State Shareholdings in Finland

2005

MINISTRY OF TRADE AND INDUSTRY

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Review by the Minister of Trade and Industry

According to preliminary estimates, total production volume increased by 2.1 per cent in 2005. Factors maintaining growth included household consumption and residential investments, whereas the expected revival of investment in production failed to materialise. Counterbalancing the brisk increase in exports, imports increased markedly, while employment levels grew throughout the year. The annual rise in consumer prices averaged 0.9 per cent.

The rise in share prices intensified in 2005, with the OMXH price index rising by 31.1 per cent. Share prices for several state owned and associated companies increased by more than this, for instance Rautaruukki booming by 135 percent, Finnair by 115 per cent and Metso by 98 per cent.

The Government continued its policy of broadening the ownership base of state-owned and associated companies, based on company-specific decisions to sell shares in accordance with the authority granted by Parliament. In 2005, the Government sold shares in Sampo, Fortum and Kemira for an aggregate value of EUR 1.3 billion. Regardless of shares sold, the value of the State's portfolio of listed shares increased from EUR 15.0 billion at the end of 2004 to EUR 19.4 billion at the end of 2005. This outstanding increase in value of over 29 per cent increased the total value (market value, shares sold and dividends) of the State's portfolio of listed shares by a remarkable 38 per cent. Factors contributing to this high yield included both favourable market trends and the robust competitiveness and excellent performance of the companies involved.

The State also aims to gain high dividends from its investments, The goal is that the companies pay, on the basis of their financial results, dividends roughly on a par with other companies in the same sector, whilst keeping variations in annual dividends moderate. Due to the good results enjoyed by state-owned and associated companies for 2005, the State's dividend yield rose to a record high, totalling EUR 1.3 billion. Publicly quoted companies paid out the majority of dividends.

At the end of the year, the Government's Cabinet Committee on Economic Policy approved a statement on the centralisation of the State's ownership steering. Ownership steering of companies operating on market terms, currently distributed between five ministries, will be centralised in a new State's corporate ownership steering unit. In addition, activities related to the preparation of state ownership policy will be transferred to the new unit. Ownership steering of companies with special tasks will remain with six ministries.

Operative as of 1 May 2007, the new corporate ownership steering unit will be placed under the Prime Minister's office. The preparation of administrative measures required for such centralisation is underway.

Although ownership steering will transfer to the Prime Minister's office, this function is not within the Prime Minister's area of responsibility on government level. It is intended that the next Government will appoint a minister responsible for this from among its ranks, whose mandate will not include any responsibilities for regulations involving conflicts with ownership steering. In future, ownership steering will be clearly separate from legislative and other regulatory duties related to business operations.

Centralisation of the state's ownership steering has been under planning for several terms of government, resulting in the first tangible measures in the summer of 2004, when Prime Minister Vanhanen's Cabinet set up an official working group, the management group for ownership steering, to coordinate ownership steering projects between various ministries. Once the ownership steering unit becomes operative next year, we will transfer to more uniform State ownership steering on a permanent basis.

Minister of Trade and Industry
Mauri Pekkarinen
May 2006

State-owned Companies and Associated Companies

The State has major shareholdings in over 50 companies (cf. the Annex on page 38). These include 29 state-owned companies, in which the State is the major shareholder, while others are associated companies, in which the State is a significant minor shareholder. 13 companies are listed on the Main List and one on the I List of the Helsinki Stock Exchange. In publicly listed companies, the value of the State's holdings totalled EUR 19.4 billion at the end of 2005, with the highest shareholding by value being in Fortum Corporation, at EUR 7.1 billion.

Administration of the State's corporate assets is divided between eight ministries. The management group for ownership steering, comprising leading ownership steering officials from the Ministry of Trade and Industry, the Ministry of Finance and the Ministry of Transport and Communications, is responsible for ensuring that the preparation and implementation of ownership steering measures is uniform throughout the public administration. The Ministry of Trade and Industry is in charge of the development and general steering of State ownership policy, and preparation of the related statements, decisions and measures.

Ownership policy measures and decisions

In December 2005 the Cabinet Committee on Economic Policy approved a statement on centralising ownership steering of state-owned companies operating on market terms at the State's corporate ownership steering unit, to be established under the Prime Minister's Office. This unit, whose duties also comprise general preparation and coordination of ownership policy, will begin operating in May 2007.

Drafting the new so-called State-Owned Companies Act was completed, but in December the Cabinet Committee on Economic Policy did not endorse bringing the bill before Parliament during the current electoral term.

In January 2006, the Cabinet Committee on Economic Policy adopted a stand on increasing the amount of information on rewarding publicised by state-owned and associated companies. More company-specific information will be made public than previously, centralised on the website of the Ministry of Trade and Industry.

Following its stand on corporate rewarding policies, adopted by the Cabinet Committee on Economic Policy in February 2004, the State has not approved the introduction of any new option schemes in companies within its sphere of influence. The autumn of 2005 saw extensive debates in Parliament and the media on the reasonableness of Fortum Corporation's management option schemes, due to which the Cabinet Committee intends to further specify its stance on rewarding during the spring of 2006.

Strategic arrangements related to ownership steering

In February 2005, the State sold shares worth EUR 430 million in Sampo plc on the international and Nordic markets, decreasing the State's holding in the company to 13.9 per cent of Sampos' total share portfolio.

Fortum Group divested its oil business in the spring, and a new company, Neste Oil Corporation, was listed, the State holding 50.1 per cent of company shares.

In June, the State sold Fortum Corporation shares worth EUR 770 million through an accelerated equity offering to domestic and international investors, decreasing the State's holding from 58.9 to 51.7 per cent.

In September, the State sold Kemira Oyj shares for EUR 92.8 million in an accelerated book building offering targeted at domestic and international investors, giving up its majority holding. Some 48.7 per cent of Kemira's total share portfolio remained with the State.

Key Figures

Net sales for the 11 state-owned companies presented in this publication totalled EUR 20.8 billion in 2005 (EUR 15.8 billion in 2004). The companies' profit after financial items amounted to EUR 2.6 billion (EUR 1.9 billion). Average equity ratio was 51 per cent, having been 48 per cent in the previous year. The number of clerical staff and other employees came to 67,100, i.e. a little higher than the year before.

Net sales for the associated companies presented herein, excluding Sampo plc, totalled EUR 39.2 billion (EUR 36.7 billion in 2004). The companies' profit after financial items was EUR 2.8 billion (EUR 3.7 billion). Staff totalled 129,800, slightly higher than the previous year.

The State's dividend yield

Based on the results of the previous financial year, all state-owned companies and the State's associated companies paid a dividend to the State for over EUR 739 million in 2005 (cf. the Figure on page 7).

Total dividends for state-owned companies and the State's associated companies presented herein, distributed on the basis of the financial results for 2005, was EUR 4,356 million, of which state-owned companies accounted for EUR 1,406 million and listed associated companies for EUR 2,950 million. Dividends paid to the State out of the total dividend amount came to EUR 1,304 million, EUR 811 million accruing from state-owned and 493 million from associated companies.

The 2005 dividend yield from the State's portfolio of listed shares came to 5.7 per cent, clearly exceeding the average for companies trading on the Helsinki Stock Exchange's Main List, 3.8 per cent (cf. the Table on page 6). This was chiefly due to higher dividends distributed by Fortum Corporation and TeliaSonera AB. Correspondingly, the portfolio's dividend ratio was markedly above the average for listed companies.

Value and Yield of State Shareholdings 2001–2005

The Government Decision-in-Principle on the State's Corporate Ownership Policy, adopted by Prime Minister Vanhanen's Cabinet in 2004, summarises the core purpose of corporate ownership as follows: "The State's corporate holdings represent a considerable part of our national assets. In managing these assets, the State seeks to achieve an economic and societal overall result that is as good as possible." The economic overall result is the sum of the development in value of the shares owned and their annual dividend yield.

State shareholdings have accumulated in various ways. In many cases, the State has considered it appropriate to organise a certain special task in corporate format. This has led to creation of wholly state-owned companies, such as Alko Inc, Oy Veikkaus Ab and Finnvera plc, usually operating as monopolies and managing special duties.

In many cases, the State has become an owner of companies operating on market terms by providing capital to the basic industry and the infrastructure of the economy at times when private capital was in short supply. In order to manage the corporate and property ownerships transferred to the State as consequence of the banking crisis, the necessary corporate structure was set up. Due to changes in the operating environment and conditions, units within the State's organisation, originally tasked with official and service duties, have been corporatised to form independent limited companies and have subsequently broadened their ownership base.

Therefore, the State has not "selected" a share portfolio in the same way as a private investor. Instead, other reasons lie behind the State's corporate ownership and its distribution. Within the framework of its budget, the State cannot act in a way of a private investor and change its position flexibly: the State's share purchases and the sale of State-owned shares always require Government decisions. By virtue of the so-called State-Owned Companies Act, sale of shares requires an authorisation granted by Parliament to the Government, whereas share purchases require state-budget-based appropriations allocated to these.

In light of these aspects, the value development after the turn of the century of State holdings in companies operating on market terms can be assessed with great satisfaction. The overwhelming majority of the State's corporate assets are tied to listed companies, which are reviewed below. The development of State ownership is compared here with the OMX Helsinki Capped index, in which the weight of each company is limited to a maximum of 10 per cent of the index value.

The estimated value of State shareholdings in unlisted companies operating on market terms totals approximately EUR 4 billion. The value of shareholdings in companies performing special tasks cannot be estimated due to their monopoly status, and because the State cannot dispose of these holdings in the current situation.

At the closing rate of 29 December 2000, the last trading day of the year, the market value of all the Helsinki Stock Exchange lists totalled EUR 318,037 million. On the same day, the market value of the State's publicly listed share portfolio totalled EUR 16,234 million, which accounts for 5.1 per cent of all shares listed on the Stock Exchange. The OMX Helsinki Capped index was valued at 3,840.

Similarly, at the closing rate of 30 December 2005, the last trading day of last year, the market value of the Stock Exchange totalled EUR 203,121 million and the market value of the State's portfolio EUR 19,400 million, i.e. 9.6 per cent of all shares listed on the Stock Exchange. The Capped PI index was 4,312. Hence, in five years' time, the total value of listed shares on the Stock Exchange had decreased by EUR 114,916 million, or 36.1 per cent, whereas the value of the State's listed share portfolio had increased by EUR 3,166 million, or 19.5 per cent. In the corresponding period, the index had risen by 12.3 per cent.

Favourable developments continued in the early part of 2006: on 31 March 2006, the value of the State's share portfolio had increased to EUR 23,918 million in spite of the fact that several companies' AGMs had already decided on the payment of dividends for 2005.

When analysing the development of the value of the State´s shareholdings, it is understandably necessary to take account of not only the State's share disposals but also the State's capital contributions to state-owned companies.

From 2001 to 2005, the State sold shares in listed companies for EUR 4,844 million. In most cases, these disposals were executed through share offerings to domestic and international institutional

Figure 1. Total value of the State's portfolio of listed shares from 2000 to end of 2005, M€

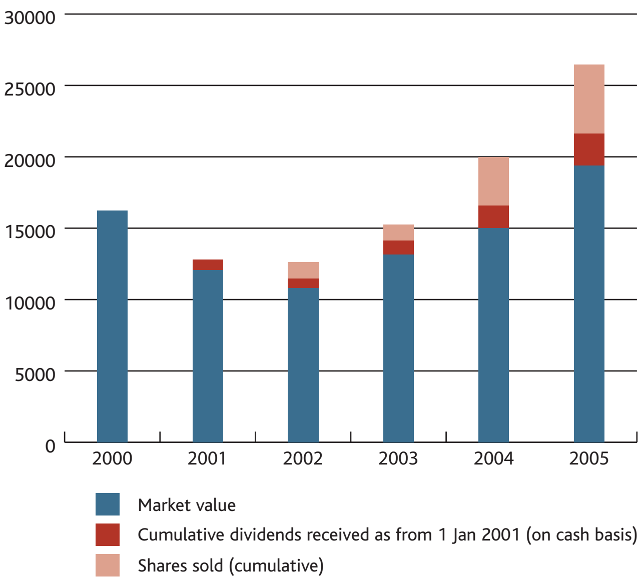
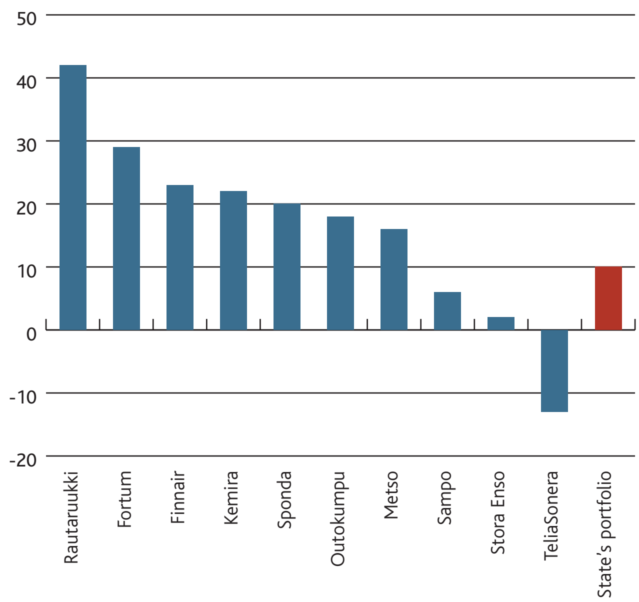
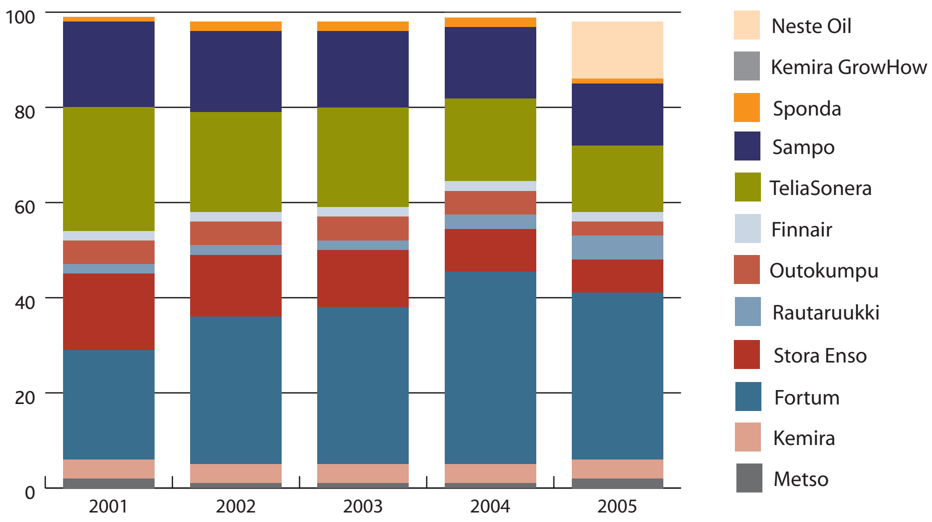


Figure 2. Change in total value*) of the State's portfolio of listed shares, on average, 31 Dec 2000 – 30 Dec 2005, % per year



*) Market value + shares sold + dividends

Figure 3. Total value*) of the State's portfolio of listed shares, weighted by share of ownership, 2001–2005



*) Market value + shares sold + dividends

investors through the so-called accelerated book building. But then again, during the same period, the State contributed approximately EUR 650 million to state-owned listed companies by subscribing for Sonera Corporation and Outokumpu Oyj shares in their share issues, which, in turn, decreases cumulative dividends.

Figure 2 illustrates on a company-specific basis the performance of companies included in the State's current portfolio of listed shares.

Yields by company have been calculated over the period of five years by comparing the closing and starting values and, on this basis, calculating the annual yield rate. Dividends reported for the period have been included on a cash basis, which means that the year-end 2005 situation does not include dividends due for the accounting period in question, because they will not be paid until 2006. Shares sold by the State are included in this calculation because their disposal has generated cash flow to the State during the period in question. Similarly, the State's share subscriptions during the share issues of Sonera and Outokumpu have been counted as a cash-flow decreasing factor.

The calculation method described above is highly sensitive to starting and closing values. However, the figure indicates a marked improvement in Rautaruukki's yield, while Fortum, Finnair, Kemira and Sponda reach an annual yield of over 20 per cent. Outokumpu and Metso also show good yield rates. Sampo's share price increased vigorously in 2000, i.e. immediately before the review period, which is reflected in the yield rate. In particular, Sonera's high weighting at the beginning and a fall in its share price result in a considerable reduction in the yield of the State's share portfolio.

Figure 3 depicts the contribution of the companies currently included in the State's portfolio of listed shares to the development of total yield. To put it more precisely, the graph does not describe the weighting of the companies' market values within the State's portfolio, but their role in the development of total yield of the State's portfolio. Fortum had the greatest weighting even though its role decreased in 2005, due to the spin-off of Neste Oil. Neste Oil's weighting is the third highest after TeliaSonera, as shown by the table. Should the weightings of companies be compared solely on the basis of market values at the end of 2005, Neste Oil's weighting would be second highest after Fortum in the State's portfolio. The figure also indicates strong developments for Rautaruukki, as its share has increased from 2 to 5 per cent over a period of five years, which means that its relative growth has been highest.

From 2001 to 2005, the State received a total of EUR 3,517 million in cash dividends paid, on a cash basis, by state-owned companies and associated companies operating on market terms. During the review period, the total amount of annual dividends received seemed to stand at approximately EUR 800 million. However, due to the excellent results reported by certain companies in 2005, the projected dividends payable to the State in 2006 will total approximately EUR 1,300 million.

The average dividend yield shown by each listed company with the State as a shareholder exceeds the industry average in the review period. The dividend yield also exceeds the average dividend yield shown by companies on the Main List of the Helsinki Stock Exchange. If the effect of Nokia is excluded from the Main List, the average dividend yield is almost equal to the Main List.

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Ministry of Trade and Industry
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Profitability and returns of listed companies*)

Growth of net sales %	2001	2002	2003	2004	2005	Average
Entire stock exchange	5.8	4.6	5.8	3.3	10.8	6.1
Entire stock exchange excl. Nokia	6.7	6.8	7.7	4.3	9.1	6.9
Listed state-owned companies and associated companies**	9.2	6.4	0.0	4.5	8.7	5.8

Operating income %	2001	2002	2003	2004	2005	Average
Entire stock exchange	9.8	8.8	8.3	9.3	9.4	9.1
Entire stock exchange excl. Nokia	7.7	6.4	6.2	7.9	8.2	7.3
Listed state-owned companies and associated companies**	7.5	6.9	8.4	10.9	10.9	8.9

Net profit margin %	2001	2002	2003	2004	2005	Average
Entire stock exchange	6.0	5.7	5.0	6.3	6.6	5.9
Entire stock exchange excl. Nokia	4.2	3.7	3.3	5.1	5.5	4.4
Listed state-owned companies and associated companies**	4.0	4.7	4.6	7.5	7.5	5.6

Return on equity ratio %	2001	2002	2003	2004	2005	Average
Entire stock exchange	13.0	11.5	10.1	12.1	13.3	12.0
Entire stock exchange excl. Nokia	8.7	7.4	6.6	9.8	10.3	8.6
Listed state-owned companies and associated companies**	6.8	7.7	6.7	11.3	11.0	8.7

Equity ratio %	2001	2002	2003	2004	2005	Average
Entire stock exchange	45.2	46.4	47.7	50.9	47.6	47.5
Entire stock exchange excl. Nokia	43.4	43.7	44.7	48.6	46.3	45.4
Listed state-owned companies and associated companies**	43.9	43.7	46.1	51.0	48.5	46.6

EVA per sales %	2001	2002	2003	2004	2005	Average
Entire stock exchange	1.5	-0.4	0.3	2.5	2.4	1.3
Entire stock exchange excl. Nokia	-0.9	-2.8	-2.1	0.9	0.5	-0.9
Listed state-owned companies and associated companies**	-2.6	-5.4	-3.0	1.2	-0.5	-2.1

P/B ratio	2001	2002	2003	2004	2005	Average
Entire stock exchange	2.8	1.8	2.2	1.9	2.5	2.3
Entire stock exchange excl. Nokia	1.3	1.1	1.4	1.5	1.9	1.4
Listed state-owned companies and associated companies**	1.1	1.1	1.2	1.3	1.8	1.3

P/E ratio	2001	2002	2003	2004	2005	Average
Entire stock exchange	22.5	16.7	21.7	16.0	18.7	19.1
Entire stock exchange excl. Nokia	15.5	16.0	21.1	15.8	18.1	17.3
Listed state-owned companies and associated companies**	16.3	15.4	18.1	12.4	16.4	15.7

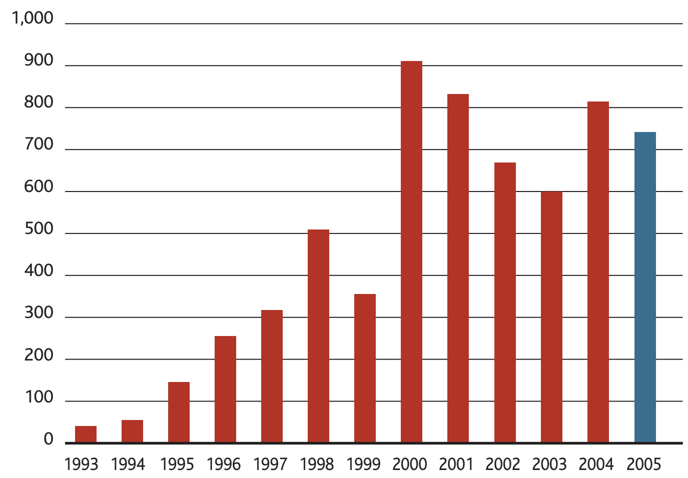
Dividend yield %	2001	2002	2003	2004	2005	Average
Entire stock exchange	2.1	2.9	3.0	3.3	3.8	3.0
Entire stock exchange excl. Nokia	3.7	3.9	4.3	3.6	4.8	4.1
Listed state-owned companies and associated companies**	3.0	3.3	3.8	3.7	5.7	3.9

Payout ratio %	2001	2002	2003	2004	2005	Average
Entire stock exchange	46.6	48.9	66.1	48.3	49.4	51.8
Entire stock exchange excl. Nokia	57.3	62.6	89.7	58.4	60.8	65.8
Listed state-owned companies and associated companies**	49.4	49.9	68.5	45.9	94.3	61.6

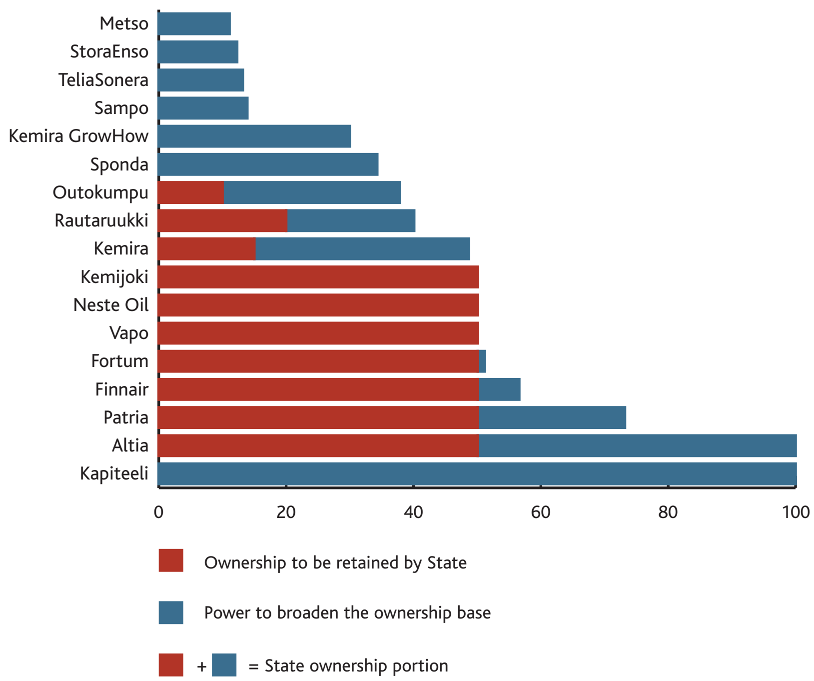
*) Excl. banks and insurance companies
**) Exclusive Sampo plc

In this table, companies trading on the Helsinki Stock Exchange's Main List account for approx. 98% of the List's market value, excluding banks and insurance companies.
The table is calculated on the basis of total sums, growth of net sales weighted by net sales.

Dividend yield to the State Treasury 1993–2005, M€



Authorisation by Parliament for expanding the ownership base on 31 March 2006, %



Publicly Quoted State-owned Companies

Finnair is a travel industry group, offering scheduled passenger flight, leisure flight, travel agency and cargo services in Finland and abroad. Scheduled passenger traffic operations represent 75 per cent of the Group's external turnover. Half of Finnair's scheduled passenger traffic revenue comes from European routes and more than a quarter from Asian routes. Domestic traffic accounts for slightly less than one fifth of scheduled passenger traffic sales revenue.
Finnair has a competitive advantage granted by geographical location in traffic between Europe and the Far East. Each year, Finnair carries more than 8.5 million passengers and more than 90 million kilos of cargo.

The airline industry worldwide in 2005 was marked by growing demand for flight travel but also by higher fuel prices. In Europe the competition for market share continued as new companies entered the market.

Strong growth in demand, a rise in average prices and an improvement in productivity through operational efficiency and cost-cutting measures strengthened the Finnair Group's profitability significantly in 2005. The financial result for the year tripled and was the best for five years.

Finnair has grown to become a significant airline in traffic between Asia and Europe. The shortest flight route between Europe and Asia runs through Helsinki. Finnair exploits the location of Helsinki-Vantaa Airport by offering the fastest connections between many major cities in Europe and Asia. Passenger volume on Finnair's Asian flights grew in 2005 by more than 17 per cent.

Finnair has committed itself to growth in Asian traffic also in the years to come. At the end of 2005, the company placed an order for 12 new Airbus long-haul aircraft. The increasing capacity will allow Finnair to add one or two new destinations in Asia each year and to increase flight frequencies to current destinations.

Finnair Leisure Flights carries the majority of Finnish tourists to beach holidays in Europe as well as to long-haul destinations in Asia and America. The tour operator Aurinkomatkat-Suntours, which belongs to the Finnair Group, provides a third of the package tours purchased annually by Finns.

The Group's travel agencies, Area and Finland Travel Bureau, are two of the three biggest agencies in Finland. The Estonian company Estravel, a subsidiary of Finland Travel Bureau, is the biggest travel agency chain in the Baltic states. The travel agency sector has undergone a huge transition as its earnings logic has changed. The sales commission paid by airlines have been replaced by service fees charged from customers.

Finnair produces a significant part of the support services required by flight operations, for example technical services, catering and ground handling. Substantial productivity improvements have been achieved in these areas.

In terms of its financial health as well as its operational and service quality, Finnair is among the elite of European airlines.

To meet the increasing demand in Asian traffic, Finnair acquires 12 new aircraft for its long-haul traffic.

Consolidated		2002 FAS	2003 FAS	2004 IFRS	2005 IFRS
Net sales	M€	1,656	1,558	1,683	1,871
Operating income	M€	60	–19	31	82
Income after financial items	M€	54	–22	31	88
Return on investment	%	7.6	0.0	6.1	11.1
Equity ratio	%	44.3	44.4	40.2	42.2
Balance sheet total	M€	1,480	1,415	1,500	1,638
Gross investments	M€	102	82	115	58
Personnel, average		10,476	9,981	9,522	9,447
Parent company					
Share capital	M€	72.0	72.0	72.1	73.8
Dividends	M€	12.7	8.5	8.5	21.8

Distribution of shares in Finnair Oyj
State of Finland 57.04%
Others 42.96%

President and CEO
Jukka Hienonen

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Board of Directors (as from March 23, 2006)
Christoffer Taxell, Chairman
Kalevi Alestalo
Satu Huber
Markku Hyvärinen
Kari Jordan
Ursula Ranin
Veli Sundbäck
Helena Terho

President and CEO Jukka Hienonen

Key share figures		2002 FAS	2003 FAS	2004 IFRS	2005 IFRS
Price/earnings (P/E ratio)		8.63	–27.66	18.36	16.43
Earnings/share (EPS)	€	0.43	–0.19	0.30	0.73
Equity/share	€	7.58	7.24	6.97	7.73
Dividend/share	€	0.15	0.10	0.10	0.25
Dividend/earnings	%	34.5	–52.2	33.0	34.3
Effective dividend yield	%	4.0	1.9	1.8	2.1

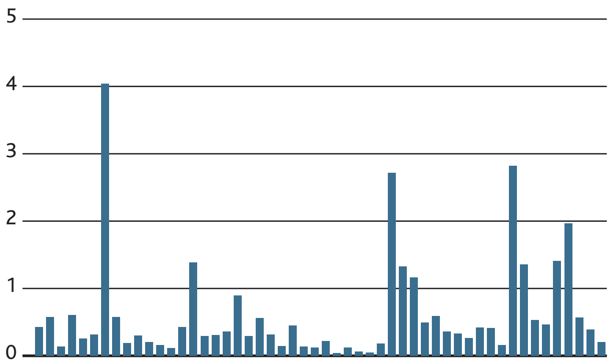
Market value of the company		
Dec 31, 2005	M€	1,040

Types and quantities of shares				
Average number of shares adjusted by issue	84,740,792	84,743,171	84,750,387	85,349,921
Average number of shares adjusted by issue, Dec 31	84,743,163	84,745,663	84,759,213	87,544,169
Number of shares, Dec 31	84,743,163	84,745,663	84,759,213	86,804,113

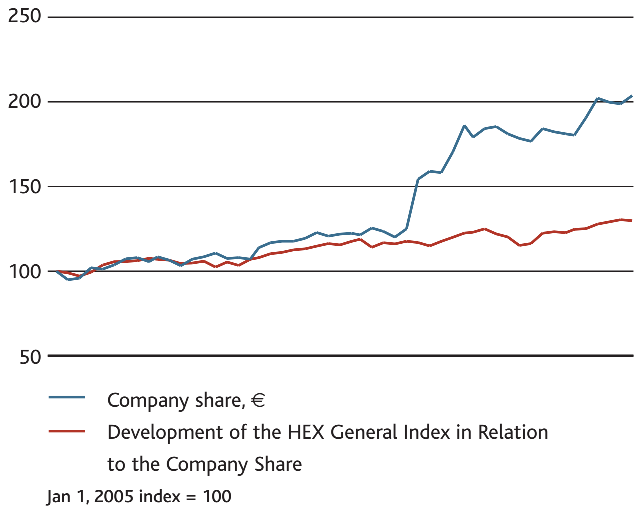
Shares traded and price trend					
Shares traded	Mill.	16.7	17.8	21.3	32.2
Shares traded/shares outstanding	%	19.7	21.0	25.1	37.1
Shares traded	M€	72.3	76.4	114.9	276.0
Average share price	€	4.33	4.29	5.40	8.56
Lowest share price	€	3.70	3.20	4.46	5.56
Highest share price	€	5.10	5.58	6.57	12.15
Share price on closing of books	€	3.75	5.30	5.56	11.98

State ownership	
Dec 31, 2005	57.0%
Limit to which the Government has been authorised to decrease the State's holding	50.1%

Shares traded in 2005, Mill. shares



Share price performance in 2005



Fortum

Fortum is a leading energy company in the Nordic countries and other parts of the Baltic Rim area. The group's activities cover the generation, distribution and sale of electricity and heat, the operation and maintenance of power plants, as well as energy related services. Fortum's goal is to create the leading power and heat company and become the energy supplier of choice in the chosen market areas.

The year 2005 was excellent for Fortum. Both the operating profit and cash flow from operating activities improved and the key financial targets, 12% return on capital employed and 12% return on equity, were exceeded. The comparable operational profits of all segments were higher than in 2004.

Fortum continued to implement its strategy that covers the Nordic countries and the Baltic Rim area, making significant progress on several fronts. The most significant event of the year was the separation of the oil businesses and listing of Neste Oil on the Helsinki Stock Exchange.

A strategically important step was the signing of agreements to acquire E.ON Finland from its majority shareholders, the city of Espoo and E.ON Nordic. To be implemented during 2006, the transaction makes Fortum even stronger in the Nordic electricity market and paves the way for further growth.

Fortum increased its ownership in the Russian energy company Lenenergo and agreed to acquire a quarter of the shares in Kolenergo. The acquisitions strengthen Fortum's position in the north-west Russian territorial generation company TGC-1. In 2005, Fortum was still the only foreign strategic investor on the Russian power market.

The district heating business continued to grow in Poland with acquisition of majority holdings in two new heating companies. In Lithuania Fortum created a sound basis for growth by acquiring the district heating company UAB Suomijos and in Sweden, the company inaugurated a new waste fuel based combined heat and power plant.

In 2005, Fortum continued to improve its services by launching customer guarantee and customer ombudsman activities, as well as by bringing new online services and electricity products on the market. The company also announced a EUR 700 million investment plan, the aim of which is to further improve the reliability of its electricity distribution networks. In addition, a project for the development of automatic meter reading was launched.

As the consolidation of the energy business continues, Fortum seeks further growth in the Nordic countries, and in the Russian and Baltic Rim markets. Thanks to its strong performance, as well as good growth opportunities and favourable market fundamentals in the Nordic and Baltic Rim area, Fortum is well positioned also for the future.

Fortum is committed to sustainable development and believes that it also increases the company's competitive edge. The company constantly carries out research and development work in order to identify new and innovative methods for decreasing emissions. In 2005, 93% of Fortum's power generation was CO2 free

Distribution of shares in Fortum Corporation

Finnish shareholders 66.8%
- Corporations 0.8%
- Financial and insurance institutions 2.3%
- General government 57.3%
- Non-profit organisations 1.2%
- Households 5.2%

Non-Finnish shareholders 33.2%
Total 100%

President and CEO
Mikael Lilius

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Board of Directors (as from March 16, 2006)
Peter Fagernäs, Chairman
Birgitta Kantola, Deputy Chairman
Esko Aho
Birgitta Johansson-Hedberg
Matti Lehti
Marianne Lie
Christian Ramm-Schmidt

President and CEO Mikael Lilius

Corporation		2002 FAS	2003 FAS	2004 IFRS	2005 IFRS
Sales	M€	11,148	11,392	11,659	5,918
Sales, continuing operations				3,835	3,877
Operating profit	M€	1,289	1,420	1,916	1,864
Operating profit, continuing operations				1,195	1,347
Profit after financing items	M€	1,008	1,184	1,700	1,776
Profit after financing items, continuing operations				962	1,267
Return on capital employed	%	11.1	11.4	15.8	16.6
Return on capital employed, continuing operations	%			11.4	13.5
Equity-to-assets ratio	%	41	40	44	49
Balance sheet total	M€	17,960	16,562	17,567	15,130
Investments (gross)	M€	4,381	1,136	830	578
Investments, continuing operations				514	479
Average number of employees		14,053	13,343	12,859	10,026
Average number of employees, continuing operations				8 592	8 939
Parent company					
Share capital	M€	2,876	2,886	2,948	2,976
Dividends	M€	262	357	506	980

Key share figures, Fortum total		2002 FAS	2003 FAS	2004 IFRS	2005 IFRS
P/E = price/earnings		7.5	9.0	9.2	10.2
EPS = earnings/share	€	0.79	0.91	1.48	1.55
Equity/share	€	6.97	7.55	8.65	8.17
Dividend/share	€	0.31	0.42	0.58	1.12
Dividend/earnings	%	39.3	46.2	39.2	72.3
Effective dividend yield	%	5.3	5.1	4.3	7.1

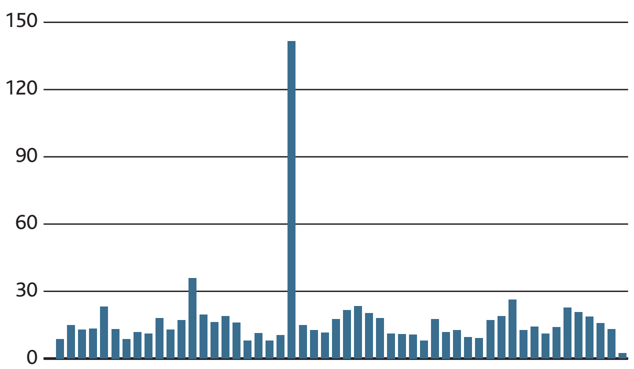
Market value of the stock		
Dec 31, 2005	M€	13,865

Type and amount of shares		2002	2003	2004	2005
Number of shares, Dec 31	Thousand	845,776	849,813	867,084	875,294
Own shares, Dec 31		-	-	-	-

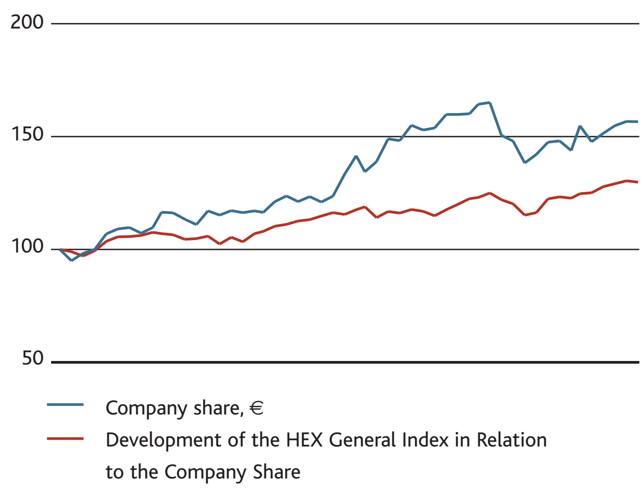
Shares traded and price trend		2002	2003	2004	2005
Shares traded	Million	251.2	270.3	478.8	900.3
Shares traded/number of shares	%	29.7	31.9	59.2	103.2
Shares traded	M€	1,475	1,867	4,927	12,487
Average share price	€	5.87	6.94	10.29	13.87
Lowest share price	€	4.75	5.66	7.45	10.45
Highest share price	€	6.52	8.75	13.99	16.90
Share price on closing of books	€	6.25	8.18	13.62	15.84

State ownership	
Dec 31, 2005	51.52%
Limit to which the Government has been authorised to decrease the State's holding	50.1%

Shares traded in 2005, Mill. shares



Share price performance in 2005



Jan 1, 2005 index = 100

NESTE OIL

Neste Oil's first year of operations as an independent company was a successful one. The company achieved both its profitability target, recording a return on average capital employed after tax of 19%, and its financial solidity target, recording a leverage ratio of 33%.

Neste Oil is a leading Northern European oil refining and marketing company that focuses on high-quality traffic fuels and other value-added, lower environmental impact products. The company was listed on the Helsinki Stock Exchange in April 2005, and its market capitalization increased by 65% over the year compared to its value at the time of its initial public offering.

Neste Oil's operations cover oil refining, petroleum product marketing, shipping, and engineering. The company's two refineries at Porvoo and Naantali process a total of some 12.5 million tons of crude oil a year, equivalent to 250,000 barrels a day.

Neste Oil sold 7.5 million tons of petroleum products in Finland in 2005, and exported 5.6 million tons.

A strong year in 2005

Demand for high-quality traffic fuels continued to grow in 2005, favoring refiners with advanced refining capacity, such as Neste Oil. Financial performance and cash flow were both strong, despite a record-high level of capital investment and a scheduled maintenance shutdown at the Porvoo refinery. Net sales were some 26% up on those for 2004, largely as a result of the higher prices commanded by both crude and petroleum products.

Neste Oil recorded an operating profit of € 791 million in 2005, compared to € 713 million in 2004, thanks to stronger refining margins, capital gains on asset sales, and inventory gains. The comparable operating profit, excluding inventory gains or losses, changes in the fair value of oil derivatives, and gains or losses on sales of fixed assets, totaled € 525 million, compared to € 584 million in 2004.

The Diesel project at the Porvoo refinery progressed as planned, and the new line is scheduled to start up at the end of 2006. Neste Oil is also building a new biodiesel production plant at Porvoo. Based on proprietary technology that has attracted interest across the industry worldwide, this will produce premium-quality bio-based diesel fuel.

The new diesel production line will be completed at the Porvoo refinery by the end of 2006.

Consolidated		2004 IFRS*	2005 IFRS
Net sales	M€	5,454	9,974
Operating income	M€	486	791
Income after financial items	M€	520	823
Return on investment	%	40.3	37
Equity ratio	%	32.2	42.4
Balance sheet total	M€	3,105	3,829
Gross investments	M€	229	668
Personnel, average		4,296	4,528
Parent company			
Share capital	M€	40	40
Dividends	M€	-	205

* Neste Oil Group was incorporated through a demerger on May 1, 2004, and thus reporting period in 2004 was 8 months (May 1, 2004–Dec 31, 2004).

Distribution of shares in Neste Oil Corporation
Finnish State 50.1%
Foreign shareholders 34.8%
General government 5.9%
Finnish households 5.5%
Financial and insurance companies 1.6%
Non-profit organizations 1.2%
Private corporations 0.9%

President and CEO
Risto Rinne

President and CEO Risto Rinne

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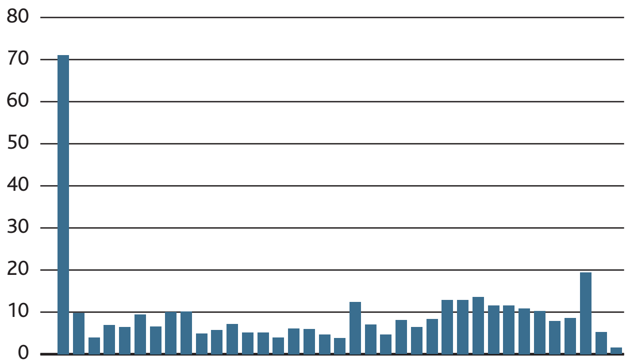
Board of Directors (as from March 22, 2006)
Timo Peltola, Chairman
Mikael von Frenckell, Deputy Chairman
Ainomaija Haarla
Kari Jordan
Juha Laaksonen
Nina Linander
Pekka Timonen
Maarit Toivanen-Koivisto

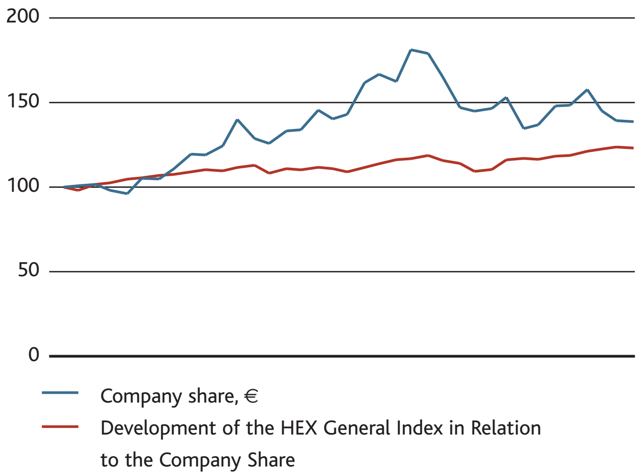
Key share figures		2004 IFRS*	2005 IFRS
Price/earnings (P/E ratio)		-	9.5
Earnings/share (EPS)	€	1.6	2.6
Equity/share	€	3.87	6.26
Dividend/share	€	-	0.8
Dividend/earnings	%	-	30.8
Effective dividend yield	%	-	3.2
Market value of the company			
Dec 31, 2005	Bill. €		6.1
Types and quantities of shares			
Number of shares, Dec 31		256,403,686	256,403,686
Number of own shares, Dec 31		-	-
Shares traded and price trend			
Shares traded	Mill.	-	361
Shares traded/shares outstanding	%	-	141
Shares traded	M€	-	7,996
Average share price	€	-	22.2
Lowest share price	€	-	15.2
Highest share price	€	-	32.2
Share price on closing of books	€	-	24.8
State ownership			
Dec 31, 2005			50.1%
Limit to which the Government has been authorised to decrease the State's holding			50.1%

* Neste Oil Group was incorporated through a demerger on May 1, 2004, and thus reporting period in 2004 was 8 months (May 1, 2004–Dec 31, 2004).

Shares traded in 2005, Mill. shares



Share price performance in 2005



April 18, 2005 index =100

Other State-owned Companies

Alko is an independent company fully owned by the state. The company's basic function is the retail sale of alcoholic beverages under a monopoly granted under the Alcohol Act.

The company's basic function is the retail sale of alcoholic beverages under a monopoly granted under the Alcohol Act. Exceptions to alcoholic beverages under a monopoly are fermented beverages containing up to 4.7% alcohol by volume and wines sold by Finnish farm wineries containing up to 13% alcohol by volume.

Alko shops must comply with strict requirements concerning responsible control over their sales. We pay particular attention to ensuring that shops do not sell products to underage or intoxicated customers or to parties suspected of handling over alcohol. Sales supervision is part of the daily customer service, which simultaneously lays stress on responsible and service-oriented targets.

In 2005 customers' ages were checked on nearly 1.5 million occasions at shops, and about 165,000 suspicions of intoxation and 31,000 of suspected handover were registered. About 20 per cent more checks were made than last year. Alko shops distribute a wide range of printed material on the detrimental impact and health hazards of alcoholic beverages and on proper drinking habits.

Our shop operations are based on a chain model. At the end on 2005 Alko had 327 shops and 139 order service points complementing the sales network. About 64 million customers came to our shops.

Alko buys products from some 250 suppliers abroad and 50 manufacturers and importers in Finland. The fact that Alko has the sole right to sell alcoholic beverages in Finland calls for impartiality, consistency and transparency in purchasing the selection.

At the end of 2005 the selection of alcoholic beverages contained about 2,000 products from some 50 countries. Alko's sales per litre in 2005 came to a total of 108.1 million litres. In 100% alcohol, sales totalled 18.9 million litres.

Alko's Alcohol Control Laboratory (ACL) tests the quality and safety of products sold by Alko.

In addition to official EU requirements, products in the general selection are analysed at regular intervals in order to ensure consumer protection more widely. With respect to environmental protection, Alko subscribes to the Business Charter for Sustainable Development of the International Chamber of Commerce, for example.

Recycling of packaging is the most visible part of Alko's environmental responsibility in practice. Some 94 per cent of the packaging that is in the deposit system and sold by Alko is recovered.

Capable personnel are essential to our operations. Our expertise is apparent in the smooth flow of customer service and responsible action.

Consolidated		2002	2003	2004	2005
Net sales	M€	1,091.5	1,133.1	1,004.5	984.5
Operating income	M€	–1.1	42.9	42.8	50.9
Income after financial items	M€	0.7	43.8	43.8	52.0
Return on investment	%	1.2	87.0	73.8	76.6
Equity ratio	%	20.0	25.0	30.7	31.6
Balance sheet total	M€	232.9	217.3	210.9	225.1
Gross investments	M€	8.3	9.8	7.6	6.4
Personnel, average		2,508	2,479	2,453	2,456
Parent company					
Share capital	M€	17	17	17	17
Dividends	M€	20.0	20.0	32.0	38.9

Distribution of shares in Alko Inc
State of Finland 100%
President and CEO
Jaakko Uotila
Head Office
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www.alko.fi
Board of Directors (as from April 5, 2006)
Jussi Huttunen, Chairman
Reijo Väärälä, Vice Chairman
Raija Koskinen
Satu Lähteenmäki
Jussi Simpura
Soili Suonoja

President and CEO Jaakko Uotila

ALTIA
CORPORATION

Altia Corporation is an international multi-beverage company, with focus on wines and spirits. The company represents international quality brands form all over the world. Altia has also a strong portfolio of own brands. It operates in the Nordic and Baltic countries and searches for growth.

Year 2005 was a year of changes for Altia Corporation. The acquisition of Scandinavian Beverage Group in December 2004 led up to integration process and a new business structure, organization and operational model. The strategic goals were also specified and the company's values and cultural environment were renewed.

The vision of the company is to maximize the opportunities for growth and utilize its position to be the leading alcoholic beverage company in the Nordic and Baltic countries within three years and in Northern Europe within five years. Turning the vision into reality requires corporate acquisitions which are possible through a strong financial foundation.

The operating structure is designed to support a strategy of strong growth. Proprietary products and brands combined with service-minded supplier management form the foundation for operations that offers a competitive edge. The goal is a balanced product portfolio in which both proprietary and supplier products benefit from synergies. The independent sales and marketing companies operate under the country units.

Production is focused in efficient units located in Koskenkorva, Rajamäki and Tabasalu near Tallinn. Versatile packaging solutions and logistics solutions in the Nordic and Baltic Countries provide a competitive edge for proprietary and supplier products.

In 2005, Altia Corporation's net sales almost doubled in comparison with the previous year due to the integrated operations, and the operational result improved. Relative profitability dropped. This was mainly due to structural changes to the business units, which caused the main focus of net sales to move from proprietary products to supplier products.

Drinking habits vary greatly between the countries. In Sweden, Norway and Denmark consumption is focused on wines, while Finnish consumers drink both spirits and wines and Estonian consumers prefer spirits.

Consolidated		2002 FAS	2003 FAS	2004 IFRS	2005 IFRS
Net sales	M€	248.1	200.3	218.3	422.7
Operating income	M€	102.3	24.2	68.5	24.8
Income after financial items	M€	103.4	25.3	69.1	23.0
Return on investment	%	61.0	15.4	31.9	8.2
Equity ratio	%	60.8	58.8	38.2	39.0
Balance sheet total	M€	306.7	236.4	477.6	486.3
Gross investments	M€	28.0	14.0	61.7	17.1
Personnel, average		699	676	713	971
Parent company					
Share capital	M€	60.5	60.5	60.5	60.5
Dividends	M€	66.0	10.0	10.0	10.0

Distribution of shares in Altia Corporation
State of Finland 100%

President and CEO
Leena Saarinen

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Board of Directors (as from March 28, 2006)
Jarmo Leppiniemi, Chairman
Riitta Vermas, Vice Chairman
Arto Harjumaaskola
Satu Heikintalo
Ilkka Puro
Satu Raiski
Markku Rönkkö

President and CEO Leena Saarinen

Kapiteeli Plc is a property investment company that invests in office and retail premises and hotel properties with the aim of increasing their asset value. Kapiteeli offers its customers flexible office and commercial property solutions together with management, maintenance and user services that meet customers' business needs.

The market value of Kapiteeli's property assets is around EUR 1.3 billion, of which investment property accounts for 81%. Kapiteeli has approximately 1,100 property units with a total lettable area of about 1.4 million m^2. The company is seeking profitable growth by concentrating its property assets in growth centres, mainly in the Helsinki Metropolitan Area, Tampere, Turku and Oulu. By 2008, Kapiteeli will have divested itself of property assets that are incompatible with its strategic aims due to their size, location or type.

Kapiteeli is owned by the State of Finland. In October 2005, Parliament authorized the sale of Kapiteeli, either partly or wholly.

Year 2005

Over the course of six years, Kapiteeli has become one of Finland's leading property investment companies. 2005 was the most profitable year in Kapiteeli's history to date. The operating profit of EUR 112 million exceeded all the targets set for the company against all indicators.

Kapiteeli's core business comprises leasing and developing office and retail premises and hotel properties. Developing its own property portfolio and a customer-centred approach are the keys to Kapiteeli's success. In 2005, Kapiteeli invested around EUR 52 million on development projects. The latest development project, completed at the end of 2005, was the Ruoholahden Sulka office property. The competitiveness of the property portfolio was strengthened through the acquisition of properties in line with the company's strategy to the value of approximately EUR 65 million. Properties incompatible with the strategy were sold for around EUR 149 million.

Prospects for 2006

The excellent trend in Kapiteeli's results is expected to continue. Net rental yield will improve and the vacancy rate will decline, although there may be a decline in the number of development projects and property acquisitions as well as a decline in the volume of investments compared with the previous year. The property market will remain challenging, which will be reflected in the construction of new projects, as there is still plenty of underused office property available in the Helsinki Metropolitan Area. The market has become more professional, which has stressed the importance of staff expertise and having a network of cooperation partners.

The key factor in Kapiteeli's success is its own property development. A recent example of this is the Ruoholahden Sulka office building in Helsinki. The aim in developing properties is to produce premises that will support the fluctuating needs and practices of the lessee companies' business operations.

Consolidated		2002	2003	2004 IFRS	2005 IFRS
Net sales	M€	334	300	278	287
Operating income	M€	59	46	128	148
Income after financial items	M€	35	27	105	134
Return on investment	%	4,6	3,9	10,3	11,6
Equity ratio	%	44.2	40.8	48.1	55.7
Balance sheet total	M€	1,343	1,253	1,442	1,374
Gross investments	M€	126	119	108	118
Personnel, average		151	127	215	177
Parent company					
Share capital	M€	240	190	190	190
Dividends	M€	10	9	40	67

Distribution and shares in Kapiteeli Plc
State of Finland 100%
President and CEO
Ossi Hynynen
Head Office
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Fax +358 20 3301
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www.kapiteeli.fi
Board of Directors (as from March 17, 2005)
Erkki KM Leppävuori, Chairman
Jarmo Väisänen, Vice Chairman
Matti R J Niemi
Ritva Sallinen
Elina Selinheimo

President and CEO
Ossi Hynynen

KEMIJOKI OY

Kemijoki Oy is Finland's foremost producer of hydropower and the related services. The company owns 20 hydropower plants, 16 of which are located on the Kemijoki river waterway, and two each on the Lieksanjoki and Kymijoki rivers. In addition, it regulates the Lokka and Porttipahta artificial lakes alongside Lake Kemijärvi and Lake Olkkajärvi.

Kemijoki. Emission-free, renewable domestic energy.

Kemijoki Oy is the Group's parent company, with major subsidiaries carrying out electric network activities and selling services and products related to hydropower technology.

Last year, the Group's hydropower plants produced a total of 4,610 gigawatt hours of electrical power, total production coming to around seven per cent more than during an average hydropower year and corresponding to 34 per cent of all indigenous hydropower electricity. Electricity produced by the power plants is sold to the company's joint hydropower owners.

The Kemijoki Group's financial status remained stable, with the Group's equity ratio at 35.8 per cent and balance sheet total at EUR 419.6 million. The parent company's equity ratio stood at 35.7 per cent and balance sheet total at EUR 420.2 million. Kemijoki Group's net sales totalled EUR 38.1 million.

Capital expenditure

Gross investments came to EUR 9.9 million, having totalled EUR 12.1 million in the previous year. The Permantokoski power plant unit underwent a basic refurbishment, involving the replacement of the turbine and generator. This renewal improved the efficiency of the unit, slightly raising the plant's generating capacity.

Unit 2 of the Petäjäskoski power plant was upgraded to raise its generating capacity by 19 megawatts. Due to the completed basic upgradings, the total output of the Group's power plants rose to 1,029 megawatts.

The power plants' total uptime was approximately 97 per cent, thanks primarily to the basic refurbishments, and there were extremely few unplanned interruptions.

The construction plan for the Sierilä power plant project was finalised and an environmental permit application filed with the Northern Finland Environmental Permit Authority.

Prospects for the near future

Implementation of the investment plan will continue in 2006 with basic refurbishment and raising the generating capacity of unit 3 of the Petäjäskoski power plant. After that, three units of the Ossauskoski power plant will undergo basic refurbishment, raising their generating capacity. An environmental permit application for the latter project was filed with the environmental permit authority at the end of 2005.

Due to a real estate tax legislation amendment, real estate tax rates for hydropower plants almost doubled at the beginning of 2006. Real estate tax paid by Kemijoki Oy will increase from the current level of around EUR 8 million to almost EUR 14 million. This tax increase will significantly raise production costs for existing hydropower capacity and impair investment profitability.

Consolidated		2002	2003	2004	2005
Net sales	M€	48.3	43.6	40.1	38.1
Operating income	M€	–8.0	5.4	5.4	1.7
Income after financial items	M€	–16.6	–2.2	–1.5	–5.3
Return on investment	%	–2.3	1.8	1.5	0.5
Equity ratio	%	36.9	38.0	35.8	35.8
Balance sheet total	M€	433.2	417.0	418.0	419.6
Gross investments	M€	10.7	10.4	12.1	9.9
Personnel, average		356	345	320	305
Parent company					
Share capital	M€	41.3	41.3	41.3	41.3
Dividends	M€	0.0	0.8	0.7	0.7

Distribution of shares in Kemijoki Oy
State of Finland 50.10%
Fortum Power and Heat Oy 17.50%
Lapin Sähkövoima Oy 9.34%
UPM-Kymmene Oyj 4.13%
City of Helsinki 0.94%
Rovakairan Tuotanto Oy 0.70%
Rovaniemen Energia Oy 0.40%
Kemijoki Oy 16.89%

President and CEO
Aimo Takala

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Board of Directors (as from Jan 1, 2006)
Tapio Kuula, Chairman
Markku Tynkkynen, Vice Chairman
Hannu Haase
Paula Nybergh
Marjut Ontronen
Pekka Päätiläinen
Seppo Ruohonen

President and CEO Aimo Takala

Patria

Patria is an Aviation and Defence industry group with international operations. Its key business areas are armoured wheeled vehicles, mortar systems, helicopters and aircraft, life cycle support for these products, as well as defence electronics systems. Patria delivers internationally competitive solutions to global markets based on its own specialist know-how and partnerships.

After four years of growth, Patria expected a temporary decline. At EUR 317 million, net sales were close to the previous year's level, but operating profit fell slightly short of the targeted level, amounting to EUR 13.8 million. Defence material and maintenance accounted for 85% and civilian products for 15% of the net sales. The Group employed an average of 1,848 persons. In order to secure profitable growth, Patria carried out several corrective measures that will also reinforce the competitive ability of the entire organisation in the long term.

Patria's operating model has been focused to better match the needs of the Group's customers and rapid changes in the Group's operating environment in Finland as well as in the global market. As of the beginning of 2006 the businesses are carried on in two Business segments comprising the business units and the associated companies.

The Land Solutions Business segment comprises the Vehicles and Weapon Systems Business Units and the associated companies Nammo and EURENCO. Systems and Services Business segment comprises the following Business Units: Aviation, Helicopters, Training, Systems, Aerostructures and Vammas. Patria has also established two Group-level defence marketing and sales units; one for international and one for Finnish and Baltic region projects. The intention of the arrangement is to utilise the entire Group's competence and capacity in a more flexible manner.

Patria's focus in 2006 is on continued strong internationalisation of the Group, finding the right partners as well as supplying the international market with competitive solutions. After a year of decline Patria is expected to return to a growth track in 2006.

Significant agreements and deliveries in 2005:

- 81 Patria AMV vehicles were delivered to Poland, thus Patria fulfilled the technology transfer to Poland successfully and according to time schedule.
- Patria and the Finnish Air Force signed an agreement on transferring the basic training of Air Force pilots and associated technical support to Patria.
- Patria's Aerostructures business unit was selected to design and manufacture vertical tail plane tip fairings for the Airbus A400M military transport aircraft.
- The first NH90 helicopter assembled by Patria made its successful maiden flight in July in Jämsä, Finland.

Patria AMV 8x8 military vehicle and AMOS mortar system are designed for the growing international market. The products represent the highest technology in their branch and deliveries to customers have begun.

Consolidated		2002 FAS	2003 FAS	2004 IFRS	2005 IFRS
Net sales	M€	232.5	259.1	319.2	317.2
Operating income	M€	7.0	15.9	23.6	13.8
Income after financial items	M€	9.5	16.4	21.0	12.9
Return on investment	%	5.7	9.0	11.1	6.8
Equity ratio	%	68.5	56.7	57.4	62.2
Balance sheet total	M€	333.8	375.2	426.3	416.8
Gross investments	M€	14.9	12.7	22.3	11.7
Personnel, average		2,117	2,032	1,988	1,848
Parent company					
Share capital	M€	38.0	38.0	38.0	38.0
Dividends	M€	2.3	2.9	11.9	5.1

Distribution of shares in Patria Plc
State of Finland 73.2%
European Aeronautic Defence and Space Company EADS N.V. 26.8%

President and CEO
Jorma Wiitakorpi

Group Administration
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Board of Directors (as of April 10, 2006)
Risto Virrankoski, Chairman
Eero Rantala, Vice Chairman
Hervé Garnier
Hervé Guillou
Ritva Hainari
Jussi Itävuori
Kari Rimpi
Tuija Soanjärvi
Anneli Tuominen

President and CEO Jorma Wiitakorpi

Finland Post Group is an intelligent logistics services company specialising in management of information and material flows using state-of-the-art technology. Finland Post offers services for delivery, information logistics and material logistics in Finland and eight other countries in Northern Europe.

Three Business Groups

As Finland's leading provider of letter, magazine/newspaper and direct-mail delivery services, **Messaging** boasts the only nation-wide delivery network in Finland, enabling Finland Post to reach every Finnish consumer, company or other organisation, five days a week.

Operating under the name of Itella, **Information Logistics** provides solutions for communications going digital, ranging from digital printing, data management and e-service transaction services to direct marketing services offered to companies and other organisations.

The **Logistics** business group specialises in transport and contract-logistics services integrating physical and electronic processes. Focusing on solutions that may involve certain elements within a company's logistics operations or outsourcing all logistics operations, the business group uses the latest technology to integrate these solutions into a well-performing whole.

Strong Growth in 2005

Due mainly to company acquisitions, Finland Post Group's net turnover rose in 2005 by 9.1 per cent, to EUR 1,348.2 million. 83 per cent of consolidated net turnover came from Finland and 17 per cent from foreign operations, with companies and other organisations accounting for 95 per cent of consolidated net turnover.

Comparable operating profit fell in 2005 by 14.7 per cent, to EUR 71.8 million. Reported operating profit totalled EUR 135.0 million (+41.8 per cent), boosted by non-recurring items, the most significant of which related to the dissolution of Postin Eläkesäätiö (Finland Post Pension Fund). The Group had a year-end staff of 24,408 employees, 1,156 of whom worked outside Finland.

Intelligent Solutions for Reaching Addressees

Finland Post Group aims to be the number one intelligent logistics company by 2010. The Group's key strategic themes include innovative and technologically advanced solutions, profitable organic and non-organic growth, continuous profitability improvements, internationalisation and employee competence development. The Group is seeking the strongest growth in materials and information logistics services, and international business operations.

The Customised Stamp is one of Finland Post's innovations, enabling companies and consumers to use their photos to create personalised stamps. By the end of 2005 the number of customised stamps totals 1.6 million, comprising 15,000 designs. A total of 1,100 companies have used this service.

Consolidated		**2002**	**2003**	**2004**	**2005**
Net sales	M€	1,112.1	1,145.5	1,235.2	1,348.2
Operating profit	M€	55.6	73.7	95.2	135.0
Profit after financial items	M€	58.3	76.1	101.1	143.1
Return on investment	%	10.5	12.9	16.1	22.1
Equity ratio	%	62.3	65.8	65.6	66.3
Balance sheet total	M€	853.0	856.4	918.8	1,001.9
Gross investments	M€	98.3	71.6	78.3	130.8
Personnel, average		23,077	23,592	23,544	23,946
Parent company					
Share capital	M€	70.0	70.0	70.0	70.0
Dividends	M€	15.0	20.0	35.0	43.0

Operating profit for 2005 includes EUR 63.2 million in non-recurring items.

Distribution of shares in Finland Post Group
State of Finland 100%
President and CEO
Jukka Alho
Head Office
Street address
Postintaival 7 A, Helsinki
Postal address
P.O. Box 1, FIN-00011 POSTI, Finland
Tel. +358 204 511
(from Finland 0204 511)
Call Centre: +358 200 27100
(from Finland 0200 27100)
www.posti.fi
Board of Directors (as from April 6, 2006)
Eero Kasanen (Chairman)
Mikko Kosonen (Deputy Chairman)
Kalevi Alestalo
Hele-Hannele Aminoff
Erkki Helaniemi
Antero Palmolahti
Mirja Sandberg
Soili Suonoja
Pirjo Tiiri

President and CEO Jukka Alho

Vapo processes local natural resources, such as wood, peat and municipal waste, in a responsible manner. Vapo is the leading Finnish supplier of local and renewable fuels, bioelectricity and bio heat, as well as bio waste and dry waste management solutions.

The Vapo Group consists of the parent company, Vapo Oy, which covers Vapo Energy's production of bio fuels, Vapo Power's heat and power generation, and Vapo Biotech's environment-related business. Vapo Timber Oy, a subsidiary, processes wood. Kekkilä Oyj produces and markets growing media and fertilisers.

Vision

Vapo aims to be the most cost-efficient producer of bio fuels and a preferred partner in the Baltic Sea region. In Finland, Vapo is the top player in local bioelectricity and bio heat generation, bio waste and dry waste management, and a major developer of bio energy and waste management technology. Its core business is supported by the most cost-efficient sawing operation in Finland and the Nordic region's leading growing media business.

Strategy

Vapo invests in lines of business with the strongest growth and best competitiveness; local bio fuels, bioelectricity and bio heat, as well as waste management and the associated technology. Vapo also ensures the competitiveness of its other lines of business.

Year 2005

Vapo focussed resources on pellets and expanding operations in the Baltic Sea region. Sales of pellets almost doubled and Vapo achieved the position of market leader in the Nordic consumer market, increasing its production capacity through the completion of the Ilomantsi pellet production plant in Finland and the acquisition of Statoil's pellet production capacity in Denmark. Vapo implemented its Baltic Sea region strategy by purchasing Seda AS in Latvia, the country's second largest peat company. However, overall growth was cut by a major decrease in sales of energy peat due to trading in emission rights.

In 2005, Vapo Group's net sales totalled EUR 523.9 million (EUR 526.8 million in 2004). The Group's operating income amounted to EUR 21.3 million (EUR 27.6 million), accounting for 4.1 per cent of net sales. The Group had an average of 1,734 employees, 730 of whom worked abroad.

In the autumn of 2005, Vapo commissioned a unique production plant development, comprising a power and pellet plant in Ilomantsi.

Consolidated		2002	2003	2004	2005
Net sales	M€	434	472	526.8	523.9
Operating income	M€	38	38	27.6	21.3
Income after financial items	M€	34	34	23.6	17.3
Return on investment	%	9.5	8.8	6.3	
Equity ratio	%	53	52.6	54.4	48.9
Balance sheet total	M€	525	550	581	
Gross investments	M€	62	54	78	
Personnel, average		1,311	1,744	1,814	1,734
Parent company					
Share capital	M€	50	50	50	50
Dividends	M€	12	12	11.5	11.5

Distribution of shares in Vapo Oy
State of Finland 50.1%
Metsäliitto Osuuskunta 49.9%

Managing Director
Matti Hilli

Group administration
Street address
Yrjönkatu 42, Jyväskylä
Postal address
P.O. Box 22, FIN-40101 Jyväskylä, Finland
Tel. +358 14 623 623
Fax +358 14 623 5601
info@vapo.fi
www.vapo.fi

Board of Directors (as from March 24, 2005)
Heikki Niskakangas, Chairman
Antti Oksanen, Vice Chairman
Markku Melkko
Marja-Leena Rinkineva
Katariina Simola
Arimo Uusitalo

Managing Director Matti Hilli

VR provides safe, high-standard and environmentally benign transport and logistics services for freight customers and passengers as well as added-value services closely linked to these activities. VR also offers professional track design, construction and maintenance services.

VR Group's net profit in 2005 totalled EUR 46.0 million, compared with EUR 51.7 million in the year before. The operating profit was EUR 61.1 (62.8) million and net turnover amounted to EUR 1,196.6 (1,178.9) million.

VR Ltd, the Group´s largest company, is responsible for rail transport. In 2006 VR Ltd carried altogether 40.7 million tonnes of freight. This comprised domestic carryings of 23.5 million tonnes and international transports of 17.2 million tonnes. Domestic carryings decreased by 10.6% and international freight traffic crossing Finland´s borders by train rose by 5.1%. Transit carryings via Finland to third countries grew by 5.7% on the previous year, amounting to 3.4 million tonnes. The net turnover of freight services totalled EUR 333.4 (348.2) million.

A total of 63.5 million of passenger journeys were made by rail in 2005, an increase of 5.6% from 2004 and an all-time record for the railways. Of these, 12.5 million were long-distance journeys and 51.0 million were commuter journeys in the Greater Helsinki region. The number of long-distance journeys increased 3.1%. Commuter journeys in the Greater Helsinki region increased 6.2% from the previous year. The net turnover of passenger services totalled EUR 320.4 (304.4) million.

VR-Track Ltd and its subsidiaries specialize in track design, construction and maintenance services. The company's customers include the Finnish government, local authorities, ports, industrial companies using the rail network, and other main contractors for track maintenance. The net turnover of track construction and maintenance was EUR 241.5 (235.5) million. Just over 90% of this came from contracts awarded by the Finnish Rail Administration, which is responsible for managing the national rail network.

Pohjolan Liikenne, a subgroup of the VR Group, carried a total of 9.1 million tonnes of freight in 2005, 2.8% more than in the previous year. The number of bus and coach journeys totalled 11.9 million, up 17.5% due to the expansion of contract services in the Greater Helsinki area. The net turnover of road services amounted to EUR 209.1 (197.8) million.

The Group's capital expenditure totalled EUR 210.2 (180.0) million, which included EUR 172.0 million covering rolling stock for VR Ltd. This expenditure was mainly payment for deliveries of rolling stock ordered previously such as the Pendolino and city trains, railcars, sleeping cars and car carriers.

The number of rail journeys increased last year both in long-distance services and in commuter services in the Greater Helsinki area. A record total of 63.5 million journeys were made by rail. The number of passenger journeys in long-distance rail traffic rose by 3.1% and in commuter services by 6.2%.

Consolidated		**2002**	**2003**	**2004**	**2005**
Net sales	M€	1,140	1,160	1,179	1,197
Operating income	M€	27	53	63	61
Profit before extraordinary items and taxes	M€	37	61	70	66
Return on investment	%	3.2	5.1	5.8	5.4
Equity ratio	%	82.9	83.1	81.5	82.8
Balance sheet total	M€	1,450	1,466	1,517	1,512
Gross investments	M€	144	151	180	210
Personnel, average		14,426	13,746	13,264	12,791
Parent company					
Share capital	M€	370	370	370	370
Dividends	M€	30	40	20	23

Distribution of shares in VR-Group Ltd
State of Finland 100%
President and CEO
Henri Kuitunen
Head Office
Vilhonkatu 13
FIN-00100 Helsinki, Finland
Tel. +358 307 10
Fax +358 307 21 700
www.vr.fi
Board of Directors (as from March 30, 2006)
Martin Granholm, Chairman
Maaret Heiskari
Jorma Hellsten
Leena Kostiander
Ritva Ohmeroluoma
Heikki Rusila
Jukka Ruuska
Arja Talma

President and CEO Henri Kuitunen

Associated Companies

Kemira

During 2005 Kemira gained the leading position in all four of its business areas. The company reported net sales of EUR 1,994 million, operating income of EUR 165 million and income before taxes of EUR 133 million.
Kemira is seeking to be a global group of leading chemical businesses with unique position and high degree of mutual synergy. The company is strengthening its operations within pulp and paper chemicals, water treatment chemicals, performance chemicals and paints and coatings through both organic growth and acquisitions.

Consolidated		2002 FAS	2003 IFRS	2004 IFRS, Continuing operation 1)	2005 IFRS
Net sales	M€	2,612.3	2,738.2	1,695.1	1,994.4
Operating income	M€	40.0	148.7	111.6	165.5
Income after financial items	M€	16.0	121.0	51.1	133.5
Return on investment	%	3	8.0	6.4	10.6
Equity ratio	%	43	41.4	46.7	43.8
Balance sheet total	M€	2,491.1	2,585.8	2,043.0	2,330.9
Gross investments	M€	243.4	236.0	165.1	401.9
Personnel. average		10,377	10,536	7,110	7,717
Parent company					
Share capital	M€	217.0	217.0	220.7	221.3
Dividends 2)	M€	35.5	199.6	40.9	43.5

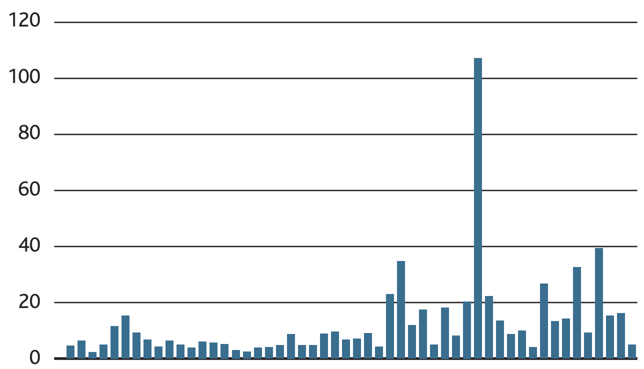
1) The profit from discontinued operations was EUR 62.6 million in 2004 and it included the net profits, sales profits and related taxes of Kemira GrowHow, Fine Chemicals, the Calcium Chloride business and Ecocat.

2) Board of Directors' proposal.

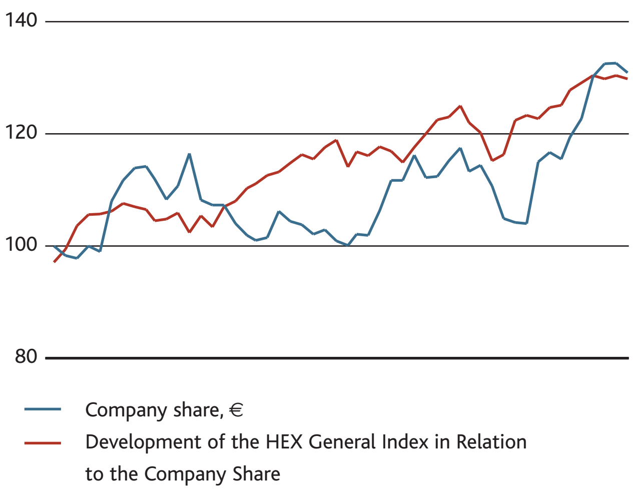
Key share figures		2002 FAS	2003 IFRS	2004 IFRS	2005 IFRS
Price/earnings (P/E ratio)		94.14	14.38	15.63	18.40
Earnings/share (EPS)	€	0.07	0.64	0.65	0.73
Equity/share	€	8.94	8.77	7.69	8.33
Dividend/share	€	0.30	1.67	0.34	0.36
Dividend/earnings	%	428.6	51.5	53.1	49.1
Effective dividend yield	%	4.6	18.0	3.4	2.7
Shares traded/shares outstanding	%	20.8	19.5	34.9	54.3

State ownership	
Dec 31, 2005	48.68%
Limit to which the Government has been authorised to decrease the State's holding	15%

Shares traded in 2005, Mill. shares



Share price performance in 2005



Jan 1, 2005 index = 100

Distribution of shares in Kemira Oyj
State of Finland 48.7%
Finnish institutional investors 22.1%
International institutional investors 17.4%
Private investors 8.5%
Kemira 3.3%

Chief Executive Officer
Lasse Kurkilahti

Kemira Group
Kemira House
Street address
Porkkalankatu 3, Helsinki
Postal address
P.O. Box 330, FIN-00101 Helsinki, Finland
Tel. + 358 10 8611
Fax + 358 10 862 1119
firstname.surname@kemira.com
www.kemira.com

Board of Directors (as from April 11, 2006)
Anssi Soila, Chairman
Eija Malmivirta, Vice Chairman
Elizabeth Armstrong
Heikki Bergholm
Ove Mattsson
Kaija Pehu-Lehtonen
Markku Tapio

Kemira GrowHow

partnership • knowledge • solutions

Kemira GrowHow Oyj is one of the leading producers of fertiliser and feed phosphates in Europe. Kemira GrowHow develops and markets high quality fertilisers and integrated solutions for crop cultivation, animal feed supplements and chemicals required in various industries. The company has 2,700 employees worldwide and in 2005 net sales were 1221 million euros. Kemira GrowHow Oyj is listed on the Helsinki Stock Exchange.

Consolidated		2002 FAS*	2003 FAS	2004 IFRS	2005 IFRS
Net sales	M€	1,165.2	1,205.4	1,151.0	1,220.9
Operating income/-loss	M€	–31.7	24.8	61.1	47.8
Income after financial items	M€	–55.3	–3.1	48.3	34.6
Return on investment	%	–4.9	3.1	11.4	8.8
Equity ratio	%	22.1	22.3	39.0	38.4
Balance sheet total	M€	839.5	843.0	845.6	895.2
Gross investments	M€	61.5	52.7	76.9	61.9
Personnel, average		N/A	3,133	3,015	2,865
Parent company					
Share capital	M€	156.0	156.0	156.0	156.0
Dividends	M€	–	–	17.2	17.2

* The figures do not correspond to figures in accordance with the legal structure.

Key share figures		2002 FAS*	2003 FAS	2004 IFRS	2005 IFRS
Price/earnings (P/E ratio)				7.83	10.75
Earnings/share (EPS)	€	–0.90	–0.14	0.72	0.56
Equity/share	€	3.11	3.19	5.73	6.00
Dividend/share	€			0.30	0.30
Dividend/earnings	%			41.7	54.0
Effective dividend yield	%			5.3	5.0
Shares traded/shares outstanding	%			75	138

State ownership	
Dec 31, 2005	30.05%
Limit to which the Government has been authorised to decrease the State's holding	0%

Distribution of shares in KemiraGrowHow Oyj

State of Finland 30.0%
Nominee registered and foreign owners 17.2%
Finnish institutions 36.4%
Households 16,3%

Chief Executive Officer

Heikki Sirviö

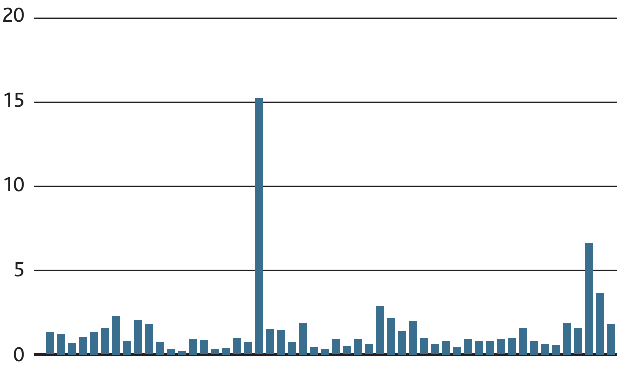
Head Office

Street address
Mechelininkatu 1 a
FIN-00180 Helsinki
Finland
Mailing address
P.O. Box 900
FI-00181 Helsinki
Tel. +358 10 215 111
Fax +358 10 215 2126
e-mail
firstname.lastname@kemira-growhow.com
www.kemira-growhow.com

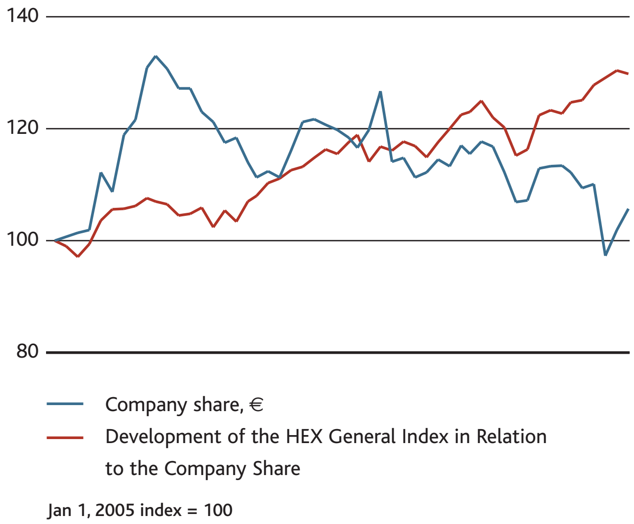
Board of Directors (as from April 4, 2006)

Ossi Virolainen, Chairman
Lauri Ratia, Vice Chairman
Sari Aitokallio
Arto Honkaniemi
Satu Raiski
Helena Terho
Esa Tirkkonen

Shares traded in 2005, Mill. shares



Share price performance in 2005



Metso is a global engineering and technology corporation with 2005 net sales of approximately EUR 4.2 billion. Its 22 000 employees in more than 50 countries serve customers in the pulp and paper industry, rock and minerals processing, the energy industry and selected other industries. www.metso.com

Shareholders of Metso Corporation
State of Finland 11.1%
Nominee-registered shares 68.7%
Finnish private investors 5.3%
Others 14.9%

President and CEO
Jorma Eloranta

Head Office
Street address
Fabianinkatu 9 A
FIN-00130 Helsinki
Postal address
P.O. Box 1220
FIN-00101 Helsinki, Finland
Tel. +358 20 484 100
Fax +358 20 484 101
metso.info@metso.com
www.metso.com

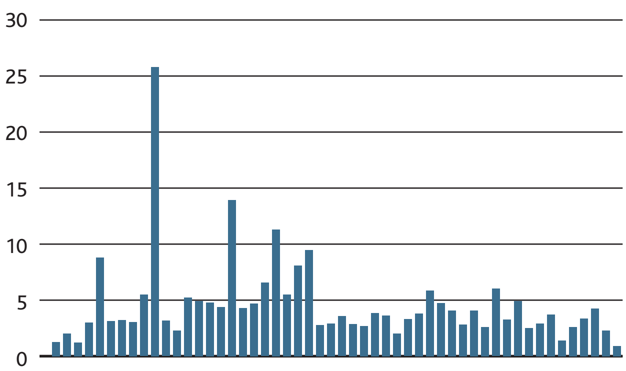
Board of Directors (as from April 4, 2006)
Matti Kavetvuo, Chairman
Jaakko Rauramo, Vice Chairman
Svante Adde
Maija-Liisa Friman
Christer Gardell
Satu Huber
Yrjö Neuvo

Consolidated		2002 FAS	2003 FAS	2004 IFRS	2005 IFRS
Net sales	M€	4,691	4,250	3,602	4,221
Operating income/ -loss	M€	167	–229	199	335
Profit on continuing operations before tax	M€	n/a	n/a	140	292
Return on capital employed	%	6.4	–8.7	10.7	18.8
Equity ratio	%	33.3	28.3	30.9	37.5
Balance sheet total	M€	4,399	3,823	3,570	3,904
Gross investments	M€	193	128	97	107
Personnel, average		29,258	27,400	24,363	22,405
Parent company					
Share capital	M€	232	232	232	241
Dividends	M€	82	27	48	198

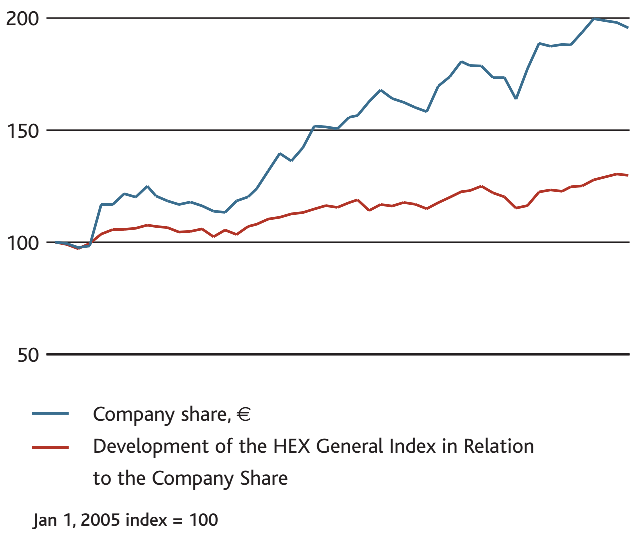
Key share figures		2002 FAS	2003 FAS	2004 IFRS	2005 IFRS
Price/earnings (P/E ratio)		21.54	neg.	11.13	13.81
Earnings/share (EPS)	€	n/a	n/a	1.05	1.69
Equity/share	€	10.12	7.51	7.27	9.08
Dividend/share	€	0.60	0.20	0.35	1.40
Dividend/earnings	%	126	neg.	33	83
Effective dividend yield	%	5.8	2.1	3.0	6.0
Shares traded/shares outstanding	%	77.2	73.3	84.1	174.6

State ownership	
Dec 31, 2005	11.1%
Limit to which the Government has been authorised to decrease the State's holding	0%

Shares traded in 2005, Mill. shares



Share price performance in 2005



Outokumpu is an international stainless steel and technology company. Customers in a wide range of industries – from the process industry and industrial machinery to building, construction and transportation, electronics and information technology, as well as catering and households – use our metal products, technologies and services worldwide. We are dedicated to helping our customers gain competitive advantage. Outokumpu operates in some 30 countries and employs 11,000 people. In 2005, the Group's sales were EUR 5.6 billion, of which 95 percent was generated outside Finland. The Group's headquarters is located in Espoo, Finland. The parent company, Outokumpu Oyj, has been listed on the Helsinki Stock Exchange since 1988.

Consolidated		2002 FAS	2003 IFRS	2004 IFRS	2005 IFRS
Net sales	M€	5,558	5,922	5,122	5,552
Operating income	M€	267	214	436	83
Income after financial items	M€	213	108	440	22
Return on investment	%	7.0	5.0	9.6	1.9
Equity ratio	%	31.1	33.0	35.8	38.2
Balance sheet total	M€	6,327	6,397	7,077	5,507
Gross investments	M€	2,042	622	414	174
Personnel, average		20,196	21,442	11,787	11,517
Parent company					
Share capital	M€	293	304	308	308
Dividends	M€	68.6	35.5	90.5	81.5

Key share figures		2002 FAS	2003 IFRS	2004 IFRS	2005 IFRS
Price/earnings (P/E ratio)		7.2	16.7	6.2	neg.
Earnings/share (EPS)	€	1.15	0.65	2.12	–2.01
Equity/share	€	11.14	11.54	13.65	11.31
Dividend/share	€	0.40	0.20	0.50	0.45
Dividend/earnings	%	43.5	32.1	23.6	neg.
Effective dividend yield	%	4.8	1.9	3.8	3.6
Shares traded/shares outstanding	%	42.3	44.0	68.8	99.0

State ownership	
Dec 31, 2005	37.8%
Limit to which the Government has been authorised to decrease the State's holding	10%

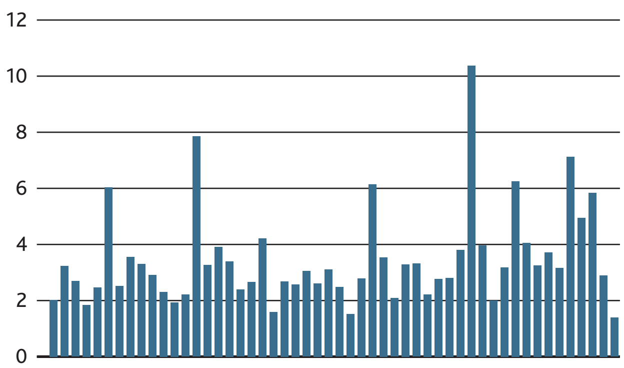
Distribution of shares in Outokumpu Oyj
State of Finland 37.8%
The Finnish Social Insurance Institution 10.9%
Other Finnish organizations 16.1%
Private Finnish investors 9.1%
International shareholders 26.1%

Chief Executive
Juha Rantanen

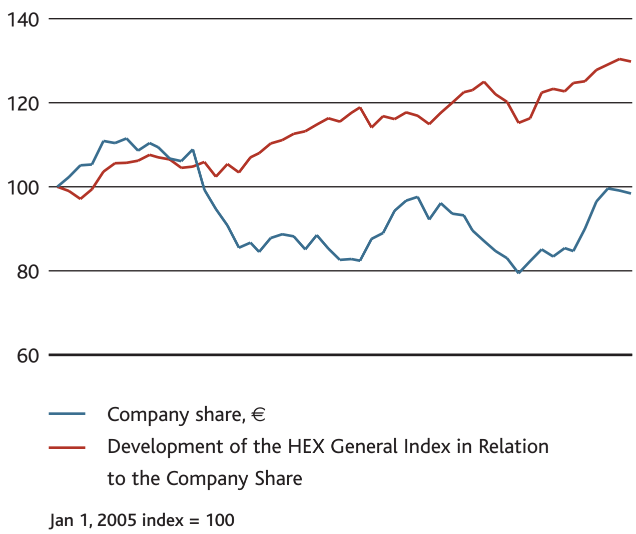
Head Office
Street address
Riihitontuntie 7 B, Espoo
Postal address
P.O. Box 140, FIN-02201 Espoo, Finland
Tel. +358 9 4211
Fax +358 9 421 3888
www.outokumpu.com

Board of Directors (as from March 30, 2006)
Jukka Härmälä, Chairman
Ole Johansson, Vice Chairman
Evert Henkes
Juha Lohiniva
Anna Nilsson-Ehle
Leena Saarinen
Soili Suonoja
Taisto Turunen

Shares traded in 2005, Mill. shares



Share price performance in 2005



Ruukki supplies metal-based components, systems and integrated systems to the construction and mechanical engineering industries. The company has a wide selection of metal products and services. Ruukki has operations in 23 countries and employs 12,000 people. Net sales in 2005 totalled 3.7 billion euros. The company's share is quoted on the Helsinki Exchanges (Rautaruukki Corporation: RTRKS). Rautaruukki Corporation was established in 1960. The Corporation has used the marketing name Ruukki since 2004.

Consolidated		2002 FAS	2003 FAS	2004 IFRS	2005 IFRS
Net sales	M€	2,884	2,953	3,564	3,654
Operating income	M€	6	128	493	618
Income after financial items	M€	–46	70	443	612
Return on investment	%	0.6	7.1	26.0	32.8
Equity ratio	%	31.1	34.6	41.7	56.0
Balance sheet total	M€	2,561	2,403	2,712	2,701
Gross investments	M€	142	102	149	134
Personnel, average		13,325	12,782	12,273	11,684
Parent company					
Share capital	M€	236	236	236	236
Dividends	M€	0	27	109	191

Key share figures		2002 FAS	2003 FAS	2004 IFRS	2005 IFRS
Price/earnings (P/E ratio)		–13.2	15.0	3.8	6.1
Earnings/share (EPS)	€	–0.26	0.39	2.42	3.35
Equity/share	€	5.81	6.07	8.29	10.98
Dividend/share	€	0	0.20	0.80	1.40
Dividend/earnings	%	0	51.3	34.7	41.9
Effective dividend yield	%	0	3.4	9.2	6.8
Shares traded/shares outstanding	%	25	33	94	116

State ownership	
Dec 31, 2005	40.1%
Limit to which the Government has been authorised to decrease the State's holding	20%

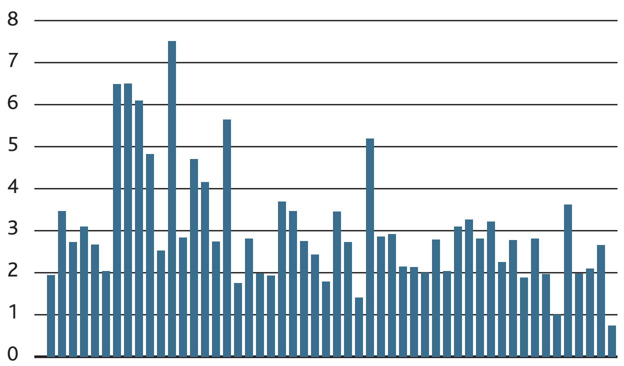
Distribution of shares in Rautaruukki Corporation
State of Finland 40.1%
Private households 9.3%
Other Finnish owners 10.4%
International owners 40.2%

Managing director
Sakari Tamminen

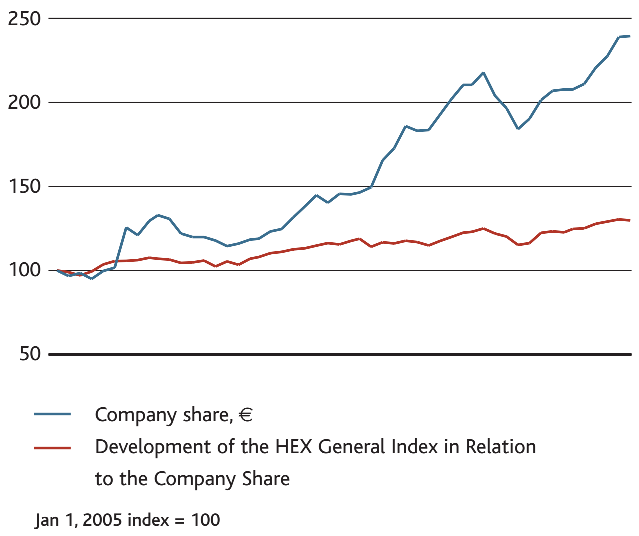
Head office
Street address
Suolakivenkatu 1, Helsinki
Postal address
P.O. Box 138
FIN-00811 Helsinki, Finland
Tel +358 20 5911
Fax +358 20 592 9088
www.ruukki.com

Board of Directors
(as from March 23, 2006)
Jukka Viinanen, Chairman
Georg Ehrnrooth, Deputy Chairman
Maarit Aarni
Christer Granskog
Reino Hanhinen
Pirkko Juntti
Kalle J. Korhonen
Kiuru Schalin

Shares traded in 2005, Mill. shares



Share price performance in 2005



SAMPO GROUP

Sampo plc is the holding company of Sampo Group. Sampo Group's core business areas are banking, long-term savings and P&C insurance. Sampo brand covers a wide range of investment, savings and traditional banking services to retail, corporate and institutional customers in Finland and the Baltic countries. Sampo Group's P&C insurance company If is the market leader in Nordic P&C insurance. Sampo Group has over four million retail customers and nearly 400,000 corporate and institutional customers in the Nordic and Baltic countries.

Consolidated		2002 FAS	2003 FAS	2004 IFRS	2005 IFRS
Net sales	M€	2,984	2,455	5,158	6,843
Profit before taxes	M€	552	486	948	1,295
Net income from financial operations	M€	448	404	382	394
P&C insurance premiums written	M€	-	-	2,427	3,962
Life insurance premiums written	M€	613	528	528	655
Deposits	M€	9,230	9,392	10,439	11,442
Loans	M€	12,490	13,908	15,413	18,483
Mutual funds	M€	3,858	5,214	6,783	8,885
Balance sheet total	M€	25,094	25,250	38,138	42,985
Personnel, average		5,977	5,529	11,898	11,730
Parent company					
Share capital	M€	94	93	95	96
Dividends	M€	194	831	113	339

Key share figures		2002 FAS	2003 FAS	2004 IFRS	2005 IFRS
Price/earnings (P/E ratio)		11.6	12.8	7.0	8.8
Earnings/share (EPS)	€	0.63	0.64	1.46	1.68
Equity/share	€	5.15	5.43	6.11	7.65
Dividend/share	€	0.35	1.50	0.20	0.60
Dividend/earnings	%	56.0	234.4	13.7	35.7
Effective dividend yield	%	4.8	18.3	2.0	4.1
Shares traded/shares outstanding	%	32.3	34.0	116.4	117.7

State ownership	
Dec 31, 2005	13.90%
Limit to which the Government has been authorised to decrease the State's holding	0%

Distribution of shares in Sampo plc
State of Finland 13.9%
Varma 8.6%
Björn Wahlroos 2.1%
Nominee registered 52.9%
Others 21.5%

Chief Executive Officer
Björn Wahlroos

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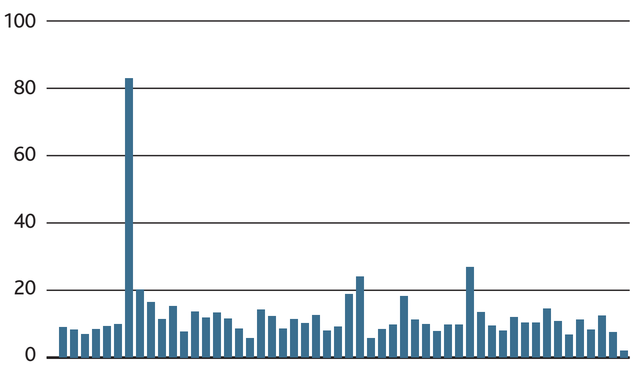
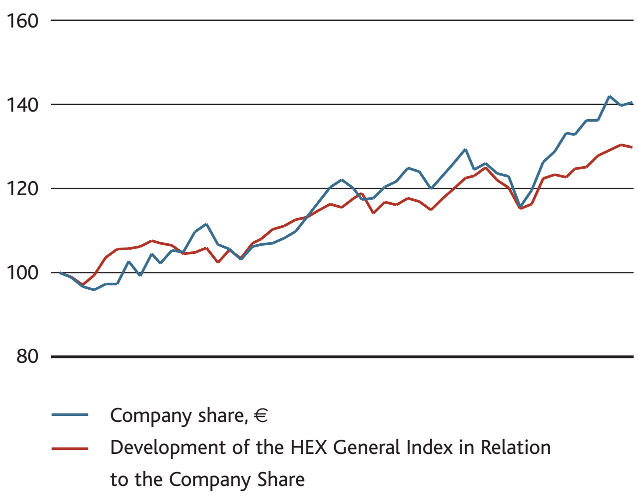
Internet: www.sampo.com

Board of Directors (as from April 6, 2006)
Georg Ehrnrooth, Chairman
Tom Berglund
Anne Brunila
Jukka Pekkarinen
Jussi Pesonen
Christoffer Taxell
Matti Vuoria
Björn Wahlroos

Shares traded in 2005, Mill. shares



Share price performance in 2005



Jan 1, 2005 index = 100

Sponda

Sponda Plc is a real estate company specializing in commercial properties in Helsinki metropolitan area. Sponda's business concept is to own and develop office, retail and logistics properties into environments that promote the business success to its clients. The market value of Sponda's investment properties is approximately 1.26 billion euros (31 Dec 2006) and the lettable area is 840 000 m^2. Appr. 90% from the net operating income from Sponda's properties comes from the Helsinki metropolitan area. Sponda is the largest investment company listed on the Helsinki Stock Exchange and its market capitalization was 630 million euros (31 Dec 2005).

Consolidated		FAS 2002	FAS 2003	FAS 2004	IFRS 2005
Net sales	M€	100.7	100.4	99.2	103.1
Operating income	M€	125.3	62.7	68.1	65.5
Income after financial items	M€	108.2	39.5	41.4	39.2
Return on investment	%	12.4	6.0	6.3	5.6
Equity ratio	%	52.9	45.4	45.5	44.9
Balance sheet total	M€	1,038.9	1,094.0	1,117.8	1,278.7
Gross investments	M€	94.4	81.1	59.3	52.1
Personnel, average		50	52	50	54
Parent company					
Share capital	M€	81.2	78.4	78.8	79.2
Dividends	M€	70.3	23.5	39.4	39.6

Key share figures		FAS 2002	FAS 2003	FAS 2004	IFRS 2005
Price/earnings (P/E ratio)		5.6	17.0	16.7	21.2
Earnings/share (EPS)	€	0.97	0.39	0.43	0.37
Equity/share	€	6.81	6.33	6.45	7.25
Dividend/share	€	0.90	0.30	0.50	0.50
Dividend/earnings	%	92.8	76.9	116.3	133.4
Effective dividend yield	%	16.51	4.5	7.0	6.3
Shares traded/shares outstanding	%	8.8	45.3	55.4	40.2

State ownership	
Dec 31, 2005	34.5%
Limit to which the Government has been authorised to decrease the State's holding	0%

Distribution of shares in Sponda Plc
State of Finland 34.3%
Investment Fund Nordea Nordic Small Cap 1.0%
The State Pension Fund 0.8%
Etera Mutual Pension Insurance Company 0.4%
Yleisradio Pension Trust 0.4%

President and CEO
Kari Inkinen

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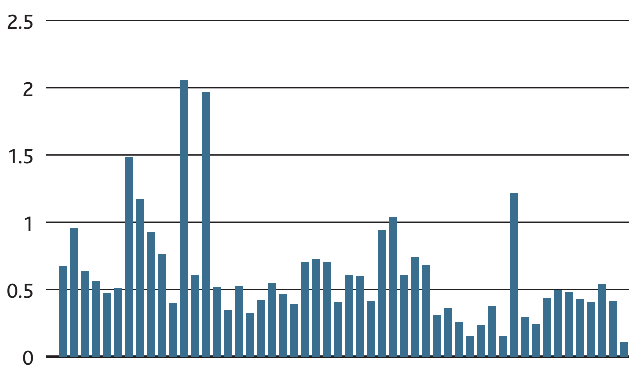
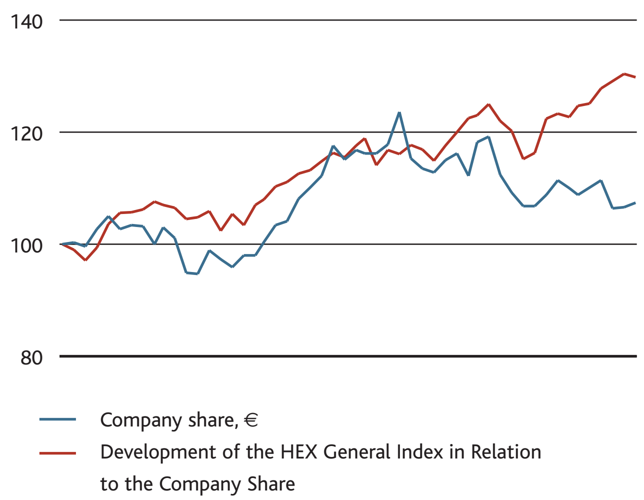
Board of Directors (as from March 29, 2006)
Anssi Soila, Chairman
Jarmo Väisänen, Vice Chairman
Tuula Entelä
Maija-Liisa Friman
Timo Korvenpää
Harri Pynnä

Shares traded in 2005, Mill. shares



Share price performance in 2005



Jan 1, 2005 index = 100

Stora Enso is an integrated paper, packaging, and forest products company, producing publication and fine paper, packaging board, and wood products – all areas in which the Group is a global market leader. Stora Enso's sales totalled EUR 13.2 billion in 2005. The Group has some 46,000 employees in more than 40 countries on five continents. Stora Enso has an annual production capacity of 16.9 million tonnes of paper and board and 7.7 million cubic metres of sawn wood products, including 3.3 million cubic metres of value-added products. Stora Enso's shares are listed in Helsinki, Stockholm, and New York.

Consolidated		2002 IFRS	2003 IFRS	2004 IFRS	2005 IFRS
Net sales	M€	12,783	12,172	12,396	13,188
Operating income	M€	900	526	336	357
Income after financial items	M€	709	319	269	273
Return on investment	%	7.2	4.5	3.0	3.1
Equity ratio	%	44.3	44.7	49.9	42.8
Balance sheet total	M€	18,214	17,942	16,412	18,095
Gross investments	M€	878	1 248	980	1 145
Personnel, average		43,853	44,264	43,779	46,166
Parent company					
Share capital	M€	1,530	1,469	1,423	1,382
Dividends	M€	392	388	376	365

Key share figures		2002 IFRS	2003 IFRS	2004 IFRS	2005 IFRS
Price/earnings (P/E ratio)		17.6	42.7	45.1	40.9
Earnings/share (EPS)	€	0.55	0.24	0.25	0.28
Equity/share	€	9.22	9.49	9.80	9.70
Dividend/share	€	0.45	0.45	0.45	0.45
Dividend/earnings	%	82	180	180	161
Effective dividend yield	%	4.5	4.2	4.0	3.9
Shares traded/shares outstanding	%	85	92	106	112

State ownership	
Dec 31, 2005	11.9%
Limit to which the Government has been authorised to decrease the State's holding	0%

Distribution of shares in Stora Enso Oyj

State of Finland 11.9%
Knut and Alice Wallenberg Foundation 7.2%
Social Insurance Institution of Finland 3.4%
Varma Mutual Pension Insurance Company 1.5%
Ilmarinen Mutual Pension Insurance Company 1.0%

CEO

Jukka Härmälä

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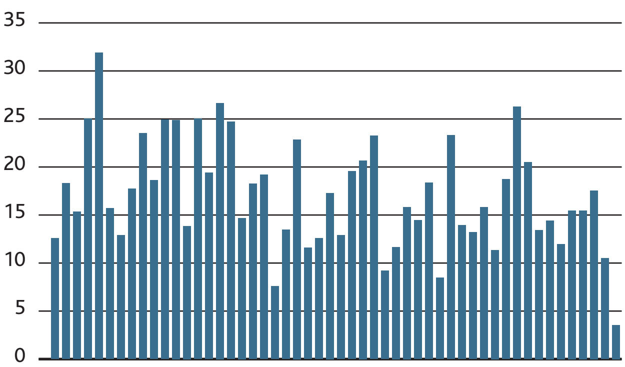
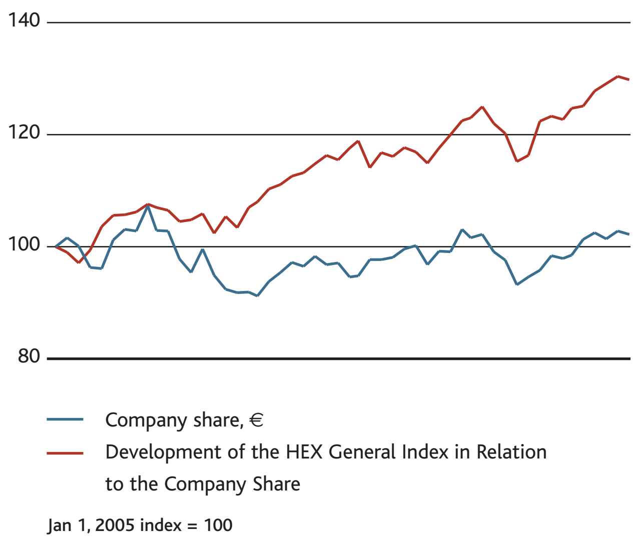
Board of Directors (as from March 21, 2006)

Claes Dahlbäck, Chairman
Ilkka Niemi, Vice Chairman
Gunnar Brock
Lee A. Chaden
Dominique Hériard Dubreuil
Jukka Härmälä
Birgitta Kantola
Jan Sjöqvist
Matti Vuoria
Marcus Wallenberg

Shares traded in Helsinki in 2005, Series R, Mill. shares



Share price performance in Helsinki in 2005, Series R



TeliaSonera

TeliaSonera is the leading telecommunications company in the Nordic and Baltic regions. At the end of December 2005 TeliaSonera had 19,146,000 mobile customers (69,887,000 incl. associated companies) and 7,064,000 fixed telephony customers (7,688,000 incl. associated companies) and 2,263,000 internet customers (2,331,000 incl. associated companies). Outside the home markets TeliaSonera has extensive interests in the growth markets in Russia, Turkey and Eurasia. TeliaSonera is listed on the Stockholm Stock Exchange and the Helsinki Stock Exchange. Net sales January-December 2005 amounted to SEK 87.7 billion. The number of employees was 28,175.

Consolidated, pro-forma		2002 IFRS	2003 IFRS	2004 IFRS	2005 IFRS
Net sales	M SEK	80,979	81,772	81,937	87,661
Operating income /-loss	M SEK	–45,958	13,140	18,793	17,549
Income after financial items	M SEK	–46,791	12,346	17,448	17,019
Return on Capital [1]	%	–7.7	11.6	13.9	12.6
Equity ratio [1]	%	54.2	58.5	63.8	58.9
Balance sheet total [1]	M SEK	206,656	190,060	191,972	203,775
Gross investments	M SEK	14,506	10,339	19,430	14,315
Personnel, average		29,321	25,906	26,268	27,403
Parent company					
Share capital	M SEK	14,738	14,961	14,961	14,961
Dividends [2]	M SEK	1,870	4,675	5,610[3]	15,717[4]

1) Legal entity

2) According to result year

3) Additionally, SEK 10,163 million distributed to shareholders in the form of a share buy-back programme.

4) Consists of SEK 5,613 million ordinary and SEK 10,104 million extraordinary dividend.

Key share figures, legal entity		2002	2003	2004	2005
Price/earnings (P/E ratio) [3]		neg.	19,3	14,4	16,7
Earnings/share (EPS)	SEK	–2.58	1.95	2.77	2.56
Equity/share	SEK	23.63	24.04	25.91	28.29
Dividend/share	SEK	0.40	1.00	1.20[1]	3.50[2]
Dividend/earnings	%	neg.	51.4	43.3[1]	136.7[2]
Effective dividend yield [3]	%	1.2	2.7	3.0[1]	8.2[2]
Shares traded/shares outstanding	%	n/a	66	94	91

State ownership	
Dec 31, 2005	13.7%[4]
Limit to which the Government has been authorised to decrease the State's holding	0%

1) Additionally, SEK 10,163 million distributed to shareholders in the form of a share buy-back programme.

2) Consists of SEK 5,613 million ordinary and SEK 10,104 million extraordinary dividend.

3) The closing price at year-end 2005 in the Stockholm Stock Exchange used in the calculation of ratios.

4) TeliaSonera bought back 4.0 percent of shares through a public buy-back offer that decreased the number of outstanding shares. The share-holding of Finnish state as a percentage of total shares outstanding remained constant.

Distribution of shares in TeliaSonera[1]

State of Sweden 45.3%
State of Finland 13.7%
Robur funds 2.5%
SHB/SPP funds 1.9%
SEB funds 1.8%
Nordea funds 1.1%
Scandia Liv 1.1%

1) Percent of outstanding shares.

President and CEO

Anders Igel

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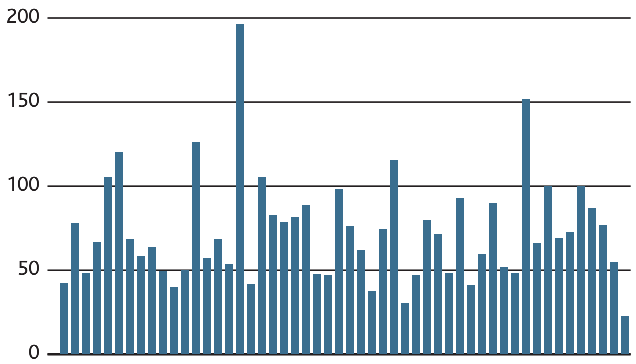
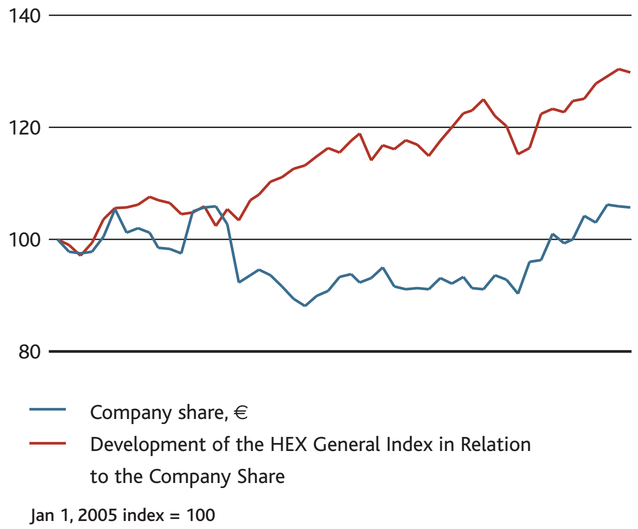
Board of Directors (as from April 27, 2006)

Tom von Weymarn, Chairman
Carl Bennet, Vice Chairman
Eva Liljeblom
Lennart Låftman
Lars-Erik Nilsson
Sven-Christer Nilsson
Timo Peltola
Caroline Sundewall
Employee representatives:
Elof Isaksson
Yvonne Karlsson
Berith Westman

Shares traded in 2005, Mill. shares



Share price performance in 2005



Appendix

Major State-owned Companies and Associated Companies 31 December 2005 (Group Data)

	Branch	Net sales 2005 M€	Personnel 2005	State share %	Supervising ministry
State-owned companies					
Alko Inc.	Alcoholic beverage retail trade	984.5	2,456	100.0	STM
Altia Corporation	Alcoholic beverage production and wholesale trade	422.7	971	100.0	KTM
OHY Arsenal Plc[1)]	Property management	2.9[2)]	7	100.0	VM
Boreal Plant Breeding Ltd [3)]	Breeding and marketing of field crop varieties	6.6	68	65.0	MMM
CSC Scientific Computing Ltd	ADP services related to computational engineering	15.2	141	100.0	OPM
Edita Plc	Printing and publishing	177.4	1,270	100.0	VM
Finland Post Corporation	Postal service	1,348.2	23,946	100.0	LVM
Finnair Oyj	Air transport	1,871.1	9,447	57.0	LVM
Finnish Fund for Industrial Cooperation Ltd (Finnfund)	Special financing	..	27	79.9	UM
Finnish Industry Investment Ltd	Capital investment	..	16	100.0	KTM
Finnvera plc	Special financing	171	419	100.0	KTM
Fortum Corporation	Energy production	3,877.0	8,939	51.5	KTM
Hansel Oy	Procurement services	3.6	65	100.0	VM
Haus kehittämiskeskus Oy	Domestic public administration development and training	8.3	60	60.0	VM
Kapiteeli Plc	Property investment	287	177	100.0	VM
Kemijoki Oy	Energy production	38.1	305	50.1	KTM
Mint of Finland Ltd	Metals	105.0	239	100.0	VM
Motiva Oy	Promotion of efficient use of energy	4.3	27	100.0	KTM
Neste Oil Corporation	Oil refining	9,974	4,528	50.1	KTM
Patria Plc	Defence materiels and technology	317.2	1,848	73.2	KTM
Raskone Oy	Heavy-duty machinery repair and service operations	102.8	769	85.0	LVM
Solidium Oy	Investment company	155.1	17	100.0	VM
Suomen Erillisverkot Oy	Telecommunications	21.3	52	100.0	LVM
Suomen Viljava Oy	Grain warehousing, handling and processing services	16.2	105	100.0	MMM
Tietokarhu Oy [4)]	IT services for tax authorities	26.6	207	20.0	VM
Vapo Oy	Peat and timber industry	523.9	1,734	50.1	KTM
Oy Veikkaus Ab	Football pools and lottery	1,315.8	372	100.0	OPM
VR-Group Ltd	Rail transport	1,196.6	12,791	100.0	LVM
Yleisradio Oy	Broadcasting	374.5	3,517	99.9	LVM

	Branch	Net sales 2005 M€	Personnel 2005	State share %	Supervising ministry
Associated Companies					
Arek Oy	Pension-related information management services	0	8	9.0	VM
Benefon Oyj	Electronics industry	7.6	76	2.2	KTM
Eka-kiinteistöt Oy	Property investment	3.5	1	38.0	VM
Ekokem Oy Ab	Handling of hazardous waste	57.9	275	34.1	YM
Fingrid Oyj	Electric power transmission	316.7	231	12.3	KTM
Finnish Aviation Academy Ltd	Training in the aviation industry	7.2	29	49.5	OPM
Gasum Corporation	Natural gas wholesale trade	642.6	184	24.0	KTM
Horse Institute Ltd	Training in the equestrian industry	6.3	98	25.0	OPM
Kemira Oyj	Chemicals	1,994.4	7,717	48.7	KTM
Kemira GrowHow Oyj	Fertilizer industry	1,220.9	2,865	30.0	KTM
Licentia Ltd	Licensing and commercialisation				
of scientific findings	0.9	8	37.5	KTM	
Metso Corporation	Metal engineering	4,221	22,405	11.1	KTM
OMX Abp	Exchanges and securities;				
	provision of IT systems and services	332.2	1,370	1.3	VM
Outokumpu Oyj	Metals and technology	5,552	11,517	37.8	KTM
Rautaruukki Corporation	Metal engineering	3,653.7	11,684	40.1	KTM
Sampo plc	Banking and insurance	6,843	11,730	13.9	VM
Santapark Ltd [5]	Tourism and theme park	1.3	3	32.1	KTM
Silta Oy	Outsourcing of personnel services	16.3	246	10.2	VM
Sponda Plc	Property investment	103.1	54	34.3	VM
Stora Enso Oyj	Forest products industry	13,187.5	46,166	11.9	KTM
Suomenlinnan Liikenne Oy	Traffic	3.4	15	50.0	OPM
Suomen Siemenperunakeskus Oy	Maintenance, production and marketing				
	of potato varieties	2.6	11	22.0	MMM
TeliaSonera AB	Telecommunications	9,337	27,403	13.2	KTM
Vuotekno Oy	Premises services	2.9	7	15.4	KTM

[1] In liquidation
[2]) Interest yields
[3] Financial year 1 July 2004 – 30 June 2005
[4] Percentage of votes 80%
[5] Financial year 1 March 2005 – 28 February 2006
[..] No information available

KTM = Ministry of Trade and Industry
LVM = Ministry of Transport and Communications
MMM = Ministry of Agriculture and Forestry
OPM = Ministry of Education
STM = Ministry of Social Affairs and Health
UM = Ministry for Foreign Affairs
VM = Ministry of Finance
YM = Ministry of the Environment

Ministry of Trade and Industry

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MINISTRY OF
TRADE AND
INDUSTRY