes concerning the salaries paid to Board members and the President.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE INCOME STATEMENT

	2001	*2000*
Average number of people employed by the Group		
Real Estate Division	12	12
Travel Group	588	562
Restaurants	194	216
Other	31	34
	825	824
In Finland	299	322
In other Nordic countries	489	454
In other European countries	37	48
	825	824

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

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

EUR	*2001*	*2000*
Depreciation and value adjustments		
Depreciation by type of fixed asset		
Intangible assets		
Intangible rights	71 594	71 052
Group goodwill	566 128	377 288
Other capitalized expenditure	993 924	926 456
Tangible assets		
Buildings	816 397	911 767
Machinery and equipment of the buildings	167 437	176 434
Machinery and equipment	2 983 111	2 397 896
Total	5 598 591	4 860 892
Financial income and expenses		
Income from long-term investments		
Dividend income		
From others	2 501	4 010
Other interest and financial income		
From Group undertakings	28 481	29 001
From others	2 786 698	2 216 626
Interest and financial income, total	2 817 680	2 249 637
Interest and other financial expenses		
To others	-1 091 577	-1 183 435
Interest and other financial expenses, total	-1 091 577	-1 183 435
Financial income and expenses, total	1 726 103	1 066 202

NOTES TO THE INCOME STATEMENT

EUR	*2001*	*2000*
EXTRAORDINARY ITEMS		
Extraordinary income and expenses		
Change in accounting principles	0	262 252
DIRECT TAXES		
Real estate taxes	431 113	423 666
Income taxes on ordinary operations		
For the current year	3 026 689	1 443 540
For the previous year	4 410	-177 184
Change in the imputed deferred tax liability based on appropriations	-8 396	-116
Direct taxes, total	3 453 816	1 689 906

THE REVALUATION OR THE CAPITAL RETURN OF THE CENTRAL REAL ESTATE WHICH IS INCLUDED IN THE PARENT COMPANY'S FIXED ASSETS BUT IS NOT INCLUDED IN THE INCOME STATEMENT

EUR	*Market value 31.12.2001*	*Market value 31.12.2000*	*Capital return (revaluation) 2001*	*Capital return ratio, %*
City Centre Property	136 551 587	136 392 302	159 285	-0.3
Leppäsuo Property	22 308 054	22 221 793	86 261	-0.4
Market value, total	158 859 640	158 614 095		
Capital return, total			245 545	
Average capital return ratio, %				-0.3

In accordance with the accounting formula, the activated investment expenditure on construction works will be deducted in its entirety from the revaluation during its year of completion when calculating the capital return ratio. In 2001, the investment expenditure deducted from the revaluation amounted to EUR 0.6 million for the City Centre Property and EUR 0.2 million for the Leppäsuo Property.

TOTAL RETURN OF THE CENTRAL REAL ESTATE

	Income return %		*Capital return ratio, %*		*Total return ratio,%*	
	2001	*2000*	*2001*	*2000*	*2001*	*2000*
City Centre Property	**5.1**	4.9	**-0.3**	5.0	**4.8**	10.0
Leppäsuo Property	**3.1**	3.3	**-0.4**	0.6	**2.8**	3.9
Average (weighted)	**4.8**	4.7	**-0.3**	4.4	**4.5**	9.1

Exclusive of the effect of investments made in 2001, the total return of the City Centre Property was 5.3%.

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

NOTES TO THE BALANCE SHEET

EUR	*2001*	*2000*
Fixed assets		
Intangible assets		
Intangible rights		
Acquisition cost, 1 Jan.	251 879	374 391
Increases	122 775	123 463
Decreases	0	-223 130
Acquisition cost, 31 Dec.	374 654	274 724
Accumulated depreciation, 1 Jan.	-87 336	-188 674
Accumulated depreciation of decreases and transfers	0	149 546
Depreciation for the financial year	-71 594	-71 052
Accumulated depreciation, 31 Dec.	-158 930	-110 181
Book value, 31 Dec.	215 724	164 544
Group goodwill		
Acquisition cost, 1 Jan.	4 102 170	3 237 607
Increases	1 430 761	883 113
Decreases	-44 137	0
Exchange rate differences	21 970	-18 550
Acquisition cost, 31 Dec.	5 510 764	4 102 170
Accumulated depreciation, 1 Jan.	-712 566	-332 143
Accumulated depreciation of decreases and transfers	736	0
Depreciation for the financial year	-567 262	-377 288
Accumulated depreciation, 31 Dec.	-1 279 093	-709 431
Book value, 31 Dec.	4 231 671	3 392 739
Other capitalized expenditure		
Acquisition cost, 1 Jan.	8 103 534	6 562 724
Increases	874 913	1 554 801
Decreases	0	-86 266
Transfers between asset groups	59 301	89 871
Exchange rate differences	2 527	-17 596
Acquisition cost, 31 Dec.	9 040 275	8 103 534
Accumulated depreciation, 1 Jan.	-3 127 242	-2 256 559
Accumulated depreciation of decreases and transfers	-9 278	62 664
Depreciation for the financial year	-994 796	-926 002
Accumulated depreciation, 31 Dec.	-4 131 316	-3 119 896
Book value, 31 Dec.	4 908 959	4 983 637
Advance payments		
Acquisition cost, 1 Jan.	790 687	0
Increases	2 390 205	790 687
Exchange rate differences	2 820	0
Acquisition cost, 31 Dec.	3 183 712	790 687
Book value, 31 Dec.	3 183 712	790 687

NOTES TO THE BALANCE SHEET

EUR	*2001*	*2000*
Tangible assets		
Land		
Acquisition cost, 31 Dec.	808 024	808 024
Book value, 31 Dec.	808 024	808 024
Buildings		
Acquisition cost, 1 Jan.	35 419 659	34 834 828
Increases	196 743	372 673
Transfers from acquisitions in progress	-270 688	214 043
Exchange rate differences	2 262	-1 885
Acquisition cost, 31 Dec.	35 347 976	35 419 659
Accumulated depreciation, 1 Jan.	-15 286 587	-14 373 808
Accumulated depreciation of decreases and transfers	191 485	0
Depreciation for the period	-816 423	-911 698
Accumulated depreciation, 31 Dec.	-15 911 525	-15 285 506
Book value, 31 Dec.	19 436 451	20 134 153
Machinery and equipment of the buildings		
Acquisition cost, 1 Jan.	2 862 564	2 821 086
Increases	168 763	41 478
Acquisition cost, 31 Dec.	3 031 327	2 862 564
Accumulated depreciation, 1 Jan.	-1 569 708	-1 393 275
Depreciation for the period	-167 437	-176 434
Accumulated depreciation, 31 Dec.	-1 737 145	-1 569 708
Book value, 31 Dec.	1 294 182	1 292 856
Machinery and equipment		
Acquisition cost, 1 Jan.	15 041 101	12 782 290
Increases	2 132 065	3 011 321
Decreases	-698 440	-670 148
Transfers between asset groups	-59 301	0
Exchange rate differences	53 751	-82 362
Acquisition cost, 31 Dec.	16 469 176	15 041 100
Accumulated depreciation, 1 Jan.	-9 545 797	-7 648 651
Accumulated depreciation of decreases and transfers	467 766	513 427
Depreciation for the period	-2 988 567	-2 395 327
Accumulated depreciation, 31 Dec.	-12 066 598	-9 530 552
Book value, 31 Dec.	4 402 578	5 510 549
Other tangible assets		
Acquisition cost, 31 Dec.	8 672	8 672
Book value, 31 Dec.	8 672	8 672
Advance payments and acquisitions in progress		
Acquisition cost, 1 Jan.	99 813	331 392
Increases	48 578	72 335
Decreases	-26 498	0
Transfers to buildings and other capitalized expenditure	0	-303 914
Book value, 31 Dec.	121 893	99 813

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE BALANCE SHEET

EUR	*2001*	*2000*
Investments		
Shares in Group undertakings		
Acquisition cost, 31 Dec.	55 902	55 902
Book value, 31 Dec.	55 902	55 902
Receivables from Group undertakings		
Acquisition cost, 1 Jan.	702 276	715 276
Decreases	-23 806	-13 000
Book value, 31 Dec.	678 470	702 276
Other shares and participations		
Acquisition cost, 1 Jan.	695 281	761 613
Increases	2 150	0
Decreases	-213 784	-66 168
Exchange rate differences	-112	-165
Acquisition cost, 31 Dec.	483 535	695 281
Book value, 31 Dec.	483 535	695 281

Market values of fixed assets[1)] insofar as they significantly deviate from the book values

City Centre Property	136 551 587	136 392 302
Mannerheimintie 5, Kaivokatu 10, Aleksanterinkatu 23		
Land area: 8,984 m²		
Building rights: 38,141 m²		
Commercial and office premises		
Leaseable area: 31,693 m², Parking places: 70		
Leppäsuo Property	22 308 054	22 221 793
Leppäsuonkatu 9, Hietaniemenkatu 14		
Land area: 6,882 m²		
Building rights: 18,570 m²		
Residential, library and commercial premises		
Leasable area: 15,544 m², Parking places: 65		
Market value, total	158 859 640	158 614 095
Equivalent book value, total	21 294 310	21 900 429
Difference between market values and book values	**137 565 330**	**136 713 666**

The combined market value of other real estate as well as real estate and premises based on share ownership equals at least their combined book value, which is EUR 693,243.

[1)] In accordance with the formula of the Finnish Institute for Real Estate Economics, the market value has been calculated as being the present value of future net rental income returns. The market values as at 31 Dec. 2001 have been calculated on the basis of a 7.50% total return requirement and a 95% occupancy rate. The total return requirement is based on the 2001 interest on the government's 10-year bonds, 5.1, with an added risk premium of 2.4%. The previous year's market values have been calculated on the basis of a corresponding 7.50% total return and a 95% occupancy rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE BALANCE SHEET

Revaluation contingency of fixed assets

The plot of the city centre property (the Kaivopiha Commercial Building), which is owned by the parent corporation of the Group and has a land area of 8,984 m^2 and building rights (commercial and office premises) of 38,141 m^2, meets the Finnish Accounting Act's requirements for revaluation contingency. The usable taxable value of the plot was EUR 39,981,069 in 2001. The book value of the plot as at 31 December 2001 was EUR 711,363. Using the cost of the building rights of commercial and office plots in the district as the reference value, the value of the plot exceeds its taxable value. The revaluation contingency indicated in the notes to the financial statements as at 31 December 2001 is **EUR 35,000,000**.

Security value of the securable assets

The security value (market value – realization reserve) of the securable assets in the Group's fixed assets is about **EUR 135,000,000**. At least 30% of the market value of each asset item has been used as a realization reserve. Included in the securable assets are not only the Finnish real estate, housing shares and cooperative housing shares, but also the value of the share lot in KILROY travels International A/S. The calculation also includes a lesser amount of marketable Finnish securities. Liabilities allocated to securable assets, i.e. mortgages and pledges, amounted to a total of EUR 12,351,993 on 31 December 2001.

Market value of securities

EUR	*Book value*	*Market value*	*Difference*
Quoted shares	17 019	200 579	183 561

EUR	*2001*	*2000*
Current assets		
Receivables		
Current receivables		
Receivables from Group undertakings		
Loan receivables	23 806	13 000
Receivables from the owners		
Account receivables	42 225	39 272
Prepaid expenses and accrued income	4 327	6 585
	46 552	45 856

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE BALANCE SHEET

Shares and participations

	Group's holding %	*Parent corporation holding, %*
Group companies		
HYY Group Ltd	100.0	100.0
Oy Vanha Ylioppilastalo Ab	100.0	
Oy UniCafe Ab	100.0	
Oy UniCard Ab	90.0	
University Press Finland Ltd	100.0	
Kaivopiha Ltd	100.0	
Oy Academica Hotels Ltd	100.0	
KILROY travels International A/S	56.6	56.6
KILROY travels Denmark A/S	56.6	
MyPlanet International A/S	56.6	
MyPlanet Sweden AB	56.6	
MyPlanet Education AB	56.6	
MyPlanet Norway A/S	56.6	
KILROY Group Travel A/S	56.6	
TEAM TRAVEL A/S	56.6	
KILROY travels Finland OY AB	56.6	
KILROY travels Norway A/S	56.6	
KILROY travels Trondheim A/S	56.6	
KILROY travels Sweden AB	56.6	
KILROY travels Spain S.A.	56.6	
KILROY Invest A/S	56.6	
KILROY travels Netherlands B.V.	56.6	
Associated companies		
Kiinteistö Oy Ida Aalbergintie 1	25.0	25.0
Kiinteistö Oy Kehitystalo	25.0	

EUR	***2001***	*2000*
Shareholders' equity		
Share capital, 1 Jan.	2 901 242	2 901 242
Increase in share capital, 31 Dec.	98 758	0
Share capital, 31 Dec.	3 000 000	2 901 242
Retained earnings, 1 Jan.	10 691 909	9 246 005
Other changes and exchange rate differences	374 824	-69 238
Transfer to share capital	-98 758	0
Dividends paid to minority shareholders	-381 909	-303 142
Dividends paid	-2 270 537	-2 270 537
Retained earnings, 31 Dec.	8 315 529	6 603 089
Net profit for the period	2 061 478	4 088 820
Non-restricted equity, total	10 377 007	10 691 909
Share of the accumulated depreciation difference recorded in shareholders' equity	871 159	852 374
Distributable funds from shareholders' equity	9 505 848	9 839 535

NOTES TO THE BALANCE SHEET

EUR			*2001*	*2000*
LIABILITIES				
Interest-bearing and non-interest-bearing liabilities				
Interest-bearing				
Non-current			17 797 293	18 761 340
Current			1 287 969	1 977 723
			19 085 262	20 739 062
Non-interest-bearing				
Non-current			1 840 664	1 855 371
Current			55 043 410	56 219 262
			56 884 074	58 074 632
Liabilities, total			75 969 336	78 813 695
Non-current liabilities				
Loans from financial institutions			11 384 951	12 545 419
Pension loans			2 871 644	3 180 022
Other non-current debts			6 669 330	6 868 993
			20 925 925	22 594 433
Repayment of loans			-1 287 968	-1 977 722
Total			19 637 957	20 616 711
Repayment plan for non-current liabilities				
Year	2002	2003	2004–2006	2007
Loans from financial institutions	879 307	921 354	5 284 898	3 788 708
Pension loans	298 564	289 438	819 723	1 463 919
Other loans	110 097	231 234	890 819	289 516
Total	1 287 968	1 442 026	6 995 440	5 542 143

EUR	*2001*	*2000*
Liabilities to the owners		
Other liabilities	3 235 000	2 844 058
Current liabilities		
Current liabilities to the owners		
Accounts payable	19 390	5 690
Other liabilities	7 035	0
Accrued liabilities and prepaid income	0	1 406
	26 425	7 096

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

OTHER NOTES

EUR	*2001*	*2000*
Collateral granted, contingent liabilities and other commitments		
Loans for which real estate mortgages have been granted as collateral		
Pension loans	2 871 644	3 180 022
Mortgages granted	3 193 888	3 193 889
Loans from financial institutions	8 104 185	9 131 509
Mortgages granted	11 110 494	9 428 615
Other debts	1 376 164	1 969 126
Mortgages granted	5 883 037	5 883 037
Mortgages granted as collateral, total	20 187 419	18 505 541
Liabilities for which shares have been pledged as collateral		
Loans from financial institutions	80 682	100 494
Book value of pledged shares	96 281	105 854
Collateral given on behalf of Group companies		
Commitments	0	1 681 879
Mortgaged promissory notes	0	1 681 879
Leasing commitments		
Unpaid amounts of leasing agreements		
Payable during the current financial year	24 484	17 496
Payable later	32 186	62 211
Total	56 670	79 707
Guarantees on behalf of Group companies		
HYY Group Ltd's endorsed guarantees for the credit of a Group company	71 984	85 439
Parent corporation's endorsed guarantees for the credits of HYY Group Ltd	1 681 879	1 681 879

Management of financial risks

Principles underlying the management of financial risks

The HYY Group's management of financial risks in Finland is based on a decision which was taken by the Group's Board of Directors and will be in effect until further notice. The management of the financial risks of the KILROY travels subgroup is based on the decisions taken by the Board of Directors of the subgroup's parent company. Finnish financial risks are managed in Helsinki and those of the KILROY travels subgroup in Copenhagen.

Financial functions are primarily geared towards attending to the funding of the Group and the divisions in a cost-effective manner with the aim of identifying and gauging risks pertaining to financing as well as hedging against them in cooperation with the Group's various divisions.

Market risks

Foreign exchange risk

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

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

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

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

Interest rate risk

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

Credit risks

Commercial credit risk

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

The credit risk of agency agreements made with travel entrepreneurs outside the KILROY travels subgroup is minimized using agreement-specific guarantees.

Financial credit risk

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

Liquidity risk

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

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

SIGNATURES

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

Helsinki, 27 March 2002

Mikko Alakare
Chair

Isto Havu

Jaakko Hietala

Mika Ihamuotila

Hanna Järvinen

Jukka Nohteri

Tanja Remes

Kerstin Rinne

Harri Tanhuanpää

Tapio Kiiskinen
President and CEO

STATEMENT BY THE SUPERVISORY BOARD OF THE HYY GROUP

The Supervisory Board has examined the 2001 financial statements and consolidated financial statements of the HYY Group and HYY Group Ltd as well as the auditors' reports and consolidated auditors' reports, and has not found any such defects in them as would give cause for comments. The Supervisory Board is thus in favour of the adoption of the financial statements, and is in accord with the Board of Directors' proposal on the distribution of profits.

Helsinki, 11 April 2002

On behalf of the Supervisory Board,

Petteri Huovinen
Chair of the Supervisory Board

AUDITOR'S REPORT

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

We have audited the accounting records and the financial statements, as well as the administration of the Real Estate Funds of HYY (the parent corporation) and the HYY Group, which is formed by the Real Estate Funds with its subgroups, for the financial year 2001. The financial statements, which include the report of the Board of Directors, income statements of both the consolidated corporation and the parent corporation, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the President and CEO. Based on our audit, we express an opinion on these financial statements and on the administration.

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

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

Helsinki, 11 April 2002
KPMG WIDERI OY AB

Reino Tikkanen
Authorized Public Accountant

AUDITORS, 2001

KPMG Wideri Oy Ab
The HYY Group and its Finnish companies

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

THE HYY GROUP'S ACCOUNTING COMMITTEE, 2001

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

Reino Tikkanen,
Authorized Public Accountant, Chair
Erkki Helaniemi
Rauno Välimaa
Panu Laturi
Tero Metsärinta

ADMINISTRATION AND MANAGEMENT, 27 MARCH 2002

THE GROUP'S OWNER

The Student Union of the University of Helsinki was founded in 1868. The Union has over 30,000 members. All those who are studying for a Bachelor's or Master's degree at the University of Helsinki are automatically members of the Student Union. Post-graduate students may also enrol as members of the Student Union. The Student Union can, in accordance with its regulations, also accept other university students as its members. The Student Union acts as a liaison for its members and promotes their societal, social and intellectual aims, as well as their goals for their studies and the position of students in society.

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

POWER OF DECISION AT THE STUDENT UNION AND THE HYY GROUP

REPRESENTATIVE COUNCIL

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

Chair of the Student Union
Sanna Hellström

Deputy Chairs of the Student Union
Nora Malin
Ulla Kuisma

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

BOARD OF THE STUDENT UNION

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

Chair
Tommi Laitio

Deputy Chair
Kaarina Huhtinen

Members
Mikko Alakare
Mira Danielsson
Anton Eskola
Johanna Hautakorpi
Saija Jokela
Miina Kajos
Mari Knuuttila
Lauri Korkeaoja
Ari Lukkarinen
Suvituuli Sihvola
Laura Tuominen

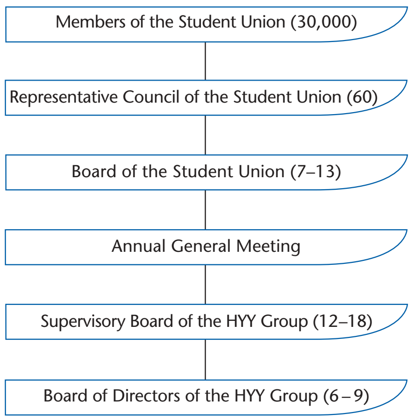
SUPERVISORY BOARD OF THE HYY GROUP

The Supervisory Board is elected by the Board of the Student Union and it comprises 12-18 members. The Supervisory Board's term of office is the period between Annual General Meetings, or about a year. The Supervisory Board acts as the Supervisory Board of the HYY Group and HYY Group Ltd. The Board of Directors of the HYY Group submits to the review of the Supervisory Board such matters as are significant to the entire corporate entity or concern its principles. The Supervisory Board gives reports or opinions on various final acts to the Representative Council and the Board of the Student Union. The Supervisory Board elects and releases HYY Group Ltd's President and CEO.

Chair
Petteri Huovinen

Deputy Chair
Jussi Huovila

Members
Teemu Alaranta
Sebastian Gripenberg
Matti Hirvola
Vertti S. Kiukas
Anna Koikkalainen
Antti Lauri
Veera Luoma-aho
Pekka Mattila
Jukka Pajarinen
Esa Perkiö
Laura Rissanen
Henna Salo .
Hannu Savolainen
Mikko Strahlendorff
Laura Vesa
Ville Ylikahri



BOARD OF DIRECTORS OF THE HYY GROUP

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

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

Board of Directors of the HYY Group
From left: Mikko Alakare, Harri Tanhuanpää, Kaisa Siitonen, Mika Ihamuotila, Isto Havu, Tanja Remes, Hanna Järvinen, Jaakko Hietala, Jukka Nohteri, Kerstin Rinne.

Chair

Mikko Alakare, born 1976
a member of the Board of Directors
since 2001

Deputy Chair

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

Members

Isto Havu, born 1975
a member of the Board of Directors
since 2001

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

Tanja Remes, born 1974
a member of the Board of Directors
since 2001

Jaakko Hietala, born 1966
Partner, Fennica Oy Attorneys-at-Law
a member of the Board of Directors
from 1993 to 1995 and since 2000

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

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

Harri Tanhuanpää, born 1968
Group Treasurer, Rettig Oy Ab
a member of the Board of Directors
since 1994

Personnel Representative

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

BOARD OF DIRECTORS OF KILROY TRAVELS INTERNATIONAL A/S

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

Chair

Tapio Kiiskinen, born 1947
President and CEO,
HYY Group
a member of the Board of Directors
since 1987

Deputy Chair

Christian Frigast, born 1951
Managing Director and CEO,
Axcel IndustriInvestor a.s.
a member of the Board of Directors
since 1998

Members

John Dueholm, born 1951
Group Chief Operating Officer,
Group 4 Falck A/S
a member of the Board of Directors
since 1999

Kaj Storbacka, born 1957
Founder and Chairman of the Board of Directors of CRM Group Ltd.
a member of the Board of Directors
since 1999

Lars Liebst, born 1956
Managing Director, Tivoli A/S
a member of the Board of Directors
since 2001

Linnea Meder, born 1947
First Vice President, HYY Group
a member of the Board of Directors
from 1993 to 1997 and since 2002

Odd Wilhelmsen, born 1946
Financial Manager,
Studentsamskipnaden i Oslo
a member of the Board of Directors
since 1997

Personnel Representative

Robert Doeleman, born 1950
Product Manager,
KILROY travels International A/S
a member of the Board of Directors
since 2000

THE HYY GROUP'S PRESIDENT AND CEO AND EXECUTIVE MANAGEMENT

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

The members of the executive management of the Group's Finnish part include the Group's President and CEO as Chair, the Group's First Vice President, the Directors of the business divisions or companies of their own as well as Assistant Directors responsible for units of their own.

The Group's subgroup, KILROY travels International A/S, has its own executive management.

HYY GROUP'S EXECUTIVE MANAGEMENT

Tapio Kiiskinen, born 1947
President and Chief Executive Officer
Chair of the Boards of Directors:
KILROY travels International A/S, University Press Finland Ltd, Oy Academica Hotels Ltd, Oy UniCard Ab
Financial Director of the Student Union
Employed by the Student Union and the HYY Group since 1969
Will retire on 31 Dec. 2002

Linnea Meder, born 1947
First Vice President
HYY Group Ltd
Corporate Finance and Internal Auditing
Managing Director: University Press Finland Ltd, Oy UniCard Ab
Employed by the Student Union and the HYY Group since 1973
Chief Executive Officer of the HYY Group as from 1 Jan. 2003.

REAL ESTATE DIVISION

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

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

TRAVEL GROUP

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

Anne-Marie Hertz, born 1958
Director: Corporate Financial and IT-services
Managing Director: KILROY Group Travel A/S and TEAM TRAVEL A/S
Employed by the HYY Group since 2000

Dagmar Thomsen, born 1954
Director: Corporate Human Resources, Airline Relations, Marketing
Employed by the HYY Group since 1988

Michael Kirk-Jensen, born 1964
Commercial Director:
KILROY Individual Travel
Employed by the HYY Group since 1999

Peter Cramon, born 1970
Director: E-business / Business Development
Employed by the HYY Group since 2001

Annelise Dam Larsen, born 1956
Managing Director
MyPlanet
Employed by the HYY Group since 1999

Allan Qvist, born 1970
Commercial Director
KILROY Group Travel A/S and TEAM TRAVEL A/S
Employed by the HYY Group since 2001

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

Rune Feltman Johansen, born 1969
Managing Director
KILROY travels Norway A/S
Employed by the HYY Group since 2001

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

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

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

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

RESTAURANTS, OY ACADEMICA HOTELS LTD

Marjo Berglund, born 1964
Director: Restaurants
Managing Director: Oy Academica Hotels Ltd
Employed by the HYY Group since 1992

Arja Kosonen, born 1964
Director: Oy UniCafe Ab
Employed by the HYY Group since 1991

OY UNICARD AB, OY HYY GROUP LTD

Kati Salmivaara, born 1964
Assistant Director: Oy UniCard Ab
HYY Group Ltd, Corporate Communications
Employed by the HYY Group since 1988

BUSINESS LOCATIONS

PARENT COMPANY

HYY Group Ltd

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

REAL ESTATE DIVISION

Kaivopiha Ltd

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

HYY Real Estate

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

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

TRAVEL GROUP

www.kilroytravels.com

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

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

Skindergade 28
DK-1159 COPENHAGEN K

Falkoner Allé 14
DK-2000 FREDERIKSBERG

Østerbrogade 100
DK-2100 COPENHAGEN Ø

Kongensgade 8
DK-6700 ESBJERG

Nørregade 51
DK-7500 HOLSTEBRO

Vestergade 100
DK-5000 ODENSE C

Fredensgade 40
DK-8100 AARHUS C

Østeraagade 23
DK-9000 AALBORG

OY KILROY travels Finland AB
Tel. + 358 203 545769

Kaivokatu 10 D
FIN-00100 HELSINKI

Forum Kauppakeskus Shopping Centre
Vapaudenkatu 49-51
FIN-40100 JYVÄSKYLÄ

Kirkkokatu 29
FIN-90100 OULU

Hämeenkatu 17
FIN-33200 TAMPERE

Eerikinkatu 2
FIN-20100 TURKU

Hartmaninkuja 6
FIN-65100 VAASA

KILROY travels Netherlands B.V.
Tel. + 31 20 524 51 00

Spuistraat 281
NL-1012 VR AMSTERDAM

Singel 413-415
NL-1012 WP AMSTERDAM

Vinkenburgstraat 15
NL-3512 AA UTRECHT

Meent 122
NL-3011 JS ROTTERDAM

KILROY travels Norway A/S
Tel. + 47 23 10 23 00

Nedre Slottsgate 23
N-0157 OSLO

Universitetssentret
Box 54, Blindern
N-0313 OSLO

Vaskerelven 16
N-5014 BERGEN

Tollbodgata 15
N-4611 KRISTIANSAND

Breigata 11
N-4006 STAVANGER

Strandgata 36
N-9008 TROMSØ

KILROY travels Trondheim A/S
Jomfrugata 1
N-7011 TRONDHEIM

KILROY travels Trondheim A/S
NTNU Gløshaugen
N-7491 TRONDHEIM

KILROY travels Spain S.A.
Tel. + 34 915 44 70 21

Hilarion Eslava 18
E-28015 MADRID

KILROY travels Sweden AB
Tel. + 46 771 545 769

Kungsgatan 4
Box 7144
S-103 87 STOCKHOLM

Sveavägen 71
S-113 50 STOCKHOLM

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

Vasagatan 7
S-411 24 GOTHENBURG

Klostergatan 31
S-582 23 LINKÖPING

Bytaregränd, Klostergatan 14
S-222 22 LUND

Engelbrektsgatan 18
S-211 33 MALMÖ

Kungsgatan 71
Box 327
S-901 07 UMEÅ

Bredgränd 3
S-753 20 UPPSALA

Rudbecksgatan 16
S-702 23 ÖREBRO

Arken, Strandgatan 21
Tjänsterum J3113
S-891 18 ÖRNSKÖLDSVIK

KILROY Group Travel A/S
Tel. + 45 33 48 06 00

Nygade 3
DK-1164 Copenhagen K

Nørregade 51
DK-7500 Holstebro

Kaivokatu 10 D
FIN-00100 HELSINKI

Nedre Slottsgate 23
N-0157 OSLO

Kungsgatan 4
Box 7144
S-103 87 STOCKHOLM

TEAM TRAVEL A/S
Tel. +45 33 48 06 00
Nygade 3
DK-1164 COPENHAGEN K

MyPlanet International A/S
Tel. + 45 97 42 50 00

Nørregade 51
DK-7500 Holstebro

MyPlanet Denmark A/S
Nørregade 51
DK-7500 Holstebro

MyPlanet Denmark A/S
Frederiksberg Allé 18-20
DK-1820 Frederiksberg C

MyPlanet Sweden AB
Tel. + 46 8 442 98 80

Roslagsgatan 35-37
Box 19175
S-104 32 Stockholm

Kastellgatan 17
Box 7124
S-402 33 Gothenburg

MyPlanet Education AB
Tel. + 46 8 15 24 42

Markvardsgatan 5
S-113 53 Stockholm

MyPlanet Norway A/S
Tel. + 47 23 32 66 30

Wergelandsveien 7
P.O. Box 7144, Majorstua
N-0307 Oslo

RESTAURANTS

Oy UniCafe Ab

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

Restaurants

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

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

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

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

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

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

Kumpula
A.I. Virtasen aukio 1
FIN-00560 HELSINKI
Tel. +358 9 1915 0109

Käsityö (Handicrafts)
Helsinginkatu 34
FIN-00530 HELSINKI
Tel. +358 9 191 4051

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Oy Vanha Ylioppilastalo Ab

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

OTHER COMPANIES

University Press Finland Ltd
www.yliopistokustannus.fi

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

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

Oy Academica Hotels Ltd

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

Oy UniCard Ab

UniCard Office
P.O. Box 1099, Mannerheimintie 5,
Kaivopiha, Hansakäytävä
FIN-00101 HELSINKI
Tel. +358 9 1311 4272
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FORMULAS FOR KEY INDICATORS

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

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

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

Other key indicators

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

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

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

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

441 014
Printed matter

Design: Incognito Design Oy
Photos: Sami Luukkanen
Printing: Libris Oy
Paper: Galerie Art and Terreus

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00101 Helsinki, Finland
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The Annual Report is available in Finnish and English. To order, contact: tel. +358 9 1311 4288 or email tiedotus@hyy.fi

HYY GROUP ANNUAL REPORT 2001