

HELKAMA



HELKAMA EMOTOR GROUP

FISCAL YEAR 2010

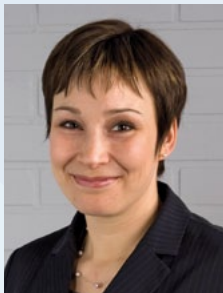
Helkama Emotor Group

2010 was Helkama Emotor Group's first year of operating with the new Group structure and name. The parent company, Helkama Emotor, is centrally in charge of the Group's financial and IT administration, as well as investments and the related properties. The cable business was transferred from the parent company into a subsidiary. This was a very difficult year for the cable business, both for the Finnish Helkama Bica and the Chinese subsidiary Helkama Bica Shanghai. As for the bicycle businesses, Helkama Velox clearly improved its profit, whereas the financial result of Suomen Polkupyörätukku remained lower than usual due to certain one-off items. The second phase of negotiating the acquisition of Suomen Polkupyörätukku took place in autumn 2010, and the acquisition was completed in January 2011, making Suomen Polkupyörätukku a wholly-owned subsidiary of Helkama Emotor.

The associate company Helkama-Auto had a record-breaking year in 2010, both in terms of profit and the number of cars sold. A total of 9,270 Skodas were registered in Finland, which put the make in the third place in the registration ranking with a market share of 8.2%. The Avis and Budget car rental business achieved profitable growth. On 1 January 2010, the real estate property of Helkama-Auto was transferred to a new company called Helkama-Kiinteistöt Oy with the same ownership structure as Helkama-Auto.

The sales revenues of Helkama Emotor Group for 2010 totalled EUR 60.9 million and the consolidated operating profit was EUR 1.11 million. The Group's equity ratio remained strong at 65.8%. The average number of personnel was 322.

The budgets for the current fiscal year feature moderate sales revenue growth for all Group companies, and profitability improvement is expected in all business areas.



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
Denis Romi

Helkama Bica Oy and Helkama Bica (Shanghai) Co., Ltd.

Sales in Helkama Bica's main business, marine cables, decreased 7% to EUR 31.7 million for both the Finnish and Chinese businesses. Exports accounted for 82% in marine cable sales in Finland. The sales revenue for industrial cables totalled EUR 4.1 million with a 42% share for exports.

Both Helkama Bica and Helkama Bica Shanghai accounted loss for the fiscal year. The main reason for this was the drop in sales due to decreased demand in the latter half of the year. Cables were sold to a total of 59 countries with Europe and Asia as the main export regions. Helkama Bica employed 133 people in Finland and 62 in China. Its three production sites are located in Hanko and Kaarina, Finland, and in the Fengxian district of southern Shanghai.

Marine cable sales are expected to rise in the current fiscal year, as ship orders increased globally already in 2010 and the Group's order base was strengthened in early 2011.

Helkama Velox Oy

Helkama Velox Oy sold a total of 48,300 bicycles in 2010. In addition to the Helkama brand, a new brand, Merida, was also represented. The company's turnover was EUR 15.6 million, which represents a growth of 24.4% from the past 12-month period. The company's profitability also improved clearly. The proportion of exports in the turnover was 10% with Germany, Sweden and Switzerland as the most important export destinations. The transfer of jopo production back to Finland aroused a lot of positive attention, which contributed to the sales of basic jopo bikes that increased to a record level of over 19,000 items. Co-operation with the Prisma hypermarket chain was further developed. At the end of the fiscal year, the company had 55 employees.

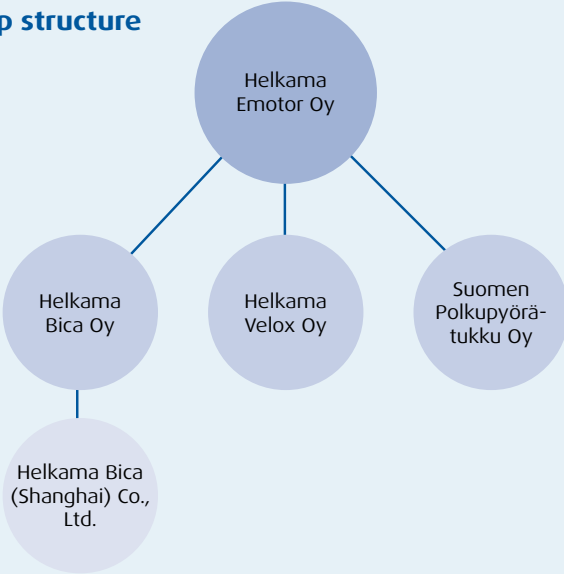
Helkama Velox started the fiscal year 2011 in a good position. Its retail sales network is stronger and more versatile than ever, and consumers' trust in the Helkama brand is at a high level.

Suomen Polkupyörätukku Oy

In fiscal 2010, Suomen Polkupyörätukku sold a little over 35,500 bicycles. The share of Insera was 54.3%, Montana 22.5% and Helkama 7.6%. The company's turnover was EUR 10.4 million, which represented a decrease of 2.2% from the past 12-month period. Six new outlets were opened during the year, which reinforced the position of Suomen Polkupyörätukku as the biggest bicycle retail chain in Finland. The average number of personnel during the fiscal year was 59. Denis Romi became the company's Managing Director in autumn 2010.

After the completion of the second phase of the acquisition, the development of Suomen Polkupyörätukku will proceed at a brisk pace in the current year. The outlets will get a more contemporary appearance, attention will be paid to better service, and the product range will be expanded. In the first quarter of the year, five new outlets have been opened, some of which have replaced old ones.

Group structure



CONSOLIDATED INCOME STATEMENT (EUR million)

1.1.-31.12.2010

Sales revenues.....	60.9
Other operating income.....	0.2
Operating expenses	62.5

Operating profit	-1.4
Financial income and expenses.....	-0.4
Share of profit of assoc. companies.....	3.3
Income taxes	0.2
Minority share.....	0.2

Profit for the fiscal period 1.1

CONSOLIDATED BALANCE SHEET (EUR million)

31.12.2010

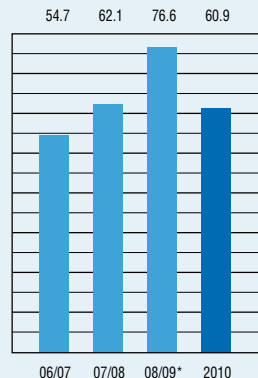
Shares in associated companies	9.7
Other fixed assets	6.1
Inventories and receivables	30.6
Cash and bank deposits	4.9

Total assets 51.3

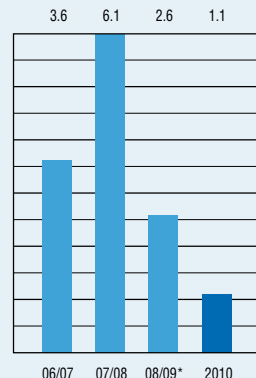
Shareholders' equity	1.6
Increased capital	32.1
Long-term liabilities	4.4
Short-term liabilities	13.2

Total liabilities 51.3

TURNOVER (EUR million)



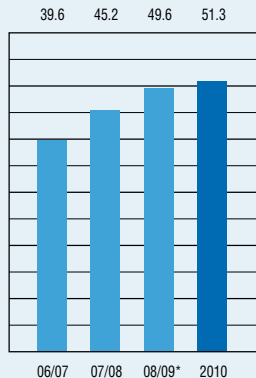
PROFIT/LOSS (EUR million)



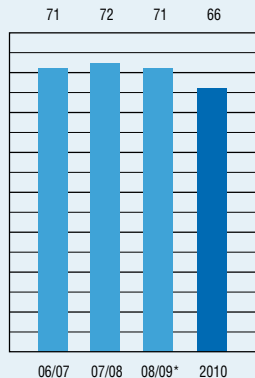
Auditors' report

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

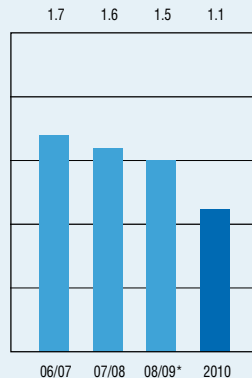
TOTAL ASSETS (EUR million)



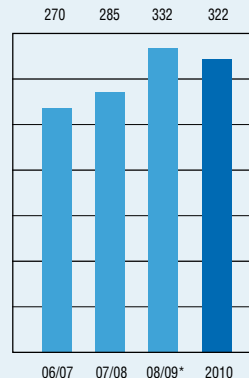
EQUITY RATIO (%)¹⁾



QUICK RATIO²⁾



PERSONNEL



CORPORATE VALUES

- Enthusiasm
- Skill, understanding and support
- Simple systems, hard work
- Well-run company
- Serving customers and society

Raasepori, 14 April 2011
Osmo Soinio,
Authorised Public Accountant

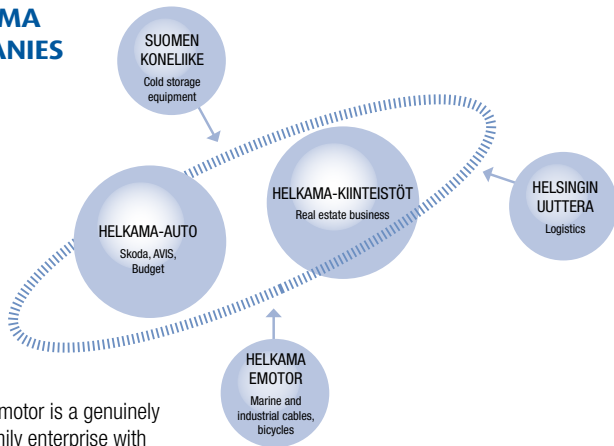
The auditor's report is a summary of the official financial accounts.

$$1) \text{ Equity ratio} = \frac{\text{Equity}}{\text{Total assets}} \times 100$$

$$2) \text{ Quick ratio} = \frac{\text{Cash} + \text{accounts receivable}}{\text{Current liabilities}}$$

The fiscal period 08/09* was extended

HELKAMA COMPANIES



Helkama Emotor is a genuinely Finnish family enterprise with roots stretching back four generations.

The Helkama companies also include Suomen Koneliike operating in the cold storage industry, and Uuttera specialising in logistics. Helkama-Auto, the importer of Skoda cars, and Helkama-Kiinteistöt operating in the real estate business, are associated companies. Helkama Rent is a subsidiary of Helkama-Auto running the Avis and Budget car rental businesses in Finland. Helkama celebrated its 100th anniversary in 2005.

HELKAMA EMOTOR Oy
Lasitehtaankatu 12,
FI-10960 HANKO
Tel. +358 2 410 8700,
fax +358 19 248 2016
www.helkamaemotor.fi

HELKAMA BICA Oy
Lasitehtaankatu 12,
FI-10960 HANKO
Tel. +358 2 410 8700,
fax +358 19 248 2016
www.helkamabica.fi

HELKAMA BICA Oy
Lakimiehenkatu 4,
FI-20780 KAARINA
Tel. +358 2 410 8700,
fax +358 2 237 2428
www.helkamabica.fi

**HELKAMA BICA
(Shanghai) Co., Ltd.**
Plot 1-2, MinHang Export
Processing Zone No. 3111
Huan Cheng West Road
Fengxian District,
Shanghai 201401, P.R.C.
Tel. +86 21 3365 5333,
fax +86 21 3365 5331
www.helkamabica.cn

HELKAMA VELOX Oy
Santalantie 22,
FI-10960 HANKO
Tel. +358 2 410 8700,
fax +359 19 248 3101
www.helkamavelox.fi

**SUOMEN
POLKUPYÖRÄTUUKKU Oy**
Petikontie 3,
FI-01720 VANTAA
Tel. +358 40 3531085
fax +359 9 586 4910
www.suomenpolkupyoratukku.fi

HELKAMA