OKMETIC'S FINANCIAL STATEMENTS FOR 1 JANUARY - 31 DECEMBER 2007

Okmetic is a technology company that supplies customised silicon wafers for the sensor and semiconductor industries and sells its technological expertise. Net sales for the financial year amounted to 64.7 million euro (63.7 million euro). Operating profit amounted to 5.3 million euro (6.9 million euro).

REVIEW IN BRIEF

- Net sales amounted to 64.7 million euro (63.7 million euro).
- Profit amounted to 5.3 million euro (6.9 million euro).
- Okmetic's equity ratio strengthened, amounting to 55.2 percent (50.4%).
- Net sales for the first half of 2008 are expected to amount to approximately 34 million euro and profit is expected to account for around 10 percent of net sales.

KEY FIGURES

1,000 euro	1.1.07-31.12.07	1.1.06-31.12.06	1.1.05-31.12.05
Net sales	64,652	63,694	49,822
Operating profit	7,121	9,877	580
% of net sales	11.0	15.5	1.2
Earnings 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
Net gearing ratio, %	19.6	31.3	99.5
Equity ratio, %	55.2	50.4	41.1
Average number of personnel during the period	362	360	359

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 angle speed 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. Net sales for the first half of 2008 are expected to amount to approximately 34 million euro and profit is expected to account for around 10 percent of net sales.

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)

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.

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, 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 loan 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 to 12.4 percent (18.6%). The group's equity ratio strengthened and amounted to 55.2 percent (50.4%). Shareholders' 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 welfare 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 welfare. 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 ISO9001:2000, TS16949 and ISO14001 quality and environmental certificates. The most notable subcontractors and suppliers also have ISO9001:2000 and ISO14001 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:

Energy consumption (GWh):	electricity 25.7 (25.2), district heating 2.2 (3.2)
Water consumption (tm3):	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 price development of Okmetic's products. The majority of sales are conducted in US dollars. Despite hedging, the company is vulnerable 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 vulnerable 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). Unpaid subordinated loans amounted to 1.9 million euro (6.6 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.

OKMETIC OYJ'S SHARES AND SHAREHOLDERS

Okmetic Oyj's fully paid 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.

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 Ltd.	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

Shareholders by group on 31 Dec 2007

Shareholders 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

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).

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.

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 paragraph of section 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 March 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.

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.

Mr 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, 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 RETAINED 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.

Vantaa, 27 February 2008

Board of directors

FINANCIAL STATEMENTS 1 JANUARY - 31 DECEMBER 2007 (unaudited)

ACCOUNTING PRINCIPLES

These financial statements have been prepared in accordance with the recognition and measurement principles of the International Financial Reporting Standards (IFRS).

Okmetic has adopted the following new or amended standards on 1 January 2007:

- IFRS 7 Financial Instruments: Disclosures (effective in financial years commencing after 1 January 2007)
- IAS 1 (amendment): IAS 1 Presentation of Financial Statements - Capital Disclosures (effective in financial years commencing after 1 January 2007)
- 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).

The adoption has not had any significant impact on the information presented in these financial statements.

CONDENSED CONSOLIDATED INCOME STATEMENT

1,000 euro	1.10.-31.12.07	1.10.-31.12.06	1.1.-31.12.07	1.1.-31.12.06
Net sales	15,790	16,008	64,652	63,694
Cost of sales	-13,207	-11,437	-50,967	-48,165
Gross profit	2,583	4,570	13,685	15,529
Other income and expenses	-1,602	-1,231	-6,564	-5,652
Operating profit	981	3,339	7,121	9,877
Financial income and expenses	-527	-1,565	-1,906	-3,198
Profit before taxes	454	1,774	5,215	6,679
Income taxes 1)	95	206	90	206
Profit for the period	548	1,980	5,305	6,885
Basic and diluted earnings per share	0.03	0.12	0.31	0.41

1) In addition to deferred tax assets and liabilities, the estimated income taxes for the period of 2007 include the tax loss carry-forwards of the group companies.

CONDENSED CONSOLIDATED BALANCE SHEET

1,000 euro	December 31, 2007	December 31, 2006
Assets		
Non-current assets		
Property, plant and equipment	43,355	47,821
Available-for-sale financial assets	2,431	1,502
Other receivables	2,731	123
Total non-current assets	48,517	49,446
Current assets		
Inventories	6,399	7,915
Receivables	14,439	9,036
Cash and cash equivalents	13,308	13,184
Total current assets	34,147	30,135
Total assets	82,664	79,581
Equity and liabilities		
Equity		
Share capital	11,821	11,821
Other equity	33,828	28,259
Total equity	45,649	40,080
Liabilities		
Non-current liabilities	17,716	21,294
Current liabilities	19,299	18,206
Total liabilities	37,014	39,501
Total equity and liabilities	82,664	79,581

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

1,000 euro	January 1 - December 31, 2007	January 1 - December 31, 2006
Cash flows from operating activities:		
Profit before taxes	5,215	6,679
Adjustments	9,826	10,259
Change in working capital	-2,235	2,652
Interest and dividends received	394	172
Interest paid and other financial items	-4,805	-1,818
Taxes paid	-90	-
Net cash from operating activities	8,305	17,945
Cash flows from investing activities:		
Proceeds from investing activities	498	4,777
Capital expenditure	-4,809	-1,203
Net cash used in investing activities	-4,311	3,574
Cash flows from financing activities:		
Payments of long-term borrowings	-21,540	-6,916
Proceeds from long-term borrowings	18,000	10,000
Payments of finance lease liabilities	-213	-343
Payments of short-term borrowings	-	-15,500
Net cash used in financing activities	-3,754	-12,759
Increase (+) / decrease (-) in cash and cash equivalents	241	8,760
Exchange rate changes	-117	-27
Cash and cash equivalents at the beginning of the period	13,184	4,452
Cash and cash equivalents at the end of the period	13,308	13,184

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

1,000 euro	Share capital	Share premium	Translation differences	Fair value reserve	Retained earnigns	Total equity
Balance at 1 Jan 2007	11,821	20,256	669	-1,042	8,376	40,080
Available-for-sale financial assets:						
Fair value gains/ losses recognised directly in equity				929		929
Translation differences			-712			-712
Transfer to income statement			117			117
Equity component of convertible loan notes		-70				-70
Net income recognised directly in equity	-	-70	-595	929	-	264
Profit/loss for the period					5,305	5,305
Total recognised income and expenses	-	-70	-595	929	5,305	5,569
Balance at 31 Dec 2007	11,821	20,186	75	-114	13,682	45,649
Balance at 1 Jan 2006	11,821	36,401	759	-340	-14,655	33,987
Available-for-sale financial assets:						
Fair value gains/losses recognised directly in equity				-691		-691
Transfer to income statement				-15		-15
Taxes on fair value gains/ losses recognised directly in equity				4		4
Translation differences			-595			-595
Transfer to income statement			505			505
Losses offset from previous financial years		-16,145			16,145	0
Net income recognised directly in equity	-	-16,145	-90	-702	16,145	-792
Profit/loss for the period					6,885	6,885
Total recognised income and expenses	-	-16,145	-90	-702	23,031	6,094
Balance at 31 Dec 2006	11,821	20,256	669	-1,042	8,376	40,080

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

1,000 euro	January 1 - December 31, 2007	January 1 - December 31, 2006
Carrying amount at the beginning of the period	47,821	58,629
Additions	4,816	1,671
Disposals	-521	-3,118
Depreciation and impairments	-8,102	-8,486
Exchange differences	-659	-875
Carrying amount at the end of the period	43,355	47,821

CHANGES IN INTEREST-BEARING LIABILITES

1,000 euro	January 1 - December 31, 2007	January 1 - December 31, 2006
Carrying amount at the beginning of the period	25,731	38,279
Proceeds of loans from financial institutions	17,974	9,962
Repayments of loans from financial institutions	-16,833	-22,403
Repayments of subordinated loans	-4,591	-
Changes in finance lease liabilities	-21	-107
Carrying amount at the end of the period	22,259	25,731

COMMITMENTS AND CONTINGENCIES

1,000 euro	December 31, 2007	December 31, 2006
Loans secured by mortgages or pledges	15,667	18,870
Mortgages	29,001	30,610
Other pledges	-	8,908
Off-balance sheet lease commitments	238	322
Nominal values of derivative contracts		
Currency forward agreements	-	3,355
Currency options, call	3,484	-
Electricity derivatives	2,383	2,580
Fair values of derivative contracts		
Currency forward agreements	-	117
Currency options, call	119	-
Electricity derivatives	419	80

The contract price of the derivatives has been used as the nominal value of the underlying asset. Derivative contracts are held for hedging.

RELATED PARTY TRANSACTIONS

Key management compensation during the period under review amounted to 1,425 thousand euro (1,326 thousand euro).

KEY FIGURES SHOWING FINANCIAL PERFORMANCE

	January 1 - December 31, 2007	January 1 - December 31, 2006
Net sales	64,652	63,694
Change in net sales compared to the previous year's period, %	1.5	27.8
Export and foreign operations share of net sales, %	93.0	95.7
Operating profit	7,121	9,877
% of net sales	11.0	15.5
Profit before taxes	5,215	6,679
% of net sales	8.1	10.5
Return on equity, %	12.4	18.6
Return on investment, %	10.8	14.2
Non-interest bearing liabilities	14,755	13,770
Net gearing ratio, %	19.6	31.3
Equity ratio, %	55.2	50.4
Capital expenditure	4,816	1,671
% of net sales	7.4	2.6
Depreciation	8,095	8,486
Research and development expenditure 1)	1,854	1,731
% of net sales	2.9	2.7
Average number of personnel during the period	362	360
Personnel at the end of the period	357	365

1) Research and development expenditure has been presented in gross figures and only long-term projects based on research program have been taken into account.

KEY FIGURES PER SHARE

	December 31, 2007	December 31, 2006
Earnings per share basic and diluted, euro	0.31	0.41
Equity per share, euro	2.70	2.37
Dividend per share, euro	0.10	-
Dividend/earnings, %	31.8	-
Price/earnings (P/E)	9.6	9.3
Share price development (Jan 1 -)		
Average trading price	3.87	3.11
Lowest trading price	2.54	1.80
Highest trading price	4.67	3.75
Trading price at the end of the period	3.03	3.69
Market capitalisation at the end of the period, 1,000 euro	51,169	62,315
Trading volume (Jan 1 -)		
Trading volume, transactions	13,175,961	16,500,162
In relation to weighted average number of shares, %	78.0	97.7
Trading volume, euro	51,002,491	51,312,696
The weighted average number of shares during the period under review adjusted by the share issue	16,887,500	16,887,500
The number of shares at the end of the period adjusted by the share issue	16,887,500	16,887,500

QUARTERLY KEY FIGURES FROM CONTINUING OPERATIONS

	10-12/07	7-9/07	4-6/07	1-3/07
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 taxes	454	2,229	207	2,326
% of net sales	2.9	14.0	1.3	13.4
Net cash flow generated from:				
Operating activities	4,735	2,357	-414	1,628
Investing activities	-285	-593	-1,582	-1,850
Financing activities	-931	-58	-3,582	817
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

	10-12/06	7-9/06	4-6/06	1-3/06
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 taxes	1,774	2,338	407	2,161
% of net sales	11.1	14.7	2.6	13.6
Net cash flow generated from:				
Operating activities	4,863	5,694	3,431	3,957
Investing activities	3,996	-84	-329	-9
Financing activities	-3,190	-2,968	-5,017	-1,584
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

All figures of the financial tables are rounded, and consequently the sum of individual figures can deviate from the presented sum figure.

The figures are unaudited. In the written report, the figures in parenthesis refer to the corresponding period in the previous year.

DEFINITIONS OF KEY FINANCIAL FIGURES

Return on equity, % (ROE)	=	Profit/loss for the period from continuing operations x 100 / Equity (average for the period)
Return on investment, % (ROI)	=	(Profit/loss before tax + interest and other financial expenses) x 100 / Balance sheet total - non-interest bearing liabilities (average for the period)
Equity ratio, %	=	Total equity x 100 / Balance sheet total
Net gearing ratio, %	=	(Interest-bearing liabilities - cash and cash equivalents) x 100 / Equity
Earnings per share	=	Profit/loss for the period attributable to the equity holders of the parent company / Adjusted weighted average number of shares in issue during the period
Equity per share	=	Equity attributable to the equity holders of the parent company / Adjusted number of shares at the end of the period
Dividend per share	=	Dividend for the period / Adjusted number of shares at the end of the period
Price/earnings ratio (P/E)	=	Last adjusted trading price at the end of the period / Earnings per share
Average trading price	=	Total traded amount in euro / 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	=	Number of shares traded during the period / Weighted average number of shares during the period

OKMETIC IN BRIEF

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 renewed website at www.okmetic.com.