

Suominen Corporation
Interim Report
1 January – 31 March 2012

Presentation 25 April, 2012

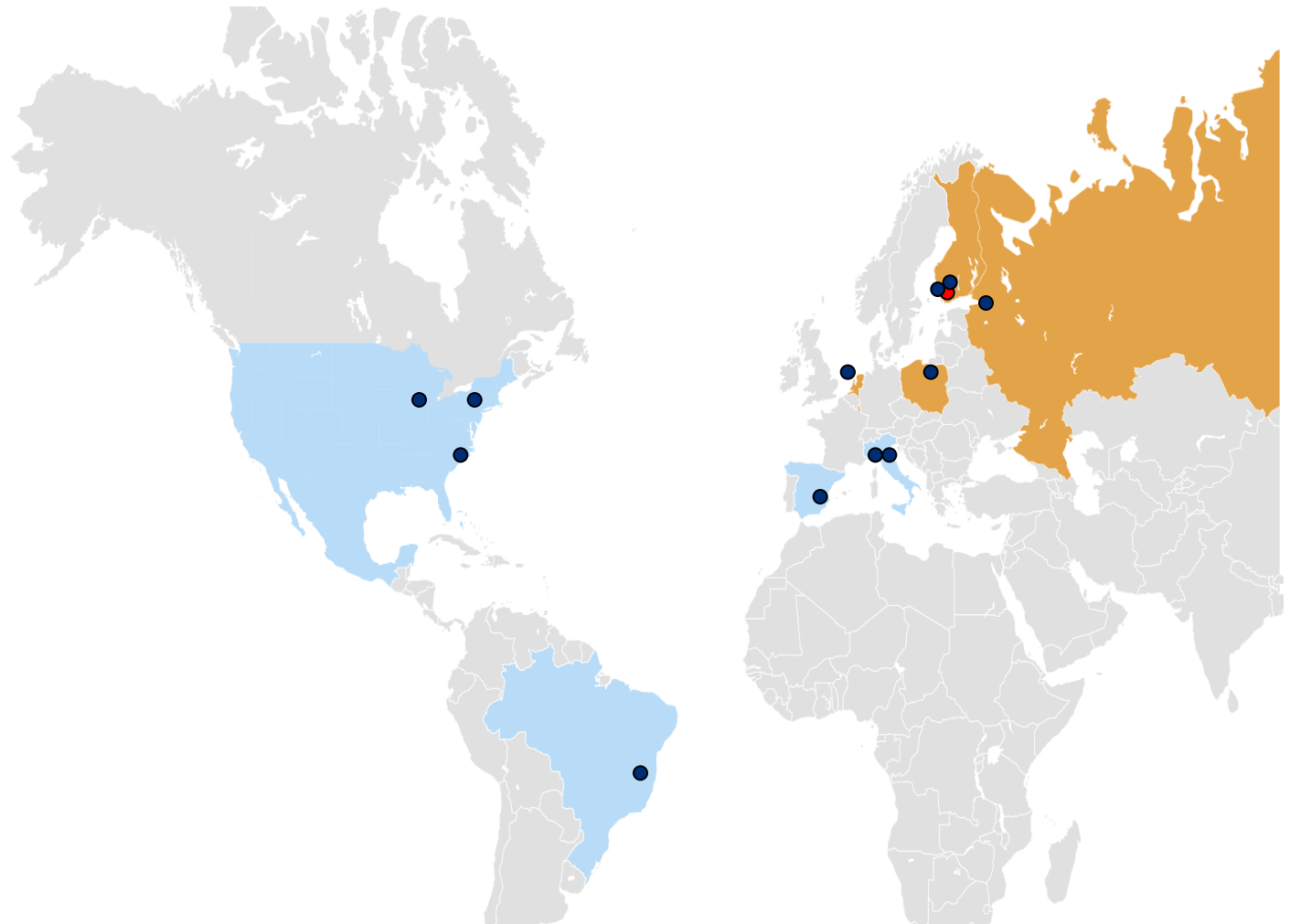
Suominen today

Nonwovens for baby,
personal care, household
and industrial wiping

Wet wipes, and flexible
packaging for daily
consumer goods

North-America 3 sites,
Brazil takeover in Q2

Finland 3 sites, Italy 2 sites,
The Netherlands, Poland,
Spain



Suominen's Q1/2012 in brief

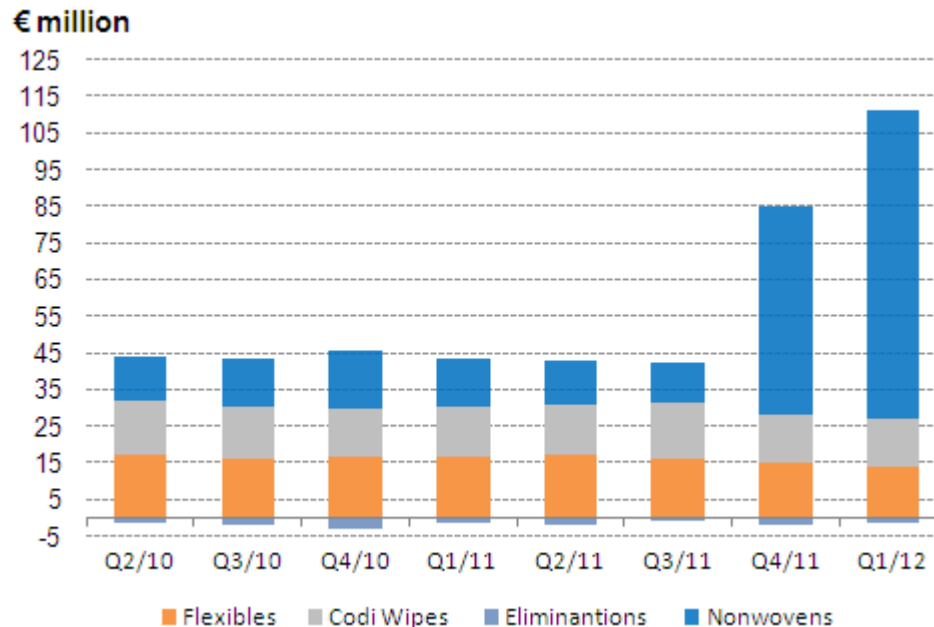
Key financials and highlights

EUR, million	Q1/2012	Q1/2011	2011
Net sales	111.1	43.6	213.4
Operating profit	3.2	-0.6	-4.8
Net result	-0.3	-1.7	-9.5
EPS, EUR	0.00	-0.04	-0.11
Cash flow from operations/share, EUR	-0.03	0.01	-0.03

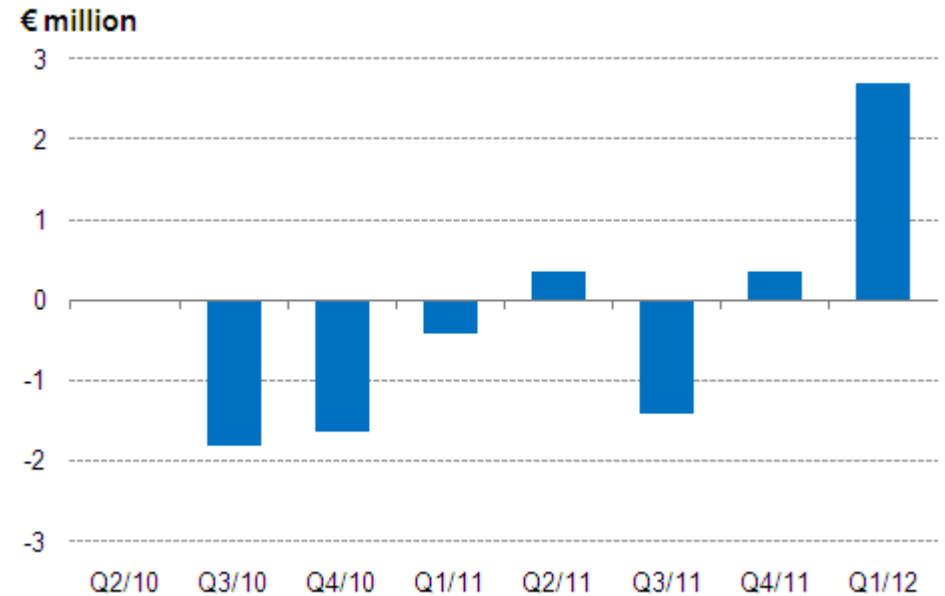
- Profit on EBIT was recorded for the first full quarter of the new Suominen.
- Net sales more than doubled on reported figures, net sales on pro forma basis showed a -8% decline from Q1/2011.
- Demand for Suominen products was brisk in the US, softer in Europe.
- Operating profit advanced thanks to improved performance in Nonwovens as the merged entity.
- Pressure from raw material price increases was evident.
- Cash flow from operations was negative since the working capital grew to normal level.
- Merger of the Brazil operation was postponed to Q2/2012.

Suominen's performance

Net sales



Operating profit (excl. one-offs)

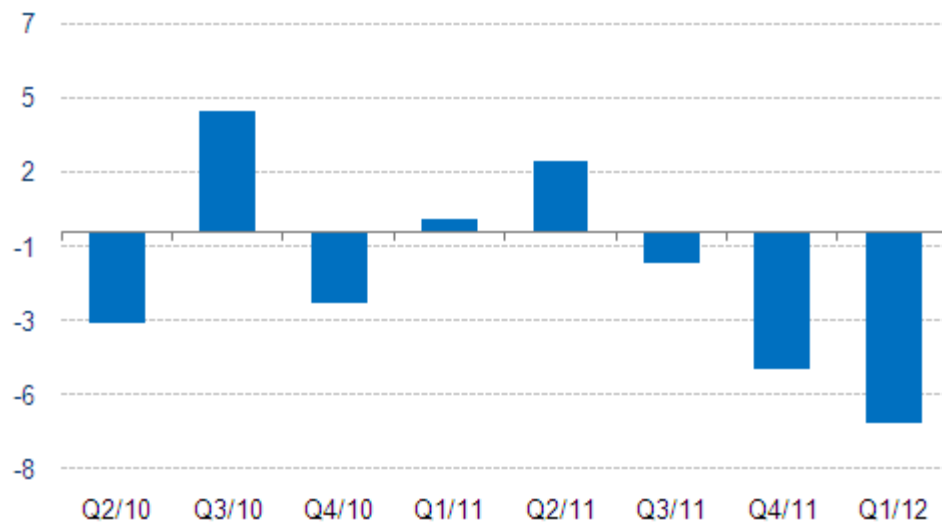


Net sales in Q1 was EUR 111.1 million. Comparable net sales were practically unchanged in Nonwovens but decreased in Codi and Flexibles. One-off profit of EUR 0.5 million from sale of Nastola.

Suominen's financials

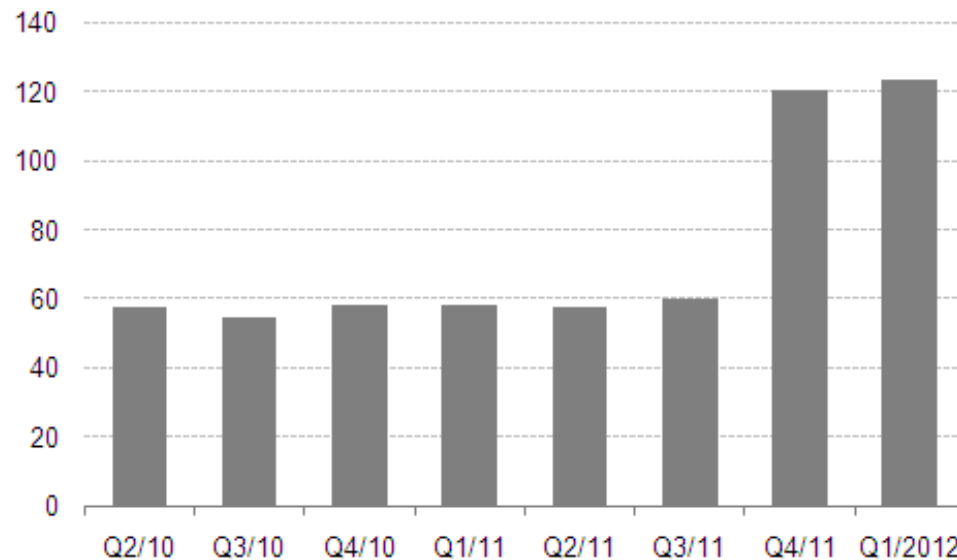
Cash flow from operations (incl. one-offs)

€ million



Net debt

€ million

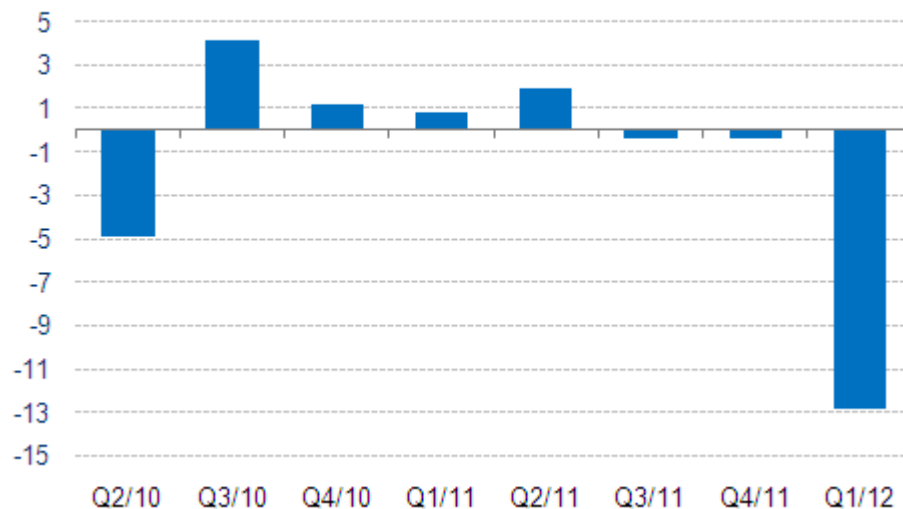


Cash flow from operations was EUR –6.4 million. Small increase of net debt due to the growth in the working capital.

Suominen's financials

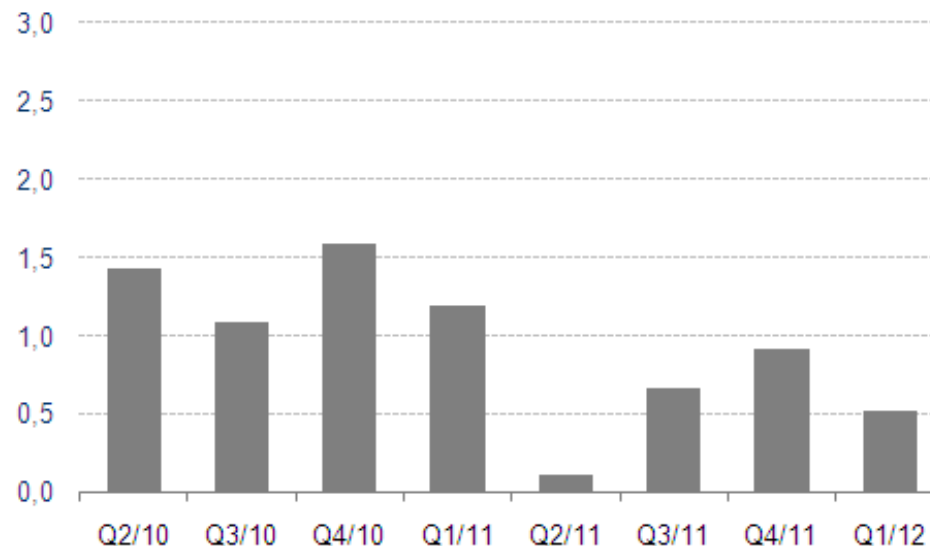
Change in working capital

€ million



Capital expenditure

€ million

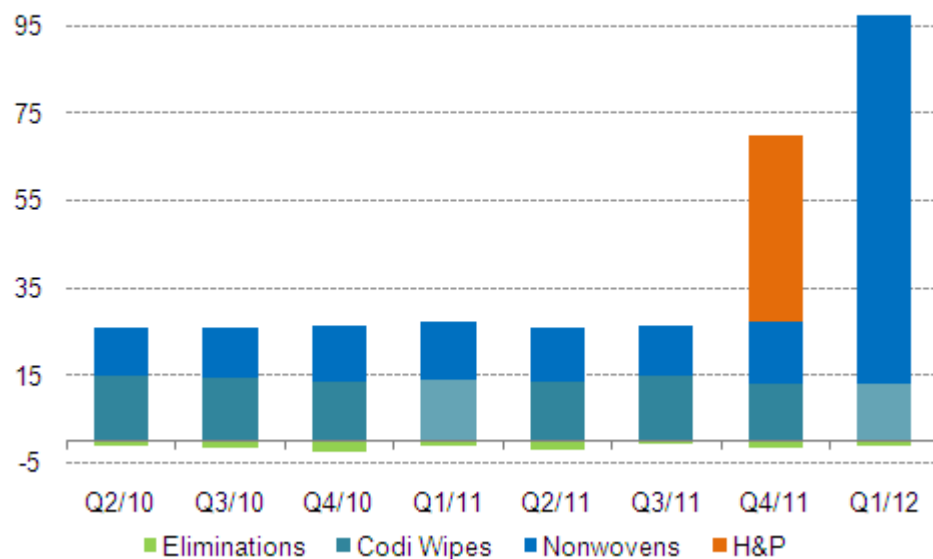


Working capital after the acquisition of Home and Personal has increased to more normal level because the acquisition excluded sale receivables and payables. Capital expenditure was carefully managed.

Business Area: Wiping

Net sales

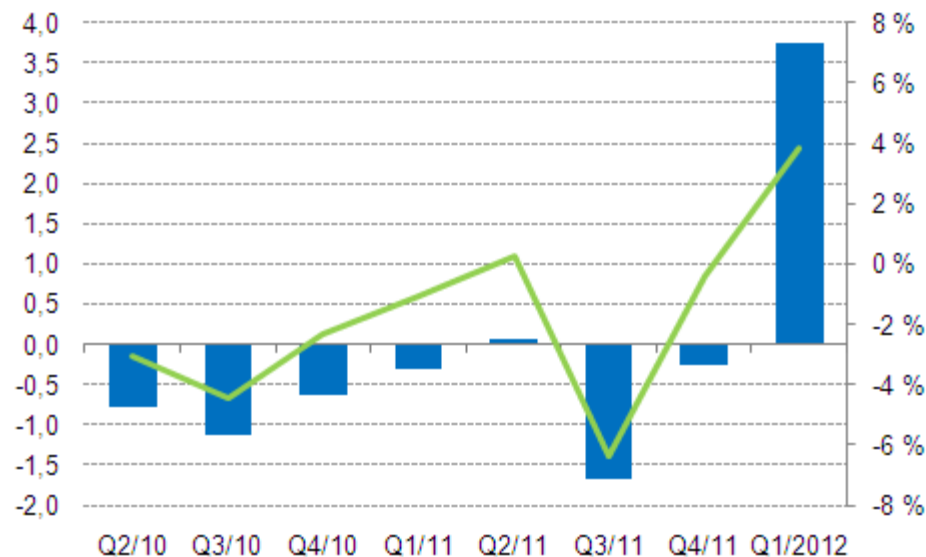
€ million



Operating profit (excl. one-offs)

€ million

% of net sales



Net sales totalled EUR 97.5 million. Net sales of Nonwovens was EUR 85.7 million and Codi Wipes EUR 13.1 million. Operating profit on black figures, EUR 3.8 million (-0.3). The combined Nonwovens showed improved performance compared to the pre-merger situation.

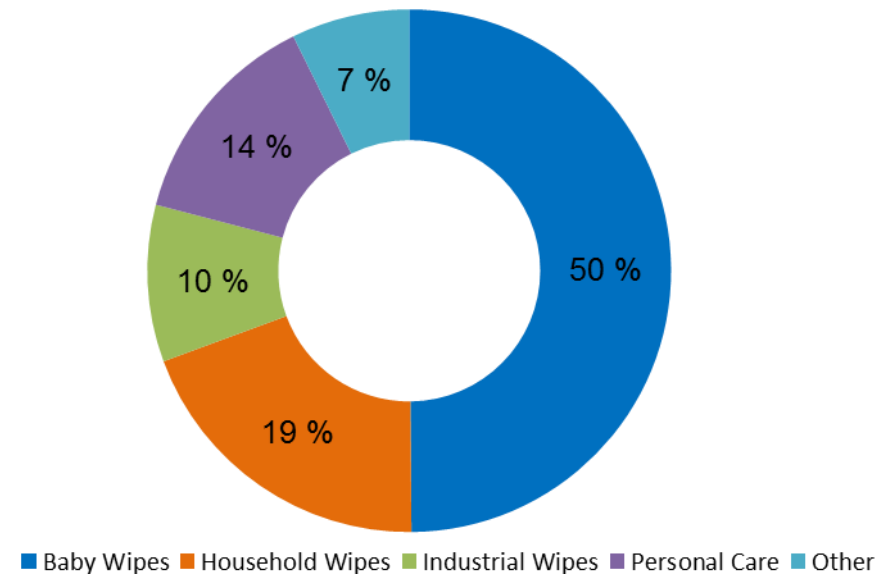
Nonwovens

Nonwovens improving sales mix

- Net sales on pro forma basis were practically unchanged on Q1/2011.
- Nonwovens for baby wipes were half of net sales - household, personal care, and industrial following.
- Household applications were growing, other areas stable or slightly on decline. Changes in the product mix were favorable.
- Comparable sales grew in the US markets but declined in Europe. One spun lace line in Italy was still partly out of production.
- Oil-based raw material prices rose but other material prices were more stable.
- Operational costs developed favorably on proforma basis.

Nonwovens sales

Q1 net sales: 85.7 €M



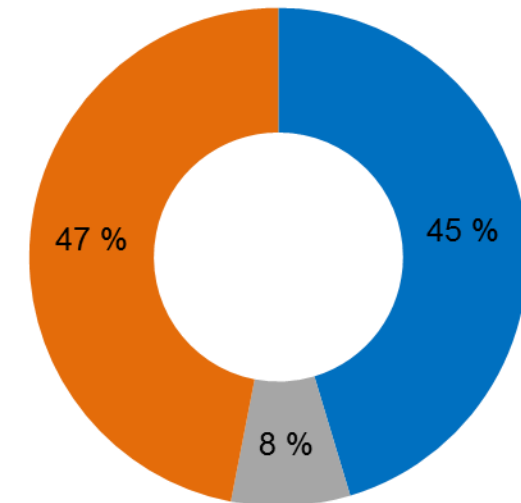
Codi Wipes

Stable performance

- Net sales of Codi Wipes decreased slightly.
- Decrease came from baby wipes whereas personal care wipes and moist toilet wipes remained stable.
- Average selling prices also remained at previous year's level.
- After cost savings in 2011 the level of operational costs have been stabilized.

Codi Wipes sales

Q1 net sales: 13.1 €M

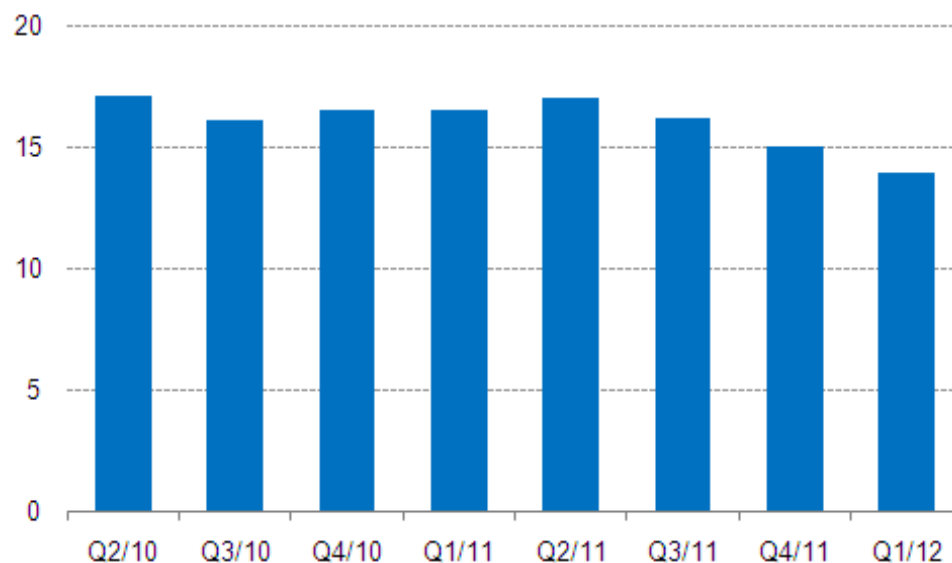


■ Baby ■ Moist toilet issue ■ Personal care

Business Area: Flexibles

Net sales

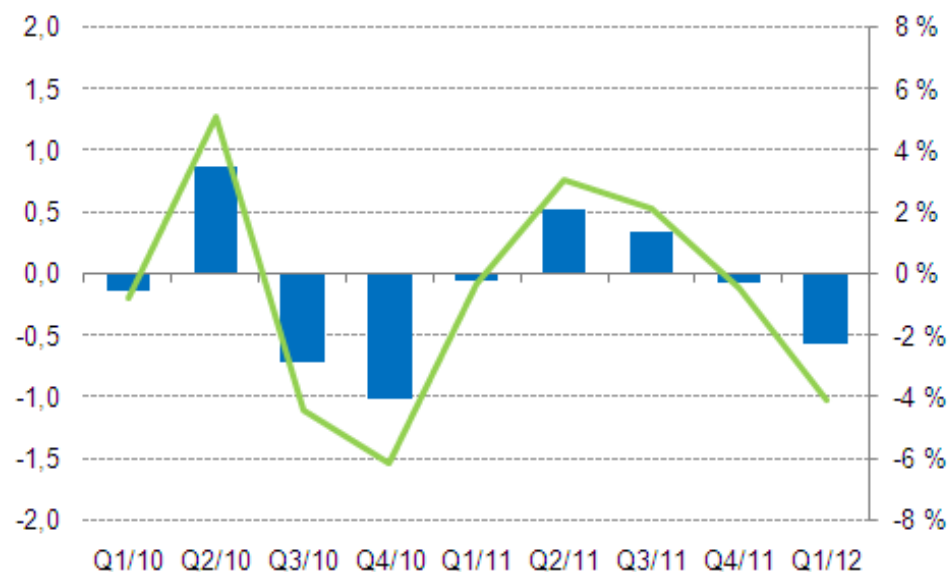
€ million



Operating profit (excl. one-offs)

€ million

% of net sales



Net sales totalled EUR 13.9 million, sales were 16% lower than in Q1/2011.

Operating profit was EUR -0.1 million (-0.3) including non-recurring items. Profit from sale of Nastola plant was EUR 0.5 million.

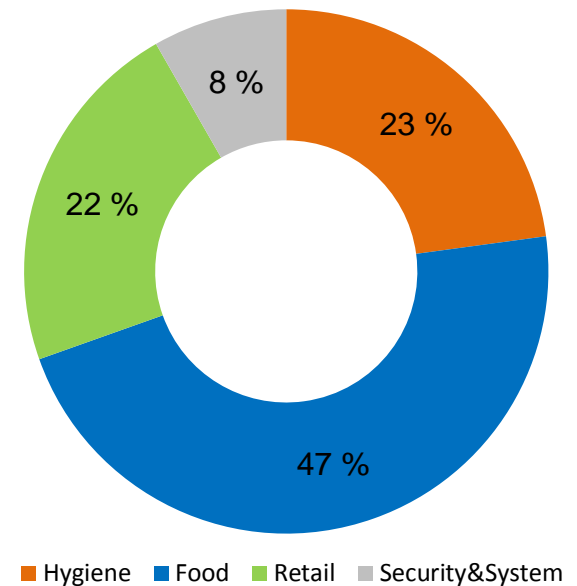
Flexibles

Sales was sluggish

- Sales of packaging for hygiene products declined by 25% food packages by 20% and retail packages by 10%, Security&System sales were stable.
- Average prices were at the same level as year before.
- Some customer losses occurring during end of 2011 affected the sales in the two biggest sectors.
- Prices of oil-based raw materials soared while corrections on sale prices lagged behind.
- The positive effect of the rationalization measures in 2011 could be seen in reduced operational cost.

Flexibles sales

Q1 net sales: 13.9 €M



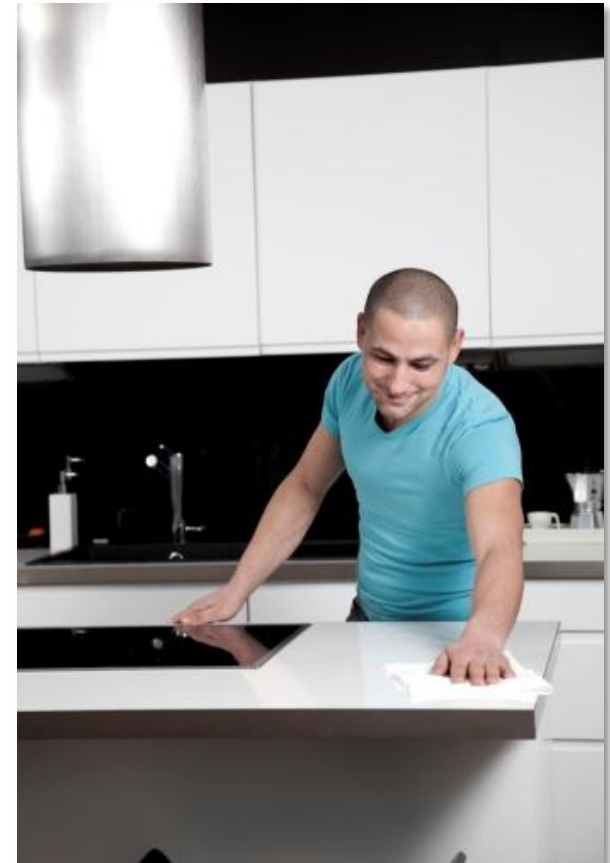


Market outlook and focus areas 2012

Market outlook

- Suominen's products are used in daily consumer goods, such as wet wipes and plastic packaging. The general economic situation determines the development of consumer demand, even though the demand for consumer goods is not very cyclical in nature. Consumers' cautious purchasing behaviour is expected to continue hand in hand with muted economic growth. Supply exceeds demand for many of Suominen's products, especially in Europe, and new production capacity is even being built in some product groups.
- The company estimates the trend in demand for its products on the basis of both the general market situation and, above all, on the basis of the framework agreements drawn up with its clients. Suominen estimates that demand for its products will remain at the level of 2011. Declining demand in Europe is compensated by increasing sales in the USA. Also, in South America and Eastern Europe the demand is expected to grow. There will be no significant change in the comparable sales volumes compared to the previous year.
- Suominen's most substantial cost factor – the price development of oil- and pulp-based raw material – was in decline at the end of 2011. During the first quarter oil prices have risen steeply. Chiefly on the basis of the price trend in oil raw materials, it is estimated that Suominen's raw material prices stay on the level of the first quarter.
- Suominen will continue to streamline its operating costs and the company has launched a separate project to ensure the realisation of synergy benefits related to the acquisition of the Home and Personal business. The target is to achieve a couple of per cent cost benefits comparable to net sales. Suominen will focus on developing its core business.
- The acquisition of the Brazilian unit of the Home and Personal business transaction is expected to be realised once approval from the Brazilian authorities has been obtained in the second quarter of 2012.

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



Focus areas 2012 – Creating New Suominen

- Profitability
 - Suominen Summit –profit improvement program launched
 - Ensure full capture of synergies in Nonwovens
 - Target cost benefits about two percentage points of net sales for 2012
- Sales effectiveness
- Strengthening the balance sheet
- Creating common processes and ways of working
- Rooting common values and creating a common corporate culture

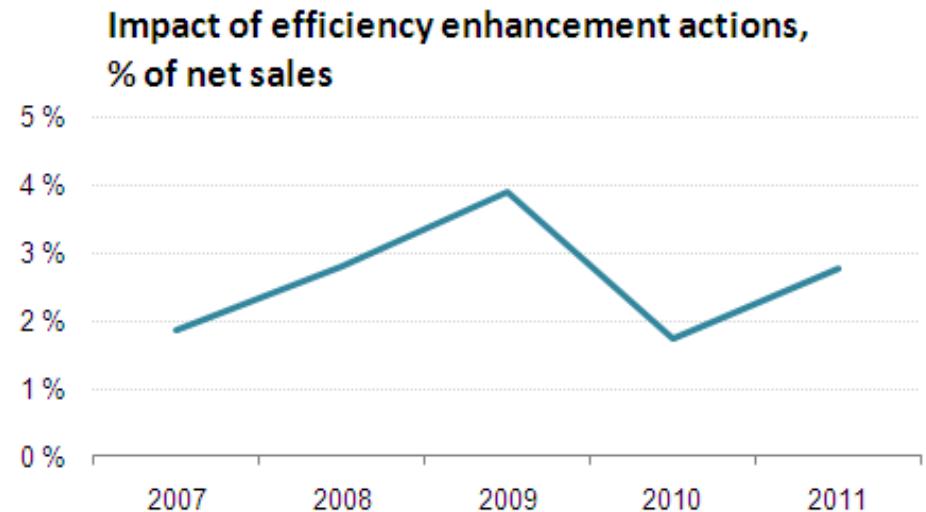


Integration of operations

Synergy and co-ordination actions

- Consolidation of operations is the key focus.
- Synergy effects are sought in sales and procurement.
- Production platform and logistic solutions are to be optimized for the European market in particular.
- Operations reviewed overall with cost saving targets.
- Target is to achieve similar impact on performance to that of past programs.

Cost efficiency programs in past



Financial guidance

- Suominen's net sales will increase considerably as the Home and Personal business's figures are included in the Group's net sales. It is estimated that the result after taxes for the year will improve over that of 2011.



Thank you !