Financial statements bulletin 2009

Small fibers.
Big difference.

Ahlstrom

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Ahlstrom financial statements bulletin 2009:
Cash flow and balance sheet strengthened considerably

Year 2009 compared to 2008

- Net sales were EUR 1,596.1 million (1,802.4).
- EBIT amounted to EUR -14.6 (14.6) including non-recurring items of EUR -54.3 million (-21.1).
- Loss before taxes was EUR 40.1 million (loss before taxes 20.6) and earnings per share were EUR -0.72 (-0.38).
- Net cash from operating activities increased to EUR 209.6 million (102.4), and gearing ratio decreased to 57.7% (95.3%).

October–December 2009 compared to October–December 2008

- Net sales were EUR 420.5 million (419.0).
- EBIT amounted to EUR -26.6 (-35.4) including non-recurring items of EUR -46.2 million (-21.7).
- Loss before taxes was EUR 33.4 million (loss before taxes 49.5) and earnings per share were EUR -0.61 (-0.79).
- Net cash from operating activities increased to EUR 48.6 million (31.5).

Events in 2009

- Ahlstrom's revised strategy was published in October.
- In November, the company issued a EUR 80 million hybrid bond to strengthen its balance sheet.
- The number of employees decreased by 524 people and working capital by EUR 104.3 million with turnover improving by 23 days during the year.

Outlook for 2010

- The market sentiment during the latter half of 2009 improved. Net sales for 2010 are expected to increase compared to 2009 but remain lower than the level for 2008. Operating profit (EBIT) excluding non-recurring items is expected to increase compared to 2009.

Jan Lång, President and CEO:

– The personnel excellently implemented the streamlining efforts to improve profitability and cash flow. The EUR 55 million annual savings will be reached in 2010 as planned. The streamlining and the recovering demand since the summer returned our EBIT excl. non-recurring items back to a profitable path toward the end of the year. However, due to the difficult first months, non-recurring items from the streamlining efforts and impairment charges, the EBIT was negative and fell short of 2008. The utilization rates of the EUR 500 million investments implemented in the previous years must be improved.

– The improved cash flow and the November hybrid bond have strengthened our balance sheet and financial position in line with our objective to improve the financial ability to implement our revised strategy. Ahlstrom operates in two distinct business clusters that require different kinds of competence and management: value-added business and operational excellence business.

KEY FIGURES

EUR million	2009	2008	Change, %	10–12 / 2009	10–12 / 2008	Change, %
Net sales	**1,596.1**	1,802.4	-11.4	420.5	419.0	0.4
EBIT (Operating profit/loss)	**-14.6**	14.6	-	-26.6	-35.4	24.8
Profit/loss before taxes	**-40.1**	-20.6	-94.4	-33.4	-49.5	32.5
Profit for the period	**-32.9**	-16.1	-104.5	-27.9	-37.0	24.6
Earnings per share	**-0.72**	-0.38	-	-0.61	-0.79	-
Return on capital employed (ROCE), %	**-1.1**	1.4	-	-9.4	-10.8	-
Equity ratio, %	**44.8**	36.8	-	44.8	36.8	-
Gearing ratio, %	**57.7**	95.3	-	57.7	95.3	-
Interest-bearing net liabilities	**395.9**	598.7	-33.9	395.9	598.7	-33.9
Investments (excluding acquisitions)	**63.8**	128.0	-50.1	10.0	37.5	-73.4
Net cash from operating activities	**209.6**	102.4	104.8	48.6	31.5	54.2
Number of employees, average	**5,993**	6,510	-7.9	5,855	6,427	- 8.9
Number of personnel, at the end of the period	**5,841**	6,365	-8.2	5,841	6,365	-8.2

OPERATING ENVIRONMENT

The year 2009 followed similar patterns in the markets of most of Ahlstrom's products: the extremely challenging market situation caused by the recession continued until the end of the first half of 2009. In the summer 2009, the drop in market demand stopped, and in most markets, the demand began to recover. Despite the favorable development in the latter part of the year, the demand fell short of the level of 2008. The globally increased unemployment weakened the demand in the consumer goods industry in general.

In the Fiber Composites segment*, the impact of the recession on the demand for Ahlstrom's products was twofold. The demand for Ahlstrom's food packaging and

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*Ahlstrom's business is reported in two segments: the Fiber Composites segment and the Specialty Papers segment. The Fiber Composites segment comprises the Advanced Nonwovens, Filtration, Glass & Industrial Nonwovens and Home & Personal Nonwovens business areas. The Specialty Papers segment covers the Release & Label Papers and Technical Papers business areas.

teabag materials or nonwovens in medical applications was not impacted significantly, but the markets for other products declined. After two weak first-half quarters, the market situation in the construction and automotive industries improved during the second half of the year, which increased the demand for Ahlstrom's construction materials and transportation filtration media. Nevertheless, the markets continued to be challenging. Preparations for the possible spread of the H1N1 virus causing swine flu had a slightly positive impact on the demand for face masks and wipes in the summer and fall. However, the demand leveled off during the fourth quarter. As for wind power and marine industries, Ahlstrom's main markets in Europe and North America were weak throughout the year.

In the Specialty Papers segment*, the demand for release and label papers began to pick up during the second quarter and increased throughout the rest of the year. The demand for posters, industrial papers, pre-impregnated furniture papers and crepe papers also increased. The demand for the crepe papers increased particularly in Asia. On the other hand, the automotive, construction and textile specialty paper markets continued to be weak.

Ahlstrom's main raw materials are natural fibers, mainly pulp, synthetic fibers and chemicals. The prices of pulp in particular, but also of other raw materials, began to increase in June, and the increase continued throughout the rest of the year. Energy and transportation costs also increased.

*Ahlstrom's business is reported in two segments: the Fiber Composites segment and the Specialty Papers segment. The Fiber Composites segment comprises the Advanced Nonwovens, Filtration, Glass & Industrial Nonwovens and Home & Personal Nonwovens business areas. The Specialty Papers segment covers the Release & Label Papers and Technical Papers business areas.

DEVELOPMENT OF NET SALES

Net sales by segment and business area	2009	2008	Change, %	10–12 / 2009	10–12 / 2008	Change, %
Fiber Composites	**861.2**	**987.4**	**-12.8**	**223.4**	**229.1**	**-2.5**
Advanced Nonwovens	**175.4**	189.2	-7.3	**44.1**	50.2	-12.2
Filtration	**276.2**	306.5	-9.9	**71.1**	66.2	7.4
Glass & Industrial Nonwovens	**180.0**	235.6	-23.6	**45.9**	48.6	-5.6
Home & Personal Nonwovens	**238.4**	268.5	-11.2	**64.6**	67.4	-4.2
Specialty Papers	**743.8**	**822.4**	**-9.6**	**199.6**	**191.6**	**4.2**
Release & Label Papers	**282.0**	314.6	-10.4	**76.2**	73.5	3.6
Technical Papers	**464.1**	507.9	-8.6	**123.6**	118.2	4.6
Other functions* and eliminations	**-8.9**	-7.4	-	**-2.5**	-1.7	-
Total net sales	**1,596.1**	**1,802.4**	**-11.4**	**420.5**	**419.0**	**0.4**

* 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 2009

Group net sales decreased in all business areas due to lower volumes in most products. Net sales for 2009 amounted to EUR 1,596.1 million, decreasing by 11.4% compared to the previous year (EUR 1,802.4 million).

Quarterly net sales decreased to its lowest, EUR 376.1 million, during the first quarter of 2009, after which they increased steadily toward the end of the year.

Net sales increased by 12.4% in Asia-Pacific. The increase was particularly strong in China and India. Net sales decreased in other geographic areas.

Net sales of the Fiber Composites segment amounted to EUR 861.2 million (EUR 987.4 million), representing 54% of the Group's net sales. Net sales decreased by 12.8% compared to the previous year. The net sales of the Advanced Nonwovens business area decreased the least (-7.3%). The decline was mainly due to the optimization of the product mix improving profitability and the impact of exchange rate fluctuations. The heaviest drop was seen in the Glass & Industrial Nonwovens business area (-23.6%). The decrease in the net sales of this business area was the steepest due to the weak demand in the windmill and marine industries in Ahlstrom's main markets. However, sales of glassfiber tissue and industrial nonwovens, such as wallcovers, increased toward the end of the year, and sales of specialty reinforcements used in windmills and the marine industry seemed to have bottomed out in the fourth quarter.

Net sales of the Specialty Papers segment amounted to EUR 743.8 million (EUR 822.4 million), representing 46% of the Group's net sales. Net sales decreased by 9.6%. Net sales were reduced both in the Release & Label Papers (-10.4%) and Technical Papers (-8.6%) business areas due to a decrease in sales volumes of most products caused by the recession. However, the general trend in sales volumes turned in the summer, and the net sales increased during the second half of the year.

Development of net sales in October–December 2009

The Group's net sales remained on the level of October–December 2008. Net sales were EUR 420.5 million (EUR 419.0 million). With regard to net sales, it should be noted that the fourth quarter of 2008 was the first reporting period with the global recession reflected on Ahlstrom's sales to its full extent.

Net sales of the Fiber Composites segment amounted to EUR 223.4 million (EUR 229.1 million), representing 53% of the Group's net sales. The segment's net sales decreased by 2.5% compared to October–December 2008. Net sales increased by 7.4% in the Filtration business area as the customers refilled their inventories toward the end of the year to meet the increasing demand for their products. Net sales in other business areas decreased. The net sales of the Advanced Nonwovens business area fell the most (-12.2%), mainly due to exchange rate fluctuations. The euro strengthened compared to the main invoicing currencies in the business area, the US dollar and the pound sterling.

Net sales of the Specialty Papers segment amounted to EUR 199.6 million (EUR 191.6 million), representing 47% of the Group's net sales. Sales volumes increased in both business areas following the picking up of market demand in the summer generating higher consumption for Ahlstrom's products toward the end of the year. The net sales of the segment as a whole were 4.2% higher compared to October–December 2008.

RESULT AND PROFITABILITY

Financial result by segment	2009	2008	Change, %	10–12 / 2009	10–12 / 2008	Change, %
Fiber Composites						
EBIT (Operating profit/loss)	**-18.8**	15.3	-	-30.4	-24.7	-23.0
EBIT (Operating profit/loss), %	**-2.2**	1.5	-	-13.6	-10.8	-
Return on net assets, RONA, %	**-2.5**	2.0	-	-17.0	-12.3	-
Specialty Papers						
EBIT (Operating profit/loss)	**14.6**	10.2	42.4	3.8	-6.5	-
EBIT (Operating profit/loss), %	**2.0**	1.2	-	1.9	-3.4	-
Return on net assets, RONA, %	**3.8**	2.3	-	4.1	-6.0	-
Other functions* and eliminations						
Operating profit/loss	**-10.4**	-10.9	-	-0.0	-4.2	-
Ahlstrom Group total						
EBIT (Operating profit/loss)	**-14.6**	14.6	-	-26.6	-35.4	24.8
EBIT (Operating profit/loss), %	**-0.9**	0.8	-	-6.3	-8.4	-
ROCE, %	**-1.1**	1.4	-	-9.4	-10.8	-

* 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 2009

The Group EBIT was EUR -14.6 million (EUR 14.6 million). The performance was burdened by non-recurring expenses totaling EUR 54.3 million (EUR 21.1 million), the largest of which was the EUR 22.4 million impairment charge in the Home & Personal Nonwovens business area in December.

The second most significant individual non-recurring item was the closing down of the paper machine in Barcelona, Spain, in the Filtration business area. The decision was made in December 2009, and non-recurring expenses related to the closure amounting to EUR 7.3 million were booked in the fourth quarter of 2009. Of these, EUR 5.3 million were asset write-downs and EUR 2.0 million cash-related items. A total of 37 employees were laid off.

EBIT excluding non-recurring items amounted to EUR 39.8 million, slightly above the previous year (EUR 35.7 million). In particular, lower sales volumes compared to 2008 burdened the performance. It was improved by streamlining of operations, a fall in raw material costs during the first half of the year and the picking up of demand that started in the summer. Profitability did not weaken significantly due to the increase in raw material prices toward the end of the year, as the company strived for sales price increases in proportion to the higher raw material prices.

Favorable trends of Ahlstrom’s business strengthened toward the end of the year. However, some projects included in the EUR 500 million investment program carried out during 2007 and 2008 did not meet the profitability targets set, mainly due to demand falling short of expectations.

The sales of Ahlstrom’s new glassfiber tissue production plant in Tver, Russia, showed noticeable progress by the fall 2009. After a challenging start, the plant opened in summer 2008 benefited from the recovered demand in the Russian market toward the end of 2009. On the other hand, the profitability of the increased production capacity in La Gère, France, implemented in the summer 2007, fell short of expectations again in 2009. Sales of the plant's release base papers did increase, but sales prices suffered from overcapacity on the market. Commercialization of the teabag material nonwovens line, opened in Chirnside, the United Kingdom, at the end of 2008 started slowly, and the customer approval processes of the new products are still going on.

The EBIT of the Fiber Composites segment decreased to EUR -18.8 million (EUR 15.3 million). Non-recurring items amounted to EUR -44.2 million (EUR -18.0 million).

The EBIT of the Specialty Papers segment, on the other hand, increased to EUR 14.6 million (EUR 10.2 million). Non-recurring items amounted to EUR -7.4 million (EUR -2.4 million).

During the year, Ahlstrom adjusted its production to the weak demand. The market related downtime in production decreased significantly toward the end of the year. The figure for the year as a whole was 18.2% (10.3%), but only 12.0% (22.7%) for the fourth quarter. Temporary layoffs and other flexible working hour solutions were also implemented, depending on the market conditions. Globally, approximately 3,000 (1,200) employees were affected by the temporary layoffs and other flexible working hour arrangements and 600 (900) employees during October–December.

Fixed costs excluding non-recurring items decreased by 5.3% as a result of cost control and implemented streamlining measures.

Net financial expenses were EUR 26.2 million (EUR 34.2 million). Net financial expenses include net interest expenses of EUR 23.3 million (EUR 30.0 million), exchange rate losses of EUR 0.2 million (EUR 1.5 million), and other financial expenses of EUR 2.7 million (EUR 2.6 million).

Loss before taxes was EUR 40.1 million (loss before taxes of EUR 20.6 million).

Deferred tax income amounted to EUR 7.1 million (EUR 4.5 million).

Loss for the period was EUR 32.9 million (loss for the period of EUR 16.1 million). Earnings per share were EUR -0.72 (EUR -0.38).

Return on capital employed (ROCE) amounted to -1.1% (1.4%), and return on equity (ROE) to -5.0% (-2.3%).

Result and profitability in October–December 2009

Ahlstrom's EBIT in October–December was EUR -26.6 million (EUR -35.4 million). The EBIT was burdened by non-recurring expenses amounting to EUR 46.2 million (EUR 21.7 million).

Operating profit excluding non-recurring items was better than in the comparison period: EUR 19.5 million (EUR -13.7 million). The result was improved by increased sales volumes due to favorable demand, but first and foremost by the company's streamlining efforts and internal cost control reflecting on the cost structure.

EBIT of the Fiber Composites segment amounted to EUR -30.4 million (EUR -24.7 million). The figure includes non-recurring expenses amounting to EUR 40.5 million (EUR 20.2 million), of which EUR 22.4 million were impairment charges and EUR 7.3 million due to the closure of the Barcelona paper machine.

EBIT of the Specialty Papers segment amounted to EUR 3.8 million (EUR -6.5 million). The figure includes non-recurring expenses amounting to EUR 4.4 million (EUR 1.8 million).

FINANCING

Net cash from operating activities amounted to EUR 209.6 million (EUR 102.4 million) and cash flow after investing activities was EUR 143.3 million (EUR -51.0 million). Cash flow was improved by significantly reduced operative working capital, to which particular attention was paid throughout the year. Operative working capital decreased by EUR 104.3 million compared to the end of 2008.

Interest-bearing net liabilities decreased by EUR 202.8 million from the turn of the year to EUR 395.9 million (EUR 598.7 million). Ahlstrom's interest-bearing liabilities amounted to EUR 415.8 million on December 31, 2009. Of the loan portfolio, approximately 60% was tied to a fixed interest rate using interest rate derivatives or based on the loan contracts. The duration of the loan portfolio (average interest rate tying period) was 28 months and the average interest rate was approximately 3.4%.

Ahlstrom actively strengthened its balance sheet during 2009, not only by strengthening its cash flow but also by issuing a hybrid bond of EUR 80 million in November. As it is treated as equity, it reduced the company's gearing ratio by approximately 20 percentage points. The coupon rate of the bond is 9.5% and issue price was 100%. The bond was clearly oversubscribed.

The company also extended the maturity structure of its loan portfolio by agreeing on new loan facilities. During the first half of the year, the company entered into agreements on new medium-term bilateral loan facilities amounting to EUR 55 million. During the summer it signed a three-year, EUR 200 million agreement on the refinancing of the medium-term revolving credit facility of the same amount expiring in November 2009. In the fall, Ahlstrom signed an agreement on pension loans amounting to EUR 56 million. The average maturity of the loan portfolio was 2.3 years.

The company's liquidity is good. At the end of the year, its total liquidity, including cash, available committed credit facilities, and cash pool overdraft limits totaled EUR 328.0 million. In addition, the company had uncommitted credit facilities and domestic commercial paper programs totaling EUR 318.1 million available.

The gearing ratio decreased to 57.7% (95.3%). The equity ratio was 44.8% (36.8%).

CAPITAL EXPENDITURE

Ahlstrom did not make any major investment decisions during the year. The company's capital expenditure totaled EUR 63.8 million (EUR 128.0 million excluding acquisitions in 2008).

The largest project in 2009 was the construction of a medical nonwovens plant in the Mundra special economic zone in Gujarat, India. The total cost of the construction project was approximately EUR 38 million. Production at the plant is started during the first quarter of 2010.

GUIDELINES AND IMPLEMENTATION OF THE REVISED STRATEGY

Ahlstrom announced its revised strategy in October 2009. The key conclusion is that Ahlstrom operates in two distinct business clusters that require different kinds of competence and management. The company's operations are based on two distinct business models: value-added business and operational excellence business.

The value-added business will be Ahlstrom's future growth engine, developing through organic growth and possibly by making small acquisitions. Geographically, growth will particularly focus on Asia. New and innovative products will create the foundation of success in this business. The products in this cluster cover the majority of Ahlstrom’s Fiber Composites segment as well as crepe papers and vegetable parchment.

The task of the operational excellence business is to support the growth of the company. In this business, it is important to be able to develop cost effective products serving customers' needs through, for instance, alternative raw materials or new technological solutions. The cluster covers the majority of Ahlstrom's Specialty Papers segment as well as the nonwoven materials used in consumer wipes and air filters.

The long-term target of the strategy is to ensure Ahlstrom’s profitable growth, strengthen the company's competitive position and generate returns that are in line with the company's financial targets. At the same time, measures to manage the balance sheet and reduce the gearing ratio will continue. One of the most important indicators is return on capital employed (ROCE), which should reach its target level of 13%. With regard to product lines and units falling short of their objectives, measures will be continued to meet the goals.

During 2010, the implementation of the strategy will particularly focus on making Ahlstrom's vision, mission, values, and corporate image clearer, and developing the personnel, organization, and processes.

STREAMLINING PROGRAMS

Restructuring programs

Ahlstrom carried out two restructuring programs during the year in accordance with plans to improve and adjust operational activities to changed market demand. The total annual savings from these programs are approximately EUR 55 million. In addition, a project to optimize working capital was initiated; this project will continue until the end of 2010.

January program

Concerning the permanent layoffs of 210 people as part of the restructuring program launched in January, a total of 176 employees were laid off by the end of the year. The EUR 5 million annual savings resulting from the program will have full effect in 2010. In addition, there were temporary layoffs and production was cut down by market related downtime*.

The program involved the closing down of unprofitable operations in Milan, Italy, that belong to the Home & Personal Nonwovens business area. The company closed down the Gallarate plant as well as one production line in Cressa. The reduction impact on personnel related to the closures was approximately 50. Non-recurring expenses were EUR 19.0 million, of which EUR 5.2 million were cash-related. The expenses have been booked in Ahlstrom's fourth quarter 2008 financial results.

April program

Ahlstrom announced in April that it was to initiate another restructuring program, aiming for annual savings of EUR 50 million. The savings will have full effect in 2010.

In April, Ahlstrom estimated that the restructuring may have an impact on 400–500 Ahlstrom employees globally. The measures taken in 2009 will, however, reduce the personnel by approximately 560 persons. According to the agreed timetable, the cuts will be implemented in 2009 and 2010. The number of personnel was decreased by a total of 384 employees in 2009, and approximately 180 persons will leave the company in 2010.

The company decided in June to permanently close down a production line at the plant in Bethune, USA, and move its production to Green Bay, USA. The production line belonged to the Home & Personal Nonwovens business area. Personnel cuts made as a result of the closure totaled 65 employees.

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* Market related downtime = downtime taken due to market reasons, lack of orders or too high product stock. Otherwise plants could have run normally without any other downtime.
Market related downtime % = market related downtime / manned time.
Manned time = available time – unmanned time. Time the machines were running according to their shift system.

In December, it was decided to close down the Filtration business area's paper machine in Barcelona, and a total of 37 employees were laid off. In addition, significant adjustment decisions reducing the amount personnel were made at two other plants during the fourth quarter. A total of 76 employees were laid off at the plant in Karhula, Finland, in connection with the production adjustment of specialty reinforcements and glassfiber tissue. The plant is part of the Glass & Industrial Nonwovens business area. Reductions of 34 employees in 2009 and a maximum of 30 in 2010 were agreed at the plant in Altenkirchen, Germany. The Altenkirchen plant is part of the Ahlstrom's Technical Papers business area.

The cost of the April program was initially estimated to be approximately EUR 40 million in 2009, of which 50% cash-related. EUR 31.9 million of the costs were realized, of which EUR 18.3 million were cash-related. The costs were lower than estimated as more cost-efficient solutions than expected were found to reach the target for savings.

Optimization of working capital

The project to optimize working capital initiated at the beginning of 2009 proceeded according to plan. The project aims to reduce working capital by EUR 100 million over two years. The project had been initiated at 20 plants by the end of the year and it will be rolled out to all production sites and functions during 2010. Operative working capital decreased by EUR 104.3 million during 2009 with turnover improving by 23 days to 53 days.

CHANGES IN THE CORPORATE EXECUTIVE TEAM

Jan Lång started as the President & CEO of Ahlstrom Corporation on January 1, 2009. Risto Anttonen who had acted as interim CEO from February 28, 2008 to December 31, 2008, assumed the role of Deputy of the President & CEO, and continued as a member of the Corporate Executive Team.

The following people changed tasks and started in their new positions on January 1, 2009:
Tommi Björnman, Senior Vice President, Filtration.
Claudio Ermondi, Senior Vice President, Innovations & Technology.
Paul Marold, Senior Vice President, Advanced Nonwovens.
Laura Raitio, Senior Vice President, Glass & Industrial Nonwovens.

In addition, three new appointments were announced during the first quarter of 2009:
Rami Raulas was appointed on January 9, 2009 as Senior Vice President, Sales & Marketing, as of February 1, 2009.
Paula Aarnio was appointed Senior Vice President, Human Resources, on February 6, 2009. She assumed her responsibility on April 27, 2009.
Seppo Parvi was appointed Chief Financial Officer on February 6, 2009. He assumed his position on May 25, 2009.

Paul Marold, Senior Vice President, Advanced Nonwovens, resigned from Ahlstrom’s service on August 14, 2009.

Ahlstrom announced in December that it will change the structure of its Corporate Executive Team as of February 1, 2010, with regard to sourcing and sustainability (see Events after the balance sheet date, p. 14).

The current composition of the Corporate Executive Team and members' CVs are available on the company's website www.ahlstrom.com.

PERSONNEL

The number of Ahlstrom employees during 2009 was 5,993 on average (6,510) and at the end of the year, 5,841 (6,365). Wages and salaries including bonus payments totaled EUR 249.1 million (EUR 249.9 million).

The January and April restructuring programs together resulted in a reduction of a total of 560 employees in 2009, and an additional decrease of approximately 180 employees was agreed for 2010. On the other hand, the company hired new employees in 2009 for the Mundra, India plant, among others. The number of personnel was decreased by a total of 524 people in year 2009.

At the end of the year, the highest numbers of employees were in the United States (24%), France (21%), Italy (12%), Finland (11%), Germany (9%) and Brazil (7%).

ANNUAL GENERAL MEETING AND AUTHORIZATIONS OF THE BOARD

Ahlstrom Corporation's Annual General Meeting of Shareholders (AGM) was held on March 25, 2009. The AGM resolved to distribute a dividend of EUR 0.45 per share for the fiscal year that ended on December 31, 2008 from the retained earnings in accordance with the proposal of the Board of Directors. The AGM approved the financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial period January 1–December 31, 2008.

The AGM confirmed the number of Board members as unchanged at seven. Thomas Ahlström, Sebastian Bondestam, Jan Inborr, Martin Nüchtern, Bertel Paulig and Peter Seligson were re-elected as members of the Board of Directors. Anders Moberg was elected as a new member. The term of the Board of Directors will expire at the close of the next Annual General Meeting.

The Board of Directors elected Peter Seligson as Chairman and Bertel Paulig as Vice Chairman of the Board. Bertel Paulig (Chairman), Thomas Ahlström, and Martin Nüchtern were elected as members of the Audit Committee. Peter Seligson (Chairman), Sebastian Bondestam, and Jan Inborr were elected as members of the Compensation and Nomination Committee.

The AGM elected PricewaterhouseCoopers Oy (PwC) as Ahlstrom's auditor. PwC designated Authorized Public Accountant Eero Suomela as auditor in charge.

The AGM authorized the Board of Directors to repurchase Ahlstrom shares. The maximum number of shares to be purchased is 4,500,000. The shares may be repurchased only through public trading at the prevailing market price using unrestricted shareholders' equity.

The AGM also authorized the Board of Directors to distribute a maximum of 4,500,000 own shares held by the company. The Board of Directors is authorized to decide to whom and in which order the shares will be distributed. 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 the manner and to the extent decided 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 authorizations 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.

On February 3, 2010, the Board of Directors decided to utilize the authorization of the AGM to repurchase Ahlstrom's shares for the implementation of the company's share-based incentive plan (see Events after the balance sheet date, p. 14).

OTHER EVENTS IN 2009

Product innovations

As in previous years, Ahlstrom launched new products and technologies to consolidate its leading position in the fiber-based materials market. Both in 2008 and 2009, as much as 48% of Ahlstrom's net sales were generated by new or improved products[*] (39% in 2007).

In 2009, Ahlstrom introduced a new advanced nonwoven material for medical applications, especially for drapes and gowns. This material based on bi-component spunbond is stronger than comparable basis weight fabric, it is soft and comfortable in gowns, and offers drapability and strength for drapes. The new material also suits for sterilization by means of radiation. The product generated significant sales in 2009 and further growth is expected in 2010.

Hybrid wallcovering was among the significant product launches. Both natural fibers and synthetic fibers are used in its production, which combines the favorable properties of nonwovens and papers in a cost-efficient way. The wallcovering is manufactured by Ahlstrom's Turin plant, whose equipment investment was completed during the second quarter of 2009. Several wallcovering manufacturers approved the product during the fourth quarter, and commercial deliveries were started.

Ahlstrom introduced several filtration media innovations to match the stricter environmental criteria, e.g. in diesel filtration. In vehicles, the use of low sulfur fuels

[*] 3M definition applied: New product perceived by customer as new, not older than 3 years; Other innovations represent a significant technical contribution, not older than 3 years.

and biodiesel requires advanced properties from the fuel water separator systems. In response, Ahlstrom launched the ultra-high surface coalescing media for reliable water removal from any commercial fuel. In 2009, Ahlstrom also introduced a new transmission filtration media. Transmission filters with the Micro Filtration Technology (MFT-series) are pleated, offering more surface area and enabling a smaller carbon footprint than conventional filters when using them in vehicles.

Ahlstrom also developed a new range of dry wiping fabrics for general purpose cleaning applications in home and industrial environments. The new products are based on a composite spunlace technology, combining layers of different materials into one fabric. These fabrics are soft, highly absorbent, strong and resistant to abrasion. The products were developed together with Ahlstrom’s customers for their new innovative wiping products.

The most significant new product in Specialty Papers was the one-side-coated label paper Lumimax TT. Developed particularly for thermal transfer printing, the paper is used for printing barcodes and other labels, such as price tags or product identifiers. Lumimax TT enables excellent definition even at the lowest printing temperatures. In 2009, Lumimax was used by Ahlstrom's customers in South America for both domestic and export businesses.

The commercialization of one of the most significant innovations of 2008, Ahlstrom's Disruptor™ PAC water filtration material and a high-quality compostable teabag material, continued in 2009. The products have attracted considerable interest.

Progress in sustainable development

In 2009, Ahlstrom was ranked among the ten best Finnish companies in the global Carbon Disclosure Leadership index.

Natural fibers are by far the most significant of Ahlstrom's raw materials. The company considers it important that they come from sustainably managed forests. Also the rest of the company's pulp suppliers were certified in 2009 with regard to the chain of custody in accordance with either PEFC or FSC, i.e. the most widely used sustainable forest management certification systems.

EVENTS AFTER THE BALANCE SHEET DATE

Changes in the Corporate Executive Team

In December 2009, Ahlstrom announced that it will change the structure of its Corporate Executive Team. The changes took effect on February 1, 2010. The responsibility for Ahlstrom's Sourcing operations was transferred to CFO Seppo Parvi. Diego Borello, Senior Vice President, Purchasing and Sustainability, took on a new role outside the CET in Ahlstrom's Sourcing organization. Paula Aarnio, Senior Vice President, Human Resources, will be responsible for Ahlstrom's Sustainability in addition to her other responsibility areas.

On January 26, 2010, William Casey was appointed Senior Vice President, Advanced Nonwovens, as of February 8, 2010. He will be based in Windsor Locks, USA. Casey's latest position was Chief Operations Officer at Shawmut Corporation. Shawmut Corporation is a supplier of laminates for the automotive industry.

Repurchase of Ahlstrom's shares

Today, on February 3, 2010, Ahlstrom announced that its Board of Directors has decided to utilize the authorization given by the Annual General Meeting held on March 25, 2009, 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.

The share repurchases shall start on February 10 at the earliest, and end by the end of the next AGM on March 31, 2010, at the latest.

The shares shall be acquired through public trading on the NASDAQ OMX Helsinki at market price prevailing at the time of repurchase. Evli Bank Plc will act as stock broker in the repurchases.

SHARES AND SHARE CAPITAL

Ahlstrom's share is 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.

During 2009, a total of 4.5 million Ahlstrom shares were traded for a total of EUR 35.7 million. The lowest trading price was EUR 6.15 and the highest EUR 10.00. The closing price on December 30, 2009 was EUR 9.23 and market capitalization was EUR 430.8 million at year's end.

Ahlstrom Group's equity per share was EUR 12.98 at the end of the review period (EUR 13.46).

In 2009, Ahlstrom did not use the AGM authorization to repurchase or distribute company shares.

DIVIDEND POLICY AND PROPOSAL FOR THE DISTRIBUTION OF PROFITS

Ahlstrom's dividend policy was revised in December 2009. The new dividend policy is based on the company's cash generating capabilities and will be applied as from the dividend paid for the financial year 2009.

The company will aim to pay a dividend of not less than one third of the net cash from operating activities after operative investments, calculated as a three-year rolling average to achieve stability in the dividend payout. Operative investments include maintenance, cost improvement, and efficiency improvement investments.

According to the previous dividend policy, the aim was to pay a dividend of not less than 50% of the result for the financial year on average.

The distributable funds in the balance sheet of Ahlstrom Corporation as per December 31, 2009 amounted to EUR 652,268,818.91.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.55 per share be paid for the fiscal year that ended on December 31, 2009. The dividend will be paid to shareholders registered in the Register of Shareholders held by Euroclear Finland Ltd on the record date, April 7, 2010. As per February 3, 2010, the number of shares of the Company amounts to 46,670,608 based on which the maximum amount to be distributed as dividend would be EUR 25,668,834.40. The Board of Directors proposes that the dividend be paid on April 14, 2010.

In addition, the Board of Directors proposes that EUR 535,000.00 be reserved to be used for the public donations at the discretion of the Board.

OUTLOOK

The market sentiment in the latter half of 2009 improved. The situation seems stable in most business areas. However, demand is expected to fall short of the level of 2008. The biggest challenges continue to be found in specialty reinforcements in the Glass & Industrial Nonwovens business area, as there are no clear signs of a revival in the demand in the windmill and marine industries in Ahlstrom's main markets, Europe and North America. Net sales for 2010 are expected to increase compared to 2009 but remain lower than the level for 2008.

The more efficient cost structure and improved demand are expected to improve profitability. The restructuring programs of 2009 are almost complete, but the continuous efficiency improvement measures will remain a priority also in 2010. EBIT excluding non-recurring items is expected to increase compared to 2009.

In 2010, investments excluding acquisitions are estimated at approximately EUR 60 million (EUR 63.8 million in 2009).

SHORT-TERM RISKS

Despite the improved market sentiment, it is difficult to predict the rate at which the world economy will recover. If the recovery from the recession is prolonged, it may be necessary to limit production more than planned and the risk of a decrease in sales prices increases. So far, bad debts have remained low, but Ahlstrom's customer credit risks have increased due to the weakening economic situation and are more difficult to cover with credit insurance.

In addition, raw material prices, the price of pulp, man made fibers and polymers in particular, have been increasing since last summer and they are expected to remain at a high level during 2010. If the prices remain high and the increased raw material costs cannot be transferred to selling prices, the growth in profitability achieved in 2009 might be compromised.

The weaker-than-expected utilization rate of the investments of the past few years due to the low demand may, if it continues, extend the payback period of Ahlstrom's EUR 500 million investment program carried out in 2007 and 2008. The start-up of operations of the Mundra, India plant in early 2010 and commissioning of capacity are also critical.

The general risks of Ahlstrom's business operations are described in more detail on the company website, www.ahlstrom.com, and in the report by the Board of Directors in the company's Annual Report 2009. The printed Annual Report will be published in the week starting March 15, 2010, and the pdf file of the report will be available in the week starting March 8, 2010. The risk management process is also described in the Corporate Governance Statement available on the website after the Annual Report has been published.

* * *

This financial statements bulletin 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, February 3, 2010

Ahlstrom Corporation
Board of Directors

ADDITIONAL INFORMATION

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

Ahlstrom's President & CEO Jan Lång and CFO Seppo Parvi will present the financial results 2009 in Finnish at a press and analyst conference in Helsinki on February 3, at 2:00 p.m. Finnish time. The conference will take place at Event Arena Bank, address Unioninkatu 20, 2nd floor. The name of the meeting room will be displayed on the display board in the lobby. You are welcome to attend.

In addition, a conference call for analysts and investors will be held in English on February 3, 2010, at 4:00 p.m. Finnish time. Mr Lång and Mr Parvi will present the financial results 2009. To participate in the teleconference, please dial +358 (0)800 914 672 in Finland or +44 (0)203 003 2666 in UK a few minutes before the conference begins (access code not needed).

The event can also be viewed as a live audio webcast at www.ahlstrom.com. Registration is required. It is possible to participate in the Q & A session via teleconference or online.

An on-demand audio webcast of the conference will be available on Ahlstrom's website for twelve months after the call.

The presentation material will be available at www.ahlstrom.com > Investors > IR presentations on February 3, 2010, after the financial statements bulletin has been published.

AHLSTROM'S FINANCIAL INFORMATION IN 2010

Ahlstrom will publish its financial information in 2010 as follows:

Report	Date of publication	Silent period
Financial statements bulletin 2009	Wednesday, February 3	January 1–February 3
Interim Report January-March	Thursday, April 29	April 1–April 29
Interim Report January-June	Wednesday, August 11	July 1–August 11
Interim Report January-September	Tuesday, October 26	October 1–October 26

During the silent period, Ahlstrom will refrain from contact with the representatives of the capital market.

The printed annual report 2009 will be published during the week starting March 15. It will be available as a pdf file on the company website at www.ahlstrom.com > Investors during the week starting March 8.

The Annual General Meeting of Shareholders (AGM) will be held on Wednesday, March 31, 2010, 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 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

CONSOLIDATED FINANCIAL STATEMENTS

Financial statements are unaudited.

INCOME STATEMENT	**Q4**	Q4	**Q1-Q4**	Q1-Q4
EUR million	**2009**	2008	**2009**	2008
Net sales	**420.5**	419.0	**1,596.1**	1,802.4
Other operating income	**5.3**	5.6	**13.4**	18.7
Expenses	**-391.0**	-419.8	**-1,486.3**	-1,694.2
Depreciation, amortization and impairment charges	**-61.4**	-40.2	**-137.8**	-112.3
Operating profit / loss	**-26.6**	-35.4	**-14.6**	14.6
Net financial expenses	**-6.4**	-13.8	**-26.2**	-34.2
Share of profit / loss of associated companies	**-0.4**	-0.3	**0.7**	-1.1
Profit / loss before taxes	**-33.4**	-49.5	**-40.1**	-20.6
Income taxes	**5.5**	12.4	**7.1**	4.5
Profit / loss for the period	**-27.9**	-37.0	**-32.9**	-16.1
Attributable to				
Owners of the parent	**-27.9**	-37.0	**-32.9**	-17.9
Minority interest	**-**	-	**-**	1.8
Earnings per share, EUR				
- Basic and diluted *	**-0.61**	-0.79	**-0.72**	-0.38

**With the effect of interest on hybrid bond for the period after taxes*

STATEMENT OF COMPREHENSIVE INCOME	**Q4**	Q4	**Q1-Q4**	Q1-Q4
EUR million	**2009**	2008	**2009**	2008
Profit / loss for the period	**-27.9**	-37.0	**-32.9**	-16.1
Other comprehensive income, net of tax:				
Translation differences	**10.1**	-30.1	**32.5**	-37.1
Hedges of net investments in foreign operations	**-0.9**	3.2	**-1.0**	6.4
Cash flow hedges	**0.4**	-1.3	**0.4**	-1.2
Other comprehensive income, net of tax	**9.7**	-28.2	**31.8**	-32.0
Total comprehensive income for the period	**-18.3**	-65.2	**-1.1**	-48.1
Attributable to				
Owners of the parent	**-18.3**	-65.2	**-1.1**	-52.8
Minority interest	**-**	-	**-**	4.7

BALANCE SHEET	**Dec 31,**	Dec 31,
EUR million	**2009**	2008
ASSETS		
Non-current assets		
Property, plant and equipment	**717.6**	745.7
Goodwill	**151.3**	169.1
Other intangible assets	**52.1**	51.6
Investments in associated companies	**12.1**	11.4
Other investments	**0.2**	0.2
Other receivables	**23.0**	15.6
Deferred tax assets	**54.5**	40.4
Total non-current assets	**1,010.8**	1,033.9
Current assets		
Inventories	**175.9**	252.5
Trade and other receivables	**319.9**	356.2
Income tax receivables	**3.7**	6.3
Other investments	**-**	0.0
Cash and cash equivalents	**19.9**	58.2
Total current assets	**519.4**	673.2
Total assets	**1,530.2**	1,707.0
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent	**605.6**	628.1
Hybrid bond	**80.0**	-
Minority interest	**-**	0.0
Total equity	**685.6**	628.1
Non-current liabilities		
Interest-bearing loans and borrowings	**235.1**	188.7
Employee benefit obligations	**78.2**	84.6
Provisions	**5.0**	4.4
Other liabilities	**0.4**	0.2
Deferred tax liabilities	**23.8**	16.5
Total non-current liabilities	**342.5**	294.4
Current liabilities		
Interest-bearing loans and borrowings	**180.7**	468.1
Trade and other payables	**305.1**	293.3
Income tax liabilities	**3.7**	3.5
Provisions	**12.7**	19.7
Total current liabilities	**502.1**	784.5
Total liabilities	**844.6**	1,078.9
Total equity and liabilities	**1,530.2**	1,707.0

STATEMENT OF CHANGES IN EQUITY

1) Issued capital

2) Share premium

3) Non-restricted equity reserve

4) Hedging reserve

5) Translation reserve

6) Retained earnings

7) Minority interest

8) Hybrid bond

9) Total equity

	Attributable to owners of the parent								
EUR million	1)	2)	3)	4)	5)	6)	7)	8)	9)
Equity at January 1, 2008	**70.0**	**209.3**	**8.3**	**0.0**	**-15.5**	**444.3**	**36.0**	**-**	**752.4**
Dividends paid and other	-	-	-	-	-	-46.7	-	-	-46.7
Purchases of minority interest	-	-	-	-	-	11.3	-40.7	-	-29.4
Total comprehensive income for the period	-	-	-	-1.2	-33.6	-17.9	4.7	-	-48.1
Equity at December 31, 2008	**70.0**	**209.3**	**8.3**	**-1.2**	**-49.1**	**390.9**	**0.0**	**-**	**628.1**
Equity at January 1, 2009	**70.0**	**209.3**	**8.3**	**-1.2**	**-49.1**	**390.9**	**0.0**	**-**	**628.1**
Dividends paid and other	-	-	-	-	-	-21.0	-	-	-21.0
Hybrid bond	-	-	-	-	-	-0.5	-	80.0	79.5
Purchases of minority interest	-	-	-	-	-	-	-0.0	-	-0.0
Share-based incentive plan	-	-	-	-	-	0.1	-	-	0.1
Total comprehensive income for the period	-	-	-	0.4	31.5	-32.9	-	-	-1.1
Equity at December 31, 2009	**70.0**	**209.3**	**8.3**	**-0.8**	**-17.7**	**336.6**	**-**	**80.0**	**685.6**

STATEMENT OF CASH FLOWS EUR million	**Q4 2009**	Q4 2008	**Q1-Q4 2009**	Q1-Q4 2008
Cash flow from operating activities				
Profit / loss for the period	**-27.9**	-37.0	**-32.9**	-16.1
Adjustments, total	**53.4**	33.2	**146.3**	131.5
Changes in net working capital	**34.2**	38.1	**129.3**	47.2
Change in provisions	**1.8**	5.1	**-5.3**	-20.0
Financial items	**-12.4**	-2.4	**-28.2**	-16.8
Taxes paid	**-0.5**	-5.4	**0.4**	-23.4
Net cash from operating activities	**48.6**	31.5	**209.6**	102.4
Cash flow from investing activities				
Acquisition of Group companies	**-**	-0.1	**-0.0**	-39.0
Purchases of intangible and tangible assets	**-11.8**	-39.7	**-69.8**	-131.2
Other investing activities	**0.3**	0.5	**3.5**	16.9
Net cash from investing activities	**-11.5**	-39.2	**-66.3**	-153.4
Cash flow from financing activities				
Dividends paid	**-**	-	**-21.0**	-46.7
Payments received on hybrid bond	**80.0**	-	**80.0**	-
Changes in loans and other financing activities	**-133.9**	43.1	**-242.6**	136.3
Net cash from financing activities	**-53.9**	43.1	**-183.6**	89.7
Net change in cash and cash equivalents	**-16.8**	35.3	**-40.2**	38.7
Cash and cash equivalents at beginning of period	**36.2**	24.3	**58.2**	21.3
Foreign exchange adjustment	**0.5**	-1.4	**2.0**	-1.7
Cash and cash equivalents at end of period	**19.9**	58.2	**19.9**	58.2

KEY FIGURES	**Q4 2009**	Q4 2008	**Q1-Q4 2009**	Q1-Q4 2008
Operating profit, %	**-6.3**	-8.4	**-0.9**	0.8
Return on capital employed (ROCE), %	**-9.4**	-10.8	**-1.1**	1.4
Return on equity (ROE), %	**-17.1**	-22.4	**-5.0**	-2.3
Interest-bearing net liabilities, EUR million	**395.9**	598.7	**395.9**	598.7
Equity ratio, %	**44.8**	36.8	**44.8**	36.8
Gearing ratio, %	**57.7**	95.3	**57.7**	95.3
Basic earnings per share*, EUR	**-0.61**	-0.79	**-0.72**	-0.38
Equity per share, EUR	**12.98**	13.46	**12.98**	13.46
Cash earnings per share, EUR	**1.04**	0.67	**4.49**	2.19
Average number of shares during the period, 1000's	**46,671**	46,671	**46,671**	46,671
Number of shares at the end of the period, 1000's	**46,671**	46,671	**46,671**	46,671
Capital expenditure, EUR million	**10.0**	37.5	**63.8**	128.0
Capital employed, at the end of the period, EUR million	**1,101.5**	1,285.0	**1,101.5**	1,285.0
Number of employees, average	**5,855**	6,427	**5,993**	6,510

**With the effect of interest on hybrid bond for the period after taxes*

ACCOUNTING PRINCIPLES

This report has been prepared in accordance with IAS 34, Interim Financial reporting, as adopted by EU and the accounting policies set out in the Group's Financial Statements for 2008 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, 2009:

- Amendment to IAS 1 Presentation of Financial Statements: A Revised presentation

The amendment has changed the presentation of financial statements. The income statement is presented in two statements: income statement and statement of comprehensive income. The statement of changes in equity includes only transactions with owners and all non-owner changes are presented in equity as a single line.

- Amendment to IFRS 7 Improving Disclosures about Financial Statements

Amended IFRS 7 requires instruments measured at fair value to be disclosed by the source of the inputs in determining fair value, using the three-level hierarchy. The amended standard also requires enhanced disclosures about liquidity risk. The before mentioned amendments have affected the notes to the consolidated year-end financial statements.

- IFRS 8 Operating segments

The Group has two reportable segments: the Fiber Composites segment and the Specialty Papers segment. The adoption of IFRS 8 does not have an impact on reportable segments. It has neither remarkably changed the presentation of the segment information in the notes to the consolidated financial statements.

- Revised IAS 23 Borrowing costs

The Group has already earlier applied this accounting policy and the adoption of the revised standard has no impact on the consolidated financial statements.

The below mentioned new and amended standards and interpretations do not have an impact on the consolidated financial statements.

- Amendment to IFRS 2 Share-based payment: Vesting Conditions and Cancellations
- Amendments to IAS 32 and IAS 1 Puttable Financial Instruments and Obligations Arising on Liquidation
- Amendments to IFRIC 9 and IAS 39 Embedded Derivatives
- IFRIC 13 Customer Loyalty Programmes

SEGMENT INFORMATION	Q4	Q4	Q1-Q4	Q1-Q4
EUR million	**2009**	2008	**2009**	2008
Fiber Composites	**223.4**	229.1	**861.2**	987.4
Specialty Papers	**199.6**	191.6	**743.8**	822.4
Other operations	**5.0**	5.4	**16.3**	20.2
Internal sales	**-7.5**	-7.2	**-25.2**	-27.6
Total net sales	**420.5**	419.0	**1,596.1**	1,802.4
Fiber Composites	**2.1**	2.3	**6.4**	5.6
Specialty Papers	**0.6**	1.8	**3.2**	9.0
Other operations	**4.8**	3.1	**15.6**	12.9
Total internal sales	**7.5**	7.2	**25.2**	27.6
Fiber Composites	**-30.4**	-24.7	**-18.8**	15.3
Specialty Papers	**3.8**	-6.5	**14.6**	10.2
Other operations	**0.0**	-4.2	**-10.4**	-10.7
Eliminations	**-0.0**	-0.0	**0.1**	-0.2
Operating profit / loss	**-26.6**	-35.4	**-14.6**	14.6
Fiber Composites	**845.5**	947.1	**845.5**	947.1
Specialty Papers	**571.4**	609.2	**571.4**	609.2
Other operations	**24.0**	30.4	**24.0**	30.4
Eliminations	**-5.8**	-15.9	**-5.8**	-15.9
Investments in associated companies	**12.1**	11.4	**12.1**	11.4
Unallocated assets	**83.1**	124.9	**83.1**	124.9
Total assets	**1,530.2**	1,707.0	**1,530.2**	1,707.0

Segment information is presented according to the IFRS standards.

NET SALES BY REGION	Q4	Q4	Q1-Q4	Q1-Q4
EUR million	**2009**	2008	**2009**	2008
Europe	**221.9**	219.6	**846.3**	1,015.9
North America	**102.1**	114.9	**410.1**	442.5
South America	**48.8**	48.3	**174.9**	189.2
Asia-Pacific	**39.7**	27.4	**134.2**	119.4
Rest of the world	**8.1**	8.8	**30.7**	35.5
Total net sales	**420.5**	419.0	**1,596.1**	1,802.4

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CHANGES OF PROPERTY, PLANT AND EQUIPMENT		
EUR million	**Q1-Q4 2009**	Q1-Q4 2008
Book value at Jan 1	**745.7**	747.7
Acquisitions through business combinations	**-**	3.9
Additions	**63.6**	118.7
Disposals	**-1.0**	-3.7
Depreciations and impairment charges	**-106.9**	-97.3
Translation adjustment and other changes	**16.1**	-23.5
Book value at end of the period	**717.6**	745.7

TRANSACTIONS WITH RELATED PARTIES		
EUR million	**Q1-Q4 2009**	Q1-Q4 2008
Transactions with associated companies		
Sales and interest income	**0.5**	1.0
Purchases of goods and services	**-2.4**	-3.6
Trade and other receivables	**0.0**	2.6
Trade and other payables	**0.2**	0.3

Market prices have been used in transactions with associated companies.

OPERATING LEASES		
EUR million	**Dec 31, 2009**	Dec 31, 2008
Current portion	**6.6**	6.9
Non-current portion	**20.4**	17.1
Total	**27.0**	24.0

COLLATERALS AND COMMITMENTS		
EUR million	**Dec 31, 2009**	Dec 31, 2008
Mortgages	**73.0**	-
Pledges	**0.3**	0.5
Commitments		
Guarantees given on behalf of group companies	**19.6**	38.7
Guarantees given on behalf of associated companies	**2.1**	4.2
Capital expenditure commitments	**10.2**	36.2
Other commitments	**3.6**	4.7

QUARTERLY DATA EUR million	**Q4 2009**	Q3 2009	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008
Net sales	**420.5**	400.6	398.9	376.1	419.0	451.2	465.9	466.2
Other operating income	**5.3**	2.0	3.5	2.7	5.6	5.8	4.3	3.1
Expenses	**-391.0**	-364.4	-366.7	-364.2	-419.8	-421.5	-426.9	-425.9
Depreciation, amortization, impairment charges	**-61.4**	-25.0	-25.9	-25.3	-40.2	-24.1	-23.9	-24.1
Operating profit / loss	**-26.6**	13.1	9.7	-10.7	-35.4	11.3	19.4	19.3
Net financial expenses	**-6.4**	-6.8	-4.8	-8.2	-13.8	-7.1	-4.7	-8.6
Share of profit / loss of associated companies	**-0.4**	1.0	-0.3	0.4	-0.3	-0.7	-0.6	0.5
Profit / loss before taxes	**-33.4**	7.3	4.7	-18.6	-49.5	3.5	14.2	11.2
Income taxes	**5.5**	-2.4	-2.2	6.2	12.4	-1.0	-3.6	-3.4
Profit / loss for the period	**-27.9**	4.9	2.5	-12.4	-37.0	2.5	10.6	7.8
Attributable to								
Owners of the parent	**-27.9**	4.9	2.5	-12.4	-37.0	2.0	9.9	7.2
Minority interest	**-**	-	-	-	-	0.5	0.7	0.6

QUARTERLY DATA BY SEGMENT EUR million	**Q4 2009**	Q3 2009	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008
Net sales								
Fiber Composites	**223.4**	216.5	212.4	208.8	229.1	249.3	257.0	252.0
Specialty Papers	**199.6**	185.9	188.2	170.1	191.6	204.0	209.7	217.0
Other operations and eliminations	**-2.5**	-1.8	-1.7	-2.8	-1.7	-2.1	-0.7	-2.8
Group total	**420.5**	400.6	398.9	376.1	419.0	451.2	465.9	466.2
Operating profit / loss								
Fiber Composites	**-30.4**	8.8	5.3	-2.5	-24.7	7.7	16.8	15.5
Specialty Papers	**3.8**	7.3	6.8	-3.4	-6.5	6.5	4.7	5.5
Other operations and eliminations	**-0.0**	-3.0	-2.4	-4.9	-4.2	-2.9	-2.0	-1.7
Group total	**-26.6**	13.1	9.7	-10.7	-35.4	11.3	19.4	19.3

KEY FIGURES QUARTERLY EUR million	**Q4** **2009**	Q3 2009	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008
Net sales	**420.5**	400.6	398.9	376.1	419.0	451.2	465.9	466.2
Operating profit / loss	**-26.6**	13.1	9.7	-10.7	-35.4	11.3	19.4	19.3
Profit / loss before taxes	**-33.4**	7.3	4.7	-18.6	-49.5	3.5	14.2	11.2
Profit / loss for the period	**-27.9**	4.9	2.5	-12.4	-37.0	2.5	10.6	7.8
Gearing ratio, %	**57.7**	81.9	92.0	99.8	95.3	84.8	76.0	64.4
Return on capital employed (ROCE), %	**-9.4**	4.8	3.2	-3.3	-10.8	3.9	6.3	6.4
Basic earnings per share*, EUR	**-0.61**	0.10	0.05	-0.26	-0.79	0.04	0.22	0.15
Cash earnings per share, EUR	**1.04**	1.44	1.56	0.45	0.67	0.53	0.12	0.87
Average number of shares during the period, 1000's	**46,671**	46,671	46,671	46,671	46,671	46,671	46,671	46,671

**With the effect of interest on hybrid bond for the period after taxes*

CALCULATION OF KEY FIGURES

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