

**SUOMINEN CORPORATION  
INTERIM REPORT 1 JANUARY – 31 MARCH 2011**
**INCREASE IN NET SALES, RESULT NEGATIVE**

<b>KEY FIGURES</b>	<b>1-3/2011</b>	<b>1-3/2010</b>	<b>1-12/2010</b>
Net sales, EUR million	<b>44.3</b>	40.6	173.4
Operating profit, EUR million	<b>-0.6</b>	-0.3	-10.8
Profit/loss for the period, EUR million	<b>-1.7</b>	-1.1	-14.4
Earnings/share, EUR	<b>-0.04</b>	-0.03	-0.34
Cash flow from operations/share, EUR	<b>0.01</b>	-0.03	-0.06

Despite an increase in net sales, Suominen's first-quarter operating profit was negative. The operative result was affected by higher raw material prices. The on-going rationalisation of operations had a positive effect on the Group's result. It is estimated that the result after taxes for all of 2011 will improve over 2010, but remain negative.

**GROUP FINANCIAL RESULTS**

Suominen Corporation generated net sales of EUR 44.3 million (40.6) in the first quarter. Operating profit was EUR -0.6 million (-0.3), profit before taxes EUR -2.2 million (-1.5) and profit after taxes EUR -1.7 million (-1.1).

Net sales increased by 9 per cent compared to the first quarter of the previous year. Average sales prices increased thanks to raised prices and raw material price mechanisms included in sales contracts.

The operating profit for the period showed a loss of EUR 0.6 million. The first-quarter result was burdened, in particular, by increases in raw material prices, which could not be compensated for by increased sales prices during the period. The operating costs decreased from the corresponding period in 2010. The first quarter result included EUR 0.2 million in non-recurring costs due to rationalisation measures in Flexibles.

Tight capital control and use of cash was continued. Investments were kept at a low level, and the amount of working capital decreased slightly despite higher raw material prices. Cash flow from operations was positive.

**Cost-saving and operational enhancement programme**

The biggest single savings measure in Suominen's Stairs to Top efficiency programme involved the closure of the Nastola flexible packaging plant and relocation of its machinery to the other plants. This rationalisation will continue to incur costs during the first half of 2011, and the savings will begin to have a full impact beginning in the second half of the year. In contrast, the impacts of the rationalisation measures decided on for Codi Wipes in late 2010 started to materialise already at the beginning of 2011. The rest of the efficiency measures are related to improving the yield and efficiency of production in the units. The positive impact of the savings and efficiency programmes in the first quarter result exceeded EUR one million.

**Financing**

The Group's interest-bearing net liabilities totalled EUR 58.0 million (62.1), including capital loans of EUR 4.0 million (6.0). Repayments of non-current loans were EUR 2.0 million. Net financial expenses were EUR 1.5 million (1.1) or 3.5 per cent (2.8) of net sales. The increased cost of financing was due to the higher average interest rate of the loans.

A total of EUR 0.8 million was released in working capital (EUR 1.5 was tied up). A total of EUR 10.5 million (9.7) in trade receivables was sold to the bank. The equity ratio was 25.6 per cent (27.5). When capital loans are included in shareholders' equity, the equity ratio was 28.9 per cent (32.1) and the ratio of liabilities to shareholders' equity 153.6 per cent (134.4). Cash flow from operations was EUR 0.01 per share (-0.03).

**Investments**

The company's gross investments in production totalled EUR 1.3 million (2.0). Planned depreciation amounted to EUR 2.1 million (2.4). Codi Wipes accounted for EUR 0.1 million (0.1), Nonwovens for EUR 0.5 million (0.9) and Flexibles for EUR 0.6 million (1.0) of total investments. The Group's investments were in efficiency enhancement and maintenance.

## SEGMENT RESULTS

The Wiping business area generated net sales of EUR 27.9 million (24.5) in the first quarter, a 14 percent increase over the corresponding period in 2010. The business area's operating profit was EUR -0.3 million (-0.1).

Net sales of Codi Wipes, at EUR 14.0 million, were on a par with the previous year (13.9). The sales of personal care wipes increased, while baby wipe sales slightly decreased. A more marked decrease was observed for moist toilet wipe sales. Average sales prices remained at the first quarter level of 2010. Measures agreed in the co-determination procedure completed in January decreased the unit's operating expenses.

Net sales of Nonwovens increased by a quarter to EUR 15.1 million (12.2). Most of the sales were hydroentangled wiping material deliveries to European converters. Deliveries to the US market, started during the autumn of 2010, were continued, albeit at a lower volume. Increased raw material prices burdened the unit's profit.

Net sales of Flexibles during the first quarter totalled EUR 16.6 million (16.4) and operating profit was EUR -0.3 million (-0.1). A slight increase was recorded in hygiene and retail packaging sales, while sales of food packaging and security and system packaging was somewhat lower than a year earlier. Deliveries to Russia continued to grow.

The increase in the prices of plastic-based raw materials created costs which could not be compensated by sales price increases. The machinery transfers from Nastola to the Polish and Tampere plants proceeded according to plan. Non-recurring costs amounting to EUR 0.2 million were incurred during the period while the measures were in progress.

## GENERAL MEETING OF SHAREHOLDERS

Suominen Corporation's Annual General Meeting of Shareholders was held on 30 March 2011. The General Meeting decided that no dividend be paid for the financial year 2010.

The General Meeting approved the financial statements of the parent company and the Group for the financial year 2010 and released the members of the Board of Directors and the President and CEO from liability for the period.

Heikki Bergholm, Kai Hannus, Suvi Hintsanen, Juhani Lassila, Mikko Maijala, and Heikki Mairinoja were elected to the Board of Directors. At its organising meeting, the Board elected Mikko Maijala as Chairman and Heikki Mairinoja as Deputy Chairman.

PricewaterhouseCoopers Oy, Authorised Public Accountants, with Heikki Lassila, APA, as the principal auditor, were elected as auditors of Suominen Corporation.

## SHARE CAPITAL AND SHARES

### Share capital

The registered number of Suominen's issued shares totals 47,395,014 shares or EUR 11,860,056. There were no changes in share capital during the period under review.

### Share trading and price

The number of Suominen Corporation shares traded on the NASDAQ OMX Helsinki from 1 January to 31 March 2011 was 1,825,924 shares, equivalent to 3.9 per cent of shares included in the company's share capital. The trading price varied between EUR 0.46 and EUR 0.64. The final trading price was EUR 0.48, giving the company a market capitalisation of EUR 22,668,580 on 31 March 2011.

### The company's own shares

On 1 January 2011, the company held 168,805 of its own shares, accounting for 0.36 per cent of the share capital and votes.

The Annual General Meeting of Shareholders held in 2010 authorised the Board of Directors to decide on the acquisition of a maximum of 200,000 of the company's own shares and on the conveyance of a maximum of 200,682 of the company's own shares. The authorisations will be valid for 18 months after the end of the General Meeting, in other words until 23 September 2011. The acquisition authorisation was exercised during 2010 to acquire 123,595 shares, which means that on 1 January 2011 the remaining authorisation was for 76,405 shares. The conveyance authorisation was not exercised during 2010. During the period under review, the Board of

Directors did not exercise its authorities to buy or convey the company's own shares.

On 31 March 2011, Suominen Corporation held a total of 168,805 of its own shares, accounting for 0.36 per cent of the share capital and votes.

### **Stock options**

Suominen has stock option plans 2006, 2007 and 2009, which entitle to subscriptions of new shares amounting to 870,000. While the registered number of Suominen's issued shares totals 47,395,014, the number of shares may rise to a maximum of 48,265,014 after stock option subscriptions.

### **Other authorisations for the Board of Directors**

The Board of Directors is not currently authorised to issue shares, convertible bonds, or bonds with warrants.

## **BUSINESS RISKS AND UNCERTAINTIES**

The estimate on the development of Suominen's net sales is in part based on forecasts and delivery plans received from customers. Changes in these forecasts and plans resulting from changes in the market conditions or in customers' inventory levels may affect Suominen's net sales. Due to the continued economic uncertainty and consumers' cautious buying habits, the forecasts are vulnerable to significant uncertainty.

Suominen's customer base is fairly concentrated, which adds to the customer-specific risk. Long-term contracts are preferred in the case of the largest customers. Suominen has aimed at general and customer-specific price increases of its products, which involves a principle risk of losing orders in the future.

Nonwovens and Flexibles buy oil- and pulp-based raw materials annually for more than EUR 55 million. Rapid changes in the global market prices of raw materials affect Suominen's profitability.

Suominen does not have any competitors with a fully similar product offering. However, the company has numerous regional, national or international competitors in its different product groups. There is production oversupply in most product groups. If Suominen Corporation is not able to compete with an attractive product offering, it may lose some of its market share. The competition may lead to increased pricing pressure on the company's products.

Suominen's efficiency programmes include measures to improve production efficiency, for example through better yields, higher machine speeds and shorter set-up times. The full impact of the efficiency measures will be seen as soon as the production volumes grow. Postponed or failed measures will have a negative impact on the company's profit. The Flexibles business area is currently closing one plant and transferring the production to other plants, which involves a risk of delays in the production schedule.

The first instalment of EUR 15 million of a EUR 44 million credit agreement concluded in 2010 will fall due at the end of June 2011. Suominen has launched several initiatives in order to release capital, but the prevailing economic uncertainty and tightened financing markets have increased uncertainties involved in the implementation of the projects. The company primarily intends to free up capital and strengthen its balance sheet, possibly also by other means. If the debt cannot be reduced by the means mentioned above, the intention is to cover credit needs through a new loan to be negotiated with financial institutions. Suominen's credit arrangements include covenants that the company must meet. The covenants require the Group to have financial buffers worth a minimum of EUR 2 million. The Group's equity ratio must be 27 per cent, with capital loans included in equity. Should Suominen default on its obligations, the banks have the right to declare the loans due and payable and to renegotiate the terms. According to Suominen's estimates, this would lead at least to increased financing costs resulting from the banks' upfront fees and higher interest rate margins.

The sensitivity of Suominen's goodwill to changes in business conditions is described in the notes to the financial statements 2010. 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.

General risks related to business operations are described in the Report of the Board of Directors in the Annual Report 2010.

## **OUTLOOK**

The demand for Suominen's products is evaluated on the basis of customer contracts and use forecasts provided by customers. It is estimated that the demand for Suominen's products will remain stable, and no major change is

anticipated in net sales for 2011 from the 2010 level.

Suominen continues to rise its product prices to improve sales margins. On the other hand, the prices of raw materials are still going up. The measures to decrease operational costs are continued. It is estimated that the result after taxes for all of 2011 will improve over 2010, but remain negative.

#### **SUOMINEN CORPORATION CONSOLIDATED 1 JANUARY - 31 MARCH 2011**

This interim report has 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 2010, and this interim report should be read parallel to the financial statements for 2010. Changes to published accounting standards and interpretations, together with the new accounting standards that came into force on 1 January 2011, are presented in the financial statements for 2010.

All calculations in this interim report have been prepared in compliance with revised IAS 1, '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 this interim report have not been audited.

**BALANCE SHEET**

EUR 1 000	3/2011	3/2010	12/2010
<b>Assets</b>			
Non-current assets			
Goodwill	<b>18 498</b>	23 404	18 498
Intangible assets	<b>773</b>	762	776
Tangible non-current assets	<b>51 876</b>	57 416	53 873
Available-for-sale financial assets	<b>212</b>	212	212
Held-to-maturity investments	<b>421</b>	288	354
Deferred tax assets	<b>1 753</b>	853	1 339
Non-current assets, total	<b>73 533</b>	82 935	75 052
Current assets			
Inventories	<b>25 218</b>	25 724	24 373
Trade receivables	<b>15 653</b>	12 390	10 817
Other current receivables	<b>3 617</b>	3 251	5 666
Income tax receivables	<b>252</b>	418	200
Cash at bank and in hand	<b>3 379</b>	5 233	3 253
Current assets, total	<b>48 119</b>	47 016	44 309
<b>Assets, total</b>	<b>121 652</b>	129 951	119 361
<b>Shareholders' equity and liabilities</b>			
Equity attributable to owners of the parent company			
Share capital	<b>11 860</b>	11 860	11 860
Share premium account	<b>24 681</b>	24 681	24 681
Invested non-restricted equity fund	<b>9 708</b>		9 708
Fair value and other reserves	<b>268</b>	-454	665
Translation differences	<b>540</b>	546	515
Other shareholders' equity	<b>-15 880</b>	-916	-14 143
Shareholders' equity, total	<b>31 177</b>	35 717	33 286
Liabilities			
Non-current liabilities			
Deferred tax liabilities	<b>2 642</b>	3 063	2 930
Provisions	<b>280</b>	280	280
Capital loans	<b>2 000</b>	4 000	4 000
Interest-bearing liabilities	<b>38 034</b>	46 398	35 823
Non-current liabilities, total	<b>42 956</b>	53 741	43 033
Current liabilities			
Interest-bearing liabilities	<b>19 459</b>	14 950	19 459
Capital loans	<b>2 000</b>	2 000	2 000
Income tax liabilities	<b>200</b>	119	
Trade payables and other current liabilities	<b>25 860</b>	23 424	21 583
Current liabilities, total	<b>47 519</b>	40 493	43 042
Liabilities, total	<b>90 475</b>	94 234	86 075
<b>Shareholders' equity and liabilities, total</b>	<b>121 652</b>	129 951	119 361

**STATEMENT OF INCOME**

EUR 1 000	1-3/2011	1-3/2010	1-12/2010
<b>Net sales</b>	<b>44 303</b>	40 616	173 438
Cost of goods sold	<b>-41 811</b>	-37 917	-165 277
<b>Gross profit</b>	<b>2 492</b>	2 699	8 161
Other operating income	<b>255</b>	61	859
Sales and marketing expenses	<b>-843</b>	-915	-3 927
Research and development	<b>-502</b>	-508	-1 951
Administration expenses	<b>-1 838</b>	-1 643	-6 333
Other operating expenses	<b>-176</b>	-19	-2 564
<b>Operating profit before impairment losses</b>	<b>-612</b>	-325	-5 755
Impairment losses			-5 069
<b>Operating profit</b>	<b>-612</b>	-325	-10 824
Financial income and expenses	<b>-1 547</b>	-1 138	-4 840
<b>Profit before income taxes</b>	<b>-2 159</b>	-1 463	-15 664
Income taxes	<b>424</b>	342	1 302
<b>Profit/loss for the period</b>	<b>-1 735</b>	-1 121	-14 362
Earnings/share, EUR	<b>-0.04</b>	-0.03	-0.34

**STATEMENT OF COMPREHENSIVE INCOME**

EUR 1 000	1-3/2011	1-3/2010	1-12/2010
<b>Profit/loss for the period</b>	<b>-1 735</b>	-1 121	-14 362
<b>Other comprehensive income</b>			
Total exchange differences on foreign operations	<b>34</b>	896	854
Fair value changes of cash flow hedges	<b>-537</b>	14	1 661
Other reclassifications	<b>-9</b>	6	-2
Income tax on other comprehensive income	<b>131</b>	-237	-654
<b>Other comprehensive income, total</b>	<b>-381</b>	679	1 859
<b>Total comprehensive income for the period</b>	<b>-2 116</b>	-442	-12 503

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

EUR 1 000	Share capital	Share premium account	Invested non-restricted equity fund	Own shares	Translation differences	Fair value reserves	Retained earnings	Total
<b>Total equity at 1 Jan. 2011</b>	<b>11 860</b>	<b>24 681</b>	<b>9 708</b>	<b>-163</b>	<b>515</b>	<b>828</b>	<b>-14 143</b>	<b>33 286</b>
Profit/loss for the period							-1 735	-1 735
Other comprehensive income					25	-397	-9	-381
Share-based payments							7	7
Share issue								
Dividend								
Repurchase of own shares								
Conveyance of own shares								
<b>Total equity at 31 March 2011</b>	<b>11 860</b>	<b>24 681</b>	<b>9 708</b>	<b>-163</b>	<b>540</b>	<b>431</b>	<b>-15 880</b>	<b>31 177</b>
EUR 1 000	Share capital	Share premium account	Invested non-restricted equity fund	Own shares	Translation differences	Fair value reserves	Retained earnings	Total
Total equity at 1 Jan. 2010	11 860	24 681		-1	-117	-401	667	36 689
Profit/loss for the period							-1 121	-1 121
Other comprehensive income					663	11	5	679
Share-based payments							7	7
Dividend							-474	-474
Repurchase of own shares				-63				-63
Total equity at 31 March 2010	11 860	24 681		-64	546	-390	-916	35 717

EUR 1 000	Share capital	Share premium account	Invested non-restricted equity fund	Own shares	Translation differences	Fair value reserves	Retained earnings	Total
Total equity at 1 Jan. 2010	11 860	24 681		-1	-117	-401	667	36 689
Profit/loss for the period							-14 362	-14 362
Other comprehensive income					632	1 229	-2	1 859
Share-based payments							29	29
Share issue			9 708					9 708
Dividend							-474	-474
Repurchase of own shares				-213				-213
Conveyance of own shares				51			-1	50
Total equity at 31 Dec. 2010	11 860	24 681	9 708	-163	515	828	-14 143	33 286

## CASH FLOW STATEMENT

EUR 1 000	1-3/2011	1-3/2010	1-12/2010
<b>Operations</b>			
Operating profit	-612	-325	-10 824
Total adjustments	2 051	2 381	14 076
Cash flow before change in working capital	1 439	2 056	3 252
Change in working capital	820	-1 517	-1 054
Financial items	-1 811	-1 548	-4 626
Taxes paid	-1	-55	-31
Cash flow from operations	447	-1 064	-2 459
<b>Investment payments</b>			
Investments in tangible and intangible assets	-633	-1 542	-5 966
Proceeds from disposal of fixed assets and other proceeds	102	127	751
Cash flow from investing activities	-531	-1 415	-5 215
<b>Financing</b>			
Non-current loans drawn	2 246	3 000	8 000
Repayments of non-current loans		-297	-23 731
Change in commercial papers		5 478	988
Repayments of capital loans	-2 000	-2 000	-2 000
Current loans drawn			17 000
Dividends paid			-474
Repurchase and conveyance of own shares		-63	-163
Share issue			9 708
Cash flow from financing	246	6 118	9 328
<b>Change in cash and cash equivalents</b>	<b>162</b>	<b>3 639</b>	<b>1 654</b>



<b>KEY FIGURES</b>	<b>1-3/2011</b>	<b>1-3/2010</b>	<b>1-12/2010</b>
Net sales, change, % *	<b>9.1</b>	-13.5	-3.3
Gross profit, % **	<b>5.6</b>	6.6	4.7
Operating profit, % **	<b>-1.4</b>	-0.8	-6.2
Financial income and expenses, % **	<b>-3.5</b>	-2.8	-2.8
Profit before income taxes, % **	<b>-4.9</b>	-3.6	-9.0
Profit for the period, % **	<b>-3.9</b>	-2.8	-8.3
Earnings/share, EUR	<b>-0.04</b>	-0.03	-0.34
Equity/share, EUR	<b>0.66</b>	0.98	0.70
Cash flow from operations/share, EUR	<b>0.01</b>	-0.03	-0.06
Return on equity (ROE), %	<b>-21.5</b>	-12.4	-37.3
Return on invested capital (ROI), %	<b>-2.5</b>	-1.2	-10.6
Equity ratio, %	<b>25.6</b>	27.5	27.9
Gearing, %	<b>186.1</b>	173.8	174.0
Gross investments, EUR 1 000	<b>1 264</b>	2 024	6 190
Depreciation, EUR 1 000	<b>2 116</b>	2 415	9 322
Impairment losses, EUR 1 000			5 069

\* Compared with the corresponding period of the previous year.

\*\* As of net sales.

## SEGMENT REPORTING

### Wiping

EUR 1 000	<b>1-3/2011</b>	<b>1-3/2010</b>	<b>Change %</b>	<b>1-12/2010</b>
Net sales				
- Codi Wipes	<b>13 985</b>	13 884	0.7	56 371
- Nonwovens	<b>15 091</b>	12 246	23.2	59 084
- eliminations	<b>-1 131</b>	-1 667	-32.2	-7 296
Total	<b>27 946</b>	24 462	14.2	108 159
Operating profit before impairment losses	<b>-298</b>	-142		-3 699
% of net sales	<b>-1.1</b>	-0.6		-3.4
Impairment losses				-4 906
Operating profit	<b>-298</b>	-142		-8 605
Assets	<b>69 644</b>	79 098		67 650
Liabilities	<b>13 635</b>	12 972		11 620
Net assets	<b>56 010</b>	66 126		56 030
Investments	<b>630</b>	1 010		2 278
Depreciation	<b>1 324</b>	1 649		6 117
Impairment losses				4 906
Average personnel	<b>342</b>	379		369

**Flexibles**

EUR 1 000	1-3/2011	1-3/2010	Change %	1-12/2010
Net sales	<b>16 561</b>	16 395	1.0	66 140
Operating profit	<b>-257</b>	-135		-1 941
% of net sales	<b>-1.6</b>	-0.8		-2.9
Assets	<b>46 741</b>	46 754		45 950
Liabilities	<b>12 853</b>	11 875		10 048
Net assets	<b>33 888</b>	34 879		35 902
Investments	<b>591</b>	1 010		3 788
Depreciation	<b>786</b>	760		3 181
Impairment losses				163
Average personnel	<b>505</b>	537		521

**Non-allocated items**

EUR 1 000	1-3/2011	1-3/2010	1-12/2010
Net sales	<b>-203</b>	-241	-861
Operating profit	<b>-57</b>	-48	-115
Assets	<b>5 266</b>	4 099	5 760
Liabilities	<b>63 987</b>	69 387	64 406
Investments	<b>43</b>	4	124
Depreciation	<b>6</b>	6	24
Average personnel	<b>11</b>	11	11

**NET SALES BY MARKET AREA**

EUR 1 000	1-3/2011	1-3/2010	1-12/2010
Finland	<b>6 703</b>	6 466	27 053
Scandinavia	<b>4 071</b>	3 921	14 821
The Netherlands	<b>1 965</b>	2 010	9 915
Europe, other	<b>27 614</b>	25 762	104 651
Other countries	<b>3 950</b>	2 457	16 998
<b>Net sales, total</b>	<b>44 303</b>	40 616	173 438

**QUARTERLY FIGURES**

EUR 1 000	II/2010	III/2010	IV/2010	I/2011	II/2010-I/2011
<b>Net sales</b>					
Wiping					
- Codi Wipes	14 844	14 210	13 433	13 985	56 472
- Nonwovens	13 722	14 958	18 159	15 091	61 930
- eliminations	-1 333	-1 734	-2 562	-1 131	-6 759
Total	27 234	27 434	29 029	27 946	111 643
Flexibles	17 107	16 125	16 513	16 561	66 306
Non-allocated items	-193	-200	-227	-203	-823
Net sales, total	44 148	43 359	45 315	44 303	177 125
<b>Operating profit</b>					
Wiping	-787	-1 136	-623	-298	-2 844
% of net sales	-2.9	-4.1	-2.1	-1.1	-2.5
Flexibles	873	-720	-1 017	-62	-926
% of net sales	5.1	-4.5	-6.2	-0.4	-1.4
Non-allocated items	-103	33	3	-57	-124
Operating profit before non-recurring costs	-17	-1 824	-1 637	-417	-3 894
% of net sales	0.0	-4.2	-3.6	-0.9	-2.2
Non-recurring costs			-7 021	-195	-7 216
Operating profit, total	-17	-1 824	-8 658	-612	-11 110
% of net sales	0.0	-4.2	-19.1	-1.4	-6.3
Net financial expenses	-988	-1 028	-1 686	-1 547	-5 249
Profit before income taxes	-1 005	-2 852	-10 344	-2 159	-16 359

**TAXES FOR THE PERIOD UNDER REVIEW**

Income tax expense is recognised based on the estimated average income tax rate for the full financial year.

**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. The company has no investments in associated companies. Salaries paid to the related parties amounted to EUR 204,000, share-based payments EUR 7,000, unsecured loans EUR 440,000, and interest payments EUR 76,000.

**MOVEMENTS IN BORROWINGS**

EUR 1 000	1-3/2011	1-3/2010
Total borrowings on 1 January	61 282	60 861
Current loans from financial institutions on 1 January	17 000	
Change in current loans from financial institutions		
Current loans from financial institutions on 31 March	17 000	
Commercial papers on 1 January	988	
Change in commercial papers		5 479
Commercial papers on 31 March	988	5 479
Non-current loans on 1 January	37 294	52 861
Change in non-current loans	2 211	3 008
Non-current loans on 31 March	39 505	55 869
Capital loans on 1 January	6 000	8 000
Change in capital loans	-2 000	-2 000
Capital loans on 31 March	4 000	6 000
Total borrowings on 31 March	61 493	67 348

**CHANGES IN FIXED ASSETS**

EUR 1 000	1-3/2011		1-3/2010		1-12/2010	
	Tangible	Intangible	Tangible	Intangible	Tangible	Intangible
Book value at the beginning of the period	53 873	776	57 044	795	57 044	795
Investments	1 149	48	1 945	16	5 884	177
Decreases	-1 040		-65		-466	-1
Depreciation	-2 066	-50	-2 367	-48	-9 127	-195
Translation differences and other changes	-40	-1	859		538	
Book value at the end of the period	51 876	773	57 416	763	53 873	776

**CONTINGENT LIABILITIES**

EUR 1 000	1-3/2011	1-3/2010	12/2010
<b>For own debt</b>			
Real estate mortgages	24 045	24 045	24 045
Floating charges	60 069	50 000	60 069
Pledged subsidiary shares	82 982		82 982
<b>Other own commitments</b>			
Operating leases, real estates	9 886	9 460	9 465
Operating leases, machinery and equipment	6 072	7 904	7 577
<b>Guarantee commitments</b>	1 980	1 738	1 995

**NOMINAL AND FAIR VALUES OF DERIVATIVE FINANCIAL INSTRUMENTS**

EUR 1 000	1-3/2011	1-3/2010	12/2010
<b>Currency derivatives</b>			
Nominal value	<b>6 427</b>	4 739	5 172
Fair value	<b>-34</b>	-72	-138
<b>Interest rate derivatives</b>			
Nominal value	<b>12 500</b>	21 500	13 833
Fair value	<b>-60</b>	-377	-143
<b>Electricity derivatives</b>			
Nominal value	<b>3 314</b>	2 124	2 638
Fair value	<b>647</b>	-167	1 249

Helsinki, 29 April 2011

SUOMINEN CORPORATION

Board of Directors

For additional information, please contact:

Mr. Petri Rölö, President and CEO, tel. +358 (0)10 214 300

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

Suominen produces high-quality flexible packaging, wet wipes and nonwovens for industry and the retail sector. The Group is one of the Europe's leading manufacturers in all its business areas with operations in Finland, Poland, the Netherlands, Sweden and Russia. The Group had net sales of EUR 173 million in 2010 and it employs around 900 people. Suominen is listed on NASDAQ OMX Helsinki. [www.suominen.fi](http://www.suominen.fi)