

Annual report 2002



Annual Report

1 November 2001 - 31 October 2002

Annual General Meeting

The Annual General Meeting of Suomen Helasto Oyj will be held at the company's premises at Keskuskatu 18, Seinäjoki at 11 a.m. on 11th February 2003.

All shareholders whose names appear on the list of shareholders kept by the Finnish Central Securities Depository Ltd. as of 31st January 2003 have the right to attend the General Annual Meeting.

Shareholders, whose shares have not been transferred into the book-entry securities system, also have the right to attend provided that they entered the company's shareholders' register before 27th October 1995. Such shareholders should present their share certificates or other proof that their title to the shares has not been transferred to a book-entry securities account at the Annual General Meeting.

Shareholders wishing to attend the Annual General meeting should notify the company's head office at Seinäjoki no later than 4th February 2003 by telephone (+358 6 420 6200, Kimmo Uusimäki, Financial Director), by mail to Suomen Helasto Oyj, Keskuskatu 18, FIN-60100 Seinäjoki, Finland), or by e-mail to: kimmo.uusimaki@suomenhelasto.fi.

Distribution of Dividends

The Board of Directors of Suomen Helasto Oyj will propose at the Annual General Meeting that a dividend per share of EUR 0.05 shall be paid, totalling EUR 640,067. The balancing date for distribution of dividends is 14th February 2003, and the date for distribution of dividends is 21st February 2003. Dividends will be paid to all shareholders whose names appear on the list of company shareholders kept by the Finnish Central Securities Depository Ltd. on the balancing date.

Financial Reviews

The annual report of Suomen Helasto Oyj will be published in Finnish and English. During the 2002–2003 financial period, the Group will publish three interim reports on the 24th March 2003, 16th June 2003 and 23rd September 2003.

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Suomen Helasto Group operates on three business areas: locking and security, construction & furniture fittings and fastenings.

The business of Suomen Helasto Oyj varied over the financial year under review. All of the Group's business areas experienced fluctuations between active demand and quieter periods. The decrease in the volume of new construction and in the volume of business premises in particular was reflected in the locking and security business, as there was a reduction in the number of large-scale projects. While the volume of new construction decreased, the volume of renovation activities increased, which helped balance out the total volume for the construction business. Demand from the metal industry was still fairly good, which kept sales of fastening products stable. The fittings business was the least affected by general economic trends and by fluctuations experienced in various other industries. The fittings business survived the temporary slump that it experienced during the previous financial year and managed to increase its business.

Development in the Main Business Areas

The total turnover for the period under review was 24.5 million euros. Thus, the Group's turnover was reduced by 4 per cent compared with the previous financial year and the Group's result was halved. For the Group's locking and security companies, the period under review was far from satisfactory. At the beginning of the financial year, the slowing-down of the market reduced demand for project operations, which had a negative impact on the sales and profitability of the locking and security business.

Forecasting the development of business in the near future was rendered particularly difficult by the exceptionally active end to the previous financial year. Measures were taken during the period under review to boost sales and to reduce costs and thus to improve the results of the Group's locking and security business. The turnover of the Group's fittings companies grew steadily. The sales and profitability of the fastenings companies remained on a par with the corresponding figures from the previous financial year.

The Group companies typically have long-term business relations with their customers. Even during economically turbulent times, the Group has managed to retain its customer base and even to expand it, which is very positive, of course. The business results for the period under review did not meet the targets set, but this was primarily due to decreased demand and reduced volumes. There were no major changes in terms of supplier relations during the financial year.

Consistent Customer Service – a Key Strength

One of the strengths of the Suomen Helasto group of companies is the extensive and flexible product range, which can easily be adapted to suit individual customer needs. The Group's operations are based on flexible customer service, short lead times and good availability, and the Group offers a wide range of consistent services throughout Finland. New products and technologies set new requirements for all the Group's business areas. Consequently, Suomen Helasto is determined to invest in the competence of our personnel and in development of an innovative product range.

Positive Signs

General interest in security and the need for new, easy-to-use security systems continue to be active. According to a market survey published by Finnsecurity last October, the market for structural security products is expected to grow by approximately 4 per cent in 2003. The centralisation of construction and building maintenance is likely to continue in the future, which will have an impact on the development of the locking and security business. Professional customers require extensive service packages and consistent service irrespective of location. The market situation in the construction business is expected to remain stable and the volume of renovation business is estimated to increase by approximately 3 per cent in 2003. Low interest rates also increase confidence for positive development within the construction industry.

The trading volume of Suomen Helasto Oyj shares on the I list of the Helsinki Exchanges remained slow during the financial period under review. The trading volume and development of the Group's share value in general have not met expectations. The Group is nevertheless confident that its growth potential and future opportunities will be reflected in the trading volume and in the value of the Group's shares. We aim to be a profitable investment for current as well as future shareholders and intend to continue our consistent policy of distribution of dividends.

Key Priorities and Objectives

Suomen Helasto Group aims to speed up the turnover of capital invested in current assets and thus improve profitability. In addition, we seek to utilise our synergy benefits in marketing and warehousing. We want to develop our services and our network in such a way that they will meet the expectations of our customers as efficiently as possible. We also aim to increase the Group's turnover and to improve our results compared with the period under review.

The Group's aim is to achieve profitable, controlled growth in all business areas both organically and through acquisitions. In addition, we are determined to use the growth in the security market and the increase in the renovation volume to our benefit. The business operations of Suomen Helasto have strong foundations and the Group is in a good position to perform well in the future. The current business setting provides an excellent foundation for future success.

Confident About the Future

I would like to thank our customers for placing their trust in us and for their input into the development of our services and product range. In addition, I would like to thank our employees for their good work as well as their commitment, which has enabled the Group to meet the needs of its customers. I would also like to extend my thanks to our partners for their flexible and expert co-operation and to our shareholders for their interest and trust in the Suomen Helasto Group. I am very confident about the future outlook and I believe that the Group will enjoy positive development in the future. The Suomen Helasto Group has a strong position on the market and its business lies on a firm basis for future growth.

Seinäjoki, January 2003

Mauno Koskenkorva
Managing Director



The Suomen Helasto Group operates in three key business areas: locking and security, wholesale of fittings to the construction and furniture industries, and import and sales of fastening products. In terms of the locking and security business, the Suomen Helasto Group is one of Finland's leading companies and it offers reliable high-quality locking and security solutions to customers throughout Finland. With its long experience, the Group is in a strong position as a distributor of fittings, and because of the extensive range of fastening products on offer, the Group companies serve both retailers and industrial customers.

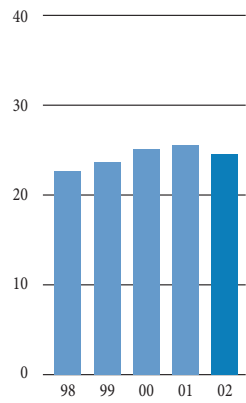
The Suomen Helasto Group is comprised of seven companies involved in the locking and security business, two companies in the fittings business and three companies in the fastenings business. Common to all three business areas are good relationships with

business partners and suppliers. Thanks to its wide range of products, good availability and an internal network, the Suomen Helasto Group can meet the needs of its customers flexibly and expertly. The Group, which was established in 1985, aims to strengthen its market position in all key business areas in a profitable and controlled manner.

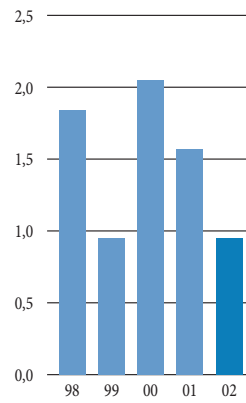
In 2002, the Group's turnover totalled 24.5 million euros and it employed 154 people.

Shares in the Group's parent company, Suomen Helasto Oyj, have been quoted on the Investors' list of Helsinki Exchanges Plc. under the SHE trading code since 1992.

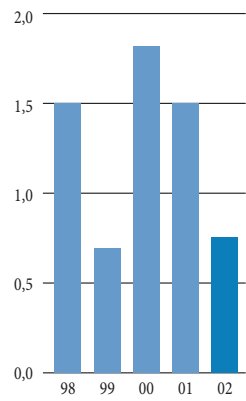
Key indicators	2002	2001	Change in %
(EUR 1,000)			
Turnover	24 490	25 506	-4.0
Operating profit	951	1 628	-41.6
% of turnover	3.9	6.4	-2.5 (% points)
Profit before extraordinary items and taxes	781	1 480	-47.2
Profit for the financial year	480	1 055	-54.5
Earnings per share, €	0.04	0.08	-54.5
Equity per share, €	0.46	0.47	-2.6
Solvency ratio, %	45.9	43.0	2.9 (% points)
Average number of personnel	154	157	-1.9



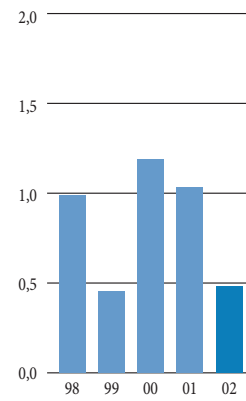
Turnover, EUR million



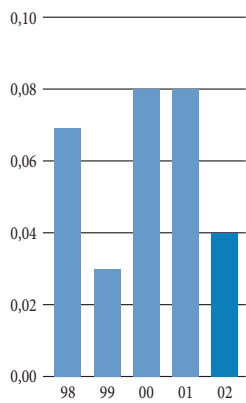
Operating profit, EUR million



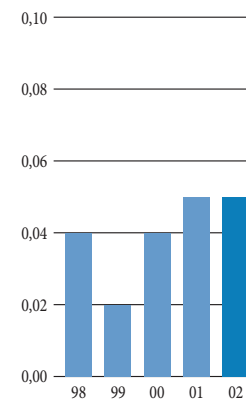
Profit before extraordinary items and taxes, EUR million



Profit for the financial year, EUR million



Earnings/share, EUR



Dividend/share, EUR

Suomen Helasto Oyj

- Turnover 0.9 MEUR
- Personnel 9

Helakiinteistöt Oy

Locking and Security Companies

Lukkoexpert Security Oy

- Turnover 1.7 MEUR
- Personnel 19

Suomen Lukkosystem Oy

- Turnover 0.5 MEUR
- Personnel 5

Vantaan Lukko Oy

- Turnover 1.3 MEUR
- Personnel 11

Lukko-Kari Oy

- Turnover 1.4 MEUR
- Personnel 13

Satakunnan Lukkoasennus Oy

- Turnover 0.6 MEUR
- Personnel 6

Lukkomies Oy

- Turnover 0.4 MEUR
- Personnel 7

Suomen Turvasystems Oy

- Turnover 0.8 MEUR
- Personnel 10

Fittings Companies

Seinäjoen Rakennustarvike ja Lukko Oy

- Turnover 7.9 MEUR
- Personnel 30

Suomen Helakeskus Oy

- Turnover 6.4 MEUR
- Personnel 16

Fastenings Companies

Helsingin Laaturuuvi Oy

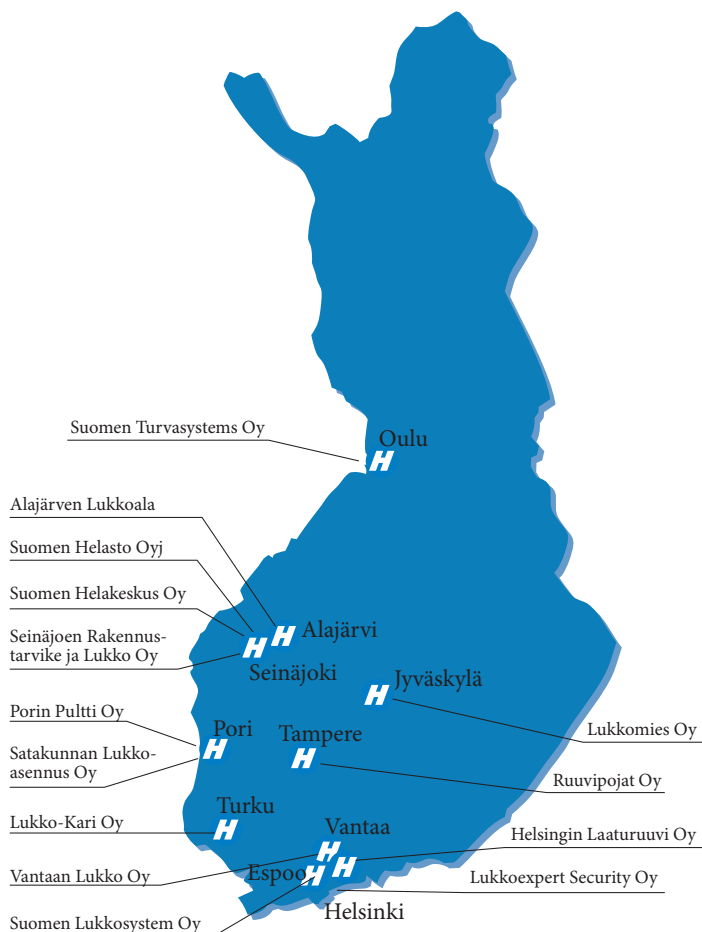
- Turnover 1.3 MEUR
- Personnel 10

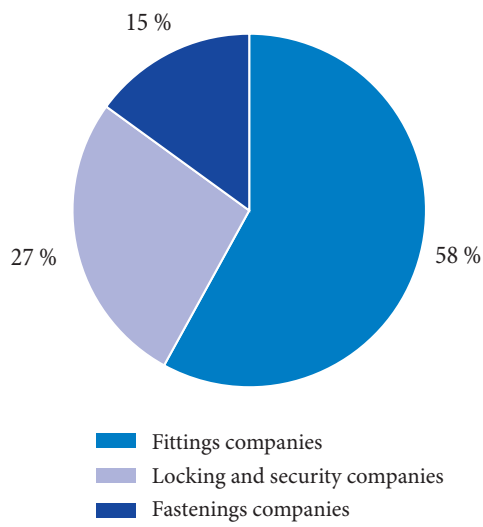
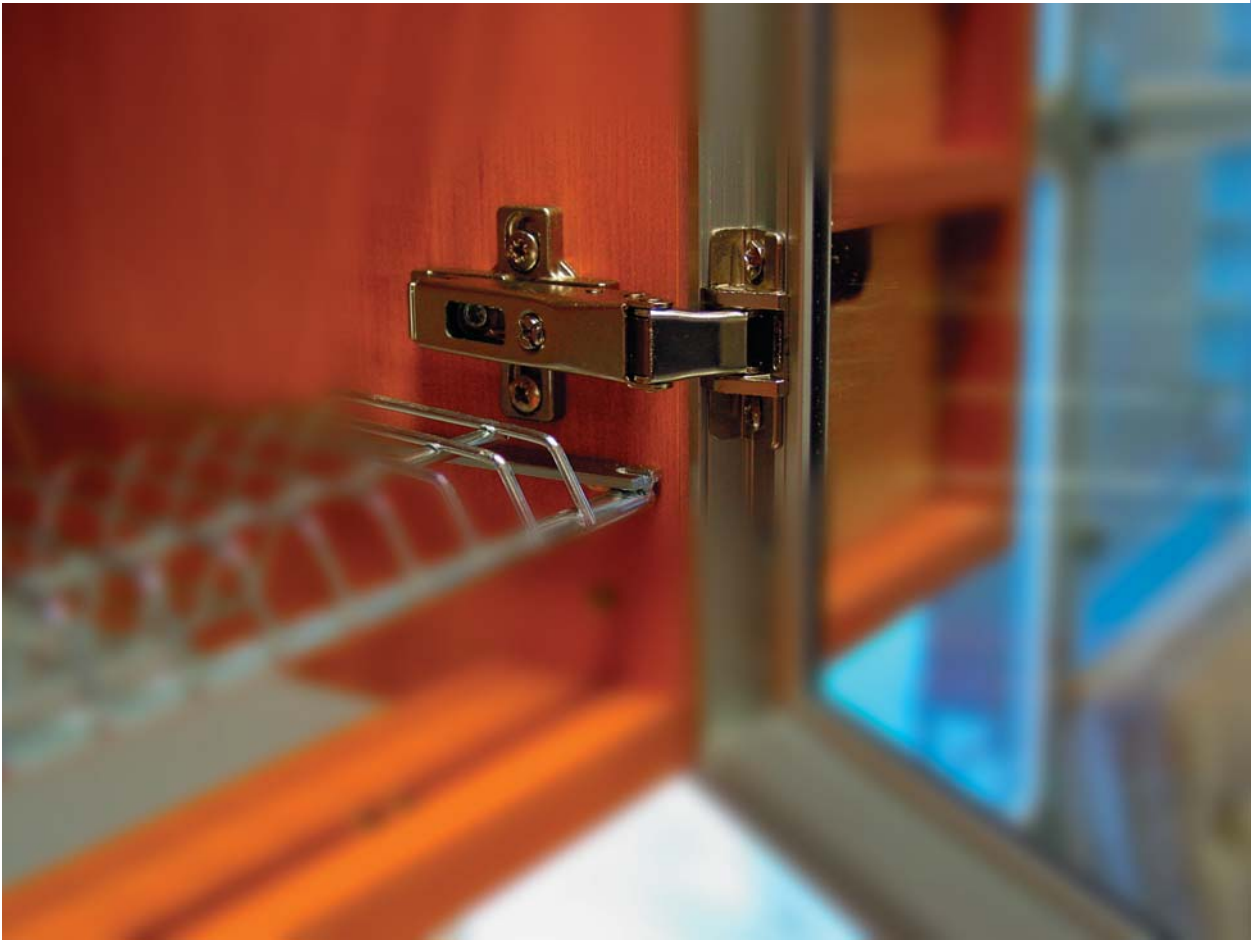
Ruuvipojat Oy

- Turnover 1.5 MEUR
- Personnel 10

Porin Pultti Oy

- Turnover 1.0 MEUR
- Personnel 8





The Locking and Security Business Continues to Grow and Develop

The locking and security business is going through major change: real estate maintenance services are forming nationwide chains and customers are often from the trade as services are being outsourced more and more. The market still continues to grow despite recession in the office and industrial building construction sector during the year under review.

In Finland, the locking and security business has traditionally consisted of numerous family-run businesses. During recent years, companies have started to network, because success in today's world requires companies to be effective and well-organised and – in the locking and security business in particular – it is equally essential to have the trust of your customers.

Common and Extensive Service

Suomen Helasto is among the leading locking companies in Finland. The company's network of locking companies ensures reliable supply and sufficient resources even for major projects and provides customers with a complete service nationwide. As they also have access to the resources of and support from the Group, the companies of Suomen Helasto stand out from their competitors, which is beneficial in establishing dependable, long-term customer relationships.

The locking and security business is developing rapidly and new products and technical solutions, with user-friendliness and individual identity at the forefront, are launched at regular intervals. New products require professionals in the business to keep constantly up-to-date with the latest developments and the retail chain of Suomen Helasto Group co-operates closely with Assa Abloy, the leading manufacturer in the locking and security business.

A Growing Market

During recent years, the locking and security services market has grown considerably and development is expected to keep ahead of the GNP growth rate. During the last few years, the long construction boom has started to wane, which has also slowed the growth rate of the locking business. Although the outlook for the locking business is closely linked with the overall performance of the construction industry, building and renovation businesses have different business cycles, which helps to even out volume fluctuations in the locking and security business.

In the Nordic countries, security has traditionally been based on structural security, in other words, sturdy doors and good locks and hinges. In other Western countries, the concept of security has relied more on security monitoring and alarm systems. Growing interest in and the need for improved security in Finland have boosted demand particularly for electronic security solutions. Another trend in locking and security products is the increasing interest in ease of use.

Outsourcing Means Changes to the Customer Base

The outsourcing trend in recent years has changed the locking and security business. The number of customers has declined and customers today are more experienced service users who demand advanced solution packages. In addition to installation, maintenance and servicing of mechanical locks, current projects also typically comprise electronic locking, door, gate and boom gate automatics as well as installation and servicing of access control systems. Locking company customers include real estate operators, housing associations, building maintenance companies, construction companies, businesses and organisations as well as individuals.

The Financial Year Under Review

The turnover of the Group's seven locking and security companies for the financial year stood at 6.7 million euros (8.1 million euros for the previous financial year) amounting to 27% (32%) of the Group's turnover. The locking and security companies had a total of 71 employees (75 employees) at seven different locations. During the financial year under review, the locking business of the Group focused more on maintenance and servicing projects. Reduced office building construction was reflected in the results of the locking and security companies with a decline in the number of major projects.

Future Outlook

The objective of Suomen Helasto is to further strengthen its position in the locking and security business. The Group aims to achieve profitable growth through organic development and possibly through business acquisitions. In the year 2003, the market situation is expected to remain stable in the construction business and the total building volume is anticipated to remain relatively high. It is expected that the renovation business, which is significant to the Group companies, will pick up this year. Renovation is just as significant in terms of demand for locking and security services as new construction.

There is growth potential in the locking and security market. Effective operations and a consistent workload throughout the year as well as the correct balance between new construction projects and subsequent assignments are essential for achieving the right results. During the financial year under review, the locking companies within the Group reduced their cost structure and developed their operations. The companies believe that these actions will have a positive effect on development of the business in 2003. Stability within the construction business, the overall trend within the security business and measures taken within the locking and security companies of the Group will create a sound basis for profitability and for achievement of growth targets in the current financial year.



Suomen Helasto Has a Firm Foothold in the Fittings Market

Over the years, Suomen Helasto has grown into a significant supplier of construction and furniture fittings. The operations of the fittings companies are based on an active and consultative approach and on profound knowledge of customer needs. Additionally, customers are kept regularly updated on new products and their possibilities.

Close relationships with suppliers and effective purchasing and warehouse management are key elements of the fittings business. New product innovations and changing customer needs require constant additions and enhancements to product ranges. The fittings companies of Suomen Helasto Group are major wholesalers whose strengths include knowledgeable sales staff, long-term customer relationships, timely deliveries and an extensive product range.

Construction and Furniture Fittings

The fittings market is divided into construction fittings and furniture fittings. Construction fittings are needed by both door and window manufacturers and furniture fittings are primarily used by kitchen and furniture manufacturers. Fittings have become an integral part of interior decoration and design. Increasing automation and faster manufacturing processes within industries using fittings place high demands on timely deliveries, reliable supply and high quality.

Abloy, Primo and Fiskars are leading Finnish manufacturers of construction fittings and Suomen Helasto primarily supplies Finnish construction fittings. Furniture fittings are mainly imported from Italy and Germany, which are among the leading fittings manu-

facturers, and from other Western European countries as well as the Far East to some extent. Typical fittings products include door closure devices and window fastenings, hinges, handles, pull handles, knobs and various mechanisms.

Stable Growth

The two fittings companies make up the stable foundation of the Group's business. Their turnover amounts to over 50% of the Group's total turnover. The Group's fittings companies operating in Finland, Russia and the Baltic States have constantly demonstrated steady and reliable development and growth.

Active Development

The fittings companies of Suomen Helasto Group are constantly developing their business by actively searching for new products to be included in their product range applying strict quality criteria in the selection process and by constantly assessing information on the latest trends through their manufacturers. In return, the Group companies also provide manufacturers with information on customer needs and requirements.

The fitting companies have achieved a solid market position and a good name in the business. A working information system ensures secure and timely customer deliveries and employee competencies are maintained through continual training to keep them up-to-date with constantly advancing products and technology.

Ups and downs in the construction and carpentry business, overall economic trends and developments in purchasing power reflect on the wholesale fittings business, yet doors, windows and kitchens will always need fittings regardless of business cycles.

Financial Year Under Review

During the financial year under review, the total turnover of the fittings companies amounted to 14.2 million euros (13.7 million euros in the previous financial year). The turnover of the fittings companies amounted to 58% (54%) of the Group's turnover. The fittings companies had a total of 46 employees (46 employees). Levels of demand varied during the year under review with the quietest periods being at the start of the year as well in the summer of 2002, while demand at other times was brisk.

The year under review will be remembered for high workloads and rapid responsiveness due to customer companies' smaller order bases and demand for shorter delivery times. At fittings companies, these tendencies occurred, as there was less time to anticipate demand and a greater need to deliver even big orders at short notice, yet overall demand was good.

Future Outlook

The fittings companies of Suomen Helasto Group will actively invest in finding new products and product groups. Development co-operation with manufacturers provides a way of meeting customer requirements. The fittings companies are constantly assessing new opportunities and methods of action to provide customers with a flexible and anticipatory service.

The future outlook for the business area is fairly stable, the operating environment shows signs of positive development and Suomen Helasto has confidence in the future development of the fittings business – the objective is for a continued stable increase in turnover and profitability.



The Fastenings Business Emphasises Service and Product Range

Anticipation of customer needs and speedy deliveries are essentials in the fastening business. Customer companies strive to use minimal resources for purchasing, which means higher service requirements. During the year under review, this was evident in the increased demand for shelving services.

One of the strengths of Suomen Helasto fastening companies is their ability to serve an extensive range of industrial manufacturers. Key customers include companies from the metal, electronics and construction industries as well as electrical, building, HE-VAC companies and distributors. The structure of the customer base can also be seen in the product range of the fastening companies within the Group: in addition to high-volume products, the range comprises a generous 20,000 items and includes plenty of special products. A broad customer base means that business cycles of individual business areas only have a moderate effect on the Group's fastening business.

Wholesale With Service

Anticipation of demand in the fastening business requires long-term practice, product expertise and good understanding of customer needs. Product quality needs to be high and there needs to be good availability. The strategy of the Group's fastening companies is to be a warehousing wholesaler that is able to meet customer needs by responding flexibly and rapidly.

Characteristic of the development is that customers expect to receive a cost-efficient service from suppliers. This is evident, for instance, in the clearly increased demand for shelving services. In shelving services, the identified products are delivered to the customer's warehouse and the supplier then takes care of inventory management and

replenishments to ensure supply of products, which saves customer resources and ensures that there will be no down-time due to lack of product supply.

Synergy Through Networking

The Group's fastening companies use a common information system that enables service co-operation in warehousing, which customers see for themselves in the good availability of products. The more than 20 years of experience of the individual companies and the backup from the Group provide the companies with credibility and reliability. The fastening companies of Suomen Helasto in Helsinki, Tampere and Pori serve distributors throughout Finland. The Group also has smaller operations in Russia and the Baltic States.

Product Range Develops Innovatively

Most of the fastening products are imported, mainly from other European countries. The Suomen Helasto Group fastening companies have close, long-term relationships with their product suppliers, which enables innovative development of the product ranges. In addition to traditional items, such as bolts, screws and other fastening products, the current product range also includes high-quality tools and various accessories. Demand for accessories has grown, as customers want to focus acquisitions on their reliable, long-term suppliers.

Growing Service Concept

In addition to the need for an extensive and high-quality product range, success in the business requires an increase in service and interaction. The strengths of Suomen Helasto Group's fastening companies include expert and knowledgeable sales teams and the ability to find solutions that meet customer requirements. The target of the fastenings companies is to take advantage of the growth potential in the business. The companies are actively developing their methods of action and service concepts and are giving their employees more training.

Financial Year Under Review

During the financial year under review, the total turnover of the fastening companies stood at 3.7 million euros (3.7 million euros in the previous financial year). The fastenings companies made up 15% (14%) of the Group's turnover. The companies had a total of 28 employees (27 employees). During the year under review, a slightly cautious approach could be seen from customers, yet demand stayed reasonably consistent. This was partially due to actively concentrating in industries where production remained high. The financial year under review was satisfactory considering the overall development.

Demand for shelving services escalated from the previous review period. Swings in demand mainly affected distributors, whereas demand in the metal industry was relatively stable. Future targets include intensifying customer contacts and thus enhancing the level of service.

Future Outlook

Suomen Helasto aims to grow to become a major player in the fastening business. The Group's fastening companies are determined to take advantage of the growth potential in the business with their versatile and extensive product range and service concept. There is growth potential in the fastening market in the growing metal industry and the recovering electronics industry sectors. The role of the end user is becoming more important for the companies. Objectives for the current financial year include increasing turnover and enhancing profits from the year under review.



Group Performance

The turnover of the Suomen Helasto Group went down by 4 per cent during the financial period under review and totalled 24.5 million euros (25.5 million euros). The Group's operating profit before extraordinary items was 0.8 million euros (1.5 million euros) and net profit after tax was 0.5 million euros (1.1 million euros). Earnings per share stood at 0.04 euros (0.08 euros). Return on investment was 9.8% (16.1%) and the Group's solvency ratio was 45.9% (43.0%).

The total volume of building construction remained high during the period under review. According to estimates published by various research institutions, the volume of housing construction reduced by approximately 1 per cent in 2002. The volume of new construction reduced by 4 per cent, while the volume of renovation construction increased by 3 per cent. In terms of new construction, the reduction in the volume of office building construction was quite significant and this was reflected in the locking and security business with reduced demand for large project contracts and with big fluctuations in workload during the period under review. Consequently, the sales and profitability of locking and security products were unsatisfactory. Forecasting the development of business was made particularly difficult by the exceptionally active end to the previous financial year. Measures were taken during the period under review to boost sales and to reduce the costs of the Group's locking and security business.

Demand for fittings from the construction and furniture industries remained stable; sales of fitting products grew steadily and the performance of the fittings business in general was positive.

Financing and Investments

The Group's financial position remained good throughout the period under review. Cash flow from operations totalled 1.8 million euros (0.9 million euros) and equity per share stood at 0.46 euros (0.47 euros). The group paid off its debts with interest for a total amount of 1.0 million euros (0.8 million euros) during the period under review.

The Group's total investments amounted to 0.2 million euros (0.3 million euros) and mainly consisted of replacement of machinery and equipment.

Changes in Share Capital and Authorisation of the Board

On 11th February 2002, the Annual General Meeting of the Suomen Helasto Group decided to lower the group's share capital by 87,729.54 euros by invalidating the 1,462,159 own shares held by the Group itself, accounting for 10.25 per cent of the Group's total share capital. Consequently, the Group's share capital was lowered from 855,810.00 euros to 768,080.46 euros. The decrease in share capital was entered onto the Trade Register on 11th April 2002.

The Board of Directors was authorised to decide on a possible increase in the Group's share capital by a maximum of 150,000 euros by means of one or two rights issues. The authorisation included the right to digress from the shareholders' pre-emptive rights and to decide on those entitled to subscription, subscription prices and other terms of subscription. The shareholders' pre-emptive rights can be modified for the purposes of finance company acquisitions. The Annual General Meeting authorised the Board of Directors to decide on the acquisition of the company's own shares with the funds reserved for profit distribution. The authorisation enables the acquisition of a maximum of 600,000 company shares. In addition, the Board of Directors was authorised to decide on the relinquishment of the company's own shares held by the Group at any given moment in any other proportion than the one according to which shareholders are entitled to pre-empt company shares. The Board of Directors has not executed the authorisation that it has received. The authorisation is valid until 11th February 2003.

Management and Personnel

The Board of Directors of the Suomen Helasto Group included the following people: Matti Koskenkorva (Chairman of the Board), Erkki Koskenkorva and Mauno Koskenkorva who is also the Managing Director of the company. Markku Tynjälä, Authorised Public Accountant, and Jukka Ala-Mello, Authorised Public Accountant, of PricewaterhouseCoopers Oy Authorised Public Accountants acted as the responsible auditor and the auditor of Suomen Helasto Group during the financial year under review.

The average number of personnel during the period under review was 154 (157). At the end of the financial year, the group employed 153 people.

Proposal by the Board of Directors for the Distribution of Profits

The Board of Directors has decided to propose to the Annual General Meeting on 11th February 2003 that the same amount of dividend be paid for the financial year under review as for the previous financial year, namely 0.05 euros per share. Thus, the total amount of dividends to be paid will be 0.6 million euros. The Group's distributable assets before the distribution of dividends total 4.4 million euros.

Prospects for the Year 2003

The volume of the construction business is expected to remain stable over the next few years. According to an economic review by VTT Technical Research Centre of Finland, the volume of new building construction is likely to reduce by 3 per cent during 2003, while the volume of renovation work is likely to increase by 4 per cent. Thus, the total volume of housing construction is likely to remain on a par with the previous year.

The Group does not anticipate any dramatic changes in demand for its products during 2003. There are certain factors rendering forecasting of the market situation more uncertain than in the past, however. Measures taken and reduced costs are expected to have a positive impact on the Group's performance during the current financial year. Profit accumulation is expected to focus on the second half of the financial period.



Members of the Board of Directors: Mauno Koskenkorva (CEO), Erkki Koskenkorva and Matti Koskenkorva (Chair).

INCOME STATEMENTS ■

(EUR 1,000)		GROUP		PARENT COMPANY	
	Note	31 Oct. 2002	31 Oct. 2001	31 Oct. 2002	31 Oct. 2001
TURNOVER		24,490	25,506	859	888
Other operating income	1.1.	16	159	6	64
Materials and services	1.2.	15,746	16,698		
Personnel expenses	1.3.	4,645	4,356	440	401
Depreciation and write-downs	2.1.	625	617	67	68
Other operating expenses	1.4.	2,539	2,365	346	570
OPERATING PROFIT (LOSS)		951	1,628	12	-87
Financial income and expenses	1.5.	-171	-148	883	118
PROFIT BEFORE EXTRAORDINARY ITEMS		781	1,480	896	31
Extraordinary items	1.6.			850	1,376
PROFIT BEFORE APPROPRIATIONS AND TAX		781	1,480	1,746	1,407
Appropriations	1.7.			18	9
Income tax	1.8.	-301	-424	-512	-414
PROFIT FOR THE FINANCIAL YEAR		480	1,055	1,251	1,001

BALANCE SHEETS ■

(EUR 1,000)		GROUP		PARENT COMPANY	
	Note	31 Oct. 2002	31 Oct. 2001	31 Oct. 2002	31 Oct. 2001
ASSETS					
FIXED AND OTHER NON-CURRENT ASSETS					
	2.1.				
Intangible assets		90	111	47	52
Group goodwill		978	1,184		
Tangible assets		1,680	1,904	65	118
Investments		60	59	5,078	5,077
		2,809	3,258	5,190	5,247
CURRENT ASSETS					
Inventories	2.2.	6,559	6,697		
Long-term receivables	2.3.			845	1,045
Short-term receivables	2.4.	3,262	3,973	4,649	4,793
Cash in hand and at bank		227	148	13	7
		10,048	10,818	5,507	5,845
TOTAL ASSETS		12,857	14,076	10,697	11,092

		GROUP		PARENT COMPANY	
	Note	31 Oct. 2002	31 Oct. 2001	31 Oct. 2002	31 Oct. 2001
SHAREHOLDERS' EQUITY AND LIABILITIES					
SHAREHOLDERS' EQUITY					
	2.5.				
Share capital		768	856	768	856
Share premium fund		370	282	370	282
Reserve fund		52	52	52	52
Retained earnings		4,226	3,810	4,250	3,889
Profit for the financial year		480	1,055	1,251	1,001
		5,895	6,056	6,691	6,080
APPROPRIATIONS	2.6.			11	28
LIABILITIES					
Imputed tax liability		129	166		
Long-term liabilities	2.7.	2,469	3,524	2,088	3,060
Short-term liabilities	2.8.	4,363	4,329	1,907	1,923
		6,961	8,020	3,995	4,983
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		12,857	14,076	10,697	11 092

SOURCES AND APPLICATION OF FUNDS

(EUR 1,000)	GROUP		PARENT COMPANY	
	31 Oct. 2002	31 Oct. 2001	31 Oct. 2002	31 Oct. 2001
CASH FLOW FROM BUSINESS OPERATIONS				
Operating profit	951	1,628	12	-87
Adjustments:				
Depreciation according to plan	625	617	67	68
Capital gains	-13	-152	-6	-64
Losses from the dissolution of associated companies				29
Depreciation of loans receivable from associated companies				185
Cash flow before change in working capital	1,563	2,093	73	131
Change in working capital				
Short-term non-interest bearing receivables, increase (-), decrease (+)	712	-524	144	-152
Inventories, increase (-), decrease (+)	138	-94		
Short-term non-interest bearing liabilities, increase (-), decrease (+)	-66	294	-113	91
	784	-324	31	-61
Cash flow before financial items and tax	2,348	1,769	104	70
Interest paid and other financial expenses	-221	-293	-183	-276
Dividends received	1	107	610	100
Interest received	70	96	222	253
Other Financial items	-21	-28	-15	-17
Direct taxes paid	-338	-720	-263	-669
	-509	-839	371	-609
Cash flow from business operations	1,839	931	475	-539
CASH FLOW FROM INVESTMENTS				
Investments in tangible and intangible assets	-240	-281	-28	-64
Income from sales of tangible and intangible assets	77	186	24	79
Other investments				7
Payback of loans receivable			200	56
Cash flow from investments	-163	-95	197	79
CASH FLOW FROM FINANCING				
Long-term loans drawn				
Repayment of long-term loans	-956	-750	-875	-672
Dividends paid	-640	-640	-640	-640
Group contributions received and paid			850	1,761
Cash flow from financing	-1,596	-1,390	-665	449
Change in liquid assets	80	-554	6	-11
Liquid assets at beginning of financial year	148	702	7	18
Liquid assets at end of financial year	227	148	13	7

1. SCOPE OF THE CONSOLIDATED INCOME STATEMENTS

The consolidated financial statements include all Group companies and associated companies.

2. ELIMINATIONS AND PRINCIPLES OF CONSOLIDATION

The consolidated financial statements are prepared using the acquisition cost method. The acquisition cost of subsidiary shares is eliminated against shareholders' equity in the subsidiaries on the date of purchase; the item includes voluntary reserves and the accumulated depreciation difference, less imputed tax liability. Acquisition cost in excess of the subsidiary's shareholders' equity is allocated to non-current asset items as appropriate. The part of the purchase price exceeding the acquired company's shareholders' equity which is not allocated in the manner referred to above, is referred to as Group goodwill on the balance sheet.

All transactions within the Group and the distribution of profits have been eliminated. The internal margins included in the Group's inventories and non-current assets have been deducted from balance sheet items and from non-restricted shareholders' equity. Intra-Group assets and liabilities have been eliminated. The accumulated depreciation difference is divided between deferred tax liability and shareholders' equity.

3. VALUATION PRINCIPLES

Accounts receivable and payable denominated in foreign currency are valued at the exchange rates on the date when the accounts were closed. Fixed assets have been entered on the balance sheet at the original acquisition cost with planned depreciation deducted. Inventories are valued at their original acquisition cost or at the lower replacement price or at the likely sale price.

4. DEPRECIATION PRINCIPLES

Depreciation according to plan of fixed assets is calculated on a straight-line basis over the estimated useful life of assets, which is 25–35 years for buildings, 5–8 years for machinery and equipment, 5 years for other non-current assets and 10–20 years for Group goodwill. In the consolidated financial statements, Group goodwill allocated to fixed assets is amortised in accordance with the amortisation period of the fixed asset item in question.

5. PENSION EXPENSES

Statutory pension security is covered by a pensions insurance company. The pension expenses are worked out on an accrual basis during the employee's time in service.

NOTES TO THE INCOME STATEMENTS

(EUR 1,000)	GROUP		PARENT COMPANY	
	2002	2001	2002	2001
1.1 OTHER OPERATING INCOME				
Capital gains on fixed assets	13	152	6	64
Other	3	7		
Total	16	159	6	64
1.2 MATERIALS AND SERVICES				
Materials and supplies				
Purchases	15,574	16,756		
Changes to the inventory	138	-94		
External services	34	37		
Total	15,746	16,698		
1.3 NOTES CONCERNING PERSONNEL AND MEMBERS OF ADMINISTRATIVE BODIES				
Personnel expenses				
Wages	3,746	3,475	321	281
Fees	39	32	39	32
Pension expenses	657	618	57	52
Other personnel expenses	204	232	23	36
Total	4,645	4,356	440	401
Management salaries and bonuses				
Managing Director and Board members	453	413	122	109
During the financial year, the average number of employees within the Group and the parent company was	154	157	9	9
1.4 OTHER OPERATING EXPENSES	2,539	2,365	346	570
1.5 FINANCIAL INCOME AND EXPENSES				
Income from holdings in associated companies		65		
Income from long-term investments				
Dividend income				
From Group companies			859	
From associated companies				138
From others	1	12		3
Total dividend income	1	12	859	141
Total income from long-term investments	1	12	859	141

NOTES TO THE INCOME STATEMENTS

	GROUP		PARENT COMPANY	
	2002	2001	2002	2001
Other interest and financial income				
From Group companies			220	242
From other	70	96	2	13
	70	96	222	255
Total interest and financial income	72	172	1,081	396
Interest expenses and other financial expenses				
To Group companies				10
To other	242	320	198	268
Total interest expenses and other financial expenses	242	320	198	278
Total financial income and expenses	-171	-148	883	118
1.6 EXTRAORDINARY ITEMS				
Extraordinary income			1,175	1,616
Extraordinary expenses			-325	-241
Total			850	1,376
Extraordinary items comprise paid and received Group contributions.				
1.7 APPROPRIATIONS				
Difference between planned depreciation and depreciation for tax purposes			18	9
Total			18	9
1.8 DIRECT TAXES				
Income taxes on actual business	338	447	512	414
Change in imputed tax liability	-37	-23		
Total	301	424	512	414
The paid and received Group contributions included in the extraordinary items affect the taxes of the parent company.				

NOTES TO THE BALANCE SHEET

(EUR 1,000)

2.1. NON-CURRENT ASSETS

GROUP FIXED ASSETS	Intangible assets		Total	Tangible assets			Total
	Intangible rights	Group goodwill		Land	Buildings	Machinery and equipment	
Acquisition cost, 1 Nov.	399	3,135	3,534	107	1,471	2,836	4,415
Increments	22		22			217	217
Deductions						-124	-124
Acquisition cost, 31 Oct.	421	3,135	3,556	107	1,471	2,930	4,508
Accrued depreciation, 1 Nov.	288	1,951	2,239		544	1,967	2,511
Accrued depreciation from deductions and transfers						-60	-60
Depreciation for the financial period	42	206	248		51	326	377
Accrued depreciation, 31 Oct.	330	2,157	2,487		594	2,234	2,828
Book value, 31 Oct.	90	978	1,068	107	877	696	1,680

PARENT COMPANY FIXED ASSETS	Intangible assets		Total	Tangible assets	
	Intangible rights	Other non-current assets		Machinery and equipment	Total
Acquisition cost, 1 Nov.	29	193	222	443	443
Increments		20	20	7	7
Deductions				-57	-57
Acquisition cost, 31 Oct.	29	213	243	393	393
Accrued depreciation, 1 Nov.	27	143	171	325	325
Accrued depreciation from deductions and transfers				-39	-39
Depreciation for the financial period		25	25	42	42
Accrued depreciation, 31 Oct.	27	168	195	328	328
Book value, 31 Oct.	2	45	47	65	65

GROUP INVESTMENTS	Other shares
Book value, 1 Nov.	59
Increments	1
Deductions	
Book value, 31 Oct.	60

PARENT COMPANY INVESTMENTS	Holdings in Group companies	Other shares and holdings	Total
Book value, 1 Nov.	5,049	28	5,077
Increments		1	1
Deductions			
Book value, 31 Oct.	5,049	29	5,078

GROUP COMPANIES	Shares/holdings owned by the parent company					Net profit for the financial period
	Group holding, %	Parent company holding, %	Number of shares	Nominal value	Book value	
Helakiinteistöt Oy	100	100	15	3	17	4
Helsingin Laaturuuvi Oy	100	100	150	3	596	5
Lukkoexpert Security Oy	100	100	1500	3	3	3
Lukko-Kari Oy	100	100	100	3	803	12
Lukkomies Oy	100	100	250	42	9	9
Porin Pultti Oy	100	100	50	8	404	8
Pulapotti Oy	100	100	1500	3	1	
Ruuvipojat Oy	100	100	80	8	1,149	18
Satakunnan Lukkoasennus Oy	100	100	1500	3	3	4
Seinäjoen Rakennustarvike ja Lukko Oy	100	100	30	10	1,146	40
Suomen Helakeskus Oy	100	100	100	25	769	39
Suomen Lukkosystem Oy	100	100	100	17	68	2
Suomen Turvasystems Oy	100	100	15	3	3	6
Suomen Turvaurakointi Oy	100	100	1500	3	1	
Vantaan Lukko Oy	100	100	583	98	77	6
Total				228	5,049	157

	GROUP		PARENT COMPANY	
	2002	2001	2002	2001
2.2. INVENTORIES				
Finished products and goods	6,556	6,694		
Advance paid	3	3		
Total	6,559	6,697		
2.3. LONG-TERM RECEIVABLES				
Receivables from Group companies				
Long-term receivables			845	1,045
Total			845	1,045
2.4. SHORT-TERM RECEIVABLES				
Receivables from other companies				
Accounts receivable	2,867	3,441		
Loans receivable	7	1		
Other receivables	29	32	2	1
Accrued income and prepaid expenses	358	499	9	2
Total	3,262	3,973	11	3
Receivables from Group companies				
Loans receivable			3,463	3,029
Accrued income and prepaid expenses			1,175	1,761
Total			4,638	4,790
Total receivables	3,262	3,973	4,649	4,793

NOTES TO THE BALANCE SHEET ■

(EUR 1,000)	GROUP		PARENT COMPANY	
	2002	2001	2002	2001
2.5. SHAREHOLDERS' EQUITY				
Share capital, 1 Nov.	856	800	856	800
Bonus issue, 12 Feb. 2001		56		56
<u>Invalidation of Group shares 11 April 2002</u>	-88		-88	
Share capital, 31 Oct.	768	856	768	856
Contingency fund, 1 Nov.	52	108	52	108
Bonus issue, 12 Feb. 2001		-56		-56
Contingency fund, 31 Oct.	52	52	52	52
Share premium fund, 1 Nov.	282	282	282	282
<u>Invalidation of Group shares 11 April 2002</u>	88		88	
Share premium fund, 31 Oct.	370	282	370	282
Retained earnings, 1 Nov.	4,866	4,450	4,890	5,434
Dividend distribution	-640	-640	-640	-640
Elimination of Group shares				-906
Retained earnings, 31 Oct.	4,226	3,810	4,250	3,889
<u>Net profit for the financial period</u>	480	1,055	1,251	1,001
Total shareholders' equity	5,895	6,056	6,691	6,080
Portion of accrued depreciation difference and voluntary reserves entered in shareholders' equity	317	407		
Distributable assets of shareholders' equity	4,389	4,458	5,501	4,890
2.6. APPROPRIATIONS			11	28
Appropriations consist of the accrued depreciation difference.				

NOTES TO THE BALANCE SHEET ■

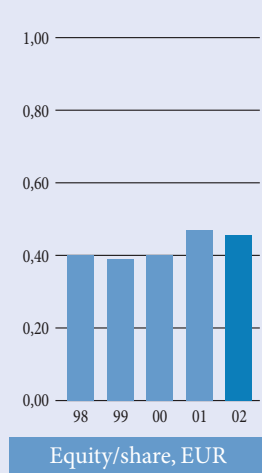
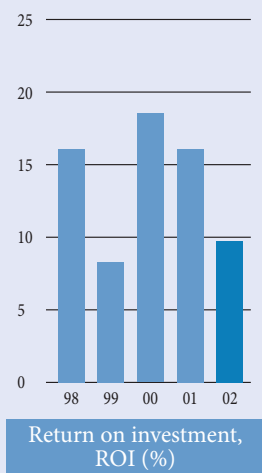
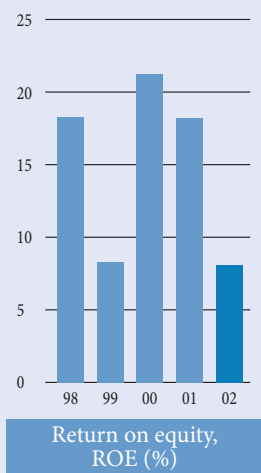
	GROUP		PARENT COMPANY	
	2002	2001	2002	2001
2.7. LONG-TERM LIABILITIES				
Loans from financial institutions	2,059	3,022	2,059	3,022
Pension loans	410	502	29	38
Total long-term liabilities	2,469	3,524	2,088	3,060
Payables due in over five years				
Pension loans	78	153		3
Total	78	153		3
2.8. SHORT-TERM LIABILITIES				
Payables to other companies				
Loans from financial institutions	1,417	1,320	1,417	1,320
Pension loans	91	89	9	9
Accounts payable	1,553	1,515	13	12
Accrued liabilities and deferred income	839	856	97	135
Other short-term payables	462	550	35	38
Total	4,363	4,329	1,570	1,514
Payables to Group companies				
Accruals			325	241
Other short-term payables			12	168
Total			337	409
Total short-term liabilities	4,363	4,329	1,907	1,923

OTHER NOTES ■

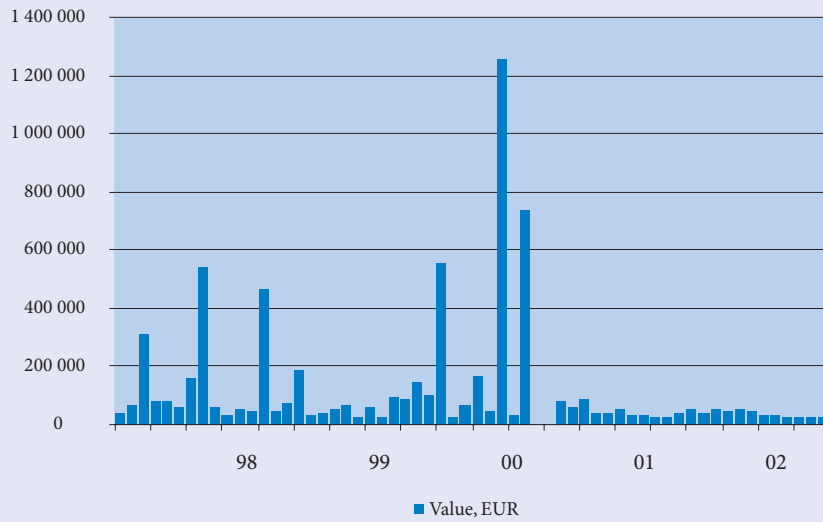
(EUR 1,000)	GROUP		PARENT COMPANY	
	2002	2001	2002	2001
CONTINGENT LIABILITIES				
Liabilities with real-estate mortgages as collateral				
Pension loans 1)	501	591		
Given mortgages	513	513		
Loans from financial institutions 2)	3,476	4,342		
Given mortgages	1,060	1,060		
Total mortgages as collateral	1,573	1,573		
Liabilities with Company mortgages as collateral				
Pension loans 1)	501	591		
Given mortgages	336	336		
Loans from financial institutions 2)	3,476	4,342	1,470	2,030
Given mortgages	3,170	3,233	1,177	1,177
Total company mortgages as collateral	3,507	3,570	1,177	1,177
Other collateral				
Given real-estate mortgages	59	59		
Pledged savings	59	66	5	5
Total other collateral	118	125	5	5
The aforementioned collateral is given as collateral for customs, rental and contract agreements.				
Collateral given on behalf of Group companies				
Given company mortgages			336	336
1) Total number of pension loans	501	591		
2) Total number of loans from financial institutions	3,476	4,342		
	3,977	4,934		
Other contingent liabilities				
Counter liabilities for bank guarantees		39		
Liabilities given on behalf of a subsidiary			25	30
LEASING LIABILITIES				
Unpaid items in leasing contracts				
Payable during the 2003 financial year	18	20	3	3
Payable later	16	31	5	8
Total	34	51	8	11
DERIVATIVE CONTRACTS				
The Group has no liabilities due to derivative contracts.				

KEY FINANCIAL INDICATORS					
EUR					
	2002	2001	2000	1999	1998
SCOPE AND PROFITABILITY OF OPERATIONS					
Turnover, million	24.5	25.5	25.3	23.4	22.7
Operating profit, million	1.0	1.6	2.1	0.9	1.7
% of turnover	3.9	6.4	8.2	4.0	7.6
Profit before extraordinary items and tax, million	0.8	1.5	1.8	0.7	1.5
% of turnover	3.2	5.8	7.2	2.9	6.4
Profit before tax, million	0.8	1.5	1.8	0.7	1.5
% of turnover	3.2	5.8	7.2	2.9	6.4
Gross capital expenditure, million	0.2	0.3	0.3	0.9	0.3
Average number of personnel	154	157	159	161	147
Return on equity (ROE), %	8.1	18.0	21.5	8.4	18.2
Return on investment (ROI), %	9.8	16.1	18.2	8.7	16.1
FINANCING AND FINANCIAL POSITION					
Balance sheet total, million	12.9	14.1	14.4	15.1	14.3
Liabilities, million	7.0	8.0	8.8	9.5	8.7
Share capital, million	0.8	0.9	0.8	0.8	0.8
Other shareholders' equity, million	5.1	5.2	4.8	4.8	4.9
Solvency ratio, %	45.9	43.0	39.1	37.1	39.5
Gearing	0.6	0.8	0.9	1.1	1.0
Net interest income	9.2	15.1	10.0	6.2	8.3
Current ratio	2.3	2.5	2.6	2.4	3.0
Dividend distribution, million	0.64 ^{*)}	0.64	0.64	0.24	0.64
PER-SHARE FIGURES AND RATIOS					
Earnings/share	0.04	0.08	0.08	0.03	0.07
Equity/share	0.46	0.47	0.40	0.39	0.40
Dividend/share	0.05 ^{*)}	0.05	0.04	0.02	0.04
Payout ratio, %	133.4 ^{*)}	60.7	52.8	53.3	63.6
Effective dividend yield, %	8.6 ^{*)}	8.3	7.9	2.7	5.5
P/E ratio	15.5	7.3	6.7	20.0	11.5
Market capitalisation, million	7.4	7.7	8.1	9.0	11.5
Share trading					
Trading value, million	0.2	0.3	3.0	0.9	1.3
Trading volume, 1,000	335	485	5,385	1,170	1,311
% of share capital	2.6	3.4	37.8	8.2	9.3
Share quotation, share-issue adjusted					
Highest	0.75	0.73	0.83	1.03	1.08
Lowest	0.55	0.55	0.47	0.63	0.79
Average	0.66	0.63	0.56	0.80	0.99
Period-end	0.58	0.60	0.57	0.63	0.81
Number of shares, share-issue adjusted					
On average, 1,000	12,801	12,801	14,264	14,220	14,115
Period-end, 1,000	12,801	12,801	14,264	14,264	14,115
*) Proposal from the Board of Directors to the Annual General Meeting					

<p>Return on equity (ROE, %) = $\frac{\text{Profit before extraordinary items - tax}}{\text{Equity + voluntary reserves minus deferred tax liability (average)}}$</p> <p>Return on investment (ROI, %) = $\frac{\text{Profit before extraordinary items + financial expenses}}{\text{Balance sheet total - non-interest bearing liabilities (average)}}$</p> <p>Solvency ratio (%) = $\frac{\text{Equity + voluntary reserves minus deferred tax liabilities}}{\text{Balance sheet total - advances received}}$</p> <p>Gearing = $\frac{\text{Interest-bearing liabilities - cash in hand and at bank}}{\text{Equity + voluntary reserves minus deferred tax liabilities}}$</p> <p>Net interest income = $\frac{\text{Operating profit + depreciation}}{\text{Net financing expenses}}$</p> <p>Current ratio = $\frac{\text{Financial assets + inventories}}{\text{Current liabilities}}$</p>	<p>Earnings per share = $\frac{\text{Profit before extraordinary items - tax}}{\text{Share-issue adjusted average number of shares}}$</p> <p>Equity per share = $\frac{\text{Equity + voluntary reserves minus deferred tax liabilities}}{\text{Share-issue adjusted average number of shares at end of period}}$</p> <p>Dividend per share = $\frac{\text{Dividend}}{\text{Share-issue adjusted average number of shares}}$</p> <p>Dividend/earnings (%) = $\frac{\text{Dividend}}{\text{Profit before extraordinary items - tax}}$</p> <p>Effective dividend yield (%) = $\frac{\text{Dividend per share}}{\text{Share price on 31st October}}$</p> <p>Price earnings (P/E) = $\frac{\text{Market value share on 31st October}}{\text{Earnings per share}}$</p>
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Volume and value of share trading 1 Nov. 1997 – 31 Oct. 2002



Share performance, adjusted OTC index 11/1997 – 10/1998 and I index 11/1998 – 10/2002



Share Capital and Shares

In accordance with the Articles of Association, the minimum share capital of Suomen Helasto Oyj is 600,000 euros and the maximum share capital 2,400,000 euros, within the limits of which the share capital can be increased or decreased without amending the Articles of Association.

According to authorisation from the Annual General Meeting of Suomen Helasto Oyj in its meeting on February 11, 2002, 1,462,159 of the company's own shares acquired on May 21, 2001 were invalidated on the basis of the said authorisation by lowering the share capital by 87,729.54 euros, from 855,810.00 euros to 768,080.46 euros. The lowering of the share capital was entered onto the Trade Register on April 11, 2002. Invalidation of the company's own shares reduced the share capital from 14,263,500 shares to 12,801,341 shares. The nominal value of each share is 0.06 euros. The company has not issued any convertible bonds or bonds with warrants.

As of 24 June 1992, shares in Suomen Helasto Oyj were listed on the OTC List. Since 19 October 1998, however, the listing has been on the Helsinki Exchanges' I List.

Shares in the Book-entry Securities System

Suomen Helasto Oyj shares were entered in the book-entry securities system in October 1995.

Share Price Performance and Share Trading

During the financial year, the number of shares traded was 335,455 (484,891), for a total trading value of 221,196 euros (305,032 euros). Shares traded represented 2.6% (3.4%) of the total. The highest quotation in the financial year was 0.75 and the lowest was 0.55 euros. The issue-adjusted average share price was 0.66 euros (0.63 euros). Shares closed at 0.58 euros at the end of the financial year. At the end of the financial

year, the market capitalisation was 7.4 million euros (7.7 million euros). Earnings per share were 0.04 euros (0.08 euros) and shareholders' equity per share was 0.46 euros (0.47 euros).

Authorisation from the Board of Directors

On 11 February 2002, the Annual General Meeting of Suomen Helasto Oyj authorised the Board of Directors to decide on increasing share capital through one or more rights issues, entitling subscription to a maximum of 150,000 euros. The authorisation includes the right to deviate from the shareholders' pre-emptive subscription right and the right to decide on those entitled to subscription and other terms of subscription. The Company may deviate from the pre-emptive subscription right for financing company acquisitions. The Annual General Meeting authorised the Board of Directors to decide on the acquisition of the Company's own shares using distributable funds. The authorisation to acquire the Company's own shares covers a maximum of 600,000 shares. Additionally, the Board of directors was authorised to decide upon disposing of own shares by derogation from shareholders' pre-emptive right to acquire Company shares. The authorisation is valid until 11 February 2003. The Board has not exercised this authorisation.

Holdings of Company Management and the Board

Suomen Helasto Oyj Board members own a total of 3,230,919 company shares, i.e. 25.2% of outstanding shares and voting rights. The management does not have holdings in any other Suomen Helasto Group companies.

Insider Regulations

The Company conforms to the insider regulations of Helsinki Exchanges, effective as of 1 March 2000.

Largest shareholders 31 October 2002		Number of shares	Proportion of shares and votes, %	
1. Maija Koskenkorva		2,037,319		15.91
2. Tampereen Seudun Osuuspankki		1,462,401		11.42
3. Matti Koskenkorva		1,447,413		11.31
4. Mauno Koskenkorva		930,975		7.27
5. Erkki Koskenkorva		852,531		6.66
6. Varma-Sampo Mutual Pension Insurance Company		450,000		3.52
7. Aino Koskenkorva		333,282		2.60
8. Vilho Korkeamäki		300,000		2.34
9. Pekka Koskenkorva		270,366		2.11
10. Johanna Koskenkorva		270,366		2.11
Other shareholders		4,446,688		34.74
Total		12,801,341		100.00
Distribution of holdings, 31 October 2002				
Shares/ shareholder	Number of shareholders	% of shareholders	Number of shares	% of shares
1 – 100	82	17.34	3,963	0.03
101 – 1 000	152	32.14	69,756	0.54
1 001 – 10 000	160	33.83	695,640	5.43
10 001 – 100 000	58	12.26	1,651,516	12.90
100 001 –	21	4.44	10,369,432	81.00
	473	100.00	12,790,307	99.91
Shares not entered in the book-entry securities system			11,034	0.09
Total			12,801,341	100.00

Share ownership by shareholder category, 31 October 2002	% of shareholders		% of shares
Companies	8.90		4.06
Financial institutions and insurance companies	0.64		11.70
Public sector	0.21		3.52
Non-profit organisations	1.06		0.17
Private investors	89.19		80.47
Others			0.09
Total	100.00		100.00
Nominee-registered holdings 1 (18,000 shares)			
Changes in share capital Share capital,	Subscription period	Change in number of shares, pcs	Euros
Establishment	31.12.1984	300,000	50,456
Rights issue	27.8.1990	1,400,000	285,919
Rights issue	3.9.1990	300,000	336,376
Rights issue	30.3 - 30.4.1992	1,000,000	504,564
Bonus issue (2:1)	29.11.1993	1,500,000	756,846
Directed issue (Acquisition)	29.11.1993	75,000	769,460
Directed issue (Acquisition)	13.02.1997	58,000	779,215
Directed issue (Acquisition)	30.04.1997	71,500	791,240
Directed issue (Acquisition)	20.11.1998	50,000	799,649
Bonus issue	12.2.2001	0	855,810
Share split (1:3)	12.2.2001	9,509,000	855,810
Share capital decrease	11.4.2002	-1,462,159	-87,730
Total		12,801,341	768,080
Announcements in accordance with the Securities Market Act, Chapter 2, §9			
Maija Koskenkorva announced on 11 April 2002 that due to the share capital decrease of Suomen Helasto Oyj her holdings in the shares and voting rights of the company exceeded three twentieths (15.91%) of the share capital entered into the Trade Register on 11 April.			

BOARD OF DIRECTORS' PROPOSAL FOR DISTRIBUTION OF PROFITS

The Group's distributable profit totals	EUR 4,388,933,67
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The distributable profits of the parent company include

Retained earnings from previous financial years	EUR 4,249,909,71
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<u>Profit for the financial year</u>	<u>EUR 1,251,086,93</u>
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Total	EUR 5,500,996,64
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The Board of Directors proposes that

- a dividend of EUR 0.05 per share be paid on the share capital of 12,801,341 shares, totalling EUR 640,067,05
- the balance of the profit for the financial year be entered as retained earnings.

Seinäjäki, 9th January 2003

Matti Koskenkorva
Chairman of the Board

Erkki Koskenkorva

Mauno Koskenkorva
Managing Director

AUDITORS' REPORT

To the shareholders of Suomen Helasto Oyj

We have audited Suomen Helasto Oyj's accounts, financial statements and corporate governance for the financial year from 1 November 2001–31 October 2002. The financial statements prepared by the Board of Directors and the Managing Director include the Board of Directors' report and the income statements, balance sheets and notes concerning the financial statements of the Group and the Parent Company. Based on the audit, we express the following opinion on the financial statements and corporate governance.

We have performed our audit in accordance with Finnish Standards on Auditing. We have examined the accounts, the accounting principles and the contents of the financial statements to a sufficient degree to verify that the financial statements are free from material misrepresentation. The audit of corporate governance verified that the members of the Board of Directors and the Managing Director have complied with the provisions of the Finnish Companies' Act.

In our opinion, the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations relevant to preparation of financial statements. They give a true and fair reflection of the Group and of the Parent Company's results and financial position. The financial statements and consolidated financial statements can be approved and the members of the Parent Company Board of Directors and the Managing Director discharged from liability for the financial year audited by us. The proposal from the Board of Directors concerning the division of the year's profits is in compliance with the Companies' Act.

Seinäjäki, 9th January 2003

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Authorised Public Accountants

Markku Tynjälä
Authorised Public Accountant

Jukka Ala-Mello
Authorised Public Accountant

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