



- The Swedish pharmaceutical market continued to grow at 6.7%.
- Tamro Sweden's net sales came to EUR 1,487.0 million (1,573.8). In local currency net sales grew by 3.5%.
- Internally Tamro Sweden will concentrate on efficiency of operations and the overall quality of services.

Operating environment and markets

The Swedish pharmaceutical market continued to grow at 6.7% in 2001. Parallel importers' share of the aggregate sales grew by over 12% and was 9.3% of the whole market. Pharmaceutical sales in terms of pharmacy purchasing prices rose to EUR 2,335 million.

In June, the Swedish Competition Authority issued a decision stating that the plans elaborated by Apoteket AB to develop its operations do not violate competition laws. After Apoteket AB published its plan in autumn 2000, several complaints were filed with the Swedish Competition Authority. Apoteket then revised its original plans so that its branching out will not compete with the distribution operations of Tamro and other pharmaceutical companies. The Swedish Competition Authority stressed that pharmaceutical wholesalers will continue to be responsible for distribution to all pharmacies.

During autumn 2001 the Swedish government proposed that pharmacies switch from expensive products to the cheapest similar products. Thus generic substitution will be mandatory unless the prescriber actively forbids it.

Financial performance and operations

	2001	2000	Change
Net sales, EUR million	1487.0	1573.8	-5.5%
Employees	519	578	-10.2%

Tamro Sweden's net sales came to EUR 1,487.0 million (1,573.8). In local currency net sales grew by 3.5%. Pharmaceutical sales accounted for 80% of the total sales. Tamro Sweden's operating profit improved, which can be explained by higher sales, compensation related to year 2000 and better cost control in operating costs. IT costs have decreased substantially compared to the previous year. Tamro Sweden employed an average of 519 (578) people in 2001.

Internet-based information services both to suppliers and pharmacies were developed during the year. Tamro Web Analysis is designed for suppliers and it offers an information system for stocks and sales. The suppliers have access to sales statistics, transactions, back order information and certain key performance indicators. All information is updated on a daily basis.

Tamro Web Direct, another Internet-based application, has been developed to complement Tamro Sweden's customer service provided to pharmacies. Each pharmacy can easily and quickly find valuable real time operational information about orders, deliveries, back orders and stocks.

Outlook for 2002

The pharmaceutical market will continue to grow, but, according to authorities' estimates, at a slower pace, the focus being on healthcare cost containment. Internally Tamro Sweden will concentrate on efficiency of operations and the overall quality of services in order to guarantee added value for customers' operations. The development of the Tamro's highly competitive business information systems will continue at a rapid pace to provide customers with real time business information.



Personnel



Share of consolidated net sales

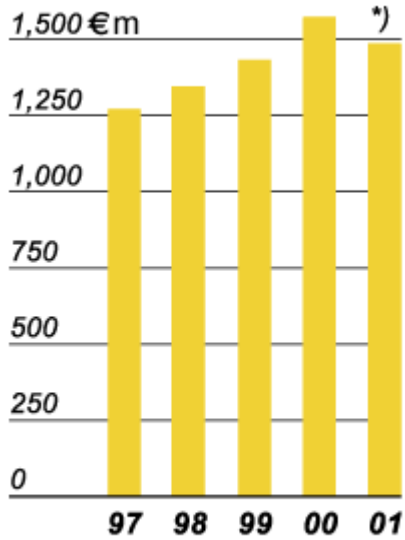


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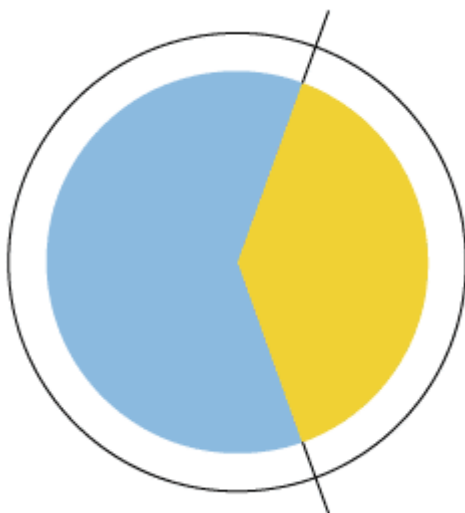
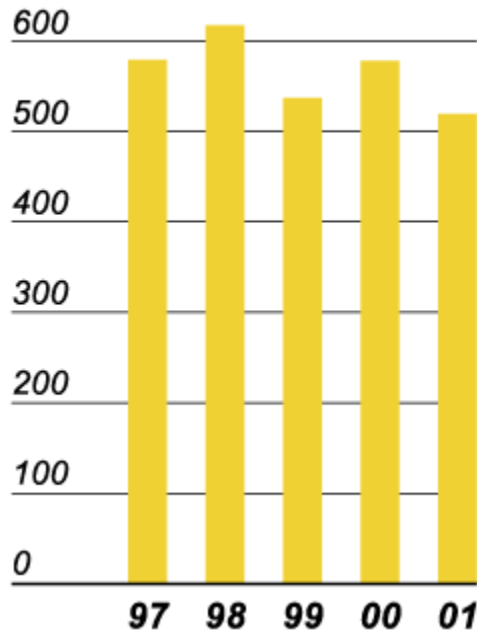


Net sales



*) In terms of SEK,
net sales rose by 3.5%.

Employees



Share of consolidated
net sales 39%





Nomeco

- The brisk growth of pharmaceutical sales continued in Denmark.
- Nomeco's net sales amounted to EUR 919.8 million (852.5).
- In 2002, Nomeco will concentrate on improving the efficiency of the Copenhagen branch.

Operating environment and markets

The brisk growth of pharmaceutical sales continued in Denmark. Overall pharmaceutical sales by wholesalers rose by 9.4% and amounted to EUR 900 million in pharmacy purchasing prices.

The development during the year was considerably influenced by legislative changes, which have had a great impact on the conditions of pharmaceutical distribution in Denmark.

The price freeze on pharmaceuticals expired in the beginning of July. Consultations between the Ministry of Health and the manufacturers' association resulted in an adjustment of the Danish price level. The prices of pharmaceuticals are now an average of the North European prices and the reference calculations no longer include prices from low-price South European markets. By the fourth quarter the price level had been adjusted according to the new calculations. This in combination with the introduction of new and more expensive products has had as a consequence that the aggregate market increased more than expected in the beginning of 2001.

As of 1 October 2001 also the non-pharmacy retail trade has been allowed to include selected OTC products in its assortment. The entire assortment comprises approximately 400 items. No significant changes - apart from the sale of nicotine dependency treatments - have been noted in the pharmacies' net sales for the said OTC products. The risk still exists that wider patient access to pharmaceutical products will increase the total consumption, which is neither desirable nor intended.

Financial performance and operations

	2001	2000	Change
Net sales, EUR million	919.8	852.5	7.9 %
Employees	632	667	-5.2 %

Nomeco's operating profit improved compared to 2000.

Since 1 July 2000 wholesalers have been allowed to grant cost-related discounts on pharmaceuticals to pharmacies. Danish legislators' estimates of total discount costs of approx. DKK 60 million have proved correct. The fact that pharmaceutical wholesalers have been unable to compensate for this cost fully with cost savings influenced earnings negatively in 2001.

In the beginning of the year Nomeco sold all its shares in the subsidiary Bang & Tegner A/S to Apotekernes A/S, which is owned by the Danish Pharmaceutical Association.

In spring 2001 Nomeco received its ISO certificate 9001. The process has been extremely resource-consuming at all levels of the organisation, but on the other hand, the certificate will contribute to supporting the company's image as a quality company.

During the last 12 months the Pharmacy Division has been phasing in the VMI concept (Vendor Managed Inventory), which ensures replenishment of the pharmacies stocks without direct placing of orders. The concept has been met with considerable interest among Nomeco's customers.

Outlook for 2002

The financial performance of Nomeco is closely linked both to legislative initiatives with an impact on

the pharmacies' situation in general and to the rules governing the setting of pharmaceutical prices. Furthermore, earnings will be influenced by any initiatives seeking to limit consumption, e.g., by decreasing reimbursement rates and the like. So far no signs indicate changes in these parameters. In 2002, Nomeco will concentrate on improving the efficiency of the Copenhagen branch.

Net sales



Personnel



Share of consolidated net sales

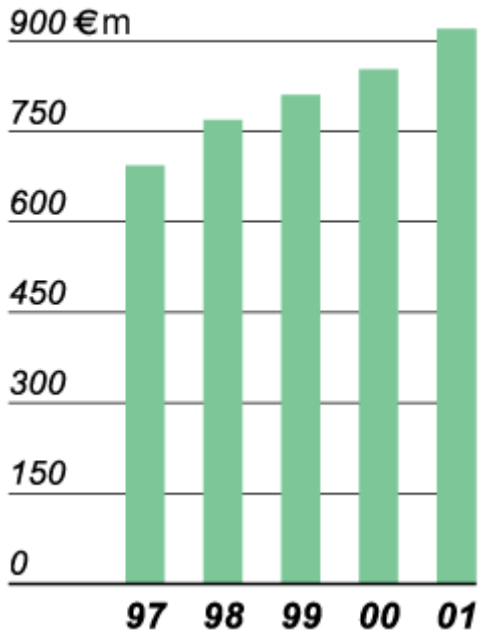


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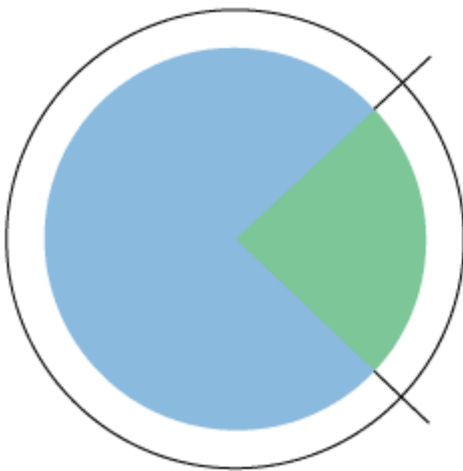
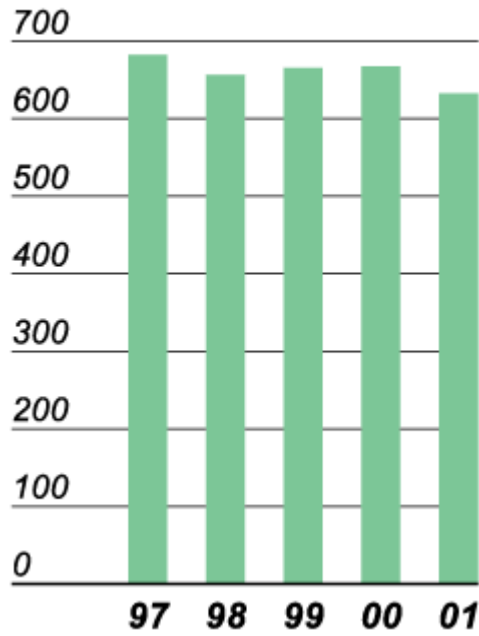




Net sales



Employees



Share of consolidated net sales 24%





- The total Finnish pharmaceutical market grew by 12.1%.
- Net sales amounted to EUR 672.2 million.
- Tamro Finland's foremost aim in 2002 is to increase productivity, cost-efficiency and maintain service quality at a high level.

Operating environment and markets

The total Finnish pharmaceutical market grew by 12.1%. Overall pharmaceutical sales by wholesalers stood at EUR 1,294 million and the competitive situation remained tight. Tamro's share of drug sales by wholesalers diminished to under 50%. In spite of this, Tamro Finland remained a market leader.

At the end of the year the Ministry of Social Affairs and Health started preparing a national pharmaceuticals strategy. Among other issues, the Ministry will look at the costs and financing of medical treatment, the availability of pharmaceuticals, the distribution system and the benefits of IT in pharmaceuticals management.

Financial performance and operations

	2001	2000	Change
Net sales, EUR million	672.2	681.8	-1.4%
Employees	366	440	-16.8%

In the year under review six significant cooperation contracts with the pharmaceutical industry were extended, while one important partner was lost, the effects of which will be felt in 2002.

Tamro Finland continued to undergo major changes in 2001. The information system introduced in the previous year was upgraded in March to enhance its euro readiness and improve its stability and manageability. Tamro Finland entered the euro era smoothly.

The biggest logistic change was the completion of the new Tampere regional service centre and its gradual introduction starting in June. The former distribution centre was closed in the end of August. As volumes grew at the new service centre, unexpected technical problems came up and further changes had to be rescheduled. This caused extra labour costs in other service centres which erased the cost benefit obtained as a result of staff reductions in the previous year and turned the company's profit into a loss in 3Q, and with a severe full year impact.

In summer Tamro Finland's warehouse operations were divided between Tamro House's central warehouse and the distribution warehouses of the regional service centres. This streamlining will make it easier to monitor inventory values.

The Pharmakon Unit, which belongs to Tamro Finland, markets healthcare products, hygiene products and cosmetics sold at pharmacies and natural product stores. The sales of Pharmakon remained at the previous year's level. A comprehensive cooperation agreement was concluded with the University Pharmacy concerning the sale of certain products marketed by different companies and of products represented by Pharmakon. The contract was renewed and its scope extended for 2002.

Organisation change

Mr Jorma Turunen was appointed Managing Director of both Tamro's pharmaceutical wholesale trade in Finland and the Tamro MedLab group as of 14 December 2001. Furthermore, Mr Stefan Pflug, Group Logistics Director, was appointed also Logistics Director for Tamro Finland.

Outlook for 2002

Prospects are favourable for the pharmaceutical market also in 2002, but the present tough competitive situation in the wholesale trade is expected to continue. Tamro Finland's foremost aim in 2002 is to increase productivity, cost-efficiency and maintain service quality at a high level. Statutory negotiations due to the plans to concentrate Tamro Finland's distribution and customer service operations to Tampere and decrease the amount of employees started in January 2002.

Net sales



Personnel



Share of consolidated net sales



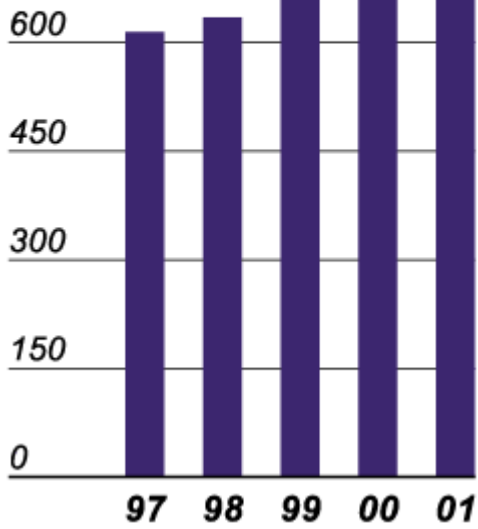
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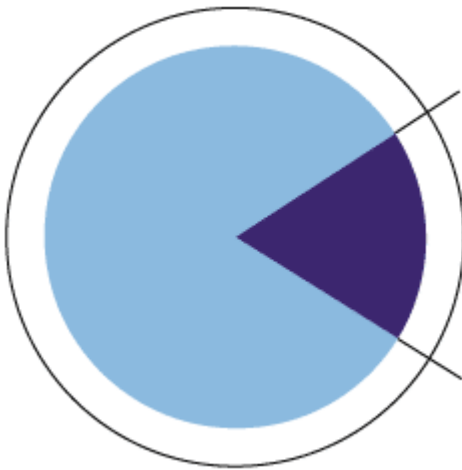
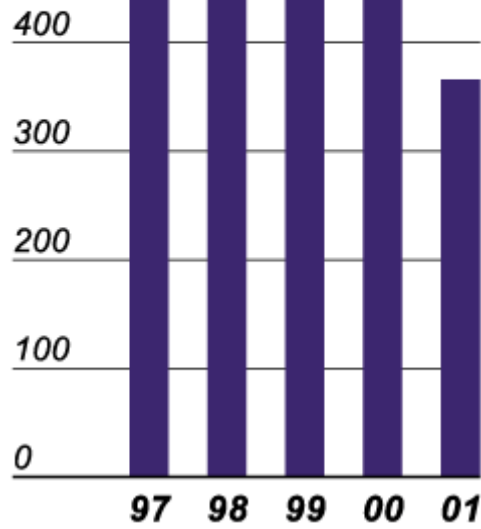
Net sales

750 €m



Employees

500



Share of consolidated net sales 18%





Apokjeden Group

- The Norwegian pharmaceutical market continued to grow at 10.7% in 2001.
- Apokjeden Group's consolidated net sales rose to EUR 453.3 (185.0) million.
- The aim of Apokjeden Group is to maintain its leading position in Norway.

Operating environment and markets

The Norwegian pharmaceutical market continued to grow at 10.7% in 2001. Pharmaceutical sales in terms of pharmacy purchasing prices rose to EUR 1049 million. Key contributors to the good market growth were newer and costlier medicines.

The Norwegian pharmaceutical market was deregulated on a large scale in 2001. The New Pharmacy Law, effective as of 1 March 2001, in practice totally liberalised the ownership and establishment of pharmacies. At the end of the year there were 460 pharmacies in Norway, an increase of 63 pharmacies compared to the previous year. Approximately 85% of the pharmacies belong to one of three major chains, of which the Tamro Group Apokjeden chain is the biggest with an average market share of 38%. The other chains are owned by the two big European wholesalers Gehe and AllianceUnichem. Apokjeden is the only chain in the market where pharmacists are owners together with the wholesaler.

Financial performance and operations

	2001	2000	Change
Net sales, EUR million	453.3	185.0	145.0%
Employees	491	110	346.4%

In February, Tamro's Norwegian subsidiary Tamro Distribution AS and the Apokjeden pharmacy chain merged their Norwegian operations into Apokjeden Group. Tamro subscribed to 49% of the shares in Apokjeden and Tamro Distribution AS became a fully owned subsidiary of Apokjeden Group. In the Norwegian market, Apokjeden Group represents a fully integrated, market driven wholesale and retail group.

The net sales figure includes Tamro Distribution's entire wholesale for the year 2001 as well as the retail sales of Apokjeden's pharmacies in April-December. Apokjeden's financial performance was unsatisfactory and it made a loss, mainly due to the heavy investments in pharmacies during the year 2001. Of the employees, 292 work in pharmacies.

The company has concluded agreements on part or total ownership with almost 140 pharmacies. Through these powerful investments Apokjeden has gained the position and structure required for building up sustainable long-term profitability as the leading actor in the Norwegian market.

Apokjeden Group represents over 180 of the Norwegian pharmacies. Twelve new pharmacies were opened, and already over 80 of the pharmacies have been restructured according to the branded Apotek1 chain concept. All members participate in the chains' marketing and sales campaigns.

Organisation change

In January 2002, Mr Øyvind Winther was appointed Managing Director of Apokjeden Group, thus succeeding Mr Steinar Stokke who resigned in December.

Outlook for 2002

The establishment of pharmacies is expected to continue at a rapid pace in the market, with 40-50 new pharmacies to be opened in the entire country. Pharmacies will continue to join the three major chains. In this totally new market situation, the integration of wholesale activities with the

pharmaceutical retail trade is vital for the sake of synergies, cost control and efficiency. The aim of Apokjeden Group is to maintain its leading position in Norway also in the present tightening competitive situation.

Net sales



Personnel



Share of consolidated net sales



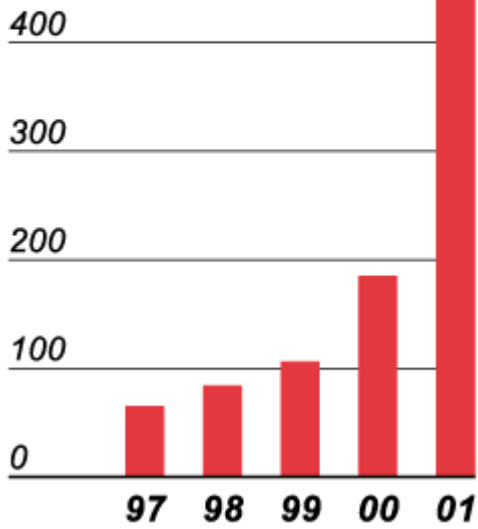
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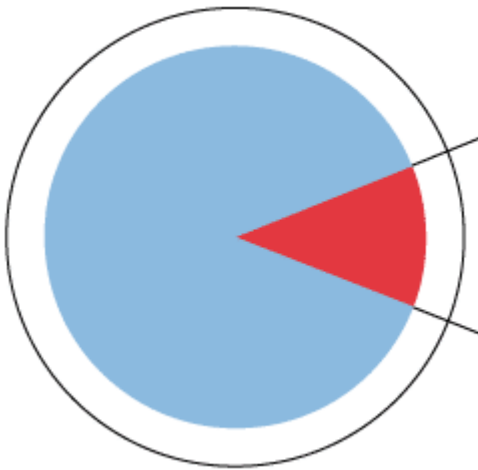
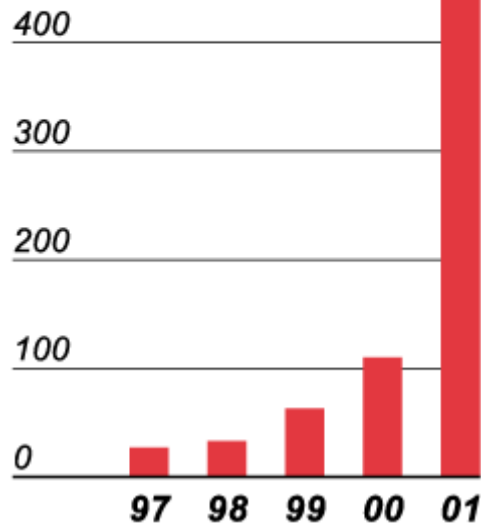
Net sales

500 €m



Employees

500



Share of consolidated net sales 12%





- Sales by pharmaceutical wholesalers in Estonia increased by 11%.
- The Estonian markets underwent significant changes during 2001.
- Tamro Estonia's net sales were EUR 37.1 million, 9.1% higher than in 2000.
- The market in Estonia is expected to continue its growth by 10%.

Operating environment and markets

Sales by pharmaceutical wholesalers in Estonia increased by 11% compared to 2000, reaching EUR 80 million. The Estonian markets underwent significant changes during 2001, with pharmacies joining chains and transferring to the ownership of wholesalers. Tamro also made its first pharmacy acquisition when it bought the Tallinn-based Koduapteegi OÜ and its three pharmacies located in the heart of Tallinn.

Financial performance and operations

	2001	2000	Change
Net sales, EUR million	37.1	34.0	9.1%
Employees	85	78	9.0%

Tamro Estonia is Estonia's second biggest pharmaceutical wholesale company and the company's profitability met expectations.

The new Estonian distribution centre, which also serves other Baltic countries, opened in February 2001. Price competition in pharmaceutical wholesale accelerated, leading Tamro Estonia to cut costs in the summer.

Outlook for 2002

The market in Estonia is expected to continue its growth by 10%. Pharmacy chain formation and the concentration of the retail market will continue rapidly. Customer service will enhance its technological readiness and key focus will be on efficiency-boosting methods and cost control.

Net sales



Personnel



Share of consolidated net sales

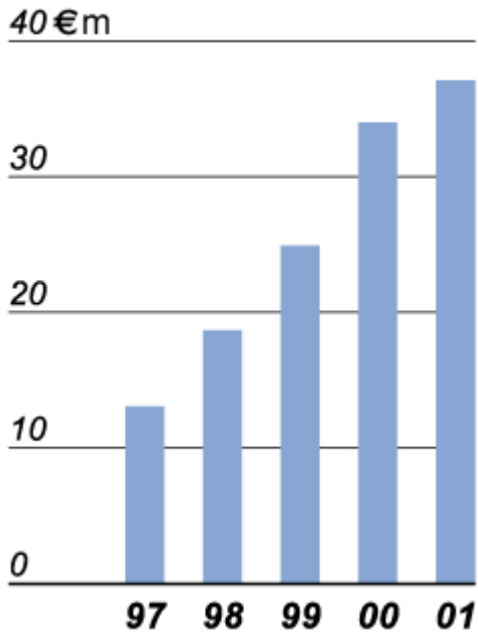


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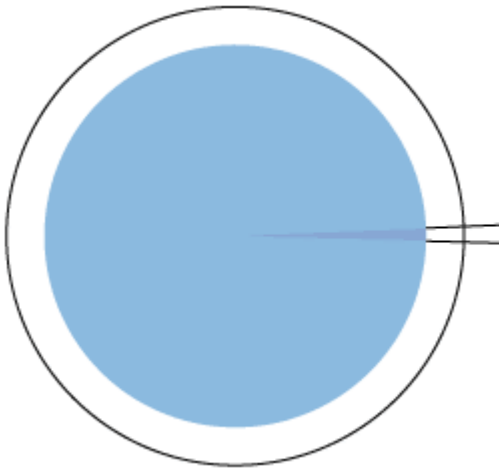
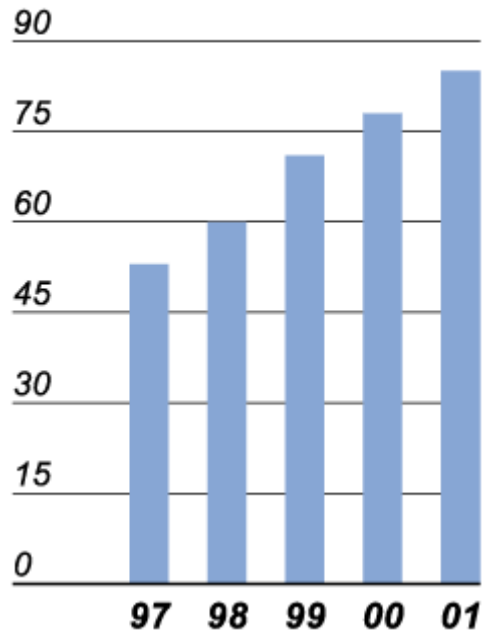




Net sales



Employees



Share of consolidated net sales 1%





- The pharmaceutical market in Latvia expanded by about 7% in 2001.
- Tamro Latvia's net sales of EUR 59.2 million exceeded the targets.
- The Latvian pharmaceutical market is expected to grow by nearly 10%.

Operating environment and markets

The pharmaceutical market in Latvia expanded by about 7% and amounted to approx. EUR 115 million in 2001. Further expansion was burdened by insufficient financing of the governmental healthcare system.

The consolidation process on both the wholesale and the retail level continued. Although there still are more than 40 licensed pharmaceutical wholesalers, the top 5 control two thirds of the market, with Tamro SIA the market leader.

Financial performance and operations

	2001	2000	Change
Net sales, EUR million	59.2	43.3	36.7%
Employees	189	93	103.2%

Tamro bought a leading wholesaler, Hansa Pharma Balticum and its pharmacy chain "Gimenes aptieka" with 25 outlets in June. Through this acquisition Tamro's market share in wholesale grew from 20% to 27% and Tamro signalled its entry into the retail business, where it now holds 7% of the market. Integration of its wholesale operations into Tamro SIA's operations was completed in 3Q.

Tamro Latvia's net sales exceeded the targets and contributed to fulfilment of the expected profit level. Tamro employed an average of 189 (93) people, of which 77 worked in pharmacies. The corresponding year-end figures were 263 and 134.

Outlook for 2002

The pharmaceutical market is expected to grow by nearly 10% due to considerable increase in financing of the governmental healthcare budget. Further improvements in operational efficiency, cost control and customer service in wholesale will enable Tamro to augment both its sales and market share. In retail the main effort is to further develop the Gimenes aptieka chain to be a clear market leader.

Net sales



Personnel



Share of consolidated net sales



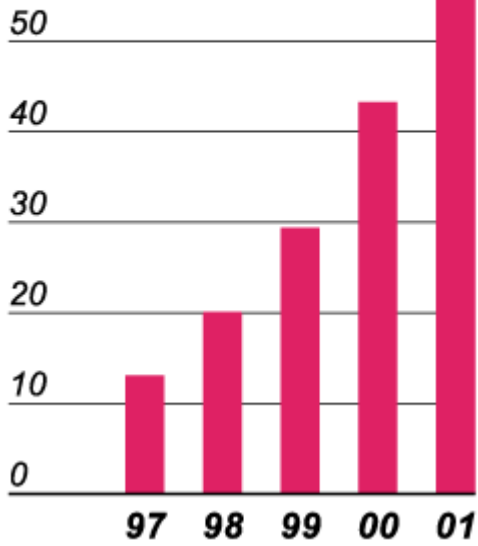
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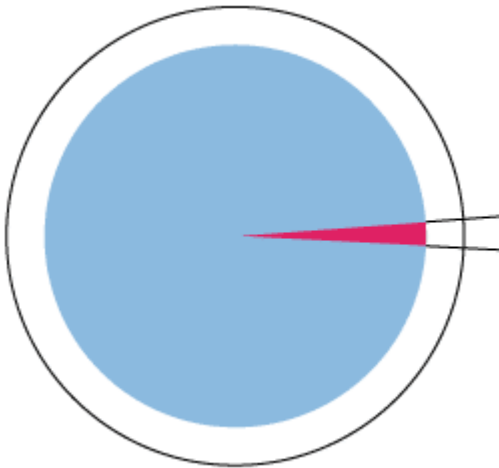
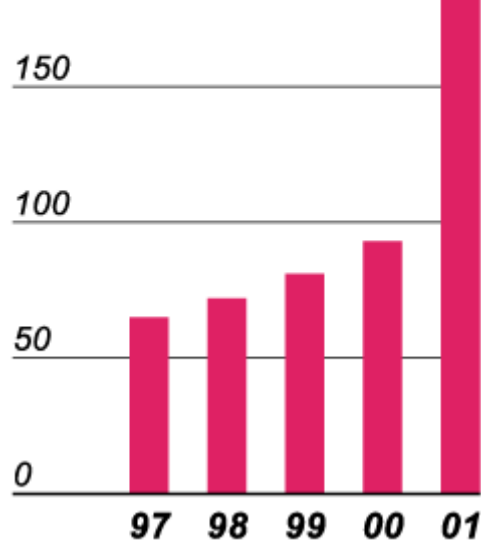
Net sales

60 milj.€



Employees

200



Share of consolidated net sales 2%





- The pharmaceutical market in Lithuania grew by 5% in 2001.
- UAB Tamro's net sales grew to EUR 39.4million, up 28.3% from the previous year.
- UAB Tamro's target is to further improve its efficiency and to strengthen its position in the market.

Operating environment and markets

The pharmaceutical market in Lithuania grew by 5% in 2001 and amounted to EUR 185 million. The market is very fragmented, with over 30 pharmaceutical wholesalers. Good distribution practice (GDP) requirements for pharmaceutical wholesalers according to EU directives will be obligatory for all wholesalers as of 2003. UAB Tamro, like all Tamro's wholesale units, is already following GDP requirements.

The imbalance between expenditures and incomes at governmental insurance institutions continued, and the debts of sick funds to pharmacies on prescribed medicines increased the financial expenditure of wholesalers.

Financial performance and operations

	2001	2000	Change
Net sales, EUR million	39.4	30.7	28.3%
Employees	86	149	-42.3%

Tamro is the second biggest pharmaceutical wholesaler in Lithuania. The main focus was on increasing productivity and profitability and on saving costs, and these objectives were reached. Warehouse and call centre productivity in UAB Tamro doubled during 2001 and the company's profitability exceeded targets.

Outlook for 2002

In Lithuania the imbalances in the sick funds pose a marked financial risk and the market growth is mainly dependable of the development of the reimbursement system. UAB Tamro's target is to further improve its efficiency and to strengthen its position in the market. New technology solutions will be used in customer relation management.

Net sales



Personnel



Share of consolidated net sales

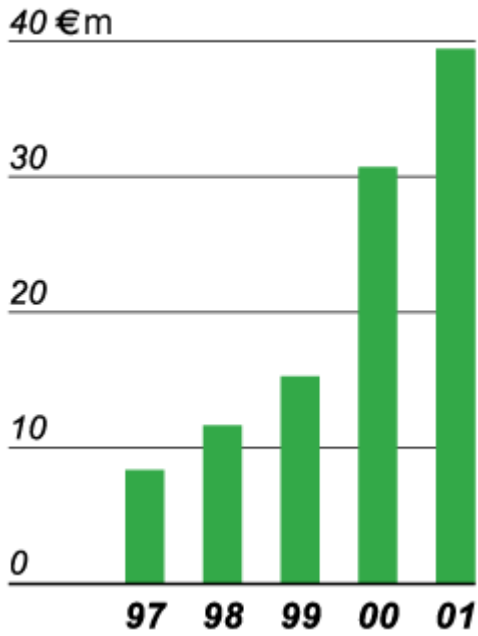


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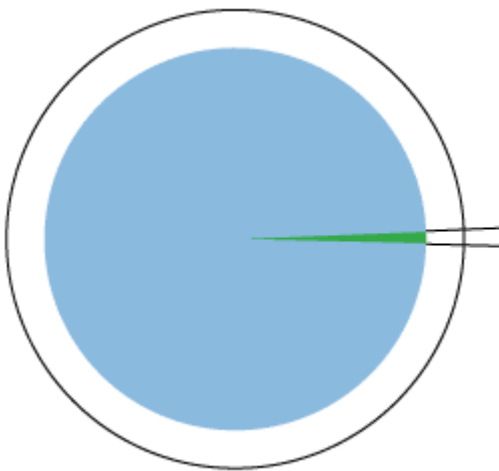
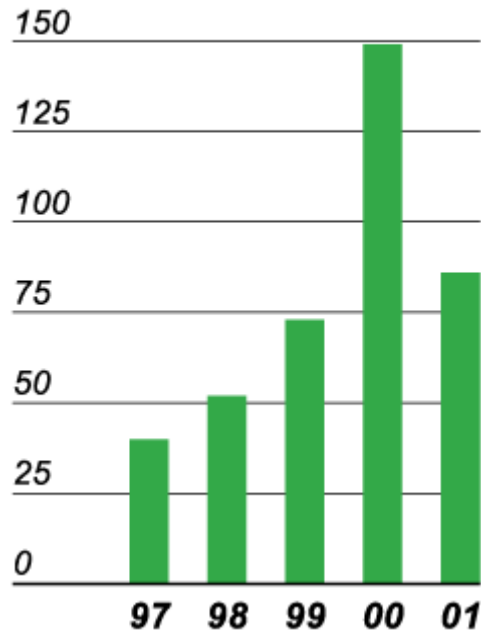




Net sales



Employees



Share of consolidated net sales 1%





- Pharmaceutical sales in Northwestern Russia reached a yearly growth rate of nearly 15%.
- ZAO Pharm Tamda 77's net sales increased by 39% to EUR 47.7 million.
- The Russian pharmaceutical market is expected to grow by 10%.

Operating environment and markets

After a sluggish start, sales in Northwestern Russia reached a yearly growth rate of nearly 15% in the autumn, and overall pharmaceutical sales by wholesalers totalled EUR 240 million at year-end.

Big Russian pharmaceutical wholesalers continued to consolidate, thus strengthening their market position. Pharmacy chains and private pharmacies were established. At year-end, after a lengthy process, a 10% value-added tax was imposed on all pharmaceuticals.

Financial performance and operations

	2001	2000	Change
Net sales, EUR million	47.7	34.2	39.5%
Employees	185	180	2.8%

ZAO Pharm Tamda reinforced its market position. A new distribution centre was established in Vologda, and it reached its sales targets by the end of the year. In Petrozavodsk customer service was improved by developing sales office operations, which also made it possible to close the distribution centre.

The positive sales development especially in 4Q, together with more efficient operations, resulted in a significant improvement in the result.

Outlook for 2002

The Russian pharmaceutical market is expected to grow by 10%. Also Tamro Russia, like Tamro's Baltic units, will strive to improve cost efficiency and strengthen its market position.

Net sales



Personnel



Share of consolidated net sales

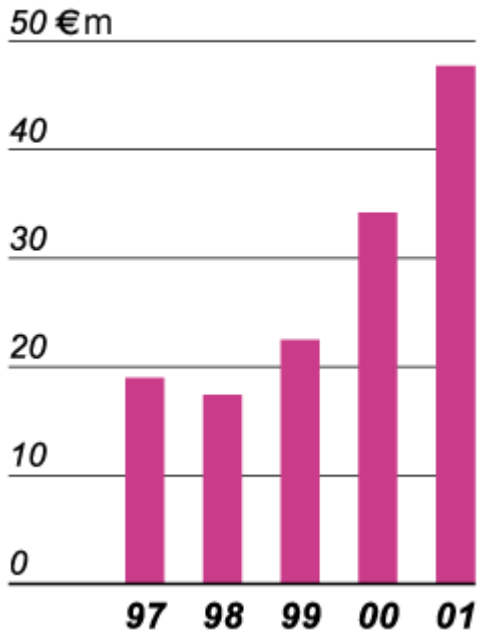


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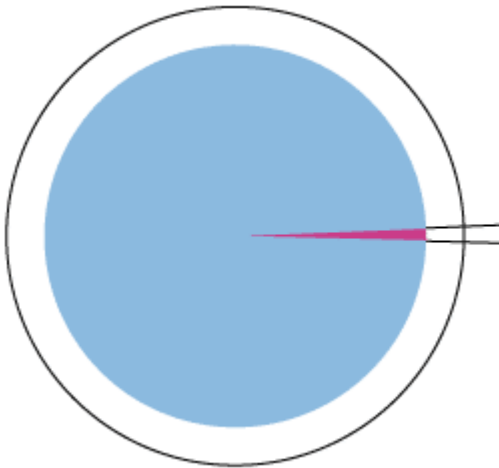
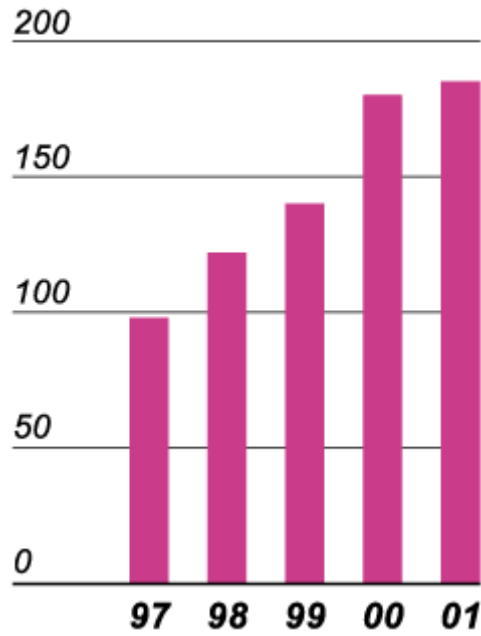




Net sales



Employees



Share of consolidated net sales 1%





- Mergers between manufacturers of hospital supplies and laboratory products continued in 2001.
- Tamro MedLab group's net sales grew by 4.0% to EUR 92.6 million.
- The prospects for improving Tamro MedLab group's profitability are good.

Operating environment and markets

Mergers between manufacturers of hospital supplies and laboratory products continued in 2001. Tamro MedLab maintained its strong position as a supplier of world class products, enabling it to offer its customers a wide range of quality products for a variety of needs.

Financial performance and operations

	2001	2000	Change
Net sales, EUR million	92.6	89.0	4.0%
Employees	257	271	-5.2%

Tamro MedLab group's net sales were the most upbeat in Finland and Denmark. The group was successfully restructured, and this showed in the result.

On 1 March 2001 Tamro MedLab Finland rolled out the Movex information system according to plan and without glitches. The Movex system is already in use in Sweden's and Norway's MedLab companies, where it has proved its worth as a support for business operations. Tamro MedLab's electronic marketplace MedLabMarket was upgraded as well. The market place has gained wide popularity and already has about one thousand registered users.

A subsidiary, Tamro MedLab SIA, was established in Latvia.

During the year, logistics focused on boosting the efficiency of Finnish operations and improving quality. The materials flow from supplier to customer was transferred from marketing to logistics. A satisfactory level was achieved in capacity and reliability of delivery. The outsourcing of warehouse operations was finalised. Finland switched to the euro without problems.

Tamro MedLab group's business is divided into two very different business units: Med and Lab. Healthcare products (medical supplies and equipment) are Med's territory and they are sold to hospitals and various healthcare facilities in all of Tamro MedLab's countries of operation, i.e., the Nordic and Baltic countries. Laboratory products are sold in Finland, Sweden and Norway to industrial, research and educational laboratories.

Med's sales developed favourably in Finland, Norway and Denmark. The focus of Finland's equipment sales was reconsidered and this boosted sales.

The sales of treatment equipment for diabetes patients were started in the entire market area. Diabetes treatment is one of the fastest growing healthcare sectors. Throughout the market area other product groups were included in the sales programme as well. Development of the TamroMed trademark continued and new products were added to the TamroMed family.

Lab's business operations are divided into laboratory supplies and life science products. In Finland, sales of life science and clean room products grew the fastest. In order to serve better its customers, Tamro MedLab opened its own presentation, sales and service point at Biomedicum in Helsinki. Sweden was awarded the ISO 9002 certificate. The streamlining measures taken in Norway were a success.

Outlook for 2002

Steady growth is expected to continue in the hospital product market. The input in life science

research will continue in 2002, further boosting the sales of Lab products. The prospects for improving Tamro MedLab group's profitability are good.

Net sales



Personnel



Share of consolidated net sales



Employees by area



Sales by area



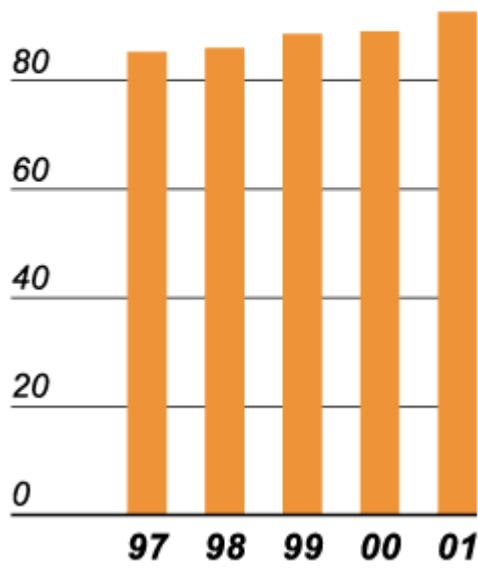
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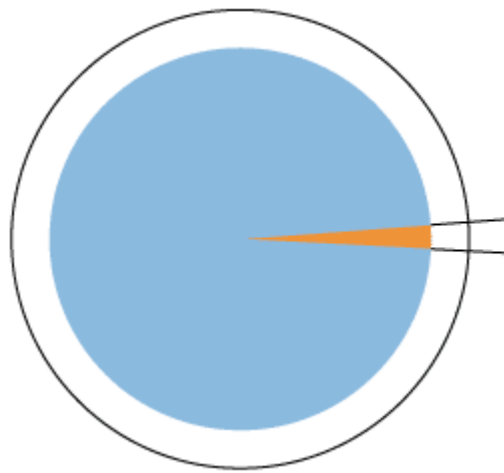
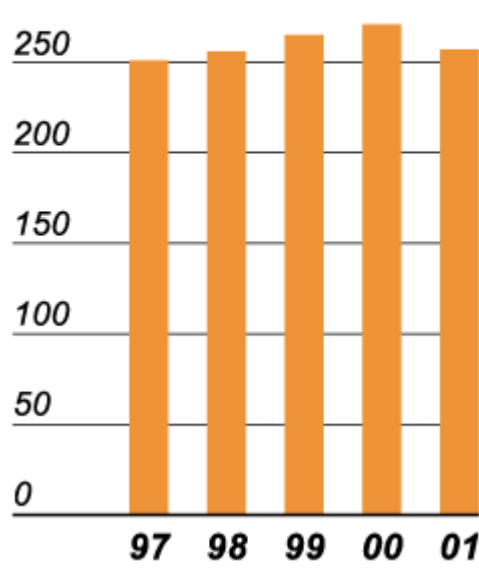
Net sales

100 €m



Employees

300

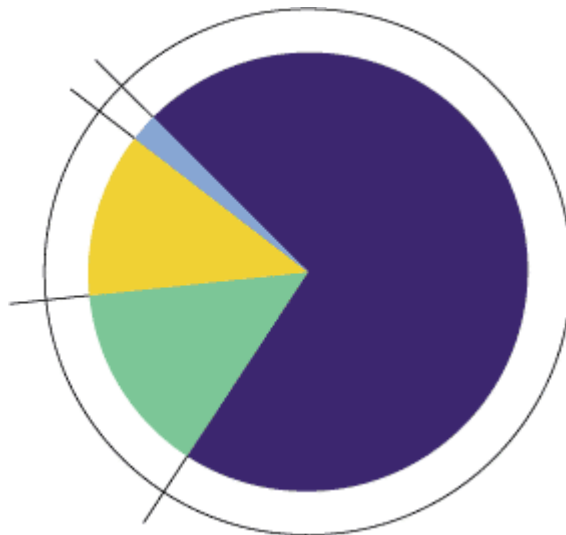


Share of consolidated net sales 2%



Employees by area

■ Finland	65%
■ Norway and Denmark	18%
■ Sweden	17%
■ Baltics	0%



Sales by area

■ Finland	71%
■ Norway and Denmark	14%
■ Sweden	12%
■ Baltics	2%

