

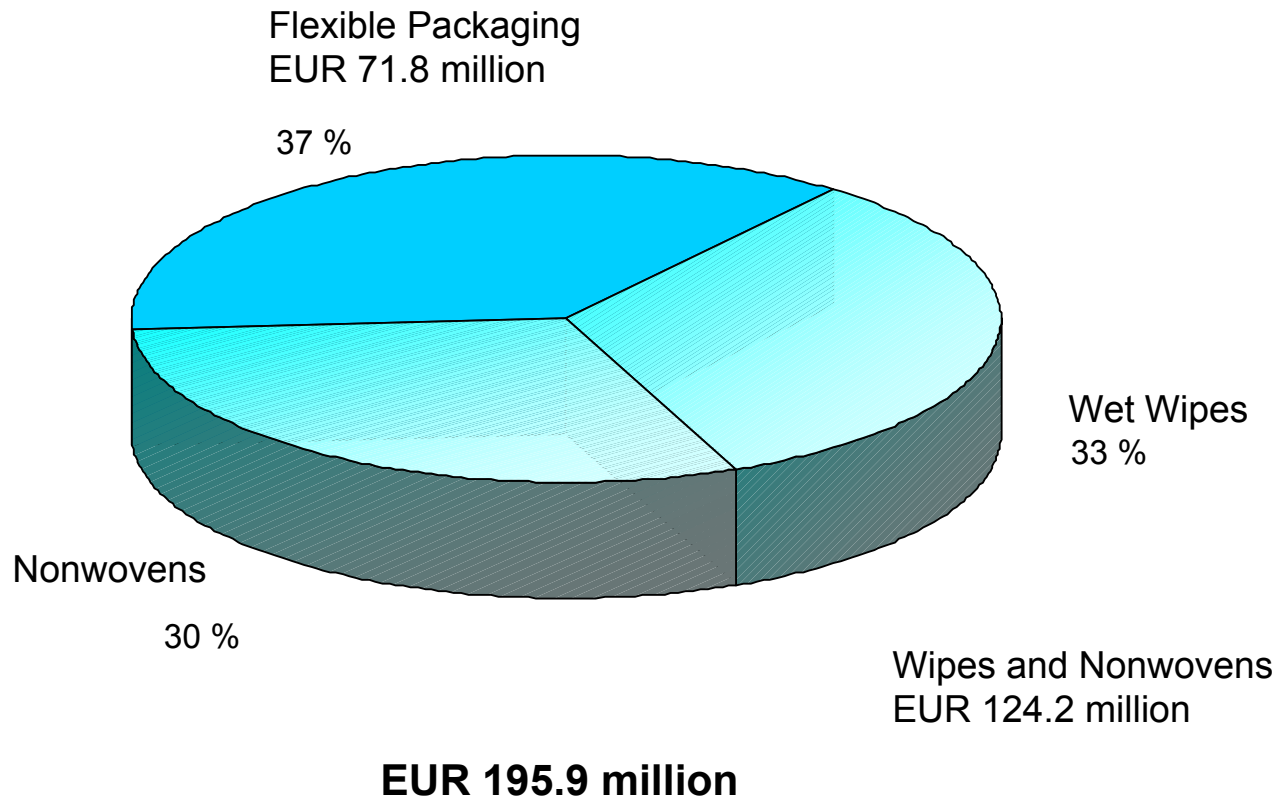
SUOMINEN CORPORATION

FINANCIAL STATEMENTS
1 JANUARY - 31 DECEMBER 2005

PRESENTATION 15 FEBRUARY 2006



Breakdown of Net Sales 1 - 12/2005



P & L in Brief

1 October - 31 December

EUR million	2005	2004	Change %
Net sales	46.1	51.6	-10.7
Operating profit	-0.6	2.1	
Profit/loss for the period from continuing operations	-0.9	0.8	

P & L in Brief

1 January - 31 December

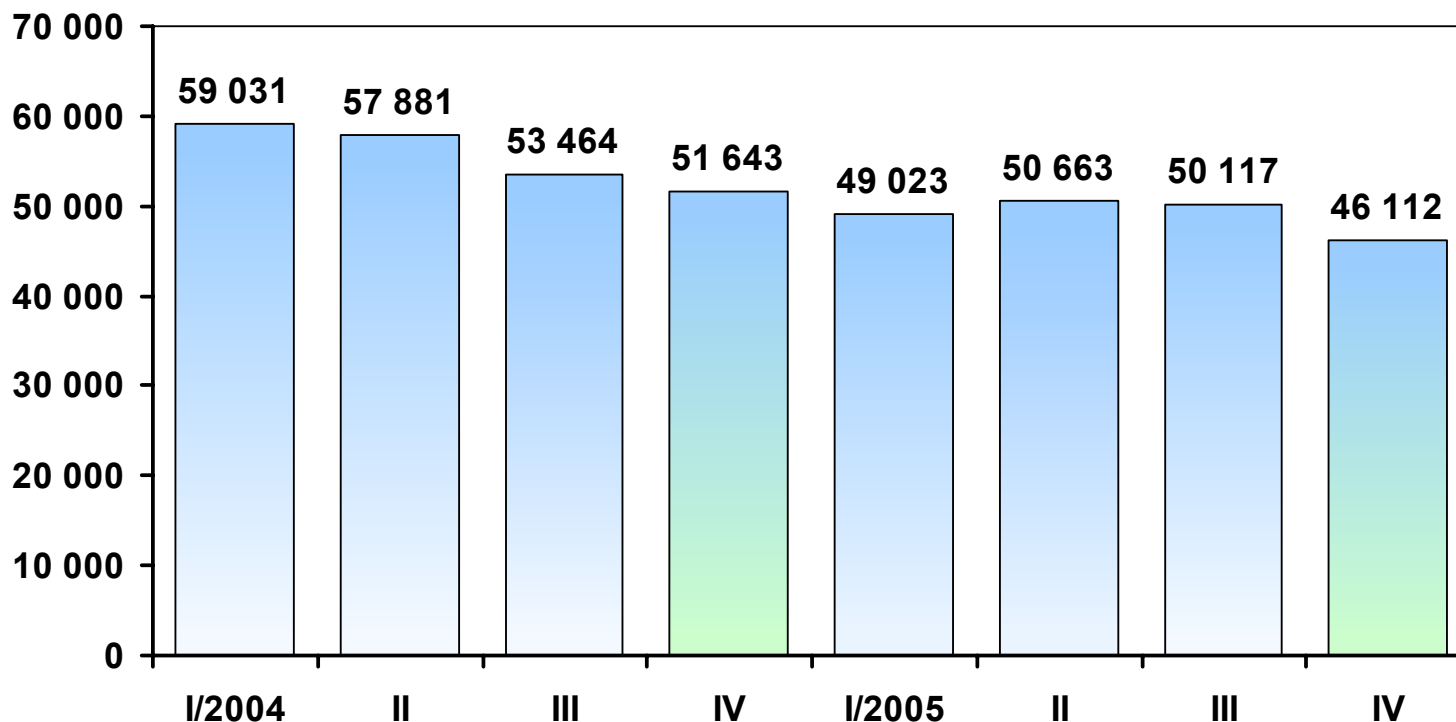
EUR million	2005	2004	Change %
Net sales	195.9	222.0	-11.8
Operating profit	-2.5	9.9	-125.4
Profit before taxes	-6.3	5.8	-208.7
Taxes	2.1	-0.7	
Profit/loss for the financial year from continuing operations	-4.2	5.1	
Profit/loss for the financial year from discontinued operations	1.1	-0.4	
Profit/loss for the financial year	-3.2	4.7	

Key Figures

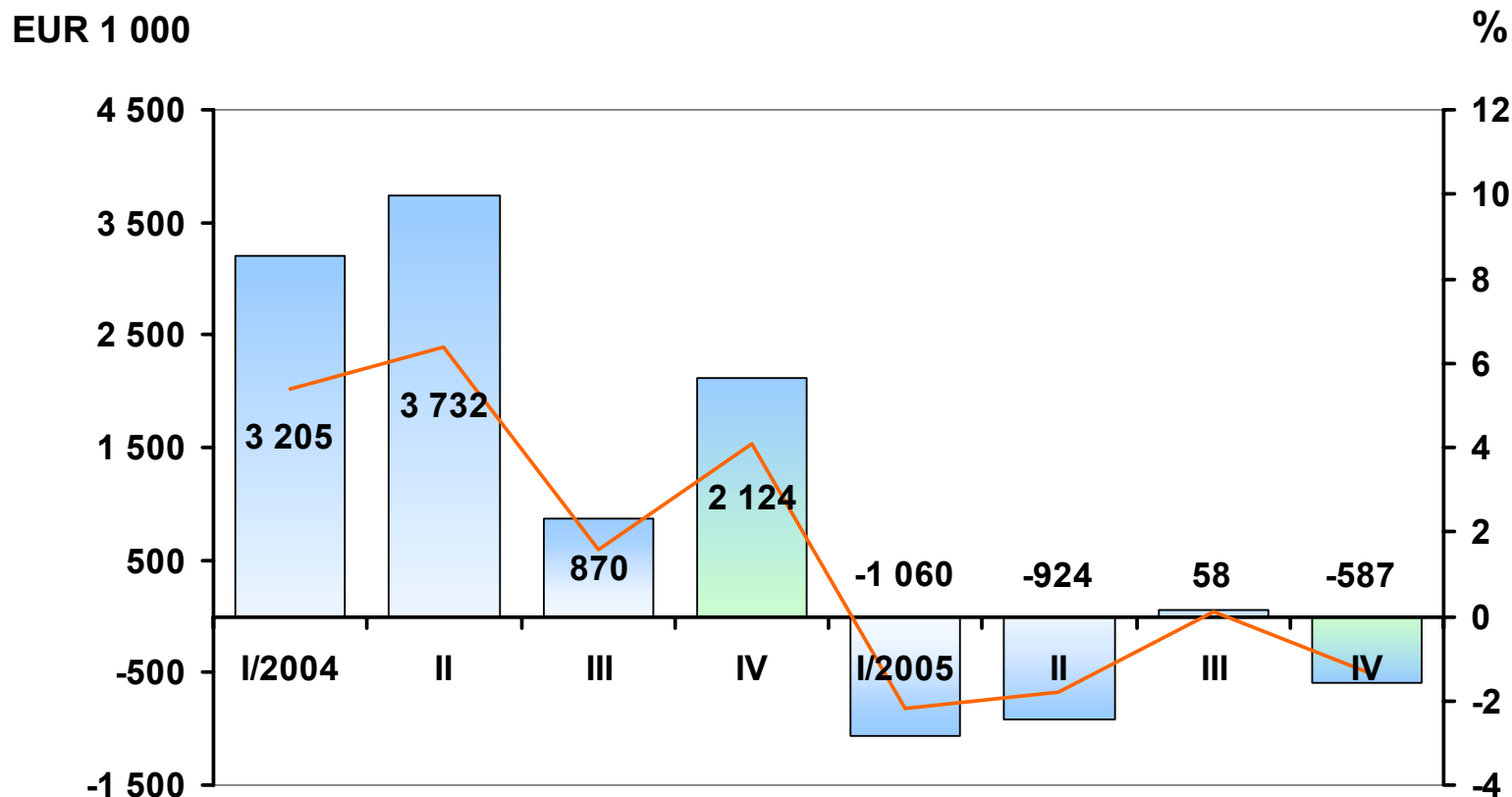
	12/2005	12/2004
Earnings/share, EUR	-0.13	0.20
Equity/share, EUR	2.39	2.47
Dividend/share, proposal, EUR	0.00	0.00
Cash flow from operations/share, EUR	0.01	0.22
Return on equity, % (ROE)	-5.5	7.5
Return on invested capital, % (ROI)	-0.6	6.2
Equity ratio, %	30.3	29.5
Equity ratio, %, capital loans in equity	33.5	33.5
Gearing, %	171.7	167.5
Gearing, %, capital loans in equity	145.6	135.3
Gross investments, EUR 1 000	7 714	14 617
Depreciation, EUR 1 000	15 561	15 715

Suominen Corporation Net Sales, Continuing Operations I/2004 - IV/2005

EUR 1 000



Suominen Corporation Operating Profit, Continuing Operations I/2004 - IV/2005



Suominen Total

- **Net sales were down due to decreased sales of Wipes and Nonwovens business area. Internal deliveries of nonwovens increased.**
- **A loss was recorded due to high prices of oil-based raw materials, decreased volume, and expenses of cost cutting program.**
- **Net profit from sale of Inka was EUR 1.1 million.**
- **Cost cutting program and other rationalisation measures have resulted in nonrecurring expenses. Changes in the conditions of pension schemes reduced pension liabilities.**
- **Proposal by the Board of Directors: no dividend be paid for the financial year.**

Net Sales by Business Area

1 January - 31 December

EUR 1000	2005	2004	Change %
Wipes and Nonwovens			
- Wet Wipes	64 911	81 330	-20.2
- Nonwovens	68 226	75 043	-9.1
- eliminations	-8 947	-3 360	
Total	124 190	153 013	-18.8
Flexible Packaging	71 841	69 244	3.8
Consolidation items and eliminations	-116	-238	51.3
Net sales, continuing operations, total	195 915	222 019	-11.8

Earnings by Business Area

1 January - 31 December

EUR 1 000	2005	2004
Wipes and Nonwovens	-2 924	5 443
Flexible Packaging	163	1 834
Consolidation items and eliminations	248	2 654
Operating profit from continuing operations	-2 513	9 931

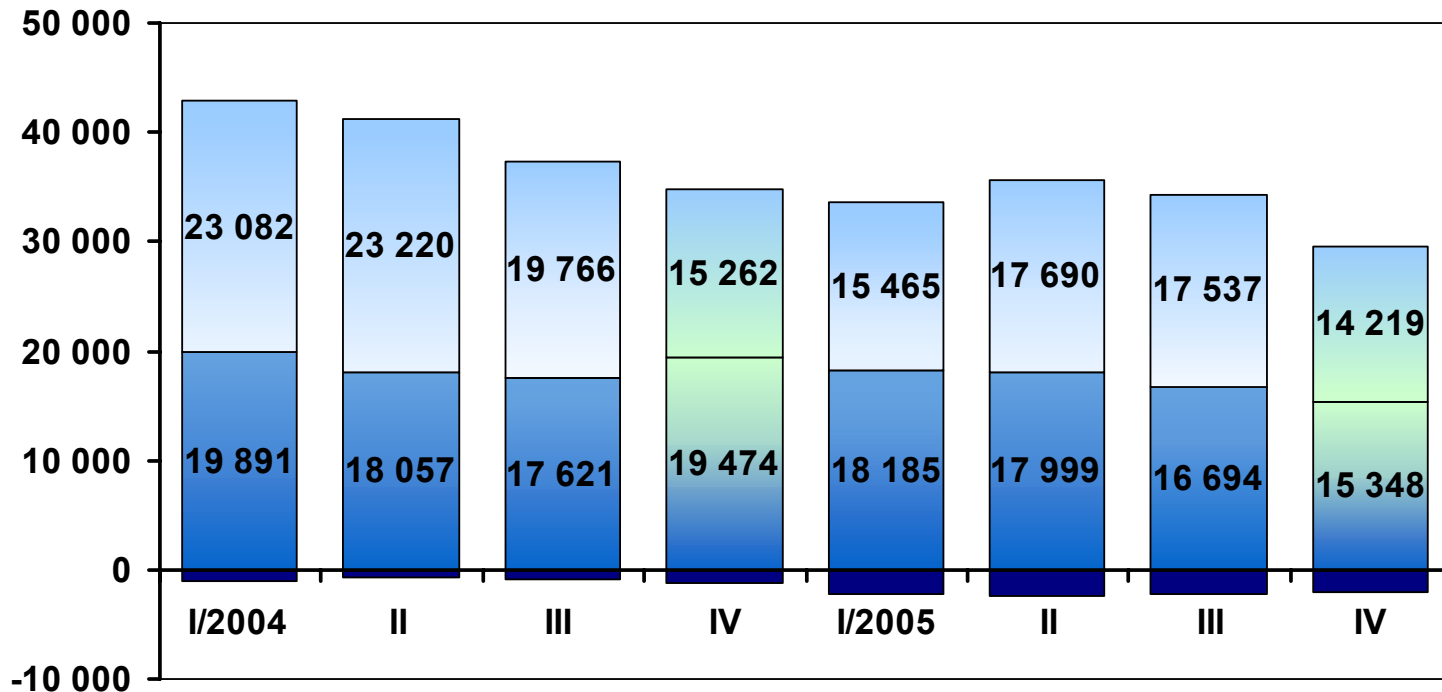
Wipes and Nonwovens

1 January - 31 December

EUR 1 000	2005	2004	Change %
Net sales	124 190	153 013	-18.8
Operating profit	-2 924	5 443	
Personnel	532	560	-5.0
Investment	4 893	6 992	-30.0
Return on invested capital, %	-2.7	4.9	

Wipes and Nonwovens Net Sales I/2004 - IV/2005

EUR 1 000

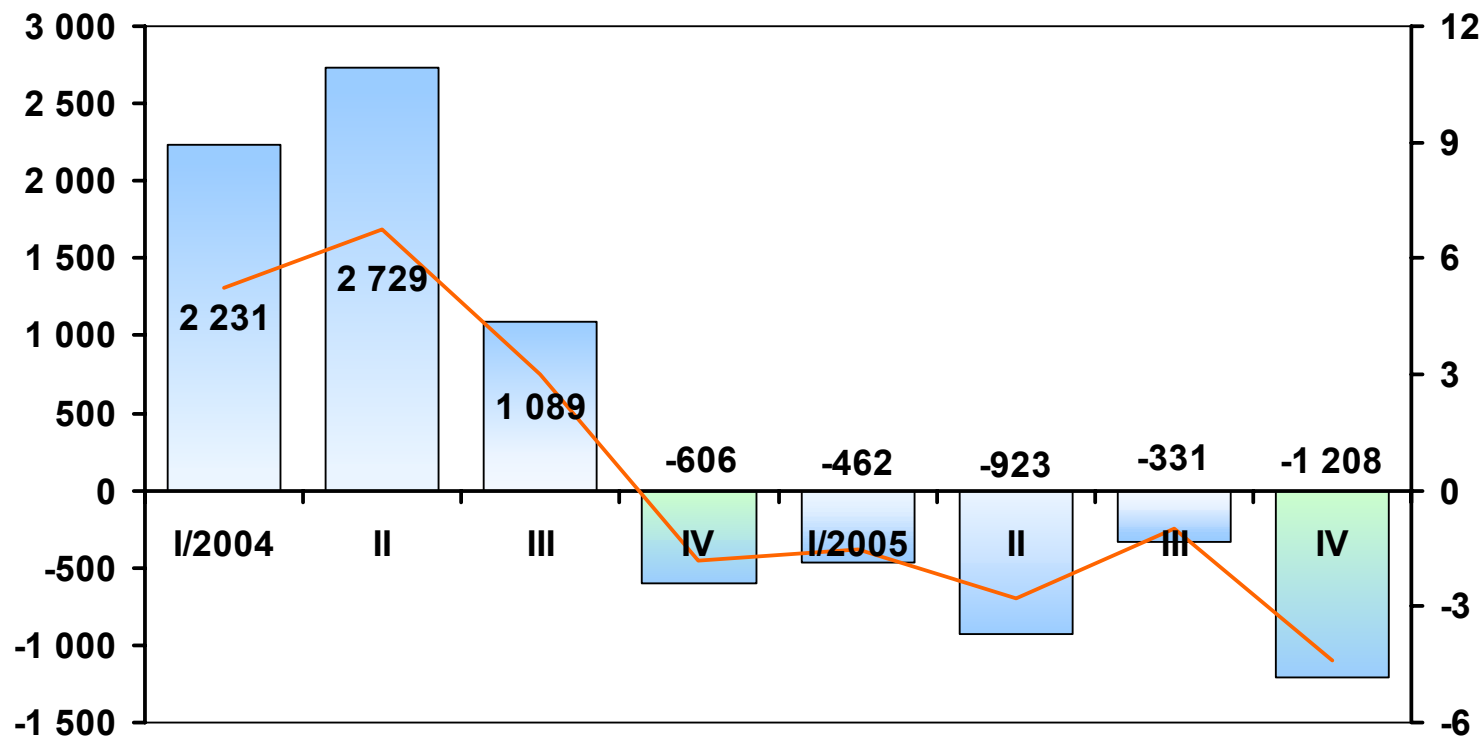


■ Eliminations ■ Nonwovens ■ Wet Wipes

Wipes and Nonwovens Operating Profit I/2004 - IV/2005

EUR 1 000

%



Wipes and Nonwovens

Wet Wipes

- **Sales volumes, sales prices, and margins from converting were down.**
- **Increased demand and sales to new customers, including retail chains, only partly replaced the loss of sales in 2004.**
- **Operation was on red due to the production difficulties of early 2005, high cost level, and low volume.**
- **Production efficiency improved towards the end of the year.**
- **Cost cutting program proceeded as planned. Cost effect on personnel expenditure EUR 1 million.**

Wipes and Nonwovens

Nonwovens

- **Net sales declined by 9 per cent.**
- **Deliveries of hydroentangled nonwovens to Europe increased while deliveries to the US market decreased.**
- **Sales to Wet Wipes unit were three times higher.**
- **Sales of thermally bonded nonwovens were down due to switches to an alternative product .**
- **High prices of oil-based raw material and energy weakened the result.**
- **Investment to heating plant progressed and it will be operative during the spring.**

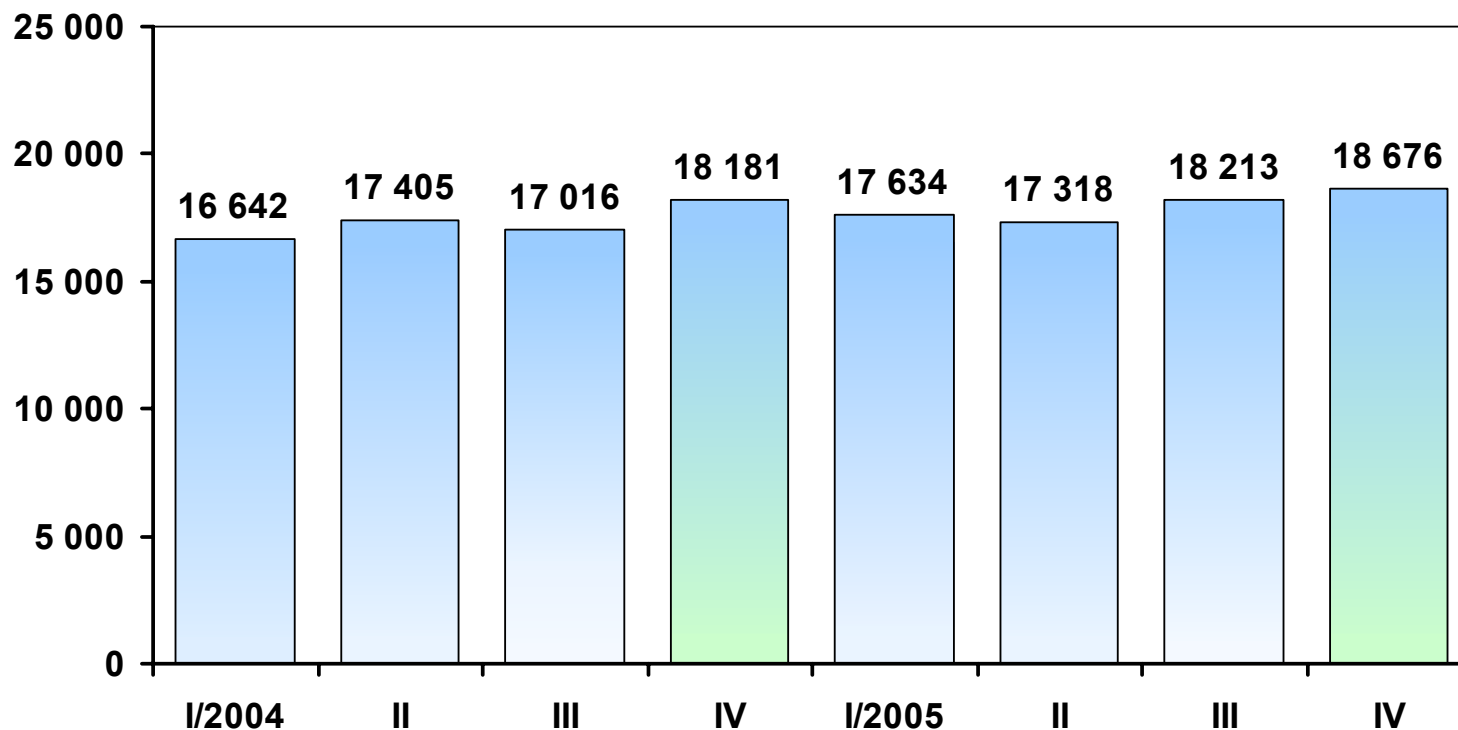
Flexible Packaging

1 January - 31 December

EUR 1 000	2005	2004	Change %
Net sales	71 841	69 244	3.8
Operating profit	163	1 834	
Personnel	607	621	-2.3
Investment	2 784	7 582	-63.3
Return on invested capital, %	0.3	3.7	

Flexible Packaging Net Sales I/2004 - IV/2005

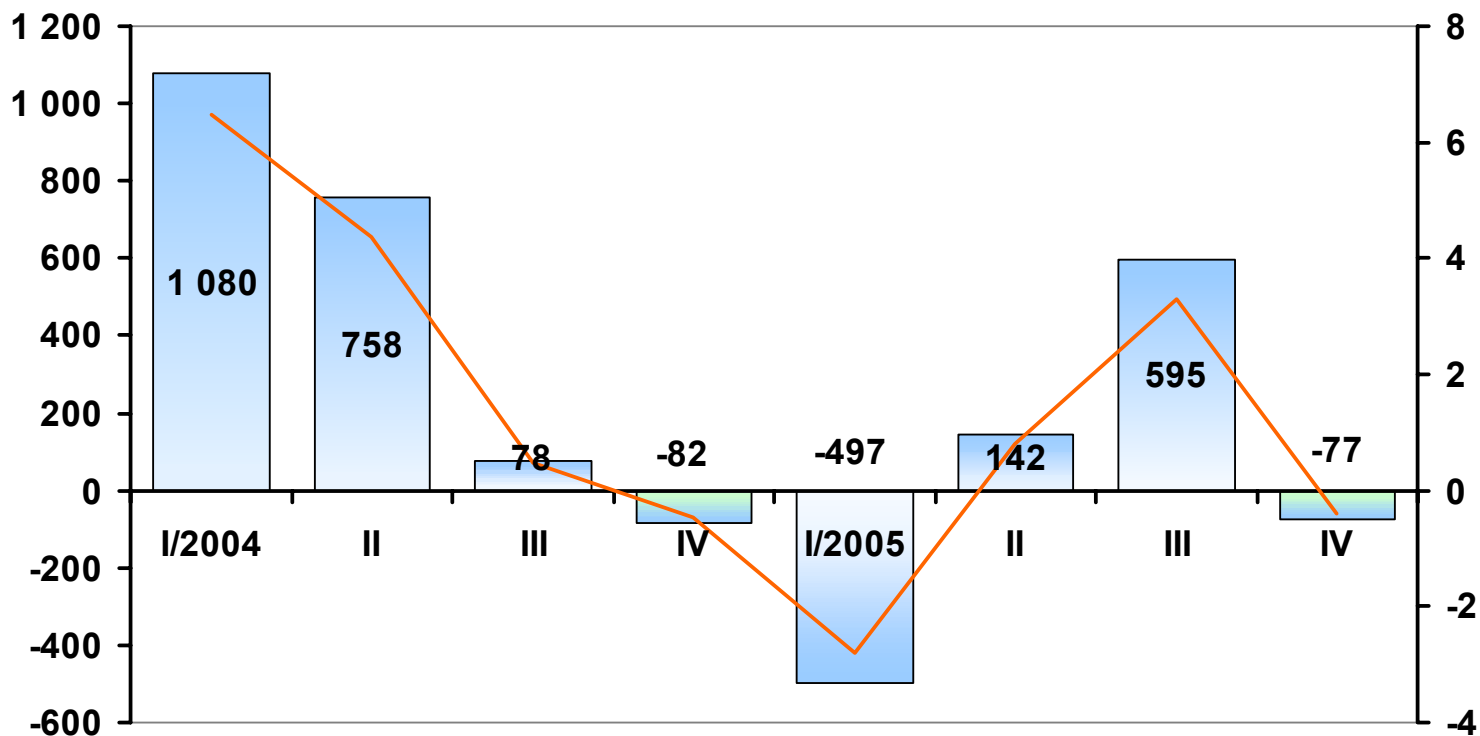
EUR 1 000



Flexible Packaging Operating Profit I/2004 - IV/2005

EUR 1 000

%



Flexible Packaging

- **Sales of hygiene product packaging increased by 20 per cent.**
- **Sales of food packaging, retail packaging and special products were on the level of 2004.**
- **Sales to Russia and Poland increased in volume and value.**
- **Sales prices rose towards the end of the year and were on a higher level than in 2004.**
- **Prices for oil-based raw materials were clearly higher than in 2004, and they rose more than sales prices. That had an adverse effect on financial performance for the entire year.**

Outlook

- **Net sales for 2006 are expected to increase.**
- **Internal deliveries to the Wet Wipes unit will be further increased.**
- **Cost cutting program, decided in autumn 2005, higher sales prices for Nonwovens and Flexible Packaging, and expected rise in volume for Wet Wipes are contributing to the increasing operational efficiency.**
- **Fluctuation in prices for oil-based raw materials and energy affect the estimated financial performance.**
- **Operating profit and financial results for the year 2006 are expected to improve from those for 2005.**