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ANNUAL REPORT 2007

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2007 was a year of great success for Olvi Group

Olvi Group continued its strong and successful growth throughout the year 2007 both in Finland and the Baltic states. All Olvi Group companies set new records for net sales, sales volume, operating profit and overall market position.

Olvi Group's net sales increased by 21.1 percent and operating profit by 25 percent on the previous year. In five years, Olvi Group's net sales have doubled and the operating profit has tripled. The growth in 2007 was made possible by simultaneous success in all market areas, controlled expansion of the overall product range, increased total volume, focused new products and cost control. Olvi Group's success was excellent in the first and fourth quarters that have previously involved smaller volumes due to the seasonal character of the beverage industry.

Substantial investments supported Olvi Group's growth in 2007. Growth was also strengthened by investments in new emerging types of packaging, recyclable plastic deposit bottles and cans, which were called for by the competitive situation.

Olvi Group strengthened and expanded Group control and developed purchasing co-operation within the Group to gain competitive terms and conditions for purchases.

The Tykes project improving the productivity and efficiency of work and staff well-being was implemented in the parent company Olvi plc. The successful project was implemented with enthusiasm and created a good spiritual foundation by increasing staff commitment and providing incentives.

Olvi plc initiated an internationalisation survey with the aim of entering the Baltic Sea region's markets with select products that provide good margins.

Three quality management systems were certified in the parent company: ISO 9001:2000 (quality), ISO 14001:2004 (environment) and OHSAS 18001:1999 (safety).

Olvi's development in the Baltic states clearly outperformed average market growth. The company strengthened its number one position in the Estonian beverage market, established a strong number two position in the Latvian beverage market and increased the proportion of its own brand related to total sales in Lithuania.

The sustained uptrend in the equity markets turned to a clear downswing in 2007 across the entire OMX Nordic Exchange. The increase in Olvi's share price in the previous years (2005–2006) substantially outperformed the average development of publicly quoted shares. The average price of the Olvi A share in 2007 was 24.14 euro.

The market capitalisation of Olvi's publicly quoted Series A stock at the end of 2007 stood at 204.3 million euro. Olvi's market value increased by 34.0 million euro or 20 percent in a year.

OLVI GROUP'S FINANCIAL STATEMENTS 2007

Olvi Group's net sales in 2007 improved by 21.1 percent to 205.2 (169.4) million euro, while operating profit improved by 25.0 percent to 23.1 (18.5) million euro. Olvi Group's growth continued and earnings improved also in the fourth quarter of 2007. Net sales for the quarter stood at 49.5 (39.5) million euro, while operating profit was 3.2 (1.7) million euro. Full-year profitability improved substantially in all of the four operating countries. The Group's gross capital expenditure amounted to 25.4 (21.9) million euro. The equity to total assets ratio remained good at 47.7 (49.6) percent. Earnings per share improved to 1.83 (1.43) euro.

OLVI GROUP'S KEY INDICATORS

	1-12/2007	1-12/2006	1-12/2005
Net sales, MEUR	205.2	169.4	147.5
Operating profit, MEUR	23.1	18.5	13.0
Gross capital expenditure, MEUR	25.4	21.9	17.4
Earnings per share, EUR	1.83	1.43	0.95
Equity per share, EUR	8.61	7.46	6.48
Equity to total assets, %	47.6	49.6	47.9
Gearing, %	45.6	47.3	49.6

SALES VOLUME, NET SALES AND EARNINGS IN 2007

Olvi Group's sales volume, net sales and earnings

Olvi Group's sales in 2007 totalled 342 (303) million litres, an increase of 38 million litres or 12.6 percent. The sales improvement in Finland was 25.0 percent and in the Baltic states 10.5 percent.

Sales of Olvi Group's geographical segments (1,000 litres)

	2007	2006
Olvi Group total	342	303
Finland	138	110
Estonia	138	128
Latvia	54	43
Lithuania	43	42
- internal sales	-31	-19

The Group's net sales in 2007 amounted to 205.2 (169.4) million euro, representing an increase of 35.8 million euro or 21.1 percent. Net sales in Finland increased by 17.1 million euro or 21.5 percent, and aggregate net sales in the Baltic states increased by 23.8 million euro or 24.4 percent. Net sales growth in the Baltic states in 2007 clearly outperformed the growth in sales volume.

Olvi Group's operating profit in 2007 stood at 23.1 (18.5) million euro, or 11.3 (10.9) percent of net sales. This represents an increase of 4.6 million euro or 25.0 percent on the previous year. Operating profits improved on the previous year in all of the Group companies. The operating profit improvement in Finland was 20.6 percent, and the corresponding aggregate improvement in the Baltic states was 29.4 percent.

Profit for the accounting period after taxes stood at 19.0 (14.8) million euro, an improvement of 4.2 million euro or 28.0 percent on the previous year. Earnings per share improved by 28.0 percent to 1.83 (1.43) euro per share.

Parent company Olvi plc

The parent company Olvi plc's sales in 2007 totalled 138 (110) million litres, an increase of 27 million litres or 25.0 percent. Factors contributing to the growth included a controlled increase in promotional sales of beer, new products in ciders, the successful launch of a long drink product that is sold in grocery shops and filled a gap in Olvi's product range, as well as new customer relationships.

The greatest sales growth was seen in beers and long drinks. Sales of ciders and soft drinks also increased substantially thanks to expanded product ranges. Sales of mineral waters declined due to intense price competition.

Tax-free sales and freighted work for the Baltic subsidiaries amounted to a total of 9.8 (5.3) million litres in 2007, which is 7.2 (4.8) percent of total sales.

Olvi plc's market share in medium-strength beer increased substantially in 2007.
According to the Nielsen market research company, Olvi plc took the second place in retail sales of beer in the middle of September. From the beginning of the year to the end of December, Olvi's market share in medium-strength beer by value was 21.0 (17.5) percent.

Olvi plc's total market share in its main product groups (beers, ciders, soft drinks and mineral waters) in grocery shops at the end of December 2007 was 18.7 (18.3) percent.

The parent company's net sales in 2007 amounted to 96.5 (79.5) million euro, representing an increase of 17.1 million euro or 21.5 percent.

Olvi plc's operating profit in 2007 totalled 8.5 (7.1) million euro or 8.8 (8.9) percent of net sales. The operating profit improved by 1.4 million euro or 20.6 percent.

Non-marketability write-downs on the obsolete package inventory were booked for a total of 1.8 (1.6) million euro.

AS A. Le Coq

The total sales of Olvi plc's Estonian subsidiary AS A. Le Coq in 2007 amounted to 138 (128) million litres, an increase of 10 million litres or 8.1 percent on the previous year. In terms of litres sold, the greatest increase was seen in beers, while proportional growth was greatest in energy drinks and long drinks. Sales growth was also considerable in juices. Sales of soft drinks and waters declined slightly.

AS A. Le Coq had an average market share of approximately 40 (37) percent of the beer market in 2007. The company is a clear market leader in ciders and long drinks with market shares of 48 to 57 percent.

Exports and internal sales to other Olvi Group companies in 2007 amounted to a total of 24 (19) million litres.

During 2007, AS A. Le Coq's net sales growth clearly outperformed the growth in sales volume thanks to the increased proportions of products such as Premium beers, energy drinks and long drinks. Net sales in 2007 totalled 72.5 (60.6) million euro, representing an increase of 11.9 million euro or 19.6 percent. The net sales figures have been adjusted for comparability with the Group's other units.

AS A. Le Coq's operating profit in 2007 amounted to 10.8 (9.3) million euro or 15.0 (15.1) percent of net sales. The operating profit increased by 1.6 million euro or 16.9 percent compared to the previous year.

AS A. Le Coq was ranked the best food industry company in Estonia for the third time in a row. The annual Competitive List of the Best Performances of the Estonian Enterprises competition is arranged by the Estonian Chamber of Commerce and Industry, Enterprise Estonia and the Estonian Employers' Confederation. Winners are chosen on the basis of factors such as competitive ability, sales development, profitability, staff costs, investments and balance sheet value.

A/S Cēsu Alus

The total sales of Olvi plc's Latvian subsidiary A/S Cēsu Alus in 2007 amounted to 54 (43) million litres, increasing by 11 million litres or 26.6 percent. The greatest growth in sales volume was seen in beers that represent approximately 70 percent of total sales. The sales of ciders and waters doubled, and the sales of energy drinks tripled. Sales of long drinks, functional beverages and well-being beverages also increased substantially.

Exports and internal sales to other Olvi Group companies in 2007 stood at 1 million litres, which was on a par with the previous year.

In the primary product group, beers, A/S Cēsu Alus's market position has strengthened to more than 25 percent, and the brewery is now clearly the number two player in the market.

The company's net sales in 2007 amounted to 26.7 (18.6) million euro, representing an increase of 8.1 million euro or 43.7 percent.

Thanks to the growth, A/S Cēsu Alus's profitability has improved substantially. Operating profit in 2007 totalled 2.3 (0.9) million euro, an increase of 1.4 million euro. Operating profit in proportion to net sales was 8.2 (4.6) percent.

AB Ragutis

The total sales of the Lithuanian company AB Ragutis in 2007 amounted to 43 (42) million litres, representing an increase of 1 million litres or 1.3 percent. The sales of Ragutis long drinks, energy drinks and soft drinks are rapidly increasing in Lithuania. Sales of ciders have also developed favourably. The sales of beer declined slightly as the company scaled down its Private Label production.

In 2007, the company had an average market share of 10 percent in the Lithuanian beer market, approximately 37 percent in the cider market and approximately 21 percent in the long drink market.

Exports and internal sales to other Olvi Group companies in 2007 amounted to 1.6 (0) million litres.

The company's net sales in 2007 amounted to 22.1 (18.2) million euro, representing an increase of 3.9 million euro or 21.1 percent. The net sales of AB Ragutis have clearly outperformed the increase in sales volumes in 2007 thanks to the decreased proportion of private label products in total sales. The net sales improvement was also affected by the favourable development of sales volumes and prices of other product groups that are now supplementing beer.

The operating profit of AB Ragutis has improved thanks to major investments and the good development of sales volumes. Net sales in 2007 amounted to 1.6 (1.2) million euro, representing an increase of 0.3 million euro or 25.3 percent. Operating profit in proportion to net sales was 7.0 (6.8) percent.

Factors contributing to the favourable sales and earnings development of the Baltic companies also included expansion and reform of the product and package ranges, as well as efficient utilisation of increased capacity.

FINANCING AND INVESTMENTS

Olvi Group's balance sheet total at the end of December 2007 was 187.0 (156.0) million euro. Shareholders' equity increased by 11.8 million euro on the previous year, standing at 89.2 (77.4) million euro. Equity per share at the end of December stood at 8.61 (7.46) euro. The equity to total assets ratio remained on a healthy level in 2007. The ratio was 47.7 (49.6) percent and declined only slightly in spite of substantial investments, dividend payouts and the acquisition of treasury shares.

The amount of interest-bearing liabilities at the end of the accounting period was 45.0 (38.7) million euro, including current liabilities of 16.4 (11.6) million euro. The amount of interest-free liabilities was 51.7 (38.5) million euro.

Olvi Group's gross capital expenditure in 2007 amounted to 25.4 (21.9) million euro. The parent company Olvi plc accounted for 8.5 million euro and the subsidiaries in the Baltic states for 16.9 million euro of the total. The largest investments in 2007 were the filling and packaging lines for recyclable plastic bottles at Olvi plc and AS A. Le Coq, as well as extensions to storage facilities at A/S Cēsu Alus and AB Ragutis.

The gross capital expenditure also includes purchases made on finance lease.

PRODUCT DEVELOPMENT 2007

Research and development includes projects to design and develop new products, packages, processes and production methods, as well as further development of existing products and packages. The R&D costs have been recognised as expenses. Olvi Group's research and development costs in 2007 totalled 0.4 (0.2) million euro.

NEW PRODUCTS

Finland, parent company Olvi plc

Several new products and packages were launched during 2007. The Donald Duck Raspberry soft drink for children was launched in January 2007 and was the first product in Finland to comply with Disney's new quality requirements for more healthy foods ("Loved by kids, trusted by moms"). The product has a low glycemic index, which prevents the intoxicating effect of rapidly increasing blood sugar. The Disney range was expanded with Donald Duck Pear in January 2008. Other new soft drinks included The Simpsons Orange Light, Ananas Light and Grapefruit within the Classic range, as well as Light Vanilla Cola launched in January 2008.

Olvi plc entered a new product group, long drinks sold in grocery shops, through the introduction of OLVI Greippi-Lonkero cans in April 2007. Olvi Greippi-Lonkero achieved an approximate market share of 8 percent by value by the end of 2007.

The FIZZ cider range was expanded with two new FIZZ Cooler products in April 2007: Strawberry-Vanilla and Light Lime-Grapefruit. The range was further complemented by FIZZ Cooler Winter Cider in the autumn of 2007.

Other important new introductions included OLVI Ykkönen light beer in cans, as well as OLVI Finland 90 years anniversary beer. The Olvi KevytOlo range of mineral waters was expanded by Olvi KevytOlo Green Apple that gets its flavour from real apples, followed by the introduction of Olvi KevytOlo Blackcurrant in January 2008. Olvi TEHO, which holds the third place in the Finnish energy drink market, has also been available in 6-packs since early 2007 and in larger 0.5 L cans since January 2008. TEHO was also launched as a light product in the autumn.

The year 2007 was marked by the design of recyclable plastic deposit bottles. Olvi's recyclable plastic deposit bottle was launched on 6 November 2007. It was designed by Harri Koskinen, who has received most international success among the current generation of Finnish designers. The bottle represents a timeless simplified style and is suitable for all product groups, which means that the same bottle can be used for products such as mineral waters, soft drinks, energy drinks, ciders and long drinks.

Baltic states

The AS A. Le Coq brewery celebrated its 200th anniversary in 2007. The company launched a number of new products. The anniversary beer, A. Le Coq Special 1807, in a transparent special glass bottle with a twist off cap was a success.

In the alcoholic beverages segment, AS A. Le Coq entered a completely new product group, ready-to-drink cocktails, through the introduction of Sex on the Beach, Cosmopolitan and Cuba Libre under the Chill brand in the spring of 2007. The products have an alcohol content of six percent. Traditional long drinks were complemented by the launch of GIN Pink. Two new cider products were introduced: FIZZ Diamond and FIZZ Cherry.

In co-operation with the University of Tartu, AS A. Le Coq developed a completely new type of beverage in 2007. According to a study, the product improves your memory and concentration ability while reducing stress in mental work. The active ingredient is L-theanine, a natural amino acid commonly found in green tea, for example. The new product, Tarkuse Vesi or "Water of Wisdom" also contributed to the celebration of the University of Tartu's 375th anniversary.

AS A. Le Coq launched Aura soft drink products in addition to the attractively priced Classic range. The range of Aura juices was supplemented by Aura Tropical products, while energy drinks saw the addition of the Dynamite brand.

Olvi Group has made systematic efforts to unify operating models across the Group and intensify co-operation particularly in product development, as this will bring Group-level resource savings and improve the efficiency of product development. The cross-Baltic brands FIZZ, Aura, Dynamite and Chill are good examples of well-functioning co-operation. In addition to this, products developed with joint concepts are going to be introduced under the Group companies' own brands.

The most important new introductions in Latvia in 2007 were the Cēsu DRY beer in 0.5 L transparent glass bottles and the Cēsu Premium Limited Edition beer in 0.5 L cans, both launched in June. A. Le Coq Porter is popular in Estonia, and A/S Cēsu Alus launched a version in Latvia under the name Cēsu Balsam Porter. The company also launched Chill ready-to-drink cocktails, the Cēsu GIN Pink long drink and the Dynamite energy drink developed under Estonian concepts.

In Lithuania, AB Ragutis introduced the Estonian DRY beer concept under its own Horn brand. The brewery's other beer brand, Fortas, saw the introduction of Fortas Draught in 0.5 L cans. The cross-Baltic FIZZ Diamond and FIZZ Cherry ciders, as well as the Dynamite energy drink, were introduced also in Lithuania besides Estonia and Latvia.

GROUP STRUCTURE

The merger process between AS A. Le Coq Group, a holding company fully owned by Olvi plc, and its 100% subsidiary AS A. Le Coq, is still underway. According to present estimates, the merger will be completed in early 2008. The arrangements will have no effect on Olvi Group's earnings or balance sheet.

At the end of December 2007, Olvi Group's holding in AS A. Le Coq was 100 percent, in A/S Cēsu Alus 97.89 percent and in AB Ragutis 99.57 percent. In October-December, AS A. Le Coq Group increased its holding in AB Ragutis by 1,465 shares from 99.558 percent to 99.571 percent. The purchase price was 4,242.93 euro.

CORPORATE GOVERNANCE

Olvi plc has corporate governance guidelines approved by the Board of Directors that are in compliance with the recommendations of HEX, the Central Chamber of Commerce and the Confederation of Finnish Industries. The company maintains a public and company-specific insider register, as well as project-specific insider registers for individual projects. Public insiders comprise the members of the Board of Directors and Management Group, auditors and their closely related parties.

PERSONNEL

The aim of Olvi Group's personnel strategy is to promote the achievement of the Group's business objectives. A crucial objective of the personnel strategy is well-being personnel that possess the best competence in the industry and are managed in a controlled manner under constant change. It is most important to guarantee the attractiveness of the company as an employer and ensure the availability of personnel, commitment to the company and continuous development.

Olvi's business strategies and objectives are put into practice in the organisation through result cards, appraisal discussions and regular feedback. The competence of personnel is maintained through continuous training and development of operations.

Olvi plc's operations are anchored in four values:

Finnishness

We want to be among the best experts of the Finnish consumer. We offer a Finnish alternative and customise our products for Finnish consumers. Our independent decision-making allows rapid response when necessary.

Profitability

Good results require competent and well-being personnel. Efficient operations and solid finances guarantee the continuity of independent business. By focusing on the things that we know best, we can make a profit and fulfil our commitments to personnel, shareholders, society and other interest groups.

Positiveness

Positiveness is our way of operating and responding to challenges. Positiveness, openness and the Olvi spirit are attitudes that translate our objectives into results and success.

Customer focus

Every Olvi employee has a customer, and the customer's needs are the basis of our existence. We recognise the needs of our customers and guide our operations to fulfil those needs.

Olvi Group's average personnel during the accounting period:

	2007	2006	2005
Olvi plc, Finland	389	346	333
AS A. Le Coq, Estonia	409	393	379
A/S Cēsu Alus, Latvia	211	195	180
AB Ragutis, Lithuania	202	192	182
Total	1,211	1,126	1,074

Thanks to good sales development, the number of personnel increased in all Group companies in 2007. The average number of personnel increased by 85 people or 7.5 percent on the previous year. The total number of personnel at the end of 2007 was 1,204 (1,123).

	2007	2006	2005
Wages, salaries and emoluments in the accounting period (EUR 1,000)	24,546	21,307	17,583

Bonus schemes

The achievement of objectives is supported by incentive bonus schemes.

In Finland, Olvi plc has a performance-based bonus scheme covering the entire personnel. The company also has a functional personnel fund. All of the Baltic subsidiaries have a performance-based bonus scheme covering key personnel.

On 26 January 2006, Olvi plc's Board of Directors decided on a new long-term share-based incentive scheme for Olvi Group's key personnel constituting two vesting periods: from 2006 to 2007 and from 2008 to 2010. The share-based bonus scheme is a part of the incentive and commitment scheme for the Group's key personnel and its purpose is to combine the objectives of shareholders and key personnel to improve the company's value. The amount of bonuses payable out of the scheme is linked to Olvi Group's net sales and the operating profit percentage in relation to net sales. The bonuses are payable partially in the company's Series A shares and partially in cash. The cash portion will be used to pay taxes and related official charges arising from the shares.

A total of 32,000 Olvi plc Series A shares became payable for the first vesting period from 2006 to 2007 on the basis of completely achieved targets. The share-based bonuses will be paid by the end of April 2008 in accordance with the terms and conditions of the scheme. The shares carry a ban on transferring them within two years of reception.

On 17 December 2007, Olvi plc's Board of Directors decided on the targets for the second vesting period and the people included in the scheme. At the same time, the maximum number of shares that may be granted on the basis of the share-based incentive scheme was increased from 40,000 to 80,000. Any bonuses for the second vesting period will be paid in April 2011. 50 percent of the shares received as bonus for the second vesting period may be transferred after one year, and 50 percent after two years of reception.

MANAGEMENT AND AUDITORS

Olvi plc's Annual General Meeting held on 3 April 2007 elected the following members to the Board of Directors: Heikki Hortling, M.Sc. (Econ), Iisalmi, Esa Lager, Chief Financial Officer, LL.M., M.Sc. (Econ), Kauniainen, Lauri Ratia, Managing Director, M.Sc. (Eng), Helsinki, Heikki Sinnemaa, LL.M., Member of the Bar, Iisalmi, and Harri Sivula, M.Adm.Sc., Tuusula. All of them have been in office during the fiscal year. Heikki Hortling has served as Chairman of the Board, while Esa Lager has served as Vice Chairman.

The company's ordinary auditor during the fiscal year has been PricewaterhouseCoopers Oy, Authorised Public Accountants, with Pekka Loikkanen, Authorised Public Accountant, Kuopio, as the responsible auditor, and Silja Komulainen, Authorised Public Accountant, Sotkamo, has served as deputy auditor.

Lasse Aho, M.Soc.Sc., has served as Olvi plc's Managing Director.

ENVIRONMENTAL ISSUES

Olvi plc is strongly committed to procedures and methods that spare the environment, as well as

all laws and recommendations related to its business. The objectives of Olvi plc's environmental policy are determined annually. The principles of Olvi Group's environmental policy will be harmonised across the entire Olvi Group.
Olvi's environmental principles:

- Olvi favours efficient reuse and recycling of packages.
- Olvi routes by-products and production waste to recovery.
- In the development of products and procedures, Olvi is committed to the efficient use of raw materials and energy, as well as the reduction of environmental impacts.
- Olvi favours co-operation partners that show environmental responsibility.
- Olvi openly discloses information on its operations and the environmental impacts of its products.
- Olvi encourages its personnel to take responsibility and show innovation also with regard to their work environment and environmental impacts.

Olvi plc joined a voluntary energy savings agreement for industry in 2007, committing to reductions in its energy consumption. This way Olvi engages in the implementation of the national energy savings target. An energy review in accordance with the Motiva model was carried out at Olvi plc's production facility at Iisalmi, determining energy consumption by application and measures for saving energy. The reduction of emissions from energy production was promoted by introducing a district heating connection, which also promotes the use of renewable fuels. Practical measures were taken to reduce the burden from waste water.
Olvi's environmental permit was granted on 30 September 2003 and is valid until 2014.
Olvi Group companies have not been involved in any legal or administrative proceedings related to environmental issues, and the company is not aware of any environmental risks that would have a significant effect on the Group's financial position.

NEAR-TERM RISKS AND UNCERTAINTIES

The introduction of recyclable plastic deposit bottles into the Finnish market has increased the need for investments by retail and wholesale traders and beverage manufacturers, as well as brought changes to the production and logistics processes of breweries. The majority of soft drink, mineral water and cider consumption, and perhaps a part of long drink and beer consumption, can be expected to change over to recyclable plastic deposit bottles. However, it is difficult to predict the rate of change.

The present refillable bottle stock will probably be completely phased out step by step before the year 2010. This will result in increased non-marketability write-downs on inventories within the next few years.

Strong growth in the sales and market shares of Olvi Group companies will require that the sufficiency of production capacity be secured and that the efficiency of operations be improved further.

The prices of raw materials and packaging supplies, as well as the costs of energy and logistics will increase substantially in 2008. This will impose a great challenge to optimise the product range and to transfer the cost increases to product sales prices.

It is still difficult to recruit skilled and committed personnel in the Baltic states. Personnel costs and the costs of the most important raw materials and packaging supplies have increased substantially, which together with price increases on power and fuels imposes a pressure for increasing product prices.

The inflation rate in the Baltic states has accelerated and uncertainty in the economy has increased, due to which the economic trend in these countries is under intense supervision.

NEAR-TERM OUTLOOK

The overall market position of Olvi Group companies has strengthened both in Finland and in the Baltic states. Substantial investments ensure the sufficiency of capacity supporting our growth and cost-efficient production of versatile product ranges and alternative packages. Further improvement of the entire Olvi Group's profitability and competitive ability is a crucial target. Olvi plc is more intensively seeking growth also outside Finland.

We expect Olvi Group's net sales to increase and operating profit to improve slightly on the previous year.

BOARD OF DIRECTORS' PROPOSAL FOR THE DISTRIBUTION OF PROFIT

Olvi plc continues to pursue an active and earnings-based dividend policy. The aim is to distribute at least 40 percent of the annual earnings per share as dividend to the shareholders.

The parent company Olvi plc had 45.3 (44.0) million euro of distributable funds, of which profit for the period accounted for 8.5 (7.2) million euro.

The company's Board of Directors proposes to the Annual General Meeting that distributable funds be used as follows:

- A dividend of 0.80 euro shall be paid for 2007 on each Series K and Series A share, totalling 8.3 million euro. The dividend represents 43.7 percent of Olvi Group's earnings per share. The proposal calls for the payment of dividends in April 2008.
- 37.0 million euro shall be retained in the parent company's non-restricted equity.

In accordance with the Annual General Meeting's decision, a dividend of 0.65 euro on each Series K and Series A share, totalling 6.7 million euro, was paid for 2006.

An annual summary of disclosures made by the company in 2007 can be found at www.olvi.fi under "Financial reports".

BOARD OF DIRECTORS' AUTHORISATIONS

In April 2007, the General Meeting of Shareholders of Olvi plc decided to authorise the Board of Directors to decide on the acquisition of the company's own shares using distributable funds. The authorisation is valid for one year starting from the General Meeting and covers a maximum of 245,000 Series A shares. The Board of Directors may also decide that any shares acquired on the company's own account be cancelled by reducing the share capital.

On 16 August 2007, on the basis of the authorisation granted by the General Meeting on 3 April 2007, the Board of Directors of Olvi plc decided to acquire a maximum total of 16,000 of the company's own Series A shares.

In compliance with the rules of the Helsinki Stock Exchange and guidelines concerning treasury shares of a listed company, the shares were acquired through public trading on the Helsinki Stock Exchange at the current market price at the time of acquisition.

In April 2007, the General Meeting of Shareholders of Olvi plc decided to authorise the Board of Directors to decide on the transfer of the company's own shares. The Board of Directors has not exercised the authorisation granted by the General Meeting to transfer the company's own Series A shares during January-December 2007. All of the treasury shares acquired, a total of 32,000 shares, are in the company's possession.

The information called for by the Companies Act and the Decree of the Ministry of Finance on the Regular Duty of Disclosure of an Issuer of a Security, such as the series of shares, treasury shares, shareholders, related parties and financial indicators is presented in the notes to the financial statements.

FINANCIAL REPORTS IN 2008

Olvi Group's financial statements and Board of Directors' report for the year 2007 will be published on the company's Web site on 2 April 2008. The Annual General Meeting of the shareholders of Olvi plc will be held in Iisalmi, Finland, on 10 April 2008. A notice to convene the meeting will be published in March 2008.

The following interim reports will be released in 2008:

- Interim Report 1Q, January to March, on 24 April 2008,
- Interim Report 2Q, January to June, on 14 August 2008, and
- Interim Report 3Q, January to September, on 23 October 2008.

OLVI GROUP

CONSOLIDATED FINANCIAL STATEMENTS 2007

CONSOLIDATED BALANCE SHEET

	Note	31 Dec 2007 1,000 EUR	%	31 Dec 2006 1,000 EUR	%
ASSETS					
Non-current assets					
Tangible assets	12	97 706		83 474	
Goodwill	13	10 679		10 675	
Intangible assets	13	1 002		1 640	
Financial assets available for sale	15	285		253	
Non-current assets held for sale	2	63		311	
Loan receivables and other non-current receivables	16	118		44	
Deferred tax receivables	19	362		65	
Total non-current assets		**110 215**	**58.9**	**96 462**	**61.8**
Current assets					
Inventories	17	30 159		25 173	
Accounts receivable and other receivables	18	42 181		32 256	
Deferred tax receivables	19	110			
Liquid assets	20	4 332		2 102	
Total current assets		**76 782**	**41.1**	**59 531**	**38.2**
TOTAL ASSETS		**186 997**	**100.0**	**155 993**	**100.0**
SHAREHOLDERS’ EQUITY AND LIABILITIES					
Total shareholders’ equity held by parent company shareholders					
Share capital	21	20 759		20 759	
Other reserves		1 092		1 128	
Treasury shares	21	-722		-290	
Retained earnings		48 979		40 847	
Net profit for the period		18 944		14 822	
Total shareholders’ equity held by parent company shareholders		**89 051**	**47.6**	**77 266**	**49.5**
Minority interest		136	0.1	101	0.1
Total shareholders’ equity		**89 188**	**47.7**	**77 367**	**49.6**
Non-current liabilities					
Interest-bearing liabilities	23	28 592		27 108	
Interest-free liabilities				490	
Deferred tax liabilities	19	1 113		1 413	
Current liabilities					
Interest-bearing liabilities	23	16 383		11 562	
Interest-free liabilities	24	51 721		38 053	
Total liabilities		**97 809**	**52.3**	**78 626**	**50.4**
TOTAL SHAREHOLDERS’ EQUITY AND LIABILITIES		**186 997**	**100.0**	**155 993**	**100.0**

- The notes constitute an essential part of the financial statements.

OLVI GROUP

CONSOLIDATED INCOME STATEMENT

	Note	1 Jan - 31 Dec 2007 EUR 1,000	%	1 Jan - 31 Dec 2006 EUR 1,000	%
NET SALES	1	**205 188**	**100.0**	**169 434**	**100.0**
Increase (+)/decrease (-) in inventories of finished and unfinished products		607	0.3	1 640	1.0
Manufacture for own use		75	0.0	65	0.0
Other operating income	3	894	0.4	590	0.3
Materials and services		82 656	40.3	63 727	37.6
Personnel expenses	6	29 857	14.6	25 870	15.3
Depreciation and impairment	5	11 759	5.7	10 851	6.4
Other operating expenses	4	59 392	28.9	52 800	31.2
OPERATING PROFIT		**23 101**	**11.3**	**18 481**	**10.9**
Financial income	8	186	0.1	188	0.1
Financial expenses	9	-1 953	-1.0	-1 432	-0.8
PROFIT BEFORE TAXES		**21 334**	**10.4**	**17 237**	**10.2**
Income taxes	10	-2 354	-1.1	-2 413	-1.4
NET PROFIT FOR THE YEAR		**18 979**	**9.2**	**14 824**	**8.7**
Attributable to:					
- parent company shareholders		18 943	9.2	14 822	8.7
- minority		36	0.0	2	0.0
Ratios calculated from the profit belonging to parent company shareholders:					
Undiluted earnings per share (EUR)		1.83		1.43	
Earnings per share adjusted for dilution (EUR)		1.83		1.42	

The notes constitute an essential part of the financial statements.

OLVI GROUP

CONSOLIDATED CASH FLOW STATEMENT

	Note	2007 EUR 1,000	2006 EUR 1,000
Cash flow from operations			
Net profit for the period		18 980	14 824
Adjustments:	27		
Depreciation and impairment	5	11 759	10 851
Financial income	8	-186	-188
Financial expenses	9	1 953	1 432
Income taxes	10	2 354	2 413
Other adjustments		-339	345
Change in net working capital:			
Increase (-)/decrease (+) in current interest-free accounts receivable and other receivables		-9 925	-5 762
Increase (-)/decrease (+) in inventories		-4 986	-3 718
Increase (+)/decrease (-) in current interest-free liabilities		13 314	6 160
Interest paid		-1 806	-1 529
Interest received		72	188
Taxes paid		-3 307	-1 080
Cash flow from operations (A)		**27 884**	**23 936**
Cash flow from investments			
Investments in tangible and intangible assets		-25 140	-22 064
Capital gains on disposal of tangible and intangible assets		308	145
Cash flow from investments (B)		**-24 832**	**-21 919**
Cash flow from financing			
Withdrawals of loans		16 000	7 000
Repayments of loans		-9 665	-8 650
Acquisition of treasury shares	21	-432	-290
Dividends paid		-6 725	-4 411
Cash flow from financing (C)		**-822**	**-6 352**
Increase (+)/decrease (-) in liquid assets (A+B+C)		**2 230**	**-4 335**
Liquid assets 1 January		2 102	6 437
Liquid assets 31 December	20	4 332	2 102
Change in liquid assets		2 230	-4 335

The notes constitute an essential part of the financial statements.

OLVI GROUP

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

	SHAREHOLDERS' EQUITY BELONGING TO PARENT COMPANY SHAREHOLDERS								
EUR 1,000	**A**	**B**	**C**	**D**	**E**	**F**	**G**	**H**	**I**
Shareholders' equity 1 Jan 2006	10 379	11 237	127	0	143	0	45 376	0	67 262
Bonus issue	10 379	-10 379							0
Effect of increases in the share capital of subsidiaries on minority interest							-145	145	0
Change in minority interest							46	-46	0
Acquisition of treasury shares				-290					-290
Change in translation difference						-18			-18
Payment of dividends							-4 411		-4 411
Net profit for the period							14 824		14 824
Share of profit belonging to the minority							-2	2	0
Shareholders' equity 31 Dec 2006	20 758	858	127	-290	143	-18	55 688	101	77 367

	SHAREHOLDERS' EQUITY BELONGING TO PARENT COMPANY SHAREHOLDERS								
EUR 1,000	**A**	**B**	**C**	**D**	**E**	**F**	**G**	**H**	**I**
Shareholders' equity 1 Jan 2007	20 758	858	127	-290	143	-18	55 688	101	77 367
Transfer of reserve to retained earnings					-35		35		0
Acquisition of treasury shares				-432					-432
Change in translation difference						9			9
Payment of dividends							-6 736		-6 736
Net profit for the period							18 980		18 980
Share of profit belonging to the minority							-35	35	0
Shareholders' equity 31 Dec 2007	20 758	858	127	-722	108	-9	67 932	136	89 188

A = Share capital
B = Share premium account
C = Legal reserve
D = Treasury shares reserve
E = Other reserves
F = Translation differences
G = Retained earnings
H = Minority interest
I = Total

The notes constitute an essential part of the financial statements.

Notes to the Consolidated Financial Statements

Basic information on the Group

Olvi Group manufactures beers, ciders, mineral waters, juices, soft drinks and other beverages. Olvi operates in four countries: Finland, Estonia, Latvia and Lithuania.

The Group's parent company is Olvi plc (Business ID 0170318-9), and its Series A shares are quoted on the Main List of the Nordic Exchange in Helsinki. The parent company is headquartered in Iisalmi and its registered address is P.O. Box 16, 74101 Iisalmi.

A copy of the consolidated financial statements is available on the Internet at www.olvi.fi or from the headquarters of the Group's parent company at Olvitie I-IV, 74100 Iisalmi.

The accounting period of all Group companies corresponds to the calendar year and ended on 31 December 2007.

Olvi plc's Board of Directors has approved the disclosure of these financial statements at its meeting on 25 February 2008.
According to the Finnish Companies Act, shareholders have the option to approve or reject the financial statements at a General Meeting of Shareholders to be held after disclosure. The General Meeting of Shareholders may also amend the financial statements.

Accounting policies

Basis of preparation

The consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS), observing the IAS and IFRS standards as well as SIC and IFRIC interpretations valid on 31 December 2007. In the Finnish Accounting Act and regulations enacted by virtue of the Act, International Financial Reporting Standards refer to the standards approved for use in the European Union in accordance with the procedure specified in the EU regulation (EC) No 1606/2002. The notes to the financial statements are also in compliance with Finnish legislation concerning accounting and corporate law.

The consolidated financial statements have been prepared on the basis of original cost with the exception of investments available for sale, financial assets and liabilities recognised at fair value through profit or loss, derivative contracts, as well as share-based transactions settled in cash, which have been recognised at fair value. The financial statement information is presented in thousands of euros (EUR 1,000). For the sake of presentation, individual figures and totals have been rounded to full thousands, which causes rounding differences in additions.

Preparation of financial statements in accordance with IFRS standards requires the Group's management to make certain estimates and considerations with regard to application of the accounting policies. Information on considerations made by management with regard to application of the Group's accounting policies that have the most significant effect on the figures presented in the financial statements is presented in the Section "Accounting policies requiring consideration by management and crucial factors of uncertainty associated with estimates".

Consolidated Accounting Policies

Subsidiaries

The consolidated financial statements include the parent company Olvi plc as well as all Finnish and non-Finnish subsidiaries in which the Group directly or indirectly controls more than 50 percent of the voting rights associated with shares or otherwise has the right to define the principles of the entity's finances and business operations.

Intra-Group shareholdings have been eliminated using the purchase method. Acquired subsidiaries are included in the consolidated financial statements as of the date the Group has acquired a position of control, and divested subsidiaries are included until the date the Group's control is discontinued. All intra-Group business transactions, receivables, liabilities, unrealised gains and internal profit distribution are eliminated during the preparation of the consolidated financial statements. Unrealised losses are not eliminated if they are caused by impairment. The distribution of profit for the financial period between the parent company's shareholders and the minority is presented in connection with the income statement, and the share of equity belonging to the minority is presented as a separate item within shareholders' equity in the balance sheet. The maximum amount recognised in the consolidated financial statements as the minority's share of accrued losses is the amount of the investment.

Business combinations between enterprises under common control

Business combinations between enterprises under common control have been accounted for on the basis of original cost. The so-called Parent Company model applies to the acquisition of minority interests; the difference between the acquisition cost and acquired equity is recognised as goodwill.

Conversion of items in foreign currency

The figures indicating the earnings and financial position of Group entities are measured in the currency of each unit's primary operating environment ("functional currency"). The functional and presentation currency of the Group's parent company is the euro.

Transactions denominated in foreign currency have been converted into the functional currency at the exchange rate valid on the transaction date. The parent company's receivables and debts denominated in foreign currency have been converted into euro at the mean exchange rate quoted by the European Central Bank on the balance sheet date. Receivables and debts of non-Finnish consolidated companies denominated in foreign currency have been converted at the exchange rate of the country in question on the balance sheet date. Gains and losses originating from business transactions in foreign currency and the conversion of monetary items are recognised on the income statement. Foreign exchange gains and losses from operations are included in the corresponding items above operating profit. Foreign exchange gains and losses on loans denominated in foreign currency are included in financial income and expenses.

The income statements of non-Finnish consolidated companies have been converted into euro at the average exchange rate for the accounting period, which refers to the average of the mean exchange rates quoted by the European Central Bank on the last day of each month. Balance sheet items have been converted into euro at the mean exchange rate quoted by the European Central Bank on the balance sheet date. The different exchange rates applicable to the conversion of profit or loss on the income statement and balance sheet result in a translation difference recognised in shareholders' equity. Translation differences arising from the elimination of the acquisition cost of foreign Group companies, as well as translation differences arising from equity items accumulated after the acquisition, are recognised in shareholders' equity. When a subsidiary is divested in full or in part, accumulated translation differences are recognised in the income statement as part of the sales gain or loss.

Property, plant and equipment

Property, plant and equipment are recognised in the balance sheet at original cost deducted by accumulated depreciation and impairment losses.

Asset items are depreciated by the straight-line method over their estimated useful life. Depreciation is not booked on land areas. Estimated useful lives are the following:

Buildings	20 to 40 years
Underground shelter	4 years
Plant machinery and equipment	7 to 10 years
Other fixed assets	5 years

The residual value and useful life of asset items are reviewed upon each closing of the accounts and adjusted if necessary to reflect any changes in the expected economic benefit.

Depreciation on a property, plant or equipment item will be discontinued when the item is classified as available for sale in accordance with the standard IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations.*

Sales gains and losses arising from the decommissioning and transfer of property, plant and equipment items are included in other operating income or other operating expenses.

Intangible assets

Goodwill

The business combinations have been carried out before 1 January 2004. The goodwill for these corresponds to the book value in accordance with previous accounting standards, which has been used as the deemed cost under IFRS.

No regular amortisation is booked on goodwill but it is tested for impairment annually or, if necessary, more frequently. For this purpose, goodwill is allocated to cash generating units that correspond to the management's way of supervising the business and associated goodwill. In the Group, cash generating units correspond to reporting segments. Goodwill is recognised at original cost deducted by impairment.

Research and development costs

Research costs are recognised as expenses in the income statement. Development costs arising from the design of new or more advanced products are capitalised as intangible assets in the balance sheet starting from the time the product is technically feasible, it can be utilised commercially, and future economic benefit is expected from the product. Development costs previously recognised as expenses will not be subsequently capitalised. Amortisation is booked on an item starting from the time it is ready for use. An item that is not yet ready for use is tested annually for impairment. Group companies do not have any capitalised development costs.

Other intangible assets

An intangible asset item is recognised in the balance sheet only if its acquisition cost can be reliably determined and it is probable that the expected economic benefit from the item will be to the Group's advantage. Patents, trademarks and licences with a limited useful life are booked in the balance sheet at original cost and recognised as expenses in the income statement by straight-line amortisation over their known or estimated useful life. No amortisation is booked on intangible assets with an unlimited useful life but they are tested annually for impairment. The Group currently has no intangible assets with an unlimited economic life.

The amortisation periods for other intangible assets are the following:

Computer software	5 years
Others	5 years

Lease agreements

The Group as a lessee

Leases on tangible assets in which the Group has a significant part of the risks and benefits characteristic of ownership are categorised as finance lease agreements. Asset items acquired on finance lease agreements are recognised in the balance sheet at the fair value of the leased item in the start of the lease period or at a lower present value of minimum rents. Asset items acquired on finance lease agreements are depreciated over the useful life of the item or the lease period, whichever is shorter. Leasing rents payable are divided into financing cost and reduction of debt over the lease period so that the interest rate on the debt remaining in each accounting period is equal. Lease obligations are included in interest-bearing debt.

Lease agreements in which the risks and benefits characteristic of ownership remain with the lessor are treated as other lease agreements. Leases payable on the basis of other lease agreements are recognised as expenses in the income statement in equal instalments over the lease period.

The Group as a lessor

Items leased out by the Group in which a significant part of the risks and benefits characteristic of ownership have been transferred to the lessee are treated as finance lease agreements and recognised as receivables in the balance sheet. The receivable is recognised at present value. The financial income on a finance lease agreement is recognised as income during the lease period so that the remaining net investment will produce the same percentage of yield over the lease period. The Group does not currently have any substantial finance lease agreements as a lessor.

Assets leased out on agreements other than finance lease are included in property, plant and equipment items in the balance sheet. They are depreciated over their useful life just as similar property, plant and equipment items in own use. Lease income is recognised in the balance sheet as equal instalments over the lease period.

Impairment of tangible and intangible assets

On each balance sheet date, the Group estimates whether there is evidence that the value of an asset may have been impaired. If there is such evidence, the amount recoverable from the asset will be estimated. Recoverable amount equals to the fair value of an asset deducted by costs arising from its transfer, or value in use if this is higher.

An impairment loss is recognised when the book value of an asset exceeds its recoverable amount. Impairment losses are recognised in the income statement. If an impairment loss is attributable to a cash generating unit, it is first allocated to reduce the goodwill attributable to the cash generating unit and then to reduce other asset items within the unit on a pro rata basis. An impairment loss will be reversed if there is a change in the circumstances and the amount recoverable from an asset has changed since the recognition of the impairment loss. However, any impairment loss reversal may not exceed the amount that would be the book value of the asset if the impairment loss was not recognised. Impairment losses recognised on goodwill are not to be reversed in any circumstances.

Borrowing costs

Borrowing costs are recognised as expenses in the period during which they have arisen.

Government grants

Public subsidies such as government grants associated with the acquisition of property, plant and equipment items are recognised as deductions in the book values of property, plant and equipment items. The subsidies will be recognised as income through reduced depreciation over the useful life of the item.

Subsidies received as compensation for realised costs are recognised on the income statement at the same time as the associated costs are recognised as expenses. Such subsidies are presented in other operating income.

Inventories

Inventories are recognised at acquisition cost or a lower probable net realisable value. The acquisition cost of raw materials and supplies is determined by the weighted average method. The acquisition cost of finished and unfinished products according to standard cost accounting comprises raw materials, direct expenses due to work performed, other direct expenses, as well as the appropriate proportion of the variable and fixed overheads of manufacturing at the normal utilised capacity. Net realisable value refers to estimated sales price available through normal business operations, deducted by estimated costs of finishing the product and costs of sale.

Employee benefits

Pension obligations

The Group's pension schemes are defined contribution plans. Contributions paid to defined contribution pension plans are recognised in the income statement during the period to which the charge applies.

Share-based payments

The Group applies the standard IFRS 2 *Share-based Payments* to all share-based business transactions.

Arrangements settled in equity instruments are measured at fair value on the date of granting and recognised as expenses in the income statement in equal instalments over the validity period of the right. Arrangements settled in cash are measured at fair value at each closing of the accounts, and changes in the fair value of the liability are recognised in the income statement.

Provisions

A provision is recognised when the Group has a legal or factual obligation based on a previous event, the realisation of a payment obligation is probable and the amount of the obligation can be reliably estimated. If there is a possibility to receive compensation for part of the obligation from a third party, the compensation is recognised as a separate asset item but this is only done once the possibility of receiving compensation is practically certain. Provisions are measured at the present value of the costs required to cover the obligation.

A restructuring provision is recognised when the Group has prepared a detailed restructuring plan and started its implementation or disclosed the matter. A restructuring plan includes at least the following information: the business operations associated with the arrangement, the principal sites affected by the arrangement, the locations, tasks and estimated number of the people that will receive compensation for termination of employment, the costs that will be realised and the time of implementing the plan. No provisions are recognised for costs associated with the Group's continuous operations.

A provision is recognised for onerous contracts if the costs necessary for fulfilling the obligations exceed the benefits available from the contract.

A provision for obligations associated with decommissioning and restoration is recognised when the Group has an obligation based on environmental legislation and the Group's environmental responsibility policy that is associated with the decommissioning of a production facility, remedy of environmental damage or transfer of equipment to another location.

No provisions of the specified types have been recognised in Olvi Group's IFRS financial statements.

Taxes

The tax expenses in the income statement comprise tax based on the taxable income for the period and change in deferred tax. The tax based on the taxable income for the period is calculated on the basis of taxable income in accordance with the tax rate valid in each country. The tax is adjusted by any taxes associated with previous periods.

Deferred taxes are calculated on all temporary differences between book value and tax base. No deferred tax is recognised on impairment losses on goodwill that are not tax deductible, and no deferred tax is recognised on undistributed accrued profits of subsidiaries to the extent that the difference will probably not be eliminated during the foreseeable future. The most substantial temporary differences arise from depreciation on property, plant and equipment, arrangements settled in equity instruments, as well as the fair valuation of derivative contracts.

Deferred taxes are calculated at tax rates enacted by the balance sheet date.

Deferred tax receivables are recognised up to the probable amount of taxable income in the future against which the temporary difference can be utilised.
The amount of deferred tax receivables and the probability of utilisation are assessed at every closing of the accounts.

Deferred tax receivables and liabilities are presented in the balance sheet as separate items under non-current or current assets or liabilities.

Principles for recognition of income

Goods sold and services produced

Income from the sale of goods is recognised once the significant risks and benefits associated with the ownership of the goods have been transferred to the purchaser. Income from services is recognised once the service has been rendered.

Rental income

Rental income is recognised in equal instalments over the rental period.

Dividends and interest

Interest income is recognised using the effective interest method, and dividend income is recognised once the dividend becomes vested.

Long-term assets held for sale and discontinued operations

Long-term assets held for sale and assets associated with discontinued operations are classified as assets held for sale and measured at book value or a lower fair value deducted by sales costs if the amount corresponding to the book value is going to be accrued mostly from the sale of the asset instead of continuous use. The prerequisites for classification as an item held for sale are considered to be fulfilled when a sale is highly probable and the asset can be immediately sold in its current condition on usual and conventional terms, management is committed to the sale, and it is expected to be carried out within one year of classification. Depreciation of these assets will be discontinued at the time of classification.

Financial assets and liabilities

Financial assets

The Group's financial assets are classified in accordance with the standard IAS 39 *Financial Instruments: Disclosure and Presentation*. At present, the Group's financial assets are classified as either loans and receivables or financial assets available for sale. The classification is based on the purpose of acquiring the financial assets and carried out upon original acquisition. All purchases and sales of financial assets are recognised based on the transaction date. Transaction costs are included in the original book value of financial assets.

Loans and receivables

The group of loans and receivables includes the Group's accounts receivable and other receivables. They are measured at original amortised cost using the effective interest method. Current accounts receivable are recognised in accordance with the original invoiced amount deducted by uncertain receivables. The uncertainty associated with receivables is assessed regularly, and credit losses are recognised as expenses when it seems uncertain that payments would be received.

Financial assets available for sale

The Group's other financial assets are classified as financial assets available for sale. Financial assets available for sale may comprise equities and interest-bearing investments. They are recognised at fair value or, if the fair value cannot be determined reliably, at purchase price. Changes in the fair value of financial assets available for sale are booked in the fair value reserve within shareholders' equity, taking the tax effect into account. Changes in fair value are transferred from shareholders' equity to the income statement when the investment is sold or its value has reduced so that an impairment loss must be recognised.

Financial assets available for sale are included in non-current assets except if the intention is to hold them for less than 12 months from the balance sheet date, in which case they are included in current assets.

Liquid assets

Liquid assets comprise cash, bank deposits withdrawable on demand, as well as other short-term very liquid investments. Items classified as liquid assets have a maturity of no more than three months calculated from the date of acquisition. The Group has no bank accounts with overdraft facilities.

Impairment of financial assets

On each balance sheet date, the Group estimates whether there is objective evidence that the value of a financial asset item or financial asset group may have been impaired. If there is evidence of potential impairment, the amount of loss is determined as the difference between the book value of the asset and its fair value or the present value of estimated future cash flows discounted at the original effective interest rate. Impairment losses are recognised in financial items through profit or loss.

The Group recognises an impairment loss on accounts receivable when there is objective evidence that the receivable cannot be recovered in full.

Financial liabilities

The Group's financial liabilities consist of other financial liabilities. Financial liabilities are initially recognised at fair value increased by transaction costs arising from the acquisition of debt. Financial liabilities will subsequently be measured at original amortised cost using the effective interest method.

Financial liabilities are divided into non-current and current liabilities on the basis of the period of realisation, and may constitute interest-bearing or interest-free liabilities.

Financial liabilities are derecognised once the liability or a part thereof has ceased to exist – in other words, once the obligation specified in the contract has been fulfilled or annulled or it has ceased to be valid.

Derivative contracts and hedge accounting

Olvi Group treats derivative contracts in the manner prescribed in the standard IAS 39 *Financial Instruments: Disclosure and Presentation*. All derivatives have been classified as assets held for trading because the Group does not apply hedge accounting in accordance with IAS 39. Derivatives held for trading are interest rate swaps recognised at fair value. The fair value of interest rate swaps is recognised in other current assets or liabilities. Both realised and unrealised gains and losses arising from changes in fair value are recognised in financial items within the income statement for the accounting period during which they arise.

Share capital and treasury shares

Outstanding Series K and Series A shares are presented as share capital. Costs associated with the issuance or acquisition of equity instruments are presented as a deduction of shareholders' equity. If Olvi plc reacquires its own equity instruments, the acquisition cost shall be deducted from shareholders' equity.

Dividend distribution

The dividend proposed by the Board of Directors to the General Meeting of Shareholders has not been recognised in the financial statements. Dividends will only be recognised on the basis of the General Meeting's decision.

Operating profit

The standard IAS 1 *Presentation of Financial Statements* does not define the concept of operating profit. The Group has defined it as follows: operating profit is the net amount created by adding other operating income to net sales, subtracting purchase costs adjusted by change in inventories of finished and unfinished products and costs of manufacture for own use, and subtracting costs of employee benefits, depreciation and amortisation, any impairment losses and other operating expenses. All income statement items other than the above are presented below operating profit. Exchange rate differences are included in operating profit if they arise from items associated with business operations; otherwise they are recognised in financial items.

Earnings per share

In IAS 33, undiluted earnings per share is calculated using the average weighted number of shares outstanding during the accounting period. When calculating the average, the number of treasury shares in the company's possession is deducted from the number of shares.

The average weighted number of shares used for the calculation of diluted earnings per share includes the dilution effect of options outstanding during the accounting period. The calculation of the dilution effect includes consideration for the number of treasury shares acquired using funds received from the exchange of options.

Accounting policies requiring consideration by management and crucial factors of uncertainty associated with estimates

Estimates and assumptions regarding the future have to be made during preparation of the financial statements, and the outcome may differ from the estimates and assumptions. Furthermore, the application of accounting policies requires consideration.

Consideration associated with the selection and application of accounting policies

The Group's management uses consideration when making decisions on the selection and application of accounting policies. This applies particularly to cases in which valid IFRS standards provide for alternative methods of recognition, measurement or presentation. Among other things, the management has used consideration in the classification of lease agreements and financial assets, as well as the presentation of the financial statements.

Factors of uncertainty associated with estimates

Estimates made in connection with the preparation of financial statements are based on the management's best understanding on the balance sheet date. The background of the estimates includes previous experience and assumptions concerning the future that are deemed most probable on the balance sheet date with regard to issues such as the expected development of the Group's financial operating environment concerning sales and the level of costs. The Group regularly assesses the realisation of estimates and assumptions, as well as changes in the underlying factors, jointly with the business units by applying several sources of information, both internal and external. Any changes in estimates and assumptions are recognised in the accounting period during which the estimates and assumptions are adjusted.
Accounting estimates and consideration by management have been applied, for example, when determining the potential of liquidating certain assets, the economic life of tangible and intangible fixed assets, deferred tax receivables and impairment testing in which the recoverable amounts from cash generating units are determined through calculations based on value in use. The estimates are based on the management's best understanding at the present time but it is possible that actual figures deviate from the estimates used in the financial statements.

Impairment testing

Olvi Group carries out annual impairment testing of goodwill and unfinished intangible assets, and evidence of impairment is evaluated as presented above in the accounting policies. Recoverable amounts from cash generating units are determined through calculations based on value in use. The preparation of these calculations requires the use of estimates.

Cash flow estimates are based on forecasts approved by management covering a three-year period. The crucial variables used for the calculation of value in use are budgeted sales volume, budgeted net sales and operating profit. Estimated sales and production volumes are based on existing fixed assets.

Application of new or amended IFRS standards and IFRIC interpretations

The IASB has published the following standards and interpretations that will become obligatory in 2008 or later. The Group has decided not to apply these standards early and will adopt them in upcoming accounting periods.

In 2008 the Group will adopt the following standards and interpretations:

IFRIC 11, Group and Treasury Share Transactions. The interpretation clarifies the handling of transactions related to treasury shares or Group companies in the financial statements of the parent company and Group companies by providing guidelines for the classification into share-based transactions settled in equity or in cash.

The Group's management does not expect this new standard and interpretation to have any effect on upcoming financial statements.

The following new standards and interpretations entering into force in 2008 will not have any effect on the consolidated financial statements:

IFRIC 12, Service Concession Arrangements. The interpretation applies to contractual arrangements in which a private entity engages in the development, financing or implementation of public services or the upkeep of infrastructure. *

IFRIC 14, IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. The interpretation applies to post-employment defined benefit plans in accordance with IAS 19 and other long-term defined benefit plans that involve a minimum funding requirement. The interpretation also specifies the preconditions for recognising an asset in the balance sheet through upcoming refunds or deductions from future payments to the plan. *

In 2009 the Group will adopt the following standards published by the IASB:

IAS 1 (Amendment), Presentation of Financial Statements. The purpose of the amendment is to improve the opportunities of the users of financial statements to analyse and compare information presented in financial statement calculations by separating changes in equity related to transactions with shareholders from other changes in equity. *

Amendment to IAS 23, Borrowing Costs. The amendment requires that borrowing costs associated with assets fulfilling certain conditions be capitalised as part of the acquisition cost. Direct recognition of these costs as expenses will be disallowed. *

IFRS 8, Operating Segments. The standard supersedes IAS 14. According to the standard, the presentation of segment information must use the "management approach", presenting information similarly to internal reporting.

IFRIC 13, Customer Loyalty Programmes. The interpretation defines transactions in which goods or services are sold in a way promoting customer loyalty as sales contracts with separable parts. The performance received from the customer is allocated to different components of the sales contract based on fair values. *

The Group's management is investigating the effect of these new standards and amendments on the consolidated financial statements.

In 2010 the Group will adopt the following standards published by the IASB:

IFRS 3 (Revised), Business Combinations. The revised standard still requires the use of the purchase method in handling business combinations, however with certain substantial changes. For example, all payments related to the acquisition of businesses must be recognised at fair value at time of acquisition, and certain types of contingent consideration shall be measured at fair value through profit or loss after acquisition. Goodwill can be calculated on the basis of the parent company's share of net assets, or it may include goodwill allocated to minority interest. All transaction costs shall be recognised as expenses. *

IAS 27 (Revised), Consolidated and Separate Financial Statements. The revised standard requires all minority transactions to be recognised in equity if control is not transferred. Therefore minority transactions will no longer result in the recognition of goodwill, profit or loss. The standard also defines the handling of transactions when control is transferred. Any remaining share of the acquired entity is measured at fair value, and the profit or loss is recognised. *

The Group's management is investigating the effect of these amendments on the consolidated financial statements.

* The standard/interpretation has not yet been approved for application in the EU.

Notes to the Consolidated Financial Statements

1. Segment information

Segment information is presented in accordance with the Group's division into geographical and business segments. The Group's primary segment reporting format is based on geographical segments. The geographical segments are based on the Group's internal organisational structure and internal financial reporting.

The products and services of geographical segments are produced in a specific economic environment with risks and profitability deviating from the risks and profitability of the economic environment of other geographical segments. Business segments comprise groups of assets and business operations that have risks and profitability associated with their products and services deviating from other business segments.

A segment's assets and liabilities refer to business items that the segment uses in its business operations or that can be allocated to segments on reasonable grounds. Unallocated items include tax and financial items, as well as items common to the entire company. Investments include increases in property, plant and equipment items and intangible assets that are used during more than one period.

Transfer pricing
Pricing between segments is based on market terms. The principal method of transfer pricing is the cost plus method under which the transfer price of a product or service is determined by adding an appropriate mark-up to the costs of production.

Geographical segments
The Group's geographical segments are: Finland, Estonia, Latvia and Lithuania. In addition to the location of assets, the geographical segments are presented in accordance with the location of customers.

Business segment
The Group's business segments are: alcoholic beverages and non-alcoholic beverages. Alcoholic beverages include beers, ciders and long drinks manufactured and sold by Group companies. Non-alcoholic beverages include mineral waters, soft drinks, energy drinks, well-being beverages and juices.

Geographical segments 2007 in accordance with asset locations

EUR 1,000	Finland	Estonia	Latvia	Lithuania	Elimination	Group
INCOME						
External sales	93 551	63 885	26 126	21 626		205 188
Internal sales	2 995	8 609	560	443	-12 607	0
Total net sales	96 546	72 494	26 686	22 069	-12 607	205 188
EARNINGS						
Operating profit for the segment	8 514	10 838	2 294	1 553	-98	23 101
Interest income						186
Interest expenses						-1 953
Income taxes						-2 354
Net profit for the period						18 980
OTHER INFORMATION						
Segment assets	77 406	124 525	31 473	26 212	-159 431	100 185
Unallocated company-level assets						86 812
Total consolidated assets						186 997
Segment liabilities	33 151	11 893	4 412	3 715	-2 306	50 865
Unallocated company-level liabilities						46 944
Total consolidated liabilities						97 809
Capital expenditure	8 565	8 026	5 422	3 413		25 426
Depreciation	4 796	3 409	1 831	1 666	57	11 759

Geographical segments 2006 in accordance with asset locations

EUR 1,000	Finland	Estonia	Latvia	Lithuania	Elimination	Group
INCOME						
External sales	78 336	54 816	18 150	18 162		169 464
Internal sales	1 122	5 846	422	63	-7 453	0
Total net sales	79 458	61 517	18 572	18 225	-7 453	169 464
EARNINGS						
Operating profit for the segment	7 060	9 268	845	1 239	69	18 481
Interest income						188
Interest expenses						-1 432
Income taxes						-2 413
Net profit for the period						14 824
OTHER INFORMATION						
Segment assets	64 759	115 277	25 065	22 755	-150 825	77 031
Unallocated company-level assets						78 962
Total consolidated assets						155 993
Segment liabilities	22 051	9 267	3 743	2 844	-1 385	36 520
Unallocated company-level liabilities						42 106
Total consolidated liabilities						78 626
Capital expenditure	1 562	13 383	4 075	1 913		20 933
Depreciation	4 564	2 958	1 551	1 570	208	10 851

Geographical segments 2007 in accordance with customer locations

EUR 1,000	Finland	Estonia	Latvia	Lithuania	Elimination	Group
External sales	90 884	63 169	26 112	22 203	2 820	205 188
Internal sales	81	3 547	5 639	3 340	-12 607	0
Total net sales	90 965	66 716	31 751	25 543	-9 787	205 188

Geographical segments 2006 in accordance with customer locations

EUR 1,000	Finland	Estonia	Latvia	Lithuania	Elimination	Group
External sales	76 217	50 802	20 933	19 131	2 381	169 464
Internal sales	21	1 711	3 382	2 339	-7 453	0
Total net sales	76 238	52 513	24 315	21 470	-5 072	169 464

Business segments 2007

EUR 1,000	Alcoholic beverages	Non-alcoholic beverages	Elimination	Group
External sales	161 613	56 182	-12 607	205 188
Segment assets	190 911	68 705	-159 431	100 185
Unallocated company-level assets				86 812
Total consolidated assets				186 997
Capital expenditure	16 913	8 513		25 426

Business segments 2006

EUR 1,000	Alcoholic beverages	Non-alcoholic beverages	Elimination	Group
External sales	125 605	51 282	-7 453	169 434
Segment assets	154 317	73 539	-150 825	77 031
Unallocated company-level assets				78 962
Total consolidated assets				155 993
Capital expenditure	14 501	6 432		20 933

2. Non-current assets held for sale, EUR 1,000	2007	2006
Non-current assets held for sale	63	311
Total	63	311

Non-current assets held for sale consist of a packaging machine decommissioned by the parent company.

3. Other operating income, EUR 1,000	2007	2006
Sales gains on property, plant and equipment	38	185
Rental income	90	83
Others	766	324
Total	894	590

Other operating income consists mostly of marketing subsidies, project grants and grants from the sales of production waste.

4. Other operating expenses, EUR 1,000	2007	2006
Sales losses and scrapping of property, plant and equipment	0	118
Rental costs	2 590	2 693
External services	33 565	29 923
Others	23 236	20 950
Total	59 392	53 685

Other operating expenses consist mostly of energy and repair costs, the costs of administration, marketing and building maintenance, as well as other indirect personnel costs.

5. Depreciation and impairment, EUR 1,000	2007	2006
Depreciation on tangible assets:		
Buildings	2 622	2 161
Machinery and equipment	7 473	7 012
Other tangible assets	739	768
Total depreciation on tangible assets	10 835	9 941
Depreciation on intangible assets:		
Intangible rights	0	163
Other intangible assets	924	747
Total depreciation on intangible assets	924	910
Total	11 759	10 851

6. Costs of employee benefits, EUR 1,000	2007	2006
Wages and salaries	24 546	21 307
Pension costs - defined contribution	2 219	1 845
Other personnel expenses	3 091	2 718
Total	29 857	25 870

Group personnel on average during the period	2007	2006
Finland	389	346
Estonia	409	393
Latvia	211	195
Lithuania	202	192
Total	1 211	1 126

Information on employee benefits and loans to management is presented in Note 30, Related party transactions.

7. Research and development costs

The income statement includes 377 thousand euro of R&D costs recognised as expenses in 2007 (156 thousand in 2006), corresponding to 0.2% (0.1%) of net sales.

8. Financial income, EUR 1,000	2007	2006
Dividend income	6	2
Other interest and financial income	180	186
Total	186	188

9. Financial expenses, EUR 1,000	2007	2006
Interest expenses	1 914	1 408
Other financial expenses	39	24
Total	1 953	1 432

Interest expenses include EUR -13 thousand of changes in the fair value of interest rate swaps used to hedge against interest rate risk.

10. Income taxes, EUR 1,000	Note	2007	2006
Tax based on the taxable income for the period		3 062	2 577
Deferred taxes, tax on previous losses of AB Ragutis		-362	
Deferred taxes, change in the fair value of derivatives	19	3	44
Deferred taxes, change in depreciation difference	19	-292	-156
Deferred taxes, share-based bonuses		-49	-62
Deferred taxes, finance leasing	19	-8	10
Total		2 354	2 413

Reconciliation between the tax expenses in the income statement and taxes calculated in accordance with the tax rate in the Group's home country (26%):

EUR 1,000	2007	2006
Earnings before tax	21 333	17 237
Taxes calculated at the home country's rate	5 547	4 482
Effect of different tax rates for foreign subsidiaries	-3 222	-2 103
Tax effect of non-deductible items	24	24
Taxes from previous accounting period	5	10
Taxes in income statement	2 354	2 413

11. Earnings per share

Undiluted earnings per share are calculated by dividing the profit for the accounting period belonging to the parent company's shareholders by the weighted average of shares outstanding during the accounting period. When calculating the weighted average, the number of treasury shares in the company's possession is deducted from the number of shares. Olvi plc acquired a total of 16,000 of its own Series A shares in 2006 and 16,000 more between 27 August and 18 September 2007. Thus, Olvi plc held a total of 32,000 of its own Series A shares on 31 December 2007, and their effect has been taken into account in the calculation of the weighted average number of shares.

	2007	2006
Profit belonging to parent company shareholders (EUR 1,000)	18 944	14 822
Weighted average number of shares during the period (1,000)	10 379	10 379
Effect of treasury shares (1,000)	-21	-3
Weighted average number of shares for the calculation of EPS (1,000)	10 358	10 376
Undiluted earnings per share (euro per share)	1.83	1.43

In the calculation of earnings per share adjusted for dilution, the weighted average number of shares includes the diluting effect of the conversion of all potential options outstanding during the period. Stock options have a diluting effect if the exercise price of the stock options is lower than the fair value of the share. The dilution effect is the number of shares that have to be issued gratuitously as the Group could not issue the same number of shares at fair value using the funds received through the exercise of the options. The fair value of the share is based on the average share price during the period. When calculating the weighted average number of shares adjusted for dilution, the number of treasury shares in the company's possession is deducted from the number of shares.

Olvi plc had a total of 200,000 stock options granted by the General Meeting of Shareholders in 2002 and directed to the Group's key employees that had an increasing effect on the number of shares but the General Meeting on 4 April 2006 decided to annul them. Thus the dilution effect of these options on the weighted average number of shares has been accounted for the period from 1 January to 6 April 2006. Olvi plc acquired a total of 16,000 of its own Series A shares in 2006 and 16,000 more between 27 August and 18 September 2007. Thus, Olvi plc held a total of 32,000 of its own Series A shares on 31 December 2007, and their effect has been taken into account in the calculation of the weighted average number of shares adjusted for dilution.

	2007	2006
Profit belonging to parent company shareholders (EUR 1,000)	18 944	14 822
Net profit for the calculation of earnings per share adjusted for dilution (EUR 1,000)	18 944	14 822
Weighted average number of shares during the period (1,000)	10 379	10 379
Effect of stock options (1,000)	-0	37
Effect of treasury shares (1,000)	-21	-3
Weighted average number of shares for the calculation of earnings per share adjusted for dilution (1,000)	10 358	10 413
Earnings per share adjusted for dilution (euro per share)	1.83	1.42

12. Property, plant and equipment

EUR 1,000	Land and water properties	Buildings	Machinery and eqpt	Other tangible assets	Advance payments and unfinished purchases	Total
Acquisition cost 1 Jan 2007	1 854	60 679	108 277	5 523	7 338	183 671
Increase	0	4 409	13 620	948	10 053	29 031
Transfer to non-current assets classified as held for sale	0	0	0	-26	0	-26
Decrease	0	0	-519	-707	-3 931	-5 158
Exchange rate differences	0	13	23	4	10	50
Acquisition cost 31 Dec 2007	1 854	65 102	121 401	5 741	13 471	207 568
Accumulated depreciation and impairment 1 Jan 2007	0	20 916	75 645	3 636	0	100 197
Depreciation	0	2 622	7 473	739	0	10 835
Decrease	0	0	-485	-698	0	-1 183
Exchange rate differences	0	2	10	2	0	13
Accumulated depreciation and impairment 31 Dec 2007	0	23 540	82 643	3 679	0	109 862
Book value 1 Jan 2007	1 854	39 763	32 632	1 886	7 338	83 474
Book value 31 Dec 2007	1 854	41 562	38 758	2 062	13 471	97 706

Other tangible assets consist mainly of vehicles, equipment included in equipment service, as well as office furniture.

EUR 1,000	Land and water properties	Buildings	Machinery and eqpt	Other tangible assets	Advance payments and unfinished purchases	Total
Acquisition cost 1 Jan 2006	1 832	53 274	103 571	5 025	2 146	165 848
Increase	24	7 942	5 854	730	7 329	21 878
Transfer to non-current assets classified as held for sale	0	-441	0	-80	0	-521
Decrease	-2	-87	-1 133	-149	-2 131	-3 502
Exchange rate differences	-0	-8	-15	-3	-6	-33
Acquisition cost 31 Dec 2006	1 854	60 679	108 277	5 523	7 338	183 671
Accumulated depreciation and impairment 1 Jan 2006	0	19 293	69 794	3 082	0	92 169
Depreciation	0	2 161	6 911	768	0	9 840
Decrease	0	-537	-1 054	-213	0	-1 804
Exchange rate differences	0	-1	-5	-2	0	-8
Accumulated depreciation and impairment 31 Dec 2006	0	20 916	75 645	3 636	0	100 197
Book value 1 Jan 2006	1 832	33 981	33 777	1 943	2 146	73 679
Book value 31 Dec 2006	1 854	39 763	32 632	1 886	7 338	83 474

Other tangible assets consist mainly of vehicles, equipment included in equipment service, as well as office furniture.

Finance lease contracts

Property, plant and equipment items include assets acquired on finance lease contracts as follows:

EUR 1,000 31 Dec 2007	Machinery and eqpt	Other tangible assets	Total
Acquisition cost	2 862	1 990	4 852
Accumulated depreciation	-1 113	-1 100	-2 213
Book value	1 749	890	2 639

EUR 1,000 31 Dec 2006	Machinery and eqpt	Other tangible assets	Total
Acquisition cost	1 888	1 751	3 639
Accumulated depreciation	-601	-818	-1 419
Book value	1 287	933	2 220

13. Intangible assets

EUR 1,000	Goodwill	Intangible rights	Other intangible assets	Total
Acquisition cost 1 Jan 2007	15 652	9 543	8 054	33 249
Increase	3	0	286	289
Decrease	0	0	0	0
Exchange rate differences	0	0	0	0
Acquisition cost 31 Dec 2007	15 655	9 543	8 341	33 539
Accumulated depreciation and impairment 1 Jan 2007	4 977	9 213	6 745	20 935
Depreciation	0	0	924	924
Exchange rate differences	0	0	0	0
Accumulated depreciation and impairment 31 Dec 2007	4 977	9 213	7 669	21 859
Book value 1 Jan 2007	10 675	330	1 310	12 314
Book value 31 Dec 2007	10 679	330	673	11 681

Intangible rights consist mainly of trademarks.
Other intangible assets consist mainly of computer software.

EUR 1,000	Goodwill	Intangible rights	Other intangible assets	Total
Acquisition cost 1 Jan 2006	13 683	9 546	7 940	31 169
Increase	1 969	1	115	2 085
Decrease	0	-5	0	-5
Exchange rate differences	0	0	-1	-1
Acquisition cost 31 Dec 2006	15 652	9 543	8 054	33 249
Accumulated depreciation and impairment 1 Jan 2006	4 977	9 048	5 999	20 024
Depreciation	0	163	747	910
Exchange rate differences	0	2	-1	1
Accumulated depreciation and impairment 31 Dec 2006	4 977	9 213	6 745	20 935
Book value 1 Jan 2006	8 706	498	1 942	11 145
Book value 31 Dec 2006	10 675	330	1 310	12 315

Intangible rights consist mainly of trademarks.
Other intangible assets consist mainly of computer software.

14. Impairment testing of goodwill

The most significant goodwill item is goodwill allocated to the Estonian segment with a book value of 8,146 thousand euro. The book value of goodwill allocated to the Lithuanian segment is 2,241 thousand euro, while 292 thousand euro is allocated to the Latvian segment.

The recoverable amount is based on value in use.

The cash flow estimate is based on a three-year strategic plan approved by management. The discount rate is weighted average cost of capital (WACC) before taxes, in Estonia and Lithuania 10.2 percent (2006 9.3 percent) and in Latvia 11.3 percent (2006 10.4 percent). Estimated sales and production volumes are based on existing fixed assets. No substantial impairment losses are expected on the basis of sensitivity analysis applied to impairment testing.

15. Financial assets available for sale

Other financial assets consist mostly of unquoted equity investments contributing to the Group company's operations.

Financial assets available for sale are recognised at fair value.

If fair value cannot be reliably determined, the assets are recognised at original cost.

EUR 1,000	Note	2007	2006
Book value 1 January		253	253
Increase		31	
Book value 31 December	26	285	253

16. Receivables, EUR 1,000

16. Receivables, EUR 1,000	Note	2007	2006
Loans receivable	26	14	44
Other non-current receivables		104	0
Total		118	44

Other non-current receivables consist of bank guarantee deposits.

17. Inventories, EUR 1,000

17. Inventories, EUR 1,000	2007	2006
Materials and supplies	21 019	18 954
Unfinished products	1 382	1 064
Finished products/goods	6 967	4 978
Other inventories	791	177
Total	30 159	25 173

Non-marketability deductions on inventories have been booked for 2,457 thousand euro in 2007 (1,984 thousand euro in 2006).

18. Accounts receivable and other receivables, EUR 1,000

	Note	2007	2006
Accounts receivable	26	38 402	29 716
Prepayments and accrued income	26	3 304	2 228
Other receivables	26	475	312
Total		42 181	32 256

Essential items included in prepayments and accrued income are associated with the accruals of rents and the costs of marketing and sales, insurance and administration, as well as discounts and marketing subsidies.

During the accounting period, the Group has recognised 66 thousand euro of credit losses on accounts receivable (127 thousand euro in 2006). There are no significant credit risk concentrations associated with receivables.

Maturity distribution of accounts receivable, EUR 1,000	2007	2 006
Not due	36 895	28 280
Overdue less than 1 month	1 126	1 084
Overdue more than 1 but less than 3 months	211	145
Overdue more than 3 but less than 6 months	59	86
Overdue more than 6 months	110	121
Total	38 402	29 716

Accounts receivable by currency	2007	2006
EUR	23 428	17 709
EEK	115 382	86 313
LVL	2 852	2 131
LTL	13 619	13 060

19. Deferred tax receivables and liabilities, EUR 1,000

19. Deferred tax receivables and liabilities, EUR 1,000	2007	2006
Non-current deferred tax receivables		
Deferred tax receivables 1 January	65	47
Deferred tax on previous losses of AB Ragutis	362	0
Transfer to current tax receivables	-65	0
Share-based bonuses to management, change in deferred tax	0	62
Fair valuation of derivatives, change in deferred tax	0	-44
Non-current deferred tax receivables 31 December	362	65

Current deferred tax receivables, EUR 1,000	2007
Deferred tax receivables 1 January	0
Share-based bonuses to management, change in deferred tax	49
Fair valuation of derivatives, change in deferred tax	-3
Transfer from non-current tax receivables	65
Current deferred tax receivables 31 December	110

The Group's unused tax losses for which no tax receivable has been recognised amounted to 6,705 thousand euro at the end of the accounting period. (14,106 in 2006)

Non-current deferred tax liabilities, EUR 1,000	2007	2006
Deferred tax liabilities 1 January	1 413	1 559
Property, plant and equipment, change in deferred tax	-292	-156
Finance leasing, change in deferred tax	-8	10
Non-current deferred tax liabilities 31 December	1 113	1 413

Of the deferred tax liabilities, 1,112 thousand euro is attributable to deferred tax on property, plant and equipment. No deferred tax liability has been recognised on the undistributed earnings of AS A. Le Coq, 47,944 thousand euro in 2007, as the criteria under IAS 12, 39 are fulfilled.

20. Liquid assets, EUR 1,000	Note	2007	2006
Cash and bank accounts	26	4 332	2 102
Total		4 332	2 102

The liquid assets presented in the cash flow statement comprise cash and bank deposits.

21. Notes concerning shareholders' equity

The following is a reconciliation of numbers of shares:

EUR 1,000	Number of K shares (1000)	Number of A shares (1000)	Share capital	Share premium account	Treasury shares	Total
1 January 2006	933	4 257	10 379	11 236		21 616
Bonus issue	933	4 257	10 379	-10 379		0
Acquisition of treasury shares		-16			-290	-290
31 December 2006	1 866	8 498	20 759	857	-290	21 327
Acquisition of treasury shares		-16			-432	-432
31 December 2007	1 866	8 482	20 759	857	-722	20 895

The share capital was increased through a bonus issue in April 2006.

The maximum number of shares is 6.0 million K shares and 24.0 million A shares (6.0 million K shares and 24.0 million A shares in 2006). The minimum number of K shares is 1.5 million. The par value of the shares is 2.00 euro per share. The Group's maximum share capital is 60.0 million euro (60.0 million euro in 2006), and the minimum capital is 15.0 (15.0) million euro. All issued shares have been paid in full.

The following is a description of reserves in shareholders' equity:

Share premium account
The share premium account comprises any subscription price in excess of the par value of shares upon share issues.

Legal reserve
The legal reserve originates from reserve transfers made due to an obligation formerly included in the Articles of Association.

Translation differences
The Translation differences reserve includes translation differences arising from the conversion of the financial statements of foreign units.

Dividends
After the balance sheet date, the Board of Directors has proposed a dividend of 0.80 euro per share for both Series K and Series A shares for 2007, totalling 8.3 million euro. Dividend for 2006 was paid at 0.65 euro per share, totalling 6.7 million euro. The dividends were paid on 16 April 2007.

22. Share-based payments

Olvi plc's Board of Directors decided on 26 January 2006 on a share-based incentive scheme for Olvi Group's key personnel. The share-based bonus scheme is a part of the incentive and commitment scheme for the Group's key personnel and its purpose is to combine the objectives of shareholders and key personnel to improve the company's value.

The scheme includes two vesting periods, the first one extending from 1 January 2006 to 31 December 2007 and the second one from 1 January 2008 to 31 December 2010. The amount of bonuses payable out of the scheme is linked to Olvi Group's net sales and the operating profit percentage in relation to net sales.

The bonuses will be paid in 2008 and 2011 partially in Olvi plc Series A shares and partially in cash. The proportion payable in cash covers the taxes and other statutory fees arising from the share-based bonus.

A total of 32,000 Olvi plc Series A shares became payable for the first vesting period from 2006 to -2007 on the basis of completely achieved targets. The share-based bonuses will be paid by the end of April in accordance with the terms and conditions of the scheme. The shares carry a ban on transferring them within two years of reception.

On 17 December 2007, Olvi plc's Board of Directors decided on the targets for the second vesting period and the people included in the scheme. At the same time, the maximum number of shares that may be granted on the basis of the share-based incentive scheme was increased from 40,000 to 80,000. Any bonuses for the second vesting period will be paid in April 2011. 50 percent of the shares received as bonus for the second vesting period may be transferred after one year, and 100 percent after two years of reception. The right to dividends begins when the shares are transferred to the key employees' book-entry accounts.

On the basis of this incentive scheme, a total of 48,000 Olvi plc Series A shares may become payable in 2011 for the second vesting period if the targets are achieved in full.

The target group of the scheme currently includes 21 key employees.

Olvi Group has no warrants or options.

23. Interest-bearing liabilities, EUR 1,000	**Note**	**2007**	**2006**
		Balance sheet values	**Balance sheet values**
Non-current liabilities			
Loans from financial institutions	26	26 867	25 434
Finance lease liabilities	26	1 697	1 646
Other liabilities	26	29	28
Total		28 592	27 108
Current liabilities			
Loans from financial institutions	26	15 439	11 012
Finance lease liabilities	26	943	550
Total		16 383	11 562

Most of the liabilities have a variable interest rate. Loans falling due in 2008-2010 with a balance sheet value of 9.8 (7.3) million euro on 31 December 2007 have been converted to fixed interest rates using interest rate swaps.

Ranges of interest rates on interest-bearing liabilities	**2007**	**2006**
Loans from financial institutions	3.29% - 5.76%	2.57% - 5.76%
Interest rate swaps	4.01% - 4.38%	4.01% - 4.05%
Finance lease liabilities	4.00% - 5.80%	3.50% - 5.70%
Other liabilities	3.42% - 4.29%	2.31% - 3.22%

Non-current liabilities will fall due as follows: EUR 1,000	**2007**	**2006**
in 2008	0	9 298
in 2009	8 331	6 961
in 2010	6 403	5 095
in 2011	3 250	1 967
in 2012	2 201	3 157
Later	8 408	631
Total	28 592	27 108

Finance lease liabilities, EUR 1,000	**Note**	**2007**	**2006**
The finance lease liabilities will fall due as follows:			
Finance lease liabilities - total of minimum rents			
Due within one year		943	764
Within more than one but less than five years		1 692	1 427
After more than five years		5	5
	26	2 641	2 197

	Note	2007	2006
Finance lease liabilities - present value of minimum rents			
Due within one year		943	764
Within more than one but less than five years		1 692	1 427
After more than five years		5	5
	26	2 641	2 197
Total amount of finance lease liabilities	26	2 641	2 197

24. Accounts payable and other liabilities, EUR 1,000	Note	2007	2006
Current			
Accounts payable	26	22 935	17 968
Accrued expenses	26	8 655	6 511
Other liabilities	26	20 132	13 574
Total		51 721	38 053

Essential items included in accrued expenses are associated with subsequent remuneration and salary obligations.

Distribution of accounts payable by currency, EUR 1,000	2007	2006
EUR	17 219	11 864
EEK	51 481	58 603
LVL	694	537
LTL	4 111	3 752
DKK	37	0
USD	20	191
CHF	8	0
SEK	0	6

25. Management of financing risks

The objective of Olvi Group's financing risk management is to optimise the adverse effects imposed by price fluctuations in the financial markets and other factors of uncertainty on the Group's earnings, equity and liquidity. Responsibility for Olvi Group's financing tasks is centralised in the parent company Olvi plc.

The general principles of the Group's financing risk management are approved by the Board of Directors of the parent company, and the parent company's management together with the management of subsidiaries is responsible for their practical implementation.

Foreign exchange risk

The Group's primary trading currencies are EUR, EEK, LVL and LTL. Foreign exchange risks arise from commercial transactions and investments in foreign subsidiaries. Due to the nature of the business, the time between order and delivery is short, which results in minor foreign exchange risk. The Group's realised foreign exchange losses in 2007 amounted to 6 thousand euro (in 2006: 8 thousand euro).

The Group has investments in foreign subsidiaries in Estonia, Latvia and Lithuania. The Estonian kroon and the Lithuanian litas are pegged to the euro but with regard to the investment in Latvia, the Group is exposed to risk arising from the conversion of the subsidiary investment made in LVL into the parent company's operating currency. The amount of the investment in Latvia was 63,459 thousand LVL on 31 December 2007.
The Group has not engaged in active currency hedging in 2006 or 2007. The need for currency hedging is assessed regularly.

Interest rate risk
The Group's short-term money market investments expose its cash flow to interest rate risk but the overall impact is not substantial. Most of the Group's income and operational cash flows are independent of market interest rate fluctuations. The Group is primarily exposed to fair value

interest rate risk, which is mostly related to the loan portfolio. The Group has diversified its borrowing between fixed- and variable-rate loans. Furthermore, the Group uses interest rate swaps to reduce interest rate risk if required by the market conditions.

On the balance sheet date, fixed-rate loans accounted for 29.0 percent of interest-bearing loans. Of the variable-rate loans, 21.8 percent were converted to fixed-rate through interest rate swaps. Variable-rate loans accounted for 49.2 percent of all interest-bearing loans. The principal-weighted average maturity of interest-bearing loans was 5.4 years.

The amount of payment obligations under finance leasing contracts on 31 December 2007 was 2.6 million euro (2.2 million euro in 2006).

Credit risk
Creditworthiness requirements for the Group's customers are reviewed annually and always when entering into agreements with new customers. The Group only extends credit to businesses with flawless credit ratings. The Group does not have any significant concentrations of credit risk on receivables because its accounts receivable are distributed across a wide and geographically diversified customer base. The largest customer accounts for 16.4 percent (15.9 in 2006) of the Group's total sales. The amount of credit losses recognised in 2007 was 66 thousand euro (127 thousand euro in 2006). Investments related to cash management are made in liquid money market instruments having a fundamentally low risk.

Liquidity risk
Olvi Group endeavours to continuously assess and monitor the amount of funding required for business operations in order to maintain sufficient liquid assets to fund the Group's everyday operations and investments, as well as to repay any loans falling due. The Group aims to secure the availability and flexibility of funding by centralising the management of the Group's liquid assets with the parent company. The Group uses several banks and several forms of financing but does not use bank accounts with overdraft facilities. The parent company Olvi plc issued a 20 million euro commercial paper programme in 2002 in order to secure short-term liquidity needs quickly and cost-efficiently. At the time of closing the accounts, Olvi plc had a 7.0 million euro short-term loan withdrawn under the commercial paper programme, which fell due in January 2008.

The Group had 4,332 thousand euro of liquid assets on 31 December 2007 (2,102 thousand euro in 2006). The Group's liquidity on the balance sheet date was good. The current ratio on 31 December 2007 was 1.1 (1.2 in 2006).

The Group does not apply hedge accounting in accordance with IAS 39.

Commodity risk
Within the scope of its operations, Olvi Group is exposed to commodity risk associated with the availability and price fluctuations of inputs in production. The Group aims to reduce these risks by entering into Group-level and local annual agreements concerning the most critical raw materials, packaging supplies and services with well-known and long-term contracting partners.

26. Fair values of financial assets and liabilities

The fair values of Olvi Group's financial assets and liabilities do not substantially deviate from their book values. The face value of interest rate swaps was 9.8 million euro in 2007 and 7.3 million euro in 2006.

Financial assets
Unquoted equity investments are recognised at purchase price as they cannot be recognised at fair value using the valuation methods. The original book value of receivables corresponds to their fair value.

Financial liabilities
The fair values of interest rate swaps have been determined using the method of present value of future cash flows, supported by market interest rates and other market information on the balance sheet date. The fair values of loans from financial institutions, finance lease liabilities, accounts payable and other liabilities do not substantially deviate from their balance sheet values.

27. Adjustments to business cash flows, EUR 1,000	2007	2006
Transactions with no associated payment:		
Depreciation	11 759	10 851
Employee benefits	0	490
Other adjustments	3 783	3 512
Total	15 542	14 853

Other adjustments consist mainly of income taxes, as well as financial income and expenses.

28. Other lease contracts, EUR 1,000	2007	2006
The Group as a lessee		
Minimum rents receivable on the basis of other non-cancellable leases:		
Due within one year	1 099	1 408
Within more than one but less than five years	1 576	1 943
After more than five years	213	19
Total	2 888	3 369

The Group has leased operating premises and storage terminal facilities in different parts of Finland, as well as production machinery and equipment.

The Group as a lessor, EUR 1,000	2007	2006
Minimum rents receivable on the basis of other non-cancellable leases:		
Due within one year	913	886
Total	913	886

The Group rents out beverage distribution and refrigeration equipment to its customers.
The amount of rental income received is not significant to the Group's overall business.

29. Collateral and contingent liabilities, EUR 1,000	2007	2006
Pledges and contingent liabilities		
For own commitments	1 134	765
For others	0	1 055
Package liabilities	4 604	4 734
Other liabilities	1 980	1 980
Debts for which mortgages have been given as collateral		
Loans from financial institutions		
For own commitments	0	2 318
For others	0	1 527

The package liability corresponds to Olvi plc's share of the entire stock of recyclable beverage packages in accordance with proportions determined by Ekopulloyhdistys ry, deducted by packages in Olvi plc's inventory on 31 December 2007.

Ekopulloyhdistys ry administers the stock of refillable beverage packages. Every member in the system maintains a stock of packages required for the requirement declared to Ekopulloyhdistys ry for each type of package it uses.

30. Related party transactions

The Group's parent and subsidiary relationships are the following:

	Holding (%)	Share of voting rights (%)
Parent company Olvi plc, Iisalmi, Finland		
Olvin Juomaa Oy, Iisalmi, Finland	100.00	100.00
AS A. Le Coq Group, Tartu, Estonia	100.00	100.00
AS A. Le Coq, Tartu, Estonia	100.00	100.00
AS Saare Õlu, Saaremaa, Estonia	100.00	100.00
A/S Cēsu Alus, Cēsis, Latvia	97.89	97.89
AB Ragutis, Kaunas, Lithuania	99.57	99.57

Employee benefits to management Salaries and other short-term employee benefits to the Board of Directors and Managing Director, EUR 1,000	**2007**	**2006**
Managing Director	577	488
Chairman of the Board	203	181
Other members of the Board	106	91
Total	886	760

Olvi plc's Board of Directors has decided on a share-based incentive scheme for Olvi Group's key personnel. This is described in more detail in Note 22. No loans have been granted to management.

31. Costs arising from audit, EUR 1,000	**2007**	**2006**
Fees for statutory audit	129	107
Other services	43	30
Total	173	137

OLVI GROUP

CONSOLIDATED FINANCIAL RATIOS, 2003 TO 2007

BUSINESS VOLUME AND PROFITABILITY

EUR 1,000	2007 IFRS	2006 IFRS	2005 IFRS	2004 IFRS	2004 FAS	2003 FAS
Net sales **)	205 188	169 434	147 519	128 894	128 894	114 554
Change, %	21.1	14.9	14.4	12.5	12.5	4.0
Operating profit	23 101	18 481	12 962	9 274	7 925	8 014
% of net sales	11.3	10.9	8.8	7.2	6.1	7.0
Financial income and expenses	-1 767	-1 244	-1 726	-1 996	-3 702	-2 062
Profit before tax	21 334	17 237	11 236	7 279	4 222	5 952
% of net sales	10.4	10.2	7.6	5.6	3.3	5.2
Balance sheet total	186 997	155 993	140 396	132 753	132 369	128 356
Cash flow ratio, %	15.0	15.1	14.5	12.4	10.7	12.8
Return on investment, % (ROI)	18.7	16.7	12.4	9.3	7.9	8.8
Return on equity, % (ROE)	22.8	20.5	15.0	9.8	4.5	6.6
Equity to total assets, %	47.7	49.6	47.9	45.1	45.3	47.0
Current ratio	1.1	1.2	1.4	1.4	1.4	1.4
Gearing, %	45.6	47.3	49.6	66.7	66.6	64.9
Gross capital expenditure on fixed assets	25 426	20 933	17 442	18 361	18 361	13 513
% of net sales	12.4	12.4	11.8	14.2	14.2	11.8
Net investments in fixed assets	23 416	19 751	16 627	17 424	17 424	12 423
% of net sales	11.4	11.7	11.3	13.5	13.5	10.8
Average number of personnel:						
Olvi plc	389	346	333	334	334	341
Companies in Estonia, Latvia and Lithuania	822	780	741	698	698	653
Total employees	1 211	1 126	1 074	1 032	1 032	994

PER-SHARE RATIOS

	2007 IFRS	2006 IFRS	2005 IFRS	2004 IFRS	2004 FAS	2003 FAS
Earnings per share (EPS), euro	1.83	1.43	0.95	0.58	0.29	0.43
EPS adjusted for dilution from warrants, euro	1.83	1.42	0.95	0.56	0.29	0.42
Equity per share, euro	8.61	7.46	6.48	5.94	5.95	6.05
*) Pay-out ratio, %	43.7	45.5	89.2	56.1	110.7	81.7
Price/Earnings ratio (P/E)	13.1	14.0	22.1	22.7	44.9	30.9

The doubled numbers of shares after bonus issues in 2006 and 2003 have been taken into account in the calculation of per-share ratios.

*) The amount of dividend used for calculating the 2007 ratio is the Board of Director's proposal to the Annual General Meeting.

**) Net sales for 2006 have been adjusted for comparability with 2007.

OLVI PLC

PARENT COMPANY'S BALANCE SHEET (FAS)

	Note	31 Dec 2007 EUR 1.000	%	31 Dec 2006 EUR 1.000	%
ASSETS					
FIXED ASSETS					
Intangible assets	13	631		1 048	
Tangible assets	13	23 768		20 086	
Shares in Group companies	14	11 791		11 791	
Other investments	14	278		248	
TOTAL FIXED ASSETS		**36 468**	**24.5**	**33 173**	**25.2**
CURRENT ASSETS					
Inventories	16	**11 511**		**10 952**	
Non-current receivables	17	72 967		67 978	
Current receivables	17	25 463		18 412	
Financial securities	18	0		290	
Cash in hand and at bank		2 588		1 056	
TOTAL CURRENT ASSETS		**112 529**	**75.5**	**98 689**	**74.8**
TOTAL ASSETS		**148 996**	**100.0**	**131 862**	**100.0**
EQUITY AND LIABILITIES					
SHAREHOLDERS' EQUITY					
Share capital		**20 759**		**20 759**	
Share premium account		857		857	
Legal reserve		127		127	
Other reserves		0		290	
Retained profit		36 794		36 812	
Net profit for the period		8 468		7 151	
TOTAL SHAREHOLDERS' EQUITY	19	**67 005**	**45.0**	**65 995**	**50.1**
ACCUMULATED APPROPRIATIONS	20	**4 952**	**3.3**	**6 077**	**4.6**
LIABILITIES					
Non-current liabilities		27 593		24 872	
Current liabilities		49 447		34 917	
TOTAL LIABILITIES	21	**77 040**	**51.7**	**59 789**	**45.3**
TOTAL EQUITY AND LIABILITIES		**148 996**	**100.0**	**131 862**	**100.0**

OLVI PLC

PARENT COMPANY’S INCOME STATEMENT (FAS)

	Note	1 Jan - 31 Dec 2007 EUR 1,000	%	1 Jan - 31 Dec 2006 EUR 1,000	%
NET SALES	1	**96 546**	**100.0**	**79 458**	**100.0**
Increase (+)/decrease (-) in inventories of finished and unfinished products		55	0.1	-23	-0.0
Manufacture for own use		75	0.1	66	0.1
Other operating income	2	511	0.5	182	0.2
Materials and services	3	31 154	32.3	20 904	26.3
Personnel expenses	4	17 694	18.3	15 237	19.2
Depreciation and impairment	8	4 478	4.6	4 464	5.6
Other operating expenses	9	35 372	36.6	32 066	40.4
OPERATING PROFIT		**8 490**	**8.8**	**7 012**	**8.8**
Financial income and expenses	10	1 869	1.9	2 099	2.6
PROFIT BEFORE APPROPRIATIONS AND TAXES		**10 359**	**10.7**	**9 111**	**11.5**
Appropriations	11	1 125	1.2	599	0.8
Income taxes	12	-3 017	-3.1	-2 559	-3.2
NET PROFIT FOR THE YEAR		**8 468**	**8.8**	**7 151**	**9.0**

OLVI PLC

PARENT COMPANY'S CASH FLOW STATEMENT

	Note	2007 EUR 1,000	2006 EUR 1,000
Cash flow from operations			
Profit before extraordinary items		10 359	9 111
Adjustments			
Depreciation according to plan and impairment	8	4 478	4 464
Financial income and expenses	10	-1 869	-2 099
Other adjustments		33	-91
Cash flow before change in working capital		13 001	11 385
Change in net working capital:			
Increase (-)/decrease (+) in current interest-free accounts receivable and other receivables		-6 959	-2 865
Increase (-)/decrease (+) in inventories		-559	-1 014
Increase (+)/decrease (-) in current interest-free liabilities		10 057	2 506
Interest paid		-1 743	-1 305
Interest received		54	136
Taxes paid		-3 307	-1 062
Cash flow from operations (A)		**10 546**	**7 781**
Cash flow from investments			
Investments in tangible and intangible assets		-7 712	-1 462
Capital gains on disposal of tangible and intangible assets		35	79
Expenditure on other investments		-30	0
Cash flow from investments (B)		**-7 707**	**-1 383**
Cash flow from financing			
Withdrawals of loans		16 000	7 000
Repayments of loans		-10 150	-13 069
Acquisition of treasury shares	19	-432	-290
Dividends paid	19	-6 725	-4 411
Cash flow from financing (C)		**-1 306**	**-10 771**
Increase (+)/decrease (-) in liquid assets (A+B+C)		**1 533**	**-4 372**
Liquid assets 1 January		**1 056**	**5 428**
Liquid assets 31 December		**2 588**	**1 056**
Change in liquid assets		**1 533**	**-4 372**

Parent Company's Accounting Policies

Olvi plc's accounting period extends from 1 January to 31 December. The financial statements have been prepared in accordance with the Finnish Accounting Standards (FAS).

Fixed assets
Fixed assets have been recognised on the balance sheet at their direct acquisition cost deducted by accumulated depreciation according to plan. Depreciation according to plan has been calculated on a straight-line basis over the expected economic life of the asset item concerned.

Depreciation periods according to plan:

Buildings	20 years
Underground shelter	4 years
Plant machinery and equipment	8 years
Other fixed assets	5 years

Inventories
Inventories have been valued in accordance with the FIFO principle at acquisition cost or, if lower, at probable net realisable value. The acquisition cost of raw materials and supplies is determined by the weighted average method. The value of finished and unfinished products includes variable costs and the appropriate proportion of the overheads of acquisition and manufacturing.

Research and development costs
Research and development costs have been booked as annual expenses for the year in which they are incurred.

Pension cover for personnel
Pension cover for personnel has been arranged through a statutory TEL (EPA) insurance policy with an external pension insurance company. Pension insurance contributions have been allocated to match the salaries booked on an accrual basis in the annual accounts.

Derivative contracts
The parent company's derivative contracts are interest rate swaps measured at fair value. Changes in fair value are recognised in financial items within the income statement.

Deferred taxes
A deferred tax liability or asset has been calculated on temporary differences between taxation and the financial statements using the tax rate for upcoming years confirmed by the balance sheet date. The balance sheet includes deferred tax liabilities in their entirety and deferred tax assets up to the estimated probable amount.

Foreign currency items
Transactions denominated in foreign currency have been recognised during the accounting period at the exchange rate on the transaction date, and any foreign currency receivables and liabilities outstanding on the balance sheet date have been recognised at the mean exchange rate on the balance sheet date.

Treasury shares
Acquired treasury shares are recognised as a reduction in retained earnings. They were previously presented in financial securities and the treasury shares reserve.

NOTES TO THE PARENT COMPANY'S FINANCIAL STATEMENTS

NOTES TO THE INCOME STATEMENT AND BALANCE SHEET (EUR 1,000)

1. Net sales by market area	2007	2006
Finland	90 830	76 100
Estonia	3 304	1 415
Latvia	0	0
Lithuania	0	7
Other exports	2 412	1 936
Total	96 546	79 458

2. Other operating income	2007	2006
Capital gains on disposals of fixed assets	22	61
Other	489	120
Total	511	182

3. Materials and services	2007	2006
Materials and supplies (goods):		
Purchases during the year	28 655	18 960
Change in stocks	-503	-1 037
Outsourced services	3 002	2 983
Total	31 154	20 905

4. Personnel expenses	2007	2006
Wages, salaries and emoluments	13 998	11 881
Profit-sharing contribution to personnel fund	0	149
Pension expenses	2 219	1 845
Other personnel expenses	1 477	1 362
Total	17 694	15 237

5. Management salaries and emoluments	2007	2006
Managing Director and members of the Board	566	490
Total	566	490

6. Parent company's personnel on average during the period	2007	2006
Full-time		
clerical employees	119	119
workers	202	161
Part-time		
clerical employees	1	1
workers	67	65
Total	389	346

7. Auditors' fees	2007	2006
Fees for statutory audit	61	62
Other services	42	29
Total	103	91

8. Depreciation and impairment	2007	2006
Planned depreciation on tangible and intangible assets	4 478	4 464
Total	4 478	4 464

9. Other operating expenses	2007	2006
Sales freights	14 073	12 685
Costs of marketing and sales	10 566	9 044
Other variable costs	4 143	4 004
Other	6 590	6 331
Total	35 372	32 064

10. Financial income and expenses	2007	2006
Total income from long-term investments	6	2
Other interest and financial income		
From Group companies	3 516	3 186
From others	140	119
Total	3 655	3 305
Total dividend income and other interest and financial income	3 661	3 307
Interest expenses and other financial expenses		
Payable to others	1 792	1 208
Total	1 792	1 208
Total financial income and expenses	1 869	2 099

11. Appropriations	2007	2006
Difference between depreciation according to plan and depreciation applied in taxation	1 125	599
Total	1 125	599

12. Income taxes	2007	2006
Income tax on business operations	3 057	2 566
Taxes from previous fiscal years	5	11
Change in deferred tax liability	-45	-18
Total	3 017	2 559

13. Fixed assets

Intangible assets	Formation costs	Intangible rights	Other intangible assets	Total
Acquisition cost 1 Jan 2007	6	8 774	7 345	16 126
Increase	0	0	235	235
Acquisition cost 31 Dec 2007	6	8 774	7 580	16 361
Accumulated depreciation and impairment 1 Jan 2007	6	8 774	6 298	15 078
Depreciation	0	0	652	652
Accumulated depreciation 31 Dec 2007	6	8 774	6 949	15 730
Book value 1 Jan 2007	0	0	1 048	1 048
Book value 31 Dec 2007	0	0	631	631

Tangible assets	Land and water properties	Build-ings	Machinery and eqpt	Other tangible assets	Advance payments and unfinished purchases	Total
Acquisition cost 1 Jan 2007	1 078	22 385	62 274	28	158	85 923
Increase	0	282	577	0	6 815	7 674
Decrease	0	0	-13	0	-153	-166
Acquisition cost 31 Dec 2007	1 078	22 667	62 839	28	6 819	93 431
Accumulated depreciation and impairment 1 Jan 2007	0	14 011	51 825	0	0	65 837
Depreciation	0	1 080	2 746	0	0	3 826
Accumulated depreciation 31 Dec 2007	0	15 091	54 571	0	0	69 663
Book value 1 Jan 2007	1 078	8 374	10 449	28	158	20 086
Book value 31 Dec 2007	1 078	7 576	8 267	28	6 819	23 768

	31.12.2007	31.12.2006
Book value of production machinery and equipment on 31 December	7 312	9 417

14. Investments

	Shares in Group companies	Other shares	Investments total
Acquisition cost 1 Jan 2007	12 586	248	12 834
Increase	0	30	30
Acquisition cost 31 Dec 2007	12 586	278	12 864
Impairment 1 Jan 2007	795	0	795
Impairment 31 Dec 2007	795	0	795
Book value 31 Dec 2007	11 791	278	12 069

15. Group companies

	Group's holding %	Parent company's holding %
Olvin Juomaa Oy, Iisalmi, Finland	100,00	100,00
AS A. Le Coq Group, Tartu, Estonia	100,00	100,00
AS A. Le Coq, Tartu, Estonia	100,00	
AS Ösel Foods, Reola, Estonia	100,00	
AS Saare Õlu, Saaremaa, Estonia	100,00	
A/S Cēsu Alus, Cēsis, Latvia	97,89	
AB Ragutis, Kaunas, Lithuania	99,57	

16. Inventories	2007	2006
Materials and supplies	9 687	9 184
Unfinished products	611	417
Finished products/goods	1 212	1 352
Total	11 511	10 952

17. Receivables	2007	2006
Non-current receivables		
Loans receivable from Group companies	72 863	67 884
Loans receivable from others	104	30
Deferred tax receivables	0	65
Total non-current receivables	72 967	67 978

Current receivables		
Receivables from Group companies		
Accounts receivable	439	82
Total	439	82
Receivables from non-Group companies		
Accounts receivable	23 237	17 430
Other receivables	1	8
Prepayments and accrued income	1 676	892
Deferred tax receivables	110	0
Total	25 024	18 330
Total current receivables	25 463	18 412
Total receivables	98 430	86 391
Deferred tax receivables		
Deferred tax receivables 1 January	65	47
Share-based bonuses to management, change in deferred tax	49	62
Fair valuation of derivatives, change in deferred tax	-3	-44
Deferred tax receivables 31 December	110	65

18. Financial securities	**2007**	**2006**
Treasury shares	0	290

19. Shareholders' equity	**2007**	**2006**
Share capital 1 January	20 759	10 379
Increase of share capital	0	10 379
Share capital 31 December	20 759	20 759
Share premium account 1 January	857	11 236
Issue premium	0	0
Bonus issue	0	-10 379
Share premium account 31 December	857	857
Legal reserve 1 January and 31 December	127	127
Other reserves 1 January	290	0
Acquisition of treasury shares	-290	290
Other reserves 31 December	0	290
Retained earnings 1 January	43 962	41 479
Dividend distribution	-6 736	-4 411
Acquisition of treasury shares	-432	-290
Unpaid dividends	0	34
Retained earnings 31 December	36 794	36 812
Net profit for the period	8 468	7 151
Total shareholders' equity	67 005	65 995

Olvi plc's share capital is divided into share series as follows:

	2007 qty	2007 EUR 1,000	2007 votes	2006 qty	2006 EUR 1,000	2006 votes
Series K (20 votes/share), registered	1 866 128	3 732	37 322 560	1 866 128	3 732	37 322 560
Series K total	1 866 128	3 732	37 322 560	1 866 128	3 732	37 322 560
Series A (1 vote/share), registered	8 513 276	17 027	8 513 276	8 513 276	17 027	8 513 276
Series A total	8 513 276	17 027	8 513 276	8 513 276	17 027	8 513 276
Total 31 December	10 379 404	20 759	45 835 836	10 379 404	20 759	45 835 836

Treasury shares

Treasury shares include the acquisition cost of treasury shares possessed by the parent company. Olvi plc possesses a total of 32,000 Olvi Series A shares acquired by the Board of Directors in 2006 and 2007 on the basis of authorisations granted by the General Meeting of Shareholders. The purchase price for treasury shares in 2006 totalled 290,400 euro and in 2007 it totalled 431,402 euro. The aggregate acquisition cost of treasury shares is 721,802 euro.

The acquisition costs of treasury shares are presented as a deduction of shareholders' equity.

Treasury shares held by the company represent 0.31% of all shares and 0.07% of all voting rights carried by shares.

During the accounting period, the company purchased treasury shares between 27 August and 18 September 2007. The number of shares acquired was 16,000 and the par value is 2 euro per share. The average consideration over the period of acquisition was 26.96 euro per share.

20. Accumulated appropriations

Accumulated appropriations consist of accumulated depreciation difference.

21. Liabilities	**2007**	**2006**
Non-current liabilities		
Loans from financial institutions	26 867	23 906
Other liabilities	29	268
Total	26 895	24 174
Liabilities to Group companies:		
Other liabilities	698	698 053
Total	698	698
Total non-current liabilities	27 593	24 872
Current liabilities		
Loans from financial institutions	15 439	11 012
Accounts payable	13 104	8 993
Accrued expenses	6 587	4 988
Other liabilities	14 286	9 900
Total	49 415	34 892
Liabilities to Group companies:		
Accounts payable	31	25
Total	31	25
Total current liabilities	49 447	34 917
Total liabilities	77 040	59 789

Accrued expenses		
Provisions for personnel costs	4 744	3 569
Provision for income taxes	491	736
Provision for interest on loans	365	316
Other accrued expenses	986	367
Total accrued expenses	6 587	4 988
Interest-free liabilities 31 December	34 705	24 843
Liabilities falling due later than five years from now:		
Loans from financial institutions	8 200	3 600

22. Share-based payments

Olvi plc's Board of Directors has decided on a new share-based incentive scheme for Olvi Group's key personnel.

The share-based bonus scheme is a part of the incentive and commitment scheme for the Group's key personnel and its purpose is to combine the objectives of shareholders and key personnel to improve the company's value.

The scheme includes two vesting periods, the first one extending from 1 January 2006 to 31 December 2007 and the second one from 1 January 2008 to 31 December 2010.

The bonuses will be paid in 2008 and 2011 partially in Olvi plc Series A shares and partially in cash. The proportion payable in cash covers the taxes and other statutory fees arising from the share-based bonus. The shares carry a ban on transferring them within two years of reception.

The potential return on the scheme for the vesting period from 1 January 2006 to 31 December 2007 is based on Olvi Group's net sales and operating profit percentage.

The target group of the scheme includes 21 key employees in the vesting period 2006-2007.

On the basis of this incentive scheme, a total of 32,000 Olvi plc Series A shares may become payable in 2008 for the first vesting period if the targets are achieved in full.

Olvi plc's Annual General Meeting on 4 April 2006 decided to annul the stock options 2002 granted by the General Meeting of Shareholders on 4 April 2002. There were 50,000 stock options 2002A and 50,000 stock options 2002B. All of the stock options 2002 were in the possession of Olvi plc's subsidiary Olvin Juomaa Oy.

23. Pledges, contingent liabilities and other commitments	2007	2006
Pledges and contingent liabilities		
For own commitments		
Mortgages on land and buildings	1 134	1 134
Other off-balance sheet liabilities		
Package liabilities	4 604	4 734
Other liabilities	1 980	1 980
Total pledges and contingent liabilities	7 718	7 848
Debts for which mortgages have been given as collateral		
Loans from financial institutions		
For own commitments	0	2 318
For others	0	1 527
Total liabilities	0	3 846

24. Leasing liabilities	2007	2006
Due within one year	909	992
Due later	1 403	1 368
Total	2 312	2 360

25. Derivative contracts	Nominal value	Market value
Derivatives	9 806	9 810

The business significance of the derivative contracts is minor. The derivative contracts are interest rate swaps on loans and will reach maturity in 2008 and 2010.

OLVI PLC

PARENT COMPANY'S FINANCIAL RATIOS, 2003 TO 2007

BUSINESS VOLUME AND PROFITABILITY EUR 1,000	2007	2006	2005	2004	2003
Net sales	96 546	79 458	73 509	69 299	70 258
Change, %	21.5	8.1	6.1	-1.4	-1.3
Operating profit	8 490	7 012	4 120	3 278	5 241
% of net sales	8.8	8.8	5.6	4.7	7.5
Financial income and expenses	1 869	2 099	1 557	2 406	1 713
Profit before extraordinary items	10 359	9 111	5 678	5 684	6 954
% of net sales	10.7	11.5	7.7	8.2	9.9
Profit before provisions and taxes	10 359	9 111	5 678	5 684	6 954
% of net sales	10.7	11.5	7.7	8.2	9.9
Balance sheet total	148 996	131 862	126 186	124 000	119 599
Cash flow ratio, %	12.2	13.9	12.0	12.5	14.7
Return on investment, % (ROI)	10.9	9.7	6.8	6.7	8.5
Return on equity, % (ROE)	10.4	9.5	6.1	5.6	6.7
Equity to total assets, %	47.4	53.5	54.0	53.3	54.2
Current ratio	0.8	0.9	1.2	1.2	1.1
Gearing, %	56.2	48.1	43.7	51.8	48.2
Gross capital expenditure on fixed assets	7 786	1 562	4 106	4 732	2 830
% of net sales	8.1	2.0	5.6	6.8	4.0
Net investments in fixed assets	7 773	1 522	4 002	4 727	2 802
% of net sales	8.1	1.9	5.4	6.8	4.0
Average number of personnel	389	346	333	334	341

PER-SHARE RATIOS	2007	2006	2005	2004	2003
Earnings per share (EPS), euro	0.71	0.63	0.40	0.37	0.44
EPS adjusted for dilution from warrants, euro	0.71	0.63	0.40	0.36	0.43
Equity per share, euro	6.83	7.11	6.91	6.96	6.57
*) Nominal dividend per share, euro	0.80	0.65	0.85	0.65	0.70
*) Effective dividend yield, %	3.3	3.3	4.0	4.9	5.3
*) Pay-out ratio, %	112.9	103.3	214.1	177.0	159.6
Price/Earnings ratio (P/E)	33.9	31.7	53.1	35.9	30.2
Price of Series A share					
- at year-end, euro	24.00	20.00	21.10	13.17	13.25
- high, euro	30.80	20.19	21.60	14.18	14.40
- low, euro	19.50	10.50	13.30	11.56	10.00
- average price, euro	24.14	14.70	16.43	12.81	12.09
Trading volume of A shares	2 286 279	3 052 970	1 912 335	1 767 881	1 320 230
% of all A shares outstanding	26.9	35.9	44.9	43.3	33.0
Market capitalisation of A shares 31 Dec, MEUR	204.3	170.3	89.8	53.6	52.4
Market capitalisation of K shares 31 Dec, MEUR	44.8	37.3	19.7	12.3	12.4
Total market capitalisation, MEUR	249.1	207.6	109.5	65.9	64.8
Number of shares					
- year's average number, adjusted for share issues	10 358 296	10 376 311	10 292 806	9 916 982	9 712 626
- average number of shares adjusted for dilution from warrants	10 358 296	10 413 050	10 378 178	10 210 004	9 966 906
- number at year-end, adjusted for share issues	10 379 404	10 379 404	10 379 404	10 028 204	9 873 004

*) The amount of nominal dividend has not been adjusted for the effect of the bonus issue.

Nominal dividend refers to the dividends paid on each year's number of shares. The amount of dividend used for calculating the 2007 ratio is the Board of Director's proposal to the Annual General Meeting. The doubled numbers of shares after the bonus issues in 2006 and 2003 have been taken into account in the calculation of per-share ratios.

Shares and share capital 31 December 2007

	Shares	%	Votes	%
Series K shares, registered	1 866 128	18.0	37 322 560	81.4
Series A shares, registered	8 513 276	82.0	8 513 276	18.6
Total	10 379 404	100.0	45 835 836	100.0

Registered share capital, EUR 1,000 20 759

The Series A and Series K shares received a dividend of 0.65 euro per share for 2006 (0.425 euro per share for 2005), totalling 6.7 (4.4) million euro.

The dividends were paid on 16 April 2007.

Nominal value of A and K shares, EUR	2.00
Votes per Series A share	1
Votes per Series K share	20

The shares entitle to equal dividend.

The Articles of Association include a redemption clause concerning Series K shares.

DISTRIBUTION OF HOLDINGS AND INFORMATION ON SHAREHOLDERS

Largest shareholders on 31 December 2007

		Series K	Series A	Total	%	Votes	%
1.	Olvi Foundation	1 181 952	354 408	1 536 360	14.80	23 993 448	52.35
2.	Hortling Heikki Wilhelm*)	450 712	85 380	536 092	5.16	9 099 620	19.85
3.	The Heirs of Hortling Kalle Einari	93 552	12 624	106 176	1.02	1 883 664	4.11
4.	Hortling Timo Einari	82 912	17 304	100 216	0.97	1 675 544	3.66
5.	Hortling-Rinne Marit	51 144	1 050	52 194	0.50	1 023 930	2.23
6.	Skandinaviska Enskilda Banken nominee register		992 602	992 602	9.56	992 602	2.17
7.	Nordea Bank Finland plc nominee register		645 355	645 355	6.22	645 355	1.41
8.	Ilmarinen Mutual Pension Insurance Company		515 748	515 748	4.97	515 748	1.13
9.	Oy AutoCarrera Ab		221 891	221 891	2.14	221 891	0.48
10.	Pensionsförsäk-ringsaktiebolaget Veritas Pension Insurance Company		221 891	221 891	2.14	221 891	0.48
11.	Evli-Select		191 400	191 400	1.84	191 400	0.42
12.	Odin Finland		172 330	172 330	1.66	172 330	0.38
13.	Kamprad Ingvar		160 000	160 000	1.54	160 000	0.35
14.	Vidgren Einari		158 113	158 113	1.52	158 113	0.34
15.	Säästöpankki Kotimaa mutual fund		111 800	111 800	1.08	111 800	0.24
16.	Svenska Handelsbanken Ab (Publ) Filialverksamheten i Finland nominee register		110 909	110 909	1.07	110 909	0.24
17.	Nordea Bank Finland plc		105 000	105 000	1.01	105 000	0.23
18.	Nordea Vakaa Tuotto mutual fund		91 837	91 837	0.88	91 837	0.20
19.	Lahti Ari Juhani		90 000	90 000	0.87	90 000	0.20
20.	Pohjola Non-Life Insurance Company Ltd		90 000	90 000	0.87	90 000	0.20
Others		5 856	4 163 634	4 169 490	40.17	4 280 754	9.34
Total		1 866 128	8 513 276	10 379 404	100.00	45 835 836	100.00

*) The figures include the shareholder's own holdings and shares held by parties in his control.

Olvi plc had 5,667 (5,149) shareholders registered in the book-entry system on 31 December 2007, 10 (6) of them nominee-registered.

Insiders
Olvi plc adopted the insider guidelines drawn up and recommended by the Helsinki Stock Exchange on 1 September 2005.

Management's interests
The members of the Board of Directors and the Managing Director of Olvi plc held a total of 450,712 K shares and 93,380 A shares on 31 December 2007, which represent 5.2 percent of the total number of shares and 19.9 percent of the votes.

The company's management does not hold any warrants or options.

Shareholders by size of holding on 31 December 2007

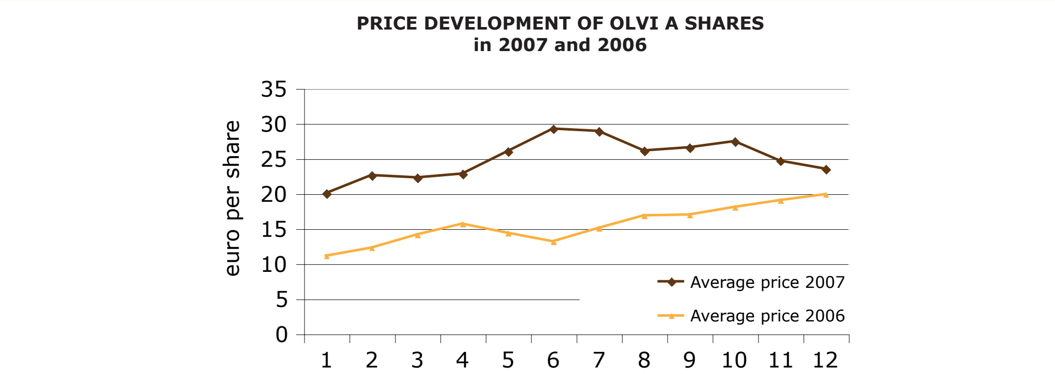
Number of shareholders	Number of shareholders	% of shareholders	Number of book entries	% of book entries	Voting rights	% of votes
1-100	1 781	31.43	103 115	0.99	103 115	0.22
101-1000	3 175	56.03	1 230 597	11.86	1 235 461	2.70
1 001-10 000	638	11.26	1 610 825	15.52	1 717 225	3.75
10 001-100 000	57	1.01	1 552 187	14.95	2 523 923	5.51
100 001-1 000 000	15	0.26	4 327 632	41.69	16 243 976	35.44
1000001-999999999999	1	0.02	1 536 360	14.80	23 993 448	52.35
In collective book-entry account			18 688	0.18	18 688	0.04
Total	5 667	100.00	10 379 404	100.00	45 835 836	100.00

Shareholders by category on 31 December 2007

	Number of share-holders	% of share-holders	Number of book entries	Nominee-registered % of book entries	number of book entries	% of book entries	Voting rights	% of votes
Private businesses	272	4.80	2 304 679	22.20	10 739	0.10	24 772 506	54.05
Financial institutions and insurance companies	33	0.58	719 040	6.93	1 750 276	16.86	2 469 316	5.39
Public sector organisations	8	0.14	882 588	8.50			882 588	1.93
Non-profit organisations	65	1.15	310 339	2.99			310 339	0.68
Households	5 264	92.89	4 114 801	39.64			16 142 409	35.22
Non-Finnish shareholders	25	0.44	267 034	2.57	1 220		1 239 990	2.71
In collective book-entry account		0.00	18 688	0.18			18 688	0.04
Total	5 667	100.00	8 617 169	83.02	1 762 235	16.98	45 835 836	100.00

Foreign and nominee-registered holdings on 31 December 2007

	Number of share-holders	% of share-holders	Number of book entries	% of book entries	Voting rights	% of votes
Foreign total	23	0.41	267 034	2.57	1 238 770	2.70
Nominee-registered (foreign) total	2	0.04	1 220		1 220	0.00
Nominee-registered (Finnish) total	8	0.14	1 761 015	16.97	1 761 015	3.84
Total	33	0.58	2 029 269	19.55	3 001 005	6.55



CALCULATION OF FINANCIAL RATIOS

Cash flow ratio, %	= 100 x	Operating profit + depreciation + financial income and expenses + extraordinary income and expenses-taxes	Net sales
Return on investment, % (ROI)	= 100 x	Profit before taxes + interest and other financial expenses	Balance sheet total - interest-free liabilities (average)
Return on equity, % (ROE)	= 100 x	Profit before taxes - taxes	Shareholders’ equity + minority interest + voluntary provisions and depreciation difference deducted by deferred tax liability (average during the year)
Equity to total assets, %	= 100 x	Shareholders’ equity+minority interest+voluntary provisions and depreciation difference	deducted by deferred tax liability Balance sheet total - advance payments received
Current ratio	=	Liquid assets+inventories	Current liabilities
Gearing, %	= 100 x	Interest-bearing liabilities+advance payments received+cash and other liquid assets	Shareholders’ equity+voluntary provisions and depreciation difference deducted by deferred tax liability
Earnings per share (EPS)	=	Profit before taxes - taxes +/- minority interest	Average number of shares during the year, adjusted for share issues
Equity per share	=	Shareholders’ equity+voluntary provisions and depreciation difference	deducted by deferred tax liability and minority interest Number of shares on 31 December, adjusted for share issues
Dividend per share	=	Dividend per share for the fiscal year	Share issue adjustment factor
Effective dividend yield, %	= 100 x	Dividend per share, adjusted for share issues	Last trading price of the year, adjusted for share issues
Price/Earnings ratio (P/E)	=	Last trading price of the year, adjusted for share issues	Earnings per share
Pay-out ratio, %	= 100 x	Dividend per share	Earnings per share
Market capitalisation at year-end	=	Number of shares at year-end, adjusted for share issues x Price of A share at year-end	

BOARD OF DIRECTORS' PROPOSAL FOR THE DISTRIBUTION OF PROFIT

The parent company Olvi plc had 45.3 million euro of distributable funds, of which profit for the period 1 January to 31 December 2007 accounted for 8.5 million euro.

The company's Board of Directors proposes to the Annual General Meeting that distributable funds be used as follows:

- A dividend of 0.80 euro shall be paid for 2007 on each Series K and Series A share, totalling 8.3 million euro. The dividend represents 43.7 percent of Olvi Group's earnings per share. The proposal calls for the payment of dividends in April 2008.

- 37.0 million euro shall be retained in the parent company's non-restricted equity.

Date and Signatures

Signed in Iisalmi, this 25th day of February 2008

Heikki Hortling
Chairman
of the Board

Esa Lager
Vice Chairman
of the Board

Lauri Ratia
Member of the Board

Heikki Sinnemaa
Member of the Board

Harri Sivula
Member of the Board

Lasse Aho
Managing Director

AUDITOR'S NOTE

The financial statements and the annual report have been prepared in accordance with generally accepted accounting principles. A report of the audit has been submitted today.

Signed in Iisalmi, this 19th day of March 2008

Pekka Loikkanen
Authorised Public Accountant

Olvi plc’s Board of Directors 2007

Heikki Hortling, b. 1951

- Master of Science (Economics)
- Chairman of Olvi plc’s Board of Directors since 1998
- Vice Chairman of Olvi plc’s Board of Directors 1987–1997
- Member of the Iisalmi town council and executive board
- Member of the Board of Iisalmen Puhelin Oy
- Member of the Board in Ylä-Savon Pääomarahasto Oy

Esa Lager, b. 1959

- Master of Laws
- Master of Science (Economics)
- Chief Financial Officer of Outokumpu Oyj
- Member of Olvi plc’s Board of Directors since 2002
- Vice Chairman of Olvi plc’s Board of Directors since 14 April 2004
- Member of the Board of Okmetic Oyj

Harri Sivula, b. 1962

- Master of Administrative Sciences
- Managing Director of Onninen Oy
- Member of Olvi plc’s Board of Directors since 2007

Lauri Ratia, b. 1946

- Master of Science (Engineering)
- CRH Europe Materials, Senior Advisor, 2007–2008
- Member of Olvi plc’s Board of Directors since 1999
- Chairman of the Board of Tecnomen Corporation 2001
- Chairman of the Board of Edita Plc 2005
- Vice Chairman of the Board of Paloheimo Oy 2006
- Chairman of the Board of Sponda Plc 2007
- Chairman of the Board of Medifiq Healthcare Corporation 2007
- Member of the Board of LSR Group, St. Petersburg, Russia, 2007
- Member of the Board of Inspecta Oy 2007
- Member of the Finnish Association of Professional Board Members 2002

Heikki Sinnemaa, b. 1949

- Master of Laws, Member of the Bar
- Member of Olvi plc’s Board of Directors since 2004
- Chairman of Olvi Foundation’s Board of Directors since 2006
- Member of Olvi Foundation’s Board of Directors 2002–2005
- Member of the Board of Iisalmen Puhelin Oy

Managing Director Lasse Aho, b. 1958

- Master of Social Sciences
- Olvi plc’s Managing Director since 2004