

Annual Report 2001





YLE Annual Report 2001

Yleisradio Oy is a limited company engaged in public full service television and radio broadcasting. Its duties, operations and funding are defined by law. Together with its subsidiary responsible for distribution, Digita Oy, it forms a group.

YLE's principal owner is the state.

In accordance with its public service task, YLE endeavours in its programme operations to guarantee Finns equal

opportunities to obtain information, to have new experiences and enjoyment and educate and develop themselves.

YLE broadcasts programmes in Finnish and Swedish and produces services in Sámi, Romany and sign language.

The annual report on YLE's operation and the audience report provide a picture of YLE in 2001. These publications appear in Finnish, Swedish and English (www.yle.fi/fbc).

Key figures (EUR millions)

	YLE Group 2001	YLE Group 2000	YLE Group 1999	YLE 1998	YLE 1997	YLE 1996
EXTENT OF OPERATION						
Turnover	381.0	361.8	346.3	334.7	335.3	333.6
% change	5.3	4.5	3.5	-0.2	0.5	
Income	394.2	373.1	356.7	349.5	349.4	342.6
% change	5.6	4.6	2.1	0	2.0	3.6
Balance sheet total	522.2	462.1	466.5	484.6	496.6	471.8
Gross investments	42.0	45.2	46.6	50.7	67.3	52.5
% of income	10.6	12.1	13.1	14.5	19.3	15.3
Personnel	4511	4595	4582	4638	4658	4536
PROFITABILITY						
Profit/loss	-108.6	-12.0	-17.2	-11.1	8.4	23.6
Profit/loss before extraordinary items	-107.7	-11.4	-17.9	-9.7	9.6	23.8
SOURCES OF FUNDS AND FINANCIAL POSITION						
Quick ratio	1.5	1.0	1.1	1.2	1.3	1.3
Equity/Assets ratio %	51.5	53.2	55.6	57.0	57.6	57.7
Borrowed capital with interest	72.0	72.0	72.0	72.0	72.0	72.0

Income= Turnover + other business revenue

Personnel= The number of monthly paid employees during the financial year in man-years

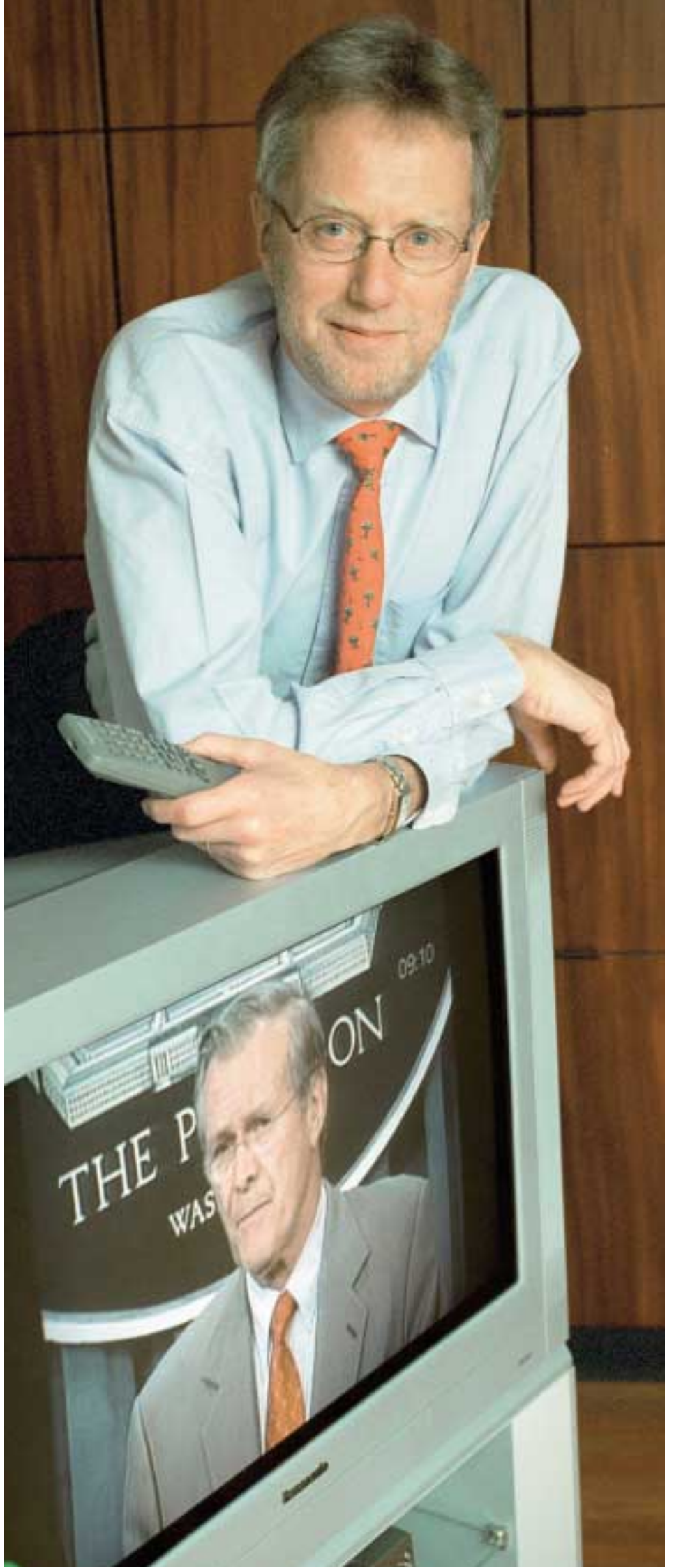
Quick ratio= $\frac{\text{Financial assets}}{\text{Current liabilities}}$

Equity/Assets ratio= $\frac{\text{Shareholders' equity} + \text{closing entries}}{\text{Balance sheet total}}$



Contents

Director General's Review	3
Arne Wessberg, Yleisradio Oy	
The Year in Programmes	4
Channels and Services	24
Statistics	28
Audiences	28
Television	30
Radio	32
Technology	34
Director General's Review	36
Pauli Heikkilä, Digita Oy	
Report of the Board of Directors	38
Administrative Bodies	56
International Awards	58



Broader and deeper with public service

In 2001, 11th September eclipsed all other media contents. It was also a reminder that the nation must have a medium which reports on events in real time, keeps abreast of developments and is able to put things in perspective.

YLE programmes during the year succeeded, as regards both series and serials and individual programmes. The three new digital television channels have increased output considerably. Viewer satisfaction with our channels and programme areas has clearly grown. The increase in commercial radio output is having an impact on our own programmes.

The early days of digital television have been hampered both by a delay in the supply of equipment and by general economic trends. Nevertheless, the launch date can be deemed more or less correct. This is because digital technology will enable Finnish viewers, irrespective of the broadcaster, to freely choose programmes and supplementary services with the equipment which they have purchased. Subsequent European assessments and decisions have also shown that we are on the right path.

In the years to come, the majority of Finns will continue to receive their programmes via TV1 and TV2 and the basic radio channels. YLE will be keeping these analogue services in fine fettle. They will be accompanied by output with content that is structured in a new way. In the future digital world, this will permit viewers and listeners to form their

own tailored public service programmes.

YLE's reform projects caused some tensions internally at the beginning of the year in particular. Now there is a consensus about the need for structural change, and the changes are also being implemented together. As a media company with numerous channels and services, we have to be able to employ expertise even more broadly. Services supporting programme operations have to function effectively and we can devote their additional resources to programme operations. We cannot obtain all the expertise we need internally, and so active networking will go on.

There is broad political agreement in Finland about the role of YLE. This view was reinforced by a report by a committee examining the electronic media and YLE financing, and by the debate on YLE in the Finnish Parliament. In this tricky situation - with two parallel systems - the company is thus still in a position to develop new digital programme services.

The EU Commission considers that the public service assignment and financing are national matters, as long as financing does not distort the sector's general capacity to function. Experiences from the EBU show that public service broadcasting is an integral element in the Western European cultural heritage. There is no substitute for it.

There is no substitute for YLE as a developer of Finnish culture and identity in Finland, either. As the media continue to fragment, our mission of analysing world events and placing them in their contexts has never been more important.

Arne Wessberg

Director General, Yleisradio Oy

23.00 Tv-uutiset
23.10 Terrori-isku USA:ssa
24.00 Tv-uutiset
01.00 Tv-uutiset
02.00 Tv-uutiset



The Year in Programmes

“It felt

pretty hopeless”

6

What did the Finnish fire chief think in the radio studio as one of the planes struck the skyscraper? YLE reported and provided the background to the events. News comes in numerous guises, from culture to provincial issues.

Ski chairman

drops into the studio

12

Covering just the competitions at the World Skiing Championships was not enough. YLE is also poised to cover future moments of victory in one of Finland's beloved sports. But not even sport is always such a grave business.

Entertainment

when you least expect it

18

Entertainment is also a public service. Liberating laughter, music, and entertainment with a pinch of satire. There are all kinds of good ways of entertaining yourself.



Little bunny hits the big time **8**

Parents consider children's programmes on YLE to be safe. But are they aware yet of who is the latest television favourite of their offspring? It's good to tell young people about something besides just popstars.

Drama and black comedy **10**

YLE's range in dramatic styles, themes and makers was again impressive. Comedy can comfort people by demonstrating that they aren't quite the stupidest of all. On radio, just a few words can evoke a powerful image in the listener's imagination.

An orchestra in bacchanalian moods **14**

Once again, YLE got Sibelius glowing and jazz flowing. Finland's biggest cultural institution not only purveys but also creates culture. Soon an entire television channel dedicated to culture, YLE Teema, will be in full swing.

Documentaries to make you stop **16**

The ways documentaries tackle the fundamental questions of life and death leave nobody indifferent. As they delve beneath the surface of a current issue, for example. Whether as a maker, producer, or trainer – YLE has numerous profiles in the field of documentaries.

The door to learning opened wide **20**

If you combine television, radio and the Internet, lifelong learning ceases to be a buzz word and becomes an opportunity. YLE serves people eager to learn, irrespective of their age - from saucepan lid banging toddlers to science buffs.

Hard times for families and children **22**

The everyday well-being of families and children is a subject which YLE's programme makers take seriously. If the subject concerns you, it can have a deep effect on you. The regional radio channels are involved in the daily lives of their listeners all over Finland.

23.00

Tv-uutiset

23.10

Terrori-isku U

24.00

Tv-uutiset

01.00

Tv-uutiset

02.00

Tv-uutiset

The terrorist strike on the United States shook up television schedules on the evening of 11th September. In Finland, too, the event turned that September Tuesday into the day when television attracted

“It felt

pretty hopeless”

2001, post- and pre-11th September.

On that fateful Tuesday, fire chief Matti Koivisto was on an emergency situations course at YLE. Straight after 4 p.m. he was hailed into the studio to give his expert opinion. The second passenger plane struck the tower of the World Trade Center.

“The situation was confusing”, Koivisto says. “The first thing I thought was what could be done to save people. It felt pretty hopeless. Next, I discussed in the broadcast how the structures of the towers would fare.”

Throughout the autumn, YLE reported and provided the background to the events, on the spot and from home

studios. There were extra and extended news broadcasts on radio and television. The emphasis in 2001 was on domestic reporting, one of YLE’s strong points. The company’s own reporters and correspondents present the Finnish angle on events.

People have grown to trust YLE’s reporting at difficult times, and this was evident in 2001, too.

The autumn also put the new digital news channel, YLE24’s procedures and news production for television, tele-text, the Internet and mobile media to the test.

YLE24’s programming was also shown on TV1 and TV2. The number of news broadcasts was gradually increased, on TV1 on weekend mornings and on weekdays in the day-time. May saw the start of a news broadcast at 9.50 p.m. on TV2. Viewers are in an even better position to keep up with events at times which suit them. The launch of digital FST meant that Swedish speakers now also have television



The military operations and situation in Afghanistan were covered in news and current affairs for the rest of the year.



the third largest number of viewers in 2001.



The new currents affairs programme on Saturday mornings brought more political debate to television.

news at eight in the evening.

The more leisurely pace of weekday mornings makes them an especially good time to examine issues in more depth. After the familiar Saturday morning programme, it is the turn of Finland's top decision-makers to step into the studio for new slot which offers more of the political debate that people are eager for.

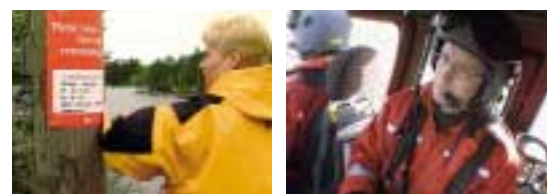
Cultural news on both television and radio, science news, business news, music news and sports news are examples of how different audiences are served. YLE24 and Radio Peili compile a potpourri of news on the Internet, and Radio Finland relates the main news to Finns all over the globe.

YLE also keeps abreast of what's happening up and down Finland. Since 2000, the regional radio channels have been joined in South-West, Central and Northern Finland by regional television news. Sami Radio naturally gives priority to the events and phenomena within the Lappish community.

Radio news also take account of what interests people at different points in their lives. The news on Radiomafia and Radio Extrem feature themes relating to the lives of young people and the entertainment industry. Radio Aino scrutinises matters of concern to young urban adults, women in particular.

The very youngest have not been overlooked, either. In December, UNICEF recognised YLE's endeavours in that domain by granting awards to YLE Education and FST's X-tra.

The backgrounds to world events were elucidated for adults by the numerous documentaries on TV1, FST and Radio Suomi. The popularity of other current affairs programmes showed that Finns need not only a fast news service but also an intelligent overview of Finland and the world. Debate was spawned and elaborated by both A-talk on TV1 and special theme evenings presented by Current Affairs on TV2.



There were also reports on the work of the Finnish Red Cross.



Finnish puppet and cartoon animations are quality for kids. Tootletubs & Jyro also get up to their tricks at cinemas. In the series of Cat's life, the old cat Unski recounts his journeys round the world.

Little bunny

hits the big time

Six-year-old Sampo and four-year-old Janne, who live in Brussels, popped over to Finland again in the summer. To the elder brother, Childrens' Hour on TV2 first seemed tame compared to French channels. No one was being shot to smithereens by laser guns. A couple of days later, Sampo was also sitting transfixed in front of the screen.

Studies show that the parents of the tiniest viewers consider YLE's programmes for children to be safe, entertaining and educative. The most enthusiastic child viewers are those of pre-school age. Girls remain faithful to traditional

children's programmes for longer than boys do.

At the end of May, a whole army of satisfied children and their parents gathered in Tampere, the home town of TV2 and childrens' programmes when YLE marked its 75th anniversary.

On the Internet, children and the highly popular children's programmes home pages were brought together by the YLE Children portal launched in December. There children can play, engage in a variety of pursuits, and tell the truth about programmes if they feel like it.

Since the beginning of 2001, television programmes for the youngest children have moved to TV2. *Veturi* at the weekend now features the adventures of creepy-crawlies Tootletubs & Jyro. In Christmas Calendar, *Syltty* was game for anything, even work, just to get the chance to travel with Santa Claus on Christmas Eve. Among our acquaintances from Childrens'



Hour on TV2, Ransu the dog also appeals to pensioners. Rollo troll was awarded the State Award for Children's Culture and got a feature film of its own.

Children have adopted Neponen as their new television favourite. Neponen is a little bunny rabbit, 2 or 3 or 4 years old, a wild, lonely child, not an unhappy orphan but sincerely enthusiastic.

On Radio Suomi, children and the children at heart were able to hear, e.g., writer Jukka Parkkinen's touching tales. Radio Ylen Ykkönen's Children's Hour also included music and tales from Radio Theatre.

On Saturdays, Radio Extrem's Arnes Arvingar wakes up with 6-7-year-olds and continues until ten in the morning with their parents' request records and competitions. On Sunday mornings, the very smallest are entertained by FST's

BUU-klubben. Christmas calendar and Atte (5 yrs) got tens of thousands of children logging onto the Internet.

Even though young people and teenagers are among the most demanding viewers, the challenge faced by YLE is to offer them something interesting irrespective of their age and size.

YLE examines big issues such as growing up, dating and whether someone likes me or not. A good example of this is FST's Puls, TV1's lines is for girls and has a mailbox that is always full to bursting. Tiikeri analyses phenomena and trends, but not without a dash of criticism.

Summeri, for summer holidaymakers, spent five weeks at an outdoor swimming pool. Alongside the blue waters, the programme and guests looked sunny even on overcast days.

Many young people are also firm fans of Radio Extrem or Radiomafia from an early age.



The little bunny Neponen entertains children on weekdays, and it is the turn of Veturi and SICSAC, for schoolchildren, at the weekends.



Badding, Blindfolded, a series of Kaurismäki films and Fucking Åmal were examples of new domestic and Nordic cinema. The television drama Three lies tackled the theme of doping. Matti Ijäs'

Drama and black comedy

12/57. Flashback, a sawdust track.

Vesa: I presented the plan to him. Fifty-fifty. He laughed. Said that he had both the cash and my wife.

Seven, shown on TV1 in the spring, was a black comedy about the three weeks in the life of a lottery pool before they claimed the top prize. The seasonal entertainment series reminded viewers to set aside 9.20 p.m. on Mondays for new domestic drama in the autumn, too.

YLE is charged with the task of developing quality television drama. A whole range of styles, themes and makers are encompassed. TV1 also featured Matti Ijäs' The Fence, a television film about a middle-aged man's infatuation with a young girl. On Christmas Eve, it was time for a comedy about

the quiet concern so typical of Finns. The Copyist presented national history through fiction.

Every Thursday evening, Kotikatu drama series reaches the majority of viewers, and discusses important subjects taking also child viewers into account. The big investment in young people's drama in 2001 was TV1's The Daughters of Siam, a series about role-players, in which real life and fiction converge.

Finland's first situation comedy in Swedish, Falkenswärds möbler, attracted viewers to FST with its warm humour. The award-winning, tragicomic co-production Soldiers in Moonlight was one of the most moving programmes of the autumn.

There is life, and drama, for more than a thousand kilometres to the north of Helsinki railway station. TV2 deliberately looks for fresh faces and Finnish dialects to put on the screen. Many series are sure-fire comedy, teaching us something in a roundabout way. To laugh at ourselves, perhaps, but happily also at others.



The Fence took the award for best Finnish television film of the year.

Risk-taking in comedies is a sensitive business and is not always possible on the commercial channels. Exaggeration and grotesque characters do not allow for easy identification, but *The Siberian Genius* and *Lost and Found* acquainted some people with the magic circle of television drama perhaps for the first time. In terms of its style and content, *Interhail* was really up-to-the-minute.

There has always been room in the Finnish soul for rural nostalgia such as *Backroom Boys* and *Moses' Testament*. These are watched not just by people who have moved to urban areas, since television drama always attracts a broadly similar audience. Only the size varies.

YLE's work with financing and distributing the domestic feature film in collaboration with the Finnish Film Foundation and AVEK again provided the small screen with many top films. These include *Ambush*, *Kiss Me in the Rain* and *Gold Fever in Lapland* on TV1 and *The Tough Ones* and *Return to the Plain Lands* on TV2. On the other hand, TV1's

co-production *Pizza Passionata* was an example of the renaissance of animation in Finland. The tale of how lonely old bachelor Toivo gets voluptuous Brita as his game partner won third prize for short films at Cannes.

In Radio Theatre, *Black Fishes* generated the excitement that listeners are looking for. Edward Taylor wrote six episodes of *The Men from the Ministry* just for the Finnish audience. Among individual radio plays, Juha Siltanen's *April* provoked a powerful response; an old narrow-gauge film watched by a family etches a strong image in the listener's mind with few words.

Not all effective formulae need to be new, though. In the digital era, too, radio's strength lies in sound: and so Tove Jansson reading her *Sommarboken* – or Erik Ohls reading *Harry Potter* – glued many listeners to their sets.

Ski Chairman

drops into the studio

The sports event of 2001 was the Lahti World Skiing Championships, and not just because of the competitors' performances. Almost two million Finns watched or listened with bated breath as skier Jari Isometsä confessed live to the use of doping.

The following Sunday, YLE even interrupted coverage of the men's 50-kilometres as the Chairman of the Finnish Ski Association, Paavo M. Petäjä, was dragged into the competition studio. There had been a scandal again.

"It was surely the most challenging situation I've ever faced in my job", says reporter Tapio Suominen. "You had

to consider your attitude to the whole sport."

The doping by Finnish skiers was a hot topic in news and current affairs throughout the spring. The issue was no longer sport in itself but a social phenomenon, and its morality. Mika Myllylä did not mince matters in TV2's discussion programme. The demise of the heroes of the national sport inflicted a deep wound that also had to be treated through television drama with the imaginary tale Three Lies.

Which national sports besides skiing unite Finns? Athletics for certain. Ice hockey, too. Soccer, the world's most popular sport, may be one of the national sports before long. YLE has the television rights for all of these, and for skiing and the Olympics.

Sport accounts for a solid 9% of YLE's television output, but for as much as 17% of viewing. All told, YLE maintains coverage of around thirty different sports. In 2001,

The Lahti World Skiing Championships and the associated doping revelations caused a scandal in Finland and through the skiing world. On 25th February, the final day of the Championships, Finns





programming included orienteering and formation skating, both of whose world championships were held in Finland.

YLE took its reporters and camera crew across continents to follow the world championship rallies. A new contract also guarantees that Tommi Mäkinen and Marcus Grönholm will be seen on YLE until 2004. For its part, Radio Suomi made sure that people returning from their summer cottages on Sunday evenings didn't miss their Formula One.

For some time now, YLE has played host to major sports events and been a popular partner in co-productions. When YLE's directors and cameramen were nowhere to be seen at the World Athletics Championships in Edmonton, the audience was disgruntled. Yet Finns watched or listened, in the dead of night as well.

All major sports events are also covered by YLE in Swedish. Finland's Swedish speakers are especially keen on hand-

ball, riding and iceball.

Radio Suomi reports the latest results in compact five-minute packages and covers domestic ball games in each locality. In 2001, Television's Sport Review was assigned a second daily slot, and teletext and the Internet ensure that not a single result goes unnoticed. YLE offers a wide range of sport, with Radio Suomi also offering gymnastics, keep-fit, and sports and exercise advice.

Even sport is not always serious. Hot Sport, for young people, reports in its own inimitable way about skateboarding, surfing and snowboarding. For the star reporters at Radiomafia, nothing is sacred, not even ice hockey.

Any more than it is to the hundreds of thousands of listeners to the programme, judging by their jokes:

"Give blood - play ice hockey."

watched more television than on any other day in 2001.





Art transcends language and cultural divides with ease. Viewers were equally captivated by Buena Vista Social Club's wistful *joie de vivre* and Tchaikovsky's *Nutcracker Suite*, performed by Lausanne's Béjart Ballet.

An orchestra in bacchanalian moods

The jubilant bacchanalian moods at the end of Ravel's ballet suite *Daphnis and Chloe* accompanied Radio Symphony Orchestra conductor Jukka-Pekka Saraste on 7th June. The occasion was his farewell concert, held in Helsinki's Finlandia Hall.

Half of the repertoire of the public-service FRSO is Finnish or the work of modern composers. The fact that the orchestra performed in August for the third time at the London Proms is ample evidence of its reputation. "The Finns got poetical Sibelius to glow" was the headline of an article in Dutch newspaper *NRC Handelsblad* in January.

YLE is thus not merely a purveyor of culture but also a noteworthy creator of it. A third of the music on *Radio Ylen Ykkönen* is produced by the company itself. YLE's first music policy programme strengthens its position as a central maker of Finnish music. YLE also ensures that important musical events are recorded for posterity.

In 2001, the radiophonic epos *Borderlands*, composed and dramatised by Veli-Matti Puumala won the *Prix Italia* for radio music programmes by combining contemporary and folk music. *Radio Ylen Ykkönen's* Music before Romance festival filled concert facilities to capacity in November.

YLE also has other genres of music to offer. As a testimony to the diversity of Finnish jazz, TV1 presented forty-five of today's line-ups in the summer, whilst *Century of Jazz* charted the history of jazz starting in New Orleans. *Hot Summer* conveyed the atmosphere at musical events to peo-



The Radio Symphony Orchestra's concerts were played on Radio Ylen Ykkönen. Celebrating its 75th anniversary in 2001, the FRSO also performed on FST's musical entertainment programmes.

ple with busy schedules.

Each year, too, TV2 records the best performers at Pori Jazz.

Radio Extrem shifted away from hits to Swedish-language and Nordic music. In terms of its range, Radio Suomi is still number-one for Finnish light music. For years now, Radiomafia has been perfecting its skills at giving young domestic music a break. Without this channel, which received an award as the music medium of the year, many groups would never have emerged from their basements.

Culture doesn't just mean music on YLE, either. How about painting on the radio? No problem. Paletti presented the main exhibitions. On the other hand, Book A & Ö demonstrated that an inspiring television debate on books is possible even in Finland. Television and radio joined forces in 2001 to turn the spotlight on other superb children's and young people's literature from the Finnish author Anni Swan

to J.R.R. Tolkien.

Radio Ylen Ykkönen presented the whole gamut of culture three times a week, from the life of a wilderness artist to the generations of a Finnish circus, or Japanese gardening. The only programme that competes with it for scope is TV1's cultural show on Thursdays. The cultural documentaries that follow it have featured opera singer Soile Isokoski and entertainer Martti Innanen, and authors from Leena Krohn to Martti Yrjänä Joensuu.

Swedish-language culture brands include Radio Vega's Razzia and FST's Arthur.

The showing of all nineteen plays by one of the 20th century's top writers, Samuel Beckett, was a major cultural enterprise in summer 2001. The significance of the biggest cultural act of the autumn, the launch of the digital YLE Teema, will only become fully apparent in the next few years.



TV1's documentary about storyteller and reindeer man Matti Peltovuoma. In TV2's Documentary Project, Arto Halonen's film about Kyrgyzstan also emphasized the importance of stories.

Documentaries

to make you stop

What goes on in the mind of a gravely ill child? "It's scary and you don't get to play football in the afternoon." These comments from Klaus Härö's documentary *Three Wishes* are made by the children themselves, and make you feel like crying and laughing at the same time. About three children with cancer, it went on to win the Nordic Documentary Prize. "I felt privileged when the children and their families shared their experiences so willingly", Härö says. "I have to say that it often left me speechless afterwards as well."

Listeners even stopped Lisbeth Landefort in the street as she recalled her life in *Pusselbitar på mitt livs rundhorisont*. Edited by Barbro Holmberg, the series encompassed not

only the flight of a thirteen-year-old Viennese girl to Finland in 1938 but our entire past as well.

The main channel for television documentaries, TV1, sheds light in a variety of ways on today's Finland. A journalistic documentary handles its subject differently from a news bulletin. *The Nokia Saga – From Cables to Wireless* examined frankly the company's crises and successes - and spawned a debate on Finland's taxation. The documentary on the Finnish President, Tarja Halonen, hit the screens in the midst of a scandal about appointments at the Bank of Finland.

YLE also shows the cream of international documentaries. For example, *Beneath the Veil* described Afghanistan through the eyes of a woman reporter in a country of surveillance and persecution.

In the summer, the themes were lighter, as *True Story's Sukuju Suomi* told the story of twelve Finnish families.

YLE is not only Finland's top maker of documentaries



Veikko Aaltonen's *Earth* looked at the lives of Finnish farmers.



In the opinion of the Prix Italia jury, *Rooms of shadow and light* was an inspiring film on a tough topic.



but also their main co-producer. Directed by John Webster, *Rooms of Shadow and Light*, a portrayal of life in two Indian brothels, was awarded the Prix Italia in the category of cultural documentaries.

Steps for the Future, the brainchild of the producer from TV2's Documentary Project, Iikka Vehkalahti, was also in a serious vein. Harnessing the resources of fifteen top television companies, this series of forty documentaries and short films described life in Southern Africa in the shadow of AIDS. YLE showed eight of them in 2001. Documentary fare was broadened still further by YLE Teema, which presented human stories from outside Europe and the USA, under the heading *Third Dimension*.

A documentary can also be a work of art, such as PV Lehtinen's dreamlike short film *The Diver*, a co-production by TV1. Helge Wasenius, originally the best diver in the Nordic countries and then the children's favourite clown diver Joonas Ventti is shown at Helsinki swimming stadium at

the age of 72. "Today I am in the diving tower again, ready to fly." *The Diver* collected numerous prizes at the Tampere Film Festival. Fortunately, a growing number of Finnish documentaries are finding their way to cinemas.

YLE also has the task of producing new documentary makers. *Young Ears* by Radio Ylen Ykkönen's Documentary Group, presented four- or five-minute interpretations of themes such as scars, the monster teacher, futile possessions and Monday.

Increasingly, the same material is used for programmes on both television and radio. The documentary *Good Girls* touched many people with its tale of three women of different ages and their struggle to find themselves. Meanwhile, *Osasto E3* gave the hundred-year-old inmates of a Helsinki old people's home a chance to have their say. Or as one nurse puts it: "The most important thing is for there to be life before death."



The True Stories documentaries told the tales of, e.g., a tram driver and fishing lure manufacturer.



The highly commended *Laulava sydän* and *Hotelli Sointu* are examples of musical entertainment on television. Radio humour is the speciality of Radiomafia, but entertainment also includes the genres

Entertainment

when you least expect it

The ingredients: Commonplace, dull, amusing traits of ordinary people. Steer clear of funny stories.

Instructions: Mix. Mix again. Forget self-criticism and plunge into the broadcast. Mix some more. Remove whatever you don't like the taste of. Plunge in again.

Reporter Paula Noronen's recipe has led to the creation of many of Radiomafia's favourite characters. Such as check-out girl Tarja Kulho, the queen of small talk. And pensioner Sirkka-Liisa, troublemaker from the morning show on the same channel, and the supposedly funny bus hostess at the Opera.

"You are free to do what you want with the character,

but it has to sound authentic, it mustn't be too funny", Noronen warns. "I often give the character opinions that are the opposite of my own, but I have faith in the listener." Radio Suomi entertained the slightly older generation with fictitious characters, too.

None of us can live pure reason for 24 hours a day. Liberating laughter is important. Entertainment can also provoke and cast doubt on taboos in a positive spirit.

TV1's entertainment has room for satire. YLE is not bound by what advertisers regard as appropriate. The *Itse valtiaat* series, political satire by young 3D animation makers has set high standards that newcomers will find hard to match. Now even pre-schoolers astonish their parents by rabbiting on about Prime Minister Paavo Lipponen.

One characteristic of entertainment is that it must be accessible to the general public. Targeted at a broad seg-



of political satire and the talk show.

ment of the population, Round the World declares that there are also other countries and issues in the world. On Saturdays, Have I Got News for You has prompted many people to take their saunas a little later than usual.

Entertainment is a public service to the audiences. In addition, YLE employs and brings new makers to small production companies and also makes it possible to export the entertainment formats elsewhere.

In 2001, the first jointly developed formats were made available for international sale.

TV2 offered musical entertainment to the middle-aged and older folks from Tammerkoski Bridge, and looked for new combinations in Singing Heart. As did TV1's Hotelli Sointu. For its part, FST's Mellan verserna enlisted the Radio Symphony Orchestra to accompany well-known artists.

Mission Impossible and Don't Look were TV2's some-

what louder approach, also offering younger viewers an opportunity to unwind at home on Friday evenings.

Yet there are clear limits to entertainment on YLE. Greed, huge cash prizes and ridicule of ordinary people are not favoured. The reward comes in the form of feedback from listeners.

Yet you cannot put fences around entertainment. For some, drama is entertainment, for others it means good debate, such as Radio Extrem's X3M-Talk on weekday mornings.

In digital and analogue format alike, FST's Randström & Co is a talk-show where the guests may have a few surprises in store. Magnet entertains in such a homely way that it even offers a new cake recipe each week. Here is the viewers' favourite, Brita's Pinocchio Cake, on its way out of the oven:

"Leave the cake base to cool. Divide the cold base into two. Spread whipped cream and berries on the base, and cover the filling with another base. Serve immediately."



The door of learning opened wide

'Taaki'. 'Tympee'. 'Remo'. These Finnish words for fine, superb and nice are apt ways of describing the considered package of educational services which YLE provides on television, radio and the Internet. The words themselves can be found in YLE's lexicon of slang, 'Sanis'.

Launched in the autumn, YLE's Internet portal Opinportti is a good reflection of how educational programmes serve people of all ages, from pre-schoolers to pensioners. The portal is a source of study tips, learning materials and programme information. Interactivity is already more than a buzz word.

Launched in late August, the culture, education and science channel YLE Teema could only be seen in a few homes. Yet educational fare will not be disappearing from TV1 altogether since learning must not be dependent on a digital box.

Opinportti is also the name used on radio and television programmes that examine topical issues each week, from the schooling of Somalis to the feelings of people who have taken up a new profession.

In the autumn, the majority of six-year-olds started pre-school education. School Television thus joined forces with the National Board of Education to acquaint them with life's wonders and the fascinating world of science. The much vaunted lifelong learning is about an attitude that is engendered from early childhood.

Teachers and parents learned all about pre-school edu-

YLE Teema showed a number of nature documentaries. School Television shed light on the plight of refugees in the autumn. Somali children Mona and Patria spoke of the life of the Rashid family in Finland.

The series of educational programmes *Katarsis* acquainted viewers with drama teaching. A total of 3,000 suggestions were entered for the endings of the films in School TV.



cation in ABC and Radio Suomi's special programme on the subject. For its part, Radio Ylen Ykkönen guided each child that had banged saucepan lids in the kitchen into focused listening to percussion music.

Like YLE, Language Programmes celebrated its 75th year of operation. In 1926, English words and grammar were taught on the radio. Now viewers were taken to, among others, Italy, Germany, France and the British Isles. It is not enough just to learn a foreign language, you also have to be familiar with the culture of the foreign country.

YLE's four study radio channels provided listeners with a chance to study and to produce learning materials with the aid of multimedia. Colleges, associations and scientific communities all made contributions to programme-making. Nettiradio Mikaeli is Finland's first digital multiradio on the Internet.

In the meantime, FST's www.gud, about religions, and *Vingslag*, a pan-Nordic programme which enlightened 10-14-year-olds about the life of migratory birds, were examples of the deft interplay of television and the Internet

Those with the most advanced hunger for information are served by YLE's numerous science programmes. Prisma's international science documentaries focused on man, from the manuscript of the body to the message of facial expressions.

The Prisma studio also brings Finnish science to the screen each week on TV1 and YLE Teema. YLE Teema has spawned an even wider range of science programmes.

Meanwhile, Radio Ylen Ykkönen offered talk about technology, medicine and the humanities, and a series of programmes on the cold climatic phase from the 16th to 19th centuries. It explained how famine caused specifically by the cold contributed to the French revolution.





Environment and nature programmes - such as Uteliv - are part of the rich kaleidoscope of factual programmes.

Hard times for families and children

The Lindfors family imposes precise curfews on their children, and so some people branded them old-fashioned nit-pickers. “Lovely to hear that we are not the only strict types”, many viewers said. This family has clear values. Even though they have a mortgage to bear as well, the children and life come first.

The Lindforses were one of twelve families willing to talk candidly about their own lives, often including painful issues, on TV2. The families were discovered in Internet chat groups or crisis groups and had themselves already got over the worst. The current debate about the woes of families and children demonstrated that they were not alone with their problems. The series sought to provide viewers with a

mirror to compare their own situation with, and to offer various solutions.

Radio Ylen Ykkönen’s Arjen sankarit was also about the ways in which families with children cope. In the final part of the programme, a psychologist gave some advice on how to tackle sibling rivalry or the desire of children to be back with the other parent after a divorce. One listener said that this was the only programme providing help with the upbringing of adolescent children.

The perfectly ordinary routine is a sufficiently worthy theme at YLE for programmes that do not reach millions of viewers but which are essential for some.

Many homes are plagued by drugs. TV1 launched a campaign to raise funds for a drug withdrawal treatment unit, and, in October, Radiomafia reminded people that the real trip takes place in reality.

In reality, it is more often the ever faster pace of work, rather than drugs, which finishes people off. In the spring,



TV2 featured workplaces where solutions had already been found. In the autumn, the Finnish man was the object of concern. Health is always first in people's priorities, and so YLE has a portal with the same name. Each week, Radio Suomi examines these issues that are vitally important to us all.

But the daily routine is not all misery. Radio Aino pondered relationships in earnest but by no means gravely. On the other hand, sometimes it's nice just to think about changing the curtains with advice from, say, TV2. Or head out of the house for the great outdoors as did FST's Uteliv, a successful blend of country pursuits and the more traditional wildlife programme.

Wherever you are in Finland, the best authorities on everyday life are the regional channels of YLE's Radio Suomi and Radio Vega. As the commercial local radio channels have formed chains, these are the only electronic media to know their own areas thoroughly.

"More bobbies on the beat in Joensuu" and "Rise in

Harjavalta nickel contents" are two snippets from the regional channels' web pages on one Wednesday in December. This and much more are reported on the radio, also in Swedish along the coast, and in Sami in Lapland.

Närbild, the regional current affairs programme on FST's new digital channel, meets personalities not seen before on television. A compilation of the week's broadcasts is shown on TV1 on Saturdays. Its counterpart on Finnish-language television is on TV2.

Everyday life is documented more broadly in the series of reports entitled Pohjantähden alla. From mobile phone makers to birdwatchers: the stars of the programme are perfectly ordinary folk.



The growth in the use of intoxicants was examined on both television and radio. Mirja Pyykkö's programme on TV1 led to the launch of a national campaign to raise funds for withdrawal treatment.



YLE channels and services

Television

Since the launch of digital television on 27th August, YLE now has five channels compared to the previous two. Two of the new digital channels are Finnish-language.

The new channels YLE24 and YLE Teema firmly emphasise YLE's public service task of educating and informing by supplementing the analogue basic channels. Increased out-

put provides viewers with more options and programming that serves various target groups even better.

The full launch of digital television was delayed since the first digital adapters only reached the market at the beginning of November. Thus, almost all of YLE24's programmes and services were also broadcast as simulcasts or repeats on the analogue channels or the Internet. The dig-

TV1

TV1 is the leading channel for news and current affairs. It also shows drama, cultural and documentary programmes and satirical entertainment. The bulk of foreign imports consists of British and other European production. The channel is characterised by several weekly factual programmes, programmes for the young and education. TV1 is also a supplier of background information and major events.

TV2

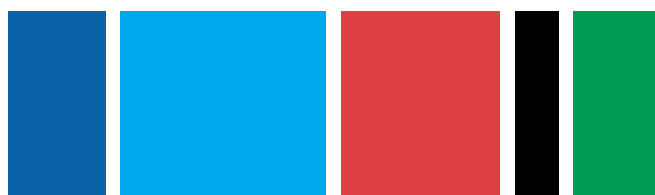
TV2's output is dominated by service and lifestyle programmes, children's programmes, sports events and entertainment with an ample helping of music. What drama does best is to depict life and people in different parts of Finland. Comedy series are placed mainly on TV2. Current affairs and factual programmes focus on the domestic and regional angle.

YLE Teema

YLE Teema is a digital channel specialising in culture, science and education, which deepens and supplements YLE's educational task. Its programming is diverse, shown at prime time and is supported by Internet services. Long discussion programmes, performing arts, and classical music are broadcast on the channel.

YLE Teksti (Superteletext)

YLE Teksti is digital teletext with a new look and functions. Analogue teletext is supported by services according to theme and by the channels' supplementary products.



ital channels' own, new programming will be stepped up in stages.

The audience relationship developed positively in the course of 2001. YLE strengthened its position as the leading television company in Finland in terms of market share. YLE's viewing share rose from last year by one percentage point to 43.3%. YLE's daily reach also continued to grow.

Audience satisfaction with programming strengthened, and almost 85% of viewers were at least partially satisfied with YLE's television output.

Teletext has remained a clear market leader, with over 1.5 million users a day.

YLE Teletext

YLE Teletext comprises a constantly updated and wide-ranging set of pages, featuring news, sports results, and a broad spectrum of service, thematic and campaign pages. One particular target group are the hard-of-hearing, who are served with, e.g., programme subtitling.

YLE24

YLE24 is a digital news and current affairs channel. It also provides a round-the-clock news and current affairs service on analogue television channels, teletext, the Internet and wirelessly. Wide-ranging news search and links to news sources are also available. The channel is also the principal forum for special broadcasts and events - such as major sports events or live broadcasts from Parliament.

www.yle.fi

YLE's web site offers not only a comprehensive news, sports and weather service but also new portal packages on, e.g., educational and environmental subjects or production targeted at children. The home page also features radio and television news broadcasts, programme information, and a portal to all of YLE's Internet services.

TV1D and TV2D

TV1D and TV2D broadcast TV1's and TV2's programmes digitally and as supplementary services.

Radio

The competition set-up in radio was transformed during the year.

With the new operating licences, the quantity of commercial radio programming has risen fast. This is reflected in changes in listening shares. Up until now, YLE has domi-

nated the market. Its share of daily listening during the year was 56%, four percentage points less than in 2000. Fiercer competition towards the end of the year reduced the viewing share still further.

Taken as a whole, radio listening in Finland has increased over the last couple of years. In 2001, YLE's channels reached

Radio Ylen Ykkönen

Radio Ylen Ykkönen is the channel for culture and talk programmes. It focuses on art, science and in-depth angles on social and philosophical issues. The channel offers listeners everything from devotional programmes to Radio Theatre, the Radio Symphony Orchestra, and productions by the documentary department.

Radio Peili

The digital Radio Peili edits the best bits from YLE's Finnish-language radio and television factual talk programmes. Programme entities from different areas chosen by Radio Peili can be heard on the Internet, together with separate programmes supplied on demand. Supplementary services include YLE Parliament and DAB Demo channels. At night-time, Radio Peili plays classical jazz.

Swedish-language Radio and Television

The launch of the digital FST channel means that the public service mission is implemented in full on television, too.

The new television channel has improved appreciably the service to the Swedish-speaking audience. It will also ensure that the needs of different target groups and sub-

audiences are taken into account better in the years to come.

The FST channel's assignment also includes a strong Nordic focus. For the Finnish-speaking audience, the channel is a supplementary and distinctive alternative. FST's digital programming is utilised in the Swedish-language slots on TV1 and TV2. FST is also responsible for YLE's Swedish-

FST (Finlands Svenska Television)

FST is a digital Swedish-language full-service television channel for all audience groups. This separate channel for Swedish speakers has increased the number of news and regional programmes and the amount of drama, entertainment programmes and output targeted at children and young people. Nordic co-productions are an important element in FST. In analogue format, FST's output is shown on TV1 and TV2, and nearly all programmes are subtitled in Finnish.

Radio Vega FSR (Finlands Svenska Radio)

Radio Vega is the Swedish-speaking adult population's news, current affairs and cultural channel. On weekdays, it also provides regional programmes at prime time. The channel plays adult pop, jazz and classical music. Vega also broadcasts drama and educational programmes in the evenings and at weekends. The DAB supplementary service consists of Radio Vega's news morning.

a total of 51% of the population.

YLE's services according to the DAB strategy approved in 1996 have now been launched. As digital radio develops, the prices of receivers are expected to fall, as is now apparent in Great Britain.

The rapid technical development and the change in the

operating environment provided the impetus for the strategy update of Radio launched in the autumn. Its cornerstones are the public service mission and wide-ranging and significant contents, comprehensive and dependable news output, strong regionality and a high level of domestic content in programming.

Radio Suomi

Radio Suomi is the basic channel for the adult audience, devoted to regional programmes, news and current affairs, Finnish light music and sport. Programming is divided on weekdays in the daytime into twenty regional broadcasts supplemented by national news and current affairs broadcasts. Radio Suomi also carries official announcements relating to safety and security. Radio Suomi's Sami Radio broadcasts programmes on its own channel in Northern Lapland.

Radiomafia

Radiomafia serves in particular the young, young adults and other listeners interested in popular culture. The channel is a trend-setter in its field and provides Finnish pop and rock musicians with opportunities to make a break. The channel offers wide-ranging talk programming and also serves small specialist music audiences.

Radio Aino

Relationships, the family, work, health and a positive attitude to life are the themes of Radio Aino. The Internet service of the channel covers an archive comprising hundreds of programmes, and a service package suitable for Internet background listening which enables the user to choose from various theme channels.

Radio Finland

Radio Finland carries the channels' main output in Finnish and Swedish all over the world. There are also broadcasts in English, French, German and Russian, and Nuntii Latini, a weekly news review in Classical Latin. YLE World is the domestic service in English comprising broadcasts from other broadcasting companies, and YLE Mondo provides programmes in languages other than English.

language information society and supplementary services.

FSR's two channels, Radio Vega and Radio Extrem, provide their own target groups with radio's public service. FSR is also responsible for the joint Internet services of all the channels.

FSR's audience ratio remained roughly unchanged dur-

ing the year. Each week, FSR continues to reach almost 80% of Swedish speakers. However, in the autumn, signs of the effects of fiercer competition in radio began to be evident among younger listeners in particular.

Radio Extrem

Radio Extrem is a channel of popular culture that keeps up with trends and current debate. It offers a potpourri of music, news, culture, programmes on society and also children's programmes and sport. The channel's target group is the younger Swedish-speaking and bilingual population.

svenska.yle.fi

The Swedish-language portal is the number-one page for Finland's Swedish speakers on the Internet. Internytt tells the news – regional, too – and KURT gathers together cultural tidbits from television and radio.

Statistics

Audiences

Year by year, YLE's audience relationship has become increasingly multimedia-based: programmes and services are received via radio, television, teletext and the Internet. On the one hand, YLE's success is measured by audience numbers. The significance of programmes is indicated by satisfaction with YLE's output and by the value for money of the television fee.

Launch of digital television reflected in audience relationship

The development of YLE's audience relationship has been the most positive in television viewing. YLE channels now account for a slightly higher percentage of viewing time. In radio listening, competition stepped up noticeably during the year and YLE's listening share fell. The delay in the launch of supplementary devices for digital television created uncertainty, and this was reflected in the audience relationship.

Each week, YLE's television and radio channels reach virtually all Finns, as 97% of those over the age of fifteen watch or listen to YLE's television or radio channels for at least two hours a week. Correspondingly, 74% use both of YLE's media.

According to national radio research, YLE's radio channels reach 51% of the population each day. Television meter research shows that YLE reached a total of 69% of the population with its television channels. Daily viewing time averaged two hours and 47 minutes, with YLE accounting for 43% of this. People listened to radio for an average of three hours and 28 minutes, with YLE accounting for 56% of this. In total, people listened to radio and watched television for more than six hours a day. YLE's television and/or radio channels were watched and listened to for 50% of this entire time. In the course of the year, YLE lost two percentage points of its market share to commercial competitors.

Finland's Swedish speakers are served by YLE's Swedish-language television FST, which broadcasts its pro-

grammes on TV1 and TV2 between programmes in Finnish. Each week, FST reaches 68% of Swedish-speaking Finns. Each day, viewing of FST accounts for 8% of the viewing time of Swedish speakers. Each day, Swedish-language radio FSR reaches with its two radio channels an average of 57% of Swedish speakers. Listening to FSR's channels accounts for 61% of listening time.

YLE Teletext reached 75% of Finnish households. In autumn 2001, YLE's Internet services were accessed monthly by approx. 480,000 visitors.

Public service programming esteemed

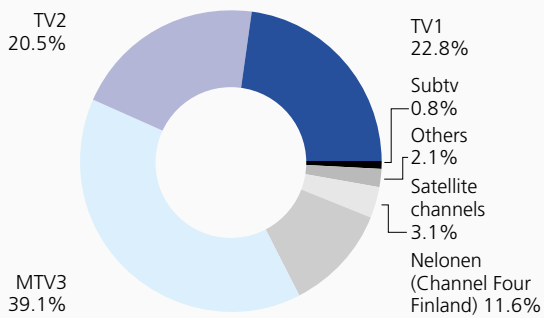
YLE is required to provide broad and wide-ranging output to all Finns. Expectations from the channels are quite similar: good television and radio channels offer news, other information, entertainment and experiences. The quality of television and radio channels is a characteristic that is deemed highly important.

Finns esteem public service programming very broadly. The order in which they put the various programme areas has remained the same from one year to the next. The attached figure incorporates the 12 most highly appreciated functions.

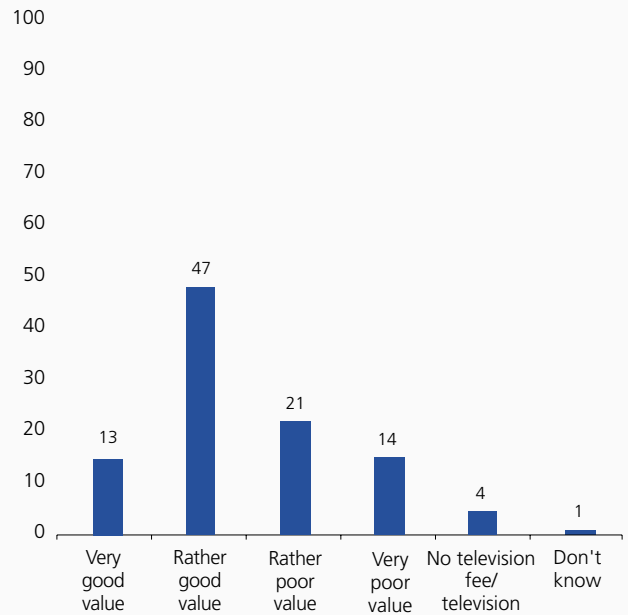
Audiences choose television and radio programmes according to their taste and expectations. The majority of Finns are satisfied with YLE's output, 86% are at least fairly satisfied and 40% are highly satisfied or satisfied.

In 2001, 60% of Finns felt that they got at least fairly good, and 13% very good, value for money for their television fee. Even though satisfaction with YLE's radio and television programmes is still very high, it clearly declined, in particular in the oldest age group, traditionally the most satisfied with YLE's output. People also do not feel that they get as good value for their television fee as in the previous year. The decline in satisfaction was due to some extent to the launch of digital television and the associated public debate.

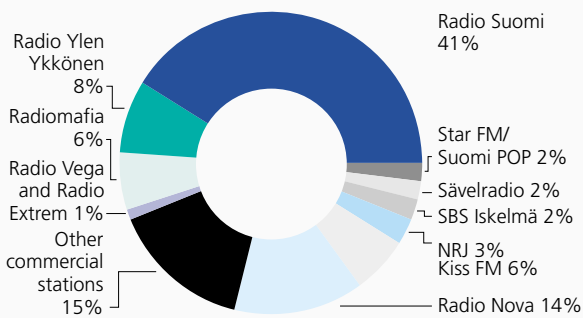
Share of daily viewing (%) 2001



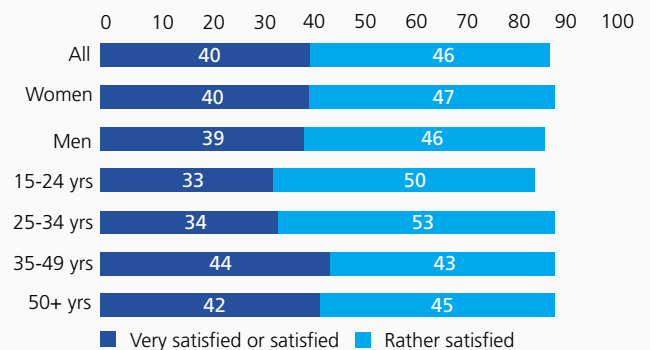
How much value for money is the television fee (%) 2001



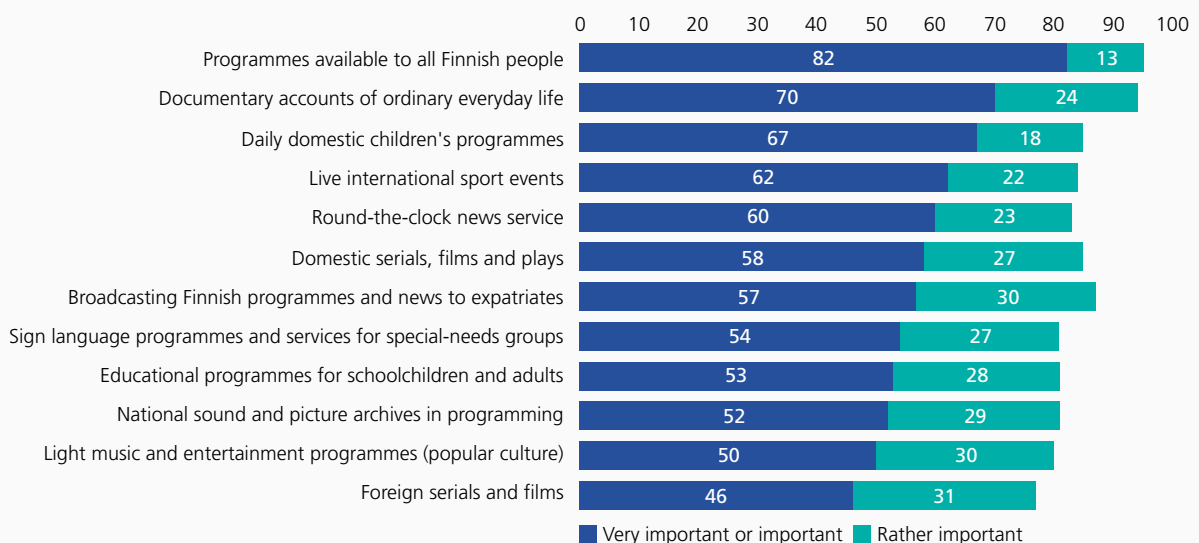
Share of daily listening (%) 2001



Satisfaction with YLE's television and radio output (%) 2001



The most esteemed public service functions (%) 2001



Television

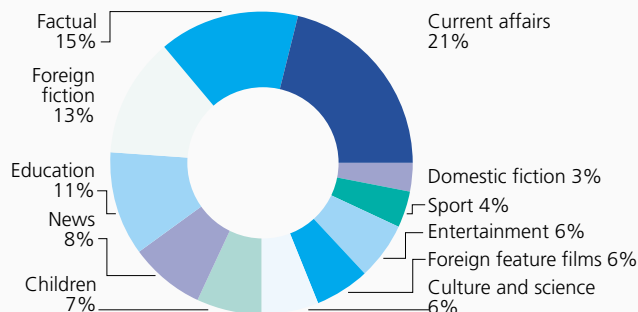
Key figures for TV channels 2001

Analogue channels

TV1

		Change from 2000
Broadcast hours per year	5 550	-0.5%
Broadcast hours per day	15.2	-0.5%
Total costs	EUR million 92.9	-16.0%
Average price of broadcast hour	EUR 16 700	-15.7%
Daily reach	59.6%	+0.6%-points
Daily viewing	36 min	-
Daily contact price	EUR 0.09	-15.0%

TV1 Finnish-language programmes

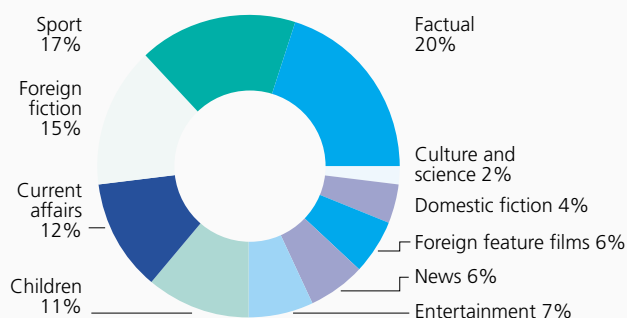


TV2

		Change from 2000
Broadcast hours per year*	4 067	+0.9%
Broadcast hours per day	11.1	+0.9%
Total costs	EUR million 82.0	-25.9%
Average price of broadcast hour	EUR 19 800	-6.2%
Daily reach	52.9%	+0.9%-points
Daily viewing	33 min	+3.1%
Daily contact price	EUR 0.09	-7.0%

*excl. 81 h of parallel broadcasts

TV 2 Finnish-language programmes

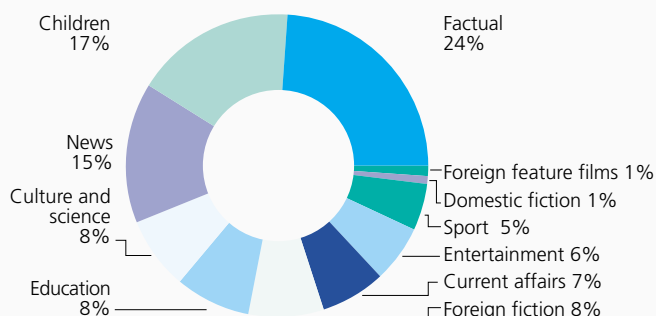


FST

		Change from 2000
Broadcast hours per year	956	+0.6%
Broadcast hours per day	2.6	+0.6%
Total costs	EUR million 30.8	+7.6%
Average price of broadcast hour	EUR 25 643	-18.9%
Daily reach*	19.1%	+1.1%-points
Daily viewing	3 min	+20.0%
Daily contact price	EUR 0.097	-10.5%

*FST's reach and viewing in its target group (Swedish-speaking population) is higher.

FST Swedish-language programmes



Reach refers to the number of people who watch television per day (for a minimum of 1 minute).

Daily viewing is the amount of viewing on average per day (among the over-10s).

The contact price is calculated by dividing the total costs by the number of days (365 days per year) and by the number of viewers reached each day.

Digital channels

YLE24

Broadcast hours/27.8.-31.12.2001**	787
Broadcast hours per day	6.2
Total costs	EUR million 2.4

YLE Teema

Broadcast hours/27.8.-31.12.2001**	629
Broadcast hours per day	5.0
Total costs	EUR million 3.4

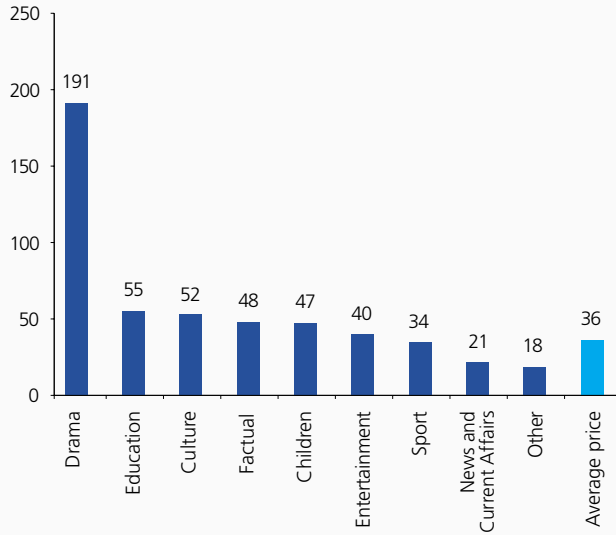
FST

Broadcast hours/27.8.-31.12.2001**	342
Broadcast hours per day	2.7
Total costs	EUR million 2.5

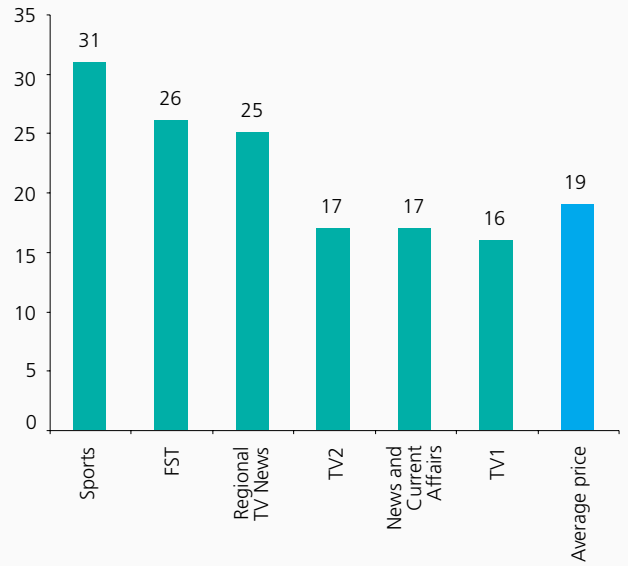
** incl. 512 h of simulcast transmissions

**incl. 50 h simulcast transmissions

Average price of a new domestic programme hour (EUR 1000)



Average hourly price of entire programming (EUR 1000)



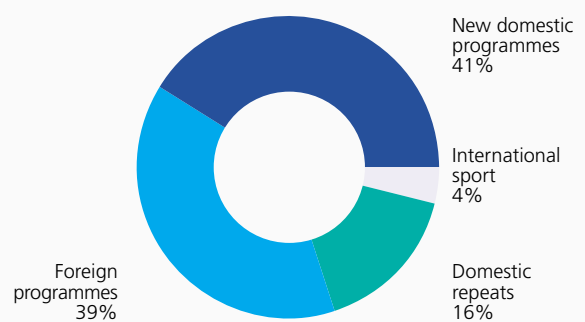
Total hours of television programmes (analogue)

(incl. 81 hours of parallel broadcasts)

-Broadcast hours	10 654	-0.1%
-Level of domestic content	57%	+4%-points
-Level of European content	86%	+5%-points
-Level of repeats	31%	-
-share of Independent programme producers*	21%	+2%-points

*new domestic programmes, excl. news and sport

TV broadcast hours 2001 (analogue channels)

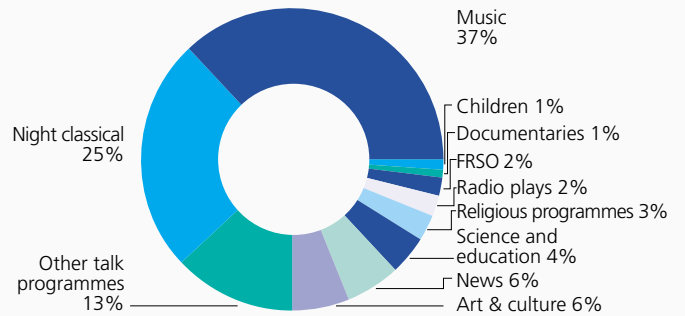


Radio

Key figures for radio channels 2001

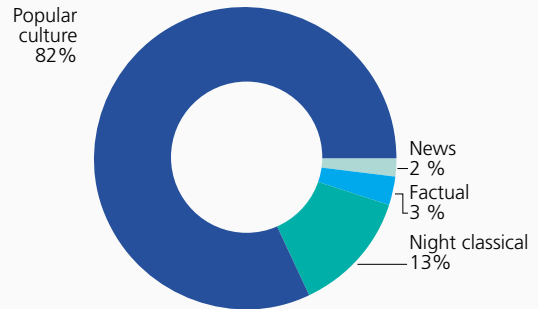
Radio Ylen Ykkönen

		Change from 2000
Daily programming	24 h	-
Share of music	60%	-2%-points
-domestic	19%	-1%-point
Channel costs	EUR million 29.1	+6.4%
Price of broadcast hour	EUR 3 317	+6.4%
Reach	12%	-
Average number of listeners per day	510 000	-2.1%
Daily listening time	2 h 19 min	+3.7%
Contact price per day	EUR 0.16	+9%



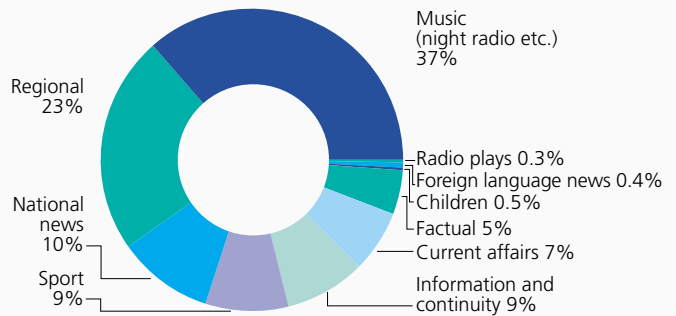
Radiomafia

		Change from 2000
Daily programming	24 h	-
Share of music	74%	-
-domestic	28%	+2%-points
Channel costs	EUR million 14.1	+0.4%
Price of broadcast hour	EUR 1 605	+0.4%
Reach	9%	-1%-point
Average number of listeners per day	390 000	-12.7%
Daily listening time	2 h 09 min	+6.6%
Contact price per day	EUR 0.10	+15%



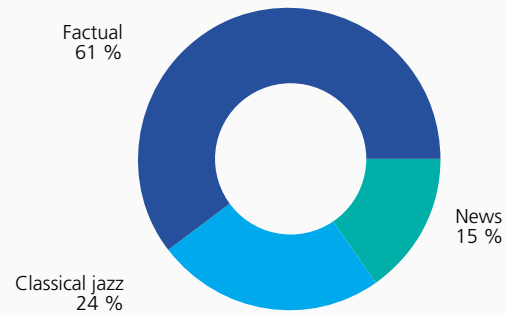
Radio Suomi

		Change from 2000
Daily programming	24 h	-
National total	6 714 h	-0.7%
Regional total (20 regional stations)	44 461 h	+0.8%
Share of music	43%	-
-domestic	63%	-
Channel costs	EUR million 49.1	+0.4%
Price of broadcast hour	EUR 959	-0.2%
Reach	37%	-1%-point
Average number of listeners per day	1 620 000	-3%
Daily listening time	3 h 49 min	-
Contact price per day	EUR 0.08	-



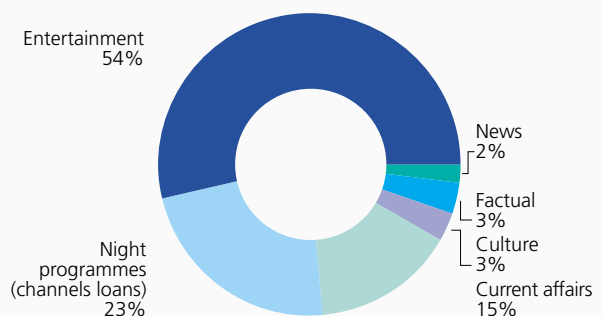
Radio Peili (DAB)

		Change from 2000
Daily programming	24 h	-
Share of music	25%	-1 %-point
-domestic	0.4%	-
Channel costs	EUR million 2.1	+3%
Price of broadcast hour	EUR 235	+3%



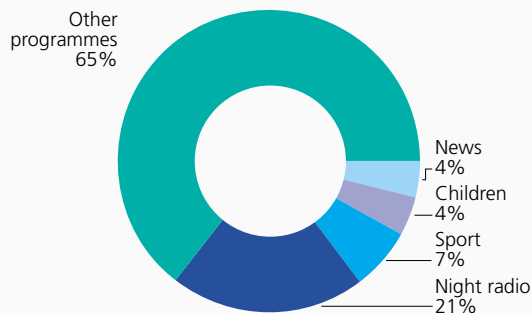
Radio Aino (DAB)

		Change from 2000
Daily programming	24 h	-
Share of music	46%	+1%-point
-domestic	12%	-
Channel costs	EUR million 5.1	+1%
Price of broadcast hour	EUR 585	+1%
Reach	1%	-
Average number of listeners per day	20 000	-
Daily listening time	2 h 16 min	-
Contact price per day	EUR 0.70	-



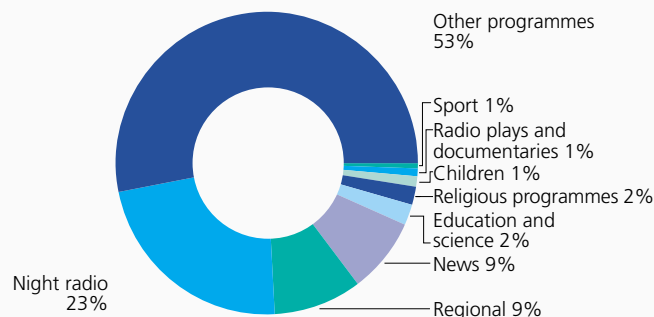
Radio Extrem

		Change from 2000
Daily programming	24 h	-
Share of music	69.7%	-3%-points
-domestic	10%	+5%-points
Channel costs	EUR million 8	-
Price of broadcast hour	EUR 912	-
Reach (of Swedish-language population)	26%	-5%-points
Average number of listeners per day	53 000	-17%
Daily listening time	1 h 23 min	+5%
Contact price per day	EUR 0.41	+21%



Radio Vega

		Change from 2000
Daily programming	24 h	-
Share of music	42.9%	+1%-point
-domestic	16%	+4%-points
Channel costs	EUR million 16.4	+3%
Price of broadcast hour	EUR 1354	+2%
Reach (of Swedish-language population)	41%	-1%-point
Average number of listeners per day	83 000	-2%
Daily listening time	2 h 28 min	-8%
Contact price per day	EUR 0.54	+6%

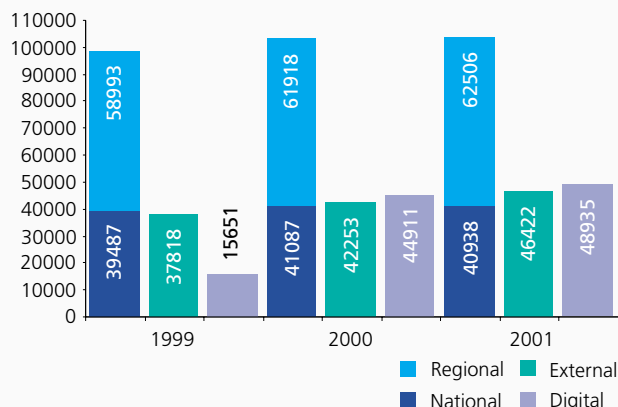


Reach refers to the percentage of listeners out of the population aged over nine who listen to the channel for at least half of a 15-minute period. The reach on an average day is calculated as the average of the reach for the different days of the week.

Daily listening time in the key figures refers to the average listening time of the audience reached.

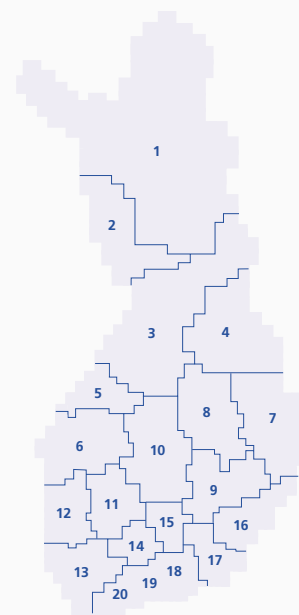
The contact price is obtained by dividing the channel's average daily cost by the average number of listeners reached.

Radio broadcast hours 1999-2001



Regional stations and Swedish-language* regional programmes

- Lapin Radio
- Sámi Radio
- Radio Perämeri
- Oulu Radio
- Kainuun Radio
- Radio Keski-Pohjanmaa
- Radio Pohjanmaa
- Radio Vega Österbotten *
- Pohjois-Karjalan Radio
- Radio Savo
- Etelä-Savon Radio
- Radio Keski-Suomi
- Tampereen Radio
- Satakunnan Radio
- Turun Radio
- Radio Vega Åboland *
- Radio Häme
- Lahden Radio
- Etelä-Karjalan Radio
- Kymenlaakson Radio
- Radio Itä-Uusimaa
- Radio Vega Östnyland *
- Ylen aikainen
- Radio Vega Mellanbyland *
- Ylen läntinen
- Radio Vega Västnyland *



Other programming

	hours per day	Broadcast change	EUR million	Costs change	Costs per hour EUR	change
Sámi Radio	5.3	+5.2%	1.7	-	884	-4.9%
Educational channels	8.9	+4%	1.2	+18%	379	+13%
External service	127	+9.8%	4.6	+3.2%	99	-6%
Capital FM	24	-	*			
YLE World (DAB) and YLE Mondo (DAB)	48	+13.9%	*			
YLE Classic (DAB)	24	-	0.3	-33%	32	-33%
YLE Parliament (DAB)	0.2	+50%	**			
DAB Demo	11.8	+44%	**			
FSR (DAB)	3	-	0.8 e		1037	

* (incl. external service's costs)

** (incl. Radio Peili's costs)

Regional stations (20)

	hours per year	change	Range of variation
Average broadcast hours	2056	+1.2%	
-Radio Keski-Suomi:	5406	-	
Share of music	52%	-	46-59%
-domestic	65%	-	56-75%

Swedish-language regional programmes (5)

	hours per year	change	Range of variation
Average broadcast hours	816	+0.5%	
Share of music	44%	-1%-point	38 - 49%
-domestic	8%		5 - 12%



The radio channels' editorial systems have been almost entirely digitalised. Lightweight digital cameras are used by reporters in, e.g., regional television news.

Slimmer and more flexible

What did we have before YLE24 and the news landscape now so familiar to Finnish television viewers? The company's film laboratory once occupied the spot now taken by the fully digitalised studio.

The use of film cameras and film in news production is a thing of the past. We now have a spectrum extending from digital lightweight cameras to digital programme distribution. The transformation of the film laboratory into a fully

digitalised news studio is simply one example of the practical implications of the switch from analogue to digital.

From now on, the television set that is a familiar sight in every home will be offering a whole lot more besides just television programmes. Public transactions, for example. On the other hand, the convergence of the media means that television can also be radio, the Internet or email.

The new digital services also pose a challenge to YLE Technology. The aim is for the new-style television and, for example, information society services to be as easy to use as possible. The audience must feel at home with digital television.

As the method of distribution has also changed, a separate digital adapter attached to the television set is required



for viewing digital output. The MHP devices that provide access to added value and interactive services are due to be launched in 2002.

The launch of digital television broadcasts in August was a milestone in the history of broadcasting. Digitalisation is a particularly challenging task for YLE. After all, public service requires all Finns to be served on equal terms. This means that the technical solutions have to ensure that this task can be fulfilled. And, as media and channel boundaries are crossed increasingly in programme work, reporters and other programme-makers need to have equipment that works flexibly all over the country.

The technical expertise maintained at YLE has to pro-

vide programme operations with the best possible support.

This means concentration on production and transmission systems, and on picture and sound quality. Concentration of technical expertise, a lowering of the boundaries between technology and production, and more lightweight production of programmes make for greater efficiency.

For audiences, this is manifested in the form of more diverse output, new channels and superior picture and sound.

The digital network sings

The launch of digital television on 27th August was undoubtedly one of the high points of the year. The timetables for broadcasting technology were met, and the target of network coverage of 70% was reached by the end of the year. Picture and sound quality on digital television have been even better than predicted. Reception is excellent in districts where the analogue signal is plagued by interference.

Preparation for the launch of digital television has been one of the company's main tasks in recent years. In practice, this has entailed the phased construction of the network, and the acquisition, installation and introduction of equipment. The early months of the year were devoted to intense negotiations with the customers. Which solutions would digital television start with? Only the basic boxes and PC cards were on the market in the autumn, and the release of MHP devices was delayed. It was thus decided that the number of contents and channels would be stepped up in phases.

Digita also renewed its network management system, to speed up fault detection and repair.

In June, the EU competition authorities approved the sale of Digita's shares. The 49% holding by the new owner, France Telecom's subsidiary TDF, has brought an international dimension to the operation. In France, TDF has invested heavily in network services, and now we are doing this work together. The aim is to develop and provide customers with telecommunications network planning, installation and administration services. Correspondingly, TDF is interested in Digita's experience of digital television. France is due to go digital at the end of 2002.

Digita's organisation was revamped to meet the new challenges, and the reform took effect on 1st March. The business operation is now the responsibility of Broadcasting Solutions, run by large national customers, and by Network Solutions, which serves both its own network construction needs and, e.g., broadband and mobile operators. Maintenance monitors that everything is working at the stations and in the networks 24 hours a day, and also participates in network service projects.

The company's operating systems were developed, since there has actually been an increase in the number of projects and operations. Digita's DITO project describes the main operations and guarantees the quality and efficiency of the whole company.

In 2001, the transmission networks of the new commercial radio channels were completed. In the autumn, a contract relating to the wireless Internet was concluded with TELE2. Since the start of 2002, Digita has been selling capacity on the digital television network for wireless data transfer. 15% of the capacity of multiplexes B and C is available at night and in the daytime. The opportunities are interesting; in future the sky may well be traversed by Internet contents. This work is being promoted and standardised by the newly established European IP Datacasting Forum, which Digita has now joined.

Economically the year met the expectations. Digita achieved its target in net sales despite digital television failing to get off to a proper start as early as planned. Digita's role as a neutral provider of network services was emphasised as our customers sought to lower their costs. There was also an increase in demand for our contribution services relating to programme production. Payments into YLE's Pension Fund were larger than foreseen.

Pauli Heikkilä

Digita Oy





A meeting of the Board of Directors on 16th October 2001.

Report of the Board of Directors 2001

A year of major transition for YLE

2001 was a year of major changes for YLE.

Following meticulous preparation, digital television broadcasting was launched in August 2001. In addition to its two basic analogue channels, TV1 and TV2, YLE provides programme services on three new digital channels, YLE Teema, YLE 24 and Swedish-language FST.

YLE's new services have met with a favourable reception, and the new channels meet expectations content-wise. New services have been developed by creating procedures which allow topical supplementary services to be provided on the digital channels, broadcasting capacity permitting. An example of this kind of supplementary service was the special programming targeted at children at Christmas.

A technological revolution is always problematical and difficult to control. YLE's own digital production and broadcasting processes are operating as planned, but the opportunities for receiving broadcasts have not been achieved in line with expectations. This is due to the slower development of reception devices than had been expected. The digital adapters that have come onto the market do not yet support interactivity, and this affected the opportunities for commercial operators to launch business activity.

Responsibility for the launch of digital television broadcasting has been left to YLE more than had been planned, and two of the operating licence holders have failed to use their licences. The target of 70% population coverage for digital distribution was reached at the end of the year.

YLE's basic channels TV1 and TV2 fared well in 2001. Their combined viewing share rose by a percentage point

from the previous year and came to 43.2%. The diversity of programming was developed and channel profiling continued. Individual programmes received numerous domestic and international awards. Esteem for programming also rose from the previous year.

There was a distinct change in the entire radio operating environment. Commercial radio broadcasting won a large number of new operating licences. A sizeable number of semi-national radio chains were set up in Finland, and radio's programme output grew appreciably. Of course, this was reflected in the total listening time of YLE's radio channels. The listening share last year was 56%, a decline of four percentage points from the previous year. The revolution in the operating environment and ever fiercer competition led to an operating strategy development project being launched in YLE Radio.

Economic reasons, the switch to digital production and broadcasting technology and the rapid change in the operating environment require the company's procedures to be developed forcefully and in accordance with specific objectives.

As the programme output and number of channels increase, control of programme contents is emphasised alongside the traditional channel-based organisation. The reform of procedures launched in 2001 increases co-operation across media and channel boundaries and ensures optimum use of the company's resources.

The reform of financial and administrative processes started up in the year under review. The aim is to discover the most efficient and cost-effective ways of producing services. This entails the use of companies outside YLE, with whom long co-operation agreements are concluded. In pro-

gramme operations, too, resources are being transferred to new programme services.

Some of the funding for the new services was secured when, at the end of June, the competition authorities approved the sale of 49% of Digita Oy's shares to the French company TDF.

As regards YLE's future operating prerequisites, the unanimous recommendations of the Working Group led by Member of Parliament Jouni Backman and set up by the Ministry of Transport and Communications, which considered the funding of the electronic media are significant. The financial strategy for developing YLE's operations confirmed by YLE's Administrative Council is based solidly on the Working Group's proposals on more effective internal operations and on reallocation of resources.

The procedure applied by YLE's administrative organs was rendered more precise so that the work sub-committee of the Administrative Council is made up of separately appointed personal members. In addition, the earlier practice whereby the Board of Directors is internal was reinstated. This is based on the fact that, under the Finnish Companies Act, the powers which are ordinarily invested in the Board of Directors are, under the Act on YLE, essentially exercised by the company's Administrative Council.

Changes in the operating environment

At the end of the year, the Council of State issued Parliament with a bill for reforming the legislation on the media market. The most important changes affecting YLE in the first phase of the legislative reform relate to the implementation of the public service task, operating licence fee and network

operating licence.

Under the bill, YLE shall provide public service programmes and services in terrestrial networks other than those intended for distribution of radio and television programmes. It is proposed that the operating licence fees collected from the commercial television and radio companies for analogue programme operations be halved. The aim is to improve the companies' financial opportunities for developing new digital services. As regards digital broadcasting, the companies do not pay an operating licence fee at all during the first ten years of the licence period. Furthermore, the change of the Telecommunications Market Act into the Media Market Act means that the management of a digital television and radio multiplex will be based on a separate operating licence.

As regards television and radio broadcasting, the bill is based on the proposals made by the Backman Working Group. This Working Group, which considered how the prerequisites for television broadcasting could be improved and funded, felt it justified for the television fee to be revised annually from 2004. This would serve to guarantee the provision of YLE's full service television and radio programming, the development of content services and the long-term planning of the company's operation. It is noted in the grounds to the bill that this proposal by the Working Group provides an opportunity for the fair development of television broadcasting.

The EU's media law package was passed at the end of the year. The law package actually relates to telecommunications, but as regards television broadcasting it established the must carry rule at Union level. In addition, it strength-

ened the position of the open DVB MHP standard introduced by Finland in the production of interactive services for television. The enforcement of the Media Act package in Finland is the second phase of the media market legislation.

In the year under review, television advertising fell 9% at annual level. Price competition in domestic television advertising and the general reduction in media advertising by 6% from the previous year were reflected in the television companies' results and in the operating licence fees paid by companies into the State Radio Fund.

Group structure

Sale of Digita Oy's shares

The sale of Digita Oy's shares to the French company Telediffusion de France S.A. (TDF) was ratified at the end of June by the EU's Competition Directorate. The purchase price was EUR 141 million. In accordance with the terms and conditions of the contract, YLE is entitled to sell the rest of the shares which it owns in a single or several batches and TDF undertakes to buy them. Entitlement to sell commences two years after the approval of the contract, i.e., on 1st July 2003 and ends on 31st January 2005. For its part, TDF is entitled to purchase an additional maximum share of 41% in Digita Oy in a similar way. TDF's entitlement will be in force from 1st July 2003 to 31st January 2005. The price of the final part is the price of the first part plus annual interest of 6%.

Platco Oy

In collaboration with the digital television operators Alma Media Plc and Swelcom Oy, YLE founded a joint venture known as Platco Oy, which develops joint information technology service platforms and systems for digital television. Each shareholder owns a third of the company's shares. Platco's objective is to ensure the uniformity of the technical solutions for digital television and the development of new services in a manner satisfactory to the consumer. The company also manages other matters common to the digital television operators.

Nordmagi Ab

In 2001, YLE joined as a partner the company known as Nordmagi A/S, founded in the previous year. Nordmagi is a Copenhagen-based company run by the Nordic broadcasting companies DR, SVT and NRK. Its task is to produce Nordic programmes for children and young people in all media.

The company can act as principal producer, co-producer or partner. The production in 2001 was the children's series Nu är nu / Sano nyt, which YLE has broadcast in both Finnish and Swedish versions.

The 20% holding by Radio- ja televisiotekniikan tutkimus Oy remained unchanged.

Radio

The rapid technical development and change in the operating environment were the points of departure for the updating of the strategy for radio launched in the autumn. The cornerstones of the reform work are the public service task and wide-ranging and significant contents, comprehensive and dependable news output, strong regional content and a high level of Finnish content in programming.

As a result of the 29 new operating licences, the quantitative output of commercial radio increased. This is reflected in changes in listening shares. Up until now, YLE has dominated the market, and now the company's share of daily listening during the year was 56%, or four percentage points less than in the previous year. The increase in competition towards the end of the year reduced the listening share still further.

The fiercer competition in the radio sector has not been reflected as intensely in Swedish-language radio channels. FSR's position as the absolute number-one radio channel for Swedish speakers is still strong. The daily listening share in autumn 2001 was 45% for Radio Vega and 16% for Radio Extrem. The weekly reach of the channels in their own target group is still 80%.

Taken as a whole, radio listening in Finland has increased over the last couple of years. Each day in 2001, YLE's channels reached a total of 2.2 million listeners.

There were a total of 198,784 hours of radio broadcasts, an increase from the previous year of 8,615 hours. National and regional FM broadcasts accounted for 52% of total output, digital broadcasts for 25% and broadcasts targeted overseas for 23%.

FM output comprises the broadcasts of three Finnish-language and two Swedish-language national channels and the programmes of twenty Finnish-language and five Swedish-language provincial radio channels. There were a total of 103,444 hours of FM broadcasts (an increase of 439 hours), i.e., 283 hours a day. In addition, local frequencies are used for the broadcasts of three study radio channels, Sâmi radio in Lapland and the foreign-language Capital FM. Finnish-lan-

guage broadcasts account for 69.6% of programme output, Swedish-language broadcasts for 20.1%, Sâmi-language for 1.8% and foreign-language broadcasts for 8.5%.

There were a total of 46,422 hours of AM and SW broadcasts (an increase of 4,169 hours), and the Russian-language service was developed.

The services according to the DAB strategy approved by YLE in 1996 have been launched. The programme output of the digital channels – Radio Peili, Ylen Klassinen and Radio Aino was available twenty-four hours a day. 48,918 hours of digital radio programmes were broadcast (an increase of 4,169 hours). 71 hours of parliamentary debate were broadcast as a supplementary service on Radio Peili. Radio Peili also broadcast the daily DAB Demo supplementary service. Radio Aino could be heard in Greater Helsinki and in the Tampere area on FM as well, and Radio Peili for most of the day on the Study Radio channel. A total of 727 hours of Radio Vega's morning news and Radio Extrem's sports programmes were broadcast as a DAB supplementary service by the Swedish-language channels.

A total of 17,520 hours of foreign-language programmes were broadcast in the first whole year of operation on two channels. The entirely English-language YLE World, and YLE Mondo, broadcasting in other major languages, increased their programme output by 2,139 hours.

The broadcasts of Radiomafia, Radio Peili, Radio Aino, Radio Extrem and Radio Finland could also be heard on the Internet.

Television

When digital television began, YLE switched from having two television channels to five. Two of the new digital channels are Finnish language and one is Swedish-language.

The new channels YLE24 ja YLE Teema emphasise YLE's public service task of educating and supplying information by supplementing and elaborating the fare provided by the basic analogue channels.

Television news in Sâmi and regional TV news were launched during the year.

The audience relationship developed positively during 2001. YLE's television viewing share rose from the previous year by one percentage point to 43.2%, and its daily reach grew again, to a good 3.1 million viewers. The audience's satisfaction with programmes was strengthened and virtually 85% of viewers were at least partly satisfied with YLE's

television output. YLE Teletext has remained the clear market leader, with more than 1.5 million users daily.

At two hours and 47 minutes, daily television viewing time remained almost unchanged compared to 2000, when it was a minute less.

The number of YLE's programme hours of Finnish-language television rose to 11,114, an increase of 454 hours on the previous year. There was a rise in the proportion of domestic programming. A total of 57% of programme output was domestic, whereas the level of Finnish content in the previous year stood at 53%. The amount of European output also rose, to 86%, whereas in the previous year 81% of all programmes were of European origin. The share of programmes purchased by YLE for the analogue channels from independent producers was 21%, i.e., two percentage points more than in the previous year.

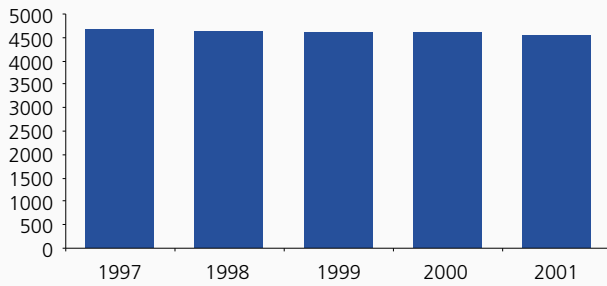
With the start of the digital FST channel, the Swedish-speaking population now gained an opportunity to watch programmes targeted at them at prime time on each day of the week. In 2001, FST broadcast 950 hours of programmes on analogue television channels. There were 350 hours of digital broadcasts in the autumn period, 59% of which were domestic programmes. When FST's programmes were provided on TV1 and TV2, they were watched by 29% of Finland's Swedish speakers.

YLE's Internet and multimedia services

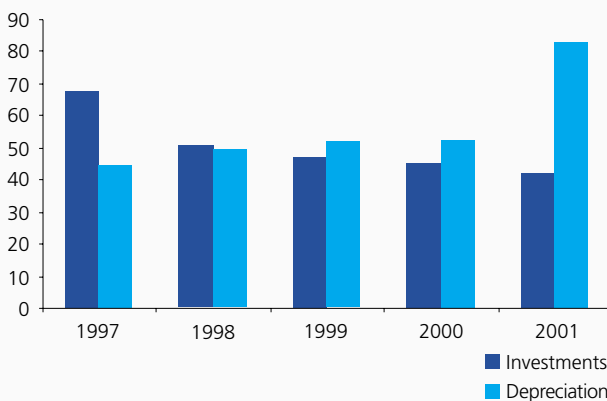
2001 was a year of success and intense growth for YLE's Internet services, due partly to the upgrading of the service's technology during the year. At the beginning of the year, there were around 150,000 different weekly visitors, whilst, towards the end, the number was approaching as many as 200,000. Major news events such as doping, ice hockey and terrorism boosted the numbers of daily visitors appreciably. For example, in the week beginning February 11, 154,000 different visitors accessed YLE's services, but the doping news in the week beginning February 25, attracted as many as 261,000.

At the end of the year, www.yle.fi consisted of more than two hundred sub-pages, representing all of YLE's departments and services. All of the top news broadcasts could also be watched and listened to on the Internet. The dimensions and internationalism of the Internet are illustrated by the fact that a "mere" 84% of the visitors to YLE at normal times are in Finland. Feedback from expatriate Finns is particularly positive

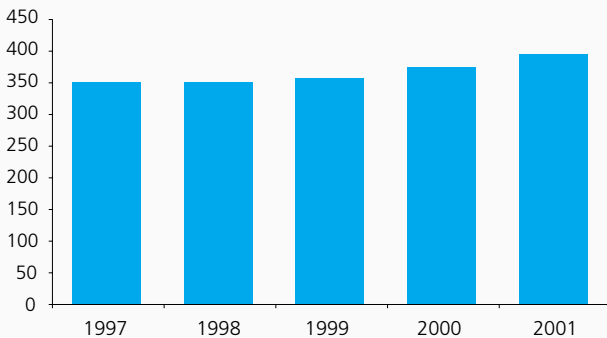
Personnel (man years)



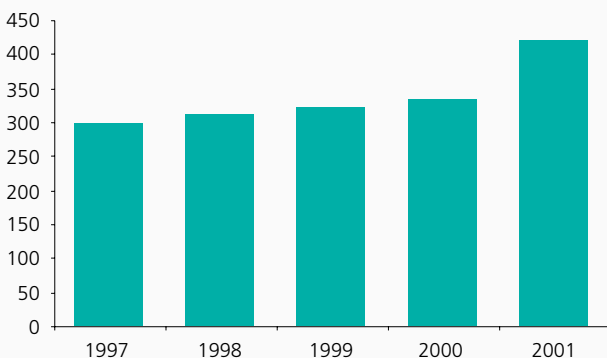
Investments and depreciation (EUR million)



Income (EUR million)



Expenditure (EUR million)



in connection with the special broadcasts and services made for the Internet, such as the Finnish Independence Day Reception and the Declaration of Peace at Christmas.

2001 saw the development not only of Internet services but also of MHP test services and the foundations for YLE's digital supplementary services. As the MHP boxes are not yet on the market, only subtitling and programme information services were broadcast in connection with digital broadcasts.

Personnel

At the end of 2001, YLE had a total of 3,770 permanent employees, a decline from the previous year of 171, i.e., approx. 4.3%. The total number of employees on fixed-term contracts also fell to some extent, although there were more monthly-paid employees among them. In the course of the year, a total of 574 man-years were accrued from monthly-paid employees on fixed-term contracts, 48 man-years more than in the previous year.

At the start of the year, the development of corporate training was integrated into Central Management. The first project was the standardisation of management and leadership duties. The Specialist Qualification in Management, based on demonstration qualifications, was chosen as the basic training for managers. The first programme was launched at the beginning of 2002.

The Personnel Report describes YLE's personnel in more detail.

Technology

Investment projects worth a total of EUR 26 million were brought to completion. The most significant new units serving broadcasting operations were the digital broadcasting unit and the unit serving Channel Four Finland's broadcasting operations. The digitalisation of daily production was continued with the upgrading of YLE24's editorial system. A new outside broadcast vehicle was purchased for television production systems. The digitalisation of Ylen Ykkönen and radio's digital archive were the main projects in the Radio division. The functioning of the new digital editing and archiving systems was secured by means of information network investments.

Research and development

At the beginning of the year, the Radio and Television Institute changed from being a professional special institute

into a programme development department of the company. Programme development projects, programme testing and the production of new information for the company's decision-making were used to support YLE's strategies.

Audience research was integrated even more into the company's planning and development systems. The study of the audiences according to their phase of life is now part of the company's audience vision. Meters were drawn up for control of audience objectives at both company level and in each division. Audience research was also responsible for a study relating to the process of defining the company's internal values.

Turnover and revenue

Consolidated turnover came to EUR 381 million, a growth of 5.3% compared to the previous year. The growth of 8.7% in television fee revenue was due to the 11.3% rise in the television fee which entered into effect in July 2000. But the close of the year, 2,008,486 fees had been paid, an increase of 9,198 from the previous year.

The general decline in television advertising was reflected in operating licence fees, which settled at 8.8% less than the previous year's level.

Other turnover and other revenue were at the previous year's level. The turnover of the Digita subsidiary came to EUR 75.4 million, an increase of EUR 6.7 million (9.9%) compared to the previous year. Consolidated revenue totalled EUR 394.2 million.

Consolidated operating profit and expenditure

The Group's operating loss was EUR 108.6 million, or EUR 96.6 million more than in the previous year. The decline in the result was due mainly to a fall in operating licence fees, partly to a non-recurring rise in Pension Fund contributions and to reductions of fixed assets. Non-recurring items accounted for EUR 59.3 million of expenditure in 2001. The result for the comparison year of 2000 was enhanced by the dismantling of the YLE Pension Fund's special liability and by the high level of the Pension Fund's investment yields.

Pension costs in the financial period were exceptionally high. This was due to both a general decline in investment yields and in particular to a change in the way Division A is calculated, which meant that the index increases for 2002 were included in the liability for 2001. The non-recurring ef-

fect on the Group's pension costs caused by this and by the reduction to 3.5% of the interest on the basis of which Division A is calculated, implemented by means of a separate decision, came to EUR 26.8 million. The reduction in this interest rate will lower the growth in pension liability over the next twelve years by approx. EUR 1.7 million per annum. For the aforesaid reasons, the proportion of personnel costs was exceptionally high (60.0%). This was the case despite the fact that the parent company's actual salary costs were EUR 0.3 million lower than in the previous year.

Performance fees rose by EUR 12.3 million. This increase was due mainly to large sports events and dismantling of the inventory of performance rights.

The rise of EUR 8 million in other costs was affected by the changes to procedures and recording practice. Since the beginning of 2001, vehicles, work stations and mobile telephones have been acquired by means of leasing agreements. Own labour is no longer entered on the assets side, and small devices are entered as direct costs.

Consolidated depreciation and reduction in value came to EUR 83 million, an increase of EUR 30.8 million from the previous year. The figure includes non-recurring reductions of EUR 32.5 million relating to the introduction of new digital technology.

Extraordinary items

Consolidated extraordinary items include the profit of EUR 133.7 million on the sale of subsidiary shares.

Result for the financial year

The consolidated result for the financial year was EUR 23.3 million. The parent company's loss for the financial year came to EUR 4.4 million and the subsidiary Digita Oy's to EUR 0.02 million.

Investments

During the 2001 financial year, a total of EUR 42 million was invested in the Group's fixed assets, EUR 3.2 million less than in the previous year. These investments accounted for 11% of turnover.

Financing

The Group's financial position improved as a result of the sale of the Digita shares. The Group's liquid assets at the end of the year totalled EUR 156.1 million, an increase on EUR 81.1 million compared to the previous year.

Future prospects

Broadcasting is going through a phase of intense transformation. The fragmentation of audiences will accelerate, the number of channels increase and, as a consequence, the share of international programmes out of programme output as a whole will rise. This trend underlines the significance of public service broadcasting as a provider of domestic programmes and as a forum for nationally important topics.

Digital television broadcasting was launched in the course of 2001, and receivers according to the MHP standard will enter the market in middle of 2002.

Notwithstanding the launch of digital broadcasts, most radio listening and television viewing in the years to come will involve the use of basic channels broadcast in analogue format. In order to be able to manage its task in a way that is satisfactory to its audiences, YLE should continue to develop and analyse the output on its basic channels.

Developing in tandem with the basic channels are the supplementary services which use digital broadcasting technology and which are intended for more precisely defined target groups than was previously the case. The main emphasis in the development of these services is on the supply of information, development of educational, cultural and science contents and on improving basic services in Swedish.

The future structure of basic radio services is to be evaluated in an updating of the strategy for radio. This updating is necessary especially because, in the course of 2001, radio's operating environment altered considerably as a consequence of the 29 newly awarded commercial radio operating licences. The new radio channels will be targeting their output at ever more precisely defined target groups, and young adults in particular are quite difficult to reach with YLE's current channel structure.

DAB has not made any progress in radio, due to the poor availability of reception devices. As a consequence, the commercially financed channels have not started up their digital broadcasting operations.

The diversification of the structures of YLE programmes output calls for a thorough renewal of editorial procedures. This work was launched in the year under review by gathering the programme making expertise into editorial competence centres. As a departure from previous practice, these

serve all of YLE's channels across media boundaries. In the course of 2002, the programme control of YLE's operation will be developed in strategic planning in particular. This will mean that content objectives and the ways in which programmes are made available to their audiences, and also programme genre cost frameworks and the necessary expertise and production structure, will be defined according to programme area. In annual planning, programme objectives will be rendered specific to the medium and channel, and so the responsibilities borne by YLE's operative activity will continue to be specific to a medium and channel.

The development of YLE's technical resources and the management of technical processes will be ensured by means of a more uniform owner, investment and upkeep policy. Support and service operations are continuing to be slimmed down, and networking with other operators will go on.

YLE's operation is being developed in line with the financial strategy adopted by the Administrative Council.

This strategy comprises the creation of a more effective operation, reallocation of available resources, use of the revenue from the sale of Digita Oy's shares for the initial funding of new services, and also the unanimous proposal by the Backman Working Group on the prospects for raising the television fees starting in 2004.

As regards the safeguarding of YLE's finances, the main thing is for YLE's financial position to remain manageable in the coming years despite significant investments in the development of new services.

The company's Board of Directors

During the period, the company's Board of Directors has comprised Director General Mr Arne Wessberg (Chairman), Mr Pertti Huuskonen, Mr Seppo Härkönen since 1st June 2001, Mr Olli-Pekka Kallasvuo until 23rd May 2001. Mr Heikki Lehmusto until 5th November 2001, Ms Leenamajja Ojala, Ms Ann Sandelin, Mr Tapio Siikala until 31st May 2001 and, as personnel representative, Ms Eeva Vuortama.

For 2002, the Administrative Council appointed Mr Arne Wessberg, Mr Olli-Pekka Heinonen (from 1st February 2002), Mr Seppo Härkönen and Ms Ann Sandelin to the Board of Directors. Ms Eeva Vuortama is to continue as the personnel representative on the Board of Directors.

Profit and loss account

	Note	YLE Group 1.1.-31.12.2001 EUR 1 000	YLE Group 1.1.-31.12.2000 EUR 1 000	YLE 1.1.-31.12.2001 EUR 1 000	YLE 1.1.-31.12.2000 EUR 1 000
TURNOVER		380 972.1	361 798.7	350 949.6	332 163.5
Other business income		13 194.3	11 318.2	13 582.6	13 655.6
Share of affiliated companies' results		7.2	0.0	0.0	0.0
Materials and services	(1)	637.3	538.5	637.3	538.5
Personnel costs	(2)	252 059.4	185 569.5	231 718.0	171 834.2
Depreciations and reductions in value	(3)				
Planned depreciation		50 492.0	52 210.5	28 805.0	34 533.2
Reductions in value		32 536.3	0.0	32 536.3	0.0
Performance fees		79 365.4	67 051.3	79 365.4	67 051.3
Other business costs		87 693.9	79 718.6	115 529.0	103 804.4
OPERATING PROFIT/LOSS		-108 610.6	-11 971.5	-124 058.8	-31 942.5
Financial income and expenses	(4)	908.2	580.5	7 059.5	7 985.3
PROFIT/LOSS BEFORE EXTRAORDINARY ITEMS		-107 702.4	-11 391.0	-116 999.3	-23 957.2
Extraordinary items	(5)	133 759.7	0.0	112 617.1	0.0
PROFIT/LOSS BEFORE CLOSING ENTRIES		26 057.3	-11 391.0	-4 382.2	-23 957.2
Change in computed tax debt	(6)	-1 264.3	-840.7	0.0	0.0
Minority interest		-1 506.1	0.0	0.0	0.0
PROFIT/LOSS FOR FINANCIAL YEAR		23 287.0	-12 231.7	-4 382.2	-23 957.2

Balance sheet

	Note	YLE Group 1.1.-31.12.2001 EUR 1 000	YLE Group 1.1.-31.12.2000 EUR 1 000	YLE 1.1.-31.12.2001 EUR 1 000	YLE 1.1.-31.12.2000 EUR 1 000
ASSETS					
FIXED ASSETS					
Intangible assets	(7)	8 031.2	12 290.9	6 097.5	11 070.5
Tangible assets	(8)	287 856.2	304 859.6	168 036.1	200 792.1
Investments	(9)				
Holdings in group		0.0	0.0	25 732.8	50 456.4
Holdings in affiliated companies		200,1	3,4	192,8	
Other stocks and shares		1 599.6	1 587.2	1 574.2	1 577.6
FIXED ASSETS TOTAL		297 687.1	318 741.1	201 633.4	263 896.6
CURRENT ASSETS					
Current assets	(10)	524.6	548.1	524.6	548.1
Long-term receivables	(11)	175.0	0.0	120 948.3	120 773.3
Short-term receivables	(12)	67 708.3	67 751.8	66 267.6	66 191.3
Liquid assets securities	(13)	150 309.7	73 505.5	150 309.7	73 505.5
Cash at bank and in hand		5 846.2	1 570.2	5 846.2	1 570.2
CURRENT ASSETS SUM TOTAL		224 563.8	143 375.6	343 896.4	262 588.4
ASSETS SUM TOTAL		522 250.9	462 116.7	545 529.8	526 485.0
LIABILITIES					
SHAREHOLDERS' EQUITY (14)					
Share capital		8 000.0	7 878.0	8 000.0	7 878.0
Reserve fund		9 974.9	10 096.9	9 974.9	10 096.9
Other funds		12 747.7	12 747.7	12 747.7	12 747.7
New building fund					
Contingency fund					
Retained earnings		215 243.6	227 475.2	258 391.7	282 348.9
Profit/loss for the financial year		23 287.0	-12 231.7	-4 382.1	-23 957.2
CAPITAL AND RESERVES SUM TOTAL		269 253.2	245 966.1	284 732.2	289 114.3
MINORITY INTEREST		27 252.4	0.0	0.0	0.0
OBLIGATORY PROVISIONS (15)		8 095.3	7 253.1	8 095.3	7 253.1
CREDITORS					
Computed tax debt		2 123.6	859.3	0.0	0.0
Non-current liabilities	(16)	71 984.4	71 984.4	71 984.4	71 984.4
Current liabilities	(17)	143 542.0	136 053.7	180 717.9	158 133.2
CREDITORS SUM TOTAL		217 650.0	208 897.4	252 702.3	230 117.6
LIABILITIES SUM TOTAL		522 250.9	462 116.7	545 529.8	526 485.0

Source and application of funds

	YLE Group 1.1.-31.12.2001 EUR 1 000	YLE Group 1.1.-31.12.2000 EUR 1 000	YLE 1.1.-31.12.2001 EUR 1 000	YLE 1.1.-31.12.2000 EUR 1 000
Business cash flow				
Payments from sales	378 695.7	366 054.9	347 959.3	337 565.3
Payments from other business revenue	10 340.0	10 038.7	11 395.3	12 872.5
Payments of business costs	-407 145.7	-345 227.0	-417 004.0	-355 935.9
Business cash flow before financial items	-18 110.0	30 866.6	-57 649.4	-5 498.1
Interest paid	-3 314.2	-3 470.2	-5 039.6	-4 861.2
Interest from business operation	4 760.7	3 642.1	4 805.3	3 689.8
Cash flow before extraordinary items	1 446.6	171.9	-234.3	-1 171.4
Business cash flow (A)	-16 663.5	31 038.5	-57 883.7	-6 669.5
Investment cash flow				
Investments in tangible and intangible assets	-41 802.0	-44 975.5	-25 692.3	-35 401.4
Income from disposal of tangible and intangible assets	4 626.4	540.4	4 482.5	367.3
Other investments	-35 000.0	0.0	-35 000.0	0.0
Loans granted	-190.0	0.0	-190.0	0.0
Repayment of loans receivable	0.0	0.0	0.0	20 000.0
Subsidiary shares sold	137 340.7	0.0	137 340.7	0.0
Subsidiary shares purchased	-189.5	0.0	-189.5	0.0
Interest from investments	0.0	0.0	7 850.3	9 114.2
Dividend from investments	47.6	49.2	47.6	49.2
Investment cash flow (B)	64 833.3	-44 385.9	88 649.3	-5 870.8
Cash flow for financing				
Raising of short-term loans	0.0	0.0	17 404.2	0.0
Repayment of short-term loans	0.0	0.0	0.0	-807.1
Cash flow for financing (C)	0.0	0.0	17 404.2	-807.1
Change in cash flows (A+B+C) (increase (+))/decrease (-)	48 169.8	-13 347.4	48 169.8	-13 347.4
Liquid assets at beginning of period	71 712.0	85 059.4	71 712.0	85 059.4
Liquid assets at end of period	119 881.8	71 712.0	119 881.8	71 712.0

Notes to the financial statements

The principles of the financial statements

The consolidated financial statements

The consolidated financial statements comprise the parent company Yleisradio Oy and the subsidiary Digita Oy. 49% of the previously 100%-owned subsidiary was sold during the period. Two ownership joint ventures also entered the Group in the period.

The consolidated financial statements combine the Group companies' profit and loss accounts, balance sheets and notes. The Group companies' internal income and expenses, inter-Group receivables and debts, and margins, have been eliminated in the consolidation.

The minority interest has been separated from the consolidated shareholders' equity and entered as a separate item.

Mutual share ownership has been eliminated by means of the acquisition cost method. As Digita Oy is a subsidiary founded by Yleisradio Oy, no elimination difference has emerged.

The affiliated companies have been consolidated by means of the capital share method. The proportion according to the Group's ownership share of the affiliated companies' result for the period is shown under business income.

In the consolidated financial statements, the change in the computed tax debt from closing entries is entered in the profit and loss account. As the parent company Yleisradio is a corporation exempt from tax, the change in the computed tax debt is due to the subsidiary's depreciation difference. In the consolidated balance sheet, the accrual of closing entries is divided between the non-restricted shareholders' equity and computed tax debt.

Fixed assets and depreciation

The Balance Sheet value of the fixed assets is the original acquisition price minus the planned cumulative depreciation. The depreciation of fixed assets according to the current plan has been calculated on the basis of the estimated economic life as straight-line depreciation from the original acquisition price. The depreciation periods according to plan are as follows:

Intangible assets	5 – 10 years
Other non-current expenses	5 – 10 years
Buildings and structures	10 – 40 years
Machinery and equipment	3 – 15 years
Other tangible assets	10 years

Expenses which accrue income over three or more years have been credited as non-current expenses and will be depreciated over 5-10 years.

Financial securities

Financial securities are valued at the original acquisition cost or lower market value.

Turnover

The consolidated turnover comprises the income from the actual operation, which consists of television and operating licence fees, income from the distribution operation, and income obtained from the sale of current assets, programme performance rights and programme time. The income is entered in accordance with the accrual principle of the financial statements.

Other business revenue

Profits from the sale of fixed assets and regular revenue relating to other than the actual operation are entered as the Group's other business revenue.

Pension arrangements

The pension cover of the Group's personnel has been arranged through YLE's Pension Fund. The Fund is a joint pension fund which applies an equalising system, and which includes both the parent company and the subsidiary. The contributions paid by the employers to the Fund are defined in proportion to the salaries paid out by the employers. The pension liability of YLE's Pension Fund is covered in full. Supplementary pension cover has been approved for some of the parent company's directors at the company's own expense. YLE has pension liability for the supplementary pension cover. The change in liability is entered under the result and is presented in the Balance Sheet among the obligatory provisions.

Performance fees

The performance fees for programmes acquired from outside producers are generally entered as expenditure for the financial year when the programme is shown. Advances paid for performance rights before the year of showing are posted in the balance sheet under current assets. The costs of performance rights for programmes shown during the financial year are included among the performance fees in the profit and loss account.

Items denominated in foreign currency

The receivables and debts outside the Euro area denominated in foreign currency in the Balance Sheet at the closing of the accounts have been converted into Euros at the average rates published on the date when the accounts were closed.

Notes to the profit and loss account (EUR 1000)

1. Materials and services	YLE Group	YLE Group	YLE	YLE
	2001	2000	2001	2000
Materials, equipment and goods				
Purchases during financial year	613.7	584.2	613.7	584.2
Increase/decrease in inventories	23.6	- 45.7	23.6	- 45.7
Total	637.3	538.5	637.3	538.5

2. Personnel costs

Wages and salaries	172 810.5	167 618.3	159 300.0	155 122.1
Pension costs	67 315.1	5 379.4	61 673.4	5 251.1
Other personnel costs	11 933.7	12 571.8	10 744.6	11 461.1
Total	252 059.4	185 569.5	231 718.0	171 834.3

The pension costs in the 2001 financial statements are exceptionally high. The growth is due to a one-off reduction, paid during the year, in the interest on which the calculation of Division A is based, and to a change in the bases of the calculation. In addition, the Pension Fund's contributions in the previous year were exceptionally low due in part to the discontinuation of the Pension Fund's special liability.

MANAGEMENT SALARIES AND FEES

	YLE Group	YLE Group
	2001	2000
Managing Directors	304.1	280.4
Board of Directors	37.9	44.1
Administrative Council	71.9	70.4
Total	413.9	394.9

NUMBER OF MONTHLY PAID EMPLOYEES IN MAN-YEARS

Radio	1 124	1 136	1 124	1 136
Television	1 776	1 808	1 776	1 808
Swedish-language Radio & TV	504	482	504	482
Other departments	720	784	720	784
Digita	387	385	0	0
Total	4 511	4 595	4 124	4 210

THE PENSION COMMITMENTS OF MANAGEMENT

One member of the parent company's Board of Directors will receive a full pension after three five-year terms.

3. Depreciation and reductions in value

PLANNED DEPRECIATION

Other non-current costs	2 266.7	2 648.9	1 950.1	2 439.7
Buildings and structures	11 503.8	12 148.1	7 014.7	7 978.8
Machinery and equipment	36 716.1	37 413.5	19 834.8	24 114.7
Other tangible assets	5.4	0.0	5.4	0.0
Total	50 492.0	52 210.5	28 805.0	34 533.2

REDUCTIONS IN VALUE	32 536.3	0.0	32 536.3	0.0
Total depreciation and reductions in value	83 028.3	52 210.5	61 341.3	34 533.2

The non-recurring reductions in value implemented during the year relate to the introduction of digital technology.

4. Financial income and expenses	YLE Group 2001	YLE Group 2000	YLE 2001	YLE 2000
DIVIDENDS				
Other	47.6	49.2	47.6	49.2
OTHER INTEREST AND FINANCIAL INCOME				
Group companies	0.0	0.0	7 850.3	9 114.2
Other	6 264.4	3 797.7	6 261.3	3 796.1
Total other interest and financial income	6 264.4	3 797.7	14 111.6	12 910.3
Total financial income	6 312.0	3 846.9	14 159.2	12 959.5
WRITE-OFFS OF INVESTMENTS				
Write-offs of financial securities	- 2 250.3	43.2	-2 250.3	43.2
INTEREST AND OTHER FINANCIAL EXPENDITURE				
Group companies	0.0	0.0	-1 697.3	- 1 710.4
Other	- 3 153.5	- 3 309.6	-3 152.1	-3 307.0
Total interest and other financial expenditure	- 3 153.5	- 3 309.6	-4 849.4	- 5 017.4
Total financial income and expenditure	908.2	580.5	7 059.5	7 985.3

5. Extraordinary items

The extraordinary items included the profit from the sale of the subsidiary shares. The consolidated financial statements also include the entry as income of the internal margin relating to the sale.

6. Change in computed tax debt

The computed tax debt has emerged from the depreciation difference of the subsidiary.

Notes to the balance sheet (EUR 1000)

7. Intangible assets

Acquisition cost 1 st Jan	27 078.1	20 559.0	22 391.2	16 397.3
Increases	2 166.1	6 645.4	1 133.2	6 088.3
Decreases	- 7 243.9	- 126.4	- 7 243.9	- 94.4
Acquisition cost 31 st Dec	22 000.3	27 078.1	16 280.5	22 391.2
Accrued depreciation				
Accrued depreciation 1 st Jan	14 787.2	12 264.3	11 320.7	8 975.4
Accrued depreciation of decreases and transfers	- 7 241.1	- 126.0	- 7 243.9	- 94.4
Depreciation and write-offs for the financial year	6 422.9	2 648.9	6 106.2	2 439.7
Accrued depreciation 31 st Dec	13 969.0	14 787.2	10 183.0	11 320.7
Bookkeeping value 31st Dec	8 031.2	12 290.9	6 097.5	11 070.5

8. Tangible assets

LAND

Acquisition cost 1 st Jan	2 306.2	2 247.3	504.1	445.2
Increases	500.7	58.9	0.0	58.9
Decreases	- 14.0	0.0	0.0	0.0
Acquisition cost 31 st Dec	2 792.9	2 306.2	504.1	504.1
Bookkeeping value 31st Dec	2 792.9	2 306.2	504.1	504.1

	YLE Group 2001	YLE Group 2000	YLE 2001	YLE 2000
BUILDINGS AND STRUCTURES				
Acquisition cost 1 st Jan	301 474.4	293 739.1	208 763.6	202 840.7
Increases	9 786.6	7 738.9	4 028.5	5 926.6
Decreases	- 17 564.7	- 3.6	- 17 431.6	- 3.6
Acquisition cost 31 st Dec	293 696.3	301 474.4	195 360.5	208 763.6
Accrued depreciation 1 st Jan	137 990.6	125 832.1	91 398.6	83 423.4
Accrued depreciation of decreases and transfers-	17 466.1	10.4	- 17 431.6	- 3.6
Depreciation and write-offs for financial year	25 112.3	12 148.1	20 623.2	7 978.8
Accrued depreciation 31 st Dec	145 636.8	137 990.6	94 590.2	91 398.6
Bookkeeping value 31 st Dec	148 059.5	163 483.8	100 770.3	117 365.0
MACHINERY AND EQUIPMENT				
Acquisition cost 1 st Jan	517 581.1	497 015.1	296 416.3	282 653.2
Increases	52 756.3	35 191.2	20 547.0	24 902.2
Decreases	- 61 012.3	- 14 625.2	- 60 787.3	- 11 139.1
Acquisition cost 31 st Dec	509 325.2	517 581.1	256 176.0	296 416.3
Accrued depreciation 1 st Jan	386 758.5	363 342.3	219 825.4	206 730.7
Accrued depreciation of decreases and transfers -	58 869.2	- 13 997.3	- 58 707.2	- 11 019.9
Depreciation and write-offs for financial year	51 487.7	37 413.5	34 606.4	24 114.7
Accrued depreciation 31 st Dec	379 377.0	386 758.5	195 724.6	219 825.4
Bookkeeping value 31 st Dec	129 948.1	130 822.6	60 451.4	76 590.9
OTHER TANGIBLE ASSETS				
Acquisition cost 1 st Jan	735.5	735.1	215.0	214.6
Increases	167.2	0.4	167.2	0.4
Decreases	- 0.6	0.0	- 0.6	0.0
Acquisition cost 31 st Dec	902.1	735.5	381.5	215.0
Accrued depreciation 1 st Jan	549.1	549.1	29.5	29.5
Accrued depreciation of decreases and transfers -	0.6	0.0	- 0.6	0.0
Depreciation and write-offs for financial year	5.5	0.0	5.5	0.0
Accrued depreciation 31 st Dec	554.0	549.1	34.4	29.5
Bookkeeping value 31 st Dec	348.1	186.4	347.1	185.4
ADVANCE PAYMENTS AND CONSTRUCTION IN PROGRESS				
Acquisition cost 1 st Jan	8 060.7	12 466.7	6 146.7	7 721.6
Decreases	- 1 353.2	- 4 406.0	- 183.5	- 1 574.9
Acquisition cost 31 st Dec	6 707.5	8 060.7	5 963.2	6 146.7
9. Investments				
Stocks				
GROUP COMPANIES				
Acquisition cost 1 st Jan	0.0	0.0	50 456.4	50 456.4
Decreases	0.0	0.0	- 24 723.6	0.0
Acquisition cost 31 st Dec	0.0	0.0	25 732.8	50 456.4
Bookkeeping value 31 st Dec	0.0	0.0	25 732.8	50 456.4

49% of the subsidiary Digita was sold to the French company Télédiffusion de France S.A. (TDF). In accordance with the terms of the contract, YLE is entitled to sell the rest of the shares which it owns in one or several batches and TDF undertakes to buy them.

	YLE Group 2001	YLE Group 2000	YLE 2001	YLE 2000
Stocks				
AFFILIATED COMPANIES				
Acquisition cost 1 st Jan	3.4	3.4	3.4	3.4
Increases	196.7	0.0	189.5	0.0
Acquisition cost 31 st Dec	200.1	3.4	192.9	3.4
Bookkeeping value 31 st Dec	200.1	3.4	192.9	3.4

OTHERS

Acquisition cost 1 st Jan	1 587.2	1 587.2	1 574.2	1 574.2
Increases	13.7	0.0	0.0	0.0
Acquisition cost 31 st Dec	- 1.3	0.0	0.0	0.0
Bookkeeping value 31 st Dec	1 599.6	1 587.2	1 574.2	1 574.2

GROUP COMPANIES	Group's ownership share %	Parent company's ownership share %
Digita Oy, Helsinki	51%	51%
AFFILIATED COMPANIES		
Radio- ja tv-tekniikan tutkimus Oy, Helsinki	20%	20%
Platco Oy, Helsinki	33.3%	33.3%
Nordmagi A/S	25%	25%

10. Current assets

YLE Group's current assets are goods intended for sale, such as PR products, programme recordings and educational publications.

	YLE Group 2001	YLE Group 2000	YLE 2001	YLE 2000
11. Non-current receivables				
Group companies				
Loan receivables	0.0	0.0	120 773.3	120 773.3
Other non-current receivables				
Lainasaamiset	175.0	0.0	175.0	0.0
12. Current receivables				
Advance payments	38 005.0	37 037.9	38 005.0	37 037.9
Receivables from the State				
Television and Radio Fund	12 628.3	10 275.4	12 628.3	10 275.4
Trade receivables	3 518.4	3 710.0	2 836.5	2 314.1
Receivables from group companies				
Trade receivables	0.0	0.0	37.1	1 383.5
Transition items	0.0	0.0	12.2	0.0
Total	0.0	0.0	49.3	1 383.5
Other receivables	2 552.2	555.8	2 547.1	546.1
Transition items	11 004.4	16 172.8	10 201.4	14 634.4
Total receivables	67 708.3	67 751.8	66 267.6	66 191.3

The advances are the performance right fees for programmes that have not been shown.

Transition items included the refund of the Pension Fund advance payments.

13. Financial securities

The financial securities comprise bonds which are the object of public trading, investment and municipal certificates, and fund investments.

	YLE Group 2001	YLE Group 2000	YLE 2001	YLE 2000
Replacement price	151 250.9	73 794.9	151 250.9	73 794.9
Bookkeeping value	150 309.7	73 505.5	150 309.7	73 505.5
Difference	941.2	289.4	941.2	289.4

14. Shareholders' equity

CHANGES

Share capital 1 st Jan	7 878.0	7 878.0	7 878.0	7 878.0
Increase in share capital	122.0	0.0	122.0	0.0
Share capital 31 st Dec	8 000.0	7 878.0	8 000.0	7 878.0

Reserve fund 1 st Jan	10 096.9	10 096.9	10 096.9	10 096.9
Transfer to share capital	- 122.0	0.0	- 122.0	0.0
Reserve fund 31 st Dec	9 974.9	10 096.9	9 974.9	10 096.9

Retained earnings 1 st Jan	215 243.5	227 475.2	258 391.7	282 348.9
Profit/loss for financial year	23 287.0	-12 231.7	- 4 382.2	- 23 957.2
Profit 31 st Dec	238 530.5	215 243.5	254 009.5	258 391.7

CALCULATION OF ASSETS DISTRIBUTABLE AS DIVIDEND PER 31ST DECEMBER

Non-restricted funds	12 747.7	12 747.7	12 747.7	12 747.7
Retained earnings	215 243.6	227 475.2	258 391.7	282 348.9
Profit/loss for financial year	23 287.0	- 12 231.7	- 4 382.2	- 23 957.2
- Share transferred from depreciation				
difference to shareholders' equity	- 2 651.5	- 2 103.8	0.0	0.0
Total	248 626.8	225 887.5	266 757.3	271 139.5

15. Obligatory provisions

Contractual pensions	8 095.3	7 253.1	8 095.3	7 253.1
Change in obligatory provisions				
in profit and loss account	842.2	8.0	842.2	8.0

16. Non-current liabilities

Pension Fund loan	71 984.4	71 984.4	71 984.4	71 984.4
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The Pension Fund loan will fall due for payment in over five years' time

17. Current liabilities

Trade payables	11 856.1	13 390.7	10 365.1	11 031.1
Debts to group companies				
Trade payables	0.0	0.0	190.9	1 524.7
Other debts	0.0	0.0	45 859.6	28 455.3
Accrued liabilities	0.0	0.0	258.7	274.2
Total	0.0	0.0	46 309.2	30 254.2
Other debts	14 054.5	9 267.8	11 707.2	7 179.7

	YLE Group 2001	YLE Group 2000	YLE 2001	YLE 2000
Accrued liabilities	117 631.4	113 395.1	112 336.4	109 668.2
Total current liabilities	143 542.0	136 053.7	180 717.9	158 133.1
ACCRUED LIABILITIES				
Periodised part of television fees	70 617.6	71 255.0	70 617.6	71 255.0
Periodisations of personnel costs	34 607.1	33 932.8	31 346.0	30 986.1
Other accrued liabilities	12 406.7	8 207.4	10 372.8	7 427.1
total	117 631.4	113 395.1	112 336.4	109 668.2

Securities and contingent liabilities

SECURITIES GIVEN ON OWN BEHALF

	YLE Group 2001	YLE Group 2000	YLE 2001	YLE 2000
Pledged securities	15 000	13 000	15 000	13 000
Pledges	5	5	0	0
Guarantees	237	219	219	219
Total	15 242	13 224	15 219	13 219

LEASING LIABILITIES

To be paid in next financial year	4 552	1 052	3 176	675
To be paid later	6 903	1 385	5 190	800
Total	11 455	2 437	8 366	1 475

DERIVATIVE AGREEMENTS

Forward contracts denominated in foreign currency

Current value	162	- 296	162	- 296
Contract or notional value	11 735	9 017	11 735	9 017

Board of Directors' recommendation for use of profit

The parent company's loss for the period is EUR 4 382 157.95 and unrestricted equity at the end of the period EUR 266 757 310.91. The consolidated unrestricted equity at the end of the period is EUR 251 278 285.15.

The Board of Directors recommends to the Annual General Meeting of shareholders that the parent company's loss for the period be transferred as a deduction on the profit account.

Helsinki, 26th February 2002

Arne Wessberg

Olli-Pekka Heinonen

Seppo Härkönen

Ann Sandelin

Eeva Vuortama

Auditors' report

To the shareholders of YLE

We have examined the bookkeeping, financial statements, the consolidated financial statements and administration of Yleisradio Oy for the 2001 financial year. The financial statements drawn up by the Board of Directors and the Director-General consist of the Board of Directors' Report, and the Group's and parent company's profit and loss account, balance sheet and notes to the financial statements. On the basis of the audit we have performed, we are issuing a statement on the financial statements and administration.

The audit was performed in accordance with good auditing practice. The bookkeeping and the principles, contents and methods of presentation of financial statements have thus been examined to a sufficient extent in order to determine that the financial statements do not contain fundamental errors or shortcomings. The administration has been examined in order to determine the legality of the work of the members of the Administrative Council and of the Board of Directors and of the Director-General on the basis of the Companies Act and of the Act on Yleisradio Oy.

The financial statements have been drawn up in accordance with the Bookkeeping Act and with other rules and regulations on the drawing up of financial statements. The financial statements provide, in the manner intended in the Bookkeeping Act, correct and adequate information on the result of the company's operations and its economic position.

The financial statements and the consolidated financial statements can be adopted and the members of the parent company's Administrative Council, Board of Directors and Director-General can be released from liability for the financial year we have examined. The Board of Directors' recommendation on the use of the profits is in conformity with the Companies Act.

Helsinki, 4th March 2002

Erkki Mäki-Ranta

Chartered Public Finance Auditor,

Chartered Accountant

Eero Suomela

Chartered Public Accountant

Jari Häkkinen

Authorized Public Accountant

Statement by the Administrative Council to the Annual General Meeting

At the meeting held today, the Administrative Council of Yleisradio Oy has examined the financial statements and auditors' report for the 2001 financial year.

The Administrative Council submits as its statement to the 2002 Annual General Meeting that the Profit and Loss Account and the Balance Sheet for the financial year from 1st January to 31st December 2001 be adopted and concurs with the Board of Directors' recommendation on the application on the profit.

Helsinki, 13th March 2002

Markku Laukkanen

Markku Vuorensola

Mika Lintilä

Margareta Pietikäinen

Jouni Backman

Claes Andersson

Martti Tiuri

Paula Kokkonen

Maria Kaisa Aula

Mirja Ryyänen

Markku Markkula

Velipekka Nummikoski

Annika Lapintie

Kalevi Olin

Irina Krohn

Jyri Häkämies



Hallintoneuvoston kokous 28.11. 2001.

YLE Administrative Bodies

Administrative Council

Mr **Markku Laukkanen**, MP (Centre Party), Chairman
 Mr **Jouni Backman**, MP (Social Democratic Party), Deputy Chairman
 Mr **Claes Andersson**, Psychiatrist (Left Alliance)
 Ms **Maria Kaisa Aula**, MP (Centre Party)
 Mr **Jyri Häkämies**, MP (National Coalition Party)
 Ms **Liisa Jaakonsaari**, MP (Social Democratic Party)
 Mr **Reijo Kallio**, MP (Social Democratic Party)
 Mr **Toimi Kankaanniemi**, MP (Finnish Christian League)
 Ms **Paula Kokkonen**, MP (National Coalition Party)
 Ms **Irina Krohn**, MP (Green League)
 Ms **Annika Lapintie**, MP (Left Alliance)
 Mr **Mika Lintilä**, MP (Centre Party)
 Mr **Markku Markkula**, MP (National Coalition Party)
 Mr **Seppo Niemelä**, M.A. (Centre Party)
 Mr **Velipekka Nummikoski**, M.Sc. (Pol.) (National Coalition Party)
 Mr **Kalevi Olin**, MP (Social Democratic Party)
 Ms **Margareta Pietikäinen**, MP (Swedish People's Party)
 Ms **Mirja Ryyänen**, MP (Centre Party)
 Mr **Martti Tiuri**, MP (National Coalition Party)
 Ms **Pia Viitanen**, MP (Social Democratic Party)
 Mr **Markku Vuorensola**, Consultant (Centre Party)

Personnel representatives:

Mr **Timo-Erkki Heino**, Journalist
 Mr **Juhani Mäkelä**, Shop Steward
 Secretary to the Administrative Council and the Board of Directors:
 Ms **Kirsi-Marja Okkonen**, Head of Legal Affairs

Auditors

Mr **Eero Suomela**, Chartered Public Accountant
 Mr **Erkki Mäki-Ranta**, Chartered Public Finance Auditor, Chartered Accountant
 Authorized Public Accountants SVH Pricewaterhouse Coopers Oy, responsible Mr **Jari Häkkinen**, APA

Board of Directors

Mr **Arne Wessberg**, Director General, Chairman
 Mr **Pertti Huuskonen**, President and CEO Technopolis

Oulu Plc, until 31.12.2001

Mr **Olli-Pekka Kallasvuo**, Director, Nokia, until 23.5.2001

Mr **Heikki Lehmusto**, Director of Television, until 5.11.2001

Mr **Olli-Pekka Heinonen**, Director of Television, from 1.2.2002

Ms **Leenamajja Ojala**, Professor, Pro Competence Oy, until 31.12.2001

Ms **Ann Sandelin**, Director of Swedish-language Radio and Television

Mr **Tapio Siikala**, Director of Radio, Deputy Director General, until 31.5.2001

Mr **Seppo Härkönen**, Director of Radio, Deputy Director General, from 1.6.2001

Ms **Eeva Vuortama**, Personnel Representative

Central Management

Mr **Jussi Tunturi**, Director of Corporate Affairs

Ms **Marja-Riitta Kaivonen**, Director of Corporate Finance

Mr **Jorma Laiho**, Director of Corporate Technology, from 1.2.2001

Other Management

Ms **Astrid Gartz**, Director of Programmes TV1, until 31.1.2002

Mr **Ismo Silvo**, Director of Programmes YLE Teema and TV1, from 1.2.2002

Mr **Jyrki Pakarinen**, Director of Programmes TV2, until 31.12.2001; Director at the Central Management from 1.1.2002

Ms **Päivi Kärkkäinen**, Director of Programmes TV2, from 1.1.2002

Mr **Ari Järvinen**, Director of Programmes YLE 24, TV News and Current Affairs

Mr **Heikki Seppälä**, Director of TV Programming, acting Director of Television from 6.11.2001 to 31.1.2002

Mr **Jorma Hatakko**, Director of TV Production services

Mr **Olli Alho**, Director of Programmes Radio Ylen Ykkönen

Mr **Jukka Haarma**, Director of Programmes Radiomafia

Mr **Reijo Perälä**, Director of Programmes Radio Suomi

Mr **Jaakko Heino**, Director of Radio News

Mr **Heikki Peltonen**, Director of Radio New Services

Ms **Annika Nyberg Frankenhaeuser**, Director of Programmes FSR



Mr **Leif Jakobsson**, Director of Programmes FST, until 31.12.2001

Ms **Gunilla Ohls**, Director of Programmes FST, from 1.4.2002

Administrative organs

Yleisradio Oy's administrative organs are, in accordance with the Act on Yleisradio Oy, the Administrative Council, Board of Directors, and the Director General, who acts as the Managing Director.

The Administrative Council

YLE's supreme decision-making organ is the 21-member Administrative Council.

The Members to the Administrative Council are elected by Parliament during the first session of its term.

The members of the Administrative Council are to comprise people familiar with science, art, educational work and business and economic life, and who represent different social and language groups. In addition to the members appointed by Parliament, the company's personnel are entitled to appoint two representatives to the Administrative Council, who have the right to be present and the right to speak.

It is the task of the Administrative Council, inter alia, to

- appoint the members of the Board of Directors and the Managing Director;
- appoint the Programme Directors as proposed by the Managing Director;
- make decisions on matters relating to an appreciable reduction in, or expansion of, the operation or to a fundamental change to the company's organisation;
- ensure that the tasks according to the public service operation are carried out;
- approve the budget and the plan of action;
- grant authorisation for signing for the company;
- approve the Annual Report of the Board of Directors;
- monitor the administration of the company;
- convene the Annual General Meeting of shareholders and prepare its agenda.

The Administrative Council meets approx. 7 to 8 times a year. At the meetings, matters relating to the company are presented by Managing Director.

Board of Directors

YLE's Board of Directors deals with the administration of the company and the proper arrangement of the operation.

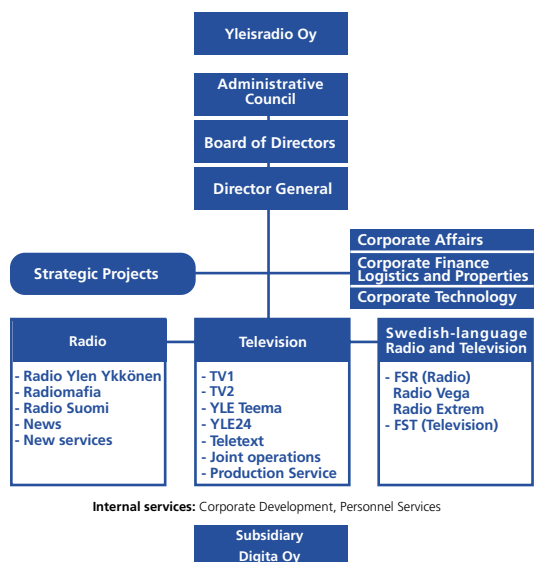
The Board of Directors comprises the Managing Director, his deputy and maximum of eight other permanent members. In addition to the members appointed by the Administrative Council, the company's personnel are entitled to appoint one permanent member to the Board of Directors.

It is the task of the Board of Directors, inter alia, to:

- prepare the basic strategic policies of the company and to monitor the way they are put into practice;
- prepare the proposals for decisions by the Administrative Council and ensure that they are put in practice;
- safeguard the financial position of the company;
- approve the personnel policies of the company;
- appoint the producers in charge of programmes as detailed in the Act on Broadcasting Responsibility.

The Board of Directors meets approx. 8-9 times a year. At the meetings, matters relating to the company are presented by the Managing Director.

The YLE Group





International Awards 2001

Arcipelago Film Festival, Rome

[Pizza Passionata](#)

Special Prize

Direction Kari Juusonen,

production Kinoproduction Oy and YLE TV1

Banff International TV Festival, Alberta

[Moonlight Soldiers](#)

First Prize

Direction Tomas Alfredson,

production SVT Drama and YLE FST

[Gold Rush](#)

Special Prize

Production YLE TV2 and FST, SVT, ZDF, DR, NRK, RTE, BRT

CNN World Report, Atlanta

[Sand Castle](#)

First Prize

Direction Mika Mäkeläinen, production YLE24

EBU Prix Genève-Europe, Geneva

[African Star](#)

TV Fiction Writing Bursary

Script Reidar Palmgren, YLE TV1

EBU Presentation 2001, Mainz

[Wonderful Man](#) (TV-spot)

Third Prize

Production YLE TV1

Green Vision Festival, St. Petersburg

[Tommy and the Wildcat](#)

First Prize

Direction Raimo O Niemi,

production Wildcat Production and YLE TV1

Imago 2001 Festival, Covilha

[Pizza Passionata](#)

First Prize

Direction Kari Juusonen,

production Kinoproduction Oy and YLE TV1

International Ecological,

Touristic and Industrial Film Festival, Roumania

[Wild Wild Canary](#)

First Prize

Direction Petteri Saario, production Tekstivirta Ky and YLE TV1

International Environmental Film Festival, Istanbul

[Seven Songs from the Tundra](#)

Special Prize

Direction Anastasia Lapsui and Markku Lehmuskallio,

production Jörn Donner Productions and YLE TV1

International Film Festival, Cannes

[Pizza Passionata](#)

Third Prize

Direction Kari Juusonen,

production Kinoproduction Oy and YLE TV1

International Film Festival for Children, Cairo

[Nattflykt](#)

The Golden Cairo Prize

Direction Klaus Härö,

production Claes Olsson and YLE FST

International Festival of Films on Art, Montréal

[Imagine the Work](#)

First Prize

Direction Tita Jänkälä,

production Illume Oy, Kiasma and YLE TV1

International Film Festival of Children and Youth, Sochi

[Tommy and the Wildcat](#)

Special Prize

Direction Raimo O Niemi,

production Wildcat Production and YLE TV1

International Rostrum of Composers, Paris

[Enchanted Garden](#)

First Prize

Composer Uljas Puulkis, production Ylen Ykkönen

Montreal International Festival
of New Cinema and New Media, Montreal

[The Diver](#)

First Prize

Direction PV Lehtinen, production CineParadiso and YLE TV1

Nombre d'Or Festival, Amsterdam

[Moonlight Soldiers](#)

Silver Rembrandt Prize

Direction Tomas Alfredson, production SVT Drama and YLE FST

Nordisk Panorama, Århus

[The Idle Ones](#)

First Prize

Direction Susanna Helke and Virpi Suutari,

production Kinotar Oy and YLE TV1

[Pizza Passionata](#)

Special Prize

Direction Kari Juusonen, production Kinoproduction Oy and YLE TV1

Nordic Documentary Prize

[Three Wishes](#)

Direction Klaus Härö, production FST

Prix Danube Festival, Bratislava

[Here, There and Everywhere](#)

Prix Danube Prize and Special Prize

Direction Hans-Ove Lundqvist et co., production YLE FST



Prix Italia, Bologna

[Rooms of Shadow and Light](#)

Prix Italia/TV cultural documentaries

Direction John Webster, production Millenium Film and YLE TV2

[Borderscapes](#)

Prix Italia/radio music programmes

Composer Veli-Matti Puumala, production Ylen Ykkönen

Pärnu Anthropological Film Festival

[Kusum](#)

First Prize

Direction Jouko Aaltonen, production Illume Oy and YLE TV1

Tampere Film Festival

[The Diver](#)

Grand Prix and Audience Prize

Direction PV Lehtinen, production CineParadiso and YLE TV1

Unicef

[Children's News and Extra](#)

Carol Bellamy Award

Production YLE TV1 and FST

U.S. International Film and Video Festival

[Journey Back To Youth](#)

First Prize

Direction Alexander Gutman, production Studio of Documentary

Film/Russia, Athos Film/Germany, Filmikonttori Oy and YLE TV1

Vilo Do Conde Short Film Festival, Portugal

[Ferry-Go-Round](#)

First Prize

Direction Alekski Salmenperä, production UIAH and YLE TV1

Wildlife Europe, Sundsvall

[The Village of Sleeping Beauty](#)

Special Prize

Direction Petteri Saario, production Taiga Films and YLE TV1

WorldFest, International Film Festival, Houston

[Journey Back To Youth](#)

Direction Alexander Gutman, production Studio of Documentary

Film /Russia, Athos Film/Germany, Filmikonttori Oy and YLE TV1

Ökimedia Festival, Freiburg

[Earth](#)

Award of City of Freiburg

Direction Veikko Aaltonen, production Alppiharjun Elokuva Oy,

ARTE, AVEK, FFF and YLE TV1



YLE

One Word. A Thousand Stories.

YLE

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Cover: Live Action Role Play was the background
to a recent drama series for young audiences.