FINGRID GROUP'S INTERIM REPORT 1 JANUARY - 31 MARCH 2007

A total of 26 terawatt hours of electricity was consumed in Finland during the first three months of 2007. This was 1.9 per cent less than during the corresponding period in 2006.

In the winter period, electricity transmissions between Finland and Sweden mainly consisted of imports into Finland.

The replacement of aluminium towers between Huutokoski and Vuolijoki together with the line outages required by the grid reinforcements for the connection of the new nuclear power unit at Olkiluoto to the grid caused restrictions in the transmission capacity made available to the market. The Fenno-Skan cable was damaged at the end of 2006, restricting the transmission capacity until February. The cable was brought back to commercial operation on 13 February 2007. Despite the limitations in transmission capacity, Finland was separated into a price area of its own for less than 2 per cent of the time during the period examined.

The Estlink connection between Finland and Estonia was commissioned for commercial operation in early January. This cable connection has been used for importing electricity into Finland. Almost a full volume of electricity was imported from Russia during the review period.

An all-time record was reached in electricity consumption in Finland during the period of cold weather in week 6, when the peak consumption was more than 14,800 MW. Almost all electricity production capacity in Finland was in use then, and no significant problems were encountered in electricity production. Fingrid used for the first time the production capacity based on the Power Reserve Act to secure the power balance. Fingrid’s systems worked as planned throughout the cold period.

With the exception of the failure of the Fenno-Skan submarine cable, the transmission grid did not experience any significant faults affecting the transmission capacity. In the Satakunta and Pirkanmaa regions, there were more disturbances than average in the 110 kV network, caused in conjunction with operating, maintenance and construction work.

The environmental impact assessment for the 220 kV transmission line Petäjäskoski - Kaukonen - Vajukoski was completed. Fingrid launched preliminary planning which supports the regional land use planning of grid reinforcements required by the potential sixth nuclear power plant unit in Finland.

As of the beginning of 2007, Fingrid has been publishing the consumption forecast for the next day on its website, which in part enhances the transparency and improves the functioning of the electricity market.

The results of a customer survey carried out in January among all grid customers indicated that Fingrid’s customer service has continued to stay at an excellent level.

Capital expenditure

Construction of the grid continued actively throughout the early part of 2007, and at best more than 300 people were working at Fingrid’s sites. The mild winter complicated work progress on several sites. A contract for the procurement of five power transformers was signed, with the first transformer to be delivered to Fingrid in November 2008. The total value of the contract is almost 20 million euros.

Gross capital expenditure during the period examined totalled 12 million euros (10 million euros during the corresponding period in 2006).

Financial result

The Group's revenue during the review period was 101 million euros (114 million euros). Revenue declined due to lower sales of balance power and decrease in electricity consumption. The tariff reductions carried out at the beginning of the year also decreased the revenue.

Operating profit without the change in the fair value of derivatives was 35 million euros (47 million euros). The operating profit in accordance with IFRS was 33 million euros (61 million euros), which contains 2 million euros (14 million euros of positive) of negative change in the fair value of electricity derivatives. The IFRS profit before taxes was 25 million euros (54 million euros). The equity ratio was 26.2 per cent (25.7 per cent) at the end of the review period.

The Group's income flow is characterised by seasonal fluctuations, which is why the financial result for the entire year cannot be directly estimated on the basis of the three-month result.

Financing

The financial position of the Group continued to be good throughout the review period. The net finance costs of the Group were 8 million euros (8 million euros). Financial assets recognised at fair value in the income statement, and cash and cash equivalents amounted to 211 million euros (201 million euros) at 31 March 2007. The interest-bearing liabilities, including derivative liabilities, totalled 965 million euros (965 million euros), of which 750 million euros (775 million euros) were long-term and 214 million euros (191 million euros) were short-term.

The counterparty risk involved in the derivative contracts relating to financing was 6 million euros (6 million euros). The company has an undrawn revolving credit facility of 250 million euros.

Personnel

The total personnel of the Fingrid Group averaged 230 (234) during the review period.

Annual General Meeting

Fingrid Oyj's Annual General Meeting was held in Helsinki on 22 March 2007. The Annual General Meeting accepted the financial statements for 2006, adopted the income statement and balance sheet, and granted discharge from liability to the members of the Board of Directors and to the President.

Tapio Kuula, President, Fortum Power and Heat Oy, was elected as the Chairman of the Board, Arto Lepistö, Deputy Director General, Ministry of Trade and Industry, as the First Deputy Chairman of the Board, and Timo Rajala, President and CEO, Pohjolan Voima

Oy, as the Second Deputy Chairman of the Board. The other Board members elected were Timo Karttinen, Senior Vice President, Fortum Oyj, Ritva Nirkkonen, Managing Director, Jyväskylä Regional Development Company Jykes Oy, Anja Silvennoinen, Vice President, Energy, UPM-Kymmene Oyj, and Jorma Tammenaho, Portfolio Manager, Ilmarinen Mutual Pension Insurance Company.

Auditing

The consolidated figures in this Interim Report are unaudited.

Outlook for the remaining part of the year

Fingrid Oyj's Board of Directors decided on 26 April 2007 that Fingrid Oyj will pay back the 1997 debenture of capital loan nature on the first possible call date, 15 May 2007.

The profit of the Fingrid Group for the entire year without the change in the fair value of derivatives is expected to decrease somewhat on the previous year due to the tariff reductions.

Board of Directors

Appendices: Tables for the interim report 1 January - 31 March 2007

Further information:

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Appendix: Interim report figures 1 January - 31 March 2007

Condensed consolidated income statement, million euros	2007 Jan - Mar	2006 Jan - Mar	Change	2006 Jan - Dec
Revenue	**101.1**	**113.5**	**-12.4**	**351.3**
Other operating income	0.4	0.4	0.0	2.2
Depreciation and amortisation expense	-12.8	-12.5	-0.2	-52.3
Operating expenses	-55.6	-40.0	-15.5	-221.7
Operating profit	**33.2**	**61.3**	**-28.1**	**79.5**
Finance income and costs	-8.0	-7.8	-0.2	-29.3
Portion of profit of associated companies	0.2	0.2	-0.1	1.2
Profit before taxes	**25.4**	**53.8**	**-28.4**	**51.5**
Income taxes	-6.6	-13.9	7.3	-13.1
Profit for the period	**18.8**	**39.9**	**-21.0**	**38.3**
Earnings per share (euros)* belonging to the owners of the parent company, calculated from profit	5,666	11,986	-6,320	11,531

*no dilution effect

Condensed consolidated balance sheet, million euros	2007 31 Mar	2006 31 Mar	Change	2006 31 Dec
ASSETS				
Non-current assets				
Goodwill	87.9	87.9	0.0	87.9
Intangible assets	80.4	80.8	-0.4	80.4
Property, plant and equipment	1,065.4	1,045.7	19.7	1,065.8
Investments	7.4	6.9	0.5	7.2
Receivables	13.9	38.5	-24.5	13.4
Current assets				
Inventories	3.8	2.8	0.9	3.8
Receivables	50.1	43.0	7.1	51.2
Financial assets recognised in income statement at fair value	182.7	198.4	-15.7	186.7
Cash and cash equivalents	28.4	2.8	25.6	17.4
Total assets	**1,520.0**	**1,506.7**	**13.2**	**1,513.8**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity belonging to the owners of the parent company				
Shareholders' equity	397.5	387.1	10.4	385.5
Non-current liabilities				
Interest-bearing liabilities	750.6	774.6	-24.0	757.5
Other liabilities	105.0	96.5	8.4	97.0
Current liabilities				
Interest-bearing liabilities	214.2	190.8	23.5	212.8
Trade and other liabilities	52.7	57.7	-5.0	60.9
Total shareholders' equity and liabilities	**1,520.0**	**1,506.7**	**13.2**	**1,513.8**

Key indicators, million euros (* end of period)	2007 Jan - Mar	2006 Jan - Mar	2006 Jan - Dec
Revenue	101.1	113.5	351.3
Capital expenditure, gross	12.2	10.5	69.6
- % of revenue	12.1	9.2	19.8
Research and development expenses	0.2	0.2	1.2
- % of revenue	0.2	0.2	0.4
Personnel. average	230	234	238
Operating profit	33.2	61.3	79.5
- % of revenue	32.8	54.0	22.6
Profit before taxes	25.4	53.8	51.5
- % of revenue	25.1	47.4	14.7
Equity ratio, %*	26.2	25.7	25.5
Shareholders' equity*	397.5	387.1	385.5
Equity per share, euros*	119,553	116,433	115,952
Earnings per share, euros*	5,666	11,986	11,531

* end of period

Consolidated statement of changes in total equity, million euros	Share capital	Share premium account	Revaluation reserve	Translation reserve	Retained earnings	Total
Capital and reserves 1 Jan 2006	**55.9**	**55.9**	**0.0**	**0.2**	**241.9**	**353.9**
Change in translation				0.0		0.0
Dividend distribution					-6.6	-6.6
Profit for period					39.9	39.9
Capital and reserves 31 Mar 2006	**55.9**	**55.9**	**0.0**	**0.2**	**275.1**	**387.1**
Change in translation				-0.1		-0.1
Profit for period					-1.5	-1.5
Other changes			0.0			0.0
Capital and reserves 31 Dec 2006	**55.9**	**55.9**	**0.0**	**0.1**	**273.6**	**385.5**
Change in translation				0.1		0.1
Dividend distribution					-6.9	-6.9
Profit for period					18.8	18.8
Capital and reserves 31 Mar 2007	**55.9**	**55.9**	**0.0**	**0.1**	**285.5**	**397.5**

Condensed consolidated cash flow statement, million euros	2007 Jan - Mar	2006 Jan - Mar	2006 Jan - Dec
Cash flow from operating activities			
Profit for the financial year	18.8	39.9	38.3
Adjustments	28.8	19.8	111.6
Changes in working capital	-2.0	2.9	-6.8
Interests paid	-7.0	-6.5	-41.6
Interests received	1.3	0.7	5.4
Taxes paid	-0.6	-0.6	-2.3
Net cash flow from operating activities	**39.3**	**56.1**	**104.7**
Cash flow from investing activities			
Purchase of property, plant and equipment	-19.8	-15.2	-65.5
Purchase of intangible assets	-0.5	-1.0	-2.4
Purchase of other assets	0.0	0.0	0.0
Proceeds from other investments	0.0	0.0	0.0
Proceeds from sale of property, plant and equipment	0.0	0.0	0.0
Repayment of loans receivable	0.0	0.0	0.1
Dividends received	0.0	0.0	0.6
Net cash flow from investing activities	**-20.2**	**-16.2**	**-67.3**
Cash flow from financing activities			
Withdrawal of loans	20.6	115.3	228.4
Repayment of loans	-26.5	-135.7	-243.3
Dividends paid	-6.9	-6.6	-6.6
Net cash flow from financing activities	**-12.7**	**-27.0**	**-21.5**
Net change in cash and cash equivalents	6.4	12.9	15.9
Cash and cash equivalents 1 Jan	204.1	187.9	187.9
Impact of changes in foreign exchange rates	0.0	0.0	0.0
Impact of changes in fair value of investments	0.7	0.4	0.3
Cash and cash equivalents 31 Mar	**211.1**	**201.2**	**204.1**

Derivative agreements, million euros	31 Mar 2007		31 Mar 2006		31 Dec 2006	
	Net fair value	Notional value	Net fair value	Notional value	Net fair value	Notional value
Interest and currency derivatives						
Cross-currency swaps	-47	320	-29	314	-44	322
Forward contracts	-2	97	0	73	-3	94
Interest rate swaps	-1	213	-2	228	-1	213
Call options, bought	11	490	7	470	11	530
Total	**-39**	**1,120**	**-24**	**1,085**	**-37**	**1,159**
	Net fair value	Volume TWh	Net fair value	Volume TWh	Net fair value	Volume TWh
Electricity derivatives						
Futures contracts, Nord Pool ASA						
Forward contracts of electricity, Nord Pool Clearing	-5	2.85	28	1.63	-3	2.81
Forward contracts of electricity, others	1	0.14	2	0.15	1	0.14
Call options, bought						
Total	**-4**	**3.00**	**31**	**1.78**	**-2**	**2.96**

Commitments and contingensies, million euros	31 Mar 2007	31 Mar 2006	31 Dec 2006
Pledges / bank balances	24	0	14
Rental liabilities	10	8	10
Commitment fee of revolving credit facility	1	1	1
Total	**35**	**9**	**25**
Capital commitments	**73**	**80**	**64**
Other financial liabilities	**1**	**1**	**1**

Changes in property, plant and equipment, million euros	31 Mar 2007	31 Mar 2006	31 Dec 2006
Carrying amount at beginning of period	**1,066**	**1,048**	**1,048**
Increases	12	9	68
Decreases	0		0
Depreciation and amortisation expense	-12	-12	-51
Carrying amount at end of period	**1,065**	**1,046**	**1,066**

Related party transactions and balances, milllion euros	31 Mar 2007	31 Mar 2006	31 Dec 2006
Sales	31	21	73
Purchases	21	27	73
Receivables	1	1	1
Liabilities	3	0	5

Accounting principles
This interim report has been drawn up in accordance with standard IAS 34, Interim Financial Reporting.

In this interim report, Fingrid has followed the same principles as in the annual financial statements for 2006. IFRS 7 (Financial Instruments: Disclosures) will be adopted in the annual financial statements for 2007. The Group has analysed the potential impacts of these revised standards and interpretations, and they are not expected to be significant.

Segment reporting
The entire business of the Fingrid Group is deemed to comprise transmission system operation in Finland with system responsibility, only constituting a single segment. There are no essential differences in the risks and profitability of individual products and services. This is why segment reporting in accordance with the IAS 14 standard is not presented.

Corporate rearrangements
There have been no changes in the Group structure during the period reviewed.

Seasonal fluctuation
The Group's operations are characterised by extensive seasonal fluctuations.

General clause
Certain statements in this release concern the future and are based on the present views of management. Due to their nature, they contain some risk and uncertainty and are subject to changes in economy and the relevant business.