Take it higher

Annual Report 2007

OKMETIC

Take it higher

OKMETIC

Annual Report 2007

Contents:

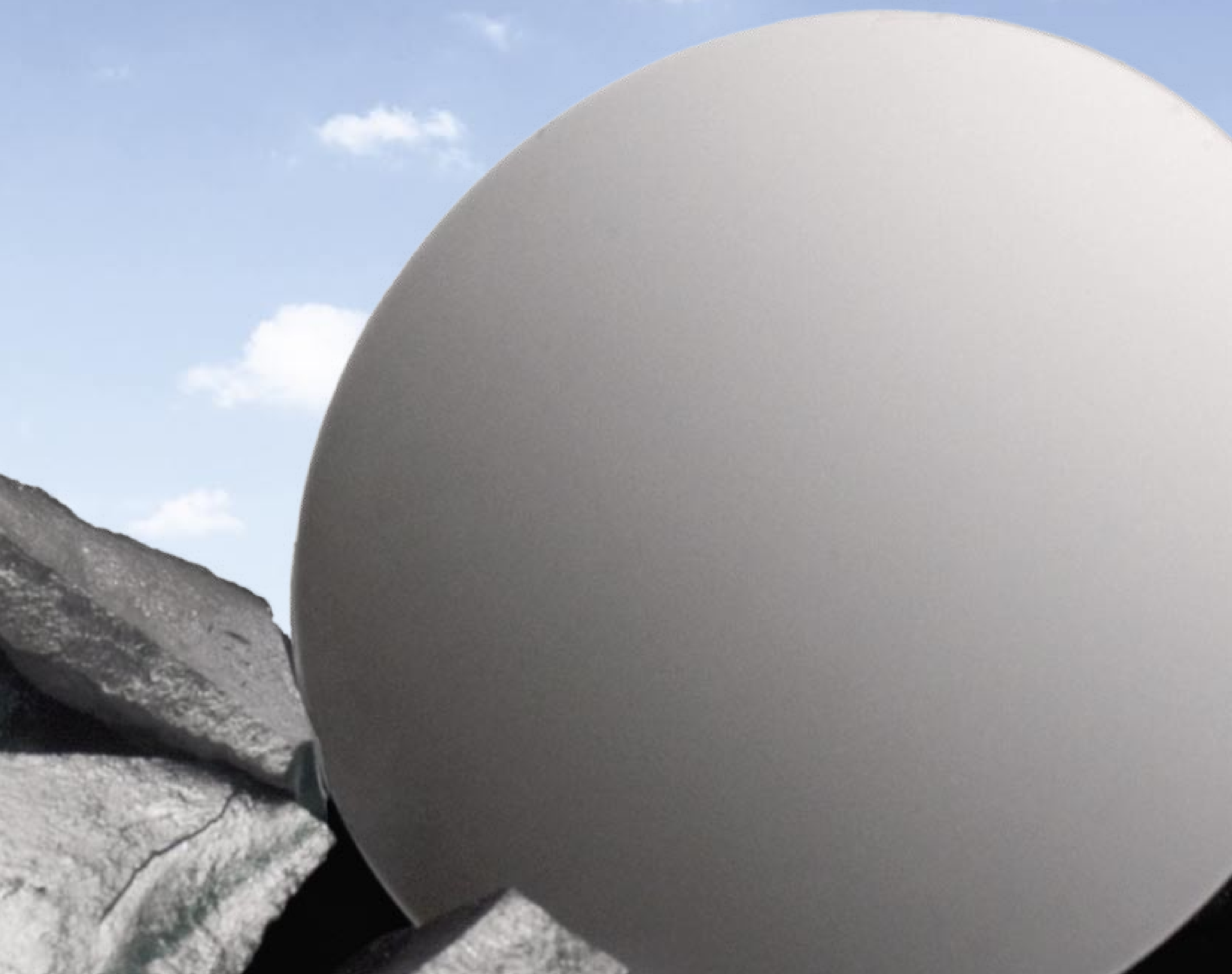
The official financial statements will also be published in electronic form in the Investor section of the company's website, www.okmetic.com

Translation from Finnish to English
Contents: Okmetic Corporate Communications
Design and layout: Miltton Oy
Pictures: Okmetic
Print: Erweko Painotuote Oy

Page 12. Multi-skilled, contented personnel drive Okmetic's strategic ambitions. This is why we continuously invest in developing our personnel's expertise.

Page 8. Automotive industry is the main market for silicon-based sensors. Sensors help to make cars safer and more economic.

Page 10. Our growing SOI product family supports our strategic goal of developing products that generate added value for our customers.



Okmetic in brief:

- world's leading sensor wafer manufacturer and technology leader
- the best partner for its customers
- develops products that boost the customer's competitiveness
- efficient in-house production combined with solid contract manufacturing
- attractive employer
- increases shareholder value

Year in brief:

- new products added to the SOI product family
- extension to the Vantaa plant completed
- purchasing agreements that secure the availability of polycrystalline silicon
- Sensing the Future customer seminar in cooperation with Nagoya University
- Supplier of the Year award from Honeywell Sensing and Control
- recognition in the Best IR Pages and Financial Reporting competitions
- profitable year of dividend distribution

Take it higher

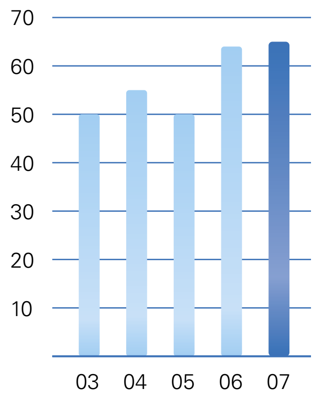
Okmetic is a technology company which supplies tailor-made silicon wafers for sensor and semiconductor industries and sells its technological expertise. Okmetic provides its customers with solutions that boost their competitiveness and profitability.

Okmetic's silicon wafers are part of a further processing chain that produces end products that improve human interaction and quality of life. Okmetic's products are based on high-tech expertise that generates added value for customers, innovative product development and an extremely efficient production process.

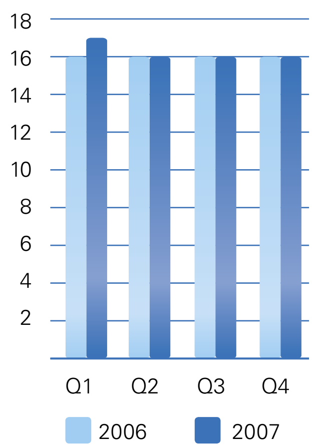
Okmetic has a global customer base and sales network, production plants in Finland and the US and contract manufacturers in Japan and China.

Okmetic's shares are listed on OMX's Nordic Stock Exchange under the code OKM1V. For more information on the company, please visit our website at www.okmetic.com

Net sales,
million euro



Quarterly net sales,
million euro



Our mission

Okmetic supplies innovative silicon-based solutions that generate added value to its customers.

Our vision

Okmetic is a global market leader and technological pioneer in silicon-based solutions in its chosen customer segments. For our customers, we represent the best partner and generator of added value. The solutions that we produce enhance their competitiveness and profitability. For our personnel, we offer an inspiring and challenging high-tech workplace. We grow profitably and add to our shareholder value.

Our values

Our common values are customer orientation, profitability, know-how, co-operation and continuous improvement.

Okmetic's strategic choices

Okmetic focuses on supplying products, services and technology that generate added value to its customers. In particular, these products comprise sensor and power-semiconductor wafers. The company sells its technological expertise to develop its customers' production processes.

The core elements of the strategy are customer orientation, commitment to quality and the development of partnerships. The company's core areas of expertise are crystal growth, sensor wafer production and in-depth understanding of the markets' needs.

The cornerstones of Okmetic's success are the personnel's know-how, the worldwide sales network, strong product development, efficient in-house production and dependable contract manufacturers.

Information for shareholders

Annual general meeting

The annual general meeting of Okmetic Oyj will be held on Thursday 3 April 2008 at 10.00 a.m. in the auditorium of the Finnish Aviation Museum. The museum is located at the grounds of the Helsinki-Vantaa International Airport, at Tietotie 3. Registration of participants will begin at 9.00 a.m.

All shareholders, who have by 20 March 2008 been recorded as shareholders in the list of owners kept by the Nordic Central Securities Depository, have the right to attend the meeting.

Shareholders who wish to attend the meeting should inform Okmetic Oyj thereof by 4.00 p.m. on 26 March 2008. Contact information is presented below.

Registration

by telephone	+358 9 5028 0406
by email	shareholders@okmetic.com
by mail	Okmetic Oyj, Share Register, P.O.Box 44, FI-01301 Vantaa, Finland

Proxy statements

Should the participant be a legal representative whom a shareholder has given the right to vote by proxy, this should be disclosed in connection with registration. The proxy statement should be supplied to the head office of Okmetic Oyj within the duration of the registration period.

Proposal for profit distribution

Board of directors proposes to the annual general meeting that a dividend of 0.10 euro per share be paid for financial year 2007.

If the annual general meeting decides upon distributing the dividend, it will be payable to shareholders who are registered in the shareholders' register maintained by the Nordic Central Securities Depository on 8 April 2008. The board proposes that the dividend payments be made on 17 April 2008.

Important dates in 2008

Financial statements 2007	27 February
Annual report 2007 published on the company website	week 12
Annual general meeting	3 April
Annual report 2007 mailed to shareholders	week 14
Dividend record date	8 April
Dividend payment date	17 April
Interim report January - March	on 29 April
Interim report April - June	on 7 August
Interim report July - September	on 30 October

Investor relations

The objective of Okmetic's communications and investor relations is to continuously provide correct, adequate and up-to-date information fairly to all market participants. In its operation, Okmetic aims at transparency and good service.

Okmetic's annual report, interim reports, releases and presentation materials are available on the company website (www.okmetic.com) immediately after their publication. The information is published in both Finnish and English.

President Antti Rasilo is responsible for Okmetic's investor relations. All questions addressed to him concerning the company can be sent via email at communications@okmetic.com.

Investor relations and Communications

Senior Vice President, Finance Esko Sipilä
Communications Manager Tuovi Ojala
Communications Officer Sanna Nyström

Switchboard	+358 9 502 800
Fax	+358 9 5028 0200
Email	communications@okmetic.com

or firstname.lastname@okmetic.com

Silent period

Okmetic's representatives will not comment the company's financial situation nor meet with any capital market representatives during a period of two weeks prior to the publication of financial statements and interim reports.

Publication orders

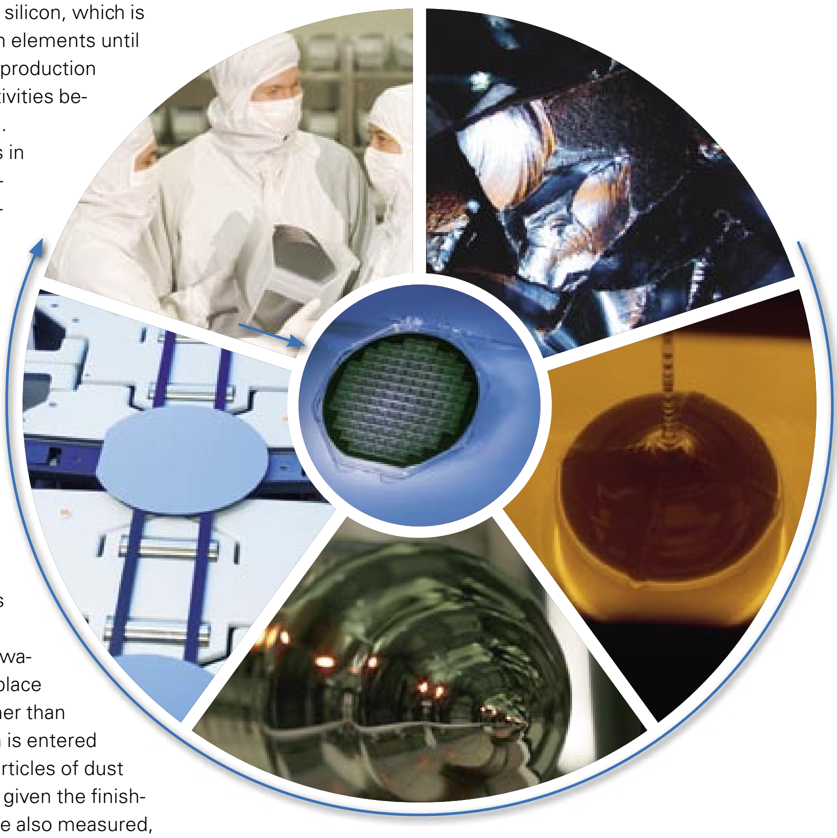
Okmetic's releases and annual reports can be ordered

by telephone	+358 9 502 800
by email	communications@okmetic.com
by mail	Okmetic Oyj, Communications, P.O.Box 44, FI-01301 Vantaa, Finland

Annual summary

A summary of Okmetic's stock exchange releases in 2007 has been published at http://www.okmetic.com/www/page/stock_exchange_releases. Some of the releases included in the summary might contain information that is no longer up-to-date. All stock exchange releases Okmetic has published since going public in 2000 are available on the company website.

The tale of the silicon wafer



The raw material of silicon wafers is polycrystalline silicon, which is processed from quartz sand by refining it from alien elements until it is 99,999999999 percent pure silicon. Okmetic's production process, which is the outcome of our own R&D activities begins as the raw material is melted in crystal growth.

Crystal growth is one of the most critical stages in the manufacture of silicon wafers, because it determines many of the completed wafer's central properties. Polycrystalline silicon is melted in a vacuum furnace and a seed crystal is dipped into the melt. The seed crystal is then slowly lifted upwards until it transforms into a cylindrical single crystal ingot. The growth process takes 1 - 2 days and is closely monitored and controlled with computer-aided modelling.

When finished, the crystal ingot is approximately two meters long. Wafer processing starts as the crystal is cut, ground to a sought-after diameter and sliced into wafers according to precise customer specifications. The wafer is then treated in various mechanical and chemical processes to increase its strength and to ensure its uniform thickness and a flawless surface.

Purity is the most important feature of a silicon wafer. This is why a lot of the wafer processing takes place in a clean room, where the air is million times cleaner than the air in regular industrial facilities. The clean room is entered through an airlock, in which blowers remove any particles of dust from the protective clothing. The wafer's surface is given the finishing touches in the clean room, where the wafers are also measured, analysed, cleaned and packed.

Finished wafers are packed in cassettes filled with shielding gas and dispatched to the customer. More and more often the wafer manufacture includes further processing stages that differ from the main process. Further processed silicon wafers are used in the most demanding sensor and semiconductor applications.

Okmetic's financial objectives

Okmetic's board of directors has set the following financial objectives for the company on 27 February 2008:

- Organic growth of net sales at least 6 percent per annum
- Operating profit to account for more than 10 percent of net sales
- Equity ratio 50 percent
- Consistent annual dividends

President's review

The year 2007 marked Okmetic's twentieth year in business. We celebrated the jubilee year by continuing our determined efforts, producing yet another good performance: our operating profit amounted to 11 percent and cash flow from operating activities was 8.3 million euro. The weakening of the US dollar and the soaring prices of our raw materials hindered development, but were unable to dampen our overall good performance. Our equity ratio continued to strengthen, amounting to 55 percent at the end of the year.

At the core of Okmetic's strategy lies the profitable growth of sensor wafers. Our investment in this field has already boosted the share of sensor customers to 38 percent of total wafer sales. Our efforts have also yielded important new product launches relating to SOI technology. Okmetic is a strong market leader in sensor wafers and aims to expand its customer base to industries where the use of sensor applications is currently growing strongly.

Our customers have faith in us. This is evident in the fact that our market share has grown for the second year running. We listen carefully to our customers' needs and wishes. Our joint research and development projects with customers represent important growth potential for Okmetic.

Okmetic revised its customer promise to better reflect what our company is really about: we are a technological leader and the best partner, and we provide solutions that generate added value for our customers.

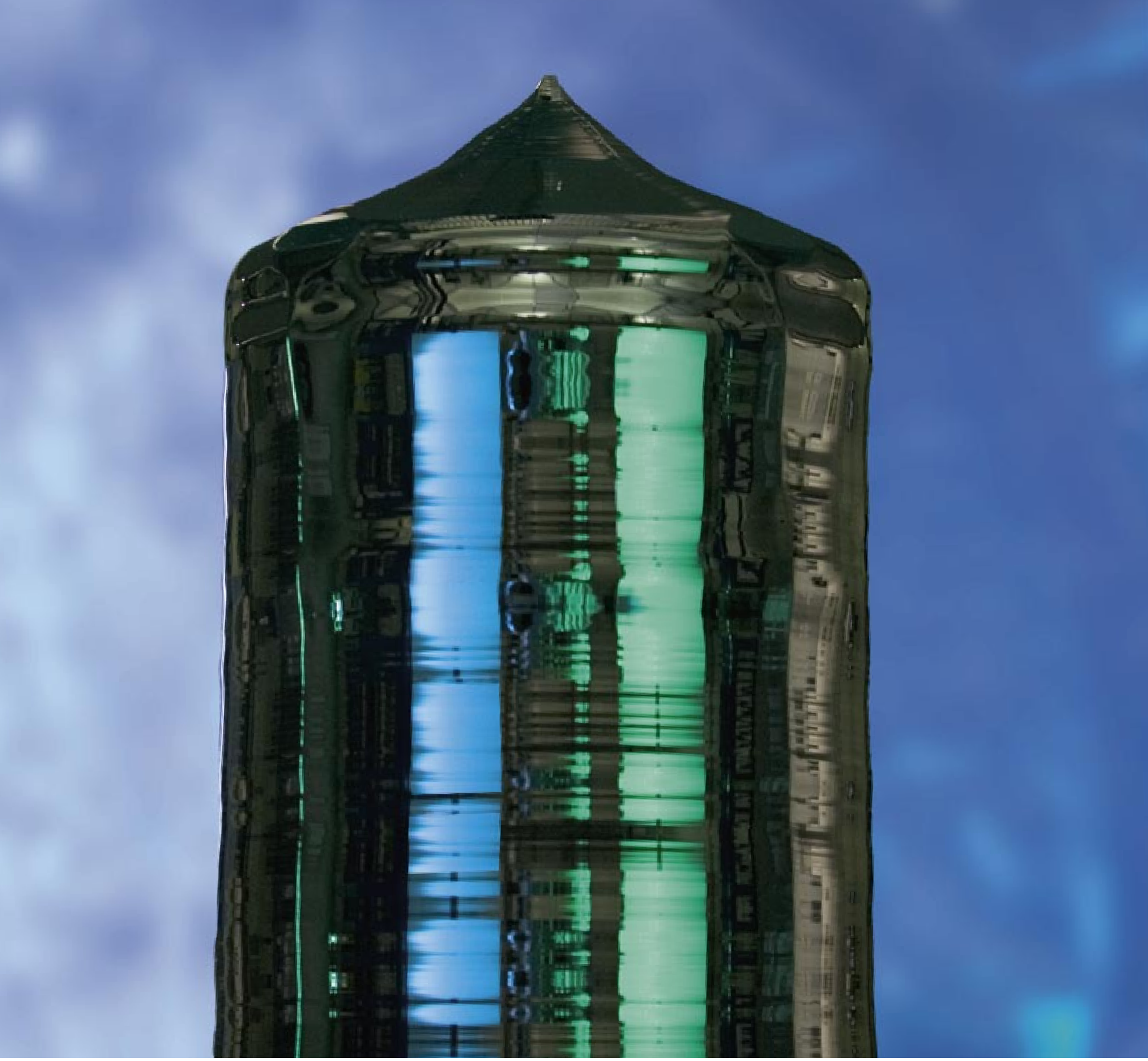
According to our strategy, some of our wafers are sourced from contract manufacturers in Asia. In 2007, we continued to expand and diversify our use of contract manufacturers. Towards the end of the year, we also increased capacity at our further processing plant in Texas. We also introduced measures for making our use of raw material more efficient at our plant in Vantaa, and managed to reduce environmental loading by improving yields in our production process.

The silicon wafer market continues to be plagued by a shortage of the main raw material, polycrystalline silicon. We have aimed to secure access to polysilicon by signing long-term supply contracts with two major suppliers. The contracts also speak volumes about suppliers' faith in Okmetic as a silicon wafer manufacturer for years to come.

Our major technology transfer project with the Norwegian solar energy enterprise NorSun AS continued to progress in a spirit of fruitful cooperation. The factory extension stipulated in the agreement was completed in Vantaa and production started on schedule. The project will continue in 2008 and 2009.

We continued to invest heavily in personnel development and occupational wellbeing. Moreover, we recruited a whole host of new professionals and revamped our organisation to better support the implementation of our strategy at the end of the year. We appointed new directors for our three customer segments and reassigned key people on different levels of the organisation. We have been particularly pleased to see that manual workers and office workers now work more closely together.

Okmetic operates in a challenging business environment. Being able to continue our



Crystal growth is one of the most critical stages in the manufacture of silicon wafers, because it determines many of the completed wafer's central properties. The growth process of a single crystal takes 1 - 2 days.

profitable growth calls for successful operation of our internal processes. In addition to this, we rely on our customers' success. According to our strategy, we will continue to boost sales in the sensor segment in 2008. We will also continue to actively invest in the development of new sensor products.

The faith that our customers have shown in us and the excellent skills and dedication of our personnel have created a good foundation for making 2008 a profitable year as well.

I would like to take this opportunity to thank our shareholders for their patient support of our company's development. I would also like to thank our customers for their orders and for the forward-looking projects we have carried out together. Special thanks go out to each and every Okmetic employee once again, for their important contribution to the company.

Vantaa, 27 February 2008

Antti Rasilo
President and CEO

Market review

Okmetic supplies customised sensor and semiconductor wafers to global leaders operating in the automotive, aviation and medical industries as well as the sport and entertainment sector.

Okmetic is the world's eighth largest silicon wafer manufacturer. Half of our sales revenues originate from North America, a third from Europe and the rest from Asia. Our main products are silicon wafers for the sensor and semiconductor industries, in addition to which we sell our technological know-how.

Silicon wafers keep sensor and semiconductor industries moving forward

Silicon wafers are used in wellness and environmental technology, safety, transport and communications. Okmetic's sensor wafers are used in the automotive, aviation and medical industries, for example, as well as in various consumer applications and climate monitoring.

Our way of conducting business is based on monitoring and analysing the future needs and material solutions of our customer industries. On this foundation, we build new technologies to meet the needs of our customers. Okmetic is a pioneer in Silicon-On-Insulator (SOI) technology, for example, which is becoming increasingly popular. In 2007, we added several new products to our SOI product family.

As regards semiconductor wafers, we focus on making specialist products based on Okmetic's own crystal growth technology. Our semiconductor wafers are used in consumer electronics, computers, telecommunications and automotive applications.

Technology transfers are a new addition to Okmetic's product selection. We sell our technological know-how in order to help our customers to improve their production processes. Technology sales cover both manufacturing technology and crystal sales.

2007 – a year of steady growth

The year 2007 was marked by steady growth in the electronics industry. The global sales of micromechanical sensors grew by nine percent and the sales of semiconductor components by three percent. Within the silicon wafer market, growth was inconsistent: demand for wafers grew in Asia, but decreased in Europe and America.

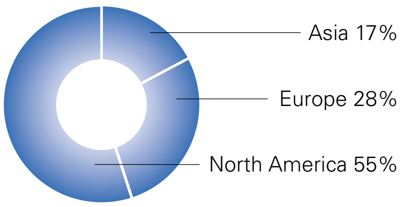
The shipment volumes of silicon wafers grew by eight percent compared to the previous year. Growth was strongest in terms of the largest wafer sizes with 300 mm diameters, which is typical of the industry. The shipment volumes of wafers in Okmetic's product selection – with diameters ranging from 100 mm to 200 mm – fell short of the previous year's figures.

Market projections for silicon wafers in 2008

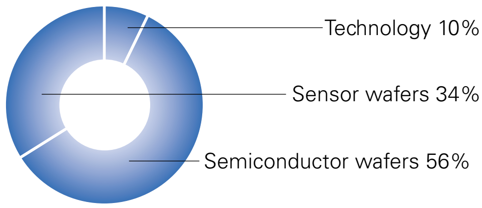
In 2008, the sensor market is expected to grow in line with the industry's long-term average: by around ten percent. The most important sensor products of Okmetic's customers are pressure sensors and accelerometers. As regards accelerometers, demand for angular rate sensors in particular is expected to grow rapidly. The semiconductor industry is also expected to grow by around ten percent.

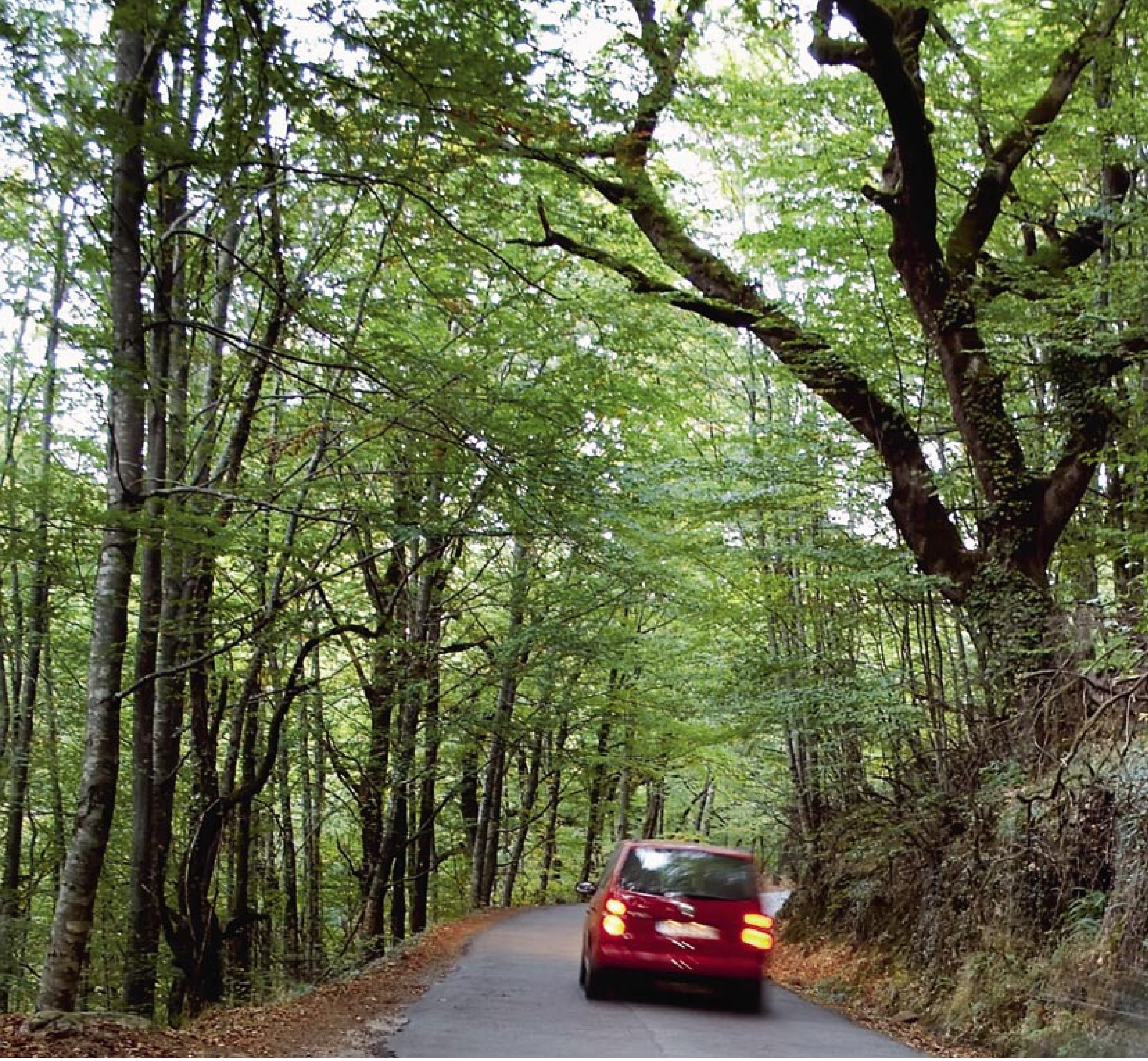
According to industry estimates, the overall volume of wafer shipments will grow by around ten percent during 2008. Growth is expected to be particularly strong as regards 300 mm wafers. As for Okmetic's sales, growth is expected in sensor wafers and technology transfers in particular.

Sales per market area



Sales per customer group





Automotive industry is the main market for silicon-based sensors. Sensors help to make cars safer and more economic.

Okmetic – Take it higher

Okmetic launched a brand revamp project in early 2007. The idea behind the project was to ensure that our customers' experiences and mental images of Okmetic are in line with how we want our company to be perceived. At the same time, we were looking to make the brand a more integrated part of the everyday work of each Okmetic employee.

The project engaged people from different personnel groups and culminated in in-house brand training events in which everyone participated. According to our revised customer promise, Okmetic is a technological leader and the best partner in providing solutions that generate added value for our customers.

Our slogan – 'Take it higher' – refers to Okmetic's ability and dedication in terms of helping our customers to improve their competitiveness.

Research and development

In 2007, Okmetic spent three percent of its net sales on strategic research and product and process development. The focus of development activities was on new sensor wafer solutions and innovative production processes.

Understanding customers' needs and changes on the market are at the core of Okmetic's research and product development. To accommodate for future products, the production process needs to be made increasingly streamlined and production costs must be cut. The silicon used in the manufacture of sensor wafers, in particular, is customised with the requirements of the customer's process and the finished product in mind. Close cooperation with the customer begins as soon as a product idea is born, years before the finished product hits the market.

Strategic research paves the way for the future

At Okmetic, product development is built on a long tradition of material research conducted in cooperation with various universities and research centres. In 2007, we participated both in national technology programmes funded by Tekes, the leading Finnish funding agency for technology and innovation, and international EU-funded programmes with the Technical Research Centre of Finland (VTT), the Helsinki University of Technology and CSC Scientific Computing Ltd, the Finnish IT centre for science.

Our involvement in international research projects helps us to identify industry trends well in advance. Research collaboration also allows us to secure our own long-term core expertise. Moreover, cross-disciplinary collaboration helps us to time and target our development efforts correctly.

Product and process development generates added value for customers

The goal of Okmetic's product and process development is to improve customers' productivity by optimising the cost-effectiveness of silicon material and following Lean principles in volume production – whether in-house or outsourced to contract manufacturers. The extensive adoption of Lean Six Sigma practices has proven to be a very efficient tool for this.

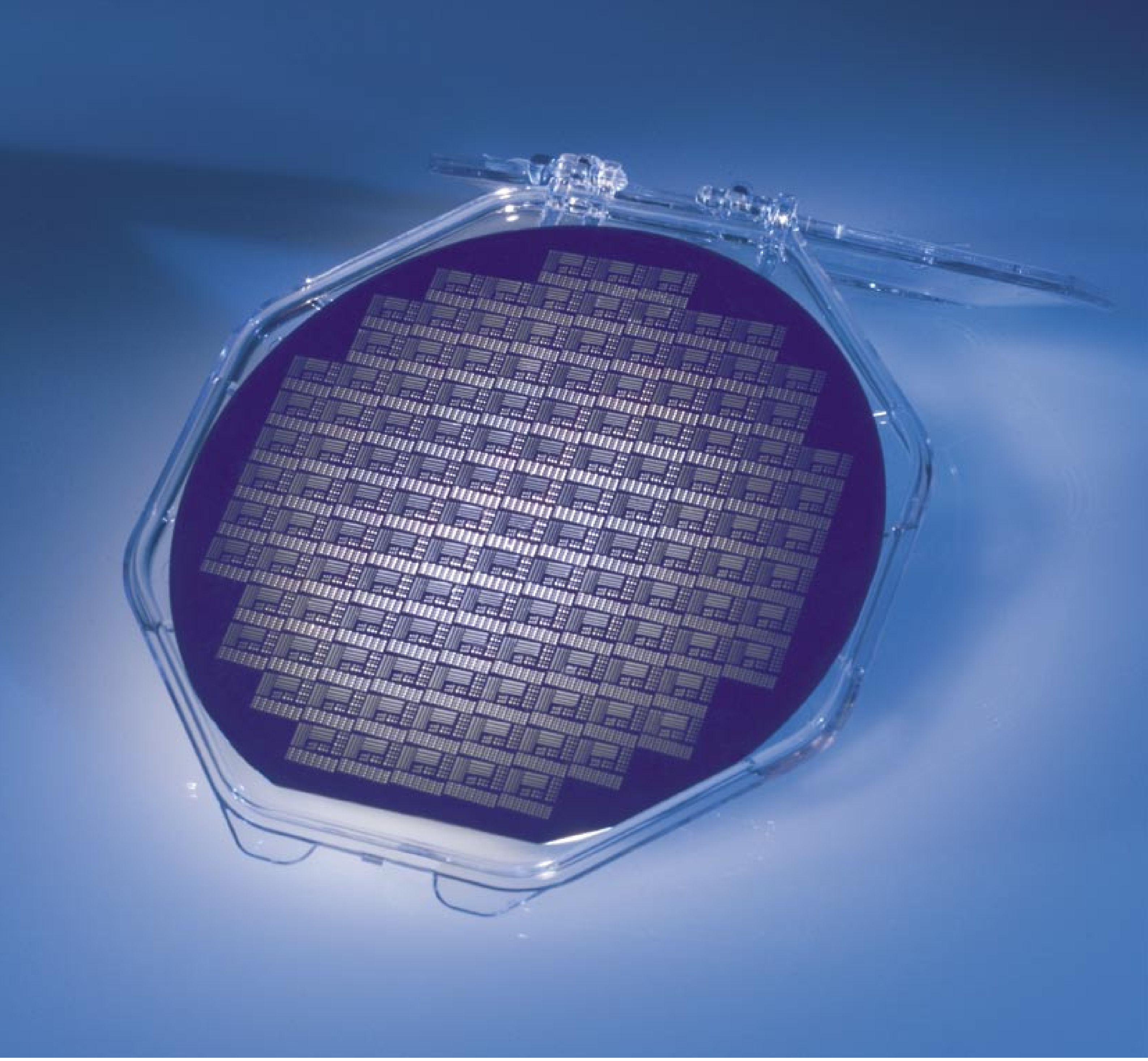
Our development activities are based on over 20 years of experience and long-term relationships with our customers and partners. Our way of working in close cooperation with our customers in all stages of the product life cycle helps us to understand their processes and needs. Our goal is to develop products that generate added value for our customers. Ultimately, the benefit is carried over to the user of the finished product, who may be a patient for whom a pacemaker makes a fulfilled life possible. Alternatively the user of the end product may be a video game enthusiast in the world of entertainment electronics or a motorist to whom sensors give added safety in traffic.

Lean Six Sigma – zero tolerance

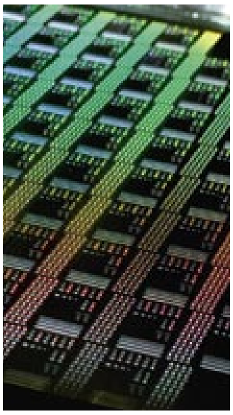
Last year, everyone at Okmetic was seeing black, green and yellow, when 120 people from the Vantaa and Allen plants were trained to become Six Sigma Black, Green and Yellow Belts.

Implementing the Lean Six Sigma methodology is a key element of Okmetic's quality strategy. At the core of the strategy lies improving customer satisfaction by developing processes, strengthening the role of employees in production and investing in personnel development on all levels of the organisation.

The methodology, which was adopted in 2007, has yielded tangible results quickly. Improvements in the performance of key processes – such as SOI – can be seen in better quality products and more satisfied customers.



Our product development is based on close cooperation with the customer. We keep a keen eye on future needs of our customer industries and develop new material solutions to meet them.



Product launches in the sensor segment

Our growing SOI product family supports our strategic goal of developing products that generate added value for our customers. A good example of this is the C-SOI (cavity SOI) sensor wafer. The cavities under the thin silicon diaphragm allow customers to use them as the base for even smaller and more advanced components than before, for mobile devices and phones, for example.

The G-SOI (gettered SOI) wafer features a built-in layer that binds impurities and improves the functionality of sensor and semiconductor components. G-SOI sensor wafers are ideal for solutions where the same chip has to accommodate both a sensor and a semiconductor component. Such chips can be found in accelerometers, for example, which are used in consumer electronics.

Personnel

Skilled and motivated personnel are a guarantee for Okmetic's continued competitiveness and success. That is why personnel development and wellbeing are included amongst our strategic goals.

Okmetic's personnel operate on three different continents. Silicon wafer production and European sales are coordinated from the Vantaa plant in Finland, where 308 of Okmetic's employees are based. Further processing and North American sales are coordinated from Allen, Texas, in the United States. The Allen plant employs 47 people. The Japanese sales office in Tokyo employs four people. At the end of 2007, the group's total personnel amounted to 357 people.

Women represented 29 percent of our personnel while men amounted to 71 percent in 2007. Office workers accounted for 35 percent of personnel overall, and manual workers for 65 percent. The average age of Okmetic's employees was 40 years and the average length of employment was eight years.

Focus on occupational wellbeing

Okmetic's goal is to offer an inspiring and challenging high-tech workplace for its employees.

During 2007, we reviewed our current occupational wellbeing practices and identified areas in need of development. These included leadership, ergonomics and maintaining physical fitness. We then proceeded to produce a development plan, which we began implementing during the last quarter of the year. Measures in the plan include, amongst others, supervisor training, improvements to ergonomics and supporting healthy lifestyles and fitness-related pastimes. The progress of the development measures is reviewed regularly.

Skills developed in line with strategic ambitions

Okmetic's strategy defines the most important areas of development. A training course organised for office workers in Vantaa and Allen mostly focused on the adoption of the Lean Six Sigma methodology and brand development.

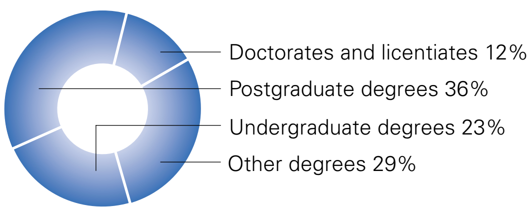
All manual workers of the Vantaa plant began a two-year retraining programme in May. The course is part of a training programme that culminates in a basic vocational qualification in chemical technology. The course is conducted in the form of an apprenticeship.

Personal development and training plans are produced during performance reviews based on the strategy and the annual action plan. On average, Okmetic's employees received 4.5 days worth of training in 2007.

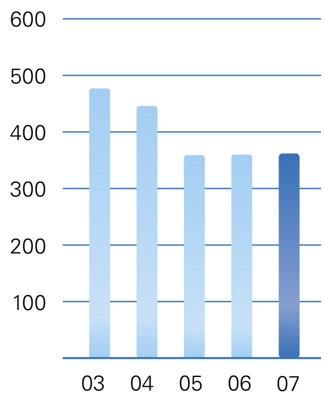
Incentive schemes encourage better performance

All personnel groups at Okmetic are entitled to an incentive scheme. The objective of these schemes is to encourage personnel to strive to achieve set goals. Manual workers receive bonuses based on production volumes and efficiency. Office workers are rewarded for contributing to the company's financial performance and yearly development targets.

Educational background of clerical workers



Average number or personnel



Multi-skilled, contented personnel drive Okmetic's strategic ambitions. This is why we continuously invest in developing our personnel's expertise.

Inspiration for work

Okmetic's goal is to improve its personnel's wellbeing in three core areas: leadership, working conditions and maintaining physical fitness.

Okmetic invests in open and honest cooperation between different personnel groups, departments and processes. Supervisors receive training to improve their skills and abilities. Ergonomic improvements are implemented in offices and plants. The adverse effects of shift work are counteracted by investigating alternative shift work models. The Vantaa plant now operates in accordance with a continuous three-shift system.

Okmetic provides financial support for people who want to give up smoking and organises weight-watching classes together with occupational healthcare authorities. Okmetic's employees are also entitled to discount vouchers for the use of various sports facilities in their spare time. The Group also supports cultural pastimes by subsidising theatre and cinema tickets.

Board of directors' report and financial statements for Okmetic Oyj in 2007

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS). Okmetic adopted the use of IFRS in connection with the interim report for the first quarter released on 10 May 2005. Prior to the adoption of IFRS, the financial reporting of the Okmetic group was based on Finnish Accounting Standards (FAS). The date of transition was 1 January 2004.

The graphs and tables present figures from the financial years of 2004 - 2007 in accordance with IFRS and the figures from previous years are given in accordance with FAS.

The figures presented in the annual report have been rounded off. The sums and percentages may therefore differ from the given total.

Board of directors' report

Markets

The year 2007 was marked by steady growth in Okmetic's customer industry, electronics. Sensor sales grew by nine percent compared to the previous year. Shipment volumes of semi-conductors increased by around ten percent. However, fierce competition caused semiconductor prices to drop in several product groups and dollar-denominated semiconductor sales eventually only grew by three percent. (SIA, WSTS)

Silicon wafer shipment volumes grew by eight percent. Growth was most prominent in the large, 300 mm wafers. The shipment volumes of smaller, 100 - 200 mm wafers, which are important to Okmetic, fell short of the previous year's figures. Growth in the wafer market also varied from one market area to the next. (SEMI)

Strategy and segment reporting

The core of Okmetic's specialisation strategy is to produce customised silicon wafers for the sensor and semiconductor industries. The company also sells technological know-how.

In reporting, the group only refers to a single business segment. The reporting format is based on the fact that the business logic and risks associated with the company's strategic products - silicon wafers - do not differ considerably from each other. Technology sales only comprise one significant project at present.

The company's sales are assessed both on the basis of geographical market areas and customer segments. The customer segments are sensor customers, semiconductor customers and technology customers.

The strategy revision that began in 2006 and focused especially on sensor wafers was brought to completion towards the end of 2007. Okmetic also thoroughly revised its organisational structure towards the end of the year in order to better support the new strategy. Okmetic is the world's leading supplier of sensor wafers and aims to strengthen this position.

Sales

Okmetic's net sales increased by 1.5 percent (27.8%) from the previous year, amounting to 64.7 million euro (63.7 million euro). Net sales grew modestly, partially due to the unusually high increase in net sales the previous year. Moreover, the majority of the company's net sales comprise the US dollar, which is Okmetic's main trading currency, the average exchange of which dropped by 9.1 percent compared to the euro during the year. The company's share of its customers' wafer sourcing continued to increase. Demand for polycrystalline silicon, which is the principal raw material of Okmetic's products, exceeded supply and prices grew extremely sharply. Leading wafer manufacturers concentrated more on larger wafer sizes with 200 mm and 300 mm diameters partially for this reason, which also helped Okmetic to increase its net sales in the 100 - 150 mm wafers in which the company specialises, despite the overall decline of shipment volumes and sale prices of these wafers.

Sales per customer segment

	2007	(2006)
Sensors	34%	(34%)
Semiconductors	56%	(59%)
Technology	10%	(7%)

Revenues recognised from a major technology transfer project began to cause a clear variation in the percentages of sales per customer segment in 2007.

Okmetic's performance in the sensor market developed according to objectives. Sensor wafers are used in the automotive, aeronautical and pharmaceutical industries, for example, as well as in consumer applications.

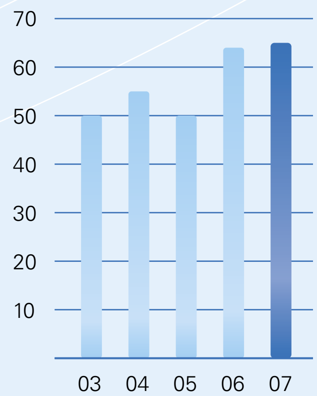
The decline of the percentage of semiconductor sales was the result of a slight decrease in euro-denominated mean prices. The most typical uses of semiconductor wafers include consumer electronics, information technology, telecommunications and the automotive industry.

Key figures

1,000 euro	1.1. - 31.12.2007	1.1. - 31.12.2006	1.1. - 31.12.2005
Net sales	**64,652**	63,694	49,822
Operating profit	**7,121**	9,877	580
% of net sales	**11.0**	15.5	1.2
Earnigns per share, euro	**0.31**	0.41	-0.10
Net cash flow from operating activities	**8,305**	17,945	3,125
Return on equity, %	**12.4**	18.6	-5.1
Gearing, %	**19.6**	31.3	99.5
Equity ratio, %	**55.2**	50.4	41.1
Average number of personnel during the period	**362**	360	359

More information on key financial figures is given in section 27.

Net sales, million euro



Technology sales comprise the sales of both manufacturing technology and crystals.

Net sales per market area

	2007	(2006)
North America	48%	(55%)
Europe	32%	(28%)
Asia	20%	(17%)

The weakening exchange rates of the US dollar and Japanese yen against the euro had a significant effect on the way net sales were distributed between different market areas.

Profitability

In 2007, Okmetic group recorded a profit of 5.3 million euro (6.9 million euro). Earnings per share were 0.31 euro (0.41 euro).

The company implemented development measures in its organisational structure and production during 2007. Contract manufacturing was made a permanent part of the company's production. The effects of these development measures as well as those implemented in previous years are partially hidden as regards the key figures due to the strong decline in the value of the US dollar and the increasing prices of polycrystalline silicon. The figures for 2007 are nevertheless boosted by revenue from the company's first technology transfer project. The figures for 2006 importantly reflected the sale of the company's decommissioned plant in Espoo and the plant's old machinery, which generated a profit of just over one million euro.

Okmetic Oyj's loan to Okmetic Inc., which was originally recorded as a net investment, has resulted in a loss due to exchange differences. This loss has been recorded in the translation differences under equity. At the beginning of 2007, the remaining loss was 1.4 million euro. The loan has been recorded as a normal liability since 2006. As a result, 0.1 million euro of the exchange loss, which corresponds to the loan repayment, has been recorded under financial expenses. The remaining 1.3 million euro of the exchange loss will be expensed according to the same principle in the future, proportioned to the loan repayments.

Towards the end of the year, the board of directors devised the following long-term goals for the group: organic growth of net sales to average at least six percent per annum, operating profit to account for more than 10 percent of net sales, the equity ratio to average 50 percent and the company to be able to pay out consistent annual dividends.

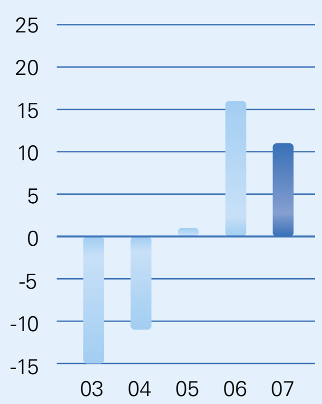
Financing

The group's financial situation is good. The net cash flow from operations amounted to 8.3 million euro (17.9 million euro). The cash flow was compromised by 3.5 million euro worth of interest payments associated with the company's subordinated loans that were overdue from previous years and were settled in June 2007. The figures for 2006 were boosted by a high level of prepayments received.

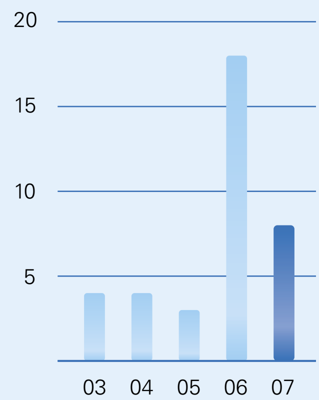
The company renegotiated a financial arrangement in June and centralised its custom more and more to a single bank. The renegotiations also led to the abolishing of the special restrictions on repayments of subordinated loans. As a result, the company made a total of 4.7 million euro worth of loan repayments during the year thus clearing all overdue interest and loan repayments on its subordinated loans.

At the end of the year, cash and cash equivalents amounted to 13.3 million euro (13.2 million euro). Return on equity amounted

Operating profit,
% of the net sales



Net cash flow generated from operating activities,
million euro



to 12.4 percent (18.6%). The group's equity ratio strengthened and amounted to 55.2 percent (50.4%). Equity per share was 2.70 euro (2.37 euro).

Investments

In summer 2006, Okmetic signed an agreement on selling its crystal growth technology to NorSun AS, a Norwegian solar energy enterprise. As stated in the agreement, Okmetic has now increased its crystal growth capacity at its plant in Vantaa, Finland. NorSun funded the additional production machinery, and Okmetic paid for the building work required for extending the plant. Okmetic then began to grow crystals for NorSun. The total value of the investment is around 10 million euro, of which Okmetic bears around 2.7 million euro. Of this, 0.3 million euro became payable in 2006. Okmetic completed its share of the investment project in the summer of 2007. The other 2.4 million euro of the group's gross investments of 4.8 million euro in 2007 were usual replacement investments.

Okmetic's Finnish plant, machinery and equipment were signed over to its property management company Kiinteistö Oy Piitalot at the turn of the year.

Product development

Product development accounted for 2.9 percent of Okmetic's net sales (2.7%). Okmetic engaged in several strategic research projects with clients, research institutes and other partners and participated both in national technology programmes funded by Tekes, the leading Finnish funding agency for technology and innovation, and international EU-funded programmes. Several new products and new versions of existing products were developed and introduced during the year. The development of new SOI versions continued in sensor wafers, and preparations for the shift of demand towards 200 mm wafers got under way. Yields were improved and the consumption of raw materials was curbed through developing production machinery and internal processes and practices.

Personnel

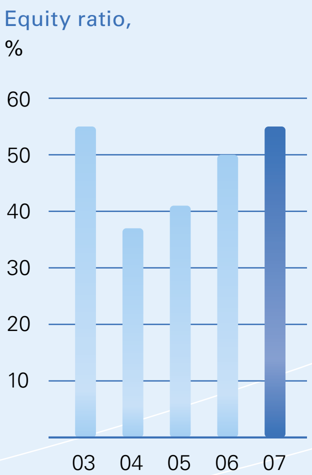
The group's objectives for personnel development and staff wellbeing are set out in Okmetic's strategy. The personnel's know-how is Okmetic's strength as well as a precondition for the realisation of the company's strategy and success in the long term. Performance reviews take place regularly.

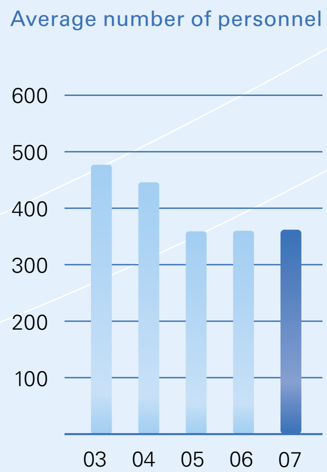
In 2007, the average number of personnel at Okmetic was 362 (2006: 360 and 2005: 359).

At the end of the year, 308 of the group's employees were based in Finland, 47 in the US and two in Japan.

Twenty-nine percent of the personnel were women and seventy-one percent were men. Clerical workers accounted for 35 percent of the personnel and manual workers for 65 percent. The average age of the personnel was 40 and the average length of employment was eight years.

Okmetic systematically develops the skills of all its personnel groups as well as their operating procedures and occupational wellbeing. On average, each employee spent 4.4 (2.5) days in training. Training events organised for clerical workers focused on the adoption of the Lean Six Sigma methodology and on brand development. The company also launched a two-year retraining programme through which those who want to can obtain a basic qualification in chemical technology. The training programme is available to all manual workers.





The remuneration of Okmetic's employees is based on the level of difficulty of the tasks of each personnel group. Wages and salaries amounted to 18.1 million euro (2006: 17.6 million euro and 2005: 15.7 million euro). The group's parent company complies with the collective labour agreements of the Technology Industries of Finland.

All employee groups at Okmetic are eligible for an incentive scheme. Monthly targets are set for the manual workers' productivity, and the resulting bonuses are awarded once a month. Clerical workers are subject to a profit-sharing scheme, which is based on annual targets relating to profitability, finance and development of the company's operations. As a result of the group's financial performance in 2007, around 75 percent of the maximum profit-sharing bonus of between 4 and 22 percent will be payable. Operative targets are set individually from managerial level upwards. The group achieved around 80 percent of the eight-percent maximum as regards operative targets.

Environmental issues

At Okmetic, environmental issues are inherent in the very construction of the plants. The company has been awarded the ISO 9001:2000, TS 16949 and ISO 14001 quality and environmental certificates. The most notable subcontractors and suppliers also have ISO 9001:2000 and ISO 14001 certification.

Okmetic has identified the use of silicon material as a significant environmental issue. The volumes of emissions and waste are not significant, and environmental costs do not impinge on Okmetic's business. Thanks to development projects carried out during 2007, Okmetic has managed to make its use of silicon material more efficient thus reducing environmental loading.

Okmetic has identified the environmental risks relating to its business and taken measures to control them. The company continuously follows the evolution of environmental laws and requirements and adjusts its business accordingly. Okmetic also abides by the new EU chemicals legislation (REACH). No serious environmental non-conformances were recorded at Okmetic's plants in 2007.

Acceptable emission limit values were exceeded on two occasions in relation to waste water treatment. The excess values were only slightly over the acceptable limits and corrective measures were implemented expediently. Okmetic's plants are not subject to emission trading.

Okmetic does not publish a separate environmental report in addition to the annual report.

The key figures on environmental protection at the Vantaa plant in 2007 are as follows:

	2007	(2006)
Energy consumption (GWh):		
electricity	25.7	(25.2)
district heating	2.2	(3.2)
Water consumption (tm^3):		
water	490	(480)
waste water	430	(450)
Waste volumes (t):		
hazardous waste	290	(220)
landfill waste	63	(65)
recycled waste	180	(140)

Business risks

The group's silicon wafer sales are targeted at the sensor and semiconductor industries. The demand for semiconductor wafers is sensitive to economic fluctuations and changes in the market situation can be sudden and dramatic. The demand for sensor wafers is more stable.

Okmetic's share of the global silicon wafer market is around one percent and the market prices have a notable effect on the

US dollar price development,
euro/USD

Major shareholders on 31 Dec 2007

	Shares, pcs	Share, %
Outokumpu Oyj	2,705,000	16.0
OP-Suomi Arvo Equity Fund	1,061,950	6.3
Sampo Life Insurance Company	800,000	4.7
Ilmarinen Mutual Pension Insurance Company	749,300	4.4
FIM Fenno Equity Fund	535,000	3.2
Etra-Invest Oy Ab	500,000	3.0
Varma Mutual Pension Insurance Company	457,175	2.7
SR Arvo Finland Value Equity Fund	379,600	2.3
Finnish Industrial Investment	320,750	1.9
Evli Nordic TMT	260,000	1.5
Nominee accounts held by custodian banks	3,826,848	22.7
Others	5,291,877	31.3
Total	16,887,500	100.0

price development of Okmetic's products. The majority of sales are conducted in US dollars. Despite hedging, the company is exposed to exchange rate fluctuations.

Okmetic is the market leader in sensor wafers and they account for a significant proportion of the company's sales. Maintaining the market leader position and continuing to develop sensor wafers in collaboration with clients require larger than average investment from Okmetic.

Demand for polycrystalline silicon, the raw material of silicon wafers, has been exceeding supply since 2006, reducing its availability and increasing its price. Okmetic expects availability to remain low in 2008 and the price to stay high. Okmetic has secured access to the raw material through long-term purchase agreements.

Great volumes of electricity are used in Okmetic's production. Despite hedging, the company is also exposed to fluctuations in the price of electricity. The production process also consumes a lot of water, but its availability and price are not expected to cause a problem to business. The success of the sales strategy hinges on trouble-free contract manufacturing.

At the end of the year, the group's interest-bearing liabilities amounted to 22.3 million euro (25.7 million euro). Subordinated loans amounted to 1.9 million euro (6.4 million euro) at the end of the year. Loans from financial institutions amounted to 20.0 million euro at the end of the year (19.1 million euro). Loan repayments amounted to a total of 3.6 million euro in 2007 (12.4 million euro). Interest rate fluctuations have an impact on the company's financial performance.

Okmetic's production activities are capital-intensive, and also labour-intensive. Some of the processes are highly technical and the raw materials are subject to special permits. Any downtime in production represents a significant risk to both profitability and the availability of finance. Okmetic aims to protect itself against these risks by regularly inspecting its production plants together with the relevant officials and its insurance provider and by organising emergency drills to prepare for accidents. The company has extensive, regularly revised accident insurance cover.

Shares and shareholders of Okmetic Oyj

Okmetic Oyj's paid-up share capital as recorded in the trade register was 11,821,250.00 euro on 31 December 2007. The share capital is divided into 16,887,500 shares. The equivalent carrying amount of each share is 0.7 euro. Each share entitles its holder to one vote at the general meeting of shareholders. The company has one class of shares. The ownership of the company's shares is registered in the Finnish book-entry securities system. More information on shares and shareholders is given in section 29.

Share price development and trading

A total of 13.2 million shares (16.5 million shares) were traded between 1 January and 31 December 2007, representing 78.0 percent (97.7%) of the share total of 16.9 million. The lowest quotation of the year was 2.54 euro (1.80 euro) and the highest 4.67 euro per share (3.75 euro per share), with the average being 3.87 euro (3.11 euro). The closing quotation for the year was 3.03 euro (3.69 euro). At the end of the year, the market value of the entire share capital amounted to 51.2 million euro (62.3 million euro).

More information on share-related key figures is given in section 27.

Okmetic is listed on the Small Cap list of OMX Nordic Exchange under the trading code OKM1V. According to the Global Industry Classification Standard (GICS), which OMX Nordic Exchange uses, Okmetic Oyj is listed under the Information Technology sector. The company's website can be found at www.okmetic.com.

Shareholders by group on 31 Dec 2007

Shareholder groups	Quantity	Shares, pcs	Share, %
Enterprises	163	4,758,994	28.2
Financial and insurance institutions	15	2,535,655	15.0
Public organisations	5	1,263,568	7.5
Non-profit organisations	12	821,349	4.9
Households	2,585	3,132,526	18.5
Foreign investors	27	4,375,408	25.9
Total	2,807	16,887,500	100.0

Distribution of shareholdings on 31 Dec 2007

Shares, pcs	Number of shareholders	% of shareholders	Shares, pcs	% of share capital
1 - 100	328	11.7	27,238	0.2
101 - 500	1,229	43.8	373,096	2.2
501 - 1,000	526	18.7	452,166	2.7
1,001 - 10,000	639	22.8	1,958,558	11.6
10,001 - 100,000	67	2.4	1,889,985	11.2
100,001 - 1,000,000	15	0.5	5,972,123	35.4
Over 1,000,000	3	0.1	6,214,334	36.8
Total	2,807	100.0	16,887,500	100.0

Own shares

The company has not repurchased its own shares and the board of directors has not been authorised to repurchase or convey the company's own shares.

Authorisation of the board of directors to increase share capital

On 27 February 2008 the board of directors decided to propose at the annual general meeting to be held on Thursday, 3 April 2008 that the board of directors be granted the authority to decide on new issues, stock options and other share entitlements according to the first section of chapter 10 of the Finnish Companies Act as follows:

The aggregate number of shares issued on the basis of the authorisation may not exceed 3,377,500 shares, which represents approximately 20 percent of all the shares of the company.

The board of directors is authorised to decide on all the terms and conditions concerning the issue of shares and other share entitlements. The authorisation relates to the issuance of new shares. Issuance of shares and other share entitlements can be carried out as a directed issue.

The authorisation is effective until the following annual general meeting of shareholders.

The board of directors was granted similar authorisations at the annual general meetings held on 11 April 2006 and 29 March 2007. The board had not taken advantage of its powers by 27 February 2008.

Convertible bonds and option programmes

Okmetic has no convertible bonds or option programmes at the moment.

Projections for the near future

The sensor industry typically grows by around 10 percent per year. Forecasts for the year 2008 are mostly consistent with the long-term average. The most important sensor products for Okmetic's customers include pressure sensors and accelerometers. The latter group also includes angular rate sensors, which are rapidly becoming more popular. In addition to these conventional sensor segments, various microelectromechanical products are emerging, the demand for which is expected to clearly outperform the overall growth pace of the industry. Examples of rapidly growing areas of sensor technology include Silicon-On-Insulator (SOI) technology in which Okmetic is a pioneer.

The semiconductor industry is expected to grow by around ten percent in 2008 measured in both US dollars and shipment volumes (SIA, WSTS, Gartner, IC Insights, Future Horizon). Regional differences in the demand for electronic products will not significantly affect overall demand but disruptions in the world economy will cause fluctuations in product stock levels, therefore temporarily slowing down growth. Fluctuations in the prices of semiconductors have in recent years been the greatest in product groups that are based on 300 mm wafers. As regards the product segments of Okmetic's customers, the mean sale prices of semiconductors are expected to remain relatively stable.

According to forecasts in the silicon wafer industry, the total volume of wafer shipments will grow by around ten percent in 2008. Growth will be particularly prominent in 300 mm wafers. The market growth of the smaller wafer sizes is expected to be modest.

Demand for Okmetic's silicon wafers is expected to grow in line with the shipment volumes of its customer industry.

Events after the end of the financial year

The board of directors' proposals for the annual general meeting scheduled for Thursday, 3 April 2008 are as follows:

The board's proposal regarding its own powers to decide on new issues, stock options and other share entitlements is presented under Authorisation of the board of directors to increase share capital.

Tapio Jämsä, M.Sc. (Technology), was appointed Senior Vice President, Sourcing, and a member of Okmetic's executive management group as of 1 March 2008. The post of senior vice president, sourcing, is a new one at Okmetic and encompasses responsibilities for purchases and contract manufacturing.

Management and auditor

In 2007, Okmetic's board of directors was made up of Mikko J. Aro as the chairman, Karri Kaitue as the deputy chairman and Esa Lager, Pekka Paasikivi and Pekka Salmi as members of the board.

Antti Rasilo, M.Sc. (Technology) has been acting as the president of Okmetic Oyj since 1 January 2003. In addition to the president, the group's executive management group has, since 1 January 2008, comprised Tapio Jämsä, Senior Vice President, Sourcing (as of 1 March 2008); Jaakko Montonen, Senior Vice President, Production; Mikko Montonen, deputy to the president, and Executive Vice President, Sales; Esko Sipilä, Senior Vice President, Finance; Markku Tilli, Senior Vice President, Strategic Research; Markus Virtanen, Senior Vice President, Human Resources; and Anna-Riikka Vuorikari-Antikainen, Senior Vice President, Product Development.

The company's auditors are PricewaterhouseCoopers Oy, Authorised Public Accountants, with Markku Marjomaa, Authorised Public Accountant, acting as the principal auditor.

The board of directors' proposal regarding measures concerning distributable earnings

According to the financial statements dated 31 December 2007, the parent company's distributable earnings amount to 10,634,686.67 euro. No significant changes have taken place in the company's financial position after the end of the financial year.

The board of directors' proposal for the annual general meeting is that Okmetic Oyj pay a dividend of 0.10 euro per share for 2007, which, based on the number of shares registered on 27 February 2008, amounts to 1,688,750.00 euro.

Information about the personnel

	2007	2006	2005
Number of employees, annual average			
Okmetic Oyj, Finland	**314**	315	314
Okmetic Inc., United States	**46**	44	45
Okmetic K.K., Japan	**2**	1	0
Total	**362**	360	359
Number of employees at the end of the year	**357**	365	338
Wages and salaries, million euro	**18.1**	17.6	15.7
Average length of employment, years	**8.1**	7.7	8.0
Age structure of the personnel			
< 20	**0%**	0%	0%
20 - 29	**13%**	11%	9%
30 - 39	**39%**	43%	44%
40 - 49	**30%**	30%	30%
50 - 59	**18%**	15%	16%
60 -	**0%**	1%	1%
Educational background of clerical workers			
Doctorates and licentiates	**13%**	12%	12%
Postgraduate degrees	**36%**	32%	33%
Undergraduate degrees	**23%**	20%	20%
Other degrees	**29%**	36%	35%
Number of days in training per person	**4.4**	2.5	4.0
Occupational health and safety			
Sickness absences, %	**3.1%**	2.9%	3.4%
Equality			
Men	**71%**	68%	69%
Women	**29%**	32%	31%

Consolidated financial statements, IFRS

Consolidated income statement

1,000 euro	Note	1 Jan - 31 Dec 2007	1 Jan - 31 Dec 2006
Net sales	1	**64,651.9**	63,694.5
Cost of sales	2	**-50,966.8**	-48,165.1
Gross profit		**13,685.0**	15,529.3
Other operating income	3	**762.4**	1,739.4
Sales and marketing expenses	2	**-2,843.3**	-2,770.7
Administrative expenses	2	**-4,249.3**	-4,303.5
Other operating expenses	4	**-233.8**	-317.1
Operating profit	2	**7,121.0**	9,877.3
Financial income	9	**405.8**	260.6
Financial expenses	9	**-2,311.8**	-3,458.6
Profit before tax		**5,215.0**	6,679.4
Income tax	10	**90.2**	206.2
Profit for the period		**5,305.1**	6,885.5

Earnings per share for profit attributable to the equity holders of the parent company

Basic and diluted earnings per share	11	**0.31**	0.41

The notes disclosed on pages 24 - 53 are part of the consolidated financial statements.

Consolidated balance sheet

1,000 euro	Note	31 Dec 2007	31 Dec 2006
Assets			
Non-current assets			
Property, plant and equipment	12	**43,355.4**	47,821.2
Available-for-sale financial assets	13	**2,430.5**	1,501.9
Other receivables	16	**2,731.0**	122.9
Total non-current assets		**48,517.0**	49,446.0
Current assets			
Inventories	15	**6,399.4**	7,915.1
Trade and other receivables	16	**14,439.1**	9,036.0
Cash and cash equivalents		**13,308.3**	13,184.3
Total current assets		**34,146.8**	30,135.3
Total assets		**82,663.7**	79,581.3

Consolidated balance sheet

1,000 euro	Note	31 Dec 2007	31 Dec 2006
Equity and liabilities			
Equity			
Share capital		**11,821.3**	11,821.3
Share premium		**20,185.5**	20,255.6
Translation differences		**74.5**	669.2
Fair value reserve		**-113.5**	-1,042.1
Retained earnings		**8,376.5**	1,491.0
Profit for the period		**5,305.1**	6,885.5
Total equity	17	**45,649.4**	40,080.5
Liabilities			
Non-current liabilities			
Interest-bearing liabilities	18	**16,383.5**	20,720.8
Deferred tax liabilities	14	**432.0**	573.6
Other liabilities	20	**900.0**	-
		17,715.5	21,294.4
Current liabilities			
Interest-bearing liabilities	18	**5,875.7**	5,010.2
Trade and other payables	20	**9,407.8**	5,890.0
Accruals and deferred income	21	**4,015.3**	7,306.2
		19,298.8	18,206.4
Total liabilities		**37,014.3**	39,500.8
Total equity and liabilities		**82,663.7**	79,581.3

Consolidated cash flow statement

1,000 euro	Note	1 Jan - 31 Dec 2007	1 Jan - 31 Dec 2006
Cash flows from operating activities			
Profit before tax		**5,215.0**	6,679.4
Adjustments for			
Depreciation and impairment	4,6	**8,102.1**	8,485.8
Profit/loss on disposal of property, plant and equipment		**158.2**	-1,518.6
Interest expenses	9	**1,471.7**	1,903.9
Interest and dividend income	9	**-405.8**	-185.1
Other financial items	9	**840.1**	1,530.8
Fair value gains/losses on derivatives at fair value through profit or loss		**-340.5**	42.6
Changes in working capital			
Change in trade and other receivables		**-7,924.8**	-196.2
Change in inventories		**1,344.8**	-109.4
Change in trade and other payables		**4,345.2**	2,957.9
Interest received		**393.5**	171.2
Dividends received		**-**	0.9
Interest paid		**-4,511.4**	-1,382.1
Other financial items		**-293.5**	-436.0
Income tax paid		**-89.8**	-
Net cash from operating activities		**8,304.9**	17,945.1
Cash flows from investing activities			
Purchases of property, plant and equipment	12	**-4,809.1**	-1,203.3
Proceeds from sale of property, plant and equipment		**498.4**	4,751.4
Proceeds from sale of available-for-sale financial assets		**-**	25.4
Net cash from/used in investing activities		**-4,310.7**	3,573.6
Cash flows from financing activities			
Proceeds from long-term borrowings		**18,000.0**	10,000.0
Repayments of long-term borrowings		**-21,540.1**	-6,916.2
Payments of finance lease liabilities		**-213.4**	-342.8
Repayments of short-term borrowings		**-**	-15,500.0
Net cash used in financing activities		**-3,753.6**	-12,759.0
Net increase (+), decrease (-) in cash and cash equivalents		**240.7**	8,759.7
Cash and cash equivalents at the beginning of the financial year		**13,184.3**	4,452.0
Exchange losses on cash and cash equivalents		**-116.6**	-27.4
Cash and cash equivalents at the end of the financial year		**13,308.3**	13,184.3

Repayments of short-term borrowings are reported on a net basis and they comprise the withdrawals and repayments of a credit facility.

The group's cash and cash equivalents comprise cash in hand and bank accounts.

Consolidated financial statements, IFRS

Consolidated statement of changes in equity

1,000 euro	Share capital	Share premium	Translation differences	Fair value reserve	Retained earnings	Total equity
Equity on 1 January 2006	**11,821.3**	**36,400.8**	**758.9**	**-340.3**	**-14,654.5**	**33,986.5**
Available-for-sale financial assets						
Fair value gains/losses recognised directly in equity				-690.8		-690.8
Transfer to income statement				-14.8		-14.8
Taxes on fair value gains/losses recognised directly in equity				3.8		3.8
Translation differences			-594.5			-594.5
Transfer to income statement			504.8			504.8
Losses offset from previous financial years		-16,145.2			16,145.2	0.0
Net income recognised directly in equity	-	-16,145.2	-89.7	-701.8	16,145.2	-791.5
Profit/loss for the period					6,885.5	6,885.5
Total recognised income and expenses	-	-16,145.2	-89.7	-701.8	23,030.7	6,094.0
Equity on 31 December 2006	**11,821.3**	**20,255.6**	**669.2**	**-1,042.1**	**8,376.5**	**40,080.5**
Available-for-sale financial assets						
Fair value gains/losses recognised directly in equity				928.6		928.6
Translation differences			-711.5			-711.5
Transfer to income statement			116.8			116.8
Equity component of convertible loan notes		-70.1				-70.1
Net income recognised directly in equity	-	-70.1	-594.7	928.6	-	263.8
Profit/loss for the period					5,305.1	5,305.1
Total recognised income and expenses	-	-70.1	-594.7	928.6	5,305.1	5,568.9
Equity on 31 December 2007	**11,821.3**	**20,185.5**	**74.5**	**-113.5**	**13,681.7**	**45,649.4**

The notes disclosed on pages 24 - 53 are part of the consolidated financial statements.

Notes to the consolidated financial statements

General information

Okmetic Oyj, the parent company of Okmetic group, is a Finnish public limited company. Its registered office is at Piitie 2, 01510 Vantaa, Finland. The company's shares have been quoted on the Helsinki Stock Exchange since 2000.

Okmetic manufactures and processes high-quality silicon wafers for the sensor and semiconductor industries. Okmetic's wafers are used in automotive applications, telecommunications and consumer electronics.

Copies of the consolidated financial statements can be obtained via the Internet at www.okmetic.com or from the head office of the group's parent company at the abovementioned address.

The board of directors of Okmetic Oyj approved these financial statements for publication at its meeting held on 27 February 2008. As per the Finnish Companies Act, shareholders have the right to either approve or reject the financial statements in a general meeting held after their publication. The general meeting is also entitled to amend the financial statements.

Basis of presentation

The consolidated financial statements of Okmetic group have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) together with SIC and IFRIC interpretations valid at 31 December 2007. Under the Finnish Accounting Act and its regulations, International Financial Reporting Standards refer to the standards and their interpretations adopted in accordance with the procedure laid down in Regulation (EC) No 1606/2002 of the European Parliament and of the Council. The notes to the consolidated financial statements are also in accordance with the Finnish accounting and company legislation that supplement the IFRS standards.

The consolidated financial statements are presented in thousands of euros and have been prepared under the historical cost convention with the exception of available-for-sale financial assets and financial assets and liabilities at fair value through profit or loss.

New IFRS standards adopted in 2007

On 1 January 2007, the group adopted the following new or amended standards and their interpretations, as published by the IASB in 2005 and 2006.

- IFRS 7 Financial Instruments: Disclosures (effective in financial years commencing after 1 January 2007). The adoption has given rise to additional disclosure in the consolidated financial statements.
- IAS 1 (amendment): Presentation of Financial Statements - Capital Disclosures (effective in financial years commencing after 1 January 2007). The adoption has given rise to additional disclosure in the consolidated financial statements. IFRIC 8: Scope of IFRS 2 (effective in financial years commencing after 1 May 2006).
- IFRIC 9: Reassessment of Embedded Derivatives (effective in financial years commencing after 1 June 2006).
- IFRIC 10: Interim Financial Reporting and Impairment (effective in financial years commencing after 1 November 2006).

These interpretations have not had any impact on the group's financial statement information.

Use of estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make certain estimates and assumptions that affect the reported amounts in the balance sheet and income and expenses for the reporting period. Accounting estimates have been used in determining, for example, the realisability of assets, the useful lives of tangible assets and income taxes. Although the estimates are based on the latest available information, the actual results may differ from the estimates.

Accounting policies for the consolidated financial statements

Principles of consolidation

The consolidated financial statements include the parent company Okmetic Oyj and all companies in which Okmetic Oyj owns, directly or indirectly, over 50 percent of the voting rights or otherwise has the power to govern the financial and operating policies. Subsidiaries acquired during the financial year are consolidated from the date on which control is obtained by the group, and subsidiaries sold are de-consolidated from the date that control ceases.

At the time of preparing the consolidated financial statements, the group includes the following subsidiaries, which are fully owned by the parent company: Okmetic Inc., Okmetic K.K., Okmetic Invest Oy and Kiinteistö Oy Piitalot.

On consolidation, the group companies' separate financial statements are adjusted to comply with the group's uniform accounting policies. All inter-company transactions, balances, unrealised gains and internal distribution of profits are eliminated in preparing the consolidated financial statements. Unrealised losses are not eliminated if the loss indicates impairment of the asset transferred.

Subsidiaries are consolidated using the purchase method of accounting. According to the purchase method, identifiable assets, liabilities and contingent liabilities of a subsidiary acquired are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement. In accordance with the exemption permitted under IFRS 1, acquisitions prior to the date of transition to IFRS, 1 January 2004, have been consolidated in conformance with the Finnish Accounting Standards.

Segment reporting

The primary segment reporting format of the group is based on a single business segment as the risks and business logic of the products defined in the group's strategy are congruent.

Secondary segment information is based on geographical areas, which are North America, Europe and Asia. Segment sales are based on the geographical location of the customer and segment assets on the location of the assets.

Inter-segment transfers are based on market prices less marketing and distribution costs.

Foreign currencies

The results and financial position of the group entities are measured using the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in euro, which is the functional and presentation currency of the parent company.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary items denominated in foreign currencies are translated into the functional currency using the average exchange rates quoted by the European Central Bank at the balance sheet date. Non-monetary items measured at fair value in a foreign currency are translated into the functional currency using the exchange rates prevailing at the measurement date. Otherwise, non-monetary items are measured at the exchange rates prevailing at the transaction date.

The income statements of the group entities that have a functional currency other than the euro are translated into the presentation currency at the average exchange rate and the balance sheets at the closing rate at the date of the balance sheet. The exchange difference arising from the translation of income statement items at the average exchange rate and balance sheet items at the closing rate is reported in equity. On consolidation, the translation differences relating to the equity of subsidiaries are recorded as a separate component in translation differences under the group's equity. On disposal of a foreign subsidiary, the cumulative translation differences are recognised in the income statement as part of the gain or loss on sale. Cumulative translation differences that have accrued prior to the date of transition to IFRS are recorded in retained earnings in accordance with the exemption permitted under IFRS 1, and the gain or loss on a subsequent disposal of a subsidiary will exclude these translation differences. In addition, exchange differences arising from the translation of the net investments in foreign subsidiaries are taken to equity in the consolidated financial statements. Translation differences arising from the repayment of the capital are recorded under exchange rate differences in the income statement on the basis of the relation of the repaid amount to the original amount of capital.

Exchange differences arising from trade receivables and payables are charged to sales and purchases in the income statement. Exchange differences from the translation of other receivables and liabilities as well as financing activities are disclosed within financial income and expenses in the income statement.

Net sales and other revenue recognition

Revenue from the sale of goods is recognised when all significant risks and rewards of ownership have been transferred to the buyer, and the group retains neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold. Revenue from the rendering of services is recognised after the service has been rendered and when a flow of economic benefits associated with the transaction is probable. Net sales are shown net of indirect taxes and discounts and adjusted by exchange rate differences of foreign currency sales.

Interest income is recognised using the effective interest method and dividend income when the right to receive a dividend is established.

Research and development costs

Research and development costs are expensed in full as incurred. The development costs of new products and processes have not been capitalised as the future economic benefits cannot be established until the product is launched.

The costs of the development phase are capitalised as intangible assets only when the product is technically and commercially feasible, it is expected to generate future economic benefits and the costs can be measured reliably.

Government grants

Government grants for compensating the costs of specified research and development projects are recognised as income on a systematic basis over the periods necessary to match them with the related costs. Government grants relating to the purchase of property, plant and equipment are deducted from the acquisition cost of the asset.

Other operating income and expenses

Other operating income and expenses include income and expenses not associated with the production of goods and services, such as gains and losses from the disposal of property, plant and equipment, costs of business reorganisation as well as credit losses. Other operating income and expenses also include realised and unrealised gains and losses on currency and electricity derivatives.

Income taxes

The group's income tax expense includes income taxes of the group companies based on taxable profit for the financial period, together with tax adjustments for previous periods and the change in deferred taxes. Taxes on items recognised directly in equity are correspondingly recognised. Deferred tax liabilities and assets are recognised for all temporary differences arising between the tax bases and carrying amounts of assets and liabilities using the tax rates that have been enacted by the balance sheet date. The main temporary differences arise from the depreciation difference on property, plant and equipment, measurement of inventories, measurement at fair value of derivative financial instruments and unused tax losses carried forward. Deferred tax liabilities are recognised in full in the balance sheet and deferred tax assets to the extent of the estimated tax benefit. Deferred tax assets and liabilities are offset in the group companies once the conditions for offsetting are met.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses.

When the asset comprises more than one part with different useful lives, each part is entered as a separate asset. In this case, the costs of replacing the part are capitalised. Otherwise, subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Assets are depreciated on a straight-line basis over their estimated useful lives. Land is not depreciated.

The estimated useful lives for the asset classes are:
- Buildings 20 - 25 years
- Machinery and equipment 3 - 15 years

The assets' residual values, useful lives and depreciation methods are reviewed at each balance sheet date and adjusted, if appropriate, to reflect the changes in expected future economic benefits.

Depreciation on tangible assets ceases when the asset is classified as held for sale in accordance with the IFRS 5 standard. Gains and losses on disposals of assets are included in other income and expenses.

Impairment

Assets are reviewed for potential impairment at the group level at each balance sheet date. If any indication of impairment exists, the recoverable amount of the asset is estimated. In addition, the recoverable amount is estimated annually for goodwill and intangible assets with indefinite useful lives as well as for intangible assets not yet available for use. There are no such items in the current consolidated financial statements. The recoverable amount of an asset is the higher of its net sale price or its value in use, which is determined by discounting the future cash flows that are expected to be derived from the asset. The discount rate used is determined as a pre-tax rate that reflects the current market assessment of the time-value of money as well as the specific risks associated with the asset. An impairment loss is immediately charged to the income statement if the asset's carrying amount exceeds its recoverable amount. In case the impairment loss is recognised for a cash-generating unit, it is first allocated to reduce any goodwill allocated to the cash-generating unit, and then to the other assets of the unit pro rata. In connection with the recognition of an impairment loss, the useful lives of assets subject to depreciation or amortisation are reviewed. For assets other than goodwill, an impairment loss recognised in prior periods is reversed if there has been a change in the circumstances and the recoverable amount exceeds the carrying amount. However, the adjusted carrying amount after the reversal of an impairment loss will not exceed the carrying amount of the asset without impairment loss recognition in prior periods. For goodwill, a recognised impairment loss is not reversed under any circumstances.

The discount rate applied to the future net cash flows is based on the weighted average cost of capital. The cost of equity is calculated on the basis of the Capital Asset Pricing Model, taking into account a risk premium which is based on the group's own perception. The required rate of return of debt is based on the risk-free interest added with the premium the group pays for its loan or the estimated premium. The risk-free interest is based on the Finnish ten-year government bond. Before tax, the discount rate used in the calculations has been 11.8 percent.

Cash flow projections are based on the management's assessments and the strategic plan on the cash flow development for the years from 2008 to 2010 approved by the board of directors. Cash flow projections beyond the period covered by the forecasts are extrapolated using a growth rate of 2 percent.

The impairment testing carried out at the turn of the year 2008 implies that only material changes in the key assumptions of the calculations can indicate that the assets' carrying amounts exceed their recoverable amounts. Impairment testing revealed no signs of the assets having depreciated.

Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the FIFO method. The cost of finished goods and work in progress comprises raw materials, direct labour and other direct costs as well as a proportion of fixed and variable production overheads based on normal capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Financial instruments

The group classifies its financial instruments in the following categories: financial assets and liabilities at fair value through profit or loss, available-for-sale financial assets, loans and receivables and financial liabilities. The classification is based on the purpose for which the financial instruments were acquired and they are classified at initial recognition. Financial assets and liabilities are recognised in the balance sheet when a group company becomes a party to the contractual provisions of the instrument. Transaction costs are included in the initial carrying amount of the financial instrument in the case of a financial instrument not measured at fair value through profit or loss. All purchases and sales of financial assets are recognised and derecognised using settlement date accounting. Financial assets are derecognised when the group's contractual right to the financial asset expires. Financial liabilities are removed from the balance sheet when the obligation specified in the contract is discharged.

The category of financial assets and liabilities at fair value through profit or loss has two sub-categories: financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss at inception. All derivative contracts have been made for hedging purposes in accordance with the group's policies but hedge accounting as defined in IAS 39 is not applied. Consequently, derivatives are classified as held for trading. Derivative contracts are disclosed within prepayments and accrued income or accruals and deferred income in the balance sheet. The group does not have any financial assets or liabilities designated at fair value through profit or loss at inception.

Derivative financial instruments are stated at fair value. The fair values are determined on the basis of the market and contract prices of the agreements at the balance sheet date. Fair values of the contracts hedging future cash flows are based on the present value of the cash flows. Gains and losses arising from changes in the fair values are recognised in the income statement in the period in which they are incurred. Changes in the fair value of derivatives are disclosed, based on their nature, under either other operating income and expenses or financial income and expenses in the income statement.

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless there is an intention to dispose of the investment within 12 months of the balance sheet date. The group's available-for-sale financial assets may consist of listed and unlisted equity shares and securities and they are carried at fair value. The fair values of shares quoted in an active market are determined on the basis of their market values; the fair values of shares not quoted in an active market are determined using the equity method. Changes in the fair value of available-for-sale financial assets are recognised, net of tax, in the fair value reserve under equity. When available-for-sale financial assets are sold, the accumulated fair value adjustments are removed from equity and recognised in the income statement. If there is objective evidence that a financial asset is impaired, the cumulative loss is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as available for sale are not reversed through the income statement.

Loans and receivables classified as trade receivables, other receivables and prepayments and accrued income in the balance sheet are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. Loans and receivables are measured at amortised cost using the effective interest method. If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the loss is recognised in the income statement. Trade receivables are stated at their estimated fair value, which is their original invoice value less impairment. Impairment on trade receivables is recorded when justifiable proof of impairment has materialised.

Cash and cash equivalents include cash in hand and bank accounts. The group has no other items classifiable as cash and cash equivalents.

Financial liabilities are initially recognised at fair value based on the original payment received. Transaction costs are included in the initial carrying amount. Financial liabilities are subsequently stated at amortised cost using the effective interest method. Financial liabilities are presented within non-current and current liabilities.

Convertible loan notes are regarded as compound instruments consisting of a liability component and an equity component. On initial recognition, the liability component is measured at fair value, which was determined by using a market interest rate for an equivalent non-convertible bond at the date of issue. The equity component is determined as the difference between the proceeds from the issue of the convertible loan notes and the fair value assigned to the liability component. The equity component of the convertible loan notes is recognised in share premium.

Leases

Leases of property, plant and equipment, where the group as a lessee has substantially all the risks and rewards of ownership, are classified as finance leases and recognised in the balance sheet as tangible assets. Finance leases are capitalised at the commencement of the lease term at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations are included in interest-bearing liabilities. During the lease term, lease payments are allocated between the finance charge and the reduction of the outstanding liability in order to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. Assets acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

Leases in which the lessor retains the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are expensed on a straight-line basis over the period of the lease.

Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount is reliably estimated.

Pension plans

The group's pension schemes in different countries are arranged in accordance with the local practices. These schemes are classified as defined contribution plans. Payments under contribution-based pension plans are recorded in the income statement in the financial period that they relate to. The Finnish personnel pension is based on the Finnish TEL insurance policy.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred. Transaction costs, which are directly attributable to the acquisition of borrowings and clearly related to a certain borrowing, are included in the original amortised cost of the borrowing and amortised to interest expense by using the effective interest method.

Non-current assets held for sale and discontinued operations

Non-current assets and discontinued operations are classified as assets held for sale and stated at the lower of the carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through a continuing use.

A discontinued operation is a component of the group that represents a separate major business unit or geographical area of operations that either has been disposed of, or that is classified as held for sale, is part of a co-ordinated plan by the management to dispose of a separate entity or is a subsidiary acquired exclusively with a view to resale. The post-tax profit or loss of discontinued operations is disclosed as a single amount in the consolidated income statement.

Share-based payments

The company's option arrangements are granted before 7 November 2002. Consequently, no expenses are recognised in the income statement. The subscription period for shares under these warrants ended on 31 May 2007.

Application of new or amended IFRS standards

The IASB has published the following standards and interpretations that are mandatory in 2008 or in later periods. The group has decided not to apply them early and to apply them in later accounting periods.

In 2008, the group will adopt the following standards and interpretations:

- IFRIC 11: Group and Treasury Share Transactions. The interpretation provides guidance on whether transactions involving treasury shares or group entities should be accounted for as equity-settled or cash-settled share-based payment transactions in the financial statements of the parent and group companies.
- IFRIC 12: Service Concession Arrangements. The interpretation applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. [1)]
- IFRIC 14: IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. The interpretation covers post-employment defined benefit plans and other long-term employee benefits specified in IAS 19 when the plan involves a minimum funding requirement. The interpretation also specifies the recognition of a surplus through refunds and reduction of future contributions to the plan. [1)]

The standards and interpretations that are effective in 2008 will have no impact on the information presented in the consolidated financial statements for 2008.

In 2009, the group will adopt the following standards published by the IASB:

- IAS 1 (amendment): Presentation of Financial Statements. The objective of the amendment is to enable the users of the financial statements to analyse and compare financial statement information by separating transactions with owners from non-owner changes in equity. [1)]
- IAS 23 (amendment): Borrowing costs. The amendment to the standard requires an entity to capitalise borrowing costs of a qualifying asset as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. [1)]
- IFRS 8: Operating Segments. The standard replaces IAS 14. The standard requires a "management approach" under which segment information is presented on the same basis as that used for internal reporting purposes.
- IFRIC 13: Customer Loyalty Programmes. The interpretation clarifies that where goods or services are sold together with a customer loyalty incentive, the arrangement is a multiple-element arrangement. The consideration receivable from the customer is allocated between the components of the arrangement in using fair values. IFRIC 13 is not relevant to the consolidated financial statements as the group companies operate no loyalty programmes. [1)]

In 2010, the group will adopt the following standards published by the IASB:

- IFRS 3 (revised): Business Combinations. The revised standard still requires the use of purchase method of accounting in business combinations, with some significant changes. For example, the consideration is recognised in total at its fair value at the date of the acquisition, and contingent consideration is, in certain cases, subject to remeasurement through the income statement. Goodwill can be recognised for the parent company's interest in the net assets acquired, or it can include goodwill on the non-controlling interest. All transaction costs are expensed as incurred. [1)]
- IAS 27 (revised): Consolidated and Separate Financial Statements. According to the revised standard, change in the ownership interest of a subsidiary that does not result in loss of control is accounted for as an equity transaction. Consequently, transactions of non-controlling interests will have no impact on goodwill nor will they give rise to a gain or loss in the income statement. The standard specifies the accounting treatment also on loss of control. Any retained interest in the acquiree is measured at fair value, with gains and losses recognised in profit or loss. [1)]

The group management is assessing the impacts of the new or revised standards and their interpretations on the consolidated financial statements for 2009 and 2010.

[1)] The standard/interpretation is still subject to endorsement by the European Union.

1. Segment information

The risks and business logic of the products defined in the group's strategy are congruent. For this reason, the primary segment reporting format of the group is based on a single business segment - manufacturing, selling and marketing of silicon wafers to the sensor and semiconductor industries, and related research.

Secondary segment information is based on geographical areas, which are North America, Europe and Asia. Segment sales are based on the geographical location of the customer and segment assets on the location of the assets. Net sales comprise the sales of goods and technology projects.

Geographical segments

1,000 euro	North America	Europe	Asia	Inter segment	Unallocated	Group
2007						
Net sales	**31,275.1**	**20,345.0**	**13,031.7**			**64,651.9**
Segment assets	**9,277.3**	**56,600.9**	**451.0**	**-784.0**	**17,118.6**	**82,663.7**
Capital expenditure	**1,224.8**	**3,589.1**	**1.7**			**4,815.6**
2006						
Net sales	35,266.4	17,894.0	10,534.1			63,694.5
Segment assets	10,295.3	53,505.6	438.7	-719.8	16,061.6	79,581.3
Capital expenditure	119.2	1,552.0	-			1,671.2

Cash and cash equivalents, available-for-sale financial assets, prepayments and accrued income and other current receivables are not allocated to the geographical segments.

2. Expenses by function

1,000 euro	2007	2006
Materials	**19,322.5**	18,564.8
Water and energy	**2,390.3**	2,426.7
Maintenance	**3,387.2**	3,015.7
Employee benefit expenses	**18,119.6**	17,586.9
Change in inventories	**1,371.4**	-128.7
Depreciation	**8,095.3**	8,485.8
Other expenses	**5,373.1**	5,288.2
Total	**58,059.4**	55,239.4

Expenses by function cover cost of sales, sales and marketing expenses and administrative expenses.

3. Other operating income

1,000 euro	2007	2006
Gains on sale of property, plant and equipment	**60.4**	1,578.6
Gains on financial assets held for trading		
Currency derivatives	**701.2**	160.8
Other income	**0.8**	-
Total	**762.4**	1,739.4

4. Other operating expenses

1,000 euro	2007	2006
Credit losses	8.4	7.2
Losses on disposal of property, plant and equipment	213.1	-
Impairment of property, plant and equipment	6.9	-
Compensation payments	-	303.7
Other expenses	5.5	6.2
Total	233.8	317.1

5. Non-current assets sold

On September 2006, the group classified its production facility in Espoo as held for sale. The production facility was sold on December 2006. The gain on the sale amounted to 1.3 million euro. The gain has been disclosed within other operating income.

6. Depreciation

1,000 euro	2007	2006
Depreciation by asset classes		
Buildings	983.5	1,024.5
Machinery and equipment	7,111.8	7,461.3
Total	8,095.3	8,485.8
Depreciation by function		
Cost of sales	8,088.1	8,465.8
Sales and marketing	-	0.2
Administration	7.2	19.8
Total	8,095.3	8,485.8

7. Employee benefit expenses

1,000 euro	2007	2006
Wages and salaries	14,647.9	13,847.4
Pension costs, defined contribution plans	2,132.2	2,033.6
Other social security costs	1,339.5	1,705.9
Total	18,119.6	17,586.9

Details of key management compensation are disclosed in note 25, Related party transactions.

Number of personnel		
Clerical workers	129	124
Manual workers	233	236
Average	362	360
On 31 December	357	365

8. Research and development expenses

1,000 euro	2007	2006
Research and development expenses	1,854.2	1,731.4

9. Financial income and expenses

1,000 euro	2007	2006
Financial income		
Interest income on loans and receivables	405.8	184.2
Dividend income on available-for-sale financial assets	-	0.9
Gain on sale of available-for-sale financial assets	-	19.4
Net change in fair value of financial liabilities held for trading		
Interest rate derivatives	-	51.6
Other financial income on loans and receivables	-	4.5
Total	405.8	260.6
Financial expenses		
Interest expenses on financial liabilities measured at amortised cost	-1,471.7	-1,903.9
Exchange losses [1]	-809.8	-1,429.2
Other financial expenses	-30.3	-125.5
Total	-2,311.8	-3,458.6
Exchange rate differences recognised in the income statement		
Included in net sales	-426.1	-466.4
Included in cost of sales	142.2	171.1
Included in financial income and expenses	-809.8	-1,429.2
Total	-1,093.7	-1,724.5

[1] Okmetic Oyj's loan to Okmetic Inc., which was originally recorded as a net investment, has resulted in an exchange loss of 2.5 million euro recognised in the translation differences under equity. The loan has been recorded as a normal liability since 2006. As a result, 0.1 million euro of the exchange loss, which corresponds to the loan repayment, has been recorded under financial expenses. The remaining 1.3 million euro of the exchange loss will be expensed according to the same principle in the future, proportioned to the loan repayments.

10. Income tax

1,000 euro	2007	2006
Income tax expense in the income statement		
Current tax	-51.4	-42.3
Deferred tax	141.6	248.4
Total	90.2	206.2

Reconciliation of income tax recognised in the consolidated income statement and income tax calculated at the domestic tax rate of 26 percent (2006: 26%):

Profit before tax	5,215.0	6,679.4
Tax calculated at domestic tax rate	-1,355.9	-1,736.6
Differing tax rates in foreign subsidiaries	13.1	10.8
Utilisation of tax losses not recognised as deferred tax assets	1,433.0	1,932.0
Tax expense in the income statement	90.2	206.2

11. Earnings per share

Basic earnings per share is calculated by dividing the profit/loss for the period attributable to equity holders of the parent company by the weighted average number of shares outstanding during the period.

	2007	2006
Profit/loss attributable to equity holders of the parent company (1,000 euro)	5,305.1	6,885.5
Weighted average number of shares outstanding during the period (1,000 shares)	16,887.5	16,887.5
Basic earnings per share (euro/share)	0.31	0.41

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares. In 2007 and 2006, the company has no dilutive potential shares or options.

12. Property, plant and equipment

1,000 euro	Land	Buildings	Machinery and equipment	Construction in progress	Total
Acquisition cost on 1 January 2007	850.4	20,740.7	106,331.4	801.7	128,724.2
Additions	-	2,255.9	2,279.9	279.8	4,815.6
Disposals	-	-	-6,361.7	-	-6,361.7
Transfers between items	-	399.8	396.8	-796.6	-
Exchange differences	-89.6	-300.6	-1,067.0	-	-1,457.2
Acquisition cost on 31 December 2007	**760.8**	**23,095.8**	**101,579.4**	**284.9**	**125,720.9**
Accumulated depreciation and impairment on 1 January 2007	-	-7,875.2	-73,027.8	-	-80,903.0
Accumulated depreciation on disposals and transfers	-	-	5,841.4	-	5,841.4
Depreciation for the period	-	-983.5	-7,111.8	-	-8,095.3
Impairment	-	-	-6.9	-	-6.9
Exchange differences	-	91.5	706.8	-	798.3
Accumulated depreciation on 31 December 2007	**-**	**-8,767.2**	**-73,598.3**	**-**	**-82,365.5**
Carrying amount on 1 January 2007	850.4	12,865.5	33,303.6	801.7	47,821.2
Carrying amount on 31 December 2007	**760.8**	**14,328.6**	**27,981.1**	**284.9**	**43,355.4**

1,000 euro	Land	Buildings	Machinery and equipment	Construction in progress	Total
Acquisition cost on 1 January 2006	1,926.5	31,406.3	121,692.2	101.6	155,126.6
Additions	-	33.7	927.2	710.3	1,671.2
Disposals	-977.1	-10,370.1	-15,130.5	-	-26,477.7
Transfers between items	-	-	10.2	-10.2	-
Exchange differences	-99.0	-329.2	-1,167.7	-	-1,595.9
Acquisition cost on 31 December 2006	**850.4**	**20,740.7**	**106,331.4**	**801.7**	**128,724.2**
Accumulated depreciation and impairment on 1 January 2006	-	-15,163.2	-81,334.8	-	-96,498.0
Accumulated depreciation on disposals and transfers	-	8,229.7	15,130.5	-	23,360.2
Depreciation for the period	-	-1,024.5	-7,461.3	-	-8,485.8
Exchange differences	-	82.7	637.8	-	720.5
Accumulated depreciation on 31 December 2006	**-**	**-7,875.2**	**-73,027.8**	**-**	**-80,903.0**
Carrying amount on 1 January 2006	1,926.5	16,243.1	40,357.4	101.6	58,628.6
Carrying amount on 31 December 2006	**850.4**	**12,865.5**	**33,303.6**	**801.7**	**47,821.2**

The following carrying amounts of assets acquired under finance leases are included in Machinery and equipment

2007	**336.1**	**336.1**
2006	391.7	391.7

Additions of property, plant and equipment include assets acquired under finance leases for 192.9 thousand euro (2006: 235.7 thousand euro).

13. Available-for-sale financial assets

1,000 euro	2007	2006
Balance sheet value on 1 January	**1,501.9**	2,213.9
Disposals	-	-21.1
Changes in fair value	**928.6**	-690.8
Balance sheet value on 31 December	**2,430.5**	1,501.9

Available-for-sale financial assets consist of unlisted equity shares and securities. Changes in fair value reserve are disclosed in the consolidated statement of changes in equity.

14. Deferred income taxes

1,000 euro	2007	2006
Deferred income taxes in the balance sheet		
Deferred tax assets	**470.0**	416.8
Deferred tax liabilities	**902.0**	990.4
Deferred tax liabilities, net	**432.0**	573.6

Movements in deferred taxes during the financial year

2007	1 Jan 2007	Entered in the income statement	Entered in equity	31 Dec 2007
Deferred tax assets				
Tax losses carried forward	407.2	60.2	-	467.4
Other	9.6	-6.9	-	2.6
Total	416.8	53.2	-	470.0
Deferred tax liabilities				
Accumulated depreciation differences	608.6	-79.1	-	529.5
Fair value gains/losses on derivatives	55.4	84.4	-	139.8
Other	326.4	-93.7	-	232.7
Total	990.4	-88.4	-	902.0
Deferred tax liabilities, net	573.6	-141.6	-	432.0

Note 14 continues

2006	1 Jan 2006	Entered in the income statement	Entered in equity	31 Dec 2006
Deferred tax assets				
Tax losses carried forward	315.1	92.1	-	407.2
Other	2.9	6.6	-	9.6
Total	318.0	98.7	-	416.8
Deferred tax liabilities				
Available-for-sale financial assets	3.8	0.0	-3.8	0.0
Accumulated depreciation differences	844.1	-235.5	-	608.6
Fair value gains/losses on derivatives	75.1	-19.7	-	55.4
Other	220.9	105.5	-	326.4
Total	1,143.9	-149.7	-3.8	990.4
Deferred tax liabilities, net	825.9	-248.4	-3.8	573.6

Deferred tax assets of 3.8 million euro (2006: 4.7 million euro) attributable to the domestic companies are not recognised in the consolidated financial statements due to uncertainty of the utilisation of the tax benefit relating to these assets. The majority of these deferred tax assets result from the domestic companies' tax loss carry-forwards of 14.6 million euro (2006: 17.6 million euro). The losses were primarily generated in 2003 and 2004. Deferred tax assets and liabilities are off-set for an amount of 0.5 million euro (2006: 0.4 million euro). Deferred tax assets have not been recognised for the retained losses of 7.7 million US dollars (2006: USD 8.4 million) of the foreign subsidiaries.

15. Inventories

1,000 euro	2007	2006
Raw materials and supplies	**3,027.5**	3,865.4
Work in progress	**1,371.0**	1,331.5
Finished goods	**2,000.9**	2,718.2
Total	**6,399.4**	7,915.1

The carrying amount of inventories has been reduced to net realisable value through recognition of a write-down amounting to 43.2 thousand euro in the period (2006: 43.6 thousand euro).

The carrying amount of inventories stated at net realisable value totalled 446.0 thousand euro (2006: 412.2 thousand euro).

16. Trade and other receivables

1,000 euro	2007	2006
Non-current		
Loans and receivables		
Other receivables	1,497.9	-
Prepayments and other items	1,233.1	122.9
Total	2,731.0	122.9
Current		
Loans and receivables		
Trade receivables	8,046.0	7,783.5
Other prepayments and accrued income	11.3	37.9
VAT receivables	5,136.2	675.3
Other receivables	303.1	141.6
Total	13,496.6	8,638.3
Financial assets at fair value through profit or loss		
Derivative financial instruments held for trading [1)]	537.7	197.1
Prepayments	404.8	200.5
Total	14,439.1	9,036.0

Balance sheet values are the best representation of the amount that is the maximum credit risk exposure at the balance sheet date, without taking account of the fair value of any collateral, in the event of other parties failing to perform their obligations under financial instruments. The receivables represent no significant concentrations of credit risk.

The following credit losses have been recorded for trade receivables	8.4	7.2

[1)] Note 23

Analysis of trade receivables by age

1,000 euro	2007	2006
Not past due	5,666.8	5,087.5
Past due 1 - 30 days	1,968.4	1,806.0
Past due 31 - 60 days	299.5	470.4
Past due more than 60 days	111.3	419.6
Total	8,046.0	7,783.5

Receivables are denominated in the following currencies:

1,000 euro	2007	2006
EUR	9,977.6	3,161.0
USD	6,139.4	4,891.2
JPY	970.7	1,003.7
Other	82.4	103.0
Total	17,170.1	9,158.9

17. Equity

Share capital
On 31 December 2007, Okmetic Oyj's paid-up share capital, as entered in the Finnish Trade Register, was 11,821,250.00 euro (2006: 11,821,250.00 euro).

The share capital is divided into 16,887,500 shares. The equivalent book value of each share is 0.7 euro. Each share entitles its holder to one vote at general meetings. According to the articles of association, the minimum number of shares is 9,000,000 and the maximum number is 36,000,000. The company has one class of shares. The company's shares are included in the Finnish book-entry securities system.

The number of shares has not changed during the financial years of 2007 and 2006.

Share premium
According to the Finnish Companies Act of 1978 (734/78), which was effective until 1 September 2006, share premium comprises the difference between the equivalent book value and the subscription price of shares issued. In addition, the equity component of convertible loan notes is recognised in share premium.

Translation differences
Translation differences arise from the conversion of the results of foreign subsidiaries.

Fair value reserve
Fair value reserve comprises the fair value gains/losses on available-for-sale financial assets.

Own shares
The company has not repurchased its own shares and the board of directors of the company has not been authorised to repurchase or convey the company's own shares.

Dividends
The board of directors has decided to propose to the annual general meeting that a dividend of 0.10 euro per share be paid for the year 2007.

18. Interest-bearing liabilities

1,000 euro	2007	2006
Non-current		
Financial liabilities measured at amortised cost		
Loans from financial institutions	**15,300.0**	14,081.0
Subordinated loans	**928.1**	6,447.7
Finance lease liabilities	**155.4**	192.2
Total	**16,383.5**	20,720.8
Current		
Financial liabilities measured at amortised cost		
Current portion of loans from financial institutions	**4,749.7**	4,828.6
Subordinated loans	**928.1**	-
Finance lease liabilities	**197.9**	181.6
Total	**5,875.7**	5,010.2

Note 18 continues

Subordinated loans

1,000 euro	2007	2006
Repayment due on 31 December 2003, interest 7.0%		
The Finnish National Fund for Research and Development Sitra	-	111.8
Repayment due on 31 December 2003, interest 7.0%		
The Finnish National Fund for Research and Development Sitra	-	188.2
Loan period 1996 - 2006 [1]		
Conventum Oyj	-	101.4
Tapiola Mutual Pension Insurance Company	-	33.3
Tapiola Mutual Insurance Company	-	33.3
Nordea Pankki Suomi Oyj	-	504.3
Sampo Life Insurance Company	-	672.4
Oras Oy	-	1,008.6
The Finnish National Fund for Research and Development Sitra	-	404.3
Finnish Industrial Investment Ltd.	-	605.7
Total	-	3,363.3
Loan period 1999 - 2009, interest 6.0% [2]		
Nordea Pankki Suomi Oyj	**122.0**	183.0
Sampo Life Insurance Company	**209.9**	314.9
Oras Oy	**243.1**	364.7
Outokumpu Oyj	**1,029.0**	1,543.6
The Finnish National Fund for Research and Development Sitra	**89.7**	134.6
PCA Corporate Finance Oy	**162.4**	243.6
Total	**1,856.2**	2,784.3
Total	**1,856.2**	6,447.7

Principal terms of loans:

The capital, interest and other remuneration must, upon the dissolution or bankruptcy of the company, be paid subordinated to all other debts. The capital may otherwise be refunded only if the restricted shareholders' equity and the other non-distributable funds according to the balance sheet to be adopted for the company, or if the company is the parent company, for the group, for the financial year last ended are fully covered thereafter. Interest or other remuneration may be paid only if the amount payable may be used for the distribution of profit in accordance with the balance sheet to be adopted for the company, or if the company is the parent company, for the group, for the financial year last ended. If interest cannot be paid according to agreement, it will be cumulated. There is no interest not entered as expense at the balance sheet date.

1) The loan will be converted by 31 March 2000 into restricted shareholders' equity or, in special circumstances, refunded in three equal instalments annually starting on 31 December 2003. The interest on the loan until 1 April 2000 will be 2% and subsequently 8%. Following payment of an instalment on the loan, the group's equity-to-assets ratio must be a minimum of 40%. The loan was not converted into restricted shareholders' equity by 31 March 2000.

2) Each bond with a par value of FIM 8,605.85 (1,447.40 euro) entitles its holder to obtain in exchange for the bond one share with an accounting par value of 0.7 euro. The exchange ratio is 1:8.60585. On 30 June 2001, the number of shares involved in the conversion of bonds was 6,750. The right of conversion expired on 30 June 2006.

On transition to IFRS reporting, 1 January 2004, the liability and equity components have been separated from the convertible loan notes. On initial recognition, the liability component was measured at fair value, which was determined by using a market interest rate for an equivalent non-convertible bond at the date of issue. The equity component was determined as the difference between the proceeds from the issue of the convertible loan notes and the fair value assigned to the liability component. The equity component of the convertible loan notes amounting to 210.3 thousand euro is recognised in share premium.

Note 18 continues

Finance lease liabilities

1,000 euro	2007	2006
Minimum lease payments		
No later than one year	**210.0**	195.9
Later than one year and no later than five years	**161.0**	198.7
Total minimum lease payments	**371.0**	394.5
Present value of finance lease liabilities		
No later than one year	**204.9**	190.6
Later than one year and no later than five years	**148.4**	183.2
Total present value of finance lease liabilities	**353.3**	373.8
Future finance charges on finance leases	**17.7**	20.8
Total finance lease liabilities	**353.3**	373.8
Contingent rents	**2.6**	1.3

The group's finance lease agreements relate to production machinery, IT equipment and office furniture. The terms of the finance leases vary from 3 to 10 years. Some of the agreements involve a conventional purchase option. Contingent rent payables are based on future market rates of interest.

19. Commitments and contingencies

1,000 euro	2007	2006
Own debts secured with collaterals		
Loans from financial institutions and other liabilities	**15,666.7**	18,869.8
Collaterals		
Mortgages on real property and lease right	**16,891.3**	1,681.9
Floating charges	**12,109.5**	28,928.3
Carrying amount of pledged shares	**-**	8,908.1
Total	**29,000.8**	39,518.3
Future minimum lease payments under non-cancellable operating leases		
No later than one year	**124.4**	129.9
Later than one year and no later than five years	**113.9**	191.9
Total	**238.3**	321.8

The group's operating lease agreements principally relate to production machinery and cars. The terms of the leases vary from 3 to 10 years. Some of the agreements involve a conventional purchase option.

Lease payments made under operating leases and charged to the income statement totalled 381.2 thousand euro in 2007 (2006: 208.8 thousand euro).

20. Trade and other payables

1,000 euro	2007	2006
Non-current		
Financial liabilities measured at amortised cost		
Other liabilities	900.0	-
Current		
Financial liabilities measured at amortised cost		
Trade payables	4,523.2	4,209.3
VAT payables	4,365.4	-
Other payables	471.1	576.5
Total	9,359.7	4,785.8
Prepayments received	48.1	1,104.2
Total	9,407.8	5,890.0

21. Accruals and deferred income

1,000 euro	2007	2006
Financial liabilities measured at amortised cost		
Accrued employee-related expenses	3,658.8	3,549.3
Accrued interest expenses	141.1	3,184.9
Other	215.4	572.0
Total	4,015.3	7,306.2

22. Financial risk management

The objective of Okmetic's financial risk management is to ensure liquidity and to reduce the effect of unfavourable fluctuations and uncertainty in the financial markets on earnings, balance sheet and cash flow.

Financial risk management is based on the risk management policy defined and supervised by the company's board of directors. The policy defines the guidelines for risk management. The company's operative management is responsible for the practical measures set out in the risk management policy according to the authorisations given. Hedging is coordinated by the parent company, which also manages the external financing of the group.

Market risks

Market risks are caused by changes in foreign exchange rates and interest rates, as well as commodity and energy prices.

The group uses derivative financial instruments to reduce the adverse effects of changes in exchange rates and energy prices. The group has not applied hedge accounting as provided under the IAS 39 standard.

Exchange rate risk

The group operates internationally and is therefore exposed to translation risks resulting from different currency positions. Exchange rate risks arise from commercial transactions, monetary items in the balance sheet and net investments made in foreign subsidiaries.

The group uses several currencies in its sales and purchases. Currency distribution and net positions are monitored on a monthly basis. The majority of trading is denominated in the US dollar (60% of net sales) and the euro (30%). The Japanese yen (8%) is the most important of the lesser-used currencies. The currency distribution has remained almost unchanged in 2007 and 2006. Hedging requirements primarily arise from the US dollar, in relation to which the group's sales income exceeds the amount of currency required for purchases. In terms of the dollar, the forecasted cash flow for the near future (1 - 6 months) is hedged with currency forwards, also taking into account cash requirements. The condition is that the level of hedging exceeds 50 percent. The currency distribution of cash and cash equivalents can be monitored continuously, but a closer examination is performed on a weekly basis.

The parent company operates in the euro. Assets and liabilities denominated in foreign currencies are presented on page 43, converted into euro according to the balance sheet rate.

The table on page 43 demonstrates the effects of the strengthening or weakening of the euro compared to the US dollar and the Japanese yen, with all other factors remaining constant. The change percentages represent average volatility over the last 12 months. The sensitivity analysis is based on assets and liabilities denominated in foreign currencies on the closing date of the financial statements. The sensitivity analysis also takes into account the effects of currency forwards, which net the effects of changes in foreign exchange rates.

As regards the US dollar and the Japanese yen, any change would principally have been the result of changes in the exchange rates of trade receivables and trade payables recorded in these currencies.

The equity of the US-based subsidiary totalled 9.4 million US dollars on 31 December 2007 (2006: USD 8.2 million). The equity of the Japan-based subsidiary amounted to -15.1 million Japanese yen on 31 December 2007 (2006: JPY -4.0 million). This translation risk is not hedged.

The group has no loans in foreign currencies.

The group's means of hedging exchange rates changes of the US dollar on 31 December 2007 comprised currency options with a nominal value of 3.5 million euro at a hedging rate of 1.4350 (2006: currency forwards for 3.4 million euro in nominal values).

Derivatives are discussed in section 23 of the notes.

Interest rate risk

The group is primarily exposed to cash flow interest rate risks, mostly in connection with the loan portfolio. The group's interest rate risks relate to earnings and the cash flow. On 31 December 2007, 2.0 million euro of the group's loans were subject to fixed interest rates (2006: 6.4 million euro) and 20.1 million euro were tied to a short-term floating Euribor reference rate of less than one year (2006: 19.3 million euro). A one percent point change in the reference rate can cause a change of up to 200 thousand euro in annual earnings.

The group held no interest rate derivatives on 31 December 2007 or in 2006.

Commodity and energy price risk

The group's principal raw material is polycrystalline silicon. A price risk arises from the timing differences between purchasing and using the commodity. Polycrystalline silicon is not a listed commodity. Hedging against price changes mainly comprises long-term purchase agreements for the commodity and, when possible, pricing of the end products.

The group's production processes use a significant amount of energy, principally electricity. Electricity is purchased locally in each country. The majority of the group's electricity consumption takes place in Finland where the electricity price risk is reduced with electricity derivatives. The electricity derivatives are, at most, over a year in duration. The increase in spot prices by 30% in Finland corresponds to an increase of 100 thousand euro in costs on an annual basis. A 10-percent increase in consumption in Finland corresponds to an increase of 160 thousand euro in costs on an annual basis.

On 31 December 2007, the group's publicly traded electricity derivatives amounted to 72.4 GWh (2006: 65.0 GWh).

Derivatives are discussed in section 23 of the notes.

Price risk of securities

The group has not invested in listed securities and it currently holds no listed securities.

Okmetic Oyj has a 13.7 percent share in a Swedish company called Norstel AB, which is currently being set up. The holding involves the usual business risks associated with start-up companies.

Credit risk

The group's trade receivables are generated by a large number of customers. The customers are dispersed in different geographical areas. Credit risk is reduced by targeting sales to customers with good credit ratings and through using well-known, solvent and well-regarded financial institutions in cash transactions, credit arrangements and investments of liquid assets. Customers' payment behaviour is monitored continuously. Where necessary, risks relating to specific customers are reduced by means of payment and delivery terms.

In 2007, the group's credit losses amounted to 8,400.00 euro (2006: 7,200.00 euro).

The distribution of trade receivables by due date and by currency is shown in section 16.

Liquidity risk

The short-term liquidity risk is controlled by means of regular long-term financial planning, weekly cash flow forecasts for one month at a time and efficient day-to-day cash flow management. The group has strengthened its liquidity with a binding credit commitment. On 31 December 2007, the 3.0 million euro credit facility that the group has agreed with a financial institution was undrawn (2006: 6.0 million euro). The group's loan agreements involve conventional covenants.

Note 22 continues

Contractual maturities of financial liabilities

2007 1,000 euro	Carrying amount	Cash flow	2008	2009	2010	2011	2012	Later
Loans from financial institutions								
Loan repayments	20,049.7	20,075.0	4,750.0	3,825.0	2,600.0	2,600.0	2,300.0	4,000.0
Interest expenses		3,598.0	1,051.1	823.3	625.6	477.1	328.8	292.1
Subordinated loans 1)								
Loan repayments	1,856.2	1,996.4	998.2	998.2	-	-	-	-
Interest expenses		179.7	119.8	59.9	-	-	-	-
Finance lease liabilities								
Loan repayments	353.3	353.3	197.9	116.6	38.8	-	-	-
Interest expenses		17.7	12.3	4.6	0.8	-	-	-
Trade and other payables	10,307.8	10,307.8	9,407.8	450.0	450.0	-	-	-
Accruals and deferred income	4,015.3	4,015.3	4,015.3	-	-	-	-	-
Total	36,582.3	40,543.2	20,552.4	6,277.6	3,715.2	3,077.1	2,628.8	4,292.1
Derivative financial instruments								
Electricity derivatives	419.0	441.2	209.8	183.8	47.6	-	-	-

1) Subordinated loans are repaid in accordance with the loan terms.

2006 1,000 euro	Carrying amount	Cash flow	2007	2008	2009	2010	2011	Later
Loans from financial institutions								
Loan repayments	18,909.6	18,953.6	4,828.6	4,400.0	4,475.0	3,250.0	2,000.0	-
Interest expenses		2,366.7	930.6	686.4	448.3	229.3	72.1	-
Subordinated loans	6,447.7	6,658.0	-	-	-	-	-	6,658.0
Finance lease liabilities								
Loan repayments	373.8	373.8	181.6	140.7	51.4	-	-	-
Interest expenses		20.7	14.4	5.5	0.8	-	-	-
Trade and other payables	5,890.0	5,890.0	5,890.0	-	-	-	-	-
Accruals and deferred income	7,306.2	7,306.2	7,306.2	-	-	-	-	-
Total	38,927.2	41,568.9	19,151.4	5,232.6	4,975.5	3,479.3	2,072.1	6,658.0
Derivative financial instruments								
Currency forwards	117.3							
Cash outflow		-3,245.6	-3,245.6	-	-	-	-	-
Cash inflow		3,355.2	3,355.2	-	-	-	-	-
Electricity derivatives	79.9	83.0	63.8	-5.1	24.4	-	-	-

Note 22 continues

Foreign currency assets and liabilities translated into euro at the balance sheet rate

1,000 euro	2007 USD	2007 JPY	2006 USD	2006 JPY
Non-current assets	1,497.9	-	-	-
Non-current liabilities	1.6	-	55.9	-
Current assets	7,801.6	1,357.3	9,846.3	1,443.5
Current liabilities	2,088.8	365.9	1,862.3	485.6

Sensitivity analysis indicating the effects of exchange rate changes

1,000 euro	2007 USD	2007 JPY	2007 Total	2006 USD	2006 JPY	2006 Total
Change, %	-9.2	-10.4		-0.9	-6.7	
Effect on profit after tax	-663.2	-103.1	-766.3	-71.4	-64.2	-135.5

Capital management

The group's aim in capital management is to support the business and increase shareholder value by ensuring the lowest possible capital costs and the best possible return.

At the end of 2007, the board of directors set Okmetic two long-term goals: the equity ratio to average 50.0 percent and the company to be able to pay out consistent annual dividends.

On 27 February 2008 the board of directors decided to propose at the annual general meeting to be held on Thursday, 3 April 2008 that the board of directors be granted the authority to decide on new issues, stock options and other share entitlements according to the first section of chapter 10 of the Finnish Companies Act as follows:

The aggregate number of shares issued on the basis of the authorisation may not exceed 3,377,500 shares, which represents approximately 20 percent of all the shares of the company.

The board of directors is authorised to decide on all the terms and conditions concerning the issue of shares and other share entitlements. The authorisation relates to the issuance of new shares. Issuance of shares and other share entitlements can be carried out as a directed issue.

The authorisation is effective until the following annual general meeting of shareholders.

The board of directors was granted similar authorisations at the annual general meetings held on 11 April 2006 and 29 March 2007.

1,000 euro	2007	2006
Total equity	**45,649.4**	40,080.5
Total balance sheet	**82,663.7**	79,581.3
Equity ratio	**55.2%**	50.4%

23. Derivative financial instruments

1,000 euro	2007 Fair value	2007 Nominal value	2006 Fair value	2006 Nominal value
Currency derivatives				
Currency options, call	**118.6**	**3,484.3**	-	-
Currency forwards	**-**	**-**	117.3	3,355.2
Electricity derivatives	**419.0**	**2,382.8**	79.9	2,580.1
Total	**537.7**	**5,867.1**	197.1	5,935.3

The contract price of the derivatives has been used as the nominal value of the underlying asset.

The fair values of the derivative contracts have been determined on the basis of the market quotations and contract prices prevailing at the balance sheet date. Fair values of contracts hedging future cash flows are based on the present value of the future cash flows.

Derivative contracts are held for hedging.

24. Fair values of financial assets and liabilities

1,000 euro	Note	2007 Carrying amount	2007 Fair value	2006 Carrying amount	2006 Fair value
Financial assets					
Available-for-sale financial assets	13	**2,430.5**	**2,430.5**	1,501.9	1,501.9
Trade and other receivables	16	**14,994.5**	**14,839.1**	8,638.3	8,638.3
Financial assets at fair value through profit or loss	16,23	**537.7**	**537.7**	197.1	197.1
Cash and cash equivalents		**13,308.3**	**13,308.3**	13,184.3	13,184.3
Financial liabilities					
Loans from financial institutions	18	**20,049.7**	**20,302.7**	18,909.6	19,118.6
Subordinated loans	18	**1,856.2**	**1,932.9**	6,447.7	6,447.7
Finance lease liabilities	18	**353.3**	**351.4**	373.8	373.0
Trade and other payables	20	**10,259.7**	**10,166.3**	4,785.8	4,785.8
Accruals and deferred income	21	**4,015.3**	**4,015.3**	7,306.2	7,306.2

Available-for-sale financial assets
Available-for-sale financial assets are carried at fair value. The methods applied in determining the fair value are disclosed in the accounting policies for the consolidated financial statements.

Trade and other receivables
The fair value of other non-current receivables is calculated by discounting the future cash flows at the market rate of interest at the balance sheet date. Other non-current receivables are non-interest bearing. The carrying amounts of current receivables, other than those relating to derivative contracts, are assumed to be a reasonable approximation of their fair value.

Financial assets at fair value through profit or loss
The methods applied in determining the fair value of assets at fair value through profit or loss are disclosed in note 23, Derivative financial instruments.

Interest-bearing liabilities
Interest-bearing liabilities are stated at amortised cost. The fair value of interest-bearing liabilities is measured on the basis of discounted cash flows. The discount rate used is based on the closing rates of interest rate swap agreements added with a company-specific risk premium of 0.85 percent (2006: 1.0%).

According to the terms of the subordinated loans, the capital may be refunded only if the restricted shareholders' equity and other non-distributable funds according to the balance sheet to be adopted for the parent company and for the group for the financial year last ended are fully covered thereafter.

Trade and other payables
The fair value of other non-current liabilities is calculated by discounting the future cash flows at the market rate of interest at the balance sheet date. Other non-current liabilities are non-interest bearing. The carrying amounts of current trade and other payables approximate their fair value.

25. Related party transactions

Group companies on 31 December 2007

Name of organisation	Registered office	Ownership share Parent, %
Okmetic Oyj, parent company	Vantaa, Finland	
Okmetic Inc.	Allen, TX, United States	100
Okmetic K.K.	Tokyo, Japan	100
Okmetic Invest Oy	Vantaa, Finland	100
Kiinteistö Oy Piitalot	Vantaa, Finland	100

Key management compensation

1,000 euro	2007	2006
Salaries and other short-term employee benefits	**1,279.4**	1,201.1
Post-employment benefits	**145.1**	124.5
Total	**1,424.5**	1,325.6

Key management comprises the board of directors and the executive management group. On 31 December 2007, there were no receivables from the key management (2006: -).

Details of the salaries and remuneration of the board of directors and the president

1,000 euro	2007	2006
President		
Salaries and fees	**259.5**	251.6
Fringe benefits	**12.7**	9.7
Total	**272.2**	261.3
Members of the board of directors		
Remuneration		
Aro Mikko J.	**34.8**	33.6
Kaitue Karri	**26.1**	25.2
Lager Esa	**17.4**	16.8
Paasikivi Pekka	**17.4**	16.8
Salmi Pekka	**17.4**	16.8
Total	**113.1**	109.2
Total	**385.3**	370.5

Members of the board of directors have not been paid pension-related benefits or fringe benefits. The president and the executive management group are not paid separate remuneration for their membership on the boards of subsidiary companies or for acting as a president of a subsidiary. No specific agreement has been made concerning the retirement age of the president of Okmetic Oyj.

Shares held by the key management

	31 Dec 2007	31 Dec 2006	Change
Board of directors	2,100	2,100	0
President	10,800	7,800	3,000
Other members of the executive management group	12,512	13,812	-1,300
Total	25,412	23,712	1,700

26. Events after the balance sheet date

The group has no events after the balance sheet date, which would be reportable in accordance with IAS 10.

27. Five years in figures

Financial performance

1,000 euro Financial year 1 Jan - 31 Dec	IFRS 2007	IFRS 2006	IFRS 2005	IFRS 2004	FAS 2003
Net sales	64,652	63,694	49,822	54,524	50,117
Change in net sales, %	1.5	27.8	-8.6	10.5	-13.2
Export and foreign operations					
% of net sales	93.0	95.7	95.6	96.9	95.9
Operating profit/loss	7,121	9,877	580	-5,735	-7,717
% of net sales	11.0	15.5	1.2	-10.5	-15.4
Profit/loss before tax from continuing operations	5,215	6,679	-1,561	-8,291	-9,324
% of net sales	8.1	10.5	-3.1	-15.2	-18.6
Return on equity, %	12.4	18.6	-5.1	-22.2	-13.7
Return on investment, %	10.8	14.2	0.8	-7.2	-6.1
Non-interest bearing liabilities	14,755	13,770	10,514	12,793	9,850
Gearing, %	19.6	31.3	99.5	116.9	60.1
Equity ratio, %	55.2	50.4	41.1	36.7	54.9
Capital expenditure [1)]	4,816	1,671	713	1,337	1,880
% of net sales	7.4	2.6	1.4	2.5	3.8
Depreciation	8,095	8,486	8,610	9,018	13,487
Research and development expenses [2)]	1,854	1,731	1,424	1,345	3,355
% of net sales	2.9	2.7	2.9	2.5	6.7
Average number of personnel during the period	362	360	359	446	477
Personnel at the end of the period	357	365	338	418	456

Note 27 continues

Share-related key figures

Euro Financial year 1 Jan - 31 Dec	IFRS 2007	IFRS 2006	IFRS 2005	IFRS 2004	FAS 2003
Continuing operations:					
Basic earnings per share, euro	0.31	0.41	-0.10	-0.50	
Diluted earnings per share, euro	0.31				
All operations:					
Basic earnings per share, euro	0.31	0.41	0.00	-0.55	-0.59
Diluted earnings per share, euro	0.31				
Equity per share, euro	2.70	2.37	2.01	1.94	3.92
Dividend per share, euro	0.10	-	-	-	-
Dividend/earnings, %	31.8	-	-	-	-
Price/earnings (P/E)	9.6	9.3	501.0	-4.4	-5.6
Share price performance					
Average trading price	3.87	3.11	2.09	2.88	2.43
Lowest trading price	2.54	1.80	1.65	2.15	1.45
Highest trading price	4.67	3.75	3.14	4.50	3.77
Trading price at the end of the period	3.03	3.69	1.78	2.44	3.30
Market capitalisation at the end of the period, 1,000 euro	51,169	62,315	30,060	41,206	55,729
Trading volume					
Trading volume, transactions	13,175,961	16,500,162	5,851,792	5,519,895	3,630,769
In relation to weighted average number of shares, %	78.0	97.7	34.7	32.7	21.5
Trading volume, euro	51,002,491	51,312,696	12,220,981	15,898,813	8,819,587
The weighted average number of shares during the period adjusted by the share issue [3]	16,887,500	16,887,500	16,887,500	16,887,500	16,887,500
The number of shares at the end of the period adjusted by the share issue [3]	16,887,500	16,887,500	16,887,500	16,887,500	16,887,500
Adjusted average number of shares during the period including the dilution due to convertible loans and options	16,887,500	16,887,500	16,887,500	16,887,500	16,360,784
Adjusted number of shares at the end of the period including the dilution due to convertible loans and options	16,887,500	16,887,500	16,887,500	16,887,500	16,360,784

Information on the parent company's options [4]

Euro Financial year 1 Jan - 31 Dec	2007	2006	2005	2004	2003
Warrants - Option A/B, pcs	-	554,800	554,800	554,800	554,800
Option rate performance					
Average trading price	0.05	0.06	0.09	0.32	0.59
Lowest trading price	0.01	0.02	0.04	0.20	0.55
Highest trading price	0.09	0.15	0.20	0.35	0.65
Trading price at the end of the period	-	0.04	0.04	0.20	0.65
Trading volume					
Trading volume, pcs	65,700	193,800	32,500	27,500	10,400
In relation to weighted average, %	11.8	34.9	5.9	5.0	1.9
Trading volume, euro	3,266	11,092	2,790	8,726	6,112

1) Capital expenditure of continuing operations.
2) Research and development costs are presented in gross figures including only long-term projects of continuing operations based on research programs.
3) Adjustments to shares have been made in accordance with the guidelines issued by the Finnish Accounting Board on 29 October 2002, and the number of shares has been adjusted to correspond to the present number of shares.
4) The option right A has been made available for public trading on the Helsinki Stock Exchange on 3 December 2001 and the option right B on 2 May 2003. The option classes have been combined. The subscription period for shares under the warrants has ended on 31 May 2007.

Definitions of key financial figures

Return on equity, % (ROE) =
$$\frac{\text{Profit/loss for the period from continuing operations} \times 100}{\text{Equity (average for the period)}}$$

Return on investment, % (ROI) =
$$\frac{\text{(Profit/loss before tax + interest and other financial expenses)} \times 100}{\text{Balance sheet total - non-interest bearing liabilities (average for the period)}}$$

Equity ratio (%) =
$$\frac{\text{Total equity} \times 100}{\text{Balance sheet total}}$$

Gearing (%) =
$$\frac{\text{(Interest bearing liabilities - cash and cash equivalents)} \times 100}{\text{Equity}}$$

Earnings per share =
$$\frac{\text{Profit/loss for the period attributable to the equity holders of the parent company}}{\text{Adjusted weighted average number of shares in issue during the period}}$$

Equity per share =
$$\frac{\text{Equity attributable to the equity holders of the parent company}}{\text{Adjusted number of shares at the end of the period}}$$

Dividend per share =
$$\frac{\text{Dividend for the period}}{\text{Adjusted number of shares at the end of the period}}$$

Price/earnings ratio (P/E) =
$$\frac{\text{Last adjusted trading price at the end of the period}}{\text{Earnings per share}}$$

Average share price =
$$\frac{\text{Total traded amount in euro}}{\text{Adjusted number of shares traded during the period}}$$

Market capitalisation at the end of the period = Number of shares at the end of the period x trading price at the end of the period

Trading volume =
$$\frac{\text{Number of shares traded during the period}}{\text{Weighted average number of shares during the period}}$$

28. Quarterly key figures

1,000 euro	10 - 12/2007	7 - 9/2007	4 - 6/2007	1 - 3/2007
Net sales	15,790	15,927	15,613	17,322
Compared to previous quarter, %	-0.9	2.0	-9.9	8.2
Operating profit	981	2,801	662	2,677
% of net sales	6.2	17.6	4.2	15.5
Profit before tax	454	2,229	207	2,326
% of net sales	2.9	14.0	1.3	13.4
Net cash from/used in operating activities	4,735	2,357	-414	1,628
Net cash used in investing activities	-285	-593	-1,582	-1,850
Net cash from/used in financing activities	-931	-58	-3,582	817
Net increase/decrease in cash and cash equivalents	3,518	1,706	-5,578	595
Personnel at the end of the period	357	356	369	360

1,000 euro	10 - 12/2006	7 - 9/2006	4 - 6/2006	1 - 3/2006
Net sales	16,008	15,903	15,872	15,912
Compared to previous quarter, %	0.7	0.2	-0.3	13.7
Operating profit	3,339	2,690	1,142	2,706
% of net sales	20.9	16.9	7.2	17.0
Profit before tax	1,774	2,338	407	2,161
% of net sales	11.1	14.7	2.6	13.6
Net cash from operating activities	4,863	5,694	3,431	3,957
Net cash from/used in investing activities	3,996	-84	-329	-9
Net cash used in financing activities	-3,190	-2,968	-5,017	-1,584
Net increase/decrease in cash and cash equivalents	5,669	2,641	-1,915	2,364
Personnel at the end of the period	365	368	379	337

29. Shares and shareholders of Okmetic Oyj

Shares and share capital
On 31 December 2007, Okmetic Oyj's paid-up share capital, as entered in the Finnish Trade Register, was 11,821,250.00 euro. The share capital is divided into 16,887,500 shares, and the equivalent book value of each share is 0.7 euro. Each share entitles its holder to one vote at general meetings. According to the articles of association, the minimum number of shares is 9,000,000 and the maximum number is 36,000,000. The company has one class of shares. The company's shares are included in the Finnish book-entry securities system.

Quotation of the shares
Okmetic Oyj's shares are quoted on the Small Cap list of the OMX Nordic Exchange, under the Information Technology sector and under the trading code OKM1V.

Authorisation of the board of directors to increase share capital
The annual general meeting held on 11 April 2006 authorised the board of directors to increase the company's share capital by a new issue or by issuing stock options or convertible bonds in one or more tranches for a period commencing on 11 April 2006 and ending on the date of the next annual general meeting, however, not exceeding one year after the date of the annual general meeting so that the new issue or the convertible bonds or stock options would give the right to subscribe to a maximum of 3,377,500 new shares. Under this authorisation, the share capital could increase by a maximum of 2,364,250 euro. The authorisation included a right to deviate from the shareholders' pre-emptive subscription rights provided that the deviation could be justified for an important financial reason. The board did not take advantage of the authorisation.

The annual general meeting held on 29 March 2007 granted the board of directors similar powers from 29 March 2007 onwards. The board had not taken advantage of the authorisation by 27 February 2008.

On 27 February 2008 the board of directors decided to propose at the annual general meeting to be held on 3 April 2008 that the board of directors be granted a similar authority as of 3 April 2008.

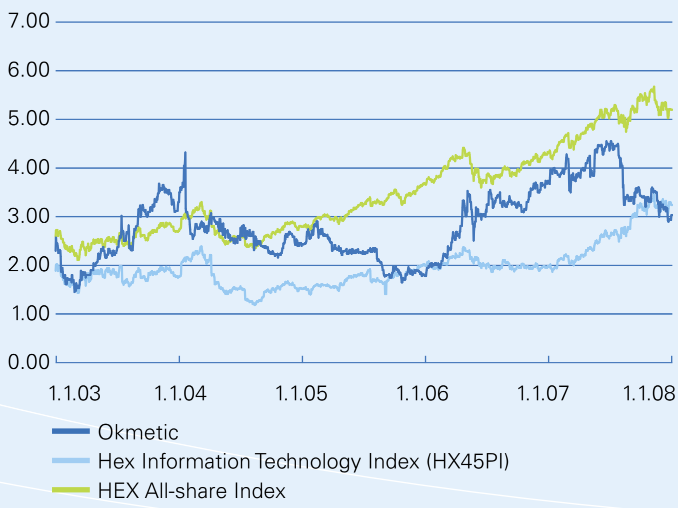
Own shares
The company has not repurchased its own shares and the board of directors has not been authorised to repurchase or convey the company's own shares.

Redemption clause
The articles of association contain no redemption clause regarding the company's shares.

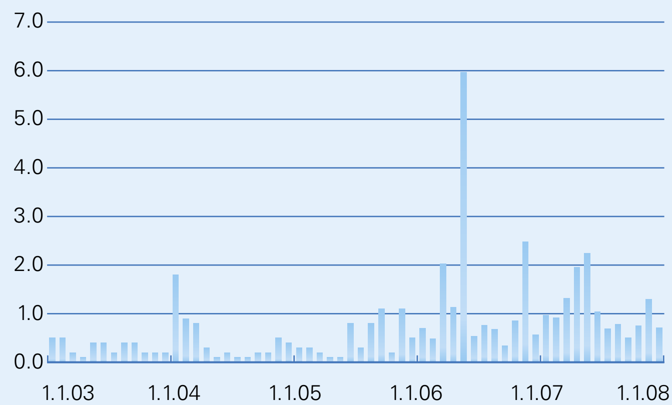
Subordinated loans
At the company's extraordinary general meeting held on 9 August 1996, the subscribers for the increase of the share capital granted to the company a convertible subordinated loan of 3,363,294.33 euro (then FIM 19,997,240). According to the terms of the loan, the loan would have been converted into shares by 31 March 2000 if the company had achieved set earnings targets. The loan was not converted because the company did not achieve the set earnings targets.

The loan and the due interest were repaid on 29 June 2007. Furthermore, the company has taken out two subordinated loans from the Finnish National Fund for Research and Development Sitra. After adding the unpaid interest from previous years, the capitals of the loans were recorded as 111,810.25 euro and

Development of share price,
euro/index



Monthly trading volume,
million transactions



188,221.38 euro in the financial statements for 31 December 2006. Both subordinated loans matured on 31 December 2003.

Both loans and the due interest were repaid on 2 April 2007.

Convertible subordinated loans

Okmetic has no convertible subordinated loans at the moment.

At an extraordinary general meeting held on 28 June 1999, the shareholders decided to issue a convertible subordinated bond of 3,363,757.76 euro (then FIM 19,999,995.40) and offer it for subscription to the shareholders registered in the company's share register on 28 June 1999. The loan was subscribed for in its entirety.

One of the shareholders used their right of conversion on 30 June 2001. The amount of the converted bond was 39,079.80 euro and the number of shares involved was 6,750.

The right of conversion expired on 30 June 2006 and the facility has been converted into a subordinated loan subject to normal loan terms and conditions. On 31 December 2007, a total of 1,996,447.17 euro of the loan remained outstanding. This amount shall become payable as per the terms of the loan in two instalments of equal size on 30 June 2008 and 30 June 2009.

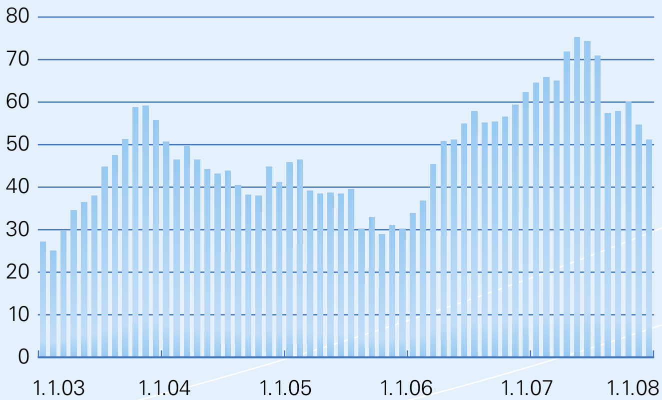
Subordinated loans are discussed in section 11 of the notes to the parent company's financial statements.

Option programme for personnel

Okmetic has no option programmes at the moment.

The extraordinary general meeting held on 23 May 2000 decided, deviating from the pre-emptive rights of shareholders, to offer employees of Okmetic Oyj and its Swedish subsidiary the opportunity to subscribe for a maximum of 512,000 warrants which entitle their holders to subscribe for a maximum of 512,000 shares in Okmetic. The warrants were subscribed for in full.

Market capitalisation,
million euro



Under the authorisation granted at the extraordinary general meeting held on 23 May 2000, the board of directors offered 43,200 warrants, deviating from the pre-emptive rights of shareholders, to three agents – citizens of the United States – engaged by the company's US subsidiary and to the employees of the subsidiary. A total of 42,800 warrants were subscribed for.

On 2 May 2003, the two option classes were combined into one, and renamed the 2000 A/B warrant. Each warrant entitled its holder to subscribe for one share in the company with an equivalent book value of 0.7 euro. The subscription period for shares under the warrants ended on 31 May 2007.

No warrants were converted into shares.

The management's share ownership

On 31 December 2007 the members of the board of directors and the president of Okmetic Oyj held a total of 12,900 shares, which correspond to 0.08 percent of the company's share capital and voting rights. In addition to the president, other members of the executive management group held a total of 12,512 shares on 31 December 2007.

More information on the management's share ownership is given in section 25.

Insider rules

The board of directors of Okmetic Oyj established the insider rules that are to be observed in the group at its meeting on 16 August 2000. The rules take into consideration legislation regulating the securities market, regulations and guidelines issued by the OMX Nordic Exchange and the recommendations given by the Finnish Association of Securities Dealers. Okmetic's insider rules were last updated on 7 March 2006.

Share price development and trading

A total of 13.2 million shares were traded between 1 January and 31 December 2007, representing 78.0 percent of the share total of 16.9 million. The lowest quotation of the year was 2.54 euro and the highest 4.67 euro per share, with the average being 3.87 euro. The closing quotation for the year was 3.03 euro. At the end of the year, the market value of the entire share capital amounted to 51.2 million euro.

Information on the development of the prices of shares and the respective trading volumes as well as per-share key figures for the last five years is given in section 27.

Increases in share capital 1996 - 2007 by date of registration

	Shares, pcs	Share capital, euro
Share capital on 1 January 1996	14,884	2,503,309.10
Increase of share capital by new issue on 12 December 1996 and 11 June 1997	+ 9,479	4,097,562.45
Redenomination of share capital into euro, abolishing nominal value, increase of share capital by new issue on 20 October 1999	+12,180	6,146,091.39
Bonus issue on 5 June 2000		6,395,025.00
Increase of the number of shares, public limited company on 5 June 2000	+ 9,099,207	6,395,025.00
Increase of share capital in connection with listing on 29 June 2000	+ 6,395,000	10,871,525.00
Additional shares on 19 July 2000	+ 450,000	11,186,525.00
Directed issue to JDS Uniphase Corporation on 9 March 2001	+ 900,000	11,816,525.00
Increase of share capital by shares subscribed on the basis of subordinated convertible bonds on 27 September 2001	+ 6,750	11,821,250.00
Share capital on 31 December 2007	16,887,500	11,821,250.00

Major shareholders

Shareholders	Shares, pcs 31 Dec 2007	Share, %	Shares, pcs 31 Dec 2006	Change, pcs
Outokumpu Oyj	2,705,000	16.0	2,705,000	0
OP-Suomi Arvo Equity Fund	1,061,950	6.3	720,500	341,450
Sampo Life Insurance Company	800,000	4.7	872,250	-72,250
Ilmarinen Mutual Pension Insurance Company	749,300	4.4	749,300	0
FIM Fenno Equity Fund	535,000	3.2	585,000	-50,000
Etra Invest Oy Ab	500,000	3.0	1,100,000	-600,000
Varma Mutual Pension Insurance Company	457,175	2.7	625,000	-167,825
SR Arvo Finland Value Equity Fund	379,600	2.3	399,600	-20,000
Finnish Industrial Investment Ltd.	320,750	1.9	639,750	-319,000
Evli Nordic TMT	260,000	1.5	97,000	163,000
Nominee accounts held by custodian banks	3,826,848	22.7	952,914	2,873,934
Other shareholders	5,291,877	31.3	7,441,186	-2,149,309
Total	16,887,500	100.0	16,887,500	0

Shareholders by group

Shareholder groups	Quantity 31 Dec 2007	Shares, pcs	Share, %	Shares, pcs 31 Dec 2006	Share, %	Change in share, %
Enterprises	163	4,758,994	28.2	6,232,058	36.9	-8.7
Financial and insurance institutions	15	2,535,655	15.0	2,721,200	16.1	-1.1
Public organisations	5	1,263,568	7.5	1,461,212	8.6	-1.1
Non-profit organisations	12	821,349	4.9	994,251	5.9	-1.0
Households	2,585	3,132,526	18.5	4,015,239	23.8	-5.3
Foreign investors	27	4,375,408	25.9	1,463,540	8.7	17.2
Total	2,807	16,887,500	100.0	16,887,500	100.0	0.0

Distribution of shareholdings on 31 December 2007

Shares, pcs	Number of shareholders	% of shareholders	Shares, pcs	% of share capital	Change in the number of shareholders	Average shareholding, pcs
1 - 100	328	11.7	27,238	0.2	28	83
101 - 500	1,229	43.8	373,096	2.2	11	304
501 - 1,000	526	18.7	452,166	2.7	-12	860
1,001 - 10,000	639	22.8	1,958,558	11.6	-184	3,065
10,001 - 100,000	67	2.4	1,889,985	11.2	-13	28,209
100,001 - 1,000,000	15	0.5	5,972,123	35.4	0	398,142
Over 1,000,000	3	0.1	6,214,334	36.8	1	2,071,445
Total	2,807	100.0	16,887,500	100.0	-169	6,016

Distribution of shareholdings on 31 December 2006

Shares, pcs	Number of shareholders	% of shareholders	Shares, pcs	% of share capital	Change in the number of shareholders	Average shareholding, pcs
1 - 100	300	10.1	26,526	0.2	15	88
101 - 500	1,218	40.9	375,063	2.2	82	308
501 - 1,000	538	18.1	473,628	2.8	102	880
1,001 - 10,000	823	27.6	2,709,970	16.1	161	3,293
10,001 - 100,000	80	2.7	2,377,070	14.1	21	29,713
100,001 - 1,000,000	15	0.5	6,301,949	37.3	6	420,130
Over 1,000,000	2	0.1	3,805,000	22.5	-2	1,902,500
Total	2,976	100.0	16,069,206	95.2	385	5,400
Nominee accounts held by custodian banks [1)]			818,294	4.8		
Total			16,887,500	100.0		

[1)] Distribution of shareholding was not registered in 2006.

Financial statements for the parent company, FAS

Parent company's income statement

Euro	Note	1 Jan - 31 Dec 2007	1 Jan - 31 Dec 2006
Net sales	1	**56,883,828.79**	54,113,194.22
Cost of sales		**-44,193,225.49**	-41,358,884.36
Gross profit		**12,690,603.30**	12,754,309.86
Sales and marketing expenses		**-2,411,289.08**	-2,318,274.56
Administrative expenses		**-3,690,736.35**	-3,716,398.72
Other operating income	4	**37,670.28**	1,611,576.62
Other operating expenses	5	**-224,840.34**	-303,720.57
Operating profit	2,3	**6,401,407.81**	8,027,492.63
Financial income and expenses	6	**-1,500,814.49**	-2,293,399.28
Profit for the period		**4,900,593.32**	5,734,093.35

Parent company's balance sheet

Euro	Note	31 Dec 2007	31 Dec 2006
Assets			
Fixed assets	7		
Intangible assets			
Other capitalised expenditure		-	45,840.11
Tangible assets			
Buildings		-	1,254,474.47
Machinery and equipment		-	27,857,064.37
Construction in progress		-	305,183.45
		-	29,416,722.29
Investments			
Shares in group companies	8	**13,776,450.55**	13,776,450.55
Other shares and holdings		**3,174,028.00**	2,500,000.00
Other receivables		**15,136.91**	689,164.91
		16,965,615.46	16,965,615.46
Total fixed assets		**16,965,615.46**	46,428,177.86
Current assets			
Inventories			
Raw materials and supplies		**2,253,361.19**	3,133,484.85
Work in progress		**932,493.68**	794,345.65
Finished goods		**1,290,973.78**	1,364,154.43
		4,476,828.65	5,291,984.93
Long-term receivables			
Other receivables	9	**28,820,767.27**	3,807,587.45
Short-term receivables			
Trade receivables	9	**6,972,936.56**	6,288,028.06
Other receivables	9	**7,148,557.05**	960,238.50
		14,121,493.61	7,248,266.56
Cash and cash equivalents		**11,385,109.32**	11,915,114.08
Total current assets		**58,804,198.85**	28,262,953.02
Total assets		**75,769,814.31**	74,691,130.88

Parent company's balance sheet

Euro	Note	31 Dec 2007	31 Dec 2006
Shareholders' equity and liabilities			
Shareholders' equity	10		
Share capital		11,821,250.00	11,821,250.00
Share premium		20,045,254.71	20,045,254.71
Retained earnings		5,734,093.35	-
Profit for the period		4,900,593.32	5,734,093.35
Total shareholders' equity		42,501,191.38	37,600,598.06
Liabilities			
Long-term liabilities			
Subordinated loans	11	998,223.59	6,657,996.70
Loans from financial institutions	12	13,000,000.68	13,750,000.66
Advances received		900,000.00	-
		14,898,224.27	20,407,997.36
Short-term liabilities			
Subordinated loans	11	998,223.58	-
Loans from financial institutions	12	4,000,000.00	4,678,584.59
Advances received		44,235.77	74,573.66
Trade payables		3,751,338.31	3,341,238.07
Other liabilities	9	5,878,058.01	1,665,743.70
Accruals and deferred income	13	3,698,542.99	6,922,395.44
		18,370,398.66	16,682,535.46
Total liabilities		33,268,622.93	37,090,532.82
Total shareholders' equity and liabilities		75,769,814.31	74,691,130.88

Parent company's cash flow statement

1,000 euro	1 Jan - 31 Dec 2007	1 Jan - 31 Dec 2006
Cash flows from operating activities		
Profit for the period	4,900.6	5,734.1
Adjustments for		
Depreciation and write-downs	5,910.2	6,148.3
Financial income and expenses	1,500.8	2,293.4
Other adjustments	173.6	-1,517.6
Change in working capital	-1,880.7	3,574.7
Interest received	601.4	514.1
Interest paid	-4,392.4	-1,317.1
Other financial items	-350.7	-993.5
Net cash from operating activities	6,462.8	14,436.3
Cash flows from investing activities		
Investments in fixed assets	-1,095.9	-894.0
Proceeds from sale of fixed assets	193.3	4,776.8
Net cash from/used in investing activities	-902.6	3,882.8
Cash flows from financing activities		
Proceeds from long-term borrowings	15,000.0	10,000.0
Repayments of long-term borrowings	-21,090.1	-5,084.3
Repayments of short-term borrowings	-	-15,500.0
Net cash used in financing activities	-6,090.1	-10,584.3
Net increase (+), decrease (-) in cash and cash equivalents	-530.0	7,734.8
Cash and cash equivalents at the beginning of the financial year	11,915.1	4,180.3
Cash and cash equivalents at the end of the financial year	11,385.1	11,915.1

Notes to the parent company's financial statements

Accounting policies
The financial statements of Okmetic Oyj have been prepared in accordance with the Finnish Accounting Standards and business legislation. Okmetic Oyj is the parent company of Okmetic group.

Foreign currencies
Business transactions denominated in foreign currencies are recorded at the rates prevailing on the transaction date. In the financial statements, receivables and liabilities denominated in foreign currencies are translated into euro at the average exchange rate quoted by the European Central Bank on the balance sheet date. Advances received are entered in the balance sheet at the rate of the payment date.

Exchange differences arising from trade receivables and payables are charged to sales and purchases in the income statement. Exchange differences from the translation of other receivables and liabilities as well as financing activities are disclosed within financial income and expenses in the income statement.

Fixed assets
Tangible and intangible assets are stated at historical cost less accumulated depreciation, amortisation and write-downs.

Depreciation according to plan on fixed assets is based on the historical cost and the estimated useful lives of the assets. Assets are depreciated on a straight-line basis. The estimated useful lives for the different asset classes are as follows:
- Other capitalised expenditure 3 - 10 years
- Buildings 20 - 25 years
- Machinery and equipment 3 - 15 years

Depreciation on office premises is included in the cost of sales.

Inventories
Inventories are stated at the lower of cost or market using the FIFO method.

Costs of inventories include the variable costs arising from acquisition and manufacturing.

Financial assets and liabilities and derivative financial instruments
Financial assets are carried at lower of cost or market. Financial liabilities are stated at nominal value. Cash and cash equivalents comprise cash in hand and bank accounts. Derivative financial instruments hedging exchange rate risk are entered in the income statement so that interest is accrued and shown within interest income or interest expenses and, at maturity of the contracts, the exchange differences are offset against the hedged item and disclosed in either sales or purchases.

The interest rate difference arising from interest rate swap agreements that hedge interest rate exposure is recognised as an adjustment to interest expenses.

Net sales
Sales of goods are recognised on delivery and sales of services when the services are rendered. Sales are shown net of indirect taxes and discounts.

Research and development costs
Research and development costs are expensed as incurred. The costs are disclosed within costs of sales in the income statement.

Government grants
Government grants for compensating the costs of specified research and development projects are entered as adjustments to the cost of sales.

Other operating income and expenses
Other operating income and expenses include income and expenses not associated with the production of goods and services, such as gains and losses from the disposal of fixed assets, costs of business reorganisation as well as credit losses.

Provisions
Provisions are made for contingent losses that have no corresponding revenue, that are likely to materialise, of which the amount can be estimated reliably, and that are based on an obligation to a third party.

Provisions are shown under long-term or short-term liabilities in the balance sheet, depending on their nature.

Effects of changes in accounting policies and corrections of prior period errors
Changes in accounting policies and restatements of prior period errors are entered in shareholders' equity (retained earnings/losses). A corresponding restatement is made to the closing balance sheet of the prior period.

Extraordinary income and expenses
Extraordinary income and expenses include exceptional significant and non-recurrent income and expenses not related to the ordinary business operations.

Income taxes
Income taxes presented in the income statement consist of accrued taxes for the financial year and tax adjustments for prior years. Deferred tax liabilities and assets are determined for all temporary differences arising between the tax bases and carrying amounts of assets and liabilities using the tax rates valid at the balance sheet date. These items are disclosed in the notes to the financial statements to the extent of the estimated tax benefit.

1. Net sales

Euro	2007	2006
Market area		
North America	**26,574,031.96**	29,729,716.69
Europe	**18,995,223.80**	16,231,080.27
Asia	**11,314,573.03**	8,152,397.26
Total	**56,883,828.79**	54,113,194.22

2. Personnel expenses

Euro	2007	2006
Wages and salaries	**12,863,056.07**	12,082,438.47
Pension costs	**2,096,142.08**	2,007,528.51
Other social security costs	**840,720.35**	1,186,082.18
Total	**15,799,918.50**	15,276,049.16
Remuneration for the board of directors	**113,100.00**	109,200.00

Wages and salaries include wages and salaries for hours worked as well as compensation for annual leave, days off and sick leave, holiday pay and fees for years of service and other similar fees.

Details of the salaries and remuneration of the board of directors and the president

President	**272,202.01**	261,273.51
Members of the board of directors		
Aro Mikko J.	**34,800.00**	33,600.00
Kaitue Karri	**26,100.00**	25,200.00
Lager Esa	**17,400.00**	16,800.00
Paasikivi Pekka	**17,400.00**	16,800.00
Salmi Pekka	**17,400.00**	16,800.00
Total	**113,100.00**	109,200.00
Total	**385,302.01**	370,473.51

Members of the board of directors have not been paid pension-related benefits or fringe benefits. The president and the executive management group are not paid separate remuneration for their membership on the boards of subsidiary companies or for acting as a president of a subsidiary. No specific agreement has been made concerning the retirement age of the president of Okmetic Oyj.

Number of personnel

Clerical workers	**107**	105
Manual workers	**207**	210
Average	**314**	315
On 31 December	**308**	319

3. Depreciation and amortisation

Euro	2007	2006
Depreciation and amortisation by asset classes		
Other capitalised expenditure	**38,960.48**	49,393.27
Buildings	**91,955.00**	194,548.06
Machinery and equipment	**5,772,442.74**	5,904,357.30
Total	**5,903,358.22**	6,148,298.63
Depreciation and amortisation by function		
Cost of sales	**5,903,358.22**	6,143,332.87
Sales and marketing	**-**	159.44
Administration	**-**	4,806.32
Total	**5,903,358.22**	6,148,298.63

4. Other operating income

Euro	2007	2006
Sales of fixed assets	**37,670.28**	1,602,119.86
Credit losses	**-**	9,456.76
Total	**37,670.28**	1,611,576.62

5. Other operating expenses

Euro	2007	2006
Credit losses	**6,076.98**	-
Disposals of fixed assets	**218,763.36**	-
Compensation payments	**-**	303,720.57
Total	**224,840.34**	303,720.57

6. Financial income and expenses

Euro	2007	2006
Interest income		
From group companies	**262,680.47**	390,736.31
From others	**345,760.06**	160,698.86
Total	**608,440.53**	551,435.17
Interest expenses		
To others	**-1,301,680.63**	-1,871,601.55
Income from other fixed asset investments		
From others	**-**	20,299.68
Other financial income and expenses		
To group companies	**-380,478.93**	-612,790.93
To others	**-427,095.46**	-380,741.65
Total	**-807,574.39**	-993,532.58
Total	**-1,500,814.49**	-2,293,399.28

7. Fixed assets

Tangible assets

Euro	Land	Buildings	Machinery and equipment	Construction in progress	Total
Acquisition cost on 1 January 2007	-	2,033,287.62	92,166,080.03	305,183.45	94,504,551.10
Additions	-	-	961,044.83	44,129.10	1,005,173.93
Disposals	-	-2,033,287.62	-93,427,166.03	-49,271.38	-95,509,725.03
Transfers between items	-	-	300,041.17	-300,041.17	0.00
Acquisition cost on 31 December 2007	**-**	**0.00**	**0.00**	**0.00**	**0.00**
Accumulated depreciation and write-downs on 1 January 2007	-	-778,813.15	-64,309,015.66	-	-65,087,828.81
Accumulated depreciation on disposals and transfers	-	870,768.15	70,081,458.40	-	70,952,226.55
Depreciation for the period	-	-91,955.00	-5,772,442.74	-	-5,864,397.74
Accumulated depreciation on 31 December 2007	**-**	**0.00**	**0.00**	**-**	**0.00**
Carrying amount on 1 January 2007		1,254,474.47	27,857,064.37	305,183.45	29,416,722.29
Carrying amount on 31 December 2007	**-**	**0.00**	**0.00**	**0.00**	**0.00**

Note 7 continues

Euro	Land	Buildings	Machinery and equipment	Construction in progress	Total
Acquisition cost on 1 January 2006	977,081.45	12,394,271.67	106,598,004.97	101,575.57	120,070,933.66
Additions	-	9,145.38	596,909.60	213,767.88	819,822.86
Disposals	-977,081.45	-10,370,129.43	-15,038,994.54	-	-26,386,205.42
Transfers between items	-	-	10,160.00	-10,160.00	-
Acquisition cost on 31 December 2006	**-**	**2,033,287.62**	**92,166,080.03**	**305,183.45**	**94,504,551.10**
Accumulated depreciation and write-downs on 1 January 2006	-	-8,837,520.47	-73,443,652.90	-	-82,281,173.37
Accumulated depreciation on disposals and transfers	-	8,253,255.38	15,038,994.54	-	23,292,249.92
Depreciation for the period	-	-194,548.06	-5,904,357.30	-	-6,098,905.36
Accumulated depreciation on 31 December 2006	**-**	**-778,813.15**	**-64,309,015.66**	**-**	**-65,087,828.81**
Carrying amount on 1 January 2006	977,081.45	3,556,751.20	33,154,352.07	101,575.57	37,789,760.29
Carrying amount on 31 December 2006 [1]	**-**	**1,254,474.47**	**27,857,064.37**	**305,183.45**	**29,416,722.29**

[1] of which production machinery and equipment 27,857,064.37

Intangible assets

Euro	Other capitalised expenditure
Acquisition cost on 1 January 2007	360,185.20
Additions	-
Disposals	-360,185.20
Acquisition cost on 31 December 2007	**0.00**
Accumulated amortisation and write-downs on 1 January 2007	-314,345.09
Accumulated amortisation on disposals and transfers	360,185.20
Amortisation for the period	-38,960.48
Write-downs	-6,879.63
Accumulated amortisation on 31 December 2007	**0.00**
Carrying amount on 1 January 2007	45,840.11
Carrying amount on 31 December 2007	**0.00**

Euro	Other capitalised expenditure
Acquisition cost on 1 January 2006	497,923.45
Additions	-
Disposals	-137,738.25
Acquisition cost on 31 December 2006	**360,185.20**
Accumulated amortisation and write-downs on 1 January 2006	-402,690.07
Accumulated amortisation on disposals and transfers	137,738.25
Amortisation for the period	-49,393.27
Accumulated amortisation on 31 December 2006	**-314,345.09**
Carrying amount on 1 January 2006	95,233.38
Carrying amount on 31 December 2006	**45,840.11**

Note 7 continues

Investments

Euro	Shares in group companies	Other shares and holdings	Other receivables	Total
Acquisition cost on 1 January 2007	13,776,450.55	2,500,000.00	689,164.91	16,965,615.46
Additions	-	-	-	-
Disposals	-	-	-	-
Transfers between items	-	674,028.00	-674,028.00	0.00
Carrying amount on 31 December 2007	**13,776,450.55**	**3,174,028.00**	**15,136.91**	**16,965,615.46**
Acquisition cost on 1 January 2006	13,704,456.31	2,506,281.82	804,267.30	17,015,005.43
Additions	71,994.24	-	-	71,994.24
Disposals	-	-6,281.82	-115,102.39	-121,384.21
Carrying amount on 31 December 2006	**13,776,450.55**	**2,500,000.00**	**689,164.91**	**16,965,615.46**

8. Subsidiaries on 31 December 2007

Name of organisation	Registered office	Ownership share, %
Okmetic Inc.	Allen, TX, United States	100
Okmetic Invest Oy	Vantaa, Finland	100
Okmetic K.K.	Tokyo, Japan	100
Kiinteistö Oy Piitalot	Vantaa, Finland	100

9. Receivables from and liabilities to group companies

Euro	2007	2006
Long-term receivables		
Other receivables	**26,212,667.07**	3,807,587.45
Short-term receivables		
Trade receivables	**679,742.24**	670,920.98
Other receivables	**6,454,119.78**	25,254.38
Other liabilities	**1,085,151.50**	93,310.68

10. Shareholders' equity

Euro	2007	2006
Share capital		
On 1 January	**11,821,250.00**	11,821,250.00
On 31 December	**11,821,250.00**	11,821,250.00
Share premium		
On 1 January	**20,045,254.71**	36,190,493.36
Transfer from retained losses	-	-16,145,238.65
On 31 December	**20,045,254.71**	20,045,254.71
Retained earnings/losses		
On 1 January	**0.00**	-2,494,205.77
Profit/loss from the previous period	**5,734,093.35**	-13,651,032.88
Transfer from share premium	-	16,145,238.65
On 31 December	**5,734,093.35**	0.00
Profit for the period	**4,900,593.32**	5,734,093.35
Total shareholders' equity on 31 December	**42,501,191.38**	37,600,598.06
Distributable funds		
Retained earnings	**5,734,093.35**	0.00
Profit for the period	**4,900,593.32**	5,734,093.35
Total	**10,634,686.67**	5,734,093.35

11. Subordinated loans

Euro	2007	2006
Repayment due on 31 December 2003, interest 7.0%		
The Finnish National Fund for Research and Development Sitra	-	111,810.25
Repayment due on 31 December 2003, interest 7.0%		
The Finnish National Fund for Research and Development Sitra	-	188,221.38
Loan period 1996 - 2006 1)		
Conventum Oyj	-	101,424.05
Tapiola Mutual Pension Insurance Company	-	33,334.85
Tapiola Mutual Insurance Company	-	33,334.85
Nordea Pankki Suomi Oyj	-	504,281.22
Sampo Life Insurance Company	-	672,374.96
Oras Oy	-	1,008,562.45
The Finnish National Fund for Research and Development Sitra	-	404,276.68
Finnish Industrial Investment Ltd.	-	605,705.27
Total	-	3,363,294.33
Loan period 1999 - 2009, interest 6.0% 2)		
Nordea Pankki Suomi Oyj	**131,230.94**	196,846.41
Sampo Life Insurance Company	**225,794.41**	338,691.61
Oras Oy	**261,496.95**	392,245.42
Outokumpu Oyj	**1,106,778.59**	1,660,167.88
The Finnish National Fund for Research and Development Sitra	**96,493.34**	144,740.01
PCA Corporate Finance Oy	**174,652.94**	261,979.41
Total	**1,996,447.17**	2,994,670.74
Total	**1,996,447.17**	6,657,996.70

Principal terms of loans:

The capital, interest and other remuneration must, upon the dissolution or bankruptcy of the company, be paid subordinated to all other debts.

The capital may otherwise be refunded only if the restricted shareholders' equity and the other non-distributable funds according to the balance sheet to be adopted for the company, or if the company is the parent company, for the group, for the financial year last ended are fully covered thereafter.

Interest or other remuneration may be paid only if the amount payable may be used for the distribution of profit in accordance with the balance sheet to be adopted for the company, or if the company is the parent company, for the group, for the financial year last ended.

If interest cannot be paid according to agreement, it will be cumulated. There is no interest not entered as expense at the balance sheet date.

1) The loan will be converted by 31 March 2000 into restricted shareholders' equity or, in special circumstances, refunded in three equal instalments annually starting on 31 December 2003. The interest on the loan until 1 April 2000 will be 2% and subsequently 8%. Following payment of an instalment on the loan, the group's equity-to-assets ratio must be a minimum of 40%. The loan was not converted into restricted shareholders' equity by 31 March 2000.

2) Each bond with a par value of FIM 8,605.85 (1,447.40 euro) entitles its holder to obtain in exchange for the bond one share with an accounting par value of 0.7 euro. The exchange ratio is 1:8.60585. On 30 June 2001, the number of shares involved in the conversion of bonds was 6,750. The right of conversion expired on 30 June 2006.

12. Long-term liabilities

Euro	2007	2006
Loans payable after five years		
Loans from financial institutions	**4,000,000.00**	-

13. Short-term liabilities, accruals and deferred income

Euro	2007	2006
Main items included in accruals and deferred income		
Accrued employee-related expenses	**3,485,396.35**	3,383,539.21
Accrued interest expenses	**108,143.83**	3,198,891.33
Other	**105,002.81**	339,964.90
Total	**3,698,542.99**	6,922,395.44

14. Collaterals

Euro	2007	2006
Own debts secured with collaterals		
Loans from financial institutions and other liabilities	**15,666,666.68**	18,869,785.25
Collaterals		
Mortgages on real property, given by a subsidiary	**16,891,275.58**	-
Floating charges, own	**12,109,530.71**	28,928,323.35
Carrying amount of pledged shares	-	8,908,125.47
Total	**29,000,806.29**	37,836,448.82

15. Lease commitments

Euro	2007	2006
Payable next year	**419,583.01**	358,192.46
Payable at a later date	**331,524.18**	470,424.19
Total	**751,107.19**	828,616.65

The lease agreements involve no redemption clauses.

16. Derivative financial instruments

Euro	Fair value 2007	Nominal value 2007
Currency derivatives		
Currency options, call	**118,646.00**	**3,484,320.56**
Electricity derivatives	**419,015.00**	**2,382,816.00**
Total	**537,661.00**	**5,867,136.56**
	2006	2006
Currency derivatives		
Currency forwards	117,261.00	3,355,198.11
Electricity derivatives	79,881.32	2,580,121.93
Total	197,142.32	5,935,320.04

The contract price of the derivatives has been used as the nominal value of the underlying asset.

The fair values of the derivative contracts have been determined on the basis of the market quotations and contract prices prevailing at the balance sheet date. Fair values of contracts hedging future cash flows are based on the present value of the future cash flows.

Derivative contracts are held for hedging.

17. Deferred tax assets and liabilities

The company has tax losses carried forward in the amount of 14.6 million euro. The company has not recognised deferred tax assets for this amount.

The board of directors' proposal regarding measures concerning distributable earnings

According to the financial statements dated 31 December 2007, the parent company's distributable earnings amount to 10,634,686.67 euro. No significant changes have taken place in the company's financial position after the end of the financial year.

The board of directors' proposal for the annual general meeting is that Okmetic Oyj pay a dividend of 0.10 euro per share for 2007, which, based on the number of shares registered on 27 February 2008, amounts to 1,688,750.00 euro.

Signatures for the financial statements and board of directors' report

Vantaa, 27 February 2008

Mikko J. Aro
Chairman of the board of directors

Karri Kaitue
Vice Chairman of the board of directors

Esa Lager
Member of the board of directors

Pekka Paasikivi
Member of the board of directors

Pekka Salmi
Member of the board of directors

Antti Rasilo
President

Auditors' report

To the shareholders of Okmetic Oyj

We have audited the accounting records, the financial statements, the report of the Board of Directors and the administration of Okmetic Oyj for the period 1.1.-31.12.2007. The Board of Directors and the President have prepared the consolidated financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the EU, as well as the report of the Board of Directors and the parent company's financial statements, prepared in accordance with prevailing regulations in Finland, containing the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements. Based on our audit, we express an opinion on the consolidated financial statements, as well as on the parent company's financial statements, report of the Board of Directors and administration.

We conducted our 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 and the report of the Board of Directors are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements and in the report of the Board of Directors, 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 the administration is to examine whether the members of the Board of Directors and the President of the parent company have complied with the rules of the Companies' Act.

Consolidated financial statements

In our opinion the consolidated financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the EU, give a true and fair view, as defined in those standards and in the Finnish Accounting Act, of the consolidated results of operations as well as of the financial position.

Parent company's financial statements, report of the Board of Directors and administration

In our opinion the parent company's financial statements have been prepared in accordance with the Finnish Accounting Act and other applicable Finnish rules and regulations. The parent company's financial statements give a true and fair view of the parent company's result of operations and of the financial position.

In our opinion the report of the Board of Directors has been prepared in accordance with the Finnish Accounting Act and other applicable Finnish rules and regulations. The report of the Board of Directors is consistent with the consolidated financial statements and the parent company's financial statements and gives a true and fair view, as defined in the Finnish Accounting Act, of the result of operations and of the financial position.

The consolidated financial statements and the parent company's financial statements can be adopted and the members of the Board of Directors and the President of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the result for the financial period is in compliance with the Companies' Act.

Vantaa, 27 February 2008

PricewaterhouseCoopers Oy
Authorised Public Accountants

Markku Marjomaa
Authorised Public Accountant

Analysts

At least the following analysts prepare investment analysis on Okmetic on their own initiative. Okmetic is not responsible for the content of any analysis or for any forecasts or recommendations that they contain.

Danske Markets Equities
Ilkka Rauvola
Telephone: +358 10 236 4712
ilkka.rauvola@danskebank.com

Glitnir Pankki Oy
Teemu Saari
Telephone: +358 9 613 4600 (switchboard)
Telephone: +358 9 6134 6514 (direct)
Mobile: +358 41 528 5795
teemu.saari@glitnir.fi

Pohjola Bank plc
Mikael Nummela
Telephone: +358 10 252 4414 (direct)
Mobile: +358 50 304 1471
Fax +358 10 252 2703
mikael.nummela@pohjola.com

An up-to-date list of analysts can be found on the Investor pages of Okmetic's website: www.okmetic.com > Investors > Analysts

Corporate governance

Okmetic Oyj, the parent company of Okmetic Group, is a Finnish public limited company. Its registered office is in Vantaa, Finland.

Corporate governance at Okmetic Oyj follows the provisions of the Finnish Companies Act, other relevant legislation and the articles of association. The recommendation issued on 1 July 2004 by the Helsinki Stock Exchange, the Central Chamber of Commerce and the Confederation of Finnish Industries on the corporate governance of listed companies is used as a guideline for implementing corporate governance at Okmetic.

The administrative bodies of Okmetic Oyj - the general meeting, the board of directors and the president - are in charge of the governance and operations of Okmetic Group. The executive management group assists the president in operative management.

General meeting

The general meeting has the ultimate power in the company. The tasks of the meeting have been defined in the Finnish Companies Act and Okmetic's articles of association.

The general meeting usually convenes once a year. In the general meeting, the shareholders decide on confirming the financial statements, the distribution of profits, increasing or decreasing share capital, amending the articles of association and the appointment and remuneration of the board of directors and the auditors, as provided in the Finnish Companies Act.

The board of directors calls shareholders for the general meeting. The annual general meeting will be held no later than the 30th of June. The board of directors has the responsibility of calling an extraordinary general meeting, if the auditor or shareholders whose combined holding in the company amounts to at least 10 percent submit a written request to the effect in order to address a specific issue. Shareholders have the right to raise a specific issue at the general meeting provided that a written request to that effect is lodged with the board of directors sufficiently early to allow it to be included in the agenda appended to the invitation to the general meeting.

The right to participate in the general meeting applies to shareholders who are included in the list of shareholders maintained by the Finnish Central Securities Depository at least 10 days before the general meeting. Shareholders can use their right to participate either personally or by proxy.

Okmetic Oyj has only one class of shares. In the general meeting, all shares carry equal voting rights.

The president and the members of the board of directors are present at the general meeting. Persons who are nominated as members of the board of directors for the first time must participate in the general meeting where their appointments are decided unless an extremely good reason exists to justify their absence.

The company is not aware of any shareholders' agreements.

Board of directors

The board of directors is responsible for the administration of the company and for the necessary business arrangements.

The general meeting appoints the members of the board of directors. The board's term of office terminates at the end of the annual general meeting after the board's appointment. The board of directors comprises at least three and no more than eight members. In addition, a maximum of eight deputy members may be appointed to the board. The board appoints a chairman and a deputy chairman from its members. The board of directors has quorum when at least half of its members are present.

The board of directors is responsible for managing the group together with the president. The board has general authority in all matters that have not been specifically assigned to another body.

Five members were appointed to the board of directors in the annual general meeting of 2007. The president of Okmetic is not a member of the board of directors.

Essential tasks of the board of directors include:

- The administration of the group and the appropriate arrangement of the operations, accounting and financial management
- Deciding on the group's strategy and supervising its implementation
- Approving the group's annual plans and any revisions to them
- Deciding on investments and sales of assets that have strategic significance or that are extensive in scope
- Deciding on significant financial arrangements and risk management
- Preparing the agenda for the general meeting and ensuring the decisions of the general meeting are implemented
- Deciding on appointing and, if appropriate, dismissing the company's president and vice president and establishing the conditions of their terms of office
- Deciding incentive schemes for the group
- Ensuring that the company's values are upheld
- Reviewing its own performance on a regular basis.

The board of directors produces a written agenda outlining its own responsibilities once a year, and assesses its own performance and procedures on a regular basis.

In order for the company to announce a nomination to the board of directors, the nominee must have expressed his or her willingness to become a member of the board and have the backing of shareholders whose combined voting power amounts to at least 10 percent of the total.

The company's most powerful shareholders have announced that they are in favour of a principle whereby the members of the board of directors should primarily comprise independent experts.

As of 29 March 2007, the board of directors has been made up of the following persons:

Mikko J. Aro, 1945, B.Sc. (Econ.)
- Okmetic Oyj, chairman of the board 2001 -
- Okmetic Oyj, member of the board 1999 -
- Key employment history: Metorex International Oy, President 1997 - 2002; Oy Helvar, President 1982 - 1996
- Key board memberships: Helkama-Auto Oy, chairman of the board 2005 -; Evox Rifa Group Oyj, board member 2005 - 2007; Oy Airam Electric Ab, board member 1997 - ; E. Ahlström Oy, board member 2007 -
- Owns 1,500 shares in the company

Karri Kaitue, 1964, LL.Lic.
- COO and Deputy CEO of Outokumpu Oyj and vice chairman of the Group's Executive Committee 2005 -
- Okmetic Oyj, member and vice chairman of the board 2005 -
- Key employment history: Outokumpu Oyj, Executive Vice President - Strategy and Business Development 2003 - 2004; AvestaPolarit Oy, President - Coil Products 2003; AvestaPolarit Oy, Executive Vice President - Strategy and Business Development 2002 - 2003; AvestaPolarit Oy, Executive Vice President, M&A and Legal Affairs 2001 - 2002; Outokumpu Oyj, Senior Vice President - Corporate General Counsel 1998 - 2001; Outokumpu Oyj, Legal Affairs 1990 - 1998
- Key board memberships: Cargotec Oyj, board member 2005 -; Outokumpu Technology Oyj, vice chairman of the board 2006 -
- Does not own shares in the company

Esa Lager, 1959, M.Sc. (Econ.), LL.M.
- CFO of Outokumpu Oyj and member of the Group's Executive Committee 2005 -
- Okmetic Oyj, member of the board 1996 - 2000, and 2003 -
- Key employment history: Outokumpu Oyj, Executive Vice President, Finance and Administration and member of the Group's Executive Committee 2001 - 2004; Outokumpu Oyj, Financial Director 1995 - 2000
- Key board memberships: Olvi Oyj, board member 2002 -
- Does not own shares in the company

Pekka Paasikivi, 1944, B.Sc. (Eng.)
- Chairman of the board of directors of Oras Invest Oy 2005 -
- Okmetic Oyj, member of the board 1996 -
- Key employment history: Oras Oy, President and CEO 1979 - 2001, Chairman of the Board 1996 - 2006
- Key board memberships: Kemira Oyj, chairman of the board 2007 - ; Mutual Pension Insurance Company Varma, chairman of the supervisory board 2005 - ; Uponor Oyj, chairman of the board 1999 - ; Raute Oyj, board member 2002 - ; Erkki Paasikivi Foundation, chairman of the board 1997 - ; Liikesivistysrahaston kannatusyhdistys ry, board member 2003 - ; Confederation of Finnish Industries EK, member of the general assembly
- Does not own shares in the company

Pekka Salmi, 1961, Lic.Sc. (Tech.)
- Investment Director of The Finnish National Fund for Research and Development Sitra 1997 -
- Okmetic Oyj, member of the board 1999 - 2001, and 2002 -
- Key board memberships: Space Systems Finland Oy, chairman of the board 2005 - ; Neorem Magnets Oy, chairman of the board 1998 - 2007; Panphonics Oy, board member 2003 - ; Tieturi Vision Oy, board member 2006 - 2007
- Does not own shares in the company

The board of directors declares that all members of the board are independent of the company. In addition, Mikko J. Aro, Pekka Paasikivi and Pekka Salmi are independent of any of the company's major shareholders.

The board of directors convenes when necessary. In 2007 a total of twelve meetings were held. The participation rate of the members of the board in board meetings amounted to 97 percent.

The board of directors can decide to form committees of its members to prepare issues in advance. The committees convene when necessary. The issues are then addressed in the meetings of the board of directors and decisions are made by the entire board. Previously, the board of directors has formed committees for appointing the president, formulating new strategies and making arrangements for the group financing, for example.

President and vice president

The board of directors appoints the president and vice president and decides on the conditions of their terms of office.

The president is responsible for ensuring that the business and day-to-day running of the group are arranged in adherence to existing laws and regulations in accordance with the instructions and decisions of the board of directors. The president is also responsible for ensuring that the decisions of the board of directors are implemented as agreed. Antti Rasilo, M.Sc. (Tech.) has been acting as the president of the company since 2003.

The vice president takes over the responsibilities of the president in the event that the president is unable to attend to his duties. Executive Vice President, Sales Mikko Montonen has been acting as the vice president since 1 January, 2008.

Executive management group

Okmetic's executive management group consists of the president, the vice president and specific senior vice presidents as chosen by the president.

The president acts as the head of the executive management group. The objective of the executive management group is to assist the president in managing the group. The executive management group addresses strategic issues, annual plans and long-term strategies, revisions of such plans, and other issues that have significance in terms of managing the group. In addition, the executive management group is responsible for steering and supervising the group's activities. Furthermore, the executive management group prepares issues to be addressed by the board of directors.

The executive management group comprises eight members. It convenes when necessary, however at least once a month.

The executive management group comprises:

Antti Rasilo, 1950, M.Sc. (Tech.), President 2003 -
- With the company since 2003
- Key employment history: Perlos Oyj, Director of the Connectors Division 1997 - 2002; Nokia Oyj, managerial roles in materials management, production and quality assurance (Nokia Networks, Nokia Data and Nokia Cable Machinery) 1984 - 1997; Kone Oyj, Quality Manager 1982 - 1984
- Key board memberships: Technology Industries of Finland; member of the board 2008 -, vice member 2004 - 2007

Tapio Jämsä, 1958, M.Sc. (Tech.), Senior Vice President, Sourcing 1 March, 2008 -
- Areas of responsibility: purchases and contract manufacturing
- With the company from 1 March, 2008 onwards
- Key employment history: Kone Oyj, Sourcing Director 2006 - 2008; VTI Technologies Oy, Sourcing Director 2005 - 2006; Kone Oyj, Purchasing Director 2001 - 2005; Okmetic Oyj, Vice President, Vantaa Plant 1998 - 2001

Jaakko Montonen, 1969, M.Sc. (Tech.), Senior Vice President, Production 2008 -
- Areas of responsibility: production, semiconductor wafer business
- With the company since 1994
- Key employment history: Okmetic Oyj, Process and Project Engineer, Development Engineer, Development Manager and Vice President 1994 - 2004, Senior Vice President, Product Development 2004 - 2007

Mikko Montonen, 1965, M.Sc. (Tech.), Executive Vice President, Sales and Vice President 2008 -
- Areas of responsibility: sales, technology business
- With the company since 1991
- Key employment history: Okmetic Oyj, Process Equipment Engineer, Account Manager, Vice President 1991 - 2004, Senior Vice President, Sales and Marketing 2004 - 2007

Esko Sipilä, 1948, M.Sc. (Econ.), Senior Vice President, Finance 1996 -
- Areas of responsibility: finance and accounting, IT, and communications
- With the company since 1996
- Key employment history: Pakkasakku Oy, Director of Finance and Administration, and Tudor Holding Ltd., Executive Vice President 1991 - 1996; Hilti (Suomi) Oy; Finance Director 1982 - 1991; A Ahlström Osakeyhtiö, headquarters; various roles in financial administration 1973 - 1982

Markku Tilli, 1950, M.Sc. (Tech.), Senior Vice President, Research 1996 -
- Area of responsibility: strategic research
- With the company since 1985
- Key employment history: Okmetic Oyj, Development Manager 1985 - 1995; Outokumpu Semitronic AB, Production Manager 1992 - 1993; Helsinki University of Technology, several positions 1974 - 1985

Markus Virtanen, 1962, M.Sc. (Tech.), Senior Vice President, Human Resources 2003 -
- Area of responsibility: human resources
- With the company since 1999
- Key employment history: Okmetic Oyj, Human Resources Manager, Vice President 1999 - 2003; Finnish Association of Graduate Engineers TEK, representative, organisation chief, head of a regional office, and negotiator for collective labour agreements for the metal industry via the Federation of Professional and Managerial Employees YTN 1989 - 1999

Anna-Riikka Vuorikari-Antikainen, 1965, M.Sc. (Tech.), Senior Vice President, Product Development 2008 -

- Areas of responsibility: product development and marketing, sensor wafer business
- With the company since 1992
- Key employment history: Okmetic Oyj, Quality Engineer and Manager, Production Manager, Evaluations Manager, Planning Manager, 1992 - 2006, Senior Vice President, Sensor Business Development 2006 - 2007

Separate operational management groups, which also include representatives of the staff, are used to help implement the operational activities of the executive management group in relation to sensor and semiconductor wafer businesses.

In total, members of the executive management group hold 22,800 shares in the company.

Shares of the executive management group on 31 December 2007:

	Shares
Antti Rasilo	10,800
Tapio Jämsä	-
Jaakko Montonen	1,000
Mikko Montonen	5,000
Esko Sipilä	3,400
Markku Tilli	500
Markus Virtanen	1,100
Anna-Riikka Vuorikari-Antikainen	1,000

Remuneration and other benefits of the members of the board of directors, the president and members of the executive management group

The annual general meeting held on 29 March 2007, decided on the following annual remuneration for the members of the board of directors: chairman of the board of directors 34,800 euro, deputy chairman 26,100 euro and members 17,400 euro each. Members of the board of directors are not paid any additional monies for taking part in the meetings and they are not eligible for any share-based incentive schemes.

Remuneration of the management follows local legislation and practice. The amount of remuneration is based on the generally accepted job descriptions used in the industry as well as on the manager's personal performance reviews.

All employee groups at Okmetic are eligible for an incentive scheme. Monthly targets are set for the manual workers' productivity, and the resulting bonuses are awarded once a month. Clerical workers are subject to a profit-sharing scheme, which is based on annual targets relating to profitability, finance and turnover. Turnover-based targets are set individually from managerial level upwards.

The annual emoluments of the president and the executive management group comprise salaries and related benefits in kind as well as bonuses awarded in connection with the aforementioned incentive scheme of the group. The bonuses are awarded on the basis of profitability and cash flow targets set by the board of directors as well as personal operative performance targets. In 2007, the maximum amount of bonus available was 50 percent for the president and 30 percent for the other members of the executive management group.

The president and the members of the executive management group are not entitled to separate remuneration for their membership in the executive management group or for acting in the administrative bodies of subsidiaries. The annual remuneration and perks awarded to the president amounted to approximately 204,000 euro in 2007. The annual remuneration and perks awarded to other members the executive management group amounted to a total of 673,500 euro in 2007.

The pension benefits of the president and the members of the executive management group are determined on the basis of the Finnish Employee's Pensions Act. The company can dismiss the president with twelve months' notice provided that there is a good reason. The president must give six months' notice for resignation.

The company has not provided guarantees or other such commitments on behalf of the members of the board of directors or the executive management group. Furthermore, the members of the board of directors and the executive management group or their families have no business links with the company.

Internal supervision, risk management, auditing of financial statements and internal auditing

The administration and supervision of the group's business activities is carried out in accordance with the aforementioned corporate governance system. The group has the reporting systems required for the efficient monitoring of business activities.

The ultimate responsibility for the appropriate arranging of accounting and supervision of financial management falls on the board of directors. The president is responsible for ensuring that the accounts comply with the law and that financial management is arranged in a reliable manner.

The achieving of set targets is monitored on a monthly basis with the help of a planning and monitoring system that covers the operational activities of all departments of the group. The system includes up-to-date data and estimates for the following period up to a maximum of 12 months.

The risks to property, risks of interrupted operation and the risks relating to indemnity resulting from the operation of the company are covered by appropriate insurance.

Financial risks and risks relating to the price of electricity are covered in accordance with a hedging policy separately approved by the board of directors.

The president and the members of the executive management group are responsible for ensuring that the operations of the company are carried out in accordance with existing laws as well as other regulations, decisions of the board of directors and the operational principles of the company.

The auditor is appointed in the annual general meeting. The nominated auditor is disclosed in the invitation to the annual general meeting or via a separate release, should the nominee not be known to the board of directors at the time of issuing the notice.

In accordance with the articles of association the company has one auditor. The auditor must be an individual auditor or an auditing firm approved by the Central Chamber of Commerce. The term of office of the auditor terminates at the end of the annual general meeting following the appointment of the auditor.

The accountancy firm PricewaterhouseCoopers is responsible for auditing of the companies included in the group worldwide. PricewaterhouseCoopers Oy is responsible for auditing the parent company Okmetic Oyj and the principal auditor is Authorised Public Accountant Markku Marjomaa. The principal auditor is responsible for providing guidance and coordination for the group's audit. The audit programme, which is produced by the auditor and the management of the company on an annual basis, takes into consideration the fact that the group does not have its own organisation for internal auditing.

The auditors provide the shareholders of the company with the legally required auditor's report in connection with the annual financial statements. In addition, the auditors must report to the parent company's board of directors on a regular basis. The remuneration of the auditors amounted to 141,000 euro in 2007, of which 41,600 euro originated from services unrelated to auditing.

Insiders

Okmetic's board of directors has confirmed the company's insider guidelines that are based on the recommendation of the Helsinki Stock Exchange. The guidelines were last updated on 7 March 2006.

In accordance with the Finnish Securities Markets Act, the public insiders of the company include, on the basis of their positions, the members of the board of directors, the president, the vice president, the members of the executive management group and the principle auditor. In addition, as per a separate decision of the company, the permanent insiders include specifically named managers of group-level managers and persons responsible for handling group issues, as well as associates of the principle auditor, who on the basis of their positions constantly receive insider information.

The management can, if necessary, also appoint specific persons as temporary insiders in connection with a specific project. Project-specific insiders are employees who in the course of their duties or in connection with the project will have access to information that may have a significant impact on share price development. Project-specific insiders also include people outside the company who in their dealings with the company have an opportunity to acquire information that may have a significant impact on share price development.

The Senior Vice President, Finance is responsible for the group-level coordination and supervision of insider issues.

The list of Okmetic's public insiders as well as their share and option holdings and changes thereto are updated monthly on the company's website.

Investor relations

The objective of Okmetic's communications and investor relations is to continuously provide correct, adequate and up-to-date information fairly to all market participants. The operation aims at transparency and good service.

All Okmetic's releases and presentation materials are available on the company website (www.okmetic.com) immediately after their publication. The information is published in both Finnish and English.

Okmetic's representatives will not comment the company's financial situation nor meet with any capital market representatives during a period of two weeks prior to the publication of financial statements and interim reports.

Board of directors

Esa Lager
M.Sc. (Econ.), LL.M.

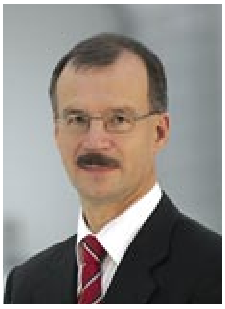
Pekka Paasikivi
B.Sc. (Eng.)

Mikko J. Aro
B.Sc. (Econ.)

Karri Kaitue
LL.Lic.

Pekka Salmi
Lic.Sc. (Tech.)

Executive management group



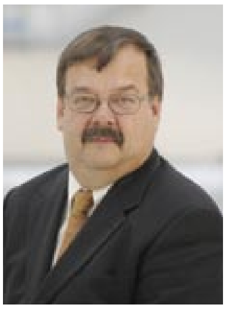
Antti Rasilo
M.Sc. (Tech.), President 2003 -

Tapio Jämsä
M.Sc. (Tech.), Senior Vice President, Sourcing, 1 March 2008 -

Jaakko Montonen
M.Sc. (Tech.), Senior Vice President, Production 2008 -

Mikko Montonen
M.Sc. (Tech.), Executive Vice President, Sales and Vice President 2008 -

Esko Sipilä
M.Sc. (Econ.), Senior Vice President, Finance 1996 -



Markku Tilli
M.Sc. (Tech.), Senior Vice President, Research 1996 -

Markus Virtanen
M.Sc. (Tech.), Senior Vice President, Human Resources 2003 -

Anna-Riikka Vuorikari-Antikainen
M.Sc. (Tech.), Senior Vice President, Product Development 2008 -

Glossary

Actuator: a micromechanical device used in automatic medication dosage, which activates and controls the dosage.

BSOI: a value-added silicon wafer, a subgroup of SOI wafers (BSOI = Bonded SOI).

C-SOI: a subgroup of SOI wafers (cavity SOI, product name Okmetic C-SOI); a value-added SOI wafer with built-in buried cavities that enable the design of more advanced MEMS components.

Chip: a piece of silicon detached from a silicon wafer, which has semiconductor functions.

Crystal yield: indicates the quantity of crystal material ready for slicing in relation to raw material used in the crystal growth process.

Discrete semiconductor: a semiconductor consisting of a single component (e.g. a single transistor), as distinct from an integrated circuit, which incorporates several, or even millions of transistors.

DNV: Det Norske Veritas; an multinational company providing services for risk management. One of the most well-known certification bodies in the world.

Electronic grade silicon: extremely pure silicon used in the manufacture of silicon wafers.

Epiwafer: a silicon wafer with a thin layer of silicon grown on its surface in an epitaxial reactor.

FAS: the Finnish Accounting Standards that Okmetic followed prior to the adoption of IFRS.

Global Industry Classification Standard (GICS): a global standard for categorizing publicly traded companies into industries, which enables company and industry comparisons across countries world-wide.

G-SOI: subgroup of SOI wafers (gettered SOI, product name Okmetic G-SOI); a value-added SOI wafer with built-in gettering properties.

Highly doped wafer: a silicon wafer with extremely high electrical conductivity, containing a high degree of doping element.

IFRS: International Financial Reporting Standards that all public companies in the European Union must follow.

IGBT circuit: Isolated Gate Bipolar Transistor; a power transistor.

Inertial sensor: a term commonly used in the industry for all motion sensors.

Integrated circuit: IC; a semiconductor component in which several electronic functions are integrated on a single silicon chip.

ISO 14001: an international standard for the management of environmental matters.

ISO 9001:2000: an international standard for the management of the quality system used in the company.

Low conductivity wafer: a silicon wafer that contains only a little doping to achieve low electrical conductivity.

MEMS wafer: a silicon wafer used for manufacturing silicon-based sensors (MEMS = MicroElectro-Mechanical Systems).

MESFET-transistor: Metal Semiconductor Field Effect Transistor; high frequency and high power density are achieved simultaneously with a SiC-MESFET transistor.

MOS logic circuit: one of the most important basic components of modern microcircuits.

Microcircuit: the same thing as an integrated circuit.

Optoelectronic: a semiconductor producing light.

Orientation: the orientation of the wafer's surface in relation to the silicon's crystal lattice, i.e. the arrangement of atoms in the silicon.

Polysilicon: the raw material for silicon wafers, polycrystalline silicon.

Power semiconductor: a semiconductor component manufactured for use in power electronics.

REACH: Registration, Evaluation and Authorisation of Chemicals; EU directive aiming at the identification and phasing out of the most harmful chemical substances.

RF circuit: an integrated circuit that operates at GHz frequency e.g. in mobile telephones and base stations.

RoHS: Restriction of the Use of Hazardous Substances; EU directive, purpose of which is to approximate the laws of the member states on restrictions of the use of hazardous substances in electrical and electronic equipment.

SARA: risk analysis for random emissions; a risk analysis method created by the Technical Research Centre of Finland for assessing environmental and safety risks at plants that use chemicals in their operations.

SEMI: Semiconductor Equipment and Materials International; an international umbrella organization of the semiconductor material and equipment industry. Okmetic is a member of the organisation.

Semiconductor: a material the electrical conductivity of which can be heavily modified by adding appropriate numbers of impurity atoms to it.

Sensor: a component that measures a variable or discerns changes in it (an inertial sensor, for example, is used to trigger the airbag in a car).

SIA: Semiconductor Industry Association; an international umbrella organisation of semiconductor manufacturers.

Silicon: an element in the fourth main group, the most common raw material for semiconductors.

Silicon wafer: round, thin wafer made from a single crystal of silicon in sizes of 100, 125, 150, 200 or 300 mm, usually mirror finished either on one side or both sides.

SIRE: an insider register system.

SOI wafer: a value added silicon wafer (SOI = Silicon On Insulator) with a sandwich structure: an oxide layer on the silicon wafer, and a thin silicon film on the oxide layer.

Transistor: a basic component in the semiconductor industry on which the operation of most electronic equipment is presently based.

TS 16949: a quality standard that the automotive industry has developed for its entire subcontracting chain.

Yield: a ratio that indicates how much of the material put into production comes out according to specifications.

Wafer yield: indicates the number of finished and approved wafers in relation to the number of sliced wafers in the manufacturing process.

WEEE: Waste Electrical and Electronic Equipment; EU directive, purpose of which is to prevent the emergence of electrical and electronic equipment waste, and to promote the reuse, recycling and other forms of recovery of such waste.

Research companies monitoring the sensor and semiconductor markets:

Future Horizon
Gartner Dataquest
IC Insights
Semico Research
VLSI Research
Wicht Technologie Consulting
WSTS
Yole Développement

Contact information

Okmetic Oyj
Group management
P.O.Box 44, FI-01301 Vantaa, Finland
Piitie 2, FI-01510 Vantaa, Finland
Telephone +358 9 502 800
Fax +358 9 5028 0200

Okmetic Oyj
Vantaa plant and group headquarters
P.O.Box 44, FI-01301 Vantaa, Finland
Piitie 2, FI-01510 Vantaa, Finland
Telephone +358 9 502 800
Fax +358 9 5028 0500

Okmetic Inc.
Allen plant and U.S. sales office
301 Ridgemont Drive
Allen, TX 75002, USA
Telephone +1 972 747 8600
Fax +1 972 747 8611

Okmetic K.K.
Japan sales office
Sunrise Mita 8F
3-16-12, Shiba
Minato-ku, Tokyo
105-0014 Japan
Telephone +81-3-3798-1400

Investor relations and communications
Esko Sipilä, Senior Vice President, Finance
Tuovi Ojala, Communications Manager
Sanna Nyström, Communications Officer

Telephone +358 9 502 800
Fax +358 9 5028 0200
P.O.Box 44, FI-01301 Vantaa, Finland

Email
communications@okmetic.com
or firstname.lastname@okmetic.com

www.okmetic.com

Okmetic Oyj
Domicile Vantaa, Finland
Business ID 0596885-4

Okmetic Oyj
P.O.Box 44, FI-01301 Vantaa, Finland | Piitie 2, FI-01510 Vantaa, Finland
Telephone + 358 9 502 800 | Fax +358 9 5028 0500
www.okmetic.com