ANNUAL REPORT 2001

COMPTEL

Contents

Year 2001 in brief	3
Comptel in brief	4
Strategic objectives, vision, mission, values	6
President and CEO's review	8
Products	10
Business areas	12
Network Operator Solutions	12
Market development	15
Comptel PASSAGe (Service Operator Solutions)	16
System Services	18
Research and development	20
Personnel	22
The sales and partner network	23
Corporate governance and company management	24
Financial Statements	
Report of the Board of Directors	26
Profit and loss account	31
Balance sheet	32
Cash flow statement	33
Notes to the financial statements	34
The auditors' report	46
Shares and shareholders	47
Contact information	51
Contact information for analysts monitoring Comptel	52
Information for shareholders	53
Glossary	54

Comptel Corporation's financial reports in 2002

Financial statements for 2001	15 February 2002
Interim report January-March	25 April 2002
Interim report January-June	24 July 2002
Interim report January-September	23 October 2002

Ordering financial reports

Comptel publishes its financial statements, an annual report and three interim reports in Finnish and English annually. Financial reports are available in pdf format from Comptel's website at www.comptel.com under Investors. They may also be ordered by email at info@comptel.com or by phone on +358 9 700 11460.

COMPTEL
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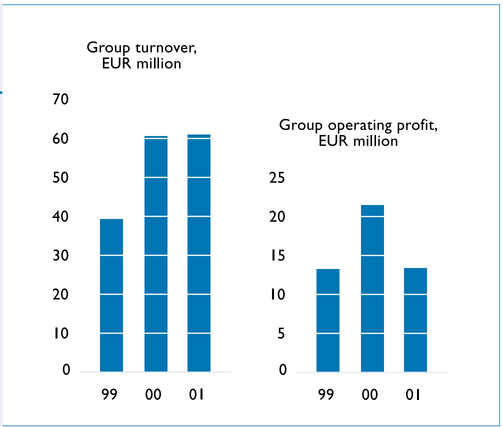
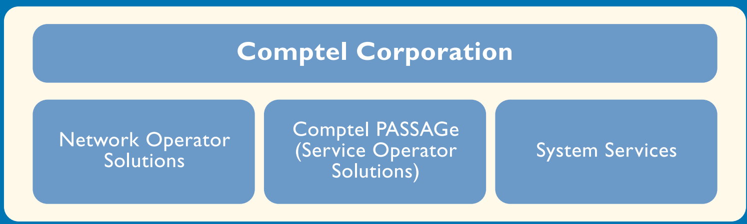
Key indicators

	2001	2000
Turnover, EUR million	60.8	60.4
Change from previous year, %	0.8	54.5
Operating profit, EUR million	13.5	22.2
Change from previous year, %	-39.0	65.7
as % of turnover	22.2	36.8
Earnings per share (EPS), EUR	0.093	0.15
Equity per share, EUR	0.38	0.35
Dividend per share, EUR	0.03	0.06
Dividend payout ratio, %	32.2	39.5
R&D costs, EUR million	8.5	5.5
as % of turnover	14.0	9.2
Equity ratio, %	85.9	78.2



Year 2001 in brief

1 Jan Comptel's representative office in Beijing, China starts operating.
6 Feb Comptel receives the Internationalisation Award given by the President of the Republic of Finland.
21 Feb Comptel and the US-based Portal Software sign a partnership agreement entailing the joint marketing of Comptel's mediation software solutions and Portal's customer care and billing software solutions.
18 Apr Comptel acquires a 10 per cent holding of the Finnish company Mobicus Ltd. Comptel PASSAGe and Mobicus sign an agreement covering global marketing and sales co-operation.
18 Apr The company introduces its new English name, Comptel Corporation.
1 May Comptel celebrated its 15th anniversary.
3 May First agreement on the delivery of Comptel Chinchilla, the content and service mediation solution, to Elisa Communications.
5 June Comptel signs a VAR (Value Added Reseller) agreement with Nokia Networks. With the agreement, Comptel's products and technologies will be included in the global 3G offerings of Nokia Networks.
28 June The first disclosed delivery agreement concerning a 3G mediation solution signed with the Portuguese operator ONI Way.
5 July Comptel opens a representative office in Düsseldorf, Germany.
23 July A Corporate Licence agreement is signed with the German T-Mobile International, which is responsible for Deutsche Telekom's mobile communications business.
28 Aug The product-based growth estimate for 2001 is revised downwards from 40 to approximately 20 per cent.
27 Sep Comptel signs an OEM (Original Equipment Manufacturer) agreement with the German customer care and billing system supplier TelesensKSCL, under which TelesensKSCL sells Comptel's products around the world as a part of its integrated solution set.
1 Oct The product-based growth estimate for 2001 is revised downwards from approximately 20 to 0–10 per cent.
24 Oct The German Deutsche Telekom chooses Comptel's mediation solution for its global IP network.
1 Nov Comptel gives out a lay-off warning for its personnel.
14 Nov The Finnish Information Processing Association votes Comptel's mediation software the IT Product of the Year.
29 Nov Comptel secures a foothold in the Chinese market by signing a partnership agreement with the China-based Hollybridge. The agreement covers the sale and marketing of Comptel's mediation solutions together with Hollybridge's billing and customer care products.
5 Dec Comptel's investor relations are recognised by the Investor Relations Magazine.
27 Dec The Thai operator AIS chooses Comptel's mediation and provisioning solutions for its GSM, IP and GPRS networks.



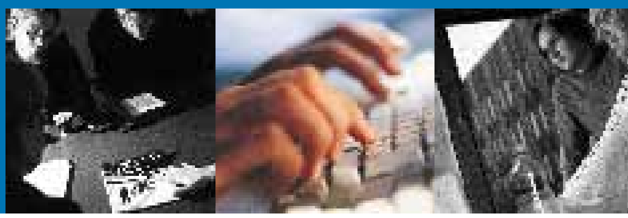
Comptel in brief

As a forerunner in its industry, Comptel is actively engaged in the construction of a growing telecommunications market. The company offers operators and service providers software solutions that make service management, use and charging more efficient.

Comptel's packaged solutions serve as intelligent links between the operators' business support systems and the telecommunications network. They enable the collection of usage data from the operator's network, and new subscriber provisioning and service activation in the network. The software solutions enable the management of content-based service charging, as well as monitoring the usage charges of operators' customers, and they ensure reliable revenue sharing between operators, content providers and any third parties. For consumers, Comptel's software offers e.g. a possibility to choose between different payment methods when paying for content services.

Comptel's three business units

- The Network Operator Solutions unit conducts the company's key business, in other words it provides mediation solutions to operators. With the mediation and provisioning software it offers, network operators can achieve significant



cost-efficiency. The business unit actively expands its product and solution portfolio and thus answers to the challenges posed by the evolution of the operators' technological environment and business.

- Comptel PASSAGe offers mobile operators and Internet service providers solutions that link different parties of m-services – operators, content providers and customers – into a profitable value chain. Its products enable content management, charging and revenue sharing of mobile services. Moreover, Comptel PASSAGe combines third-party applications to its products in order to offer complete business solutions for its customers.
- The System Services unit provides Finnish operators with consultation, integration and system services. This has provided Comptel with a sound insight into the operator business, which has given it a distinct competitive advantage in the international market.

Network Operator Solutions and Comptel PASSAGe are in charge of Comptel's product-based business.

Comptel has more than 200 customers in 56 countries. The number of personnel at the end of 2001 was 624. The company's turnover in 2001 was EUR 60.8 million. Comptel was established in 1986 and is listed on the Helsinki Exchanges (HEX: CTL1V). Comptel is a subsidiary of Elisa Communications Corporation. The parent company has a 58.1 per cent interest in the company. Comptel is headquartered in Helsinki, Finland. For further information, please visit www.comptel.com.

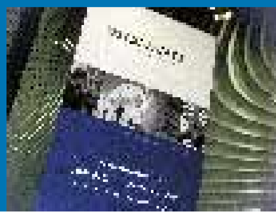
Other companies in the Comptel Group

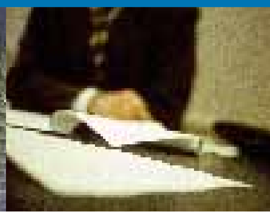
Comptel has a 53.1 per cent interest in Probatus Oy. Probatus delivers information management solutions to companies and organisations in various fields, as well as system integration solutions to service and network operators. The company conducts joint research and development activities together with Comptel. For further information, please visit www.probatus.com.

Mobicus Ltd. produces mobile marketing software for operators and service providers. In 2001, Comptel had a 10 per cent stake in the company (this rose to 20 per cent on 17 January 2002). Comptel PASSAGe and Mobicus signed an agreement covering global marketing and sales co-operation in April 2001. For further information, please visit www.mobicus.com.

Comptel owns 26.6 per cent of Arcus Software Oy, a company engaged in the development and marketing of third generation mobile technology-compliant 3D navigation applications. For further information, please visit www.arcussoft.com.

Strategic objectives, vision, mission and values





Comptel's strategic objectives

Our objective is to strengthen our market position, to achieve profitable growth, and to outperform market growth in selected product segments. We will meet these objectives by providing the market's most advanced packaged software solutions for diverse technological environments.

We seek new growth opportunities in the global market by expanding the product portfolio offered to network and service operators, as well as service providers.

To generate growth in new businesses, we exploit the company's three key competence areas and the synergy benefits derived from them: our in-depth knowledge and expertise in telecommunications, information technology and the operators' business. We believe that Comptel PASSAGe's business will become increasingly important to the Comptel Corporation from 2002 onwards.

Besides organic growth, Comptel can seek growth and expand its solution offerings through carefully considered business acquisitions.

To make sure we achieve our strategic objectives, we invest in the ongoing development of our personnel's skills and competences and in intensive research and development work. We strive for deeper partnerships and make sure we have sufficient funding.

Vision

People use an increasingly large number of various services irrespective of time and place. As a respected forerunner in our industry, we are actively engaged in the construction of a growing telecommunications market. We act globally in co-operation with operators and service providers.

Mission

We help our customers succeed. Together with our partners, we offer software solutions that make service management, use and charging more efficient.

Values

- Respect for individuals
- Innovative thinking
- Ongoing development
- Reliability

President and CEO's review

Retaining global market leadership in a challenging business environment

When I think of 2001, I see a turning point in the company's 15-year history. After a long economic boom, the market growth finally slowed down. Despite these developments, we were able to retain our leadership in the highly competitive mediation software markets, and we received recognition for our activities from prestigious bodies. By the end of the year, we had agreed on the delivery of our solutions to more than 200 customers in 56 countries. Furthermore, the number of our personnel exceeded 600.

Even though the telecommunications market slackened considerably during the course of 2001, we achieved good profitability. We continue to strive for a stronger position in the industry by outperforming market growth.

Our objective is to enable our customers' success by offering them as well as our business partners trustworthy partnership. We also want to serve as an intelligent link in their technological and business development by providing them with advanced software products. It is my opinion that in this way we can best promote our customers' business and support their sustainable development.

Processes re-engineered to accommodate the changes in customers' needs

Amidst the market turmoil, we also focused on reorganising our operations and business structures to be able to respond more flexibly to the challenges operators and service providers are faced with in their activities.

Comptel now comprises three business areas. They involve delivering packaged mediation and provisioning solutions to network operators, developing and offering service operators and service providers mobile Internet business enabling solutions, as well as providing system services to Finnish operators. Our solutions help improve our customers' cost-efficiency, and offer them new business enabling tools.

In Europe, our Network Operator Solutions business unit focused on sales to major operators and operator groups. We established very important new types of customer relations. We delivered a mediation solution to Deutsche Telekom for its international IP network, and signed a Corporate Licence agreement with T-Mobile International. Furthermore, we disclosed our first delivery agreement concerning a 3G mediation solution with ONI Way, a Portuguese operator. Among our new customers were also TIM Peru in the South American market and AIS, Thailand's largest mobile operator in the Asian market.

A number of important partnership agreements signed around the world

We also signed several sales and partnership agreements, the most significant being the Value Added Reseller agreement signed with Nokia Networks in June. This agreement means that Comptel's products and technologies will be used as a part of the 3G networks Nokia Networks delivers to its customers.

In November, we made arrangements regarding co-operation with Hollybridge Ltd, a Chinese supplier of billing and customer care systems. This marks a major step for us in China's challenging and rapidly growing telecommunications market.

Additionally, we strengthened our important partnerships in the European, Middle East, Asian and North American markets.

To enhance our local presence in the global marketplace, we opened three new representative offices. In January, we opened a representative office in Beijing, China; in June in Düsseldorf, Germany and in January 2002 in São Paulo, Brazil, to handle our customer and partner relations in Central and South America.

In April, we acquired an interest in Mobicus, a Finnish mobile marketing software developer, and arranged to enter into global sales and marketing co-operation. In January 2002, we increased our interest in Mobicus to 20 per cent, effectively making it Comptel's associated company.

We continued to invest heavily in research and development. Over 25 per cent of our staff participated in R&D projects. Key priority areas included developing solutions associated with content service management and charging solutions, as well as expanding Comptel PASSAGe's offering to cater to the increasingly large role of service operators. We also focused more sharply on developing IP mediation products, because it is our understanding that all digital services will be based on IP technology. Therefore we will continue to invest in this area in the future, too.

Faint signs of market recovery

In 2001, we gained significant recognition for our activities. The Internationalisation Award granted by the President of the Republic of Finland is the most valuable tribute our company could receive. Also, the Finnish Information Processing Association named our mediation software the IT product of the year, on the basis of our determined R&D work and international success. What's more, the Investor Relations Magazine, one of the most respected international publications in its field, ranked us the best company in Finland in terms of investor relations in the category of companies with small and medium market capitalisation. These acknowledgements give credence to my intuition that we are on the right track.

Nevertheless, we could not escape the negative impacts of the market slowdown over the year. With operators delaying their investments, market growth dropped much faster and much more steeply than we had anticipated earlier on in the year. As a result of the tragic events in September, growth came practically to a standstill. We were forced to revise our product-based growth projections downwards on two separate occasions: first in August from 40 to 20 per cent, and again in October to 0–10 per cent. Owing to the temporarily weakened employment situation, we had to initiate negotiations to lay off personnel at the end of the year. Lay-offs and other working time arrangements on the grounds of production reasons were carried out in December 2001 and January 2002.

The dramatic market fall that began in the summer halted towards the year-end, when we saw the first weak signs of market recovery. This had a positive impact on Comptel's back orders, as operators were busy carrying out the investments decisions that had been on hold for a long time.

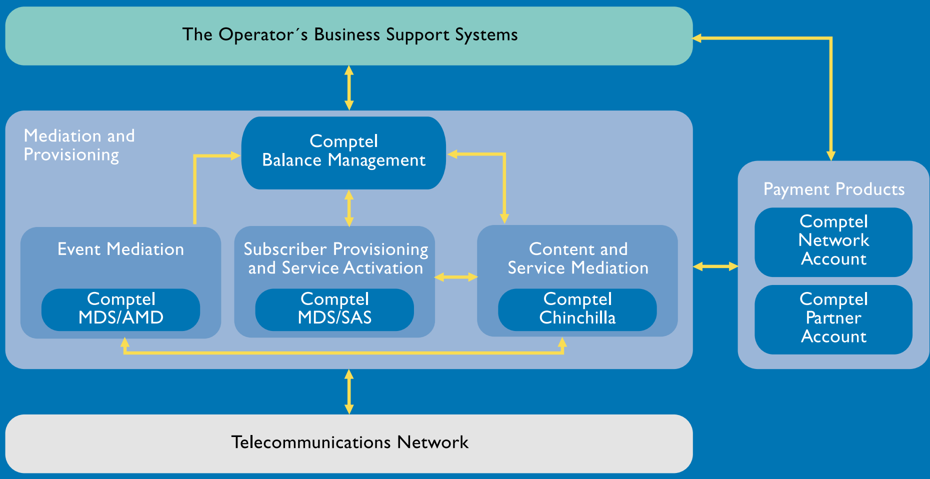
Expertise equals success

In the future, we will continue to increase our investments in human resources development to ensure that our people have the right skill sets. We will also actively build the Comptel brand to increase the global recognition of our company.

I would like to offer my warmest thanks to our personnel for performing so well despite all the challenges, and for all the merit we received. These achievements and accolades are proof of our competence and determined work. I would also like to thank the Board of Directors for their unwavering sense of direction, and our shareholders for their confidence and trust. And very special thanks to our customers and partners who have chosen us and have helped us make our operations and solutions even more competitive in the global markets.

I wish everyone success in 2002.

Heikki Tetri



Supporting the customer's business operations

Comptel provides mediation, provisioning and business enabling software solutions for network and service operators as well as service providers.

What is mediation?

Comptel's mediation portfolio covers mediation and provisioning solutions that refer to data processing and transfer between the telecommunications network, for example a GSM network, and the operator's business support systems, for example a billing system or a customer care system. Thanks to mediation, the telecommunications network and the operator's business support systems are connected to each other through the mediation software. A single, shared connection interface lessens the amount of complicated connections between different systems, and facilitates change management.

Comptel's solutions function as intelligent links between the operators' business support systems and the telecommunications network. They enable the collection of usage data from the operator's network, as well as the activation of new subscribers and services on the network. The software can also be used to manage the charging of different content-based services, monitor the development of the operator's customer balances as well as ensure a reliable revenue sharing between operators and content providers, for example. Comptel's software also enables real-time payment of content services with the help of a network account.

The strengths of Comptel's products

The strength of Comptel's products lies in their functionality and flexibility. As they support open standards, the products can be integrated with a variety of different technical environments. Comptel's packaged products offer over 200 different interfaces for the operators' business support systems and the telecommunications networks. This is why the products are independent of vendors of networks, service platforms or business support systems. They are compatible with 2G, 2.5G, 3G and IP networks, traditional fixed networks and satellite networks.

Comptel has expanded the concepts of mediation and provisioning, and has brought new, innovative products into its solutions offering. The aim is to support the customers in the best way possible, as they expand their service offerings from traditional voice services to content services. Thanks to Comptel's solutions, the operators can quickly bring new services onto the markets, flexibly and safely charge for usage, as well as take into account the individual needs of their customers in all their operations in an even better way than before.

Comptel's main products

EVENT MEDIATION • COMPTEL MDS/AMD

Comptel MDS/AMD is Comptel's mediation solution that collects the subscriber usage data (for instance calls dialled and text messages sent during the last hour) from the telecommunications network. It checks the data, processes it into a form compatible with billing, and transmits it to the operator's billing system. The mediation software helps the operator pinpoint the right data to collect for the services used by the customer, and thus bill the customer using reliable facts.

MDS/AMD is an important part of the operators' expanding service offering, since the new services as well as the new billing and payment methods presuppose effective and flexible billing management. The software also helps the operators in quickly bringing new services and solutions to the markets, as well as in flexibly adjusting to changes occurring in the technical environment.

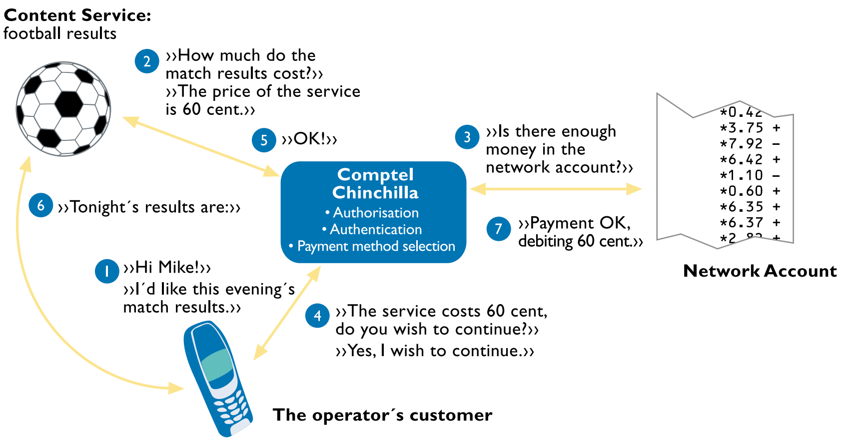
SUBSCRIBER PROVISIONING AND SERVICE ACTIVATION • COMPTEL MDS/SAS

Comptel MDS/SAS is Comptel's provisioning solution, in other words software intended for subscriber provisioning and service activation. Provisioning software adds new subscribers

EXAMPLE OF COMPTELS CHINCHILLA'S OPERATING PRINCIPLE

Mike wants to know this evening's football results

1. Mike contacts the operator's server. Comptel Chinchilla recognises the user as being Mike. Mike states that he would like to have the latest match results sent to his phone.
2. Chinchilla asks the content service provider what the service in question costs.
3. After receiving a reply, Chinchilla makes sure that there is enough money in Mike's network account to pay for the service.
4. The operator's portal asks Mike whether he will approve a payment of the reported amount.
5. Once Mike has replied affirmatively, Chinchilla informs the content service producer thereof.
6. Mike receives the match results on his phone.
7. Chinchilla charges Mike 60 cent from his network account, and transmits the payment data onwards, for example for use in revenue sharing between the operator and the content provider.



and services ordered from the operators into the telecommunications network. The operator enters the subscriber data into the customer care system and the provisioning software transfers it to the right network elements in the telecommunications network, thus activating the subscription and all services ordered by the customer – for example SMS and fax services.

Thanks to MDS/SAS, the operators can quickly and cost-efficiently bring new services and solutions onto the markets and activate them. The quicker the operator activates the services, the sooner the customers can start using them and begin generating profit for the operator. Due to more effective provisioning, the operator customers can also gain access to a greater selection of affordable services.

CONTENT AND SERVICE MEDIATION
• COMPTEL CHINCHILLA

Comptel Chinchilla is a flexible tool for content and service mediation. It enables effective management and charging of content services.

Chinchilla operates between the content platforms and the operator's business support systems. It can manage all sides of m-commerce: users, content providers, different payment platforms and user authentication.

Chinchilla enables reliable and easy payment for content services, in which the operator functions as a trusted third party. The software recognises the user, confirms the transaction, the price and service delivery. Thanks to the software, the user does not e.g. have to hand out the credit card number separately for each service used. Together with Comptel's Partner Account solution, Chinchilla enables reliable revenue sharing between the operator and the content provider (for example a service offering sports results).

• COMPTEL BALANCE MANAGEMENT

With the help of Comptel's Balance Management solution, the operator can offer the customers follow-up services based on, for example, billing period or monthly usage. The operator and the customer can agree on balance reminders and limiting the use of the service. For example, the user can be notified via text message when the agreed balance limit has been reached, and optionally, the use of the service can be blocked until the end of the payment period. Balance Management helps the service users keep track of the costs, and is also a long-term cost-efficient solution for the operators.

PAYMENT PRODUCTS
• COMPTEL NETWORK ACCOUNT

With the help of the Comptel Network Account, the operator's customer can pay for services and content in real-time with a prepaid account, onto which money can be transferred via traditional giro transfer, through an online bank service or by use of tokens and vouchers. The customer can have several accounts for different kinds of services. As the number of services offered by the operators grows, the significance of the Network Account continues to grow as well. The Network Account is a cost-efficient and easily expandable solution for paying small sums, i.e. micro payments.

PAYMENT PRODUCTS
• COMPTEL PARTNER ACCOUNT

In the co-operation between the operator and the content provider, it is important that revenue sharing and cash flow between the parties are as automated as possible. Comptel's solution for this is the Partner Account, which enables the efficient management of payments between the operator and the co-operation partners. The Partner Account collects, stores and transfers the revenue accumulated from services to co-operation partners. Combined with the operator's financial management systems, it effortlessly manages revenue sharing and payment traffic between the operators and the content and application service providers.

PASSAGe GATEWAY

PASSAGe Gateway enables the easy and rapid launch of content services for operators. It is an SMS gateway, which provides an easy interface for operators' own, as well as third-party service providers' content services. It allows operators to reduce service development time and costs. PASSAGe Gateway can be connected to all major vendors' SMSCs (Short Message Service Centres).

THIRD-PARTY SOLUTIONS:

• PASSAGe Mobicus
• PASSAGe Smartal

Comptel also offers operators third-party solutions. PASSAGe Mobicus is an application for mobile marketing campaigns. PASSAGe Smartal is an entertainment solution that includes e.g. an application for mobile chat.

Comptel's mediation software selected the IT product of the year

Comptel's network operator solutions are packaged mediation and provisioning software solutions that allow operators to improve their cost-efficiency. They enable features such as new subscriber provisioning and service activation in the network and in application servers, as well as usage data collection from the operator's network into business support systems. The Finnish Information Processing Association voted Comptel's mediation software the IT Product of the Year in 2001. With its mediation solutions, Comptel has gained global market leadership in its industry. By the end of 2001, Comptel had agreed on the delivery of its mediation products to more than 200 customers in 56 countries.

The Network Operator Solutions business unit and Comptel PASSAGe are in charge of Comptel's product-based business, the share of which in Comptel's turnover was 77.8 per cent. The product-based business generated a turnover of EUR 47.4 million in 2001, showing an increase of 5.3 per cent from 2000. Comptel PASSAGe accounted for a minor share of the turnover. Licence sales and upgrades in the product-based business grew by 4.3 per cent.

The geographical distribution of turnover from the product-based business was as follows: Europe, Middle East and Africa 56.4 per cent; Asia Pacific 24.1 per cent; and the Americas 19.5 per cent.

In terms of turnover, Comptel was able to retain its position as the leading mediation solution provider in the global market, despite the general market decline. The West European, North American and Asian markets saw the sharpest drop in demand in the year's second half.

Particularly in the GPRS and 3G markets, growth was considerably slower than was expected. Operators postponed their investment decisions and contract negotiations prolonged, hampering Comptel's licence sales and volume-based licence upgrades considerably.

Competitive scene in transition

The mediation software market continues to be highly fragmented. The competitive scene changed significantly in the course of 2001, owing to increasing competition. Some of our competitors were bought off the market, some merged with big corporations, and some exited the market altogether. Meanwhile, a few new companies entered the market.

At the moment, the industry is seeing several rearrangements: major hardware vendors are outsourcing their mediation solution production, because mediation business is not necessarily one of their key competence areas. This gives Comptel's packaged solutions a good position in the market.

Important new IP customers

Comptel delivered a mediation solution for Deutsche Telekom's (DT) world-wide Telekom Global Net IP network. Benefits of this solution to DT include collection and real-time utilisation of the customers' usage data from the network, as well as corporate clients' IP service monitoring. Deutsche Telekom will first introduce the new network in Germany and later expand it to cover other countries. Forty countries around the world are to be covered by the network by 2004. For this delivery, Comptel is partnered with the DT Group company T-Systems GEI GmbH.

Comptel and Logica signed a Corporate Licence agreement with T-Mobile International. Under this agreement, the companies will provide the customer with a Comptel solution that will enable the T-Mobile Group companies' subscriber provisioning and service activation in GSM networks. T-Mobile International, a member of the Deutsche Telekom Group, is one of the world's leading providers of mobile telecommunications services, and it has more than 40 million GSM customers around the world.

With a Corporate Licence, the Group can with one agreement provide all Group companies with access to Comptel's solution. Comptel often signs the Corporate Licence agreement directly with the customer, even if the actual deliveries are handled through partners.

In June 2001, Comptel announced its first 3G customer, the Portuguese operator ONI Way. For the software delivery, Comptel was partnered with Accenture. Nevertheless, deliveries of mediation solutions for networks employing the traditional technologies, such as GSM, continued to account for a majority of the business.

A global co-operation agreement with Nokia Networks

At the beginning of June, Comptel made one of the most important contracts in the company's history when it signed a Value Added Reseller (VAR) agreement with Nokia Networks. Under the agreement, the two companies will be engaged in global co-operation to develop a subscriber provisioning and service activation solution for the next generation mobile services. Under the terms of the agreement, Comptel's products and technology will be used as the core of the subscriber provisioning and service activation solution Nokia Networks will be offering to its customers.

Comptel also signed a significant OEM (Original Equipment Manufacturer) agreement with TelesensKSCL, a German customer care and billing systems supplier. In accordance with the agreement, TelesensKSCL will sell Comptel's mediation products globally as a part of its integrated solution set. Co-operation between these companies, which began in the early 1990's, will further intensify with this OEM agreement.

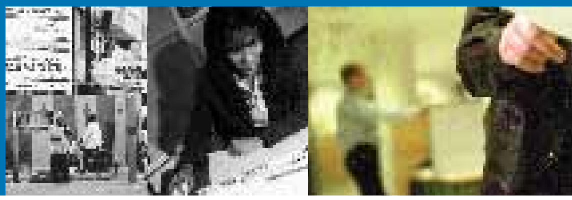
Support and maintenance

Comptel provides its customers with guaranteed 24-hour support and maintenance service, all year round. Services are provided primarily from Helsinki and Kuala Lumpur, or via the local partners.

Comptel's offices

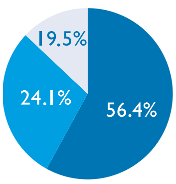
1. Helsinki, Finland (headquarters)
2. Düsseldorf, Germany
3. Arlington, Virginia, USA
4. São Paulo, Brazil
5. Kuala Lumpur, Malaysia
6. Beijing, China
7. Hong Kong, China
8. Sydney, Australia

Network Operator Solutions:
Market development



Slower market growth, stronger position in South America and the Middle East

Distribution of product-based business turnover per market area



Europe, Middle East and Africa

In Western Europe, operators put off their investment decisions and contract negotiations prolonged, slowing Comptel's licence sales and volume-based licence upgrades. Contract negotiations with major operators and operator groups continued, but the final investment decisions were postponed mainly to 2002. Deliveries of Comptel's solutions for GPRS networks continued.

The East European mediation market showed new potential and the Middle East market became increasingly important.

Asia Pacific

Comptel was able to retain its strong position in the Asia Pacific market. Operators were postponing their decision-making, and the sale of traditional mediation solutions was slower than usual. In addition, the uncertainties involved in the 2.5G services and the 3G technology, coupled with operators' suspended network investments, presented a real challenge. The region's submarkets were still in different stages of development, and some markets outperformed others in terms of investment tempo. The growth focus in the mediation market shifted from advanced telecommunications markets (Australia, Japan, Malaysia, Singapore, Hong Kong, Taiwan) to the growing markets (India, Indonesia, the Philippines, Thailand, China). Continued investments were made to expand the business activities of the Malaysian subsidiary.

North, Central and South America

The South American mediation software market showed favourable development, and Comptel was able to consolidate its position. South America is becoming one of Comptel's most important market areas alongside with Europe and Asia. In the South American markets, heavy investments are being made in the GSM networks and the mediation solutions and billing systems. Meanwhile, in the North American market, operators' decision-making concerning investments was clearly more sluggish during the latter half of the year.

Comptel PASSAGe
• Service Operator Solutions

Solutions for managing mobile services

Comptel PASSAGe, Comptel's Service Operator Solutions business area, provides service operators and service providers with solutions that enable business activities based on the mobile Internet. At the core of the product portfolio is Comptel Chinchilla, a content and service mediation solution, which makes the integration of mobile Internet applications with the operators' existing systems easy and straightforward. It also enables efficient management of subscriber and service profiles.

Furthermore, Comptel PASSAGe's solutions offer a variety of methods in content service charging, and ensure reliable revenue sharing between operators, content providers and any third parties, in compliance with the selected operating models.

The product range offered by Comptel PASSAGe also includes third-party applications for service operators' key business segments. These include mobile marketing and multimedia communications. The product portfolio and business concept of Comptel PASSAGe were disclosed at the Cannes 3GSM World Expo in February 2001.

In 2001, Comptel PASSAGe Ltd. made an operating loss of EUR 0.9 million and focused on building its key business concept. It is expected to sign the first deliveries significant to its turnover during the first half of the year 2002.

Third-party applications complement Comptel's own product portfolio

In April, Comptel PASSAGe and the Finnish mobile marketing software developer Mobicus Ltd. signed an agreement on global marketing and sales co-operation. This co-operation allows Comptel PASSAGe to expand its product portfolio designed for service operators and mobile Internet service providers to include a mobile marketing enabling software product. Comptel acquired a 10 per cent interest in Mobicus in April 2001, and increased its holding to 20 per cent in January 2002. The sale price was paid with cash flow financing, and will be used in its entirety for business development at Mobicus.

The Mobile Commerce business unit, which was set up in the spring, was merged into PASSAGe in the autumn.

Comptel and Finland's number two mobile operator Radiolinja agreed that Radiolinja would launch a pilot project in which Comptel Chinchilla would be used for m-commerce transaction management.

Comptel PASSAGe and Radiolinja also agreed to develop new mobile applications and to explore potential technology partners. The objective is to develop new mobile technology solutions and service concepts, market them globally, sell and distribute them in co-operation with technology partners, and to identify potential investments.

In the autumn, Comptel delivered a Comptel Chinchilla solution to Elisa Communications Corporation, which enables the operator to bill its consumer and corporate customers for the content services it provides. Comptel's solution is a part of a content service platform, which is currently being used in the Elisa Kotiportti broadband service and Elisa's Efodi eLearning service.

Comptel PASSAGe continued to explore potential new partners in order to complement its product portfolio.

System Services

Gaining insight into the operator business

Comptel's System Services business unit offers Finnish operators consultation, integration and system services that support their business. A number of Elisa Communications Group companies make extensive use of the sales, billing, telenetwork design and documentation systems developed at Comptel, as well as the Data Warehouse and Business Intelligence solutions. Co-operation with a leading Finnish telecom company has provided Comptel with a sound insight into the operator business, which has given it a distinct competitive advantage in the international market.

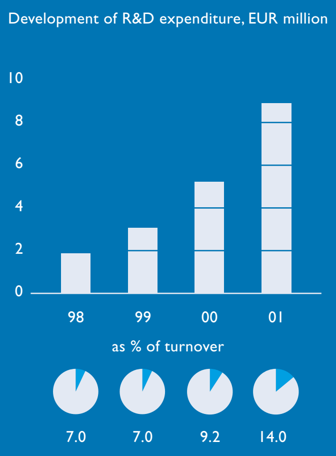
Decrease in the demand for system services was a repercussion of the general downward trend in the industry. The unit's turnover shrank from the previous year, which could be largely attributed to the extensive Y2K and euro projects carried out in 2000, and the drop in the demand for system services that followed their completion.

System services represented 19.2 per cent of Comptel's turnover. The business unit's turnover fell by 10.0 per cent to EUR 11.7 million.

Hardware provided in connection with system deliveries accounted for EUR 1.7 million of the total turnover.

The objective set for 2001 to introduce the J2EE technology (Java 2 Platform, Enterprise Edition, a platform for building web-based applications) was met, and a number of deliveries based on this architecture were made to customers over the course of the year. The largest single projects dealt among others with billing systems to Invoicia Oy and Elisa Networks Oy, and a customer system for Elisa Communications Corporation. In addition, system projects associated with new services provided to customers and Comptel's own R&D projects played a key role in 2001.

At the end of the year, Comptel signed two-year maintenance agreements with Elisa Communications for Elisa's key systems.



Research and development

Innovative solutions for operators seeking to expand their service offerings

In 2001, Comptel continued to invest heavily in research and development (R&D). Direct R&D investments rose by 54.5 per cent from EUR 5.5 million in the previous year to EUR 8.5 million, and represented 14.0 per cent of turnover (9.2 per cent in 2000).

R&D operations are geared towards creating solutions that enable operators to manage their services and charge for them in the new environment that is emerging, as operators expand their service offerings from traditional voice services to content services. In this new operating environment, mediation will have an increasingly crucial role, and new solutions will be needed for services such as mobile payment and usage cost control for operators' customers. This is why Comptel has complemented the mediation and provisioning solutions offered to network operators to include solutions that support and enable business activities based on the mobile Internet. These solutions are featured in the Comptel PASSAGe concept, and they are designed for service operators and service providers.

IP technology at the core of product development

In recent years, Comptel's R&D has focused on creating solutions for the Internet and mobile Internet environments. Further development of MDS solutions designed for the GPRS and 3G networks, as well as for the new services provided over the IP network, continues to be at the core of product development. GPRS and 3G services create a need for new, innovative mobile payment methods, which is why Comptel has invested considerably in developing the Comptel Chinchilla as well as the Balance Management, the Network Account and the Partner Account products.

Key priority areas for research include the production, use and charging of new mobile services as well as research into data security solutions, development and standardisation of wireless local area networks (WLAN) and other IP-based data networks.

A comprehensive investment scheme

R&D costs comprised direct R&D projects and indirect projects relating to customer deliveries, which involved a total of over 25 per cent of Comptel's personnel. Research and development work is being carried out in Helsinki, Finland, and in Kuala Lumpur, Malaysia. Additionally, Comptel is engaged in joint R&D projects with the Elisa Communications Research Centre and with its subsidiary Probatus Oy.

Comptel continued to intensify its R&D co-operation with its key business partners. In June 2001, Comptel and Nokia Networks signed a VAR (Value Added Reseller) agreement, which entails co-operation between the companies to develop a subscriber provisioning and service activation solution for next generation mobile services. Product development carried out in connection with customer projects is supported by Comptel Competence Centres in the Czech Republic (partnered with Logica), Germany (T-Systems), the Netherlands (Compaq) and the United States (Logica).

In November 2001, the Finnish Information Processing Association chose Comptel's mediation software the IT Product of the Year in Finland. The jury commended Comptel on its determined research and development and the success its highly specialised product requiring a great deal of expertise has gained in the international markets.

Skilled personnel is the foundation for success

At the end of 2001, the Comptel Group employed 624 people (512 in 2000); an increase of 22 per cent on the previous year. We aim at continued growth in the number of personnel also in the future. Recruitment of top professionals continues to be one of the biggest challenges; in other words, how to find yet new people with the cutting-edge skills and expertise required in the global market leader's demanding business environment.

Competent personnel is Comptel's key asset, therefore personnel motivation and job satisfaction are a priority to the company. Different cultures meet at Comptel in everyday work in a working community comprising more than 20 nationalities and people spread out in eight offices around the world. Persistence and punctuality are the cornerstones of Comptel's operating policy, and these principles have helped the company maintain its good profitability.

Providing a varied range of learning opportunities is a central element in Comptel's personnel policy. Training is arranged both within the company (including product, technology and team training) and outside (including language training). All Comptel employees have regular career development talks with their immediate superiors, in which individual career possibilities and personal wishes are discussed.

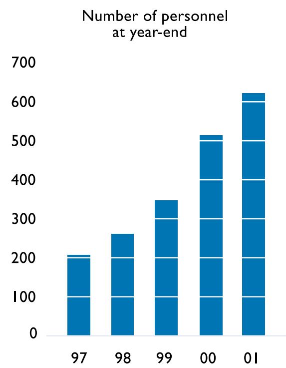
To ensure personnel motivation and commitment, the company runs a bonus scheme that covers the entire personnel, and offers individual performance-based incentives. Furthermore, a number of option schemes are currently underway at Comptel.

Comptel also provides opportunities for interesting traineeships to students of technology or commerce at polytechnics, universities or other institutes of higher education.

Every Comptel employee is automatically a member of the company's employee club, Sportel. Sportel and its more than 20 subdivisions offer a wide range of recreational activities to personnel, including both physical exercise and cultural activities.

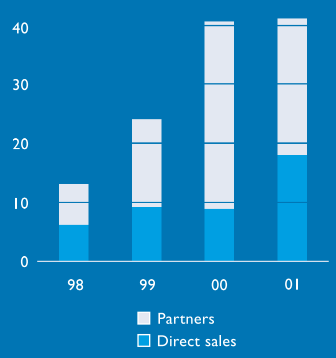
THE COMPTEL GROUP

- **Average age of employees**
  34 years
- **Gender distribution**
  Men 71 %
  Women 29 %
- **Distribution of personnel**
  Finland 86 %
  Other countries 14 %



The sales and partner network

Export distribution channels, EUR million



Some of Comptel's partners

SYSTEM INTEGRATION PARTNERS

• Accenture • AMS • Cap Gemini Ernst & Young • Cartesian
• Compaq • EDS • Hewlett-Packard • IBM • Logica
• PricewaterhouseCoopers • Tata Consultancy Services • T-Systems

SOFTWARE SOLUTION PARTNERS

• ADC • Amdocs • Convergys • Daleen Technologies • Hollybridge
• Integration Management • Nokia • Portal Software • Savera
• SchlumbergerSema • TelesensKSCL

TECHNOLOGY PARTNERS

Technology partners supplying hardware platforms:

• Compaq • Hewlett-Packard • IBM • Sun Microsystems

Technology partners delivering network technology or other technology:

• Alcatel • Cisco Systems • CMG • Comverse • Ericsson
• Gemplus • Logica • Lucent Technologies • Marconi • Nokia
• Nortel Networks • Oracle • Siemens • Tecnomen

The network of representative offices expanded

Comptel sells its solutions globally through its own representative offices and through its partners. In 2001, exports accounted for 68.1 per cent of Comptel's turnover. In recognition for its successful export activities, Comptel received the Finnish President's Internationalisation Award in February 2001.

Besides running operations in Finland, Comptel has seven offices in different parts of the world. In 2001, the company opened representative offices in China (Beijing), Germany (Düsseldorf) and at the beginning of 2002 an office in Brazil (São Paulo). Comptel's other representative offices are located in the United States (Arlington, Virginia), Malaysia (Kuala Lumpur), China (Hong Kong) and Australia (Sydney).

In autumn 2001, Comptel revised the Account Management operations in order to strengthen its own sales organisation.

Comptel provides its customers with guaranteed 24-hour support and maintenance service, all year round. Services are provided primarily from Helsinki and Kuala Lumpur, or via the local partners.

Support to global growth from partnerships

Partners are a crucial part of Comptel's business strategy. They serve as key marketing, sales and support channels for Comptel's solutions, and through this they have formed the supporting pillar for the company's exports and swift global growth. In 2001, the partner network represented 56.3 per cent of Comptel's total exports.

Comptel signed four new partnership agreements in 2001:

- The US-based Portal Software: joint marketing of Comptel's mediation solutions and Portal's Infranet customer management and billing platform.
- The US-based Daleen: integrated mediation and billing solutions for mobile IP and content service providers.
- The Australian Integration Management (IM): marketing of Comptel's mediation solutions together with IM's Interconnect products, and joint sales efforts.
- The Chinese Hollybridge: the sales and marketing of Comptel's mediation solutions together with Hollybridge's billing and customer care products.

In addition, Comptel PASSAGe Ltd. signed a global sales and marketing co-operation agreement with the Finnish mobile marketing software developer Mobicus.

Furthermore, co-operation with strategic partners continued to intensify:

- Comptel and Nokia Networks signed a VAR (Value Added Reseller) agreement, which entails the development of a subscriber provisioning and service activation solution for next generation mobile services.
- Comptel signed an OEM (Original Equipment Manufacturer) agreement with TelesensKSCL, a customer care and billing systems supplier. In accordance with the agreement, TelesensKSCL will sell Comptel's products globally as a part of its integrated solution set.
- Together with Accenture, Comptel delivered a 3G mediation solution to the Portuguese operator ONI Way.
- Comptel and Logica signed a Corporate Licence agreement with the German T-Mobile International AG, regarding the delivery of Comptel's MDS/SAS provisioning solution for the operator's GSM network.
- Comptel agreed to deliver an MDS/AMD mediation solution for Deutsche Telekom's international 'Telekom Global Net' IP network in partnership with the DT Group company T-Systems GEI GmbH.

Corporate governance and company management

Under the provisions of the Finnish Companies Act and Comptel's Articles of Association, the supervision and corporate governance of the company is vested in the shareholders represented at the Annual General Meeting, the Board of Directors and the President and CEO.

The Annual General Meeting

The Annual General Meeting decides on the adoption of the financial statements, the discharge from liability for members of the Board of Directors and the President and CEO, any action warranted by the profit or loss in the adopted balance sheet, any increase or decrease in the company's share capital and on any donations. The Annual General Meeting elects ordinary members to the Board of Directors and the company's auditors, deputy auditors or the public accounting firm.

Board of Directors

The Board of Directors comprises between three and six members as determined by the Annual General Meeting. The Board of Directors elects a chairman and deputy chairman from among its members. The Board of Directors convenes at the invitation of the chairman as often as the company's business requires.

Under the provisions of the Finnish Companies Act, the Board of Directors is responsible for the corporate governance of the company, and for supervising the proper organisation of the company's business, bookkeeping and financial management.

President and CEO

Under the provisions of the Finnish Companies Act, the President and CEO is responsible for the everyday administration of the company acting in accordance with the instructions and orders issued by the Board of Directors. The President and CEO is responsible for ensuring that the company's bookkeeping has been legally arranged and that the company's finances have been reliably managed.

Auditors

SVH PricewaterhouseCoopers Oy, authorised public accountants, with Henrik Sormunen Authorised Public Accountant, as the principal auditor.

THE BOARD OF DIRECTORS OF COMPTEL CORPORATION

Matti Mattheiszen
(born 1942)
MSc (Eng)
President and CEO of Elisa Communications Corporation
Chairman of the Board since 2000

Other positions of trust

Chairman of the Board:
Elisa Networks Oy
ElisaCom Oy

Member of the Board of Directors:
Soon Communications Plc

Member of the Supervisory Board:
Radiolinja Oy
Sampo Life Insurance Company Ltd

Erik Anderson
(born 1943)
LLM
Managing Director of Aktia Savings Bank
Deputy chairman of the Board since 2000

Other positions of trust

Member of the Board:
Aktia Asset Management Oy Ab
IT Venture Fund Management Oy
Samlink Oy Ab
Stockmann Oyj Abp
Savings Bank Association

Member of the Supervisory Board:
Yrkeshögsskolan Arcada

Ann-Maj Majuri-Ahonen
(born 1946)
MSc (Economics and Business Administration)
Executive Vice President, Corporate Planning,
Elisa Communications Corporation
Member of the Board since 1994

Other positions of trust

Chairman of the Board:
Elisa Ventures Oy

Member of the Board:
Elisa Kommunikation GmbH
Elisa Group's Pension Trust
Radiolinja Oy
Rahoituslinkki Oy

Gunnulf Mårtenson
(born 1940)
Licentiate of Science (Technology)
Managing Director of EPStar Ltd
Member of the Board since 2000

Other positions of trust

Member of the Board:
Arcus Software Oy
Soon Net Oy
(since 1 January 2002)

Vesa-Pekka Silaskivi
(born 1966)
Licentiate of Science (Economics and Business Administration), LLM
Executive Vice President, Corporate Finance,
Elisa Communications Corporation
Member of the Board since 2000

Other positions of trust

Member of the Board:
Elisa Networks Oy
ElisaCom Oy
KSP Group Plc
Lounet Oy
Onni and Helmi Karttunen Foundation
Oy Extel Ab
Soon Communications Plc
Telcofounding Oy Ab

COMPTEL GROUP'S EXECUTIVE BOARD

Heikki Tetri
(born 1944)
President and CEO of Comptel Corporation
Chairman of the Executive Board since 1986
Joined Comptel 1986

Positions of trust

Chairman of the Board:
Comptel PASSAGe Ltd.

Member of the Board:
Arcus Software Oy
Comptel Communications Sdn Bhd

Jarkko Jylhä
(born 1949)
MA
Senior Executive Vice President, System Services
Member of the Executive Board since 1986
Joined Comptel 1986

Ilkka Salonen
(born 1965)
MSc (Economics and Business Administration), CEFA
Executive Vice President, CFO; deputy to the President and CEO
Member of the Executive Board since 2000
Joined Comptel 2000

Positions of trust

Chairman of the Board:
Probatus Oy
Comptel Communications Oy

Member of the Board:
Comptel Communications Inc.

Jorma Turunen
(born 1956)
MSc (Eng), eMBA
Executive Vice President, Network Operator Solutions
Member of the Executive Board since 2000
Joined Comptel 2000

Positions of trust

Member of the Board:
Comptel PASSAGe Ltd.
Comptel Communications Sdn Bhd

Jari Annala
(born 1967)
MSc (Eng)
Executive Vice President, CTO
Member of the Executive Board since 1998
Joined Comptel 1990

Positions of trust

Member of the Board:
Probatus Oy

Arvo Mustonen
(born 1954)
Engineer
CEO of Comptel PASSAGe Ltd. (Service Operator Solutions)
Member of the Executive Board since 2000
Joined Comptel 2000

Positions of trust

Member of the Board:
Kolumbus Oy
Mobicus Ltd.

IN ADDITION TO THE ABOVE, THE FOLLOWING BELONG TO THE COMPTEL GROUP'S EXTENDED EXECUTIVE BOARD

Mikael Nygård
(born 1949)
Executive Vice President, Account Management
Member of the Executive Board since 1988
Joined Comptel 1988

Positions of trust

Chairman of the Board:
Comptel Communications Inc.

Markku Penttinen
(born 1961)
MSc (Eng)
Executive Vice President, Services
Member of the Executive Board since 1999
Joined Comptel 1986

Ari Asikainen
(born 1954)
MSc (Economics and Business Administration)
Executive Vice President, Accounting and Administration
President and CEO of Probatus Oy
Member of the Executive Board since 1990
Joined Comptel 1990

Positions of trust

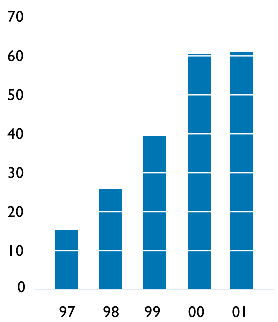
Member of the Board:
Comptel Communications Oy
Comptel Communications Sdn Bhd

Antti Jukarainen
(born 1967)
MSc (Eng)
Managing Director of Comptel Communications Sdn Bhd
Head of the Asia Pacific business area
Member of the Executive Board since 2001
Joined Comptel 2001

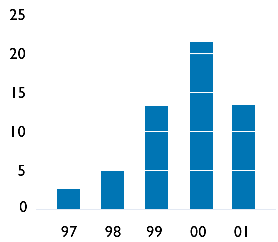
Jaakko Soininen
(born 1967)
BBA, MASc (Eng)
Managing Director of Comptel Communications Inc.
Head of the Americas business area
Member of the Executive Board since 2002
Joined Comptel 1996

Financial Statements

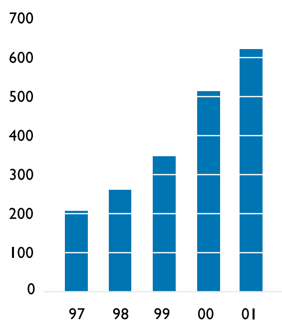
Group turnover, EUR million



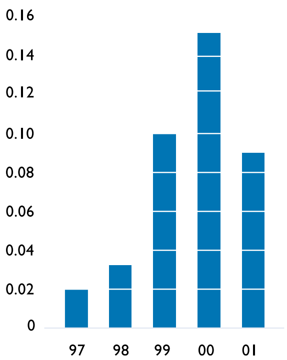
Group operating profit, EUR million



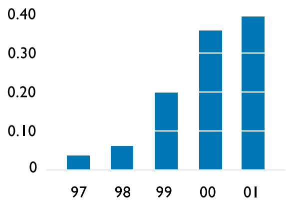
Number of personnel at year-end



Earnings per share, EUR



Equity per share, EUR



Report of the Board of Directors for 2001

The turnover of Comptel in 2001 was EUR 60.8 million (EUR 60.4 million). Export grew by 2.5 per cent and amounted to EUR 41.5 million (EUR 40.5 million). The turnover of product-based business was EUR 47.4 million (EUR 45.0 million) and its share of the Group turnover amounted to 77.9 per cent (74.5%).

Exports generated 68.1 (67.1%) per cent of the Group turnover. Exports through partners accounted for 56.3 per cent (77.9%) of Comptel's total exports. The distribution of product-based business turnover per market area was the following: Europe, Middle East and Africa accounted for 56.4 per cent (60.1%); Asia and the Pacific for 24.1 per cent (27.4%); North, Central and South America for 19.5 per cent (12.5%). At the end of the financial period, Comptel had over 200 customers in 56 countries. The number of GPRS mediation solution customers was over 20.

The Group EBITDA was EUR 17.1 million (EUR 24.9 million). Despite the difficult market situation, EBITDA amounted to 28.1 per cent (41.2%) of the turnover. The aim of reaching an EBITDA level of over 30 per cent in the product-based business was exceeded.

The Group's operating profit was EUR 13.5 million (EUR 22.2 million), which was 22.2 per cent (36.8%) of turnover. There was no provision for staff warrant programme social security costs at the end of the year (EUR 1.1 million at the end of 2000).

Financial items amounted to a total of EUR 0.9 million (EUR 0.9 million), which consisted mainly of interest yield. Comptel's share of losses from its associates was EUR 0.4 million (EUR 0.3 million).

The Group result after financial items was EUR 14.4 million (EUR 23.1 million), in other words, 23.7 per cent (38.2%) of turnover. Profit for the period was EUR 10.0 million (EUR 16.1 million), corresponding to 16.4 per cent (26.6%) of turnover.

Back orders at the end of the period under review were EUR 30.1 million (EUR 23.7 million), dividing into EUR 22.9 million (EUR 19.6 million) for product-based business and EUR 7.2 million (4.1 million) for System Services. Back orders of System Services were raised by two-year maintenance agreements for Elisa Communications' key information systems, signed at the end of the year.

The result per share for the financial period amounted to EUR 0.093.

Personnel

The number of personnel grew by 22 per cent during the year (51%) and amounted to 624 (512) persons at the end of the year.

The recruitment of new personnel was mainly focused on new business operations and promoting growth of international sales network.

Comptel employed an average of 595 people (426) during the year.

Financial position

Comptel's financial position remained strong. The balance sheet total at 31 December 2001 was EUR 51.5 million (EUR 53.1 million), of which EUR 27.1 million were cash assets.

EUR 20.0 million of Comptel's cash in hand has been invested in Elisa Communications' high-interest consolidated account. Elisa Communications has set full securities to the deposit.

Sales receivables at the end of the financial period amounted to EUR 11.8 million (EUR 11.0 million).

The Group had no interest-bearing liabilities at the end of the period under review and its equity ratio was 85.9 per cent (78.2%).

Investments

Gross fixed asset investments during the financial period amounted to EUR 5.4 million (EUR 6.3 million). Gross investments mainly comprised investments in IT hardware and office furnishings as well as investments in associated companies. Fixed asset investments have been funded through cash flow from operating activities.

In the summer, the company started the largest systems project in its history to renew its internal information systems. Most of the investments relating to the project are scheduled for 2002.

Changes in company structure

The Mobile Commerce business area, established in the spring, was joined with Comptel PASSAGe's business area in autumn. The company's business structure became subsequently focused on three business areas. Network Operator Solutions and Comptel PASSAGe are in charge of Comptel's product-based business and export. System Services is responsible for the consulting, integration and system services directed at domestic customers.

In April, Comptel acquired a 10 per cent holding in the Finnish company Mobicus Ltd, a provider of mobile marketing software. Comptel increased its holding in Arcus Software Oy from 23.4 per cent to 26.6 per cent.

Changes in share capital

Resulting from the 1999 warrant programme to Comptel's personnel, 1,000 new shares were issued in the year 2001, whereby Comptel's share capital increased by EUR 20.0.

Strengthening international representative offices and sales channels

Comptel expanded its international sales network during the financial period. The representative office in Beijing began operating at the beginning of 2001 and the Düsseldorf office was opened in June. A decision was reached in July regarding the opening of a new representative office in Brazil.

Partnerships

Comptel concluded new partnership agreements with leading international system integrators, hardware manufacturers and software suppliers.

In June, Comptel and Nokia Networks agreed to include Comptel's provisioning solution as part of Nokia's 3G offering, in accordance with the VAR agreement.

Together with Accenture, Comptel disclosed its first delivery of a 3G mediation software solution to the Portuguese operator ONI Way in June. In September, Comptel signed an OEM agreement with German billing systems supplier TelesensKSCL. In October, Comptel and the German system integrator T-Systems together agreed on the delivery of Comptel's mediation solution for Deutsche Telekom's international IP network. In November, Comptel signed an agreement with Hollybridge Ltd, a Chinese supplier of billing and customer care systems, regarding channel alliance co-operation.

The share of the partners in net exports of the product-based business in 2001 was 56.3 per cent (77.9%). According to Comptel's strategy, the share of partners in new export deliveries of mediation solutions is 80 per cent.

Research and development

In the year 2001, Comptel's direct investments in research and development (R&D) amounted to EUR 8.5 million (EUR 5.5 million), and growth amounted to 54.5 per cent (103.7%). The share of direct investments in R&D was 14.0 per cent (9.2%). Comptel charges all R&D costs incurred against the profit for the period.

R&D costs comprised direct R&D projects and indirect projects relating to customer deliveries. A total of over 25 per cent of Comptel's employees were involved in R&D projects. Research and development work is being carried out in Helsinki, Finland, and also in Kuala Lumpur, Malaysia. Additionally, Comptel is engaged in joint R&D projects with the Elisa Communications Research Centre and with its subsidiary Probatus Oy.

Comptel has complemented the mediation solutions directed at network operators to include solutions that support and enable business activities based on the mobile Internet. These solutions are featured in the Comptel PASSAGe concept, and they are designed for service operators and service providers.

The focus areas of product development have still been the continued development of mediation products for GPRS and 3G networks as well as for new services in the IP network.

Key priority areas for research include the managing, using and charging of new mobile services, development of authentication solutions, wireless local area networks (WLAN) and other IP-based data networks, as well as active follow-up on their standardisation.

Comptel expanded its R&D co-operation with key partners. In June 2001, Comptel and Nokia Networks signed a VAR (Value Added Reseller) agreement, which entails co-operation between the companies to develop a subscriber provisioning and service activation solution for next generation mobile services. Product development carried out in connection with customer projects is supported by Comptel Competence Centres in the Czech Republic (partnered with Logica), Germany (T-Systems), the Netherlands (Compaq) and the United States (Logica).

Business units

In the autumn of 2001, the business structure was focused on three business units: Network Operator Solutions, Comptel PASSAGe (Service Operator Solutions) and System Services (for domestic clients).

NETWORK OPERATOR SOLUTIONS

Network Operator Solutions is responsible for the company's core business activities and the base of the service offering is formed from mediation solutions, comprising mediation and provisioning systems.

In the mediation market, the demand for new orders and license upgrades slowed down considerably towards the latter half of the year. In particular, the growth in mobile IP mediation markets nearly came to a complete halt after the first six months. From the end of 2001 onwards, the first signs of market recovery have become visible.

EMEA
(Europe, Middle East and Africa)

In Western Europe, Comptel shifted its sales focus onto large operators and groups of operators. With the help of its new strategy, the company achieved significant delivery contracts (e.g. Deutsche Telekom's IP mediation agreement and the T-Mobile Corporate Licence agreement). The Eastern European and Middle East markets were still in a stage of growth, as operators in the regions began outsourcing their mediation solutions.

APAC
(Asia Pacific)

Market growth slowed down considerably and the focus shifted from market areas of advanced telecommunications to growing markets. Operators active in opening markets (Korea, China and Japan) showed signs of readiness to acquire packaged mediation solutions.

THE AMERICAS
(North, Central and South America)

The South American markets saw some positive development and their significance to Comptel's business operations continued to grow. During the second half of the year, Comptel launched preparations for opening a representative office in Brazil. The operators' investments in network technology decreased considerably in North America, which also had a negative effect on the mediation markets of the area.

COMPTEL PASSAGe
(SERVICE OPERATOR SOLUTIONS)

Comptel PASSAGe carries responsibility for the Service Operator Solutions, by offering service operators and service providers solutions that enable business activities based on the mobile Internet, as well as third-party applications. In October, the Mobile Commerce business unit was integrated into Comptel PASSAGe.

The business concept and product portfolio of Comptel PASSAGe were launched at the Cannes 3GSM World Expo in February 2001. The first Comptel Chinchilla delivery agreement was signed in April with Elisa Communications.

Comptel PASSAGe continued its active charting of new co-operation partners with the aim of complementing the service offering. In April, Comptel acquired a 10 per cent minority share in Mobicus Ltd, a company developing mobile marketing software.

The operational loss of Comptel PASSAGe for the year 2001 amounted to EUR 0.9 million.

SYSTEM SERVICES FOR DOMESTIC CUSTOMERS

The System Services business unit is responsible for the consulting, integration and IT consulting services directed at domestic customers.

The largest single projects during the year were the billing systems of Invoicia Oy and Elisa Networks Oy, and a customer system of Elisa Communications Corporation. In addition, system projects associated with the customers' new services and Comptel's own R&D projects played a key role in 2001 operations.

Decrease in the demand for System Services during the period under review was a repercussion of the general downward trend in the industry. Turnover decreased by 10 per cent to EUR 11.7 million (EUR 13.0 million).

The turnover of hardware deliveries in connection with system deliveries was EUR 1.7 million (EUR 2.4 million).

Market development

After strong growth in the beginning of 2001, the mediation market slowed down significantly during the latter half of 2001. Due to this, the end of year predictions were weakened and Comptel lowered its growth and profitability estimates twice during the second half of the year.

Temporary lay-offs and other work time arrangements were carried out in December 2001 and January 2002, due to the temporarily weakened employment situation. From the end of 2001 onwards, the first signs of recovery have become visible on the markets, and operators have begun investing in mediation solutions.

The operator groups sought to harmonise their systems by intensifying their internal co-operation and by focusing their system acquisitions. This way, operators sought to find the most cost-effective solution for solving the mediation and billing needs of their groups. In connection with this, product-based solutions gained ground from in-house-developed systems. At the same time the groups sought to reach larger Corporate License agreements, by which all or some group companies get joint usage to the solutions through one single agreement.

The need for packaged mediation solutions continues to grow as network technologies become more complex and the number of services increases in a multi-vendor environment. Operators have traditionally applied in-house-developed mediation solutions, but the tightening requirements for rapid and cost-efficient operations support the transition to product-based solutions. This tendency has gained ground especially in new network technologies. Due to the increased awareness for cost-efficiency, operators are looking for product-based mediation solutions also for their traditional fixed and 2G networks.

While the IP technology is

becoming more widely used, operators are becoming more interested in content-based value-added services, their management, new pricing models and new payment methods. Operators and service providers are becoming increasingly active in looking for solutions for content services management and charging.

Events after the financial period

In January 2002, Comptel opened a representative office in São Paulo, Brazil for the South and Central American markets.

Comptel increased its ownership in Mobicus from 10 per cent to 20 per cent in January 2002, making the company an associated company of Comptel.

Comptel signed its so far largest framework agreement for mediation deliveries in January 2002. The first orders based on the agreement were received in January 2002, resulting in the first deliveries during the same month. Most of the orders are expected to come at a later time during 2002.

Future prospects

The overall view of the operator markets is challenging, as the operators consider all their network investments carefully. However, the mediation markets do not directly follow the general development of network investments. Product-based mediation markets are predicted to grow with reference to both fixed, mobile and IP networks as the operators are outsourcing their own internal mediation development.

Operators are continuing their investments in GPRS and 3G networks, mediation solutions and services. The GPRS mediation license upgrades and 3G mediation investments are expected to start during the latter half of 2002.

The evolution taking place in the operators' business operations and technologies opens up new markets for mediation solutions, e.g. in the prepaid environment. According to Comptel's estimate, the year 2002 will see operators increasingly look for solutions for managing and charging content services.

From the end of 2001 onwards, the first signs of market recovery have become visible, an indication of which are the improved back orders. The market as a whole is expected to grow in 2002, and the growth is expected to occur during the second half of the year. However, it is challenging to give more specific estimates of market growth in the current market situation.

Due to the slowdown in market growth in the autumn 2001, the turnover and profitability of product-based business operations in the first quarter of 2002 do not significantly deviate from the last quarter of 2001, remaining well under the record level reached during the first quarter in 2001. The growth of product-based business operations in 2002 is expected to occur during the latter half of the year.

Comptel PASSAGe is expected to sign the first deliveries significant to its turnover during the first half of the year.

Domestically, the turnover of System Services is expected to remain at the level of the year 2001.

Comptel's goal is to continually grow faster than the markets within the selected product areas. Comptel's goal is also to continually strengthen its own international sales network and local presence.

The development of Comptel's profitability is closely tied to the development of turnover and market growth. The aim is to keep profitability at good level through a strict cost structure. The company will later specify its profitability estimates for the entire year.

Comptel's strong financial position makes it possible to expand to new markets and product areas by way of carefully considered investments and acquisitions.

Auditors

Comptel's auditors are SVH PricewaterhouseCoopers Oy, authorised public accountants.

Board of Directors

Comptel Corporation's Board of Directors during the period under review were Matti Mattheiszen, chairman, Erik Anderson, deputy chairman, Ann-Maj Majuri-Ahonen, Gunnulf Mårtenson and Vesa-Pekka Silaskivi.

Board of Directors' proposal for the disposal of profits

The Groups' distributable equity shown in the consolidated balance sheet dated 31 December 2001 is EUR 31,345,109.85 and the parent company's distributable equity is EUR 31,283,612.36.

The Board of Directors proposes that from the funds at the disposal of the Annual General Meeting, a dividend of EUR 0.03 per share be paid on the 107,054,805 shares issued. This totals EUR 3,211,644.15.

Helsinki, 14 February 2002

Matti Mattheiszen

Erik Anderson Ann-Maj Majuri-Ahonen
Gunnulf Mårtenson Vesa-Pekka Silaskivi

Heikki Tetri
President and CEO

Profit and loss account

EUR 1000	Notes	Group 1.1.–31.12.2001	Group 1.1.–31.12.2000	Parent company 1.1.–31.12.2001	Parent company 1.1.–31.12.2000
Turnover	2	60,844	60,350	59,212	60,239
Other operating income	3	35	340	35	340
Materials and services	4	7,285	6,623	14,526	8,851
Staff costs	5	22,950	19,475	17,172	18,282
Depreciation and value adjustments	6	3,580	2,684	2,761	2,335
Other operating charges	7	13,532	9,718	11,030	9,263
		47,348	38,500	45,489	38,731
Operating profit		13,531	22,191	13,758	21,848
Financial income and charges	8	907	915	1,315	1,153
Profit before extraordinary items		14,438	23,106	15,073	23,001
Extraordinary items		-	-	-1,100	0
Profit before taxes[1)]		14,438	23,106	13,973	23,001
Appropriations	9	-	-	-112	330
Income taxes	10	4,162	6,846	3,710	7,088
Minority interests		-292	-168	-	-
Profit for the period		9,984	16,092	10,150	16,243

1) In parent company: Profit before appropriations and taxes.

Possible deviations in the additions of the Financial Statements are due to rounding off the figures into thousands of euros.

Balance sheet

EUR 1000	Notes	Group 31.12.2001	Group 31.12.2000	Parent company 31.12.2001	Parent company 31.12.2000
ASSETS					
Fixed assets	11				
Intangible assets		1,560	1,949	1,349	1,859
Goodwill		1,355	1,249	-	-
Tangible assets		5,998	4,529	4,873	3,851
Financial assets		942	352	3,219	2,126
		9,855	8,079	9,441	7,836
Current assets					
Debtors	13	34,579	40,719	36,195	40,858
Cash in hand and at banks		7,033	4,311	4,972	3,771
		41,612	45,030	41,167	44,630
Total		51,468	53,109	50,608	52,466
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity	14				
Subscribed capital		2,141	2,141	2,141	2,141
Share premium account		7,368	7,364	7,368	7,364
Retained earnings		21,299	11,627	21,133	11,314
Profit for the period		9,984	16,092	10,150	16,243
		40,792	37,224	40,793	37,062
Accumulated appropriations	15	-	-	124	12
Minority interests		522	230	-	-
Provisions for liabilities and charges	16	0	1,272	0	1,272
Creditors					
Short-term creditors	18	10,154	14,383	9,691	14,121
Total		51,468	53,109	50,608	52,466

Cash flow statement

EUR 1000	Group 1.1.–31.12.2001	Group 1.1.–31.12.2000	Parent company 1.1.–31.12.2001	Parent company 1.1.–31.12.2000
Net cash inflow from operating activities				
Profit before extraordinary items	14,438	23,106	15,073	23,001
Adjustments:				
Depreciation according to plan	3,580	2,684	2,761	2,335
Unrealised exchange rate gains and losses	200	408	181	340
Other income and charges not involving payment	-1,272	1,116	-1,272	1,054
Financial income and charges	-1,329	-1,218	-1,315	-1,153
Other adjustments	391	-30	-35	-340
Net cash inflow before change in net working capital	16,008	26,066	15,393	25,237
Change in net working capital:				
Increase (-)/decrease (+) in short-term zero-interest receivables	-2,473	-5,172	6,054	-5,819
Increase (-)/decrease (+) in short-term zero-interest borrowings	-2,924	2,487	-5,482	2,273
Net cash inflow from operating activities before financial items and taxes	10,610	23,381	15,965	21,691
Interest paid and payments for other financial charges for operating activities				
Dividends received from operating activities	-	-	-	-
Interest received from operating activities	1,183	728	1,175	722
Interest paid and payments for other financial charges for operating activities	-30	-7	-13	-1
Taxes paid	-5,453	-4,951	-5,158	-4,940
Net cash inflow from operating activities	6,310	19,152	11,969	17,473
Net cash inflow/outflow from investing activities				
Investments in tangible and intangible assets	-4,167	-4,739	-3,378	-3,713
Proceeds from disposal of tangible and intagible assets	92	62	92	61
Investments in other financial assets	-505	-	-1,093	-1,777
Investments in consolidated goodwill	-509	-96	-	-
Proceeds from disposal of other financial assets	-	366	-	366
Purchase of shares in subsidiary undertakings	-508	-306	-	-
Dividends received from investments	39	13	39	12
Taxes on proceeds from disposals	-10	-99	-10	-99
Net cash inflow/outflow from investing activities	-5,568	-4,799	-4,349	-5,150
Net cash inflow/outflow from financing				
Dividends paid	-6,423	-2,140	-6,423	-2,140
Loan receivables	8,402	-12,527	-	-12,382
Rights issue	-	-	4	1
Rights issue	-	-	-	1,344
Net cash inflow/outflow from financing	1,980	-14,667	-6,419	-13,177
Change in cash flows	2,722	-314	1,201	-854
Liquid assets at 1 January	4,311	4,625	3,771	4,625
Liquid assets at 31 December	7,033	4,311	4,972	3,771
Change	2,722	-314	1,201	-854

Notes to the financial statements

1. Accounting principles

Consolidated financial statements

The consolidated financial statements comprise the accounts of the parent company Comptel Corporation and those subsidiaries in which the parent company holds directly or indirectly more than 50 per cent of the votes conferred by shares. Those companies in which the parent company has a minimum of 20 per cent and a maximum of 50 per cent of the votes or in which it otherwise exercises significant control are accounted for as associated undertakings. As a rule, subsidiaries are consolidated from the month acquisition of the shares took place. An associated undertaking is generally consolidated from the moment it becomes an associate. Companies remaining dormant during the financial year and those having no material bearing on the consolidated financial results and equity are not consolidated.

Consolidation principles

Intragroup transactions, internal debtors and creditors and the internal distribution of profit have been eliminated. The margin included in fixed assets has been eliminated in compliance with the essentiality principle.

Minority interests are separated from the consolidated financial results and from the shareholders' equity and shown as separate items in the profit and loss account and balance sheet. The purchase cost method is used in the elimination of internal ownership. The amount of shareholders' equity exceeding the cost of acquisition of subsidiary shares allocated to the asset and liability items in those subsidiaries in accordance with the ratio of group ownership gives rise to a consolidation difference. That part of the consolidation difference that cannot be allocated to a subsidiary's asset and liability items is shown as goodwill on consolidation. Goodwill on consolidation is depreciated over a period of five years in compliance with the main provision of law.

Associated undertakings are consolidated using the equity method. The share of associated undertakings' profit for the financial year is shown as a separate item in the profit and loss account under Financial income and charges.

Comparability with the previous year

Figures are comparable with those of the previous financial year.

Turnover

Turnover is calculated on the basis of sales revenue less indirect sales taxes and other sales adjustment items. Debts reasonably likely to be uncollectible are valued and booked as a credit loss in accordance with good accounting practice. Credit losses are shown under Other operating charges.

Sales capitalisation principles

GENERAL

Income from the sale of services is capitalised on their delivery, except for long-term projects, which are capitalised on the basis of degree of completion.

LONG-TERM PROJECTS

Long-term projects are capitalised on the basis of degree of completion in compliance with Chapter 5, Section 4 of the Finnish Accounting Act. Minor projects are capitalised on delivery. One of the conditions of capitalisation on the basis of degree of completion is that it must be possible to estimate the profitability of each separate project in a sufficiently reliable way. The degree of completion of a project is determined by the relation of accrued costs to estimated overall costs. If payment received from a customer for a product exceeds the degree of completion of that product, payment is booked under Equity as Advance payments.

Capitalisation of projects complies with the prudence concept. No profit is capitalised for projects at an early stage of completion. The total estimated margin of loss-making projects is booked as a charge and provision for liabilities and charges.

Cash flows are essentially hedged against currency fluctuations in respect of projects invoiced in a currency other than the domestic currency of the parent company.

LICENCE FEES

Licence fees are capitalised on expiry of the guarantee period.

Licence extensions are capitalised when the customer's number of subscribers exceeds the number mentioned in the licence terms and conditions.

SOFTWARE MAINTENANCE

Maintenance income is booked as income allocated to the maintenance period.

PROGRAMMING

Programming is capitalised on the basis of work carried out.

Foreign currency items

The profit and loss accounts of foreign subsidiaries have been translated into euros at the average monthly rate quoted by the European Central Bank and the balance sheets at the average rates quoted at the balance sheet date. The ensuing translation difference is shown as separate item under Shareholders' equity.

Transactions denominated in foreign currency are booked at the exchange rates quoted on the day the transaction took place. Debtors, creditors and liabilities in the balance sheet at the closing date are translated into euros using the average exchange rates quoted at the balance sheet date. Exchange rate gains and losses arising in the valuation of trade debtors are booked under sales adjustment items and those for trade creditors under purchases adjustment items. Exchange rate gains and losses arising from the valuation of other debtors and creditors are booked under Financing in Exchange rate gains and losses.

Derivative instruments

PRINCIPLES

The company concludes forward exchange rate contracts to hedge against creditors and cash flows denominated in foreign currency. Derivative instruments are valued at the market value.

BOOKING AND VALUATION PRACTICE

Derivative instruments used by the company are forward exchange rate contracts. Changes in the value of forward exchange rate contracts taken to hedge against currency risks are booked so that the interest difference of exchange rate futures, if it is material, is allocated for the validity of the contract and the allocated share is booked under Interest received or paid. Exchange rate gains and losses are booked under sales adjustment items or Financing exchange rate gains and losses depending on what is hedged.

Any open futures contracts are valued at the average exchange rate at the balance sheet date and booked in the profit and loss account, except for forward exchange rate contracts relating to the company's sales cash flow, which are booked in the profit and loss account as the cash flow is realised. The nominal values and market value (closing cost) of all unexpired forward contracts are shown in the notes to the financial statements as liabilities, irrespective of whether they have been treated as income in the accounts.

Other operating income

Proceeds from the disposal of assets, etc. is booked under Other operating income.

Pension costs

The company's pension arrangements have been dealt with in accordance with local legislation. Pension costs are booked as an expense in the period in which they are paid. Statutory pension liability is fully covered by annual pension insurance premiums.

Research and development costs

Research and development costs are booked as an expense in the financial period in which they occur. R&D contributions received are shown as a decrease in costs.

Rent

Rent is booked as an expense during the financial period in which it occurs.

Taxes

TAXES FOR THE FINANCIAL YEAR

Taxes for the financial year under review and for earlier years are booked under Taxes in the profit and loss account according to when paid.

DEFERRED TAX LIABILITIES AND ASSETS

Deferred tax liabilities and assets that are likely to be realised are booked as such in the consolidated financial statements. Deferred tax liabilities and assets in Group companies are shown as separate items only in the notes to the balance sheet. Deferred tax liabilities and assets are calculated using the tax rates in force at the time the financial statements were prepared.

Fixed assets and other long-term expenditure

The book value of fixed assets and other long-term expenditure is shown in the balance sheet as the original acquisition cost less accumulated planned depreciation. The book values of fixed assets exclude revaluations. Except for the major refurbishment costs of leased premises, which are included in other long-term expenditure, maintenance and repair costs are booked as an expense during the financial period in which they occur.

All fixed assets are depreciated over a period of four years, with the exception of the basic refurbishment of leased premises, which are depreciated over a period of five years or the length of the tenancy agreement, whichever is the shorter. Until the end of 1998, all fixed assets were depreciated over period of five years.

The difference between depreciation according to plan and depreciation made in taxation is shown as a separate item under Appropriations in the parent company's profit and loss account. The accumulated depreciation difference is shown under Appropriations in the Shareholders' equity and liabilities in the balance sheet. The accumulated depreciation difference in the consolidated financial statements is divided into shareholders' equity and tax debt.

Goodwill on consolidation is depreciated over a period of five years.

Receivables

Receivables have been presented at their nominal value or at a lower probable value. The consolidated accounts receivable have been presented in the loan receivable.

Cash in hand and at banks

Cash in hand and at banks includes cash and bank account balances.

Shareholders' equity

The distribution of dividend proposed by the Board of Directors to the Annual General Meeting is not booked in the financial statements. Dividends are not taken into account until the decision of the Annual General Meeting.

NOTES TO THE PROFIT AND LOSS ACCOUNT (EUR 1000)

2. Turnover	Group 1.1.–31.12.2001	Group 1.1.–31.12.2000	Parent company 1.1.–31.12.2001	Parent company 1.1.–31.12.2000
By geographical area				
Finland	19,381	19,857	18,225	19,746
Rest of Europe	19,862	22,042	20,091	22,042
Asia	10,061	10,091	9,580	10,091
North America	3,522	5,639	3,563	5,639
South America	5,720	-	5,430	-
Australia	1,351	2,246	1,367	2,246
Africa	946	475	957	475
Total	60,844	60,350	59,212	60,239

Turnover figures are according to the actual area the work was delivered to.

The Group operates in the telecommunications industry. Comptel Group operates in one field of industry, because of which the turnover and the operating profit have not been broken down to different lines of business. Geographic breakdown of operating profit has not been presented as there are no particular risks connected to any of the regions mentioned.

Income according to degree of completion

	Group 1.1.–31.12.2001	Group 1.1.–31.12.2000	Parent company 1.1.–31.12.2001	Parent company 1.1.–31.12.2000
Turnover capitalised according to degree of completion	7,017	16,272	7,017	16 ,272
Number of undelivered long-term projects capitalised during the financial year and previous years	1,444	3,327	1,444	3,327
Back orders of long-term projects capitalised according to degree of completion	4,921	2,712	4,921	2,712
Advances invoiced for long-term projects in the course of construction	3,383	5,217	3,383	5,217

3. Other operating income	Group 1.1.–31.12.2001	Group 1.1.–31.12.2000	Parent company 1.1.–31.12.2001	Parent company 1.1.–31.12.2000
Proceeds from the disposal of fixed assets	35	38	35	37
Proceeds from the disposal of shares	0	303	0	303
Total	35	340	35	340

4. Materials and services	Group 1.1.–31.12.2001	Group 1.1.–31.12.2000	Parent company 1.1.–31.12.2001	Parent company 1.1.–31.12.2000
Raw materials and consumables (supplies)				
Purchases during the financial year	1,558	2,044	1,650	2,230
External services	5,727	4,579	12,876	6,621
Total	7,285	6,623	14,526	8,851

Possible deviations in the additions of the Financial Statements are due to rounding off the figures into thousands of euros.

5. Staff costs	Group 1.1.–31.12.2001	Group 1.1.–31.12.2000	Parent company 1.1.–31.12.2001	Parent company 1.1.–31.12.2000
Wages and salaries	19,095	14,691	14,386	13,721
Pension costs	3,188	2,448	2,553	2,291
Other social security costs	667	2,336	233	2,270
Total	22,950	19,475	17,172	18,282

Management salaries and fees				
President and CEO and deputies				
Members and deputies of Board of Directors	489	498		
Total	489	498		

Average number of persons employed by the Group during the financial year				
Finland	517	397		
Asia	69	26		
Australia	3	2		
America	6	1		
Total	595	426		

Average number of persons employed by the parent company during the financial year			427	372

Pension commitments in respect of members of Boards of Directors and President and CEO: The retirement age of the parent company's President and CEO is set at 58 years.

6. Depreciation and value adjustments				
Depreciation on intangible rights	438	424	380	412
Depreciation on other long-term expenditure	389	387	389	387
Depreciation on machinery and equipment	2,346	1,680	1,992	1,536
Depreciation on consolidated goodwill	407	192	-	-
Total	3,580	2,684	2,761	2,335

7. Other operating charges				
Rent	2,949	1,504	2,390	1,413
Distribution costs	3,142	2,467	2,459	2,408
Other operating charges	7,441	5,747	6,182	5,442
Total	13,532	9,718	11,030	9,263

8. Financial income and charges	**Group 1.1.-31.12.2001**	**Group 1.1.-31.12.2000**	**Parent company 1.1.-31.12.2001**	**Parent company 1.1.-31.12.2000**
Share in associated undertakings' profit share	423	303		
Share in associated undertakings' profit share, total	423	303		
Dividends received				
From others	39	13	39	12
Dividends received, total	39	13	39	12
Interest received and other similar income				
From Group undertakings	-	-	971	660
From others	1,320	1,212	318	487
Interest received and other similar income, total	1,320	1,212	1,289	1,146
Interest paid and other similar charges				
To others	30	7	13	5
Interest paid and other similar charges, total	30	7	13	5
Financial income and charges, total	907	915	1,315	1,153
Net exchange gains and losses are included in Financial income and charges	200	340	181	340
9. Appropriations				
Difference between planned depreciation and depreciation made in taxation	-	-	-112	330
Total	-	-	-112	330
10. Income taxes				
Income tax on ordinary operations	3,814	7,247	3,710	7,088
Income tax from preceding financial years	201	0	0	0
Change in deferred tax liability/asset	147	-401	-	-
Taxes, total	4,162	6,846	3,710	7,088

NOTES TO THE BALANCE SHEET (EUR 1000)

11. Fixed assets

Fixed assets

GROUP	Intangible assets				Tangible assets
	Intangible rights	Goodwill on consolidation	Other long-term expenditure	Total	Machinery and equipment
Acquisition cost at 1 Jan 2001	1,672	1,441	1,935	5,049	7,501
Increase	1,521	513	99	2,133	3,892
Disposal	-	-	-	-	232
Decrease	1,424	-	88	1,512	1,174
Translation difference	11	-	-	11	-33
Acquisition cost 31 Dec 2001	1,780	1,954	1,947	5,681	9,987
Accumulated depreciation at 1 Jan 2001	889	192	769	1 851	2,972
Accumulated depreciation on decrease and transfers	-238	-	-88	-326	-1,272
Translation difference	7	-	-	7	-57
Depreciation for the financial year	438	407	389	1,234	2,346
Accumulated depreciation at 31 Dec 2001	1,096	599	1,071	2,766	3,989
Book value at 31 Dec 2001	684	1,355	876	2,915	5,998

Fixed assets

PARENT COMPANY	Intangible assets		Tangible assets	Total
	Intangible rights	Other long-term expenditure	Machinery and equipment	
Acquisition cost at 1 Jan 2001	1,570	1,935	6,618	10,123
Increase	1,338	99	3,145	4,581
Disposal	-	-	232	232
Decrease	1,416	88	1,168	2,672
Acquisition cost at 31 Dec 2001	1,491	1,947	8,362	11,800
Accumulated depreciation at 1 Jan 2001	877	769	2,767	4,413
Accumulated depreciation on decrease and transfers	238	88	1,270	1,595
Depreciation for the financial year	380	389	1,992	2,761
Accumulated depreciation at 31 Dec 2001	1,019	1,071	3,489	5,578
Book value at 31 Dec 2001	473	876	4,873	6,222

Fixed assets/Shares in associated undertakings and other financial assets

GROUP

	Shares In associated undertakings
Acquisition cost at 1 Jan 2000	261
Increase	306
Share of operating profit 2000	-303
Acquisition cost at 31 Dec 2000	265
Book value at 31 Dec 2000	265

	Shares In associated undertakings	Shares Others	Total
Acquisition cost at 1 Jan 2001	265	87	352
Increase	508	505	1,013
Share of operating profit 2001	-423	-	-423
Acquisition cost at 31 Dec 2001	350	592	942
Book value at 31 Dec 2001	350	592	942

Fixed assets/financial assets

PARENT COMPANY

	Shares In Group undertakings	Shares In associated undertakings	Shares Others	Total
Acquisition cost at 1 Jan 2001	87	567	1,471	2,126
Increase	-	508	585	1,093
Disposal/decrease	-	-	-	-
Transfers between items	-	-	-	-
Acquisition cost at 31 Dec 2001	87	1,075	2,056	3,219
Book value at 31 Dec 2001	87	1,075	2,056	3,219

12. Group and parent company interests at 31 December 2001

Group undertakings	Registered office	Group interest, %	Parent company interest, %
Oy Probatus Ab	Tampere, Finland	53.13	53.13
Business Tools Oy	Tampere, Finland	53.13	0.00
Comptel Communications Sdn Bhd	Kuala Lumpur, Malaysia	100.00	100.00
Comptel Communications Inc.	Arlington, USA	100.00	100.00
Comptel Communications Oy	Helsinki, Finland	100.00	100.00
Comptel PASSAGe Ltd.	Helsinki, Finland	100.00	100.00
Associated undertakings			
Arcus Software Oy	Helsinki, Finland	26.56	26.56

The associated undertaking has been consolidated using the equity method. Associated undertakings include undepreciated goodwill on consolidation of EUR 350,087.42.

13. Debtors

13. Debtors	Group 31.12.2001	Group 31.12.2000	Parent company 31.12.2001	Parent company 31.12.2000
SHORT-TERM				
Amounts owed by Group undertakings				
Loans receivable	-	-	21,512	28,998
Trade debtors	-	-	1,675	2,327
Prepayments and accrued income	-	-	58	182
Amounts owed by Group undertakings, total	-	-	23,245	31,508
Amounts owed by others				
Trade debtors	11,838	10,991	9,754	8,646
Loans receivable	20,036	28,439	-	-
Advance payments	78	49	-	-
Deferred tax asset	219	366	-	-
Prepayments and accrued income	2,407	874	2,187	704
Amounts owed by others, total	34,579	40,719	11,941	9,350
Short-term debtors, total	34,579	40,719	35,186	40,858
LONG-TERM				
Amounts owed by Group undertakings				
Loans receivable	-	-	1,009	0
Amounts owed by Group undertakings, total	-	-	1,009	0
Long-term debtors, total	-	-	1,009	0

A capital loan of EUR 1.0 million has been granted to the subsidiary Comptel PASSAGe Ltd. in accordance with the Companies Act chapter 5, constituting a long-term loan receivable.
Prepayments and accrued income are almost entirely matching sales and purchases in the course of ordinary business.

14. Shareholders' equity	Group 31.12.2001	Group 31.12.2000	Parent company 31.12.2001	Parent company 31.12.2000
Subscribed capital at 1 Jan	2,141	2,140	2,141	2,140
Scrip issue	-	-	-	-
New issue	0	1	0	1
Subscribed capital at 31 Dec	2,141	2,141	2,141	2,141
Share premium account at 1 Jan	7,364	6,020	7,364	6,020
Issue premium	4	1,344	4	1,344
Share premium account at 31 Dec	7,368	7,364	7,368	7,364
Retained earnings at 1 Jan	27,719	13,759	27,556	13,454
Dividend paid	-6,423	-2,140	-6,423	-2,140
Scrip issue	-	-	-	-
Translation difference	3	8	-	-
Retained earnings at 31 Dec	21,299	11,627	21,133	11,314
Profit for the financial year	9,984	16,092	10,150	16,243
Shareholders' equity, total	40,792	37,224	40,793	37,061

Statement of distributable funds at 31 Dec				
Retained earnings	21,299	11,627	21,133	11,314
Profit for the financial year	9,984	16,092	10 150	16,243
Share of accumulated depreciation difference booked under shareholders' equity	105	-8	-	-
Other decrease	-43	-148	-	-
Distributable funds, total	31,345	27,563	31,284	27,556

Other depreciation consists of interest unbooked as capital loan costs of the associated companies, as well as research and development costs activated on the balance sheet.

15. Accumulated appropriations				
Accumulated depreciation difference at 1 Jan	-	-	12	341
Change in depreciation difference	-	-	112	-330
Accumulated depreciation difference at 31 Dec	-	-	124	12

16. Provisions for liabilities and charges				
Other provisions at 1 Jan	1,272	219	1,272	219
Increase during the financial year	0	1,272	0	1,272
Decrease during the financial year	-1,272	-219	-1,272	-219
Provisions for liabilities and charges at 31 Dec	0	1,272	0	1,272

On 1 January obligatory reserves included a reserve for social security payments for right of option for the year 2000, as well as a reserve for additional project work on a long-term project. These reserves were cleared in 2001.

17. Deferred tax liabilities and assets	Group 31.12.2001	Group 31.12.2000	Parent company 31.12.2001	Parent company 31.12.2000
Deferred tax assets				
From matching differences	262	369	0	369
From appropriations	-	-	36	-
Total	262	369	36	369
Deferred tax liabilities				
From appropriations	43	3	0	3
Total	43	3	0	3
Deferred tax liabilities and assets, total	219	366	36	366

Deferred tax assets have been calculated for provisions for liabilities and charges.

18. Short-term creditors	Group 31.12.2001	Group 31.12.2000	Parent company 31.12.2001	Parent company 31.12.2000
Amounts owed to Group undertakings				
Advances received	-	-	168	0
Trade creditors	-	-	779	159
Accruals and deferred income	-	-	1,118	0
Amounts owed to others				
Advances received	3,383	5,217	3,180	5,217
Trade creditors	1,901	1,243	1,329	1,406
Other creditors	1,189	1,163	370	893
Accruals and deferred income	3,681	6,760	2,746	6,446
Short-term creditors, total	10,154	14,383	9,691	14,121
Itemisation of accruals and deferred income				
Allocation of taxes	171	2,833	0	2,684
Allocation of staff costs	2,770	3,856	2,576	3,746
Other accruals and deferred income	740	71	1,289	16
Accruals and deferred income, total	3,681	6,760	3,864	6,446

Collateral, contingent liabilities and other liabilities	Group 31.12.2001	Group 31.12.2000	Parent company 31.12.2001	Parent company 31.12.2000
LEASING COMMITMENTS				
Amounts payable under leasing agreements	679	533	679	533
Amounts payable during the current year	335	286	335	286
Amounts payable later	344	247	344	247

Leasing agreements are mostly valid for three years and contain no redemption clauses.

OTHER LIABILITIES	Group 31.12.2001	Group 31.12.2000	Parent company 31.12.2001	Parent company 31.12.2000
Derivative instruments				
Forward exchange contracts				
Market value	-51	79	-51	79
Value of underlying instrument	5,673	3,224	5,673	3,224

Comptel Corporation is part of the Elisa Communications Group. The company's parent company is Elisa Communications Corporation. The financial statements of Elisa Communications Corporation are available from Elisa's headquarters at Korkeavuorenkatu 35-37, FIN-00130 Helsinki, Finland.

Financial indicators

FINANCIAL SUMMARY	1997	1998	1999	2000	2001
Turnover, EUR 1000	16,502	25,491	39,059	60,350	60,844
Turnover, growth %	28.0	54.5	53.2	54.5	0.8
Operating profit, EUR 1000	2,488	4,949	13,393	22,191	13,531
Operating profit, growth %	45.2	98.9	170.6	65.7	-39.0
Operating profit, as % of turnover	15.1	19.4	34.3	36.8	22.2
Profit before extraordinary items, provisions and taxes, EUR 1000	2,677	4,957	14,152	23,106	14,438
Profit before extraordinary items, provisions and taxes, as % of turnover	16.2	19.4	36.2	38.3	23.7
Profit before appropriations and taxes, EUR 1000 1)	2,172	3,948	14,152	23,106	14,438
Profit before appropriations and taxes, as % of turnover 1)	13.2	15.5	36.2	38.3	23.7
Return on equity, %	66.2	73.5	77.3	54.8	26.1
Return on investment, %	100.4	106.5	102.4	77.9	36.7
Equity ratio, %	54.2	45.9	78.0	78.2	85.9
Gross fixed asset investments, EUR 1000	1,684	2,281	2,862	6,334	5,367
Gross fixed asset investments, as % of turnover	10.2	8.9	7.3	10.5	8.8
Research and development costs, EUR 1000	2)	1,784	2,725	5,541	8,537
Research and development costs, as % of turnover	2)	7.0	7.0	9.2	14.0
Back orders, EUR 1000	3)	11,705	13,371	23,714	30,122
Average number of employees during the financial period	182	240	314	426	595
Interest-bearing net liabilities, EUR 1000 4)	-1,535	-5,055	-20,537	-32,605	-27,070
Gearing ratio, % 4)	-43.1	-83.7	-93.7	-87.1	-65.5

1) In the parent company from 1996 to 1999: Profit before appropriations and taxes.
2) Research and development costs were not monitored in the present way in 1996 and 1997. Research and development costs exclude development work carried out in association with customer projects.
3) Back orders were not monitored in the same way in 1996 and 1997.
4) When calculating net gearing, the consolidated account presented in the short-term receivables has also been included in liquid cash assets.

PER SHARE DATA	1997	1998	1999	2000	2001
EPS, EUR	0.02	0.03	0.10	0.15	0.09
Diluted EPS, EUR	0.02	0.03	0.10	0.15	0.09
Equity per share, EUR	0.03	0.06	0.20	0.35	0.38
Dividend per share, EUR 1)	0.004	0.004	0.02	0.06	0.03
Dividend per earnings, % 1)	18.5	10.0	19.8	39.5	32.2
Effective dividend yield, %	n/a	n/a	0.14	0.39	0.96
P/E ratio	n/a	n/a	138.4	101.0	33.5
Adjusted number of shares at end of period	105,000,000	105,000,000	107,000,000	107,053,805	107,054,805
Adjusted average number of shares during the period	105,000,000	105,000,000	105,153,425	107,030,137	107,053,989
Number of fully diluted shares	105,000,000	105,000,000	107,530,155	108,191,773	107,699,417

1) The Board's proposal

Formulae for financial summary indicators

$$\text{Return on equity \% (ROE)} = \frac{\text{Result before extraordinary items and taxes - taxes}}{\text{Shareholders' equity + minority interests (average during the year)}} \times 100$$

$$\text{Return on investment \% (ROI)} = \frac{\text{Result before extraordinary items and taxes + financial charges}}{\text{Balance sheet total - zero-interest liabilities (average during the year)}} \times 100$$

$$\text{Equity ratio \%} = \frac{\text{Shareholders' equity + minority interests}}{\text{Balance sheet total - advances received}} \times 100$$

$$\text{Earnings per share (EPS)} = \frac{\text{Result before extraordinary items - taxes}}{\text{Adjusted average number of shares for the financial year}}$$

$$\text{Dividend per share} = \frac{\text{Dividend}}{\text{Adjusted average number of shares at the balance sheet date}}$$

$$\text{Dividend per earnings \%} = \frac{\text{Dividend per share}}{\text{Earnings per share (EPS)}} \times 100$$

$$\text{Effective dividend yield \%} = \frac{\text{Dividend per share}}{\text{Share closing price at balance sheet date}} \times 100$$

$$\text{P/E ratio} = \frac{\text{Share closing price at balance sheet date}}{\text{Earnings per share (EPS)}}$$

$$\text{Equity per share} = \frac{\text{Shareholders' equity}}{\text{Adjusted average number of shares at the balance sheet date}}$$

$$\text{Gearing ratio \%} = \frac{\text{Interest-bearing liabilities - liquid assets}}{\text{Shareholders' equity}} \times 100$$

Auditor's report

To the shareholders of Comptel Corporation

We have audited the accounting, the financial statements and the corporate governance of Comptel Corporation for the period from 1 January 2001 to 31 December 2001. The financial statements, which include the report of the Board of Directors, consolidated and parent company income statements, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the President and CEO. Based on our audit we express an opinion on these financial statements and on corporate governance.

We have conducted the audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. The purpose of our audit of corporate governance is to examine that the members of the Board of Directors and the President and CEO have legally complied with the rules of the Companies Act.

In our opinion the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of the financial position. The financial statements with the consolidated financial statements can be adopted and the members of the Board of Directors and the President and CEO of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the distribution of retained earnings is in compliance with the Companies Act.

Helsinki, 5 March 2002

PricewaterhouseCoopers Oy
Authorised Public Accountants

Henrik Sormunen
Authorised Public Accountant


Shares and shareholders

Shares and voting rights

Comptel has one type of share. Each share is equal to one (1) vote at the Annual General Meeting. Under the Articles of Association, the minimum and maximum share capital is EUR 2.1 million and EUR 8.4 million respectively. Within these limits, the share capital can be increased or decreased without altering the Articles of Association. The company's share capital on 31 December 2001 amounted to EUR 2,141,096.10, and the total amount of votes to 107,054,805.

Authorisations to the Board of Directors

AUTHORISATION TO INCREASE THE SUBSCRIBED CAPITAL

The Annual General Meeting on 3 April 2000 resolved to authorise the Board of Directors to decide, within one year of the Meeting, whether to increase the subscribed capital by one or more new issues, to decide whether to take one or more convertible bond loans and/or issue warrants, provided that such taking of convertible bond loans, issuance of warrants or new shares may not result in the issuance of more than 21,400,000 new shares, and the company's share capital may be increased by a maximum total of EUR 428,000. The authorisation expired on 27 March 2001, and the subscribed capital was not increased.

OTHER AUTHORISATIONS

At the Annual General Meeting on 27 March 2001, the company shareholders resolved to authorise the Board of Directors to decide on the purchase of a maximum of 5.35 million own shares, as well as the disposal of the said shares. Within the limits of these authorisations, not a single one of the company's own shares was purchased or disposed of in the year 2001. The acquisition authorisation remains valid for one year following the Annual General Meeting decision. The power of disposition will remain valid until the Annual General Meeting of 2002, however for no longer than a maximum period of one year from the decision of the Annual General Meeting.

Warrants

WARRANT PROGRAMME 1999

At the meeting on 8 November 1999, the Extraordinary General Meeting authorised the Board of Directors to issue 400,000 warrants to the company's employees. Each warrant entitles the holder to subscribe five (5) of the company's shares having a counter-book value of EUR 0.02. As a result of subscriptions, the company's share capital may rise by a maximum of 2,000,000 new shares, in other words by a maximum of EUR 40,000. Warrants endorsed with the letter A began to be exercised from 15 June 2001 and those with the letter B may be exercised from 15 December 2002. The exercise period for both series of warrants expires on 15 June 2004. The total issue price for five shares is EUR 21.04 for both series of warrants*). The issue price will, on the record date for each payment of dividend, be reduced by the amount of any cash dividends paid subsequent to the determination period and before any subscription. Nevertheless, the issue price of the shares shall be no less than the counter book value of the share, as registered in the Trade Register. By the end of the year under review, 400,000 of these options had been issued, giving entitlement to subscribe to 2,000,000 Comptel Corporation shares. 200 of these warrants had been exercised, 1000 new shares had thus been issued and the share capital had increased by EUR 20.

Comptel Corporation's warrant A has been listed on the Helsinki Exchanges with the code CTL1VEW199. The total exchange sum during the period under review was 31,700, and the closing quotation was EUR 6.5.

WARRANT PROGRAMME 2000

At the Annual General Meeting held on 3 April 2000, the Board of Directors was authorised to issue warrants to key personnel in the Comptel Group. It was decided to disapply the pre-emption rights of existing shareholders, since the warrants are intended as part of an incentive scheme for key personnel. The number of warrants amounts to 1,000,000. Of the warrants issued, 200,000 are to be endorsed with the letter A, 400,000 with the letter B and 400,000 with the letter C. The warrants may be exercised to subscribe to a maximum of 1,000,000 Comptel Corporation shares in total. The issue price for holders of warrants endorsed with the letter A is the weighted average price of the company's shares traded on the Helsinki Exchanges in April 2000 (EUR 19.36), for holders of warrants endorsed with the letter B, the weighted average price of the company's shares traded on the Helsinki Exchanges in April 2001 (EUR 8.96), and for warrants endorsed with the letter C, the weighted average price of the company's shares traded on the Helsinki Exchanges in April 2002. The issue price will, on the record date for each payment of dividend, be reduced by the amount of any cash dividends paid subsequent to the determination period and before any subscription. Subscription commences in stages as follows: 1 December 2001 (warrant A), 1 December 2002 (warrant B) and 1 December 2003 (warrant C), and shall end on 31 January 2006 in respect of all warrants. As a result of subscription, Comptel Corporation's subscribed capital may be raised by a maximum of 1,000,000 new shares, in other words EUR 20,000. By the end of the year under review, 652,000 of these options had been issued, giving entitlement to subscribe to 652,000 Comptel Corporation shares.

WARRANT PROGRAMME 2001

At the meeting on 27 March 2001, the Annual General Meeting decided to issue warrants to the personnel of Comptel Group. It was decided to disapply the pre-emption rights of existing shareholders, since the warrants are intended as part of an incentive scheme for the personnel. The number of warrants amounts to 4,000,000. Of the warrants issued, 1,000,000 are to be endorsed with the letter

*) *Dividends for 1999 and 2000 taken into account*

	1.1.–31.12.2001	1.1.–31.12.2000
Closing price, EUR	3.12	15.35
Highest price, EUR	15.6	28.90
Lowest price, EUR	1.5	10.46
Weighted average trading price, EUR	6.54	18.63
Shares traded (1000)	87,474.0	84,012.1
Shares traded, EUR million	572.0	1,565.6
Market capitalisation, EUR million	334.0	1,643.3

A, 1,000,000 with the letter B, 1,000,000 with the letter C and 1,000,000 with the letter D. The warrants may be exercised to subscribe to a maximum of 4,000,000 Comptel Corporation shares in total. The issue price of shares purchased by virtue of the warrants endorsed with the letter A and D is the trade volume weighted average price of the shares traded on the Helsinki Exchanges between 1 February and 31 March 2001 plus 15 per cent (EUR 10.11), and for holders of warrants endorsed with the letter B and C, the trade volume weighted average price of the shares traded on the Helsinki Exchanges between 1 May and 31 May 2002 plus 15 per cent. Subscription by way of warrants commences in stages as follows: 15 June 2003 (warrant A), 15 June 2004 (warrant B), 15 June 2005 (warrant C), and 15 June 2006 (warrant D), and shall end on 31 December 2008 in respect of all warrants. As a result of subscription, Comptel Corporation's subscribed capital may be raised by a maximum of 4,000,000 new shares, in other words EUR 80,000. By the end of the year under review, 2,237,500 of these options had been issued, giving entitlement to subscribe to 2,237,500 Comptel Corporation shares.

Management interests

Members of the Board of Directors and the President and CEO own:

- a total of 0.3297 per cent of the company's outstanding shares and warrants
- 0.0037 per cent of the votes and share capital
- the warrants can provide them with 0.3260 per cent of the votes and share capital.

Quotation and trading

Comptel Corporation shares are quoted on the Main List of the HEX Exchanges under the code CTL1V.

Largest shareholders 31 December 2001

	Shares	% of shares and votes
1. Elisa Communications Corporation	62,250,000	58.1
2. Varma Sampo Mutual Pension Insurance Company	1,045,193	1.0
3. State Pension Fund	977,000	0.9
4. Ilmarinen Mutual Pension Insurance Company	821,425	0.8
5. Local Government Pensions Institution	794,925	0.7
6. Suomi Insurance Company Ltd	450,000	0.4
7. Placeringsfonden Aktia Secura	407,575	0.4
8. Suomi Mutual Life Assurance Company Ltd	400,000	0.4
9. Sitra National Fund for Research and Development	394,125	0.4
10. Central Fund of the Lutheran Church	361,125	0.3
11. Mutual Insurance Company Pension Fennia	360,000	0.3
12. Gyllenberg Optimum Investment Fund	350,000	0.3
13. Tapiola General Mutual Insurance Company	340,000	0.3
14. Indemnity Insurance Company Pohjola	300,000	0.3
15. Tapiola General Mutual Insurance Company	284,900	0.3
16. Fortum Pension Fund, Department B	274,200	0.3
17. Kaleva General Mutual Insurance Company	253,375	0.2
18. Alfred Berg Portfolio Unit Trust Fund	249,200	0.2
19. Alfred Berg Finland Unit Trust Fund	242,225	0.2
20. Tapiola Mutual Life Assurance Company Ltd	225,000	0.2
Nominee registered	11,183,638	10.4
Foreign ownership	230,487	0.22

Shareholders by owner group 31 December 2001

	Shares	% of total
Public companies	149,823	0.14
Private companies	66,340,737	61.97
Finance and insurance companies	18,104,065	16.91
Public sector entities	6,931,323	6.47
Non-profit making entities	1,728,500	1.61
Private households	13,569,870	12.68
Foreign	230,487	0.22
Nominee registered	11,183,638	10.45
Joint accounts and waiting list	0	0
Number of shares issued	107,054,805	100

Analysis of shareholdings 31 December 2001

Number of shares	Number of shareholders	%	Number of shares	%
1 – 10	99	0.30	696	0.00
1 – 25	683	2.10	16,482	0.02
26 – 50	1,140	3.51	55,384	0.05
51 – 100	2,264	6.96	209,512	0.20
101 – 500	22,139	68.10	4,208,208	3.93
501 – 1 000	2,979	9.16	2,384,360	2.23
1 001 – 5 000	2,649	8.15	5,718,596	5.34
5 001 – 10 000	272	0.84	1,990,385	1.86
10 001 – 100 000	242	0.74	7,172,451	6.70
100 001 – 1 000 000	40	0.12	11,930,971	11.14
over 1 000 000	3	0.01	73,367,760	68.53
Total	32,510	100.00	107,054,805	100.00

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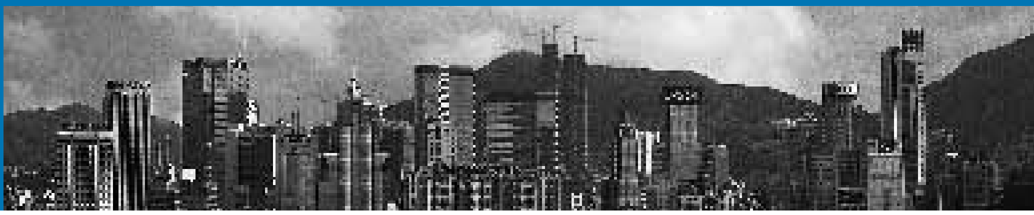

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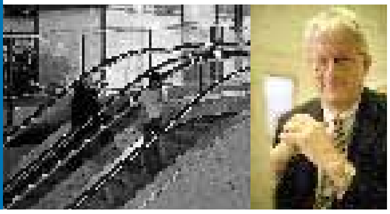

Information for shareholders

Annual General Meeting

Comptel Corporation's Annual General Meeting will be held at the Satakuntatalo at Lapinrinne 1 A, 00180 Helsinki on Wednesday 20 March 2002 at 1 pm. Shareholders should give notice of their intention to attend the Meeting by 5 pm Finnish time on 11 March 2002, either by telephoning +358 800 98733, by facsimile to +358 10 262 2727 or in writing to Comptel Corporation, Ruoholahdenkatu 4, FIN-00180 Helsinki.

Shareholders wishing to attend the Annual General Meeting should be registered in the company's share register kept by the Finnish Central Securities Depository (APK) on Friday, 8 March 2002. Shareholders are requested to send any proxies to the above address when registering to attend the meeting.

Dividend

Comptel Corporation's Board of Directors is to recommend to the Annual General Meeting that a dividend of EUR 0.03 per share be paid for 2001. The dividend will be paid to shareholders registered in the company's share register kept by the Finnish Central Securities Depository at the record date, 25 March 2002. The Board of Directors is to recommend that the dividend be paid out on 3 April 2002.

Changes of name and address

Shareholders should notify the book-entry securities register where their book-entries are registered of any changes in name and/or address.

Shares

On the balance sheet date, the company had 107,054,805 shares. The subscribed capital was EUR 2,141,096.10. The counter value of each share is EUR 0.02. Detailed share information about Comptel Corporation shares is given on pages 47–50 of this annual report. Comptel's shares are listed on the Helsinki Exchanges.

Glossary

2G "2nd Generation"; second generation mobile communications system. General standards GSM and CDMA (Code Division Multiple Access).

2.5G "2.5 Generation"; a development phase introducing more advanced data transfer features in 2G already before 3G. General standard GPRS.

3G "3rd Generation", third generation broadband mobile communications system. Standard known in Europe is UMTS (Universal Mobile Telecommunications System).

Comptel Balance Management Comptel's product, by which the operator can offer its customers service usage follow-up, e.g. on a monthly basis.

Comptel Chinchilla Comptel's product for content and service mediation.

Comptel MDS/AMD Comptel's product for event mediation.

Comptel MDS/SAS Comptel's product for subscriber provisioning and service activation.

Comptel Network Account Comptel's product, through which the operator's customer can pay for content and services used in real-time from a prepaid account.

Comptel Partner Account Comptel's product, enabling revenue sharing and payment traffic between operators and content and application service providers.

Corporate Licence Licence, through which a Group can licence Comptel's solution for joint usage by all Group companies with one single agreement.

GPRS General Packet Radio Service; packet-switched mobile communications system, enabling e.g. continuous connection to the Internet. The abbreviation 2.5G is also used.

IP Internet Protocol; general standard for packet-switched transfer on the Internet and local networks.

J2EE Java 2 Platform, Enterprise Edition; platform for building web-based applications.

Mediation Traditionally, the term "mediation" has referred to software that collects customer usage data from the operator network and transmits it onwards to the operator's billing system. Comptel has expanded the mediation layer to also comprise subscriber provisioning and service activation as well as content and service mediation. Comptel's product offering also covers other than mediation software.

Micropayments A payment of small value for a service or product.

OEM Original Equipment Manufacturer. An arrangement through which a company delivers product components to another company, who sells them under its own brand name as part of a (bigger) solution. Compare VAR.

Portal Network service, which in addition to its own functions offers access to several other services.

Postpaid Invoicing. An invoice regularly sent to the customer for services used (for example monthly phone bill). Compare Prepaid.

Prepaid Payment solution. The operator's customer can pay for content services in real-time, from a network account, onto which money has been charged ahead of time. Compare Postpaid.

Provisioning Subscriber provisioning and service activation. Provisioning software activates new customers and services into the telecommunications network.

SMS Short Message Service.

VAR Value Added Reseller. An arrangement, through which the company sells another company's product under the original manufacturer's brand name, as well as for example, complementing products and services on the side. Compare OEM.

WLAN Wireless Local Area Network, broadband wireless local network.

Pohjoisranta Porter Novelli   Studio Viiva   F.G. Lönnberg

COMPTEL INTELLIGENT LINK