



FINANCIAL STATEMENTS
2004

TABLE OF CONTENTS

Board of Directors' Report	3
Income Statement	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Financial Statements.....	13
Notes to the Income Statement and Balance Sheet	15
Breakdown of Share Capital	24
Largest Shareholders.....	25
Financial Ratios	26
Calculation of Financial Ratios.....	29

FINANCIAL STATEMENTS

BOARD OF DIRECTORS' REPORT

Sales development and changes in the Finnish brewing industry

Aggregate domestic sales of the member companies of the Finnish Federation of the Brewing and Soft Drinks Industry amounted to 820.9 million litres in 2004. Aggregate sales within Finland decreased by 14.1 million litres or 1.7 percent. The sales of domestic beer recovered from the previous year's downswing and increased by 3.5 percent to 417.9 million litres, but sales fell in all other categories. Considering heavy price promotions, growth in beer sales remained quite moderate. The members of the Federation of the Brewing and Soft Drinks Industry account for about 96% of beer sales covered by Finnish statistics.

The operating environment saw some of the greatest changes in history, including the deregulation of private imports in January and a beer tax cut in March, and these substantially changed the role of beer within the retail product range.

Beer quickly became a product used to attract customers to retail stores and therefore an object of active sales promotion. The product group had a substantial effect on the retail chains' competition for market shares. The share of 6-packs and 12-packs increased to almost 80 percent of total beer sales, which also increased the production costs. Towards the end of the year, the industry started to prepare its response to the changes in demand created by the halving of the environmental tax on beverage cans effective as of 1 January 2005.

As a result of heavy campaigning in retail shops, the rise in beer sales was limited to sales of medium-strength beer through grocery shops. Beer sold through promotions accounted for clearly over 50 percent of total sales. Beer sales through grocery shops rose by 9 percent last year. Sales of domestic beer through Alko outlets fell by 14 percent on the previous year and restaurant sales by 8 percent.

Cider sales totalled 41.9 million litres, which was 3.6 million litres less than the year before. Long drink sales totalled 23.4 million litres, or 0.7 million litres less than in 2003.

Sales of fermented long drinks declined in particular, while sales of stronger long drinks rose by 13.5 percent compared to the year before.

Sales of soft drinks in Finland totalled 274.9 million litres in 2004. This represented a decrease of 7.4 percent. Sugar-free soft drinks accounted for about 28 percent of the total. Sales of mineral waters fell by 3.1 percent to 62.7 million litres. The overall decrease in the soft drink and mineral water markets was particularly attributable to exceptionally rainy summer weather, as the consumption of these products reaches its peak in summer.

Private imports of beer increased substantially once restrictions were lifted in January 2004. According to surveys conducted by TNS Gallup, private imports increased by 37%. Private imports of beer totalled 37.8 million litres, followed by 4.4 million litres of ciders and 3.2 million litres of long drinks.

DOMESTIC SALES 2004

Beverage	2004 million litres	2003 million litres	Change million litres	Change %
Beer	417.9	403.7	14.2	3.5
Cider	41.9	45.5	-3.6	-7.9
Long drinks	23.4	24.1	-0.7	-2.9
Soft drinks	274.9	296.8	-21.9	-7.4
Mineral waters	62.7	64.7	-2.0	-3.1
Sales total	820.9	834.9	-14.1	-1.7

The statistics do not include sales by actors outside the Federation of the Brewing and Soft Drinks Industry, nor private imports of brewery products, which are not statistically recorded.

Changes in Olvi plc's corporate structure

The Olvi Group includes the Iisalmi-based parent company Olvi plc as well as the Estonian subgroup AS A. Le Coq Group, whose parent company is the Tartu-based AS A. Le Coq Group. Olvi plc holds 100 percent of the shares in AS A. Le Coq Group.

AS A. Le Coq Group is a holding company which holds the entire stock of the Estonian brewing and soft drink companies AS A. Le Coq Tartu Õlletehas, AS Saare Õlu and AS Õsel Foods. AS Saare Õlu did not engage in any production operations in 2004.

AS A. Le Coq Group has a majority holding in the Latvian company A/S Cēsu Alus, based in Cēsis, with 96.1 percent of the shares and 98.0 percent of the votes.

AS A. Le Coq Group owns 83.1 percent of the Lithuanian company AB Ragutis.

The Estonian companies Oü Finelin and AS Õsel Foods, both fully-owned subsidiaries of AS A. Le Coq Group, were merged in December 2004. Oü Finelin was merged into AS Õsel Foods, which engages in production operations. AS Õsel Foods is based in Ülenurme, Tartumaa, and manufactures juices, mineral waters and vitaminised soft drinks.

The business names of the Estonian subsidiaries were changed as follows: AS Tartu Õlletehas changed its name to AS A. Le Coq Tartu Õlletehas. A. Le Coq changed its name to AS A. Le Coq Group.

The Olvi Group also includes three domestic subsidiaries Oluttehdas Oiva Oy, Olvin Juomaa Oy and Iisalmen Oluttehdas Osakeyhtiö Oy, all owned by the parent company Olvi plc on a 100-percent basis. These subsidiaries did not engage in any business activities in 2004.

The parent company Olvi plc increased its market share in beers and mineral waters in 2004

Olvi plc's total sales amounted to 97.5 (97.0) million litres, which was almost at par with the previous year. Finnish sales accounted for 87.8 (85.5) million litres of the total, followed by 9.7 (11.6) million litres of tax-free and export sales. Olvi is the third largest company in the Finnish brewing industry. Olvi's sales are focused on the retail trade sector, which is the most important distribution channel for beers, mineral waters and ciders. Growth in total sales was held back by poor weather in the summer season in comparison with the previous year. The growth of volume outperformed the market

in beers and mineral waters, which are the primary product groups. Domestic beer sales increased by 7.2 million litres to 58.8 (51.5) million litres. Domestic sales of mineral waters increased by 1.8 million litres to 19.1 (17.2) million litres. Domestic cider sales declined by 0.6 million litres to 4.4 (5.0) million litres. Sales of long drinks increased by 28.6 percent to 0.7 (0.5) million litres.

Olvi plc's soft drink sales amounted to 4.9 million litres, compared to 11.2 million litres the year before. This represented a decrease of 56.5 percent. Olvi plc abandoned 1.0-litre packages at the end of 2004 and started to use 1.5-litre and 0.5-litre packages. At the same time, preparations were made to launch a new soft drink concept in 2005.

AS A. Le Coq Tartu Õlletehas increased its sales to 100.6 million litres

The Estonian AS A. Le Coq Tartu Õlletehas increased its total sales by 65.0 percent from 61.0 million litres to 100.6 million litres in 2004. 27.4 million litres of the increase is attributable to the sales of AS Õsel Foods products. The company was acquired by Olvi Group in November 2003. AS A. Le Coq Tartu Õlletehas's beer sales grew by 14.6 percent, from 34.2 million litres to 39.2 million litres. During the summer season, the beer production capacity was fully utilised.

The sales of other AS A. Le Coq Tartu Õlletehas products developed favourably in 2004 as well. Sales of mineral waters increased by 4.7 million litres to 9.4 (4.7) million litres. Sales of soft drinks increased by 9.0 million litres to 19.1 (10.0) million litres.

Sales of AS A. Le Coq Tartu Õlletehas's Fizz ciders increased by 0.7 million litres to 2.4 (1.6) million litres. Sales of long drinks increased by 1.4 million litres to 5.2 (3.8) million litres.

AS A. Le Coq Tartu Õlletehas's exports increased by 10.0 million litres to 17.6 (6.6) million litres. Exports have mostly been intra-Group, with the main directions towards Latvia, Lithuania and Sweden, and to a lesser extent Finland.

A/S Cēsu Alus's sales totalled 29.5 million litres

The sales of the Latvian A/S Cēsu Alus company totalled 29.5 (18.7) million litres in 2004. This represents a 57.8 percent increase on the previous year. A/S Cēsu Alus is now the second largest brewery in Latvia. During the summer months, the brewery's beer production capacity was fully utilised. A/S Cēsu Alus also produces and sells soft drinks, ciders and long drink products, which accounted for 13.7% (14.0%) of the company's total sales in 2004.

AB Ragutis's sales totalled 29.8 million litres

The sales of the Lithuanian AB Ragutis company totalled 29.8 (24.7) million litres in 2004. This represents a 20.5 percent increase on the previous year. During the summer months, the brewery's beer production capacity was fully utilised. Ciders and long drinks made up 10.6 (6.4) percent of the company's total sales in 2004. AB Ragutis is the third largest company in the Lithuanian brewing industry.

The Group's net sales increased to 128.9 million euro

The Olvi Group's net sales for 2004 totalled 128.9 million euro. This was 14.3 million euro, or 12.5 percent, more than a year earlier. The parent company Olvi plc's net sales were down 1.4 percent at 69.3 (70.3) million euro. The parent company's sales to its subsidiaries amounted to 2.6 (2.3) million euro. The aggregate net sales of the subsidiaries in the Baltic states amounted to 62.2 million euro in 2004. This represents an increase of 15.7 million euro or 33.7 percent.

AS A. Le Coq Tartu Õlletehas's net sales amounted to 42.9 million euro, representing an increase of 16.2 million euro or 60.8 percent. 11.1 million euro of the increase is attributable to the sales of AS Õsel Foods products. The company was acquired by Olvi Group in November 2003. A/S Cēsu Alus's net sales totalled 11.3 million euro, which was 3.9 mil-

lion euro, or 53.1 percent, more than in 2003. At 12.5 million euro, AB Ragutis's net sales in 2004 were 0.7 million euro, or 5.8 percent, higher than in 2003.

Net sales by Group company (million euro)

	2004	2003
Parent company Olvi plc	69.3	70.3
Subsidiaries:		
AS A. Le Coq Tartu Õlletehas	42.9	26.6
A/S Cēsu Alus	11.3	7.4
AB Ragutis	12.5	11.8
AS Õsel Foods	8.8	1.9
Eliminations	-15.9	-3.4
Olvi Group total	128.9	14.6

The net sales generated by the exports of the Olvi Group totalled 3.2 (4.8) million euro in 2004. Exports of the parent company Olvi plc accounted for 93.0 percent of the total. Exports accounted for 2.5 percent of consolidated net sales.

Consolidated operating profit almost at par with the previous year

The Olvi Group's operating profit for 2004 stood at 7.9 million euro, or 6.1 percent of net sales. Compared to the previous year, the operating profit was down 0.1 million euro, or 1.1 percent.

Breakdown of operating profit (million euro)

	2004	2003
Parent company Olvi plc	3.3	5.2
Subsidiaries in Baltic states	6.3	3.9
Total eliminations	-1.6	-1.1
Olvi Group total	7.9	8.0
Operating profit as a percentage of net sales	6.1	7.0

The operating profit of the parent company Olvi plc amounted to 3.3 million euro, which was 1.9 million euro less than in the previous year. The profit represented 4.7 percent of net sales, compared to 7.5 percent of net sales a year earlier. The parent company's result for 2004 includes 1.7 million euro of expenses on the scrapping of beverage packages. The corresponding figure booked for 2003 was 2.0 million euro.

The aggregate operating profit of the subsidiaries operating in the Baltic states, adjusted by eliminations, increased by 1.9 million euro compared to the year 2003, amounting to 4.6 million euro. AS A. Le Coq Tartu Õlletehas posted a good result in 2004. A/S Cēsu Alus and AB Ragutis improved their operating profits by 1.4 million euro but remained slightly in the red.

The parent company's depreciation was booked in full for the maximum and additional amounts as permitted under business tax legislation. Depreciation according to plan was 1.3 million euro higher than the depreciation applied in taxation.

Planned depreciation in the Olvi Group increased by 0.2 million euro to 11.7 million euro in 2004.

The Olvi Group's direct taxes amounted to 1.5 million euro.

The parent company Olvi plc's net profit for fiscal 2004 was 4.9 million euro or 7.1 (9.3) percent of net sales.

The Olvi Group's net profit for the fiscal year was 2.9 million euro, or 2.3 percent of net sales. The fourth quarter's earnings were burdened by foreign exchange losses in our Group company A/S Cēsu Alus in Latvia, owing to the weakened exchange rate of the dollar and the linking of the Latvian lat to the euro.

The net profit was 1.2 million euro less than a year earlier. The Olvi Group's earnings per share decreased from 0.86 euro to 0.59 euro compared to the previous year.

Gross capital expenditure 18.4 million euro

The Olvi Group's gross capital expenditure amounted to 18.4 million euro and disposals of fixed assets to 0.9 million euro. The gross capital expenditure includes 5.7 million euro on the acquisition of A/S Cēsu Alus shares by AS A. Le Coq Group in June 2004, representing a 5.2 percent holding in A/S Cēsu Alus. As a result AS A. Le Coq Group's ownership in the company rose to 96.1 percent.

The parent company Olvi plc's gross capital expenditure amounted to 4.7 million euro and disposals of fixed assets to 0.03 million euro. The investments constituted normal repair and maintenance investments.

AS A. Le Coq Tartu Õlletehas's gross capital expenditure in 2004 amounted to 3.8 million euro.

A/S Cēsu Alus's gross capital expenditure in 2004 amounted to 3.0 million euro.

AB Ragutis's gross capital expenditure in 2004 amounted to 0.8 million euro.

Breakdown of investments per asset type (million euro)

	Olvi Group		Parent company Olvi plc	
	2004	2003	2004	2003
Land properties	0.0	0.1	0.0	0.1
Buildings	0.8	2.0	0.4	0.2
Machinery and equipment	6.1	3.6	2.4	1.4
Other long-term expenses	1.2	1.7	0.4	1.1
Stocks and shares	5.7	6.1	0.0	0.0
Unfinished purchases	4.5	-0.1	1.6	0.1
Total	18.4	13.4	4.7	2.8
Disposals of fixed assets	0.9	1.1	0.0	0.0
Total net investments	17.4	12.3	4.7	2.8

Financing

The Olvi Group's free cash flow totalled 13.8 million euro in 2004. This was 10.7 percent of net sales. The amount of free cash flow was 0.9 million euro lower than a year earlier. The Group's interest-bearing debt increased by 1.6 million euro. Olvi Group's net financial expenses amounted to 3.7 (2.1) million euro in 2004, including 2.3 (0.4) million euro of exchange rate losses.

The Group's financial position remained good. The equity to total assets ratio stood at 45.3% (47.0%) at the end of 2004.

Personnel

The number of personnel employed by the Group was 1,032, or 38 more than a year earlier. The parent company Olvi plc employed 334 people on average in 2004, representing a decrease of 7 people on the previous year. AS A. Le Coq Tartu Õlletehas's personnel increased by 32 employees to 288 during 2004.

A/S Cēsu Alus's average number of personnel during 2004 was 164, or 39 more than a year earlier. AB Ragutis's average number of personnel during 2004 was 180, almost unchanged on the previous year. AS Õsel Foods's average number of personnel during 2004 was 66, or 25 less than a year earlier.

Olvi Group's average number of personnel:

	2004	2003
Olvi plc		
- full-time	270	275
- part-time	64	66
Olvi plc total	334	341
AS A. Le Coq Tartu Õlletehas	288	256
A/S Cēsu Alus	164	125
AB Ragutis	180	181
AS Õsel Foods	66	91
Olvi Group total	1,032	994

Own shares

Olvi plc did not hold any of its own shares, and the company's Board of Directors has not exercised its authorisation to sell the company's shares.

Shares and shareholders

A total of 77,600 Olvi plc A shares have been subscribed in 2004 using the warrants associated with the 1999 bond with warrants. Share capital increases of 37,800 euro were pending registration on the balance sheet date.

Olvi plc's registered share capital was 9,990,404.00 euro on 31 December 2004. The share capital was divided into 933,064 K shares and 4,062,138 A shares. The share's nominal value is 2 euro. The share capital registered in the Trade Register stood at 10,028,204 euro as of 19 January 2005.

The Olvi plc A share is quoted on the Main List maintained by the Helsinki Exchanges. A total of 1,767,881 Olvi plc shares changed hands from January to December 2004, totalling 22.6 million euro in trading volume. The traded shares represented 43.3 percent of the total number of A shares. The average share price was 12.81 euro, with a low of 11.56 euro quoted in August 2004 and a high of 14.18 euro quoted in April 2004. The last trading price of the year 2004 was 13.17 euro.

Quoting of the share warrants issued by Olvi plc in 1999 to the company's personnel and to the members of the parent company's Board of Directors began on 10 May 2001 on the Main List maintained by the Helsinki Exchanges. The issue comprises a total of 500,000 warrants, and the 250,000 A warrants entitle the holders to subscribe for Olvi plc A shares between 1 April 2001 and 30 April 2005 under the terms and conditions of the issue. The subscription period for the 250,000 B warrants started on 1 April 2003 and will end on 30 April 2005.

The Annual General Meeting on 4 April 2002 decided on a new employee stock option scheme. The subscription period for the stock options 2002A starts on 1 April 2005, and for the stock options 2002B on 1 April 2007. The subscription period for both stock options ends on 30 April 2008. A maximum of 200,000 A shares in Olvi plc can be subscribed for using the stock options. The exercise price of the stock options is the average quote weighted by trade volume of the Olvi plc A share on the Helsinki Stock Exchange from 1 July to 31 December 2002. The exercise price of the stock options will be reduced by the amount of any dividends distributed after the price-setting period has started and before the shares are subscribed. The exercise price of the stock options must be equal to or greater than the nominal value of the share.

Olvi plc's Board of Directors has decided to allocate all the stock options issued by the Annual General Meeting on 4 April 2002 to Olvin Juomaa Oy, a wholly owned subsidiary of Olvi plc. Olvi plc's Board of Directors will decide on the eventual distribution of the stock options allocated to Olvin Juomaa Oy to current or future key personnel of the Olvi Group.

A total of 93,365 warrants changed hands from January to December 2004, totalling 0.99 million euro in trading volume. The average price of the warrants was 10.58 euro, with a low of 8.00 euro quoted in August and a high of 13.40 euro quoted in November and December. The year's last trading price was 13.00 euro.

According to the Finnish Central Securities Depository Ltd, the company had 4,515 shareholders on 25 January 2005. Non-Finnish shareholding accounted for 3.5 percent of the shares and 2.6 percent of the votes.

Research and development

Olvi's research and development efforts range from product design and development within the framework of ordinary quality control to extensive product development projects. The R&D costs are treated as annual expenses.

Environmental protection principles

The parent company's environmental policy comprises the environmental policy of the Finnish brewing and soft drinks industry and the company's values, which include responsibility for the environment. Olvi plc's operations are in compliance with the environmental permit granted by the North Savo Regional Environment Centre on 30 September 2003, which is valid until 2014.

The Baltic subsidiaries of the Olvi Group observe the applicable environmental legislation in each jurisdiction.

Introduction of International Financial Reporting Standards (IFRS)

Olvi plc will start to use International Financial Reporting Standards (IFRS) as the basis of its reporting as of 1 January 2005. Before the introduction of IFRS standards, Olvi's financial statements were based on Finnish Accounting Standards (FAS).

The table below summarises the effects of the IFRS transition on the Group's retained earnings.

Figures in million euro	31 December 2003
Shareholders' equity under FAS	59.8
IAS 19 Employee benefits (pensions)	-0.6
IAS 2 Inventories	-0.8
IAS 21 The effects of changes in foreign exchange rates	-1.7
IAS 12 Income taxes	0.1
Other IFRS changes	-0.2
Total IFRS adjustments	-3.3
Shareholders' equity under IFRS	56.5

Employee benefits (pensions)

The majority of Olvi Group's pension schemes are categorised as defined contribution plans. The disability pension part of the Finnish TEL scheme is a special exception. During the transition project it was generally interpreted as a defined benefit plan and is treated as such on the balance sheet for the transition date 1 January 2004. The Ministry of Social Affairs and Health approved certain changes in the calculation criteria for TEL disability pension liabilities in December 2004. The changes will enter into force on 1 January 2006, after which the TEL disability pension part will be treated as a defined contribution plan in IFRS financial statements. As a consequence of this, most of the liability recorded as reducing shareholders' equity on the transition date's balance sheet is recognised as income in 2004.

Inventories

Changes in inventories are first of all due to the fact that contrary to previous practice, the value of inventories includes a proportion of the fixed overheads of manufacturing. Furthermore, valuation principles have been unified within the Group, resulting in the valuation of certain inventories in foreign subsidiaries at a net realisable value lower than acquisition cost.

Goodwill

Business combinations have been treated on the basis of original valuations and allocations

as allowed by IFRS 1. According to IFRS 3, consolidation goodwill shall not be regularly amortised but subjected to annual impairment testing under IAS 36.

Effects of exchange rate changes

Exchange rate differences on intra-Group long-term loans have been accrued over the loan period in accordance with the practice allowed by Finnish Accounting Standards. According to IAS 21, these items must be recognised as affecting earnings in the period during which they originate, with the exception of items considered as net investment in a foreign unit. All previously accrued exchange rate differences have been recognised as expenses during 2004 in the FAS financial statements as well.

Income taxes

Changes in accounting principles upon the transition to IFRS standards resulted in an increase in deferred (net) tax assets on 1 January 2004. The most significant change is due to an increase in deferred tax assets caused by the recognition of pension liabilities.

Corporate Governance

Olvi plc has implemented the Corporate Governance Recommendation for Listed Companies as of 1 July 2004.

Board of Directors' proposal for the distribution of profit

Olvi plc continues to pursue an active and earnings-based dividend policy. The aim is to distribute at least 40 percent of the annual earnings as dividend to the shareholders.

The parent company's distributable shareholders' equity is 40.3 (38.8) million euro. Profit for the year represents 4.9 (6.6) million euro of this total. The Group's distributable shareholders' equity amounts to 33.5 (32.4) million euro. The company's Board of Directors will propose to the Annual General Meeting of shareholders that a dividend of 0.65 euro shall be paid for 2004 on each K and A share, representing 110.7 percent of the Olvi Group's earnings per share. The proposed dividend payment totals 3.3 million euro. In the previous year, the company paid a dividend of 0.70 euro for each K and A share.

Outlook for the year 2005

Olvi's domestic market position in selected primary product groups strengthened in 2004. We believe this to provide good foundations for the reinforcement of our sales volume and overall market position also in 2005.

The level of beer prices will remain low due to intense price competition and the role of beers as a product for attracting customers to retail stores. Total consumption is expected to increase slightly in 2005.

Improved growth in volumes and better production efficiency are expected to increase the level of operating profit in Finland.

The profit-generating ability and market position of our subsidiaries in the Baltic states strengthened in 2004. We believe that with the support of production-related investments, this will enable the favourable trend in volumes and profits to continue in the Baltic states in 2005.

INCOME STATEMENT

1,000 euro	OLVI GROUP				OLVI PLC			
	1 Jan - 31 Dec 2004		1 Jan - 31 Dec 2003		1 Jan - 31 Dec 2004		1 Jan - 31 Dec 2003	
	1,000 euro	%	1,000 euro	%	1,000 euro	%	1,000 euro	%
NET SALES	128 894	100.0	114 554	100.0	69 299	100.0	70 258	100.0
Increase (+)/ decrease (-) in inventories of finished and unfinished products	684	0.5	710	0.6	33	0.0	554	0.8
Manufacture for own use	23	0.0	33	0.0	26	0.0	39	0.1
Other operating income	637	0.5	444	0.4	251	0.4	196	0.3
Materials and services	45 267	35.1	37 946	33.1	19 942	28.8	20 981	29.9
Personnel expenses	19 375	15.0	17 863	15.6	12 297	17.7	12 249	17.4
Depreciation and write-offs	11 727	9.1	11 501	10.0	5 041	7.3	6 093	8.7
Other operating expenses	45 945	35.6	40 417	35.3	29 051	41.9	26 484	37.7
OPERATING PROFIT	7 925	6.1	8 014	7.0	3 278	4.7	5 241	7.5
Financial income and expenses	-3 703	-2.9	-2 062	-1.8	2 406	3.5	1 713	2.4
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES	4 222	3.3	5 952	5.2	5 684	8.2	6 954	9.9
Appropriations					1 291	1.9	2 305	3.3
Income taxes	-1 535	-1.2	-2 087	-1.8	-2 042	-2.9	-2 695	-3.8
Minority interest	225	0.2	294	0.3	0	0.0	0	0.0
NET PROFIT FOR THE YEAR	2 912	2.3	4 159	3.6	4 934	7.1	6 564	9.3

BALANCE SHEET

(1,000 euro)	OLVI GROUP		OLVI PLC (parent company)	
	31 December 2004	31 December 2003	31 December 2004	31 December 2003
	1,000 euro	1,000 euro	1,000 euro	1,000 euro
ASSETS				
FIXED ASSETS				
Intangible assets	2 844	3 239	2 035	2 444
Group consolidation goodwill	7 304	8 706		
Tangible assets	71 044	68 819	22 773	22 679
Shares in Group companies			11 791	11 786
Other investments	253	257	248	252
TOTAL FIXED ASSETS	81 445	81 021	36 847	37 161
CURRENT ASSETS				
Inventories	22 181	19 299	11 756	10 439
Long-term receivables	39	43	57 203	53 078
Short-term receivables	24 267	24 303	15 012	16 482
Cash in hand and at bank	4 436	3 691	3 183	2 438
TOTAL CURRENT ASSETS	50 924	47 336	87 154	82 438
TOTAL ASSETS	132 369	128 356	124 000	119 599
LIABILITIES				
SHAREHOLDERS' EQUITY				
Share capital	10 028	9 873	10 028	9 873
Share premium account	10 481	10 097	10 481	10 097
Capital reserve	127	127	127	127
Other reserves	143	143		
Retained profit	36 018	35 364	35 316	32 208
Net profit for the year	2 912	4 159	4 934	6 564
TOTAL SHAREHOLDERS' EQUITY	59 710	59 764	60 887	58 869
MINORITY INTEREST	260	496		
ACCUMULATED APPROPRIATIONS			7 109	8 413
DEBT				
Deferred tax liability	1 626	2 196		
Long-term debt	35 394	30 988	31 256	24 463
Short-term debt	35 380	34 913	24 749	27 853
TOTAL DEBT	72 399	68 096	56 005	52 317
TOTAL LIABILITIES	132 369	128 356	124 000	119 599

CASH FLOW STATEMENT

(1 000 eur)	OLVI GROUP		PARENT COMPANY OLVI PLC	
	2004	2003	2004	2003
Cash flow from operations				
Profit before extraordinary items	4 222	5 952	5 684	6 954
Adjustments:				
Depreciation according to plan and write-downs	11 727	11 520	5 041	6 093
Unrealised foreign exchange gains and losses		427		0
Other income and expenses requiring no cash payment		-16		18
Financial income and expenses	3 702	1 635	-2 406	-1 713
Other adjustments	-499	-46	-26	-46
Cash flow before change in working capital	19 153	19 472	8 293	11 306
Change in net working capital				
Increase(-)/decrease(+) in short-term non-interest-bearing receivables	578	-3 938	2 130	-2 050
Increase(-)/decrease(+) in inventories	-2 883	1 315	-1 317	2 165
Increase(+)/decrease(-) in short-term non-interest-bearing debt	1 551	-767	-134	110
Cash flow from operations before financial items and taxes	18 400	16 082	8 972	11 531
Interests paid and payments on other financial expenses	-1 667	-1 621	-1 215	-1 058
Interest received on operations	150	99	175	72
Direct taxes paid	-2 759	-2 734	-2 759	-2 734
Cash flow before extraordinary items	14 124	11 826	5 173	7 811
Cash flow from operations (A)	14 124	11 826	5 173	7 811
Cash flow from investments				
Investments in tangible and intangible assets	-12 641	-7 453	-4 733	-2 830
Capital gains on disposal of tangible and intangible assets	550	223	31	48
Expenditure on other investments		-4 609		0
Capital gains on other investments		11		11
Loans granted to borrowers		0	-650	-16 771
Repayments of loans receivable		0		4 277
Shares purchased in affiliates	-5			
Cash flow from investments (B)	-12 096	-11 828	-5 351	-15 265
Cash flow from financing				
Exchange of bonds with warrants or convertible bonds into shares	539	783	539	783
Change in long-term loan capital		1 992		10 254
Dividend paid and other profit distribution	1 585	-3 021	3 793	-3 016
Increase (-)/decrease (+) in long-term receivables	-3 409	-25	-3 409	0
Cash flow from financing (C)	-1 284	-271	924	8 021
Increase (+)/decrease (-) in liquid assets (A+B+C)	745	-273	745	567
Liquid assets 1 January	3 691	3 964	2 438	1 871
Liquid assets 31 December	4 436	3 691	3 183	2 438
Change in liquid assets	745	-273	745	567

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING PRINCIPLES

1.1 Principles of consolidation

Scope of the consolidated financial statements

The Olvi Group's parent company is Olvi plc.

The consolidated financial statements cover all Finnish and non-Finnish subsidiaries owned directly or indirectly by Olvi plc.

The fiscal year of all the companies extends from 1 January to 31 December.

1.2 Consolidated accounting principles

Internal shareholdings

The consolidated financial statements have been prepared using the acquisition cost method. The difference between the acquisition cost of subsidiaries and the shareholders' equity corresponding to the acquired holding has been partly allocated to fixed assets and partly treated as consolidation goodwill. On 31 December 2004, the allocated items comprised 1.7 million euro in buildings and 1.0 million euro in machinery and equipment. The items referring to buildings and to machinery and equipment are depreciated according to the depreciation plan for the fixed-asset items concerned, and consolidation goodwill is depreciated over a 10-year period.

Depreciation made on items allocated to buildings, machinery and equipment and depreciation made on consolidation goodwill totalled 1.8 million euro in 2004.

Intra-Group transactions and balances

Intra-Group transactions, unrealised balances of internal deliveries, internal receivables and debts, and internal distribution of profits have been eliminated.

Minority interests

Minority interests have been separated from shareholders' equity and earnings, and presented as a separate item.

Foreign exchange differences

The income statements of non-Finnish consolidated companies have been converted at the fiscal year's average exchange rate, and their balance sheets have been converted to euro at the exchange rate quoted on the balance sheet date.

Any exchange rate differences arising from these conversions, as well as any conversion differences in shareholders' equity have been presented under the item "retained profit".

2. VALUATION OF FIXED ASSETS

Fixed assets have been valued on the balance sheet at their direct acquisition cost deducted by accumulated depreciation according to plan. Depreciation according to plan has been calculated on a straight-line basis over the expected economic life of the asset item concerned.

The following rates have been applied to depreciation according to plan:

Buildings	2.5-5.0%
Underground shelter	25.0%
Plant machinery and equipment	10-15%
Other fixed assets	20.0%

The consolidation goodwill generated by the acquisitions of AS A. Le Coq Group, AS A. Le Coq Tartu Õlletehas, AS Saare Õlu, A/S Cēsu Alus, AB Ragutis and AS Õsel Foods will be depreciated in 10 years, because the effective period of the companies' brands is estimated to be at least 10 years.

3. VALUATION OF INVENTORIES

Inventories have been valued at acquisition cost or, if lower, at probable net realisable value.

4. FOREIGN CURRENCY ITEMS

Receivables and debts denominated in foreign currency have been converted to euro at the exchange rate quoted by the European Central Bank on the balance sheet date. Exchange rate differences relating to the acquisition of fixed assets have been applied to adjust the acquisition cost of the fixed assets.

5. RESEARCH AND DEVELOPMENT AND LONG-TERM EXPENSES

Research and development costs have been booked as annual expenses for the year in which they are incurred.

6. PERSONNEL PENSION SCHEMES

Pension costs are presented in accordance with each country's local legislation.

Pension insurance cover for Olvi plc personnel has been arranged with an external pension insurance company.

7. DEFERRED TAXES

In the consolidated accounts, accumulated depreciation difference has been allocated to shareholders' equity and deferred tax liability. Change in depreciation difference has been allocated to change in deferred tax liability and net profit for the year.

NOTES TO THE INCOME STATEMENT AND BALANCE SHEET

NOTES TO THE INCOME STATEMENT

(1 000 eur)	Olvi Group		Olvi plc				
	2004	2003	2004	2003			
1. NET SALES BY MARKET AREA							
Finland	63 720	63 453	63 724	63 418			
Estonia	38 638	27 132	2 476	2 005			
Latvia	10 382	7 296	62	83			
Lithuania	12 981	11 914	85	152			
Other exports	3 174	4 760	2 952	4 600			
Total	128 894	114 554	69 299	70 258			
2. OTHER OPERATING INCOME							
Capital gain on disposals of fixed assets	529	80	26	46			
Others	108	364	225	151			
Total	637	444	251	196			
3. MATERIALS AND SERVICES							
Materials and supplies (goods):							
Purchases during the year	42 952	29 948	17 617	14 874			
Change in stocks	-1 294	2 470	-1 284	2 596			
Outsourced services	3 609	5 528	3 609	3 511			
Total materials and services	45 267	37 946	19 942	20 981			
4. PERSONNEL EXPENSES							
Salary and emoluments	13 058	11 789	7 915	7 810			
Pension expenses	1 605	1 602	1 605	1 602			
Other personnel expenses	4 711	4 473	2 776	2 837			
Total	19 375	17 863	12 297	12 249			
5. MANAGEMENT SALARIES AND EMOLUMENTS							
Managing Director and members of the Board	729	707	334	342			
6. AVERAGE NUMBER OF PERSONNEL, GROUP AND PARENT COMPANY							
2004	Olvi plc	AS A. Le Coq Tartu Õlletehas	AS Saare Õlu	A/S Cēsu Alus	AB Ragutis	AS Õsel Foods	Group total
Full-time	270	280		160	179	66	955
Part-time	64	8		4	1	0	77
Total	334	288		164	180	66	1032
2003							
Full-time	275	251		121	181	91	919
Part-time	66	5		4	0	0	75
Total	341	256		125	181	91	994
(1 000 eur)							
		Olvi Group		Olvi plc			
		2004	2003	2004	2003		
7. DEPRECIATION AND WRITE-DOWNS							
Depreciation on tangible and intangible assets	11 720	11 471		5 041		6 093	
Exceptional reduction in value of inventories and liquid assets	7	30					
Total	11 727	11 501		5 041		6 093	

	Olvi Group		Olvi plc	
	2004	2003	2004	2003
8. FINANCIAL INCOME AND EXPENSES				
Dividend income from non-Group companies	31	10	31	10
Interest income on long-term investments:				
From non-Group companies	0	1	0	1
Total income from long-term investments	31	11	31	11
Other interest and financial income:				
From Group companies			3 491	2 686
From others	187	596	99	79
Total	187	596	3 590	2 766
Total dividend income and other interest and financial income	218	607	3 621	2 777
Interest expenses and other financial expenses				
Payable to Group companies				0
Payable to others	3 921	2 669	1 215	1 063
Total	3 921	2 669	1 215	1 063
Total financial income and expenses	-3 703	-2 062	2 406	1 713
9. APPROPRIATIONS				
Difference between depreciation according to plan				
and depreciation applied in taxation			1 291	2 292
Replacement reserve for fixed assets				13
Total			1 291	2 305
10. INCOME TAXES				
Income tax on business operations	2 101	2 756	2 042	2 696
Taxes from previous fiscal years				-1
Change in deferred tax liability	-566	-668		
Total	1 535	2 087	2 042	2 695

NOTES TO THE BALANCE SHEET (1,000 euro)

11. FIXED ASSETS, OLVI GROUP

Intangible assets						
	Formation expenses	Intangible rights	Others long-term expenses	Total	Consolidation goodwill	
Acquisition cost						
1 January 2004	66	9 536	6 814	16 415	13 683	
Increase	0	12	603	616	0	
Decrease	0	0	0	0	0	
Acquisition cost						
31 December 2004	66	9 548	7 417	17 031	13 683	
Accumulated depreciation						
1 January 2004	66	8 783	4 328	13 177	4 977	
Depreciation over the year	0	172	836	1 008	1 402	
Accumulated depreciation						
31 December 2004	66	8 955	5 164	14 184	6 379	
Exchange rate differences		21	-23	0		
Book value 31 December 2004	0	614	2 230	2 844	7 304	
Tangible assets						
	Land and water properties	Buildings	Machinery and equipment	Other tangible assets	Advance payments and unfinished purchases	Total
Acquisition cost						
1 January 2004	1 516	49 653	87 548	3 925	478	143 120
Increase	4	702	6 547	1 112	5 615	13 979
Decrease	2	51	307	207	1 095	1 662
Acquisition cost						
31 December 2004	1 517	50 304	93 788	4 830	4 998	155 437
Accumulated depreciation						
1 January 2004	0	15 276	56 735	2 211	0	74 222
Depreciation over the year	0	1 997	6 670	650	0	9 317
Accumulated depreciation						
31 January 2004	0	17 273	63 405	2 860	0	83 538
Revaluations	0	0	0	0	0	0
Exchange rate differences	-5	-164	-485	-195	-6	-855
Book value						
31 December 2004	1 512	32 867	29 898	1 774	4 992	71 044
Book value of production machinery and equipment on 31 December						
		31 December 2004			31 December 2003	
		18 492			29 673	

12. FIXED ASSETS, PARENT COMPANY

Intangible assets				
	Formation expenses	Intangible rights	Others long-term expenses	Total
Acquisition cost 1 January 2004				
	6	8 774	6 528	15 309
Increase	0	0	402	402
Decrease	0	0	0	0
Acquisition cost 31 December 2004	6	8 774	6 930	15 711
Accumulated depreciation 1 January 2004				
	6	8 750	4 108	12 865
Depreciation over the year	0	14	797	811
Accumulated depreciation 31 December 2004	6	8 764	4 905	13 675
Book value 31 December 2004	0	10	2 025	2 035

Tangible assets

	Land and water properties	Buildings	Machinery and equipment	Other tangible assets	Advance payments and unfinished purchases	Total
Acquisition cost						
1 January 2004	1 077	21 643	53 669	20	81	76 490
Increase	1	384	2 376	0	1 643	4 404
Decrease	0	0	-1	-1	-78	-80
Acquisition cost						
31 December 2004	1 078	22 027	56 044	19	1 646	80 814
Accumulated depreciation						
1 January 2004	0	11 035	43 019	0	0	54 054
Depreciation over the year	0	1 058	3 172	0	0	4 231
Accumulated depreciation						
31 December 2004	0	12 094	46 191	0	0	58 285
Revaluations	0	243	0	0	0	243
Book value						
31 December 2004	1 078	10 176	9 853	19	1 646	22 773
Book value of production machinery and equipment on 31 December				31.12.2004 8 829		31.12.2003 9 909

Capitalised interest expenses

The acquisition cost of the production and warehouse buildings and the boiling room, cellar and bottling line machinery and equipment built at AS A. Le Coq Tartu Õlletehas in Estonia includes construction-time interest as follows:

	1 January 2004	Capitalised during the year	Depreciated 2004	Undepreciated part 31 December 2004
Buildings and structures	810	0	42	769
Machinery and equipment	23	0	6	17
Total	833	0	47	786

The acquisition cost of the production and warehouse buildings and the boiling room, cellar and bottling line machinery and equipment built at A/S Cēsu Alus in Latvia includes construction-time interest as follows:

	1 January 2004	Capitalised during the year	Depreciated 2004	Exchange rate differences	Undepreciated part 31 December 2004
Buildings and structures	289	0	5	-10	273
Machinery and equipment	235	0	40	-7	188
Others	3	0	1	0	2
Total	527	0	47	-17	463

13. INVESTMENTS

Olvi Group

	Shares, other
Other investments	
Acquisition cost 1 January 2004	257
Increase	0
Decrease	-3
Acquisition cost 31 December 2004	253
Accumulated depreciation 1 January 2004	0
Depreciation over the year	0
Accumulated depreciation 31 December 2004	0
Book value 31 December 2004	253

Parent company Olvi plc Investments	Shares, Group companies	Shares, other	Investments total
Acquisition cost 1 January 2004	12 581	252	12 833
Increase	5	0	5
Decrease	0	-3	-3
Acquisition cost 31 December 2004	12 586	248	12 834
Accumulated depreciation 1 January 2004	795	0	795
Depreciation over the year	0	0	0
Accumulated depreciation 31 December 2004	795	0	795
Book value 31 December 2004	11 791	248	12 039

14. GROUP COMPANIES

	Group's holding %	Parent company's holding %
AS A. Le Coq Group, Tartu, Estonia	100,00	100,00
AS A. Le Coq Tartu Õlletehas, Tartu, Estonia	100,00	
AS Saare Õlu, Saaremaa, Estonia	100,00	
A/S Cēsu Alus, Cēsis, Latvia	96,06	
AB Ragutis, Kaunas, Lithuania	83,07	
AS Õsel Foods, Reola, Estonia	100,00	
Oluttehdas Oiva Oy, Iisalmi	100,00	100,00
Olvin Juomaa Oy, Iisalmi	100,00	100,00
Iisalmen Oluttehdas Osakeyhtiö Oy, Iisalmi	100,00	100,00

	Olvi Group		Olvi plc	
	2004	2003	2004	2003
15. INVENTORIES				
Materials and supplies	16 915	14 496	10 081	8 797
Unfinished products	909	809	363	283
Finished products/goods	2 749	2 413	1 312	1 359
Other inventories	1 608	1 579		
Advance payments		1		
Total	22 181	19 299	11 756	10 439
16. RECEIVABLES				
Long-term receivables				
Loans receivable from Group companies			57 178	53 078
Loans receivable from others	39	43	25	
Total long-term receivables	39	43	57 203	53 078
Short-term receivables				
Receivables from Group companies:				
Accounts receivable			98	134
Prepayments and accrued income				2
Total			98	135
Receivables from non-Group companies:				
Accounts receivable from others	20 255	21 378	13 197	15 366
Other receivables from others	1 959	1 814	-1	4
Prepayments and accrued income	2 053	1 111	1 718	977
Total	24 267	24 303	14 914	16 347
Total short-term receivables	24 267	24 303	15 012	16 482
Total receivables	24 306	24 346	72 215	69 560

	Olvi Group		Olvi plc	
	2004	2003	2004	2003
17. SHAREHOLDERS' EQUITY				
Share capital 1 January	9 873	4 834	9 873	4 834
Bonus issue		4 834		4 834
Increase of share capital	117	108	117	108
Unregistered share capital	38	96	38	96
Share capital 31 December	10 028	9 873	10 028	9 873
Share premium account 1 January	10 097	14 353	10 097	14 353
Bonus issue		-4 834		-4 834
Issue premium	384	579	384	579
Share premium account 31 December	10 481	10 097	10 481	10 097
Legal reserve 1 January and 31 December	127	127	127	127
Other reserves 1 January	143	143		
Increase				
Other reserves 31 December	143	143		
Retained profit 1 January	39 524	37 722	38 772	35 230
Dividend distribution	-3 456	-3 021	-3 456	-3 021
Conversion difference and others	-50	664		
Retained profit 31 December	36 018	35 364	35 316	32 208
Net profit for the year	2 912	4 159	4 934	6 564
Total shareholders' equity	59 710	59 764	60 887	58 869
Part of accumulated depreciation difference and voluntary provisions allocated to retained profit	4 450	5 376		
Minority interest	260	496		
18. DISTRIBUTABLE FUNDS ON 31 DECEMBER				
Retained profit	36 018	35 364	35 316	32 208
Net profit for the year	2 912	4 159	4 934	6 564
- part of accumulated depreciation difference and voluntary provisions allocated to shareholders' equity	-4 450	-5 376		
- other items	-941	-1 701		
Total distributable funds	33 539	32 447	40 250	38 772

The parent company Olvi plc's share capital is divided into K and A shares as follows:

	2004 shares	2004 euro	2004 votes	2003 shares	2003 euro	2003 votes
K shares (20 votes/share), registered	933 064	1 866 128	18 661 280	933 064	1 866 128	18 661 280
K shares (20 votes/share), unregistered						
K shares total	933 064	1 866 128	18 661 280	933 064	1 866 128	18 661 280
A shares (1 vote/share), registered	4 062 138	8 124 276	4 062 138	3 955 238	7 910 476	3 955 238
A shares (1 vote/share), unregistered	18 900	37 800	18 900	48 200	96 400	48 200
A shares total	4 081 038	8 162 076	4 081 038	4 003 438	8 006 876	4 003 438
Total 31 December	5 014 102	10 028 204	22 742 318	4 936 502	9 873 004	22 664 718

19. ACCUMULATED APPROPRIATIONS

Accumulated appropriations in the parent company consist of accumulated depreciation difference.

20. DEBT

Deferred tax liabilities and receivables, Group

	2004	2003
Deferred tax liability on appropriations	1 626	2 196
Total deferred tax liability	1 626	2 196

	Olvi Group		Olvi plc	
	2004	2003	2004	2003
Long-term debt				
Convertible bonds	14	14	14	14
Loans from financial institutions	34 655	30 465	30 530	23 742
Other debt	725	509	14	14
Total	35 394	30 988	30 558	23 770
Debt to Group companies				
Other debt			699	694
Total			699	694
Long-term debt total	35 394	30 988	31 256	24 463
Short-term debt				
Loans from financial institutions	8 989	11 810	6 212	9 212
Accounts payable	11 891	8 466	7 313	4 797
Accrued expenses	4 896	4 783	2 780	2 901
Other debt	9 604	9 854	8 396	10 943
Total	35 380	34 913	24 701	27 853
Debt to Group companies				
Accounts payable			47	
Total			47	
Total short-term debt	35 380	34 913	24 749	27 853
Total debt	72 399	68 096	56 005	52 317
Non-interest-bearing debt 31 December	26 391	23 103	19 188	19 335
Debt that falls due later than five years from now				
Loans from financial institutions	5 000	5 667	5 000	5 667

21 BONDS WITH WARRANTS ISSUED TO PERSONNEL IN 1999

	Share subscription period	Maximum
A warrants	1 April 2001 to 30 April 2005	250,000 shares
B warrants	1 April 2003 to 30 April 2005	250,000 shares

Each bond of a nominal value of 16.82 euro is accompanied by 100 warrants, 50 of which are denoted by the letter A and 50 by the letter B. The total amount of the bond issue is 84,093.96 euro. The exercise price is 20 euro, which will be lowered by the amount of dividend paid after 26 March 1999 and before the subscription of shares on the record date of each dividend payment. However, the exercise price is always at least equal to the share's nominal value. On 31 December 2003, the exercise price was 6.95 euro.

The A and B warrants entitle the holders to subscribe for A shares for a total nominal value of 1,000,000 euro.

The shares entitle to full dividend for the fiscal year during which the shares are subscribed. The shares entitle to other shareholder rights once the subscription has been entered in the Trade Register.

22 STOCK OPTIONS ISSUED TO MANAGEMENT IN 2002

	Share subscription period
Stock options 2002A	1 April 2005 to 30 April 2008
Stock options 2002B	1 April 2007 to 30 April 2008

The stock options entitle the holders to subscribe for a maximum of 200,000 A shares in Olvi plc. The exercise price is the average quote weighted by trading volume of the Olvi plc A share on the Helsinki Stock Exchange from 1 July to 31 December 2002.

The exercise price of the stock options will be decreased by the amount of any dividends distributed after the price-setting period has started and before the shares are subscribed. The exercise price of the stock options must be at least equal to the nominal value of the share.

	Olvi Group		Olvi plc	
	2004	2003	2004	2003
23. PLEDGES, CONTINGENT LIABILITIES AND OTHER COMMITMENTS				
Debts for which mortgages have been given as collateral:				
Loans from financial institutions	12 132	9 320	5 409	6 955
Total debt	12 132	9 320	5 409	6 955
Assets pledged as collateral:				
Mortgages on land and buildings	1 135	1 135	1 135	1 135
Guarantees on behalf of Group companies	6 924	9 773	6 924	9 773
Total assets pledged as collateral	8 059	10 908	8 059	10 908
Other off-balance sheet liabilities	1 980	1 980	1 980	1 980
Total pledges and contingent liabilities	10 039	12 888	10 039	12 888
24. LEASING LIABILITIES				
Payable next year	1 696	1 705	791	962
Payable later	1 735	1 920	655	827
Total	3 431	3 625	1 446	1 788
25. DERIVATIVE CONTRACTS				
31 December 2004		Nominal value	Market value	Book value
Derivatives		13 742	13 652	0

The business significance of the derivative contracts is minor.

The derivative contracts are interest rate swaps on loans and will reach maturity in 2007 and 2008.

Breakdown of share capital on 31 December 2004

	Shares	%	Votes	%
K series, registered	933 064	18.6	18 661 280	82.1
A series, registered	4 062 138	81.0	4 062 138	17.9
A series, unregistered	8 900	0.4	18 900	0.1
Total	5 014 102	100,0	22 742 318	100,0

Shareholders by size of holding on 25 January 2005

Number of shares	Number of shareholders	% of shareholders	Number of shares	% of shares	Number of votes	% of votes
1-99	1 079	23.90	43 086	0.86	43 770	0.19
100-999	2 960	65.56	834 405	16.64	848 237	3.73
1 000-9 999	432	9.57	941 848	18.78	976 200	4.29
10 000-99 999	37	0.82	1 263 194	25.19	3 356 614	14.76
100 000-999 999	7	0.16	1 917 469	38.24	17 427 093	76.63
Shares not exchanged for book entries and shares on waiting list			14 100	0.28	90 504	0.39
Total	4 515	100.00	5 014 102	100.00	22 742 418	100.00

Shareholders by category on 25 January 2005

	Number of shareholders	Number of shares	Number of votes
Private businesses	238	1 099 802	12 328 346
Financial institutions and insurance companies	28	967 975	967 975
Public sector organisations	4	279 972	279 972
Non-profit organisations	49	341 834	341 834
Households	4 175	2 135 043	8 140 031
Non-Finnish shareholders	17	175 376	593 756
In collective book-entry account		10 084	10 084
On waiting list		4 016	80 320
Total	4 515	5 014 102	22 742 318

LARGEST SHAREHOLDERS ON 25 JANUARY 2005

	K series	A series	Total	%	Votes	%
1. Olvi Foundation	590 976	157 204	748 180	14.92	11 976 724	52.66
2. Hortling Heikki Wilhelm	225 356	38 690	264 046	5.27	4 545 810	19.99
3. The Heirs of Hortling Kalle Einari	46 776	6 312	53 088	1.06	941 832	4.14
4. Hortling Timo Einari	41 384	8 796	50 180	1.00	836 476	3.68
5. Hortling-Rinne Marit	25 572		25 572	0.51	511 440	2.25
6. Ilmarinen Mutual Pension Insurance Company		204 424	204 424	4.08	204 424	0.90
7. Laakkonen Reino Olavi		107 330	107 330	2.14	107 330	0.47
8. FIM Fenno equity fund		99 250	99 250	1.98	99 250	0.44
9. Odin Finland		89 380	89 380	1.78	89 380	0.39
10. Pohjola Finland Value equity fund		80 000	80 000	1.60	80 000	0.35
11. Finnish Broadcasting Company Pension Foundation		72 144	72 144	1.44	72 144	0.32
12. Pohjola Non-Life Insurance Company Ltd		60 972	60 972	1.22	60 972	0.27
13. Sampo Life Insurance Company Limited		60 000	60 000	1.20	60 000	0.26
14. Special Mutual Fund Avenir		50 000	50 000	1.00	50 000	0.22
15. Lahti Ari Juhani		45 000	45 000	0.90	45 000	0.20
16. The Central Union of Agricultural Producers and Forest Owners		44 000	44 000	0.88	44 000	0.19
17. Carnegie Osake equity fund		40 000	40 000	0.80	40 000	0.18
18. Päivikki and Sakari Sohlberg Foundation		37 950	37 950	0.76	37 950	0.17
19. Security Trading Oy		36 400	36 400	0.73	36 400	0.16
20. Suomi Mutual Life Assurance Company		35 300	35 300	0.70	35 300	0.16
Others	3 000	2 162 161	2 165 161	43.18	2 222 161	9.77
Nominee-registered shares		645 725	645 725	12.88	645 725	2.84
Total	933 064	4 081 038	5 014 102	100.00	22 742 318	100.00

Olvi plc had 4.515 shareholders registered in the book-entry system on 25 January 2005.

INSIDERS

Olvi plc adopted the insider guidelines drawn up and recommended by the Helsinki Exchanges on 15 December 2000.

MANAGEMENT'S INTERESTS

The members of the Board of Directors and the Managing Director of Olvi plc hold a total of 225.356 K shares and 43.290 A shares, which represent 5.4 percent of the total number of shares and 20.0 percent of the votes.

The members of the Board of Directors and the Managing Director hold a total of 2.000 share warrants issued by Olvi plc in 1999. The warrants entitle the holders to subscribe for 2.000 Olvi plc A shares. This represents 0.4 percent of all the share warrants issued in 1999.

As of 25 January 2005, the management's aggregate holdings of shares and warrants correspond to a total of 225.356 K shares and 45.290 A shares. These will represent 5.4 percent of the company's shares and 20.0 percent of the votes once all the warrants have been exercised.

FINANCIAL RATIOS, 2000 TO 2004

OLVI PLC / PARENT COMPANY

BUSINESS VOLUME AND PROFITABILITY 1,000 euro	2000	2001	2002	2003	2004
Net sales	66 003	69 441	71 183	70 258	69 299
Change %	2.6	5.2	2.5	-1.3	-1.4
Operating profit	4 836	5 715	5 969	5 241	3 278
% of net sales	7.3	8.2	8.4	7.5	4.7
Financial income and expenses	1 145	1 686	2 010	1 713	2 406
Profit before extraordinary items	5 981	7 401	7 979	6 954	5 684
% of net sales	9.2	10.6	11.2	9.9	8.2
Profit before provisions and taxes	6 036	7 401	7 979	6 954	5 684
% of net sales	9.3	10.6	11.2	9.9	8.2
Balance sheet total	88 933	105 508	107 182	119 599	124 000
Cash flow ratio, %	15.5	16.1	16.7	14.7	12.5
Return on investment (ROI), %	9.4	10.8	10.4	8.5	6.7
Return on equity (ROE), %	6.8	8.3	8.9	6.7	5.6
Equity to total assets ratio, %	62.5	55.6	58.0	54.2	53.3
Current ratio	1.2	1.5	1.2	1.1	1.2
Gearing, %	15.1	36.7	34.7	48.2	51.8
Gross capital expenditure on fixed assets	8 968	5 909	6 974	2 830	4 732
% of net sales	13.6	8.5	9.8	4.0	6.8
Net investments in fixed assets	6 040	5 303	6 825	2 802	4 727
% of net sales	9.2	7.6	9.6	4.0	6.8
Average number of personnel	343	328	350	341	334

OLVI GROUP

BUSINESS VOLUME AND PROFITABILITY 1,000 euro	2000	2001	2002	2003	2004
Net sales	86 946	100 730	110 184	114 554	128 894
Change %	9.0	15.9	9.4	4.0	12.5
Operating profit	7 312	7 203	7 643	8 014	7 925
% of net sales	8.4	7.2	6.9	7.0	6.1
Financial income and expenses	-945	-1943	-1 635	-2 062	-3 702
Profit before extraordinary items	6 366	5 260	6 008	5 952	4 222
% of net sales	7.3	5.2	5.5	5.2	3.3
Profit before provisions and taxes	6 442	5 260	6 008	5 952	4 222
% of net sales	7.4	5.2	5.5	5.2	5.2
Balance sheet total	113 476	123 792	119 425	128 356	132 369
Cash flow ratio, %	15.7	13.7	13.8	12.8	10.7
Return on investment (ROI), %	10.0	9.8	8.8	8.8	7.9
Return on equity (ROE), %	8.8	5.4	6.4	6.6	4.5
Equity to total assets ratio, %	50.7	45.7	48.5	47.0	45.3
Current ratio	1.1	1.6	1.3	1.4	1.4
Gearing, %	40.3	64.4	57.8	64.9	66.6
Gross capital expenditure on fixed assets	23 119	19 734	16 284	13 513	18 361
% of net sales	26.6	19.6	14.8	11.8	14.2
Net investments in fixed assets	19 411	17 810	15 231	12 423	17 424
% of net sales	22.3	17.7	13.8	10.8	13.5
Average number of personnel:					
Olvi plc	343	328	350	341	334
Companies in Estonia, Latvia and Lithuania	490	466	527	653	698
Total employees	833	794	877	994	1 032

OLVI PLC / PARENT COMPANY

PER-SHARE RATIOS	2000	2001	2002	2003	2004
Earnings per share (EPS), euro	0.79	0.98	1.11	0.88	0.73
EPS adjusted for dilution from warrants, euro	0.79	0.98	1.09	0.85	0.71
Equity per share, euro	11.51	12.14	12.86	13.14	13.93
*) Nominal dividend per share, euro	0.90	0.90	1.25	0.70	0.65
Effective dividend yield, %	5.2	4.6	6.0	5.3	4.9
Price/Earnings ratio (P/E)	9.4	9.9	9.5	13.0	18.0
Pay-out ratio, %	57.3	45.7	56.4	68.6	88.5
Price of A share					
- at year-end, euro	17.2	19.55	21.00	13.25	13.17
- high, euro	22.9	20.0	24.00	14.40	14.18
- low, euro	16.16	17.30	19.65	10.00	11.56
- average price, euro	19.51	18.62	21.81	12.09	12.81
Market capitalisation on 31 December, million euro	33.5	38.1	41.0	52.4	53.6
Trading volume of A shares	407 771	495 194	526 414	1 320 230	1 767 881
% of all A shares outstanding	20.9	25.4	27.0	33.0	43.3
Number of shares					
- year's average number, adjusted for share issues	4 614 887	4 834 104	4 834 104	4 856 313	4 958 491
- year's average number, adjusted for dilution from warrants	4 614 887	4 849 511	4 898 524	4 983 453	5 105 002
- number at year-end, adjusted for share issues	4 834 104	4 834 104	4 834 104	4 936 502	5 014 102
OLVI GROUP					
PER-SHARE RATIOS	2000	2001	2002	2003	2004
Earnings per share, euro	1.08	0.77	0.82	0.86	0.59
EPS adjusted for dilution from warrants, euro	1.08	0.76	0.81	0.84	0.57
Equity per share, euro	11.07	11.55	11.83	12.11	11.91
Pay-out ratio, %	41.5	58.8	76.3	70.0	110.7
Price/Earnings ratio (P/E)	7.9	12.8	12.8	13.3	22.3

*) The amount of nominal dividend has not been adjusted for the effect of the bonus issue.

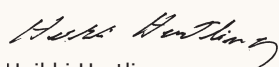
Nominal dividend refers to the dividends paid on each year's number of shares.

The comparison data for the per-share ratios has been adjusted for the effect of the bonus issue. The doubled amount of shares after the bonus issue has been taken into account in the comparison data.


SIGNATURES TO THE FINANCIAL STATEMENTS

Date and signatures

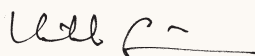
Signed in Iisalmi, this 22nd day of February 2005



Heikki Hortling
Chairman of
the Board



Esa Lager
Vice Chairman of
the Board



Heikki Sinnemaa
Member of the Board



Hannele Ranta-Lassila
Member of the Board



Lauri Ratia
Member of the Board



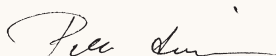
Lasse Aho
Managing Director

28

AUDITOR'S NOTE

The financial statements have been prepared in accordance with generally accepted accounting practices. A report of the audit has been submitted today.

Signed in Iisalmi, this 3rd day of March 2005



Pekka Loikkanen
Authorised
Public Accountant

Calculation of financial ratios

Cash flow ratio, %	= 100 * $\frac{\text{Operating profit+depreciation+financial income and expenses+extraordinary income and expenses-taxes}}{\text{Net sales}}$
Return on investment, %	= 100 * $\frac{\text{Profit before extraordinary items+interest and other financial expenses}}{\text{Balance sheet total - non-interest-bearing debt (average)}}$
Return on equity, %	= 100* $\frac{\text{Profit before extraordinary items-taxes}}{\text{Shareholders' equity+minority interest}}$
Equity to total assets, %	= 100 * $\frac{\text{Shareholders' equity+minority interest}}{\text{Balance sheet total-advance payments received}}$
Current ratio	= $\frac{\text{Liquid assets+inventories}}{\text{Short-term debt}}$
Gearing-%	= 100 * $\frac{\text{Interest-bearing debt - cash in hand and at bank and financial assets}}{\text{Shareholders' equity+minority interest}}$
Earnings per share	= $\frac{\text{Profit before extraordinary items, provisions and taxes - taxes +/- minority interest}}{\text{Average number of shares during the year, adjusted for share issues}}$
Equity per share	= $\frac{\text{Shareholders' equity}}{\text{Number of shares on 31 December, adjusted for share issues}}$
Dividend per share	= $\frac{\text{Dividend per share for the fiscal year}}{\text{Share issue adjustment factor}}$
Effective dividend yield, %	= 100 * $\frac{\text{Dividend per share, adjusted for share issues}}{\text{Last trading price of the year, adjusted for share issues}}$
Price/Earnings ratio (P/E)	= $\frac{\text{Last trading price of the year, adjusted for share issues}}{\text{Earnings per share}}$
Pay-out ratio, %	= 100 * $\frac{\text{Dividend per share}}{\text{Earnings per share}}$
Market capitalisation at year-end	= $\text{Number of shares at year-end, adjusted for share issues * Price of A share at year-end}$