No auditors' report has been issued concerning the financial statements.

RAISIO'S TURNOVER INCREASED AND OPERATING RESULT IMPROVED CONSIDERABLY

- In 2007, turnover from continuing operations increased by 4.8 per cent to EUR 421.9 million (EUR 402.6 million in 2006).
- Operating result from continuing operations totalled EUR 9.9 million (EUR -2.4 million in 2006) and the reported operating result, including one-off items, was EUR 10.6 million (EUR -28.1 million).
- Earnings per share from continuing operations were EUR 0.05 (EUR -0.02). The Board of Directors proposes a dividend of EUR 0.04 per share.
- Raisio's main targets in 2008 are continuous improvement in profitability, internationalisation and growth.
- Raisio's turnover in 2008 is expected to increase and the operating result from continuing operations, excluding one-off items, is expected to improve from the previous year. All divisions are expected to post positive annual results although the pressure on profitability will increase in feed. The overall operating result in the Food Division is expected to be positive, although the target operating result rate of 5 per cent will probably not be achieved due to increased marketing inputs, new product launches and preparations for entry into new markets. The Ingredients Division is expected to increase turnover and improve profitability.

Figures for the comparison period are given in brackets.

Key figures, result from continuing operations

	10-12/ 2007	10-12/ 2006	7-9/ 2007	4-6/ 2007	1-3/ 2007	2007	2006
Turnover, EUR million	109.2	98.6	109.8	106.1	96.8	421.9	402.6
Operating result, EUR million	1.7	-5.1	3.7	3.3	1.2	9.9	-2.4
% of turnover	1.6	-5.2	3.4	3.1	1.2	2.3	-0.6
Result before taxes, EUR million	0.8	-4.8	3.2	2.8	2.1	8.8	-1.0
Earnings per share (EPS), EUR	0.02	-0.03	0.01	0.01	0.01	0.05	-0.02

The figures do not include one-off items.
The figures have been adjusted to comply with the changes in continuing operations and in the accounting principles of derivatives.

Key figures, balance sheet

	31.12.2007	30.9.2007	30.6.2007	31.3.2007	31.12.2006
Return on investment, %	3.6	4.8	3.7	3.1	-9.1
Equity ratio, %	77.9	76.9	78.2	74.9	75.0
Gearing, %	-12.5	-16.6	-10.1	-11.1	-19.1
Equity per share, EUR	1.70	1.70	1.71	1.70	1.73

Matti Rihko, Chief Executive Officer

"The year 2007 was historic, worldwide, in terms of agriculture and the food industry. The long-term trend in which the prices of renewable raw materials decreased steadily and food accounted for an increasingly small share of households' consumption expenses turned in the opposite direction. There were two reasons for this change. Approximately half a billion people in Asia improved their income level. In particular, the increased demand for meat and milk products raised the demand for grain used in feed. Another significant factor was the increased use of biofuel.

Raisio's main theme in 2007 was to improve profitability. The company succeeded well in this despite the record rise in raw material prices. To improve profitability, the company streamlined and simplified its operations, divested unprofitable business operations, reduced overcapacity, made the organisation less hierarchic and enhanced the business model. Furthermore, Raisio was one of the first to predict the change in the grain market and it took active measures to make its result less dependent on grain price and its volatility.

To ensure future success the company must emphasise customer-orientation, focus on its strongest brands and the most interesting product groups, as well as enhance co-operation with customers and raw material suppliers.

As a forerunner in ecological, plant-based nutrition and one of Europe's most innovative grain companies, Raisio is excellently positioned to face the change in the food industry. Essential in this change is the impact that climate change will have on consumers' choices."

OCTOBER–DECEMBER 2007

- Turnover grew by 10.8 per cent to EUR 109.2 million (EUR 98.6 million).
- Operating result from continuing operations improved, totalling EUR 1.7 million (EUR -5.1 million).
- Equity ratio was 77.9 per cent.
- Raisio and Unilever made an agreement on partial cross-licensing of plant sterol and stanol patents.

Operating result from continuing operations excluding one-off items

In October–December, Raisio's turnover increased by 10.8 per cent over the comparison period and amounted to EUR 109.2 million (EUR 98.6 million). The Food Division posted a turnover of EUR 50.3 million (EUR 50.1 million), Feed & Malt EUR 54.0 million (EUR 43.9 million) and Ingredients EUR 11.6 million (EUR 10.1 million).

Turnover for business operations, EUR million

	10-12/ 2007	10-12/ 2006	7-9/ 2007	4-6/ 2007	1-3/ 2007	2007	2006
Food	50.3	50.1	48.6	48.5	49.8	197.1	196.5
Margarines and soy-oat products	29.6	29.2	27.6	28.0	28.9	114.1	118.6
Milling products	20.6	20.8	21.0	20.5	21.0	83.0	78.1
Other	0.2	0.0	0.0	0.0	0.0	0.2	0.0
Internal sales	0.0	0.0	0.0	0.0	-0.1	-0.2	-0.1
Feed & Malt	54.0	43.9	59.3	53.0	40.4	206.7	179.0
Feed	48.9	40.0	48.6	43.4	34.6	175.5	157.7
Malt	5.0	3.9	10.7	8.7	5.7	30.1	20.0
Other	0.3	0.1	0.2	1.0	0.2	1.7	1.7
Internal sales	-0.2	-0.1	-0.1	-0.1	-0.1	-0.6	-0.4
Ingredients	11.6	10.1	10.2	10.7	12.5	44.9	49.7
Other	0.1	0.2	0.1	0.1	0.1	0.4	0.6
Other inter-division	-6.7	-5.7	-8.4	-6.1	-5.9	-27.1	-23.3
Total	109.2	98.6	109.8	106.1	96.8	421.9	402.6

In the last quarter, Raisio's profitability improved over the comparison period, although the prices of grain raw materials remained record high. The Group's operating result in October–December was EUR 1.7 million (EUR -5.1 million). The Food Division posted an operating result of EUR -1.1 million (EUR -4.8 million), Feed & Malt EUR 0.7 million (EUR 0.4 million), Ingredients EUR 2.4 million (EUR 1.5 million) and other operations EUR -0.4 million (EUR -2.3 million). Depreciation, allocated to other operations in the income statement, totalled EUR 4.6 million (EUR 5.3 million) in October–December.

Raisio recognised impairments in the fourth quarter, which had a negative net impact of EUR -1.2 million on the operating result. The most significant of these was an impairment of EUR -1.5 million. It targeted the flake mill that is part of the milling business.

The Group's net financial items in October–December totalled EUR -1.0 million (EUR 0.4 million). Raisio amended its accounting principles for financial statements concerning the recognition of raw material futures. This was done because the requirements for hedging in IAS 39 were not met, and because big fluctuations in the fair value of derivative contracts affect the operating result at a different time than raw material use. Changes in the fair value of soy and rapeseed futures are now recognised under financial income and expenses. They were previously recognised under other operating income and expenses.

The fourth-quarter result before taxes was EUR 0.8 million (EUR -4.8 million). The fourth-quarter result after taxes was EUR 2.5 million (EUR -4.7 million). Earnings per share in October–December were EUR 0.02 (EUR -0.03). Return on investment was 3.6 per cent (-9.1%).

Research and development expenses in the fourth quarter totalled EUR 2.1 million (EUR 2.6 million), or 1.9 per cent of turnover. Investments were EUR 10.2 million (EUR 8.4 million), or 9.3 per cent of turnover. The biggest single investment concerned the feed plant constructed in Ylivieska.

Changes in business operations and the group structure

In October, Raisio sold its 25% holding in Obory, a Polish dairy company. Obory will continue to produce Benecol drinks for Raisio. Raisio closed its wheat and rye mills in Nokia and laid off their personnel. Flake production continues normally in Nokia. A contractual amendment signed in October returned the Benecol brand and plant stanol ester rights to Raisio from its long-term partner McNeil.

Raisio adopted a new business model for operations in October, in which the brands and commodities functions are handled separately. The new organisation structure, implemented in October, also separated commercial operations from production. The new business model and organisation structure ensure that operations are consumer- and customer-oriented and cost-effective.

The revision of Raisio's legal structure started at the beginning of October, when Raisio plc transferred its administrative service function to the newly-founded Raision Konsernipalvelut Oy. Other measures related to the revision were implemented at the turn of the year. These are described in detail in the Board of Directors' report.

In December, Raisio and Unilever signed an agreement on partial cross-licensing, which grants non-exclusive rights to the global plant sterol and stanol patents defined by the companies. The agreement brought an end to the patent opposition proceedings between the two companies.

Raisio sold Monäs Feed Oy, a producer of special feeds, to a local player in December. The company's result is treated under discontinued operations, and the comparison figures have been amended accordingly.

Events after the review period

In January, Raisio's partner, British Biologicals, initiated test marketing of a nutritional powder containing Benecol in India. Limited test marketing is carried out in a few major cities and the product will be introduced to medical doctors.

Raisio and a Swedish Lantmännen signed an agreement in January concerning ownership arrangements in their jointly owned companies. Based on the agreement, Lantmännen handed over its 25% holding in Melia Ltd, a Finnish mill, to Raisio. In turn, Raisio handed over its 50% holding in the joint venture company GoGreen AB and its 27% holding in the AS Rigas Dzirnavnieks milling company in Latvia. Full ownership of Melia gives Raisio better opportunities to develop the Elovena brand independently.

RAISIO PLC

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A press and analyst event will be arranged on Wednesday, 13 February 2008, at 1:00 pm in Helsinki. It will be held at the Hotel Scandic Simonkenttä, the Pavilion meeting room on the 8th floor. The address is Simonkatu 9, Helsinki. A teleconference in English will be held on 13 February 2008 at 2:30 p.m. Finnish time, tel. +358 (0)9 8248 4448, Pin code 9658.

Raisio plc's annual report will be published week 11, and the Annual General Meeting will be held on Friday, 27 March 2008. The interim report for January–March will be published on 5 May 2008, for January–June on 1 August 2008 and for January–September on 31 October 2008.

The financial statements review has not been audited.

REPORT OF THE BOARD OF DIRECTORS 2007

Raisio's main target in 2007 was to improve profitability. The company's measures to enhance business operations and adjust them to the market situation in order to improve profitability were effective, despite the grain raw material prices nearly doubled in the second half of the year.

Raisio made its result less dependent on volatility in grain prices by adding predictability to purchase prices and flexibility to sales prices. This was done by adopting new pricing models. The Group structure was also streamlined and the brand strategy in the Food Division was revised. Raisio's brands are now offered to consumers under three worlds: breakfasts and snacks, spreads and baking worlds.

Raisio's vision is to be a forerunner and a specialist in ecologic, plant-based nutrition with leading brands. The company's product range includes foods and functional food ingredients, as well as feeds and malts. A raw material base consisting of cultivated products gives Raisio good opportunities to develop as a company with ecologically sustainable operations.

The Group's main targets in 2008 are continuous improvement in profitability, internationalisation and growth.

TURNOVER FROM CONTINUING OPERATIONS

In 2007, Raisio's turnover increased by 4.8 per cent to EUR 421.9 million (EUR 402.6 million in 2006). The Food Division posted a turnover of EUR 197.1 million (EUR 196.5 million), Feed & Malt EUR 206.7 million (EUR 179.0 million) and Ingredients EUR 44.9 million (EUR 49.7 million).

The strongest growth was recorded in the turnover of Feed & Malt. Turnover also grew in the Finnish margarine and soy-oat businesses, as well as in Russia, where flake sales continued to grow strongly.

Turnover from outside Finland accounted for 37.5 per cent (39.4%), that is, EUR 158.0 million (EUR 158.7 million).

RESULT FROM CONTINUING OPERATIONS, EXCLUDING ONE-OFF ITEMS

The Group's operating result in 2007 was EUR 9.9 million (EUR -2.4 million) and, including one-off items, EUR 10.6 million (EUR -28.1 million). The Food Division posted an operating result of EUR -5.8 million (EUR -10.5 million), Feed & Malt EUR 8.2 million (EUR 5.6 million), Ingredients EUR 9.5 million (EUR 7.8 million) and other operations EUR -2.1 million (EUR -5.3 million). Depreciation, allocated to operations in the income statement, totalled EUR 18.3 million (EUR 21.5 million).

The Group's net financial items totalled EUR -0.7 million (EUR 1.8 million). Raisio amended its accounting principles for financial statements concerning the recognition of raw material futures. This was done because the requirements for hedging in IAS 39 were not met, and because big fluctuations in the fair value of derivative contracts affect the operating result at a different time than raw material use. Changes in the fair value of soy and rapeseed futures are now recognised under financial income and expenses. They were previously recognised under other operating income and expenses.

Raisio's result before taxes was EUR 8.8 million (EUR -1.0 million). The result for the reporting period before taxes was EUR 8.3 million (EUR -2.0 million). The period's taxes were EUR -0.6 million (EUR -1.0 million). Earnings per share were EUR 0.05 (EUR -0.02). Return on investment was 3.6 per cent (-9.1%).

ONE-OFF ITEMS

Raisio's balance sheet items have been measured in compliance with the IFRS, using updated business plans and the forecasts based on them. The divestment of the unprofitable flour sales in the Nokia unit led to an impairment of EUR -1.3 million in the goodwill of the milling business and an impairment of EUR -2.1 million in fixed assets. In addition, an impairment of EUR -1.5 million was recognised for the flake mill included in the milling business. The impairment of fixed assets in the malt business was reversed by EUR 6.0 million due to an improved market situation and changes in the pricing structure.

Impairments in the Food Division totalled EUR -5.3 million and the reversal of impairment in the Feed & Malt business was EUR 6.0 million. The impact of one-off items on the operating profit from continuing operations was EUR 0.7 million (EUR -25.7 million).

ONE-OFF ITEMS (EUR million)

	2007	2006
CONTINUING OPERATIONS:		
Food	-5.3	-27.4
Goodwill impairment	-1.3	-
Other impairments	-4.0	-
Feed & Malt	6.0	1.7
Reversal of impairment in the fixed assets of Malt	6.0	-
Ingredients	-	-
Other operations	-	-
Impact on the operating result of continuing operations	**0.7**	**-25.7**
Performance of associates	-	-2.2
Financial items	-	-4.3
Impact of one-off items on the result from continuing operations before taxes	**0.7**	**-32.2**

INVESTMENTS

The Group's gross investments in 2007 totalled EUR 31.4 million (EUR 27.6 million), or 7.5 per cent (6.9%) of turnover. The Food Division made gross investments of EUR 7.2 million (EUR 15.3 million), Feed & Malt EUR 16.7 million (EUR 4.9 million), Ingredients EUR 7.5 million (EUR 4.3 million) and other operations EUR 1.6 million (EUR 3.2 million).

The most significant investments were made in the new feed plant, which will be completed in Ylivieska in summer 2008, and in the second expansion to the plant stanol ester plant in Raisio, which was completed in autumn 2007.

BALANCE SHEET AND FINANCIAL POSITION

Raisio's balance sheet total was EUR 360.3 million (EUR 387.4 million) and shareholders' equity totalled EUR 278.8 million (EUR 290.4 million). Equity per share was EUR 1.70 (EUR 1.73) at the end of December.

The Group's interest-bearing debt at the end of the financial period was EUR 8.7 million (EUR 23.2 million). The net interest-bearing debt totalled EUR -34.9 million (EUR -55.6 million). The equity ratio at the end of the year was 77.9 per cent (75.0%), and the gearing ratio was -12.5 per cent (-19.1 %). Cash flow from business operations before investments was EUR 15.6 million (EUR 15.1 million) despite the nearly 10-million-euro increase in inventories caused by the high raw material prices.

Raisio plc paid EUR 4.8 million in dividends and used EUR 6.5 million for share repurchases. At the end of the year, working capital totalled EUR 100.5 million (EUR 96.7 million on 31 December 2006).

BUSINESS AREAS

Food

Turnover of Raisio's Food Division was EUR 197.1 million (EUR 196.5 million). The turnover remained at the previous year's level despite the stock keeping units reduced by some 30 per cent. Turnover grew in the Finnish margarine and soy-oat businesses, as well as in Russia, where flake sales continued to grow strongly.

In 2007, the Food Division's result was made less dependent on volatility in grain prices, and a new, flexible pricing model was negotiated with customers. In addition, operations were centralised and streamlined. Unprofitable domestic bakery flour sales were divested in Nokia, Finland, and overcapacity in production was reduced by closing two mills. The potato business was divested and the holding in Obory, a Polish dairy company, was sold.

Raisio revised its brand strategy. The main change to the portfolio is its division into three main brands in Finland: Elovena, Keiju and Sunnuntai. The updated brand portfolio enables Raisio to improve its cost-effectiveness and increase the visibility, recognition and availability of its products. Raisio's brands are now offered to consumers under three worlds: breakfasts and snacks, spreads and baking worlds. Raisio boosted its market position in the Finnish market for retail products, as well as in the Polish market for yellow fats and the Russian flake markets.

The Finnish supply chain management focused on improving product availability and reducing wastage. Raisio was able to considerably improve the precision of sales predictions that are based on the procurement of production, raw materials and packaging materials.

Key figures for the Food Division

	10-12/ 2007	7-9/ 2007	4-6/ 2007	1-3/ 2007	2007	2006
Turnover, EUR million	50.3	48.6	48.5	49.8	197.1	196.5
Margarines and soy-oat products	29.6	27.6	28.0	28.9	114.1	118.6
Milling products	20.6	21.0	20.5	21.0	83.0	78.1
Other	0.2	0.0	0.0	0.0	0.2	0.0
Internal sales	0.0	0.0	0.0	-0.1	-0.2	-0.1
Operating result, EUR million	-2.7	-5.7	-1.7	-0.9	-11.1	-37.9
One-off items, EUR million	-1.6	-3.6	0.0	0.0	-5.3	-27.4
Operating result excluding one-off items, EUR million	-1.1	-2.1	-1.7	-0.9	-5.8	-10.5
% of turnover	-2.2	-4.2	-3.6	-1.8	-2.9	-5.3
Investments, EUR million	1.4	1.5	1.0	3.3	7.2	15.3
Net assets, EUR million	85.8	88.4	97.8	94.1	85.8	85.5

The Food Division's operating result was EUR -5.8 million (EUR -10.5 million). The Division's reported operating result was EUR -11.1 million (EUR -37.9 million), and the related impairment totalled EUR -5.3 million. The divestment of the unprofitable flour sales in the Nokia unit led to an impairment of EUR -1.3 million in the goodwill of the milling business and an impairment of EUR -2.1 million in fixed assets. In addition, an impairment of EUR -1.5 million was recognised for the flake mill included in the milling business.

In 2007, the improvement of Food Division's profitability was slowed in all market areas by the rapid and steep rise in the price of grain raw material. The pricing models revised last autumn will add flexibility to sales prices from the beginning of 2008 onward.

In 2008, Raisio's Food Division aims to improve profitability, strengthen its market position in Finland and the Baltic Sea region, focus on its main brands and introduce innovative new products that meet consumer needs.

Feed & Malt

The Feed & Malt Division's turnover increased by 15.5 per cent over the comparison period and amounted to EUR 206.7 million (EUR 179.0 million). Turnover grew from the comparison period as a result of increases made to the sales prices of feeds and malts, which mirrored price rises in grain raw materials. The overall volumes of feed mixes and malts remained at the comparison year's level. The structural changes of the business environment influenced the markets, further tightening competition in the feed market.

The pricing structure of malts was modified: pricing is now based on the value of upgrading and takes into account any changes in raw material prices. The service concept and product range in malts were expanded by launching a wheat malt.

Key figures for the Feed & Malt Division

	10-12/ 2007	7-9/ 2007	4-6/ 2007	1-3/ 2007	2007	2006
Turnover, EUR million	54.0	59.3	53.0	40.4	206.7	179.0
Feed	48.9	48.6	43.3	34.6	175.5	157.7
Malt	5.0	10.7	8.7	5.7	30.1	20.0
Other	0.3	0.2	1.0	0.2	1.7	1.7
Internal sales	-0.2	-0.1	-0.1	-0.1	-0.6	-0.4
Operating result, EUR million	1.2	9.6	2.9	0.5	14.2	7.4
One-off items, EUR million	0.5	5.5	0.0	0.0	6.0	1.7
Operating result excluding one-off items, EUR million	0.7	4.1	2.9	0.5	8.2	5.6
% of turnover	1.4	6.9	5.5	1.1	4.0	3.2
Investments, EUR million	6.4	5.7	2.7	1.9	16.7	4.9
Net assets, EUR million	86.0	77.8	76.5	76.0	86.0	61.2

The Feed & Malt Division's operating result was EUR 8.2 million (EUR 5.6 million). The reported operating result was EUR 14.2 million (EUR 7.4 million), including an impairment of EUR 6.0 million on the fixed assets of Malt.

After a reassessment of distribution solutions, Raisio initiated direct invoicing of feed mixes. Exports of farm and fish feeds to northwestern Russia decreased slightly year-over-year in terms of value. Monäs Feed, a producer of special feeds, was sold to a local player at the end of the year. The company's result is treated under discontinued operations, and the comparison figures have been amended accordingly.

The changes in the grain market were global and rapid. Grain prices are expected to remain at the new, higher level, but to fluctuate markedly. Raisio is Finland's biggest processor of field produce. In 2007, Raisio used over 500 million kilograms of grain, over 90 per cent of which was of domestic origin. Raisio gets over one-third of its grain from contract farmers. The target is to considerably increase contract farming in 2008. Direct contract farming can better ensure the availability of grain raw material at the right time, as well as its quality and competitive pricing.

In 2008, Raisio's feed industry aims to preserve its market position in stiff market conditions, efficiently use the feed plant completed in Ylivieska in summer 2008 in the neighbouring regions and strengthen the market position in northwestern Russia. The targets in the malt business are to maintain reaction speed in changing markets and secure the supply of Finnish malt barley.

Ingredients

The turnover of the Ingredients Division totalled EUR 44.9 million (EUR 49.7 million). It decreased from the comparison period due to smaller volumes in the French and German markets and seasonal fluctuations in deliveries. Sales in Turkey developed slower than expected, because the use of health-related marketing claims was not allowed in the country. This ban was reversed in December 2007, and Raisio's local partner has adopted measures to improve its market position.

McNeil, a long-term partner, returned more rights to plant stanol ester and the Benecol brand to Raisio in 2007. This enables business to be developed in new directions. Raisio and Unilever agreed on partial cross-licensing, which grants non-exclusive rights to the global plant sterol and stanol patents defined by the companies. The agreement brings an end to the patent opposition proceedings between the two companies.

Key figures for the Ingredients Division

	10-12/ 2007	7-9/ 2007	4-6/ 2007	1-3/ 2007	2007	2006
Turnover, EUR million	11.6	10.2	10.7	12.5	44.9	49.7
Operating result, EUR million	2.4	2.1	2.6	2.5	9.5	7.8
One-off items, EUR million	0.0	0.0	0.0	0.0	0.0	0.0
Operating result excluding one-off items, EUR million	2.4	2.1	2.6	2.5	9.5	7.8
% of turnover	20.5	20.7	24.1	19.7	21.2	15.6
Investments, EUR million €	1.8	1.6	1.8	2.4	7.5	4.3
Net assets, EUR million	46.0	43.8	45.5	45.5	46.0	44.5

The operating result improved by 21.8 per cent thanks to business reorganisation and totalled EUR 9.5 million (EUR 7.8 million).

Raisio continued to prepare its entry into the Asian market with the authorities and local partners. In early 2008, Raisio's partner started test marketing of a nutritional powder containing Benecol in India.

Raisio aims to be an active player in the growing market for cholesterol-lowering functional foods in Europe, Asia and North and South America by providing the markets with innovative product applications. The target is to put business on a growth trend.

RESEARCH AND DEVELOPMENT

The Group's research and development expenses in 2007 totalled EUR 6.4 million (EUR 9.8 million), or 1.5 per cent (2.4%) of turnover. The decrease was caused by the closedown of the unit in Viikki, the concentration of activities in the town of Raisio, as well as R&D being made part of businesses, which serve their needs better and brought cost savings.

In 2007, the focus of research and development in foods moved to product development based on consumer needs. Value-added products accounted for some 30 per cent of the turnover in Finland in 2007. Ingredients concentrated on developing new, healthy ingredients and product applications. Product development in feeds focused on feed mixes and feeding solutions that increase the well-being of animals, as well as the efficiency and profitability of livestock production.

Research and development expenses in the Food Division totalled EUR 2.4 million (EUR 5.3 million), Feed & Malt EUR 1.0 million (EUR 1.5 million) and Ingredients EUR 3.0 million (EUR 2.9 million).

CORPORATE RESPONSIBILITY

Raisio is committed to taking responsibility for its operating environment. The target is for operations to stand on an ecologically, socially and financially solid basis now and in the future. Raisio's corporate responsibility report is included in the annual report.

No significant financial environmental risks are recorded in Raisio's financial statements.

GOVERNANCE, MANAGEMENT AND PERSONNEL

Raisio's Board of Directors had five members in 2007: Simo Palokangas (Chairman), Anssi Aapola, Erkki Haavisto, Satu Lähteenmäki and Michael Ramm-Schmidt (Deputy Chairman). The Board members are independent of the company and significant shareholders.

The Chairman of Raisio's Supervisory Board is Juha Saura and its Vice Chairman is Holger Falck.

Of the group's management team members, Denis Mattsson, President of the Food Division, left the company in September 2007 and Mikko Korttila, Vice President of Legal Affairs in August 2007.

In September, Kirsi Swanljung took up the post of Vice President of Legal Affairs, Vincent Poujardieu became Vice President of the Ingredients Division and Business Development and Vesa Kurula became Vice President of Operations. All three are members of the management team.

On 31 December 2007, Raisio's continuing operations employed 1,072 people (1,200 in 2006 and 1,250 in 2005). Employees working abroad accounted for 31.9 per cent (32.8%) of the personnel. The headcount was reduced by operations enhancement programmes in the Food and Ingredients Divisions and service functions. At the end of the year, the Food Division had 686 employees, the Feed & Malt Division 266 employees, the Ingredients Division 69 employees and Group administration 51 employees.

Wages and fees totalled EUR 43.8 million in 2007 (EUR 48.2 million in 2006 and EUR 46.5 million in 2005).

Personnel matters are described in more detail in the annual report, under social responsibility.

CHANGES IN THE ORGANISATION AND GROUP STRUCTURE

Raisio's commercial and production operations were separated at the beginning of October 2007. Production operations were made into a service function alongside other activities that support and serve business.

The Group's legal structure was revised in phases to correspond to the new organisation. Raisio plc transferred its administrative service function to the newly-founded Raision Konsernipalvelut Oy at the beginning of October. At the end of the review period, Raisio Nutrition Ltd, Raisio Benecol Ltd and Raisio Feed Ltd were dissolved through demerger. By these demergers the commercial operations of Raisio Nutrition Ltd and Raisio Benecol Ltd were transferred to the newly-formed Raisio Nutrition and those of Raisio Feed Ltd to the newly-formed Raisio Feed Ltd. The real estates and production plants of the demerged companies were transferred to Raisionkaaren Teollisuuspuisto Oy.

Raisio plc also transferred its real estate service business and the related assets and debts as a business transaction to Raisionkaaren Teollisuuspuisto Oy. Raisio Staest Oy merged with Raisio Benecol Oy in December, and the business of both companies became part of the new Raisio Nutrition Ltd when Raisio Benecol Ltd demerged.

Camelina Oy was merged with Raisio Nutrition Ltd at the end of September. The number of US subsidiaries decreased to one at the end of September when Sterol Trading US Inc. merged with Raisio Staest US Inc.

According to Raisio's strategy the diagnostics business was divested and business was transferred to BioControl Systems Inc. at the beginning of September 2007.

SHARES AND SHAREHOLDERS

The trading volume of Raisio plc's free shares on the OMX Nordic Exchange in Helsinki from January to December was 51.3 million (64.3 million), which is some 39 per cent of the overall volume of free shares. The value of share trading was EUR 100.0 million (EUR 121.1 million). The highest price of the series V share was EUR 2.33 and the lowest EUR 1.39. The average price was EUR 1.95. The year-end price of the V share was EUR 1.50.

A total of 1.3 million (1.5 million) of Raisio's restricted shares were traded over the year. The value of share trading was EUR 2.6 million (EUR 2.8 million). The highest price of the series K share was EUR 2.25 and the lowest EUR 1.50. The average price was EUR 1.96. The year-end price of the K share was EUR 1.52.

The company had 37,873 registered shareholders on 31 December 2007 (40,822). Foreign ownership of the entire share capital was 15.4 per cent (15.5%). Approximately 0.5 per cent of the shares remain outside the book-entry system.

The market value of Raisio plc's shares totalled EUR 248.4 million at the end of the review period (EUR 295.9.1 million) and, excluding the shares held by the company, EUR 235.8 million (EUR 287.1 million).

Raisio had no stock-based incentive systems in the review period.

A statement of factors that are likely to have a material effect on a public offer for the company's shares, pursuant to section 6b, Chapter 2 of the Securities Market Act is included in the notes to the financial statements.

REPURCHASE OF COMPANY SHARES

At the end of the review period Raisio plc held 8,230,500 free shares and 158,300 restricted shares, which were acquired from 2005 to 2007 based on the authorisations given by the Annual General Meeting. The number of free shares accounts for 6.3 per cent of all free shares and the votes they represent, while the corresponding percentage for restricted shares is 0.46 per cent. Overall, the company's shares represent 5.1 per cent of the whole share capital and 1.4 per cent of the votes. The company does not have any shares as collateral and did not have any in the review period. Since all of the shares were purchased in public trading, the company does not know what proportion of them may have been purchased from insiders.

Of the shares held by the company, 3,300,000 free shares and 117,100 restricted shares have been repurchased on the basis of the authorisation given by the Annual General Meeting in 2007 from April 2007 onward. Repurchases of free shares ended in October when the maximum authorised number was reached. The number of free shares repurchased in the review period accounts for 2.53 per cent of all free shares and the votes they represent, while the corresponding percentage for restricted shares is 0.34 per cent. The shares repurchased in the review period account for 2.1 per cent of the share capital and 0.7 of the votes it represents.

The Board of Directors was authorised by the Annual General Meeting in 2007 to dispose of all company shares. According to the Companies Act, the Board of Directors is also entitled to annull company shares. None of the shares held by the company were disposed or annulled in the review period.

Subsidiaries do not and did not hold parent company shares and they do not and have not held them as collateral. The Raisio Group Research Foundation holds 150,510 restricted shares, which is 0.44 per cent of the restricted shares and the votes they represent and, correspondingly, 0.09 per cent of the whole share capital and 0.37 per cent of the votes it represents. A company share held by Raisio or its subsidiary does not entitle the holder to participate in the Annual General Meeting.

BOARD OF DIRECTORS' PROPOSAL FOR THE ALLOCATION OF PROFITS

The parent company's distributable equity was EUR 206,361,806.40 on 31 December 2007. The Board of Directors will propose a dividend of EUR 0.04 per share at the Annual General Meeting on 27 March 2008.

The ex-dividend date is 28 March 2008 and the record date is 1 April 2008. The dividend will be paid on 8 April 2008.

EVENTS AFTER THE REVIEW PERIOD

In January, Raisio's partner, British Biologicals, initiated test marketing of Benecol in India. The company is conducting limited test marketing of a nutritional powder containing the Benecol ingredient, as well as introducing the product to medical doctors in a few major cities.

Raisio plc and a Swedish Lantmännen signed an agreement concerning ownership arrangements in their jointly owned companies. Based on the agreement, Lantmännen handed over its 25% holding in Melia Ltd, a Finnish mill, to Raisio. In turn, Raisio handed over its 50% holding in the joint venture company GoGreen AB and its 27% holding in the AS Rigas Dzirnavnieks mill company in Latvia. Full ownership of Melia gives Raisio better opportunities to develop the Elovena brand independently.

RISKS AND SOURCES OF UNCERTAINTY IN THE NEAR FUTURE

Controlling the volatility of raw material prices is the most significant factor affecting Raisio's profitability in 2008. The increase in energy prices works in two ways: it raises production costs, but it also provides new opportunities for the commercial use of bioenergy.

Raisio aims to increase direct contract farming since it is becoming increasingly important to future success to ensure the availability of raw materials at the right time, as well as their quality and competitive pricing. The exceptional conditions on the grain markets did not give the best possible picture of the functionality of the fixed-price system that Raisio implemented in 2007. Raisio is actively developing new pricing models that take both the buyer's and seller's interests into consideration.

In Russia, the development and westernisation of trade has led to increased chaining, which increases costs in listing fees and expansion outside St. Petersburg and Moscow. The demands to increase direct delivery logistics may also raise business expenses in Russia.

The negative publicity related to sterols in Central Europe may also be linked to stanols, although the differences between sterols and the stanols used in Raisio's Benecol ingredient in terms of efficiency and safety have been shown in clinical trials. The uncertainty factors in the Ingredients Division are related to the securing of growth. Preparations for entry into new markets are underway, but it is difficult to estimate how long the processing of permit applications may take in different countries. To secure growth in the European markets for cholesterol-lowering, functional foods, new product applications must be introduced and the co-operation with partners enhanced.

The feed business will experience unhealthy development, with overcapacity being constructed locally on the Finnish market. There is also a risk of agricultural trade making feed into a "draw" product, which means separating pricing from the cost base.

Worldwide centralisation in the brewery business affects the malt markets in Finland and Russia. Global consolidation has only started in the malt business, and the sector is growing narrower for individual companies.

According to the decision made by the Assessment Adjustment Board of the Tax Office for Major Corporations in November 2006, the sales profit of the divestment of Raisio Chemicals, totalling approximately EUR 220 million, is free of tax. The case is still under consideration in the Helsinki administrative court. Raisio's stand, supported by the expert statements obtained by the company, remains the same: the sales profit is free of tax.

OUTLOOK FOR 2008

Raisio's turnover in 2008 is expected to increase and the operating result from continuing operations, excluding one-off items, is expected to improve from the previous year. All divisions are expected to post positive annual results although the pressure on profitability will increase in feed. The overall operating result in the Food Division is expected to be positive although the target operating result rate of 5 per cent will probably not be achieved due to increased marketing inputs, new product launches and preparations for entry into new markets. The Ingredients Division is expected to increase turnover and improve profitability.

Raisio, 13 February 2008

Raisio plc
Board of Directors

No auditors' report has been issued concerning the financial statements.

INCOME STATEMENT (EUR million)

	10-12/ 2007	10-12/ 2006	2007	2006
CONTINUING OPERATIONS:				
Turnover	109.2	98.6	421.9	402.6
Expenses corresponding to products sold	-93.7	-104.5	-352.0	-356.3
Gross profit	15.5	-5.9	69.9	46.2
Other operating income and expenses, net	-14.9	-26.7	-59.3	-74.3
Operating result	0.6	-32.6	10.6	-28.1
Financial income	0.6	2.1	2.5	4.7
Financial expenses	-1.6	-6.0	-3.2	-7.3
Share of result of associated companies and joint ventures	0.0	-2.3	-0.3	-2.7
Result before taxes	-0.4	-38.8	9.5	-33.2
Income tax	2.0	0.8	-1.2	-0.8
Result for the period from the continuing operations	1.6	-38.0	8.3	-34.0
DISCONTINUED OPERATIONS: **Result for the period from discontinued operations**	-1.6	-8.5	-7.3	-7.1
RESULT FOR THE PERIOD	0.0	-46.6	1.1	-41.1
Attributable to:				
Equity holders of the parent company	0.1	-46.6	1.4	-41.7
Minority interest	-0.1	0.0	-0.4	0.5
Earnings per share from the profit attributable to equity holders of the parent company (EUR)				
Earnings per share from continuing operations (EUR)	0.01	-0.24	0.05	-0.22
Earnings per share from discontinued operations (EUR)	-0.01	-0.05	-0.05	-0.04

BALANCE SHEET (EUR million)

	31.12.2007	31.12.2006
ASSETS		
Non-current assets		
Intangible assets	10.9	13.0
Goodwill	1.3	2.6
Property, plant and equipment	127.9	117.7
Shares in associated companies and joint ventures	1.4	2.4
Financial assets available for sale	0.6	1.5
Receivables	1.3	3.1
Deferred tax assets	11.3	10.7
Total non-current assets	154.7	151.0
Current assets		
Inventories	91.7	82.1
Accounts receivables and other receivables	70.1	75.4
Financial assets at fair value through profit or loss	27.9	64.4
Cash in hand and at banks	15.9	14.5
Total current assets	205.6	236.4
Total assets	360.3	387.4
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent company		
Share capital	27.8	27.8
Own shares	-17.9	-11.4
Other equity attributable to equity holders of the parent company	256.2	260.7
Equity attributable to equity holders of the parent company	266.1	277.1
Minority interest	12.7	13.3
Total equity	278.8	290.4
Non-current liabilities		
Deferred tax liabilities	9.1	7.9
Pension liabilities	0.2	0.2
Non-current interest-bearing liabilities	0.4	1.4
Other non-current liabilities	0.0	1.0
Total non-current liabilities	9.7	10.4
Current liabilities		
Accounts payable and other liabilities	60.4	59.7
Reserves	1.9	5.1
Financial liabilities at fair value through profit or loss	1.5	0.1
Current interest-bearing liabilities	8.2	21.6
Total current liabilities	71.9	86.6
Total liabilities	81.5	97.0
Total equity and liabilities	360.3	387.4

CHANGES IN GROUP EQUITY (EUR million)

	Share capital	Share premium reserve	Reserve fund	Own shares	Translation differences	Retained earnings	Total	Minority interest	Total
Equity at 1.1.2006	27.8	2.9	88.6	-8.7	1.3	220.1	332.0	15.3	347.3
Dividend paid	-	-	-	-	-	-8.0	-8.0	-2.5	-10.5
Changes in translation differences	-	-	-	-	-2.6	-	-2.6	0.0	-2.6
Repurchase of own shares	-	-	-	-2.6	-	-	-2.6	-	-2.6
Exchange differences from receivables considered to be net investments from a foreign unit tax deducted	-	-	-	-	0.1	-	0.1	-	0.1
Cash flow hedges									
Transferred to the equity with taxes deducted	-	-	-	-	-	-	0.0	-	0.0
Transferred to income statement with taxes deducted	-	-	-	-	-	-	0.0	-	0.0
Net profit for the financial period	-	-	-	-	-	-41.7	-41.7	0.5	-41.1
Other changes	-	-	-	-	-	0.0	0.0	-	0.0
Equity at 31.12.2006	27.8	2.9	88.6	-11.4	-1.2	170.4	277.1	13.3	290.4
Equity at 1.1.2007	27.8	2.9	88.6	-11.4	-1.2	170.4	277.1	13.3	290.4
Dividend paid	-	-	-	-	-	-4.8	-4.8	-0.3	-5.1
Translation differences, transferred to income statement on disposal of subsidiaries	-	-	-	-	0.4	-	0.4	-	0.4
Other change in translation differences	-	-	-	-	-1.5	-	-1.5	0.0	-1.5
Repurchase of own shares	-	-	-	-6.5	-	-	-6.5	-	-6.5
Net profit for the financial period	-	-	-	-	-	1.4	1.4	-0.4	1.1
Other changes	-	-	-	-	-	0.0	0.0	-	0.0
Equity at 31.12.2007	27.8	2.9	88.6	-17.9	-2.3	167.0	266.1	12.7	278.8

No auditors' report has been issued concerning the financial statements.

CASH FLOW STATEMENT (EUR million)

	2007	2006
Cash flow before change in working capital	25.6	21.2
Change in working capital	-9.9	-7.3
Financial items and taxes	0.0	1.2
Cash flow from business operations	15.6	15.1
Investments	-30.8	-32.2
Divestment of subsidiaries	4.1	0.0
Divestment of associated companies	0.7	
Proceeds from sale of fixed assets	2.9	0.3
Loans granted	-0.1	-1.5
Repayment of loan receivables	1.3	0.1
Cash flow from investments	-21.9	-33.3
Change in non-current loans	-11.7	-12.6
Change in current loans	-5.3	0.8
Repurchase of own shares	-6.5	-2.6
Dividend paid to equity holders of the parent company	-4.8	-8.0
Dividend paid to minority interests	-0.3	-2.5
Cash flow from financial operations	-28.6	-24.9
Adjustment to translation difference	-0.5	0.1
Change in liquid funds	-35.3	-43.0
Liquid funds at the beginning of the period	78.8	122.9
Impact of change in market value on liquid funds	0.1	-1.0
Liquid funds at the end of the period	43.6	78.8

NOTES TO THE FINANCIAL STATEMENTS

This financial statements review has been prepared in compliance with IAS 34 Interim Financial Reporting according to the same principles used in annual reporting. Changes have been made to the way in which changes in the fair value of commodity derivatives are recognised in the income statement: the changes are now recognised under financial items instead of in profit or loss as was previously the case. The comparison data have been changed correspondingly.

The Group has adopted the amendment to IAS 1 Presentation of Financial Statements. The amendments to IAS 1 include requirements on capital management disclosure in the notes. The information required by the standard is presented in the notes to the consolidated financial statements. The IFRIC interpretations that took effect on 1 January 2007 have not had an impact on the Group's financial statements.

When preparing the financial statements, management must make estimates and assumptions that affect the reported assets and liabilities, income and expenses. Actual figures may differ from these estimates.

SEGMENT INFORMATION

TURNOVER BY SEGMENT (EUR million)

	10-12/ 2007	10-12/ 2006	2007	2006
Food	50.3	50.1	197.1	196.5
Feed & Malt	54.0	43.9	206.7	179.0
Ingredients	11.6	10.1	44.9	49.7
Other operations	0.1	0.2	0.4	0.6
Interdivisional turnover	-6.7	-5.7	-27.1	-23.3
Total turnover	109.2	98.6	421.9	402.6

OPERATING RESULT BY SEGMENT (EUR million)

	10-12/ 2007	10-12/ 2006	2007	2006
Food	-2.7	-32.2	-11.1	-37.9
Feed & Malt	1.2	0.3	14.2	7.4
Ingredients	2.4	1.5	9.5	7.8
Other operations	-0.4	-2.3	-2.1	-5.3
Eliminations	0.2	0.1	0.1	0.0
Total operating result	0.6	-32.6	10.6	-28.1

NET ASSETS BY SEGMENT (EUR million)

	31.12.2007	31.12.2006
Food	85.8	85.5
Feed & Malt	86.0	61.2
Ingredients	46.0	44.5
Other operations, discontinued operations and unallocated items	60.9	99.1
Total net assets	278.8	290.4

INVESTMENTS BY SEGMENT (EUR million)

	10-12/ 2007	10-12/ 2006	2007	2006
Food	1.4	4.1	7.2	15.3
Feed & Malt	6.4	1.5	16.7	4.9
Ingredients	1.8	1.7	7.5	4.3
Other operations	0.6	1.1	1.6	3.2
Eliminations	0.0	0.0	-1.6	0.0
Total investments	10.2	8.4	31.4	27.6

TURNOVER BY MARKET AREA (EUR million)

	10-12/ 2007	10-12/ 2006	2007	2006
Finland	73.7	63.0	263.9	243.8
Poland	8.0	8.0	38.5	41.1
Russia	6.2	6.5	39.5	33.3
Other Europe	20.1	19.6	74.8	77.5
ROW	1.2	1.6	5.2	6.9
Total	109.2	98.6	421.9	402.6

DISCONTINUED OPERATIONS AND NON-CURRENT ASSETS HELD FOR SALE

Discontinued operations
The Group announced its intention to divest the diagnostics business on 16 January 2007. The contract of sale was signed and the divestment of the diagnostics business was concluded at the beginning of September 2007.

On 7 February 2007, the Group signed a preliminary agreement on the divestment of its food potato business. The contract of sale was signed on 15 March 2007. The divestment of the potato business was concluded in May 2007 and the business was transferred to the new owner at the beginning of June 2007.

In November 2007, the Group classified Monäs Feed Oy Ab, a producer of special feeds, as available for sale from 15 November 2007 onward. The company's divestment took effect on 31 December 2007 when it was transferred to the new owner.

The diagnostics business and the food potato businesses as well as Monäs Feed Oy Ab are treated as discontinued operations in the Group's income statement.

	2007	2006
Result for the discontinued operations		
Income from ordinary operations	19.3	38.5
Expenses	-23.7	-44.6
Result before taxes	-4.5	-6.1
Taxes	-0.1	-1.0
Result after taxes	-4.6	-7.1
Result from discontinued operations	-2.9	0.0
Taxes	0.1	0.0
Result after taxes	-2.7	0.0
Result for the discontinued operations	-7.3	-7.1
Cash flow for the discontinued operations		
Cash flow from business operations	1.3	3.2
Cash flow from investments	5.8	-3.5
Cash flow from financial operations	-0.1	0.1
Total cash flow	7.0	-0.3

TANGIBLE ASSETS

	31.12.2007	31.12.2006
Acquisition cost at the beginning of the period	450.5	430.0
Conversion differences	-1.4	-2.5
Increase	29.4	26.3
Decrease	-48.3	-2.9
Reclassifications between items	0.0	-0.3
Acquisition cost at the end of the period	430.2	450.5
Accumulated depreciation and write-downs at the beginning of the period	332.8	299.5
Conversion difference	-1.0	-1.5
Decrease and transfers	-42.8	-2.0
Depreciation for the period	15.1	19.1
Write-downs	-1.9	17.7
Accumulated depreciation and write-downs at the end of the period	302.3	332.8
Book value at the end of the period	127.9	117.7

RESERVES

	2007	2006
At the beginning of the period	5.1	
Increase in provisions	0.0	5.1
Provisions used	-3.3	
At the end of the period	1.9	5.1

BUSINESS ACTIVITIES INVOLVING INSIDERS

	31.12.2007	31.12.2006
Sales to associated companies and joint ventures	12.8	20.6
Purchases from associated companies and joint ventures	3.1	10.3
Sales to key employees in management	0.0	0.1
Purchases from key employees in management	0.6	0.4
Short-term receivables from associated companies and joint ventures	2.3	3.7
Liabilities to associated companies and joint ventures	0.5	1.5

CONTINGENT LIABILITIES (EUR million)

	31.12.2007	31.12.2006
Assets given for security		
For the company		
Mortgages on real estate	0.7	16.9
Securities pledged	0.0	0.0
Corporate mortgages	0.0	34.4
Contingent off-balance sheet liabilities		
Non-cancelable other leases		
Minimum lease payments	2.5	2.7
Contingent liabilities for the company	1.5	1.5
Contingent liabilities for associated companies		
Guarantees	0.0	3.0
Contingent liabilities for others		
Guarantees	0.1	0.0
Other liabilities	2.0	2.8
Commitment to investment payments	2.7	16.6

DERIVATIVE CONTRACTS (EUR million)

	31.12.2007	31.12.2006
Nominal values of derivative contracts		
Raw material futures	11.2	5.4
Currency forward contracts	18.6	25.5

QUARTERLY PERFORMANCE (EUR million)

	10-12/ 2007	7-9/ 2007	4-6/ 2007	1-3/ 2007	10-12/ 2006	7-9/ 2006	4-6/ 2006	1-3/ 2006
Turnover by segment								
Food	50.3	48.6	48.5	49.8	50.1	49.6	49.5	47.4
Feed & Malt	54.0	59.3	53.0	40.4	43.9	47.8	49.5	37.8
Ingredients	11.6	10.2	10.7	12.5	10.1	12.6	13.8	13.2
Other operations	0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.2
Interdivisional turnover	-6.7	-8.4	-6.1	-5.9	-5.7	-6.2	-5.7	-5.7
Total turnover	109.2	109.8	106.1	96.8	98.6	103.9	107.2	92.9
Operating result by segment								
Food	-2.7	-5.7	-1.7	-0.9	-32.2	-1.4	-2.3	-2.0
Feed & Malt	1.2	9.6	2.9	0.5	0.3	2.1	4.0	1.0
Ingredients	2.4	2.1	2.6	2.5	1.5	2.2	2.3	1.8
Other operations	-0.4	-0.4	-0.5	-0.8	-2.3	-0.1	-1.5	-1.4
Eliminations	0.2	0.0	0.0	-0.1	0.1	-0.1	0.0	0.0
Total operating result	0.6	5.6	3.3	1.2	-32.6	2.8	2.3	-0.6
Financial income and expenses, net	-1.0	-0.5	-0.3	1.1	-3.9	0.5	0.4	0.5
Share of result of associated companies	0.0	-0.1	-0.1	-0.2	-2.3	-0.2	-0.1	0.0
Result before taxes	-0.4	5.0	2.8	2.1	-38.8	3.0	2.6	-0.1
Income tax	2.0	-2.1	-0.8	-0.4	0.8	-0.9	-0.6	0.0
Result for the period from continuing operations	1.6	2.9	2.1	1.7	-38.0	2.1	2.0	-0.1

ONE-OFF ITEMS (EUR million)

	10-12/ 2007	7-9/ 2007	4-6/ 2007	1-3/ 2007	10-12/ 2006	7-9/ 2006	4-6/ 2006	1-3/ 2006
Food								
Impairment of goodwill		-1.3			-3.2			
Other impairments	-1.6	-2.0			-24.1			
Other one-off items		-0.3			-0.2			
Feed & Malt								
The reversal of impairment in the Feed & Malt business	0.5	5.5						
Write-downs					-0.1			
Other one-off items							1.8	
Impact on operating result	-1.2	1.9	0.0	0.0	-27.5	0.0	1.8	0.0
Financial income and expenses, net					-4.3			
Share of result of associated companies					-2.2			
Impact on result before taxes	-1.2	1.9	0.0	0.0	-34.0	0.0	1.8	0.0

KEY INDICATORS

	31.12.2007	31.12.2006
Return on equity, ROE, %	2.9	-10.7
Return on investment, ROI, %	3.6	-9.1
Interest-bearing liabilities at the end of the period, EURm	8.7	23.2
Gross investments, EURm	31.4	27.6
% of turnover	7.5	6.9
Depreciation, EURm	18.3	21.5
R & D expenses, EURm	6.4	9.8
% of turnover	1.5	2.4
Average personnel	1 157	1 263
Equity ratio, %	77.9	75.0
Gearing, %	-12.5	-19.1
Earnings/share from continuing operations, EUR	0.05	-0.22
Cash flow from operations/share, EUR	0.10	0.09
Equity/share, EUR	1.70	1.73
Average number of shares during the period, in 1,000s*)		
Free shares	124 553	125 843
Restricted shares	34 462	34 524
Total	159 015	160 367
Average numer of shares at the end of the period, in 1,000s*)		
Free shares	122 444	125 655
Restricted shares	34 316	34 522
Total	156 760	160 177
Market capitalisation of shares at the end of the period, EURm*)		
Free shares	183.7	224.9
Restricted shares	52.2	62.1
Total	235.8	287.1

*)Number of shares without own shares

No auditors' report has been issued concerning the financial statements.

CALCULATION OF INDICATORS

Return on equity (ROE), %	Result before taxes – income taxes*) --- x 100 Shareholders' equity (average over the period)
Return on investment (ROI), %	Result before taxes + interest and other financial expenses*) --- x 100 Balance sheet total – non-interest-bearing liabilities (average over the period)
Equity ratio, %	Shareholders' equity --- x 100 Balance sheet total – advances received
Net interest-bearing liabilities	Interest-bearing liabilities - liquid assets and financial assets recorded at fair value in the income statement
Gearing, %	Net interest-bearing liabilities --- x 100 Shareholders' equity
Earnings per share*)	Result for the year of parent company shareholders -- Average number of shares for the year, adjusted for share issue
Cash flow from business operations per share	Cash flow from business operations -- Average number of shares for the year, adjusted for share issue
Shareholders' equity per share	Equity of parent company shareholders --- Number of shares at the end of the period adjusted for share issue
Market capitalisation	Closing price, adjusted for issue x number of shares without own shares at the end of the period

*)The calculation of key indicators uses continuing operations result