AHLSTROM

Financial statements bulletin

2011

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Moving forward with strategy implementation

Continuing operations October–December 2011 compared with October–December 2010:

- Net sales EUR 371.3 million (EUR 416.8 million).
- Operating loss EUR 4.2 million (EUR 9.0 million loss)
- Operating profit excluding non-recurring items EUR 1.7 million (EUR 12.7 million).
- Operating margin excluding non-recurring items 0.4% (3.1%).
- Loss before taxes EUR 10.7 million (EUR 14.5 million loss).
- Earnings per share EUR -0.22 (EUR -0.22).

Highlights in October–December 2011

- Divestment of the Home and Personal business area was concluded except for the Brazilian operation that is expected to be transferred by the end of first quarter 2012.
- A new vision '*Inspiring people, passionate about new ideas, growing with our customers*' was introduced to define the kind of company we aim to be in the future.
- Acquisition of a 49.5% stake in a developer of battery technology Porous Power Technologies, LLC.
- A new profit improvement program addressing underperforming businesses was initiated and executed.

Continuing operations January–December 2011 compared with January–December 2010:

- Net sales EUR 1,607.2 million (EUR 1,636.3 million).
- Operating profit EUR 20.1 million (EUR 46.5 million)
- Operating profit excluding non-recurring items EUR 49.7 million (EUR 66.8 million).
- Operating margin excluding non-recurring items 3.1% (4.1%).
- Loss before taxes EUR 6.6 million (EUR 18.8 million profit).
- Earnings per share EUR -0.38 (EUR 0.11).

Dividend proposal

- The Board of Directors will propose to the Annual General Meeting that for the financial year ended on December 31, 2011 a dividend totaling EUR 1.30 per share be paid: a dividend of EUR 0.87 per share and an extra dividend of EUR 0.43 per share based on cash generated from the divestiture of the Home and Personal business area.

Outlook for 2012

- Net sales from continuing operations are expected to be EUR 1,575-1,735 million. Operating profit excluding non-recurring items from continuing operations is expected to be EUR 60-80 million.

Jan Lång, President & CEO:

- We had a good start of the year with improved performance. However, the slowdown in global markets, particularly in Europe, negatively impacted our financial performance starting from the second quarter. Nevertheless, we continued to work vigorously on our key development programs. We also streamlined our cost base further, addressing underperforming businesses and closing unprofitable manufacturing lines.

- At the end of 2011, we introduced our new vision to crystallize the kind of company we aim to be in the next 5-10 years. We have set ambitious goals that provide us with a roadmap for the future.

- In line with our new vision, we took firm steps in executing our strategy. There were a number of milestones: the acquisition of Porous Power Technologies, divestment of the Home and Personal business and the strategic decision to exit in-house glassfiber manufacturing. We will continue to seek new business opportunities by leveraging our unique products, technologies and knowledge.

Key figures from continuing operations

EUR million	Q4/2011	Q4/2010	Change, %	2011	2010	Change, %
Net sales	**371.3**	416.8	-10.9	1,607.2	1,636.3	-1.8
Operating profit	**-4.2**	-9.0	-53.2	20.1	46.5	-56.7
% of net sales	**-1.1**	-2.2		1.3	2.8	
Operating profit excl. NRI	**1.7**	12.7	-87.0	49.7	66.8	-25.6
% of net sales	**0.4**	3.1		3.1	4.1	
Profit/Loss before taxes	**-10.7**	-14.5	26.1	-6.6	18.8	-135.1
Profit for the period	**-8.9**	-8.8	-1.4	-12.2	10.9	-211.9
Earnings per share	**-0.22**	-0.22		-0.38	0.11	
Return on capital employed, %	**-2.6**	-3.9		2.0	5.2	
Capital expenditure	**35.9**	20.2	77.6	66.4	47.2	40.6
Number of personnel, at the end of period	**5,202**	5,131	1.4	5,202	5,131	1.4

The Home and Personal business area is reported separately as discontinued operations.

Operating environment

In the fourth quarter, the overall demand for most of our products continued to decline. Geographically, demand in Europe was weak, whereas North America showed some signs of recovery towards the end of the review period.

The global slowdown impacted many of our markets such as construction. This was reflected in the demand for wallcovering and flooring materials, which started to decline in the fourth quarter after a good growth in the earlier part of the year. The demand for food packaging and tape materials also softened in the review period.

The demand for the majority of the specialty paper materials, produced by the Label and Processing business area, fell during the review period. The market for specialty reinforcements used by the wind energy industry also remained at a weak level in Ahlstrom's main markets.

The situation in the market for transportation filtration materials in North and South America was more positive in the review period. The Advanced filtration materials market served by Ahlstrom remained at a good level. The demand for medical materials also remained strong.

The market prices of Ahlstrom's main raw materials such as pulp and synthetic fibers continued to decline in the fourth quarter, driven by weaker global demand. Prices of chemicals in general started to decline, although they remained at a high level.

In March, the European Commission lowered the antidumping duty on imports of certain glassfiber products originating from the People's Republic of China to the European Union. This continued to have a negative impact on European glassfiber manufacturers in the fourth quarter.

Development of net sales from continuing operations

Net sales by business area	Q4/2011	Q4/2010	Change, %	2011	2010	Change, %
Building and Energy	**65.8**	75.3	-12.7	296.2	281.6	5.2
Filtration	**79.7**	84.9	-6.2	324.5	339.8	-4.5
Food and Medical	**86.1**	92.3	-6.7	361.9	354.7	2.0
Label and Processing	**149.6**	181.9	-17.7	678.1	724.3	-6.4
Other functions* and eliminations	**-9.9**	-17.7		-53.5	-64.1	
Total net sales	**371.3**	416.8	-10.9	1,607.2	1,636.3	-1.8

* Other functions include financing and taxation-related items, as well as earnings and costs belonging to holding and sales companies. The Home and Personal business area is reported separately as discontinued operations.

October-December 2011 compared with October-December 2010

Ahlstrom's fourth-quarter 2011 net sales decreased by 10.9% to EUR 371.3 million, compared with EUR 416.8 million in the fourth quarter 2010.

Breakdown of the net sales change:

	Change, %
Q4/2010	
Price and mix	1.8
Currency	-0.7
Volume	-9.2
Divestments and new assets	-2.9
Q4/2011	**-10.9**

Total sales volumes in tons fell 12.0% from the comparison period. The decline affected sales volumes in all business areas; *Building and Energy* (-15.3%), *Filtration* (-7.6%), *Food and Medical* (-8.9%) and *Label and Processing* (-13.1%). Total sales volumes, excluding the impact of divestments and new assets, decreased by 10.5%.

January–December 2011 compared with January–December 2010

Net sales in January-December 2011 decreased 1.8% to EUR 1,607.2 million, compared with EUR 1,636.3 million in January-December 2010.

Breakdown of the net sales change:

	Change, %
2010	
Price and mix	3.7
Currency	-1.4
Volume	-1.2
Divestments and new assets	-2.9
2011	**-1.8**

Total sales volumes in tons fell 4.1% from the comparison period. The decline affected sales volumes in *Filtration* (-3.6%) and *Label and Processing* (-7.2%) business areas, whereas *Building and Energy* (2.4%) and *Food and Medical* (2.6%) showed an increase. Total sales volumes, excluding the impact of divestments and new assets, decreased by 2.5%.

Result and profitability from continuing operations

Financial result by segment	Q4/2011	Q4/2010	Change, %	2011	2010	Change, %
Building and Energy						
Operating profit	**-7.7**	1.2		-27.8	2.8	
% of net sales	**-11.7**	1.6		-9.4	1.0	
Operating profit excl. NRI	**-1.1**	1.2		1.2	2.8	-55.9
% of net sales	**-1.7**	1.6		0.4	1.0	
Filtration						
Operating profit	**4.6**	-20.7		22.8	3.1	628.8
% of net sales	**5.8**	-24.4		7.0	0.9	
Operating profit excl. NRI	**3.5**	4.2	-16.5	22.0	27.8	-20.9
% of net sales	**4.4**	5.0		6.8	8.2	
Food and Medical						
Operating profit	**2.0**	2.1	-2.6	12.0	13.0	-7.7
% of net sales	**2.4**	2.3		3.3	3.7	
Operating profit excl. NRI	**1.6**	3.9	-58.1	11.7	14.0	-16.4
% of net sales	**1.9**	4.2		3.2	4.0	
Label and Processing						
Operating profit	**-1.5**	5.0		11.6	32.2	-63.8
% of net sales	**-1.0**	2.7		1.7	4.4	
Operating profit excl. NRI	**-0.8**	4.9		13.6	30.6	-55.4
% of net sales	**-0.5**	2.7		2.0	4.2	
Other functions* and eliminations						
Operating profit	**-1.7**	3.5		1.5	-4.6	
Ahlstrom Group total						
Operating profit/loss	**-4.2**	-9.0	53.2	20.1	46.5	-56.7
% of net sales	**-1.1**	-2.2		1.3	2.8	
Operating profit excl. NRI	**1.7**	12.7	-87.0	49.7	66.8	-25.6
% of net sales	**0.4**	3.1		3.1	4.1	

*Other functions include financing and taxation-related items, as well as earnings and costs belonging to holding and sales companies. The Home and Personal business area is reported separately as discontinued operations.

October-December 2011 compared with October-December 2010

Ahlstrom's fourth-quarter 2011 operating loss was EUR 4.2 million (EUR 9.0 million loss) including non-recurring costs of EUR 5.9 million (EUR 21.7 million loss). Operating profit excluding non-recurring items was EUR 1.7 million (EUR 12.7 million). The most significant non-recurring item in the fourth quarter 2011 was the following:

- Building and Energy booked a cost of approximately EUR 6.0 million from the closure of the Bishopville plant in the U.S.

Operating profit was negatively impacted mainly by lower sales volumes and the resulting drop in capacity utilization rates at plants. The recent declines in key raw material prices did not yet have an impact on profitability. The ramp-up and commercialization of the teabag material line in Chirnside, the medical material plant in Mundra and the La Gere plant, which were part of the 2007 and 2008 investment program, continued to have a negative impact on profitability. The hybrid wallcovering line in Turin, which was closed in October, also burdened profitability.

Ahlstrom's market related downtime in production was 14.6% in the fourth quarter 2011, compared with 12.0% in the corresponding period.

Loss before taxes was EUR 10.7 million (EUR 14.5 million loss).

The company's deferred tax income amounted to EUR 1.8 million (EUR 5.7 million tax income).

Loss for the period was EUR 8.9 million (EUR 8.8 million loss). Earnings per share were EUR -0.22 (EUR -0.22).

January–December 2011 compared with January–December 2010

Ahlstrom's January-December 2011 operating profit was EUR 20.1 million (EUR 46.5 million) including non-recurring costs of EUR 29.6 million (EUR 20.3 million loss). Operating profit excluding non-recurring items was EUR 49.7 million (EUR 66.8 million). The 2010 figure was favorably impacted by a gain of approximately EUR 6.3 million from selling carbon dioxide emission rights. In January-December 2011, the figure was EUR 0.2 million.

The most significant non-recurring items in January-December 2011 in addition to those booked in the fourth quarter were the following:

- Building and Energy booked a net non-recurring cost of about EUR 11.0 million as a result of the decision to end production of glassfiber and glassfiber mats in Karhula, Finland.
- Building and Energy booked non-recurring costs of about EUR 11.0 million for closing down its hybrid wallcover materials production line in Turin, Italy.
- Label and Processing booked non-recurring costs of about EUR 3.0 million for the planned streamlining measures at its Osnabrück plant in Germany.
- Label and Processing booked a gain of approximately EUR 1.9 million from the asset sale of its Ascoli plant in Italy. The plant was closed in 2008.
- In other functions, Ahlstrom booked a gain of EUR 1.0 million related to the sale of the Wuxi plant in China.

The decline in 2011 operating profit was mainly due to lower sales volumes. In addition, higher selling prices only partially compensated for increased raw material costs. The successful waste reduction program as well as cost savings in the supply chain had a positive impact on profitability.

The La Gere plant improved its profitability clearly during the review period, but it still remained unprofitable. The Mundra plant started the production of higher value-added medical products in December. The hybrid wallcover material line in Turin was closed in October. Commercialization of the teabag material line in Chirnside continues. The four units burdened the operating profit by approximately EUR 14 million in 2011 (approximately EUR 19 million in 2010).

Ahlstrom's market related downtime in production in January-December 2011 was 8.6% compared with 9.5% in the comparison period.

Loss before taxes was EUR 6.6 million (EUR 18.8 million profit).

Income taxes amounted to EUR 5.6 million (EUR 7.8 million).

Loss for the period was EUR 12.2 million (EUR 10.9 million profit). Earnings per share were EUR -0.38 (EUR 0.11).

Divestment of the Home and Personal business area

Ahlstrom confirmed the closing of the divestment of its wipes fabrics, the Home and Personal business area, to Suominen Corporation. The business was transferred on October 31, 2011, except for the Brazilian part of the business, which is estimated to transfer in the first quarter of 2012.

The transaction was signed on August 4, 2011, and the total value was approximately EUR 170 million. Ahlstrom will receive the remaining EUR 25 million of the total amount after the Brazilian part of the business is transferred. Following the transaction, Ahlstrom became the largest shareholder in Suominen with a 27.1% stake. Ahlstrom is committed to hold a minimum of 20% stake in Suominen for the first two years.

Discontinued operations

Following the agreement to divest Home and Personal to Suominen, the segment has been classified as an asset held for sale and reported separately as discontinued operations as a consequence. The Brazilian operation will be reported as discontinued operations until the transaction is concluded for that part as well.

In October-December 2011, the loss for the period from discontinued operations was EUR 6.0 million, compared with EUR 2.0 million profit in the comparison period. The 2011 figure includes a loss from the impairment and the disposal of assets of EUR 4.9 million after tax related to the divestment.

In January-December 2011, the loss for the period from discontinued operations was EUR 20.0 million (EUR 7.0 million profit). The 2011 figure includes a loss from the impairment and the disposal of assets of EUR 23.4 million after tax related to the divestment.

Result including discontinued operations

In October-December 2011, the loss for the period including discontinued operations was EUR 14.8 million (EUR 6.8 million loss). Earnings per share were EUR -0.34 (EUR -0.18).

Return on equity (ROE) was -9.6% (-3.9%).

In January-December 2011, the loss for the period including discontinued operations was EUR 32.2 million (EUR 17.9 million profit). Earnings per share were EUR -0.81 (EUR 0.26).

Return on equity (ROE) was -4.9% (2.6%).

Business Area review

Building and Energy

EUR million	Q4/2011	Q4/2010	Change, %	2011	2010	Change, %
Net sales	**65.8**	75.3	-12.7	296.2	281.6	5.2
Operating profit	**-7.7**	1.2	-	-27.8	2.8	-
% of net sales	**-11.7**	1.6		-9.4	1.0	
Operating profit excl. NRI	**-1.1**	1.2	-	1.2	2.8	-
% of net sales	**-1.7**	1.6		0.4	1.0	
RONA, %	**-24.3**	3.2		-19.8	1.8	
Sales volumes, 000s tons	**27.5**	32.5	-15.3	127.1	124.2	2.4

Net sales in October-December 2011 fell by 12.7% to EUR 65.8 million, compared with EUR 75.3 million in October-December 2010. The decline was due to lower sales volumes, particularly in wallcovering and flooring materials as construction markets slowed globally.

Operating loss excluding non-recurring items amounted to EUR 1.1 million (EUR 1.2 million profit). The result was impacted by lower sales volumes. Demand from the wind energy industry was stable at a weak level. The result was also burdened by the hybrid wallcovering material line in Turin that was closed in October. Operating loss amounted to EUR 7.7 million (EUR 1.2 million profit). The 2011 figure includes a non-recurring cost of EUR 6.0 million for initiatives related to the profit improvement program announced on October 18, 2011.

A strategic decision to discontinue in-house glassfiber production was taken and Karhula furnaces were closed in the fourth quarter 2011. Ahlstrom has long-term supply contracts to secure the supply of glassfiber, which is used as a raw material in its specialty reinforcements manufacturing.

In January-December 2011, net sales were EUR 296.2 million (EUR 281.6 million) and operating loss EUR 27.8 million (EUR 2.8 million profit). Operating profit excluding non-recurring items was EUR 1.2 million (EUR 2.8 million).

Filtration

EUR million	Q4/2011	Q4/2010	Change, %	2011	2010	Change, %
Net sales	**79.7**	84.9	-6.2	324.5	339.8	-4.5
Operating profit	**4.6**	-20.7		22.8	3.1	628.8
% of net sales	**5.8**	-24.4		7.0	0.9	
Operating profit excl. NRI	**3.5**	4.2	-16.5	22.0	27.8	-20.9
% of net sales	**4.4**	5.0		6.8	8.2	
RONA, %	**11.1**	-46.4		13.6	1.8	
Sales volumes, 000s tons	**26.3**	28.5	-7.6	110.9	115.1	-3.6

Net sales in October-December 2011 decreased by 6.2% to EUR 79.7 million, compared with EUR 84.9 million in October-December 2010. The decline was due to lower sales volumes, adverse currency effects and divested businesses. However, transportation filtration sales in North and South America improved during the review period. Advanced filtration such as gas turbine applications also supported net sales. The ramp-up of the Binzhou plant in China was in line with its target. Operating profit excluding non-recurring items fell to EUR 3.5 million (EUR 4.2 million) due to the lower sales volumes. Operating profit amounted to EUR 4.6 million (EUR 20.7 million loss). The 2010 figure includes non-recurring costs related to the divestment of the Groesbeck operation and production lines in Bethune in the U.S.

In January-December 2011, net sales were EUR 324.5 million (EUR 339.8 million) and operating profit EUR 22.8 million (EUR 3.1 million). Operating profit excluding non-recurring items was EUR 22.0 million (EUR 27.8 million).

Food and Medical

EUR million	Q4/2011	Q4/2010	Change, %	2011	2010	Change, %
Net sales	**86.1**	92.3	-6.7	361.9	354.7	2.0
Operating profit	**2.0**	2.1	-2.6	12.0	13.0	-7.7
% of net sales	**2.4**	2.3		3.3	3.7	
Operating profit excl. NRI	**1.6**	3.9	-58.1	11.7	14.0	-16.4
% of net sales	**1.9**	4.2		3.2	4.0	
RONA, %	**3.9**	4.0		5.7	6.3	
Sales volumes, 000s tons	**29.2**	32.1	-8.9	128.7	125.4	2.6

Net sales in October-December 2011 fell by 6.7% to EUR 86.1 million, compared with EUR 92.3 million in October-December 2010. The decrease was due to lower sales volumes in food packaging, tea bags and masking tape materials, particularly in Europe. The adverse currency effect also had an impact on net sales. The market for medical products remained strong. Operating profit excluding non-recurring items decreased to EUR 1.6 million (EUR 3.9 million). The result was negatively impacted by lower volumes. Also, the Mundra plant in India and the teabag material line in Chirnside, U.K. continued to weaken profitability. However, new products from both lines have been qualified by customers. Operating profit was EUR 2.0 million (EUR 2.1 million).

In January-December 2011, net sales were EUR 361.9 million (EUR 354.7 million) and operating profit EUR 12.0 million (EUR 13.0). Operating profit excluding non-recurring items was EUR 11.7 million (EUR 14.0 million).

Label and Processing

EUR million	Q4/2011	Q4/2010	Change, %	2011	2010	Change, %
Net sales	**149.6**	181.9	-17.7	678.1	724.3	-6.4
Operating profit	**-1.5**	5.0	-	11.6	32.2	-63.8
% of net sales	**-1.0**	2.7		1.7	4.4	
Operating profit excl. NRI	**-0.8**	4.9	-	13.6	30.6	-55.4
% of net sales	**-0.5**	2.7		2.0	4.2	
RONA, %	**-2.4**	7.1		4.4	10.9	
Sales volumes, 000s tons	**124.6**	143.3	-13.1	557.5	601.0	-7.2

Net sales in October-December 2011 fell by 17.7% to EUR 149.6 million, compared with EUR 181.9 million in October-December 2010. The decline was due to lower sales volumes mainly in Europe and the divestment of the Altenkirchen plant at the end of

2010. Operating loss excluding non-recurring items was EUR 0.8 million (EUR 4.9 million profit) due to lower sales volumes and increased price competition. Operating loss amounted to EUR 1.5 million (EUR 5.0 million profit). The 2011 figure includes non-recurring costs related to the profit improvement program.

A new generation of release papers for silicone coating called Ahlstrom Acti-V™ has been well received by the market after its launch in September. The technology enables Ahlstrom's customers to reduce manufacturing costs and at the same time improve quality.

In January-December 2011, net sales were EUR 678.1 million (EUR 724.3 million) and operating profit EUR 11.6 million (EUR 32.2 million). Operating profit excluding non-recurring items was EUR 13.6 million (EUR 30.6 million).

Financing (including discontinued operations)

Net cash flow from operating activities in January-December 2011 amounted to EUR 83.7 million (EUR 167.5 million), and cash flow after investments was EUR 140.4 million (EUR 118.8 million). In October-December 2011, net cash flow from operating activities was EUR 10.9 million (EUR 22.8 million).

During January-December 2011, operative working capital decreased by EUR 17.6 million to EUR 176.7 million from the end of 2010. Its turnover rose by four days and was 41 days at the end of the review period. Operative working capital has remained well under control after a related focus project was completed at the end of 2010.

Ahlstrom's interest-bearing net liabilities decreased by EUR 92.2 million from the end of 2010 to EUR 237.8 million (December 31, 2010: EUR 330.1 million). Ahlstrom's interest bearing liabilities amounted to EUR 332.2 million. The duration of the loan portfolio (average interest rate fixing period) was 21 months and the capital weighted average interest rate was 4.64%. The average maturity of the loan portfolio was 47 months.

In January-December 2011, net financial expenses and share of profits and losses of associated companies were EUR -29.0 million (EUR -28.2 million). In October-December 2011, the figure was EUR -8.5 million (EUR -5.6 million).

The company's liquidity continues to be good. At the end of the review period, its total liquidity, including cash, unused committed credit facilities and cash pool limits was about EUR 473 million. In addition, the company had uncommitted credit facilities of about EUR 102 million available.

In June, Ahlstrom signed a new EUR 250 million five-year revolving credit facility to refinance the company's EUR 200 million revolving credit facility signed in 2009.

The gearing ratio decreased to 38.2% (December 31, 2010: 46.9%). The equity ratio was 43.6% (December 31, 2010: 45.6%).

Capital expenditure

Ahlstrom's capital expenditure excluding acquisitions from continuing operations totalled EUR 66.4 million in January-December 2011 (EUR 47.2 million). In October-December 2011, investments totalled EUR 35.9 million (EUR 20.2 million).

In May, Ahlstrom announced that it will invest in additional capacity in transportation filtration materials manufacturing at its site in Louveira, Brazil. The investment will be completed in the first quarter of 2012.

In June, Ahlstrom announced that it will invest a total of EUR 7 million at its Stenay plant in France in order to produce lower grammage grades, enhancing the quality of oneside coated papers for metalized labels and flexible packaging. The Stenay plant is part of the Label and Processing business area.

In June, Ahlstrom announced that it will invest a total of EUR 30 million in a new wallcover substrates production line at its Binzhou plant in China, where the company is already manufacturing filtration materials. Deliveries from the new line are expected to start in early 2013 and the new line will be part of the Building and Energy business area.

In December, Ahlstrom acquired a 49.5% stake in Porous Power Technologies, LLC. The U.S.-based company develops technology for lithium-ion battery separators. Ahlstrom has an option to acquire the remaining shares at a later stage.

Ahlstrom, together with Porous Power Technologies, will be offering a new generation of separator solutions for safer batteries and capacitors in electric-drive vehicles, e-bikes, portable electronics and utility-grade storage products. Porous Power Technologies' current separator products are already being evaluated by battery manufacturers around the world. The products for electric vehicles will be commercially available in larger scale later.

Changes in the Executive Management Team

On March 11, 2011, Luc Rousselet was appointed Executive Vice President, Supply Chain, and member of the Executive Management Team as of June 15, 2011.

On April 1, 2011, Paul H. Stenson was appointed Executive Vice President, Business Development, and member of the Executive Management Team as of May 30, 2011.

On July 26, 2011, Claudio Ermondi, Executive Vice President, Product & Technology Development, and member of the Executive Management Team, resigned from Ahlstrom with immediate effect. His duties and responsibilities were transferred to Paul Stenson.

Patrick Jeambar, Executive Vice President, Label and Processing, stepped down from the Executive Management Team as of September 1, 2011. Daniele Borlatto, Vice President, Release & Label and Supply Chain, succeeded Jeambar as the Executive Vice President, Label and Processing. He also became a member of the Executive Management Team.

Jean-Marie Becker, Executive Vice President, Home and Personal, stepped down from the Executive Management Team as of October 31, 2011 following the transfer of the business to Suominen Corporation.

Ahlstrom's Executive Management Team as of December 31, 2011:

Jan Lång, President and CEO
Seppo Parvi, CFO and deputy to the President
Paula Aarnio, EVP, Human Resources & Sustainability
Tommi Björnman, EVP, Filtration
Daniele Borlatto, EVP, Label and Processing
William Casey, EVP, Food and Medical
Laura Raitio, EVP, Building and Energy
Rami Raulas, EVP, Sales & Marketing
Luc Rousselet, EVP, Supply Chain
Paul H. Stenson, EVP, Product & Technology

Development programs

Development programs, aimed at enhancing the planning and harmonization of common processes, were continued during the review period as communicated earlier. Ahlstrom aims to increase customer focus and enhance the management of the entire product and supply chain by strengthening and better aligning global processes.

Approximately EUR 8 million was spent on development programs in 2011, less than the EUR 12 million initially announced at the beginning of last year as external consulting fees and travelling costs were lower than anticipated. Expenditure on development programs this year is estimated to be in line with 2011.

Waste management program

The project to reduce material waste in manufacturing launched in 2010, reached successfully its final stage and will be completed in the beginning of 2012. Production waste was reduced by approximately 10% in volume by the end of 2011, which equals annual savings of about EUR 14 million. The targeted reduction of 15% in waste in annual volume equalling annual savings of about EUR 20 million is expected to be fully visible in 2012.

Profit improvement program

In December, Ahlstrom concluded its profit improvement program. The program, announced on October 18, aims to improve annual operating profit by approximately EUR 15 million starting from 2012 and affecting 362 employees at various sites worldwide.

Ahlstrom recognized a total non-recurring cost of approximately EUR 31.5 million, of which EUR 25 million was booked in the third quarter and EUR 6.5 million in the fourth quarter of 2011. The overall impact of the non-recurring items of the program is cash neutral.

In the Building and Energy business area, Ahlstrom ceased the production of glassfiber and glassfiber mats in Karhula, Finland by the end of 2011 as the operation was unprofitable. The production of glassfiber tissue at the site continues as before.

Ahlstrom decided to close its Bishopville plant in South Carolina, USA in early 2012. The site, which manufactures glassfiber specialty reinforcements, has suffered from weakening demand in the wind energy business in North America.

Also in the Building and Energy business area, Ahlstrom closed a hybrid wallcover production line in Turin, Italy, in October. The loss-making line was started in 2009.

In the Label and Processing business area, Ahlstrom initiated negotiations on streamlining measures at its Osnabrück plant in Germany which are expected to affect a maximum of 39 employees. In Jacarei, Brazil, the company decided to reduce personnel by 35 employees due to weakened market conditions in coated papers in South America.

Personnel

Ahlstrom employed on average 5,181 people* in January-December 2011 (5,264), and 5,202 people (5,131) at the end of the period. At the end of the period, the highest numbers of employees were in France (23.7%), the United States (20.1%), Italy (11.2%), Finland (10.9%), Germany (7.6%) and Brazil (6.7%).

* The figure is based on continuing operations and was calculated as full-time equivalents.

Annual General Meeting

Ahlstrom Corporation's Annual General Meeting of Shareholders (AGM) was held on March 30, 2011.

The AGM resolved to distribute a dividend of EUR 0.88 per share for the fiscal year that ended on December 31, 2010 from the retained earnings in accordance with the proposal of the Board of Directors. In addition, the AGM resolved to reserve EUR 100,000 to be used for donations at the discretion of the Board of Directors.

The AGM approved the financial statements and discharged the members of the Board of Directors and the President & CEO from liability for the fiscal year January 1-December 31, 2010.

The AGM confirmed the number of Board members as seven. Thomas Ahlström, Sebastian Bondestam, Lori J. Cross, Anders Moberg and Peter Seligson were re-elected as members of the Board of Directors. Esa Ikäheimonen and Pertti Korhonen were elected as new members. The term of the Board of Directors will expire at the close of the next Annual General Meeting.

PricewaterhouseCoopers Oy was re-elected as Ahlstrom's auditor as recommended by the Audit Committee. PricewaterhouseCoopers Oy has designated Authorized Public Accountant Eero Suomela as the Responsible Auditor.

Authorizations to repurchase and distribute the company's own shares as well as to accept them as pledge

The AGM authorized the Board of Directors to repurchase and distribute the company's own shares as well as to accept them as pledge as proposed by the Board of Directors. The number of shares to be repurchased or accepted as pledge by virtue of the authorization shall not exceed 4,000,000 shares in the company, yet always taking into account the limitations set forth in the Companies' Act as regards the maximum number of shares owned by or pledged to the company or its subsidiaries. The shares may be repurchased only through public trading at the prevailing market price by using unrestricted shareholders' equity. The rules and guidelines of NASDAQ OMX Helsinki Oy and Euroclear Finland Ltd shall be followed in the repurchase.

The authorization includes the right for the Board of Directors to decide upon all other terms and conditions for the repurchase of the company's own shares, or their acceptance as pledge, including the right to decide on the repurchase of the company's own shares otherwise than in proportion to the shareholders' holdings in the company.

By virtue of the authorization, the Board of Directors has the right to resolve to distribute a maximum of 4,000,000 own shares held by the company. The Board of Directors was authorized to decide to whom and in which order the own shares will be distributed. The Board of Directors may decide on the distribution of the company's own shares otherwise than in proportion to the existing pre-emptive right of shareholders to purchase the company's own shares. The shares may be used e.g. 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 authorization also includes the right for the Board of Directors to resolve on the sale of the shares accepted as a pledge. The authorization includes the right for the Board of Directors to resolve upon all other terms and conditions for the distribution of the shares held by the Company.

The authorizations for the Board of Directors to repurchase the Company's own shares, to distribute them as well as to accept them as pledge 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.

Decisions taken by the Board of Directors

After the AGM, the organization meeting of the Board of Directors elected Peter Seligson as Chairman and Pertti Korhonen as Vice Chairman of the Board.

The Board of Directors appointed three permanent committees. The members of the Audit Committee are Esa Ikäheimonen (Chairman), Thomas Ahlström and Sebastian Bondestam. The members of the Compensation Committee are Peter Seligson (Chairman), Lori J. Cross and Anders Moberg. Five persons were appointed as members of the Nomination Committee: Peter Seligson (Chairman), Pertti Korhonen and Anders Moberg as well as the non-board members Carl Ahlström and Risto Murto. The composition of the Nomination Committee aims to increase shareholder influence in nomination matters.

During the period under review, the Board of Directors used the authorization granted by the Annual General Meeting of March 30, 2011, to repurchase the company's own shares for the implementation of the company's share-based incentive plan. The number of shares purchased was 250,000, which accounts for approximately 0.54% of the total number of shares. The repurchase reduced the company's distributable capital and reserves. The purchases began on September 23, 2011 and ended on November 17. The average price was EUR 12.45.

Shares and share capital

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

During January-December 2011, a total of 8.14 million Ahlstrom shares were traded for a total of EUR 118.2 million. The lowest trading price was EUR 10.60 and the highest EUR 18.23. The closing price on December 30, 2011 was EUR 12.50. The market capitalization at the end of the review period was EUR 576.3 million, excluding the shares owned by the parent company and Ahlcorp Oy, which is a management ownership company.

At the end of 2011, Ahlstrom held a total of 269,005 of its own shares, corresponding to approximately 0.58% of the total shares and votes.

Ahlstrom Group's equity per share was EUR 11.50 at the end of the review period (December 31, 2010: EUR 13.48).

The company received a notification in accordance with the Securities Market Act Chapter 2, Section 9, from Erkki Etola dated October 19, 2011, on the change in the shareholding of said shareholder. According to the announcement, on October 18, 2011 Etola's shareholding in Ahlstrom Corporation's shares and voting rights fell below 5% (1/20).

Ownership in Suominen

At the end of 2011, Ahlstrom held a total of 66,666,666 shares in Suominen Corporation, which equals 27.1 percent of the total shares and votes. The closing price of the Suominen share on December 30, 2011 was EUR 0.39. Suominen's financial figures are included in Ahlstrom's consolidated financial statements as an associated company.

Other events during the review period

Ahlstrom's Louveira filtration materials plant in Brazil resumed full production in February after the facility was hit by floods in January. During the shutdown Ahlstrom was able to supply its customers from Louveira's inventory, which was not damaged in the flooding, and from its global supply platform.

In February, Ahlstrom launched its renewed brand and brand identity to better reflect the company's refined strategy, new operating model and values.

In September, the Label and Processing business area launched Acti-V™ , a new generation of release papers for silicone coating. The technology enables Ahlstrom's customers to reduce manufacturing costs and at the same time improve reliability.

In September, a fire at Ahlstrom's Mozzate wipes fabrics plant in Italy caused damage to one of the production lines. Financial damage was covered by insurance. The Mozzate plant was part of the Home and Personal business area divested to Suominen.

In November, Ahlstrom introduced a new vision to describe the kind of company it aims to be in the future. The vision is made up of three components: inspiring people, passionate about new ideas, and growing with our customers.

Proposal for the distribution of profits

Ahlstrom aims to pay a dividend of not less than one third of the net cash from operating activities after operative investments, calculated as a three-year rolling average to achieve stability in the dividend pay-out. Operative investments include maintenance, cost reduction, and efficiency improvement investments.

The distributable funds on the balance sheet of Ahlstrom Corporation as of December 31, 2011 amounted to EUR 636,497,787.52

The Board of Directors will propose to the Annual General Meeting that for the financial year ended on December 31, 2011 a dividend totaling EUR 1.30 per share be paid: a dividend of EUR 0.87 per share based on the dividend policy mentioned above and an extra dividend of EUR 0.43 per share based on cash generated from the divestiture of the Home and Personal business area.

The dividends will be paid to shareholders registered in the Register of Shareholders held by Euroclear Finland Ltd. on the record date, April 11, 2012. On December 31, 2011, the number of shares of the Company amounted to 46,670,608 based on which the maximum amount that can be distributed as dividend would be EUR 60,671,790.40. The Board of Directors proposes that the dividend be paid on April 18, 2012.

In addition, the Board of Directors proposes that EUR 100,000 will be reserved for donations at the discretion of the Board.

Outlook

In the first half 2012, the main markets served by Ahlstrom are estimated to remain soft with limited visibility, particularly in Europe.

Ahlstrom estimates net sales from continuing operations for the current year will amount to EUR 1,575–1,735 million. Operating profit excluding non-recurring items from continuing operations is estimated to be EUR 60–80 million.

The company maintains its long-term financial target of achieving a minimum return on capital employed (ROCE) of 13%. However, Ahlstrom no longer expects to reach the target by 2012 as previously communicated due to the continued softness in Ahlstrom's main markets. The company continues to execute its strategic agenda and continuous improvement programs to achieve its long-term targets.

In 2012, investments excluding acquisitions from continuing operations are estimated to be approximately EUR 100 million (EUR 66.4 million in 2011). The estimate includes investments that have already been announced in 2011, such as the wallcovering materials line in China.

Short-term risks

Economic growth in Europe has deteriorated further due to the sovereign debt crisis, austerity measures by governments and uncertainty in the financial markets. On the other hand, the North American economy showed some signs of recovery towards the end of the review period. Growth in Asia and other emerging markets has continued to be strong, but growth could be negatively impacted by the debt crisis and demand slowdown in Europe. The possible further contagion of the European debt crisis poses an additional risk to economic growth and sales development at Ahlstrom.

Slower economic growth, or even a temporary contraction, may lead to lower sales volumes and force Ahlstrom to initiate more market related shutdowns at plants, thus hurting profitability. The increased uncertainty related to global economic growth makes it more difficult to forecast future developments.

Ahlstrom's main raw materials are natural fibers, mainly pulp, synthetic fibers and chemicals. The company is one of the world's largest buyers of market pulp. Despite the recent declines, prices of some key raw materials used by Ahlstrom remain at a high level.

If global economic growth slows down further, maintaining the current selling price levels may be at risk and sustaining the current profitability level might be compromised even if raw material prices decline at the same time.

The general risks facing Ahlstrom's business operations are described in greater detail on the company website www.ahlstrom.com and in the report by the Board of Directors in the company's Annual Report 2010. The risk management process is also described in the Corporate Governance Statement available on the company website.

* * *

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

This report contains certain forward-looking statements that reflect the present views of the company's management. The statements contain uncertainties and risks and are thus subject to changes in the general economic situation and in the company's business.

Helsinki, February 1, 2012

Ahlstrom Corporation
Board of Directors

Additional information

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

Ahlstrom's President & CEO Jan Lång and CFO Seppo Parvi will present the financial statements bulletin 2011 in a Finnish-language press and analyst conference in Helsinki today, February 1, 2012, at 2:30 p.m. (CET+1). The conference will take place at Event Arena Bank, Unioninkatu 20, 2nd floor. The meeting room will be announced on the display board in the lobby.

In addition, President & CEO Lång and CFO Parvi will hold a conference call in English for analysts, investors and representatives of the media today, February 1, 2011, at 4:30 p.m. (CET+1). To participate in the conference call, please dial (09) 2310 1621 in Finland or +44 (0)20 3450 9987 outside Finland a few minutes before the conference begins. The access code is 2604599.

The conference call can also be listened to live on the Internet. The link to the English-language presentation (an audio webcast) including slides is available on the company website at www.ahlstrom.com. Questions may also be submitted in writing via the Internet. Listening to the conference call requires registration.

An on-demand webcast including slides is available for viewing and listening on the company website for one year after the conference call.

Presentation material will be available on February 1, 2012 after the Interim Report is published, at www.ahlstrom.com > Investors > Reports and presentations > 2011. Material in Finnish will be available at www.ahlstrom.fi > Sijoittajat > Katsaukset ja presentaatiot > 2011.

Ahlstrom's financial information in 2012

Ahlstrom will publish financial information in 2012 as follows:

Report	Date of publication	Silent period
Interim Report January–March	Friday, April 27	April 1-27
Interim Report January–June	Thursday, August 9	July 1-August 9
Interim Report January–September	Monday, October 22	October 1–22

During the silent period, Ahlstrom will not communicate with capital market representatives.

Ahlstrom in brief

Ahlstrom is a high performance materials company, partnering with leading businesses around the world to help them stay ahead. Our products are used in a large variety of everyday applications, such as filters, wallcovers, flooring, labels and food packaging. We have a leading market position in the businesses in which we operate. Our 5,200 employees serve customers in 28 countries on six continents. In 2011, Ahlstrom's net sales amounted to EUR 1.6 billion. The company's share is quoted on the NASDAQ OMX Helsinki. More information is available at www.ahlstrom.com.

Appendix

Consolidated financial statements

Appendix: Consolidated financial statement

Financial statements are unaudited.

INCOME STATEMENT	**Q4**	Q4	**Q1-Q4**	Q1-Q4
EUR million	**2011**	2010	**2011**	2010
Continuing operations				
Net sales	**371.3**	416.8	**1,607.2**	1,636.3
Cost of goods sold	**-331.8**	-367.5	**-1,421.9**	-1 414,0
Gross profit	**39.6**	49.3	**185.4**	222,3
Sales and marketing expenses	**-13.6**	-11.7	**-50.0**	-49,2
R&D expenses	**-4.0**	-5.0	**-17.9**	-18,6
Administrative expenses	**-22.6**	-25.2	**-90.1**	-96,8
Other operating income	**4.2**	8.3	**12.3**	16.8
Other operating expense	**-7.6**	-24.6	**-19.6**	-28.0
Operating profit / loss	**-4.2**	-9.0	**20.1**	46.5
Net financial expenses and share of profit / loss of associated companies	**-6.5**	-5.5	**-26.7**	-27.7
Profit / loss before taxes	**-10.7**	-14.5	**-6.6**	18.8
Income taxes	**1.8**	5.7	**-5.6**	-7.8
Profit / loss for the period from continuing operations	**-8.9**	-8.8	**-12.2**	10.9
Discontinued operations				
Profit/loss for the period	**-1.1**	2.0	**3.4**	7.0
Impairment loss recognised on the remeasurement to fair value and gain/loss from sales	**-4.9**	-	**-23.4**	-
Profit / loss for the period from discontinued operations	**-6.0**	2.0	**-20.0**	7.0
Profit/loss for the period	**-14.8**	-6.8	**-32.2**	17.9
Attributable to				
Owners of the parent	**-14.6**	-6.8	**-32.2**	17.9
Non-controlling interest	**-0.2**	-0.0	**-0.0**	0.0
Continuing operations				
Earnings per share, EUR				
- Basic and diluted *	**-0.22**	-0.22	**-0.38**	0.11
Including discontinued operations				
Earnings per share, EUR				
- Basic and diluted *	**-0.34**	-0.18	**-0.81**	0.26

** With the effect of interest on hybrid bond for the period, net of tax*

STATEMENT OF COMPREHENSIVE INCOME EUR million	Q4 2011	Q4 2010	Q1-Q4 2011	Q1-Q4 2010
Profit / loss for the period	**-14.8**	-6.8	**-32.2**	17.9
Other comprehensive income, net of tax				
Translation differences	**15.5**	12.9	**-11.9**	39.2
Share of other comprehensive income of associates	**-**	-	**-**	-
Hedges of net investments in foreign operations	**-**	-	**-**	-2.8
Cash flow hedges	**0.1**	1.2	**-**	0.8
Other comprehensive income, net of tax	**15.7**	14.2	**-11.9**	37.3
Total comprehensive income for the period	**0.8**	7.4	**-44.1**	55.2
Attributable to				
Owners of the parent	**1.0**	7.4	**-44.0**	55.2
Non-controlling interest	**-0.2**	-0.0	**-0.0**	0.0

BALANCE SHEET EUR million	**Dec 31, 2011**	Dec 31, 2010
ASSETS		
Non-current assets		
Property, plant and equipment	**553.4**	590.1
Goodwill	**113.8**	114.1
Other intangible assets	**47.6**	41.1
Investments in associated companies, other investments and other receivables	**89.0**	57.6
Deferred tax assets	**61.2**	54.9
Total non-current assets	**865.0**	857.7
Current assets		
Inventories	**185.8**	173.6
Trade and other receivables	**241.4**	266.9
Income tax receivables	**2.4**	2.4
Other investments	**-**	-
Cash and cash equivalents	**94.0**	23.5
Total current assets	**523.6**	466.3
Assets classified as held for sale	**42.3**	234.8
Total assets	**1,430.8**	1,558.9
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent	**530.1**	623.0
Hybrid bond	**80.0**	80.0
Non-controlling interest	**12.6**	0.9
Total equity	**622.7**	703.8
Non-current liabilities		
Interest-bearing loans and borrowings	**274.2**	261.7
Employee benefit obligations	**73.3**	75.4
Provisions	**4.5**	3.0
Other liabilities	**4.8**	4.4
Deferred tax liabilities	**28.8**	27.4
Total non-current liabilities	**385.5**	371.9
Current liabilities		
Interest-bearing loans and borrowings	**58.1**	95.0
Trade and other payables	**328.8**	327.1
Income tax liabilities	**5.6**	4.4
Provisions	**20.4**	6.7
Total current liabilities	**412.8**	433.2
Total liabilities	**798.3**	805.1
Liabilities directly associated with assets classified as held for sale	**9.8**	49.9
Total equity and liabilities	**1,430.8**	1,558.9

Statement of changes in equity

1) Issued capital
2) Share premium
3) Non-restricted equity reserve
4) Hedging reserve
5) Translation reserve
6) Own shares
7) Retained earnings
8) Total attributable to owners of the parent
9) Non-controlling interest
10) Hybrid bond
11) Total equity

EUR million	1)	2)	3)	4)	5)	6)	7)	**8)**	9)	10)	**11)**
Equity at January 1, 2010	**70.0**	**209.3**	**8.3**	**-0.8**	**-17.7**	**-**	**336.6**	**605.6**	**-**	**80.0**	**685.6**
Profit / loss for the period	-	-	-	-	-	-	17.9	17.9	-	-	17.9
Other comprehensive income, net of tax											
Translation differences	-	-	-	-	39.2	-	-	39.2	-	-	39.2
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-	-	-	-
Hedges of net investments in foreign operations	-	-	-	-	-2.8	-	-	-2.8	-	-	-2.8
Cash flow hedges	-	-	-	0.8	-	-	-	0.8	-	-	0.8
Dividends paid and other	-	-	-	-	-	-	-26.2	-26.2	-	-	-26.2
Hybrid bond	-	-	-	-	-	-	-	-	-	-	-
Interest on hybrid bond	-	-	-	-	-	-	-5.6	-5.6	-	-	-5.6
Purchases of own shares	-	-	-	-	-	-2.0	-	-2.0	-	-	-2.0
Share ownership plan for EMT	-	-	-	-	-	-4.4	-	-4.4	0.9	-	-3.5
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Share-based incentive plan	-	-	-	-	-	-	0.3	0.3	-	-	0.3
Equity at December 31, 2010	**70.0**	**209.3**	**8.3**	**0.0**	**18.8**	**-6.4**	**323.0**	**623.0**	**0.9**	**80.0**	**703.8**
Equity at January 1, 2011	**70.0**	**209.3**	**8.3**	**0.0**	**18.8**	**-6.4**	**323.0**	**623.0**	**0.9**	**80.0**	**703.8**
Profit / loss for the period	-	-	-	-	-	-	-32.2	-32.2	-0.1	-	-32.2
Other comprehensive income, net of tax											
Translation differences	-	-	-	-	-11.9	-	-	-11.9	-	-	-11.9
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-	-	-	-
Hedges of net investments in foreign operations	-	-	-	-	-	-	-	-	-	-	-
Cash flow hedges	-	-	-	-	-	-	-	-	-	-	-
Dividends paid and other	-	-	-	-	-	-	-41.1	-41.1	-	-	-41.1
Hybrid bond	-	-	-	-	-	-	-	-	-	-	-
Interest on hybrid bond	-	-	-	-	-	-	-5.6	-5.6	-	-	-5.6
Purchases of own shares	-	-	-	-	-	-3.1	-	-3.1	-	-	-3.1
Share ownership plan for EMT	-	-	-	-	-	-	-	-	-	-	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	11.8	-	11.8
Share-based incentive plan	-	-	-	-	-	2.1	-1.1	1.0	-	-	1.0
Equity at December 31, 2011	**70.0**	**209.3**	**8.3**	**0.0**	**6.9**	**-7.4**	**243.0**	**530.1**	**12.6**	**80.0**	**622.7**

STATEMENT OF CASH FLOWS - including discontinued operations EUR million	Q4 2011	Q4 2010	Q1-Q4 2011	Q1-Q4 2010
Cash flow from operating activities				
Profit / loss for the period	**-14.8**	-6.8	**-32.2**	17.9
Adjustments, total	**24.2**	31.6	**141.2**	145.2
Changes in net working capital	**17.9**	12.6	**-10.7**	69.2
Change in provisions	**-1.7**	0.8	**14.0**	-4.9
Financial items	**-12.2**	-12.9	**-20.8**	-53.2
Income taxes paid / received	**-2.5**	-2.4	**-7.9**	-6.8
Net cash from operating activities	**10.9**	22.8	**83.7**	167.5
Cash flow from investing activities				
Acquisition of Group companies	**-1.2**	-	**-1.0**	-11.2
Purchases of intangible and tangible assets	**-26.0**	-19.6	**-60.0**	-48.7
Other investing activities	**111.3**	11.2	**117.7**	11.3
Net cash from investing activities	**84.1**	-8.3	**56.7**	-48.7
Cash flow from financing activities				
Dividends paid and other	**-0.1**	-0.2	**-41.2**	-25.9
Repurchase of own shares	**-3.1**	-1.1	**-3.1**	-2.0
Investment to Ahlstrom Corporation shares related to share ownership plan for EMT	**-**	-1.6	**-**	-3.5
Payments received on hybrid bond	**-**	-	**-**	-
Interest on hybrid bond	**-7.6**	-7.6	**-7.6**	-7.6
Changes in loans and other financing activities	**-13.1**	-24.7	**-18.9**	-76.9
Net cash from financing activities	**-23.9**	-35.2	**-70.7**	-115.8
Net change in cash and cash equivalents	**71.1**	-20.7	**69.7**	2.9
Cash and cash equivalents at the beginning of the period	**21.9**	44.5	**24.6**	19.9
Foreign exchange adjustment	**1.4**	0.8	**0.1**	1.7
Cash and cash equivalents at the end of the period	**94.4**	24.6	**94.4**	24.6

KEY FIGURES	Q4 2011	Q4 2010	Q1-Q4 2011	Q1-Q4 2010
Continuing operations				
Personnel costs	**-80.5**	-81.0	**-323.6**	-315.3
Depreciation and amortization	**-20.1**	-22.5	**-84.5**	-88.2
Impairment charges	**-1.7**	-0.0	**-10.8**	-0.1
Operating profit, %	**-1.1**	-2.2	**1.3**	2.8
Return on capital employed (ROCE), %	**-2.6**	-3.9	**2.0**	5.2
Basic earnings per share *, EUR	**-0.22**	-0.22	**-0.38**	0.11
Capital expenditure, EUR million	**35.9**	20.2	**66.4**	47.2
Number of employees, average	**5,187**	5,320	**5,181**	5,264
Including discontinued operations				
Personnel costs	**-84.1**	-90.3	**-353.8**	-350.0
Depreciation and amortization	**-20.2**	-26.5	**-92.3**	-104.8
Impairment charges	**-10.1**	-0.0	**-32.7**	-0.2
Operating profit, %	**-2.2**	-1.5	**0.1**	2.8
Return on capital employed (ROCE), %	**-4.3**	-2.5	**-0.1**	5.0
Return on equity (ROE), %	**-9.6**	-3.9	**-4.9**	2.6
Interest-bearing net liabilities, EUR million	**237.8**	330.1	**237.8**	330.1
Equity ratio, %	**43.6**	45.6	**43.6**	45.6
Gearing ratio, %	**38.2**	46.9	**38.2**	46.9
Basic earnings per share *, EUR	**-0.34**	-0.18	**-0.81**	0.26
Equity per share, EUR	**11.50**	13.48	**11.50**	13.48
Average number of shares during the period, 1000's	**46,180**	46,305	**46,282**	46,514
Number of shares at the end of the period, 1000's	**46,105**	46,224	**46,105**	46,224
Capital expenditure, EUR million	**36.3**	22.4	**70.4**	51.1
Capital employed at the end of the period, EUR million	**955.0**	1,058.5	**955.0**	1,058.5
Number of employees, average	**5,390**	5,884	**5,666**	5,823

** With the effect of interest on hybrid bond for the period, net of tax*

Accounting principles

This report has been prepared in accordance with IAS 34, Interim Financial reporting, as adopted by EU and the accounting principles set out in the Group's Financial Statements for 2010 except for the changes below.

Changes in accounting principles Disposals of businesses in 2011

The following new or amended standards and interpretations which the Group has adopted as of January 1, 2011 have not had impact on the consolidated financial statements.

- IAS 32 Financial Instruments: Presentation (amendment) - Classification of Rights Issues
- IAS 24 Related Party Disclosures (revised)
- IFRIC 14 Prepayments of a Minimum Funding Requirement (amendment)
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

Suominen has been included in the consolidated accounts as an associated company.

Disposals of businesses in 2011

Ahlstrom Corporation signed on August 4, 2011 an agreement to divest it's wipes fabrics business area, Home and Personal, to Suominen Corporation. Closing of the divestment was confirmed on October 20, 2011. The business was transferred on October 31, 2011 except for the Brazilian part of the business, which is estimated to be transferred in the first quarter of 2012.

The total value of the transaction including Brazilian part is approximately EUR 170 million less the cost to sell. Following the transaction, Ahlstrom becomes the largest shareholder in Suominen with a 27.1% stake. Ahlstrom has committed not to decrease its ownership in Suominen below 20% for a maximum of two years.

On December 7, 2010 Ahlstrom signed an agreement to sell Wuxi plant in China and three production lines in Bethune in the USA to Andrew Industries. Ahlstrom completed the sales of production lines in Bethune on December 22, 2010 and the sales of Wuxi on March 31, 2011. The value of the Wuxi transaction is EUR 1.1 million.

DISPOSALS OF BUSINESSES	**Wuxi**	**Home & Personal**
	Book values of assets	Book values of assets
EUR million	disposed of	disposed of
Property, plant and equipment	-	83,1
Intangible assets	-	29,2
Inventories	0,1	26,9
Trade and other receivables	0,2	6,7
Cash and cash equivalents	0,2	1,0
Financial liabilities	-	0,0
Trade and other payables	0,3	9,0
Net assets	0,3	137,8
Total transaction value	1,1	136,8
Consideration received (in cash)	0,7	138,8
Cash (disposed of)	0,2	1,0
Net cash inflow	0,5	137,8

SEGMENT INFORMATION EUR million	Q4 2011	Q4 2010	Q1-Q4 2011	Q1-Q4 2010
Building and Energy	**65.8**	75.3	**296.2**	281.6
Filtration	**79.7**	84.9	**324.5**	339.8
Food and Medical	**86.1**	92.3	**361.9**	354.7
Label and Processing	**149.6**	181.9	**678.1**	724.3
Other operations	**18.8**	14.9	**71.1**	52.4
Internal sales	**-28.7**	-32.6	**-124.6**	-116.5
Total net sales	**371.3**	416.8	**1,607.2**	1,636.3
Building and Energy	**0.7**	1.6	**3.8**	6.4
Filtration	**2.9**	2.2	**9.4**	7.4
Food and Medical	**6.3**	11.8	**34.1**	31.2
Label and Processing	**7.6**	7.9	**32.4**	30.4
Other operations	**11.2**	9.1	**44.9**	41.1
Total internal sales	**28.7**	32.6	**124.6**	116.5
Building and Energy	**-7.7**	1.2	**-27.8**	2.8
Filtration	**4.6**	-20.7	**22.8**	3.1
Food and Medical	**2.0**	2.1	**12.0**	13.0
Label and Processing	**-1.5**	5.0	**11.6**	32.2
Other operations	**-1.7**	3.5	**1.5**	-4.7
Eliminations	**0.0**	0.0	**0.0**	0.1
Operating profit / loss	**-4.2**	-9.0	**20.1**	46.5
Return on capital employed (RONA), %				
Building and Energy	**-24.3**	3.2	**-19.8**	1.8
Filtration	**11.1**	-46.4	**13.6**	1.8
Food and Medical	**3.9**	4.0	**5.7**	6.3
Label and Processing	**-2.4**	7.1	**4.4**	10.9
Group (ROCE), %	**-2.6**	-3.9	**2.0**	5.2
Building and Energy	**129.4**	151.0	**129.4**	151.0
Filtration	**168.5**	166.1	**168.5**	166.1
Food and Medical	**208.4**	213.0	**208.4**	213.0
Label and Processing	**247.2**	277.9	**247.2**	277.9
Other operations	**10.9**	-7.7	**10.9**	-7.7
Eliminations	**-0.3**	-0.3	**-0.3**	-0.3
Total net assets	**764.1**	800.1	**764.1**	800.1
Building and Energy	**2.8**	3.3	**7.5**	6.0
Filtration	**11.0**	3.6	**21.8**	6.8
Food and Medical	**9.8**	3.1	**16.4**	13.0
Label and Processing	**11.4**	9.0	**17.9**	19.4
Other operations	**0.8**	1.3	**2.8**	2.1
Total capital expenditure	**35.9**	20.2	**66.4**	47.2

Building and Energy	**-4.3**	-4.6	**-18.2**	-18.1
Filtration	**-4.4**	-4.8	**-16.7**	-19.1
Food and Medical	**-4.4**	-5.4	**-18.4**	-20.2
Label and Processing	**-6.6**	-7.2	**-27.9**	-28.4
Other operations	**-0.5**	-0.6	**-3.2**	-2.3
Total depreciation and amortization	**-20.1**	-22.5	**-84.5**	-88.2
Building and Energy	**-2.0**	-	**-11.1**	-
Filtration	**-**	-	**-**	-
Food and Medical	**-**	-	**-**	-
Label and Processing	**0.2**	-0.0	**0.2**	-0.1
Other operations	**-**	-	**-**	-
Total impairment charges	**-1.7**	-0.0	**-10.8**	-0.1
Building and Energy	**-6.5**	-	**-29.0**	-
Filtration	**1.1**	-24.9	**0.8**	-24.7
Food and Medical	**0.4**	-1.8	**0.3**	-1.0
Label and Processing	**-0.7**	0.1	**-2.0**	1.6
Other operations	**-0.1**	5.0	**0.4**	3.8
Total non-recurring items	**-5.9**	-21.7	**-29.6**	-20.3

SEGMENT INFORMATION	**Q4**	Q4	**Q1-Q4**	Q1-Q4
Thousands of tons	**2011**	2010	**2011**	2010
Building and Energy	**27.5**	32.5	**127.1**	124.2
Filtration	**26.3**	28.5	**110.9**	115.1
Food and Medical	**29.2**	32.1	**128.7**	125.4
Label and Processing	**124.6**	143.3	**557.5**	601.0
Other operations	**2.0**	2.4	**9.3**	8.2
Eliminations	**-11.8**	-13.9	**-52.0**	-54.5
Total sales tons, thousands of tons	**197.8**	224.9	**881.6**	919.3

Segment information is presented according to the IFRS standards.

NET SALES BY REGION - including discontinued operations	**Q4**	Q4	**Q1-Q4**	Q1-Q4
EUR million	**2011**	2010	**2011**	2010
Europe	**204.0**	247.2	**981.2**	987.3
North America	**86.2**	118.1	**420.6**	455.9
South America	**51.5**	54.0	**212.8**	214.1
Asia-Pacific	**48.6**	51.7	**202.4**	197.5
Rest of the world	**7.7**	10.4	**35.7**	39.4
Total net sales	**397.9**	481.4	**1,852.6**	1,894.2

CHANGES OF PROPERTY, PLANT AND EQUIPMENT - including discontinued operations EUR million	Q1-Q4 2011	Q1-Q4 2010
Book value at Jan 1	**704.9**	717.6
Acquisitions through business combinations	**-**	12.2
Additions	**69.5**	49.9
Disposals	**-87.9**	-10.2
Depreciations and impairment charges	**-103.2**	-99.2
Translation differences and other changes	**-10.0**	34.6
Book value at the end of the period	**573.3**	704.9

TRANSACTIONS WITH RELATED PARTIES - including discontinued operations EUR million	Q1-Q4 2011	Q1-Q4 2010
Transactions with associated companies		
Sales and interest income	**5.0**	0.5
Purchases of goods and services	**-4.2**	-2.8
Trade and other receivables	**7.3**	0.1
Trade and other payables	**1.2**	0.2

Market prices have been used in transactions with associated companies.

OPERATING LEASES - including discontinued operations EUR million	Dec 31, 2011	Dec 31, 2010
Current portion	**5.8**	7.1
Non-current portion	**19.7**	20.3
Total	**25.5**	27.4

COLLATERALS AND COMMITMENTS - including discontinued operations EUR million	Dec 31, 2011	Dec 31, 2010
Mortgages	**73.0**	73.0
Pledges	**0.3**	0.2
Commitments		
Guarantees given on behalf of group companies	**19.5**	19.8
Guarantees given on behalf of associated companies	**15.0**	-
Capital expenditure commitments	**19.4**	3.6
Other commitments	**3.1**	2.6

QUARTERLY DATA EUR million	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Continuing operations								
Net sales	**371.3**	389.7	423.7	422.5	416.8	413.0	424.9	381.6
Cost of goods sold	**-331.8**	-359.0	-366.2	-364.9	-367.5	-357.8	-358.3	-330.4
Gross profit	**39.6**	30.7	57.5	57.6	49.3	55.2	66.6	51.2
Sales and marketing expenses	**-13.6**	-11.4	-11.7	-13.2	-11.7	-12.1	-13.0	-12.4
R&D expenses	**-4.0**	-4.9	-4.0	-4.9	-5.0	-4.8	-4.6	-4.2
Administrative expenses	**-22.6**	-23.0	-23.8	-20.7	-25.2	-23.1	-25.9	-22.6
Other operating income	**4.2**	1.4	5.0	1.8	8.3	0.8	5.8	2.0
Other operating expense	**-7.6**	-10.2	-0.8	-0.9	-24.6	-1.9	-0.6	-0.9
Operating profit / loss	**-4.2**	-17.3	22.1	19.5	-9.0	14.1	28.2	13.1
Net financial expenses and share of profit / loss of associated companies	**-6.5**	-7.1	-7.8	-5.2	-5.5	-8.5	-7.2	-6.6
Profit / loss before taxes	**-10.7**	-24.4	14.3	14.3	-14.5	5.7	21.0	6.5
Income taxes	**1.8**	4.3	-5.8	-5.9	5.7	-4.2	-7.4	-1.9
Profit / loss for the period from continuing operations	**-8.9**	-20.2	8.5	8.3	-8.8	1.5	13.6	4.6
Discontinued operations								
Profit/loss for the period	**-1.1**	1.9	1.3	1.3	2.0	2.6	1.5	0.9
Impairment loss recognised on the remeasurement to fair value and gain/loss from sales	**-4.9**	-0.2	-18.4	-	-	-	-	-
Profit / loss for the period from discontinued operations	**-6.0**	1.8	-17.1	1.3	2.0	2.6	1.5	0.9
Profit/loss for the period	**-14.8**	-18.4	-8.6	9.6	-6.8	4.1	15.1	5.5
Attributable to								
Owners of the parent	**-14.6**	-18.4	-8.6	9.4	-6.8	4.1	15.1	5.5
Non-controlling interest	**-0.2**	-0.0	-0.0	0.2	-0.0	0.0	-	-

QUARTERLY DATA BY SEGMENT	**Q4**	Q3	Q2	Q1	Q4	Q3	Q2	Q1
EUR million	**2011**	2011	2011	2011	2010	2010	2010	2010
Net sales								
Building and Energy	**65.8**	68.9	79.6	82.0	75.3	69.6	71.3	65.3
Filtration	**79.7**	78.7	83.8	82.3	84.9	87.4	88.5	79.0
Food and Medical	**86.1**	91.5	90.9	93.4	92.3	88.7	91.7	82.0
Label and Processing	**149.6**	163.6	183.2	181.7	181.9	182.2	188.1	172.0
Other operations and eliminations	**-9.9**	-12.9	-13.8	-16.9	-17.7	-14.9	-14.8	-16.6
Group total	**371.3**	389.7	423.7	422.5	416.8	413.0	424.9	381.6
Operating profit / loss								
Building and Energy	**-7.7**	-23.4	0.2	3.1	1.2	0.9	1.9	-1.1
Filtration	**4.6**	4.5	6.6	7.1	-20.7	7.0	9.4	7.5
Food and Medical	**2.0**	4.2	2.9	3.0	2.1	1.6	5.3	4.0
Label and Processing	**-1.5**	-3.7	10.5	6.2	5.0	7.7	14.2	5.3
Other operations and eliminations	**-1.7**	1.1	1.9	0.1	3.5	-3.1	-2.6	-2.5
Group total	**-4.2**	-17.3	22.1	19.5	-9.0	14.1	28.2	13.1
Operating profit / loss excl. NRI								
Building and Energy	**-1.1**	-0.9	0.2	3.1	1.2	0.9	1.9	-1.1
Filtration	**3.5**	4.2	6.1	8.2	4.2	6.8	9.4	7.5
Food and Medical	**1.6**	4.3	2.9	3.0	3.9	1.6	4.5	4.0
Label and Processing	**-0.8**	-0.6	8.8	6.2	4.9	6.2	14.2	5.3
Other operations and eliminations	**-1.6**	1.1	2.5	-0.8	-1.5	-1.6	-2.6	-2.8
Group total	**1.7**	8.0	20.4	19.7	12.7	13.8	27.4	12.8
Sales tons, thousands of tons								
Building and Energy	**27.5**	30.3	34.6	34.7	32.5	29.7	31.9	30.1
Filtration	**26.3**	27.0	29.2	28.4	28.5	28.9	29.7	28.0
Food and Medical	**29.2**	32.4	33.3	33.7	32.1	30.1	32.3	30.9
Label and Processing	**124.6**	135.1	149.7	148.2	143.3	144.5	156.9	156.2
Other operations and eliminations	**-9.8**	-10.3	-11.1	-11.4	-11.5	-10.7	-11.6	-12.5
Group total	**197.8**	214.4	235.7	233.6	224.9	222.5	239.2	232.7

KEY FIGURES QUARTERLY EUR million	**Q4 2011**	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Continued operations								
Net sales	**371,3**	389,7	423,7	422,5	416,8	413,0	424,9	381,6
Operating profit / loss	**-4,2**	-17,3	22,1	19,5	-9,0	14,1	28,2	13,1
Profit / loss before taxes	**-10,7**	-24,4	14,3	14,3	-14,5	5,7	21,0	6,5
Profit / loss for the period	**-8,9**	-20,2	8,5	8,3	-8,8	1,5	13,6	4,6
Return on capital employed (ROCE), %	**-2,6**	-8,6	10,2	9,2	-3,9	6,0	12,4	5,9
Basic earnings per share *, EUR	**-0,22**	-0,47	0,16	0,14	-0,22	0,00	0,26	0,07
Including discontinued operations								
Net sales	**397,9**	466,2	496,8	491,6	481,4	482,4	489,4	441,0
Operating profit / loss	**-8,9**	-13,5	3,6	20,8	-7,0	16,9	29,8	14,0
Profit / loss before taxes	**-17,4**	-20,7	-4,4	15,5	-12,6	8,3	22,5	7,4
Profit / loss for the period	**-14,8**	-18,4	-8,6	9,6	-6,8	4,1	15,1	5,5
Gearing ratio, %	**38,2**	54,3	52,6	48,4	46,9	47,7	50,3	55,3
Return on capital employed (ROCE), %	**-4,3**	-5,7	1,1	8,2	-2,5	6,0	10,9	5,2
Basic earnings per share *, EUR	**-0,34**	-0,43	-0,21	0,17	-0,18	0,06	0,29	0,09
Average number of shares during the period, 1000's	**46 180**	46 350	46 349	46 248	46 305	46 517	46 596	46 642

** With the effect of interest on hybrid bond for the period, net of tax*

Calculation of key figures

Interest-bearing net liabilities	Interest-bearing loans and borrowings - Cash and cash equivalents – Other investments (current)	
Equity ratio, %	Total equity / Total assets - Advances received	x 100
Gearing ratio, %	Interest-bearing net liabilities / Total equity	x 100
Return on equity (ROE), %	Profit (loss) for the period / Total equity (annual average)	x 100
Return on capital employed (ROCE), %	Profit (loss) before taxes + Financing expenses / Total assets (annual average) - Non-interest bearing liabilities (annual average)	x 100
Return on capital employed (RONA), %	Operating profit/loss / Working capital (annual average) + Property, plant and equipment and Intangible assets (annual average)	x 100
Basic earnings per share, EUR	Profit (loss) for the period – Non-controlling interest – Interest on hybrid bond for the period, net of tax / Average number of shares during the period	
Diluted earnings per share, EUR	Profit (loss) for the period – Non-controlling interest – Interest on hybrid bond for the period, net of tax / Average diluted number of shares during the period	
Equity per share, EUR	Equity attributable to owners of the parent / Number of outstanding shares at the end of the period	