

Ahlstrom Group Second Quarter 2006 financial results

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Financial highlights Q2 2006

	Q2/2006	Q2/2005	2005
Net sales , EUR million	409.6	402.8	1,552.6
Operating profit , EUR million	28.9	30.3	117.2
Operating profit excl. non-recurring , EUR million	26.0	28.4	99.0
Profit for the period , EUR million	16.6	14.4	62.6
Return on capital employed (ROCE) , %	11.7	12.1	12.4
Earnings per share (EPS) , EUR	0.36	0.40	1.71
Cash earnings per share (CEPS) , EUR	0.21	0.71	3.48
Average number of shares, 1000s	45,587	36,418	36,418
Gearing ratio , %	30.0	65.4	57.7

- Net sales grew by 3.8% and volumes by 2.0%*. Growth mainly driven by organic investments and acquisitions and higher sales prices
- Operating profit decreased slightly mainly due to further increases in raw material and energy prices
- ROCE was 11.7%, behind the Group's long term target of 13%
- Profit for the period improved clearly mainly due to lower taxes and improved performance of associated companies

*Figures are adjusted for the divestment of Kauttua PM1

Please note: Share related indicators are not fully comparable due to the dilution effect of the issue of new shares in March, 2006

Financial highlights H1 2006

	H1/2006	H1/2005	2005
Net sales , EUR million	824.2	787.1	1,552.6
Operating profit , EUR million	58.5	58.9	117.2
Operating profit excl. non-recurring , EUR million	52.3	55.6	99.0
Profit for the period , EUR million	32.4	32.4	62.6
Return on capital employed (ROCE) , %	12.4	12.1	12.4
Earnings per share (EPS) , EUR	0.77	0.89	1.71
Cash earnings per share (CEPS) , EUR	0.89	1.02	3.48
Average number of shares, 1000s	41,977	36,418	36,418
Gearing ratio , %	30.0	65.4	57.7

- Net sales of continuing operations grew by 7.1%, sales volumes increased by 2.8%*
- In addition to increased raw material and energy prices the investment standstill at the Turin, Italy plant impacted Ahlstrom's operating profit (EUR 2.5 million) in H1
- Return on capital employed improved to 12.4% due to improved asset turnover

*Figures are adjusted for the divestment of Kauttua PM1

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Key strategic developments in Q2 2006

- New investments
 - Specialty reinforcement production in the USA to start in early 2007, EUR 5 million
 - New capabilities for production of cotton-containing spunlace products at the Greenbay, USA plant started
 - Successful start of new nanofiber filtration product line in the Madisonville, USA plant
- Divestment of non-core assets
 - Property in Hochheim, Germany (first lot) sold for EUR 4.2 million including a capital gain of EUR 2.9 million.
 - Exit of shareholding in Sonoco-Alcore joint venture in July, MEUR 39.5 million including a capital gain of EUR 3 million (Q3)
- Management change
 - Ahlstrom's Senior Vice President Technology, Patrick Jeambar was appointed head of the Technical Papers business area effective as of June 26, 2006. He will also carry on his duties as responsible for Innovation and HSEA (Health, Safety and Environment) functions of Ahlstrom

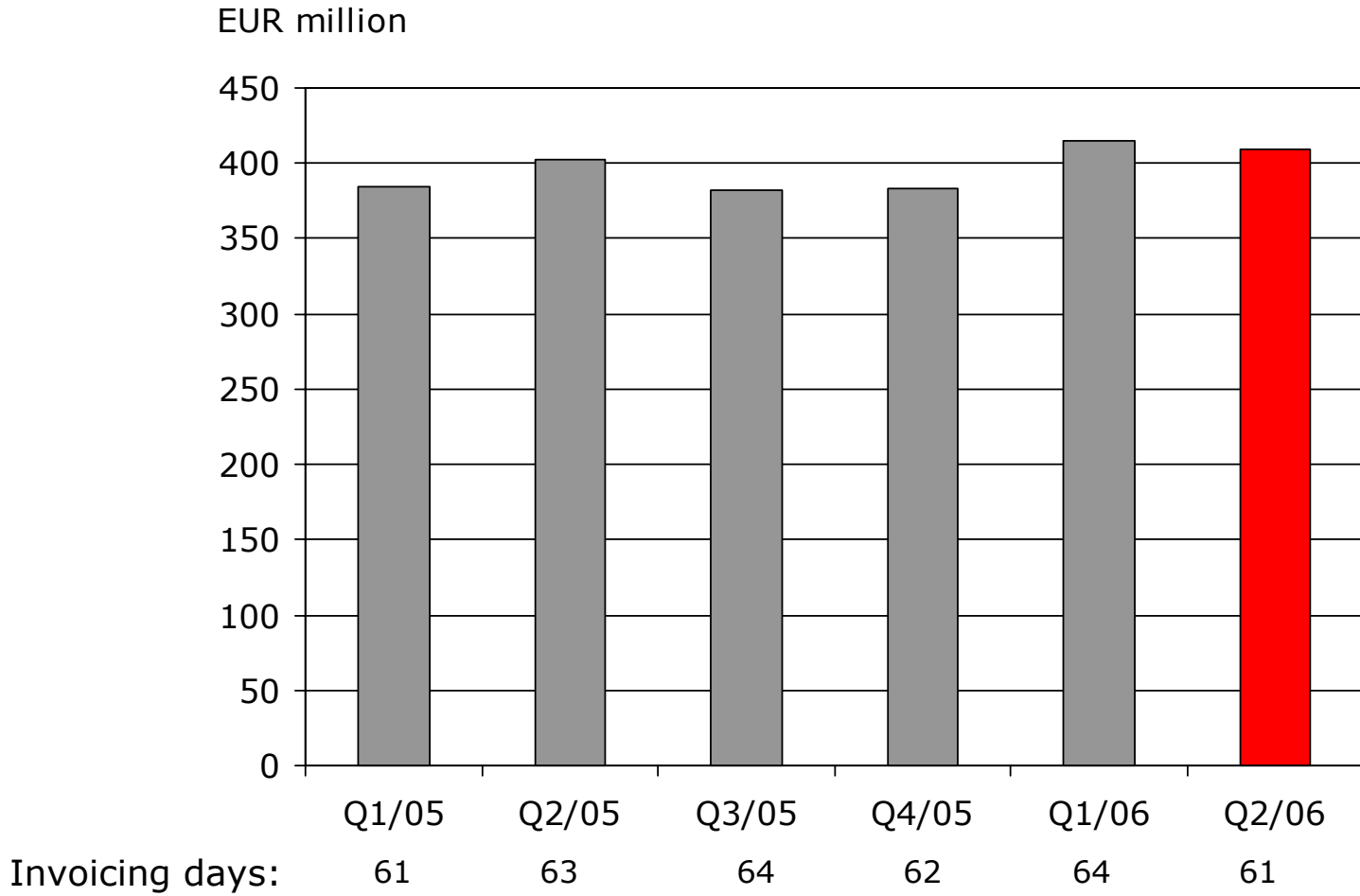
Ahlstrom starts glassfiber production in the USA

- In June, Ahlstrom announced an investment of EUR 5.2 million (USD 6.5 million) in a new specialty glassfiber reinforcement plant in the USA. The investment follows the announcement in Q1 to start glassfiber production in Tver, Russia
- The investment further strengthens Ahlstrom's position as a leading global specialty reinforcements supplier, especially in the fast growing wind energy and marine markets
- The investment will be located in Darlington, South Carolina, USA, where Ahlstrom's Filtration business area already operates a plant, enabling improved operating leverage
- The plant will mainly serve North American customers and other dollar-based markets. Production is anticipated to start in early 2007

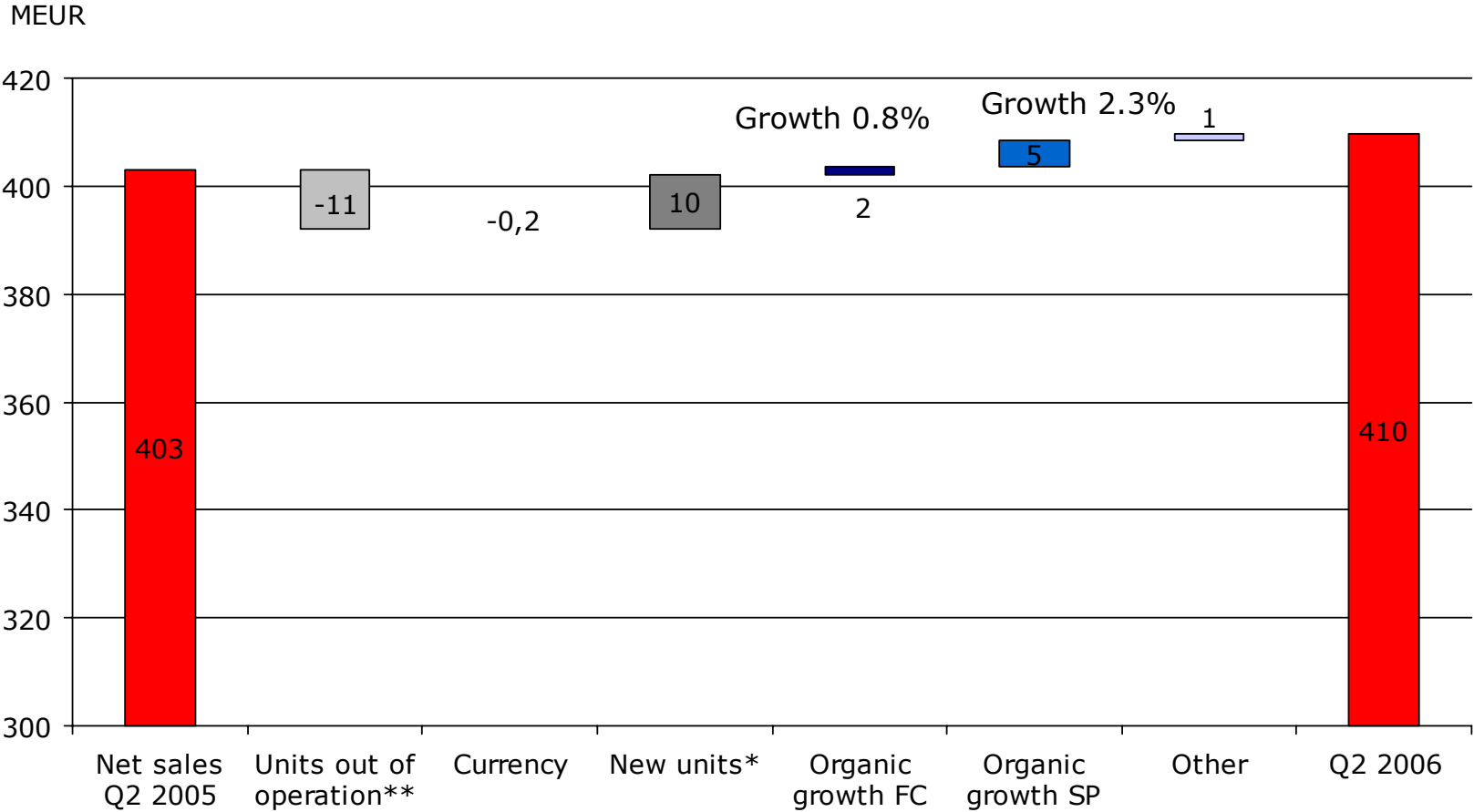
Divestment of Sonoco-Alcore joint venture

- Consistent with Ahlstrom's strategy to focus on fiber-based materials and divest non-core assets Ahlstrom sold its 35.5% shareholding of Sonoco-Alcore to Sonoco for EUR 39.5 million in July
- The book value of Sonoco-Alcore for Ahlstrom is MEUR 36 million. Ahlstrom books a capital gain of MEUR 3 million from the transaction in Q3 2006
- Joint venture impact on profitability has been negative in 2005 and H1 2006
- Sonoco-Alcore produces coreboard and cores and tubes for industrial use. Sonoco-Alcore has 28 tube and core plants and 6 paper mills in Europe. Net sales of Sonoco-Alcore was MEUR 270 million in 2005
- Sonoco-Alcore joint venture was established in 2004. After the transaction Sonoco owns 100% of the company

Net sales, EUR million



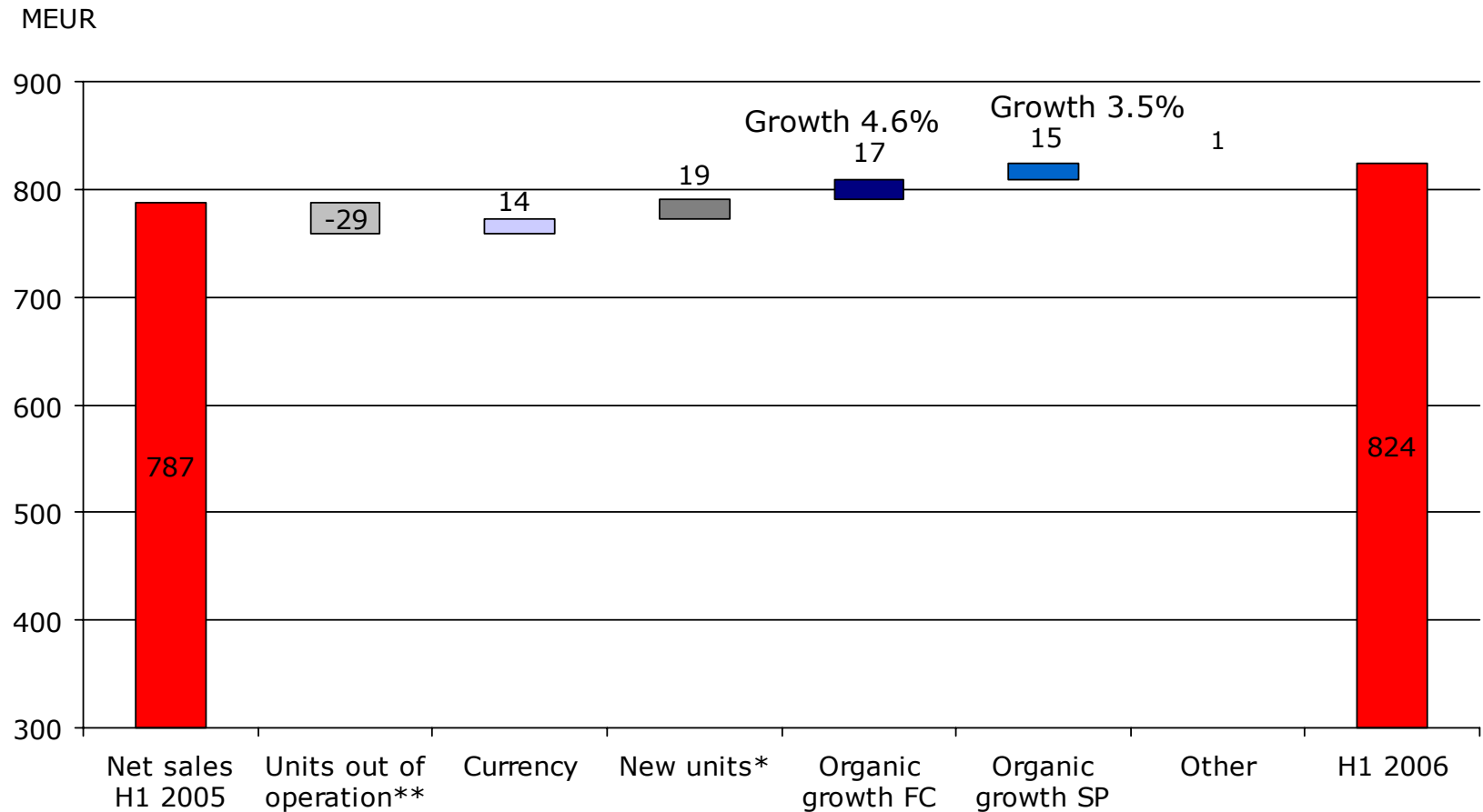
Q2 Net sales growth by driver, EUR million



*Incl. HRS Textiles, Lantor's filtration business and Fibermark's North American absorbent materials business

**Incl. Kauttua PM1 and Stenay PM1 standstill

H1 Net sales growth by driver, EUR million



*Incl. HRS Textiles, Lantor's filtration business and Fibermark's North American absorbent materials business

**Incl. Kauttua PM1, Turin PM 8 and Stenay PM1 standstill

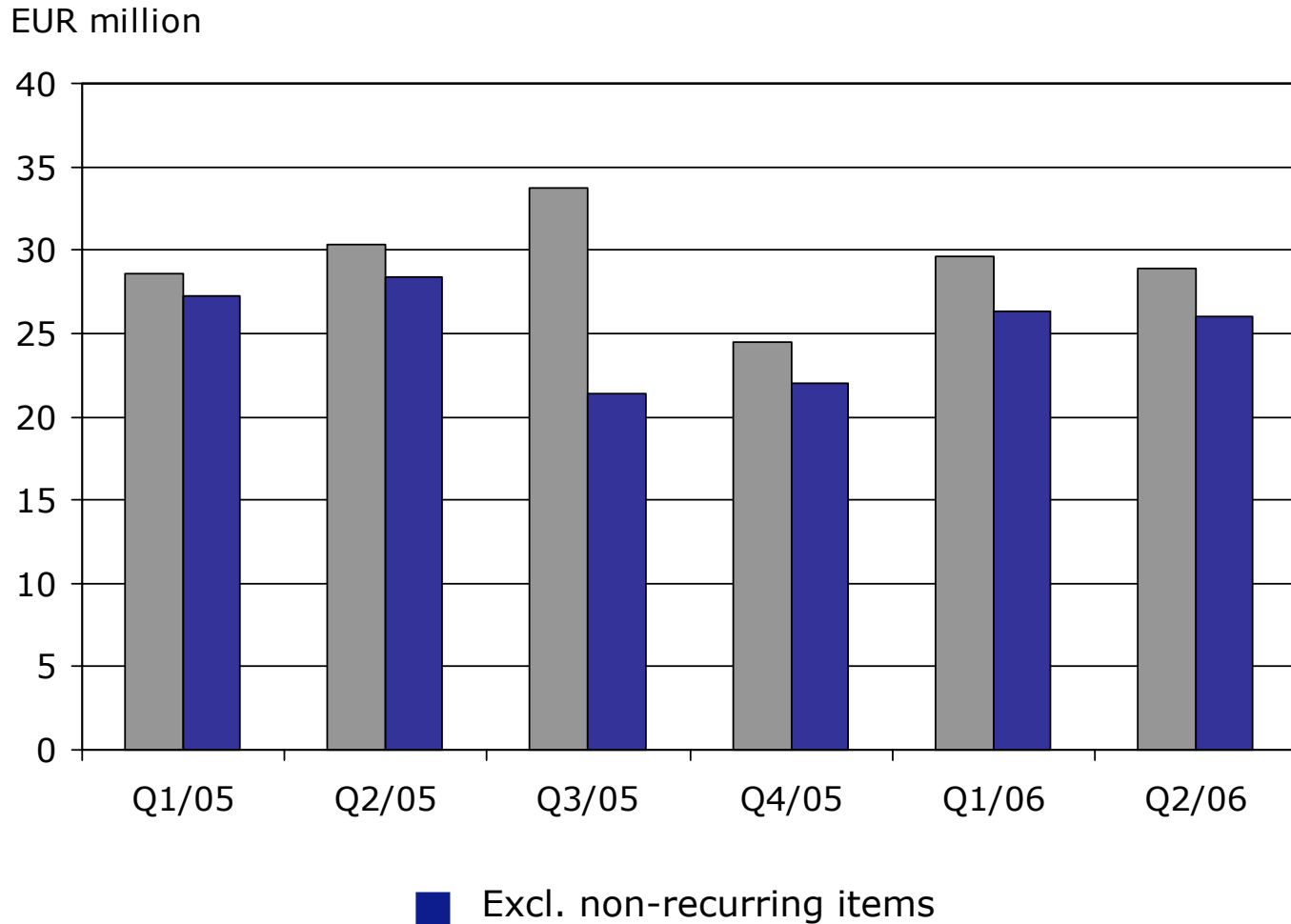
H1 Cost structure

Cost structure	Jan-June Act 2006	% of sales	Jan-June Act 2005	% of sales	Jan-Dec Act 2005	% of sales
Synthetic and natural fibers	242.0	29.4 %	224.7	28.5 %	447.0	28.8 %
Chemicals	106.9	13.0 %	101.6	12.9 %	198.7	12.8 %
Energy	77.2	9.4 %	61.9	7.9 %	127.6	8.2 %
Fixed costs *	311.4	37.8 %	304.3	38.7 %	609.7	39.3 %
Total	737.5	89.5 %	692.5	88.0 %	1383.0	89.1 %

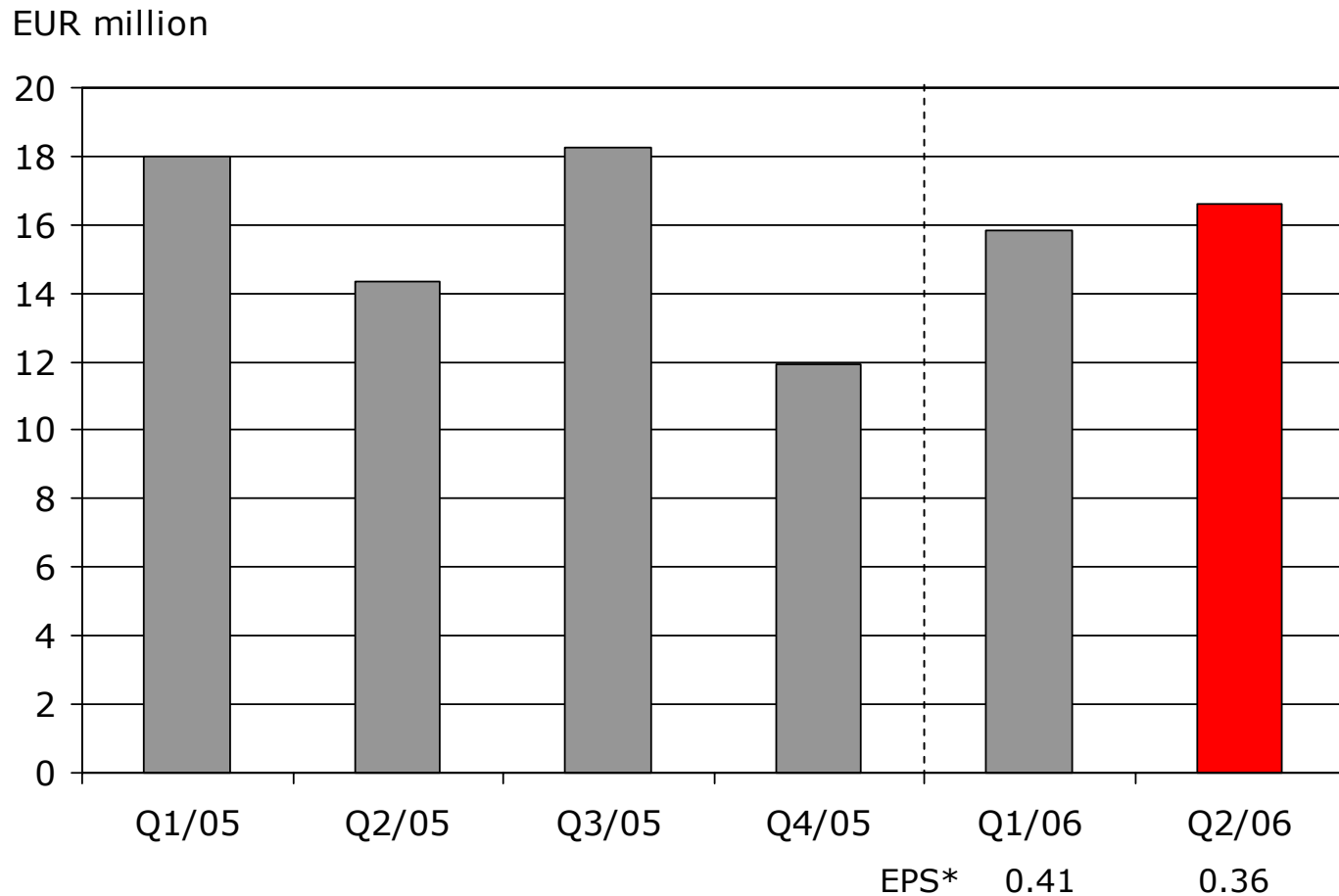
* excluding depreciation, amortisation and impairment

- Pulp price (NBSK) has risen by 13% since the beginning of the year and market price for energy in Europe (France, UK, Germany) by almost 50% since H1 2005
- Ahlstrom's main raw material costs as % of sales were 2,5 percentage points higher in H1 2006 than in H1 2005, while fixed costs decreased by 1 percentage point. Since the beginning of the year fixed costs as % of sales have decreased by 1.5 percentage points
- Ahlstrom has been able to compensate for 85% of increased raw material prices

Operating profit, EUR million

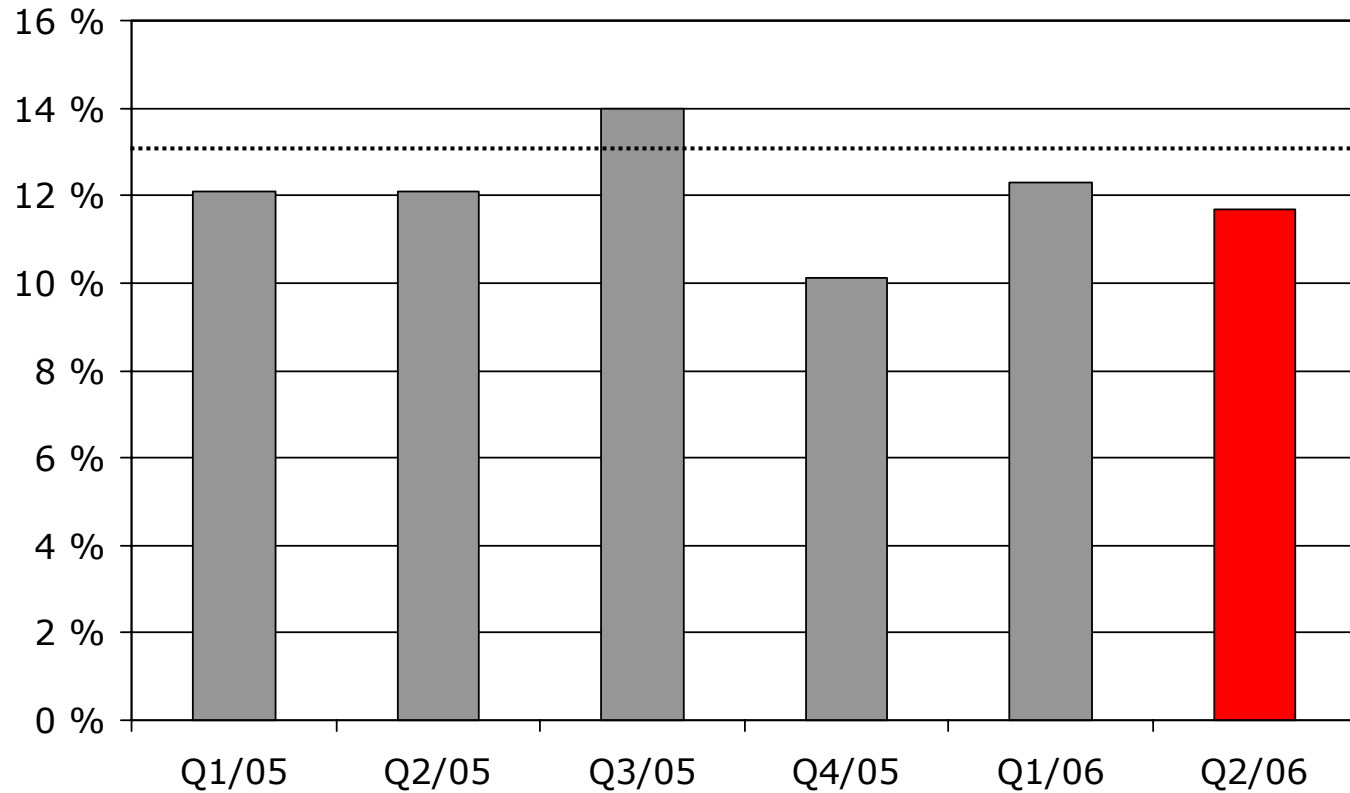


Profit for the period, EUR million



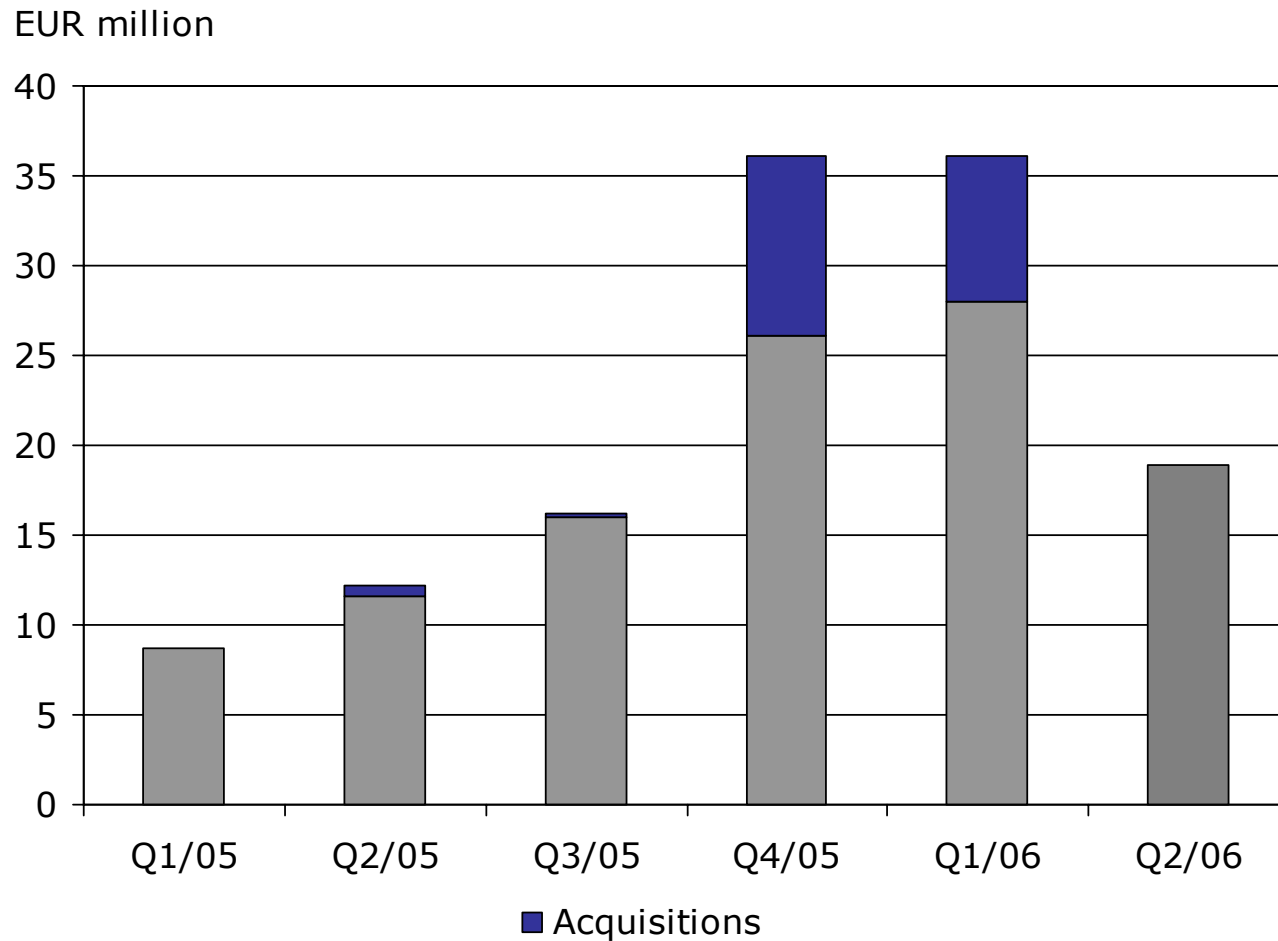
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Return on capital employed (ROCE), %

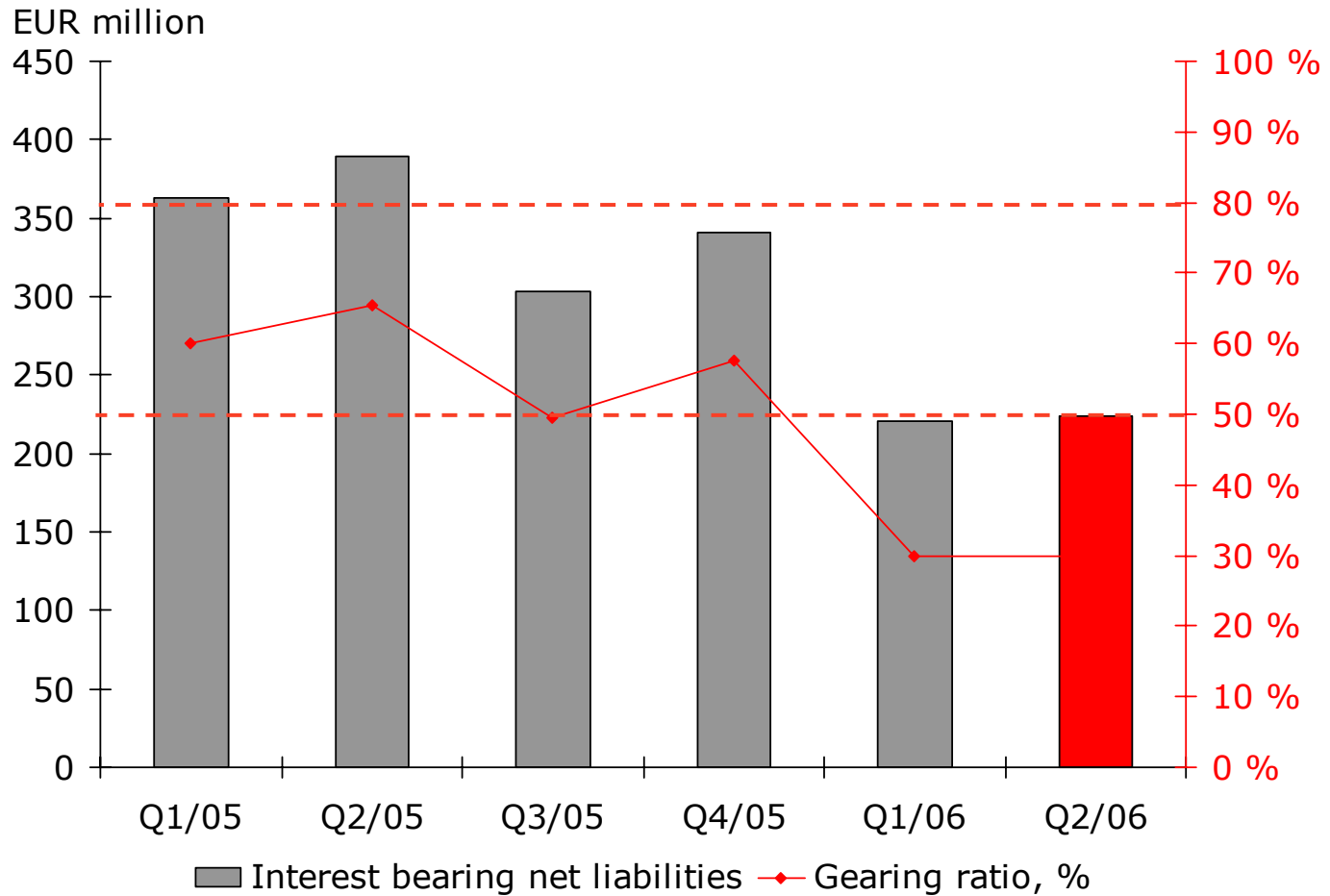


Target: Minimum 13%

Investments, EUR million



Interest-bearing net liabilities and gearing ratio



FiberComposites segment - Highlights Q2 2006

	Q2/2006	Q2/2005	2005
Net sales , EUR million	204.9	193.3	742.3
Operating profit , EUR million	13.9	17.3	65.5
Operating profit , %	6.8	8.9	8.8
Return on Net Assets (RONA) , %	9.0	11.6	11.3

- Net sales increased by 6.0% and volumes by 4.3% driven by strong demand for filtration and glass nonwovens
- Nonwovens business area contributed negatively to sales growth mainly due to slower demand for certain wipes products. Demand is expected to pick up during the second half of 2006
- Profitability decreased as a result of increased raw material and energy costs and adjustment of group costs
- Further price increases were launched in all business areas. Impact mainly in H2
- The Glass Nonwovens business area announced it will start production in the USA
- A new nanofiber filtration line was launched with commercial sales starting in September 2006

Specialty Papers segment - Highlights Q2 2006

	Q2/2006	Q2/2005	2005
Net sales , EUR million	205.2	211.2	814.7
Operating profit , EUR million	10.3	12.7	57.7
Operating profit , %	5.0	6.0	7.1
Return on Net Assets (RONA) , %	13.1	15.4	18.7

- Slight decrease in net sales mainly due to Kauttua PM 1 being included in comparison figures. Net sales for continuing operations grew by 1.2% and sales volumes by 1.0%
- Demand for release base papers continued solid and market situation for label papers improved
- The demand for technical papers was stable with the exception of crepe papers and vegetable parchment
- Profitability was negatively impacted by increases in energy and raw material costs and adjustment of group costs. In addition, the one-month stand still at the Stenay plant had an adverse effect on profitability
- Price increases were announced in Q2 and are currently being implemented
- Technical papers business area continues to improve internal efficiency and reduce costs

Outlook

- Solid demand expected in most business areas in the coming months
- Geographically, demand in Europe expected to pick up while growth in America anticipated to slow down. Growth in Asia expected to remain on good level
- Net sales of continuing operations expected to grow in 2006 due to investments and add-on acquisitions made in 2005 and 2006
- We continue to work with growth initiatives in Americas, Russia and Asia
- Sales price increases and continuous cost reduction on agenda to offset high raw material and energy costs and improve profitability
- Divestment of remaining non-core assets to improve capital efficiency

This presentation contains certain forward-looking statements that reflect the present views of the company's management. Due to the nature of these statements, they contain uncertainties and risks and are subject to changes in the general economic situation and in the company's business.

Major organic growth investments ongoing

Investment	Business area	Start-up
Tampere, Finland , capacity expansion filtration media	Filtration	Q3/2006
Ställdalen, Sweden, rebuild industrial nonwovens	Nonwovens	Q3/2006
Mikkeli, Finland, specialty reinforcement plant expansion	Glass nonwovens	Q4/2006
Greenbay, USA, spunlance machine for wipes	Nonwovens	Q1/2007
Darlington, USA, specialty glassfiber reinforcement plant	Glass nonwovens	Q1/2007
La Gère, France, releaseliner capacity expansion	Label & packaging	Q2/2007
Tver, Russia, glassfiber tissue plant	Glass nonwovens	Q4/2007

- Investment commitment of approximately MEUR 110