

Ahlstrom

The global source for fiber-based materials

Roadshow in London
19 September 2007
CEO Jukka Moisio

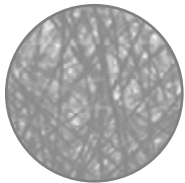



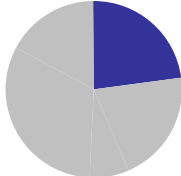

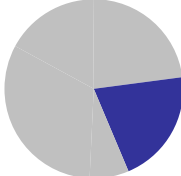

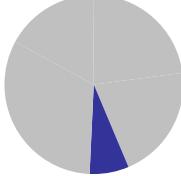

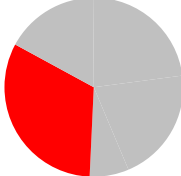

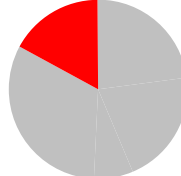
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I In brief

Small fibers. Big difference.

Presence in everyday applications

	Business areas	Example applications	Sales 2006
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 	 21%
	Glass Nonwovens	 <ul style="list-style-type: none"> Windmill blades, flooring and boat hulls 	 7%
Specialty Papers	Label & Packaging	 <ul style="list-style-type: none"> Self-adhesive labeling, food packaging and beverage labels 	 32%
	Technical Papers	 <ul style="list-style-type: none"> Furniture foils, abrasive paper, masking tape and engine gaskets 	 17%

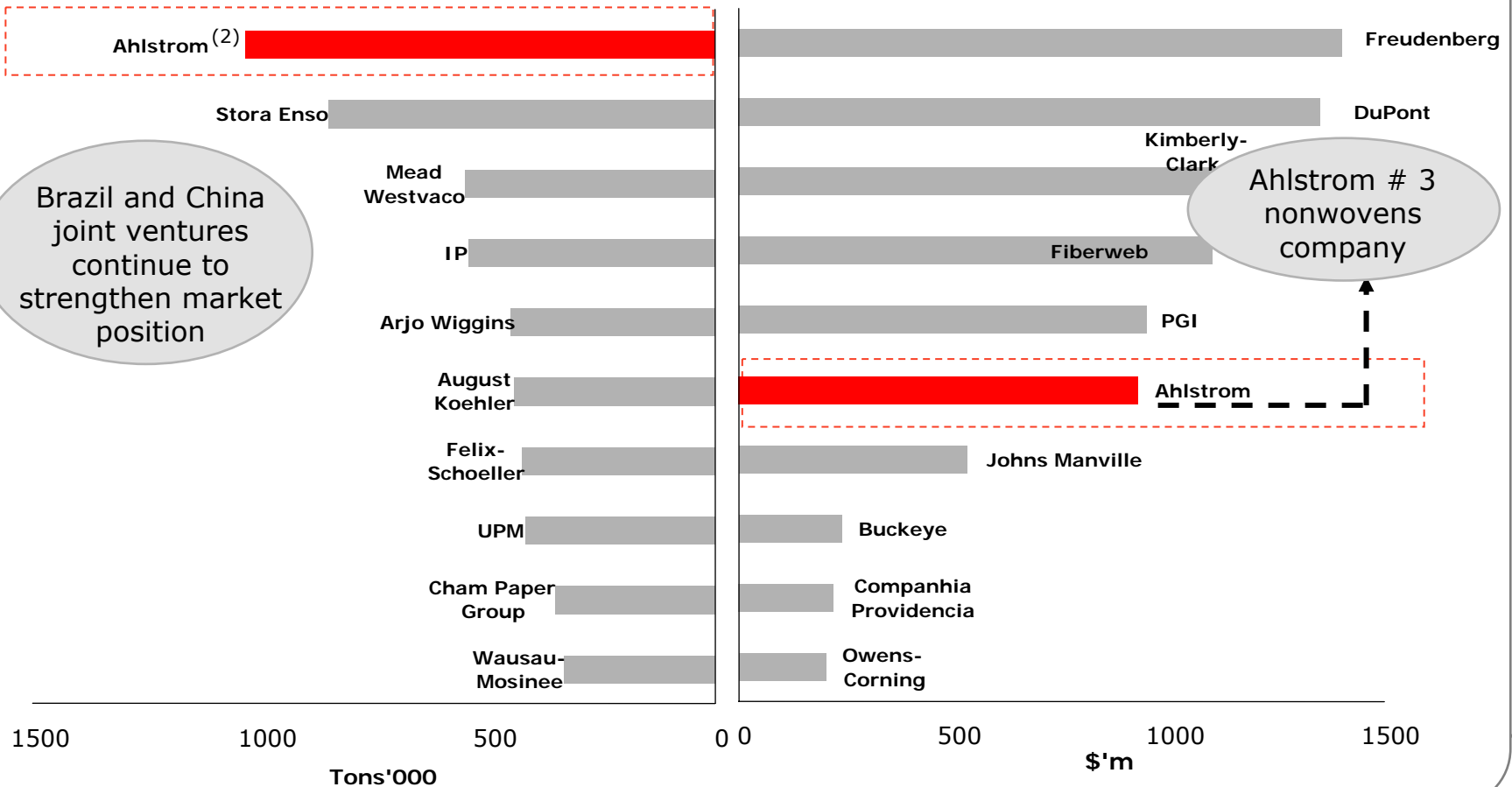
Ahlstrom has a clear focus in the value chain



Leading specialty materials supplier in the world

Specialty papers market positions⁽¹⁾

Nonwovens market positions⁽³⁾



Notes:

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

Small fibers. Big difference.



Current status

- Global growth initiatives identified and announced - time for implementation
- Creating platform for future expansion - Europe, USA, South America, Russia, Asia
- Target to improve raw material cost base



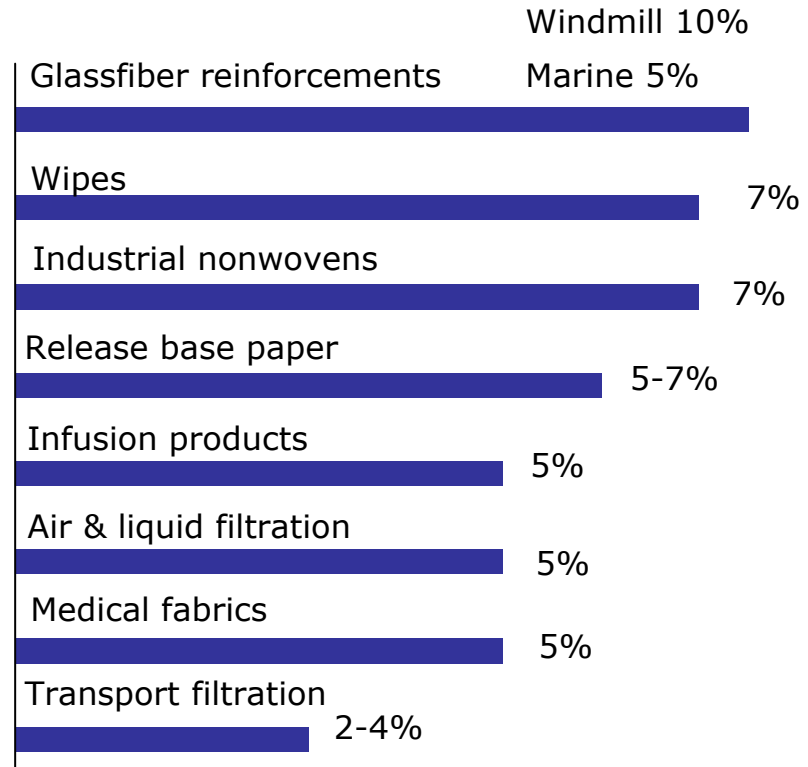
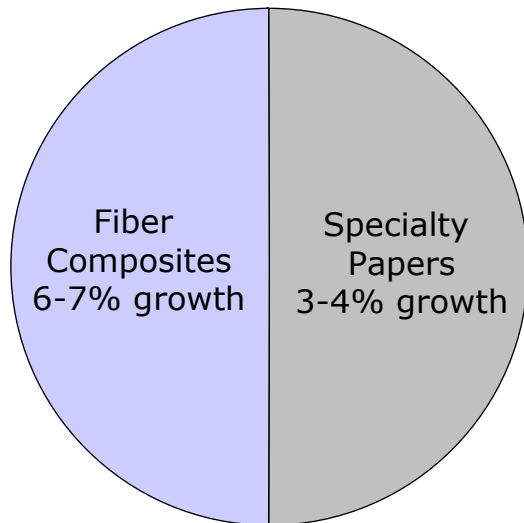
Small fibers. Big difference.

II Business environment and drivers

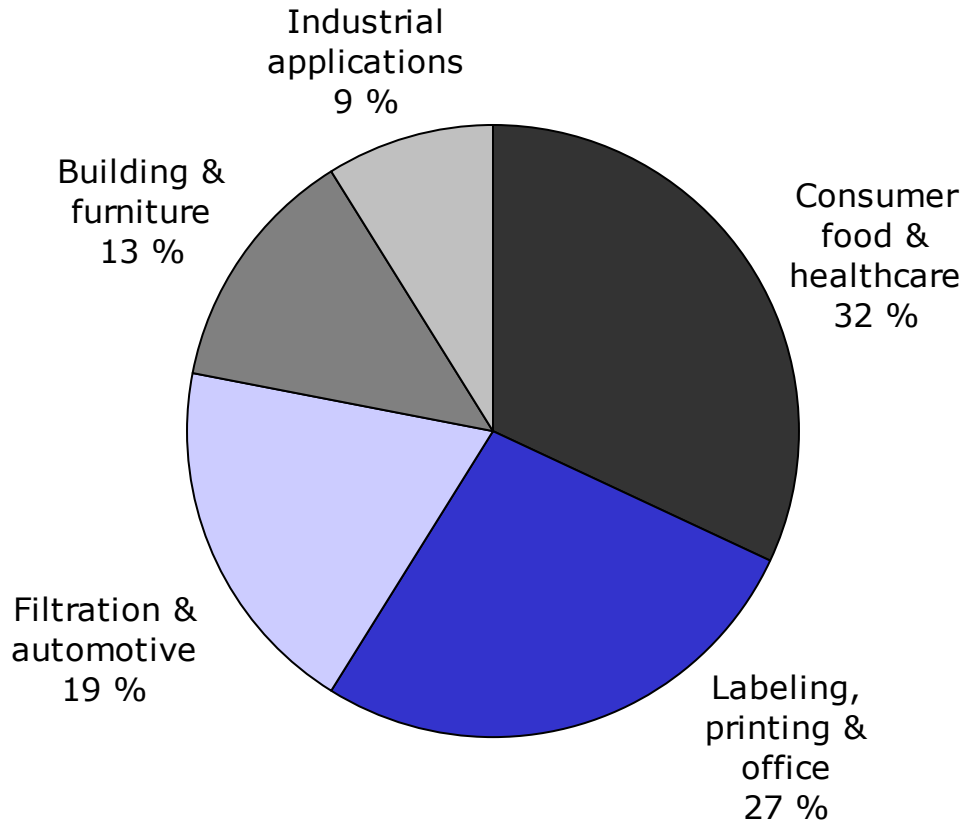
Global markets growing 4-5% per year (EUR 1-2 billion)

EUR 30 billion market opportunity

Focus areas:

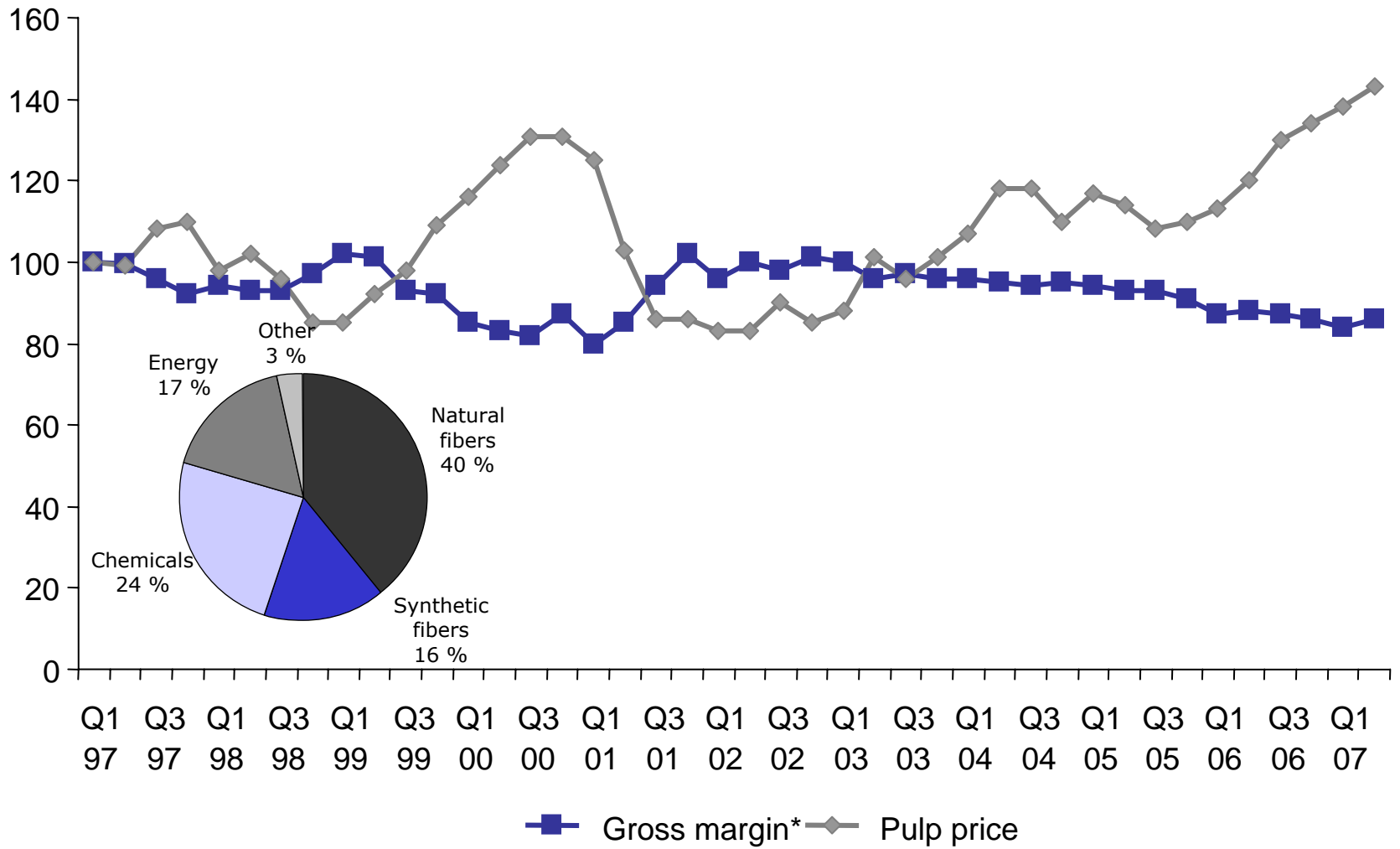


Low volatility in demand...



- Long customer relationships
- Business-to-business
- Frame agreements for majority of business
- Production against received or anticipated frame orders
- Direct sales 90%, agents 10%
- Serving wide range of end user industries

...and countercyclical to raw materials



* The new acquired units will be included from Q4 2007 onwards when they are included in Ahlstrom's figures for full quarters

Small fibers. Big difference.



Good demand to continue but raw material prices will remain high

- Demand in Europe, South America and Asia expected to remain good
- Demand anticipated to be stable in USA, however low visibility
- Prices for pulp, Ahlstrom's main raw material, continues to increase
 - To date the average USD market price for NBSK has increased by 3% from Q2, BHKP by 4%
- High oil prices keep energy costs high and increase pressure on synthetic fibers and chemicals prices

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.

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III Achieving profitable growth

Implementing growth strategy

Growing with customers by...

- Increasing presence in emerging markets
- Innovating (primarily with a target customer)
 - Investing in new technologies and complementing product offering

..through

- Organic investments
- Complementary add-on acquisitions

Ahlstrom - a truly global supplier

- Footprint on five continents
- Growing with key customers
- Serving customers with local and global products

Ability to supply Ahlstrom fiber-based materials successfully anywhere in the world => aim to achieve our vision

Investment parameters

How to enter new markets

- Presence through sales offices
- Learning markets and establishing customer relationships
- Establishing own production when applicable

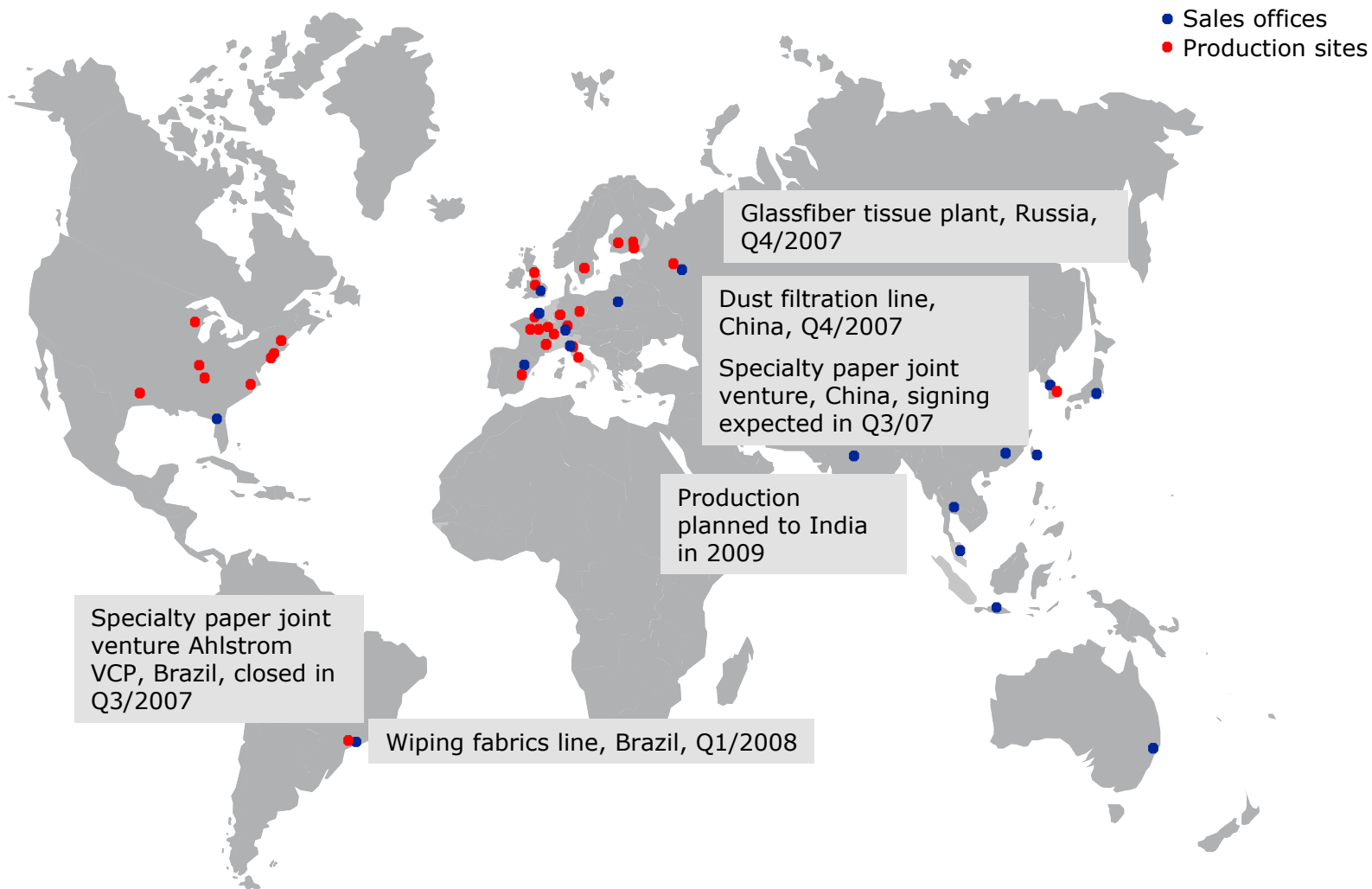
Criteria for acquisitions

- Roll good focus
- Shared sourcing benefits
- Strengthens geographical presence and/or complements product and/or technology offering

Ahlstrom's investment criteria

Meets ROCE 13% criteria and generates 1.5 x the investment value in net sales in 3-5 years

EUR 150 million ongoing growth investments in BRIC- countries

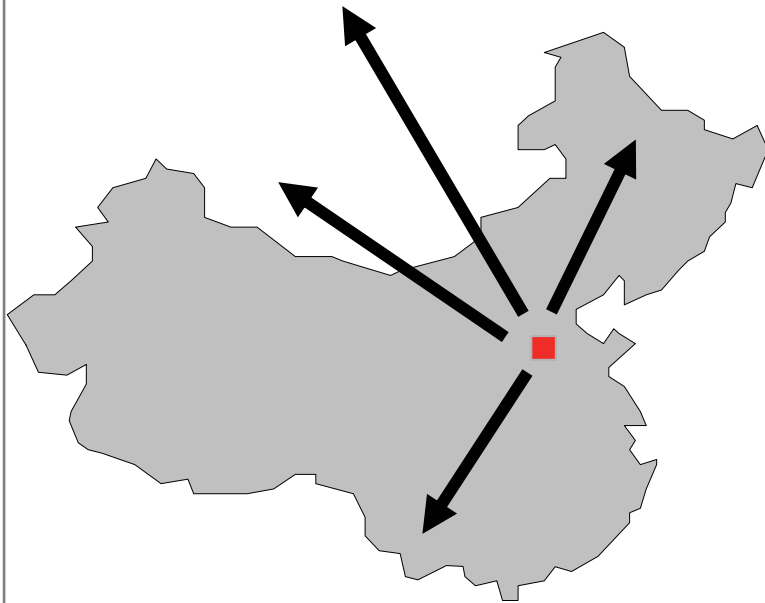


Five acquisitions adding annualized net sales of EUR 300 million

- Specialty paper joint venture in China with **Zhejiang Kan Specialty Material Co.** Memorandum of Understanding signed
- Joint venture with **Votorantim Celulose e Papel** for specialty paper production in Brazil, annual net sales approx. EUR 100 million
- **Fiberweb's** consumer wipes business, annual net sales of approx. EUR 110 million
- **Orlandi's** wiping fabrics business, annual net sales of approx. EUR 65 million
- **Fabriano Filter Media SpA**, manufacturer of micro glass filter media, annual net sales approx. EUR 7 million

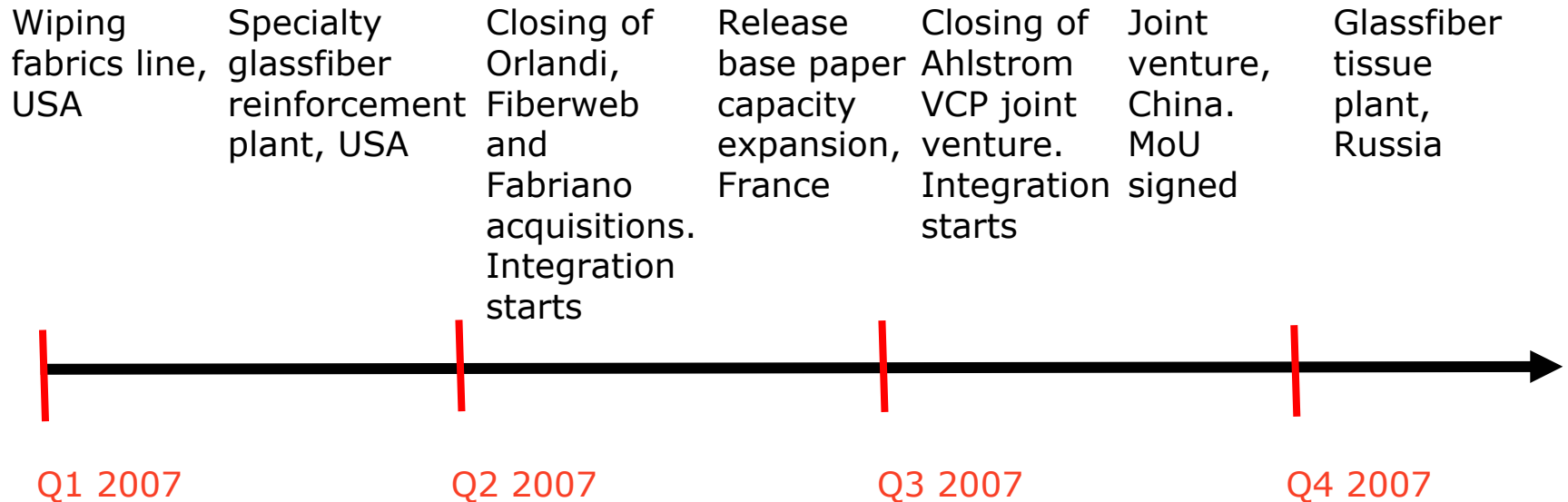
➤ **Expected to meet ROCE 13% criteria generating EBIT of EUR 25 million when integration completed**

Specialty paper expansion to China



- Joint venture with KAN Paper holding 70% of shares
- Assets: 12,000 tons crepe paper machine, water treatment, power plant, 15 hectares of land
- Crepe paper markets growing at 15 % p.a.
- Serving customers from 13 sales offices in Asia Pacific
- Competitive platform for future expansion of businesses, space for several new lines

Implementation of growth actions continues



Actions to improve profitability

- Price increases to pass on escalating raw material costs
- Migration to more competitive raw material cost base
- Continuous performance improvement program “aPlus” (Kaizen)
- Improving operating leverage by investing at current sites
- Cutting tail
 - Closing non-competitive plants when cash flow dries out
 - Minimum investment in low growth businesses

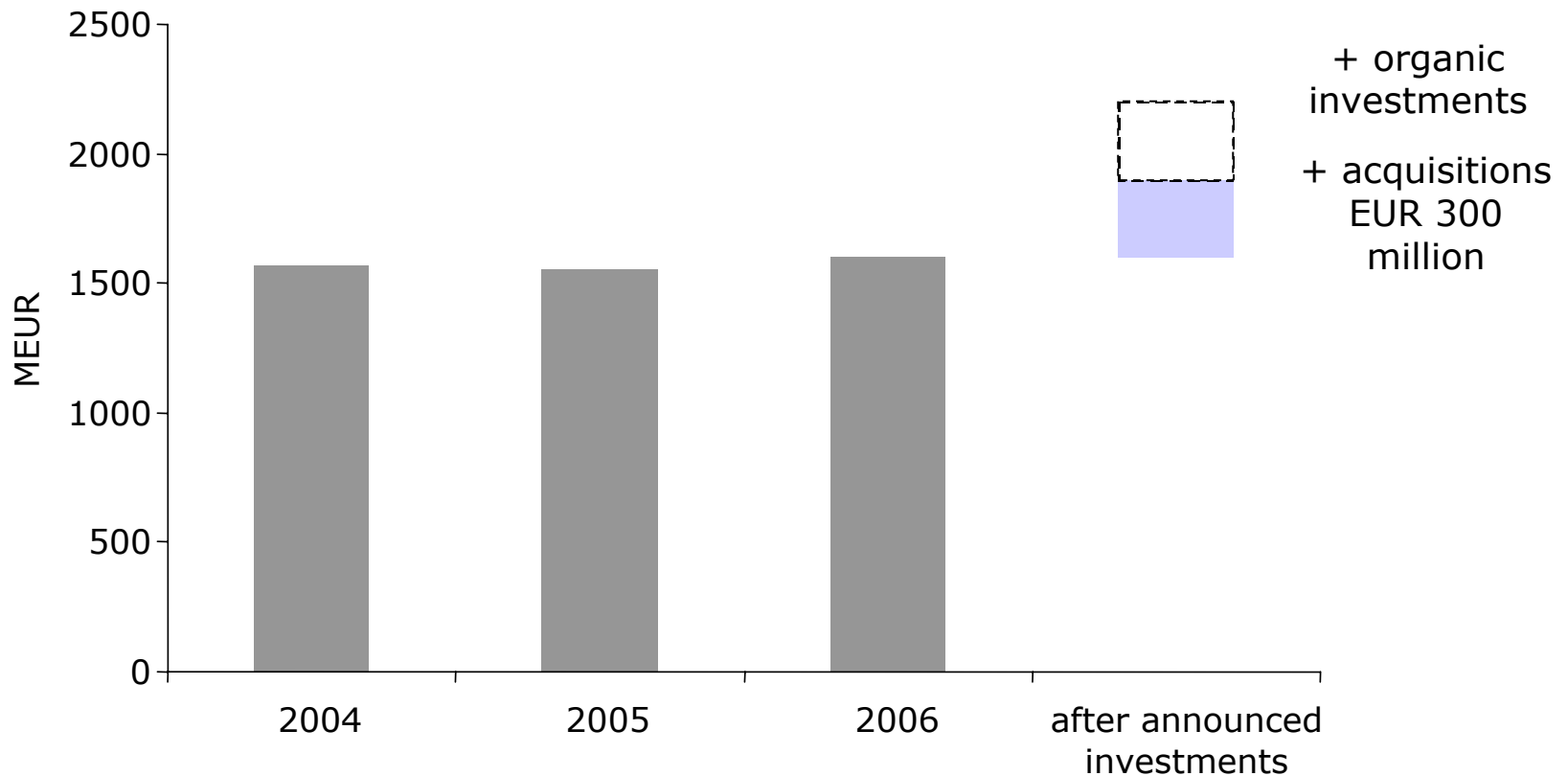
IV Financial review

Highlights Q2 2007

	Q2 2007	Q1 2007	Q2 2006	2006
Net sales, EUR million	436.9	416.5	409.6	1,599.1
Operating profit, EUR million	21.0	23.3	28.9	96.1
Operating profit excl. non-recurring items, EUR million	21.0	19.6	26.0	87.3
Profit before taxes, EUR million	16.4	20.3	25.2	81.2
Profit before taxes excl. non-recurring items, EUR million	16.4	16.5	22.3	72.5
Profit for the period, EUR million	11.9	13.4	16.6	57.6
Return on capital employed (ROCE), %	8.0	10.0	11.7	10.4
ROCE excl. non-recurring items, %	8.0	8.4	10.6	9.5
Earnings per share (EPS), EUR	0.26	0.29	0.36	1.31
Cash earnings per share (CEPS), EUR	0.20	-0.26	0.21	2.72
Average number of shares, 1000s	46,636	45,918	45,587	43,802

- Net sales (adjusted for currency effects) grew by 8.7%
- Operating profit improved by 7% from Q1/07 due to increased sales volumes
- Integration of three acquisitions was started
- The rebuild of the release base paper machine in France was completed, impact on operating profit EUR 3.5 million

Ahlstrom to become +2 billion euro company



Investments of 350 million in 2007 including acquisitions

Capex	% of net sales	
Maintenance	2%	} 60-70 MEUR
Improvement	1-2%	
+ growth		

2007

Capex estimate: EUR 130-140 million

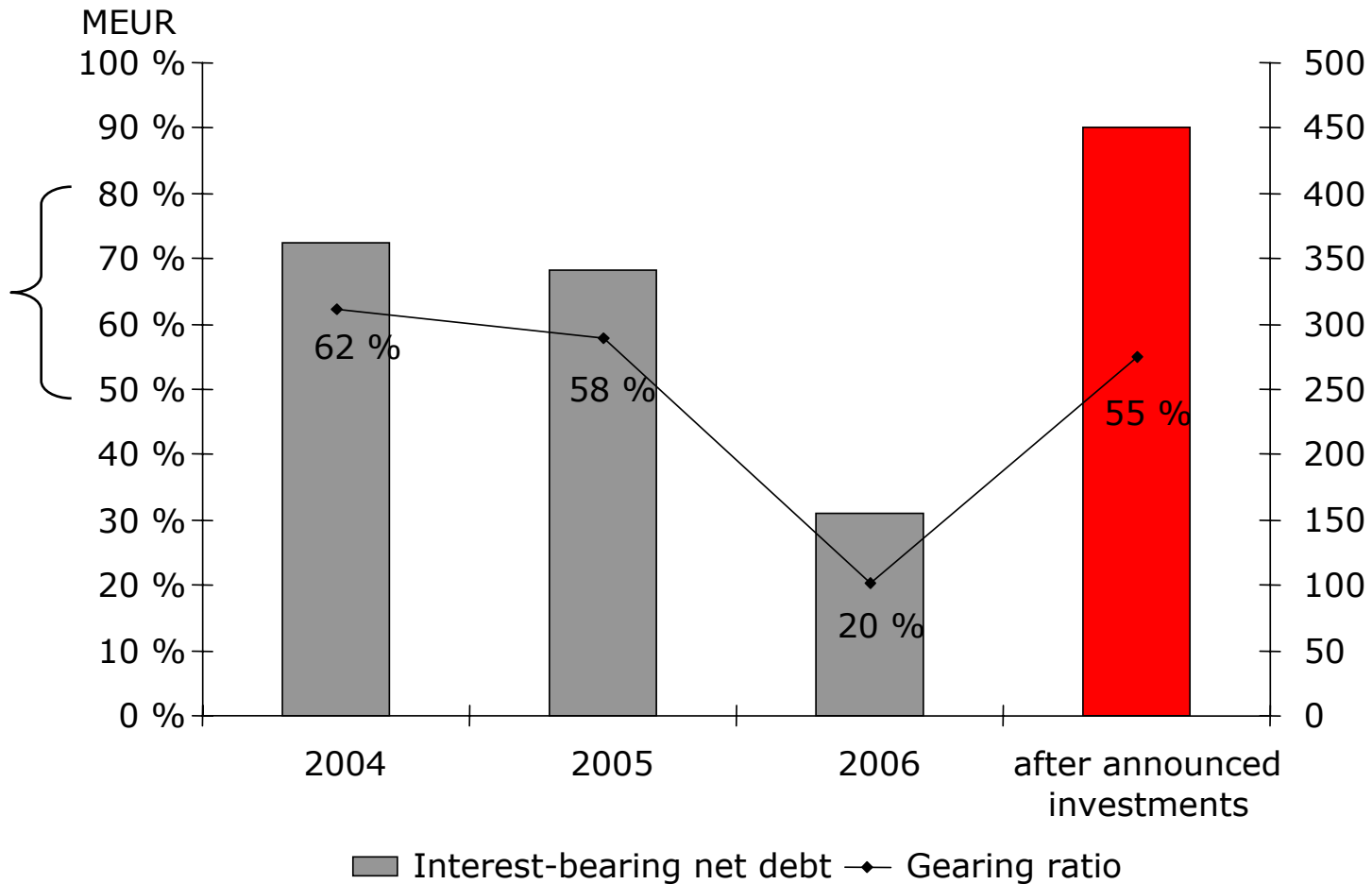
+ announced acquisitions: EUR 212 million

Total: EUR 342-352 million

Financing organic growth investments with cash generated from operating activities

Cash flow, MEUR	2006
Cash from operations	167.2
Change in working capital	-14.6
Financial items	-3.7
Income taxes	-29.6
Net cash from operating activities	119.2
Capex incl. acquisitions	-124.3
Sale of assets	45.3
Cash flow before financing activities	40.2
Share issue	195.1
Dividends paid	-65.3
Other financing activities	-165.8
Net change in cash and cash equivalents	4.3
Cash earnings per share, EUR	2.72

Gearing after announced investments



Gearing ratio target level: 50-80%

Attractive dividend policy

Dividend payout ratio averaging at least 50% of the profit for the period

2006

- Dividend payment: MEUR 46
- Pay out ratio: 76%
- Dividend yield: 4.6%

