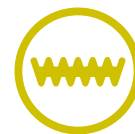



Annual Report 2002



S A T A M A

A photograph of a modern office interior. The ceiling is made of large, curved wooden panels. A glass railing runs across the middle of the frame. In the background, a conference room is visible with several black chairs around a table. The lighting is warm and modern.

Satama Interactive is a digital services provider. Our mission is to help our clients develop their business, and build better customer and stakeholder relationships. Through our international network we create innovative multi-channel solutions that bring real value to our clients. Our holistic design approach ensures that the digital services we provide are relevant and easy to use from both our client's and their stakeholders' points of view.

Our six northern European offices employ about 270 professionals specializing in various aspects of digital consulting, design, and technology. At Satama, we are proud of our strong reputation for efficient and expert project management.



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Strategy



During the past year Satama continued to execute the strategy outlined at the end of 2001 according to which profitability was placed before growth. Satama has attempted to reach profitability on the Group level by cutting costs and by restructuring international operations, as well as by investing in new client acquisition and deepening existing client relationships. Due to challenging market situations in all Satama countries, profitability was not attained on the Group level in 2002. In the continued pursuit of this goal, bringing our international operations to profitability is central.

CLIENTS ARE AT THE CENTER OF SATAMA'S STRATEGY

Satama defines itself as a digital services provider. Our mission is to help our clients develop their businesses and to build better customer and stakeholder relationships. This objective is achieved through the appropriate implementation of digital services, applications, and communication solutions that effectively increase revenues and enhance productivity. Services developed in close cooperation with our clients increase revenues either by supporting traditional sales channels, or directly, via online sales. Our client's operations can be enhanced through process development and better communications.

Developing a successful digital solution requires a holistic understanding of the client's industrial sector and competitive environment, as well as by recognizing how the company's strategic goals can be supported with digital services in the best possible way. Of equal importance is to recognize the needs, expectations, and preferences of our client's stakeholders – even those that the service's future users may not be aware of themselves. A digital service can be called successful when it is useful, relevant, and easy to use from both the company's and the users' perspectives.

Satama seeks as its clients forward-looking companies in selected industries. Industries in which digital services have long been a central part of operations include telecommunications, media, and retailing. Satama's long-term clients in these industries are, among others, KPN/Planet Internet, Nokia, NK, Sonera, and S Group. Clients with which Satama began cooperation in 2003 include Orange and Vodafone. During the past year, Satama deepened cooperation with leading companies in the process industry and finance sector such as ABN Amro, Metso, Pfizer, and Sampo Bank. Government, consumer goods, and services are also important industries for Satama. In both existing and new accounts Satama's project focus is currently expanding to include business-to-business solutions, an em-



phasis in which the significance of technology increases. In the coming years, Satama will continue to invest heavily in the development of its technology competence.

Depending on the client and its particular industry Satama either delivers the project in its entirety or works in close cooperation with the client's other vendors, such as management consultants, advertising agencies, and IT Integrators. Satama's delivery process, The Satama Unified Process (SUP), has been developed specifically to match the requirements of digital development projects and it supports operating in multi-vendor programs well. The SUP is ISO 9001 certified in Finland. In extensive programs, an important Satama strength is our ability to facilitate and sustain an effective interface between our client and their stakeholders.

Satama consistently develops its service offering to meet each client's changing needs. Digital consulting, portal and application development, digital communication solutions, as well as Competence Center services are our core competencies. Within these service entities, Satama, in cooperation with the client, recognizes relevant focus areas. These include, for example, digital marketing communication, content management, multichannel user-interface design, and mobile services.

SATAMA'S GROWTH AND PROFITABILITY TARGETS

Satama's long-term objective is profitable growth. This will be achieved by continuing the execution of our strategy as outlined already last year. We will work to further deepen our close client relationships and to broaden our clientele in Finland and internationally.

In Central Europe, Satama aspires toward a recognized position as a strategic partner of companies operating in the Mobile Value Web. The goal is being pursued by combining Satama's substantial knowledge of the mobile end-user with the business acumen of operators, handset producers, and content providers. Satama's most significant clients operating in the Mobile Value Web in 2002 were Global mobile Suppliers Association, KPN, Nokia, Orange, Sonera, and Vodafone. Professionals from all Satama offices participated in projects delivered to these clients.

In the continuing unstable market, developing new cooperation models is important from our growth strategy's perspective. In addition to the traditional fixed-price and time-based invoicing contracts, outsourcing is a form of cooperation that Satama will actively develop this year.

We anticipate consolidation in the industry to speed up. Satama is prepared to take part in this process if and when it supports our strategy. These arrangements can happen within the information technology services and marketing communications industries, as well as in the Mobile Value Web.

Year 2002 in Brief

1ST QUARTER

- Satama Interactive Group's result positive for the first time since IPO in 2000.
- Satama places fourth in Resumé's "Sweden's Best Web Agency" customer survey.
- Satama Finland completes the significant Sonera.fi and Sonera.com redesign project.
- Satama Germany together with long-term client iPUBLISH develops one of Europe's first i-mode services.
- Satama begins cooperation with Vodafone.
- The Annual General Meeting re-elects Mr. Jukka Ant-Wuorinen, Mr. Ami Hasan, Mr. Samu Mielonen and Mr. Harri Roschier on the Board of Directors. As new members are elected Mr. Pauli Kulvik and Mr. Alex Nieminen. The Board of Directors elects Mr. Ant-Wuorinen as Chairman of the Board.
- Personnel 274.

2ND QUARTER

- Satama conducts a comprehensive customer satisfaction survey and is commended for quality of deliverables, expertise and flexibility of personnel, and customer relationship management.
- Mr. Rob Wehkamp is appointed Country Manager of Satama Amsterdam.
- Significant new clients: Pfizer Finland and Sampo Bank.
- Personnel 276.

3RD QUARTER

- Mr. Peter Barkman is appointed Director of International Operations. In conjunction the reporting structure of the operations is changed.
- Satama Sweden's website design for Reimersholms receives the prestigious Excellent Swedish Design –honorary mention.
- Significant new clients: INHOLLAND, Nethawk and Ticnet.
- Personnel 274.

4TH QUARTER

- Satama's Board of Directors decides that the goodwill caused by the acquisitions of the company's subsidiaries will be written-down in its entirety in the 2002 financial statements. The one-time expenditure for the write-down on the company's result is of EUR -9.5 million.
- Satama Finland Oy and its subsidiary Satama Tampere Oy merge.
- Satama participates in the extensive Nokia.com renewal project with over 40 professionals from all Satama offices.
- During the year Satama has delivered over 70 customer projects relating to MMS technology in 26 countries on three continents.
- Satama begins cooperation with Metso.
- Satama Finland's design and production for Hankkija-Maatalous, S-Agrinet, is awarded best e-store of the year in the new media competition, M&M Grand Prix, organized by the Markkinointi & Mainonta magazine.
- Satama and MTV Oy announce they will jointly develop advertising related content and service concepts for digital television.
- Personnel 262.

Key Figures	1998*	1999*	2000	2001	2002
EUR 1,000					
Revenues	3,967	14,035	30,118	28,845	22,195
Operating profit/loss	-596	-4,694	-16,951	-9,717	-1,589
Result for the period	-729	-4,037	-23,090	-10,568	-10,440
Liquid assets	164	2,257	22,216	18,125	16,209
Equity-to-assets-ratio%	69,6	-4,0	76,4	78,5	83,8
Balance sheet	4,348	20,489	54,212	39,268	24,801
Average number of employees	62	173	414	388	279
Number of employees at year end	90	306	454	308	262

* Pro forma comparative figures



CEO's Review

"2002 was in many ways eventful but also challenging for Satama. We enter 2003 with confidence, trusting in our strong client relationships and expert staff."

REVIEW OF 2002

During the past year, the market situation remained challenging in all Satama countries. Companies' widespread cautiousness toward new development investments led to decreased revenues at Satama. Yet despite this, the profitability of our largest subsidiary, Satama Finland Oy, improved again for the third consecutive year. In 2002 profitability rose to 15.1%, up from 12.4% in 2001.

Throughout the year, Satama's international operations suffered from the general decrease in demand for digital services in all markets. Not even the most promising accounts have grown as expected. A series of restructuring actions was not sufficient to make the international operations profitable in 2002. Despite the continuously challenging economic climate our operations are on solid ground, both financially and from a client relationship point of view.

LONG-TERM CLIENT RELATIONSHIPS FORM THE BASIS OF OUR OPERATIONS

Successful client relationships form the basis of Satama's operations. During last year, we delivered significant projects to such clients as Audi, Finnish Rail, KPN/Planet Internet, Nokia, S Group, and Sonera, among others.

That our clients were highly satisfied with our services throughout 2002 is important for our continued success. In our annual client satisfaction survey, we were commended for, among other things, our customer-centered approach, project management, creative design, and the quality of deliverables. Thanks to our flourishing client relationships, we were also able to strengthen our market leadership position in Finland.

In order to even better fulfill our clients' expectations, we continued to develop the efficiency of our operations and also of our delivery process, the Satama Unified Process (SUP). As part of this development work, we decided to seek ISO 9001 certification for the SUP in Finland. The SUP was awarded the certificate at the end of February 2003. We believe that this will further strengthen our competitive edge in the Finnish market.

During 2002, Satama acquired important new clients, including Metso, Pfizer Finland, Sampo Bank, and Vodafone. In both existing and new accounts Satama's projects are increasingly focused on business-to-business solutions.

FLEXIBLE RESOURCING GUARANTEES OUR INTERNATIONAL DELIVERY CAPABILITY

In order to enhance our operations and to support cross-office sales efforts, we revised the structure of our interna-



tional operations during the fall. Personnel resources were organized into an International Competence Center and, additionally, international operations are now reviewed as one entity. Thanks to flexible resourcing, we can offer our clients the best possible expertise and also deliver projects to countries where we do not have a permanent presence. Examples of this are the over 70 projects relating to MMS technology that we delivered in 26 countries on three continents, as well as the extensive Nokia.com renewal project which involved over 40 Satama experts from all of our offices.

OUTLOOK FOR THE FUTURE


Reaching profitability remains Satama's most important objective. In pursuit of this, bringing our international operations to profitability is central. We monitor the development of the international operations closely and, if necessary, will undertake further restructuring actions. Our plans are based on the assumption that the digital services market will start growing, at earliest, toward the end of 2003.

Satama's long-term objective is profitable growth. I believe this can be achieved by continuing the execution of

our strategy outlined already last year. We will work to further deepen our close client relationships and to broaden our clientele in Finland and internationally. In Finland this requires continuous investment in extending our know-how of Internet-based technologies as well as further developing our partner strategy. Internationally, we will, in particular, seek as our clients companies operating in the Mobile Value Web.

Finally, I would like to thank our highly skilled and motivated personnel. The fact that Satama Finland placed tenth in the "Finland's Best Workplaces 2003" study shows that we have succeeded in creating an inspiring and supportive work environment for our staff.

Warm thanks as well to each of our clients for our successful cooperation. It is very important to us at Satama to continuously improve the satisfaction of both our clients and staff, and it is an area we will continue to invest in this year.



Jan Sasse, CEO

Services



At Satama, our job is to help our clients build better customer and stakeholder relationships through digital services. We believe that this goal is best reached by (1) understanding our clients' business needs, by (2) understanding users' needs, preferences, and desires, and by (3) producing tested services and solutions that are highly relevant, distinctive, and usable.

CONSULTING SERVICES

We offer consulting services in three areas: business, technology, and design consulting.

Business consulting at Satama is based on understanding our client's needs and requirements. Our consulting process is focused on identifying the digital service's objectives and creating a roadmap for the development work. Defining the processes linked to the digital service and change management, as well as measuring service use, aid in reaching our desired objectives.

We support our client's decision-making about - and development of - digital services, with in-depth research, including investment and profitability calculations. In close cooperation with our partners, we also conduct market and benchmark studies for our clients.

The objective of our *technology consulting* services is to help each of our clients with the product, technology, and

architecture choices relating to their digital services. Central components in our technology consulting include analyzing a client's current technical architecture and applications, recognizing the service's technical requirements, comparing and selecting technologies and products, and designing the architecture of the service.

Furthermore, technology consulting plays an important role in the design process by recognizing the possibilities and limitations of different technologies, devices, and products. It is the best way to ensure, early on, that a proposed technical solution can indeed be successfully implemented.

The cornerstones of Satama's *design consulting* are design management and user-focused design with methodologies such as user research and usability studies.

Satama's user research is based on ethnographic study. This approach helps us to identify both recognized, as well as hidden, user needs. Our concept and visual design are based on the findings of user research.

Usability studies conducted at different stages of the design process ensure both ease of use and functionality of the service. Usability research is based on heuristic and expert evaluations, and usability tests with the service's real future users either in Satama's usability studios or in real use environments.

The purpose of design management is to give stakeholders a controlled, consistent, and high-quality image of the company. Satama's design management services include defining the client's digital brand guidelines as well as composing brand and interaction definitions for Internet, mobile, and digital television use.

PORTAL SOLUTIONS

We help our clients enhance their operations by transferring their processes into a digital environment. Our portal solutions enable real-time data access for the client's stakeholders with different digital devices. Furthermore, portals offer a cost-effective channel for customer care, and for doing a variety of transactions online.

Satama's ability to bring together the different competencies required in portal development ensures successful results. Understanding the client's business, user-focused design, and strong technological expertise create a firm base for the solution. A reliable content management system is central in any portal solution, especially with regard to data publishing and maintenance. A carefully designed user-interface is the final mandatory facet of our solutions.

ONLINE APPLICATION DEVELOPMENT

User-interface and interaction design are at the core of all Satama-created services. Satama offers expert services in user-interface, usability, and interaction design for all solutions in which high usability and user experiences play a central role. Satama has extensive experience in creating applications for Web, mobile, and digital television environments. The most rapidly growing area of application development at Satama is Symbian OS and J2ME based applications for mobile devices.

MARKETING AND CORPORATE COMMUNICATION SOLUTIONS

With Satama's marketing and corporate communication solutions, Satama's clients can effectively reach their target groups. Digital environments enable interactive communication and accurate measurement of results.

Our thinking is based on integrated marketing communications principles according to which traditional off-line media and digital channels work seamlessly together. Satama's marketing communication solutions include campaign websites, event and mobile marketing solutions, and multimedia product demos. Typical corporate communication solutions include corporate websites, digital annual reports, and multimedia corporate presentations.

COMPETENCE CENTER SERVICES

In addition to project commissions, Satama offers clients Competence Center services, such as outsourcing and contracting. These services offer our clients alternatives for developing and maintaining their digital services.

With an outsourcing contract, our clients can transfer the responsibility of digital service development and maintenance, in the desired degree, to Satama. In conjunction, our client's employees may also transfer to Satama. Benefits of outsourcing include reduced costs, faster service development, and a consistently high quality of services.

Satama's contracting services offer clients a flexible alternative for utilizing our wide variety of expertise. Contracting is a good solution for our clients when their own resources are not sufficient. Typical assignments suitable for contracting include user-interface design, architecture design, Java-implementation, and management of multi-vendor projects.

Important Clients

AUTOMOTIVE

Audi Netherlands

CONSUMER GOODS

Amer Sports

Atria

Sinebrychoff

Suunto

Vin & Sprit

FINANCE

ABN Amro

If Insurance

Meridea Financial Software

Sampo Bank

COMMUNICATION

Findexa

Fonecta

iPublish

Planet Internet

Rtl new media

Talentum

PROCESS AND MANUFACTURING

Ekokem

Keramag

Metso

Pfizer Finland



RETAIL AND WHOLE SALE

Nordiska Kompaniet
S Group
Ticnet
University Pharmacy

SERVICES

Finnish Rail
Kiasma Museum of Contemporary Art
Kiinteistömaailma
Stockholm International Fairs
Vereniging Eigen Huis

GOVERNMENT AND NGO

Dutch Ministry of Agriculture, Environment, and Fishery
Dutch Ministry of Health, Welfare, and Sport
Finnish Red Cross
Finnish Ministry for Foreign Affairs
INHOLLAND
Nutek
Sociale Verzekeringsbank

TELECOMMUNICATION

Nokia
Orange
Sonera
Vodafone





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Report of the Board of Directors

For the fiscal year 2002 (1 Jan. – 31 Dec. 2002)

GENERAL

In addition to the parent company Satama Interactive Oyj, the consolidated financial statements include wholly-owned subsidiaries Satama Finland Oy, Interweb Oy, Seiren Solutions Oy, Satama Deutschland GmbH, Satama UK Ltd, Satama Sverige AB, Satama USA Inc, Satama Amsterdam B.V. and Satama Singapore Pte Ltd as well as Satama Tampere Oy that was a wholly-owned subsidiary of Satama Finland Oy. Satama Tampere Oy was merged into Satama Finland Oy on 31 December 2002. The consolidated financial statements combine all the subsidiaries.

The parent company of Satama Interactive Oyj is Talentum Oyj with 60.6% ownership at the end of the fiscal year.

REVENUE AND PROFIT DEVELOPMENT

Satama Interactive Group's (hereinafter Satama) revenues for the fiscal year 2002 were EUR 22.2 million (EUR 28.8 million). Satama's result was EUR –10.4 million (EUR –10.6 million). The parent company's revenues were EUR 2.8 million (EUR 4.7 million) and losses EUR –12.4 million (EUR –11.6 million).

Revenues decreased particularly due to ending operations in the USA and UK, and due to personnel restructuring in other foreign units. Satama's operating result improved significantly despite a revenue decrease caused by the difficult

market situation. The improvement is the result of a lower cost structure compared to the previous year.

During 2002 Satama has operated from six offices. In Finland, the company has operations in Helsinki, Tampere, and Oulu, and abroad in the Netherlands (Amsterdam), Germany (Düsseldorf), and Sweden (Stockholm).

The profitability of Satama's largest subsidiary, Satama Finland Oy, improved again for the third consecutive year despite the continued slow demand for digital services in the Finnish market. Increased efficiency of the delivery process, higher than average usability rates, and strict cost controls all contributed to improved profitability. The revenues of the Finnish operations (the sub-group comprised of Satama Finland Oy and Satama Tampere Oy) were EUR 18.8 million (EUR 20.5 million) and operating result was EUR 2.8 million, 15.1% of revenues (EUR 2.5 million and 12.4% of revenues).

Throughout the year, Satama's international operations have suffered from the decrease in demand for digital services in all markets. Not even the most promising accounts have grown as expected. The last quarter, in particular, was slow in all international offices. Reducing personnel and lease costs, in addition to other measures taken to adjust the cost structure, were not sufficient to make the international operations profitable in 2002. The revenues of the international operations were EUR 5.0 million (EUR 9.7 million). The figures



of the previous year included the revenues of the US and UK subsidiaries, which were shut down in 2001. The operations were loss making.

The restructuring provision, made in the financial statements of 2001, has been used in whole during 2002. A large part of the reserve was used to cover costs from the premature termination of the US lease contract. An additional restructuring provision of EUR 0.2 million has been made in the 2002 financial statements to cover the costs of actions related to personnel arrangements in the international operations.

The result is considerably affected by the EUR –9.5 million onetime write-down. The write-down covers the remaining goodwill caused by the acquisitions of the company's subsidiaries in its entirety. In line with Satama's bookkeeping principles, the write-down is entered in extraordinary items.

FINANCIANG AND SOLVENCY

Satama's equity-to-assets-ratio was 83.8% (78.5%) and liquid assets were EUR 16.2 million (EUR 18.1 million), 65% (46%) of the balance sheet total. Operating cash-flow was positive. However, above mentioned one-time settlement paid in the USA for premature termination of Satama's lease contract and other expenses booked against the restructuring provision caused the Group's liquid assets to decrease by EUR –1.9 million compared to 2001.

THE BOARD OF DIRECTORS AND AUDITORS

The Annual Meeting of Satama Interactive Oyj held on 27 March 2002, re-elected as members of the Board of Direc-

tors Mr. Jukka Ant-Wuorinen, Mr. Ami Hasan, Mr. Samu Mielonen, and Mr. Harri Roschier. Mr. Pauli Kulvik and Mr. Alex Nieminen were elected as new members. The Board of Directors elected Mr. Jukka Ant-Wuorinen as Chairman of the Board. The Annual meeting re-elected the public accounting company PricewaterhouseCoopers Oy as auditors. Mr. Kari Miettinen, CPA, has been serving as the auditor in charge. Mr. Jan Sasse is CEO of Satama.

PERSONNEL

The average number of personnel during 2002 was 279 (388) and the number of personnel at year-end was 262 (308). Of these, 54 (105) were employed by the international units and 208 (203) by the Finnish units.

INVESTMENTS

Gross investments by the Group totaled EUR 0.3 million (EUR 0.7 million): EUR 0.1 million were used for tangible assets and EUR 0.2 million for intangible assets. Investments amounted to 1.5% (2.4%) of revenues.

RESEARCH AND DEVELOPMENT EXPENSES

Satama does research and development related to its consulting business continuously within the framework of normal operations. Satama has developed an "in Satama everyone does R&D" operating model, with which development initiatives can be conducted in an efficient and flexible way. In 2002 Satama invested especially in developing its service offering and competencies related to selected focus areas. These included, for example, digital marketing communications, multichannel user-interface design, content management, and mobile services.

Additionally, Satama participated in external research programs such as Wireless Bridge, a program that develops mobile business-to-business solutions, and Divia, a digital marketing communication research program. The total investment in development work amounted to approximately 4% of the working time of production personnel. Costs resulting from the development work are included in salary costs.

Company Reviews

PARENT COMPANY (*Satama Interactive Oyj*)

The parent company includes corporate management and a unit that offers administrative services to the Group. The company does not do client production work.

Operational Units

FINLAND (*the sub-group comprised of Satama Finland Oy and Satama Tampere Oy*)

The revenues of Satama Finland were EUR 18.8 million (EUR 20.5 million). The revenues decreased due to general cautiousness towards new investments in the marketplace. Despite lower revenues, profitability improved. In addition to the Helsinki office, Satama Tampere and the office in Oulu are a part of Satama Finland.

Satama's continuous focus has been on developing existing and new accounts, and the company has been able to strengthen its market leadership position. In line with its client strategy, Satama continues to seek as its clients forward-looking companies in selected industries. In both existing and

new accounts Satama's project focus is expanding to include business-to-business solutions.

Most significant clients in Finland were Amer Sports, Findexa, Finnish Rail, Metso, Nokia, Pfizer Finland, Sampo Bank, Suunto, Sonera, Talentum, and University Pharmacy. Out of these, Metso, Pfizer Finland, and Sampo Bank are new.

Satama Finland also delivers client projects outside the country. For example, during 2002 Satama delivered over 70 projects relating to MMS technology in 26 countries on three continents. Some of the projects were delivered in cooperation with Satama's international units.

In order to strengthen its competitive position and to even better meet its clients' expectations, Satama continued to focus on efficiency and the development of its delivery process. As part of this, Satama decided to seek ISO 9001 certification for its delivery process.

At the end of 2002, Satama Tampere Oy, which is a wholly owned subsidiary of Satama Finland Oy, was merged into Satama Finland Oy.

INTERNATIONAL OPERATIONS (*Satama Sverige AB, Satama Deutschland GmbH and Satama Amsterdam B.V.*)

Satama's international operations were loss making in 2002. The market situation, especially in Germany and Sweden, remained extremely challenging throughout the year. Measures to adjust the cost structure of the international operations to match the market situation have been taken but permanent profitability is yet to be reached. Satama is prepared to continue restructuring unless there is a clear turn for the better in the near future.

Mr. Peter Barkman was appointed Director of International Operations as of 15 September 2002. In conjunction, the reporting structure of the international operations was

changed. Personnel resources have been organized into an international resource pool and, additionally, the operations are now reviewed as one entity. This arrangement facilitates effective resourcing of extensive international projects and cross-office sales efforts.

In Central Europe, Satama aspires toward a recognized position as a strategic partner of companies operating in the Mobile Value Web. The goal is being pursued by combining Satama's substantial knowledge of the mobile end-user with the business acumen of operators, handset producers, and content providers. Satama's most significant clients operating in the Mobile Value Web in 2002 were Global mobile Suppliers Association, KPN, Nokia, Orange, and Vodafone. Professionals from all Satama offices participated in projects delivered to these clients.

Other significant clients outside Finland included, among others, ABN Amro, Audi Netherlands, INHOLLAND, rtl New Media, and Stockholm International Fairs.

After the reporting period on 31 January 2003, Satama and the country manager of Satama Germany, Mr. Stefan Schimansky, decided to end Mr. Schimansky's employment contract with immediate effect. Mr. Peter Barkman is now directly responsible for the German operations.

CHANGES IN CAPITAL STOCK

During 2002 the number of shares increased by 946,848 shares on the basis of subscriptions made with A warrants attached to the bond loan with warrants issued in 1999. At the end of fiscal year 2002, Satama Interactive Oyj had 38,209,641 shares outstanding and the registered share capital was EUR 802,410.79.

PARTNER AGREEMENTS

The company is not aware of any mutual partner agreements related to the operations or ownership of the company.

SHARES HELD BY THE BOARD OF DIRECTORS AND THE CEO

The number of shares of Satama Interactive Oyj owned personally by the Board of Directors and the CEO and through companies controlled by them numbered 213,000 on 31 December 2002, which is 0.6% of the total number of shares and votes in the company.

OUTLOOK FOR 2003

Reaching profitability remains Satama's most important objective. In pursuit of this, bringing our international operations to profitability is central. The development is monitored closely and restructuring actions will be undertaken if necessary.

We do not foresee positive change in the industry, near-term. Our plans are based on the assumption that the digital services market starts growing, at earliest, toward the end of 2003.

We anticipate consolidation in the industry to speed up. Satama is prepared to take part in this process if and when it supports our strategy.

Satama's financing and solvency is strong and the company will not need additional financing.

THE BOARD OF DIRECTORS' PROPOSAL FOR COVERING LOSSES

The Board of Directors proposes that no dividend is paid for the fiscal year 2002. The Board of Directors will propose to the Annual General Meeting convening on 26 March 2003 that the losses of the fiscal year EUR – 12,389,105.29 will be covered from the share premium fund.

Income Statements

	Group		Parent Company	
	1.1. - 31.12.2002	1.1. - 31.12.2001	1.1. - 31.12.2002	1.1. - 31.12.2001
Revenues	22,195,443.13	28,844,772.12	2,802,608.03	4,679,565.84
Other operating income	188,808.97	1,616,845.25	70,440.16	684,657.42
Expenses:				
Materials and services	2,082,845.86	3,247,402.92	8,781.28	26,445.70
Personnel expenses	13,476,679.38	19,051,753.69	1,124,532.09	2,005,566.49
Depreciation	2,610,673.43	4,146,185.25	640,031.47	877,896.82
Other operating expenses	5,803,229.98	13,461,382.98	459,809.16	7,399,556.91
Share of losses in associated companies		271,582.09		
	23,973,428.65	40,178,306.93	2,233,154.00	10,309,465.92
Operating profit/loss	-1,589,176.55	-9,716,689.56	639,894.19	-4,945,242.66
Financial income and expenses	640,411.56	959,988.13	-16,296,519.31	-9,683,168.60
Loss before extraordinary items, provisions and taxes	-948,764.99	-8,756,701.43	-15,656,625.12	-14,628,411.26
Extraordinary items	-9,491,085.39	-1,808,145.29	3,267,519.83	3,061,629.55
Loss before provisions and taxes	-10,439,850.38	-10,564,846.72	-12,389,105.29	-11,566,781.71
Direct taxes		-3,268.47		
Loss for the period	-10,439,850.38	-10,568,115.19	-12,389,105.29	-11,566,781.71

Balance Sheets

Assets	Group		Parent Company	
	12/31/02	12/31/01	12/31/02	12/31/01
Fixed assets				
Intangible assets	1,917,501.33	2,557,527.51	1,834,716.02	2,199,041.27
Goodwill on consolidation		10,722,658.86		
Tangible assets	771,331.96	1,730,164.36	230,655.45	312,244.19
Investments				
Investments in subsidiaries			3,589,757.54	15,442,260.91
Other investments	719,279.56	719,279.56	718,665.79	718,665.79
	3,408,112.85	15,729,630.29	6,373,794.80	18,672,212.16
Current assets				
Long-term receivables	465,350.03	350,026.19	839,491.59	2,210,821.22
Short-term receivables	4,717,627.57	5,063,191.37	539,931.40	876,797.95
Liquid securities	15,529,302.58	16,433,216.97	15,529,302.58	16,433,216.97
Cash and cash equivalents	680,171.34	1,691,967.02	409.46	29,480.75
	21,392,451.52	23,538,401.55	16,909,135.03	19,550,316.89
Total assets	24,800,564.37	39,268,031.84	23,282,929.83	38,222,529.05
Shareholders' equity and liabilities				
Shareholders' equity				
Capital stock	802,410.79	783,393.99	802,410.79	783,393.99
Share premium fund	31,868,926.58	43,132,796.77	31,868,926.58	43,132,796.77
Translation difference (restricted)	-34,574.91	520,277.80		
Retained losses	-1,886,492.62	-2,885,159.14		
Loss for the period	-10,439,850.38	-10,568,115.19	-12,389,105.29	-11,566,781.71
Translation difference (unrestricted)	302,936.50	-220,255.74		
Exchange rate difference on consolidation	-115,669.16	31,684.51		
	20,497,686.80	30,794,623.00	20,282,232.08	32,349,409.05
Liabilities				
Short-term liabilities	4,302,877.57	8,473,408.84	3,000,697.75	5,873,120.00
	4,302,877.57	8,473,408.84	3,000,697.75	5,873,120.00
Total shareholders' equity and liabilities	24,800,564.37	39,268,031.84	23,282,929.83	38,222,529.05

Cash Flow Statements

Cash flow from operations:	Group		Parent Company	
	1.1.-31.12.2002	1.1.-31.12.2001	1.1.-31.12.2002	1.1.-31.12.2001
Profit (loss) before extraordinary items	-948,764.99	-8,756,701.43	-15,506,625.12	-14,628,411.26
Adjustments:				
Planned depreciation	2,610,673.43	4,146,185.25	640,031.47	877,896.82
Unrealized exchange rate gains and losses	-112,226.56	51,242.02	-111,653.38	51,242.02
Financial income and expenses	-528,185.00	-1,011,230.15	16,408,174.69	9,631,926.58
Other adjustments	-61,286.88	-850,277.91	8,315.30	-439,888.86
Cash flow before change in working capital	960,210.00	-6,420,782.22	1,438,242.96	-4,507,234.70
Change in working capital				
Increase (-)/decrease (+) in short-term interest-free receivables	345,563.81	4,084,510.69	337,477.66	-410,829.90
Increase (-)/decrease (+) in short-term interest-free liabilities	-4,170,046.31	1,250,868.30	-4,181,434.97	4,271,705.95
Change in working capital	-3,824,482.50	5,335,378.99	-3,843,957.31	3,860,876.05
Cash flow from operations before financial items and taxes	-2,864,272.50	-1,085,403.23	-2,405,714.35	-646,358.65
Interest paid and payments for other financial expenses from operations	-9,126.32	-20,478.27	-147,269.83	-152,094.22
Interest received from operations	523,092.31	780,666.23	505,266.57	717,524.31
Cash flow before extraordinary items	-2,350,306.51	-325,215.27	-2,047,717.61	-80,928.56
Cash flow from extraordinary items				
Cash flow from operations (A)	-2,350,306.51	-325,215.27	-2,047,717.61	-80,928.56
Cash flow from investments:				
Investments in tangible and intangible assets	218,060.25	144,011.51	-195,815.85	-149,181.86
Profit from assignment of intangible and tangible assets	-169.44	10,638.60	-169.44	10,638.60
Capital expenditure on other investments	14,354.63	-5,341,558.99		-3,188,926.91
Profit from assignment of other investments	-4,253.48	1,770,545.72		
Loans granted			-3,440,825.63	-3,972,839.24
Interest received from investments				53,457.70
Cash flow from investments (B)	227,991.96	-3,416,363.16	-3,636,810.92	-7,246,851.71
Cash flow from financing:				
New share issue	321,928.32		321,928.32	
Short-term liabilities drawn			9,215,614.53	4,893,174.13
Short-term liabilities repaid			-8,053,519.83	-4,722,822.26
Long term receivables increase/decrease	-115,323.84	-349,126.71		-337,124.23
Group contribution received			3,267,519.83	3,061,629.55
Cash flow from financing (C)	206,604.48	-349,126.71	4,751,542.85	2,894,857.19
Change in cash and cash equivalents (A+B+C) increase (+) / decrease (-)	-1,915,710.07	-4,090,705.14	-932,985.68	-4,432,923.08
Cash and cash equivalents at beginning of period	18,125,183.99	22,215,889.13	16,462,697.72	20,895,620.80
Cash and cash equivalents at end of period	16,209,473.92	18,125,183.99	15,529,712.04	16,462,697.72

Principles Used in Preparing the Financial Statements

EXTENT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING PRINCIPLES

The company is part of the Talentum Group, whose parent company is Talentum Oyj, domiciled in Helsinki. Copies of Talentum's financial statements are available at the company's headquarters, Malminkatu 30, 00100 Helsinki.

In addition to the parent company, the consolidated financial statements include the wholly owned subsidiaries Interweb Oy, Seiren Solutions Oy, Satama Finland Oy, Satama Deutschland GmbH, Satama UK Ltd, Satama Sverige Ab, Satama USA Inc, Satama Amsterdam B.V., Satama Singapore Pte Ltd and Satama Tampere Oy, which was a subsidiary of Satama Finland Oy. Satama Tampere Oy was merged into Satama Finland Oy on 31 December 2002. All Group companies have been consolidated.

The subsidiaries were consolidated using the acquisition cost method. The difference between the acquisition cost of the subsidiaries and shareholders' equity corresponding to the holding acquired was presented as goodwill on consolidation. The remaining goodwill on consolidation was written-down entirely during year 2002.

Intra group transactions, internal dividend payment and internal receivables, and payables were eliminated.

The income statements for the international subsidiaries have been translated into euros at the average rate of exchange of the fiscal year and balance sheets for the companies have been translated into euros at the rate of exchange on the day the accounts were closed. Differences arising from translation of restricted and unrestricted shareholders' equity were presented as separate items in consolidated shareholders' equity.

Valuation Principles

VALUATION OF FIXED ASSETS

Fixed asset items were entered in the balance sheet on the basis of direct acquisition costs less planned depreciation. The straight-line depreciation method was used on the basis of economic life.

Planned depreciation periods are the following	Depreciation period
Intangible assets	
Goodwill on consolidation	10 years
Other long-term expenditure	
Software licenses	2 - 3 years
Renovation of premises	5 - 10 years
Goodwill	10 years
Tangible assets	
Machinery and equipment	
Computer hardware	2 years
Office furnishings	5 years
Motor vehicles	5 years

The remaining amount of the goodwill from the acquisitions of the company's subsidiaries were written-down from the consolidated balance sheet as depreciation in excess of plan. Depreciation in excess of plan was entered under extraordinary items in the consolidated income statement.

Write-downs on subsidiary shares and long-term loan receivables have been entered under financial expenses.

VALUATION OF LIQUID ASSETS

Securities under liquid assets were valued at acquisition cost or at the presumable sales price if it is lower than the acquisition cost on the day the accounts were closed.

Expenditure on research and development and long-term expenditure

Expenditure on research and development was entered as an annual expense during the year it was incurred.

PENSIONS

Pension expenses were entered according to the local legislation of each country. The pension security of personnel of the parent company and the other Finnish subsidiaries was provided by external pension insurance companies.



Notes to the Financial Statements

Notes to the Income Statement

1. Revenues by business sector and geographical area	Group 2002	Group 2001	Parent Company 2002	Parent Company 2001
Division by business sector				
Internet services	22,195,443.13	28,844,772.12	25,985.15	308,303.53
Group services			2,776,622.88	4,371,262.31
Total	22,195,443.13	28,844,772.12	2,802,608.03	4,679,565.84
Geographical division				
Finland	16,614,560.50	19,757,312.07	2,495,101.27	3,652,762.83
Europe	4,725,201.38	7,843,491.40	307,506.76	807,773.79
Other countries	855,681.25	1,243,968.65		219,029.22
Total	22,195,443.13	28,844,772.12	2,802,608.03	4,679,565.84
2. Other operating income				
Rent	84,631.55	287,980.29		
Profit from assignment of associated companies		1,265,844.80		677,324.03
Other income	104,177.42	63,020.16	70,440.16	7,333.39
Total	188,808.97	1,616,845.25	70,440.16	684,657.42
3. Materials and services				
Materials (goods)				
Purchases during the fiscal period	112,638.24	346,332.90	19.16	
External services	1,970,207.62	2,901,070.02	8,762.12	26,445.70
Total materials and services	2,082,845.86	3,247,402.92	8,781.28	26,445.70
4. Personnel expenses				
Wages and salaries				
Board of Directors	75,052.82	20,687.11	75,052.82	20,687.11
Managing Directors	635,793.62	682,421.34		
Wages and salaries	10,598,108.00	15,416,648.82	975,333.58	1,706,185.74
Pension expenses	1,407,546.09	1,653,787.62	127,027.74	214,470.28
Other mandatory personnel expenses	862,179.22	1,278,208.80	49,118.32	64,223.36
Adjustment of social security fee relating to options	-102,000.37		-102,000.37	
Total personnel expenses	13,476,679.38	19,051,753.69	1,124,532.09	2,005,566.49
Average number of employees	279	388	22	38
Number of employees at year end	262	308	22	23
5. Depreciation and write-downs				
Depreciation on tangible and intangible assets	1,319,278.96	2,772,073.04	640,031.47	877,896.82
Depreciation on consolidated goodwill	1,291,394.47	1,374,112.21		
Total depreciation and write-downs	2,610,673.43	4,146,185.25	640,031.47	877,896.82
6. Other operating expenses				

Other operating expenses of parent company, EUR 0.5 million, include non-mandatory personnel-related expenses of EUR 0.3 million and restructuring provisions of EUR -1.6 million.

Other operating expenses of Group, EUR 5.8 million, include non-mandatory personnel-related expenses of EUR 1.4 million and restructuring provisions of EUR -0.2 million.

Notes to the Financial Statements

Notes to the Income Statement

7. Financial income and expenses	Group 2002	Group 2001	Parent Company 2002	Parent Company 2001
Interest and financial income from long-term investments				
From others	14,354.63	13,714.13		
Total	14,354.63	13,714.13	0.00	0.00
Other interest and financial income				
From Group companies				53,434.35
From others	637,242.87	1,029,751.15	628,882.13	782,424.81
Total	637,242.87	1,029,751.15	628,882.13	835,859.16
Interest income from long-term investments and other interest and financial income				
Total	651,597.50	1,043,465.28	628,882.13	835,859.16
Write-downs on investments				
Write-downs on long-term investments		-11,756.86	-16,779,120.85	-10,296,185.40
Total	0.00	-11,756.86	-16,779,120.85	-10,296,185.40
Interest and financial expenses				
To Group companies			-138,308.92	-164,202.14
To others	-11,185.94	-71,720.29	-7,971.67	-58,640.22
Total	-11,185.94	-71,720.29	-146,280.59	-222,842.36
Total financial income and expenses	640,411.56	959,988.13	-16,296,519.31	-9,683,168.60
Foreign exchange difference (net) included in interest and financial income	115,158.49	-16,794.11	114,583.93	-15,538.82
8. Extraordinary items				
Extraordinary income				
Group contribution			3,267,519.83	3,061,629.55
Reversal of the purchase price liability		317,620.32		
Extraordinary expenses				
Depreciation on goodwill in excess of plan	-9,491,085.39	-2,125,765.61		
Total	-9,491,085.39	-1,808,145.29	3,267,519.83	3,061,629.55
9. Provisions				
There were no appropriations				
10. Direct taxes				
Income taxes on business operations		-3,268.47		
Total	0.00	-3,268.47	0.00	0.00

Notes to the Financial Statements

Notes to the Balance Sheet

11a Fixed assets

Group	Intangible assets			Goodwill on consolidation	Tangible assets	Investments	Total fixed assets
	Intangible rights	Goodwill	Total	Goodwill on consolidation	Machinery and equipment	Shares Other	
Acquisition cost 1.1.02	4,142,090.20	6,610,754.14	10,752,844.34	14,053,594.95	7,005,887.72	2,146,695.68	33,959,022.69
Translation difference	-19,618.79	-725,624.82	-745,243.61		-219,288.90		-964,532.51
Increases	179,615.38		179,615.38		148,824.23		328,439.61
Decreases	-186,750.79		-186,750.79		-323,851.27		-510,602.06
Acquisition cost 31.12.02	4,115,336.00	5,885,129.32	10,000,465.32	14,053,594.95	6,611,571.78	2,146,695.68	32,812,327.73
Accumulated depreciation 1.1.02	-1,653,587.69	-6,541,729.14	-8,195,316.83	-3,330,936.09	-5,275,723.36	-1,427,416.12	-18,229,392.40
Translation difference	16,961.14	725,624.82	742,585.96		168,555.28		911,141.24
Accumulated depreciations of decreases and transfers between items					15,554.15		15,554.15
Depreciation for the fiscal period	-561,208.12	-9,204.00	-570,412.12	-1,291,394.47	-748,625.89		-2,610,432.48
Additional depreciation (extraordinary items)		-59,821.00	-59,821.00	-9,431,264.39			-9,491,085.39
Accumulated depreciation 31.12.02	-2,197,834.67	-5,885,129.32	-8,082,963.99	-14,053,594.95	-5,840,239.82	-1,427,416.12	-29,404,214.88
Book value 31.12.02	1,917,501.33	0.00	1,917,501.33	0.00	771,331.96	719,279.56	3,408,112.85

11b Fixed assets

Parent Company	Intangible assets		Tangible assets	Investments		Total fixed assets
	Intangible rights	Machinery and equipment		Shares	Shares	
				Group companies	Other	
Acquisition cost 1.1.02	3,572,775.87	1,898,293.41	24,293,496.13	2,146,081.90	26,439,578.03	31,910,647.31
Increases	98,452.38	95,834.54				194,286.92
Decreases		-797.34				-797.34
Acquisition cost 31.12.02	3,671,228.25	1,993,330.61	24,293,496.13	2,146,081.90	26,439,578.03	32,104,136.89
Accumulated depreciation and value adjustments 1.1.02	-1,373,734.60	-1,586,049.22	-8,851,235.22	-1,427,416.11	-10,278,651.33	-13,238,435.15
Depreciation for the fiscal period	-462,777.63	-177,253.84				-640,031.47
Accumulated depreciations of decreases		627.90				627.90
Write-downs			-11,852,503.37		-11,852,503.37	-11,852,503.37
Accumulated depreciation 31.12.02	-1,836,512.23	-1,762,675.16	-20,703,738.59	-1,427,416.11	-22,131,154.70	-25,730,342.09
Book value 31.12.02	1,834,716.02	230,655.45	3,589,757.54	718,665.79	4,308,423.33	6,373,794.80

Notes to the Financial Statements

Notes to the Balance Sheet

12. Investments

Group companies	Domicile	Group holding %	Parent company holding %
Interweb Oy	Helsinki	100.00	100.00
Seiren Solutions Oy	Helsinki	100.00	100.00
Satama Finland Oy	Helsinki	100.00	100.00
Satama Amsterdam B.V.	Amsterdam	100.00	100.00
Satama USA Inc.	Dallas	100.00	100.00
Satama Deutschland GmbH	Düsseldorf	100.00	100.00
Satama UK Ltd	London	100.00	100.00
Satama Sverige Ab	Stockholm	100.00	100.00
Satama Singapore Pte Ltd	Singapore	100.00	100.00

Other investments	Domicile	Group holding %	Parent company holding %
24/7 Real Media Inc	USA	under 1 %	under 1 %
First Hop Oy	Helsinki	around 7.5 %	around 7.5 %

Notes to the Financial Statements

Notes to the Balance Sheet

13. Receivables	Group 2002	Group 2001	Parent Company 2002	Parent Company 2001
Long-term receivables				
Receivables from group companies				
Loan receivables			839,491.59	2,210,821.22
Other receivables	465,350.03	350,026.19		
Total long-term receivables	465,350.03	350,026.19	839,491.59	2,210,821.22
Short-term receivables				
Accounts receivable	4,012,575.40	4,354,801.19	26,144.60	26,284.50
Receivables from group companies				
Accounts receivable	1,220.00	53,501.14	190,716.19	456,437.02
Other receivables		2,059.17	36,749.45	50,488.63
Deferred receivables	1,372.50			
Total Group companies	2,592.50	55,560.31	227,465.64	506,925.65
Other receivables	204,242.97	83,278.76	20,288.22	23,593.50
Deferred receivables				
Employees' Pension Act	248,818.63	272,076.62	78,205.05	193,076.62
Other deferred receivables	249,398.07	297,474.49	187,827.89	126,917.68
Total deferred receivables	498,216.70	569,551.11	266,032.94	319,994.30
Total short-term receivables	4,717,627.57	5,063,191.37	539,931.40	876,797.95

Notes to the Financial Statements

Notes to the Balance Sheet

14. Shareholders' equity	Group 2002	Group 2001	Parent Company 2002	Parent Company 2001
Capital stock 1.1.02 / 1.1.01	783,393.99	783,112.28	783,393.99	783,112.28
Options 29.1.02, registered 21.2.02	1,050.33		1,050.33	
Options 4.3. - 17.5.02, registered 31.5.02	589.71		589.71	
Options 27. - 28.12.2000, registered 22.3.2001		281.71		281.71
Options 22.10. - 10.12.02, registered 13.12.02	17,376.76		17,376.76	
Capital stock 31.12.02 / 31.12.01	802,410.79	783,393.99	802,410.79	783,393.99
Share issue 1.1.01		4,507.44		4,507.44
Options 27. - 28.12.00, registered 22.3.01		-4,507.44		-4,507.44
Share issue 31.12.01	0.00	0.00	0.00	0.00
Above par value fund 1.1.02 / 1.1.01	43,132,796.77	65,632,869.64	43,132,796.77	65,632,869.64
Options 27. - 28.12.00, registered 22.3.01		4,225.73		4,225.73
Options 29.1.02, registered 21.2.02	15,936.07		15,936.07	
Loss covered from previous periods 27.3.02 / 4.4.01	-11,566,781.71	-22,504,298.60	-11,566,781.71	-22,504,298.60
Options 4.3. - 17.5.02, registered 31.5.02	8,947.29		8,947.29	
Options 22.10. - 10.12.02, registered 13.12.02	278,028.16		278,028.16	
Above par value fund 31.12.02 / 31.12.01	31,868,926.58	43,132,796.77	31,868,926.58	43,132,796.77
Translation difference (restricted)	-34,574.91	520,277.80		
Other funds				
Contingency fund 1.1.01		1,745,677.32		1,745,677.32
Loss covered from previous periods 4.4.01		-1,745,677.32		-1,745,677.32
Contingency fund 31.12.01	0.00	0.00	0.00	0.00
Accumulated losses 1.1.02 / 1.1.01	-13,453,274.33	-27,135,135.06	-11,566,781.71	-24,249,975.92
Loss covered from previous periods 27.3.02 / 4.4.01	11,566,781.71	24,249,975.92	11,566,781.71	24,249,975.92
Loss for the fiscal year 31.12.02 / 31.12.01	-10,439,850.38	-10,568,115.19	-12,389,105.29	-11,566,781.71
Exchange rate difference on consolidation	-115,669.16	31,684.51		
Translation difference (unrestricted)	302,936.50	-220,255.74		
Accumulated losses 31.12.02 / 31.12.01	-12,139,075.66	-13,641,845.56	-12,389,105.29	-11,566,781.71
Total shareholders' equity	20,497,686.80	30,794,623.00	20,282,232.08	32,349,409.05
15. Calculation of distributable shareholders' equity	Group 2002	Group 2001	Parent Company 2002	Parent Company 2001
Retained earnings	-1,886,492.62	-2,885,159.14		
Loss for the fiscal year	-10,439,850.38	-10,568,115.19	-12,389,105.29	-11,566,781.71
Total	-12,326,343.00	-13,453,274.33	-12,389,105.29	-11,566,781.71
16. The Parent Company's capital stock consists of one series of shares				
17. Appropriations				
There were no appropriations				
18. Deferred tax liabilities and receivables				
There were no deferred tax liabilities or receivables				
19. Capital loans				
There were no capital loans				

Notes to the Financial Statements

Notes to the Balance Sheet

20. Liabilities	Group 2002	Group 2001	Parent Company 2002	Parent Company 2001
Short-term liabilities				
Advances received	349,950.16	59,572.00		
Accounts payable	619,351.84	545,192.66	132,884.44	60,106.60
Liabilities to group companies				
Accounts payable	8,453.16	471.94	103,755.52	79,988.25
Other liabilities			2,257,480.17	1,095,525.85
Total liabilities to the group	8,453.16	471.94	2,361,235.69	1,175,514.10
Other liabilities				
Other liabilities	815,451.94	1,029,445.98	86,996.30	89,913.14
Total other liabilities	815,451.94	1,029,445.98	86,996.30	89,913.14
Deferred liabilities				
Holiday pay liability, incl. employer contribution	1,420,157.60	1,377,029.63	166,647.33	154,971.53
Pension and mandatory social expenses	58,223.83	108,312.97		
Restructuring reserve	237,043.19	4,565,000.00	150,000.00	4,065,000.00
Other deferred liabilities	794,245.85	788,383.66	102,933.99	327,614.63
Total deferred liabilities	2,509,670.47	6,838,726.26	419,581.32	4,547,586.16
Total short-term liabilities	4,302,877.57	8,473,408.84	3,000,697.75	5,873,120.00
21. Contingent liabilities	Group 2002	Group 2001	Parent Company 2002	Parent Company 2001
Pledges given for own commitments				
Rent guarantees/liabilities	4,848,268.87	11,171,719.93	816,273.54	5,584,540.09
Other liabilities	1,063,656.93	1,098,348.81	757,437.89	776,727.32
Leasing liabilities				
To be paid in fiscal 2003	424,101.47	507,493.29	192,389.62	188,530.67
To be paid later	348,629.28	375,085.90	142,677.76	92,672.88
Pledges given on behalf of other companies belonging to the Group				
Rent guarantees/liabilities			3,300,677.19	4,670,216.16
Other guarantees/liabilities			306,914.42	435,350.11

Equity and Shareholders



The number of Satama Interactive shares on 31 Dec. 2002 was 38,209,641 and the share capital was EUR 802,410.79. The book counter-value of a share is EUR 0.02 (not an accurate value). The company has one class of shares that have been listed on the Helsinki Exchanges' (HEX) NM-list since 2000.

On 27 March 2002, the Annual General Meeting authorized the Board of Directors to decide to issue a convertible bond loan and/or to grant options and/or to increase the capital stock through a share issue. The authorization allows an increase in the capital stock by a maximum of EUR 156,888.86 with a maximum amount of 7,462,550 new shares to be issued. The authorization entitles to waive the preemptive right of shareholders. The authorization was not used as of 31 Dec. 2002.

The Annual General Meeting decided on 27 March 2002 to issue a new personnel option program with 2,000,000 stock options. As a result of the subscriptions with the stock options, the share capital can increase by a maximum of about EUR 40,000 (not an accurate value) and the number of shares by a maximum of 2,000,000 new shares. The share subscription period will be 1 Feb. 2004 - 1 Feb. 2006. The share subscription price will be EUR 0.83, which was the Satama Interactive trade volume

weighted average share price on the HEX between 1 January - 31 March 2002 with an addition of 10%.

The A- and B-warrants, which have been combined with the A-warrants, of the Bond Loan with Warrants 1999, approved by the Extraordinary General Meeting on 20 Dec. 1999, were listed on the HEX NM-list during 2002. The listing began on 18 Dec. 2001. The share subscription period was between 1 Feb. 2000 - 29 Feb. 2000, and between 15 Dec. 2000 - 31 Jan. 2003 (A-Warrants), and between 15 Dec. 2001 - 31 Jan. 2003 (B-Warrants). The total number of warrants was 1,600,000 and they entitled subscription for a maximum of 1,600,000 new shares. The share subscription price was EUR 0.34 (FIM 2.00) per share. During 2002, 946,848 shares were subscribed with warrants. The increases in share capital were registered in the Trade Register on 21 Feb. 2002, 31 May 2002, and 13 Dec. 2002.

During 2002 no share subscriptions were made with the 800,000 option rights granted by the Extraordinary General Meeting on 20 Dec. 1999 in connection with the acquisition of the business of D'Animation Inc nor with the 1,600,000 option rights granted by the Annual General Meeting on 16 February 2000.

Division of share ownership, 30 December 2002	%	Shares
Private businesses	67.4	25,763,992
Financial institutions and insurance companies	3.1	1,178,700
Public sector entities	0.3	110,000
Non-profit making organizations	0.4	157,720
Households	21.6	8,265,669
Abroad	0.9	355,254
Abroad, registered in the name of a nominee	6.2	2,378,306
Total	100.0	38,209,641

Division of share ownership by size of holding, 30 December 2002				
Shares	No. of shareholders	Share of shareholders %	Total shares	Holding of shares %
1 -1.000	7,500	85.7 %	1,461,464	3.8 %
1.001-10.000	1,128	12.9 %	3,559,319	9.3 %
10.001-100.000	107	1.2 %	2,548,070	6.7 %
more than 100.001	20	0.2 %	30,640,788	80.2 %
Total	8,755	100.0 %	38,209,641	100.0 %

Information on shareholders, 30 December 2002	No. of shares	Holding, % of shares and votes
Talentum Oyj	23,170,000	60.6
Svenska Handelsbanken Filialkontoret	1,023,300	2.7
Finnventure Rahasto III Ky	996,026	2.6
Hämäläinen Mika Kalevi	876,100	2.3
Nordea Pankki Suomi Oyj	730,708	1.9
Sijoitusrahasto Alfred Berg Small Cap	594,450	1.6
C/o Commedia Oy	486,850	1.3
OP-Suomi Kasvu Sijoitusrahasto	473,100	1.2
Clearstream Banking AG	367,745	1.0
Liljeström Ulf Mikael	320,000	0.8
Registered in the name of a nominee	2,378,306	6.2

Partner agreements

The company is not aware of any mutual partner agreements related to the operations of the company.

Shares held by the board of directors and the CEO

The number of shares of Satama Interactive Oyj owned personally by the Board of Directors and the CEO and through companies controlled by them numbered 213,000 on 30 December 2002, which is 0.6% of the total number of shares and votes in the company.

Key Ratios Per Share

NOTES ON THE KEY FIGURES AND COMPARABLE FIGURES

The present Satama Interactive Oyj was established on 1 December 1999, on the basis of a division when Interaktiivinen Satama Oy was split into two companies, the new Interaktiivinen Satama Oy (the name was later changed to Satama Interactive Oyj) and WOW-verkkobrandit Oy. The 1999 fiscal year was one month long, from 1 December

to 31 December 1999. No comparable official figures are available for previous years.

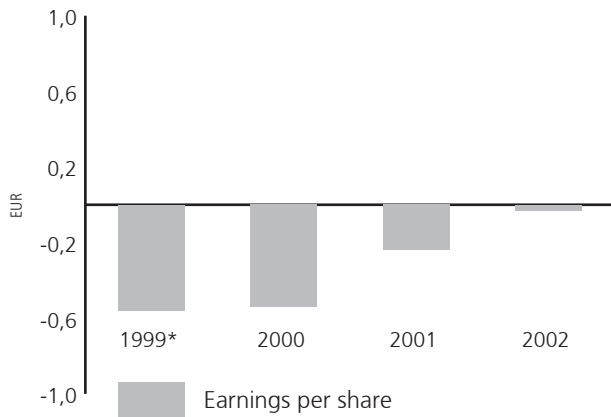
The key figures depicting economic trends and those for shares were calculated in accordance with the decision of the Finnish Ministry of Finance (360/1999) and the guidelines of the State Accountancy Committee.

Key ratios per share	2002	2001	2000	1999*
Earnings per share	-0.03	-0.24	-0.54	-0.56
Equity per share	0.54	0.83	1.11	-0.58
Capital stock per share, including dilution	0.53	0.81	1.04	-
Dividend per share	-	-	-	-
Dividend/earnings %	-	-	-	-
Average number of share-issue adjusted shares during the fiscal year	37,376,507	37,262,793	35,662,395	28,205,868
Average number of share-issue adjusted shares during the fiscal year, adjusted for dilution	37,652,299	38,035,144	37,932,646	-
Number of share-issue adjusted shares on 31 December	38,209,641	37,262,793	37,249,393	28,299,520
Number of share-issue adjusted shares adjusted for dilution on 31 December	38,485,433	38,035,144	39,635,548	-
P/E ratio	-19.70	-3.02	-2.32	-
Share prices during the fiscal year	2002	2001	2000**	1999*
Average price for the year	0.69	0.71	12.42	-
Lowest price for the year	0.49	0.29	0.99	-
Highest price for the year	0.90	1.50	25.05	-
Final price for the year	0.50	0.71	1.26	-
Market price	19,104,820.50	26,456,583.03	46,934,235.18	-
Trend in share trading:				
Trading	3,704,711.59	12,639,342.77	280,900,358.59	-
Trading, no. of shares	5,381,598	17,927,875	22,623,192	-
Trading %	14.4	48.1	63.4	-

*The 1999 fiscal year was one month long (1 December to 31 December 1999)

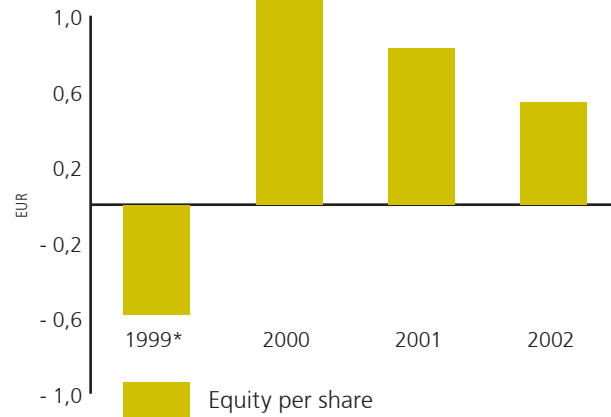
**The company's share has been quoted on Helsinki Exchanges since 15 March 2000

Earnings Per Share



*The 1999 fiscal year was one month long (1 December to 31 December 1999)

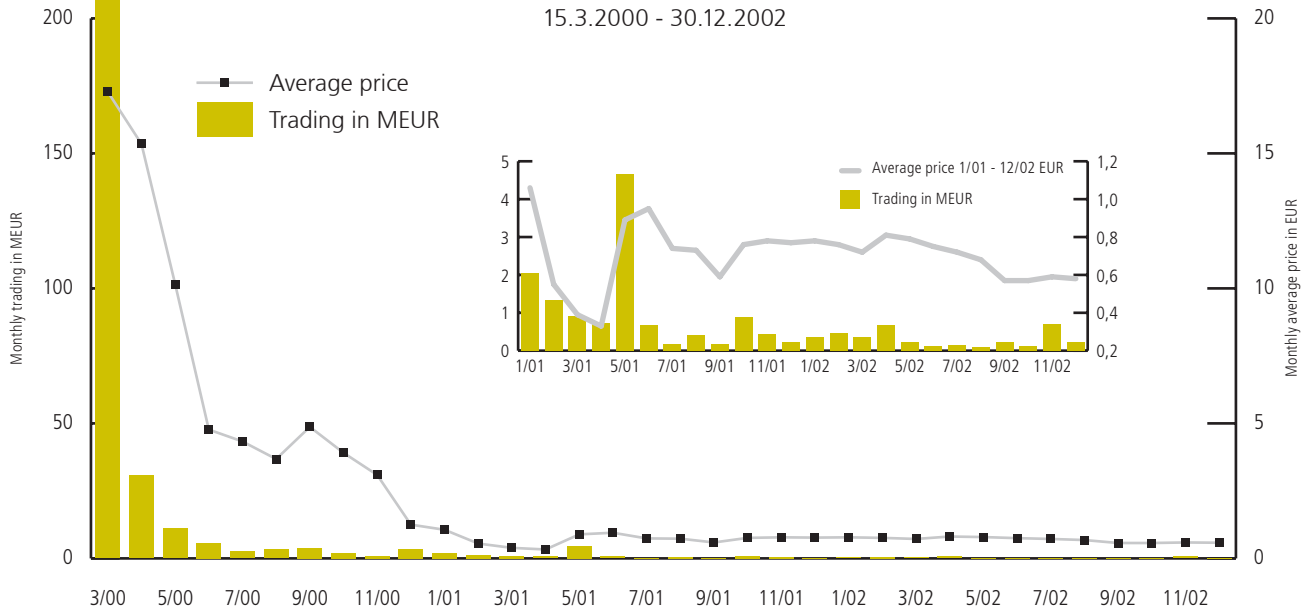
Equity Per Share



*The 1999 fiscal year was one month long (1 December to 31 December 1999)

Trading in Shares and Average Price

15.3.2000 - 30.12.2002



Key Figures Depicting Economic Trends

NOTES ON THE KEY FIGURES AND COMPARABLE FIGURES

The present Satama Interactive Oyj was established on 1 December 1999, on the basis of a division when Interaktiivinen Satama Oy was split into two companies, the new Interaktiivinen Satama Oy (the name was later changed to Satama Interactive Oyj) and WOW-verkkobrändit Oy. The 1999 fiscal year as one month long, from 1 December

to 31 December 1999. No comparable official figures are available for previous years.

The key figures depicting economic trends and those for shares were calculated in accordance with the decision of the Finnish Ministry of Finance (360/1999) and the guidelines of the State Accountancy Committee.

Key figures depicting economic trends	2002	2001	2000	1999*
Revenues	22,195,443.13	28,844,772.12	30,117,677.08	1,734,033.25
Operating loss	-1,589,176.55	-9,716,689.56	-16,950,504.79	-1,309,729.10
as a % of revenues	-7.2 %	-33.7 %	-56.3 %	-75.5 %
Loss before extraordinary items	-948,764.99	-8,756,701.43	-18,721,659.40	-1,327,117.35
as a % of revenues	-4.3 %	-30.4 %	-62.2 %	-76.5 %
Loss before appropriations and taxes	-10,439,850.38	-10,564,846.72	-22,470,947.21	-1,418,115.75
as a % of revenues	-47.0 %	-36.6 %	-74.6 %	-81.8 %
Loss for the fiscal year	-10,439,850.38	-10,568,115.19	-23,090,030.68	-1,404,026.82
as a % of revenues	-47.0 %	-36.6 %	-76.7 %	-81.0 %
Return on equity %	-3.7 %	-24.3 %	-95.5 %	-885.3 %
Return on investment %	-3.7 %	-24.1 %	-68.5 %	-10.9 %
Equity to assets ratio %	83.8 %	78.5 %	76.4 %	-4.0 %
Gross investment	328,439.61	683,875.28	20,588,053.12	3,462,661.96
as a % of revenues	1.5 %	2.4 %	68.4 %	199.7 %
Personnel at year end	262	308	454	306
Average number of personnel	279	388	414	300

*The 1999 fiscal year was one month long (1 December to 31 December 1999)

Calculation of Key Figures and Ratios

Return on equity % (ROE)	=	$\frac{\text{Profit/loss result before extraordinary items - taxes}}{\text{Shareholders' equity (average for the year)}} \times 100$
Return on investment % (ROI)	=	$\frac{\text{Profit/loss before extraordinary items + interest expenses and other financial expenses}}{\text{Balance sheet total - interest-free liabilities (average for the year)}} \times 100$
Equity to assets ratio %	=	$\frac{\text{Shareholders' equity}}{\text{Balance sheet total - advances received}} \times 100$
Earnings/share (EPS)	=	$\frac{\text{Profit/loss before extraordinary items - taxes}}{\text{Number of issue-adjusted shares on average during the fiscal year}}$
Dividend/share	=	$\frac{\text{Dividend}}{\text{No. of issue-adjusted shares on the closing date}}$
Dividend/earnings %	=	$\frac{\text{Dividend per share}}{\text{Earnings per share (EPS)}} \times 100$
Equity/share	=	$\frac{\text{Shareholders' equity}}{\text{No. of issue-adjusted shares on the closing date}}$
Market value of shares	=	No. of shares on the closing date x the final trading price

Proposal for Profit Distribution

Distributable shareholders' equity for the Parent Company is EUR -12,389,105.29 and for the Group EUR -12,326,343.00.

The Board of Directors proposes that no dividend be paid.

Signatures of the Board of Directors and CEO

Helsinki, 12 February 2003

Jukka Ant-Wuorinen
Chairman of the Board of Directors

Pauli Kulvik
Member of the Board of Directors

Alex Nieminen
Member of the Board of Directors

Ami Hasan
Member of the Board of Directors

Samu Mielonen
Member of the Board of Directors

Harri Roschier
Member of the Board of Directors

Jan Sasse
CEO

Auditor's Report



TO THE SHAREHOLDERS OF SATAMA INTERACTIVE OYJ

We have audited the accounting, the financial statements and the corporate governance of Satama Interactive Oyj for the financial year 1 January - 31 December 2002.

The financial statements, which include the report of the Board of Directors, consolidated and parent company income statements, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the Managing Director. Based on our audit we express an opinion on these financial statements and on corporate governance.

We have conducted the audit in accordance with Finnish Standards on Auditing. 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 Board of Directors and the Managing Director have legally complied with the rules of 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 financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of the financial position. The financial statements with the consolidated financial statements can be adopted and the members of the Board of Directors and the Managing Director of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the result of the accounting period is in compliance with the Companies' Act.

Helsinki, 27 February 2003

PricewaterhouseCoopers Oy
Authorised Public Accountants

Kari Miettinen, APA

Unaudited Pro Forma Information

COMMENTS ON PRO FORMA FIGURES

The present Satama Interactive Oyj was established on 1 December 1999 when Interaktiivinen Satama Oy was divided into two companies, the new Interaktiivinen Satama Oy (later Satama Interactive Oyj) and WOW-verkkobrandit Oy. Official comparable figures are therefore not available. To be able to compare the development of group's consulting business year by year the figures for years 1998 – 1999 herein are calculated pro forma figures. The pro forma figures are calculated only for comparison reasons. It has to be noted also that these pro forma figures are unaudited.

The comparable figures herein and in the offering circular are unaudited pro forma figures calculated by separating the operations transferred to WOW-verkkobrandit Oy from the official figures of the parent company.

The figures per share are calculated from the numbers of shares used in the offering circular.

Depicting economic trends 1998-2002	1998*	1999*	2000	2001	2002
EUR 1.000					
Revenues	3,967	14,035	30,118	28,845	22,195
Growth of revenues, %	384.2	253.8	114.6	-4.2	-23.1
Profit/loss	-596	-4,694	-16,951	-9,717	-1,589
As a % of revenues	-15.0	-33.4	-56.3	-33.7	-7.2
Profit/loss before extraordinary items	-579	-4,807	-18,722	-8,757	-949
As a % of revenues	-14.6	-34.2	-62.2	-30.4	-4.3
Profit/loss before taxes	-1,059	-4,055	-22,471	-10,565	-10,440
As a % of revenues	-26.7	-28.9	-74.6	-36.6	-47.0
Profit/loss of the period	-729	-4,037	-23,090	-10,568	-10,440
As a % of revenues	-18.4	-28.8	-76.7	-36.6	-47.0
Return on equity % (ROE)	-9.9	-440.2	-95.5	-24.3	-3.7
Return on investment % (ROI)	-23.0	-60.0	-68.5	-24.1	-3.7
Interest bearing debts	-164	10,900	-22,175	-18,120	-16,209
Net gearing %	-5.5	-1,333.2	-53.7	-58.8	-79.1
Equity to assets ratio %	69.6	-4.0	76.4	78.5	83.8
Gross investments	848	13,421	20,588	684	328
As a % of revenues	21.4	95.6	68.4	2.4	1.5
Personnel at end of period	90	306	454	308	262
Average number of personnel	62	173	414	388	279

Key ratios per share 1998 - 2002	1998*	1999*	2000	2001	2002
EUR					
Earnings per share	-0.01	-0.15	-0.54	-0.24	-0.03
Equity per share	0.09	-0.03	1.11	0.83	0.54
Equity per share, including dilution	0.09	-0.03	1.04	0.81	0.53
Dividend per share	-	-	-	-	-
Dividend/earnings %	-	-	-	-	-
Average number of share issue adjusted shares during the reporting period	31,703,300	31,703,300	35,662,395	37,262,793	37,376,507
Average number of share issue adjusted shares during the reporting period, adjusted for dilution	31,703,300	31,703,300	37,932,646	38,035,144	37,652,299
Number of share issue adjusted shares on 31 December	31,703,300	31,703,300	37,249,393	37,262,793	38,209,641
Number of share issue adjusted shares on 31 December, adjusted for dilution	31,703,300	31,703,300	39,635,548	38,035,144	38,485,433
P/E ratio	-	-	-2.32	-3.02	-19.70

Shares prices during the fiscal year	1998*	1999*	2000	2001	2002
Average price for the year	-	-	12.42	0.71	0.69
Lowest price for the year	-	-	0.99	0.29	0.49
Highest price for the year	-	-	25.05	1.50	0.90
Final price for the year	-	-	1.26	0.71	0.50
Market price EUR	-	-	46,934,235.18	26,456,583.03	19,104,820.50
Trend in share trading					
Trading EUR	-	-	280,900,358.59	12,639,342.77	3,704,711.59
Trading, no. of shares	-	-	22,623,192	17,927,875	5,381,598
Trading %	-	-	63.4	48.1	14.4

Pro forma comparative figures *



Board of Directors



JUKKA ANT-WUORINEN, M.Sc. (Econ.)
Managing Director of Amer Tobacco Ltd
Chairman of the Board since 2002
Member of the Board since 2000



SAMU MIELONEN
Stockholder of Antimatter Design
Member of the Board since 1997



AMI HASAN
Member of the Board of Hasan & Partners Oy
Member of the Board since 1997



ALEX NIEMINEN
Independent Consultant
Member of the Board since 2002



PAULI KULVIK, M.Sc. (Eng.), MBA
Associate Partner, Helmet Business Mentors Oy
Member of the Board since 2002



HARRI ROSCHIER, M.Sc. (Econ.)
Managing Director of Talentum Oyj
Member of the Board since 2002
Chairman of the Board 1997 - 2002

AUDITORS

PricewaterhouseCoopers Oy auditors

Responsible auditor: Kari Miettinen, Authorized Public Accountant (A.P.A.)

Operational Management in 2002

JAN SASSE, CEO

M.Sc. (Econ),

Helsinki School of Economics and Business Administration

Employed by the Satama Group since 1999.

TUOMAS AIRISTO, Executive Director

M.Sc. (Econ.),

Turku School of Economics and Business Administration

Employed by the Satama Group since 1999.

PETER BARKMAN, Director of International Operations

M.Sc. (Econ.),

Swedish School of Economics and Business Administration

Employed by the Satama Group since 1999.

TARU FROM, Executive Director

M.Sc. (Econ.),

Helsinki School of Economics and Business Administration

Employed by the Satama Group since 1998.

RISTO KOIVULA, Country Manager, Finland

M.Sc. (Eng.),

Helsinki University of Technology

Employed by the Satama Group since 1998.

MARTTI OJALA, CFO

B.Sc. (Econ.),

Helsinki School of Economics and Business Administration

Employed by the Satama Group since 1997.

In the picture from the left: Martti Ojala, Tuomas Airisto, Risto Koivula, Taru From, Peter Barkman, Jan Sasse.



Important Dates



FINANCIAL INFORMATION IN 2003

Satama Interactive Oyj will publish financial information quarterly in 2003. The interim reports will be published:

January – March 2003 on Friday 25 April,
January – June 2003 on Thursday 7 August and
January – September 2003 on Friday 24 October.

The release date for the Financial Statements Bulletin 2003 will be communicated with a stock exchange announcement in December 2003.

Satama's annual report and releases can be found on our website http://www.satama.com/satama_for_investors.jsp.

The annual report and releases in Finnish and English can be ordered from Pauliina Henttonen, Satama Interactive Oyj, Henry Fordin katu 6, 00150 Helsinki. By e-mail from investors@satama.com or by registering at <http://www.satama.com/subscribe.jsp>

ANNUAL GENERAL MEETING

The Annual Meeting of Satama Interactive Oyj will be held on Wednesday 26 March 2003 at 2.00 P.M. in Satama Interactive's headquarters at Henry Fordin katu 6, 00150 Helsinki.

Contact Information

Corporate Headquarters

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