Ensto 2003 -

The Customer Comes First

Seppo Martikainen, President and CEO

The world is full of catchphrases that generate scorn, such as: personnel is our key resource; we will improve our competitiveness and service; the customer comes first. At the risk of derision, I will go out on a limb and say that behind every motto, however clichéd it may seem, lies concrete, everyday business reality. If these themes are not taken into account, the company is in danger.

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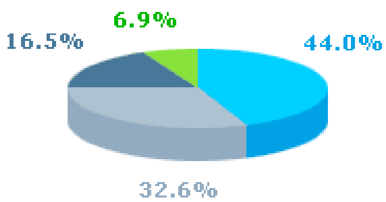
Key Figures

Turnover / SBU 2003 (MEUR)

- Building Technology 73.2
- Utility Networks 54.2
- Enclosures and Components 27.5
- Contract Manufacturing Services 11.5



From the CEO:
The Customer Comes First

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In 2003, we at Ensto raised "the customer comes first" theme. More than once I have listened to debates about who or what, in fact, is our customer. I myself support the view that our customers include all instances of goods or information management following us in the delivery chain. Depending on the situation, the customer is either a person or a company. Ensto's success today is fundamentally dependent on the pull that we, in cooperation with our customers, are able to generate for the electrification solutions, product systems and products that we have developed. On the European market, where the majority of our operations lie, success is not possible without well-balanced cooperation with the different parties in the delivery chain - our customers.
I would like to thank our customers, both persons and companies, for their excellent cooperation in the year 2003!

Ensto today is clearly an international operator. Especially in the field of constructing and maintaining utility networks, Central and Eastern Europe offer significant growth potential. For our utility network construction business, the new members of the EU and the growing strength of Russia and its neighbours are rising into pre-eminence as market areas, and are expected to bypass the Nordic countries in significance in the near future. We will be investing in the future, both in the familiar Nordic market, and in newer areas of stronger growth.

We have combined our building technology electrification solutions into one package. This year, we will showcase our entire product portfolio in a single product catalogue, available both as an electronic and a traditional paper version. We will also invest in developing sales especially on the Norwegian, Swedish, Finnish and Russian markets, while we continue our project, started a couple of years ago, to learn more about the Chinese market.

We are not a supplier of large volumes and long product series for enclosure and component solutions for the industry. Instead, our strength lies in the development and supply of customer-specific solutions. We focus on speed and flexibility, and seek customers who value these qualities.

The following old, classic phrases are also widely known around the globe: there is nothing certain but the uncertain, and the quick eat the slow. Despite the uncertainties of this world we have the utmost confidence that we, both as persons and as a company, are able, flexible and suitably efficient to serve you, our valued customers, in the year 2004!

With collaborative regards,
Seppo Martikainen

KEY FIGURES

Key indicators (12 months)

	M €	2003	2002	2001	2000	1999
Turnover		**163.1**	175.7	182.8	200.7	191.7
Change compared to last period	%	**-7.2**	-3.9	-8.9	4.7	1.2
Sales outside Finland		**95.4**	101.9	99.0	112.2	108.8
Of turnover	%	**58.5**	58.0	54.2	55.9	56.8
Change compared to last period	%	**-6.3**	2.9	-11.7	3.1	7.8
Sales in Finland		**67.7**	73.9	83.8	88.5	82.9
Change compared to last period	%	**-8.4**	-11.8	-5.4	6.9	-6.5
Exports from Finland		**59.4**	60.2	56.7	55.9	45.2
Change compared to last period	%	**-1.2**	6.2	1.4	23.6	12.9
Profit before depreciation		**19.0**	24.3	16.4	28.7	21.0
Of turnover	%	**11.6**	13.9	9.0	14.3	11.0
Depreciation		**7.6**	8.9	8.6	10.8	11.7
Of turnover	%	**4.6**	5.0	4.7	5.4	6.1
Operating profit		**11.4**	15.5	6.5	17.9	9.5
Of turnover	%	**7.0**	8.8	3.6	8.9	5.0
Financial items		**-1.1**	-1.4	-2.1	-1.9	-1.8
Of turnover	%	**-0.7**	-0.8	-1.2	-0.9	-1.0
Profit before extraordinary items		**10.3**	14.1	4.4	16.0	7.7
Of turnover	%	**6.3**	8.0	2.4	8.0	4.0
Profit before income taxes		**11.4**	13.0	4.5	17.9	4.3
Of turnover	%	**7.0**	7.4	2.5	8.9	2.2
Net profit		**9.7**	8.5	2.4	11.0	1.9
Of turnover	%	**5.9**	4.8	1.3	5.5	1.0
Gross investments		**4.5**	7.0	7.6	8.3	10.5
Of turnover	%	**2.7**	4.0	4.2	4.1	5.5
Return on investment (ROI)	%	**15.0**	21.0	10.2	19.9	11.3
Return on equity (ROE)	%	**18.5**	24.1	7.1	21.8	12.0
Solvency	%	**55.0**	47.7	37.1	45.5	33.2
Gearing	%	**0.3**	25.3	78.0	55.6	107.9
Current ratio		**2.6**	1.8	1.4	1.9	1.5
Net liabilities		**0.2**	12.7	30.7	31.9	49.2
Osuus liikevaihdosta	%	**0.1**	7.2	16.8	15.9	25.7
Total assets		**104.7**	105.6	106.2	126.9	137.9
Research and Development costs		**4.4**	4.2	6.1	5.8	5.8
Of turnover	%	**2.7**	2.4	3.3	2.9	3.0
Undelivered orders		**8.3**	10.8	12.4	16.3	19.1

Profit / share (EPS)	€	**0.61**	0.66	0.16	0.67	0.29
Equity / share	€	**3.51**	3.05	2.36	3.51	2.77
Dividend / share	€	**0.46**	0.17	0.06	1.30	0.07
Dividend / profit	%	**74.1**	26.4	34.3	194.6	23.8
Turnover / employee	1000 €	**122.8**	119.1	112.0	114.8	100.0
Henkilöstö keskimäärin		**1,328**	1,476	1,633	1,748	1,917
Average personnel		**1,099**	1,340	1,504	1,649	1,897
Number of shares		**14,498,700**	**14,498,700**	**14,498,700**	**14,498,700**	**14,498,700**
Average number of shares		**14,498,700**	**14,498,700**	**14,498,700**	**14,498,700**	**14,498,700**

Principles for calculating key figures

Invested capital = Balance sheet total - non-interest bearing debts

Return on investment (ROI) = $\frac{\text{Profit before extraordinary items + interest expenses and other financial expenses}}{\text{Invested capital (average for period)}} \times 100$

Return on equity (ROE) = $\frac{\text{Profit before extraordinary items and taxes - taxes}}{\text{Shareholders' equity + minority interests + group reserve (average for the period)}} \times 100$

Solvency = $\frac{\text{Shareholders' equity + minority interests + group reserve}}{\text{Balance sheet total - advances received at the end of the financial period}} \times 100$

Net liabilities = Non-current and current liabilities - non-interest bearing debts - cash in hand and at banks - investments in marketable securities

Gearing = $\frac{\text{Net liabilities}}{\text{Shareholders' equity + minority interests + group reserve}} \times 100$

Current ratio = $\frac{\text{Financial assets + current assets}}{\text{Short-term liabilities}}$

Earnings / share (EPS) = $\frac{\text{Profit before extraordinary items and taxes - minority interests and taxes}}{\text{Issue adjusted average number of shares}}$

Equity / share = $\frac{\text{Shareholders' equity + group reserve}}{\text{Issue adjusted number of shares at the end of the period}}$

Dividend / share = $\frac{\text{Dividend distributed for the fiscal year}}{\text{Issue adjusted number of shares at the end of the period}}$

Dividend / Profit = $\frac{\text{Dividend / share}}{\text{Earnings / share}} \times 100$

THE YEAR IN BRIEF

Ensto Group's net sales and profitability were slightly lower than the previous year. The Group divested its business operations totalling EUR 11.6 million of net sales, while the continuing strength of the euro also undermined the development of net sales. Profitability was lower in all business units, except Building Technology, where operating profit was on the same level as last year.

Demand was lower in several business areas, but Ensto managed to increase its market share in the markets that are most important to the Group. The OEM industry showed no signs of recovery. Various investments in Research and Development and Sales and Marketing proved successful.

The Group structure was further streamlined, and in 2004, Ensto comprises the following business areas operating under a common Ensto brand: Building Technology, Utility Networks and Enclosures and Components.

GROUP STRUCTURE

The division of Ensto Connector Oy into a company producing aeronautical ground lighting components, a company engaged in the connector business and a real-estate company was put into effect on 31 August 2003.

The aeronautical ground lighting company started its operations under the name Efla Oy on 1 September 2003. The company was sold to M-Capital Oy on 30 September 2003.

CM Tools Oy sold its tool manufacturing and service business to a company founded by the MBO Group on 30 December 2003, after which its name was changed to Kiinteistö Oy Askolan Sepäntie 4.

The connector company continues operations under the name Ensto Connector Oy.

The company created as a result of this division, Kiinteistö Oy Porvoon Kipinätie 3, was sold on 1 October 2003.

Idealplast Ab, engaged in the office supplies and contract manufacturing business, was sold to M-Capital on 30 September 2003.

Kiinteistö Oy Ensio Miettisen katu 2 was divided into two companies on 31 December 2003: Kiinteistö Oy Ensio Miettisen katu 2, which continues as a real-estate company, and Ensto Control Holding Oy, which owns Ensto Control Oy.

CM Tools Oy sold its tool manufacturing and service business to a company founded by the MBO Group on 31 December 2003, after which its name was changed to Kiinteistö Oy Askolan Sepäntie 4.

Ensto Oy sold the plastic moulding company CMS Industry Oy to the American Nypro International Holdings B.V. on 31 December 2003 and to M-Capital Oy on 30 December 2003, with a 50/50 shareholding. The company assumed the name Nypro CMS Oy.

In a transaction that came into effect on 1 January 2004, Ensto Oy bought a 24.07 per cent minority holding of a Hungary-based sales company, Ensto Elsto Kft; subsequently the company's entire stock is now owned by the Ensto Group.

In January 2004, Ensto began joint discussions in Finland with the goal of reorganising operations in Finland and Estonia. During the process, the division of work between the Keila factory in Estonia and the Porvoo and Mikkeli factories in Finland will be reviewed.

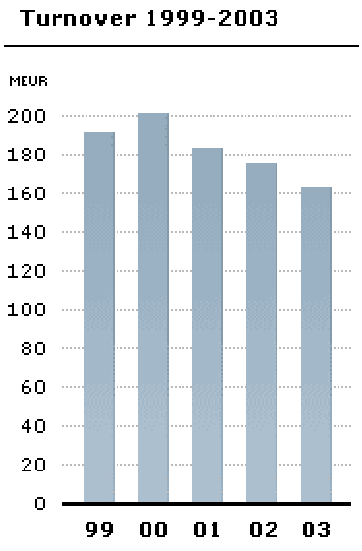
The following foreign branch offices belong to Ensto Group: Ensto Busch-Jaeger Oy, filial Sverige; Ensto Electric Oy, filial Sverige; Ensto Control Oy, filial Sverige; and Ensto Sekko Oy, filial Sverige.

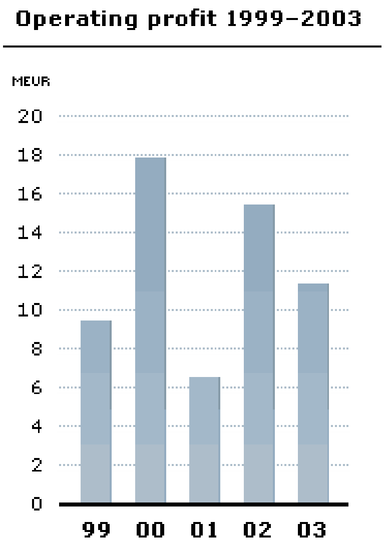
NET SALES AND OPERATING PROFIT

Ensto Group's net sales totalled EUR 163.1 million in 2003. The previous year's net sales of EUR 175.7 million include the figures of Efla Oy and Idealplast Ab from the entire financial period. The aforementioned companies were sold on 30 September 2003 and their figures are included in Ensto Group's figures for January-September. The year-on-year net sales in 2002 were EUR 166.3 million.

Operating profit in 2003 was EUR 11.4 million, or 7.0 per cent of net sales. The year-on-year operating profit fell 18.4 per cent.

The Group's operations outside Finland accounted for EUR 95.4 million of net sales, or 58.5 per cent. The Nordic countries' combined share of Group net sales was EUR 113.6 million, or 69.6 per cent. East and Central Europe's net sales totalled EUR 32.9 million, or 20.1 per cent.





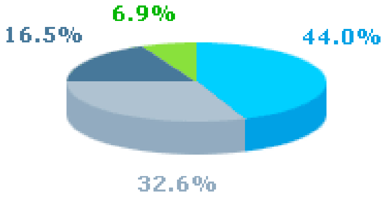
The following table presents Ensto's net sales by business area in 2003.

1 Jan.-31 Dec. 2003	Net sales		
EUR million	**2003**	**2002**	**Change %**
Building Technology	73,2	67,6	8,3
Utility Networks	54,2	57,7	-6,1
Enclosures and Components	27,5	29,0	-5,2
Contract Manufacturing Services	11,5	17,6	-34,8
-Others and eliminations	-3,2	3,8	
Total	163,1	175,7	-7,2
Comparable total	163,1	166,3	-1,9

STRATEGIC BUSINESS UNITS

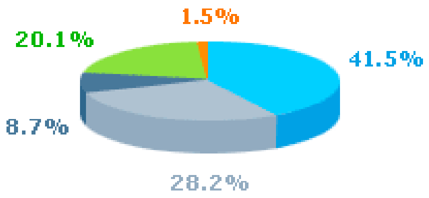
Turnover / SBU 2003 (MEUR)

- Building Technology 73.2
- Utility Networks 54.2
- Enclosures and Components 27.5
- Contract Manufacturing Services 11.5



Turnover / Marketing Area 2003 (MEUR)

- Finland 67.7
- Other Nordic Countries 46.0
- Western Europe 14.1
- Eastern and Central Europe 32.9
- Other Countries 2.5



Ensto Building Technology

Net sales generated by Ensto Building Technology amounted to EUR 73.2 million, up by 8.3 per cent over the previous year.

At the year-end, Building Technology had a staff of 402, an increase on the previous year's figure of 397.

Ensto Building Technology increased its sales in all markets except China. Despite falling demand for electrical equipment in the main market area, Scandinavia, Ensto Building Technology clearly managed to increase its sales. The reorganisation and systemisation of sales have proved effective.

A logistics centre in Porvoo, serving Ensto Building Technology, was launched in April 2003, and the Finnish logistics operations are now centralised in one location.

The production of the connector business was reorganised. The reorganisation of the sales organisations was also continued; Norway and Poland had their turn in 2003.

The most significant product launches of the year were new thermostats, a new series of enclosures connected to the EnstoNet system and a luminaire series.

Ensto Building Technology's traditional market, Scandinavia, is not expected to improve. However, the business unit's net sales are expected to increase in all market areas.

Ensto Utility Networks

Net sales generated by the business unit amounted to EUR 54.2 million, down by 6.1 per cent over the previous year's EUR 57.7 million.

Utility Networks had a staff of 382 at the end of 2003, an increase on the previous year's figure of 325.

Net sales were lower than expected. The strength of the euro in comparison to other currencies had an impact of around 5 per cent on net sales. Nevertheless, in our main market areas, sales volume increased in Russia, Ukraine, Finland, Poland and Czech Republic.

The metal and surface treatment operations of Ensto Parts Oy were transferred to Ensto Sekko Oy as of the beginning of the year.

The business unit has improved the reliability of its deliveries by optimising stock levels. There have been increases in investments in sales and product development resources.

A new product solution, Insulated Messenger Wire, was developed and launched onto the market.

In 2004, net sales are expected to rise, especially in Russia, Ukraine, Moldova and other CIS countries. Product solutions suitable for these areas already exist. We also expect growth in project sales. As the product range is increased in Hungary, we expect net sales to grow.

Ensto Enclosures and Components

Net sales generated by the business unit amounted to EUR 27.5 million in 2003, down by 5.2 per cent over the previous year's EUR 29.0 million.

The number of personnel was 257 at the year-end, increasing by one from the previous year.

The business unit's market situation is affected by industrial investments and volume of new building. The investment level of industry in particular remained low over the period. Changes in the product portfolio also had an impact on the fall in net sales. The net sales of Ensto products increased year on year.

The business unit streamlined production by reorganising production facilities and developing an incentive system. In sales and marketing, special emphasis was placed on distribution channel marketing and the facilitating customers' work by offering design software for their use. Ensto Cubo 19" cabinets were launched as new products.

The OEM industry is expected to see a slight improvement in 2004.

Contract Manufacturing Services

Contract Manufacturing Services generated net sales of EUR 11.5 million, down from EUR 17.6 million on the previous year.

Due to the uncertainty surrounding the business environment, a new operations model was sought for plastic moulding and tool manufacturing. CMS Industry Oy was sold to M-Capital Oy and to Nypro International Holdings B. V. on 30 December 2003. The company assumed the name Nypro CMS Oy, and its customers come from not only the electro-technical industry, but also a significant amount from the electronics industry.

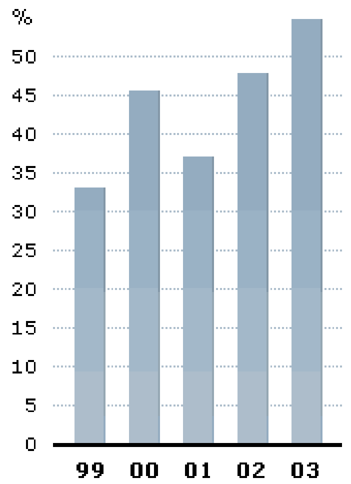
Suffering from unstable and fluctuating demand, the tool manufacturing and service business operations were sold to a company founded by a group of employees. It was agreed in the arrangement that the new company shall perform Ensto's tool services in Porvoo.

BALANCE SHEET AND FINANCING

At the end of 2003, the balance sheet total stood at EUR 104.7 million (EUR 105.6 million).

The Group's equity ratio was 55.0 per cent (47.7 per cent).

Equity ratio %
1999—2003



INVESTMENTS AND DEVELOPMENT

The gross investment for the period amounted to EUR 4.5 million (EUR 7.0 million). The majority of the investments were in production machinery and equipment. A logistics centre in Porvoo, serving the Building Technology unit, was completed.

Research and development expenses totalled EUR 4.4 million (EUR 4.2 million), equating to 2.7 per cent (2.4%) of net sales. Ensto Building Technology increased its product development at year-end, while Ensto Utility Networks also increased staff in its product development unit. Development of the Ensto brand continued and the new look began to be applied.

QUALITY AND ENVIRONMENT

Ensto's environmental policy was updated in 2003. It states, for example, that all business units shall design, manufacture and market their products taking the products' lifecycle and the demands of sustainable development into account.

The quality systems of Ensto's Finnish companies are ISO 9001 or QS 9000/ISO 9002 certified. By the end of 2003, the environmental management systems of the Finnish companies were ISO 14001 certified.

The quality systems of the Polish, Hungarian and the British companies are ISO 9001 certified. The quality systems of the Estonian companies will be ISO 9001 certified in February 2004.

ANNUAL GENERAL MEETING

Ensto's AGM on 19 February 2003 decided to distribute 0.175 euros per share, or a total of EUR 2,537,272.50 in dividends for 2002.

The following were elected as Board members: Marjo Raitavuo (Chairman), Risto Anttonen, Heikki Mairinoja, Ensio Miettinen, Timo Miettinen and Esa Saarinen.

In an Extraordinary General Meeting, the articles of association were modified, using an English parallel business name, Ensto Ltd.

AUDITORS

The company's auditors are the authorised public accountant firm Ernst & Young Oy. Risto Järvinen, Authorised Public Accountant, acts as responsible auditor, working with Maj-Britt Jensen, Authorised Public Accountant.

SHARES AND OWNERSHIP

Ensto Oy's share capital comprises 781,200 Series K shares (20 votes per share) and 13,717,500 Series E shares (one vote per share). Both share series carry equal entitlement to dividends. Pajatorppa Oy is Ensto Oy's parent company.

Ensto Oy's ownership at the end of 2003 was as follows:

Shareholder information 31 December 2003

Shareholders	**No. of shares**	**% of Total %**	**% of Votes %**
M-Capital Oy	8 118 900 E	56,0	27,7
Sponsto Oy	4 280 057 E	29,5	14,6
Pajatorppa Oy	781 200 K	5,4	53,2
Perhetorppa Oy	625 455 E	4,3	2,1
Raitavuo, Marjo	282 936 E	2,0	1,0
Miettinen-Valsta, Anu	141 461 E	1,0	0,5
Miettinen, Taru	141 461 E	1,0	0,5
Annovest Oy	127 230 E	0,8	0,4
Series E shares total	**13 717 500 E**		
Series K shares total	**781 200 K**		
Shares total	**14 498 700**	**100,0**	**100,0**

PERSONNEL

An important part in building the Ensto brand is the internalisation of the brand, i.e., how the staff deals with the brand. In Ensto, we chose a workbook and workshops to help everyone think about what being an Ensto employees means to them and how it is apparent in practice and daily work.

In staff development and training we concentrated on instilling "Customer first" thinking.

Ensto's average number of personnel was 1,328 in 2003 (1,476), while the year-end figure was 1,099. The corresponding figure a year before was 1,340. The decrease is mainly due to divestment of companies.

CORPORATE GOVERNANCE

Ensto Group's Corporate Governance principles were defined and approved by the Board of Directors in September 2003. Corporate Governance is a methodology with which Ensto is led in order to increase the company's value, taking the interests of the owners and partners into account.

The purpose of the Corporate Governance principles is to clarify the roles related to ownership and leadership of the company. Clear division of roles with their authorities and responsibilities ensures a functional decision-making process.

The principles comprise a summary of the roles, rights and responsibilities of Ensto Group's administrative bodies - the annual general meeting, the Board of Directors, the CEO and the management group. The principles are based on Ensto values: trust capital, excellent performance, partnership and encouraging creativity.

PROSPECTS

The prospects of the Group's business units for 2004 are favourable. Net sales are expected to grow in all business units, with profitability remaining at the current level.

BOARD'S PROPOSAL FOR THE DISTRIBUTION OF PROFIT

Consolidated distributable funds according to the balance sheet on 31 December 2003 stand at EUR 40,698,067.

The parent company's profit for the year is EUR 15,034,354, making its distributable funds EUR 28,018,110.

The Board of Directors proposes that EUR 0.455 per share, or a total of EUR 6,596,909, be paid out in dividends and that the rest of the distributable retained profit, EUR 21,421,201, be retained as non-restricted equity.

INCOME STATEMENTS

(1000 €)	Consolidated 2003	Consolidated 2002	Parent Company 2003	Parent Company 2002
NET TURNOVER	**163,071**	**175,726**	**4,550**	**2,448**
Variation in stocks of finished goods and in work in progress	2,437	-356		
Other operating income	1,056	1,051	16	54
Materials and services	-65,412	-66,880		
Personnel	-45,901	-48,042	-3,370	-1,974
Depreciation and write-downs	-7,563	-8,862	-349	-747
Other operating expenses	-36,280	-37,155	-4,243	-4,006
OPERATING PROFIT/LOSS	**11,408**	**15,482**	**-3,396**	**-4,225**
Financial income and expenses	-1,076	-1,356	20,501	4,562
PROFIT BEFORE EXTRAORDINARY ITEMS	**10,332**	**14,126**	**17,105**	**337**
Extraordinary items	1,099	-1,149	565	4,332
PROFIT BEFORE TAXES	**11,431**	**12,977**	**17,670**	**4,669**
Appropriations			-1	38
Direct taxes	-663	-3,344	-2,635	-1,075
Minority interest	-1,084	-1,179		
PROFIT FOR THE FINANCIAL YEAR	**9,684**	**8,454**	**15,034**	**3,632**

BALANCE SHEETS

	Consolidated		Parent Company	
(1000 €)	**2003**	**2002**	**2003**	**2002**
Assets				
NON-CURRENT ASSETS				
Intangible assets	2,637	2,262	947	317
Consolidated goodwill	82	838		
Tangible assets	27,142	40,013	1,085	1,063
Investments	1,070	1,265	27,882	25,785
NON-CURRENT ASSETS TOTAL	**30,931**	**44,378**	**29,914**	**27,165**
CURRENT ASSETS				
Inventories	24,543	24,982		
Long-term receivables	760	893	1,084	349
Short-term receivables	26,575	21,620	26,883	29,190
Investments	18,800	4,000	18,800	4,000
Cash in hand and at banks	3,089	9,711	1,299	6,805
CURRENT ASSETS TOTAL	**73,767**	**61,206**	**48,066**	**40,344**
TOTAL ASSETS	**104,698**	**105,584**	**77,980**	**67,509**
Equity and liabilities				
CAPITAL AND RESERVES				
Subscribed capital	2,465	2,465	2465	2465
Revaluation reserve	1,684	1,684		
Other reserves	2,209	2,373	41	41
Accumulated appropriations	3,805	5,176		
Retained earnings	31,013	24,135	12,984	11,889
Profit for the financial year	9,684	8,454	15,034	3,632
TOTAL SHAREHOLDERS' EQUITY	**50,860**	**44,287**	**30,524**	**18,027**
MINORITY INTEREST	**6,647**	**5,982**		
APPROPRIATIONS			**1**	
STATUTORY PROVISIONS	**200**	**500**		
CREDITORS				
Non-current creditors	18,180	21,241	12,808	15,119
Current creditors				
Interest bearing	5,577	7,309	32,148	32,556
Non-interest bearing	23,234	26,265	2,499	1,807
CREDITORS TOTAL	**46,991**	**54,815**	**47,455**	**49,482**
TOTAL EQUITY AND LIABILITIES	**104,698**	**105,584**	**77,980**	**67,509**

CASH FLOW STATEMENTS

	Consolidated		Parent Company	
(1000 EUR)	**2003**	**2002**	**2003**	**2002**
Operating profit / loss	11,408	15,482	-3,396	-4,225
Depreciation	7,563	8,862	349	747
Financial items	-1,076	-1,356	20,501	4,562
Extraordinary items	1,099	-1,149	565	4,332
Taxes	-663	-3,344	-2,635	-1,075
Funds generated from operations	**18,331**	**18,495**	**15,384**	**4,341**
Change in inventories	439	1,734	0	0
Change in short-term receivables	-4,955	3,172	2,307	9,798
Change in short-term non-interest bearing liabilities	-3,031	-1,018	692	0
Change in working capital	**-7,547**	**3,888**	**2,999**	**9,798**
CASH FLOW FROM BUSINESS OPERATIONS	**10,784**	**22,383**	**18,383**	**14,139**
Investments in fixed assets	-4,470	-6,963	-3,098	321
Other decrease / increase	9,635	345		
CASH FLOW BEFORE FINANCING	**15,949**	**15,765**	**15,285**	**14,460**
Change in long-term receivables	133	904	-735	129
Change in long-term liabilities	-3,061	-3,179	-2,311	-4,350
Change in short-term liabilities	-1,732	-4,792	-408	220
Dividends	-2,894	-1,226	-2,537	-797
Change in shareholders' equity	-217	2,798		
Cash flow from financing	**-7,771**	**-5,495**	**-5,991**	**-4,798**
CASH FLOW AFTER FINANCING	**8,178**	**10,270**	**9,294**	**9,662**
Cash and cash equivalents, as of December 31 2002	**13,711**	**3,441**	**10,805**	**1,143**
Cash and cash equivalents, as of December 31 2003	**21,889**	**13,711**	**20,099**	**10,805**

ACCOUNTING PRINCIPLES

Ensto uses the euro as its accounting currency. The Ensto Oy financial statements and the consolidated financial statements are drawn up in euros. The accounts are based on historical acquisition costs, with the exception of certain appreciations allocated to buildings that have been included in restricted equity.

Consolidated financial statements

The consolidated financial statements include all companies in which Ensto Oy has an over 50% direct or indirect shareholding.

The acquisition cost method is applied in the elimination of cross-ownership within the Group. Consolidation goodwill arises when the acquisition price of shares exceeds or falls below the shareholders' equity of an acquired subsidiary at the time of purchase. The result of a subsidiary sold during the financial period is included in the consolidated financial statements up to the time of the sale.

Mutual receivables and liabilities within the Group companies, internal income and expenses, and internal margins on inventories have been eliminated. Minority interest has been calculated for subsidiaries' results and shareholders' equity. It has also been separated from accumulated appropriations, which are divided between deferred tax liability and shareholders' equity in the consolidated balance sheet.

The financial statements of foreign subsidiaries are modified to correspond to Finnish accounting principles.

Items denominated in foreign currency

Receivables and liabilities denominated in foreign currency have been converted into euros at the average European Central Bank rate on the date of closing the accounts (concerns Finnish subsidiaries only).

In the consolidated financial statements, the balance sheets of foreign Group companies have been converted into euros at the calculated average European Central Bank rate on the date of closing the accounts and the income statements at the average rate calculated for the financial period. The translation difference arising from the elimination of foreign Group companies' acquisition costs has been included in shareholders' equity.

Derivative contracts

The Group uses derivative contracts to hedge against exchange rate risks arising from receivables and liabilities in the balance sheet and from binding and probable sales and purchase contracts. The currency derivatives used by Ensto include currency forward agreements and currency options. Exchange rate gains arising from hedging binding and probable purchase and sales contracts are entered as income and losses as costs during the hedging period. The difference between the forward rate at the time a currency forward was entered into and the spot rate is spread over the hedging period as interest income or expense.

The Group uses interest rate derivatives to hedge against interest rate risks. Interest rate derivatives used include interest rate swaps and interest rate options. Payments related to the interest rate swaps (i.e. paid or received interest) over the contract period are entered as accrual items and interest income or expenses (income and expenses are netted). Premiums paid on interest rate options purchased are booked as income or expenses during the financial period when the hedging arrangement matures. If the options are not used, the premiums are booked as finance expenses.

Receivables

Receivables are entered at their probable value. The portion that is likely to remain outstanding is booked as a credit loss.

Inventories

In Group companies, inventories are valued, in compliance with the FIFO principle, at a variable acquisition cost arising from the acquisition and manufacture of the goods, or the probable selling price, whichever is the lower. An individually calculated, non-marketability deduction for stocks has been applied in Group companies. If non-marketable inventories become marketable, the non-marketability entry is revised.

Fixed assets and depreciation

Fixed assets are presented at the historical acquisition cost, with the exception of certain appreciations of buildings less planned depreciation. The planned straight-line depreciation is based on the acquisition cost and the economic life cycle of the item as follows:

- Buildings 10 - 30 years
- Machinery 5 - 8 years
- Equipment 5 years
- Computer hardware and software 4 years
- Other tangible fixed assets 10 years
- Consolidated goodwill 5 years
- No depreciation is made on appreciations and land areas
- Shares and holdings are booked at acquisition cost in compliance with the lowest value principle.

Net sales

Net sales comprises sales revenues, adjusted with annual discounts, cash discounts and exchange rate differences arising from sales receivables denominated in foreign currency. Sales freights, credit losses and sales commissions are presented under other expenses.

Pension arrangements

Employee pension arrangements are handled through pension insurance in all Group companies.

Research and development expenses

Research and development expenses accrued during the financial period are entered as costs.

Extraordinary income and expenses

Any significant one-time income or expense item not related to regular business operations is included in extraordinary income and expenses in the income statement.

Taxes

The Group's taxes comprise the accrual-based taxes booked based on the results of the parent company and its subsidiaries. At Group level, deferred tax liabilities are calculated on both items arising from periodization differences and optional and obligatory provisions. The change in deferred tax liabilities is entered under taxes in the income statement and under long-term liabilities in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

(1000 EUR)	Group 2003	Group 2002	Parent company 2003	Parent company 2002
1. NET TURNOVER BY MARKET AND BUSINESS AREA				
By market area				
Finland	67,650	73,865	3,786	1,896
Other Nordic countries	45,974	51,255	223	238
Western Europe	14,116	15,387	64	30
Eastern and Central Europe	32,856	32,093	463	284
Other countries	2,475	3,126	14	
Total	163,071	175,726	4,550	2,448
By business area				
Building Technology	73,195	67,606		
Utility Networks	54,164	57,691		
Enclosures and Components	27,500	29,008		
Industry	11,454	17,575		
Other and eliminations	-3,242	3,846		
Total	163,071	175,726		
Variation in stocks of finished goods and in work in progress	2,437	-356		
2. OTHER INCOME FROM BUSINESS OPERATIONS				
Profit from sales and fixed assets	289	454	15	49
Other	767	597	1	5
Total	1,056	1,051	16	54
3. EXPENSES FROM BUSINESS OPERATIONS				
MATERIALS AND SERVICES				
Materials and supplies (goods)				
Purchases during the financial year	64,882	65,760		
Changes in inventories	134	114		
External services	396	1,006		
Total	65,412	66,880		
NOTES ON PERSONNEL AND CORPORATE GOVERNANCE				
Personnel expenses				
Salaries and other compensation	35,730	37,352	2,698	1,633
Pension expenses	5,596	5,572	504	256
Other employee expenses	4,575	5,118	168	85
Total	45,901	48,042	3,370	1,974
Salaries and other compensation for the Board of Directors and Managing Directors	1,627	1,958	267	262
Average number of personnel during the financial year				
Salaried	523	562	62	29
Wage-earning	805	914		
Total	1,328	1,476	62	29

OTHER EXPENSES FROM OPERATIONS				
Other variable expenses	7,340	9,140		
Other fixed expenses	28,940	28,015	4,243	4,006
Other expenses from operations, total	36,280	37,155	4,243	4,006

4. DEPRECIATION AND WRITE-DOWNS

Intangible assets				
Intangible rights	650	789	146	109
Goodwill	292	26		
Consolidated goodwill	229	753		
	1,171	1,568	146	109
Tangible assets				
Buildings and constructions	1,317	1,411	61	48
Machinery and equipment	4,822	5,501	56	82
Other tangible assets	253	382	10	8
Exceptional write-downs on current assets			76	500
	6,392	7,294	203	638
Depreciations and write-downs, total	7,563	8,862	349	747
EXPENSES FROM BUSINESS OPERATIONS TOTAL	155,156	160,939	7,962	6,727

5. FINANCIAL INCOME AND EXPENSES

Dividend income				
From Group companies			15,667	3,968
From others	6		6	2
Total	6		15,673	3,970
Other interest and financial income				
From Group companies			863	1,179
From others	900	1,020	5,670	1,410
Total	900	1,020	6,533	2,589
Interest and financial expenses				
To Group companies			-368	-520
To others	-1,982	-2,376	-1,337	-1,477
Total	-1,982	-2,376	-1,705	-1,997
Financial income and expenses, total	-1,076	-1,356	20,501	4,562
The item "Financial income and expenses" includes exchange rate differences (net)	-2	-116	-82	153

6. EXTRAORDINARY ITEMS

Extraordinary income				
Group contributions			4,280	7,180
Profit on sale of subsidiaries	1,352		2,644	68
Others		76		5
Extraordinary expenses				
Group contributions			-388	-230
Loss on sale of subsidiary	-501		-5,943	-2,691
Change in other provisions	276			
Others	-28	-1,226	-28	
	1,099	-1,150	565	4,332

7. APPROPRIATIONS

Difference between planned and booked depreciation for taxation			1	-38

8. DIRECT TAXES

Income taxes on extraordinary items	-316	-22	1,497	-1,256
Income taxes on business operations	-416	-4,201	-4132	181
Change in deferred tax liability	69	879		
	-663	-3,344	-2,635	-1,075

Realised losses on sales of shares lessens the income tax cost for the financial year.

9. NON-CURRENT ASSETS

Intangible assets				
Intangible rights				
Acquisition cost January 1	3,955	4,741	1,142	991
Increases	354	312	230	151
Decreases	-659	-89		
Transfer to other capitalised long-term expenditure	-4	-103		
Translation difference and other adjustments	-487	-906		
Acquisition cost December 31	3,159	3,955	1,372	1,142
Accumulated depreciation as planned January 1	-1,794	-2,471	-825	-716
Depreciation as planned for the financial year	-412	-421	-150	-109
Book value December 31	953	1,063	397	317
Goodwill				
Acquisition cost January 1	2,502	1,805		
Increases		697		
Acquisition cost December 31	2,502	2,502		
Other adjustment	34	-938		
Accumulated depreciation as planned January 1	-1,819	-1,367		
Depreciation as planned for the financial year	-292	-26		
Book value December 31	425	171		
Other capitalised long-term expenditure				
Acquisition cost January 1	3,893	2,130		
Increases	216	580		
Decreases	-467	-534		
Transfer from intangible rights	4	103		
Translation difference and other adjustments	295	1,614		
Acquisition cost December 31	3,941	3,893		
Accumulated depreciation as planned January 1	-2,853	-2,497		
Depreciation as planned for the financial year	-378	-368		
Book value December 31	710	1,028		
Advance payments				
Acquisition cost January 1		174		156
Increases	550	6	550	
Decreases		-180		-156
Acquisition cost December 31	550		550	
Consolidated goodwill				

Acquisition cost January 1	13,936	15,410		
Increases		281		
Decreases	-527	-1,755		
Acquisition cost December 31	13,409	13,936		
Accumulated depreciation as planned January 1	-13,098	-12,346		
Depreciation as planned for the financial year	-229	-752		
Book value December 31	82	838		
Intangible assets total	2,720	3,100	947	317
Tangible assets				
Land and waters				
Acquisition cost January 1	2,978	3,105	166	166
Increases				
Decreases	-529	-131		
Translation difference and other adjustments	-24	4		
Acquisition cost December 31	2,425	2,978	166	166
Book value December 31	2,425	2,978	166	166
Buildings				
Acquisition cost January 1	31,017	29,586	778	1,085
Increases	874	374	24	19
Decreases	-5,805	-6,832		-326
Translation difference and other adjustments	-2,271	7,889		
Acquisition cost December 31	23,815	31,017	802	778
Accumulated depreciation as planned January 1	-9,015	-11,762	-224	-146
Depreciation as planned for the financial year	-1,347	-1,411	-61	-78
Book value December 31	13,453	17,844	517	554
Machinery and equipment				
Acquisition cost January 1	57,881	57,975	1,011	974
Increases	2,825	6,126	109	37
Decreases	-9,499	-7,581	-66	
Translation difference and other adjustments	-4,779	1,361		
Acquisition cost December 31	46,428	57,881	1,054	1,011
Accumulated depreciation as planned January 1	-31,537	-35,272	-843	-854
Depreciation as planned for the financial year	-4,820	-5,501	-56	-52
Book value December 31	10,071	17,108	155	105
Other tangible assets				
Acquisition cost January 1	1,243	982	307	300
Increases	130	40	12	7
Decreases	-88	-21		
Translation difference and other adjustments	-400	242		
Acquisition cost December 31	885	1,243	319	307
Accumulated depreciation as planned January 1	-334	-330	-68	-60
Depreciation as planned for the financial	-47	-382	-5	-8

year				
Book value December 31	504	531	246	239
Advance payments and construction in progress				
Acquisition cost January 1	1,552	702		
Increases	1,385	2,213		
Decreases	-2,249	-1,363		
Acquisition cost December 31	688	1,552		
Acquisition costs include appreciations as follows:				
Buildings	1,682	1,682		
Tangible assets total	27,141	40,013	1,084	1,064

10. INVESTMENTS

Group company shares				
Balance sheet value January 1			25,537	26,224
Increases			12,471	4,933
Decreases			-10,338	-5,620
Balance sheet value December 31			27,670	25,537
Other shares				
Balance sheet value January 1	383	453	249	248
Increases	1	1	1	1
Decreases	-61	-71	-37	
Balance sheet value December 31	323	383	213	249
Other receivables	747	882		

11. INVENTORIES

Materials and supplies	12,578	14,201		
Unfinished products	2,283	2,320		
Finished products/goods	9,682	8,444		
Other inventories		17		
Total	24,543	24,982		

12. LONG-TERM RECEIVABLES

From Group companies				
Loan receivables			1,084	349
Other long-term receivables				
Accounts receivables		27		
Loan receivables	35	46		
Prepayments and accrued income	5	6		
Deferred tax receivables	720	814		
Long-term receivables, total	760	893	1,084	349

13. SHORT-TERM RECEIVABLES

From Group companies				
Accounts receivables			359	226
Loan receivables			15,963	19,400
Prepayments and accrued income			4,320	9,043
			20,642	28,669
Other short-term receivables				
Accounts receivables	17,489	17,592	31	30
Loan receivables	1,502	154	1,488	28

Other short-term receivables	921	1,361	149	276
Prepayments and accrued income	6,663	2,512	4,573	187
	26,575	21,619	6,241	521
Short-term receivables, total	26,575	21,619	26,883	29,190

Accrued income includes insurance premiums,
taxes and other similar items paid in advance

14. CAPITAL AND RESERVES

Subscribed capital January 1	2,465	2,465	2,465	2,465
Subscribed capital December 31	2,465	2,465	2,465	2,465

Series K shares , 781 200 (nominal value 0,17 EUR)
Series E shares, 13 717 500 (nominal value 0,17 EUR)
Series K (20 votes/share)
Series E (1 vote/share)

Revaluation reserve January 1	1,684	1,682		
Increase		2		
Revaluation reserve December 31	1,684	1,684		
Other reserves January 1	2,373	2,270	41	41
Increase		5		
Decrease	-5			
Change in exchange rate	-159	98		
Other reserves December 31	2,209	2,373	41	41
Proportion of accumulated appropriations entered under shareholders' equity December 31	3,805	5,176		
Retained earnings January 1	32,589	24,135	15,521	12,686
Transfer to other funds		-7		
Dividends	-2,894	-1,226	-2,537	-797
Other changes in shareholders' equity	1,318	1,233		
Retained earnings December 31	31,013	24,135	12,984	11,889
Net profit for the financial year	9,684	8,454	15,034	3,632
	40,697	32,589	28,018	15,521
Total shareholder's equity December 31	50,860	44,287	30,524	18,027

15. ACCUMULATED APPROPRIATIONS

Accumulated appropriations	5,817	7,748	1	
Minority share	-458	-458		
Deferred tax liability	-1,554	-2,114		
Portion of accumulated appropriations entered under shareholders' equity	3,805	5,176	1	

16. CREDITORS

Loans from financial institutions	14,702	16,808	12,258	14,605
Pension loans	1,686	2,143	550	514
Other long-term liabilities	1,792	2,290		
Total	18,180	21,241	12,808	15,119
Debts maturing after more than five years				
Loans from financial institutions		3,321	500	3,321
Pension loans		229		57
Total		3,550	500	3,378

17. PROVISIONS

Other provisions	200	500		

18. DEFERRED TAX LIABILITY AND RECEIVABLES

Deferred tax receivables				
From consolidation	720	811		
From timing differentials		3		
	720	814		
Deferred tax liability				
for appropriations	1,687	2,102		

19. CURRENT CREDITORS

Loans from financial institutions	4,682	6,409	3,212	5,241
Pension loans	371	371	157	114
	5,053	6,780	3,369	5,355
To Group companies				
Accounts payable			15	24
Other liabilities			28,779	27,201
Accruals and deferred income			530	258
			29,324	27,483
Other liabilities				
Advances received	144	176		
Accounts payable	8,164	8,533	755	360
Other liabilities	2,335	3,805	210	68
Accruals and deferred income	13,115	14,280	989	1,097
	23,758	26,794	1,954	1,525
Total	28,811	33,574	34,647	34,363

Accruals and deferred income mainly comprise cost periodization of employee benefits, annual discounts, interests, taxes and others.

20. GUARANTEES PROVIDED, CONTINGENT LIABILITIES AND OTHER COMMITMENTS

From own obligations				
Collaterals	90		90	
Guarantees	707	356	707	
Leasing and rent liabilities	4,809	5,774	1,028	610
	5,606	6,130	1,825	610
For Group companies				
Guarantees			5,877	6,452
For others				
Guarantees	42	42	42	42
Total				
Collaterals	90		90	
Guarantees	749	398	6,626	6,494
Leasing and rent liabilities	4,809	5,774	1,028	610
	5,648	6,172	7,744	7,104
Derivative contracts				
Interest rate swaps, nominal value	4,491	5,475	4,205	5,046
Currency derivates		12,000		

Sums to be paid on leasing agreements				
Due in 2003	2,142	2,801	378	374
Due later	2,474	2,827	457	344
Total	4,616	5,628	835	718

On March 2, 1998, a Group company, Koy Askolan Sepäntie 4 (former Ensto Tools Oy), entered into a long-term rental agreement with the municipality of Askola concerning its Askola Production plant. The lease period is fixed for the first seven years and after this valid with a six-month notice period. Ensto Tools has the right to acquire the property during the rental period at a purchase price corresponding to the net construction cost met by the municipality. The annual rental cost of the production plant is 151 430 euros.

SHARES AND HOLDINGS

	Domicile	Holding %	Number of shares		Nominal value pcs	Book value (1000 eur)
Parent company's holdings in subsidiaries						
Ensto Briticent Ltd.	Dorset	100.00	650,000	GBP	1	0
Ensto Busch-Jaeger Oy	Porvoo	79.00	1,729	EUR	1,350	14,257
Ensto China Oy	Porvoo	100.00	10	EUR	1,000	10
Ensto Connector Oy	Porvoo	100.00	17,200	EUR	1	406
Ensto Control Holding Oy	Porvoo	100.00	11,560	EUR	1	171
Ensto Czech s.r.o.	Praha	100.00	1,000	CZK	5,000	138
Ensto Electric Oy	Porvoo	86.90	5,389	EUR	169	1,239
Ensto Elekter AS	Tallinna	100.00	6,350	EEK	100	46
Ensto Ensek AS	Keila	100.00	4,500	EEK	1,000	736
Ensto GmbH Germany	Kelkheim	100.00		DEM	300	0
Ensto Italia s.r.l.	Milano	100.00		EUR		99
Ensto Latvija AS	Riika	100.00	100	LVL	300	42
Ensto Lietuva UAB	Vilna	100.00	70	LTL	1,000	20
Ensto NOR AS	Oslo	100.00	175,000	NOK	200	4,266
Ensto Sekko Oy	Porvoo	100.00	123	EUR	337	3,443
Ensto Services AB	Tukholma	100.00	1,000	SEK	100	1,779
Ensto Trade Oy	Porvoo	100.00	100	EUR	300	30
Koy Askolan Sepäntie 4 (former CM Tools Oy)	Askola	100.00	2,000	EUR	90	299
Koy Ensio Miettisen katu 2	Porvoo	100.00	11,560	EUR	1	686
						27,667

	Domicile	Holding %	Number of shares		Nominal value pcs	Book value (1000 eur)
Subsidiaries' holdings in Group companies						
Ensto Aspol Sp.z o.o.	Straszyn	100.00	1,000	PLN	1,500	409
Ensto Busch-Jaeger AS	Oslo	100.00	1,100	NOK	1,000	126
Ensto Control Oy	Porvoo	100.00	3,704	EUR	169	623
Ensto Electric Oy	Porvoo	13.10	812	EUR	169	137
Ensto Elektro OOO	Pietari	100.00		RUR	90	53
Ensto Elsto Kft.	Budapest	75.93	205	HUF	100,000	318
Ensto Pol Sp.z o.o	Straszyn	100.00	200	PLN	500	312
Ensto (Tianjin) Electrical Accessories Ltd	Tianjin	100.00		RMB		1,147
Koy Mikkelin Insinöörinkatu 1	Porvoo	100.00	25,000	EUR	168	4,205
						7,330

OTHER SHARES AND HOLDINGS

	Domicile	Holding %	Number of shares pcs	Nominal value pcs	Book value (1000 eur)
Other shares and holdings held by the parent company					
Baltic Investment Fund	Jersey				167
Porvoon A-Asunnot Oy	Porvoo		137		26
Posintra Oy	Porvoo		25		8
Finnish Financial Securities Depositary	Helsinki				3
Other shares and holdings					9
					213

Other shares and holdings held by Group companies

As Oy Rukantykky	Kuusamo	120	104
Other shares and holdings			6
			110

Foreign branch offices
Ensto Busch-Jaeger Oy, Finland, filial Sverige
Ensto Control Oy, Finland, filial Sverige
Ensto Electric Oy, Finland, filial Sverige
Ensto Sekko Oy, Finland, filial Sverige

ENSTO COMPANIES

	Domicile	Turnover 2003 MEUR	Personnel 31.12.2003
In Finland:			
CMS Industry Oy 1)	Salo	9.7	0
Ensto Sekko Oy	Porvoo	30.4	181
Ensto Control Oy	Porvoo	23.1	201
Ensto Electric Oy	Porvoo	39.6	209
Ensto Connector Oy 2)	Porvoo	3.4	0
Ensto Connector Oy 3)	Porvoo	0.9	12
Efla Oy 4)	Porvoo	0.3	0
Kiinteistö Oy Askolan Sepäntie 4 (former CM Tools Oy)	Askola	2.1	0
Ensto Oy	Porvoo	0.0	53
Ensto Busch-Jaeger Oy	Porvoo	27.9	124
Ensto Trade Oy	Porvoo	2.5	0
Kiinteistö Oy Ensio Miettisen katu 2	Porvoo	0.0	0
Kiinteistö Oy Mikkelin Insinöörinkatu 1	Mikkeli	0.0	0
Ensto China Oy	Porvoo	0.0	0
In Norway:			
Ensto Nor AS	Oslo	16.2	40
Ensto Busch-Jaeger AS	Oslo	3.0	7
In Sweden:			
Idealplast AB 5)	Borås	5.0	0
Ensto Services AB	Stockholm	0.0	3
In Estonia:			
AS Ensto Elekter	Tallinn	4.2	17
Ensto Ensek AS	Keila	8.2	96
In Latvia:			
SIA Ensto Latvija	Riga	1.8	5
In Lithuania:			
Ensto Lietuva UAB	Vilnius	0.6	3
In Russia:			
OOO Ensto Elektro	St. Petersburg	2.7	19
In Poland:			
Ensto Pol Sp. z o.o.	Straszyn	7.4	31
Ensto Aspol Sp. z o.o.	Straszyn	6.9	39
In Hungary:			
Ensto Elsto Kft.	Budapest	6.4	17
In Great Britain:			
Ensto Briticent Ltd.	Dorset	4.4	19
In Germany:			
Ensto GmbH Germany	Kelkheim	0.0	0
In Italy:			
Ensto Italia S.r.l.	Milan	1.2	3
In the Czech Republic::			
Ensto Czech s.r.o.	Prague	3.3	8

In the Republic of China::

Ensto (Tianjin) Electrical Accessories Ltd.	Tianjin	0.0	12

1) 1.1.-31.12.2003, sold
2) 1.1.-31.8.2003, until demerger
3) 1.9.- , new company from demerger
4) 1.9.- 30.9.2003, sold
5) 1.1.-30.9.2003, sold

AUDITOR'S REPORT

We have audited the accounting, the financial statements and the corporate governance of Ensto Oy for the period 1.1.2003 - 31.12.2003. The financial statements, which include the report of the Board of Directors and the consolidated and parent company income statements, balance sheets and notes to the financial statements have been prepared by the Board of Directors and the Managing Director. Based on our audit we express an opinion on these financial statements and on corporate governance.

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

In our opinion, the financial statements, which show a consolidated profit of 9.684 t€, have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The financial statements give a true and fair view, as defined in the Accounting Act, of the consolidated and parent company's results of operations and financial position. The financial statements and consolidated financial statements can be adopted and the members of the Board of Directors and the Managing Director of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the result is in compliance with the Companies Act.

Porvoo, February 13, 2004

ERNST & YOUNG OY
Authorised Public Accounting Firm

Risto Järvinen
Authorised Public Accountant

Maj-Britt Jensen
Authorised Public Accountant