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**ELEKTROBIT GROUP PLC'S FINANCIAL STATEMENTS BULLETIN 2003**

Like the previous year, the last quarter of 2003 was the best of the financial year in terms of net sales and operating profit. Both figures were higher than in the other quarters and also exceeded the level of the last quarter of 2002.

Comparisons between the fourth quarter of 2003, October to December, and the pro forma figures of the corresponding period a year earlier:

- Net sales 43.3 million euro (38.9 million euro, representing an increase of 4.4 million euro or 11.3%). The net sales of the Testing business unit increased considerably compared to the previous year, net sales of the Contract R&D remained at the level of the previous year, and the net sales of Automation Solutions business units decreased from the level of the fourth quarter of 2002.
- Operating profit 5.8 million euro (3.5 million euro, an increase of 2.3 million euro and 64.8%).
- Equity ratio 58.6% (53.4%).
- Cash flow from operations 13.0 million euro (4.1 million euro, an increase of 9.0 million euro and 221%).

Financial year 2003 compared with 2002 (pro forma 2002 figures in brackets)

- Net sales 148.6 million euro (136.5 million euro, representing an increase of 12.1 million euro or 8.9%). The net sales of the Contract R&D business unit, 58.8 million euro (61.3 million euro, decrease of 2.5 million euro or 4.1%), the net sales of the Testing business unit, 67.9 million euro (44.6 million euro, increase of 23.3 million euro or 52.3%), and the net sales of the Automation Solutions business unit, 21.9 million euro (30.6 million euro, decrease of 8.7 million euro or 28.5%).
- Operating profit 16.1 million euro (0.7 million euro, an increase of 15.4 million euro).
- Cash flow from operations 21.6 million euro (-1.7 million euro, an increase of 23.3 million euro).

The figures presented in this financial statement bulletin are compared with the pro forma figures for 2002. The pro forma accounting principles applied in 2002 are described later in this report.

The quarterly distribution of the Group's overall net sales and profit was the following:

MEUR	10-12/03	7-9/03	4-6/03	1-3/03	10-12/02
Net sales	43.3	36.0	33.9	35.4	38.9
Operating profit	5.8	5.1	1.6	3.6	3.5
Profit before taxes	4.8	4.7	1.2	3.1	3.5
Net profit	2.5	3.7	0.2	1.7	3.6

When comparing the net profit for the last quarter of 2003 with that of the last quarter of 2002, it should be noted that due to the loss posted in 2002, the quarters of that year are not burdened by any income taxes at all.

Net sales by business unit have developed as follows:

MEUR	10-12/03	7-9/03	4-6/03	1-3/03	10-12/02
Contract R&D	17.0	12.1	15.8	13.9	16.9
Testing	21.3	17.8	13.3	15.5	14.5
Automation Solutions	5.0	6.1	4.8	6.0	7.5
Total	43.3	36.0	33.9	35.4	38.9

#### REVIEW OF THE OPERATING ENVIRONMENT AND BUSINESS OPERATIONS IN 2003

The business environment is estimated to be similar to that of the year 2002 and thus remain challenging for the entire year. The market visibility is short and assessing the development of operations is, therefore, still very difficult. The increasing volumes of mobile telephones, and particularly the increasing numbers of new phone models, create preconditions for future growth. The increasing share of advanced smart phones in the total volume adds to the importance of product development, particularly in the field of software engineering. On the other hand, the volume of business related to mobile phone networks decreased during the year. This could mainly be seen as a decrease in demand for base station-related product development. Our client industries still have overcapacity in production, which keeps the level of automation investments low. The demand for automation solutions during the second half of the year remained at a lower level than previous estimated.

In order to improve profitability, the efficiency measures started in the Elektrobit Group in 2002 continued during year 2003. During 2003, the number of personnel in the Tallinn unit decreased by a

total of 42, in the Oulunsalo unit by 10 employees and in the Seattle unit of Elektrobot Inc. by 24 employees.

However, the number of personnel turned to a new increase in the fourth quarter, amounting to 1088 employees at the end of 2003. New personnel were recruited to the Contract R&D and Testing business units. For the first, second and third quarter, efficiency measures and other non-recurring costs, totaling approximately 2.3 million euro, were recorded. Efficiency improvement measures continued in the Italian unit during the fourth quarter. The measures in Italy will be completed during the first quarter of 2004. The corporate structures within the Automation Solutions business unit were made clearer by initiating measures to reduce the number of companies and establish a master company. The new master company is called Elektrobot Automation Ltd, and the Group's automation business conducted in Finland will be concentrated in this company. The arrangement also included reconsideration of the goodwill attributed to the acquisition of the CMS business and an additional non-recurring depreciation of 1.1 million euro. Furthermore, a write-down of 0.3 million euro was booked in the fourth quarter for the real estate company Kiinteistö Oy Lunkintie. This means that the efficiency improvement measures in 2003 involved the booking of non-recurring expenses for a total of 3.7 million euro.

The net sales by market area was as follows:

MEUR (%)	10-12/03	7-9/03	4-6/03	1-3/03	1-12/03	1-12/02
Asia	4.5 (10%)	6.3 (17%)	3.9 (12%)	6.6 (19%)	21.3 (14%)	13.6 (10%)
Americas	4.4 (10%)	8.7 (24%)	5.5 (16%)	5.0 (14%)	23.7 (16%)	27.4 (20%)
Europe	34.4 (79%)	21.0 (58%)	24.5 (72%)	23.8 (67%)	103.6 (70%)	95.5 (70%)

The share of Asia in the second quarter was burdened by the impact of the SARS epidemic on the entire industry. This had a particular impact on the sales of automation and testing systems in the region. Third quarter net sales in the Americas is positively affected by increased production test equipment deliveries. For the entire year, the share of net sales generated in the Americas was burdened by the difficult situation in the Contract R&D business area.

#### RESEARCH AND DEVELOPMENT IN 2003

During 2003 the Elektrobot Group continued to invest in the practical application of future technologies in the field of radio channel research in particular, in the adoption of new technology in the Contract R&D business, and in the development of new products in the Automation Solutions and Testing

business. The research and development expenses in 2003 amounted to 9.8 million euro (compared with 14.4 million euro in 2002); the decrease in research and development expenses in comparison with 2002 is primarily due to the decreased number of so-called Risk/Reward projects.

#### CONTRACT R&D BUSINESS OPERATIONS IN 2003

During 2003, the business environment for Contract R&D remained similar to 2002. Net sales during 2003 amounted to 58.8 million euro (61.3 million euro), which was slightly less than expected.

During the period under review, Elektrobit and the Finnish Defense Forces signed a three-year research and development contract for a software radio demonstrator for research and test purposes. The value of the contract is 12 million euro and the project will be completed in the beginning of 2006. In April, Elektrobit and Symbian signed a partnership agreement regarding participation in the design of Symbian OS(TM) advanced smart phones. In June, Elektrobit signed a Series 60 Competence Center agreement with Nokia.

Elektrobit continued to develop the ODE productization service concept in the field of advanced smart phones by signing two significant agreements. In April, Elektrobit and Symbian signed a Platinum Partner Agreement for engaging in the design of Symbian OS (TM) advanced smart phones. As a Platinum Partner, Elektrobit extends its productization solutions to the Symbian product family. The agreement provides Elektrobit Group with the opportunity to design for its clients advanced smart phones on the Symbian OS(TM) platform.

Elektrobit signed a Series 60 Competence Center agreement with Nokia in June. The agreement provides Elektrobit Group with the opportunity to co-operate with phone manufacturers who have licensed the Series 60 software platform intended for advanced smart phones. As a Series 60 Competence Center and a Symbian OS Development Kit license holder, Elektrobit can provide Series 60 equipment manufacturers with optimal software and hardware solutions ranging from single customized projects to comprehensive Series 60 integration projects. During the period under review additional personnel was hired to Elektrobit Ltd., to back up Symbian and Series 60 based business operations.

Net sales in the fourth quarter amounted to 17.0 million euro (16.9 million euro), which was according to expectations. Business developed according to plan in Europe and Asia. Business environment in Americas remained difficult.

#### TESTING BUSINESS OPERATIONS IN 2003

The Testing business unit continued to develop favourably. Net sales during 2003 amounted to 67.9 million euro (44.6 million euro). The business unit's share of the Group's total net sales increased to approximately 46 per cent, compared to 33 per cent in 2002. The growth was stronger than expected.

Net sales in the fourth quarter amounted to 21.3 million euro (14.5 million euro). Deliveries of product-specific production testing solutions and the demand for testing and optimization equipment for mobile phone networks continued at a good level. The demand for testing and simulation equipment for product development picked up slightly after a quiet summer season. The third and fourth quarter saw seasonal deliveries of production testing equipment. The deliveries of such equipment, however, are likely to continue on a lower level in early 2004.

In the fourth quarter Elektrobit Technologies Ltd acquired Nokia Corporation's minority holding in Nemo Technologies Ltd, which manufactures measurement instruments for mobile phone networks. After the acquisition Elektrobit Group held approximately 80% of the stock in Nemo Technologies Ltd.

#### AUTOMATION SOLUTIONS BUSINESS OPERATIONS IN 2003

The business unit's customer business areas continue to have excessive production capacity that, together with the unsure economic situation, keeps the volume of investments in automation low. In the current market situation, the Group's customer companies are focusing on enhancing their existing production capacity. This will continue to affect the demand for automation solutions. Oversupply also means that price competition in the industry is intense.

Net sales during the financial year amounted to 21.9 million euro (30.6 million euro), which was less than expected. The business unit still focused on the telecommunications industry, but, in accordance with the strategy, strove to increase the share of automotive electronics and shipped small pilot deliveries to the automotive industry. The roles and internal processes of the units were clarified during the period. The number of personnel in the Tallinn unit decreased by 42, and the unit will now focus even more clearly on the needs of the Test business unit. The responsibility for manufacturing material handling equipment was transferred from Oulunsalo to Kuopio in the third quarter. The transfer resulted in a reduction of 10 people in the Oulunsalo unit, in addition to which 2 employees transferred to the Kuopio unit. Efficiency measures were commenced in the Italian unit in December.

Net sales in the fourth quarter amounted to 5.0 million euro (7.5 million euro); which fell short of the expectations based on the improved outlook in the third quarter. The regional distribution of sales was similar to that of the previous quarters, and the focus remained in Europe.

#### BALANCE SHEET AND FINANCING

The figures presented in the balance sheet of December 31, 2003, have been compared with the balance sheet of December 31, 2002 (1000 euro).

	12/2003	12/2002
Non current assets	45 741	52 796
Inventories	12 297	14 903
Deferred tax receivables	1 366	6 500
Receivables	45 761	43 716
Short term investments	1	2
Cash and bank deposits	37 183	23 675
Total assets	142 350	141 593
Share capital	12 611	12 611
Other equity	67 762	58 747
Total equity	80 373	71 357
Minority interest	1 943	2 840
Deferred tax liabilities	69	46
Long term liabilities	21 085	28 840
Short term liabilities	38 879	38 510
Shareholders' equity and liabilities total	142 350	141 593

Cash flow from operations in 2003 was as follows:

+ net profit + depreciations	+17,9 million euro
+ minority interest	+0,3 million euro
+ decrease in working capital	+ 3,3 million euro
= net cash from operating activities	+21,6 million euro
- net cash used in investing activities	-3,2 million euro
- net cash used in financial activities	-5,1 million euro
= change in cash and cash equivalents	+13,4 million euro

The amount of accounts receivable, booked in current receivables, was 38.2 million euro, while accounts payable, booked in current liabilities, stood at 6.8 million euro.

The amount of non-depreciated consolidated goodwill at the end of 2003 was 5.0 million euro. Depreciation of goodwill during the financial year amounted to 4.0 million euro, including 1.1 million euro attributable to the non-recurring depreciation of the CMS business.

The amount of net investments in 2003 was 3.2 million euro. At 9.7 million euro, total depreciation in 2003 exceeded the net investments by 6.5 million euro.

The Group's other long-term investments include an investment portfolio with a book value of approximately 7.9 million euro that mainly consists of long-term bonds. The portfolio's market value at the end of the financial year was approximately 0.7 million euro higher than its book value.

The amount of interest-bearing debt at the end of 2003 was 39.1 million euro. The distribution of net financing expenses on the income statement was the following:

- interest and dividend income 0.5 million euro
- interest expenses -2.3 million euro
- foreign exchange gains and losses -0.4 million euro

The company's equity ratio at the end of the period was 58.6 per cent (compared with 53.4% at the end of 2002).

The financial statements of December 31, 2003, do not include any obligatory reserves referred to in Chapter 5, Section 14 of the Accounting Act.

The Group follows a currency strategy, the objective of which is to ensure the margins of business operations in market circumstances by minimizing the influence of exchange rates. In accordance with the principles of the currency strategy, the incoming 12-month net cash flow of the currency in question will be hedged. The net cash flow is determined on the basis of sales receivables, payables, the order book and the budgeted net currency cash flow. The hedged foreign currency exposure at the end of the review period was equivalent to 12.6 million euro. The market value of the hedging derivatives position at the end of the period was approximately 0.3 million euro. According to the

Group's book entry principles, the non-realized hedging profit is not recorded as income during the reporting period.

#### CHANGES IN GROUP STRUCTURE

Some changes in the Group structure were carried out in 2003, with the aim of creating a structure that would be clearer from a business viewpoint. There were no actual changes in business operations during the year.

In the first quarter, 10% of the shares in Ylinen Electronics Ltd were sold to the associated company PJ Microwave Oy, which reduced the Group's ownership to 60%.

The dissolution of Diatel Oy, Elektrobit's fully-owned subsidiary, through voluntary liquidation was completed in the third quarter. The re-evaluation of business value carried out in conjunction with the dissolution resulted in the decision to immediately write off the remaining business value of approximately 0.4 million euro in the consolidated financial statements. The operations of JOT Automation de Mexico S.A. de C.V. were discontinued.

In the fourth quarter Elektrobit Technologies Ltd acquired Nokia Corporation's minority holding of approximately 30% in Nemo Technologies Ltd. The acquisition increased Elektrobit Technologies Ltd's share of ownership to approximately 80 per cent. The rest of the minority holdings were acquired in January 2004. Elektrobit Group Plc. also acquired a minority holding of approximately 20% in JOT Automation Italia S.r.l in the fourth quarter. The acquisitions made the companies into fully-owned subsidiaries of the Group. The Group's shareholding in Elektrobit UK Ltd increased to 80 per cent when Elektrobit Technologies Ltd acquired a 15-per cent minority holding in the company. The dissolution of JOT Automation Sweden AB through voluntary liquidation was initiated and will be completed in the first quarter of 2004.

In December 2003 the Automation Solutions business in Finland was concentrated in a single company, whose name was changed to Elektrobit Automation Ltd as of January 1, 2004. In the same connection the master company for the Testing business, formerly known as JOT Automation Oy, changed its name to Elektrobit Testing Ltd.

#### CHANGES IN THE GROUP EXECUTIVE BOARD

Eero Halonen, the Director responsible for strategic resources in Elektrobit Group, started sabbatical leave on June 1, 2003. Ritva-Liisa Niskanen, LL.M, trained on the bench, was appointed a member of

the Group Executive Board as of June 1, 2003. Her area of responsibility is Strategic Resources. Erkki Veikkolainen, the Director responsible for the Contract R&D and Testing businesses, started sabbatical leave on January 1, 2004. Arto Pietilä, M.Sc. (Engineering), was appointed Director responsible for the Contract R&D business and a member of the Group Executive Board as of January 1, 2004. Juha Sipilä, CEO, will be responsible for the Testing business in addition to his existing tasks. Seppo Kuula, B.Sc. (Engineering) was appointed Director responsible for sales and marketing and a member of the Group Executive Board as of January 1, 2004.

#### BOARD OF DIRECTORS' AUTHORIZATIONS BY THE END OF 2003

The Annual General Meeting of the Shareholders' held on March 25, 2003 decided to authorize the Board of Directors to decide on a new issue, to grant option rights or to take convertible loans, in one or more installments. In the new issue or granting of option rights or taking of convertible loans a right can be given to subscribe for a maximum total of 94 454 750 shares, the accounting par value equivalent of which is 0.02 euro per share. On the basis of the authorization the share capital may be increased by a maximum of 1 889 095 euro. The total proposed amount corresponds to approximately 15 per cent of the currently registered share capital and the total voting rights. The authorization is valid until March 24, 2004, if the annual general meeting held on March 12, 2004, will not change the validity of the authorization.

The Board of Directors does not have authorization to repurchase the Company's shares or to transfer such repurchased shares.

#### NOTIFICATIONS IN ACCORDANCE WITH CHAPTER 2, SECTION 9 OF THE SECURITIES MARKET ACT

There were no changes in ownership during 2003 that would have caused an obligation of disclosure in accordance with Chapter 2, Section 9 of the Securities Market Act.

#### SHARE OPTION RIGHTS

Based on the authorization granted by the Extraordinary Shareholders' Meeting, held on October 1, 1999, the Board of Directors resolved in its meetings held on April 26, 2000 and September 4, 2000, to issue option rights to a maximum of 800 persons employed by the Company or its group companies. A maximum amount of 3 000 000 option rights were issued, which entitle to subscribe for a maximum of 3 000 000 shares in Elektrobit Group Plc. The subscription period for the warrants expired on January 31, 2001. As a result of the subscriptions the share capital of the Company may be increased by a maximum of 52 965,34 euro.

For the warrant C, the subscription period for shares commenced on February 28, 2001 and for the warrant D on February 28, 2002 and for the warrant E on February 28, 2003. For all warrants, the share subscription period for shares will end on March 31, 2005. The subscription price of the share is 5.60 euro per share reduced by the amount of dividends to be paid prior to the subscription of the shares. In accordance with the terms and conditions of the option rights, persons who resigned from the employment of the Company prior to February 28, 2003, have had to return, without remuneration, any warrants, for which the subscription period had not begun at the time of the termination of their employment.

#### BOARD OF DIRECTORS AND AUDITOR

The Annual General Shareholders' Meeting was held on March 25, 2003. The meeting re-elected Juha Hulkko, Tapio Tammi and Mika Kettula to the company's Board of Directors and appointed Matti Lainema, D.Sc. (Econ.) as a new member of the Board. The authorized accounting firm Ernst & Young Oy was elected as the company's auditor, with Rauno Sipilä, Authorized Public Accountant, as the primarily responsible auditor. The Board of Directors appointed Juha Hulkko as its Chairman at its meeting on March 25, 2003.

#### EVENTS AFTER 2003

The development of the Group structure will continue during 2004. As of January 1, 2004, the master company in the Automation Solutions business changed its name to Elektrobit Automation Ltd, and the master company in the Testing business changed its name to Elektrobit Testing Ltd. In order to make the Group structure clearer, the Group has also initiated JOT Automation CMS Ltd.'s merger with Elektrobit Automation Ltd and JOT Automation CMS Holding Ltd.'s merger with Elektrobit Automation Ltd. Other opportunities to make the Group structure clearer through reductions in the number of companies will also be investigated in 2004.

In January 2004 Elektrobit Technologies Ltd acquired all the minority holdings in Nemo Technologies Ltd and Elektrobit Inc. from key persons and currently holds the companies on a 100% basis.

In connection with preparations for the transition to IFRS/IAS-compliant reporting, the Group has investigated the transition to a procedure where the acquisition cost of inventories would include the fixed costs of acquisition and manufacturing. The new valuation principle will be adopted at the beginning of 2004. The change in the valuation principle will cause an increase of 0.6 million euro in the earnings for the first quarter of 2004.

#### TRANSITION TO IFRS/IAS REPORTING

The Group is making preparations to comply with the International Financial Reporting Standards (IFRS/IAS) from the beginning of 2005 onwards. The most significant changes associated with IFRS/IAS reporting will be caused by the recognition of leasing contracts on the balance sheet, using the market value of derivatives contracts and using consolidated goodwill testing instead of depreciation.

More detailed information on the effects of IFRS/IAS reporting on the Group's income statement, balance sheet and key indicators will be available during 2004.

#### OUTLOOK FOR THE FINANCIAL YEAR 2004 AND ITS FIRST QUARTER

The operating environment in 2004 is expected to remain similar to that of 2003. The market visibility is short and therefore assessing the development of operations is still very difficult. The Group carried out extensive reorganization of operations in 2002 and 2003. Thanks to the measures taken, the company can now better focus on long-term development in accordance with its values. The company's primary objective for 2004 is to ensure long-term development and continuity by adding resources to sales, marketing and competence development, as well as research and development. In addition to this, the company aims for a moderate increase in net sales and profitability in 2004.

Increased profitability is based on the efficiency improvement measures taken in 2002 and 2003, as well as the continuing improvement and development of our operations after these measures. Our growth target is based on new customer relationships in the Contract R&D business unit and on new business opportunities and products in the Testing business unit. The company estimates that the business environment for the Automation Solutions business unit and the business associated with mobile phone networks will slightly improve in comparison with the previous year.

Owing to the nature of the company's business, fluctuations are still to be expected between quarters. The Group expects net sales to be similar or slightly higher in the first quarter of 2004 compared to the first quarter of 2003. The first-quarter operating profit is expected to remain at substantially the same level as that of the first quarter 2003.

#### PROPOSAL FOR THE DISTRIBUTION OF PROFITS

According to the Group's balance sheet, December 31, 2003, the Group's retained earnings were 12 907 243 euro, of which the distributable earnings are 12 766 579 euro. According to the parent

company's balance sheet, December 31, 2003, the parent company's retained earnings were 33 272 164 euro, of which the distributable earnings are 33 272 164 euro.

The Board of Directors proposes to the Annual General Shareholders' Meeting that a dividend of 0.01 euro per share, a total of 6 305 256 euro, shall be paid for the financial year that ended on December 31, 2003, and that the rest of the profit, 1 817 776 euro, shall be booked as an increase in equity. The Board of Directors further proposes to the Annual General Shareholders' Meeting that the dividends shall be paid on Wednesday March 24, 2004.

In Oulunsalo, February 11, 2004

Elektrobit Group Plc.  
The Board of Directors

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Distribution:  
Helsinki Stock Exchanges  
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PRESS CONFERENCE

The Company will hold a press conference for media, analysts and investors on February 11, 2004 as follows:

Press Conference in Oulunsalo: at 8.00 am.

Elektrobit Group Plc.

Automaatitietie 1

Oulunsalo

Press Conference in Helsinki: at 1.00 pm.

Ravintola Savoy

Salikabinetit 2 and 3, 7th floor

Eteläesplanadi 14

Helsinki

The material presented during the press conferences (ppt file) will be available from 8.00 am. on February 11, 2004 on the company's website, [www.elektrobit.com/investors](http://www.elektrobit.com/investors)

FINANCIAL REPORTING IN 2004

In 2004 first quarter results will be published on May 5, second quarter results on August 4 and third quarter results on November 3.

Annual General Meeting

The Annual General Shareholders' Meeting will take place on Friday, March 12, 2004 at 2.00 p.m. in Oulunsalo-talo, Oulunsalo, Finland.

PRINCIPLES OF PREPARING FINANCIAL STATEMENTS BULLETIN

Handling of taxes

The following factors affect the amount of taxes in proportion to profit in the reporting period:

- Depreciation includes approximately 4.0 million euro of depreciation from consolidation goodwill (including a non-recurring depreciation of 1.1 million euro on CMS goodwill in the last quarter) . Depreciation of consolidation goodwill is not deductible in income taxation.
- A number of the Group's foreign subsidiaries have generated losses in the reporting period, and the deferred tax receivables corresponding to their losses have not been recorded in any part as an item decreasing the taxes on the income statement. During 2004, the Group will investigate the potential for utilizing losses from foreign companies as well.
- The taxes that decrease the earnings of the reporting period have been deducted from deferred tax receivables to the extent that deferred tax receivables were recorded in the 2002 financial statements. The deferred tax receivables have decreased by approximately 5.1 million euro during the reporting period, and remaining book value at the end of 2003 amounted to approximately 1.4 million euro.

The principles of pro forma accounting in 2002

The pro forma information covered the financial years 2001 and 2002. The pro forma information from 1.1.2001—31.12.2001 and 1.1.2002—31.3.2002 in the prospectus for the exchange of shares dated 23.5.2002, was adjusted to correspond to realized costs for the approximated foundation expenses and the transfer tax from the exchange of shares.

The combination of the JOT Automation Group and the Elektrobit Group took place on 31.5.2002. Both the pro forma and official consolidated financial statements were prepared in accordance with the Finnish Accounting Standards Board's act 1591/1999, which allowed the valuation of the shares of Elektrobit Technologies Ltd. (former Elektrobit Group Ltd.) in the balance sheet of Elektrobit Group Plc. so that no consolidation goodwill emerged.

The official Elektrobit Group from the period of 1.1.2002—31.12.2002 incorporated the JOT Automation business segment from the period of 1.1.2002—31.12.2002 and the Elektrobit business segment from the period of 1.6.2002—31.12.2002. The official Elektrobit Group from the period of 1.1.2001—31.12.2001 was previously reported as the JOT Automation Group.

The pro forma calculations were prepared in accordance with Finnish accounting principles. The information from both the Elektrobit Group and the JOT Automation Group were consolidated in the pro forma group for 2001, complying with the respective accounting principles adopted in their group financial statements.

The pro forma Elektrobit Group from the period of 1.1.2002—31.12.2002 incorporated both, the JOT Automation business segment and Elektrobit business segment from the period of 1.1.2002—31.12.2002. The acquisition cost of the shares of Elektrobit Technologies Ltd. was eliminated according to equity of the Elektrobit Group at the real acquisition date 31.5.2002

The pro forma information from the financial year 2001 is based on the Elektrobit Group's so called comparative information from 1.1.2001—31.12.2001 and the JOT Automation Group's official financial statement from 1.1.2001—31.12.2001. The comparative income statements of the Elektrobit Group from the financial year 2001 were prepared so that the figures of the income statement from the financial period of 1.9.2000—31.12.2001 were deducted with the figures from the financial period of 1.9.2000—31.12.2000 using the figures of interim financial statement of 31.12.2000.

Internal transactions in the pro forma group were eliminated and the presentation of the closing accounts for the results of the affiliated companies were standardized. For other parts the pro forma group's income statement was consolidated straight from the income statements of the Elektrobit Group and the JOT Automation Group. The fees arising from the combination (1.8 million euro) and transfer tax (2.4 million euro) were submitted as deductions of the equity in the pro forma balance sheets. Only the income taxes, 4.5 million euro, paid by the Elektrobit business segment in 2002, were recorded as imputed tax claim in the pro forma calculation. The rest of the imputed tax claim, 2 million euro, was recorded directly as addition to the shareholders'. For other parts, the pro forma balance sheet was compiled directly from the balance sheets of the Elektrobit Group and the JOT Automation Group.

The pro forma calculations were prepared according to the instruction "Pro forma financial information" of the Institute of Authorized Public Accountants. For the pro forma income statement the pro forma information was calculated assuming the combination had taken place at the beginning of the financial period, and for the pro forma balance sheet, at the end of the financial period. In the pro forma income statement of 2001 the combination has then assumed to have taken place at 1.1.2001 and at 1.1.2002 in the pro forma income statement of 1.1.2002—31.12.2002.

<b>ELEKTROBIT GROUP INCOME STATEMENT (MEUR)</b>	<b>Official</b>	<b>Pro forma</b>	<b>Official</b>
	<b>1-12/2003</b>	<b>1-12/2002</b>	<b>1-12/2002</b>
	<b>12 months</b>	<b>12 months</b>	<b>12 months</b>
NET SALES	148.6	136.5	105.0
Change in work in progress and finished goods	-1.0	0.0	-0.4
Other operating income	2.0	3.3	2.5
Expenses	-123.7	-128.5	-105.1
Depreciation	-9.7	-10.7	-9.0
OPERATING PROFIT	16.1	0.7	-7.0
Financial income and expenses	-2.3	-1.5	-1.1
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES	13.8	-0.9	-8.1
Extraordinary income and expenses	0.0	0.0	0.0
PROFIT BEFORE TAXES	13.8	-0.9	-8.1
Income tax	-5.3	0.0	3.8
Minority interest	-0.3	-0.3	-0.1
NET PROFIT	8.1	-1.1	-4.5

<b>ELEKTROBIT GROUP BALANCE SHEET (MEUR)</b>	<b>Official</b>	<b>Pro forma</b>	<b>Official</b>
	<b>31.12.2003</b>	<b>31.12.2002</b>	<b>31.12.2002</b>
<b>ASSETS</b>			
Non-current assets	45.7	52.8	52.8
Current assets			
Inventories	12.3	14.9	14.9
Receivables	47.1	50.2	50.2
Short-term investments	0.0	0.0	0.0
Cash and bank deposits	37.2	23.7	23.7
TOTAL ASSETS	142.3	141.6	141.6
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Share capital	12.6	12.6	12.6
Other equity	67.8	58.7	58.7

Total equity	80.4	71.4	71.4
Minority interest	1.9	2.8	2.8
Deferred tax liabilities	0.1	0.0	0.0
Long term liabilities	21.1	28.8	28.8
Short term liabilities	38.9	38.5	38.5
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>142.3</b>	<b>141.6</b>	<b>141.6</b>

**ELEKTROBIT GROUP CASH FLOW (MEUR)**

	<b>Official</b>	<b>Pro forma</b>	<b>Official</b>
	<b>1-12/2003</b>	<b>1-12/2002</b>	<b>1-12/2002</b>
	<b>12 months</b>	<b>12 months</b>	<b>12 months</b>

**CASH FLOW FROM OPERATING ACTIVITIES**

Profit before extraordinary items	13.8	-0.9	-8.1
Adjustments			
Depreciation according to plan	9.7	10.6	9.0
Share of results of associated companies	0.1	0.1	0.1
Financial income and expenses	2.3	1.5	1.1
Operating incomes and expenses booked in unrestricted equity		0.2	
Cash flow before change in net working capital	26.0	11.6	2.1
Change in net working capital			
Change in interest-free short-term receivables	3.1	-10.1	-29.1
Change in inventories	2.6	2.0	-3.1
Change in interest-free short-term payables	-2.4	-3.7	10.2
Cash flow before financing activities	29.2	-0.2	-19.9
Interest paid	-5.8	-5.4	-4.9
Dividends received	0.0	0.0	
Interest received	3.6	3.8	3.8
Income taxes paid	-5.3		3.8
Cash flow before extraordinary items	21.6	-1.7	-17.2
<b>Net cash from operating activities</b>	<b>21.6</b>	<b>-1.7</b>	<b>-17.2</b>

**CASH FLOW FROM INVESTING ACTIVITIES**

Purchase of tangible and intangible assets	-3.9	-29.3	-36.4
Proceeds from sale of tangible and intangible assets	0.8	2.9	2.5
Purchase of investments	-0.2	-0.2	-8.4
Proceeds from sale of investments	0.2	0.7	0.2
<b>Net cash used in investing activities</b>	<b>-3.2</b>	<b>-25.8</b>	<b>-42.1</b>

**CASH FLOW FROM FINANCIAL ACTIVITIES**

Proceeds from issuance of share capital		11.8	48.4
Proceeds from short-term borrowings	3.0		0.8
Repayment of short-term borrowings	-1.9	-1.6	-2.1
Proceeds from long-term borrowings	2.9	9.0	21.7
Repayment of long-term borrowings	-9.0		-10.2
Dividends paid	-0.2	-3.2	
<b>Net cash used in financial activities</b>	<b>-5.1</b>	<b>15.9</b>	<b>58.4</b>

<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>13.4</b>	<b>-11.6</b>	<b>-0.9</b>
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Cash and cash equivalents at beginning of period	23.7	35.4	20.8
Cash and cash equivalents at end of period	37.2	23.7	23.7
Change in cash and cash equivalents in balance sheet	13.5	-11.7	2.8
Difference in change in cash and cash equivalents	0.1	-0.1	3.7
Change in minority interest	-1.2	-1.5	2.5
Translation differences in non-current assets	0.3	0.2	0.0
Translation differences in shareholders' equity and group structure	1.0	1.2	1.2

<b>ELEKTROBIT GROUP QUARTERLY FIGURES (MEUR)</b>	<b>Official 10-12/2003</b>	<b>Official 7-9/2003</b>	<b>Official 4-6/2003</b>	<b>Official 1-3/2003</b>	<b>Pro forma 10-12/2002</b>
	<b>3 months</b>	<b>3 months</b>	<b>3 months</b>	<b>3 months</b>	<b>3 months</b>
NET SALES	43.3	36.0	33.9	35.4	38.9
Change in work in progress and finished goods	-0.9	0.1	-1.3	1.1	-0.5
Other operating income	0.4	0.6	0.8	0.3	0.6
Expenses	-33.6	-29.3	-29.7	-31.1	-33.3
Depreciation	-3.2	-2.4	-2.1	-2.1	-2.1
OPERATING PROFIT	5.8	5.1	1.6	3.6	3.5
Financial income and expenses	-1.0	-0.4	-0.4	-0.5	-0.1
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES	4.8	4.7	1.2	3.1	3.5
Extraordinary income and expenses	0.0	0.0	0.0	0.0	0.0
PROFIT BEFORE TAXES	4.8	4.7	1.2	3.1	3.5
Direct taxes	-1.9	-1.1	-1.0	-1.3	0.0
Minority interest	-0.4	0.2	0.0	-0.1	0.1
NET PROFIT	2.5	3.7	0.2	1.7	3.6

<b>ELEKTROBIT GROUP BALANCE SHEET (MEUR)</b>	<b>Official 31.12.2003</b>	<b>Official 30.9.2003</b>	<b>Official 30.6.2003</b>	<b>Official 31.3.2003</b>	<b>Pro forma 31.12.2002</b>
ASSETS					
Non-current assets	45.7	47.3	49.3	51.0	52.8
Current assets					
Inventories	12.3	13.5	13.4	15.4	14.9
Receivables	47.1	52.4	42.0	56.3	50.2
Short-term investments	0.0	0.0	0.0	0.1	0.0
Cash and bank deposits	37.2	27.7	31.9	20.6	23.7

TOTAL ASSETS	142.3	140.9	136.7	143.3	141.6
LIABILITIES AND SHAREHOLDERS' EQUITY					
Share capital	12.6	12.6	12.6	12.6	12.6
Other equity	67.8	65.3	61.5	61.3	58.7
Total equity	80.4	77.9	74.1	73.9	71.4
Minority interest	1.9	2.6	2.7	2.8	2.8
Deferred tax liabilities	0.1	0.0	0.0	0.1	0.0
Long term liabilities	21.1	23.0	27.5	28.3	28.8
Short term liabilities	38.9	37.4	32.4	38.1	38.5
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	142.3	140.9	136.7	143.3	141.6

**ELEKTROBIT GROUP FINANCIAL PERFORMANCE  
RELATED RATIOS**

<b>Official</b>	<b>Pro forma</b>	<b>Official</b>
<b>1-12/2003</b>	<b>1-12/2002</b>	<b>1-12/2002</b>
<b>12 months</b>	<b>12 months</b>	<b>12 months</b>

**INCOME STATEMENT, (MEUR)**

Net Sales	148.6	136.5	105.0
Operating profit	16.1	0.7	-7.0
Operating profit, % of net sales	10.8	0.5	-6.7
Profit before extraordinary items	13.8	-0.9	-8.1
Profit before extraordinary items, % of net sales	9.3	-0.6	-7.8
Profit before taxes	13.8	-0.9	-8.1
Profit before taxes, % of net Sales	9.3	-0.6	-7.8
Net profit	8.1	-1.1	-4.5

**PROFITABILITY AND OTHER KEY FIGURES**

Return on equity % (ROE)	10.8	-1.7	-8.6
Return on investment % (ROI)	16.4	5.4	-3.7
Interest-bearing net liabilities, (MEUR)	1.9	20.3	20.3
Net gearing, %	2.3	27.4	27.4
Equity ratio, %	58.6	53.4	53.4
(nominal, net of deferred taxes)			

Gross investments, (MEUR)	4.2	29.4	44.8
Gross investments, % of net sales	2.8	21.6	42.6
R&D costs, (MEUR)	9.8	14.4	9.3
R&D costs, % of net sales	6.6	10.5	8.8
Average personnel during the period	1 112	1 278	1 295
Personnel at the period end	1 088	1 179	1 179

<b>ELEKTROBIT GROUP ADJUSTED NUMBER OF SHARES (1000 PCS)</b>	<b>Official 31.12.2003</b>	<b>Pro forma 31.12.2002</b>	<b>Official 31.12.2002</b>
At the end of period	630 526	630 526	630 526
Average for the period	630 526	616 383	442 435
Average for the period diluted with stock options	595 787	613 980	440 032

<b>ELEKTROBIT GROUP STOCK-RELATED FINANCIAL RATIOS (EUR)</b>	<b>Official 1-12/2003 12 months</b>	<b>Pro forma 1-12/2002 12 months</b>	<b>Official 1-12/2002 12 months</b>
Earnings per share	0.01	0.00	-0.01
Stock options diluted earnings per share	0.01	0.00	-0.01
Equity per share (nominal, net of deferred taxes)	0.13	0.11	0.11
Dividends per share *)	0.01		0.0
Dividends per earnings, %	77.6		0.0
P/E ratio	39.6		-28.78
Effective dividend yield, %	1.96		0.0

\*) According to Board's proposal, year 2003

<b>ELEKTROBIT GROUP MARKET VALUES OF SHARES (EUR)</b>	<b>Official 1-12/2003</b>	<b>Official 1-12/2002</b>
Highest	0.66	0.68
Lowest	0.27	0.25

Average	0.44	0.41
At the end of period	0.51	0.29
Market value of the stock, (MEUR)	321.6	182.9
Trading value of shares, (MEUR)	50.1	41.1
Number of shares traded, (1000 PCS)	112 720	100 987
Related to average number of shares %	17.9	22.8
<b>ELEKTROBIT GROUP SECURITIES AND CONTINGENT LIABILITIES (MEUR)</b>	<b>Official 31.12.2003</b>	<b>Official 31.12.2002</b>
<b>AGAINST OWN LIABILITIES</b>		
Floating charges	29.8	29.9
Mortgages	19.7	6.7
Pledges	10.2	6.7
Mortgages are pledged for liabilities totalled	34.6	40.0
<b>ON BEHALF OF OTHERS</b>		
Guarantees	0.2	0.0
<b>OTHER DIRECT AND CONTINGENT LIABILITIES</b>		
Leasing liabilities		
Falling due in the next year	2.0	1.6
Falling due after one year	1.8	2.1
Rental liabilities		
Falling due in the next year	0.8	0.1
Falling due after one year	1.0	0.4
Repurchasing liabilities		
Falling due in the next year	0.1	0.1
Falling due after one year	0.5	0.6
Repurchase commitments	1.7	1.7

<b>ELEKTROBIT GROUP NOMINAL VALUE OF CURRENCY DERIVATIVES (MEUR)</b>	<b>Official 31.12.2003</b>	<b>Official 31.12.2002</b>
Foreign exchange forward contracts		
Market value	0.3	0.5
Nominal value	12.6	20.5