

SUOMINEN CORPORATION

INTERIM REPORT, 22 OCTOBER, 2012 AT 9.30 A.M.

INTERIM REPORT 1 JANUARY–30 SEPTEMBER 2012
PROFIT DURING SUMMER PERIOD

KEY FIGURES	7-9/2012	7-9/2011	1-9/2012	1-9/2011	1-12/2011
Net sales, EUR million	121,8	42,3	345,9	128,5	213,4
Operating profit before non-recurring items, EUR million	6,7	-1,4	11,7	-1,5	-1,1
Operating profit, EUR million	6,2	-1,9	9,1	-2,5	-4,8
Profit/loss for the period, EUR million	2,3	-2,8	-0,7	-5,7	-9,5
Earnings/share, EUR	0,01	-0,06	0,00	-0,12	-0,11
Cash flow from operations/share, EUR	0,03	-0,02	0,05	0,04	-0,03

President and CEO Nina Kopola:

“During the third quarter of the year our performance further improved, both sales and profit were at their highest level for this year. Sales increased in our Wiping segment, due to favorable development in the Nonwovens business. The demand for our products was especially healthy in the US, leading to a more favorable product mix. The European economic crisis effected a more subdued demand in the European market place.

In our Flexibles segment we are struggling with sluggishness of the market and therefore we started temporary lay-offs at our plant in Tampere, Finland in order to match output to demand.

Our operating profit for the third quarter more than doubled on the preceding six months. I am also especially happy to see that our streamlining efforts in the Summit program are starting to bring the expected results.

The positive effect of the acquisition last year can clearly be seen in our results. At the moment we are sharpening our strategy for all the businesses, however, more stringently so for the Nonwovens business. Further improving our profitability will continue to be our main operational focus. In the future we will be targeting a visible shift in the portfolio towards more value added products. This will guide our efforts in business and product development.”

GROUP FINANCIAL RESULTS

Suominen Corporation generated net sales of EUR 121.8 million (42.3) in the third quarter thus the net sales in period was so far the strongest quarter in the current year. Operating profit before non-recurring items was EUR 6.7 million (-1.4) and after them EUR 6.2 million (-1.9). Profit before taxes was EUR 3.3 million (-3.2) and profit after taxes EUR 2.3 million (-2.8). The result of the quarter was profitable and highest since the new Suominen was formed last autumn.

Net sales for the first nine-month period of the year totalled EUR 345.9 million (128.5). Operating profit before non-recurring items was EUR 11.8 million (-1.5) and after them EUR 9.1 million (-2.5), profit before taxes EUR 0.9 million (-6.7) and profit after taxes EUR -0.7 million (-5.7).

Comparable net sales decreased by 7 % on the previous year compared to the EUR 373 million pro forma net sales. The decrease in net sales was affected by a decline in volumes and reduced sales prices in Europe. The most significant factor affecting the decrease in European volumes was the burning down of the spunlace line in Italy in the autumn last year, the production of which was interrupted for the first five months of the year. Regionally, demand was stronger in the US markets than in Europe. The exchange rate of dollar against euro increased the share of net sales of the USA in the pro forma comparison.

The benefits of the integration of Suominen and Ahlstrom Home and Personal business start to show clearly in the improvement of the operating profit. The result was positively affected by the production quantities and the development of sales margins. Prices of raw materials, representing the biggest part of costs, turned up in the third quarter after the temporary decline in the second quarter. Operating expenses excluding non-recurring items were lower compared to comparable pro forma figures.

As part of the restructuring of our operations at the Nakkila nonwovens plant the decision was made to cut the

production capacity. Due to this the number of staff was reduced according to the codetermination process by 40 employees, which lead to non-recurring cost of about EUR 0.4 million. A write down of about EUR 2.7 million to non-current assets was made, which has no cash effect. Due to low demand in Flexibles business area it was decided to temporarily lay off approximately 150 employees to reduce costs.

Cash flow from operations in the third quarter was EUR 7.8 million (-1.1), and for the whole period EUR 13.2 million (1.8). Working capital has been tied up by EUR 3.2 million, as trade receivables and trade payables have been accrued to the balance sheet after the acquisition of Home and Personal business. Investments were kept at a low level.

Integration of the acquired operations and efficiency-enhancement measures

The acquisition of the Brazilian unit belonging to the Home and Personal has been delayed because different operating permits were not received in the planned timetable. However, approval from the competition authorities has been received. Because of the delay in the permission process Suominen and Ahlstrom have concluded that the transfer cannot be completed in the third quarter. The parties are looking together for prerequisites and alternatives to complete the transaction. The goal is to finalize the transfer of the business as soon as possible.

Reducing of group's operating costs continues in the so called Summit project. The project includes integration of Home and Personal business to Suominen and covers realization of synergy benefits in sales, sourcing, optimization of production lines and logistics solutions. Efficiency measures are aimed at creating cost savings representing about two per cent of net sales.

Financing

The Group's interest-bearing net liabilities amounted to EUR 107.5 million (59.5). EUR 25 million included in the cash and bank was used in loan repayments. Suominen updated its financing agreement with the banks in October. The company has to comply with adjusted financial covenants on Net Debt to EBITDA below 4,9 and Net Debt to Equity under 145 % at the end of 2012. Also the repayment schedule of loans was postponed.

Repayments of non-current loans amounted to EUR 38.2 million (3.1). Net financial expenses were EUR -8.2 million (-4.3), or 2.4% (3.3) of net sales. The increase in financial expenses was caused by the increased borrowing and higher average interest rates on loans. A total of EUR 3.2 million was tied up in working capital (EUR 2.3 million released). All working capital items were not transferred at the acquisition of the Home and Personal business and therefore they have increased in the review period. Trade receivables amounting to EUR 16.0 million (12.8) were sold to the bank. The equity ratio was 35.8% (22.9) and the net gearing 99.4% (233.0). Cash flow from operations was EUR 13.2 million (1.8) and EUR 0.05 per share (0.04).

Investments

The company's gross investments in production totalled EUR 2.2 million (3.1). Planned depreciation amounted to EUR 14.8 million (6.0). Nonwovens accounted for EUR 0.8 million (0.9), Codi Wipes for EUR 0.6 million (0.2) and Flexibles for EUR 0.2 million (1.8) of total investments. The Group's investments were in maintenance.

SEGMENT RESULTS

The net sales of Wiping totalled EUR 307.3 million (79.4). The segment's operating profit was EUR 12.6 million (-1.9).

Net sales of Nonwovens totaled EUR 273.0 million (40.8). Nonwovens' comparable nine-month-sales (pro forma) were EUR 285 million in 2011, so net sales decreased by 4%. Delivery volumes decreased slightly compared to comparable operations. The application areas for nonwoven materials were distributed as follows: baby wipes accounted for 47 % of sales, household wipes for 19%, personal care wipes for 17 %, and industrial wipes for 10 %. Sales of nonwovens used for personal care and household wipes increased, in other application areas sales decreased.

The sales from the North American plants increased compared to the pro forma figures for the previous year. Consumer demand in the wet wipes consumption areas on the American markets was clearly stronger than in product areas typical for Europe. European net sales were also affected by the tightening competition created by the increased production capacity. At Suominen's plant in Italy, the ramp up of the efficient spunlace production line, which had been interrupted due to damage from fire, was completed in the beginning of summer. The insurance compensation for the damage was fully paid up in the third quarter.

The prices of oil-based raw materials began to increase again in the third quarter. No significant changes took place in the prices of other raw materials. Savings were achieved in operating expenses compared to pro forma

figures due to previously implemented synergy savings.

The codetermination negotiations at Nakkila plant were completed. The plant's operations will be reshaped with the objective of turning the result to positive. A decision was made to close down the plant's thermobond production and one spunlace line. Due to the aim of improving the efficiency of operations the number of staff has been reduced by 40 employees, which lead to a compensation of EUR 0.4 million for the termination period. A write down of EUR 2.7 million to fixed assets was recorded due to the closing down of production.

Other efficiency measures of the unit are based on the group Summit programme. The programme is proceeding as planned.

Net sales of Codi Wipes stood at EUR 37.6 million (42.5), which were 12 % less than in the previous year. Sales of personal hygiene wipes increased, moist toilet wipes remained at the same level as in the previous year, and baby wipes decreased. Average sales prices were on par with the previous year. At the end of the period the customer deliveries increased. The profit loss caused by the decreased volume was partly compensated by savings in operating expenses.

The operating profit of Wiping business was EUR 15.8 million excluding write-down mentioned earlier. The result improved thanks to the business acquisition. The development of sales margin was positive.

Net sales of Flexibles totalled EUR 39.3 million (49.8), a decrease of 21 % from the previous year. Sales of hygiene packaging decreased about one third due to customer losses in the end of 2011. Food and retail packaging sales decreased as well but security and technical packaging sales increased. Flexibles has managed to get new business but weak consumer demand on Flexibles market is slowing the compensation of the earlier losses. On the basis of customer estimates, there was not any immediate change visible, therefore a decision was made in August to temporarily lay off approximately 150 employees until the end of February 2013.

The operating loss of the business unit was EUR -1.5 million (+0.2). The prices of plastic-based raw materials for flexible packaging started to increase during the third quarter, which did, due to the delay in pricing, add pressure on overall costs. Operating expenses were lower than in the previous year thanks to the rationalisation measures carried out in production in 2011.

INFORMATION ON SHARES AND SHARE CAPITAL

Share capital

The registered number of Suominen's issued shares totals 245,934,122 shares, equaling to EUR 11,860,056.00.

Share trading and price

The number of Suominen Corporation shares traded on NASDAQ OMX Helsinki from 1 January to 30 September 2012 was 1,689,072 shares, accounting for 0.7 % of the share capital and votes. The trading price varied between EUR 0.34 and EUR 0.45. The closing trading price was EUR 0.37 giving the company a market capitalization of EUR 90,973,315 on 30 September 2012.

Own shares

On 1 January and 30 September 2012, the company Suominen Corporation held 60,298 of its own shares, accounting for 0.0 % of the share capital and votes.

Stock options

Suominen's option right holders of the plan 2009A have 250,000 stock options. The subscription period for the 2009A stock options is from 2 May 2011 to 30 October 2012 and the subscription price is EUR 0.95. A total of 300,000 2009 B stock options have been granted. The subscription period for the 2009B stock options is from 2 May 2012 to 30 October 2013 and the subscription price is EUR 0.96.

As the registered number of Suominen's issued shares totals 245,934,122, the number of shares may rise to a maximum of 246,484,122 after stock option subscriptions.

Authorizing the Board of Directors to decide on the issuance of shares and special rights entitling to shares

The Annual General Meeting approved the proposal of the Board of Directors to authorize the Board of Directors to decide on repurchasing a maximum of 3,000,000 company's own shares. The Board of Directors is also to decide on issuing new shares and/or conveying the company's own shares held by the company and/or granting special rights entitling to shares referred to in Chapter 10, Section 1 of the Finnish Companies Act. A

maximum of 50,000,000 new shares may be issued. The maximum number of new shares that may be subscribed and own shares held by the company that may be conveyed by virtue of the special rights granted by the company is 10,000,000 shares in total which number is included in the maximum number stated earlier (50,000,000). The authorizations shall be valid until 30 June 2013.

BUSINESS RISKS AND UNCERTAINTIES

Suominen concluded an agreement with Ahlstrom at the end of 2011 for the acquisition of its Home and Personal business's Brazilian operations. Due to the delay in the permission process Suominen and Ahlstrom concluded that the transfer of Brazilian operations cannot be completed by the end of September. The parties are negotiating the prerequisites for completing the transaction in the manner originally intended and are looking together into opportunities to transfer the Brazilian part of the Home and Personal business to Suominen through alternative interim solutions within the scope of permits needed. The goal is to finalize the transfer of the business as soon as possible. Condition for a solution is that the common agreement on the acquisition and its financing is approved also by financiers. Although the acquisition is delayed, the company does not suffer any direct losses because of this.

The estimate of net sales development of Suominen is partly based on the forecasts and delivery plans received from the customers. Changes in in the forecasts and in the plans caused by market situation or by customers' stock changes might change Suominen's net sales forecast. Due to the deterioration in the general economic situation and due to cautious consumer purchasing habits the forecasts include uncertainty.

Suominen's customer base is comparatively concentrated, which adds to the customer specific risks. Long-term contracts are being preferred in the case of the largest customers. In practice the customer relationships are long-term and for several years.

Suominen purchases significant amounts of oil- and pulp-based raw materials annually. The raw materials are the biggest cost of operations. Rapid changes in the global market prices of raw materials affect the company's profitability. Extended interruptions of Suominen's main raw materials could disrupt production and have a negative impact on the Group's overall business operations. As Suominen sources its raw materials from a number of major international suppliers, significant interruptions are unlikely.

Suominen has numerous regional, national and international competitors in its different product groups. There is currently oversupply in several product groups especially in Europe. If Suominen is not able to compete with an attractive product offering, it may lose some of its market share, and the competition may lead to increased pricing pressure on the company's products.

Suominen's efficiency programmes include measures to improve production efficiency, sourcing and logistics solutions, to reduce general costs and to pass on the costs to sale prices more efficiently than in the past. The impact of the efficiency measures is most visible when production volumes increase. Substantial synergy benefits are expected to be realized in the Home and Personal business acquisition. Postponed or failed efficiency measures and synergy exploitation will have a negative impact on the company's profit.

Group's damage risks are insured in order to guarantee continuity of operations. Suominen has valid damage and business interruption insurance according to which it is estimated that the damages can be covered and the financial losses caused by an interruption compensated.

Suominen's credit arrangements include covenants that the company must meet. After the interim report of 30.9.2012 Suominen and its financiers have agreed on adjusted financial covenants. At year-end 2012, Suominen's net debt to EBITDA has to be below 4.9 and the company's debt/equity ratio must be less than 145%. These key figures in this interim report were 3.5 and 99 %.

The sensitivity of Suominen's goodwill to changes in business conditions is described in the notes to the financial statements 2011. Actual cash flows may deviate from the forecasted future discounted cash flows, as the long economic life-time of the company's non-current assets, and changes in the estimated product prices, production costs, and interest rates used in discounting may result in write-downs. The fair value based on value in use of assets or businesses in total or in part do necessarily correspond to the price that a third party would pay for them.

General risks related to business operations are described in the Report of Board of Directors in the Annual Report 2011.

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 behavior 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 the comparable demand for its products will remain at the level of 2011. In the US as well as in Eastern Europe the sales are estimated to grow whereas in Western Europe the sales are anticipated to decrease.

The prices of the raw materials used by Suominen turned to an increase during the third quarter. The prices of other raw materials have remained at more or less earlier levels. Suominen expects the changes in raw material prices not to have an impact on the profit outlook of the Group stated below. Suominen will continue to streamline its operating costs and realize the 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 target is to realize the Brazilian unit business transaction as soon as possible.

The company keeps the estimate of net sales and result for the whole year the same. 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.

SUOMINEN CORPORATION CONSOLIDATED 1 JANUARY – 30 SEPTEMBER 2012

These financial statements have been prepared in compliance with IAS 34 Interim Financial Reporting. Principles for preparing the interim report are the same as those used for preparing the financial statements for 2011, and this interim report should be read parallel to the financial statements for 2011. Changes to published accounting standards and interpretations, together with the new accounting standards that came into force on 1 January 2012, are presented in the financial statements for 2011.

All calculations in this financial statement have been prepared in compliance with the revised IAS 1 standard, 'Presentation of Financial Statements'. This standard is aimed at improving users' ability to analyse and compare the information given in financial statements by separating changes in equity of an entity arising from transactions with owners from other changes in equity. Non-owner changes in equity will be presented in the statement of comprehensive income.

The figures in these financial statements have not been audited.

BALANCE SHEET

EUR 1 000	9/2012	9/2011	12/2011
Assets			
Non-current assets			
Goodwill	34 298	18 498	34 298
Intangible assets	12 717	784	13 146
Tangible non-current assets	124 959	48 635	139 886
Available-for-sale financial assets	19	242	212
Held-to-maturity investments	456	421	445
Deferred tax assets	3 941	1 713	2 756
Non-current assets, total	176 390	70 293	190 743
Current assets			
Inventories	40 343	22 219	45 972
Trade receivables	54 836	14 893	41 798
Other current receivables	10 284	2 785	17 480
Income tax receivables	4 023	1 424	1 205
Financial assets on escrow			25 000
Cash at bank and in hand	16 382	1 644	15 887
Current assets, total	125 868	42 965	147 342
Assets, total	302 258	113 258	338 085
Shareholders' equity and liabilities			
Equity attributable to owners of the parent company			
Share capital	11 860	11 860	11 860
Share premium account	24 681	24 681	24 681
Invested non-restricted equity fund	97 054	9 708	97 054
Fair value and other reserves	-1 066	-121	-484
Translation differences	-34	-666	-637
Other shareholders' equity	-24 365	-19 909	-23 737
Shareholders' equity, total	108 130	25 553	108 737
Liabilities			
Non-current liabilities			
Deferred tax liabilities	1 558	2 279	3 661
Provisions	280	280	280
Capital loans		2 000	920
Other non-current liabilities	1 375		1 234
Interest-bearing liabilities	101 712	35 022	139 961
Non-current liabilities, total	104 925	39 581	146 056
Current liabilities			
Interest-bearing liabilities	21 273	22 334	19 929
Capital loans	920	2 000	920
Income tax liabilities	4 975	572	724
Trade payables and other current liabilities	62 035	23 218	61 719
Current liabilities, total	89 203	48 124	83 292
Liabilities, total	194 128	87 705	229 348
Shareholders' equity and liabilities, total	302 258	113 258	338 085

STATEMENT OF INCOME

EUR 1 000	7-9/2012	7-9/2011	1-9/2012	1-9/2011	1-12/2011
Net sales	121 769	42 330	345 938	128 503	213 350
Cost of goods sold	-109 108	-42 122	-318 979	-124 545	-205 507
Gross profit	12 661	208	26 959	3 958	7 842
Other operating income	1 164	877	6 144	2 691	4 905
Sales and marketing expenses	-1 819	-871	-5 484	-2 648	-4 050
Research and development	-756	-365	-2 100	-1 289	-1 866
Administration expenses	-4 997	-1 778	-16 142	-5 057	-8 492
Other operating expenses	-19	31	-259	-125	-3 168
Operating profit	6 234	-1 898	9 118	-2 470	-4 829
Financial income and expenses	-2 954	-1 255	-8 179	-4 259	-5 197
Profit before income taxes	3 280	-3 153	939	-6 729	-10 026
Income taxes	-1 026	316	-1 621	1 029	494
Profit/loss for the period	2 254	-2 837	-682	-5 700	-9 531
Earnings/share, EUR	0.01	-0.06	0.00	-0.12	-0.11

STATEMENT OF COMPREHENSIVE INCOME

EUR 1 000	7-9/2012	7-9/2011	1-9/2012	1-9/2011	1-12/2011
Profit/loss for the period	2 254	-2 837	-682	-5 700	-9 531
Other comprehensive income					
Currency translation differences on foreign operations	-374	-1 650	36	-1 596	-1 595
Fair value changes of cash flow hedges	807	-261	-760	-1 223	-1 731
Other reclassifications	-21	-6	48	-18	-20
Income tax on other comprehensive income	-152	497	744	733	906
Other comprehensive income, total	-1 354	-1 420	68	-2 104	-2 440
Total comprehensive income for the period	900	-4 257	-614	-7 804	-11 971

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

- a.** Share capital
b. Share premium account
c. Invested non-restricted equity fund
d. Own shares
e. Translation differences
f. Fair value reserves
g. Retained earnings
h. Total

EUR 1 000	a.	b.	c.	d.	e.	f.	g.	h.
Total equity on 1 Jan. 2012	11 860	24 681	97 054	-43	-637	-441	-23 737	108 737
Profit/loss for the period							-682	-682
Other comprehensive income					603	-583	48	68
Share-based payments							7	7
Total equity 30 Sept. 2012	11 860	24 681	97 054	-43	-34	-1 024	-24 364	-108 130
EUR 1 000	a.	b.	c.	d.	e.	f.	g.	h.
Total equity at 1 Jan. 2011	11 860	24 681	9 708	-163	515	828	-14 143	33 286
Profit/loss for the period							-5 700	-5 700
Other comprehensive income					-1 181	-905	-18	-2 104
Share-based payments							20	20
Conveyance of own shares				120			-69	51
Total equity at 30 Sept. 2011	11 860	24 681	9 708	-43	-666	-77	-19 910	25 553
EUR 1 000	a.	b.	c.	d.	e.	f.	g.	h.
Total equity at 1 Jan. 2011	11 860	24 681	9 708	-163	515	828	-14 143	33 286
Profit/loss for the period							-9 531	-9 531
Other comprehensive income					-1 152	-1 268	-20	-2 440
Share-based payments							26	26
Share issue			87 346					87 346
Conveyance of own shares				120			-69	51
Total equity at 31 Dec. 2011	11 860	24 681	97 054	-43	-637	-441	-23 737	108 737

CASH FLOW STATEMENT

EUR 1 000	1-9/2012	1-9/2011	1-12/2011
Operations			
Operating profit	9 118	-2 470	-4 829
Total adjustments	16 793	5 824	9 459
Cash flow before change in working capital	25 911	3 354	4 630
Change in working capital	-3 229	2 339	1 907
Financial items	-6 735	-3 961	-9 833
Taxes paid	-2 722	35	397
Cash flow from operations	13 225	1 767	-2 898
Investment payments			
Investments in tangible and intangible assets	-2 273	-3 344	-4 231
Investments in acquired business operations			-139 810
Proceeds from disposal of fixed assets and other proceeds	2 106	97	1 628
Cash flow from investing activities	-167	-3 247	-142 414
Financing			
Non-current loans drawn		3 186	148 250
Repayments of non-current loans	-37 267	-1 112	-48 563
Repayments of capital loans	-920	-2 000	-4 160
Repurchase and conveyance of own shares		51	51
Share issue			87 346
Cash flow from financing	-38 187	125	182 924
Change in cash and cash equivalents *	-25 129	-1 355	37 613

* Includes also the change in restricted financial assets.

KEY FIGURES	7-9/2012	7-9/2011	1-9/2012	1-9/2011	1-12/2011
Net sales, change, % *	187.7	-2.4	169.2	0.3	23.0
Gross profit, % **	10.4	0.5	7.8	3.1	3.7
Operating profit, % **	5.1	-4.5	2.6	-1.9	-2.3
Financial income and expenses, % **	-2.4	-3.0	-2.4	-3.3	-2.4
Profit before income taxes, %**	2.7	-7.4	0.3	-5.2	-4.7
Profit for the period, % **	1.9	-6.7	-0.2	-4.4	-4.5
Earnings/share, EUR	0.01	-0.06	0.00	-0.12	-0.11
Equity/share, EUR			0.44	0.54	0.44
Cash flow from operations/share, EUR			0.05	0.04	-0.03
Return on equity (ROE), %			-0.8	-25.4	-20.9
Return on invested capital (ROI), %			4.6	-3.7	-3.7
Equity ratio, %			35.8	22.9	32.2
Gearing, %			99.4	233.0	111.0
Gross investments, EUR 1 000			2 196	3 076	3 964
Depreciation, EUR 1 000			14 808	5 989	9 835
Impairment losses, EUR 1 000			2 700		

* Compared with the corresponding period of the previous year.

** As of net sales.

SEGMENT REPORTING
Wiping

EUR 1 000	1-9/2012	1-9/2011	Change%	1-12/2011
Net sales				
- Codi Wipes	37 556	42 507	-11.6	55 623
- Nonwovens	272 983	40 750	569.9	99 182
- eliminations	-3 219	-3 820	-15.7	-5 431
Total	307 321	79 437	286.9	149 374
Operating profit before impairment losses	15 326	-1 912		-3 072
% of net sales	5.0	-2.4		-2.1
Operating profit	12 626	-1 912		-3 072
% of net sales	4.1	-2.4		-2.1
Assets	258 339	68 266		242 028
Liabilities	57 659	12 935		49 616
Net assets	200 681	55 331		192 412
Investments	1 402	1 097		1 910
Depreciation	11 597	3 643		6 524
Average personnel	755	344		418
Impairment losses	2 700			

Flexibles

EUR 1 000	1-9/2012	1-9/2011	Change %	1-12/2011
Net sales	39 329	49 789	-21.0	64 848
Operating profit	-1 484	167		-69
% of net sales	-3.8	0.3		-0.1
Assets	38 541	46 235		44 372
Liabilities	8 122	11 077		11 175
Net assets	30 419	35 159		33 197
Investments	230	1 795		1 851
Depreciation	2 184	2 314		3 049
Average personnel	462	488		479

Non-allocated items

EUR 1 000	1-9/2012	1-9/2011	1-12/2011
Net sales	-712	-723	-873
Operating profit	-2 023	-725	-1 688
Assets	5 378	-1 243	51 685
Liabilities	128 348	63 694	168 557
Investments	564	184	203
Depreciation	1 026	32	262
Average personnel	9	11	10

NET SALES BY MARKET AREA

EUR 1000	1-9/2012	1-9/2011	1-12/2011
Finland	17 938	20 802	27 547
Europe, other	154 880	97 453	141 622
North and South America	163 962	8 617	41 665
Other countries	9 158	1 631	2 515
Net sales, total	345 938	128 503	213 350

QUARTERLY FIGURES

EUR 1 000	IV/2011	I/2012	II/2012	III/2012	IV/2011-III/2012
Net sales					
Wiping					
- Codi Wipes	13 116	13 118	12 278	12 161	50 672
- Nonwovens	58 433	85 673	89 394	97 917	331 416
- eliminations	-1 611	-1 333	-1 175	-711	-4 830
Total	69 937	97 458	100 496	109 366	337 258
Flexibles	15 059	13 906	12 766	12 658	54 388
Non-allocated items	-149	-278	-180	-255	-862
Net sales, total	84 847	111 087	113 082	121 769	430 785
Operating profit					
Wiping	-260	3 751	3 874	8 146	15 511
% of net sales	-0.4	3.8	3.9	7.4	4.1
Flexibles	-69	-576	-816	-576	-2 037
% of net sales	-0.5	-4.1	-6.4	-4.5	-3.7
Non-allocated items	672	-468	-664	-891	-1 351
Operating profit before non-recurring costs	344	2 707	2 394	6 679	12 123
% of net sales	0.4	2.4	2.1	5.5	2.8
Non-recurring items	-2 702	484	-2 700	-445	-5 363
Operating profit, total	-2 359	3 190	-306	6 234	6 760
% of net sales	-2.8	2.9	-0.3	5.1	1.6
Net financial expenses	-938	-2 731	-2 494	-2 954	-9 117
Profit before income taxes	-3 297	459	-2 800	3 280	-2 358

TAXES FOR THE PERIOD UNDER REVIEW

Income tax expense is calculated on the basis of taxable results and income tax rates by country.

INFORMATION ON RELATED PARTIES

Suominen has related party relationships with the members of the Board of Directors, and the members of the Corporate Executive Team, and Ahlstrom Corporation. The company has no investments in associated companies. Salaries paid to the related parties amounted to EUR 1 253 thousand, obligatory pension payments EUR 77 thousand and share-based payments EUR 7 thousand.

Other related-party transactions

EUR 1 000	1-9/2012	1-9/2011	1-12/2011
Sales of goods and services	15 046		1 402
Purchases of goods and services	38 723		1 517
Trade and other receivables	1 502		5 337
Trade and other payables	2 626		2 370

Other related-party transactions are transactions with Ahlstrom.

MOVEMENTS IN BORROWINGS

EUR 1 000	1-9/2012	1-9/2011
Total borrowings on 1 January	161 730	61 282
Current loans from financial institutions on 1 January	19 929	17 000
Change in current loans from financial institutions	1 342	4 345
Current loans from financial institutions on 30 September	21 271	21 345
Commercial papers on 1 January		988
Change in commercial papers		
Commercial papers on 30 September		988
Non-current loans on 1 January	139 961	37 294
Change in non-current loans	-38 249	-2 272
Non-current loans on 30 September	101 712	35 022
Capital loans on 1 January	1 840	6 000
Change in capital loans	-920	-2 000
Capital loans on 30 September	920	4 000
Total borrowings on 30 September	123 903	61 356

CHANGES IN FIXED ASSETS

EUR 1 000	1-9/2012		1-9/2011		1-12/2011	
	Tangible	Intangible	Tangible	Intangible	Tangible	Intangible
Carrying value at the beginning of the period	139 886	13 146	53 873	776	53 873	776
Business combinations					89 124	12 584
Investments	1 666	530	2 808	171	3 678	220
Decreases	-1 402		-864		-1 226	
Depreciation	-13 658	-1 150	-5 826	-163	-9 399	-436
Translation differences and other changes	-1 533	191	-1 356		3 836	2
Carrying value at the end of the period	124 959	12 717	48 635	784	139 886	13 146

CONTINGENT LIABILITIES

EUR 1 000	1-9/2012	1-9/2011	12/2011
For own debt			
Secured loans	120 138	49 607	158 264
Given pledges			
Real estate mortgages	27 045	26 045	27 045
Floating charges	204 008	50 000	194 414
Pledged subsidiary shares and loans	217 657	82 982	217 812
Other own commitments			
Operating leases, real estates	30 693	11 906	29 532
Operating leases, machinery and equipment	3 072	4 862	3 482
Guarantee commitments	1 215	1 277	1 432

NOMINAL AND FAIR VALUES OF DERIVATIVE FINANCIAL INSTRUMENTS

EUR 1 000	1-9/2012	1-9/2011	12/2011
Currency derivatives			
Nominal value	27 526	5 237	8 501
Fair value	-116	69	11
Interest rate derivatives			
Nominal value	75 873	9 333	76 492
Fair value	-1 278	-81	-216
Electricity derivatives			
Nominal value	2 525	3 435	2 860
Fair value	-470	-132	-458

Helsinki, 22 October 2012

SUOMINEN CORPORATION

Board of Directors

For additional information, please contact:

Mrs Nina Kopola, President and CEO, tel. +358 (0)10 214 300

Mr. Arto Kiiskinen, Vice President and CFO, tel. +358 (0)10 214 300

Suominen supplies industry and retailers with nonwovens wet wipes, and flexible packaging for use in consumer products that people use every day – through two business areas: Wiping and Flexibles.

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