

The Ahlstrom logo is located in the top left corner. It features the word "AHLSTROM" in a white, sans-serif font. The letter "A" is stylized with a horizontal line through its middle. The background of the slide is a dark, abstract pattern of flowing, wavy lines in shades of blue, teal, and green, creating a sense of motion and depth.

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Ahlstrom

January-September 2015

Marco Levi
President & CEO

Sakari Ahdekivi
CFO

October 28, 2015

Agenda

- July-September 2015
- Business area review
- Financials
- Outlook

July-September 2015 in brief



Highlights

- + Operating profit and margin improved for the eighth consecutive quarter despite unfavorable demand in some key markets
- + Sales growth in the Building and Energy business area
- + Commercial excellence program yielding results and supporting sales and operating profit
- + Higher cash flow and lower gearing

Lowlights

- Lower demand for engine filtration in North America and wallcoverings in Europe/Russia
- Decline in Group net sales at constant currency rates

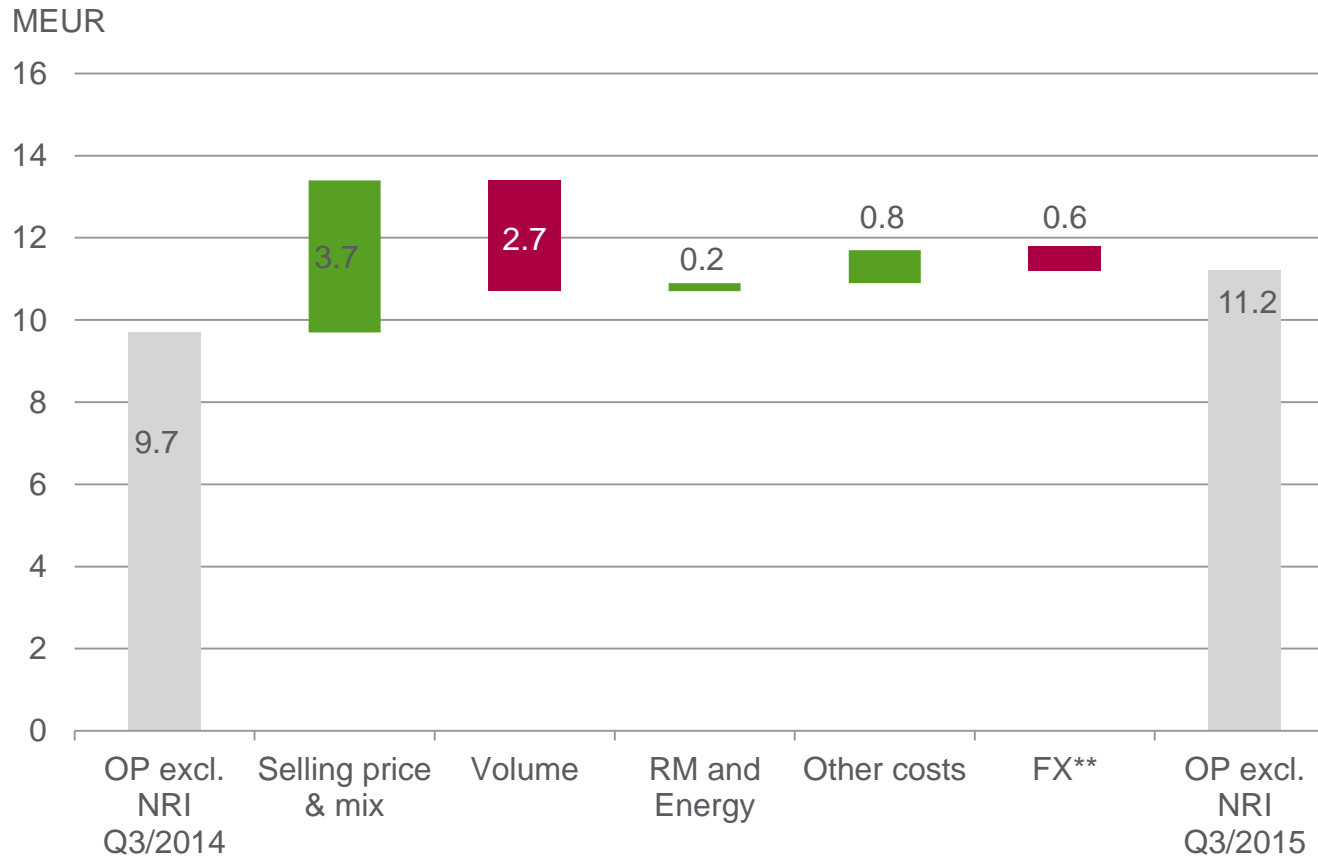
Key figures

Operating profit excl. non-recurring items increased by 14.6%

EUR million	Q3/2015	Q3/2014	Change, %	Q1- Q3/2015	Q1- Q3/2014	Change, %
Net sales	266.9	252.0	5.9	819.8	754.1	8.7
EBITDA excl. NRI	25.5	22.6	12.6	83.2	67.1	23.9
<i>% of net sales</i>	<i>9.5</i>	<i>9.0</i>		<i>10.1</i>	<i>8.9</i>	
Operating profit excl. NRI	11.2	9.7	14.6	39.9	30.4	31.5
<i>% of net sales</i>	<i>4.2</i>	<i>3.9</i>		<i>4.9</i>	<i>4.0</i>	
Gearing*	64.2	88.4		64.2	88.4	
ROCE, %	6.7	-8.0		8.6	0.2	

Operating profit* bridge Q3/2014 vs Q3/2015

Higher selling prices through commercial excellence program, better product mix as well as lower cost base

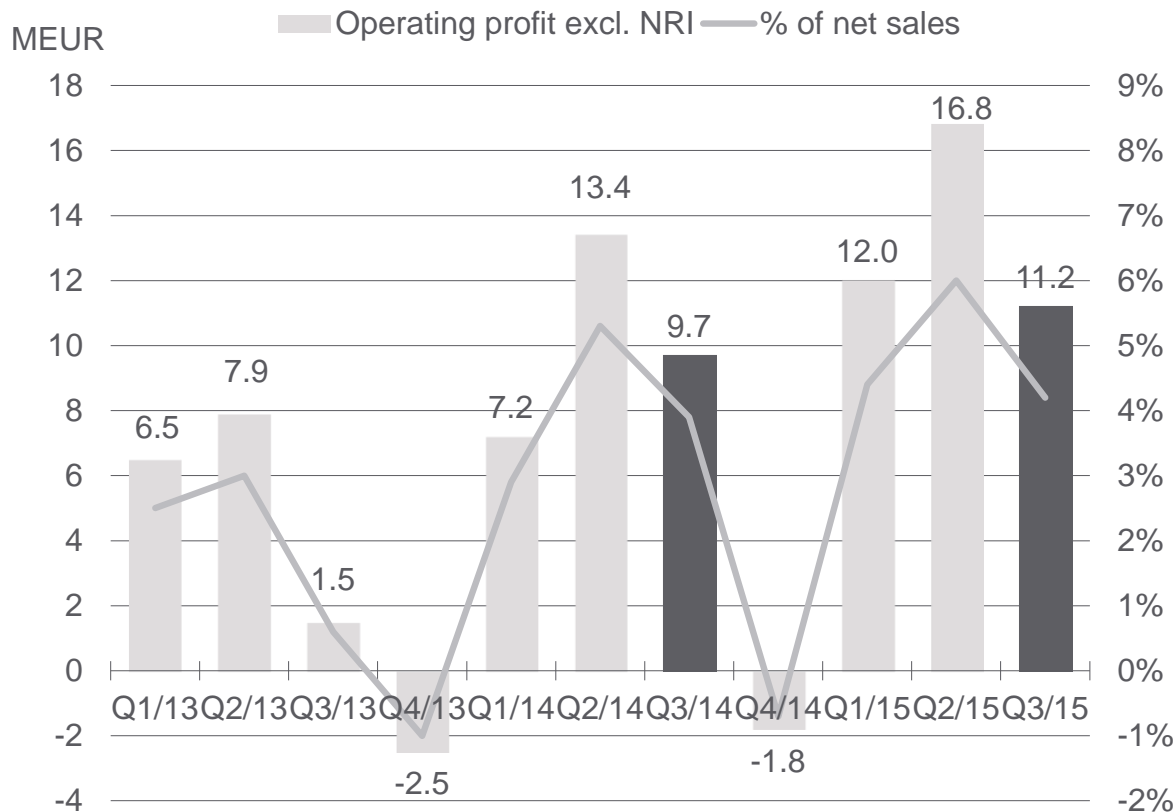


* Excluding non-recurring items

** Foreign exchange

Quarterly operating profit development

Eighth consecutive quarter of year-on-year improvement



Operating profit excl. NRI

MEUR	Q3/15	Q3/14	Change, %
Filtration	10.1	12.3	-17.3
Building and Energy	-1.3	-2.9	54.0
Food and Medical	3.7	3.9	-3.5

Business area review



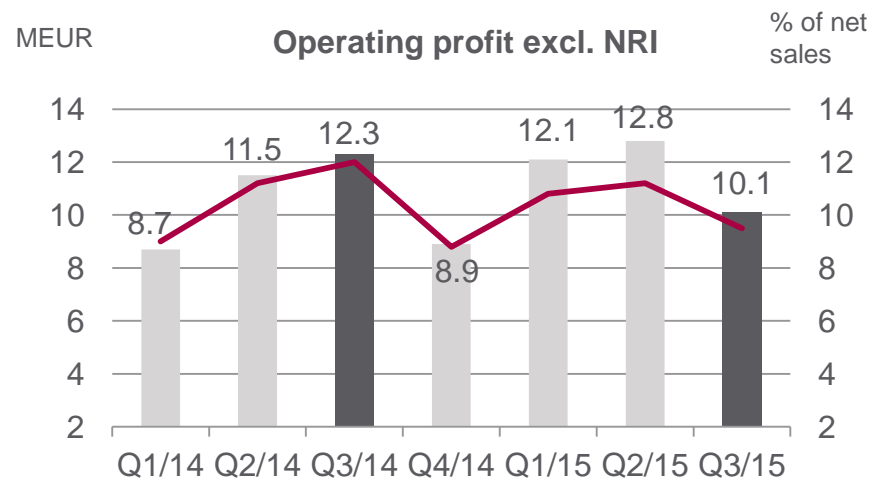
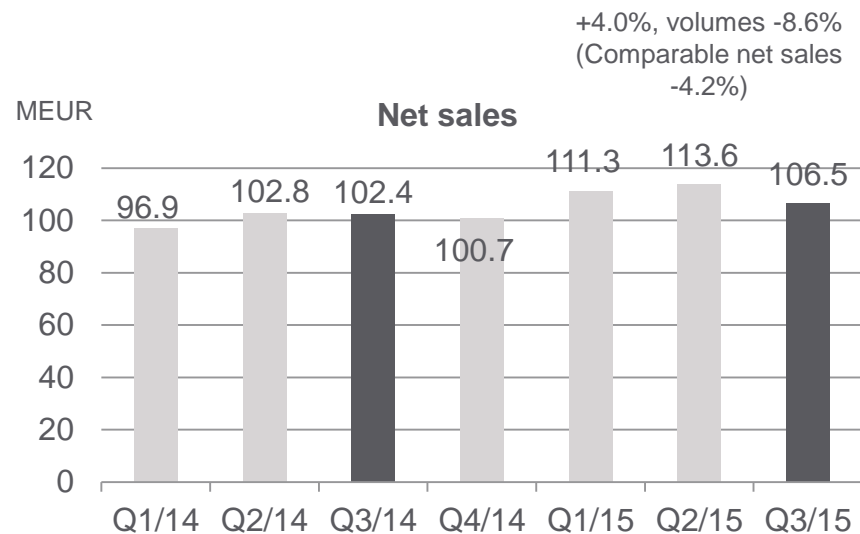
Filtration

**Q3/15: Net sales EUR 106.5 million
(EUR 102.4 million)**

- Lower sales of engine filtration applications, particularly in North America
- + Increased selling prices and improved product mix
- + Favorable currency effect

**Q3/15: Operating profit ex. NRI
EUR 10.1 million (EUR 12.3 million)**

- Lower volumes
- + Improved efficiency through investments to reduce raw material costs by substitution and energy conservation



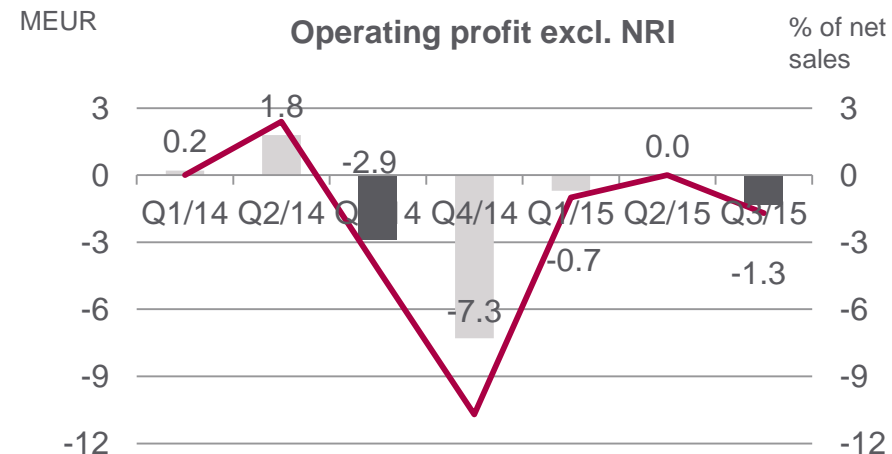
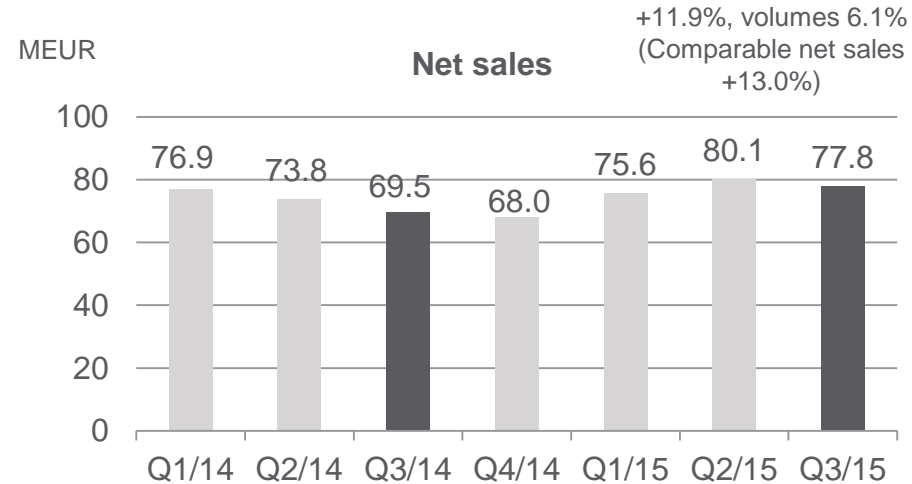
Building and Energy

**Q3/15: Net sales EUR 77.8 million
(EUR 69.5 million)**

- + Higher selling prices of flooring, glassfiber reinforcements and specialty nonwoven products
- + Ramp-up of wallcoverings production in China
- + Improved product mix
- Lower sales of wallcoverings in Europe and Russia

**Q3/15: Operating profit ex. NRI
EUR -1.3 million (EUR -2.9 million)**

- + Higher volumes
- Market introduction costs of the wallcoverings production line in China, despite significant increase in volume
- Higher raw material costs due to an adverse currency effect



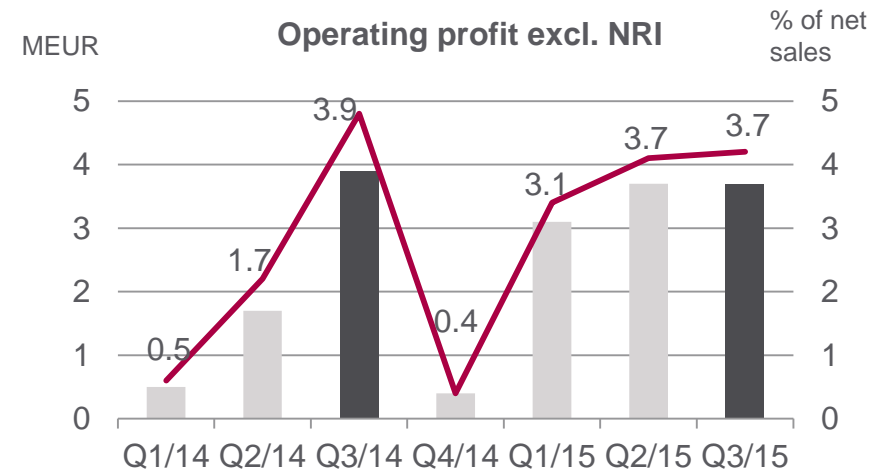
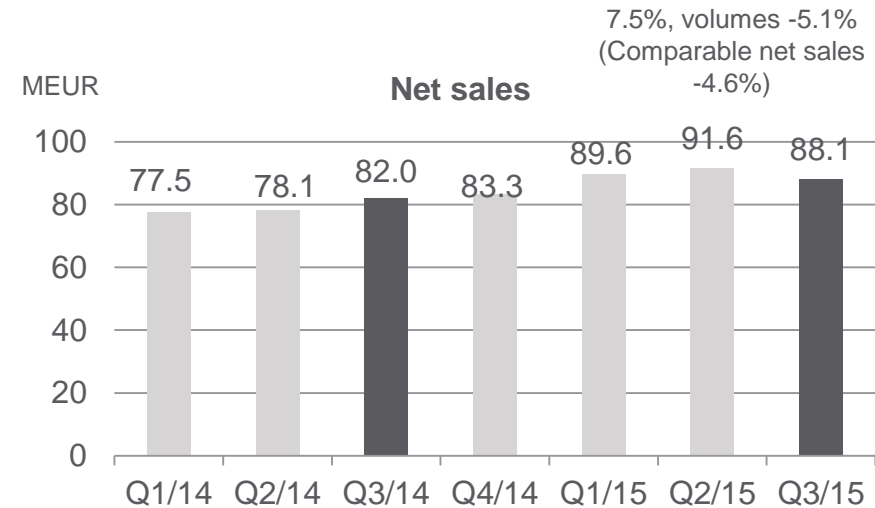
Food and Medical

**Q3/15: Net sales EUR 88.1 million
(EUR 82.0 million)**

- + Higher sales of food packaging and tape materials from Asian platform
- + Favorable currency effect
- Lower sales of medical fabrics and tape materials in Europe

**Q3/15: Operating profit ex. NRI
EUR 3.7 million (EUR 3.9 million)**

- + Improved pricing and product mix
- + Lower fixed costs
- Higher pulp prices in euros
- Lower volumes



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Financials



Income statement

EUR million	Q3/2015	Q3/2014
Net sales	266.9	252.0
Cost of goods sold	-224.4	-221.8
Gross profit	42.5	30.2
Sales, administrative and research & development expenses (SGA)	-32.8	-31.6
Other income and expenses	0.2	-12.1
Operating profit	9.9	-13.4
Operating profit excl. NRI	11.2	9.7
Net financial expenses	-1.4	-6.3
Share of profit / loss of equity accounted investments	0.1	-0.2
Profit / loss before taxes	8.5	-19.9
Income taxes	-4.4	3.2
Profit / loss for the period	4.1	-16.7
Earnings per share	0.06	-0.30

- ▶ Enhanced pricing reflected in gross profit.
- ▶ SGA costs excl. NRI were 12.2% of net sales (12.5% in Q3/14).
- ▶ NRIs: EUR -1.3 million (EUR -23.2 million in Q3/14).
- ▶ Includes a capital gain of EUR 3.2 million from selling Munksjö Oyj shares
 - Q3/15 net financials excluding the gain: EUR -4.6 million

Balance sheet

EUR million	Sept. 30, 2015	Dec. 31, 2014
Total non-current assets	532.3	599.3
Inventories	126.0	108.1
Trade and other receivables	188.9	170.7
Income tax receivables	0.9	1.7
Cash and cash equivalents	63.0	41.4
Total assets	911.2	921.1
Total equity	317.1	320.1
Provisions	8.8	11.6
Interest bearing loans and borrowings	266.7	295.2
Employee benefit obligations	97.9	96.0
Trade and other payables	216.7	194.0
Others	4.0	4.2
Total equity and liabilities	911.2	921.1
Gearing, %	64.2	79.3



– Shareholding in Munksjö Oyj was reduced to zero percent



– Currency fluctuations impacting all working capital components



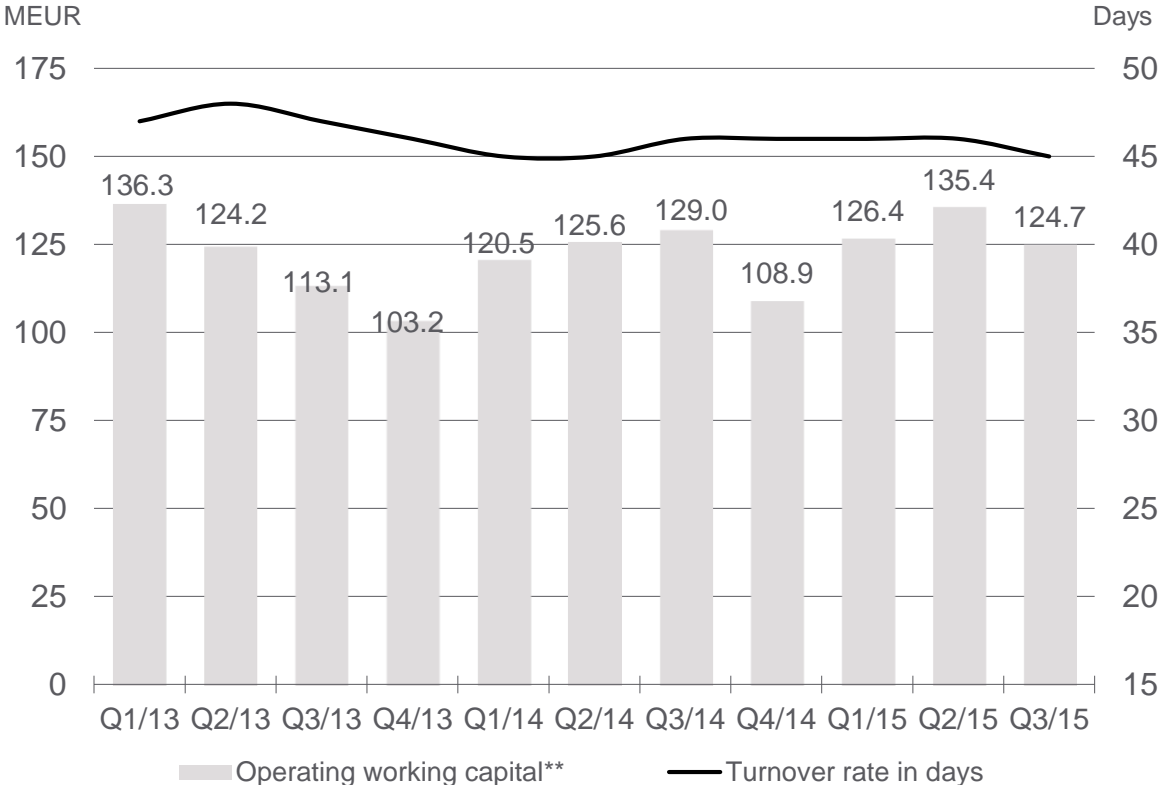
Changes in equity was mainly due to:

- EUR 28.8 million profit for the period
- EUR 14 million paid in dividends
- Fair value reserve reduced due to the sale of Munksjö shares

Includes EUR 100 million hybrid bond

Development of operating working capital*

Declined despite currency impact



- Currency fluctuations increased working capital by EUR 2.9 million compared to Q3/2014
- 12-month rolling turnover rate 45 days at the end of Q3/15 (46 days at the end Q3/2014)

* Including continuing operations only

** Operating working capital = Accounts receivables + inventories – accounts payable

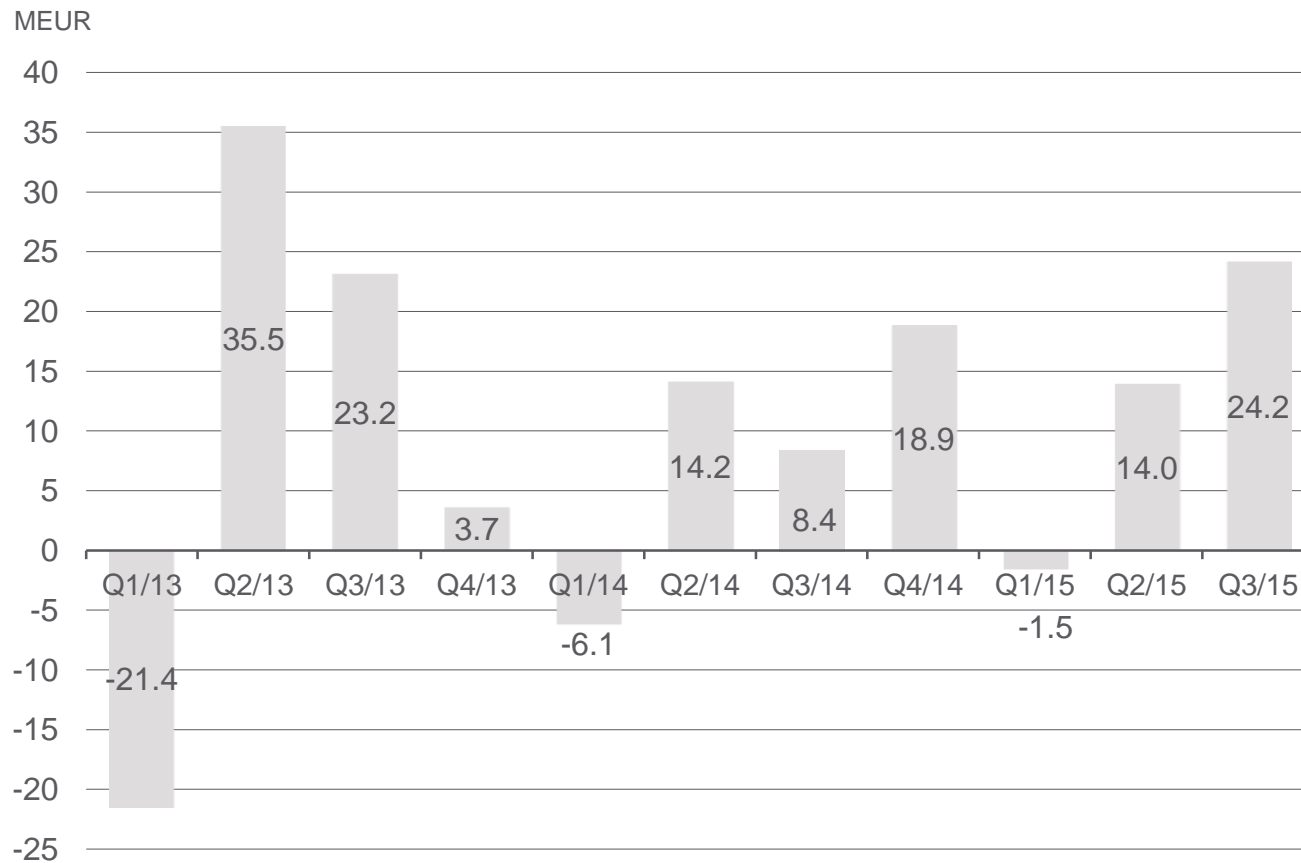
Statement of cash flows

EUR million	Q3/2015	Q3/2014*
EBITDA	24.2	19.6
Changes in net working capital	10.7	2.9
Change in provisions	-1.6	-0.0
Financial items	-6.4	-11.5
Income taxes paid / received	-1.3	-1.1
Other items	-1.4	-1.5
Net cash from operating activities	24.2	8.4
Purchases of intangible and tangible assets	-5.4	-11.1
Other investing activities	10.9	2.1
Net cash from investing activities	5.4	-9.0
Changes in loans and other financing activities	-10.0	8.1
Net cash from financing activities	-10.0	8.1
Net change in cash and cash equivalents	19.6	7.4
Cash and cash equivalents at the beginning of the period	45.8	56.0
Cash and cash equivalents at the end of the period	63.0	63.8

- ▶ Highest operating cash flow in more than two years
- ▶ Mainly maintenance-related capex
- ▶ EUR 10.0 million proceeds from selling Munksjö Oyj shares

Net cash from operating activities*

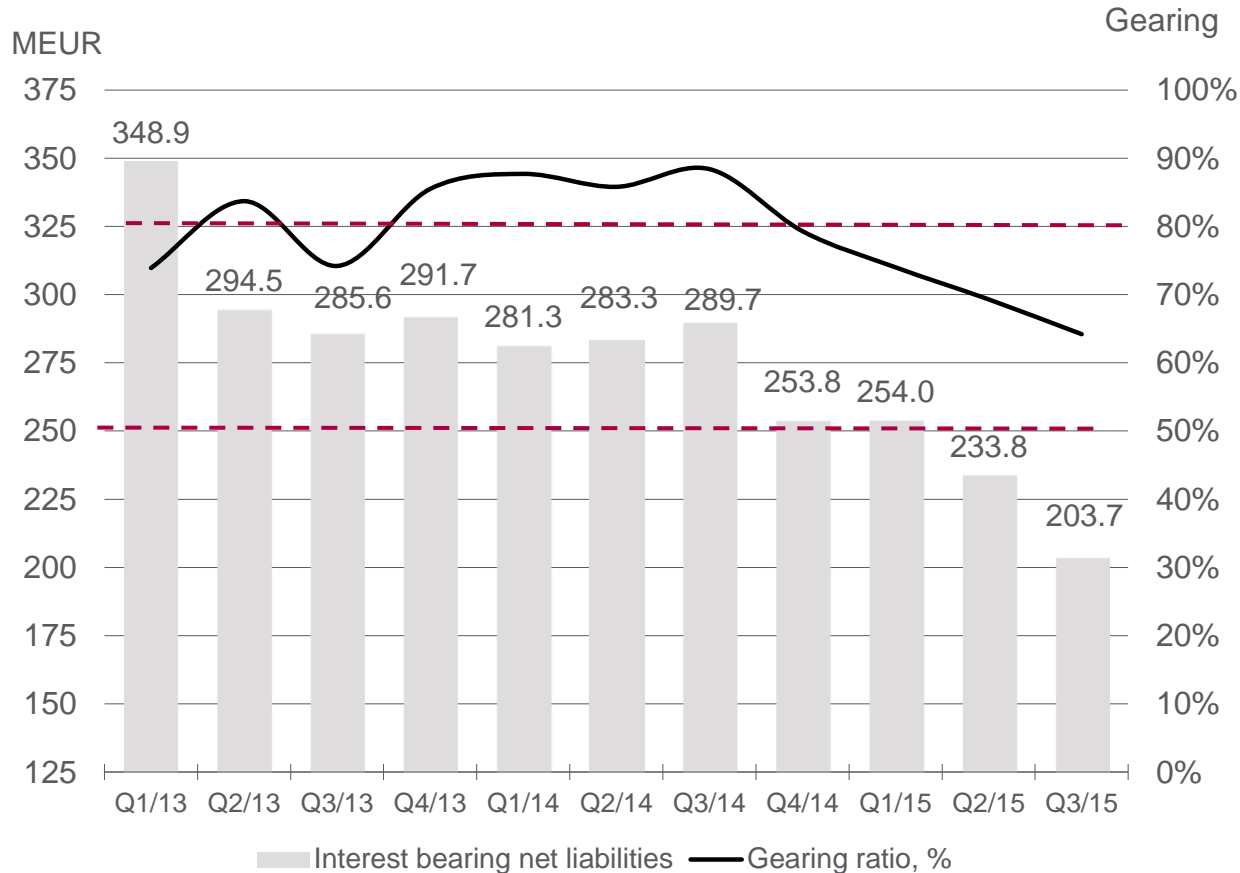
Cash flow increased due to a reduction in operative working capital



Gearing:
target range 50–80%

Net debt and gearing*

Gearing reduced by the sale of Munksjö shares and operative cash flow



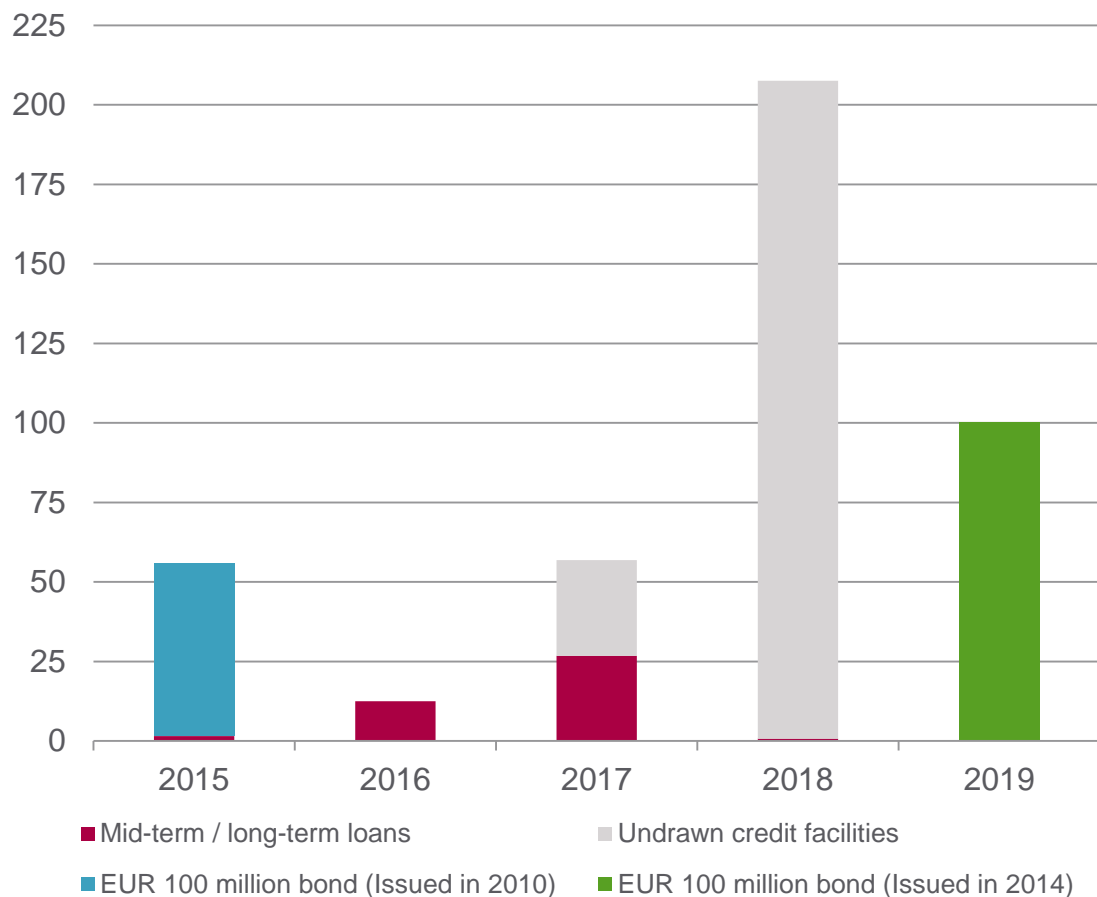
Gearing down to 64.2% on September 30, 2015

Net debt reduced by:

- Proceeds from selling Munksjö Oyj shares
- Operative cash flow

Maturity profile

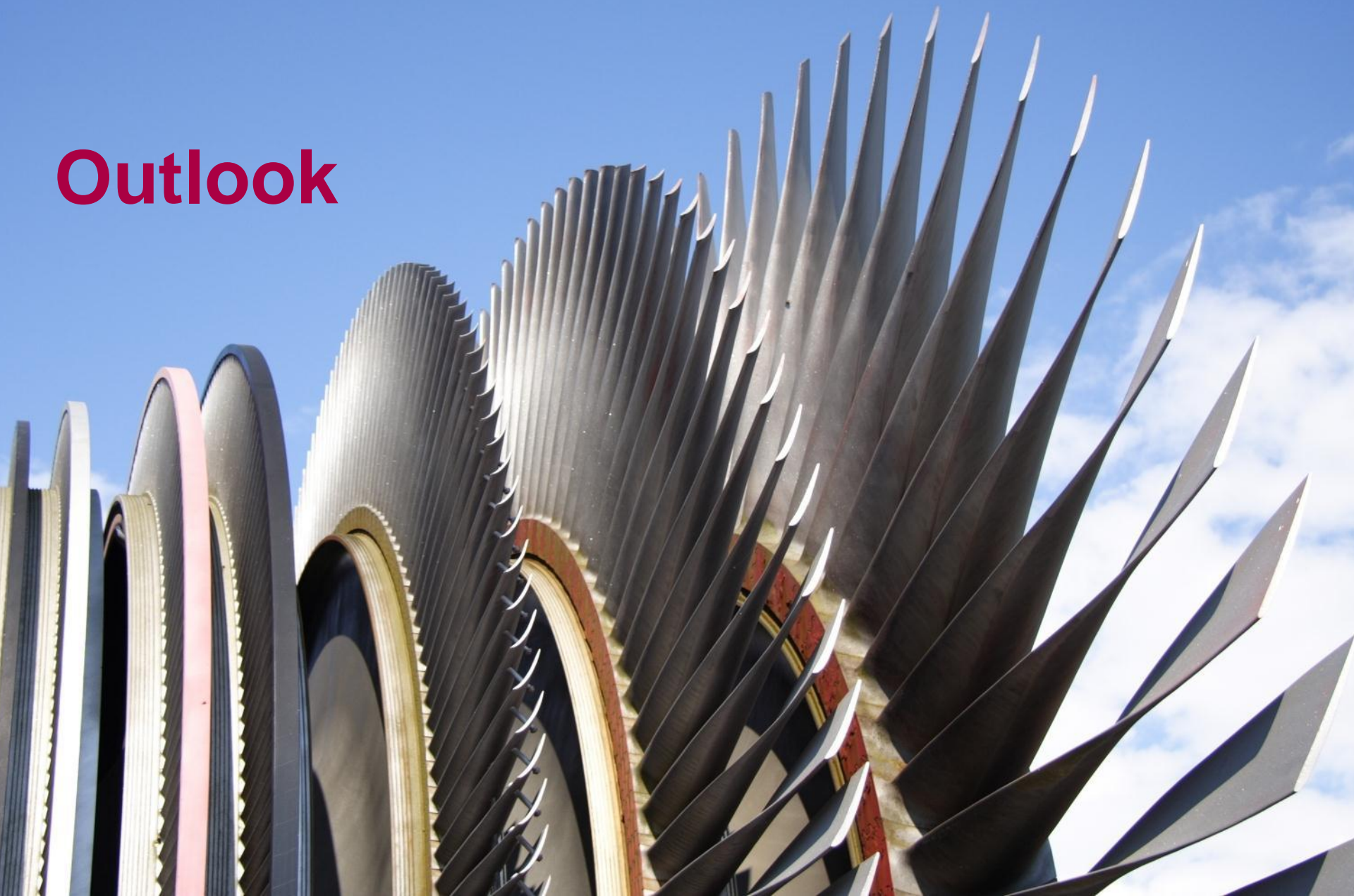
Revolving credit facility refinanced in June 2015



- Total liquidity, including cash, unused committed credit facilities and committed cash pool overdraft limits was EUR 313.8 million at the end of Q3/15 (EUR 317.6 million Q3/14)
- In addition, Ahlstrom had undrawn uncommitted credit facilities and cash pool overdraft limits of EUR 107.1 million available (EUR 144.4 million Q3/14)
- EUR 180 million three-year revolving credit facility signed in June. The facility includes two 12-month extension options
- Remainder of the EUR 100 million bond (EUR 54 million million) issued in 2010 due in November 2015

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Outlook



Outlook for 2015

Range on net sales narrowed



New Outlook

- Net sales are expected to be in the range of EUR 1,050-1,100 million
- Operating profit margin excluding non-recurring items is expected to be 3.85-4.5% of net sales.

Previous outlook

- Net sales are expected to be in the range of EUR 1,025-1,125 million
- Operating profit margin excluding non-recurring items is expected to be 3.85-4.5% of net sales.

Investments excluding acquisitions are still estimated to amount to approximately EUR 35 million

Stay ahead™



Thank you



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