



Suominen Corporation

Interim Report
1 January - 31 March 2008

Presentation 23 April 2008

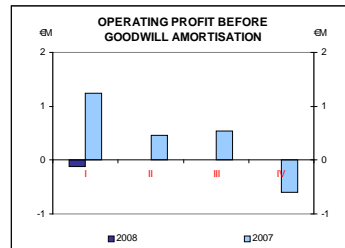
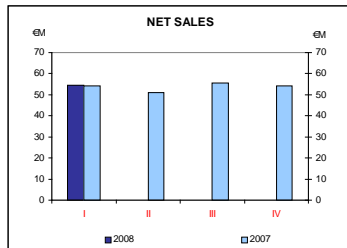
Suominen highlights

EUR million	Q1/2008	Q1/2007	Q4/2007	2007
Net sales	54.5	54.3	54.1	215.2
Operating profit before goodwill amortisation	-0.1	1.3	-0.6	1.7
Operating profit	-0.1	1.3		-6.8
Net result	-0.9	0.2		-10.1
EPS, EUR	-0.04	0.01		-0.43



- Sales were on the level of the previous year.
- Stairs to Top efficiency-enhancement programme had a positive impact of EUR 1.0 million.
- Raw material costs and decline of average sales prices affected result by EUR 1.5 million.
- Suominen issued a subordinated loan of EUR 10.0 million as a private placement.

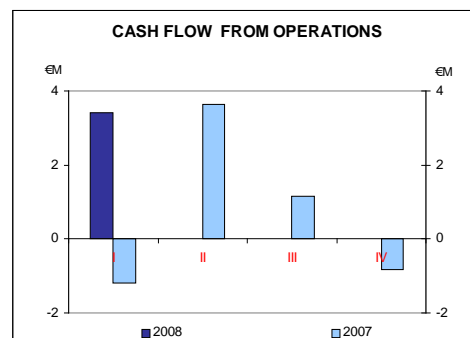
Operating loss due to high raw material prices



- Net sales EUR 54.5 million (54.3).
- Price increases were offset by gliding contract prices.
- Q1 operating profit EUR -0.1 million (1.3).
- Raw material prices (especially viscose) continued to rise, some levelling off seen in March.
- Stairs to Top programmes progressed in cost savings and efficiency enhancement.

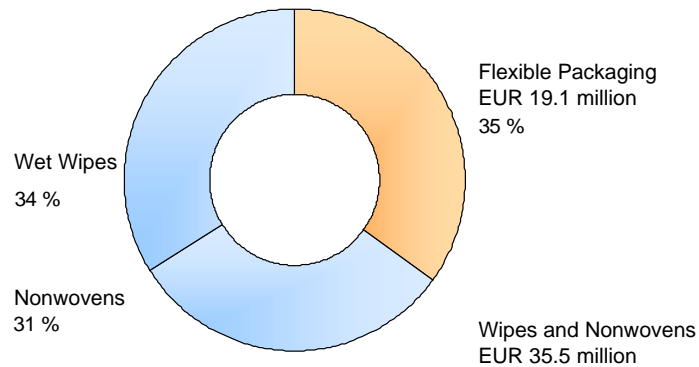
Operating cash flow

- Cash flow from operations was EUR 3.4 million (-1.2).
- Gross investments were EUR 1.0 million.
- Working capital down by EUR 0.8 million (up by 1.5)
- Capital loan of EUR 10.0 million was issued.



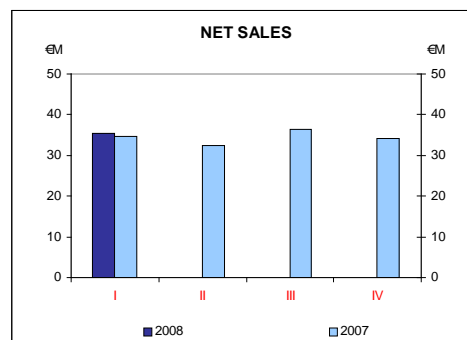
Break down of net sales 1 - 3/2008

EUR 54.5 million



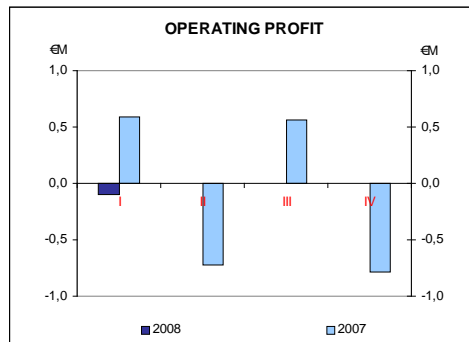
Wipes and Nonwovens - growth continued

- Q1 net sales, EUR 35.5 million, were up by 3%.
- Net sales of **Wet Wipes**, EUR 18.5 million, improved by 3%.
- Sales volumes grew, especially in personal care wipes.
- Average sales prices declined slightly.
- Net sales of **Nonwovens**, EUR 20.6 million, improved by 15%.
- Sale of hygiene material grew.
- Internal deliveries up.
- In wiping materials, swift of volumes from US to Europe.



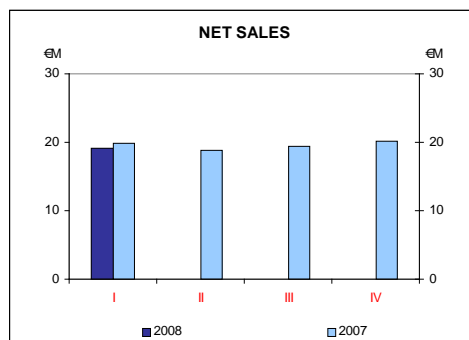
Wipes and Nonwovens - challenges in operations

- In **Wet Wipes**, prices continued to decline.
- The change of recipes to more cost-effective raw materials was started.
- Development in operational efficiency.
- **Nonwovens'** result suffered from continued increases in raw material prices.
- Operational efficiency stabilised.
- Reductions in personnel.



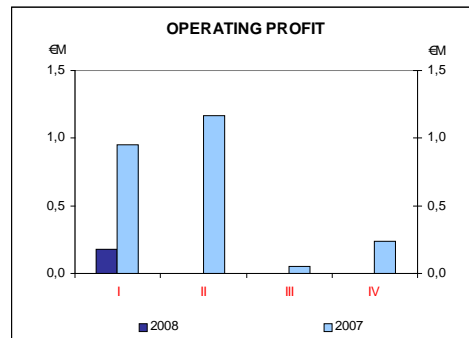
Flexible Packaging - sideline development in sales

- Q1 net sales, EUR 19.1 million, were slightly down on the previous year.
- Sales of hygiene packaging down.
- Growth in sales of food packaging.
- Sales of PET bottle labels and Security and System packaging progressed well.
- Retail sector within normal variations.



Flexible Packaging - raw material price and cost pressures

- Raw material prices were higher than in Q1/2007 and Q4/2007.
- Production volumes slightly down in spite of some stock building.
- Production in Polish plant increased by 15%.
- Employee negotiations were started to secure the competitiveness of the Finnish plants, total reduction in personnel 50 persons.



Outlook

- Consumption of the main products produced by Suominen is expected to grow faster than general consumption on the Company's geographical markets.
- The focus of Suominen's operations in 2008 will be on securing a clear improvement in profitability, strong cash flow and capital structure. Investments already made, together with investments in know-how, will help improve efficiency. The ongoing cost-saving and efficiency-enhancement programme is expected to improve Suominen's competitiveness.
- The prices of the main raw materials used by Suominen have continued to increase this year, and they are expected to remain high for at least the first part of the year. Also energy prices are expected to remain high.
- Underlying operating profit is expected to improve on 2007 although no major changes are expected in the level of net sales. Q2 is anticipated to continue to be challenging.

