2006
Annual Report

Teollisuuden Voima Oy


Well-being for Finland

Annual Report 2006

Teollisuuden Voima Oy

TVO produces electricity for Finns, for both civil and industrial use.

Olkiluoto 1 and Olkiluoto 2 nuclear power plant units produced 14.27 terawatthours of electricity in 2006.

Construction work proceeded at the Olkiluoto 3 nuclear power plant site. The steel bottom liner of the reactor building was installed in summer 2006.

Contents

TVO as a Company

Teollisuuden Voima Oy (TVO) is a private limited company that was established in 1969 and produces electricity for its shareholders at cost price.

Electricity is generated at the two Olkiluoto nuclear power plant units Olkiluoto 1 and Olkiluoto 2 (OL1 and OL2) at Eurajoki and at the Meri-Pori coal-fired power plant.

A new unit, Olkiluoto 3 (OL3) is under construction at Olkiluoto.

Vision

A world-class nuclear power company highly valued by the Finnish society.

Mission

To produce electricity for shareholders safely, reliably and economically, while preserving the environment.

Values

Responsibility

Responsibility at TVO means above all that electricity is produced safely. A high safety culture is a priority and a common concern for the entire personnel. Agreed rules are strictly obeyed. The operations at TVO call for high and uncompromising quality. TVO understands its responsibility towards promoting local well-being.

Transparency

Personnel working at TVO are open, cooperative and fair, and do not put their own interests before the Company's. The Company communicates openly about its operations and cooperates constructively and in a businesslike manner with stakeholders with the aim of achieving good interaction.

Proactivity

The Company's operations are based on consistent planning, which takes the long-term span of the operations into account. TVO aims to prevent any incidents from occurring that might affect safety or the availability of electricity. This is achieved by keeping the units in good condition and up-to-date and by ensuring personnel's expertise, a good working atmosphere and well-being at work.

Continuous improvement

The Company encourages personnel to update their professional skills, to improve working methods and working conditions. Continuous development improves safety and profitability. Areas for improvement are actively sought in equipment, operating methods and guidelines. If problems are found, the corrective actions are taken immediately.

Areas of Focus

TVO has two primary areas of focus

1. *To keep the existing nuclear power plant units safe, up-to-date, in a good condition, reliable and competitive in terms of their production costs.*

2. *To implement the OL3 project safely, to a high standard and fulfilling the technical requirements in line with the set timetable and cost estimate.*

Group Structure

TVO is part of the Pohjolan Voima Group, whose parent company is Pohjolan Voima Oy. The subgroup of Teollisuuden Voima Oy comprises the parent company Teollisuuden Voima Oy and the subsidiaries Posiva Oy, TVO Nuclear Services Oy (TVONS), Olkiluodon Vesi Oy and Perusvoima Oy.

The business concept of Posiva Oy is the management of spent nuclear fuel from the Olkiluoto and Loviisa nuclear power plants. TVO has a 60% shareholding in Posiva Oy.

The business concept of TVONS is to market and sell consultancy services based on TVO's nuclear power expertise.

The business concept of Olkiluodon Vesi Oy is to ensure the supply of raw water to the Olkiluoto power plant units.

Perusvoima Oy had no operations in the year under review.

TVONS, Olkiluodon Vesi Oy and Perusvoima Oy are fully owned by TVO.

Company Shareholders and Holdings

The Company has three share series. The A series entitles to the electricity generated by the existing OL1 and OL2 nuclear power plant units. The B series entitles to the electricity that will be generated by the OL3 nuclear power plant unit now under construction. The C series entitles to the electricity generated by the TVO share in the Meri-Pori coal-fired power plant.

Company shareholders and shareholdings (%) Dec 31, 2006

	A series	B series	C series	Total
Etelä-Pohjanmaan Voima Oy	6.5	6.6	6.5	6.5
Fortum Power and Heat Oy	26.6	25.0	26.6	26.2
Karhu Voima Oy	0.1	0.1	0.1	0.1
Kemira Oyj	1.9	-	1.9	1.4
Oy Mankala Ab	8.1	8.1	8.1	8.1
Pohjolan Voima Oy	56.8	60.2	56.8	57.7
	100.0	100.0	100.0	100.0

TVO Policies

The Company's operation takes into account the approved operating principles and Company-level policies. TVO and its personnel operate in line with the policies determined by the Company.

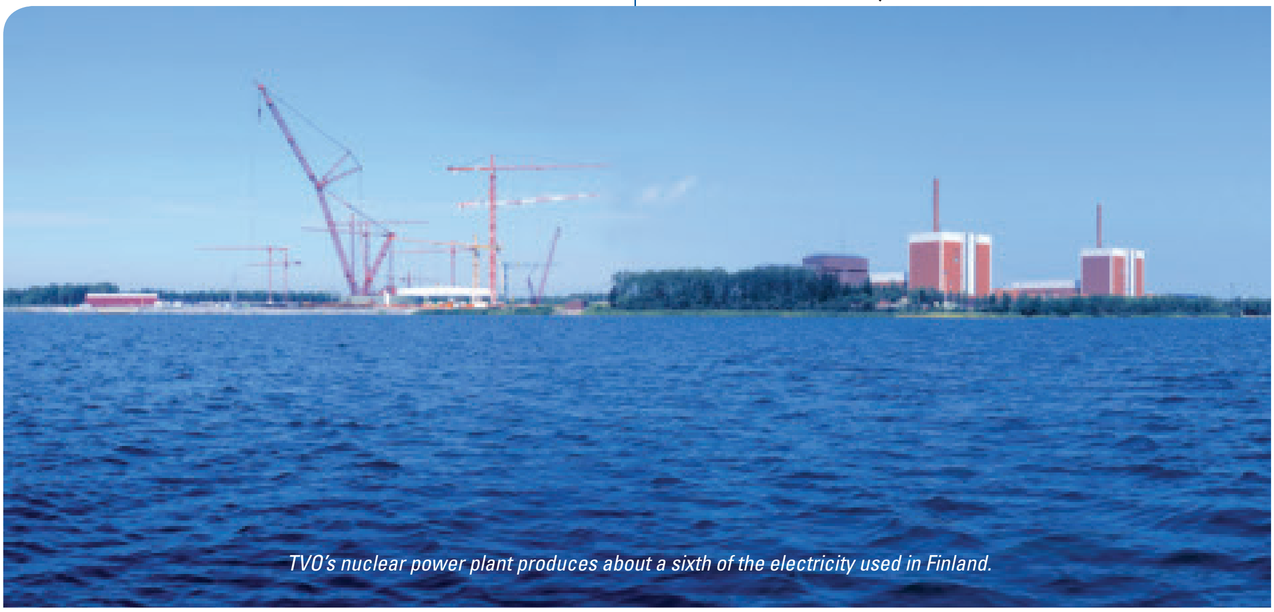
The policies are grouped under four headings: nuclear safety and quality, social responsibility, production and corporate security.

The policy on nuclear safety and quality comprises nuclear safety, radiation protection, safeguards of nuclear material, and quality.

The social responsibility policy comprises the environment, procurement, personnel, occupational safety, and communications.

The production policy comprises plant operation and maintenance and an increase in production capacity.

The corporate security policy comprises the safety of production and operations, the security of people and operating premises, rescue and emergency services, and information security.



TVO's nuclear power plant produces about a sixth of the electricity used in Finland.

Review by the President and CEO

Energy issues were a popular topic in Finnish public debate during the year under review. Discussion took different forms among different groups, and was particularly lively in the media. In terms of energy economy, 2006 was extraordinary in many ways. The dry summer, scarcity of hydropower, and the high prices of fuels and emission rights affected the electricity market and private consumers alike during the first half of the year. Nature came to the rescue with a mild autumn reducing energy consumption. At the end of the year, rain melted the snow that fell during the early autumn almost completely, and as a result, water levels in the Scandinavian reservoirs returned to their long-term averages by the end of the year. Similarly, the market price of electricity came back down from the high quotations of the summer and early autumn.

In June, the Parliament of Finland approved the National Climate and Energy Strategy. According to this, Finland should continue to rely on a diverse supply of energy sources, ensuring maximum self-sufficiency. All emission-free, low emission or emission-neutral production methods will be considered when decisions are being made on future capacity. The unanimous position of Parliament provides a solid ground for developing Finland's energy economy over the next decade.

Nuclear power retained its position as a source of base-load power in Finland. The operations of TVO's existing OL1 and OL2 nuclear power plant units were trouble-free, and they achieved the highest total annual production ever. During the year under review, the modernization of the turbine plants and internal substations of OL1 and OL2 was completed, increasing the combined capacity of the two units by almost 40 MW. The nominal capacity of both of the units is now 860 MW. The Meri-Pori coal-fired power plant was in stream for most of the year. The extensive annual maintenance outage early in the year was successful, as expected.

Engineering, construction work, subcontracting and main equipment manufacturing of the OL3 project continued on a large scale. The project as a whole did not, however, proceed according to the original schedule. In December, the OL3 plant supplier reported that according to the present scenario the commercial operation of the plant unit will start at the turn of the years 2010 / 2011. Despite the delay, the unit will upon completion provide electricity for six decades safely and competitively. Public interest in the OL3 project remained strong.

TVO's finances remain on a stable footing and the Company's position as a producer of competitive, cost-price electricity remains good. In the autumn, the international credit rating agency FitchRatings awarded TVO the A-/F2 rating.

The new year will be a challenging one for TVO. The current production units OL1 and OL2 are in good condition and are expected to operate safely and reliably for the full year. The ongoing implementation of the OL3 project will continue to require hard work and good co-operation with the plant supplier.

The Company's operations are on a solid ground: professional personnel, high-level safety culture and a successful operating approach provide a sound basis for continuing success. The results of a comprehensive personnel survey, carried out during the autumn, demonstrate that the Company's leadership has improved over the last few years. I would like to express my sincere thanks to the Company's owners, personnel, financiers, authorities and other stakeholders for the past year.

February 2007

Pertti Simola

January 2006

TVO´s new Visitor Centre was taken into use.

February 2006

Over 2,000 interested visitors at the Open Doors and Family Day occasion.

March 2006

Construction at the OL3 turbine plant proceeded.

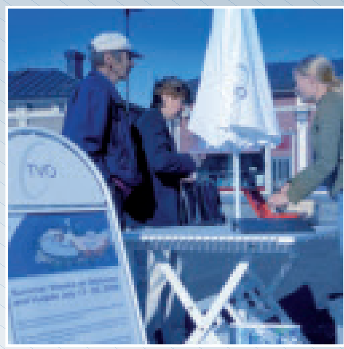
May 2006

The modernization project increased the output of the units by some 40 MW.

June 2006

Mr. Dominique de Villepin, the Prime Minister of France visited Olkiluoto.

July 2006



Visitors from the neighbourhood attended the Olkiluoto Summer Weeks.

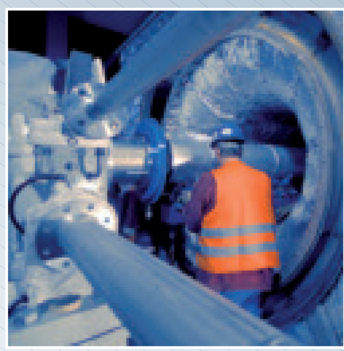
September 2006

Concrete reinforcement work at the OL3 reactor building.

October 2006

Installation of sea water pipes proceeded at the OL3 site.

December 2006



Construction and installation work at the gas turbine plant.

TVO Figures

Teollisuuden Voima Oy / Parent Company

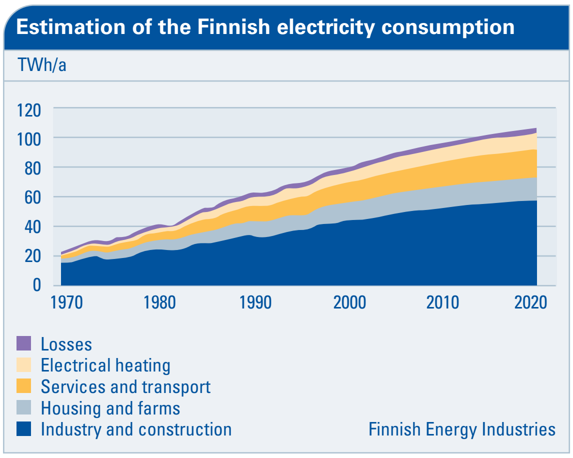
	2006	2005	2004	2003	2002
Electricity delivered (GWh)					
Olkiluoto 1	6,956	7,208	7,001	7,118	6,989
Olkiluoto 2	7,278	6,984	7,072	7,018	7,099
Olkiluoto 1 and 2 total *)	14,234	14,192	14,073	14,136	14,088
Meri-Pori	1,509	250	1,797	1,545	835
Electricity delivered total	15,743	14,442	15,870	15,681	14,923
*) Includes wind power 1.7 GWh (2006) and 2.0 GWh (2005)					
TVO's production share of the electricity used in Finland (%)	17.5	17.0	18.3	18.5	17.8
Capacity factors (%)					
Olkiluoto 1	93.8	98.3	95.1	97.0	95.3
Olkiluoto 2	96.9	94.0	96.1	95.5	96.6
Income Statement Figures (EUR million)					
Turnover	227	199	217	223	218
Fuel costs	65	44	69	63	56
Personnel costs	38	37	36	36	31
Nuclear waste management costs	29	27	23	22	20
(Includes the contribution to the Finnish State Nuclear Waste Management Fund and nuclear waste management services.)					
Other expenses and income	68	57	54	55	49
Depreciations	19	27	29	38	51
Financial income and expenses	8	7	6	9	11
Balance Sheet (EUR million)					
Non-current assets	1,701	1,477	880	551	572
Nuclear waste loan receivables from shareholders	620	595	573	549	520
Inventories	147	152	151	154	161
Other current assets	171	295	141	92	82
Shareholders' equity	408	408	229	148	131
Appropriations	269	298	322	344	357
Liabilities					
Shareholders' loans (subordinated loans)	179	179	179	0	0
Finnish State Nuclear Waste Management Fund (lent further to shareholders)	620	595	573	549	520
Other liabilities	1,162	1,039	442	305	327
Balance Sheet, total	**2,639**	**2,519**	**1,745**	**1,346**	**1,335**
Investments (EUR million)	272	647	382	30	38
Loans (EUR million) *	1,242	1,146	554	253	269
Equity ratio % **	42.5	46.0	62.3	61.7	59.9
Assets in the Finnish State Nuclear Waste Management Fund (EUR million)	864.1	826.6	792.7	763.8	732.2
Personnel (on average)	748	693	641	589	546

Calculation formulas:

* Loans = balance sheet long-term loans + short-term loans + annual repayments - loans from the Finnish State Nuclear Waste Management Fund

$$\text{** Equity ratio \%} = 100 \times \frac{\text{shareholders' equity + appropriations + shareholders' loans***}}{\text{balance sheet total - loans from the Finnish State Nuclear Waste Management Fund}}$$

*** Shareholders' loans have been considered as an equity item.



TVO's new Visitor Centre had more than 20,000 visitors.

The annual outage at the OL1 unit was the most extensive in TVO's history. The nominal capacity of both units is 860 MW.

Report of the Board of Directors

Operating Environment

Security of power supply, increasing electricity imports from Russia and substantial fluctuations in the price of market electricity and imported fuels were the main themes in the Finnish energy debate in 2006. Low precipitation in the summer months and scarcity of hydropower caused electricity prices to rise rapidly in the Nordic region during the early months of the year. At the same time, unusually warm autumn weather helped to cut energy consumption in a number of sectors. Heavy rains at the end of the year caused water levels in Scandinavian reservoirs to return to their long-term averages, so power shortages during winter 2006/2007 were less severe than feared. The year 2006 clearly demonstrated that there is a need for a stable electricity supply and that Finland needs additional power-generating capacity.

Carbon-dioxide emissions trading became an established part of the electricity markets. In relative terms, emissions trading had less impact on electricity market prices in 2006 than in the previous year.

As in 2005, net imports of electricity were high, accounting for 13 (20 per cent in 2005) per cent of the total Finnish consumption. Finnish-generated nuclear power remained competitive. 22.0 (22.3) TWh (billion kilowatt-hours) of nuclear energy was produced.

Electricity consumption in Finland totalled 90.0 (84.9) TWh in 2006, which was 6.5 (2.5) per cent more than in 2005. The sharp rise was the result of the consumption recovering after a six-week labour dispute in the Finnish paper industry in 2005, which had caused electricity consumption to reach exceptionally low levels.

Industrial demand for electricity grew by 9.5 per cent. In households and agriculture the rise was 2.3 per cent, while in the service and public sectors, consumption increased by 3.1 per cent.

According to a survey on energy attitudes conducted by Yhdyskuntatutkimus Oy, Finns were more supportive of nuclear power in 2006 than at any time since 1983, the year the polling began. In 2006, some 44 (39) per cent of the population was prepared to introduce additional nuclear energy capacity. Some 28 (33) per cent considered the present level sufficient, while 24 (24) per cent would have the capacity reduced. Some 5 (4) per cent of those questioned did not express any opinion.

In June, the Finnish Parliament gave unanimous backing to the National Energy and Climate Strategy. According to the document, Finland should continue to rely on a diverse supply of energy sources, ensuring maximum self-sufficiency. No emission-free, low-emission or emission-neutral production methods should be excluded when decisions are made on future capacity. The strategy will enable Finland to continue the construction of a decentralised power-generation capacity in an optimum manner, while at the same time, consideration can also be given to building of additional nuclear power capacity.

Main Events

There were no safety or reliability problems with the two existing nuclear power plant units at Olkiluoto. Olkiluoto 1 and Olkiluoto 2 produced 14.27 (14.22) TWh of electricity during the year and their combined output was a new record. The two units have generated a total of 323 (309) TWh of electricity since starting production.

TVO's share of the production at the Meri-Pori coal-fired power plant was 1.5 (0.25) TWh.

The one-megawatt wind power plant at Olkiluoto generated 1,743 (2,016) MWh (thousand kilowatt-hours) of electricity.

Engineering and construction of the Olkiluoto 3 unit, manufacturing of the necessary equipment, subcontracting for the project, and the processing of the project-related documents by the authorities continued. In overall terms, the project did not, however, proceed according to the original schedule. In December, the supplier (AREVA NP/Siemens consortium) announced that the commercial operations of the unit are now scheduled to start at the turn of the years 2010/2011.

The new visitor centre at Olkiluoto was inaugurated in February. The facility attracted a total of 23,000 people who wanted to know more about the operations at Olkiluoto.

Agreement was reached on the renting of the new accommodation village at Olkiluoto to the plant supplier for the OL3 project period.

The annual outages of OL1 and OL2 were carried out as planned between May 7 and June 12, 2006.

Construction of a gas turbine power plant began at Olkiluoto during the year. The project is a joint TVO-Fingrid undertaking and the facility will have an output of 100 MW.

FitchRatings, an international credit rating agency, awarded TVO the rating 'A-/F2' in September 2006.

The Company recruited 44 (92) permanent employees during the year. In the same period, a total of 18 (24) permanent employees left TVO, 8 (14) of them going to retirement.

Administrative Principles

The TVO Board of Directors has a minimum of seven and a maximum of ten members. The term of office of a Board member starts at the termination of the Shareholders' Meeting carrying out the election and ends at the termination of the Shareholders' Meeting carrying out the new election. The Board elects a Chairman and a Deputy Chairman from among its members. The Board convenes when summoned by the Chairman or, if the Chairman is prevented from doing so, by the Deputy Chairman.

The Company's administration and management are in accordance with its Corporate Governance principles covering administration and management systems, approved by the Board of Directors for application from the start of 2005. The principles are based on the recommendation concerning listed companies drawn up by HEX Integrated Markets Ltd, the Finnish Central Chamber of Commerce, and the Confederation of Finnish Industry and Employers (now Confederation of Finnish Industries, EK), which became effective in the summer of 2004. As a private production company, TVO adheres to the recommendation, as applicable.

Administrative Bodies

One Shareholders' Meeting was held during the year: the Company's Annual General Meeting took place on April 20, 2006 and it elected ten members to the Board of Directors.

At its organization meeting on April 20, 2006, the Board of Directors elected Tapio Kuula as Chairman and Timo Rajala as Deputy Chairman.

The Board of Directors met 15 times during the year.

President and CEO of TVO is Pertti Simola, M.Sc. (Eng.).

The Annual General Meeting elected as company auditors Eero Suomela, Authorized Public Accountant, and PricewaterhouseCoopers Oy, Authorized Public Accountants. The principal auditor with the latter being Marja-Leena Turunen, Authorized Public Accountant until August 23, 2006, after which Niina Raninen, Authorized Public Accountant, has been acting as its principal auditor.

Group Structure

No changes took place in the Group structure during the year.

Financial Performance

The Company's turnover during the period under review amounted to EUR 227.3 (199.2) million, and the amount of electricity delivered 15,743 (14,442) GWh (million kilowatt-hours). The increase in turnover and the amount of electricity delivered was the result of the increased use of the Meri-Pori coal-fired power plant.

The potential additional costs or credit resulting from the delay of the Olkiluoto 3 project are not included in the financial statements.

TVO operates at cost-price principle. The shareholders pay the variable costs in accordance with the amounts of energy delivered, and fixed costs in proportion to their ownership regardless of whether they have made any use of their share. Because of the Company's operating principle, presenting key figures is not essential for understanding its business operations, financial position or performance.

Financing

TVO's liquidity and financial position remained stable throughout the year. Because of the delays in the OL3 project, the Company raised fewer loans than originally planned.

The Company's interest bearing loans (long-term and short-term) totalled EUR 1,242.1 (1,146.2) million at the end of the year. The figure does not include loans to shareholders from the Finnish State Nuclear Waste Management Fund. TVO raised a total of EUR 100.0 (362.5) million in long-term loans during the year, while loan repayments amounted to EUR 30.0 (134.6) million. Most of the new loans were for the OL3 project. The project's financing costs have been capitalized in the balance sheet.

At the end of the year the Company had un-drawn long-term credit commitments totalling about EUR 2,100 (2,200) million and liquid assets of EUR 88.4 (51.9) million.

In addition to long-term loans, the Company also has domestic commercial paper programmes with a limit of EUR 600 million.

The Company used interest-rate derivatives for extending the interest-bearing period of its floating-rate loans, while currency derivatives were used for converting USD-denominated payments into euro-denominated payments. The use of derivatives has been presented in the accounting principles, and the derivatives are listed in the notes to the financial statements.

The Company's equity ratio at the end of the year was 42.5 (46.0) per cent.

At the end of the year, TVO had the following credit ratings:

	Long-term	Short-term
FitchRatings	A-	F2
Japan Credit Rating Agency	AA	

Internal Supervision, Risk Management and Internal Auditing

The Board of Directors and the operative management are responsible for organizing the Company's internal supervision and ensuring that it is adequate. The purpose of internal supervision is to ensure that TVO operations are on an efficient and cost-effective basis, the information supplied is reliable and that all relevant regulations and operating principles are adhered to. Company documents and its policies and operating guidelines provide a basis for TVO's administration and internal supervision.

In TVO, risk management is part of an operating system that is in compliance with the Company's safety culture. Operational threats and different risk factors and procedures for preventing, managing and reducing them are constantly monitored. In risk identification processes, the likelihood of different threats becoming a reality is assessed and action programmes are drawn up for them on a case-by-case basis.

TVO can reduce risks connected with safety and production by, for example, keeping the plants in good condition. High-quality planning and implementation of the annual outages is particularly important. The Company has also taken out property damage insurance to cover property risks, and a statutory liability insurance for cases involving nuclear liability. Risks connected with nuclear fuel have been reduced by making purchases from a large number of suppliers and by concluding long-term contracts. Long-term credit commitments and liquid funds help to reduce financing risks. TVO has reduced market risks by making use of interest rate derivatives and by keeping loans euro-denominated. In OL3, risk management is primarily a question of supervising the operations of the plant supplier.

The principles guiding TVO's internal supervision are laid out in internal Company guidelines. Internal auditing reports to the President and CEO, and its task is to support Company management in the development and efficiency-assessment of good corporate governance, risk management and internal supervision systems.

Share Capital and Share Issue

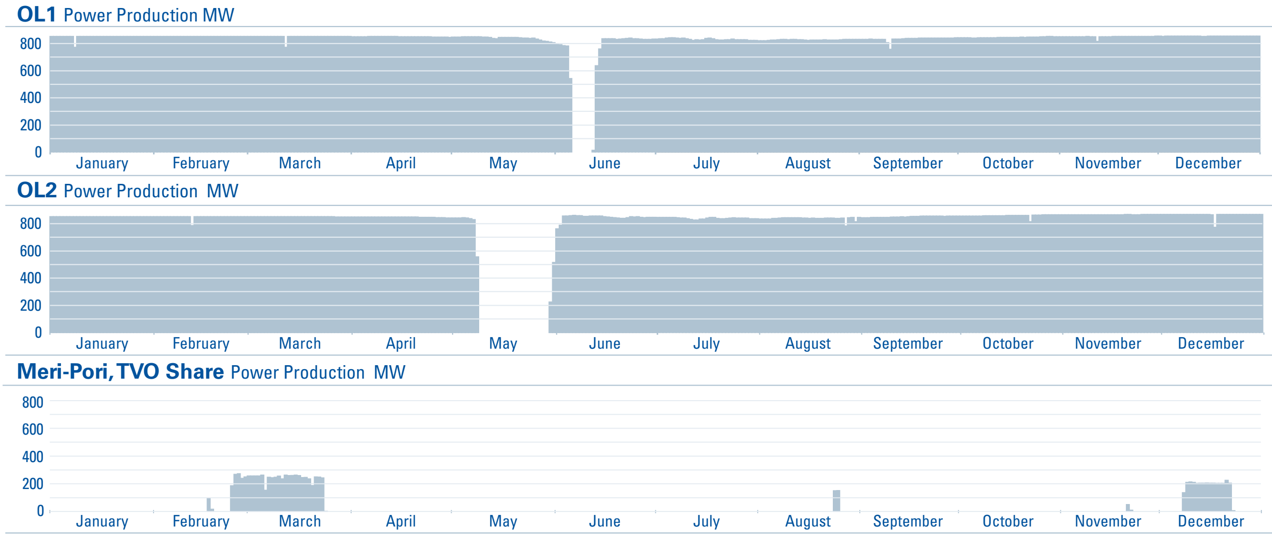
The Company's share capital on December 31, 2006 was EUR 166.1 (137.2) million.

The Company has 977,011,519 shares, of which 680,000,000 belong to the A series. These entitle holders to electricity generated by the existing OL1 and OL2 nuclear power plant units. The C series consists of 34,283,730 shares, which grant entitlement to electricity generated by TVO's share of the Meri-Pori coal-fired power plant. In addition, the Company may have a maximum of 680,000,000 B-series shares granting entitlement to electricity generated by the OL3 unit.

An extraordinary Shareholders' Meeting decided on December 16, 2005 to raise the share capital by EUR 28,900,000.00, to EUR 166,091,958.23 by issuing 170,000,000 new B series shares at a subscription price totalling EUR 179.3 million. After this, the total number of B series shares stands at 262,727,789. The shares were subscribed immediately and the subscription price was paid on January 31, 2006.

The increase of the share capital was based on the financing plan of the OL3 nuclear power plant unit. In accordance

Production 2005



with the financing plan, equity-related financing required by the investment is accumulated as the project proceeds.

Electricity Production

Olkiluoto nuclear power plant

The Company produces electricity at two nuclear power plant units (OL1 and OL2), which are located at Olkiluoto in the municipality of Eurajoki. Modernization work carried out as part of the annual outage enabled the Company to raise the net capacity of OL1 to 860 MW as of July 1, 2006. Net capacity of OL2 has been at 860 MW since the modernization carried out during the 2005 annual outage.

Annual output at the Olkiluoto power plant totalled 14,268 (14,218) GWh, a new record. This is 15.9 (16.8) per cent of all electricity consumed in Finland. There were no operational problems in the two plant units during the year.

OL1 generated a total of 6,973 (7,221) GWh of electricity and the capacity factor was 93.8 (98.3) per cent. This was an excellent achievement considering the fact that the unit underwent a three-week annual outage in 2006, the most extensive in TVO's operational history.

OL2 generated a total of 7,294 (6,997) GWh of electricity and its capacity factor was 96.9 (94.0) per cent. The output was a new record and was made possible by a short annual outage and a trouble-free operating period.

Annual outages

The annual outages for the two power plant units lasted a total of 30 days, 9 hours (28 days, 12 hours). Inspections showed that the units are in good condition.

The service outage for OL1 lasted from May 7 to May 30, 2006. It involved the replacement of 110 (106) fuel assemblies, planned inspections, testing, maintenance and repairs plus extensive modifications and modernizations. The most important items modernized were the steam dryer, the high-pressure turbine, the reheater, turbine automation, and the 6.6 kV switchgear. At its height, the outage provided work for 1,500 (1,400) external employees.

The refuelling outage at OL2 lasted from June 4 to June 12, 2006. A total of 118 (128) fuel assemblies were replaced, and the planned inspections, maintenance work and repairs were carried out.

Nuclear fuel procurement amounted to EUR 41.1 (37.6) million and the consumption of nuclear fuel amounted to EUR 37.7 (39.9) million.

Nuclear fuel and uranium at the end of the year were valued at EUR 127.3 (133.0) million, of which the value of the fuel in the reactors was EUR 60.9 (63.5) million.

Meri-Pori

The Company has contributed to the construction costs of the Meri-Pori coal-fired power plant, owned by Fortum Power and Heat Oy, with a 45 per cent share and is entitled to a corresponding amount of energy generated by the plant. Operating the plant is the responsibility of Fortum Power and Heat Oy. TVO acquires the coal needed for the use of its share.

The amount of electricity produced by TVO's share in the Meri-Pori coal-fired power plant was 1,508.7 (250.0) GWh, and 524.5 (92.4) thousand tonnes of coal and 1,257.5 (218.6) thousand tonnes of carbon-dioxide emissions rights were used for producing it.

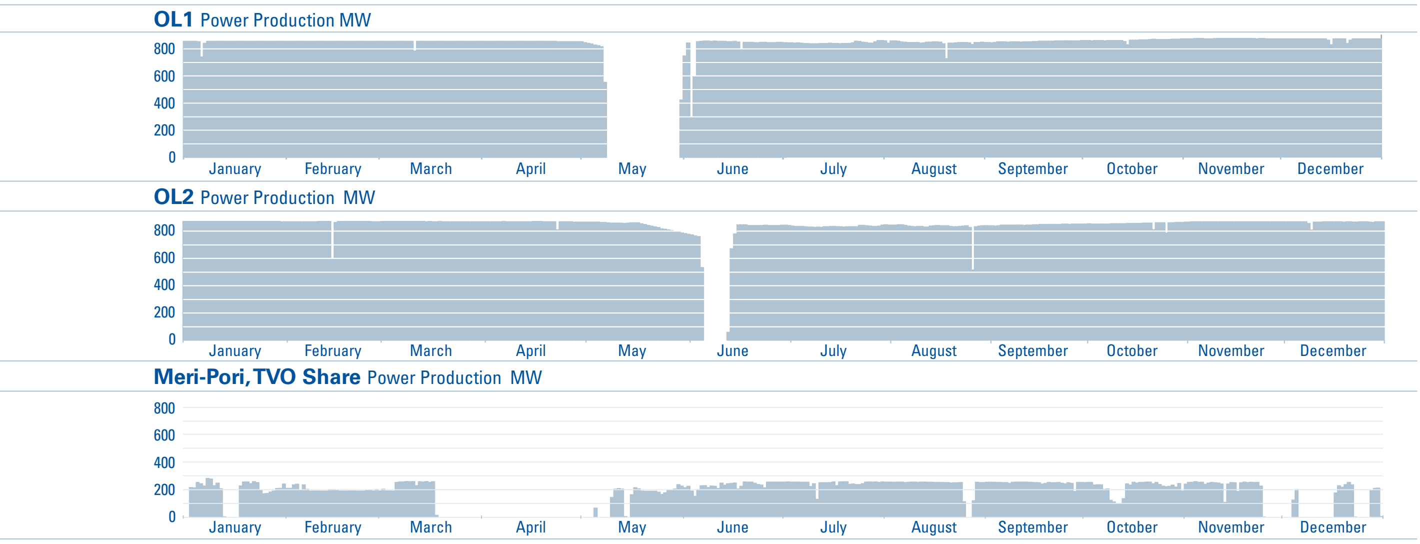
TVO was allocated a total of 2,714.1 thousand tonnes of carbon-dioxide emissions rights for its share for the period 2005–2007. One third of this amount, or 904.7 (904.7) thousand tonnes, was allocated for 2006.

Olkiluoto 3

The plant supplier proceeded with the engineering and licensing on all fronts during the year. Construction of the reactor pressure vessel continued in Japan, while the manufacturing of the steam generators and the pressurizer was making progress in France. The turbine and the generator were under construction in Germany, while the turbine condensers were nearing completion in Indonesia and are soon ready for shipping to Olkiluoto. Because of inspection-related reasons, the plant supplier decided to recast some of the forgings of main coolant lines.

Construction of the OL3 reactor and turbine buildings continued. Concreting of the reactor building base slab was completed at the start of the year. In May, the lower part of the steel liner of the inner containment was put on its place on the base slab, and a number of emergency coolant pipes were also installed. The base casting for the inside of the steel liner was carried out in October, and the reinforcing of the fuel building

Production 2006



and the lower part of the containment building at the end of the year. Construction of the turbine building and the switchgear building continued throughout the year, and the work on the main cooling water pumping station began in autumn. The supporting structures for the turbine table plate were completed by the end of the year together with the spring packs of the foundation.

All concrete used in the casting work was produced at a batching plant at Olkiluoto.

Two large steel-liner sections were brought to the site by sea.

There were about 1,000 people working at the site at the end of 2006. The most important work was carried out in two shifts.

Training for shift supervisors and operators for Olkiluoto 3 continued.

The operations of the plant supplier and its subcontractors have, in addition to being subject to standard control procedures for delivery and manufacturing, been certified by a number of audits in keeping with the quality system. In summer, the Finnish Radiation and Nuclear Safety Authority (STUK) published a report on the subcontractors' safety culture and quality management. In September, TVO prepared a response detailing the measures taken by TVO, the plant supplier and subcontractors for improving the safety and quality culture of the project.

Systematic occupational safety measures have been in place at the site from the outset, and the level of safety was high throughout the year.

Nevertheless, the project has not progressed in accordance with the original schedule. According to a statement issued by the plant supplier in December, it now seems that commercial operations of OL3 could start at the turn of the years 2010 / 2011.

Media and other stakeholders showed great interest for the project throughout the year.

Nuclear Waste Management

A total of 6,011 m^3 of low and medium-level radioactive waste has accumulated from the OL1 and OL2 plant units during their operations, and 586 (765) m^3 of this total was produced during the year 2006. The waste is disposed of in the repository for low and medium-level waste (the VLJ cave) at Olkiluoto.

The total amount of spent nuclear fuel accumulated during the operations of the two plant units by the end of the year amounted to 1,103 tonnes of which 38 (39) tonnes was generated during 2006. Most of the spent fuel is kept in a separate interim storage (KPA storage).

Posiva Oy, a TVO subsidiary, manages the final disposal of the spent nuclear fuel and is carrying out the work on behalf of TVO and Fortum Power and Heat Oy, which both come under nuclear waste management liability. The construction work of the underground research facility ONKALO, which is part of the final disposal repository project, continued at Olkiluoto.

The spent fuel generated by OL1, OL2, Loviisa 1, Loviisa 2 and OL3 will be stored in the Olkiluoto final disposal repository. About 74% of the waste originates from Olkiluoto and TVO also contributes the same percentage of the disposal costs.

In order to cover the nuclear waste management costs, the Company is making contributions to the Finnish State Nuclear Waste Management Fund. The Finnish Ministry of Trade and Industry has set TVO's liability for nuclear waste management at EUR 903.4 (826.6) million for the end of 2006 and the Company's target reserve in the Fund at EUR 864.1 (826.6) million. The difference is covered by insurance.

Research and Development

TVO's research and development expenditure (excluding Company-paid salaries) totalled EUR 15.7 (2005: 11.0 / 2004: 9.3) million most of which was spent on nuclear waste management. Compared with 2005, there was a particularly steep rise in research and development spending on final disposal of spent nuclear fuel, a Posiva responsibility.

TVO is a major provider of funds for Finnish public-sector research programmes focusing on reactor safety and nuclear waste management. In 2006, TVO's contribution to the Finnish State Nuclear Waste Management Fund, which finances such programmes, amounted to EUR 2.7 million.

Investments

In 2006, TVO's investment costs excluding purchases of emissions rights (2006: 9.0) totalled EUR 262.9 (647.3) million, of which EUR 197.1 (581.4) million was allocated to the OL3 project. Other major investments were the modernization of the turbine building and the internal substation at OL1.

The year in review saw the modernization of the process computer system, the solid-waste processing system and plant doors, while the area and infrastructure work for OL3, a TVO responsibility, was also making progress. The most important infrastructure projects were the extension of the laboratory, modernization of the water treatment plant and the water demineralizing plant, capacity improvements, and a number of monitoring and security arrangements.

The project to build a back-up power plant using gas-turbine technology proceeded according to plan. The plant will be constructed as a joint TVO-Fingrid project and will be worth EUR 50 million. TVO will contribute half of the sum and the plant is scheduled to be completed in the summer of 2007.

Safety and Environmental Issues

There were no safety problems in the two Olkiluoto power plant units during the year and no incidents with a major impact on nuclear safety occurred. Three special reports on incidents were prepared for STUK, and all incidents listed in them were rated 0 on the international seven-point INES scale (0 = no safety significance).

TVO's operations have been in accordance with the Company's environmental policy, environmental permits and environmental management system. TVO's environmental management system, which also covers the construction of the OL3 unit, is in compliance with the international ISO 14001 standard. The Olkiluoto power plant is the only EMAS-registered energy producer in Finland (registration number FI-000039).

All environmental goals set for 2006 requiring improvements were achieved. There were no significant environmental non-conformities during the year.

The Olkiluoto nuclear power plant had only a small environmental impact. As in previous years, radioactive emissions were extremely low.

In June 2006, the Western Finland Environmental Permit Authority issued its decision concerning the environmental permit for the power plant units OL1, OL2 and OL3. Hearings on the changes proposed to the permit decision are continuing in the Vaasa Administrative Court. In December 2006, the same Permit Authority issued its decision on the environmental permit for the Olkiluoto landfill. A Corporate Social Responsibility Report, complying with the EMAS Regulation, will give a more detailed account of the 2006 environmental matters and TVO's environmental indicators. The report is verified by an outside body.

Personnel, Organization and Skills

Personnel

The number of personnel at the end of the year was 730 (692), and the average for 2006 totalled 748 (693). The year-end total for permanent staff was 662 (636). For the Group, the year-end total was 804 (757), and the average during the year 825 (755).

The Company strengthened its skills base by recruiting a total of 44 (92) new employees during the year. In the same period, 41 (67) personnel members took part in job rotation and 18 (24) permanent employees left the Company. Of this total, 8 (14) went into retirement.

The process of streamlining TVO's decision-making and improving leadership continued. Both had been set as targets on the basis of the results of a personnel surveys carried out in 2004 and 2006. The latter survey, conducted in November 2006 charted the views of the entire TVO personnel and showed that there have been improvements, particularly in the area of leadership.

The collective agreements for different employee groups were in effect throughout the year and will expire on September 30, 2007.

Organization

There were no changes in the basic organization during the year in review.

Skills

Personnel development and training focused on improving the safety culture, training required as part of the OL3 project and the Control Room Resource Management training for operating shifts. Training for OL3's operating personnel, launched in 2005, continued. Operators at OL1 and OL2 received further training during the year, as required by the authorities. Training of new operators, recruited during the year in review, began in the autumn.

Initial training focusing on the operational features specific to Olkiluoto continued throughout the year. About 1,200 persons took part in the training and of half of them also received training in English. The courses complying with training requirements for specific duties were planned and carried out in accordance with the Company's annual plan.

Subsidiaries

Posiva Oy

Posiva Oy, which is jointly owned by Teollisuuden Voima Oy (60 per cent stake) and Fortum Power and Heat Oy, is responsible for research into and the implementation of the final disposal of spent nuclear fuel in Finland. Posiva deals with spent fuel generated by companies covered by nuclear waste management liability laid down in Finnish law. Posiva continued the quarrying work on the underground research facility for final disposal as planned.

The TKS–2006 report presenting the results of the research, development and planning work already carried out was published during the year in review. The report also sets out the research targets for the three-year period 2007–2009. A description of the present state of planning on the repository for spent fuel was also produced in connection with the report.

TVO Nuclear Services Oy

TVO Nuclear Services Oy (TVONS) is a wholly owned subsidiary of TVO. It provides its customers with added value based on high level of nuclear safety, cost-effective operations and nuclear waste management plus related expertise and services. TVONS provides its customers with access to the special expertise possessed by the TVO personnel.

Projects carried out by TVONS include power plant maintenance services and other projects related to power generation, projects run as part of the Tacis and Phare programmes of the European Commission, environmental cooperation carried out as part of the Northern Dimension, and comparison of power plants on the basis of international indicators.

Olkiluodon Vesi Oy

Olkiluodon Vesi Oy, a wholly owned subsidiary of TVO, is responsible for the raw material supply for TVO's and Posiva's operations at Olkiluoto.

Major Events after the End of the Year

No major reportable events have taken place after the end of the year in review.

Prospects for the Future

Production operations are expected to continue in 2007 as in the preceding year. The Olkiluoto nuclear power plant is on a sound operational footing and the higher capacity of the two units will be available on a full-year basis. The availability of nuclear fuel has been ensured through long-term agreements.

In 2007, the normal annual outages, refuelling outage and service will be carried out at OL1 and OL2. Their total duration is estimated at about 24 days.

TVO will continue to supervise the construction of the Olkiluoto 3 nuclear power plant unit and will meet its obligations concerning OL3 licensing and other tasks, as laid down in the supply contract.

No annual outage is planned for the Meri-Pori coal-fired power plant in 2007.

The gas-turbine power plant at Olkiluoto, a joint TVO-Fingrid project, is estimated to be ready during 2007.

Recruiting for OL3 and other TVO units will continue.

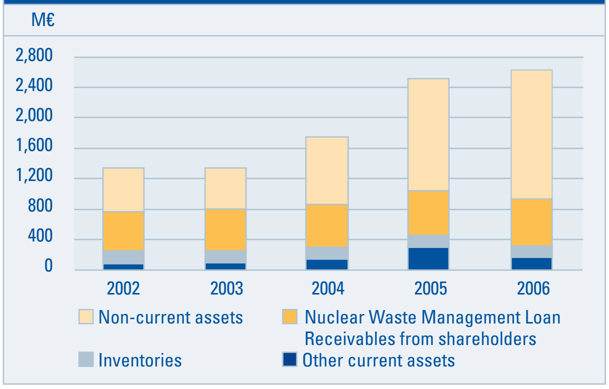
Posiva will continue with the construction of the underground research facility at Olkiluoto. TVONS will continue the marketing of its services.

Proposals to the Annual General Meeting

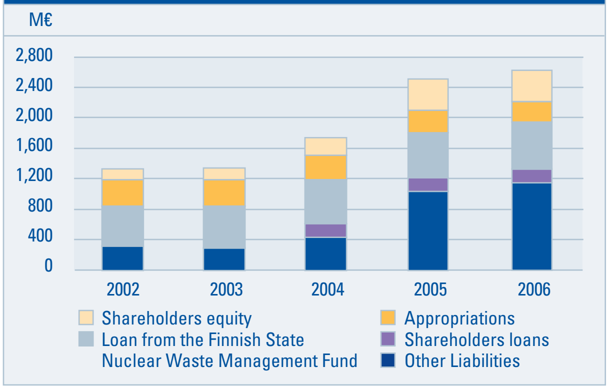
The Group and the parent company Teollisuuden Voima Oy do not have any distributable funds. The Board of Directors states that no dividend can be paid.

TVO Figure Graphs

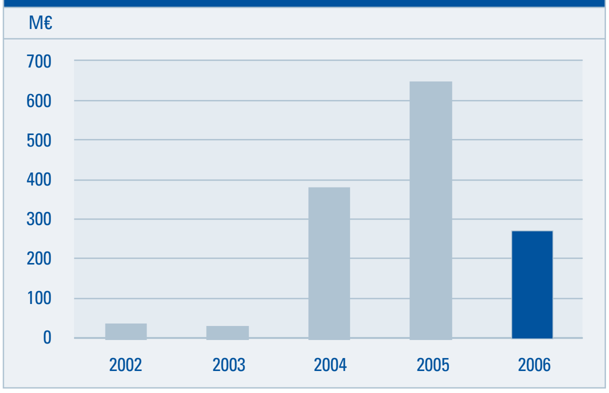
Company Assets



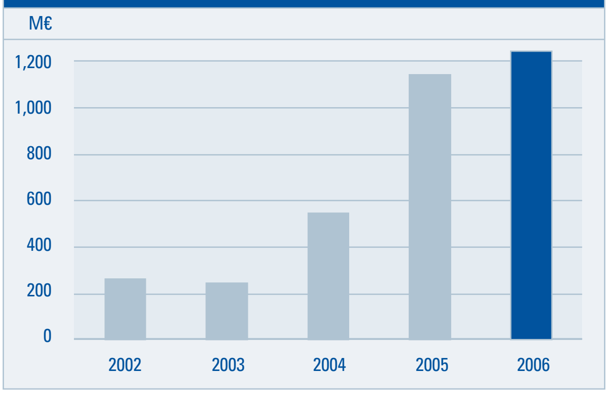
Company Liabilities



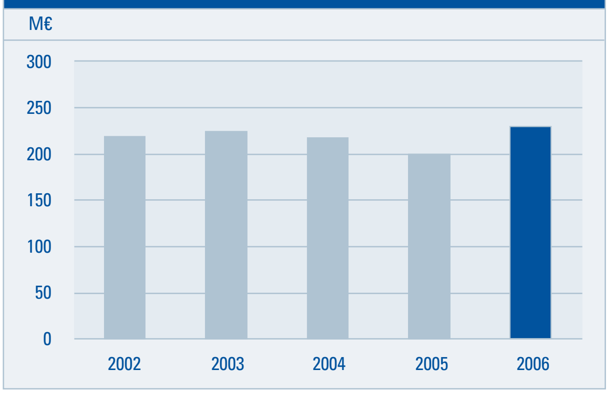
Investments



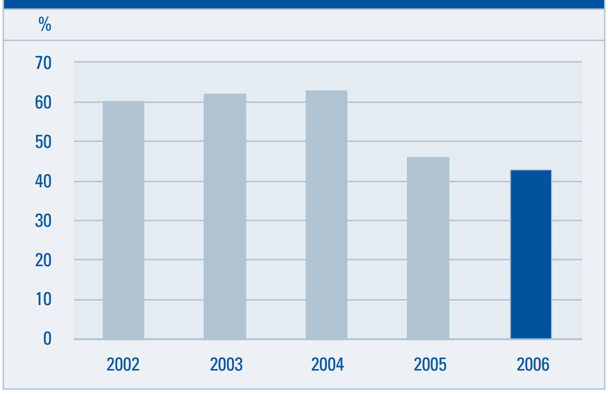
Loans



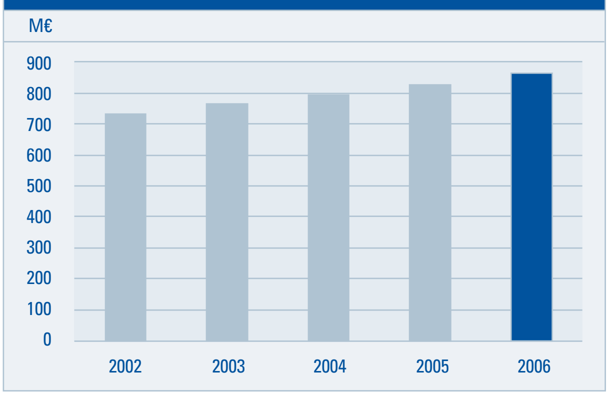
Turnover



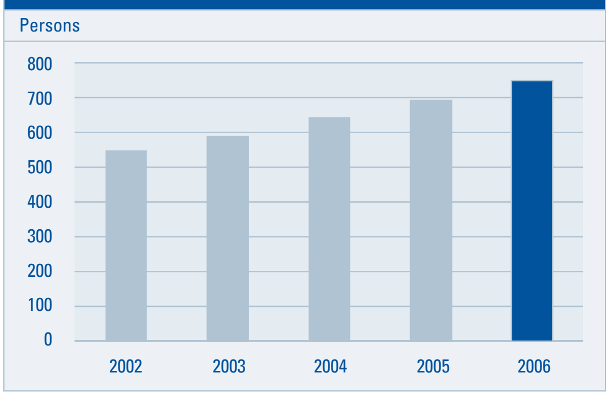
Equity Ratio



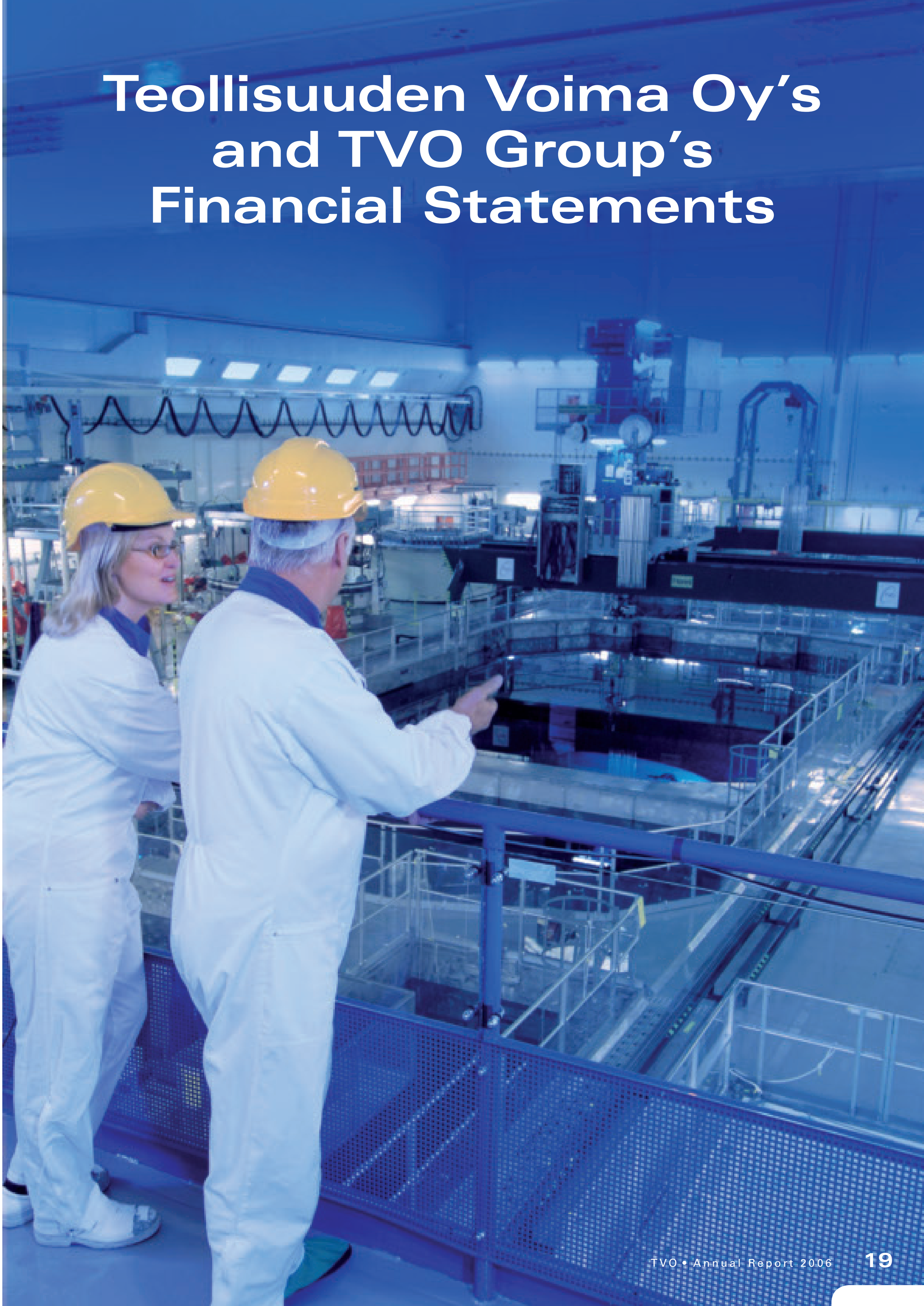
Assets in the Finnish State Nuclear Waste Management Fund



Personnel on Average



Teollisuuden Voima Oy's and TVO Group's Financial Statements



Income Statement, January 1 – December 31

1,000 €	Group		Parent Company	
	2006	2005	2006	2005
Turnover	**242,403**	**208,973**	**227,299**	**199,249**
Work performed for own purpose	22,143	16,811	8,033	6,864
Other sales	3,467	2,474	11,218	8,209
Materials and services	-82,042	-51,411	-82,011	-51,383
Personnel expenses	-51,235	-47,779	-46,674	-44,124
Depreciation and write-downs	-48,217	-51,802	-47,816	-51,362
Other expenses	-107,454	-94,036	-91,321	-84,291
Profit/loss from operations	**-20,935**	**-16,770**	**-21,272**	**-16,838**
Financial income and expenses	-7,615	-7,166	-7,614	-7,247
Profit/loss before extraordinary items	**-28,550**	**-23,936**	**-28,886**	**-24,085**
Extraordinary items	0	0	302	125
Profit/loss before appropriations and taxes	**-28,550**	**-23,936**	**-28,584**	**-23,960**
Appropriations	0	0	28,592	23,961
Income taxes	-42	-25	-8	-1
Profit/loss for the financial year	**-28,592**	**-23,961**	**0**	**0**

Balance Sheet, December 31

1,000 €	Group		Parent Company	
	2006	2005	2006	2005
Assets				
Non-current assets				
Intangible assets	24,745	17,498	22,834	15,276
Tangible assets	1,666,522	1,451,645	1,665,972	1,450,990
Investments				
Holdings in Group companies	0	802	1,247	1,247
Other investments	632,207	604,738	630,989	604,222
Non-current assets, total	**2,323,474**	**2,074,683**	**2,321,042**	**2,071,735**
Current assets				
Inventories	147,407	151,929	147,407	151,929
Long-term receivables	834	1,031	868	1,070
Short-term receivables	81,837	242,805	80,942	242,569
Marketable securities	60,000	44,947	60,000	44,947
Cash and cash equivalents	37,248	13,897	28,430	6,934
Current assets, total	**327,326**	**454,609**	**317,647**	**447,449**
	2,650,800	**2,529,292**	**2,638,689**	**2,519,184**
Equity and liabilities				
Equity				
Share capital	166,092	137,192	166,092	137,192
Share issue	0	179,299	0	179,299
Share premium reserve	232,435	82,036	232,435	82,036
Statutory reserve	9,948	9,948	9,948	9,948
Profit/loss brought forward	297,710	321,671	0	0
Profit/loss for the financial year	-28,592	-23,961	0	0
Equity, total	**677,593**	**706,185**	**408,475**	**408,475**
Minority interest	**673**	**673**		
Appropriations	**0**	**0**	**269,196**	**297,788**
Liabilities				
Long-term liabilities	589,285	500,731	589,285	500,731
Shareholders' loans	182,080	182,182	179,300	179,300
Loan from the Finnish State Nuclear Waste Management Fund	619,950	594,525	619,950	594,525
Current liabilities	581,219	544,996	572,483	538,365
Liabilities, total	**1,972,534**	**1,822,434**	**1,961,018**	**1,812,921**
	2,650,800	**2,529,292**	**2,638,689**	**2,519,184**

Funds Statement

1,000 €		Group		Parent Company	
		2006	2005	2006	2005
Operations					
Profit/loss from operations		-20,934	-16,770	-21,272	-16,838
Adjustments to profit/loss from operations	1)	47,560	51,291	47,159	50,851
Change in working capital	2)	832	-14,221	-302	-14,939
Interest paid and other financial expenses		-21,412	-24,690	-21,320	-24,634
Dividends received		620	279	620	279
Interest received		24,063	11,812	23,971	11,675
Taxes paid		-60	-3	-8	1
Cash flow from operations		**30,669**	**7,698**	**28,848**	**6,395**
Investments					
Acquisition of shares		-2,539	-109	-2,524	-109
Other acquisition of non-current assets		-266,890	-652,618	-267,441	-650,216
Divestment of shares		1,007	127	1,007	127
Divestment of other non-current assets		657	544	657	526
Loans granted		-25,450	-21,675	-25,258	-23,004
Withdrawals of loans granted		484	284	505	150
Cash flow from investments		**-292,731**	**-673,447**	**-293,054**	**-672,526**
Financing					
Share issue		179,300	81,500	179,300	81,500
Withdrawals of long-term loans		125,513	385,233	125,425	384,145
Repayment of long-term loans		-30,377	-134,663	-30,000	-134,577
Increase (-) or decrease (+) in interest-bearing receivables		196	138	196	138
Increase (+) or decrease (-) in short-term interest-bearing liabilities		25,834	363,923	25,834	363,923
Cash flow from financing		**300,466**	**696,131**	**300,755**	**695,129**
Change in financial assets		**38,404**	**30,382**	**36,549**	**28,998**
Liquid assets January 1		58,844	28,462	51,881	22,883
Liquid assets December 31		**97,248**	**58,844**	**88,430**	**51,881**
1) Adjustments to profit/loss from operations					
Depreciation and write-downs		48,217	51,802	47,816	51,362
Gain (-) /loss (+) from divestment of non-current assets		-657	-511	-657	-511
		47,560	51,291	47,159	50,851
2) Change in working capital					
Increase (-) or decrease (+) in inventories		4,522	-1,288	4,522	-1,288
Increase (-) or decrease (+) in interest-bearing receivables		-23,387	-17,171	-22,425	-16,494
Increase (+) or decrease (-) in short-term interest free liabilities		19,697	4,238	17,601	2,843
		832	-14,221	-302	-14,939

Notes to the Financial Statement

Accounting Principles

1 Valuation principles

1.1 Non-current assets and their depreciation

Non-current assets, including also interest during construction, have been capitalized at direct acquisition cost less planned depreciation and received allowances. The Parent company's planned depreciation is calculated on a straight-line basis according to the estimated economic life-time.

The economic life-time of OL1 and OL2 nuclear power plant units has been re-evaluated, which has resulted in extension of the planned depreciation of their basic investment by 20 years until 2040.

As of January 1, 2006, the depreciation periods for the Parent company are as follows:

- basic investments for OL1 and OL2 nuclear power plant units	61 years
- investments made according to the modernization programme	21-35 years
- automation investments associated with the modernization	15 years
- additional investments	10 years
- TVO's share in the Meri-Pori coal-fired power plant	25 years
- wind power plant	10 years.

The subsidiaries' planned depreciation is calculated under the Industrial Taxation Act. The depreciation periods and maximum depreciation under the Industrial Taxation Act for Olkiluodon Vesi Oy and Posiva Oy are as follows:

- intangible assets	10 years
- buildings	4% - 7%
- machinery and equipment	25%
- other tangible assets	7%.

Posiva Oy is a subsidiary of Teollisuuden Voima Oy whose duty is to carry out the tasks necessary for discharging the waste management obligation specified in the Nuclear Energy Act for licensees under a waste management obligation. Because nuclear waste management expenses will not generate any income for such licensees or for Posiva, the expenses of Posiva, even in the case of acquisition costs of fixed assets, have been completely deducted as annual expenses.

1.2 Valuation of inventories

Materials and supplies have been valued at direct acquisition cost, coal on the basis of the FIFO principle, nuclear fuel according to calculated fuel consumption, and supply stocks at average acquisition cost. If the probable acquisition cost of inventories on December 31 is lower than the original acquisition cost, the difference will not be entered in the books as an expense because the company operates at cost.

1.3 Emission rights

Calculation principles of the emission rights are based on the statement given by the Finnish Accounting Standards Board on November 15, 2005, concerning the entering of the emission rights into books. The accounting of emission rights is made based on comparing actual emissions and received emission rights, the so-called net procedure. If the actual emissions exceed the gratuitous emission rights, an expense-entry in the books corresponding to the tonnes in excess will be made at the market price on December 31, and the statutory provisions or current liabilities in the obligatory reserves. If the actual amounts are less than the gratuitous emission rights then they will be presented in the notes to the financial statements as off-balance sheet items. Purchase and sales of emission rights are entered on accrual basis as business transactions. Purchased emission rights have been entered in the balance sheet under intangible rights.

1.4 Research and development costs

Research and development costs associated with production activity are entered as annual costs for the year in which they were incurred.

1.5 Items denominated in foreign currency

Transactions in foreign currency have been entered at the relevant exchange rate used by the European Central Bank, or at the transaction rate for purchase and sale of foreign currency. Exchange rate differences on foreign currency accounts have been entered in the income statement.

1.6 Valuation of financial instruments

1.6.1 Investments

Investments comprise liquid shares in short-term money market funds, and they are valued in the balance sheet at their original acquisition cost. They are included in the funds statement as liquid assets. The representation of the funds statement from the previous accounting period has been altered to correspond to the specification used in the accounting period under review.

1.6.2 Derivatives

Derivative agreements have not been entered on the balance sheet. Their nominal values and market values are itemized in the notes to the financial statements.

Interest rate duration of floating rate loans has been prolonged with interest rate swap, cap and floor agreements. Interest costs of these agreements have been entered on accrual basis and shown in net amount under financial income and expenses. The premiums on interest rate options have been accrued for the period during which the agreements are valid.

USD denominated inventory acquisition costs have been hedged by currency forward contracts. The exchange rate differencies of derivatives have been entered for adjusting some of the corresponding items.

2 Items related to nuclear waste management liability

Nuclear waste management obligation is provided for in the Nuclear Energy Act. The obligation covers all future costs from nuclear waste handling including decommissioning of nuclear power plant units, costs for final disposal of spent nuclear fuel and the risk margin, decommissioning being assumed to start at the end of the year in question.

At the beginning of the calendar year, the Ministry for Trade and Industry confirms the financial provision to be made by the company for nuclear waste management as of the end of the previous calendar year and the fund target for the coming calendar year.

The company liable for nuclear waste management shall pay its contribution to the Finnish State Nuclear Waste Management Fund so that the company share in the Fund on March 31 is equal to the company fund target confirmed for the calendar year in question.

The annual contribution to the Finnish State Nuclear Waste Management Fund and costs from nuclear waste management and services are entered as annual expenses. The nuclear waste management contribution is based on the company's proposal. If the nuclear waste management contribution set by the Finnish State Nuclear Waste Management Fund differs from the amount proposed by the company, the difference is entered in the accounts for the following year.

Nuclear waste management liability and the company share in the Finnish State Nuclear Waste Management Fund are itemized in the notes to the financial statements.

The company must supply the Ministry with security to cover the difference between the separately determined nuclear waste management liability and the company share in the Finnish State Nuclear Waste Management Fund as well as unforeseen expenses in nuclear waste management. This security is also itemized in the notes to the financial statements.

A company, liable for nuclear waste management or its shareholders, are entitled to borrow from the Finnish State Nuclear Waste Management Fund corresponding to 75% of the company share in the Fund.

3 Accounting principles for the consolidated financial statements

3.1 Scope of the consolidated financial statements

The consolidated financial statements include the Parent company and the subsidiaries Posiva Oy, TVO Nuclear Services Oy, Olkiluodon Vesi Oy and Perusvoima Oy.

Affiliated and housing companies and Posivia Oy have not been consolidated, as this is not essential for a true and fair account of the financial results and position of the Group. These equity investments are presented on the balance sheet as other investments. The specification of the previous accounting period has been changed to correspond to this method of presentation.

The Group's holding in subsidiaries and affiliated companies, and the shareholders' equity and profit of affiliated companies for the financial year, are shown in the notes to the financial statements.

3.2 Principles of the consolidated financial statements

Internal transactions and holdings

Internal transactions, liabilities and receivables have been eliminated. The consolidated financial statements have been drawn up using the purchase method. The difference between the subsidiaries' acquisition cost and the equity corresponding to the share has been entered as a group business value which, according to plan, is to be depreciated in five years.

Deferred tax liability

The deferred tax liability has not been entered because the Parent company operates at cost and therefore does not generate taxable income. The Parent company's appropriations have been processed in the Group as a shareholders' equity item as a result from the previous accounting period.

Minority share

The minority share has been removed from the consolidated shareholders' equity and entered in the balance sheet as a separate item.

Affiliated companies

Affiliated companies are not included in the consolidated financial statements.

4 Parent company

Teollisuuden Voima Oy is part of the Pohjolan Voima Group. The Parent company of the Pohjolan Voima Group is Pohjolan Voima Oy, which is domiciled in Helsinki.

Copies of Pohjolan Voima's consolidated financial statements are available from the headquarters of the Pohjolan Voima Group, Töölönkatu 4, FI-00100 Helsinki.

Notes to the Income Statement

1,000 €	Group		Parent Company	
	2006	2005	2006	2005
1. Turnover				
Olkiluoto	178,056	181,792	178,056	181,792
Meri-Pori	49,243	17,457	49,243	17,457
Posiva Oy	12,338	8,146		
TVO Nuclear Services Oy	2,766	1,578		
Olkiluodon Vesi Oy	0	0		
	242,403	208,973	227,299	199,249
Electricity delivered to shareholders (GWh)				
Olkiluoto 1	6,956	7,208	6,956	7,208
Olkiluoto 2	7,278	6,984	7,278	6,984
Olkiluoto, total *	14,234	14,192	14,234	14,192
Meri-Pori	1,509	250	1,509	250
*includes wind power 1.7 GWh (2006) and 2.0 GWh (2005)	15,743	14,442	15,743	14,442
2. Work performed for own purposes				
Personnel expenses of OL3	8,033	6,864	8,033	6,864
Nuclear waste management services of OL3	14,110	9,947	0	0
	22,143	16,811	8,033	6,864
3. Other income				
Rents	1,369	1,004	3,126	2,436
Sales profit	672	519	672	519
Consulting charges	895	330	7,059	4,754
Other income	531	621	361	500
	3,467	2,474	11,218	8,209
4. Materials and services				
Purchases, accrual basis				
Nuclear fuel	41,076	37,553	41,076	37,553
Coal	28,652	7,901	28,652	7,901
Materials and supplies	3,190	3,086	3,190	3,086
Transfer to the OL3 storage	-9,140	0	-9,140	0
Emission rights	8,973	0	8,973	0
Increase (-) /decrease (+) in inventories	4,522	-1,288	4,522	-1,288
	77,273	47,252	77,273	47,252
External services	4,769	4,159	4,738	4,131
Materials and services, total	82,042	51,411	82,011	51,383
Consumption				
Nuclear fuel	37,692	39,946	37,692	39,946
Coal	27,471	4,389	27,471	4,389
Emission rights	8,973	0	8,973	0
Supplies	3,137	2,917	3,137	2,917
	77,273	47,252	77,273	47,252
5. Notes concerning personnel and members of administrative bodies				
Average number of personnel				
Office personnel	663	593	591	535
Manual workers	162	162	157	158
	825	755	748	693
Number of personnel December 31				
Office personnel	662	611	591	550
Manual workers	142	146	139	142
	804	757	730	692
Personnel expenses				
Salaries and fees	41,247	38,192	37,524	35,227
Pension expenses	6,387	6,196	5,761	5,669
Other compulsory personnel expenses	3,601	3,391	3,389	3,228
	51,235	47,779	46,674	44,124

Notes to the Income Statement

1,000 €	Group		Parent Company	
	2006	2005	2006	2005
Salaries and fees paid to management				
President and CEO, Managing Directors and members of the Boards of Directors	824	660	584	431
Management pension plan				
Some of the Senior Vice Presidents of the Parent company may retire at the age of 60.				
6. Depreciations and write-downs				
Depreciation according to plan				
OL1 and OL2	36,414	40,366	36,414	40,366
Meri-Pori	7,123	7,031	7,123	7,031
Olkiluodon Vesi Oy	5	5		
Posiva Oy	396	435		
Depreciation from consolidation difference		0		
Write-downs in value of goods held as non-current assets (OL1 and OL2)	4,279	3,965	4,279	3,965
Depreciations and write-downs, total	48,217	51,802	47,816	51,362
The influence of the extended depreciation period, made in 2006, for the amount of depreciations (approx)			-7 100	
7. Other expenses				
Contribution to the Finnish State Nuclear Waste Management Fund *	12,864	15,712	12,864	15,712
Nuclear waste management services	16,430	11,634	16,430	11,634
Real estate tax	3,457	2,850	3,310	2,846
Rents	1,609	1,217	1,151	940
Insurances	2,998	2,852	3,033	2,911
Research and expert services	38,268	26,817	9,671	8,667
Maintenance costs (OL1 and OL2)	18,099	17,665	18,099	17,665
Other external services	9,420	8,940	9,306	8,899
Other expenses	4,309	6,349	17,457	15,017
Other expenses, total	107,454	94,036	91,321	84,291
* Based on Company's proposal. If the contribution confirmed by the Finnish State Nuclear Waste Management Fund for 2006 differs from the proposal, the difference will be entered in 2007.				
8. Financial income and expences				
Dividend income				
From others	620	279	620	279
Dividend income, total	620	279	620	279
Interest income on long-term investments				
From Group companies	10,146	7,264	10,296	7,356
From others	7,702	5,514	7,702	5,514
	17,848	12,778	17,998	12,870
Other interest and financial income				
From others	2,644	703	2,403	474
	2,644	703	2,403	474
Interest income on long-term investments and other interest and financial income, total	20,492	13,481	20,401	13,344
Interest expenses and other financial expenses				
To Group companies	4,295	3,510	4,295	3,510
To the Finnish State Nuclear Waste Management Fund	17,848	12,779	17,849	12,779
To others	6,584	4,637	6,491	4,581
Interest expenses and other financial expences, total	28,727	20,926	28,635	20,870
Financial income and expenses, total	-7,615	-7,166	-7,614	-7,247
Financial income and expenses include exchange rate gains (net)	-2	-6	-2	-6
9. Extraordinary items				
Extraordinary profit/group contribution	0	0	302	125
10. Appropriations				
Increase (+) /decrease (-) in depreciation reserve	0	0	-28,592	-23,961

Notes to the Balance Sheet, December 31, 2006

Parent Company | **1,000 €**

11. Non-current assets

Intangible assets	Formation expenses	Intangible rights	Other capitalised long-term expenses	Advance payments	Total
Acquisition cost 1.1.	57,961	0	39,905	245	98,111
Increase 1.1. - 31.12.	0	8,973	380	52	9,405
Decrease 1.1. - 31.12.	0	0	0	-184	-184
Transfer between categories	0	0	67	-113	-46
Acquisition cost 31.12.	57,961	8,973	40 352	0	107,286
Accrued depreciation according to plan 1.1.	57,961	0	24 874	0	82,835
Depreciation according to plan 1.1. - 31.12.	0	0	1 618	0	1,618
Book Value 31.12.	**0**	**8,973**	**13,860**	**0**	**22,833**
Accrued depreciation 1.1.	0	0	12,380	0	12,380
Change in depreciation difference 1.1. - 31.12.	0	0	-793	0	-793
Accrued depreciation 31.12.	0	0	11,587	0	11,587
Undepreciated asquisition cost 31.12.	0	8,973	2,273	0	11,246

Tangible assets	Land and water areas	Buildings and construction	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Acquisition cost 1.1.	7,701	237,030	1,077,317	24,651	931,526	2,278,225
Increase 1.1. - 31.12.	106	3,571	28,036	1,133	230,606	263,452
Decrease 1.1. - 31.12.	-8	0	-12,403	0	-2,277	-14,688
Transfer between categories	0	4,926	21,419	2,111	-28,411	45
Acquisition cost 31.12.	7,799	245,527	1,114,369	27,895	1,131,444	2,527,034
Accrued depreciation according to plan 1.1.	0	139,587	676,970	10,677	0	827,234
Accrued depreciation from deduction	0	0	-12,370	0	0	-12,370
Depreciation according to plan 1.1. - 31.12.	0	7,400	37,419	1,379	0	46,198
Book value 31.12.	**7,799**	**98,540**	**412,350**	**15,839**	**1,131,444**	**1,665,972**
Accrued depreciation 1.1.	0	33,795	249,122	2,490	0	285,407
Change in depreciation difference 1.1. - 31.12.	0	-1 033	-26,953	187	0	-27,799
Accrued depreciation 31.12.	0	32,762	222,169	2,677	0	257,608
Undepreciated acquisition cost 31.12.	7,799	65,778	190,181	13,162	1,131,444	1,408,364

Share of machinery and equipment from book value 31.12.2006	389,715
Share of machinery and equipment from book value 31.12.2005	378,607

Capitalised interest costs

	Formation expenses	Other capitalised long-term expenses	Buildings and construction	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Interest during construction							
Acquisition cost 1.1.	11,601	3,530	31,133	112,781	2,609	50,554	212,208
Increase 1.1. - 31.12.	0	0	0	0	0	31,022	31,022
Acquisition cost 31.12.	11,601	3,530	31,133	112,781	2,609	81,576	243,230
Accrued depreciation according to plan 1.1.	11,601	1,875	19,124	68,837	1,623	0	103,060
Depreciation according to plan 1.1. - 31.12.	0	107	444	1,693	33	0	2,277
Book value 31.12.	**0**	**1,549**	**11,565**	**42,251**	**953**	**81,576**	**137,893**
Accrued depreciation 1.1.	0	1,656	12,009	43,943	986	0	58,594
Change in depreciation difference 1.1. - 31.12.	0	-107	-444	-1,693	-33	0	-2,277
Accrued depreciation 31.12.	0	1,549	11,565	42,251	953	0	56,317
Undepreciated acquisition cost 31.12.	0	0	0	0	0	81,576	81,576

Notes to the Balance Sheet, December 31, 2006

Group 1,000 €

11. Non-current assets

Intangible assets	Formation expenses	Intangible rights	Other capitalised long-term expenses	Advance payments	Total
Acquisition cost 1.1.	57,961	30	42,516	245	100,752
Increase 1.1. - 31.12.	0	8,973	507	52	9,532
Decrease 1.1. - 31.12.	0	0	-180	-184	-3641
Transfer between categories	0	0	67	-113	-46
Acquisition cost 31.12.	57,961	9,003	42,910	0	109,874
Accrued depreciation according to plan 1.1.	57,961	25	25,267	0	83,253
Depreciation according to plan 1.1. - 31.12.	0	2	1,874	0	1,876
Book value 31.12.	**0**	**8,976**	**15,769**	**0**	**24,745**
Accrued depreciation 1.1.	0	0	12,381	0	12,381
Change in depreciation difference 1.1. - 31.12.	0	0	-793	0	-793
Accrued depreciation 31.12.	0	0	11,588	0	11,588
Undepreciated acquisition cost 31.12.	0	8,976	4,181	0	13,157

Tangible assets	Land and water areas	Buildings and construction	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Acquisition cost 1.1.	7,703	237,183	1,078,016	24,726	931,526	2,279,154
Increase 1.1. - 31.12.	106	3,571	28,075	1,133	230,606	263,491
Decrease 1.1. - 31.12.	-8	0	-12,404	0	-2,277	-14,689
Transfer between categories	0	4,926	21,419	2,111	-28,410	46
Acquisition cost 31.12.	7,801	245,680	1,115,106	27,970	1,131,445	2,528,002
Accrued depreciation according to plan 1.1.	0	139,622	677,169	10,718	0	827,509
Accrued depreciation from deduction	0	0	-12,370	0	0	-12,370
Depreciation according to plan 1.1. - 31.12.	0	7,405	37,553	1,383	0	46,341
Book value 31.12.	**7,801**	**98,653**	**412,754**	**15,869**	**1 131 445**	**1,666,522**
Accrued depreciation 1.1.	0	33,795	249,122	2,490	0	285,407
Change in depreciation difference 1.1. - 31.12.	0	-1,034	-26,953	187	0	-27,800
Accrued depreciation 31.12.	0	32,761	222,169	2,677	0	257,607
Undepreciated acquisition cost 31.12.	7,801	65,892	190,585	13,192	1,131,445	1,408,915

Share of machinery and equipment from book value 31.12.2006 389,715
Share of machinery and equipment from book value 31.12.2005 378,607

Capitalised interest costs

	Formation expenses	Other capitalised long-term expenses	Buildings and construction	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Interest during construction period							
Acquisition cost 1.1.	11,601	3,530	31,133	112,781	2,609	50,554	212,208
Increase 1.1. - 31.12.	0	0	0	0	0	31,022	31,022
Acquisition cost 31.12.	11,601	3,530	31,133	112,781	2,609	81,576	243,230
Accrued depreciation according to plan 1.1.	11,601	1,875	19,124	68,837	1,623	0	103,060
Depreciation according to plan 1.1. - 31.12.	0	107	444	1,693	33	0	2,277
Book value 31.12.	**0**	**1,549**	**11,565**	**42,251**	**953**	**81,576**	**137,893**
Accrued depreciation 1.1.	0	1,656	12,009	43,943	986	0	58,594
Change in depreciation difference 1.1. - 31.12.	0	-107	-444	-1,693	-33	0	-2,277
Accrued depreciation 31.12.	0	1,549	11,565	42,251	953	0	56,317
Undepreciated acquisition cost 31.12.	0	0	0	0	0	81,576	81,576

Notes to the Balance Sheet, December 31, 2006

Group and Parent Company	1,000 €

12. Investments

Group	Holdings in Group companies	Other stocks and shares	Loan receivables from group companies	Loan receivables from other companies	Total
Acquisition cost 1.1.	2	4,443	337,971	263,124	605,540
Increase	0	2,540	14,439	10,986	27,965
Decrease	0	-1,007	0	-291	-1,298
Acquisition cost 31.12.	2	5,976	352,410	273,819	632,207
Book value 31.12.2006	**2**	**5,976**	**352,410**	**273,819**	**632,207**

Parent Company					
Acquisition cost 1.1.	1,247	4,426	342,738	257,058	605,469
Increase	0	2,524	14,571	10,986	28,081
Decrease	0	-1,007	-307	0	-1,314
Acquisition cost 31.12.	1,247	5,943	357,002	268,044	632,236
Book value 31.12.2006	**1,247**	**5,943**	**357,002**	**268,044**	**632,236**
Loan from the Finnish State Nuclear Waste Management Fund lent further to the shareholders			352,410	267,540	**619,950**

Group companies	Group share (%)	Share of parent company (%)
Posiva Oy, Eurajoki	60	60
Posivia Oy, Helsinki	60	0
TVO Nuclear Services Oy, Eurajoki	100	100
Olkiluodon Vesi Oy, Helsinki	100	100
Perusvoima Oy, Helsinki	100	100

Affiliated companies	Group share (%)	Share of parent company (%)	Equity	Profit/loss for the financial year
Polartest Oy, Helsinki	32	32	3,781	2,586

Notes to the Balance Sheet, December 31, 2006

1,000 €	Group		Parent Company	
	2006	2005	2006	2005
Current assets				
13. Inventories				
Coal				
The probable acquisition cost	15,585	14,730	15,585	14,730
Book value	16,786	15,605	16,786	15,605
Difference	-1,201	-875	-1,201	-875
Uranium				
The probable acquisition cost	70,246	62,072	70,246	62,072
Book value	15,243	22,113	15,243	22,113
Difference	55,003	39,959	55,003	39,959
Coal	16,786	15,605	16,786	15,605
Uranium	15,243	22,113	15,243	22,113
Nuclear fuel	112,023	110,909	112,023	110,909
Supply stocks	3,355	3,302	3,355	3,302
Inventories, total	147,407	151,929	147,407	151,929
14. Long-term receivables				
Receivables from Group companies	0	0	34	39
Loan receivables	834	1,030	834	1,030
	834	1,030	868	1,069
15. Short-term receivables				
Sales receivables	13,842	12,116	11,660	11,183
Receivables from Group companies				
Sales receivables	15,543	15,785	16,866	16,201
Loan receivables	0	0	312	5
Other receivables	0	91	0	91
Unpaid shares	0	107,995	0	107,994
Prepayments and accrued income	10,146	7,264	11,429	8,768
	25,689	131,135	28,607	133,059
Loan receivables	291	284	0	0
Other receivables	21,033	805	21,033	805
Unpaid shares	0	71,304	0	71,304
Prepayments and accrued income				
Prepaid interests	9,213	9,700	9,213	9,700
Deferred interest income	8,206	5,520	8,204	5,520
Other deferred income	2,585	4,348	1,956	4,011
Other prepaid expenses	978	7,593	269	6,987
	20,982	27,161	19,642	26,218
Short-term receivables, total	81,837	242,805	80,942	242,569
16. Short-term investments				
Money Market Funds				
Market value	60,038	40,452	60,038	40,452
Book value	60,000	40,000	60,000	40,000
Difference	38	452	38	452
Certificate Deposits	0	4,947	0	4,947
Short-term investments in total	60,000	44,947	60,000	44,947

Notes to the Balance Sheet, December 31, 2006

1,000 €	Group		Parent Company	
	2006	2005	2006	2005
17. Equity				
Share capital 1.1.	137,192	124,055	137,192	124,055
From share issue	28,900	13,137	28,900	13,137
Share capital 31.12.	166,092	137,192	166,092	137,192
Share issue 1.1.	179,299	81,500	179,299	81,500
To share capital	-28,900	-13,137	-28,900	-13,137
To share premium reserve	-150,399	-68,363	-150,399	-68,363
Share issue		179,299	0	179,299
Share issue 31.12.	0	179,299	0	179,299
Statutory reserve 1.1.	9,948	9,948	9,948	9,948
Change	0	0	0	0
Statutory reserve 31.12.	9,948	9,948	9,948	9,948
Share premium reserve 1.1.	82,036	13,673	82,036	13,673
From share issue	150,399	68,363	150,399	68,363
Share premium reserve 31.12.	232,435	82,036	232,435	82,036
Profit/loss brought forward	297,710	321,671	0	0
Profit/loss for the financial year	-28,592	-23,961	0	0
	269,118	297,710	0	0
Equity, total	677,593	706,185	408,475	408,475
18. Long-term liabilities				
Bank loans	589,285	500,731	589,285	500,731
Other shareholders' loans	2,780	2,882	0	0
Shareholders' loans, subordinated loans [1]	179,300	179,300	179,300	179,300
Loan from the Finnish State Nuclear Waste Management Fund	619,950	594,525	619,950	594,525
Long-term liabilities, total	1,391,315	1,277,438	1,388,535	1,274,556
[1] subordinated loans				
19. Depts falling due in more than five years	501,080	435,677	498,644	433,760
20. Short-term liabilities				
Bank loans	11,446	30,000	11,446	30,000
Other liabilities	191	189	0	0
Advances received	5,866	5,796	5,521	5,320
Accounts payable	27,227	15,246	23,016	11,771
Liabilities to Group companies				
Advances received	7,207	6,839	7,207	6,839
Accounts payable	72	1	72	108
Other accruals and deferred income	440	334	440	334
	7,719	7,174	7,719	7,281
Other liabilities				
Interest bearing liabilities	462,022	436,188	462,022	436,188
Other liabilities	1,920	1,235	1,093	1,012
	463,942	437,423	463,115	437,200
Accruals and deferred income				
Finnish State Nuclear Waste Management Fund	31,389	29,279	31,389	29,279
Accrued interests	6,201	5,558	6,200	5,557
Accrued wages and salaries	10,415	9,876	9,386	8,976
Other accruals and deferred income	16,823	4,455	14,691	2,980
	64,828	49,168	61,666	46,792
Short-term liabilities, total	581,219	544,996	572,483	538,364

Notes to the Financial Statements, December 31, 2006

1,000 €	Group		Parent Company	
	2006	2005	2006	2005
21. Breakdown of distributable funds				
Parent company has no distributable funds				
22 Liabilities				
Leasing liabilities	1,006	1,163	1,006	1,163
Leasing liabilities falling due in less than a year	431	380	431	380
Leasing liabilities falling due later	575	783	575	783
Rent liabilities	7,520	7,962	0	0
Rent liabilities falling due in less than a year	442	442	0	0
Rent liabilities falling due later	7,078	7,520	0	0
Liability for nuclear waste management				
Liability for nuclear waste management *	903,400	826,600	903,400	826,600
Assets in the Finnish State Nuclear Waste Management Fund April 4, 2007 / March 31, 2006	864,100	826,600	864,100	826,600
Collateral for nuclear waste management contingencies	75,180	75,310	75,180	75,310
Nuclear waste management loans receivables pledged to the Finnish State Nuclear Waste Management Fund	619,950	594,525	619,950	594,525

* Based on the nuclear waste management programme and proposal for the liability made by the Company and which is to be confirmed by the Ministry of Trade and Industry in the beginning of 2007

1,000 €	Group 2006	Group 2005	Parent Company 2006	Parent Company 2005
23. Derivative contracts				
Interest rate derivatives				
Option agreements				
Purchased (nominal value)	1,340,000	1,370,000	1,340,000	1,370,000
Market value	-120	-3,283	-120	-3,283
Sold (nominal value)	1,320,000	1,320,000	1,320,000	1,320,000
Market value	2,563	-3,082	2,563	-3,082
Interest rate swaps (nominal value)	690,000	490,000	690,000	490,000
Market value	13,596	1,683	13,596	1,683
Currency derivatives				
Forward contracts (nominal value)	128,586	153,220	128,586	153,220
Market value	-7,142	3,062	-7,142	3,062

24. Series of shares, Parent Company	Number		1,000 €	
Share capital and series of shares	2006	2005	2006	2005
A-series - OL1 and OL2				
January 1	680,000,000	680,000,000	115,600	115,600
change	0	0	0	0
December 31	680,000,000	680,000,000	115,600	115,600
B-series - OL3				
January 1	92,727,789	15,454,631	15,764	2,628
change	170,000,000	77,273,158	28,900	13,136
December 31	262,727,789	92,727,789	44,664	15,764
C-series - TVO's share in the Meri-Pori coal-fired power plant				
January 1	34,283,730	34,283,730	5,828	5,828
change	0	0	0	0
December 31	34,283,730	34,283,730	5,828	5,828
Total	977,011,519	807,011,519	166,092	137,192

According to the Articles of Association, TVO delivers electricity to its shareholders on the so-called Mankala basis, i.e. delivers the electricity produced or procured to its shareholders in proportion to their shareholdings in each series. Each of the shareholders of each series is liable of the variable and fixed annual costs that are specified in detail in the Articles of Association. The Company prepares annually a balance sheet divided into different series of shares. The balance sheet, which will be presented to the Shareholders' Meeting, specifies the assets, liabilities and shareholders' equity of the different series of shares.

25. CO_2 emission rights

	2006 t CO_2	2006 1,000 €	2005 t CO_2	2005 1,000 €
Gratuitous emission rights (Including emissions rights for the Olkiluoto backup diesels.)	905,076		905,076	
Total annual emissions from production facilities	1,257,949		218,954	
Possessed emission rights	1,266,198		221,076	
Remaining emission rights (Nord Pool rate on 31.12.2006)	8,250	52	2,122	45
Emission right sales	198,000	2,411	684,000	14,579
Emission right, bought	557,000	8,973	0	0

Teollisuuden Voima Oy is, based on the annual CO_2 emissions from the utilization of TVO's share in the Meri-Pori coal-fired power plant, entitled to a corresponding share of emission rights. In 2006–2007, TVO is entitled to a corresponding amount of emission rights.

Signatures for the Report of the Board of Directors and Financial Statements 2006

Helsinki, February 23, 2007

Tapio Kuula

Timo Rajala

Timo Koivuniemi

Juha Laaksonen

Aarre Metsävirta

Pekka Päätiläinen

Seppo Ruohonen

Esa Tirkkonen

Markku Tynkkynen

Rami Vuola

Pertti Simola

President and CEO

Auditor's Report

To the Shareholders of Teollisuuden Voima Oy

We have audited the bookkeeping, financial statements, the Report of the Board of Directors and the administration of Teollisuuden Voima Oy for the financial period January 1 – December 31, 2006. The Board of Directors and the President and CEO have drawn up the report of the Board of Directors and financial statements that comprise the balance sheet, income statement, funds statement and notes to the financial statements of the Group and the Parent Company. On the basis of our audit we hereby present our opinion on the financial statements, the Report of the Board of Directors and the administration of the Parent Company.

The audit has been carried out in compliance with good auditing practice. The bookkeeping, the principles for making the financial statements and the Report of the Board of Directors, the content and method of presentation have been examined to a sufficient extent to state that the financial statements or the Report of the Board of Directors do not contain any essential errors or defects. In auditing the administration, we have examined the legality of the operations of the members of the Parent Company's Board of Directors and the President and CEO on the basis of the rules of the Companies Act.

It is our opinion that the financial statements and the Report of the Board of Directors have been drawn up in accordance with the Accounting Act and other rules and regulations for making financial statements and the Report of the Board of Directors. The financial statements and the Report of the Board of Directors provide a true and fair view of the activities and financial standing of the Group and Parent Company in accordance with the Accounting Act. The Report of the Board of Directors corresponds with the financial statements. The financial statements including the consolidated financial statements can be adopted and the members of the Parent Company's Board of Directors and the President and CEO discharged from liability for the financial period audited by us. The proposal by the Board of Directors for disposing of profit/loss is in accordance with the Companies Act.

Helsinki, March 13, 2007

PricewaterhouseCoopers Oy
Authorized Public Accountants

Eero Suomela
APA

Niina Raninen
APA

Board of Directors

Elected at the Annual General Meeting on April 20, 2006

Tapio Kuula
Chairman
b. 1957, M.Sc. (Eng.),
M.Sc. (Econ.),
President,
Fortum Power and Heat Oy

Timo Rajala
Deputy Chairman
b. 1947, M.Sc. (Eng.),
President and CEO,
Pohjolan Voima Oy

Timo Koivuniemi
b. 1948, M.Sc. (Eng.),
Senior Vice President,
Energy,
Stora Enso Oyj

Juha Laaksonen
b. 1952, M.Sc. (Econ.),
CFO,
Fortum Oyj

Aarre Metsävirta
b. 1945, M.Sc. (Eng.),
Senior Executive
Vice President,
M-real Corporation

Pekka Päätiläinen
b. 1948, M.Sc. (Eng.),
President, Generation,
Fortum Power and Heat Oy

Seppo Ruohonen
b. 1946, M.Sc. (Eng.),
Managing Director,
Helsinki Energy

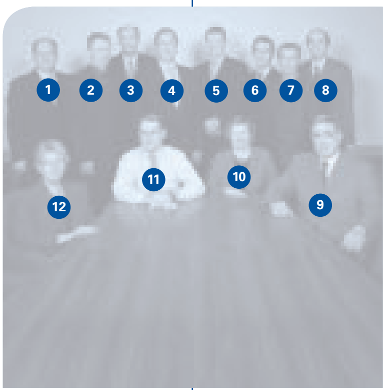
Esa Tirkkonen
b. 1949, M.Sc. (Eng.),
Senior Vice President, CFO,
Kemira Oyj

Markku Tynkkynen
b. 1952, M.Sc. (Eng.),
Executive Vice President,
Resources,
UPM-Kymmene Corporation

Rami Vuola
b. 1968, M.Sc. (Eng.),
Managing Director,
Etelä-Pohjanmaan Voima Oy

Secretary: **Risto Siilos,** *Senior Vice President, Legal Affairs, TVO*

Management Group



Chairman
4 **Pertti Simola** *b. 1950,*
M.Sc. (Eng.), President and CEO

Members:

5 **Rauno Mokka** *b. 1946,*
M.Sc. (Eng.), Executive Vice President

3 **Martin Landtman** *b. 1953,*
M.Sc. (Eng.), Senior Vice President, Project

1 **Klaus Luotonen** *b. 1950,*
M.Sc. (Law), Senior Vice President, Finance

9 **Esa Mannola** *b. 1948,*
M.Sc. (Eng.), Senior Vice President, Nuclear Engineering

10 **Anneli Nikula** *b. 1952, M.Sc.,*
Senior Vice President, Corporate Social Responsibility and Communications

11 **Risto Siilos** *b. 1962,*
M.Sc. (Law), Senior Vice President, Legal Affairs

6 **Reijo Sundell** *b. 1947,*
M.Sc., Senior Vice President, Operation

2 **Jarmo Tanhua** *b. 1965,*
M.Sc. (Eng.), Senior Vice President, Power Plant Engineering

Secretary: Risto Siilos

Employee representatives:
8 **Reijo Sjöblom** *b. 1956,*
Technical Buyer

Deputy employee representatives:

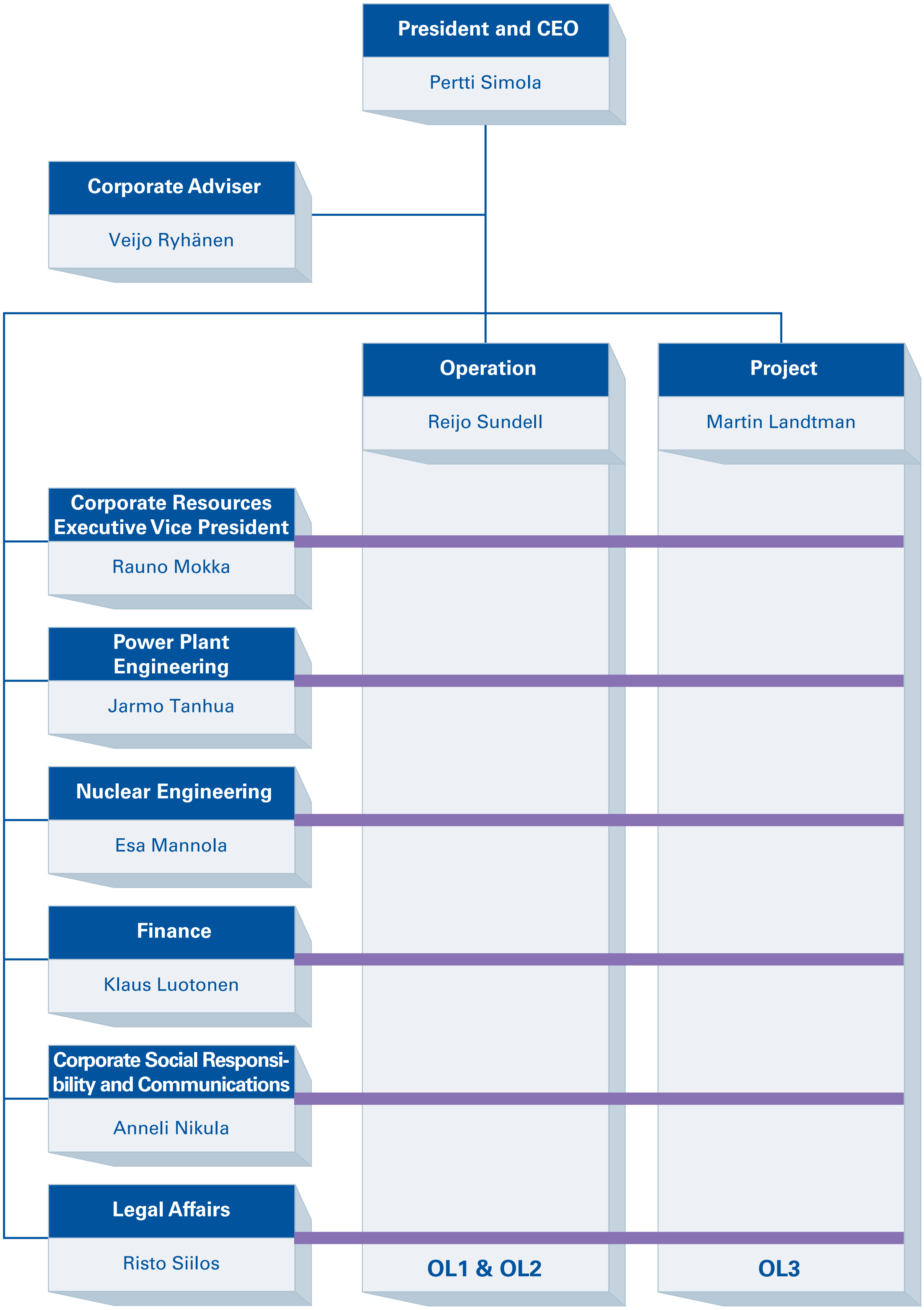
1. Jorma Väätämöinen, *b. 1952,*
Electrician (not in the photo)

7 **2. Rainer Karlsson** *b. 1953,*
Foreman

12 **3. Liisa Leppänen** *b. 1955,*
Invoice Examiner

Basic Organization

December 31, 2006



Committees of the Board of Directors, and Auditors

December 31, 2006

Committees of the Board of Directors

Operation Committee

- ***Chairman:*** *Pekka Manninen, b. 1954, M.Sc. (Eng.), Director, Production Department, Helsinki Energy*
- ***Deputy Chairman:*** *Arvo Vuorenmaa, b. 1949, M.Sc. (Eng.), Power Plant Manager, Fortum Power and Heat Oy*
- ***Members:*** *Sauli Ekola, b. 1952, M.Sc. (Eng.), Manager, Power Plant, Varenso Oy*
- *Elina Engman, b. 1970, M.Sc. (Eng.), Vice President, Energy, Kemira Oyj*
- *Ilkka Latvala, b. 1964, M.Sc. (Eng.), eMBA, Vice President, Energy, M-real Corporation*
- *Timo Mäki, b. 1965, M.Sc. (Eng.), Energy Supply Manager, Etelä-Pohjanmaan Voima Oy*
- *Arto Tuominen, b. 1957, M.Sc. (Eng.), Senior Corporate Advisor, Pohjolan Voima Oy*
- *Risto Viitanen, b. 1966, M.Sc. (Eng.), Power Manager, UPM-Kymmene Corporation*
- *Expert: Reijo Sundell, Senior Vice President, Operation, TVO*
- *Secretary: Jaakko Tuomisto, Manager, Energy Management, TVO*

Finance Committee

- ***Chairman:*** *Juha Forsius, b. 1957, M.Sc. (Econ.), Senior Vice President, Group Treasury, UPM-Kymmene Corporation*
- ***Deputy Chairman:*** *Jouni Huttunen, b. 1962, M.Sc. (Law), Head of Treasury Management, Fortum Oyj*
- ***Members:*** *Markku Källström, b. 1963, M.Sc. (Econ.), Director of Finance, Etelä-Pohjanmaan Voima Oy*
- *Veli-Jussi Potka, b. 1959, B.Sc. (Econ. & Bus. Adm.), Senior Vice President, Stora Enso Oyj*
- *Seppo Ruohonen, b. 1946, M.Sc. (Eng.), Managing Director, Helsinki Energy*
- *Jukka Ryhänen, b. 1968, M.Sc. (Econ. & Bus. Adm.), Vice President, Group Treasurer, Kemira Oyj*
- *Pertti Simola, President and CEO, TVO*
- *Timo Väisänen, b. 1959, M.Sc. (Eng.), Senior Vice President, Group Treasurer, Pohjolan Voima Oyj*
- ***Expert:*** *Klaus Luotonen, Senior Vice President, Finance, TVO*
- ***Secretary:*** *Lauri Piekkari, Vice President, Finance, TVO*

The Economics Committee assisting the President and CEO

- ***Chairman:*** *Pertti Simola, President and CEO, TVO*
- ***Members:*** *Tiina Tuomela, b. 1966, M.Sc. (Eng.), MBA, Vice President, Business Control, Generation, Fortum Power and Heat Oy*
- *Minna Korkeaoja, b. 1964, M.Sc. (Econ. & Bus. Adm.), Executive Vice President, Group Controller, Pohjolan Voima Oy*
- ***Experts:*** *Klaus Luotonen, Senior Vice President, Finance, TVO*
- *Anja Ussa, Controller, TVO*
- ***Secretary:*** *Päivi Lahti, Manager, Accounting, TVO*

The OL3 Steering Group

- ***Chairman:*** *Timo Rajala, b. 1947, M.Sc. (Eng.), President and CEO, Pohjolan Voima Oy*
- ***Members:*** *Mauno Paavola, b. 1942, M.Sc. (Eng.),*
- *Heikki Peltola, b. 1943, M.Sc. (Eng.),*
- *Pekka Päätiläinen, b. 1948, M.Sc. (Eng.), President, Generation, Fortum Power and Heat Oy*
- *Ami Rastas, b. 1943, M.Sc. (Eng.),*
- *Pertti Simola, President and CEO, TVO*
- ***Expert:*** *Martin Landtman, Senior Vice President, Project, TVO*
- ***Secretary:*** *Risto Siilos, Senior Vice President, Legal Affairs, TVO*

Auditors

- *Eero Suomela, b. 1953, Authorized Public Accountant,*
- *PricewaterhouseCoopers Oy, Authorized Public Accountants, with principal responsibility: Niina Raninen, b. 1974, Authorized Public Accountant*

Financial Publications

During the year under review, Teollisuuden Voima Oy published its Annual Report 2005, Corporate Social Responsibility Report 2005, Annual Review 2005, and Interim Reports for January – March 2006, January – June 2006, and January – September 2006. These publications are available in both Finnish and English.

During 2007, the following reports will be published:
- *Annual Review 2006,* in January 2007
- *Annual Report 2006,* in March 2007
- *Corporate Social Responsibility Report 2006,* in May 2007.

Interim Reports for January – March 2007, January – June 2007, and January – September 2007 will be published by the end of the month following the period in question. The above publications will also be available in English.

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Printing house: Euraprint, Eura

TVO has a personnel of over 730.
The photo shows TVO personnel at the President and CEO's briefing session.

Well-being for Finland

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