



Financial Statements 2009  
Vantaa Energy Group

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## Report of the Board of Directors for 2009

### General review

The Vantaa Energy Group consists of the parent company Vantaa Energy Ltd and its subsidiaries and associated companies.

The subsidiaries and associated companies of Vantaa Energy Ltd were (ownership shares in brackets): Vantaa Energy Electricity Networks Ltd (100%), Vantaan Aviaenergia Oy (100%), Svartisen Holding A/S (49.6%), Suomen Energia-Urakointi Oy (25.9%), and Energian-säästöpalvelu Enespa Oy (24.8%).

Vantaa Energy Ltd produces energy services for its customers. The company's main products are electricity, district heating and natural gas. Vantaa Energy sells electricity to corporate customers throughout Finland and to households in Vantaa and its neighbouring areas. The company's market area for the district heating business is Vantaa. It also provides natural gas for industrial needs.

Its subsidiary Vantaa Energy Electricity Networks Ltd is responsible for electricity network operations in Vantaa.

A new subsidiary, Vantaan Aviaenergia Oy, was established on 6 November 2009. Behind the setting up of the company was the fact that trade negotiations aimed at acquiring the energy business of the airport area to the Group were under way at the time. Vantaan Aviaenergia Oy had no operations in 2009.

Vantaa Energy Ltd is owned by the City of Vantaa (60%) and the City of Helsinki (40%).

The year 2009 was the company's 99th year of operation.

Due to the economic recession, the market price of electricity started to fall drastically towards the end of the year 2008. In 2009, the market price of electricity was 27% lower than in the previous year. The prices remained stable for almost the whole year, and it was only in December that the market prices started to rise sharply due to severe frosts. For example, a record-high daily peak was recorded for one day, and during the worst hours of that day, the prices were 35 times higher than the normal prices.

Vantaa Energy Ltd lowered its selling prices of electricity that are effective until further notice by about 8% on 1 July 2009. The price of district heat was raised by an average of 7.2% on 1 January 2009 and reduced by about 8% as a result of lower production costs as of 1 July 2009.

Vantaa Energy Electricity Networks Ltd increased its electricity transmission tariffs by about 12% as of 1 July 2009.

### Financial performance

Consolidated turnover totalled EUR 234.1 million (EUR 203.5 million), with operating profit amounting to EUR

49.1 million (EUR 35.8 million).

Profit before appropriations and taxes stood at EUR 50.0 million (EUR 37.7 million).

The turnover of the parent company Vantaa Energy Ltd amounted to EUR 200 million (EUR 174.5 million). Electricity sales accounted for EUR 118.6 million (EUR 105.3 million) and heat sales for EUR 78.6 million (66.5 million) of the turnover. The parent company's operating profit stood at EUR 30.8 million (EUR 26.1 million), and profit before appropriations and taxes was EUR 46.3 million (EUR 41.5 million). Direct taxes amounted to EUR 11.7 million (EUR 10.9 million).

The Group's gross investments in fixed assets totalled EUR 23.5 million (EUR 29.5 million). The electrical power system was upgraded and expanded with EUR 8.2 million (EUR 7.4 million).

A total of EUR 7.9 million (EUR 10.9 million) was invested in the construction of a district heating network and in heating plants. EUR 1.8 million (EUR 1.0 million) were invested in the development of remote metering, while EUR 2.2 million were invested in production shares and other stocks.

### Key financial figures:

Key figure	Group			Parent company		
	2009	2008	2007	2009	2008	2007
Turnover, EUR mill.	234.1	203.5	178.5	200.0	174.5	152.2
Operating profit, EUR mill.	49.1	35.8	36.5	30.8	26.1	27.0
Return on equity (ROE) %	25.0	19.4	20.6	20.3	19.9	21.7
Equity ratio %	41.8	39.9	39.7	41.5	40.1	39.0
Gross investments, EUR mill.	23.5	29.5	21.7	13.4	21.2	11.7
% of turnover	10.0	14.5	12.1	6.7	12.1	7.7

### Development of business operations

As in previous years, the company's electricity generation was based on its own combined heat and power (CHP)

generation at the Martinlaakso power plant, which accounted for 68% of total electricity generation. The company's shares in various partly-owned power plants totalled 32%. The annual output of the Martinlaakso

power plant was 1,044 (1,019) GWh of electricity and 1,618 (1,544) GWh of district heat.

In December 2009, the Board of Directors of the Helsinki Metropolitan Area Council (YTV) selected Vantaa Energy as the builder of a waste-fired power plant. In spring 2009, Vantaa Energy concluded long-term service contracts with YTV and Rosk'n Roll Oy on reclamation of waste materials for energy purposes, and submitted an environmental permit application for a waste-fired power plant to the Uusimaa Regional Environment Centre. In September 2009, we signed a consulting agreement on design and construction services with Pöyry Energy Oy. We obtained an environmental permit for the waste-fired power plant on 30 December 2009. The permit decision contains a statement referred to in section 101 of the Environmental Protection Act to the effect that regardless of any appeals that may be lodged against the power plant project, the activity may be started in accordance with the permit decision. The construction of the waste-fired power plant on a site located in the area of Långmossebergen in eastern Vantaa at the junction of Ring Road III and the Porvoo Motorway is scheduled for the years 2011-2014.

The heating plant of the Helsinki-Vantaa Airport was commissioned in February 2009.

As a shareholder of Voimaosakeyhtiö SF, Vantaa Energy takes an active part in the preparation of the nuclear power plant project of Fennovoima Oy.

With respect to heating requirements, year 2009 was 6.6% (18.7.0%) warmer than the long-term average. District heating and steam energy sales to the Vantaa region amounted to 1.771 GWh (1.584 GWh). The total contracted capacity of district heating customers was 868 MW (832 MW).

As a result of the economic downswing, electricity consumption in Finland fell by a total of 7%, while the drop in industry was 16%. Electricity sales to companies and private customers developed well, despite the bear market and competition.

The total sales of electric energy amounted to 2,463 GWh (2,177 GWh), showing an increase of 13.1%.

Of the electricity sold, 44.8% was generated by Vantaa Energy, 20.7% was generated at a shared power plant, and 34.5% was purchased electricity.

Retail sales of natural gas to customers totalled 43 GWh (41 GWh).

## Risk management

The aim of Vantaa Energy's risk management measures is to support the achievement of business objectives and to prevent any negative effects. The Board of Directors of Vantaa Energy approves the Group's risk management policy. The policy specifies the key principles, responsibilities and processes of risk management.

Major risks and uncertainties have been identified and key risks are managed in a systematic way. Key risks include fluctuation in the market price of electricity, rise in fuel prices, public authority regulation that is difficult to forecast, extensive disturbances in the electricity or heating network or energy production, availability of skilled employees, and problems in information systems.

In the year under review, the Group's financial risk management policy was revised and data security policy was updated.

## Employees

Vantaa Energy had an average of 341 (335) employees during the financial period. Salaries, wages and bonuses totalled EUR 16.9 million (EUR 15.8 million).

### Key employee figures:

Key figure	Group			Parent company		
	2009	2008	2007	2009	2008	2007
Average number of employees during financial period	341	335	339	272	271	276
Permanent as of 31 Dec.	328	321	319	261	261	259
- monthly salary	252	247	246	207	207	206
- hourly wages	76	74	73	54	54	53
- men	237	228	222	181	178	173
- women	91	93	97	80	83	86
Fixed-term contracts as of 31 Dec.	17	12	15	13	8	10
Average age of employees, years	46,2	46,8	46,8	46,0	46,7	46,5
Paid salaries, wages and bonuses	16.9	15.8	15.1	13.7	12.9	12.4

## Environment

The management of Vantaa Energy's environmental issues is guided by an environmental management system complying with the ISO 14001 standard. The company's environmental work is based on the legislative and operational requirements for its own operating environment, its social responsibility policy, and the set environmental goals and targets.

The most significant environmental aspects of Vantaa Energy are related to the use and storage of fuels, as well as the origin of waste and emissions into the air. Most of the environmental impacts are created by energy generation. Vantaa Energy made no significant environmental investments in 2009.

In 2009, the most significant deviation from normal operations was a failure in the induced draft fan of the desulphurisation plant of the coal-fired boiler at the Martinlaako power plant at the end of September. The desulphurisation plant was repaired and re-commissioned in January 2010. None of the emission levels laid down in the environmental permit were exceeded during the outage.

The Martinlaakso power plant and six heating plants fall within the scope of the EU emissions trading scheme. The carbon dioxide emissions for 2009 amounted to approx. 830,000 tonnes.

The company management regularly monitors the development of its environmental key figures and the achievement of their targets. The key environmental indicators are related to energy production, atmospheric emissions and waste. Environmental costs are also monitored at the company level as relevant information.

Vantaa Energy provides more detailed environmental figures in its annual corporate social responsibility report.

## Social responsibility

Vantaa Energy Group's social responsibility policy creates guidelines for the management and development of company finances, the environment and social responsibility.

Vantaa Energy has drawn up reports on the objectives of social responsibility and the results of constant improvement of operations since 2002. Vantaa Energy's social responsibility report has been verified by an independent outside body since 2006.

The social responsibility report for 2008 was published in April 2009.

The report ranked second in the nationwide Social Responsibility 2009 review.

In line with previous years, the social responsibility report for 2009 will be based on the Global Reporting Initiative (GRI G3) Guidelines. We will also report the sector-specific indicators for the energy sector that have recently been included in the Guidelines.

Our main focus will be on developing an electronic version of the report. The social responsibility report for 2009 will be published in spring 2010.

## Research and development

Vantaa Energy is a Group that focuses on the production of energy services and makes only minor investments in its own research and development. The Group participates in development projects mainly by providing financing to interesting R&D projects and by making the company's expertise available to the projects. In the research, we trust in the partnership networks in the industry and in good co-operation with leading energy research institutions.

Vantaa Energy Ltd is a founding member of the strategic centre for science, technology and innovation Cleen Oy, a cluster for energy and the environment. The company co-ordinates, directs and administers research co-operation that serves companies in the energy and environmental sectors, and the funding required by it.

Vantaa Energy Electricity Networks Ltd takes an active part in the research programme 'Smart Grids and Energy Markets' of Cleen Oy. According to Vantaa Energy's standards, this will mean a significant research investment over the next few years.

The company is involved in the long-term ENETE project (Promoting energy efficiency by the actions of power companies), with the objective of developing business models and service concepts for the energy chain to create a revenue logic for business operations in more effective energy use and more extensive use of renewable energy sources.

The most significant new construction area in the City of Vantaa in the next decade will be the Marja-Vantaa residential area. Its design is based on the minimisation of environmental impacts and on energy-efficient construction. In the year under review, Vantaa Energy has participated in discussions about the local energy concept and in launching a research project on electric vehicles.

Together with other network operators of major cities, Vantaa Energy Electricity Networks Ltd is a member of an electricity research pool for the development and funding of electrical power engineering, electricity transmission and distribution, and related service production and other research serving the energy sector.

### **Administration**

The Annual General Meeting of Vantaa Energy was held on 31 March 2009. The issues discussed were those defined in the articles of association for the Annual General Meeting.

In addition to the Annual General meeting, two Extraordinary General Meetings were held in 2009. The first meeting, held on 25 May 2009, made a decision on alteration of the articles of association as a result of the abolishment of the Supervisory Board. At the second meeting, held on 3 November 2009, a new member was elected to the Board of Directors to take the place of a member who resigned from the Board before the end of his term. The new member was also elected the first Vice Chairman of the Board of Directors.

The members of the company's Board of Directors were Kari Helppolainen, Chairman; Risto Rautava, first Vice Chairman until 20 October 2009; Lasse Männistö, first Vice Chairman as of 3 November 2009; Matti Virtanen, second Vice Chairman; Maaria Haikarainen (as of 31 March 2009); Sirpa Kauppinen (as of 31 March 2009); Hannu Kokko (until 31 March 2009); Tapio Korhonen; Paula Lehmuskallio; Kari Nikkinen (as of 31 March 2009); Hilikka Pokki (until 31 March 2009); Mari Puoskari (until 31 March 2009); and Leena Westerlund.

The Board of Directors convened 13 times during the year.

The ordinary auditors of the company were Ernst & Young Oy, Authorised Public Accountants, with Ari Lehto, APA, and Jarmo Lohi, APA, as auditors in charge and Marja Tikka, APA, as deputy auditor.

The company's Managing Director was Pertti Laukkanen, M.Sc. (Eng.)

### **Significant legal affairs**

Vantaa Energy Electricity Networks Ltd filed an appeal with the Market Court against a regulatory decision concerning the reasonable and actual return on electricity network operations during the first regulatory period of 2005-2007, issued by the Energy Market Authority.

The aim of the appeal filed with the Market Court on 18 December 2009 was to change the manner in which the group contribution for 2007 is treated in the regulation model for a reasonable return on electricity network operations.

In its decision issued on 11 January 2010, the Market Court allowed the claim of Vantaa Energy Networks Ltd and returned the case to the Energy Market Authority for reconsideration, ordering the Energy Market Authority to reimburse some of the legal expenses incurred by Vantaa Energy Electricity Networks Ltd.

On the last day of the year 2008, the Market Court gave a decision on the principles of calculating a reasonable rate of return for electricity system operators, concerning the principles of determining a reasonable rate of return on electricity network operations during the regulatory period of 2008–2011.

The Market Court amended the Energy Market Authority's confirmation decisions in accordance with the system operators' demands, where applicable. However, the Market Court turned down the demand concerning risk premiums, which was essential in terms of the end result, as well as the demands on increasing operational efficiency.

The Energy Market Authority filed an appeal with the Supreme Administrative Court against the Market Court's decision. Vantaa Energy Electricity Networks Ltd and a few other distribution system operators also filed their appeals with the Supreme Administrative Court against the Market Court's decision. The Supreme Administrative Court is not expected to give its decision on the above appeals sooner than in spring 2010.

Vantaa Energy Ltd is also involved in a few contract dispute cases and a dispute concerning permit conditions, all of which are deemed to be financially insignificant.

### **Events after the financial period**

On 4 January 2010, Vantaa Energy and Finavia Oyj signed a trade agreement to transfer the energy businesses required in the Helsinki-Vantaa airport area to the Vantaa Energy Group as of 1 January 2010. Vantaan Aviaenergia Oy is responsible for providing the district heating and electricity distribution services required in the airport area as of 1 January 2010. In connection with the transaction, the employees of Finavia Oyj transferred to work for Vantaan Aviaenergia Oy. The party that purchased the electricity sales operation was the parent company Vantaan Energia Oy.

Three appeals were filed by the deadline date, 29 January 2010 against the environmental permit of the waste-fired power plant to be built in eastern Vantaa, due to which the environmental permit has not become effective yet. We are prepared for a delay as a result of the appeals, which means that the appeals do not prevent the progress of the waste-fired power plant project according to schedule.

The survey of the heat prices of the ten largest district heating companies launched by the Finnish Competition Authority in autumn 2009 will continue during spring 2010. The intention is to look into the pricing principles applied by the district heating companies, and to find out, whether unacceptable pricing referred to in the Act on Competition Restrictions occurs in the sector.

#### **Outlook**

In 2010, Vantaa Energy's turnover and profitability are anticipated to remain at the same level as in the previous year.

The services, electricity transmission, distribution and district heating related to the energy networks in Vantaa will continue to provide stability for the Group's finances. The expected population growth and increase in the number of jobs in Vantaa will provide a growing base for these services.

The company's electricity generation business operates in the Nordic market. The results for the next few years will be secured with a versatile production structure and successful risk management. The global economic crisis has since autumn 2008 resulted in a sharp reduction in the market price of electricity. Thanks to successful hedging activities, the revenue level for 2010 will remain good. However, if electricity prices remain at the current low level for a long time, it will diminish the lucrativeness of electricity generation and, consequently, the profitability of the entire company as early as 2011.

As a result of expanding competition in the electricity trade, instability of fuel prices, and increasing regulation and supervision of profit levels in the sector, it will be a challenging task to maintain the company's profit level. Intensification and continuous improvement of operations, as well as development of expertise will be inevitable.

We are developing electronic sales and service channels (e.g. website and online services) for a more efficient customer service. The company's customer information and telephone system will be upgraded in the course of the current year 2010.

The challenging targets set by the EU for reducing carbon dioxide emissions and increasing in the share of renewable energy will require more and more significant investments in the development of production outside emissions trading (waste power, nuclear power) and production based on renewable energy (hydropower, wind power, biomass) in Finland. Although the extra cost of emission allowances needed for fossil fuels (peat, coal and natural gas) will improve the competitive position of renewable energy, the profitability of investments in these production methods will still depend on investment aids and certificate or feed-in tariff systems, which are under development. Special measures must also be focused on the reduction of energy consumption (energy-efficient construction, heating methods, consumption monitoring).

The Government will make a decision on Fennovoima Oy's application for a nuclear power licence in 2010.

Vantaa Energy Ltd is a shareholder in companies generating wind power. Through these companies, Vantaa Energy will make significant investments in increasing the production capacity for wind power over the next few years.

#### **The Board of Directors' proposal for the distribution of dividends**

The distributable equity of the parent company according to the financial statements of 31 December 2009 is as follows:

- profits from previous financial years	€ 67,689,081.52
- profits from the financial years	€ 35,263,343.73
- total	€ 102,952,425.25

The Board of Directors proposes that the company should pay a dividend of EUR 14.60/share, totalling EUR 24,979,256.80, to external share capital, reserve EUR 31,000 for donations, and set aside a sum of EUR 25,000 for the Board of Directors to use for the public good. The rest of the distributable equity, EUR 77,917,168.45, is left in the retained earnings account.

Since the end of the financial year, there have been no essential changes in the company's financial position. The company's liquidity is good and, according to the Board of Directors, the proposed distribution of profits will not jeopardise the company's solvency.

### Company stock

The company's capital stock is divided as follows:

	2009	
Owner	pcs	€
City of Vantaa	1,026,545	2,053,090
City of Helsinki	684,363	1,368,726
Total	1,710,908	3,421,816

The nominal value of each share is EUR 2.00. All shares have an equal right to dividend and company assets.

## Profit and Loss Account

	GROUP		PARENT COMPANY	
	1.1.-31.12.2009	1.1.-31.12.2008	1.1.-31.12.2009	1.1.-31.12.2008
<b>Turnover</b>	<b>234 100 669,83</b>	<b>203 451 507,99</b>	<b>200 029 739,37</b>	<b>174 513 124,86</b>
Manufacture for own use	3 587 478,75	4 244 645,70	2 173 876,02	2 978 726,44
Other operating income	2 557 212,65	3 739 109,38	6 488 729,25	7 943 174,55
Materials and services	144 869 764,94	127 834 556,22	139 417 052,62	123 219 669,79
Personnel expenses	22 206 333,28	20 352 228,07	18 165 311,03	16 748 339,46
Depreciation and value adjustments				
Depreciation according to plan	19 582 120,68	18 704 341,92	10 231 102,82	9 780 593,73
Other operating expenses	10 364 844,22	9 964 859,61	10 100 497,94	9 570 181,56
Share of the profit of associated companies	5 841 793,36	1 246 264,82	-	-
<b>Operating profit</b>	<b>49 064 091,47</b>	<b>35 825 542,07</b>	<b>30 778 380,23</b>	<b>26 116 241,31</b>
Financial income and expenses	893 508,61	1 862 353,60	3 009 990,10	5 414 922,75
<b>Profit before extraordinary items</b>	<b>49 957 600,08</b>	<b>37 687 895,67</b>	<b>33 788 370,33</b>	<b>31 531 164,06</b>
Extraordinary items	0,00	0,00	12 500 000,00	10 000 000,00
<b>Profit before appropriations and taxes</b>	<b>49 957 600,08</b>	<b>37 687 895,67</b>	<b>46 288 370,33</b>	<b>41 531 164,06</b>
Appropriations				
Change in depreciation reserve	-	-	678 310,79	4 172 349,49
Income taxes	-11 472 118,33	-9 472 045,75	-11 703 337,39	-10 922 718,68
<b>Profit for the financial year</b>	<b>38 485 481,75</b>	<b>28 215 849,92</b>	<b>35 263 343,73</b>	<b>34 780 794,87</b>

## Balance sheet

	GROUP		PARENT COMPANY	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
<b>ASSETS</b>				
<b>Fixed assets</b>				
Intangible assets	2 730 027,97	3 938 325,96	2 060 401,50	3 136 411,88
Tangible assets				
Land and water areas	8 789 053,66	8 695 216,66	7 671 564,96	7 582 192,96
Buildings	17 077 349,39	12 395 096,64	14 472 157,58	9 516 026,66
Electricity network	64 826 783,42	63 496 592,61	0,00	0,00
District heating network and equipment	23 647 012,49	23 240 946,78	23 647 012,49	23 240 946,78
Gas distribution network	939 117,38	983 719,95	939 117,38	983 719,95
Machinery and equipment	39 908 260,90	29 318 125,69	39 897 843,41	29 303 907,95
Acquisitions in progress	1 524 244,00	16 674 432,67	1 524 244,00	16 434 362,67
	156 711 821,24	154 804 131,00	88 151 939,82	87 061 156,97
Investments				
Shares in group companies	0,00	0,00	80 000,00	70 000,00
Holdings in associated companies	22 614 198,10	18 464 490,95	21 545 835,26	21 545 835,26
Other shares and participations	30 330 283,28	28 154 531,06	30 327 482,23	28 151 730,01
Other long-term investments	2 000 000,00	2 000 000,00	2 000 000,00	2 000 000,00
	54 944 481,38	48 619 022,01	53 953 317,49	51 767 565,27
<b>Total fixed assets and other long-term investments</b>	<b>214 386 330,59</b>	<b>207 361 478,97</b>	<b>144 165 658,81</b>	<b>141 965 134,12</b>
<b>Current assets</b>				
Inventories				
Oil reserve	11 083 214,77	11 340 614,47	11 083 214,77	11 340 614,47
Coal reserve	15 878 706,74	10 643 551,06	15 878 706,74	10 643 551,06
	26 961 921,51	21 984 165,53	26 961 921,51	21 984 165,53
Long-term receivables				
Loan receivables from group companies	0,00	0,00	0,00	5 000 000,00
Loan receivables from associated companies	65 757 062,50	67 299 312,50	65 757 062,50	67 299 312,50
Other receivables	1 000,00	1 000,00	1 000,00	1 000,00
Short-term receivables				
Trade receivables	22 599 192,98	19 253 900,69	16 084 942,50	14 861 998,48
Connection charge receivables	174 636,48	178 749,12	134 301,48	96 755,20
Receivables from group companies	0,00	0,00	9 842 687,33	396 562,29
Receivables from associated companies	1 755 633,68	2 512 342,35	1 755 633,68	2 512 342,35
Advances paid	1 180 496,40	3 388 850,40	1 180 496,40	3 388 850,40
Accrued income	9 584 569,62	7 132 627,77	6 362 088,45	4 320 586,26
Other receivables	10 331 001,71	18 630 502,36	10 299 938,45	18 530 329,69
Receivables, total	111 383 593,37	118 397 285,19	111 418 150,79	116 407 737,17
Financial asset securities	8 048 912,77	17 844 797,28	6 040 761,90	15 844 797,28
Cash in hand and at banks	23 321 073,16	2 518 806,82	23 321 073,16	2 518 806,82
<b>Total current assets</b>	<b>169 715 500,81</b>	<b>160 745 054,82</b>	<b>167 741 907,36</b>	<b>156 755 506,80</b>
<b>TOTAL ASSETS</b>	<b>384 101 831,40</b>	<b>368 106 533,79</b>	<b>311 907 566,17</b>	<b>298 720 640,92</b>

## Balance sheet

	GROUP		PARENT COMPANY	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
<b>Shareholders' equity</b>				
Share capital	3 421 816,00	3 421 816,00	3 421 816,00	3 421 816,00
Retained earnings	118 366 993,12	115 760 141,25	67 689 081,52	57 930 943,45
Net profit for the period	38 485 481,75	28 215 849,92	35 263 343,73	34 780 794,87
Translation differences	269 154,12	-586 341,25	-	-
<b>Total shareholders' equity</b>	<b>160 543 444,99</b>	<b>146 811 465,92</b>	<b>106 374 241,25</b>	<b>96 133 554,32</b>
<b>Accrued appropriations</b>				
Depreciation difference	-	-	<b>31 328 295,63</b>	<b>32 006 606,42</b>
<b>Obligatory reserves</b>	<b>785 368,00</b>	<b>0,00</b>	<b>785 368,00</b>	<b>0,00</b>
<b>Liabilities</b>				
Long-term liabilities				
Connection charges	110 174 341,95	107 650 679,83	79 809 357,14	78 178 192,99
Loans from financial institutions	65 757 062,50	67 299 312,50	65 757 062,50	67 299 312,50
Deferred tax liabilities	18 409 414,81	18 764 181,81	0,00	0,00
	194 340 819,26	193 714 174,14	145 566 419,64	145 477 505,49
Short-term liabilities				
Loans from financial institutions	1 542 250,00	1 542 250,00	1 542 250,00	1 542 250,00
Advance payments received	1 169 460,00	2 463 750,00	1 169 460,00	2 463 750,00
Trade payables	14 770 534,17	11 044 747,54	13 515 595,25	10 128 167,24
Amounts owed to group companies	0,00	0,00	2 473 625,26	995 648,39
Accruals and deferred income	9 784 716,53	10 017 565,31	8 125 474,54	7 651 256,66
Other liabilities	1 165 238,45	2 512 580,89	1 026 836,60	2 321 902,40
	28 432 199,15	27 580 893,74	27 853 241,65	25 102 974,69
<b>Total liabilities</b>	<b>222 773 018,41</b>	<b>221 295 067,88</b>	<b>173 419 661,29</b>	<b>170 580 480,18</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>384 101 831,40</b>	<b>368 106 533,79</b>	<b>311 907 566,17</b>	<b>298 720 640,92</b>

## Cash flow statement

	GROUP		PARENT COMPANY	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
<b>Cash flow from operating activities</b>				
Profit before extraordinary items	49 957 600,08	37 687 895,67	33 788 370,33	31 531 164,06
Adjustments				
Depreciation according to plan	19 582 120,68	18 704 341,92	10 231 102,82	9 780 593,73
Other non-cash income and expenses	-406 717,71	-1 044 893,11	-584 859,30	-1 048 479,29
Financial income and expenses	-893 508,61	-1 862 353,60	-3 009 990,10	-5 414 922,75
Share of the profit of associated companies/other adjustments	-5 841 793,36	-1 246 264,82	785 368,00	1 021,50
Cash flow before change in working capital	62 397 701,08	52 238 726,06	41 209 991,75	34 849 377,25
Change in working capital				
Change in inventories	-4 977 755,98	-3 488 259,11	-4 977 755,98	-3 488 259,11
Change in short-term receivables	3 547 339,91	-18 456 165,43	7 447 336,38	-18 462 603,12
Change in short-term loans	2 775 407,32	1 982 109,22	2 750 266,96	2 237 135,83
Cash flow from operating activities before financial items and taxes	63 742 692,33	32 276 410,74	46 429 839,11	15 135 650,85
Interest paid and decrease in operating receivables	-1 982 428,47	-3 683 550,51	-1 982 428,47	-3 683 082,69
Dividends received	2 051 004,50	3 840 460,58	2 051 004,50	3 840 460,58
Interest received	2 786 172,92	5 422 301,17	2 941 414,07	5 257 544,86
Direct taxes paid	-11 826 885,33	-11 010 721,63	-11 703 337,39	-10 922 718,68
<b>Cash flow from operating activities</b>	<b>54 770 555,95</b>	<b>26 844 900,35</b>	<b>37 736 491,82</b>	<b>9 627 854,92</b>
<b>Cash flow from investments</b>				
Investment in tangible and intangible assets	-21 260 144,31	-25 875 393,86	-11 131 733,08	-17 494 643,20
Proceeds from sale of tangible and intangible assets	1 972 898,33	1 560 762,62	1 272 898,33	1 258 076,39
Other investments	-2 212 905,46	-3 661 819,80	-2 222 905,46	-3 661 819,80
Proceeds from sale of other investments	234 972,00	0,00	234 972,00	0,00
<b>Cash flow from investments</b>	<b>-21 265 179,44</b>	<b>-27 976 451,04</b>	<b>-11 846 768,21</b>	<b>-19 898 386,61</b>
<b>Cash flow before financing activities</b>	<b>33 505 376,51</b>	<b>-1 131 550,69</b>	<b>25 889 723,61</b>	<b>-10 270 531,69</b>
<b>Financing cash flow</b>				
Payment of long-term loans	-1 542 250,00	-1 542 250,00	-1 542 250,00	-1 542 250,00
Loans receivable, increase (+) / decrease (-)	1 542 250,00	1 542 250,00	-2 457 750,00	1 542 250,00
Increase (+) or decrease (-) in connection charges	2 523 662,12	3 668 259,11	1 631 164,15	2 259 979,34
Dividends paid	-24 979 256,80	-24 979 256,80	-24 979 256,80	-24 979 256,80
Group contributions received and paid			12 500 000,00	10 000 000,00
Other	-43 400,00	-48 850,00	-43 400,00	-48 850,00
<b>Financing cash flow</b>	<b>-22 498 994,68</b>	<b>-21 359 847,69</b>	<b>-14 891 492,65</b>	<b>-12 768 127,46</b>
<b>Change in liquid assets</b>	<b>11 006 381,83</b>	<b>-22 491 398,38</b>	<b>10 998 230,96</b>	<b>-23 038 659,15</b>
<b>Liquid assets on 1 Jan.</b>	<b>20 363 604,10</b>	<b>42 855 002,48</b>	<b>18 363 604,10</b>	<b>41 402 263,25</b>
<b>Liquid assets on 31 Dec.</b>	<b>31 369 985,93</b>	<b>20 363 604,10</b>	<b>29 361 835,06</b>	<b>18 363 604,10</b>

## Key Figures

	GROUP			VANTAA ENERGY LTD		
	2009	2008	2007	2009	2008	2007
<b>Turnover, EUR mill.</b>	<b>234,1</b>	<b>203,5</b>	<b>178,5</b>	<b>200,0</b>	<b>174,5</b>	<b>152,2</b>
<b>Operating profit, EUR mill.</b>	<b>49,1</b>	<b>35,8</b>	<b>36,5</b>	<b>30,8</b>	<b>26,1</b>	<b>27,0</b>
% of turnover	21,0	17,6	20,5	15,4	15,0	17,7
<b>Profit before extraordinary items, appropriations and taxes, EUR mill.</b>	<b>50,0</b>	<b>37,7</b>	<b>38,4</b>	<b>33,8</b>	<b>31,5</b>	<b>32,3</b>
% of turnover	21,3	18,5	21,5	16,9	18,1	21,2
<b>Profit before appropriations and taxes, EUR mill.</b>	<b>50,0</b>	<b>37,7</b>	<b>38,4</b>	<b>46,3</b>	<b>41,5</b>	<b>40,8</b>
% of turnover	21,3	18,5	21,5	21,1	23,8	26,8
<b>Return on investment (ROI), %</b>	<b>23,4</b>	<b>19,2</b>	<b>20,5</b>	<b>18,5</b>	<b>18,9</b>	<b>19,6</b>
<b>Return on equity (ROE), %</b>	<b>25,0</b>	<b>19,4</b>	<b>20,6</b>	<b>20,3</b>	<b>19,9</b>	<b>21,7</b>
<b>Equity ratio, %</b>	<b>41,8</b>	<b>39,9</b>	<b>39,7</b>	<b>41,5</b>	<b>40,1</b>	<b>39,0</b>
<b>Current ratio</b>	<b>3,7</b>	<b>3,4</b>	<b>3,6</b>	<b>3,7</b>	<b>3,4</b>	<b>3,7</b>
<b>Gross investment, EUR mill.</b>	<b>23,5</b>	<b>29,5</b>	<b>21,7</b>	<b>13,4</b>	<b>21,2</b>	<b>11,7</b>
% of turnover	10,5	14,5	12,1	6,7	12,1	7,7
<b>Personnel on average</b>	<b>341</b>	<b>335</b>	<b>339</b>	<b>272</b>	<b>271</b>	<b>276</b>

\* Vantaa Energy's network business operations were transferred to Vantaa Energy Electricity Networks Ltd at the beginning of 2007 and, as a result, the 2006 key figures are not comparable with subsequent years.

## Formulae of Key Figures

$$\text{Return on investment (ROI), \%} = \frac{(\text{Profit/loss before extraordinary items} + \text{interest and other financial expenses})}{(\text{Balance sheet total} - \text{interest-free liabilities} - \text{obligatory reserves} *)} \times 100$$

$$\text{Return on equity (ROE), \%} = \frac{(\text{Profit/loss before extraordinary items} - \text{taxes})}{(\text{Equity} *)} \times 100$$

$$\text{Equity ratio, \%} = \frac{(\text{Equity})}{\text{Balance sheet total}} \times 100$$

$$\text{Current ratio} = \frac{\text{Inventories} + \text{liquid assets}}{\text{Short-term liabilities}}$$

$$\text{Equity} = \text{Equity} + \text{depreciation reserve excluding deferred tax liabilities}$$

\*) Average between the beginning and end of the year