

Capital Markets Day 12 May 2010

Petri Rolig
President and CEO



Suominen in a nutshell

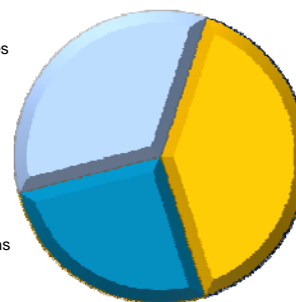
- We serve consumer goods industry and retail trade chains in wiping and packaging applications.
- Our customers are leading international producers and marketers of hygiene and health care products and food.
- Wiping products include baby, personal care and household wet wipes and nonwoven substrate for wipes.
- We provide flexible packaging for hygiene, food and security applications, and carrier bags.

Net sales 1-3/2010: EUR 40.6 million

Codi Wipes
34 %

Wiping
24.5 €M

Nonwovens
26 %



Flexibles
16.4 €M
40 %

Locations

Head office

- Tampere, Finland

Codi Wipes

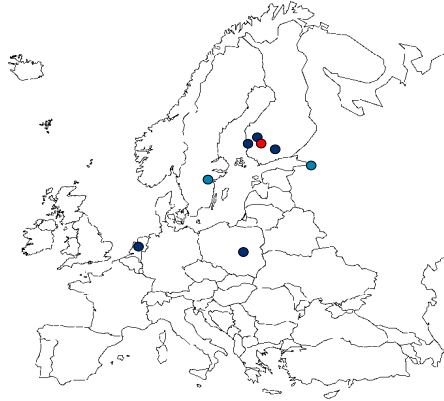
- Veenendaal, the Netherlands

Nonwovens

- Nakkila, Finland

Flexibles

- Tampere, Finland
- Nastola, Finland
- Ikaalinen, Finland
- Grodzisk Mazowiecki, Poland
- Norrköping, Sweden (sales office)
- St. Petersburg, Russia (sales office)



Largest shareholders at 30 April 2010

Shareholder	Number of shares	% of shares and voting power
Oy Etra Invest Ab	4 511 660	19.0
Evald and Hilda Nissi Foundation	2 138 490	9.0
Ilmarinen Mutual Pension Insurance Company	1 911 552	8.1
Heikki Bergholm	1 738 286	7.3
Tapiola Mutual Pension Insurance Company	1 283 850	5.4
Mikko Maijala	1 075 839	4.5
Juhani Maijala	1 041 360	4.4
Eeva Maijala	725 627	3.1
Veikko Laine Oy	535 200	2.3
Arvo Finland Value Mutual Fund	478 240	2.0
Argonius Oy	355 050	1.5
Samfundet Folkhälsan i Svenska Finland rf	300 000	1.3
Harald Relander	300 000	1.3
Jorma Takanen	267 900	1.1
Oy Fincorp Ab	200 000	0.8
Jarkko Takanen	190 540	0.8
Matti Kavetvuo	164 984	0.7
Liikesivistysrahaston kannatusyhdistys ry	134 610	0.6
Renkkeli Oy	120 000	0.5
Lassi Antila	117 810	0.5

Management

Board of Directors

Mikko Maijala	Chairman since 2006 (2005)
Heikki Mairinoja	Deputy Chairman since 2009 (2001)
Heikki Bergholm	Member of the Board since 2001
Kai Hannus	Member of the Board since 2006
Suvi Hintsanen	Member of the Board since 2010
Juhani Lassila	Member of the Board since 2005

Corporate Executive Team

Petri Rolig	President and CEO since 2008 (2006)
Arto Kiiskinen	Vice President, CFO since 2001
Paul-Erik Toivo	Vice President and General Manager, Wiping since 2008
Mikko Pellinen	Vice President and General Manager, Flexibles since 2008

Suominen highlights

Q1 – red figures

EUR, million	Q1/2010	Q1/2009	2009
Net sales	40.6	46.9	179.4
Operating profit	-0.3	3.6	6.7
Net result	-1.1	1.5	0.9
EPS, EUR	-0.05	0.06	0.04
Cash flow from operations/share, EUR	-0.04	0.61	1.13

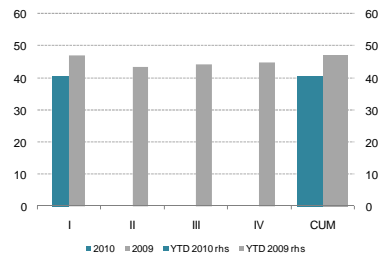
- Net sales down by 14% on the previous year.
- Drop in sales attributable to decline in prices of wet wipes and low volumes of nonwovens.
- Raw material and electricity costs increased. Q1/2009 raw material prices were on a low level. Sales price escalators work with 3 to 6-month delay.
- Production was higher than sales as deliveries are expected to increase later in the spring.
- Cost savings and efficiency enhancement measures contributed to EUR 0.7 million.

Suominen performance

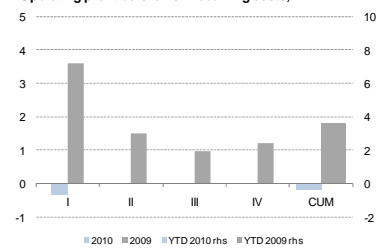
Difficult market

- Net sales EUR 40.6 million (46.9) in difficult market condition.
 - Weak demand at Wiping.
 - Hectic pursuit to run idle capacity presses market prices down.
 - Consumer prices do not show elasticity although costs are increasing.
- Operating profit EUR -0.3 million (3.6).
 - Equation of falling sales prices, lower volumes and higher raw material and energy costs had an adverse effect on result.

Net sales, €M



Operating profit before non-recurring costs, €M

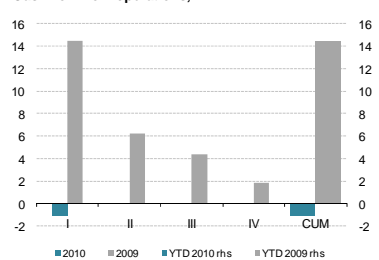


Suominen financials

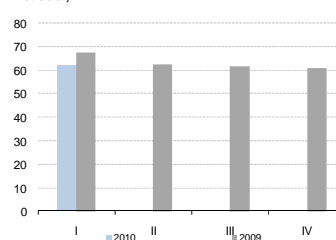
Production took cash flow

- Cash flow from operations EUR -1.1 million (14.4).
- Stock of ready made products increased. Other working capital stable. Net change EUR -1.5 million (9.6).
- Investments were EUR 2.0 million (0.6), slightly less than depreciation.
- Net debt slightly up from 1 January.
- Equity ratio 32.1% (31.2) and net gearing 134.4% (136.4) when capital loans are included in equity.
- Amendments agreed to loan covenants for Q1 and Q2.

Cash flow from operations, €M



Net debt, €M





Business drivers and strategic considerations

Market trends

Consumers:

- Economic recession affects consumers' price consciousness.
- Retail brands and private labels have strengthened their positions.

Customers:

- Price drives purchasing.
- Value-added products are brought very cautiously into market.
- Retailers are exploiting free capacity from lower production volumes to brand houses. Brand houses try to compete by lowering costs.

Competitors:

- Overcapacity especially in wiping.
- Outstanding price competition.

Consumer trends provide us opportunities

- Health, beauty and wellness
- Convenience & pleasure
- Premium & value for money
- Single packs & mega sizes
- Sustainability



Tailored innovations and cost engineering appreciated to fulfill consumer needs and help our customers differentiate and win in the market.

Suominen's market position

Wiping market

- Size in Europe and NA € 6.0 billion
- Growth in volume +4 - 6%

Suominen Wiping

- Suominen Nonwovens
 - Among 3 – 4 top players producing nonwovens for wipes in Europe.
- Suominen Codi Wipes
 - Europe's third largest producer of wet wipes.
 - Strong market position in selected brands and private labels.

Flexible packaging market

- Size in Europe € 11.7 billion
- Growth in Western Europe +1 - 2%
- Growth in CEE and Russia +3 - 6%

Suominen Flexibles

- Suominen has a strong market position in its key segments.
 - One of the leading players in the Nordic market.
 - Good foothold from Poland into Europe.

We have a very attractive customer base



Suominen strategy

Core purpose

- We provide products and solutions that bring greater convenience to people's everyday life.

Vision

- We want to be our customers' preferred partner, providing innovative, value added products and solutions.

Strategic intention

- Have a significant market position in selected wiping and packaging segments.
- Act as a development partner creating value for our key customers.
- Focus on geographically limited markets fitting for Suominen.



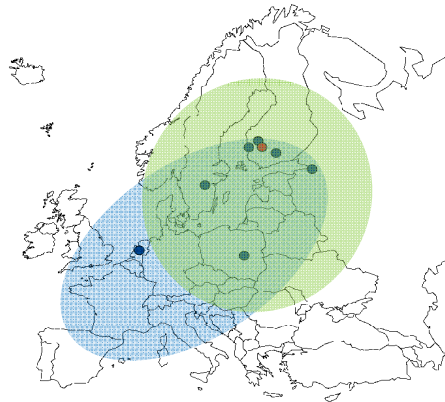
Suominen segment strategies and core markets

Focus on growth

- Labels and beverage packaging
- Security packaging
- Frozen food packaging
- Personal care wet wipes
- Russian market

Focus on continuous improvement and supply chain cost efficiency

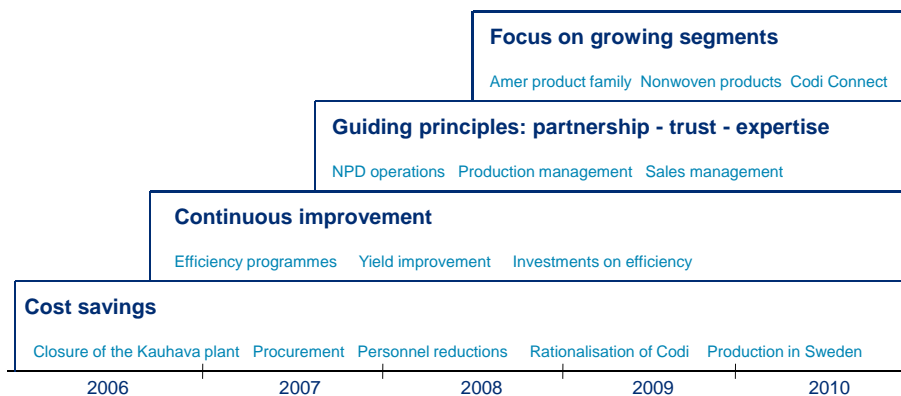
- Baby wet wipes
- Nonwovens for wipes
- Tissue, fem care and bakery packaging
- Carrier bags



Flexibles

Wiping

Our operations are based on strategic Stairs to Top programme



Management focus in short term future

- Price management
 - Transfer increasing costs more effectively to sales prices
- Cost control and structural optimization
 - Identification and quick implementation of new cost saving initiatives
 - Continuous cost efficiency improvement through the Stairs to Top programme
- Turn top line development upwards
 - Filling up free capacity
 - Increasing sales of existing and new products
 - Winning new customers on target markets
- Working capital management and cash flow
 - Strict investment discipline
 - Careful inventory management



Current financial targets

The Board of Directors has established a set of medium term financial targets:

To gradually increase operating profit to 7%.	To achieve an average annual growth in net sales of more than 5%.	To gradually reduce gearing to 120%.	To raise the size of the dividend, provided that the sound growth of the Company is secured.
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Thank you!

