Munksjö Oyj
Financial Statements 2013

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Stockholm, 13 February 2014
Jan Åström, President and CEO

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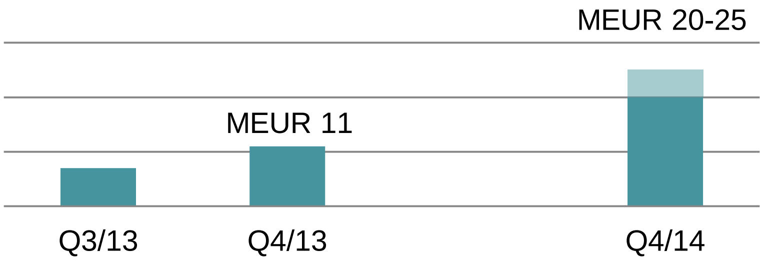
Synergies expected to be achieved ahead of initial plan

Munksjö Oyj is a combination of Munksjö AB and Ahlstrom's Label and Processing business area

a natural step in Munksjö's strategy to focus on growth within specialty papers

Annual synergy savings of MEUR 20-25

- Annual synergy savings run-rate at the end of Q4/13 at approx. MEUR 11
- MEUR 5 of synergies were realised and recorded in the 2013 financial results
- Annual synergy savings run-rate within the communicated range expected to be reached already during 2014



Approximately MEUR 10-15 of annual stand-alone net cost savings

- Annual level is expected to be MEUR 11

Update on synergies

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Synergies achieved primarily within procurement and improved efficiency

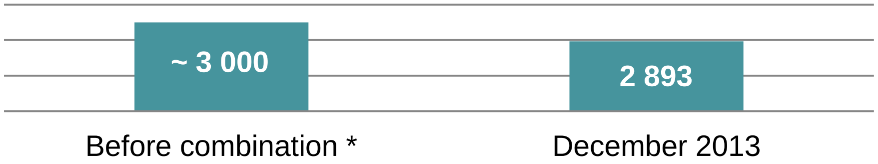
Procurement

- Some impact already during 2013
- Further impact from beginning of 2014 as already negotiated terms implemented

Organisational efficiency

- Structure of sales organisation already optimised during 2013
- Personnel negotiations in Graphics and Packaging have been initiated and the ambition is to finalise them during Q1/2014

Personnel development (headcount)



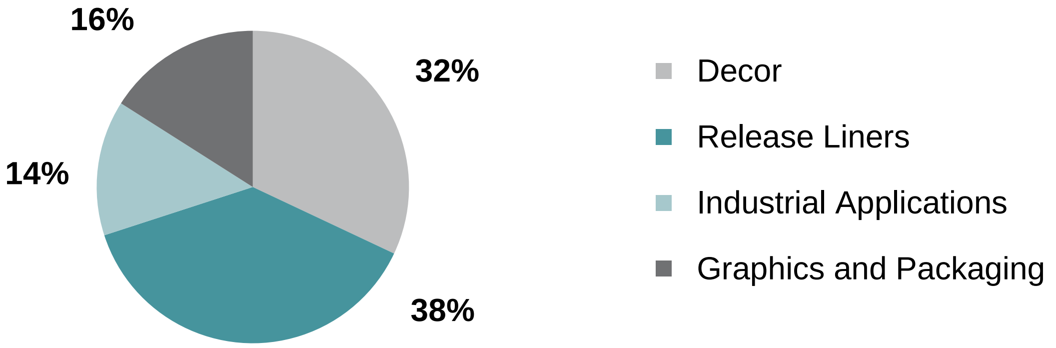
* Munksjö AB and ALP

Total cost to achieve synergies estimated to be MEUR 10-15

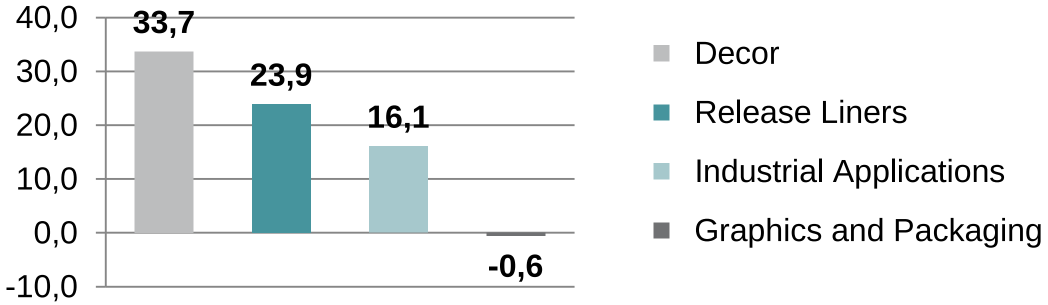
- MEUR 11 were recorded in the 2013 financial results as one-off items
- Cash flow effect in 2013 of MEUR 4

Business Area performance

Share of net sales, pro forma II* for full year 2013***



EBITDA adj., pro forma II* for full year 2013***, MEUR**



* Pro forma figure includes both the European and Brazilian operations of Ahlstrom's Label and Processing business area ** Adjusted for non-recurring items
*** Excluding segment Others and internal eliminations

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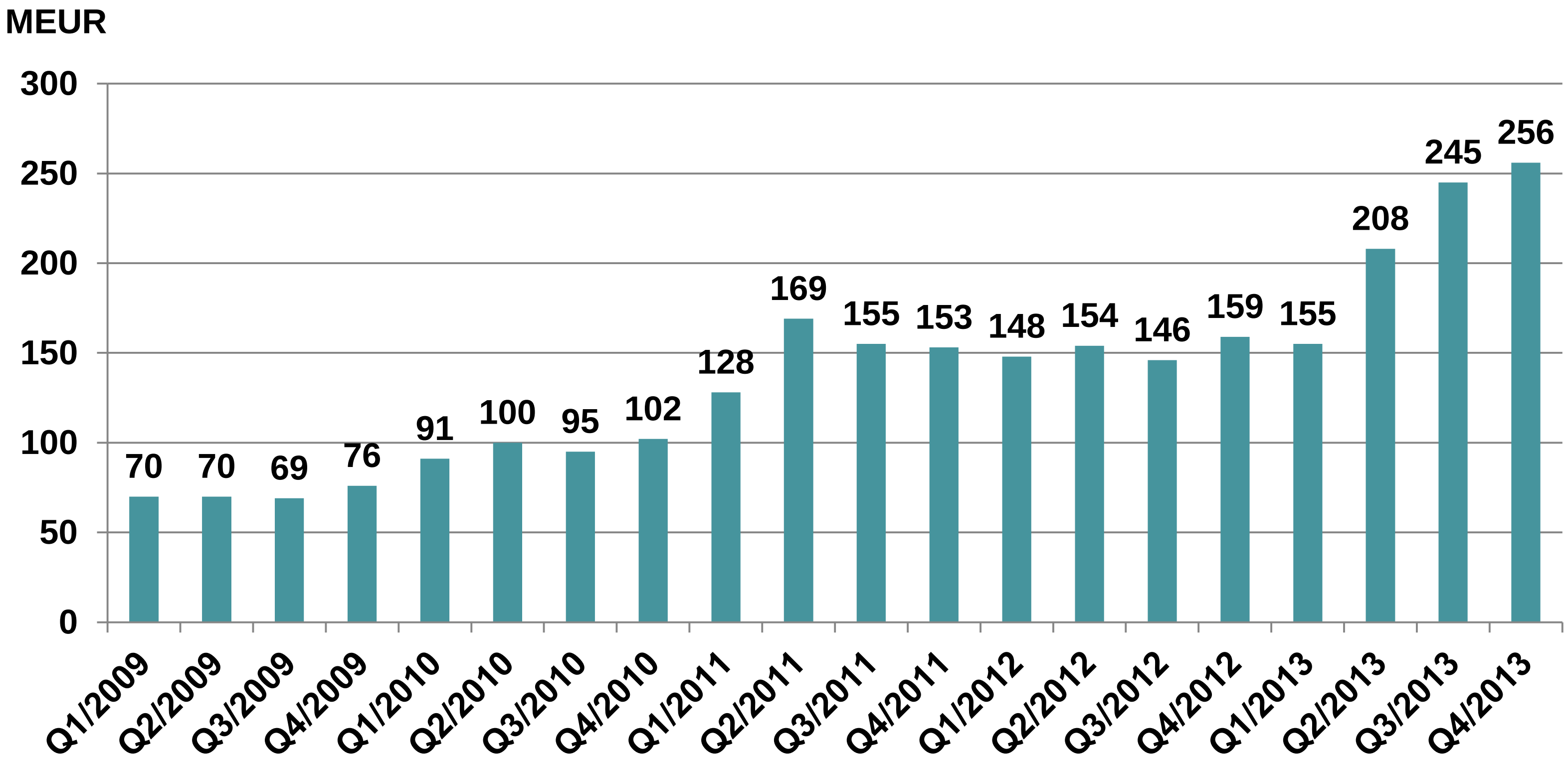
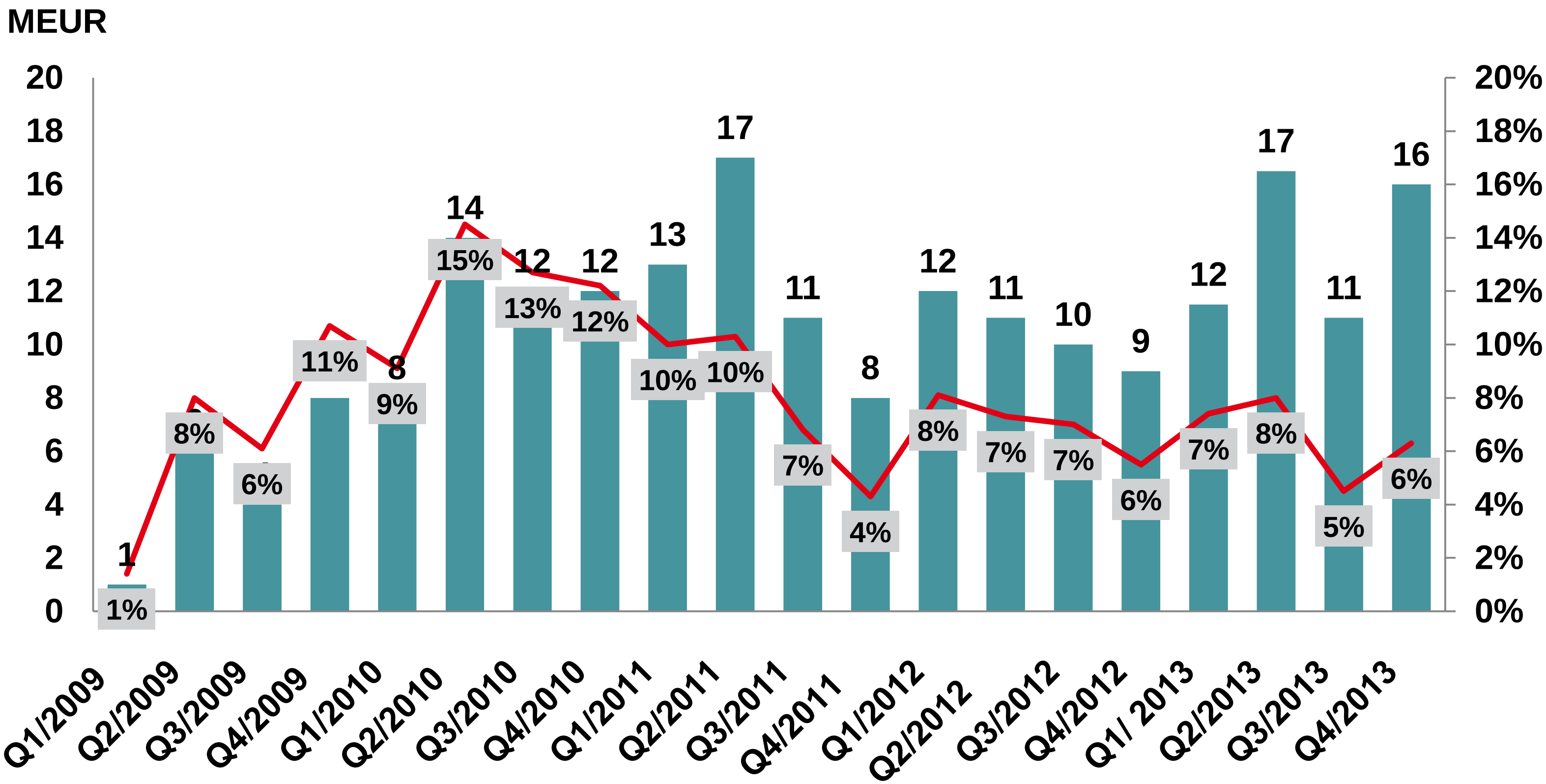
Net sales development 2009-2013



EBITDA (adj.*) and margin development 2009-2013



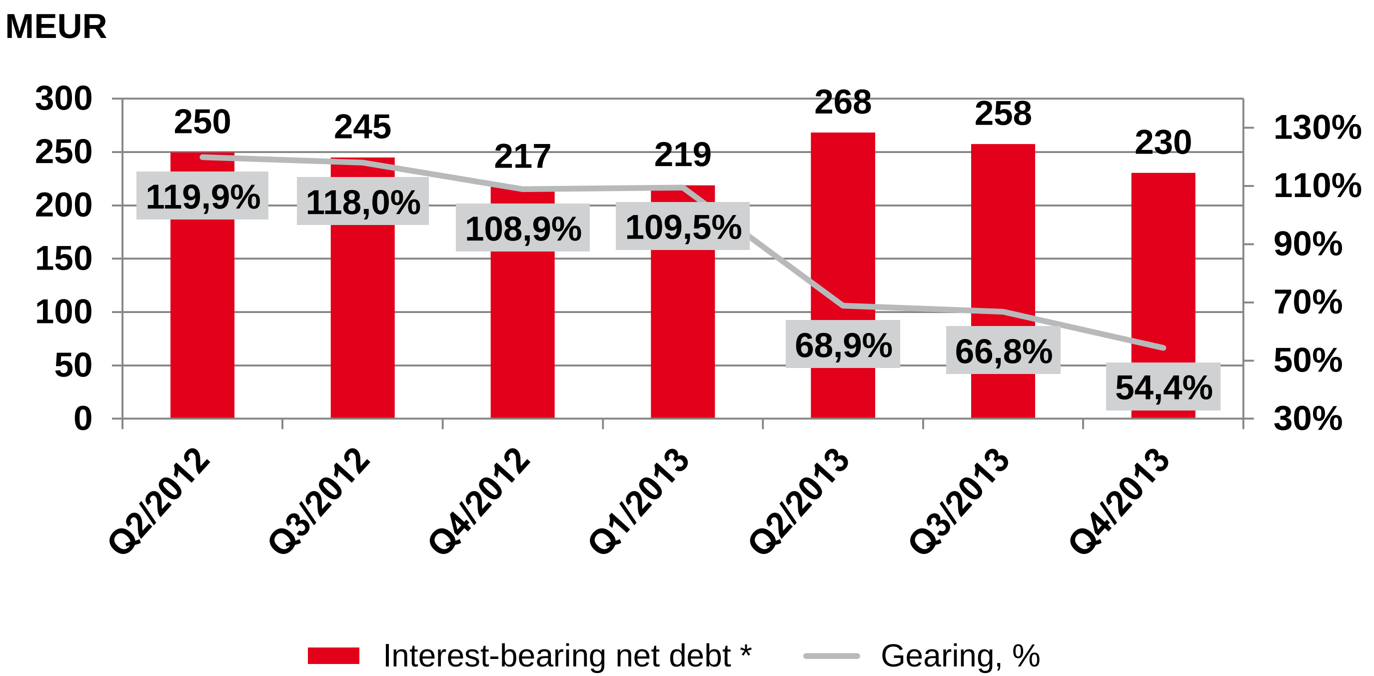
* Adjusted for non-recurring items

Key figures

REPORTED 1), MEUR	Q4/2013	Q4/2012	FY 2013	FY 2012
Net sales	**255.7**	159.1	**863.3**	607.1
EBITDA (adj.*)	**16.0**	8.8	**55.0**	42.3
EBITDA margin, (adj.*), %	**6.3%**	5.6%	**6.4%**	7.0%
EBITDA	**-0.6**	6.6	**5.9**	32.8
Operating profit (adj.*)	**2.6**	1.9	**15.7**	16.9
Operating profit	**-14.0**	-0.3	**-33.4**	7.5
Net profit	**-26.2**	-4.6	**-57.4**	-10.4
EPS (EUR)	**-0.6**	-0.4	**-2.0**	-0.9
PRO FORMA II 2) , MEUR	**Q4/2013**	Q4/2012	**FY 2013**	FY 2012
Net sales	**265.2**	288,5	**1 120.3**	1 154.6
EBITDA** (adj.*)	**16.8**	23.3	**64.1**	76.6
EBITDA margin**, (adj.*), %	**6.3%**	8.1%	**5.7%**	6.6%

1) Includes LP Europe from 27 May 2013 and Coated Specialties from 2 December 2013 2) Incl. LP Europe and Coated Specialties from 1 January 2012
* Adjusted for non-recurring items ** Includes stand-alone cost savings and synergies obtained after 27 May 2013

Net debt development



***** Comparative figures have been restated due to the change in presentation currency from Swedish krona to Euro

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Business Area Decor

REPORTED, MEUR	Q4/2013	Q4/2012	FY 2013	FY 2012
Deliveries, tonnes	**42 800**	45 500	**174 800**	166 500
Net sales	**89.9**	99.7	**368.2**	368.4
EBITDA (adj.*)	**8.7**	8.7	**33.7**	30.3
EBITDA margin (adj.*), %	**9.7%**	8.7%	**9.2%**	8.2%

* Adjusted for non-recurring items
The business combination has not impacted the business area and therefore no pro forma-information is presented

- Volumes increased with 5% year-on-year mainly due to greater demand for pre-impregnated decor paper
- Average price was lower than in 2012, mainly due to a less favourable geographic and product mix and partly due to selective price adjustments – no overall price reductions were made during the year
- Lower raw material costs driven by lower prices on titaniumdioxide and pulp had a positive result effect

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Business Area Release Liners

REPORTED 1), MEUR	Q4/2013	Q4/2012	FY 2013	FY 2012
Deliveries, tonnes	**100 100**	46 800	**313 500**	184 600
Net sales	**87.3**	24.4	**249.1**	98.2
EBITDA (adj.*)	**5.9**	-1.4	**15.7**	4.8
EBITDA margin (adj.*), %	**6.8%**	-5.6%	**6.3%**	4.9%

PRO FORMA II 2), MEUR	Q4/2013	Q4/2012	FY 2013	FY 2012
Deliveries, tonnes	**116 575**	126 243	**497 530**	520 882
Net sales	**96.8**	110.4	**432.8**	467.2
EBITDA** (adj.*)	**6.7**	11.0	**23.9**	35.7
EBITDA margin** (adj.*), %	**6.9%**	10.0%	**5.5%**	7.6%

1) Includes LP Europe from 27 May 2013 and Coated Specialties from 2 December 2013   2) Includes LP Europe and Coated Specialties from 1 January 2012
* Adjusted for non-recurring items   ** Includes stand-alone cost savings and synergy benefits obtained after 27 May 2013

- Volumes (PFII) decreased both for pulp and paper year-on-year
- Price adjustments in paper, higher market price for NBSK
- The weak Brazilian Real against the Euro affected the euro-translated sales and result

Business Area Industrial Applications

REPORTED, MEUR	Q4/2013	Q4/2012	FY 2013	FY 2012
Deliveries, tonnes	**20 900**	18 500	**81 500**	76 100
Net sales	**42.3**	37.0	**158.0**	148.2
EBITDA (adj.*)	**5.7**	1.5	**16.1**	12.2
EBITDA margin (adj.*), %	**13.5%**	4.1%	**10.2%**	8.2%

* Adjusted for non-recurring items
The business combination has not impacted the Business Area and therefore no pro forma-information is presented

- Positive demand development in 2013, particularly in abrasive backings and thin papers, resulting in a 7% volume increase
- The project to increase capacity utilisation in the Billingsfors pulp production facility has resulted in a more favourable cost structure and increased output

Business Area Graphics and Packaging

REPORTED 1), MEUR	Q4/2013	Q4/2012	FY 2013	FY 2012
Deliveries, tonnes	**32 700**	-	**83 700**	-
Net sales	**40.4**	-	**102.4**	-
EBITDA (adj.*)	**-0.5**	-	**-1.5**	-
EBITDA margin (adj.*), %	**-1.2%**	-	**-1.5**	-

PRO FORMA II 2), MEUR	Q4/2013	Q4/2012	FY 2013	FY 2012
Deliveries, tonnes	**32 700**	34 196	**145 602**	142 289
Net sales	**40.4**	43.4	**175.9**	178.4
EBITDA** (adj.*)	**-0.5**	2.2	**-0.6**	3.7
EBITDA margin** (adj.*), %	**-1.2%**	5.1%	**-0.3%**	2.1%

* Adjusted for non-recurring items ** Includes stand-alone cost savings and synergies s obtained after 27 May 2013
1) Includes LP Europe from 27 May 2013 2) Includes LP Europe from 1 January 2012, Coated Specialties does not affect this Business Area

- Programme to substantially improve financial performance launched during Q3/13 is showing first results and negotiations regarding personnel reductions are expected to be finalised during Q1/2014
- The strategic change that involves replacing low-margin products in the product portfolio had a slightly negative impact on capacity utilisation and thus financial result towards end of the year

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Outlook for 2014

During the first half of 2014, demand for Munksjö's products is expected to be generally stable, but some improvement in certain product areas can be seen. Prices are expected to remain at the same level at the beginning of 2014 as in the fourth quarter of 2013.

The synergy benefits of EUR 20-25 million will be achieved earlier than expected, since the annual run rate is expected to be within the communicated range already during 2014, and are in their entirety expected to be realised already during 2015.

The production facility in Aspa will prolong the intervals between the maintenance stops from 12 to 18 months. This means that Aspa's maintenance shutdown will take place already in early April 2014. Otherwise, the yearly shutdowns for the holiday, during which planned maintenance operations are scheduled, are expected to be carried out to the same extent as in 2013.

1 Creating a global leader in specialty paper

2 Key financials and pro forma for 2013

3 Business Area performance

4 Outlook for 2014

5 Q&A

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Q&A

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