

## SUOMINEN CORPORATION INTERIM REPORT 1 JANUARY – 31 MARCH 2008 (IFRS)

### SUOMINEN'S RESULT NEGATIVE DUE TO HIGH RAW MATERIAL COSTS

KEY FIGURES	1-3/2008	1-3/2007	1-12/2007
Net sales, EUR million	54.5	54.3	215.2
Operating profit before goodwill amortisation, EUR million	-0.1	1.3	1.7
Operating profit, EUR million	-0.1	1.3	-6.8
Profit/loss for the period, EUR million	-0.9	0.2	-10.1
Earnings/share, EUR	-0.04	0.01	-0.43
Cash flow from operations/share, EUR	0.14	-0.05	0.12

Outlook: Underlying operating profit is expected to improve on 2007 although no major changes are expected in the level of net sales. The second quarter of the year is anticipated to continue to be challenging.

### GROUP FINANCIAL RESULTS

Suominen Corporation's net sales for the first quarter totalled EUR 54.5 million (54.3). Operating profit was EUR -0.1 million (1.3), profit before taxes EUR -1.2 million (0.3) and profit after taxes EUR -0.9 million (0.2).

In the first quarter of 2008, prices for raw materials and especially for viscose continued to rise and were higher than in the first and last quarters of 2007. Increased raw material prices and the price reductions included in some long-term contracts lowered the result by EUR 1.5 million. The implementation of the cost-saving and operational enhancement programmes continued.

#### Cost-saving and operational enhancement programme

Suominen's Stairs to Top programme extending over a number of years under way covers both operational development and continuous improvement, as well an updated customer offering.

An improvement of EUR 1.0 million was achieved through these programmes during the period under review. Cost savings included in the programmes continued to proceed well. A total of EUR 0.8 million was released from the working capital.

#### Financing

Interest-bearing liabilities totalled EUR 99.5 million, i.e. EUR 0.3 million more than at the beginning of the year. To improve the Group's balance sheet structure, Suominen issued a capital loan of EUR 10.0 million directed to institutional and professional investors in March. In difficult money market, the issue succeeded well. The bond is a five-year capital loan that will be repaid in five equal instalments, the coupon is 11.5 per cent, and according to the Finnish Companies Act other debts take priority over the loan. Net financial expenses were EUR 1.1 million (0.9) or 2.0 per cent (1.7) of net sales. A total of EUR 0.8 million was released in working capital in the cash flow statement. The equity ratio was 26.5 per cent (31.3). When the capital loans are included in shareholders' equity, the equity ratio was 33.6 per cent (33.6) and the ratio of liabilities to shareholders' equity 146.1 per cent (141.6). Cash flow from operations was EUR 0.14 per share (-0.05).

### Investments

The Company's gross investments in production totalled EUR 0.9 million (2.3). Planned depreciation amounted to EUR 3.3 million (3.6). Wet Wipes accounted for EUR 0.2 million (0.8), Nonwovens EUR 0.3 million (0.4) and Flexible Packaging EUR 0.4 million (1.1) of total investments. Investments were replacement and maintenance investments.

### SEGMENT RESULTS

During the period under review, net sales of the Wipes and Nonwovens business area totalled EUR 35.5 million, an increase of 3 per cent on the corresponding period in 2007. The operating profit of Wipes and Nonwovens totalled EUR -0.1 million (0.6 million).

Net sales of Wet Wipes totalled EUR 18.5 million, an increase of 3 per cent on the previous year. Delivery volumes grew; strong growth was seen in personal care wipes in particular. Average sales prices fell as expected, mainly due to long-term contracts. The margins were reduced due to increases in raw material prices. The business unit launched a revision of its production recipes, which will enable a shift to less expensive raw materials for some products. The revision, including the necessary audits, will take time and did not yet have any effect during the period under review. The positive development of operational efficiency and the cost-saving measures continued, but the use of automatic lines was lower than planned due to the demand structure for the products. Whether the targets of the Stairs to Top programme set for the unit for 2008 will be achieved will, to a great extent, depend on the progress made in improving the yield of production and increasing the line speeds. The new organisational model, according to which sales and marketing management as well as supply chain management report directly to the head of the business area, was introduced as of the beginning of March.

Net sales of Nonwovens increased by 15 per cent to EUR 20.6 million. Net sales and delivery volumes increased over the first quarter of the previous year thanks to clearly higher volumes of thermobonded material for hygiene products. In hydroentangled nonwovens, the focus of sales shifted to Europe. There was a clear increase in internal deliveries. Prices for raw materials and especially for viscose continued to rise, which eroded the business unit's margins and resulted in a lower result than in 2007. Production efficiency improved and was stabilised thanks to fewer production disturbances and a better yield. The stock of finished products was also increased as planned.

An employee negotiation procedure that affected 9 people was carried out in the unit, resulting in an equal headcount reduction.

Net sales of Flexible Packaging totalled EUR 19.1 million (19.9) and operating profit EUR 0.2 million (1.0). Net sales and sales volumes decreased slightly from the previous year. The decrease was most clearly visible in hygiene packaging, whereas in carrier bags, the decrease was within the range of normal demand fluctuations. Sales development of wrap-around labels and security and system packaging remained positive. Raw material prices were higher than in the corresponding period in 2007 and also exceeded the prices of the last quarter of 2007. The price development of raw materials was the main reason for the lower result. Production at the Polish plant increased by 15 per cent thanks to the investment in the printing machine made in 2007. The stock of finished products was increased in anticipation of a growing demand for food packaging and carrier bags. Employee negotiations affecting some 50 people were started in the business area. The aim is to secure the competitiveness of the Finnish plants. The negotiations were concluded in April.

#### **CHANGES IN GROUP ORGANISATION AND MANAGEMENT**

Mr. Paul-Erik Toivo was appointed head of Suominen Wipes and Nonwovens business area on 17 March 2008.

Mr. Petri Rolig was appointed President and CEO of the Company as of 1 May 2008. Mr. Kalle Tanhuanpää will continue as President and CEO until 30 April 2008.

The Corporate Executive Team comprises, the President and CEO, and the Vice Presidents and General Managers of the Wipes and Nonwovens, and Flexible Packaging businesses, and the Vice President and CFO.

#### **ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Suominen Corporation's Annual General Meeting of Shareholders was held on 27 March 2008. The Meeting decided that no dividend be paid for 2007.

The Meeting approved the financial statements of the parent company and the Group for 2007 and released the members of the Board of Directors and the President and CEO from liability for the period.

The Meeting elected Heikki Bergholm, Kai Hannus, Pekka Laaksonen, Juhani Lassila, Mikko Majjala and Heikki Mairinoja to the Board of Directors. In its initial meeting, the Board of Directors elected Mikko Majjala as Chairman and Pekka Laaksonen as Deputy Chairman.

PricewaterhouseCoopers Oy, Authorised Public Accountants, with Heikki Lassila, APA, as the principal auditor, were elected as auditors of Suominen Corporation.

#### **SHARE CAPITAL AND SHARES**

##### **Share trading and price**

The number of Suominen Corporation's shares traded on the OMX Nordic Exchange in Helsinki from 1 January to 31 March 2008 was 630,621 shares or 2.7 per cent of the shares included in the Company's share capital. The trading price varied from EUR 1.52 to EUR 2.25. The final

trading price was EUR 1.63, giving the Company a market capitalisation of EUR 38.7 million on 31 March 2008.

##### **Share capital**

The registered number of issued shares of Suominen totals 23,720,112 shares or EUR 11,860,056. There were no changes in share capital during the period under review.

##### **The Company's own shares**

On 1 January 2008, the Company held 36,343 of its own shares, with an acquisition value of EUR 3.19 per share.

The Annual General Meeting of Shareholders held on 27 March 2008 authorised the Board of Directors to decide on the acquisition of a maximum of 1,186,000 of the Company's own shares. The authorisation will be valid for 18 months after the decision of the General Meeting. The repurchased shares will be used as payment in business acquisitions or other arrangements in the Company's business, to finance investments, to implement incentive programmes, will be held by the Company, or will be otherwise conveyed or cancelled. The Company's own shares will be repurchased otherwise than in proportion to the holdings of the shareholders by using non-restricted equity through public trading on the OMX Nordic Exchange in Helsinki at the market price prevailing at the time of acquisition.

The General Meeting also authorised the Board of Directors to decide on the conveyance of a maximum of 1,222,000 of the Company's own shares. The authorisation will be valid for 18 months after the end of the General Meeting. Within the authorisation the Company has conveyed 31,286 of its own shares as emoluments to the Board of Directors in the period under review. The price of the conveyed shares was EUR 1.63 per share.

During the period under review, the Board of Directors did not exercise its authorities to buy the Company's own shares. On 31 March 2008, Suominen Corporation held a total of 5,057 of its own shares, accounting for 0.0 per cent of the share capital and votes.

##### **Stock options 2007**

Under stock option plan 2007, a maximum of 200,000 stock options shall be issued to the Executive Team of Suominen Corporation as specified by the Board of Directors. Each stock option entitles its holder to subscribe for one Suominen Corporation's share with an equivalent book value of EUR 0.50. According to the 2007A stock option plan a total of 35,000 stock options has been issued in the period under review. The share subscription price for the stock options is the trade volume-weighted average price of the Company share on the OMX Nordic Exchange in Helsinki in May 2007 or EUR 3.44. The subscription period for the 2007A stock options is from 2 May 2009 to 30 October 2010.

Suominen has stock option plans 2006 and 2007. As the registered number of Suominen's issued shares totals 23,720,112, the number of shares may rise to a maximum of 24,220,112 after stock option subscriptions.

##### **Other authorisation for the board of directors**

The Board of Directors is not currently authorised to issue shares, convertible bonds or bonds with warrants.

## OUTLOOK

Consumption of the main products produced by Suominen is expected to grow faster than general consumption on the Company's geographical markets.

The focus of Suominen's operations in 2008 will be on securing a clear improvement in profitability, strong cash flow and capital structure. Investments already made, together with investments in know-how, will help improve efficiency. The ongoing cost-saving and efficiency-enhancement programme is expected to improve Suominen's competitiveness. The prices of the main raw materials used by Suominen have continued to increase this year, and they are expected to remain high for at least the first part of the year. Also energy prices are expected to remain high.

Underlying operating profit is expected to improve on 2007 although no major changes are expected in the level of net sales. The second quarter of the year is anticipated to continue to be challenging.

## EVENTS AFTER THE REPORTING PERIOD

Mr. Kalle Tanhuanpää, the President and CEO of Suominen Corporation will leave the Company to join another company in May 2008. Mr. Petri Rolig has been appointed the Company's new President and CEO as of 1 May 2008. He has been Vice President and General Manager of Suominen Flexible Packaging.

Employee negotiations started in March 2008 at Suominen Flexible Packaging's Tampere and Nastola plants have been concluded on 15 April 2008. As a result

of the negotiations, pension arrangements, natural redundancy and termination of fixed-term contracts, the total headcount reduction will be 50 persons.

## NEAR-FUTURE UNCERTAINTIES

The estimate concerning the development of Suominen's net sales is based in part on forecasts and action plans provided by the Group's customers. Changes in these forecasts and plans resulting from changes in the market situation or changes in customers' inventory levels could affect Suominen's margins.

Nonwovens and Flexible Packaging purchase oil-based raw materials to the value of some EUR 45 million annually. In addition, significant amounts of viscose, printing inks, and solvents are also purchased. Rapid fluctuations in the world market prices of raw materials can affect Suominen's margins.

Suominen's cost-saving and operational enhancement efforts are focused on areas such as improving yield, increasing machine speeds, and reducing changeover time. The benefits of these efforts will be most evident if production volumes will not decline from current levels. Delays in the implementation of measures or their failure would have a negative impact on the Company's result.

The sensitivity of Suominen's group goodwill, and possible changes in the general assumptions are described in the notes to the financial statements for 2007. Suominen's business risks are described in the report of the Board of Directors for 2007.

**SUOMINEN CORPORATION CONSOLIDATED 1 JANUARY - 31 MARCH 2008 (IFRS)**

This interim report has been prepared in compliance with IAS 34 Interim Financial Reporting. Principles for preparing the interim report are the same as those used for preparing the financial statements for 2007, and this interim report should be read parallel to the financial statements for 2007. Amendments to and interpretations of published accounting standards and new accounting standards that came into effect on 1 January 2008 are presented in the financial statements for 2007. The Company complies with the interpretation of IFRIC 10 Interim Financial Reporting and Impairment, which prohibits, for example, the reversal of impairment losses recognised for goodwill during previous interim periods. In its principles for preparing the financial statements, Suominen has not applied any changes allowed by the published new standards and interpretations prior to their official introduction. The most important reform known concerns segment reporting, on which the standard will enter into force on 1 January 2009.

The figures in this interim report have not been audited.

**STATEMENT OF INCOME**

EUR 1 000	1-3/2008	1-3/2007	1-12/2007
<b>Net sales</b>	<b>54 462</b>	54 299	215 245
Cost of goods sold	<b>-51 723</b>	-50 252	-202 738
<b>Gross profit</b>	<b>2 739</b>	4 047	12 507
Other operating income	<b>169</b>	475	1 438
Sales and marketing expenses	<b>-838</b>	-1 045	-3 643
Research and development	<b>-539</b>	-435	-2 121
Administration expenses	<b>-1 625</b>	-1 692	-6 300
Other operating expenses	<b>-31</b>	-100	-228
<b>Operating profit before goodwill amortisation</b>	<b>-125</b>	1 250	1 653
Goodwill amortisation			-8 430
<b>Operating profit</b>	<b>-125</b>	1 250	-6 777
Interest and other financial income and expenses	<b>-1 084</b>	-945	-3 922
Fair value gains and losses		6	4
<b>Profit before income taxes</b>	<b>-1 209</b>	311	-10 695
Income taxes	<b>309</b>	-80	564
<b>Profit/loss for the period</b>	<b>-900</b>	231	-10 131
Earnings/share, EUR	<b>-0.04</b>	0.01	-0.43

**KEY FIGURES ON STATEMENT OF INCOME**

	1-3/2008	1-3/2007	1-12/2007
Net sales, change, % *	<b>0.3</b>		
Gross profit, % **	<b>5.0</b>	7.5	5.8
Operating profit, % **	<b>-0.2</b>	2.3	-3.1
Financial income and expenses, % **	<b>-2.0</b>	-1.7	-1.8
Profit before income taxes, % **	<b>-2.2</b>	0.6	-5.0
Profit for the period year, % **	<b>-1.7</b>	0.4	-4.7

\* Compared with the corresponding period of the previous year.

\*\* As of net sales.

**BALANCE SHEET**

EUR 1 000	3/2008	3/2007	12/2007
<b>Assets</b>			
Non-current assets			
Goodwill	25 604	34 195	25 604
Intangible assets	881	945	942
Tangible non-current assets	72 049	74 861	74 083
Available-for-sale financial assets	712	725	712
Held-to-maturity investments	100	100	100
Deferred tax assets	961	888	688
Non-current assets, total	100 307	111 714	102 129
Current assets			
Inventories	33 280	29 147	30 765
Trade receivables	26 277	25 540	28 718
Other current receivables	5 169	8 163	8 873
Income tax receivables	339	1 257	841
Cash at bank and in hand	3 904	282	1 094
Current assets, total	68 969	64 389	70 291
<b>Assets, total</b>	<b>169 276</b>	<b>176 103</b>	<b>172 420</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity			
Share capital	11 860	11 860	11 860
Share premium account	24 681	24 681	24 681
Fair value and other reserves	755	955	1 661
Translation differences	1 402	560	1 202
Other shareholders' equity	6 120	17 106	6 903
Shareholders' equity, total	44 818	55 162	46 307
Liabilities			
Non-current liabilities			
Deferred tax liabilities	5 457	6 083	5 848
Pension liabilities		290	
Provisions		85	
Capital loans	10 000	2 000	
Interest-bearing liabilities	62 336	62 817	62 186
Other non-current liabilities		12	
Non-current liabilities, total	77 793	71 287	68 034
Current liabilities			
Interest-bearing liabilities	25 128	25 318	34 933
Provisions	100	115	100
Capital loans	2 000	2 000	2 000
Income tax liabilities	106	697	
Trade payables and other current liabilities	19 331	21 524	21 046
Current liabilities, total	46 665	49 654	58 079
Liabilities, total	124 458	120 941	126 113
<b>Shareholders' equity and liabilities, total</b>	<b>169 276</b>	<b>176 103</b>	<b>172 420</b>

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

EUR 1 000	Share capital	Share premium account	Own shares	Translati-on diffe- rences	Fair value reserves	Actuarial gains and losses	Retained earnings	Total
<b>Total equity at 1 Jan. 2008</b>	<b>11 860</b>	<b>24 681</b>	<b>-115</b>	<b>1 202</b>	<b>1 776</b>	<b>0</b>	<b>6 903</b>	<b>46 307</b>
Cash flow hedges					-1 224			-1 224
Translation differences				177				177
Deferred taxes				23	318			341
Share-based payments							30	30
Other changes							87	87
Net income recognised directly in equity				200	-906		117	-589
Net income for the period							-900	-900
<b>Total recognised income and expense for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>-906</b>	<b>0</b>	<b>-783</b>	<b>-1 489</b>
<b>Total equity at 31 March 2008</b>	<b>11 860</b>	<b>24 681</b>	<b>-115</b>	<b>1 402</b>	<b>870</b>	<b>0</b>	<b>6 120</b>	<b>44 818</b>
EUR 1 000	Share capital	Share premium account	Own shares	Translati-on diffe- rences	Fair value reserves	Actuarial gains and losses	Retained earnings	Total
<b>Total equity at 1 Jan. 2007</b>	<b>11 860</b>	<b>24 681</b>	<b>-163</b>	<b>738</b>	<b>1 348</b>	<b>1 372</b>	<b>16 907</b>	<b>56 743</b>
Cash flow hedges					-311			-311
Translation differences				-241				-241
Deferred taxes				63	81	7		151
Share-based payments							9	9
Other changes						-22		-22
Net income recognised directly in equity				-178	-230	-15	9	-414
Net income for the period							231	231
<b>Total recognised income and expense for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-178</b>	<b>-230</b>	<b>-15</b>	<b>240</b>	<b>-183</b>
Actuarial gains and losses/changes							22	22
Dividend							-1 420	-1 420
<b>Total equity at 31 March 2007</b>	<b>11 860</b>	<b>24 681</b>	<b>-163</b>	<b>560</b>	<b>1 118</b>	<b>1 357</b>	<b>15 749</b>	<b>55 162</b>

**CASH FLOW STATEMENT**

EUR 1 000	1-3/2008	1-3/2007	1-12/2007
<b>Operations</b>			
Operating profit	-125	1 250	-6 777
Total adjustments	3 238	3 469	21 430
Cash flow before change in working capital	3 112	4 719	14 653
Change in working capital	778	-1 469	-7 256
Financial items	-441	-583	-3 852
Taxes paid	-23	-331	-791
Cash flow from operations before interest-bearing receivables	3 427	2 336	2 754
Change in interest-bearing receivables		-3 536	-5
Cash flow from operations	3 427	-1 200	2 749
<b>Investments</b>			
Investments in tangible and intangible assets	-956	-3 421	-12 898
Proceeds from disposal of fixed assets and other proceeds		898	1 634
Cash flow from investing activities	-956	-2 523	-11 264
<b>Financing</b>			
Non-current loans drawn			18 371
Repayments of non-current loans	-1 400	-316	-12 042
Capital loans	10 000		-2 000
Foreign exchange profit or loss	167		522
Dividends paid			-1 420
Change in current loans	-8 422	3 118	4 934
Cash flow from financing	345	2 802	8 365
<b>Change in cash and cash equivalents</b>	<b>2 817</b>	<b>-922</b>	<b>-150</b>

**KEY FIGURES**

	1-3/2008	1-3/2007	1-12/2007
Earnings/share, EUR	-0.04	0.01	-0.43
Equity/share, EUR	1.89	2.33	1.96
Cash flow from operations/share, EUR	0.14	-0.05	0.12
Return on equity (ROE), %	-7.9	1.7	-18.8
Return on invested capital (ROI), %	-0.3	3.5	-4.5
Equity ratio, %	26.5	31.3	26.9
Gearing, %	212.0	159.1	210.5
Gross investments, EUR 1 000	912	2 283	11 266
Depreciation and impairment losses, EUR 1 000	3 339	3 530	13 934
Goodwill amortisation, EUR 1 000			8 430

**SEGMENT REPORTING****Wipes and Nonwovens**

EUR 1 000	1-3/2008	1-3/2007	Change %	1-12/2007
Net sales				
- Wet Wipes	18 507	17 997	2.8	70 032
- Nonwovens	20 559	17 901	14.8	76 970
- eliminations	-3 564	-1 354		-9 413
Total	35 502	34 544	2.8	137 589
Operating profit before goodwill amortisation	-97	587	-116.5	-359
% of net sales	-0.3	1.7		-0.3
Goodwill amortisation				-8 430
Operating profit	-97	587		-8 789
Assets	106 952	117 020		108 295
Liabilities	11 831	12 188		12 884
Net assets	95 121	104 832		95 411
Investments	558	1 140		4 379
Depreciation and impairment losses	1 925	2 152		8 407
Goodwill amortisation				8 430
Average personnel	459	467		466

**Flexible Packaging**

EUR 1 000	1-3/2008	1-3/2007	Change %	1-12/2007
Net sales	19 094	19 865	-3.9	78 269
Operating profit	175	952	-81.6	2 407
% of net sales	0.9	4.8		3.1
Assets	57 835	56 032		59 744
Liabilities	9 423	7 870		9 896
Net assets	48 412	48 162		49 848
Investments	354	1 143		6 852
Depreciation and impairment losses	1 403	1 395		5 481
Average personnel	581	586		593

**Consolidation items**

EUR 1 000	1-3/2008	1-3/2007	1-12/2007
Net sales	-134	-110	-613
Operating profit	-203	-289	-395
Assets	4 489	3 051	4 381
Liabilities	103 203	99 463	103 333
Investments			35
Depreciation and impairment losses	11	13	46
Average personnel	12	12	11

**NET SALES BY MARKET AREA**

EUR 1 000	1-3/2008	1-3/2007	1-12/2007
Finland	8 416	8 239	34 139
Scandinavia	4 789	5 747	22 032
The Netherlands	4 667	4 452	19 022
Other Europe	28 888	25 963	104 539
Other countries	7 702	9 898	35 513
<b>Net sales, total</b>	<b>54 462</b>	<b>54 299</b>	<b>215 245</b>



**QUARTERLY FIGURES**

EUR 1 000	II/2007	III/2007	IV/2007	I/2008	II/2007- I/2008
<b>Net sales</b>					
Wipes and Nonwovens					
- Wet Wipes	15 485	17 774	18 776	18 507	70 542
- Nonwovens	19 119	21 370	18 580	20 559	79 628
- eliminations	-2 137	-2 643	-3 280	-3 564	-11 624
Total	32 467	36 501	34 076	35 502	138 546
Flexible Packaging	18 833	19 408	20 163	19 094	77 498
Consolidation items and eliminations	-127	-208	-168	-134	-637
Net sales, total	51 173	55 701	54 071	54 462	215 407
<b>Operating profit</b>					
Wipes and Nonwovens	-721	559	-784	-97	-1 043
% of net sales	-2.2	1.5	-2.3	-0.3	-0.8
Flexible Packaging	1 169	52	234	175	1 630
% of net sales	6.2	0.3	1.2	0.9	2.1
Consolidation items and eliminations	6	-66	-46	-203	-309
Operating profit before goodwill amortisation	454	545	-596	-125	278
% of net sales	0.9	1.0	-1.1	-0.2	0.1
Goodwill amortisation			-8 430		-8 430
Operating profit, total	454	545	-9 026	-125	-8 152
% of net sales	0.9	1.0	-16.7	-0.2	-3.8
Net financial expenses	-897	-1 046	-1 036	-1 084	-4 063
Profit before income taxes	-443	-501	-10 062	-1 209	-12 215

**TAXES FOR THE PERIOD UNDER REVIEW**

Taxes for the period under review are calculated on the basis of the Group's tax rate for the whole year, which is estimated to be 26 per cent in 2008 (26 per cent in 2007).

**INFORMATION ON RELATED PARTIES**

Suominen has related party relationships with the members of the Board of Directors, and the members of the Corporate Executive Team. The Company has no investments in associated companies. Salaries paid to the related parties amounted to EUR 163 thousand, share-based payments EUR 30 thousand, and unsecured loans EUR 1 100 thousand.

**MOVEMENTS IN BORROWINGS**

EUR 1 000	1-3/2008	1-3/2007
Total borrowings on 1 January	99 119	89 335
Current loans from financial institutions on 1 January	3 000	8 000
Change in current loans from financial institutions	-3 000	-8 000
Current loans from financial institutions on 31 March	0	0
Commercial papers on 1 January	15 336	5 402
Change in commercial papers	-5 422	11 116
Commercial papers on 31 March	9 914	16 518
Non-current loans on 1 January	78 783	71 933
Change in non-current loans	-1 233	-316
Non-current loans on 31 March	77 550	71 617
Capital loans on 1 January	2 000	4 000
Change in capital loans	10 000	
Capital loans on 31 March	12 000	4 000
Total borrowings on 31 March	99 464	92 135

**CHANGES IN FIXED ASSETS**

EUR 1 000	1-3/2008		1-3/2007		1-12/2007	
	Tangible	Intangible	Tangible	Intangible	Tangible	Intangible
Book value at the beginning of the period	74 083	942	77 168	944	77 168	944
Investments	887	25	2 250	33	11 087	179
Decreases			-762	-16	-1 600	
Depreciation and impairments	-3 290	-49	-3 509	-51	-13 730	-203
Translation differences and other changes	369	-37	-286	35	1 158	22
Book value at the end of the period	72 049	881	74 861	945	74 083	942

**CONTINGENT LIABILITIES**

EUR 1 000	3/2008	3/2007	12/2007
<b>For own debt</b>			
Real estate mortgages	5 045	5 046	5 045
Corporate mortgages		1 177	1 177
<b>Other own commitments</b>			
Leasing payments and commitments	8 576	8 500	10 226
Rent commitments	13 357	14 984	13 209
Guarantee commitment for financial lease of discontinued operations	1 536	1 621	1 557

**NOMINAL AND FAIR VALUES OF DERIVATIVE FINANCIAL INSTRUMENTS**

EUR 1 000	3/2008	3/2007	12/2007
<b>Currency derivatives</b>			
Nominal value	9 161	9 563	10 724
Fair value	118	56	69
<b>Interest rate derivatives</b>			
Nominal value	73 667	60 633	65 667
Fair value	752	1 120	1 123
<b>Electricity derivatives</b>			
Nominal value	4 281	5 551	4 683
Fair value	520	407	1 337

Helsinki, 23 April 2008

SUOMINEN CORPORATION

Board of Directors

Additional information:

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