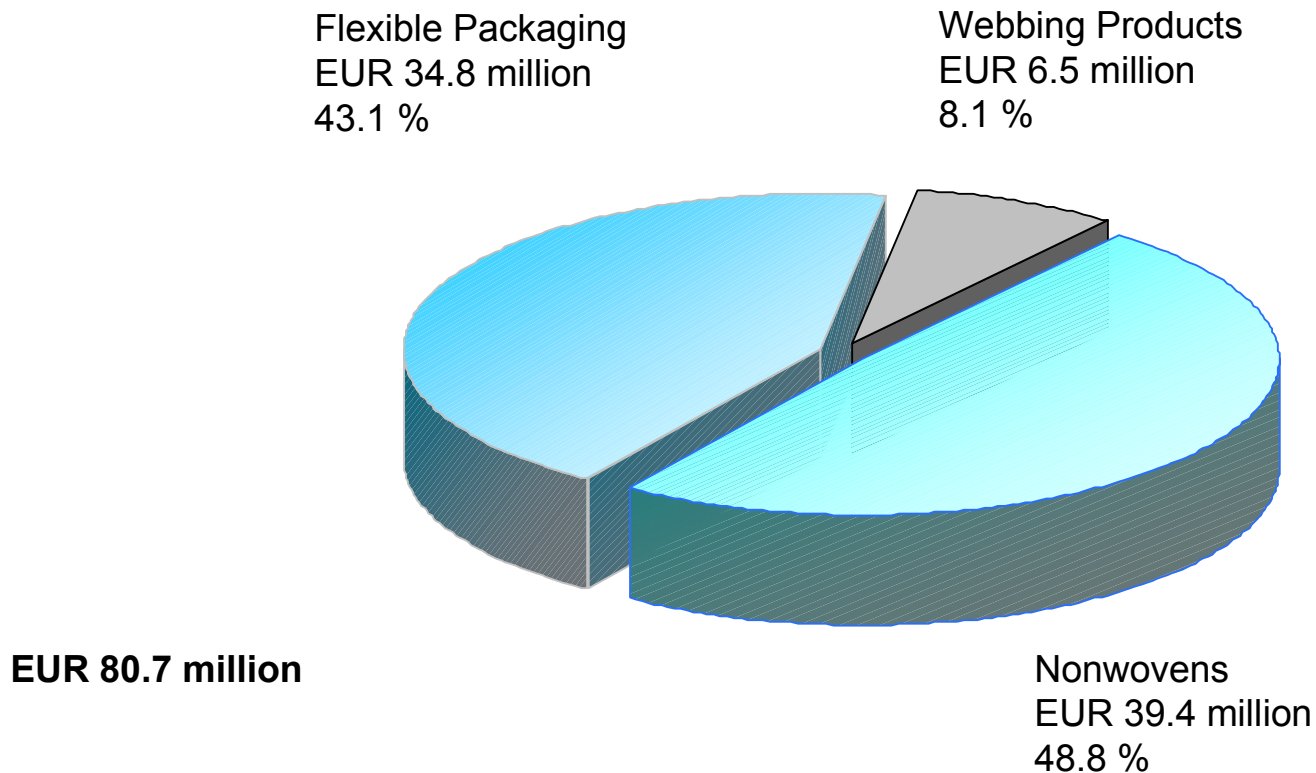


# SUOMINEN CORPORATION

INTERIM REPORT  
JANUARY 1 - JUNE 30, 2003

**PRESENTATION JULY 21, 2003**

## Breakdown of Net Sales 1 -6/2003



## P & L in Brief

January 1 - June 30

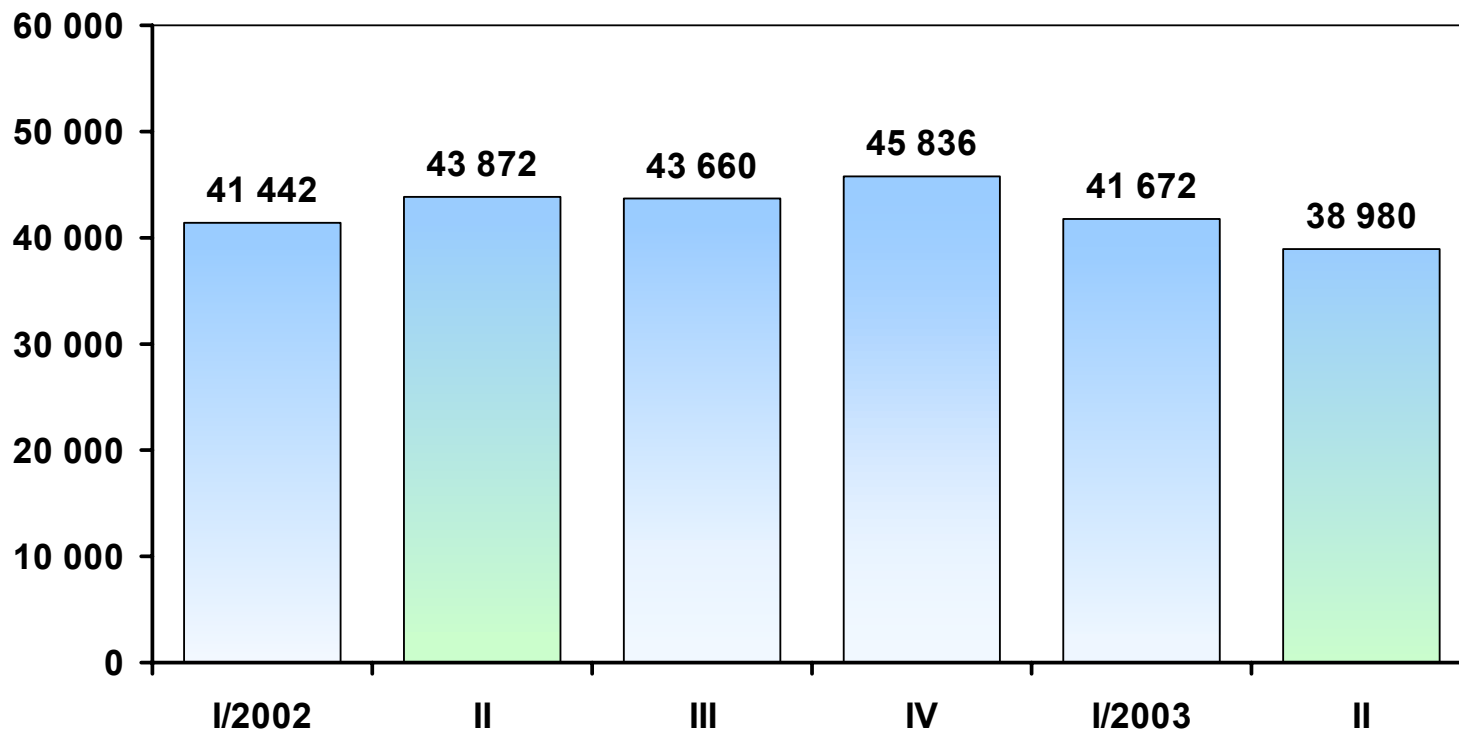
EUR million	2003	2002	Change %
Net sales	80.7	85.3	-5.5
Operating Profit	5.4	8.6	-37.3
Profit before extraordinary items	4.3	7.3	-40.9
Taxes	-1.1	-2.3	
Profit for the period	3.2	5.1	-36.0
Earnings per share, EUR	0.21	0.32	-34.4

## Key Figures

	6/2003	6/2002
Earnings/share, EUR	0.21	0.32
Equity/share, EUR	3.54	3.71
Cash flow from operations/share, EUR	0.41	0.60
Return on equity, % (ROE)	11.1	16.9
Return on invested capital, % (ROI)	10.1	15.4
Equity ratio, %	42.7	41.9
Gearing, %	89.6	86.0
Gross investments, EUR million	3.4	3.8
Depreciation, EUR million	7.2	7.9

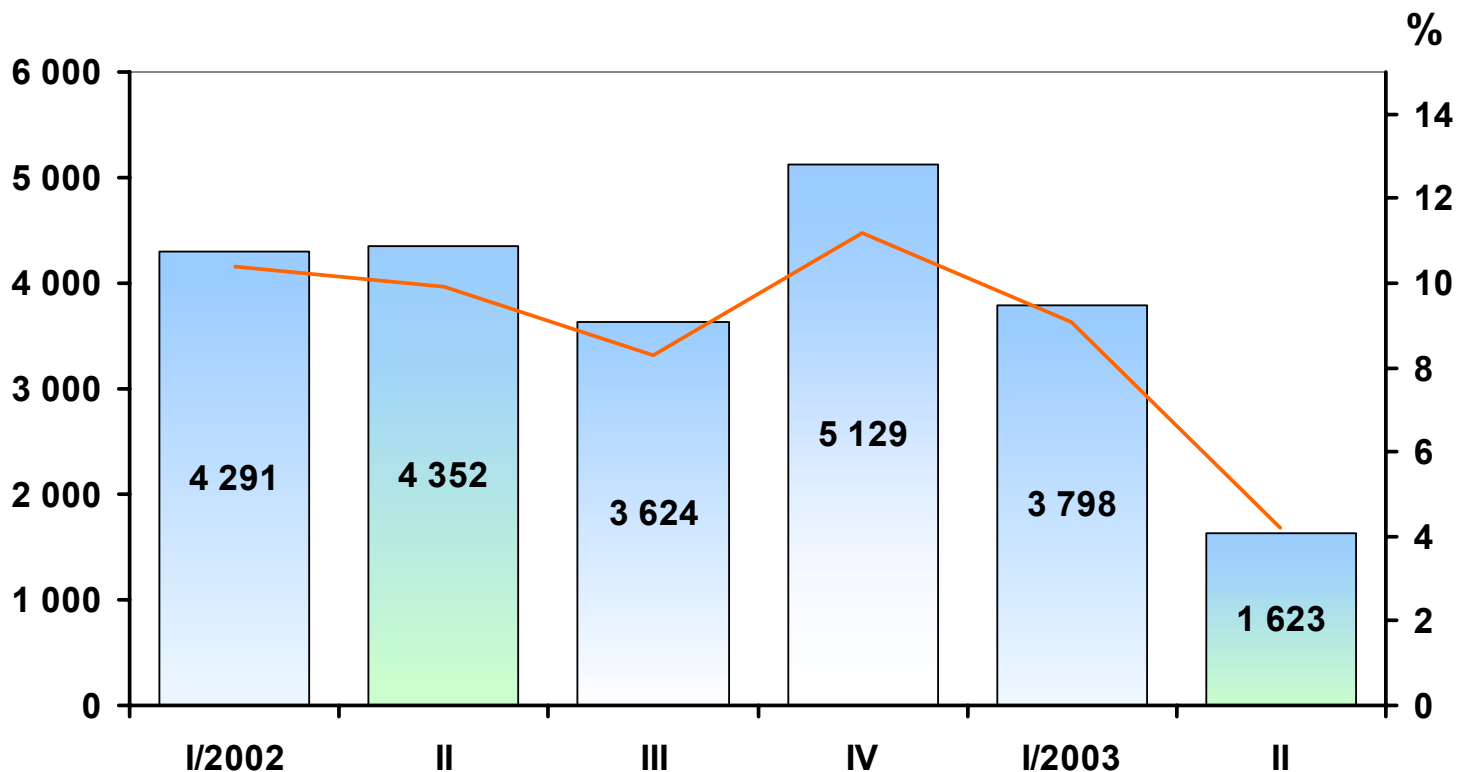
## Suominen Corporation Net Sales I/2002 -II/2003

EUR 1 000



## Suominen Corporation Operating Profit I/2002 -II/2003

EUR 1 000



## Net Sales by Business Area

January 1 - June 30

EUR 1 000	2003	2002	Change %
Nonwovens	39 365	42 451	-7.3
Flexible Packaging	34 756	35 899	-3.2
Webbing Products	6 500	6 908	-5.9
Group & Internal	31	56	
Total	80 652	85 314	-5.5

## Earnings by Business Area

January 1 - June 30			
EUR 1 000	2003	2002	Change %
Nonwovens	3 597	6 142	-41.4
Flexible Packaging	1 789	3 206	-44.2
Webbing Products	-214	-474	+54.9
Group & Internal	249	-231	
Operating profit	5 421	8 643	-37.3
Financial income and expenses	-1 086	-1 306	-16.8
Profit before extraordinary items	4 335	7 337	-40.9



## Nonwovens

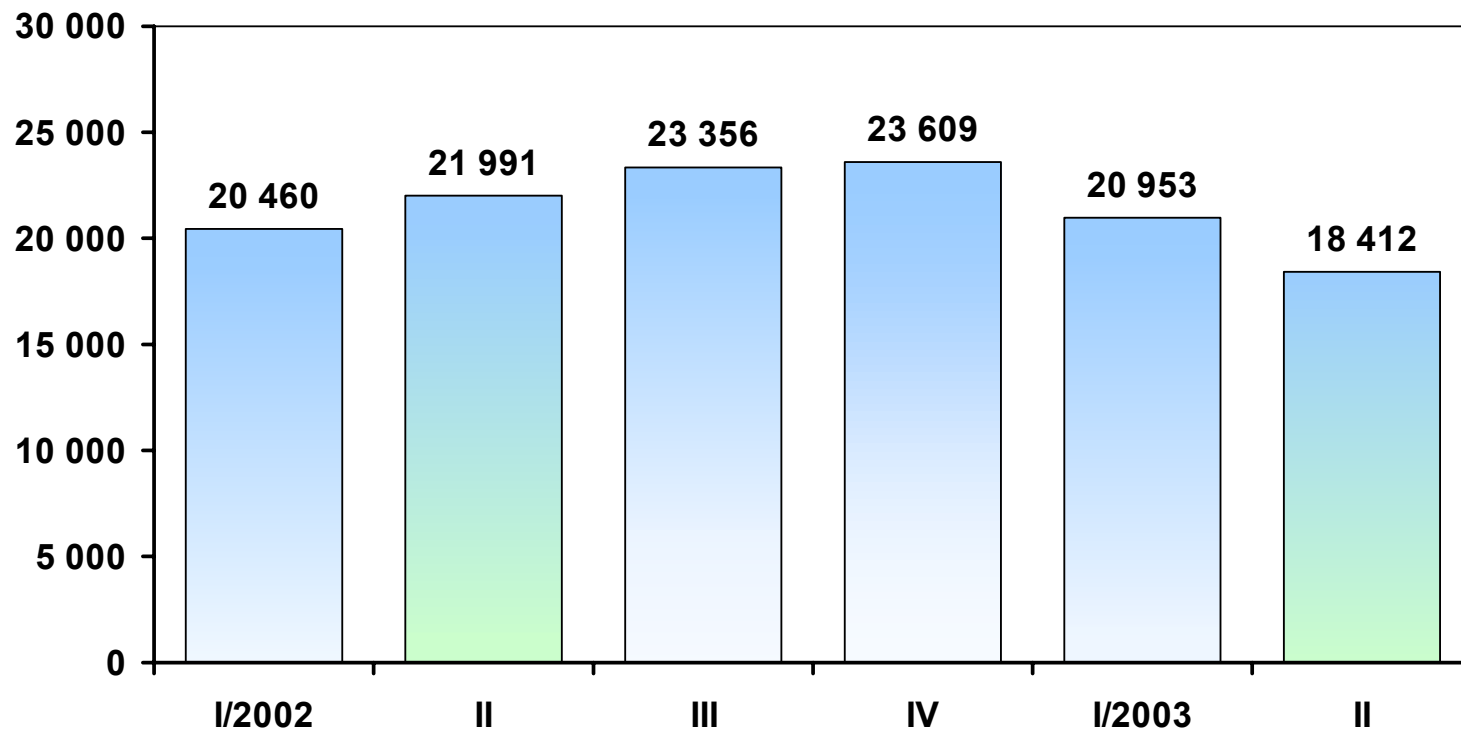
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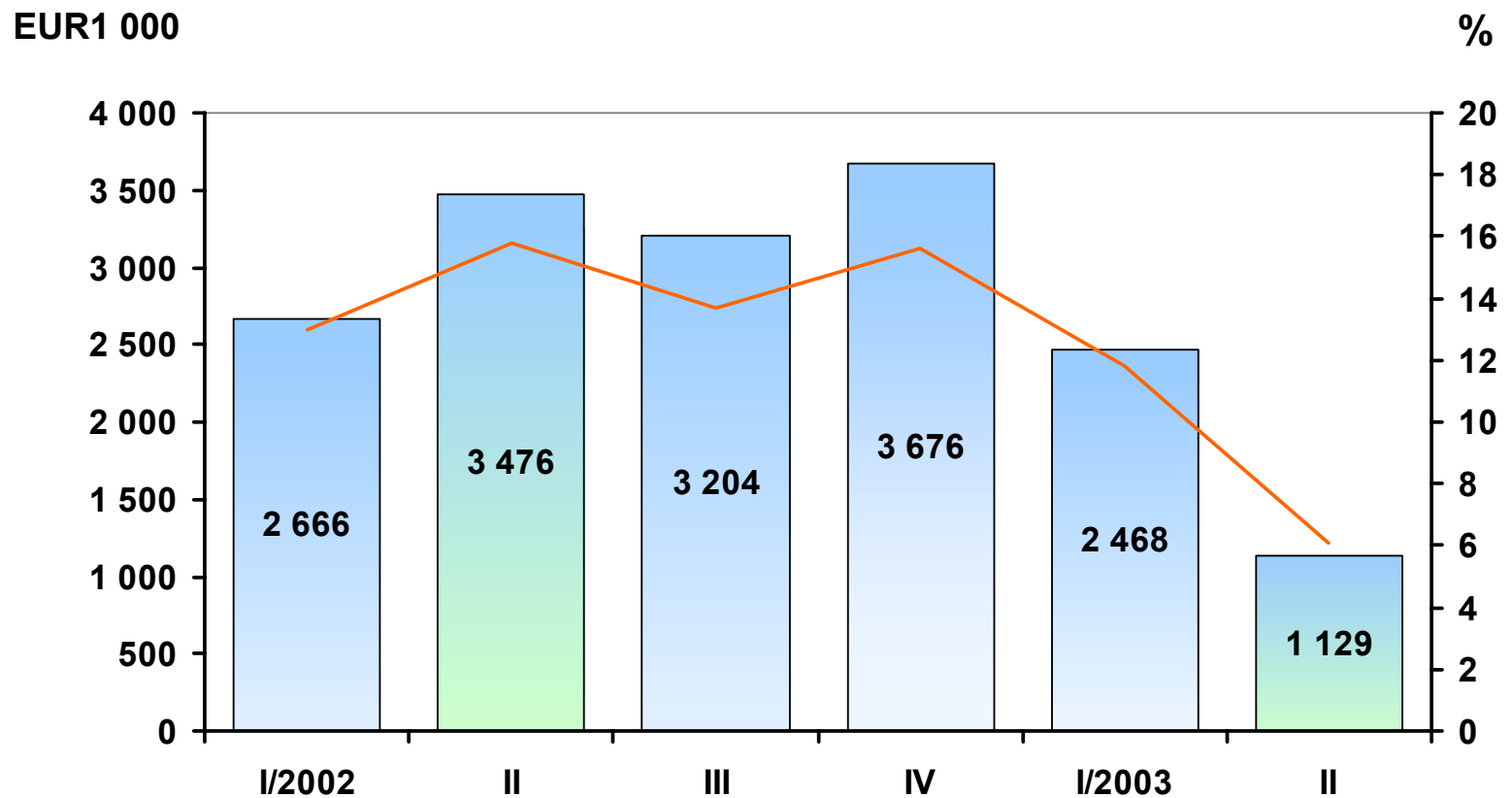
- **Net sales and financial results declined on the same period of 2002.**
- **Timing of annual customer deliveries reduced the sales for Q2.**
- **Demand for various nonwovens is softer.**
- **In production, efficiency was reduced by low volumes and an uneven load on production in Q1.**
- **Modernisation of the fourth spunlacing line began at the end of June.**
- **Layoffs were agreed for Q3.**

## Nonwovens Net Sales I/2002 -II/2003

EUR 1 000



## Nonwovens Operating Profit I/2002 -II/2003



## Flexible Packaging

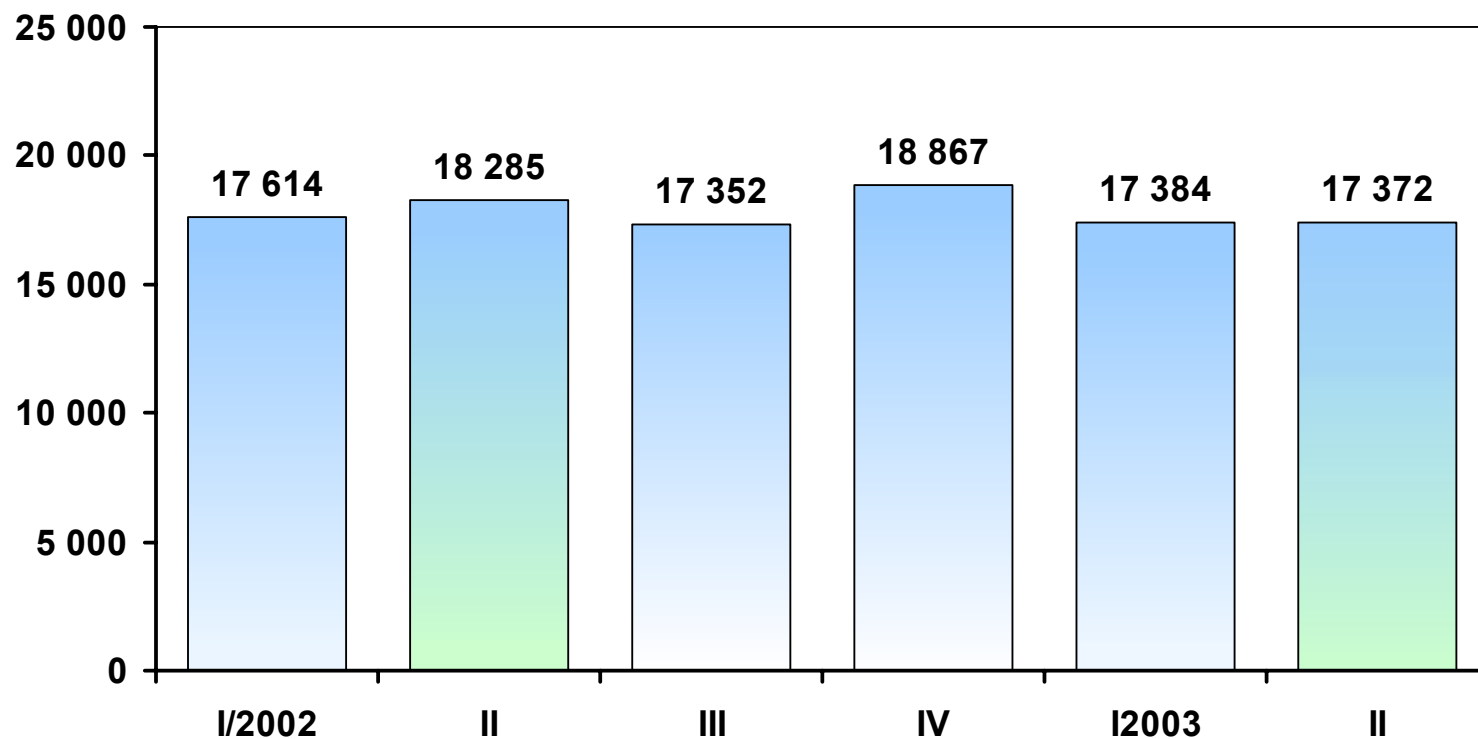
January 1 - June 30

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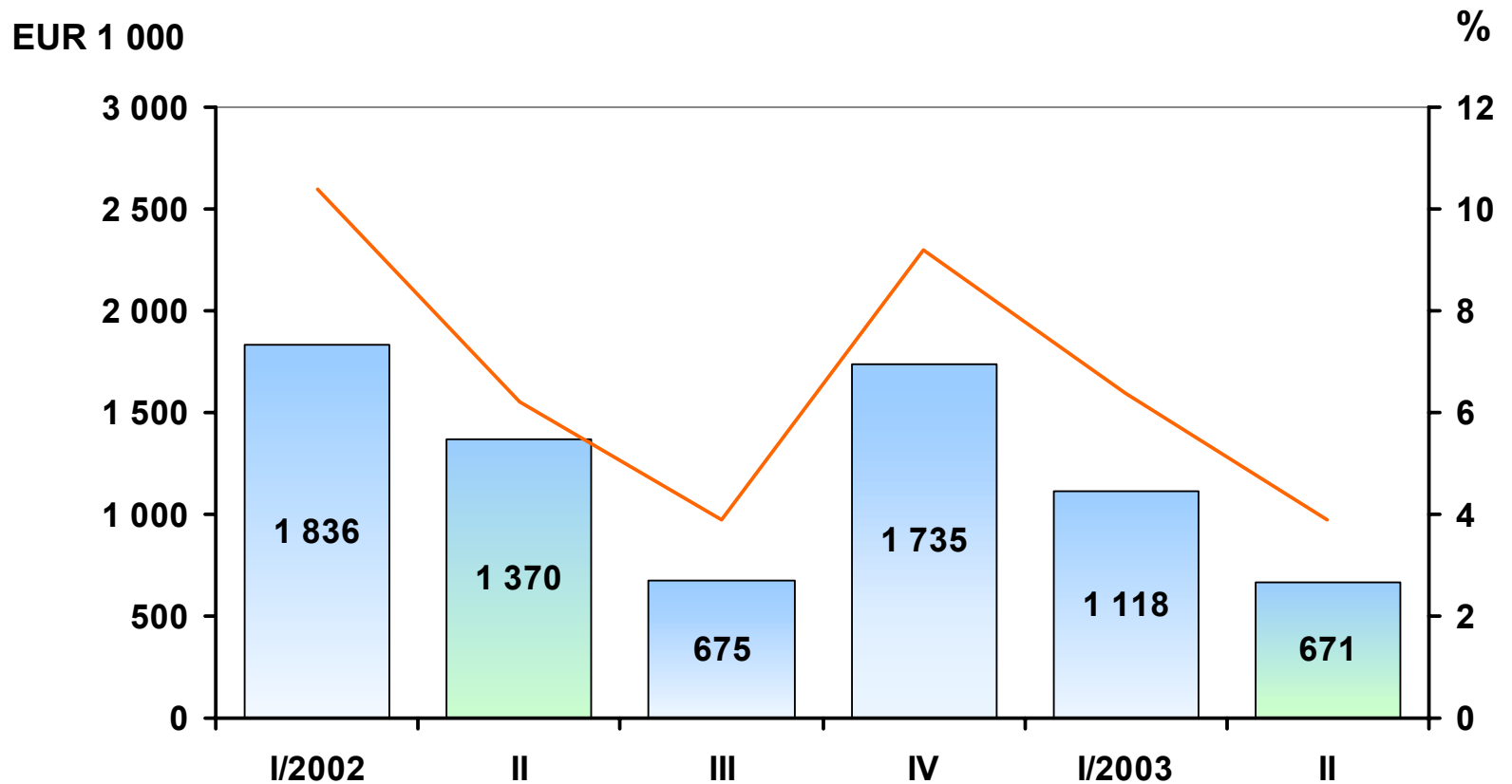
- **Sales of food packaging rose clearly, hygiene product packaging on the previous year's level. Deliveries of retail and special packaging declined on the same period of 2002.**
- **In Russia and Poland sales continued to grow rapidly.**
- **Extension of production capacity in Poland started - complete in May 2004.**
- **High raw material prices eroded profitability. Higher sales prices will be effective in Q3, resulting from raw material price clauses.**
- **The cost cutting programme aims at savings of over 0.5 million euros in 2003.**

## Flexible Packaging Net Sales I/2002 -II/2003

EUR 1 000



## Flexible Packaging Operating Profit I/2002 -II/2003



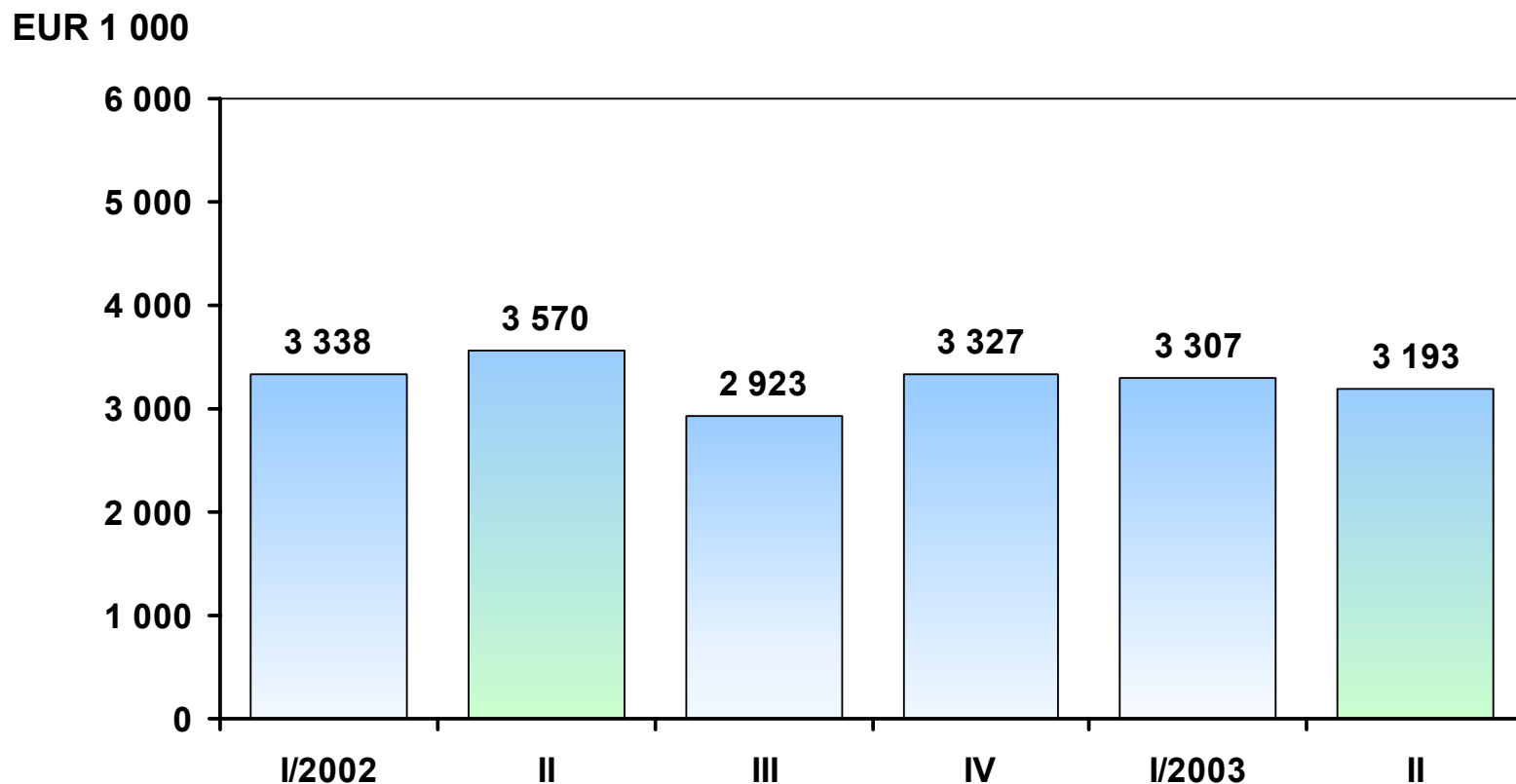
## Webbing Products

January 1 - June 30

EUR million	2003	2002	Change %
Net sales	6 500	6 908	-5.9
Operating Profit	-214	-474	+54.9

- **Sales of materials handling products declined slightly in a weak market.**
- **Sales of narrow fabrics decreased on the same period in 2002.**
- **The operating loss was half that of 2002, thanks to streamlining of operations.**

## Webbing Products Net Sales I/2002 -II/2003

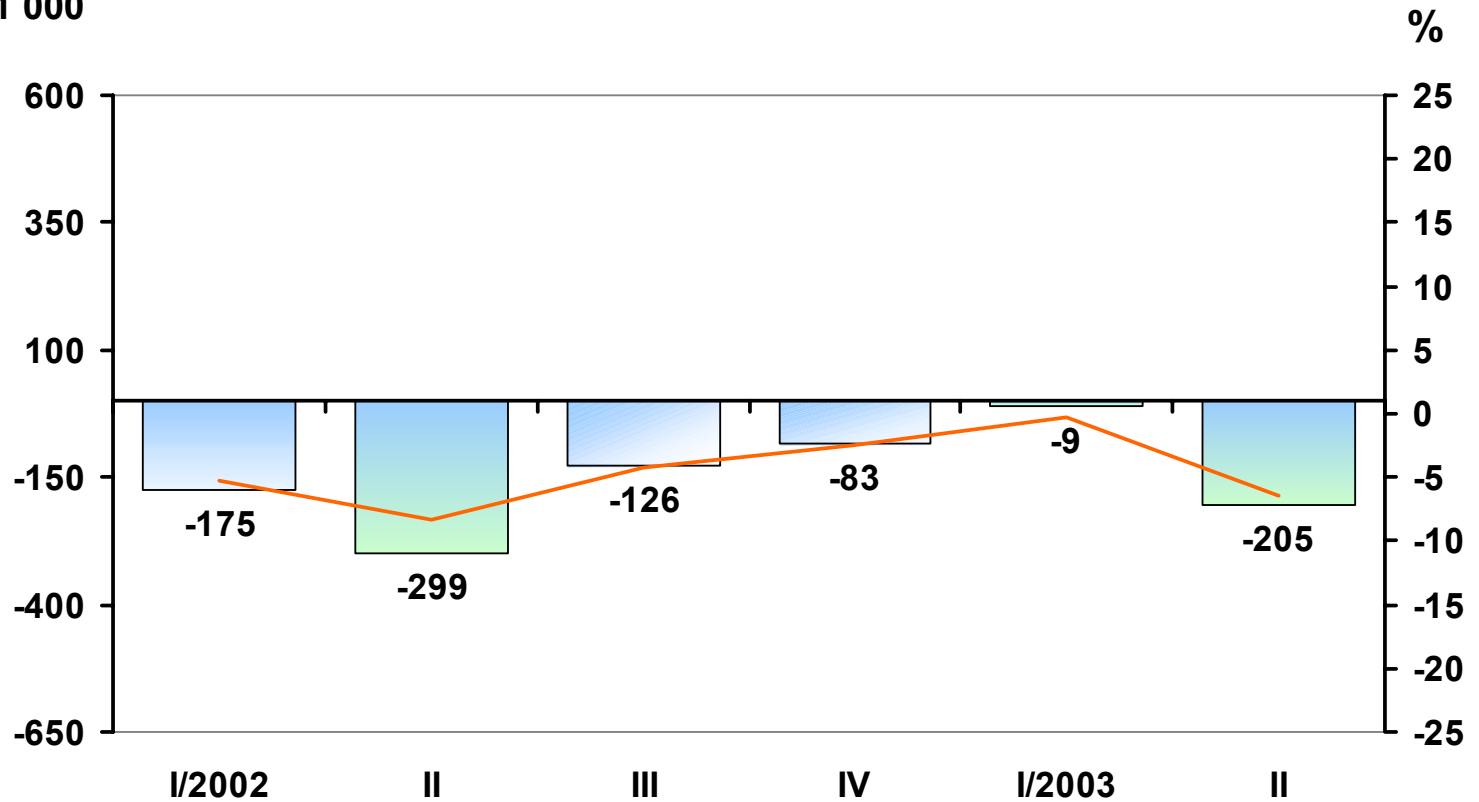




# Webbing Products

## Operating Profit I/2002 -II/2003

EUR 1 000



## Outlook

- **Uncertainty of world economy has affected the demand for Suominen's products.**
- **Estimates from key customers indicate sales by Nonwovens to be down about 10 per cent on 2002.**
- **Sales by Flexible Packaging are estimated to be on the level of the previous year. Sales are expected to grow especially in Russia and East Central Europe, and to decline slightly in Finland.**
- **Sales by Webbing Products for the entire year expected to be on the level of 2002.**
- **Special attention will be focused on the cost effectiveness of Suominen's operations, and steps to improve cost structure will continue. The financial results for the entire year are expected to fall short of the 2002 figure.**