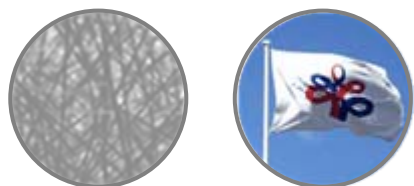


Ahlstrom

The global source for fiber-based materials

SEB Enskilda Nordic Seminar
Copenhagen, January 10, 2007
Jari Mäntylä, CFO



Small fibers. Big difference.

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Section I

Ahlstrom in brief

Small fibers. Big difference.

Investment highlights

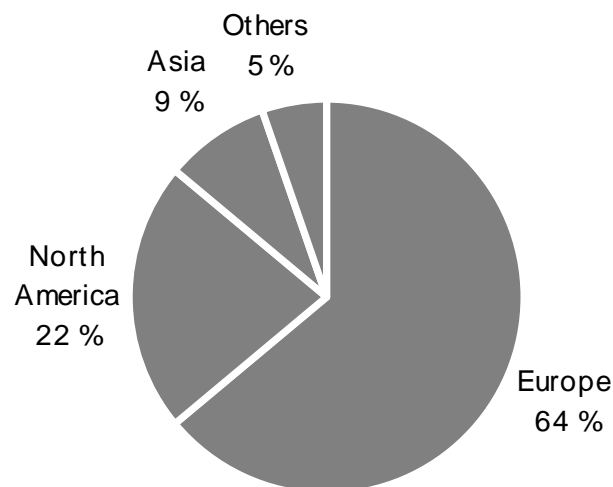
Investment highlights

- Leading specialty materials supplier
- Operating in global growth businesses
- Innovative products with leading market positions
- Well positioned for growth outside Europe
- Efficient use of capital
- Attractive dividend policy


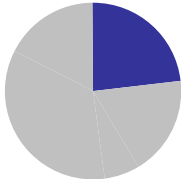

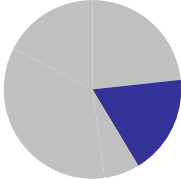

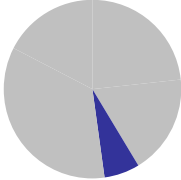

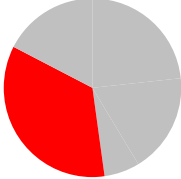

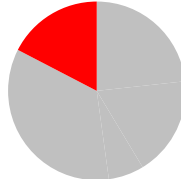
Financial overview ⁽¹⁾

	2004	2005	Q1-Q3 2005	Q1-Q3 2006
Sales (€'m)	1490	1553	1169	1210
EBIT	82	99	77	73
EBIT margin %	5.5 %	6.4 %	6.6 %	6.0 %
Asset turnover	1.6	1.6	1.6	1.7
ROCE %	9.1%	10.5%	10.8 %	10.4 %

Sales split, 2005



Ahlstrom materials are found in everyday applications

	Business areas	Example applications	Sales 2005
FiberComposites	Nonwovens	 <ul style="list-style-type: none"> Wipes, medical gowns and drapes, wallcovering and tea bags 	 23%
	Filtration	 <ul style="list-style-type: none"> Engine, indoor air, industrial and laboratory filtration 	 18%
	Glass Nonwovens	 <ul style="list-style-type: none"> Windmill blades, flooring and boat hulls 	 6%
Specialty Papers	Label & Packaging	 <ul style="list-style-type: none"> Self-adhesive labeling, food packaging and beverage labels 	 35%
	Technical Papers	 <ul style="list-style-type: none"> Furniture foils, abrasive paper, masking tape and engine gaskets 	 17%

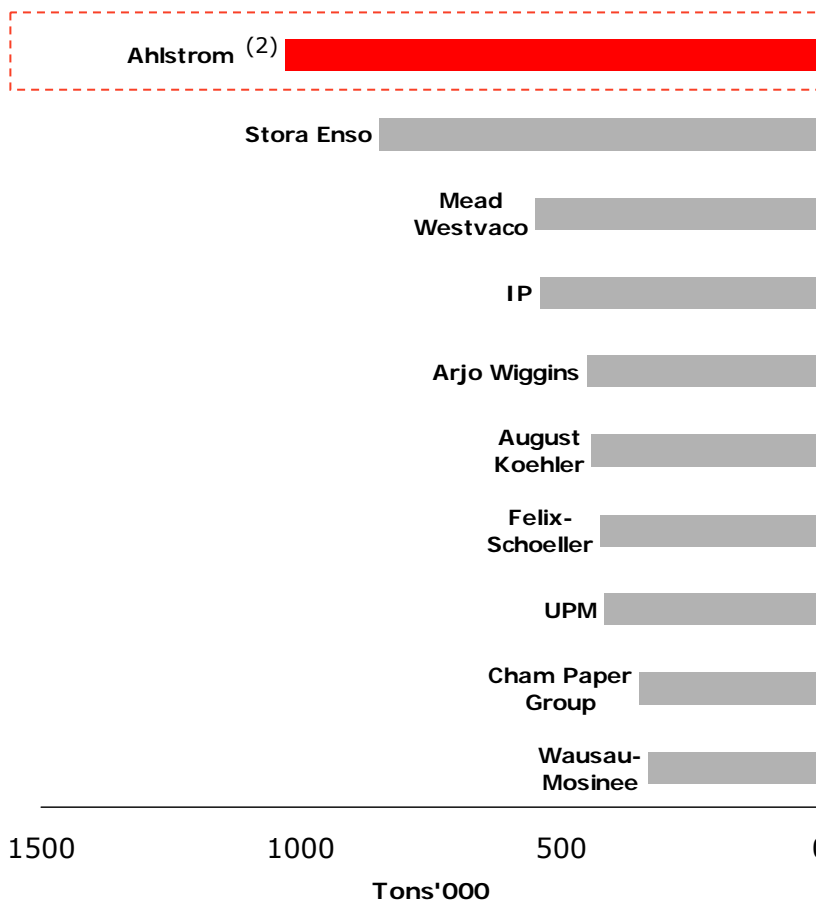
Small fibers. Big difference.

Ahlstrom has a clear focus in the value chain

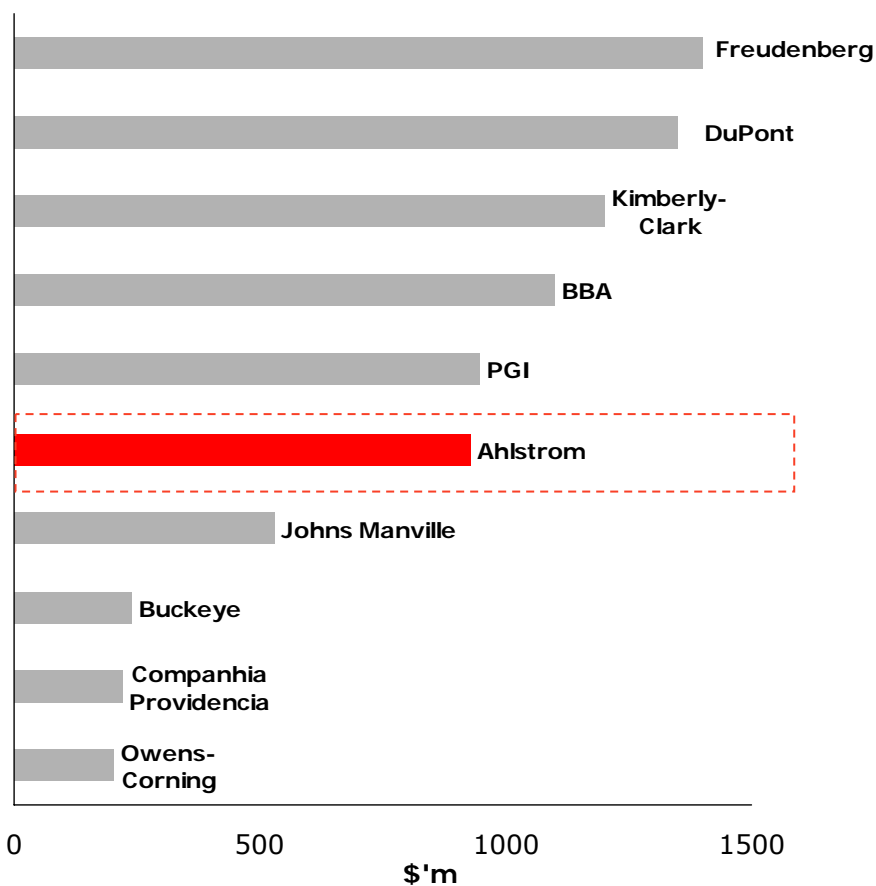


Leading specialty materials supplier in the world

Specialty papers market positions⁽¹⁾



Nonwovens market positions⁽³⁾



Small fibers. Big difference.

Notes: 1) Source: Jaakko Pöyry Consulting
 2) Ahlstrom Specialty Papers volume
 3) Source: Nonwovens Industry 2006

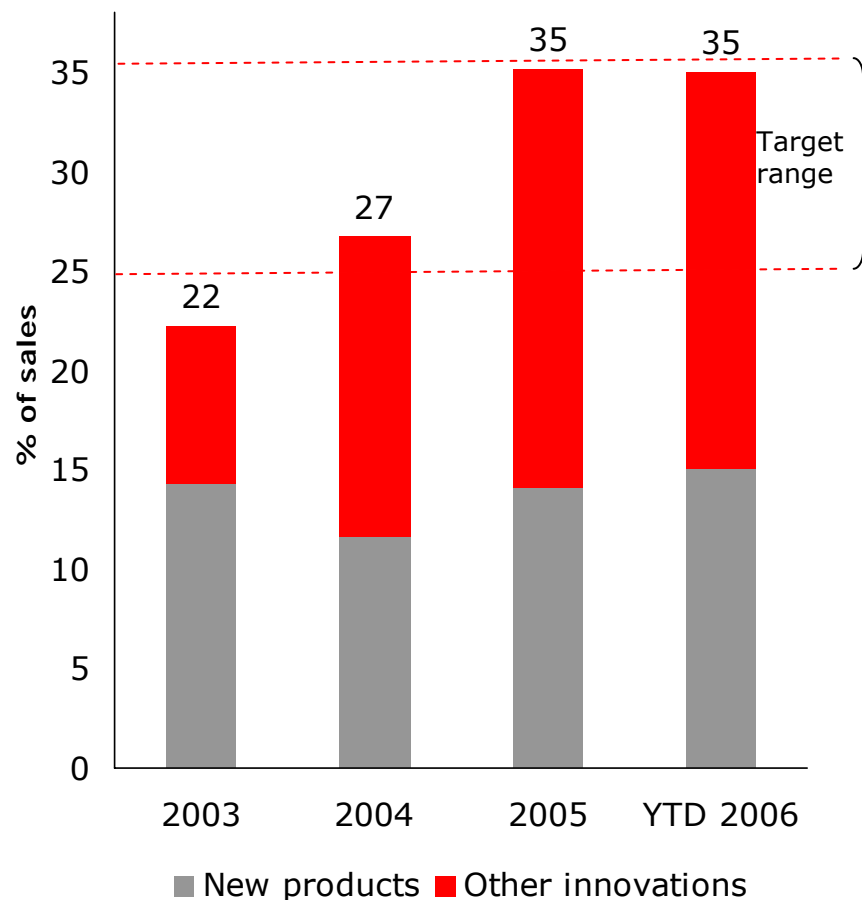


Substantial share of new sales through innovation

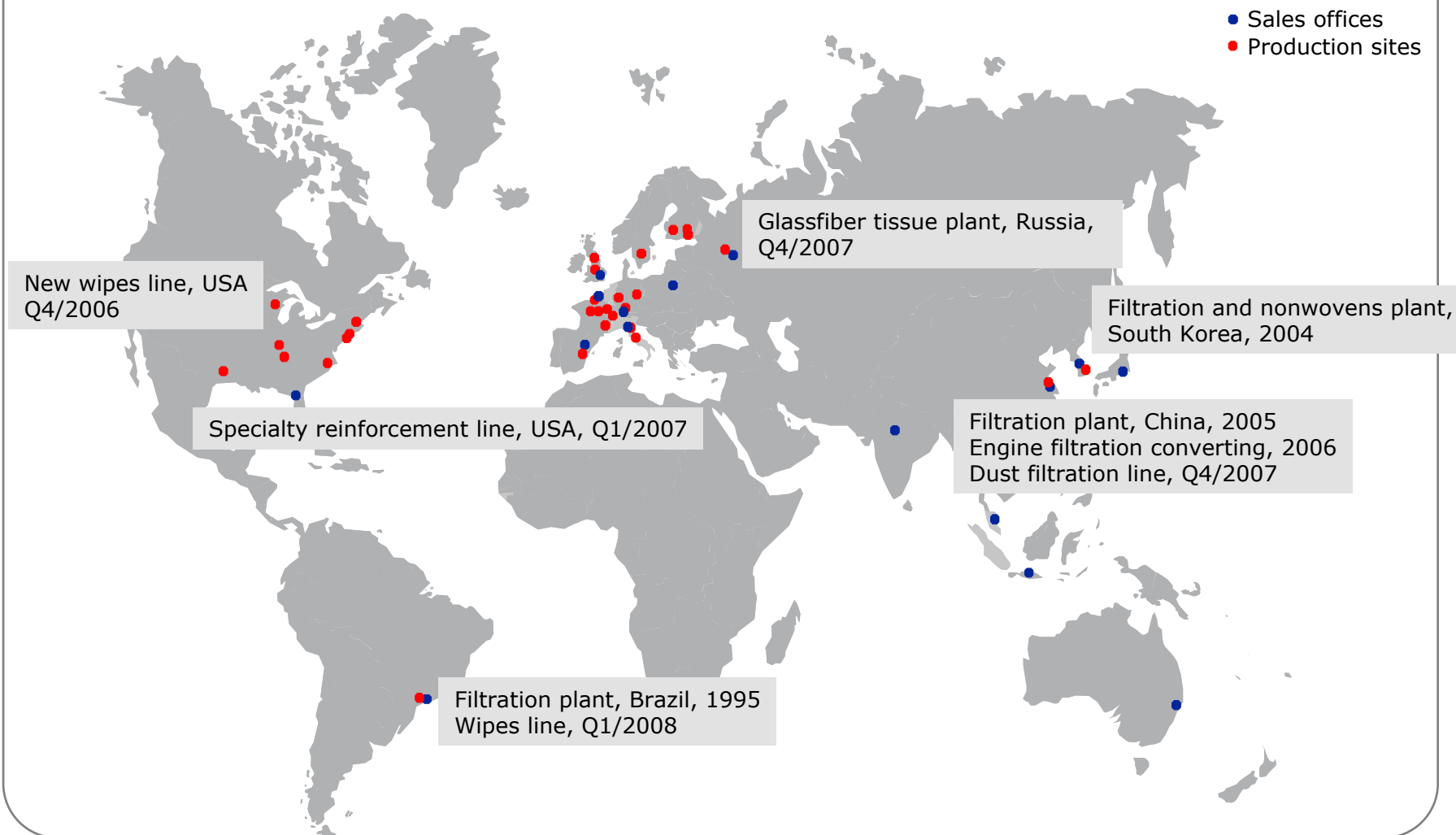
Innovation in brief

- Customer focused
 - Business area learning and cross-fertilization
 - Serving shared market segments (e.g. transportation, building, packaging)
- Expertise based on broad market and technology exposure
- 3.4% of total personnel focusing on innovation (187 professionals)

New products as % of sales⁽¹⁾



Well positioned for growth outside Europe through organic investments and acquisitions



Small fibers. Big difference.

Section II

Achieving profitable growth

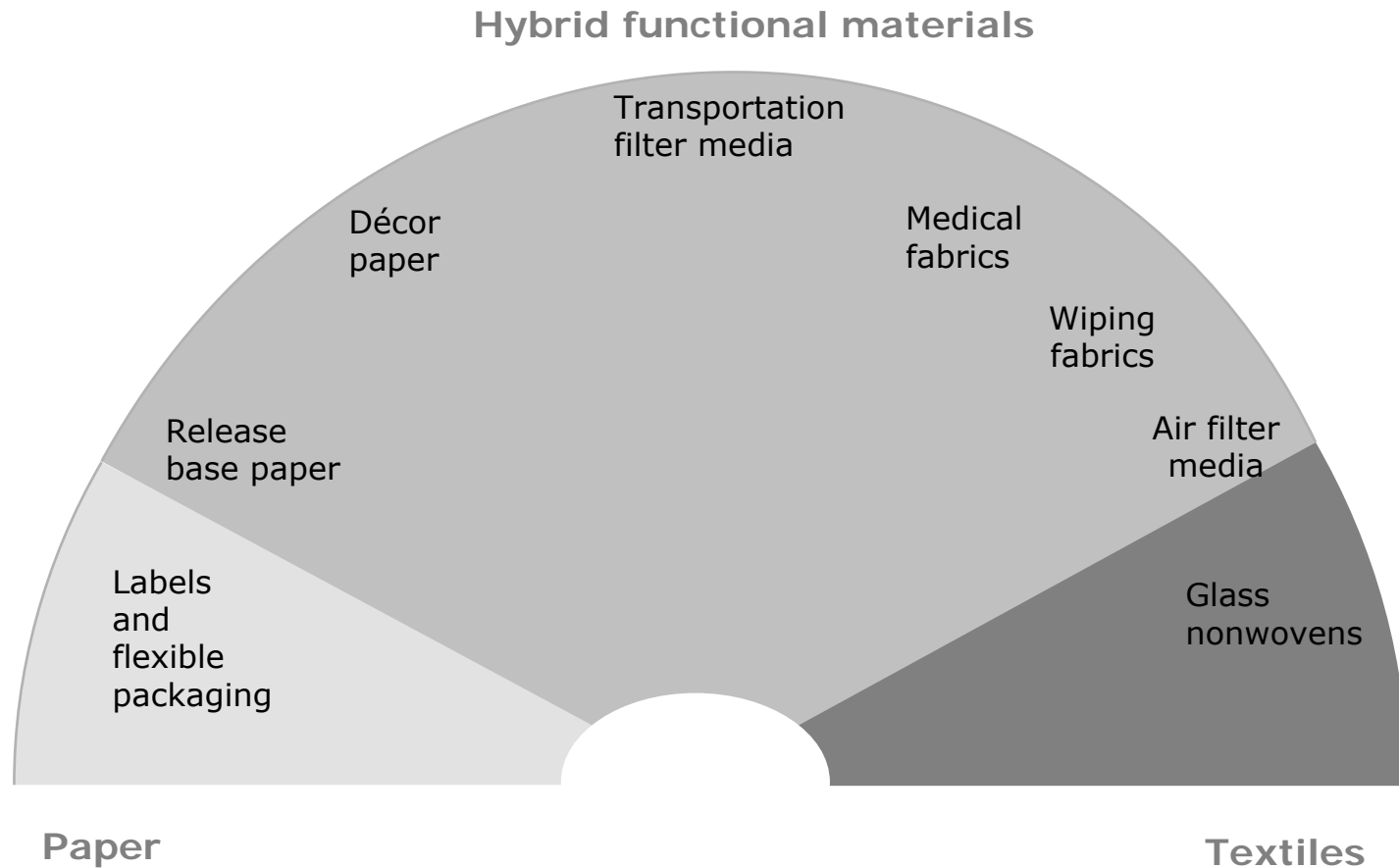
Operating in businesses with high growth

	FiberComposites	Specialty papers
Growth	6-7% growth	3-4% growth
Drivers	<ul style="list-style-type: none"> • Substitution of products traditionally made from textiles, paper or plastic • Convenience and hygiene • Product development and new applications 	<ul style="list-style-type: none"> • Driven by growth in release base and décor paper <ul style="list-style-type: none"> - Increased demand of product labelling in Eastern Europe and Asia - Interior decoration boom (i.e. IKEA type of furniture)

➤ **High growth areas are wiping fabrics, filtration media, glass non-woven for marine and windmill markets and release base and décor papers**

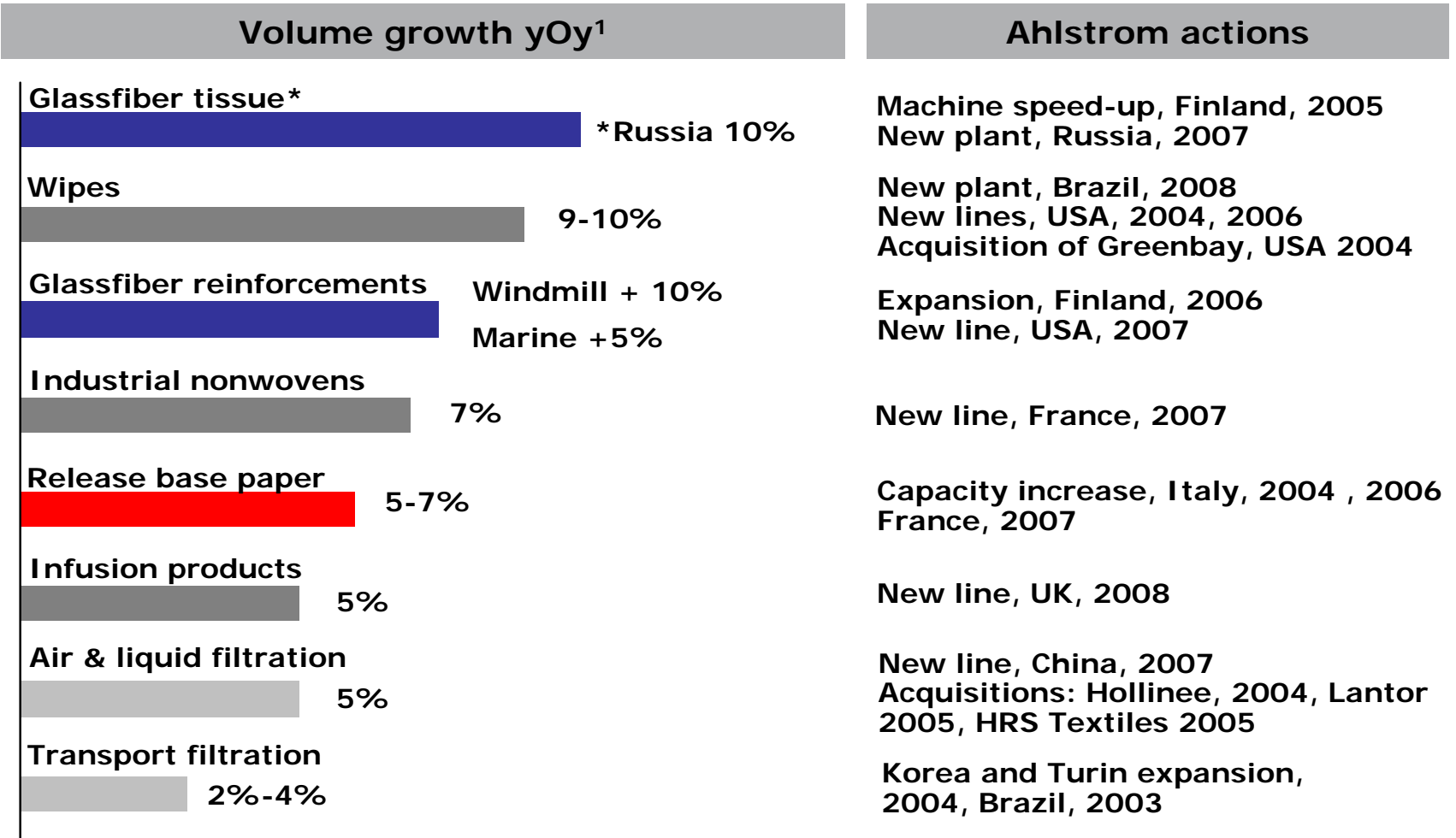
➤ **On average Ahlstrom markets are growing 4-5% per year**

Product offering spans from technical papers to technical textiles



➤ **€ 30 billion market opportunity**

Organic investments driving future sales growth



Notes:

1) Source for FiberComposites and Specialty Papers annual volume growth:
 Inda/Edana, Pira International, JEC Group and Ahlstrom management

Investments in implementation phase

Investment	Business area	Start-up
Darlington, USA, specialty glassfiber reinforcement plant	Glass nonwovens	Q1/2007
La Gère, France, releaseliner capacity expansion	Label & packaging	Q2/2007
Wuxi, China, needlepunch line for dust filtration	Filtration	Q3/2007
Tver, Russia, glassfiber tissue plant	Glass nonwovens	Q4/2007
Brignoud, France, needlepunch line for industrial nonwovens	Nonwovens	Q4/2007
Louveira, Brazil, spunlace line for wipes	Nonwovens	Q1/2008
Chirnside, UK, spunmelt line for infusion materials	Nonwovens	Q4/2008

➤ **Investment commitment of approximately EUR 120 million**

➤ **Investment criteria:**

➤ **1.5 x investment in net sales in 3-5 years**

➤ **13 % ROCE target**

Leveraging advantages of scale

Fiber-based specialty materials
–Serving growing market of €30 billion

Ahlstrom shared platform

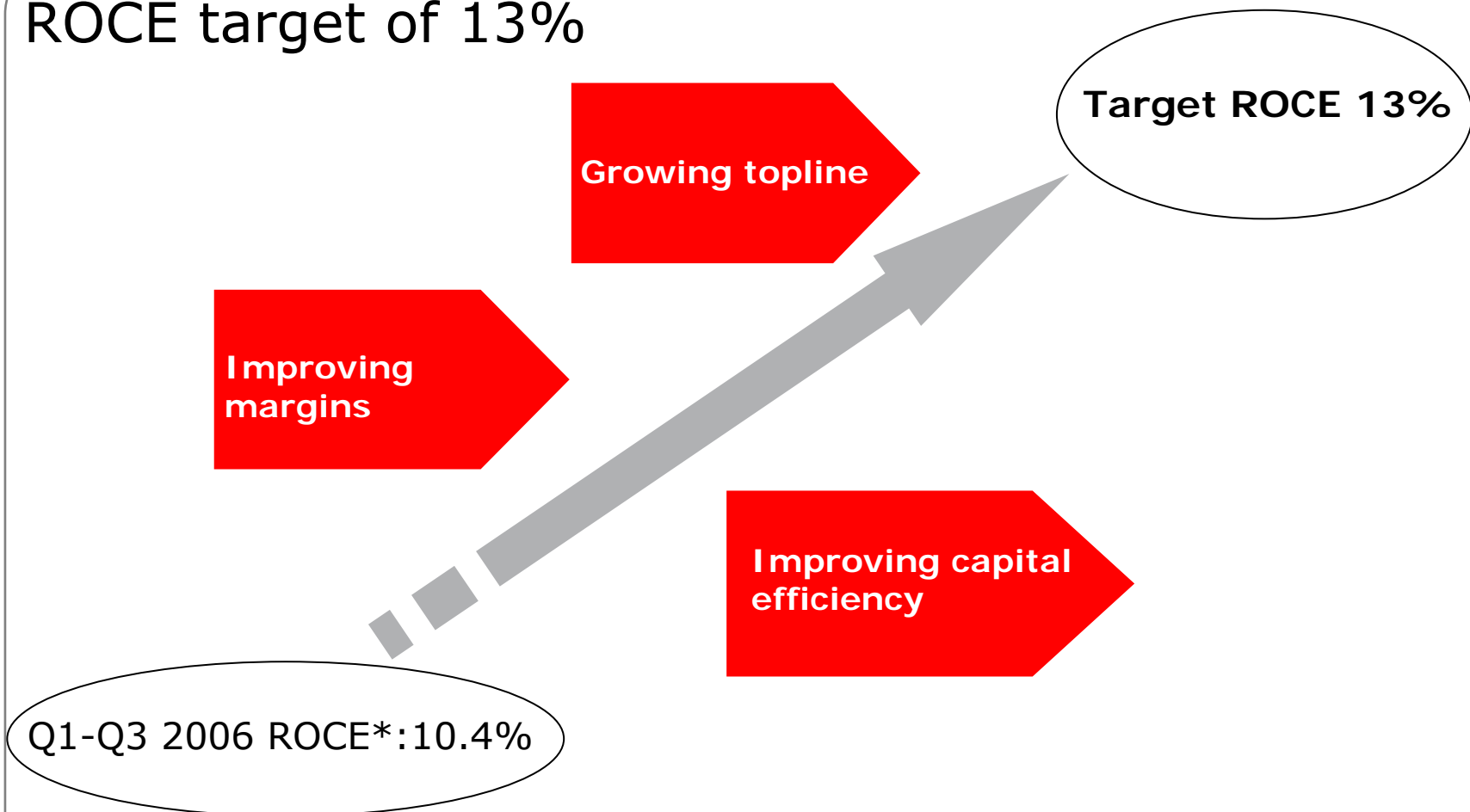
- Roll goods- technical papers to technical textiles
- Shared manufacturing processes
- Global sales network
- Centralized raw material purchasing
- Common IT solutions
- Performance excellence- sharing of best practices

➤ **Platform available to add synergistic businesses through organic and acquisitive growth**

Section III

Improving competitiveness

ROCE target of 13%



➤ EBIT range 6%-9% over cycle

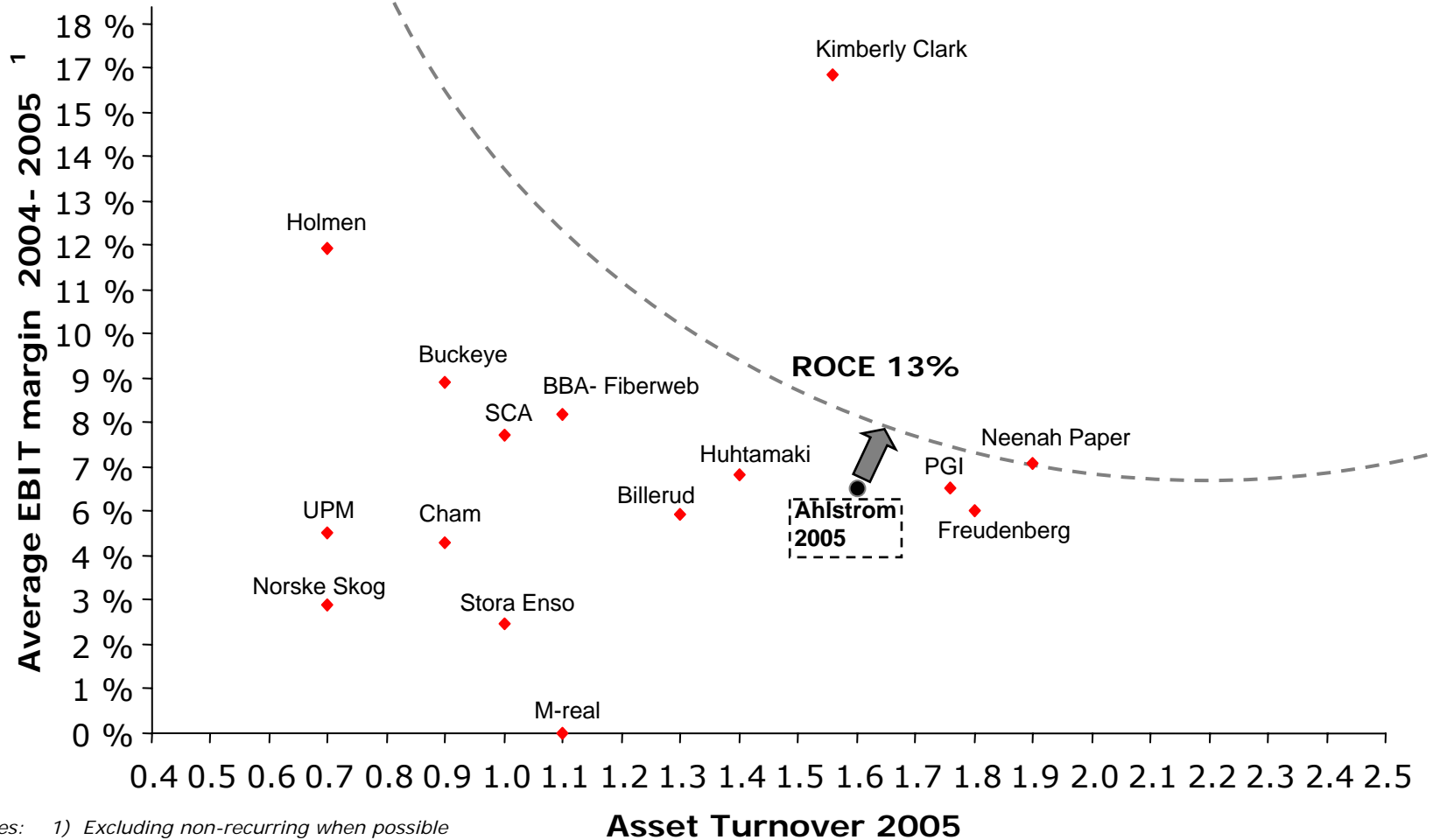
➤ Asset turnover minimum 1.7x

Small fibers. Big difference.

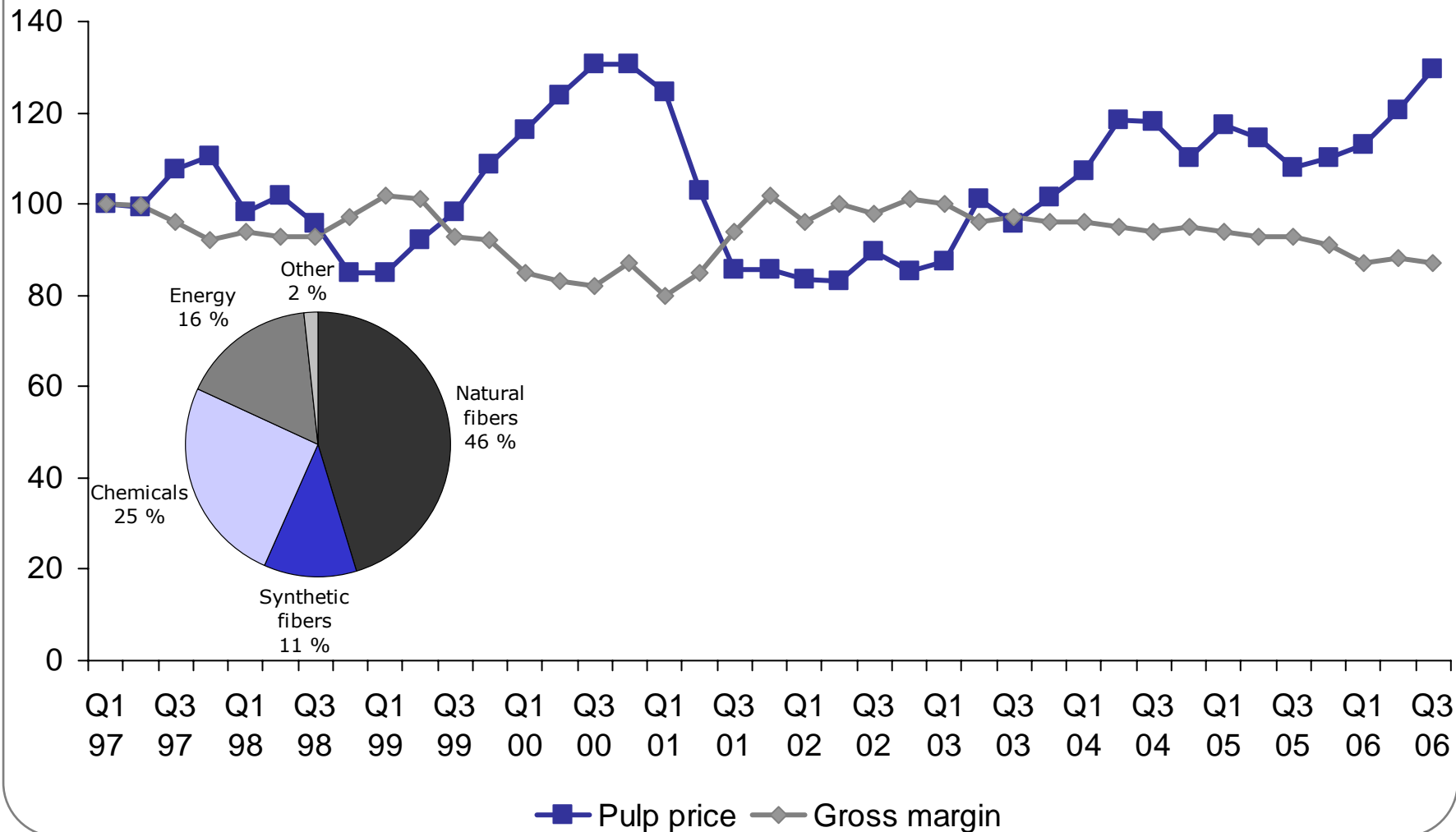
* excluding non-recurring items

Achieving good capital return

Performance compared to peers⁽²⁾



Slightly counter cyclical to commodities



Small fibers. Big difference.

Please note: Raw material and energy split based on 2005 financials



“Cutting tail”

- Closing non-competitive plants when cash flow dries out
- Minimum investment in low growth businesses

Recent actions:

- Nümbrecht plant closure, Germany, Q2/2007
- Converting of liquid filtration moved to South Carolina, Q1/2007
- Three sites in Europe with close to zero book value

Improving competitiveness

- **Continuous performance improvement program “aPlus” (Kaitzen) since 2002**
 - Rolled out to all sites by 2005
 - Involving 1000 teams by end of 2006

Achievements:

- Avoiding unnecessary investments
- Optimizing working capital
- Reducing direct costs and waste
- Freeing capacity on production lines

➤ **Full effect of the program yet to be seen**

Section IV

Financial performance

Financial highlights Q1-Q3/2006

	Q1-Q3/2006	Q1-Q3/2005	2005
Net sales, EUR million	1,210.1	1,169.0	1,552.6
Operating profit, EUR million	83.8	92.7	117.2
Operating profit excl. non-recurring items, EUR million	73.2	77.0	99.0
Profit before taxes, EUR million	71.8	81.6	100.7
Profit before taxes excl. non-recurring items, EUR million	61.2	65.9	82.5
Profit for the period, EUR million	48.8	50.6	62.6
Return on capital employed (ROCE),%	11.8	13.0	12.4
ROCE excl. non recurring items, %	10.4	10.8	10.5
Earnings per share (EPS), EUR	1.13	1.39	1.71
Cash earnings per share (CEPS), EUR	2.18	2.64	3.48
Average number of shares, 1000s	43,195	36,418	36,418

Please note: Share related indicators are not fully comparable due to the dilution effect of the issue of new shares in March, 2006

€30 million additional costs from raw material and energy price increases

Cost structure	Q1-Q3		Q1-Q3		2005	% of sales
	2006	% of sales	2005	% of sales		
Synthetic and natural fibers	361.2	29.8 %	333.8	28.6 %	447.0	28.8 %
Chemicals	156.7	12.9 %	151.0	12.9 %	198.7	12.8 %
Energy	112.2	9.3 %	91.9	7.9 %	127.6	8.2 %
Fixed costs *	463.3	38.3 %	457.4	39.1 %	609.7	39.3 %
Total, EUR million	1093.4	90.4 %	1034.1	88.5 %	1383.0	89.1 %

* excluding depreciation, amortisation and impairment

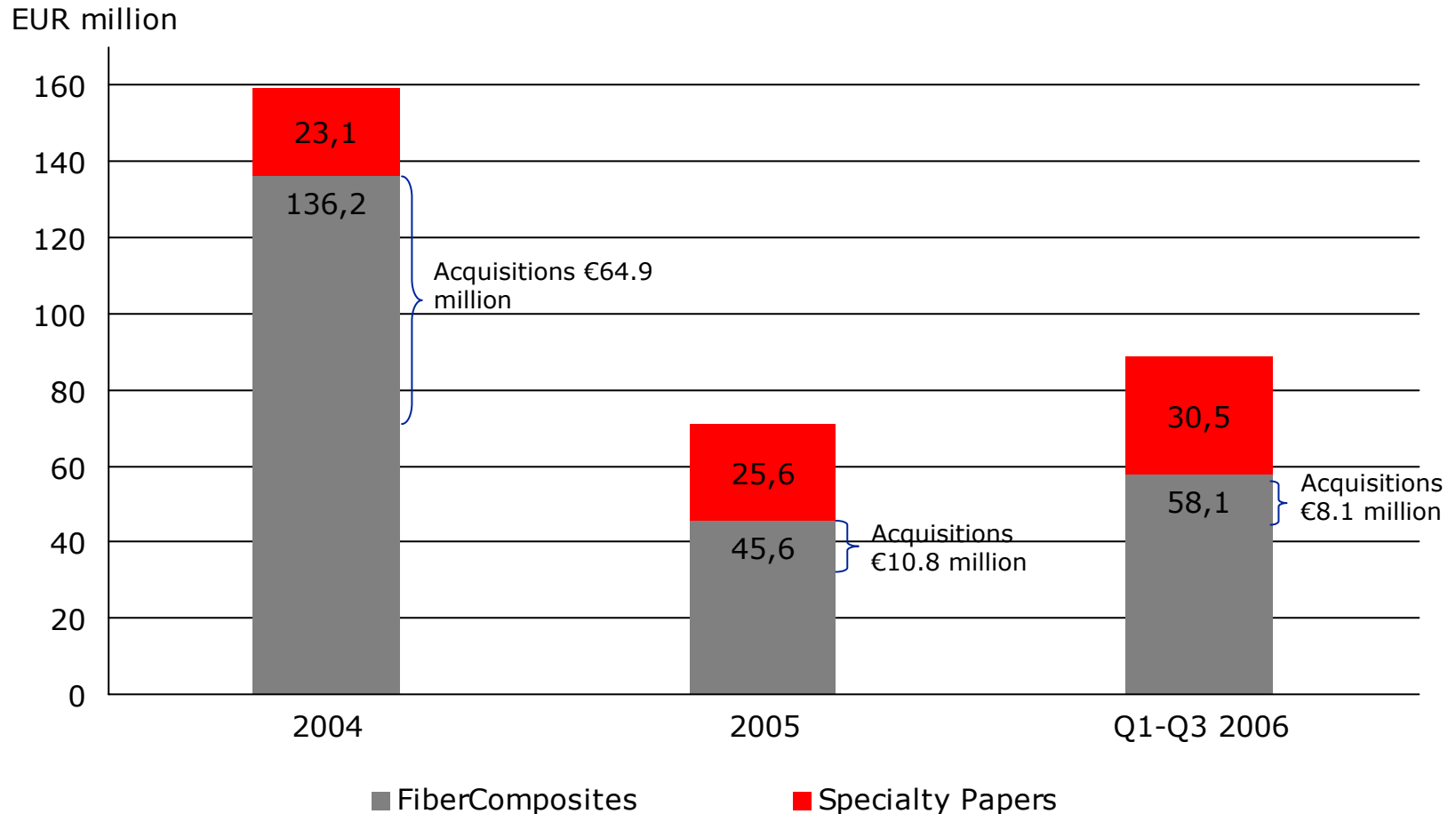
- **By Q3 2006 we have been able to compensate for approximately 88% of raw material price increases**

Current focus areas

- **Improving profit of associated companies**
- **Reducing net financial expenses**
- **Reducing income taxes**
 - Tax rate for 2006 estimated to be 32%
 - Long term effective tax rate target is 33-35%
- **Decreasing future pension liabilities**
 - Adopting defined contribution plans where applicable e.g. UK in 2007

Improving
`bottom line`

Investments, 2004- YTD 2006



➤ **Investments for full year 2006 expected to be ca. EUR 130 million**

Financial targets

- ROCE minimum 13%
- Gearing 50-80%
- Dividend payout ratio at least 50%

Investment summary

- Operating in global growth businesses
- Innovative functional materials with leading market positions
- Well positioned for growth outside Europe through organic investments or acquisitions
- Efficient use of capital
- Attractive dividend policy