TEKLA

Tekla Corporation
Annual Report 2002

TEKLA IN BRIEF

Tekla is a leading international software company whose innovative software solutions make customers' core business more effective in building and construction, energy sales and distribution and in municipalities.

- Founded in 1966
- Offices in 11 countries and a global partner network
- Net sales in 2002 were 41.5 million euros, increased by some six percent compared to the previous year
- About 450 employees worldwide
- Listed on the Helsinki Stock Exchange since May 2000

Tekla's strengths

- Presence in all key market areas: the Nordic countries, Middle and Southern Europe, Asia and North America
- Market leadership in own product segments, based on market shares as well as technological leadership of the products
- Products are model-based: they model the target, and the model can be used flexibly according to the customer's needs
- Significant proportion of net sales is invested in research and product development each year
- Long experience and knowledge of the customers' business
- Satisfied and loyal customer base; long-term and stable customer relationships
- Clear and determined strategy, aiming at international growth

Prospects

Tekla's possibilities of growing profitably are based on the stability of core business, long-term customer relationships, expanding the product offering, and a global market position with plenty of growth potential.

In 2003 the focus is on improving profitability. Tekla aims to improve its operating result noticeably by cutting costs and keeping on increasing its net sales.

Tekla Values

Innovation

- Curiosity and openness towards new ideas including their controlled implementation related to e.g. patents, products, and way of working
- Constructive questioning, multi-directional discussion and feedback, processing tacit information to structured knowledge, from data to wisdom
- Taking (managed) risks, but carrying also responsibility
- Continuous learning and development, aiming at "excelling in achievements, rediscovering oneself"

Professionalism

- Professionalism in managing, carrying out and developing one's responsibilities and behavior
- Commitment to endurable ethical principles, common values and targets
- Capability and willingness to represent Tekla
- Cooperation and seamless teamwork
- Dependability, coherence and accuracy
- Open communication

Long-term relationships

- Stretching for agreed-upon targets and perseverance to complete what has been started
- Long-term employment and cooperation relationships building a basis for continuous development and mutual commitment
- Customer relationships based on mutual benefits, customer satisfaction and quality

MOST IMPORTANT EVENTS IN 2002 AND KEY FIGURES

January

Vattenfall chooses Tekla to harmonize its network information systems in Finland

April

Bechtel Corporation, one of the world's largest engineering-construction firms, chooses Tekla Xsteel as its central modeling and detailing tool

May

The Tekla Aqua customer information system for water utilities strengthens its position in Finland

The Energy & Utilities business area announces its new strategy, which aims at international growth with integrated product concept

June

Tekla Xengineer, the software for multimaterial analysis and design is introduced to British engineering professionals for the first time

July

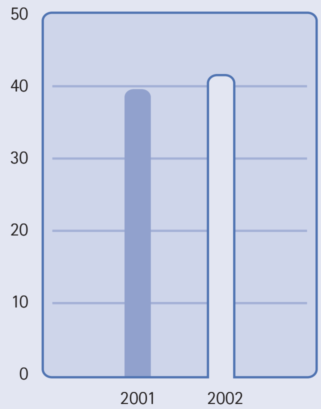
The court of arbitration issues an award in the dispute between Tekla Corporation and Enfo Group regarding acquisition of business operations

Tekla updates net sales and profit outlook

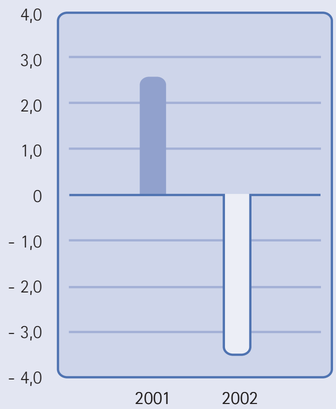
August

NetGuru, Inc. and Tekla sign an MoU regarding technical cooperation: American software product STAAD.Pro will be integrated as the analysis and design component with Tekla's new Xengineer software product

Net sales, million euros



Operating result, million euros



September

Chinese structural steel company Shanghai Bao Steel chooses Tekla Xsteel

Development of a new product for municipal land property management begins: 14 Finnish municipalities join the project which integrates Tekla's offering for municipalities

December

Heikki Multamäki is appointed Tekla Corporation's President and CEO

Tekla updates net sales and profit outlook

October

North American Precast Concrete Software Consortium and Tekla initiate negotiations on extensive Xengineer development cooperation

Tekla and Suomen Betonitieto Oy, a representative of the Finnish precast concrete industry, agree on localizing Xengineer for the Finnish market

January 2003

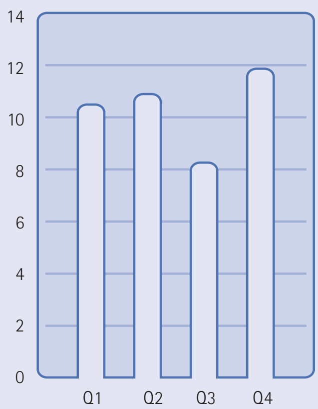
Tekla strengthens its international network: Hans G. Ehrnrooth appointed head of North American business operations

US-based NetGuru, Inc. and Tekla sign an agreement on in-depth technical and marketing cooperation as outlined in the MoU signed by the companies

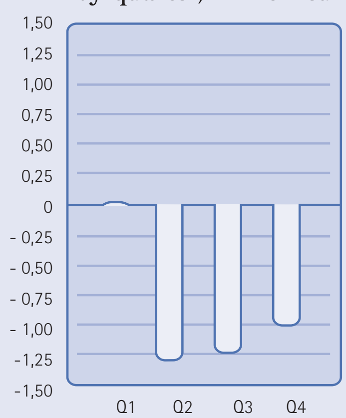
February 2003

Graninge Kainuu Oy and Kuopion Energia choose Tekla Xpower as their network information system

Net sales 2002, by quarter, million euros



Operating result 2002, by quarter, million euros



TEKLA SEEKS GROWTH IN GLOBAL MARKETS FOR BUILDING AND CONSTRUCTION AND THE ENERGY INDUSTRY

FOCUS IN 2003 ON IMPROVING PROFITABILITY

> Despite the significant weakening of the market situation, Tekla managed to increase its net sales by some six percent, to 41.5 million euros. We estimate that our markets have shrunk as a whole, which means that we have been able to increase our market share. However, our preparations for a noticeably stronger growth have resulted in higher costs, which in turn led to a negative operating result.

With ever increasing competition, Tekla's main strengths become more important than ever. These include the product-based approach of our software, which results in good delivery reliability, and knowledge of our customers' business and markets.

Software Solutions for Customers' Core Functions

According to our strategy, we will focus on selected customer segments: building and construction, energy sales and distribution and municipalities. Additionally, our Defence business area develops command systems in cooperation with the Finnish Defence Forces.

We develop and market software products and related services for making customers' core business more effective; for instance we provide structural steel engineers with modeling and detailing software for steel construction, energy sellers with customer information management and billing software, and municipalities with software for managing municipal information and infrastructures.

With Tekla's software solutions, customers can directly make their core business processes more effective. In addition to this, they provide good facilities for developing core business functions further. Our solutions directly improve the quality and effectiveness of our customers – thus giving them a clear competitive edge.

Present in All Key Market Areas

In recent years, Tekla has invested strongly in building an international network. Geographically speaking, the outline of this network is now complete. Optimizing the operation of the network and developing our international way of working will continue. Tekla's network of subsidiaries and resellers now covers all key market areas, especially the Nordic countries, Middle and Southern Europe, Asia and North America.

An extensive international network ensures that we are near our customers – in all markets.

Our Xsteel product for structural steel engineering and modeling is the market leader in key market areas, and we aim at being the market leader in the global structural engineering market with Xsteel and Xengineer.

Xpower, which is aimed at network information management, is the market leader in all of Northern Europe. In Finland, Tekla is the market leader with its system for customer information management and invoicing of energy companies and with Xcity for managing municipal information and infrastructures.

Stable and Long-Term Business

The result for 2002 was affected among other things by the fact that the demand for building industry software in North America as well as other key market areas began to slow down during the second half of the year, and remained softer than expected until year's end. Energy companies' timetables for IT investments were reflected in slower demand for network and customer information systems.

The impact of the soft market situation on our operating result was in part cushioned by our stable customer base and long-term cooperation, as most of Tekla's business comes from existing customer relationships. Selling version updates, maintenance and a variety of services ensures the continuity of operation.

We believe that growth potential will be found on the global markets for the building and energy industries.

The focus of developing products for the building industry is on expanding the product offering to cover a larger portion of structural engineering processes and include concrete structures in addition to structural steel. In this regard, the extensive cooperation agreement signed with US-based NetGuru is remarkable. Cooperation with the North American precast concrete industry is another strategic partnership. In developing the product offering for the energy industry the focus is on renewing the customer information management system. In product development for the municipal sector, we will expand our offering by utilizing Tekla's spatial data and customer information software in an integrated way.

Model-Based Approach Ensures Technological Leadership

One of Tekla's core values is innovation, which is reflected in the company's technology and product development – and ultimately our products. The products are based on modeling technology, the outcome of extensive experience. Tekla is a trailblazer of model-based technology in select industries.

The model-based approach brings customers a clear competitive edge through continuity, reliability and real-time nature. Tekla's technology goes through generation changes in IT, thus ensuring a long investment life cycle. Thanks to open standards, harmonizing Tekla's products with other systems is simple and effective.

Model-based technology also separates us from most of our competitors and gives us a priceless technological advantage. We invest a significant proportion of our net sales in research and product development each year.

As of the beginning of 2003, we concentrated all of our product and technology development in the new Software Production unit. This aims at utilizing synergies and cutting costs. The basis of the unit's operation is market and customer needs, which industry-specific product management works into product version contents and plans.

Target: Growth and Profitability

In 2003 our focus is on improving profitability. We have decided to improve our operating result noticeably by cutting costs while continuing to increase our net sales.

In 2002, we merged the Swedish and Norwegian subsidiaries under joint management and centralized the operation of the German subsidiary entirely to the Frankfurt office. In 2003 we will continue optimizing international resources by moving sales in Brazil from our subsidiary to a reseller and centralizing North American operations to the Atlanta office.

The competitiveness of our building industry products has remained good. In the energy industry, the volume of demand grows slowly, and the preparation times for investment decisions remain long. In international markets the competitive position of our key energy industry product Xpower as the most extensive network information solution for distribution companies has remained strong in the Nordic countries, and we believe that the demand for the product will grow in nearby areas. In the target areas of Public Infra and Defence in Finland, demand is likely to remain stable, and our market position will remain strong.

We will continue developing our way of working and expanding our product offering with the aim of having even more satisfied customers. As a result of our work in recent years, we have a product and service portfolio that provides our customers with more quality and effectiveness – a clear competitive edge.

I would like to thank our customers for their trust in us and also our personnel and partners for working with us to achieve our common goals.

March 2003

Heikki Multamäki
President and CEO

Million euros	2002	2001	2000	1999	1998
Scale of operations:					
Net sales	41.47	39.20	26.47	18.09	12.97
Change, %	5.8	48.1	46.3	39.5	15.8
Exports and international operations	21.36	22.44	18.50	9.50	3.94
Change, %	-4.8	21.3	94.7	141.1	45.8
% of net sales	51.5	57.2	69.9	52.5	30.4
Balance sheet total	43.11	50.61	30.79	9.82	11.07
R&D expenses	12.08	9.69	7.41	5.07	3.37
% of net sales	29.1	24.7	28.0	28.0	26.0
Capital expenditures	5.58	14.31	1.33	1.27	1.06
% of net sales	13.4	36.5	5.0	7.0	8.2
Personnel, on average	456	382	268	205	156
Net sales / employee (1,000 euros)	90.9	102.6	98.8	88.3	83.1
Personnel expenses / employee (1,000 euros)	54.7	54.5	52.5	47.9	45.6
Profitability:					
Operating profit (loss)	-3.50	2.50	0.84	0.22	0.89
% of net sales	-8.4	6.4	3.2	1.2	6.9
Profit (loss) before extraordinary items	-3.18	3.60	1.32	0.29	0.72
% of net sales	-7.7	9.2	5.0	1.6	5.6
Profit (loss) before appropriations and taxes	-3.18	3.60	1.32	1.01	0.09
% of net sales	-7.7	9.2	5.0	5.6	0.7
Return on equity (ROE), %	-8.2	7.9	6.7	7.8	27.2
Return on investment (ROI), %	-8.0	12.0	9.3	7.6	14.6
Operating profit (loss) / employee (1,000 euros)	-7.7	6.6	3.1	1.1	5.7
Financing and financial postition:					
Shareholders' equity	33.44	37.37	23.14	2.75	1.79
Interest-bearing liabilities	2.29	2.35	2.19	2.12	5.63
Non-interest-bearing liabilities	7.28	10.68	5.45	4.94	3.65
Equity ratio, %	78.4	75.4	75.4	31.9	16.5
Net gearing, %	-40.0	-45.2	-73.7	48.3	293.6
Share related data:					
Earnings per share (euros)	-0.13	0.12	0.05	0.01	0.04
Equity per share (euros)	1.49	1.66	1.19	0.18	0.13
Dividend per share (euros)	0.000[1)]	0.040	0.020	0.006	0.000
Dividend to earnings ratio, %	0.0	34.4	41.3	51.4	0.0
Effective dividend yield, %	0.0	1.2	0.4		
Price / earnings ratio	-12.2	29.3	106.8		
Share prices, euros					
- year's lowest	1.50	2.62	4.00		
- year's highest	4.12	5.15	5.25		
- year's average	3.54	3.44	4.97		
- on December 31	1.58	3.40	5.18		
Market capitalization	35.58	76.56	100.95		
Share turnover (in 1,000s)	6,533	3,046	2,260		
Share turnover, %	29.0	13.5	11.6		
No. of issue-adjusted shares at year-end	22,516,600	22,518,200	19,488,500	15,488,500	13,763,500
Average no. of issue-adjusted shares	22,516,631	20,588,996	17,969,374	15,104,125	13,763,500

1) The Board's proposal to the AGM.

See page 7 for calculation of financial indicators.

In calculation share related data, the company´s own shares have been deducted from the total number of shares, and the value of own shares from shareholders´equity.

> Governance in Tekla Corporation complies with the provisions of the Finnish Companies Act, which are supplemented by the Articles of Association and Tekla Corporation's own principles that conform to sound corporate governance. The company is managed by the Board of Directors and the President and CEO.

The duties of different bodies are determined according to Finnish legislation, the Articles of Association, and sound governance policy as defined by the company.

Board of Directors

The Board of Directors consists of a minimum of three (3) and maximum of five (5) actual members and one (1) deputy member. The Board elects the Chairman from among its members. The term of the members of the Board ends when the first Annual General Meeting following the election ends.

The Annual General Meeting elects the members of the Board for one year at a time. Board members are elected from among the representatives of the most notable shareholders as well as external experts with experience in international business.

The Board of Directors met 22 times in 2002. The members of the Board are introduced on page 12. Seppo Ruotsalainen, who resigned from the post of President and CEO at the end of November 2002, resigned from the Board of Directors on December 13, 2002.

President and CEO

The President and CEO manages operative activities according to valid legislation as well as instructions and decisions of the Board. Seppo Ruotsalainen, who was Tekla Corporation's President and CEO from 1998, resigned on November 29, 2002. The Board appointed M.Sc.(Eng.) Heikki Multamäki, the company's Vice President, acting President as of December 1, 2002, and also initiated the selection process for a new President.

Management Team

The company has a Management Team that consists of the President and CEO as well as the Directors of business areas and the company's key support functions. The members of the Management Team are introduced on page 12. The Management Team meets regularly twice a month.

Auditor

The company has one (1) ordinary auditor, PricewaterhouseCoopers Oy, which is an audit firm approved of by the Finnish Central Chamber of Commerce. The term of the auditor is defined as the financial period under way at the time of selection, and it ends when the next Annual General Meeting after the selection ends. The auditor is selected by the Annual General Meeting.

CALCULATION OF FINANCIAL INDICATORS

$$\text{Equity ratio, \%} = \frac{\text{Shareholders' equity}}{\text{Balance sheet total - Advances received}} \times 100$$

$$\text{Net gearing, \%} = \frac{\text{Interest-bearing liabilities - Cash and cash equivalents}}{\text{Shareholders' equity}} \times 100$$

$$\text{Return on investment, \%} = \frac{\text{Profit before extraordinary items + Financial expenses}}{\text{Balance sheet total - Non-interest-bearing liabilities (average for the year)}} \times 100$$

$$\text{Return on equity, \%} = \frac{\text{Profit before extraordinary items - Taxes}}{\text{Shareholders' equity (average for the year)}} \times 100$$

$$\text{Earnings per share} = \frac{\text{Profit before extraordinary items - Taxes}}{\text{Average number of shares}}$$

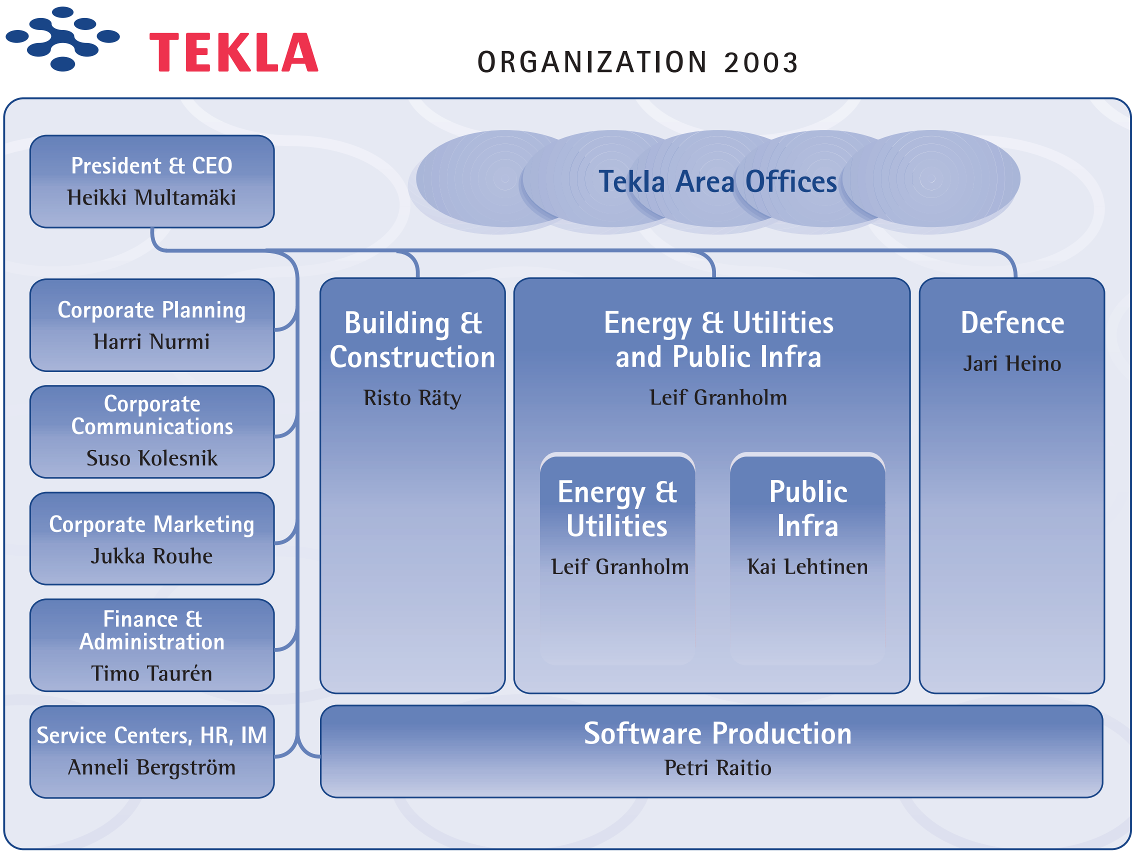
$$\text{Equity per share} = \frac{\text{Shareholders' equity}}{\text{Number of shares at the end of the year}}$$

$$\text{Dividend to earnings ratio, \%} = \frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$$

$$\text{Effective dividend yield, \%} = \frac{\text{Dividend per share}}{\text{Share price at the end of the year}} \times 100$$

$$\text{Price / earnings ratio} = \frac{\text{Share price at the end of the year}}{\text{Earnings per share}}$$

Market capitalization = Number of shares at the end of the year x share price at the close of the year



Insiders

Tekla follows the recommendations of the Helsinki Stock Exchange concerning insider trading. Insiders include statutory insiders (members and the deputy member of the Board of Directors, the President and CEO, Vice President, and auditors) as well as insiders by definition, including for example members of the Management Team as well as the Communications and Marketing Directors. According to Tekla's insider rules, stock investments in Tekla are long-term. Insiders are not allowed to deal with the company's shares for 14 days before the publication of interim reports and financial statements.

The Operation of the Board of Directors and the Management Team

Tekla Corporation's business is rapidly changing, growing, and increasingly international, which makes the issues facing its leaders many-sided and challenging. Addressing these issues requires a high level of interaction between the Board of Directors and the operative management, and this is especially true when developing new strategies.

Working in close cooperation with one another, the Board and the management decide the company's long-term strategies and policies for years at a time. Technology and products, development of markets and sales, and international allocation of resources are among the core issues.

The division of work between the Board and the Management Team conforms to sound administrative practice. A high level of interaction occurs when an experienced board of experts and an innovative operative management exchange views.

Incentive program

Tekla rewards its employees based on yearly set targets and actual performance. The annually reviewed Incentive Program covers all employee groups within the company. The incentive program is divided into four different schemes with different measurements. Three of them are similar and cover all employees working either within a business area, or within a support unit or within a Tekla subsidiary. The fourth scheme is for employees working in sales regardless of the entity they work in. The employees' total individual compensation is based on five components: basic salary, annually reviewed merit increase, individual bonus based on the individual targets, the performance of a business area, or a support unit or subsidiary. The fifth component is based on the Tekla Group's annual operating profit. Individual bonuses cover the Tekla Management Team and key personnel.

Number of Option Rights and Right to Subscribe New Shares

An Extraordinary General Meeting on May 16, 2000 authorized the Board of Directors to decide on the issue of option rights to staff members of the company and its subsidiaries. A maximum of 1,000,000 option warrants could be issued, divided into four 250,000 warrant tranches. The warrants are marked A, B, C or D. Each warrant entitles the holder to subscribe one share, with a nominal value of 0.03 euros. Tekla Corporation's share capital can be raised by a total of 1,000,000 new shares or 30,000 euros as a result of subscriptions.

The Annual General Meeting on March 21, 2002, decided to increase the number of option rights by 500,000 in order to include the staff members transferred to Tekla after the acquisition of business operations from Enfo Group Plc. The total number of option rights therefore became 1,500,000, which has been divided into four 375,000 warrant tranches. The warrants are marked with the letters A, B, C or D.

If all the warrants are used to subsribe company shares, the total number of shares will rise by 1,500,000, corresponding to 6,7% of total stocks.

Share Subscription Period

The share subscription period under the various warrants is as follows:

- A October 1, 2001
- B October 1, 2002
- C October 1, 2003
- D October 1, 2004

The subscription periods for all the warrants ends on October 31, 2005.

Subscription Price

The subscription price for various warrants is as follows:

- A: the final subscription price paid for the share in the public issue (5.00 euros)
- B: the mean between the final subscription price in the public issue and average trading-weighted price in October 2000 (5.01 euros)
- C: the mean between the final subscription price in the public issue and average trading-weighted price in October 2001 (4.11 euros)
- D: the mean between the final subscription price in the public issue and average trading-weighted price in October 2002 (3.50 euros)

Shareholder Rights

The shares entitle holders to full dividend for the financial year during which the shares are subscribed.

Tekla Corporations effectively monitors and minimizes risks that are typical of its business. The IT industry can be a dynamic and unpredictable industry; this means that effective risk management is an area of prime importance.

- The business risks of the company are limited by active and interactive work of the Board and the Management team in developing strategies.
- Personnel-related risks, which are typical of the IT industry, are addressed through a system of competence management. This ensures that the company develops the areas of know-how that are essential to the future of the business.
- Product and service-related risks are minimized through contracts and limited authorizations to sign, as well as through auditing bids, contracts and delivery responsibilities.
- The central trademarks of the company are protected by Intellectual Property Management principles.
- Unauthorized and harmful use of the company's network is prevented, and data security risks minimized with the best and up-to-date data security technology on the market.
- Currency risks arising from the company's international business operations are managed by protecting the net payment flow in the most important foreign currencies regularly for the following 12 months.
- Investing the liquid assets of the company is done according to principles dictated by the Board in certificates of deposit, bonds and similar securities where the risks are small.
- Due to the company's rather large amounts of liquid assets, the liquidity risk is very low.
- Risks related to sales and other unpaid debts are minimized with short terms of payment and efficient collection methods .
- There is a low interest risk in the company's long-term, low-interest product development loans.
- Functional and economic risks are also controlled by internal quality auditing in the Group; this also applies to the company's international business units.
- The management of the company is insured, and ensured with an efficient substitute system.
- The property of the company is protected with due insurances.

Shares and Share Capital

The total number of Tekla Corporation shares at the end of 2002 was 22,586,200. The company owned 69,600 with a total nominal value being 2,088 euros. A total of 220,702.46 euros had been used for acquiring the company's own shares, and their market value was 109,968 euros on December 31, 2002. The nominal value of the share is 0.03 euros. At year end, share capital stood at 677,586 euros.

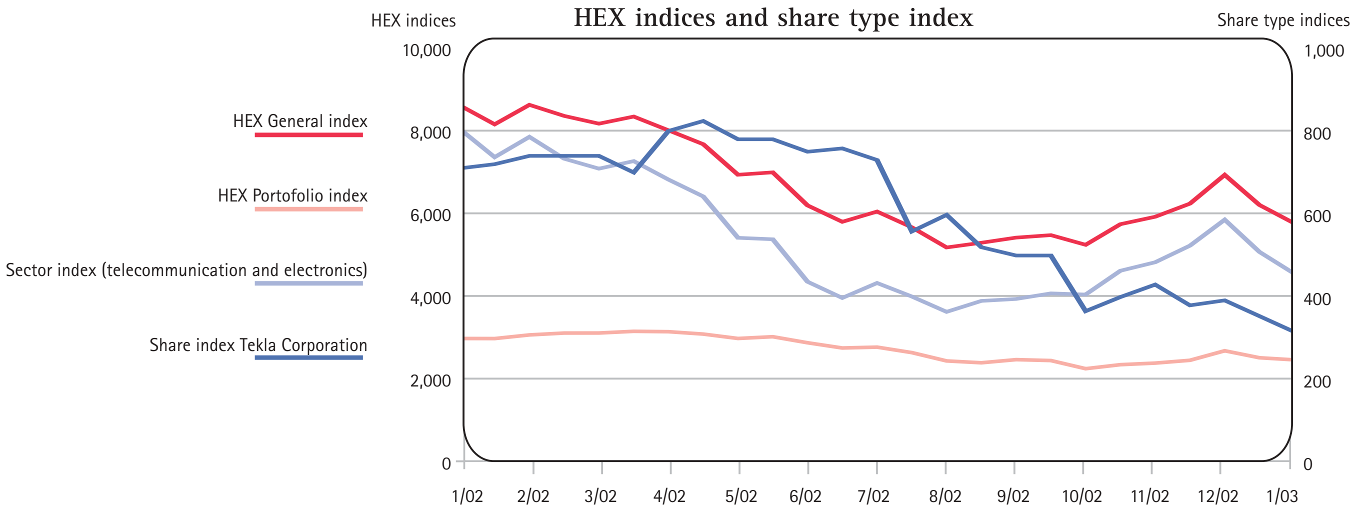
Share Price Trends and Trading

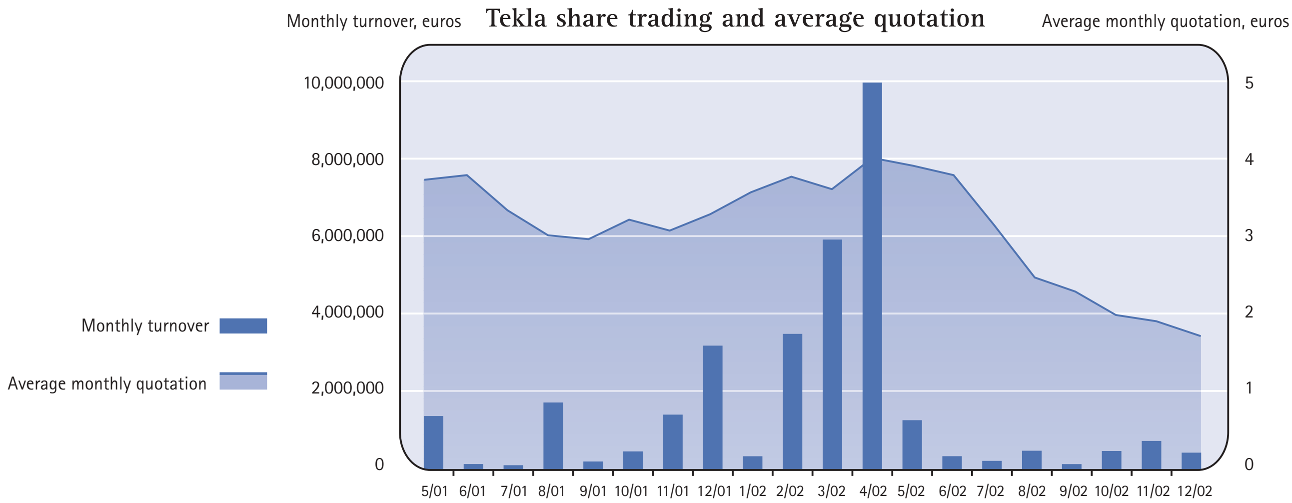
Tekla Corporation´s share price outperformed the HEXTech technology index of the Helsinki Exchanges during the first half of the year, but fell behind it during the second half. In 2002, total turnover of Tekla Corporation shares was 23.15 million euros. A total of 6,532,768 shares changed hands, amounting to 28.9% of the entire share capital. The highest quotation was 4.12 euros, the lowest 1.50 euros. The average quotation was 3.54 euros. On the last trading day of 2002, trading closed at 1.58 euros. The taxation value for 2002 was set at 1.11 euros.

Ownership

Tekla Corporation's largest shareholder Gerako Oy owned more than 50% of the capital stock in 2002, and its holding stood at 50.53% at year's end. After Tekla acquired the software business operations of Enfo Group Plc in August 2001, Enfo Group Plc became Tekla's second largest shareholder with a holding of 13.7%. In 2002 Enfo Group Plc sold most of its Tekla shares, and its ownership was 1.37% at the end of 2002. Other significant owners included several investment funds and insurance companies.

The Board of Directors and CEO owned or controlled 813,400 shares of Tekla Corporation at year end. These shares represented 3.6% of share capital and votes. Based on options, they can subscribe for 88,616 shares, which represents 0.4% of share capital and votes.





The largest shareholders, December 30, 2002

	No. of shares	% of shares and votes
1. Gerako Oy	11,412,020	50.53
2. Tapiola General	776,400	3.44
3. Tapiola Pension	684,200	3.03
4. LEL Employment Pension Fund	681,000	3.02
5. Mutual Fund Sampo Suomi Osake	565,600	2.50
6. Ereka Oy	493,000	2.18
7. Mutual Fund FIM Forte	492,000	2.18
8. Onninen-Sijoitus Oy	404,100	1.79
9. Tapiola Life	397,900	1.76
10. Gyllenberg Small Firm Fund	339,850	1.50
Ten largest, total	16,246,070	71.93
Other shareholders	6,340,130	28.07
Total	**22,586,200**	**100.00**

Ownership breakdown by sector, December 30, 2002

	Shares, %	Votes, %
Companies	60.45	60.45
Financial and insurance institutions	16.46	16.46
Public-sector corporations	7.07	7.07
Non-profit organizations	4.08	4.08
Households	11.21	11.21
Foreign shareholders	0.74	0.74
Total	**100.00**	**100.00**

The number of nominee-registered shares 10,000, representing 0.04% of total stock, is included under 'Foreign shareholders'.

Ownership breakdown by number of shares, December 30, 2002

	No. of shareholders	%	No. of shares	%
1-1,000	1,134	77.14	425,821	1.89
1,001-10,000	244	16.60	791,109	3.50
10,001-100,000	67	4.56	2,462,730	10.90
100,001- 500,000	20	1.36	4,787,320	21.20
500,001-1,000,000	4	0.27	2,707,200	11.99
1,000,001 -	1	0.07	11,412,020	50.53
Total	**1,470**	**100.00**	**22,586,200**	**100.00**

Heikki Marttinen
Chairman of the
Board of Tekla Corporation
Strategic Management Consultant

Risto Siirilä
Deputy Chairman of
the Board of Tekla Corporation
Member of the Board of Gerako Oy

Reino Heinonen
Member of the Board
of Tekla Corporation
Chairman of the
Board of Ereka Oy

Jan-Mikael von Schantz
Member of the Board of
Tekla Corporation
Managing Director,
IFL – Swedish Institute of Management

MANAGEMENT TEAM

Harri Nurmi	Leif Granholm	Risto Räty	Heikki Multamäki	Petri Raitio	Timo Taurén
Vice President Corporate Planning	*Executive Vice President Energy & Utilities and Public Infra*	*Executive Vice President Building & Construction*	*President and CEO*	*Vice President Software Production*	*CFO*

REVIEW BY THE BOARD OF DIRECTORS 2002

Financial Year in Brief

- Tekla Group's consolidated net sales grew by 5.8% compared with the previous fiscal year, rising to 41.47 million euros (2001: 39.20 million euros).
- Operating result was -3.50 (2.50) million euros.
- International operations accounted for 52% (57%) of net sales.
- The company continued active product development and signed strategic partnership agreements to expand its own product offering.
- The company began optimizing international resources as part of measures to improve profitability.
- Tekla Corporation follows a dividend payment policy that reflects profit trends. As the operating result for 2002 was negative, no dividend shall be distributed.

BUSINESS ENVIRONMENT

Tekla develops and markets software products and related services that make customers' core business more effective in energy sales and distribution, building and construction and in municipalities. The ingenuity of Tekla's products is in their model-based technology; Tekla is an international trailblazer in developing model-based technology in its customer segments. Tekla also has decades of experience in select customer industries.

Tekla's software solutions make customers' core business processes more effective and enable their further development. Since Tekla's products notably enhance customers' competitiveness, economic fluctuations have not previously affected the demand for Tekla's products noticeably. Seasonal fluctuations are typical of the software industry and Tekla. Over the past years the majority of Tekla's profit has been generated in the latter half of the year.

However, the soft general economic situation affected the demand for the company's products more than expected from summer 2002 onwards. Demand for building industry software especially in North America and other key market areas remained down until the end of the year. Energy companies' timetables for IT investments were reflected in slower demand for network and customer information systems.

The basis of Tekla's net sales is generated in long-term business with its stable and loyal customer base. With Xsteel, the company is the market leader in the structural steel engineering software market in all its key market areas. Xpower, which is aimed at network information management, is the market leader in Northern Europe. Xcity, which targets municipal information management and is the market leader in Finland, is currently strengthening its position in the Nordic countries.

Growth potential can be found on the global market for building and construction and the energy industry. In cooperation with strategic partners, the most recent of which are NetGuru and the North American precast concrete industry, Tekla is expanding its building software product offering to cover an increasing portion of the building process. In the international offering for the energy industry preparing for open competition, the focus is on management of distribution companies' network information, where industry restructuring is slowly but surely leading to the renewal of information systems. Municipalities also aim at making their operation more effective by improving information and other services for their residents, which is why interest in integrated systems like Tekla's products is on the rise. Development towards regionality in Finland also gives small municipalities the chance to benefit from Tekla's solutions.

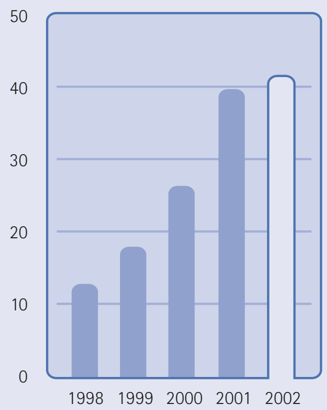
Net sales, million euros

January 1– December 31	2002	2001	Change, %	% of net sales
Building & Construction	17.44	18.05	-3.4	42.1
Energy & Utilities	15.48	12.98	19.3	37.3
Public Infra	5.13	4.06	26.4	12.4
Defence	2.12	2.73	-22.3	5.1
Others	1.30	1.38	-5.8	3.1
Total	**41.47**	**39.20**	**5.8**	**100.0**

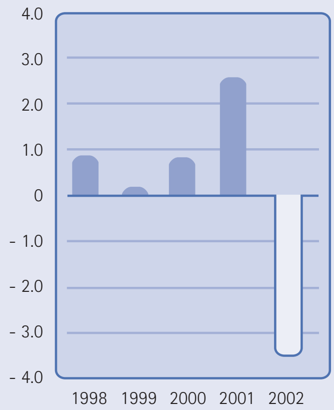
Operating result, million euros

January 1– December 31	2002	2001	Change,%
Building & Construction	1.80	3.83	-53.0
Energy & Utilities	-4.83	-1.16	-316.4
Public Infra	-0.61	-0.30	-103.3
Defence	0.16	0.28	-42.9
Others	-0.02	-0.15	86.7
Total	**-3.50**	**2.50**	**-240.0**

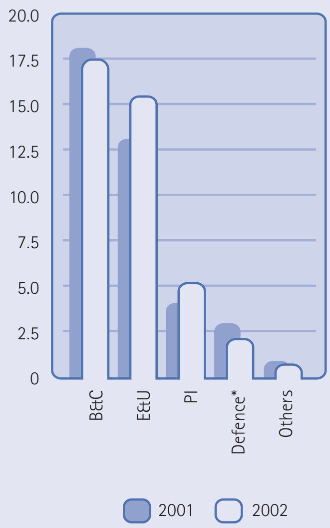
Net sales, million euros



Operating result, million euros



Net sales by business area, million euros



* The comparison figures for 2001 also include the Projects business operations that have been sold. The Defence business area started operation at the beginning of 2002.

NET SALES AND RESULT

Tekla's net sales rose 5.8% in 2002, to 41.47 (39.20) million euros. Operating result was -3.50 (2.50) million euros. Profit (loss) before taxes amounted to -3.18 (3.60) million euros. Earnings per share were -0.13 (0.12) euros.

PROFITABILITY

Return on investment (ROI) was -8.0% (12.0%) and return on equity (ROE) -8.2% (7.9%). Earnings per share were -0.13 (0.12) euros and equity per share at the end of the period was 1.49 (1.66) euros.

FINANCIAL POSITION

The consolidated balance sheet totaled 43.11 (50.61) million euros. Equity ratio was 78.4% (75.4%). Liabilities totaled 9.56 (13.03) million euros. Cash and cash equivalents and marketable securities stood at 15.66 (19.26) million euros, constituting 36.3% of the balance sheet total.

INVESTMENTS

Gross investments amounted to 5.58 (14.31) million euros, consisting of increase in goodwill of business operations acquired from Enfo Group and purchase of hardware, software and equipment.

CHANGES IN ORGANIZATION

Seppo Ruotsalainen, Tekla Corporation's President and CEO from 1998, resigned on November 29, 2002. The Board appointed Tekla's Vice President, M.Sc.(Eng.) Heikki Multamäki (54), as acting President and CEO as of December 1, 2002. Mr. Multamäki has been a Tekla employee since 1974. The Board also initiated the selection process of a new President. Seppo Ruotsalainen resigned from the Tekla Board on December 13, 2002.

In December the Board of Directors approved the new composition of the Tekla Management Team, which took effect at the beginning of 2003. M.Sc.(Eng.) Risto Räty (41) continues as head of the Building & Construction business area. M.Sc.(Eng.) Leif Granholm (47) was appointed as head of the Energy & Utilities and Public Infra business areas. M.Sc.(Econ.) Harri Nurmi (48) was appointed as Director of the Corporate Planning unit, and Petri Raitio (36) as Director of the Software Production unit. M.Sc.(Econ.) Timo Taurén (56) continues as the company's CFO. President Heikki Multamäki directs the Tekla Management Team.

BUSINESS AREAS

Building & Construction

The Building & Construction business area (B&C) develops and markets software products for the engineering of steel and concrete structures.

The net sales of B&C amounted to 17.44 (18.05) million euros. Operating result was 1.80 (3.83) million euros. International operations accounted for 97.4% of net sales.

Demand for software products did not meet expectations during the second half of the year, especially in the North American market. Development of sales in Central Europe fell behind expectations as well, especially during the fourth quarter. Sales development was best in China, Southeast Asia and the Middle East. However, Tekla estimates that its market share strengthened during 2002 in key market areas.

In China, where building is proceeding at fast pace, Tekla's products gained an even better foothold than expected. Tekla signed a significant agreement with the Chinese structural steel company Shanghai Bao Steel Metallurgy Construction Co (SBMCC). The agreement was preceded by six months of testing Xsteel. Demand for building-related software products did not develop according to expectations in the Japanese market.

Tekla's position as software supplier and partner of major engineering companies strengthened when one of the world's largest engineering-construction firms, Bechtel Corporation, chose Tekla's Xsteel as its central engineering and modeling tool.

In August Tekla entered into a Memorandum of Understanding regarding technical co-operation with Research Engineers International (REI), a division of US-based NetGuru, Inc and specialist in analysis and design software.

The companies signed an agreement on in-depth technical and marketing cooperation in January 2003 as outlined in the MoU. According to the agreement, REI will provide its software product STAAD.Pro as the analysis and design component to be integrated with Tekla's Xengineer and Xsteel. REI will also perform the development requirements necessary to integrate REI products into Tekla products. Both Tekla's and REI's products are global structural engineering market leaders in their segments. The resulting new integrated workspace software for structural engineers that enables seamless cooperation throughout the building process from design to fabrication is a central part of Tekla's strategic intent to offer leading software solutions for the structural engineering market globally, taking full advantage of strategic partnerships. In addition, REI will become a reseller of the newly integrated software in the territory consisting of the engineering customer segment within North America (including Mexico) and India. REI provides customers with their leading analysis and design software in combination with Tekla's superior 3D modeling technology. The first customer deliveries of Xengineer and Xsteel integrated with STAAD.Pro are scheduled for 2003.

In October Tekla was chosen for final negotiations on an exclusive agreement with the Precast Concrete Software Consortium (PCSC) with the intent of concluding an agreement on long-term and close cooperation in order to adapt Tekla Xengineer for the North American precast concrete industry. The PCSC members will purchase software licenses worth in excess of one million US dollars during the first development phase of the cooperation. The PCSC is an association of several major precast concrete producers from the United States and Canada.

Tekla and all its main competitors were involved in the initial stage, where the PCSC was looking for 3D engineering software for precast concrete construction. Two companies were selected for further study, after which Tekla was then chosen as the exclusive partner. The main reason for choosing Tekla was its superior model-based technology that was already developed for the building and construction industry. The PCSC and Tekla aim at working in cooperation with the Atlanta-based Georgia Institute of Technology that will offer technical consultation and support for the development and localization work.

In addition to this, Tekla signed a cooperation contract with Suomen Betonitieto Oy, a representative of the Finnish precast concrete industry. The aim of the development cooperation is to localize Tekla Xengineer for the needs of the Finnish precast concrete industry.

The business area reinforced its position in Southern Europe by agreeing on cooperation with an Italian reseller. In France Tekla terminated a resale agreement and assumed responsibility of all sales in France. In connection with closing down the Brazilian subsidiary, Tekla has initiated negotiations in order to sign a distribution agreement in Brazil.

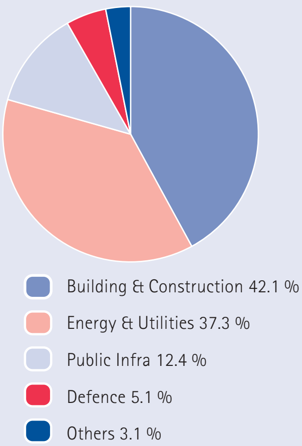
Energy & Utilities

The Energy & Utilities business area (E&U) supplies energy companies with solutions that improve their commercial and operative efficiency and competitiveness.

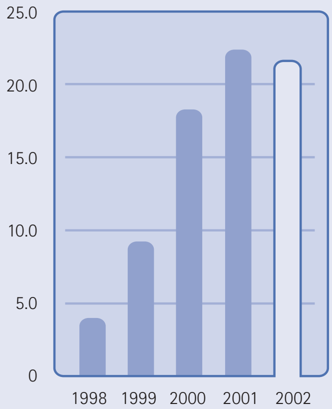
Net sales of E&U increased by almost 20%, totaling 15.48 (12.98) million euros. Its operating result was -4,83 (-1.16) million euros. International operations accounted for 25.6% of net sales.

Energy companies' timetables for IT investments were reflected in slower demand for network and customer information systems.

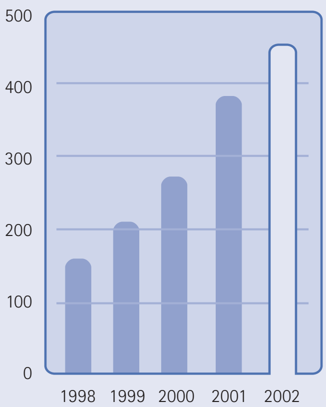
Net sales 2002 by business area, %



International operations, million euros



Personnel, on average



The network information system project agreed with Vattenfall Oy proceeded according to plan. Vattenfall chose Tekla Xpower as the central solution for its distribution network management in Finland. The network information system project with Latvia's national energy company was successfully completed. Latvenergo implemented Xpower in the Riga area, and negotiations on implementing the system in all of Latvia were initiated. A large system delivery to Norwegian Skagerak Energy A/S was completed in full.

First customer deliveries of the new product version of the Tekla Xpower network information system were carried out towards the end of the year. Its new development features for further refinement of information and reporting received a favorable reception from customers.

Tekla also launched new extranet and intranet web services for energy companies that improve customer service and streamline internal processes. Several companies operating in Finland acquired network services that are integrated into Tekla's operative systems for energy companies.

Network services integrated into customer, billing and network information systems are a part of the Energy & Utilities business area's new strategy announced at the beginning of the summer. According to this strategy, international and domestic growth is to be pursued with an integrated product concept, comprising of Tekla's network information management systems, customer information and billing systems, and energy data systems. The concept also includes interfaces for SCADA systems and measurement automation. In 2003 product development will focus on renewing the Tekla Forum customer information management system.

Additionally, Tekla has agreed on the first network information system updates with the Finnish energy companies that have been using a system previously supplied by Enfo Group. Kuopion Energia and Graninge Kainuu Oy were the first energy companies to agree on transferring to Tekla Xpower.

Public Infra

The Public Infra business area (PI) offers municipalities and municipal utilities software products and services for making municipal operations more efficient and developing e-services for residents.

PI's net sales grew more than 26%, totaling 5.13 (4.06) million euros. Its operating result was -0.61 (-0.30) million euros. International operations accounted for 7.9% of net sales.

The use of Tekla's new municipal information system in production commenced on schedule. At year's end it was used in 13 municipalities. In all, 17 Finnish municipalities have participated in developing the trailblazing system that makes the management of municipal information more effective.

A next-generation model-based product for street and area planning also entered production use.

Following the municipal information system, development of a municipal land property management system began with 14 Finnish municipalities participating. The new product utilizes integration with Tekla's software offering for the municipal sector. For instance, Tekla Community, a product developed for municipal billing activities, forms the core of the new product for municipal land property management.

Tekla found a new significant Swedish customer when Upplands Väsby decided to implement both Xcity for municipal information management and Xpipe, the network information system for water utilities.

An agreement was signed with Helsingborg in Sweden on expanding the cooperation so that the city adopts the 3D urban structure modeling tools contained in Xcity. The first order of business is zoning the 900-year-old city's southern industrial and harbor zone for residential and university use.

Tekla's position as a system supplier to water utilities strengthened, especially regarding large water utilities. The billing system project with the city of Espoo was completed according to plan. Implementation of the system in Espoo is a significant bridgehead for Tekla and an indication of how making the municipal billing process more effective can result in notable savings.

Defence

The Defence business area focuses on cooperation with the Finnish Defence Forces, developing reconnaissance and command systems that utilize model-based technology.

The business area's net sales amounted to 2.12 (2.73) million euros. Operating result was 0.16 (0.28) million euros. The comparison figures for 2001 also include the Projects business operations that have been sold. In 2001, net sales of the Defence business operations alone amounted to 1.27 million euros, and its operating result was -0.05 million euros. In other words, net sales of the Defence business area increased by 67% in 2002.

Scheduled deliveries proceeded according to plan and cooperation with the Defence Forces increased towards the end of the year.

Defence also began its first international cooperation project. Tekla is supplementing and adapting an information system the Defence Forces have acquired from an international information system supplier.

RESEARCH AND PRODUCT DEVELOPMENT

Piloting and gathering customer feedback for Xengineer, the product for multimaterial structural engineering proceeded according to plan. Development will continue in close cooperation with leading customers as well as the American company REI, a specialist in structural engineering software for design and analysis.

Tekla cooperates with the Precast Concrete Software Consortium (PCSC) in order to adapt Xengineer for the North American precast concrete industry. Tekla signed a similar development and localization agreement with the Finnish concrete industry as well.

Development of products for energy distribution and sales companies continued according to plans based on the strategy. The new product version Xpower 6.21 was completed in the fall, and its new development features notably improve the possibilities of utilizing the data stored in the information system.

The development project aiming at enhancing the utilization of the capacity of electricity distribution networks and the profitability of network investments continued in cooperation with VTT (Technical Research Center of Finland). Tekla was also actively engaged in energy industry research projects, and the results of these projects will be utilized in further development of the maintenance modules of the company's software products.

Development of a system for municipal information management and utilization proceeded on schedule. Seventeen Finnish cities participated in the project, and customer deliveries took place from the second quarter onwards. The development of a product for municipal land property management commenced. Currently 14 Finnish municipalities are involved in the development of the new solution. The product for land property management should enter production use at the end of 2003.

PERSONNEL

Tekla Corporation signed a lease on an office building located at Metsänpojankuja 1, in the technology cluster of Espoo. Tekla will move to the new premises by the end of March 2003, thus bringing all of its employees in Espoo under one roof.

The Group employed an average of 456 (382) people during the financial period, of which 109 (100) worked outside Finland. At the end of the period Tekla employed 473 (495) people, including part-time staff, and a total of 107 (111) worked outside Finland.

CHANGES IN SHARE CAPITAL AND OWNERSHIP

Tekla Corporation's largest shareholder Gerako Oy owned more than 50% of the capital stock in 2002, and its holding stood at 50.53% at year's end. After Tekla acquired the software business operations of Enfo Group Plc in August 2001, Enfo Group Plc became Tekla's second largest shareholder with a holding of 13.7%. In 2002 Enfo Group Plc sold most of its Tekla shares so that its ownership was 1.37% at the end of 2002. Other significant owners included several investment funds and insurance companies.

ARBITRATIONS

In November 2001, Tekla Corporation and Enfo Group Plc sought an award from a court of arbitration due to a dispute concerning the principle of recognizing revenue from unfinished customer-specific software projects in connection with the business acquisition on August 13, 2001. The arbitral award, issued on July 5, 2002, directed Tekla Corporation to pay Enfo Group Plc some 1.3 million euros together with penal interest for advance payments received for unfinished projects as well as reimburse the legal expenses of Enfo and 60% of the costs of the court of arbitration.

According to Tekla's view, the division of payments between the buyer and the seller should have been based on sound accounting principles in accordance with the Accounting Act, as stated in the sales agreement between Tekla and Enfo. This means that payments for unfinished customer-specific projects should have been divided between Tekla and Enfo on the basis of completion and customers' approval of the projects. However, the court of arbitration decided that greater emphasis was to be given to other parts of the sales agreement than following sound accounting principles in dividing payments for customer-specific projects.

As a result of the arbitral award, the goodwill of the software business operations that Tekla acquired from Enfo increased by 3.52 million euros. This amount will be depreciated over the same period (15 years) as the original goodwill booked in 2001. The result for 2002 was affected by one-time legal and interest expenses and depreciation due to the increase in goodwill, which totaled 0.65 million euros.

Graitec France SARL, a former Tekla reseller in France, challenged the termination of the distribution agreement of Tekla Xsteel in December. Tekla Corporation terminated the agreement with Graitec at the end of September on the basis of the prohibition of competition clause, as Graitec had begun selling a competing software product in France.

Graitec France SARL, part of the Graitec group, seeks compensation of 2.93 million euros due to the challenged termination. According to the resale agreement, disputes between the parties are to be settled by an arbitrator chosen by the Central Chamber of Commerce of Finland on the basis of Finnish law. Tekla is considering filing a countersuit and compensation claim against Graitec. According to Tekla's view, the arbitration will not have a notable effect on result.

CORPORATE GOVERNANCE

Governance in Tekla Corporation complies with the provisions of the Finnish Companies Act, which are supplemented by the Articles of Association and Tekla Corporation's own principles that conform to sound corporate governance. The company is managed by the Board of Directors and the President and CEO. The duties of different bodies are determined according to Finnish legislation, the Articles of Association, and sound governance policy as defined by the company. Board members have no particular duties or separately specified supervisory responsibilities. Tekla operations comply with the recommendations of Helsinki Exchanges concerning insider trading.

ANNUAL GENERAL MEETING

Tekla Corporation's Annual General Meeting on March 21, 2002 adopted the financial statements for 2001 and discharged the CEO and the Board from liability. The Annual General Meeting decided on a dividend of 0.04 euros per share.

Board of Directors and CEO

Reino Heinonen, Heikki Marttinen, President and CEO Seppo Ruotsalainen, Jan-Mikael von Schantz and Risto Siirilä were re-elected Board members by the Annual General Meeting on March 21, 2002. Timo Taurén was re-elected deputy member of the Board. PricewaterhouseCoopers Oy were re-appointed as auditors, with Jukka Ala-Mello, A.P.A, as the responsible auditor.

Authorizations and stock option program

The Annual General Meeting authorized the Board to increase the company's share capital by a maximum of 4,500,000 shares with a nominal value of 0.03 euros. The authorization included the right to waive the pre-emptive rights of shareholders in the event of a compelling financial reason.

The Board was also authorized for one year to decide on the increase of the company's share capital in a directed issue of new shares for the Board and personnel of the company and the personnel of its subsidiaries. A maximum total of 500,000 new shares with a nominal value of 0.03 euros could be subscribed in the personnel issue. The Board was also authorized for the period of one year to use funds available for profit distribution for acquiring the company's own shares amounting to a maximum of 5% of the total number of shares issued. The authorization given to the Board on April 5, 2001 to acquire the company's own shares was abolished to the extent that it had not been used. The Annual General Meeting also authorized the Board of Directors to decide on transferring the company's own shares within one year of the Annual General Meeting. The maximum number of shares that could be transferred was 1,000,000.

The Annual General Meeting accepted the Board's proposal to expand the Stock Option Program I by including the staff members transferred to Tekla in connection with the acquisition of business operations from Enfo Group Plc. The AGM decided to increase the number of option rights by 500,000, entitling holders to subscribe a maximum total of 500,000 shares. Other terms of the Stock Option Program remained unchanged.

DIVIDEND POLICY

Tekla Corporation follows a dividend payment policy that reflects profit trends. As the operating result for 2002 was negative, no dividend shall be distributed. Instead, the Board proposes to the Annual General Meeting that the share premium account be reduced by 328,185 euros in order to cover the loss shown in the balance sheet.

EVENTS AFTER THE REPORTING PERIOD

At the beginning of 2003 Tekla decided to continue optimizing international resources by closing down the Brazilian subsidiary and centralizing North American operations to the Atlanta office of Tekla, Inc. In 2002, the company merged the Swedish and Norwegian subsidiaries under joint management and centralized the operation of the German subsidiary entirely to the Frankfurt office. Tekla has prepared for the growing Chinese market by expanding its representative office into a subsidiary.

Hans G. Ehrnrooth was appointed head of North American business operations in January 2003. Harri Nurmi, former President of Tekla, Inc., returned to the corporate headquarters in Finland to take responsibility of Tekla Corporation's corporate planning.

In January, Tekla and Research Engineers International (REI), a division of US-based NetGuru, Inc. signed an agreement on in-depth technical and marketing cooperation as outlined in the MoU signed between the companies in August 2002. According to the agreement, REI will provide its software product STAAD.Pro as the analysis and design component to be integrated with Tekla Xengineer and Xsteel. The new structural engineering software concept is a central part of Tekla's strategic intent to offer the world's leading structural engineering software solution in cooperation with its strategic partners. The first customer deliveries of Xengineer and Xsteel integrated with STAAD.Pro are scheduled for 2003. Tekla expects that the cooperation will lead to significant results already in 2004.

The Finnish companies Graninge Kainuu Oy and Kuopion Energia decided to adopt Tekla's Xpower network information system for energy distribution companies.

E&U's international business was restructured, especially with regards to the functions that are the responsibility of Tekla's HQ. In connection with the restructuring, employees were dismissed from the Espoo office in compliance with the statutory cooperation procedure. At the same time other personnel restructuring was carried out, and in conjunction with the dismissals this translates into personnel cost savings equivalent to approximately ten employees.

PROSPECTS

In 2003 Tekla will focus on improving profitability and optimizing resources. The company has decided to improve its operating result noticeably and keep on increasing its net sales in 2003.

The competitiveness of Tekla's building industry products has remained good. If the general economic situation improves notably in the coming months, the company believes that the building market will also revive, bringing about a notable increase in the demand for its products. In the energy industry, the volume of demand grows slowly, and the preparation times of investment decisions remain long. In international markets the competitive position of Xpower as the most extensive network information solution for distribution companies has remained strong in the Nordic countries, and Tekla believes the demand will grow in nearby areas. In the target areas of Public Infra and Defence in Finland, demand is likely to remain stable, and the company's market position will remain strong.

INCOME STATEMENT

1,000 euros	Note	Consolidated 2002	Consolidated 2001	Parent company 2002	Parent company 2001
Net sales	1	**41,469**	**39,199**	**34,683**	**33,298**
Change in inventories of finished goods and in work in progress (+/-)		-64	163	-99	159
Other operating income	2	952	1,909	1,247	2,313
Materials and services	3	- 4,142	-3,961	-4,633	-4,616
Personnel expenses	4	-24,966	-20,824	-18,551	-15,349
Depreciation and value adjustments	5	-2,517	-1,531	-1,977	-1,070
Other operating expenses		-14,230	-12,450	-11,695	-10,635
Operating profit (loss)		**-3,498**	**2,505**	**-1,025**	**4,100**
Financial income and expenses	6	319	1,091	-1,494	1,085
Profit (loss) before extraordinary items		**-3,179**	**3,596**	**- 2,519**	**5,185**
Profit (loss) before appropriations and taxes		**-3,179**	**3,596**	**- 2,519**	**5,185**
Appropriations	7			-571	-968
Income taxes	8	270	-1,205	-7	-1,237
Net profit (loss) for the period		**-2,909**	**2,391**	**-3,097**	**2,980**

BALANCE SHEET

1,000 euros	Note	Consolidated 2002	Consolidated 2001	Parent company 2002	Parent company 2001
ASSETS					
Fixed assets and other long-term investments	9				
Intangible assets		15,864	13,429	15,521	13,052
Goodwill on consolidation		192	285		
Tangible assets		2,048	1,439	1,542	768
Long-term investments		170	274	2,148	1,287
Total fixed assets and long-term investments		**18,274**	**15,427**	**19,211**	**15,107**
Current assets					
Inventories	10	168	232	129	228
Deferred tax assets	11	801	337		
Short-term receivables	12	8,206	15,359	10,055	17,168
Marketable securities		12,854	15,341	12,854	15,341
Cash and cash equivalents		2,810	3,919	1,661	2,059
Total current assets		**24,839**	**35,188**	**24,699**	**34,796**
TOTAL ASSETS		**43,113**	**50,615**	**43,910**	**49,903**
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity	13				
Share capital		678	678	678	678
Share premium account		32,008	32,008	32,008	32,008
Reserve for own shares		110	215	110	215
Legal reserve		1,323	1,323	1,323	1,323
Translation differences		-8	27		
Retained earnings		2,337	929	2,768	694
Net profit (loss) for the period		-2,909	2,391	-3,097	2,980
Shareholders' equity total		**33,539**	**37,571**	**33,790**	**37,898**
Minority interest		**10**	**14**		
Accumulated appropriations	14			**1 538**	**968**
Liabilities					
Long-term liabilities	15	1,803	1,943	1,803	1,943
Short-term liabilities	16	7,761	11,087	6,779	9,094
Liabilities total		**9,564**	**13,030**	**8,582**	**11,037**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**43,113**	**50,615**	**43,910**	**49,903**

CASH FLOW STATEMENT

1,000 euros	Consolidated 2002	Consolidated 2001	Parent company 2002	Parent company 2001
Cash flow from operating activities:				
Profit (loss) before extraordinary items	-3,179	3,596	- 2,519	5,185
Adjustments:				
Depreciation according to plan	2,517	1,531	1,977	1,070
Other operating income and expenses (not received or paid)	24	7	-1	7
Financial income and expenses	-319	-1,129	1,494	-1,085
Other adjustments	-69	-45	-1	-2
Cash flow before change in working capital	-1,026	3,960	950	5,175
Change in working capital:				
Increase (-) / decrease (+) in non-interest-bearing short-term receivables	7,414	-6,803	4,372	-8,223
Increase (-) / decrease (+) in inventories	64	-163	99	-159
Increase (+) / decrease (-) in non-interest-bearing short-term liabilities	-2,415	4,275	-1,334	4,199
Cash flow from operations before financial items and taxes	4,037	1,269	4,087	992
Interest paid and payments of other financial expenses	-203	-94	-187	-90
Dividend received			196	
Interest received	684	961	734	1,011
Other financial income and expenses	-196	224	-187	164
Income taxes paid	-1,429	-241	-1,223	-175
Cash flow before extraordinary items	2,893	2,119	3,420	1,902
Net cash provided by (used in) operating activities (A)	**2,893**	**2,119**	**3,420**	**1,902**
Cash flow from investing activities:				
Investments in tangible and intangible assets	-5,569	-1,612	-5,241	-820
Proceeds from sale of tangible and intangible assets	54	31	21	25
Increase (-) / decrease (+) in loans receivable		3		-780
Other investments	-1	-17	-1	-17
Investments in subsidiaries		-75	-20	-410
Net cash used in (provided by) investing activities (B)	**-5,516**	**-1,670**	**-5,241**	**-2,002**
Cash flow from financing activities:				
Investment in own shares	-6	-215	-6	-215
Increase (+) / decrease (-) in short-term debt			-90	90
Proceeds from long-term debt	344	736	344	736
Repayments of long-term debt	-411	-576	-411	-576
Dividends paid and other distribution of profits	-901	-390	-901	-390
Net cash provided by (used in) financing activities (C)	**-974**	**-445**	**-1,064**	**-355**
Increase (+) / decrease (–) in cash and cash equivalents (A+B+C)	**-3,597**	**4**	**-2,885**	**-455**
Cash and cash equivalents at beginning of year	19,261	19,257	17,400	17,855
Cash and cash equivalents at end of year	**15,664**	**19,261**	**14,515**	**17,400**

NOTES TO THE FINANCIAL STATEMENTS

Tekla´s parent company is Gerako Oy, domiciled in Espoo.
Copies of the Gerako Group Financial Statements
are available from Gerako Oy, Koronakatu 2, 02210 Espoo.

ACCOUNTING PRINCIPLES

Principles used for the consolidated financial statements

The consolidated financial statements include the parent company Tekla Corporation and the subsidiaries in which the parent company owns over 50% of the voting rights, either directly or indirectly. The subsidiaries acquired during the year are included from the date of acquisition.

All inter-Group transactions, unrealized margins, liabilities and receivables, and profit distribution are eliminated.

In the consolidated financial statements, the income statements of foreign subsidiaries are translated into euros at the average rate for the year and balance sheets at the exchange rate of the balance sheet date. An exchange rate difference resulting from translation of the income statement and balance sheet at different rates is entered under consolidated retained earnings.

Company acquisitions are accounted for using the purchase method. The exchange differences arising from the application of the purchase method are entered under consolidated shareholders' equity.

Transactions in foreign currencies

Transactions in foreign currencies are recorded at the exchange rates prevailing at the transaction dates. At the end of the accounting period the unsettled receivables and debts are valued at the exchange rate of the balance sheet date. All foreign exchange gains and losses are entered as exchange rate differences in the income statement under financial income and expenses.

Derivative contracts

The Group makes derivative contracts to hedge against the exchange rate risks of prospective sales agreements. Foreign exchange gains and losses on forward contracts and currency options are recognized in the income at the same time as the hedged cash flow.

Revenue recognition

When net sales are calculated, indirect sales taxes and discounts are deducted from sales income.

Revenue from goods or services sold is recognized at the time of delivery, except for revenue on significant (> 1.0 million euros) long-term contracts, which is recognized on the percentage of completion method. The degree of completion is calculated on the basis of the actual expenses and the total cost estimate.

Research and product development expenses

Research and product development costs have been expensed in the financial period during which they are incurred.

Fixed assets and other long-term investments

The balance sheet figures for fixed assets are based on historical cost. The fixed assets are depreciated or amortized using the straight-line method, based on the useful life of the asset. The useful lives are as follows:

Intangible rights	10 years
Goodwill	5–15 years
Goodwill on consolidation	5 years
Other capitalized expenditures	2–6 years
Machinery and equipment	2–5 years

Fixed assets are stated in the Notes at acquisition cost less accumulated depreciation. Acquisition cost includes only the commodities for which the acquisition cost has not yet been depreciated or amortized totally according to plan.

Ordinary sales gains and losses on intangible fixed assets and machinery and equipment are included in other operating income and expenses.

Own shares

The company's own shares are included in fixed assets and other long-term investments. Own shares are valued at acquisition cost or lower market value. In calculating share related data, the company's own shares are excluded from shareholders`equity and number of shares.

Leasing

Operating lease payments are treated as monthly rental expenses. Outstanding rents on leasing contracts are presented as contingent liabilities in the Notes.

Pension arrangements

The Group companies' pension expenses entered in the consolidated financial statements are calculated according to the local practice of each country.
The pension arrangements of the Group companies comply with local regulations and practices. Employee pension security is organized through outside pension insurance companies.

Income taxes

Income taxes include taxes based on the results of the Group companies and are calculated according to the local tax rules of each country. Income taxes include tax adjustments on previous years and deferred taxes. The deferred tax asset has been calculated with extreme prudence for temporary differences between the tax basis of assets and liabilities and their values in financial reporting.

NOTES TO THE FINANCIAL STATEMENTS

In 1,000 euros unless otherwise noted.

		Consolidated		Parent company	
		2002	**2001**	**2002**	**2001**
1.	**Net sales by market area**				
	Finland	20,104	16,764	20,075	16,764
	Rest of Europe	12,525	12,517	7,679	8,680
	Americas	5,045	5,867	3,367	4,147
	Asia and Australia	3,621	3,948	3,389	3,605
	Other countries	174	103	173	102
	Total	**41,469**	39,199	**34,683**	33,298
	Net sales by percentage of completion	771	1,086	771	1,086
	Other net sales	40,698	38,113	33,912	32,212
	Total	**41,469**	39,199	**34,683**	33,298
	The revenue on (2) long-term contracts entered under net sales according to the percentage of completion method in 2002 and previous fiscal years	3,852	3,081	3,852	3,081
	The revenue on long-term contracts not entered under net sales		976		976
2.	**Other operating income**				
	Sales gains from fixed assets	49	535	33	535
	Service charges from Group companies	16	1	334	408
	Product development and other subsidies	880	1,347	880	1,347
	Other	7	26		23
	Total	**952**	1,909	**1,247**	2,313
3.	**Materials and services**				
	Purchase of materials during the year	1,371	1,994	1,022	1,781
	External services	2,771	1,967	3,611	2,835
	Total	**4,142**	3,961	**4,633**	4,616
4.	**Personnel expenses**				
	Salaries and fees	20,370	16,515	15,160	12,016
	Pension expenses	2,838	2,450	2,530	2,098
	Other social expenses	1,758	1,859	861	1,235
	Total	**24,966**	20,824	**18,551**	15,349
	Salaries and fees paid to the Board members and the Managing Directors	1,914	1,653	477	354

Management pension arrangements:

Retirement ages in the Group companies are determined according to the pension legislation of each country.

	2002	2001	2002	2001
Personnel:				
On average	456	382	356	289
End of period,	473	495	375	392
of which part-time employees	33	41	32	40

		Consolidated		Parent company	
		2002	**2001**	**2002**	**2001**
5.	**Depreciation**				
	Intangible assets				
	Development costs		91		91
	Intangible rights	18	17	18	17
	Goodwill	1,202	362	1,159	344
	Goodwill on consolidation	92	80		
	Other capitalized expenditure	503	429	409	378
	Tangible assets				
	Machinery and equipment	702	552	391	240
	Total	**2,517**	1,531	**1,977**	1,070

		Consolidated		Parent company	
		2002	**2001**	**2002**	**2001**
6.	**Financial income and expenses**				
	Dividend income from Group companies			**196**	
	Other interest and financial income				
	From Group companies			76	70
	From others	680	961	650	941
	Total	**680**	961	**726**	1,011
	Exchange rate differences	**–195**	224	**–187**	164
	Value adjustments of long-term investments				
	Shares in subsidiaries			–273	
	Loans receivable from subsidiaries			–1,806	
	Total			**–2,079**	
	Interest and financial expenses				
	To Group companies			–1	
	To others	–166	–94	–149	–90
	Total	**–166**	–94	**–150**	–90
	Financial income and expenses total	**319**	1,091	**–1,494**	1,085

		Consolidated		Parent company	
		2002	**2001**	**2002**	**2001**
7.	**Appropriations**				
	Difference between depreciation according to plan and depreciation applied in taxation			**571**	968

		Consolidated		Parent company	
		2002	**2001**	**2002**	**2001**
8.	**Direct taxes**				
	Income taxes on operations	193	1,417	7	1,237
	Change in deferred tax assets	–463	–212		
	Total	**–270**	1,205	**7**	1,237

9. Fixed assets and other long-term investments

Consolidated	Intangible assets						Tangible assets		
	Capitalized development costs	Intangible rights	Goodwill	Goodwill on consolidation	Other capitalized expenditure	**Total**	Machinery and equipment	Advanced payments	**Total**
Acquisition cost Jan. 1	869	181	12,606	430	2,175	16,261	3,303	7	3,310
Translation differences			3		-19	-16	-77		-77
Additions		4	3,518		646	4,168	1,401		1,401
Disposals	-869	-3				-872	-58	-7	-65
Acquisition cost Dec. 31	**0**	**182**	**16,127**	**430**	**2,802**	**19,541**	**4,569**	**0**	**4,569**
Accumulated depreciation Jan. 1	869	57	362	146	1,114	2,548	1,871		1,871
Translation differences					-10	-10	-56		-56
Accumulated depreciation on disposals	-869	-2				-871	-29		-29
Write-downs					3	3	33		33
Depreciation for the year		18	1,202	92	503	1,815	702		702
Accumulated depreciation Dec. 31	**0**	**73**	**1,564**	**238**	**1,610**	**3,485**	**2,521**	**0**	**2,521**
Net book value Dec. 31	**0**	**109**	**14,563**	**192**	**1,192**	**16,056**	**2,048**	**0**	**2,048**

Parent company	Intangible assets					Tangible assets		
	Capitalized development costs	Intangible rights	Goodwill	Other capitalized expenditure	**Total**	Machinery and equipment	Advanced payments	**Total**
Acquisition cost Jan. 1	869	182	12,391	1,920	15,362	1,974	7	1,981
Additions		4	3,518	535	4,057	1,184		1,184
Disposals	-869	-3			-872	-12	-7	-19
Acquisition cost Dec. 31	**0**	**183**	**15,909**	**2,455**	**18,547**	**3,146**	**0**	**3,146**
Accumulated depreciation Jan. 1	869	57	344	1,040	2,310	1,213		1,213
Accumulated depreciation on disposals	-869	-1			-870			0
Depreciation for the year		18	1,159	409	1,586	391		391
Accumulated depreciation Dec. 31	**0**	**74**	**1,503**	**1,449**	**3,026**	**1,604**	**0**	**1,604**
Net book value Dec. 31	**0**	**109**	**14,406**	**1,006**	**15,521**	**1,542**	**0**	**1,542**

Consolidated	**Investments**		
	Other shares and holdings	Own shares	**Total**
Acquisition cost Jan. 1	59	215	274
Additions	1	6	7
Write-downs		-111	-111
Net book value Dec. 31	**60**	**110**	**170**

Parent company	**Investments**					
	Shares in Group companies	Loans receivable from subsidiaries	Capital loan receivables from subsidiaries	Other shares and holdings	Own shares	**Total**
Acquisition cost Jan. 1	1,014			58	215	1,287
Additions	20	2,144	879	2	6	3,051
Write-downs	-273	-1,806			-111	-2,190
Net book value Dec. 31	**761**	**338**	**879**	**60**	**110**	**2,148**

Acquisition of own shares	No. of shares in 1,000s	Average price euros/share	Acquisition cost in 1,000 euros
January	2	3.58	6

Shares in subsidiaries	Domicile	Holding %
Tekla AS	Norway	83.2
Tekla GmbH	Germany	100
Tekla Inc.	U.S.A	100
Tekla K.K.	Japan	100
Tekla (M) Sdn. Bhd.	Malaysia	100
Tekla Sarl	France	100
Tekla Software AB	Sweden	100
Tekla (UK) Ltd.	England	100
Model Software Ltda	Brazil	95

Besides the subsidiaries, Tekla Corporation also has representative offices in Dubai, the United Arab Emirates, and Shanghai, China.

	Consolidated		Parent company	
	2002	**2001**	**2002**	**2001**
10. Inventories				
Work in progress	120	218	120	218
Finished goods	48	14	9	10
Total	**168**	232	**129**	228
11. Deferred tax assets and liabilities				
Deferred tax assets from timing differences	1,247	618		
Deferred tax liabilities from appropriations	-446	-281		
Total	**801**	337		
12. Short-term receivables				
Receivables from others				
Accounts receivable	6,094	10,955	3,989	7,092
Other receivables	218	2,099	28	1,757
Prepaid expenses and accrued income	1,894	2,301	1,704	2,158
Total	**8,206**	15,355	**5,721**	11,007
Receivables from Group companies				
Accounts receivable		4	2,206	2,648
Loans receivable			1,666	1,713
Other receivables			462	1,704
Prepaid expenses and accrued income				96
Total		4	**4,334**	6,161
Short-term receivables total	**8,206**	15,359	**10,055**	17,168
Prepaid expenses and accrued income				
Accrued product development and other subsidies	706	412	706	412
Accrued income related to long-term contracts		257		257
Accrued sales income	433	1,237	433	1,334
Other prepaid expenses and accrued income	755	395	565	251
Total	**1,894**	2,301	**1,704**	2,254

	Consolidated		Parent company	
	2002	**2001**	**2002**	**2001**
Net receivables and liabilities for projects in progress recognized on the percentage of completion method				
Accrued income according to profits based on percentage of completion		3,081		3,081
Advances received		–2,824		–2,824
Receivables in current assets in the balance sheets recognized on the percentage of completion method		257		257
13. Shareholders' equity				
Share capital Jan. 1	678	585	678	585
Share issue		93		93
Share capital Dec. 31	**678**	678	**678**	678
Share premium account Jan. 1	32,008	19,710	32,008	19,710
Share premium		12,298		12,298
Share premium account Dec. 31	**32,008**	32,008	**32,008**	32,008
Reserve for own shares Jan. 1	215		215	
Additions	6	215	6	215
Write-downs	–111		–111	
Reserve for own shares Dec. 31	**110**	215	**110**	215
Legal reserve Jan. 1	1,323	1,323	1,323	1,323
Legal reserve Dec. 31	**1,323**	1,323	**1,323**	1,323
Translation differences	**–8**	27		
Retained earnings Jan. 1	3,320	1,507	3,675	1,299
Payment of dividend	-901	-390	-901	-390
Transfer to reserve for own shares	–6	–215	–6	–215
Exchange rate differences	–76	27		
Retained earnings Dec. 31	**2,337**	929	**2,768**	694
Net profit (loss) for the period	**–2,909**	2,391	**–3,097**	2,980
Total shareholders' equity	**33,539**	37,571	**33,790**	37,898
Calculation of distributable funds				
Retained earnings Dec. 31	2,337	929	2,768	694
Net profit (loss) for the period	–2,909	2,391	–3,097	2,980
Equity share of accumulated depreciation difference	–1,092	-687		
Distributable funds of shareholders' equity	**–1,664**	2,633	**–329**	3,674

On December 31, 2002, Tekla Group (parent company) owned 69,600 own shares,
total nominal value of those being 2,088 euros and acquisition cost 220,702 euros and book value 109,968 euros.
The company´s own shares correspond to 0.3 percent of share capital and votes.

		Consolidated		Parent company	
		2002	**2001**	**2002**	**2001**
14.	**Accumulated appropriations**				
	Difference between depreciation according to plan and depreciation applied in taxation				
	Goodwill			1,327	895
	Machinery and equipment			211	73
	Total			**1,538**	968
15.	**Long-term liabilities**				
	Other long-term liabilities	1,803	1,943	1,803	1,943
	Total	**1,803**	1,943	**1,803**	1,943
	Loans maturing after more than five years				
	Other long-term liabilities	**155**	234	**155**	234
16.	**Short-term liabilities**				
	Loans from others				
	Advances received	360	828	359	828
	Accounts payable	1,068	1,137	873	903
	Other liabilities	1,899	2,623	1,382	1,786
	Accrued expenses and deferred income	4,427	6,463	3,466	4,538
	Total	**7,754**	11,051	**6,080**	8,055
	Liabilities to Group companies				
	Accounts payable	7	36	638	845
	Other liabilities				90
	Accrued expenses and deferred income			61	104
	Total	**7**	36	**699**	1,039
	Short-term liabilities total	**7,761**	11,087	**6,779**	9,094
	Accrued expenses and deferred income				
	Accrued salaries and social expenses	3,471	3,303	3,046	3,026
	Income taxes	13	971		926
	Periodization of sales	415	1,539	195	272
	Other accrued expenses and deferred income	528	650	286	418
	Total	**4,427**	6,463	**3,527**	4,642

	Consolidated		Parent company	
	2002	**2001**	**2002**	**2001**
17. Collaterals, contingent liabilities and other commitments				
Commitments for which business mortgages are pledged as collateral				
Guarantees on behalf of own commitments	**340**	598	**340**	598
Mortgages				
Business mortgages	**505**	505	**505**	505
Other contingent liabilities				
Guarantees on behalf of own commitments	83	20		
Guarantees on behalf of subsidiaries' commitments			66	
Pledges given	15			
Total	**98**	20	**66**	
Leasing and rental agreement commitments				
Premises				
Due during the next financial year	2,472	1,667	1,880	1,045
Due later	8,169	4,903	7,030	3,568
Total	**10,641**	6,570	**8,910**	4,613
Other				
Due during the next financial year	943	1,080	719	873
Due later	715	753	379	570
Total	**1,658**	1,833	**1,098**	1,443
Total	**12,299**	8,403	**10,008**	6,056
18. Derivative contracts				
Currency forward contracts				
Fair value of underlying instruments	1,640	5,469	1,640	5,469
Nominal value of underlying instruments	1,852	5,339	1,852	5,339
Currency options				
Purchased				
Fair value of underlying instruments	1,500		1,500	
Nominal value of underlying instruments	1,587		1,587	
Written				
Fair value of underlying instruments	1,500		1,500	
Nominal value of underlying instruments	1,498		1,498	

The derivative contracts are used for hedging US dollar-based sales.

19. Legal proceedings and claims

Tekla Corporation terminated the agreement with Graitec France SARL at the end of September on the basis of the prohibition of competition clause. Graitec challenged the termination of the distribution agreement, and seeks compensation of 2.93 million euros due to the termination. Tekla is considering filing a countersuit and compensation claim against Graitec.

BOARD OF DIRECTORS' PROPOSAL FOR THE DISTRIBUTION OF PROFITS

According to the consolidated balance sheet of December 31, 2002, the Group has no distributable funds.

The Board of Directors proposes that the parent company's operating loss of 3,096,590 euros for the financial period be carried over in shareholders' equity and the share premium account be reduced by 328,185 euros in order to cover the loss shown in the balance sheet.

Espoo, February 12, 2003

Heikki Marttinen
Chairman

Reino Heinonen **Jan-Mikael von Schantz**

Risto Siirilä **Heikki Multamäki**
CEO

AUDITORS' REPORT

To the shareholders of Tekla Corporation

We have audited the accounting, the financial statements and the corporate governance of Tekla Corporation for the financial year 2002. The financial statements prepared by the Board of Directors and the CEO include a Board of Directors' report, consolidated and parent company income statements, balance sheets and notes to the financial statements. 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 estimate made by the management as well as evaluating the overall financial statement presentation. The audit of corporate governance is conducted to examine that the members of the Board of Directors and the CEO 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 the 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, including the consolidated financial statements, can be adopted and the members of the Board of Directors and the CEO of the parent company can be discharged from liability for the financial period audited by us. The proposal by the Board of Directors regarding the distributable assets is in compliance with the Companies´Act.

Espoo, February 26, 2003

PricewaterhouseCoopers Oy
Authorized Public Accountants

Jukka Ala-Mello
Authorized Public Accountant

STOCK EXCHANGE AND PRESS RELEASES

YEAR 2003

26.2. 2003	Tekla Forum is the new name for Tekla Asterix
25.2. 2003	Tekla reinforces its position as supplier of network information system to water utilities in Finland
18.2.2003	Tekla supplies Graninge Kainuu Oy and Kuopion Energia with Xpower network information system
13.2.2003	Tekla Corporation's Financial Statements Bulletin 1.1.-31.12.2002: Net sales increased by six percent, operating result was negative
12.2.2003	Roof of the year was designed using Tekla Xsteel - ten-acre roof with an accuracy of millimeters
6.2.2003	Announcement of Tekla Corporation´s Financial Statement 2002
17.1.2003	Tekla and US NetGuru, Inc. sign an agreement on wide technical and marketing cooperation
15.1.2003	Tekla strengthens international operations

YEAR 2002

19.12.2002	Tekla Corporation financial information 2003
16.12.2002	New Tekla Corporation Management Team appointed
16.12.2002	Tekla updates net sales and profit outlook for 2002
3.12.2002	Tekla and French reseller enter arbitration
2.12.2002	Heikki Multamäki becomes president of Tekla Corporation; Seppo Ruotsalainen resigned
5.11.2002	Tekla Corporation interim report January 1 – September 30, 2002: Net sales increased by 28 percent; future focus on improving profitability
30.10.2002	Announcement of Tekla Corporation´s interim report 1-9/2002
29.10.2002	Tekla´s system improves services to residents and preparation of decision-making
28.10.2002	Based on the Xengineer concept: Tekla to localize software product for the Finnish precast concrete industry
14.10.2002	Tekla chosen exclusively for final negotiations with the Precast Concrete Software Consortium in order to develop and localize a product for precast concrete industry in North America
4.9.2002	Revolutionary architecture becomes reality with Tekla solutions
26.8.2002	Tekla´s new network services improve customer service of energy companies and make business processes more efficient

19.8.2002	Tekla reinforces its position in the Swedish municipal sector
13.8.2002	Tekla´s net sales increased by more than 40% in January-June
7.8.2002	Announcement of Tekla Corporation´s interim report 1-6/2002
2.8.2002	Joint forces for new engineering concept – Tekla and US NetGuru, Inc. start technical co-operation
10.7.2002	Tekla updates net sales and profit forecast for 2002
5.7.2002	Arbitral award decreases Tekla´s profit for 2002
19.6.2002	Tekla moves to the technology cluster of Espoo – brings all employees under one roof
11.6.2002	Tekla Xengineer introduced at Civils 2002 exhibition in Birmingham
31.5.2002	New strategy of Tekla's Energy & Utilities business area aims at international growth with integrated product concept
27.5.2002	Tekla Aqua software supports the customer management of the water utilities of Finnish cities Espoo, Vantaa and Tampere
13.5.2002	Tekla´s Capital Market Afternoon May 31, 2002
6.5.2002	Tekla January-March, 2002: Net sales increased by 50%; operating profit better than expected
22.4.2002	Announcement of Tekla Corporation´s interim report 1-3/2002
11.4.2002	Notification on a change in holdings referring to chapter 2, section 9, of the Securities Markets Act
9.4.2002	Enfo Group PLC approved to sell Tekla Corporation shares due to growing demand
8.4.2002	Tekla and Bechtel Corporation intiated cooperation
21.3.2002	Decisions by the Tekla Corporation Annual General Meeting
28.2.2002	Notice of the Annual General Meeting of Tekla Corporation
19.2.2002	Tekla´s year 2001: Focusing and internationalization complete - strong growth continued, earnings per share more than doubled
12.2.2002	Announcement of Tekla Corporation´s Financial Statement 2001
30.1.2002	Preliminary information on Tekla´s financial results in 2001: Net sales rose 48% and operating profit tripled
21.1.2002	Tekla to harmonize Vattenfall´s network information systems in Finland

TEKLA

Tekla Corporation

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Annual General Meeting

The Annual General Meeting of Tekla Corporation will be held on Thursday, March 20, 2003 at 15.00 in the Leonardo auditorium of Innopoli, Tekniikantie 12, 02150 Espoo.

Shareholders who have been registered at the latest by March 10, 2003 in the shareholders´ register kept by the Finnish Central Securities Depository Ltd are entitled to participate in the Annual General Meeting.

Financial information

Financial statements bulletin 2002, on February 13, 2003
Interim report January – March 2003, on May 6, 2003
Interim report January – June 2003, on August 7, 2003
Interim report January – September 2003, on October 30, 2003

The financial information releases are not printed. They are published in Finnish and English at www.tekla.com.

Annual Report

The Annual Report 2002 will come out in Finnish and in English. It is available at www.tekla.com from week 10/2003. The printed report can be subscribed by a form on Tekla's web site, by e-mail from communications@tekla.com or by phone Tekla Corporation/Communications +358 9 8879 500 (the new phone number from 31.3.2003 is +358 30 661 10).

www.tekla.com