

Ahlstrom Capital Markets Day 2011

Solid strategy execution

November 29, 2011

Jan Lång, President and CEO

Ahlstrom Capital Markets Day 2011

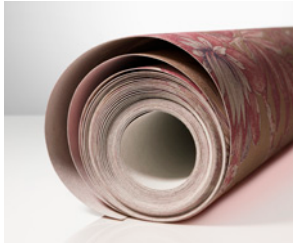
- 9:00-9:45 Jan Lång, President and CEO
Strategic overview
- 9:45-10:10 Daniele Borlatto, EVP, Label and Processing
Business Area overview and strategic priorities
- 10:10-10:35 Bill Casey, EVP, Food and Medical
Business Area overview and strategic priorities
- 10:35-11:00 Coffee break
- 11:00-11:25 Rami Raulas, EVP, Sales and Marketing
Sales and marketing update
- 11:25-11:50 Seppo Parvi, CFO
Key financials
- 11:50-12:10 Q&A, wrap-up
- 12:10 Lunch

Contents

- Ahlstrom in brief post Home and Personal divestment
- Strategy for profitable growth
- Steps in strategy execution
- Long-term financial targets and dividend policy
- New vision

Delivering in the big picture

Building and Energy



End-use applications

- Wall coverings
- Floorings
- Building panels
- Fabric care
- Wind turbine blades
- Boat hulls

Filtration



- Automotive and transportation filtration
- Water filtration
- Gas turbine and life science filtration

Food and Medical



- Teabags
- Fibrous meat casings
- Food packaging
- Substrates for masking tapes
- Sterilization wraps
- Medical gowns
- Drapes and face masks

Label and Processing

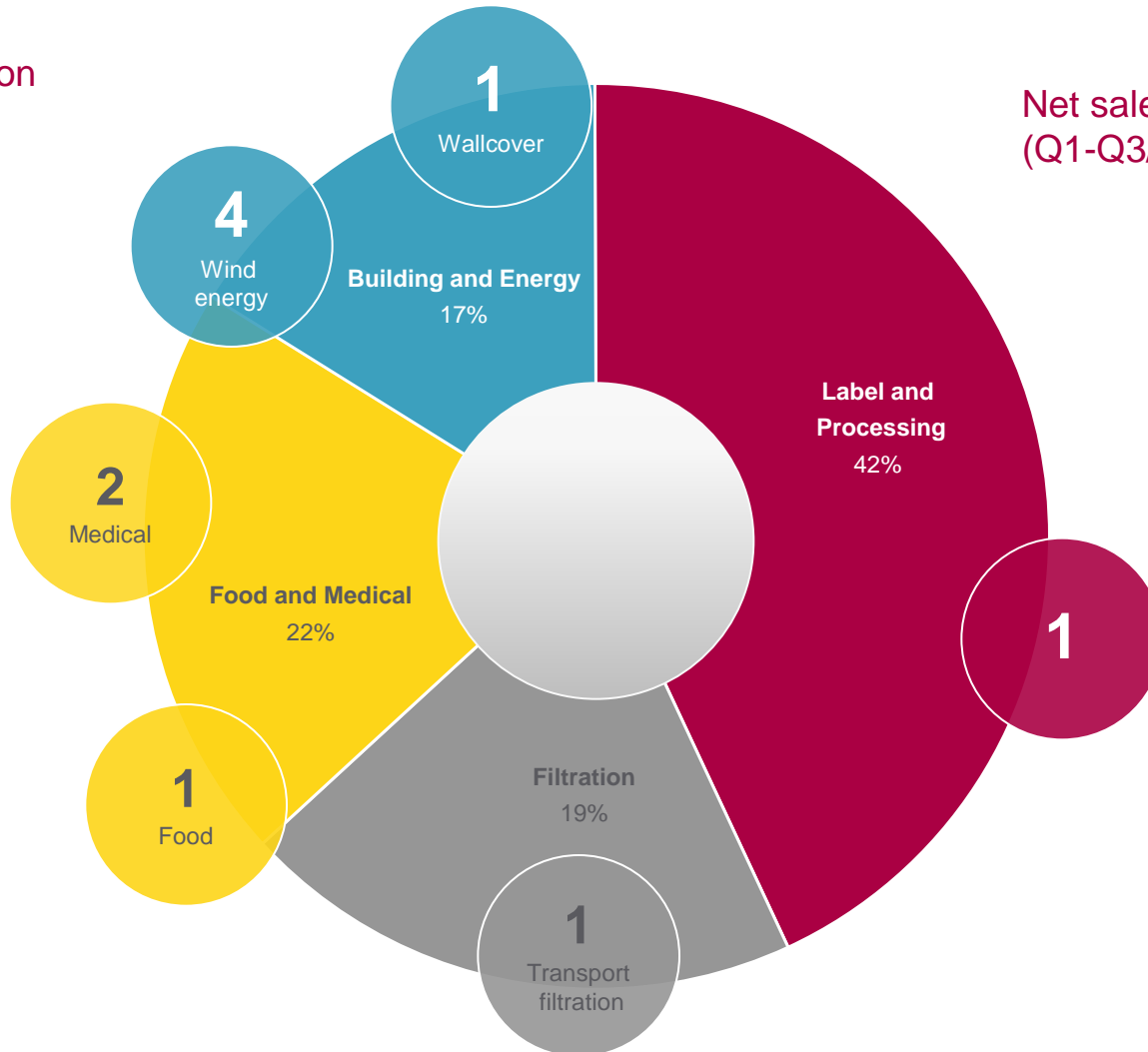


- Release liners
- Self-adhesive labels
- Wet glue and metalized labels for beverages
- Flexible packaging
- Poster papers
- Repositionable notes
- Furniture foils
- Abrasive papers

Leading supplier of fiber-based materials

Global market position
Management
estimate

Net sales by segment
(Q1-Q3/2011)



Strategy for profitable growth

Strategy themes

Growth



- Grow organically as well as with acquisitions and partnerships
- Geographical focus in Asia
- Grow through differentiation and improved performance

Technology base



- Unique knowledge on high performance fibers, chemistry, advanced technologies and processes
- Enhance technology base with unique platforms, e.g. nano-technologies
- Leverage existing technologies to new applications and innovate new solutions

Global presence



- Global market reach, local customer insights
- Global operations, local customer service
- Global product offering, customize to market needs

Strategic Priorities

Building and Energy



Specialty & wallcover materials:

- Strengthen wallcover material presence particularly in Asia and expand the differentiated offering

Composites:

- Align supply platform for reinforcements' materials for wind energy and marine to global market trends
- Strengthen position in cushion-vinyl flooring materials globally

Filtration



Transportation Filtration:

- Grow with next generation applications and invest in global supply platform

Advanced Filtration:

- Grow substantially and establish global presence in air, water and life science materials

Strategic Priorities

Food and Medical



Food:

- Expand the range of sustainable products
- Strengthen global presence

Medical:

- Expand the differentiated product offering and strengthen global platform

Label and Processing



Business Area:

- Focus on cost effective materials with sustainable features

Release & Label:

- Grow release liners globally

Steps in strategy execution

Moving forward

Focus projects

- Operative working capital reduction (2009-2010)
- Waste reduction (2010-2011)

Development programs to build One Ahlstrom

- Process harmonization
- Key Account Management
- Supply chain
- Demand/supply planning (IBP)

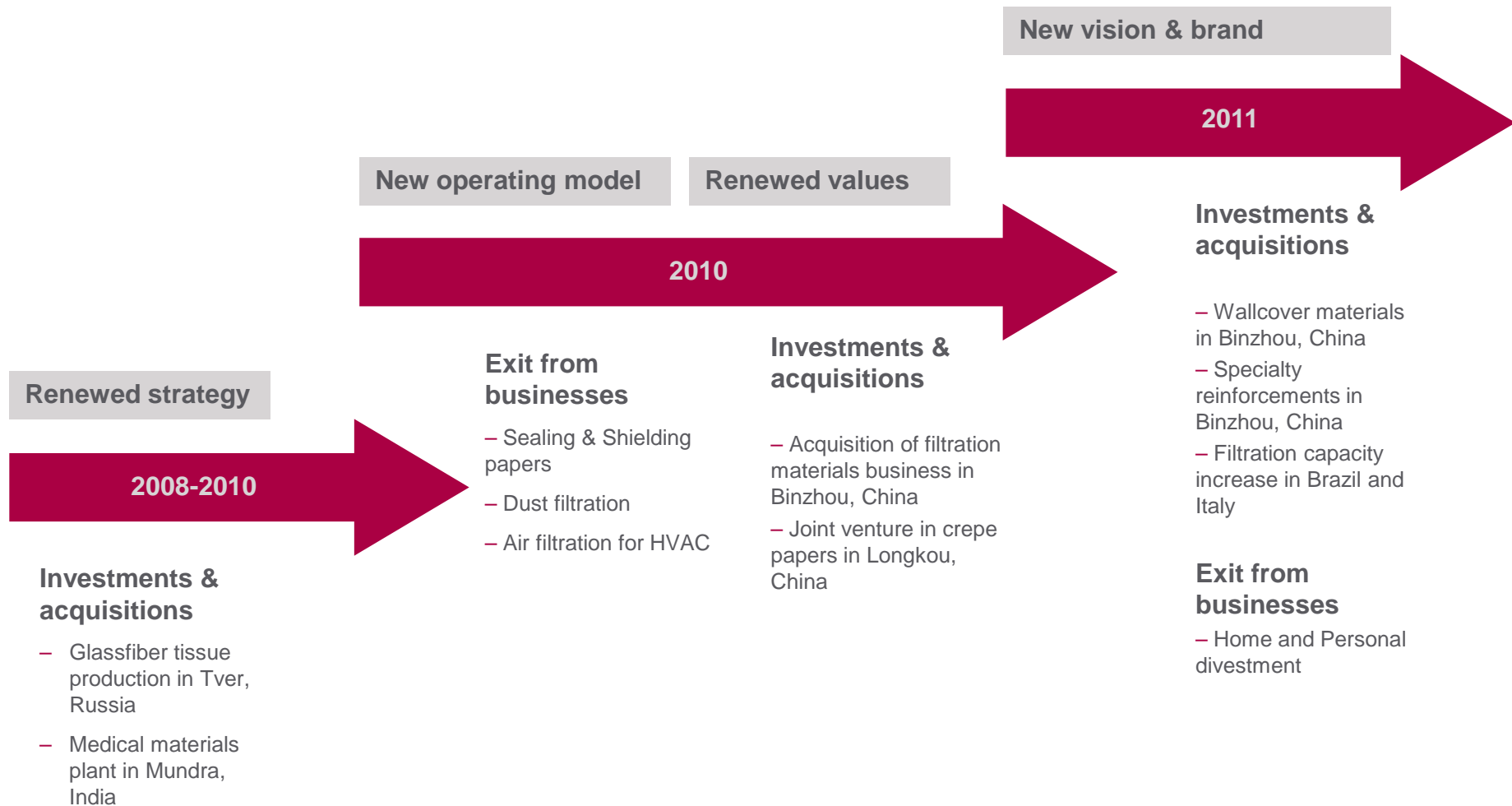
Addressing underperforming units

- Restructuring (2009-2010)
- Profit improvement program (2011-2012)

Strategic business and portfolio development

- Unique new products based on existing technologies and new technology platforms
- Acquisitions and divestments
- Investments into growth markets, especially in Asia

Firm steps in execution



Expanding in Asia

- Asia accounts for app. 25% of the global economy
 - Ahlstrom's share of net sales from Asia about 10% currently
 - Strengthening sales force in Asia
- Investments worth about EUR 100 million made or announced since 2009
 - Mundra medical materials plant in India
 - Longkou crepe papers JV in China
 - Acquisition of Binzhou filtration plant in China
 - Wallcover materials line in Binzhou
 - Specialty reinforcement lines in Binzhou

Binzhou and Longkou, China



Mundra, India

Profit improvement program 2011-2012

- Address underperforming businesses
- Improve annual operating profit by about EUR 15 million starting from 2012
 - Majority of the actions related to Composites unit serving e.g. the wind energy industry
 - Most of the actions have been completed
 - May affect approximately 400 people
- Actions announced at five sites:
 - Ending glassfiber and glassfiber mats production in Karhula
 - Closing glassfiber reinforcement plant in Bishopville
 - Closing loss-making hybrid wallcover line in Turin
- Total non-recurring costs of EUR 32 million, the overall impact is cash neutral



Long-term financial targets and dividend policy

Long-term financial targets

Profitability

- ROCE at least 13%
- To be reached by 2012

Growth

- Annual net sales growth at least 5%
- At constant currency rates, including acquisitions

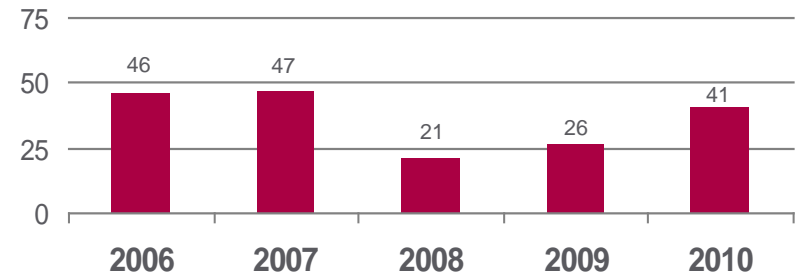
Solidity

- Gearing 50-80%
- To be maintained within the target range

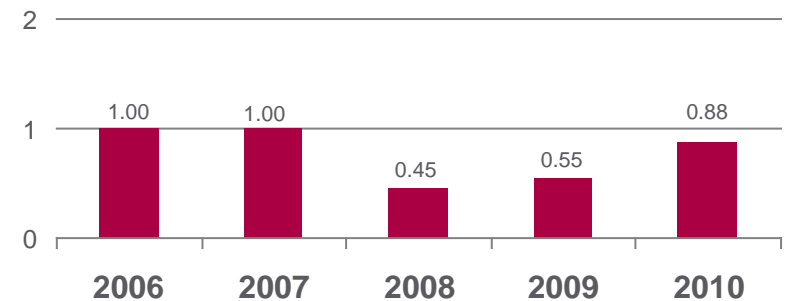
Dividend policy

Our aim is to pay a dividend of not less than one third of net cash from operating activities after operative investments, calculated as a three-year rolling average.

Total amount of dividends paid (EUR million)



Dividend per share (EUR)



New vision

Vision statement

Core purpose

Ahlstrom is a high performance materials company, partnering with leading businesses around the world to help them stay ahead.

Vision

- Inspiring people
- Passionate about new ideas
- Growing with our customers

Inspiring people, passionate about new ideas,
growing with our customers

Ahlstrom is a high performance materials company, partnering with leading companies around the world to help them stay ahead.



- Act responsibly
- Create value
- Learn and renew

Stay ahead

Performance, Improvement, Certainty, Simplicity

Stay ahead™

Thank you