

UPM PAPER ASIA GROWTH FOCUS ON ATTRACTIVE SEGMENTS

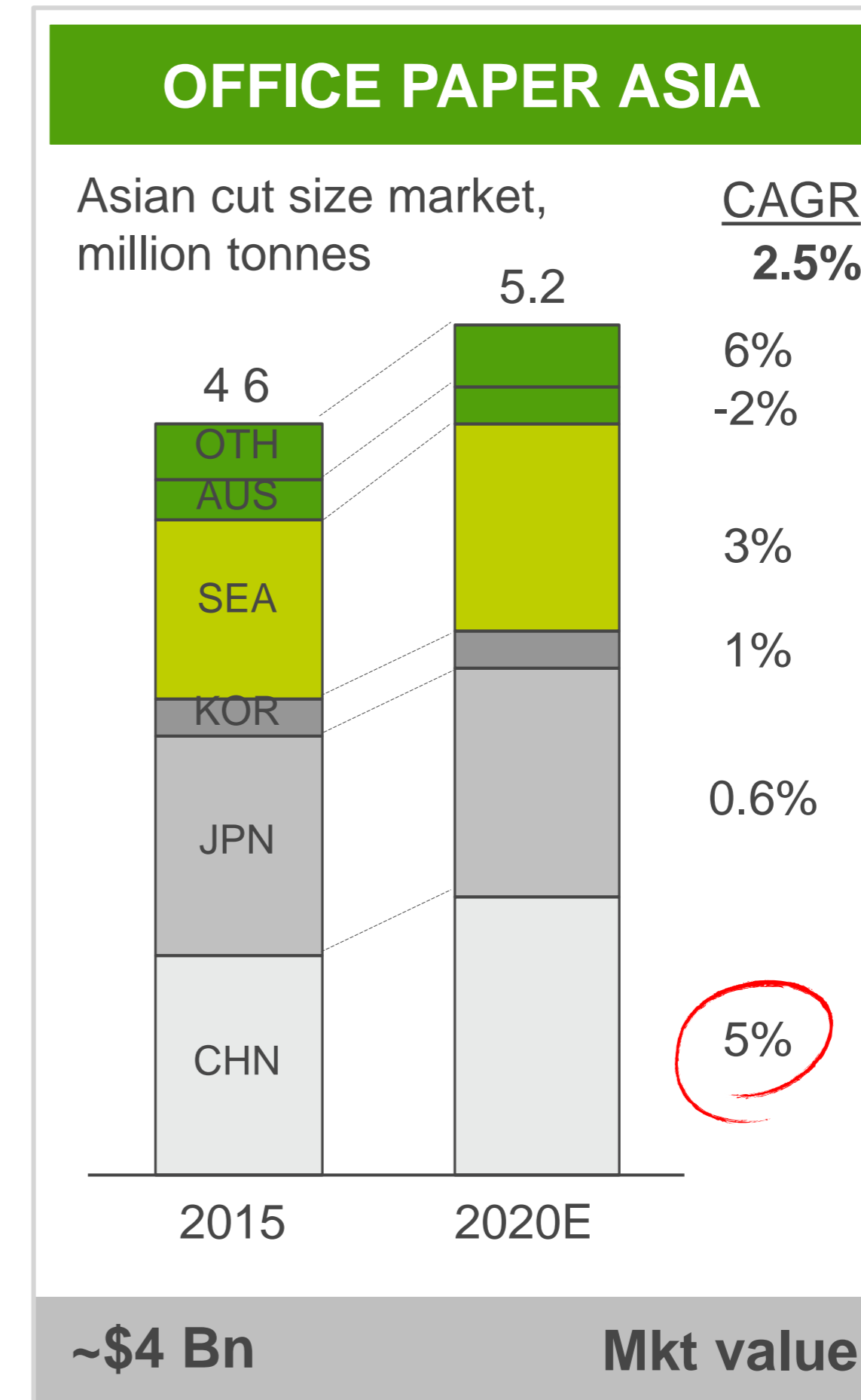
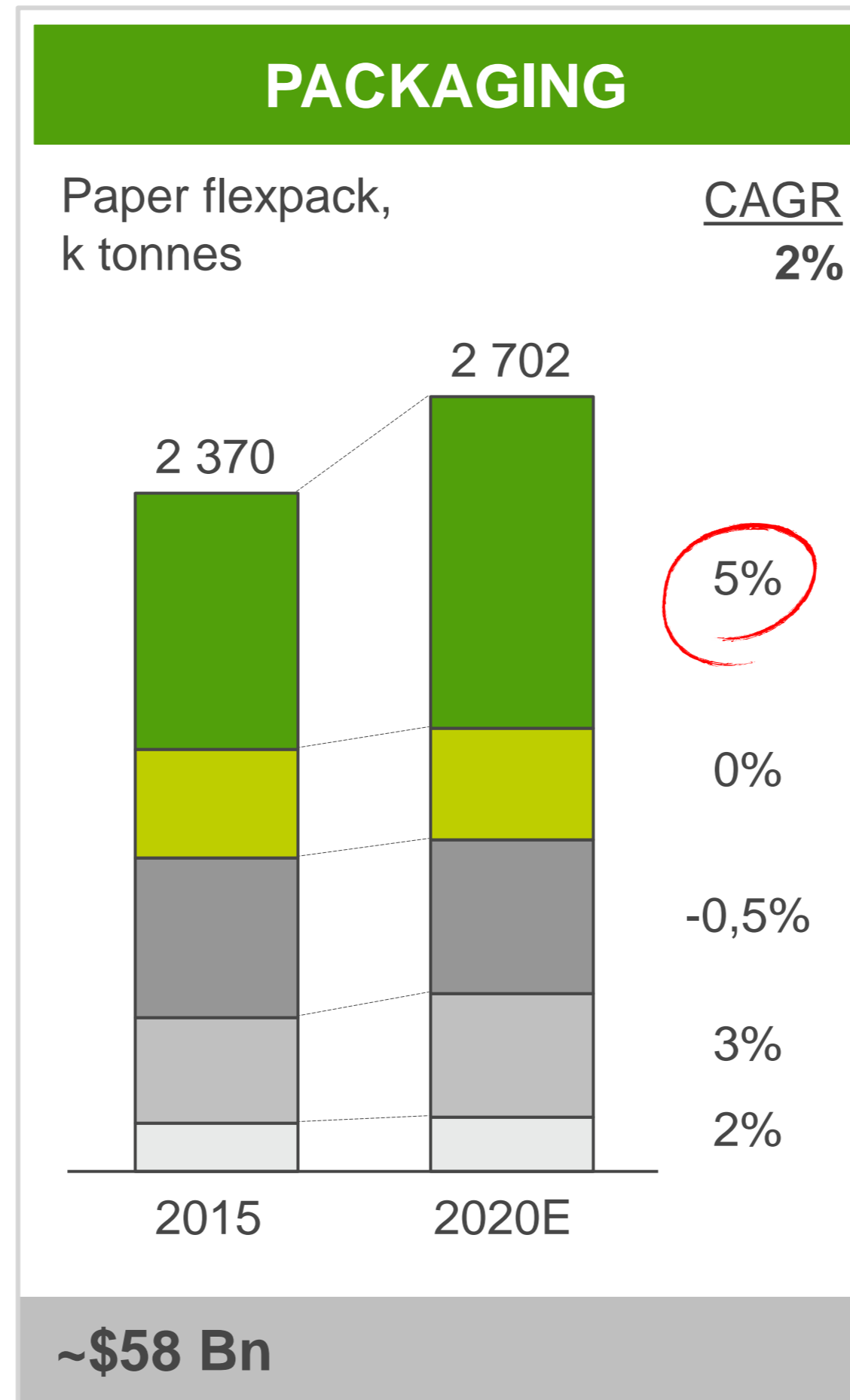
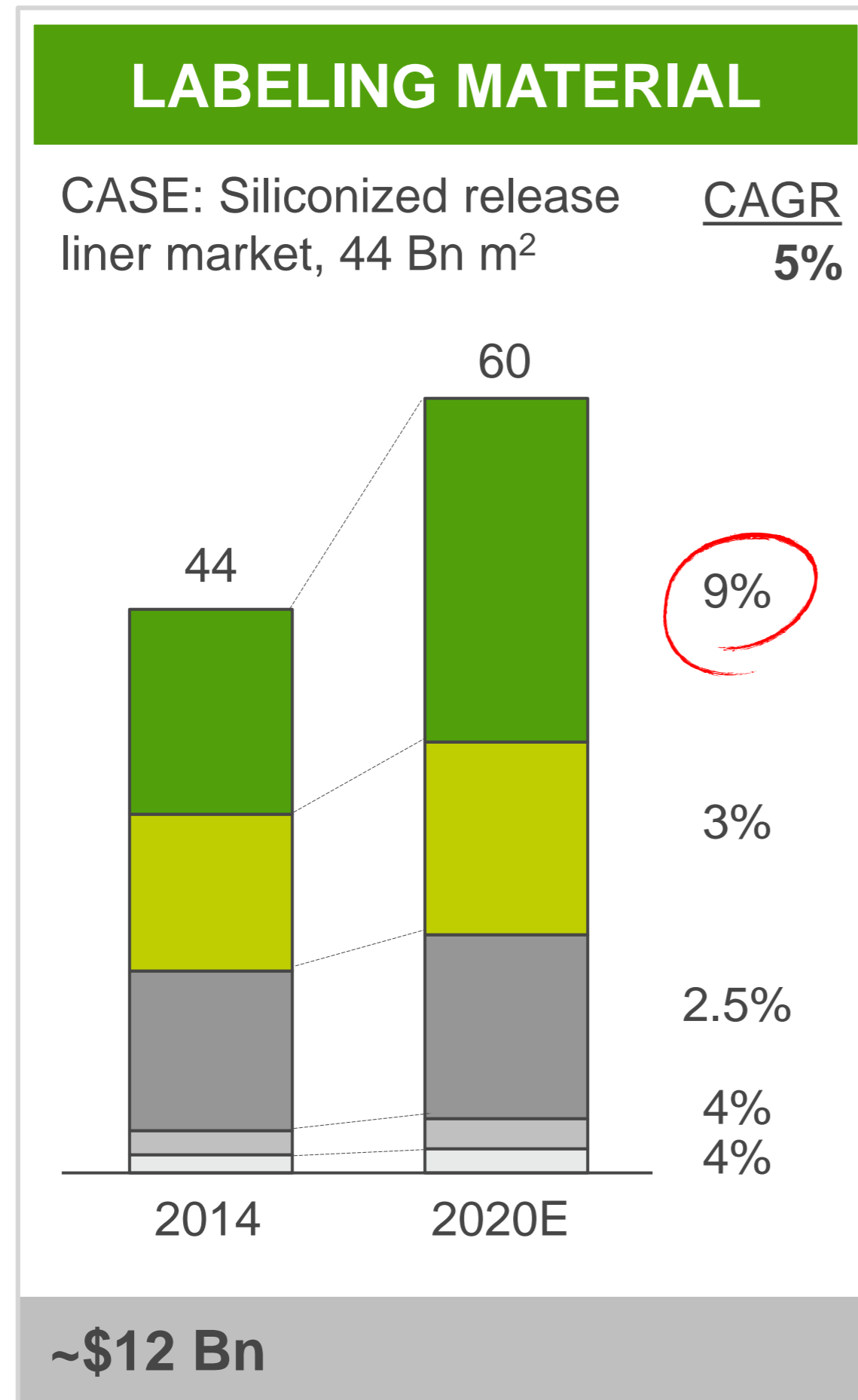
Bernd Eikens
EVP, UPM Paper Asia



Focus on Labeling materials, Packaging and Office paper in Asia

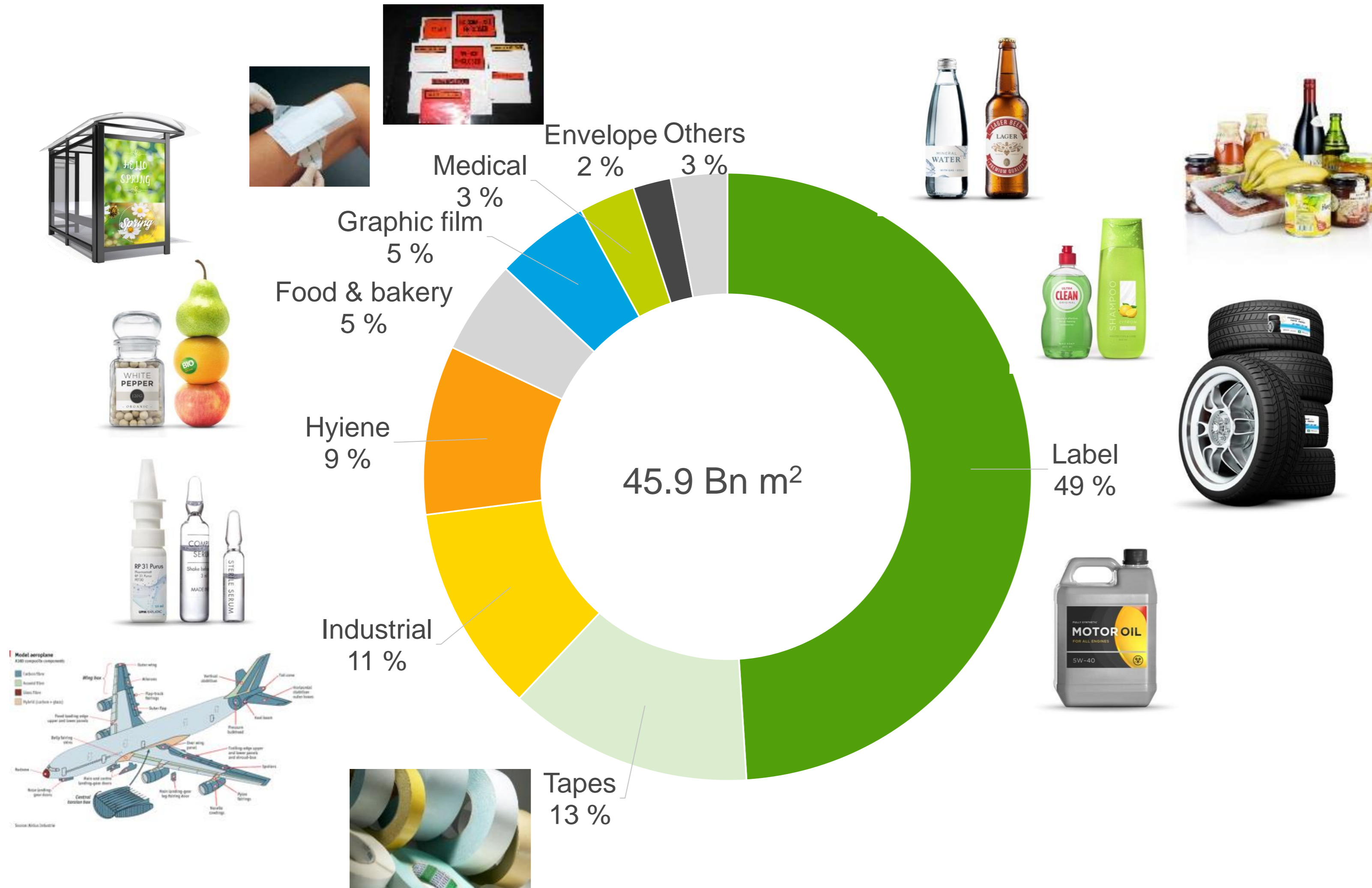


Our end use markets are growing



■ Asia
 ■ North America
 ■ Europe
 ■ South America
 ■ MEA

Global release liner market: Applications



Product functions:

- Release liner carries the adhesive and face material
- Prevents the adhesive from sticking permanently
 - Important and often critical feature of a layered construction

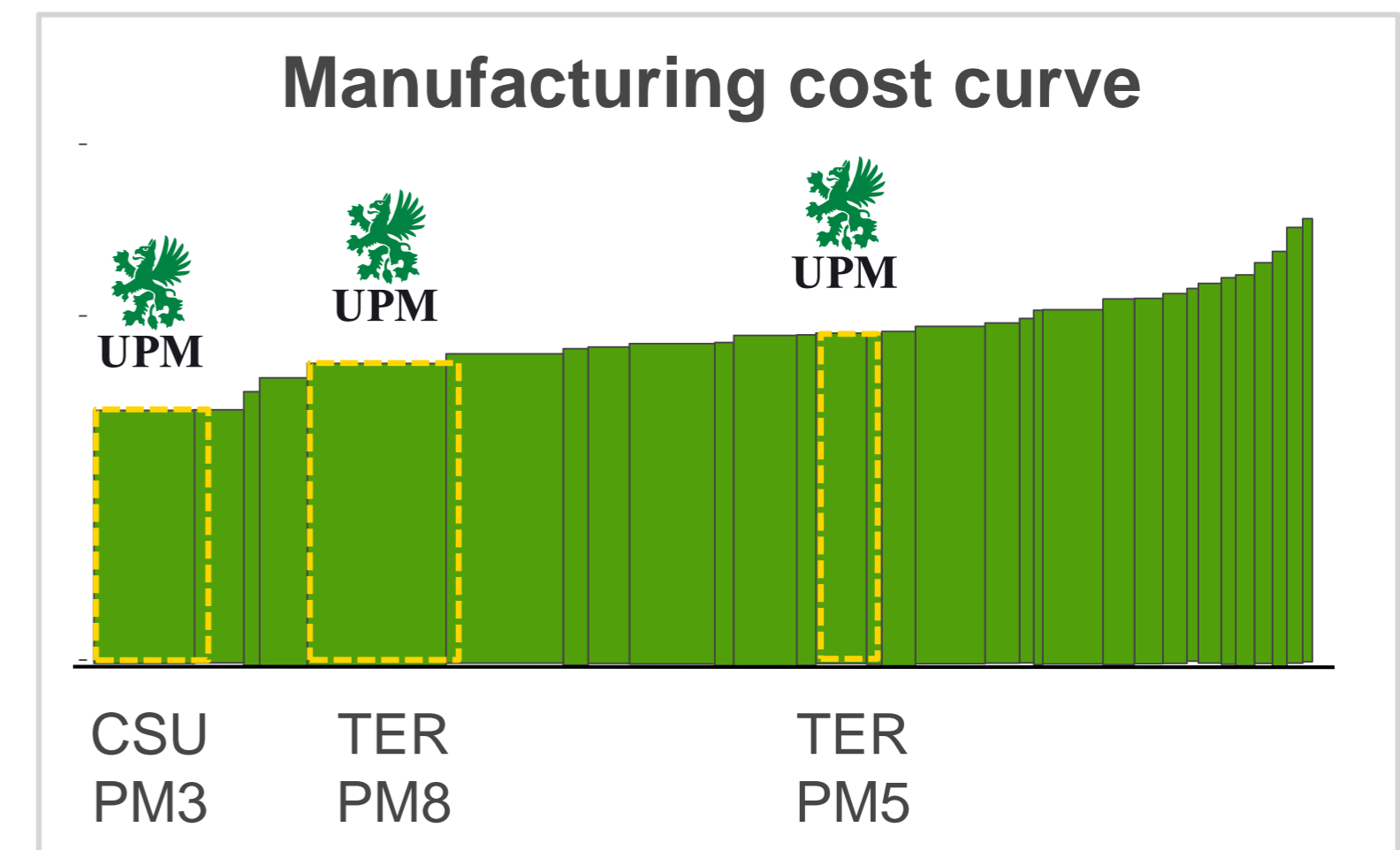
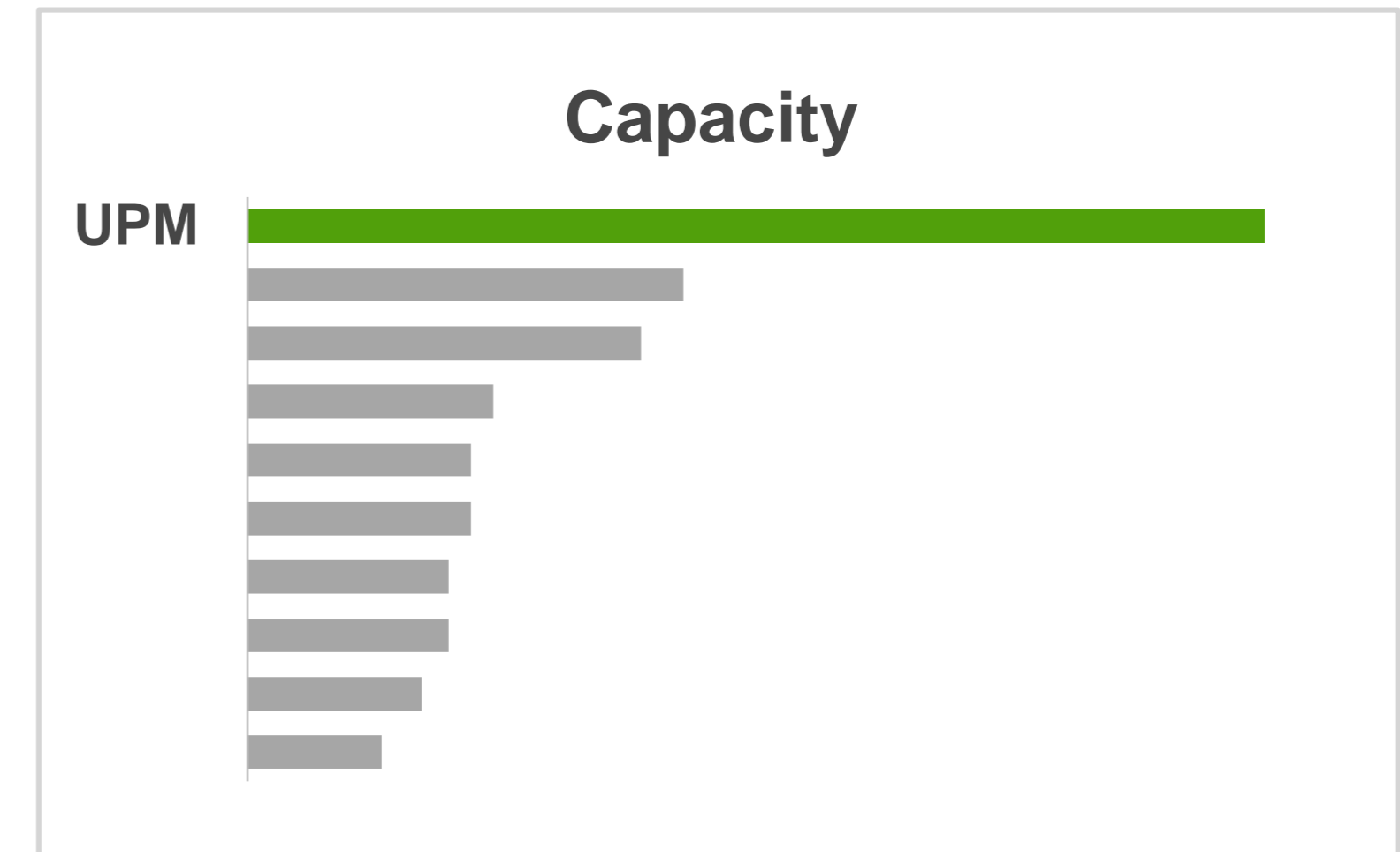


Source: AWA

UPM Paper Asia – Strengths in Release liner

Competitive paper machines & global customer base

Go-to-market	Deep customer relationships	Focus on key accounts has significantly increased customer satisfaction
	Global sales network	Salesforce concentrating on LP&R products supporting local and global customers
Assets	Superior product quality	Quality stability and performance in low basis weight papers, comprehensive portfolio, and innovative products
	Operational efficiency	Extensive production experience with a strong cost focus
	Competitive production platform	Cost competitive machines and distribution network



Source: RISI, Poyry, UPM

Our footprint in APAC



Value creation

- Long term, loyal customer base
- Extensive own sales network in APAC
- Strong own cut size paper brands in China
- Wide distributor network
- Reliable supplier – exceptional customer experience
- Recognized leader in sustainability

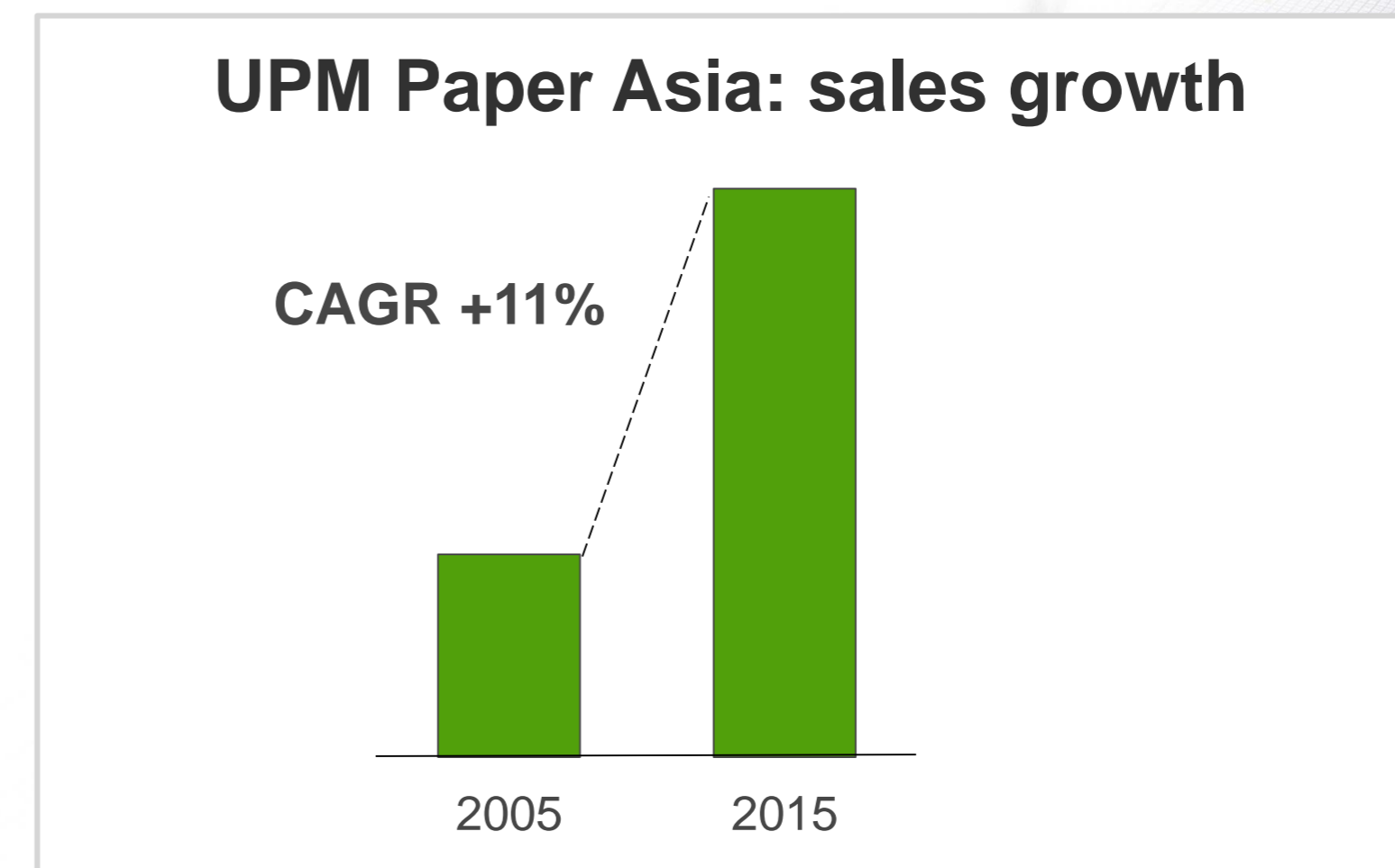
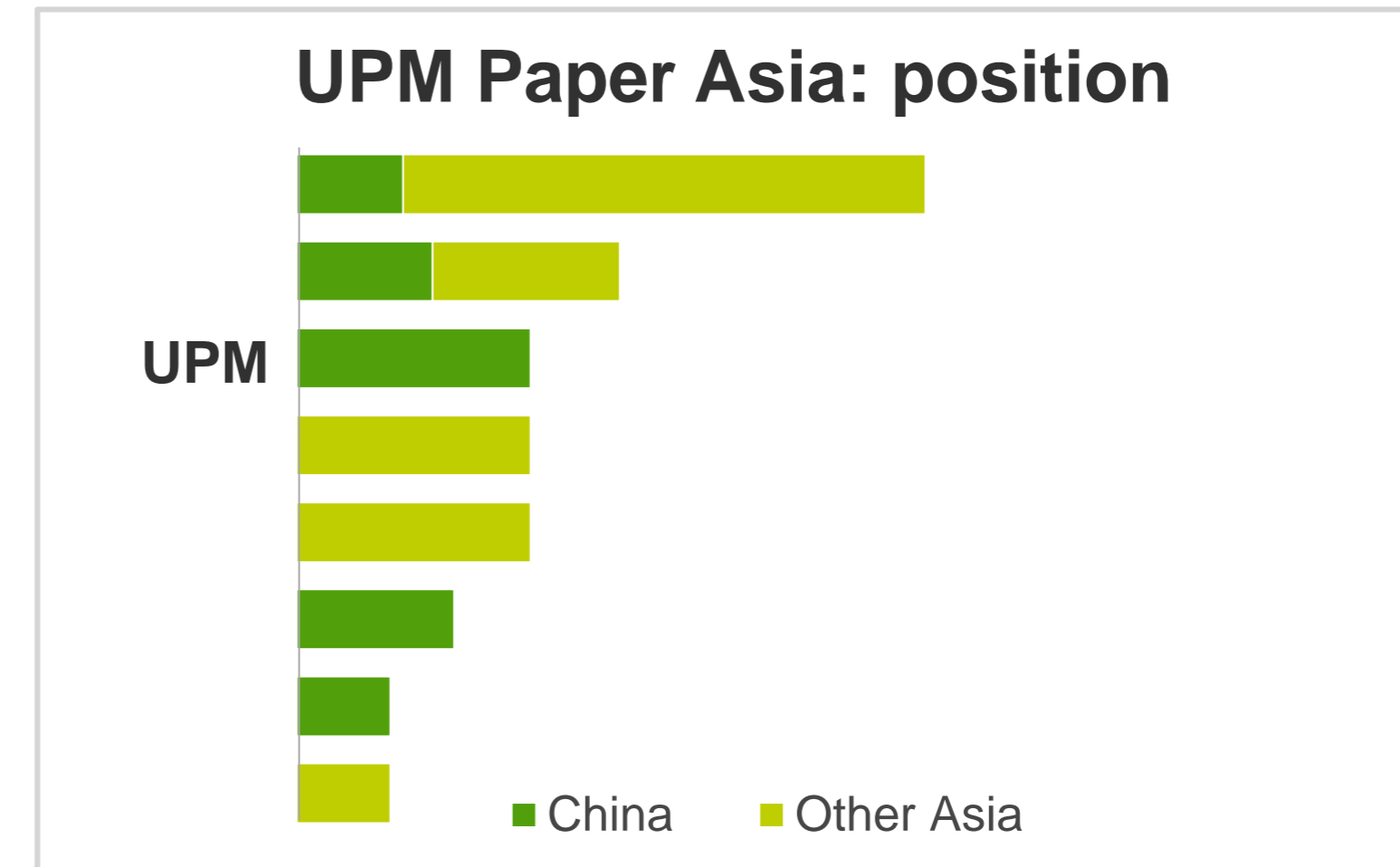
Source: UPM



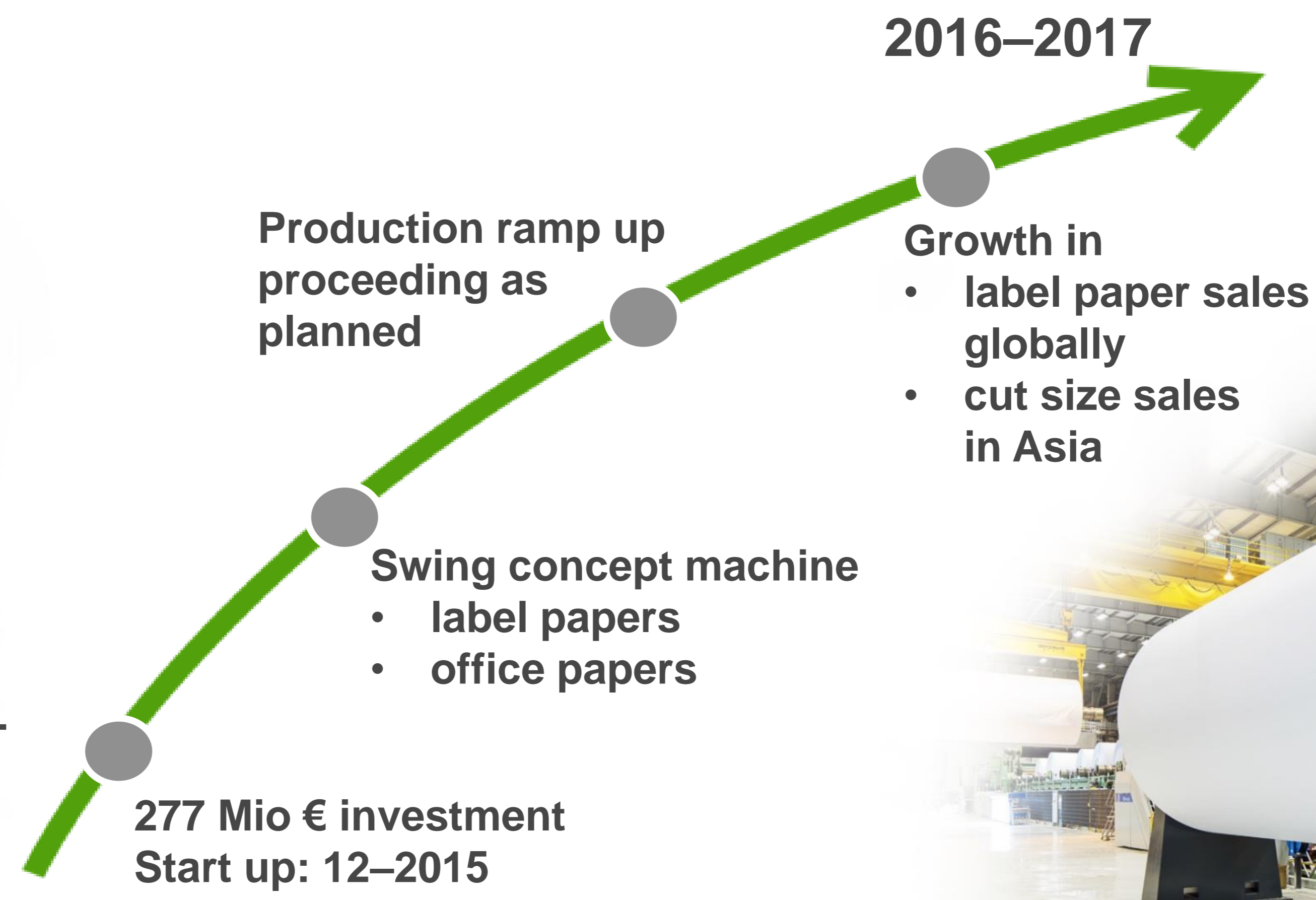
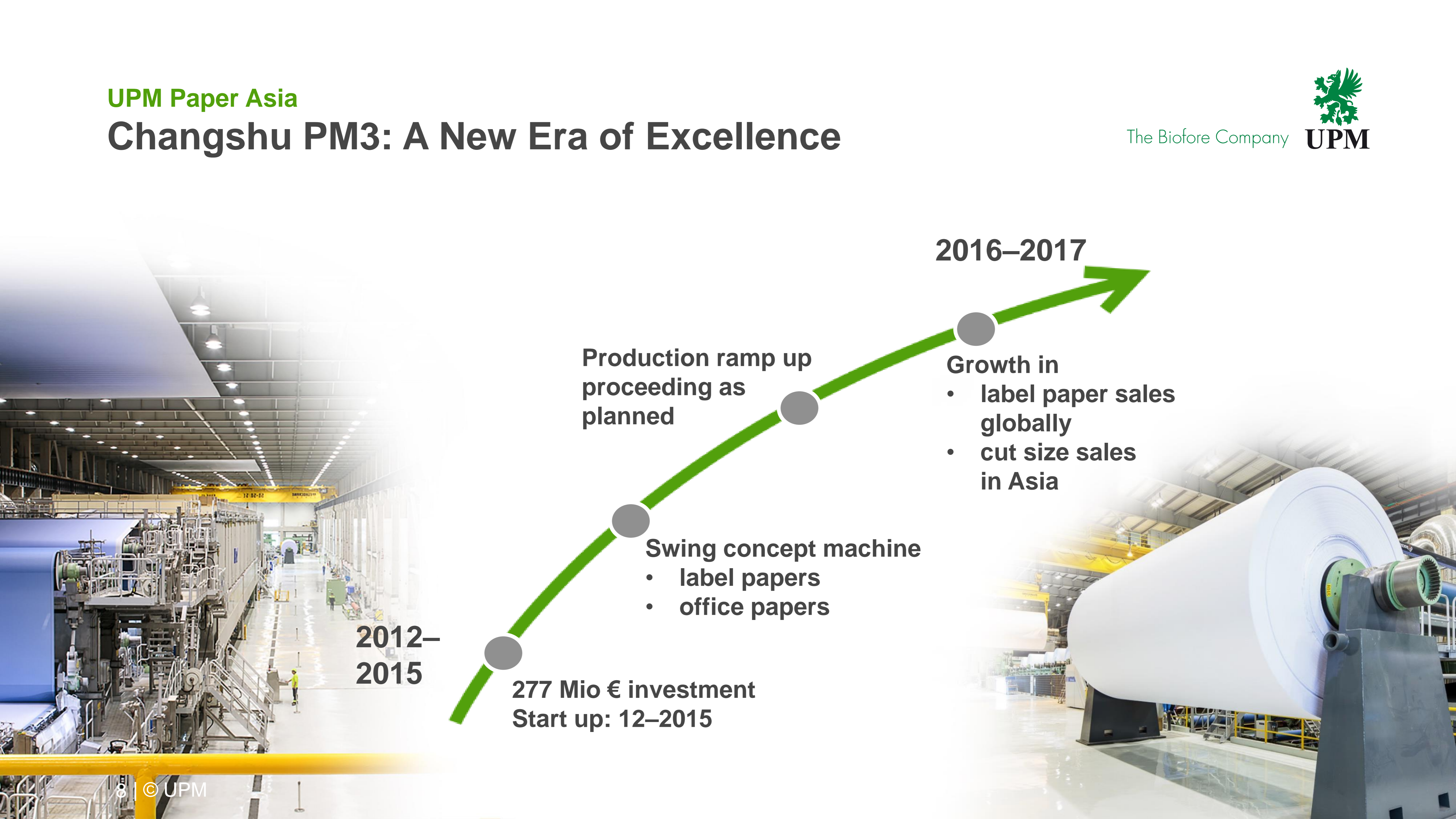
China is the main office paper market in Asia

Consumption increase supported by

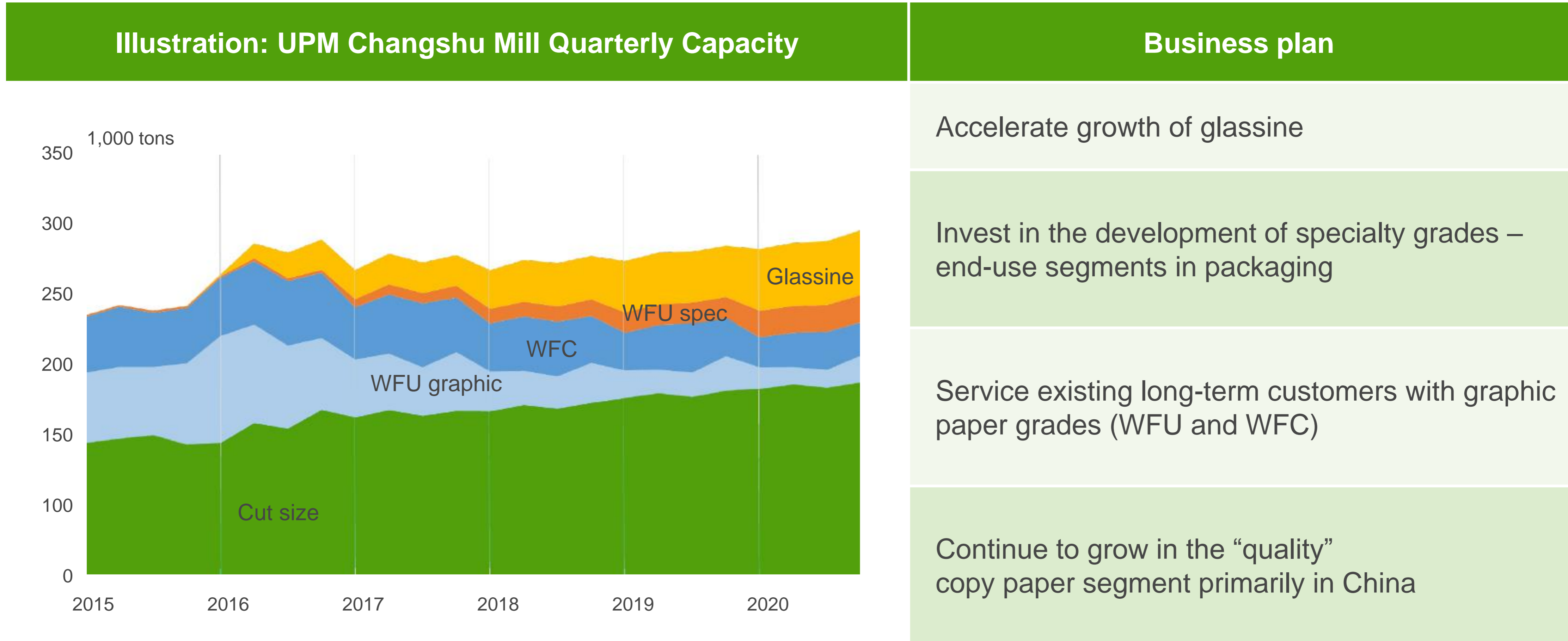
- **Economic growth** is driving establishment of new enterprises
- **Establishment of new enterprises** increases installation of new copiers
- **Growing economy** drives the need for more documentation, and increase in personal printer population
- **Urbanization** supports demand for specialized business services



Changshu PM3: A New Era of Excellence



Changshu mill: focus on growing end uses with a flexible swing production line



WFU: wood free uncoated
 WFC: wood free coated
 Source: UPM

The way forward: growth focus on attractive segments

- Paper Asia is a global industry leader in safety and sustainability
- Paper Asia operates world class, cost competitive assets
- Paper Asia strives to be the preferred and the most customer oriented supplier in its main businesses, growing in long term partnerships
- Paper Asia grows to maintain the global leadership position in labelling materials
- Paper Asia maintains a position among the largest office paper suppliers in Asia Pacific, widens product portfolio in specialties and seeks opportunities in core and related businesses



UPM

The Biofore
Company