Suominen highlights
Rights offering oversubscribed

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</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>-44.1</td>
<td>43.4</td>
<td>84.8</td>
<td>90.3</td>
<td>179.4</td>
</tr>
<tr>
<td>Operating profit</td>
<td>-0.0</td>
<td>1.6</td>
<td>-0.3</td>
<td>5.1</td>
<td>6.7</td>
</tr>
<tr>
<td>Net result</td>
<td>-0.8</td>
<td>0.1</td>
<td>-1.9</td>
<td>1.6</td>
<td>0.9</td>
</tr>
<tr>
<td>EPS, EUR</td>
<td>-0.02</td>
<td>0.00</td>
<td>-0.05</td>
<td>0.04</td>
<td>0.02</td>
</tr>
<tr>
<td>Cash flow from operations/share, EUR</td>
<td>-0.08</td>
<td>0.17</td>
<td>-0.11</td>
<td>0.57</td>
<td>0.74</td>
</tr>
</tbody>
</table>

• Suominen issued EUR 10 million of new shareholders’ equity.
• Net sales down by 6% on the previous year.
• Raw material costs continued to rise and margins declined as there is a delay in raw material price escalators.
• Efficiency enhancement measures contributed to EUR 1.9 million.
• Production in stock for the summer period put some distress to financing.
Suominen performance

Result on red

- Net sales EUR 84.8 million (90.3).
  - Low sales volumes at Nonwovens.
  - Sales prices declined at Codi Wipes, but settled during Q2.
- Operating profit EUR -0.3 million (5.1).
  - Sales margins and volumes as well as raw material costs had negative effect on result.
  - Operating costs declined.

Suominen financials

Rights offering oversubscribed

- Use of net proceeds of the share issue, EUR 9.8 million, to strengthen the financial position.
- Cash flow from operations EUR -4.1 million (20.6).
- Working capital up by EUR 6.4 million (down by 13.1). Main reason was production in stock for the summer season.
- Investments were EUR 3.5 million (1.4).
- Equity ratio 36.3% (35.4) and net gearing 102.0% (122.6) when capital loans are included in equity.
Break down of net sales
Q1 - Q2/2010
EUR 84.8 million

<table>
<thead>
<tr>
<th>Category</th>
<th>Share (%)</th>
<th>Net Sales (EUR million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Codi Wipes</td>
<td>34%</td>
<td>51.7</td>
</tr>
<tr>
<td>Wiping</td>
<td>40%</td>
<td>33.5</td>
</tr>
<tr>
<td>Nonwovens</td>
<td>26%</td>
<td>33.5</td>
</tr>
<tr>
<td>Flexibles</td>
<td>40%</td>
<td>33.5</td>
</tr>
</tbody>
</table>

Business area: Wiping
Volumes and prices under pressure

- Net sales EUR 51.7 million, down by 11%.
- Operating profit EUR -0.9 million (2.7).
- Buyers market both in wet wipes and nonwovens because of overcapacity and competition.
Business area: Wiping
Codi Wipes

- Net sales down by 10%.
- Sales of baby wipes and moist toilet wipes dropped.
- Sales of personal care wipes rose on the previous year.
- Sales prices stabilized after the decline in the beginning of the year.
- Cost savings in personnel costs.

<table>
<thead>
<tr>
<th></th>
<th>Q2</th>
<th>LY</th>
<th>Q1-Q2</th>
<th>LY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, €M</td>
<td>14.8</td>
<td>-7%</td>
<td>28.7</td>
<td>-10%</td>
</tr>
</tbody>
</table>

Other Sales split

- Baby
- Personal care
- Other

Business area: Wiping
Nonwovens

- Net sales down by 16%.
- Sales of thermobonded hygiene products was the major contributor to the decline.
- Sales in the main product area, wiping substrate, also down.
- Sales of materials used in health care products were on the level of 2009.
- Deliveries to US market dropped noticeably.
- Raw material and energy costs up.
- Temporary lay-offs of 22 days concerning 74 people.

<table>
<thead>
<tr>
<th></th>
<th>Q2</th>
<th>LY</th>
<th>Q1-Q2</th>
<th>LY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, €M</td>
<td>13.7</td>
<td>-2%</td>
<td>26.0</td>
<td>-16%</td>
</tr>
</tbody>
</table>
Business area: Flexibles
Sales stable

- Net sales EUR 33.5 million, slightly above of the previous year.
- Sales of food and hygiene packaging were on the level of 2009.
- Sales of retail packaging declined somewhat whereas sales of security and system packaging rose.
- Sales to Russia and Poland advanced.

<table>
<thead>
<tr>
<th>Sales split</th>
<th>Q2</th>
<th>LY</th>
<th>Q1-Q2</th>
<th>LY</th>
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</thead>
<tbody>
<tr>
<td>Hygiene</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Retail</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>S&amp;S</td>
<td></td>
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Net sales, €M

17.1  6%  33.5  2%

Business area: Flexibles
Plastic prices surged

- Operating profit EUR 0.7 million (2.6)
- Prices of oil based raw materials continued to rise and had a negative effect on the H1 result. The previous year’s picture was totally opposite.
- The modern printing press was transferred from Sweden to Poland and taken in normal production during the Q2.
- Savings through earlier agreed rationalisation measures.
Outlook for the rest of the year

- In the beginning of 2010, demand for Suominen’s products and deliveries to customers have been lower than in the corresponding period of the previous year.
- H2 deliveries are expected to increase on H1. However, due to the drop of deliveries in the beginning of the year, the entire year’s sales volume is expected to decrease from the previous year.
- Suominen’s raw material and energy costs have clearly risen during the beginning of the year. Prices are expected to level off during H2.
- Cost savings from previous rationalisation and other cost cutting measures will have full effect in H2.
- Operating profit for 2010 is expected to decline on 2009 resulting from the decrease in sales volumes and the rise in raw material and energy costs during the first part of the year.

Management focus in short term future

- Price management
  - Speed up transferring the cost increases into sales prices
  - Renegotiate and reduce time frame of price escalators
- Cost effectiveness 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
  - Continue the positive trend of filling up free capacity
  - Win new customers on target markets
  - Launch more new products
- Working capital management and cash flow
  - Strict investment discipline
  - Careful inventory management
  - Renegotiate the covenant headroom