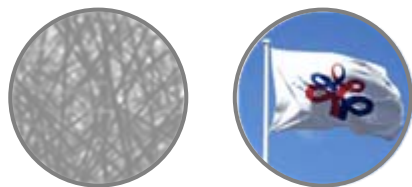


Ahlstrom

The global source for fiber-based materials

CFO Jari Mäntylä



Small fibers. Big difference.

Table of contents

- I Ahlstrom in brief
- II Vision and strategy
- III Business environment and drivers
- IV Achieving profitable growth
- V Financial performance

I Ahlstrom in brief

Small fibers. Big difference.

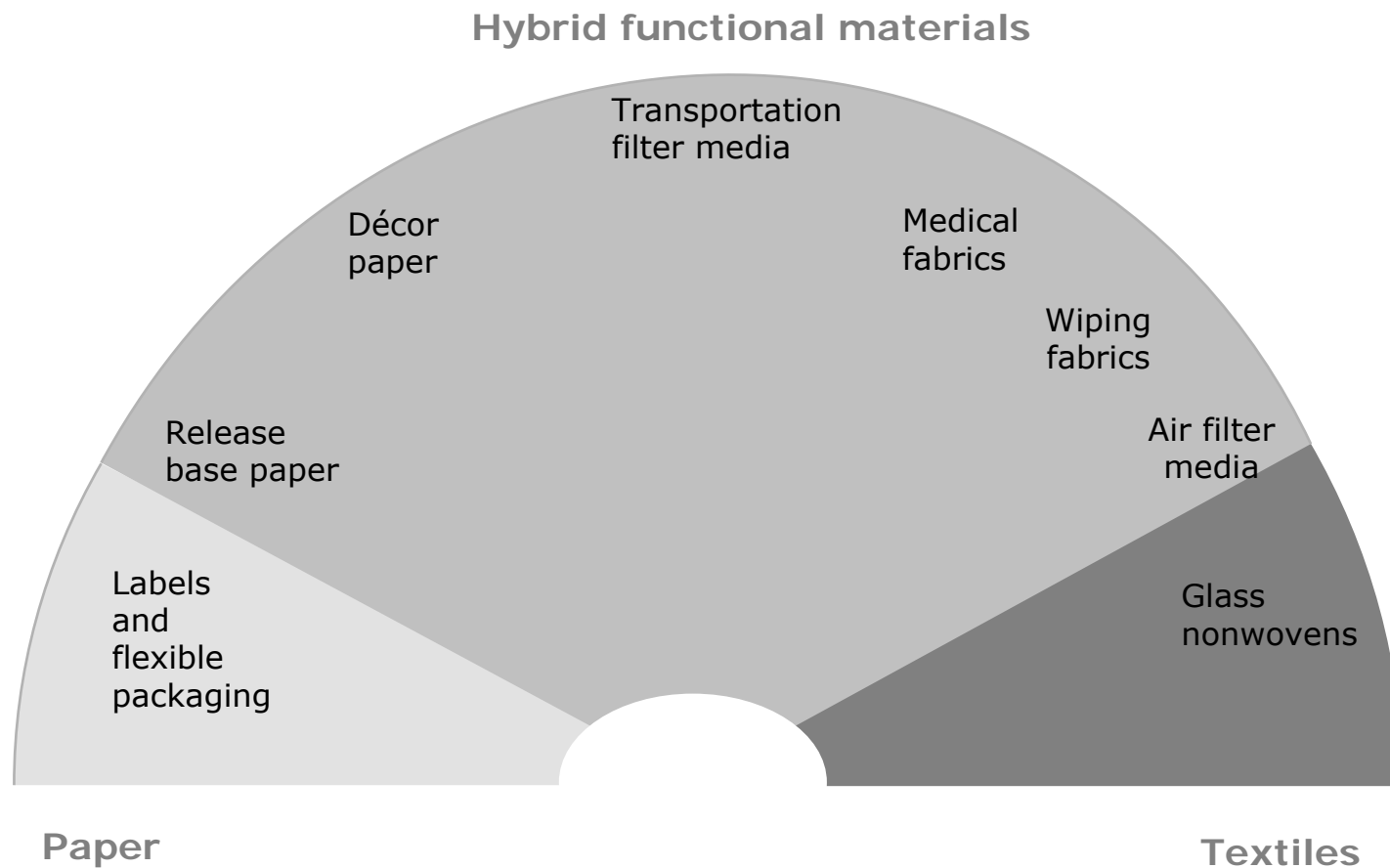
Ahlstrom in a nutshell

- Specialty materials supplier with leading market positions
- Focus on innovative functional materials
- Global presence- production plants on 4 continents, sales offices in 25 countries
- EUR 1.6 billion in revenue, 5700 people



Small fibers. Big difference.

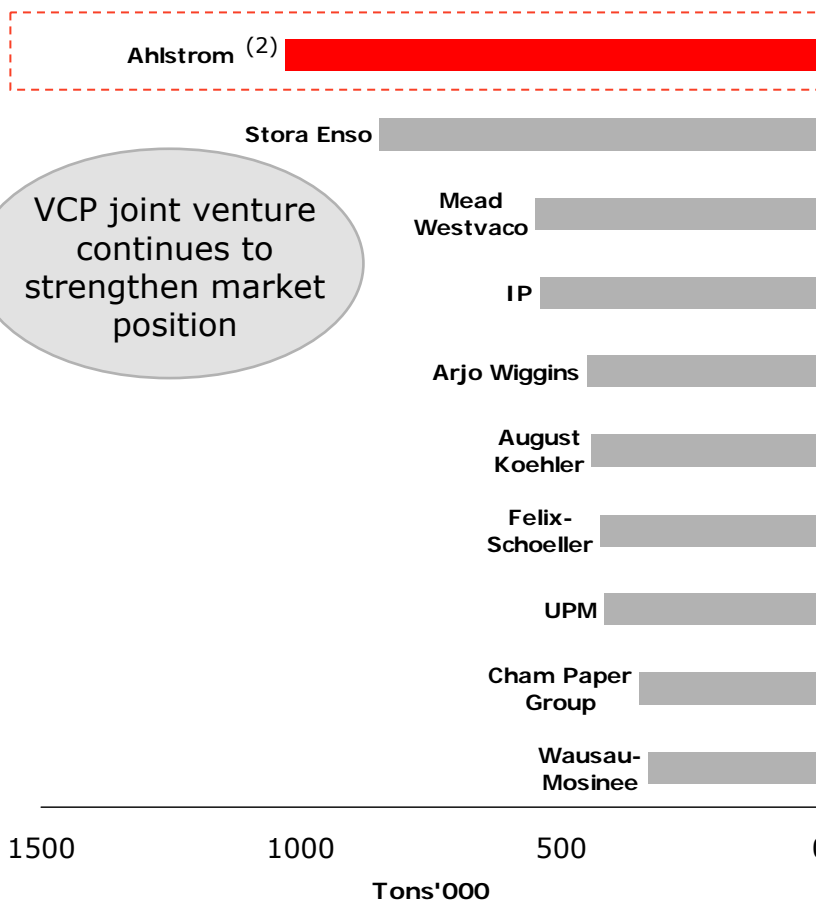
Product offering spans from technical papers to technical textiles



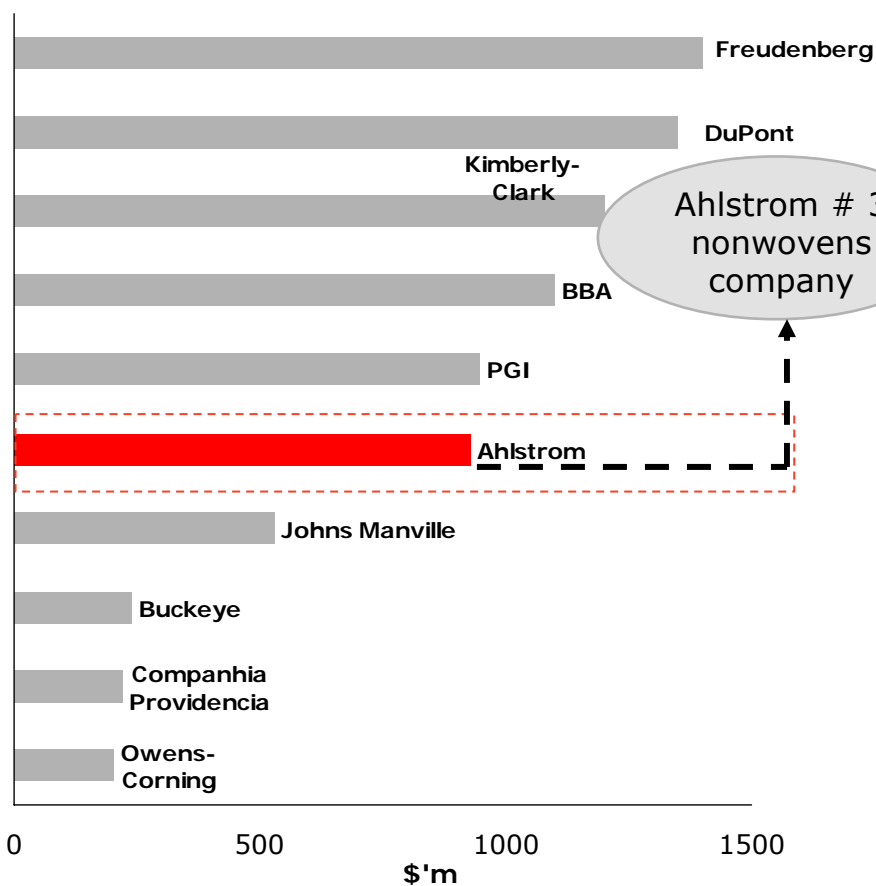
➤ **€ 30 billion market opportunity**

Leading specialty materials supplier in the world

Specialty papers market positions⁽¹⁾



Nonwovens market positions⁽³⁾



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Notes:

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

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

II Vision and strategy

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Ahlstrom vision

The global source for fiber-based materials

Key strategic objectives

- Profitable growth above market rate
- Global expansion in attractive businesses
- Strengthen our position as # 1 specialty paper company
- Target to be among 3 largest nonwovens companies

Strategic cornerstones

- Focus on **long-term customer relationship** through expanding our offering to key customers
- Achieve significant **growth** through innovation, organic investments and acquisitions in high value-added roll goods
- Strengthen **global presence** by expanding sales network and investing in global production
- **Competitive operations** through capturing group synergies and through continuous improvement

Strategic priorities

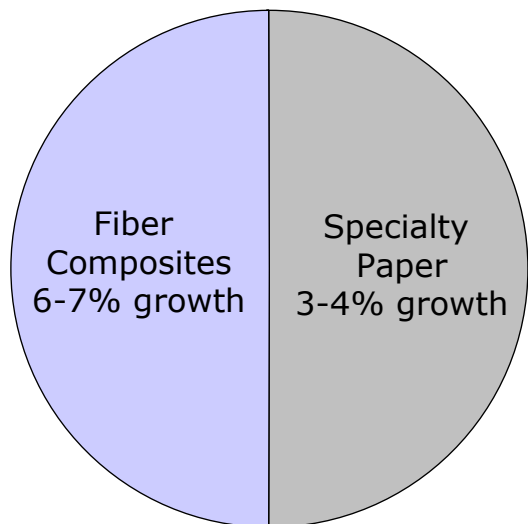
- Innovation driven organic investments
- Globalizing Specialty Paper
- Migration to cheaper raw materials
- Improvement of process on all levels of operation by Kaizen program

III Business environment

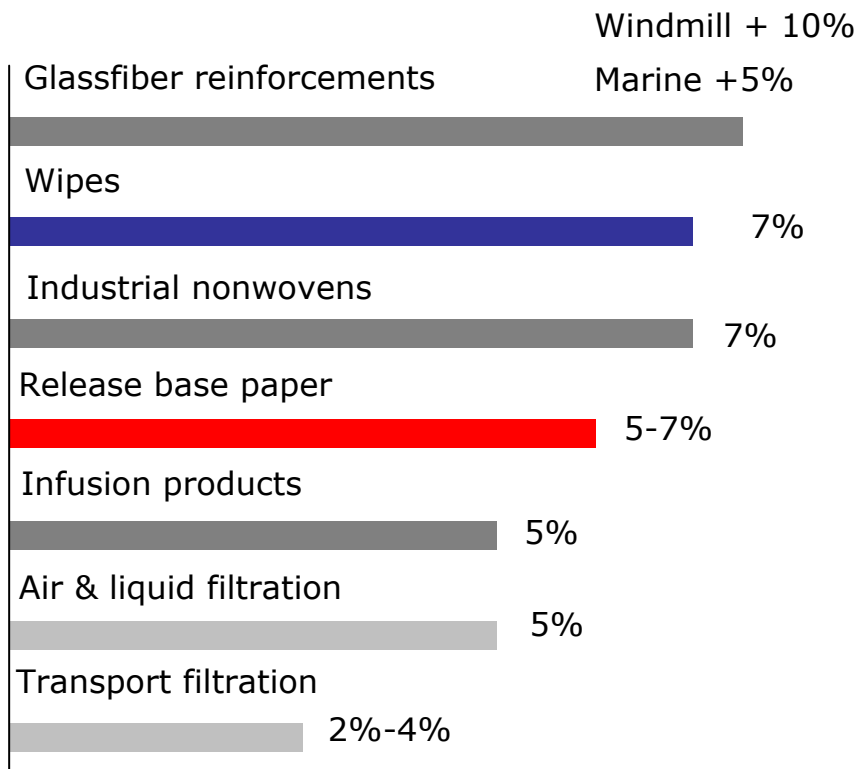
Small fibers. Big difference.

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

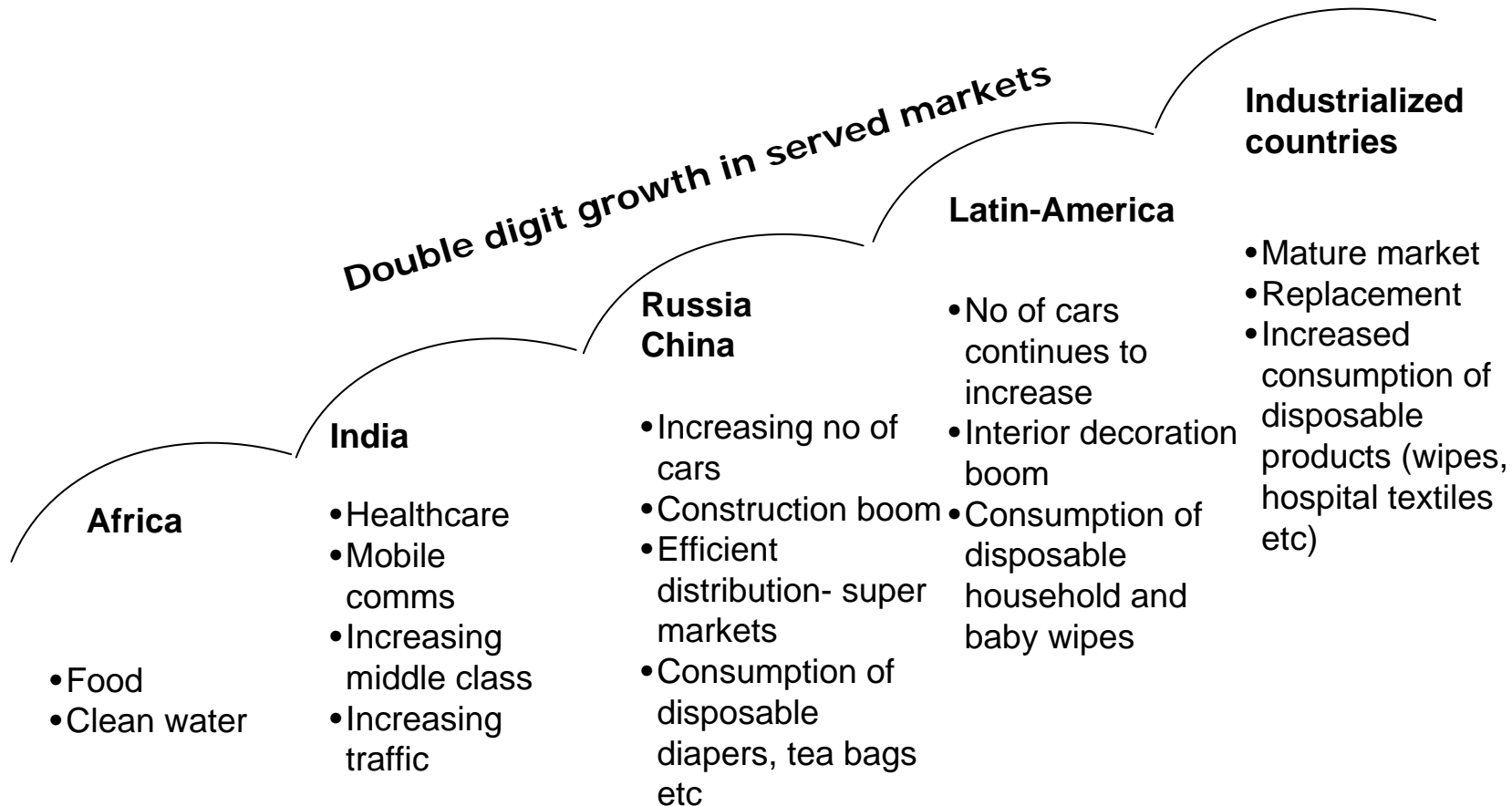
30 billion market opportunity



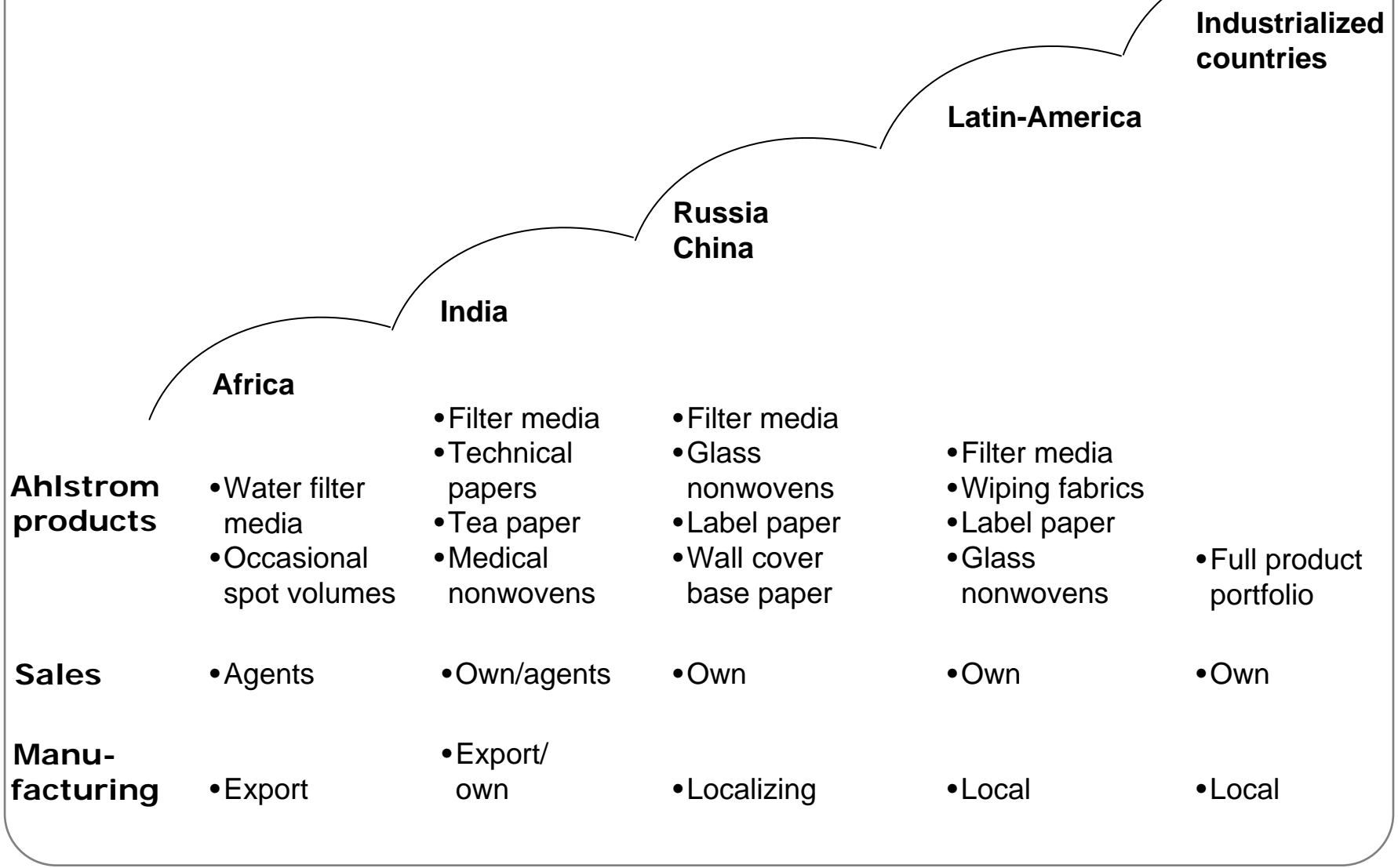
High growth areas



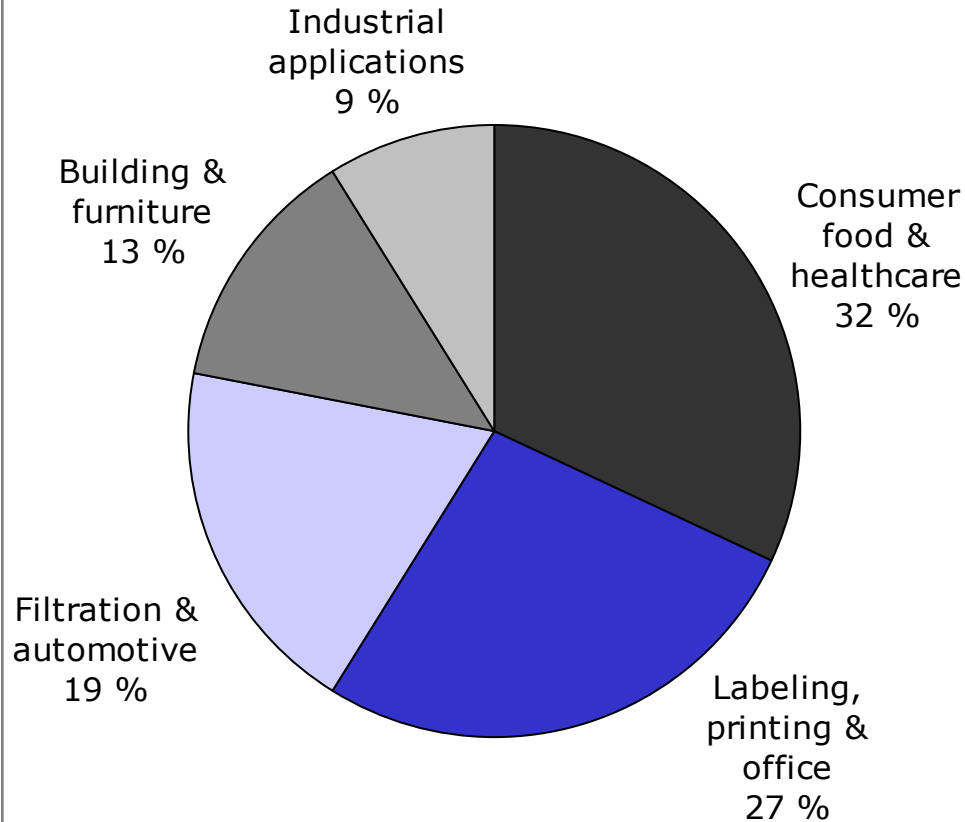
Market development in emerging markets



Ahlstrom's presence in emerging markets

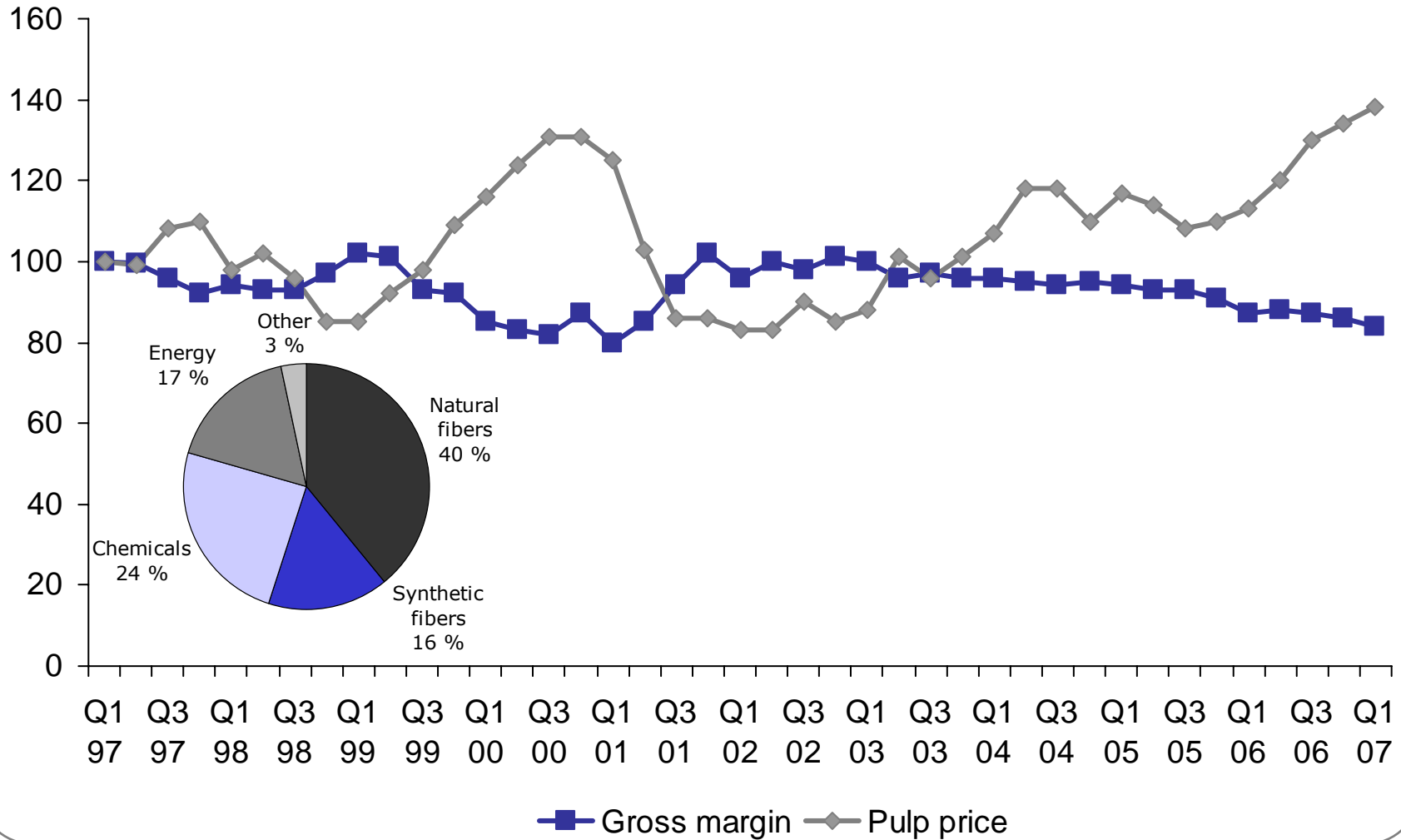


Low volatility in demand...



- Long customer relationships
- 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
- Typical business-to-business

...and countercyclical to raw materials



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Raw material prices seems to have reached their peak

- Combined raw materials seems to have peaked in February 2007
- In Q1 2007 average USD market price for NBSK pulp approx. 22% higher than during corresponding period in 2006 and 4% higher than in Q4 2006. Short fiber prices (BHKP) increased by 11% and 1% respectively.
- Mixed development in synthetic fibers and chemical prices
 - Rayon on high level but methanol and polypropylene declining
- Energy cost decline visible in latter part of Q1 and expected to continue to decline

Demand outlook by business area

Business area	Near term outlook
Nonwovens	<ul style="list-style-type: none">• Stable demand in all product lines with slight strengthening of wipes demand
Filtration	<ul style="list-style-type: none">• Cautiously optimistic demand expectations in all filtration applications despite of uncertainty in North America
Glass Nonwovens	<ul style="list-style-type: none">• Good demand expected in main applications (windmill, marine, flooring)
Label & Packaging Papers	<ul style="list-style-type: none">• Good demand in release liners and labels driven by peak season in beverage industry, flexpack market continues to be challenging
Technical Papers	<ul style="list-style-type: none">• Good demand in all product lines with improved demand in abrasive base, wall paper and calender bowl businesses

IV Achieving profitable growth

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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

Investment parameters

How to enter new markets

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

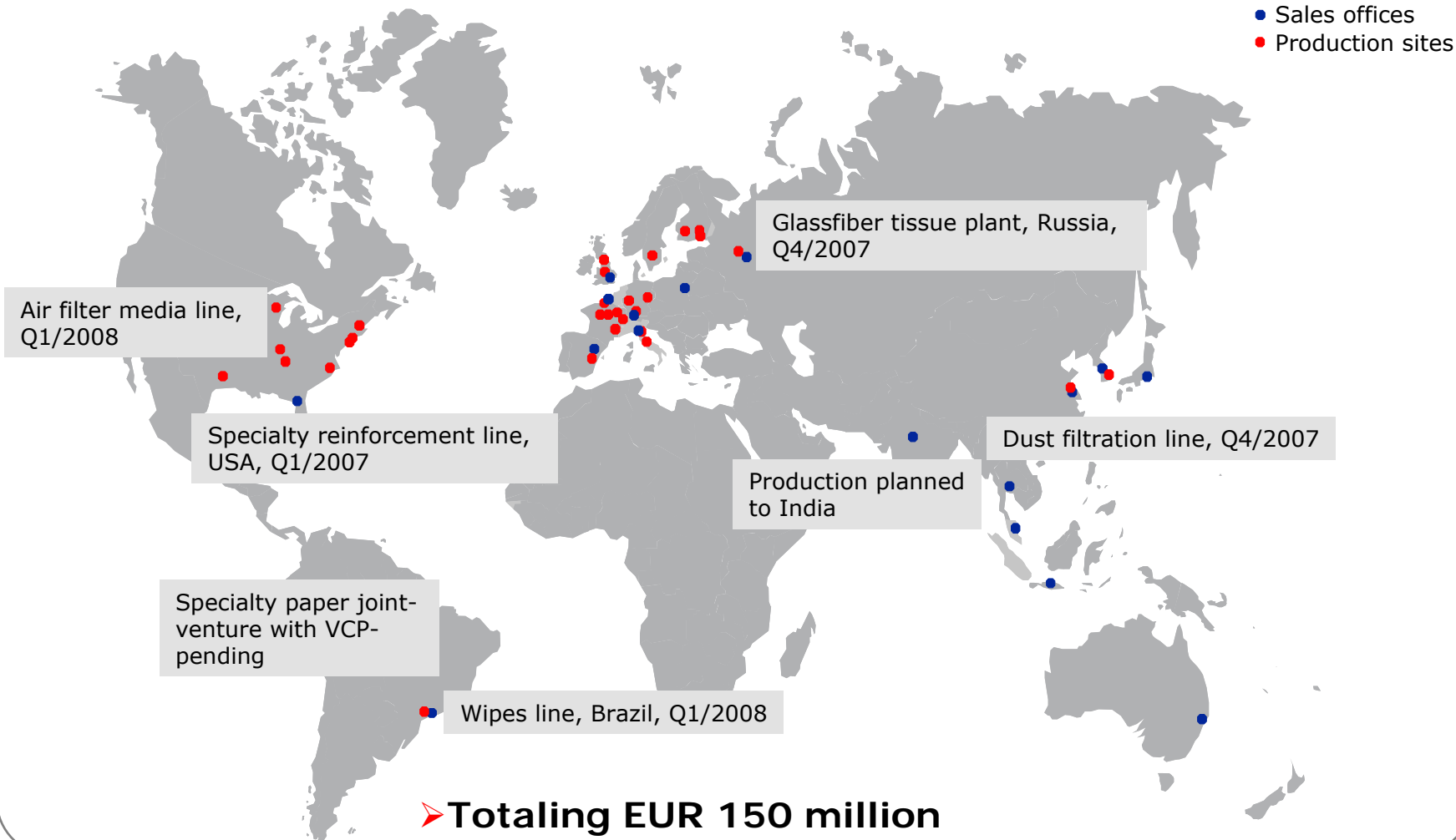
Criteria for acquisitions

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

Ahlstrom investment criteria

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

Ongoing growth investments outside Europe



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Four acquisitions adding annualized net sales of EUR 300 million

- 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** spunlace nonwoven 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

Integration of Nonwoven acquisitions

Value creation opportunities

- Ahlstrom becomes leading wiping fabrics producer in the world
- Technology advantage (2 pulp-containing wipe assets)
- Cross selling opportunities
- Rationalizing manufacturing base
- Back office synergies through shared service centers

Integration costs

- Estimated to be approx. EUR 1 million per quarter in 2007 from Q2
- **Integration estimated to be completed by end of 2007**

Joint venture with VCP, Ahlstrom Jacarei

High growth markets

- Serving specialty paper markets in the Americas and Asia, such as self adhesive labeling, wet glue labeling and selected packaging grades
- Market growth >10%

Competitive cost base

- Short fibers supplied by integrated pulp mill
 - Infrastructure services from VCP
- **Target to increase the use of eucalyptus as raw material at group level**

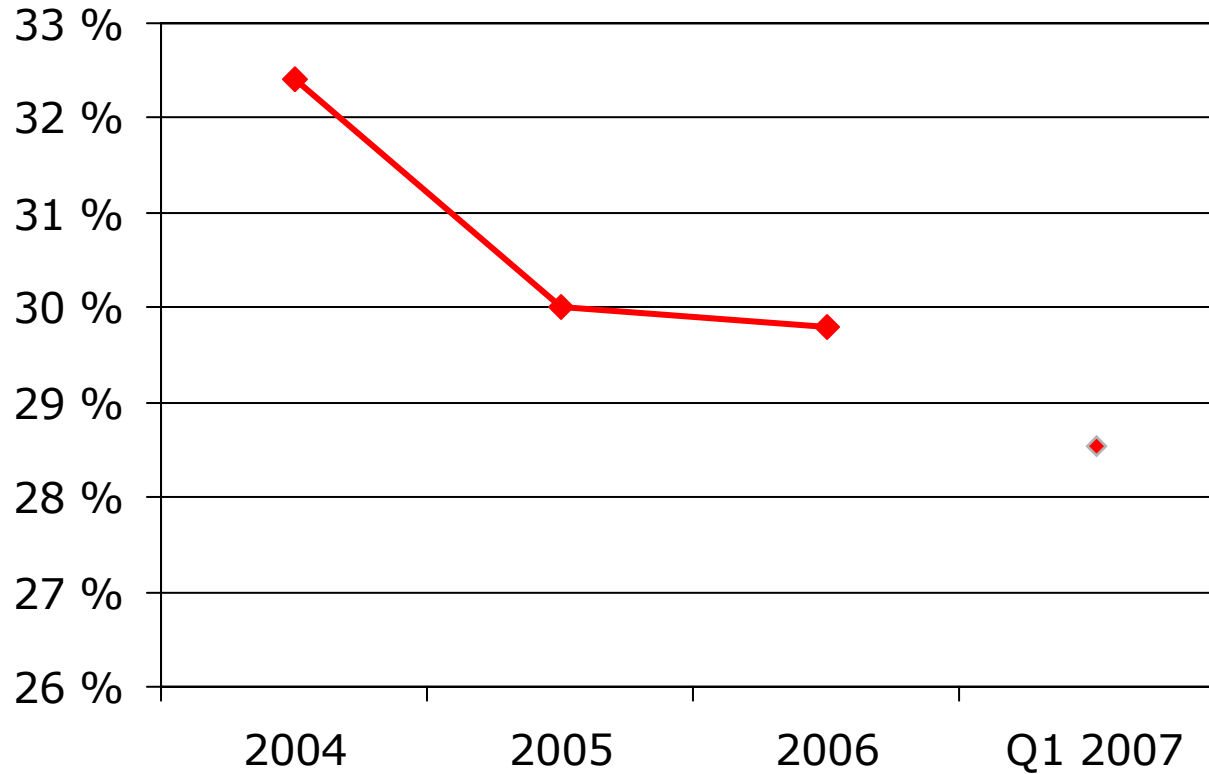
Migration to lower cost natural fibers

Currently	With VCP joint-venture	Target 2008
< 50 % short fibers	Eucalyptus to become Ahlstrom's most important raw material	Gradually increasing use of eucalyptus pulp
	Short fiber represents 55% of pulp purchases	Target: Share of short fibers 60%
	Increasing eucalyptus know-how	

Other actions to improve profitability

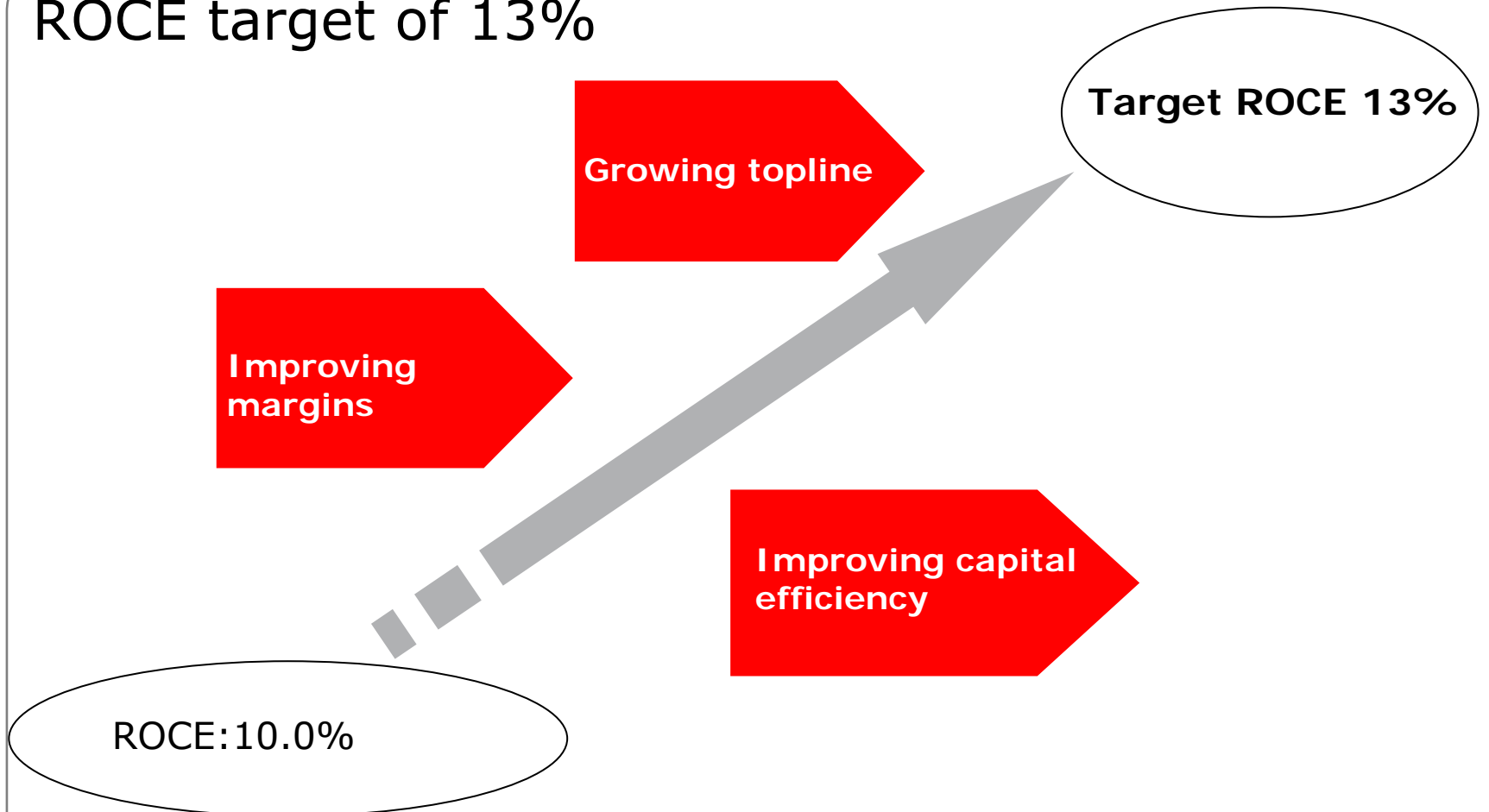
- **Continuous performance improvement program “aPlus” (Kaizen)**
 - Reducing direct costs and waste
 - Avoiding unnecessary investments
 - Optimizing working capital
- **Improving operating leverage by investing at current sites**
- **Cutting tail**
 - Closing non-competitive plants when cash flow dries out
 - Minimum investment in low growth businesses

Fixed costs reduced as % of net sales



➤ **Target to maintain fixed costs below 30% of net sales**

ROCE target of 13%



- EBIT range 6%-9% over cycle
- Asset turnover minimum 1.8x

V Financial performance

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Financial targets

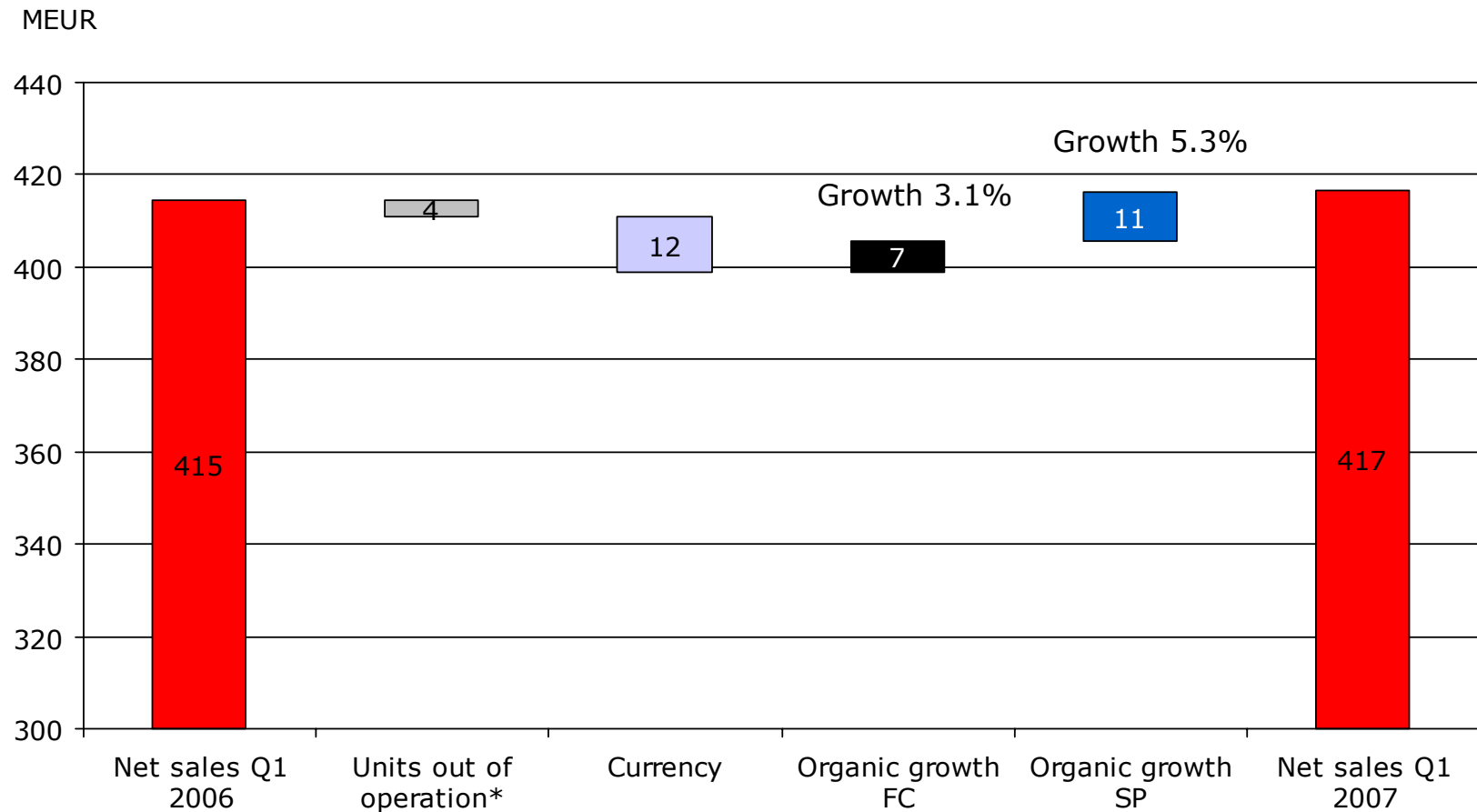
- ROCE minimum of 13%
- Gearing ratio 50–80%
- Dividend payout ratio averaging at least 50% of the profit for the period

Highlights Q1 2007

	Q1 2007	Q1 2006	2006
Net sales, EUR million	416.5	414.6	1,599.1
Operating profit, EUR million	23.3	29.6	96.1
Operating profit excl. non-recurring items, EUR million	19.6	26.3	87.3
Profit before taxes, EUR million	20.3	25.1	81.2
Profit before taxes excl. non-recurring items, EUR million	16.5	21.8	72.5
Profit for the period, EUR million	13.4	15.8	57.6
Return on capital employed (ROCE), %	10.0	12.3	10.4
ROCE excl. non recurring items, %	8.4	11.0	9.5
Earnings per share (EPS), EUR	0.29	0.41	1.31
Cash earnings per share (CEPS), EUR	-0.26	0.68	2.72
Average number of shares, 1000s	45,918	38,326	43,802

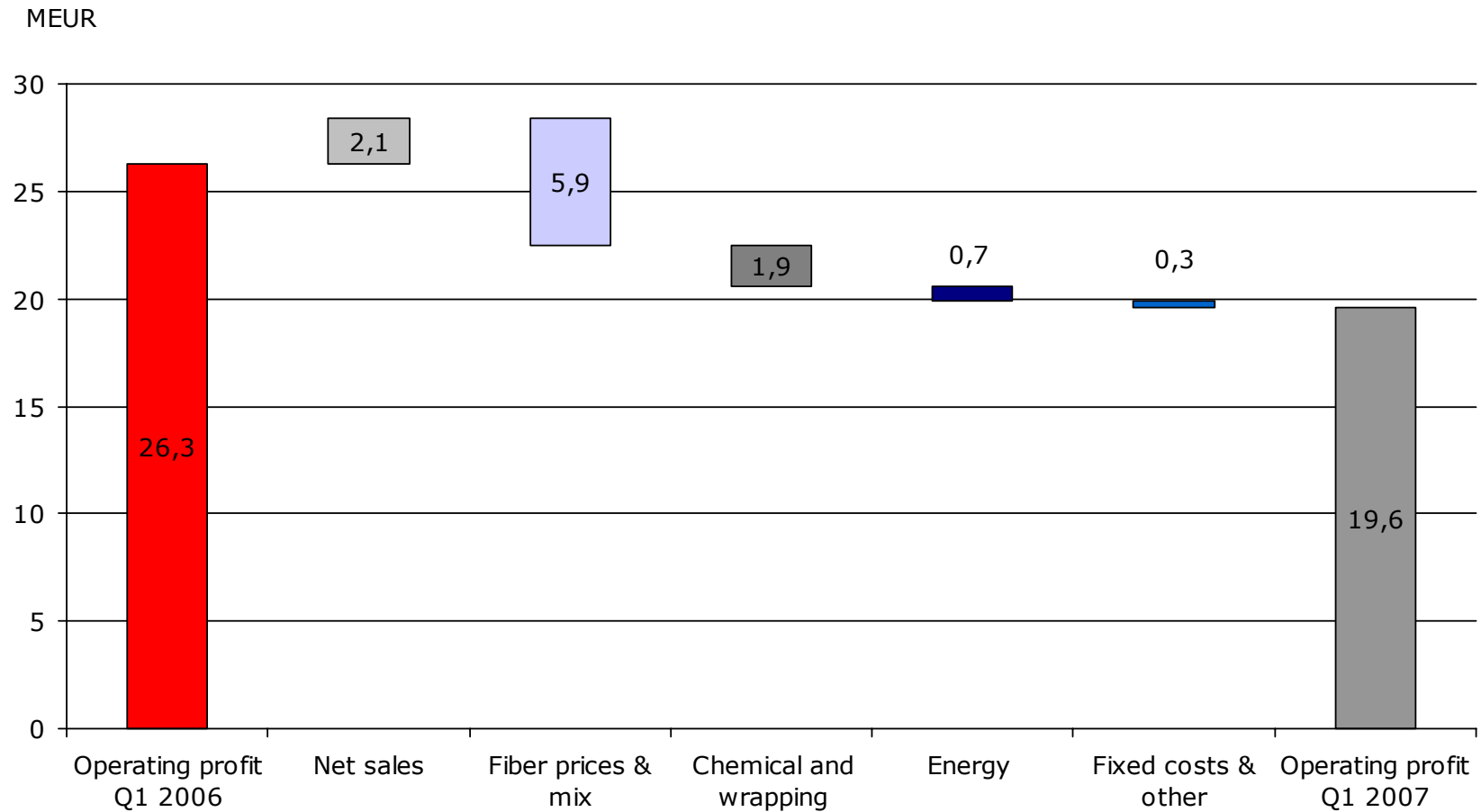
- Net sales grew by 3.4% adjusted for currency effects
- Operating profit improved from the last quarter of 2006 due to increased sales volumes and lower fixed costs
- Four acquisitions announced adding topline of EUR 300 million
- UK defined benefit pension plan closed

Net sales growth by driver, EUR million



*Karhula investment stop

Change in operating profit (excluding non-recurring items)



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Fixed cost reduction continues

Restructurings	Annualized savings EUR million	Impact starting
• Nümbrecht plant closure, Germany	2-3	Q1
• Converting of liquid filtration moved to South Carolina	1.5	Q2
• Restructuring measures (UK, Korea, France)	1.0	Q2
• Defined benefit plan & other	1.5	Q2
Total	6-7	

➤ **Includes reduction of 60-65 people**

Outlook Q2-Q3 2007

- Demand in Europe expected to remain good, main markets being Germany, France, and Italy
- Demand anticipated to be stable in USA, however, low visibility
- South America and Asia expected to develop well due to the positive GDP development
- Costs for fibers and chemicals expected to remain at the current high level or increase, but at a lower rate than in 2006
- Energy costs started to decline during the first quarter and are expected to decrease further
- Sales price increases and cost reductions implemented to offset effect of the raw material cost escalation
- 2007 will be a year of implementing growth investments

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.