

DEMERGER OF KYRO INTO NEW KYRO CORPORATION AND TECNOMEN HOLDING CORPORATION

Kyro Corporation will be demerged on 31 March 2001 into two new companies, Tecnomen Holding Corporation and new Kyro Corporation. Tecnomen Holding Corporation will receive the shares of Tecnomen Corporation owned by the present Kyro Corporation and a corresponding amount of equity. The shares of Tamglass Ltd. Oy and Kyro Power Oy owned by the company to be demerged, as well as all other assets and liabilities and all other equity are to be transferred to new Kyro Corporation.

The listing of new Kyro Corporation and Tecnomen Holding Corporation shares on the Main List of the Helsinki Exchanges is estimated to begin on 2 April 2001. New Kyro Corporation has been applied for listing under the category of other industries and Tecnomen Holding Corporation under the category of telecommunications and electronics. New Kyro Corporation and Tecnomen Holding Corporation are estimated to announce on 9 April how the acquisition cost of Kyro Corporation shares is divided between new Kyro Corporation shares and Tecnomen Holding Corporation shares for taxation.

The demerger prospectus of Kyro Corporation, dated 6 November, has been complemented with the stock exchange releases published after the publication of the prospectus. The demerger prospectus and the stock exchange releases are available at HEX Gate, Fabianinkatu 14, 00100 Helsinki and Kyro Corporation, Kalevankatu 3 b, 00100 Helsinki, from the present date.

After the demerger, Tecnomen Corporation will be a subsidiary of Tecnomen Holding Corporation. Tecnomen Corporation has been initially planned to be merged into Tecnomen Holding Corporation in the autumn of this year. The company following the merger will continue Tecnomen Corporation's business operations under the name of Tecnomen Corporation.

The key pro forma indicators of new Kyro Corporation and Tecnomen Holding Corporation for the years 1999 and 2000 are enclosed. The pro forma figures are based on the principle of dividing the business of the current Kyro Corporation from the last two years between the new companies on the same grounds as in the upcoming demerger.

Kyro Corporation

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KYRO GROUP (AFTER THE DEMERGER), PRO FORMA

EUR millions	2000	1999
Net Sales	117.3	99.0
Operating Profit	55.3	9.9
Operating Profit %	47 %	10 %
Profit for the fiscal year	34.5	7.8
Earnings per share, EUR	0.87	0.18
Shareholders' equity	140.7	108.8
Equity per share, EUR	3.55	2.74
Balance sheet total	187.8	180.4
Equity ratio %	82 %	68 %
Gearing %(debt/equity ratio)	-47 %	-37 %
Orderbook	87.7	56.7

TECNOMEN HOLDING GROUP (AFTER THE DEMERGER), PRO FORMA

EUR millions	2000	1999
Net Sales	66.4	50.7
Operating Profit	5.5	1.2
Operating Profit %	8.2 %	2.4 %
Profit for the fiscal year	2.9 *)	0.2
Earnings per share, EUR	0.07 *)	-
Shareholders' equity	62.7 *)	15.6
Equity per share, EUR	1.58 *)	0.39
Balance sheet total	100.4	51.1
Equity ratio %	86.1 %	31.1 %
Gearing %(debt/equity ratio)	-51.3 %	136.8 %
Orderbook	10.7	11.4

*) The number of Tecnomen Holding Corporation shares is 39 675 000. In addition, the pro forma figures take into account the issue and sale of Tecnomen Corporation shares in the summer 2000 as a minority interest, and therefore the key figures of Tecnomen Holding Group differ from those of the present Tecnomen Group.

The pro forma figures have not been audited.