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Aldata in Brief

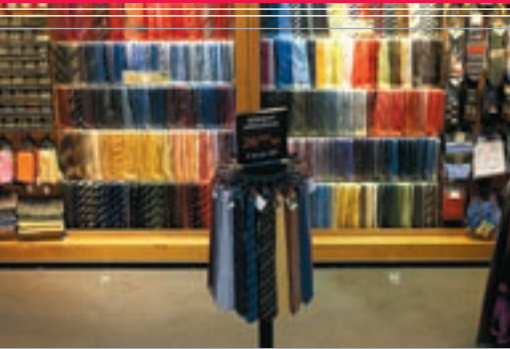
Aldata is a Finland based corporation with global operations. The company is one of the leading providers of software solutions for the retail industry. It develops integrated software that enables retailers to gather, manage and analyze their complex data to reduce costs and optimize returns.

The product portfolio includes Supply Chain Management Software, In-Store Software and Smart Card Solutions.

Aldata supplies its software through its subsidiaries in seven countries and through its global partner network. Aldata has installations with more than 300 customers in over 40 countries.

Aldata's net sales in 2004 amounted to 66.0 MEUR and the personnel totaled to 514 at the end of 2004.

Aldata's shares are quoted on the Helsinki Exchanges with the identifier ALD1V.



Mission

Aldata's mission is to provide its customers with solutions that increase their productivity, profits and competitiveness.

Strategy

- Customer focus on retail, wholesale and logistics
- Product focus on integrated business applications
- Global approach
- To strengthen our competitiveness by partnering with leading companies

Our goal is by the end of 2007 to be the leading global provider of retail supply chain management software in the daily goods sector and the leading provider of applications for retail, wholesale and logistics in Europe.

Highlights of 2004

Les Maîtres Laitiers Du Cotentin (France) selected Aldata G.O.L.D.

Aldata expands its competences in Smart Card systems and RFID technology.

Swedish bookstore chain, Bokia AB, chose Aldata Megadisc.

Aldata delivers to McDonald's Finland an integrated EMV credit card system, based on Aldata's Payment Platform product.

Thorntons (UK) selected Aldata G.O.L.D.

Match Supermarkets chose Aldata G.O.L.D. in Hungary.

Grand Marnier (France) distills Aldata G.O.L.D. Stock for traceability and optimization of its warehouses.

Netto Market-Discount (Spar) in Germany decided for Aldata G.O.L.D.

Jan - Feb 2004

March 2004

Apr 2004

May 2004

June - July 2004

Year 2004 in brief

Aldata Group

| | | | |
|------------------------------|------|------------------------------|-------|
| Net sales, EUR million | 66.0 | SCM Software, | |
| EBITA, EUR million | 0.1 | net sales of Group net sales | 71.0% |
| EBIT, EUR million | -1.5 | In-store Software, | |
| Personnel, 31 Dec. 2004 | 514 | net sales of Group net sales | 18.9% |
| Order backlog, 31 Dec. 2004, | | Security Systems, | |
| EUR million | 18.0 | net sales of Group net sales | 10.1% |

- Building operations in the US and the UK
- Set up of IMC, International Management Centre, in Paris, France
- Significant investments in R&D
- Divestment of the non-core Aldata Industries Oy

Values

Aldata Values were defined during the year 2004. The values are the key elements in all Aldata operations, defining what is important for Aldata. They are the basis for all the activities, both with Aldata colleagues and with customers, partners, shareholders and other interest groups.

Aldata signed an agreement with Nelt, one of the largest retail and distribution companies in Serbia and Montenegro for Aldata G.O.L.D.

Dorma Group Ltd, a premier provider of bed linens in the UK, decided to use the Aldata G.O.L.D.

Elidis Boissons Services, a major actor in the French beverage distribution market, selected Aldata G.O.L.D.

Aldata to supply digital tachograph cards to Finnish Vehicle Administration.

Aldata and Finnish Alko Oy signed an agreement for centralized In-Store system integrated with Aldata G.O.L.D.

Aldata and Unisys conclude a major alliance agreement to cover South America and Mexico.

Aldata announced signings with Casino Géant's franchises Al Hokair and Fucom in the Middle East area, Medis in Tunisia and Impact in the Ile de la Réunion.

Aldata signed a contract with Finnish SOL to supply In-Store systems.

Aldata to supply logistics and cash terminal systems to Swedish railways, SJ AB.

Aldata sold the entire share capital of Aldata Industries Oy to Swedish Bewator Group AB.

Aldata and Mike Campbell and Associates (US) signed a contract for the delivery of Aldata G.O.L.D.

Aug 2004

Sept 2004

Oct 2004

Oct - Nov 2004

Dec 2004

P = Passion

- We strive for excellence and continuous improvement.
- We work with passion and full commitment to customer and partner satisfaction.
- Quality is the key in everything we do.

P = Profit

- We create shareholder value.
- We generate profit in our operations.

R = Respect

- Employees: We appreciate our colleagues; everyone is treated equally.
- Customers: We serve our customers in a superior manner, listen to them and work together to provide outstanding solutions.
- Partners: We stand at our partners' side, serve and support them and learn from them.
- Competitors: We respect our competitors and prevail over them.
- Community: We bear our social responsibility, observe laws and operate according to ethically accepted values.

O = Openness

- We provide information in a timely and accurate manner.
- We communicate openly and honestly to all our interest groups.





Aldata Executive Review

The year 2004 was a year of change and investment. Market conditions remained difficult and the Group's financial performance was affected by investments in new geographical areas. The Group's aim is by the end of 2007 to become globally the leading supplier of supply chain management software for the daily goods sector.

Mr Pekka Vennamo (PV), Chairman of the Board of Directors, and **Mr Matti Hietala (MH)**, President and CEO of Aldata, answer questions about the Group and its future, management and competitiveness.

How do you perceive 2004 and what are your expectations for 2005?

PV: During 2004 we focused on new markets such as the UK and the US. We expect to see results from these investments and we will return to profitability. We expect organic growth of more than 10 per cent.

MH: 2004 was a difficult year for us. We were considerably behind our financial targets, mainly due to slower than expected developments in the US and the UK. Both units are now in good shape; we have three ongoing customer deliveries in the US and five in the UK. We are entering 2005 with a strong order backlog and believe that we will derive an increasing share of our net sales from licences, which will have a definite positive impact on our profitability.

What challenges do you see facing Aldata in the future?

PV: The biggest challenge is to meet the ongoing changes in the retail sector. Until recently, retail chains have used IT systems developed in-house, but now the situation is changing. Retail chains are focusing on their core business, retailing, and are outsourcing software development. The future lies in standard software

"During 2004 we focused on new markets such as the UK and the US. We expect to see results from these investments in 2005 and our result will return to profit," says Mr. Pekka Vennamo, Chairman of the Board of Directors.

"We are entering 2005 with a strong order backlog and believe that we will derive an increasing share of our net sales from licences, which will have a definite positive impact on our profitability" says Mr. Matti Hietala, President and CEO.



and we aim to be the leading company in that area. We believe that the market for standard retail software will multiply within the next five years and Aldata will be one of the biggest winners in that field.

MH: The biggest challenge is sales. International retail chains are very large, and implementing standard software in their core business represents a whole new way of thinking. Our challenge now is to convince the decision makers of the superiority of Aldata's solutions and know-how.

How is Aldata maintaining its competitiveness?

MH: We have considerably ramped up our efforts in product development, whereas our competitors have cut down on their investments. In addition, we are continuously developing the know-how of our personnel.

PV: Aldata now has local operations in the markets where we expect fastest growth over the next few years. Our product portfolio is the best on the market and we aim to keep it at the top through intensive R&D.

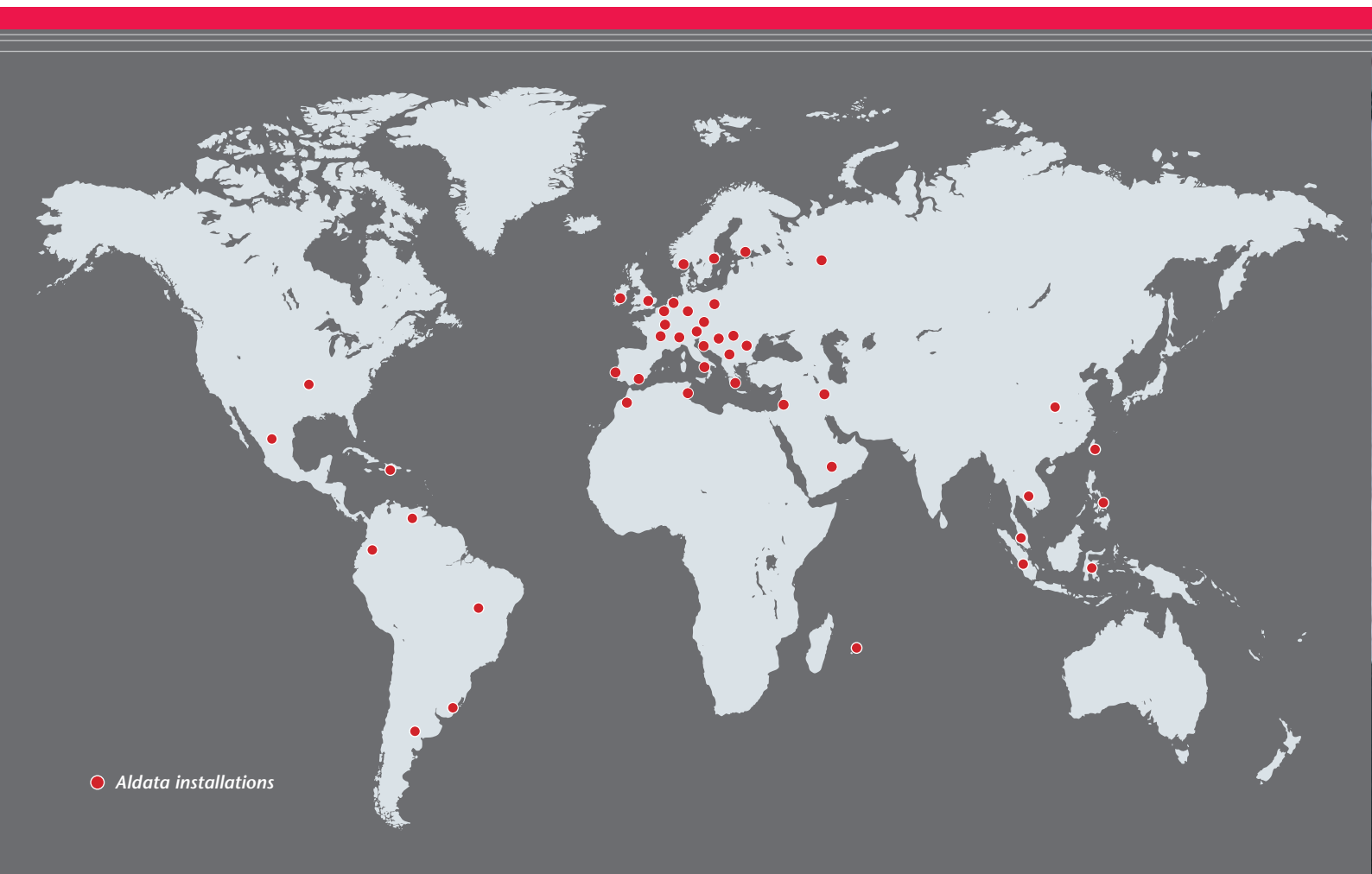
What would be your message for Aldata shareholders?

PV: Aldata operates in a fast growing market and our balance sheet is strong. We will be number one in the areas we operate in.

MH: Aldata is still a relatively small company, but we are growing fast and are already a significant player in our own field. We have excellent references, including about ten of the 30 largest retail companies in the world. We have also recently moved into new geographical areas, which open up great opportunities for us.

How would you describe Aldata's Corporate Governance policy?

PV: In my view it is good to have open discussion about Corporate Governance.



Management practices in Aldata are well organized and controlled. Our Board of Directors is independent, small and efficient. I have found it to be a very effective body with wide experience. We will make sure that our management practices continue to comply with good Corporate Governance.

MH: For my part I can say that cooperation between the Board and Executive Management works well. We also aim to continuously develop our internal processes and communication.

What changes will IFRS cause at Aldata?*

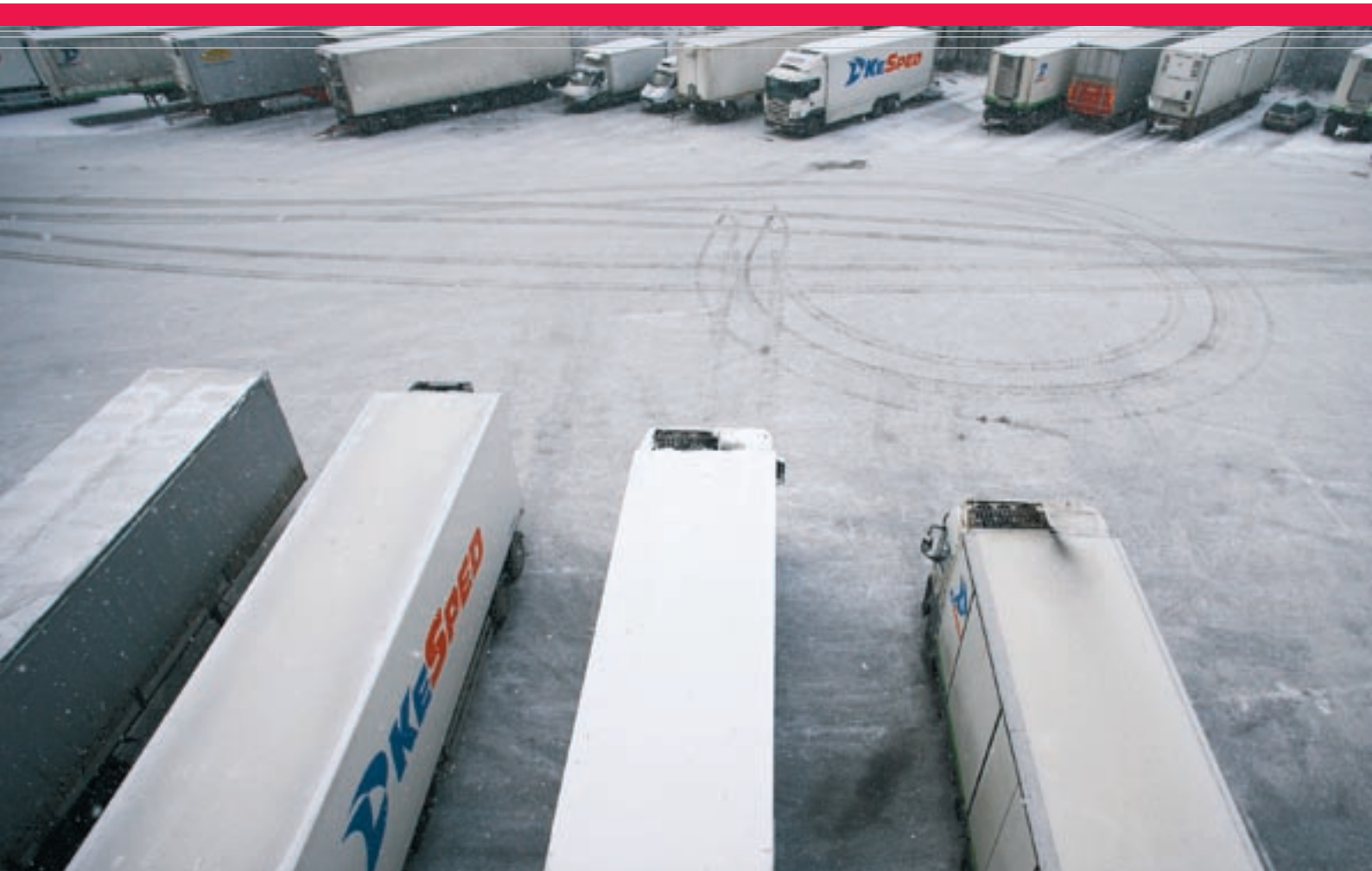
MH: We have been preparing for the new accounting standard well in advance. I believe that with IFRS the financial community will become more interested in the cash flow, which is also a key measure in our business management.

PV: The positive aspect of the new accounting standard is that it highlights the importance of a sound balance sheet. It may increase the volatility of financial performance, but makes it easier to compare companies with each other.

Is there anything else you would like to say to readers?

MH: I would like to thank our shareholders for their patience. 2004 was a tough year, but we are entering 2005 with a focused structure, clear strategy, strong balance sheet, highly competitive product portfolio and a very motivated team of highly qualified employees. I would also like to thank our employees and partners for their good work and co-operation.

PV: For my part, I can agree with Matti. We have set ourselves challenging goals, but we are working hard and are confident that 2005 will be a good year for Aldata.

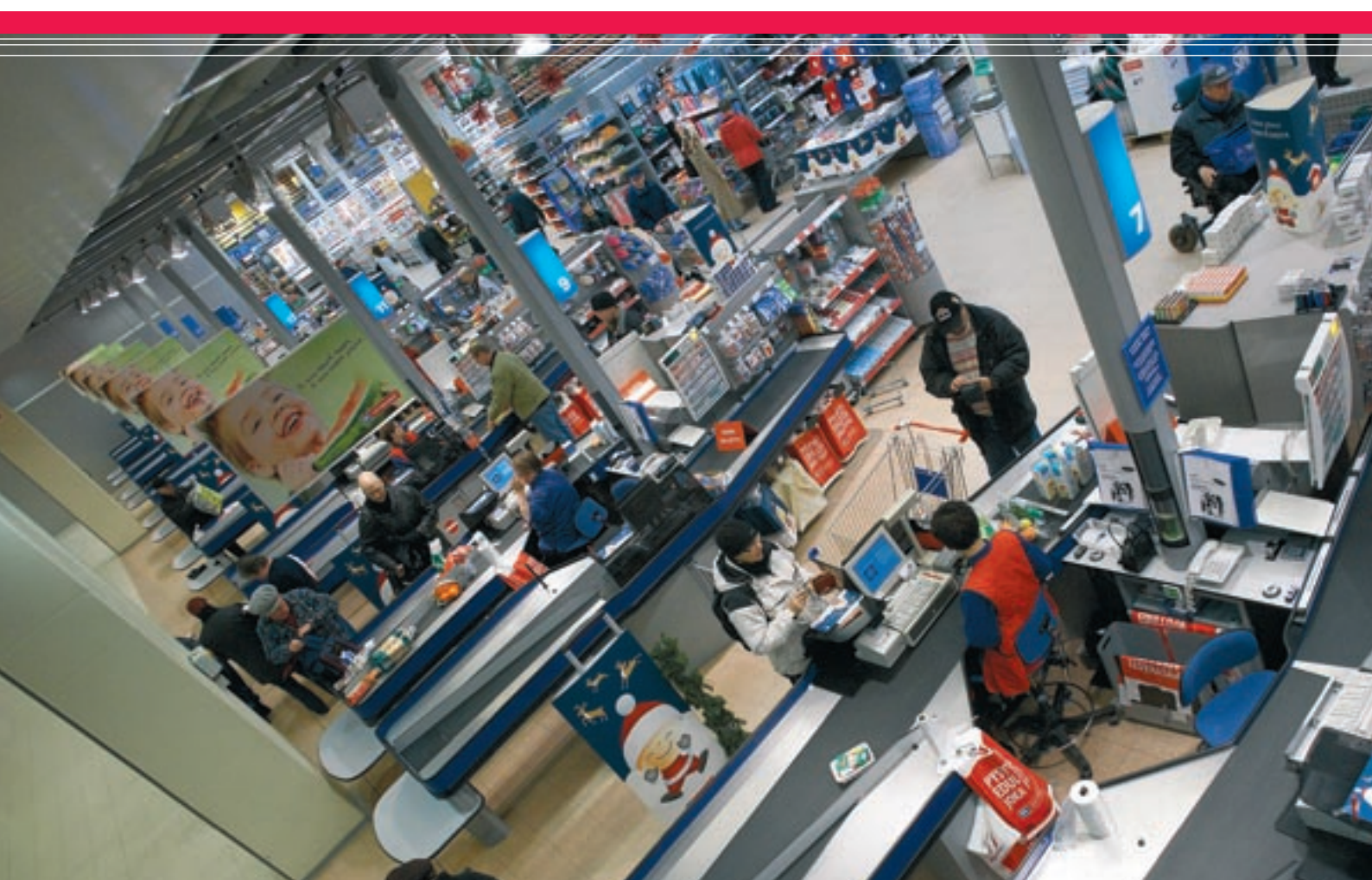


Supply Chain Management Software

Aldata's Supply Chain Management (SCM) business unit provides business management software for retail and wholesale businesses, industry and the logistics service sector. In 2004, the business unit signed up 27 new customers and increased its market presence in all operational territories, as well as gaining new market ground in addition to the US and the UK in Asia, Latin America, the Middle East and Eastern Europe. The capability of Aldata SCM software to manage and optimize the complete value chain, from supplier to customer, is unique on the market. 2004 was also the year for supplying Version 5 of Aldata G.O.L.D. to customers.

Performance

Aldata's G.O.L.D. software has been supplied to 245 customers in over 40 countries. Although overall market expenditure on software was globally slow during 2004, interest in Aldata G.O.L.D. remained strong. Net sales were EUR 46.9 million and operating result excluding non-recurring items was EUR -3.1 million. In the US, where Aldata G.O.L.D. made its market-entry in 2003, the market for large software projects remained challenging in 2004, but towards the end of the year interest for merchandise management software showed a clear improvement. In the UK, Aldata made a significant market entry by winning new business. Elsewhere, Aldata increased its market share and continued to win new customer accounts.



Major steps in 2004

The major project with the French retail chain Carrefour continued in 2004, covering operations in Asia, Latin America and Central Europe. This project opens up major potential for Supply Chain Management and proves that the new version of Aldata G.O.L.D. is mature and capable of managing global SCM operations. Another success was achieved with the same customer in Italy. Carrefour Italy had selected Aldata G.O.L.D. for replenishment and inventory management in 2002 and once the software had proven itself in live operations, decided to expand the project into its supermarkets during 2004.

Groupe Casino continued its deployment of Aldata G.O.L.D. both in France and internationally. In the UK, Lloyds Pharmacy, a major drugstore chain, completed the successful rollout of Aldata G.O.L.D. for its 1400 outlets. A significant success factor during 2004 was Aldata's logistics management software, particularly for the logistics business sector, with customer wins in Europe and the US.

In line with its strategy, Aldata further strengthened its partnerships in 2004 and entered into new partnerships for implementation and integration services. Supply Chain Management partnered with Unisys in Latin America and commenced a joint project there. The company plans to expand the Unisys partnership further in 2005. Other global partners worldwide include leaders such as BearingPoint and EDS.



SCM installed base



Aldata G.O.L.D. software was further developed during 2004. New functionalities such as mobility, integrated voice recognition, and traceability were added.



Research and development

Aldata G.O.L.D. was further developed during 2004. New functions such as mobility in shops, integrated voice recognition, and traceability were added. These new functionalities are based on the utilization of the latest technology and open up new possibilities. Aldata expects an upturn in the demand of these products in the future. Version 5 of the software will remain the core platform for the coming years.

The Aldata G.O.L.D. User Association and G.O.L.D. College – supporting the evolution

Aldata customers, following an initiative of Aldata, established the Aldata G.O.L.D. User Association (GUA) in 2001. The association has an executive committee and working sub-groups for technical matters, logistics and commercial operations. From their business requirements, GUA members provide advice and give ideas for future product developments to enable Aldata to deliver software that best meets the needs of customer businesses. Members are continuously recruited from new customers. The GUA also hosts events, such as the global User Conference, which is held every year. An important development in 2004 was the strengthening of the Aldata G.O.L.D. College - the international education and training centre for Aldata's personnel, customers and partners. During 2004, the College began education services



for the new version of Aldata G.O.L.D. In line with customer deployments and the ever growing requirements of Aldata and its partners, the College is expected to become a major service in the next few years. The courses offered cover new employee training, user training for small to medium size customers, trainer education for larger companies, which typically have their own training specialists, and implementation training for partners.

Outlook for 2005

The aim for Aldata Supply Chain Management is to increase its presence and market share in 2005. Areas for particular emphasis are the UK and US markets. 2005 is expected to see continued business development to further build reputation and market awareness in the US and the UK. Aldata's already strong base of successful global projects and close co-operation with partners will support these initiatives. The product evolution of Aldata G.O.L.D. places Aldata in a strong position, especially in emerging trends like mobility, traceability and optimization of a retailer's complete supply chain. Aldata will also continue its commitment to developing partnerships that are supported by strong education and training services.

Aldata's main competitive advantages lie in its strong local knowledge and its highly competitive product offering.



In-Store Software

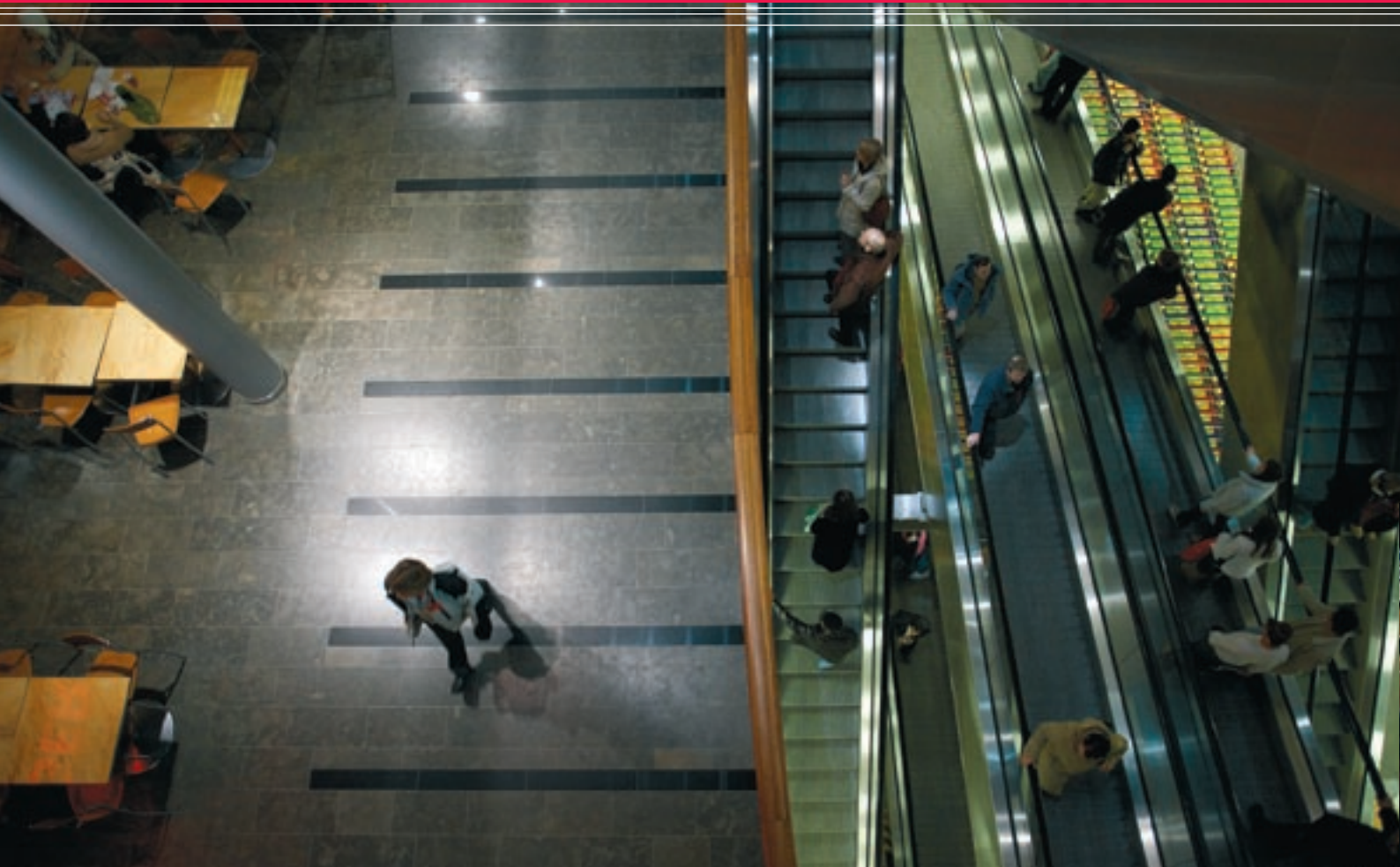
Aldata is one of the largest suppliers of in-store software in the Nordic countries. The software selection covers both daily and speciality goods retailing. During 2004, the situation in Finland, Aldata In-Store's largest market, remained challenging but developments in Sweden were positive.

Performance

The business unit reported net sales of EUR 12.5 million in 2004, a decrease of EUR 1.5 million from EUR 14 million in the previous year. The market was tough and the unit had difficulties in winning new projects to replace declining sales from some large projects that were completed in 2004. Towards the end of the year the unit improved its profitability. Measures initiated in 2004 and major customer wins give confidence when moving into 2005.

Major steps in 2004

A major contract was signed with Alko, the Finnish alcohol retail chain, to supply a centralized in-store system integrated with Aldata's G.O.L.D. Supply Chain Software. Another important new customer in Finland is SOL, cleaning, premises and laundry service group, which will implement Aldata's newest Linux based in-store software. Aldata strengthened its position within payment technologies by supplying McDonald's Finland with Aldata's EMV Payment Platform solution. The long-term partnership with Tradeka continued. In Sweden significant new customers include SJ (the Swedish State Railways), Bokia and Netonnet. The partnership with TeliaSonera in both Sweden and



Finland developed positively. The business unit also succeeded in broadening its customer base in Norway. Aldata has also initiated activities in neighboring areas Russia and the Baltic countries.

Focus on R&D

In 2004, major investments were made in research and development. As Nordic retail chains are facing new competition and new retail concepts are being launched, the demands on IT systems increase. The retail industry needs to optimize its business processes and improve its planning and forecasting capabilities. Aldata's new generation Aldata G.O.L.D. POS software is designed to support daily goods retail chains in this process by giving greater flexibility and providing real-time information. For speciality retail chains the latest versions of Aldata Megadisc and Profix software products provide similar functionalities.

Outlook for 2005

Competition in the Nordic region will increase as global software vendors are entering the market. Aldata's main competitive advantages lie in its strong local knowledge and long experience in the region, its highly competitive product offering, and the possibility of combining in-store software with Aldata's leading SCM software Aldata G.O.L.D. to offer a seamlessly integrated end-to-end solution. In 2005 special attention will be paid to bringing In-Store operations back to profitability and to stepping up activities in Russia and the Baltic countries.



Market outlook for 2005

Aldata develops smart card and RFID solutions for both Finnish and international customers. Its customer base includes retail chains and logistics companies. These solutions are a part of Aldata's key future strategy and the company forecasts strong growth for the new technologies. Aldata forecasts strong growth for these new technologies.

Security Systems

Aldata trimmed its business by selling the entire share capital of its non-core subsidiary Aldata Industries Oy in December 2004. This was a major step forward in carrying out Aldata's strategy of focusing on retail and logistics solutions.

Financial performance

The sold business had net sales of EUR 6.3 million out of total net sales for the Security Systems business unit of EUR 6.7 million in 2004. Aldata Smart Card business had net sales of EUR 0.4 million.

Major events

During 2004 Aldata set up Aldata Smart Card Oy, incorporating its unit that focuses on smart card systems and RFID solutions. The unit recruited experts early in the year to reinforce Aldata's product and technology leadership. In September a major long-term contract was signed with AKE, the Finnish Vehicle Administration Authority.

In December 2004 Aldata sold the shares of Aldata Industries Oy, which focuses on access control and security technology, to the Swedish security company Bewator Group AB.

In January 2005 Aldata Smart Card was included in the Supply Chain Management Software business unit.



Human Resources

The motivation, commitment and competence of its personnel are key success factors for Aldata and form the core of the human resources strategy. Major challenges for human resources management are supporting international growth and creating a common business culture. The response to these challenges included the creation of a new organization with a more international structure and the setting up of an international management center for the group.

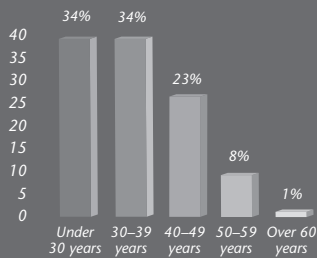
Common values were also defined. The Group's values – passion, profit, respect and openness – form the basis for managing human resource issues. The goal is to create a stimulating, productive work community in which employees respect each other and communicate openly.

Personnel – number and structure

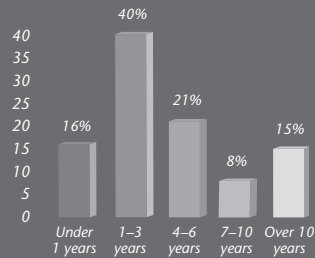
At the end of 2004, Aldata Group employed 514 people, compared with 495 at the end of the previous year. France and Slovenia experienced growth in the number of personnel, along with the UK and the US, where the company actively built its organization after starting operations in these countries the previous year. The sale of Aldata Industries Oy reduced the number of personnel by 32.

A considerable proportion of personnel worked in R&D, forming 37% of personnel. The average age of personnel was 36 years and the average years of service was 5 years. Women accounted for 25% of personnel. Turnover among permanent employees was 8.7%.

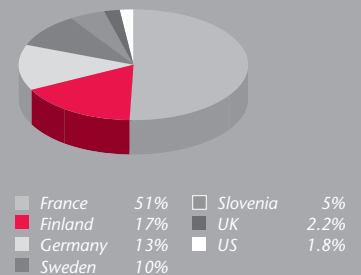
Personnel by age
31 Dec. 2004



Personnel by years of service
31 Dec. 2004



Personnel by country
on 31 Dec. 2004



| Personnel | 2004 | 2003 |
|---------------------------|---------|---------|
| On 31 Dec. | 514 | 495 |
| Average | 525 | 470 |
| Net Sales/person (EUR) *) | 125 724 | 160 296 |

*) Calculated from average personnel

Personnel the key to Aldata's success

Human resources development is based on the company's strategy and business needs. During 2004, approximately 1530 training days were arranged in Aldata. The main emphasis of these trainings was on the product training of Aldata G.O.L.D. Supply Chain Management software and especially on its new version and new modules. Other key areas covered in the trainings were technology and language training.

Personnel survey creates basis for development plans

In 2004, Aldata Group carried out a global personnel survey to examine personnel satisfaction relating to matters such as job contents, atmosphere at work, communications, and the performance of superiors. The purpose of the survey was to collect information for developing the company's operations.

According to the survey, Aldata's particular strengths include an encouraging work atmosphere, the confidence that personnel have in the success of the company, and their desire to develop operations. The survey results were used to define targets for the Group as well as specific measures to be taken at local organizations. In the future, emphasis is placed on issues related to management and leadership as well as competence management.

Incentive programs to achieve business targets

Aldata's incentive programs support the company in meeting its business goals. The programs are based mainly on financial performance. Aldata has three share option programs that serve to motivate the Group's key personnel and create commitment.

Financial Review 2004

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Shareholder information

Investing in Aldata Solution Oyj

More information about investing in Aldata can be found for example from the following banks and brokerage firms:

Carnegie
Evli
FIM
Handelsbanken
Kaupthing Sofi
Mandatum
Nordea
Opstock
Osaketieto

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Fax +358 9 5422 5054.

Annual General Meeting 2005

The Annual General Meeting of Aldata Solution will be held on Thursday April 14, 2005, starting at 10 am (EET) in Rake-Sali, (address: Erottajankatu 4 C, 3. floor) Helsinki, Finland.

In order to attend the meeting, shareholders must be registered in the company's shareholders register maintained by the Finnish Central Securities Depository Ltd no later than on Monday April 4, 2005.

Shareholders wishing to attend the Annual General Meeting are required to inform the company by 4.00 pm. (EET) on Monday April 11, 2005, either by e-mail: registration@aldata-solution.com or

by telephone +358 9 5422 5001/Marina Lindholm or

by mail Aldata Solution Oyj

Marina Lindholm

Vetotie 3, FI-01610

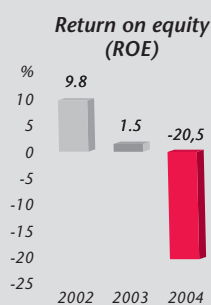
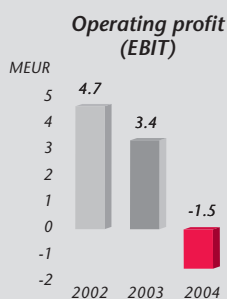
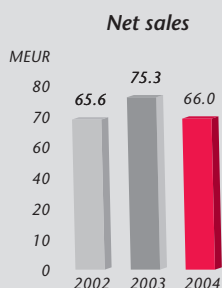
Vantaa, Finland.

All shareholders registering to attend the Annual General Meeting are required to provide their name, address, telephone number and date of birth.

Letters containing authorization to vote by proxy at the meeting should reach the company at the above address before the end of the notification period.

Report by the Board of Directors

January 1- December 31, 2004



General

The objective has been set to develop Aldata from a diversified technology company into a focused software vendor that develops integrated business applications for the retail, wholesale and logistics industries. At the end of 2007 Aldata aims to be globally the leading provider of SCM applications for the daily goods sector and the leading provider of applications for retail, wholesale and logistics in Europe.

In 2004 the company took major steps towards reaching these goals:

- In two major markets, the US and the UK, Aldata set up its own operations and by the end of 2004 these had succeeded in establishing a significant presence in their respective markets.
- Aldata's senior management was brought together in the same location with the setting up of an International Management Centre in Paris, France, to better support customers, partners and Aldata's international subsidiaries.
- Aldata made major investments in research and development, resulting in many new functionalities and modules for the Aldata G.O.L.D product family as well as new versions of the In-Store products.
- The company strengthened its partnerships through many joint projects and customer deliveries. A new major alliance was set up with Unisys covering 14 countries in Latin America.
- Aldata trimmed its business by divesting its non-core subsidiary Aldata Industries Oy.
- With three major markets – the US, the UK and Asia – in a very early phase of development, this was a challenging year for Aldata. Substantial investments were required for setting up the new operations, in the localization of the Aldata G.O.L.D. product family for new geographic areas, and in the training and education of Aldata personnel and partners.

Despite facing a tough market for enterprise software and the need to allocate substantial internal resources to developing new geographical areas, Aldata succeeded in generating new business. During the year 2004 the Group won 38 new customers and installed its products in five new countries. In total Aldata has installations in 46 countries.

Financials 2004

In 2004 Aldata faced great difficulties in forecasting its financial performance. Misjudgments were made in the budgeting process for 2004, especially in estimating the net sales generated in the new geographical areas of the US, the UK and Asia. The company also underestimated the speed of the decline in net sales from the very large Casino France project, due to fast delivery and implementation. Improved forecasting processes have been set in place and the visibility of business development has substantially increased.

Aldata Group had net sales of EUR 66.0 million (EUR 75.3 million). Supply Chain Management (SCM) Software accounted for 71.0% (71.3%) of Group net sales, In-Store Software for 18.9% (18.6%) and Security Systems for 10.1% (10.2%). The ten largest customers represented 45.0% (52.3%) of the Group's net sales.

Software licenses and maintenance accounted for 24.7% (22.7%) of 2004 net sales, services for 59.0% (61.5%) and third party licenses and hardware for 16.3% (15.8%).

The Group's gross profit was EUR 49.1 million (EUR 55.4 million). The Group's operating profit before depreciation and goodwill amortization, EBITA, was EUR 0.1 million (EUR 5.1 million). The operating profit, EBIT, was EUR -1.5 million (EUR 3.4 million). In 2004 earnings per share were EUR -0.070 (EUR 0.004), return on investment -4.0% (13.8%) and return on equity -20.5% (1.5%).

The following non-recurring items occurred in 2004 and are included in the 2004 financial reporting: The total affects of these items is EUR 2.2 million positive on operating profit level and EUR 0.4 million negative in profit for the financial period.

- Third quarter operating costs include a non-recurring item, a provision of EUR 1.7 million for a receivable from GrandVision S.A. In 2001, Aldata and GrandVision initiated a project that was discontinued in 2002 due to differing views on the delivery. The provision was made because of the expected length of the legal proceedings in France. The system supplied has been in use and it is Aldata's opinion that the company has complied with the terms of the contract and made the deliveries as agreed.
- In the fourth quarter the sale of Aldata Industries Oy, at a price of EUR 6.2 million, generated a capital gain of EUR 3.9 million.
- In the fourth quarter a deferred tax asset of EUR 2.6 million was reversed and booked as tax. The main part of the asset was booked in 2002 to compensate the tax savings based on a possible sale of Aldata Industries Oy. This deferred tax asset was reversed simultaneously with the divestment of Aldata Industries Oy. This booking has no affect on Aldata's cash flow.

Financing

The balance sheet total at the end of 2004 stood at EUR 38.9 million (EUR 52.6 million). Short-term receivables totaled EUR 22.2 million compared to EUR 28.2 million at the end of 2003.

Aldata Group's cash, cash equivalents and marketable securities totaled EUR 6.5 million (EUR 9.0 million) at the end of 2004. Interest bearing net debt was EUR -6.3 million (EUR - 5.4 million). The Group's solvency ratio stood at 53.0% (48.2%), gearing at -30.8% (-21.2%) and shareholder's equity per share was EUR 0.301 (0.372).

Gross capital expenditure in 2004, on hardware and software purchases and the purchase of subsidiary company shares, amounted to EUR 0,8 million (EUR 7.6 million).

Supply Chain Management Software

Net sales of Supply Chain Management Software in 2004 totaled EUR 46.9 million (EUR 53.7 million). The gross profit was EUR 35.7 million (EUR 40.3 million) and the operating profit, EBIT, was EUR -4.8 million (EUR 3.6 million). The operating profit for the SCM unit includes non-recurring costs of EUR 1.7 million for the provision for the GrandVision receivables.

During 2004 the strong emphasis on the internationalization of the SCM business continued. Aldata's G.O.L.D. software has been supplied to 245 customers in 44 countries worldwide. In the US, where Aldata G.O.L.D. made its market-entry in 2003, the market for large software projects remained challenging in 2004, but toward the end of the year demand for merchandise management software showed clear improvement. In the UK, where in 2004 Aldata was building up its local organization, Aldata made a significant market entry by winning new business. In Asia, the large project with Carrefour is developing well and according to schedule. Elsewhere, Aldata increased its market share and continued to win new customer accounts. Major projects are progressing according to plan and the outlook going into 2005 is good.

The international projects with Carrefour that started during 2004 in Asia (Thailand), Europe (Italy) and Latin America (Brazil) are progressing according to plan. Major new projects in France in 2004 are with Grand Marnier, Elidis and Guillot Jouani. In the UK Lloyds Pharmacy has successfully rolled out Aldata G.O.L.D. across its 1,400 stores. New customers for the UK unit include Thorntons, Dorma Group, Shoprite and Unicare in Ireland. During 2004 Aldata established a firm position in the UK market and expects to further strengthen its position in its targeted segment. In the US the two projects started in 2003 with Smart and Final and Trader Joe's are progressing according to plan and in December Aldata signed a contract with Mike Campbell and Associates. Going into 2005, Aldata has a significantly improved market position in the US and expects strong growth. Aldata will continue to invest in sales and marketing activities both directly and together with its global partners BearingPoint and EDS. In Central Europe, during 2004 Aldata has strengthened its position with new projects with Netto and Frankenbrunnen in Germany, ERA in Slovenia, Nelt in Serbia, Ruch and Young Fashion in Poland, Dynadro in the Netherlands and UTC in the Czech Republic. In Finland, Al-

Solvency ratio



Split of net sales year 2004



■ Services 59.0% (61,5% 2003)
 ■ Licenses and maintenance 24.7% (22,7% 2003)
 ■ Third-party licenses and hardware 16.3% (15,8% 2003)

Earnings per share (EPS)



data has achieved a success with Alko. In the second half of 2004 Aldata won projects in the U.A.E. and Tunisia, reinforcing its successes in the first half of 2004 in Saudi Arabia and Bahrain.

A major effort in 2004 has been to further develop the partner network within the SCM unit. The latest success came in October, when Aldata established a major partnership agreement with Unisys, a global information technology services and solutions company. Unisys will provide distribution and implementation services for Aldata in South America and Mexico.

In 2004 Aldata invested heavily in research and development within the SCM unit. The Aldata G.O.L.D. product family was further developed and the current Version 5 of the software will remain the core platform for the coming years. Major launches were the new Aldata G.O.L.D. Track modules, a federation module for providing integrated traceability across business networks, and Aldata G.O.L.D. Mobile, a module providing mobility in the retail store and enabling store operations such as stocktaking, receiving and price control using PDAs or radio frequency terminals. Mobility is a major market evolution and Aldata has already commenced several pilot projects with retail chains. Market demand for mobility is expected to increase. Government legislation and the deployment of RFID, or electronic bar-coding, will see enhanced traceability requirements in the marketplace and therefore Aldata also expects an upturn in the traceability market.

In-Store Software

Net sales of In-Store Software in 2004 totaled EUR 12.5 million (EUR 14.0 million). The gross profit was EUR 10.5 million (EUR 11.2 million) and the operating profit, EBIT, was EUR -0.2 million (EUR -0.5 million).

For the In-Store unit, 2004 was a year of returning to profitability in Sweden but of underperformance in Finland. Steps have been initiated to improve the unit's performance.

Major new projects in 2004 include those with Swedish Railways, Bokia and Netonnet in Sweden, Spaceworld in Norway, McDonald's and SOL in Finland. The most significant new contract was signed in October with Alko Oy, which will replace its current in-store software with Aldata's G.O.L.D. Shop and Aldata G.O.L.D. POS products.

As a result of its investments in research and development, during 2004 Aldata made several major product launches within the In-Store unit. These include Aldata G.O.L.D. POS, a completely new in-store solution that integrates seamlessly with Aldata's G.O.L.D. Supply Chain Software, version 4.5 of Megadisc, Aldata Payment Platform (a software-based system for processing credit and debit card payments) and a Linux based version of Aldata Profix. All these products are in commercial roll-out at customers.

Security Systems

Net sales of Security Systems in January - December 2004 totaled EUR 6.7 million (EUR 7.7 million). The gross profit was EUR 3.8 million (EUR 4.3 million) and the operating profit was EUR -0.4 million (EUR 0.4 million).

In December 2004 the entire share capital of Aldata Industries Oy was sold to the Swedish security company Bewator Group AB. Flexim, an access control, security technology and time and attendance system, was the main product of Aldata Industries Oy.

In 2004, the net sales of the divested business amounted to EUR 6.3 million of total business unit net sales of EUR 6.7 million. The Smart Card business accounted for the remaining net sales of EUR 0.4 million.

To strengthen its product and technology leadership, in February 2004 Aldata established a Smart Card and RFID competence centre. In August, the unit was incorporated into Aldata Smart Card Oy. As the competence centre for smart card and RFID technologies within the Aldata Group, this unit targets external clients as well as supporting Aldata's other units in these new technologies.

During 2004 Aldata Smart Card established itself as a key player in its field and in September obtained a major order from the Finnish Vehicle Administration. Aldata

Smart Card will continue to develop and sell smart card and RFID solutions within the Aldata Group. Aldata expects strong growth in these new technologies and sees great potential for the unit.

As from January 2005, Aldata Smart Card has been included in the Supply Chain Management Software Business Unit.

Personnel

Aldata Group had 514 (495) employees at the end of the review period. This represents a 4% increase compared to the previous year. The growth was reduced by the sale of Flexim business in December. The growth was strongest in the Supply Chain Management Business Unit which had 389 (335) employees at the end of the year. The number of employees grew especially in the UK and the US, where the company actively built its organization after starting operations in these countries the previous year. The Group had on average 525 (470) employees between January and December 2004.

At the end of the review period, approximately 17% of the personnel were employed by Aldata companies in Finland, 51% in France, 13% in Germany, 10% in Sweden, 5% in Slovenia, 2.2% in the UK and 1.8% in the US. At the end of the review period 189 (182) employees were in R&D activities which represent 37% of the Group's entire personnel.

Share performance, foreign ownership and changes in ownership during 2004

The highest price of the Aldata Solution Oyj share in 2004 was EUR 2.24 and the lowest was EUR 1.00. The average share price was EUR 1.49 and the closing price was EUR 1.11. The absolute trading volume of the Aldata share on the Helsinki Stock Exchange during the period totaled EUR 77.1 million and 51.7 million shares changed hands. At the end of 2004 33.1% of Aldata Solution Oyj shares were in foreign ownership. The company had 8,059 shareholders and the free float totaled 99.6% of the share capital at the end of the year.

Share capital and number of shares

The number of shares of Aldata Solution Oyj, 67,433,942 and the share capital 674,339.42 was unchanged during the review period.

Board of Directors and President and CEO

In the beginning of 2004 the members of the Board were Werner Brockhagen, Peter Titz and Pekka Vennamo. Pekka Vennamo was the chairman of the board. The Annual General Meeting of Aldata Solution Oyj on 15 April 2004 elected the following members to the Board of Directors: Werner Brockhagen, Werner Koepf, Jouko Tuunainen and Pekka Vennamo. Pekka Vennamo was re-elected as the chairman. Jouko Tuunainen resigned from the Board on December 11, 2004. The company's President and CEO during the review period was Matti Hietala.

Executive Management Team

At the beginning of 2004 the Executive Management Team (EMT) consisted of Matti Hietala, René Homeyer, Manfred Alt, Dominique Chambas, Tiina Hansson, Thomas Hoyer, Markus Kivimäki, Jukka Koivisto and Neil Thall.

The EMT was strengthened during the review period by following appointments: Mark Croxton in January, Henrik Lindström in March, Ivan Guzelj and Jorma Tukka in October. Tiina Hansson resigned in July and Jukka Koivisto in October.

At the end of 2004 the EMT consisted of following persons: Chairman of the EMT is President and CEO Matti Hietala and the Vice Chairman is Executive Vice President and COO René Homeyer. The other members are Manfred Alt, Dominique Chambas, Mark Croxton, Thomas Hoyer, Ivan Guzelj, Markus Kivimäki, Henrik Lindström, Neil Thall and Jorma Tukka.

Auditing

The company's auditors throughout the financial year were Ernst & Young Oy. The supervising auditor during the review period was Tomi Englund, Authorized Public Accountant.

Group structure, changes and business transactions during the period

In August Aldata established a new subsidiary in Finland, Aldata Smart Card Oy. In September Aldata Solution Oyj established a new branch office in Paris France for the operative management of the group. In December Aldata sold the shares of Aldata Industries Oy to Bewator Group AB. The shares of Aldata Solution Holding AB were sold in December 2004.

Aldata Solution Oyj is the parent company of Aldata Group. At the end of 2004 Aldata Group consisted of:

- Aldata Solution Finland Oy (100%) and Aldata Smart Card Oy (100%) with operations in Finland
- Aldata Solution AB (100%) in Sweden
- Aldata Solution Inc. (100%) in the US
- Aldata Solution UK Ltd. (100%) in the UK
- Aldata Retail Solutions GmbH (98.69%) in Germany
- Aldata Solution S.A. (97.33%) in France
- Aldata Solution d.o.o. (81.21%) in Slovenia

Board authorizations

The Annual General Meeting on April 15, 2004 authorized the Board to raise the share capital by issuing new shares, convertible bonds, and bonds with warrants or stock options in one or more installments totaling at most EUR 134,867.80. At most 13,486,780 new shares of nominal value EUR 0.01 per share may be offered for subscription at a price and on other conditions to be determined by the Board.

The Board is also authorized to decide who shall be entitled to subscribe for shares and the authorization includes the right to disapply the shareholders' pre-emptive subscription rights provided that the company has important financial grounds for doing so, such as to strengthen the company's financial structure, to finance acquisitions and other corporate arrangements, or to carry out co-operative arrangements. The Board may not disapply the shareholders' pre-emptive subscription rights in interests of a company insider. New shares may also be issued on payment of consideration in kind. The authorization remains in force until April 15, 2005.

By December 31, 2004 the Board had not issued any shares under the authorization given at the Annual General Meeting on April 15, 2004.

Transition to IAS/IFRS standards

Aldata's IAS/IFRS project has proceeded according to plan during the financial year 2004. IAS/IFRS standards have been analyzed focusing on the biggest impacts for Aldata Group. The employees have been trained and an internal manual on changes has been made to ease the transition period. The accounting processing has been developed to meet the challenge of IAS/IFRS standards.

Aldata will publish its IAS/IFRS financial statement from the financial year 2005.

For Aldata the key differences arising from the adoption of IAS/IFRS are:

- Goodwill will not be amortized as planned. Instead there will be impairment tests.
- Some product development costs will be activated.
- The valuation effect of distributed options will be expensed.

In Aldata's IAS/IFRS segment reporting the primary segments will be Supply Chain management and In-Store Business Units and the secondary segments will contain geographical regions.

Events after end of year

On January 10, 2005, Aldata announced two new customers in the pharmacy sector. Unicarepharmacy, Ireland's largest pharmacy group, and Dynadro, one of the leading

Dutch chains of drugstores with cosmetics and OTC products, have decided to use Aldata G.O.L.D. for managing their central supply chain operations.

On January 18, 2005, Aldata Smart Card signed a contract with Finlandia Hotels to supply a loyalty system based on radio frequency identification (RFID) smart cards.

On February 2005 Aldata divides its Executive Management Team into a Corporate Management Team (CMT), which is located in Paris, France, and Management Council (MC), which includes CMT members, area managers and functional managers.

The members of the CMT are Matti Hietala, CEO and President; Rene Homeyer, Executive Vice President and COO; Dominique Chambas, Senior Vice President, International Sales; Thomas Hoyer, CFO and Markus Kivimäki, Vice President, Legal affairs. The members of the CMT report to Matti Hietala.

The members of the MC are the CMT members plus Manfred Alt, General Manager, Germany; Patrik Bullet, Vice President, R&D; Albert Cherbit, Vice President, Presales & Consulting; Mark Croxton, General Manager, UK and Ireland; Ivan Guzelj, General Manager, Slovenia; Henrik Lindström, General Manager, Sweden; Thierry Seguin, Vice President, Professional Services; Neil Thall, General Manager, US and Canada; and Jorma Tukia, General Manager, Finland. The MC meets at least four times a year.

Hitech Premium N.V.'s holding in Aldata Solution Oyj rose to over 20 per cent of the shares and votes on February 10, 2005.

Board's dividend proposal

The Board of Directors proposes to the Annual General Meeting on 14 April 2005 that no dividend is distributed from the financial year 2004. The assumption is that in the rapidly developing and expanding markets shareholders' investments are likely to give best returns if the company invests its profits primarily in developing its business.

Outlook

Aldata's strategy is built on a clear long-term vision: At the end of 2007 Aldata aims to be globally the leading provider of SCM applications for the daily goods sector and the leading provider of applications for retail, wholesale and logistics in Europe. The financial targets are to generate constant positive cash-flow and to have in 2007 over EUR 100 million in net sales.

In 2005, Aldata's main focus is on strong profitable growth in the SCM unit and on a return to profitability in the In-Store unit. The order backlog, a strong sales pipeline and improvements in operational efficiency give confidence for a clearly stronger performance in 2005 compared to 2004. Aldata expects comparable growth (excluding the 2004 net sales of the divested unit) of over 10% in net sales, a positive result and a positive cash-flow in 2005.

The SCM unit aims to increase its presence and market share in 2005. Growth drivers will be the geographical areas where operations have been built in 2004: the US, the UK and Asia. In all of these Aldata is entering into 2005 with long-term orders from key customers, which improves visibility and allows long-term planning of resources. Aldata's strong base of references with successful global projects and its close co-operation with partners support the unit in reaching these targets.

The In-Store unit is focusing on increasing its market share in the Nordic countries, Russia and the Baltic countries. This will be based on Aldata's strong local presence and long experience in the region, its highly competitive product offering and the possibility of combining In-store Software with Aldata's leading Supply Chain Software Aldata G.O.L.D. to offer a seamlessly integrated end-to-end solution. Special attention will be paid to bringing In-Store operations back to profitability.

The market for enterprise software solutions is highly competitive and recent consolidation among vendors will change the competitive landscape. Aldata is convinced that by focusing on providing integrated business applications for customers in retail, wholesale and logistics, it will be able to challenge its large competitors and further strengthen its market position. Aldata is aware that both the overall economic situation and the level of IT spending by retail chains and logistics companies will have a significant impact on the performance of the company.

Consolidated Income Statement

| | | EUR 1000 | EUR 1000 |
|---|----------|-----------------|-----------------|
| | Note | Jan.1-Dec.31,04 | Jan.1-Dec.31,03 |
| Net Sales | 1 | 66 005 | 75 339 |
| Other operating income | 3 | 4 687 | 386 |
| Materials and services | | | |
| Materials and supplies: | | | |
| Purchases during the year | | 6 908 | 9 037 |
| Increase (-) or decrease (+) in inventories | | -683 | -298 |
| External services | | 9 291 | 11 248 |
| Materials and services total | | -16 881 | -19 987 |
| Personnel expenses | 4 | | |
| Salaries and fees | | 26 379 | 24 955 |
| Pension expenses | | 6 971 | 6 592 |
| Other employee-related expenses | | 2 165 | 2 807 |
| Personnel expenses total | | -35 516 | -34 354 |
| Depreciations and writedowns | 5 | | |
| On fixed assets and other long-term expenditure | | 948 | 1 157 |
| Goodwill amortization | | 1 589 | 1 622 |
| Depreciation and writedowns total | | -2 537 | -2 779 |
| Other operating expenses | | -17 259 | -15 169 |
| Operating result | 2 | -1 501 | 3 437 |
| Financial items | 6 | | |
| Financial income | | 497 | 370 |
| Financial expenses | | -597 | -1 501 |
| Financial items total | | -100 | -1 132 |
| Profit before taxes | | -1 602 | 2 305 |
| Minority interest | | -43 | -121 |
| Income taxes | 8 | -3 131 | -1 932 |
| Result for the financial period | | -4 776 | 252 |

Consolidated Cash Flow Statement

| <i>EUR 1000</i> | 2004 | 2003 |
|---|---------------|---------------|
| Cash flow from operating activities | | |
| Operating result | -1 501 | 3 437 |
| Adjustments to operating result | -1 713 | 3 300 |
| Change in working capital | 10 | -765 |
| Interest received | 354 | 370 |
| Interest and charges paid | -597 | -404 |
| Taxes | -757 | -2 509 |
| Net cash from operating activities | -4 204 | 3 429 |
| Cash flow from investing activities | | |
| Group companies acquired | -385 | -4 890 |
| Group companies sold | 6 199 | 0 |
| Investments in tangible and intangible assets | -403 | -1 844 |
| Transfer prices of tangible and intangible assets | 0 | 322 |
| Loans granted | 32 | 0 |
| Net cash used in investing activities | 5 443 | -6 412 |
| Cash flow before financing | 1 239 | -2 983 |
| Cash flow from financing activities | | |
| Long-term loans, received | 0 | 145 |
| Long-term loans, repayments | -54 | -465 |
| Short-term loans, received | 0 | 3 000 |
| Short-term loans, repayments | -3 388 | -388 |
| Share issue | 0 | 1 198 |
| Dividends paid | -278 | 0 |
| Net cash used in financing activities | -3 720 | 3 490 |
| Net cash flow, total | -2 481 | 507 |
| Change in cash and cash equivalents | -2 481 | 507 |
| Cash and cash equivalents 1 Jan. | 8 993 | 8 486 |
| Cash and cash equivalents 31 Dec. | 6 512 | 8 993 |

Consolidated Balance Sheet

| | Note | EUR 1000 Dec. 31, 04 | EUR 1000 Dec. 31, 03 |
|-------------------------------------|------|-------------------------|-------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Intangible assets | 9 | | |
| Goodwill | | 7 740 | 9 492 |
| Other long-term expenditure | | 278 | 518 |
| | | 8 018 | 10 010 |
| Tangible assets | 10 | | |
| Machinery and equipment | | 744 | 1 039 |
| Other tangible assets | | 262 | 290 |
| | | 1 006 | 1 329 |
| Investments | 11 | | |
| Other shares and holdings | | 47 | 46 |
| Loans receivables | | 1 | 33 |
| Other investments | | 341 | 348 |
| | | 389 | 426 |
| NON-CURRENT ASSETS TOTAL | | 9 414 | 11 765 |
| CURRENT ASSETS | | | |
| Inventories | | | |
| Work in progress | | 435 | 246 |
| Finished products / goods | | 119 | 918 |
| | | 553 | 1 164 |
| Deferred tax assets | 15 | 135 | 2 510 |
| Short-term receivables | 12 | | |
| Accounts receivables | | 13 637 | 19 847 |
| Loans receivables | | 100 | 63 |
| Prepaid expenses and accrued income | | 6 707 | 4 800 |
| Other receivables | | 1 927 | 3 504 |
| | | 22 371 | 28 215 |
| Cash and cash equivalents | | 6 512 | 8 993 |
| CURRENT ASSETS TOTAL | | 29 571 | 40 882 |
| ASSETS | | 38 985 | 52 647 |

Consolidated Balance Sheet

| | | <i>EUR 1000</i> <i>Dec. 31, 04</i> | <i>EUR 1000</i> <i>Dec. 31, 03</i> |
|---|----|---------------------------------------|---------------------------------------|
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS' EQUITY | 13 | | |
| Share capital | | 674 | 674 |
| Share premium fund | | 17 002 | 17 167 |
| Retained earnings | | 7 390 | 7 010 |
| Profit for the financial period | | -4 776 | 252 |
| SHAREHOLDERS' EQUITY | | 20 291 | 25 103 |
| MINORITY INTEREST | | 249 | 286 |
| PROVISIONS | 14 | | |
| Other provisions | | 652 | 827 |
| | | 652 | 827 |
| LIABILITIES | | | |
| Long-term liabilities | 16 | | |
| Loans from financial institutions | | 0 | 16 |
| Other loans | | 157 | 196 |
| | | 157 | 211 |
| Short-term liabilities | 17 | | |
| Loans from financial institutions | | 16 | 3 404 |
| Advances received | | 33 | 25 |
| Accounts payable | | 5 079 | 5 432 |
| Accrued expenses and prepaid income | | 8 645 | 10 221 |
| Other short-term liabilities | | 3 864 | 7 137 |
| | | 17 637 | 26 219 |
| LIABILITIES | | 17 794 | 26 430 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | 38 985 | 52 647 |

Parent Company Income Statement

| | | EUR 1000 | EUR 1000 |
|---|------|-----------------|-----------------|
| | Note | Jan.1-Dec.31,04 | Jan.1-Dec.31,03 |
| Net Sales | | 3 469 | 4 049 |
| Other operating income | 3 | 5 060 | 961 |
| Materials and services | | | |
| Materials and supplies: | | | |
| Purchases during the year | | 0 | 450 |
| Increase (-) or decrease (+) in inventories | | 0 | 60 |
| External services | | 0 | 74 |
| Materials and services total | | 0 | -585 |
| Personnel expenses | 4 | | |
| Salaries and fees | | 1 376 | 2 793 |
| Pension expenses | | 399 | 366 |
| Other employee-related expenses | | 205 | 202 |
| Personnel expenses total | | -1 980 | -3 361 |
| Depreciations and writedowns | 5 | | |
| On fixed assets and other long-term expenditure | | 94 | 205 |
| Goodwill amortization | | 0 | 225 |
| Depreciation and writedowns total | | -94 | -430 |
| Other operating expenses | | -4 012 | -3 665 |
| Operating result | | 2 442 | -3 030 |
| Financial items | 6 | | |
| Financial income | | 3 717 | 7 086 |
| Financial expenses | | -616 | -1 178 |
| Financial items total | | 3 101 | 5 908 |
| Result before extraordinary items | | 5 543 | 2 877 |
| Extraordinary items | 7 | | |
| Extraordinary income | | 0 | 1 930 |
| Extraordinary items total | | 0 | 1 930 |
| Result before taxes | | 5 543 | 4 807 |
| Income taxes | 8 | 0 | 0 |
| Result for the financial period | | 5 543 | 4 807 |

Parent Company Cash Flow Statement

| | <i>EUR 1000</i> <i>2004</i> | <i>EUR 1000</i> <i>2003</i> |
|---|--------------------------------|--------------------------------|
| Cash flow from operating activities | | |
| Operating result | 2 442 | -3 030 |
| Adjustments to operating result | -4 348 | 204 |
| Change in working capital | -8 941 | 5 075 |
| Interest received | 213 | 77 |
| Interest and charges paid | -265 | -287 |
| Dividends received | 8 479 | 0 |
| Taxes | 0 | 124 |
| Net cash from operating activities | -2 421 | 2 162 |
| Cash flow from investing activities | | |
| Group companies acquired | -270 | -5 756 |
| Group companies sold | 6 187 | 654 |
| Other investments | 5 | 0 |
| Investments in tangible and intangible assets | 5 | -68 |
| Transfer prices of tangible and intangible assets | 0 | 5 |
| Loans granted | -923 | -151 |
| Net cash used in investing activities | 5 004 | -5 316 |
| Cash flow before financing | 2 583 | -3 154 |
| Cash flow from financing activities | | |
| Long-term loans, repayments | -16 | -404 |
| Short-term loans, received | 0 | 3 000 |
| Short-term loans, repayments | -3 388 | -388 |
| Share issue | 0 | 1 198 |
| Group contribution received | 1 930 | 620 |
| Net cash used in financing activities | -1 474 | 4 026 |
| Net cash flow, total | 1 109 | 872 |
| Change in cash and cash equivalents | 1 109 | 872 |
| Cash and cash equivalents 1 Jan. | 1 313 | 441 |
| Cash and cash equivalents 31 Dec. | 2 422 | 1 313 |

Parent Company Balance Sheet

| | <i>Note</i> | <i>EUR 1000</i> <i>Dec. 31, 04</i> | <i>EUR 1000</i> <i>Dec. 31, 03</i> |
|-------------------------------------|-------------|---------------------------------------|---------------------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Intangible assets | 9 | | |
| Goodwill | | 0 | 0 |
| Other long-term expenditure | | 38 | 80 |
| | | 38 | 80 |
| Tangible assets | 10 | | |
| Machinery and equipment | | 52 | 105 |
| Other tangible assets | | 1 | 5 |
| | | 54 | 110 |
| Investments | 11 | | |
| Shares in subsidiaries | | 15 729 | 17 707 |
| Other shares and holdings | | 41 | 46 |
| Loans receivable | | 1 161 | 238 |
| | | 16 931 | 17 991 |
| NON-CURRENT ASSETS TOTAL | | 17 022 | 18 182 |
| CURRENT ASSETS | | | |
| Short-term receivable | 12 | | |
| Accounts receivable | | 1 218 | 176 |
| Loans receivable | | 4 910 | 310 |
| Prepaid expenses and accrued income | | 703 | 9 926 |
| | | 6 832 | 10 413 |
| Cash and cash equivalents | | 2 422 | 1 313 |
| CURRENT ASSETS TOTAL | | 9 253 | 11 725 |
| ASSETS | | 26 276 | 29 907 |

Parent Company Balance Sheet

| | | <i>1000 EUR</i> <i>Dec. 31, 04</i> | <i>1000 EUR</i> <i>Dec. 31, 03</i> |
|---|----|---------------------------------------|---------------------------------------|
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS' EQUITY | 13 | | |
| Share capital | | 674 | 674 |
| Share premium fund | | 17 002 | 17 002 |
| Retained earnings | | 1 689 | -3 118 |
| Profit for the financial period | | 5 543 | 4 807 |
| SHAREHOLDERS' EQUITY | | 24 909 | 19 366 |
| PROVISIONS | | | |
| Other provisions | 14 | 104 | 257 |
| | | 104 | 257 |
| LIABILITIES | | | |
| Long-term liabilities | 16 | | |
| Loans from financial institutions | | 0 | 16 |
| | | 0 | 16 |
| Short-term liabilities | 17 | | |
| Loans from financial institutions | | 16 | 3 404 |
| Accounts payable | | 158 | 76 |
| Accrued expenses and prepaid income | | 1 071 | 945 |
| Other short-term liabilities | | 19 | 5 844 |
| | | 1 263 | 10 268 |
| LIABILITIES | | 1 263 | 10 284 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | 26 276 | 29 907 |

Accounting Principles

Principles of consolidation

The consolidated financial statements have been prepared using the acquisition cost method of accounting. The consolidated financial statements include all the Group companies.

Minority interest in the Group's result and shareholders' equity is shown as a separate item in the consolidated income statement and consolidated balance sheet.

The difference between the acquisition cost of subsidiaries and their shareholders' equity at the time of acquisition is shown as goodwill on consolidation. The acquisition cost of the subsidiaries acquired in 1998-2002 through an exchange of shares is the net asset value of these companies in their balance sheets and therefore no significant goodwill or consolidation difference arose on their consolidation.

The figures in the income statements of foreign subsidiaries are translated each month into euros at the average exchange rate and the figures in their balance sheets at the average exchange rate prevailing on 31 December. Exchange rate differences arising from translation and the translation differences of shareholders' equity are shown in retained earnings.

Intragroup transactions, receivables and payables are eliminated. Pension expenses are shown in accordance with the national legislation applied in each country. In Finland, Aldata has arranged the pension benefits of its personnel through third-party pension insurance companies.

Fixed assets

Fixed assets are capitalized at direct acquisition cost less planned depreciation.

The planned depreciation is recorded on a straight-line basis over the expected economic lives of the assets. The expected economic lives of the fixed assets are as follows:

| | |
|-----------------------------|--------------|
| Machinery and equipment | 3 - 5 years |
| Other long-term expenditure | 5 years |
| Goodwill | 5 - 15 years |

Goodwill is amortized over a period of more than five years based on the economic yield period of the acquired business operations.

Inventories

Inventories are valued at the lower of their weighted average purchase price or probable sales price.

Foreign currency

Items denominated in foreign currency are valued at the monthly average rates and at the average rates on 31 December 2004 published by the European Central Bank.

Research and development

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

Project revenue recognition

Under the Group's uniform, company-wide revenue recognition principles the revenue from projects under delivery is recognized according to the degree of completion, which is based on the project's progress and on expenses as they arise and is continually monitored. Revenue from the services and licenses is recognized when the service or license is delivered to the customer.

Deferred taxes

No deferred tax assets or liabilities are entered in the parent company's balance sheet. Deferred tax assets or liabilities in the consolidated balance sheet are calculated for all temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes using the official tax rate confirmed on the balance sheet date for the following fiscal periods. Deferred tax assets are entered in the balance sheet at their estimated realizable amounts, whereas deferred tax liabilities are recorded in full. In the consolidated balance sheet, appropriations of Group companies made for taxation purposes are divided into shareholders' equity and deferred tax liability. In the consolidated income statement, changes in appropriations are divided into change in deferred tax liability and the result for the financial period.

Notes To The Financial Statements

| <i>EUR 1000</i> | <i>Group</i> | |
|--|---------------|---------------|
| | <i>2004</i> | <i>2003</i> |
| 1. Net sales by market area and business sector | | |
| By market area: | | |
| Finland | 13 620 | 15 944 |
| Scandinavia | 5 768 | 6 359 |
| France | 18 670 | 36 852 |
| Germany | 8 421 | 8 398 |
| Other countries | 19 526 | 7 786 |
| Total | 66 005 | 75 339 |
| By business sector: | | |
| Supply Chain | 46 859 | 53 671 |
| In-Store | 12 477 | 14 013 |
| Security Systems | 6 668 | 7 655 |
| Total | 66 005 | 75 339 |
| 2. Operating result by business sector | | |
| Supply Chain | -4 767 | 3 608 |
| In-Store | -247 | -529 |
| Security Systems *) | 3 513 | 358 |
| Total | -1 501 | 3 437 |

*) incl. profit for the sale of Aldata Industries Oy

| <i>EUR 1000</i> | <i>Group</i> | | <i>Parent Company</i> | |
|--|--------------|--------------|-----------------------|-------------|
| | <i>2004</i> | <i>2003</i> | <i>2004</i> | <i>2003</i> |
| 3. Other operating income | | | | |
| Sales of business operations and fixed assets | 3 922 | 0 | 4 116 | 423 |
| Income from Group companies | 0 | 0 | 573 | 295 |
| Other | 765 | 386 | 371 | 243 |
| Total | 4 687 | 386 | 5 060 | 961 |
| 4. Personnel expenses | | | | |
| Salaries and fees, incl. benefits in kind, paid to management: | | | | |
| Presidents and Board of Directors | 2 006 | 1 503 | 533 | 509 |
| Personnel on average | 525 | 470 | 16 | 33 |
| 5. Depreciation according to plan | | | | |
| Depreciation for the financial period: | | | | |
| Goodwill | 1 589 | 1 622 | 0 | 225 |
| Other long-term expenditure | 303 | 320 | 42 | 53 |
| Machinery and equipment | 512 | 770 | 49 | 134 |
| Other tangible assets | 133 | 67 | 4 | 17 |
| Total | 2 537 | 2 779 | 94 | 430 |

Notes to the Financial Statements

| EUR 1000 | Group | | Parent company | |
|---|--------------|---------------|----------------|--------------|
| | 2004 | 2003 | 2004 | 2003 |
| 6. Financial income and expenses | | | | |
| Dividend income from Group companies | 0 | 0 | 3 504 | 7 009 |
| Dividend income, total | 0 | 0 | 3 504 | 7 009 |
| Financial income from Group companies | 0 | 0 | 171 | 38 |
| Other interest and financial income | 497 | 370 | 42 | 38 |
| Interest income, total | 497 | 370 | 213 | 77 |
| Writedowns of investments | 0 | 1 097 | 0 | 897 |
| Writedowns of investments, total | 0 | 1 097 | 0 | 897 |
| Interest expenses to Group companies | 0 | 0 | 43 | 154 |
| Other interest and financial expenses | 597 | 404 | 574 | 126 |
| Interest expenses, total | 597 | 404 | 616 | 280 |
| Interest and other financial expenses, total | 597 | 1 501 | 616 | 1 178 |
| Financial income and expenses, total | -100 | -1 131 | 3 101 | 5 908 |
| Other interest and financial income includes an exchange rate loss (net). | 117 | 34 | 117 | 34 |
| 7. Extraordinary income and expenses | | | | |
| Extraordinary income | | | | |
| Group contributions received | 0 | 0 | 0 | 1 930 |
| Total | 0 | 0 | 0 | 1 930 |
| 8. Taxes | | | | |
| Income tax on operations | 752 | 2 509 | 0 | 0 |
| Change in deferred tax liability | 2 375 | -577 | 0 | 0 |
| Taxes for previous financial periods | 4 | 0 | 0 | 0 |
| Total | 3 131 | 1 932 | 0 | 0 |
| Intangible and tangible assets | | | | |
| 9. Intangible assets | | | | |
| Goodwill on consolidation | | | | |
| Acquisition cost 1 Jan. | 17 330 | 12 440 | 2 577 | 3 797 |
| Increases 1 Jan. - 31 Dec. | 364 | 4 890 | 0 | 0 |
| Decreases 1 Jan. - 31 Dec. | -528 | 0 | 0 | -1 220 |
| Acquisition cost 31 Dec. | 17 167 | 17 330 | 2 577 | 2 577 |
| Accumulated depreciation according to plan 31 Dec. | -9 428 | -7 838 | -2 577 | -2 577 |
| Book value 31 Dec. | 7 739 | 9 492 | 0 | 0 |

Notes to the Financial Statements

| EUR 1000 | Group | | Parent company | |
|--|------------|------------|----------------|-----------|
| | 2004 | 2003 | 2004 | 2003 |
| Other long-term expenditure: | | | | |
| Acquisition cost 1 Jan. | 1 546 | 1 027 | 451 | 437 |
| Increases 1 Jan. - 31 Dec. | 72 | 536 | 0 | 30 |
| Decreases 1 Jan. - 31 Dec. | -7 | -17 | 0 | -16 |
| Acquisition cost 31 Dec. | 1 611 | 1 546 | 451 | 451 |
| Accumulated depreciation according to plan 31 Dec. | -1 333 | -1 030 | -413 | -371 |
| Book value 31 Dec. | 278 | 516 | 38 | 80 |
| 10. Tangible assets | | | | |
| Machinery and equipment | | | | |
| Acquisition cost 1 Jan. | 6 721 | 6 177 | 1 824 | 1 862 |
| Increases 1 Jan. - 31 Dec. | 274 | 1 067 | 15 | 38 |
| Decreases 1 Jan. - 31 Dec. | -56 | -523 | -20 | -75 |
| Acquisition cost 31 Dec. | 6 940 | 6 721 | 1 820 | 1 824 |
| Accumulated depreciation according to plan 31 Dec. | -6 196 | -5 684 | -1 767 | -1 719 |
| Book value 31 Dec. | 744 | 1 037 | 52 | 105 |
| Other tangible assets: | | | | |
| Acquisition cost 1 Jan. | 563 | 381 | 170 | 180 |
| Increases 1 Jan. - 31 Dec. | 105 | 202 | 0 | 0 |
| Decreases 1 Jan. - 31 Dec. | 0 | -20 | 0 | -10 |
| Acquisition cost 31 Dec. | 668 | 563 | 170 | 170 |
| Accumulated depreciation according to plan 31 Dec. | -406 | -273 | -169 | -165 |
| Book value 31 Dec. | 262 | 290 | 1 | 5 |
| 11. Investments | | | | |
| Group companies | | | | |
| Subsidiary shares | | | 15 729 | 17 707 |
| Loan receivables | | | | |
| Loan receivables others | 1 | 33 | 1 | 33 |
| Loan receivables from Group companies | | | 206 | 206 |
| Capital loan receivables from Group companies | | | 954 | 0 |

| | % votes Parent company | % votes Group |
|--|---------------------------|------------------|
| Group companies | | |
| Aldata Solution Finland Oy, Vantaa, Finland | 100,0 | 100,0 |
| Aldata Smart Card Oy, Vantaa, Finland | 100,0 | 100,0 |
| Aldata Solution Silvola Oy, Vantaa, Finland | 100,0 | 100,0 |
| Aldata Solution S.A, Paris, France | 97,3 | 97,3 |
| Aldata Solution AB, Täby, Sweden | 100,0 | 100,0 |
| Aldata Retail Solutions GmbH, Stuttgart, Germany | 51,0 | 98,7 |
| Aldata Solution d.o.o., Trzin, Slovenia | 81,2 | 81,2 |
| Aldata Solution UK Ltd, London, UK | 100,0 | 100,0 |
| Aldata Solution Inc, Atlanta, US | 100,0 | 100,0 |
| Melior Utbildning AB, Täby, Sweden | 0,0 | 100,0 |

Notes to the Financial Statements

| | <i>Group</i> | | <i>Parent company</i> | |
|---|----------------------|----------------------|-----------------------|----------------------|
| | <i>2004</i> | <i>2003</i> | <i>2004</i> | <i>2003</i> |
| Other shares Jan1. | 46 | 205 | 46 | 98 |
| Increase Jan.1-Dec. 31 | 6 | 0 | 0 | 0 |
| Decrease Jan.1-Dec. 31 | -5 | -159 | -5 | -52 |
| Other shares Dec. 31 | 47 | 46 | 41 | 46 |
| 12. Current receivables | | | | |
| Accounts receivable | | | | |
| Accounts receivable from Group companies | 0 | 0 | 1 219 | 173 |
| From others | 13 637 | 19 847 | 0 | 3 |
| | 13 637 | 19 847 | 1 219 | 176 |
| Loan receivables | | | | |
| Loan receivables from Group companies | 0 | 0 | 4 910 | 301 |
| From others | 100 | 63 | 0 | 9 |
| | 100 | 63 | 4 910 | 310 |
| Prepaid expenses and accrued income | | | | |
| From Group companies | 0 | 0 | 323 | 9 756 |
| From others | 6 707 | 4 800 | 381 | 170 |
| | 6 707 | 4 800 | 703 | 9 926 |
| Other receivables | | | | |
| From others | 1 927 | 3 504 | 0 | 0 |
| | 1 927 | 3 504 | 0 | 0 |
| Current receivables total | 22 372 | 28 215 | 6 832 | 10 413 |
| 13. Shareholders' equity | | | | |
| | EUR | EUR | EUR | EUR |
| Share capital 1 Jan. | 674 339,42 | 661 457,42 | 674 339,42 | 661 457,42 |
| Increase in share capital/warrants | 0,00 | 12 882,00 | 0,00 | 12 882,00 |
| Share capital 31 Dec. | 674 339,42 | 674 339,42 | 674 339,42 | 674 339,42 |
| Share premium fund 1 Jan. | 17 166 963,81 | 15 981 819,81 | 17 002 350,39 | 15 817 206,39 |
| Change in share premium fund | -164 613,42 | 0,00 | 0,00 | 0,00 |
| Warrant subscription premium | 0,00 | 1 185 144,00 | 0,00 | 1 185 144,00 |
| Share premium fund 31 Dec. | 17 002 350,39 | 17 166 963,81 | 17 002 350,39 | 17 002 350,39 |
| Profit from previous financial periods 1 Jan. | 7 261 629,01 | 7 344 966,52 | 1 689 304,15 | -3 118 083,86 |
| Translation difference | 128 502,64 | -335 400,82 | 0,00 | 0,00 |
| Retained earnings 31 Dec. | 7 390 131,65 | 7 009 565,70 | 1 689 304,15 | -3 118 083,86 |
| Profit (loss) for the financial year | -4 776 303,86 | 252 063,31 | 5 543 214,79 | 4 807 388,01 |
| Shareholders' equity total 31 Dec. | 20 290 517,61 | 25 102 932,24 | 24 909 208,75 | 19 365 993,96 |

Notes to the Financial Statements

| | Group | | Parent company | |
|--|---------------------|---------------------|---------------------|---------------------|
| | 2004 | 2003 | 2004 | 2003 |
| Calculation of distributable funds: | | | | |
| Retained earnings | 7 390 131,65 | 7 009 565,70 | 1 689 304,15 | -3 118 083,86 |
| Profit for the financial period | -4 776 303,86 | 252 063,31 | 5 543 214,79 | 4 807 388,01 |
| Distributable funds | 2 613 827,80 | 7 261 629,01 | 7 232 518,94 | 1 689 304,15 |
| 14. Provisions | | | | |
| Retirement indemnity provision | 543 | 543 | 0 | 0 |
| Other provision | 109 | 283 | 104 | 257 |
| | 652 | 826 | 104 | 257 |
| 15. Deferred tax receivables and liabilities | | | | |
| Deferred tax receivables | | | | |
| From consolidation measures | 0 | 6 | | |
| From timing differences | 135 | 2 504 | | |
| | 135 | 2 510 | | |
| 16. Long-term liabilities | | | | |
| Loans from financial institutions | 0 | 16 | 0 | 16 |
| Other long-term loans | 157 | 196 | 0 | 0 |
| Total | 157 | 211 | 0 | 16 |
| 17. Short-term liabilities | | | | |
| Loans from financial institutions | 16 | 3 404 | 16 | 3 404 |
| Other loans from Group companies | 0 | 0 | 0 | 5 824 |
| Advances received | 33 | 25 | 0 | 0 |
| Accounts payable from Group companies | 0 | 0 | 0 | 2 |
| Accounts payable from others | 5 079 | 5 432 | 158 | 73 |
| Accrued liabilities and deferred income from Group companies | 0 | 0 | 425 | 13 |
| Accrued liabilities and deferred income from others | 8 645 | 10 221 | 646 | 932 |
| Other liabilities | 3 864 | 7 137 | 19 | 19 |
| Total | 17 636 | 26 219 | 1 263 | 10 268 |

Notes to the Financial Statements

| | <i>Group</i> | | Parent company | |
|---|--------------|-------|----------------|-------|
| | 2004 | 2003 | 2004 | 2003 |
| 18. Pledges given and contingent Liabilities | | | | |
| Liabilities | | | | |
| Loans from financial institutions | 0 | 3 419 | 0 | 3 419 |
| Mortgages for the above | 5 432 | 5 432 | 5 432 | 5 432 |
| Pledged bank account (rental security) | 0 | 63 | 0 | 0 |
| Rent liabilities | 8 659 | 5 022 | 743 | 1 402 |
| Leasing liabilities | 1 398 | 1 922 | 143 | 95 |
| Guarantees on behalf of Group company debt | 115 | 31 | 35 | 31 |
| Guarantees on behalf of others | 2 700 | 2 700 | 2 700 | 2 700 |
| Maturity of leasing liabilities | | | | |
| Within the following year | 703 | 848 | 64 | 57 |
| After the following year | 720 | 1 074 | 80 | 38 |

19. Management holdings

The members of the Board of Directors, the President and CEO, and the Deputy CEO own a total 460,484 shares, or 0.7% of all shares. Under the stock option schemes they own a total of 540,000 option rights, or 0.8 % of the share-issue adjusted total number of shares, adjusted for the dilution effect.

20. Completed share issues, issues of convertible loans and option rights

Board authorizations

The Annual General Meeting on 15 April 2004 authorized the Board to raise the share capital by issuing new shares or convertible bonds or bonds with warrants or stock options in one or more installments totaling at most EUR 134,867.80. At most 13,486,780 new shares of nominal value 0.01 EUR per share may be offered for subscription at a price and on other conditions to be determined by the Board. The Board is also authorized to decide who shall be entitled to subscribe for shares, and the authorization includes the right to disapply the shareholders' pre-emptive subscription rights provided that the company has important financial grounds for doing so, such as to strengthen the company's financial structure, to finance acquisitions and other corporate arrangements, or to carry out co-operative arrangements. The Board may not disapply the shareholders' pre-emptive subscription rights of shareholders in the interests of a company insider. New shares may also be issued on payment of consideration in kind. The authorization shall remain in force until 15 April, 2005.

By 31 December 2004 the Board had not issued any shares under the authorization given at the Annual General Meeting on 15 April, 2004

Notes to the Financial Statements

Expired and current issues of stock options

| | Expiry of subscription period | Max. authori- zation | Total distributed 31.12.2004 | Remaining ¹⁾ 31.12.2004 | Subsc. price EUR | Subscription period |
|--|-------------------------------------|----------------------------|------------------------------------|---------------------------------------|---------------------|------------------------|
| II 2000 | | | | | | |
| ended 29 March 2000 ²⁾ | | | | | | |
| A warrants | 31.12.2001 | 385 000 | 254 200 | 0 | 8,98 | 1 Jan. 02-31 Dec. 02 |
| B warrants | 31.12.2001 | 385 000 | 346 200 | 204 100 | 4,49 | 1 Jul. 03-30 Jun. 04 |
| Total | | 770 000 | 600 400 | 204 100 | ²⁾ | |
| III 2001 | | | | | | |
| ended 5 April 2001 ^{3) 4)} | | | | | | |
| A warrants | 15.3.2003 | 950 000 | 30 000 | 30 000 | 4,49 | 1 Apr. 03-31 Dec. 06 |
| B warrants | 15.3.2003 | 950 000 | 30 000 | 30 000 | 4,49 | 1 Apr. 04-31 Dec. 07 |
| Total | | 1 900 000 | 60 000 | 60 000 | ³⁾ | |
| IV 2001 | | | | | | |
| ended 10 October 2001/ 2/France ⁵⁾ | | | | | | |
| A warrants | 31.10.2001 | 115 000 | 115 000 | 111 250 | 8,98 | 1 Nov. 05-30 Nov. 07 |
| B warrants | 31.10.2001 | 165 000 | 165 000 | 161 250 | 4,49 | 1 April 06-30 Apr. 08 |
| Total | | 280 000 | 280 000 | 272 500 | | |
| V 2003 | | | | | | |
| ended 26 March 2003 ⁵⁾ | | | | | | |
| A warrants | 1.3.2005 | 1 125 000 | 1 111 500 | 1 111 500 | 1,55 | 1 Oct. 05-30 Apr. 07 |
| B warrants | 1.3.2005 | 1 125 000 | 912 500 | 912 500 | 1,03 | 1 Oct. 06-30 Apr. 08 |
| C warrants | 1.3.2005 | 1 125 000 | 45 000 | 45 000 | 1,90 | 1 Oct. 07-30 Apr. 09 |
| D warrants | 1.3.2005 | 1 125 000 | 0 | 0 | ⁶⁾ | 1 Oct. 08-30 Apr. 10 |
| Total | | 4 500 000 | 2 069 000 | 2 069 000 | | |

- 1) Each option entitles the holder to subscribe for one share with a nominal value of EUR 0.01.
- 2) The original authorization granted by the AGM on 29 March 2000 covered 1,050,000 options, but an Extraordinary Shareholders' Meeting on 10 October 2001 reduced the authorization by 280,000 options.
- 3) Dividends paid after 5 April 2001 and before the share subscription period begins shall be deducted from the subscription price on each dividend payment date. However, the subscription price shall be no less than the nominal value of the shares.
- 4) The original authorization granted by the AGM on 5 April 2001 covered 1,900,000 options, but the AGM on 26 March 2003 decided that the 2001A and 2001B stock options, which entitle to subscription for 1,840,000 Aldata Solution shares and which have not been allocated, shall not be used and shall be annulled.
- 5) Dividends paid after the closing day and before the share subscription period begins shall be deducted from the subscription price on each dividend payment date. However, the subscription price shall be no less than the nominal value of the shares.
- 6) Weighted average quotation on Helsinki Exchanges between 1 April and 30 April 2005.

Shares and Shareholders

Aldata Solution Oyj's principal shareholders on 31 December 2004 in order of number of votes:

| Shareholders | Number of shares | % of shares and votes |
|---|------------------|-----------------------|
| Ilmarinen Mutual Pension Insurance Company | 5 190 500 | 7,70 |
| FIM Forte Investment Fund | 1 738 200 | 2,58 |
| Op-Suomi Kasvu Investment Fund | 1 688 100 | 2,50 |
| Tapiola Mutual Pension Insurance Company | 1 400 000 | 2,08 |
| FIM Fenno Investment Fund | 1 310 800 | 1,94 |
| Etera Mutual Pension Insurance Company | 1 029 900 | 1,53 |
| Evli-Select Equity Fund | 1 015 300 | 1,51 |
| Nordea Pankki Suomi Oyj | 1 000 000 | 1,48 |
| Royal Skandia Life Assurance Limited | 840 800 | 1,25 |
| Nordea Life Insurance Finland Oy | 815 000 | 1,21 |
| Aktia Secura Placeringsfond | 688 000 | 1,02 |
| Fondita Nordic Small Cap Placeringsfond | 670 000 | 0,99 |
| Mandatum Finnish Small Cap Fund | 534 100 | 0,79 |
| Aktia Capital Placeringsfond | 500 000 | 0,74 |
| Sampo Finnish Equity Fund | 444 257 | 0,66 |
| Alfred Berg Finland Investment Fund | 421 650 | 0,63 |
| Sampo Finnish Institutional Equity Fund | 353 900 | 0,52 |
| The Finnish National Fund for Research and and Development (Sitra) | 353 600 | 0,52 |
| Kaleva Mutual Insurance Company | 324 150 | 0,48 |
| Alko Pension Fund | 285 600 | 0,42 |

Nominee register accounts:

| | | |
|--------------------------------------|------------|-------|
| Nordea Pankki Suomi Oyj | 19 291 977 | 28,61 |
| Svenska Handelsbanken AB | 677 910 | 1,01 |
| HSS/Danske Bank, Helsinki Branch | 641 700 | 0,95 |
| HSS/Skandinaviska Enskilda Banken AB | 80 900 | 0,12 |
| OKO Osuuspankkien Keskuspankki Oyj | 52 150 | 0,08 |

| Shares/shareholder | No. of shareholders | % of shareholders | No. of shares | % of shares |
|-------------------------|---------------------|-------------------|---------------|-------------|
| 1-500 | 2 983 | 37,02 | 838 168 | 1,24 |
| 501-1000 | 1 625 | 20,16 | 1 464 988 | 2,17 |
| 1001-5000 | 2 609 | 32,37 | 6 745 568 | 10,00 |
| 5001-10000 | 451 | 5,60 | 3 515 872 | 5,21 |
| 10001-50000 | 306 | 3,80 | 6 258 444 | 9,28 |
| 50001-100000 | 36 | 0,45 | 2 718 700 | 4,03 |
| Over 100 000 | 49 | 0,61 | 45 892 202 | 68,06 |
| Total | 8 059 | 100,00 | 67 433 942 | 100,00 |
| Total on waiting list | | | 0 | 0,00 |
| Number of shares issued | | | 67 433 942 | 100,00 |

Shareholder groups on 31 December 2004

| Group | No. of shareholders | No. of shares | % of shares |
|--------------------------------------|---------------------|---------------|-------------|
| Households | 7 256 | 16 272 768 | 24,13 |
| Companies | 631 | 5 451 122 | 8,08 |
| Foreign | 43 | 1 566 513 | 2,32 |
| Financial and insurance institutions | 56 | 32 696 579 | 48,49 |
| Public organizations | 34 | 8 995 560 | 13,34 |
| Non-profit institutions | 39 | 2 451 400 | 3,64 |
| Total | 8 059 | 67 433 942 | 100,00 |

| | | | |
|------------------------------|--|------------|-------|
| Nominee registrations, total | | 20 775 655 | 30,81 |
|------------------------------|--|------------|-------|

Shares and Shareholders

Announcement of changes in ownership of Aldata Solution Oyj after the financial period 2004

Hitech Premium N.V.'s ownership of Aldata Solution Oyj's shares and votes exceeded 20 per cent on February 10, 2005.

Information about shares

Aldata Solution Oyj has one share series and at the end of the financial period the company had 67,433,942 shares with a nominal value of EUR 0.01 each. All the company's shares carry equal voting and dividend rights. The company's shares are quoted on the main list of the Helsinki Exchanges and the share's trading code is ALD1V. Aldata's share belongs to the book-entry system managed by the Finnish Central Securities Depository Ltd and is traded in lots of 100 shares. The company did not own any of its own shares at 28th February 2005.

Foreign ownership

A total of 33% of Aldata's shares are nominee-registered and in foreign ownership on 28 February 2005.

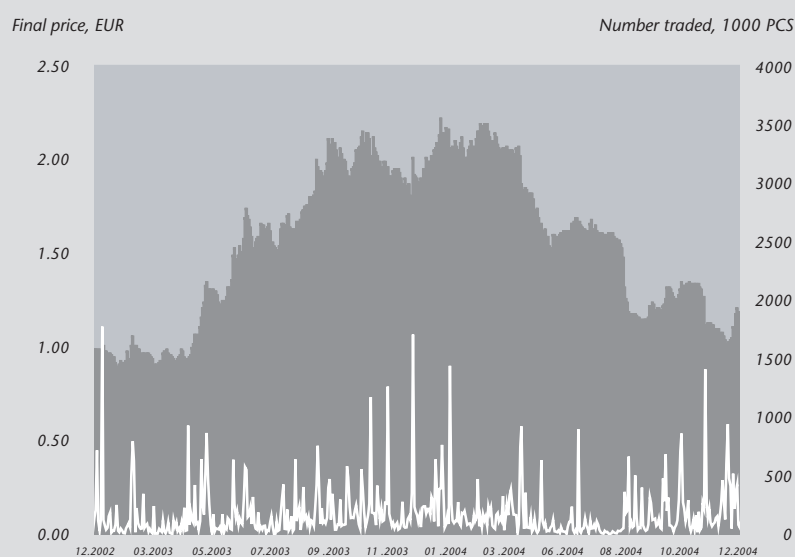
Free float

The free float of Aldata shares was 99.6% of the company's share stock at the end of 2004.

Market capitalization

The company's market capitalization at the end of 2003 was 131 MEUR and at the end of 2004 was 75 MEUR. More details about key figures for the shares and other key figures are on page 44.

Trading price and volume of Aldata's share 31 Dec. 2002- 31 Dec. 2004



Key Figures

| MEUR | 2004 | 2003 | 2002 | 2001 | 2000 |
|--|------------|------------|------------|-------------|-------------|
| SCOPE OF OPERATIONS | | | | | |
| Net sales, MEUR | 66,0 | 75,3 | 65,6 | 67,6 | 50,8 |
| Average number of personnel | 525 | 470 | 448 | 451 | 280 |
| Gross capital expenditure, MEUR | 0,8 | 7,6 | 7,4 | 1,7 | 4,7 |
| Gross capital expenditure, % of net sales | 1,1 | 10,1 | 11,2 | 2,5 | 9,3 |
| PROFITABILITY | | | | | |
| Operating profit before goodwill amortization, MEUR | 0,1 | 5,1 | 6,8 | 5,8 | 3,5 |
| Operating profit before goodwill amortization, % of net sales | 0,1 | 6,7 | 10,4 | 8,6 | 6,8 |
| Operating profit, MEUR | -1,5 | 3,4 | 4,7 | 4,6 | 2,5 |
| Operating profit, % of net sales | -2,3 | 4,6 | 7,1 | 6,9 | 4,9 |
| Profit before extraordinary items, MEUR | -1,6 | 2,3 | 4,6 | 5,1 | 2,3 |
| Profit before extraordinary items, % of net sales | -2,4 | 3,1 | 7,1 | 7,5 | 4,5 |
| Profit before appropriations and taxes, MEUR | -1,6 | 2,3 | 2,3 | 6,2 | 2,2 |
| Profit before appropriations and taxes, % of net sales | -2,4 | 3,1 | 3,5 | 9,2 | 4,3 |
| Return on equity, % (ROE) | -20,5 | 1,5 | 9,8 | 14,9 | 9,2 |
| Return on investment, % (ROI) | -4,0 | 13,8 | 20,1 | 21,9 | 13,3 |
| FINANCIAL STANDING | | | | | |
| Quick ratio | 1,6 | 1,4 | 1,6 | 2,1 | 1,6 |
| Current ratio | 1,7 | 1,6 | 1,8 | 2,2 | 1,8 |
| Equity ratio, % | 53,0 | 48,2 | 51,7 | 57,1 | 48,2 |
| Interest-bearing net debt, MEUR | -6,3 | -5,4 | -7,2 | -9,8 | -5,9 |
| Gearing, % | -30,8 | -21,2 | -28,8 | -41,1 | -31,7 |
| Aldata Solution Oyj | | | | | |
| KEY FIGURES, MEUR | | | | | |
| | 2004 | 2003 | 2002 | 2001 | 2000 |
| PER SHARE DATA | | | | | |
| Earnings per share, EUR (EPS) | -0,070 | 0,004 | 0,028 | 0,042 | 0,026 |
| Earnings per share, EUR (EPS), adjusted for dilution effect | -0,070 | 0,004 | 0,027 | 0,042 | 0,025 |
| Shareholders' equity per share, EUR | 0,301 | 0,372 | 0,359 | 0,352 | 0,289 |
| Dividend/share, EUR | 0,00 | 0,00 | 0,00 | 0,00 | 0,000 |
| Dividend/earnings, % | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Effective dividend yield, % | 0,0 | 0,0 | 0,0 | 0,0 | 0,0 |
| Price/earnings ratio | - | 485 | 32 | 49 | 253 |
| Share performance (EUR) | | | | | |
| Share price on 31 Dec, EUR | 1,11 | 1,94 | 0,88 | 2,07 | 6,57 |
| Share issue-adjusted average share price, EUR | 1,49 | 1,58 | 1,38 | 2,64 | 7,71 |
| Share issue-adjusted lowest share price, EUR | 1,00 | 0,86 | 0,43 | 0,73 | 2,80 |
| Share issue-adjusted highest share price, EUR | 2,24 | 2,19 | 2,72 | 7,18 | 13,40 |
| Market capitalization, MEUR | 75 | 131 | 58 | 135 | 391 |
| No. of shares traded during the financial period, (during the period of quotation in 1999) | 51 724 278 | 53 101 752 | 53 655 506 | 263 710 407 | 104 187 521 |
| % of the company's average number of shares | 77% | 79% | 81% | 404% | 175% |
| Number of shares | 67 433 942 | 67 433 942 | 66 145 742 | 65 206 221 | 59 507 846 |
| Share issue-adjusted number of shares annual average | 67 433 942 | 66 490 002 | 65 783 016 | 64 202 118 | 52 947 473 |
| Share issue-adjusted number of shares at the end of the financial period | 67 433 942 | 67 433 942 | 66 145 742 | 65 206 221 | 59 507 846 |
| Share issue-adjusted number of shares annual average, adjusted for dilution effect | 67 433 942 | 66 857 022 | 66 229 368 | 65 445 876 | 55 017 686 |
| Share issue-adjusted number of shares at the end of the financial period, adjusted for dilution effect | 67 433 942 | 67 436 122 | 66 567 535 | 66 237 889 | 61 842 593 |

Calculation of Key Figures and Ratios

| | | | |
|---------------------------------------|---|---|--|
| Cash flow from operations | = | Operating profit + adjustments to operating profit +/- change in working capital + interest received - interest and charges paid + dividends received – taxes | |
| Current ratio | = | $\frac{\text{Current assets}}{\text{Current liabilities}}$ | |
| Dividend/share | = | $\frac{\text{Dividend proposed by the Board}}{\text{Share-issue-adjusted number of shares on closing day}}$ | |
| Earnings per share (EPS) | = | $\frac{\text{Profit before extraordinary items, provisions and taxes – taxes} \\ \text{+/- tax effect of extraordinary items – minority interest}}{\text{Average share-issue-adjusted number of shares during financial period}}$ | |
| Effective dividend yield, % | = | $\frac{\text{Dividend per share}}{\text{The last trading price on the last trading day of the financial period}} \times 100$ | |
| Gearing, % | = | $\frac{\text{Interest-bearing liabilities - cash in hand and at banks} \\ \text{and certificates of deposit}}{\text{Shareholders' equity + minority interest}} \times 100$ | |
| Interest-bearing net debt | = | Interest-bearing liabilities - cash in hand and at banks and securities | |
| Payout ratio, % | = | $\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$ | |
| Price-earnings ratio (P/E) | = | $\frac{\text{The last trading price on the last trading day of the financial period}}{\text{Earnings per share (EPS)}}$ | |
| Quick ratio | = | $\frac{\text{Receivables + cash in hand and at banks and securities}}{\text{Current liabilities}}$ | |
| Return on equity %, (ROE) | = | $\frac{\text{Profit before extraordinary items, provisions and taxes} \\ \text{– taxes +/- tax effect of extraordinary items}}{\text{Shareholders' equity + minority interest (average)}} \times 100$ | |
| Return on investment %, (ROI) | = | $\frac{\text{Profit before extraordinary items, provisions and taxes} \\ \text{+ interest and other financing expenses}}{\text{Balance sheet total - non-interest bearing debt (average)}} \times 100$ | |
| Shareholders' equity per share | = | $\frac{\text{Shareholders' equity}}{\text{Share-issue-adjusted number of shares on closing day}}$ | |
| Solvency ratio, % | = | $\frac{\text{Shareholders' equity + minority interest}}{\text{Balance sheet total - advances received}}$ | |

Auditors' Report

To the shareholders of Aldata Solution Oyj

We have audited the accounting, the financial statements, the consolidated financial statements and the administration of Aldata Solution Oyj for the accounting period 1.1. - 31.12.2004. The financial statements, which include the report of the Board of Directors, the income statements and the balance sheets and notes to the financial statements of the consolidated closing and of the closing of the parent company, 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 the administration.

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. Our audit included 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 the administration 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 for the financial period showing a loss for the group of 4.776.303,86 euro, have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements in Finland. 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 can be adopted and the members of the Board of Directors and the Managing Director can be discharged from liability for the period examined by us. The proposal by the Board of Directors regarding the handling of the result is in compliance with the Companies Act.

Helsinki, March 8, 2005

ERNST & YOUNG OY
Authorized Public Accountant Firm

Tomi Englund
Authorized Public Accountant

Proposal by the Board of Directors

The parent company's net profit for the financial year is 5.543.214,79 EUR and the retained earnings 7.232.518,94. The Group's distributable funds are 2.613.827,80 EUR.

Aldata Solution Oyj's Board of Directors will propose to the Annual General Meeting on 14 April 2005 that no dividend be distributed on the financial year 2004 and the result for the year be carried forward to the retained earnings account.

Paris, March 8, 2005
Aldata Solution Oyj

Board of Directors

Pekka Vennamo
Chairman

Werner Brockhagen

Werner Koepf

Matti Hietala
President and CEO

Corporate Governance

Aldata Solution Oyj is a Finnish public listed company and its corporate governance and the information it publishes concerning this are based on Finnish company, accounting and securities market legislation and the regulations of the Helsinki Exchanges. In accordance with this description of Corporate Governance, Aldata is applying the Corporate Governance recommendations for public listed companies approved by OMX Exchanges Oy, the Central Chamber of Commerce of Finland and the Confederation of Finnish Industry and Employers as from 1 July 2004.

Administrative Bodies

The administrative bodies exercising the highest authority at Aldata Solution Oyj and in the Group it comprises, are the General Meeting of Shareholders, the Board of Directors, the President and CEO and the Executive Vice President. The main tasks and responsibilities of these bodies are defined in accordance with the Finnish Companies Act.

General Meeting of Shareholders

According to the Articles of Association of Aldata Solution Oyj, the General Meeting of Shareholders is the company's supreme decision-making body. The General Meeting of Shareholders of Aldata Solution Oyj convenes at least once a year. The Annual General Meeting of Shareholders (AGM) is to be held on a date to be decided by the Board of Directors but no later than at the end of June. At the AGM, the shareholders of Aldata Solution Oyj resolve on the issues defined for annual general meetings in the Finnish Companies Act and the Articles of Association. These include approving the financial statements, deciding on the distribution of dividend, discharging the company's Board of Directors and President and CEO from liability for the financial year, and appointing the members of the Board and the auditors and deciding on their remuneration.

Under the Articles of Association, notice of a General Meeting must be published in at least two daily newspapers chosen by the Board of Directors and commonly distributed in Finland no earlier than two months and no later than 17 days prior to the meeting. Aldata also posts its notices of General Meetings on its Internet website.

Board of Directors

Tasks and responsibilities

The tasks and responsibilities of the Board of Directors are primarily defined in accordance with the Finnish Companies Act and the Articles of Association of Aldata Solution Oyj. The Board guides and supervises the company's operational management.

The Board of Directors is responsible for the administration of the Group and for the proper organization of its operations. The Board supervises the company's operations, decides on policies, goals and strategies of major importance, confirms the annual budget and action plan, and approves the annual and interim financial statements, the corporate structure, and major corporate restructuring and capital expenditure. The Board approves and confirms the principles for risk management,

appoints and dismisses the President and CEO and decides on the terms of employment for the President and CEO. The Board decides also the appointments and remuneration and remuneration schemes of the senior management.

The principles applied by the Board in its regular work are set out in the Rules of Procedure approved by the Board. The Board annually evaluates its operations and working procedures by self-assessment.

The Board meets regularly at least 10 times a year and otherwise as necessary. Board meetings can also be held as telephone conferences if necessary. The Board met 17 times during 2004 and the average participation percentage of the members was 97.

Board meetings are convened by the secretary at the request of the chairman. The language used at Board meetings is English. The minutes of the meetings are drawn up in Finnish and English. The Board makes decisions on the basis of written proposals made by company management.

Board members

In accordance with the Articles of Association, the Annual General Meeting elects a minimum of three (3) and maximum of seven (7) members to the Board of Directors of Aldata Solution Oyj. The term of office for Board members is one year and it ends at the close of the subsequent Annual General Meeting after they have been elected.

Shareholders are informed of nominations for Board members either with the notice of AGM or in a separate release prior to the AGM.

The Board chooses among its members a chairman for a one year period.

The Annual General Meeting of Aldata Solution Oyj on 15 April 2004 decided that the Board would have four members.

The number of the Board members is considered adequate, with regard to the size of the company and its business operations. All the members of the Board are also independent of the company and of the most significant shareholders of the company. Werner Brockhagen, Werner Koepf, Jouko Tuunainen and Pekka Vennamo (chairman) were appointed to the Board. Jouko Tuunainen resigned from the board on December 11th, 2004, and after that the board has had three members.

Board committees

The Board of Directors of Aldata Solution Oyj currently has three members. They work effectively together and there is no need for separate committees. The situation will be reviewed in the future if the Board grows in size.

Management of Aldata

President and CEO

The Board of Directors of Aldata Solution Oyj appoints a President and CEO for the company. The Board decides on the terms of employment for the President and CEO and these are defined in a written contract of employment. The President and CEO is responsible for implementing in Aldata Group the

targets, plans, policies and goals set by the Board. The President and CEO prepares matters for consideration by the Board and carries out the decisions of the Board.

The President and CEO of Aldata Solution Oyj is Matti Hietala, MSc (Eng.).

Executive Vice President

The Group's Executive Vice President is René Homeyer.

Corporate Management Team and Management Council

The task of the Corporate Management Team ("CMT") is to support the President and CEO in his work. The CMT monitors the development of the business operations and implements the company strategy, initiates measures, and strengthens the company's operating principles and procedures in accordance with the guidelines given by the Board of Directors. In addition, the CMT supports the company's subsidiaries mainly in sales, legal and finance. The CMT meets regularly and at least 12 times a year.

Members of the CMT are

Matti Hietala, born 1949, M.Sc. (Eng.)

President and CEO,

René Homeyer, born 1946, M.Sc. (Eng.)

Executive Vice President and COO

Dominique Chambas, born 1958, Engineer

Senior Vice President, International Sales (SCM)

Thomas Hoyer, born 1974, M.Sc. (Econ.)

CFO

Markus Kivimäki, born 1973, Master of Laws

Vice President, Corporate Legal Affairs, Secretary of the Board of Directors.

The Management Council ("MC") meets at least four times a year. In addition to the members of the CMT the MC includes:

Manfred Alt, born 1949, Dr. Eng.

General Manager, Germany

Patrick Buellet, born 1963, M.Sc. (Eng.)

Vice President, R&D

Albert Cherbit, born 1960, M.Sc. (Eng.)

Vice President, Presales & Consulting

Mark Croxton, born 1957, B.Sc. (Zoology)

General Manager, UK and Ireland

Ivan Guzelj, born 1961, B.Sc. (Econ.)

General Manager, Slovenia

Henrik Lindström, born 1962, M.Sc. (Math)

General Manager, Sweden

Thierry Seguin, born 1962, Graduate of Business and IT College

Vice President, Professional Services

Neil Thall, born 1946, B.Sc. (Eng.), MBA

General Manager, USA and Canada.

Jorma Tukia, born 1950, M.Sc (Math.)

General Manager, Finland

Remuneration

Aldata Solution Oyj's remuneration schemes are based on motivating senior management and personnel to achieve the business targets. In addition to the monthly salary, the remuneration schemes include target related bonuses, shareholding schemes and stock option schemes.

Fees of the members of the Board of Directors

The Annual General Meeting decides on the fees paid to the Board of Directors. The fees are reported for each year and for each Board member on Aldata's Internet site under Board of Directors and in the company's Annual Report.

The 2004 AGM decided that the Chairman of the Board is paid a fee of EUR 4000.00 a month and other Board members EUR 3000.00 a month.

Remuneration of President and CEO and other corporate management

The Board of Directors determines the remuneration of the President and CEO and other senior management.

In addition to the monthly salary, the remuneration system for the President includes a target bonus with terms determined by the Board of Directors.

In 2004 the remuneration of President and CEO, including benefits in kind and target bonus, totalled EUR 366.352. As part of the shareholding scheme the President and CEO has to use 140.000 EUR to purchase Aldata shares during years 2004 and 2005. The President and CEO has purchased the required amount of shares already by the end of 2004. The President and CEO is not entitled to sell the aforementioned shares before October 1st, 2007.

The President and CEO is entitled to take retirement on reaching the age of 60. Compensation paid to the President and CEO if he is dismissed by the company corresponds to 12 months' salary, however, if he is dismissed before 1 October 2006, the compensation paid corresponds to the accumulated salary up until 1 October 2007.

The remuneration of the Executive Vice President and other senior management of the Group includes monetary salary, target related bonus schemes and stock-option schemes.

Internal audit and risk management

The Board of Directors of Aldata Solution Oyj is responsible for arranging internal auditing. The parent company's Board of Directors has ultimate responsibility for the company's vision, strategic goals and the operational goals that are based on these, as well as for supervising the accounting and financial administration and for the appropriate arranging of operations. The Board approves common guidelines for the internal supervision of the entire Group. The Board assesses at least once a year the state of the Group's internal auditing.

Aldata Solution Oyj applies operating principles for internal supervision confirmed by the company's Board of Directors. The task of internal supervision is to ensure that the company's operations are efficient and productive, the financial information produced is reliable, and its operations conform to legislation and the operating principles.

The auditors are responsible for the external audit and the company's senior management is responsible for the internal audit. The internal audit and how it is put into practice is described below.

Risk management is an integral part of the Group's internal supervision. Through risk management the company aims to ensure that the key risks to which business operations are exposed are identified and monitored. The risk management system is based on monthly reporting and on the President and CEO's review presented at Board meetings, when a summary of developments in business operations and related risks is also given. In Aldata's risk management process, the company's risks are divided into financing and business risks.

Some of the main factors when monitoring financial risks are liquidity, credit and currency risks. These risks are monitored by the company's finance department in cooperation with the senior management and Board of Directors.

The most significant business risks are: Project deliveries and their schedules, operational costs, services and products supplied by third parties, the competitive situation, order book and key personnel. The business risks are monitored within the company by the President and CEO, the Executive Vice President and COO, and the area vice presidents, who are each responsible for their own area and report to the President and CEO.

The internal audit

The task of the internal audit is to ensure the efficiency of the different operations of Aldata Group and the validity of financial and operational reporting, and to make sure that operations comply with legal requirements. In addition, the task of the internal audit is to ensure that the Group's financial position is secured. The internal audit monitors all Aldata Group business units and functions. The internal audit focuses primarily on functions that have a key impact on the reliability of operations.

The internal audit examines and assesses internal monitoring systems and that risk management functions comply with legal requirements and are appropriate. It examines and assesses the effective and economical use of resources and the reliability of the information used in managing the company and in decision making. In addition, the internal audit aims through its activities to promote the development of risk management in the company's different operations.

Internal audit services are purchased from Tuokko Tilintarkastus Oy (PKF International), Authorized Public Accountants, an external, independent service provider chosen by the Board of Directors of Aldata Solution Oyj.

Company's insiders

The company applies the Guidelines for Insiders published by the Helsinki Exchanges and the company's own guidelines for insiders. The company also maintains insider registers for individual projects. The company's statutory insiders comprise the Board of Directors, the President and CEO, the Executive Vice President and COO and the auditor. The company's designated insiders comprise the members of the Corporate Management Team.

The external audit

The task of the statutory audit is to verify that the financial statements give a true and fair view of the Group's result and financial position in the financial period. In addition to this, the auditors report to the Board of Directors on the continuous audit of administration and operations.

The Annual General Meeting on 15 April 2004 appointed Ernst & Young Oy to continue as the company's auditors. Fees totalling EUR 234.100 were paid to the auditors during 2004, and EUR 144.614 of this was for auditing activities. A total of EUR 89.486 was paid for consulting and other services not related to auditing.

Communication

Aldata Solution Oyj is a Finnish public listed company and its corporate governance and the information it publishes concerning this are based on Finnish company, accounting and securities market legislation and on the regulations of the Helsinki Exchanges.

The objective of Aldata Group's investor communications is to provide true, sufficient and up-to-date information impartially to all market parties to enable them to determine the value of the company's share.

Every year Aldata Group publishes the annual financial statements, the annual report and three interim reports. The company publishes stock exchange and press releases to inform investors whenever the situation so requires. These releases and other material used in investor presentations are also published on the company's website at www.aldata-solution.com.



Board of Directors

Chairman

1. Mr. Pekka Vennamo

Born 1944, Student in Technology. CEO of Sijoitus Oy, Chairman of the Board at Soprano Oyj, Plusdial Oy and Sijoitus Oy as well as a vice-chairman of the Board of Saunalahti Group Oyj and a member of the board at Teleste Oyj and Videra Oy. Member of the Aldata Board since 2002. Owns 40 000 Aldata shares (31.12.2004). Permanent insider.

Members

2. Mr. Werner Brockhagen

Born 1942, M.Sc. (Eng.). Mr. Brockhagen is currently a part owner and Managing Director of Con.Fortis Management GmbH and Chairman of Beechpoint Holding Inc. He is also a member of the board in Hyperwave AG and Interexa AG. Member of the Aldata Board since 2002. Owns 9 000 Aldata shares (31.12.2004). Permanent insider.

3. Mr. Werner Koepf

Born 1942, B.Sc. (Hons), Electrical Engineering, MBA. Mr. Koepf is a member/chairman of the following Board of Directors: Marconi Corporation plc, UK (Director), Marconi Communications GmbH, Germany (Chairman of the Supervisory Board), Marconi Communications Holding GmbH, Germany (Chairman of the Supervisory Board), Gemplus International S. A., Luxembourg (Director of the Board), PXP Software AG, Austria, (Chairman of the Board), Techno Venture Management GmbH, Germany, (Advisor). Member of the Aldata Board since 2004. Owns no Aldata shares (31.12.2004). Permanent insider.

Corporate Management Team

4. Mr. Matti Hietala

Born 1949, M.Sc. (Eng.). President and CEO of Aldata Group and Chairman of the Executive Management Team. Has worked for Aldata since 2003. Member of the Corporate Management Team or its predecessor since 2003. Owns 241 060 Aldata shares (31.12.2004). Owns 125 000 A-options and 125 000 B-options of the year 2003 option scheme (31.12.2004). Permanent insider.

5. Mr. Dominique Chambas

Born 1958, Engineer. Senior Vice President, International Sales. Has worked for Aldata since 2000. Member of the Corporate Management Team or its predecessor since 2003. Owns 17.000 Aldata shares (31.12.2004). Owns 8.000 A-options and 8.000 B-options of the year 2001/2 option scheme and 60 000 A-options and 60 000 B-options of the year 2003 option scheme (31.12.2004). Permanent insider.

6. Mr. René Homeyer

Born 1946, M.Sc. (Eng.). Executive Vice President, COO. Has worked for Aldata since 2000. Member of the Corporate Management Team or its predecessor since 2000. Owns 170 424 Aldata shares and 50.000 B-options of year 2001/2 option scheme and 120 000 A-options and 120 000 B-options of the year 2003 option scheme (31.12.2004). Permanent insider.



10. Mr. Markus Kivimäki

Born 1973, Master of Laws. Vice President, Corporate Legal Affairs and Secretary of the Board of Directors. Has worked for Aldata since 2003. Member of the Corporate Management Team or its predecessor since December 2003. Owns 71 200 Aldata shares (31.12.2004). Owns 50 000 A-options and 50 000 B-options of the year 2003 option scheme (31.12.2004). Permanent insider.

11. Mr. Thomas Hoyer

Born 1974, M.Sc. (Econ.). CFO. Has worked for Aldata since 2004. Member of the Corporate Management Team or its predecessor since 2004. Owns 210 000 Aldata shares (31.12.2004). Owns 60 000 A-options and 60 000 B-options of the year 2003 option scheme (31.12.2004). Permanent insider.

Management Council

7. Mr. Thierry Seguin

Born 1962, Graduate of Business and IT College. Vice President, Professional Services. Has worked for Aldata since 2000. Member of the Management Council from February 10, 2005.

8. Mr. Albert Cherbit

Born 1960, M.Sc. (Eng.). Vice President, Presales and Consulting. Has worked for Aldata since 2000. Member of the Management Council since February 10, 2005.

9. Mr. Patrick Buellet

Born 1963, M.Sc. (Eng.), Vice President, R&D, has worked for Aldata since 2000. Member of the Management Council since February 10, 2005.



12. Mr. Ivan Guzelj

Born 1961, B.Sc. (Econ.), General Manager, Slovenia. Has worked for Aldata since 2002. Member of the Management Council or its predecessor since 2004.

13. Mr. Manfred Alt

Born 1949, Dr Eng. General Manager, Germany. Has worked for Aldata since 2000. Member of the Management Council or its predecessor since 2002.

14. Mr. Jorma Tukia

Born 1950, M.Sc. (Math), General Manager, Finland. Has worked for Aldata since 2004. Member of the Management Council or its predecessor since 2004.

15. Mr. Henrik Lindström

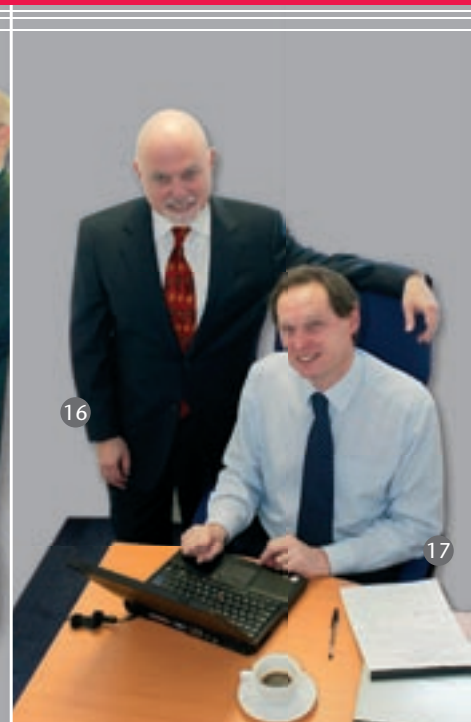
Born 1962, M.Sc. (Math). General Manager, Sweden. Has worked for Aldata since 2002. Member of the Management Council or its predecessor since 2004.

16. Mr. Neil Thall

Born 1946, B.Sc. (Eng.), MBA. General Manager, US and Canada. Has worked for Aldata since 2004. Member of the Management Council or its predecessor since 2004.

17. Mr. Mark Croxton

Born 1957, B.Sc. (Zoology). General Manager, UK and Ireland. Has worked for Aldata since 2004. Member of the Management Council or its predecessor since 2004.



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Aldata Annual Report

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