



Teollisuuden Voima Oyj
Interim Report January–March 2010

Teollisuuden Voima Oyj's Interim Report 1 January–31 March 2010

The electricity production of Teollisuuden Voima Oyj continued reliably in Olkiluoto 1 and Olkiluoto 2 plant units. In the Olkiluoto 3 project, the construction work in the nuclear island reached its final stage and preparations for the installation of components were made. Government decision on TVO's application for the decision in principle regarding Olkiluoto 4 was expected.

Operating Environment

During the first quarter of the year the use of electricity in Finland increased by approximately 10 per cent compared to the corresponding period of the previous year.

Group's Financial Performance

The consolidated turnover for the period under review was EUR 93.7 (77.8) million. The amount of electricity delivered to shareholders was 4,229.9 (3,953.9) GWh.

The consolidated profit/loss was EUR 4.5 (-11.5) million. The adjusted consolidated profit/loss EUR 5.1 (3.3) million differs from this in respect of the profit/loss effects from the nuclear waste management according to IFRS standard and on the comparison period in respect of the valuation of non-hedge accounted derivative financial instruments (see Key Figures).

Group's Financing and Liquidity

The Group's financial situation has developed as planned.

TVO's interest-bearing liabilities (non-current and current) totalled at the end of the period under review EUR 2,552.4 (31 December 2009: 2,586.6) million excluding the loan from the Finnish State Nuclear Waste Management Fund, relented to shareholders. During the period under review, TVO raised a total of EUR 120.6 (53.3) million in non-current liabilities, while repayments amounted to EUR 154.3 (50.0) million. The loan from the Finnish State Nuclear Waste Management Fund was increased by EUR 51.5 (55.1) million. The OL3 project's share of financing costs has been capitalized in the balance sheet.

TVO uses its right to borrow funds back from the Finnish State Nuclear Waste Management Fund within the framework of legal regulations. The amount of the loan is EUR 802.4 (750.9) million and it is included in interest-bearing liabilities.

During the first quarter, TVO issued a SEK 520 million, SEK 100 million and SEK 500 million private placements under the EUR 2 billion Euro Medium Term Note Program (EMTN).

The Japan Credit Rating Agency (JCR) confirmed its credit rating for TVO at its previous level AA. The outlook was assessed as being stable.

The Annual General Meeting on 24 March 2010 decided on a private offering to the company's B series owners, by which the company share capital will be raised by EUR 79.3 million. The subscription price shall be paid in 2010 at a date to be decided by the Board of Directors. The increase in share capital is based on the OL3 financing plan, according to which the equity required by investment accrues as the project proceeds.

Nuclear Power

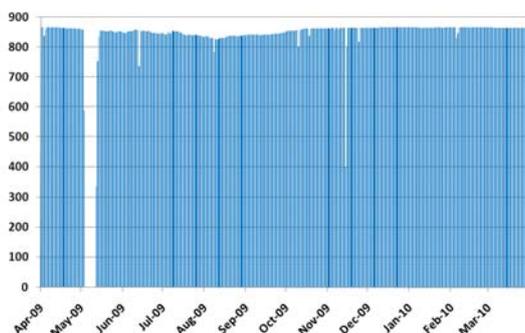
Olkiluoto 1 and Olkiluoto 2

The electricity production of the Olkiluoto power plant units, Olkiluoto 1 (OL1) and Olkiluoto 2 (OL2) from 1 January to 31 March was 3,740 (1 January–31 March 2009: 3,745) GWh. The total capacity factor was 100.0 (100.0)%.

The plant units operated safely and reliably during the period under review. OL1's net production was 1,867 (1,870) GWh and the capacity factor 100.0 (100.0)%. OL2's net production was 1,873 (1,875) GWh and the capacity factor 100.0 (100,0)%.

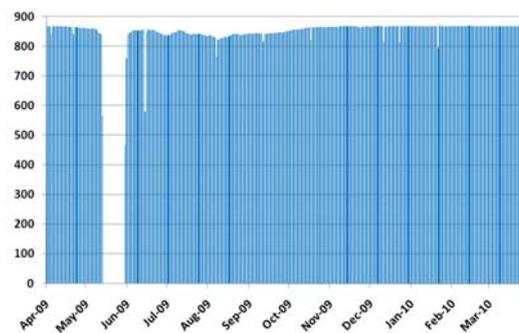
Olkiluoto 1

Average electrical power MW
1 April 2009–31 March 2010



Olkiluoto 2

Average electrical power MW
1 April 2009–31 March 2010



TVO prepared for the annual outages to be started in spring 2010. In OL1 the outage will include a large-scale modernization project by which also the efficiency of the plant unit will be improved.

Olkiluoto 3

The nuclear power plant unit Olkiluoto 3 (OL3), currently under construction, was commissioned as a fixed price turnkey project from the Consortium (referred to as the Supplier) formed by AREVA NP GmbH, AREVA NP SAS and Siemens AG. Originally commercial electricity production was scheduled to start at the end of April 2009. The completion of the project, however, has been delayed. In October 2009, TVO estimated that the start-up of the unit may be postponed beyond June 2012, which is the current schedule informed by the Supplier. The installation work in the nuclear island has started slower than estimated in the Supplier's schedule. According to the turnkey delivery contract the Supplier is responsible for the time schedule.

The design of OL3 continued, as did also the regulatory review of documents, the construction work and the manufacturing and installation of equipment. Concreting work of the dome part of the containment building was started. Equipment and component deliveries to Olkiluoto continued. Preparations for the installation of the main components in the nuclear island were made.

The mechanical installations were completed in the turbine island.

The arbitration proceedings initiated in 2008 concerning the delay of the plant unit and the costs resulting from the delay as well as the cost of a technically resolved issue connected with construction work continued. The arbitration proceedings may continue for several years. No receivables or provisions have been recorded as a result of the arbitration proceedings.

The workforce at the site at the end of the period under review was approximately 3,700. The safety level at the site remained good.

All the realised costs of the OL3 project that can be recognized in the cost of the asset have been entered as property, plant and equipment in the Group balance sheet.

Olkiluoto 4 Project

In April 2008, TVO submitted an application to the Finnish Government for a decision in principle for the construction of a fourth nuclear power plant unit (OL4) at Olkiluoto.

TVO's application together with its statements and the preliminary safety assessment of STUK, the Radiation and Nuclear Safety Authority in Finland, regarding the OL4 project is ready for the government decision. A possible positive government decision will be subject to parliamentary proceedings.

Nuclear Fuel

During the period under review, nuclear fuel purchases amounted to EUR 1.2 (14.3) million and the amount consumed to EUR 10.1 (9.8) million.

The nuclear fuel and uranium stock carrying value on 31 March 2010 was EUR 153.9 (31 March 2009: 161.4) million, of which the value of the fuel in the reactors was EUR 51.8 (31 March 2009: 50.9) million.

Nuclear Waste Management

Posiva Oy, TVO's joint venture company, is responsible for the final disposal of spent nuclear fuel on behalf of its shareholders, TVO and Fortum Power and Heat Oy. The last phase of the construction work for the ONKALO research facility, which is part of the project for the final disposal repository, started at Olkiluoto.

The liabilities, in the consolidated financial statement, show a nuclear waste management liability of EUR 636.5 (604.1) million, calculated according to international IFRS accounting principles. A corresponding amount, under assets, represents the Company's share in the Finnish State Nuclear Waste Management Fund.

In order to cover the costs of nuclear waste management, TVO makes contributions into the Finnish State Nuclear Waste Management Fund. In January 2010, the Ministry of Employment and the Economy set TVO's liability for nuclear waste management at EUR 1,160.7 (1,137.6) million to the end of 2009 and the company's target reserve in the Fund for 2010 at EUR 1,069.8 (1,001.2) million. The difference is covered by guarantees.

In March 2010, the Finnish State Nuclear Waste Management Fund confirmed the nuclear waste management fee for 2009 at EUR 43.5 (32.6) million, which was paid into the Fund on 31 March 2010 (31 March 2009).

Coal Power

Meri-Pori

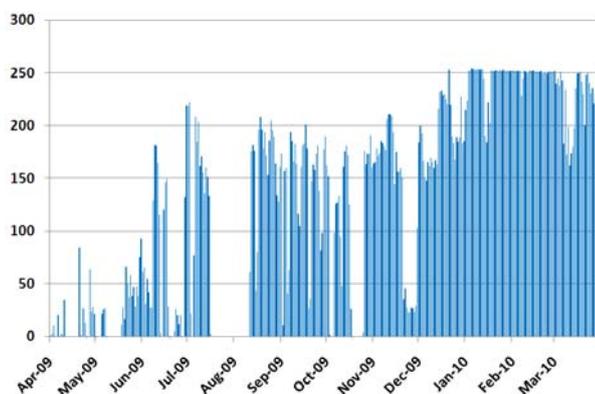
The amount of electricity produced by TVO's share at Meri-Pori coal-fired power plant on 1 January–31 March 2010 was 518.8 (231.1) GWh requiring 179.3 (79.2) thousand tons of coal and 419.9 (184.1) thousand tons of carbon dioxide emission rights.

The company's share of the free emission rights for the Meri-Pori coal-fired power plant for 2008–2012 totalled 1,479.7 thousand tons. In 2010 the share is 295.9 thousand tons.

TVO's share of Meri-Pori's production

Average electrical power MW

1 April 2009–31 March 2010



Acquisitions of Tangible and Intangible Assets and Shares

Investments during the period under review were EUR 119.1 (85.3) million. Investments of the parent company were EUR 106.6 (82.6) million, of which EUR 70.8 (64.8) million was allocated to the OL3 project.

Preparations for a project to replace the low-pressure turbines and generators in the OL1 and OL2 plant units scheduled for 2010 and 2011 continued.

Emission rights for the company's share of the Meri-Pori coal-fired power plant have been acquired in 2010 for EUR 3.8 (1.2) million. The need of carbon dioxide emission rights of the company for the period under review will be covered by the acquired and free emission rights.

Pending Court Cases and Disputes

In December 2008, TVO was informed by the International Chamber of Commerce (ICC) that the Supplier had filed a request for arbitration concerning the delay at OL3 and the ensuing costs incurred. The Supplier's monetary claim is approximately EUR 1 billion. About one half of the claimed amount relates to alleged additional cost on account of the delay. The remainder relates to milestone payments pursuant to the OL3 Plant Contract that in TVO's opinion had not yet become payable. TVO has considered and found the claim by the Supplier to be without merit.

In April 2009, TVO submitted to ICC its answer and counterclaim due to the Supplier's request for arbitration filed with ICC in December 2008 concerning the delay at OL3 and the ensuing costs incurred. TVO's counterclaim in money is

approximately EUR 1.4 billion. The arbitration proceeding may continue for several years.

TVO is also involved in another ICC arbitration proceeding under the ICC rules concerning the costs of a technically resolved issue in connection with the construction work at OL3. The amount is minor in the context of the value of the project.

No receivables or provisions have been recorded as a result of the arbitration proceedings.

Group Personnel

Group personnel numbered 814 at the end of the period under review (31 December 2009: 802, 31 March 2009: 800). The number of permanent employees at the end of the period under review was 724 (31 December 2009: 722, 31 March 2009: 726).

Annual General Meeting

TVO's Annual General Meeting was held on 24 March 2010. The AGM approved the financial statement for the year 2009, confirmed the consolidated income statement and balance sheet and discharged the members of the Board of Directors and the President and CEO from liability. In addition, it was decided to issue a private offering to the Company's B series owners.

Mr. Harri Pynnä and Ms. Tiina Tuomela were elected as new members of the Board of Directors to succeed Mr. Tapio Kuula and Mr. Juha Laaksonen. The other Board members were re-elected. At its organization meeting held on the same day as the AGM, The Board of Directors elected Mr. Timo Rajala as Chairman and Mr. Matti Ruotsala as Deputy Chairman. Mr. Lauri Virkkunen was elected as Member of the Board as from 1 July 2010 as Mr. Timo Rajala will resign from the Board on 30 June 2010. The Board chose also from among its members the members and chairmen of the Board Committees.

Auditing

This Interim Report is unaudited.

Risks and Uncertainty Factors in the Near Future

The major risks and uncertainty factors in TVO's operations will be found in the Report of the Board of Directors 2009.

The change in market interest rates will have an impact on the consolidated profit/loss for the period through the change in fair value of financial instruments.

The 2010 annual outage of OL1 will include projects involving risks related to the schedule and availability.

During the period under review, no remarkable new risks connected with the Company's operations have arisen.

Assessment of Year-end Developments

With the preconditions being good, production at the Olkiluoto nuclear power plant is expected to continue in the manner of the previous year.

TVO will continue cooperation with the Supplier in the construction of the OL3 nuclear power plant unit.

The decision in principle phase and planning of the resources and activities of OL4 project will continue.

TVO will employ the capacity at the Meri-Pori coal-fired power plant in line with the previous principles.

Events After the Period Under Review

No major events have taken place after the end of the interim report period.

15 April 2010

Teollisuuden Voima Oyj
Board of Directors

TVO GROUP

Key Figures

TVO GROUP (IFRS) (€million)	1.1. - 31.3.2010	1.1. - 31.3.2009	1.1. - 31.12.2009
Turnover	94	78	305
Profit/loss for the period	5	-12	-41
Investments ¹⁾	119	2 017	845
Equity	948	789	866
Non-current and current interest-bearing liabilities (excluding loan from VYR) ²⁾	2 687	2 017	2 642
Loans from equity holders of the company (included in the former) ³⁾	179	179	179
Loan from VYR ²⁾	802	751	751
Provision related to nuclear waste management	636	604	633
Balance sheet total	5 243	4 295	5 069
Equity ratio % ⁴⁾	29,6	32,9	28,4
Average number of personnel	811	795	835

¹⁾ Acquisitions of property, plant and equipment, intangible assets and shares are based on gross investments.

²⁾ The Finnish State Nuclear Waste Management Fund (VYR).

³⁾ Subordinated loans.

$$^4) \text{ Equity ratio \%} = 100 \times \frac{\text{equity + loans from equity holders of the company}}{\text{balance sheet total - provision related to nuclear waste management - loan from the Finnish State Nuclear Waste Management Fund}}$$

CONSOLIDATED ADJUSTED PROFIT/LOSS (€million)	1.1. - 31.3.2010	1.1. - 31.3.2009	1.1. - 31.12.2009
Profit/loss for the period (IFRS)	5	-12	-41
The impact of the nuclear waste management obligation ¹⁾ (profit -/loss +)	0	1	3
The impact of financial instruments ²⁾ (profit -/loss +)	0	14	14
Adjusted profit/loss for the period	5	3	-24

¹⁾ Includes profit/loss effects from nuclear waste management according to IFRS standard.

²⁾ Includes effects from financial derivatives hedging future cash-flows where hedge accounting is not applied according to IAS 39.

TEOLLISUUDEN VOIMA OYJ (FAS) (€million)	1.1. - 31.3.2010	1.1. - 31.3.2009	1.1. - 31.12.2009
Parent company's interim financial statement has been made in accordance with the Finnish Accounting Standards (FAS).			
Turnover	92	75	296
Fuel costs	23	15	65
Nuclear waste management costs	15	15	66
Other income and expenses related to electricity production	32	26	121
Capital expenditure (depreciation and financial income and expenses)	17	16	68
Profit/loss before appropriations	5	3	-24
Investments ¹⁾	107	83	803
Equity	793	613	713
Appropriations	155	178	150
Non-current and current interest-bearing liabilities (excluding loan from VYR) ²⁾	2 552	1 936	2 587
Loans from equity holders of the company (included in the former) ³⁾	179	179	179
Loan from VYR ²⁾	802	751	751
Balance sheet total	4 471	3 612	4 377
Equity ratio % ⁴⁾	30,7	33,9	28,8
Average number of personnel	806	789	830

¹⁾ Acquisitions of tangible and intangible assets and shares are based on gross investments.

²⁾ The Finnish State Nuclear Waste Management Fund (VYR).

³⁾ Subordinated loans.

$$^4) \text{ Equity ratio \%} = 100 \times \frac{\text{equity + appropriations + loans from equity holders of the company}}{\text{balance sheet total - loan from the Finnish State Nuclear Waste Management Fund}}$$

ELECTRICITY DELIVERED TO EQUITY HOLDERS OF THE COMPANY (GWh)	1.1. - 31.3.2010	1.1. - 31.3.2009	1.1. - 31.12.2009
Nuclear power	3 711	3 723	14 385
Coal-fired power	519	231	845
Total	4 230	3 954	15 230

TVO GROUP

CONSOLIDATED FINANCIAL STATEMENT IN BRIEF AND NOTES

Consolidated Income Statement

1 000 €	1.1. - 31.3.2010	1.1. - 31.3.2009	1.1. - 31.12.2009
Turnover	93 653	77 796	305 390
Work performed for own purposes	2 926	3 101	10 322
Other income	2 078	1 893	8 678
Materials and services	-41 671	-37 301	-132 596
Personnel expenses	-13 848	-13 850	-55 943
Depreciation and impairment charges	-13 584	-12 495	-53 724
Other expenses	-17 844	-16 782	-77 932
Operating profit/loss	11 710	2 362	4 195
Finance income	8 382	22 397	51 771
Finance expenses	-15 554	-36 276	-97 357
Total finance income and expenses	-7 172	-13 879	-45 586
Profit/loss before income tax	4 538	-11 517	-41 391
Income taxes	-1	-1	-4
Profit/loss for the period	4 537	-11 518	-41 395
Profit/loss for the period attributable to:			
Equity holders of the company	4 537	-11 518	-41 395

Consolidated Statement of Comprehensive Income

1 000 €	1.1. - 31.3.2010	1.1. - 31.3.2009	1.1. - 31.12.2009
Profit/loss for the period	4 537	-11 518	-41 395
Other comprehensive items			
Changes in fair values of the available-for-sale investments	1 595	-1 301	2 326
Cash flow hedges	-3 116	-21 157	-17 950
Total other comprehensive profit/loss items	-1 521	-22 458	-15 624
Total comprehensive profit/loss for the period	3 016	-33 976	-57 019
Total comprehensive profit/loss for the period attributable to:			
Equity holders of the company	3 016	-33 976	-57 019

Consolidated Statement of Financial Position

1 000 €	31.3.2010	31.3.2009	31.12.2009
Assets			
Non-current assets			
Property, plant and equipment	3 364 974	2 556 390	3 263 047
Intangible assets	19 725	22 680	16 161
Loans and other receivables	807 946	756 015	756 496
Investments in associates and joint ventures	1 009	1 009	1 009
Investments in shares	13 778	8 555	12 183
Derivative financial instruments	2 950	6 329	649
Fund	636 458	604 060	633 484
Total non-current assets	4 846 840	3 955 038	4 683 029
Current assets			
Inventories	170 142	192 327	186 904
Trade and other receivables	130 028	55 773	83 931
Derivative financial instruments	773	924	404
Cash and cash equivalents	94 975	90 965	115 088
Total current assets	395 918	339 989	386 327
Total assets	5 242 758	4 295 027	5 069 356
Equity and liabilities			
Capital and reserves attributable to equity holders of the company			
Share capital	461 692	361 692	461 692
Share issue	79 300	0	0
Share premium reserve and statutory reserve	242 383	242 383	242 383
Fair value and other reserves	-50 074	-55 387	-48 553
Retained earnings	214 826	240 166	210 289
Total equity	948 127	788 854	865 811
Liabilities			
Non-current liabilities			
Provision related to nuclear waste management	636 458	604 060	633 484
Loans from equity holders of the company	179 300	179 300	179 300
Fund	802 350	750 900	750 900
Bonds	1 037 336	0	926 893
Other financial liabilities	1 045 527	1 218 640	979 150
Derivative financial instruments	80 711	69 501	40 324
Total non-current liabilities	3 781 682	2 822 401	3 510 051
Current liabilities			
Provisions	0	365	0
Current financial liabilities	340 376	531 454	482 472
Derivative financial instruments	3 513	17 667	34 142
Advance payments received	41 763	36 901	20 943
Trade payables	10 183	19 381	18 702
Other current liabilities	117 114	78 004	137 235
Total current liabilities	512 949	683 772	693 494
Total liabilities	4 294 631	3 506 173	4 203 545
Total equity and liabilities	5 242 758	4 295 027	5 069 356

Consolidated Statement of Changes in Equity

1 000 €	Share capital	Share issue	Share premium reserve and statutory reserves	Fair value and other reserves	Retained earnings	Attributable to equity holders of the company	Total equity
Equity 1.1.2009	361 692	0	242 383	-32 929	251 684	822 830	822 830
Profit/loss for the period	0	0	0	0	-11 518	-11 518	-11 518
Other comprehensive items							
Changes in fair values of the available-for-sale investments	0	0	0	-1 301	0	-1 301	-1 301
Cash flow hedges	0	0	0	-21 157	0	-21 157	-21 157
Share issue	0	0	0	0	0	0	0
Equity 31.3.2009	361 692	0	242 383	-55 387	240 166	788 854	788 854

1 000 €	Share capital	Share issue	Share premium reserve and statutory reserves	Fair value and other reserves	Retained earnings	Attributable to equity holders of the company	Total equity
Equity 1.1.2010	461 692	0	242 383	-48 553	210 289	865 811	865 811
Profit/loss for the period	0	0	0	0	4 537	4 537	4 537
Other comprehensive items							
Changes in fair values of the available-for-sale investments	0	0	0	1 595	0	1 595	1 595
Cash flow hedges	0	0	0	-3 116	0	-3 116	-3 116
Share issue	0	79 300	0	0	0	79 300	79 300
Equity 31.3.2009	461 692	79 300	242 383	-50 074	214 826	948 127	948 127

Consolidated Statement of Cash Flows

1 000 €	31.3.2010	31.3.2009	31.12.2009
Operating activities			
Profit/loss for the period	4 537	-11 518	-41 395
Adjustments:			
Income tax expenses	1	1	4
Finance income and expenses	7 172	13 879	45 586
Depreciation and impairment charges	13 584	12 495	53 724
Other non-cash flow income and expenses	-3 070	3 791	-15 039
Sales profit/loss of property, plant and equipment and shares	-42	-5	-125
Change in working capital:			
Increase (-) or decrease (+) in non-interest-bearing receivables	17 227	2 980	-50 668
Increase (-) or decrease (+) in inventories	16 761	-11 056	-5 632
Increase (+) or decrease (-) in short-term non-interest-bearing liabilities	-13 721	-3 931	5 545
Interest paid and other finance expenses	-6 132	-35 635	-43 998
Dividends received	5	3	513
Interest received	18 718	34 110	37 745
Taxes paid	-1	-1	-2
Cash flow from operating activities	55 039	5 113	-13 742
Investing activities			
Acquisition of property, plant and equipment	-101 200	-92 405	-801 090
Proceeds from sale of property, plant and equipment	0	5	16
Acquisition of intangible assets	-80	-1 239	-230
Proceeds from sale of intangible assets	0	0	2
Acquisition of shares	0	-1	-4
Proceeds from sale of shares	62	0	198
Loan receivables granted	-51 450	-55 125	-55 243
Repayments of loans granted	0	0	355
Cash flow from investing activities	-152 668	-148 765	-855 996
Financing activities			
Share issue	0	0	100 000
Withdrawals of long-term loans	161 582	108 440	1 331 441
Repayment of long-term loans	-83 638	-50 000	-620 972
Increase (-) or decrease (+) in interest-bearing receivables	0	0	2
Increase (+) or decrease (-) in current financial liabilities	-428	-26 517	-28 339
Cash flow from financing activities	77 516	31 923	782 132
Change in cash and cash equivalents	-20 113	-111 729	-87 606
Cash and cash equivalents at the beginning of period	115 088	202 694	202 694
Cash and cash equivalents at the end of period	94 975	90 965	115 088

TVO GROUP

Notes to the Interim Report

ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting -standard. The accounting policies adopted are consistent with those of the Group's annual financial statements for the year ended on 31 December 2009.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Interim Report requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expense. Annual results, that will occur, may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual financial statements as for the year ended on 31 December 2009.

TVO GROUP

SEGMENT REPORTING

Segment structure in TVO

The Group has two reportable segments; nuclear power and coal-fired power.

The electricity of the nuclear power segment is produced at two nuclear power plant units, Olkiluoto 1 and Olkiluoto 2 (OL1 and OL2). A new unit, Olkiluoto 3 (OL3), is under construction at Olkiluoto. The subsidiaries of TVO, TVO Nuclear Services Oy (TVONS), Olkiluodon Vesi Oy and Perusvoima Oy, of which operation is related to nuclear power, are also included in the nuclear power segment.

The electricity of coal-fired power segment is produced by TVO share at the Meri-Pori coal-fired power plant.

Segment calculation principles

TVO Group discloses in the segment information; turnover, profit/loss for the period and assets, which the chief operation decision maker follows.

The chief operation decision maker follows reporting according to Finnish Accounting Standards (FAS).

Adjustments made under IFRS accounting policies will be followed in group level.

TURNOVER BY SEGMENTS

1 000 €	31.3.2010	31.3.2009	31.12.2009
Nuclear power	73 581	66 555	263 162
Coal-fired power	20 072	11 241	42 228
Total	93 653	77 796	305 390

PROFIT/LOSS FOR THE PERIOD BY SEGMENTS

1 000 €	31.3.2010	31.3.2009	31.12.2009
Nuclear power	6 343	1 143	-19 172
Coal-fired power	-1 255	2 120	-5 212
Profit/loss before appropriations (FAS)	5 088	3 263	-24 384
The impact of the nuclear waste management obligation	-562	-571	-3 276
The impact of financial instruments	11	-14 210	-13 735
Total (IFRS)	4 537	-11 518	-41 395

ASSETS BY SEGMENTS

1 000 €	31.3.2010	31.3.2009	31.12.2009
Nuclear power	4 386 942	3 501 874	4 284 411
Coal-fired power	84 774	111 160	93 412
Total (FAS)	4 471 716	3 613 034	4 377 823
The impact of the nuclear waste management obligation	705 649	676 519	703 238
The impact of financial instruments	53 227	-1 801	-22 293
Other IFRS adjustments	12 166	7 275	10 588
Total (IFRS)	5 242 758	4 295 027	5 069 356

TVO GROUP

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

1 000 €	31.3.2010	31.3.2009	31.12.2009
Opening net book amount	3 263 047	2 484 603	2 484 603
Increase	115 239	84 047	838 407
Decrease	-64	-136	-9 937
Depreciation and impairment charges	-13 250	-12 148	-52 337
Accumulated depreciation from deduction	2	24	2 311
Closing net book amount	3 364 974	2 556 390	3 263 047

CHANGES IN INTANGIBLE ASSETS

1 000 €	31.3.2010	31.3.2009	31.12.2009
Opening net book amount	16 161	21 787	21 787
Increase	3 897	1 240	6 380
Decrease	0	0	-10 620
Depreciation and impairment charges	-333	-347	-1 386
Closing net book amount	19 725	22 680	16 161

TVO GROUP

FINANCIAL RISK MANAGEMENT

The Group's Finance Policy and the objective of financial risk management are the same as those applied to the annual financial statement as for the year ended 31 December 2009.

DERIVATIVE FINANCIAL INSTRUMENTS

Nominal values of the derivative financial agreements

1 000 €	31.3.2010	31.3.2009	31.12.2009
Interest rate option agreements			
Purchased	450 000	1 020 000	810 000
Written	450 000	1 020 000	810 000
Interest rate swaps	1 218 446	1 718 446	1 268 446
Forward foreign exchange contracts	112 626	145 746	130 561
Total	2 231 072	3 904 192	3 019 007

Fair values of the derivative financial agreements 1 000 €	31.3.2010			31.3.2009			31.12.2009		
	Positive	Negative	Total	Positive	Negative	Total	Positive	Negative	Total
Interest rate option agreements (non-hedge accounted)									
Purchased	8	0	8	185	0	185	114	0	114
Written	0	-5 815	-5 815	0	-11 294	-11 294	0	-7 519	-7 519
Interest rate swaps (hedge accounted)	0	-46 588	-46 588	0	-69 096	-69 096	0	-36 795	-36 795
Interest rate swaps (non-hedge accounted)	91	-30 713	-30 622	146	-6 239	-6 093	159	-25 712	-25 553
Forward foreign exchange contracts (hedge accounted)	3 624	-1 108	2 516	6 922	-539	6 383	649	-3 899	-3 250
Forward foreign exchange options (non-hedge accounted)	0	0	0	0	0	0	131	-541	-410
Total	3 723	-84 224	-80 501	7 253	-87 168	-79 915	1 053	-74 466	-73 413

BONDS

During the first quarter, TVO issued SEK 520 million, SEK 100 million and SEK 500 million private placements under the 2 billion Euro Medium Term Note Program (EMTN).

TVO GROUP

ASSETS AND PROVISION RELATED TO NUCLEAR WASTE MANAGEMENT OBLIGATION

The balance sheet contains assets and liabilities concerning the nuclear waste management obligation

1 000 €	31.3.2010	31.3.2009	31.12.2009
The carrying value of TVO's share in the Finnish State Nuclear Waste Management Fund (non-current assets)	636 458	604 060	633 484
Provision related to nuclear waste management (non-current liabilities)	636 458	604 060	633 484

TVO's legal liability as stated in the Nuclear Energy Act and the company's share in the Finnish State Nuclear Waste Management Fund

1 000 €	31.3.2010	31.3.2009	31.12.2009
Liability for nuclear waste management according to the Nuclear Energy Act	1 160 700	1 137 600	1 160 700
TVO's funding target obligation 2009 (2008) to the Finnish State Nuclear Waste Management Fund	1 069 800	1 001 200	1 069 800
TVO's share in the Finnish State Nuclear Waste Management Fund	1 069 800	1 001 200	1 026 180
Difference between the liability and TVO's share of the fund	90 900	136 400	134 520

The cost of decommissioning of the power plant and disposal of spent fuel are covered by the provisions related to the nuclear waste management obligation. An updated cost estimate is done every year and an updated technical plan is made every third year.

TVO contributes funds to the Finnish State Nuclear Waste Management Fund to cover future obligations based on the legal liability calculated according to the Nuclear Energy Act. During this interim reporting time TVO has paid to the Finnish State Nuclear Waste Management Fund EUR 43.5 million which has been decided by the supervising authority (Ministry of Employment and the Economy). TVO's share in the Finnish Nuclear Waste Management Fund on 31 March 2010 is EUR 1069.8 million. The carrying amount in the balance sheet is EUR 636.5 million. The difference is due to the fact that IFRIC 5 limits the carrying amount of TVO's interest in the Finnish State Nuclear Waste Management Fund to the amount of the related liability since TVO does not have control over the Finnish State Nuclear Waste Management Fund.

In 2007 by virtue of section 46 of the Nuclear Energy Act the Council of State accepted TVO's petition to reduce the funding target obligation for the years 2008 - 2012. TVO has issued the State the shareholders' guarantees as security for the unfunded legal liability. The security also covers unexpected events as determined in the Nuclear Energy Act. The guarantees are included in the nuclear waste management obligations, and are to be found in note Obligations and other commitments.

TVO GROUP

OBLIGATIONS AND OTHER COMMITMENTS

Pledged promissory notes and financial guarantees

€million	31.3.2010	31.3.2009	31.12.2009
Pledged promissory notes to the Finnish State Nuclear Waste Management Fund	802	751	751
Guarantees given by shareholders related to the nuclear waste management obligation	254	265	254

Investment commitments

€million	31.3.2010	31.3.2009	31.12.2009
Investment commitments:			
OL1 and OL2	51	78	69
OL3	687	1 177	686
Total	738	1 255	755

Pending Court Cases and Disputes

Pending Court Cases and Disputes are to be found in page 6.