Vacon Plc, Stock Exchange Release, 7 August 2008 at 9.00 am EET

Vacon Plc Interim Report 1 January - 30 June 2008

Very good market prospects for Vacon

April-June summary:

- Order intake totalled MEUR 83.3, growth of 38.8 % from the corresponding period in the previous year (MEUR 60.0).
- Revenues totalled MEUR 78.0, increase of 30.4 % (MEUR 59.8).
- Operating profit was MEUR 10.4, growth of 35.1 % (MEUR 7.7).
- Cash flow from operations was MEUR 5.8 (MEUR 3.7).
- Earnings per share were EUR 0.48 (EUR 0.35), growth of 37.1 % from the previous year.

January-June summary:

- Order intake totalled MEUR 161.5, growth of 39.1 % from the corresponding period in the previous year (MEUR 116.1).
- Revenues totalled MEUR 143.9, increase of 28.4 % (MEUR 112.1).
- Operating profit was MEUR 18.0, growth of 28.6 % (MEUR 14.0).
- Cash flow from operations was MEUR 10.4 (MEUR 6.2).
- Earnings per share were EUR 0.82 (EUR 0.63), growth of 30.2 % from the previous year.

The AC drive market has continued to grow during the first half of 2008. Demand for AC drives to improve the energy efficiency of electric motor applications remains brisk and the use of AC drives in renewable power generation is growing strongly.

The value of the orders received by Vacon in the second quarter rose to EUR 83.3 million, and revenues totalled EUR 78.0 million. Excluding the impact of the purchase of the AC drives business of TB Wood's, Vacon's order intake increased 27.3 %, revenues 19.9 % and operating profit 40.3 % from the corresponding period in the previous year.

The relative increase in revenues was highest during the second quarter in the Asia and Pacific region. Growth in revenues in the Europe, Middle East and Africa region and in North and South America was in line with expectations and clearly exceeded market growth.

The operating profit margin in the second quarter was 13.3 %, compared to 12.9 % in the corresponding period in 2007. The operating profit margin before amortization of intangible rights (EBITA) was 14.5 %, which was better than one year earlier (13.7 %). Amortization of the intangible rights generated by the acquisition of the AC drives business of TB Wood's (EUR 0.4 million) reduced the operating profit margin by 0.5 percentage points. The profitability of business operations improved from the second quarter of 2007.

January – June result and equity structure

MEUR	4-6/ 2008	4-6/ 2007	1-6/ 2008	1-6/ 2007	Change, %	1-12/ 2007
Revenues	78.0	59.8	143.9	112.1	28.4	232.2
EBITDA	12.2	8.9	21.5	16.3	31.9	34.0
Depreciation - tangibles	-0.8	-0.7	-1.7	-1.4	21.4	-2.8
EBITA	11.3	8.2	19.8	14.9	32.9	31.2
Amortization - intangibles	-0.9	-0.5	-1.8	-0.9	100.0	-1.9
Operating profit	10.4	7.7	18.0	14.0	28.6	29.2
Profit before tax	10.6	7.5	17.9	13.7	30.7	28.8
Profit for period	7.6	5.4	12.8	9.8	30.6	21.4

Orders received by the entire Group were 39.1 % higher than in the previous year. The order book for the acquired AC drives business of TB Wood's at the start of the year together with the orders received during the first half of the year totalled EUR 15.4 million. Excluding the impact of the acquired business, the volume of orders increased 25.8 %. The Group's order book stood at EUR 52.4 (33.7) million at the end of June, an increase of EUR 17.6 million from the beginning of the year.

Revenues increased 28.4% from the corresponding period in the previous year. Growth in revenues excluding the acquisition of the TB Wood's business was 17.6 %.

The operating profit in the first half of the year was 28.6 % higher than one year before. The operating profit for comparable figures was EUR 18.6 million, growth of 32.9 % from the previous year. The EBITA margin was 13.8 %, which was better than in the previous year (13.3 %). Amortization of intangible rights generated by the acquisition of the TB Wood's AC drives business (EUR 0.7 million) reduced the operating profit margin by 0.5 percentage points. The earnings per share rose to EUR 0.82, an increase from the previous year of EUR 0.19.

No change occurred during the second quarter in the final price for the AC drives business of TB Wood's. Calculations for allocating the goodwill and the acquisition price for the acquired business are presented in the notes to this report.

The balance sheet total was EUR 141.7 (98.4) million. The balance sheet total shows the impact of the acquired business and the increase in the Group's net working capital. Net working capital rose EUR 10.5 million from the start of the year, and EUR 6.0 million of this was due to the acquired business. The equity ratio was 46.6 %. The Group's cash flow from operations for the January- June period was EUR 10.4 (6.2) million.

The Group's equity structure and liquidity remained strong. Interest-bearing net debt at the end of the period totalled EUR 14.2 (-2.0) million, and gearing was 22.0 % (-3.9 %). The debt comprises long-term loans used to finance the purchase of the TB Wood´s AC drives business.

The Annual General Meeting was held in March, and the dividend paid (EUR 0.75 per share) has been entered, based on the decision of the AGM, as a dividend payment liability in the interim financial statement for the first quarter. The dividend was paid on 7 April 2008 in accordance with the decision of the AGM.

Market position

Vacon Group revenues by market area were as follows

MEUR	4-6/ 2008	%	4-6/ 2007	%	1-6/ 2008	%	1-6/ 2007	%	1-12/ 2007	%
Europe, Middle East, Africa	57.2	73.3	45.1	75.4	104.3	72.5	85.7	76.5	172.6	74.3
North and South America	14.0	18.0	10.3	17.2	27.0	18.8	18.4	16.4	42.1	18.1
Asia and Pacific	6.8	8.7	4.4	7.4	12.6	8.7	8.0	7.1	17.5	7.6
Total	78.0	100.0	59.8	100.0	143.9	100.0	112.1	100.0	232.2	100.0

During the first half of 2008 Vacon strengthened its position in all main market areas. Based on market surveys, the company estimates that the AC drive market is currently growing at a rate of at least 10 % a year and that it has about four per cent of the global market.

Vacon’s revenues by region increased during the first half of the year as follows: Europe, Middle East and Africa in total 21.7 %, North and South America 46.7 %, and Asia and Pacific 57.5 %. Excluding the impact of the AC drives business of TB Wood´s, growth in revenues during the first half of the year was 20.1 % in North and South America and 13.7 % in Europe. The corresponding figures for the second quarter were 10.7 % in North and South America and 18.8 % in Europe.

Breakdown of Vacon Group revenues by distribution channel

MEUR	4-6/ 2008	%	4-6/ 2007	%	1-6/ 2008	%	1-6/ 2007	%	1-12/ 2007	%
Direct sales	38.1	48.8	24.6	41.1	67.1	46.6	47.2	42.1	99.0	42.6
Distribu-tors	9.5	12.2	7.7	12.9	18.2	12.7	15.1	13.5	31.3	13.5
OEM	17.7	22.7	16.1	26.9	34.7	24.1	29.1	25.9	56.4	24.3
Brand label	12.6	16.2	11.4	19.1	23.8	16.5	20.7	18.5	45.5	19.6
Total	78.0	100.0	59.8	100.0	143.9	100.0	112.1	100.0	232.2	100.0

Group revenues by distribution channel compared to those of the previous year increased during the first six months as follows: OEM 19.2 %, direct sales 42.2 %, distributors 20.5 % and brand label customers 15.0 %.

On 26 May 2008 Vacon signed a global framework agreement with Veolia Water Solutions & Technologies, world leading specialist in water treatment. Veolia Water Solutions & Technologies (VWS), which is headquartered in France, has chosen Vacon to be one of its preferred suppliers of AC drives.

On 28 May 2008 Vacon signed a cooperation agreement with Voith Paper Automation. Voith Paper Automation, which has global operations, is one of the seven divisions of Voith Paper, supplying comprehensive automation solutions to the paper industry. Voith Paper Automation, headquartered in Germany, has chosen Vacon as its preferred AC drive supplier for its paper machine deliveries worldwide.

Vacon Group Structure
In May 2008 Vacon set up a subsidiary in the Czech Republic. No other changes took place in the Group structure during the second quarter.

Research and Development
R&D expenditure during the first half of the year totalled EUR 8.3 (6.6) million, and EUR 0.7 (0.7) million of this was capitalized as development costs. R&D costs accounted for 5.8 % (5.9 %) of Group revenues.

Work on developing new products continued during the review period in accordance with the company's plans. The new product generation is being developed to make it more competitive in terms of features and costs. The first new generation products are already on the market.

During the first half of the year Vacon has increased the number of personnel at its R&D units in Finland and China. Following the acquisition of the TB Wood´s business, Vacon also has R&D in the USA and Italy. Plans for developing these units were drawn up during the second quarter.

Investments
Gross investments by the Group during the first six months of the year, excluding the purchase of the TB Wood's AC drives business, totalled EUR 4.1 (3.0) million. Expenditure focused on increasing and maintaining production capacity, on tools needed in the manufacture of new products, and on information systems.

Work on expanding Vacon's factory in Finland has progressed on schedule and the first section of the extension has been taken into use. In June 2008 a letter of intent was signed for building the company's new factory in China. Vacon will be a tenant in this factory. Both factory extensions will help ensure the company has sufficient production capacity for the new future.

Organization and personnel
The number of Vacon personnel has increased by 268 since the start of the year, including 149 new people that came with the acquisition of the TB Wood's AC drives business. At the end of June the Group employed 1,137 (762) people, of whom 635 (494) were in Finland and 502 (268) in other countries. These figures do not include contract personnel. Vacon has reduced the use of contract personnel by increasing the number of permanent employees. The table below shows the average number of Vacon employees during the review period:

	1-6/2008	1-6/2007	1-12/2007
Office personnel	652	493	512
Factory personnel	435	232	260
TOTAL	1,087	725	772

Shares and shareholders
Vacon had a market capitalization at the end of June of EUR 391.7 million. The closing share price on 30 June 2008 was EUR 25.75. The lowest share price during the January-June period was EUR 20.02 and the highest EUR 30.01. A total of 2,409,922 Vacon shares (15.8 % of the share stock) were traded during the January-June period, in monetary terms EUR 65.9 million.

Vacon's main shareholders on 30 June 2008:

	Number of shares	Holding, %
Ahlström Capital Oy	2,297,996	15.0
Tapiola Mutual Pension Insurance Company	584,500	3.8
Vaasa Engineering Oy	424,433	2.8
Koskinen Jari	360,670	2.4
Holma Mauri	347,171	2.3
Ehrnrooth Martti	330,000	2.2
Tapiola Group companies	325,300	2.1
Niemelä Harri	309,840	2.0
OP-Delta fund	262,607	1.7
Karppinen Veijo	209,349	1.4
Nominee registered and in foreign ownership	4,889,896	32.0
Others	4,953,238	32.4
Total	15,295,000	100.0
Vacon Plc's own shares	-43,312	
Shares outstanding	15,251,688	

On 30 June 2008 members of Vacon's Board of Directors, the President and CEO, and the Deputy to the CEO held directly a total of 574,276 shares or 3.8 % of Vacon's share stock.

Own shares
In accordance with the terms of the company's share bonus scheme, on 8 April 2008 altogether 19,500 shares were allocated as a bonus to the personnel in the scheme.

On 30 June 2008 Vacon Plc held a total of 43,312 of its own shares, which it had acquired at an average price of EUR 12.45. The shares have a nominal value of EUR 0.20. The shares held by the company are 0.3 % of the share capital and voting rights so they have no significant impact on the distribution of ownership or voting rights in the company.

Risks and factors causing uncertainty in the near future
There is uncertainty about where the global economy is heading. Any slowdown in investments by industry is also a risk for Vacon, but on the other hand the high price of energy forms an incentive to invest in solutions that improve energy efficiency such as AC drives.

Vacon estimates that other risks and uncertainty factors affecting the near future for Vacon relate to the availability of raw materials (metals) and components and developments in their prices. Another significant risk is the weakening of the US dollar. Purchase agreements for raw materials and components are mainly annual agreements that contain price and exchange rate clauses relating to changes in the global market prices for raw materials and other materials. For Vacon, a decline in the value of the US dollar of 10 % against the euro would cut the company's operating profit margin by about 0.5 percentage points.

More information about risks and risk management at Vacon are given in Vacon's 2007 annual report and consolidated financial statements.

Prospects for 2008
Developments in the AC drive market are expected to remain strong in 2008. The need to improve the energy consumption of electric motors and the intensive investments in energy production based on renewable energy sources are increasing the market for AC drives.

Based on market surveys Vacon estimates that the AC drive market is growing at an annual rate of at least 10 %. Growth in North America is slightly lower than the average market growth and in Asia it is higher, with China and India the engines of growth. Vacon's investments in the growing markets in North America, Asia and Russia will reinforce Vacon's global market position. The purchase of TB Wood's AC drives business boosts Vacon's growth potential. Market surveys indicate that Vacon's market share is rising in all major market areas.

Revenues in 2008 are forecast to rise by close to 30 % (by close to 20 % on comparable figures) and profitability to remain at the same level as in 2007. Earnings per share are forecast to be above EUR 1.6 in 2008.

Financial reports in 2008
Vacon will publish its next interim report for January-September on Thursday 23 October 2008 at 9.00 am.

Formal statement
This release contains certain forward-looking statements that reflect the current views of the company's management. Due to the nature of these statements, they contain risks and uncertainties and are subject to changes in the general economic situation and in the company's business sector.

Vacon in brief
Vacon was established in 1993 from a passion to develop and produce AC drives globally. It is a matter of honour for Vacon to offer customers efficient, reliable and easy to use means for improving process control and saving energy and costs. Vacon's solutions represent clean technology. They can be used to control the speed of electric motors used by industry and municipal engineering, and in power generation using renewable energy. Vacon provides AC drives in the power range 0.25 kW – 5 MW. Revenues in 2007 totalled EUR 232.2 million.

Vaasa, 7 August 2008

VACON PLC

Board of Directors

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Mr Mika Leppänen, CFO and Vice President, Finance & Control, phone: +358 (0)40 8371 235

Conference for media and analysys
Vacon will hold a briefing for analysts and the media at 11.30 am on 7 August 2008 at the Radisson SAS Plaza Hotel, Mikonkatu 23, Helsinki

Dial-in conference for investors and investment analysts
A dial-in conference in English for investors and investment analysts will be held at 3.00 pm on 7 August 2008. President and CEO Vesa Laisi and Mika Leppänen, CFO and Vice President, Finance and Control, will participate in the conference. Lines can be booked ten minutes before the conference by calling the service number +44 207 162 0025. The conference ID code is "Vacon Oyj". To hear a recording of the conference, available for three working days, call +44 207 031 4064, ID code 782084.

Conference link:
http://wcc.webeventservices.com/view/wl/r.htm?e=103015&s=1&k=69FE799D838052784D75851A47632443&cb=genesys

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Summary of financial statements and notes

Accounting principles

This interim report has been prepared in accordance with IFRS (International Financial Reporting Standards) standard IAS 34 on Interim Financial Reporting.

Vacon has prepared this interim report applying the same accounting principles as those decribed in detail in its 2007 consolidated financial statements

The interim report is unaudited.

Consolidated income statement, IFRS, MEUR

	4-6/ 2008	4-6/ 2007	1-6/ 2008	1-6/ 2007	1-12/ 2007
Revenues	78.0	59.8	143.9	112.1	232.2
Other operating income	0.0	0.0	0.1	0.1	0.2
Change in inventories of finished goods and work in progress	0.2	-0.3	2.3	1.4	1.4
Materials and services	-41.1	-31.8	-76.3	-60.5	-123.0
Employee benefit costs	-12.7	-9.3	-25.4	-18.4	-38.9
Other operating expenses	-12.3	-9.6	-23.1	-18.3	-37.7
Depreciation	-0.8	-0.7	-1.7	-1.4	-2.8
EBITA	11.3	8.2	19.8	14.9	31.2
Amortization	-0.9	-0.5	-1.8	-0.9	-1.9
Operating profit	10.4	7.7	18.0	14.0	29.2
Financial income	0.3	0.1	0.8	0.2	0.6
Financial expenses	-0.1	-0.3	-0.9	-0.4	-1.0
Profit before taxes	10.6	7.5	17.9	13.7	28.8
Income taxes	-3.0	-2.1	-5.1	-3.9	-7.4
Profit for period	7.6	5.4	12.8	9.8	21.4
Attributable to:					
Equity holders of the parent	7.3	5.3	12.4	9.6	20.9
Minority interest	0.3	0.1	0.4	0.2	0.5
Earnings per share, euro	0.48	0.35	0.82	0.63	1.37
Earnings per share diluted, euro	0.48	0.35	0.82	0.63	1.37

Consolidated balance sheet, IFRS, MEUR

	30.6.2008	30.6.2007	31.12.2007
ASSETS			
Intangible assets	23.8	8.4	9.6
Tangible assets	17.4	12.9	14.7
Investments	2.1	1.8	1.9
Loans receivable and other receivables	0.4	0.5	0.4
Deferred tax assets	2.1	1.5	1.5
Total non-current assets	45.8	25.1	28.2
Inventories	22.2	13.7	14.7
Trade and other receivables	59.4	46.3	45.8
Cash and cash equivalents	14.3	13.2	34.4
Total current assets	95.9	73.2	94.9
Total assets	141.7	98.4	123.2
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company	63.7	51.8	62.9
Minority interest	1.0	0.9	1.1
Total equity	64.7	52.7	64.0
Deferred tax liabilities	3.1	1.4	1.6
Employee benefits	1.4	0.8	0.8
Interest-bearing liabilities	17.4	1.7	19.1
Total non-current liabilities	21.9	3.9	21.6
Trade and other payables	39.9	29.5	30.9
Income tax liabilities	2.6	1.9	1.6
Provisions	1.3	0.9	0.8
Interest-bearing liabilities	11.2	9.5	4.3
Total current liabilities	55.0	41.8	37.6
Total equity and liabilities	141.7	98.4	123.2

Q2/2007 Calculation of changes in shareholders' equity, IFRS, MEUR

	Attributable to equity holders of the parent							Minority interest	Total equity
	Share capital	Share premium reserve	Own shares	Translation difference	Revaluation fund	Retained earnings	Total		
Shareholders' equity 31.12.2006	3.1	5.0	-1.2	-0.1	0.1	45.2	52.0	1.0	53.0
Cash flow hedging:									
Hedging result allocated to equity					0.0		0.0		0.0
Transferred as adjustment to revenues					-0.1		-0.1		-0.1
Translation difference				0.0			0.0		0.0
Other changes						0.1	0.1		0.1
Net income recorded directly in equity	0.0	0.0	0.0	0.1	-0.1	0.1	0.1	0.0	0.1
Profit for period						9.6	9.6	0.2	9.8
Income and expenses recorded during period, total	0.0	0.0	0.0	0.1	-0.1	9.7	9.7	0.2	9.9
Dividend paid						-9.9	-9.9	-0.3	-10.2
Shareholders' equity 30.6.2007	3.1	5.0	-1.2	0.0	0.0	45.0	51.8	0.9	52.7

Q2/2008 Calculation of changes in shareholders' equity, IFRS, MEUR

Attributable to equity holders of the parent	Share capital	Share Pre-mium	Own shares	Transla-Tion diffe-Rence	Revalu-ation fund	Re-tained earn-ings	Total	Minor-ity inter-est	Total equit
Shareholders' equity 31.12.2007	3.1	5.0	-1.2	-0.5	0.0	56.5	62.9	1.1	64
Cash flow hedging:									
Hedging result allocated to equity					0.0		0.0		0
Transferred as adjustment to revenues					0.0		0.0		0
Translation difference				-0.4			-0.4		-0
Other changes						0.2	0.2	0.0	0
Net income recorded directly in equity	0.0	0.0	0.0	-0.4	0.0	0.2	-0.3	0.0	-0
Profit for period						12.4	12.4	0.4	12
Income and expenses recorded during period, total	0.0	0.0	0.0	-0.4	0.0	12.6	12.2	0.4	12
Dividend paid						-11.4	-11.4	-0.4	-11
Shareholders' equity 30.6.2008	3.1	5.0	-1.2	-0.9	0.0	57.7	63.7	1.0	64

Consolidated cash flow statement, IFRS, MEUR

	30.6.2008	30.6.2007	31.12.2007
Profit for the period	12.8	9.8	21.4
Depreciation	3.4	2.3	4.8
Financial income and expenses	0.1	0.2	0.5
Taxes	5.1	3.9	7.4
Other adjustments	0.4	0.2	0.1
Change in working capital	-6.6	-6.4	-5.5
Cash flow from financial items and tax	-4.8	-3.8	-7.5
Cash flow from operating activities	10.4	6.2	21.1
Investments in tangible and intangible assets	-23.6	-2.6	-8.6
Proceeds from disposal of tangible and intangible assets	0.0	0.0	0.4
Loans granted	0.0	0.0	0.0
Other investments	-0.2	-0.2	-0.6
Repayment of loan receivables	0.0	0.0	0.2
Proceeds from disposal of other investments	0.0	0.0	0.0
Cash flow from investing activities	-23.8	-2.8	-8.6
Share issue	0.0	0.0	0.0
Proceeds from long-term borrowings	0.0	0.0	21.9
Repayment of long-term loans	-1.2	-0.1	-0.2
Proceeds from short-term borrowings	7.2	9.3	1.0
Repayment of short-term loans	-0.3	-2.0	-2.2
Financial leasing payments	0.0	-0.3	-0.3
Dividends paid	-11.9	-10.2	-10.2
Cash flow from financial activities	-6.1	-3.3	10.0
Change in liquid funds	-19.5	0.2	22.5
Liquid funds at start of period	34.4	13.0	13.0
Translation differences for liquid funds	-0.6	0.0	-1.2
Liquid funds at end of period	14.3	13.2	34.4

Segment information
Reporting on Vacon Group’s operations is firstly by business segment and secondly by geographical segment.

Vacon has one business segment, AC drives. The figures for the primary segment are identical with the figures for the whole Group. Vacon’s operations are organized in the following functions: Products and Markets, Production, Research & Development, Finance and Administration, Human Resources, IT and Process Development. To ensure that the organisation is customer-oriented, operations are controlled by customer segments that are called business areas. These business areas are: Component Customers, Solutions Customers, OEM and Brand Label Customers, and Service and After-Market Services.

The secondary, geographical segment is divided into three sales areas: EMEA (Europe, Middle East and Africa), Americas (North and South America) and APAC (Asia and Pacific).

Acquired business operations

On 1 January 2008 the Group acquired the AC drives business of TB Wood's, part of US-based Altra Holdings Inc. The estimated final price is USD 29.2 million. According to initial calculations, the acquisition of TB Wood's generates goodwill of EUR 6.4 million, which is based on the anticipated opportunities for expansion and synergy benefits.

MEUR	
Acquisition cost	
Cash price	19.7
Direct costs relating to acquisition	1.3
Total acquisition cost	21.0
Fair value of net assets acquired	14.7
Goodwill	6.4
Allocation of goodwill:	
Europe, Middle East and Africa	2.7
North and South America	3.7
Asia and Pacific	0.0
Impact on cash flow was as follows:	
Total acquisition cost	-21.0
Loans raised	19.4
Cash funds received	0.7
Net payment for acquisition from cash funds	-0.8

	Carrying amount	Fair value	Useful commercial life in years
Identified intangible assets			
Customer relations		4.4	5
Technology developed		4.2	5
Tangible assets	1.8	2.2	
Inventories	5.4	5.6	
Receivables, total	2.9	2.8	
Cash and bank balances	0.7	0.7	
Assets, total	10.9	19.9	
Non-current liabilities	0.3	0.3	
Current liabilities	3.5	3.5	
Deferred tax liabilities		1.5	
Liabilities, total	3.8	5.2	
Net assets		14.7	
Acquisition cost		19.7	
Direct costs relating to acquisition		1.3	
Goodwill		6.4	

Key indicators

	30.6.2008	30.6.2007	31.12. 2007
Order intake, MEUR	161.5	116.1	237.2
Increase in order intake, %	39.1	24.0	20.2
Revenues, MEUR	143.9	112.1	232.2
Increase in revenues, %	28.4	27.5	24.6
Operating profit, MEUR	18.0	14.0	29.2
Increase in operating profit, %	28.6	23.9	26.4
Operating profit, % of revenues	12.5	12.5	12.6
Equity per share, EUR	4.17	3.40	4.13
Equity ratio, %	46.6	54.2	52.9
Gross capital expenditure (excluding acquisition of TB Wood's) MEUR	4.1	3.0	9.1
Gross capital expenditure, % of revenues	2.8	2.7	3.9
Net interest-bearing liabilities MEUR	14.2	-2.0	-11.0
Net gearing, %	22.0	-3.9	-17.1
Net working capital	36.5	26.5	26.0
Order book, MEUR	52.4	33.7	34.8
Adjusted number of shares during the period	15,241,188	15,221,720	15,226,997
Number of shares at end of period	15,251,688	15,232,188	15,232,188
Personnel at end of period	1,137	762	869

Commitments and contingencies, MEUR

	30.6.2008	30.6.2007	31.12.2007
Commitments and contingencies	2.7	1.2	1.1
Financing commitments	0.8	1.1	1.0

Calculation of financial ratios

Earnings per share =

Profit for the financial year attributable to equity holders of the parent company
----
Adjusted average number of shares

Equity per share =

Equity attributable to the equity holders of the parent company
----
Adjusted average number of shares at year end

Equity ratio =

Shareholders' equity (incl. minority interest) x 100

Balance sheet total – advances received

Net gearing =

(Interest-bearing liabilities – cash, bank balances and financial assets) x 100

Shareholders' equity (incl. minority interest)

Net working capital = Stocks + non-interest-bearing current receivables – non-interest-bearing current liabilities