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## **DEMERGER PLAN**

The Board of Directors of Ahlstrom Corporation and Munksjö Oyj propose a partial demerger (the “**Demerger**”) of Ahlstrom Corporation, the purpose of which is to transfer all the assets and liabilities contained in the Ahlstrom Group that belong to the Brazilian operations of Ahlstrom Group’s Label and Processing business (hereinafter the “**Coated Specialties Business**”) without a liquidation procedure to Munksjö Oyj. The shareholders of Ahlstrom Corporation will receive new shares in Munksjö Oyj as demerger consideration in proportion to their existing shareholding.

The Demerger will be carried out in accordance with Chapter 17 of the Finnish Companies Act (624/2006, as amended) (the “**Finnish Companies Act**”) and Section 52 c of the Finnish Business Income Tax Act (360/1968, as amended).

### **1 Companies involved in the Demerger**

#### **1.1 Demerging Company**

Corporate name:	Ahlstrom Corporation (the “ <b>Demerging Company</b> ”)
Business ID:	1670043-1
Address:	P.O. Box 329, 00101 Helsinki
Domicile:	Helsinki

The Demerging Company is a public limited liability company the shares of which are publicly traded on the NASDAQ OMX Helsinki Ltd stock exchange (the “**Helsinki Stock Exchange**”).

#### **1.2 Recipient Company**

Corporate name:	Munksjö Oyj (the “ <b>Recipient Company</b> ”)
Business ID:	2480661-5
Address:	c/o Hannes Snellman Attorneys Ltd, P.O. Box 333, 00131 Helsinki
Domicile:	Helsinki

The Recipient Company is a public limited liability company registered with the Finnish Trade Register on 8 June 2012.

### **2 Account of the grounds for the Demerger**

This demerger plan (the “**Demerger Plan**”) concerns a proposed partial demerger of the Demerging Company. The partial demerger forms a part of a transaction consisting of the following main elements:

- (a) The issuance of new shares by the Recipient Company to the shareholders of Munksjö AB (a private limited liability company) (“**Munksjö**”) in consideration for the shareholders of Munksjö transferring their shares in Munksjö to the Recipient Company (the “**Munksjö Acquisition**”) in accordance with the business combination agreement signed on 28 August 2012 between the Demerging

Company, Munksjö Luxembourg Holding S.á.r.l. (“**EQT**”), the Recipient Company and Munksjö (the “**Combination Agreement**”);

- (b) A directed issue of new shares in the Recipient Company for EUR 100 million to Ahlstrom Corporation, EQT III Limited<sup>1</sup> through Munksjö Luxembourg Holding S.á.r.l. and certain institutional investors (the “**Equity Investments**”);
- (c) The division of all assets, liabilities and responsibilities as well as agreements and commitments and the rights and obligations relating thereto that belong to the European operations of the Label and Processing business of the Demerging Company to the Recipient Company by way of a partial demerger (the “**LP Europe Demerger**”) in accordance with the applicable demerger plan signed on 11 September 2012;
- (d) The listing of the Recipient Company’s shares in public trading on the Helsinki Stock Exchange; and
- (e) The division of certain assets, liabilities and responsibilities as well as agreements and commitments and the rights and obligations relating thereto of the Demerging Company to the Recipient Company in accordance with this Demerger Plan following the completion of subsections (a)–(d) above.

(hereinafter together the “**Transaction**”).

In addition, the parties of the Combination Agreement have agreed on an additional share issue of in total MEUR 28.5 as part of the Transaction (the “**Additional Equity Investments**”). The Additional Equity Investments will be executed by organising a directed issue of new shares in the Recipient Company to Ahlstrom Corporation, EQT III Limited through Munksjö Luxembourg Holding S.á.r.l. and Munksjö AB in connection with the execution of the LP Europe Demerger.

### **3 Amendments to the Recipient Company’s Articles of Association**

The Articles of Association of the Recipient Company will not be amended in connection with the execution of the Demerger. The Demerger process shall not limit the authority of the Recipient Company’s general meeting of shareholders to resolve on any amendments to the Recipient Company’s Articles of Association prior to the date of registration of the execution of the Demerger (the “**Effective Date**”).

### **4 Demerger Consideration in shares**

Shareholders of the Demerging Company shall receive as demerger consideration (the “**Demerger Consideration**”) 0.265 new shares in the Recipient Company for each share owned in the Demerging Company. In case the number of shares received by a shareholder of the Demerging Company as

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<sup>1</sup> A limited liability company organised under the laws of the Island of Guernsey, with registered offices at National Westminster House, Le Truchot, St Peter Port, Guernsey GY1 3RA, Channel Islands, acting in its capacity as (1) General Partner of EQT III (General Partner) LP in turn acting in its capacity as General Partner to EQT III UK No. 1 Limited Partnership, EQT III UK No. 2 Limited Partnership, EQT III UK No. 3 Limited Partnership, EQT III UK No. 4 Limited Partnership, EQT III UK No. 5 Limited Partnership, EQT III UK No. 6 Limited Partnership, EQT III UK No. 7 Limited Partnership, EQT III UK No. 8 Limited Partnership, EQT III UK No. 9 Limited Partnership, EQT III US No. 1 Limited Partnership, EQT III US No. 2 Limited Partnership, EQT III US No. 3 Limited Partnership, and in its capacity as Managing Limited Partner of EQT III GmbH & Co. KG, and (2) as Manager of the EQT III Co-Investment Scheme.

Demerger Consideration would be a fractional number, the fractions shall be rounded down to the nearest whole number.

No Demerger Consideration will be paid on the basis of own shares held by the Demerging Company. The maximum number of shares given as Demerger Consideration will therefore be the number of shares in the Demerging Company, less the number of own shares held by the Demerging Company, on the Effective Date times 0.265.

## 5 Other consideration

Apart from the Demerger Consideration in the form of new shares in the Recipient Company, as set out in Section 4 above, no other consideration will be given to the shareholders of the Demerging Company.

## 6 Distribution of the Demerger Consideration, other terms and conditions concerning the Demerger Consideration and an account on determining the Demerger Consideration

The Demerger Consideration will be distributed to the shareholders of the Demerging Company on the Effective Date or as soon as possible thereafter.

The Demerger Consideration will be distributed in the book-entry securities system maintained by Euroclear Finland Ltd. The Demerger Consideration will be paid according to the number of shares registered in the book-entry account of each shareholder on the Effective Date. The Demerger Consideration will be distributed automatically, and no actions are required from the shareholders of the Demerging Company in relation thereto.

In connection with the Transaction (as defined in Section 2), new shares in the Recipient Company shall be issued to the shareholders of Munksjö as consideration in the Munksjö Acquisition, in connection with implementing the Equity Investments, as demerger consideration in the LP Europe Demerger and as Demerger Consideration to the shareholders of the Demerging Company in accordance with this Demerger Plan.

The following table contains a summary of the above mentioned share issues:

	Number of shares <sup>2)</sup>	% after the Transaction <sup>1)</sup>
Shares on the date hereof	100	0,00 %
Munksjö Acquisition	12 306 807	24.10 %
Equity Investments (incl. Additional Equity Investments)	14 865 357	29.11 %
LP Europe Demerger <sup>3)</sup>	11 595 774	22.71 %
Demerger Consideration <sup>3)</sup>	12 290 256	24.07 %
<b>Total</b>	<b>51 058 294</b>	<b>100.00%</b>

<sup>1)</sup> Assuming that the Recipient Company will not carry out other share issues prior to the Effective Date. The percentages presented herein have been rounded to the nearest two decimals.

<sup>2)</sup> Assuming no change by the Effective Date in the number of shares outstanding in the Demerging Company, excluding treasury shares, from the current total of 46,401,603 shares.

<sup>3)</sup> The actual number of shares to be issued may be larger or smaller than indicated here due to (i) rounding, when applicable, of the number of shares received by each shareholder as Demerger Consideration (see Section 4 above), and (ii) the number of treasury shares actually held by the Demerging Company on the Effective Date.

The Demerger Consideration has been determined based on the valuations of the Coated Specialties Business and the business of the Recipient Company following the execution of the LP Europe Demerger. These valuations have been based on commonly used valuation methods. Based on the negotiations between the parties involved in the Transaction, the Board of Directors of the Demerging Company and the Board of Directors of the Recipient Company have concluded that, taking into account all the elements that comprise the Transaction (see Section 2 above), the proposed Demerger Consideration is reasonable.

#### **7 Option rights and other special rights entitling to shares**

There are no outstanding option rights or other special rights entitling to subscription of shares in the Demerging Company.

#### **8 Share capital of the Recipient Company**

The share capital of the Recipient Company will not be increased in connection with the execution of the Demerger.

#### **9 Assets, liabilities and shareholders' equity of the Demerging Company and their division to the Recipient Company**

In the Demerger, all the assets, liabilities and responsibilities as well as agreements and commitments and the rights and obligations relating thereto of the Demerging Company that belong to the Coated Specialties Business, as well as any items that replace or substitute such items, shall be transferred to the Recipient Company.

Should such assets, liabilities, responsibilities or agreements or commitments, or rights or obligations relating thereto, which belong to the Coated Specialties Business appear but which are not specifically referred to in this Demerger Plan, they shall be transferred to the Recipient Company. The same applies for any of the type of items mentioned above belonging to the Coated Specialties Business that are unknown and appear after the Effective Date.

The Recipient Company shall mark the transferring assets and liabilities to their book values at the Effective Date.

An account of the assets, liabilities and shareholders' equity of the Demerging Company and the factors relevant to their valuation is contained in [Appendix 1](#).

A proposal on (i) the division of assets and liabilities to the Recipient Company as well as (ii) the planned effect of the Demerger on the balance sheet of the Recipient Company is contained in [Appendix 1](#).

#### **10 Share capital of the Demerging Company**

No reduction of the share capital of the Demerging Company is proposed in connection with the Demerger. The premium fund of the Demerging Company is proposed to be reduced in connection with the Demerger. The amount of reduction will be the amount of net assets transferred to the Recipient Company. The reduction will be used for the distribution of assets to the Recipient Company.

#### **11 Matters outside ordinary business operations**

The Demerger process shall not limit the authority of the Demerging Company or the Recipient Company to resolve on matters that are outside the respective companies' ordinary business

operations, including but not limited to corporate acquisitions and divestments, share issues, acquisition or disposal of own shares, changes in share capital, or any comparable measures.

## **12 Capital loans**

Neither the Demerging Company nor the Recipient Company has issued any capital loans, as defined in Chapter 12, Section 1 of the Finnish Companies Act.

## **13 Shareholdings between the Demerging Company and the Recipient Company**

On the date of this Demerger Plan, the Recipient Company has in total 100 outstanding shares, of which the Demerging Company owns 49 shares (49 per cent of all shares) and EQT 51 shares (51 per cent of all shares). The subsidiaries of the Demerging Company do not own any shares in the Recipient Company. Neither the Demerging Company nor its subsidiaries own any shares in EQT. The Recipient Company does not own any shares in the Demerging Company. The Demerging Company owns on the date hereof 269,005 of its own shares.

## **14 Business mortgages**

On the date of this Demerger Plan, there are no business mortgages (as defined in the Finnish Act on Business Mortgages (634/1984, as amended)) pertaining to the assets of either the Demerging Company or the Recipient Company.

## **15 Special benefits or rights pursuant to the Demerger**

No special benefits or rights will be granted in connection with the Demerger to the Board members, Managing Directors or auditors of either the Demerging Company or the Recipient Company, or to the auditor issuing a statement on the Demerger Plan to the Demerging Company and the Recipient Company.

## **16 Planned registration of the execution of the Demerger**

The planned Effective Date, i.e. the planned date of registration of the execution of the Demerger is 30 September 2013. The Effective Date is subject to change if, among other things, the execution of measures described in this Demerger Plan takes longer than what is currently estimated, or if circumstances related to the Demerger or the Transaction otherwise necessitate a change in schedule.

## **17 Listing of the shares of the Recipient Company**

The Recipient Company will apply for the listing of its shares in public trading on the Helsinki Stock Exchange following the execution of the LP Europe Demerger. The listing is currently estimated to take place within two (2) weeks following the execution of the LP Europe Demerger.

Trading in the new shares issued by the Recipient Company as Demerger Consideration will begin on the Helsinki Stock Exchange on or about the first trading day following the Effective Date.

## **18 Conditions for executing the Demerger**

The execution of the Demerger is conditional upon the satisfaction or, to the extent permitted by applicable law, a waiver of each of the following conditions:

- (a) The execution of the LP Europe Demerger having taken place;

- (b) All material operational and regulatory approvals required for the corporate reorganisation whereby all assets and liabilities pertaining to the Coated Specialties Business are reorganised through internal transactions under Ahlstrom Group (as described in Appendix 1) (the “**Carve Out**”) having been obtained;
- (c) The competition clearance required for the execution of the Demerger having been obtained;
- (d) The Carve Out having been completed;
- (e) No breach of certain customary representations given by the Demerging Company in accordance with the Combination Agreement in relation to the Coated Specialties Business having occurred.

This Demerger Plan has been executed in two (2) identical counterparts, one for the Demerging Company and one for the Recipient Company.

[Signature pages to follow]

Helsinki, 13 May 2013

AHLSTROM CORPORATION  
Board of Directors

Pertti Korhonen

Peter Seligson

Robin Ahlström

Lori J. Cross

Esa Ikäheimonen

Anders Moberg

Daniel Meyer

Helsinki, 13 May 2013

MUNKSJÖ OYJ  
Board of Directors

Peter Seligson

Seppo Parvi

Kim Henriksson

Jarkko Murtoaro



COATED SPECIALTIES DEMERGER PLAN - APPENDIX 1

EUR million Unaudited	Anistrom Corp. (Demerging Company, post LP Europe Demerger) <sup>1)</sup>	Coated Specialties Demerger	AhIstrom Corp. post Coated Specialties Demerger	Munksjö Corp. (Recipient Company, post LP Europe Demerger) <sup>4)</sup>	Coated Specialties Demerger	Munksjö Corp. post Coated Specialties Demerger
<b>Assets</b>						
<b>Non-current assets</b>						
Intangible assets						
Intangible rights	4,0		4,0	0,2		0,2
Other capitalized expenditure				6,1		6,1
Advances paid	0,6		0,6	0,2		0,2
	<b>4,6</b>	<b>0,0</b>	<b>4,6</b>	<b>6,5</b>	<b>0,0</b>	<b>6,5</b>
Tangible assets						
Land and water areas	0,4		0,4	0,0		0,0
Machinery and equipment	0,7		0,7	0,0		0,0
Other tangible assets	0,1		0,1	0,0		0,0
	<b>1,2</b>	<b>0,0</b>	<b>1,2</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>
Long term investments						
Shares in group companies	900,4	103,4 <sup>2)</sup>	797,0	323,8	103,4	427,2
Receivables from group companies	2,0		2,0	0,0		0,0
Shares in associated companies	28,7		28,7	0,0		0,0
Shares in other companies	78,6		78,6	0,0		0,0
Other receivables				8,1		8,1
	<b>1 009,7</b>	<b>103,4</b>	<b>906,3</b>	<b>331,9</b>	<b>103,4</b>	<b>435,3</b>
<b>Current assets</b>						
Long-term receivables						
Receivables from Group companies	86,5		86,5	0,0		0,0
Loans receivable	0,4		0,4	0,0		0,0
Deferred tax assets	1,0		1,0	0,0		0,0
Prepaid expenses and accrued income	1,3		1,3	0,0		0,0
	<b>89,2</b>	<b>0,0</b>	<b>89,2</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>
Short-term receivables						
Trade receivable	0,0		0,0	0,0		0,0
Receivables from Group companies	98,3		98,3	9,2		9,2
Receivables from associated companies	7,5		7,5	0,0		0,0
Deferred tax assets	7,1		7,1	0,0		0,0
Prepaid expenses and accrued income	2,5		2,5	2,3		2,3
AhIstrom Corp's receivable from Munksjö Corp.	46,3		95,3	0,0		0,0
	<b>161,7</b>	<b>0,0</b>	<b>210,7</b>	<b>11,5</b>	<b>0,0</b>	<b>11,5</b>
Short term investments						
	0,0		0,0	0,0		0,0
Cash and cash equivalents	5,4		5,4	128,6		128,6
<b>Total Assets</b>	<b>1 271,9</b>	<b>103,4</b>	<b>1 217,5</b>	<b>478,5</b>	<b>103,4</b>	<b>581,9</b>

EUR million Unaudited	Corp. (Demerging Company, post LP Europe Demerger)	Coated Specialties Demerger	AhIstrom Corp. post Coated Specialties Demerger	Munksjö Corp. (Recipient Company, post LP Europe Demerger)	Coated Specialties Demerger	Munksjö Corp. post Coated Specialties Demerger
<b>Shareholder's equity and liabilities</b>						
<b>Shareholder's equity</b>						
	<b>670,7</b>	<b>54,4</b>	<b>616,3</b>	<b>281,7</b>	<b>54,4</b>	<b>336,2</b>
<b>Appropriations</b>						
Cumulative accelerated depreciation	0,5		0,5	0,0		0,0
Provisions for contingencies	3,9		3,9	0,0		0,0
<b>Liabilities</b>						
Long-term liabilities						
Bonds	99,6		99,6	0,0		0,0
Loans from financial institutions	54,0		54,0	0,0		0,0
Pension loans	10,7		10,7	0,0		0,0
	<b>164,3</b>	<b>0,0</b>	<b>164,3</b>	<b>0,0</b>	<b>0,0</b>	<b>0,0</b>
Short-term liabilities						
Hybrid bond	80,0		80,0	0,0		0,0
Loans from financial institutions	215,3		215,3	0,0		0,0
Pension loans	17,9		17,9	0,0		0,0
Trade payables	2,1		2,1	0,0		0,0
Liabilities to Group companies	76,4		76,4	0,0		0,0
Munksjö Corp's liability to AhIstrom Corp.		49,0 <sup>3)</sup>		166,7	49,0	215,7
Other short-term liabilities	39,2		39,2	13,5		13,5
Accrued expenses and deferred income	1,6		1,6	16,5		16,5
	<b>432,5</b>	<b>49,0</b>	<b>432,5</b>	<b>196,7</b>	<b>49,0</b>	<b>245,7</b>
<b>Total Liabilities</b>	<b>596,8</b>	<b>49,0</b>	<b>596,8</b>	<b>196,7</b>	<b>49,0</b>	<b>245,7</b>
<b>Total Shareholders' equity and liabilities</b>	<b>1 271,9</b>	<b>103,4</b>	<b>1 217,5</b>	<b>478,5</b>	<b>103,4</b>	<b>581,9</b>

1) Information of AhIstrom Corporation is based on the unaudited financial information as of 31 March 2013 prepared in accordance with Finnish GAAP. AhIstrom Corporation's balance sheet as at 31 March 2013 has been adjusted with the estimated impacts of the LP Europe demerger, the estimated impacts of certain internal transactions needed prior to the Coated Specialties demerger, AhIstrom Corporation participation in the directed issue of new shares in Munksjö Oyj and amendments made to the Combination Agreement.

2) Shares of Coated Specialties subsidiary will be transferred in the Coated Specialties Demerger.

3) Debts that cannot be directly allocated to certain business are allocated to Coated Specialties Business based on the transferred net assets.

4) Munksjö Corporation's balance sheet is based on the unaudited financial information as of 31 March 2013 prepared in accordance with Finnish GAAP adjusted with the estimated effects of the Munksjö Acquisition, Equity Investments and Additional Equity Investments, LP Europe Demerger and the amendments to the Combination Agreement.

In the demerger all the assets and liabilities transferred to the Recipient Company will be transferred at their book values at the date of the demerger. Thus, the figures presented above are only indicative and subject to change.