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A N N U A L R E P O R T

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We provide products and solutions
that bring greater convenience
to people's everyday lives.



Suominen in Brief

Suominen supplies industry and retailers with wet wipes, non-wovens, and flexible packaging for use in consumer products that people use every day – through two business areas: Wiping and Flexibles.

Expertise in wipes and nonwovens

Suominen Codi Wipes, part of the Wiping business, is Europe's third-largest producer of wet wipes. Its products, supplied to retail chains and many high-profile brands, are used in baby care, personal hygiene, and household cleaning.

Suominen Nonwovens, also part of the Wiping business, is one of Europe's leading producers of nonwovens and has been a pioneer in developing wet wipe materials. The business supplies nonwovens as roll goods for wipes and hygiene and wound care products. Products are mainly supplied to the world's leading companies in the field of everyday consumer goods.

High-quality packaging solutions

Suominen Flexibles produces high-quality, plastic film packaging for consumer applications for industrial and retail use, focusing on food, hygiene, retail, and security & system packaging.

Typical solutions include packaging for baked goods, frozen vegetables, female hygiene products, and tissue products. Customers include major international brands and leading regional and local manufacturers. Suominen Flexibles is Finland's leading carrier bag manufacturer and a major producer of security bags used for storing and transporting money, documents, and valuables.

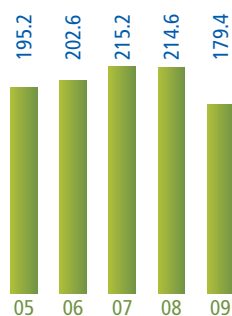
Products that bring greater convenience to people's everyday lives

Suominen provides products and services that bring greater convenience to people's everyday lives. The company's main markets are in Northern Europe, with some products also going to customers in North America and Russia. International operations account for 83% of Suominen's business; and production takes place at plants in Finland, the Netherlands, and Poland. The Group employed an average of 944 people in 2009, when it recorded net sales of EUR 179.4 million.

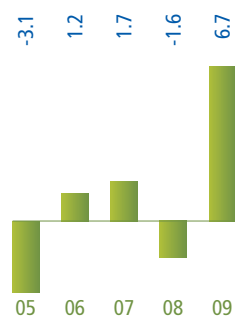
Key figures

	2005	2006	2007	2008	2009
Net sales, € million	195.2	202.6	215.2	214.6	179.4
Operating profit before impairment losses, € million	-3.1	1.2	1.7	-1.6	6.7
Operating profit, € million	-3.1	1.2	-6.8	-4.0	6.7
Profit before income taxes, € million	-6.8	-2.7	-10.7	-8.8	1.0
Cash flow from operations, € million	0.1	12.5	2.7	18.9	26.8
Investments, € million	7.7	4.3	11.3	3.9	4.5
Equity ratio, %	31.2	32.3	26.9	24.6	29.9
Equity/share, €	2.44	2.40	1.96	1.50	1.55
Earnings/share, €	-0.15	-0.08	-0.43	-0.31	0.04
Cash flow from operations/share, €	0.01	0.53	0.12	0.80	1.13
Personnel, average	1 242	1 058	1 070	1 019	944

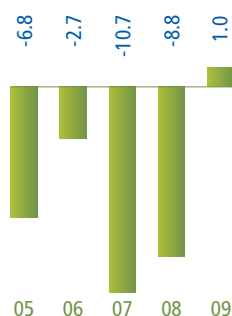
Net sales, € million



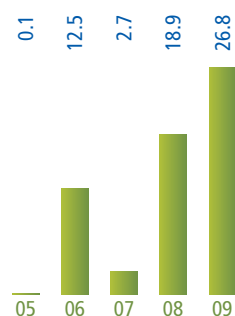
Operating profit before impairment losses, € million



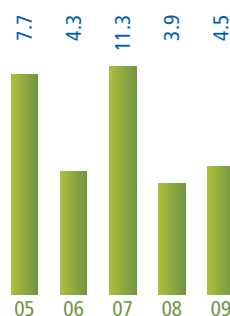
Profit before income taxes, € million



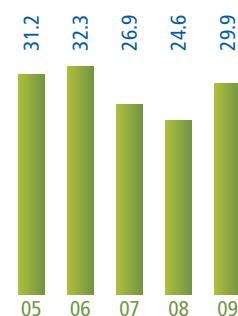
Cash flow from operations, € million



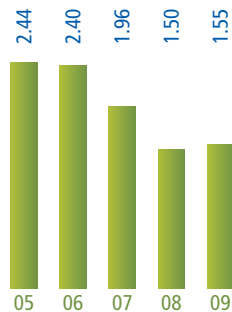
Investments, € million



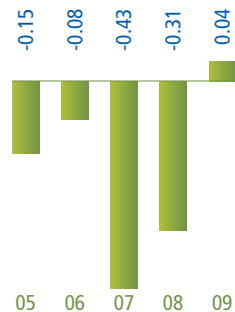
Equity ratio, %



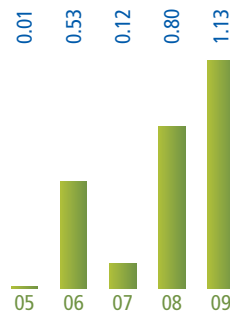
Equity/share, €



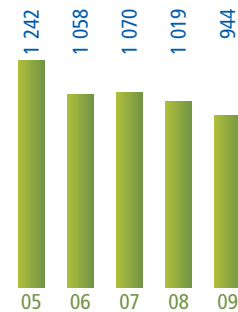
Earnings/share, €



Cash flow from operations/share, €



Average personnel



Year 2009 in Brief

Suominen's net sales for 2009 totalled EUR 179.4 million (214.6). Operating profit was EUR 6.7 million (-4.0), profit before taxes EUR 1.0 million (-8.8) and profit after taxes EUR 0.9 million (-7.2). The financial statements include non-recurring costs of EUR 1.2 million (4.1). Due to exceptional raw-material cycle the best result was recorded in the first quarter of the financial year.

Net sales declined by 16% compared to the previous year. Around one third of the decline resulted from a decrease in oil-based raw material prices. Sales volumes declined also due to the company's own rationalisation measures and decreased demand.

Suominen's cost-saving and operational enhancement programmes have continued, which brought operating expenses to a substantially lower level than in 2008. In early 2009, a significant rationalisation of operations was completed in the Netherlands and measures were started up during the final quarter of the year to discontinue flexible packaging production in Sweden. On average, the prices of oil-based raw materials were lower than in the previous year. However, prices rose from the beginning of the year and levelled out only during the last quarter. The margins for sales improved from the previous year.

The efficiency of the use of funds was improved by releasing working capital and limiting investments to measures that improve efficiency. The strong cash flow from operations, EUR 26.8 million (18.9), was used to reduce net debt by EUR 22.2 million during the year under review. The Stairs to Top programme was continued by improving operational efficiency and renewing the product offering. The cost savings and efficiency-enhancement measures generated more than EUR 7 million. When the capital loans are included in shareholders' equity, the ratio of liabilities to shareholders' equity was 114.4% (157%).

In 2009, net sales of the Wiping business area totalled EUR 113.5 million and declined by 18% on the previous year. The business area's operating profit was EUR 4.3 million (-4.8). Within the business area, net sales of Codi Wipes, at EUR 64.5 million, declined by 11% on the previous year. Net sales of Nonwovens came to EUR 56.9 million, and represented a 25% decrease from 2009. Net sales of Flexibles business area totalled EUR 66.9 million and declined by 13%. Flexibles' operating profit was EUR 2.8 million (1.2).



Balance sheet 31 December

€ million	2009	2008
Assets		
Goodwill	23.4	23.4
Tangible non-current assets	57.0	62.7
Other non-current assets	2.2	3.2
Non-current assets, total	82.6	89.3
Inventories	22.6	24.0
Trade receivables	11.5	21.2
Other current assets	6.1	9.3
Current assets, total	40.2	54.5
Assets, total	122.8	143.8
Shareholders' equity and liabilities		
Shareholders' equity	36.7	35.4
Deferred tax liabilities	3.1	3.7
Provisions	0.3	
Capital loans	6.0	8.0
Interest-bearing liabilities	43.3	66.4
Non-current liabilities, total	52.7	78.1
Interest bearing liabilities	9.5	10.0
Capital loans	2.0	2.0
Income tax liabilities		0.2
Trade payables and other current liabilities	21.9	18.1
Current liabilities, total	33.4	30.3
Liabilities, total	86.1	108.4
Shareholders' equity and liabilities, total	122.8	143.8

Statement of income 1 January–31 December

€ million	2009	2008
Net sales	179.4	214.6
Costs of goods sold	-159.0	-203.4
Gross profit	20.4	11.2
Other operating income and expenses	-13.7	-12.7
Operating profit before impairment losses	6.7	-1.5
Impairment losses		-2.5
Operating profit/loss	6.7	-4.0
Financial income and expenses	-5.7	-4.8
Profit/loss before income taxes	1.0	-8.8
Income taxes	-0.1	1.6
Profit/loss for the period	0.9	-7.2

Cash flow statement 1 January–31 December

€ million	2009	2008
Profit for the period	0.9	-7.2
Adjustments on profit/loss for the period	16.2	17.9
Cash flow before change in working capital	17.1	10.7
Change in working capital	15.2	12.3
Financial items	-5.2	-4.7
Taxes paid	-0.3	0.6
Cash flow from operations	26.8	18.9
Cash flow from investments	-4.0	-3.3
Financing		
Non-current loans drawn	41.5	33.0
Repayments of non-current loans	-65.0	-35.2
Withdrawals of capital loans		10.0
Repayments of capital loans	-2.0	-2.0
Change in current loans		-18.3
Cash flow from financing	-25.5	-12.5
Change in cash and cash equivalents	-2.7	3.1

Review by the President and CEO

The economic recession proved exceptionally challenging, both for us at Suominen and our customers, in 2009. We succeeded very well in responding to the difficult market situation, however, and achieved our main goals – improving our profitability, recording a positive net result, and strengthening our balance sheet.

Our improved performance in 2009 showed that by developing our operations and expertise, following up new opportunities, and continuously changing we can create the basis for achieving our future goals.

Our business is about serving customers that provide consumers with products they use every day, and being a partner for them. Due to the economic crisis, the demand for consumer staples was lower in 2009 than in 2008, and this translated into lower volumes for us. The biggest reasons behind this fall in volume were softer consumer demand, changes in consumer behaviour, and our decision to withdraw from some product segments as a means of improving our profitability.

The lower level of overall consumer demand saw a drop in raw material prices in the later part of 2008. Despite softer demand, prices for plastics in particular rose at the very start of 2009, which put our profitability under some strain. We were quite successful in passing on these higher raw material costs to our own prices, however, which improved our sales margins.

Major results through long-term work

Suominen's Stairs to Top productivity enhancement programme has been in place for a few years now and proved particularly useful in 2009. We succeeded in exceeding our cost-saving targets, and measures designed to improve our operational efficiency progressed well. We improved productivity on most of our lines significantly, despite lower production volumes. We were forced to

draw down capacity by making temporary lay-offs in Nonwovens and Flexibles, however, because of lower sales volumes.

By improving the efficiency of our operations and successfully managing our working capital we created a very strong level of cash flow, which enabled us to pay off our debts and strengthen our balance sheet. Combined with the financing agreement that we negotiated at the end of 2008, this will give us a good foundation as we go forward.

Sustainable development and minimising our impact on the environment have been integral to our operations for many years. Key areas where we have made progress include improving material usage, increasing the use of recycled materials, and optimising product properties while using a minimum of raw material input. New research by the Finnish Environment Institute on the environmental profile of retail carrier bags supports our emphasis on the use of recycled materials, as it confirmed that using recycled plastic bags is better for the environment than paper, cotton, or biodegradable ones.

Moving steadily in the right direction

The early part of the year at Nonwovens was overshadowed by the sales volume losses recorded in 2008. A lay-off plan was drawn up for the year, despite the reductions in production capacity introduced in 2008. Thanks to active sales work and rapid product innovations developed with some customers, however, we were able to develop new business during 2009 and reduce the duration of lay-offs significantly. Nonwovens also succeeded very well in improving its production efficiency through various small investments and proactive development work.

In Codi Wipes, we completed the efficiency enhancement programme that we planned in 2008, streamlining the product range, reducing personnel numbers to match future capacity needs, and commissioning a new automatic wet wipe line. We also succeeded in developing new business, drawing on our expertise and rapid supply capabilities and those of our partners.

Given the market situation, 2009 proved a relatively stable year for Flexibles. Volumes moved down, but without causing any major surprises. There were indications of improved demand in some key segments towards the end of the year, and our growth in selected hygiene and food packaging segments in Russia contin-

ued. As part of efforts to improve profitability in Scandinavia, we decided to close our plant in Norrköping, Sweden in early 2010. Following employee negotiations in Tampere in the autumn, we decided to discontinue the production of bags on the roll there.

Looking to profitable growth in the future

Thanks to our focus on continuous improvement as part of the way we operate, we achieved an important positive change for the better in 2009. This was helped to a very significant degree by our guiding principles and our values of partnership, trust, and expertise.

We have strengthened our expertise through training and by recruiting new talent. Partnership is all about pulling together and focusing on common goals; and trust is built through achieving good results and keeping promises. This approach is something that we follow both internally and externally with our partners.

We will continue developing our operational efficiency and improving our profitability in 2010. We remain committed to investing in the future, maintaining a good level of cash flow, and targeting controlled, profitable growth. We want to grow with our customers and help our partners succeed. By innovating together, we can give our customers the opportunity to respond to changing consumer needs. And by leveraging our strengths, we will be able to seize new business opportunities.

Our improved performance in 2009 showed that by developing our operations and expertise, following up new opportunities, and continuously changing we can create the basis for achieving our future goals.

I would like to thank everyone at Suominen for their contribution in moving us in the right direction last year in a business environment that proved very challenging. My thanks also go to our customers, shareholders, and partners for believing in us. I look forward to continuing to work with you in the future.



Petri Rolig



The Suominen Strategy

Core purpose

We provide products and solutions that bring greater convenience to people's everyday life.

Vision

We want to be our customers' preferred partner, providing innovative, value added products and solutions.

We focus on geographically limited markets fitting for Suominen.

We act as a development partner creating value for our key customers.

We want to have a significant market position in selected wiping and packaging segments.

Strategic intention

Expertise

Trust

Partnership

Guiding principles

Our core purpose is to provide wiping and packaging solutions that bring greater convenience to people's everyday lives.

Our vision is to be a partner that provides our customers with services and solutions developed jointly that offer the best in quality and an optimum use of materials.

Our strategy is to secure a significant market share in selected wiping and packaging segments, focusing on geographical markets where we can best leverage our capabilities. By working closely with our key customers as a partner, we create solutions that add value for the consumer and reflect current market expectations.

Our guiding principles are partnership, trust, and expertise. We are passionate about our business and getting things done.

Suominen supplies high-quality nonwovens, wet wipes, and flexible packaging that are optimised for the specific needs of the applications that they are used in and that consumers use on a daily base. The overall quality of our operations and success in the marketplace is based on our ability to develop new concepts, continuously improve our operations, run efficient production processes, and manage our supply chain successfully.

We set high quality criteria for our products and our operations. Our manufacturing processes meet the very strict hygiene standards that our customers in the food and cosmetics sectors expect. The customer promise embodied in our customers' brands does not allow for any compromises in quality or functionality. The high quality of our products, reflected in areas such as the high standard of printing on our packaging, delivers true added value both to our customers and consumers.

We aim to be a preferred partner for our key customers, offering customers and consumers true value-added solutions. Working closely with our customers on product development is central to improving our product range and launching new solutions. By combining our own expertise with the know-how of our partners and suppliers, we are able to develop applications that offer greater functionality and are more efficient in terms of material usage, while promoting a more sustainable

environment and responding to customers' and consumers' steadily rising expectations.

The reliability and quality of our operations, together with our commitment to close cooperation, help ensure enduring customer relationships. We employ advanced, flexible technologies to manufacture our products, and by focusing on further developing these technologies and our expertise we ensure that our operations are both cost-efficient and reliable. By working with leading suppliers and using quality raw materials and cost-efficient logistics, we ensure a high standard of supply chain management and deliveries that our customers can rely on.

Short term strategic highlights

Our primary goal is to continue improving Suominen's profitability and strengthening the Group's balance sheet. We aim to secure our long-term success by focusing on growth investments in specific segments of food and beverage packaging and by strengthening our position in hygiene wipes and security & system packaging. We also aim to grow by further developing our existing strengths in product areas such as selected food and hygiene packaging segments, retail carrier bags, and wiping materials and baby care solutions.

Convenience for Everyone

Convenience is something that we can all benefit from, whatever age we are. Suominen's solutions make people's lives easier in many different ways – which is why we say that our business is all about 'Creating Convenience'.

Codi Wipes

We combine our expertise with the skills of our partners to create new types of wet wipe solutions, and commercialise innovations rapidly and efficiently.

Nonwovens

We develop top-quality nonwovens that meet our customers' specific needs.

Flexibles

We deliver more added value by tailoring solutions to customers' needs and focusing on a cost-efficient value chain.

Strong market presence

Wet wipes from Suominen are used in baby and personal care products and household cleaning applications, while nonwovens find their way into wiping, personal hygiene, and wound care products. Flexible packaging from Suominen goes to customers in the food, hygiene, and retail sectors; and security & system packaging solutions are used in applications ranging from transporting money and documents securely to industry. Suominen's primary markets lie in Europe, although some nonwovens are also sold further afield, in North America for example.

Located in the Netherlands, Suominen Codi Wipes is Europe's third-largest manufacturer of wet wipes, with a primary focus on markets in Central and Northern Europe. Smaller volumes are supplied to customers in Southern Europe and outside Europe.

Suominen Nonwovens, based in Finland, is one of Europe's leading manufacturers in the field, with a significant share of the market. Products are also sold into the Russian and North American markets.

High-quality consumer packaging from Suominen Flexibles' plants has made the company one of the lead-

ing suppliers of hygiene and food product packaging in Northern Europe and Eastern Central Europe, and the number-one supplier of retail carrier bags in Finland. Customers across Europe use Suominen's security & system packaging solutions. Flexibles has production plants in Finland and Poland, and sales offices in Sweden and Russia.

A partner for customers

Suominen-produced nonwovens, wet wipes, and flexible packaging are used every day in hygiene, personal care, and food products supplied by leading international brands, retailers, and local manufacturers. Customers expect the best when it comes to product performance, quality, and supply chain flexibility – not to mention new product development and innovation.

Suominen focuses on technological and operational excellence in its operations and works closely with its customers to understand market needs and consumer preferences and supply them with products that provide them with added value, functionality, performance, and generate as small an environmental footprint as possible.

In the case of Suominen Codi Wipes, this is crystallised in Codi Connect, a comprehensive service that delivers ready-to-go wet wipe solutions. By combining its manufacturing capabilities with the expertise of its partners and contractors, Suominen can deliver high-quality, competitive consumer products.

Suominen's nonwovens are renowned for their softness and absorbency and for offering a customised mix of materials and properties, such as embossing and microperforation. In addition, in-house fibre manufacturing enhances the functionality and properties of products.

Suominen Flexibles focuses on added value by delivering stand-out packaging and high-quality flexographic printing. In addition to great appearance, packaging from Suominen Flexibles also offers industry-leading performance in terms of protection, durability, sealability, and reclosability.

Consumers expect more

Convenience, overall ease of use, and functionality – and a positive overall user experience – are qualities that a growing number of consumers appreciate and look for in the products they buy, particular as the general standard of living continues to rise and people's leisure time expectations grow.

Whether they are parents with young children, single people with a busy lifestyle, or senior citizens, consumers simply expect more today in terms of how products look, feel, smell, and perform. This is particularly true in the case of premium brands, but also affects the private labels and value-for-money products sought out by more price-conscious consumers.

Demand for wiping products is set to continue growing faster than consumer consumption generally, with the fastest growth expected in private labels, the personal care area, and developing markets such as Eastern Central Europe and Russia. The popularity

of beauty care products is growing in particular. Global brands remain strong in wiping products, although private labels are steadily expanding their market share in this segment in many countries.

Flexible packaging is continuing to increase its share of the packaging market, for a mix of performance- and cost-related reasons. As in the case of wiping products, the biggest growth in both volume and value is being seen in Eastern and Central Europe and Russia, and this is expected to continue.

While food applications will continue to account for the largest share of the flexible packaging market, this type of packaging is likely to make growing inroads into non-food applications such as pharmaceuticals, cosmetics, and toiletries.

Environmental concerns will continue to have a growing impact on consumer preferences and will make reusability, recyclability, and a positive environmental profile increasingly important – for both wipes and flexible packaging.

Convenience throughout our lives

Suominen brings people greater convenience throughout their lives, from their very first few months as babies onwards. Suominen's baby care wipes are soft and safe to use, and feature lotions specifically designed to protect and moisturise infant skin.

Suominen's expertise also makes it easy for customers to produce quality wipes for beauty care and removing make-up, as well as personal and feminine hygiene products and adult incontinence products. Suominen nonwovens are used in health care as well, in wound care products for example.

Suominen's bags and film products are widely used for packing bakery products, fresh, frozen, and dry food, as well as beverages and other liquid products. Suominen's range of wrap-around labels for bottles is growing all the time, and its carrier bag offering continues to be one of the most comprehensive around.

And when shops, banks, security and courier companies, hotels, hospitals, and airports need a convenient solution for storing or transporting money, documents, or valuables, they often turn to Suominen's security products.

So whether you are a baby, a teenager, a young adult, a parent, or a senior citizen, you have probably used – or are using – a Suominen product, and are benefiting from the added convenience it offers.



Industry-leading Capabilities

Suominen combines its product development capabilities with its core technologies in nonwovens production, lotion manufacturing, wipes converting, and flexible packaging to offer an outstanding range of products and services to its customers.

A comprehensive wiping offering

Suominen offers a wide range of innovative wiping solutions and concepts in the baby, cosmetics, personal care, household, and sustainable markets.

These include innovative wipes for newborns, babies, and toddlers, which are thick and soft with a gentle cleansing lotion that protects babies' delicate skin. Cosmetic wipes are used for facial cleansing, make-up removal, and peeling. Personal care wipes include deodorant wipes, intimate wipes, and adult incontinent wipes – and combine soft nonwovens with cleansing and caring lotions.

Household wet wipes from Suominen are ideal for cleaning floors, bathrooms, glass, worktops, and other surfaces – and include an anti-bacterial agent to kill germs and prevent the spread of bacteria.

First-class nonwovens

Suominen's Fibrella® range of binder-free, spunlaced nonwovens can be tailored to numerous wiping and cleaning applications such as baby care, personal care, household cleaning, industrial and institutional use, and wound care – and offers a textile-like feel, softness, and durability.

Biolace® offers a solution for customers who want a nonwoven produced solely from natural fibres or fibres from renewable sources – and is ideal for sustainable wiping applications.

Thermobonded Novelin®, the longest-established Suominen nonwoven, continues to remain an excellent coverstock choice in a range of hygiene products. The latest Suominen nonwoven, Karelin™, is a very versatile thermobonded product that brings caring solutions to hygiene applications.

Excellence in flexible packaging

Suominen Flexibles is one of the leading suppliers of packaging for food, hygiene, and retail use in a number of regional segments. The company has a long tradition of delivering packaging for hygiene products and wrap

films, bags, and laminated films; and its retail packaging includes carrier bags and reclosable Minigrip® bags. Suominen Flexibles is also a strong player in security & system packaging, and its AmerSafe® security bags set the standard for providing safe and secure protection.

Suominen Flexibles' bags and film products are the perfect complement for bakery products, fresh, frozen and dry food, as well as liquid products. In addition to looking good, they offer excellent mechanical strength, significant weight savings, and very good sealing performance on high-speed, automatic packaging lines.

Suominen Flexibles' range of wrap-around labels used with liquid products, such as soft drinks, beer, juice, water, and detergents, is steadily growing, thanks to their suitability for modern bottling lines and the good recycling opportunities they offer.

Innovating added value

Suominen is committed to innovating its product offering in nonwovens, wipes, and flexible packaging on a continuous basis to enhance the added value that it can offer its customers – in areas such as greater functionality and ease of use, new materials, better manufacturing performance, and a more cost-efficient supply chain.

Product development is an integral part of operations, and a total of 40 people work in product development. Much of their work takes place in close cooperation with business and key account teams to keep projects focused on real-life needs and makes use of advanced pilot lines to manufacture test runs and other facilities to evaluate product performance. This work provides valuable input before ramping up to full-scale production and for evaluating potential conversion-related issues.

Close links are maintained with raw material and packaging machine suppliers and research institutes to cover all the bases. Suominen's product development personnel work alongside customers and their product development units to help them respond rapidly and flexibly to the changing needs of consumers and the marketplace.





Making more of wipes

In the wet wipes area, Suominen focuses on developing lotion and packaging solutions, leveraging the synergies offered by its in-house wet wipes lotion production plant. Many Codi Wipes' products are based on development projects carried out in collaboration with customers. The Codi Connect network brings product development even closer to the customer, and is designed to make it easier and faster to adapt to changing customer needs in areas such as different packaging, lotion, and wipe size options. Making the most of partners' capabilities in this way gives customers access to an even wider range of capabilities than Suominen alone can offer.

Codi Connect can be used to tap rapid market opportunities more effectively, as in the case of wipes containing pulp introduced in 2009. The anti-bacterial wipes in resealable travel packs developed by Codi Wipes offer a very convenient way of keeping your hands clean at airports and in other public spaces.

Making more of nonwovens

Product development at Nonwovens emphasises differentiation with regard to look and properties, and resulted in the launch of a new, lighter nonwoven in the Fibrella® product family at short notice in 2009 to meet better current needs.

With a new product, Karelin™, Suominen can offer an even greater degree of customisation in the ther-

mobonded area by incorporating features such as plant extracts, natural oils, and antibacterial properties.

Biolace® grades based on environmentally friendly ingredients have an Oeko-Tex Standard 100 Class1 certificate and offer smooth or hydroembossed surfaces and varying combinations of materials for use in a wide range of wiping applications. Three new microperforated grades ideal for cleaning, dusting, and dry wiping applications were added to the range in 2009.

Getting consumers' attention

Packaging plays an important role in shaping consumers' purchasing decisions and how they use a product. Which is why product development at Suominen Flexibles focuses on areas such as ease of use, keeping products fresh, reclosability, and optimising material usage through downgauging and utilising recycled materials to reduce the environmental footprint of end-products.

Suominen Flexibles' Amer product family has continued to grow. AmerFeel™ film was commercialised in 2008, joining AmerView™ packaging, which features a transparent window, AmerString™ bags, and AmerBio™ biodegradable film.

In spring 2009, Suominen successfully launched a new thermo bag solution for carrying hot and cold products home. Thanks to their reclosable zipper closure, AmerThermo™ bags can be opened and closed repeatedly. The AmerThermo™ range also includes a bag for cut flowers and a six-pack promotional bag for beverages.

Suominen Flexibles also launched the AmerChain™ concept in 2009, an all-in-one solution combining pre-formed pouches with a state-of-the-art packaging machine. By the end of the year, the Amer family included a total of 11 solutions, including newcomers such as AmerSteam™ microwavable packaging, AmerShrink™ heat shrink film, AmerPeel™ peelable film, and AmerSpeed™ film for tissue and bakery products.

Stand-up packaging developed by Suominen makes it possible to create attractive in-store displays and use a flexible, cost-efficient packaging process; while new types of perforation for films and bags enable packaging to be opened more easily.

Easier to open

Ease of opening and reclosability have long been key strength of Suominen's product portfolio, giving consumers greater convenience and more consistent performance.

Reflecting this, Suominen Flexibles was awarded an honorary mention in the corporate category of the 'Easy To Open' competition organised by the Finnish Rheumatism Association and the Foundation for Finnish Inventions in 2009 – for a reclosable bakery package solution featuring a zipper closure that can be opened and closed repeatedly, while keeping the product inside fresh over an extended period.

Suominen's product development personnel work alongside customers and their product development units to help them respond rapidly and flexibly to the changing needs of consumers and the marketplace.



Wiping

Codi Wipes

- Baby care
- Beauty care
- Personal care
- Household cleaning

Nonwovens

- For wet wipes
- For wet and dry industrial wipes
- For feminine hygiene products
- For adult incontinence products
- For wound care products



We aim to maintain the good level of momentum we've achieved and focus even more on developing our markets for both nonwovens and wet wipes. 2009 showed what can be achieved through determined work, and we will continue along this path in 2010.

*Paul-Erik Toivo
Vice President and General Manager*

Suominen's Wiping business is based around Suominen Codi Wipes, a wet wipes producer located in the Netherlands, and Suominen Nonwovens, which develops and produces nonwovens in Finland. The business produces fibres, nonwovens, wet wipes, and lotions. Wiping employed an average of 392 people in 2009.

Innovative wet wipe solutions

Suominen Codi Wipes supplies quality wet wipes to some of the world's leading brands and many retailers in the day-to-day consumer products area. The company has built up extensive know-how in wet wipes manufacturing and is one of Europe's largest producers in the field, with its main markets in Central and Northern Europe.

Suominen Codi Wipes offers a wide range of innovative solutions and concepts that are capable of meeting even the toughest quality standards. The company's production plant in the Netherlands is equipped with modern production lines, a fully automated warehouse, and an in-house lotion production unit. Suominen's know-how in nonwovens, lotions, and packaging represents a major source of added value for the wiping solutions it develops for its customers.

Codi Wipes' product range extends from wipes for babies and toddlers to personal hygiene wipes, cosmetic wipes, household cleaning wipes, and eco-aware wipes. Most wipes for child and beauty care are pH-balanced, hypoallergenic, and dermatologically tested; and household wipes for cleaning floors, windows, and other surfaces are designed specifically for these applications.

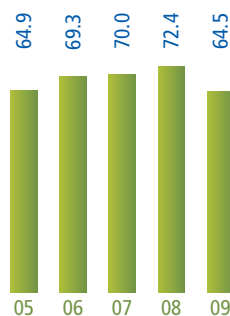
Quality nonwovens

Suominen Nonwovens is one of Europe's leading producers of nonwovens, which are supplied on the roll for converters producing wipes, hygiene, and wound care products. The majority of customers are worldwide names in consumer staples and use Nonwovens' materials in their wet wipes and hygiene products.

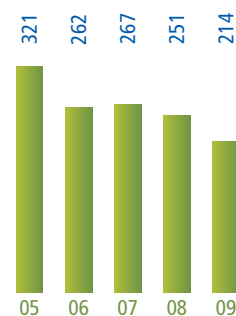


Codi Wipes

Net sales, € million

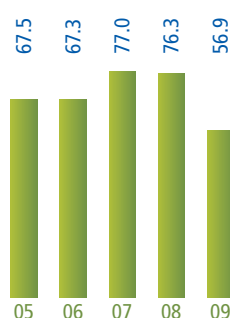


Average personnel

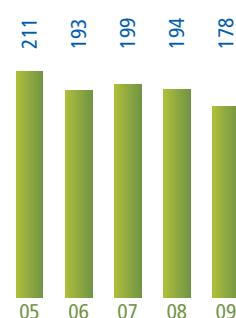


Nonwovens

Net sales, € million



Average personnel



Suominen Nonwovens has a major share of the European market and also exports products to Russia and North America. Strong links with customers, many of whom have relied on Nonwovens for decades, are very much based on Nonwovens' proven product development capabilities, quality, and operational flexibility.

2009 – developments and results

Net sales in the Wiping business area totalled EUR 113.5 million, 18% down on 2008. The business area's operating profit was EUR 4.3 million (-4.8). Rapid fluctuations in the prices for oil-based raw materials affected net sales.

Suominen Codi Wipes

Net sales at Codi Wipes, at EUR 64.5 million, were 11% down on the 2008 figure of EUR 72.4 million. The unit's gross investments were EUR 1.0 million (0.5). Sales declined most clearly in household wipes, while the decline in personal care wipes and baby wipes was much more moderate. In addition, the termination of various unprofitable product groups reduced net sales. Sales margins improved on 2008. The unit's rationalisation programme progressed according to plan, and operating expenses decreased considerably. A new automation line was installed during the third quarter and production on the new line started at the beginning of the final quarter.

Suominen Nonwovens

Net sales at Nonwovens, at EUR 56.9 million, were 25% down on the 2008 figure of EUR 76.3 million. The unit's gross investments totalled EUR 1.5 million (1.5). Delivery volumes of nonwovens for wipes fell both in Europe and the US. Two approximately one-week lay-offs were implemented to balance demand and capacity. Deliveries of hygiene product materials also fell slightly below 2008 levels, while sales of health care products remained unchanged.

Average sales prices fell in 2009, reflecting the decline seen in raw material prices, but sales margins improved compared to 2008. Suominen Nonwovens developed a new nonwoven using less raw material input very rapidly in the early part of the year and launched sales of the new product in the summer. Deliveries to customers in Russia grew well.

The organisation was streamlined to eliminate unnecessary barriers to greater flexibility, and strategic goals were translated into grassroots projects.

Employee wellbeing was given greater emphasis and resulted in some significant improvements. Operating expenses were reduced, production efficiency improved, and reject levels cut.

Focusing on people and expertise

Employees and production efficiency was the subject of particular attention during 2009. Employees' job descriptions were reviewed, a number of initiatives were taken to improve skills, and greater emphasis placed on more process-based ways of working. The organisation was streamlined to eliminate unnecessary barriers to greater flexibility, and strategic goals were translated into grassroots projects. Focused investments were used to rationalise operations and improve efficiency, with an eye to rapid payback times. This resulted in a number of improvements, in areas such as ergonomics.

Keeping costs in check through better supply chain management

Managing Suominen Nonwovens' supply chain more effectively is important, not least because of the geographical location of the company's production base. A number of challenging targets were set in 2009 to reduce transport costs and the business' environmental impact – and were achieved, improving competitiveness.

Making more efficient use of space on the trucks used to ship Nonwovens' products has been the subject of a development project with the company's partners. Shipments of Suominen products and transport companies' return loads were studied. Thanks to new winding equipment, nonwovens can now be packed more tightly, saving space. Shipments are planned together with carriers to ensure that they are as cost-effective and as sustainable as possible. This has reduced the number

of kilometres Suominen's products are trucked by road and concentrated export shipments on ports close to Nonwovens' plant.

Looking ahead

Excess capacity in both nonwovens and wet wipes remains a fact of life in Europe, and growth in volumes is not necessarily reflected in a parallel growth in value. Continuously developing products and processes remains an ongoing priority for Suominen, and internal efficiency enhancement and development initiatives will continue in the Wiping business in 2010. These will aim to enhance flexibility and operational and production-related quality wherever possible.

Suominen has established a foothold in the growing flushable wet wipes segment, and aims to extend its

market share here in accordance with the relevant regulations covering these types of products.

Codi Wipes will aim to develop its ability to react faster to market developments and extend its operations into new segments by developing its outsourcing. Efforts will continue to enhance operational efficiency and space usage. The growing market for antiseptic wet wipes will also be addressed through additional initiatives.

Two production lines will be combined at Nonwovens' plant in Finland to make it easier to develop and manufacture new, lighter-weight products. Work aimed at enhancing production processes, quality, and competitiveness will also continue. Various investments will be made to rationalise production and bring greater efficiency. Product development will focus on improved nonwoven materials and fibre properties and more advanced production processes.



Flexibles

- Food Packaging
 - Films and bags for bakery goods, fresh food, frozen food, dry goods, and liquids
 - Labels
- Hygiene Packaging
 - Films for tissue products
 - Packaging for feminine care and incontinence products
 - Films for wet and dry wipes
- Retail Packaging
 - Carrier bags
 - Minigrip bags
- Security & System Packaging
 - Security and tape packaging
 - System packaging
 - Minigrip and Zipper packaging



Our focus at Flexibles in 2010 will be on growing our sales and securing good profit performance. We will continue to enhance the efficiency of our operations and work on innovative new products to strengthen our competitiveness, and pay particular attention to developing our sales function. We will also develop our business in Russia to make more of the significant market opportunities that exist there.

*Mikko Pellinen
Vice President and General Manager*

Suominen Flexibles produces high-quality, flexoprinted consumer packaging, and is a major supplier of plastic film-based food and hygiene packaging in Northern and Eastern Central Europe and the leading producer of retail carrier bags in Finland. Customers include major international brands, leading regional and local producers, and retail chains. Flexibles employs around 550 people and has production plants in Finland and Poland and sales offices in Sweden and Russia.

High-quality products for today's and tomorrow's needs

Suominen's high-quality packaging solutions are designed to meet customers' needs both today and into the future. Suominen is committed to being a supplier that can offer packaging with ever-better performance and consumer-friendly properties that guarantee optimal visibility on the shelf for its customers' products. Product development focuses on solutions that provide greater functionality and standout properties, and that are more sustainable in terms of the environment through things such as more efficient material usage. Environmental issues are also prioritised in production by using recycled materials.

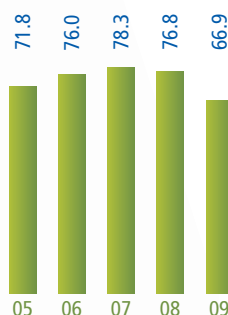
2009 – developments and results

Net sales at Flexibles declined by 13% on the EUR 76.8 million recorded in 2008 and stood at EUR 66.9 million. Gross investments totalled EUR 2.0 million (1.9), the majority of which were focused on enhancing the efficiency of film production and modernising the machinery used to converting of carrier bags.

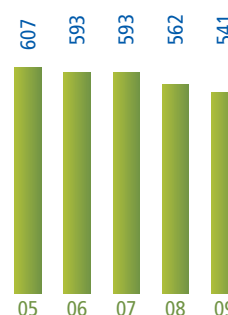
Lower sales of hygiene packaging in the Nordic countries and Eastern Central Europe had a particular impact on overall net sales. This was compensated for by increased sales of wet wipe packaging and higher volumes delivered to tissue customers in Russia. Sales of retail packaging were also lower than in 2008.

Flexibles

Net sales, € million



Average personnel





Sales of labels and bakery packaging rose, while those of packaging for frozen foods declined. Retail packaging sales came in lower than in 2008, largely because garbage bags were almost completely dropped from Flexibles' offering because of their low profitability and the poor availability of the recycled material used to manufacture them. Sales of security & system packaging were lower in all product categories.

Focus on sales development measures and cutting costs

Flexibles' operating profit for 2009 was EUR 2.8 million (1.2). This figure was impacted both by lower raw material prices and improvements achieved through the Stairs to Top programme. The focus during the year was mainly on cutting costs and sales development measures. It was decided to close Flexibles' plant in Sweden and work started on transferring production there to Poland. Production in Sweden will come to an end during the first quarter of 2010 and will result in a net reduction of personnel of around 20.

Looking ahead

Demand for flexible packaging is expected to grow over the next few years, most strongly in Eastern Europe and Russia. Growth in Western Europe is projected to be clearly slower.

As hygiene standards are expected to continue rising, Flexibles launched a development project in 2008 aimed at securing BRC (British Retail Consortium) certification for its plants producing hygiene and food packaging by the end of 2010. The Nastola plant was the first to receive a BRC certificate, in February 2009.

With the increasingly international nature of customers' procurement processes, competition on the packaging market is becoming tougher all the time. Flexibles is responding to this challenge by introducing greater efficiency in many areas of its operations. Sales processes are being developed and new tools are being introduced for customer relationship management. Production is also being continually developed to enable plants to respond more flexibly to customers' changing needs and produce small batches cost-effectively.

Focusing on Our Expertise and Our Capabilities

Suominen's three Guiding Principles, originally rolled out in 2007 – partnership, trust, and expertise – underpin overall operations across the company and are also central to how Suominen approaches its social responsibility.

Suominen follows high ethical standards in all aspects of its business and respects and promotes globally accepted principles associated with the human rights and equality of opportunities enjoyed by its personnel. The equality plans in place across Suominen's units focus on areas such as promoting accountable management and good standards in recruitment, working conditions, salaries, and career development. Similar high standards are observed in relations with the company's other stakeholders.

Suominen is committed to making the company a safer place to work, an organisation that understands the importance of quality at all levels and the benefits of a performance-driven mind-set, and encouraging personnel to develop their skills. Various incentive and initia-

tive plans have been introduced to motivate and encourage employees to improve their personal performance and make a positive contribution to the overall workplace at Suominen.

Promoting excellence

Highly motivated, expert personnel are central to Suominen's success, which is why people are given hands-on responsibility for their work by delegating tasks and encouraged to think creatively, address challenges in an original way, and look for new ways of doing things. Teamwork is an integral part of building a positive commitment among everyone at Suominen.



The importance of target-setting at all levels is highlighted in the ongoing Stairs to Top programme, aimed at streamlining costs, improving operational and cost efficiency, and enhancing sales-related developments.

The annual Suominen Success Stories Award, launched in 2007, designed to recognise and promote excellence within units and on a personal level, has attracted a large number of entries from across the company since its launch. In 2009, the number of Success Stories matched the overall success seen in improving operations within the Stairs to Top Programme, and the award was split into separate categories covering sales, products, operations, and support.

The 2009 Sales award was won by a team that succeeded in winning a contract for additional sales; while a yield improvement project won in the Operations category. Both of these teams were from Nonwovens. The award in the Products category went to a team from Flexibles that commercialised a new thermo bag solution, the easy-open/close AmerThermo™ bag. Another

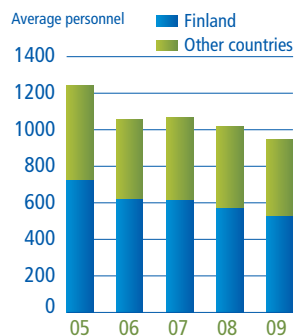
team from Flexibles won the award in the Support category with its project for setting up prepress operations at Suominen's Polish plant.

Enhancing our capabilities through co-operation

A similar focus on personal and team achievement lies behind the Suominen Excellence Programme, an in-house training initiative designed for middle management and up-and-coming talent within the Suominen organisation. A group of 13 managers and specialists took part in the programme's first round in 2009.

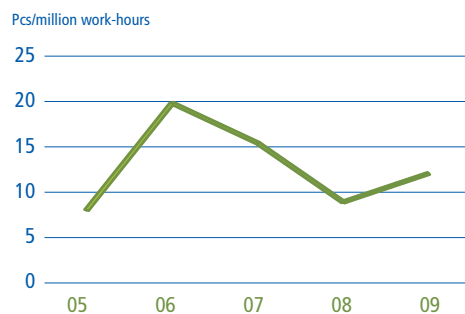
Designed to help Suominen people progress in their careers and enhance the company's overall capabilities – and covering issues such as change management, understanding diversity, and customer relationship management – the programme is expected to make a valuable contribution to spreading common ways of working and sharing best practices.

Personnel, 2005–2009

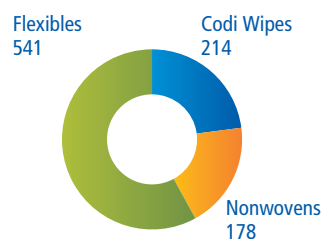


Lost time injuries (>1 day)

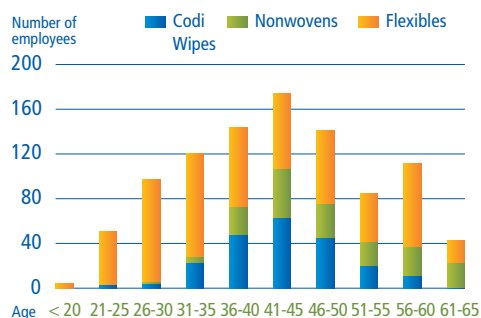
Frequency, 2005–2009



Average Personnel, 2009



Age structure on 31 December 2009





Measuring job satisfaction

Job satisfaction among Suominen's employees is reviewed at regular intervals through a personnel survey. The latest of these surveys was completed in early November 2009, and indicated that people feel they are given responsibility for their work. Feedback also confirmed that personnel are committed to Suominen's goals and values and that people do not experience discrimination. Respondents also said they felt that adequate attention is given to occupational safety and that a good level of information is available on safe working practices.

A personal performance evaluation system, which includes an Internet-based tool for documenting agreed measures and decisions, is used to monitor and manage how office and management personnel live up to their own expectations and those of their managers. Nonwovens and Codi Wipes assess the performance of all their personnel annually. Personal evaluations covering all personnel have been piloted at one plant by Flexibles, and the aim is to have the process up and running at all plants in 2011.

Putting safety first

Suominen takes occupational safety very seriously and believes in the importance of reviewing work-related risks

regularly and carrying out preventive measures to ensure safer working practices where these are called for.

Nonwovens and Flexibles are members of the Finnish Nolla tapaturmaa (Zero Accidents) forum. In addition to reviews and preventive work, this requires near-miss incidents and accidents to be thoroughly documented so that personnel can learn from these events and avoid repeating them. In May 2009, the forum awarded a diploma to Nonwovens for its excellent work in promoting occupational safety. An accident-free days campaign launched by Suominen Flexibles in 2003 has reduced the number of accidents over the years, although there was a slight increase in 2009.

Nonwovens and Flexibles have both adopted an occupational wellbeing model designed to analyse stress factors affecting personnel and the need for improving working practices and working conditions, together with the overall workplace, to minimise these factors. The Nonwovens system saw sick leave figures fall significantly during its first year of use, 2008, and this positive development continued in 2009.

A More Sustainable Future

Suominen is committed to sustainable development and minimising the environmental impact associated with its materials, processes, and way of working, in line with the ICC's sustainable development principles. Sustainability is understood as covering a mix of economic, social, and environmental responsibility.

Investing in a sustainable future

Suominen follows the three principles of reduce, reuse, and recycle in its approach to the environment. This means reducing the amount of raw materials used in products while delivering the appropriate level of functionality and cutting waste volumes and emissions, and recycling production reject and other waste and offering a growing number of more biodegradable alternatives in Suominen's product range.

All units have internal environmental and quality management goals in place and action plans for achieving these goals. Operations at the Nonwovens unit have been certified to the ISO 14001 standard since 2000.

Thinking sustainably in terms of production

Environmental and safety requirements are incorporated into product and process development projects from the very start, with the aim of creating quality products that make use of raw material inputs, energy, and other resources, such as packaging materials and transport services, as efficiently as possible. Continuous improvement is a key priority in helping reduce the environmental impact of operations.

Airborne emissions are carefully monitored, and VOC emissions from printing operations at Flexibles sites are treated using advanced incinerator units. Improving recycling and making greater use of recycled material in manufacturing operations are steadily reducing landfill waste volumes.

Production waste unsuitable for reuse at Nonwovens' Nakkila plant in Finland is mixed with wood chips to generate heat for the plant's production lines and local homes. The volume of water used in production there and wastewater emissions have both been reduced significantly, thanks to the introduction of advanced production technology and treatment systems.



Other less obvious, but equally important improvements include things such as optimising loading routines to increase the capacity utilisation of trucks and improve overage logistics performance. Lighting is also reduced, as in Suominen Codi Wipes' new fully automated warehouse in the Netherlands; and temperature control systems are used to cut energy usage.

Suominen Flexibles' offices in Tampere have been certified under the Green Office environmental management

system developed by WWF Finland, and have introduced indicators designed to reduce paper usage, increase video conferencing and cut work-related travel, and enhance personnel's awareness of environmental issues. Similar practices are used at other locations.

Environmental and safety requirements are incorporated into product and process development projects from the very start.

Quality-based operations

High quality and product safety standards are integral to Suominen's operating policy. Working with food and hygiene product companies means that Suominen employs very stringent quality procedures that often go beyond industry standards. Joint development programmes and audits are used with customers, suppliers, and other partners to ensure an uninterrupted chain of high standards in quality, safety, and environmental matters and encourage continuous development.

Production at Codi Wipes and Nonwovens has been certified to the ISO 9001 standard for many years; and ISO standards form the basis for the quality, environmental management, and safety procedures at Flexibles sites. All units follow the latest GMP (Good Manufacturing Practice) guidelines, and Flexibles' Nastola plant in Finland received BRC (British Retail Consortium) certification at the beginning of 2009. Suominen Nonwovens has been a key corporate member of Excellence Finland since 2009.

Promoting the benefits of flexible packaging

Plastics-based flexible packaging offers numerous benefits, including solutions that protect products, make them easier and safer to handle, and enhance product use as well. Flexible packaging also reduces the tonnage of products transported by road and other means,

thanks to its lighter weight compared to traditional packaging materials; it also cuts the amount of food wasted, thanks to the protection it offers perishables, such as fresh food, from spoilage.

Suominen Flexibles introduced its first recycled plastic carrier bags back in the 1990s and has extended its range of products made from recycled plastics over the years since then. A recent life cycle assessment study carried out by the Finnish Environmental Institute and the Lappeenranta University of Technology, and involving Suominen Flexibles among other corporate partners, confirmed that plastic bags manufactured from recycled materials are an ideal choice for shopping use in terms of their climatic impact.

Downgauging has been used extensively by Suominen to reduce the amount of material needed in its products without compromising on performance, and has achieved a number of successes. Thanks to an innovative recycling initiative sponsored by Suominen and designed to encourage consumers to recycle used carrier bags, more than 70 dedicated recycling points are now operational in 38 towns across Finland. Bags deposited at these points are collected by Suominen's partner, Lassila & Tikanoja, for sorting and regranulation before being returned to Suominen to make new carrier bags.

Extending Suominen's biodegradable offering

For customers developing or expanding their range of environmentally friendly wipes, Suominen offers Biolace®, a family of nonwovens based exclusively on natural fibres or fibres produced from renewable resources, such as viscose and cotton. Biolace® is 100% biodegradable and compostable under the appropriate conditions of temperature and humidity.

Suominen Codi Wipes has developed environmentally friendly lotions to make the most of the potential offered by Biolace®, containing ingredients produced from renewable raw materials and complying with BDIH, ECOCERT, and Soil Association standards. Together, they form the Gentle Nature product family, designed to meet the requirements for Swan label certification and compliance with Oeko-Tex standards.

Corporate Governance

Suominen Corporation is a Finnish listed company and observes the Finnish Companies Act, other regulations covering listed companies, and the requirements of its own Articles of Association in its decision-making and administration. The company complies with the Finnish Corporate Governance Code issued by the Securities Market Association effective as from 1 January 2009. The Recommendation is available on Securities Market Association's website at www.cgfinland.fi.

General Meetings of Shareholders

Suominen Corporation's highest decision-making authority is exercised by the company's shareholders at General Meetings of Shareholders. These meetings decide on matters specified in the Companies Act, such as the acceptance of the company's financial statements and the payment of dividends, releasing the members of the Board of Directors and the President and CEO from liability, the election of members of the Board of Directors and Auditors and the compensation they are paid, and amendments to the Articles of Association. An Annual General Meeting is held annually on a date determined by the Board of Directors before the end of April. Annual General Meetings address matters specified as coming within their authority in the Articles of Association and other proposals put before them. Extraordinary General Meetings are convened when necessary to consider specific proposals put before them for consideration. General Meetings of Shareholders are convened by the Board of Directors.

Each Suominen Corporation share entitles its holder to one vote. Under the Articles of Association, no shareholder may cast more than one fifth of the total number of votes represented at the General Meeting of Shareholders. The company is not aware of any shareholder agreements concerning the use of voting rights or restrictions related to the conveyance of its shares.

The members of the Board of Directors, the President and CEO, and the candidates nominated for Board membership shall attend General Meetings, unless they can provide good reason for their absence.

Advance information

Shareholders shall be invited to General Meetings through an invitation published in a daily newspaper in the Company's domicile specified by the Board of Directors. The invitation has at least the following information:

- the time and place
- the proposed agenda for the General Meeting

- a description of the procedures that shareholders must comply with in order to be able to attend and cast their vote at the General Meeting
- the date on which a shareholder entered in the shareholder register has the right to attend and cast his or her vote at the General Meeting (so-called record date)
- the place where the documents and proposals for resolutions of the General Meeting are available
- the address of the company website

Following information shall be available on the company website at www.suominen.fi at least 21 days before the General Meeting:

- the notice of the General Meeting
- the total number of shares and voting rights according to classes of shares at the date of the notice
- the documents to be submitted to the General Meeting
- a proposal for a resolution by the Board of Directors or another competent body
- an item on the agenda of the General Meeting with no proposal for a resolution

The Board of Directors' proposals to a General Meeting and the invitation shall also be announced in a stock exchange release.

Minutes of the General Meeting

The minutes of a General Meeting are available to shareholders on the company website within two weeks from the General Meeting. Appendixes of the minutes are available only to the extent they describe the actual content of the decision.

Board of Directors

Composition of the Board of Directors

In accordance with the Articles of Association, Suominen Corporation's Board of Directors shall comprise a minimum of three members and a maximum of seven. Members are elected by the Annual General Meeting. Their term of office shall expire on conclusion of the first Annual General Meeting following their election. A person aged 70 years or older cannot be elected to the Board of Directors. The Board elects a Chairman and a Deputy Chairman from among its members.

Suominen Corporation's Annual General Meeting, held on 20 March 2009, elected Heikki Bergholm, Kai Hannus, Juhani Lassila, Mikko Majjala, and Heikki Mairi-

noja to the Board of Directors. The biographical details and information on the holdings of the Board members can be found on page 33 of the Annual Report.

Charter of the Board of Directors

The Board of Directors is responsible for the administration and appropriate organisation of Suominen's operations. The Board is responsible for taking decisions on matters that are likely to have a major impact on the company's operations; and convenes according to an annual meeting plan.

The main duties of the Board include:

- deciding on the company's corporate structure and organisation
- nominating and dismissing the President and CEO
- deciding on the salaries, bonuses, and other benefits paid to the President and CEO and his immediate subordinates
- deciding on the company's salary and incentive system
- considering and approving annual accounts, annual reports, financial statement releases, and interim reports
- monitoring and supervising the Group's performance and ensuring the effectiveness of its management
- approving the company's operating policies (financing policy, insurance and risk management policy, and principles for corporate governance)
- deciding on the acquisition and assignment of fixed assets
- deciding on strategically and financially significant investments, acquisitions, divestments, or other arrangements
- deciding on financial borrowings and pledging securities
- considering and approving strategies and action plans
- establishing a dividend policy and confirming the company's targets.

Meeting practice

In accordance with its advance schedule, the Board of Directors meets at least eight times a year. Where appropriate, meetings can be held in the form of teleconferences. The Board of Directors convenes under the direction of the Chairman or, if the Chairman is unable to attend, the Deputy Chairman. Items of business are generally presented by the President and CEO. Minutes are taken by the CFO.

The Board convened 12 times in 2009, of which two meetings were held in the Group's business unit. The average attendance rate at meetings was 100%.

Self-evaluation

The Board of Directors reviews its operations and procedures through an annual self-assessment.

Evaluation of independence

The Board of Directors has on 20 March 2009 evaluated the independence of its members in accordance with recommendation 15 of the Finnish Corporate Governance Code and established that all its members are independent of the company and significant shareholders.

Board committees

Suominen Corporation has not established any committees to prepare matters for consideration by the Board, as the size of the company and the extent of its business are not seen as sufficient to warrant splitting up the Board's work in this way. The Board of Directors discharges the duties of audit committee (recommendation 27 of the Finnish Corporate Governance Code).

President and CEO

The President and CEO of Suominen Corporation is appointed by the Board of Directors, and is responsible for day-to-day operations in accordance with the Companies Act and guidelines and instructions provided by the Board of Directors. The President and CEO is responsible for ensuring that the company accounting practices comply with the law and that the financial matters are handled in a reliable manner. The President and CEO acts as the chairman of the Corporate Executive Team and as the direct superior of the Team's members.

Petri Rolig, b. 1963, M.Sc. (Eng.), has had the position of the President and CEO. The biographical details and information on the holdings of the President and CEO can be found on page 34 of the Annual Report.

Corporate Executive Team

Suominen Corporation's Executive Team, appointed by the Board of Directors, supports the President and CEO in developing the Company's strategy, considering major operational matters or matters of principle, and ensuring an adequate flow of information across the Group. The Corporate Executive Team comprises, the President and CEO as Chairman, and the Vice Presidents and Gen-

eral Managers of the Wiping and Flexibles businesses, and the Vice President and CFO. The biographical details and information on the holdings of the members of the Corporate Executive Team can be found on page 34 of the Annual Report.

Remuneration

Board of Directors

The Annual General Meeting determines the emoluments paid to the members of Suominen Corporation's Board of Directors in advance, for one year at a time. In 2009, the Chairman of the Board was paid EUR 30,000, the Deputy Chairman EUR 22,500, and the members EUR 18,750. A total of 40% of these sums were paid in the form of company shares.

Emoluments paid in Suominen shares

Recipient	Number of shares
Mikko Majjala, Chairman of the Board	15 000
Heikki Mairinoja, Deputy Chairman of the Board	11 250
Heikki Bergholm, Member of the Board	9 375
Kai Hannus, Member of the Board	9 375
Juhani Lassila, Member of the Board	9 375

The members of the Board do not come within the scope of the company's stock option programme or incentive scheme, and are not provided with a pension by the company.

President and CEO and other executives

The Board of Directors determines the salary, bonuses, and other benefits paid to the President and CEO, and the members of the Corporate Executive Team serving under the President and CEO. The President and CEO, and the members of the Corporate Executive Team are covered by the company's stock option schemes. The company provides key personnel with an incentive scheme based on the performance of the company's units and its consolidated performance and the achievement of personal targets. The Board of Directors approves the basic fundamentals of the incentive scheme. Separate emoluments are not paid to the members of the Boards of Directors of the company's subsidiaries.

In 2009, the President and CEO's salary and other remuneration and benefits totalled EUR 276 thousand. No performance bonus was paid in 2009, as the Group's operating profit, used as the primary basis for determining payment, was below the necessary threshold. A

total of 75,000 stock options has been granted to the President and CEO in 2009. Each stock option entitles its holder to subscribe for an equivalent number of company shares according to the stock option plan.

The salaries and emoluments paid to the members of the Corporate Executive Team totalled EUR 559 in 2009. No performance bonus was paid. In 2009, a total of 75,000 stock options has been granted to the members of the Corporate Executive Team. Each stock option entitles its holder to subscribe for an equivalent number of company shares according to the stock option plan.

A written contract has been made with the President and CEO, under which he shall have a six-month period of notice. Should the Company terminate the President and CEO's contract of employment, an additional compensation corresponding to 12 months' salary shall also be paid. The retirement age of the President and CEO is in compliance with the Finnish Employment Pension Scheme (TyEL).

Internal control and risk management in the financial reporting process

Control environment

Control is imbedded in the organisation of Suominen and takes place as various check-ups in processes and as an encompassing reporting helping to monitor and manage the business.

There is no separate control or internal audit organization. Suominen's control environment is based on given instructions, business culture and way of conduct which managers and employees adopt. Suominen has established its values, or Guiding Principles, which enforce an active and ethical way to work with various stakeholders and within the Group. In cascading the working principles in the organization, honesty, transparency and working in teams are integral parts in establishing high moral behavior throughout the company.

The foundation of the internal control process relating to the financial reporting is built up around the Group's policies approved by the Board of Directors and other directives and instructions. The responsibility structure of the Group's is based on authority inherent in the positions and work descriptions, segregation of duties and the four-eyes and one-over principles. Effective internal control requires that duties are properly segregated to different employees and potential conflicts of interests are identified and eliminated. Satisfactory control environment is ensured through internal analyses and evaluations of key processes and revisions made by external auditors.

The Group Finance supports the Business Units in analyzing their performance and in the decision-making concerning various business choices. Business Controllers at unit level have the task is to make sure that the control procedures are in pace at various units. IT's role is to keep in check the security procedures throughout the Group companies.

Risk assessment

Risk management is considered an integrated part of running the business and identification and assessment of risk is a prerequisite for internal control. The aim is to give attention to material business risks. Risk is divided into business risks caused by changes in the business environment and operational risks that may be a result of defects in the way organization manages its processes.

Business risks are evaluated and, to the extent possible, quantified in conjunction with the acceptance of plans and budgets for the forthcoming year. Business risk assessment is described also in the Report by the Board of Directors in the Annual Report of Suominen.

Operational risks are considered to have a potential material value with transactions with external parties. However, group instructions, process check-ups, segregation of tasks and standards set up by total quality operating systems establish a prudent environment, in which exposure to material risks can be mitigated.

Risks relating to the financial reporting are evaluated and monitored by the Board to make sure that the financial reporting of the corporation is reliable, helps decision making and serves the needs of external stakeholders. Valuation of assets and liabilities according to various evaluation assumptions and criteria can constitute a risk.

There are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and these estimates and assumptions are continually evaluated and benchmarked to other similar entities. Complex and/or changing business circumstances may form a challenge in assessing the carrying amounts dependent on these circumstances. To avoid errors in fair values of assets or liabilities regular check-ups are made by e.g. comparing material flows, and quantity and quality data to the information given by the accounts. Through established and automated system-based audit trails the risk of defects caused by irregularities and discontinuities of information are diminished.

Control activities

The control activities include general as well as detailed controls, which aim at preventing, revealing and correct-

ing errors and deviations. In addition to the Group level instructions, control activities are also conducted at unit and factory levels.

Several control activities are applied in the ongoing business processes to ensure that potential errors or deviations in the financial reporting are prevented, discovered and corrected. Suominen divides control activities into following three categories. Documented instructions help the organization to standardize the monitoring of tasks. Continuous and regular reporting conveying feed-back on performance of Group functions and entities make sure that instructions and defined processes are followed. In processes considered as critical specific authorizations are needed in the workflow either for security or verification needs.

Control activities range from review of outcome results in management group meetings to specific reconciliation of accounts and analyses of the ongoing processes for financial reporting. Whether separate evaluations are needed, and their scope and frequency, will depend primarily on an assessment of risks and the effectiveness of ongoing monitoring procedures. It is in the role of Business Controllers to ensure that control activities in the financial processes are appropriate and in accordance with the Group's policies and instructions. Control activities based on information technology security procedures are vital part of IT system features.

Information and communication

The Group Accounting manual, policies approved by the Board and other directives and instructions relating to the financial reporting are updated and communicated on a regular basis from management to all affected employees and are also available on the intranets of Group companies. In addition, a standard reporting package is used by the units. The Group management and the business unit management conduct monthly reviews that include analysis of performance metrics and indicators assisting the management to better understand the underlying business performance.

Follow-up

Ongoing responsibility for follow-up rests with the business unit's management groups and controller functions. In addition, separate internal control reviews on key financial processes are conducted with external auditors on a rolling basis. Regular inspections by quality auditors or client audit personnel cover also the internal controls of delivery chain processes. The Group's Finance function upholds in place an overall self-assessment methodology to form a base to a yearly report to the Board,

and makes case-by-case controls of unit functions or processes. It also monitors the correctness of external and internal financial reporting.

Guidelines for insiders

Suominen Group observes the guidelines for insiders issued by the NASDAQ OMX Helsinki Ltd on 2 June 2008, the company's own insider guidelines.

The members of the Board of Directors, the President and CEO, and the Principal Auditor are included in the company's public insider register maintained as part of the SIRE Service by Euroclear Finland Ltd

The company also maintains a register of Company-specific, non-public insiders. Permanent insiders listed here include the members of the Corporate Executive Team and certain financial administration personnel. A project-specific insider register is maintained covering major or otherwise important projects. The Vice President and CFO is responsible for insider issues.

Insiders are not allowed to trade in securities issued by the company for a period beginning at the end of a financial period or a financial year and ending with the publication of the interim report or financial statement release for the period or financial year in question (closed window). Insiders must consult the person responsible for insider issues for advice on the legal and procedural implications of any trading in securities that they might plan.

The shareholdings of the company's public insiders are presented on page 36 and via the NetSire Service, which can be accessed via the company website.

Auditing

PricewaterhouseCoopers Oy, Authorised Public Accountants, with Heikki Lassila, APA, as Principal Auditor, act as Suominen Corporation's auditors.

The auditors and the President and CEO agree an audit plan annually that takes account of the fact that Suominen does not have an internal audit organisation of its own. Internal audit findings are reported to the President and CEO and the relevant management concerned.

The fees paid to PricewaterhouseCoopers for the statutory auditing of the Group companies totalled EUR 90 thousand in 2009. The fees paid to the auditing company and companies belonging to the same group for non-audit services totalled EUR 17 thousand.

Communications

The goal of Suominen's investor relations (IR) communications is to provide reliable, sufficient, and up-to-date information to enable the market to set a value on the company's share. Suominen follows the principle of equitability in its IR communications. The company has a disclosure policy approved by the Board of Directors, and the policy defines the responsibilities for communications as well as the matters to be disclosed.

The description of the company's corporate governance, the Corporate governance statement for 2009, and other information that form part of the company's regular reporting responsibilities are available on the company website at www.suominen.fi.

President and CEO

Petri Rolig, b. 1963

M.Sc. (Eng.)

President and CEO of Suominen Corporation since 2008

Holds 20,000 Suominen Corporation shares

Auditors

PricewaterhouseCoopers Oy

Authorised Public Accountants

Principal Auditor

Heikki Lassila, APA

Board of Directors

Mikko Maijala, b. 1945

Licentiate of Technology

Member of the Board since 2005, Deputy Chairman 2005, Chairman since 2006

Holds 1,075,839 Suominen Corporation shares

Has a controlling power in Maijala Investment Oy, which holds 76,100 Suominen Corporation shares

Principal positions of trust:

Chairman of the Board, Chemec Ltd

Chairman of the Board, Ch-Polymers Oy

Chairman of the Board, FP-Pigments Oy

Chairman of the Board, Tracker Security Oy

Member of the Board, Roquette Nordica Ltd

Career history:

Managing Director, Roquette Nordica Ltd 2004–2009

Heikki Mairinoja, b. 1947

M.Sc. (Eng.), B.Sc. (Econ.)

Member of the Board since 2001, Deputy Chairman since 2009

Holds 38,471 Suominen Corporation shares

Has a controlling power in Monaccio Oy, which holds 4,950 Suominen Corporation shares

Principal positions of trust:

Member of the Board, Exel Oy

Member of the Board, EM Group Oy

Member of the Board, Ensto Ltd.

Member of the Board, Komax Oy

Member of the Board, Lindström Invest Oy

Career history:

ECO, Oy G.W. Sohlberg Ab 2001–2007

CEO, Uponor Group 1989–1999

Executive Vice President, Uponor Group 1985–1989

Heikki Bergholm, b. 1956

M.Sc. (Eng.)

Member of the Board since 2001, Chairman 2001–2002

Holds 1,738,286 Suominen Corporation shares

Principal positions of trust:

Chairman of the Board, Componenta Corporation

Chairman of the Board, Lakan Betoni Oy

Member of the Board, Lassila & Tikanoja plc

Member of the Board, Forchem Oy

Member of the Board, MB Funds Ltd

Career history:

President and CEO, Suominen Corporation 2002–2006

Various positions at Lassila & Tikanoja Group: President and COO 1998–2001,

Vice President 1997–1998, President of business units 1986–1997 and CFO 1985–1986

Researcher and development manager, Industrialisation Fund of Finland Ltd 1980–1985

Kai Hannus, b. 1945

Licentiate of Technology

Member of the Board since 2006

Holds 18,209 Suominen Corporation shares

Career history:

Head Industry Relations, Ciba Speciality Chemicals 2006–2007

Head Bus.Strat. & Development, Ciba Speciality Chemicals 2005–2006

Head Global Accounts, Ciba Speciality Chemicals 2004–2005

President and CEO, Raisio Chemicals Oy 1999–2004

Executive Vice President, Raisio Chemicals Oy 1992–1999

Juhani Lassila, b. 1962

M.Sc. (Econ.), Managing Director of Agros Corporation

Member of the Board since 2005

Holds 40,272 Suominen Corporation shares

Has a controlling power in Evald and Hilda Nissi Foundation, which holds 2,138,490 Suominen Corporation shares

Principal positions of trust:

Chairman of the Board, Evald and Hilda Nissi Foundation

Vice Chairman of the Board, Lassila & Tikanoja plc

Member of the Board, Comptel Corporation

Career history:

Managing Director, Agros Oy 2005–

Finance integration leader for Instrumentarium Corporation and GEMS/IT, GE Healthcare 2003–2004
Group Treasurer, Instrumentarium Corporation 1996–1999

Director of Group Finance and Group Treasury, Instrumentarium Corporation 1999–2004

Financial Analyst, Postipankki Oy 1988–1996

Investment Analyst, Instrumentarium Corporation 1987–1988

Corporate Executive Team



Petri Rolig, b. 1963

President and CEO, M.Sc. (Eng.)
Joined Suominen Group in 2006
Holds 20,000 Suominen Corporation shares
Principal positions of trust:
Chairman of the Board, Finnish Plastics Industries Federation
Deputy Chairman of the Board, Chemical Industry Federation of Finland
Member of the Board, The Finnish Plastics Recycling Ltd.
Career history:
President and CEO, Suominen Corporation 2008 –
General Manager, Suominen Group 2006–2008
R&D Director, Huhtamäki Group 2001–2006
Operative positions in plastic coating and processing at Stora Enso 1995–2001



Paul-Erik Toivo, b. 1956

Vice President, B.Sc. (Econ.)
General Manager of the Wipes and Nonwovens business area
Joined Suominen Group in 2008
Holds no Suominen Corporation shares
Career history:
General Manager, Suominen Group 2008 –
Director, Metso Panelboard Oy 2003–2007
Managing Director, eMetso Oy 2000–2003
Managing Director, Sako Oy 1999–2000
Marketing Director, Thorn Nordic AS 1996–1999
Director, Cloetta AB 1990–1996
Senior management positions at Huhtamäki Oy Hellas/Leaf 1980–1990



Arto Kiiskinen, b. 1953

Vice President and CFO, M.Sc. (Econ.)
Joined Suominen Corporation in 2001
Holds 13,169 Suominen Corporation shares
Principal positions of trust:
The Congregations in Tampere, Chairman of Auditors
Career history:
Vice President and CFO, Suominen Corporation 2001 –
Senior Vice President, CFO, Componenta Corporation 1997–2001
Leading positions in Finance and Treasury at UPM-Kymmene 1985–1997



Mikko Pellinen, b. 1968

Vice President, M.Sc. (Eng.)
General Manager of the Flexible Packaging business area
Joined Suominen Group in 2008
Holds no Suominen Corporation shares
Career history:
General Manager, Suominen Group 2008 –
Senior management positions at Amcor Flexibles Finland Oy 2000–2008
Senior management positions at Åkerlund & Rausing Oy 1995–2000

Share Capital and Shareholders

Share capital

The registered share capital of Suominen Corporation totals EUR 11,860,056 and the number of issued shares 23,720,112. Shares have a book counter value of EUR 0.50 and no nominal value. Suominen Corporation shares are quoted on the NASDAQ OMX Helsinki in the Small Cap segment under 'Consumer Staples'. The trading code is SUY1V and the ISIN code is FI0009010862.

Each Suominen Corporation share carries one (1) vote at the General Meeting of Shareholders. Under the Articles of Association, no shareholder may cast more than one fifth (1/5) of the total number of votes represented at the General Meeting of Shareholders. Shares afford equal rights to the distribution of the company's assets.

In order to participate at the General Meeting of Shareholders, a shareholder must inform the company by the date mentioned on the invitation at the latest.

Redemption obligation

The Articles of Association contain a clause stating that a shareholder whose holding of all shares of the company, or the votes afforded by the shares, reaches or exceeds 33 1/3 or 50 per cent, has an obligation upon request by other shareholders to redeem their shares in accordance with the procedure stipulated in the Articles of Association.

Share trading

The number of Suominen Corporation shares traded on NASDAQ OMX Helsinki from 1 January to 31 December 2009 was 3,306,822 shares, equivalent to 13.9% of shares included in the company's share capital. The trading price varied between EUR 0.65 and EUR 1.93. The final trading price was EUR 1.59, giving the company a market capitalisation of EUR 37,713,894 on 31 December 2009.

The Company's own shares

On 1 January 2009, the company held 55,057 of its own shares, accounting for 0.2% of the share capital and votes.

The Annual General Meeting of Shareholders held on 20 March 2009 authorised the Board of Directors to decide on the acquisition of a maximum of 200,000 of the company's own shares. The authorisation will be valid for 18 months after the decision of the General

Meeting. The shares shall be repurchased to improve company's capital structure and/or to be used as consideration in future acquisitions or other arrangements related to the company's business or as part of the company's incentive program, and/or to finance investments. Shares may be held, cancelled or conveyed by the company. The company's own shares shall be repurchased otherwise than in proportion to the holdings of the shareholders by using the non-restricted equity through public trading on NASDAQ OMX Helsinki Ltd at the market price prevailing at the time of acquisition.

The General Meeting also authorised the Board of Directors to decide on the conveyance of a maximum of 255,057 of the company's own shares. The authorisation will be valid for 18 months after the end of the General Meeting. Within the authorisation the company has conveyed 54,375 of its own shares as emoluments to the Board of Directors in the period under review. The price of the conveyed shares was EUR 0.80 per share.

During the period under review, the board of Directors did not exercise its authorities to buy the company's own shares. On 31 December 2009, Suominen Corporation held a total of 682 of its own shares, accounting for 0.0% of the share capital and votes.

Stock options

Under the 2006 stock option plan, a maximum of 300,000 stock options shall be issued to the President and CEO of Suominen Corporation as specified by the Board of Directors. Each stock option entitles its holder to subscribe for one Suominen Corporation's share with an equivalent book value of EUR 0.50. Of the stock options 100,000 have been marked with the symbol 2006A, 100,000 with the symbol 2006B, and 100,000 with the symbol 2006C. Stock options marked with the symbol 2006A have expired and stock options marked with the symbol 2006B have been returned to the company.

Under the 2007 stock option plan, a maximum of 200,000 stock options shall be issued to the Executive Team of Suominen Corporation as specified by the Board of Directors. Each stock option entitles its holder to subscribe for one Suominen Corporation's share with an equivalent book value of EUR 0.50. Of the stock options 100,000 have been marked with the symbol 2007A and 100,000 with the symbol 2007B. In 2009, a total of 15,000 stock options marked with the symbol 2007A have been returned to the company.

Under the 2009 stock option plan, a maximum of 450,000 stock options shall be issued to the Presi-

dent and CEO and to the members of the Corporate Executive Team as specified by the Board of Directors. Each stock option entitles its holder to subscribe for one Suominen Corporation's share with an equivalent book value of EUR 0.50. Of the stock options 150,000 have been marked with the symbol 2009A, 150,000 with the symbol 2009B, and 150,000 with the symbol 2009C. According to the 2009A stock option plan a total of 150,000 stock options has been issued in 2009. The share subscription price for the stock options is the trade volume-weighted average price of the company share on NASDAQ OMX Helsinki Ltd. in May 2009 or EUR 1.46. The subscription period for the 2009A stock options is from 2 May 2011 to 30 October 2012. The share subscription rights for the 2009B and 2009C option rights will be determined in 2010 and 2011.

As the registered number of Suominen's issued shares totals 23,720,112, the number of shares may rise to a maximum of 24,570,112 after stock option subscriptions.

Other authorisation granted to the Board of Directors

The Board of Directors is not currently authorised to issue shares, convertible bonds, or bonds with warrants.

Notifications of changes in holdings

On 4 June 2009, Etra Invest Oy reported that on 2 June 2009 its holding in the share capital and voting rights of Suominen Corporation had grown to 14.12%.

On 2 October 2009, Etra Invest Oy reported that on 1 October 2009 its holding in the share capital and voting rights of Suominen Corporation had grown to 16.44%.

Policy regarding dividend payment

On 12 February 2007, the Board of Directors established a set of new financial targets for Suominen between 2007 and 2009. According to these targets the size of the dividend will be raised ensuring the sound growth of the company.

Shares held by the management

The members of the company's Board of Directors and the President and CEO owned, either directly or via a company or organisation in which they held controlling power, 5,150,617 shares on 31 December 2009. These shares entitle holders to 21.7% of voting rights.

	Shares on 31 December 2009	Shares on 1 January 2009
Members of the Board of Directors		
Mikko Majjala, Chairman of the Board	1 075 839	1 060 839
Majjala Investment Oy	76 100	76 100
Heikki Mairinoja, Deputy Chairman of the Board	38 471	24 221
Monaccio Oy	4 950	2 550
Heikki Bergholm, Member of the Board	1 738 286	1 728 911
Kai Hannus, Member of the Board	18 209	8 834
Juhani Lassila, Member of the Board	40 272	30 897
Evald and Hilda Nissi Foundation	2 138 490	2 138 490

	Shares on 31 December 2009	Shares on 1 January 2009
Members of the Corporate Executive Team		
Petri Rolig, President and CEO	20 000	20 000
Arto Kiiskinen, Vice President, CFO	13 169	13 169
Mikko Pellinen, Vice President, General Manager	0	0
Paul-Erik Toivo, Vice President, General Manager	0	0

Shareholders by category

	Number of shareholders	Percentage	Total shares held in each category	Percentage of shares and voting power
Companies	149	6.4	6 408 292	27.0
Financial institutions and insurance companies	2	0.1	8 050	0.0
Public institutions	4	0.2	3 220 602	13.6
Non-profit organisations	34	1.5	2 775 960	11.6
Individuals	2 121	91.5	10 677 541	45.0
Foreign shareholders	9	0.4	608 765	2.6
	2 319	100.0	23 679 210	99.8
Shares registered in a nominee's name	3		19 952	0.1
Shares held by the company			682	0.0
Shares not transferred to the book-entry system			20 268	0.1
Total	2 322		23 720 112	100.0

Distribution of share ownership

Number of shares	Number of shareholders	Percentage	Total shares held in each category	Percentage of shares and voting power
1–100	281	12.1	16 758	0.1
101–500	717	30.9	219 256	0.9
501–1 000	458	19.7	375 394	1.6
1 001–5 000	603	26.0	1 481 227	6.2
5 001–10 000	122	5.3	875 865	3.7
10 001–50 000	110	4.7	2 376 432	10.0
50 001–100 000	10	0.4	711 195	3.0
100 001–500 000	11	0.5	2 298 931	9.7
over 500 000	10	0.4	15 344 104	64.7
	2 322	100.0	23 699 162	99.9
Shares held by the company			682	0.0
Shares not transferred to the book-entry system			20 268	0.1
Total	2 322		23 720 112	100.0
of which registered in a nominee's name	3		19 952	0.1

Largest shareholders on 31 December 2009

Shareholder	Number of shares	Percentage of shares and voting power
1. Oy Etra Invest Ab	4 315 660	18.2
2. Evald and Hilda Nissi Foundation	2 138 490	9.0
3. Ilmarinen Mutual Pension Insurance Company	1 911 552	8.1
4. Heikki Bergholm	1 738 286	7.3
5. Tapiola Mutual Pension Insurance Company	1 283 850	5.4
6. Mikko Maijala	1 075 839	4.5
7. Juhani Maijala	1 041 360	4.4
8. Eeva Maijala	725 627	3.1
9. Arvo Finland Value Mutual Fund	578 240	2.4
10. Veikko Laine Oy	535 200	2.3
11. Argonius Oy	355 050	1.5
12. Samfundet Folkhälsan i Svenska Finland rf	300 000	1.3
13. Harald Relander	300 000	1.3
14. Jorma Takanen	267 900	1.1
15. Oy Fincorp Ab	245 837	1.0
16. Jarkko Takanen	190 540	0.8
17. Matti Kavetvuo	162 184	0.7
18. Liikesivistysrahaston kannatusyhdistys ry	134 610	0.6
19. Renkkeli Oy	120 000	0.5
20. Lassi Antila	117 810	0.5

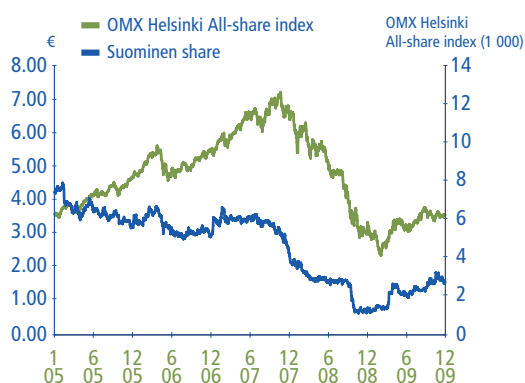
All information concerning the Company's shares is based on the book-entry securities register on 31 December 2009.

Investor relations

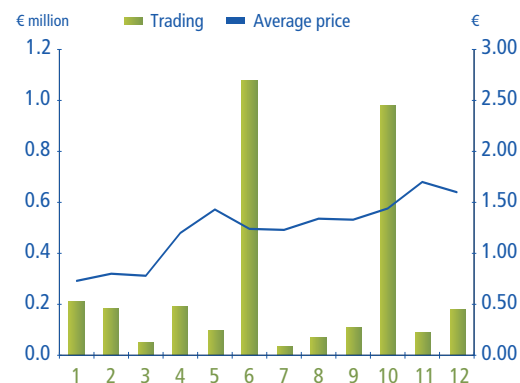
Suominen Corporation's investor relations are the responsibility of Petri Rolig, President and CEO. The company's financial and IR communications are the responsibility of Petri Rolig, President and CEO, and Arto Kiiskinen, Vice President and CFO. In addition, only the Board of Directors is authorised to issue statements on Suominen's finances and performance and comment on matters of a financial nature or related to the company's results.

No appointments will be arranged for investors with company representatives, nor will any comments on financial performance be issued during the silent period observed between the end of a financial period and the disclosure of the results for that period.

Adjusted share price development 2005–2009



Trading and average share price monthly, 2009



Key Figures

Adjusted key figures per share

	2009	2008	2007	2006	2005
Earnings/share (EPS) before impairment losses, €	0.04	-0.20	-0.07	-0.08	-0.20
Earnings/share (EPS) from continuing operations, €	0.04	-0.31	-0.43	-0.08	-0.20
Earnings/share (EPS) from discontinued operations, €					0.05
Earnings/share (EPS) from continuing and discontinued operations, €	0.04	-0.31	-0.43	-0.08	-0.15
Cash flow from operations/share, €	1.13	0.80	0.12	0.53	0.01
Equity/share, €	1.55	1.50	1.96	2.40	2.44
Dividend/share, € *	0.02			0.06	
Dividend/earnings, % *	55.2			-79.6	
Dividend/cash flow from operations, % *	1.8			11.4	
Dividend yield, % *	1.3			2.0	
P/E ratio from continuing operations	43.83	-2.16	-4.84	-39.5	-15.9
Share price					
lowest, €		0.60	2.01	2.80	3.17
highest, €		2.25	3.79	3.85	4.52
average, €		1.50	3.21	3.32	3.67
at year end, €		0.66	2.07	2.97	3.18
Market capitalisation on 31 Dec., € million	37.7	15.6	49.0	70.3	75.4
Number of shares held outside the Company					
average during the year		23 699 569	23 679 266	23 709 255	23 701 335
at year end		23 665 055	23 683 769	23 668 991	23 704 983
Number of shares traded as percentage of the average during the year	3 306 822 13.9	4 251 828 17.9	8 765 455 37.0	7 000 722 29.5	6 955 745 29.3

No dividends were recognised during the financial year.

*Proposal by the Board of Directors

Key figures on financial performance

	2009	2008	2007	2006	2005
Net sales, € million	179.4	214.6	215.2	202.6	195.2
Export and international operations, € million	149.5	179.7	181.1	169.5	160.3
as % of net sales	83.3	83.7	84.2	86.9	82.1
Operating profit before impairment losses, € million	6.7	-1.6	1.7	1.2	-3.1
as % of net sales	3.7	-0.7	0.8	0.6	-1.6
Operating profit, € million	6.7	-4.0	-6.8	1.2	-3.1
as % of net sales	3.7	-1.9	-3.1	0.6	-1.6
Profit before taxes, € million	1.0	-8.8	-10.7	-2.7	-6.8
as % of net sales	0.6	-4.1	-5.0	-1.4	-3.5
Profit from continuing operations, € million	0.9	-7.2	-10.1	-1.8	-4.7
as % of net sales	0.5	-3.4	-4.7	-0.9	-2.4
Profit from discontinued operations, € million					1.1
as % of net sales					0.6
Profit for the financial year, € million	0.9	-7.2	-10.1	-1.8	-3.7
as % of net sales	0.5	-3.4	-4.7	-0.9	-1.9
Cash flow from operations, € million	26.8	18.9	2.7	12.5	0.1
Balance sheet total, € million	122.8	143.8	172.4	175.9	185.8
Return on equity (ROE), %	2.4	-16.7	-18.8	-3.1	-6.2
Return on invested capital (ROI), %	6.4	-2.9	-4.5	0.9	-0.8
Equity ratio, %	29.9	24.6	26.9	32.3	31.2
Equity ratio, %, capital loans in equity	36.4	31.6	28.0	34.5	34.4
Gearing, %	161.2	229.9	210.5	154.4	167.6
Gearing, %, capital loans in equity	114.4	157.2	197.7	137.7	142.5
Gross investments, € million	4.5	3.9	11.3	4.3	7.7
as % of net sales	2.5	1.8	5.2	2.1	4.0
Expenditure on R&D, € million	2.3	2.2	2.1	2.0	2.7
as % of net sales	1.3	1.0	1.0	1.0	1.4
Average personnel	944	1 019	1 070	1 058	1 242

Calculation of the Key Figures

Earnings/share	$\frac{\text{Profit before income taxes - income taxes}}{\text{Adjusted number of shares held outside the group (average)}}$
Cash flow from operations/share	$\frac{\text{Cash flow from operations as in the cash flow statement}}{\text{Adjusted number of shares held outside the group (average)}}$
Equity/share	$\frac{\text{Shareholders' equity}}{\text{Adjusted number of shares held outside the group at year end}}$
Dividend/share	$\frac{\text{Dividend/share for the financial year}}{\text{Adjustment coefficient for share issues after the financial year}}$
Dividend/earnings, %	$\frac{\text{Dividend/share} \times 100}{\text{Earnings/share}}$
Dividend/cash flow from operations, %	$\frac{\text{Dividend/share} \times 100}{\text{Cash flow from operations/share}}$
Dividend yield, %	$\frac{\text{Dividend/share} \times 100}{\text{Adjusted share price at year end}}$
P/E ratio	$\frac{\text{Adjusted share price at year end}}{\text{Earnings/share}}$
Market capitalisation	$\text{Number of shares held outside the group at year end} \times \text{adjusted share price at year end}$
Return on equity (ROE), %	$\frac{(\text{Profit before income taxes - income taxes}) \times 100}{\text{Shareholders' equity (quarterly average)}}$
Return on invested capital (ROI), %	$\frac{(\text{Profit before income taxes} + \text{profit from discontinued operations} + \text{interest and other financial expenses}) \times 100}{(\text{Balance sheet total} - \text{non-interest bearing liabilities}) \text{ (quarterly average)}}$
Equity ratio, %	$\frac{\text{Shareholders' equity} \times 100}{\text{Balance sheet total} - \text{advances received}}$
Gearing, %	$\frac{(\text{Interest-bearing liabilities} - \text{interest-bearing receivables} - \text{cash at bank and in hand}) \times 100}{\text{Shareholders' equity}}$

Summary of Stock Exchange Releases in 2009

January

12 January Suominen Nonwovens issues layoff warning

February

11 February Financial statement release 1 January – 31 December 2008
12 February Notice of Annual General Meeting of Shareholders

March

3 March Suominen's Annual Report and annual summary 2008 published
20 March Resolutions passed by the Annual General Meeting
25 March Conveyance of own shares

April

29 April Interim report 1 January – 31 March 2009

June

4 June Notification according to the Securities Markets Act: Etra Invest Oy's total ownership has exceeded the 10% threshold
25 June Suominen Ikamer issues layoff warning

July

24 July Interim report 1 January – 30 June 2009

August

11 August Suominen Flexibles to start employee negotiations at the Norrköping plant
17 August Employee negotiations concluded at Suominen Ikamer

September

21 September Suominen Flexibles concluded employee negotiations at the Norrköping plant

October

1 October Suominen will publish its Q3/2009 result ahead of schedule
2 October Notification according to the Securities Markets Act: Etra Invest Oy's total ownership has exceeded the 15% threshold
21 October Interim report 1 January – 30 September 2009
30 October Suominen Flexibles to start employee negotiations at the Tampere plant

December

2 December Financial information and AGM in 2010
21 December Suominen Flexibles concluded employee negotiations at the Tampere plant

All Suominen Corporation's stock exchange releases and announcements can be consulted at www.suominen.fi.

The information in the releases listed above might be outdated.

Information for Shareholders

Financial Information

Interim Report 1 January–31 March, issued 22 April 2010

Interim Report 1 January–30 June, issued 19 July 2010

Interim Report 1 January–30 September, issued 22 October 2010

The Annual Report, Financial Statements, Interim Reports, and other Stock Exchange Releases are published in Finnish and English. They are available on the company website at www.suominen.fi immediately after publication. The internet pages also contain information on how to join the mailing list for Annual Reports, Financial Statements and Interim Reports. The English editions are translations of the Finnish originals, which will prevail in the event of any dispute.

The Annual General Meeting

The Annual General Meeting of Suominen Corporation will be held on Tuesday 23 March 2010, at 1 p.m. in the Restaurant Palace, Conference Hall, Eteläranta 10, Helsinki.

Shareholders who are entered in the company's Register of Shareholders maintained by Euroclear Finland Ltd on 11 March 2010 are entitled to attend the Annual General Meeting. Notice of attendance at the Annual General Meeting is requested by 4 p.m. on 16 March 2010, either by e-mail at ir@suominen.fi, by telephone at +358 (0)10 214 3535, in writing to Suominen Corporation, P.O. Box 380, FI-33101 Tampere or by fax at +358 (0)10 214 3536.

Payment of the dividend

The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of EUR 0.02 per share be paid for the financial year 2009. The record day will be 26 March 2010 and the dividend will be paid on 9 April 2010.

Contact Information

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