



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Tamro in Brief 2008/09

Tamro Group is the leading pharmaceutical wholesaler in Northern Europe, with pharmacies in Norway, Estonia, Lithuania, Latvia, and Poland. The Group operates in the Nordic and Baltic countries, as well as Poland, and through a minority share in Russia.

The 2008/09 financial period was a record year for Tamro Group: the company achieved its best operating result ever, despite the global financial crisis that began affecting the world in September 2008. In this challenging business environment, Tamro was able to further develop its position as the leading pharmaceutical wholesaler in Northern Europe.

Following its strategy, Tamro also continued its active expansion into the retail sector. Pharmacies were acquired and new pharmacies opened in Norway, Estonia, Lithuania, Latvia, and Poland. Among the most significant investments was the acquisition of the Farma pharmacy chain, with 44 outlets in Lithuania. In the spring of 2009, Tamro will follow the deregulation process of the Swedish pharmacy market closely, and in early summer, decide whether to enter this market.

Throughout 2008/09, Tamro continued to focus on high-quality operations, customer satisfaction, and cost leadership, all of which are vital elements in the company's success and in fulfilling its important role in the national pharmaceutical chains of the markets in which it operates.

In addition, corporate responsibility was recognised as a key area for development. The first sustainability policy was published and the development of a corporate responsibility reporting process was initiated. In addition, all business units implemented and reported at least one corporate responsibility project. In 2009/10 Tamro will continue this work by launching a group-wide code of conduct and publishing the first corporate responsibility report.

Tamro Group's net sales for the year under review totalled EUR 5.5 billion. The operating profit improved to an all-time-high of EUR 139 million. The net profit was EUR 93 million. The company employs more than 5,100 people, of whom approximately 55% work in pharmacies.

The corporate headquarters of Tamro is in Vantaa, Finland. Tamro is fully owned by PHOENIX Group, the leading pharmaceutical distributor in Europe.

FINANCIAL HIGHLIGHTS**2008/09****2007/08**

Net sales	EURm	5,534.4	5,605.2
Other income	EURm	5.7	3.6
Operating expenses	EURm	-5,363.7	-5,454.1
Depreciation	EURm	-37.1	-32.3
Operating profit	EURm	139.3	122.4
Financial income and expenses	EURm	-13.4	-1.9
Share of affiliated companies' net income	EURm	0.0	0.3
Profit before extraordinary items	EURm	125.9	120.8
Extraordinary items	EURm	0.0	0.0
Profit before taxes	EURm	125.9	120.8
Income taxes	EURm	-33.1	-32.0
Net profit for the period	EURm	92.8	88.8
Free cash flow	EURm	155.1	116.0
Profit margin	%	2.3	2.2
Return on capital employed	%	36.0	32.0
Return on equity	%	32.6	25.1
Earnings per share	EUR	0.81	0.78
Dividend per share	EUR	1.40	1.75
Net gearing	%	11.8	3.2
Investments	EURm	57.0	37.1
Number of employees, average		5,168	4,736



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

CEO's Review

Focus on local excellence – another record year for Tamro

Again Tamro can report a record year, an all-time high. The challenging and changing environment leading to great distress in the global financial market has affected most sectors of business; however, it did not cause any setbacks in our unbroken list of improved results.

Our strong focus on local excellence and performance allowed us to progress in most markets. Even countries that from the European perspective seem similar and comparable, such as the four Nordic countries, have elected to apply completely different business structures for their distribution of medicines. The local character of Tamro's business and our autonomy from our owner's structures has allowed Tamro to continue its operations unaffected by the adverse events seen in Germany in the last quarter of 2008. Work at Tamro's headquarters has been successful in ensuring that sufficient group funding from the Nordic banks and our own sources is being provided. We also continue building a centralised IT platform, of which the core is formed by the hardware installations in Finland and the Enterprise One ERP platform that Tamro has adopted.

I am very proud to see how our customer services are continuing their positive development. Customers are in the very nucleus of everything we do. Extensive surveys are conducted in all of our target markets to ensure that we are attuned to our customers' and suppliers' needs at all times. The results of the surveys confirm the strength of our service quality. Not only is Tamro the leading player in terms of volume; it is also recognised as the preferred partner, able to meet the high expectations of customers and suppliers alike.

The appropriate conduct of our employees has been anchored in the new Tamro code of conduct, which is being converted into Tamro countries' local languages and implemented throughout the group. It is important to ensure that our business ethics stand out as exemplary at all times. As the leading pharmaceutical distributor in our target markets, Tamro should act as a responsible member of the community, also when it comes to our impact on the environment.

The Swedish government continues its preparations to dismantle the retail monopoly with effect from July 2009 and liberalise the sale of non-prescription medicines from November 2009. Sweden now represents Tamro's most important opportunity for expansion. Sweden is our second largest market, and today our deliveries fulfil approximately 70% of the volume requirements of Swedish pharmacies. Tamro is determined to maintain a strong position also after the scheduled liberalisation. However, our plans cannot be fully set until the Swedish legislators and government agencies have finished their work. It cannot yet be determined whether the market will be sufficiently attractive to enter into pharmaceutical retailing. Flexibility will be needed for adapting Tamro's operations to the changing business environment. As a leading distributor, Tamro is obliged to ensure that the supply of medicines to Swedish customers does not suffer during the transition.

This summer, I shall reach the age when my employment contract expires. I shall not leave this position without emotions. Supported by owners who were willing to invest in Tamro's expansion and success, I have seen the company, and each of its business units, improve year by year since 2002, when I took on the office. The success of the business units was facilitated by the hard work of the employees, building and maintaining a trustful relationship with our suppliers and customers. I thank you all for your support, and I trust that you will continue this successful journey with my successor, Juha Koponen, whom I wish the best success and all my support.

As an incoming member of the Tamro Board of Directors, I shall continue to closely follow Tamro's business and remind that business is local and that our success is determined by the professional way our employees approach our customers.

Jo Langmoen
President and CEO
Tamro Corporation



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Corporate Governance

Tamro Corporation's governing bodies and management practices comply with the Finnish Companies Act, the Articles of Association and other applicable laws and regulations. The auditors' statement on Tamro's corporate governance is included in the Auditors' Report.

Tamro Corporation is a wholly owned subsidiary of PHOENIX Group. Administrative routines are aligned with those of the parent company.

Board of Directors and President/CEO

Tamro Corporation's Board of Directors comprises a minimum of three and a maximum of ten members elected at the Annual General Meeting. The term of a Board member expires at the close of the following year's Annual Meeting. The Annual General Meeting elects the Chairman.

The Articles of Association of Tamro Corporation specify no other tasks for the Board of Directors than those prescribed under the Finnish Companies Act.

In addition to the provisions of the Finnish Companies Act, it is the duty of the President and CEO to

- direct the company's business activities according to the guidelines and regulations issued by the Board of Directors,
- monitor economic trends in the countries of operation and adjust corporate activities as required by the changing business environment,
- manage the company's strategic planning and monitor the development of the Group's operational organisation and efficiency,
- supervise the M&A activities, and
- propose the meeting agenda to the Board of Directors.

No Group employee is nominated to the parent company's Board of Directors. No director of the corporate Board serves as non-executive Director on any of the Boards of Group subsidiaries.

The President and CEO is nominated by the Board of Directors, which also approves the terms and conditions of his post as stipulated in a written executive employment contract. All other employees of the Corporation are appointed with the terms and conditions of their contracts approved by the superior of the appointing person.

Tamro has elected to use a double signature policy throughout the whole Group. The name of the company, whether Tamro Corporation or its subsidiary, is signed by the members of the Board and the Managing Director, two together or by the procurator holder(s) authorized by the Board to do so together with another person entitled to sign. Where the subsidiary has no Board of Directors, the subsidiary is signed for by the procurator holder(s) authorized by the shareholder to do so either together with another procurator holder or with the Managing Director.

Organisation of business activities and areas of responsibility

The Group's core business - pharmaceutical distribution - is organised under eight country-specific business units. In all the countries where it is legally possible, Tamro Group is actively involved also in pharmaceutical retail trade.

All business units are headed by a Managing Director reporting to the President and CEO of Tamro Corporation.

The Group management comprises the President and CEO, the Group's Chief Financial Officer, the Group's Logistics Director and the Managing Director of Tamro Finland.

The responsibilities of the Group's Chief Financial Officer are to manage the corporate business controlling, treasury and Group administrative functions. He also establishes adequate financial standards and routines to be properly adopted and applied by all Group companies, and he guides the companies in their use of the said tools. He is responsible for the Group budgeting, financial reporting to the Board of Directors - including making pertinent comments and highlighting substantial deviations from plan - and making valid forecasts. The CFO also takes care of corporate tax planning and business development.

The Group's Logistic Director is responsible for driving the operational efficiency and quality of our operational processes, including the use of information technology. He is responsible for operational benchmarking processes in the Group, based on the key logistic parameters used to identify best practices that can be adopted by the local business units, as well as for driving and leveraging the efficiency and quality improvement work of the distribution units, in order to ensure competitive operations.

The responsibilities of the Group's Chief Financial Officer and Logistics Director have been defined by the President and CEO and approved by the Board.

A separate routine and rules for investments and expenses as well as a chart of authority have been established at Tamro Corporation for application throughout the Group.

Auditing

The external auditors are elected annually by the General Meeting. In addition to the tasks specified in the audit regulations and the audit scope, the auditors report their audit findings to the Board of Directors when necessary and take part in the meetings of Tamro's Board of Directors.

Risk management

For Tamro Group, a contributor to the national health care systems, it is essential that special attention is given to the risks inherent in the business. The main operational risks are property damage, business interruption and liability risks. The objective of the operational risk management of the Group is to identify and minimise risks associated with operations, assets, environment and personnel. The responsibility to manage and reduce the operational risks and to have appropriate contingency plans in place lies with the local business units.

The remaining risks are covered with insurances to the extent defined by the Tamro Group management and the Board of Directors. The Group level master insurance policies are administered centrally by Tamro whereas the business units are responsible for the appropriate local insurance coverage.

Financial risks are handled in accordance with the financial policy approved by the Board of Directors. The Tamro treasury function is responsible for monitoring and managing the Group level financial risks, and for advising the business units in their financial risk management. The business units are responsible for providing the Tamro treasury function with the necessary information regarding their financial risks, and for complying with the guidelines and policies given by the Tamro treasury function.

Tamro has an internal audit team. The function of the team is, among others, to report on the adequacy of internal controls and the level of compliance with Tamro Group regulations. The team also provides recommendations about the activities reviewed. The internal audit team reports to the President and CEO, while the Group management acts as its Audit Committee.

Subsidiaries

In a subsidiary where Tamro Corporation is the sole shareholder, the General Meetings are convened either by the Board of the local company or by Tamro Corporation. The Chairman of the General Meeting is either Tamro Corporation's President and CEO or a designated Tamro Corporation executive. The Chairman of the Board is either Tamro Corporation's President and CEO or another designated Tamro Corporation executive.

If a Board of Directors is not needed, the tasks laid down for the Board of Directors may be assigned to the General Meeting as specified in the articles of association of the relevant subsidiary.

The Managing Director of the subsidiary is appointed by Tamro Corporation's President and CEO, with the terms and conditions of their contracts approved by the Chairman of Tamro Corporation's Board of Directors as the superior of the appointing person.



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report



Group management 2008/09

Jo Langmoen

born 1949
MSc (Eng)
President and CEO
Tamro Group

Lars Birkeland

born 1964
MSc (Econ), MBA
Chief Financial Officer
Tamro Group

Juha Koponen

born 1966
MSc (Econ)
Managing Director
Tamro Finland

Stefan Pflug

born 1967
Director Logistics
Tamro Group



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Financial Risk Management

Financing and risk management functions in Tamro Group are centralised in a separate financing company, Tamro Finance Ltd. At the group level, Tamro Finance Ltd is responsible for funding operations, liquidity management, and foreign exchange and interest rate risk management, as well as for acquiring and maintaining a certain level of insurance cover. The business units are responsible for the corresponding local activities in accordance with the policies and guidelines given by Tamro Finance Ltd.

The objective of the risk management activities is to decrease any unpredictability of the Group's financial performance due to financial and operational risks.

The risk management operations are carried out in accordance with the financial policy approved by the Board of Directors (hereinafter, 'the policy').

Funding and liquidity management

The funding of the Group is guaranteed by a number of financing sources. The commercial paper programmes of EUR 300 million and SEK 1,000 million (equivalent to EUR 94 million) are supported by EUR 160 million committed revolving credit lines arranged with Tamro's core banks. Negotiations on the prolongation of these facilities within the next few months are being conducted. Tamro Group's shareholder PHOENIX is in the process of renegotiating its own long term financing arrangements.

The Group has receivable securitisation programmes of SEK 1,200 million (EUR 113 million) in Sweden and DKK 1,050 million (EUR 141 million) in Denmark. At the end of December, a three-year amortising loan in the amount of EUR 30 million from Tamro Corporation's pension insurer was drawn down. In addition, account overdraft facilities are available.

Any excess liquidity within the Group is managed with the help of cash pool arrangements and used primarily to repay short-term interest-bearing debt. Any remaining liquid funds are invested by Tamro Finance Ltd in short-term deposits and commercial papers of approved issuers. The investment limits are defined by the policy.

Foreign exchange and interest rate risk management

The currency breakdown of net sales for the 2008/09 financial year was SEK 27% (30%), DKK 27% (26%), EUR 19% (19%), NOK 13% (13%), PLN 7% (6%), and other currencies 6% (6%). In the Nordic countries, it is almost exclusively the suppliers who bear the foreign exchange risk. In Estonia, Latvia, Lithuania, and Poland the foreign exchange risk is borne to some extent by the distributor or pre-wholesaler. The business units are responsible for hedging the net foreign exchange exposure inherent in the commercial operations. Intra-group loans are extended by Tamro Finance Ltd in the home currency of the relevant subsidiary company. Tamro Finance Ltd hedges any net foreign exchange exposure in accordance with the policy.

Foreign-currency-denominated equity and equity-type loans are not hedged. At the end of the financial year, foreign-currency-denominated shareholders' equity and equity-type loans amounted to EUR 520 (562) million. Of the total amount, the NOK represented 34% (31%), DKK 24% (28%), SEK 25% (25%), and other currencies 17% (17%).

The short-term funding structure of the Group closely matches the short-term asset structure of receivables. The three-year fixed rate loan from the pension insurer diversifies the maturity structure of the funding and thus reduces interest rate risk.

Derivative instruments are used to hedge underlying foreign exchange and interest rate risk exposure. The derivative instruments used must be liquid and effectively priced in the market, and the agreements are entered into with creditworthy counterparties. The open derivative instruments of the Group are presented in tabular form in the 'Notes to the Financial Statements' section.



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Corporate Responsibility

Tamro Group published the first sustainability policy in April 2008. This policy states the group-level corporate responsibility objectives for the coming years. Commitment to developing more sustainable practices was a key area of focus in the 2008/09 business year, and all Tamro Group business units reviewed their operations and set new environmental or social responsibility objectives. Many new initiatives were launched. Tamro Group is committed to compliance with relevant environmental regulations and requirements through the continual development of our environmental management systems, and we will create and monitor annual environmental objectives and targets to meet this commitment.

To meet the Group sustainability policy's requirement of developing an environmental management system and monitoring the environment-related targets, development of a corporate responsibility reporting process was initiated in September. In the course of the process development work, the most pertinent corporate responsibility issues for Tamro were determined and the associated key performance indicators and measures set. An important part of the development process was the stakeholder expectations survey conducted in January 2009. The objective is to publish the first corporate responsibility report in spring 2010. This report will cover the financial, social, and environmental responsibility issues.

Corporate Responsibility in Business Units

Many Tamro Group business units formulated their own environmental policies in 2008/09. At Apokjeden, the environment is considered when decisions are made about the assortment, selection of packages, and means of transport. The policy challenges all employees, and also suppliers, to develop their respective environment-related practices as well. Apokjeden's objective is to become fully compliant with the ISO 14001 environmental standard. Tamro Sweden has fulfilled the requirements of the ISO 14001 environmental standard since 2000.

In Denmark, Nomeco has set an objective of reducing CO₂ emissions by 10% in three years and encourages its employees to reduce their personal carbon footprint.

At Tamro Finland, a company-wide environmental study was carried out, and several areas for development were found. A new, low-emission car policy was adopted in January. A thorough recycling plan was implemented at all sites, and recycling operations were renewed.

Tamro Estonia's Apteek1 has the objective of being the first green pharmacy chain in Estonia before the end of 2009. That involves the use of recycled materials, reduction of waste, and application of various means of saving energy and water. The employees are encouraged to participate in reducing the company's carbon footprint. At Tamro Latvia, Gimenes aptieka has replaced its plastic bags with paper bags and the employees have given up use of plastic cups. At Tamro Lithuania, delivery routes and times have been optimised to reduce carbon emissions from the delivery trucks. Also, the heating and ventilation system has been modernised and is now much more energy-efficient.

In Poland, energy-saving light bulbs were introduced in the Warsaw warehouse and disposable dishes replaced with ceramic and/or metal kitchenware.

In all wholesale operations, the goods are packed into washable and durable plastic boxes that are reused for many years. All other packaging waste is sorted and recycled.



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Tamro Sweden

- Net sales: EUR 1,496 million (comparative: EUR 1,686 million)
- Personnel: 462 (444)
- Average market share: 53%

Market Overview

Growth in the pharmaceutical market slowed down in Sweden in 2008/09. Total pharmaceutical sales came to EUR 3 billion in pharmacy purchase prices, a 2.7% increase from the figure for the equivalent period in the previous year. The market growth was mainly due to increased sales volumes.

In 2008/09, Tamro Sweden's net sales totalled EUR 1,496 million, a decrease of 11%. The decline was due to currency effects and the new accounting procedure employed with some suppliers: the distributed volume was handled as consignment stock and not booked as sales. This lowered Tamro Sweden's net sales figure, although the margins generated from the distribution were unaffected. A contract was signed with a new major supplier, which strengthened Tamro Sweden's position in the market. Tamro is the clear market leader, with a market share of 53%.

In December 2008, the Swedish government presented its bill for deregulation of the pharmacy system. The proposal is for the pharmacy system to be liberalised as of 1 July 2009. The Swedish Parliament made its decision on 29 April 2009.

Main Events

During the reporting period, Tamro Sweden prepared for the possible deregulation of the pharmacy market. Also, improvements were made in logistics, including paperless picking and, in Stockholm, replacement of the replenishment cranes. Plans to introduce hand scanners in picking in 2009 will further improve cost-efficiency.

Outlook for 2009/10

The Swedish pharmaceutical market is expected to grow by 3% in 2009–10.

The deregulation of the Swedish pharmacy market constitutes a major expansion opportunity for Tamro Sweden in 2009. It is expected that new actors will enter the market to compete with the state-owned Apoteket AB. For the wholesalers this would mean new customers and new service development opportunities. Liberalisation could affect the distribution structure also.

Tamro Sweden is monitoring the deregulation process with great interest. The decision as to whether Tamro will participate in the process and establish a pharmacy chain in Sweden will most likely be made in early summer. The decision depends on the attractiveness of the liberalised market.

The Swedish government is continuing work on its pharmacy chain reform proposal, which would allow non-pharmacy outlets to sell OTC drugs from 1 November 2009.

Key Figures

	2008/09	2007/08	Change
Net sales, EUR million	1,496.2	1,685.7	-11.2 %
Employees, average	462	444	4.1 %



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Nomeco

- Net sales: EUR 1,600 million (comparative: EUR 1,526 million)
- Personnel: 596 (620)
- Average market share: over 70%

Market Overview

The pharmaceutical market in Denmark grew by 6.4% from that of the equivalent period in the previous year. Hospital-sector growth continued to be strong, as compared to the more modest development in the pharmacy sector. The market share of generics increased further and pushed pharmaceutical prices down. The current generics prices are among the lowest in Europe. Total pharmaceutical sales in Denmark came to EUR 2,001 million in pharmacy purchase prices.

Nomeco's net sales totalled EUR 1,600 million, an increase of 4.9%. The growth was driven primarily by increased market share. Nomeco is by far the largest wholesaler in Denmark, with a market share of over 70%.

The voluntary price stop agreement between the Danish government and the pharmaceutical industry was extended until 1 January 2010. Until then, pharmaceutical prices may be increased by 2%.

The number of pharmacies has continued to decrease. In 2008, there were 244 pharmacies in Denmark. The trend is expected to continue but at a slower pace. Most Danish pharmacies belong to co-operative chains that function mainly as purchasing associations.

Main Events

Nomeco's pre-wholesale market segment developed satisfactorily as new pharmaceutical suppliers entered the market and Nomeco's business concepts were well appreciated. Competition in the field intensified.

In the wholesale arena, Nomeco entered the liberalised market for veterinary pharmaceuticals.

The market share was maintained at a very high level through continuous improvements in the VMI (Vendor Managed Inventory) concept as well as other value-adding services. With the VMI concept, pharmacies are offered automatic replenishment of their inventories and the use of sales forecasting tools. As the number of pharmacies in Denmark is relatively low, it is possible for Nomeco to focus on the individual customer.

Outlook for 2009/10

The pharmaceutical market is expected to grow by 3-4% in the course of the 2009/10 financial year. The distribution margins are under pressure, and pharmaceutical suppliers are comparing and evaluating different distribution channels.

Nonetheless, Nomeco's operations are expected to show solid growth.

Key Figure

	2008/09	2007/08	Change
Net sales, EUR million	1,600.2	1,526.1	4.9 %
Employees, average	596	620	-3.9 %



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Tamro Finland

- Net sales: EUR 1,068 million (comparative: EUR 1,032 million)
- Personnel: 340 (331)
- Average market share: 52.5%

Market Overview

The pharmaceutical market's growth remained on a high level. Pharmaceutical sales totalled EUR 1,966 million in pharmacy purchase prices, a 5.8% increase from the figure for the equivalent period in the previous year. The market growth was mainly a result of increased sales volumes.

In 2008/09, Tamro Finland's net sales came to EUR 1,068 million, an increase of 3.5%. The increase was due to the strong growth in volumes. The leading supplier of well-being products for Finnish grocery trade, Axellus, switched to Tamro distribution at the end of 2008. Tamro is the market leader with a market share of 52.5%.

Main Events

During the reporting period, Tamro Finland's operations continued their positive development. The quality and efficiency of Tamro Finland's logistics services remained at a very high level when compared to those of European peers. A lease agreement for a new auxiliary warehouse was signed in September to secure sufficient capacity to handle increasing volumes.

Outlook for 2009/10

Tamro Finland's outlook for 2009–10 is stable. The positive development of operations is expected to continue, and the company expects to further widen its service offering for its business partners.

Tamro Finland's operating environment is seeing increased pressure on the entire industry. The new reference pricing model for reimbursement of pharmaceuticals, which came into effect on 1 April 2009, will have a negative effect on market value and growth. The Ministry of Social Affairs and Health expects the new pricing system to save 4%, or approximately EUR 85 million per annum, in pharmaceutical expenditure. Also the wholesale sector is expected to lose some income, which Tamro will compensate with operational improvements and wider service offering.

Key Figures

	2008/09	2007/08	Change
Net sales, EUR million	1,068.1	1,032.4	3.5 %
Employees, average	340	331	2.7 %



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Apokjeden

- Net sales: EUR 757 million (comparative: EUR 766 million)
- Personnel: 2,065 (1,905)
- Average market share in retail: 35%

Market Overview

In 2008, Norwegian pharmaceutical sales including those of hospital pharmacies amounted to EUR 2,100 million, an increase of 5.3% in pharmacy purchase prices. The total turnover figure includes prescription products, OTC products as well as commodities. Pharmacy sales of commodities showed strong growth as the turnover mix shifts from traditional pharmaceuticals toward skin-care and nutritional products.

The market growth for private pharmacies, excluding commodities, was very low, only 1.0%. The modest growth rate was mainly due to significant government-initiated price reductions combined with increased volume of generic products. Norway's pharmaceutical prices continued to be among the lowest in Western Europe.

Apokjeden's net sales came to EUR 757 million (EUR 766 million), a decrease of 1.1% from the figure for the equivalent period in the previous year. The reduction in net turnover is due to significant changes in the exchange rate. In local currency terms, the growth in Apokjeden's net turnover was 2.6%. Also, Apokjeden's operational performance improved in 2008/09. The main reason for the improved result is greater sales growth for commodities, leading to increased margins.

Main Events

Apokjeden maintained its strong market leadership in pharmaceutical retail in Norway. In retail, Apokjeden's market share was maintained at a high 35%. By the end of 2008, the number of pharmacies in Norway had reached 636, of which 239 belonged to the Apokjeden-owned Apotek 1 chain. During the reporting period, Apotek 1 opened 10 new pharmacies.

Among pharmacies, competition for customers intensified due to the increased number of pharmacies and longer opening hours. The pharmacy chains invested heavily in marketing campaigns in 2008. According to studies conducted in 2008, Apotek 1 has the highest customer awareness and the greatest customer satisfaction of all pharmacy chains in Norway.

Recruitment of pharmacists remained challenging in Norway. To focus on this, Apokjeden began two major educational projects.

The development of quality and environmental management systems was started in compliance with ISO 9001 and ISO 14001.

With effect from the beginning of the new financial year, in February 2009, Lars Birkeland was appointed as the new managing director for Apokjeden. He worked previously as Tamro Group CFO. Previous managing director Øyvind Winther was promoted to an executive director position with PHOENIX Group, with responsibility for the Group's European retail operations.

Outlook for 2009/10

The Norwegian pharmaceutical market is expected to grow by 2-3% in 2009/10. The government measures to restrain pharmaceutical prices will continue. More generic products are being introduced with the stepped pricing model. The strong deregulation of OTC sales, from pharmacy to grocery and petrol station operations, will influence both pharmacy turnover and customer behaviour. With the general downturn in the national economy, consumers are reducing their spending.

Apokjeden will continue to focus on customer satisfaction, operational efficiency, and cost control. Through significant investments in physical assets and employees, Apokjeden has built the platform and structure needed for a sustainable position as the leading player in the Norwegian pharmaceutical market.

Key Figures

	2008/09	2007/08	Change
Net sales, EUR million	756.8	765.5	-1.1 %
Employees, average	2,065	1,905	8.4 %



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Tamro Estonia

- Net sales: EUR 83 million (comparative: EUR 70 million)
- Personnel: 319 (281)
- Average market share in wholesale: 32%

Market Overview

In January–December 2008, the Estonian pharmaceutical market was worth EUR 186 million in pharmacy purchase prices, an increase of 12%. This relatively strong growth was supported by volume and price increases. Market growth slowed in the third quarter but again increased in December 2008, on account of the planned VAT increase on pharmaceuticals from 1 January 2009.

Net sales of Tamro Estonia for the 2008/09 financial year totalled EUR 83 million. The increase of 18% was generated by general market growth as well as retail expansion.

Main Events

During the reporting period, Tamro Estonia continued its retail expansion and pharmacy chain development, with 13 new pharmacy outlets opened and two acquired. The Tamro–managed chain Apteek1 is the largest chain in Estonia.

In the retail market, aggressive consumer marketing continued and pressure toward low–price campaigns had a negative impact on margins. As the number of pharmacies is state–regulated, opening new pharmacies is difficult.

In wholesale, the competition remained tough. Tamro Estonia maintained its market share of 32% by increasing warehouse efficiency.

Outlook for 2009/10

The general economic outlook for 2009 is one of a weakened climate. The growth of the pharmaceutical market is expected to slow down to 5–6%.

If approved, the proposed amendment to legislation on opening of pharmacies would eliminate restrictions on opening of new outlets as of July 2009.

Tamro Estonia continues to focus on developing the Apteek1 concept further and on the cost–efficiency of its operations.

Key Figures

	2008/09	2007/08	Change
Net sales, EUR million	83.1	70.4	18.0 %
Employees, average	319	281	13.5 %



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Tamro Latvia

- Net sales: EUR 119 million (comparative: EUR 118 million)
- Personnel: 417 (370)
- Average market share in wholesale: 23%

Market Overview

Growth in the pharmaceutical market was in the double digits, as in the previous year. Pharmaceutical sales totalled EUR 293 million in pharmacy purchase prices, a 13% increase from the level for the equivalent period in the previous year. The market growth was mainly due to price increases.

In 2008/09, Tamro Latvia's net sales amounted to EUR 119 million, showing an increase of 1%. The increase was due to the strong growth in retail business. In pre-wholesale, several principals changed their business model from sales to transfers. The total volume handled by pre-wholesale increased by 2%.

The new pharmaceutical care legislation caused debate surrounding the pharmacy ownership clause. Government tax policies and cost-cutting decreased public spending and increased generic medicines' market penetration for the reimbursed medicines list. Pharmacy consolidation continued, and pharmacy chains' turnover increased: 82% of retail turnover was from chain pharmacies.

Main Events

During the reporting period, Tamro Latvia continued to develop the Aptieka 1 loyalty concept. A new retail IT system was deployed to provide pharmacies with easier ordering and stocking.

Outlook for 2009/10

Budget restrictions for reimbursed medicines, generics' market share increase, and government actions to cut spending and increase taxes will slow down the growth in the wholesale market.

Amendment to the Pharmacy Law is expected for 2009, with the main point of discussion being the pharmacy ownership restrictions due to be implemented from 2011.

Key Figures

	2008/09	2007/08	Change
Net sales, EUR million	118.9	117.6	1.1 %
Employees, average	417	370	12.7 %



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Tamro Lithuania

- Net sales: EUR 106 million (comparative: EUR 102 million)
- Personnel: 483 (402)
- Average market share in wholesale: 16%

Market Overview

In 2008/09, the growth of the pharmaceutical market slowed down to 5% in Lithuania. Pharmaceutical sales totalled EUR 429 million in pharmacy purchase prices. The slower market growth was a result of decreased personal consumption and pharmaceutical unit sales.

Tamro Lithuania's net sales totalled EUR 106 million, an increase of 4% from the previous year's level. The increase was due to the acquisition of the Farma pharmacy chain in August.

Main Events

During the reporting period, Tamro Lithuania's retail expansion continued, with a total of 49 acquired outlets. The acquisition of the Farma pharmacy chain, with 44 outlets, significantly strengthened the Tamro-managed Seimos vaistine's presence in supermarkets. With the acquisition, Seimos vaistine became the third largest pharmacy chain in Lithuania, with a 10% market share.

In the wholesale arena, Tamro Lithuania ranked as the second largest player, with a market share of 16%. A warehouse expansion and conveyor extension was completed. Also, a new ERP system was successfully launched.

Outlook for 2009/10

The declining economy and decreasing personal consumption, along with rising unemployment, will have their impact on the pharmaceutical market. The market is not expected to grow.

The Lithuanian government plans to decrease public spending on reimbursement for pharmaceuticals by promoting generic substitution. Fixing of prices for reimbursed pharmaceuticals is possible in 2009/10, and discussions are also ongoing about fixing the prices of non-reimbursed pharmaceuticals. Value added tax on reimbursed pharmaceuticals will be increased further in 2009.

The aim of Tamro Lithuania is to maintain its position in both retail and wholesale by focusing on operations efficiency.

Key Figures

	2008/09	2007/08	Change
Net sales, EUR million	105.6	101.5	4.0 %
Employees, average	483	402	20.1 %



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

PHOENIX Pharma Polska

- Net sales: EUR 368 million (comparative: EUR 363 million)
- Personnel: 451 (359)
- Market share in wholesale: 3%

Market Overview

In 2008/09, the total Polish pharmaceutical market amounted to EUR 5,500 million in pharmacy purchase prices, an increase of 10% from the previous year's value. Prescription medicine sales increased as many new innovative medicines were included in the reimbursement list. Pharmacy sales of OTC medicine and commodities grew as well.

The number of pharmacies continued to grow throughout 2008 and had reached 13,600 by year end. The number of residents served per pharmacy was one of the lowest in the EU, which negatively influenced average pharmacy profitability.

PHOENIX Pharma Polska's net sales totalled EUR 368 million for the financial year, up 1.6% from the 2007/08 level. The company had an active presence in wholesale and pre-wholesale and entered the retail market.

Main Events

During the reporting period, PHOENIX Pharma Polska entered the retail sector by acquiring 32 pharmacies.

Outlook for 2009/10

The growth of the pharmaceutical market is expected to slow down to approximately 5%.

The Polish government is planning modifications to pharmaceutical legislation, introducing fixed prices and margins for prescription medicines and reinforcing the regulations affecting concentration of the industry.

For PHOENIX Pharma Polska, scale, profitability and retail expansion are the key areas of focus.

Key Figure

	2008/09	2007/08	Change
Net sales, EUR million	368.4	362.7	1.6 %
Employees, average	451	359	25.6 %



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Board of Directors' Report

In the financial period 2008/2009 Tamro Group accomplished the best operating result ever despite the challenging business environment influenced by the global financial crisis. Tamro further developed its position as the leading pharmaceutical wholesaler in the Nordic and the Baltic markets.

Markets and operating environment

Pharmaceutical market growth in the Nordic countries was slightly lower than in the previous year but overall positive. Contributing factors to the market growth were the strong hospital sector sales development in Denmark and the overall substantial increase in volumes in Finland and Sweden.

The business model with some pharmaceutical suppliers changed in Sweden. The distributed volume for these suppliers was handled as consignment stock and not booked as sales. This has lowered Tamro's net sales figure, although the margins generated from the distribution are unaffected.

The wholesale margins remained at a very low level compared to the margins of the other players in the pharmaceutical chain. Government actions to restrict pharmaceutical market growth continued in many markets.

The pharmaceutical market grew by 2.7% in Sweden compared to the previous year. The growth was driven by an increase in volumes. A government bill for the deregulation of the Swedish pharmacy system was presented in December 2008.

The pharmaceutical market growth in Finland was 5.8% compared to the same period last year. The Finnish government approved a new law that will implement medicine reference pricing and come into effect on 1 April 2009. This law will reduce the market value substantially.

The pharmaceutical market in Denmark grew by 6.4%. Hospital sector growth continued to be strong compared to the more modest development of the pharmacy sector. The market share of generics increased further and pushed down medicine prices until they were among the lowest in Europe.

Norway experienced a very stable market situation with much slower growth than the other Nordic countries. The pharmacy market grew by only 1% compared to the previous year. The generics market increased, and at the same time prices were reduced through the stepped pricing model.

In the Baltic region, pharmaceutical market growth slowed down due to the overall weakened economic situation. In Estonia the pharmaceutical market grew by 12%, in Latvia by 13% and in Lithuania by 5%. The slower market growth resulted from decreased personal consumption and pharmaceutical unit sales.

In Poland, the pharmaceutical market grew by 10%. Prescription medicine sales went up, as many new innovative medicines were included in the reimbursement list. The sale of commodities from pharmacies increased as well.

Main events in 2008/09

Tamro Group acquired all the shares of pharmacy chains UAB Farma vaistines, UAB Herbarijos vaistines and the real estate company UAB Naujininku turto vaistines in Lithuania. This acquisition of 44 pharmacies was completed in August 2008, and made Tamro's Seimos vaistine Lithuania's 3rd largest pharmacy chain.

Financial performance in 2008/09

The net sales of Tamro Group were EUR 5,534 (5,605) million, down 1.3% from the previous year. The decrease in sales is due to the fluctuating exchange rates and the new accounting procedure on some distribution contracts.

Tamro Group's operating profit improved strongly to EUR 139 (122) million, and the operating margin to 2.5 (2.2)%. The net profit for the reporting period was EUR 93 (89) million. The return on equity increased to 32.6 (25.1)% and the equity ratio was 17.7 (26.4)%.

The Group owned 341 000 own shares at the closing date. The shares have been nullified in February 2009 in accordance with the decision taken by the Board of Directors.

Financing

Tamro Group has its own, stand-alone financing, and its financial independence from the owner has been secured with a so called ringfencing –arrangement. During the reporting year 2008/2009 significant changes took place in the financing environment. Short-term funding from the commercial paper market, so far most important source of funds for Tamro, diminished due to the general turmoil on the global financial market. Consequently, during the third and fourth quarter Tamro relied partly on revolving credit facilities with its Nordic core banks. Negotiations on the prolongation of these facilities within the next few months are being conducted. Tamro Group's Shareholder Phoenix is in the process of renegotiating its own long term financing arrangements.

At the end of the financial year the reported net debt was EUR 28 (11) million. The effective net debt, including as debt the receivables sold of EUR 175 (190) million, equalled EUR 203 (201) million. Cash and liquid assets amounted to EUR 138 (39) million. At the end of January, the unused limit in revolving credit facilities with Nordic core banks amounted to EUR 80 (200) million, and the unused limit in the securitisation programmes was EUR 60 (56) million.

Net gearing increased to 11.8% (3.2%) compared with the previous financial year.

Free cash flow and net working capital

The full-year operative cash flow before changes in net working capital and investments was EUR 123 (137) million. Change in net working capital resulted in a cash flow of EUR 78 (11) million. The cash flow effect of net investments was negative at EUR -46 (-32) million. On a full-year basis the free cash flow was EUR 155 (116) million.

Financial expenses

The Group's net financial expenses were EUR -13.4 (-1.9) million for the whole financial year 2008/09. The change is explained partly by external dividend income received in the financial year 2007/08 and reported in net financial items, and partly by higher average debt together with higher interest rates in comparison with the previous financial year.

Capital expenditure, acquisitions and divestments

Capital expenditure and acquisitions totalled EUR 57 (37) million. Investments were made mainly in the retail sector in the Baltic countries, Norway and Poland. Among the most significant investments was the acquisition of pharmacy chains UAB Farma vaistines, UAB Herbarijos vaistines and the real estate company UAB Naujininku turto vaistines in Lithuania. In Poland, the retail expansion continued and Tamro took a larger role in the pharmaceutical chain by operating in both wholesale and retail.

Operational risks and uncertainties

The company is subject to strategic and operational risks, the most important of which are legislative and regulatory measures imposed by the authorities. Operational risks include changes in the competitive environment, risks in the stable functioning of the IT systems and in the availability of transport infrastructures.

The company is subject to asset risks and liability risks related mainly to possible property damage of inventory and to liability risks concerning the quality of its own operations.

Operational risks and insurances

The main operational risks are property damage, business interruption and liability risks. The objective of the Group's operational risk management is to identify and minimise risks associated with operations, assets, environment and personnel. The local business units are responsible for managing and reducing operational risks and for having appropriate contingency plans in place.

The remaining risks are covered with insurances to the extent defined by the Tamro Group management and the Board of Directors. The Group level master insurance policies are administered by Tamro Finance Ltd, whereas the business units are responsible for the appropriate local insurance coverage.

Major changes in the Group structure

There were no major changes in the Group structure in the past business year. The retail expansion continued in Norway, the Baltic countries and Poland. During the financial year, Hermedico, a minor subsidiary company of Nomeco Denmark was divested.

Personnel and organisation

In 2008/09 the average number of personnel employed by Tamro Group totalled 5,168 (4,736). The number is distributed geographically as follows: 40% in Norway, 12% in Denmark, 9% in Sweden, 9% in Lithuania, 8% in Latvia, 8% in Poland, 7% in Finland and 6% in Estonia. On average, 55% of the personnel worked in retail and 45% in wholesale.

Board of Directors and Auditors

Eight members were elected to the Board of Directors at Tamro Group's Annual General Meeting on 1 April 2008. Dr Bernd Scheifele was re-elected as Chairman of the Board. Matti Elovaara, Mikael von Frenckell, Dr Lorenz Näger, Reimund Pohl and Dr Reinhard Rupp were re-elected as members and Dr Hans-Ulrich Kummer and Øyvind Winther were elected as new members of the Board of Directors.

At the Annual General Meeting in April 2008, Authorised Public Accountants Ernst & Young Oy and Anna-Maija Simola, APA, were re-elected as Tamro's external auditors.

Events after the financial period

Tamro Group CFO Lars Birkeland was appointed as the new Managing Director for the Tamro-owned Apokjeden Group as of 1 February 2009. The search for a new Group CFO has been initiated.

Tamro Group Logistics Director Stefan Pflug was appointed Managing Director of PHOENIX Healthcare Distribution Ltd., UK, and Managing Director of PPE, the PHOENIX purchasing organisation, as of 1 February 2009.

Dr. Hans-Ulrich Kummer was appointed as member of Tamro Group Management as of 28 February 2009. Dr. Kummer's logistic competence and experience will be a valuable asset for the company.

According to a decision made at the General Meeting on 28 February 2009, Dr Michael Majerus was elected as a new member of the Board. Dr Reinhard Rupp and Dr Hans-Ulrich Kummer left the Board.

According to his employment contract, Tamro Group's President & CEO Jo Langmoen will retire at the age of 60 in July 2009. On the request of Tamro's owner the PHOENIX Group, Jo Langmoen will become a member of the Tamro Board of Directors as of 1 August 2009. As from this date he will also be available for special assignments until further notice.

The Tamro Board of Directors has appointed Juha Koponen M.Sc. (Econ.), (42) as Tamro Group President & CEO from 1 August 2009. As from 1 April 2009, Juha Koponen will act as deputy President & CEO. He will also continue as the Managing Director of Tamro Finland.

Outlook for 2009/2010

In the new financial year, Tamro faces some uncertainty but also more opportunities than in the previous years. The effect of the global financial crisis cannot be fully determined yet. However, the operational performance of the company is expected to remain stable and strong despite turmoil in the financial environment.

The deregulation of the Swedish pharmacy market constitutes a major expansion opportunity for Tamro in 2009. For the time being, it is still unclear how the Swedish government will attract new competition to compete with the state-owned Apoteket AB. Tamro is monitoring this development with great interest. Tamro will most likely decide in early summer whether it will participate in the auction process.

The pharmaceutical markets are expected to remain rather stable and even grow somewhat. In Finland the introduction of reference pricing will have a clear negative effect on market value and growth in 2009 but volumes will continue to increase. On average, the Nordic pharmaceutical markets are estimated to grow by 3–5% in local currency during the financial year 2009/10. In the Baltic countries, market growth is expected to be impacted by the unfavourable market conditions. However, the growth is expected to exceed 5%.

Net sales by unit (EURm)	11/08-1/09 2008	8-10 2008	5-7 2008	2-4 2008	2/08-1/09 2008	2/07-1/08 2007	Change, %
Tamro Sweden	347.6	381.6	379.4	387.6	1,496.2	1,685.7	-11.2
Tamro Denmark	398.4	401.4	402.2	398.2	1,600.2	1,526.1	4.9
Tamro Finland	279.4	272.1	257.6	258.9	1,068.1	1,032.4	3.5
Tamro Norway	177.9	188.6	202.5	187.7	756.8	765.5	-1.1
Tamro Estonia	21.8	20.7	20.2	20.4	83.1	70.4	18.0
Tamro Latvia	30.9	30.9	26.4	30.6	118.9	117.6	1.1
Tamro Lithuania	28.5	28.0	22.5	26.6	105.6	101.5	4.0
Tamro Poland	86.7	95.8	92.5	93.4	368.4	362.7	1.6
Other and internal	-16.2	-15.5	-14.7	-16.2	-62.9	-56.7	10.9
	1,355.0	1,403.6	1,388.6	1,387.2	5,534.4	5,605.2	-1.3

Number of employees by unit, average	11/08-1/09 2008	8-10 2008	5-7 2008	2-4 2008	2/08-1/09 2008	2/07-1/08 2007	Change, %
Tamro Sweden	462	483	476	438	462	444	4.1
Tamro Denmark	556	581	627	630	596	620	-3.9
Tamro Finland	332	358	350	324	340	331	2.7
Tamro Norway	2,115	2,104	2,049	2,008	2,065	1,905	8.4
Tamro Estonia	330	325	318	305	319	281	13.5
Tamro Latvia	430	431	413	394	417	370	12.7
Tamro Lithuania	624	525	402	383	483	402	20.1
Tamro Poland	511	478	439	380	451	359	25.6
Others	36	37	35	34	35	24	45.8
	5,396	5,322	5,109	4,896	5,168	4,736	9.1



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Board of Directors and Auditors

Board of Directors 1 April 2008 - 27 February 2009

Dr. Bernd Scheifele	Chairman of the Board of Directors since 2001 Member of the Board since 2000 Born 1958 LL.M. CEO, HeidelbergCement AG
Matti Elovaara	Member of the Board since 2003 Born 1939 B.Sc. (Econ), Commercial Counsellor
Mikael von Frenckell	Member of the Board since 1995 and of the Supervisory Board since 1993 Born 1947 M.Pol.Sc., Commercial Counsellor, Chairman of the Board of Sponsor Capital Oy
Dr. Hans-Ulrich Kummer	Member of the Board since 2008 Born 1963 Dr. (Econ.) Executive Director, Operations/Logistics, PHOENIX group
Dr. Lorenz Näger	Member of the Board since 2000 Born 1960 PhD, MBA CFO, HeidelbergCement AG
Reimund Pohl	Member of the Board since 2000 Born 1952 MBA CEO, PHOENIX group
Dr. Reinhard Rupp	Member of the Board since 2006 Born 1953 Dr. (Econ.) CFO, PHOENIX group
Øyvind Winther	Member of the Board since 2008 Born 1964 B.Sc. (Econ.), MBA Executive Director, Retail, PHOENIX group

Auditors

Ms Anna-Maija Simola	Authorised Public Accountant and the Authorised Public Accountants Ernst & Young Oy
-----------------------------	---



Tamro Web Annual Report

2008

1 Feb 2008 - 31 Jan 2009

Consolidated Income Statement

(in EUR thousands)	NOTES	1 Feb 2008- 31 Jan 2009	%	1 Feb 2007- 31 Jan 2008	%
NET SALES	1	5,534,405	100.0	5,605,187	100.0
OTHER INCOME	2	5,735		3,638	
Raw materials and services	3	5,037,543		5,144,206	
Personnel expenses	4	226,741		211,291	
Depreciation and value adjustments	5	37,051		32,336	
Other operating expenses	6	99,540		98,603	
Total operating expenses		5,400,875		5,486,436	
OPERATING PROFIT		139,265	2.5	122,389	2.2
Financial income and expenses	7	-13,396		-1,869	
Share of associated companies' net income	10	3		232	
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES		125,872	2.3	120,752	2.2
Income taxes	8	-32,356		-31,864	
Minority interest		-686		-132	
NET PROFIT FOR THE PERIOD		92,830	1.7	88,756	1.6



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Consolidated Balance Sheet

(in EUR thousands)

	NOTES	31 Jan 2009	%	31 Jan 2008	%
FIXED ASSETS					
Intangible assets	9	9,393		7,055	
Goodwill	9	157,968		164,785	
Consolidated goodwill	9	13,388		6,211	
Tangible assets	9	146,437		144,891	
FINANCIAL ASSETS					
Shares in subsidiaries		42		44	
Shares in associated companies	10	14,986		17,138	
Other shares and participations	10	214		286	
TOTAL FIXED ASSETS		342,428	25.5	340,410	26.7
CURRENT ASSETS					
Inventories		373,910		391,672	
Receivables					
Long-term receivables	11	20,942		20,993	
Short-term receivables	12	465,941		483,593	
Short-term investments		25,029		2,154	
Cash and bank		113,161		36,433	
TOTAL CURRENT ASSETS		998,983	74.5	934,845	73.3
TOTAL ASSETS		1,341,411	100.0	1,275,255	100.0

(in EUR thousands)	NOTES	31 Jan 2009	%	31 Jan 2008	%
SHAREHOLDERS' EQUITY	15				
Share capital	14	114,837		114,837	
Share premium account		5,641		5,641	
Revaluation reserve		1,093		1,093	
Other reserves		99		99	
Retained earnings		21,224		125,475	
Net profit for the period		92,830		88,756	
		235,724	17.6	335,901	26.3
Minority interest		1,116	0.1	310	0.0
OBLIGATORY RESERVES	16	1,533	0.1	1,597	0.1
LIABILITIES					
Long-term liabilities	17	64,102		45,315	
Short-term liabilities	18	1,038,936		892,132	
TOTAL LIABILITIES		1,103,038	82.2	937,447	73.5
TOTAL EQUITY AND LIABILITIES		1,341,411	100.0	1,275,255	100.0



Consolidated Cash Flow Statement

(in EUR millions)	1 Feb 2008- 31 Jan 2009	1 Feb 2007- 31 Jan 2008
Operating profit	133.0	121.3
Depreciation, value adjustments and other adjustments	35.3	32.1
Financial income and expenses	-20.9	-4.4
Other income and expenses	-9.4	2.4
Taxes	-14.9	-14.1
CASH FLOW BEFORE CHANGE IN NET WORKING CAPITAL	123.1	137.3
Inventories, increase (-), decrease (+)	0.4	-36.4
Current receivables, increase (-), decrease (+)	-3.4	-39.4
Non-interest bearing debts, increase (+), decrease (-)	81.1	86.3
CHANGE IN NET WORKING CAPITAL	78.1	10.5
CASH FLOW FROM OPERATING ACTIVITIES	201.2	147.8
Investments in tangible and intangible assets	-57.0	-37.1
Proceeds from disposal of tangible and intangible assets and financial investments	10.9	5.3
CASH FLOW FROM INVESTING ACTIVITIES	-46.1	-31.8
FREE CASH FLOW	155.1	116.0
Long-term debt, increase (+), decrease (-)	31.9	5.0
Short-term debt, increase (+), decrease (-)	100.3	-3.9
Long-term bonds, increase (-), decrease (+)	-2.0	-1.0
Short-term bonds, increase (-), decrease (+)	-25.0	-7.0
Dividends paid	-160.3	-125.9
Translation differences and other changes	0.1	0.1
CASH FLOW FROM FINANCING ACTIVITIES	-55.0	-132.7
CHANGE IN LIQUID ASSETS, INCREASE (+), DECREASE (-)	100.1	-16.7
CASH AND CASH EQUIVALENTS, OPENING BALANCE	38.6	55.2
EFFECT OF EXCHANGE RATES	-0.5	0.1
CASH AND CASH EQUIVALENTS, CLOSING BALANCE	138.2	38.6

In 2007/08, the change in net working capital included a decrease in the sales of receivables of EUR 1 million and

in 2008/09, the change in net working capital included a decrease in the sales of receivables of EUR 14.3 million.



Tamro Web Annual Report

2008

1 Feb 2008 - 31 Jan 2009

Income Statement of Parent Company

(in EUR thousands)	NOTES	1 Feb 2008- 31 Jan 2009	%	1 Feb 2007- 31 Jan 2008	%
NET SALES	23	1,068,108	100.0	1,032,440	100.0
OTHER INCOME	24	1,704		0	
Raw materials and services	25	1,022,040		993,556	
Personnel expenses	26	19,564		18,735	
Depreciation according to plan	27	4,215		3,908	
Other expenses	28	9,187		6,887	
Total operating expenses		1,055,006		1,023,086	
OPERATING PROFIT		14,806	1.4	9,354	0.9
Financial income and expenses	29	83,857		71,937	
PROFIT BEFORE EXTRAORDINARY ITEMS		98,663	9.2	81,291	7.9
Extraordinary income and expenses	30	-9,214		-5,949	
PROFIT BEFORE APPROPRIATIONS AND TAXES		89,449	8.4	75,342	7.3
Appropriations	31	881		884	
Income taxes	32	794		-2,955	
NET PROFIT FOR THE PERIOD		91,124	8.5	73,271	7.1



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Balance Sheet of Parent Company

(in EUR thousands)

	NOTES	31 Jan 2009	%	31 Jan 2008	%
FIXED ASSETS					
INTANGIBLE ASSETS	33	3,994		3,764	
Goodwill	33	0		511	
TANGIBLE ASSETS	33	42,344		43,360	
FINANCIAL ASSETS					
Shares in subsidiaries	34	426,182		426,182	
Shares in associated companies	10	14,814		14,814	
Other shares and participations	35	119		146	
TOTAL FIXED ASSETS		487,453	68.6	488,777	61.4
CURRENT ASSETS					
Inventories		86,968		86,547	
Receivables					
Long-term receivables	36	279		316	
Short-term receivables	37	135,659		203,814	
Short-term investments		56		54	
Cash and bank		245		16,971	
TOTAL CURRENT ASSETS		223,207	31.4	307,702	38.6
TOTAL ASSETS		710,660	100.0	796,479	100.0

(in EUR thousands)	NOTES	31 Jan 2009	%	31 Jan 2008	%
SHAREHOLDERS' EQUITY	39				
Share capital		114,837		114,837	
Share premium account		5,640		5,640	
Revaluation reserve		1,093		1,093	
Retained earnings		870		87,790	
Net profit for the period		91,124		73,271	
		213,564	30.1	282,631	35.5
APPROPRIATIONS					
Accumulated depreciation difference	40	22,801	3.2	23,683	3.0
OBLIGATORY RESERVES	41	557	0.1	557	0.1
LIABILITIES					
Long-term liabilities	42	20,000		0	
Short-term liabilities	43	453,738	63.8	489,608	61.5
TOTAL EQUITY AND LIABILITIES		710,660	100.0	796,479	100.0



Tamro Web Annual Report

2008

1 Feb 2008 - 31 Jan 2009

Cash Flow Statement of Parent Company

(in EUR millions)	1 Feb 2008- 31 Jan 2009	1 Feb 2007- 31 Jan 2008
Operating profit	14.8	9.4
Depreciation, value adjustments and other adjustments	4.2	3.9
Financial income and expenses	84.1	66.0
Other income and expenses	-1.0	0.0
Taxes	-1.9	-0.8
CASH FLOW BEFORE CHANGES IN NET WORKING CAPITAL	100.2	78.5
Inventories, increase (-), decrease (+)	-1.1	-11.4
Current receivables, increase (-), decrease (+)	6.7	-13.3
Non-interest bearing debts, increase (+), decrease (-)	-1.6	33.3
CHANGE IN NET WORKING CAPITAL	4.0	8.6
CASH FLOW FROM OPERATING ACTIVITIES	104.2	87.1
Investments in tangible and intangible assets	-4.8	-6.5
Proceeds from disposal of tangible and intangible assets and financial investments	3.6	0.0
CASH FLOW FROM INVESTING ACTIVITIES	-1.2	-6.5
FREE CASH FLOW	103.0	80.6
Long-term receivables, increase (-), decrease (+)	0.0	0.0
Short-term receivables, increase (-), decrease (+)	63.5	-10.6
Long-term debt, increase (+), decrease (-)	20.0	0.0
Short-term debt, increase (+), decrease (-)	-37.1	63.6
Group contribution	-5.9	0.0
Dividends paid	-160.3	-125.9
Other changes	0.1	0.0
CASH FLOW FROM FINANCING ACTIVITIES	-119.7	-72.9
CHANGE IN LIQUID ASSETS, INCREASE (+), DECREASE (-)	-16.7	7.7
CASH AND CASH EQUIVALENTS, OPENING BALANCE	17.0	9.3
CASH AND CASH EQUIVALENTS, CLOSING BALANCE	0.3	17.0



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Accounting principles

Tamro Corporation's financial statements and consolidated financial statements have been prepared in accordance with Finnish legislation, which in all material respects is based on the provisions of EU Directives 4 and 7. Tamro Group's parent company is Phoenix Pharmahandel AG & Co KG, located in Mannheim, Germany.

Scope of the consolidated financial statements

The financial statements include the Parent Company as well as those Finnish and overseas subsidiaries in which the Parent Company holds, directly or indirectly, more than 50 per cent of the voting rights. The subsidiaries acquired during the financial year are included in the consolidated financial statements from the date of acquisition. If a subsidiary is divested before the close of the financial year, its figures are included in the consolidated financial statements until the time of sale.

The consolidated financial statements do not include certain smaller non-operating companies. The companies excluded from the consolidated financial statements have no significant effect on the true and fair view on Group's result and financial position.

The financial statement data on associated companies have been consolidated using the equity method. Associated companies are defined as companies in which the Group holds 20 to 50 per cent of the voting rights. Tamro's share of ZAO Rosta's result is not included in the Group accounts as it is unfeasible to receive the financial information within the set timeframe for preparing the Group accounts. Certain small associated companies have not been included in the consolidated financial statements. The effect of these companies on the true and fair view on Group's result and financial position is insignificant.

Consolidation principles

Both the purchase method and the pooling-of-interests method have been used when preparing the consolidated financial statements.

Pooling method

Tamro AB and Nomeco A/S are consolidated using the pooling-of-interests method. The acquisition cost of the subsidiaries' shares is first eliminated from the subsidiary's restricted equity at the beginning of the financial year of acquisition, then from the premium fund created in connection with Tamro Corporation's private placement, and, lastly, from the Group's other non-restricted equity available for dividends. Thus the acquisitions do not create consolidated goodwill.

Purchase method

The acquisition cost method is used in the elimination of inter-subsiary shareholdings. The difference between the acquisition cost of subsidiary shares and the shareholders' equity is allocated to the fixed assets of the subsidiaries. The consolidated goodwill remaining after the allocations is posted in the balance sheet as a separate item that will be amortised over a period of 10 years. However, goodwill from certain strategic and significant acquisitions may be amortised over a period of up to 20 years. Negative goodwill is included as income during economic lifetime.

Foreign subsidiaries and translation differences

The financial statements of foreign subsidiaries have been converted and restated to correspond to the Finnish Accounting Act.

The income statements have been converted into euro at the weighted average rate of the financial year and the balance sheets at the foreign exchange mid-rate quoted by the European Central Bank on the balance sheet date. Translation differences have been recorded directly into equity. Exchange rate differences from the Parent Company's long-term intra-Group loan receivable from the Swedish subsidiary has been posted directly under translation differences in the consolidated accounts. The loan is considered equity by nature.

Minority interest

The minority interest is calculated as a portion of the subsidiaries' equity and net income unless otherwise agreed in the shareholders' agreement, etc.

Duration of the financial year

The financial year of all Group companies is 1st February–31st January.

Intra-Group transactions

The following intra-Group transactions have been eliminated: sales and purchases, dividend payments, receivables and liabilities as well as the gross margin included in the value of inventories and fixed assets acquired from other Group companies. Internal profits between the Group and associated companies are eliminated in proportion to the ownership share and deducted from the consolidated retained earnings and non-current assets. The eliminated profit is recognised in revenue at the rate of depreciation.

Fixed assets

Fixed assets are posted to the balance sheet at their direct acquisition costs, allowing for depreciation according to plan. Some real-estate holdings include revaluation, as specified in the Notes to the balance sheets. The revaluation surplus is not subject to depreciation.

The depreciation according to plan on fixed assets is based on the original acquisition cost and the expected economic life of the item. For the most part, the straight-line method is used applying the following useful lives:

Intangible rights	5–10 years
Goodwill	5–0 years
Consolidated goodwill	5–20 years
Other intangible assets	5–7 years
Buildings and structures	10–40 years
Machinery and equipment	3–10 years
Other tangible assets	5–10 years

Goodwill from significant strategic acquisitions in Norway, Estonia, Lithuania and Poland are amortised over a period of 10 to 20 years since the economic lifetime is regarded to be at least 10 years.

Capitalised interest

Interest expenses incurred during the construction of the parent company's office building and warehouse have been capitalised and included in the acquisition cost of buildings. The capitalised interest has been amortised over a period of 10 years.

Leasing

Leases are recognised in the income statement. Leasing commitments are disclosed in the Notes to the financial statements.

Accounting for IT costs

Software purchase costs are mainly capitalised and posted in the balance sheet as intangible rights. Software is depreciated over a maximum period of 5 years. Minor software purchases are charged directly to income. Significant in-house and outsourced IT development costs are capitalised in the balance sheet.

Research and development

The Group R&D expenses are charged directly to income.

Financial investments and debt securities

Financial investments and debt securities are included in short-term investments under current assets. Debt securities are valued at the adjusted acquisition cost or market value, whichever is lower. There are no material long-term financial investments at year-end.

Derivative financial instruments

Currency derivatives are used to hedge short term intra-group liability and receivable positions and the exchange rate difference caused by the derivatives are booked to the financial income or expenses in the profit and loss statement. In accordance with the finance policy, foreign currency denominated equity and equity type loans are not hedged. The currency derivative contracts are valued at the exchange rate prevailing at the balance sheet date. The interest difference related to derivatives are periodized over time to the profit and loss statement.

Inventories

Inventories are valued at the lowest of their acquisition cost, replacement value or probable selling price. Materials and supplies use is recorded under the FIFO principle.

Foreign-currency denominated receivables and liabilities

All the foreign currency receivables and liabilities of the Parent Company and its Finnish subsidiaries have been converted into euro at the mid-rate quoted by the European Central Bank on the balance sheet date. Foreign subsidiaries' foreign-currency-denominated receivables and liabilities are converted at their appropriate exchange rates on the balance sheet date. Open positions on foreign-exchange forward contracts are valued at their market price on the balance sheet date and the exchange rate differences are posted under financial items on the income statement.

Pension liabilities

Pension expenses are calculated in accordance with the national legislation of each country. The pension plans of the Group companies have, as a general rule, been arranged with external pension insurance companies. Certain pension obligations based on collective bargaining agreements are included under long-term pension loans or receivables, if surplus, in the balance sheet. These pension benefits are determined by the labour market and cannot be influenced by the company.

Year-end tax appropriations and untaxed reserves

Appropriations include allocations to untaxed reserves, mainly in the form of accelerated depreciation.

In the income statement of the Parent Company, the difference between depreciation according to plan and accelerated cost recovery is transferred to untaxed reserves. The accumulated temporary depreciation difference is shown as an item under untaxed reserves in the balance sheet.

The consolidated balance sheet and the income statement are presented without any untaxed reserves and appropriations. The untaxed reserves of the Group companies break down into deferred income tax liability, shown as a long-term liability, and non-restricted equity. The appropriations made by Group companies, adjusted for the change in the deferred income tax liability, have correspondingly been eliminated from the consolidated income statement.

The untaxed reserves, net of deferred income tax liability, may not be distributed to shareholders as dividend.

Obligatory reserves

The obligatory reserves in the balance sheet are defined as commitments related to the current or prior financial years which are certain or likely to materialise on the balance sheet but where there is uncertainty as to the amount or the timing of the obligation.

The estimated reserves are based on information available on the balance sheet date. Any income-impacting changes in obligatory reserves are included in the income statement item(s) to which they relate by their nature.

Net sales

The net sales consist of sales revenue from ordinary operations, rentals and leases as well as minor gains from the sale of fixed assets. The net sales are stated net of indirect taxes, sale discounts and credits (refunds).

Other income

Other income consists of capital gains on the divested long-term investments.

Extraordinary income and expense

Extraordinary income and expense items consist of significant, unusual business transactions incidental to the Group's normal operations. In the Parent Company, Group contributions paid and/or received have also been recorded under extraordinary items.

Income taxes

The consolidated income tax charges of the Group companies' normal operations have been calculated in accordance with the local tax laws of the relevant country of operation. The taxes include income taxes incurred for the financial year as well as taxes to be paid or received for prior periods on an accrual basis. Moreover, any change in the deferred tax liability is included in the taxes. The change in the deferred income tax includes tax effects of temporary differences, confirmed tax losses, changes in untaxed reserves and consolidation adjustments to net income.

The consolidated cash flow statement

The cash flow statement has been disclosed according to the indirect method where cash flows have been derived from adjusting net income for transactions of a non-cash nature such as depreciation. Capital investments in the consolidated cash flow statement include significant acquisitions and divestitures of companies valued at the sale price of the shares. The profit and loss statement and balance sheet effect due from significant divestments are excluded on the lines in the cash flow statement. Share transactions paid partly in kind (share swaps) are included in the cash flow statement only up to the cash amount paid or received.

Differences between annual report and official financial statements

This annual report deviates from the official accounts in that financial data are partly presented in EUR millions.



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Notes to the Financial Statement

(Figures are in EUR thousands unless otherwise stated)

31 Jan 2009 31 Jan 2008

NOTES TO THE CONSOLIDATED INCOME STATEMENT

1. NET SALES BY MARKET AREA AND UNIT, EUR MILLION

By market area:		
Sweden	1,514.2	1,694.0
Denmark	1,486.5	1,435.7
Finland	1,074.2	1,036.5
Norway	740.7	744.1
Poland	368.0	361.6
Baltic States	300.0	283.4
Others	50.8	49.9
	5,534.4	5,605.2
By unit:		
Tamro Sweden	1,496.2	1,685.7
Tamro Denmark	1,600.2	1,526.1
Tamro Finland	1,068.1	1,032.4
Tamro Norway	756.8	765.5
Tamro Poland	368.4	362.7
Tamro Baltics	307.6	289.5
Others	-62.9	-56.7
	5,534.4	5,605.2

2. OTHER INCOME

Gain on sale of fixed assets	5,735	3,638
------------------------------	-------	-------

3. RAW MATERIALS AND SERVICES

Raw materials and consumables		
Purchases during the financial period	4,988,292	5,148,575
Inventories, incr. (-), decr. (+)	17,761	-33,940
External services	31,490	29,571
Raw materials and services total	5,037,543	5,144,206

4. PERSONNEL EXPENSES

Average personnel by unit:		
Tamro Sweden	462	444
Tamro Denmark	596	620
Tamro Finland	340	331
Tamro Norway	2,065	1,905
Tamro Poland	451	359
Tamro Baltics	1,219	1,053
Others	35	24
	5,168	4,736
Personnel expenses:		
Wages and salaries during the financial year	184,829	173,584
Payroll related social costs		
Pension costs	13,498	11,673
Other payroll related social costs	28,414	26,034
	226,741	211,291
Wages and salaries paid to:		
Boards of Directors, CEO and Managing Directors	3,537	3,303

Pension commitments for Board Members, CEO and Managing Directors: The parent company has no pension liabilities for Board Members. The pensionable age of the CEO has been stipulated at 60 years.

Other pension commitments:

The Group has no significant pension commitments for the management.

5. DEPRECIATION AND VALUE ADJUSTMENTS

Depreciation/amortisation according to plan		
Intangible rights	1,227	925
Goodwill	14,764	12,706
Consolidated goodwill	520	-401
Other capitalised expenditure	274	91
Buildings	8,248	7,410
Machinery and equipment	12,016	11,281
Other tangible assets	2	324
	37,051	32,336

6. OTHER OPERATING EXPENSES	31 Jan 2009	31 Jan 2008
Repair and maintenance of buildings and equipment	28,680	27,407
Rent and leasing expenses	23,861	21,179
Administration expenses	18,721	19,267
Training and other personnel expenses	14,780	13,411
Other operating expenses	13,498	17,339
	99,540	98,603
Auditors' fees		
Audit fees	515	471
Auditors' mandatory opinions	30	37
Tax advisory	103	134
Other advisory services	221	412
	869	1,054
7. FINANCIAL INCOME AND EXPENSES	31 Jan 2009	31 Jan 2008
Income from non-current financial assets		
Dividend income	6	4,330
Other interest and financial income		
Interest income	2,904	2,845
Other financial income	136	-
Other interest and financial expenses		
Interest expenses	-10,137	-5,784
Other financial expenses	-5,043	-3,981
Exchange rate differences, net	-1,262	721
	-13,396	-1,869
8. INCOME TAXES		
Income taxes on ordinary activities		
Finnish Group companies	-2,793	-2,771
Foreign Group companies	-27,925	-28,353
	-30,718	-31,124
Income taxes from previous years	779	3,416
Change in deferred tax liability specified in note 20	-2,417	-4,156
Income taxes total	-32,356	-31,864

NOTES TO THE CONSOLIDATED BALANCE SHEET

9. FIXED ASSETS

	Intangible assets				Tangible assets					
	Intangible rights	Goodwill	Consolidated goodwill (1)	Other capitalised expenditure	Advance payments and construction in progress	Land areas	Buildings	Machinery and equipment	Other tangible assets	Advance payments and construction in progress
Acquisition value 1 Feb 2008	8,825	222,478	59,707	5,617	2,167	9,389	164,328	131,159	3,032	1,003
Increase	6,315	20,506	9,780	48	0	4	10,804	17,453	0	3,088
Decrease	-18	-60	0	-1,619	-1,955	0	-92	-5,788	0	-147
Other changes	18	3	1	-28	-1	-1	-159	3,771	-2,877	-731
Translation difference	-743	-16,706	-2,279	-197	0	-521	-7,336	-10,855	-29	-175
Acquisition cost 31 Jan 2009	14,397	226,221	67,209	3,821	211	8,871	167,545	135,740	126	3,038
Accumulated depr. 1 Feb 2008	-5,377	-57,693	-53,496	-4,177	0	0	-67,304	-97,860	-1,631	0
Depreciation during period	-1,227	-14,764	-520	-274	0	0	-8,248	-12,016	-2	0
Increase	-369	-698	0	0	0	0	-384	-854	0	0
Decrease	14	54	0	1,584	0	0	71	5,008	0	0
Other changes	-7	0	0	27	0	0	-290	-1,325	1,604	0
Translation difference	574	4,848	195	196	0	0	3,381	8,186	6	0
Accumulated depr. 31 Jan 2009	-6,392	-68,253	-53,821	-2,644	0	0	-72,774	-98,861	-23	0
Value adjustments 1 Feb 2008 & 31 Jan 2009						420	2,355			
Book value 31 Jan 2009	8,005	157,968	13,388	1,177	211	9,291	97,126	36,879	103	3,038
Book value 31 Jan 2008	3,448	164,785	6,211	1,440	2,167	9,809	99,379	33,299	1,401	1,003

(1) Consolidated goodwill comprises of consolidated goodwill and consolidated negative goodwill ("badwill"). As at February 1, 2008, cost of consolidated goodwill amounted to EUR 65,526,000 and accumulated amortisation was EUR -55,314,000, and cost of consolidated negative goodwill was EUR -5,819,000 and accumulated amortisation was EUR 1,818,000. During the period, consolidated goodwill was amortised by EUR -1,975,000 and consolidated negative goodwill was amortised by EUR 1,455,000. As at 31 Jan 2008, the book value of consolidated goodwill and consolidated negative goodwill amounted to EUR 10,212,000 and EUR -4,001,000, respectively. As at 31 Jan 2009, the book value of consolidated goodwill and consolidated negative goodwill amounted to EUR 15,934,000 and EUR -2,546,000, respectively.

Value adjustments relate to the parent company only (from 1988). Deferred tax liability (EUR 722,000) has not been accounted for. Value adjustments related to fixed assets are not considered as a normal accounting practice of the Group.

10. ASSOCIATED COMPANIES

	31 Jan 2009	31 Jan 2008
Opening balance	17,138	16,996
Sold associated companies	-44	-
Associated companies converted into subsidiaries	-1,994	-27
Share of net results	3	232
Received dividends	-106	-88
Translation differences	0	16
Other differences	-11	9
Closing balance	14,986	17,138
	Group share of holding %	Parent company share of holding %
OÜ Mai ApteeK, Pärnu, Estonia	49.0	-
ZAO Rosta	42.5	42.5

The associated companies have been consolidated using the equity method. The share of ZAO Rosta's result is not included as it is unfeasible to receive the financial information within the set timeframe for preparing the group accounts. Included in the associated companies is undepreciated goodwill amounting to EUR 11 thousand.

Other shares and participations	
Golf shares	83
Telephone company shares etc.	7
Real estate and other shares	124
	214



Notes to the Financial Statement

(Figures are in EUR thousands unless otherwise stated)

31 Jan 2009

31 Jan 2008

NOTES TO THE CONSOLIDATED BALANCE SHEET

11. LONG-TERM RECEIVABLES

Pension fund receivable	19,885	19,953
Other receivable	-	113
Deferred income tax asset	1,057	927
	20,942	20,993

12. SHORT-TERM RECEIVABLES

Accounts receivable	417,211	436,144
Loan receivable	3,674	4,250
Prepaid expenses and accrued income	19,205	9,963
Other receivable	25,851	31,878
Receivables from associated companies		
Accounts receivable	0	1,358
	465,941	483,593

The Group has the Asset Securitisation arrangements that allow specified accounts receivable to be sold on a non-recourse basis and subsequently off balance sheet. The size of the programme in Tamro AB Sweden is SEK 1,200 (EUR 113) million and in Nomeco A/S Denmark DKK 1,050 (EUR 141) million. The selling prices of the sold receivables were respectively SEK 758 (EUR 71) million and DKK 775 (EUR 104) million at the end of the financial year. The reserve related to the sold receivables is reported under other current assets. On-going costs of the arrangements are reported in net financial items.

13. PREPAID EXPENSES AND ACCRUED INCOME

Prepaid expenses	12,954	5,098
Income tax receivable	4,712	0
Other income	379	3,030
Financial items	205	337
Other prepaid expenses and accrued income	955	1,498
Total	19,205	9,963

14. SHARE CAPITAL

The company's share capital as at 31 Jan 2009 totalled 114,837,083 euros, divided into 114,837,083 shares, each of which carries one vote. The total of 341,000 shares are owned by the company. Phoenix group owned all outstanding shares at the end of the financial year.

15. CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Share premium account	Revaluation reserve	Other reserves	Retained earnings	Total equity
Equity 1 Feb 2007	114,837	5,641	1,093	99	251,503	373,173
Dividend					-125,946	-125,946
Net profit for the year					88,756	88,756
Translation differences					-81	-81
Other change					-1	-1
Equity 31 Jan 2008	114,837	5,641	1,093	99	214,231	335,901
Dividend					-160,295	-160,295
Net income for the year					92,830	92,830
Translation differences					-32,815	-32,815
Other change					103	103
Equity 31 Jan 2009	114,837	5,641	1,093	99	114,054	235,724
					31 Jan 2009	31 Jan 2008

16. OBLIGATORY RESERVES

Pension reserves	1,333	1,397
Other obligatory reserves	200	200
	1,533	1,597

17. LONG-TERM LIABILITIES

Pension fund loans	31,011	12,252
Deferred tax liability	33,091	33,063
	64,102	45,315
Long-term liabilities due after five years:		
Pension fund loans	11,011	12,252

Of the above pension loans EUR 11,011,000 (12,252,000) equals the pension provision of the Swedish subsidiary Tamro AB, which according to local practise can be booked as a liability. The pension provision has a parent company guarantee.

18. SHORT-TERM LIABILITIES

Loans from financial institutions and interest bearing advance payments	125,185	37,124
Pension fund loans	10,000	0
Accounts payable	779,026	752,705
Accrued expenses and deferred income	75,104	69,718
Other short-term liabilities	49,621	32,450
Payables to associated companies		
Accrued expenses and deferred income	0	135
	1,038,936	892,132

19. ACCRUED EXPENSES AND DEFERRED INCOME

Personnel expenses	30,412	33,284
Income tax liability	30,947	19,681
Customer rebates and bonuses	1,169	1,100
Rent expenses	456	862
Financial items	16	28
Other accrued expenses and deferred income	12,104	14,763
Total	75,104	69,718

20. DEFERRED INCOME TAXES

	1 Feb 2007	Charged/ (credited) to P/L income tax	Charged/ (credited) to P/L extraord	Other changes	31 Jan 2008
Deferred income tax liabilities					
Untaxed reserves and accumulated depreciation	34,433	3,268	0	-251	37,450
	34,433	3,268	0	-251	37,450
Deferred income tax assets					
Tax loss carry forwards	182	-86	0	0	268
Other temporary timing differences	5,988	974	0	-32	5,046
	6,170	888	0	-32	5,314
Net deferred income tax liability(+) / receivable(-)	28,263	4,156	0	-283	32,136
	1 Feb 2008	Charged/ (credited) to P/L income tax	Charged/ (credited) to P/L extraord	Other changes	31 Jan 2009
Deferred income tax liabilities					
Untaxed reserves and accumulated depreciation	37,450	1,267		-2,753	35,964
	37,450	1,267	0	-2,753	35,964
Deferred income tax assets					
Tax loss carry forwards	268	-131	0	0	399
Other temporary differences	5,046	1,281	0	234	3,531
	5,314	1,150	0	234	3,930
Net deferred income tax liability(+) / receivable(-)	32,136	2,417	0	-2,519	32,034
Deferred tax liability (EUR 722,000) related to the value adjustments has not been accounted for.					



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Notes to the Financial Statement

OTHER NOTES TO THE FINANCIAL STATEMENTS

(Figures are in EUR thousands unless otherwise stated)

31 Jan 2009 31 Jan 2008

21. CONTINGENT LIABILITIES

Mortgages		
For own debts (1)	39,841	841
Guarantees		
For debts of others	239	266
	239	266
Other commitments		
Leasing commitments		
Next year	1,151	1,227
Over one year	803	893
Rent commitments	86,329	76,166
Other commitments	4,779	3,288
	93,062	81,574
Group liabilities, secured by mortgages, pledges and other commitments:		
Mortgages (1)	30,000	0

22. DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives - notional amounts		
Currency instruments		
Currency forward contracts	394,270	329,277
Derivatives - market value		
Currency instruments		
Currency forward contracts	176	-587

The notional amounts of derivatives summarised here do not represent amounts exchanged by the parties and are thus not a measure of Tamro's derivatives-related exposure. According to the Finance Policy derivatives are used only to hedge the underlying business.

TAMRO CORPORATION
NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

NOTES TO THE PARENT COMPANY INCOME STATEMENT

23. NET SALES

By market area:		
Finland	1,067,242	1,031,760
Baltic countries	489	440
Sweden	377	240
	1,068,108	1,032,440

24. OTHER INCOME

Gain on sale of fixed assets	1,704	0
------------------------------	-------	---

25. RAW MATERIALS AND SERVICES

Raw materials and consumables		
Purchases during the financial period	1,018,085	1,000,612
Inventories, incr. (-), decr. (+)	-420	-11,415
External services	4,375	4,359
	1,022,040	993,556

26. PERSONNEL EXPENSES

Wages and salaries during the financial year	15,601	14,898
Payroll related social costs		
Pension costs	2,694	2,449
Other payroll related social costs	1,269	1,388
	19,564	18,735
Wages and salaries paid to:		
Board of Directors and CEO	1,055	910
The pensionable age of the CEO has been stipulated at 60 years.		
Average personnel	369	350

27. DEPRECIATION AND VALUE ADJUSTMENTS

	31 Jan 2009	31 Jan 2008
Depreciation/amortisation according to plan		
Intangible rights	641	504
Goodwill	511	557
Other capitalised expenditure	1	1
Buildings	1,866	1,741
Machinery and equipment	1,196	1,105
	4,215	3,908

28. OTHER OPERATING EXPENSES

	31 Jan 2009	31 Jan 2008
Repair and maintenance of buildings and equipment	4,325	3,875
Training and other personnel expenses	2,249	1,356
Rent and leasing expenses	1,831	1,603
Other operating expenses	782	53
	9,187	6,887
Auditors' fees		
Audit fees	124	123
Auditors' mandatory opinions	1	1
Tax advisory	58	106
Other advisory services	27	79
	210	309

29. FINANCIAL INCOME AND EXPENSES

Income from non-current financial assets		
Dividend income	90,263	68,612
Other interest and financial income		
Interest income	4,459	4,839
Other financial income	0	5
Other interest and financial expenses		
Interest expenses	-9,692	-4,487
Other financial expenses	-177	-22
Exchange rate differences, net	-996	2,990
	83,857	71,937
From Group companies:		
Other interest and financial income		
Interest income	3,945	4,014
Other financial income		-19
Other interest and financial expenses		
Interest expenses	-7,763	-3,667
	-3,818	328

30. EXTRAORDINARY INCOME AND EXPENSES

Group contribution	-9,214	-5,949
--------------------	--------	--------

31. APPROPRIATIONS

Accelerated depreciation in the income statement		
Intangible rights	-383	-10
Goodwill	511	557
Buildings	685	575
Machinery and equipment	68	-238
	<hr/>	<hr/>
	881	884



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Notes to the Financial Statement

(Figures are in EUR thousands unless otherwise stated)

31 Jan 2009 31 Jan 2008

32. INCOME TAXES

Income taxes on ordinary activities	836	-2,890
Change in deferred taxes	-42	-65
	794	-2,955

NOTES TO THE PARENT COMPANY BALANCE SHEET

33. FIXED ASSETS

	Intangible assets			Tangible assets					
	Intangible rights	Goodwill	Other capitalised expenditure	Advance payments and construction in progress	Land areas	Buildings	Machinery and equipment	Other tangible assets	Advance payments and construction in progress
Acquisition value 1 Feb 2008	2,669	39,595	18	2,167	928	59,452	8,585	234	100
Increase	2,826			1,288		860	861	69	257
Decrease				-3,243					
Other changes									
Acquisition value 31 Jan 2009	5,495	39,595	18	212	928	60,312	9,446	303	357
Accumulated depr. 1 Feb 2008	-1,086	-39,084	-4	0	0	-23,541	-5,173	0	0
Increase	-641	-511	-1			-1,866	-1,197		
Decrease									
Other changes									
Accumulated depr. 31 Jan 2009	-1,727	-39,595	-5	0	0	-25,407	-6,370	0	0
Value adjustments 1 Feb 2008 - 31 Jan 2009					420	2,355			
Bookvalue 31 Jan 2009	3,768	0	13	212	1,348	37,260	3,076	303	357
Bookvalue 31 Jan 2008	1,583	511	14	2,167	1,348	38,266	3,412	234	100

34. GROUP COMPANIES

Acquisition value 1 Feb 2008	426,182		
Changes	0		
Acquisition value 31 Jan 2009	426,182		

Company	Registered office	Group share of		Parent company share of holding %	Shares owned by the parent company		
		holding and votes %	share-holders' equity		Number of shares	Nominal value	Book value
Nomeco A/S	Copenhagen, Denmark	100	123,875	100	7,200,000	19,322	197,155
Forex A/S	Silkeborg, Denmark	100	474	-	-	-	-
Tamro Sweden AB	Gothenburg, Sweden	100	13,302	100	1,000	11	34,418
Tamro AB	Gothenburg, Sweden	100	109,968	-	-	-	-
Ada AB	Gothenburg, Sweden	100	175	-	-	-	-
Tamro SIA	Riga, Latvia	100	15,730	100	215	1,879	1,376
Medinord Oy	Vantaa, Finland	100	436	100	163	163	895
Hansa Pharma SIA	Riga, Latvia	100	932	-	-	-	-
VEF Aptieka SIA	Riga, Latvia	100	7	-	-	-	-
L.Bergmanes aptieka SIA	Riga, Latvia	100	20	-	-	-	-
Koduapteek OÜ	Tallinn, Estonia	100	727	-	-	-	-
Linker Trading OÜ	Saue, Estonia	100	0	-	-	-	-
Vamonos OÜ	Saue, Estonia	100	0	-	-	-	-
Maxer Nordic OÜ	Saue, Estonia	100	0	-	-	-	-
Phoenix Pharma Polska Sp.z.o.o.	Warsaw, Poland	100	22,392	-	-	-	-
MFB Farmacja Sp.z.o.o.	Plock, Poland	100	-18	-	-	-	-
Medico-Farm 2 Sp. z o.o.	Olkusz, Poland	100	59	-	-	-	-
4 Pharma Sp. z o.o.	Gdańsk, Poland	100	-165	-	-	-	-
Apteka Prywatna Sp. z o.o.	Bielsko-Biala, Poland	100	-19	-	-	-	-
Omnigena A Sp. z o.o.	Warsaw, Poland	100	76	-	-	-	-
Pharm Express Sp. z o.o.	Wroclaw, Poland	100	800	-	-	-	-
Tamro UAB	Kaunas, Lithuania	100	34,353	100	51,810	6,002	30,537
Karoliniskiu vaistine UAB	Kaunas, Lithuania	100	403	-	-	-	-
Armedikos vaistine group	Kaunas, Lithuania	100	-1,092	-	-	-	-
Ortofarma group	Kaunas, Lithuania	100	-332	-	-	-	-
Farmasijos							

Projektai group	Kaunas, Lithuania	100	1,154	-	-	-	-
Vogne UAB	Klaipeda, Lithuania	100	-540	-	-	-	-
Gintaro vaistine UAB	Silute, Lithuania	100	47	-	-	-	-
Ramuciu vaistine UAB	Kaunas, Lithuania	100	-547	-	-	-	-
Apokjeden AS	Skårer, Norway	100	71,168	100	1,083,691	13,419	131,328
Apokjeden Distribusjon AS	Skårer, Norway	100	65,071	-	-	-	-
Apotek 1 Norge AS	Skårer, Norway	100	147,363	-	-	-	-
Tamro Eesti OÜ	Tallinn, Estonia	100	17,880	100	5,500	352	530
OOO Tamro	Moscow, Russia	100	-34	100	1	0	0
Tamro Finance Oy	Vantaa, Finland	100	33,822	99	99	990	29,700
Apteekkarien Osuuskunta	Vantaa, Finland	100	49	100	1,990	33	33
Tamro Russia Oy	Vantaa, Finland	100	168	100	100,000	100	170
							426,142
Other subsidiaries, incl. non-operational							40
							426,182

35. OTHER SHARES AND PARTICIPATIONS

	31 Jan 2009	31 Jan 2008
		Book value
Golf shares		83
Telephone company shares etc.		7
Real estate and other shares		29
		119
	31 Jan 2009	31 Jan 2008

36. LONG-TERM RECEIVABLES

Loan receivables	10	5
Deferred income tax asset	269	311
	279	316

37. SHORT-TERM RECEIVABLES

Accounts receivable	48,586	54,868
Short-term receivables from Group companies	82,961	147,236
Other short-term receivables	4,112	1,710
	135,659	203,814
Short-term receivables from Group companies		
Accounts receivable	1,227	1,379
Prepaid expenses and accrued income	338	951
Loan receivables	80,000	144,906
Other short-term receivables	1,396	0
	82,961	147,236

38. PREPAID EXPENSES AND ACCRUED INCOME

Income tax receivable	2,429	0
Financial items	196	0
Prepaid expenses	374	0
Other income	1,113	1,710
Total	4,112	1,710

39. CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Share premium account	Revaluation reserve	Retained earnings	Total equity
Equity 1 Feb 2007	114,837	5,640	1,093	213,736	335,306
Dividend				-125,946	-125,946
Net profit for the period				73,271	73,271
Equity 31 Jan 2008	114,837	5,640	1,093	161,061	282,631
Dividend				-160,295	-160,295
Net profit for the year				91,124	91,124
Other changes				104	104
Equity 31 Jan 2009	114,837	5,640	1,093	91,994	213,564
				31 Jan 2009	31 Jan 2008

40. ACCUMULATED DEPRECIATION DIFFERENCE

Accelerated depreciation		
Intangible rights	517	134
Goodwill	0	511
Buildings	22,538	23,223
Machinery and equipment	-254	-185
	22,801	23,683

41. OBLIGATORY RESERVES

Pension reserves	357	357
Other obligatory reserves	200	200
	557	557

42. LONG-TERM-LIABILITIES

Pension fund loans	20,000	0

43. SHORT-TERM LIABILITIES

Loans from financial institutions and interest bearing advance payments	115,439	25,452
Accounts payable	148,765	152,839
Liabilities to group companies	173,601	297,390
Accrued expenses and deferred income	12,596	10,944
Other current liabilities	3,337	2,983
	453,738	489,608
Liabilities to Group companies		
Accounts payable	3,272	3,198
Accrued liabilities	9,340	5,994
Other short-term liabilities	160,989	288,198
	173,601	297,390

44. ACCRUED EXPENSES AND DEFERRED INCOME

Personnel expenses	4,887	3,002
Income taxes		345
Other accrued expenses and deferred income	7,709	7,597
Total	12,596	10,944

OTHER NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

45. CONTINGENT LIABILITIES	31 Jan 2009	31 Jan 2008
Mortgages (1)		
For own debts	39,841	841
Guarantees (2)		
For subsidiaries	579,401	473,829
Other commitments		
Leasing commitments		
Next year	842	891
Over one year	533	708
Rent commitments	2,815	258
	4,190	1,857
(1) Parent company's liabilities, secured by mortgages	30,000	-

(2) Parent company has guaranteed the Commercial papers issued by Tamro Finance Ltd. in Finland and Sweden. The Commercial paper programme in Finland amounts to EUR 300 million and in Sweden SEK 1,000 million. At the end of the financial year, the amount of outstanding commercial papers amounted to EUR 8.5 million (0) in Finland. In Sweden, there were no outstanding amounts at the end of the financial years. Parent company has given its subsidiaries and on their behalf a Letter of Comfort type commitments.

46. DERIVATIVE FINANCIAL INSTRUMENTS	31 Jan 2009	31 Jan 2008
Derivatives - notional amounts		
Currency instruments		
Currency forward contracts	70,450	70,450
Derivatives - market value		
Currency instruments		
Currency forward contracts	0	0

The notional amounts of derivatives summarised here do not represent amounts actually exchanged between the parties and are thus not a measure of the parent company's derivatives-related exposure. According to the Finance Policy derivatives are used only to hedge the underlying business.



Tamro

2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Proposal for profit distribution

The net profit of Tamro Corporation for the fiscal year is	EUR 91,123,725.24
Retained earning from earlier periods	EUR 870,634.90
Distributable equity total	EUR 91,994,360.14

The Board of Directors proposes that	
- no dividend is paid and that the retained earnings are left on the retained earnings account	EUR 91,994,360.14

Vantaa, 31 March 2009

Bernd Scheifele
Chairman

Matti Elovaara

Mikael von Frenckell

Lorenz Näger

Reimund Pohl

Michael Majerus

Øyvind Winther

Jo Langmoen
Corporate President



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Auditor's Report

To the Annual General Meeting of Tamro Oyj

We have audited the accounting records, the financial statements, the report of the Board of Directors, the administration of Tamro Oyj for the financial period 1 February 2008 - 31 January 2009. The financial statements comprise the consolidated and parent company balance sheets, income statements, cash flow statements and notes to the financial statements.

The responsibility of the Board of Directors and Managing Director

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of the financial statements and the report of the Board of Directors in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor's responsibility

Our responsibility is to perform an audit in accordance with good auditing practise in Finland, and to express an opinion on these financial statements and on the report of the Board of Directors based on our audit. Good auditing practise requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements and the report of the Board of Directors are free from material misstatements and whether the members of the Board of Directors and the Managing Director of the parent company have complied with the Limited Liability Companies Act.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

The audit was performed in accordance with good auditing practice in Finland. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of the financial performance and financial position of the group and the parent company in accordance with the laws and regulations governing the preparation and the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Vantaa, 31 March 2009

Ernst & Young Oy
Authorised Public Accounting Firm

Anna-Maija Simola
Authorised Public Accountant

Eija Niemi-Nikkola
Authorised Public Accountant



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Financial indicators

	2008/09	2007/08	2006/07
FROM THE INCOME STATEMENT, EURm			
Net Sales	5,534.4	5,605.2	5,464.5
Other income	5.7	3.6	6.3
Operating expenses	-5,363.7	-5,454.1	-5,319.7
Depreciation	-37.1	-32.3	-33.7
Operating profit	139.3	122.4	117.4
Financial income and expenses	-13.4	-1.9	-6.2
Share of affiliated companies' net income	0.0	0.3	0.2
Profit before extraordinary items	125.9	120.8	111.4
Extraordinary items	0.0	0.0	48.5
Profit before taxes	125.9	120.8	159.9
Minority and income taxes	-33.1	-32.0	-33.5
Net profit for the period	92.8	88.8	126.4
FROM THE BALANCE SHEET, EURm			
Tangible and intangible assets	327.2	322.9	319.1
Financial assets	15.2	17.5	17.4
Inventories	373.9	391.7	357.7
Receivables	486.9	504.6	464.7
Liquid assets and short-term investments	138.2	38.6	55.2
Equity	235.7	335.9	373.2
Minority	1.1	0.3	0.2
Obligatory reserves	1.5	1.6	2.0
Long-term liabilities(1)	64.1	45.3	41.9
Short-term liabilities(1)	1,039.0	892.2	796.9
Balance sheet total	1,341.4	1,275.3	1,214.2

KEY FIGURES

Sales change, %	-1.3	2.6	12.5
Operating margin, %	2.5	2.2	2.1
Profit margin, %	2.3	2.2	2.9
Return on capital employed, %	36.0	32.0	40.7
Return on equity, %	32.6	25.1	36.8
Free cash flow, EURm	155.1	116.0	152.0
Capital employed, EURm	394.3	405.8	416.9
Net debt, EURm	28.0	10.8	-2.5
Net gearing, %	11.8	3.2	-0.7
Interest cover	9.3	13.5	17.5
Equity Ratio, %	17.7	26.4	30.8

PER SHARE DATA (2)

Number of shares - at end, millions	114.5	114.5	114.5
Number of shares - average, millions	114.5	114.5	114.5
Earnings per share, EUR	0.81	0.78	1.10
Dividend per share, EUR	1.40	1.75	0.60
Dividend per earnings, %	173	224	54
Equity per share, EUR	2.07	2.94	3.26

OTHER

Investments, EURm	57.0	37.1	35.1
as % of sales	1.0	0.7	0.6
Number of employees, average	5,168	4,736	4,693

(1) Deferred tax liabilities are presented as long-term liabilities, and the figures for the comparison periods have been adjusted accordingly.

(2) Excluding own shares.



Tamro Web Annual Report

2008

1 Feb 2008 - 31 Jan 2009

Calculation of Financial Ratios

PROFIT MARGIN

Ordinary profit before taxes divided by Net Sales.

TRADING VOLUME, %

Number of shares traded during the period as a percentage of average number of outstanding shares.

CAPITAL EMPLOYED

Total assets less non-interest bearing liabilities. In business units, cash and financial assets are excluded.

MARKET CAPITALISATION 1)

Number of shares multiplied by share price at the end of the year.

RETURN ON CAPITAL EMPLOYED

Ordinary profit before taxes plus interest expenses and other financial expenses as a percentage of average capital employed. Operating profit for the business unit as a percentage of average capital.

EARNINGS PER SHARE 1)

Earnings, defined as ordinary net profit, divided by average number of shares. Own shares are deducted from the date of repurchase.

RETURN ON EQUITY 1)

Ordinary net profit less minority interest as a percentage of average shareholders' equity and minority.

DIVIDEND PER EARNINGS 2)

Dividend per share as a percentage of earnings per share. Dividend is weighted with respect to old and new shares.

FREE CASH FLOW

See Cash Flow Statement

EFFECTIVE DIVIDEND YIELD

Dividend per share as a percentage of market share price at 31 Dec.

NET DEBT

Interest bearing debt less cash, short-term investments and bonds.

EQUITY PER SHARE 1)

Shareholders' equity divided by the number of shares at 31 Dec.

NET GEARING 1)

Net debt as a percentage of equity plus minority interest.

P/E MULTIPLE

Market share price at 31 Dec divided by earnings per share.

INTEREST COVER

Ordinary profit before taxes plus interest expenses divided by the interest expenses.

AVERAGE NUMBER OF EMPLOYEES

Calculated from month-end figures and adjusted for part-time employees.

EQUITY RATIO 1)

Shareholders' equity plus minority interest as a percentage of total assets.

INVESTMENTS

Includes corporate acquisitions.

AVERAGE TRADING PRICE

Value of trading volume divided by the volume traded.

SHARE ISSUE ADJUSTMENTS

The numbers of shares are fully comparable for the whole five-year period.

1) Effect of own shares eliminated.

2) Dividend is weighted with respect to old and new shares.



2008

1 Feb 2008 - 31 Jan 2009

Tamro Web Annual Report

Quarterly Development

Figures in the tables are unaudited.

	11/08- 1/09	8-10	5-7	2-4	2/08- 1/09	2/07- 1/08	Change %
	2008	2008	2008	2008	2008	2007	
NET SALES							
(EURm)							
Tamro Sweden	347.6	381.6	379.4	387.6	1,496.2	1,685.7	-11.2
Tamro Denmark	398.4	401.4	402.2	398.2	1,600.2	1,526.1	4.9
Tamro Finland	279.4	272.1	257.6	258.9	1,068.1	1,032.4	3.5
Tamro Norway	177.9	188.6	202.5	187.7	756.8	765.5	-1.1
Tamro Estonia	21.8	20.7	20.2	20.4	83.1	70.4	18.0
Tamro Latvia	30.9	30.9	26.4	30.6	118.9	117.6	1.1
Tamro Lithuania	28.5	28.0	22.5	26.6	105.6	101.5	4.0
Tamro Poland	86.7	95.8	92.5	93.4	368.4	362.7	1.6
Other and internal	-16.2	-15.5	-14.7	-16.2	-62.9	-56.7	10.9
Group total	1,355.0	1,403.6	1,388.6	1,387.2	5,534.4	5,605.2	-1.3
NUMBER OF EMPLOYEES, AVERAGE							
Tamro Sweden	462	483	476	438	462	444	4.1
Tamro Denmark	556	581	627	630	596	620	-3.9
Tamro Finland	332	358	350	324	340	331	2.7
Tamro Norway	2,115	2,104	2,049	2,008	2,065	1,905	8.4
Tamro Estonia	330	325	318	305	319	281	13.5
Tamro Latvia	430	431	413	394	417	370	12.7
Tamro Lithuania	624	525	402	383	483	402	20.1
Tamro Poland	511	478	439	380	451	359	25.6
Others	36	37	35	34	35	24	45.8
Group total	5,396	5,322	5,109	4,896	5,168	4,736	9.1

CONSOLIDATED INCOME STATEMENT							
(EURm)							
Net Sales	1,355.0	1,403.6	1,388.6	1,387.2	5,534.4	5,605.2	-1.3
Other income	0.1	0.0	3.9	1.7	5.7	3.6	58.3
Raw materials and services	-1,230.7	-1,280.0	-1,261.1	-1,265.8	-5,037.5	-5,144.2	-2.1
Personnel expenses	-54.8	-58.3	-58.9	-54.7	-226.7	-211.3	7.3
Depreciation and value adjustments	-10.2	-9.2	-9.0	-8.6	-37.1	-32.3	14.9
Other operating expenses	-23.1	-24.9	-25.5	-26.1	-99.5	-98.6	0.9
Operating profit	36.3	31.2	38.0	33.7	139.3	122.4	13.8
Financial income and expenses	-4.3	-3.7	-3.0	-2.3	-13.4	-1.9	605.3
Share of associated companies' net income	0.0	0.0	0.0	0.0	0.0	0.3	-100.0
Profit before taxes	32.0	27.5	34.9	31.4	125.9	120.8	4.2
Income taxes	-6.5	-8.4	-8.7	-8.8	-32.4	-31.9	1.6
Minority interest	-0.2	-0.1	-0.2	-0.1	-0.7	-0.1	600.0
Net profit for the period	25.3	19.0	26.0	22.5	92.8	88.8	4.5
	31.1.	31.10.	31.7.	30.4.	31.1.	31.1.	Change
	2009	2008	2008	2008	2009	2007	%
CONSOLIDATED BALANCE SHEET							
(EURm)							
Assets							
Intangible and tangible assets	327.2	331.7	330.6	327.1	327.2	322.9	1.3
Financial assets	15.2	15.3	15.4	15.4	15.2	17.5	-13.1
Inventories	373.9	409.2	418.9	405.9	373.9	391.7	-4.5
Receivables	486.9	486.7	484.5	640.4	486.9	504.6	-3.5
Liquid assets and short-term investments	138.2	19.5	91.0	21.2	138.2	38.6	258.0
	1,341.4	1,262.4	1,340.4	1,410.0	1,341.4	1,275.3	5.2
Equity & liabilities							
Shareholders' equity	235.7	228.1	314.9	289.1	235.7	335.9	-29.8
Minority interest	1.1	1.4	1.3	1.0	1.1	0.3	266.7
Obligatory reserves	1.5	1.8	2.3	1.4	1.5	1.6	-6.3
Long-term liabilities(1)	64.1	43.3	45.2	44.9	64.1	45.3	41.5
Short-term liabilities(1)	1,039.0	987.8	976.7	1,073.6	1,039.0	892.2	16.5
Balance sheet total	1,341.4	1,262.4	1,340.4	1,410.0	1,341.4	1,275.3	5.2

(1) Deferred tax liabilities are presented as long-term liabilities, and the figures for the comparison periods have been adjusted accordingly.

	11/08- 1/09	8-10	5-7	2-4	2/08- 1/09	2/07- 1/08	Change %
	2008	2008	2008	2008	2008	2007	
OTHER CONSOLIDATED KEY FIGURES							
Operating margin, %	2.7	2.2	2.7	2.4	2.5	2.2	
Profit margin, %	2.4	2.0	2.5	2.3	2.3	2.2	
Return on capital employed, %	40.5	34.7	36.8	33.3	36.0	32.0	
Return on equity, %	43.8	28.0	34.6	28.9	32.6	25.1	
Gross investments, €m	16.3	20.1	12.9	7.7	57.0	37.1	53.6
Free cash flow, €m	60.2	-1.4	216.6	-120.3	155.1	116.0	33.7
Capital employed, €m	366.7	363.5	419.0	413.5	394.3	405.8	-2.8
Net debt, €m	28.0	81.3	-10.6	130.1	28.0	10.8	159.3
Net gearing, %	11.8	35.4	-3.3	44.8	11.8	3.2	
Equity ratio, %	17.7	18.2	23.6	20.6	17.7	26.4	
Number of shares - at end, millions*	114.5	114.5	114.5	114.5	114.5	114.5	0.0
Number of shares - average, millions*	114.5	114.5	114.5	114.5	114.5	114.5	0.0
Earnings per share, €*	0.22	0.17	0.23	0.20	0.81	0.78	3.8
Equity per share, €*	2.07	2.00	2.76	2.53	2.07	2.94	-29.6
Number of employees, average	5,396	5,322	5,109	4,896	5,168	4,736	9.1

* excluding own shares