

## OKMETIC OYJ INTERIM REPORT 1 JANUARY - 31 MARCH 2015: RECORD-HIGH OPERATING PROFIT IN THE BEGINNING OF THE YEAR ON THE BACK OF STRONG DEMAND AND FAVOURABLE EXCHANGE RATE MOVEMENT

### JANUARY-MARCH IN BRIEF:

- Net sales amounted to 21.6 (17.4) million euro, up 24.2%.
- Sensor wafer deliveries amounted to 13.9 (11.3) million euro, up 22.9%.
- Semiconductor wafer deliveries amounted to 7.0 (6.5) million euro, up 6.9%.
- Operating profit was 2.9 (0.9) million euro, corresponding to 13.5% (5.3%) of net sales.
- Profit for the period was 2.2 (0.6) million euro.
- Basic earnings per share was 0.13 (0.04) euro.
- Net cash flow from operations amounted to 0.9 (0.6) million euro.

Unless otherwise stated, figures in parenthesis refer to the corresponding period in the previous year.

### SHORT-TERM OUTLOOK

The demand for semiconductors is expected to continue on its growth track also in 2015, although most market forecasts suggest slower growth than that seen in 2014. The silicon wafer market is anticipated to remain at the previous year's level in terms of value, with a further decline in average prices likely to be compensated by volume growth.

Demand for Okmetic's sensor and special wafers is expected to maintain sustained growth in 2015. The demand and price level for these wafers seem to be more stable than those for semiconductor wafers, which are traditionally more sensitive to economic fluctuations and also come under greater price pressure. The demand is anticipated to be strongest in the beginning of the year and, according to the normal seasonal fluctuation, probably also in the third quarter.

### FINANCIAL GUIDANCE FOR 2015

Okmetic revised its guidance on 14 April 2015. According to the revised guidance, net sales and operating profit for 2015 are estimated to clearly exceed the level of 2014. According to the previous guidance, net sales and operating profit for 2015 were estimated to exceed the level of 2014.

### PRESIDENT KAI SEIKKU:

"The beginning of 2015 saw stronger-than-anticipated demand in key customer areas. Driven by the sensor wafer business, net sales were up 24.2 percent from the corresponding period last year. In addition to strong demand, this robust growth was greatly assisted by the strengthening of Okmetic's main invoicing currency, the US dollar, against the euro. In the first quarter, North America had by far the strongest growth, partly driven by exchange rate movements. The market area's share of the total value of deliveries increased to 45 percent after having remained around 38 percent throughout 2014.

The value of sensor wafer deliveries reached a record high (13.9 million euro) in the first quarter. Wafers based on SOI technology, a long-standing area of focus for Okmetic, likewise saw the value of deliveries reach an all-time high. The shift in the customer base from 150 mm silicon wafers to 200 mm wafers was accelerated. Customers in both sensor wafers and semiconductor wafers are increasing the share of the larger wafer size in their business. As Okmetic sees it, the 200 mm wafer market is not replacing but rather emerging alongside the 150 mm market, where demand is expected to remain at a good level for many years ahead.

Operating expenses grew at a slower rate than net sales, as planned, and operating profit before depreciation (EBITDA) as well as operating profit showed a clear improvement. Besides the strong performance, what explains this notable improvement in EBITDA (4.5 million euro, up 79%) and operating profit (2.9 million euro, up 215%) is the relatively modest result in the comparison period. The almost three-

year downturn in the silicon wafer industry only ended in spring 2014. The operating profit (13.5% of net sales) exceeded the company's long-term target of 10 percent. Meanwhile, the level of working capital was disappointingly high relative to the size of the operation, owing to surplus inventory caused by polysilicon purchasing obligations. Return on equity, however, recovered to a good level on the back of the improved operating profit before depreciation (EBITDA).

Okmetic gained significant new customers and positive customer qualifications in 2014, and this will contribute to growth in 2015. The fundamentals suggest a positive long-term growth outlook for many areas that are key to Okmetic's customers, including sensor applications for consumer electronics and the automotive industry, as well as radio frequency (RF) applications.”

## KEY FIGURES

1,000 euro	1 Jan- 31 Mar, 2015	1 Jan- 31 Mar, 2014	1 Jan- 31 Dec, 2014	1 Jan- 31 Dec, 2013
Net sales	21,612	17,405	74,104	68,516
Operating profit before depreciation (EBITDA)	4,545	2,546	12,985	10,905
Operating profit	2,923	928	6,401	5,031
% of net sales	13.5	5.3	8.6	7.3
Profit for the period	2,165	641	4,832	3,842
Basic earnings per share, euro	0.13	0.04	0.29	0.23
Net cash flow from operating activities	896	632	12,478	9,726
Net interest-bearing liabilities	4,033	8,898	-1,110	6,530
Equity ratio, %	68.6	68.4	70.5	68.2
Average number of personnel during the period	372	355	370	363

## MARKETS

Customer industries sensor and semiconductor industries

Sensor industry

According to different estimates, the sales value of sensor industry increased by 6-12 percent in 2014 compared to the previous year. Above all, the increasing use of mobile applications has accelerated sensor sales growth. In 2015, the sales value of sensor industry is estimated to grow 6-11 percent, and annual growth of 7-13 percent is forecasted for the next few years. In terms of volume, sensor shipments are likely to clearly rise to a new record in 2015. (IHS, Yole, IC Insights, Semico)

Certain silicon-based microelectromechanical (MEMS) products within the sensor segment have higher sales growth than the others. The increasing amount of sensors in mobile devices has significantly accelerated the demand for e.g. pressure sensors and microphones. Silicon-on-insulator (SOI) technology is increasingly used in the manufacture of these products, among others. Okmetic is a pioneering supplier of SOI wafers for the sensor industry.

Semiconductor industry

The global semiconductor industry's sales reached a new record in 2014. The estimates range from 336 to 355 billion US dollars, which corresponds to an annual growth of 6-10 percent (WSTS, SIA, IHS, IC Insights). In January-February 2015, the semiconductor industry's sales in US dollars fell by four percent from November-December 2014, however exceeding the corresponding period in 2014 by eight percent (SIA).

The semiconductor market is expected to grow 3-8 percent during 2015, and growth is expected to continue in 2016 (WSTS, Gartner, IHS, IC Insights). Due to seasonal fluctuation, fourth quarter is expected to be weaker than the rest of the year.

## Silicon wafer market

According to the estimate published by SMG, the group of silicon wafer suppliers in SEMI (a global umbrella organisation for semiconductor materials and equipment industry), the surface area of silicon wafer shipments grew by 11 percent in 2014 and reached a record-high level. SEMI has not yet published its figures for this year. Okmetic estimates that the demand for silicon wafers was somewhat higher in the first quarter of 2015 than in the first and fourth quarter of 2014. In 2015-2017, the surface area is estimated to grow 3-5 percent annually (Infiniti Research, SEMI). The total value of the silicon wafer market in 2015 is expected to remain at the level of 2014.

The key customer areas for Okmetic in the silicon wafer market

In line with its strategy, Okmetic seeks niches in the silicon wafer market, where growth exceeds market average and in which the company has special expertise. Okmetic supplies primarily 150 mm and 200 mm wafers. The sensor/MEMS industry is a key growth area for Okmetic. The MEMS market grows as portable consumer products, automotive electronics, and industrial process control increase. In the future, a central growth driver for the sensor industry will be the Internet of Things, which will utilise sensor-produced data in communication between devices.

In the semiconductor market, Okmetic's growth areas include wafers for the production of discrete and power semiconductors. In these wafer markets, areas for growth include, among others, components used in the production of renewable energy, increasing automotive electronics, electric cars, portable consumer products, as well as different solutions related to power supply and efficiency improvement. In these areas Okmetic has launched new products to the market.

## SALES

In January–March, Okmetic's net sales amounted to 21.6 (17.4) million euro. Net sales grew 24.2 (6.1) percent compared to the corresponding period last year, especially due to strong demand for sensor wafers and strengthening of US dollar. With comparable exchange rates, net sales grew 10.3 percent from the comparison period. Sales improved towards the end of the first quarter, and Okmetic's market share remained stable in the product groups important to the company.

As of 1 January 2015, Okmetic reports the value of deliveries in euro amounts instead of percentage shares. In Okmetic's view, reporting the value of deliveries best represents sales development and enables comparison between reporting periods. The difference between the value of deliveries and net sales is explained by the fact that unlike net sales, the value of deliveries does not account for exchange rate differences in accounts receivable. Meanwhile, deliveries include inventory shipped to customers on consignment during the period, for which no net sales are recognised at the time of shipping.

As of 1 January 2015, Okmetic reports Other business under Semiconductor wafer deliveries. This change is due to the considerable diminishing of Other business. The figures of the previous periods have been revised to enable comparison.

Value of deliveries per customer area

1,000 euro	1 Jan- 31 Mar, 2015	1 Jan- 31 Mar, 2014	1 Jan- 31 Dec, 2014
Sensor wafers	13,875	11,294	46,119
Semiconductor wafers	6,954	6,506	27,001
Total	20,829	17,800	73,120

Solid demand for sensor wafers continued in the first quarter. The value of deliveries grew 22.9 percent from the comparison period. The continued strong growth in production and delivery volumes of the strategically important SOI wafers was particularly positive. The use of sensors and their requirement level are expected to keep increasing owing to Internet of Things as well as proliferation of sensor applications in the automotive industry and in portable devices like smart phones, cameras, game consoles, and wearable electronics (e.g. smart watches).

Value of semiconductor wafer deliveries grew 6.9 percent from the comparison period.

## Value of deliveries per market area

1,000 euro	1 Jan- 31 Mar, 2015	1 Jan- 31 Mar, 2014	1 Jan- 31 Dec, 2014
North America	9,461	6,623	27,799
Europe	7,336	7,138	29,554
Asia	4,032	4,039	15,765
Total	20,829	17,800	73,120

The value of deliveries showed solid growth in North America due to very strong demand for both sensor and semiconductor wafers, as well as favourable development of the US dollar. In Europe and in Asia the demand for sensor wafers grew, but the value of semiconductor wafer deliveries fell from the comparison period.

## PROFITABILITY

### January-March

In January-March, Okmetic's operating profit amounted to 2.9 (0.9) million euro, corresponding to 13.5 (5.3) percent of net sales. Improvement in operating profit was due to strong sales growth in sensor wafers and SOI wafers in particular, as well as strengthening of US dollar compared to euro. Profit for the period was 2.2 (0.6) million euro. Basic earnings per share was 0.13 (0.04) euro. Diluted earnings per share was 0.13 (0.04) euro.

## FINANCING

The company's financial position is solid. In January-March, net cash flow from operations amounted to 0.9 (0.6) million euro.

On 31 March 2015, the company's interest-bearing liabilities amounted to 13.2 (12.6) million euro.

At the end of the period, the cash and cash equivalents amounted to 9.2 (3.7) million euro. On 31 March 2015, the company's net interest-bearing liabilities amounted to 4.0 (8.9) million euro. The company has ensured liquidity with committed credit facilities of 6.0 million euro. On 31 March 2015, the committed credit facilities were unused.

Return on equity amounted to 13.8 (4.4) percent, and return on investment to 15.0 (5.4) percent. The company's equity ratio was 68.6 (68.4) percent. Equity per share was 3.66 (3.46) euro.

## CAPITAL EXPENDITURE

In January-March, capital expenditure amounted to 1.6 (1.1) million euro. The investments mainly focused on increasing capacity and capability for SOI and 200 mm wafers.

## PRODUCT DEVELOPMENT

In January-March, the company expensed 0.7 (0.7) million euro in product development projects, corresponding to 3.3 (3.9) percent of net sales. Product development costs have not been capitalised.

In the first quarter of 2015, focus areas in Okmetic's product development projects included development of a new SOI product to be used in new application areas, deployment of new processes to improve productivity, as well as process development for sophisticated C-SOI wafers.

## PERSONNEL

Okmetic employed on average 372 (355) people in January-March. At the end of the period, Okmetic employed 375 (354) people, of which 329 worked in Finland, 40 in the US, five in Japan, and one in Hong Kong.

## BUSINESS RISKS

There have been no significant changes in the company's near future business risks and uncertainties. However, changes in macro economy may indirectly have an influence also on Okmetic's business.

Okmetic's business is confronted by risks, which may arise from the company's operations or changes in its operating environment. Risks that, if materialised, can have an adverse effect on the company's operations and valuation are described below.

Okmetic's silicon wafer sales are targeted at the sensor and semiconductor producers in the electronics industry. 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. The proliferation of sensors in consumer electronics applications may, however, increase the susceptibility of this market too to economic fluctuations.

Okmetic has existing polysilicon purchasing obligations partly until 2016. Due to the purchasing obligations, the company's net working capital will remain at a high level relative to the size of the operation far into 2016.

Okmetic's share of the global silicon wafer market is around one percent, and market prices have a notable effect on the price development of the company's products. The company has considerable pricing power only with its own special products. The pricing of other wafers is largely based on global market price.

Okmetic operates globally, and therefore the company's business is affected by risks due to exchange rate fluctuations, consisting of cash flows from purchases and sales. A significant part of sales are conducted in US dollars. Despite hedging of the forecasted open currency position, the company remains exposed to exchange rate fluctuations.

Substantial volumes of electricity are used in Okmetic's production. Despite hedging, the company is exposed to fluctuations in the price of electricity.

## SHARES AND SHAREHOLDERS

On 31 March 2015, Okmetic Oyj's paid-up share capital, as entered in the Finnish Trade Register, was 11,821,250.00 euro. The number of shares was 17,287,500. The shares have no nominal value attached. Each share entitles its holder to one vote at general meetings. The company has one class of shares. The company's shares are included in the Finnish book-entry securities system.

Major shareholders on  
31 March 2015

	Shares, pcs	Share, %
Ilmarinen Mutual Pension Insurance Company	1,004,985	5.8
Ingman Finance Oy Ab	900,000	5.2
Mandatum Life Insurance Company Limited	800,000	4.6
The State Pension Fund	600,000	3.5
Nordea Nordic Small Cap Fund	509,095	2.9
Varma Mutual Pension Insurance Company	477,175	2.8
Okmetic Oyj	416,763	2.4
Etra-Invest Oy Ab	400,000	2.3
Investment fund Taaleritehdas Arvo Markka Osake	230,000	1.3
Investment fund Taaleritehdas Mikro Markka	229,456	1.3
Foreign investors and nominee accounts held by custodian banks	3,145,860	18.2

Other	8,574,166	49.6
Total	17,287,500	100.0

## SHARE PRICE PERFORMANCE AND TRADING

A total of 2.4 (1.1) million shares were traded between 1 January and 31 March 2015, representing 13.6 (6.4) percent of the weighted average of share total of 17.3 (17.3) million during the period. The lowest quotation during the period was 4.80 (4.38 euro), the highest 7.25 (5.25) euro, and the average 5.74 (4.75) euro. The closing quotation of the period on 31 March 2015 was 6.59 (4.55) euro. At the end of the period, the market capitalisation amounted to 113.9 (78.7) million euro.

## DIVIDENDS PAID

In January 2015, the company paid 5.1 million euro dividends. Dividend per share was 0.30 euro. In 2014, the company paid no dividends.

## OWN SHARES AND DIRECTED SHARE ISSUES

At the end of the reporting period, Okmetic held 416,763 (432,204) own shares corresponding to approximately 2.4 (2.5) percent of all Okmetic shares and votes.

## OTHER EVENTS IN THE INTERIM PERIOD

Extraordinary general meeting took place on 12 January 2015. The extraordinary general meeting decided, in accordance with the proposal of the board of directors, to distribute a dividend of 0.30 euro per share (5,061,221.10 euro in total). The dividend was paid to shareholders who were registered in the shareholder register maintained by Euroclear Finland Ltd. on the dividend record date, 14 January 2015. The payment of the dividend took place on 21 January 2015.

## EVENTS AFTER THE INTERIM PERIOD

On 14 April 2015 Okmetic announced that the company revises its guidance on net sales and operating profit for 2015. According to the revised guidance, net sales and operating profit for 2015 are estimated to clearly exceed the level of 2014.

Annual general meeting on 14 April 2015

Okmetic Oyj's annual general meeting on 14 April 2015 adopted the annual accounts and the consolidated annual accounts for 2014 and discharged the company's management from liability. The annual general meeting decided to distribute a dividend of 0.15 euro per share for the financial year 2014. The dividend was paid on 23 April 2015. Including the dividend paid in January 2015, the company has paid a total of 0.45 euro dividend per share in 2015.

The general meeting decided, in accordance with the board's proposal, to authorise the board of directors to decide at its discretion on payment of dividend should the company's financial situation permit this. The additional dividend paid on the basis of the authorisation, summing up all possible separate decisions on dividend payment, may amount up to a maximum of 0.60 euro per share and 10,200,000 euro in total. The annual general meeting also ratified the board's proposal to authorise the board to decide on repurchase and/or acceptance as pledge of the company's own shares as well as on issuance of shares, transfer of the company's own shares, and issuance of special rights entitling to shares.

The annual general meeting confirmed that the company's board of directors consists of five members. Mr. Jan Lång, Mr. Hannu Martola, Mr. Mikko Puolakka and Mr. Henri Österlund were re-elected as members of the board of directors and Ms. Riitta Mynttinen was elected as a new board member until the end of the next annual general meeting. The board of directors elected Jan Lång as chairman and Henri Österlund as vice chairman in its organising meeting held immediately after the annual general meeting.

Authorised Public Accountant PricewaterhouseCoopers Oy was re-elected as auditor, with APA Mikko Nieminen as principal auditor.

A separate stock exchange release on the decisions of the annual general meeting and authorisations given to the board of directors was published on 14 April 2015.

## CONDENSED FINANCIAL STATEMENTS AND TABLES 1 JANUARY – 31 MARCH 2015 (unaudited)

### ACCOUNTING POLICIES

These interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting.

In preparing these interim financial statements, Okmetec has followed the same accounting policies as in the financial statements for 2014 except for the effect of changes required by the adoption of certain new or revised standards and interpretations as of 1 January 2015, which have been described in financial statements 2014. The adoption of the new and revised standards and interpretations has not had an effect on the figures presented from the reporting period.

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1,000 euro	1 Jan- 31 Mar, 2015	1 Jan.- 31 Mar, 2014	1 Jan- 31 Dec, 2014
Net sales	21,612	17,405	74,104
Cost of sales	-15,878	-14,072	-58,909
Gross profit	5,734	3,333	15,195
Other income and expenses	-2,810	-2,405	-8,794
Operating profit	2,923	928	6,401
Financial income and expenses	-142	-36	-350
Profit before tax	2,781	892	6,051
Income tax	-616	-251	-1,219
Profit for the period	2,165	641	4,832
Other comprehensive income: Items that may be reclassified to profit or loss in subsequent periods			
Cash flow hedges	-2	-20	-11
Translation differences	916	-3	891
Other comprehensive income for the period, net of tax	914	-23	880
Total comprehensive income for the period	3,079	618	5,712
Profit for the period attributable to: Equity holders of the parent company	2,165	641	4,832
Total comprehensive income attributable to: Equity holders of the parent company	3,079	618	5,712
Basic earnings per share, euro	0.13	0.04	0.29
Diluted earnings per share, euro	0.13	0.04	0.29

## CONDENSED CONSOLIDATED BALANCE SHEET

1,000 euro	31 Mar, 2015	31 Mar, 2014	31 Dec, 2014
<b>Assets</b>			
Non-current assets			
Property, plant and equipment	42,941	44,827	42,538
Intangible assets	575	881	657
Other receivables	708	1,420	794
Total non-current assets	44,224	47,128	43,990
Current assets			
Inventories	18,103	17,898	17,890
Receivables	18,623	16,826	14,347
Cash and cash equivalents	9,194	3,748	14,436
Total current assets	45,919	38,472	46,672
Total assets	90,143	85,600	90,662
<b>Equity and liabilities</b>			
Equity			
Equity attributable to equity holders of the parent company			
Share capital	11,821	11,821	11,821
Other equity	49,850	46,507	51,805
Total equity	61,671	58,328	63,627
Liabilities			
Non-current liabilities	13,358	9,540	13,561
Current liabilities	15,114	17,731	13,475
Total liabilities	28,472	27,271	27,036
Total equity and liabilities	90,143	85,600	90,662

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

1,000 euro	1 Jan- 31 Mar, 2015	1 Jan- 31 Mar, 2014	1 Jan- 31 Dec, 2014
<b>Cash flows from operating activities:</b>			
Profit before tax	2,781	892	6,051
Adjustments	1,565	1,705	6,494
Change in working capital	-3,142	-1,954	352
Financial items	-306	-77	-486
Tax paid	-2	67	67
Net cash from operating activities	896	632	12,478
<b>Cash flows from investing activities:</b>			
Purchases of property, plant and equipment	-1,740	-1,637	-4,345
Proceeds from sale of property, plant and equipment	-	-	710
Net cash used in investing activities	-1,740	-1,637	-3,635
<b>Cash flows from financing activities:</b>			
Proceeds from long-term borrowings	1,000	-	5,000



Proceeds of short-term borrowings	-	4,000	4,000
Payments of long-term borrowings	-1,000	-1,000	-3,000
Payments of short-term borrowings	-	-2,024	-4,024
Payments of finance lease liabilities	-159	-138	-595
Other items	-	36	36
Dividends paid	-5,061	-578	-578
Share issue	-	750	750
Acquisition of Okmetic Management Oy's share capital	-	-1,516	-1,539
Net cash used in financing activities	-5,221	-472	50
Increase (+) / decrease (-) in cash and cash equivalents	-6,064	-1,477	8,893
Exchange rate changes	822	11	329
Cash and cash equivalents at the beginning of the period	14,436	5,214	5,214
Cash and cash equivalents at the end of the period	9,194	3,748	14,436

#### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to equity holders of parent company					Total
	Share capital	Share premium	Reserve for invested unrestricted equity	Other reserves 1)	Retained earnings	
1 000 euroa						
Balance at 31 Dec, 2014	11,821	20,045	753	2,636	28,372	63,627
Profit for the period					2,165	2,165
Other comprehensive income, net of tax:						
Cash flow hedges				-2		-2
Translation differences				916		916
Total comprehensive income for the period				914	2,165	3,079
Share-based payments					26	26
Dividend distribution					-5,061	-5,061
Balance at 31 Mar, 2015	11,821	20,045	753	3,550	25,501	61,671
Balance at 31 Dec, 2013	11,821	20,045	3	1,756	23,647	57,273
Profit for the period					641	641
Other comprehensive income, net of tax:						
Cash flow						

hedges				-20		-20
Translation differences				-3		-3
Total comprehensive income for the period				-23	641	618
Share issue			750			750
Share-based payments					45	45
Acquisition of non-controlling interest					-357	-357
Balance at 31 Mar, 2014	11,821	20,045	753	1,732	23,977	58,328

1) "Other reserves" contains hedge reserve and translation differences.

Acquisition of shares of Okmetic Management Oy is treated as acquisition of non-controlling interest. Okmetic Management Oy was merged in the parent company on 30 November 2014.

#### CHANGES IN PROPERTY, PLANT AND EQUIPMENT

1,000 euro	1 Jan- 31 Mar, 2015	1 Jan- 31 Mar, 2014	1 Jan- 31 Dec, 2014
Carrying amount at the beginning of the period	42,538	45,295	45,295
Additions	1,587	1,068	3,627
Disposals	-	-	-520
Depreciation	-1,540	-1,538	-6,257
Exchange differences	356	2	393
Carrying amount at the end of the period	42,941	44,827	42,538

#### COMMITMENTS AND CONTINGENCIES

1,000 euro	31 Mar, 2015	31 Mar, 2014	31 Dec, 2014
Loans, secured with collaterals	7,000	9,000	7,000
Collaterals	15,110	17,128	15,110
Off-balance sheet lease commitments	323	395	308
Capital commitments	2,653	1,293	2,689
Nominal values of derivative contracts			
Currency options, call	595	646	1,193
Currency options, put	-	72	-
Currency forward agreements	4,518	1,963	3,979
Electricity derivatives	897	1,657	1,076

Fair values of derivative contracts			
Currency options, call	1	4	6
Currency options, put	-	-1	-
Currency forward agreements	-215	5	-85
Electricity derivatives	-249	-420	-244

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

#### HIERARCHY LEVELS OF DERIVATIVE CONTRACTS MEASURED AT FAIR VALUE

1,000 euro	31 Mar, 2015			31 Mar, 2014		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Derivative financial instruments	-	3	-	99	8	-
Financial liabilities						
Derivative financial instruments	249	217	-	519	-	-

#### Fair value estimation

The group's financial instruments that are measured at fair value comprise derivatives used for hedging and held for trading.

Fair values of level 1 instruments are based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Fair values of level 2 instruments are based on other data than quoted prices in active markets, but on the data from which the asset is observable, either directly (i.e. price) or indirectly (i.e. derived from the prices).

Electricity derivatives are classified as level 1, currency derivatives as level 2.

#### Fair value determination

The fair value of electricity derivatives is based on quoted market prices. The fair value of currency forwards and options is determined on the basis of market and contract prices of the agreements at the reporting date by applying commonly used valuation techniques.

#### KEY FIGURES SHOWING FINANCIAL PERFORMANCE

1,000 euro	1 Jan- 31 Mar, 2015	1 Jan- 31 Mar, 2014	1 Jan- 31 Dec, 2014
Net sales	21,612	17,405	74,104
Change in net sales compared to the previous year's period, %	24.2	6.1	8.2
Export and foreign operations share of net sales, %	91.0	88.3	90.7
Operating profit before depreciation (EBITDA)	4,545	2,546	12,985
% of net sales	21.0	14.6	17.5

Operating profit	2,923	928	6,401
% of net sales	13.5	5.3	8.6
Profit before tax	2,781	892	6,051
% of net sales	12.9	5.1	8.2
Return on equity, %	13.8	4.4	8.0
Return on investment, %	15.0	5.4	8.7
Non-interest-bearing liabilities	15,246	14,625	13,710
Net interest-bearing liabilities	4,033	8,898	-1,110
Net gearing ratio, %	6.5	15.3	-1.7
Equity ratio, %	68.6	68.4	70.5
Capital expenditure	1,587	1,068	3,627
% of net sales	7.3	6.1	4.9
Depreciation	1,622	1,618	6,584
Research and development expenditure	712	672	2,472
% of net sales	3.3	3.9	3.3
Average number of personnel during the period	372	355	370
Personnel at the end of the period	375	354	367

#### KEY FIGURES PER SHARE

Euro	31 Mar, 2015	31 Mar, 2014	31 Dec, 2014
Basic earnings per share	0.13	0.04	0.29
Diluted earnings per share	0.13	0.04	0.29
Equity per share	3.66	3.46	3.77
Dividend per share 1)	-	-	0.45
Dividends/earnings, %	-	-	155.2
Effective dividend yield, %	-	-	9.3
Price/earnings(P/E)	-	-	16.8
Share performance (1 Jan-)			
Average trading price	5.74	4.75	4.68
Lowest trading price	4.80	4.38	4.28
Highest trading price	7.25	5.25	5.25
Trading price at the end of the period	6.59	4.55	4.83
Market capitalisation at the end of the period, 1,000 euro	113,925	78,658	83,499
Trading volume (1 Jan-)			
Trading volume, transactions, 1,000 pcs	2,353	1,105	3,778

In relation to weighted average number of shares, %	13.6	6.4	21.9
Trading volume, 1,000 euro	13,516	5,286	17,704
The weighted average number of shares during the period under review adjusted by the share issue, 1,000 pcs	17,288	17,288	17,288
The number of shares at the end of the period adjusted by the share issue, 1,000 pcs	17,288	17,288	17,288

When calculating equity per share, Okmetic's own shares and the Okmetic shares owned by Okmetic Management Oy are deducted from the total number of shares. Okmetic Management Oy was merged in the parent company on 30 November 2014.

1) The figure for 2014 contains the dividend distributed in January 2015, 0.30 euro per share and the dividend distributed in April 2015, 0.15 euro per share.

#### QUARTERLY KEY FIGURES

1,000 euro	10-12/ 2015	7-9/ 2015	4-6/ 2015	1-3/ 2015
Net sales				21,612
Compared to previous quarter %				15.7
Compared to corresponding period last year, %				24.2
Operating profit				2,923
% of net sales				13.5
Profit before tax				2,781
% of net sales				12.9
Net cash flow generated from:				
Operating activities				896
Investing activities				-1,740
Financing activities				-5,221
Increase/decrease in cash and cash equivalents				-6,064
Personnel at the end of the period				375
1,000 euro	10-12/ 2014	7-9/ 2014	4-6/ 2014	1-3/ 2014
Net sales	18,679	19,320	18,700	17,405
Compared to previous quarter %	-3.3	3.3	7.4	3.4
Compared to corresponding period last year, %	10.9	5.9	9.8	6.1
Operating profit	1,579	2,757	1,137	928
% of net sales	8.5	14.3	6.1	5.3
Profit before tax	1,257	2,806	1,096	892
% of net sales	6.7	14.5	5.9	5.1
Net cash flow generated from:				
Operating activities	6,270	3,644	1,932	632
Investing activities	-996	261	-1,263	-1,637

Financing activities	-1,180	-3,157	4,859	-472
Increase/decrease in cash and cash equivalents	4,093	748	5,528	-1,477
Personnel at the end of the period	367	363	393	354

## DEFINITIONS OF KEY FINANCIAL FIGURES

Value of deliveries	=	Net sales excluding currency exchange rate differences in accounts receivable and including inventory shipped to customers on consignment during the period, for which no net sales are recognised at the time of shipping.
Operating profit before depreciation (EBITDA)	=	Operating profit + depreciation
Return on equity (ROE), %	=	$\frac{\text{Profit/loss for the period} \times 100}{\text{Equity (average for the period)}}$
Return on investment (ROI), %	=	$\frac{(\text{Profit/loss before tax} + \text{interest and other financial expenses}) \times 100}{\text{Balance sheet total} - \text{non-interest bearing liabilities (average for the period)}}$
Equity ratio, %	=	$\frac{\text{Equity} \times 100}{\text{Balance sheet total} - \text{advances received}}$
Net interest-bearing liabilities	=	Interest-bearing liabilities – cash and cash equivalents
Net gearing ratio, %	=	$\frac{(\text{Interest-bearing liabilities} - \text{cash and cash equivalents}) \times 100}{\text{Equity}}$
Earnings per share	=	$\frac{\text{Profit/loss for the period attributable to equity holders of the parent company}}{\text{Adjusted weighted average number of shares in issue during the period}}$
Equity per share	=	$\frac{\text{Equity attributable to equity holders of the parent company}}{\text{Adjusted number of shares at the end of the period}}$
Dividend per share	=	$\frac{\text{Dividend for the period}}{\text{Adjusted number of shares at the end of the period}}$
Effective dividend yield, %	=	$\frac{\text{Dividend per share} \times 100}{\text{Trading price at the end of the period}}$
Price/earnings ratio (P/E)	=	$\frac{\text{Last adjusted trading price at the end of the period}}{\text{Earnings per share}}$
Average trading 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

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

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

The future estimates and forecasts in this financial statements release are based on the company management's current knowledge. Actual events and results may differ from the estimates presented here.

## **INTERIM REPORT BRIEFING**

A briefing for investors, analysts and media will take place today, Wednesday 29 April at 8.30 a.m. in Helsinki Stock Exchange building, Fabianinkatu 14, Helsinki (2nd floor, entrance via Nasdaq's reception). The result will be presented by President Kai Seikku.

## **OKMETIC OYJ**

Board of directors

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*Okmetic is a technology company which supplies tailor-made silicon wafers for sensor and semiconductor industries. 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 Nasdaq Helsinki under the code OKM1V. For more information on the company, please visit our website at [www.okmetic.com](http://www.okmetic.com).*