

Interim Report

January 1 – March 31, 2008

Huhtamäki Group is a leading manufacturer of consumer and specialty packaging with 2007 net sales totaling EUR 2.3 billion. Consumer goods and foodservice markets are served by some 15,000 people in 66 manufacturing units and several sales offices in 36 countries. The parent company, Huhtamäki Oyj, has its head office in Espoo, Finland and is listed on the OMX Nordic Exchange Helsinki. Additional information is available at www.huhtamaki.com.

INTERIM REPORT JANUARY 1 – MARCH 31, 2008



Slow start to the year as expected

- Group net sales in slight decline due to adverse currency impact
- Lower earnings than in previous year due to weak performance in Films and in Asia-Oceania-Africa
- Raw material costs on a record high level
- Improving trend in free cash flow
- New segment reporting to improve transparency

Key figures

EUR million	Q1 2008	Q1 2007
Net sales	548.6	564.7
EBIT	20.0	37.7
EBIT margin %	3.6	6.7
EPS	0.09	0.24
ROI % (12m roll.)	0.8	9.3

Overview

The decline in the Group net sales was due to adverse currency translation impact. In constant currencies the Group achieved modest growth. The first quarter 2008 earnings were below the same period in the previous year. The main reasons for the lower earnings were weak performance in the Films business and a significant one time gain of EUR 6 million received during the first quarter 2007. In addition, there was an adverse currency impact and the raw material costs remained on a record high level.

Business review by segment

Starting from 2008 Huhtamaki's segment reporting was revised to improve transparency. The five new segments, in line with the Group's internal management structure, are: Flexibles and Films Global, Rigid Europe, Molded Fiber Europe, Rigid and Molded Fiber Americas as well as Rigid and Molded Fiber Asia-Oceania-Africa. These will replace the former geographical segments (Europe, Americas, Asia-Oceania-Africa).

Flexibles and Films Global

Flexibles and Films are organized as a global segment. Flexibles are used for food and pet food packaging as well as non-food consumer packaging. Films are mainly used for technical applications in the label, adhesive tape, hygiene and health care industries as well as building and construction, automotive, packaging and graphic arts industries.

EUR million	Q1 2008	Q1 2007
Net sales	179.3	186.9
EBIT	6.6	14.7
EBIT margin %	3.7	7.9
RONA % (12m roll.)	5.7	11.5

Sales decline within the segment was due to weakness in Films. Additionally, sales development in Flexibles North America and Europe was slow. This was partially offset by robust growth in Flexibles Asia.

Profitability reflects lower than expected volumes, operational inefficiency as well as margin pressure due to higher raw material costs. Films continued to suffer from operational issues following the earlier implementation of the enterprise resource planning (ERP) platform as well as the transfer of the release



paper line from Göttingen to Forchheim, Germany. In Flexibles, the weak price/mix development continued in Europe and the ongoing ramp-up of new capacity added to the facility in Malvern, USA, had a negative impact on profitability. Sales growth in India and Thailand contributed positively to earnings.

Construction of the new flexible packaging facility in Bangkok, Thailand, proceeded according to schedule with production expected to commence around mid-year.

Rigid Europe

Rigid paper and plastic packaging serves foodservice and consumer goods markets in Europe with fresh food, dairy, ice cream, beverage and personal care packaging as well as disposable tableware. Rigid packaging is supplied to foodservice operators, fast food restaurants and food manufacturers.

EUR million	Q1 2008	Q1 2007
Net sales	151.0	147.1
EBIT	1.5	0.2
EBIT margin %	1.0	0.1
RONA % (12m roll.)	-14.6	-2.8

Foodservice experienced a good, broad based growth within the segment, while sales in Consumer Goods were soft in Germany and in the UK.

Profitability reflects favorable mix development as well as an improving trend in operational efficiency.

Molded Fiber Europe

Molded fiber is used to make fresh product packaging, such as egg and fruit packaging.

EUR million	Q1 2008	Q1 2007
Net sales	35.4	34.6
EBIT	2.9	2.4
EBIT margin %	8.2	6.9
RONA % (12m roll.)	9.3	10.2

Sales and earnings within the segment remained good due to favorable development in Eastern Europe and in the waste paper trading business. A tougher competitive environment had a negative impact on sales in the UK.

Rigid and Molded Fiber Americas

Rigid paper and plastic packaging, which serves ice-cream and other consumer goods as well as foodservice markets, is complemented with Molded Fiber Chinet® disposable tableware products. Similar market channels are a common denominator.

EUR million	Q1 2008	Q1 2007
Net sales	133.3	142.9
EBIT	9.2	17.2
EBIT margin %	6.9	12.0
RONA % (12m roll.)	8.0	13.6

Sales growth in constant currencies was solid with good growth in Retail and in South America. Market softness persisted in Frozen desserts, spreading also into Foodservice during the quarter.

Profitability was stable on a comparable basis; excluding the EUR 6 million one time gain in 2007 as well as adverse currency translation impact.



Rigid and Molded Fiber Asia-Oceania-Africa

Rigid paper and plastic packaging serves foodservice and consumer goods markets. The segment also includes the Molded Fiber business which makes fresh product packaging.

EUR million	Q1 2008	Q1 2007
Net sales	52.5	56.6
EBIT	-0.2	3.3
EBIT margin %	-0.4	5.8
RONA % (12m roll.)	1.5	6.6

Good growth in Asia did not compensate for the weak sales development in South Africa and in Consumer Goods Oceania.

Profitability reflects low sales as well as operational inefficiency in Oceania, the start-up costs in new capacity in Asia and market turmoil experienced in South Africa.

The relocation from the site in Hong Kong to the new facility in Guangzhou, China, is progressing with completion expected during the first half of this year.

Financial review

The Group EBIT was EUR 20 million (EUR 38 million in the first quarter 2007), corresponding to an EBIT margin of 3.6% (6.7%). At EUR 9 million, the net financial items were unchanged from the previous year. The income tax expense was EUR 2 million (EUR 4 million). The result for the period was EUR 9 million (EUR 24 million). The earnings per share (EPS) were EUR 0.09 (EUR 0.24). The average number of outstanding shares used in the EPS calculation was 100,426,461 (unchanged) excluding 5,061,089 (unchanged) Company's own shares.

Balance sheet and cash flow

Free cash flow for the quarter was EUR -12 million (EUR -37 million). The improving trend was due to more efficient working capital management as well as lower capital expenditure. Capital expenditure amounted to EUR 14 million (EUR 24 million). Net debt was EUR 741 million (EUR 743 million). This corresponds to a gearing ratio of 1.01 (0.84).

Personnel

The Group had 15,198 (14,885) employees at the end of March 2008.

New CEO appointed

Mr. Jukka Moisio was appointed by the Board of Directors as Huhtamäki Oyj's CEO, effective from April 1, 2008.

Resolutions taken by the Annual General Meeting

The Annual General Meeting (AGM) of Huhtamäki Oyj was held on March 31, 2008 in Helsinki, Finland. The meeting approved the Company's Financial Statements and the Consolidated Financial Statements for 2007 and discharged the Company's Board of Directors and the CEO from liability. The dividend for 2007 was set at EUR 0.42 per share (unchanged). To the Board of Directors were re-elected Ms. Eija Ailasmaa, Mr. George V. Bayly, Mr. Robertus van Gestel, Mr. Mikael Lilius, Mr. Anthony J.B. Simon and Mr. Jukka Suominen. Mr. Rolf Börjesson was elected as a new member to the Board of Directors. The Board of Directors elected Mikael Lilius as the Chairman of the Board and Jukka Suominen as the Vice



Chairman of the Board. In addition, the Board of Directors resolved upon members of its committees for a term which lasts until the end of the Annual General Meeting following the election.

Events after the reporting period

Huhtamäki has completed the review of different strategic options for its operations in South Africa and for its Rigid Consumer Goods business unit in the UK. As a result of the review Huhtamäki has decided to continue its operations in South Africa. In the UK, Huhtamäki is aiming to cease production of rigid plastic consumer goods packaging due to volume decline as well as continued increases in manufacturing and energy costs. The Consumer Goods business unit is loss-making with annual net sales of around EUR 30 million. The annualized earnings improvement is expected to be EUR 3-4 million. A consultation process will start in relation to approximately 160 employees impacted at the Portadown and Gosport sites. Huhtamäki will continue to serve the UK Consumer Goods customers with specialty products, mainly paper based, from other Huhtamäki facilities. The manufacturing of foodservice products at the Gosport site will continue.

Huhtamäki has started union negotiations in Karlholmsbruk, Sweden, with the aim to close down the rigid packaging site. The annual net sales of the site are around EUR 4 million and it currently employs approximately 40 people. Huhtamäki intends to concentrate its EPS (Expanded Polystyrene) packaging business in Europe to the facility in Siemianowice, Poland, where similar production already exists. The customers of the site to be closed will be served from facilities in Poland and in Finland.

Short-term risks and uncertainties

Volatile raw material and energy prices as well as movements in currency translations are considered to be relevant short-term business risks and uncertainties in the Group's operations.

Outlook for 2008

The underlying Group EBIT in 2007 was EUR 136 million*. In 2008, Group EBIT is expected to be at this level before costs related to the planned closures of operations in the UK and Sweden. These costs are expected to have an approximately EUR 10 million adverse impact on EBIT. At approximately EUR 100 million, capital expenditure is expected to be significantly lower than in 2007.

**Excluding restructuring, goodwill impairment and tangible asset impairment charges, total amount EUR 108 million.*

Financial reporting in 2008

Huhtamäki will publish the interim report for January 1 – June 30, 2008 on July 18 and January 1 – September 30, 2008 on October 22.

Espoo, April 22, 2008
Huhtamäki Oyj
Board of Directors

Group Income statement (IFRS)

Unaudited

EUR million	Q1 2008	Q1 2007	Q1-Q4 2007
Net sales	548.6	564.7	2,311.0
Cost of goods sold	-474.9	-479.1	-2,028.0
Gross profit	73.7	85.6	283.0
Other operating income	3.7	10.0	31.9
Sales and marketing	-19.8	-20.0	-83.6
Research and development	-4.3	-4.8	-17.8
Administration costs	-29.2	-30.1	-122.6
Other operating expenses	-4.1	-3.0	-62.8
	-53.7	-47.9	-254.9
Earnings before interest and taxes	20.0	37.7	28.1
Financial income	4.0	1.7	9.2
Financial expenses	-12.6	-10.8	-51.7
Income of associated companies	0.1	0.1	0.4
Result before taxes	11.5	28.7	-14.0
Income tax expense	-2.1	-4.3	-6.2
Result for the period	9.4	24.4	-20.2
Attributable to:			
Equity holders of the parent company	8.7	23.9	-22.5
Minority interest	0.7	0.5	2.3
Basic earnings per share (EUR) for the shareholders of parent company	0.09	0.24	-0.22
Diluted earnings per share (EUR) for the shareholders of parent company	0.09	0.24	-0.22

Group balance sheet (IFRS)

Unaudited

EUR million	Mar 31 2008	Dec 31 2007	Mar 31 2007
ASSETS			
Non-current assets			
Goodwill	465.7	471.9	524.2
Other intangible assets	41.2	41.4	37.7
Tangible assets	760.6	799.3	839.0
Investments in associated companies	1.4	1.5	1.6
Available for sale investments	1.9	1.9	1.7
Interest bearing receivables	0.4	0.9	6.1
Deferred tax assets	15.8	13.7	15.5
Employee benefit assets	55.5	59.2	63.7
Other non-current assets	3.7	4.8	5.0
	1,346.2	1,394.6	1,494.5
Current assets			
Inventory	359.1	348.5	375.7
Interest bearing receivables	2.9	4.6	0.0
Current tax assets	12.3	17.9	10.5
Trade and other current receivables	399.4	394.8	418.8
Cash and cash equivalents	40.5	30.8	25.2
	814.2	796.6	830.2
Total assets	2,160.4	2,191.2	2,324.7
EQUITY AND LIABILITIES			
Share capital	358.7	358.7	358.7
Premium fund	104.7	104.7	104.7
Treasury shares	-46.5	-46.5	-46.5
Translation differences	-145.6	-121.1	-108.2
Fair value and other reserves	-0.7	1.4	2.9
Retained earnings	445.6	475.7	555.8
Total equity attributable to equity holders of the parent company	716.2	772.9	867.4
Minority interest	19.4	20.5	20.0
Total equity	735.6	793.4	887.4
Non-current liabilities			
Interest bearing liabilities	383.9	401.1	311.8
Deferred tax liabilities	38.1	38.8	66.4
Employee benefit liabilities	105.4	108.8	111.8
Provisions	57.6	60.3	46.1
Other non-current liabilities	4.3	4.3	4.0
	589.3	613.3	540.1
Current liabilities			
Interest bearing liabilities			
- Current portion of long term loans	22.2	17.9	45.6
- Short term loans	378.5	365.7	416.6
Provisions	6.6	8.0	8.4
Current tax liabilities	17.6	21.1	19.0
Trade and other current liabilities	410.6	371.8	407.6
	835.5	784.5	897.2
Total liabilities	1,424.8	1,397.8	1,437.3
Total equity and liabilities	2,160.4	2,191.2	2,324.7
	Mar 31 2008	Dec 31 2007	Mar 31 2007
Net debt	740.8	748.5	742.6
Net debt to equity (gearing)	1.01	0.94	0.84

Changes in shareholders' equity
Unaudited

EUR million	Attributable to equity holders of the parent company						Total equity	Minority interest	Total
	Share capital	Share issue premium	Treasury shares	Translation diff.	Fair value and other reserves	Retained earnings			
Balance at Dec 31, 2006	358.7	104.7	-46.5	-106.7	2.1	528.8	841.1	19.3	860.4
Cash flow hedges									
Hedge result deferred to equity					0.8		0.8		0.8
Hedge result recognized in income statement					-1.4		-1.4		-1.4
Translation differences				-1.5			-1.5	0.2	-1.3
Deferred tax in equity					1.4		1.4		1.4
Other changes						2.7	2.7		2.7
Income and expense recognized directly in equity				-1.5	0.8	2.7	2.1	0.2	2.3
Result for the period						23.9	23.9	0.5	24.4
Total recognized income and expense for the period				-1.5	0.8	26.7	26.0	0.7	26.7
Dividend						0.0	0.0		0.0
Share-based payments						0.3	0.3		0.3
Balance at Mar 31, 2007	358.7	104.7	-46.5	-108.2	2.9	555.8	867.4	20.0	887.4
Balance at Dec 31, 2007	358.7	104.7	-46.5	-121.1	1.4	475.7	772.9	20.5	793.4
Cash flow hedges									
Hedge result deferred to equity					-0.2		-0.2		-0.2
Hedge result recognized in income statement					-3.2		-3.2		-3.2
Hedge result transferred to carrying amount of hedged items					0.7		0.7		0.7
Translation differences				-24.5			-24.5	-1.8	-26.3
Deferred tax in equity					0.6		0.6		0.6
Other changes						3.0	3.0		3.0
Income and expense recognized directly in equity				-24.5	-2.1	3.0	-23.6	-1.8	-25.4
Result for the period						8.7	8.7	0.7	9.4
Total recognized income and expense for the period				-24.5	-2.1	11.7	-14.9	-1.1	-16.0
Dividend						-42.2	-42.2		-42.2
Share-based payments						0.4	0.4		0.4
Balance at Mar 31, 2008	358.7	104.7	-46.5	-145.6	-0.7	445.6	716.2	19.4	735.6

Group cash flow statement (IFRS)
Unaudited

EUR million	Q1 2008	Q1 2007	Q1-Q4 2007
Result for the period*	9.4	24.4	-20.2
Adjustments*	30.9	33.5	243.2
- Depreciation, amortization and impairment*	23.1	24.5	203.3
- Gain on equity of minorities*	-0.1	-0.1	-0.4
- Gain/loss from disposal of assets*	-	0.2	-8.1
- Financial expense/-income*	8.6	9.1	42.5
- Income tax expense*	2.0	4.3	6.2
- Other adjustments, operational*	-2.7	-4.5	-0.3
Change in inventory*	-22.0	-34.7	-14.8
Change in non-interest bearing receivables*	-8.3	-19.6	-3.7
Change in non-interest bearing payables*	-0.1	-1.9	-38.5
Dividends received*	0.1	0.1	0.9
Interest received*	0.8	0.6	1.3
Interest paid*	-10.0	-12.2	-42.7
Other financial expense and income*	2.0	-0.2	-1.1
Taxes paid*	-1.5	-1.9	-18.6
Net cash flows from operating activities	1.3	-11.9	105.8
Capital expenditure*	-13.5	-25.6	-147.9
Proceeds from selling fixed assets*	0.2	1.1	14.3
Proceeds from long-term deposits	0.9	0.5	7.2
Payment of long-term deposits	-0.3	-0.1	-6.1
Proceeds from short-term deposits	4.5	0.5	11.5
Payment of short-term deposits	-2.9	-	-11.0
Net cash flows from investing	-11.1	-23.6	-132.0
Proceeds from long-term borrowings	128.6	164.8	520.2
Repayment of long-term borrowings	-143.5	-169.0	-434.4
Proceeds from short-term borrowings	849.1	691.8	2,987.4
Repayment of short-term borrowings	-813.8	-649.4	-2,995.0
Dividends paid	-	-	-42.2
Net cash flows from financing	20.4	38.2	36.0
Change in liquid assets	9.7	2.9	8.5
Cash flow based	10.6	2.7	9.8
Translation difference	-0.9	0.2	-1.3
Liquid assets period start	30.8	22.3	22.3
Liquid assets period end	40.5	25.2	30.8
Free cash flow (including figures marked with *)	-12.0	-36.4	-27.8

NOTES FOR THE INTERIM REPORT

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. Except for accounting policy changes listed below, the same accounting policies have been applied in the interim financial statements as in annual financial statements for 2007.

Interim report is unaudited.

Changes in accounting principles

The Group has adopted the following IFRS standards and interpretations considered applicable to Huhtamäki, with effect from January 1, 2008:

- IFRS 8 Operating segments. IFRS 8 assumes that segment reporting reflects the Group's management and internal reporting structure. The five new segments are in line with Huhtamäki's internal management structure and will replace the former geographical segments.
- IFRIC 14 IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding requirements and their Interaction. The interpretation provides guidance on assessing the amount of the surplus that can be recognized as defined benefit asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement.

These newly adopted standards have not had a material impact on the reported results.

Segments

Segment information is presented according to the IFRS standards. Items below EBIT - financial items and taxes - are not allocated to the segments.

Net sales

EUR million	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q1-Q4 2007
Flexibles and Films Global	178.4	167.9	176.3	175.1	185.7	705.0
- Intersegment net sales	0.9	0.8	1.2	1.0	1.2	4.2
Rigid Europe	149.9	148.7	161.7	172.1	146.0	628.5
- Intersegment net sales	1.1	1.5	1.6	1.2	1.1	5.4
Molded Fiber Europe	35.4	36.5	33.5	34.2	34.3	138.5
- Intersegment net sales	0.0	0.2	0.0	0.4	0.3	0.9
Rigid and Molded Fiber Americas	132.5	143.6	153.5	166.5	142.2	605.8
- Intersegment net sales	0.8	0.9	0.9	0.7	0.7	3.2
Rigid and Molded Fiber AOA	52.5	61.1	57.4	58.2	56.5	233.2
- Intersegment net sales	0.0	-0.2	0.1	0.1	0.1	0.1
Elimination of intersegment net sales	-2.9	-3.2	-3.8	-3.4	-3.4	-13.8
Total	548.6	557.8	582.4	606.1	564.7	2,311.0

EBIT

EUR million	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q1-Q4 2007
Flexibles and Films Global ⁽¹⁾	6.6	-0.5	11.8	12.5	14.7	38.5
Rigid Europe ⁽²⁾	1.5	-74.3	3.5	3.3	0.2	-67.3
Molded Fiber Europe	2.9	3.5	2.5	2.3	2.4	10.7
Rigid and Molded Fiber Americas ⁽³⁾	9.2	-6.2	13.1	19.4	17.2	43.5
Rigid and Molded Fiber AOA ⁽⁴⁾	-0.2	-1.3	1.8	2.7	3.3	6.5
Other activities	0.0	0.3	0.5	-4.5	-0.1	-3.8
Total ⁽⁵⁾	20.0	-78.5	33.2	35.7	37.7	28.1

¹⁾ Q4 2007 includes goodwill impairment charges MEUR 8.3.

²⁾ Q4 2007 includes restructuring charges MEUR 1.4, goodwill impairment charges MEUR 31.6 and tangible asset impairment charges MEUR 46.0.

³⁾ Q4 2007 includes goodwill impairment charges MEUR 5.1 and tangible asset impairment charges MEUR 11.8.

⁴⁾ Q4 2007 includes restructuring charges MEUR 2.3 and goodwill impairment charges MEUR 1.6.

⁵⁾ Q4 2007 includes restructuring charges MEUR 3.7, goodwill impairment charges MEUR 46.6 and tangible asset impairment charges MEUR 57.7, total amount MEUR 108.0.

Depreciation and amortization

EUR million	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q1-Q4 2007
Flexibles and Films Global	5.9	6.3	5.7	5.8	5.2	23.0
Rigid Europe	7.0	7.7	8.5	7.8	8.2	32.2
Molded Fiber Europe	1.9	1.8	1.9	1.9	1.9	7.5
Rigid and Molded Fiber Americas	5.0	5.6	5.8	5.9	6.0	23.3
Rigid and Molded Fiber AOA	3.1	3.1	3.0	3.0	2.9	12.0
Other activities	0.2	0.2	0.2	0.2	0.3	0.9
Total	23.1	24.7	25.1	24.6	24.5	98.9

Net assets allocated to the segments⁽⁶⁾

EUR million	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007
Flexibles and Films Global	526.7	542.9	547.7	528.0	513.9
Rigid Europe	399.9	407.6	494.0	502.9	494.4
Molded Fiber Europe	121.5	119.1	118.7	116.4	116.1
Rigid and Molded Fiber Americas	413.1	417.1	456.9	478.6	474.2
Rigid and Molded Fiber AOA	188.0	201.3	204.5	209.3	197.1

⁽⁶⁾ Net assets include the following balance sheet items: intangible and tangible assets, other non-current assets, inventories, trade and other current receivables (excluding accrued interest income), other non-current liabilities and trade and other current liabilities (excluding accrued interest expense).

Capital expenditure

EUR million	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q1-Q4 2007
Flexibles and Films Global	6.8	15.3	15.1	12.6	8.6	51.6
Rigid Europe	2.2	9.8	8.6	7.9	9.5	35.8
Molded Fiber Europe	0.6	7.3	0.8	0.8	0.8	9.7
Rigid and Molded Fiber Americas	1.3	15.7	6.0	3.3	1.9	26.9
Rigid and Molded Fiber AOA	1.8	6.4	4.8	6.6	4.5	22.3
Other activities	0.7	0.9	0.1	0.3	0.3	1.6
Total	13.5	55.4	35.4	31.5	25.6	147.9

RONA, % (12m roll.)

	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007
Flexibles and Films Global	5.7 %	7.2%	10.2%	11.1%	11.5%
Rigid Europe	-14.6 %	-14.2%	-1.3%	-3.5%	-2.8%
Molded Fiber Europe	9.3 %	9.0%	8.9%	9.6%	10.2%
Rigid and Molded Fiber Americas	8.0 %	9.5%	13.3%	13.5%	13.6%
Rigid and Molded Fiber AOA	1.5 %	3.2%	5.8%	6.6%	6.6%

Operating Cash Flow

EUR million	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q1-Q4 2007
Flexibles and Films Global	7.2	8.2	-16.9	8.5	-5.7	-5.9
Rigid Europe	1.1	17.3	16.9	-8.9	-6.9	18.4
Molded Fiber Europe	1.6	5.2	1.4	4.0	1.4	12.0
Rigid and Molded Fiber Americas	-2.5	26.8	26.3	10.5	-3.3	60.3
Rigid and Molded Fiber AOA	3.8	0.6	2.0	-4.6	-5.7	-7.7

As net sales and EBIT of reportable segments form Groups' total net sales and EBIT, reconciliations to corresponding amounts are not presented.

Other information

EUR million	Q1 2008	Q1 2007	Q1-Q4 2007
Equity per share (EUR)	7.13	8.64	7.70
ROE, %	-4.3	11.5	-2.4
ROI, %	0.8	9.3	1.8
Personnel	15,198	14,885	15,092
Result before taxes (12m roll.)	-31.3	108.7	-14.0
Depreciation	21.3	23.0	92.9
Amortization of other intangible assets	1.8	1.4	6.0

Share capital and shareholders

At the end of March 2008, the Company's registered share capital was EUR 358,657,670.00 (unchanged) corresponding to a total number of outstanding shares of 105,487,550 (unchanged) including 5,061,089 (unchanged) Company's own shares. The Company's own shares represent 4.8% of the total number of shares. The net figure of outstanding shares was 100,426,461 (unchanged).

At the end of the reporting period there were 21,979 (22,033) registered shareholders. Foreign ownership including nominee registered shares accounted for 22.5% (25.9%).

Share developments

The Company's share is quoted on the OMX Nordic Exchange Helsinki on the Nordic Mid Cap list under the Materials sector. At the end of March 2008, the Company's market capitalization was EUR 715.2 million (EUR 1,307.0 million) and EUR 680.9 million (EUR 1,244.3 million) excluding Company's own shares. With a closing price of EUR 6.78 (EUR 12.39) the share price decreased by 17% (-17%) from the beginning of the year, while the OMX Helsinki CAP PI Index decreased by 11% (+6%). In January-March 2008, the volume weighted average price for the Company's share was EUR 7.18 (EUR 13.30). The highest price paid was EUR 8.36 on January 2, 2008 and the lowest price paid was EUR 6.22 on March 17, 2008.

During the reporting period the cumulative value of the Company's share turnover was EUR 280.2 million (EUR 426.9 million). The trading volume of 39.1 million (32.1 million) shares equaled an average daily turnover of EUR 4.5 million (EUR 6.7 million) or, correspondingly 631,175 (501,172) shares. In total, turnover of the Company's 2003 A, B and C option rights was EUR 159,390, corresponding to a trading volume of 114,051.

Contingent liabilities

	Mar 31 2008	Dec 31 2007	Mar 31 2007
EUR million			
Mortgages	14.5	14.5	14.6
Guarantee obligations	2.1	2.8	6.2
Lease payments	52.9	55.6	59.1
Capital expenditure commitments	34.9	19.4	48.5

Nominal values of derivative instruments

	Mar 31 2008	Dec 31 2007	Mar 31 2007
EUR million			
Currency forwards, transaction risk hedges	53	45	57
Currency forwards, translation risk hedges	64	101	111
Currency swaps, financing hedges	144	143	130
Currency options	-	-1	-
Interest rate swaps	157	164	132
Electricity forwards	-	1	-

The following EUR rates have been applied to GBP, INR, AUD and USD

		Q1/08	Q1/07
Income statement, average:	GBP 1 =	1.320	1.491
	INR 1 =	0.017	0.017
	AUD 1 =	0.605	0.600
	USD 1 =	0.667	0.763
		Q1/08	Q1/07
Balance sheet, month end:	GBP 1 =	1.257	1.471
	INR 1 =	0.016	0.017
	AUD 1 =	0.577	0.607
	USD 1 =	0.632	0.751

Definitions for key indicators

Earnings per share =	$\frac{\text{Result before taxes - minority interest - taxes}}{\text{Average number of shares outstanding}}$
Earnings per share = (diluted)	$\frac{\text{Diluted result before taxes - minority interest - taxes}}{\text{Average fully diluted number of shares outstanding}}$
Net debt to equity (gearing) =	$\frac{\text{Interest bearing net debt}}{\text{Equity + minority interest (average)}}$
RONA, % =	$100 \times \frac{\text{Earnings before interest and taxes (12 m roll.)}}{\text{Net assets (12 m roll.)}}$
Operating cash flow =	Ebit + depreciation and amortization (including impairment) - capital expenditures + disposals +/- change in inventories, trade receivables and trade payables.
Shareholders' equity per share =	$\frac{\text{Equity}}{\text{Issue-adjusted number of shares at period end}}$
Return on equity (ROE) =	$100 \times \frac{\text{Result for the period}}{\text{Equity + minority interest (average)}}$
Return on investment (ROI) =	$100 \times \frac{\text{Result before taxes + interest expenses + net other financial expenses}}{\text{Balance sheet total - Interest-free liabilities (average)}}$

