

Done Solutions Oyj  
Annual Report  
**2002**





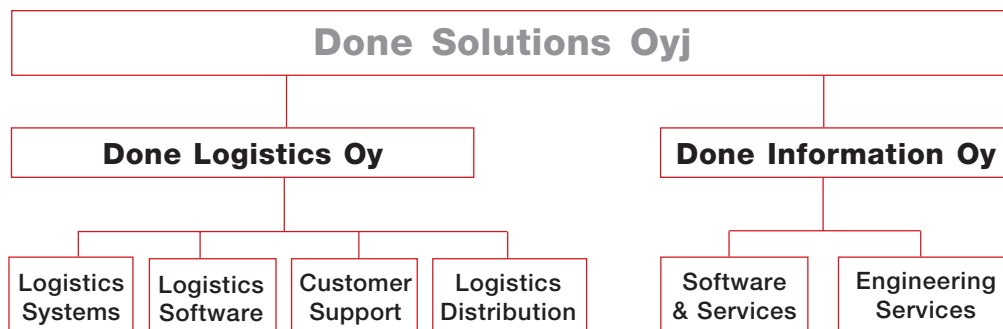
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## Organization, December 31, 2002

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## Done in a Nutshell

Done Solutions Corporation consists of two business areas: Done Information and Done Logistics.

Done Information provides solutions for technical information, ranging from planning and design to documentation and after-sales marketing. Done Logistics specializes in comprehensive logistics solutions based on materials handling automation, the supporting information systems and outsourcing services.

Done operates in selected industries in the Nordic countries, Central Europe and the USA. Done's typical customers are industry leaders with a strong international presence.

## Group key figures and ratios

EUR million	2002	2001
Net sales	32.0	60.8
Operating result	-5.0	0.4
Operating result, %	-15.7	0.7
Net result for the period	-7.7	-11.8
Net profit for the period, %	-24.1	-19.5
Gearing, %	-8.5	-0.6
Equity ratio, %	37.0	33.7
Personnel at year-end	247	392
Earning/share, EUR	-0.16	0.00
Equity/share, EUR	0.08	0.16
Return on investment, % (ROI)	-45.0	11.8
Return on equity, % (ROE)	-102.1	0.8

## 2002 in Brief

### Highlights

#### January

Done entered into joint discussions with its employees on a Group-wide basis, as required by the Act of Joint Discussions with Employees, aiming at cutting costs. The discussions finished in February.

#### January

The implementation of a large reel handling system in the United States.

#### February

Raimo Luoma was elected Chairman of the Board, and the Board simultaneously accepted Jukka Salminen's request to resign from Done's Board of Directors.

#### February

Kari Åkman took up his duties as President & CEO of the Group and Done Information Oyj.

#### April

The implementation of a major reel handling system in Europe.

#### April

Done discontinued to provide finance to its Swedish subsidiary Done Logistics AB. The company was adjudicated bankrupt.

#### April

Done's Board of Directors was completed with Pekka Pystynen as member of the Board.

#### April

Oyj Scanfrentz Ab ordered a WMS system.

## Done Values

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### Profitability

An awareness of both our personal and corporate goals greatly contributes to business profitability, which in turn is measured by the results we achieve.

We all aim to review our personal performance and that of our team and, on the basis of the Continuous Improvement principle, develop them on an ongoing basis.

### Customer Care

Done's guiding principle is customer care.

We aim to be open, honest and reliable in our relationships with our customers and partners. We also aim to establish fruitful and mutually beneficial cooperation with them.

### Respect for Individuals

Done treats people as individuals, whether they are staff, customers or partners. Respect for individuals is reflected in our service-mindedness, fairness, transparency, and acceptance of diversity.

We are worthy of trust. We all trust each other and can count on each other's support.

### Continuous Learning

Continuous learning involves investing in training and the acquisition of new applicable knowledge on an ongoing basis.

Every Done employee is responsible for his/her ability to create added value as an individual and team member. The company provides the opportunities but it is up to each individual to exploit them.

#### June

Done sold all shares of the Slovakian Novitech a.s. to Novitech Partner s.r.o. based in Slovakia.

#### June

Done implemented a private placement for shareholders.

#### November

Kari Åkman became Done Logistics' COO. Matti Roth joined the Group's Management Team.

#### June

Based on a tender procedure, Done won a long-term agreement with the European Parliament on translation services.

#### June

Several orders for packaging and reel handling systems to Europe.

#### December

The implementation of a reel handling system in Europe and a Done WMS system in Finland.



## A Challenging Year

For Done Solutions Corporation, 2002 marked a year of streamlining and restructuring its operations, involving analyzing operating processes, sharpening project management and focusing on business fundamentals. The fact that we discontinued all production abroad was the most visible change: we sold our software company in Slovakia and ran down our Swedish subsidiary specializing in materials-handling and automated high-rise warehouse technology.

### Through Transformation Towards Profitable Growth

**“Streamlining operations in 2002”** We also had to take measures to adjust our operations to the prevailing market situation, which, unfortunately, resulted in staff cuts in our Finnish companies. These measures have certainly been tough, somewhat denting our public image, but they were unavoidable to ensure our viability.

### Challenging Market Situation

Even though there still seems to be no clear signs of market recovery on the horizon, I am confident that this year we will be well positioned to focus on fulfilling our customers' requirements, developing our businesses and generating new ideas. We also adapted our cost structure to the current business operations, although we must continue to keep a tight rein on costs in the years to come, too. I am also confident that every Done employee is now better empowered than ever before to assume the responsibility for his/her personal goals and for achieving them.

### Two Diverse Business Units

Done Solutions Corporation consists of two business areas: Done Logistics, specializing in automated materials-handling solutions, and Done Information, providing technical information solutions. Although being diverse with mostly different customers, these two business areas share some synergies, but not to the extent that they depend on each other. Surely they have a lot in common, such as enterprise resource planning systems, project management



Kari Åkman was appointed President and CEO of Done Solutions Corporation and Done Information on February 1, 2002.

methods and IT platforms. While sharpening and streamlining our operations during 2003, we are determined to upgrade our product and service range on a Group-wide basis and refocus our strategy.

I would like to take the opportunity here to express my gratitude to both our customers and staff for the year 2002, and the results we achieved together in this challenging situation.

A handwritten signature in black ink, appearing to read 'Kari Åkman'. The signature is fluid and cursive, written over a white background.

Kari Åkman  
President & CEO

## Towards Profitable Growth

The year 2002 was not easy for Done Solutions Corporation and its staff. Early in the year, all business units were in the red, some of them quite heavily. The new CEO took charge in February, facing a tough challenge given by the Board of Directors: "Streamline, reorganize and turn around the company."

### Stabilized Finances

To strengthen the company's financial position, Done implemented a share issue in May, markedly stabilizing corporate finances. Done made concerted efforts to further develop its financial management, increase the efficiency of debt collection, slash costs and foster existing business relations. In spite of the difficult market situation and bad publicity, business profitability improved during the second half of the year and the cash flow from operations managed to turn positive. Also, the company was able to repay its loans to financial institutions without jeopardizing liquidity.

### Great Potential for Profitable Growth

Business opportunities for 2003 are markedly better than they were for 2002. During 2003, Done still has some costs to pay, related to the period of the company's expansion and transformation (2000–2001), but is not expecting any new surprises ahead, as it is quite well aware of its current debts and responsibilities. Its cost structure is now on a sound basis and the company is well managed, thus providing potential for business growth and profitability improvements, in spite of the still somewhat bleak market prospects. However, the fact that some of Done's businesses are not particularly sensitive to business fluctuations makes the situation somewhat easier, as these businesses generate a steady cash flow.

### More Promising 2003

We on Done's Board of Directors think that both the management and staff were excellent performers last year. The oft-quoted phrase "the staff is the company's key resource" also holds true at Done.



Raimo Luoma has been a member of Done Solutions Corporation's Board of Directors since October 22, 2001 and Chairman of the Board since February 13, 2002.

### **"Cost structure restored to a sound basis"**

Now we can respecify the brief we gave last year to the CEO as follows: "Turn around the company and take good care of employees." While last year's brief was a tough one to carry out, this is no easier. The fact is that only a profitable company can take care of its staff. However, we on the Board hope everyone at Done will be able to work in a more peaceful business environment, focusing on the content of the business.

A handwritten signature in black ink, appearing to read "Raimo Luoma".

*Raimo Luoma*

*Chairman of the Board of Directors*

## Key Issue: Flexibility

*Last year with its number of changes affecting Group personnel was a trial to all Done employees, requiring them to adapt to the necessary measures taken within our organization. Our values—profitability, customer care, respect for individuals and continuous learning—have served as our guidelines. Last year, our day-to-day human resources management placed employees' working ability and mental well being high on the agenda. Done's HR Manager, Eija Häyrinen, tells us what 2002 was like for her.*

### **What was the year 2002 like for the staff?**

*It was definitely a tough year. We were 392 at the beginning of the year, while the year ended with 247 staff, implying considerable cuts during the year. Part of the reduction was due to natural employee turnover, but unfortunately we were also forced to enter into joint discussions on personnel reductions. Last year, we completed several sessions of joint discussions, resulting in job losses and temporary dismissals.*

### **Please describe Done's HR policy.**

*Done's HR policy emphasizes appreciation of skills, trust and flexibility. We seek to guarantee everyone at Done as good working conditions as possible, paying attention to everyone's personal needs as far as possible. This means extremely flexible working hours, the possibility to telework in part or in full, to move from one location to another within Done, the possibility to work part-time, etc. We aim to be flexible both as regards working hours and forms of employment.*



Eija Häyrinen, HR Manager, says that Done is a flexible employer.

*To balance this kind of employee freedom, we do have very tough personal performance targets which everyone is expected to meet. Basically, you must produce results but you are quite free to choose in which way and when you do it.*

*We do emphasize, as we did last year, open and direct communication in our HR policy. We discussed everything, even unpleasant things, directly with the staff and provided them with information on topical issues as soon as possible. Since the beginning of the year, the CEO has adopted the practice of doing the rounds of Done's sites and offices providing quarterly financial info,*

*which the staff appreciates highly. Open and honest communication is the only way to avoid uncertainty and fear caused by changes. In my opinion, we took quite a step forward in this respect last year.*

***"Open and honest communication is the only way to avoid uncertainty and fear caused by changes"***



**What is Done like as an employer?**

Last year, we decided to join an employer organization, thus making both our subsidiaries become organized employers. I think this clearly indicates that we manage our employment issues in line with widely accepted guidelines and principles.

Collective agreements provide the minimum standards Done follows as regards various employment-related matters, but for many details we offer our staff benefits beyond those defined in collective agreements.

**"The guiding principle is that we can discuss everything and agree on everything."**

Done is an honest and fair employer committed to developing its staff. We reward competent employees and accept the diversity between people. The guiding principle is that we can discuss everything and agree on everything.

**How does Done promote on-the-job well being?**

Done places a particular emphasis on employee well being and vigor. It is vital for an expert organization to have fit employees because this is directly reflected in the employee's performance.

The Group supports physical exercise of its employees through joint exercise sessions, sports vouchers and sports days, as well as by providing the opportunity to participate in various sports competitions between other companies' staff, for instance in soccer and indoor bandy.

We provide occupational healthcare services on a very extensive basis and aim to focus on preventive healthcare in particular. Each Done site and office hold regular healthcare sessions at three-year intervals. In addition, a naprapath visits offices on a regular basis and a physiotherapist specialized in ergonomics inspects workstations and

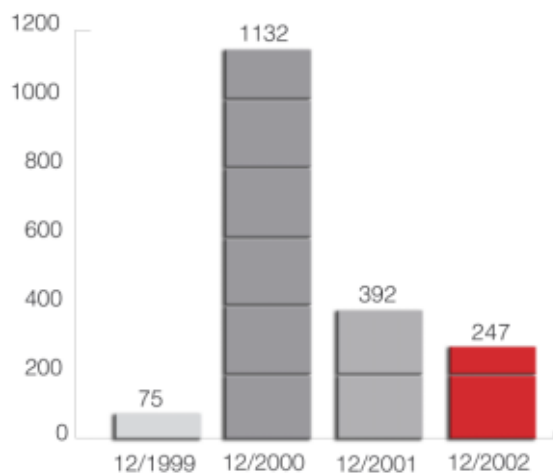
adjusts them, if necessary. The personnel is eager to try out various ergonomic tools which have proven helpful in alleviating the common ailments caused by working on computers all day.

Done can boast a very low number of sick leaves. This is partly due to our young age structure, but it also certainly reveals that our staff likes its work and is committed to it.

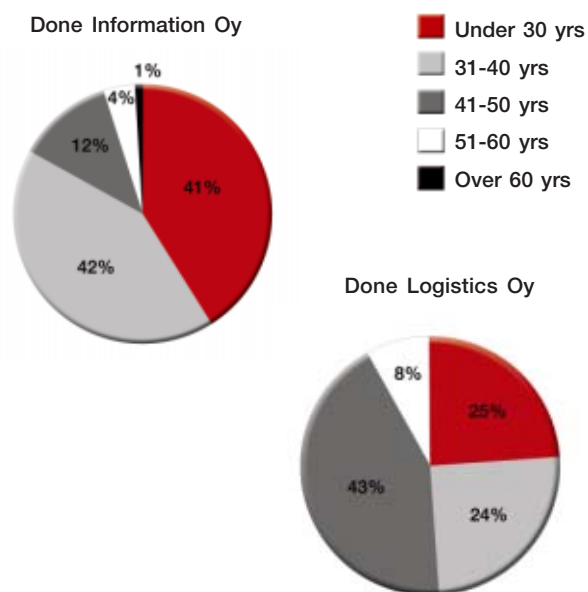
**What are the future challenges of HR management at Done?**

In my opinion, competence development and related skills management are the sectors in which Done needs to invest more and on a more systematic basis in the next few years. For instance, Done has not made sufficient use of the opportunities provided by job rotation within units or between units.

**Changes in Payroll 1999–2002**



**Done's staff by age, December 31, 2002**



The average employee age was 34 years at Done Information and 39 years at Done Logistics. Females accounted for 35 percent of Done Information's and 20 per cent of Done Logistics' personnel.

## Automated Materials Handling Systems for Manufacturing Industries

During 2002, Done Logistics took shape as an entity consisting of three business units, of which Systems and Software specialize in shared materials-handling projects for the paper, plastic and food industries, with implementations increasing in size and becoming more international. The Software unit has won a major position in the Nordic beverage industry as a provider of comprehensive Warehouse Management Systems (WMS), while the Distribution unit, through its effective control tools and operating concepts, provides intensified logistics services for trade and industry in Finland.

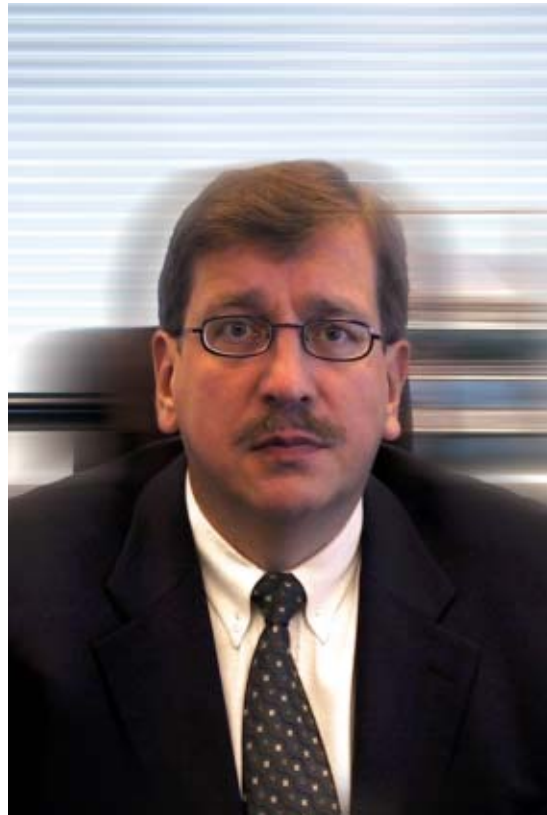
While materials-handling systems are becoming increasingly automated, requirements for their usability are becoming stricter. It is therefore necessary to place a greater emphasis on the development of after-sales services for domestic

**“We must focus on upgrading our core competencies”**

and international customers. To demonstrate our willingness to upgrade these services, we founded a separate Customer Support business unit at the end of 2002, designed to provide effective solutions ensuring high usability of the systems we deliver.

As a result of increasingly larger-scale and more international solutions implementations, we must establish ever-closer partnership networks with companies with expertise supplementing ours in some fields. According to the internationally networked business model, the Customer Support unit can provide its services more cost-effectively, thus enabling, par excellence, short response times, while the international partnership network serves as an excellent sales channel for our systems.

Our major future challenge is to learn to exploit these networks when both selling and implementing projects. All companies operating



Veijo Pekkala, COO of Done Logistics Oy, focused on establishing an international partnership network towards the end of 2002.

within the network must upgrade their own expertise and aim at higher cost-efficiency due to intensifying competition. The internationally networked business model requires, in addition to strong technological expertise, the ability to communicate effectively with partners from different cultures.

In pursuit of profitable business growth, we must focus on upgrading our core competencies and finding ways of integrating them with that of our partners. In this way, we can efficiently provide comprehensive logistics solutions for our existing customer industries.

## Distribution Provides Logistic Services for the Home Market

As a logistics services provider, the Distribution business unit focuses on the planning, control and management of its customers' transport and the related terminal and warehouse operations.

Distribution operates through three business sectors: domestic transport services, courier services and warehouse services. The most typical domestic transport services include the transport of construction and farming products from the production site to customers. We offer nationwide transport services, while our delivery courier services mainly consist of food deliveries in the province of Ostrobothnia in Western Finland. Our warehouse services are centered in logistics units based in Seinäjoki.

Major customers in 2002 included Kekkilä Oyj, Yhtyneet Sahat Oy, Saint-Gobain Isover Oy, Tuoretie Oy, Ruokakesko Oy, Inex Partners Oy, A-logistiikka Oy, the City of Seinäjoki, Atria Oyj and Oy Becker Acroma Ab.



Logistics Distribution, headed by Tuomo Rannila, provided companies with more efficient logistics through electronic data transmission.



Logistics Distribution – transport-related warehousing services.

### Highlights in 2002

Food delivery services are increasingly shifting towards electronic data transmission. Other customer sectors also came to realize how the adoption of direct electronic data transmission systems led to markedly more efficient operations, and that Done's comprehensive responsibility for operations worked extremely smoothly in practice.

**“Direct electronic data transmission led to markedly more efficient operations”**

Trunk transport of surface-handling substances and domestic deliveries were centered on a single operator, resulting in improved efficiency and more reliable deliveries.

A major customer outsourced more of its operations to Done, and in order to be able to ensure an ever-more comprehensive service package desired by the customer, we rented more storage space for frozen goods.



## Logistics Systems for Manufacturing Industries

Logistics Systems provides automated materials handling systems divided into three categories: order picking, palletizing and reel handling systems. In addition to post-production, inventory management and distribution management systems, the unit offers related usability and expert services.

**“Extending the partnership network will remain high on the agenda in the development of our operations during the next few years”**

In 2002, with the focus on exports (59 percent), net sales grew as planned. We implemented large-scale complete logistics systems not only in

Finland but also in Central Europe and the United States, the largest projects being implemented for Raflatac in the US and Great Britain, Avery Dennison in Germany, Lawson Mardon in Great Britain and the Poliglas Group in Italy and Spain. In Finland, the most significant system deliveries went to Hartwall, Sinebrychoff and Paulig.

Focusing on key customers has really paid dividends, as evidenced by the inflow of orders and smooth deliveries. Product development with our key customers is also an integral part of our service.



Logistics Systems, headed by Pekka Soini, exports around 60 percent of its production.

Major challenges for 2003 include developing further our operating models and continuing to put dedicated efforts into product development.

With the increasing size of projects and shorter delivery times, we have continued to extend our partnership network, which will remain high on the agenda in the development of our operations during the next few years.

Done Logistics Systems established a separate business unit for after-sales services, with the aim of better meeting customer needs in the development of services. The Customer Support unit is now responsible for providing after-sales services, such as maintenance, overhaul, on-call duty and usability services.



Logistics Systems – a robot palletizer ready for action.

## Competitive Advantage through Automated Materials Handling Systems

*Effective logistics systems contribute significantly to more efficient warehousing and materials handling processes. We asked Jarmo Kurikka, Engineering Manager, Automation, Done Logistics, to describe his work, i.e. the electrical wiring and automation design and implementation of effective materials handling systems.*

### **Who are you and what are your responsibilities at Done?**

*I am Jarmo Kurikka, Engineering Manager, Automation, Done Logistics Oy based in Kauhajoki, responsible for electrical wiring and automation design at Systems. Whenever possible, I also participate in the practical implementation of projects.*

### **What is Done Logistics Systems involved in?**

*Our unit produces automated materials handling systems for the food, beverage and paper industries. These systems include palletizing, reel handling and order-picking systems.*

### **Would you describe the professionals, and their job, working for the Automation unit you head?**

*My staff consists of automation designers and electrical draftsmen. Automation designers plan the electric wiring and automation of systems, test-run and introduce them and train the customer's personnel to use them.*

*They are skilled and experienced professionals with expertise and experience in various sectors of automation. They are used to major projects and challenging situations, well familiar with our systems and the businesses and special needs of customers.*

*We also continuously train young experts to join our team of professionals.*

### **Why do companies need automated materials handling systems?**

*They need them in order to enhance their operational efficiency and gain competitive advantage in the fiercely competitive market. On the other hand, they need the systems to concretely transfer heavy tasks from humans to machines and to manage their production, warehousing and dispatch operations better and on a real-time basis. In practice, our systems minimize order-picking errors, for instance.*

### **What are the requirements for a logistics system to operate effectively?**

*The system is created in seamless cooperation with the customer, for the customer's environment and situation. Our sales staff starts with the analysis of the customer's needs and systems, and Done's various design departments (machine, automation, system and IT system design) implement the system in cooperation with the customer on a turnkey delivery basis. At the implementation phase,*



Jarmo Kurikka, Engineering Manager, Automation

*we seek to accommodate our customer's needs for change and further development. This guarantees effective systems and customer satisfaction, coupled with on-call duty and maintenance services which guarantee systems usability for years to come.*

### **When do you feel a project has succeeded?**

*When the project is completed on schedule and the customer is satisfied with the comprehensive solution implemented, we know that it has been a success. Also, new innovative solutions created during a project are successes.*



Feed end within the Logistics Systems order-picking system.



## Information Systems Steer Company Logistics

The Logistics Software unit consists of two businesses: comprehensive system implementations performed together with the Systems unit, and control systems the unit implements directly for end-customers.

Net sales continued to grow as planned during the year, with exports accounting for approximately 40 percent.

### Major projects in 2002

Joint projects with the Systems unit:

- Hartwall
- Sinebrychoff
- Paulig

Major projects delivered by the Software unit directly to end-customers:

- Vin&Sprit Finland (former Scanfrentz)
- Spendrups Bryggeri, Sweden
- Hartwall

**“The systems we deliver are placed at critical points within our customers’ logistics chains.”** The systems we deliver are placed at critical points within our customers’ logistics chains, which requires outstanding usability.

Therefore, one of the unit’s key focuses was to devise a service package extending from systems implementation to comprehensive after-sales support



Logistics Software – Done WMS controls key warehouse processes.



At Logistics Software, headed by Ari Suominen, partnerships fostered larger-scale and more prompt deliveries.

functions. Such support functions included in service contracts lengthen the service life of systems delivered to customers and enhance their usability, enabling customers to focus on their core business.

Our focus on key customers proved fruitful, as we received orders from Group customers’ subsidiaries in various countries. Our long-term partnership fostered long-span operations in such a way that we were in a position to better accommodate customer-specific needs. This was reflected in the strong product development of the Done WMS-system’s customer-specific application.

The increasing size and more sophisticated nature of project implementations, coupled with shorter turnaround times, require not only highly skilled personnel but also a well-functioning and reliable network of partners. During the year, we specified our operating models with suppliers for which control systems plays a critical role, and made concerted efforts to develop our business on a partnership basis.

The year 2002 proved that well targeted, customer-driven and high-quality project operations provide the tools to satisfy customer needs. Challenges for 2003 include adapting to the tough market situation and upgrading operations within the unit.

### **Vin&Sprit controls its warehouse operations using the Done WMS warehouse management system**

V&S Finland Oy (former Oy Scanfrentz Ab) is a producer and importer of internationally known wines and liquors. As part of the international V&S Group, one of the world's best-known alcoholic beverage companies, the company markets a total of almost 300 Finnish and international branded products.

Four years ago, Done delivered its Done WMS warehouse management system to the parent company Vin&Sprit AB in Sweden. The system maximizes the entire delivery chain's efficiency by managing key processes from product reception all the way through to picking and dispatch. In addition to modern warehouse and dispatch operations, Done WMS can be extended to include additional customized features. The system's key features include warehouse management, goods reception, order processing, control of picking, and dispatch area management. Done WMS interfaces with our customers' own core IT systems.

#### **“Done WMS can be extended to include additional customized features”**

Cooperation with Done Logistics Oy has produced good results, and now this long-term common history has led to the delivery of a corresponding Done WMS system to the Finnish subsidiary V&S Finland Oy, which introduced the system towards the end of 2002. The system ensures faultless customer deliveries and flexible operations even during the seasonal fluctuations typical of the industry.

“The extremely fast adoption of the Done WMS system right before the Christmas rush ensured successful deliveries to our customers. More and more efficiency is required from dispatch and warehouse operations, and we are satisfied with our Done WMS warehouse management system and the advantages it entails,” says Pertti Salo, Managing Director of V&S Finland Oy.



Logistics Software – a forklift terminal and a reading wand.

## Done Information's Services And Solutions Support The Product throughout Its Lifecycle

In 2002, Done Information Oy reshaped itself into a service provider offering a wide variety of services to industry and public-sector organizations. Although the challenging market situation has made it more difficult to improve profitability, it has also opened up new opportunities. We provide product development and engineering/design services (Product Development Center and Engineering Projects), multilingual documentation services (Translation & Localization and Information Design) and software solutions for content management and after-sales marketing (Software). As we aim to integrate our services with all stages within our customers' processes and product life cycles, we will generate added value, paving the way for our business profitability.

Outsourcing has been the underlying trend in our customers' operations since the 1990s, aiming at enhancing efficiency. For a long time, their only goal, practically, has been to cut costs

fast and effectively. This goal, admittedly, still plays an important role, but the more highlighted fact is that we are a top-notch partner for the customer, capable of improving the operating processes by offering new methods, solutions and flexible resources.

### **“New methods, solutions and flexible resources”**

Certainly the most important successes of 2002 include the cases in which we shifted from a provider of a single service towards that of diversified package of services offered to customers by our various units. This means a real partnership with customers without the need for any ceremonious agreements.

Along with profitability targets, Done Information's most important goals for 2003 are innovation and the development of customer relationship management.



Elina Karjalainen is in charge of Done Information's Software and Services business unit.

## Multilingual Documentation – Growth Potential

The Services unit offers a wide range of multilingual documentation services, ranging from translations into over 50 languages (Translation & Localization) to the writing, visualization and maintenance of manuals (Information Design), with major customers including machine and equipment manufacturers and public-sector organizations. All in all, Services maintained a healthy profitability in 2002, showing an improvement over the previous year.

As one of the largest service providers within the translation sector in Finland, last year we focused on reinforcing our international partnership network and investments in translation technology. We widened our experience in outsourcing, as one of our major customers outsourced its translation unit to us. A long-term contract intensified our co-operation with the European Union.

### Translation Services in over 50 Languages

*Done Information Oy's Translation & Localization unit has been operating for more than ten years in the industry, translating into over 50 languages.*

*According to Outi Joseph, Business Unit Manager, the unit is engaged in a wide variety of assignments. "Our translations range from bulletins and releases to contracts and extensive manuals with hundreds of pages. We also localize software and revise texts prepared, for example, by our customers who expect the finishing touches put by a native language and communication expert," explains Ms Joseph.*

*One of our most important customers is the European Union, with our*

*cooperation dating back to 1995. Ms Joseph says the EU requires reliable translations of premium quality: "Quality assurance is the cornerstone of our operations, in which we invest on an ongoing basis. An international, expert partnership network plays a key role in our quality management, supporting our in-house team of translators."*

*"Our customer relationship with the EU puts us in the box seat to follow*

*the effects of European integration and the reforms it entails for Finland. This helps us to develop cooperation with other customers, for example concerning the translation of manuals to conform to EU rules and regulations or the EU's enlargement to Eastern Europe," concludes Ms Joseph.*

***"Quality assurance is the cornerstone of our operations"***

***"We can provide our customers with cost savings in the production of multilingual manuals"***

With the year-on-year doubling of the technical documentation's customer base, the unit consolidated its position in the market. Since our comprehensive structural documentation solution has given us a clear competitive advantage, we can provide our customers with cost savings in the production of multilingual manuals. The key challenges for 2003 include ever-closer customer relationships, concept elaboration and investments in employee skills.



The unit headed by Outi Joseph is one of the largest service providers within the translation business in Finland.



## Software Solutions – Turning Product Information into a Business

Done's Software unit provides software solutions for content management and service information systems. Its major project implementations in 2002 included a document portal for the chemical industry, an after-sales portal for central kitchens, and publishing systems for public administration.

Last year, software production emphasized project management skills, with the goal of enhancing quality and cost-efficiency. The unit's staff extended its expertise to cover new technological platforms and the unit adopted a component-based software architecture. Demand for software solutions fell

markedly, particularly towards the end of the year, due to postponement of investments, resulting in temporary dismissals and operating losses.

The current market and competitive situation demands efforts to improve our cost-efficiency, place a sharper focus on our core business and develop our product business in future. The growth and development of the software business also requires continual investments in R&D. Our key projects in 2003 included software solutions supporting the remote control of moving equipment and the development of a comprehensive content management tool.

### **Done Compiler provides the target group with the right information at the right time**

*A documentation system makes it significantly easier to find the right information from a large data mass. Kaisa Kostiainen is Product Manager of the Done Compiler documentation system which remarkably eases the maintenance and updating of various manuals and language versions and makes it possible to publish them in various media.*

*Ms Kostiainen has years of experience in developing documentation at large industrial companies. She also chairs XML Finland, an organization promoting the use of structured information. "Documentation, or the provision and maintenance of multilingual manuals, burden manufacturing companies with huge amounts of costs and work, a task which very few have the time to go into," says Ms Kostiainen.*

*Her own product, Done Compiler, remarkably eases the maintenance and updating of various manuals and language versions, enabling their publication in almost any media. Ms*

*Kostiainen says that documentation is an extremely challenging business: "You cannot sell anything to clients unless you prove that they can reap cost savings or find new business opportunities. Compiler enables you to produce manuals more effectively, while the same information can be easily distributed to diverse target groups, including training, maintenance men or end-users at various levels."*

*"It is very important for the maintenance man or the equipment user to find quickly the right information from a large data mass," continues Ms Kostiainen. "The Compiler ensures that the right information is conveyed to the right target group in the right format in the right language and at the right time. This results in de-*



Kaisa Kostiainen, Product Manager

*creasing workload involved in documentation, exploiting for instance training and maintenance instructions on a wider basis, decreasing the need for support, and improving the quality of manuals."*

***"Done Compiler remarkably eases the maintenance and updating of various manuals and language versions"***



### **Done Supplied a Portal to Hackman Metos**

Hackman Metos is one of Europe's largest manufacturers of professional kitchen equipment. The key to Metos's success is its commitment to long-term and comprehensive customer service. To exploit the new opportunities provided by information technology, Metos launched the NetMetos Portal project in 2002, with the objective of changing the company's operating model in such a way that Metos would form an integrated and networked value chain with its key customers and suppliers.

As an extranet application designed for Metos's customers, suppliers, sales and maintenance companies, NetMetos boosts communications between the parties concerned, saves costs in the production and maintenance of information, and provides new kinds of services. Done Information implemented the portal, which was connected to Metos's enterprise resource planning system. Picked up from Done's product family, the portal includes the product and spare part catalog and the applications of user and maintenance manuals.

"This portal enables us to link our partners to our own business chain. End-customers can examine the products of their kitchens or their

service history on the web and order products from us," says Reetta Ruusunen, Project Manager at Metos. "The sales and maintenance companies have access to up-to-date service manuals through NetMetos. They will also see further information on Metos's kitchen concepts, both current and future ones, and they can acquaint themselves with them using the system. Suppliers, on the other hand, have access to our purchase order system through NetMetos."

"For us it is a matter of honor to remain on the cutting edge in customer service, too. Done has been an important partner in offering us IT tools, enabling us to develop our services to satisfy the changing needs of customers," adds Ms Ruusunen.

**"Picked up from Done's product family, the NetMetos portal includes the product and spare part catalog and the applications of user and maintenance manuals"**



Hackman Metos, a manufacturer of professional kitchen equipment, connects its partners to its own business chain through the portal.

## Technical Expertise is Always Needed

The core business of Engineering Services consists of product development, industrial design and expert technical design services for various industries. Last year, design services were hit by lowering demand due to the postponement of industrial investments and the reduction in production volumes. We continued to upgrade the unit's services and adapted our operations to the fluctuating demand.

The unit established new customer relationships in all sectors and implemented projects for both domestic and foreign customers. Long-term customer relationships based on annual contracts proceeded on the basis of our customer companies' own business operations.

Our product development services in particular contributed to our broader customer base. Our operating model that integrates the services of industrial design and product development into an advanced whole has proven successful, i.e. our customers benefit from the ever-more rapid process of launching their products onto the market. Technical design services have consolidated their position on the top of the field, with a more advanced service idea due for launch in 2003.

**“Our operating model that integrates the services of industrial design and product development into a whole has proven a success”** Design for ships still played a major role even though the volume declined towards the end of the year due to shipyards' shrinking order volumes.

Oversupply of design capacity pressed down prices affecting profitability. Nevertheless, towards the end of the year, Finnish shipyards received new orders, which will improve the situation to a certain extent next year. By and large, demand in the ship design sector is lower than a few years ago.

Customers continued to be highly satisfied with our services, which made them increasingly interested in strengthening Done's role in the cooperation in product development and design. We made dedicated efforts to upgrade our expertise in a wide variety of ways, for instance by providing personal training and implementing development projects in



At Engineering Services, headed by Matti Roth, customer satisfaction remained number one even in the midst of sweeping changes.

cooperation with MET (the Federation of the Finnish Metal, Engineering and Electrotechnical Industries) and Helsinki University of Technology.

We improved organizational flexibility in such a way that now we are able to design even better solutions through the unit's diversified skills to meet our customers' needs. We also adopted a more competitive operating model by streamlining our organization and improved our internal efficiency and operational management by introducing a unit-wide enterprise resource planning system.

Although we did not meet our financial performance targets in 2002, the unit carried out several major structural changes. We created more advanced services and products, and remodeled a competitive structure for the unit, providing greater success opportunities within the limits set by overall economic developments.

## Integration of Product Development and Design – for Speedier Product Launches

Only a few companies' core business involves product development and industrial design, thus making outsourcing of these functions an option to be reckoned with. Jaakko Anttila is the head of Done Information Oy's product development unit which, by Finnish standards, offers a unique service package that integrates product development with industrial design.

### Who are you and what are your responsibilities at Done?

I'm Jaakko Anttila, working as Business Unit Manager for Done Information Oy in Helsinki, at the Product Development Center (PDC). Basically, I am a mechanical engineer by education.

### What is Done's product development unit involved in?

Our unit provides outsourced product development and design services for industrial companies. This service package, combined with other Done Information's services, provides us with a true competitive edge and makes us stand out from other industry incumbents.

Business outsourcing has been common through the ages, but product development integrated with high-quality industrial design outsourcing services on a JIT basis, in which Done is involved, is not widely available in Finland. This is what makes our unit unique.

### What kind of experts do you have on your payroll?

The unit consists of engineers in various fields and industrial design professionals. Although our personnel comes in diverse backgrounds, we all share experience in product development. Other common denominators are, in my view, our innovative-



In Business Unit Manager Jaakko Anttila's opinion, successful product development outsourcing requires mutual trust between the customer and the product development team.

ness, creativity and affection for product development.

Before I joined the product development unit, I did not have much experience in industrial design, and my idea of it was quite vague: is it a form of art or just action without a well-defined goal and outcome? Also, I found the idea of creative and innovative engineers far-fetched, but now, looking back, I can say I really had the wrong impression. Innovative, creative engineers and professional industrial designers do exist – we have a whole team of them here.

### Why do companies outsource their product development and industrial design?

Until these days, companies have thought that product development

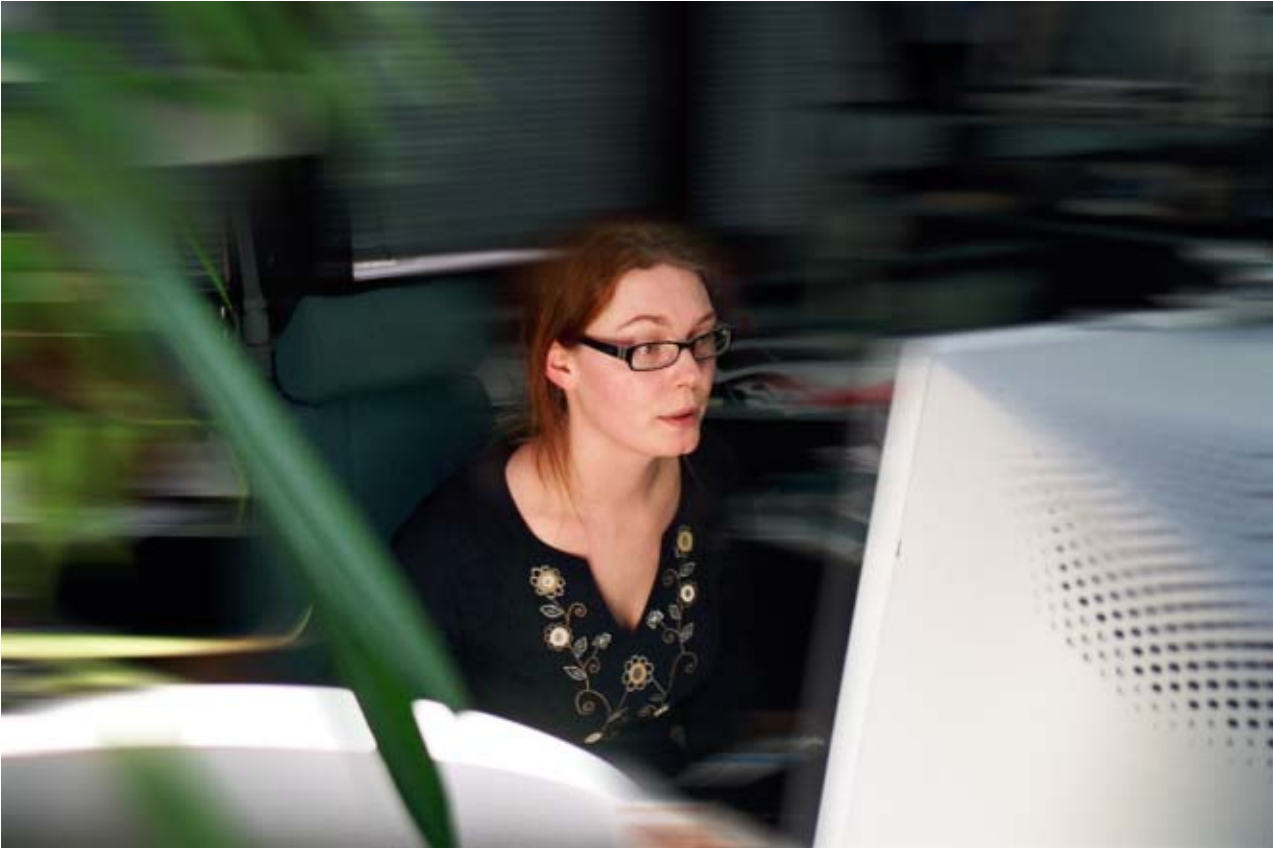
and technical design really are their core business – and for some companies, this still holds true. In fact, product development and technical design are only one part of the whole and only one key to success.

Our Product Development Center provides services, not technical details. Here lies the market potential for outsourced product development and industrial design integrated into it. We can generate just the added value the customers of our customers expect from their products.

### What are the success factors of product development outsourcing?

Outsourced product development requires favorable conditions to succeed. Successful outsourcing is





Piritta Winqvist, Industrial Designer, at work.

based on mutual trust between the customer's product developers and our team. Product development bears fruit when both parties make uncompromising contributions and pull together, and the keys to success are long-termism, humility and broadmindedness.

Product development is a sensitive activity because we deal with products developed by people, and product developers may regard the product they have created as a child to which they gave birth.

Successful product development outsourcing generates just the added value for the customer's product and business at which we, together with the customer, aimed. This is reflected in our new approach which we can easily offer, as we are not saddled with the blindness inevitably caused by history and all too familiar operating policies and practices. Technically and financially successful, up-

to-standard industrial design augurs well for the product's successful future.

**When do you think a product development project is successful?**

There are successes at various levels.

As an engineer, I am delighted when the products and related constructions we have developed prove ingenious and their operational functions can be integrated and implemented in a cost-effective way.

It is the industrial designers' task to make the product convey a message of sophisticated top-quality technology. Industrial designers have succeeded in the work if the product includes features relevant to the end-user.

However, as Business Unit Manager, I have a slightly broader view of

things. I am pleased when the project team is successful in its performance and gets the project completed on time within the limits of resources. In that case, we also meet our financial goals according to plan.

It is still necessary to bear in mind, however, that it is the customer who evaluates whether a product development project has been successful or not. If the customer is not satisfied with the end product, it does not matter how sophisticated details the product features or how we have succeeded in budgeting or scheduling the project. Customer satisfaction is high at PDC, of which we are extremely proud.

**“It is the industrial designers' task to make the product convey a message of sophisticated top-quality technology”**

## Board of Directors 2002

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**Raimo Luoma, LL.M (born in 1959)**

Chairman

Attorney-at-Law, Krogerus & Co Attorneys-at-Law

Board member since October 22, 2001

**Jaakko Asanti, M.Sc.(Eng.) (born in 1949)**

Business Consultant in Geneva, Switzerland

Member of Finland's Professional Board Members' Association

Board member since October 22, 2001

**Jyri Merivirta, LL.M (born in 1963)**

Managing Director, Conventum Capital Ltd

Board member since October 1, 2001

**Pekka Pystynen, Master of Laws, MBA (born in 1947)**

Senior Advisor, Catella Property Consultants Oy

Board member since April 12, 2002

## Corporate Management

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### Done Solutions Corporation's Management Team, December 31, 2002

**Kari Åkman, M.Sc.(Eng.) (born in 1958)**

President and CEO

Employed by the Group since February 1, 2002

**Eija Häyrinen, M.Sc.(Econ. & Bus. Adm.) (born in 1967)**

HR Manager

Employed by the Group since February 1, 2001

**Elina Karjalainen, M. Pol.Sc., MA (born in 1971)**

Director, Software&Services, Done Information Oy

Employed by the Group since June 28, 2000

**Juha Kujala, LL.M (born in 1965)**

General Counsel

Employed by the Group since April 15, 2000

**Veijo Pekkala, M.Sc. (Eng.) (born in 1957)**

COO, Done Logistics Oy

Employed by the Group since November 3, 2000

**Matti Roth, M.Sc. (Eng.), MBA (born in 1965)**

Director, Engineering, Done Information Oy

Employed by the Group since February 1, 2001

**Mika Söyring, M.Sc. (Econ. & Bus. Adm.) (born in 1966)**

Controller

Employed by the Group since April 12, 2000



## Group Pro Forma Key Indicators

Consolidated income statement	2002	2001
NET SALES	32.0	41.9
Other operating income	0.6	0.8
Operating income total	32.6	42.7
Materials and services	-15.5	-21.9
Personnel costs	-12.4	-15.1
Depreciation	-1.9	-1.3
Other operating expenses	-7.8	-7.0
OPERATING PROFIT/LOSS	-5.0	-2.6
Financial income and expenses	-1.0	0.0
PROFIT BEFORE EXTRAORDINARY ITEMS	-6.0	-2.6
Extraordinary income	0.0	1.2
Extraordinary expenses	-1.4	-6.0
Extraordinary income and expenses total	-1.4	-4.9
PROFIT/LOSS BEFORE APPROPRIATIONS AND TAXES	-7.4	-7.4
Direct taxes total	-0.3	0.7
Minority interest	0.0	0.0
NET PROFIT/LOSS FOR THE PERIOD	-7.7	-6.7

## Bases for Pro Forma Data

A pro forma consolidated income statement was prepared for Jan. 1–Dec. 31, 2001, describing the Group's performance as if only the current Group companies were included in the figures. These companies include the parent company Digital Open Network Environment Corporation Done for 1 Jan.–Sept. 30, 2001 and Done Solutions Corporation, incorporated as a result of the demerger on October 1, 2001, for Oct. 1–Dec. 31, 2001 as well as the subsidiaries and sub-Groups Done Information Oy, the Done Logistics Oy sub-Group, Providor Oy and the Done Logistics Ab sub-Group. Businesses and companies divested and discontinued in 2001 are not included in these data. Compared to the official income statements disclosed,

the pro forma income statements exclude the figures of Done Information, Inc. for Jan. 1–June 30, 2001, Unikko-Soft Oy sub-Group for Jan. 1–Sept. 30, 2001, Reach-U Solutions Corporation sub-Group for Jan. 1–Sept. 30, 2001, Novitech a.s. sub-Group for Jan. 1–Nov. 30, 2001, the Staffing Services business for Jan. 1–June 30, 2001, the Building Engineering business for Jan. 1–Sept. 30, 2001, the Service Warehouse business for Jan. 1–Sept. 30, 2001 and the IT Servicing and Maintenance business for Jan. 1–Sept. 30, 2001. Such as in 2002, the first-quarter results of Done Logistics Ab and its subsidiary, Actipac Ab, are included in the consolidated pro forma income statement for Jan. 1–Dec. 31, 2001.

## Formulae for Calculating Ratios

Return on equity (ROE) =	$\frac{\text{Profit/loss before extraordinary items - taxes}}{\text{Shareholders' equity + minority interest (period-average)}} \times 100\%$
Return on investment (ROI) =	$\frac{\text{Profit/loss before extraordinary items + financial expenses}}{\text{Balance sheet total - non-interest bearing liabilities (period-average)}} \times 100\%$
Equity ratio =	$\frac{\text{Shareholders' equity + minority interest}}{\text{Balance sheet total - advances received}} \times 100\%$
Earnings per share =	$\frac{\text{Profit/loss before extraordinary items - taxes +/- minority interest}}{\text{Issue adjusted average no. of shares during period}}$
P/E ratio =	$\frac{\text{Closing price on the date of closing the accounts}}{\text{Earnings per share}}$
Equity per share =	$\frac{\text{Shareholders' equity}}{\text{Issue adjusted no. of shares at period-end}}$
Gearing ratio =	$\frac{\text{Interest-bearing liabilities - cash and bank and short-term investments}}{\text{Shareholders' equity + minority interest}} \times 100\%$

**Done Solutions Corporation**  
**FINANCIAL STATEMENTS**  
**JANUARY 1 – DECEMBER 31, 2002**

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## Board Report

### Key issues in performance development

#### Net sales and profitability

Done Solutions Corporation's second accounting period was from January 1 until December 31, 2002, its first accounting period of three months lasting from October 1 until December 31, 2001.

Based on the official consolidated income statement, consolidated net sales for 2002 amounted EUR 32.0 million, as compared to the EUR 12.3 million generated during the previous period of October 1–December 31, 2001. Operating loss for the period amounted to EUR 5.0 million, accounting for –15.7 percent of consolidated net sales, while that for the previous period came to EUR 0.4 million, accounting for –3.4 percent of consolidated net sales. Parent company net sales for 2002 reached EUR 0.8 million, while operating loss stood at EUR 3.4 million. In the previous period, the parent company generated net sales of EUR 0.4 million and made an operating loss of EUR 0.3 million.

Consolidated operating loss and parent company operating loss include non-recurring expenses and expense reserves of EUR 1.7 million and EUR 1.1 million, respectively. Operating losses of EUR 0.4 million made by the Swedish Group companies, declared bankrupt, are also included in the Group's operating loss. Reported Group operating loss for the period totaled EUR 2.9 million.

Financial items of EUR –0.8 million include share issue expenses of EUR 0.3 million resulting from the rights issue held at the beginning of the summer. Extraordinary expenses of EUR 1.4 million include expenses and expense reserves of EUR 1.1 million entered by the Swedish Group companies, EUR 0.2 million write-down of receivables generated in the previous years by the Group's former businesses, and expenses of EUR 0.1 million entered as a result of Reach-U Solutions Corporation's bankruptcy. Expenses of EUR 0.3 million related to avoid fiscal receivables from the previous years were entered as other indirect taxes.

#### Financial position

Consolidated balance sheet total on December 31, 2002 amounted to EUR 11.9 million (EUR 24.8 million on December 31, 2001), while shareholders' equity totaled EUR 4.3 million (EUR 8.1 million). The year-end net interest-bearing liabilities were EUR –0.4 million (EUR –0.1 million). At the end of the year, equity ratio was 37.0 percent (33.7 percent) and gearing was –8.5 percent (–0.6 percent). The Group's liquid assets at the year-end reached EUR 1.7 million (EUR 2.7 million). Earnings per share were EUR –0.16 (EUR –0.01) and equity per share was EUR 0.08 (EUR 0.16).

At the end of the year, parent company balance sheet total was EUR 12.0 million (EUR 15.7 million), while shareholders' equity came to EUR 8.0 million (EUR 12.2 million).

Net interest-bearing liabilities were EUR 0.7 million (EUR –0.2 million). Equity ratio at the year-end was 66.8 percent (77.8 percent) and gearing 9.3 percent (–1.9 percent). Parent company liquid assets at the year-end amounted to EUR 0.3 million (EUR 0.2 million). Earnings per share were EUR –0.17 (EUR –0.01) and equity per share came to EUR 0.16 (EUR 0.25).

The EUR 3.8 million difference in the parent company's and the Group's shareholders' equity is due to the higher values of the subsidiaries' acquisition costs recorded by the parent company, compared to the subsidiaries' shareholders' equity. The company's management estimates that the value of these investments shown in the parent company's balance sheet are justified, considering the profit expectations for the subsidiaries.

Consolidated and parent company cash flow statements are presented in Note 1 to the Financial Statements.

#### Capital expenditure and divestments

During the fiscal year, the Group's decreases and divestments from fixed and other non-current assets totaled EUR 1.1 million (EUR 5.8 million) and those of the parent company amounted to EUR 2.9 million (EUR 4.6 million).

#### Personnel

The year-end number of Group employees totaled 247 (392), of whom 4 worked for the Group's overseas units (60). The Group's average payroll amounted to 300 (432).

The parent company had a staff of 5 (11) at the end of the year. The average number of parent company employees was 8 (11).

#### Key figures and ratios

The Group's key figures and per-share ratios are presented in Note 2 to the Financial Statements. The key figures and ratios are calculated on the basis of the general accounting practices issued by the Finnish Accounting Standards Board.

#### Board of Directors, President & CEO and Management Team

The Board of Directors during the fiscal year:

Jukka Salminen, Chairman Jan.1–Feb. 13, 2002  
 Raimo Luoma, member Jan. 1–Feb. 13, 2002  
 and Chairman Feb. 13–Dec. 31, 2002  
 Jyri Merivirta, member Jan.1–Dec. 31, 2002  
 Jaakko Asanti, member Jan. 1–Dec. 31, 2002  
 Pekka Pystynen, member April 12–Dec. 31, 2002

Timo Liukko was the company's acting CEO from Jan. 1 until Jan. 31, 2002. Since February 1, 2002, Kari Akman has acted as CEO.

On December 31, 2002, Done Solutions corporate management was made up of Kari Åkman, President and CEO; Matti Roth, Director of Information Engineering; Eija Häyrinen, HR Manager; Elina Karjalainen, Director of Information Software & Services; Juha Kujala, General Counsel; Veijo Pekkala, Director of Done Logistics, a subsidiary; and Mika Söyryng, Controller.

## Auditors

BDO Finland Oy, Authorized Public Accountants, acted as the company's auditor, with Erkki Manner, Authorized Public Accountant, acting as the principal auditor. André Kumlander, Authorized Public Accountant, acted as the deputy auditor.

## Major events

### Business development

Done Solutions Group consists of two business areas: Done Logistics, specializing in automated materials-handling systems, and Done Information, specializing in technical information management products and services. During 2002, the Group made concerted efforts to continue to develop these businesses and improve their profitability. The challenging market situation persisting throughout 2002 made it more difficult for us to turn all businesses profitable during the year. Done Logistics reported net sales of EUR 21.1 million and an operating loss of EUR 2.9 million. Done Information posted net sales of EUR 10.9 million and an operating loss of EUR 2.1 million.

Amid the challenging market situation, our goal was to retain our current customers, in which we were quite successful thanks to our strong product and service expertise.

### Rights issue

The Board of Directors decided to propose to the Extraordinary General Meeting (EGM) of May 13, 2002 for a rights issue, based on the shareholders' pre-emption right, with a view to stabilizing the company's financial position. Approved by the EGM on May 13, 2002, the rights issue held from May 21 until June 4, 2002 increased the company's share capital by EUR 3,710,061.30, to EUR 7,420,122.60, by issuing a total of 24,733,742 new shares, at a nominal value of EUR 0.15 per share. Shareholders or those to whom the shareholder's pre-emption right had been transferred had the pre-emption right to subscribe for one new share against one old share held at EUR 0.16 per share. The new shares subscribed entitle their holders to a full dividend, if any, for the fiscal year starting on January 1, 2002. Jyri Merivirta and Conventum Limited, the two largest shareholders, had underwritten the issue for any shares left unsubscribed in the rights issue. As a result of the rights issue, Jyri Merivirta's holding accounted for 27.16 percent of the company's share capital and votes, while Conventum Limited's holding represented 25.81 per cent of share capital and votes.

### Investments and related impairment

Done Solutions Corporation's subsidiaries' acquisition costs shown in the balance sheet amounted to EUR 3.3 million (EUR 5.7 million) on December 31, 2002. During the fiscal year, the parent company entered the subsidiaries' acquisition costs of EUR 2.4 million as impairment on long-term investments.

### Divestments

Done Logistics AB, a Done Solutions Corporation Swedish subsidiary, was declared bankrupt on April 23, 2002 and its only subsidiary, Actipac AB, on April 29, 2002.

These bankruptcies resulted in total costs of EUR 1.5 million for the fiscal year, of which EUR 0.4 million were entered in operating loss and EUR 1.1 million in extraordinary expenses.

In June 2002, Done Solutions sold Novitech a.s., a Slovakian company, to Novitech Partner s.r.o., for EUR 2.5 million. The agreement concluded on the sale of the entire share capital replaced the previous agreement of December 6, 2001 on the sale of 70 percent of the Novitech a.s. share capital to Novitech Partner s.r.o. The divestment of Novitech a.s. was part of Done Solutions Corporation's restructuring program. Done Solutions Corporation has received EUR 1.9 million in sale price, while a separate payment arrangement applies to the remaining collateralized EUR 0.6 million.

A US company which bought Done Information, Inc (formerly Dialogue Marketing Inc.) on June 30, 2001 has filed a complaint about the bases determining the purchase price. In the main, Done Solutions Corporation has found the complaint unsubstantiated, and the parties are carrying on negotiations on the issue. EUR 0.9 million are still outstanding.

### Decisions by the Annual General Meeting on April 12, 2002

The Annual General Meeting (AGM) adopted the financial statements and discharged the Board members and the CEO from liability for October 1–December 31, 2001. The AGM decided to approve the Board's proposal for loss allocation: net loss for the period would be entered in retained losses and no dividend would be paid. It also decided to cover retained losses using the issue premium fund. It re-elected Raimo Luoma, Jyri Merivirta and Jaakko Asanti as Board members while electing Pekka Pystynen as a new Board member. It also elected BDO Finland Oy, Authorized Public Accountants, as the company's auditor, with Erkki Manner, Authorized Public Accountant, as the principal auditor and André Kumlander, Authorized Public Accountant, as the deputy auditor. In addition, the AGM decided to offer stock options to the personnel and subsidiaries of the company, as proposed by the Board of Directors.

### Decisions by the Extraordinary General Meeting on May 13, 2002

The Extraordinary General Meeting (EGM) decided to reduce, free of charge, the company's registered share capital of EUR 7,420,122.60 by EUR 3,710,061.30. The EGM also decided to increase the company's share capital by a maximum of EUR 3,710,061.30, through a rights issue based on the shareholders' pre-emption right, by issuing a maximum of 24,733,742 new shares at a nominal value of EUR 0.15 per share. It authorized the Board to increase the company's share capital by EUR 1,484,024.40, or 9,893,496 shares at a nominal value of EUR 0.15 per share, as distinct from the shareholders' pre-emption right. Due to the reduction of share capital, the EGM changed the terms of the stock option scheme in such a way that the stock options entitle their holders to subscribe for the company's shares at a nominal value of EUR 0.15 per share.

## Share capital and shares

On December 31, 2002, Done Solutions' share capital was EUR 7,420,122.60, while the number of shares totaled 49,467,484. Pursuant to the decision by the EGM on May 31, 2002, Done Solutions reduced its share capital, free of charge, by EUR 3,710,061.30 in May by entering this amount in profit distribution and redemption fund included in the unrestricted shareholders' equity, while reducing the nominal value of a share from EUR 0.30 to EUR 0,15. Based on the EGM's decision on May 13, 2002, the company increased its share capital by EUR 3,710,061.30 through a rights issue on May-June 2002, based on the shareholders' pre-emption right, with the result that the share capital and the number of shares increased to EUR 7,420,122.60 and 49,467,484, respectively. The reduction and increase of the share capital were registered with the Trade Register on June 11, 2002.

In accordance with the Articles of Association, the company's minimum and maximum authorized capital amounted to EUR 3,000,000 and EUR 60,000,000, respectively. With a nominal value of EUR 0.30, each share entitles its holder to one vote.

The Board's non-exercised share issue authorizations given by the EGM of May 13, 2002 applied to 9,893,496 shares on December 31, 2002.

The value of Done Solutions shares traded on the Helsinki Exchanges from January 1 until December 31, 2002 totaled EUR 3,799,038.00, corresponding to a total of 17,839,055 shares and 36.1 percent of share capital. The highest and lowest quotation for the company's share amounted to EUR 0.59 and EUR 0.07, respectively. The company's share closed at EUR 0.14, while the average price for the period was EUR 0.26. Done's market capitalization amounted to EUR 6.9 million on December 31, 2002.

## Stock options

The 742,012 fully subscribed stock options, decided by the AGM on April 12, 2002, were registered with the Trade Register on December 11, 2002.

A total of 247,338 of the stock options are marked with A, 247,337 with B and 247,337 with C. The share subscription period for stock option A will begin on April 30, 2003, for stock option B on April 30, 2004 and for stock option C on April 30, 2005, while the subscription period for all stock options will expire on April 30, 2006. The subscription price must be paid upon subscription.

As a result of the alteration to the stock option scheme made by the Board on June 19, 2002, one stock option entitles its holder to subscribe for two shares at a per-share subscription price of EUR 0.23. As a result of the share subscriptions based on the stock options, the company's share capital may increase by a maximum of 1,484,024 new shares, or EUR 222,603.60.

## Management shareholdings

On December 31, 2002, the Board of Directors and the CEO held 14,080,000 shares in the company, accounting for 28.5 percent of share capital, while holding 247,338 stock options, accounting for 33.3 percent of all stock options.

## Insider issues

Done Solutions Corporation has applied insider guidelines for listed companies prepared by the Confederation of Finnish Industry and Employers (TT), the Central Chamber of Commerce and the HEX Helsinki Exchanges.

## Litigations

In December 2002, the bankrupt estate of Reach-U Solutions Corporation, adjudicated bankrupt in February 2002, brought action for recovery valued at EUR 1.0 million against Done Solutions Corporation which finds the action unfounded. The financial statements do not include any expense reserve due to the action instituted.

In addition, Group companies are parties to certain legal proceedings which are not expected to have any major effect on the company's financial position.

## Events after the fiscal year

No major events have occurred after the fiscal year 2002.

## Extent of Research and Development

Done Solutions Corporation has commercialized and incorporated software products and solutions in the company's overall concept of logistics-chain and technical-information management. The reported development costs totaled EUR 0.3 million, all of which were entered in the income statement. The capitalized development costs, totaling EUR 0.9 million (EUR 1.6 million a year ago) on December 31, 2002, consisted of EUR 0.5 million related to systems development involved in Done Logistics Systems' customer projects and EUR 0.4 million related to Done Information Software's development projects. Development costs are amortized over three years. Amortization for the period was carried out according to plan.

## Prognosis of company performance in 2003

The company's main business areas are not yet seeing signs of stronger demand for their products and services.

If net sales for 2003 remain at levels generated by the current businesses, the company will show an operating profit. In this case, the equity ratio at the end of 2003 would stand at the level reported at the end of 2002. Due to seasonal fluctuations, the company will show a loss during the first quarter of 2003.

## Board proposal for loss allocation

The Board of Directors will propose to the Annual General Meeting of March 21, 2003 that the parent company's loss of EUR 8,164,648.34 be entered in retained earnings/losses and that no dividend for the fiscal 2002 be distributed. It will also propose that the parent company's losses be covered by the issue premium fund.



## CONSOLIDATED FINANCIAL STATEMENTS DEC. 31, 2002

<b>Consolidated Cash Flow Statement</b>		
	Jan.1.–Dec. 31, 2002	Oct.1.–Dec.31, 2001
Profit (loss) before extraordinary items	-5,957,274.01	-451,294.87
Planned depreciation	1,880,585.10	579,803.05
Financial income and expenses	943,493.52	31,860.66
Other adjustments	734,868.53	-775,127.66
<b>Cash flow before change in working capital</b>	<b>-2,398,326.86</b>	<b>-614,758.82</b>
Change in working capital		
Change in short-term receivables	8,533,089.40	4,610,449.88
Change in inventories	316,919.10	853,839.60
Change in short-term non-interest bearing liabilities	-8,539,124.21	-4,922,708.60
<b>Cash flow from business operations before financial items and interest</b>	<b>-2,087,442.57</b>	<b>-73,177.94</b>
Interest and other charges paid for other financial expenses from business operations	-1,081,381.70	-216,452.66
Interest received from business operations	137,888.18	184,592.00
Direct taxes paid	-341,923.00	96,640.54
<b>Cash flow from business operations before extraordinary items</b>	<b>-3,372,859.09</b>	<b>-8,398.06</b>
Cash flow due to extraordinary items (net)	-1,408,285.10	-7,352,138.91
<b>CASH FLOW FROM BUSINESS OPERATIONS</b>	<b>-4,781,144.19</b>	<b>-7,360,536.97</b>
<b>Cash flow from investments</b>		
Investment in tangible and intangible assets	704,978.94	2,539,388.36
Investment in associated companies	599,258.59	42,479.14
Other investment	-168,553.77	3,177,007.45
<b>Cash flow from investments</b>	<b>1,135,683.76</b>	<b>5,758,874.95</b>
<b>Cash flow from financing</b>		
Rights issue	3,957,398.57	102,857.02
Withdrawal of long-term loans	688,683.29	1,619,432.81
Repayment of long-term loans	-1,997,283.18	-1,958,440.27
<b>Cash flow from financing</b>	<b>2,648,798.68</b>	<b>-236,150.44</b>
<b>Change in liquid assets</b>	<b>-996,661.75</b>	<b>-1,837,812.45</b>
Liquid assets at period-start	2,675,324.01	4,513,136.46
Liquid assets at period-end	1,678,662.26	2,675,324.01
<b>Change in liquid assets</b>	<b>-996,661.75</b>	<b>-1,837,812.45</b>
<b>Performance Indicators</b>		
	Jan. 1–Dec. 31, 2002	Oct.1–Dec. 31, 2001
Net sales, EUR	32,02,969	12,284,334
Operating profit, EUR	-5,013,780	-419,434
Operating profit, % of net sales	-15.7	-3.4
Profit before extraordinary items, EUR	-5,957,274	-451,295
Profit before extraordinary items, % of net sales	-18.6	-3.7
Profit before appropriations and taxes, EUR	-7,365,559	-7,803,433
Profit before appropriations and taxes, % of net sales	-23.0	-63.5
Net profit (loss) for the period, EUR	-7,707,482	-7,706,184
Net profit (loss) for the period, % of net sales	-24.1	-62.7
Gross divestment of fixed and other non-current assets, EUR	1,135,681	5,758,875
Gross divestment, % of net sales	3.5	46.9
R & D costs, EUR	254,954	1,590,324
R & D costs, % of net sales	0.8	12.9
Return on equity, % of net sales	-102.1	-11.6
Return on investment, % of net sales	-45.0	-5.0
Equity ratio, %	37.0	33.7
Gearing, %	-8.5	-0.6
Personnel on average	300	432
<b>PER-SHARE RATIOS</b>		
	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Earning per share, EUR	-0.16	-0.01
Equity per share, EUR	0.08	0.16
Dividend per share, EUR	0.00	0.00
Dividend per earnings, %	0.0	0.0
Effective dividend yield, %	0.0	0.0
Price earnings ratio	n/a	n/a
Period-end number of issues-adjusted shares	50,951,508	49,467,484
Average number of issues-adjusted shares during period	38,638,848	38,638,848
Lowest share price, EUR	0.07	0.45
Highest share price, EUR	0.59	0.73
Average share price, EUR	0.26	0.56
Share price at period-end, EUR	0.14	0.57
Market capitalization at period-end, MEUR	6.9	14.1
Share turnover, no. of shares	17,839,055	4,316,726
Share turnover, %	36.1	17.5

## Financial Statements

<b>Consolidated Income Statement</b>	<b>Jan. 1–Dec. 31, 2002</b>	<b>Oct. 1–Dec. 31, 2001</b>
<b>NET SALES</b>	<b>32,002,969.47</b>	<b>12,284,334.49</b>
Increase/decrease in finished goods inventory and work in process	276,757.96	-194,582.42
<b>Other operating income</b>	<b>293,833.44</b>	<b>852,077.42</b>
<b>Materials and services</b>		
Materials and supplies		
Purchases	-4,846,200.06	-2,682,477.25
Change in inventory	26,449.98	8,989.94
Outsourced and subcontracted services	-10,657,043.88	-3,001,033.33
<b>Materials and services, total</b>	<b>-15,476,793.96</b>	<b>-5,674,520.64</b>
<b>Personnel costs</b>		
Wages and salaries	-10,050,945.31	-3,504,000.76
Social expenses		
Pensions	-1,569,43.84	-609,982.62
Other social expenses	-762,187.12	-523,362.49
<b>Personnel costs, total</b>	<b>-12,382,564.27</b>	<b>-4,637,345.87</b>
<b>Depreciation and write downs</b>		
Planned depreciation	-1,594,240.85	-451,613.68
Group goodwill amortization	-158,183.58	-102,839.93
Impairment of fixed and other non-current assets	-128,160.66	-25,349.44
<b>Depreciation and write downs, total</b>	<b>-1,880,585.09</b>	<b>-579,803.05</b>
<b>Other operating expenses</b>	<b>-7,847,398.04</b>	<b>-2,469,594.14</b>
<b>OPERATING LOSS</b>	<b>-5,013,780.49</b>	<b>-419,434.21</b>
<b>Financial income and expenses</b>		
Income from holdings in associated companies	-83,315.35	-47,055.86
Income from other investments	20,740.24	0.00
Other interest and financial income	117,147.94	184,592.00
Impairment of long-term investments	-226,814.15	0.00
Interest and other financial expenses	-771,252.20	-169,396.80
<b>Financial income and expenses, total</b>	<b>-943,493.52</b>	<b>-31,860.66</b>
<b>LOSS BEFORE EXTRAORDINARY ITEMS</b>	<b>-5,957,274.01</b>	<b>-451,294.87</b>
<b>Extraordinary items</b>		
Extraordinary expenses	-1,408,285.10	-7,352,138.91
<b>Extraordinary income and expenses, total</b>	<b>-1,408,285.10</b>	<b>-7,352,138.91</b>
<b>LOSS BEFORE TAXES AND APPROPRIATIONS</b>	<b>-7,365,559.11</b>	<b>-7,803,433.78</b>
Other direct taxes	-341,923.00	96,640.54
<b>NET LOSS FOR THE PERIOD BEFORE MINORITY INTEREST</b>	<b>-7,707,482.11</b>	<b>-7,706,793.24</b>
Minority interest from net loss for the period	0.00	608.41
<b>NET LOSS FOR THE PERIOD</b>	<b>-7,707,482.11</b>	<b>-7,706,184.83</b>

Consolidated Balance Sheet	Dec. 31, 2002	Dec. 31, 2001
<b>ASSETS</b>		
<b>FIXED AND OTHER NON-CURRENT ASSETS</b>		
<b>Intangible assets</b>		
Development costs	932,159.21	1,590,323.58
Intangible rights	131,740.81	379,483.25
Group goodwill	239,872.53	625,542.46
Other non-current assets	278,762.43	1,013,808.72
<b>Intangible assets, total</b>	<b>1,582,534.98</b>	<b>3,609,158.01</b>
<b>Tangible assets</b>		
Machinery and equipment	891,162.11	1,432,852.85
Other tangible assets	208.00	17,455.27
<b>Tangible assets, total</b>	<b>891,370.11</b>	<b>1,450,308.12</b>
<b>Long-term investments</b>		
Holdings in associated companies	592,515.12	1,191,773.71
Other shares and holdings	19,383.92	28,423.58
Other receivables	431,954.51	254,361.08
<b>Long-term investments, total</b>	<b>1,043,853.55</b>	<b>1,474,558.37</b>
<b>FIXED ASSETS, TOTAL</b>	<b>3,517,758.64</b>	<b>6,534,024.50</b>
<b>INVENTORIES AND CURRENT ASSETS</b>		
<b>Inventories</b>		
Materials and supplies	0.00	329,027.40
Work in process	0.00	32,695.41
Finished products/goods	87,558.04	61,108.06
Other inventories	0.00	4,750.93
Advances paid	42,891.83	19,787.17
<b>Inventories, total</b>	<b>130,449.87</b>	<b>447,368.97</b>
<b>Long-term receivables</b>		
Other receivables	1,173,820.50	1,592,417.67
<b>Long-term receivables, total</b>	<b>1,173,820.50</b>	<b>1,592,417.67</b>
<b>Short-term receivables</b>		
Accounts receivable	2,988,658.15	7,582,882.38
Receivables from associated companies	0.00	8,441.26
Loans receivable	18,118.79	110,700.10
Other receivables	934,941.88	2,777,562.19
Accrued income and prepaid expenses	1,484,825.34	3,061,450.46
<b>Short-term receivables, total</b>	<b>5,426,544.16</b>	<b>13,541,036.39</b>
<b>Short-term investments</b>		
Other shares and holdings	0.00	453,057.73
<b>Short-term investments, total</b>	<b>0.00</b>	<b>453,057.73</b>
<b>Cash and bank</b>	<b>1,678,662.26</b>	<b>2,222,266.28</b>
<b>INVENTORIES AND CURRENT ASSETS, TOTAL</b>	<b>8,409,476.79</b>	<b>18,256,147.04</b>
<b>ASSETS, TOTAL</b>	<b>11,927,235.43</b>	<b>24,790,171.54</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	7,420,122.60	7,420,122.60
Issue premium fund	4,829,764.70	11,416,468.88
Contingency fund	192,260.50	192,260.50
Unrestricted shareholders' equity fund	3,710,061.30	0.00
Retained earnings/loss	-4,161,320.11	-3,289,176.88
Net profit/loss for the period	-7,707,482.11	-7,706,184.83
Subordinated loans	36,833.16	36,833.16
<b>SHAREHOLDERS' EQUITY, TOTAL</b>	<b>4,320,240.04</b>	<b>8,070,323.43</b>
<b>STATUTORY RESERVES</b>	<b>1,245,053.38</b>	<b>489,573.84</b>
<b>MINORITY INTEREST</b>	<b>893.49</b>	<b>21,504.50</b>
<b>LIABILITIES</b>		<b>Long-term liabilities</b>
Loans from financial institutions	48,017.62	505,171.42
Other liabilities	109,187.83	85,429.21
<b>Long-term liabilities, total</b>	<b>157,205.45</b>	<b>590,600.63</b>
<b>Short-term liabilities</b>		
Loans from financial institutions	1,076,725.29	1,997,283.18
Advances received	347,779.16	879,956.01
Accounts payable	2,229,700.73	6,458,415.69
Payables to associated companies	0.00	17,589.09
Other payables	996,536.18	2,679,453.78
Accruals	1,553,101.71	3,585,471.39
<b>Short-term liabilities, total</b>	<b>6,203,843.07</b>	<b>15,618,169.14</b>
<b>LIABILITIES, TOTAL</b>	<b>6,361,048.52</b>	<b>16,208,769.77</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY, TOTAL</b>	<b>11,927,235.43</b>	<b>24,790,171.54</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## DEC. 31, 2002

### Notes to the Preparation of Consolidated Financial Statements

#### Preparation Principles of Consolidated Financial Statements

The Consolidated Financial Statements are based on the consolidation of the income statements and balance sheets of the Parent Company and its subsidiaries as well as related Notes to the Financial Statements. The accounting principles in accordance with the Finnish Accounting Act have consistently been applied in the preparation of the Consolidated Financial Statements.

Intra-Group income and expenses as well as receivables and payables are deducted. Intra-Group profit distribution are deducted when preparing the Consolidated Income Statement.

Holdings in subsidiary shares are eliminated using the acquisition cost method. The shareholders' equity on the date of acquisition is based on the interim balance sheet prepared at each subsidiary at the turn of the month nearest to the month the subsidiary merged into the Group. As for the subsidiaries acquired during the accounting period, their income and expenses accrued before merging into the Group were deducted from their income statements. The consolidation differences resulting from the elimination method are treated as Group goodwill which will be amortized on a straight-line basis within five years as planned, and the negative consolidation differences are treated as consolidation differences (liability), which are to be recognized as income on a straight-line basis within five years.

Items in the non-euro area subsidiaries' income statements are translated into euros using the average exchange rate quoted for the fiscal year and those in their balance sheets using the rate quoted on the day of closing the accounts.

Associated companies are consolidated into the Consolidated Financial Statements using the equity method. The consolidation difference treated as Group goodwill due to associated companies will be amortized and the consolidated difference (liability) recognized as income within five years. The Group's share of the associated companies' profit in proportion to the Group's holding are shown in the financial items.

The shares of the subsidiaries' profit for the period and shareholders' equity in proportion to other than the Group's holding are shown in minority interest in the Consolidated Income Statement and Balance Sheet.

The presentation of the balance sheet items has changed. Interest income from fund investments, previously treated as accrued income, is now treated as other receivables included in long-term investments. Tangible assets were transferred to intangible rights. In addition, comparable data from the previous year were adjusted in the balance sheet and the notes to the financial statements.

Subsidiaries	Domicile	Holding
1. Oy Credere Ltd	Korpilahti	100.0%
2. Done Wireless Oy	Espoo	100.0%
3. Done Logistics Oy - sub-Group	Helsinki	100.0%
4. Network Partners Oy Nepa - part of sub-Group	Espoo	100.0%
5. Fidaco Logistics GmbH	Hamburg, Germany	84.8%
6. Fidaco Logistics Ltd	Nottingham, UK	90.0%
7. S.C. Fidaware Srl	Bacau, Romania	80.0%
8. Done Information Oy	Espoo	100.0%
9. Alpha Communications Ab	Solna, Sweden	100.0%
10. Done Information UK Ltd	Surrey, UK	100.0%
11. AJG-Logistics Oü - part of sub-Group, in voluntary winding-up	Tallinn, Estonia	100.0%
12. Unikko-Soft Eesti Oü - part of sub-Group, in voluntary winding-up	Tallinn, Estonia	100.0%
13. Done Logistics Ab, declared bankrupt	Säffle, Sweden	100.0%
14. Actipac Ab - part of sub-Group, declared bankrupt	Kungälv, Sweden	84.0%

All Group companies are consolidated into the Parent Company's consolidated financial statements.

Associated companies	Domicile	Holding
1. Ametro Oy	Helsinki	30.0%

All associated companies are consolidated into the Parent Company's consolidated financial statements.



## Notes to the Consolidated Financial Statements

Net sales		Jan. 1–Dec. 31, 2002		Oct. 1–Dec. 31, 2001	
By market area		EUR	%	EUR	%
Finland		22,810,623.03	71.3	6,820,349.28	55.5
Rest of Europe		7,700,589.00	24.1	5,206,351.21	42.4
Others		1,491,757.44	4.7	257,634.00	2.1
<b>Total</b>		<b>32,002,969.47</b>	<b>100.0</b>	<b>12,284,334.49</b>	<b>100.0</b>
By business		EUR	%	EUR	%
Logistics Systems & Software		12,254,925.83	38.3	4,813,179.63	39.2
Logistics Distribution		8,866,950.01	27.7	4,226,899.18	34.4
Information Software & Services		7,885,773.63	24.6	1,988,055.21	16.2
Information Engineering		2,995,320.00	9.4	1,256,200.47	10.2
<b>Total</b>		<b>32,002,969.47</b>	<b>100.0</b>	<b>12,284,334.49</b>	<b>100.0</b>

### Revenue recognition applied to projects

Revenue recognition applied to long-term projects is based on the percentage-of-completion method, calculated on the basis of the costs realized and the total costs estimated. The anticipated losses incurred by loss-making projects are expensed in full.

### Net sales applicable to partial revenue recognition

Net sales recognized as revenue based on the percentage of completion accounted for EUR 3,058,046.00 of all net sales reported for the fiscal year. Non-delivered projects recognized as revenue for the fiscal year and the previous fiscal years totalled EUR 3,615,278.00. The non-recognized amount for projects based on partial recognition totalled EUR 1,762,801.00 at the period-end.

Other operating income	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Capital gains on fixed assets	119,601.63	41,924.38
Rental income	37,426.10	0.00
Sales commissions	36,668.00	0.00
Company and business divestments	17,984.49	727,108.87
Contributions received	16,138.47	10,780.86
Other	66,015.25	72,263.31
<b>Other operating income total</b>	<b>293,833.94</b>	<b>852,077.42</b>

### Change in statutory reserves included in income and expenses

Other operating expenses include EUR 260,839.84 entered as statutory reserves, aimed at providing against expenses caused by idle premises, legal proceedings and additional leasing contracts. Extraordinary expenses include EUR 494,639.70 entered as statutory reserves, aimed at providing against expenses caused by Swedish subsidiaries' bankruptcies.

### Planned depreciation

The acquisition cost of the Group companies' fixed and other non-current assets are depreciated over their expected useful lives according to plan.

Fixed assets	Depreciation method
Development costs	straight-line method, 3 yrs
Intangible rights	straight-line method, 3 yrs
Group goodwill	straight-line method, 5 yrs
Other non-current assets	straight-line method, 1 - 3 yrs
Fixtures	reducing balance method 25%
Machinery and equipment	reducing balance method 25%
Other tangible assets	straight-line method, 3 yrs

Consolidation difference and decrease in consolidation difference (liability)	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Amortized consolidation difference	181,985.26	132,339.47
Decrease in consolidation difference (liability)	-23,801.68	-29,499.54
<b>Consolidation difference shown in the income statement</b>	<b>158,183.58</b>	<b>102,839.93</b>

### Total income from holdings in other companies and interest income and expenses

	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Income from holdings in other companies, total	-83,315.35	-47,055.86
Interest income, total	117,147.95	184,592.00
Interest expenses, total	-427,408.44	-169,396.80
<b>Total</b>	<b>-393,575.84</b>	<b>-31,860.66</b>

### Extraordinary items

Extraordinary expenses	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Write downs of receivables and acquisition costs of subsidiaries dissolved and adjudicated bankrupt	1,094,204.08	1,303,450.44
Expenses charged for Reach-U Solutions Corporation's bankruptcy	117,023.30	3,756,463.03
Write downs of receivables of discontinued businesses	197,057.72	584,416.78
Write downs of acquisition costs for subsidiary and associated companies	0.00	520,130.45
Immediate write-off of development costs with their useful life ended	0.00	711,196.00
Profit elimination of exited Group companies	0.00	268,030.44
Expenses incurred due to Group re-establishment/demerger	0.00	208,451.77
<b>Extraordinary expenses total</b>	<b>1,408,285.10</b>	<b>7,352,138.91</b>

### Direct taxes

	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Direct taxes on actual business operations	0.00	0.00
Direct taxes on extraordinary items	0.00	0.00
Direct taxes for the previous years and write downs of avoir fiscal receivables	-341,923.00	96,640.54
<b>Direct taxes total</b>	<b>-341,923.00</b>	<b>96,640.54</b>

### Imputed taxes

	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Imputed taxes based on appropriations	0.00	0.00
<b>Imputed taxes in the Consolidated Income Statement</b>	<b>0.00</b>	<b>0.00</b>

The domestic Group companies' imputed tax assets for the adopted loss for the previous years not recorded totalled EUR 2,910,000.

## Notes to the Assets in the Consolidated Balance Sheet

### Clarification of intangible assets

The capitalized development costs result from the development of the logistics systems and the software product platform, and its related components, involved in customer projects. The capitalized development costs make it possible to re-use the logistics systems and technical information management solutions, developed by the subsidiaries, for new customer projects. The capitalized non-current assets include costs due to computer programs and their rights of use, and project work related to enterprise resource planning systems.

Changes in fixed and other non-current assets	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
<b>Development costs</b>		
Acquisition costs, Jan. 1/Oct. 1	1,996,482.47	1,726,972.23
Increase during period	157,808.02	980,706.24
Decrease during period	-147,210.84	-711,196.00
Acquisition costs, Dec. 31	2,007,079.65	1,996,482.47
Accumulated planned amortization, Jan. 1/Oct. 1	-406,158.89	-225,795.80
Amortization for period	-668,761.54	-180,363.09
Accumulated planned amortization, Dec. 31	-1,074,920.43	-406,158.89
<b>Book value, Dec. 31</b>	<b>932,159.21</b>	<b>1,590,323.58</b>
<b>Intangible rights</b>		
Acquisition costs, Jan. 1/Oct. 1	516,943.56	166,293.11
Increase during period	68,228.06	372,049.07
Decrease during period	-189,384.97	-21,398.62
Acquisition costs, Dec. 31	395,786.65	516,943.56
Accumulated planned amortization, Jan. 1/Oct. 1	-137,460.31	-80,722.89
Amortization for period	-126,585.53	-56,737.41
Accumulated planned amortization, Dec. 31	-264,045.84	-137,460.31
<b>Book value, Dec. 31</b>	<b>131,740.81</b>	<b>379,483.25</b>
<b>Other non-current assets</b>		
Acquisition costs, Jan. 1/Oct. 1	1,415,309.84	811,339.51
Increase during period	22,806.02	603,970.33
Decrease during period	-162,768.50	0.00
Acquisition costs, Dec. 31	1,275,347.36	1,415,309.84
Accumulated planned amortization, Jan. 1/Oct. 1	-401,501.12	-266,553.96
Amortization for period	-595,083.81	-134,947.16
Accumulated planned amortization, Dec. 31	-996,584.93	-401,501.12
<b>Book value, Dec. 31</b>	<b>278,762.43</b>	<b>1,013,808.72</b>
<b>Machinery and equipment</b>		
Acquisition costs, Jan. 1/Oct. 1	1,909,870.34	538,185.92
Increase during period	1,544.64	1,413,035.81
Decrease during period	-225,290.74	-41,351.40
Acquisition costs, Dec. 31	1,700,124.23	1,909,870.34
Accumulated planned depreciation, Jan. 1/Oct. 1	-477,017.49	-372,102.03
Depreciation for period	-331,944.63	-104,915.46
Accumulated planned depreciation, Dec. 31	-808,962.12	-477,017.49
<b>Book value, Dec. 31</b>	<b>891,162.11</b>	<b>1,432,852.85</b>
<b>Other tangible assets</b>		
Acquisition costs, Jan. 1/Oct. 1	17,455.27	0.00
Increase during period	0.00	17,455.27
Decrease during period	-17,221.27	0.00
Acquisition costs, Dec. 31	234.00	17,455.27
Accumulated planned depreciation, Jan. 1/Oct. 1	0.00	0.00
Depreciation for period	-26.00	0.00
Accumulated planned depreciation, Dec. 31	-26.00	0.00
<b>Book value, Dec. 31</b>	<b>208.00</b>	<b>17,455.27</b>
<b>Holdings in associated companies</b>		
Acquisition costs, Jan. 1/Oct. 1	1,191,773.71	599,000.00
Increase during period	8,000.00	48,453.47
Decrease during period	-607,258.59	0.00
Transfers between items (Group shares)	0.00	544,320.24
Acquisition costs, Dec. 31	592,515.12	1,191,773.71
Accumulated planned depreciation, Jan. 1/Oct. 1	0.00	0.00
Depreciation for period	0.00	0.00
Accumulated planned depreciation, Dec. 31	0.00	0.00
<b>Book value, Dec. 31</b>	<b>592,515.12</b>	<b>1,191,773.71</b>
<b>Other shares and holdings</b>		
Acquisition costs, Jan. 1/Oct. 1	28,423.58	4,466.89
Increase during period	4,221.79	39,424.43
Decrease during period	-13,261.45	-15,467.74
Acquisition costs, Dec. 31	19,383.92	28,423.58
Accumulated planned depreciation, Jan. 1/Oct. 1	0.00	0.00
Depreciation for period	0.00	0.00
Accumulated planned depreciation, Dec. 31	0.00	0.00
<b>Book value, Dec. 31</b>	<b>19,383.92</b>	<b>28,423.58</b>
<b>Other receivables</b>		
Acquisition costs, Jan. 1/Oct. 1	254,361.08	5,879.23
Increase during period	177,593.43	248,481.85
Decrease during period	0.00	0.00
Acquisition costs, Dec. 31	431,954.51	254,361.08
Accumulated planned depreciation, Jan. 1/Oct. 1	0.00	0.00
Depreciation for period	0.00	0.00
Accumulated planned depreciation, Dec. 31	0.00	0.00
<b>Book value, Dec. 31</b>	<b>431,954.51</b>	<b>254,361.08</b>

Group goodwill and consolidation difference	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Group goodwill	279,907.82	1,152,695.22
Consolidation difference	-40,035.29	-527,152.76
<b>Group goodwill in the consolidated balance sheet</b>	<b>239,872.53</b>	<b>625,542.46</b>

Negative consolidation difference of associated companies	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Share of associated company's profit	-14,484.88	48,453.47
Ametro Oy	607,000.00	599,000.00
Novitech a.s.	0.00	544,320.24
<b>Total</b>	<b>592,515.12</b>	<b>1,191,773.71</b>

Associated companies' value includes non-amortized consolidation difference 406,057.30 692,997.32

### Other non-current assets

Other non-current assets include receivable from the sale of Done Information Inc (formerly Dialogue Marketing Inc.) on June 30, 2001. The acquirer based in the USA has filed a complaint about the bases determining the purchase price. In the main, Done Solutions Corporation has found the complaint unsubstantiated and is carrying on negotiations on the issue with the acquirer.

Significant items in accrued income and prepaid expenses	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Project receivables	849,578.10	1,072,249.47
Tax assets	421,664.81	906,654.33
Insurance premium receivables	82,586.66	0.00
Contribution receivables	63,394.54	149,050.77
Other receivables	67,601.23	150,049.89
Non-invoiced accounts receivable/prepaid expenses	0.00	783,446.00
<b>Accrued income and prepaid expense total</b>	<b>1,484,825.34</b>	<b>3,061,450.46</b>

## Notes to the Liabilities and Shareholders' Equity

Change in shareholders' equity	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
<b>Share capital</b>		
Share capital at period-start	7,420,122.60	7,420,122.60
Reduction of share capital	-3,710,061.30	0.00
Increase of share capital through rights issue	3,710,061.30	0.00
<b>Book value, Dec. 31</b>	<b>7,420,122.60</b>	<b>7,420,122.60</b>
<b>Issue premium fund</b>		
Issue premium fund at period-start	11,416,468.88	11,416,468.88
Transfer to retained earnings/loss	-6,834,041.60	0.00
Increase of share capital through rights issue	247,337.42	0.00
<b>Book value, Dec. 31</b>	<b>4,829,764.70</b>	<b>11,416,468.88</b>
<b>Contingency fund</b>		
Contingency fund at start and end of period	192,260.50	192,260.50
<b>Book value, Dec. 31</b>	<b>192,260.50</b>	<b>192,260.50</b>
<b>Unrestricted shareholders' equity fund</b>		
Unrestricted shareholders' equity fund, period-start	0.00	0.00
Reduction of share capital	3,710,061.30	0.00
<b>Book value, Dec. 31</b>	<b>3,710,061.30</b>	<b>0.00</b>
<b>Retained earnings/loss</b>		
Retained earnings/loss at period-start	-10,995,361.71	-3,289,176.88
Transfer from issue premium fund	6,834,041.60	0.00
<b>Book value, Dec. 31</b>	<b>-4,161,320.11</b>	<b>-3,289,176.88</b>
<b>Net profit/loss for the period</b>		
Net profit/loss for the period	7,707,482.11	7,706,184.83
<b>Book value, Dec. 31</b>	<b>7,707,482.11</b>	<b>7,706,184.83</b>
<b>Subordinated loans</b>		
Subordinated loans at start and end of period	36,833.16	36,833.16
<b>Book value, Dec. 31</b>	<b>36,833.16</b>	<b>36,833.16</b>
<b>Shareholders' equity total, Dec. 31</b>	<b>4,320,240.04</b>	<b>8,070,323.43</b>
<b>Distributable profit, Dec. 31</b>	<b>0.00</b>	<b>0.00</b>

Statutory reserves	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Statutory reserve due to Swedish subsidiaries' bankruptcies	872,936.70	0.00
Statutory reserve due to additional leasing contracts	135,000.00	0.00
Statutory reserve for rents of idle premises	128,116.68	184,389.84
Statutory reserve due to litigation costs	109,000.00	0.00
Statutory reserve due to the Swedish subsidiary's pension liabilities	0.00	305,184.00
<b>Statutory reserves total</b>	<b>1,245,053.38</b>	<b>489,573.84</b>

Loans falling due after five years	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Loans from financial institutions	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

Imputed tax liability	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Imputed tax liability based on appropriations	0.00	0.00
<b>Imputed tax liability total</b>	<b>0.00</b>	<b>0.00</b>

## Financial Statements

Significant items in accruals	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Accrued wages and salaries	995,792.76	1,339,406.62
Social expenses	414,852.08	1,256,818.25
Warranty repair payables	75,000.00	0.00
Tax liabilities	45,437.00	194,854.34
Other accruals	22,019.87	356,301.72
Project payables	0.00	260,195.46
Accrued expenses	0.00	177,895.00
<b>Short-term accruals total</b>	<b>1,553,101.71</b>	<b>3,585,471.39</b>

### Notes to Pledges and Other Contingent Liabilities

Mortgages	Jan. 1–Dec. 31, 2002
<b>Mortgages given</b>	
Business mortgages in security for EUR 206,871.00 bank guarantee	1,450,456.37
Business mortgages for EUR 35,035.23 loan	193,416.12
<b>Mortgages given total</b>	<b>1,643,872.49</b>
Collateral	Jan. 1–Dec. 31, 2002
<b>Pledges given</b>	
Shares in associated and subsidiary Companies pledged as security for own debt of EUR 1,000,000.00, using their book value	2,484,313.40
Unit-linked insurance deposit as countersecurity for prepayment guarantees and the contingent liabilities related to warranty and service periods, valued at EUR 698,122.00	426,075.28
Liquid assets pledged as security for own rental liabilities, commercial credits and projects	292,592.12
Liquid assets pledged on own and Group companies' behalf as security for rental liabilities	164,530.85
Liquid assets pledged as security for other rental liabilities	6,316.77
<b>Pledges given, total</b>	<b>3,373,828.42</b>
<b>Securities given</b>	
As collateral for associated companies' loans	85,000.00
As countersecurity for project guarantees, on behalf of others	1,369,088.45
<b>Securities given, total</b>	<b>1,454,088.45</b>
Other contingent liabilities	Jan. 1–Dec. 31, 2002
<b>Leasing liabilities</b>	
Leasing liabilities falling due in 2003	831,546.61
Leasing liabilities falling due after 2003	179,470.20
<b>Leasing liabilities, total</b>	<b>1,011,016.81</b>

### Notes to Personnel and Management

Average number of employees	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Management	20	22
Other employees	280	410
<b>Total</b>	<b>300</b>	<b>432</b>
Salaries and wages	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
CEO, Managing Directors, Board emoluments	440,482.02	183,661.61
Other salaries and wages	9,610,463.29	3,320,339.15
<b>Total</b>	<b>10,050,945.31</b>	<b>3,504,000.76</b>
Employee and management stock options		

Information on employee and management stock options is presented in the Notes to the Parent Company Financial Statements.

### Other notes

Information on the Parent Company's ownership is presented in the Notes to the Parent Company Financial Statements.



## PARENT COMPANY FINANCIAL STATEMENTS DEC. 31, 2002

Parent Company Cash Flow Statement	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Profit (loss) before extraordinary items	-6,179,825.08	-283,418.72
Planned depreciation	500,658.90	134,562.53
Financial income and expenses	2,825,345.13	-9,269.88
Other adjustments	1,118,776.54	111,276.84
Cash flow from business operations before financial items and interest	-1,735,044.51	-46,849.23
Change in working capital		
Change in short-term receivables	299,461.08	1,561,128.92
Change in inventories	0.00	0.00
Change in short-term non-interest bearing liabilities	-1,636,434.51	-312,644.66
<b>Cash flow from business operations before financial items and interest</b>	<b>-3,072,017.94</b>	<b>1,201,635.03</b>
Interest and other charges paid for other financial expenses from business operations	-2,865,704.75	-6,822.94
Dividend received from business operations	0.00	0.00
Interest received from business operations	40,359.62	16,092.82
Direct taxes paid	-328,415.51	18,198.60
<b>Cash flow from business operations before extraordinary items</b>	<b>-6,225,778.58</b>	<b>1,229,103.51</b>
Cash flow due to extraordinary items (net)	-1,656,407.75	-6,106,431.54
<b>CASH FLOW FROM BUSINESS OPERATIONS</b>	<b>-7,882,183.33</b>	<b>-4,877,325.03</b>
<b>Cash flow from investments</b>		
Investment in tangible and intangible assets	-23,143.45	262,093.74
Investment in subsidiary and associated companies	2,417,487.33	2,362,185.73
Other investment	551,734.48	2,312,110.56
<b>Cash flow from investments</b>	<b>2,946,078.36</b>	<b>4,936,390.03</b>
<b>Cash flow from financing</b>		
Rights issue	3,957,398.72	0.00
Withdrawal of long-term loans	1,000,000.00	0.00
Repayment of long-term loans	0.00	0.00
<b>Cash flow from financing</b>	<b>4,957,398.72</b>	<b>0.00</b>
<b>Change in liquid assets</b>	<b>21,293.75</b>	<b>59,065.00</b>
Liquid assets at period-start	235,729.38	176,664.38
Liquid assets at period-end	257,023.13	235,729.38
<b>Change in liquid assets</b>	<b>21,293.75</b>	<b>59,065.00</b>
Parent Company Income Statement	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
<b>NET SALES</b>	<b>771,476.40</b>	<b>397,118.78</b>
<b>Other operating income</b>	<b>13,602.36</b>	<b>455,392.50</b>
<b>Personnel costs</b>		
Wages and salaries	-755,548.81	-189,049.79
Social expenses		
Pensions	-104,369.74	-25,423.24
Other social expenses	-45,137.13	-19,554.85
<b>Personnel costs total</b>	<b>-905,055.68</b>	<b>-234,027.88</b>
<b>Depreciation and write downs</b>		
Planned depreciation	-500,658.90	-134,562.53
<b>Depreciation and write downs total</b>	<b>-500,658.90</b>	<b>-134,562.53</b>
<b>Other operating expenses</b>	<b>-2,733,844.13</b>	<b>-776,609.47</b>
<b>OPERATING LOSS</b>	<b>-3,354,479.95</b>	<b>-292,688.60</b>
<b>Financial income and expenses</b>		
Income from holdings in associated companies	26,678.87	0.00
Other interest and financial income from Group companies	0.00	4,589.49
Other interest and financial income from others	13,680.75	11,503.33
Impairment of long-term investments	-2,393,433.21	0.00
Interest expenses to others	-165,037.80	-6,822.94
Other financial expenses to others	-307,233.74	0.00
<b>Financial income and expenses total</b>	<b>-2,825,345.13</b>	<b>9,269.88</b>
<b>LOSS BEFORE EXTRAORDINARY ITEMS</b>	<b>-6,179,825.08</b>	<b>-283,418.72</b>
<b>Extraordinary income and expenses</b>		
Extraordinary expenses	-1,656,407.75	-6,106,431.54
<b>Extraordinary income and expenses total</b>	<b>-1,656,407.75</b>	<b>-6,106,431.54</b>
<b>LOSS BEFORE APPROPRIATIONS AND TAXES</b>	<b>-7,836,232.83</b>	<b>-6,389,850.26</b>
Other direct taxes	-328,415.51	18,198.60
<b>NET LOSS FOR THE PERIOD</b>	<b>-8,164,648.34</b>	<b>-6,371,651.66</b>

## Financial Statements

Parent Company Balance Sheet	Dec. 31, 2002	Dec. 31, 2001
<b>ASSETS</b>		
<b>FIXED AND OTHER NON-CURRENT ASSETS</b>		
<b>Intangible assets</b>		
Development costs	335,050.72	549,647.49
Intangible rights	5,683.34	9,509.21
Other non-current assets	172,279.76	391,585.56
<b>Intangible assets, total</b>	<b>513,013.82</b>	<b>950,742.26</b>
<b>Tangible assets</b>		
Machinery and equipment	63,388.72	103,178.73
<b>Tangible assets, total</b>	<b>63,388.72</b>	<b>103,178.73</b>
<b>Long-term investments</b>		
Intra-Group holdings	3,323,381.48	5,740,868.81
Holdings in associated companies	607,000.00	1,143,320.24
<b>Long-term investments, total</b>	<b>3,930,381.48</b>	<b>6,884,189.05</b>
<b>FIXED AND OTHER NON-CURRENT ASSETS TOTAL</b>	<b>4,506,784.02</b>	<b>7,938,110.04</b>
<b>INVENTORIES AND CURRENT ASSETS</b>		
<b>Long-term receivables</b>		
Intra-Group receivables	2,207,962.65	2,207,962.65
Other receivables	953,222.86	1,533,500.00
<b>Long-term receivables total</b>	<b>3,161,185.51</b>	<b>3,741,462.65</b>
<b>Short-term receivables</b>		
Accounts receivable	10,867.73	0.00
Intra-Group receivables	3,017,701.24	1,378,756.88
Receivables from associated companies	0.00	414.80
Loans receivable	400.00	0.00
Other receivables	540,245.16	1,422,699.17
Accrued income and prepaid expenses	456,775.97	958,717.43
<b>Short-term receivables total</b>	<b>4,025,990.10</b>	<b>3,760,588.28</b>
<b>Cash and bank</b>	<b>257,023.13</b>	<b>235,729.38</b>
<b>INVENTORIES AND CURRENT ASSETS TOTAL</b>	<b>7,444,198.74</b>	<b>7,737,780.31</b>
<b>ASSETS TOTAL</b>	<b>11,950,982.76</b>	<b>15,675,890.35</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	7,420,122.60	7,420,122.60
Issue premium fund	4,829,764.70	11,416,468.88
Contingency fund	192,260.50	192,260.50
Unrestricted shareholders' equity fund	3,710,061.30	0.00
Retained earning/loss	0.00	-462,389.94
Net loss for the period	-8,164,648.34	-6,371,651.66
<b>SHAREHOLDERS' EQUITY TOTAL</b>	<b>7,987,560.76</b>	<b>12,194,810.38</b>
<b>STATUTORY RESERVES</b>	<b>1,230,053.38</b>	<b>111,276.84</b>
<b>LIABILITIES</b>		
<b>Long-term liabilities</b>		
Other liabilities	80,711.42	0.00
<b>Long-term liabilities total</b>	<b>80,711.42</b>	<b>0.00</b>
<b>Short-term liabilities</b>		
Loans from financial institutions	1,000,000.00	0.00
Accounts payable	269,821.45	487,183.79
Payables to Group companies	1,173,448.45	1,957,838.01
Payables to associated companies	0.00	17,589.09
Other payables	90,165.89	775,269.79
Accruals	119,221.41	131,922.45
<b>Short-term liabilities total</b>	<b>2,652,657.20</b>	<b>3,369,803.13</b>
<b>LIABILITIES TOTAL</b>	<b>2,733,368.62</b>	<b>3,369,803.13</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY TOTAL</b>	<b>11,950,982.76</b>	<b>15,675,890.35</b>

# NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS DEC. 31, 2002

## Notes to the Preparation of the Financial Statements

### Valuation and accrual principles

The acquisition cost of fixed assets includes variable costs resulting from acquisition. The costs incurred immediately due to the subsidiaries' purchases were entered as acquisition costs in proportion to the holdings in subsidiaries. The acquisition cost of fixed and other non-current assets are depreciated over their useful life according to plan.

Receivables and payables in the non-euro area are translated into euros using the exchange rate quoted on the day of closing the accounts.

The presentation of the balance sheet items has changed. Tangible assets were transferred to intangible rights. In addition, comparable data from the previous year were adjusted in the balance sheet and the notes to the financial statements.

## Notes to the Income Statement

Breakdown of net sales	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
<b>Group administrative services</b>		
Finland	771,476.40	356,718.78
Rest of Europe	0.00	40,400.00
<b>Total</b>	<b>771,476.40</b>	<b>397,118.78</b>

Other operating income	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Contribution received, EU and National Technology Agency of Finland (Tekes)	13,023.29	10,780.86
Other	579.07	21,692.21
Divestment, Novitech a.s.	0.00	422,919.43
<b>Total</b>	<b>13,602.36</b>	<b>455,392.50</b>

### Change in statutory reserves included in income and expenses

Other operating expenses include EUR 245,839.84 entered as statutory reserves, aimed at providing against expenses caused by idle premises, legal proceedings and additional leasing contracts. Extraordinary expenses include EUR 872,936.70 entered as statutory reserves, aimed at providing against expenses caused by Swedish subsidiaries' bankruptcies.

Planned depreciation	Decreciation method and time/percentage
Fixed assets	
Development costs	straight-line, 3 yrs
Intangible rights	straight-line, 3 yrs
Other non-current assets	straight-line, 1–3 yrs
Fixtures	reducing balance method in accordance with Business Tax Act, 25%
Machinery and equipment	reducing balance method in accordance with Business Tax Act, 25%

Total income from holdings in other companies and interest income and expenses	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Income from holdings in other companies, total	26,678.87	0.00
Interest income, total	13,680.75	16,092.82
Interest expenses, total	-155,590.34	-6,822.94
<b>Total</b>	<b>-115,230.72</b>	<b>9,269.88</b>

Extraordinary items	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
<b>Extraordinary expenses</b>		
Expenses charged for bankruptcies and restructuring of Swedish subsidiaries	1,558,584.45	1,566,535.28
Expenses charged for Reach-U Solutions Corporation's bankruptcy	97,823.30	3,630,623.11
Write-off of valueless receivables	0.00	362,625.38
Immediate write-off of development costs with their useful life ended	0.00	338,196.00
Merger and acquisition expenses from previous fiscal year	0.00	208,451.77
<b>Extraordinary expenses total</b>	<b>1,656,407.75</b>	<b>6,106,431.54</b>

Direct taxes	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Direct taxes on actual business operations	0.00	0.00
Direct taxes on extraordinary items	0.00	0.00
Direct taxes for the previous years and write downs of avoif fiscal receivables	-328,415.51	18,198.60
<b>Total</b>	<b>-328,415.51</b>	<b>18,198.60</b>

Notes to the Assets

Clarification of capitalized development costs

The capitalized development costs are caused by the fact that the Group has commercialized and integrated software and solutions into the overall concept of Done's logistics chains and technical information management. The capitalized development costs make it possible to re-use the logistics systems and technical information management solutions, developed by the subsidiaries, for new customer projects.

Changes in fixed assets acquisition costs and other non-current assets by balance sheet item

	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
<b>Development costs</b>		
Acquisition costs, Jan. 1/Oct. 1	665,403.36	1,003,599.36
Increase during period	0.00	0.00
Decrease during period	0.00	-338,196.00
Acquisition costs, Dec. 31	665,403.36	665,403.36
Accumulated planned amortization, Jan. 1/Oct. 1	-115,755.87	-31,723.44
Amortization decrease for period	0.00	-31,705.96
Amortization for period	-214,596.77	-52,326.47
Accumulated planned amortization, Dec. 31	-330,352.64	-115,755.87
<b>Book value, Dec. 31</b>	<b>335,050.72</b>	<b>549,647.49</b>
<b>Intangible rights</b>		
Acquisition costs, Jan. 1/Oct. 1	23,218.69	23,218.69
Increase during period	6,200.00	0.00
Decrease during period	0.00	0.00
Acquisition costs, Dec. 31	29,418.69	23,218.69
Accumulated planned amortization, Jan. 1/Oct. 1	-13,709.48	-12,076.39
Amortization for period	-10,025.87	-1,633.09
Accumulated planned amortization, Dec. 31	-23,735.35	-13,709.48
<b>Book value, Dec. 31</b>	<b>5,683.34</b>	<b>9,509.21</b>
<b>Other non-current assets</b>		
Acquisition costs, Jan. 1/Oct. 1	586,624.21	510,457.67
Increase during period	22,806.02	76,166.54
Decrease during period	0.00	0.00
Acquisition costs, Dec. 31	609,430.23	586,624.21
Accumulated planned amortization, Jan. 1/Oct. 1	-195,038.65	-155,568.53
Amortization for period	-242,111.82	-39,470.12
Accumulated planned amortization, Dec. 31	-437,150.47	-195,038.65
<b>Book value, Dec. 31</b>	<b>172,279.76</b>	<b>391,585.56</b>
<b>Machinery and equipment</b>		
Acquisition costs, Jan. 1/Oct. 1	199,330.92	199,398.20
Increase during period	0.00	0.00
Decrease during period	-5,865.57	-67.28
Acquisition costs, Dec. 31	193,465.35	199,330.92
Accumulated planned depreciation, Jan. 1/Oct. 1	-96,152.19	-86,725.30
Depreciation decrease for period	-977.59	0.00
Depreciation for period	-32,946.85	-9,426.89
Accumulated planned depreciation, Dec. 31	-130,076.63	-96,152.19
<b>Book value, Dec. 31.</b>	<b>63,388.72</b>	<b>103,178.73</b>
<b>Intra-Group holdings</b>		
Acquisition costs, Jan. 1/Oct. 1	5,740,868.81	8,103,054.54
Increase during period	13,036.52	35,808.44
Decrease during period	-2,430,523.85	-1,853,673.93
Transfers between items	0.00	-544,320.24
Acquisition costs, Dec. 31	3,323,381.48	5,740,868.81
Accumulated planned depreciation, Jan. 1/Oct. 1	0.00	0.00
Depreciation for period	0.00	0.00
Accumulated planned depreciation, Dec. 31	0.00	0.00
<b>Book value, Dec. 31.</b>	<b>3,323,381.48</b>	<b>5,740,868.81</b>
<b>Receivables from Group companies</b>		
Acquisition costs, Jan. 1/Oct. 1	0.00	500,000.00
Increase during period	0.00	0.00
Decrease during period	0.00	-500,000.00
Acquisition costs, Dec. 31	0.00	0.00
Accumulated planned depreciation, Jan. 1/Oct. 1	0.00	0.00
Depreciation for period	0.00	0.00
Accumulated planned depreciation, Dec. 31	0.00	0.00
<b>Book value, Dec. 31.</b>	<b>0.00</b>	<b>0.00</b>
<b>Holdings in associated companies</b>		
Acquisition costs, Jan. 1/Oct. 1	1,143,320.24	599,000.00
Increase during period	8,000.00	0.00
Decrease during period	-544,320.24	0.00
Transfers between items	0.00	544,320.24
Acquisition costs, Dec. 31	607,000.00	1,143,320.24
Accumulated planned depreciation, Jan. 1/Oct. 1	0.00	0.00
Depreciation for period	0.00	0.00
Accumulated planned depreciation, Dec. 31	0.00	0.00
<b>Book value, Dec. 31.</b>	<b>607,000.00</b>	<b>1,143,320.24</b>
<b>Receivables from associated companies</b>		
Acquisition costs, Jan. 1/Oct. 1	0.00	2,700,000.00
Increase during period	0.00	0.00
Decrease during period	0.00	-2,700,000.00
Acquisition costs, Dec. 31	0.00	0.00
Accumulated planned depreciation, Jan. 1/Oct. 1	0.00	0.00
Depreciation for period	0.00	0.00
Accumulated planned depreciation, Dec. 31	0.00	0.00
<b>Book value, Dec. 31.</b>	<b>0.00</b>	<b>0.00</b>



**Other long-term receivables**

Other long-term receivables include receivable from the sale of Done Information Inc (formerly Dialogue Marketing Inc.) on June 30, 2001. The acquirer based in the USA has filed a complaint about the bases determining the purchase price. In the main, Done Solutions Corporation has found the complaint unsubstantiated and is carrying on negotiations on the issue with the acquirer.

<b>Group receivables</b>	<b>Jan. 1–Dec. 31, 2002</b>	<b>Oct. 1–Dec. 31, 2001</b>
<b>Long-term Group receivables</b>		
Subordinated loan receivables	2,207,962.36	2,207,962.65
<b>Total</b>	<b>2,207,962.36</b>	<b>2,207,962.65</b>
<b>Short-term Group receivables</b>		
Accounts receivable	105,277.46	382,274.19
Loans receivable	2,259,127.78	21,236.11
Other receivables	653,296.29	975,246.58
<b>Total</b>	<b>3,017,701.53</b>	<b>1,378,756.88</b>
<b>Group receivables total</b>	<b>5,225,663.89</b>	<b>3,586,719.53</b>
<b>Significant items in accrued income and prepaid expenses</b>	<b>Jan. 1–Dec. 31, 2002</b>	<b>Oct. 1–Dec. 31, 2001</b>
Avoir fiscal receivables	421,664.81	875,084.40
Contribution receivables, EU	26,711.16	62,041.77
Other receivables	8,400.00	21,591.26
<b>Total</b>	<b>456,775.97</b>	<b>958,717.43</b>

**Notes to the Liabilities and Shareholders's Equity**

<b>Change in shareholders' equity</b>	<b>Jan. 1–Dec. 31, 2002</b>	<b>Oct. 1–Dec. 31, 2001</b>
<b>Share capital</b>		
Share capital at period-start	7,420,122.60	7,420,122.60
Reduction of share capital	-3,710,061.30	0.00
Increase of share capital through rights issue	3,710,061.30	0.00
<b>Book value, Dec. 31</b>	<b>7,420,122.60</b>	<b>7,420,122.60</b>
<b>Issue premium fund</b>		
Issue premium fund at period-start	11,416,468.88	11,416,468.88
Transfer to retained earnings/loss	-6,834,041.60	0.00
Increase of share capital through rights issue	247,337.42	0.00
<b>Book value, Dec. 31</b>	<b>4,829,764.70</b>	<b>11,416,468.88</b>
<b>Contingency fund</b>		
Contingency fund at start and end of period	192,260.50	192,260.50
<b>Book value, Dec. 31</b>	<b>192,260.50</b>	<b>192,260.50</b>
<b>Unrestricted shareholders' equity fund</b>		
Unrestricted shareholders' equity fund, period-start	0.00	0.00
Reduction of share capital	3,710,061.30	0.00
<b>Book value, Dec. 31</b>	<b>3,710,061.30</b>	<b>0.00</b>
<b>Retained earnings/loss</b>		
Retained earnings/loss at period-start	-6,834,041.60	-462,389.94
Transfer from issue premium fund	6,834,041.60	0.00
<b>Book value, Dec. 31</b>	<b>0.00</b>	<b>-462,389.94</b>
<b>Net profit/loss for the period</b>		
Net profit/loss for the period	-8,164,648.34	-6,371,651.66
<b>Book value, Dec. 31</b>	<b>-8,164,648.34</b>	<b>-6,371,651.66</b>
<b>Shareholders' equity total, Dec. 31</b>	<b>7,987,560.76</b>	<b>12,194,810.38</b>
<b>Distributable profit, Dec. 31</b>	<b>0.00</b>	<b>0.00</b>
<b>Statutory reserves</b>	<b>Jan. 1–Dec. 31, 2002</b>	<b>Oct. 1–Dec. 31, 2001</b>
Statutory reserve due to Swedish subsidiaries' bankruptcies	8,2936.70	0.00
Statutory reserve due to additional leasing contracts	130,000.00	0.00
Statutory reserve for rents of idle premises	128,116.68	111,276.84
Statutory reserve due to litigation costs	99,000.00	0.00
<b>Statutory reserves total</b>	<b>1,230,053.38</b>	<b>111,276.84</b>
<b>Loans falling due after five years</b>	<b>Jan. 1–Dec. 31, 2002</b>	<b>Oct. 1–Dec. 31, 2001</b>
Other loans	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>
<b>Group payables</b>	<b>Jan. 1–Dec. 31, 2002</b>	<b>Oct. 1–Dec. 31, 2001</b>
<b>Short-term payables</b>		
Accounts payable	46,949.67	461,919.06
Other payables	1,126,498.78	1,495,918.95
<b>Total</b>	<b>1,173,448.45</b>	<b>1,957,838.01</b>
<b>Significant items in accruals</b>	<b>Jan. 1–Dec. 31, 2002</b>	<b>Oct. 1–Dec. 31, 2001</b>
Social expenses debt	66,657.41	45,279.71
Vacation pay debt	52,564.00	86,642.74
<b>Total</b>	<b>119,221.41</b>	<b>131,922.45</b>

## Notes to Pledges and Other Contingent Liabilities

Collateral		Jan. 1–Dec. 31, 2002
<b>Pledges given</b>		
Shares in associated and subsidiary Companies pledged as security for own debt of EUR 1,000,000.00, using their book value		2,484,313.40
Bank deposit pledged on own and Group companies' behalf as security for rental liabilities		164,530.85
<b>Total</b>		<b>2,648,844.25</b>
<b>Securities given</b>		
On behalf of subsidiaries, in security for credit and bank guarantee limit		2,726,422.52
On behalf of associated companies, in security for loan		85,000.00
As countersecurity for project guarantees, on behalf of others		1,369,088.45
<b>Total</b>		<b>4,180,510.97</b>
Other contingent liabilities		Jan. 1–Dec. 31, 2002
<b>Leasing liabilities</b>		
Leasing liabilities falling due in 2003		477,922.02
Leasing liabilities falling due after 2003		109,785.53
<b>Total</b>		<b>587,707.55</b>

## Notes to Personnel and Management

Average number of employees	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
Management	4	3
Other employees	4	8
<b>Total</b>	<b>8</b>	<b>11</b>
Salaries and wages	Jan. 1–Dec. 31, 2002	Oct. 1–Dec. 31, 2001
CEO, Managing Directors, Board emoluments	335,074.34	78,343.61
Other salaries and wages	420,474.47	110,706.18
<b>Total</b>	<b>755,548.81</b>	<b>189,049.79</b>
Employee and management stock options		

### Employee stock options

The number of effective employee stock options totals 742,012. Each stock option entitles its holder to subscribe for two Done Solutions Corporation shares at EUR 0.20 per share. Shares are payable upon subscription.

A total of 247,338 stock options are marked with A, 247,337 with B and 247,337 with C. The share subscription period for stock option A will begin on April 30, 2003, for stock option B on April 30, 2004 and for stock option C on April 30, 2005. The share subscription period for all the stock options will expire on April 30, 2006.

As a result of the share subscriptions based on the stock option scheme, the company's share capital may increase by a maximum of 1,484,402 shares, or EUR 222,603.60.

Number of shares and stock options held by Board members, CEO and the companies under their control, Dec. 31, 2002		
Shares	28.5	14,080,000
Stock options	33.3	247,338

## Notes to Holdings in Other Companies

Group holdings, Dec. 31, 2002			
	Domicile	Holding	Book value
Oy Credere Ltd	Korpilahti	100.0%	17,087.89
Done Wireless Oy	Espoo	100.0%	22,953.30
Done Logistics Oy	Helsinki	100.0%	1,406,026.21
Done Information Oy	Espoo	100.0%	1,877,313.40
Done Information UK Ltd	Farnham, UK	100.0%	0.17
Fidaco Logistics GmbH	Hampuri, Germany	84.8%	0.17
Fidaco Logistics Ltd	Nottingham, UK	90.0%	0.17
S.C. Fidaware Srl	Bacau, Romania	80.0%	0.17
Done Logistics Ab	Säffle, Sweden; adjudicated bankrupt	100.0%	0.00
<b>Book value, Dec. 31, 2002</b>			<b>3,323,381.48</b>
Information on associated companies			
	Domicile	Holding	Book value
1. Ametro Oy	Helsinki	30.0%	607,000.00
<b>Book value, Dec. 31, 2002</b>			<b>607,000.00</b>

All associated companies are consolidated using the equity method.

## Other Notes

Major shareholders, Dec. 31, 2002		Shares and votes
1 Merivirta Jyri		28.30%
2 Conventum Limited		25.81%
3 Sarpola Tapio		3.78%
4 The Nordic Adviser Group Oy		2.81%
5 Sarpola Liisa		1.89%
6 TeliaSonera Ab		1.36%
7 Maalausliike E. Hinkka Oy		1.30%
8 Fund Management Company Gyllenberg Finlandia		1.13%
9 Jaakonsaari Markus		1.01%
10 Kovalainen Mikko		0.97%
<b>Total</b>		<b>68.36%</b>

### Changes in shareholdings

On June 11, 2002, Jyri Merivirta's holding increased to 27.16 percent and Conventum Limited's to 25.81 percent, while the holding of Jukka Salminen and the companies he owns, Enterprise Relationship Management Equity Oy and the Nordic Adviser Group Oy, decreased to less than 5.0 percent.

### Shareholders by sector, Dec. 31, 2002

Shares and votes

Households	58.04%
Non-banking corporate sector	34.05%
Foreign shareholders	3.61%
Financial institutions and insurance companies	4.16%
Non-profit organizations	0.05%
Public-sector organizations	0.09%
In joint account	0.00%
<b>Total</b>	<b>100.00%</b>

A total of 181,848 company shares are nominee registered shares, accounting for 0.37 percent of votes and shares

### Shareholders by size of holding, Dec. 31, 2002

Number of shares	Number of shareholders	Shares and votes
1-1,000	838	0.82%
1,001-5,000	508	2.87%
5,001-10,000	165	2.59%
10,001-50,000	160	6.79%
more than 50,000	70	86.93%
In joint account 0 shares	0	0.00%
<b>Total</b>	<b>1,741</b>	<b>100.00%</b>

On December 31, 2002, the Board of Directors's authorization to issue shares applied to 9,893,496 shares, valid until May 13, 2003.

The company holds no treasury shares.

## Information on Accounting Records

### Account books

- Journal and general ledger in the form of CD
- Accounts payable ledger and accounts receivable ledger in the form of CD
- Paper vouchers
- Bound balance sheet book

### List of voucher types

#### Type of vouchers:

- B sales transactions
- F sales invoices
- I purchase invoices/input
- J purchase invoices/posting
- K corrections
- M memoranda
- MP bank transactions
- MS transactions of salaries and wages
- Q opening balance
- U payments

### Maintenance of accounting material

The accounting material is kept in the original written and electronic format at Done Solution Corporation's headquarters in Helsinki, Tukholmankatu 2.

**Financial Statements Signed**

in Helsinki on February 14, 2003 by  
Done Solutions Corporation's Board of Directors and CEO

**Raimo Luoma**

Board Chairman

**Kari Åkman**

President & CEO

**Jyri Merivirta**

Board Member

**Jaakko Asanti**

Board Member

**Pekka Pystynen**

Board Member

**Auditor's Notation**

The Financial Statements herein were prepared in accordance  
with the Finnish Accounting Standards.

We issued the Auditors' Report today.

Helsinki, February 14, 2003

**BDO Finland Oy**

Authorized Public Accountants

**Erkki Manner**

Authorized Public Accountant



## **Auditors' Report**

### **To Done Solutions Corporation's Shareholders**

We have audited the accounting, financial statements and corporate governance of Done Solutions Corporation for the period of January 1 to December 31, 2002. The financial statements, which include the Board Report, Consolidated and Parent Company Income Statements and Balance Sheets as well as Notes to the Financial Statements, have been prepared by the Board of Directors and the President and CEO. Based on our audit, we express an opinion on these financial statements and the Parent Company's corporate governance.

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

In our opinion, the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The Parent Company's loss for the period amounts to EUR 8,164,648.34. The financial statements give a true and fair view, as defined in the Accounting Act, of both the Consolidated and Parent Company's operational results and financial position. The financial statements, Consolidated Financial Statements included, can be adopted and the members of the Parent Company's Board of Directors and President and CEO can be discharged from liability for the period audited by us. The proposal by the Board of Directors for the allocation of the loss for the period is in compliance with the Companies Act.

Helsinki, February 14, 2003

**BDO Finland Oy**

Authorized Public Accountants

**Erkki Manner**

Authorized Public Accountant



## **Contact Information**

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### **Group Administration**

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