

HELKAMA BICA

HELKAMA BICA GROUP

Sales revenues of the Helkama Bica group totalled €33.5 million, down 8.5% on the figure for the previous year. Helkama Bica's sales revenues decreased, whereas subsidiary Helkama Velox reported an increase. Both companies contributed to group profit.

Associate company Helkama Auto's result improved. The group's financial position remained healthy. We see growth potential in both the parent company's cable business and the subsidiary's bicycle business.

HELKAMA BICA

The worldwide decline in the cable industry was also in evidence at Helkama. Helkama Bica's sales revenues were down by 15.4% to €19.7 million. Sales of shipboard cables decreased by 12.3% to €13.5 million. Sales of communication cables slumped by 21.5% to €6.2 million. The company's profitability weakened.

Exports rose to 67% and accounted for an increasing share of sales. Helkama Bica exported cables to 37 countries, the largest export markets being Japan, Sweden, the Netherlands, Singapore, Germany and China.

HELKAMA VELOX

The overall supply on the Finnish bicycle market was around 240,000 bicycles, a slight rise on the figure for the previous year. There continued to be a wide selection of brands and the price range widened. The consumer price of a bicycle averaged €450. Helkama was again the largest player on the Finnish bicycle market. Helkama came out well in supplier benchmarking carried out by an independent outside body in autumn 2002. Sports equipment vendors ranked Helkama the fourth best supplier out of dozens of suppliers, an improvement of no less than 15 places compared to ranking a year earlier.

Helkama Velox reported sales revenues of €13.7 million, up by 3.2% on the figure a year earlier. Operations showed a profit. Helkama and Marvil, the company's two brands had an approximately 16% share of the Finnish bicycle market.

The year under review was an eventful one and included the establishment of Ferris Wheel, a new subsidiary responsible for consumer bicycle sales. Ferris Wheel has a retail superstore, over 800 m², in Vantaa and trades under the brand GoVeloGo. Other major events during the fiscal year under review were a restructuring of the sales and marketing organization, a new marketing concept, the introduction of a new enterprise resources management information system, the deployment of new financial management software, greater R&D resources, the start of office premises modernization and streamlining of the professional products organization.

CONSOLIDATED INCOME STATEMENT (MILLION EURO)

1.9.2002 – 31.8.2003

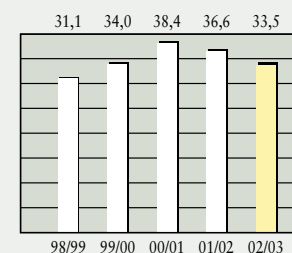
Sales Revenues.....	33.51
Other Operating Income	0.27
Operating Expenses.....	33.59
Operating Profit	0.19
Financial Items (-)	0.17
Share of Profit of Assoc. Companies	1.05
Taxes	0.04
Net Income	1.03

CONSOLIDATED BALANCE SHEET (MILLION EURO)

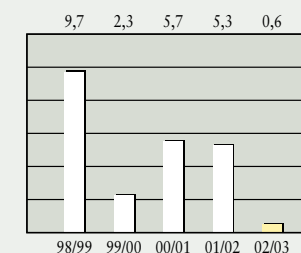
31.8.2003

Fixed Assets	14.66
Inventories & Receivables	15.22
Cash and Bank Deposits	5.10
Total Assets	34.98
Shareholders' Equity	1.58
Increased Capital	25.08
Long Term Liabilities	2.99
Current Liabilities	4.56
Deferred Tax Liability	0.78
Equity & Total Liabilities	34.98

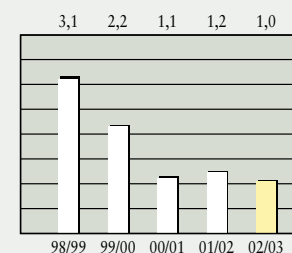
SALES REVENUES (MILLION €)



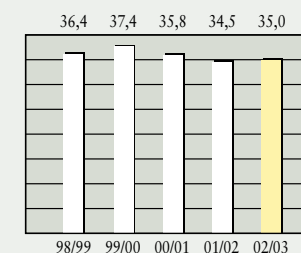
OPERATING PROFIT (%)



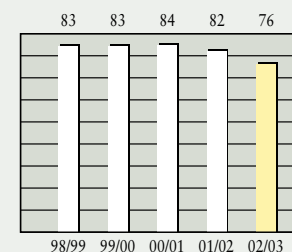
NET INCOME (MILLION €)



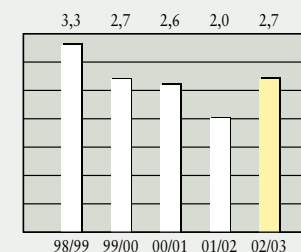
TOTAL ASSETS (MILLION €)



EQUITY RATIO (%)¹⁾



QUICK RATIO²⁾



$$1) \text{ Equity Ratio} = \frac{\text{Equity}}{\text{Total Assets}} \times 100$$

$$2) \text{ Quick Ratio} = \frac{\text{Cash} + \text{Acc. Receivables}}{\text{Current Liabilities}}$$

AUDITORS' REPORT*

The above figures are from the annual accounts, drawn up in accordance with accepted accountancy practice.

Hanko, 19.11.2003

Veikko Soinio
Authorized Public Accountant

Terho Saarinen
Authorized Public Accountant

* an abridgement of the official closing of the accounts

FISCAL PERIOD MILESTONES

HELKAMA BICA

- 50 years of Helkama operations in Hanko
- Deployment of new financial management software
- Adaptation of resources at the Hanko factory to prevailing market situation
- Apprenticeship training launched at the Kaarina factory
- 240 km of optical fiber cable and 120 km of Duraline installation ducts delivered to Kuusiokunnat in Ostrobothnia
- 42 km of telecom cables worth some €100,000 delivered to Danish State Railways
- Launch of Profibus cable, also suitable for use on ships

HELKAMA VELOX

- The professional products organization was merged with bicycle sales
- Deployment of new enterprise resources management software
- Retail super store GoVeloGo opened in Vantaa
- Prisma department stores became distribution channels in Helsinki Metropolitan Area
- Tappara, sponsored by Helkama, won the Finnish Ice Hockey Championship
- First export dealers meeting held in Hanko in September
- Participation in the following trade fairs:

September

- Post-Expo, Cologne

October

- Tekniska Mässan, Stockholm

January

- På Två Hjul, Gothenburg

March

- Leva & Fungera, Gothenburg
- Fillari 2003, Turku and Helsinki

April

- Värmlandsmässan, Karlstad
- Boat and Motorbike Fair, Tampere

From left:

President
of Helkama Velox
Jarkko Pohjonen

Vice President
of Helkama Bica
Timo Vesala

President
of Helkama Bica
Markku Hämäläinen



OUR CORPORATE VALUES

- The Customer is our employer
– business is a servant of its surrounding society.
- A well-run company is welcomed by its customers
– a poorly run company is of no use to anybody.
- We believe in simple systems and plain hard work
– we keep things as simple as possible.
- Our internal motto is: perform your own job
impeccably and show understanding and
support for your fellow workers.
- Enthusiasm is the driving force of real success.



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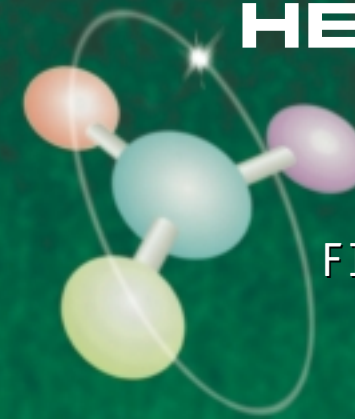
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HELKAMA



HELKAMA

FISCAL PERIOD 2002/2003