

# Roadshow presentation

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Paris

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## I Ahlstrom today

## Ahlstrom today



- IPO proceeds used for growth mainly in BRIC-countries (Brazil, Russia, India, China)
- Non-competitive operations closed in Europe and USA
- Well positioned to grow and improve financial performance in 2008

## Strong growth and truly global presence



- Net sales growth of 10% in 2007
- Investments of EUR 370 million completed
- Strong foothold established in BRIC-countries
- Ongoing investment projects are expected to increase Ahlstrom's net sales by 10% in 2008

## Improving competitiveness



- Strategic shift to more cost-efficient raw materials
- Closing down of non-competitive assets
- Operating leverage through consolidation of plants
- Targeting annual profit improvement of EUR 25 million

## Leveraging on close co-operation with customers



- Innovation together with anchor customers
- Significant share of net sales from products less than three years old
- 90% direct sales to customers
- Global sales network including 27 sales offices

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## II Business review



## Challenging operating environment

- Demand continued at good level, however, the European export markets for coated-one-side papers were weak
- Main raw materials and energy prices continued to escalate
  - BHKP up 9.7%, NBSK 17.7%
  - Rayon up more than 40%
- In Q4 aggregated raw material and energy costs were all time high

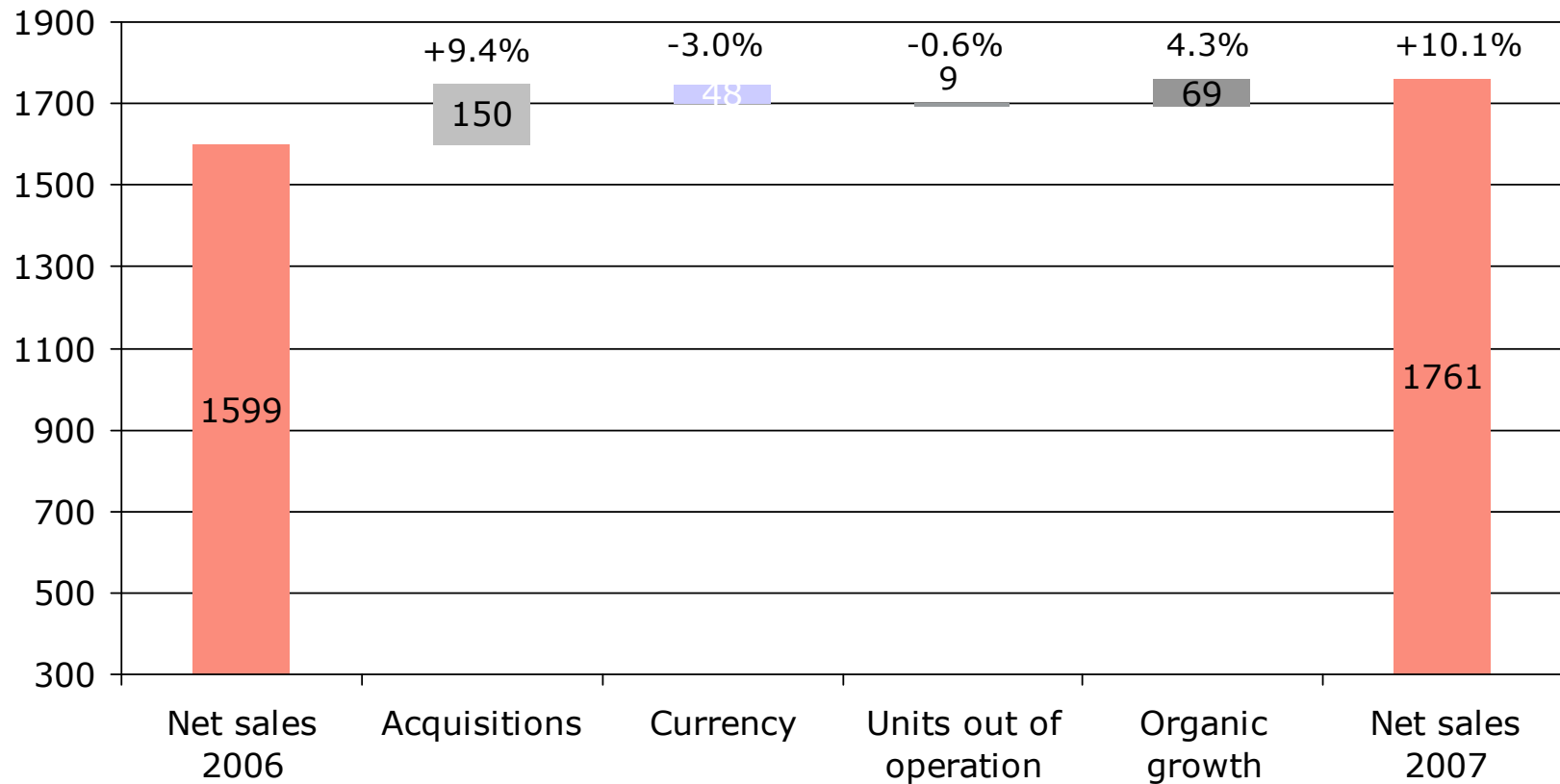
## Financial highlights Q4 2007

	Q4 2007	Q4 2006	2007	2006
<b>Net sales</b> , EUR million	462.5	389.0	1 760.8	1 599.1
<b>Operating profit/loss</b> , EUR million	-34.7	12.3	25.8	96.1
<b>Operating profit excl. non-recurring items</b> , EUR million	11.0	14.1	67.8	87.3
<b>Profit/loss before taxes</b> , EUR million	-43.2	9.4	0.2	81.2
<b>Profit before taxes excl. non-recurring items</b> , EUR million	2.5	11.3	42.1	72.5
<b>Profit/loss for the period</b> , EUR million	-29.0	8.8	1.3	57.6
<b>Return on capital employed (ROCE)</b> , %	-10.7	5.3	2.5	10.4
<b>ROCE excl. non-recurring items</b> , %	3.6	6.1	6.3	9.5
<b>Earnings per share (EPS)</b> , EUR	-0.64	0.18	0.01	1.31
<b>Cash earnings per share (CEPS)</b> , EUR	0.21	0.54	0.94	2.72
<b>Average number of shares</b> , 1000s	46 671	45 602	46 476	43 802

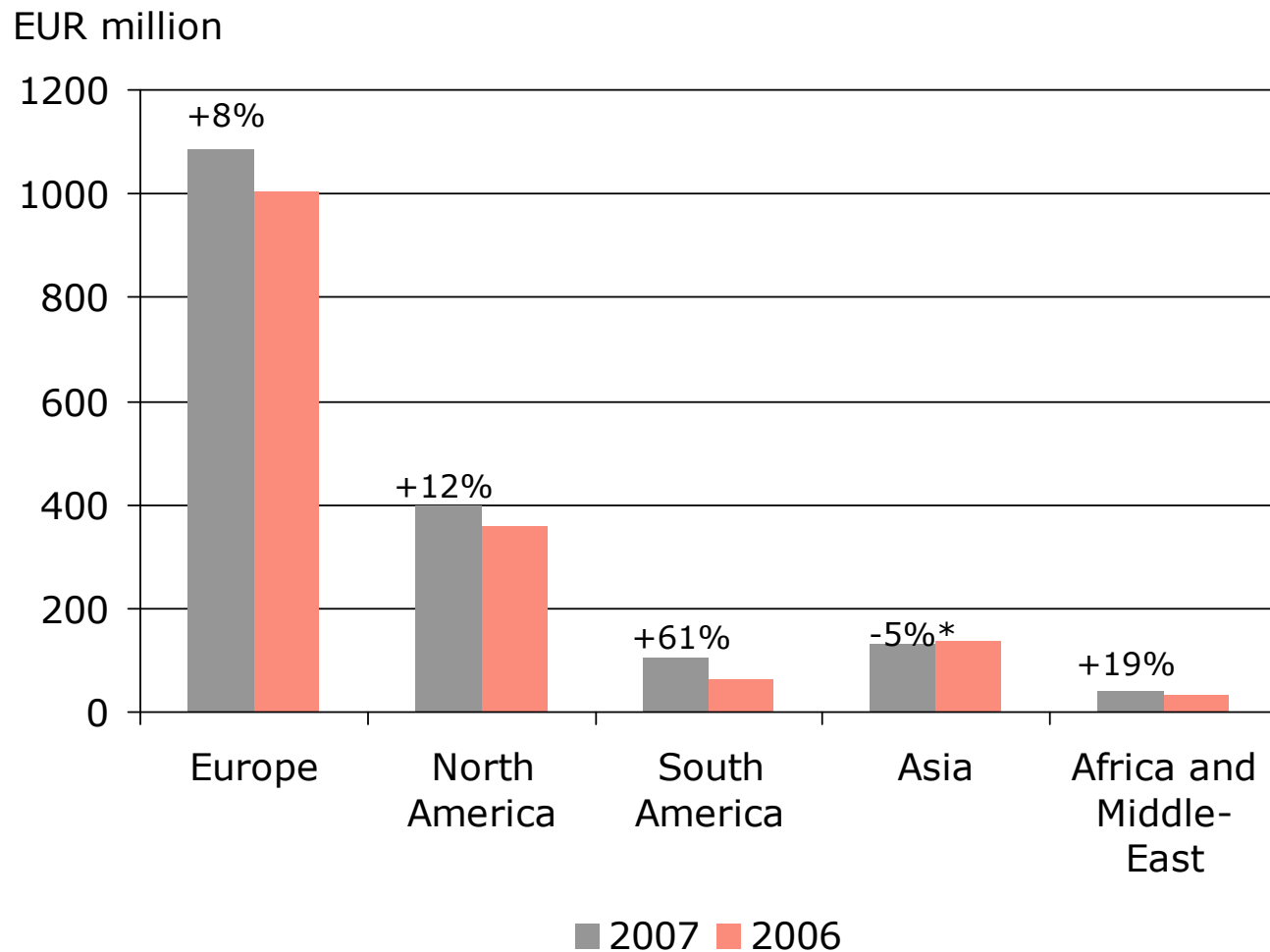
- Net sales grew by 23.3%\* (adjusted for currency effect)
- Operating profit impacted by operating loss from closed plants and technical problems with the La Gère investment ramp-up
- Restructuring actions taken at a cost of EUR 45.7 million

# Organic growth of 4.3% driven by good demand

EUR million

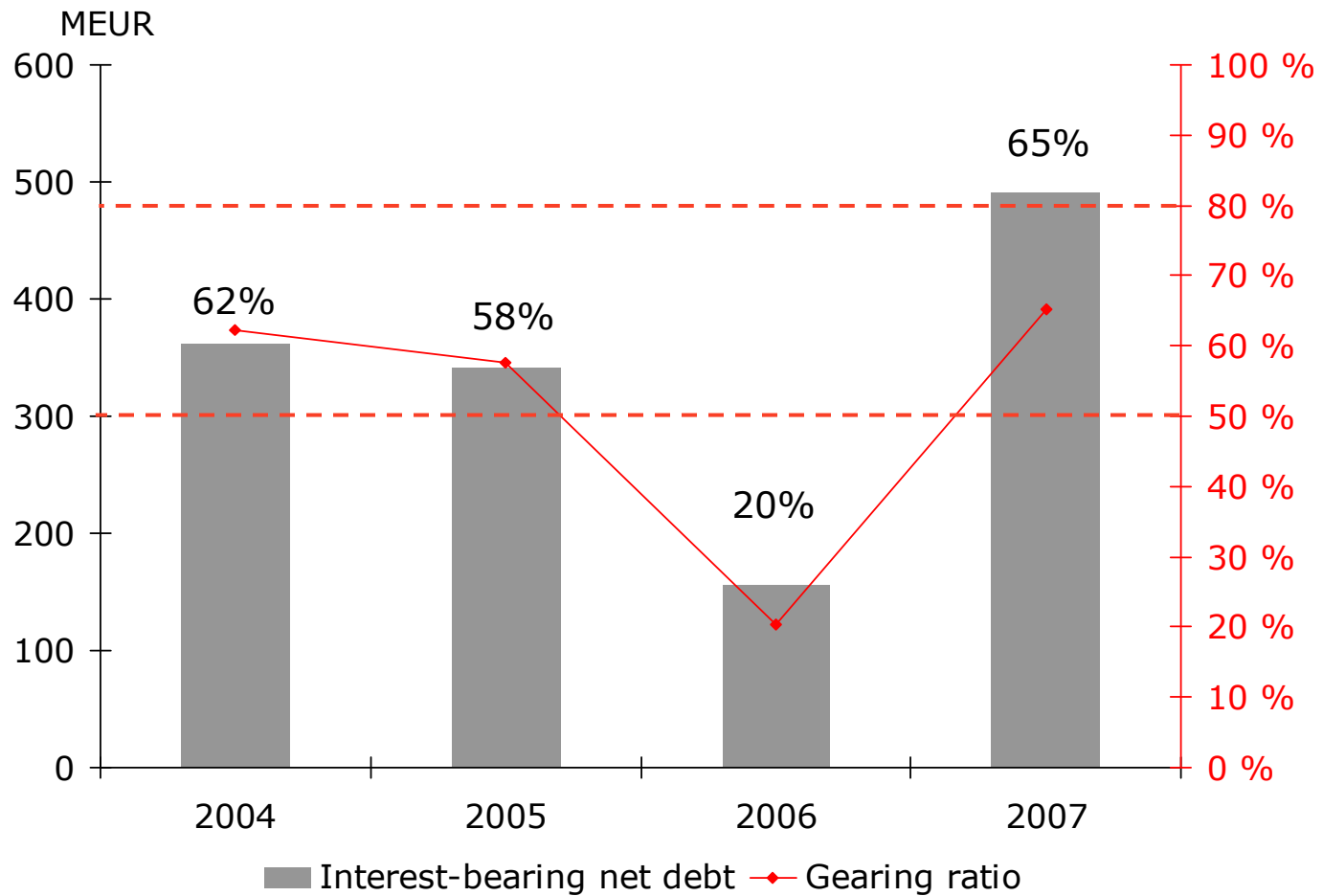


## Strongest growth in South America



\* Due to reduced exports. Production and volumes sold locally has increased by 22%.

## Gearing ratio in target range



**Gearing ratio target level: 50-80%**

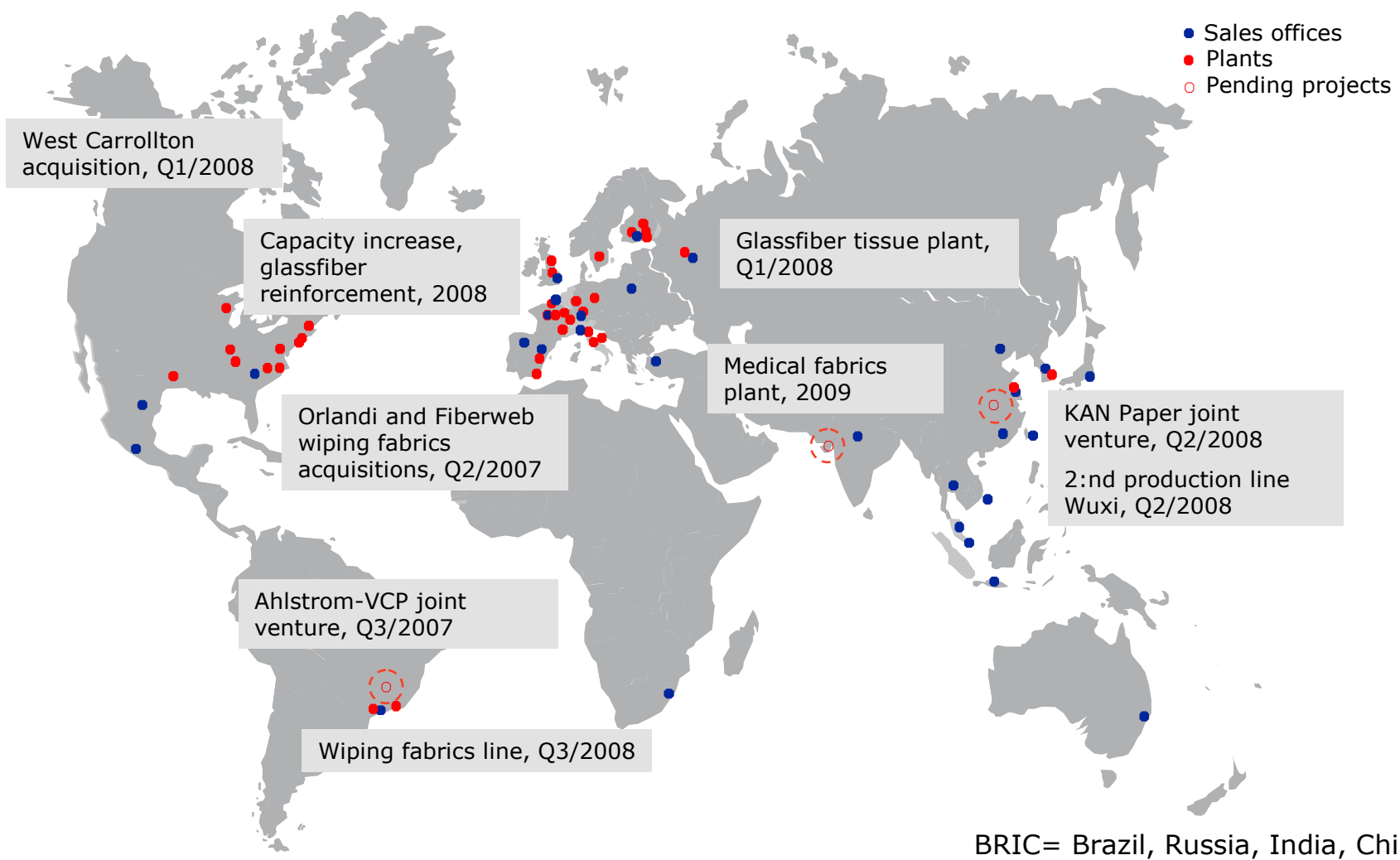
## Dividend proposal 1.00 EUR per share

- Total dividend payment: approx. EUR 47 million
- Pay out ratio\*: 161 % (EPS excl. non-recurring 0.62)
- Dividend yield: 6.1% (at a share price of EUR 16.37 on 31.12.2007)
- Record date: 7 April 2008
- Dividend payment date: 14 April 2008

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## III Outlook 2008

# Well positioned to grow





# Actions taken to improve financial performance

- Price increases ongoing in all business areas
- Integration of acquisitions and completion of organic growth investments
- Use of more cost-efficient raw materials
- Reduced fixed cost base due to streamlining of operations

# Outlook H1 2008



- Demand in main markets to continue good, reduced visibility in the US
- Net sales expected to increase by 10%
- Main raw material prices and energy continue to increase or stay high
- Restructuring targeted to gradually improve annualized operating profit by EUR 25 million with full effect from H2

This presentation contains certain forward-looking statements that reflect the present views of the company's management. Due to the nature of these statements, they contain uncertainties and risks and are subject to changes in the general economic situation and in the company's business.