

HELKAMA



HELKAMA EMOTOR CONSOLIDATED – FISCAL PERIOD 2008/2009

HELKAMA EMOTOR CONSOLIDATED

From the beginning of the year 2010, the conglomerate businesses have been owned by the newly named holding company Helkama Emotor Oy. The cable business has been moved into a subsidiary named Helkama Bica Oy.

The fiscal period of the former Helkama Bica Consolidated lasted exceptionally 16 months, from 1.9.2008 to 31.12.2009. In April 2009, Helkama Bica made a 60% acquisition of Suomen Polkupyörätukku Oy, the biggest bicycle retail chain in Finland.

The consolidated sales revenues of the group reached EUR 76.6 million, and the fiscal year turned out to be profitable, showing a consolidated income of EUR 2.6 million. The number of personnel was 330 in total, and the equity ratio remained strong at 71%.

The associate company, Helkama-Auto Oy, had an excellent year in 2009 with Skoda reaching a 6.8% share of the Finnish car market. Helkama-Auto also strengthened its position in the car rental business. Running Avis car rental in Finland was added to by taking over Budget.

Despite the hard economic times, we are looking positively to the fiscal year 2010 and expecting the consolidated turnover to grow and the result to stay approximately at the same level.

HELKAMA BICA AND HELKAMA BICA SHANGHAI

Sales by Helkama Bica's main business, marine cables, totalled EUR 45.4 million including sales by its Shanghai subsidiary. Exports accounted for 88% of the marine cable sales revenues of Helkama Bica.

Sales of industrial cables were EUR 7.5 million with a 41% share for exports.

Both Helkama Bica and Helkama Bica Shanghai had profitable fiscal years. The operating profit of Helkama's cable business was EUR 2.2 million.

Helkama Bica's cables were sold to 45 countries, mainly in Europe and Asia. Helkama Bica employs 137 persons in Finland and 63 persons in China. The three production sites are located in Kaarina, Hanko and the Fengxian district of southern Shanghai.

HELKAMA VELOX

The fiscal year 2008/2009 was very challenging for Helkama Velox. The turnover grew to EUR 16.1 million, but the fiscal year turned out to be unprofitable. The bicycle market collapsed during spring 2009. There was not enough demand for Finnish-made bicycles and the company had to cut down the number of workers. The share of subcontracted bicycles continued to grow.

The success of our most sold bicycle jopo continued in Finland. The 3rd generation 3-speed version 'jopo3' was launched. Altogether, some 15.000 jopos were sold. The cooperation with S-Group/Prisma department stores grew.

Electrically assisted bicycles started to get a foothold in Finland. Helkama's new trekking pedelec TE2800 won the pedelec test in Tekniikan Maaailma magazine predominantly with the maximum of five stars. The export volume was highest to Sweden and Switzerland. Exports made about 10% of the turnover.

Helkama Velox Oy was split to the new Helkama Velox Oy and Helkama Velox Kiinteistö (Properties) Oy from January 1st, 2010. The latter is to be merged to the parent

company Helkama Emotor during spring 2010.

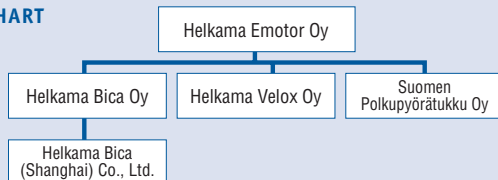
We estimate the bicycle market to stay at approximately the same level during the next fiscal year. We will put emphasis on both domestic and export sales, where our focus is on institutional customers for the electrically assisted bicycles.

SUOMEN POLKUPYÖRÄTUKKU

The sales revenues of Suomen Polkupyörätukku grew by about 5%, to EUR 11.5 million, which was

excellent in the current market situation. Suomen Polkupyörätukku sold approximately 45 000 bicycles, equalling a 20% growth in units. A significant share of this growth came from sales to large wholesale customers. The sales of fitness equipment dropped by 18%, and the share of sales in parts and services grew as planned. The operating profit was EUR 0.56 million and the equity ratio 85% at the end of the year. The company has 22 retail shops and a personnel of 68.

ORGANIZATION CHART



CONSOLIDATED INCOME STATEMENT (MILLION EURO)

1.9.2008–31.12.2009

Sales Revenues	76.6
Other Operating Income.....	0.4
Operating Expenses	75.2

Operating Profit	1.8
Financial Items.....	-0.2
Share of Profit of Assoc. Companies.....	1.7
Taxes.....	-0.3
Minority Share	-0.4

Net Income..... 2.6

CONSOLIDATED BALANCE SHEET (MILLION EURO)

31.12.2009

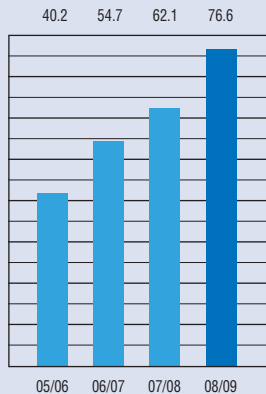
Fixed Assets	14.7
Inventories & Receivables	31.6
Cash and Bank Deposits	3.3

Total Assets

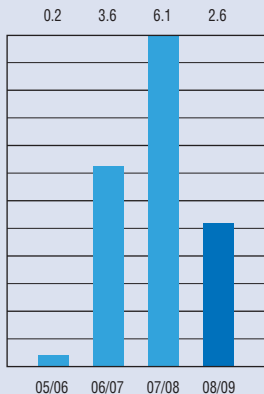
49.6	
Shareholders' Equity	1.6
Increased Capital	33.5
Long Term Liabilities	5.7
Current Liabilities	8.8
Deferred Tax Liability	0.0

Equity & Total Liabilities ... 49.6

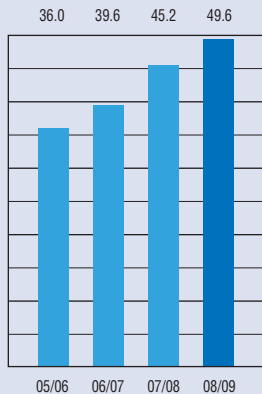
SALES REVENUES (MILLION €)



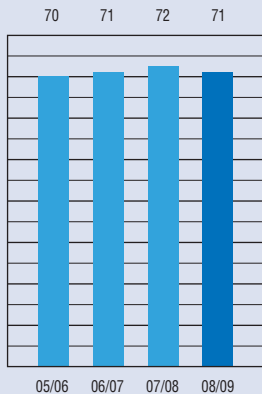
NET INCOME (MILLION €)



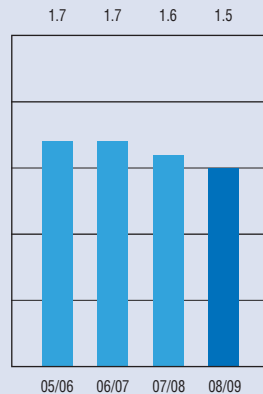
TOTAL ASSETS (MILLION €)



EQUITY RATIO (%)¹⁾



QUICK RATIO²⁾



AUDITORS' REPORT*

The above figures are from the annual accounts, drawn up in accordance with accepted accountancy practice.

* an abridgement of the official closing of the accounts

Kirkkonummi, 4.3.2010
Osma Soinio, Authorized Public Accountant

$$1) \text{ Equity Ratio} = \frac{\text{Equity}}{\text{Total Assets}} \times 100$$

$$2) \text{ Quick Ratio} = \frac{\text{Cash} + \text{Acc. Receivable}}{\text{Current Liabilities}}$$

CORPORATE VALUES

- Enthusiasm is the driving force of real success.
- Our internal motto is: perform your own job impeccably and show understanding and support for your fellow workers.
- We believe in simple systems and plain hard work – we keep things as simple as possible.
- A well-run company is welcomed by its customers – a poorly run company is of no use to anybody.
- The Customer is our employer – business is a servant of its surrounding society.

HELKAMA COMPANIES

Helkama Emotor group is a part of a genuine Finnish family enterprise with roots stretching back four generations. Other Helkama enterprises include

- Suomen Koneliike, industrial holdings, has a subsidiary Helkama Forste, a leading European manufacturer of commercial coolers
- Uttera, a logistics specialist
- Helkama-Auto, a joint venture of Suomen Koneliike, Uttera, and Helkama Emotor, imports Skoda automobiles and runs Avis and Budget car rentals in Finland.

Helkama Emotor
Managing Director
Satu Helkama



Helkama Bica
Managing Director
Timo Vesala



Helkama Bica Shanghai
Managing Director
Esa Veijalainen



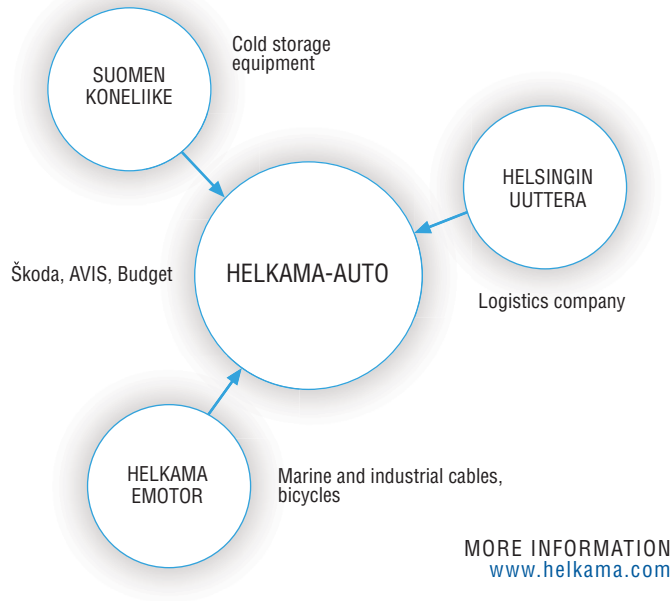
Helkama Velox
Managing Director
Jari Elamo



Suomen Polkupyörätukku
Managing Director
Jouni Hermansson



HELKAMA COMPANIES



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