

Interim Report

January – March 2009

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Interim report January-March 2009:
Low demand affected Ahlstrom's financial performance

Key highlights in January-March 2009

- Due to weak demand, net sales decreased by 19.3% compared to the first quarter of 2008.
- EBIT amounted to EUR -10.7 million (EUR 19.3 million).
- Net cash from operating activities of EUR 20.9 million virtually covered net cash from investing activities of EUR -21.6 million.

Outlook

- The market environment will continue to be very challenging in 2009, with a very short-term visibility of the demand. According to current estimates, the market demand for Ahlstrom products will continue at a low level.

Key figures

Key figures, EUR million	Q1/2009	Q1/2008	Q4/2008	2008
Net sales	376.1	466.2	419.0	1,802.4
EBIT (Operating profit/loss)	-10.7	19.3	-35.4	14.6
Profit/loss before taxes	-18.6	11.2	-49.5	-20.6
Earnings per share, EUR	-0.26	0.15	-0.79	-0.38
Return on capital employed (ROCE), %	-3.3	6.4	-10.8	1.4
Net cash from operating activities	20.9	40.7	31.5	102.4
Gearing ratio, %	99.8	64.4	95.3	95.3

Jan Lång, President & CEO, comments on the first quarter of 2009:

- In the first quarter of 2009, Ahlstrom strongly and successfully retained its long-standing customer relationships. On the other hand, the global recession had a significant effect on our financial performance. A number of initiatives were started to adjust our operations to the changed situation. Despite the challenging environment, we maintained our activity level in developing new products.
- In order to adjust to the weak demand, we today announced the initiation of a further restructuring program with the aim of gaining annual cost reductions of EUR 50 million. In addition, we have increased the emphasis on our operational improvement programs to enhance our cost efficiency. A high priority is also given to working capital with the target to improve its turnover.

OPERATING ENVIRONMENT

The very challenging market conditions that impacted Ahlstrom's business in the fourth quarter of 2008 prevailed in the beginning of this year. Consequently, the demand pattern for most of Ahlstrom's products continued to weaken in the first quarter of 2009 compared to the fourth quarter of 2008.

In the Fiber Composites segment*, the markets related to the automotive, construction and marine industries were exceptionally challenging due to the decline in these industries, e.g. the Filtration business area suffered from the significant slowdown in the automotive industry. More recently, there has been a decrease of demand for the windmill applications of glass nonwovens materials. On the positive side, market demand for the food packaging and teabag materials as well as for nonwovens in medical applications was close to normal.

In the Specialty Papers segment*, demand was affected by the decline in construction, automotive, furniture, textile as well as release and labeling industries.

Market prices for Ahlstrom's main raw materials, natural and synthetic fibers, chemicals and energy prices, continued to decrease.

FINANCIAL PERFORMANCE IN JANUARY-MARCH 2009

Net sales

Net sales by segment and business area	Q1/2009	Q1/2008	Change %	2008
Fiber Composites	208.8	252.0	-17.1	987.4
Advanced Nonwovens	45.3	44.6	1.5	189.2
Filtration	65.0	79.9	-18.6	306.5
Glass & Industrial Nonwovens	44.5	64.3	-30.8	235.6
Home & Personal Nonwovens	56.4	65.8	-14.4	268.5
Specialty Papers	170.1	217.0	-21.6	822.4
Release & Label Papers	63.4	81.1	-21.8	314.6
Technical Papers	106.7	135.9	-21.5	507.9

During the January-March period, a strong decline in the demand for most of Ahlstrom's products, which became evident towards the end of 2008, continued. Group net sales totaled EUR 376.1 million (EUR 466.2 million), decreasing by 19.3% compared to the same period last year.

* Ahlstrom's business is reported in two segments: the Fiber Composites segment and the Specialty Papers segment. The Fiber Composites segment comprises the Advanced Nonwovens, Filtration, Glass & Industrial Nonwovens and Home & Personal Nonwovens business areas. The Specialty Papers segment covers the Release & Label Papers and Technical Papers business areas.

Net sales of the Fiber Composites segment amounted to EUR 208.8 million (EUR 252.0 million), representing 55% of the Group net sales. Net sales decreased by 17.1% from the first quarter in 2008. Net sales were reduced in most business areas due to lower volumes in most products. On the other hand, net sales grew slightly in the Advanced Nonwovens business area.

Net sales of the Specialty Papers segment amounted to EUR 170.1 million (EUR 217.0 million), accounting for 45% of the Group net sales. Net sales were reduced by 21.6% from the first quarter of 2008. Net sales were reduced in both business areas, the Release & Label Papers and Technical Papers.

Net sales by geographical area	Q1/2009	Q1/2008	Change %	2008
Europe	199.5	284.7	-29.9	1,015.9
North America	105.7	102.6	3.1	442.5
South America	36.8	42.5	-13.3	189.2
Asia-Pacific	26.8	27.8	-3.6	119.4
Rest of the world	7.3	8.7	-15.8	35.5

In terms of geographical areas, net sales declined in all areas except for North America compared to the first quarter of 2008. The slight growth in North America was mainly due to the West Carrollton acquisition in the USA that was included in the company figures starting from February 2008. In accordance with our ambitions, the relative share of Europe continued to decrease, being 53% (61%) of the Group net sales.

Financial result

Financial result by segment	Q1/2009	Q1/2008	2008
Fiber Composites			
EBIT (Operating profit/loss)	-2.5	15.5	15.3
EBIT (Operating profit/loss), %	-1.2	6.2	1.5
Return on net assets, %	-1.2	8.1	2.0
Specialty Papers			
EBIT (Operating profit/loss)	-3.4	5.5	10.2
EBIT (Operating profit/loss), %	-2.0	2.5	1.2
Return on net assets, %	-3.3	4.7	2.3

In the first quarter, Group EBIT amounted to EUR -10.7 million (EUR 19.3 million). EBIT was, nevertheless, better than that of the final quarter of 2008 (EUR -35.4 million and EUR -13.7 million excluding non-recurring items).

The Group financial performance was burdened by low net sales. In addition, the performance was somewhat affected by the general price pressures in the current market environment.

EBIT of the Fiber Composites segment amounted to EUR -2.5 million (EUR 15.5 million). Most of the weak performance reflects the exceptionally low level of net sales in the Glass and Industrial Nonwovens business area and the Home & Personal Nonwovens business area.

EBIT of the Specialty Papers segment amounted to EUR -3.4 million (EUR 5.5 million). The main reason for the weak performance was low demand in both business areas, the Release & Label Papers as well as in the Technical Papers.

At the beginning of 2009, Ahlstrom announced global restructuring plans to respond to the decrease in demand. Several measures were decided to be taken to improve profitability, and to adjust operations to the challenging market situation. These included permanent layoffs of approximately 200 people, temporary layoffs at production sites as well as in the headquarters, cutting down production globally by market related downtime* procedures and closing down non-competitive operations in Italy. One third of the announced permanent layoffs were implemented in the review period.

Ahlstrom took an active approach in adjusting its daily production to the weak demand. The utilization of downtime in production taken due to market reasons was 24.5% compared to 7.7% in the first quarter of 2008. Temporary layoffs were an essential part of these adjustments. Ahlstrom actively pursued various flexible working hour solutions in different countries, for example the Kurzarbeit program in Germany.

Further, all means to improve cash flow were utilized, including a lower investment activity than in 2008 and an emphasis on the improvement of working capital.

Total fixed costs decreased by 5% from the final quarter of 2008, but did not fully offset the effect of the declining net sales in the same period.

Total net financial expenses decreased slightly to EUR 8.2 million (EUR 8.6 million in the first quarter of 2008).

Loss before taxes increased to EUR -18.6 million (profit before taxes of EUR 11.2 million in the first quarter of 2008).

Tax income amounted to EUR 6.2 million (income tax expenses of EUR 3.4 million in the first quarter of 2008).

* Market related downtime = downtime taken due to market reasons, lack of orders or too high product stock. Otherwise plants could have run normally without any other downtime.
Market related downtime % = market related downtime / manned time. Manned time = available time – unmanned time. Time the machines were running according to their shift system.

Loss for the period was EUR -12.4 million (profit for the period of EUR 7.8 million in the first quarter of 2008) and earnings per share (EPS) weakened to EUR -0.26 (EUR 0.15).

Return on capital employed (ROCE) amounted to -3.3% (6.4% in the first quarter of 2008), and return on equity (ROE) to -8.0% (4.2%).

FINANCING IN JANUARY–MARCH 2009

In the first quarter of 2009, net cash flow from operating activities decreased by EUR 19.8 million to EUR 20.9 million (EUR 40.7 million in the first quarter of 2008). The company was able to reduce its net working capital significantly from the first quarter of 2008. On the other hand, loss for the period had a substantial negative impact on the cash flow. In addition, the financial items were EUR -13.3 million compared to EUR 12.5 million in the reference period. The difference was due to exchange rate hedging that had resulted in higher than usual foreign exchange gains in the cash flow of the first quarter of 2008.

Interest-bearing net liabilities increased by EUR 3.2 million from the first quarter of 2008 to EUR 601.9 million (December 31, 2008: EUR 598.7 million).

The gearing ratio was 99.8% (December 31, 2008: 95.3%) and the equity ratio 36.4% (December 31, 2008: 36.8%).

In the period under review, the cost of financing was lower than in the first quarter of 2008 due to lower interest rates. As of March 31, 2009, Ahlstrom's interest-bearing liabilities amounted to EUR 618.6 million, divided into financing from banks and other financial institutions of EUR 490.3 million, EUR 114.0 million in borrowings under the company's Finnish commercial paper program and EUR 14.3 million in commitments under financial leases.

During the reporting period, Ahlstrom was in the process of finalizing the refinancing of a EUR 200 million medium term credit facility which will mature in the final quarter of 2009.

CAPITAL EXPENDITURE IN JANUARY–MARCH 2009

Ahlstrom made no major investment decisions during the first quarter of 2009. Clear majority of the EUR 500 million investments initiated after the IPO in 2006 were finalized by the end of 2008.

In January-March 2009, Ahlstrom's capital expenditure amounted to EUR 26.9 million (EUR 31.9 million in the first quarter of 2008, including acquisitions of EUR 11.0 million), representing 7.2% (6.8%) of Group net sales. The figure included, for example, the on-going investment project in Gujarat, India, where Ahlstrom is establishing a new medical nonwovens plant, with operations estimated to start in the first quarter of 2010. An example of smaller investments was the renewal of one glass furnace at the Karhula plant in Finland.

Investments in 2009 are estimated to be approximately EUR 70 million (EUR 167.0 million in 2008).

CHANGES IN GROUP STRUCTURE

The business area organization of the company was changed in 2008. The organization effective as from January 1, 2009 is as follows. The Fiber Composites segment comprises the Advanced Nonwovens, Filtration, Glass & Industrial Nonwovens and Home & Personal Nonwovens business areas. The Specialty Papers segment comprises the Release & Label Papers and Technical Papers business areas. This business area organization is implemented in financial reporting as from the first quarter of 2009.

CHANGES IN MANAGEMENT

President & CEO

Jan Lång started in his position as the President & CEO of the company on January 1, 2009. At the same time, Risto Anttonen assumed the role of Deputy of the President & CEO and continues as a member of the Corporate Executive Team.

Corporate Executive Team

There were substantial changes in the Corporate Executive Team (CET) in the first quarter. The current CET is presented at the corporate website at www.ahlstrom.com.

Following persons started in their new positions on January 1, 2009.

Tommi Björnman, Senior Vice President of the Filtration business area.

Claudio Ermondi, Senior Vice President, Innovations and Technology.

Paul Marold, Senior Vice President of the Advanced Nonwovens business area.

Laura Raitio, Senior Vice President of the Glass and Industrial Nonwovens business area.

In addition, three appointments were announced in the first quarter of 2009.

On January 9, 2009, Rami Raulas was appointed Senior Vice President, Sales & Marketing, effective as of February 1, 2009.

On February 6, 2009, Paula Aarnio was appointed Senior Vice President, Human Resources of Ahlstrom Corporation. She joined Ahlstrom on April 27, 2009.

On February 6, 2009, Seppo Parvi was appointed Chief Financial Officer of Ahlstrom Corporation. He is estimated to assume his responsibilities in July 2009, at the latest.

PERSONNEL

At the end of March 2009, Ahlstrom had 6,052 employees (6,552). The average number of employees during January–March 2009 was 6,173 (6,541).

PRINCIPAL RISKS AND UNCERTAINTIES

The principal uncertainties that affect Ahlstrom's net sales and financial performance in the short-term are related to:

- General economic conditions and changes in the demand for end-user products
- Changes in sales prices
- Changes in raw material prices (e.g., pulp, chemicals and synthetic fibers)
- Changes in energy prices
- Fluctuations in foreign currency rates.

These factors are described in more detail in Ahlstrom's annual report 2008, on pages 24–29, and at www.ahlstrom.com.

In accordance with the International Financial Reporting Standards and Ahlstrom Accounting Principles, Ahlstrom Group regularly reviews its assets and possible indications of impairment. No impairment charges were recorded during January–March 2009.

ANNUAL GENERAL MEETING

Ahlstrom Corporation's Annual General Meeting of Shareholders (AGM) was held on March 25, 2009. The key resolutions of the AGM are summarized below.

The AGM resolved to distribute a dividend of EUR 0.45 per share for the fiscal year that ended on December 31, 2008 from the retained earnings in accordance with the proposal of the Board of Directors. The AGM approved the financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial period January 1 – December 31, 2008.

The AGM confirmed the number of Board members unchanged at seven. Thomas Ahlström, Sebastian Bondestam, Jan Inbarr, Martin Nüchtern, Bertel Paulig and Peter Seligson were re-elected as members of the Board of Directors and Anders Moberg, born in 1950, was elected as a new member as proposed by the Compensation and Nomination Committee of the Board. The term of the Board of Directors will expire at the close of the next Annual General Meeting.

PricewaterhouseCoopers Oy was elected as Ahlstrom's auditor as recommended by the Audit Committee. PricewaterhouseCoopers Oy has designated Authorized Public Accountant Eero Suomela as auditor in charge.

The AGM authorized the Board of Directors to repurchase a maximum of 4,500,000 Ahlstrom shares. The shares may be repurchased only through public trading at the prevailing market price by using unrestricted shareholders' equity.

The AGM also authorized the Board of Directors to distribute a maximum of 4,500,000 own shares held by the Company. The Board of Directors is authorized to decide to whom and in which order the shares will be distributed. The shares may be used as consideration in acquisitions and in other arrangements as well as to implement the Company's share-based incentive plans in the manner and to the extent decided by the Board of Directors. The Board of Directors also has the right to decide on the distribution of the shares in public trading for the purpose of financing possible acquisitions.

The authorizations are valid for 18 months from the close of the Annual General Meeting but will, however, expire at the close of the next Annual General Meeting, at the latest.

After the AGM, the organization meeting of the Board of Directors elected Peter Seligson as Chairman and Bertel Paulig as Vice Chairman of the Board. The Board of Directors also appointed the members of the permanent committees. The members of the Audit Committee are Bertel Paulig (Chairman), Thomas Ahlström and Martin Nüchtern. The members of the Compensation and Nomination Committee are Peter Seligson (Chairman), Sebastian Bondestam and Jan Inborr.

SHARES AND SHARE CAPITAL

Ahlstrom's share is listed on the NASDAQ OMX Helsinki. Ahlstrom has one series of shares. The share is classified under the Materials sector and the trading code is AHL1V.

During January–March 2009, a total of 0.7 million Ahlstrom shares were traded for a total of EUR 4.8 million. The lowest trading price during the review period was EUR 6.20 and the highest EUR 7.69. The closing price on March 31, 2009 was EUR 6.21 and market capitalization was EUR 290 million.

Equity per share of Ahlstrom Group was EUR 12.93 at the end of the review period (December 31, 2008: EUR 13.46).

Ahlstrom has not used the AGM authorization to repurchase company shares.

EVENTS AFTER THE REVIEW PERIOD

Restructuring program

Today, on April 29, 2009, Ahlstrom announced the initiation of a further restructuring program with the aim of gaining annual cost reductions of EUR 50 million with full effect in 2010.

The company will review its underperforming units and the overall cost structure, which may impact 400–500 Ahlstrom employees globally. The decisions related to individual actions will be made during 2009 and will be disclosed respectively. The cost of the program is estimated to be approximately EUR 40 million in 2009, of which 50% will be cash-related.

Strategy review process

Ahlstrom's business is currently built on a platform of 18 product lines worldwide and the main goal of the company strategy has been strong growth with the special focus on BRIC countries Brazil, China, India and Russia. The management has recently begun a strategy review process with the aim of verifying the future direction and ambition of the company. Conclusions can be expected towards the end of 2009.

OUTLOOK

In 2009, it is anticipated that the market environment will continue to be challenging with a very short-term visibility of the demand for Ahlstrom products. Therefore, at the beginning of 2009, Ahlstrom decided to change its disclosure policy. During a period of major uncertainty, the outlook only includes forecasts of the business and market environment. Forecasts of net sales development will be included when the operating environment has returned to a more predictable mode.

According to current estimates, the market demand for Ahlstrom products will continue at a low level. In addition to the announced restructuring program, the company will adjust its operations to the market situation, as necessary.

* * *

This interim report has been prepared in accordance with the International Financial Reporting Standards (IFRS). Comparable figures refer to the same period last year unless otherwise stated. The report is unaudited.

This report 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.

Helsinki, April 29, 2009

Ahlstrom Corporation
Board of Directors

ADDITIONAL INFORMATION

Jan Lång, President & CEO, tel. +358 (0)10 888 4700
Jari Mäntylä, CFO, tel. +358 (0)10 888 4768

Ahlstrom's President & CEO Jan Lång will present the financial results in Finnish in a press conference in Helsinki on April 29, 2009 at 10.00 a.m. Finnish time. The conference for media and analysts will take place at Hotel Scandic Simonkenttä, address Simonkatu 9, meeting room Espä on the street level, connected to Restaurant Simonkatu. You are welcome to attend.

In addition, a conference call for analysts and investors will be held in English on April 29, 2009 at 1.30 p.m. Finnish time. The discussion will be led by President & CEO Jan Lång. To participate in the teleconference, please dial +358 (0)9 2313 9201 a few minutes before the call. Use the title of the conference call: Ahlstrom conference call. A replay number is available until May 6, 2009. The number for the replay is +358 (0)9 2314 4681, access code: 833017.

The presentation material will be available at www.ahlstrom.com > Investors > IR presentations on April 29, 2009 after the first quarter financial results for 2009 have been published.

AHLSTROM'S FINANCIAL INFORMATION IN 2009

Ahlstrom Corporation will publish its financial information in 2009 as follows:

Interim report January–June: Friday, July 24
Interim report January–September: Wednesday, October 28

Distribution:

NASDAQ OMX Helsinki
www.ahlstrom.com
Main media

Ahlstrom in brief

Ahlstrom is a global leader in the development, manufacture and marketing of high performance fiber-based materials. Nonwovens and specialty papers, made by Ahlstrom, are used in a large variety of everyday products, such as filters, wipes, flooring, labels, and tapes. Based upon its unique fiber expertise and innovative approach, the company has a strong market position in several business areas in which it operates. Ahlstrom's 6,100 employees serve customers via sales offices and production facilities in more than 20 countries on six continents. In 2008, Ahlstrom's net sales amounted to EUR 1.8 billion. Ahlstrom's share is quoted on the NASDAQ OMX Helsinki. The company website is at www.ahlstrom.com.

APPENDIX

Consolidated financial statements

APPENDIX

CONSOLIDATED FINANCIAL STATEMENTS

Financial Statements are unaudited.

INCOME STATEMENT	Q1	Q1	Q1-Q4
EUR million	2009	2008	2008
Net sales	376.1	466.2	1,802.4
Other operating income	2.7	3.1	18.7
Expenses	-364.2	-425.9	-1,694.2
Depreciation, amortization and impairment charges	-25.3	-24.1	-112.3
Operating profit / loss	-10.7	19.3	14.6
Net financial expenses	-8.2	-8.6	-34.2
Share of profit / loss of associated companies	0.4	0.5	-1.1
Profit / loss before taxes	-18.6	11.2	-20.6
Income taxes	6.2	-3.4	4.5
Profit / loss for the period	-12.4	7.8	-16.1
Attributable to			
Owners of the parent	-12.4	7.2	-17.9
Minority interest	-	0.6	1.8
Basic and diluted earnings per share, EUR	-0.26	0.15	-0.38

STATEMENT OF COMPREHENSIVE INCOME	Q1	Q1	Q1-Q4
EUR million	2009	2008	2008
Profit / loss for the period	-12.4	7.8	-16.1
Other comprehensive income, net of tax:			
Translation differences	9.4	-20.5	-37.1
Hedges of net investments in foreign operations	-0.9	3.9	6.4
Cash flow hedges	0.0	-0.3	-1.2
Other comprehensive income, net of tax	8.5	-16.9	-32.0
Total comprehensive income for the period	-3.8	-9.1	-48.1
Attributable to			
Owners of the parent	-3.8	-7.7	-52.8
Minority interest	-	-1.4	4.7

BALANCE SHEET	Mar 31,	Mar 31,	Dec 31,
EUR million	2009	2008	2008
ASSETS			
Non-current assets			
Property, plant and equipment	759.0	723.9	745.7
Goodwill	174.1	175.7	169.1
Other intangible assets	52.4	55.8	51.6
Investments in associated companies	11.7	13.0	11.4
Other investments	0.2	0.2	0.2
Other receivables	16.0	16.1	15.6
Deferred tax assets	46.8	31.1	40.4
Total non-current assets	1,060.2	1,015.9	1,033.9
Current assets			
Inventories	240.0	248.8	252.5
Trade and other receivables	335.9	395.0	356.2
Income tax receivables	7.0	3.4	6.3
Other investments	-	0.0	0.0
Cash and cash equivalents	16.6	29.3	58.2
Total current assets	599.7	676.4	673.2
Total assets	1,659.8	1,692.3	1,707.0
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent	603.3	708.1	628.1
Minority interest	-	33.8	0.0
Total equity	603.3	741.9	628.1
Non-current liabilities			
Interest-bearing loans and borrowings	188.0	201.5	188.7
Employee benefit obligations	85.1	84.9	84.6
Provisions	4.3	4.6	4.4
Other liabilities	0.2	0.3	0.2
Deferred tax liabilities	16.9	26.7	16.5
Total non-current liabilities	294.5	318.1	294.4
Current liabilities			
Interest-bearing loans and borrowings	430.6	305.7	468.1
Trade and other payables	313.0	285.2	293.3
Income tax liabilities	3.1	9.0	3.5
Provisions	15.4	32.4	19.7
Total current liabilities	762.1	632.4	784.5
Total liabilities	1,056.6	950.4	1,078.9
Total equity and liabilities	1,659.8	1,692.3	1,707.0

STATEMENT OF CHANGES IN EQUITY

- 1) Issued capital
- 2) Share premium
- 3) Non-restricted equity reserve
- 4) Hedging reserve
- 5) Translation reserve
- 6) Retained earnings
- 7) Minority interest
- 8) Total equity

EUR million	Attributable to owners of the parent							
	1)	2)	3)	4)	5)	6)	7)	8)
Equity at December 31, 2007	70.0	209.3	8.3	0.0	-15.5	444.3	36.0	752.4
Dividends paid and other	-	-	-	-	-	-0.0	-	-0.0
Purchases of minority interest	-	-	-	-	-	-0.7	-0.7	-1.4
Total comprehensive income for the period	-	-	-	-0.3	-14.6	7.2	-1.4	-9.1
Equity at March 31, 2008	70.0	209.3	8.3	-0.3	-30.1	450.9	33.8	741.9
Equity at December 31, 2008	70.0	209.3	8.3	-1.2	-49.1	390.9	0.0	628.1
Dividends paid and other	-	-	-	-	-	-21.0	-	-21.0
Purchases of minority interest	-	-	-	-	-	-	-0.0	-0.0
Total comprehensive income for the period	-	-	-	0.0	8.5	-12.4	-	-3.8
Equity at March 31, 2009	70.0	209.3	8.3	-1.2	-40.7	357.6	-	603.3

STATEMENT OF CASH FLOWS	Q1	Q1	Q1-Q4
EUR million	2009	2008	2008
Cash flow from operating activities			
Profit / loss for the period	-12.4	7.8	-16.1
Adjustments, total	26.5	34.5	131.5
Changes in net working capital	25.8	-0.2	47.2
Change in provisions	-4.4	-8.4	-20.0
Financial items	-13.3	12.5	-16.8
Taxes paid	-1.5	-5.5	-23.4
Net cash from operating activities	20.9	40.7	102.4
Cash flow from investing activities			
Acquisition of Group companies	-	-11.0	-39.0
Purchases of intangible and tangible assets	-22.2	-24.4	-131.2
Other investing activities	0.6	9.2	16.9
Net cash from investing activities	-21.6	-26.2	-153.4
Cash flow from financing activities			
Dividends paid	-	-	-46.7
Changes in loans and other financing activities	-41.7	-5.9	136.3
Net cash from financing activities	-41.7	-5.9	89.7
Net change in cash and cash equivalents	-42.4	8.7	38.7
Cash and cash equivalents at beginning of period	58.2	21.3	21.3
Foreign exchange adjustment	0.8	-0.7	-1.7
Cash and cash equivalents at end of period	16.6	29.3	58.2

KEY FIGURES	Q1 2009	Q1 2008	Q1-Q4 2008
Operating profit, %	-2.9	4.1	0.8
Return on capital employed (ROCE), %	-3.3	6.4	1.4
Return on equity (ROE), %	-8.0	4.2	-2.3
Interest-bearing net liabilities, EUR million	601.9	477.9	598.7
Equity ratio, %	36.4	43.8	36.8
Gearing ratio, %	99.8	64.4	95.3
Earnings per share, EUR	-0.26	0.15	-0.38
Equity per share, EUR	12.93	15.17	13.46
Cash earnings per share, EUR	0.45	0.87	2.19
Average number of shares during the period, 1000's	46,671	46,671	46,671
Number of shares at the end of the period, 1000's	46,671	46,671	46,671
Capital expenditure, EUR million	26.9	20.9	128.0
Capital employed, at the end of the period, EUR million	1,221.9	1,249.1	1,285.0
Number of employees, average	6,173	6,541	6,510

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34, Interim Financial reporting, as adopted by EU and the accounting policies set out in the Group's Financial Statements for 2008 except for the changes below.

Changes in accounting principles

The Group has adopted the following new or amended standards and interpretations as of January 1, 2009:

- IFRS 8 Operating segments

The Group has two reportable segments: the Fiber Composites segment and the Specialty Papers segment. The adoption of IFRS 8 does not have an impact on reportable segments.

- Revised IAS 23 Borrowing costs

The Group has already earlier applied this accounting policy and the adoption of the revised standard has no impact on the consolidated financial statements.

- Amendment to IAS 1 A Revised presentation

The amendment has changed the presentation of financial statements. The income statement is presented in two statements: income statement and statement of comprehensive income. The statement of changes in equity includes only transactions with owners and all non-owner changes are presented in equity as a single line.

The below mentioned new and amended standards and interpretations do not have an impact on the consolidated financial statements.

- Amendment to IFRS 2 Share-based payment: Vesting Conditions and Cancellations

- Amendments to IAS 32 and IAS 1 Puttable Financial Instruments and Obligations Arising on Liquidation

- IFRIC 13 Customer Loyalty Programmes

SEGMENT INFORMATION	Q1	Q1	Q1-Q4
EUR million	2009	2008	2008
Fiber Composites	208.8	252.0	987.4
Specialty Papers	170.1	217.0	822.4
Other operations	2.6	5.2	20.2
Internal sales	-5.4	-8.0	-27.6
Total net sales	376.1	466.2	1,802.4
Fiber Composites	1.7	0.9	5.6
Specialty Papers	1.3	2.7	9.0
Other operations	2.4	4.4	12.9
Total internal sales	5.4	8.0	27.6
Fiber Composites	-2.5	15.5	15.3
Specialty Papers	-3.4	5.5	10.2
Other operations	-4.9	-1.6	-10.7
Eliminations	-0.0	-0.1	-0.2
Operating profit / loss	-10.7	19.3	14.6
Fiber Composites	950.6	922.4	947.1
Specialty Papers	604.3	672.3	609.2
Other operations	24.2	33.9	30.4
Eliminations	-10.5	-18.3	-15.9
Investments in associated companies	11.8	13.0	11.4
Unallocated assets	79.5	69.0	124.9
Total assets	1,659.8	1,692.3	1,707.0

Segment information is presented according to the IFRS standards.

CHANGES OF PROPERTY, PLANT AND EQUIPMENT			
EUR million	Q1 2009	Q1 2008	Q1-Q4 2008
Book value at Jan 1	745.7	747.7	747.7
Acquisitions through business combinations	-	3.4	3.9
Additions	26.5	20.3	118.7
Disposals	-0.0	-0.9	-3.7
Depreciations and impairment charges	-23.8	-22.7	-97.3
Translation adjustment and other changes	10.7	-23.9	-23.5
Book value at end of the period	759.0	723.9	745.7

TRANSACTIONS WITH RELATED PARTIES			
EUR million	Q1 2009	Q1 2008	Q1-Q4 2008
Transactions with associated companies			
Sales and interest income	0.1	0.2	1.0
Purchases of goods and services	-0.7	-0.9	-3.6
Trade and other receivables	1.5	0.2	2.6
Trade and other payables	0.2	0.3	0.3
<i>Market prices have been used in transactions with associated companies.</i>			

OPERATING LEASES			
EUR million	Mar 31, 2009	Mar 31, 2008	Dec 31, 2008
Current portion	6.2	5.1	6.9
Non-current portion	17.0	13.3	17.1
Total	23.2	18.4	24.0

CONTINGENT LIABILITIES	Mar 31,	Mar 31,	Dec 31,
EUR million	2009	2008	2008
For own liabilities			
Other loans			
Amount of loans	0.4	0.9	0.5
Book value of pledges	0.4	1.1	0.5
For other own commitments			
Guarantees	39.2	23.6	38.7
For commitments of associated companies			
Guarantees	3.1	5.2	4.2
Capital expenditure commitments	21.4	23.6	36.2
Other contingent liabilities	3.8	4.3	4.7

QUARTERLY DATA	Q1	Q4	Q3	Q2	Q1
EUR million	2009	2008	2008	2008	2008
Net sales	376.1	419.0	451.2	465.9	466.2
Other operating income	2.7	5.6	5.8	4.3	3.1
Expenses	-364.2	-419.8	-421.5	-426.9	-425.9
Depreciation, amortization, impairment charges	-25.3	-40.2	-24.1	-23.9	-24.1
Operating profit / loss	-10.7	-35.4	11.3	19.4	19.3
Net financial expenses	-8.2	-13.8	-7.1	-4.7	-8.6
Share of profit / loss of associated companies	0.4	-0.3	-0.7	-0.6	0.5
Profit / loss before taxes	-18.6	-49.5	3.5	14.2	11.2
Income taxes	6.2	12.4	-1.0	-3.6	-3.4
Profit / loss for the period	-12.4	-37.0	2.5	10.6	7.8
Attributable to					
Owners of the parent	-12.4	-37.0	2.0	9.9	7.2
Minority interest	-	-	0.5	0.7	0.6

QUARTERLY DATA BY SEGMENT	Q1	Q4	Q3	Q2	Q1
EUR million	2009	2008	2008	2008	2008
Net sales					
Fiber Composites	208.8	229.1	249.3	257.0	252.0
Specialty Papers	170.1	191.6	204.0	209.7	217.0
Other operations and eliminations	-2.8	-1.7	-2.1	-0.7	-2.8
Group total	376.1	419.0	451.2	465.9	466.2
Operating profit / loss					
Fiber Composites	-2.5	-24.7	7.7	16.8	15.5
Specialty Papers	-3.4	-6.5	6.5	4.7	5.5
Other operations and eliminations	-4.9	-4.2	-2.9	-2.0	-1.7
Group total	-10.7	-35.4	11.3	19.4	19.3
KEY FIGURES QUARTERLY	Q1	Q4	Q3	Q2	Q1
EUR million	2009	2008	2008	2008	2008
Net sales	376.1	419.0	451.2	465.9	466.2
Operating profit / loss	-10.7	-35.4	11.3	19.4	19.3
Profit / loss before taxes	-18.6	-49.5	3.5	14.2	11.2
Profit / loss for the period	-12.4	-37.0	2.5	10.6	7.8
Gearing ratio, %	99.8	95.3	84.8	76.0	64.4
Return on capital employed (ROCE), %	-3.3	-10.8	3.9	6.3	6.4
Earnings per share, EUR	-0.26	-0.79	0.04	0.22	0.15
Cash earnings per share, EUR	0.45	0.67	0.53	0.12	0.87
Average number of shares during the period, 1000's	46,671	46,671	46,671	46,671	46,671

CALCULATION OF KEY FIGURES

Interest-bearing net liabilities	Interest-bearing loans and borrowings - Cash and cash equivalents - Other investments (current)	
Equity ratio, %	$\frac{\text{Total equity}}{\text{Total assets} - \text{Advances received}} \times 100$	
Gearing ratio, %	$\frac{\text{Interest-bearing net liabilities}}{\text{Total equity}} \times 100$	
Return on equity (ROE), %	$\frac{\text{Profit (loss) for the period}}{\text{Total equity (annual average)}} \times 100$	
Return on capital employed (ROCE), %	$\frac{\text{Profit (loss) before taxes} + \text{Financing expenses}}{\text{Total assets (annual average)} - \text{Non-interest bearing liabilities (annual average)}} \times 100$	
Earnings per share, EUR	$\frac{\text{Profit (loss) for the period attributable to equity holders of the parent}}{\text{Average number of shares during the period}}$	
Cash earnings per share, EUR	$\frac{\text{Net cash from operating activities}}{\text{Average number of shares during the period}}$	
Equity per share, EUR	$\frac{\text{Equity attributable to equity holders of the parent}}{\text{Number of shares at the end of the period}}$	