

Ahlstrom Group Q3 2007 financial results

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Highlights Q3 2007

	Q3 2007	Q3 2006	2006
Net sales, EUR million	444,9	385,9	1 599,1
Operating profit, EUR million	16,1	25,3	96,1
Operating profit excl. non-recurring items, EUR million	16,2	20,8	87,3
Profit before taxes, EUR million	6,7	21,4	81,2
Profit before taxes excl. non-recurring items, EUR million	6,7	17,0	72,5
Profit for the period, EUR million	5,0	16,4	57,6
Return on capital employed (ROCE), %	5,5	10,3	10,4
ROCE excl. non-recurring items, %	5,5	8,5	9,5
Earnings per share (EPS), EUR	0,10	0,36	1,31
Cash earnings per share (CEPS), EUR	0,79	1,29	2,72
Average number of shares, 1000s	46 671	45 592	43 802

- Operating profit decreased mainly due to weak performance of the Label & Packaging Papers business area – decisive actions taken to correct the situation
- Net sales (adjusted for currency effects) grew by 18.0%.
- The Ahlstrom-VCP joint venture in Brazil was consolidated from the beginning of September.
- The acquisitions completed during 2007 will have a positive impact on Ahlstrom's financial development from the last quarter of 2007 onwards.

Highlights YTD 2007

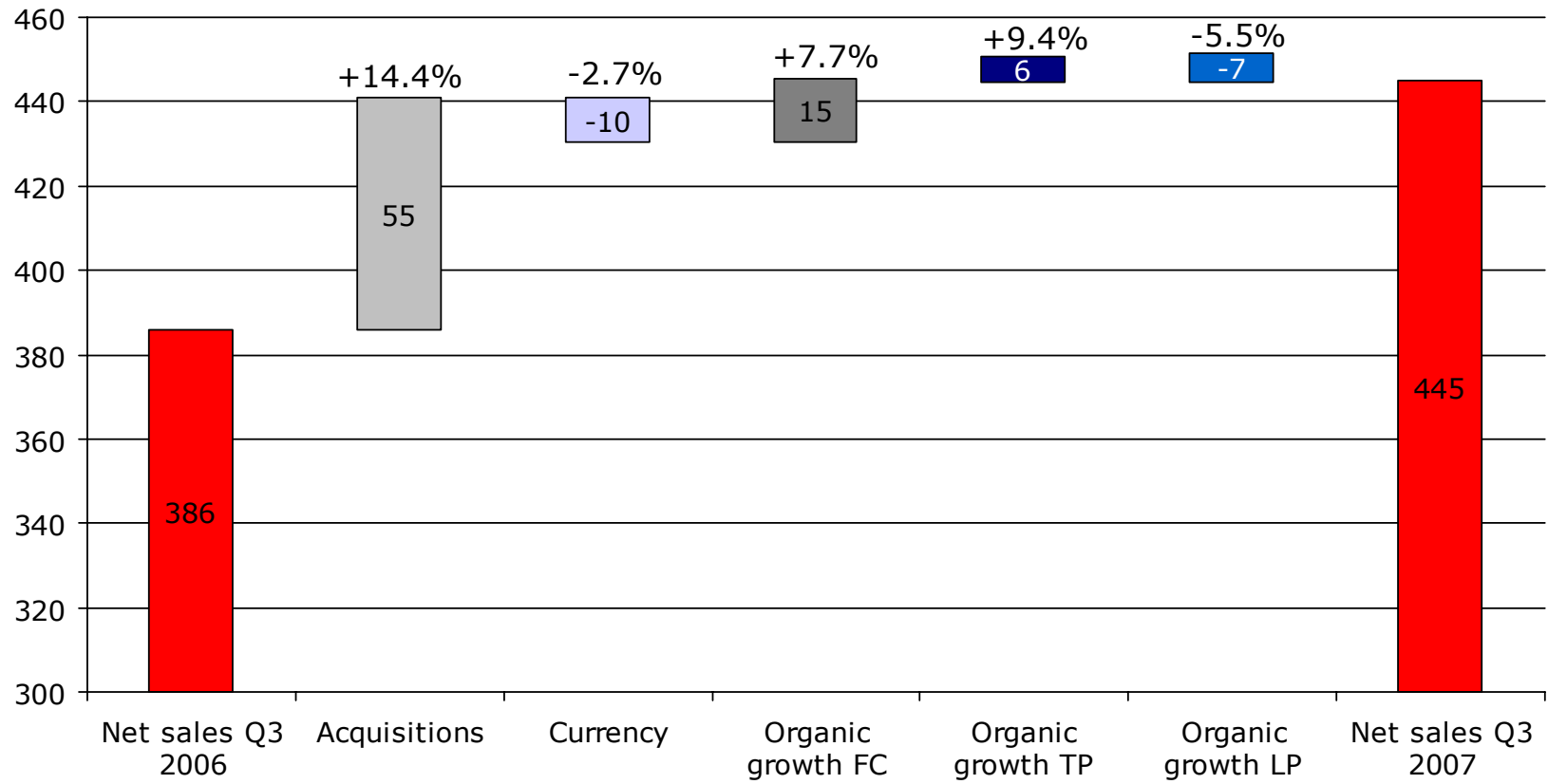
	Q1-Q3/ 2007	Q1-Q3/ 2006	2006
Net sales, EUR million	1 298,3	1 210,1	1 599,1
Operating profit, EUR million	60,5	83,8	96,1
Operating profit excl. non-recurring items, EUR million	56,8	73,2	87,3
Profit before taxes, EUR million	43,4	71,8	81,2
Profit before taxes excl. non-recurring items, EUR million	39,6	61,2	72,5
Profit for the period, EUR million	30,3	48,8	57,6
Return on capital employed (ROCE), %	7,4	11,8	10,4
ROCE excl. non recurring items, %	6,9	10,4	9,5
Earnings per share (EPS), EUR	0,65	1,13	1,31
Cash earnings per share (CEPS), EUR	0,73	2,18	2,72
Average number of shares, 1000s	46 411	43 195	43 802

- Comparable net sales* grew by 4.2%.
- Cumulative tax rate for the period was 30%.

* Adjusted for acquisitions, investment standstills and currency effect

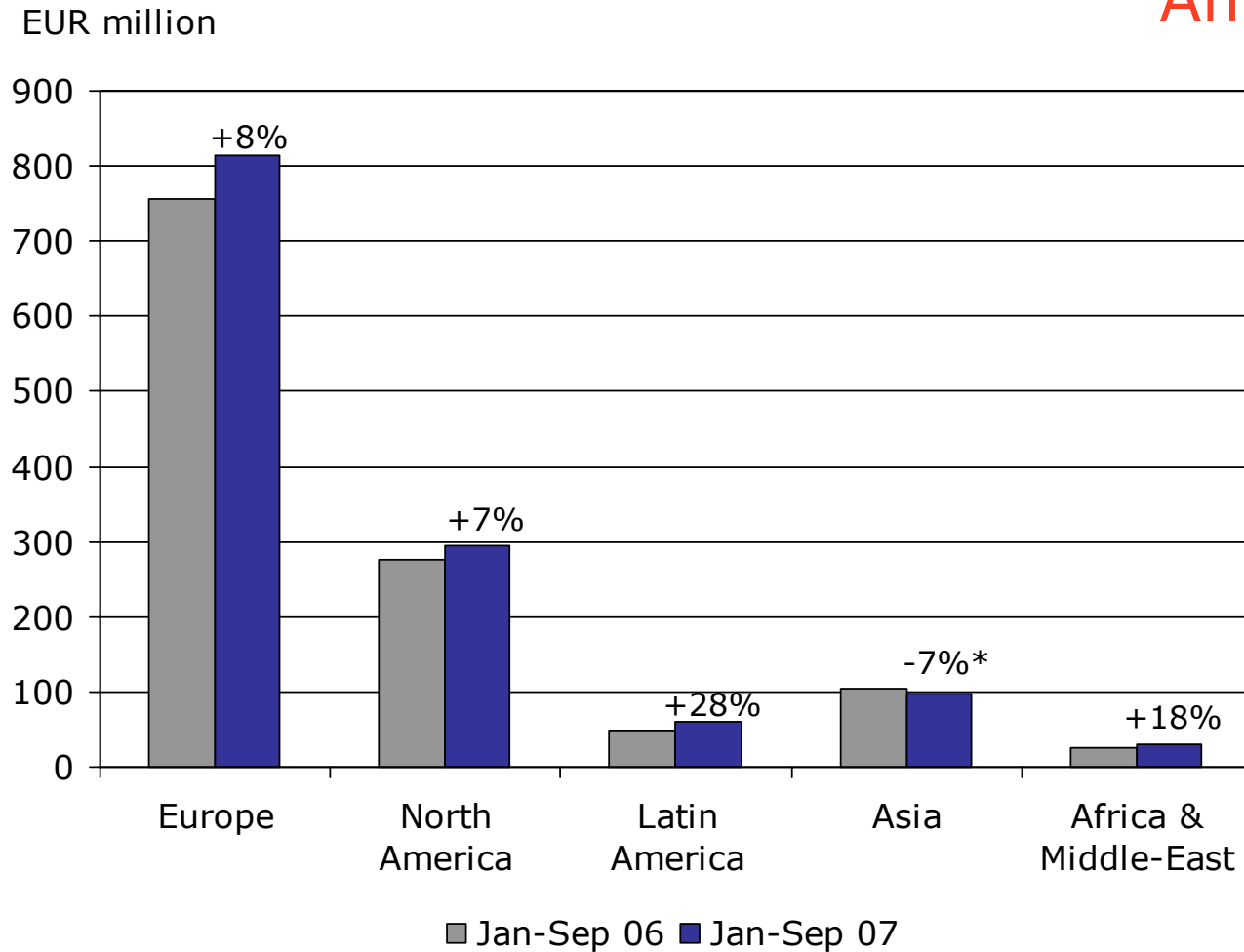
Sales growth driven by acquisitions and good organic growth

EUR million



© Ahlstrom

Jan-Sep 2007: Sales growth strongest in Latin America



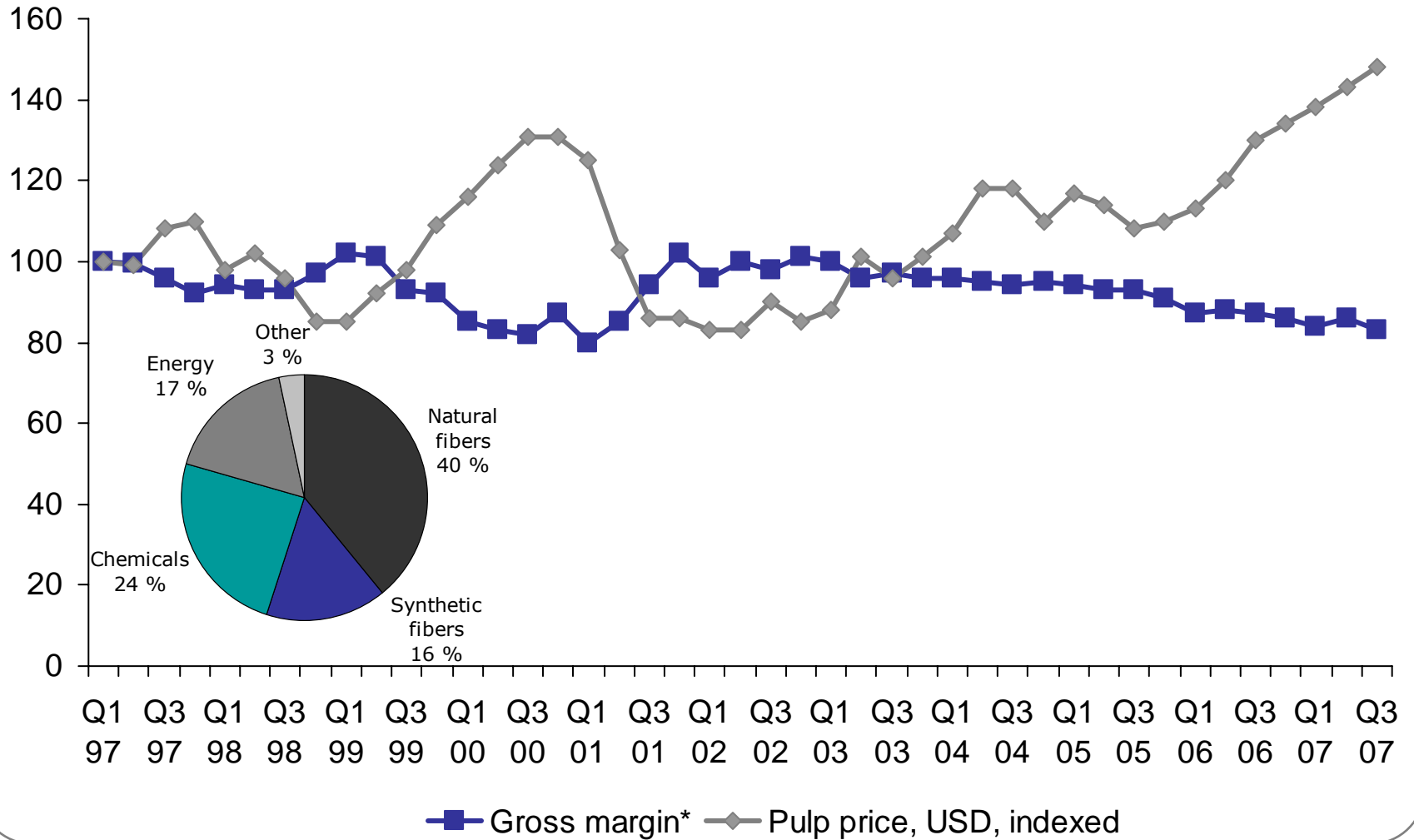
* Due to reduced exports. Production and volumes sold locally has increased by 22%.

Small fibers. Big difference.

Overall good demand, main raw material prices escalated

- The demand for label and packaging papers weakened in Europe and European export markets. Demand in Ahlstrom's other businesses was good in Europe, Asia and Latin America.
- The North American market was increasingly short term oriented and suffered from slowdown of the housing sector.
- Prices for pulp, Ahlstrom's main raw material, continued to increase
 - The average USD market price for NBSK increased by 3% and BHKP by 5% from Q2
- Prices for methanol based raw materials and rayon increased due to strong demand in Asia.
- Energy costs remained high but did not increase in Q3.

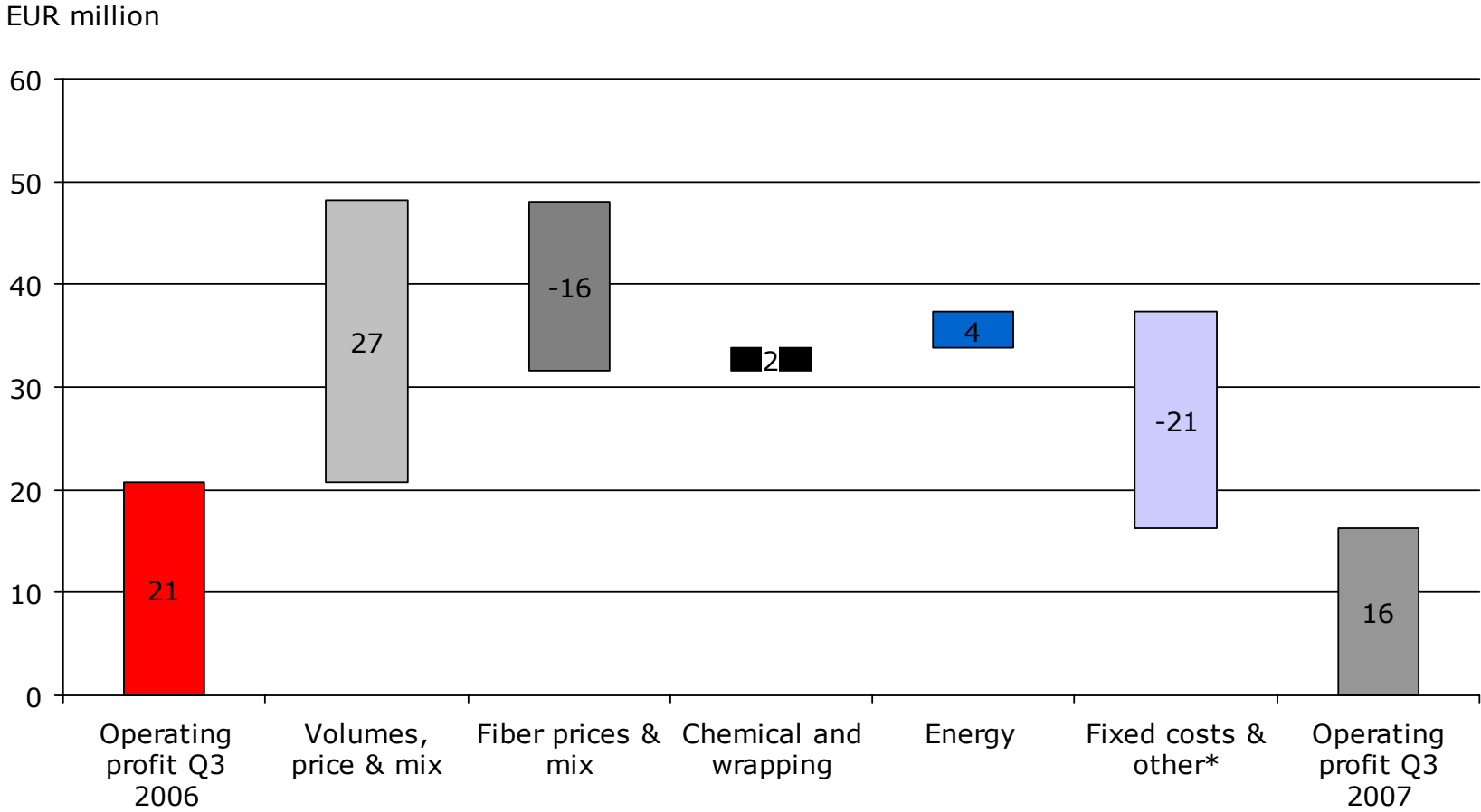
Gross margin continues to be under pressure



* The new acquired units will be included from Q4 2007 onwards.

Small fibers. Big difference.

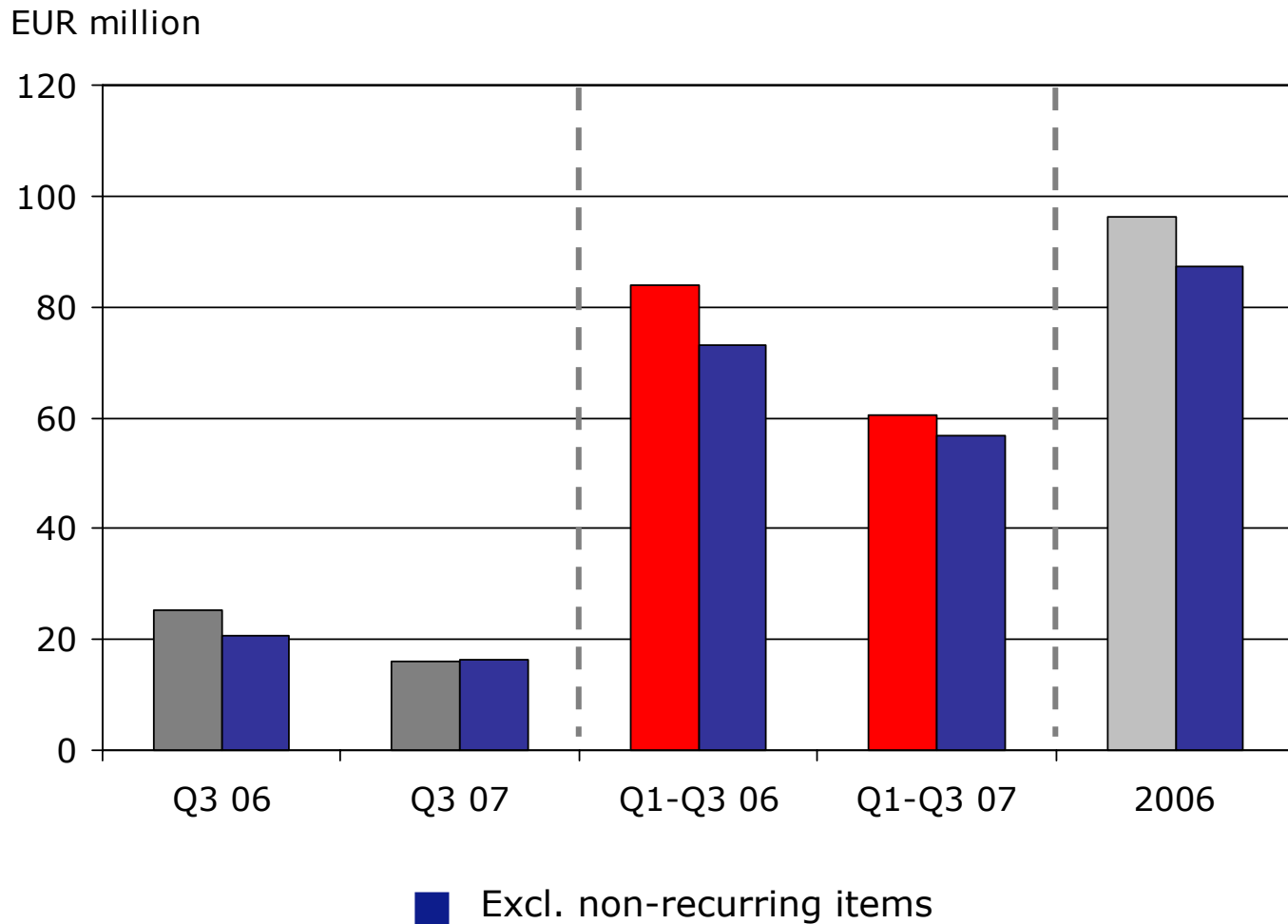
Development of operating profit excluding non-recurring items



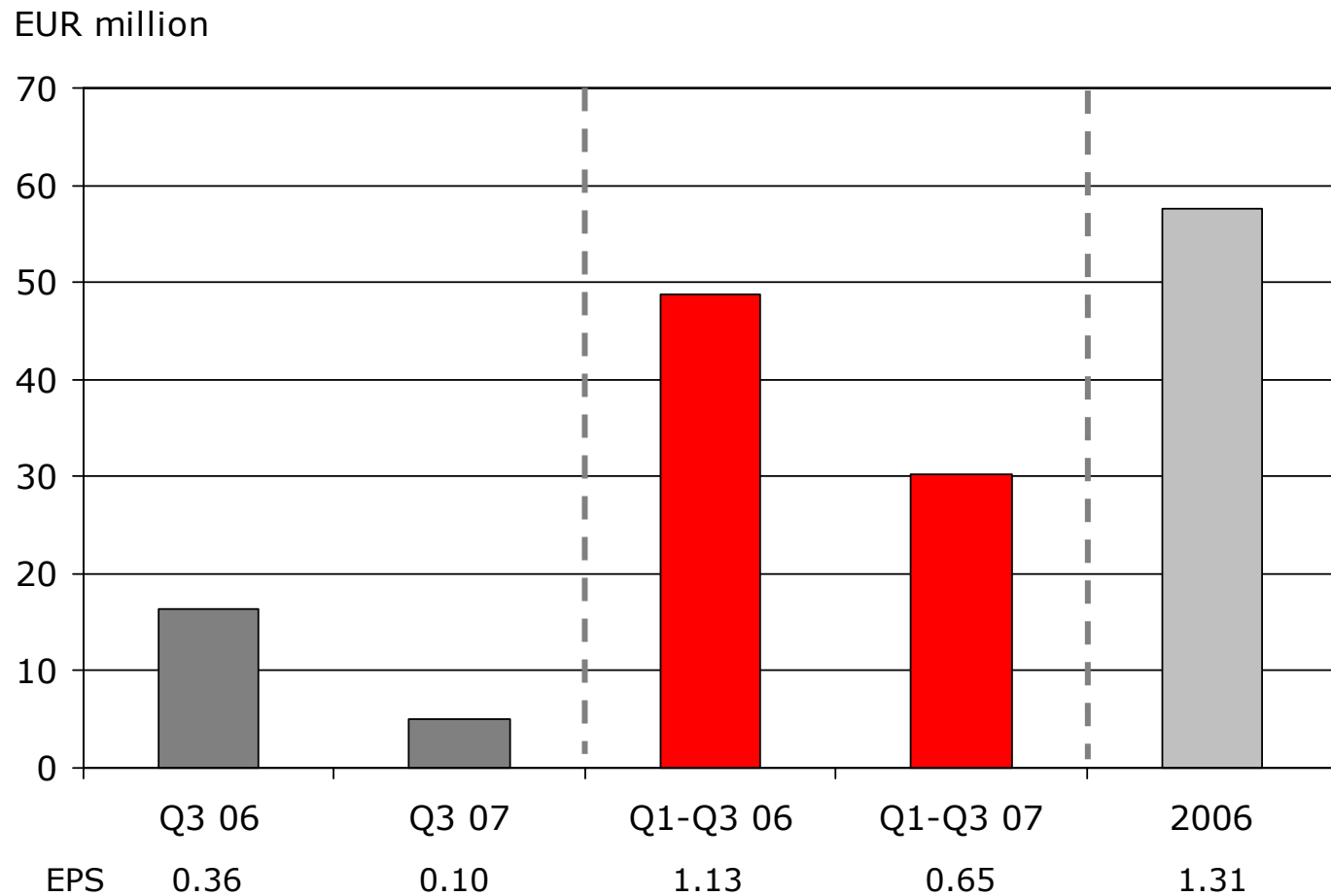
* Includes costs from acquisitions of EUR 16 million.

Small fibers. Big difference.

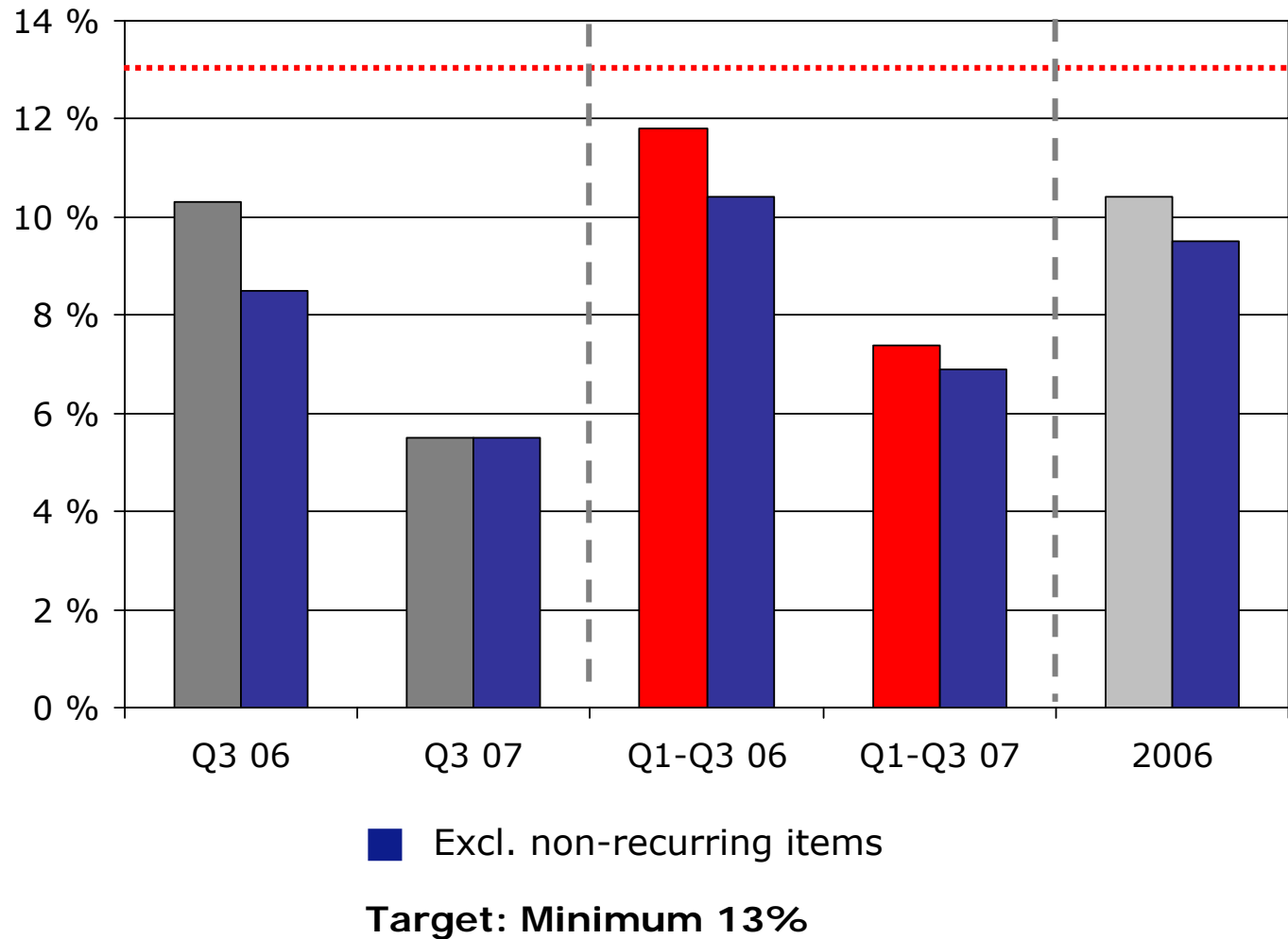
Operating profit, EUR million



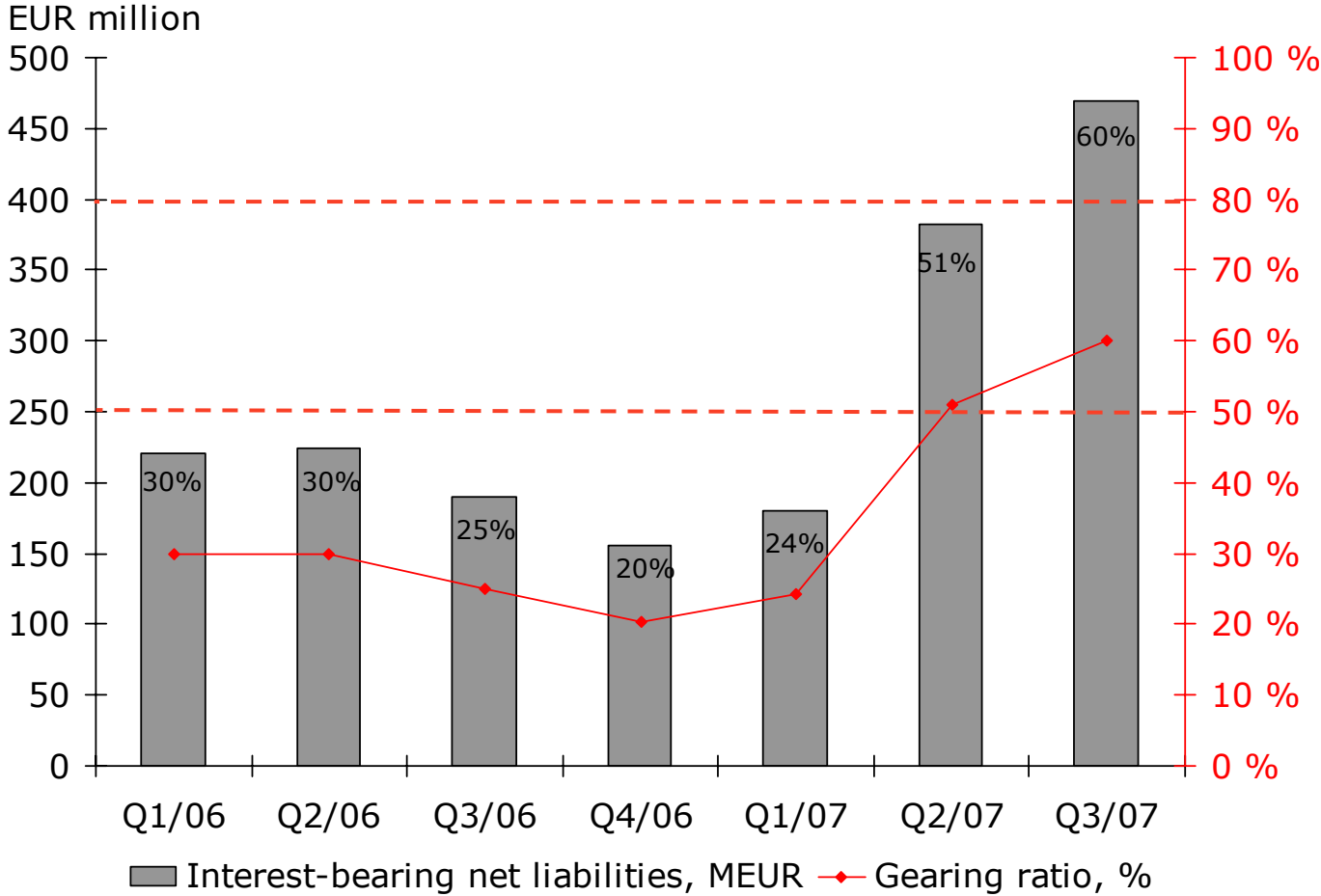
Profit for the period, EUR million



Return on capital employed (ROCE %)



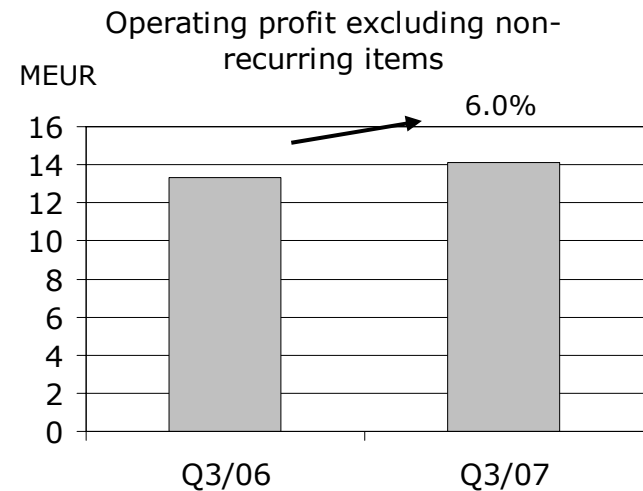
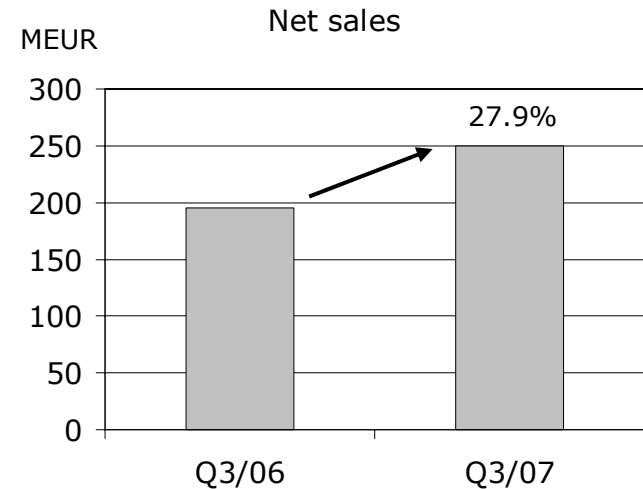
Gearing ratio (Equity/Net debt)



Target: 50%-80%

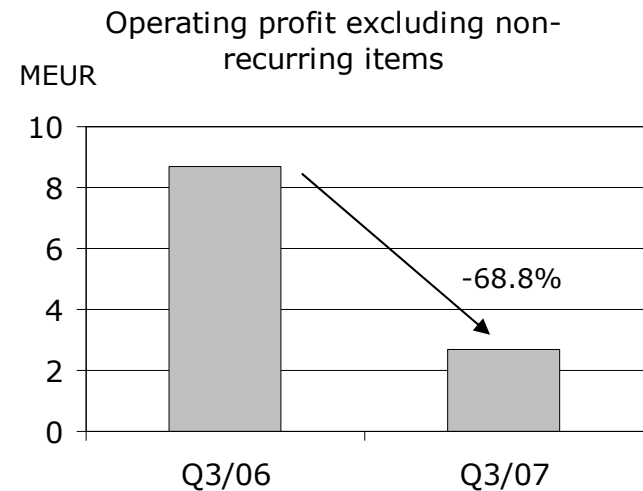
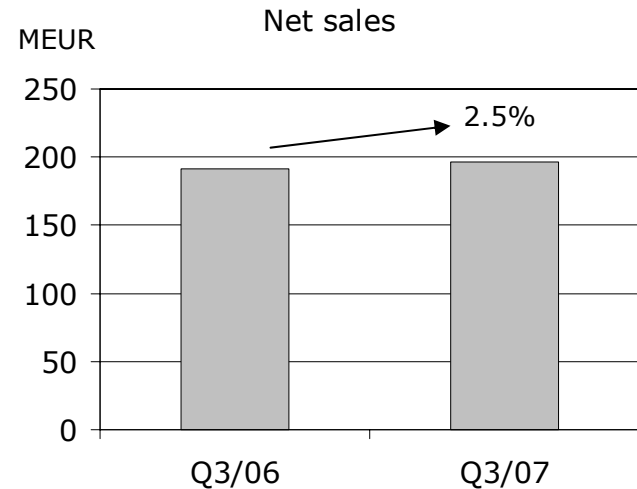
FiberComposites segment – Highlights Q3 2007

- Strong net sales growth, 27.9%. Sales volumes grew by 37.6%.
- Organic growth (7.7%) driven by strong demand in wiping fabrics and glass nonwovens applications.
- Currency fluctuations decreased net sales by 4.3%.
- Operating profit burdened by high costs of methanol based raw materials and rayon.
- Integration costs of approximately EUR 1.5 million included in operating profit.



Specialty Papers segment - Highlights Q3 2007

- Segment net sales growth of 2.5%. Sales volumes grew by 6.6%.
- Comparable net sales of the Technical Papers business area grew by 9.4%*, while comparable net sales of the Label and Packaging Papers business area decreased by 5.5%**.
- Operating profit decreased due to weak demand and price pressure in the Label & Packaging Papers business area.
- Additionally the La Gère investment ramp-up had a negative impact on operating profit in the quarter.
- The specialty paper joint venture with KAN Paper in China was signed and the transaction is expected to be closed in Q4.



Actions taken to address weak performance of the Label and Packaging Papers business area

- **Ascoli and Chantraine plants put under review due to unsatisfactory profitability and cash flow**
 - Annual production capacity of one-side coated papers of approximately 100,000 tons
 - Employ approximately 300 persons
 - Book value of EUR 5 million
- **Change of operative organization**
 - The Stenay and the Rottersac plants in France transferred to the Technical Papers business area with effect from October 1, 2007
 - The Label and Packaging Papers business area name changed to Release and Label Papers
- **Management changed**
 - Daniele Borlatto, previously Vice President of sales of the Filtration business area, leads the Release and Label Papers business area starting from October 11, 2007

Integration schedule

	Fiberweb and Orlandi	Ahlstrom-VCP
Q2	<ul style="list-style-type: none">• Global business teams established• Backoffice integration with Turin and Windsor Locks	
Q3	<ul style="list-style-type: none">• 3 wiping fabrics lines idled, 25 people reduced• Implementation of price increases to offset raw material prices	<ul style="list-style-type: none">• Business teams established
Q4	<ul style="list-style-type: none">• Back office integration to be finalized (IT systems in place) <p>=> Target to complete integration by the end of Q4</p>	<ul style="list-style-type: none">• Integration of Brazilian back-office functions• IT system preparations• Planning of change in product mix

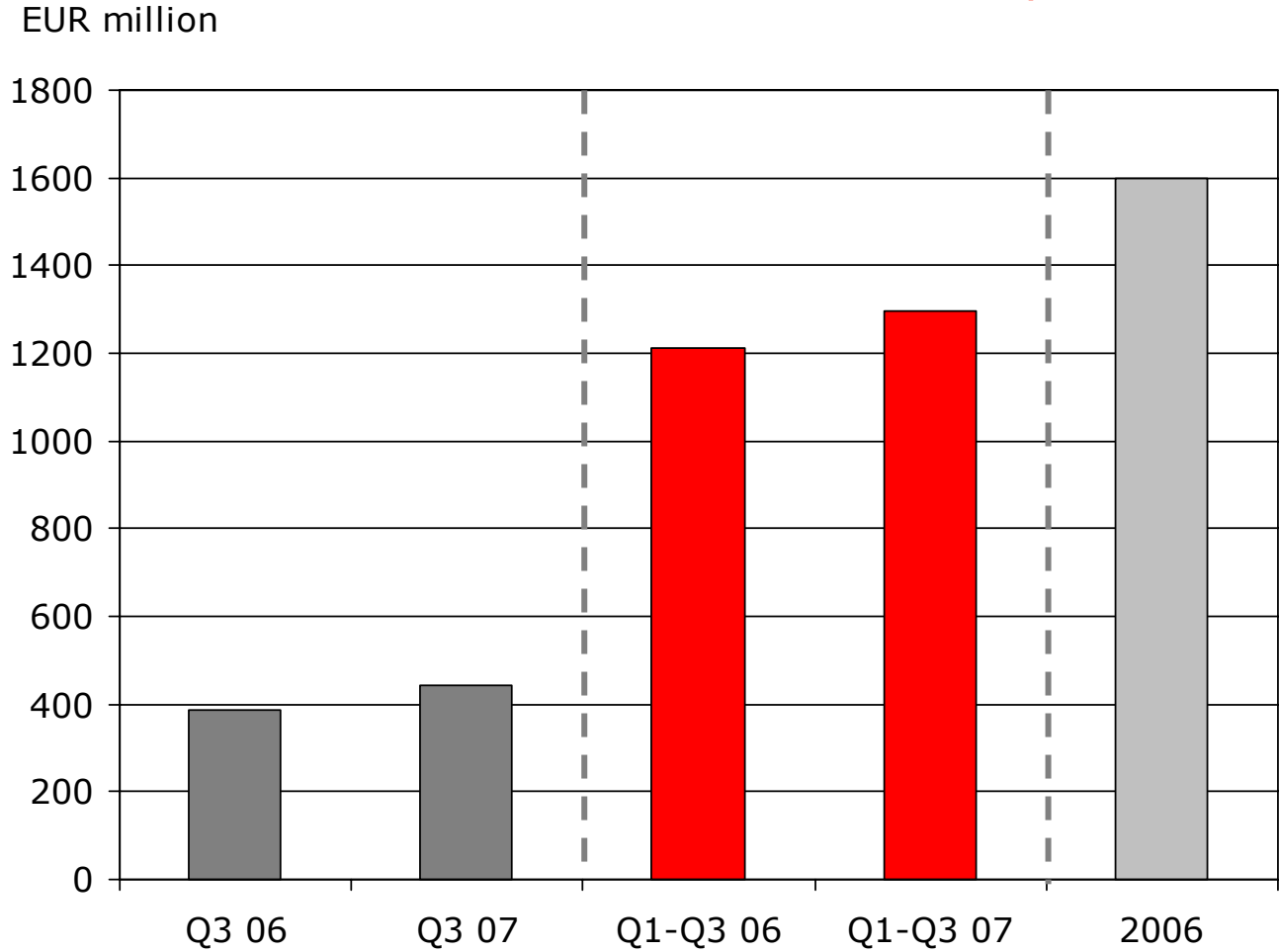
Outlook October 2007- March 2008

- Full year 2007 net sales expected to increase by over 10% from 2006.
- Group operating profit for 2007 excluding non-recurring items anticipated to be somewhat below the 2006 level.
- The Technical Papers business area and the FiberComposites segment are expected to improve their operating profit from 2006.
- The eucalyptus pulp is becoming the most important raw material for Ahlstrom, lowering Ahlstrom's average raw material costs in the long term.
- Price increases are currently taking effect in all business areas.

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.

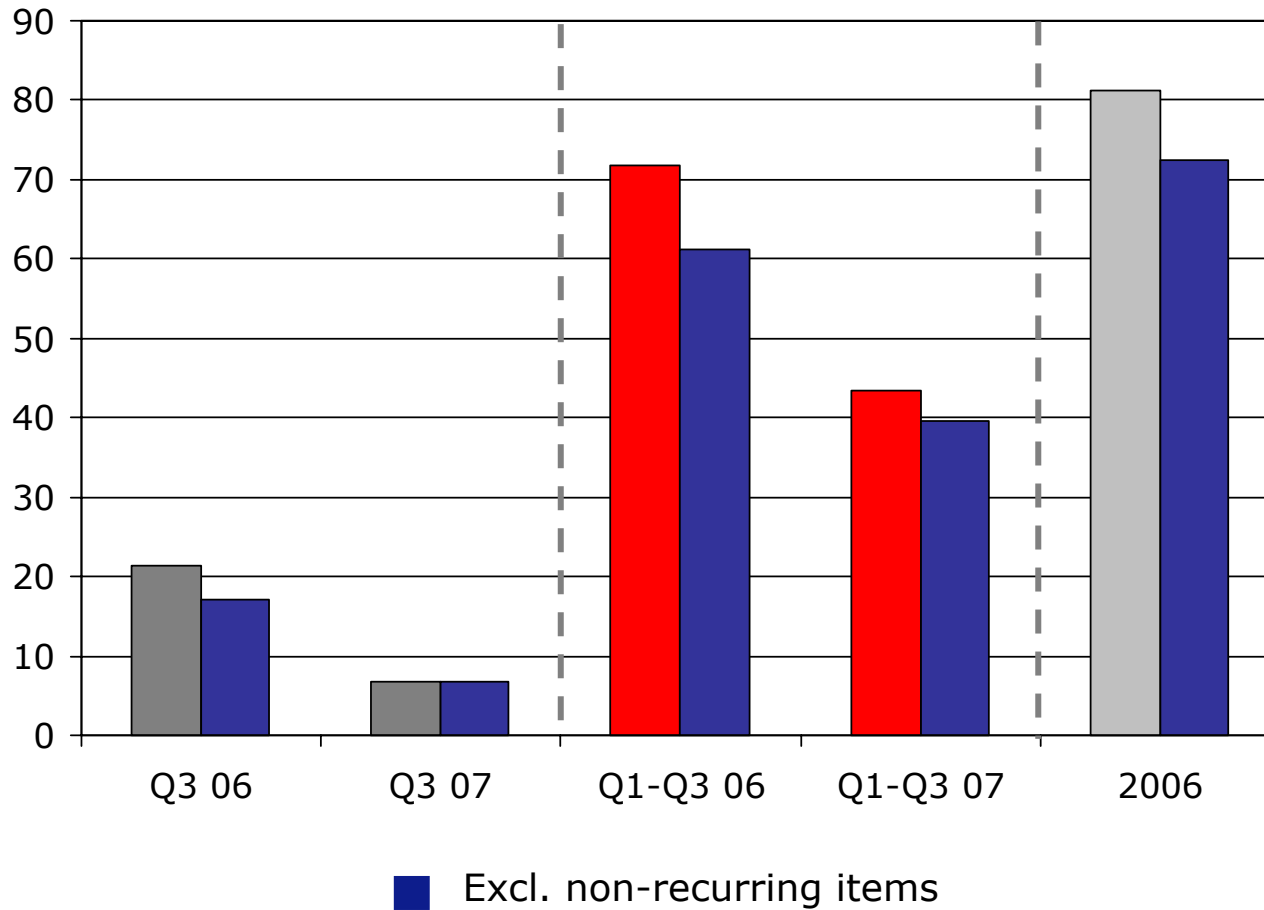
Appendix

Net sales, EUR million



Profit before taxes, EUR million

EUR million



Investments, EUR million

