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Elcoteq Network Corporation

Financial Statements 2003

February 6, 2004



Year 2003 in Brief

- Unpredictable world events slowed down sales development. Nevertheless Elcoteq's net sales in 2003 were record high.
- Full year results as forecast.
- Service offering was broadened both organically and through acquisitions and partnerships.
- Over 20 new customer accounts.



Net Sales and Result 2003

	2003	2002	
Net sales, MEUR	2,235.7	1,840.2	+21%
Operating income, MEUR	30.5	25.5	
Income before taxes, MEUR	22.8	18.6	
Net income, MEUR	20.8	16.1	

EPS, EUR	0.70	0.54	
Gearing	-0.0	-0.1	
ROCE (trailing 12 months), %	10.4	9.2	
Cash flow after investments, MEUR	-18.1	77.3	



Key Figures

	2003	2002
Capital employed, MEUR	325	304
Interest-bearing net debt, MEUR	-7.6	-33.4
Gross capital expenditures, MEUR	68.1	78
Personnel at the end of period	13,013	10,176



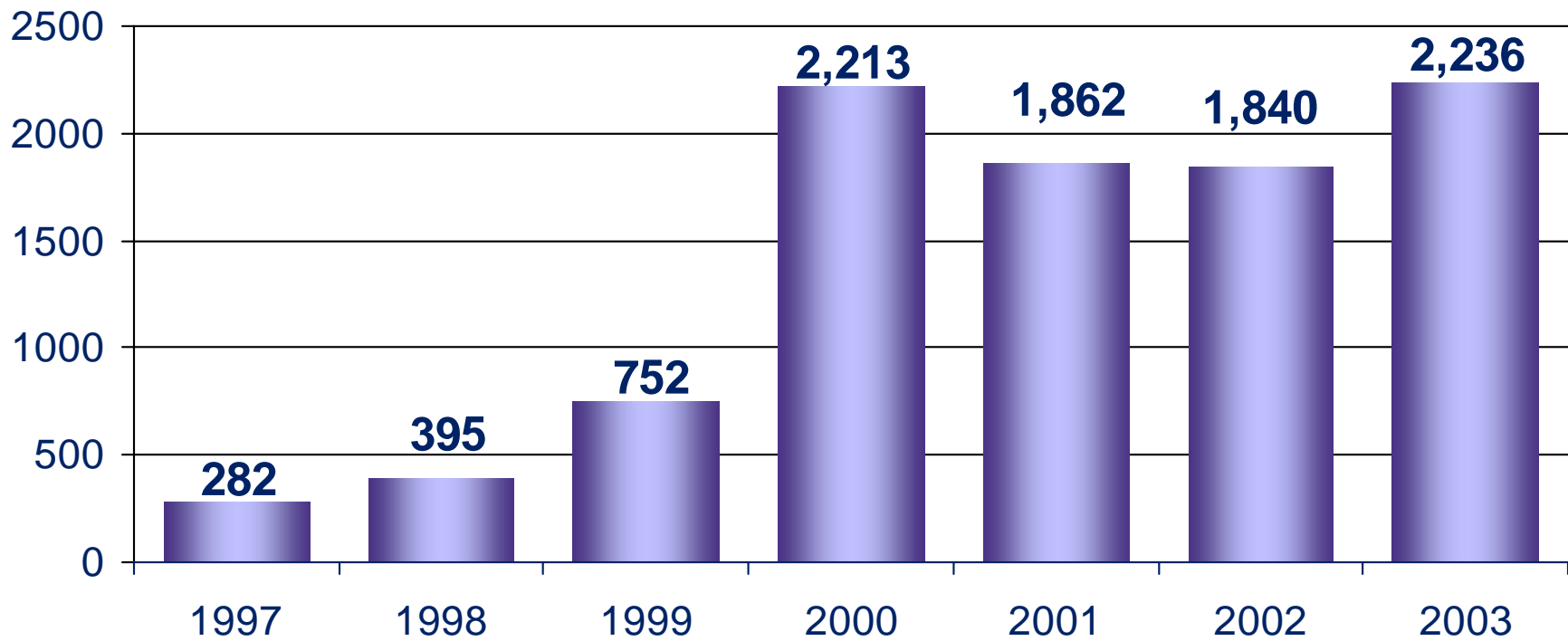
Net Sales and Result Q4/2003

	Q4/2003	Q4/2002	
Net sales, MEUR	721.9	556.4	+30%
Operating income, MEUR	16.9	18.1	
Income before taxes, MEUR	14.2	17.3	
Net income, MEUR	12.5	19.6	
ROCE (trailing 12 months), %	10.4	9.2	
Cash flow after investments, MEUR	9.5	6.0	



Net Sales

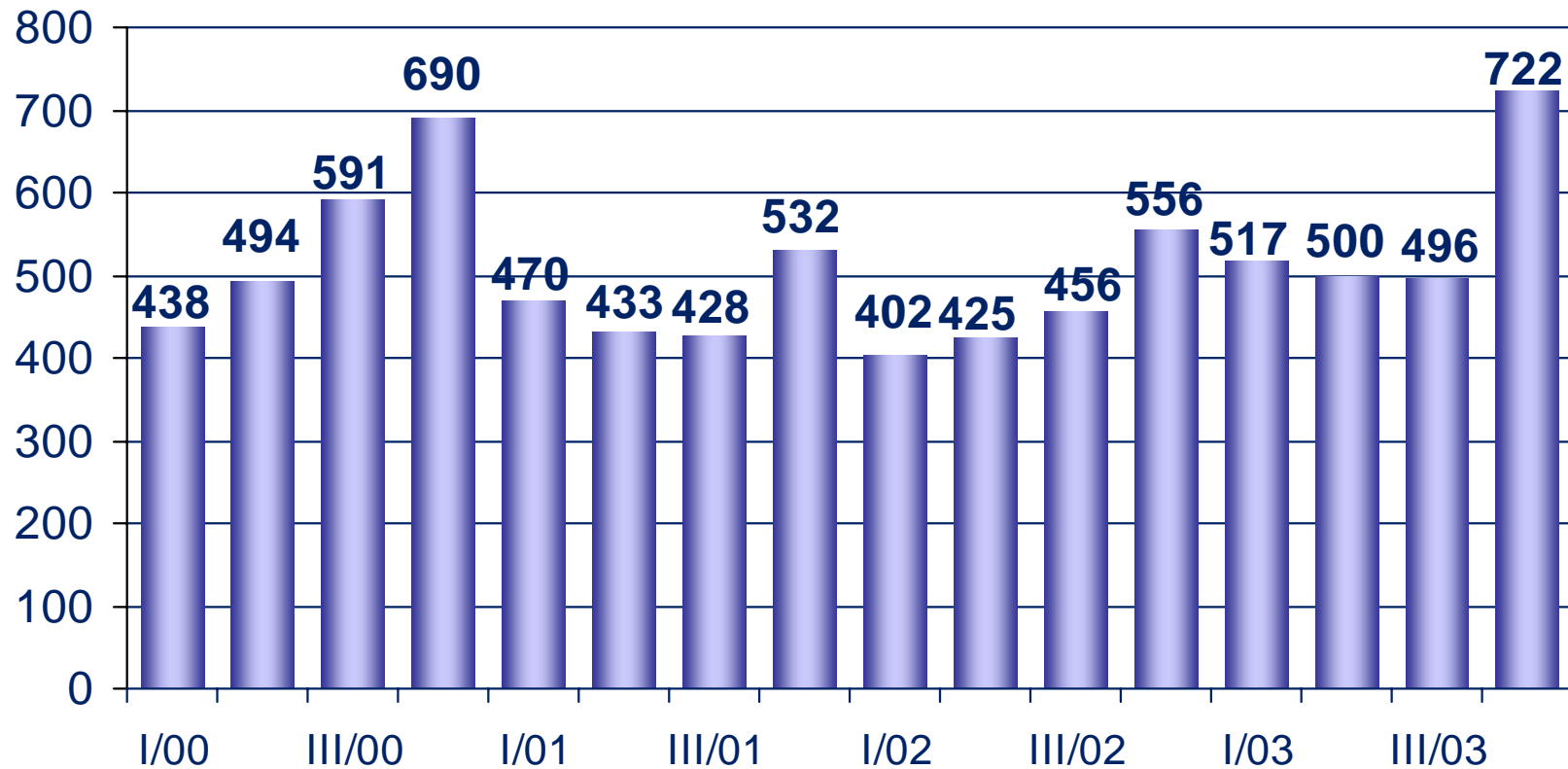
MEUR





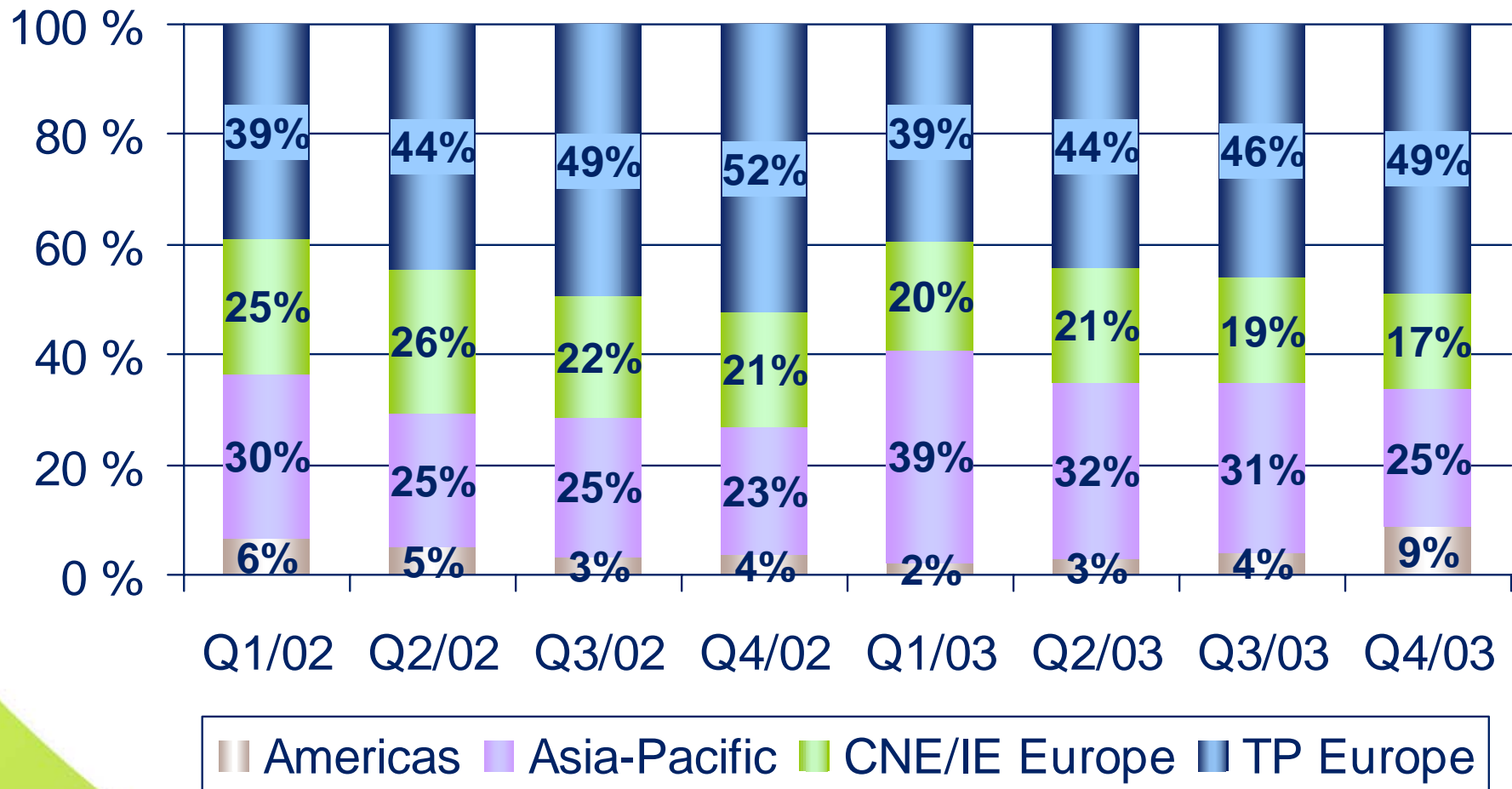
Net Sales by Quarter

MEUR





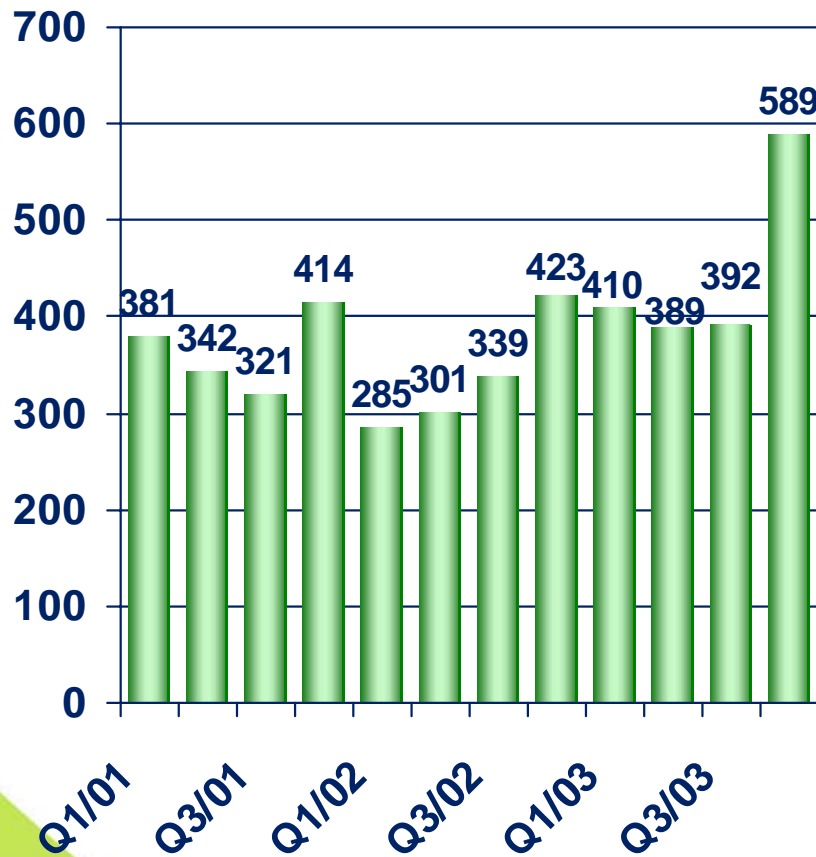
Net Sales by Geographical Area



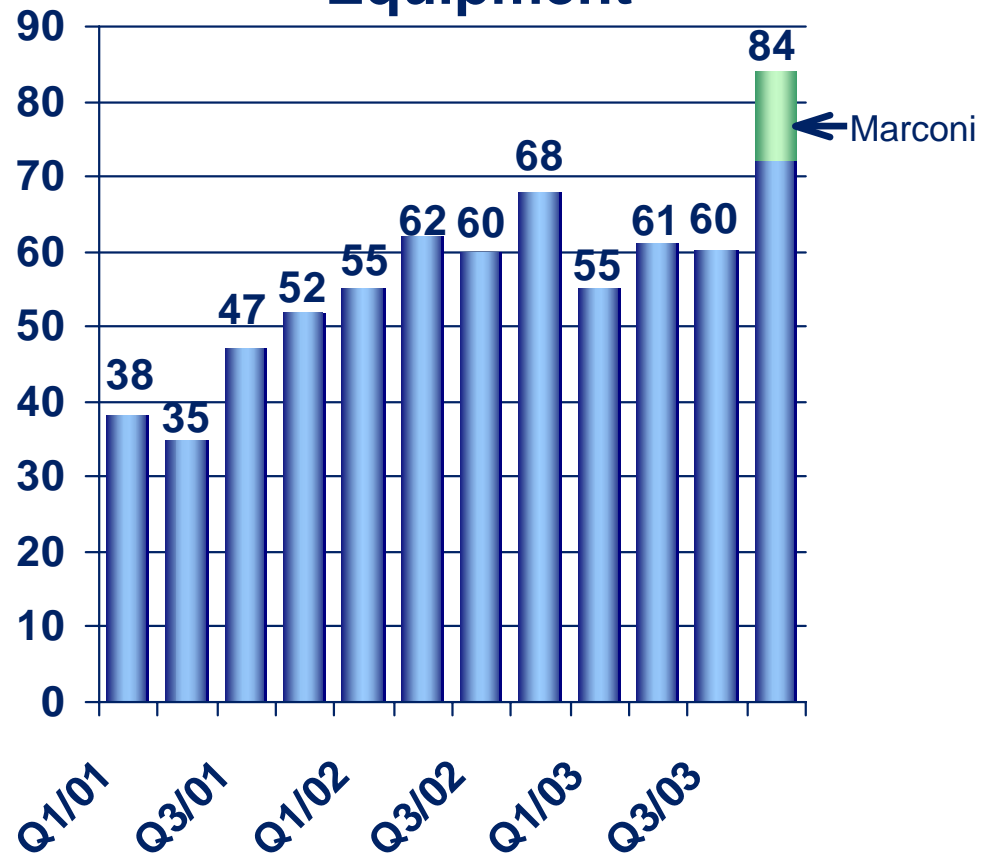


Net Sales by Business Area

Terminal Products



Communications Network Equipment

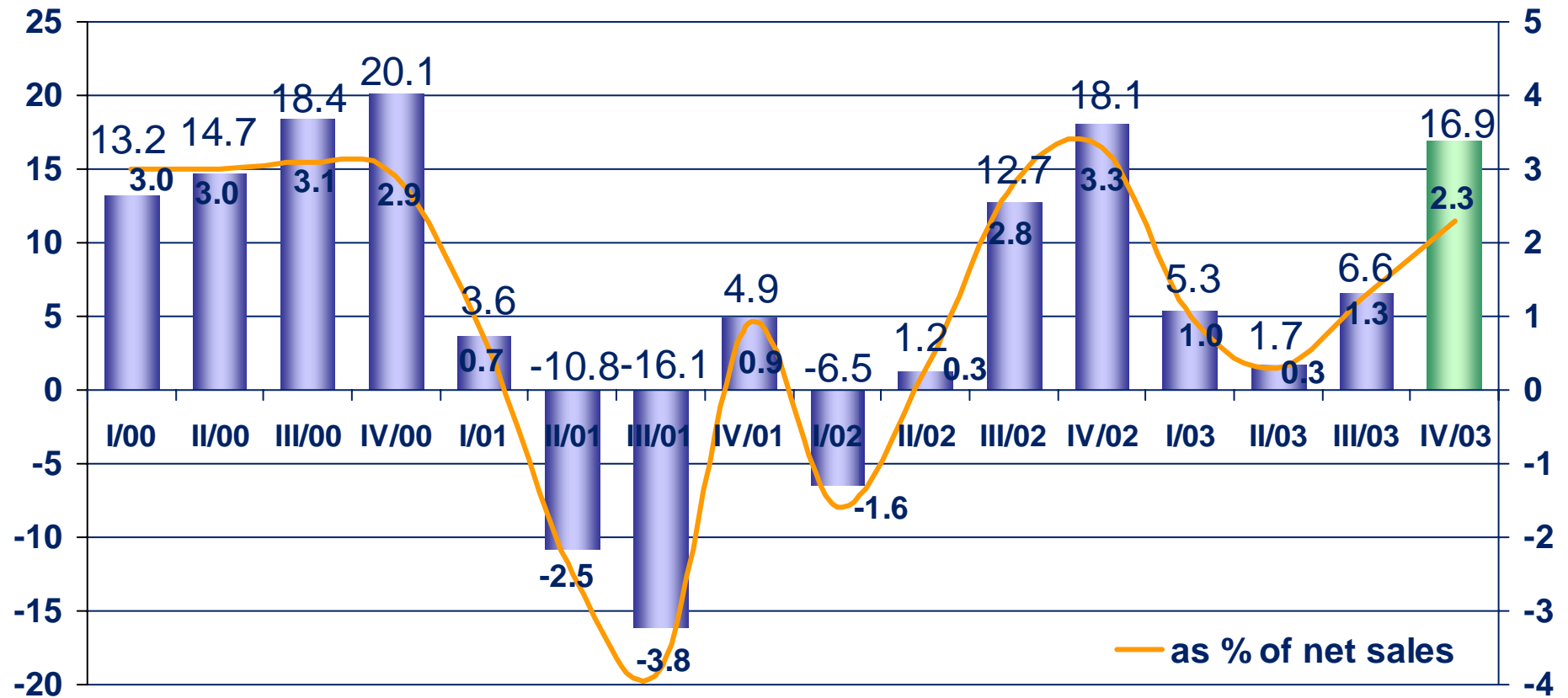




Operating Income by Quarter

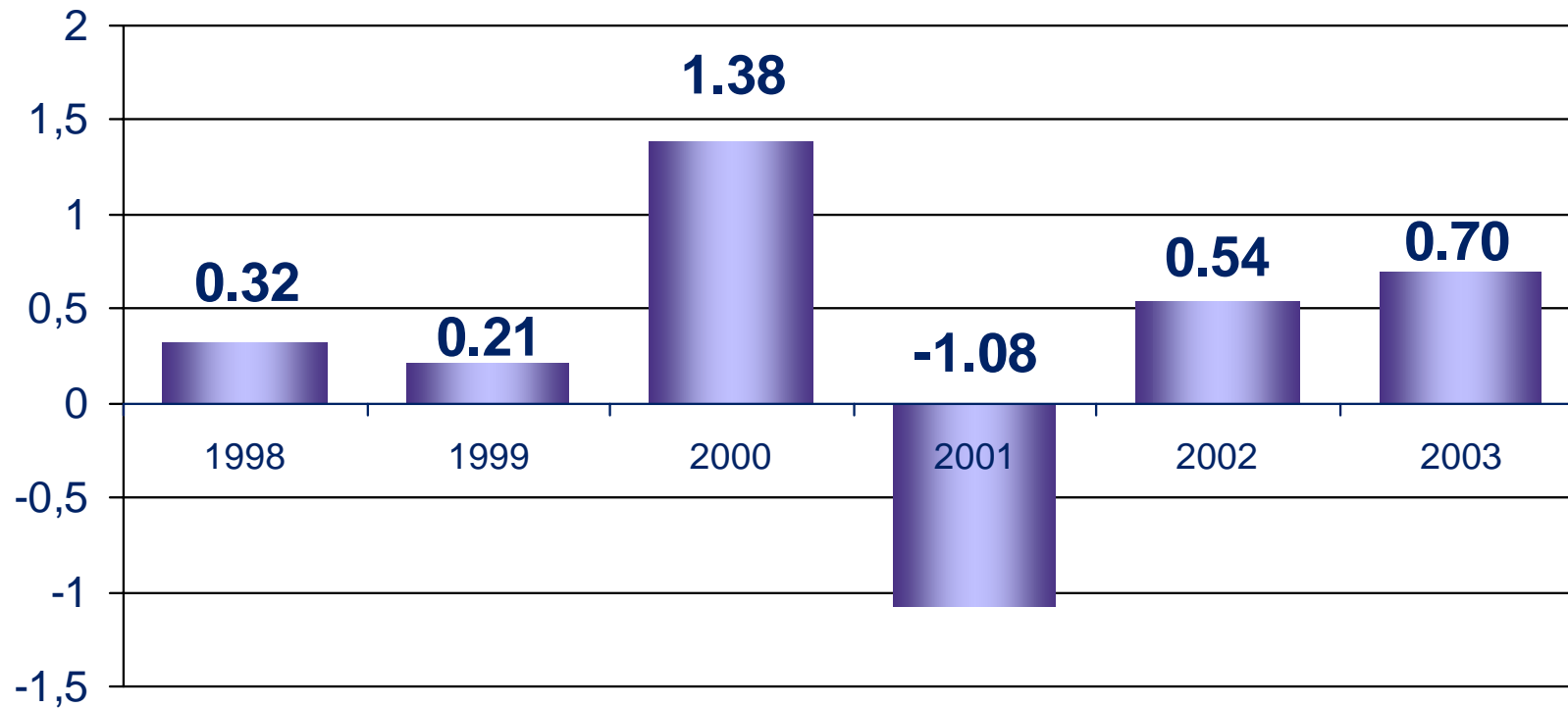
MEUR

%



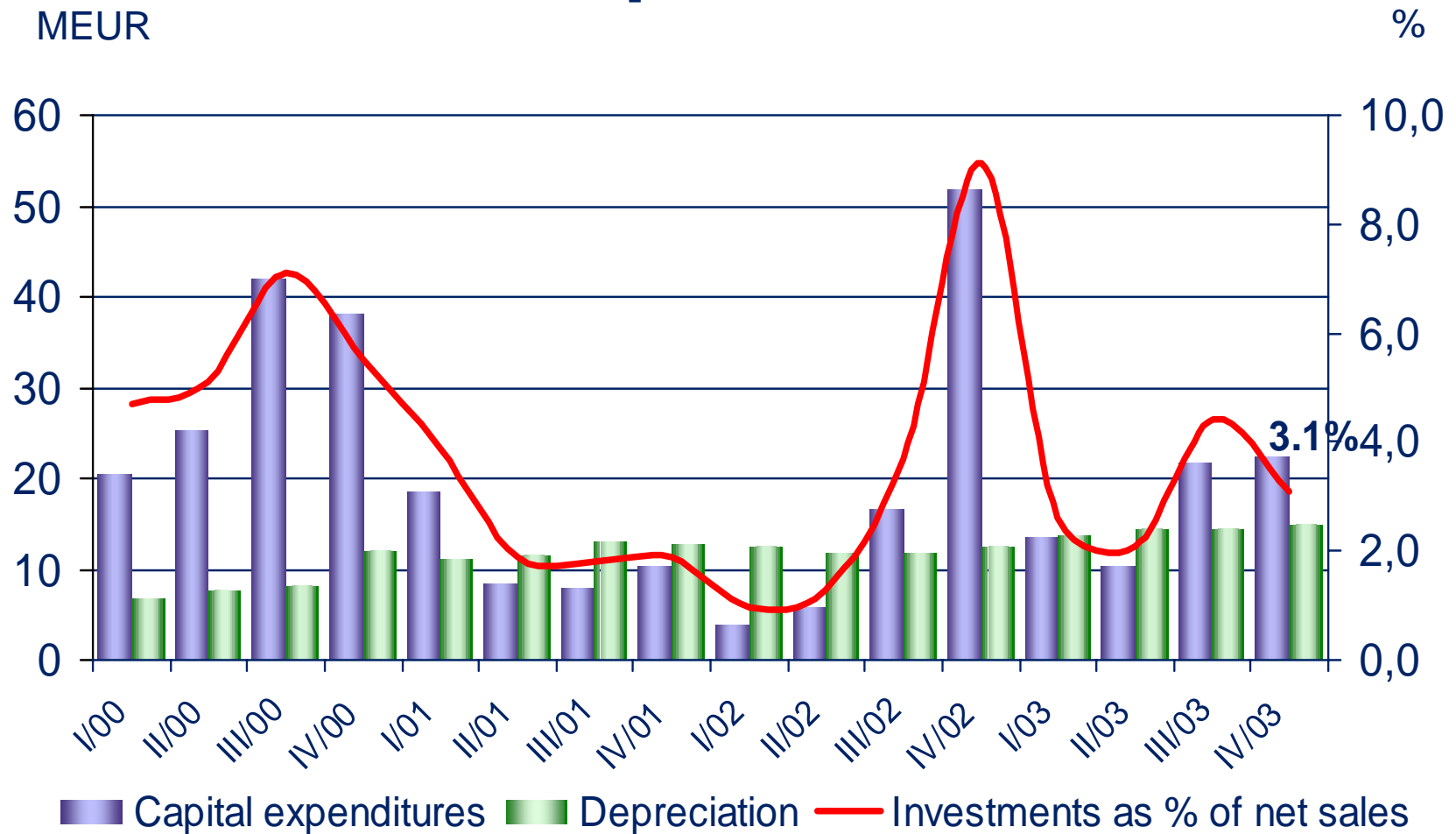


Earnings per Share



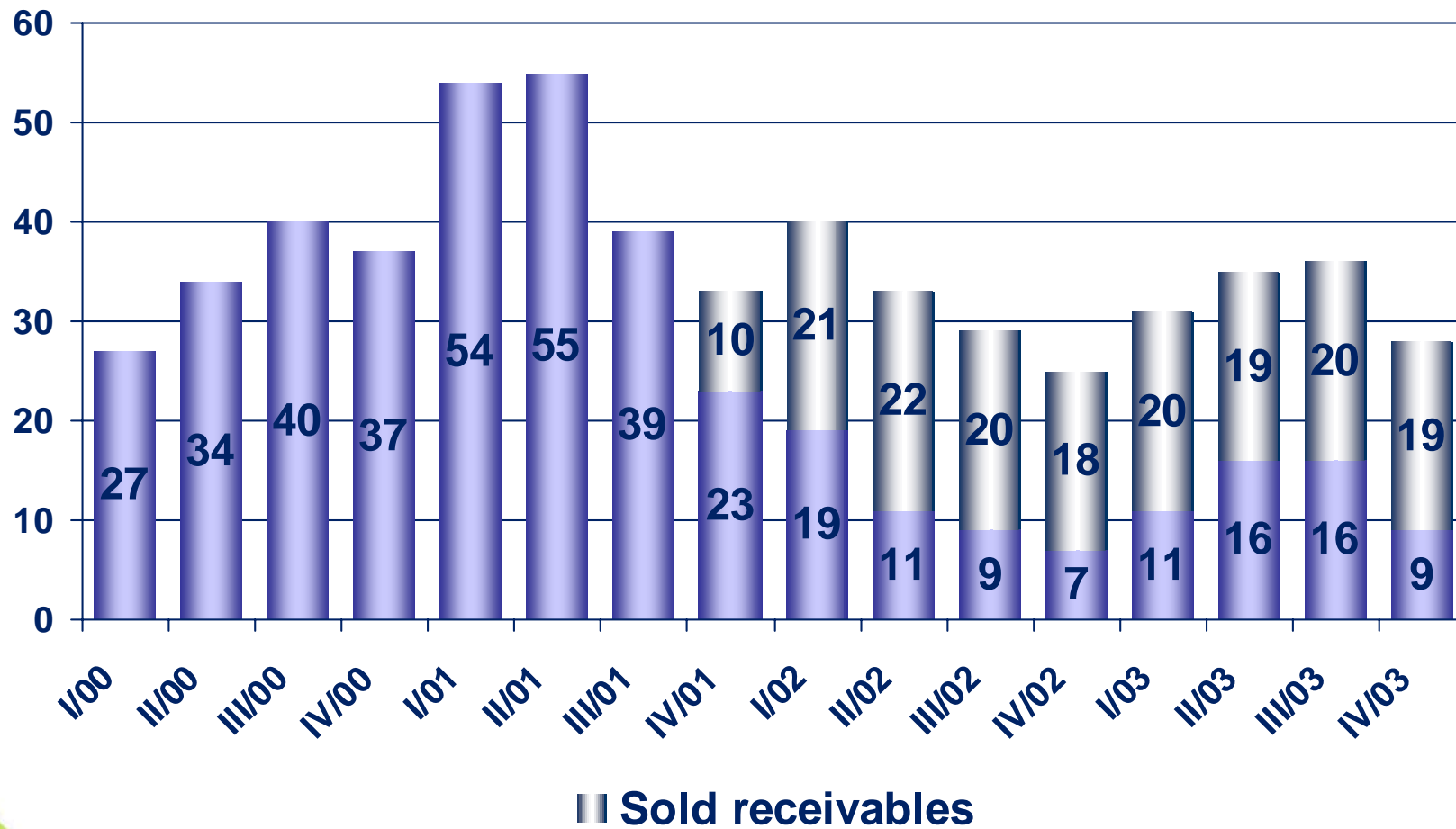


Capital Expenditures and Depreciation





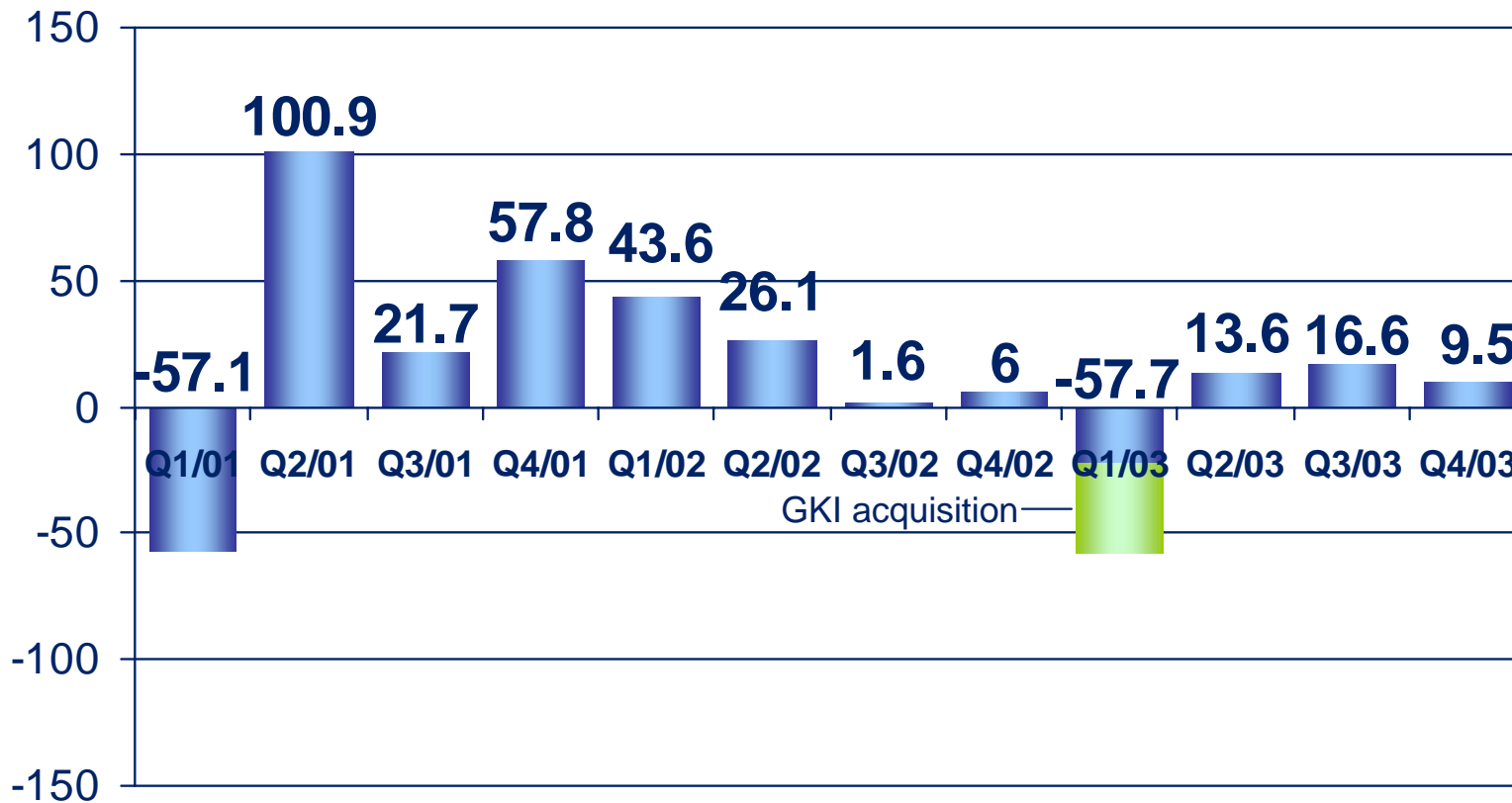
Average Working Capital Days





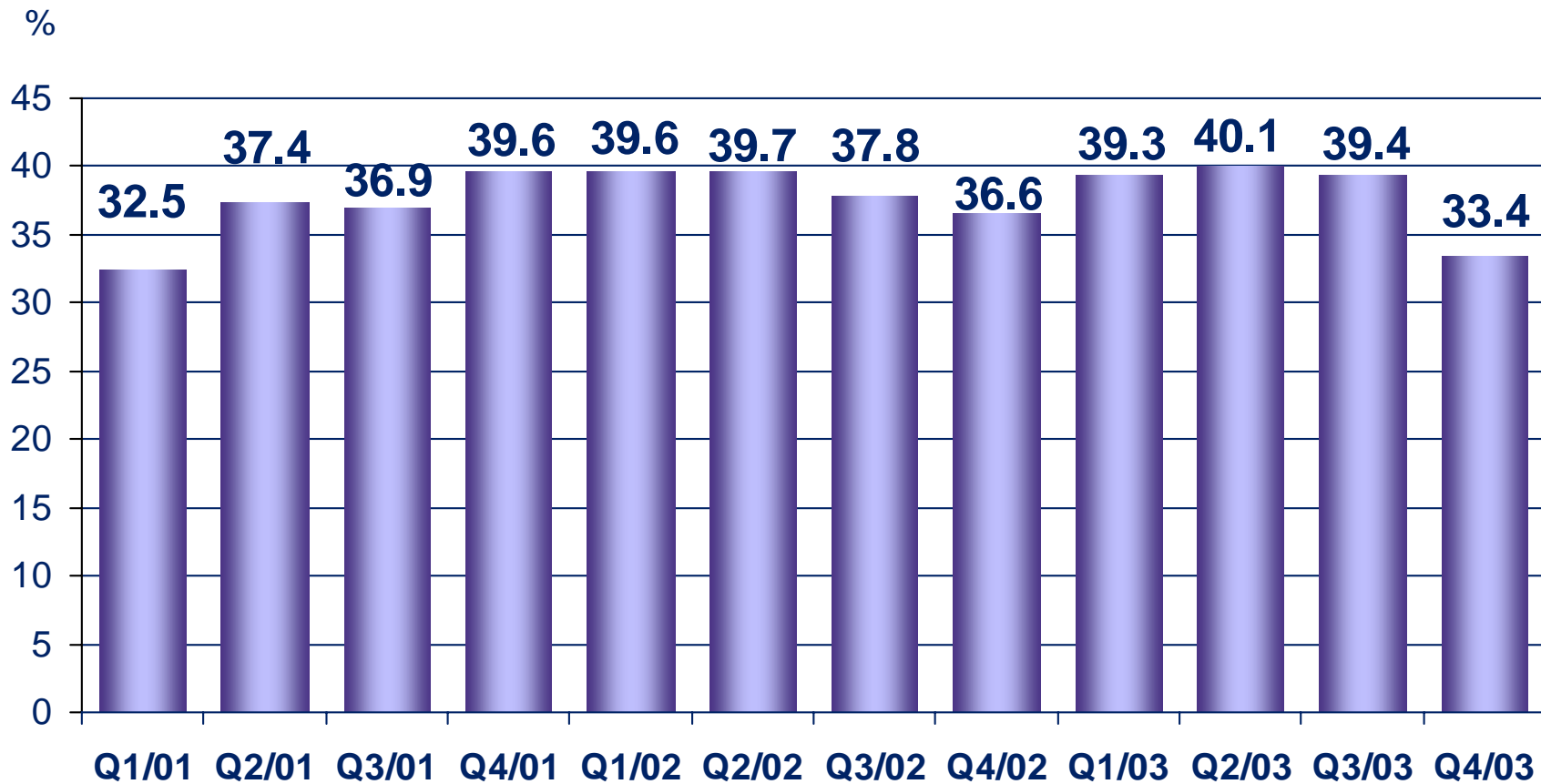
Cash Flow

MEUR



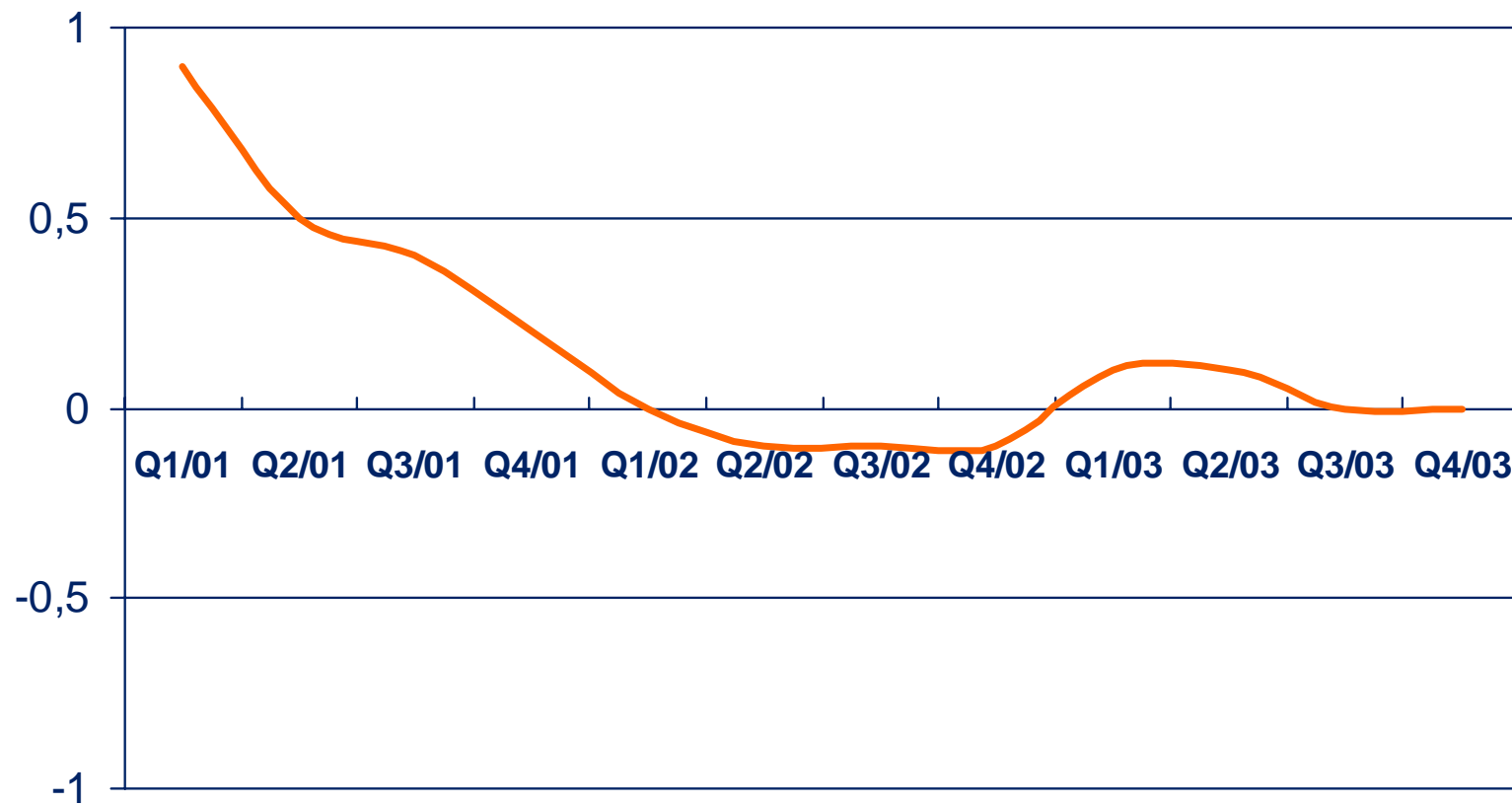


Solvency Ratio



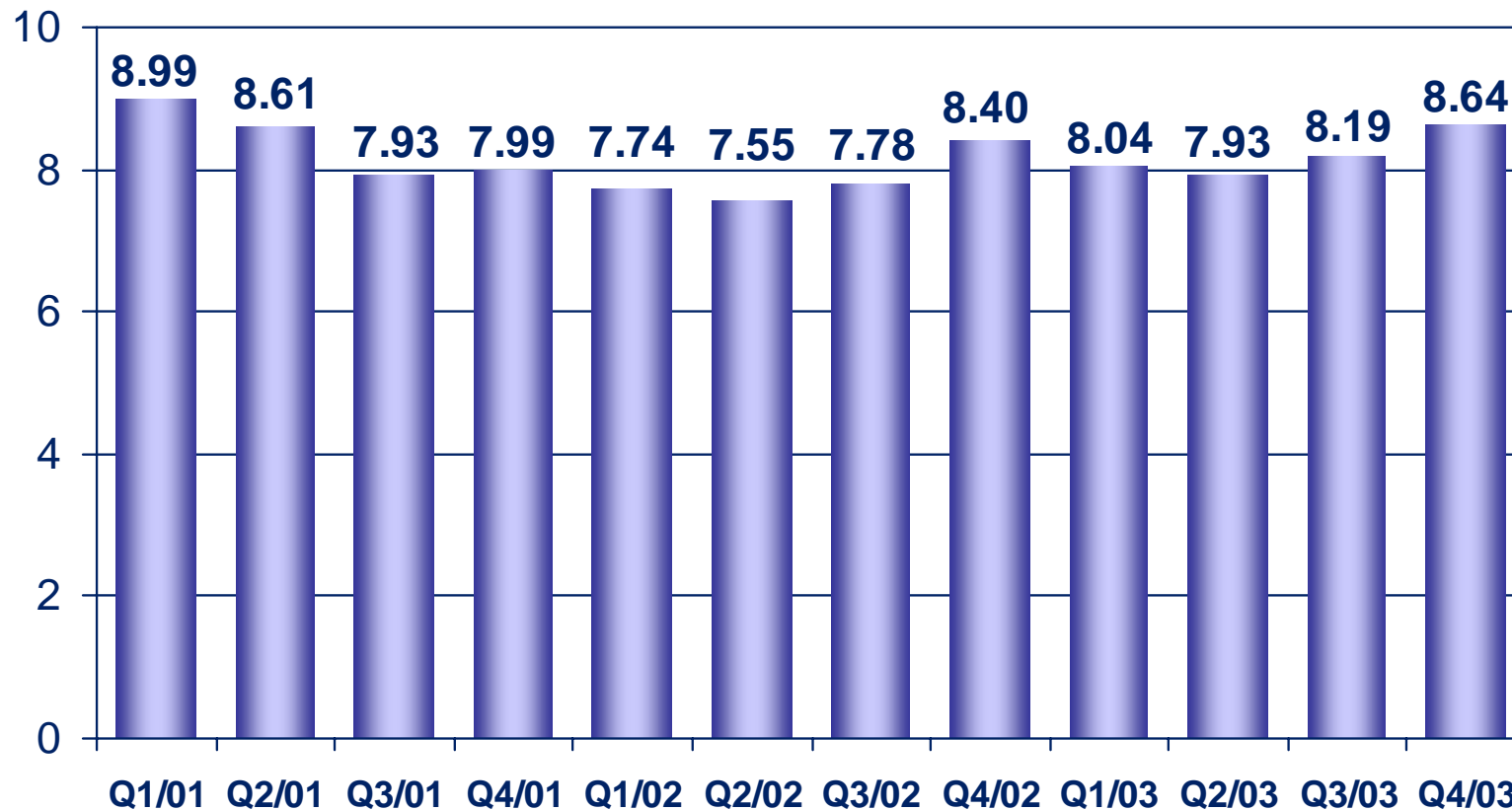


Gearing

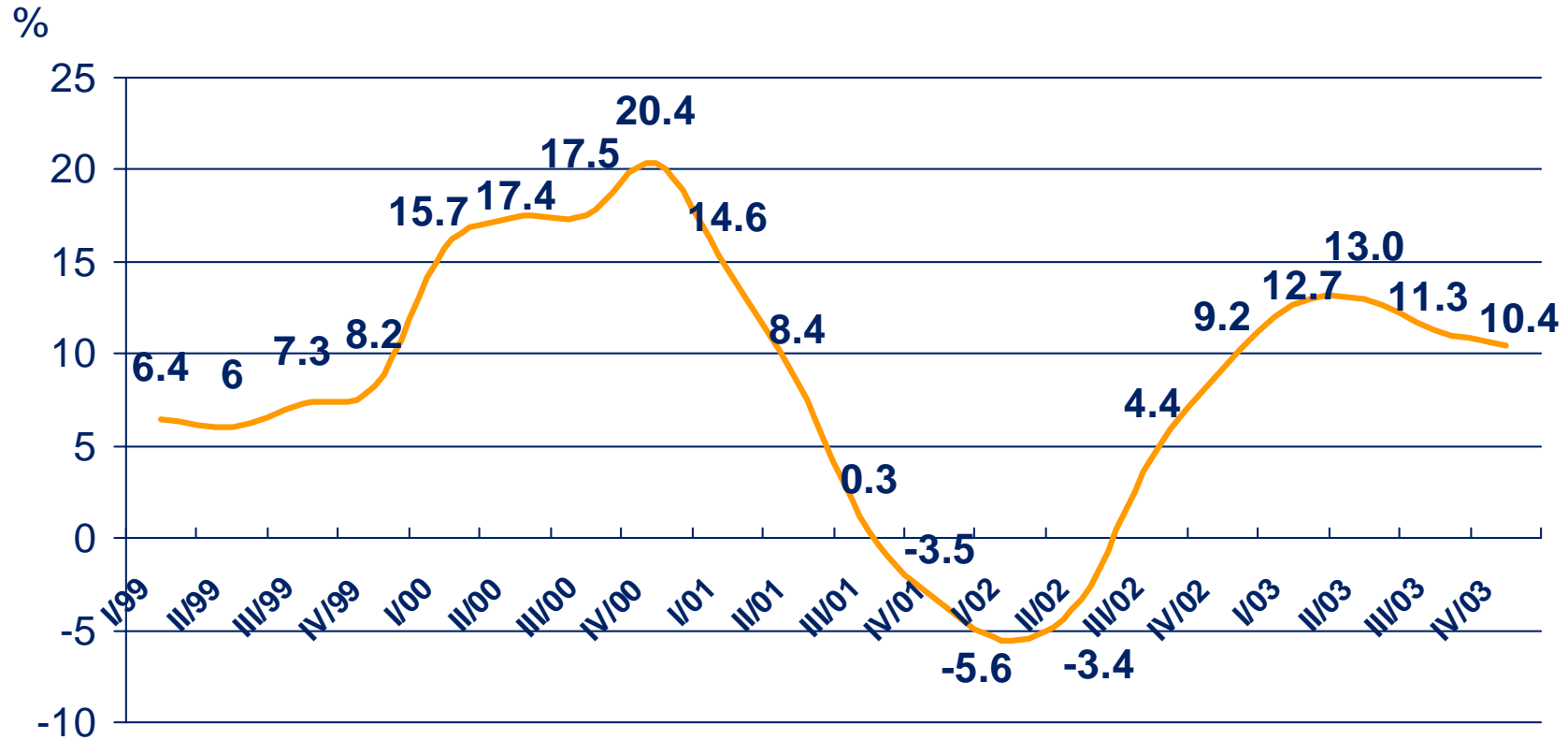




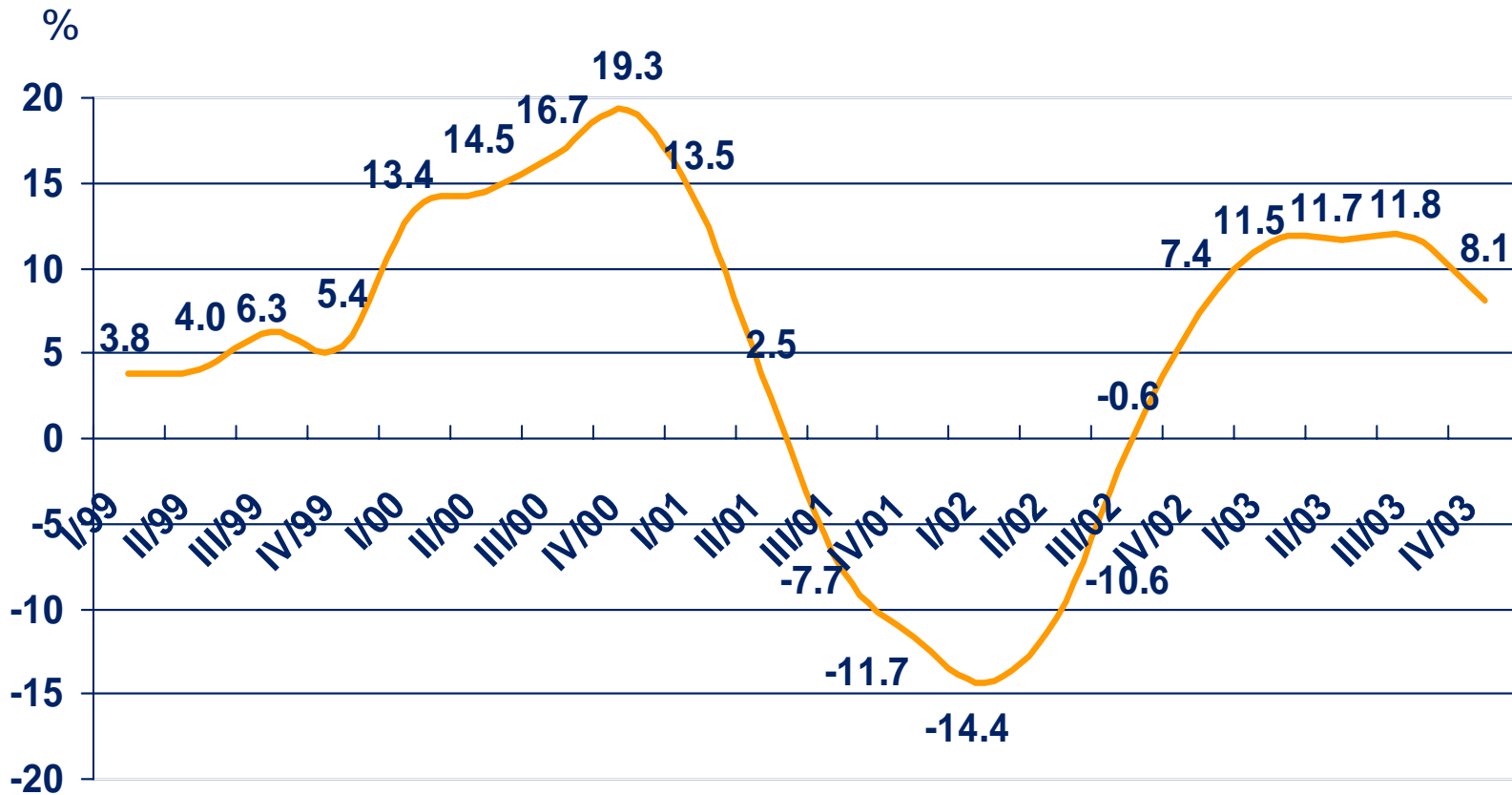
Equity per Share



Return on Capital Employed (ROCE) (Trailing 12 Months)

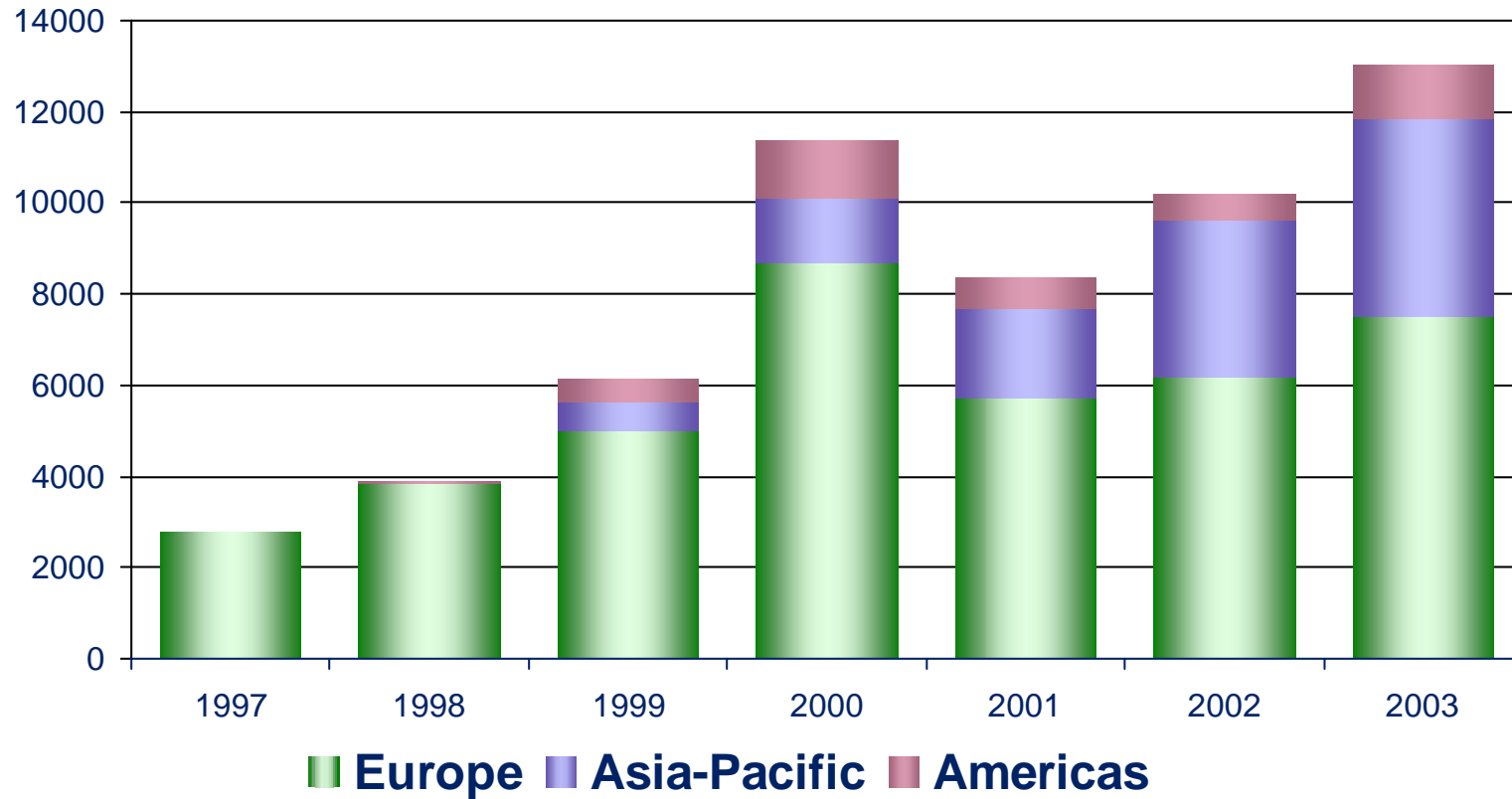


Return on Equity (Trailing 12 Months)





Personnel by Geographical Area





Prospects

- Primary targets during 2004 are to
 - further increase sales and the number of new customers
 - enhance internal efficiency
 - continue the implementation of Elcoteq's strategy – concentration on communications technology products and customers
- Net sales and earnings per share are forecast to continue growing during 2004.
- First-quarter net sales in 2004 will remain clearly below net sales in the final quarter of 2003.
- The first-quarter operating income is expected to be slightly positive.



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