

Interim Report

January – September 2010

Small
Big fibers.
difference.



Ahlstrom Corporation STOCK EXCHANGE RELEASE October 26, 2010, at 12.00

Ahlstrom interim report January–September 2010: **Sales growth continued**

July–September 2010 compared to July–September 2009:

- Net sales EUR 482.4 million (EUR 400.6 million), up 20.4%.
- Operating profit EUR 16.9 million (EUR 13.1 million). The figure includes non-recurring items of EUR 0.3 million (EUR -4.4 million).
- Profit before taxes EUR 8.3 million (EUR 7.3 million), and earnings per share EUR 0.06 (EUR 0.10).
- Net cash flow from operating activities EUR 67.5 million (EUR 67.3 million).

January–September 2010 compared to January–September 2009:

- Net sales EUR 1,412.8 million (EUR 1,175.6 million), up 20.2%.
- Operating profit EUR 60.7 million (EUR 12.1 million). The figure includes non-recurring items of EUR 1.4 million (EUR -8.2 million).
- Profit before taxes EUR 38.1 million (loss before taxes EUR 6.6 million) and earnings per share EUR 0.44 (EUR -0.11).
- Net cash flow from operating activities EUR 144.7 million (EUR 161.0 million).

Events in July–September 2010

- Ahlstrom completed the acquisition of Shandong Puri Filter & Paper Products Limited, manufacturer of filter materials for the transportation industry, in China.
- The company's new financial reporting segments became effective on July 1, 2010 as part of the renewed organizational and operating model.

Outlook for 2010

- Ahlstrom reiterates its previous outlook. The company estimates that net sales for the current year will be above the 2008 level. Operating profit excluding non-recurring items is estimated to increase from 2009.

Long-term financial targets

- The company's Board of Directors today approved Ahlstrom's specified long-term financial targets. The targets for return on capital employed and gearing ratio remain unchanged, and in addition, Ahlstrom is seeking an increase of at least 5% in net sales annually at constant currency rates, including acquisitions.

Jan Lång, President and CEO:

-The demand for our products continued to develop as forecasted in most of our customer segments, and our cash flow remained strong in the third quarter, when demand is seasonally weaker in many of our markets. Our growth strategy in Asia moved forward with the completion of the acquisition of Shandong Puri Filter & Paper Products Limited in China.

- Higher maintenance costs and adverse currency moves affected our results negatively in the quarter. However, we will continue to work hard to improve our profitability and increase performance of the production lines that were part of our 2007 and 2008 investment program.

KEY FIGURES

Million EUR	7-9/ 2010	7-9/ 2009	Change, %	1-9/ 2010	1-9/ 2009	Change, %
Net sales	482.4	400.6	20.4	1,412.8	1,175.6	20.2
Operating profit/loss	16.9	13.1	29.4	60.7	12.1	402.7
Profit/loss before taxes	8.3	7.3	14.3	38.1	-6.6	-
Profit/loss for the period	4.1	4.9	-15.2	24.7	-5.0	-
Earnings per share	0.06	0.10	-	0.44	-0.11	-
Return on capital employed (ROCE), %	6.0	4.8	-	7.4	1.5	-
Equity ratio, %	44.3	39.3	-	44.3	39.3	-
Gearing ratio, %	47.7	81.9	-	47.7	81.9	-
Interest-bearing net liabilities	333.7	511.3	-34.7	333.7	511.3	-34.7
Capital expenditure (excluding acquisitions)	16.9	12.4	36.7	28.7	53.9	-46.7
Net cash flow from operating activities	67.5	67.3	0.2	144.7	161.0	-10.1
Number of personnel on average	5,844	5,899	-0.9	5,805	6,034	-3.8
Number of personnel, at the end of the period	5,949	5,849	1.7	5,949	5,849	1.7

OPERATING ENVIRONMENT

Demand for Ahlstrom's products continued to increase in July–September, supported by the global economic growth. The pace of volume growth stabilized in the third quarter compared to the beginning of 2010, as was anticipated in the previous Interim Report. The vacation season coincided with the period under review, resulting in downtime at many plants in Europe. Market related downtime in production, however, decreased.

The European Commission imposed in September a provisional antidumping duty on imports of certain glassfiber products originating from the People's Republic of China to the European Union. The Commission has in its investigation concluded that products originating from China create an imminence of disadvantage for the industry in the European Union.

Rising prices of pulp and most of the other raw materials used by Ahlstrom stabilized in the third quarter after a steady increase since mid-2009. On the other hand, the prices of materials used in glassfiber increased in the third quarter.

DEVELOPMENT OF NET SALES

Net sales by business area	7–9/ 2010	7–9/ 2009	Change, %	1–9/ 2010	1–9/ 2009	Change, %
Building and Energy	66.3	57.6	15.2	196.7	167.6	17.4
Filtration	87.4	70.5	24.0	254.9	204.8	24.5
Food and Medical	88.7	74.7	18.7	262.4	231.7	13.3
Home and Personal	78.3	66.6	17.5	215.6	192.1	12.3
Label and Processing	182.2	150.0	21.5	542.4	436.0	24.4
Other functions* and eliminations	-20.5	-18.8	-	-59.2	-56.5	-
Total net sales	482.4	400.6	20.4	1,412.8	1,175.6	20.2

* Other functions include financing and taxation-related receivables, liabilities, and cost items, as well as earnings, costs, assets, and liabilities belonging to holding and sales companies.

Development of net sales in July–September 2010

The Group's net sales increased by 20.4% compared to July–September 2009 and amounted to EUR 482.4 million (EUR 400.6 million). Increase in net sales was primarily due to price increases, while currency fluctuations and higher volumes had a positive impact as well. Strongest growth was seen in the Asia Pacific region (+74.1%) and in South America (+42.3%). Net sales in Europe increased by 15.4% and in North America by 6.0%.

Net sales in the *Building and Energy* segment increased by 15.2% to EUR 66.3 million (EUR 57.6 million). Net sales were in particular increased by the growth of the wallpaper market in China and the construction and flooring material markets in Russia. The wind power markets using Ahlstrom's glassfiber materials improved in Europe, while remained depressed in North America.

Net sales of the *Filtration* segment increased by 24.0% to EUR 87.4 million (EUR 70.5 million). Growth was supported by the continued growth in Asia and recovery in North American automotive industry, as well as higher selling prices and favorable currency fluctuations.

Net sales in the *Food and Medical* segment increased by 18.7% to EUR 88.7 million (EUR 74.7 million). Growth was attributable to price increases and favorable currency fluctuations. Demand for food packaging and infusion materials as well as medical nonwovens continued to be steady.

Net sales in the *Home and Personal* segment increased by 17.5% to EUR 78.3 million (EUR 66.6 million). Net sales were increased by growing sales volumes as well as by price increases.

Net sales in the *Label and Processing* segment increased by 21.5% to EUR 182.3 million (EUR 150.0 million). Net sales grew, in particular, due to increased sales prices to cover higher raw material costs. Demand grew in all specialty paper products, with the exception of poster and pre-impregnated decor papers. Favorable currency moves also had a positive impact.

Development of net sales in January–September 2010

Increased demand for Ahlstrom's products continued in January–September, and the company adjusted the prices of its products due to the rapidly increased raw material costs. The Group's net sales for January–September amounted to EUR 1,412.8 million, showing an increase of 20.2% compared to the corresponding period in the previous year (EUR 1,175.6 million). The change in net sales was affected by higher sales volumes and price increases.

Net sales grew the most in the *Filtration* (+24.5%), *Label and Processing* (+24.4%) and *Building and Energy* (+17.4%) business areas. Also the less cyclical business areas of *Food and Medical* (+13.3%) and *Home and Personal* (+12.3%) saw an increase in net sales.

RESULT AND PROFITABILITY

Financial result by business area	7-9/ 2010	7-9/ 2009	Change, MEUR	1-9/ 2010	1-9/ 2009	Change, MEUR
Building and Energy						
Operating profit/loss	0.5	-1.4	2.0	0.2	-6.2	6.4
Operating profit/loss, %	0.8	-2.5	-	0.1	-3.7	-
RONA, %	1.4	-3.3	-	0.1	-4.9	-
Filtration						
Operating profit/loss	7.0	5.3	1.7	23.9	10.6	13.2
Operating profit/loss, %	8.1	7.6	-	9.4	5.2	-
RONA, %	14.8	11.0	-	17.5	7.1	-
Food and Medical						
Operating profit/loss	1.6	2.6	-1.0	10.9	7.7	3.2
Operating profit/loss, %	1.8	3.5	-	4.2	3.3	-
RONA, %	3.0	5.1	-	7.1	4.9	-
Home and Personal						
Operating profit/loss	2.6	2.1	0.5	4.4	-0.6	5.0
Operating profit/loss, %	3.4	3.2	-	2.0	-0.3	-
RONA, %	5.2	3.8	-	3.0	-0.4	-
Label and Processing						
Operating profit/loss	7.7	5.0	2.7	27.2	4.2	23.0
Operating profit/loss, %	4.2	3.3	-	5.0	1.0	-
RONA, %	10.6	6.0	-	12.2	1.6	-
Other functions* and eliminations						
Operating profit/loss	-2.6	-0.6	-2.0	-5.8	-3.6	-2.2
Ahlstrom Group total						
Operating profit/loss	16.9	13.1	3.8	60.7	12.1	48.6
Operating profit/loss, %	3.5	3.3	-	4.3	1.0	-
ROCE, %	6.0	4.8	-	7.4	1.5	-

* Other functions include financing and taxation-related receivables, liabilities, and cost items, as well as earnings, costs, assets, and liabilities belonging to holding and sales companies.

Result and profitability in July–September 2010

The Group operating profit was EUR 16.9 million (EUR 13.1 million). The figure includes non-recurring items of EUR 0.3 million (EUR -4.4 million). Operating profit excluding non-recurring items was EUR 16.6 million and fell slightly short of that in the comparison period (EUR 17.5 million).

The operating profit was positively affected by increased production and deliveries due to improved demand, and also by continued streamlining of operations and the restructuring programs of 2009. Profit was negatively affected by higher maintenance costs during the vacation shutdowns compared with the comparison period and adverse currency moves. In addition, development program costs related to the new operating model as well as challenges in ramp-up and commercialization of production lines included in the investment programs of the previous years hurt profitability.

Ahlstrom increased the prices of specialty papers, filtration materials and wipes in particular in the period under review.

Operating profit of the *Building and Energy* segment increased to EUR 0.5 million from a loss of EUR 1.4 million in the comparison period, supported by streamlined operations and increased utilization rates. Ramp-up of the hybrid wallcovering line in Turin, Italy, continued. The operating profit of the *Filtration* segment grew to EUR 7.0 million (EUR 5.3 million) due to higher sales volumes.

Operating profit of the *Food and Medical* segment fell to EUR 1.6 million (EUR 2.6 million). The result was weakened by the medical nonwovens plant in Mundra, India, which was started earlier this year. Also, the commercialization of the teabag material line in Chirnside, UK, has been significantly delayed.

Operating profit of the *Home and Personal* segment increased to EUR 2.6 million (EUR 2.1 million), supported by increased sales volumes and higher utilization rates. Operating profit of the *Label and Processing* segment increased to EUR 7.7 million (EUR 5.0 million). Profit growth was curbed by maintenance carried out in the plants during the vacations and adverse currency moves.

Due to recovered demand, market related downtime in production amounted to 9.3% in July–September 2010, whereas it had been 14.8% in the same period last year.

Net financial expenses were EUR 7.9 million (EUR 6.8 million). Net financial expenses include net interest expenses of EUR 5.6 million (EUR 5.9 million), financing exchange rate losses of EUR 0.8 million (loss of EUR 0.4 million), and other financial expenses of EUR 1.4 million (EUR 0.4 million).

Profit before taxes was EUR 8.3 million (EUR 7.3 million).

Income taxes amounted to EUR 4.2 million (EUR 2.4 million).

Profit for the period was EUR 4.1 million (EUR 4.9 million). Earnings per share were EUR 0.06 (EUR 0.10).

Return on capital employed (ROCE) amounted to 6.0% (4.8%), and return on equity (ROE) was 2.3% (3.1%).

Result and profitability in January–September 2010

The Group operating profit was EUR 60.7 million (operating profit of EUR 12.1 million). The result includes non-recurring items of EUR 1.4 million (EUR -8.2 million). Operating profit excluding non-recurring items was EUR 59.3 million and

thus higher than in the comparison period (EUR 20.2 million). The operating profit was in particular increased by improved sales volumes and the streamlining measures started in 2009.

Due to recovered demand, market related downtime in production was 9.8% in January–September 2010, whereas it had been 20.3% in the same period last year.

Net financial expenses were EUR 21.4 million (EUR 19.8 million). Net financial expenses include net interest expenses of EUR 16.9 million (EUR 18.3 million), financing exchange rate losses of EUR 0.3 million (a loss of EUR 0.2 million), and other financial expenses of EUR 4.1 million (EUR 1.2 million).

Profit before taxes was EUR 38.1 million (EUR -6.6 million).

Income taxes were EUR 13.4 million (deferred tax income EUR 1.6 million).

Profit for the period was EUR 24.7 million (EUR -5.0 million). Earnings per share were EUR 0.44 (EUR -0.11).

FINANCING

Net cash flow from operating activities in January–September amounted to EUR 144.7 million (EUR 161.0 million), and cash flow after investments was EUR 104.3 million (EUR 106.2 million).

Operative working capital has been given special attention since the beginning of 2009. In January–September 2010, operative working capital decreased by EUR 36.4 million and turnover rate declined by 14 days. By the end of the period, operative working capital amounted to EUR 208.3 million, which was EUR 140.7 million less than at the end of 2008 before the project to improve working capital was started. Turnover had improved to 39 days.

The company's interest-bearing net liabilities decreased by EUR 62.2 million from the end of 2009 to EUR 333.7 million (December 31, 2009: EUR 395.9 million). Ahlstrom's interest-bearing liabilities amounted to EUR 378.2 million. The duration of the loan portfolio (average interest rate tying period) was 25 months and the capital-weighted average interest rate was 4.14%. The average maturity of the loan portfolio was 28 months.

The company's liquidity is good. At the end of the period, its total liquidity, including cash, unused committed credit facilities, and the consolidated account overdraft facilities totaled EUR 336.9 million. In addition, the company had uncommitted credit facilities totaling EUR 152.5 million available.

Gearing ratio decreased to 47.7% (December 31, 2009: 57.7%). Equity ratio was 44.3% (December 31, 2009: 44.8%).

CAPITAL EXPENDITURE

The company's investments excluding acquisitions amounted to EUR 28.7 million in January–September (EUR 53.9 million).

In September, Ahlstrom completed the purchase of the entire share capital of Shandong Puri Filter & Paper Products Ltd. from Purico Group. The debt free acquisition price was EUR 22.5 million. The company manufactures filtration materials for the transportation industry in Binzhou, Shandong province, in northeastern China and currently employs approximately 170 people.

Ahlstrom's new medical nonwovens plant in Mundra, on the northwestern coast of India, was inaugurated in May. The investment was approximately EUR 42 million, and initially the plant employs approximately 70 people.

CHANGES IN THE EXECUTIVE MANAGEMENT TEAM

Risto Anttonen, Deputy to the CEO, will retire by December 31, 2010. Mr. Anttonen is in charge of business development, and after his retirement, these tasks will be transferred to other members of the Executive Management Team.

STREAMLINING PROGRAMS

Ahlstrom announced in September it will start consultations with employees and customers to investigate future options, including a possible closure, for its spunlace composite production line number 23 at the Chirnside plant in the United Kingdom. The consultations affect a maximum of 11 employees. The line is currently underutilized and the level of activity is not enough to support the economic viability of the line. Ahlstrom aims to complete the consultations during the fourth quarter.

The project to reduce material waste in production launched this year has progressed according to plan. Ahlstrom targets a reduction of production waste volume by 15 percent, equaling savings of approximately EUR 20 million per year fully visible in 2012. The project was launched in two pilot units, and will be extended to all production units by the end of next year.

The targeted EUR 55 million in savings from restructuring programs started in 2009 will be achieved in full this year.

The project to improve working capital started last year is in its final stages and will continue until the end of the year.

PERSONNEL*

In January–September, Ahlstrom employed an average of 5,805 people* (6,034), and at the end of the period, 5,949 people (5,849). The 2009 restructuring programs resulted in the reduction of approximately 700 people, of whom 641 people were terminated by the end of September this year. On the other hand, the company hired new personnel in, for example, India at the beginning of the year and the acquisition of the filtration materials plant in China increased personnel.

* The personnel figures were calculated as man-years

At the end of September, the highest numbers of employees were in the United States (24%), France (21%), Italy (12%), Finland (9%), Germany (9%), and Brazil (7%).

AUTHORIZATIONS OF THE BOARD

Ahlstrom Corporation's Annual General Meeting of March 31, 2010 authorized the Board of Directors to repurchase the company's own shares in one or more installments in accordance with the proposal of the Board. Based on the authorization, a maximum of 4,500,000 of the company's own shares can be repurchased, however, taking into consideration the regulations of the Limited Liability Companies Act regarding the allowable maximum number of own shares at any given time. The shares may be repurchased only through public trading at the prevailing market price using unrestricted shareholders' equity.

The authorization contains the right of the Board of Directors to decide on all other terms and conditions of the repurchase. Thus, the authorization also contains the right to repurchase shares in a manner other than applying the proportionate ownership of the shareholders.

Based on the authorization, the Board of Directors may resolve to distribute a maximum of 4,500,000 own shares in the company's possession. The Board of Directors is authorized to decide to whom and in which order the shares will be distributed. The Board of Directors may resolve to distribute shares in a manner other than that in which the shareholders have the priority to repurchase shares. The shares may be used as consideration in acquisitions and in other arrangements as well as to implement the company's share-based incentive plans, in a manner and scope decided on by the Board of Directors. The Board of Directors also has the right to decide on the distribution of the shares in public trading for the purpose of financing possible acquisitions.

The Board's authorizations to repurchase and distribute own shares are valid for 18 months from the close of the Annual General Meeting but will, however, expire at the close of the next Annual General Meeting, at the latest.

EVENTS AFTER THE REVIEW PERIOD

Ahlstrom initiates internal investigation on its business conduct in India

October 13, 2010, Ahlstrom initiated an internal investigation on the adherence to its Code of Conduct at its manufacturing plant in Mundra, India. The investigation deals with suspected unethical behavior in handling relationships with local authorities. Ahlstrom has a strict Code of Conduct globally and the purpose of the investigation is to find out whether the Code has been complied with in its Indian operations.

The investigation has been initiated as a result of issues raised during the writing of an article for the Finnish business magazine Talouselämä. The inquiry is thorough and it will be carried out by an independent third party. Ahlstrom will comment later on the results of the investigation.

Specified long-term financial targets

On October 26, 2010, Ahlstrom's Board of Directors approved updated long-term financial targets supporting the company's profitable growth strategy. The targets for return on capital employed and gearing ratio remain unchanged, and in addition, Ahlstrom is seeking an increase of at least 5% in net sales annually at constant currency rates, including acquisitions.

The targeted return on capital employed over the cycle remains at a minimum of 13 percent, and the goal is to achieve this by 2012. With the current balance sheet structure, it takes a minimum of 7 percent operating profit margin to reach this target. The targeted gearing ratio is 50 to 80 percent.

Repurchase of Ahlstrom shares

On October 26, 2010, Ahlstrom's Board of Directors decided to utilize the authorization given by the Annual General Meeting held on March 31, 2010 to repurchase Ahlstrom shares for the implementation of the company's share-based incentive plan.

The maximum number of shares to be acquired is 75,000, corresponding to less than 0.2% of the total number of shares. The repurchases shall decrease the distributable capital and reserves. **SHARES AND SHARE CAPITAL**

Ahlstrom's shares are listed on the NASDAQ OMX Helsinki. Ahlstrom has one series of shares. The share is classified under NASDAQ OMX's Materials sector and the trading code is AHL1V.

In January–September 2010, a total of 6.47 million Ahlstrom shares were traded for a total of EUR 77.5 million. The lowest trading price was EUR 9.31 and the highest EUR 17.00. The closing price on September 30, 2010 was EUR 16.86. The market capitalization was EUR 782.4 million at the end of September.

Ahlstrom Group's equity per share was EUR 13.33 at the end of the review period (December 31, 2009: EUR 12.98).

During the period under review, Ahlstrom's Board of Directors used the authorization granted by the Annual General Meeting of March 25, 2009, to repurchase the company's own shares. The number of shares purchased was 75,000, which accounts for less than 0.2% of Ahlstrom's all shares. The repurchase reduced the company's distributable shareholders' equity. The purchases began on February 10, 2010, and ended on March 16, 2010. The average price was EUR 11.68.

According to a share ownership plan started in August 2010, the Chief Executive Officer and other members of the Executive Management team personally invest a substantial amount of their own funds in Ahlstrom shares through a holding company, Ahlcorp Oy, with the exception of the EMT member William Casey, who, due to US legal requirements, acquires Ahlstrom shares directly. The participants finance their investments partly themselves and partly by a loan granted by Ahlstrom Corporation to Ahlcorp Oy and William Casey. The loans granted by Ahlstrom are interest-bearing and amount to a maximum of EUR 3,920,000. As part of the plan, Ahlcorp Oy and William Casey shall purchase a maximum amount of Ahlstrom shares worth EUR 4,900,000.

The plan enables the participants to acquire a considerable long-term shareholding in Ahlstrom. It aligns the interests of the management and Ahlstrom and supports the implementation of Ahlstrom's strategic targets. The actual owner risk will be borne personally by the participants for the part of their personal investment in the plan.

By the end of September, Ahlcorp Oy and William Casey had acquired 214,039 Ahlstrom shares, which has been reported as a purchase of own shares. The purchases reduced the Group's equity by EUR 3.2 million.

The company received a notification in accordance with the Securities Markets Act Chapter 2, Section 9, from Erkki Etola, dated May 21, 2010, on the change of the said shareholder's holding. According to the notification, on May 20, 2010, Etola's shareholding increased to over 5% (1/20) of Ahlstrom Corporation's shares and votes.

The company received a notification in accordance with the Securities Markets Act Chapter 2, Section 9, from Vilha Intressenter Ab, dated September 30, 2010, on the change of the said shareholder's holding. According to the notification, on September 29, 2010, Vilha Intressenter's shareholding decreased to under 5% (1/20) of Ahlstrom Corporation's shares and votes.

OUTLOOK

Ahlstrom reiterates its previous outlook. The company estimates that net sales for the current year will be above the 2008 level. Operating profit excluding non-recurring items is estimated to increase from the 2009 level. Development of net sales in the second half of the year is driven by the impact of increased selling prices while the development of sales volumes will stabilize compared to the previous year.

Selling price increases will continue in order to cover the recent increases in raw material costs. Possible later increases in raw material prices are also aimed to be covered by higher prices.

The company's more efficient cost structure and improved demand are expected to boost profitability. Ongoing streamlining of operations will continue to be a priority.

In 2010, investments excluding acquisitions are estimated at approximately EUR 55 million (EUR 63.8 million in 2009). Ahlstrom had previously estimated this figure to be about EUR 60 million.

SHORT-TERM RISKS

Based on the recent development, the fastest pace in the global economic recovery seems to be over. In particular, the slowdown of the U.S. economy and the planned budget cuts and tax hikes in Europe may further weaken growth and demand for Ahlstrom's products. If economic growth slows down quicker than anticipated and the replenishment of inventory levels that supported demand halts, it may be necessary to limit production more than planned, and the risk of unsuccessful selling price increases, or even possible decline, will rise.

For the time being, credit losses have remained low, but due to the uncertain economic situation, Ahlstrom's customer credit risks are still difficult to cover with credit insurance.

Ahlstrom's main raw materials are natural fibers, mainly pulp, synthetic fibers and chemicals. The company is one of the world's largest buyers of market pulp. The prices of pulp, synthetic fibers and polymers in particular are assumed to remain at a high level for the rest of 2010. Still, supply and demand of pulp are expected to be balanced. Furthermore, the prices of some chemicals may increase due to insufficient supply.

If the prices of raw materials remain at a high level or continue to rise, and the increased costs cannot be passed onto selling prices, the increase in profitability achieved in January–September 2010 might be compromised.

The general risks of Ahlstrom's business operations are described in greater detail on the company website at www.ahlstrom.com and in the report by the Board of Directors in the company's Annual Report 2009. The risk management process is also described in the Corporate Governance Statement available on the company website.

* * *

This interim report has been prepared in accordance with the International Financial Reporting Standards (IFRS). Comparable figures refer to the same period last year unless otherwise stated.

This report contains certain forward-looking statements that reflect the present views of the company's management. The statements contain uncertainties and risks and are thus subject to changes in the general economic situation and in the company's business.

Helsinki, October 26, 2010

Ahlstrom Corporation
Board of Directors

ADDITIONAL INFORMATION

Jan Lång, President & CEO, tel. +358 (0)10 888 4700
Seppo Parvi, CFO, tel. +358 (0)10 888 4768

Ahlstrom's President & CEO Jan Lång and CFO Seppo Parvi will present the 2010 third-quarter results in a press and analyst conference in Finnish in Helsinki on October 26, 2010, at 2:00 p.m. (GMT+2). The conference will take place at Event Arena Bank, address Unioninkatu 20, 2nd floor. The name of the meeting room will be displayed in the lobby.

In addition, President and CEO Lång and CFO Parvi will hold a conference call in English for analysts and investors on October 26, 2010, at 4:00 p.m. (GMT+2). To participate in the conference call, please dial +358 (0)9 2319 4250 in Finland or +44 (0)20 7806 1953 outside of Finland a few minutes before the conference begins. The access code is 7880049.

The conference call can also be followed live on the Internet. The link to the presentation in English (an audio webcast) including slides is available on the company website at www.ahlstrom.com. Questions may also be submitted in writing via the Internet. Joining the webcast requires registration.

An on-demand webcast including slides is available for viewing and listening on the company website for one year after the conference call.

The presentation material in English will be available on October 26, 2010, after the Interim Report is published at www.ahlstrom.com > Investors > Reports and presentations > 2010.

AHLSTROM'S FINANCIAL INFORMATION IN 2011

Ahlstrom will publish its financial information in 2011 as follows:

Report	Date of publication	Silent period
Financial statements bulletin 2010	Tuesday, February 1	January 1-February 1
Interim Report January–April	Thursday, April 28	April 1–April 28
Interim report January–June	Wednesday, August 10	July 1–August 10
Interim report January–September	Monday, October 24	October 1–October 24

During the silent period, Ahlstrom will not communicate with capital market representatives.

The annual report 2010 will be published during week 11.

The Annual General Meeting of Shareholders (AGM) will be held on March 30, 2011 at 1:00 p.m. in Finlandia Hall, address Mannerheimintie 13 e, Helsinki, Finland.

Distribution:

NASDAQ OMX Helsinki
www.ahlstrom.com
 Principal media

Ahlstrom in brief

Ahlstrom is a global leader in the development, manufacture and marketing of high performance nonwovens and specialty papers. Ahlstrom's products are used in a large variety of everyday applications, such as filters, wipes, flooring, labels, and tapes. Based upon its unique fiber expertise and innovative approach, the company has a strong market position in several business areas in which it operates.

Ahlstrom's 5,800 employees serve customers via sales offices and production facilities in more than 20 countries on six continents. In 2009, Ahlstrom's net sales amounted to approximately EUR 1.6 billion. Ahlstrom's share is quoted on the NASDAQ OMX Helsinki. The company website is at www.ahlstrom.com.

APPENDIX

Consolidated financial statements

APPENDIX

Financial statements are unaudited.

INCOME STATEMENT	Q3	Q3	Q1-Q3	Q1-Q3	Q1-Q4
EUR million	2010	2009	2010	2009	2009
Net sales	482.4	400.6	1,412.8	1,175.6	1,596.1
Cost of goods sold	-420.5	-346.9	-1,222.1	-1,043.4	-1,421.5
Gross profit	61.9	53.7	190.7	132.2	174.6
Sales and marketing expenses	-12.7	-11.9	-40.1	-36.4	-49.6
R&D expenses	-5.2	-5.5	-14.9	-15.9	-21.6
Administrative expenses	-25.9	-24.1	-80.4	-72.6	-95.0
Other operating income	0.9	2.0	8.9	8.1	13.4
Other operating expense	-2.1	-1.1	-3.5	-3.3	-36.3
Operating profit / loss	16.9	13.1	60.7	12.1	-14.6
Net financial expenses	-7.9	-6.8	-21.4	-19.8	-26.2
Share of profit / loss of associated companies	-0.7	1.0	-1.2	1.1	0.7
Profit / loss before taxes	8.3	7.3	38.1	-6.6	-40.1
Income taxes	-4.2	-2.4	-13.4	1.6	7.1
Profit / loss for the period	4.1	4.9	24.7	-5.0	-32.9
Attributable to					
Owners of the parent	4.1	4.9	24.7	-5.0	-32.9
Non-controlling interest	-	-	-	-	-
Earnings per share, EUR					
- Basic and diluted *	0.06	0.10	0.44	-0.11	-0.72

* With the effect of interest on hybrid bond for the period, net of tax

STATEMENT OF COMPREHENSIVE INCOME	Q3	Q3	Q1-Q3	Q1-Q3	Q1-Q4
EUR million	2010	2009	2010	2009	2009
Profit / loss for the period	4.1	4.9	24.7	-5.0	-32.9
Other comprehensive income, net of tax:					
Translation differences	-28.5	1.1	26.3	22.3	32.5
Hedges of net investments in foreign operations	-0.0	-0.5	-2.8	-0.1	-1.0
Cash flow hedges	-0.0	-0.1	-0.4	-0.0	0.4
Other comprehensive income, net of tax	-28.5	0.4	23.2	22.2	31.8
Total comprehensive income for the period	-24.4	5.2	47.8	17.2	-1.1
Attributable to					
Owners of the parent	-24.4	5.2	47.8	17.2	-1.1
Non-controlling interest	-	-	-	-	-

BALANCE SHEET	Sep 30,	Sep 30,	Dec 31,
EUR million	2010	2009	2009
ASSETS			
Non-current assets			
Property, plant and equipment	707.9	733.7	717.6
Goodwill	167.7	173.5	151.3
Other intangible assets	54.5	52.2	52.1
Investments in associated companies	10.9	12.5	12.1
Other investments	0.4	0.2	0.2
Other receivables	23.3	19.7	23.0
Deferred tax assets	56.3	45.3	54.5
Total non-current assets	1,021.0	1,037.1	1,010.8
Current assets			
Inventories	197.4	182.0	175.9
Trade and other receivables	314.5	330.7	319.9
Income tax receivables	2.8	2.7	3.7
Other investments	-	-	-
Cash and cash equivalents	44.5	36.2	19.9
Total current assets	559.2	551.6	519.4
Total assets	1,580.2	1,588.7	1,530.2
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent	618.4	624.3	605.6
Hybrid bond	80.0	-	80.0
Non-controlling interest	0.9	-	-
Total equity	699.3	624.3	685.6
Non-current liabilities			
Interest-bearing loans and borrowings	203.3	362.3	235.1
Employee benefit obligations	79.4	84.5	78.2
Provisions	3.5	4.4	5.0
Other liabilities	3.9	0.3	0.4
Deferred tax liabilities	33.3	20.9	23.8
Total non-current liabilities	323.3	472.3	342.5
Current liabilities			
Interest-bearing loans and borrowings	174.9	185.3	180.7
Trade and other payables	369.4	292.3	305.1
Income tax liabilities	5.9	3.0	3.7
Provisions	7.4	11.5	12.7
Total current liabilities	557.6	492.1	502.1
Total liabilities	880.9	964.4	844.6
Total equity and liabilities	1,580.2	1,588.7	1,530.2

STATEMENT OF CHANGES IN EQUITY

- 1) Issued capital
- 2) Share premium
- 3) Non-restricted equity reserve
- 4) Hedging reserve
- 5) Translation reserve
- 6) Own shares
- 7) Retained earnings
- 8) Total attributable to owners of the parent**
- 9) Non-controlling interest
- 10) Hybrid bond
- 11) Total equity**

EUR million	1)	2)	3)	4)	5)	6)	7)	8)	9)	10)	11)
Equity at January 1, 2009	70.0	209.3	8.3	-1.2	-49.1	-	390.9	628.1	0.0	-	628.1
Profit / loss for the period	-	-	-	-	-	-	-5.0	-5.0	-	-	-5.0
Other comprehensive income, net of tax											
Translation differences	-	-	-	-	22.3	-	-	22.3	-	-	22.3
Hedges of net investments in foreign operations	-	-	-	-	-0.1	-	-	-0.1	-	-	-0.1
Cash flow hedges	-	-	-	-0.0	-	-	-	-0.0	-	-	-0.0
Dividends paid and other	-	-	-	-	-	-	-21.0	-21.0	-	-	-21.0
Hybrid bond	-	-	-	-	-	-	-	-	-	-	-
Interest on hybrid bond	-	-	-	-	-	-	-	-	-	-	-
Purchases of own shares	-	-	-	-	-	-	-	-	-	-	-
Share ownership plan for EMT	-	-	-	-	-	-	-	-	-	-	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	-0.0	-	-0.0
Share-based incentive plan	-	-	-	-	-	-	-	-	-	-	-
Equity at September 30, 2009	70.0	209.3	8.3	-1.3	-26.9	-	364.9	624.3	-	-	624.3
Equity at January 1, 2010	70.0	209.3	8.3	-0.8	-17.7	-	336.6	605.6	-	80.0	685.6
Profit / loss for the period	-	-	-	-	-	-	24.7	24.7	-	-	24.7
Other comprehensive income, net of tax											
Translation differences	-	-	-	-	26.3	-	-	26.3	-	-	26.3
Hedges of net investments in foreign operations	-	-	-	-	-2.8	-	-	-2.8	-	-	-2.8
Cash flow hedges	-	-	-	-0.4	-	-	-	-0.4	-	-	-0.4
Dividends paid and other	-	-	-	-	-	-	-26.0	-26.0	-	-	-26.0
Hybrid bond	-	-	-	-	-	-	-	-	-	-	-
Interest on hybrid bond	-	-	-	-	-	-	-5.6	-5.6	-	-	-5.6
Purchases of own shares	-	-	-	-	-	-0.9	-	-0.9	-	-	-0.9
Share ownership plan for EMT	-	-	-	-	-	-2.8	-	-2.8	0.9	-	-2.0
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Share-based incentive plan	-	-	-	-	-	-	0.3	0.3	-	-	0.3
Equity at September 30, 2010	70.0	209.3	8.3	-1.2	5.9	-3.7	329.9	618.4	0.9	80.0	699.3

STATEMENT OF CASH FLOWS	Q3	Q3	Q1-Q3	Q1-Q3	Q1-Q4
EUR million	2010	2009	2010	2009	2009
Cash flow from operating activities					
Profit / loss for the period	4.1	4.9	24.7	-5.0	-32.9
Adjustments, total	39.3	33.1	113.6	93.0	146.3
Changes in net working capital	31.3	38.7	56.7	95.1	129.3
Change in provisions	-2.3	-2.0	-5.7	-7.1	-5.3
Financial items	-3.6	-6.8	-40.2	-15.8	-28.2
Income taxes paid / received	-1.4	-0.5	-4.4	0.9	0.4
Net cash from operating activities	67.5	67.3	144.7	161.0	209.6
Cash flow from investing activities					
Acquisition of Group companies	-11.2	-	-11.2	-0.0	-0.0
Purchases of intangible and tangible assets	-15.8	-13.3	-29.2	-58.0	-69.8
Other investing activities	-0.2	2.1	0.1	3.2	3.5
Net cash from investing activities	-27.3	-11.2	-40.3	-54.8	-66.3
Cash flow from financing activities					
Dividends paid	-	-	-25.6	-21.0	-21.0
Repurchase of own shares	-	-	-0.9	-	-
Investment to Ahlstrom Corporation shares related to share ownership plan for EMT	-2.0	-	-2.0	-	-
Payments received on hybrid bond	-	-	-	-	80.0
Changes in loans and other financing activities	-13.2	-52.8	-52.2	-108.7	-242.6
Net cash from financing activities	-15.1	-52.8	-80.7	-129.7	-183.6
Net change in cash and cash equivalents	25.1	3.3	23.7	-23.5	-40.2
Cash and cash equivalents at the beginning of the period	20.0	32.6	19.9	58.2	58.2
Foreign exchange adjustment	-0.6	0.3	0.9	1.5	2.0
Cash and cash equivalents at the end of the period	44.5	36.2	44.5	36.2	19.9

KEY FIGURES	Q3	Q3	Q1-Q3	Q1-Q3	Q1-Q4
	2010	2009	2010	2009	2009
Personnel costs	-84.1	-80.8	-259.6	-247.1	-337.8
Depreciation and amortization	-26.2	-25.2	-78.3	-76.5	-106.7
Impairment charges	-0.1	0.2	-0.1	0.2	-31.1
Operating profit, %	3.5	3.3	4.3	1.0	-0.9
Return on capital employed (ROCE), %	6.0	4.8	7.4	1.5	-1.1
Return on equity (ROE), %	2.3	3.1	4.8	-1.1	-5.0
Interest-bearing net liabilities, EUR million	333.7	511.3	333.7	511.3	395.9
Equity ratio, %	44.3	39.3	44.3	39.3	44.8
Gearing ratio, %	47.7	81.9	47.7	81.9	57.7
Basic earnings per share *, EUR	0.06	0.10	0.44	-0.11	-0.72
Equity per share, EUR	13.33	13.38	13.33	13.38	12.98
Average number of shares during the period, 1000's	46,517	46,671	46,585	46,671	46,671
Number of shares at the end of the period, 1000's	46,403	46,671	46,403	46,671	46,671
Capital expenditure, EUR million	16.9	12.4	28.7	53.9	63.8
Capital employed, at the end of the period, EUR million	1,077.5	1,171.8	1,077.5	1,171.8	1,101.5
Number of employees, average	5,844	5,899	5,805	6,034	5,993

* With the effect of interest on hybrid bond for the period, net of tax

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34, Interim Financial reporting, as adopted by EU and the accounting principles set out in the Group's Financial Statements for 2009 except for the changes below.

Changes in accounting principles

The Group has adopted the following new or amended standards and interpretations as of January 1, 2010:

- IFRS 3 Business Combinations (revised)

Some of the main changes to the standard are as follows:

Contingent consideration is measured at fair value at the acquisition date, with subsequent changes recognized in the income statement.

All acquisition-related costs are expensed.

Any non-controlling interest is measured at either fair value, or at its proportionate interest in the identifiable assets and liabilities, on a transaction-by-transaction basis

- IAS 27 Consolidated and Separate Financial Statements (revised)

The amendment specifies the accounting for changes in ownership interests in subsidiaries.

- Improvements to IFRS Standards 2009

The effects of the amendments vary by standard but the amendments have had no major impact on the consolidated financial statements.

The below mentioned new or amended standards and interpretations adopted by the Group in 2010 do not have an effect on the consolidated financial statements.

- IAS 39 Financial Instruments: Recognition and Measurement (amendment) -

Eligible Hedged Items

- IFRIC 12 Service Concession Arrangements

- IFRIC 15 Agreements for the Construction of Real Estate

- IFRIC 16 Hedges of a Net Investment in a Foreign Operation

- IFRIC 17 Distributions of Non-cash Assets to Owners

- IFRIC 18 Transfers of Assets from Customers

Income statement by function

The Group has changed the presentation of the income statement from the "nature of expense" method to the "function of expense" method in the beginning of 2010. The comparable figures have been restated accordingly.

Revised organization and operating model

The Group announced in May 2010 its revised organization and operating model. Ahlstrom organized its businesses in five Business Areas which form new reporting segments in financial reporting. The new reporting segments are Building and Energy, Filtration, Food and Medical, Home and Personal and Label and Processing.

The changes were implemented as of July 1, 2010. Ahlstrom published the comparative data on the new segments for the financial year 2009 and for the first two quarters of 2010 on September 28, 2010.

SEGMENT INFORMATION	Q1	Q2	Q3	Q4	Q1-Q4	Q1	Q2	Q3
EUR million	2009	2009	2009	2009	2009	2010	2010	2010
Building and Energy	55.8	54.2	57.6	56.1	223.7	62.1	68.3	66.3
Filtration	64.9	69.4	70.5	71.0	275.8	79.0	88.5	87.4
Food and Medical	78.0	79.0	74.7	78.5	310.2	82.0	91.7	88.7
Home and Personal	61.8	63.7	66.6	73.0	265.1	66.0	71.3	78.3
Label and Processing	134.4	151.6	150.0	162.5	598.5	172.0	188.1	182.2
Other operations	7.4	9.6	9.7	10.9	37.7	9.5	11.8	11.5
Internal sales	-26.3	-28.6	-28.4	-31.6	-114.8	-29.6	-30.4	-32.0
Total net sales	376.1	398.9	400.6	420.5	1,596.1	441.0	489.4	482.4
Building and Energy	2.7	2.8	3.7	4.4	13.5	3.5	3.8	3.8
Filtration	1.3	1.2	1.8	2.5	6.8	1.9	1.8	1.4
Food and Medical	8.5	8.5	6.5	7.1	30.6	7.0	6.7	9.3
Home and Personal	4.7	4.2	5.0	5.5	19.4	5.3	5.9	5.7
Label and Processing	6.6	7.7	7.5	7.1	29.0	7.7	7.7	7.4
Other operations	2.4	4.3	4.0	4.8	15.6	4.2	4.4	4.4
Total internal sales	26.3	28.6	28.4	31.6	114.8	29.6	30.4	32.0
Building and Energy	-2.9	-1.9	-1.4	-4.5	-10.8	-1.8	1.4	0.5
Filtration	0.9	4.4	5.3	-6.9	3.7	7.5	9.4	7.0
Food and Medical	0.9	4.2	2.6	1.7	9.4	4.0	5.3	1.6
Home and Personal	-2.3	-0.4	2.1	-18.3	-18.9	0.4	1.3	2.6
Label and Processing	-4.3	3.4	5.0	-0.9	3.3	5.3	14.2	7.7
Other operations	-2.7	-0.1	-0.8	2.3	-1.4	-1.4	-1.9	-2.7
Eliminations	-0.3	0.2	0.1	-0.0	0.0	-0.0	0.1	0.0
Operating profit / loss	-10.7	9.7	13.1	-26.6	-14.6	14.0	29.8	16.9
Operating profit / loss, %								
Building and Energy	-5.2	-3.5	-2.5	-8.1	-4.8	-2.8	2.0	0.8
Filtration	1.4	6.4	7.6	-9.7	1.4	9.4	10.6	8.1
Food and Medical	1.2	5.3	3.5	2.2	3.0	4.8	5.8	1.8
Home and Personal	-3.8	-0.7	3.2	-25.0	-7.1	0.7	1.8	3.4
Label and Processing	-3.2	2.3	3.3	-0.5	0.6	3.1	7.5	4.2
Group total	-2.9	2.4	3.3	-6.3	-0.9	3.2	6.1	3.5
Return on net assets (RONA), %								
Building and Energy	-6.7	-4.4	-3.3	-11.0	-6.5	-4.4	3.5	1.4
Filtration	1.7	8.5	11.0	-15.3	1.9	16.7	20.1	14.8
Food and Medical	1.6	7.6	5.1	3.4	4.5	7.7	9.7	3.0
Home and Personal	-3.9	-0.7	3.8	-35.0	-8.6	0.9	2.5	5.2
Label and Processing	-4.8	3.9	6.0	-1.1	1.0	6.9	18.8	10.6
Group (ROCE), %	-3.3	3.2	4.8	-9.4	-1.1	5.2	10.9	6.0

Building and Energy	174.3	172.5	170.3	158.6	158.6	161.0	156.3	147.6
Filtration	214.7	200.3	188.1	172.5	172.5	183.7	188.3	191.5
Food and Medical	222.5	215.1	200.8	203.5	203.5	211.2	228.9	206.0
Home and Personal	238.4	227.5	218.9	197.9	197.9	202.9	210.6	191.2
Label and Processing	351.4	344.0	330.9	313.2	313.2	300.9	302.4	280.2
Other operations	-38.2	-2.4	-3.1	-2.1	-2.1	-37.3	-9.4	-12.5
Eliminations	-0.7	-0.5	-0.4	-0.4	-0.4	-0.4	-0.4	-0.3
Total net assets	1,162.3	1,156.4	1,105.6	1,043.2	1,043.2	1,022.0	1,076.8	1,003.6
Building and Energy	15.0	5.1	3.1	1.6	24.8	0.4	0.7	1.6
Filtration	0.8	1.0	1.0	0.5	3.3	0.3	1.2	1.6
Food and Medical	7.9	5.8	6.0	4.0	23.7	4.4	0.9	4.6
Home and Personal	1.0	0.7	0.3	0.5	2.5	0.0	0.5	1.1
Label and Processing	2.1	1.9	1.7	3.1	8.9	1.0	1.7	7.7
Other operations	0.2	0.1	0.2	0.2	0.7	0.3	0.3	0.3
Total capital expenditure	26.9	14.6	12.4	9.9	63.8	6.5	5.3	16.9
Building and Energy	-4.5	-4.5	-4.5	-4.4	-18.0	-4.4	-4.6	-4.5
Filtration	-5.2	-5.4	-4.9	-5.3	-20.8	-4.7	-4.9	-4.7
Food and Medical	-3.8	-4.4	-4.2	-9.0	-21.4	-4.4	-5.2	-5.2
Home and Personal	-3.6	-3.9	-3.9	-3.6	-15.1	-4.2	-4.2	-4.1
Label and Processing	-7.6	-7.1	-7.0	-7.2	-28.9	-7.2	-7.1	-7.0
Other operations	-0.6	-0.6	-0.6	-0.6	-2.4	-0.6	-0.6	-0.6
Total depreciation and mortization	-25.3	-25.9	-25.2	-30.2	-106.7	-25.5	-26.6	-26.2
Building and Energy	-	-	-	-	-	-	-	-
Filtration	-	-	-	-8.7	-8.7	-	-	-
Food and Medical	-	-	-	-	-	-	-	-
Home and Personal	-	-	-	-22.5	-22.5	-	-0.0	-
Label and Processing	-0.0	-0.0	0.2	-0.0	0.1	-0.0	-0.0	-0.1
Other operations	-	-	-	-	-	-	-	-
Total impairment charges	-0.0	-0.0	0.2	-31.2	-31.1	-0.0	-0.1	-0.1
Building and Energy	-	-0.1	-0.3	-2.1	-2.5	-	-	-
Filtration	-0.0	-0.3	-0.8	-11.4	-12.5	-	-	0.3
Food and Medical	-0.5	-0.2	-0.7	-5.0	-6.3	-	0.8	-
Home and Personal	-0.2	-1.4	0.0	-22.1	-23.8	-	-	-
Label and Processing	-	-0.5	-1.7	-4.4	-6.6	0.0	-	1.5
Other operations	-	-0.5	-1.0	-1.3	-2.7	0.3	0.0	-1.5
Total non-recurring items	-0.7	-3.0	-4.4	-46.2	-54.3	0.3	0.8	0.3

Segment information is presented according to the IFRS standards.

NET SALES BY REGION	Q3	Q3	Q1-Q3	Q1-Q3	Q1-Q4
EUR million	2010	2009	2010	2009	2009
Europe	245.6	212.9	740.1	624.4	846.3
North America	105.4	99.5	327.2	308.0	410.1
South America	66.7	46.9	170.7	126.1	174.9
Asia-Pacific	55.7	32.0	145.8	94.5	134.2
Rest of the world	8.9	9.3	29.0	22.7	30.7
Total net sales	482.4	400.6	1,412.8	1,175.6	1,596.1

CHANGES OF PROPERTY, PLANT AND EQUIPMENT	Q1-Q3	Q1-Q3	Q1-Q4
EUR million	2010	2009	2009
Book value at Jan 1	717.6	745.7	745.7
Acquisitions through business combinations	11.5	-	-
Additions	28.0	52.9	63.6
Disposals	-0.3	-0.7	-1.0
Depreciations and impairment charges	-74.0	-71.8	-106.9
Translation differences and other changes	25.0	7.7	16.1
Book value at the end of the period	707.9	733.7	717.6

TRANSACTIONS WITH RELATED PARTIES	Q1-Q3	Q1-Q3	Q1-Q4
EUR million	2010	2009	2009
Transactions with associated companies			
Sales and interest income	0.4	0.4	0.5
Purchases of goods and services	-2.1	-1.7	-2.4
Trade and other receivables	0.1	0.0	0.0
Trade and other payables	0.2	0.2	0.2

Market prices have been used in transactions with associated companies.

OPERATING LEASES	Sep 30,	Sep 30,	Dec 31,
EUR million	2010	2009	2009
Current portion	5.7	6.7	6.6
Non-current portion	19.2	15.2	20.4
Total	24.9	21.9	27.0

COLLATERALS AND COMMITMENTS	Sep 30,	Sep 30,	Dec 31,
EUR million	2010	2009	2009
Mortgages	73.0	-	73.0
Pledges	0.2	0.3	0.3
Commitments			
Guarantees given on behalf of group companies	22.9	41.5	19.6
Guarantees given on behalf of associated companies	-	2.1	2.1
Capital expenditure commitments	7.3	13.2	10.2
Other commitments	2.1	4.1	3.6

ACQUISITIONS IN 2010

In September, Ahlstrom acquired the shares of Shandong Puri Filter & Paper Products Limited in China from the Purico Group. The debt free transaction value was EUR 22.5 million. Shandong Puri Filter & Paper Products Limited produces transportation filtration media and operates a plant in Binzhou in the province of Shandong in northeastern China.

Shandong Puri Filter & Paper Products Limited has been incorporated in Ahlstrom's accounts as part of Filtration segment since September 13, 2010. If the acquisition had occurred on January 1, 2010, Group's net sales and profit for the period would not have changed materially. Direct costs related to the transaction were EUR 0.8 million and they are booked as administrative expenses in the Group's income statement.

The transaction value exceeded the book value of net assets in Shandong Puri Filter & Paper Products Limited by EUR 11.3 million, of which EUR 3.9 million is allocated to property, plant and equipment to meet their fair value. Deferred tax liability booking of the allocation amounts to EUR 1.0 million. The goodwill of EUR 8.4 million that arose from the acquisition reflects the personnel, synergy benefits and expanded business opportunities in Asia.

The preliminary fair values of the identifiable assets and liabilities of the acquired businesses at date of acquisition are summarized below.

ACQUISITIONS OF BUSINESSES EUR million	Book values	Fair values
Property, plant and equipment	8.2	12.1
Intangible assets	3.1	3.1
Inventories	0.9	0.9
Trade and other receivables	0.8	0.8
Cash and cash equivalents	1.9	1.9
Total assets	14.9	18.8
Deferred tax liabilities		1.0
Interest-bearing loans and borrowings	12.1	12.1
Trade and other payables	2.9	2.9
Total liabilities	15.0	16.0
Net assets	-0.1	2.9
Goodwill arising in acquisition		8.4
Acquisition price paid (in cash)		11.2
Cash (acquired)		-1.9
Net cash outflow		9.3

QUARTERLY DATA	Q3	Q2	Q1	Q4	Q3	Q2	Q1
EUR million	2010	2010	2010	2009	2009	2009	2009
Net sales	482.4	489.4	441.0	420.5	400.6	398.9	376.1
Cost of goods sold	-420.5	-416.3	-385.3	-378.1	-346.9	-349.4	-347.1
Gross profit	61.9	73.1	55.7	42.4	53.7	49.5	29.0
Sales and marketing expenses	-12.7	-14.1	-13.3	-13.2	-11.9	-11.7	-12.8
R&D expenses	-5.2	-5.1	-4.6	-5.7	-5.5	-4.9	-5.5
Administrative expenses	-25.9	-29.5	-25.0	-22.3	-24.1	-25.1	-23.5
Other operating income	0.9	5.9	2.1	5.3	2.0	3.5	2.7
Other operating expense	-2.1	-0.6	-0.8	-33.0	-1.1	-1.6	-0.6
Operating profit / loss	16.9	29.8	14.0	-26.6	13.1	9.7	-10.7
Net financial expenses	-7.9	-6.9	-6.7	-6.4	-6.8	-4.8	-8.2
Share of profit / loss of associated companies	-0.7	-0.4	-0.0	-0.4	1.0	-0.3	0.4
Profit / loss before taxes	8.3	22.5	7.4	-33.4	7.3	4.7	-18.6
Income taxes	-4.2	-7.4	-1.9	5.5	-2.4	-2.2	6.2
Profit / loss for the period	4.1	15.1	5.5	-27.9	4.9	2.5	-12.4
Attributable to							
Owners of the parent	4.1	15.1	5.5	-27.9	4.9	2.5	-12.4
Non-controlling interest	-	-	-	-	-	-	-
QUARTERLY DATA BY SEGMENT	Q3	Q2	Q1	Q4	Q3	Q2	Q1
EUR million	2010	2010	2010	2009	2009	2009	2009
Net sales							
Building and Energy	66.3	68.3	62.1	56.1	57.6	54.2	55.8
Filtration	87.4	88.5	79.0	71.0	70.5	69.4	64.9
Food and Medical	88.7	91.7	82.0	78.5	74.7	79.0	78.0
Home and Personal	78.3	71.3	66.0	73.0	66.6	63.7	61.8
Label and Processing	182.2	188.1	172.0	162.5	150.0	151.6	134.4
Other operations and eliminations	-20.5	-18.6	-20.1	-20.7	-18.8	-18.9	-18.8
Group total	482.4	489.4	441.0	420.5	400.6	398.9	376.1
Operating profit / loss							
Building and Energy	0.5	1.4	-1.8	-4.5	-1.4	-1.9	-2.9
Filtration	7.0	9.4	7.5	-6.9	5.3	4.4	0.9
Food and Medical	1.6	5.3	4.0	1.7	2.6	4.2	0.9
Home and Personal	2.6	1.3	0.4	-18.3	2.1	-0.4	-2.3
Label and Processing	7.7	14.2	5.3	-0.9	5.0	3.4	-4.3
Other operations and eliminations	-2.6	-1.8	-1.4	2.2	-0.6	0.1	-3.0
Group total	16.9	29.8	14.0	-26.6	13.1	9.7	-10.7

KEY FIGURES QUARTERLY	Q3	Q2	Q1	Q4	Q3	Q2	Q1
EUR million	2010	2010	2010	2009	2009	2009	2009
Net sales	482.4	489.4	441.0	420.5	400.6	398.9	376.1
Operating profit / loss	16.9	29.8	14.0	-26.6	13.1	9.7	-10.7
Profit / loss before taxes	8.3	22.5	7.4	-33.4	7.3	4.7	-18.6
Profit / loss for the period	4.1	15.1	5.5	-27.9	4.9	2.5	-12.4
Gearing ratio, %	47.7	50.3	55.3	57.7	81.9	92.0	99.8
Return on capital employed (ROCE), %	6.0	10.9	5.2	-9.4	4.8	3.2	-3.3
Basic earnings per share *, EUR	0.06	0.29	0.09	-0.61	0.10	0.05	-0.26
Average number of shares during the period, 1000's	46,517	46,596	46,642	46,671	46,671	46,671	46,671

* With the effect of interest on hybrid bond for the period, net of tax

CALCULATION OF KEY FIGURES

Interest-bearing net liabilities	Interest-bearing loans and borrowings - Cash and cash equivalents – Other investments (current)	
Equity ratio, %	$\frac{\text{Total equity}}{\text{Total assets - Advances received}} \times 100$	
Gearing ratio, %	$\frac{\text{Interest-bearing net liabilities}}{\text{Total equity}} \times 100$	
Return on equity (ROE), %	$\frac{\text{Profit (loss) for the period}}{\text{Total equity (annual average)}} \times 100$	
Return on capital employed (ROCE), %	$\frac{\text{Profit (loss) before taxes + Financing expenses}}{\text{Total assets (annual average) - Non-interest bearing liabilities (annual average)}} \times 100$	
Basic earnings per share, EUR	$\frac{\text{Profit (loss) for the period – Non-controlling interest – Interest on hybrid bond for the period after taxes}}{\text{Average number of shares during the period}}$	
Diluted earnings per share, EUR	$\frac{\text{Profit (loss) for the period – Non-controlling interest – Interest on hybrid bond for the period after taxes}}{\text{Average diluted number of shares during the period}}$	
Equity per share, EUR	$\frac{\text{Equity attributable to owners of the parent}}{\text{Number of shares at the end of the period}}$	