

Best-in-Class Product and Service Offering Supporting Global Customers to Improve Profit and Sustainability

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CMD

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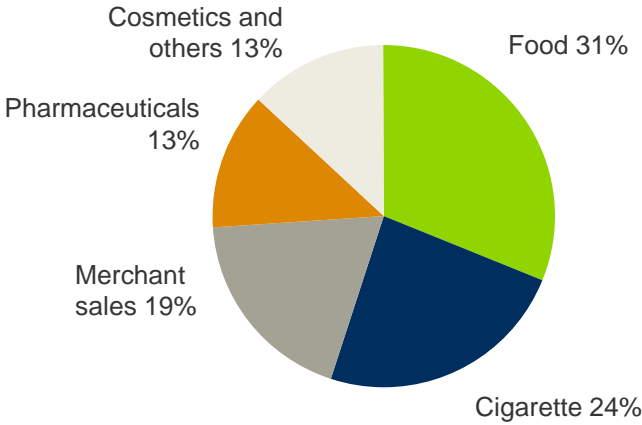
Fit-For Purpose Folding Boxboard Offering

Ari Kiviranta, Head of Cartonboard BA

Metsä Board's Folding Boxboards Are Ideal for Many End-Uses



End-Uses of Metsä Board's FBB



Metsä Board



Metsä Board Is the Global Quality Leader in Folding Boxboard

- Cost competitiveness and sustainability thanks to light weight
- Pure and safe
- Superior printing surface
- Best quality consistency
- Traceable raw material



Better Cost Competitiveness and Smaller Environmental Load

Case from Europe



Product	Old packaging material	Weight/m ²	Weight of Metsä Board's FBB/m ²	Difference in weight
Cosmetics packaging	Solid bleached board	341 gsm	270 gsm	21%
Hygiene product packaging	Recycled fibre based cartonboard	326 gsm	210 gsm	36%

Weight Differences in North America Even Greater than in Europe

Case from North America



Product	Old packaging material	Weight/m ²	Weight of Metsä Board's FBB/m ²	Difference in weight
Food packaging	Solid bleached board	193 g	141 g	27%
Confectionery packaging	Recycled fibre based cartonboard	406 g	240 g	41%

Strong Focus on Product Development

- Current products continuously improved
 - Latest enhancements launched successfully in Spring 2013
 - New innovations to reduce weight and improvement in visual properties further in the pipeline
- New products and end use areas actively developed. Latest new product introductions:

Carta Dedicata

Light weight cup stock and food service board



Carta Allura

Luxury packaging board

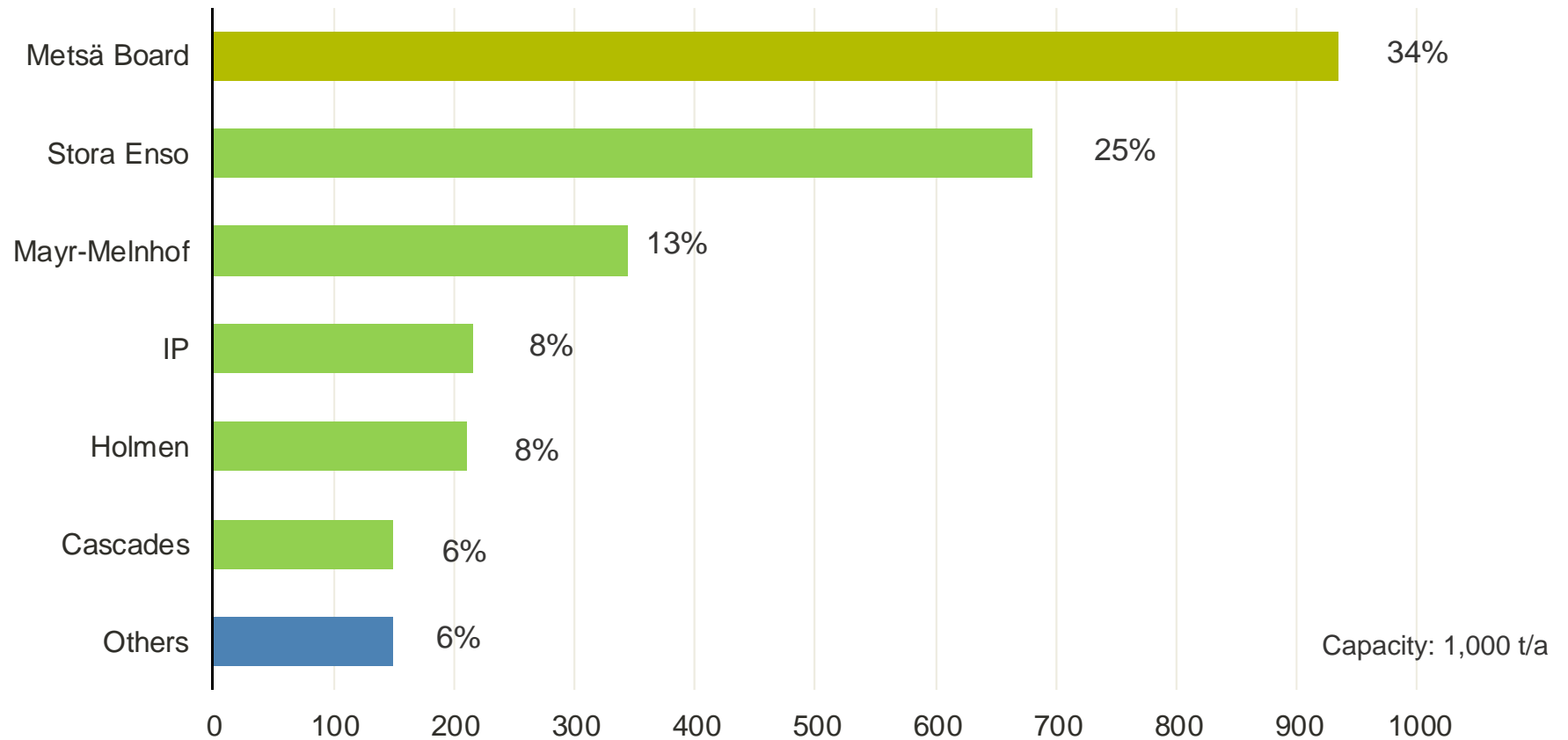


Metsä Board Enters the Cartonboard Segment for Food Service and Cups with Carta Dedicata


- Market growth 4 %/a
 - Global market about 2,5 million tonnes
- The leading responsible brands are favoring more and more paperboard in food service solutions
- Carta Dedicata up to 15 % lighter in weight than typical paperboards in food service end use
- Targeted volume already in 2014 over 10 000 tonnes. Mid-term target at least 100 000 tonnes/a



Thanks to the Extensive Development Work Metsä Board is Clearly the Largest Folding Boxboard Producer in Europe



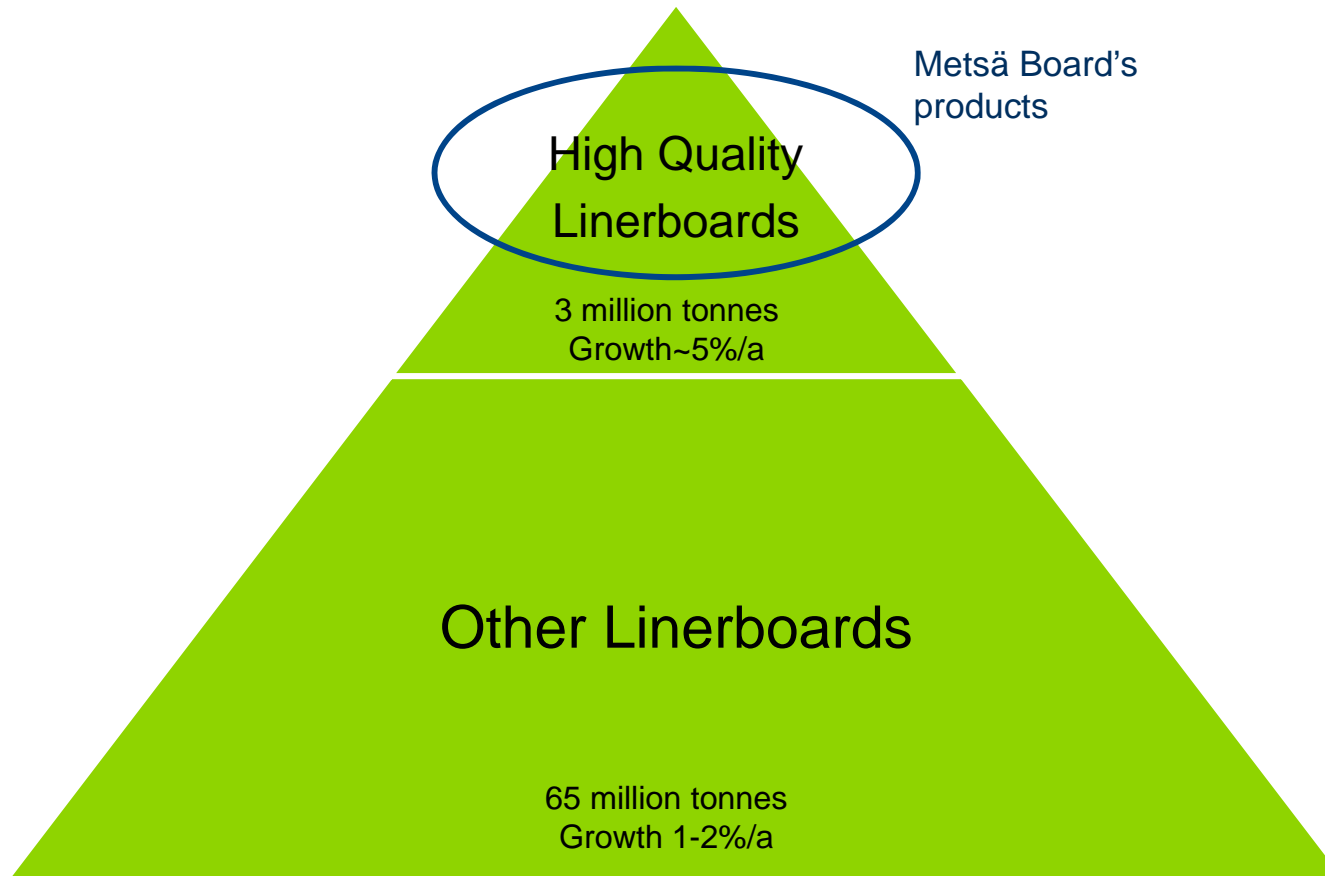
Source: Pöyry Management Consulting Oy



Forerunner in High Quality Linerboards

Seppo Puotinen, Head of Linerboard and Paper BA

Metsä Board Focuses on High Quality Linerboards Made Out of Fresh Forest Fibres



Kemi's White Top Kraftliners a Global Success Story

- Kemi's coated linerboards are used as the outer layer of high quality flexo printed corrugated boxes used in retail packaging and sales promotion
- Kemi's linerboards offer superior printing surface balanced with optimized strength properties
- Kemi mill's capacity is increased from 375 000 to 400 000 tonnes and it focuses almost fully on coated grades by end 2014

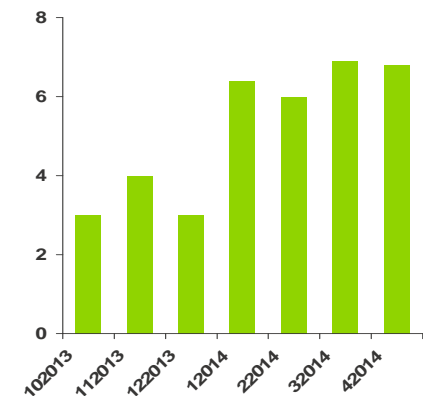
One of the very few European forest industry products that have reached the market leadership both in Europe and in North America



Great Start for Husum's Light-Weight Linerboard Sales

- Husum's fully bleached liners are specifically designed for high quality offset printed microflute packaging applications
- Pure and safe linerboard from Husum offer great advantages especially in food packaging e.g. pizza boxes and frozen food
 - Husum's liner in all three layers of corrugated board
 - Replacing mainly recycled fibre paperboard and plastics
- Husum's coated linerboards offer the best printing surface globally for offset printing and litholamination
- Target is to benefit Husum's full linerboard annual production potential of about 280 000 tonnes during the next few years

Husum linerboard deliveries, 1,000 tonnes



Corrugated board structure



Metsä Board's New Generation Linerboards Enable Expansion to New Wood Fibre Based Packaging Applications

- Pure and safe fresh forest fibre linerboard is safe to use even in the most demanding food packaging applications
- Microflute boxes offer very high stiffness thanks to special structure
- New applications enable accelerated growth of wood fibre based materials' share of total packaging material market

Competitiveness against plastics improving materially especially in food packaging

Global packaging material market,
EUR 600 billion

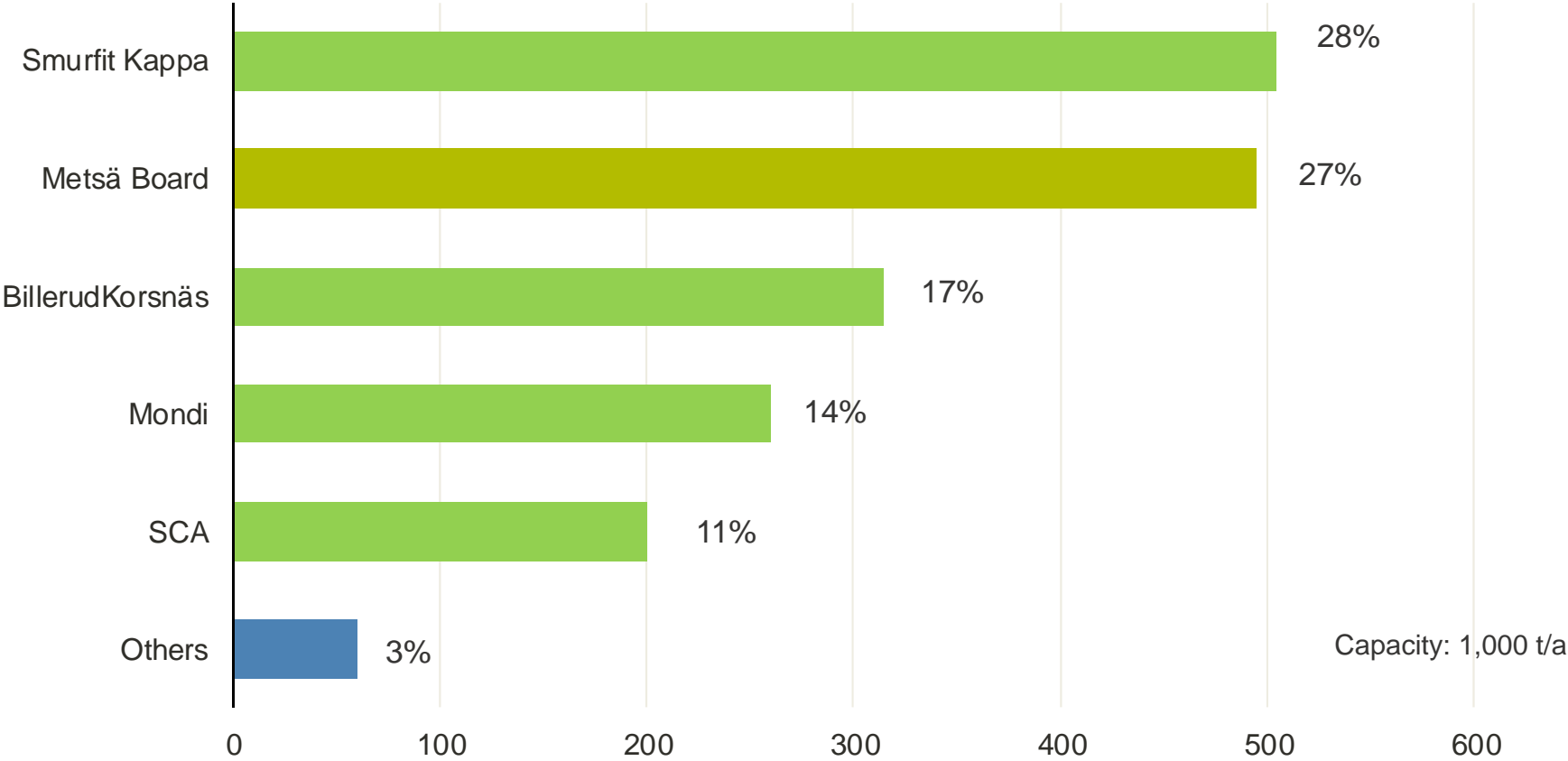


Source: Smithers Pira

Metsä Board Is Now Able to Offer Even Wider Coverage of High-Quality Paperboards for Consumer Goods Companies and Converters



Metsä Board is Europe's Second Largest White-Top Fresh Forest Fibre Linerboard Producer. No. 1. When Husum in Full Run



Source: Metsä Board, Pöyry Management Consulting Oy





Advanced Services and Supply Chain

Pasi Piiparinen, Head of Sales, Cartonboard BA

Metsä Board's Already Top Class Supply Chain Operations Further Improved by Availability Services

- Lean Supply Chain Management project was launched in 2012 to improve
 - Service level experienced by customers
 - Efficiency of supply chain via improved forecasting
 - Reduced working capital
- Services and processes related to supply chain were challenged and redesigned
- Result was six harmonised supply models and efficient processes, implementation in 2013-2014
- Target is 20 % reduction in stocks and benchmark level in delivery accuracy and customer service



Technical Customer Service in Key Role to Achieve Growth Targets


- Metsä Board ensures that consumer goods companies and converters can succeed and add value by using our paperboards
- Together with our customers we select an optimal board for each end use, packaging design and printing method
- Metsä Board works also with the customers' customer to help them create the optimal package from sustainable raw material
- The consultative role of technical customer service is especially important in the markets where the modern FBB is today not widely used, like North America.



Sustainability Services a Major Differentiator Favouring Metsä Board

- Verification of origin of wood raw material
- Services to help customers calculate the environmental impact of different packaging materials throughout the product's life cycle
- Training for customer's organisations, sales and production to benefit the sustainability achievements at consumer front
- Superb knowledge of fibres and combination of various pulps makes it impossible to copy our sustainability advantages



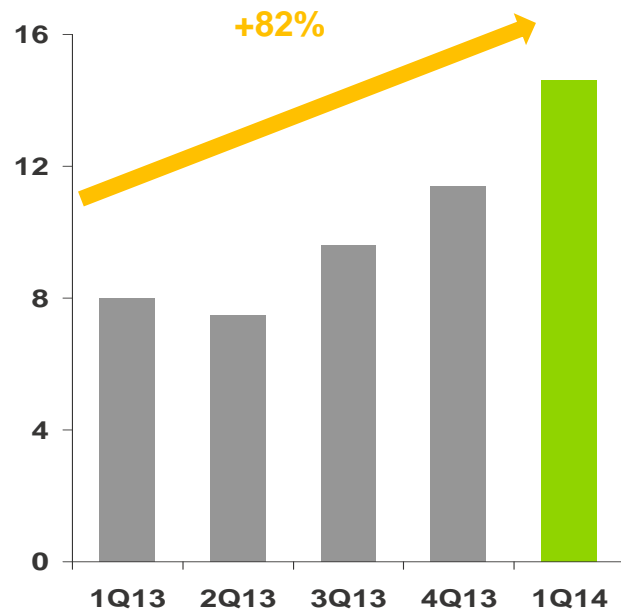


Development in North America

Pasi Piiparinen, Seppo Puotinen

FBB Sales to North America Growing Fast Month by Month

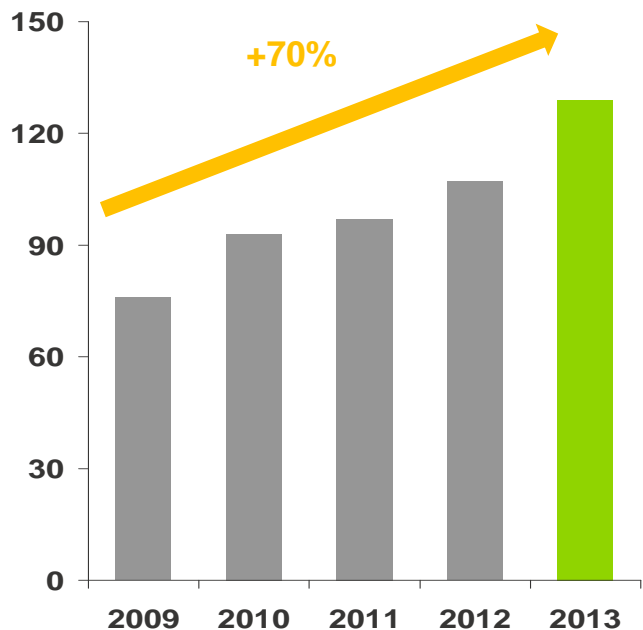
FBB deliveries to North America, 1,000 tonnes



- Metsä Board’s FBB has proven its competitiveness among North American consumer goods companies and converters
- It is adding a missing piece to the North American cartonboard offering enabling the enhancement of sustainability
- In food service business our new Carta Dedicata has had a major breakthrough
- Metsä Board will at least double it’s FBB deliveries in 2014 compared to 2013

Strong Growth Continues in Linerboards Thanks to Kemi's Doublecoated Grades and Husum's New Fully Bleached Products

Metsä Board's fresh forest fibre linerboard deliveries to North America, 1,000 tonnes



- Market leadership of Kemi's white top linerboards will be further strengthened
- Our growth is further accelerated by Husum's light weight uncoated and coated liners
 - Access to corrugated offset applications will enlarge hugely our graspable market potential
- By combining the Kemi and Husum portfolios, Metsä Board's target in 2014 is to grow at least 20 % in 2014 from the 130 000 tonnes delivered in 2013



Thank you!

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