

Annual Report **2007**



Ahlström Capital

Ahlström Capital is a private equity investment company that creates added value for its owners by channeling its investments primarily into industrial companies. With roughly 190 million euros in capital, the company is one of Finland’s biggest private equity investors. Ahlström Capital’s strengths are its solid industrial expertise, long entrepreneurial traditions, and substantial financial resources.

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Ahlström Capital **in 2007**

- Net sales and other operating income grew by 21 percent to EUR 376 million.
- Pre-tax profit grew by 86 percent to EUR 29.0 million.
- The net asset value of our shares grew to EUR 669.36.
- The return on invested capital amounted to 11.3 percent.
- We had a profitable exit from the Salmisaari complex upon completion.
- We made a new industrial investment by acquiring a 50 percent share in Elbi Elektrik.
- We increased our share of Wessen to 70 percent.



Into a New Phase

2007 was a very favorable year for Ahlström Capital. We achieved a good result, thanks to increased exit gains as well as the overall performance of the portfolio companies. Pre-tax profits grew by 86 percent to 29.0 million euros and the net result by 123 percent to 23.4 million euros. Return on capital employed was 11.3 percent, and the net asset value of our share reached 669.36 euros by the end of the year.

The Initial Capital Fully Invested

Ahlström Capital is a 21st-century company. It began operations seven years ago when, at the demerger of the old Ahlstrom Corporation, assets were transferred into it, which it then started to manage and develop. It was given a mission to continue Ahlström's industrial heritage by investing in industrial companies and developing them. A private equity investment company was launched and the aim was to increase the value of its portfolio companies through active board work and seamless co-operation with their management. The new structure also gives our shareholders more flexibility in their own wealth management.

Our first investment round has now been completed. We have invested all of the funds we were given to manage amounting to 170 million euros in areas with development potential. Our portfolio has been structured according to the strategy specified at the start of our operation: mainly active industrial investments but the risk is balanced with selected real estate investments. All in all, we have invested in eight companies and five properties which produce a steady income and have exited from one company and one property. The last of our land and forest areas were sold in 2004.

Private Equity Has Taken Off

Private equity players are a significant driving force in the economy. They are active in reforming industrial structures and promoting the growth of companies – a quick and effective alternative to stock exchange listing. Large parts of M&A transactions are made by private equity players in Finland too.

When the interest rates stayed low for a number of years and there was plenty of money around, competition for good investment targets became tough and prices increased. 2007 was an apparent turning point. Financing

M&A transactions became much more difficult due to the economic uncertainty towards the end of the year. This was particularly evident in larger transactions but did not significantly affect the market that is of interest to Ahlström Capital. It is clear that the price level on potential transactions will decrease and this will probably slow the markets down until the expectations of sellers and buyers meet.

Private equity enjoyed a busy year in Finland as well as the rest of the Nordic countries. Significant new funds were raised and there was a record number of exits although these were mainly amongst the private equity players.

Profitable Growth in New Markets

The old Ahlstrom Corporation was divided into three companies at the turn of this century – an industrial group, a family company and the investment company Ahlström Capital. At that time it was too early to say what Ahlström Capital's industrially oriented portfolio would look like. However, we did draw up very clear guidelines for our investments. Based on these, Ahlström Capital was shaped as a vehicle for our shareholders to invest in different promising companies.

Our investments have been diversified into various sectors without committing to any particular industry. We have sought and found companies which we consider have potential for value creation through growth, structural changes and other development in close co-operation with the management.

Ahlström Capital has as an owner contributed to the start-up and development of several companies. Enics is one of the world's leading electronics contract manufacturing companies within the area of industrial electronics. Wessen has reached a top position as the leading manufacturer of electrical accessories in Russia's growing markets. Variable speed AC drives manufacturer Vacon has



expanded quickly and profitably, now also to the USA, due to a recent corporate acquisition. Nordkalk's growth and development have been very favorable. We increased our ownership in this leading Nordic manufacturer of limestone-based products and became the largest shareholder in 2006. Å&R Carton is a leading manufacturer of folding cartons and packaging systems in Europe whose operations and structure have been considerably improved by our efforts. Our latest portfolio companies include Symbicon and the Turkish company Elbi. The combined net sales of our portfolio companies passed the 1 billion euro mark in 2006, and they currently employ over 8,000 people in different countries. Growth has primarily taken place in the East, particularly in Russia and China.

Our real estate holdings have produced a steady return. The new, high-class office complex in Salmisaari proved to be very successful in the way it was designed and built, and it was also an economic success when we exited from it at the end of the year once the entire project reached completion. Our latest real-estate project involving the expansion of the Esplanadi property started in December.

The Industrial Tradition Continues under New Management

I have had the privilege of leading Ahlström Capital through its first round of investment. Experience has convinced me that an active private equity investor can contribute significantly to the success of his holdings: private equity players help to streamline the company's core mission and objectives, which in turn leads to a clearer structure and more efficient use of capital. The most important factor in succeeding has invariably been the entrepreneurial spirit, i.e. a strong will to manage and develop the company, a desire to create something new and better, and not forgetting to remain humble even in a demanding business environment.

We have managed to find good investment targets with development potential, and have a diversified portfolio of companies with promising prospects. This gives Ahlström Capital the flexibility and multiple options when planning for the future. There is room both for selling parts of the portfolio and for raising capital for new investments by other means.

My job as Ahlström Capital's first President and CEO will come to an end with retirement at the end of March. My entire career of 36 years has been with Ahlström and it has been an extremely varied and rewarding period of time with new opportunities opening up all the time. It is good to see that Ahlström Capital has now gained a position as a recognized major Finnish private equity player.

Mr Panu Routila, M.Sc. (Econ.), has been appointed as my successor from the beginning of April. At the age of 43, he has already gained vital experience in leadership within industrial companies. It is great to see that the job and responsibility will be taken over by a professional and competent leader with enthusiasm for the task. I wish Panu every success at the helm of Ahlström Capital.

I would like to thank Ahlström Capital's personnel, Board of Directors and owners, and our portfolio companies and business partners for their great co-operation which has been really inspirational and enjoyable for me. Together we have been able to meet the most varying and demanding challenges and solve even the most complex problems. Together we have completed the first phase in the history of Ahlström Capital.

Helsinki, March 2008

Jan Inbarr
President and CEO

Industrial and Investment Know-how Combined

Private equity investment company Ahlström Capital, established in 2001, continues to carry out the industrial traditions of the Ahlström family. It makes long-term investments in industrial companies in the Nordic countries, Russia and its neighboring areas.

Mission Statement

Ahlström Capital is an industrial investor with a long tradition. It increases its shareholders' wealth by acquiring industrial companies which it actively develops. To balance the portfolio and spread the risk, the company also makes selected real estate investments.

Strategy

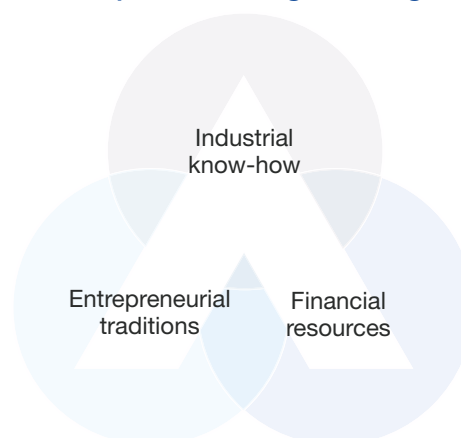
Ahlström Capital is an expert on industry and its business processes. It screens potential investment targets among several dozens of candidates. Annually, two to four companies will be evaluated more thoroughly. In order to make an investment, the risks and expected returns will have to be in balance.

Ahlström Capital invests in the Nordic countries, Russia and its developing neighboring areas. Targeted companies are of industrial nature with potential for growth or a need for structural changes. Investment decisions are also based on the target company's markets, strength of management and the expected yield. Ahlström Capital takes an active role in the operations of the portfolio companies together with their management.

Goals

Ahlström Capital is aiming to invest in 8–10 companies at any one time and annually make one to two new investments of EUR 5–25 million. The targeted annual return for industrial investments is 15–25 percent in the long term. The aim is to realize the returns from industrial investments within 5–7 years.

Ahlström Capital's Strategic Strengths



Ahlström Capital's industrial investments as at Dec. 31, 2007

PORTFOLIO COMPANIES	PRODUCTS AND SERVICES	NET SALES 2007 MEUR	AHLSTRÖM CAPITAL HOLDING
Å&R Carton	Folding cartons	352.5	45%
Nordkalk	Limestone products	334.4	31%
Enics	Electronics manufacturing services	327.4	90%
Vacon	AC drives	232.2	15%
Wessen	Electrical accessories	24.0	70%
Symbicon	Digital display panels	1.4	43%
Elbi as of May 1, 2007	Electrical accessories	13.8	50%

High Level of Activity on the Finnish M&A Market

A record number of international business acquisitions and exits were made on the Finnish M&A market. Growth continued in other Nordic countries as well.

In 2007, the number of transactions in Finland remained fairly stable but the amount of euros spent more than doubled from the previous year. Rapid growth companies in the service and information technology sectors saw the most investments.

Abundance of investment opportunities

The market cycles were reflected in the supply of investment opportunities. In a favorable market, the number of companies on offer rose but most of these were quite small. The share of purely domestic deals went down with the globalization of the markets.

Private equity players concentrated on raising new funds and exiting their existing holdings. 2007 was an excellent year for exits. Compared with the quiet period at the beginning of the millennium, they multiplied in number. The majority of transactions were made between private equity players. Few listings were made on the Nordic market. In Finland, no companies owned by private equity funds were listed.

The international credit crisis was also evident in Finland in the autumn although the biggest impact was felt in large transactions which had no bearing on Ahlström Capital's investments. Selling prices were edging more towards normal levels.

Established Markets in Europe

The biggest and most established private equity markets in the Nordic countries are in Sweden where the investment market was very active, even on a European scale. Smaller private equity players, in particular, were active. High growth that has continued for some time in Norway showed no signs of slowing down.

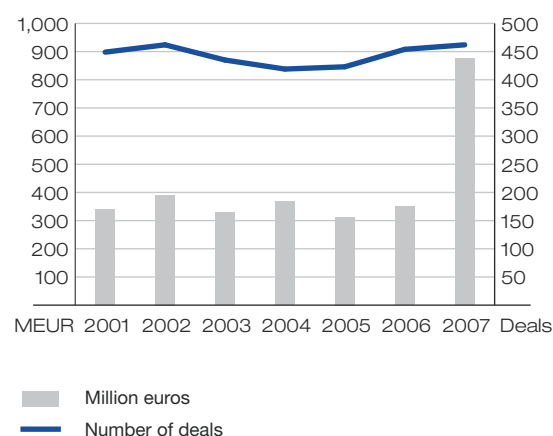
On the European market, growth was steady although some very large transactions were made, particularly in the United Kingdom. In Russia, the private equity markets continued to develop with investments made into new industries and business sectors. The number of transactions

grew and there were more listings than expected. Existing private equity funds managed to raise significant amounts of new capital yet again.

Future Outlook

The euro value of private equity transactions on the Finnish markets is not expected to continue to grow but the volume of transactions is likely to remain high. The growth of the Finnish private equity market is predicted to be stronger than in the rest of Europe where the crisis in the interest and lending markets is expected to reduce M&A transaction volumes. The positive momentum on the Russian market should create new investment opportunities for Ahlström Capital.

Private equity and venture capital investments in Finland 2001–2007



Source: FVCA

Year of Development

In 2007, Ahlström Capital concluded the first phase of its strategy. At the end of the year its funds were invested in industrial companies and real estate.

The original capital transferred, when the company was established in 2001, was mostly invested by the end of 2007. At that time, the investment portfolio included seven industrial companies and four real estate properties of which one is an office building and the rest industrial properties.

Industrial Investments

The industrial companies in Ahlström Capital's portfolio enjoyed a good year. Their growth and development prospects look good for the future as well.

In the spring, the company invested in a new developing market by purchasing half of Turkey's leading electrical accessories manufacturer, Elbi Elektrik. The founders of the company, the Bugday family, remained as owners of the other half.

During the year, Ahlström Capital increased its share in the Russian electrical accessories manufacturer Wessen from 51 percent to 70 percent, as per the original plan.

Real Estate Investments

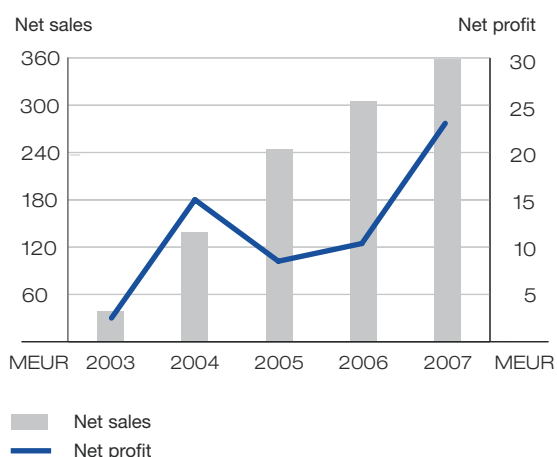
During 2007, Ahlström Capital's real estate assets included two office buildings in Helsinki and three industrial properties in Finland, Germany and Estonia.

At the end of the year, Ahlström Capital sold its office building in Salmisaari to a German real estate investor. The lease on the Varkaus building came to an end in April but a new tenant, the engineering company Andritz, was found.

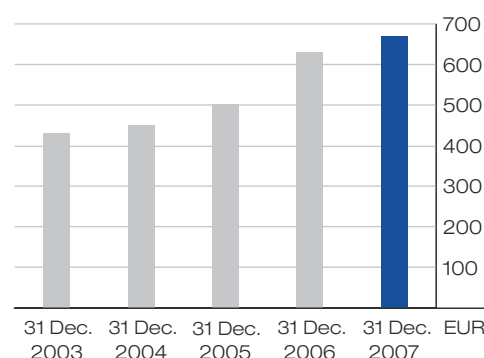
Liquid Assets

The liquid funds of Ahlström Capital Oy mainly consisted of short-term money market instruments. At the end of the year, these funds amounted to EUR 11 million.

Ahlström Capital's net sales and net profit



Trend in net asset value of the Ahlström Capital share



Salmisaari Project Finalized

The real estate investments of Ahlström Capital balance the risk of industrial investments and produce a steady return. The company sold the Salmisaari property after it had been successfully completed.

The real estate markets in Finland remained steady. Economic growth was seen on the property investment market for which the beginning of 2007 was particularly busy.

Tough Competition for Locations

International investors still consider Finland to be of strategic importance because of good projected returns. New investors entered the market. Competition for locations was tough and some investors were left looking for a suitable first investment project. Several investors set up a local company or increased their personnel. Towards the end of the year, investors using debt capital in particular had to limit the acquisition of new properties due to the crisis on the financial markets.

Selected Real Estate Investments

The real estate investments of Ahlström Capital consist of office and industrial properties. The office buildings at Helsinki's Salmisaarenaukio 1 and Eteläesplanadi 14 are classed as prestige properties. The industrial buildings are located in Varkaus in Finland, Kriftel in Germany, and Elva in Estonia.

Substantial Returns on Salmisaari

The Salmisaari office building, developed by Ahlström Capital, was completed in September. In October, the company also bought the Salmisaari land plot from the City of Helsinki.

In December, Ahlström Capital decided to take advantage of the completed property project and the favorable market conditions. It sold the Salmisaari property to the German real estate investment company IVG Institutional Funds GmbH that was looking for a high-quality office property in Finland to yield a good return in the long term.

By the end of 2007, most of the office building was rented. The first tenant to move in in July was Comptel, followed by BaseN and Fennovoima. Ahlstrom Corporation moved to the new premises in December, and Alko will

follow suit in March 2008. The restaurant premises were rented by Fazer Amica.

The Eteläesplanadi Development Project was Launched

The prestige property at Eteläesplanadi 14, built in 1937, was allocated to Ahlström Capital in the demerger in 2001. The investment decision to develop the property was made in October. After obtaining planning permission, the expansion was started at the beginning of December. The work is being carried out by Alfred A. Palmberg Ltd. The extension will consist of 2,300 m² of office space and a restaurant. The lease agreements have already been signed for the new space. The culturally important Savoy theatre will be refurbished as part of the development project, which will go on until February 2009.

Other Real Estate Investments

In addition to the office building of Eteläesplanadi 14, Ahlström Capital owns three industrial buildings of which two have been leased out to its own portfolio companies. This frees up the companies' funds for actual production and growth.

The lease agreement in Kriftel, Germany, will continue with Å&R Carton, and Enics will continue as tenant in Elva, Estonia.

The industrial building in Varkaus received a new tenant for the year 2008, the engineering company Andritz.

Future Outlook

The effects of the funding crisis on the real estate markets are still unclear. It is expected that because the boom has ended interest rates will go down. Debt capital is used for real estate investment and it is getting more and more difficult to obtain it.

Ahlström Capital is actively following the development of the real estate markets both in Finland and in Russia and will continue to search for new and interesting projects.



 **Nordkalk**

@NICS

vagon

symbicon

 **CARTON**

EL-Bi[®]

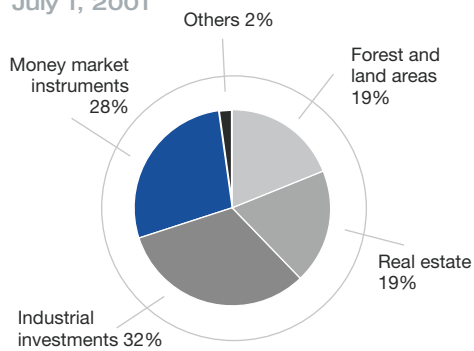
WESSEN



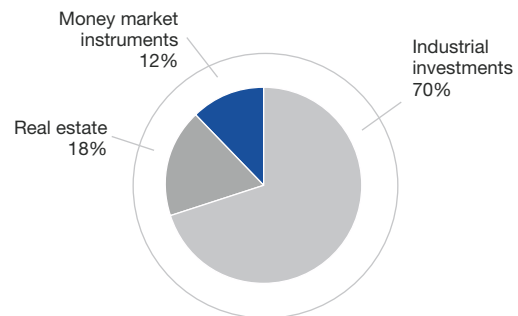
Change in the investments 2001-2007*

* of capital employed

July 1, 2001



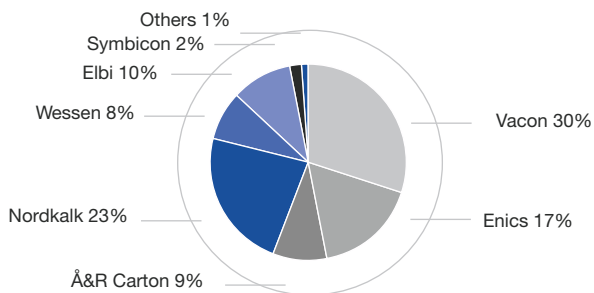
December 31, 2007



Breakdown of industrial investments *

* of capital employed

December 31, 2007





Nordkalk is Northern Europe’s leading manufacturer of high-quality, limestone-based products. The company extracts and processes all limestone qualities based on the customers’ needs and the products are tailor-made for the customers’ processes.

Nordkalk’s products are used by a wide range of industries as well as within environmental care and agriculture. The largest customer segment is the paper industry, which accounts for over 30 percent of sales. The next biggest customers are the construction materials and steel industries.

Nordkalk employs about 1,300 people in over 30 locations in Finland, Sweden, Poland, Germany, Estonia, and Russia.

Nordkalk had a Good Year

The positive development continued during 2007 with an increase in total sales and an improved result. Sales grew in all customer segments with the exception of agriculture. The industry continued to experience an economic boom which was reflected in the demand for limestone-based products in the company’s three main customer segments, namely the paper, steel and construction materials industries. The improved profitability can also be attributed to cost-efficiency and high utilization of capacity. However, the result was burdened by high energy and freight costs.

A new lime kiln built by the Norwegian company NorFraKalk AS, owned in equals shares by Nordkalk Corporation and Franzefoss Minerals AS, was started up in December 2007. The new kiln will have an annual capacity of 200,000 tons of quicklime.

Capacity is being increased in Poland and a mobile crushing plant has been put into operation in Estonia.

The investment program at the Alekseevka lime plant in Russia is proceeding, providing new opportunities to increase capacity and expand the product range.

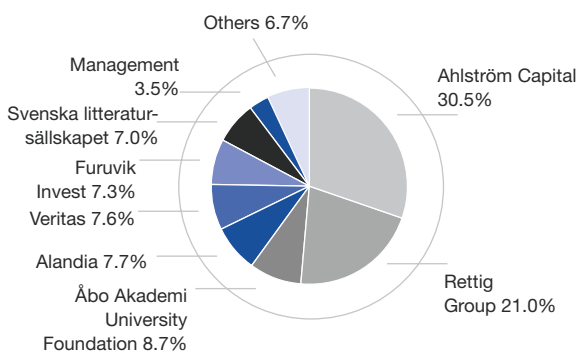
Future Outlook

Nordkalk’s net sales are expected to increase somewhat during 2008. Growth is expected in Poland and the Baltic region in particular.

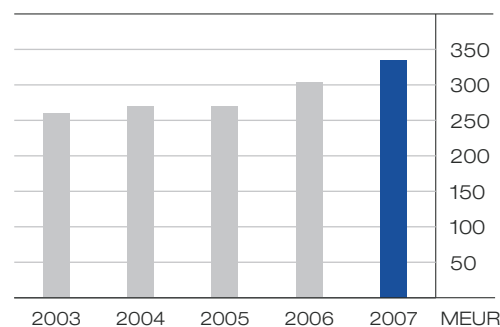
The shutdown of paper machines in Finland may affect the sales of the paper pigment GCC and of raw materials for the paper pigment PCC.

New regulations concerning emission rights in Norway will, if they become permanent, have a negative effect on the profitability of the new Norwegian lime kiln.

Ownership



Net sales





Vacon develops, manufactures, and sells low-voltage AC drives from simple to demanding applications. AC drives are used in all industry, in buildings, and in utilities. They help with energy conservation and, therefore, have a key role in controlling greenhouse gas emissions.

Vacon's net sales grew by roughly 25 percent from the previous year and its profitability improved. Demands for more effective use of energy to mitigate climate change helped boost the sales of AC drives, resulting in strong growth in the market.

Vacon concentrates solely on producing AC drives, which makes it a faster mover than its competitors. It also has competitive products, which has helped it to grow its market share. The high price of energy increases the demand for AC drives. With the aid of multi-channel distribution and an efficient sales network Vacon covers the markets in both geographical and segment terms.

Making Headway in the United States

During 2007, Vacon became truly global. At the end of the year, it founded a subsidiary in the US and bought the AC drives business operations of its partner TB Wood's. The deal included two production plants in the United States, one in Italy and one in India as well as a marketing company in Germany. During the year, the company invested in maintenance, information systems, and increased

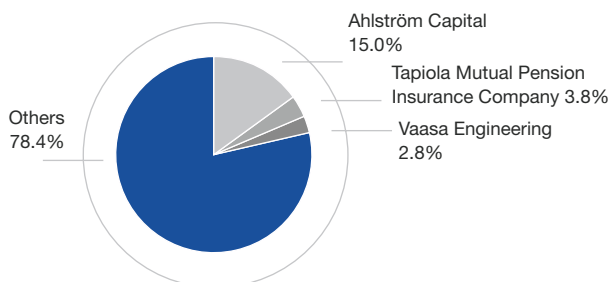
production capacity, notably by expanding its Vaasa plant. It strengthened its marketing network with the opening of an office in Brazil and started up a subsidiary in Australia. It obtained substantial orders from Greece, Finland and Brazil. In October, it closed a deal with a Finnish wind power systems provider, The Switch. During the year, the number of employees grew by nearly 200, the total payroll being close to 870 at the end of December.

Future Outlook

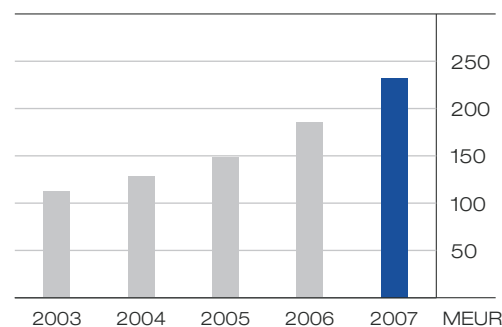
It is estimated that the AC drives market will grow by 9 percent per annum. Vacon expects to grow faster than the market.

Source: Vacon's disclosures 2007–2008.

Ownership



Net sales





Å&R Carton is one of Europe’s leading manufacturers of folding cartons and packaging systems. The company’s production is concentrated in Western, Eastern and Northern Europe, to serve its international customers.

Å&R Carton develops, produces and markets folding carton packages and packaging systems for food and non-food industries. Its main customers are major multinationals in the food, beverage and tobacco industries. Exclusive packages for luxury products, such as spirits, cosmetics and confectionary, are a growing line. Å&R Carton has 14 production plants in eight countries as well as a global sales network. Its paperboard conversion capacity is approximately 250,000 tonnes. During the year it employed roughly 1,900 people.

A Year of Growth

The net sales of Å&R Carton saw strong growth and the operative result was better than the year before. The strong performance of the Specialty Packaging and Beer & Beverage business areas continued. Difficult conditions

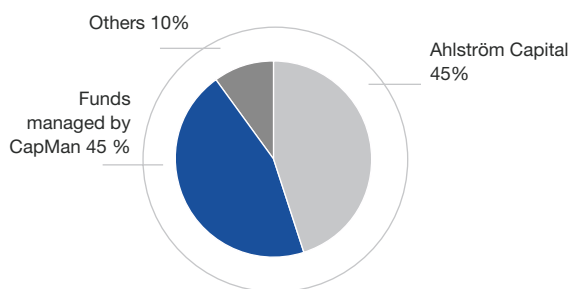
remained in Scandinavia and also the Russian operations fell short of targets.

In January, Å&R Carton announced its plan to consolidate its operations in France. According to the plan, production of the Canejan plant, which had been loss-making for a long time, was to be moved to the main production unit in Cholet. After the negotiations with the trade union representatives had been completed, Å&R Carton closed the Canejan plant in April. The profitability was also affected by the rise in the cost of raw materials.

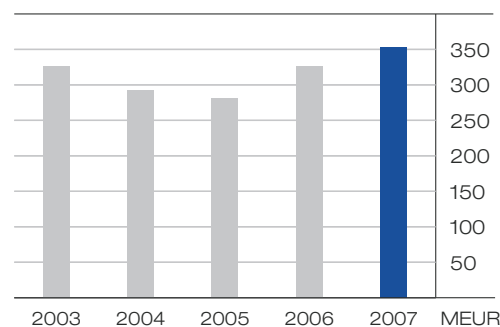
Future Outlook

In general terms, the production volumes of folding cartons are expected to drop in Western Europe. However, the outlook is better in the niches that are important for Å&R Carton.

Ownership



Net sales





Enics is one of the leading electronics manufacturing services (EMS) companies in the fields of industrial and medical electronics. It has a production network comprising eight factories in Europe and one in Asia.

Enics provides end-to-end solutions consisting of design-support, NPI, manufacturing, supply chain management and after-sales services for the whole lifecycle of its customers' products. Thus it can serve its customers more comprehensively than its rivals.

International and Close to its Customers

In addition to Western Europe, Enics also operates in Estonia, China and, starting in 2007, Slovakia where it is able to produce high volumes effectively. Enics has nine production plants and it employs over 2,500 people in Europe and Asia.

Expansion into Eastern Europe

In August, Enics purchased certain assets of the Slovakian EMS company ZTS Elektronika and started operations in Nová Dubnica. This acquisition paved the way for Enics to

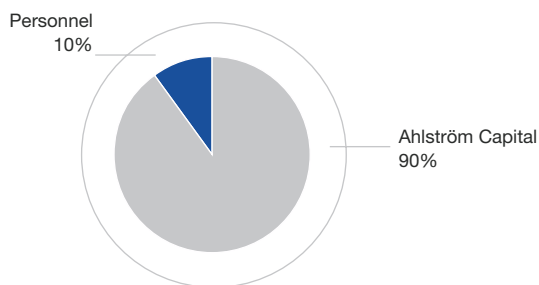
gain a foothold in Eastern Europe and will also allow it to better serve its customers in Central and Western Europe. A further advantage of Nová Dubnica is that there is plenty of qualified workforce available in the area.

In the autumn, Enics launched a program to develop the Finnish operations. Lohja operations were moved to new larger premises and all automated assembly in Finland was concentrated in there. The program also includes strengthening of the customer service centers in Vaasa, Varkaus and Lohja.

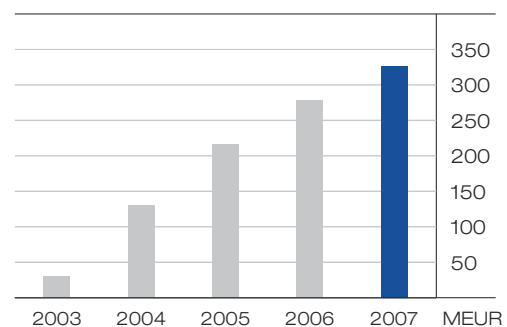
Future Outlook

Enics' objective is to increase its competitiveness by developing its service offering and by further expanding and transferring volume production to cost-effective countries.

Ownership



Net sales





WESSEN

www.wessen.ru

Wessen manufactures a broad range of electrical accessories for the Russian construction industry, holding a share of about 30 percent of the market in value terms.

Wessen's business continued to be profitable with its net sales exceeding 24 million euros. It employs around 1,700 people in Russia.

Additional Share for Ahlström Capital

According to the original investment plan, Ahlström Capital increased its share in Wessen by 19 percent in May. Thus Ahlström Capital's holding rose to 70 percent.

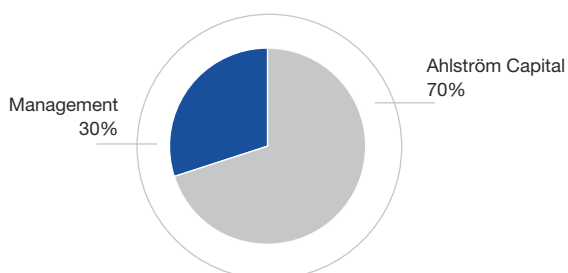
Growth on the Russian Market

Russian's economic growth and the boom in the construction industry have boosted growth potential for Wessen. The company has gained a strong market position because of good distribution channels and the opening during the year of four regional sales offices. In addition to its Moscow headquarters, Wessen has an effective production plant which in size is comparable with the biggest European ones.

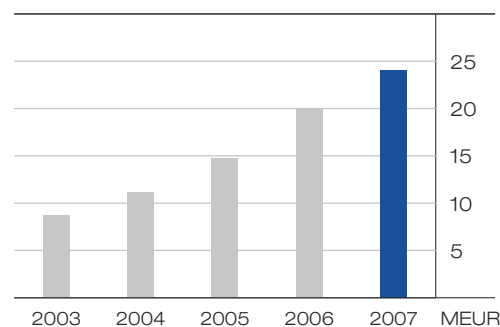
Future Outlook

Wessen intends to maintain its competitiveness by continuing the development of the plant and by boosting production. It is also planning to invest further in sales and marketing by opening new regional offices. It is expected that the company will further benefit from the growth in the market.

Ownership



Net sales



Symbicon

www.iconone.com

The Finnish company Symbicon is a pioneering manufacturer of digital LCD advertising and information display panels for outdoor use.

Symbicon has an agreement with the technology leader Samsung to produce an 82-inch liquid crystal display, the biggest in the world. The company also makes four smaller displays, the prototypes of which it has already sold to over 30 countries. The panels are suitable for use indoors as well as outdoors, and it is possible to show both still and video pictures on them. The contents can be changed wirelessly which enables advertisers to reach their target groups with more accuracy. The equipment can also be used for transmitting news and information in public places and services, for which Symbicon was awarded a national Innosuomi 2007 commendation.

The Kajaani-based company employs 30 people.

Potential for Good Growth

During its first years of operation Symbicon has concentrated on the further development of its product, the start-up of production and the establishment of a distribution network.

During the year, Symbicon built up a subcontracting and product development network and an international distribution network which covers almost a hundred countries.

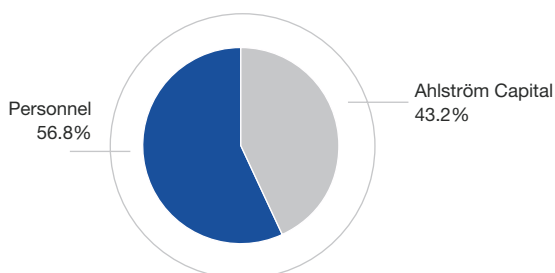
At the end of the year, Symbicon signed a contract for North American co-operation with Electrograph Systems whose network covers over 5,000 dealers.

In order to patent the technology, Symbicon's displays have, during the year, been tested in different operating conditions and environments.

Future Outlook

Market research predicts very rapid growth for digital advertising and information display panels in the near future. When the distribution network is activated, the company's aim is to reach a leading market position.

Ownership





www.el-bi.com

Elbi Elektrik is Ahlström Capital’s latest investment. The company is one of Turkey’s leading manufacturers of electrical accessories, and has been in the industry since 1993.

In May, Ahlström Capital acquired half of the Turkish manufacturer of electrical accessories Elbi Elektrik. Ahlström Capital's aim is to bring its knowledge of the electrical accessories business, international contacts and management experience to the joint enterprise. The other owner, the Bugday family, will bring the enterprise their expertise in local circumstances and markets.

In the Center of the Markets

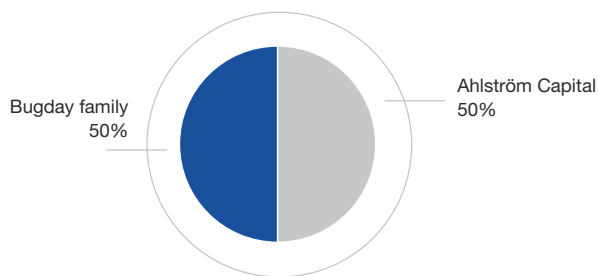
Elbi has competitive products in the growing markets of Turkey and its neighboring areas. The company also benefits from its geographical location, being within easy reach of Russia, the Balkans and the Middle East. Elbi has a 12,500 square meter plant in Istanbul and it employs approximately 600 people.

As soon as the deal was completed, Elbi started to implement Ahlström Capital's administrative practices as part of their mode of operation. During the autumn, a lot of emphasis was placed on developing management resources and information technology.

Future Outlook

It is forecasted that the electrical accessories markets in Turkey and neighboring areas will grow further. Increasing demand is expected to boost Elbi’s net sales.

Ownership



Report of Operations and Financial Statements

REPORT OF OPERATIONS 18

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Ahlström Capital, a private equity investment company and industrial group, was founded in 2001 to continue the industrial traditions of the Ahlström family. The company's mission is to seek out industrial portfolio investments and to actively develop them. The company aims to make one or two industrial investments each year, depending on the markets. The typical amount invested in one company is EUR 5–25 million.

The targeted annual return on the approximate capital of 190 million is between 15 and 25 percent in the long term. To reach these targets, the company has diversified its investments in targets which differ in terms of expected yield, risk and investment horizon.

The aim is to realize the value appreciation of industrial investments over a 5–7 year horizon. This is accomplished by listing on the stock market, divestment to an industrial buyer or refinancing. The shareholders gain a return on their holding through a rise in the share value and a dividend payable on the exit from the investment.

Operating Environment

Growth in the global economy continued to be strong in 2007. Asia remains a growth engine, with China and India in the lead. The problems on the US mortgage markets caused unrest on the financial markets. There was an increased risk of slower growth in the latter part of the year and share prices fell sharply. A rise in the rate of inflation was also expected.

Russia's economy continued to grow, which had a positive impact on the construction industry as well. Private equity investments continued to grow. The number of investments and stock exchange listings went up and the portfolios diversified.

The euro zone's economic growth continued but the increase in gross national product was slower in the latter part of the year. Private equity acquisitions remained steady in terms of volume but the amount of euros invested grew.

The Finnish economy enjoyed a continued boom. This faster-than-expected growth was aided by exports and domestic demand. However, the threat of inflation was in the air. A record year for euros spent on the private equity market was experienced.

On the Finnish real estate market prices remained high and good locations were in great demand.

Investments and Development of the Investment Portfolio

During the year, Ahlström Capital invested in one new industrial company, increased its holding in one and exited from one real estate investment. At the end of the year, industrial investments comprised 70 (51) percent of the capital employed, real estate 18 (30) percent and liquid funds 12 (19) percent.

New Investments

Ahlström Capital invested in a new and developing market by purchasing 50 percent of the Turkish electrical accessories company Elbi Elektrik in May. In Turkey, the company manufactures products for both the domestic and export markets. The other owner is the founder of the company, the Bugday family.

In May, Ahlström Capital acquired, according to the original cooperation agreement, a 19 percent additional stake in the Russian manufacturer of electrical accessories, Wessen, increasing its ownership to 70 percent.

Exits

The high-class Salmisaari office property, commissioned by Ahlström Capital was completed in September and by the end of the year it was mostly rented out. Additionally, the company purchased a plot of land which was part of the property from the City of Helsinki. The Salmisaari office complex turned out to be very successful both in terms of its execution and from a financial point of view when Ahlström Capital in December sold it to the German real estate company, IVG Institutional Funds GmbH.

Industrial Investments

Ahlström Capital has spread its industrial investments across different sectors. The products and services of the portfolio companies were electronic manufacturing services, electrical accessories and systems, folding cartons, limestone products, digital advertising display panels, and AC drives. The portfolio companies showed positive development during the year, with a few exceptions.

Enics (Ahlström Capital's ownership 90.3% at the end of 2007) Enics continued its strong growth and its profitability increased on the previous year. Sales to existing customers grew and it also gained new ones. Demand for contract manufacturing for industrial electronics grew as the manufacturers outsourced non-core functions. Investments in new information technology solutions and human

resource development went ahead. Net sales amounted to EUR 327 million (EUR 279 million in 2006).

During the year Enics' capacity was expanded by purchasing certain assets from the Slovakian company ZTS Elektronika which is in the same line of business, and production was started at its Nova Dubnica plant. This transaction strengthened Enics' position on the Central and Western European markets as well. In Finland the company invested in an extensive development program, part of which is to build a new production line in Lohja and to strengthen its customer service centers in Vaasa, Varkaus and Lohja.

Nordkalk (30.5%) The positive trend continued in 2007, total sales grew and profits improved. The industrial boom continued which was reflected in the demand for limestone-based products from Nordkalk's three biggest customer segments – the paper, steel and construction materials industries. Better profitability is also due to cost-effectiveness and high utilization of capacity.

The net sales grew by 10 percent to EUR 334.4 million (303.8). The company made an operating profit of EUR 43.6 million (36.8). The net profit increased to EUR 20.7 million (13.7) of which Ahlström Capital's share was EUR 5.8 million (3.6).

Wessen (70%) Wessen has kept up with the profitable growth. The net sales were boosted by heavy investment in marketing. During the year the company expanded its marketing and sales network by opening four new sales offices. Russia's economic growth and the boom in the construction industry helped boost the positive trend. The company's net sales grew to EUR 24.0 million (20.1).

Å&R Carton (44.9%) The operational result for the year, excluding non-recurring items, was better, due to increased sales and improved margins. However, the increased cost of raw materials ate into the profits. The positive trend of Specialty Packaging and Beer & Beverage business areas continued. The market situation in Scandinavia continued to be difficult and Russian operations also fell short of their targets.

In January, Å&R Carton announced its plan to combine its French operations. The company's aim was to transfer the loss-making operations of the Canejan factory to their main unit in Cholet. After negotiations were concluded with the trade union representatives, the factory was closed down in April. The one-off cost, approximately EUR 3.5 million, was included in the 2007 financial statements.

Å&R Carton's net sales grew 11 percent to EUR 352.5 million (326.5) and it posted a pre-tax profit of EUR 9.6

million (5.5). The net loss was EUR 1.7 million (net profit EUR 1.8 million) of which Ahlström Capital's share was EUR –0.8 million (0.8).

Vacon (15%) The publicly traded company Vacon grew its market share in very strong market conditions and strengthened its position on the global markets. During the year, the company started up a subsidiary in the United States and bought the AC drives business operations of its partner TB Wood's. Vacon boosted its international sales network by opening an office in Brazil and founding a subsidiary in Australia. In Finland Vacon made a deal with a wind power systems provider, The Switch, and started the expansion of the Vaasa plant.

Vacon's net sales grew by 20 percent to EUR 232.2 million (186.4) and the EBIT was EUR 29.2 million (23.1). Its share price development was positive at the beginning of the year but, following the general market trend, it started to drop at the end of the year. The market value of Ahlström Capital's Vacon shares went up by EUR 4.4 million (7.3 percent).

Symbicon (43.2%) During the year, Symbicon concentrated on the further development of its product, starting up production and creating a distribution network covering almost 100 countries. It entered into negotiations about first volume orders. At the end of the year the company entered into a co-operation agreement with Electrograph Systems whose network comprises more than 5000 retailers in Northern America. Its net sales consisted mainly of test units and amounted to EUR 1.4 million.

Elbi Elektrik (50%) Elbi Elektrik's first fiscal period consisted of seven months. The company did not reach its sales and profitability targets. Its net sales amounted to EUR 13.8 million. Action was taken to reach a positive development.

Mint Capital II Mint Capital II is a private equity fund investing in companies in Russia and former Soviet republics which are trying to utilize Russia's strong, consumption-led economic growth. Ahlström Capital has pledged to invest 5 million dollars into the fund. So far the fund has made seven investments.

CET group (90%) CET group supplies private, commercial and industrial properties with multimedia and information technology networks. The company failed to reach its targets. Its net sales were EUR 1.9 million (1.5) and again it made a loss.

Real Estate Investments

At the end of 2007, Ahlström Capital's real estate portfolio consisted of one office building and three industrial properties.

The company entered into a contract with Alfred A. Palmberg Ltd. to extend the office block at Eteläesplanadi 14. The building work was started in December. This will create additional high-class office space of 2,300 square metres and a restaurant in the block. The Savoy Theater, which operates in the block, will be refurbished. All the new premises have already been rented out.

In December, Ahlström Capital entered into a 12-month rental agreement with engineering company Andritz regarding the industrial property in Varkaus, from which the previous long-term tenant Honeywell relocated in April.

The rental agreement with Å&R Carton in Kriftel, Germany, was continued and Enics stayed on as tenants in the office block in Elva, Estonia.

Liquid Funds

Ahlström Capital Oy's liquid funds mainly comprised short-term money-market instruments. Their value at the end of 2007 was EUR 10.7 million (43.3).

Group Structure

Ahlström Capital Oy is the parent company of the Ahlström Capital Group. At the end of the fiscal year the group consisted of ACEMS AB and its subsidiaries, Krasno AB and its subsidiaries, AC Kosmo AB and its subsidiaries, Saciv AB, Sulma Fastigheter AB, Karhula Osakeyhtiö, AC-Kiinteistö Oy and its subsidiaries as well as AC Verwaltungs-GmbH. Significant shareholdings outside the group include Elbi Elektrik (50%), Å&R Carton AB (44.9%), Symbicon Ltd (43.2%), Nordkalk Oyj Abp (30.5%) and Vacon Plc (15%).

The Group's Earnings in 2007

The comparative figures are from the same period in 2006 unless stated otherwise.

Ahlström Capital's seventh fiscal year, covering the period January 1 – December 31, 2007, was again a year of strong growth. Financial result was better than in 2006 thanks to increased exit gains. The combined operating profit of the portfolio companies was roughly on the same level as the previous year.

The return on capital employed was 11.3 percent (27.0%).

The net asset value of Ahlström Capital's shares grew by EUR 38.80 (6.2 percent) to EUR 669.36 during the accounting period. The growth in the net asset value of the share, in addition to operational profit, was attributable to the rise in the market value of the holdings in Vacon. (See trend in net asset value, p. 38.) At the end of the fiscal year, the dividend-adjusted net asset value of the Ahlström Capital share was EUR 702.36.

The Ahlström Capital Group's net sales grew significantly and were EUR 358.3 million (305.2) of which the proportion of the EMS business was EUR 327.4 million (278.9). Other operating income amounted to EUR 17.2 million (4.0) and came mainly from the capital gain on the sale of the Salmisaari real estate.

The Group's operating profit was EUR 27.2 million (10.5). Financial income before adding in the results of associated companies was EUR 3.4 million (3.0). Financing expenses amounted to EUR 3.4 million (-2.5).

Ahlström Capital's share in the profits and losses of associated companies was a gain of EUR 1.8 million (4.1).

The costs of parent company Ahlström Capital Oy's administration during the fiscal year were EUR 3.6 million (3.2) averaging 1.1 percent (1.4) of the capital employed by the group. These costs also include the costs of preparing projects which did not lead to an investment decision.

The pre-tax profit amounted to EUR 29.0 million (15.6). Taxes booked for the fiscal year were EUR -4.6 million (-3.8). These mainly consisted of subsidiaries' taxes. Ahlström Capital Oy paid EUR 0.1 million (0.3) in income tax during the fiscal year.

The Group's net income was EUR 23.4 million (10.5).

The accounting principles applied in the financial year statements were not changed during the year.

Financial Position and Financing

Ahlström Capital's financial status continued to be favorable during the fiscal year. Due to good financial results, the Group's shareholder equity at the end of the year increased to EUR 191.1 million (173.1). The equity ratio at the end of the year was 65 percent (59) and the gearing was 7 percent (1). Interest-bearing debts at the end of December 2007 were EUR 34.2 million (54.6). The decrease was due to the redemption of the mortgages taken out on the Salmisaari property at the start of the building work and excluded from the consolidated balance sheet when the property was sold. The parent company Ahlström Capital had no interest-bearing debts at the end of the year.

The net cash flow from operations (the cash flow after net financial income, taxes paid and change in net working capital) was EUR 8.6 million (10.2).

EUR 35.1 million (26.8) was used in capital expenditure and new investments. The most significant of these were the capital expenditure in Enics and the investment in the extension of the Eteläesplanadi property as well as investments in Elbi Elektrik shares and shareholder loans, Wessen shares and Symbicon's convertible loans.

The net cash flow from financing activities was EUR 6.6 million negative (9.2 million positive). This consisted of the amortization of the loans taken by portfolio companies and dividends paid. Financial investments and bank receivables of the Group were EUR 20.3 million (53.4) at the end of the year.

Risk Management

Ahlström Capital seeks to reduce the risks of investments and to boost the return from investments through a carefully considered investment strategy and a multi-stage investment decision as well as by diversifying its investments in targets which differ in terms of expected yield, risks, and investment horizon. Risks are also managed and the potential return is expanded by participating actively in the development of the portfolio companies, both through board work and through operational activities.

Personnel, Administration and Auditors

The Ahlström Capital Group had an average payroll of 4,302 employees during the fiscal year (3,809). The number of people employed by Ahlström Capital Oy was unchanged at eight people at the end of the year. Jan Inborr, B.Sc. (Econ.), has served as the company's President and CEO since the company went into business on June 30, 2001.

Morten Ahlström has served as the Chairman of the Board of Directors since June 30, 2001. The ordinary members of the Board, since the same date, have been Karl Grotenfelt, Johannes Gullichsen and Jouko Oksanen. After Thomas Ahlström announced that he was not available for re-election, the Annual General Meeting appointed Martti Saikku, M.Sc. (Econ.), as a new member of the Board.

The auditor was the auditing firm KPMG Oy Ab, with Sixten Nyman, Authorized Public Accountant, as the auditor in charge.

Events after the Reporting Period

Panu Routila, M.Sc. (Econ.), (43) was appointed as the new President and CEO of Ahlström Capital in November 2007. He joined the company at the beginning of 2008 and will take up his new position on April 1, 2008.

Panu Routila succeeds Jan Inborr who will retire at 60 on March 31, 2008, as per his contract, having served Ahlström companies for 36 years. He has been President and CEO of Ahlström Capital since the start of the company in 2001.

Largest Shareholders as of December 31, 2007

At the end of 2007, Ahlström Capital had 216 shareholders.

	Number of shares	Percentage of shares
Antti Ahlströmin Perilliset Oy	37,351	10.4
Varma Mutual Pension Insurance Company	23,490	6.5
Mona Huber	14,327	4.0
Jacqueline Tracewski	10,076	2.8
Kaj Nahi	8,191	2.3
Morten Ahlström	7,569	2.1
Anneli Studer	7,372	2.0
Johan Gullichsen	7,037	2.0
Niklas Lund	6,953	1.9
Kim Kylmälä	6,630	1.8
Others	231,923	64.2
Total	360,919	100.0

Outlook for 2008

Worldwide growth is expected to slow down, particularly in the United States where there are the clearest signs of a slowdown. The investment climate is likely to remain challenging and prospects for growth in the euro zone and Finland have also weakened. This is partly due to considerably increased inflation.

Ahlström Capital will pursue the active development of its portfolio companies and make new portfolio investments. The liquid funds available after exiting from the Salmisaari property will facilitate new investments. The net sales of the portfolio companies are expected to grow from the previous year.

Consolidated Income Statement

EUR 1,000	Note	2007	2006
Net Sales	1	358,333	305,240
Other operating income	2	17,262	4,024
Materials and services		-200,580	-185,051
Personnel costs	3	-85,594	-78,034
Depreciation, amortization and reduction in value	7	-10,486	-9,626
Other operating expense		-51,693	-26,006
Operating profit		27,242	10,547
Financing income and expense	5		
Share in results of associated companies		1,784	4,137
Interest and other financing income		3,384	3,455
Interest and other financing expenses		-3,361	-2,506
		1,807	5,086
Result before appropriations and taxes		29,049	15,633
Income taxes	6	-4,591	-3,805
Result before minority interest		24,458	11,828
Minority interest		-1,069	-1,319
Net result for the period		23,389	10,509

Consolidated Statement of Cash Flows

EUR 1,000	2007	2006
Cash flow from operating activities		
Operating profit	27,242	10,547
Depreciation and amortization	10,486	9,626
Other adjustments	2,178	-1,079
Cash flow from operating activities before change in net working capital	39,906	19,094
Change in net working capital	-27,671	-5,950
Cash flow from operating activities	12,235	13,144
Interest and other financing income	3,430	4,943
Interest and other financing expenses	-3,455	-3,994
Income taxes	-3,657	-3,932
Net cash flow from operating activities	8,553	10,161
Cash flow used in investing activities		
Capital expenditure	-11,944	-29,962
Other investments	-14,654	-10,022
Redemption of company shares	0	-13
Proceeds from sales of non-current assets	181	3,385
Change in notes receivable and other receivables	-8,676	9,859
Net cash flow used in investing activities	-35,093	-26,753
Cash flow from financing activities		
Change in long-term liabilities	-3,684	13,538
Change in short-term debt	408	-2,758
Dividends paid	-3,609	-2,166
Other adjustments	292	595
Net cash flow from financing activities	-6,593	9,209
Change in cash and financial investments	-33,133	-7,383
Cash and financial investments at beginning of period	53,414	60,797
Cash and financial investments at end of period	20,281	53,414

Consolidated Balance Sheet

Assets

EUR 1,000	Note	Dec. 31, 2007	Dec. 31, 2006
Non-current assets			
Intangible assets			
	7		
Intangible rights		753	792
Goodwill		6,786	8,956
Group consolidation goodwill		9,453	5,726
Other intangible assets		2,053	2,151
Advances paid		85	337
		19,130	17,962
Tangible assets			
	7		
Land and water areas		32,364	32,368
Buildings and constructions		19,548	20,270
Machinery and equipment		13,500	11,364
Other tangible assets		1,218	1,393
Advances paid and construction in progress		6,286	22,287
		72,916	87,682
Investments			
	8		
Shares in associated companies		37,005	26,250
Receivables from associated companies	17	0	9,568
Other shares		22,310	21,489
		59,315	57,307
Current assets			
Inventories			
Materials and supplies		39,679	39,746
Work in process		8,593	8,378
Finished goods		7,331	6,871
Advances paid		176	82
		55,779	55,077
Receivables			
Long-term			
Notes receivable		98	98
Receivables from associated companies	17	19,298	3,000
Deferred tax assets	14	81	94
Other receivables		161	143
		19,638	3,335
Short-term			
Accounts receivable		20,275	14,852
Receivables from associated companies	17	3,572	115
Deferred tax assets	14	468	805
Notes receivable		583	0
Other receivables		23,429	4,106
Prepaid expenses and accrued income	9	1,716	1,344
		50,043	21,222
Financial investments		5,215	41,328
Cash and bank		15,066	12,086
TOTAL ASSETS		297,102	295,999

Consolidated Balance Sheet

Shareholders' equity and liabilities

EUR 1,000	Note	Dec. 31, 2007	Dec. 31, 2006
Shareholders' equity			
	10		
Share capital		36,092	36,092
Capital in excess of par value		12,774	12,782
Retained earnings		118,808	113,748
Net result for the period		23,389	10,509
		191,063	173,131
Minority interest			
		3,226	2,696
Provisions			
	13	5,319	3,140
Liabilities			
Long-term			
	12		
Loans from financial institutions		25,759	46,048
Other liabilities		388	549
Deferred tax liabilities	14	8,396	7,656
Accrued expenses and deferred income	15	17	26
		34,560	54,279
Short-term			
Loans from financial institutions		8,043	7,956
Advances received		615	417
Accounts payable		32,094	34,804
Other liabilities		4,826	4,395
Deferred tax liabilities	14	29	0
Accrued expenses and deferred income	15	17,327	15,181
		62,934	62,753
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		297,102	295,999

Notes to Financial Statements

Accounting Principles

The financial statements of the Ahlström Capital Group and Ahlström Capital Oy, the parent company, have been prepared and presented in accordance with the Finnish Accounting Act and other regulations in force in Finland. The financial statements are presented in euros and are prepared under the historic cost convention, except for revaluations included in the book values of certain items included in non-current assets.

Ahlström Capital Oy was formed when A. Ahlstrom Corporation was demerged into three companies as of June 30, 2001. The official financial statements for 2007 have been prepared for the seventh financial year of the company and the Group, January 1–December 31, 2007.

No changes in the accounting principles were made during the financial year.

Consolidated Financial Statements

The consolidated financial statements include the accounts of the parent company and all companies in which it owns, directly or indirectly, more than 50 percent of the voting rights.

The equity method is used to account for investments in associated companies in which the Group has 20 to 50 percent of the voting rights.

Companies acquired during the year are included in the consolidated accounts from the date of acquisition, and companies that have been sold during the year are included up to the date of sale.

All intercompany transactions and accounts are eliminated on consolidation. Acquisitions are accounted for under the purchase method, and accordingly, in each case, the purchase price is allocated to the assets acquired and the liabilities assumed based upon their estimated fair values at the date of the acquisitions. The excess of the purchase price over the fair values of the assets acquired is recorded in the balance sheet as goodwill.

The portions of the purchase price allocated to assets are depreciated or charged to income at the same rate as the asset items in question. Goodwill is amortized over a maximum of 20 years.

Revenue Recognition

Income from the sale of goods and services is recognized as income when the goods are delivered or the services are rendered. Net sales are shown net of indirect taxes and discounts. Exchange gains and losses related to sales are included in financial income and expenses.

Items Denominated in Foreign Currency

In the financial statements, assets and liabilities denominated in foreign currency are translated into euros at the year-end rate. Exchange rate differences in receivables and liabilities are credited or charged to income.

The income statements of foreign subsidiaries are translated into euros at the average exchange rate for the accounting period, and the balance sheets at the year-end rate. The effect of such translation is included in the Group's shareholders' equity.

Research and Development Expenditure

Research and development costs are expensed as incurred. Research and development expenditure can be capitalized if the requirements of Decision 50/1998 of the Ministry of Trade and Industry are met. These requirements are based on IAS 38.

Pension Costs

In Finland, the statutory pension liability and supplementary pension benefits are funded through insurance policies and accounted for in accordance with actuarial calculations.

In other countries, the pension liabilities are funded and accounted for in accordance with local legislation and practice. The Group companies' own liability for pensions is included in long-term liabilities or provisions in the balance sheet. Pension insurance premiums and changes in pension liabilities are charged to income.

Inventories

Inventories are stated at the lower of cost or market.

Investments

Investments which are intended to generate income for more than one accounting period are recorded in non-current assets at cost.

Securities included in financial assets are stated at the lower of cost or market.

Non-current Assets

Non-current assets are presented in the balance sheet at cost less accumulated depreciation and amortization. The book values of certain properties include revaluations, which are based on the fair market values prevailing at the time the revaluations were made. If the basis for a revaluation subsequently declines or is no longer valid, the revaluation is adjusted accordingly.

Depreciation is calculated on the cost or revaluated amounts of non-current assets using the straight-line method over the estimated useful lives of the assets.

The estimated useful lives are as follows:

Buildings	25–40 years
Heavy machinery	10–20 years
Other machinery and equipment	3–10 years
Intangible assets	3–5 years

Land and water areas are not depreciated.

Taxes

Income taxes consist of current taxes paid and payable on taxable income for the current and previous accounting periods in accordance with local tax laws, plus deferred taxes.

Deferred taxes are calculated for timing differences between book and taxable income.

Deferred tax assets or liabilities have been calculated on the temporary differences in the financial statements, applying the tax rate confirmed for subsequent years as of the balance sheet date. The deferred tax liability attributable to revaluation of the Eteläesplanadi property is recorded in the balance sheet. The estimated probable benefit of the deferred tax assets is stated in the balance sheet.

Extraordinary Items

Non-recurring revenue and expense items not related to normal business operations are presented as extraordinary items in the income statement.

Net Asset Value of Ahlström Capital Oy's Shares

The net asset value of the shares differs from the balance sheet value. In making the NAV calculation, long-term investments in publicly quoted shares, Nordkalk shares and the Eteläesplanadi property are measured at the market value at the end of the fiscal year, whereby the applicable tax portion of the difference between the balance sheet value of investments and their market value is also included in the calculation. Other assets and liabilities were assessed at the balance sheet value in calculating the net asset value.

Notes to Income Statement and Balance Sheet

EUR 1,000

1. Net sales

Distribution of net sales by country	Group 2007	Group 2006	Parent 2007	Parent 2006
Finland	110,182	77,649	3,862	2,398
Sweden	92,945	84,400	23	22
Switzerland	50,872	46,378	46	
Russia	21,586	18,961		
Denmark	14,425	3,610		
Belgium	13,490	14,995		
Germany	13,437	20,915		
Italy	13,164	12,801		
China	11,123	7,886		
Others	17,109	17,645		
Total	358,333	305,240	3,931	2,420

2. Other operating income

Gain on sale of non-current assets	17,151	1,711	79	
Others	111	2,313		
Total	17,262	4,024	79	0

3. Personnel costs

	Group 2007	Group 2006	Group 2005	Parent 2007	Parent 2006	Parent 2005
Wages and salaries	63,474	57,796	51,248	1,418	1,352	1,248
Pension costs	6,721	6,642	4,949	193	219	214
Other wage related costs	15,399	13,596	8,220	104	109	100
Total	85,594	78,034	64,417	1,715	1,680	1,562
Salaries for managing directors	1,294	1,215	1,259	510	530	468
of which bonuses	154	61	243	96	32	84
Remunerations to Board members	277	173	283	137	53	95

A loan of 100,000 euros with a 4.25 percent interest p.a. has been given to the President and CEO of Ahlström Capital Oy.

Personnel costs include an additional remuneration of 20,000 euros to the Chairman of the Board for 40 days' project work.

4. Average number of personnel

Salaried	938	791	616	8	8	8
Blue-collar	3,364	3,018	2,972			
Total	4,302	3,809	3,588	8	8	8

5. Financing income and expense

	Group 2007	Group 2006	Parent 2007	Parent 2006
Dividend income from others	1,578	966	1,578	966
Dividend income from Group companies			2,089	
Interest and financing income from Group companies			2,035	1,067
Interest and financing income from associated companies	1,069	1,294	127	1,209
Interest and financing income from others	737	1,195	904	1,354
Total	3,384	3,455	6,733	4,596
Interest and financing expenses to Group companies			-474	-408
Interest and financing expenses to others	-3,361	-2,506	-846	-42
Total	-3,361	-2,506	-1,320	-450

EUR 1,000

6. Income taxes

	Group 2007	Group 2006	Parent 2007	Parent 2006
Taxes for current and previous years	-3,657	-3,987	-109	-332
Change in deferred taxes	-934	182		
Income taxes in the income statement	-4,591	-3,805	-109	-332

7. Intangible and tangible assets

Group	Group goodwill	Goodwill	Intangible rights	Other intangible assets	Land and water areas	Buildings and con- structions	Machinery and equipment	Other tangible assets	Advances paid and construction in progress
Acquisition cost at Jan. 1	8,971	13,832	2,330	3,519	6,119	26,597	32,226	2,407	22,624
Increases	4,855		386	541		98	5,182	387	4,485
Decreases			-143			-8	-492	-17	-18,495
Other changes		-199	-25	-122	-4	-47	-678	-58	-59
Reclassifications	108	-108	65	337		104	1,491	186	-2,184
Acquisition cost at Dec. 31	13,934	13,525	2,613	4,275	6,115	26,744	37,729	2,905	6,371
Accumulated depreciation and amortization at Jan. 1	3,245	4,876	1,538	1,368		6,327	20,862	1,014	
Decreases			-143			-1	-459	-17	
Other changes		-47	-13	-52		-39	-492	-40	
Reclassifications									
Depreciation and amortization for the period	1,236	1,909	478	906		909	4,318	730	
Accumulated depreciation and amortization at Dec. 31	4,481	6,738	1,860	2,222	0	7,196	24,229	1,687	0
Revaluations at Jan. 1					26,249				
Decreases									
Revaluations at Dec. 31	0	0	0	0	26,249	0	0	0	0
Book value at Dec. 31	9,453	6,787	753	2,053	32,364	19,548	13,500	1,218	6,371

Parent company	Intangible rights	Other intangible assets	Land and water areas	Buildings and con- structions	Machinery and equipment	Other tangible assets	Advances paid and construction in progress
Acquisition cost at Jan. 1	15		5	10,508	866		2,366
Increases				19	343		2,089
Decreases							
Reclassifications							
Acquisition cost at Dec. 31	15	0	5	10,527	1,209	0	4,455
Accumulated depreciation and amortization at Jan. 1	5			2,360	517		
Decreases							
Depreciation and amortization for the period	1			279	76		
Accumulated depreciation and amortization at Dec. 31	6	0	0	2,639	593	0	0
Revaluations at Jan. 1			26,249				
Decreases							
Revaluations at Dec. 31	0	0	26,249	0	0	0	0
Book value at Dec. 31	9	0	26,254	7,888	616	0	4,455

Notes to Income Statement and Balance Sheet

EUR 1,000

8. Long-term investments

Group	Shares in associated companies	Receivables from associated companies	Other shares
Book value at Jan. 1	26,250	9,568	21,489
Share of profits	1,784		
Increases	9,276		865
Decreases		-9,568	-21
Other changes	-305		-23
Book value at Dec. 31	37,005	0	22,310

Parent company	Shares in Group companies	Shares in associated companies	Other receivables	Other shares
Book value at Jan. 1	35,095	29,873	20,185	21,418
Increases	37,875		15,584	865
Decreases	-1,038	-20,536	-14,128	-9
Book value at Dec. 31	71,932	9,337	21,641	22,274

9. Prepaid expenses and accrued income

	Group Dec. 31, 2007	Group Dec. 31, 2006	Parent Dec. 31, 2007	Parent Dec. 31, 2006
Short-term				
Accrued interest income	71	214	9	82
Periodization of costs	1,443	875	19	
Current tax receivable	53	94	53	
Other	149	161	16	
Total	1,716	1,344	97	82

10. Shareholders' equity

Shareholders' equity at Jan. 1	173,131	163,844	170,277	170,765
Change in revaluations	-235		-235	
Dividends paid	-3,609	-2,166	-3,609	-2,166
Translation adjustment	-1,080	872		
Other	-533	72	-1	
Net income	23,389	10,509	3,375	1,678
Shareholders' equity at Dec. 31	191,063	173,131	169,807	170,277
Retained earnings	142,197	124,257	120,941	121,411
Depreciation difference net deferred tax liability	162	-308		
Distributable shareholders' equity	142,359	123,949	120,941	121,411

11. Share capital, Dec. 31, 2007

Parent company	Number of shares	EUR
1 vote/share, with redemption clause	360,919	36,091,900

12. Maturities of long-term liabilities

Group	2009	2010	2011	2012	2013–	Total
Loans from financial institutions	5,178	5,178	4,878	4,578	5,947	25,759
Deferred tax liabilities					8,396	8,396
Other long-term liabilities	74	36	9		286	405
Total						34,560

EUR 1,000

13. Provisions	Group Dec. 31, 2007	Group Dec. 31, 2006	Parent Dec. 31, 2007	Parent Dec. 31, 2006
Personnel costs	1,711	1,045	1,711	1,045
Other	3,608	2,095	1,650	1,750
Total	5,319	3,140	3,361	2,795

14. Deferred tax assets and liabilities

Long-term assets	81	94		
Short-term assets	468	805		
Long-term liabilities	-8,396	-7,656	-6,825	-6,589
Short-term liabilities	-29			
Total	-7,876	-6,757	-6,825	-6,589

Arising from

Depreciation difference	-205	-118		
Revaluations	-6,824	-6,593	-6,825	-6,589
Tax losses	17	476		
Other timing differences	-864	-522		
Total	-7,876	-6,757	-6,825	-6,589

15. Accrued expenses and deferred income

Long-term

Other	17	26	17	26
Total	17	26	17	26

Short-term

Personnel costs	9,996	9,571	186	219
Interest expense	295	383		
Current tax payable	469	732		305
Other	6,567	4,495	9	10
Total	17,327	15,181	195	534

16. Receivables from and liabilities to Group companies

Notes receivable			35,520	19,077
Accounts receivable			20	137
Other receivables			33	
Prepaid expenses and accrued income			1,967	1,954
Total			37,540	21,168

Other short-term debt			13,094	15,925
Accrued expenses and deferred income			260	142
Total			13,354	16,067

17. Receivables from and liabilities to associated companies

Notes receivable	21,952	12,568	1,153	9,568
Accounts receivable	124		124	
Other receivables	9		9	
Prepaid expenses and accrued income	635	115	5	31
Total	22,720	12,683	1,291	9,599

18. Collaterals

For own liabilities

Loans from financial institutions	24,030	72,902		
Amount of mortgages and pledges	14,975	75,170		

For other own commitments	80	1,277		
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For commitments of Group companies	81,392	19,654		
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Notes to Income Statement and Balance Sheet

EUR 1,000

19. Contingent liabilities	Group	Group	Parent	Parent
	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2006
Leasing commitments				
Current portion	7,678	3,557	9	20
Long-term portion	19,747	8,480	8	7
Commitments on behalf of Group companies	3,545	42,709	3,545	42,709
Commitments on behalf of others	46,762		46,762	

20. Shares

Subsidiaries	Country	Holding, %
AC-Kiinteistö Oy	Finland	100
AC Kinnistute AS	Estonia	100
Karhula Osakeyhtiö	Finland	100
ACEMS AB	Sweden	100
Enics AG	Switzerland	90
Enics Schweiz AG	Switzerland	
Enics Eesti AS	Estonia	
Enics Sweden AB	Sweden	
Enics Electronics (Beijing) Ltd.	China	
Enics Finland Oy	Finland	
Enics Varkaus Oy	Finland	
AC Kosmo AB	Sweden	100
CET group AB	Sweden	90
CET group (Finland) Ab	Finland	
CET group (Norge) AS	Norway	
Pisara AB	Sweden	70
Waspel AB	Sweden	100
Elbi Elektrik International	Turkey	50
Elmas Elektrik	Turkey	
Krasno AB	Sweden	100
Kuban AB	Sweden	
Elva Holding Oy	Finland	100
AC Verwaltungs-GmbH	Germany	100
Sulma Fastigheter AB	Sweden	100
Symbihold AB	Sweden	100
Symbicon Ltd	Finland	43
Saciv AB	Sweden	100
Å&R Carton AB	Sweden	45
Associated companies		
Nordkalk Corporation	Finland	31
Oy Kvartett Invest Ab	Finland	45
Other significant shareholdings		
Vacon Plc		
Holding 2,297,996 shares, ownership 15%		
Book value EUR 19.8 million, market value EUR 64.3 million at Dec. 31, 2007		

Income Statement, Parent Company

EUR 1,000	Note	2007	2006
Net Sales	1	3,931	2,420
Other operating income	2	79	0
Personnel costs	3	-1,715	-1,680
Depreciation, amortization and reduction in value	7	-355	-334
Other operating expense		-3,783	-2,495
Operating profit		-1,843	-2,089
Financing income and expense	5		
Interest and other financing income		6,733	4,596
Interest and other financing expenses		-1,320	-450
		5,413	4,146
Result before appropriations and taxes		3,570	2,057
Change in depreciation difference		-86	-47
Income taxes	6	-109	-332
Net result for the period		3,375	1,678

Statement of Cash Flows, Parent Company

EUR 1,000	2007	2006
Cash flow from operating activities		
Operating profit	-1,844	-2,089
Depreciation and amortization	356	334
Other adjustments	566	69
Cash flow from operations before change in net working capital	-922	-1,686
Change in net working capital	-1,397	-1,507
Cash flow from operations	-2,319	-3,193
Interest and other financing income	6,327	4,593
Interest and other financing expenses	-914	-446
Income taxes	-109	-332
Net cash flow from operating activities	2,985	622
Cash flow from investing activities		
Capital expenditure	-2,451	-1,288
Other investments	-36,837	-8,334
Proceeds from sales of non-current assets	20,544	680
Change in notes receivable and other receivables	-9,476	4,417
Net cash flow from investing activities	-28,220	-4,525
Cash flow from financing activities		
Change in short-term debt	-2,830	5,374
Dividends paid	-3,609	-2,166
Net cash flow from financing activities	-6,439	3,208
Change in cash and financial investments	-31,674	-695
Cash and financial investments at beginning of period	42,357	43,052
Cash and financial investments at end of period	10,683	42,357

Balance Sheet, Parent Company

Assets

EUR 1,000	Note	Dec. 31, 2007	Dec. 31, 2006
Non-current assets			
Intangible assets 7			
Intangible rights		9	10
		9	10
Tangible assets 7			
Land and water areas		26,254	26,254
Buildings and constructions		7,888	8,148
Machinery and equipment		616	349
Advances paid and construction in progress		4,455	2,366
		39,213	37,117
Investments 8			
Shares in Group companies		71,932	35,095
Shares in associated companies		9,337	29,873
Receivables from Group companies	16	21,641	10,617
Receivables from associated companies	17	0	9,568
Other shares		22,274	21,418
		125,184	106,571
Current assets			
Receivables			
Long-term			
Receivables from Group companies	16	13,879	8,460
Other receivables		98	98
		13,977	8,558
Short-term			
Accounts receivable		1,811	160
Receivables from Group companies	16	2,020	2,091
Receivables from associated companies	17	1,291	31
Notes receivable		583	0
Other receivables		3	360
Prepaid expenses and accrued income	9	97	82
		5,805	2,724
Financial investments		5,215	41,328
Cash and bank		5,468	1,029
TOTAL ASSETS		194,871	197,337

Shareholders' equity and liabilities

EUR 1,000	Note	Dec. 31, 2007	Dec. 31, 2006
Shareholders' equity 10			
Share capital		36,092	36,092
Capital in excess of par value		12,774	12,774
Retained earnings		117,566	119,733
Net result for the period		3,375	1,678
		169,807	170,277
Accumulated appropriations			
Depreciation difference		548	462
Provisions	13	3,361	2,795
Liabilities			
Long-term			
Deferred tax liabilities	14	6,825	6,589
Accrued expenses and deferred income	15	17	26
		6,842	6,615
Short-term			
Accounts payable		658	325
Liabilities to Group companies	16	13,354	16,067
Other liabilities		106	262
Accrued expenses and deferred income	15	195	534
		14,313	17,188
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES			
		194,871	197,337

Auditor's Report

To the Shareholders of Ahlström Capital Oy

We have audited the accounting records, the report of operations, the financial statements and the administration of Ahlström Capital Oy for the period 1 January – 31 December 2007. The Board of Directors and the President and CEO have prepared the report of operations and the financial statements, which include the consolidated and parent company balance sheets, income statements, cash flow statements and notes to the financial statements. Based on our audit we express an opinion on these financial statements, as well as on the report of operations and on administration of the parent company.

We have conducted the audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance about whether the report of operations and the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. The purpose of our audit of administration is to examine that the members of operations and the President and CEO of the parent company have complied with the rules of the Limited Liability Companies Act.

In our opinion, the report of operations and the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements in Finland. The report of operations and the financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of the financial position. The report of operations is consistent with the financial statements. The financial statements with the consolidated financial statements can be adopted and the members of the Board of Directors and the President and CEO of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the disposal of distributable funds is in compliance with the Limited Liability Companies Act.

Helsinki, 18 February 2008

KPMG OY AB
Sixten Nyman
Authorized Public Accountant

Proposal for the Distribution of Profits

According to the parent company's balance sheet as at December 31, 2007, the retained earnings and net result for the accounting period are:

	EUR
Retained earnings	117,566,452
Net income for the period	3,374,641
<hr/>	
Total distributable funds	120,941,093

The Board of Directors proposes that a dividend of 16.50 euros per share be paid on the 360,919 shares, and the remainder be retained. 5,955,164

Helsinki, February 15, 2008

Morten Ahlström

Karl Grotenfelt

Johannes Gullichsen

Jouko Oksanen

Martti Saikku

Jan Inbarr
President and CEO

Key Figures

	2007	2006	2005	2004	2003
Net sales, MEUR	358.3	305.2	244.2	138.3	38.2
Other income from operations, MEUR	17.3	4.0	9.7	7.3	8.2
Operating profit, MEUR	27.2	10.5	11.4	11.7	8.7
Share of associated companies' results, MEUR	1.8	4.1	-1.2	0.5	-10.1
Net result for the period, MEUR	23.4	10.5	8.6	15.2	2.5

	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2005	Dec. 31, 2004	Dec. 31, 2003
Equity ratio, %	65	59	60	69	88
Gearing, %	7	1	-10	-4	-21
Equity/share, EUR	529.10	479.69	453.96	461.06	430.51
Net asset value/share, EUR	669.36	630.56	501.85	471.11	430.76
Equity/share, EUR, adjusted*	562.10	482.69	470.96	472.06	437.51
Net asset value/share, EUR, adjusted*	702.36	653.56	518.85	482.11	437.76
* adjusted with dividends paid					
Net result of the period/share, EUR	63.23	29.12	23.93	42.11	6.79
Dividend/share, EUR	16.50**	10.00	6.00	6.00	4.00

** proposal by the Board of Directors

Formulas for Key Figures

Equity ratio	$\frac{\text{Shareholders' equity} + \text{Minority interest}}{\text{Balance sheet total} - \text{Advances received}} \times 100$
Gearing	$\frac{\text{Interest-bearing debts} - \text{Money market instruments} - \text{Cash and bank}}{\text{Shareholders' equity} + \text{Minority interest}} \times 100$
Earnings per share	$\frac{\text{Profit before extraordinary items and taxes} - \text{Taxes on regular operations} \pm \text{Minority interest}}{\text{Number of shares on average for accounting period}}$
Equity per share	$\frac{\text{Shareholders' equity at the end of fiscal year}}{\text{Number of shares at the end of fiscal year}}$

Book Value and Net Asset Value of the Shares

EUR 1,000 if not otherwise stated	31 Dec. 2007	31 Dec. 2006
Book value of Ahlström Capital Oy's		
shareholders' equity	191,063	173,171
shareholders' equity, per share, EUR	529.38	479.81
Differences in the book value and net asset value		
Book value of shares in Vacon Plc	19,758	19,758
Net asset value of shares in Vacon Plc*	52,762	39,521
Book value of the Eteläesplanadi real estate	31,452	29,072
Net asset value of the Eteläesplanadi real estate*	33,590	31,714
Book value of shares in Nordkalk Corporation	24,929	18,267
Net asset value of shares in Nordkalk Corporation*	40,271	40,271
Differences in the book value and net asset value, total	50,523	54,409
Net asset value of Ahlström Capital Oy's		
shareholders' equity	241,586	227,580
shareholders' equity, per share, EUR	669.36	630.56

* Net asset value is the market value adjusted for the deferred taxes

Return on Capital Employed

The return on capital employed has been computed as follows:

Operating profit + share of profit (loss) of associated companies +
 interest and other financial income +
 changes in the market value of Vacon shares +
 changes in the market value of Nordkalk shares

x 100

Total assets – non-current liabilities +
 difference between the market and book value
 of Vacon shares + difference between the market and book value
 of Nordkalk shares, on average for accounting period

Shares and Shareholders

Shares and Share Capital

Ahlström Capital Oy's registered share capital on December 31, 2007 was EUR 36,091,900. By decision of the Annual General Meeting held on March 26, 2007, the stipulations concerning the nominal value of the shares and the minimum and maximum capital were deleted from the Articles of Association.

The company has one series of shares. All shares entitle the holder to one vote in the general meeting of shareholders.

The Articles of Association include a redemption clause referred to in Chapter 3 Section 7 of the Limited Liability Companies Act.

Shareholdings

At the end of 2007, Ahlström Capital Oy had 216 shareholders.

Shareholders by Group on December 31, 2007

	Number of shares	Percentage of shares
Companies	37,903	10.5
Financial and insurance institutions	3,750	1.0
Public corporations	23,490	6.5
Finnish households	238,200	66.0
Foreign households	52,312	14.5
Others	5,264	1.5
Total	360,919	100.0

Distribution of Shareholdings on December 31, 2007

Number of shares	Number of shareholders	Percentage of shareholders	Number of shares and votes	Percentage of shares	Average number of shares held
1-100	66	30.5	2,037	0.6	31
101-500	38	17.6	8,241	2.3	217
501-1,000	26	12.0	20,736	5.7	798
1,001-2,500	41	19.0	60,874	16.9	1,485
2,501-5,000	28	13.0	101,779	28.2	3,635
over 5,000	17	7.9	167,252	46.3	9,838
	216	100.0	360,919	100.0	1,671

Shareholding by the Board of Directors

On December 31, 2007 members of the Board of Directors held 11,874 shares in Ahlström Capital Oy, representing 3.3 percent of the voting rights and shares.

Morten Ahlström holds 967 shares in Nordkalk Corporation and 1,030 shares in Å&R Carton AB.

Governance Principles

Ahlström Capital Oy is a private limited company registered in Finland. The company follows good corporate governance practices based on the Finnish Limited Liability Companies Act, the company's Articles of Association and the recommendations regarding corporate governance for listed companies in Finland.

Ahlström Capital is a member of the European Private Equity & Venture Capital Association (EVCA) and the Finnish Venture Capital Association.

The company provides, on regular basis, information to shareholders, employees and the public. It also maintains a website, www.ahlstromcapital.com, which posts information on the company and its activities.

The work of the Board of Directors is also governed by rules of procedure, which define the responsibilities and working methods of the Board of Directors and the management as well as the company's reporting practices.

Ahlström Capital Oy is the parent company of the Group. In that capacity, it is responsible for the development of the Group, prepares the Group's financial reporting and supports the Group and associated companies in financial, legal and management matters.

The Group consists of a number of independent subgroups and companies. The decisions regarding their operations are taken by each company's own decision-making bodies.

Ahlström Capital holds significant minority interests in associated companies.

Ahlström Capital exercises its ownership through representatives elected by its Board in the decision-making bodies of its subsidiaries and associated companies.

General Meeting of Shareholders

The highest authority in Ahlström Capital is exercised by the shareholders at General Meetings of Shareholders. The Annual General Meeting decides on the number of members on the Board of Directors and elects the members to the Board. In addition, the General Meeting of Shareholders has exclusive authority over matters such as amending the Articles of Association, adopting the financial statements, deciding on the distribution of profits, and electing auditors.

The Annual General Meeting was held in Helsinki on March 26, 2007.

A notice of a General Meeting is either published in the Official Gazette or delivered to shareholders by registered mail no earlier than two months and no later than two weeks prior to a General Meeting.

To attend a General Meeting, shareholders must register in advance.

Notifications to shareholders are delivered in written form by mail.

The Board of Directors

The Annual General Meeting elects no fewer than five and no more than seven ordinary members to the Board of Directors for a term of one year at a time. The Board chooses a Chairman from among its members. The current Board has five members, four of whom – Morten Ahlström, Karl Grotenfelt, Johannes Gullichsen and Jouko Oksanen – have been on the Board since the company was founded on June 30, 2001. Thomas Ahlström having declined re-election, the Annual General Meeting elected Mr. Martti Saikku, M.Sc. (Econ.), to succeed him.

The Board represents the owners of the company. The duties and responsibilities of the Board are based on the Finnish Limited Liability Companies Act and other applicable legislation, as well as on the Articles of Association and the Rules of Procedure adopted by the Board. The Board has general jurisdiction over all company affairs which under law or the Articles of Association are not specifically to be decided or implemented by other bodies.

The Board attends, together with the President, to internal supervision, which also includes risk management.

The Board confirms the company's and the Group's general targets and strategy and approves its annual plans. The Board decides on direct investments and divestitures.

The Board had eight meetings during the year, five of which were attended by all the members and three by four members.

Members of the Governance and Compensation Committee are the Chairman of the Board and the Board members Karl Grotenfelt and Jouko Oksanen. The President presents the issues to be deliberated on by the committee. The committee prepares issues regarding the company's and Group's administration, salaries and incentives applicable within the company and management's terms of employment for the consideration of the Board.

President and Personnel

Ahlström Capital's President is appointed by the Board. The President plans and manages the company's and Group's business operations and bears responsibility for the company's and Group's running administration in compliance with the instructions and decisions of the Board. He supervises and manages the analysis and appraisal of prospective investments, and the development and divestiture of holdings.

Jan Inborr who has served as the company's President since its incorporation on 30 June 2001, will retire according to the terms of his employment contract at the end of March 2008 after having reached the age of 60. As his successor has been appointed Mr. Panu Routila, M.Sc. (Econ.), who will take up his new position on April 1, 2008.

Jan Inborr is chairman of the Board of Directors of Enics AG, Vacon Plc and Symbicon Ltd, vice chairman of the Board of Å&R Carton AB as well as serving on the Boards of Directors of Ahlstrom Corporation, Nordkalk Corporation, BaseN Corporation, and the Åbo Akademi University Foundation.

Jan Inborr's holdings in portfolio companies are as follows: Å&R Carton AB 1,250 shares, Enics AG 25,000 shares and Symbicon Oy 1,250 shares.

Panu Routila is entitled to retire at the age of 63 and has the right to severance pay equal to 6 months' salary in the event of termination of employment.

In his duties, the President is supported by a team of seven professionals. They assist the President, monitor and develop actively the operations of the company in accordance with the objectives set, handle reporting and prepare decisions on investments for discussion by the Board.

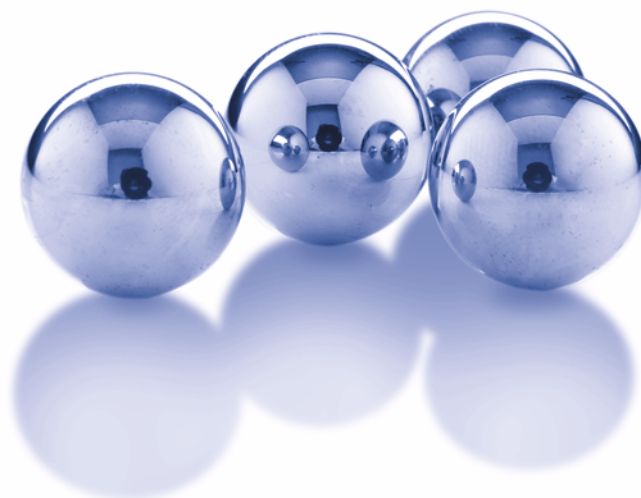
Salaries and Remuneration

The General Meeting of Shareholders confirms the remuneration of the members of the Board for one year at time. The remuneration in 2007–2008 is EUR 1,500 per month and EUR 400 per meeting. The Chairman is paid a double monthly fee. The Board decides on the President's salary and benefits and it also confirms the salaries and benefits for the other management.

Supervision

Ahlström Capital's auditor is the auditing firm KPMG Oy Ab, with Sixten Nyman, Authorized Public Accountant, as the auditor in charge. The auditors supply the company's shareholders with the statutory auditor's report as part of the annual financial statements. The auditors also report on their observations to the company's Board.

The fees paid for the audit of the Group in 2007 were 0.4 million euros.



Board of Directors



Morten Ahlström

born 1943, M.Sc. (Econ.)
Chairman of the Board

Chairman of the Board: Å&R Carton AB, Pisara AB,
Quartona Oü
Vice Chairman: EOS Russia AB
Member of the Board: Nordkalk Corporation, Enics AG
Managing Director of Antti Ahlströmin Perilliset Oy



Karl Grotenfelt

born 1944, LL.M.

Chairman of the Board:
Famigro Oy
Member of the Board:
UPM-Kymmene
Corporation, Fiskars
Corporation



**Johannes
Gullichsen**

born 1964,
B.Sc. (Eng.), MBA

Partner,
RAM Partners Oy
Chairman of the Board:
Alfakemist Kapitalför-
valtning Ab
Member of the Board:
RAM Partners Oy,
RAM Partners Alternative
Strategies Plc.



Jouko Oksanen

born 1951, M.Sc. (Econ.)

CFO, Varma Mutual Pension
Insurance Company
Chairman of the Board:
F-Publishing Ltd,
F-Musiikki Oy, Kyllikki and
Uolevi Lehikoinen Foundation
Vice Chairman of the Board:
Arek Oy, The Finnish Diabetes
Research Foundation
Member of the Board:
Tamfelt Corp.



Martti Saikku

born 1960, M.Sc. (Econ.)

Head of Institutional
Business, SEB Gyllen-
berg Asset Management
Board member:
Saastamoinen
Foundation,
SEB Gyllenberg Funds

Personnel



Jan Inborr

Born 1948, B.Sc. (Econ.)
President and CEO until March 31, 2008



Panu Routila

Born 1964, M.Sc. (Econ.)
President and CEO from April 1, 2008



Kai Becker

Born 1970, M.Sc. (Econ.)
Investment Director until February 29, 2008



Johan Borgström

Born 1948, LL.M.
General Counsel



Sebastian Burmeister

Born 1975, M.Sc. (Econ.)
Investment Manager



Kari Cederberg

Born 1947, B.Sc. (Econ.)
Financial Director



Henrik Mikander

Born 1949, MBA
Investment Director



Leena Savolainen

Born 1948, BA
Executive Assistant



Helena Staffans

Born 1956, B.Sc.
(Commerce and languages)
Executive Assistant to CEO

Information for Shareholders

Annual General Meeting

Ahlström Capital Oy's Annual General Meeting will be held in Helsinki, Eteläesplanadi 14, on Thursday, March 27, 2008, at 5 p.m.

The Notice of the Annual General Meeting has been published in the Official Gazette No. 25 / February 27, 2008.

Financial Information

Ahlström Capital's annual report for 2007 is published in English, Swedish and Finnish.

In 2008, the company will issue a financial review to its shareholders for the period January 1 – June 30.

The company's annual report for 2008 is estimated to be completed in March 2009.

The annual report is available on the Internet at www.ahlstromcapital.com

Certain statements herein are not based on historical facts, including, without limitation those regarding expectations for market growth and developments, returns and profitability. Phrases containing "believes", "expects", "anticipates", "foresees", or similar expressions, are forward-looking statements. Since these are based on forecasts, estimates and projections, they involve an element of risk and uncertainty, which may cause actual results to differ more or less from those expressed in such expectations and statements.



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Heritage counts...



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