

Ahlstrom Corporation

January-September 2008 Financial Results



October 28, 2008

CEO Risto Anttonen

Key highlights of Q3 2008

- Group net sales EUR 451.2 million (EUR 444.9 million), up by 1.4% on Q3/07, and by 5.4% excluding currency effect
- Comparable net sales adjusted for currency effect, acquisitions and closures grew by 6.9% from Q3/07
- Comparable volume growth adjusted for acquisitions and closures was 2.7%
- Operating profit EUR 11.3 million (EUR 16.1 million), down by 29.8% from Q3/07
 - Lower gross margin and decreased demand in some of Ahlstrom's products, leading to increased inventories and adjustments in production
 - Costs connected with growth investment start-ups and integration of acquisitions

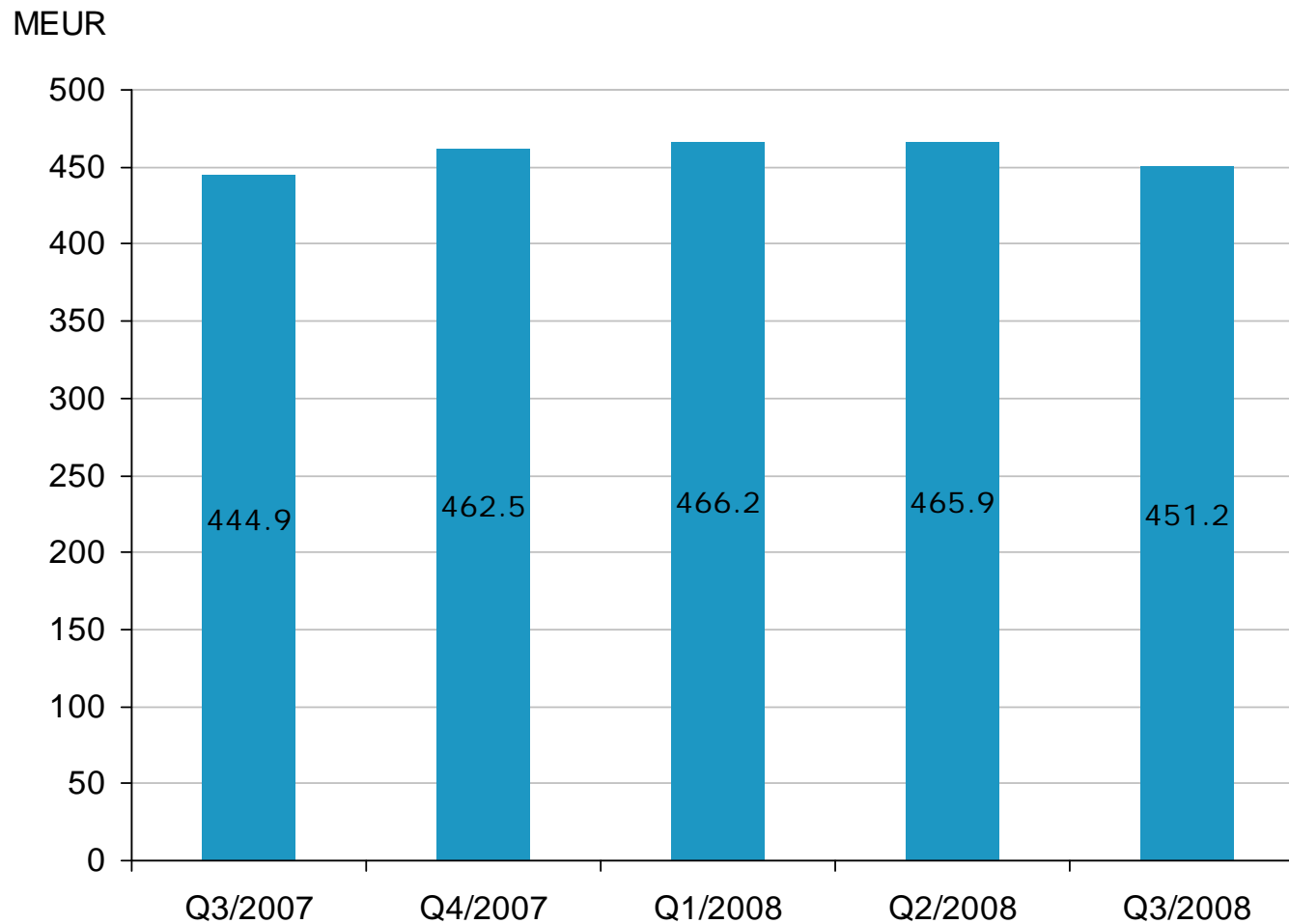


Operating environment

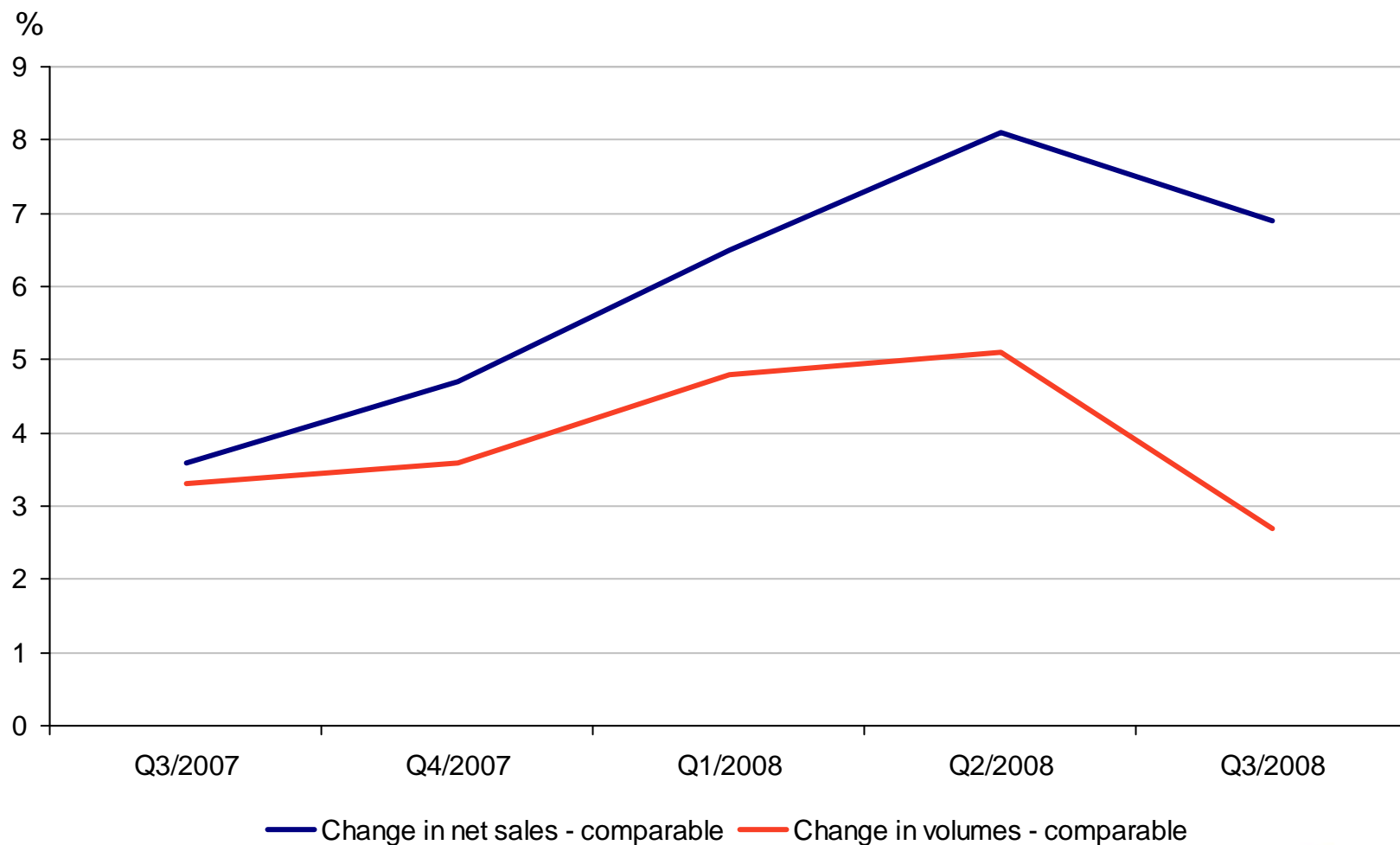
- Uncertainty in the global economy reflected in the demand for some of Ahlstrom's products
 - E.g. wipes, building, automotive and marine applications
- Demand was still growing in majority of Ahlstrom's products
 - E.g. nonwovens for medical applications, glassfiber reinforcements for windmill applications, as well as in wallcovers, vegetable parchment and crepe papers
- Raw material costs remained high during the review period compared to last year
 - Towards the end of the quarter, prices clearly started to decrease from their peak levels
 - Long lasted upward trend in raw material market seems to be over



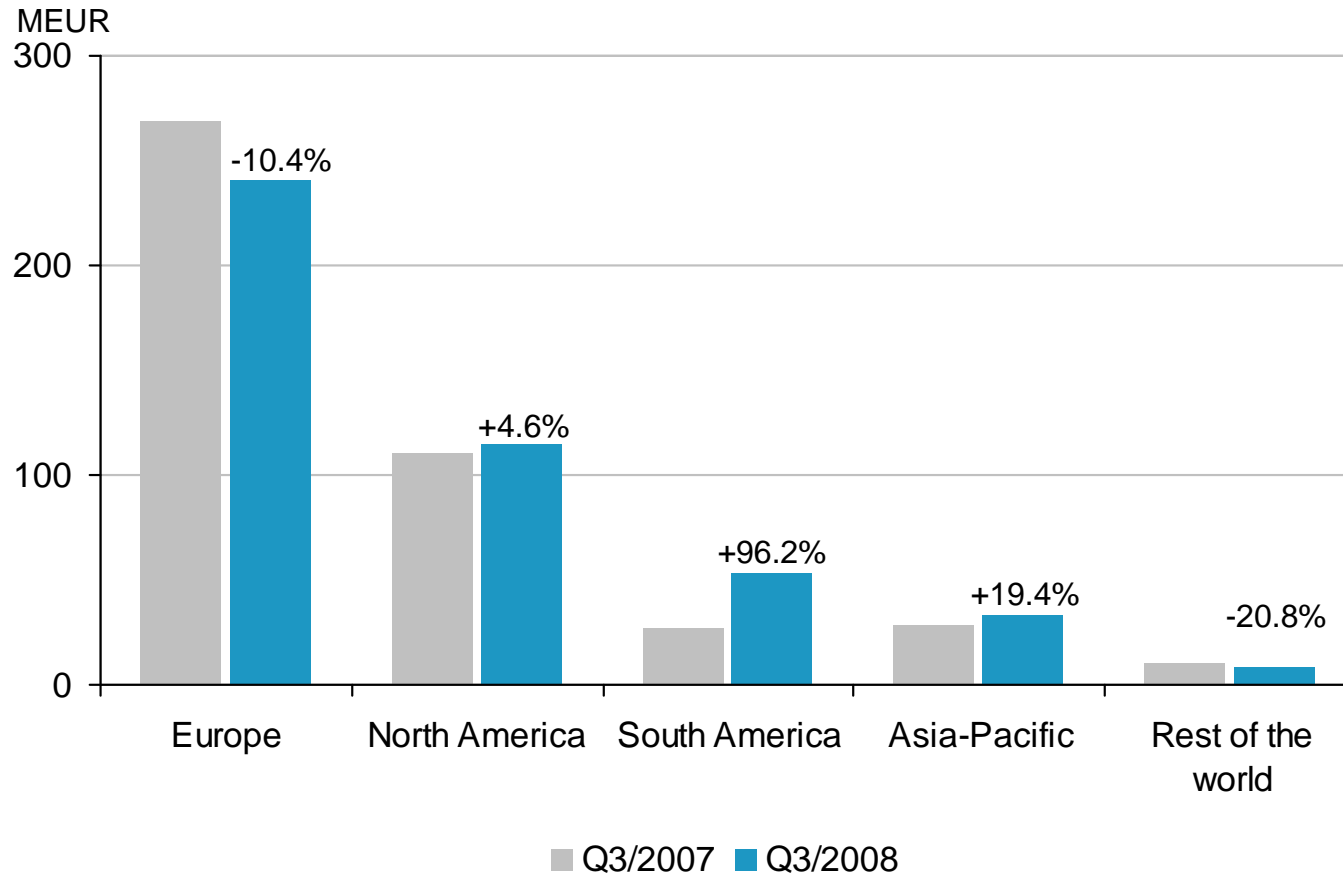
Net sales quarterly



Impact of price increases more visible



Net sales by region



Relative share
of net sales

53.4%

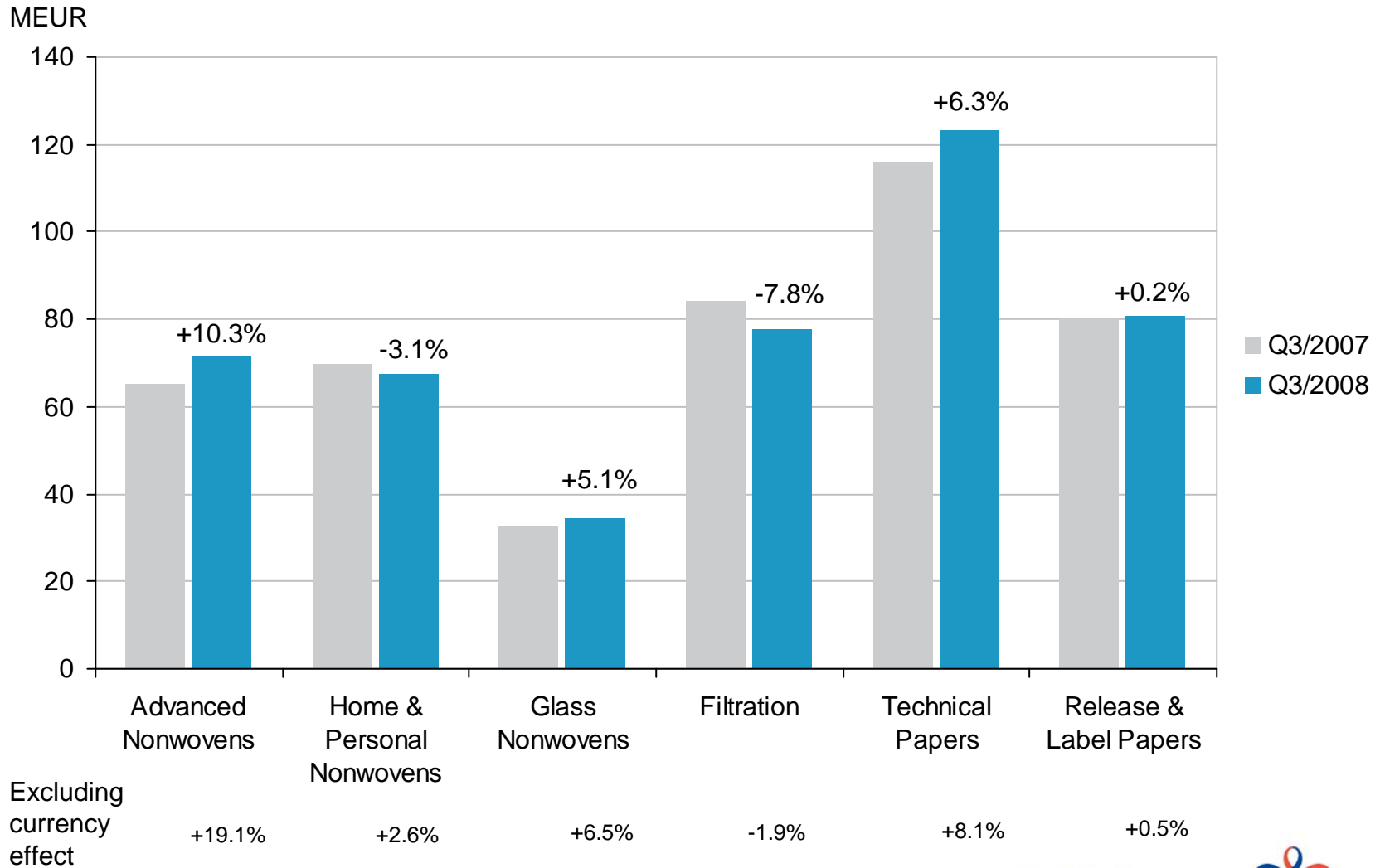
25.5%

11.8%

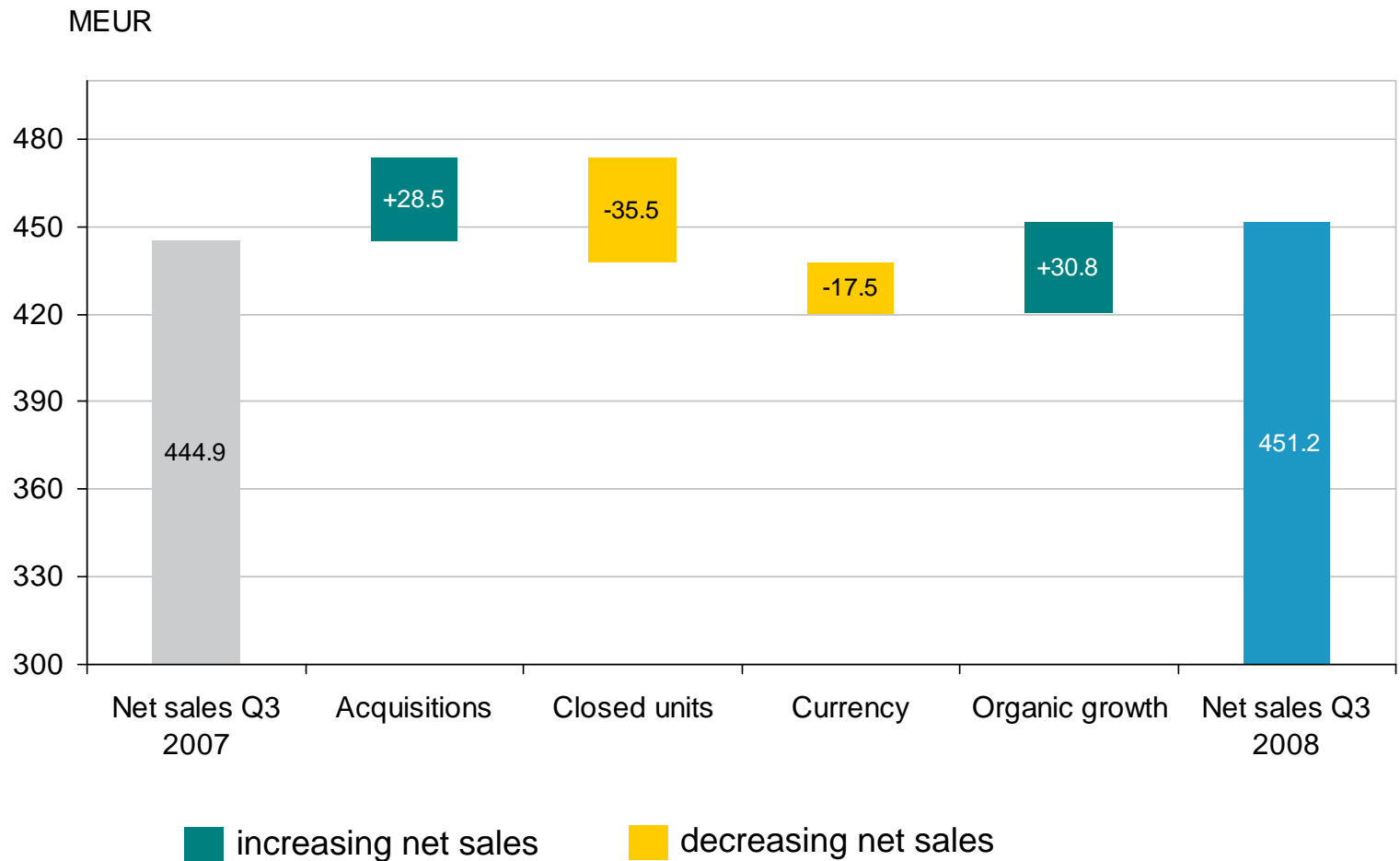
7.5%

1.9%

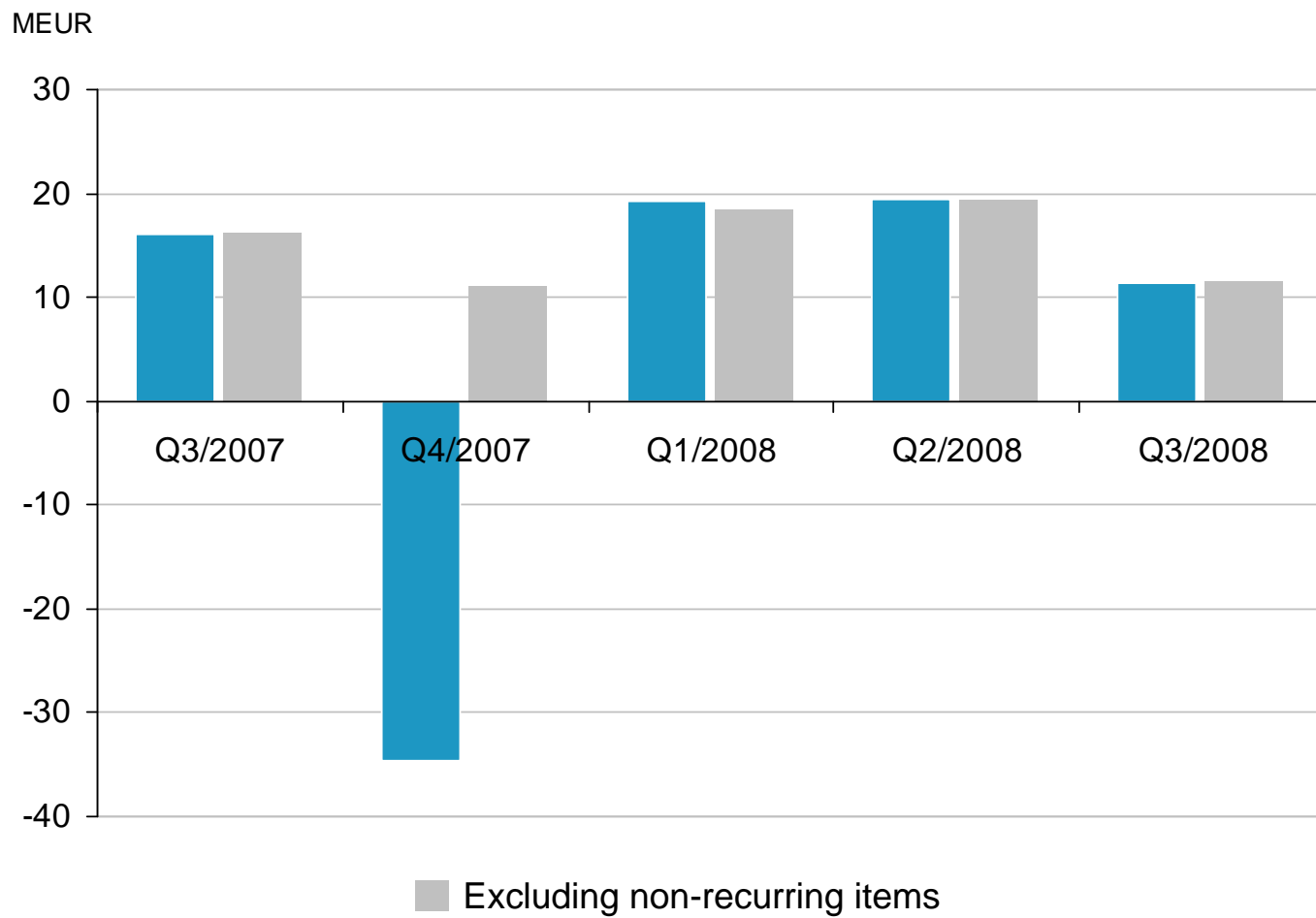
Net sales by business area



Net sales change by components



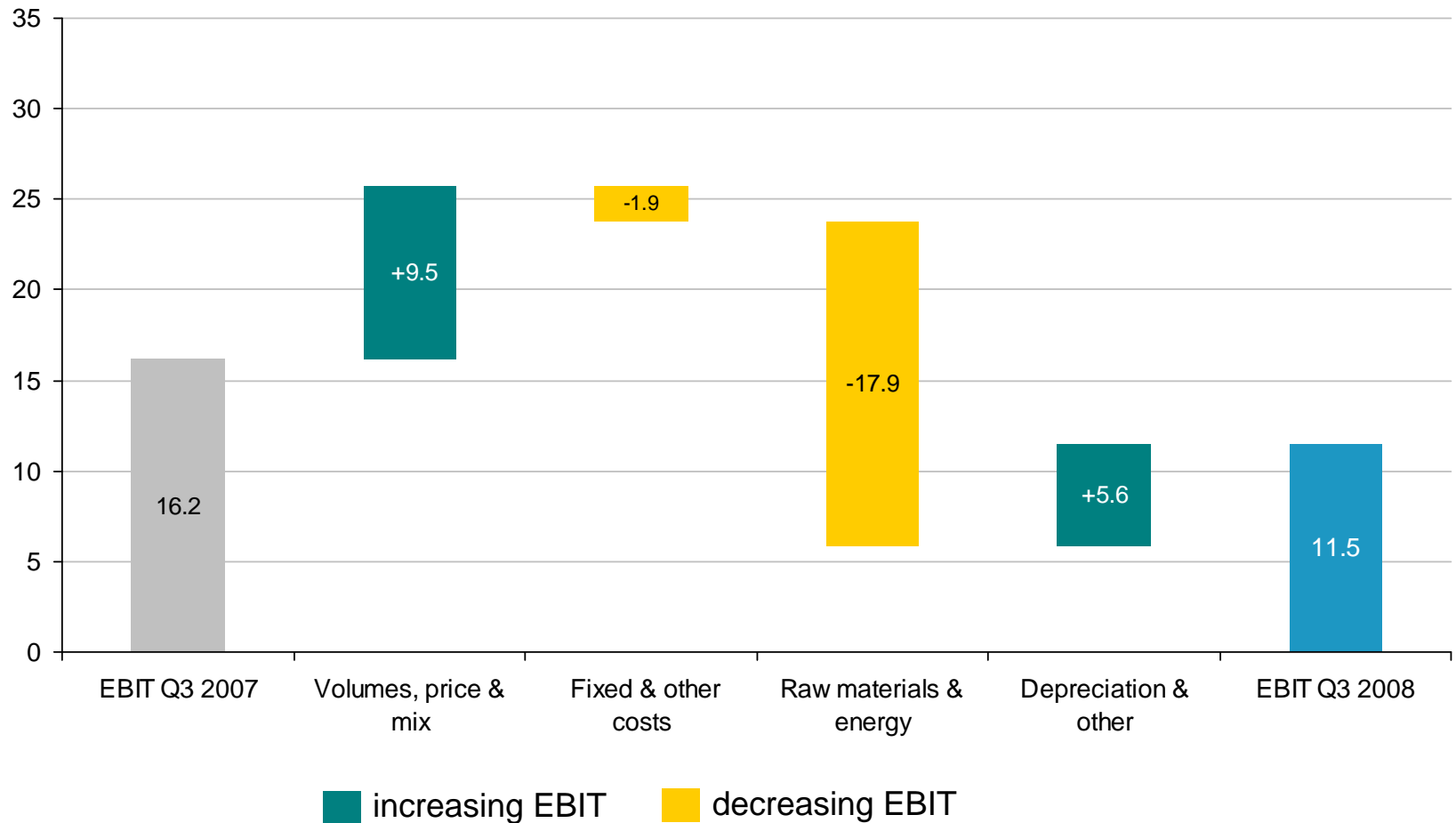
EBIT quarterly



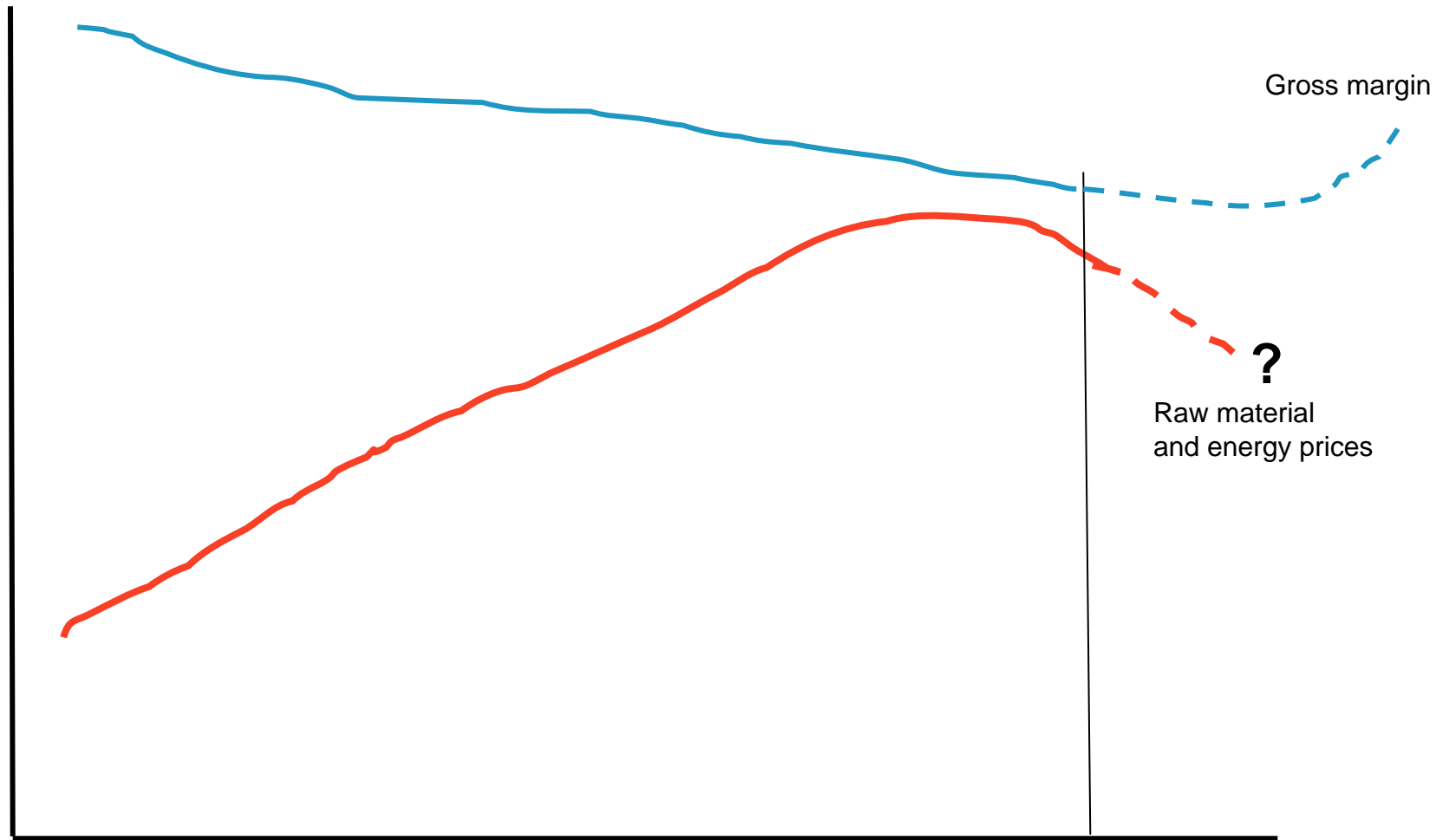
EBIT* change by components

*excluding non-recurring items

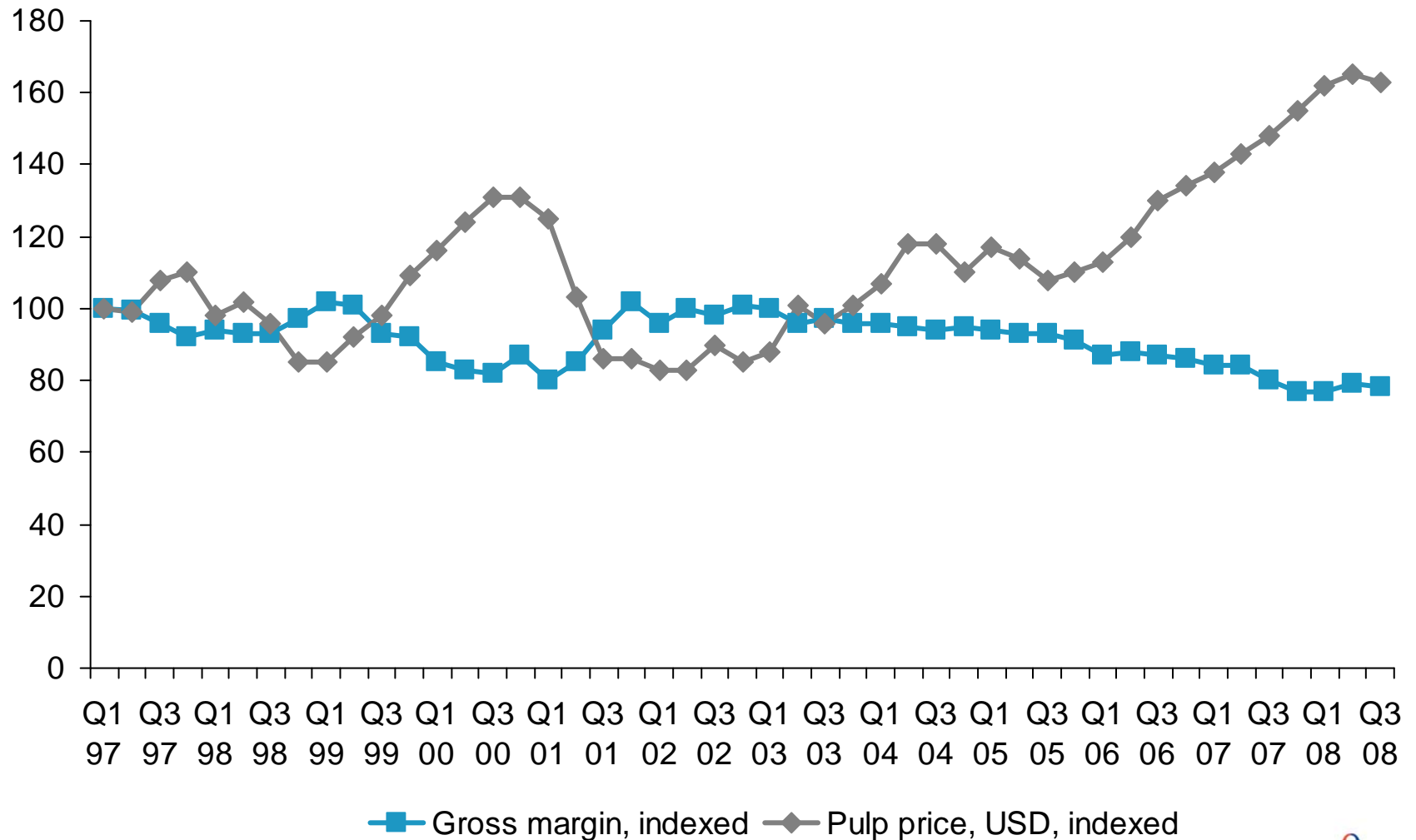
MEUR



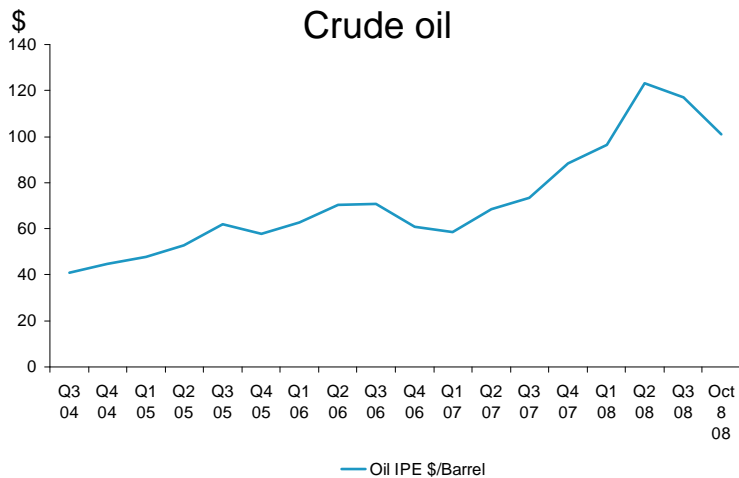
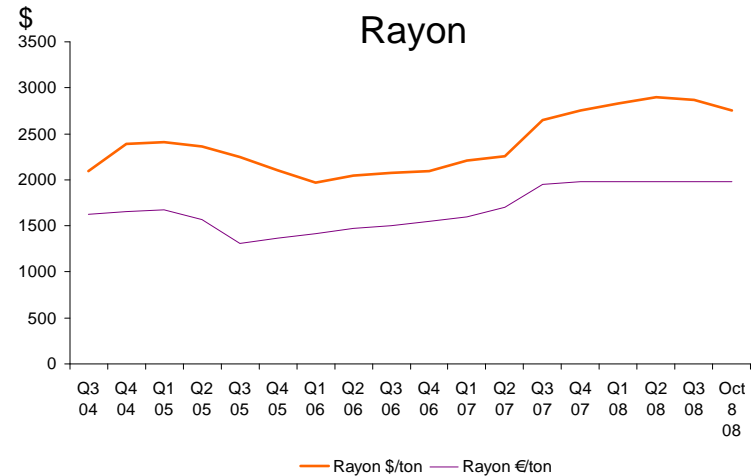
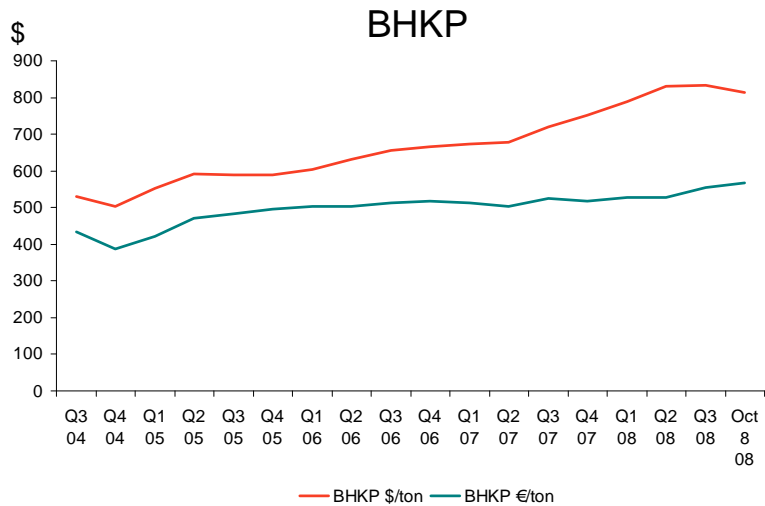
Raw material & energy prices vs. gross margin



Gross margin vs. NBSK pulp price



Raw material market

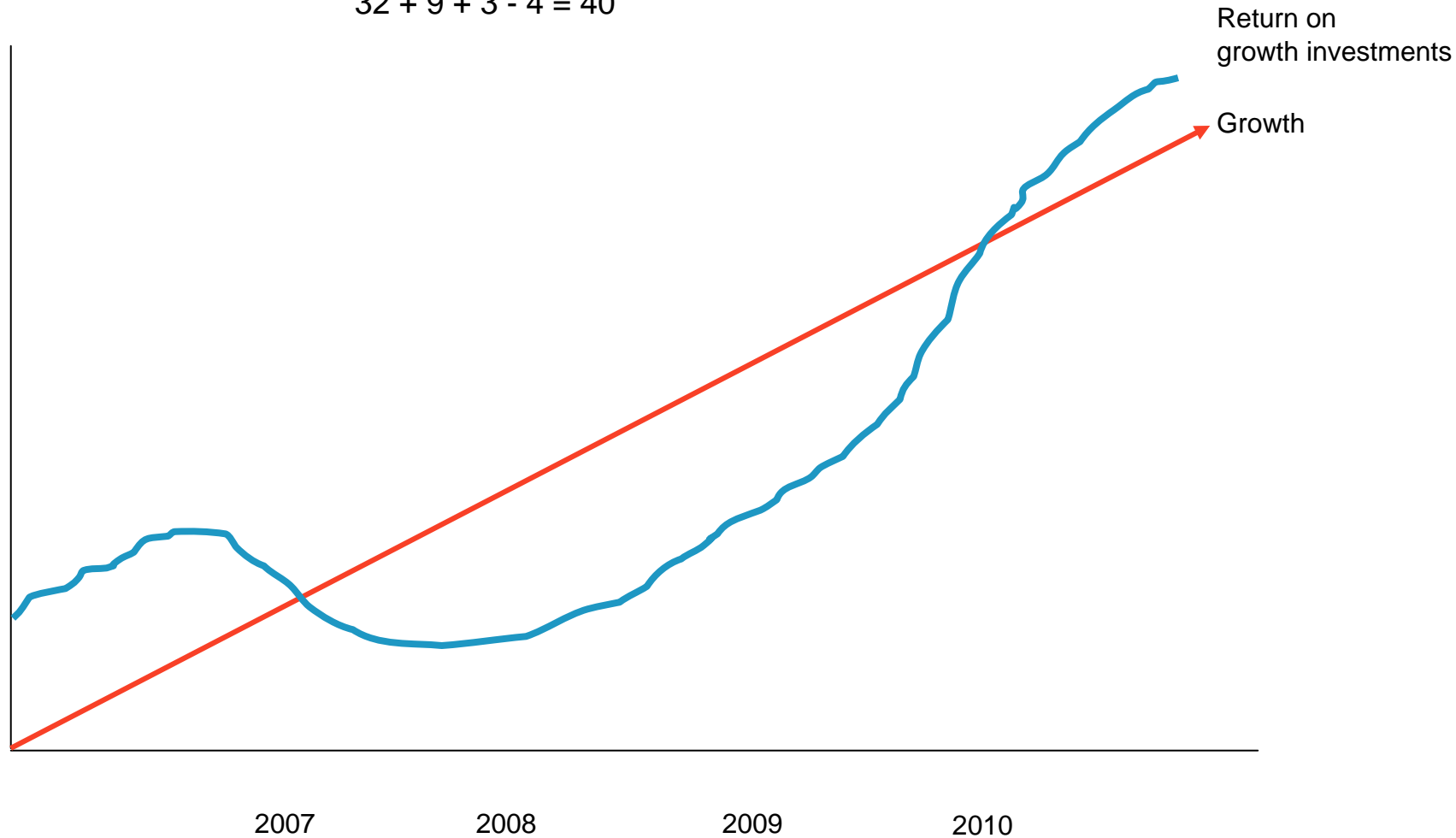


Acquisitions and organic investments

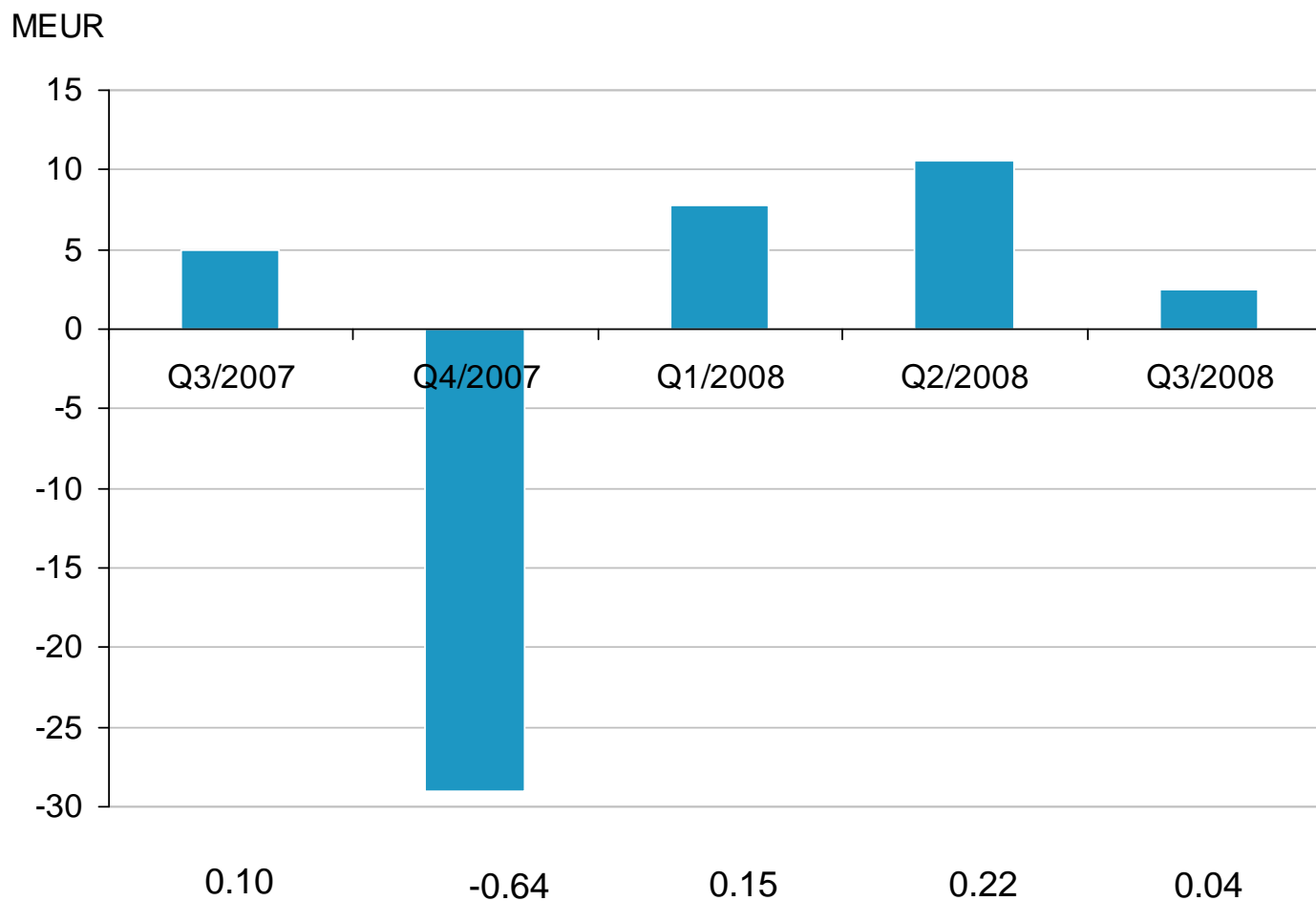
	CAPEX MEUR	START	2007	2008	2009
Green Bay		01/07	[Bar spanning 2007, 2008, and 2009]		
Bishopville		02/07	[Bar spanning 2007, 2008, and 2009]		
La Gère		05/07	[Bar spanning 2007, 2008, and 2009]		
Orlandi (A)		05/07	[Bar spanning 2007, 2008, and 2009]		
Fiberweb (A)		06/07	[Bar spanning 2007, 2008, and 2009]		
Fabriano (A)		06/07	[Bar spanning 2007, 2008, and 2009]		
Jacarei (A)		09/07	[Bar spanning 2007, 2008, and 2009]		
Brignoud		01/08	[Bar spanning 2008 and 2009]		
West Carrollton (A)		02/08	[Bar spanning 2008 and 2009]		
Tver		05/08	[Bar spanning 2008 and 2009]		
Wuxi II		09/08	[Bar spanning 2008 and 2009]		
Bethune Filtr.		09/08	[Bar spanning 2008 and 2009]		
Chirnside		09/08	[Bar spanning 2008 and 2009]		
Paulinia		11/08	[Bar spanning 2008 and 2009]		
Turin PM4		03/09	[Bar spanning 2009]		
India		01/10	[Bar spanning 2010]		
TOTAL	505.0				

Return on growth investments

$$32 + 9 + 3 - 4 = 40$$

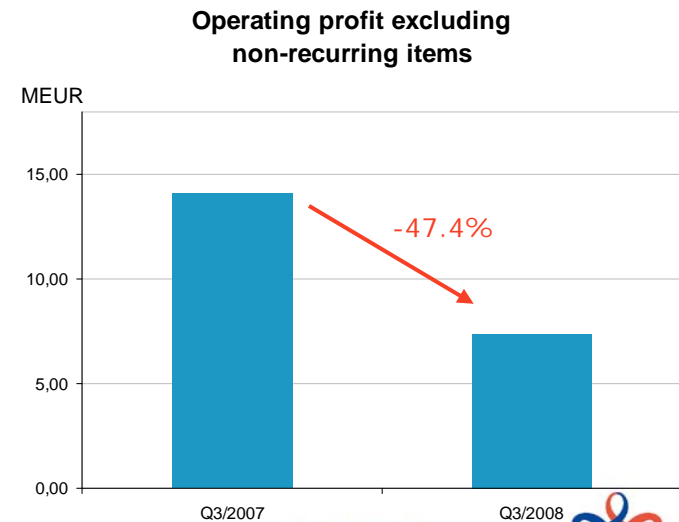
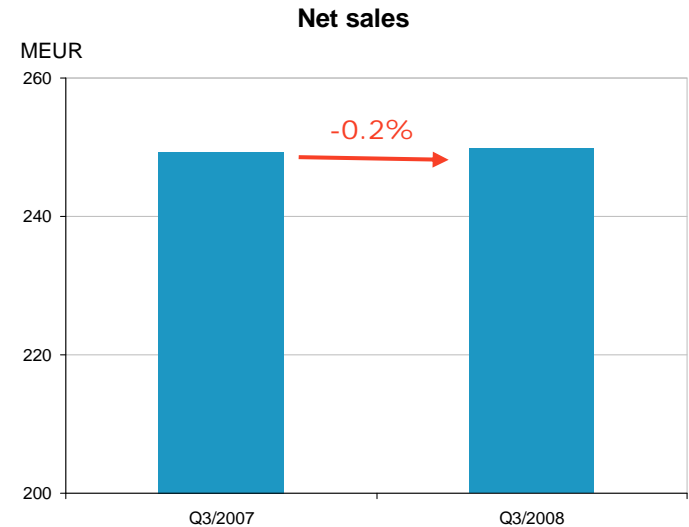


Profit for the period



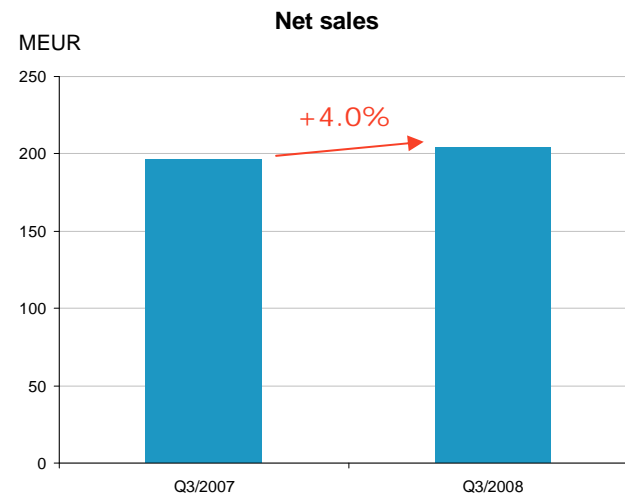
Fiber Composites segment – Highlights Q3 2008

- Net sales EUR 249.3 million (EUR 249.8 million), down by 0.2% on Q3/07
 - Advanced Nonwovens: + 10.3% (+19.1% excl. curr. effect)
 - Home & Personal Nonwovens: -3.1% (+2.8% excl. curr. effect)
 - Glass Nonwovens: +5.1% (+6.5% excl. curr. effect)
 - Filtration: -7.8% (-1.9% excl. curr. effect)
- Sales volumes -1.2%, flat organically
- Operating profit excluding non-recurring items EUR 7.4 million (EUR 14.1 million), down by 47.4% on Q3/07
 - Lower gross margin
 - Decreased demand for wipes and filtration products
 - Currency effect and cost inflation
 - Costs connected with start-ups and integration of acquisitions

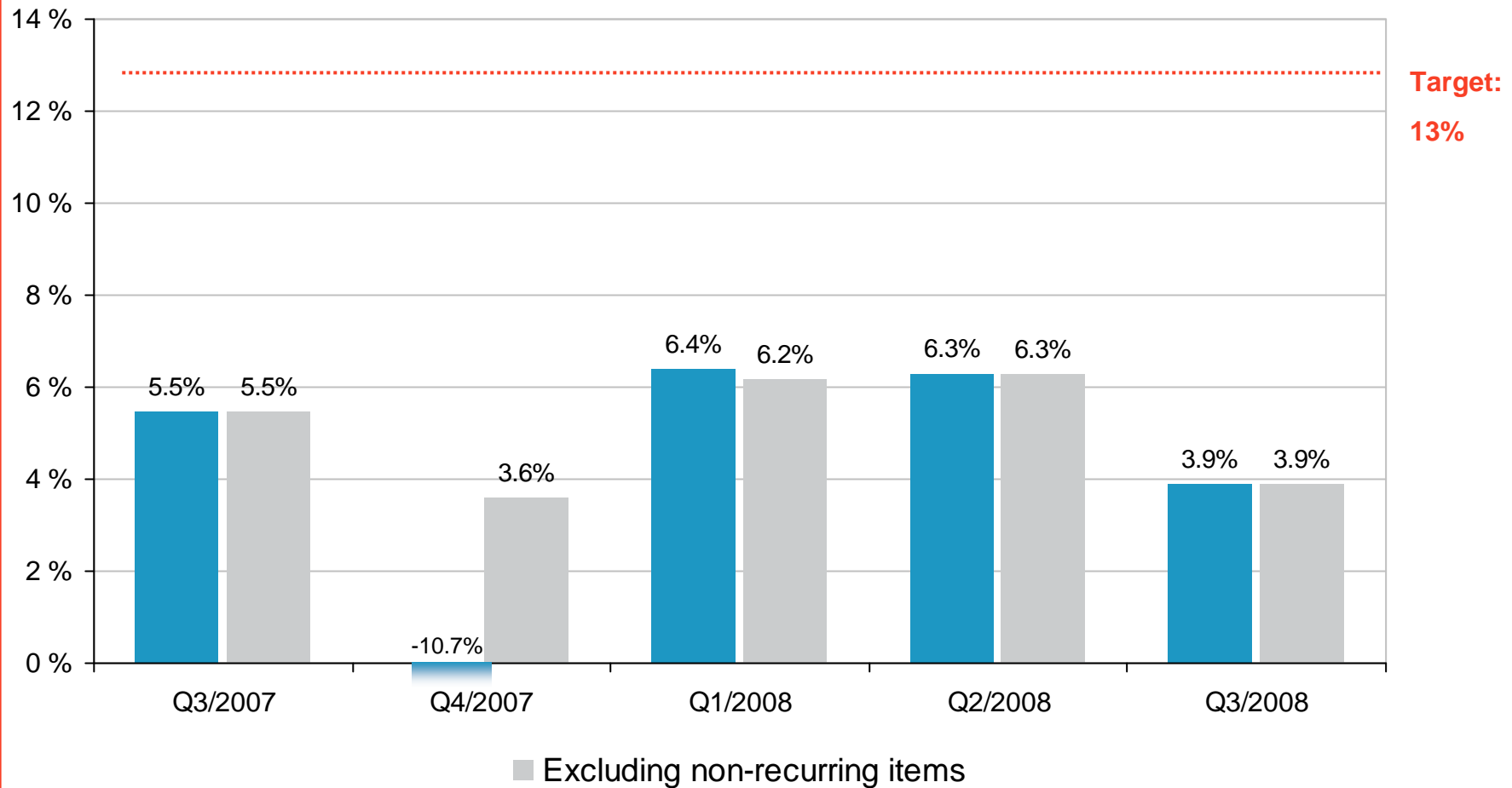


Specialty Papers segment - Highlights Q3 2008

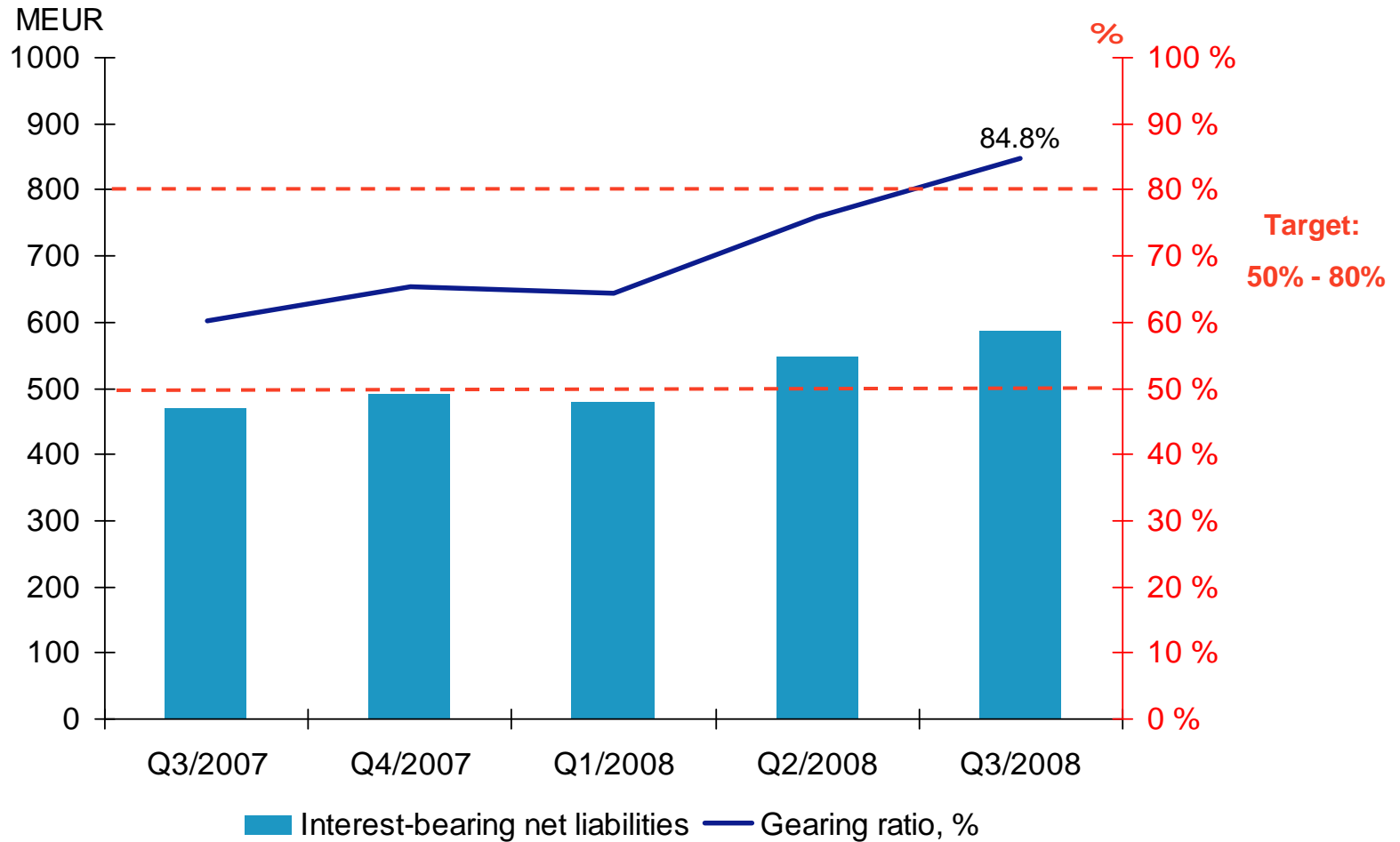
- Net sales EUR 204.0 million (EUR 196.3 million), up by 4.0% from Q3/07
 - Technical Papers: +6.3% (+8.1% excl. curr. effect)
 - Release & Label Papers: +0.2% (+0.5% excl. curr. effect)
- Sales volumes down by 1.1%, growing organically by 4.3%
- Operating profit grew to EUR 6.4 million (EUR 2.7 million) excluding non-recurring items
 - Good performance of Technical Papers and improvement in Release & Label Papers



Return on capital employed (ROCE)



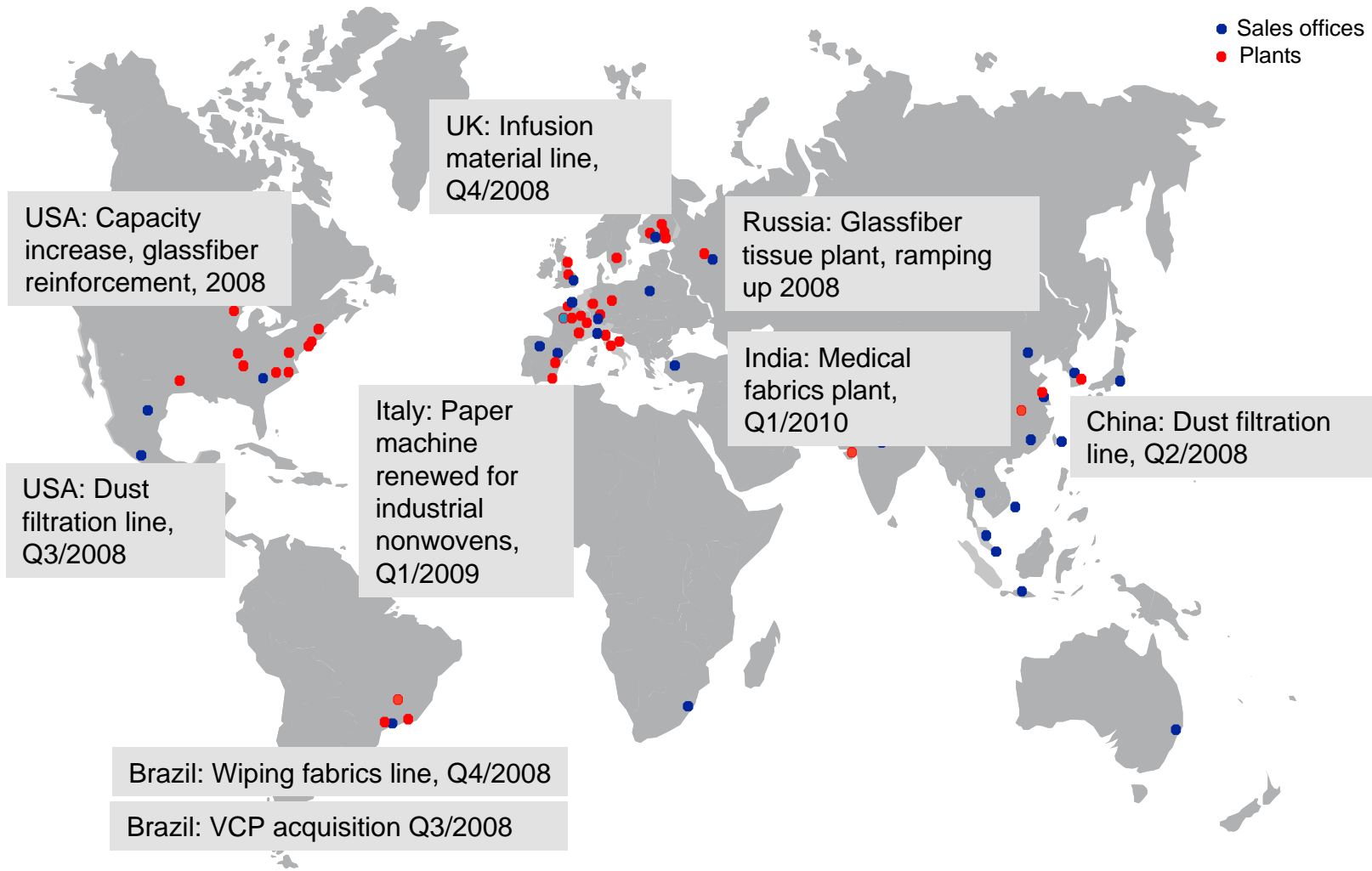
Interest-bearing net liabilities and gearing ratio



Cash flow and investments

	Q1-Q3/2008 (MEUR)	Q1-Q3/2007 (MEUR)
Cash flow before changes in net working capital	119.2	106.9
Change in net working capital	9.1	-36.4
Capital expenditure and acquisitions	-114.1	-315.4
Cash flow after investments	14.2	-244.9
Taxes paid, financial items and change in provisions	-57.4	-36.4
Cash flow before financing activities	-43.3	-281.3

Focus 2008: leveraging on growth investments



2008 CAPEX estimate approximately EUR 120 million excluding acquisitions

Outlook

- The demand for a major part of Ahlstrom's products has still been growing and the company expects its full-year net sales to increase from that of 2007.
- Despite the volume increase in a majority of Ahlstrom's businesses during the third quarter, there was a stronger than anticipated decrease in the demand for some of Ahlstrom's products, e.g. wipes and products for the building, automotive and marine industries.
- Ahlstrom anticipates its full-year operating profit excluding non-recurring items to be clearly lower than that of 2007, which was EUR 67.8 million. The company has taken actions to adjust its production to the lower demand.
- Prices for Ahlstrom's main raw materials, especially pulp, are expected to decrease from the current high level. Decreasing raw material and oil prices are anticipated to have a positive impact on Ahlstrom's cost base. In addition, the recent heavy growth investment program is expected to have a favorable effect on Ahlstrom's result in 2009 as compared with that of 2008.





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.