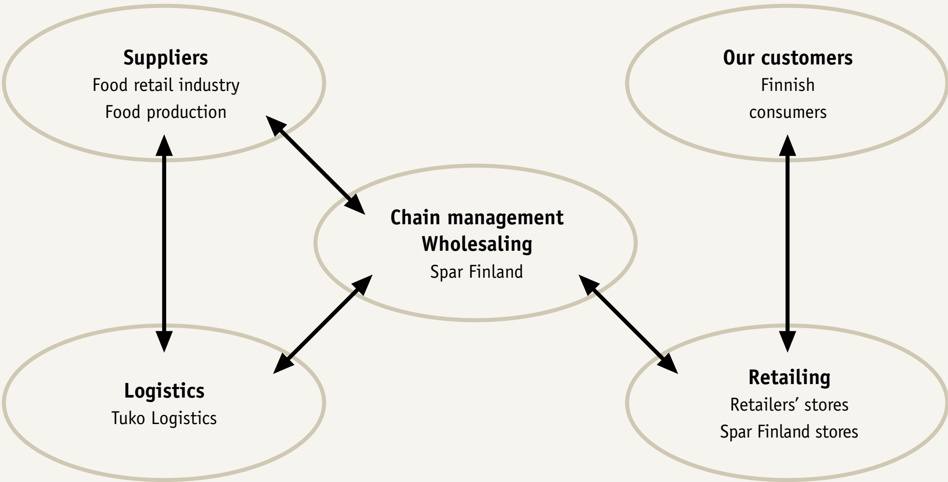
SPAR ANNUAL REPORT 2001

Guiding Principles of Business

How Spar works



The Spar vision

We will be Finland's most customer-oriented food retailer, with a 20% market share.

Spar's mission

Our mission is to provide Finnish consumers with groceries in the way they want.

Spar´s strategic success factors

Broad-coverage network of outlets

- Start-ups
- Alliances
- Balanced financing

Customer-oriented and clear concepts

- Development of concepts
- Knowing the customer
- Local knowledge guides range selection
- Committed and capable personnel

Efficient operations

- Efficient use of space
- Clear division of tasks
- Efficient personnel
- Fully functional control systems
- Networking

Strong Spar brand

- Excellent Spar products
- Positive image
- Committed employees

Spar in Brief

Spar Finland's goal is to serve the Finnish customers of the groceries business the way they wish. Spar Finland serves its retailer customers as a grocery wholesaler and as a lessor of business premises, and by developing chain concepts for the grocery business along with the Spar Group's network of retail outlets as well as improving the ranges and marketing of Spar shops, and by coordinating the Spar Group's purchasing and networking. The Spar Group comprises 304 retail outlets (31 December 2001), of which 77 are owned by Spar Finland.

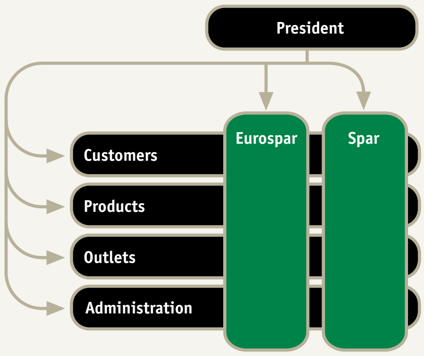
Spar Finland plc was formed in 1997, when Sentra Oyj acquired Spar Finland Oy from Kesko Corporation. Spar Finland Oy was merged with Sentra Oyj at the beginning of 1998. At the same time, Sentra Oyj changed its name to Spar Finland plc. This was the start of today's Spar Finland, a corporation operating nationwide in the wholesale and retail groceries business.

Spar Finland is a subsidiary of a Swedish company, Axfood AB, which is listed on the Stockholm Stock Exchange's A-list. Spar Finland's shares are quoted on the Helsinki Stock Exchange's I-list. The shares are in two series conferring different voting rights. The company has a total of 208 shareholders.

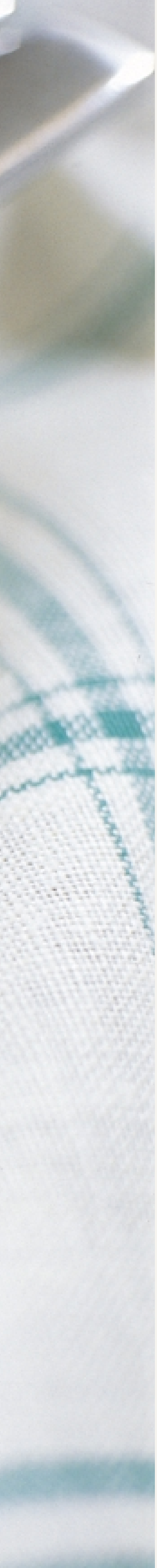
The Spar Finland operating model

Spar Finland's operational structure was reorganised in 2001. The previous five chains of retail outlets were amalgamated into two nationwide chains, Spar and Eurospar. The new organisation is comprised of two divisions served by supporting units: Customer Relations (marketing and communications), Product Management (purchasing and space management), Shop Network (start-ups and shop network maintenance) and Administration.

The new operating model strengthens the Spar brand and the Spar chain's competitiveness, as it has made it possible to eliminate duplicated effort and to standardise operations, and it permits a more precise allocation of resources.



Key Indicators Spar Finland Group	2001	2000	1999
Net turnover, EUR million	614.2	608.4	614.4
Operating profit/loss , EUR million	3.4	-3.9	1.6
Capital expenditure, EUR million	6.8	15.9	14.8
Personnel expense, EUR million	25.8	27.3	25.2
Profit/loss after financial items, EUR million	2.8	-4.4	1.5
Earnings per share, EUR	1.56	-2.93	0.50
Solvency ratio, %	30.0	27.0	27.8
Return on investment, ROI, %	7.6	-4.9	3.8
Return on equity, ROE, %	5.1	-9.9	1.7
Shareholders' equity per share, EUR	31.37	29.81	29.60
Personnel, average	876	968	929



Spar's Values

Responsibility

We operate with integrity, applying ethics. We bear responsibility for our customers' health and the welfare of the environment. We aim for high quality at every level of our activities.

The will to innovate

We take an unbiased view of changes, we learn in our work every day and we improve our actions with creativity. We are not afraid to question old operating models and contribute ideas for new ways to replace old ones.

Customer-orientation

We know our customers' wishes. We want to fulfil different expectations with appreciation for our customers' needs.

Simplicity

Our operations are clear-cut and efficient. We avoid duplicated effort and complications both in the division of work and in carrying out tasks.

Working together

We work as teams in an open atmosphere. We are able to listen to and appreciate other people's points of view. We include all stakeholders, and we commit ourselves to shared goals.

Adding value for everyone

Our customers benefit from our high-quality operations.
Efficiency and profitability add value for our retailers and our owners. Improving our collaboration strengthens the commitment of our suppliers and other partners. A good atmosphere in the workplace and opportunities for training encourage our personnel to reach our collective objectives.

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Chief Executive's Review

The Spar Finland Group's result was a distinct improvement and net turnover rose in 2001 even though the number of stores was reduced by twenty. The full-year operating profit was EUR 7.3 million better than in 2000. Net turnover was up in the January–December period by 0.9% on 2000. The net profit for the financial year was EUR 1.8 (1.2) million and the operating profit was EUR 3.4 (-3.9) million. Net turnover was EUR 614.2 (608.4) million. At year-end the equity ratio was 30.0% (27.0%).

For Spar Finland 2001 was a time of restructuring and adaptation. In March we went over from the previous five-chain organisation to a new two-chain model. An operating model in line with the Spar Finland strategy, which was updated a year ago, was adopted at all levels of the organisation. The results attained so far indicate that we have been successful in planning and starting up the restructuring. The benefits of the new operating model – a clear division of work, simplified working methods, enhanced chain operations and closer collaboration – will make themselves felt to their full extent in 2002.

In the autumn we launched a broad-based staff strategy development programme "Skills and Improvement". Work will continue in 2002 on charting the skills of the staff and on getting progress interviewing started also at the retail outlets.

Good trend in sales for groceries business

In 2001 there was a favourable trend in sales for the groceries business in Finland. The positive trend was enhanced by the improved competitive position and a good trend in sales of small food retailers (less than 400 square metres) as a result of deregulation of Sunday opening hours.

The trend for Spar Finland followed the same tendency as the national average. Large outlets continued their triumphal march, but small shops also strengthened their position. Eurospar boosted its sales by 34.9% and the smaller Spar and Rabatti outlets' sales were up by 5.7% on the previous year.

The retail sales of the company-owned outlets in the Spar chain were up by 8.1%, in spite of a decline in number of shops from 87 to 77 during the year. The number of retail outlets in the Spar Group was reduced by 20 (324 -> 304), but sales grew by 2.1%. The outlets of the Spar Chain, both retailer-owned and company-owned, have succeeded in boosting their sales per outlet and in streamlining their operations in accordance with our strategy.

Financial results for 2001 exceeded targets

The net loss for 2000, EUR 3.9 million, became an operating profit of EUR 2.8 million in 2001. The improvement resulted from increased sales and gross profit as well as from adjustments to costs. Unit-specific profitability monitoring has been intensified and the capability to respond to changes in profitability will be further speeded up. Our monitoring systems were based on five chains until the end of 2001. In spite of the reorganisation of operations, all the chains improved their financial performance.

Customer-orientation guides concept development

The process of reprofiling the shops of the Spar chain started with the Rabatti outlets in autumn 2001. By year-end 16 shops had been upgraded into Spar units. The remaining company-owned Rabatti outlets will be altered in spring 2002. All the key figures indicate that the new concept has improved the shops' operations. In 2002 we will continue the work of developing the concepts of Eurospar and the Spar chain's larger outlets in line with our strategy, which underlines customer-orientation and clarity.

Share purchase offer

In the autumn, Spar Finland plc's parent company, Axfood AB, made a public offer for those K- and A-series shares of Spar Finland which it did not then own. The reason behind the increase in holdings was the aim of intensifying collaboration between Axfood and Spar Finland in administration and purchasing, and to harmonise the systems used by the companies. Some of the shareholders took up the purchase offer, and by year-end Axfood AB's holdings of voting rights in Spar Finland were 75.25%.

Successful introduction of the euro

The changeover to the euro as a cash currency at the beginning of 2002 was a major effort for the wholesale and retail sector, one that demanded a major input of work from the staff and caused considerable expenses. Spar Finland, like the rest of the sector, handled the operation even better than expected.

Outlook for 2002

The prime challenge for 2002 in the wholesale and retail sector is to continue the good trend in sales in a situation of economic uncertainty

and lack of clarity. The recession did not arrive with a heavy impact as forecast, and consumers have kept their optimism. On the other hand, unemployment has not gone down as was hoped. The groceries business is poised to respond with its own solutions to the operating methods and pricing models of new competitors entering the Finnish market.

We are convinced that the measures we have initiated will enable the positive trend to continue at Spar Finland in 2002.

I would like to thank the personnel of Spar Finland for the year 2001. All employees have shown flexibility and they have come with credit through changes made in the organisation and job descriptions on an accelerated schedule. The work continues in 2002, with determination and expertise.

Pekka Kosonen

President and CEO


SAUSAGE SOUP FOR COLD WINTER DAYS
5 POTATOES (FIRM VARIETY)
1 PARSNIP
2 CARROTS
1 ONION
1 TBSP OIL
SOME LEEK
1 CELERY STALK
300 g SAUSAGES
1 L WATER
2 BEEF OR VEGETABLE STOCK CUBE
GROUND BLACK PEPPER
FINELY CHOPPED PARSLEY
PEEL THE ROOT VEGETABLES. CUT THE CARROTS AND PARSNIP INTO SLIGHTLY SMALLER CHUNKS OR WEDGES THAN THE POTATOES. CHOP THE ONION. HEAT THE OIL IN A POT AND ADD THE ONION AND THE VEGETABLES. SAUTÉ FOR A WHILE. ADD THE HOT WATER AND STOCK CUBES. BRING TO THE BOIL AND ALLOW SIMMER UNTIL THE POTATOES ARE ALMOST DONE. WHILE THE POTATOES ARE COOKING, YOU CAN ALSO BROWN THE SAUSAGES IN A FRYING PAN. ADD THE REST OF THE INGREDIENTS TO THE POT JUST AS THE POTATOES ARE DONE AND LET THE SOUP HEAT UP. FINALLY SPRINKLE OVER THE FINELY CHOPPED PARSLEY. SERVE WITH RYE BREAD.

The Eurospar Chain

Eurospar is a grocery chain owned by Spar Finland. The Eurospar outlets are large stores with 1,300–2,100 square metres of retail space. At the end of 2001, the chain was comprised of eleven retail outlets, located in Espoo (2), Vantaa (2), Riihimäki, Lahti, Hollola, Ylivieska, Kempele, Kemi and Rovaniemi. No new business locations were opened in 2001.

The Eurospar chain's mission is to serve as the most economical grocery retailer in the locality and to provide a framework for convenient, pleasant and fast shopping. These promises to the customer are monitored with regular customer polls and price-basket surveys.

Every Eurospar is a major superstore in its catchment area and a popular alternative to hypermarkets. The retail sales of the Eurospar chain grew by 34.9% in 2001. The favourable trend in sales was to some extent contributed by the modernisation and expansion of the outlet network in 2000.

A cost-effective way of doing business

Eurospar's profitability is based on cost-effectiveness, which ensures pricing which is constantly competitive. Every unit is familiar with the competitive setup and the customer base in its area, and it is responsible for active marketing and pricing within the prevailing competitive conditions.

Action taken to improve the take of gross profit, combined with active cost-comparison to enhance cost-effectiveness and efficient personnel planning, brought about a distinct improvement in earnings and put the chain in the black. A systematic practice of reporting and analysis is applied in the chain.

Development of the chain

The organisation of the Eurospar chain was upgraded and streamlined to bring it into line with Spar Finland's new organisational model. The concept and mission of the Eurospar chain were also updated with an eye on Spar Finland's new organisation and the changing competitive situation.

The update of the concept and mission specifies clear targets and action to implement a consolidated range and space management. The concept manual is continuing to be updated in the early months of 2002.

The results of a staff morale poll, carried out in late summer, have been gone through at the business locations, and on the basis of this targets were set to further improve the good working spirit. Eurospar staff also made an important contribution of their own to development work on the Spar Finland staff strategy.

A sense of doing a good job and a strong desire to reach the targets set prevail among Eurospar's employees. Constant work is done in the outlets to make the retail ambience more attractive and to maintain and improve the quality image of the products, while care is also taken to maintain price leadership and to make Eurospar a convenient place to shop.

Active monitoring of the current and forthcoming competitive scenario and responding to it create a good basis for Eurospar's continuing success in 2002.

New retail properties in the 1,500–2,300 square metre class are actively being looked for in order to expand the chain.

The Spar Chain

The Spar chain formed on 1 March 2001 was composed of four units in 2001: Superspar, Spar Market, Spar Express and Rabatti. As of March, the chain was managed in accordance with a single-chain model, although the division into four units continued in monitoring systems to the end of 2001. The reprofiling of Rabatti shops into Spars was started in autumn 2001. In the course of 2002, the marketing names Superspar, Spar Market and Spar Express will also be phased out.

At the beginning of the year there were 228 Spar Markets and at year-end the number was reduced to 213, of which 26 were company-owned. Compared with the previous year, Spar Markets' sales were down by 4.3%. There were 47 Superspars at the beginning of the year and 45 at year-end, of which 11 were company-owned. Sales were up by 2.1% on the previous year. There were 35 Rabattis at the beginning of the year and 33 at year-end, of which 27 were company-owned. For purposes of comparison, the figures for those Rabatti shops already converted into Spars are included in the Rabatti chain figures. Compared with the previous year, the Rabatti outlets' sales were up by 5.7%.

The sales of Spar Expresses declined by 9.4% and the number of outlets fell from three to two. Background factors in this negative trend are liberalisation of shops' Sunday opening hours, which has led to a nationwide downturn in kiosk trading, and a reduction in kiosk-type shops' competitiveness as a result of new legislation.

Groceries the way the consumer wants them

The development of the Spar retail outlet concepts began with the small shops. The development of space management and range management has held a key position in developing work. The new concept has been adopted in converting Rabatti outlets into Spars.

The conversion of Rabatti outlets, begun in the autumn, is being continued in spring 2002. The feedback from the outlets already converted has been good, and the impact on the key figures of the converted units has been in the right direction. In 2002, concept development work will be continued in the larger retail outlets.

The challenge of concept development is to anticipate consumers' increasingly rapid changes in tastes and consumption habits. We have chosen it as our mission to provide Finnish consumers with groceries the way they want them. This objective is the leading light for the development of our retail outlet concepts.

In the Spar chain, effort is deployed in enhancing quality and in training. Staff skills will continue to be an important focus in the future. The quality development unit established within the chain provides everyone working for the Spar Group with a wide variety of opportunities for maintaining and expanding their skills.

The entire value chain in hand

The Spar chain includes both franchise retailers and outlets owned by Spar Finland. A sufficient number of company-owned shops is a strong point for the chain. It helps the chain to keep up efficiently with developments in retailing and to provide opportunities for pilot projects. The growth in the sales of Spar Finland's company-owned outlets in 2001 was 8.1%, in spite of a downturn in number of outlets from 87 to 77 during the year.

The goal of the Spar chain's development is to consolidate those points for which consolidation confers clear benefits. These include, for example, the product range, pricing, and standardisation of processes. In the retail outlets, the personnel will concentrate on service and on adapting the concept in line with the local customer-base structure and the competitive scenario in the area.


Oriental superwok
(serves three)
200g egg noodles
400g marinated shredded pork
4 tbsp rape seed oil
½ finely chopped jalapeño pepper
3 finely chopped cloves of garlic
500g stir-fry vegetables (frozen)
2 dl coconut milk
salt
(ground coconut)
Cook the noodles and chill in cold water. Sauté pork in a wok in the oil, add the finely chopped jalapeño pepper and garlic. Add the stir-fry vegetables and fry until the meat is well-done. Finally add the egg noodles and the coconut milk, and let the dish heat thoroughly. Season to taste. (If desired, serve the dish garnished with toasted ground coconut.)

The International Spar Brand

Spar is one of the world's best-known grocery retail brands and the world's most widespread association of independent retailers. When a Spar customer goes abroad, he or she can stay loyal to the brand in more than 30 countries. Spar shops serve more than 8 million customers every day in every corner of the world – from a small shop in the Swiss Alps to a crowded city centre in Osaka.

The origins of Spar go back to the Netherlands in 1932. Even today, 70 years later, wholesale trader Adriaan van Well's philosophy of networking and partnership is just as valid as it was then.

When the wholesaler invited his retailer customers to cooperate with him under the same banner, the goal was to benefit from the kind of advantages conferred by volume, synergy and pricing that none of them could achieve on their own. He spoke of combining the parties' expertise into collective strength and emphasised that unanimous collaboration benefits everyone.

The spruce tree symbolises stability and prosperity

As the symbol of his vision and values Adriaan van Well chose a spruce tree, symbolic of prosperity and stability, that still stands in Spar's insignia and the logos of the various chains, both as a picture and in words: the Flemish word De Spar means spruce tree.

Forty years of Spar cooperation in Finland

Spar Finland plc (1997) and the companies of the T-Group that preceded it have been part of the international Spar partnership since the 1960s. In its present format, however, Spar is still a new contender among Finland's food retailers.

Broad-spectrum networking

Spar's international collaboration includes but is not limited to purchasing, product development, marketing, logistics and concept planning. One thing all the Spar shops in the world have in common is their own Spar product family, which offers retailers an efficient way to stand out from the competition and provide customers with excellent value for money.

The Spar network extends across Europe to Japan, South Africa, Argentina and Australia. The rights to the Spar brand are held by Internationale Spar Centrale B.V. in Amsterdam, of which Spar Finland is a part-owner.

Milestones in 2001

January

Year-round Sunday opening of grocery shops with less than 400 square metres of space became permitted.

Spar Finland's own shops in this category began to go over to extended opening hours in January–February.

March

The reorganisation of Spar Finland went into effect. Business operations became concentrated in two retail chains, Spar and Eurospar, and supporting operations were grouped under four units: Customer Relations, Product Management, Network and Administration.

May

Marja Inkilä and Heli Kelaranta of Savitaipale were named as the Spar Retailers of the Year.

July

Two new Spar outlets went into business in Tyrnävä and Ylikiiminki.

August

Shares in Spar Finland plc which had not been exchanged for book-entry securities were sold on behalf of their holders 21–30 August 2001. An owner or other holder of these shares is entitled to a share of the proceeds from the sale of the shares in proportion to the holding. Claims should be submitted to the Southern Finland Province Administrative Board.

September

The first three Rabatti outlets converted into Spars opened their doors in Kannelmäki, Lansa in Espoo, and Pohjois-Haaga.

October

Axfood AB launched its offer to redeem the remaining shares in Spar Finland.

A new Spar shop went into business in Yttermark.

Six former Rabatti shops reopened as Spars in Vantaa and Helsinki.

November

Following the close of the redemption period, Axfood's holding of voting rights in Spar Finland was 75.25%.

The new six Rabatti outlets were converted with Spar livery.

December

A Spar shop went into business in Koskenkorva.

Spar Finland is one of the main sponsors of the Finnish Sports Federation. In 2002 as before, 1% of the price of every Spar product goes towards promoting young people's sports.

Part of Nordic Axfood

Spar Finland plc's main owner, Axfood AB, is one of the Nordic region's largest stock exchange companies in the groceries business.

Axfood was formed in 1999 and 2000 by the merger of the Swedish organisations Hemköp, D&D Dagligvaror, Spar Sverige and Spar Inn Snabbgross, together with Spar Finland.

Axfood's mission is to create and develop successful food trading chains and to engage in groceries business within them, through either direct ownership or franchising. Axfood aims to be a contender in the Nordic market for groceries by offering consumers clear and unique alternatives.

The Axfood Group's store operations are conducted through the wholly owned retail chains Hemköp and Willys, and starting in 2002, Willys Hemma. Axfood collaborates with independent traders through the Spar and Tempo franchise concepts. Vivo Stockholm, which is operated by an association of retailers, is a wholesale customer of Axfood. The Vivo brand is owned by Axfood.

Strongly placed in the Nordic region

Axfood's goal for the next few years is to achieve a strong position in all the Nordic countries by providing the market for food retailing in the Nordic region with an attractive and competitive alternative. Axfood's strengths are its clear and distinctive concepts, purchasing and logistics based on high volume, flexible and efficient operating models, and state-of-the-art systems for controlling business operations. A heavy investment in its own brands is also part of Axfood's strategy.

Axfood has about 700 retail outlets in Sweden, 250 of which are partly or wholly owned by the company. Axfood's market share in Sweden is roughly 20%, and the company also aims to establish an equally strong position in neighbouring countries. Axfood's biggest single owner is Axel Johnson AB, which holds about 45 % of its shares.

In 2001 Axfood's net turnover was SEK 32,428 (30,230) million and its operating profit was SEK 653 (112) million. The company had an average of 8,514 employees (8,146 in 2000).


Super berry surprise
2 packets of ready-made pastry sheets
400g red currants
150g black currants
250g rasberries
50g sugar
4 tbsp corn starch
As a sauce use ice cream or custard
Defrost the pastry sheets according to the instructions on the packet Roll one of the sheets and use as the pie base in a greased round ovenproof dish Make sure to leave plenty of pastry over the sides of the pie dish. Pick the currants and mix all the berries with the sugar and the corn starch Roll the other sheet and place over the pie as a lid Leave at least 2 cm of pastry over the edges of the dish Use your fingers to pinch the sheets together Finally decorate the edge of the pie: cut the edge at intervals of 2 cm and turn the pastry alternately up and down Bake in 220 degrees for approximately 40 minutes or until the pie lid is golden brown Serve warm with a sauce of melting vanilla ice cream or whipped custard (Creme Vanilla)

Report by the Board of Directors

Business conditions

Restructuring of the Spar Group began in March. Operations are now concentrated in two national chains, Spar and Eurospar, in place of the five previous chains. Store upgrading started in the summer of 2001. By the end of the year 16 Rabatti discount stores had been upgraded to Spar stores.

Spar Finland plc is a subsidiary of the Swedish food retailing company Axfood AB (publ.). On 1 October 2001 Axfood made a mandatory offer to redeem the remaining shares. The offer expired on 1 November 2001. During the year Axfood's holding increased 29.6%. On 31 December 2001 the parent company held 75.2% of Spar Finland plc's voting rights and 69.3% of the share capital. Axfood AB, with approximately 20% of the food retail market in Sweden, is one of the largest food wholesale and retail companies in the Nordic countries. It is listed on the A list of the Stockholm Stock Exchange.

Spar Finland plc operates as the wholesale supplier of Spar-branded food retail stores; the company also leases business premises to these stores and provides marketing, real estate and other support services. Spar Finland plc additionally engages directly in food retailing. Three-quarters of the Spar Group's stores are independent retail traders and one-quarter are owned by Spar Finland. The company's material functions are the responsibility of Tuko Logistics Oy, which is 35% owned by Spar Finland plc.

At the close of the financial period Spar Finland's store chains comprised 11 Eurospar stores (31 December 2000: 11) and 293 (313) Spar stores, making a total of 304 (324) stores. Altogether 77 (87) of these were owned by the company itself. The Spar chain names that existed under the Spar Group's earlier structure in Finland and are gradually disappearing are Spar Market, Superspar, Spar Express and Rabatti.

Spar is an international food retailing brand visible through approximately 17,000 stores in 30 countries. Spar's market share in Finland in 2000 was 9.1%. Spar Finland plc is a shareholder in the supervisory body, Internationale SPAR Centrale B.V.

Consolidated turnover and Spar Group sales

Consolidated net turnover in the period was EUR 614.2 million (2000: EUR 608.4 million).

Retail sales by the whole Spar Group amounted to EUR 910.9 million, up 2.1% on the year 2000. The comparable increase in retail sales of Spar Finland's own stores was 8.2%. Retail sales of the Eurospar chain increased 35.9%. Retail sales of the Spar chain under the new operating model decreased 1.5% during the period owning to the reduced number of stores.

Result

The result of operations for the period was a profit of EUR 3.4 million (EUR -3.9 million). Net financial items totalled EUR 0.6 (0.4) million. The pretax profit was EUR 2.8 (0.2) million.

The result of operations improved EUR 7.3 million compared to last year, mainly as a result of improved performance by the company's own stores and a reduction in wholesaling credit losses. The provision to cover the future rental costs of stores closed down was increased by EUR 0.8 million during the period. Depreciation in the period was EUR 0.8 million higher than last year.

The Group's result for the period was EUR 1.8 (1.2) million. Income tax in the period included tax calculated on the result and the change in deferred tax liability and assets. At the end of 2001 the company received an unfavourable ruling related to fiscal 1995. The company has lodged an appeal. Earnings per share totalled EUR 1.56 (-2.93).

Balance sheet, financing and contingent liabilities

The balance sheet at 31 December 2001 amounted to EUR 119.6 (31 December 2000: 126.2) million.

Fixed assets at the close of the period totalled EUR 66.7 (69.6) million and current assets EUR 52.9 (56.6) million.

Long-term liabilities totalled EUR 9.3 (10.5) million and current liabilities EUR 72.0 (80.6) million. Interest-bearing loan capital amounted to EUR 16.1 (23.4) million.

The Group's non-restricted equity on 31 December 2001 was EUR 24.5 (22.7) million. The solvency ratio was 30.0% (27.0%).

Net cash flow from operating activities was EUR 16.2 (13.4) million. Net capital expenditure amounted to EUR 6.0 (15.6) million. Repayments of long-term loans during the period totalled EUR 1.7 million. Liquid funds increased by EUR

2.2 million and on 31 December 2001 totalled EUR 5.7 million.

Contingent liabilities on the balance sheet date were EUR 57.0 (60.0) million.

Rental activities are based on almost three hundred agreements made by Spar Finland plc with various owners of business premises. The largest landlord is the property investment company Vasa-Sijoituskiinteistöt Oy. The rental agreements for the properties rented from Vasa expire on 31 March 2007. The duration of the other rental agreements depends on the properties concerned. Altogether EUR 32.2 million was paid in rents for business and commercial premises during the period. Rental commitments based on rental agreements average EUR 20.3 million per year over the following five years. The aggregate rental commitment at the end of 2001 totalled EUR 154.5 million.

Capital expenditure

Gross capital expenditure during the period amounted to EUR 6.8 (15.9) million. Most investments related to purchases of store equipment and store renewals.

Personnel

Calculated in terms of full-time personnel, the Group had 876 employees on average during the period, which was 92 less than last year. At the end of the period the Group had 1,112 employees compared to 1,206 employees one year earlier.

General meetings and administration

The Annual General Meeting, held on 2 May 2001 elected the following to the Board of Directors: Mats Jansson (chairman), Risto Wartiovaara (deputy chairman), Per-Olof Bäckström, Raoul Hasselgren, Matti Linnainmaa, Lars Nilsson, Anders Nyberg and Pekka Kosonen. The company secretary was Timo Säiläkivi, Director, Finance and Administration. The company's president and chief executive was Pekka Kosonen.

The Board of Directors has no unexercised authorisations to raise the share capital or offer convertible bonds or bonds with warrants.

The company's auditors were the firm of authorized public accountants KPMG Wideri Oy Ab under the supervision of Wilhelm Holmberg APA.

Increase in share capital and amendments to the articles of association

The Annual General Meeting on 2 May 2001 decided to restate the company's share capital in euros and to raise the share capital through a funds transfer from FIM 11,362,710 to EUR 1,931,660.70 by transferring the sums of EUR 6,271.73 from the share premium fund and EUR 14,318.34 from the contingency fund, making a total transfer of EUR 20,590.07. This procedure did not change the number of shares, nor were shareholders required to take any action. The change was registered in the Trade Register on 2 January 2002.The AGM also decided to amend §3 and §12 of the Articles of Association. These state the minimum and maximum share capital in euros and specify deadlines relating to invitations to general meetings.

Axfoods AB's mandatory offer

On 11 September 2001 Axfood AB agreed with certain domestic and foreign institutions on the sale and purchase of shares in Spar Finland. The purchase price per share was EUR 27.00. As a result, Axfood's holding of the votes in Spar Finland rose from approximately 65.9% to approximately 69.7%. Since this meant that Axfood's holding of the votes exceeded the threshold of two-thirds referred to in Chapter 6, Section 6 of the Finnish Securities Markets Act, Axfood was required by law to offer to redeem all remaining shares and securities entitling to shares in Spar Finland.

Axfood offered to redeem all the Series K and Series A shares of Spar Finland plc not already held by Axfood, between 1 October 2001 and 1 November 2001. The redemption price was EUR 27.00 per share for both A and K shares.

Following the close of the redemption period Axfood owned 357,715 A shares and 429,657 K shares, giving Axfood a holding of 69.3% of Spar Finland's share capital and 75.2% of the votes. This holding remained unchanged at the close of the financial period. Spar Finland had 208 shareholders on the balance sheet date.

Insider guidelines

The insider guidelines applied within the company were brought into line on 1 May 2000 with the insider guidelines approved by the Board of Directors of the HEX Helsinki Exchanges on 28 October 1999.

Share performance

Altogether 336,848 Series A shares and 48,229 Series K shares were traded on the Investors List of the Helsinki Exchanges during the year, representing 33.9% of the total number of shares. At the end of December the price of the A share was EUR 28.00 (31 December 2000: EUR 19.01) and the price of the K share was EUR 30.00 (20.04). The lowest price of the A share during the period was EUR 14.00 and the highest price was EUR 28.00. The lowest price of the K share during the period was EUR 15.06 and the highest price was EUR 33.00. The market capitalisation of the company's shares on 31 December 2001 was EUR 32.9 (22.4) million.

Adoption of the euro

The euro was adopted in Spar Finland and its store network without problems.

The priorities in the preparations leading up to the change-over were training of personnel, upgrading of systems and securing money supply.

The cost to the company of adopting the euro is approximately EUR 1.0 million. It was necessary to spend a further approx. EUR 1.0 million on updating the automatic bottle recycling machines, scales and other equipment in the stores due to the euro.

Prospects

The Spar Group has been restructured around two national Spar chains instead of the previous five chains. The new Spar chain, comprising the Spar Market, Superspar, Spar Express and Rabatti chains, is one of Finland's largest retail food chains in terms of both sales and number of stores. The second chain operating alongside Spar is the chain of consistently low-price Eurospars. Internally the new Spar Group has operated at full efficiency since the beginning of the current financial period. The old brand names will be gradually phased out during 2002 in pace with store renewals. The effects of the reorganisation has already been felt to be positive during the initial stages of its implementation.

Spar Group's strengths in its changing business environment are its customer-driven operating models, the strong international Spar name, the support of its solid Nordic owner, the expertise of its network of independent traders, and the company's own knowledge of the food retail business.

Group (EUR 1,000)	1 Jan.–31 Dec. 2001	1 Jan.–31 Dec. 2000
Net turnover (1)	614,188	608,409
Materials and services (2)	-553,450	-554,275
Personnel expenses (3)	-25,752	-27,279
Depreciation	-8,647	-7,862
Other operating expenses	-22,958	-22,920
Operating profit/loss	3,381	-3,927
Financing income and expenses (4)	-571	-429
Profit/loss before extraordinary items	2,810	-4,356
Extraordinary items (5)	-	4,525
Profit before taxes	2,810	169
Direct taxes (7)	-1,038	1,025
Minority interest	0	1
Net profit for the year	**1,772**	**1,195**

Parent company (EUR 1,000)	1 Jan.–31 Dec. 2001	1 Jan.–31 Dec. 2000
Net turnover (1)	614,164	608,388
Materials and services (2)	-553,965	-554,704
Personnel expenses (3)	-25,752	-27,279
Depreciation	-7,823	-7,097
Other operating expenses	-23,609	-23,159
Operating profit/loss	3,015	-3,851
Financing income and expenses (4)	107	225
Profit/loss before extraordinary items	3,122	-3,626
Extraordinary items (5)	-	4,525
Profit before appropriations and taxes	3,122	899
Appropriations (6)	-2,076	3,633
Direct taxes (7)	-690	-
Net profit for the year	**356**	**4,532**

Balance Sheet

Group (EUR 1,000)	31 Dec. 2001	31 Dec. 2000
Assets		
Non-current assets		
Intangible assets (8)	4,689	5,205
Goodwill on consolidation (9)	6,023	6,606
Tangible assets (10)	43,551	45,068
Holdings in associated companies (11)	10,990	11,332
Other placements (11)	1,429	1,438
Non-current assets	**66,682**	**69,649**
Current assets		
Stocks (12)	9,862	11,487
Non-current debtors (13)	990	984
Deferred tax refund (18)	-	36
Current debtors (14)	36,293	40,568
Cash in hand and at banks	5,743	3,521
Current assets	**52,888**	**56,596**
	119,570	**126,245**

Parent company (EUR 1,000)	31 Dec. 2001	31 Dec. 2000
Assets		
Non-current assets		
Intangible assets (8)	8,822	9,735
Tangible assets (10)	26,295	27,178
Holdings in group companies (11)	8,672	8,672
Other placements (11)	15,490	15,499
Non-current assets	**59,279**	**61,084**
Current assets		
Stocks (12)	9,862	11,487
Non-current debtors (13)	990	984
Current debtors (14)	38,191	42,525
Cash in hand and at banks	5,737	3,507
Current assets	**54,780**	**58,503**
	114,059	**119,587**

Group (EUR 1,000)	31 Dec. 2001	31 Dec. 2000
Liabilities and shareholders' equity		
Shareholders' equity (15)		
Share capital	1,911	1,911
Share premium account	6	6
Reserve fund	9,215	9,215
Other reserves	12	12
Retained earnings	22,730	21,535
Net profit for year	1,772	1,195
Shareholders' equity	**35,646**	**33,874**
Minority interest	**30**	**31**
Provisions (17)	**2,160**	**1,231**
Liabilities		
Deferred tax liability (18)	384	-
Long-term liabilities (19)	9,334	10,531
Short-term liabilities (20)	72,016	80,578
Liabilities	**81,734**	**91,109**
	119,570	**126,245**

Parent company (EUR 1,000)	31 Dec. 2001	31 Dec. 2000
Liabilities and shareholders' equity		
Shareholders' equity (15)		
Share capital	1,911	1,911
Share premium account	6	6
Reservefund	9,216	9,216
Other reserves	11	11
Retained profit	14,369	9,837
Net profit for the year	356	4,532
Shareholders' equity	**25,869**	**25,513**
Accumulated appropriations (16)	**10,718**	**8,642**
Provisions (17)	**2,160**	**1,231**
Liabilities		
Non-current liabilities (19)	2,801	3,101
Current liabilities (20)	72,511	81,100
Liabilities	**75,312**	**84,201**
	114,059	**119,587**

Cashflow Statement

Group (EUR 1,000)	2001	2000
Business operations		
Profit/loss before extraordinary items	2,810	-4,356
Planned depreciation	8,647	7,862
Other non-payment-related income and expenses	1,270	391
Financing income and expenses	571	429
Other adjustments		-5
Cash flow before change in net working capital	13,298	4,321
Change in net working capital:		
Current receivables, increase/decrease	4,273	4,508
Stocks, increase/decrease	1,625	-1,427
Current liabilities, increase/decrease	-2,590	6,445
Cash flow from operations before financing items and taxes	16,606	13,847
Interest paid and other financing expenses	-1,152	-1,443
Dividends received	5	2
Interest received and other financing income	717	1,017
Taxes paid	-2	
Cash flow before extraordinary items	16,174	13,423
Extraordinary items		4,525
Cash flow from operations	**16,174**	**17,948**
Investments		
Capital expenditure on tangible and intangible assets	-6,815	-15,874
Proceeds from divestments of tangible and intangible assets	783	291
Increase in other investments	-2	-8
Decrease in other investments	11	
Cash flow from investments	**-6,023**	**-15,591**
Financing		
Increase/decrease in short-term financing	-5,887	-5,046
Long-term loans taken		6,725
Repayment of long-term loans	-1,736	-2,263
Long-term receivable, increase/decrease	-6	719
Long-term liabilities, increase/decrease	-300	-424
Dividends paid		-955
Cash flow from financing	**-7,929**	**-1,244**
Change in cash reserves	2,222	1,113
Cash reserves 1 Jan.	3,521	2,408
Cash reserves 31 Dec.	**5,743**	**3,521**

Parent company (EUR 1,000)	2001	2000
Business operations		
Profit/loss before extraordinary items	3,122	-3,626
Planned depreciation	7,823	7,097
Other non-payment-related income and expenses	928	-97
Financing income and expenses	-107	-225
Other adjustments		-1
Cash flow before change in net working capital	11,766	3,148
Change in net working capital:		
Current receivables, increase/decrease	4,332	8,164
Stocks, increase/decrease	1,625	-1,427
Current liabilities, increase/decrease	-2,616	6,736
Cash flow from operations before financing items and taxes	15,107	16,621
Interest paid and other financing expenses	-819	-1,193
Dividends received	254	250
Interest received and other financing income	815	1,169
Taxes paid	-74	
Cash flow before extraordinary items	15,283	16,847
Extraordinary items		4,525
Cash flow from operations	**15,283**	**21,372**
Investments		
Capital expenditure on tangible and intangible assets	-6,811	-12,987
Proceeds from divestments of tangible and intangible assets	783	291
Increase in other investments	-2	-8
Decrease in other investments	11	
Cash flow from investments	**-6,019**	**-12,704**
Financing		
Increase/decrease in short-term financing	-5,887	-5,046
Long-term loans taken		
Repayment of long-term loans	-841	-1,681
Long-term receivable, increase/decrease	-6	719
Long-term liabilities, increase/decrease	-300	-595
Dividends paid		-955
Cash flow from financing	**-7,034**	**-7,558**
Change in cash reserves	2,230	1,110
Cash reserves 1 Jan.	3,507	2,397
Cash reserves 31 Dec.	**5,737**	**3,507**

Notes to the Financial Statements

Accounting conventions

Spar Finland plc belongs to the Swedish Axfood Group. Spar Finland's financial statements are included in Axfood AB's consolidated financial statements, which are available from the Group's head office in Stockholm, Sweden, at the address Kungsgatan 32.

Scope of consolidation

The consolidated financial statements include Spar Finland plc, those companies in which the Spar Finland Group has a majority holding, and associated companies. The ordinary business activities of the Spar Finland Group are conducted entirely through the parent company, Spar Finland plc.

Principles of consolidation

Intragroup shareholdings are eliminated by the acquisition cost method. The difference arising from the elimination of Spar Finland plc shares is shown in the consolidated balance sheet as goodwill on consolidation. Since the beginning of 2000 the period for amortising the goodwill on consolidation has been extended from ten to fifteen years in compliance with the conventions of the parent company.

The difference arising from the acquisition cost of one property holding company and its shareholders' equity at the time of acquisition was very minor and was allocated to the property.

Intragroup transactions, receivables and payables have been eliminated. There were no internal unrealised margins or internal distribution of profit. Spar Finland plc's share of the associated company Tuko Logistics Oy's result is included in the consolidated accounts.

The associated companies are consolidated using the equity method. The Group's share of the results of its associated companies is shown as a separate item in the section materials and services.

The Group's share of Tuko Logistics Oy's result includes planned depreciation on the elimination difference arising from its acquisition (acquisition cost of the shares less share of the shareholders' equity at the time of acquisition and provisions less the deferred tax liability). The difference on elimination was originally EUR 5.9 million and the amortisation period was ten years. Since the beginning of 2000 the period for amortising has been extended from ten to fifteen years in compliance with the conventions of the parent company.

Minority interest (a single property holding company) has been separated from the Group's shareholders' equity and is shown as a separate item.

The figures given in the financial statements are based on accounts denominated in Finnish markkas and they were translated into euros using the conversion factor 5.94573.

Tangible and intangible assets and depreciation

Intangible and tangible assets have been entered in the balance sheet at their direct acquisition cost. Other long-term expenses are mainly comprised of major renovation and repair costs of leased retail premises. Planned depreciation is calculated in straight-line instalments based on the economic life of the fixed assets. Since the beginning of 2000 the period of planned depreciation on shop machinery and equipment has been extended from five to eight years. Securities included in fixed assets have been recorded at the original acquisition cost.
The period of depreciation on goodwill arising from the acquisition of the Spar Finland Oy shares and the Tuko Logistics Oy shares has, since the beginning of 2000, been extended from ten to fifteen years. These acquisitions are substantial to the Group and their period of influence is considered to be at least fifteen years.

Planned depreciation periods:

Intangible assets	5–10 years
Goodwill on consolidation	15 years
Other long-term expenses	5–10 years
Buildings and structures	10–25 years
Machinery and equipment	5–8 years
Data systems	5–8 years
Other tangible assets	5–10 years

Stocks

Stocks are recorded at the original acquisition cost or probable selling price, whichever is the lower.

Trade debtors

The trade debtors item is comprised mainly of receivables from Spar retailers. These receivables are valued in accordance with the principles applied by Spar Finland plc in previous years, i.e., at the nominal value or probable market value, whichever is the lower.

Pension arrangements

The pension cover of the employees of Group companies is insured with insurance companies. Pension costs are recorded as calculated by the insurance company. They also include the pension costs of any personnel to be dismissed in the future.

Obligatory provisions

Obligatory provisions include unrealised rental commitments on vacant business premises which the company is contractually committed to covering, as well as contingent pension insurance costs arising from restructuring measures which may later fall due for payment by the employer.

Spar Finland plc's rental activities include individual cases in which the rent paid by the company exceeds the rental income received. Such cases do not fall within the scope of obligatory provisions as they are considered to be a normal part of retailer operations. There has also been no obligatory provision on those premises which are partly occupied by the company and partly leased out.

Accumulated appropriations

The change in the difference between planned and booked depreciation in the separate financial statements of the parent company and its subsidiaries is shown in the profit and loss account, and the accumulated difference between planned and booked depreciation is shown as accumulated appropriations in the balance sheet.

In the consolidated balance sheet, accumulated appropriations are divided between deferred tax liability and shareholders' equity. The change in appropriations for the financial year has been entered in the consolidated profit and loss account, divided between the net profit for the year and the change in deferred tax liability.

In previous years repurchasing provisions totalling EUR 7.9 million were employed to cover acquisition costs of shares in subsidiary property holding companies. These provisions were recognised in the Group net of tax liabilities and this item is recorded on the accumulated appropriations of the parent company. No tax liability is calculated in the net profit of the Group or subsidiary, as any increase in the sale will not automatically initiate repayment of the tax liability, as the payment of the tax liability is monitored on a permanent basis. In property holding companies, the acquisition costs of equipment and fittings are tax-deductible.

The accumulated appropriations entered in the Group's shareholders' equity are not distributable equity.

Deferred tax liability and refund

The item deferred tax liability and refund is included only in the consolidated accounts and these are entered net in the consolidated balance sheet. The deferred tax refund is calculated on obligatory provisions. The deferred tax liability is allocated in its entirety to the accumulated provisions with the exception of that portion which is allocated to the use of the replacement fund.

EUR 1,000	Group 2001	Group 2000	Parent company 2001	Parent company 2000
1. Net turnover				
Wholesale sales	370,551	382,050	370,551	382,050
Retail sales	218,314	201,888	218,314	201,888
Rental activities	25,323	24,471	25,299	24,450
Total	614,188	608,409	614,164	608,388
2. Materials and services				
Purchases during the year	551,660	555,413	552,340	556,131
Change in stocks	1,625	-1,427	1,625	-1,427
Share of associated companies' results	165	289		
Total	553,450	554,275	553,965	554,704
3. Personnel expenses				
Salaries and bonuses	20,507	21,421	20,507	21,421
Pension costs	3,452	3,727	3,452	3,727
Other staff-related costs	1,793	2,131	1,793	2,131
Total	25,752	27,279	25,752	27,279
Salaries and emoluments for senior management				
Salaries and emoluments paid to members of the Board and the Chief Executive	338	495	338	495
Average personnel of the Group and parent company				
Personnel	876	968	876	968

Management pension liabilities

The agreed retirement age of the parent company's President is 60.

EUR 1,000	Group 2001	Group 2000	Parent company 2001	Parent company 2000
4. Financing income and expenses				
Dividend income				
From associated companies, dividends			177	177
From associated companies, tax credit			72	72
From others	5	2	5	2
Dividend income, total	**5**	**2**	**254**	**251**
Interest and other financing income				
From Group companies			98	156
From others	735	1,021	735	1 017
Interest and other financing income, total	**735**	**1,021**	**833**	**1 173**
Interest and other financing expenses				
To Group companies			102	54
To others	1,311	1,452	878	1,145
Interest and other financing expenses, total	**1,311**	**1,452**	**980**	**1,199**
Financing income and expenses, total	**-571**	**-429**	**107**	**225**

EUR 1,000	2001	2000	2001	2000
5. Extraordinary items				
Extraordinary income				
Tax refund from previous financial years		4,525		4,525
6. Appropriations				
Difference between planned depreciation				
and depreciation made for tax purposes			2,076	-3,633
7. Direct taxes				
Taxes for year	618		690	
Change in deferred tax refund/liability	420	-1,025		
Total	1,038	-1,025	690	

Notes to the Balance Sheet

	Group		Parent company	
EUR 1,000	31 Dec. 2001	31 Dec. 2000	31 Dec. 2001	31 Dec. 2000
Intangible and tangible assets				
8. Intangible assets				
Intangible rights				
Acquisition cost 1 Jan.	1,399	1,051	1,399	1,051
Increases 1 Jan.–31 Dec.	37	67	37	67
Decreases 1 Jan.–31 Dec.	-206	-123	-206	-123
Transfers between items		404		404
Acquisition cost 31 Dec.	1,230	1,399	1,230	1,399
Accumulated planned depreciation 1 Jan.	-689	-587	-689	-587
Accumulated planned depreciation in decreases	205	123	205	123
Planned depreciation in year	-221	-225	-221	-225
Accumulated planned depreciation 31 Dec.	-705	-689	-705	-689
Book value 31 Dec.	525	710	525	710
Other long-term expenses				
Acquisition cost 1 Jan.	7,465	4,862	7,416	4,813
Increases 1 Jan.–31 Dec.	1,071	1,798	1,071	1,798
Decreases 1 Jan.–31 Dec.	-268	-512	-268	-512
Transfers between items	55	1,317	55	1,317
Acquisition cost 31 Dec.	8,323	7,465	8,274	7,416
Accumulated planned depreciation 1 Jan.	-3,025	-2,368	-2,999	-2,347
Accumulated planned depreciation in decreases	244	512	244	512
Planned depreciation in year	-1,379	-1,168	-1,375	-1,164
Accumulated planned depreciation 31 Dec.	-4,160	-3,024	-4,130	-2,999
Book value 31 Dec.	4,163	4,441	4,144	4,417

EUR 1,000	Group 31 Dec. 2001	Group 31 Dec. 2000	Parent company 31 Dec. 2001	Parent company 31 Dec. 2000
Advance payments				
Acquisition cost 1 Jan.		1,725		1,725
Increases 1 Jan.–31 Dec.	1		1	
Transfers between items		-1,725		-1,725
Book value 31 Dec.	1		1	
Goodwill				
Acquisition cost 1 Jan.			6,342	6,342
Acquisition cost 31 Dec.			6,342	6,342
Accumulated planned depreciation 1 Jan.			-1,788	-1,386
Planned depreciation in year			-402	-402
Accumulated planned depreciation 31 Dec.			-2,190	-1,788
Book value 31 Dec.			4,152	4,554
9. Goodwill on consolidation				
Acquisition cost 1 Jan.	9,803	9,803		
Acquisition cost 31 Dec.	9,803	9,803		
Accumulated planned depreciation 1 Jan.	-3,197	-2,614		
Planned depreciation in year	-583	-583		
Accumulated planned depreciation 31 Dec.	-3,780	-3,197		
Book value 31 Dec.	6,023	6,606		
10. Tangible assets				
Land				
Acquisition cost 1 Jan.	5,821	5,619	532	532
Increases 1 Jan.–31 Dec.		202		
Acquisition cost 31 Dec.	5,821	5,821	532	532
Accumulated planned depreciation 1 Jan.	-87	-55	-41	-36
Planned depreciation in year	-35	-32	-4	-5
Accumulated planned depreciation 31 Dec.	-122	-87	-45	-41
Book value 31 Dec.	5,699	5,734	487	491
Buildings and structures				
Acquisition cost 1 Jan.	16,392	12,145	2,474	2,458
Increases 1 Jan.–31 Dec.	4	2,528		16
Transfers between items	3	1,719		
Acquisition cost 31 Dec.	16,399	16,392	2,474	2,474
Accumulated planned depreciation 1 Jan.	-2,439	-1,816	-894	-790
Planned depreciation in year	-686	-623	-118	-104
Accumulated planned depreciation 31 Dec.	-3,125	-2,439	-1,012	-894
Book value 31 Dec.	13,274	13,953	1,462	1,580

EUR 1,000	Group 31 Dec. 2001	Group 31 Dec. 2000	Parent company 31 Dec. 2001	Parent company 31 Dec. 2000
Machinery and equipment				
Acquisition cost 1 Jan.	53,409	45,858	53,087	45,706
Increases 1 Jan.–31 Dec.	5,702	11,260	5,702	11,090
Decreases 1 Jan.–31 Dec.	-3,295	-3,726	-3,295	-3,726
Transfers between items		17		17
Acquisition cost 31 Dec.	55,816	53,409	55,494	53,087
Accumulated planned depreciation 1 Jan.	-28,032	-26,258	-27,981	-26,241
Accumulated planned depreciation in decreases	2,537	3,442	2,537	3,442
Planned depreciation in year	-5,743	-5,216	-5,704	-5,182
Accumulated planned depreciation 31 Dec.	-31,238	-28,032	-31,148	-27,981
Book value 31 Dec.	24,578	25,377	24,346	25,106
Other tangible assets				
Acquisition cost 1 Jan.	203	194	203	194
Increases 1 Jan.–31 Dec.		16		16
Decreases 1 Jan.–31 Dec.		-7		-7
Transfers between items	-55		-55	
Acquisition cost 31 Dec.	148	203	148	203
Accumulated planned depreciation 1 Jan.	-148	-133	-148	-133
Planned depreciation in year		-15		-15
Accumulated planned depreciation 31 Dec.	-148	-148	-148	-148
Book value 31 Dec.		55		55
Advance payments and work in progress				
Acquisition cost 1 Jan.	3	1,732		13
Increases 1 Jan.–31 Dec.		3		
Transfers between items	-3	-1,732		-13
Book value 31 Dec.		3		

(EUR 1,000) Group	Shares associated companies	Shares others	Total
11. Placements			
Acquisition cost 1 Jan. 2001	11,332	1,438	12,770
Increases		2	2
Decreases	-342	-11	-353
Acquisition cost 31 Dec. 2001	10,990	1,429	12,419

Parent company	Shares Group companies	Shares associated companies	Shares others	Total
11. Placements				
Acquisition cost 1 Jan. 2001	8,672	14,061	1,438	24,171
Increases			2	2
Decreases			-11	-11
Acquisition cost 31 Dec. 2001	8,672	14,061	1,429	24,162

Group companies	Group holding, %	Parent company holding, %
Kiinteistö Oy Tyskas, Espoo	100.00	100.00
Kiinteistö Oy Vantaan Niittypolku, Vantaa	100.00	100.00
Kiinteistö Oy Bonodo, Siilinjärvi	100.00	100.00
Kiinteistö Oy Lempoisten Kauppakulma, Lempäälä	100.00	100.00
Kiinteistö Oy Pieksämäen Kauppakulma, Pieksämäki	100.00	100.00
Kiinteistö Oy Porvoon Kesätuulentie 2, Porvoo	90.00	90.00
Kiinteistö Oy Varkauden Relanderinkatu 42, Varkaus	100.00	100.00
Kiinteistö Oy Vantaan Simonsampo, Vantaa	100.00	100.00
Interspar Oy, Vantaa	100.00	100.00
Optitukku Oy, Vantaa	100.00	100.00

Associated companies	Group holding, %	Parent company holding, %
Eurospar Oy, Helsinki	50.00	50.00
Tuko Logistics Oy, Kerava	35.00	35.00

All associated companies were consolidated using the equity method. All subsidiaries and associated companies are consolidated in the Group accounts. The residual value of the Tuko Logistics elimination is EUR 3.7 million.

	Group		Parent company	
	31 Dec. 2001	31 Dec. 2000	31 Dec. 2001	31 Dec. 2000
12. Stocks				
Goods	9,823	11,430	9,823	11,430
Advance payments	39	57	39	57
Total	9,862	11,487	9,862	11,487
13. Non-current debtors				
Sales receivables	312	285	312	285
Other receivables	678	699	678	699
Total	990	984	990	984

EUR 1,000	Group 31 Dec. 2001	Group 31 Dec. 2000	Parent company 31 Dec. 2001	Parent company 31 Dec. 2000
14. Current debtors				
Sales receivables	32,776	33,570	32,776	33,570
Receivable from Group companies:				
Sales receivables			14	129
Other receivables			1,886	1,834
Total			1,900	1,963
Receivables from associated companies:				
Sales receivables	60	33	60	33
Prepayments, annual discounts	243	3,453	243	3,453
Prepayments, other	165	970	165	970
	468	4,456	468	4,456
Loan receivables	21	21	21	21
Other receivables	546	304	472	226
Prepayments, discounts and marketing	1,246	1,726	1,246	1,726
Prepayments, tax refund			72	72
Prepayments, social costs	455		455	
Prepayments, pension refund	121	108	121	108
Prepayments, other	660	383	660	383
	3,049	2,542	3,047	2,536
Current debtors, total	**36,293**	**40,568**	**38,191**	**42,525**
15. Shareholders' equity				
Share capital 1 Jan.	1,911	1,917	1,911	1,917
Transfers to share premium account		-6		-6
Share capital 31 Dec.	1,911	1,911	1,911	1,911
Share premium account 1 Jan.	6		6	
Transfers from share capital		6		6
Share premium account 31 Dec.	6	6	6	6
Reserve fund 1 Jan.	9,216	9,215	9,216	9,215
Sales of subscription cupons		1		1
Reserve fund 31 Dec.	9 216	9,216	9,216	9,216
Other funds 1 Jan. and 31 Dec.	12	12	12	12
Profit from previous years 1 Jan.	22,730	22,490	14,369	10,792
Dividend payment		-955		-955
Profit from previous years 31 Dec.	22,730	21,535	14,369	9,837
Net profit for year	1,772	1,195	356	4,532
Shareholders' equity, total	35,646	33,874	25,869	25,513

EUR 1,000	Group 31 Dec. 2001	Group 31 Dec. 2000	Parent company 31 Dec. 2001	Parent company 31 Dec. 2000
Calculation of distributable assets 31 Dec.				
Other funds	11	11	11	11
Profit from previous years	22,730	21,535	14,369	9,837
Net profit for year	1,772	1,195	356	4,532
Part of accumulated depreciation difference and voluntary reserves entered in shareholders' equity	-10,378	-8,690		
Total	14,135	14,051	14,736	14,380

The parent company’s share capital is divided into share series as follows:

	2001 No.	2001 EUR	2000 No.	2000 EUR
Series A (1 vote/share)	570,000	958,671	570,000	958,671
Series K (20 votes/share)	566,271	952,399	566,271	952,399
Total	1,136,271	1,911,070	1,136,271	1,911,070

EUR 1,000	Group 31 Dec. 2001	Group 31 Dec. 2000	Parent company 31 Dec. 2001	Parent company 31 Dec. 2000
16. Accumulated appropriations				
Accumulated depreciation difference			10,718	8,642
17. Reserves				
Pension reserves	568	449	568	449
Other reserves	1,592	782	1,592	782
Total	2,160	1,231	2,160	1,231
18. Deferred tax refunds and liabilities				
Deferred tax refunds				
From matching differences	626	357		
Deferred tax liabilities				
From appropriations	1,010	321		
19. Long-term liabilities				
Debts maturing in more than five years				
Loans from financial institutions	2,942	3,832		
Other long-term debts				
Loans from financial institutions	3,591	3,598		
Others	2,801	3,101	2,801	3,101
Total	6,392	6,699	2,801	3,101
Long-term liabilities, total	**9,334**	**10,531**	**2,801**	**3,101**

EUR 1,000	Group 31 Dec. 2001	Group 31 Dec. 2000	Parent company 31 Dec. 2001	Parent company 31 Dec. 2000
20. Current liabilities				
Loans from financial institutions	899	1,738		841
Advances received	638	688	638	688
Accounts payable	4,324	4,533	4,324	4,533
	5,861	6,959	4,962	6,062
Debts to Group companies				
Other debts			1,498	1,472
Debts to associated companies				
Accounts payable	49,289	52,063	49,289	52,063
Deferred liabilities		11		11
Total	49,289	52,074	49,289	52,074
Other debts	8,914	14,308	8,813	14,259
Deferred liabilities, wages, holiday pay and social costs	4,347	4,390	4,347	4,390
Deferred liabilities, tax reserve	1,311	694	1,311	694
Deferred liabilities, annual discount	1,511	1,468	1,511	1,468
Deferred liabilities, other	783	685	780	681
Total	16,866	21,545	16,762	21,492
Current liabilities, total	**72,016**	**80,578**	**72,511**	**81,100**
Non-interest-bearing debts	**65,670**	**67,745**	**65,182**	**67,691**

Other notes (EUR 1,000)

	Group 31 Dec. 2001	Group 31 Dec. 2000	Parent company 31 Dec. 2001	Parent company 31 Dec. 2000
Pledges, contingent liabilities and other liabilities				
Pledges given for own commitments				
Real estate mortgages	14,415	14,415	1,177	1,177
Shares at book value	15,120	15,120	15,120	15,120
Corporate mortgages	11,026	11,026	11,016	11,016
Pledges provided, total	40,561	40,561	27,313	27,313
Debts guaranteed by pledges of asset items				
Financial institution loans	7,432	15,055		6,728
Guarantee liabilities				
Guarantees for Group companies			6,499	7,172
Guarantees for members of the Board of Directors		42		42
Guarantees for shareholders, Spar retailers	523	957	523	957
Guarantees for others, Spar retailers	7,023	8,452	7,023	8,452
Guarantee liabilities, total	7,546	9,451	14,045	16,623
Other liabilities				
Repurchase pledges	941	1,010	941	1,010
Amounts to be paid on leasing agreements				
Due for payment during the year	1,416	1,351	1,416	1,351
Due for payment later	6,538	7,618	6,538	7,618
Total	7,954	8,969	7,954	8,969

There are no futures contracts.
Leasing business is reported on in the report by the Board of Directors.

Board's Proposal to the Annual General Meeting

Distributable funds are according to the Group's balance sheet on 31 December 2001 EUR 14,135,181.63. Parent company's distributable funds are EUR 14,736,543.32.

The Board of Directors proposes that a dividend of EUR 0.20 per share be paid on 2001 totalling EUR 227,254.20, after which Spar Finland plc's non-restricted equity totals EUR 14,509,289.12.

Vantaa, 8 February 2002

Mats Jansson	Risto Wartiovaara
Per-Olof Bäckström	Raoul Hasselgren
Matti Linnainmaa	Lars Nilsson
Anders Nyberg	Pekka Kosonen

Auditors' Report

To the shareholders of Spar Finland plc

We have audited the accounting records and the financial statements, as well as the administration by the Board of Directors and the President of Spar Finland plc for the year 2001. The financial statements prepared by the Board of Directors and the President include the report of the Board of Directors, consolidated and parent company income statements, balance sheets, cash flow statements and notes to the financial statements. Based on our audit we express an opinion on these financial statements and the company's administration.

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

In our opinion, the financial statements, showing a profit of EUR 1,771,705.79 in the consolidated income statement and a profit of EUR 335,781.22 in the parent company income statement, have been prepared in accordance with the Finnish Accounting Act and other rules and regulations governing the preparation of financial statements in Finland. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company result of operations, as well as of the financial position. The financial statements can be adopted and the members of the Board of Directors and the President of the parent company can be discharged from liability for the period audited by us. The proposal made by the Board of Directors on how to deal with the result is in compliance with the Finnish Companies Act.

Vantaa, 7 March 2002

KPMG WIDERI OY AB
Wilhelm Holmberg
Authorised Public Accountant

Shares and Shareholders

Ownership structure, all shares	Number of shareholdes	%	Number of shares	%
Companies	44	21.16	146,551	12.90
Financial and insurance institutions	3	1.44	54,855	4.83
Public entities	4	1.92	845	0.07
Private households	153	73.56	74,386	6.55
Foreign	4	1.92	859,634	75.65
Total	**208**	**100.00**	**1,136,271**	**100.00**

Ownership structure, series A shares	Number of shareholdes	%	Number of shares	%
Companies	25	17.24	73,502	12.90
Financial and insurance institutions	2	1.38	52,681	9.24
Public entities	2	1.38	405	0.07
Private households	112	77.24	46,132	8.09
Foreign	4	2.76	397,280	69.70
Total	**145**	**100.00**	**570,000**	**100.00**

Ownership structure, series K shares	Number of shareholdes	%	Number of shares	%
Companies	25	20.66	73,049	12.90
Financial and insurance institutions	2	1.65	2,174	0.38
Public entities	3	2.48	440	0.08
Private households	88	72.73	28,254	4.99
Foreign	3	2.48	462,354	81.65
Total	**121**	**100.00**	**566,271**	**100.00**

Distribution of shareholdings, all shares Shares per shareholder	Number of shareholdes	%	Number of shares	%
1 –99	116	55.77	2,908	0.26
100 –999	54	25.96	18,295	1.61
1,000 –9,999	28	13.46	72,487	6.38
10,000 –99,999	9	4.33	255,209	22.46
100,000 –999,999	1	0.48	787,372	69.29
Total	**208**	**100.00**	**1,136,271**	**100.00**

Distribution of shareholdings, series A shares Shares per shareholder	Number of shareholdes	%	Number of shares	%
1 –99	87	60.00	2,285	0.40
100 –999	31	21.38	10,311	1.81
1,000 –9,999	20	13.79	60,730	10.65
10,000 –99,999	6	4.14	138,959	24.38
100,000 –999,999	1	0.69	357,715	62.76
Total	**145**	**100.00**	**570,000**	**100.00**

Distribution of shareholdings, series K shares Shares per shareholder		Number of shareholdes	%	Number of shares	%
1	–99	64	52.89	1,770	0.31
100	–999	42	34.71	12,417	2.19
1,000	–9,999	11	9.09	22,677	4.01
10,000	–99,999	3	2.48	99,750	17.62
100,000	–999,999	1	0.83	429,657	75.87
Sammanlagt		**121**	**100.00**	**566,271**	**100.00**

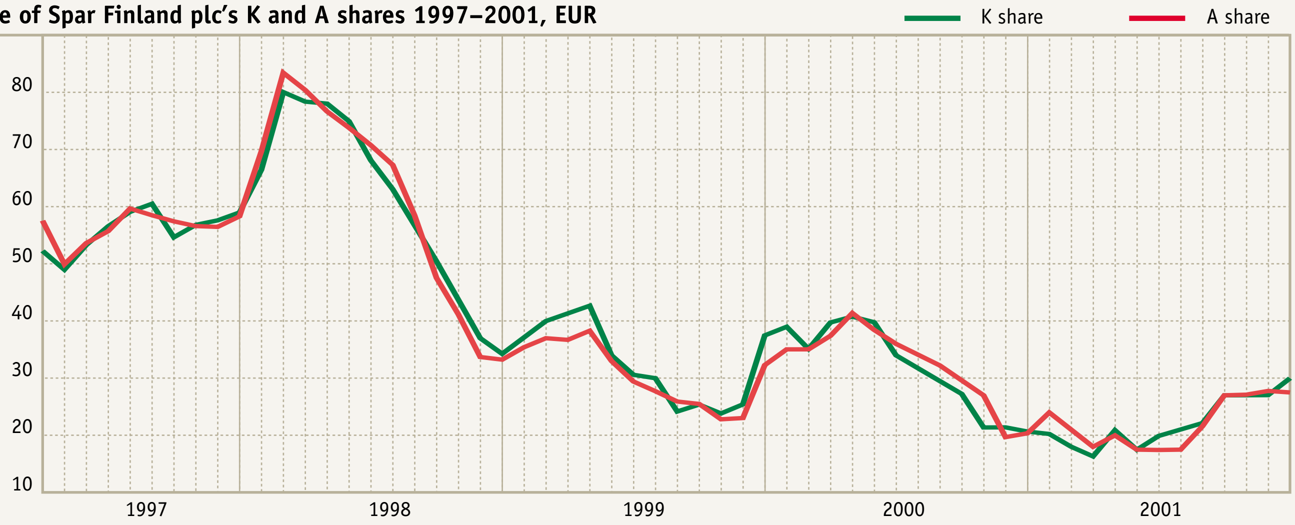
10 major shareholders by number of shares 31 Dec. 2000	K shares	A shares	Total shares	% of share capital
Axfood AB	429,657	357,715	787,372	69.3
Odin Finland	32,297	27,265	59,562	5.2
Pohjola Non-Life Insurance Company	0	52,194	52,194	4.6
Oy Ing-Stock Ltd	37,360	0	37,360	3.3
Special Mutual Fund Wip Value Visions	2,300	29,500	31,800	2.8
Oy Ing-Finance Ltd	30,093	0	30,093	2.6
von Bonsdorff Per Erik Christoffer	8,100	6,100	14,200	1.2
Ehrnrooth Helene	0	10,000	10,000	0.9
Special Mutual Fund Wip Small Titans	0	10,000	10,000	0.9
Oy Cacava Ab	0	10,000	10,000	0.9

10 major shareholders by voting rights 31 Dec. 2000	K shares	A shares	Total shares	% of total voting rights
Axfood AB	429,657	357,715	787,372	75.2
Oy Ing-Stock Ltd	37,360	0	37,360	6.3
Odin Finland	32,297	27,265	59,562	5.7
Oy Ing-Finance Ltd	30,093	0	30,093	5.1
von Bonsdorff Per Erik Christoffer	8,100	6,100	14,200	1.4
Special Mutual Fund Wip Value Visions	2,300	29,500	31,800	0.6
Pohjola Non-Life Insurance Company	0	52,194	52,194	0.4
Estate of Claes Ström	2,392	0	2,392	0.4
Local Insurance Mutual Company	1,750	0	1,750	0.3
Dahlqvist Rolf Karl	1,600	640	2,240	0.3

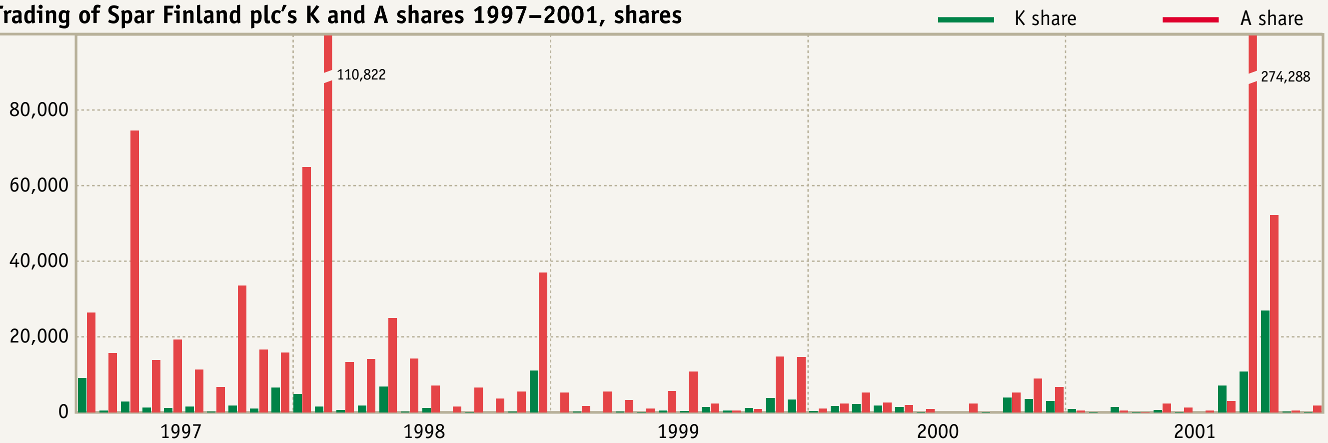
Share performance, 1 Mar. 1997–31 Dec. 2001	K shares, EUR highest	K shares, EUR lowest	A shares, EUR highest	A shares, EUR lowest
1 Mar. 1997–31 Dec. 1997	63.91	45.41	67.28	42.89
1 Jan. 1998–31 Dec. 1998	84.93	33.64	85.78	28.76
1 Jan. 1999–31 Dec. 1999	46.00	21.60	40.00	20.50
1 Jan. 2000–31 Dec. 2000	48.15	18.05	47.15	18.00
1 Jan. 2001–31 Dec. 2001	33.00	15.06	28.00	14.00

Share turnover 1 Mar. 1997–31 Dec. 2001	K shares No.	K shares %	A shares No.	A shares %
1 Mar. 1997–31 Dec. 1997	26,017	4.6	233,961	41.0
1 Jan. 1998–31 Dec. 1998	28,284	5.0	303,820	53.3
1 Jan. 1999–31 Dec. 1999	11,280	2.0	66,248	11.6
1 Jan. 2000–31 Dec. 2000	18,034	3.2	37,006	6.5
1 Jan. 2001–31 Dec. 2001	48,229	8.5	336,848	59.1

Price of Spar Finland plc's K and A shares 1997–2001, EUR



Trading of Spar Finland plc's K and A shares 1997–2001, shares



Key indicators for shares based on the consolidated accounts			31 Dec. 2001 12 months	31 Dec. 2000 12 months	31 Dec. 1999 12 months	31 Dec. 1998 12 months	31 Dec. 1997 10 months
Earnings per share	1)	EUR	1.56	-2.93	0.50	2.21	5.77
P/E ratio							
Series K			19.24	neg.	80.62	19.05	10.49
Series A			17.96	neg.	70.54	16.77	10.20
Shareholders' equity/share	2)	EUR	31.37	29.81	29.60	29.42	27.20

Share capital and dividend payment			31 Dec. 2001 12 months	31 Dec. 2000 12 months	31 Dec. 1999 12 months	31 Dec. 1998 12 months	31 Dec. 1997 10 months
Share capital		EUR 1,000	1,911.1	1,911.1	1,917.3	1,917.3	1,917.3
Series K shares		EUR 1,000	952.4	952.4	958.7	958.7	958.7
Series A shares		EUR 1,000	958.7	958.7	958.7	958.7	958.7
Market capitalisation	3)	EUR 1,000	32,948.1	22,387.7	42,600.8	44,900.8	67,839.9
Number of shares, average		No.	1,136,271	1,136,271	1,136,271	1,136,271	1,136,271
Number of shares, adjusted		No.	1,136,271	1,136,271	1,136,271	1,136,271	1,136,271
Dividend payment		EUR 1,000	227.3 *)	-	955.5	955.5	764.4
Payout ratio		%	11.9 *)	-	50	50	40
Dividend, nominal		EUR	0.20 *)	-	0.84	0.84	0.67
Dividend, adjusted		EUR	0.20 *)	-	0.84	0.84	0.67
Dividend as % of profit	4)	%	12.8 *)	-	169.5	38.1	11.7
Effective dividend yield	5)						
Series K shares		%	0.7 *)	-	2.1	2.0	1.1
Series A shares		%	0.7 *)	-	2.4	2.3	1.1

*) Board’s proposal to the AGM.

1) Earnings per share $= \frac{\text{Profit before extraordinary items +/- minority interest - taxes}}{\text{Average number of shares adjusted for share issues}}$

2) Shareholders' equity per share $= \frac{\text{Shareholders' equity on balance sheet}}{\text{Adjusted number of shares at year-end}}$

3) Market capitalisation = Number of shares x last traded price at year-end

4) Payout ratio, % $= \frac{\text{Dividend/share}}{\text{Earnings/share}} \times 100$

5) Effective dividend yield, % $= \frac{\text{Dividend/share}}{\text{Last traded price of year}} \times 100$

Five Years in Figures

Group (EUR million)	31 Dec. 2001 12 months	31 Dec. 2000 12 months	31 Dec. 1999 12 months	31 Dec. 1998 12 months	31 Dec. 1997 10 months
Net turnover	614.2	608.4	614.4	650.4	478.9
Change in net turnover, %	0.9	-1.0	-5.5	35.8	267.6
Operating profit before depreciation	12.0	3.9	10.1	10.8	16.5
% of net turnover	2.0	0.6	1.7	1.7	3.5
Planned depreciation	8.6	7.9	8.5	7.3	6.7
Operating profit/loss	3.4	-3.9	1.6	3.4	9.8
% of net turnover	0.6	-0.6	0.3	0.5	2.1
Financing income and expenses, net	-0.6	-0.4	-0.1	0.3	0.3
Profit before appropriations and taxes	2.8	-4.4	1.5	3.8	10.1
% of net turnover	0.5	-0.7	0.2	0.6	2.1
Profit before taxes	2.8	0.2	2.1	4.5	9.6
% of net turnover	0.5	0.0	0.3	0.7	2.0
Net profit for the year	1.8	1.2	1.2	3.3	6.6
Shareholders' equity	35.6	33.9	33.6	33.4	30.9
Balance sheet total	119.6	126.2	121.6	118.6	127.2
Return on equity, % 1)	5.1	-9.9	1.7	9.5	19.9
Return on investment, % 2)	7.6	-4.9	3.8	8.2	27.3
Current ratio 3)	0,7	0.7	0.7	0.8	0.8
Interest-bearing liabilities	16.1	23.4	28.1	22.7	15.8
Solvency ratio, % 4)	30.0	27.0	27.8	28.4	24.4
Gearing, % 5)	28.9	58.5	76.5	58.0	28.3
Gross capital expenditure	6.8	15.9	14.8	11.2	55.1
% of net turnover	1.1	2.6	2.4	1.7	11.6
Personnel, average	876	968	929	987	1,136

1) $\frac{\text{Profit before extraordinary items - taxes}}{\text{Shareholders' equity + minority interest (average)}} \times 100$

2) $\frac{\text{Profit before extraordinary items + interest and other financing expenses}}{\text{Balance sheet total - non-interest-bearing debts (average)}} \times 100$

3) $\frac{\text{Current assets}}{\text{Current liabilities}}$

4) $\frac{\text{Shareholders' equity + minority interest}}{\text{alance sheet total - advances received}} \times 100$

5) $\frac{\text{Interest-bearing debts - cash in hand and at bank plus current investments}}{\text{Shareholders' equity + minority interest}} \times 100$

Changes in depreciation conventions from 1 January 2000 have not been figured in the figures for previous years.

Annual general meeting

The annual general meeting is Spar Finland's highest decision-making body. According to the Finnish Companies Act, the tasks of the annual general meeting include confirming the company's annual profit and loss account and balance sheet, deciding on the payment of dividend, and electing the members of the Board of Directors and auditors. The annual general meeting must be held yearly before the end of June.

Board of Directors

According to the articles of association, the Board of Directors of Spar Finland plc is comprised of at least five and at most nine members. The annual general meeting decides the number of Board members and elects the members annually.

The term of office of an individual member begins at the closing of the AGM at which he or she was elected and ends at the closing of the following AGM. The Board elects a chairman from among its members.

Spar Finland's rules of procedure complement Finnish legislation on the working of boards of directors and the rules and regulations issued for the responsibilities of Board members and the Chief Executive. In these rules of procedure, the following duties are assigned to the Board of Directors:

- To decide on the company's objectives, essential procedures and strategy, and to supervise the implementation of these.
- To decide on the company's business plans and budget and to monitor compliance with them.
- To decide on business arrangements, investment and loans, major items of capital expenditure, and the granting of guarantees.
- To confirm the main features of the organisation.
- To confirm the appointment of the Chief Executive's immediate subordinates.
- To confirm the salaries and other benefits of the senior management.

Monthly reports are submitted to the Board of Directors on the company's sales, performance, balance sheet and financial position. The Chief Executive also reports on the company's operations at each meeting of the Board. The Board elects the company's Chief Executive, whose job is to manage the company in accordance with the Board's rule and regulations.

Salaries and emoluments

The annual general meeting decides on the fees to be paid to the Board of Directors. The Chief Executive's salaries and other benefits are determined by the Board. The salaries and emoluments paid to the members of the Board and the Chief Executive in 2001 are itemised in the notes to the financial statements (personnel expenses).

Board of Directors

Per-Olof Bäckström (b. 1942)
- Retailer, Spar Hyrylä
- Member of the Board since 1999
- Member of the Board, Spar and Neighbourhood Traders Association

Mats Jansson (b. 1951)
- Chairman since 2000
- President and CEO, Axfood AB
- Chairman or member of the Board of Directors for several Axfood Group subsidiaries

Matti Linnainmaa (b. 1940)
- Commercial Counsellor
- Member of the Board since 1997
- Chairman of the Board, Satakunnan Messut Oy; deputy chairman of the Board, Raisio Corporation; member of the Board, Prizztech Oy

Risto Wartiovaara (b. 1942)
- M.Sc. (Econ. and Bus. Admin.)
- Deputy chairman since 1999
- Chairman 1995–1999
- Chairman of the Board: Captum Group Oy, Ares Oy, Eho Oy, Rotator Oy

Anders Nyberg (b. 1956)
- Member of Board since 2001
- Executive Vice President and Director of Retail Trade Development, Axfood AB
- Chairman or member of the Board of Directors for several Axfood Group subsidiaries

Lars Nilsson (b. 1956)
- Member of Board since 2001
- Executive Vice President and CFO, Axfood AB
- Chairman or member of the Board of Directors for several Axfood Group subsidiaries.

Pekka Kosonen (b. 1954)
- M.Sc. (Econ. and Bus. Admin.)
- Member of the Board since 2000
- President and CEO of Spar Finland
- Chairman of the Board: Finnish Food Marketing Association

Raoul Hasselgren (b. 1936)
- M.Sc. (Econ.)
- Chairmanships and memberships on the Boards of several Swedish companies and organisations, including Amica, Norfoods, ECR Europa, Candyking, Sardus and Ordning & Reda

Timo Säiläkivi (Director, Finance and Administration) served as secretary to the Board of Directors.

Auditors

Authorised public accountants, KPMG Wideri Oy Ab. Wilhelm Holmberg, APA, is the auditor in charge.

Management

Pekka Kosonen, President and CEO. Eija Tahvanainen, Director, Eurospar chain. Markku Kettinen, Commercial Director. Timo Ahvenainen, Director, Marketing and Communications. Timo Säiläkivi, Director, Finance and Administration. Pasi Heiskanen, Director, Store Network.

Information for Shareholders

Annual general meeting

The annual general meeting of Spar Finland plc will be held at 2 p.m. on Wednesday, 24 April 2002, in the auditorium of Spar Finland, Tiilenpolttajankuja 5, Petikko, Vantaa, Finland. Shareholders wishing to attend the meeting should notify the company no later than 4 p.m. on Monday, 22 April 2002, tel. +358 205 32 6034 or by e-mail benita.sjoblom@spar.fi. Shareholders are entitled to attend the AGM if they have registered themselves in the company's shareholder register, kept by the Finnish Central Securities Depository Ltd, no later than 12 April 2002.

Dividend payment

The Board proposes to the AGM that a dividend of EUR 0.20 for both K and A series shares be paid for the financial year ending on 31 December 2001. The dividend decided by the AGM will be paid to shareholders who are registered in the shareholder register maintained by Finnish Central Securities Depository Ltd on the record date, 29 April 2002.

The Board will propose to the AGM that the dividend be paid at the end of the record period on 7 May 2002.

Financial information

Spar Finland plc will publish three interim reports in 2002

1 January–31 March 2002
Wednesday 24 April
1 January–30 June 2002
Wednesday 31 July
1 January–30 September 2002
Tuesday 22 October

The interim reports and all other of Spar Finland's stock exchange releases will be available on the company's website on the publication date (www.spar.fi). Shareholders will receive hard copies of the interim reports on request.

The publications will be available in English, Swedish and Finnish.

Published materials may be ordered by phone +358 205 32 6010, fax +358 205 32 6011, by e-mail maija.skog@spar.fi or at the address Spar Finland plc, Maija Skog, P.O. Box 140, FIN-01721 Vantaa, Finland.

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