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2009 Annual Report of the Ownership Steering Department in the Prime Minister's Office

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of the Ownership Steering Department
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1 Preface by the Minister

The year 2009 was a period of a serious economic recession both internationally and in Finland. The effects of the historically weak economic performance during 2009 were strongly felt by the State as both an owner through its holdings in companies and the overall developments in the marketplace.

Government subsidies and protectionism were the subject of much debate all over the world in 2009. It is only natural that employment is a matter of concern in any given country. In Finland, State-owned companies were accused of allegedly greater relative staff reductions than at comparable companies. However, a closer analysis of the figures revealed that State-owned companies had, more often than not, been more restrained with layoffs and redundancies than their peers. In the efforts to manage the intense restructuring of the companies, great emphasis was placed on the long-term view and a soft approach to staff issues.

As Finland is closely involved in global trade, short-term economic policies fail to strengthen our position in these markets. Several countries re-evaluated and implemented arrangements regarding domestic ownership in terms of securing emergency supplies in case of a crisis. However, State ownership may not always be the most advisable solution as far as emergency supplies are concerned. The best ways of supporting the functional capabilities of society is to sustain diversified markets.

2009 saw a lot of debate over the bonuses paid by State-owned companies. On the recommendation of a working party appointed to look into the issue, the structure of incentive remuneration was defined in greater detail. In the autumn of 2009 the Cabinet Committee on Economic Policy issued guidelines for management remuneration by stating that they must be reasonable and induce a lasting commitment to the company over a longer period of time. Rewards are an important tool for the boards of directors in creating favourable conditions for corporate success. The performance of the new remuneration guidelines will be reviewed after the companies have held their annual general meetings.

Another issue related to good governance rose in connection with Destia where suspicions led to an internal audit of the company administration.

Despite the challenges, the State as the owner was able to demonstrate through its actions that the objectives and principles of ownership policies and steering formulated in the early 1990s have stood the test of time. The same coherent and consistent ownership policy provided a steady operational framework for the companies and inspired confidence in the owner.

The year 2009 was also a period when new things were created. Solidium Oy, a company responsible for ownership steering in respect of minority holdings in listed companies, commenced operations during the reporting period. The company was able to consolidate its position both as tool of ownership steering and as an exacting owner in the context of Finnish business.

Several State-owned companies are dynamic innovators in their respective fields, some even in the global context. While many of the companies focus on international business, their industrial plants and offices in Finland continue to play a highly important role both regionally and by generating earning opportunities for subcontractors.

From the investor's point of view, it is worthwhile to note that the dividend yield generated by the listed companies in the State's portfolio is greater than the average achieved by companies trading on the main list of Helsinki OMX. The companies in the portfolio paid higher-than-average dividends out of their financial result, which benefited all shareholders.

The Annual Report on ownership steering provides a description of State holdings and related developments in 2009 and beyond. Aside from information on individual companies, the report discusses ownership policy issues, organisation of ownership steering and the action taken in this context. Main considerations in this respect include long-term ownership, increase in shareholder value and the effectiveness of the range of measures taken.

I believe that this Annual Report provides a clear picture of the principles applied by the State in its capacity as an owner and gives Parliament the opportunity to evaluate ownership steering performance.

Jyri Häkämies
Minister responsible for State ownership steering

2 Introduction

This annual report provides an overview of State ownership steering in companies for which the State Ownership Steering Department in the Prime Minister's Office was responsible in 2009. Companies that commenced operations at the beginning of 2010 as a result of various arrangements are not included in the 2009 annual report.

At the beginning of 2009, the State Ownership Steering Department was responsible for such steering at 30 companies of which 4 were listed companies and 2 companies with special assignments (Governia Oy and Solidium Oy). Additionally, the State owns 15 special assignment companies where responsibility for ownership steering rests with the ministries responsible for the fields of activity that the companies are engaged in. Nine companies that operate on market terms and came into the State's possession in full or in part during this electoral period are not under centralised ownership steering.

During 2009 the State sold its holdings in Santapark Oy and conveyed its shares in Elisa Corporation to the State's wholly owned company Solidium Oy in the form of capital contribution. The divestment of the holdings in Elisa Corporation was a continuation to the conveyance of shares in eight non-strategic listed companies to Solidium in December 2008.

Consequently, at the end of 2009, the State Ownership Steering Department administered State shareholdings in a total of 28 companies, 3 of which were listed. No change in the number of companies with special assignments took place during 2009.

The companies included in this annual report are quite different in terms of both size and line of business. More information is available to the public on listed companies than on other firms, and the market value of listed companies can be determined on a daily basis according to the share price. For these reasons, State corporate shareholdings in this annual report are subdivided into four categories:

- Direct State holdings in listed companies;
- Indirect State holdings in listed companies through Solidium ('Solidium companies');
- Non-listed companies with net sales exceeding EUR 25 million;
- Non-listed companies with net sales less than EUR 25 million;
- The companies with special assignments – Governia Oy and Solidium Oy – are discussed separately.

The purpose of this division is to standardise the presentation of the companies falling in each individual category and to highlight the reasons why it is appropriate to attach importance to different matters when evaluating the performance of companies of different sizes. No presentation will be given of individual Solidium companies because Solidium Oy publishes its own annual and interim reports. Solidium companies are discussed in the annual report on ownership steering as part of the portfolio analysis under the heading 'State's share portfolio' and Solidium Oy as a company in the company section.

The data provided in this annual report is based on the information that is publicly available. An attempt has been made to select information on the companies and the share portfolio held by the State that is essential in the eyes of the State Ownership Steering Department. The Ownership Steering Department carries out independent analyses of the companies to formulate its own view of their status and performance. Valuatum Oy's equity analysis platform is used for the analysis work. The key financial indicators presented in the report are ratios calculated by the State Ownership Steering Department using generally accepted formulae. Consequently, the key indicators may differ from those calculated by the companies themselves. One of the reasons for the differences is the items included in the companies' profit.

3 State ownership steering

3.1 Goals of ownership steering

As an owner, the State seeks to maximise the overall financial and social benefit in the management of its assets. In market-based companies, the purpose of State ownership steering is to achieve the best possible financial result at any given time. This is evaluated in terms of profitability and the long-term growth of shareholder value. In special State assignment companies, the State as an owner pursues primarily social goals while seeking to ensure that the operations in general are profitable.

At the same time, the management of State holdings must be controllable and enjoy public confidence - the basis for this being that the State acts as a consistent and predictable owner whose holdings contribute to the long-term development of the company involved.

Aside from consistency, the activities of the State as an owner must be as transparent as possible. Its policies must enjoy confidence on the securities market in order to ensure that the State's involvement as a major owner will not diminish the value of the listed companies included in its investment portfolio. At the same time, the business associates and competitors of market-based companies must be able to trust that the companies enjoy no special privileges because of State shareholdings.

Additionally, State ownership steering must be exercised in a manner that permits contacts between the companies and the State in its capacity as a major owner. However, transparency must be accompanied by strict compliance with insider trading rules, confidential treatment of companies' plans and business secrets and non-disclosure of the State's business secrets concerning the management of its ownership policy.

3.2 Framework for ownership steering

The State's actions as an owner are governed by the State Shareholdings and Ownership Steering Act (1368/2007, hereinafter 'Ownership Steering Act') enacted at the beginning of 2008. The Ownership Steering Act governs the State's actions as an owner in all companies, both listed and non-listed alike.

More generally, State ownership steering and the activities of State-owned companies are regulated by the principle that the State, in its capacity as an owner, shall comply with the laws enacted by the State, in its capacity as legislator, and that all the companies wholly or partially owned by the State shall abide by the same norms as Finnish companies with a different ownership base.

Consequently, the State ownership policy and related norms and decisions apply, a priori, equally to listed and non-listed companies. While the State ownership policy is consistent, there are significant differences in the exercise of ownership steering between listed and non-listed companies since ownership steering must give due consideration to the public disclosures, securities market legislation and related application rules as well as the large number of owners associated with listed companies.

Another difference between these two types of companies is that some of them perform a special function assigned by the Government; the company may thus focus on fulfilling such a special function as well and as efficiently as possible rather than aiming at maximum financial performance. However, most of the companies operate on market terms and seek to make a profit. As all the listed companies operate purely on a market basis, no distinction is made between them in terms of regulation or principles of ownership steering based on the size of the State holding.

As well as applicable legislation, State ownership steering is governed by the Government Programme and resolutions and the guidelines issued by the Cabinet Committee on Economic Policy.

From the point of view of daily ownership steering activities, the key document is the Resolution on State Ownership Policy passed by the Government in June 2007, which outlines the main principles and operating practices of the State's ownership steering. The resolution is to be complied with in ownership policy decision-making and in the discharge of related duties.

The statements issued by the Cabinet Committee on Economic Policy also include guidelines for competitive remuneration in State majority-owned companies operating on market terms. The statement is applied when the State determines its position on the arrangements to be made in these companies. Where possible, the same policies are pursued in respect of the State's associated companies. Responsibility for the application of these guidelines and compliance in respect of the State rests with boards of directors. The latest guideline on such remuneration was issued in September 2009 (see Appendix 2).

3.3 Key events in ownership steering

As a result of competitive bidding, the State sold its 32.1% stake in Santapark Oy to Santa's Holding Oy in March. At the same time, the City of Rovaniemi and Lapin Matkailu Oy sold their shares in Santapark to Santa's Holding, which now owns a total of 55.9% of Santapark's share capital. With the fragmented ownership base now consolidated in the hands of local tourist companies, the company will have more potential for developing its business.

In June, the State conveyed all its holdings in Elisa Corporation – approximately 9.6% of Elisa's share capital and votes – to the wholly State-owned company Solidium Oy as a capital contribution. It was in continuation to the conveyance of shares in eight non-strategic listed companies in December 2008. As a result of the conveyance of Elisa's shares, Solidium's share capital was increased by an amount equivalent to the market value of the shares, or EUR 173.5 million.

In accordance with the decision made by Government on 21 October 2008, the operations of Solidium's predecessor ended on 30 April 2009 when all its assets and liabilities were transferred to the receiving companies Solidium Oy and Governia Oy under the demerger agreement. Solidium's mission is to manage its holdings so as to ensure maximum yield for the State. The company is authorised to both increase and decrease State shareholdings and, if necessary, acquire interests in other listed companies. Solidium's Chief Executive Officer and Board of Directors exercise the powers granted under the Limited Liability Companies Act while the State, as an owner, in line with the general principles of the State ownership policy, decides on company policies and business models on one hand, and on matters falling under the authority of the general meeting of shareholders on the other.

From the autumn of 2009, Solidum Oy will be discussed in the Ownership Steering Department's reports in connection with the portfolio analysis. Its first financial year was from 1 May to 30 June 2009. Additionally, Solidium published an interim report for the period from 1 July to 31 December 2009.

In September 2009, the Cabinet Committee on Economic Policy confirmed its guidelines regarding the remuneration of executive management and their pension benefits (see Appendix 2). In the guidelines, executive management's and key staff's remuneration is treated as a larger whole comprising a person's salary along with the terms concerning pensions and fringe benefits included in the executive or employment contract.

According to the guidelines, executive compensation plans must combine reasonable compensation with the companies' ability to compete for the highest-skilled executives. Basic salaries must be competitive and any bonuses must be based on both quantifiable criteria and on sustained and sound individual performance. A performance-related compensation may not account for more than 40 per cent of the basic salary paid during the year of evaluation, unless there are special grounds for deviation. The minimum duration of long-term incentives is three years and the maximum remuneration is 100 per cent of the basic salary paid during a scheme. The State does not support the introduction of stock options while any share-based bonuses must involve commitment to ownership. Provisions must be made in the incentive programmes for adjustment and recollection.

The retirement age of top executive management must be equal to the current general retirement age of 63 years, and any additional pensions under new pension agreements must be based on defined contribution plans instead of a defined benefit. All the staff must have a fair opportunity to benefit from the company's success. The companies' performance-based remuneration and bonus schemes must guarantee their staff a fair share of good results. In the remuneration of the staff, the main rewarding tools are performance-based bonuses and staff funds. When the guidelines were prepared, due consideration was given for the principles outlined by the working group on incentive schemes in its report issued in June except for the increase in the maximum amount of bonuses which was not considered justified.

To a great extent, the new guidelines are consistent with the statement on remuneration adopted by the Cabinet Committee on Economic Policy in June 2007.

A working group appointed by the Prime Minister's Office in September 2008 issued its report on the property assets of the VR-Group Ltd and the Finnish Rail Administration in October 2009. The working group proposed that properties that were not part of VR's core business would be conveyed to Senate Properties as suggested by the Ministry of Finance insofar as they are consistent with the property ownership and development principles applied by Senate Properties.

In October, the Government was authorised by Parliament to divest its sole or majority holdings in Destia Oy, Labtium Oy and Raskone Ltd. In December, the Government made a decision on the partial demerger of Destia Oy to spin off its ferry operations to create an independent wholly State-owned and controlled company. The new company, Suomen Lauttaliikenne Oy, commenced operations on 1 January 2010. Responsibility for its ownership steering rests with the Ownership Steering Department.

In 2009, dividends paid by the companies in the domain of the Ownership Steering Department in the Prime Minister's Office to the State totalled EUR 593.8 million (EUR 889.6 million). The dividends paid by the companies assigned to Solidium in 2009 amounted to EUR 284.9 million while capital repayments reached EUR 26.1 million (Elisa Corporation and Stora Enso Oyj.) Solidium did not pay any dividends to the State in 2009 because of its establishment costs and the need to recapitalise its associated companies and be duly prepared for such expenditure. Dividends paid to the State by companies transferred to Solidium in 2008 amounted to EUR 656.3 million. In 2009, dividends paid directly to the State-owner and to Solidium by the companies in the domain of the Ownership Steering Department and Solidium totalled EUR 894.7 million (EUR 1,545.9 million).

4 State's share portfolio

This section provides an analysis of the State's share portfolio during 2009. At several points in the text, direct State shareholdings and indirect holdings through Solidium are discussed as a whole.

4.1 Development of the market value of the portfolio

During 2009 the combined market value of the State's direct holdings in listed companies increased from EUR 8.6 billion to EUR 10.4 billion, or 20.9%, as share prices recovered from the fall caused by the economic recession. Over the same period, the general index of the Nasdaq OMX Helsinki Stock Exchange rose by 15.0%.

Table 1a: Direct State holdings in listed companies 31 Dec 2009

	Price/ share, €	No. of shares	Shareholding	Weighting	Market value, €m
Finnair	3.75	71,515,426	55.8%	2.6%	268.2
Fortum	18.97	450,932,988	50.8%	82.1%	8,554.2
Neste Oil	12.42	128,458,247	50.1%	15.3%	1,595.5
Total				100.0%	10,417.9

Table 1b: State indirect holdings via Solidium in listed companies 31 Dec 2009

	Price/ share, €	No. of shares	Solidium's shareholding	Weighting	Market value, €m
Elisa	15.96	16,631,000	10.0%	3.4%	265.4
Kemira	10.39	25,895,604	16.7%	3.4%	269.1
Metso	24.63	15,695,287	10.4%	4.9%	386.6
Outokumpu	13.26	56,440,597	31.0%	9.6%	748.4
Rautaruukki	16.14	55,656,699	39.7%	11.5%	898.3
Sampo	17.02	79,280,080	14.1%	17.2%	1,349.3
Sponda	2.73	95,163,745	34.3%	3.3%	259.8
Stora Enso	5.44	97,079,438	12.3%	6.7%	527.7
TeliaSonera	5.07	616,128,221	13.7%	39.9%	3,123.8
Total				100.0%	7,828.4

Figure 1: Market value of direct State holdings in listed companies 2009, €m

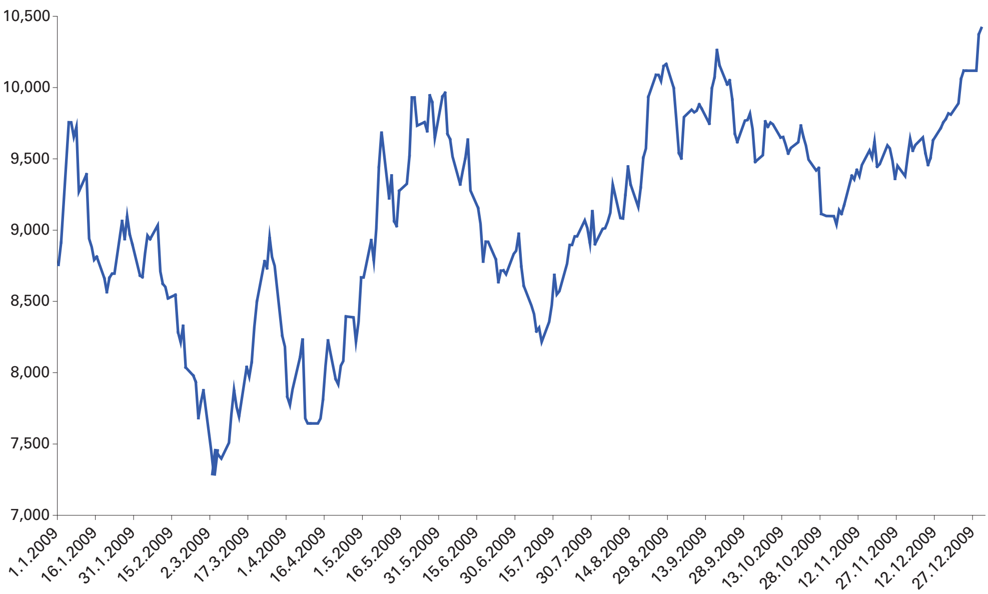


Figure 2: Market value of direct State holdings in listed companies and OMX Helsinki general index in 2009 (1 January 2009=100)

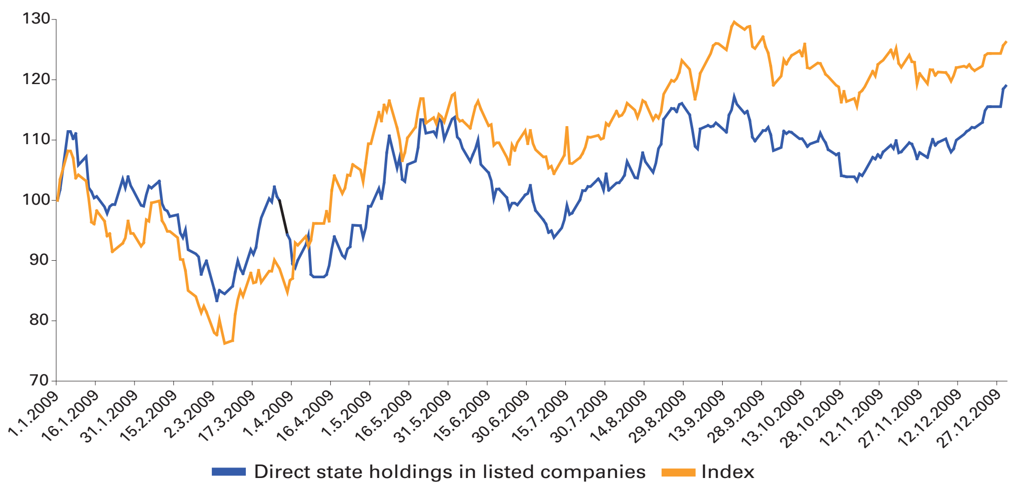


Figure 3 illustrates the sharp decline in the State's direct holdings in listed companies during the second half of 2008. This was mostly due to the general decline in share prices prompted by the recession. In addition, the decline was a result of the Government transferral of all State-owned equities in non-strategic listed companies (Kemira Oyj, Metso Corporation, Outokumpu Oyj, Rautaruukki Corporation, Sampo Plc, Sponda Oyj, Stora Enso Oyj and TeliaSonera AB) to Solidium Oy, a wholly State-owned holding company, on 11 December 2008. Similarly, on 11 June 2009, the State of Finland conveyed all its shares in Elisa Corporation to Solidium Oy as a capital contribution. Direct holdings were retained in strategically significant companies Finnair Plc, Fortum Corporation, and Neste Oil Corporation. As a result, the development of market value over the past five years presented in the following graphs is not fully comparable over the entire reporting period.

Figure 3: Market value of direct State holdings in listed companies 2005–2009, €m

Solidium companies were relinquished by the State on 11 December 2008 and 11 June 2009

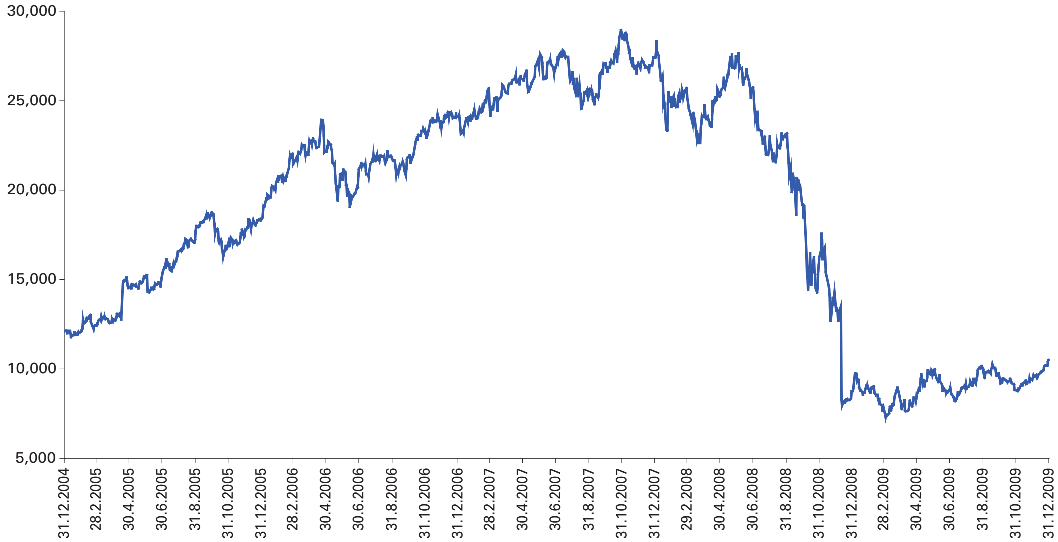
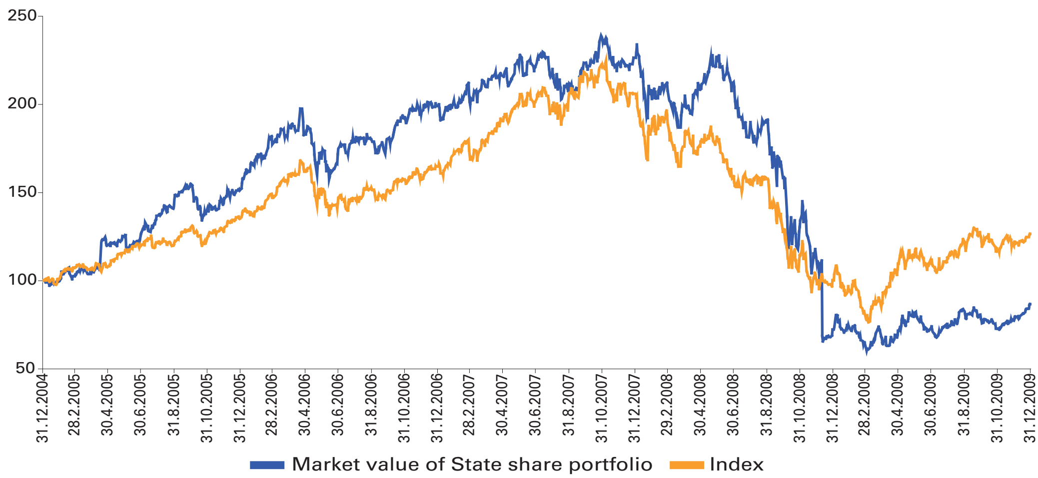


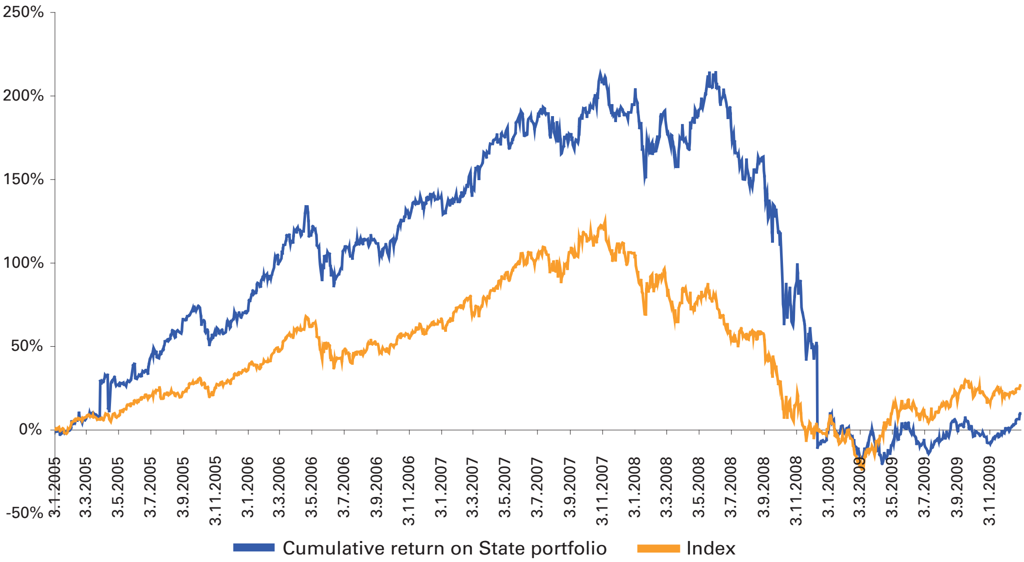
Figure 4: Market value of direct State holdings in listed companies and OMX Helsinki general index in 2005–2009 (31 December 2004=100)



4.2 Return on the shares in listed companies

Figure 5 illustrates that while cumulative returns on direct State holdings in listed companies exceeded the Helsinki OMX index during 2005–2008, it remained below it for most of 2009.

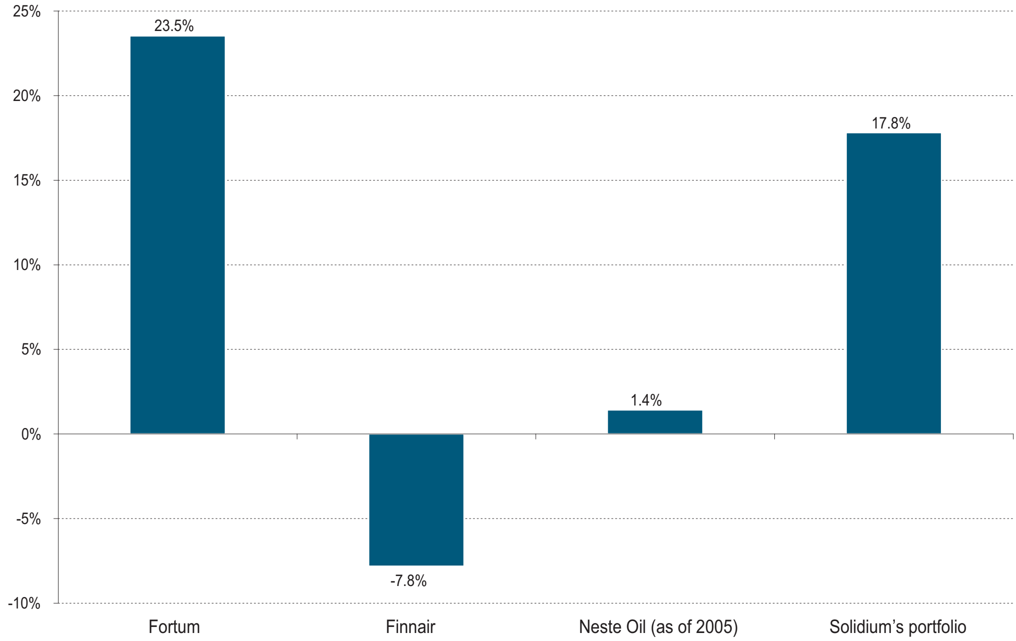
Figure 5: Development of cumulative return on direct State holdings in listed companies (calculated using a modified Dietz formula) and OMX Helsinki price index in 2005–2009



Annual return calculated from the cash flow of the State's current direct holdings in listed companies and Solidium Oy's current portfolio include dividends received, participants in share issues, acquisitions of shares, proceeds from share divestments and the development of market values of the holdings. The calculation base is the market value at the end of 2004.

Of the individual companies, the best performance was in Fortum, whose average return, 23.5%, was the highest in the IRR calculation covering a period of five years. Neste Oil's annual return was 1.4% while with Finnair the trend has been negative.

Figure 6: Annual return calculated from the cash flow of the State portfolio 31 Dec 2004–31 Dec 2009 (IRR)



Cash flow = change in market value + dividends – share issues + sale of shares.

4.3 Development of the market value of listed companies relative to industry average

Figure 7 shows the movement in the market value. In the matrix, the market value of the companies is presented on a company-by-company basis and the share prices relative to the sectoral index.

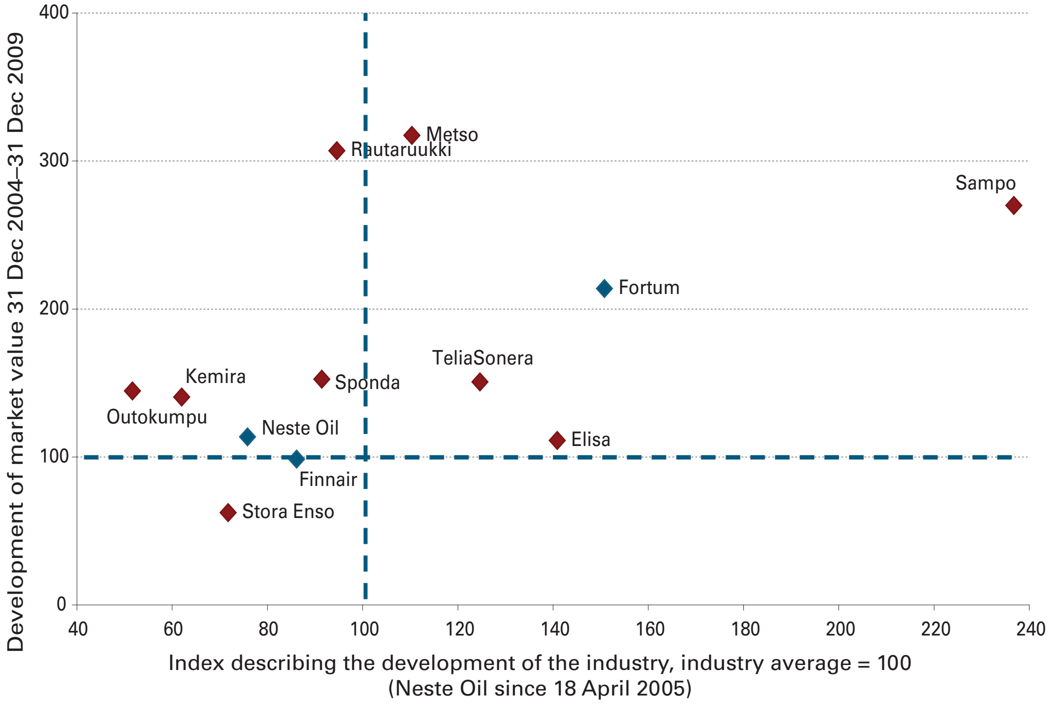
The movement in the market value of the company can be read on the y axis, the starting level being the horizontal 100-point line. If a company has generated positive value, it appears above the 100-point line.

The movement in the company's share price relative to the sector can been seen on the x axis, the starting level being the vertical 100-point line. If the share price outperforms the industry, the company appears to the right of the 100-point line.

Sampo, Elisa, Fortum, TeliaSonera and Metso achieved an increase in market value exceeding the industry average.

Movement in the case of two companies, Finnair and Stora Enso, remained negative.

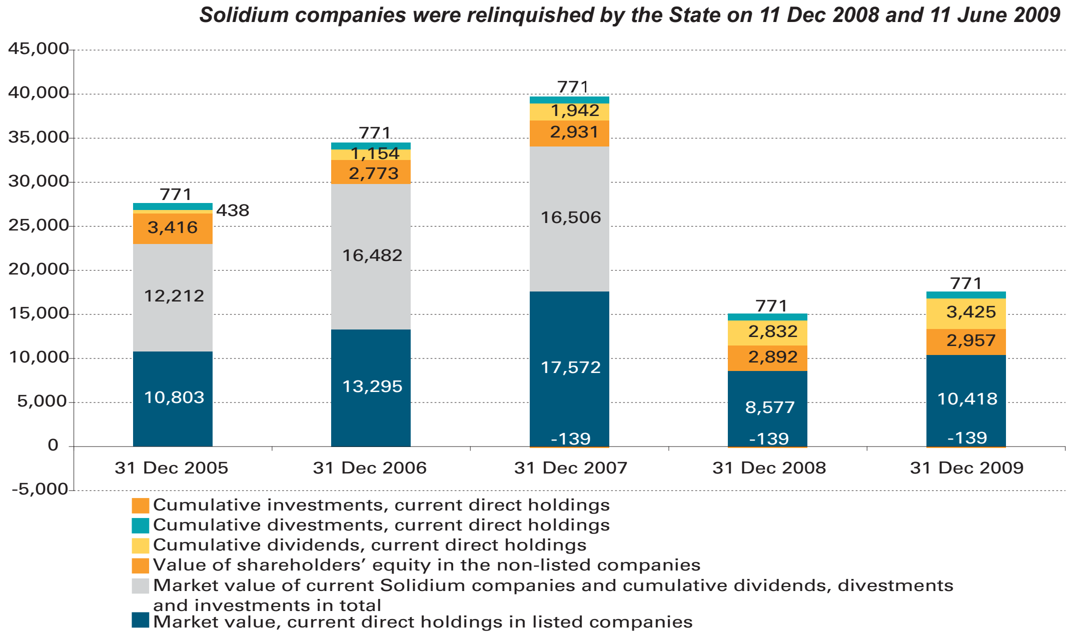
Figure 7: Development of company share price relative to the industry; State direct shareholding and Solidium companies 31 Dec 2004–31 Dec 2009



4.4 Development of the aggregate value of the portfolio during 2005–2009

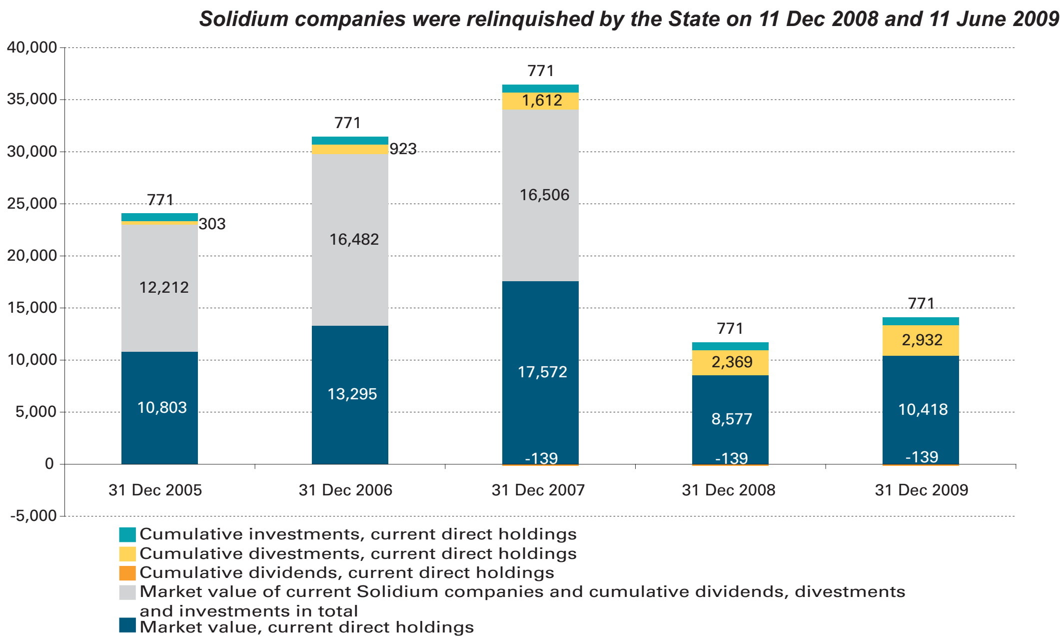
Figure 8 shows the development of the entire State share portfolio during 2005–2009 including listed and non-listed companies. For listed companies, the value of shareholders' equity has been determined according to market value, and for non-listed companies according to book value. Dividends are recognised on a cash basis. The aggregate value of the portfolio is reduced by the equity investments made by the State.

Figure 8: Aggregate value of direct State holdings 2005–2009, €m



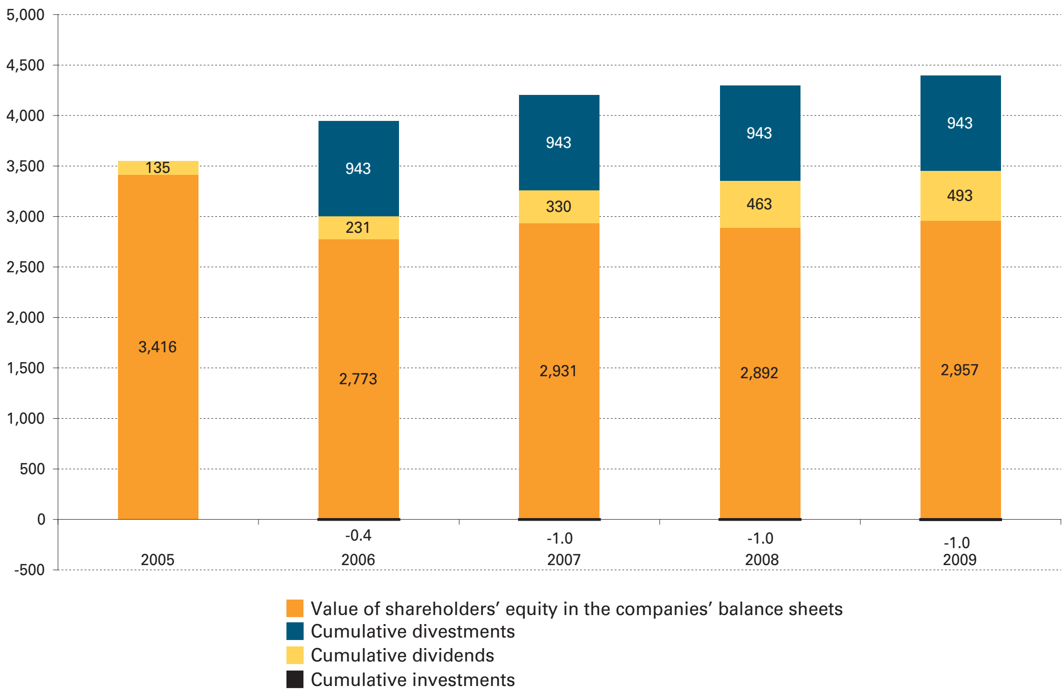
At the end of 2009, the market value of the State' direct holdings in listed companies was slightly lower than at the end of 2005. Over the past five years, the State has divested its direct holdings in listed companies to a value of EUR 2.7 billion. At the same time, the State has injected EUR 0.4 billion in capital by participating in Finnair's and Sponda's share issues in 2007 and by purchasing Elisa Corporation shares from Varma Mutual Pension Insurance Company. The State's net proceeds from share deals in directly owned listed companies totalled EUR 2.3 billion in 2005–2009.

Figure 9: Aggregate value of direct state holdings in listed companies



The development of the aggregate value of the non-listed companies included in the State share portfolio is presented in the following graph. The book value of Solidium Oy's equity is not included in the figures because of the special nature of the company. The fall in the book value of shareholders' equity in 2006 is mostly due to the sale of Kapiteeli Ltd in October 2006.

Figure 10: Development of the aggregate value of non-listed companies during 2005–2009, €m

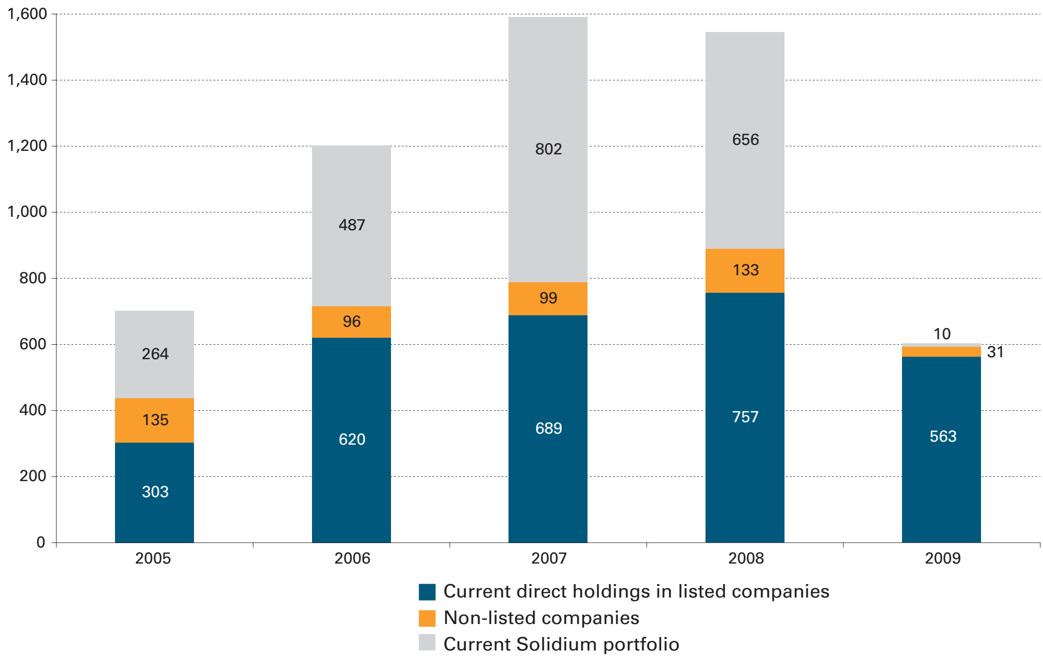


4.5 Dividend yield and payout ratio

Over the past five years, the cash dividends paid by market-based companies in which the State has direct holdings have developed as indicated in the graph below. In 2009 the amount of dividends received by the State fell sharply. This was due to the impact that the global financial crisis had on the companies' ability to pay dividends.

In 2009, the State's dividends from direct holdings in listed companies shrank by EUR 201 million mostly because the dividends paid by Fortum decreased. Similarly, the amount of dividends received from Neste Oil was reduced. Finnair paid no dividends in 2009. The dividends received from non-listed companies fell by EUR 99 million, mainly because the VR-Group did not distribute any dividends (2008: EUR 55 million) and the dividend from Itella was decreased by EUR 29 million. Solidium did not pay any dividends to the State in 2009 because of its establishment costs and the need to recapitalise its associated companies and be duly prepared for such expenditure. The dividends received by Solidium in 2009 amounted to EUR 284.9 million while capital redemptions reached EUR 26.1 million (Elisa Corporation and Stora Enso Oyj).

Figure 11: Dividends received by the State on cash basis during 2005–2009, €m

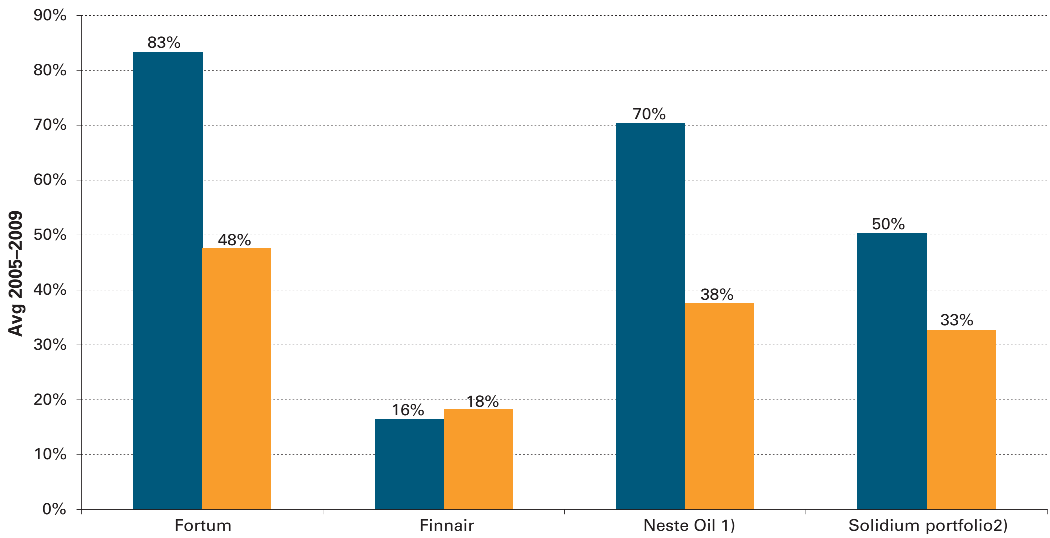


During 2005–2009 the payout ratio of listed companies in which the State had direct holdings was 66.6% and the dividend yield 4.6%. The corresponding figures for the OMX Helsinki Stock Exchange was 71.7% (44.0%) for payout ratio and 4.1% (4.9%) for dividend yield at the year-end share prices.

Considering the average payout ratios over the five-year period, it is safe to say that the listed companies in which the State had direct holdings have – except for Finnair – paid a fair amount of dividends compared to the industry average.

In the following graphs, the companies are compared with sectoral peers listed on stock exchanges across the world.

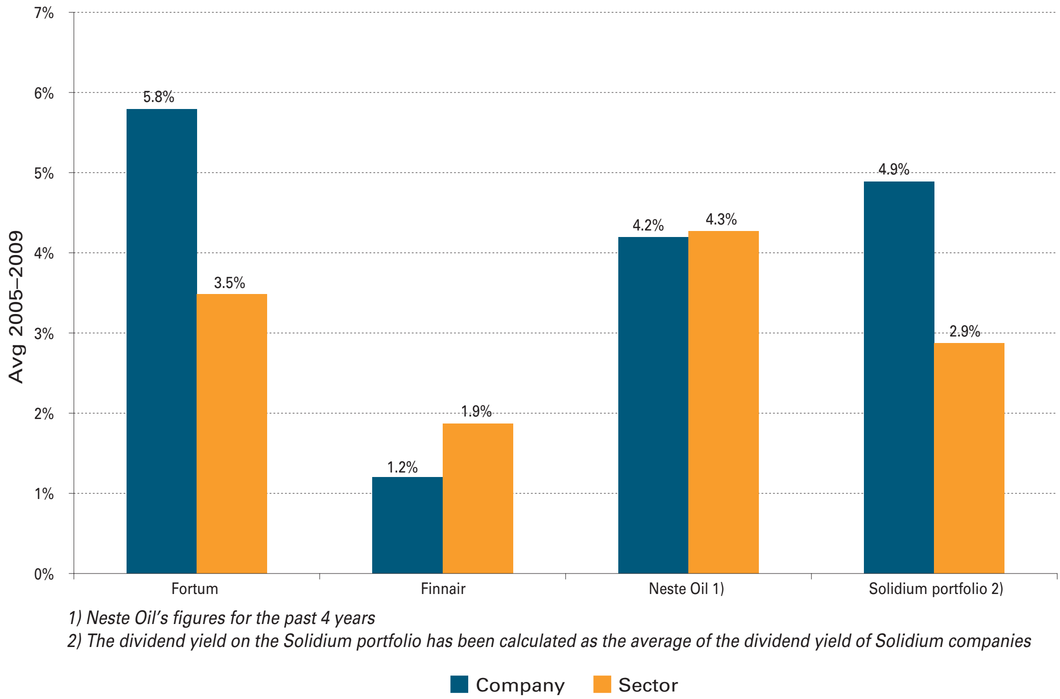
Figure 12: Payout ratio on direct State shareholdings in listed companies and on the Solidium portfolio 2005–2009



1) Neste Oil's figures for the past 4 years
2) The payout ratio on the Solidium portfolio has been calculated as the average of the payout ratio of Solidium companies

In terms of the dividend yields of listed companies with direct State ownership, Fortum exceeded the industry average by a wide margin while Finnair and Neste Oil fell slightly short of it.

Figure 13: Dividend yield on state shareholdings in listed companies and on the Solidium portfolio 2005–2009



1) Neste Oil's figures for the past 4 years

2) The dividend yield on the Solidium portfolio has been calculated as the average of the dividend yield of Solidium companies

5 Company reviews

The companies are presented in the following order: direct State holdings in listed companies, non-listed companies with net sales exceeding EUR 25 million, non-listed companies with net sales less than EUR 25 million, and companies with special assignments, namely Solidium Oy and Governia Oy.

5.1 Direct State holdings in listed companies

FINNAIR OYJ airline company

State shareholding: 55.8%
Chairman of the Board: Christoffer Taxell
Chief Executive Officer: Mika Vehviläinen
Personnel: 7,945
Principal places of business in Finland: Vantaa

Finnair OYJ is a travel industry group offering scheduled flight, holiday travel, travel agency and freight services in Finland and abroad. More than 70% of the consolidated net sales consist of airline traffic which, in addition to scheduled traffic, comprises cargo and charter traffic. Finnair enjoys a home-field advantage in traffic between Europe and Asia. The location of Helsinki-Vantaa Airport allows the fastest connections between a number of European and Asian metropolises. In 2009, Finnair carried 7.4 million passengers and 89 million kilos of freight. Finnair's fleet is one of the most modern in the world.

The year 2009 was a historically weak year for the entire airline industry. Finnair's net sales declined sharply, and the company's result fell dramatically into the red. The demand decreased in scheduled, holiday and cargo traffic alike. Airline ticket prices and cargo rates fell due to overcapacity in the sector. The dramatic decrease witnessed in business travel as a result of the worldwide recession contributed to the decrease in the average prices in scheduled traffic. Although Finnair launched an efficiency improvement programme totalling EUR 200 million, it failed to adapt the cost structure to the falling prices to a sufficient degree. However, the passenger load factor remained sound thanks to capacity reductions.

Demand for the industry's and Finnair's services has picked up during the first few months of the current year. In particular, passenger and cargo demand was revived in Asian traffic, a market of special importance to Finnair. However, Finnair's situation remains challenging because the existing overcapacity makes it difficult to raise rates. Clearly, overcapacity will not be eliminated in the market without industry restructuring. To restore the company's profitability, Finnair must continue to adapt its cost structure and cut unit costs in response to the falling average earnings. Over one quarter of the areas where performance was to be improved, as foreseen in the efficiency improvement programme, remain unidentified. Around EUR 120 million of the savings are to be made in personnel costs. With the present price level and hedging policy, fuel costs are expected to account for 20% of Finnair's net sales (24% in 2009).

Finnair will continue to pursue its current Europe-Asia strategy The number of passengers passing through Helsinki has increased from 0.3 million in 2001 to over 1.1 million in 2009. The growing affluence in Asia creates the necessary preconditions for increasing passenger volumes also in the future. Without the Asia strategy, Finnair's ability to maintain services from Finland to the rest of Europe would be considerably undermined. Connections to Asia account for more than half of all the scheduled flights offered by Finnair. The ongoing programme to modernise the fleet will be brought to completion this year. The project will standardise Finnair's fleet used for scheduled traffic. The reduction in the number of aircraft types offers cost savings through more effective crew utilisation and simplified maintenance. At the same time, the new aircraft are more fuel-efficient and produce less emissions than the fleet of the previous generation. A number of decommissioned aircrafts owned by Finnair are currently on sale. From the point of view of the company's profitability, it is important to put the new fleet to effective use; however, due to overcapacity, it may be difficult to increase supply profitably.

Finnair has financed the fleet investments with long-term loans extended by the European Investment Bank, among others. Additionally, the company has entered into finance leasing arrangements with the export credit agencies of the Airbus owner states. To strengthen its balance sheet, Finnair issued last autumn a EUR 120 million hybrid bond, which is recognised in the company's equity, and concluded certain sales and leaseback agreements. The sources of funding available to Finnair consist of a syndicated credit facility, a commercial paper programme, and an option of a loan-back of employment pension fund reserves. The company's balance sheet and cash position are strong. The tightening of financial markets has raised Finnair's financing costs and the price level of its leasing contracts.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	1,838	2,256
Operating income*	EURm	-124	-58
Operating income %	%	-6.7	-2.6
Total assets	EURm	2,447	2,084
Market capitalisation at period end	EURm	481	627
Equity ratio	%	35.5	36.9
Gearing	%	86.9	65.1
Return on equity	%	-12.7	-5.3
Return on investment	%	-8.4	-3.0
Personnel, total		7,945	9,617
Personnel, Finland		7,207	8,847
Total dividends paid	EURm	0	0
Dividends received by the State	EURm	0	0

**The operating income reported by the State Ownership Steering Department includes changes in the value of derivatives, capital gains, etc.*

*** includes estimates of leasing payments over the next 7 years*

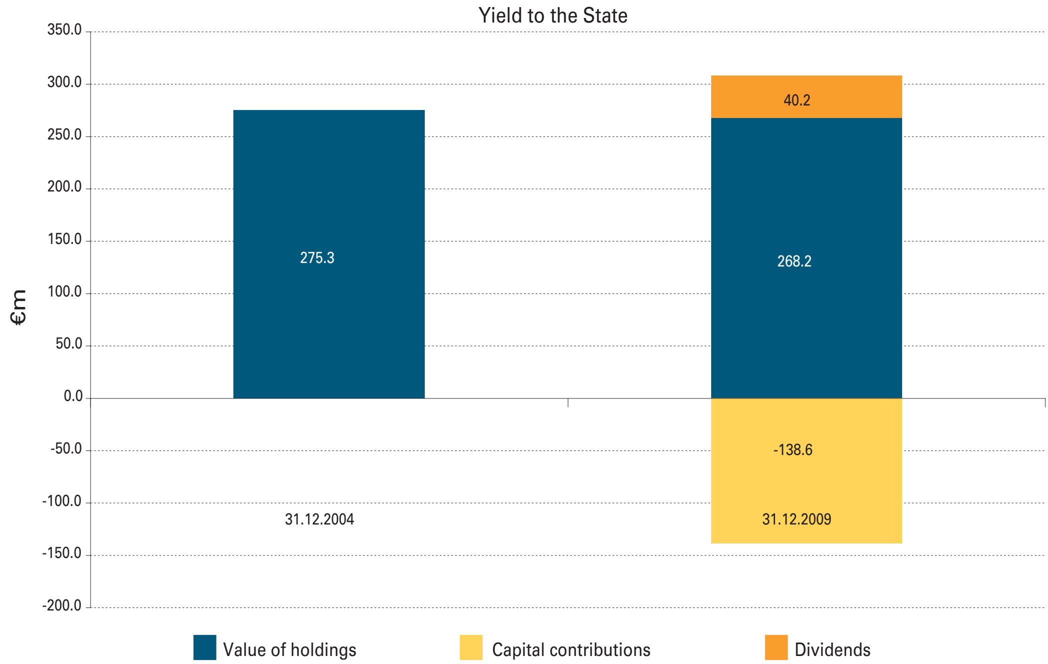
COMPETITORS

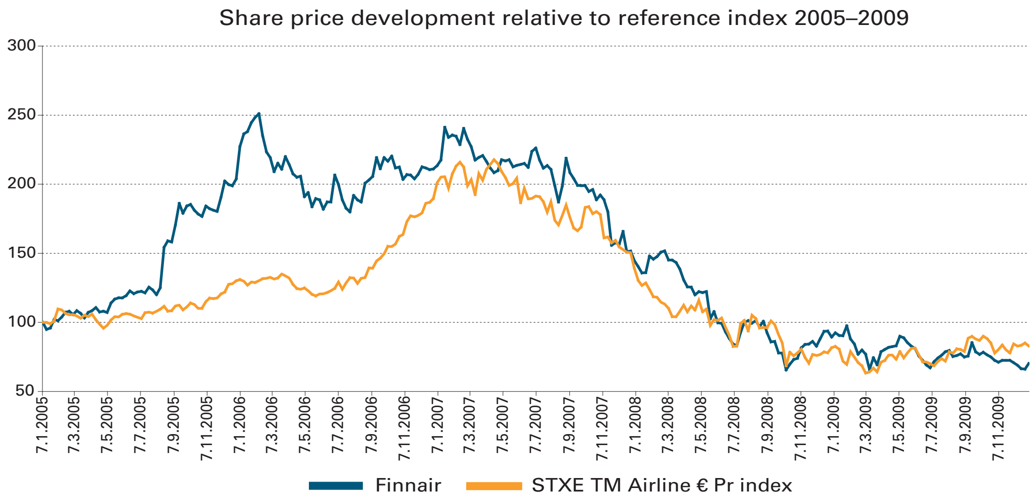
Company	Country	Net sales, EURm
Air France – KLM*	France-Netherlands	23,970
Lufthansa	Germany	22,283
British Airways*	UK	10,819
SAS	Sweden	4,233

** Net sales in the financial period ending in March 2009*

REPORTED INVESTMENTS

Around EUR 200 million for fleet modernisation in 2010.





The yield to the State was −8.1% a year in the period 1 January 2005–31 December 2009. (CAGR, Compound annual growth).

FORTUM CORPORATION utilities

State shareholding: 50.8%
Chairman of the Board: Matti Lehti
Chief Executive Officer: Tapio Kuula
Personnel: 15,579
Principal places of business in Finland: Espoo, Imatra, Inkoo, Joensuu, Järvenpää, Kauttua, Kokkola, Kuusamo, Leppiniemi, Lohja, Loviisa, Naantali, Nokia, Oulu, Pori, Vaasa, and Vantaa.

Fortum Corporation is a leading energy company focusing on the Nordic countries, Russia and the Baltic Sea region. Its core operations cover the generation, distribution and sale of electricity and heat as well as the operation and maintenance of power plants.

In 2009, Fortum generated 65.3 TWh (64.2 TWh) of electricity and 48.8 TWh (40.3 TWh) of heat. In the EU countries, 92% (91%) of Fortum's 2009 electricity generation was carbon dioxide-free. Of Fortum's electricity production, 51.6 TWh was generated in the Nordic countries accounting for 13% (13%) of all the electricity consumed in those countries in 2009. Of heat production, 19.0 TWh (20.8 TWh) was generated in the Nordic countries.

Fortum's comparable operating income improved to EUR 1,888 million (EUR 1,845 million) despite the 5% decrease in Nordic electricity consumption and the 22% fall in the Nordpool wholesale price. This was primarily due to successful hedging in the electricity production sector. The selling price for electricity supplied by Fortum Power was EUR 49.8/MWh compared to the Nordpool system price of EUR 35.0/MWh. The Markets business area and the Russia Division improved their financial performance. The weakened SEK exchange rate reduced the operating income by approximately EUR 100 million.

Most of Fortum's comparable operating income of EUR 1,888 million, or EUR 1,460 million, was generated by the Power Division whose operating income fell by EUR 59 million. The Heat Division's operating income was EUR 227 million (EUR 250 million). The Distribution Division's operating income improved reaching EUR 262 million (EUR 248 million). The result of the electricity transfer sector was stable because of close regulation. Markets were able to turn around the business and generate an operating income of EUR 22 million (EUR -33 million). At the same time, the Russia Division improved its performance earning an operating income of EUR -26 million (EUR -92 million). The Q4 result of the Russia Division was EUR 7 million in the black. The company expects to achieve EUR 100 million annual cost savings in Russia in 2011.

Fortum has hedged 70% of its 2010 electricity sales at the price of EUR 44/MWh. The 2011 hedging level is 40% at EUR 42/MWh.

In Russia, the market price of electricity decreased by 6% during 2009 only to increase by 28% during the last quarter. The regulated price increased by 12% during 2009 and 13%

during the last quarter. In July 2009, 50% of the wholesale market was deregulated and 60% from the beginning of 2010. The wholesale electricity market is expected to be fully deregulated by 2011.

Fortum's gearing is 70% (73%). The cash flow from operating activities was solid, totalling EUR 2,264 million (EUR 2,002 million). The ratio between Fortum's gearing and EBITDA was 2.6 (2.5 at the end of 2008). The figures fall short of the strategic target of 3.0–3.5.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	5,435	5,636
Operating income	EURm	1,782	1,963
Operating income %	%	32.8	34.8
Total assets	EURm	19,841	20,278
Market capitalisation at period end	EURm	16,852	13,519
Equity ratio	%	42.8	41.5
Gearing	%	70.3	73.5
Return on equity	%	16.0	18.7
Return on investment	%	12.1	15.0
Personnel, total		11,613	15,579
Personnel, Finland		2,700	3,045
Total dividends paid	EURm	888	888
Dividends received by the State	EURm	451	451

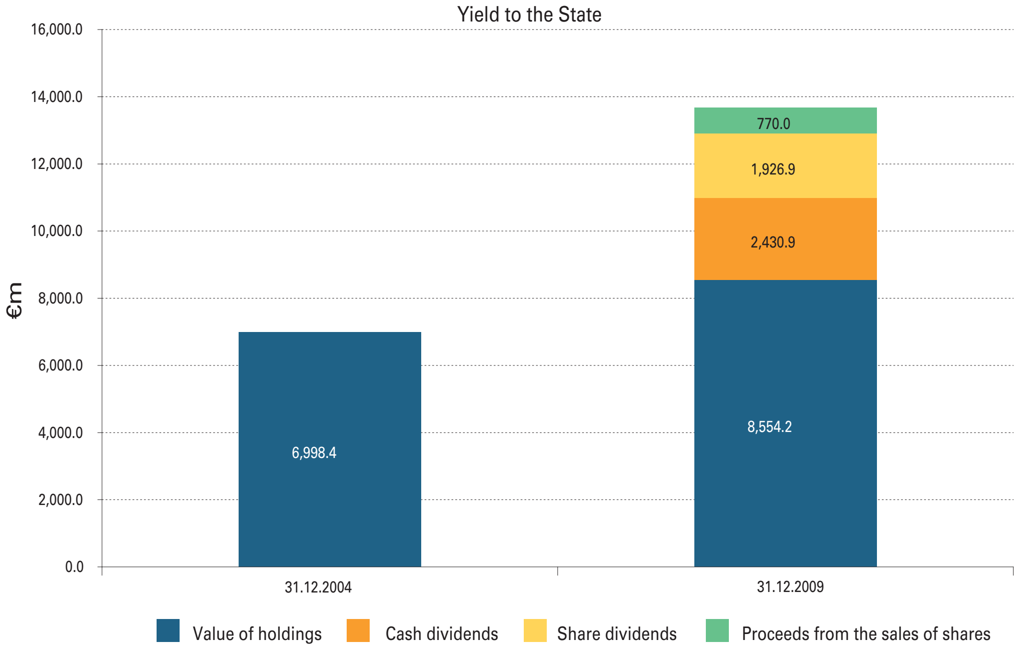
COMPETITORS

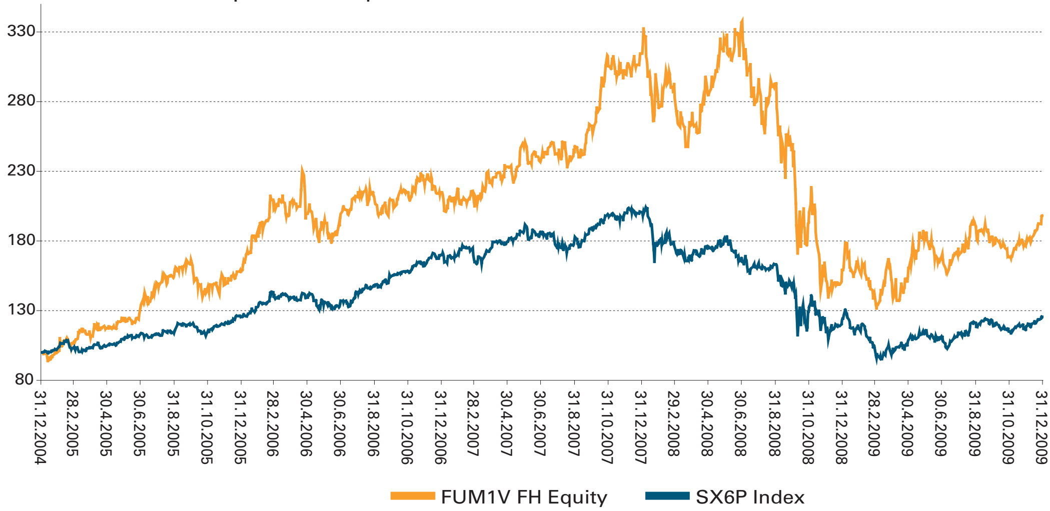
Company	Country	Net sales, EURm
E.ON	Germany	81,817
EDF	France	66,336
Enel	Italy	62,171
RWE	Germany	46,191
Iberdrola	Spain	24,558
Vattenfall	Sweden	19,358
Verbund	Austria	3,483
Statkraft	Norway	3,097

REPORTED INVESTMENTS

The investment programme announced by Fortum amounts to EUR 0.8–1.2 billion per year, of which EUR 400–500 million will be allocated to maintenance and productivity. Growth investments in new power generation capacity in Russia will be unevenly distributed over the period from 2010–2015, with the total estimated to reach approximately EUR 1.8 billion. On an average, this amounts to around EUR 300 million per year. Other annual capital expenditures focus on growth in the Nordic and Baltic countries, with most of the outlays allocated to the construction of combined heat and power (CHP) capacity.

On 5 February 2009 Fortum submitted an application to the Government for the construction of a new nuclear power plant unit in Loviisa. The total investment will be around EUR 4–6 billion. With its 25% stake in TVO, Fortum is also currently involved in the project to construct Finland's fifth nuclear power plant unit in Olkiluoto.





The yield to the State was 14.3 % a year in the period 1 January 2005–31 December 2009. (CAGR, Compound annual growth).

NESTE OIL CORPORATION energy industry

State shareholding: 50.1%
Chairman of the Board: Timo Peltola
Chief Executive Officer: Matti Lievonen
Personnel: 5,092
Principal places of business in Finland: Espoo, Naantali and Porvoo

Neste Oil Corporation is a refining and marketing company focusing on advanced clean traffic fuels. The company seeks growth in both conventional oil refining and the production of top-quality diesel made of renewable raw materials. Neste Oil's oil refineries are located in Porvoo and Naantali. Their aggregate capacity to distil crude oil totals roughly 260,000 barrels a day, and their refining capacity is some 15 million tonnes a year.

Neste Oil aims to become the world's leading producer of cleaner fuels and to continue investments in order to increase the capacity of the current refineries. Neste Oil's NExBTL diesel production capacity is 380,000 tonnes a year. Based on investment projects already launched, the annual capacity will reach around 2 million tonnes by 2011. Neste Oil seeks growth in two areas: Oil Refining and Renewable Fuels. The strategy is complemented by Oil Retail.

Neste Oil's NExBTL unit in Singapore due for completion in 2010 is planned to have a capacity of 800,000 tonnes. A unit of equal size is expected to be completed in Rotterdam in 2011.

The 2009 comparable operating income fell to one fifth of the 2008 level, amounting to EUR 116 million (EUR 602 million). However, the reported operating income increased to EUR 335 million (EUR 186 million). Growth was due to inventory gains of EUR 261 million compared to an inventory loss of EUR 453 million in 2008. The cash flow from operating activities totalled EUR 177 million (EUR 512 million) reaching EUR -708 million (EUR 17 million) after investments.

Neste Oil's profitability was weakened by a 7.35 USD/bbl (13.39) fall in the total refining margin. The margin on diesel, an important product to the company, fell by around 64% to 11.18 USD/bbl (31.23). Urals-Brent price differential shrank to -0.81 USD/bbl (-2.95), while the reference refining margin fell to 3.14 USD/bbl (9.93)

The comparable operating income from oil products decreased to EUR 105 million (EUR 602 million). All the main drivers affecting the total refining margin (diesel margin, price differential between Urals and Brent crude, and the IEA Brent cracking reference margin) were weaker year-on-year. The fleet cargo prices plummeted during the year down to 81 points (179 points).

Renewable Fuels' comparable operating income turned negative being EUR -30 million (EUR 2 million). By contrast, Oil Retail's comparable operating income increased to EUR 50 million (EUR 22 million).

Nets Oil's gearing rose by 40.2 percentage points during the year. Investments totalled EUR 863 million (EUR 508 million). The company's target debt ratio to total capital is 25–50%. The 2009 figure was 46.3% (31.5%).

On 1 April 2009, Neste Oil adopted a new corporate structure by changing over from a line to a matrix organisation.

KEY FINANCIAL INDICATORS

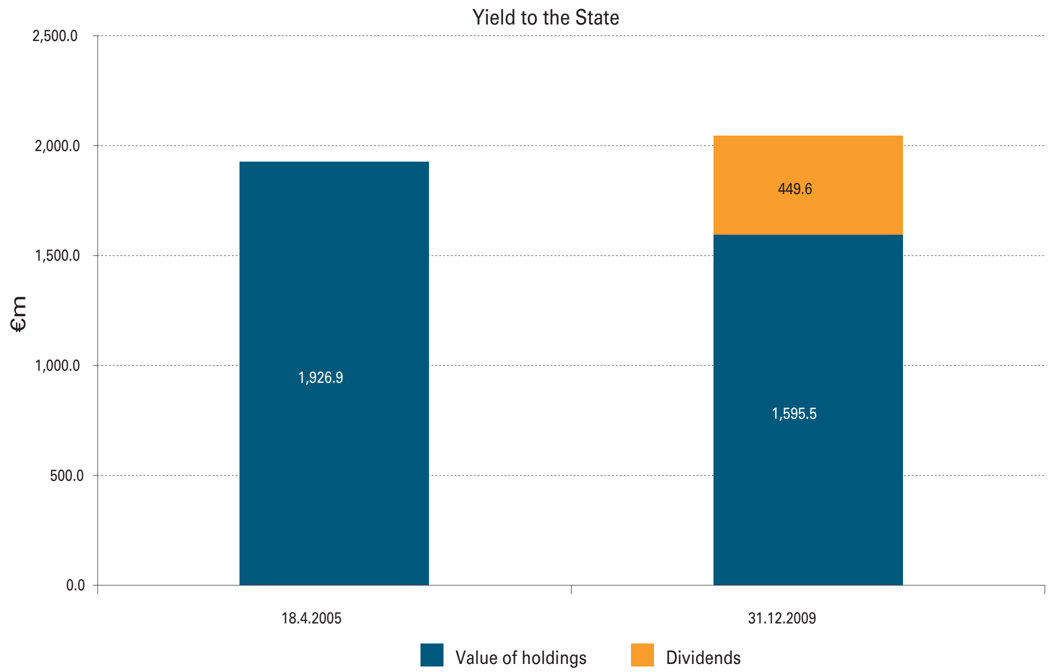
		2009	2008
Net sales	EURm	9,636	15,043
Operating income	EURm	335	186
Operating income %	%	3.5	1.2
Total assets	EURm	5,700	4,720
Market capitalisation at period end	EURm	3,185	2,713
Equity ratio	%	39.1	46.3
Gearing	%	86.3	46.1
Return on equity	%	10.2	4.4
Return on investment	%	9.0	6.1
Personnel, total		5,092	5,262
Personnel, Finland		3,668	3,984
Total dividends paid	EURm	64	205
Dividends received by the State	EURm	32	103

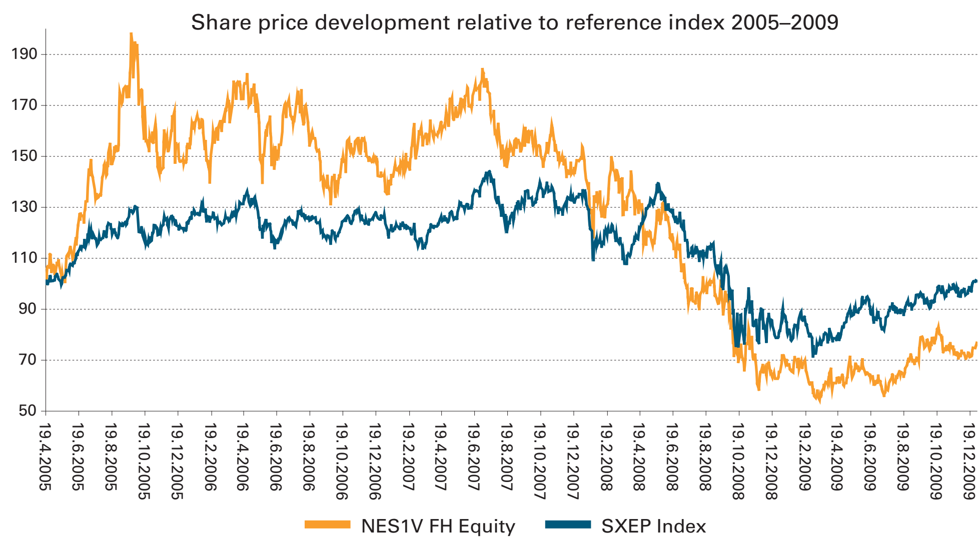
COMPETITORS

Company	Country	Net sales, EURm
OMV	Austria	1, 917
Petroplus holding	Switzerland	14,798
MOL	Hungary	11 558
Hellenic Petroleum	Greece	6,757
ERG	Italy	5,983
Saras	Italy	5,230
Motor Oil Hellas	Greece	3,939

REPORTED INVESTMENTS

Singapore	NExBTL unit	2010	EUR 550 million
Rotterdam	NExBTL unit	2011	EUR 670 million
Bahrain	base oil plant	2011	Around EUR 125 million (Neste Oil's share)





The yield to the State was 1.3% a year in the period 18 April 2005–31 December 2009. (CAGR, Compound annual growth).

5.2 Non-listed companies operating on market terms with net sales exceeding EUR 25 million

ALTIA CORPORATION production and sale of alcohol

State shareholding: 100.0%
Chairman of the Board: Jarmo Leppiniemi
Chief Executive Officer: Antti Pankakoski
Personnel: 947
Principal places of business in Finland: Helsinki, Koskenkorva, Rajamäki

Two increases in the tax on alcohol carried out in Finland during the reporting period and the challenging economic conditions led to a 3.0% (1.2%) decrease in the total sales in Finland during the year. Over the same period, the sale of spirits in Finland fell by 6.6% (4.7%). The growth in wine sales has slowed down to a rate of around 1% (2.4%).

Total sales grew by 7.6% (6.6%) in Sweden and 4.0% (3.9%) in Norway. The increase in Swedish sales was driven by the weak SEK, which led Swedish consumers to purchase alcohol beverages in the home markets. To some extent, the weak currency also favoured cross-border trade.

As a result of the fall in demand for starch supplied mainly to the wood-processing industry, the Koskenkorva Distillery operated at an average capacity of 60%. In 2009, approximately 80% of the barley received at the Koskenkorva Distillery was grown under contract. By the end of the year, the average cost of the barley inventory had declined by 21%.

Altia overhauled its business model towards the end of 2009. According to the new model, Altia Group comprises the business areas Brands, Trading, and Industrial Services supported by Supply Chain through cost-efficient services based on the synergy benefits offered by centralisation.

Altia improved its efficiency during the financial year in order to create favourable conditions for long-term operations and enhanced profits. To accomplish this, it was necessary to carry out corporate restructuring and streamline organisations in the individual profit centres.

Altia's net sales of EUR 407.3 million in 2009 (EUR 463.3 million) fell by 12% from the previous year. Operating income was EUR 11.6 million (EUR 11.7 million) exclusive of non-recurring items and EUR 15.6 (EUR 9.0 million) inclusive of non-recurring items. Consequently, relative profitability improved during the financial year.

Altia's equity ratio improved by 4 percentage points to 34.3% (30.3%). Gearing decreased by 32.5 percentage points to 54.9% (87.4%).

After the end of the financial year on 15 February 2010, Altia announced that it would acquire a wine and spirits portfolio from Pernod Ricard. The deal will include a set of brands and production and logistics operations in Sweden and Denmark. The purchase price is a cash consideration of EUR 82 million, and the transaction will increase Altia's net sales by approximately EUR 85 million.

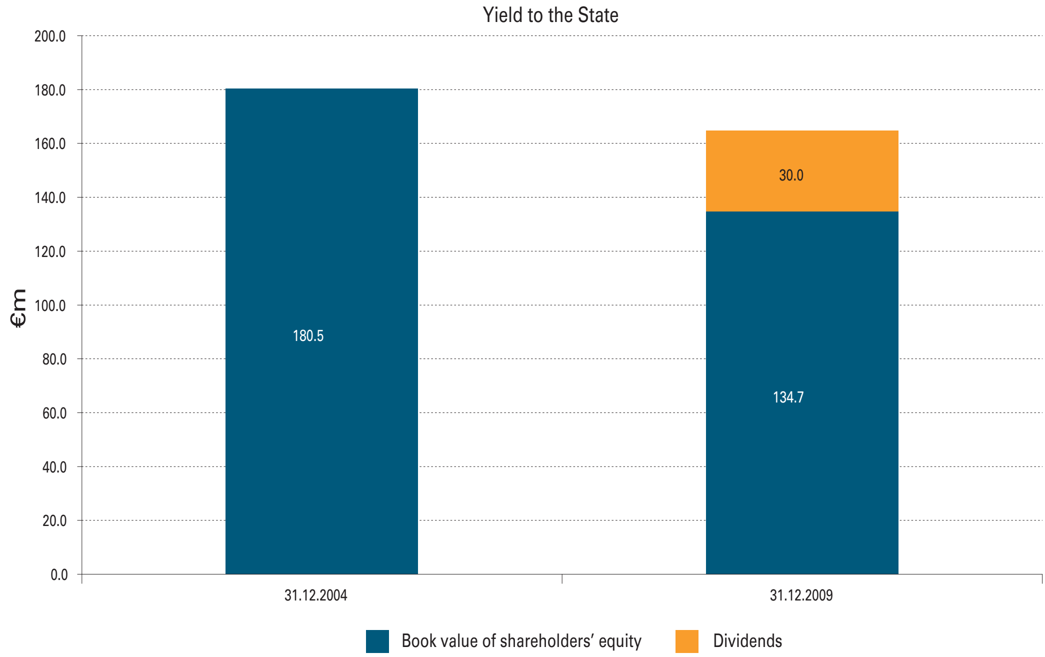
KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	407.3	463.3
Operating income	EURm	15.6	9.0
Operating income %	%	3.8	1.9
Total assets	EURm	398.4	402.2
Equity ratio	%	34.3	30.3
Gearing	%	54.9	87.4
Return on equity	%	4.3	4.7
Return on investment	%	4.2	6.8
Personnel, total		947	1,123
Personnel, Finland		586	676
Total dividends paid	EURm	0	0
Dividends received by the State	EURm	0	0

COMPETITORS

Company	Country	Net sales, EURm*
Arcus	Norway	181.9

* *At the 31 Dec 2009 exchange rate (EUR/NOK) of 8.2898*



The yield to the State was -1.8% a year in the period 1 January 2005–31 December 2009. (CAGR, Compound annual growth).

AREK OY system development services for pension insurance

State shareholding: 9.0%
Chairman of the Board: Jukka Rantala
Acting Chief Executive Officer: Päivi Harju
Personnel: 34
Principal places of business in Finland: Helsinki

Arek Oy is a company focused on providing information systems for managing pension insurance plans and related services. The company is co-owned by private and public-sector pension insurers and the Finnish Centre for Pensions.

The operations of the company are based on the earnings and accrual system adopted at the beginning of 2007, in which the earnings-related data on pensions are registered. The earnings and accrual database is one of the key information systems in the Finnish employment pension insurance system. Arek Oy's operations were expanded on 1 January 2008, when the company assumed responsibility from the Finnish Pension Insurance Centre for the management of the systems database catering for pension institutions. Business liability for the systems was transferred to Arek at the beginning of 2009. The pension calculation system Yhella was transferred to Arek on 1 July 2009.

The company's main objective for 2009 was to greatly improve system availability and so enhance customer satisfaction. As a result, availability clearly improved on the previous year and even customer satisfaction was better. The company will continue its efforts to further improve availability.

Arek's financial performance fell slightly short of the budget. This was mainly due to the lower-than-expected net sales and use of the services. In response, the management increased the rates charged for the services as of the beginning of 2010 in order to achieve a positive result.

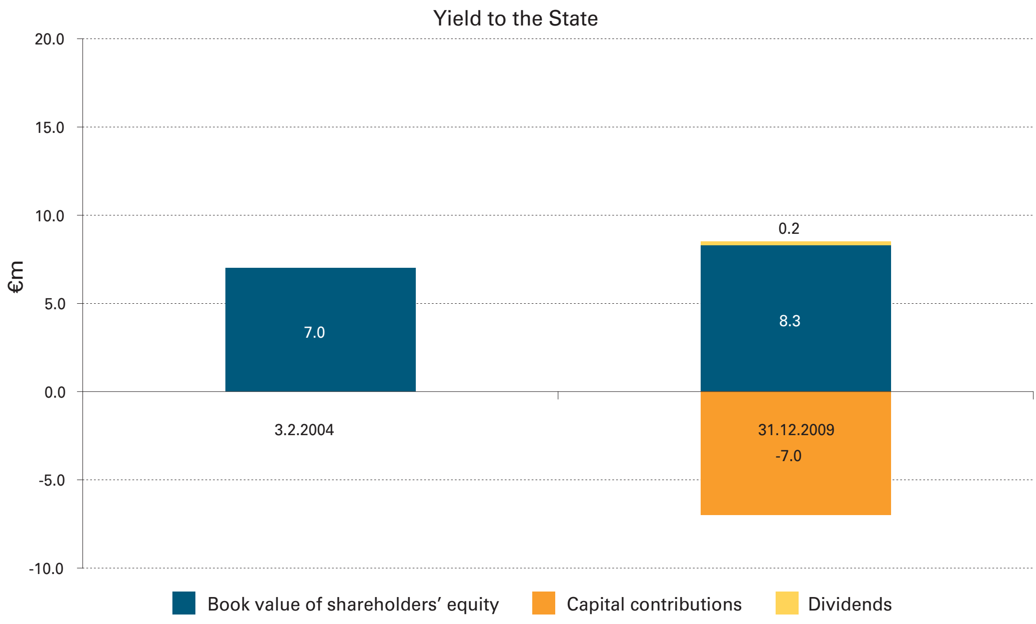
As in the past, the key operational risks relate to the quality and availability of the system services provided, the management of the system and project portfolio, and the financing of investments.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	52.4	30.8
Operating income	EURm	-1.2	-1.8
Operating income %	%	-2.3	-5.8
Total assets	EURm	79.6	85.5
Equity ratio	%	10.4	13.9
Gearing	%	758.9	532.7
Return on equity	%	-35.9	-27.7
Return on investment	%	-1.6	-2.1
Personnel, total		34	30
Personnel, Finland		34	30
Total dividends paid	EURm	0	0
Dividends received by the State	EURm	0	0

REPORTED INVESTMENTS

Over the next few years, Arek will continue to develop the earnings and accrual system and the other systems transferred from the Finnish Pension Insurance Centre. A key objective for the company is to improve the availability of the systems.



The yield to the State was -26.7 % a year in the period 3 February 2004–31 December 2009. (CAGR, Compound annual growth).

DESTIA Oy infrastructure services

State shareholding: 100.0%
Chairman of the Board: Karri Kaitue as of 2 December 2009
Chief Executive Officer: Hannu Leinonen as of 1 October 2009
Principal places of business in Finland: Helsinki, Jyväskylä, Kouvola, Kuopio, Oulu, Rovaniemi, Sulkava, Turku, Tampere and Vaasa

Destia Oy is a leading Finnish infrastructure service company that was set up as a wholly State-owned company at the beginning of 2008. Destia's range of services includes construction, maintenance and planning of traffic and industrial environments, transport-related consultation, and traffic information services. Destia's largest single customer in infrastructure construction and maintenance is the Finnish Road Administration (the Finnish Transport Agency as of 1 January 2010). Other customers include the Finnish Rail Administration, government agencies, municipalities and cities, as well as industrial enterprises whose share is increasing.

The total value of the Finnish civil engineering market decreased from EUR 5.5 billion in 2008 to EUR 5.3 billion in 2009. In spite of the stimulus packages, the economic downturn is expected to further reduce total demand for infrastructure construction in 2010 from the previous year. The recession and more limited access to funding, in particular, will create problems with launching private-sector projects. The considerable erosion of municipal finances, the lack of funding for basic transport facility maintenance as well as low investments in industry and mining are reflected in the future outlook. As a result of the fall in the volume of housing production, the focus in construction has shifted to infrastructure projects with new players entering the market. This has intensified competition in general as well as price competition. Destia will focus on controlling costs, maintaining competitiveness and improving profitability. Operations in Estonia have been markedly trimmed down due to the difficult market conditions.

Considering Destia's solid order backlog, net sales for 2010 are expected to remain at the same level as in 2009. The measures to improve profitability launched in 2009 have already had a positive impact on the prospects for the current year, and the company's operating income is expected to show a clear profit in 2010. Destia's targets are 5.5% for operating income and 20% for return on investment by 2011. Destia aims at increasing net sales profitably while seeking to expand the private sector project portfolio.

At the beginning of 2010, the organisation was restructured by creating three new business units out of the previous five: Infra Construction, Infra Maintenance, and Rocks.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	603.4	717.1
Operating income	EURm	-16.9	19.3
Operating income %	%	-2.8	2.7
Total assets	EURm	274.1	294.4
Equity ratio	%	26.3	33.4
Gearing	%	65.2	44.4
Return on equity	%	-21.2	14.7
Return on investment	%	-10.6	15.7
Personnel, total		2,860	2,921
Personnel, Finland		2,820	2,787
Dividend / Recognition of profits	EURm	0	4.6

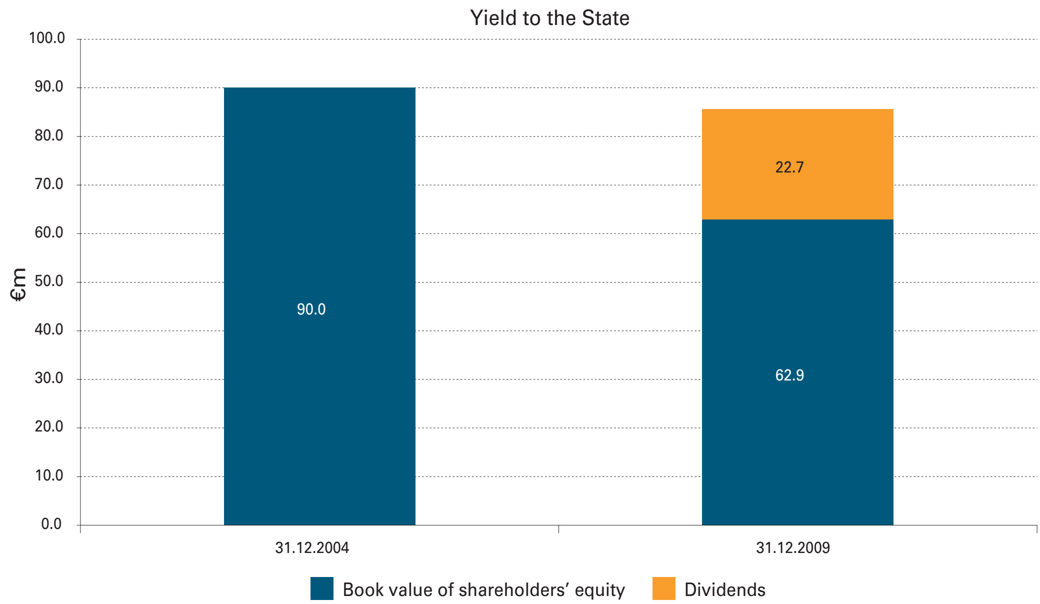
COMPETITORS

Company	Country	Net sales, EURm
Hochtief	Germany	18,170
Skanska	Sweden	14,155
Eiffage	France	13,233
Strabag	Austria	12,228
Koninklijke	Netherlands	8,353
NCC	Sweden	5,362
YIT	Finland	3,452
Lemminkäinen Corporation	Finland	1 964

REPORTED INVESTMENTS

Gross investments during the financial year totalled EUR 29.4 million (EUR 66.5 million). Of this, construction, machinery and equipment accounted for EUR 19.4 million (EUR 42.2 million) while the remaining EUR 10.0 million (EUR 24.3 million) was mainly used for corporate acquisitions.

In 2009 Destia bought the remaining 20% of the shares in Maarakennus Jaara Oy which was subsequently merged with Destia. Destia Norge As, a Destia subsidiary, acquired the entire share capital of the Norwegian civil engineering contractor Einar Stene As. Destia increased its holding in Kaivujyrä, a Group specialised in railway construction, from 68% to 76%. Under the agreement signed with the company, Destia's stake will increase to 84% at the beginning of 2010. The Government passed a resolution on the partial demerger of Destia Oy to spin off its Ferry Services to create an independent wholly State-owned company named Suomen Lauttaliikenne Oy on 1 January 2010. Net sales by Ferry Services in 2009 amounted to EUR 30.7 million.



The yield to the State was -1.0% a year in the period 1 January 2005–31 December 2009. (CAGR, Compound annual growth).

EDITA PLC graphics industry and marketing communications

State shareholding: 100.0%
Chairman of the Board: Lauri Ratia
Chief Executive Officer: Timo Lepistö
Principal places of business in Finland: Helsinki

Edita Plc is a wholly State-owned Nordic communications group. In its domestic markets of Finland and Sweden, Edita delivers design and production services for marketing communications purposes as well as solutions for graphic production and logistics. Following the acquisition of the Swedish Citat Group AB in 2008, Edita became the leading marketing communications provider in the Nordic countries. In Finland, Edita is the largest book publisher and online services provider specialising in non-fiction. Through its Swedish subsidiary and associated company, Edita also operates a graphic production unit in Ukraine and a technological development unit in India.

As the recession and dwindling demand for communications services led to a fall in net sales in all business areas, a decision was taken to make extensive adjustments in both Finland and Sweden. The comparable net sales of the Marketing Services and Editorial Communication business areas fell in both Finland and Sweden due to tightened price and market conditions. Net sales by Print & Distribution shrank due to a substantial contraction of the printing markets and intensified competition on price in Finland and Sweden. Net sales by the Publishing business area remained more or less unchanged compared to 2008, thanks to the growth in the sales of legal and government publications and services.

Edita's operating income increased slightly despite the economic recession and the costs of the measures to adapt to the changed market conditions that affected the financial result. Nevertheless, the company succeeded in maintaining its profitability thanks to the adaptation measures.

Edita's goal is to strengthen its leading market position as a producer of printed and digital communications in the Nordic countries. Additionally, Edita will explore the potential for expanding operations beyond Finland, Sweden and the other Nordic countries. Edita's business strategy is based on the integration of printed and electronic communications. In line with its strategy, Edita has disposed of its non-core business operations and enhanced its competencies in its priority areas through, for example, acquisitions and investments.

The economic downturn has clearly reduced corporate investments in communications, which has intensified competition. Media advertising volumes have declined dramatically, 15% in Finland and 16% in Sweden. Restructuring in the communications sector and graphics industry is expected to continue in both Finland and Sweden. Media advertising is believed to continue to recover in both Finland and Sweden driven by online advertising.

The market will not grow in 2010, or at least any growth will be minor. The recession has accelerated the transition from traditional marketing communications to new technology. Edita is well placed to succeed in the restructuring process involving a transition to multi-channel services. The adaptation measures taken in 2009 will help the company to maintain its profitability in the unsteady market conditions of 2010. Edita intends to pursue further adaptation measures if it is deemed necessary to ensure the profitability of the business.

KEY FINANCIAL INDICATORS

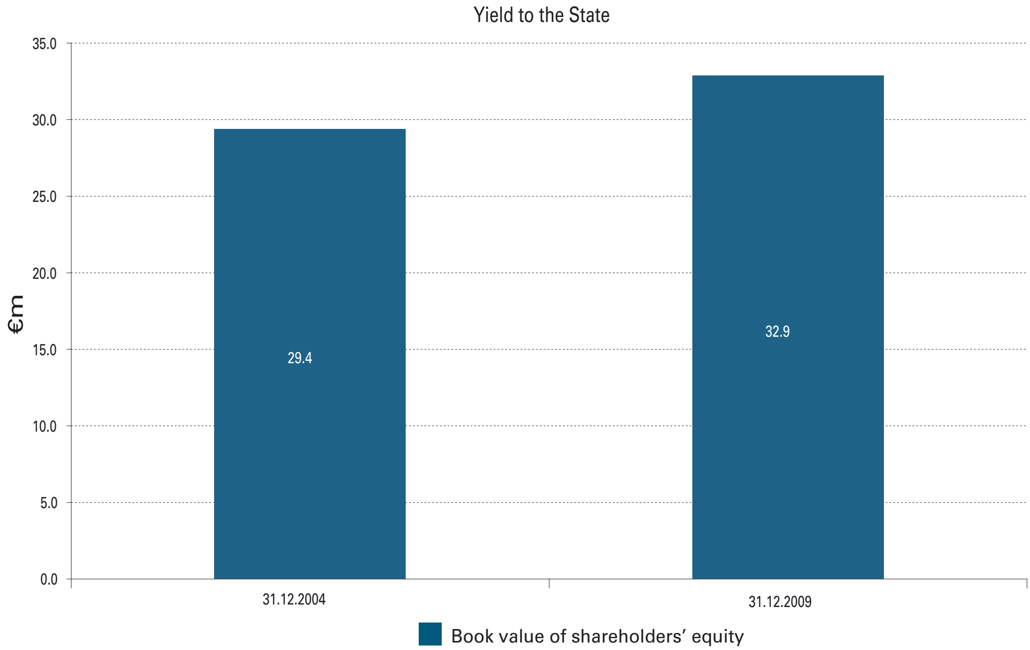
		2009	2008
Net sales	EURm	110.9	111.1
Operating income	EURm	3.7	3.6
Operating income %	%	3.4	3.3
Total assets	EURm	91.4	93.7
Equity ratio	%	37.3	31.1
Gearing	%	65.0	83.9
Return on equity	%	10.6	11.0
Return on investment	%	6.1	7.9
Personnel, total		890	896
Personnel, Finland		516	611
Total dividends paid	EURm	1.7	0.0
Dividends received by the State	EURm	1.7	0.0

COMPETITORS

Company	Country	Net sales, EURm
Bonnier	Sweden	3,182.9
Sanoma Learning & Literature	Finland	345.1
Alma Media	Finland	307.8
Otava	Finland	223.1
Elanders	Sweden	165.6
Hansaprint	Finland	106.5
Talentum	Finland	66.8

REPORTED INVESTMENTS

Gross capital expenditure totalled EUR 6.8 million (EUR 37.7 million). In 2008 the company spent EUR 31.3 million for acquisitions. The main investments in 2009 included the purchase of an offset printing press and two CTP printers by Edita Prima Oy and the purchase of two printing presses by Edita Västra Aros AB. Over the past few years, the company's operations have been intensely developed through corporate restructuring. Edita will make investments in new technology and competencies while going ahead with further corporate restructuring.



The yield to the State was 2.2% a year in the period 1 January 2005–31 December 2009. (CAGR, Compound annual growth).

EKOKEM Oy — waste management services, district heating and power generation

State shareholding: 34.1%
Chair of the Board: Maija-Liisa Friman
Chief Executive Officer: Timo Piekkari
Personnel: 326
Principal places of business in Finland: Riihimäki

Ekokem Oy is the leading Finnish producer of comprehensive services in the field of waste management. Its strengths are familiarity with its clients and personalised customer service. Ekokem's core expertise comprises the handling of hazardous waste, other waste recovery, energy production, remediation of contaminated soil and groundwater, and environmental construction.

After the completion of a third incineration line, no material development needs are foreseen in Ekokem's core business (advanced thermal treatment of hazardous wastes). However, the efforts required to ensure a high standard of processing and the increasingly stringent environmental protection regimes call for continuous maintenance and replacement inputs. Ekokem will also face intensifying competition in its core business as an increasing number of companies are offering hazardous waste recovery and processing services. Energy production from waste is a growing business area for the company, which has launched a project to design a new waste-to-energy plant in Riihimäki. The construction of a second waste-to-energy facility represents a major investment in the environmental business in Finland.

Ekokem's net sales in 2009 decreased slightly on the previous year due to the economic recession. Operating income fell considerably from 2008. The percentage of consolidated net sales sensitive to economic fluctuations decreased, which will help stabilise growth and profitability over the next few years. Ekokem's second waste-to-energy plant is scheduled to go on stream in spring 2012.

KEY FINANCIAL INDICATORS

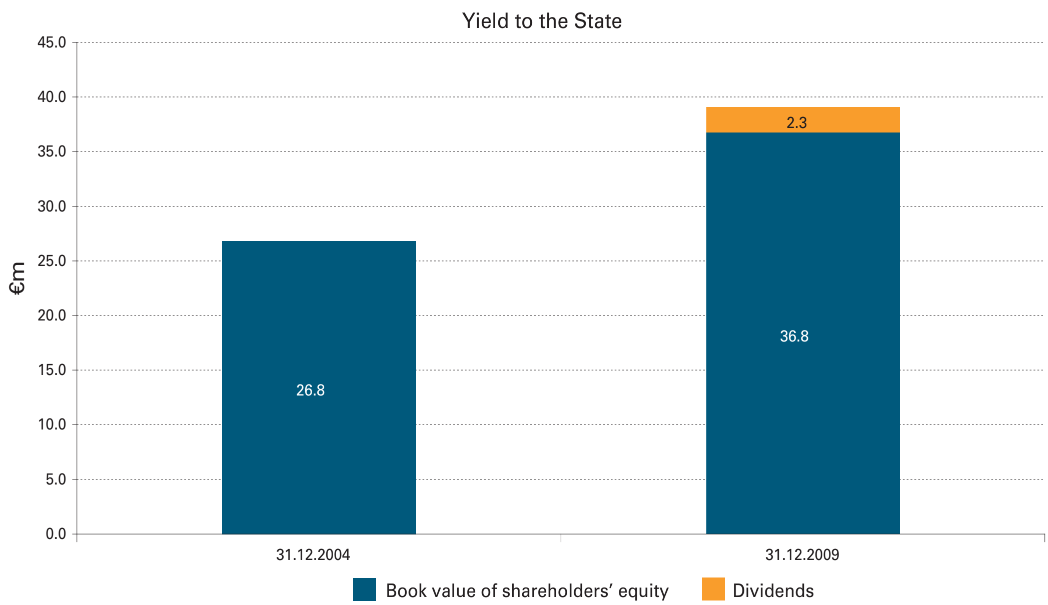
		2009	2008
Net sales	EURm	94.3	96.6
Operating income	EURm	7.1	13.1
Operating income %	%	7.5	13.5
Total assets	EURm	160.0	157.8
Equity ratio	%	67.5	62.6
Gearing	%	16.2	16.2
Return on equity	%	4.0	8.5
Return on investment	%	5.5	11.1
Personnel, total		326	324
Personnel, Finland		326	324
Total dividends paid	EURm	3.5	3.5
Dividends received by the State	EURm	1.2	1.2

COMPETITORS

Company	Country	Net sales, EURm
Lassila & Tikanoja	Finland	582
Sita Finland (2008)	Finland	70

REPORTED INVESTMENTS

Second waste-to-energy facility in Riihimäki, EIA report completed.



The yield to the State was 1.3% a year in the period 31 December 2004–31 December 2009. (CAGR, Compound annual growth).

FCG FINNISH CONSULTING GROUP OY consulting company

State shareholding: 6.1%
Chairman of the Board: Risto Parjanne
Chief Executive Officer: Paul Paukku
Personnel: 843
Principal places of business in Finland: Helsinki

FCG Finnish Consulting Group Oy is a multi-industry consulting company. The Group's services focus on infrastructure, environmental and community planning, training, skills enhancement and international development consulting.

In 2009, the consolidated net sales totalled EUR 72.9 (79.5) million and operating income came to EUR 0.7 (2.9) million. The Group's balance sheet remained strong, and the equity ratio improved slightly.

FCG's Finnish companies were merged with the parent company FCG Finnish Consulting Group Oy on 31 October 2009. The merger was one of the objectives established in 2005. Following completion of the merger, there has only been one company, FCG Finnish Consulting Group Oy, operating in Finland. At the same time, the Group's international operations were taken over by the parent company.

As a result of the restructuring, the company incurred non-recurring expenses that affected financial performance in 2009.

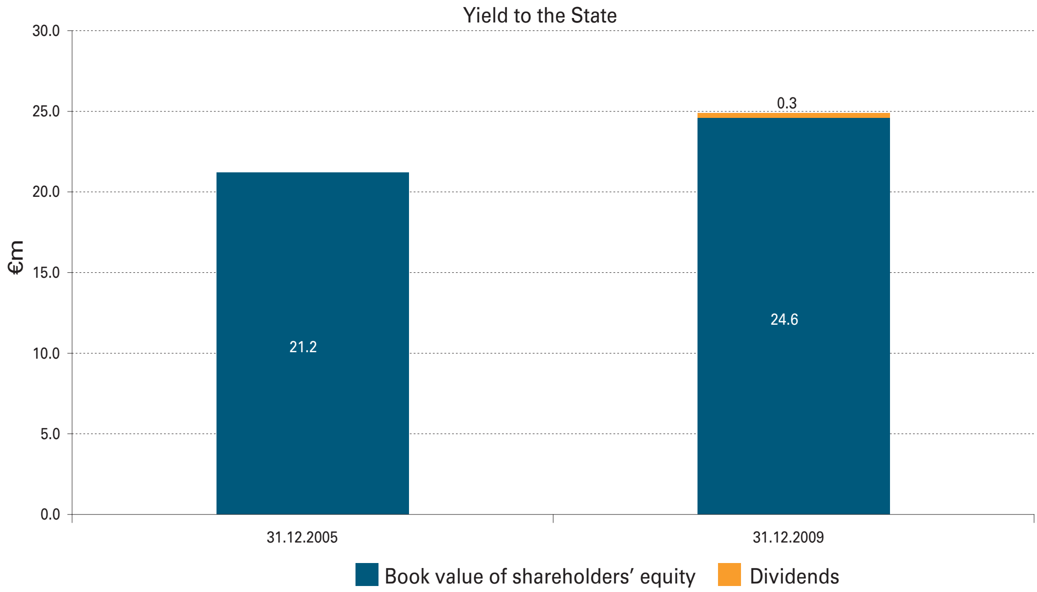
The company expects the 2010 consolidated net sales to remain more or less the same as in 2009. No major changes are expected in the profits levels either. One risk to profits is posed by the difficulty of passing the personnel costs of the labour-intensive organisation to customers by increasing prices. If the market conditions deteriorate substantially, the company is prepared to respond accordingly. The recession will affect the operations particularly in 2010.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	72.9	79.5
Operating income	EURm	0.7	2.9
Operating income %	%	1.0	3.7
Total assets	EURm	41.6	42.4
Equity ratio	%	70.7	67.8
Return on equity	%	1.8	9.7
Personnel, total		843	859
Personnel, Finland		762	774
Total dividends paid	EURm	1.18	1.18
Dividends received by the State	EURm	0.072	0.072

REPORTED INVESTMENTS

No investments reported.



The yield to the State was 12,8 % a year in the period 1 January 2006–31 December 2009. (CAGR, Compound annual growth).

FINGRID OYJ power transmission

State shareholding: 12.3%
Chairman of the Board: Timo Rajala until 30 June 2010 (Lauri Virkkunen from 1 July 2010)
Chief Executive Officer: Jukka Ruusunen
Personnel: 241
Principal places of business in Finland: Helsinki

Fingrid Oyj's scope of business comprises transmission of electricity in the national grid, balance trade of electricity and sales of emergency reserve power. Aside from its normal business operations, the company is responsible for the electricity transmission system in Finland. Additionally, an obligation has been imposed on the company to develop the operation of the electricity market both within Finland and internationally.

Enjoying a position of a natural monopoly, Fingrid's financial prospects are stable and its operations do not involve any major financial risks. A thunderstorm caused the cross-border cable between Finland and Sweden to fail on 10 August 2009 – as a result, the Finnish power system was cut off from the Nordic grid. However, the failure did not cause any major disruptions to supply, nor did any power plants go off the grid.

Grid revenue for 2009 fell slightly from the previous year due to a decrease in the grid transmission volume. This, in turn, was due to decreased electricity consumption. Similarly, the sales of balance power and bottle neck earnings fell from the previous year.

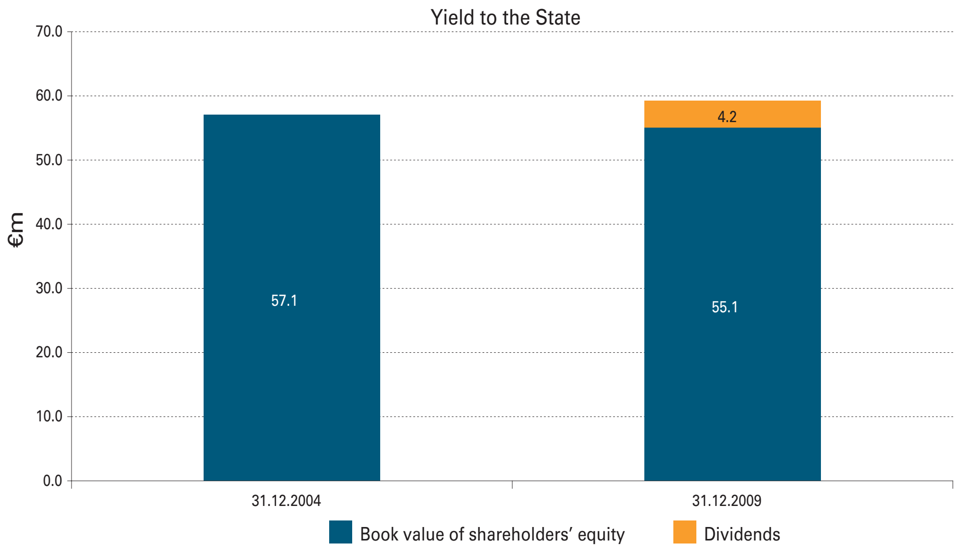
The EU's Electricity Directive for the internal market took effect on 3 September 2009.Under the Directive, electricity production and ownership of distribution and transmission systems must be legally separated. Fortum and Pohjolan Voima have initiated a process of divesting their Class A shares.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	358.9	382.3
Operating income	EURm	50.8	68.4
Operating income %	%	14.2	17.9
Total assets	EURm	1,648.6	1,561.6
Equity ratio	%	27.2	26.7
Gearing	%	183	174
Return on equity	%	5.7	6.6
Return on investment	%	3.9	5.8
Personnel, total		251	241
Personnel, Finland		251	241
Total dividends paid	EURm	6.7	6.7
Dividends received by the State	EURm	0.8	0.9

REPORTED INVESTMENTS

The company will implement an investment programme worth about EUR 1.6 billion by 2018. The investments will enable the connection of one new nuclear power unit and 2,000 MW of geographically decentralised wind power capacity to the Finnish grid by 2020.



The yield to the State was 0.8% a year in the period 31 December 2004–31 December 2009. (CAGR, Compound annual growth).

GASUM CORPORATION transmission and wholesale of natural gas

State shareholding: 24%
Chairman of the Board: Antero Jännes
Chief Executive Officer: Antero Jännes
Personnel: 222
Principal places of business in Finland: Espoo and Valkeala

Gasum Corporation's scope of business comprises the import, transmission and wholesale of natural gas. Customers include the industry, power-generation plants and small properties. Gasum's business is relatively stable. At times, the company's financial performance has been eroded by the failure to pass the increases in the purchase prices of natural gas to the customer by raising sales prices to the same extent. While Gasum's net sales plummeted in 2009, its operating income more than tripled compared to 2008 due to a favourable movement in the price of reference fuels.

Gasum anticipates a rise in the annual consumption of natural gas in Finland from the present 41 TWh to around 59 TWh by 2020. Growth is mainly expected in power and heat cogeneration. A key project in terms of an increase in consumption exceeding the above figures is the construction of a main transmission pipeline in the Turku region with the letter of intent signed on the project being extended until the end of 2010. According to the company, the success of the project depends very much on the proposed amendments to fuel taxes.

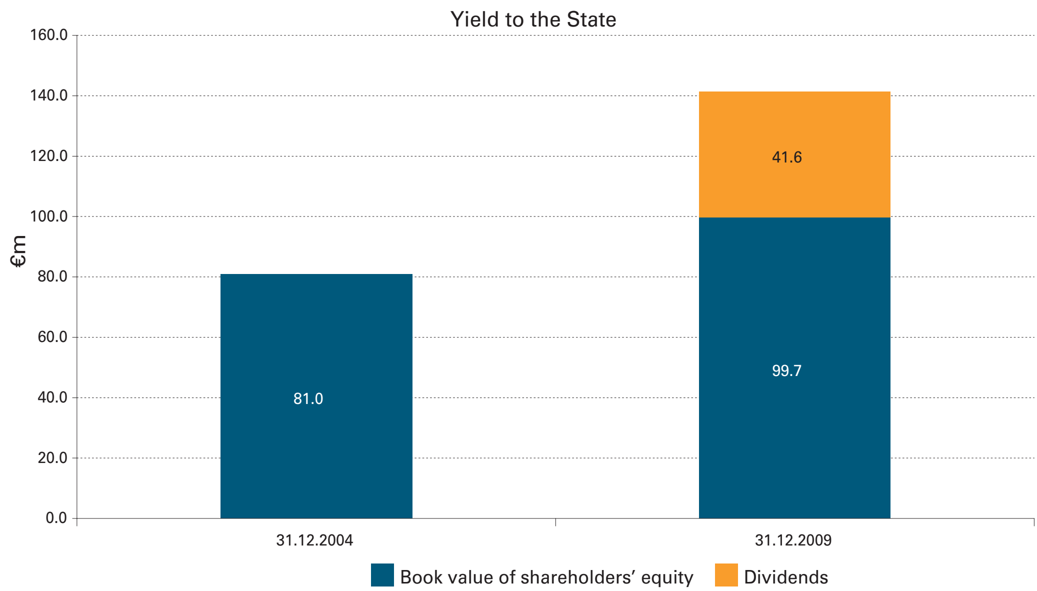
While the prospects for the demand for natural gas in Finland are relatively positive, the capacity for pipeline gas in particular is limited. Another factor that may restrict the use of natural gas to a certain extent is the increasing incineration of waste in southern Finland. The ongoing restructuring in the forestry industry will also have an adverse impact on natural gas consumption in some locations due to the closure of production facilities that use natural gas. In particular, the proposed fuel taxes on natural gas may reduce its competitiveness and thereby curb demand. The current situation highlights the importance of other uses of natural gas, such as LNG and transport fuels, as well as the combined use of natural gas and biogas.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	1,064.7	1,218.2
Operating income	EURm	102.5	33.8
Operating income %	%	9.6	2.8
Total assets	EURm	793.5	671.6
Equity ratio	%	52.4	54.5
Gearing	%	3.4	5.3
Return on equity	%	19.0	6.9
Return on investment	%	23.7	8.8
Personnel, total		222	215
Personnel, Finland		222	215
Total dividends paid	EURm	85.0	24.7
Dividends received by the State (PMO's share)	EURm	20.4(10.5)	5.9(3.1)

REPORTED INVESTMENTS

Construction of a natural gas liquefaction plant and a storage facility for liquefied natural gas in Porvoo.



The yield to the State was 1.3% a year in the period 31 December 2004–31 December 2009. (CAGR, Compound annual growth).

ITELLA CORPORATION postal services

State shareholding: 100%
Chairman of the Supervisory Board: Eero Lehti; Chairman of the Board of Directors: Eero Kasanen
Chief Executive Officer: Jukka Alho
Principal places of business in Finland: Helsinki, Jyväskylä, Kuopio, Lahti, Oulu, Seinäjoki, Tampere, Turku and Vantaa

Itella Corporation is an international service business which specialises in information and product flow management for its customers. Itella operates in northern and central Europe, and in Russia. In Finland, Itella's key mission is to provide daily postal services throughout the country. Itella comprises three business groups: Itella mail Communication, Itella Information, and Itella Logistics – additionally there is NetPost that offers electronic e-government services for consumers as well as Itella IPS Oy providing payment and Finvoice electronic invoicing services. International operations account for nearly one third of net sales. Itella is a market-based limited company whose operations are financed by income earned from its customers.

In 2009 net sales remained unchanged at Itella Information and fell at Mail Communications and Logistics. Logistics' volumes decreased substantially except for Russian operations and logistics services provided under contract. Mail Communication's operating income also declined. At Logistics, operating income has been falling for several years with 2009 being the second year in row when it was negative. By contrast, Information's operating income has been improving year by year.

In 2009 Itella invested heavily in future competitiveness and took measures to adapt to changes in demand. The savings achieved through staff reductions will be reflected in financial performance during 2010. Measures taken to improve productivity have helped reach a level that is compatible with Itella's current business volumes.

The recession during the year undermined demand for Itella's services in all countries in which it operates, and no clear change in demand is yet discernible. The biggest impact was felt in logistics. However, the depressed economy and need to improve efficiency in operations attracted increased customer interest in the outsourcing solutions offered by Itella. Itella's goal is to be one of the leading companies in northern Europe in its sector. Itella has already attained the position of a market leader in warehousing logistics in Russia. Itella's objective for 2010–2114 is to achieve an average annual growth rate of over 5% in net sales and a minimum operating income of 7% in 2014.

Changes are foreseen in the competitive landscape when the legislation on postal services is amended in early 2011. When letter deliveries are deregulated within the EU at the beginning of 2011, competitors are expected to enter the markets in Finland's largest cities. The advancement of electronic communications will continue to play a key role shaping Itella's operating environment. In the area of digital and multi-channel operations, digital substitution also represents an opportunity for Itella. Itella has prepared for the changes in the competitive landscape by improving productivity and preparing for local price-setting.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	1,819.7	1,952.9
Operating income	EURm	46.7	69.0
Operating income %	%	2.6	3.5
Total assets	EURm	1,408.1	1,370.5
Equity ratio	%	48.5	51.1
Gearing	%	19.7	14.8
Return on equity	%	-0.7	2.6
Return on investment	%	5.8	12.4
Personnel, total		30,217	28,163
Personnel, Finland		22,032	23,496
Total dividends paid	EURm	0	10

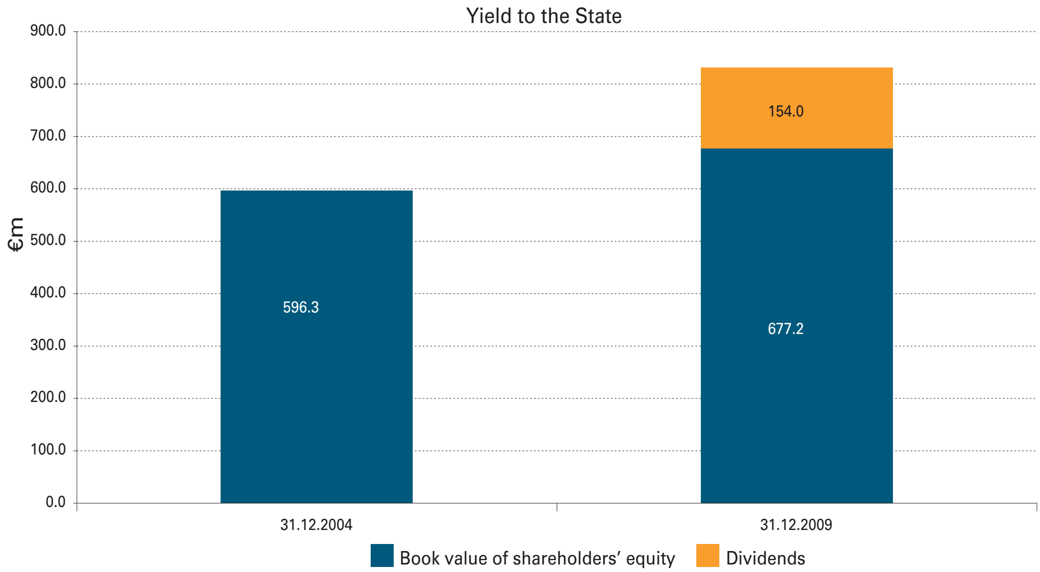
COMPETITORS

Company	Country	Net sales, EURm
DPWN	Germany	46,201
Royal Mail	UK	10,615
TNT	Netherlands	10,278
Posten Norge	Sweden	4,602
Posten Norge	Norway	3,353
Österreichische Post	Austria	2,357

REPORTED INVESTMENTS

Itella's capital expenditure for 2009 totalled EUR 122.1 million (110.4). Acquisitions were made to the amount of EUR 22.8 million (EUR 241.1 million). In Finland, the main capital expenditures were related to mail sorting machines, systems and premises. Itella NLC, a Russian logistics group, was taken over by Itella in its entirety when it purchased the 10% stake held by a minority shareholder for EUR 21.9 million. Of the Group's capital expenditure, EUR 104.7 million was allocated to Finland and EUR 40.2 million to international operations.

From 2007 to 2010, investments worth around EUR 160 million will be made in sorting and delivery network equipment, systems and buildings. Of the foreseen sorting network investments, 74% had been implemented by the end of 2009. Capital expenditures will decrease from preceding years because the modernisation of the sorting network in Finland is nearing completion.



The yield to the State was 6.9% a year in the period 1 January 2005–31 December 2009. (CAGR, Compound annual growth).

KEMIJOKI OY electricity production

State shareholding: 50.1%
Chairman of the Board: Matti Ruotsala
Chief Executive Officer: Aimo Takala
Personnel: 266
Principal places of business in Finland: Rovaniemi

Kemijoki Oy's core business is electricity generation. The company is currently Finland's largest producer of hydroelectric power and related services. The company owns twenty hydropower plants, sixteen of which are located on the Kemijoki River watercourse, two on the Lieksanjoki River and two on the Kymijoki River. In addition, the company regulates the water levels in the artificial lakes of Lokka and Porttipahta, and the Kemijärvi and Olkkajärvi lakes. The company is also engaged in regional electricity grid operations and the sale of products and services related to hydroelectric power technology.

The electricity produced by the company is sold at cost to its shareholders in proportion to the number of hydroelectric power shares (Class A shares) held, meaning that, with the exception of the State's involvement, the company operates according to the principle known as 'Mankala'.

In 2009 the company generated a total of 4,227 GWh of electricity, down 4% on a year with a mean water level. Kemijoki Oy produced approximately 34% of all hydroelectric power generated in Finland. The total output of Kemijoki's power plants at the end of 2009 amounted to 1,100 MW, with the average hydropower generation reaching approximately 4,400 GWh.

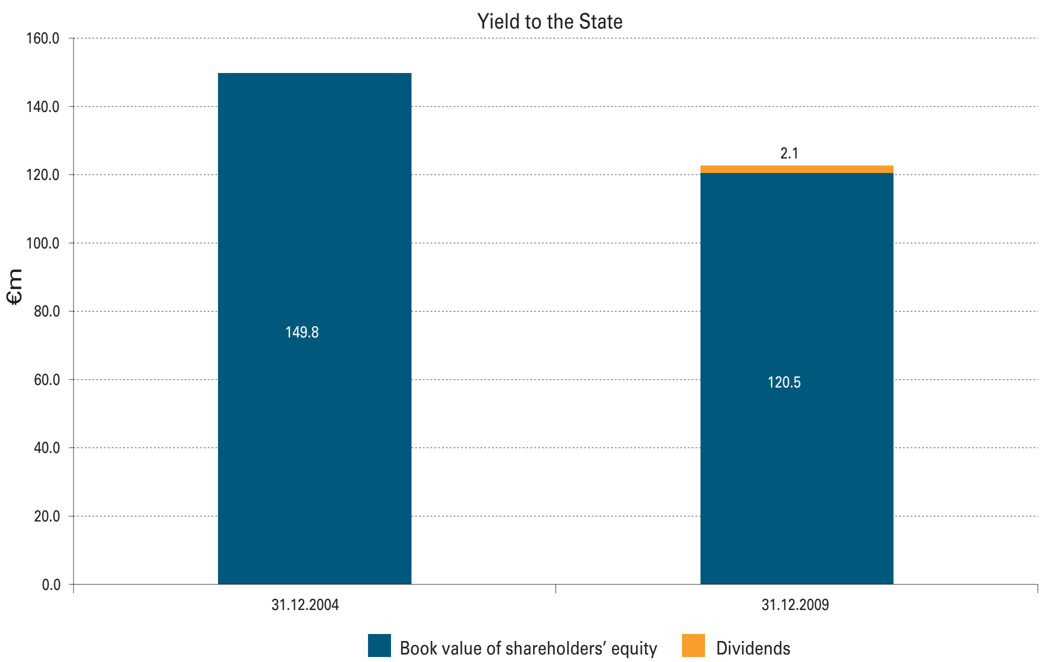
The consolidated net sales for 2009 totalled EUR 39.6 million, and the loss for the financial period amounted to EUR 7.0 million. The parent company's net sales for 2009 totalled EUR 37.8 million, and the result for the financial year was EUR 0.7 million, equivalent to the total amount of dividends payable under the articles of association.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	39.6	44.9
Operating income	EURm	-1.2	0.5
Operating income %	%	-3.0	1.1
Total assets	EURm	434.5	434.6
Equity ratio	%	27.7	29.5
Gearing	%	238.1	212.8
Return on equity	%	-5.6	-5.4
Return on investment	%	0.2	0.1
Personnel, total		266	273
Personnel, Finland		266	273
Total dividends paid	EURm	0.7	0.7
Dividends received by the State	EURm	0.3	0.3

REPORTED INVESTMENTS

According to the investment plan, the output of Kemijoki Oy's power plants will increase from the present 1,100 MW to over 1,200 MW in 2017.



The yield to the State was -4.0 % a year in the period 31 December–31 December 2009.

PATRIA PLC defence equipment industry, aviation equipment industry

State shareholding: 73.2%
Chairman of the Board: Risto Virrankoski
Chief Executive Officer: Heikki Allonen
Personnel: 3,414
Principal places of business in Finland: Helsinki, Hämeenlinna, Jämsä, Tampere and Vammala

Patria Plc delivers materiel and services to the defence forces of several countries and to the civilian sector. Defence materiel and services accounted for 88% and the civilian sector for 12 % of the net sales in 2009. Approximately 38% of the net sales were generated in Finland and 62% abroad.

In 2009 net sales increased slightly compared with the previous year. However, operating income more than doubled relative to 2008. The single most important reason for the improved operating income was the lower impairment loss recognised on capitalised development expenses related to the Airbus A380 and A400M programmes.

Patria's order stock remained sound at around EUR 1.3 million on 31 December 2009. Of this amount, some EUR 500 million consists of orders received by Millog Oy from the Finnish Defence Forces over the past eight years.

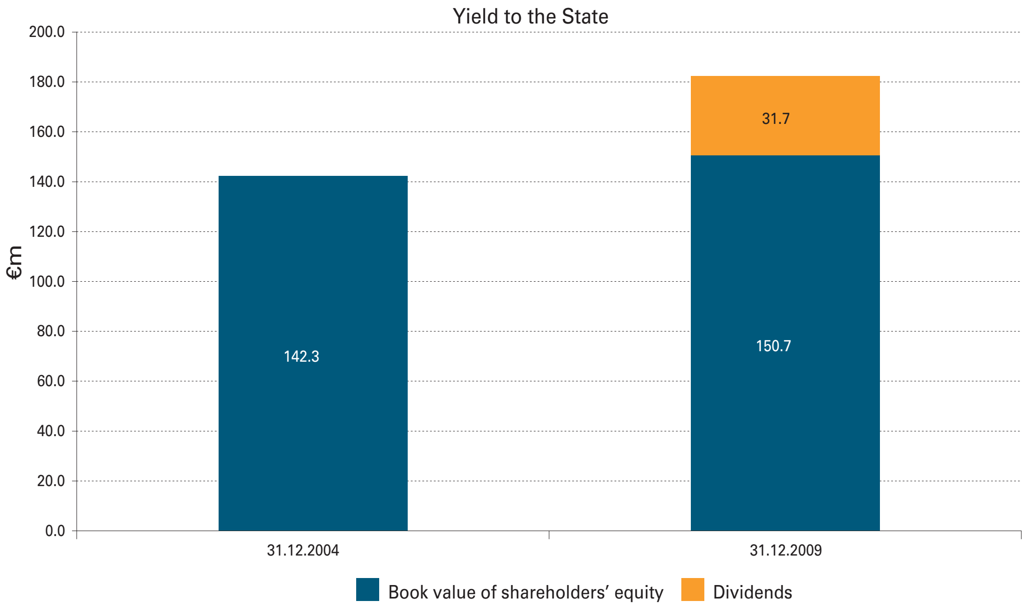
Police investigations regarding the sale of armoured vehicles to Slovenia continue. Pre-trial investigation records concerning the deal on mortar systems with Egypt were completed in summer 2009.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	539.5	534.6
Operating income	EURm	20.0	8.9
Operating income %	%	3.7	1.7
Total assets	EURm	524.5	503.1
Equity ratio	%	43.5	40
Gearing	%	40.8	55.1
Return on equity	%	5.7	0.4
Return on investment	%	4.5	3.1
Personnel, total		3,414	2,810
Personnel, Finland		2,550	2,050
Total dividends paid	EURm	0	0
Dividends received by the State	EURm	0	0

COMPETITORS

Company	Country	Net sales, EURm
General Dynamics	United States	22,928
BAE Systems	UK	22,867
Rheinmetall	Germany	3,420



The yield to the State was 5.1 % a year in the period 31 December 20.04–31 December 2009. (CAGR, Compound annual growth).

RASKONE Oy repair and servicing of utility vehicles, leasing, truck refitting

State shareholding: 85.0%
Chairman of the Board: Tuomo Rönkkö (from April 2010 Juho Lipsanen)
Chief Executive Officer: Marjut Ontronen from 8 March 2010
Principal places of business in Finland: Helsinki, repair shops in various parts of Finland

Raskone Oy's operations include the maintenance of heavy-duty vehicles and machinery, repair and servicing of cars and vans, leasing of utility vehicles, refitting of trucks and supply of materials (spare parts). The business is based on the company's ability to service vehicles and machinery of all makes. The Group comprises three companies: Raskone Oy, Easy Km Oy and Pajakulma Oy. Raskone Oy, the parent company, is Finland's leading company specialising in the servicing and maintenance of utility vehicles and working machines. Easy Km Oy is Finland's leading utility vehicle leasing operator. Pajakulma Oy specialises in refitting vehicles and is a market leader in Finland in springs and cargo handling equipment.

Raskone's net sales have increased briskly over the past few years as a result of organic growth and acquisitions. Most of them were financed by loans, which has kept the equity ratio low.

Competition in the repair sector is intense and price-setting aggressive. Although servicing and repairs are not as sensitive to business cycles as the sale of new vehicles, the fall in vehicle mileages has affected the repair business as well. Low transport volumes strain profits, a development reinforced by the increasing market share of distributors in servicing and repairs.

Net sales by leasing operations grew thanks to the increase in the number of public-sector customers and broader contract base. The leasing market for utility vehicles is expanding as companies seek to outsource the management of their entire fleets. Aside from the changes in market conditions, leasing margins have been adversely affected by the amendments to vehicle taxation through the realisation of the residual value risk.

Vehicle refitting was burdened by the collapse in the sale of new trucks and intensified competition. At the same time, decreased new vehicle sales reduce demand for superstructure components.

In 2009 first registrations of vehicles fell by nearly a third. The recession and new competitive situation have eroded profits throughout the industry. No signs of recovery are visible and therefore Raskone is compelled to improve efficiency in operations. Along with these measures, every efforts will be made to sustain Raskone's continued growth.

Raskone is better placed than its competitors to benefit from the current trend for outsourcing vehicle operations. New opportunities will be created, among others, by municipalities that are hard pressed to make savings and seek new operating models, an area where Raskone has a sound track record. The key change drivers affecting Raskone's business operations in the long term are the progress of outsourcing in the public sector and the block exemption regulation permitting multi-branding in servicing and spare parts. A risk to growth and profitability is posed by the state of the economy and the developments in the financial markets.

Raskone's ambition is to be Finland's leading provider of life-cycle services for utility vehicles and the fastest-growing company in this field in northern Europe. Raskone's objective is to increase its net sales to EUR 250 million and reach a 7% profit before extraordinary items and taxes by 2014.

KEY FINANCIAL INDICATORS

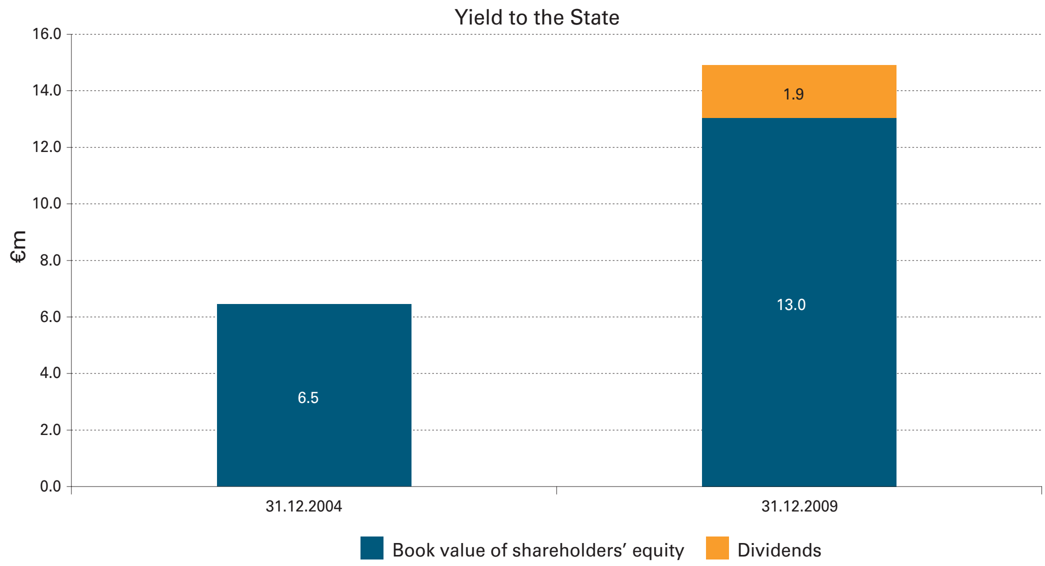
		2009	2008
Net sales	EURm	183.5	181.6
Operating income	EURm	-2.0	2.0
Operating income %	%	-1.1	1.1
Total assets	EURm	99.7	86.6
Equity ratio	%	15.6	21.8
Gearing	%	259.6	170.2
Return on equity	%	-19.0	-0.4
Return on investment	%	-3.2	3.8
Personnel, total		958	1002
Personnel, Finland		958	1002
Total dividends paid	EURm	0	0
Dividends received by the State	EURm	0	0

COMPETITORS

Company		Country	Net sales, EURm
Servicing:	Volvo AB	Sweden	20,579
	Scania AB	Sweden	6,290
	Veho Oy Ab	Finland	793
Spare parts:	Koivunen Oy	Finland	121
Leasing:	LeasePlan Corporation NV	Finland	250
	ALD Automotive	Finland	230
	Fraikin Ltd	UK	114
Refitting:	Cargotec Finland Oy	Finland	2,581

REPORTED INVESTMENTS

Raskone's investments during 2009 totalled approximately EUR 28.4 million (EUR 18.6 million) with money being spent on the renewal of the vehicle fleet, etc. Additionally Easy Km invested in IT systems and processes.



The yield to the State was 18.2% a year in the period 1 January 2005–31 December 2009. (CAGR, Compound annual growth).

MINT OF FINLAND LTD metal engineering industry

State shareholding: 100.0%
Chairman of the Board: Pentti Kivinen
Chief Executive Officer: Maarit Aarni-Sirviö
Personnel: 257
Principal places of business in Finland: Vantaa

Mint of Finland Ltd is the leading producer of coins in the Nordic countries and in the Baltic region. Consolidated net sales totalled EUR 89.4 million in 2009, and the average number of personnel was 257, of whom 158 in Finland. Net sales in Finland amounted to EUR 25.9 million. Circulation coins accounted for 34.9% of the net sales, numismatic products for 62.1% and other products for 3.0%.

Mint of Finland Ltd manufactures metal circulation coins, commemorative and collector coins, coin sets, medals, decorations, and jewellery. Mint of Finland Ltd owns 100% of the Mint of Sweden, Ab Myntverket, and 50% of Det Norske Myntverket of Norway and Nordic Moneta that sells and markets the Group's numismatic products.

In accordance its strategy, Mint of Finland's vision is to become one of the largest producers of coinage in Europe, with its success based on efficient production, strategic market expertise, cooperation or co-ownership with its coin blank supplier, and continuous product development. The company's ambition is to lead the way in the design and production technology of commemorative coins. In its production of reward items, the company focuses on products that offer the best margins.

In 2009, net sales by Mint of Finland Group fell, and the financial result was negative. The net sales decreased by EUR 6.7 million, i.e. 6.9%, on the previous year. The fall in sales was due to the decline in the sales of collector's items. By contrast, coinage sales increased substantially with the company reaching an all-time high in production by making a total of 1.3 billion coins. In particular, the Group's result for 2009 was adversely affected by the reduced profits generated by Nordic Moneta, the company responsible for marketing collectibles, which was due to the recession as well as investments in new IT and logistics systems and changes in the competitive landscape as direct marketing was replaced by online sales. With the operating income EUR 3.9 million in the red, the Group incurred a loss of EUR 2.1 million.

KEY FINANCIAL INDICATORS

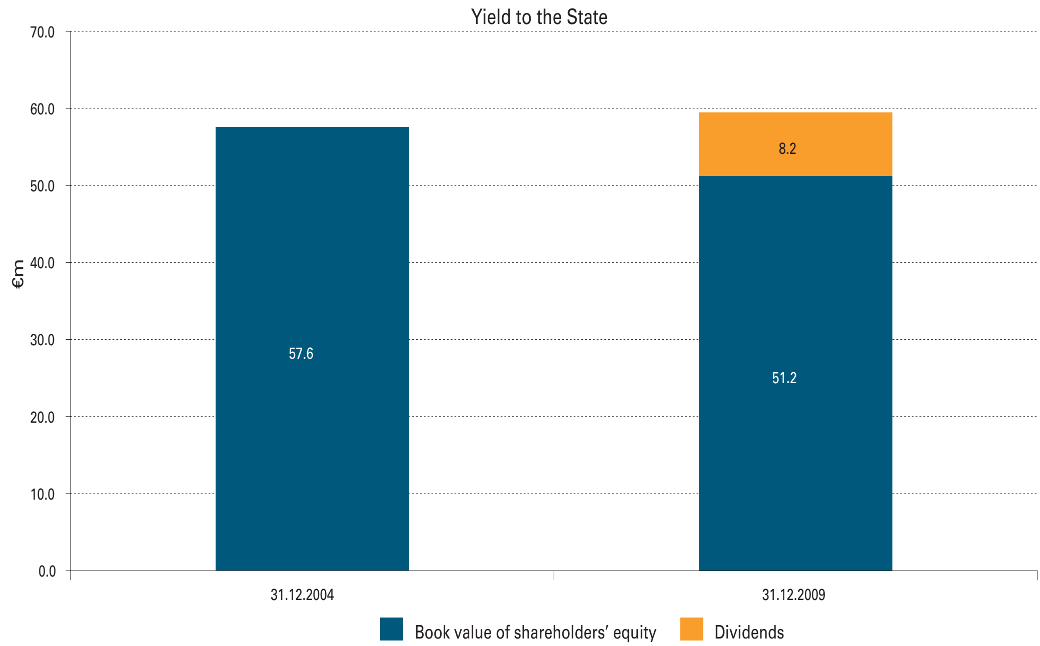
		2009	2008
Net sales	EURm	89.4	96.0
Operating income	EURm	-3.9	-1.8
Operating income %	%	-4.4	-1.9
Total assets	EURm	71.5	72.3
Equity ratio	%	84.9	86.6
Gearing	%	-47.6	-51.2
Return on equity	%	-4.0	-6.7
Return on investment	%	-3.2	0.0
Personnel, total		257	268
Personnel, Finland		158	160
Total dividends paid	EURm	0.0	0.0
Dividends received by the State	EURm	0.0	0.0

COMPETITORS

Company	Country	Net sales, EURm
Austrian Mint AG	Austria	1,444.0
Royal Canadian Mint	Canada	430.6
The British Royal Mint	UK	190.7
Monnaie de Paris	France	125.4
Royal Dutch Mint	Netherlands	39.7

REPORTED INVESTMENTS

The Group’s capital expenditure totalled EUR 1.6 million in 2009.



The yield to the State was 0.6 % a year in the period 1 January 2005–31 December 2009. (CAGR, Compound annual growth).

VAPO OY energy production, environmental business, s awmill industry

State shareholding: 50.1%
Chairman of the Board: Juho Lipsanen
Chief Executive Officer: Matti Hilli
Personnel: 1,451
Principal places of business in Finland: Forssa, Jyväskylä, Lieksa, Nurmes and Vilppula

Vapo Oy is the leading producer of renewable fuels and refined fuel products, a major producer of bioelectricity and district heating, and a supplier of diverse environmental business solutions in the Baltic Sea region. At the same time, Vapo has substantial sawmill operations in Finland.

As far as weather was concerned, the year 2009 was a normal year for peat production, which improved the stock levels and guaranteed customer deliveries during the heating season. A good peat harvest improved the profitability of Vapo's fuel production, and the development of the garden and environmental business was also favourable. Although the sawmill and pellet operations made a loss, their profitability improved. Compared to 2008, Vapo's net sales declined in 2009 but its operating income nearly doubled.

The developments in the sawmill sector and peat production conditions in summer 2010 will be of great importance to Vapo's net sales and financial performance in 2010.

Following a deal with Metsäliitto Group closed on 24 June 2009, Suomen Energiavarat Oy acquired a 49.9% interest in Vapo.

KEY FINANCIAL INDICATORS

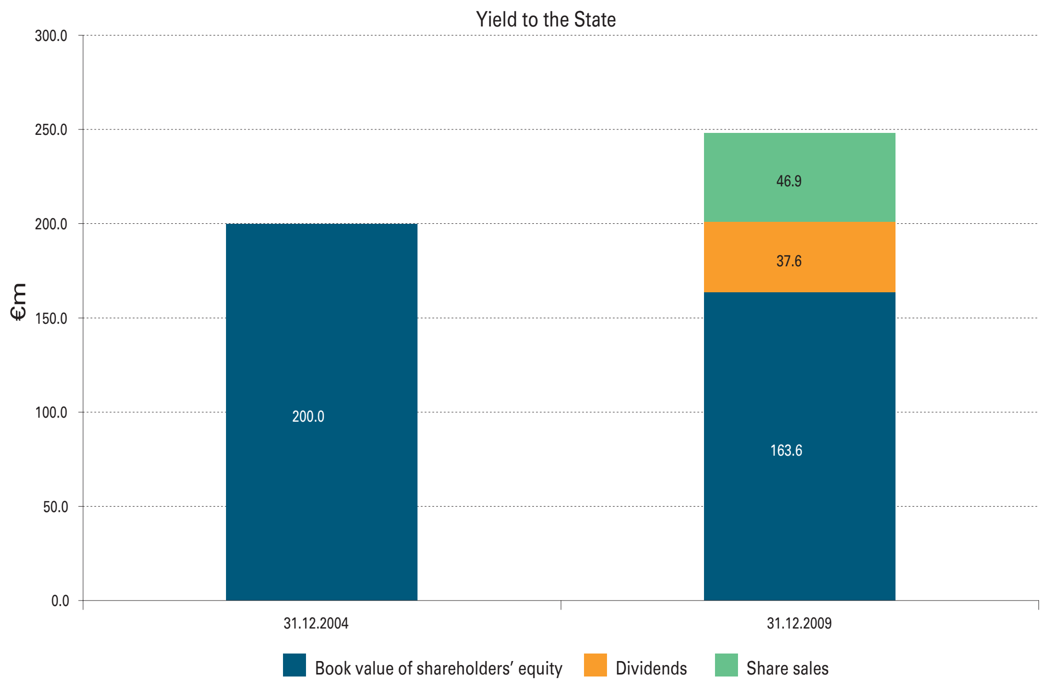
		2009	2008
Net sales	EURm	537.7	631.8
Operating income	EURm	38.0	21.1
Operating income %	%	6.6	3.3
Total assets	EURm	847.8	764.3
Equity ratio	%	39.5	42.2
Gearing	%	111.5	97.8
Return on equity	%	6.8	0.7
Return on investment	%	5.7	3.6
Personnel, total		1,451	1,780
Personnel, Finland		877	948
Total dividends paid	EURm	12.0	14.3
Dividends received by the State	EURm	6.0	7.2

COMPETITORS

Company	Country	Net sales, EURm
Stora Enso Oyj	Finland	8,045.1
Lassila&Tikanoja Oyj	Finland	582.3
Turveruukki Oy	Finland	20.2

REPORTED INVESTMENTS

Vapo will make a decision on the construction of a biofuel factory during 2010.



The yield to the State was 4.4 % a year in the period 31 December 2004–31 December 2009. (CAGR, Compound annual growth).

VR-GROUP LTD railway and road transport including track construction and maintenance

State shareholding: 100.0%
Chairman of the Board: Lauri Ratia
Chief Executive Officer: Mikael Aro
Personnel: 12,376
Principal places of business in Finland: Helsinki, Kouvola, Oulu and Tampere

VR-Group Ltd is a transport company operating in a number of transport sectors. It engages in railway operations providing both passenger and freight transport services. Additionally, VR-Group offers road transport services by coach and freight transport services by truck. The Group has a sub-group specialising in railway track construction and maintenance, including companies providing catering, restaurant and telecommunications services.

While VR-Group's main market area is Finland, a substantial share of its freight transport operations is international. Some 50% of its net sales are generated by rail transport. VR-Group's net sales totalled EUR 1,399.4 million in 2009, and the average number of personnel was 12,376, of whom 12,101 in Finland. Net sales in Finland amounted to EUR 1,355.9 million. Passenger traffic accounted for 33.1% of net sales, goods transport for 36.1%, track construction and maintenance services for 24.4% and other services for 6.4%.

In 2009, VR-Group's net sales and result declined clearly. Net sales fell by 8.6%, or EUR 131.0 million mainly due to goods transport where sales decreased by 19.0%. While the biggest decline was experienced in international rail traffic, road transports were also substantially reduced. In relative terms, the decrease was greatest in international timber transports. The growth in passenger traffic net sales stagnated; in particular, the number of trips sold in long-distance traffic declined. The Group's operating income was EUR 28.9 (74.4) million, or 2.1% (5.8%) of net sales. The operating income for the financial year was EUR 18.4 million (EUR 56.2 million). The fall in financial result compared to 2008 was mainly due to lower traffic volumes in goods transports, a development that was also experienced in rail-bound passenger traffic. Additionally, the financial result was weakened by non-recurring items of EUR 7.4 million and the decline in the proceeds from the sale of fixed assets (EUR -15.5 million).

In August 2009, VR-Group launched an extensive reform programme designed to respond to the changed market conditions and reduced demand. The reform programme seeks to restructure logistics operations and improve its efficiency; it also aims to focus on passenger traffic projects designed to enhance customer service and the travel experience as perceived by customers. The reform programme will take two to three yeas to complete. The goal is to improve VR-Group's profitability by around EUR 100 million on the annual level, which calls for major cost savings accompanied by business growth. Regarding its human resources implications, the programme foresees a need to cut 1,200 jobs. Where possible, staff reductions will be implemented through retirement and outplacement.

KEY FINANCIAL INDICATORS

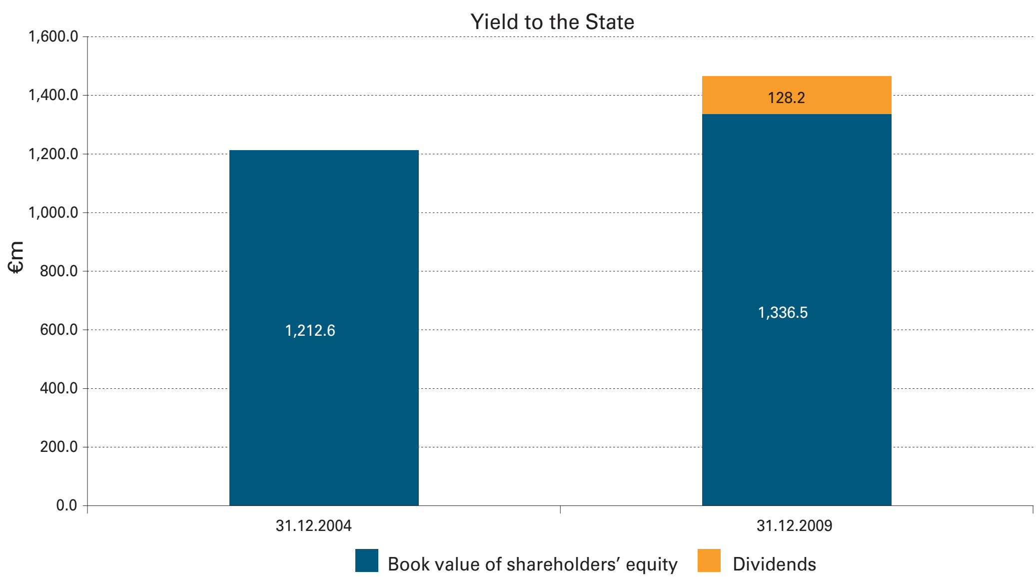
		2009	2008
Net sales	EURm	1,399.4	1,530.4
Operating income	EURm	28.9	74.4
Operating income %	%	2.1	4.9
Total assets	EURm	1,629.7	1,623.1
Equity ratio	%	83.0	82.4
Gearing	%	-10.9	-10.5
Return on equity	%	1.4	4.3
Return on investment	%	2.4	6.3
Personnel, total		12,376	12,516
Personnel, Finland		12,101	12,234
Total dividends paid	EURm	0.0	0.0
Dividends received by the State	EURm	0.0	0.0

COMPETITORS

Passenger transport: private cars, coach transport, air transport.
Freight transport: trucking companies, cargo vessels.

REPORTED INVESTMENTS

Total investments by the Group reached EUR 134.5 million in 2009, with the rolling stock accounting for EUR 48.0 million. In 2010 VR will commence a project to invest around EUR 150 million in passenger rolling stock. Competitive bids will be invited for three types of wagon.



The yield to the State was 3.9 % a year in the period 1 January 2005–31 December 2009. (CAGR, Compound annual growth).

5.3 Non-listed companies operating on market terms with net sales under EUR 25 million

ART AND DESIGN CITY HELSINKI Oy Ab urban planning

State shareholding: 35.2%
Chairman of the Board: Yrjö Sotamaa
Chief Executive Officer: Kari Halinen
Personnel: 4
Principal places of business in Finland: Helsinki

Art and Design City Helsinki Ltd (ADC) is a development company aiming to create the conditions and produce the services in the Arabianranta area of Helsinki that will turn it into the leading art and design centre of creative industry in the Baltic region. To accomplish this, the company produces marketing, training and other services and is engaged in implementing various development and other projects (such as the Helsinki Living Lab). Additionally, ADC has been involved in implementing various innovations in the Arabianranta area, such as a district data network and digital residential services, shared yards and art projects.

Currently the company is co-owned by the State, the City of Helsinki, Iittala Group Ltd, the University of Art and Design Helsinki Foundation, the Helsinki Pop and Jazz Conservatory Foundation, Arabian Palvelu Oy, University of Helsinki Funds and Stiftelsen Arcada.

One of the main projects during 2009 was the development of the Living Lab working platform. By the end of the year, a license agreement had been signed on this application tool with the Haaga-Helia University of Applied Arts and extranet agreements with 11 polytechnics. Additionally, the company participated in the pan-Europen Living Lab project aiming at improving the competitiveness of small and medium-size companies.

The company's net sales and operating income in 2009 remained at the same level as in the previous financial years.

The current economic recession will affect the development expenditure of companies and may thus complicate the implementation of ADC's projects. To a great extent, the company's business is based on an annual service agreement with Helsinki City. Additionally, the downturn in the building industry is expected to delay the completion of Arabianranta by a couple of years.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	0.4	0.4
Operating income	EURm	0.0	-0.0
Operating income %	%	12.1	-3.2
Total assets	EURm	0.5	0.4
Equity ratio	%	83.7	86.3
Gearing	%	-107.0	-92.9
Return on equity	%	11.9	-0.9
Return on investment	%	14.4	-0.9
Personnel, total		4	4
Personnel, Finland		4	4
Total dividends paid	EURm	0	0
Dividends received by the State	EURm	0	0

BOREAL PLANT BREEDING LTD

breeding and marketing of cultivated plants

State shareholding: 65.0%
Chairman of the Board: Kaj Friman
Chief Executive Officer: Markku Äijälä
Personnel: 75
Principal places of business in Finland: Jokioinen

Boreal Plant Breeding Ltd (Boreal) breeds and markets varieties of field crops for professional farmers operating in the harsh growing conditions prevailing in northern Europe. The company's product portfolio includes the rights to the plant varieties developed by the company and basic seeds marketed through seed companies. Boreal is the market leader in its sector in Finland. Two-thirds of all the arable land in Finland is cultivated using the some 70 varieties of plants bred by Boreal. Aside from operating on the Finnish market, Boreal is aiming at expanding its exports.

The main varieties in Boreal's breeding programmes are cereals, oil crops, grasses, potatoes and peas. While the breeding activities are concentrated at Jokioinen, the company also operates a testing network with facilities across Finland. The company has developed biotechnology-based plant breeding methods and acquired expertise in the use of manipulation programmes based on genetic engineering.

The State owns 65.0 % of the company, the other shareholders being Hankkija-Maatalous Oy (7.0%), Yara Finland (7.0%), Raisio Research Foundation (7.0%), Tilasiemen Oy (7.0%), the Central Union of Agricultural Producers and Forest Owners MTK (6.5%), and the Central Union of Swedish-Speaking Agricultural Producers in Finland SLC (0.5%).

For the parent company Boreal Kasvinjalostus Oy, 2009 was its ninth financial year. On 1 January 2009 the company changed its accounting period to correspond to the calendar year. The previous financial year was 18 months, which should be considered when making comparisons. The parent company's net sales increased clearly compared with the preceding 12-month period. Royalties from certified seed grades increased slightly despite the decline of the total market for certified seeds. Seed sales exceeded the budget by a wide margin thanks to solid demand in Finland and export and import of certain seeds. The revenues (TOS payments) from the use of the farm's own seeds declined by 4.3% from the year before. Sale of plant breeding services to the National Emergency Supply Centre increased slightly on 2008.

The harvest reaped by farmers was large and mostly of high quality. The low cereal prices and saturated national and international crop markets weakened the farmers' financial position and decreased the use of certified seeds. The cereal business shrank by 5% during 2009.

In contrast, the oil plant business grew by more than one quarter. Of all certified seeds used in Finland, the market share of the varieties developed by the parent company increased by almost

3 percentage point to 63.8% despite the abundant supply of foreign varieties. The increase in market shares was greatest with oat, spring wheat and rapeseed.

Investments by the parent company amounted to EUR 0.2 million (EUR 0.7 million during 1 July 2007–31 December 2008) consisting of purchases of new machinery and equipment, renovation of laboratory facilities and patenting costs. The parent company made a decision to terminate the projects for the commercialisation of DNA diagnostics in areas outside plant breeding and will in the future focus on applying this technology to developing the varieties.

Even though the long-term view of the company's position is positive, the year 2009 was challenging. World market prices for cereals are low and granaries full, which is disruptive to the crops markets and undermines farmers' earnings. It is predicted that the cereal business and use of certified seeds will decline from the 2009 level in the company's main market areas in Finland.

KEY FINANCIAL INDICATORS

		2009–12 months	2008–18 months
Net sales	EURm	7.2	9.5
Operating income	EURm	0.4	0.3
Operating income %	%	5.4	3.3
Total assets	EURm	8.0	7.5
Equity ratio	%	79.4	79.0
Gearing	%	-23.8	-14.7
Return on equity	%	7.4	3.9
Return on investment	%	7.5	5.7
Personnel, total		63	66
Personnel, Finland		63	66
Total dividends paid	EURm	0.3	0.1
Dividends received by the State	EURm	0.2	0.1

FINNISH SEED POTATO CENTRE LTD maintenance, production and marketing of potato varieties

State shareholding: 22.0%
Chairman of the Board: Reijo Moilanen
Chief Executive Officer: Lauri Juola
Personnel: 12
Principal places of business in Finland: Tyrnävä

The Finnish Seed Potato Centre Ltd. (SPK) is a Finnish seed potato producing enterprise whose field of activity comprises the cleaning and maintenance of seed material as well as the production, packaging and marketing of basic and certified seed grades. The operations are based on the basic seed maintenance and production agreements signed with Finnish variety owners or representatives. SPK also maintains and produces seed potatoes from the so-called free varieties. The company had a total of 30 potato varieties in production in 2008.

Net sales and operating income remained at the same level as in previous years. Investments were made during the financial year to increase greenhouse capacity, lay subsurface drainage pipes in the fields and develop the company's ERP system.

The high stock levels of seed potatoes foretell growing net sales in 2010. An uncertainty factor to be taken into account is the abundance of seed potato available in the market.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	3.4	3.4
Operating income	EURm	0.2	0.2
Operating income %	%	5.0	4.8
Total assets	EURm	3.4	3.1
Equity ratio	%	27.3	25.7
Gearing	%	98.5	124.5
Return on equity	%	10.9	13.5
Return on investment	%	10.1	10.1
Personnel, total		12	12
Personnel, Finland		12	12
Total dividends paid	EURm	-	-
Dividends received by the State	EURm	-	-

HAUS KEHITTÄMISKESKUS OY — supplementary training and development services

State shareholding: 100.0%
Chairman of the Board: Heikki Joustie
Chief Executive Officer: Anneli Temmes (Markku Sauri up to 31 December 2009)
Personnel: 40
Principal places of business in Finland: Helsinki

HAUS Kehittämiskeskus Oy (Finnish Institute of Public Management) is a training and development company focusing on public management and human resources development in Finland as well as international training and consulting activities, primarily in Europe and in the EU's neighbouring areas. Net sales in 2009 totalled EUR 5.6 million and the average number of personnel was 40. HAUS's main business areas are management and leadership development, training services and HAUS International. Training accounted for 80.0% and international activities for 20.0% of net sales.

In 2009 HAUS's net sales and result declined clearly. Net sales fell by 8.9 %, or EUR 0.5 million, to EUR 5.6 million. Of this, about half was generated by training and the other half by international training and consultation. The biggest relative decline in net sales took place in the international activities that suffered a 18.6% loss of sales. Even though expenditure also decreased, it did not match the decline in sales. The operating income was EUR 0.4 (0.0) million in the red, or -6.6 % (-0.2%) of net sales. Weak profitability reduced the company's equity ratio considerably.

On 1 January 2010, HAUS was converted into an in-house company whose customers primarily consist of the State, State enterprises, funds not included in the government budget, Parliament and the various units under its auspices, and EU administration. At the same time, responsibility for ownership steering in respect of HAUS was transferred from the Prime Minister's Office to the Ministry of Finance.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	5.6	6.1
Operating income	EURm	-0.4	-0.0
Operating income %	%	-6.6	-0.2
Total assets	EURm	0.9	1.4
Equity ratio	%	17.0	37.7
Gearing	%	-127.3	-82.3
Return on equity	%	-106.9	1.9
Return on investment	%	-106.4	2.6
Personnel, total		40	43
Personnel, Finland		40	43
Total dividends paid	EURm	0.0	0.0
Dividends received by the State	EURm	0.0	0.0

LABTIUM LTD laboratory services

State shareholding: 100.0%
Chairman of the Board: Raimo Korpinen
Chief Executive Officer: Harry Sandström
Personnel: 86
Principal places of business in Finland: Espoo and Rovaniemi

Labtium Ltd's mission is to provide testing, laboratory and expert services with the aim of allowing customers to focus on their core operations. Labtium's operations are divided into two business areas: georearch services and industrial and environmental services. Labtium was established on 5 July 2007 by incorporating the chemical laboratory operations of the Geological Survey of Finland into a separate limited liability company wholly owned by the State. Operations started on 1 September 2007. The company's first financial year began on 5 July 2007 and ended on 31 December 2008.

Labtium's net sales for the first financial year totalled EUR 10.5 million and the company incurred a loss of EUR 0.2 million. Non-recurring items such as the cost of establishment of administrative structures, financial administration and the telecommunications system put a strain on the company's performance during the first financial year. Labtium also made a loss in 2009, partly because of the economic recession.

Aside from cost savings, Labtium seeks to improve its business prospects through acquisitions and cooperation agreements. In November 2009 Labtium expanded its operations in Sweden by acquiring a 50.2% interest in the start-up company Laponia Laboratories (LapLab) AB. Labtium took over the food laboratory in Rovaniemi on 1 February 2010.

Labtium won the first round of competitive bidding for Geological Survey of Finland's chemical analysis services for 2010–2011. The contract includes an option for two more years.

KEY FINANCIAL INDICATORS

		2009	5.7.2007–31.12.2008
Net sales	EURm	7.0	10.5
Operating income	EURm	-0.6	-0.284
Operating income %	%	-9.1	-2.8
Total assets	EURm	6.1	4.6
Equity ratio	%	48.4	78.9
Gearing	%	12.9	-46.8
Return on equity	%	-20.7	-9.6
Return on investment	%	-10.4	-9.5
Personnel, total		86	100
Personnel, Finland		86	100
Total dividends paid	EURm	0	0
Dividends received by the State	EURm	0	0

MOTIVA OY consultation on energy efficiency, renewable energy and materials

State shareholding: 100.0%
Chairman of the Board: Juhani Wiio
Chief Executive Officer: Jouko Kinnunen
Personnel: 36
Principal places of business in Finland: Helsinki

Motiva Oy provides expert and project services in order to improve energy efficiency and the sustainable use of renewable energy. Another important business area is the promotion of materials efficiency. The natural resources strategy will open up new opportunities, particularly for Motiva's materials efficiency operations.

Motiva serves as an 'in-house' unit within the central government, meaning that it faces no actual competition in its energy and materials efficiency services, whereas its subsidiary Motiva Services Oy operates strictly on a market basis in a competitive environment. The plan is that the subsidiary will specifically focus on areas where the market is not yet mature.

Motiva's customers include ministries, other government agencies, companies and consumers. Motiva also implements international projects that support the provision of services in Finland, such as EU-funded projects. Breakdown of net sales by customer category in 2009:

- Ministry of Employment and the Economy 71%
- other ministries 9%
- other central government 6%
- companies and local government 5%
- EU Commission and foreign countries 9%

Net sales in 2009 were EUR 5.9 million and the financial result EUR 0.3 million. The result for 2009 was weakened by the bankruptcy of the associated company STC Simulator Training Oy and recognition of the shares as expenses.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	5.9	5.1
Operating income	EURm	0.4	0.0
Operating income %	%	6.1	0.9
Total assets	EURm	3.1	2.7
Equity ratio	%	56	53
Gearing	%	-31.9	-42.4
Return on equity	%	21.6	5.4
Return on investment	%	36.9	6.0
Personnel, total		36	31
Personnel, Finland		36	31
Total dividends paid	EURm	0.0	0.0
Dividends received by the State	EURm	0.0	0.0

SILTA LTD human resource management outsourcing services

State shareholding: 10.2%
Chairman of the Board: Seppo Matikainen
Acting Chief Executive Officer: Jukka Rinne
Personnel: 296
Principal places of business in Finland: Helsinki, Tampere and Turku

In addition to payroll accounting, Silta Ltd provides pension and personnel fund management services, recruitment and outplacement services as well as consultation, training and leasing services in the field of human resources management, and financial management services for public sector entities. Net sales in 2009 totalled EUR 22.2 million and the average number of personnel was 296. Silta's main area of business is to provide payroll services to companies, corporations and public sector organisations, which accounted for 72.1% of net sales by Silta and its subsidiaries.

On 31 December 2009, the subsidiaries Rahastopalvelu RP Oy, Konsulttitoimisto Jaakko Lehto Oy, Oy ProMotive Ab, Silta HRM Oy and SV Benefic Oy were merged with Silta. As a result, the business operations of all the companies were concentrated to Silta from 1 January 2010.

Silta is owned by Logica Suomi Oy (44.9%), Varma Mutual Pension Insurance Company (39.1%), the State of Finland (10.2 %), and Sampo plc (5.8%).

Silta's profitability continued to decrease clearly and the financial result was negative. Profitability was weakened by cost increases for the second year running, which exceeded the growth in net sales. The return on investment fell last year to -2.3% compared to 10.5% in the previous year. Net sales grew by 9.3 %, while expenses rose by 12.9 %. Most of the increase in net sales was due to growth in payroll services. Silta's equity ratio fell by almost ten percentage points from the year before as a result of the losses made, payment of dividends and increase in the balance sheet total.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	22.2	20.3
Operating income	EURm	-0.4	0.2
Operating income %	%	-1.9	1.2
Total assets	EURm	8.6	8.1
Equity ratio	%	45.5	54.9
Gearing	%	-7.2	-23.5
Return on equity	%	-2.5	9.0
Return on investment	%	-2.3	10.5
Personnel, total		296	267
Personnel, Finland		296	267
Total dividends paid	EURm	0.0	0.4
Dividends received by the State	EURm	0.0	0.0

SUOMEN VILJAVA OY cereal handling and storage services

State shareholding: 100,0 %
Chairman of the Board: Kari Kolu
Chief Executive Officer: Kari Nurmentaus
Personnel: 90
Principal places of business in Finland: Helsinki, Kokemäki, Koria, Kuopio, Loimaa, Loviisa, Mustio, Naantali, Perniö, Rauma, Seinäjoki, Turenki, Vantaa and Ylivieska
Suomen Viljava Oy's main field of activity is the handling and storage of cereals and cereal-type raw materials.

Key players in the sector as regards commercial storage and handling include the cereal-based industry, cereal traders, and Suomen Viljava Oy. The majority of Finland's reserve stock cereals are stored in the company's silos. Cereal handling and storage account for the majority of the company's net sales.

Suomen Viljava has a storage capacity of 1.4 million tonnes in 21 different locations. The company handles nearly 2 million tonnes of cereals and other products annually.

The company's net sales and operating income in 2009 remained at the same level as in the previous financial years.

KEY FINANCIAL INDICATORS

		2009	2008
Net sales	EURm	17.7	16.7
Operating income	EURm	4.1	4.0
Operating income %	%	23.2	23.6
Total assets	EURm	27.2	28.3
Equity ratio	%	77.4	73.3
Gearing	%	10.7	11.1
Return on equity	%	15.7	13.3
Return on investment	%	16.2	15.7
Personnel, total		90	91
Personnel, Finland		90	91
Total dividends paid	EURm	3.0	3.0
Dividends received by the State	EURm	3.0	3.0

5.4 Companies with special assignments – Governia Oy and Solidium Oy

GOVERNIA OY investment operations

State shareholding: 100,0 %
Chairman of the Board: Harri Pynnä
Chief Executive Officer: Raimo Korpinen
Personnel: 19
Principal places of business in Finland: Helsinki

Governia Oy (Governia) is a company controlled by the Ownership Steering Department in the Prime Minister's Office and charged with the responsibility for special assignments. Governia's field of activity is investment operations. Governia was established in 2009 when Solidium Oy, a company that had previously attended to the duties now assigned to Governia, was split into Solidium, which administers the State's shareholdings in non-strategic listed companies, and Governia, which continues to perform the talks previously handled by Solidium. Governia is a holding company whose most important subsidiary is Kruunuasunnot Oy.

Kruunuasunnot Oy was established in 1999 primarily to develop the housing stock previously owned by the Finnish Defence Forces. Subsequently, Kruunuasunnot Oy has acquired additional housing stock from other sources. The company develops its stock of over 3,000 rented housing units by making renovations, improving energy efficiency, selling properties and shares in housing associations and developing zoning. Governia owns the entire share capital of Kruunuasunnot Oy.

Governia's net sales during its first financial year were EUR 20.5 million. Most of the net sales consisted of rental income and compensation for use. Less than one third of the revenues were derived from the sale of properties and shares in property companies. The financial statements showed a loss of EUR 2.0 million. The result was adversely affected by a disposal loss on a property transaction.

KEY FINANCIAL INDICATORS

		2009
Net sales	EURm	20.5
Operating income	EURm	-0.3
Operating income %	%	-1.3
Total assets	EURm	204.8
Equity ratio	%	61.8
Gearing	%	57.3
Return on equity	%	-0.4
Return on investment	%	0.3
Personnel, total		19
Personnel, Finland		19
Total dividends paid	EURm	0
Dividends received by the State	EURm	0

Governia Group's first financial year was from 1 May to 31 December 2009.

SOLIDIUM OY investment operations

State shareholding: 100.0%
Chairman of the Board: Keijo Suila
Chief Executive Officer: Kari Järvinen
Personnel: 11
Principal places of business in Finland: Helsinki

Solidium is a wholly State-owned holding company which cooperates with other investors. Solidium's holdings involve national interests, but its investment decisions are based on financial considerations. An active participant in the Finnish capital market, Solidium finances its activities with return from its investments and debt.

On 21 October 2008, the Government passed a resolution to transform the wholly state-owned Solidium Oy into a investment company to manage the State's non-strategic shareholdings in listed companies. State holdings in eight listed companies, namely Kemira, Metso, Outokumpu, Rautaruukki, Sampo, Sponda, Stora Enso and TeliaSonera, were transferred to Solidium on 11 December 2008. Solidium's organisation was established and operations commenced in spring 2009. On 11 June 2009, the Government decided to relinquish its shares in Elisa Corporation to Solidium.

Solidium's first financial period was from 1 May to 31 December 2009. The operations of Solidium's predecessor ended on 30 April 2009 when all its assets and liabilities were transferred to the receiving companies Solidium Oy and Governia Oy under the demerger agreement.

During its first financial period on 16 June 2009, Solidium bought 625,000 shares in Elisa Corporation for EUR 7 million. By the purchase of this lot of shares, Solidium's interest in Elisa increased by 0.03 percentage points reaching the 10% limit.

Solidium participated in Sponda's rights issue in June 2009 by investing a total of EUR 71 million. Solidium's stake in Sponda remained unchanged at 34.2% even after the rights issue.

During the last quarter of 2009, Solidium subscribed for new shares in Kemira for a total of EUR 34.6 million. After the issue, Solidium's holdings in Kemira amount to 16.67% (16.52% before the issue).

After the end of 6-month financial period in April 2010 Solidium purchased a 5.0% stake in Tieto Corporation for EUR 57.8 million.

KEY FINANCIAL INDICATORS

		1.7–31.12.2009*	1.5–30.6.2009*
Net sales	EURm	0	0
Operating income	EURm		-1.1
Operating income %	%		
Total assets	EURm	5,738	5,740
Equity ratio	%	100	100.0
Gearing	%		
Return on equity	%		0.0
Return on investment	%		0.0
Personnel, total		11	7
Personnel, Finland		11	7
Total dividends paid	EURm		0
Dividends received by the State	EURm		0

* *Solidium's first financial period was from 1 May to 31 December 2009. Half-year report 1 July 2009–31 December 2009.*

6 Economic value added generated by the companies

Economic value added indicates the profit generated by a company's business operations relative to the amount of capital tied up in its activities. As it always costs money to employ capital, a certain cost must be ascribed to it. This cost is the weighted average cost of capital that consists of the cost of borrowed capital and the required return on equity.

The following table indicates the annual economic value added generated by the companies included in the State's portfolio of listed companies during 2008–2009. Additionally, the table shows the amount of capital employed during 2009 and the weighted average cost of capital at the end of 2009.

Table 2: Economic value added generated by the companies during 2008–2009

	Capital employed, €m	WACC, %	Economic value added, €m	
	2009	2009	2009	2008
Finnair	1,085	7.6	-145	-102
Fortum	12,272	6.9	608	1,039
Neste Oil	3,924	8.0	11	-96
Non-listed companies, total			-79	-58

WACC = weighted average cost of capital

Of all non-listed companies, the greatest economic value added was generated by Gasum and Suomen Viljava.

While the table reflects the companies' financial performance during the reporting period, it also shows that a business that ties up a large amount of capital does not always produce economic added value even if it generated a book profit. The point of this analysis is that companies should generate a profit equivalent to at least the cost of capital employed. If not, the economic value added of the company is negative in the reporting period.

The concept of cost of capital includes the notion of the cyclical fluctuations and riskiness of business operations ('beta figure'). The floor for the cost of capital is provided by the market interest rate to which the cost of equity funding is added according to the company's risk exposure. Additionally, the cost of capital reflects the company's capital structure.

APPENDICES

APPENDIX 1: Key financial indicators

The tables below present the 2008 and 2009 key financial indicators of the companies included in the State's share portfolio, EUR million

2009	Net sales	Operating income	Operating income	Total assets	Equity ratio	Gearing	ROE	ROI
Finnair	1,838	-124	-6.7%	2,447	35.5%	86.9%	-12.7%	-8.4%
Fortum	5,435	1,782	32.8%	19,841	42.8%	70.3%	16.0%	12.1%
Neste Oil	9,636	335	3.5%	5,700	39.1%	86.3%	10.2%	9.0%
Altia	407.3	5.6	1.4%	398.4	34.3%	54.9%	4.3%	4.2%
Arek	52.4	-1.2	-2.3%	79.6	10.4%	758.9%	-35.9%	-1.6%
Art and Design City Helsinki	0.4	0.0	-12.1%	0.5	83.7%	-107.0%	11.9%	14.4%
Boreal Plant Breeding	7.2	0.4	5.6%	8.0	79.4%	-23.8%	7.4%	7.5%
Destia	603.4	-16.9	-2.8%	274.1	26.3%	65.2%	-21.2%	-10.6%
Edita	110.9	3.7	3.4%	91.4	37.3%	65.0%	10.6%	6.1%
Ekokem	94.3	7.1	7.5%	160.0	67.5%	16.2%	4.0%	5.5%
Fingrid	358.9	50.8	14.2%	1,648.6	27.2%	183.0%	5.7%	3.9%
FCG Finnish Counsulting Group	72.9	0.7	1.0%	41.6	70.7%		1.8%	
Finnish Seed Potato Centre	3.4	0.2	5.9%	3.4	27.3%	98.5%	10.9%	10.1%
Gasum	1,064.7	102.5	9.6%	793.5	52.4%	3.4%	19.0%	23.7%
Governia*	20.5	-0.3	-1.5%	204.8	61.8%	57.3%	-0.4%	0.3%
HAUS Finnish Institute of Public Management	5.6	-0.4	-6.6%	0.9	17.0%	-127.3%	-106.9%	-106.4%
Itella	1,819.7	46.7	2.6%	1,408.1	48.5%	19.7%	-0.7%	5.8%
Kemijoki	39.6	-1.2	-3.0%	434.5	27.7%	238.1%	-5.6%	0.2%
Labtium	7.0	-0.6	-8.6%	6.1	48.4%	12.9%	-20.7%	-10.4%
Mint of Finland	89.4	-3.9	-4.4%	71.5	84.9%	-47.6%	-4.0%	-3.2%
Motiva	5.9	0.4	6.8%	3.1	56.0%	-31.9%	21.6%	36.9%
Patria	539.5	20.0	3.7%	524.5	43.5%	40.8%	5.7%	4.5%
Raskone	183.5	-2.0	-1.1%	99.7	15.6%	259.6%	-19.0%	-3.2%
Silta	22.2	-0.4	-1.9%	8.6	45.5%	-7.2%	-2.5%	-2.3%
Suomen Viljava	17.7	4.1	23.2%	27.2	77.4%	10.7%	15.7%	16.2%
Vapo	537.7	38.0	7.1%	847.8	39.5%	111.5%	6.8%	5.7%
VR-Group	1,399.4	28.9	2.1%	1,629.7	83.0%	-10.9%	1.4%	2.4%

* FY 1.5.–31.12.2009

2009	Net sales	Operating income	Operating income	Total assets	Equity ratio	Gearing	ROE	ROI
Finnair	2,256	-58	-2.3%	2,084	36.9%	65.1%	-5.3%	-3.0%
Fortum	5,636	1,963	34.8%	20,278	41.6%	73.5%	18.9%	15.2%
Neste Oil	15,043	186	1.2%	4,720	46.2%	46.1%	4.2%	6.1%
Altia	463.3	9.0	1.9%	402.2	30.2%	87.4%	4.7%	6.8%
Arek	30.8	-1.8	-5.8%	85.5	13.9%	532.7%	-27.7%	-2.1%
Art and Design City Helsinki	0.4	0.0	-3.2%	0.4	86.3%	-92.6%	-0.9%	-0.9%
Boreal Plant Breeding**	9.5	0.3	3.3%	7.5	79.0%	-14.7%	3.9%	5.7%
Destia	717.1	19.3	2.7%	294.3	33.4%	44.4%	14.7%	15.7%
Edita	111.1	3.6	3.3%	93.7	31.1%	83.9%	11.0%	7.9%
Ekokem	96.6	13.1	13.5%	157.8	62.6%	16.2%	8.5%	11.1%
Fingrid	382.3	68.4	17.9%	1,561.6	26.7%	174.0%	6.6%	5.0%
FCG Finnish Counsulting Group	79.4	2.9	3.7%	42.4	67.8%		9.7%	
Finnish Seed Potato Centre	3.4	0.2	4.8%	3.1	25.7%	124.5%	13.5%	10.1%
Gasum	1,218.2	33.8	2.8%	671.6	54.5%	5.3%	6.9%	8.8%
HAUS Finnish Institute of Public Management	6.1	0.0	-0.2%	1.4	37.7%	-82.3%	1.9%	2.6%
Itella	1,952.9	69.0	3.5%	1,370.5	51.1%	14.8%	2.6%	12.4%
Kemijoki	44.9	0.5	1.2%	434.7	29.5%	212.8%	-5.4%	0.1%
Labtium	10.5	-0.3	-2.7%	4.6	78.8%	-46.8%	-4.8%	-4.8%
Mint of Finland	96.0	-1.8	-1.9%	72.3	86.6%	-51.2%	-6.7%	0.0%
Motiva	5.1	0.0	0.9%	2.7	52.9%	-42.4%	5.4%	4.1%
Patria	534.6	8.9	1.7%	503.1	40.0%	55.1%	0.4%	3.3%
Raskone	181.6	2.0	1.1%	86.6	21.8%	170.2%	-0.4%	3.8%
SantaPark***	1.8	0.2	13.0%	1.8	50.1%	70.1%	22.0%	14.8%
Silta	20.3	0.2	1.2%	8.1	54.9%	-23.5%	9.0%	10.5%
Suomen Viljava	16.7	4.0	23.6%	28.3	73.0%	11.1%	13.3%	15.7%
Vapo	631.8	21.1	3.3%	764.3	42.3%	99.1%	0.8%	5.6%
VR-Group	1,530.4	74.4	4.9%	1,623.1	82.4%	-10.5%	4.3%	6.3%

** FY 1.7.2007–31.12.2008
*** FY 1.5.2007–30.4.2008

APPENDIX 2: Guidelines by the state owner on management remuneration and pension benefits

Statement by the Cabinet Committee on Economic Policy on 8 September 2009

These guidelines deal with the remuneration payable to the executive management of state-owned companies against the background that the remuneration has to meet both requirements: reasonable compensations and the companies' ability to compete for the highest-skilled executives.

Remuneration is based on a fixed salary duly adjusted to fit both the company-specific salary structure and the remuneration level applied by competitors. Any remuneration on top of the fixed salary must be based on such performance that brings profit to the company and its owners. The remuneration criteria set by board of directors must be well thought-out, unambiguous and transparent, taking account of the effects of business cycles on management remuneration the best possible way. The set criteria need to produce clear results which promote the company's success in the long run.

The entire staff should have an opportunity to benefit from the company's good performance. A fair share of the company's good results must be guaranteed to its staff by performance-based remuneration and bonus schemes. In the remuneration of the staff, the main rewarding tools are result-based bonuses and staff funds. The State considers staff funds a good solution especially when remuneration schemes aim at harmonising the interests of the staff, executive management and owners.

The State's ownership steering and its functions as an owner are based on a clear-cut determination of responsibilities between the shareholders, board of directors and executive management. The shareholders specify the company's sphere of operations and the key aims of its activities. They also appoint a board of directors to implement the objectives they set, and monitor and evaluate the attainment of these objectives. In compliance with the Limited Liability Companies Act, owners exercise their shareholder power by making concrete decisions at general meetings' or the shareholders' meetings. The State as an owner complies without exceptions with the provisions concerning the equality of shareholders in the Companies Act and the provisions concerning the company's objectives and line of business as specified in its Articles of Association.

The board of directors is responsible for the company's governance and the appropriate arrangement of its operations. The managing director is responsible for the daily running of operations in accordance with the instructions supplied by the board of directors. Communication between the owners and the company mainly takes place via the chairman of the board of directors.

The running of business and the company's success depend on the skills and performance of the staff with a special weight on the management's input. The key staff of a company usually comprises a wider group besides the executive management, and the company's success requires a highly-skilled and committed staff. It is in the shareholders' common interest that a company has a proficient and motivated management working in line with its shareholders' objectives and that it can both recruit and retain professionals needed for successful performance.

Therefore, the state owner, for its part, must provide the company with opportunities to compete for executives and other key employees under competitive and reasonable terms, while ensuring that remuneration does not lead to excesses jeopardising, for example, the targets set for remuneration schemes by the owner. Attention must also be paid to the fact that the success of companies does not rest, or is not due to, solely on their management or board of directors. Considering that highly-skilled and motivated staff form one of the cornerstones of business success, it is necessary to provide all staff with a fair opportunity to benefit from the company's good profit performance.

The composition of the board of directors, board members' proficiency and ensuring their commitment form other key elements for the owners. Therefore, shareholders must see to it that board compensations are commensurate with the chairman's and members' level of commitment and time spent on their duties. The role and responsibilities of chairmen of the boards of directors, in particular, have been increasingly highlighted in recent years.

Regardless of whether the State is a sole shareholder, majority shareholder or an important minority shareholder, it has a special interest in ensuring that remuneration applying not only to the management, key staff and board members but also the staff as a whole contributes to securing and improving companies' business opportunities and competitiveness. However, it is also essential for shareholders that, instead of short-sighted risk-taking, remuneration be based on results which have benefited the shareholder(s). For this reason, the Cabinet Committee on Economic Policy has adopted the following guidelines on

- salaries and other remuneration applying to state-owned companies' executive management and other key employees;
- remuneration applying to members of state-owned companies' administrative bodies; and
- responsibility of the companies' boards of directors in complying with the management emuneration guidelines.

1. Decision-making procedure and the role of the guidelines in various companies

1.1. The board of directors makes decisions concerning management remuneration. Shareholders participate only if the decisions require, under the Companies Act, the consent of the shareholders' meeting. Preparation of any remuneration schemes must be charged with the chairman of the board of directors and possibly a remuneration committee. Only board members who are independent of the company can participate in making remuneration decisions. At the shareholders' meeting, the chairman of the board of directors is to describe to the shareholders the current management remuneration schemes and their implementation, and to assess the function and role of the schemes.

1.2. The boards of directors of these companies are responsible for the application and compliance of these guidelines before the State as an owner. The guidelines have no influence on the statutory obligations of the board of directors or its responsibilities towards other shareholders, investors and the contracting partners of the company. Therefore, these guidelines have different roles in various types of company:

- In companies wholly owned by the State, no deviations are accepted without prior approval by the owner.
- Unlisted state majority-owned companies must follow the guidelines unless otherwise required by the common interest of shareholders.
- In listed state majority-owned companies, the board of directors is expected to recognise the guidelines in respect to the Corporate Governance Code of listed companies issued by the Securities Markets Association and included in the Companies Act and Securities Markets Act and the regulations of the Helsinki Stock Exchange.
- As far as unlisted associated companies and the listed associated companies transferred under the ownership of Solidium are concerned, the guidelines provide an opinion of one major shareholder on good and acceptable remuneration principles. As such, the boards of directors are to take these guidelines into account in their decision-making.

1.3. The guidelines apply to new service and employment contracts and decisions to be taken after the adoption of the guidelines. When earlier remuneration schemes and individual contracts are updated or complemented, the company should aim at introducing practises presented in these guidelines.

1.4. The guidelines have been drafted for remuneration in companies operating on market terms and for this reason, they cannot be fully applied in state-owned companies entrusted with special assignments or in the ownership steering of such companies. Each company must elaborate company-specific remuneration criteria, giving due consideration to the company's special assignment, success in its performance and economic efficiency of the company operations. At the same time, the company needs to pay attention to the risk-free yields accrued from its special assignment, including any exemptions, exclusive rights and amendments to legislation. Such yieldsare not grounds for management performance-based compensations.

1.5. The guidelines observe the European Commission recommendation on the remuneration of directors in charge of financial undertakings in listed companies (latest issued on 30 April 2009) and the Finnish Corporate Governance Code of listed companies published in 2008 by the Securities Markets Association. At the time the guidelines are issued, the Corporate Governance Code is under review as to remunerations in particular. In case of conflicting instructions, listed companies must comply with the Corporate Governance Code.

2. Remuneration components and maximum levels applied to management and key staff

The key remuneration element is a fixed salary which reflects to the amount of other remuneration. Attention must be paid to the fact that basic salaries are reasonable and scaled to those of other similar companies.

2.1. The key objectives in the development of remuneration and remuneration schemes include enhancements of their explicitness, motivational power and sustainability. Every scheme must (i) be consistent with the State's role as a shareholder, (ii) contribute to improved shareholder value and motivate staff on a long-term basis, and (iii) have reasonable terms and be predictable in a way which prevents unreasonable remuneration. The State requires boards of directors to take these aspects into consideration to ensure long-term commitment.

2.2. When developing remuneration systems, special attention must be paid to the relationship between the eligible person's input and the amount of his/her remuneration. The input of key staff rewarded through remuneration schemes must be measurable and the indicator must not allow manipulation of the result. In addition, it is necessary to pay attention to the motivating effect required of remuneration schemes, which may not be used for the sake of the remuneration level alone. For this reason, aiming to optimise the size of the target group entitled to remuneration is justified to maintain the effect. Those rewarded via the remuneration schemes applied to management and key employees should not be offered staff funds or other remuneration schemes applied to the entire staff.

2.3. Shareholders expect the board of directors to monitor developments in remuneration practices and ensure competitive remuneration. At the same time, however, the board of directors must ensure that decisions on remuneration will not lead to exorbitant benefits under any circumstances. The underlying principle is that basic salaries must be competitive and that additional staff remuneration is based on measurable profitability and good performance. When analysing a company's performance, it is necessary to use such criteria which demonstrate the company's better performance vis-à-vis its competitors in an impartial way and which also takes account of the creation of the company's long-term growth potential.

2.4. Executive management's and key staff's remuneration must be treated as a larger whole comprising a person's salary along with the terms concerning pensions and fringe benefits included in the executive or employment contract. The total salary may consist of a variety of elements, namely the basic or fixed salary defined as an annual or monthly pay (including any taxable fringe benefits), a profit-based compensation based on annual evaluation and a long-term incentive based on an evaluation covering at least three financial years. Costs to the company arising from any supplementary pensions must be incorporated in the total remuneration.

2.5. The remuneration system must, in a fair and verifiable way, be based on the company's success and the creation of the prerequisites for long-term growth. The basic salary level must be sized so as to be reasonable and all bonuses must be tied to profit performance. The annual profit-based compensation and the long-term incentive may not be based on the same criteria – the latter must be built on criteria and benchmarks extending over the course of many years.

2.6. Remuneration must be predictable and transparent so that everyone involved can assess its efficiency. Multi-annual schemes are agreements to which both the company and those involved are committed. It is necessary in the general formulation of the remuneration terms to prepare for situations and circumstances in which changes that are beyond the company's control could lead to harmful or unreasonable results. In such situations, it must be possible to cut compensations agreed in remuneration schemes or at least postpone their payment to a later date that better suits the company. It must also be possible to cancel or recollect any compensation received through manipulation of indicators or other illegal or unethical procedures.

2.7. A profit-based compensation may not account for more than 40 per cent of the basic salary paid during the year of evaluation, unless there are special grounds for deviation. If the earlier maximum profit-based compensation has been less, the raise compensates any simultaneous increases in the basic salary.

2.8. The minimum duration of long-term incentives is three years and the maximum remuneration is 100 per cent of the basic salary paid during a scheme. If three-year schemes are launched each year, the maximum total sum of such roll-over schemes per annum may not exceed 100 per cent of the basic salary paid that year.

2.9. Remuneration schemes in which the recipient is required to make a significant investment in the company can also be used within the maximum levels specified in the guidelines. Any value rise in the investment will not be taken into account in the application of the maximum limits.

3. Payment of remuneration and payment terms

3.1. Annual profit-based compensations are primarily paid in the form of money. In listed companies, long-term incentives are primarily compensated as a combination of the company's own shares and money so that the proportion of shares is about 40 per cent. In shareholders' meetings, the State will not approve the use of option schemes in remuneration.

3.2. When compensation in the form of shares is used, the recipient will become the owner of the shares, and ensuing taxes will be paid at the end of the remuneration period after the amount of remuneration has been confirmed. Relinquishment of the shares is forbidden for the duration of three years. Any deviation from this provision can be authorised by the board of directors only on special grounds. The maximum remuneration rule prescribed in item 2.8 is applied at the time of payment. Thereafter, any rise in share value will benefit the recipients and a downturn will be their loss.

3.3. In unlisted companies, long-term incentives are paid in the form of money. The aim is to introduce remuneration terms that increase sustainability of the schemes and correspond to the objectives of the share-based remuneration schemes. As the relinquishment of shares in share-based remuneration schemes is forbidden for a period of three years, 40 per cent of the remuneration in the form of money can also be transformed into a three-year loan from the recipient to the company. The loan interest is to correspond to the company's return on equity as shown in the financial statements adopted and there is no impact caused by one-off payments. The loan period can only be shortened through a decision made by the board of directors on special grounds.

3.4. One key objective in long-term incentives is to harmonise the interests of remuneration recipients and shareholders. In listed companies, the executive management should own an amount of company shares equivalent to their annual fixed gross salary at minimum throughout the entire term in the position, at least when the possession of shares has been gained through share-based remuneration schemes.

3.5. The deviation clause and possibility of recollecting compensations referred to in item 2.6 must, in accordance with the scheme terms, be valid throughout the entire period of the relinquishment prohibition of shares and the loan contract on compensations paid in the form of money. If the recipient of a compensation resigns or his/her service or employment contract is terminated due to financial obscurities or any suspicion of malpractice before the relinquishment prohibition or loan contract ends, the remuneration returns to the company without any compensation to the recipient.

4. Pension agreements, terms of dismissal and ensuing expenses

4.1. Terms permitting exorbitant pension benefits and retirement before the general retirement age, i.e. 63 years at the time the guidelines are issued, must not be accepted in the service contracts of managing directors and other executives.

4.2. Pension expenses must be treated as part of total salary in all cases when agreement is to be reached on supplementary pensions deviating from employees' standard pension and when relating payments are to be made by the employer. In new pension agreements, terms guaranteeing a minimum level of pension (the so called defined benefit) must not be applied. Instead, an additional pension (the so called defined contribution) paid by the employer can be settled. The amount of such contribution must be disclosed.

4.3. Total expenses arising from the remuneration of the managing director and other key staff, including pension expenses, must conform to the company's general salary and remuneration policy. Exceptionally high pension expenses can be approved only in special cases, for example, when a key employee is recruited to Finland from abroad.

4.4. With respect to the salary payable to managing directors and other executive management during the term of notice and their severance pay, the aim must be to find solutions in line with the general practices or close to them. As concerns the managing director, the maximum compensation should be a one-off remuneration equivalent to the salary of a 12-month term of notice and a 12-month salary. The maximum compensation payable to key employees under an employment contract should be clearly lower.

5. Remuneration of boards of directors and supervisory boards

5.1. Remuneration applying to the chairmen and members of the boards of directors must remain commensurate with that of the competitors and other similar companies. Determination of the remuneration applied to the chairman needs to take account of the extent of his/her role and duties in the company.

5.2. In listed companies, remuneration proposals and State opinions presented at the shareholders' meetings are based on evaluations made on the basis of a comparison material covering, at inimum, all Finnish listed companies. For the determination of remuneration, unlisted companies are categorised according to their size, type of business and other company-specific grounds.

5.3. Remuneration applied to the members of boards of directors can be paid in the form of shares in listed companies if this is the common practise in typical competitor companies or if there are other company-specific grounds. Option schemes for boards of directors may not be applied, and board members cannot be rewarded via the remuneration schemes applied to management and key employees.

5.4. Compensation payable to chairmen and members of supervisory boards must primarily be assessed on the basis of their tasks and responsibilities.

6. Transparency and publicity

6.1. The same degree of transparency and availability of information on remuneration is required of a company in which the State is a major owner as of listed companies under the Corporate Governance Code applied to them.

6.2. In order to achieve the necessary degree of openness, the company is required to disclose – either in its printed annual report, or in default of such a report, in some other, appropriate way – relevant information on its remuneration system. At least the realised benefits of the managing director and the board of directors must be disclosed yearly by the end of April.

6.3 The State as a shareholder will ensure that the information regarding wholly state-owned companies and state majority-owned companies can be found via one web address (valtionomistus.fi). The web pages on ownership steering will provide direct links to the web pages of listed state-owned and associated companies. Information available on unlisted companies will include:

1. Company name and the State's shareholding and votes.

2. The article of the line of business appearing in the Articles of Association.
3. The income statement, or the summarised income statement, and the balance sheet for the previous financial year.

4. The managing director's name, total remuneration paid to him/her during the previous calendar year, and a description of his/her remuneration components.

5. The retirement age of the managing director, the formation of his/her pension, and information on any supplementary pension schemes and their expenses.

6. The managing director's term of notice, salary of the term of notice and information of any other compensation to be paid on the grounds of giving notice.

7. Information on the size of the board of directors and of any group of key staff, as well as on the decision-making procedure and principles of remuneration schemes applying to them, such as the division into fixed and variable parts of salary and other compensation, key data on the determination of the variable parts of salary and other compensation, shares and share-based compensation schemes and supplementary pension schemes.

8. The name of the chairman, vice-chairman and members of the board of directors, and their total remuneration, including the criteria for its determination. If the board of directors has received any share-based compensation, the number of shares must be noted.

9. Information on performance-based and profit-based bonuses, staff funds and any other remuneration mechanisms within the remuneration system applying to other staff.

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