Focus to Value Creation

November 2006

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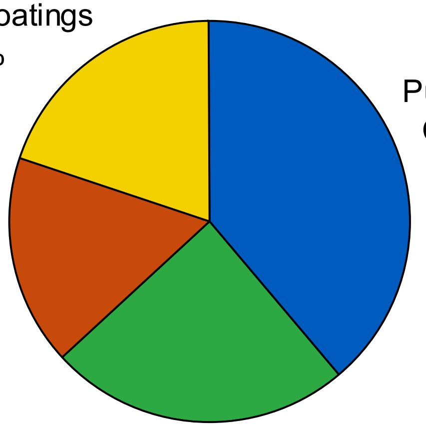
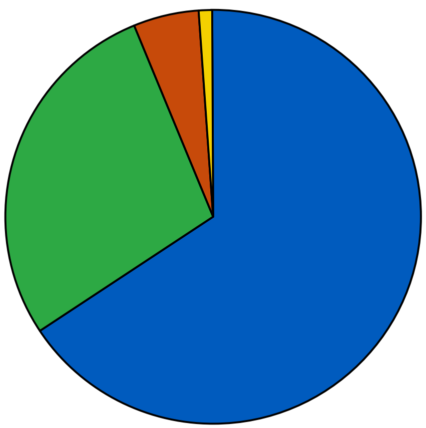
Contents

Strategy

Reaching All-Time High in Revenue

- Revenue 2005, Pro Forma* ~ EUR 2.8 Billion





*Including Lanxess paper chemicals, Kraski Teks, Cytec water chemicals, Finnish Chemicals and Verdugt for the whole year

Strategic Goal

Global group of **leading** chemicals businesses with **unique** positions and high mutual **synergy**

- Great **profitability**, continuous improvement (EPS, ROCE)
- Continuous **growth**, organic and through M&A
  - Expansion into emerging markets
  - Solution provider leadership driven by customer needs
- Participative, entrepreneurial company **culture**
- Continuous shareholder value creation

→ Primary focus in profitability

Strategic goal 2004 in black

New emphasis in blue, August 2006

Restructuring and Focusing for Leading Positions

Acquisitions worth EUR ~ 1 billion, revenue EUR ~ 1.4 billion

Pulp & Paper Chemicals
+ Bayer paper chemicals business (2006)
+ Lanxess paper chemicals (2006)
+ Finnish Chemicals (2005)
+ E.QU.I.P (2004)

Kemwater
+ Galvatek (2006)
+ Parcon (2006)
+ Cytec water chemicals (2006)
+ Eaglebrook (2004)
+ Zlotniki (2004)
+ Belinka (2004)

Performance Chemicals
+ IFAC (2006)
+ Verdugt (2005)

Paints & Coatings
+ Kraski Teks (2006)
+ Kolorit paints (2004)

Divestments worth EUR ~ 900 million, revenue EUR ~ 1.3 billion

Pulp & Paper Chemicals
− Hydrogen peroxide in South Korea (2006)

Performance Chemicals
− Fine Chemicals (2004)
− Calcium Chloride business (2004)

Paints & Coatings
− Coil coating (2005)
− UK industrial coatings business (2004)

Other
− Biolchim (2006)
− GrowHow (2004)
− Ecocat (2004)
− Kemira Engineering (2004)

Opportunities within the Business Areas

Pulp & Paper Chemicals

- Efficiency improvements
- Emerging markets
- Global market **EUR 20 billion**, growth **700 MEUR/a**

Kemwater

- Efficiency improvements
- Widening the product portfolio
- Global target market **EUR 8 billion**, growth **600 MEUR/a**

Performance Chemicals

- Efficiency improvements
- Developing solutions based business
- Global relevant market **EUR 14 billion**, growth **400 MEUR/a**

Paints & Coatings

- Eastern Europe
- Geographical target market **EUR 4 billion**, growth **250 MEUR/a**

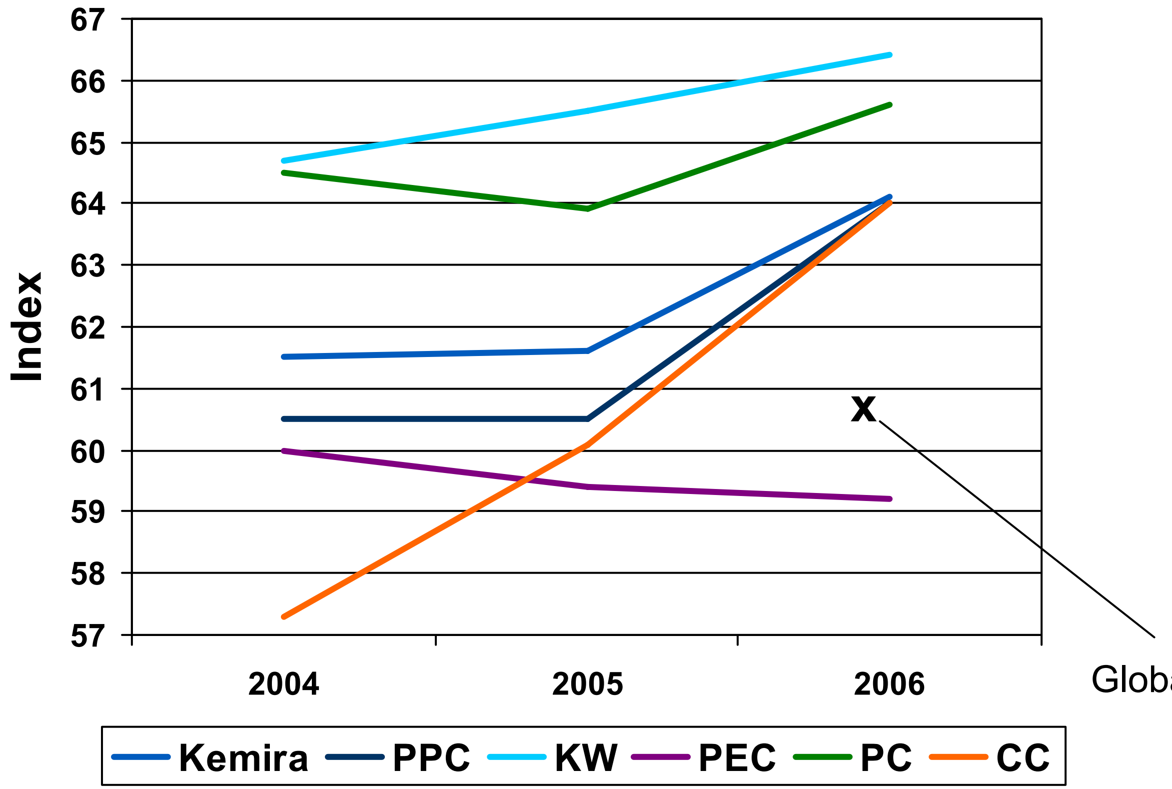
#1 Positions Reached, Progress in Synergies

Kemira Group	Pulp & Paper Chemicals	Kemwater	Performance Chemicals	Paints & Coatings
Global and leading positions				
Good	#1	#1 in coagulants	#1 in selected customer segments	#1 in Finland, Sweden, Russia and in the Baltic countries
Unique positions				
Good	Good	Good	Good/acceptable	Great
Mutual synergy				
Started				

Scale: Great – Good – Acceptable – Not acceptable

Participative Culture Emerging

Kemira Climate Index



Global general norm in 2006: 60.8

Reason for negative change in Performance Chemicals: Significantly big negative change in the factor "Image of the employer" / "uncertainty" in the sites of Pori and Helsinborg impacts the overall results

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Primary Focus in Profitability

- Streamlining the production network
- Professional attitude towards customers and suppliers
- Economies of scale, utilizing the leading position
- Internal synergies to use
- Idle / low productive capital out

→ **World class internal efficiency**

Organic Growth > 5% / Year

- Extended sales
  - New customers
  - New geographies
  - Cross-selling
- New products and applications/solutions
  - Strong R&D
  - New Sales Ratio up

Expansion into Emerging Markets

	Brazil / Lat. America	Russia / CIS	India & Neigh-bours	China
Pulp & Paper				
Kemwater				
Perf. Chem.				
Paints & Coat.				

Current activity

- Emerging markets (Eastern Europe, South-America, Asia): ~ 13% of sales
- BRIC countries: ~ 9% of sales

Production & sales activities

Sales activities

	Brazil / Lat. America	Russia / CIS	India & Neigh-bours	China
Pulp & Paper	✱✱	✱	✱	✱✱
Kemwater	✱✱	✱✱	✱	✱✱
Perf. Chem.	✱	✱	✱	✱
Paints & Coat.		✱✱		✱

Future Kemira ambition

✱✱ Active strengthening

✱ Some strengthening

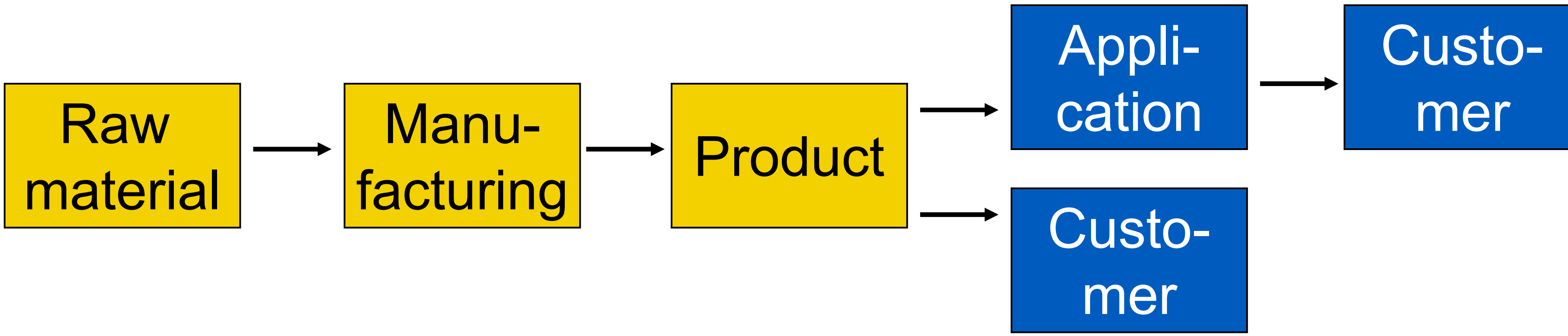
Solution Provider Leadership

- Focus on customer segment driven solutions
- From chemicals supplier to performance provider
- Solutions based on co-operation between industries and partners in customer value chain
- More external networking

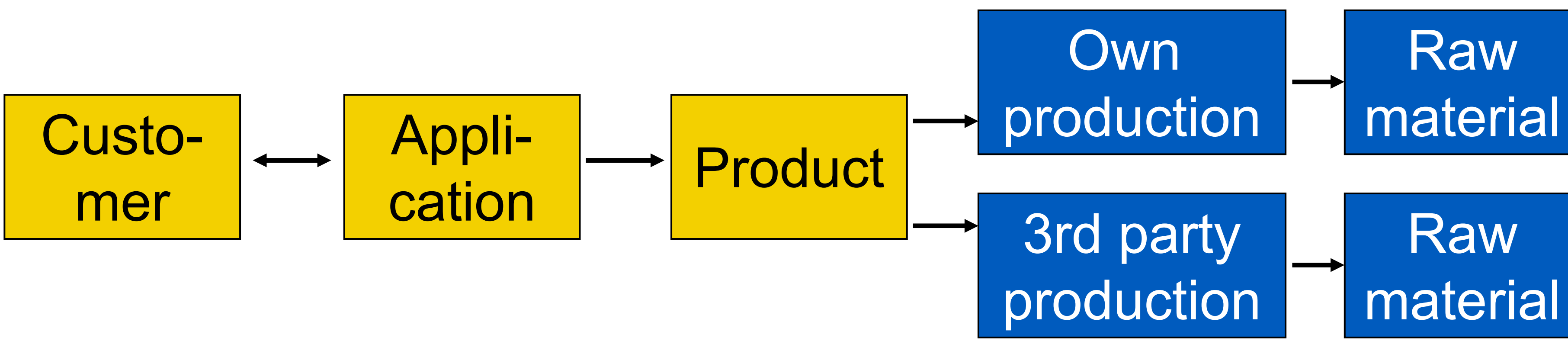
→ Customer loyalty and pricing power

From Manufacturing to Customer Specific Solutions

- Traditional chemicals production chain:



- New approach:



Mergers, Acquisitions and Divestments

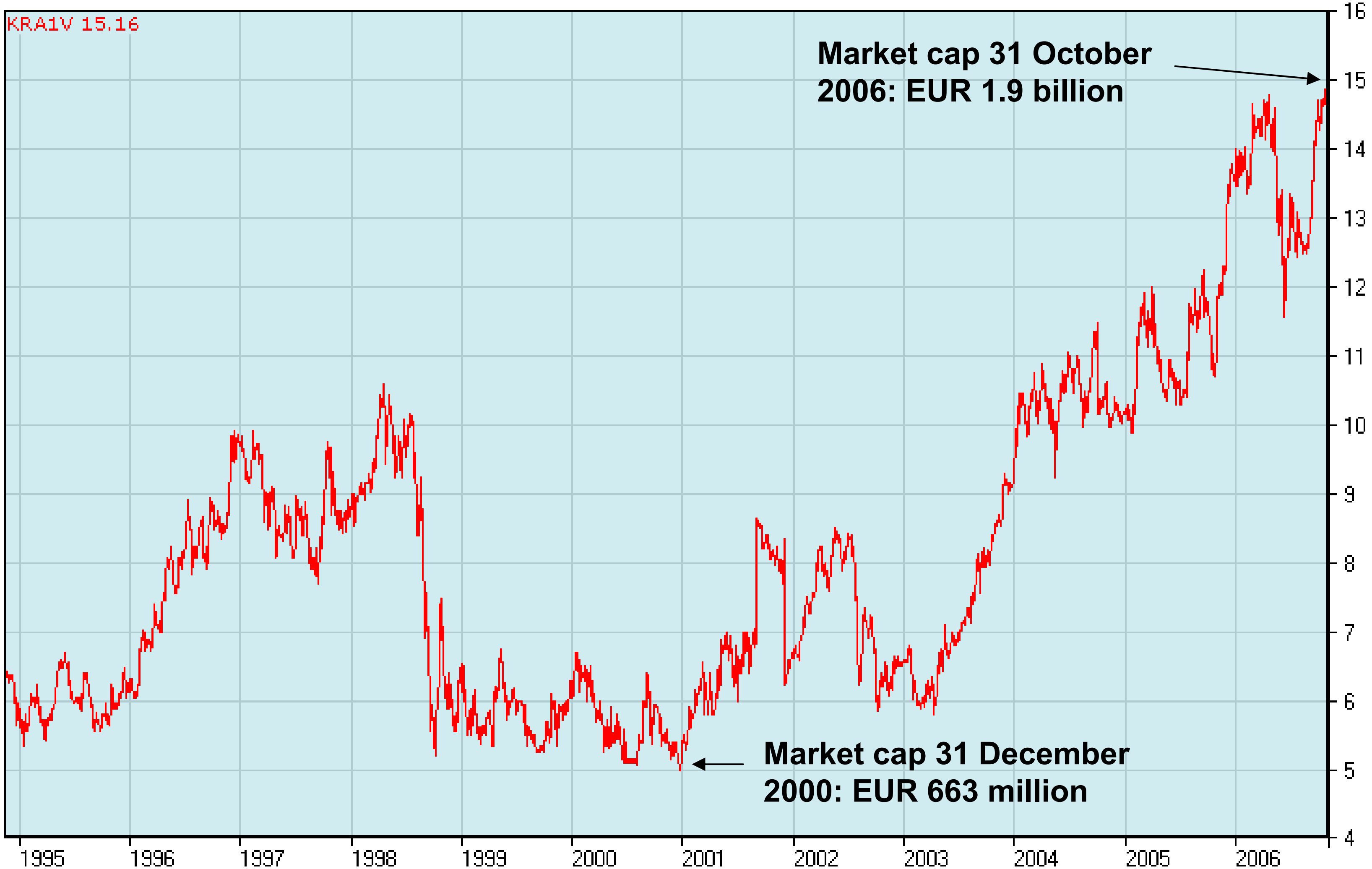
Criteria for M&A&D:
- Strategic fit
- Focus
- Value creation

Prerequisites for acquisitions:
- EPS enhancing
- Significant synergies
- Long-term gearing below 100%
- Financing
  - Primarily with cashflow
  - Debt
  - Share issues
  - Divestments

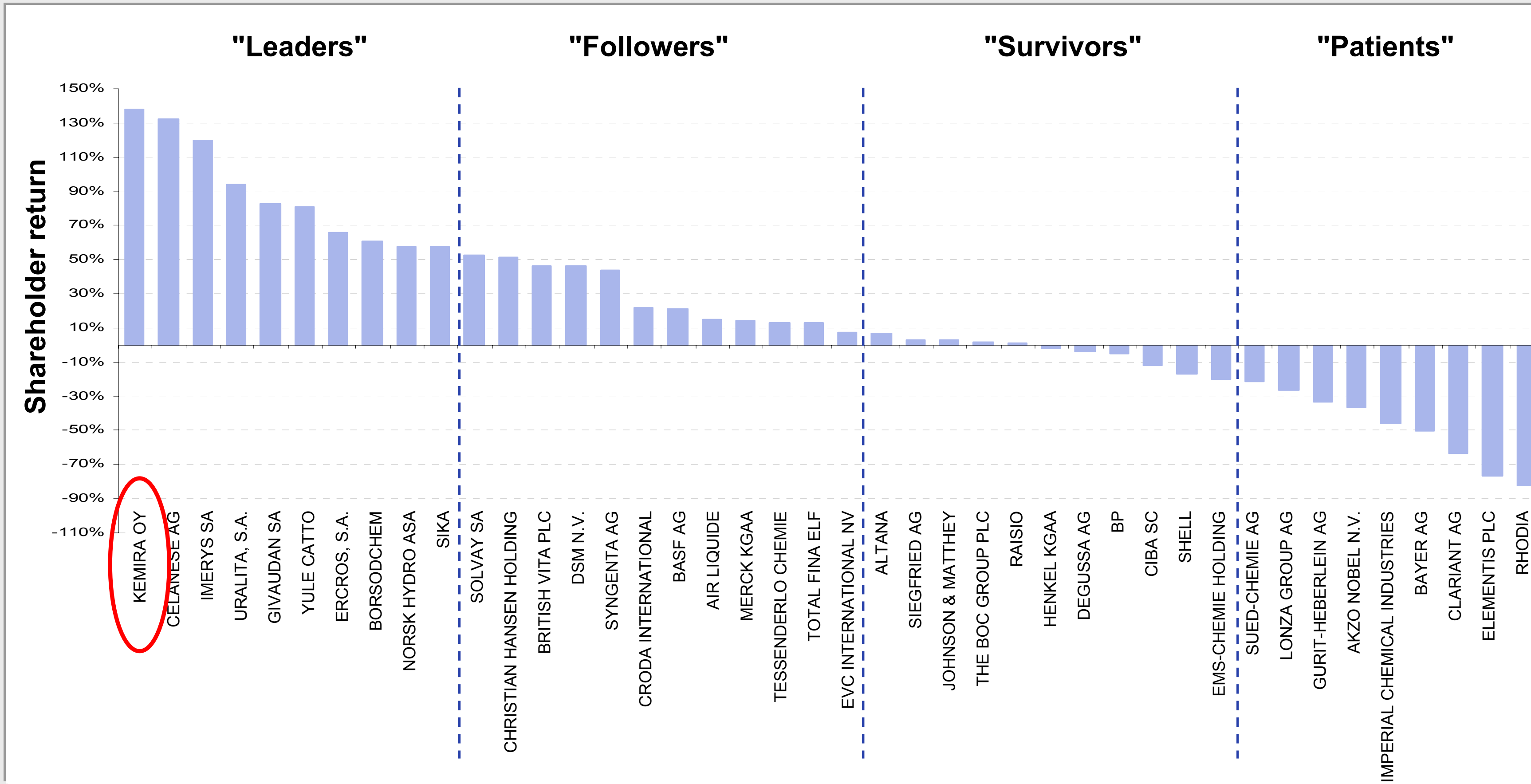
Shareholder Value Creation

- Continuous improvement of profitability
  - Improving internal efficiency
  - Integration of acquired businesses, synergy capture
- Towards solution provider leadership
  - Stronger focus on customer orientation
- Growth
  - Organic
  - Mergers & Acquisitions, Divestments

Shareholder Value



Shareholder Value Creation 2000-2004



Source: Annual reports, Thomson Financial, data from 92 chemical companies, public statements by senior executives

Source: Arthur D. Little

Financial Targets for Value Creation

Organic growth	> 5% / a
EPS growth	> 10% / a
Free cash flow	Positive after operative investments
ROCE	Continuous improvement in all BA’s, long term goal 20%

Transformation Program "From Good to Great"

Operational Efficiency & Strategy

- All our actions lead towards World Class Operative Efficiency.
- *Our strategy is unique, sharp and clear.*
- *Our work is based on our strategy every day.*

Culture

- We work for a strong, participative, entrepreneurial culture.
- We will create it through an open dialogue.
- *Everyone can influence their work, and get rewarded for good performance.*
- *People enjoy their work at Kemira.*

Brand

- We want to be regarded as the leading expert in our areas of Chemical Solutions.
- *The strong brand increases our competitiveness.*
- *Brand promises:*
  - ✓ *Reliable*
  - ✓ *Cooperative*
  - ✓ *Responsible*
  - ✓ *Proactive*

What is GREAT?

Strategy and Operational Efficiency

Strategic positions for business areas

Global	Leading	Unique	Synergy
■ Present in all continents of industrial countries ■ Emerging to BRIC ■ Ability to serve global customers	■ Biggest globally and biggest in main markets	■ From customer's point of view we have uniqueness to offer ■ We offer superior customer benefits	■ Internal mutual benefits well utilized

Continuos growth

- Organic growth > 5% per year
- Share of new products 30%
- Share of solution provider business concepts dominate in business portfolio

Profitability

- EPS growth > 10% per year
- Free cash flow positive after operative investments
- ROCE Continuos improvement, long term goal 20%
- Share of solution provider business concepts dominate in business portfolio

What is GREAT?
Culture and Brand

Participative and entrepreneurial culture

- Personnel survey index 75 (current: 64)
- Response rate in personnel survey 90% (80%)
- Ideas 10/person, participation in suggestion creation 50%
- Development plan for all
- Zero accidents (LTA1:8)

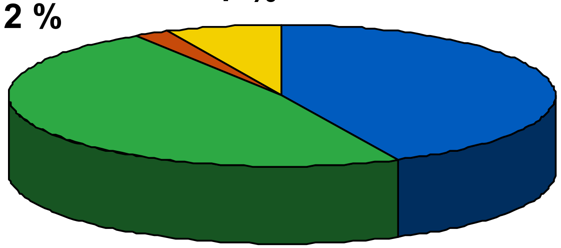
Strong brand creating value

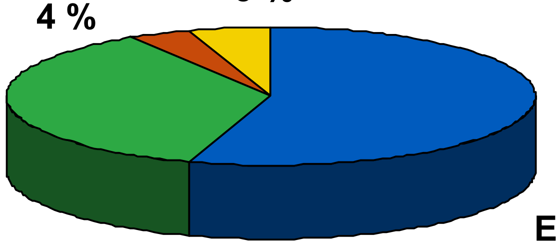
- Employees and relevant customers feel that brand promises are true and implemented in practice
  - Kemira employees >80%
  - Customers >50%

Strategies of the Business Areas

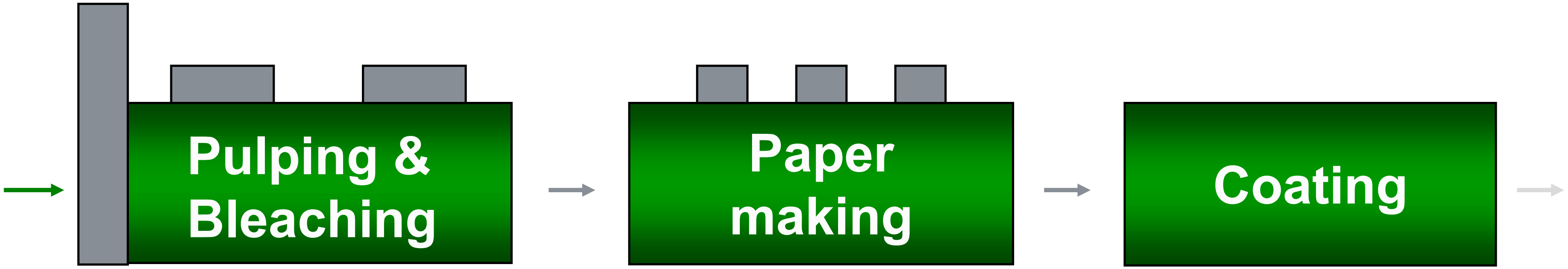
Pulp & Paper Chemicals

- **No 1 pulp & paper chemicals supplier in the world**
- Revenue 2005, pro forma ~ 1,070 MEUR (incl. Lanxess paper chemicals & Finnish Chemicals for the whole year)
- Good market position
  - Globally No 1
  - Europe No 2
  - North America No 2





Kemira's Pulp and Paper Chemicals Offering



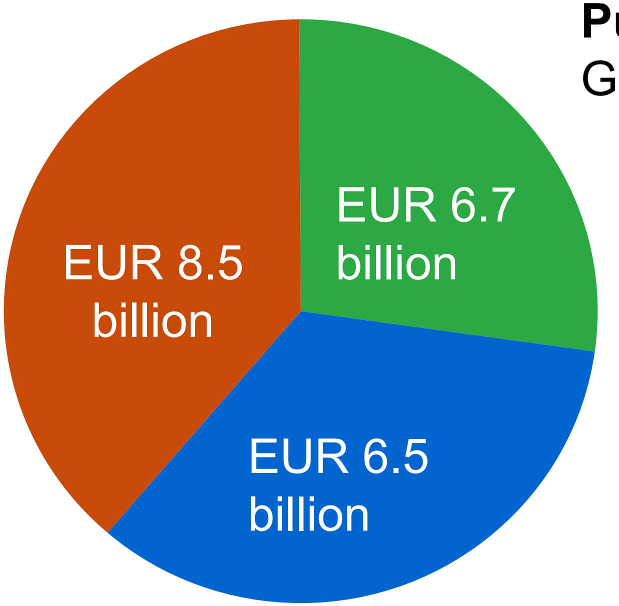
- **Pulping**
  - Sodium Hydroxide (Caustic Soda)
  - Sulfuric Acid
  - Defoamers
  - Deposit Control Agents
- **Bleaching**
  - Sodium Chlorate
  - Chlorine Dioxide
  - Hydrogen Peroxide
  - Dithionite
  - Sulfuric Acid
  - Sulfur Dioxide
  - Peracetic Acid
  - Additives

- **Process Chemicals**
  - Retention Chemicals
  - Deposit Control Agents
  - Defoamers
  - Water Treatment Chemicals
  - Deinking Chemicals
- **Functional Chemicals**
  - Sizing Chemicals
  - Wet & Dry Strength Chem.
  - Fluorescent Whitening Agents
  - Colorants
- **Fillers**
  - Calcium Sulfate
  - Titanium Dioxide

- **Coating Pigments**
  - Calcium Sulfate
  - Titanium Dioxide
- **Additives**
  - Dispersants
  - Preservatives

Pulp and Paper Chemicals Market is Growing

Total market EUR 21.7 billion



Pulp Chemicals
Growth 2%/a

Coating, Pigments & Fillers
Growth 4%/a

Paper Chemicals
Growth 5%/a

Kemira's share*:
- **Pulp 7%**
- **Paper 8%**
- **CPF <1%**

*Management estimates

Fragmented Market
Giving Opportunities for Growth

MEUR	Pulp Chemicals	Paper Chemicals	Coating	Revenue
Kemira	strong	strong	small	**1070**
Ciba		strong	medium	**900**
Eka	strong	medium		**893**
BASF	small	medium	strong	**730**
Hercules		strong	small	**730**
Dow			strong	**670**
Nalco		strong	small	**550**
Clariant		medium	small	**260**
Erco	medium			**250**
Nexen	medium			**230**
Degussa	small	small		**190**
Solvay	medium			**180**
5 biggest co's	**25%**	**20%**	**35%**	**25%**

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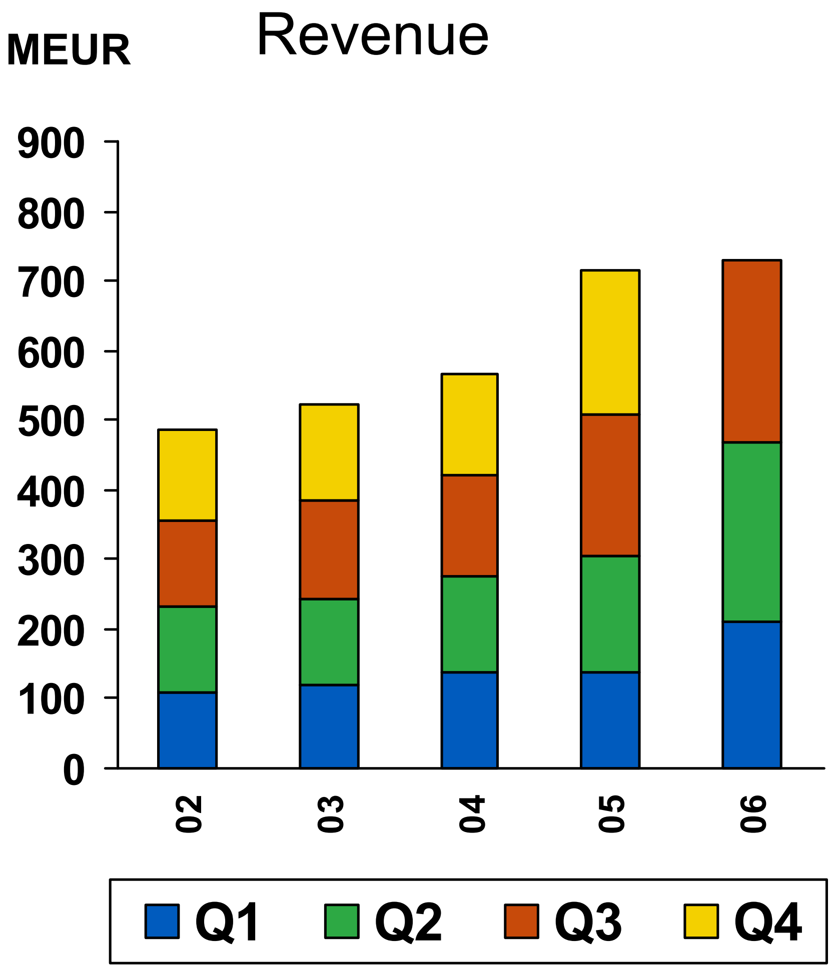
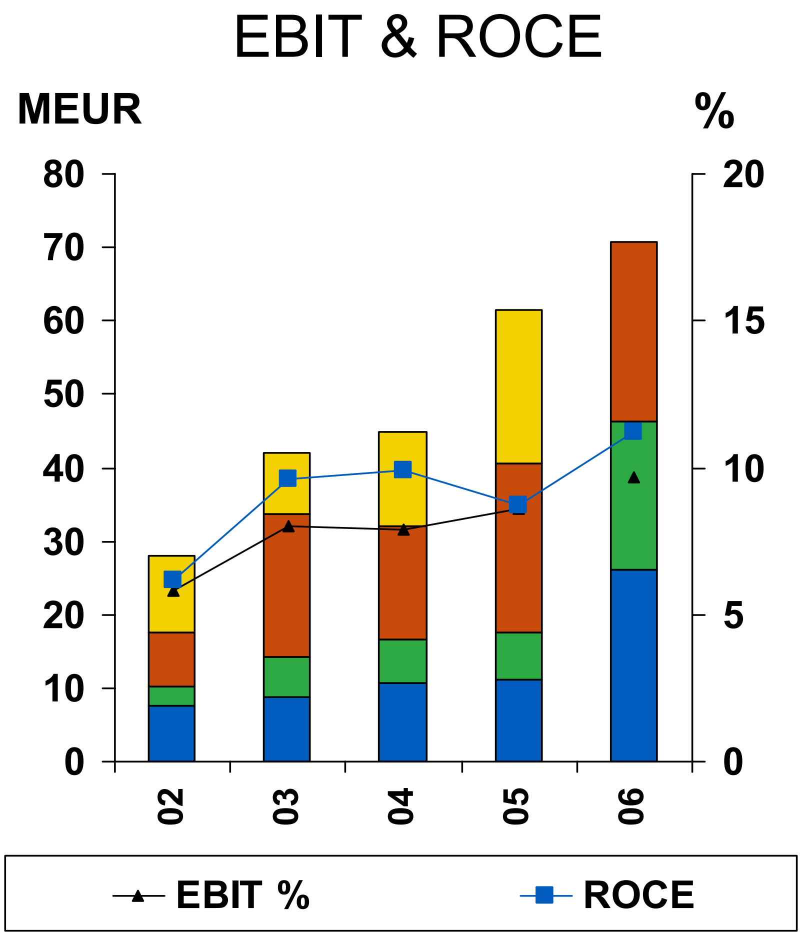
Pulp & Paper Chemicals





The figures are not fully comparable.

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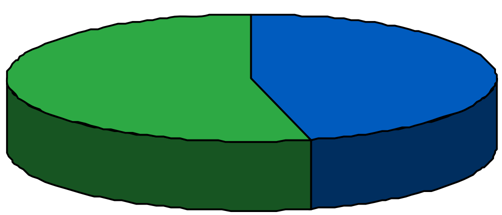
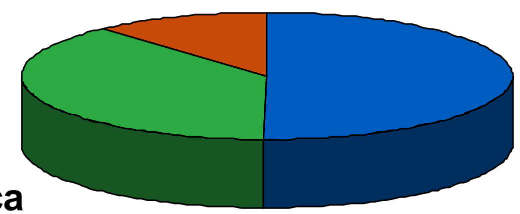
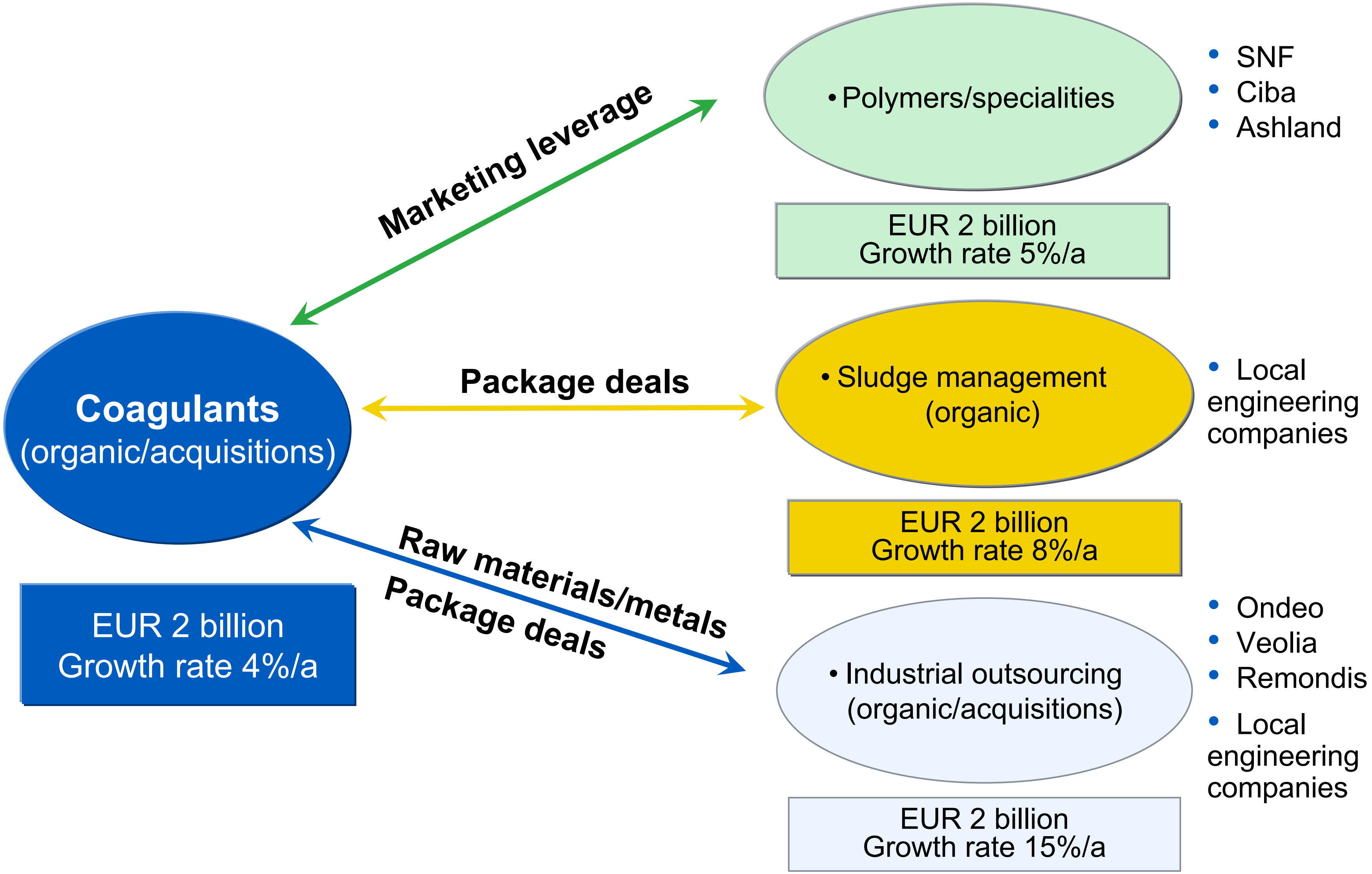
Kemwater

- **The leading global supplier of coagulation chemicals** to municipal waterworks, industrial waste water treatment and sludge management
- Revenue 2005, pro forma ~ 650 MEUR (incl. Cytec water chemicals)
- Leading market position in coagulants, No 3 in flocculants





Exciting Opportunities for Growth by Broadening the Product Offering



Main Flocculant Players

Company	Market share
SNF	35%
CIBA	18%
Kemira	15%
Ashland	10%
Nalco	5%
Hengju	4%

Total market
~ EUR 2 billion
Growth forecast
4% / a

(Management estimates)

Main Coagulant Players

Europe

Company	Market share
Kemira (all)	> 30%
Feralco (all)	10%
Kronos (iron)	10%
Giulini	8%
Sachtleben	5%
Arkema	5%
Akzo	5%
Huntsmann	5%

North America

Company	Market share
Kemira (all)	30%
General Chemicals (all)	20%
GEO (Al)	8%
PVS	6%

Total market
~ EUR 2 billion
Growth forecast
4% / a

(Management estimates)

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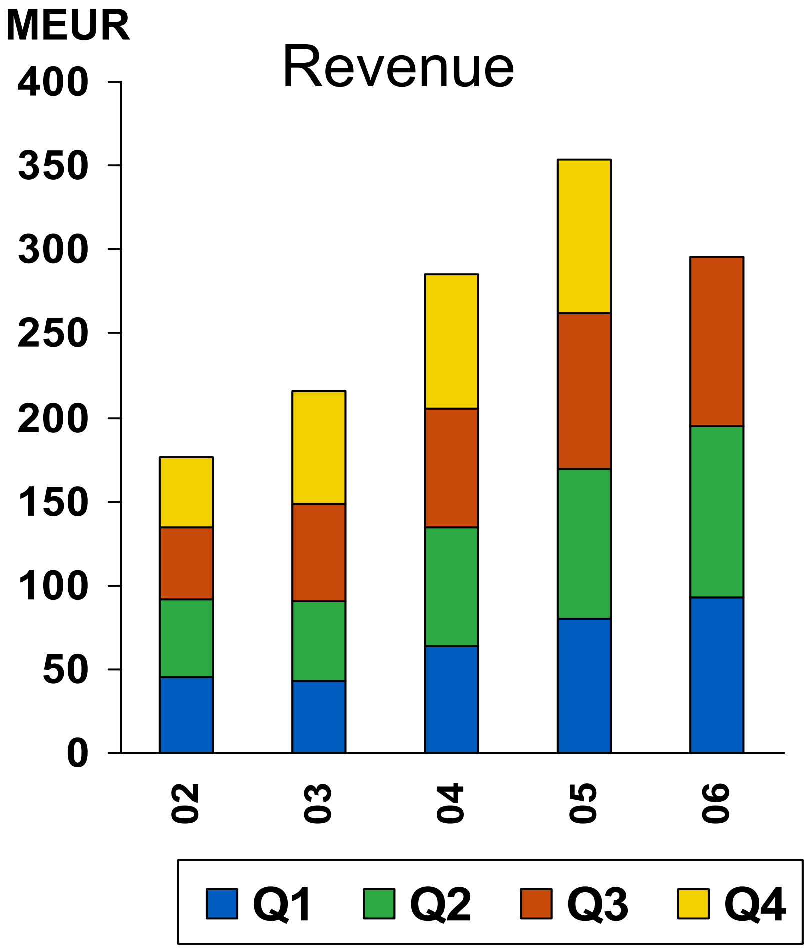
Kemwater



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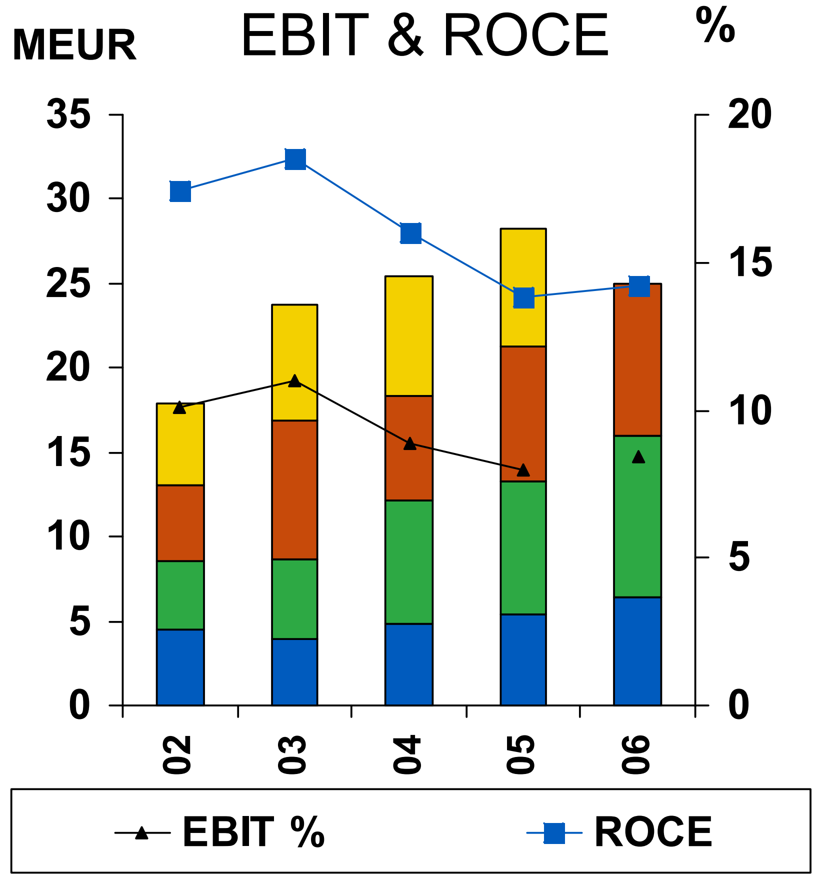

Q4/04 excluding extra write-downs and costs of 11 MEUR.

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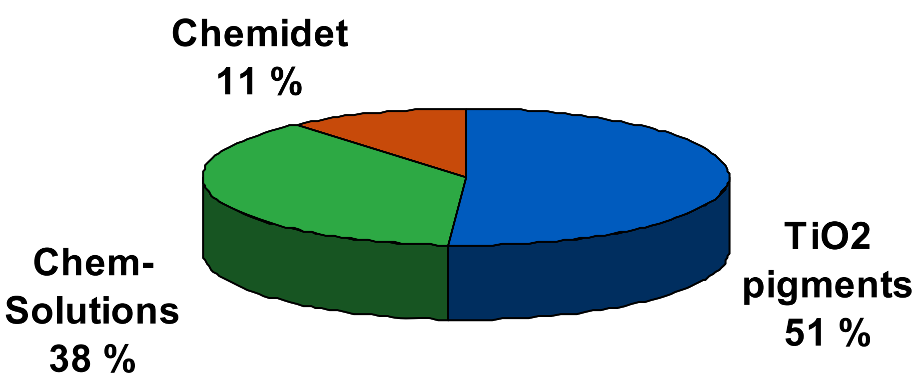
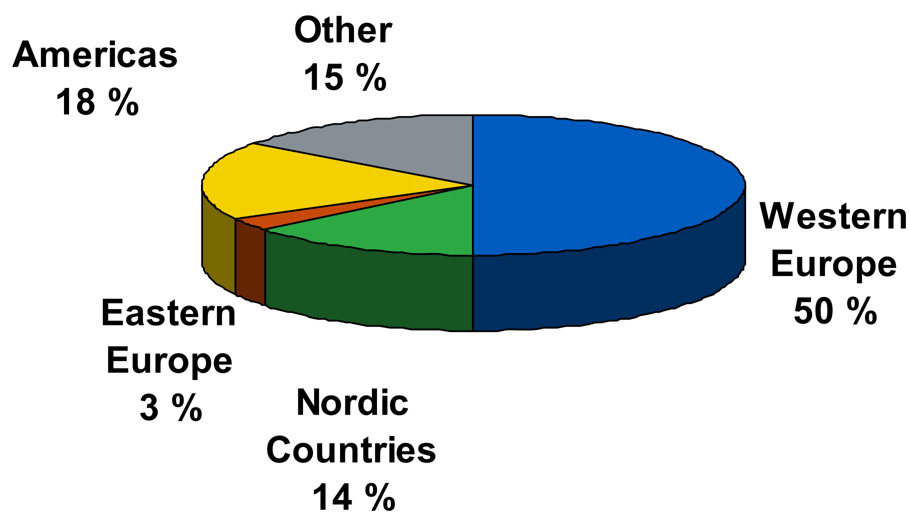
Performance Chemicals

- **Leading position in growing specialty chemicals segments**
- Revenue 2005, pro forma: 444 MEUR (incl. Verdugt for the whole year)
- Good market position
  - **TiO2 Pigments**: Leading producer of TiO2 for printing inks
  - **ChemSolutions**: No 1 globally in selected customer segments
  - **Chemidet**: No 3 globally



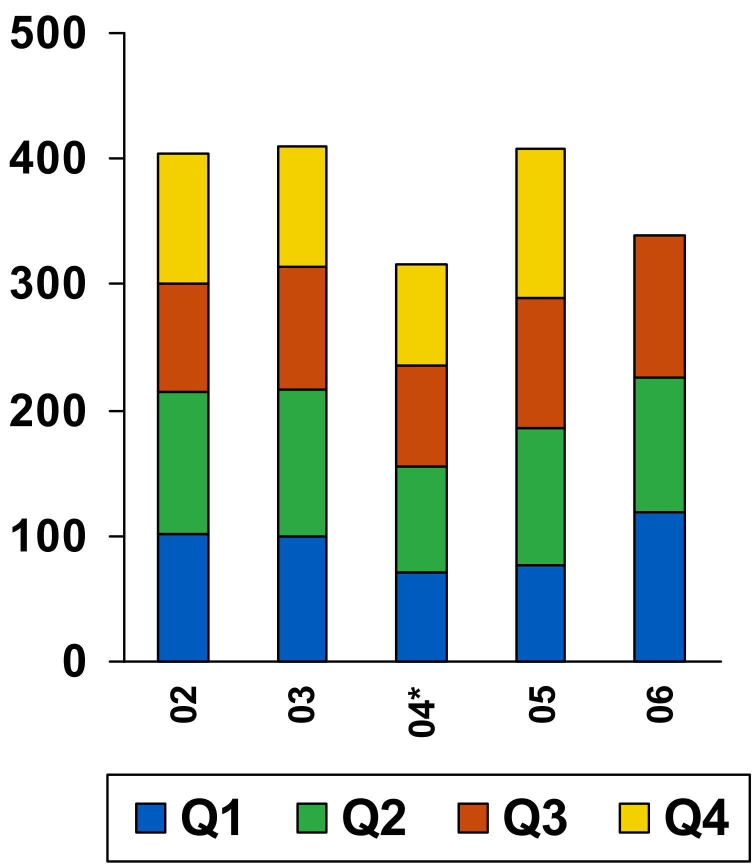


Global Market Potential

	Market size	Growth/a	Kemira's position
TiO2 Pigments	7,000 MEUR	GDP	7
■ TiO2 pigments for printing ink	200 MEUR	2–5%	1
■ FDC (Food, Drugs, Cosmetics, UV-Titan)	200 MEUR	2–10%	2–3
ChemSolutions			
■ Organic Salts	150 MEUR	2–3%	1
■ Organic Derivatives	20 MEUR	3–10%	1
■ Acidifiers & Preservatives	150 MEUR	5–10%	1
■ Formic Acid	250 MEUR	3–4%	2
Chemidet			
■ Detergent bleaching solutions (sodium percarbonate)	300 MEUR	0–10%	3

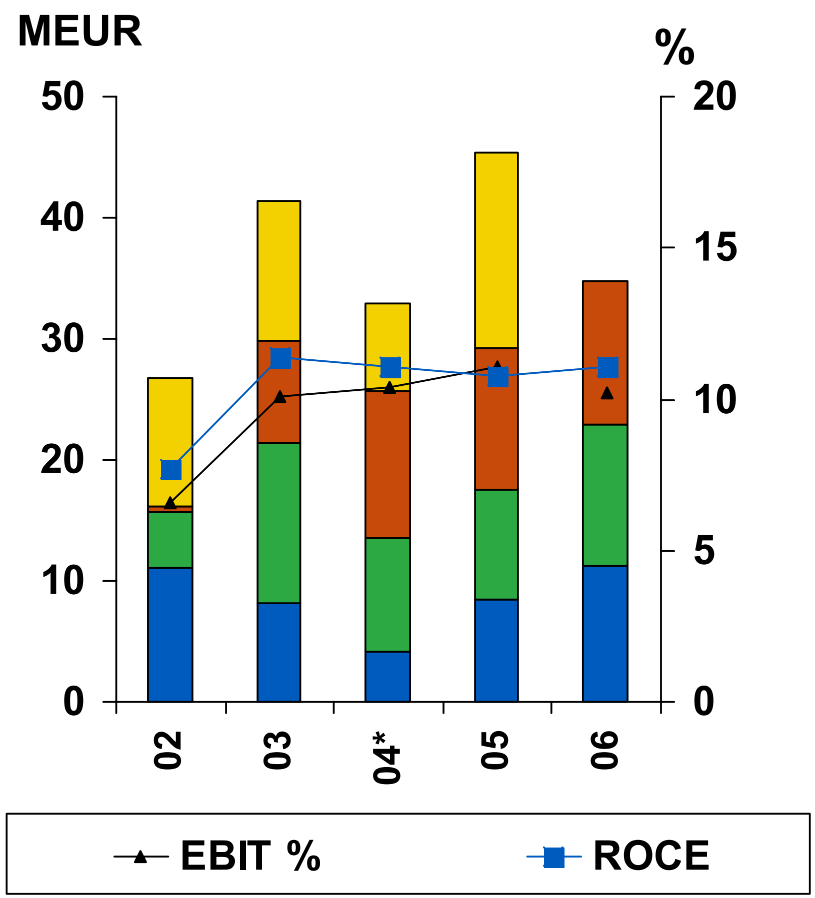
Performance Chemicals

Revenue



The figures are not fully comparable.

EBIT & ROCE

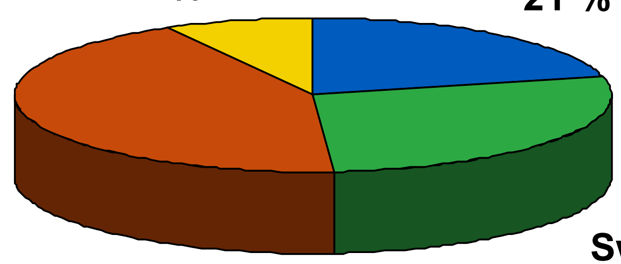


*Continuing operations

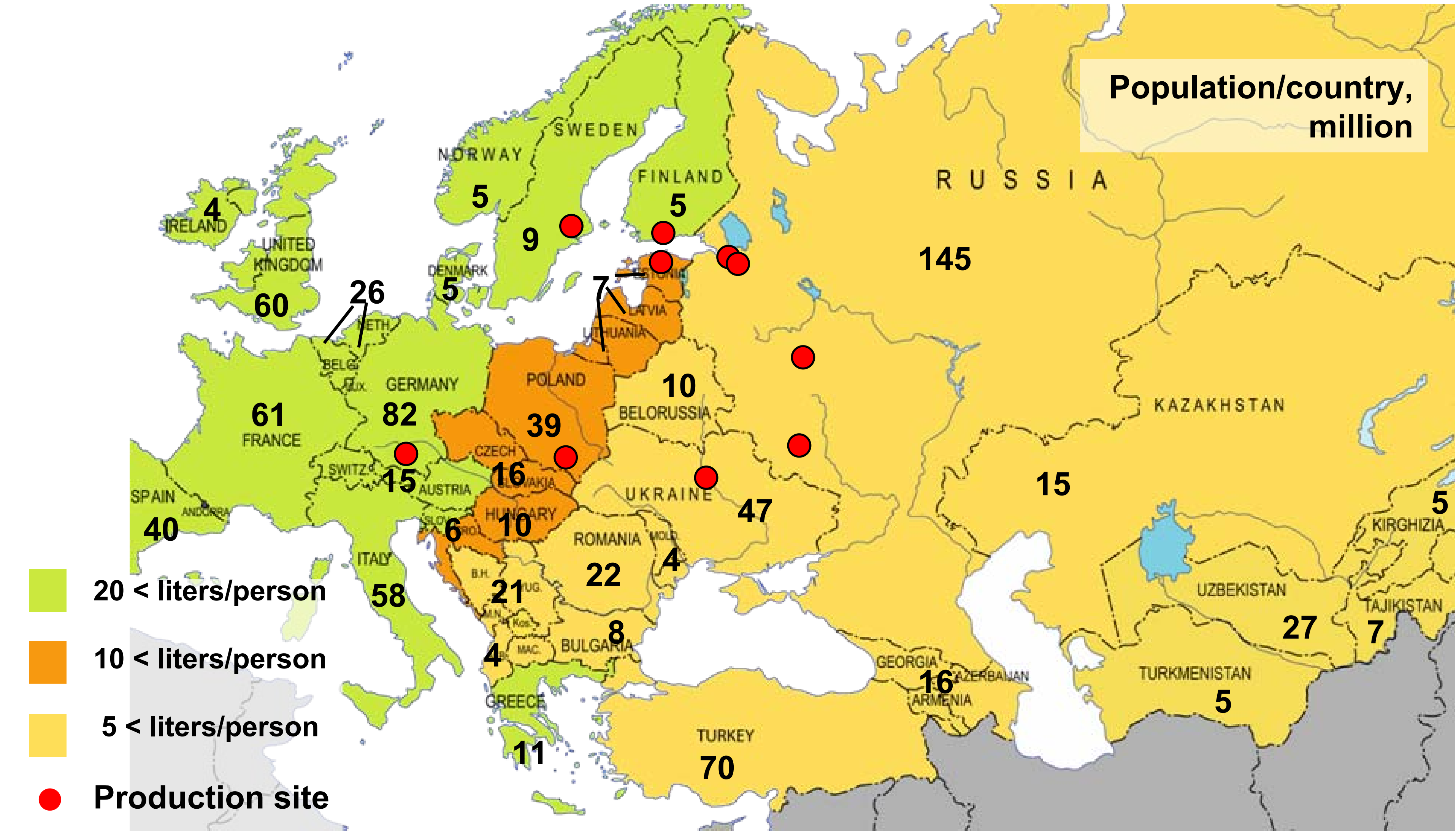
Paints & Coatings

- **Leading player in North and East Europe** with strong local brands (Tikkurila, Alcro, Beckers, Vivacolor, Teks, etc.)
- Revenue 2005, pro forma: 522 MEUR (incl. Kraski Teks)
- Leading market positions in decorative paints
  - Finland No 1 *
  - Sweden No 1
  - Baltic No 1 *
  - Poland No 3
  - Russia No 1

* and industrial paints



Paint Consumption and Paints & Coatings' Production Sites



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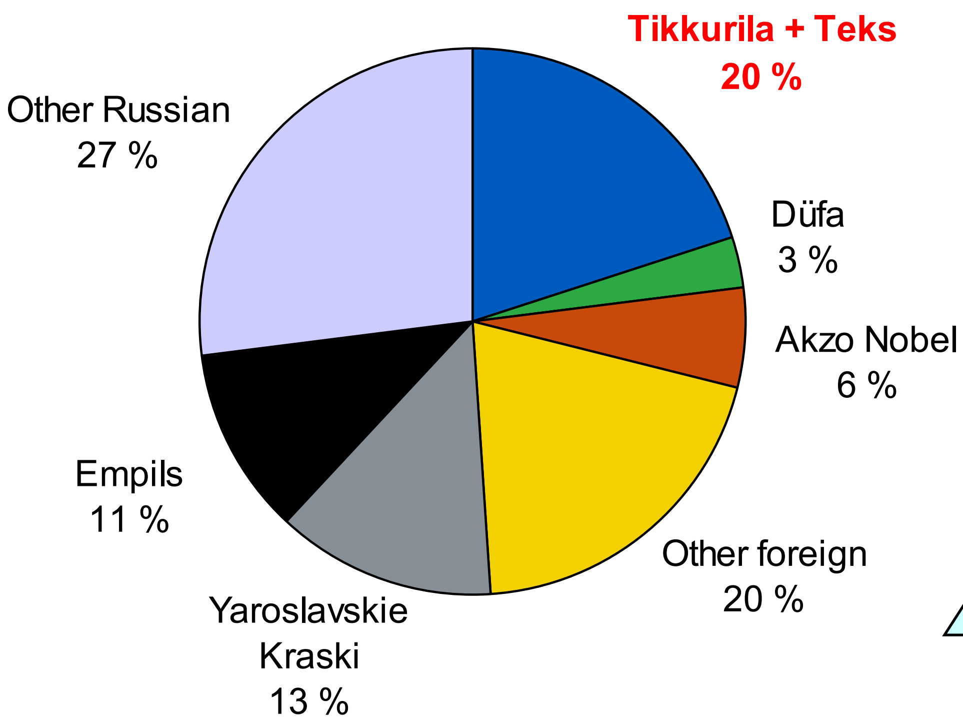
Growing Decorative Paint Market in Russia



Brands by price segment:

Source: Management estimates

Significant growth potential in Russia

- Population 145 million people
- Decorative paint consumption < 5 litres /person (over 15 litres in Scandinavia)
- Size of the Russian paint market approximately 500 million litres
- Paint market growth 10-15% / a estimated to continue

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Paints & Coatings' Market Position in Decorative Paints

Market Area	Position (Competitors)	Market share	Estimated market growth
Finland	No 1 (Teknos, Akzo Nobel)	>50%	0–2%
Sweden	No 1 (Akzo Nobel, Jotun)	>40%	0–2%
Baltic States	No 1 (Akzo Nobel)	~20%	5–10%
Russia	No 1	~20%	>10%
Poland	No 3 (SigmaKalon, Sniezka, ICI)	~15%	4–5%

Management estimates

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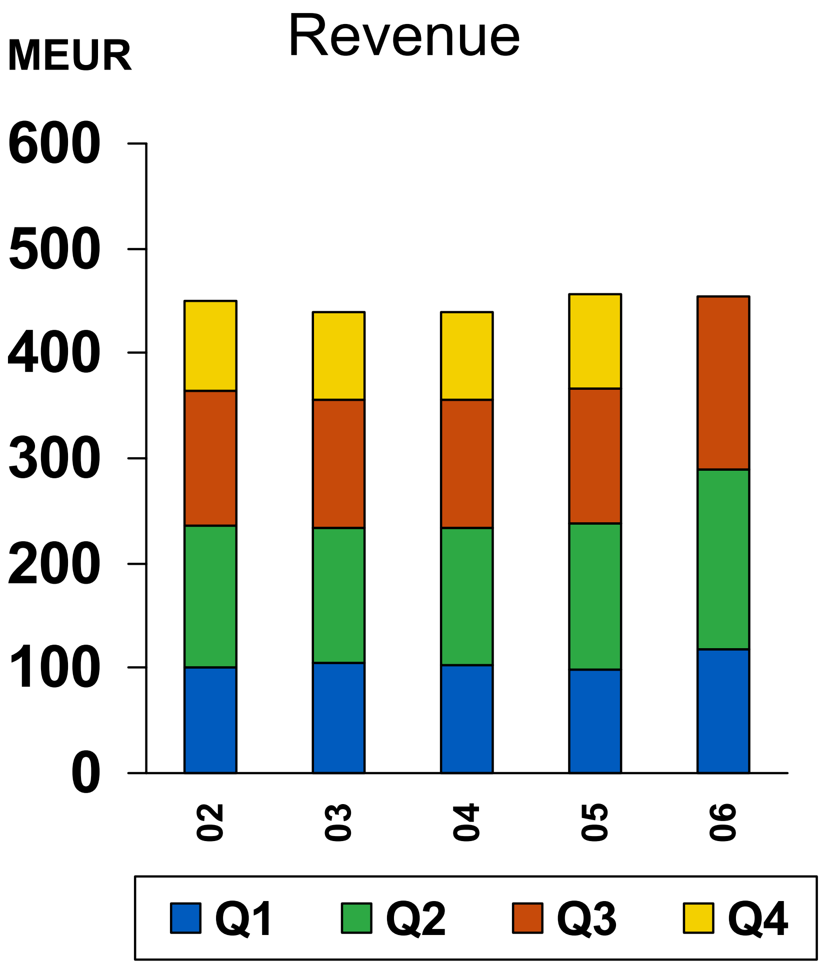
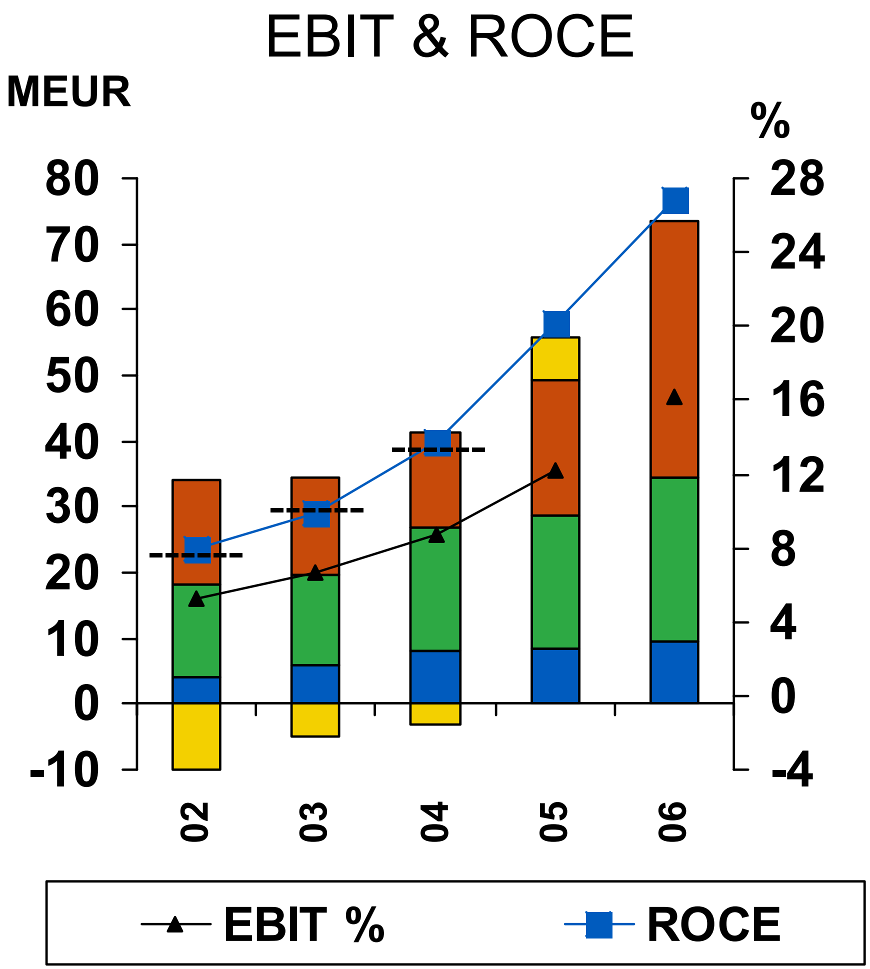
Paints & Coatings





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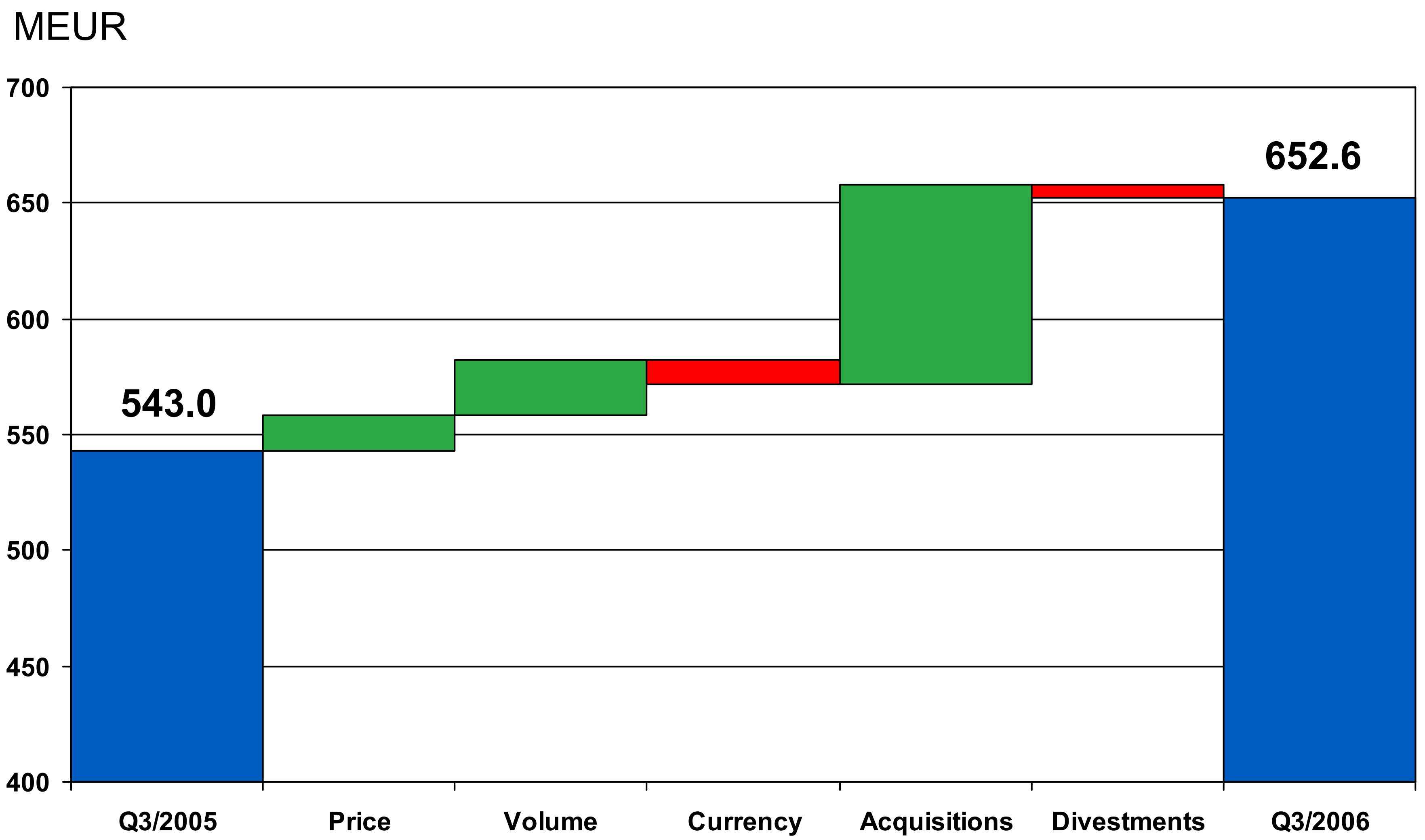
Q3 Group Highlights

Growth Boosted by Acquisitions

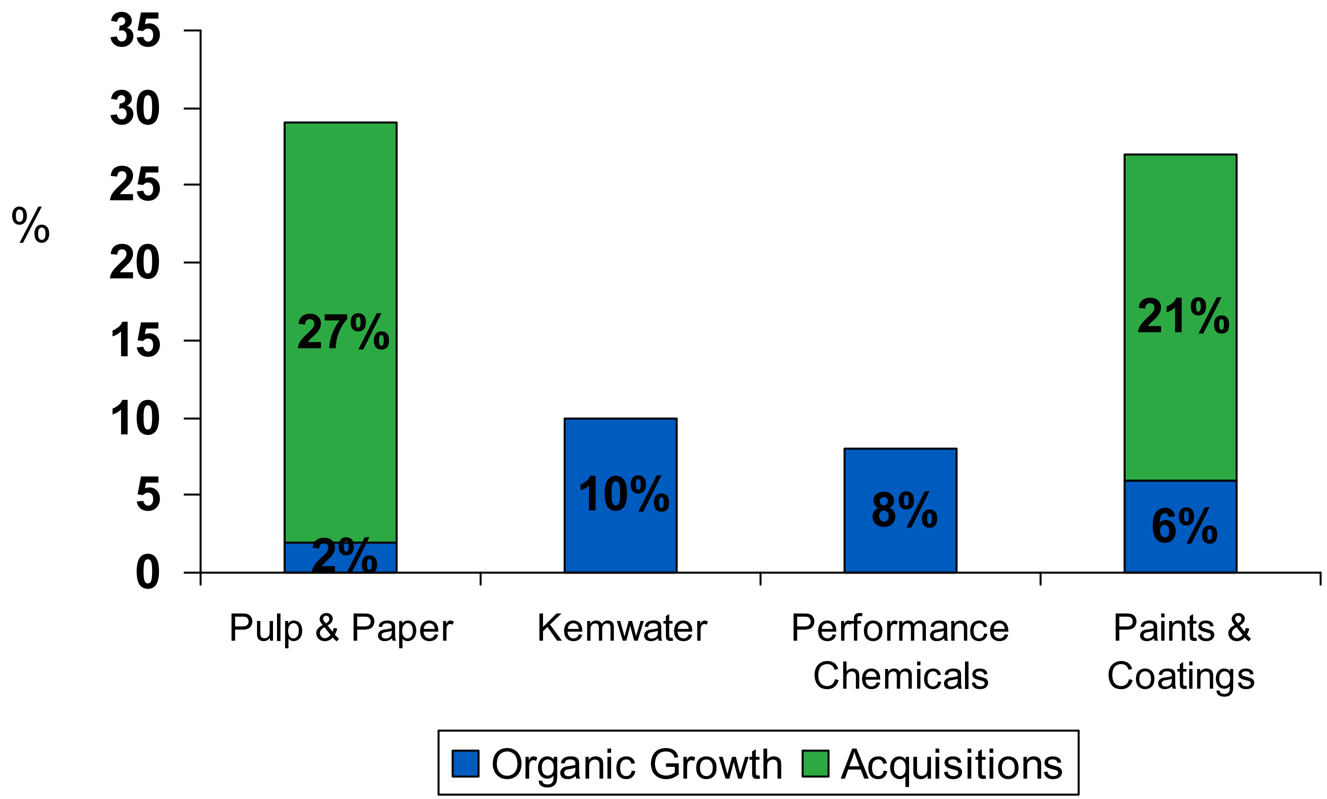
	Q3/06	Q3/05	**Change**	**Organic growth**
Revenue (MEUR)	**652.6**	543.0	**20%**	**5%**
EBIT (MEUR)	**75.1**	59.2	**27%**	
EBIT, %	**11.5**	10.9		
EPS (EUR)	**0.37**	0.28	**32%**	
ROCE, %	**11.2**	9.3		
Cash flow after CapEx, excl. acquisitions (MEUR)	**73.0**	72.0		

Revenue up 20% in Q3



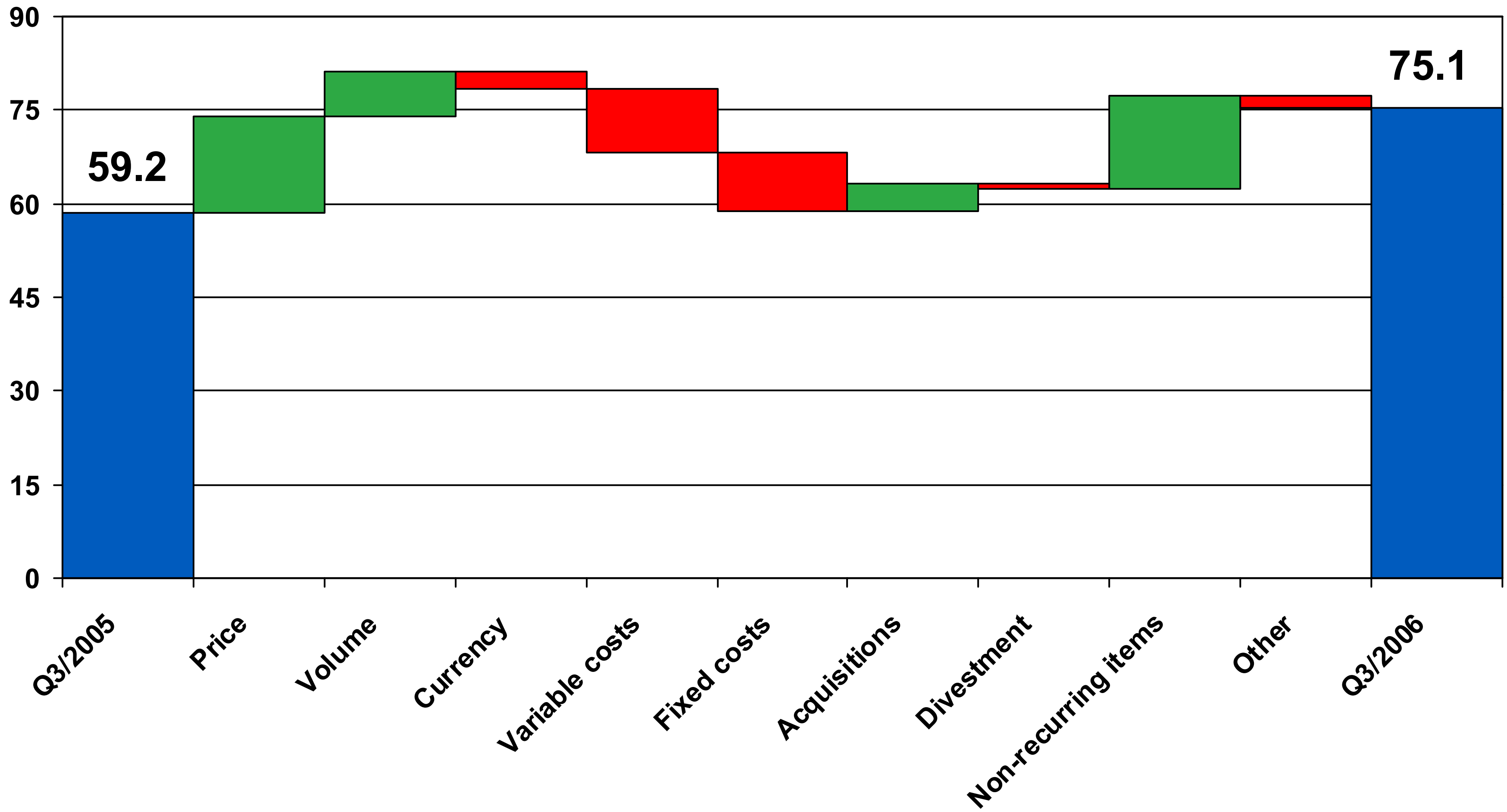
Revenue up 20% in Q3

- Q3 organic growth 5%



EBIT up 27% in Q3

MEUR

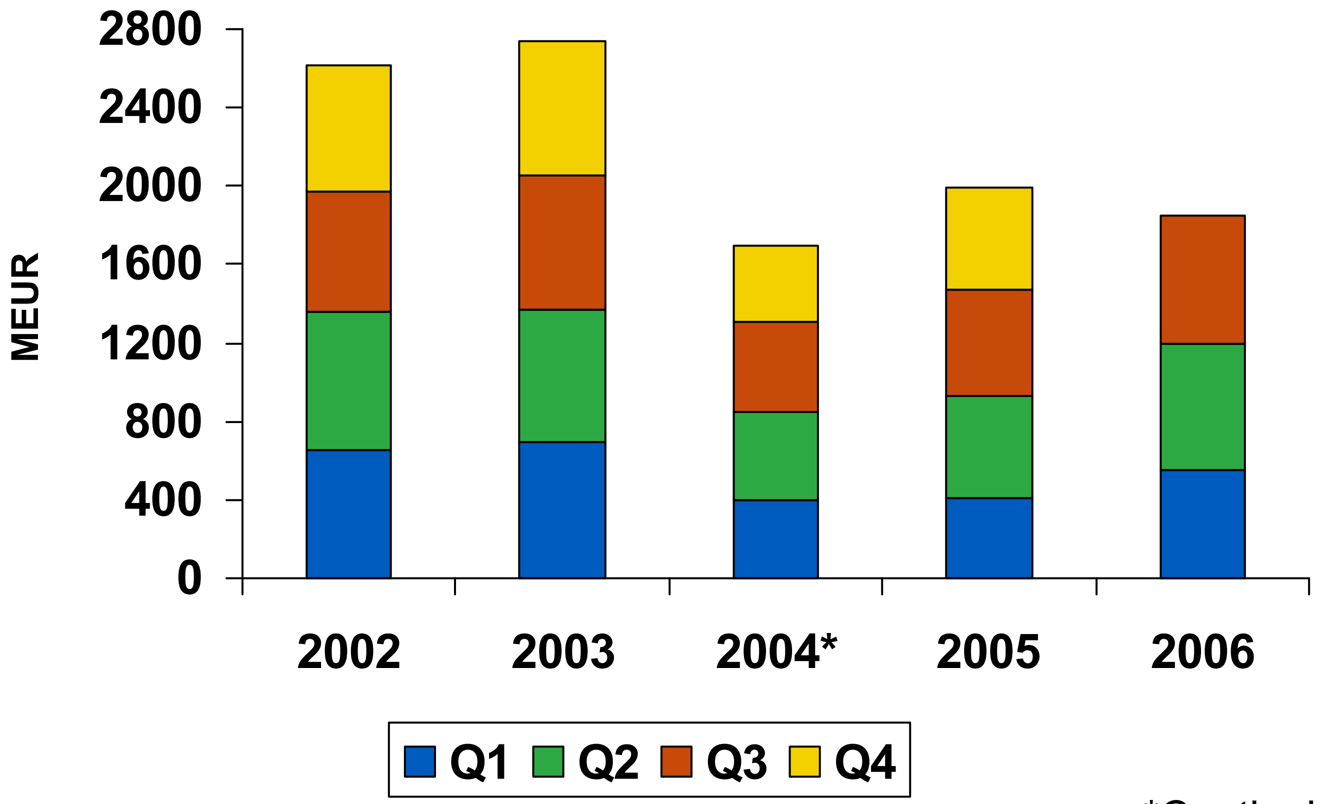


Non-Recurring Items

EUR million	**Q3/06**	Q3/05	2005
Pulp & Paper	**3.0**	-0.7	-3.4
Kemwater	**-**	-	2.2
Performance Chemicals	**-**	-	6.1
Paints & Coatings	**13.1**	-	9.5
Other	**-**	1.9	0.2
Total	**16.1**	1.2	14.6

Revenue Development 2002-2006

Q1-Q3/2006: 1,853.0 MEUR, +26%
(Q1-Q3/2005: 1,472.9 MEUR)



*Continuing operations

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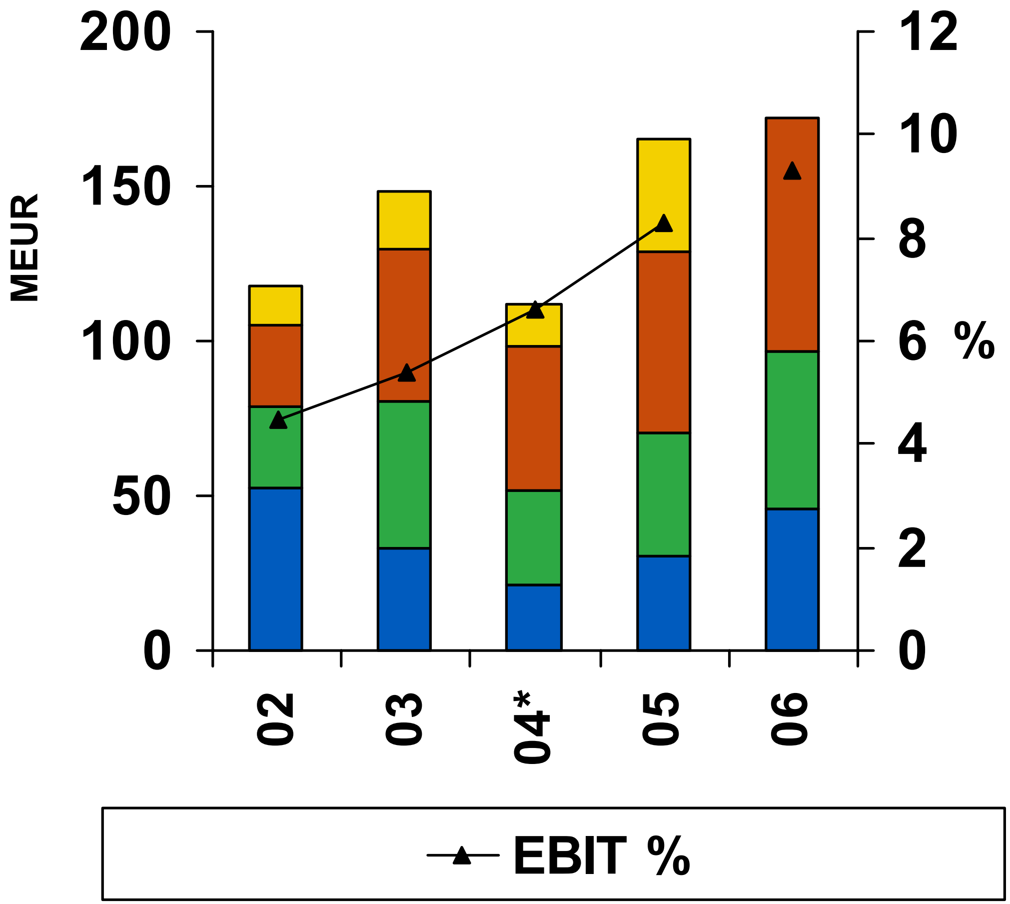
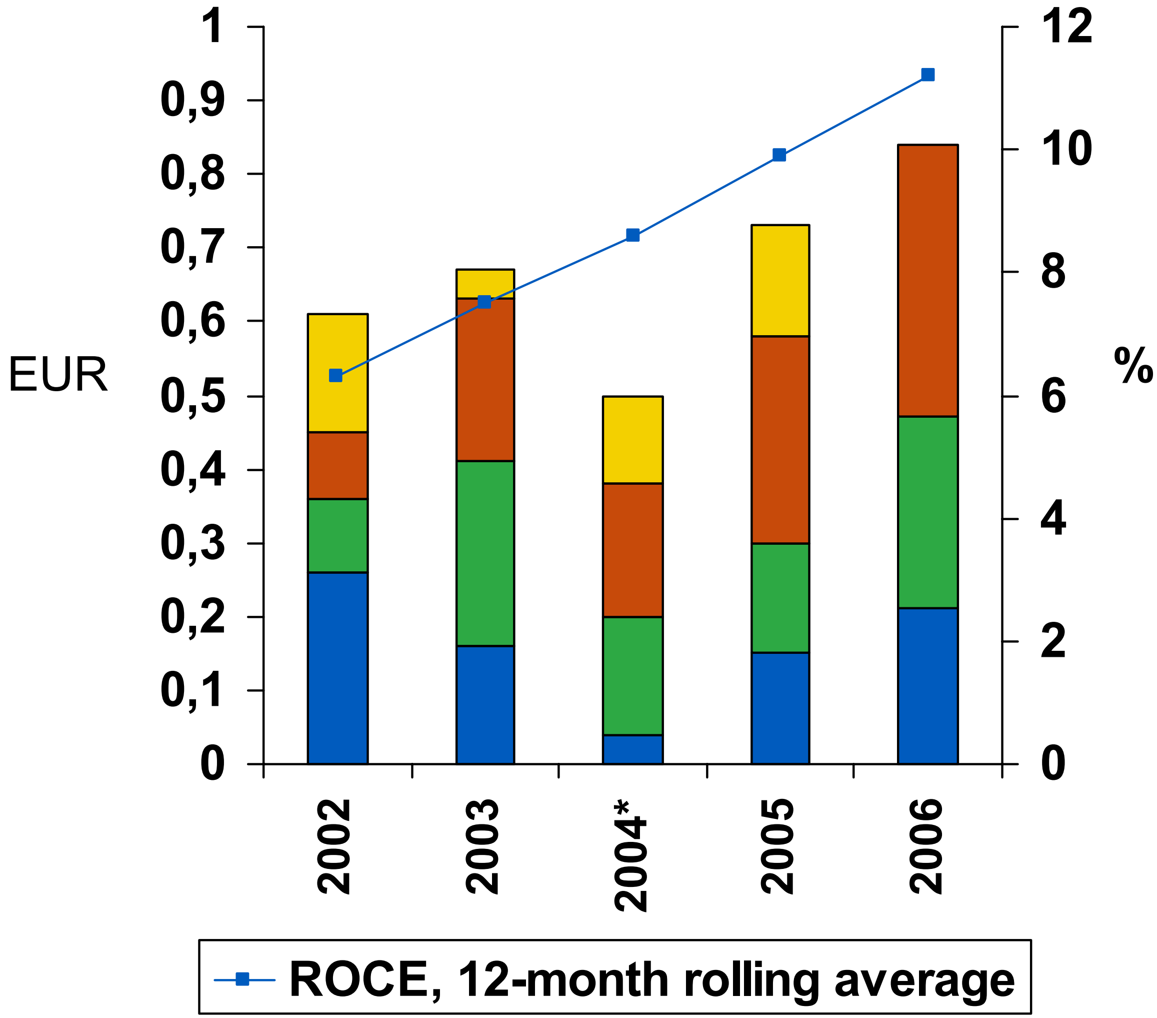
EBIT by Quarter

Q1-Q3/2006: 172.1 MEUR, +33%
(Q1-Q3/2005: 129.1 MEUR)



*Continuing operations. Excluding a write-down of 78 MEUR in Q4/02

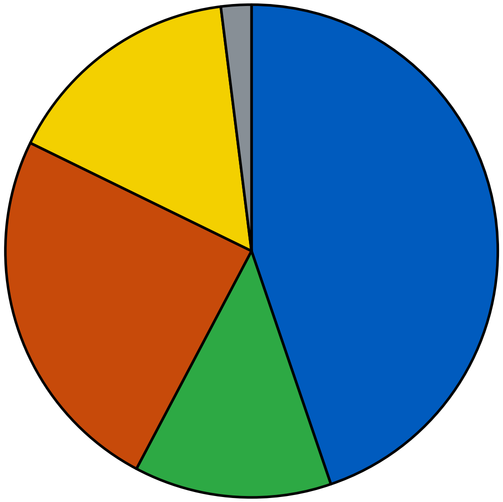
EPS up by 32% in Q3 to EUR 0.37
ROCE from 9.3% to 11.2%



* Continuing operations excluding a non-recurring charge of 44.2 MEUR in Q4/04. Q4/02 exludes a write-down of 78 MEUR.

Capital Employed by Business Area September 30

September 30, 2006: 1,868 MEUR
(September 30, 2005: 1,795 MEUR)



*12-month rolling

Balance Sheet

	30 Sept 06	31 Dec 05
Net debt (MEUR)	**712.6**	619.7
Equity (MEUR)	**1,086.5**	1,019.2
Equity ratio, %	**42**	44
Gearing, %	**66**	61
Capital employed (MEUR)	**1,867.7**	1,766.2
Personnel	**9,119**	7,670

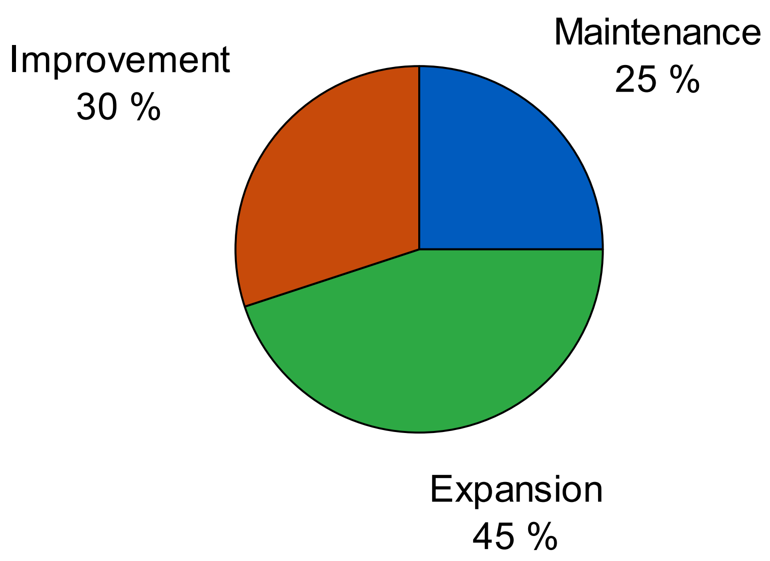
Cash Flows, Q1–Q3

MEUR	**Q1–Q3/06**	Q1–Q3/05
Cash flows from operations	**108.1**	85.8
Acquisitions	**-108.1**	-285.5
CapEx excl. acquisitions	**-96.8**	-78.0
Sale of fixed assets	**64.2**	56.0
Cash flows from investing activities	**-140.7**	-307.5
Free cash flow	**-32.6**	-221.7

CapEx Excluding Acquisitions

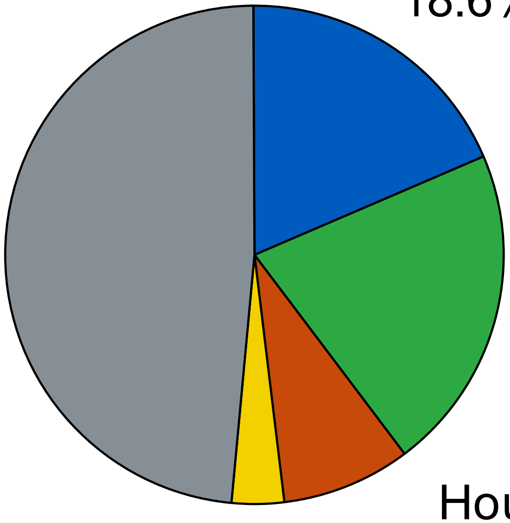
- CapEx Q1–Q3/06: 96.8 MEUR (Q1–Q3/05: 78.0)
  - Investment in the chemical plant in Uruguay 22.4 MEUR

- Depreciation in Q1–Q3/06: 89.9 MEUR (Q1–Q3/05: 88.1)



Shareholders 30 September 2006

(30 September 2005)



Minimum state ownership 15%

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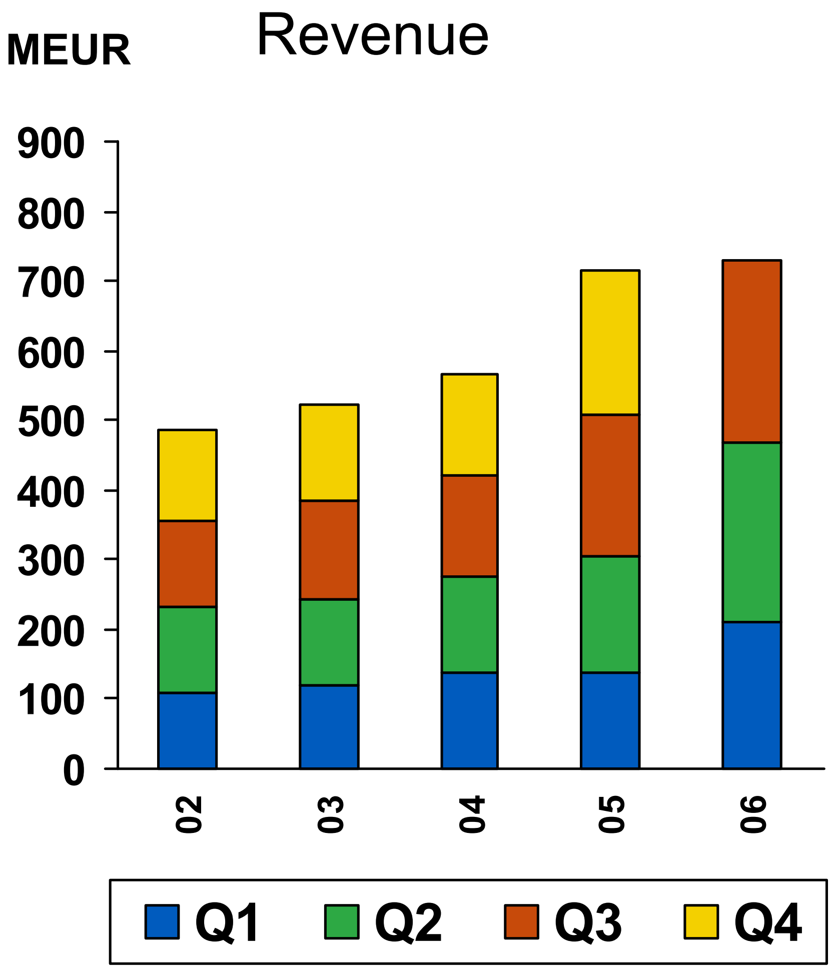
Q3 Business Area Highlights

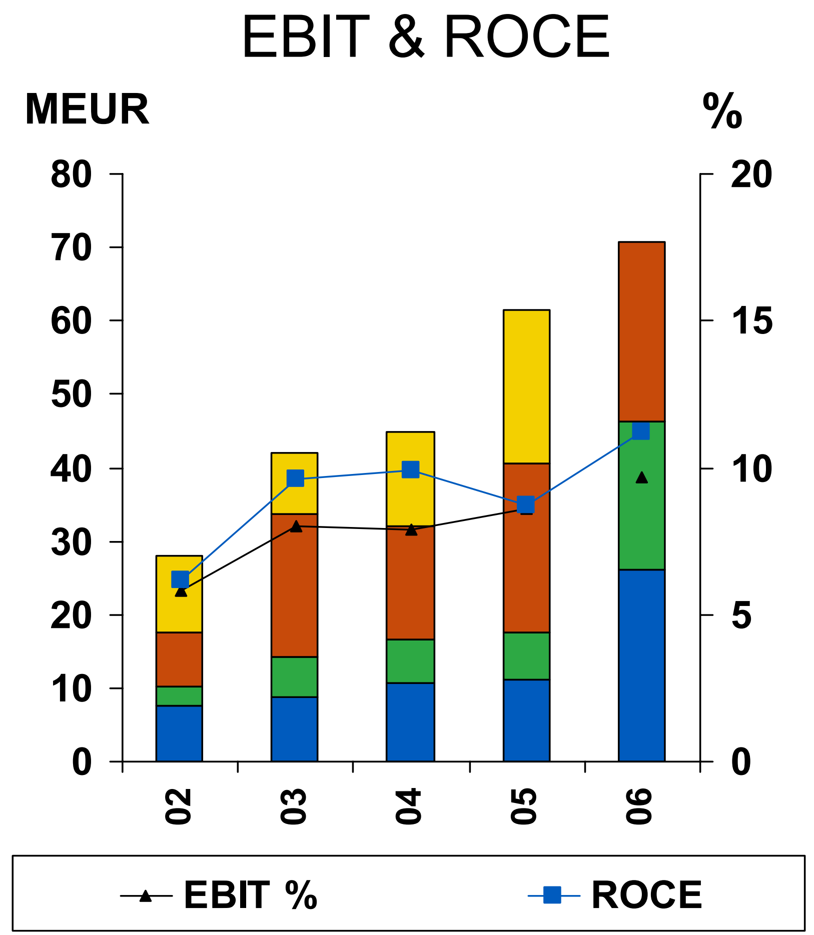
Pulp & Paper Chemicals in Q3

- Revenue up 29%
  - Organic growth 2%
  - Integration of Lanxess paper chemicals progressing well
  - Sales depressed by the Finnish pulp industry's maintenance downtimes
- EBIT up 5%, ROCE 11.2% (8.6%)
  - One-time income of 3.0 MEUR (-0.7 MEUR)
  - Lanxess paper chemicals +0.8 MEUR
  - Pulp industry's maintenance downtimes

	Q3/06	Q3/05	Ch%	**2005**
Revenue, MEUR	**261.9**	202.5	29	**715.3**
EBIT, MEUR	**24.3**	23.1	5	**61.5**
EBIT, %	**9.3**	11.4		**8.6**

Pulp & Paper Chemicals





The figures are not fully comparable.

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Kemwater in Q3

- Revenue up 10%
  - All growth organic
  - Sales increased in all market areas
- EBIT up 13%, ROCE 14.2% (13.5%)
- Acquisition of Cytec water treatment was completed 1 October
  - Projected to raise EPS from 2007
- Acquisitions of Parcon A/S and Oy Galvatek Ab

	Q3/06	Q3/05	Ch%	**2005**
Revenue, MEUR	**101.7**	92.5	10	**353.2**
EBIT, MEUR	**9.0**	8.0	13	**28.2**
EBIT, %	**8.8**	8.6		**8.0**

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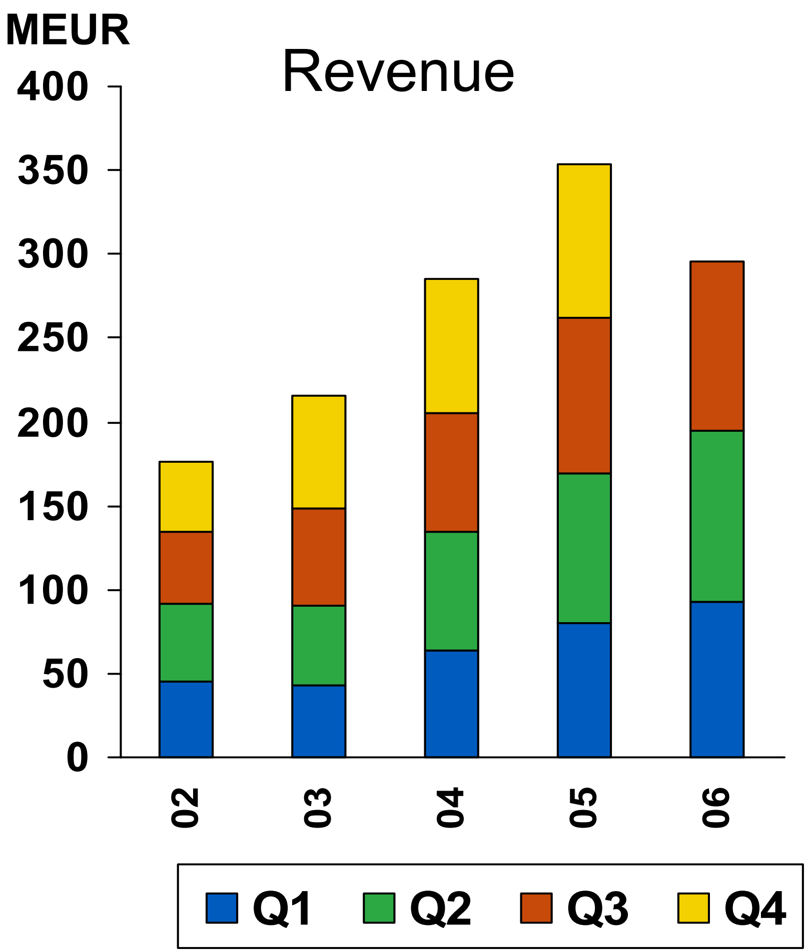
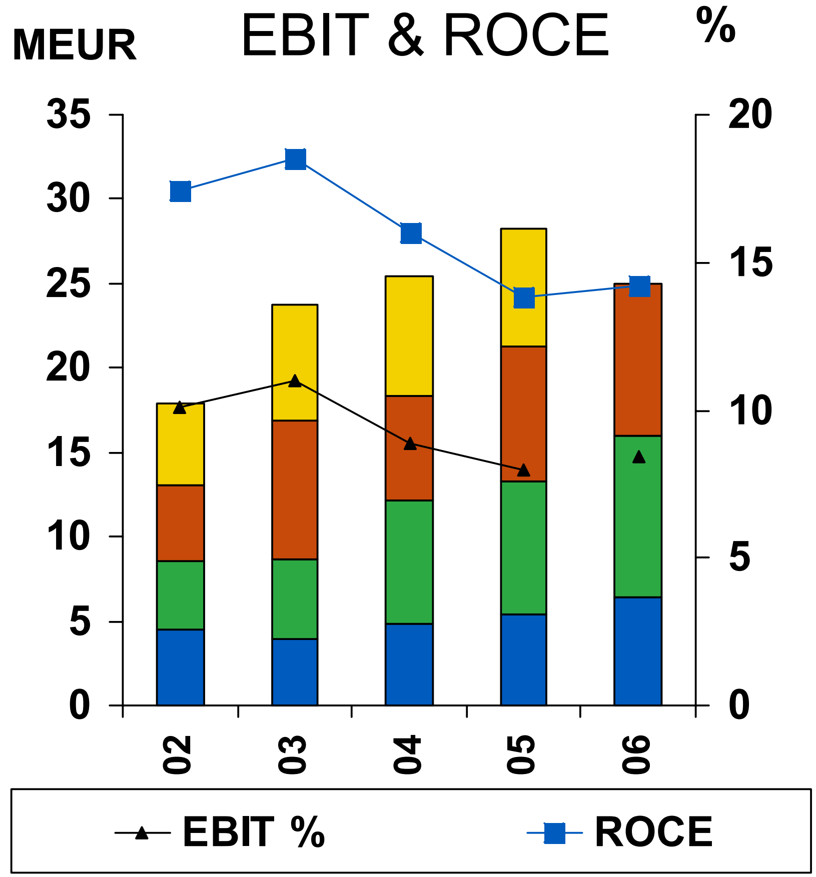
Kemwater



The figures are not fully comparable.



Q4/04 excluding extra write-downs and costs of 11 MEUR.

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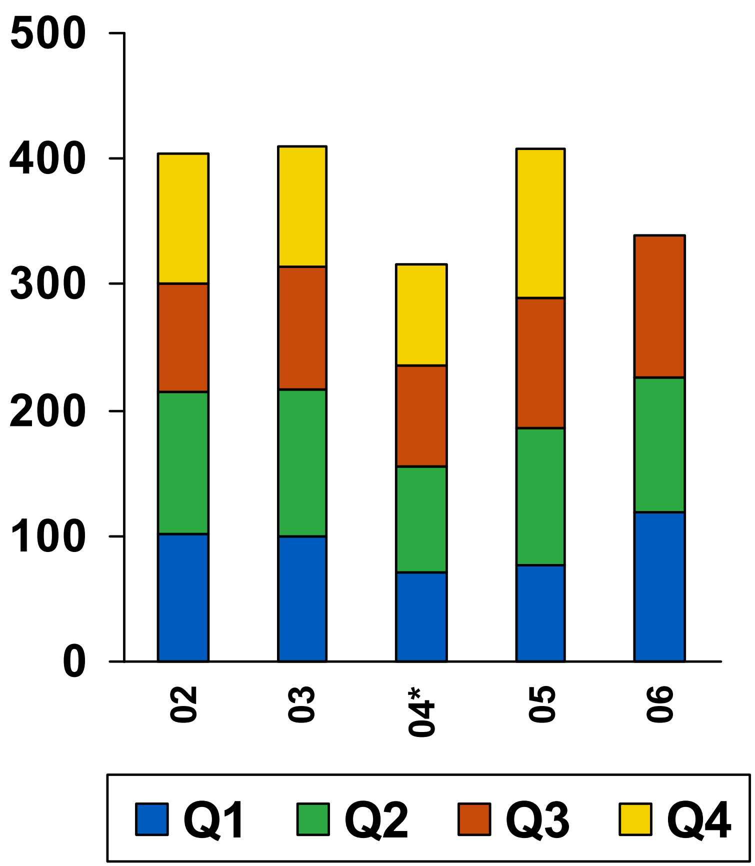
Performance Chemicals in Q3

- Revenue up 8%
  - All growth organic
  - Strong sales in organic acids and acid derivatives
  - A scheduled maintenance downtime in TiO2 production
  - Prices of TiO2 at last year's level, prices expected to rise in 2007
- EBIT at last year's level, ROCE 11.1% (9.6%)
  - Maintenance downtime

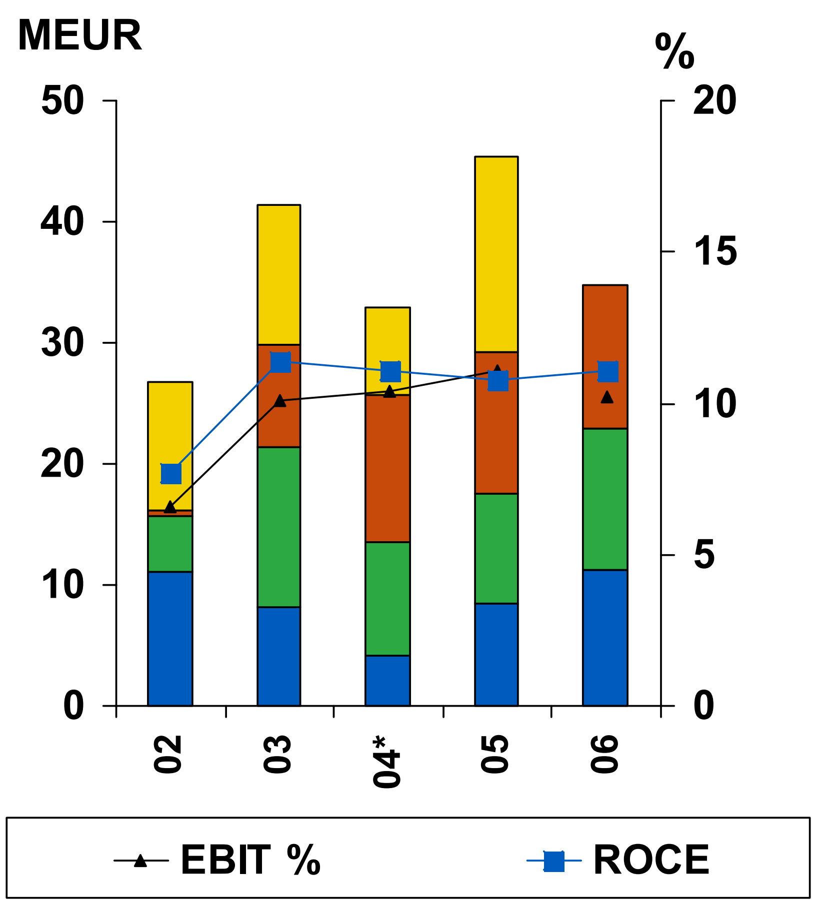
	Q3/06	Q3/05	Ch%	**2005**
Revenue, MEUR	**112.8**	104.2	8	**408.4**
EBIT, MEUR	**11.7**	11.7	-	**45.4**
EBIT, %	**10.4**	11.2		**11.1**

Performance Chemicals

Revenue



EBIT & ROCE



The figures are not fully comparable.

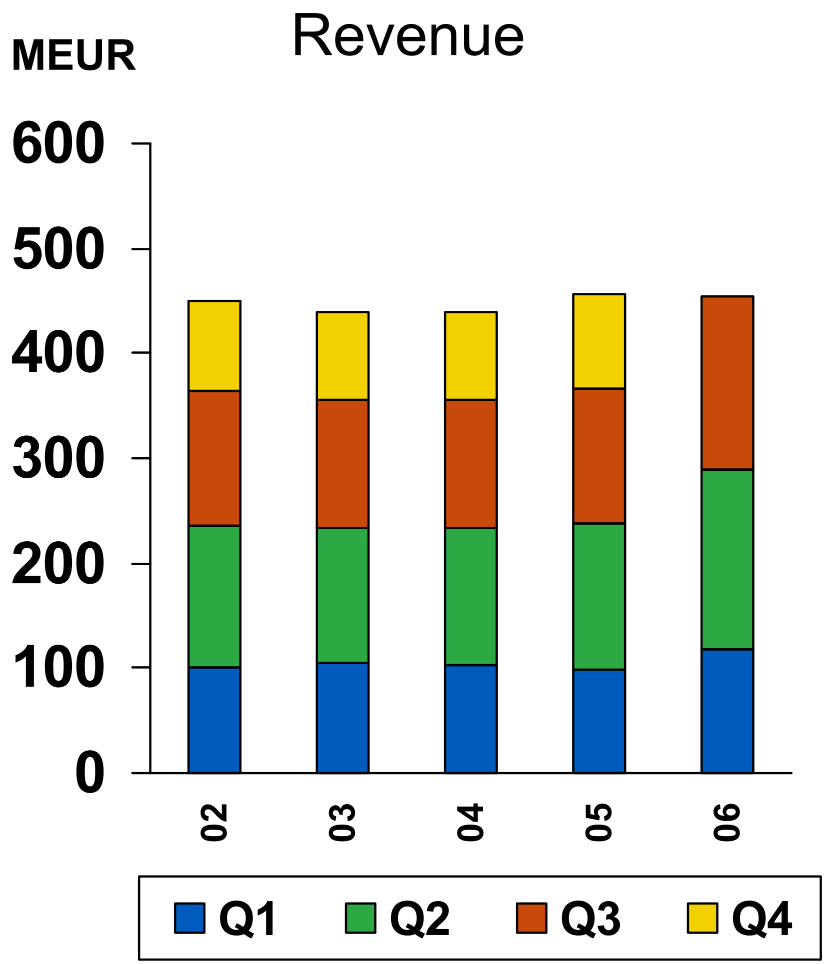
*Continuing operations

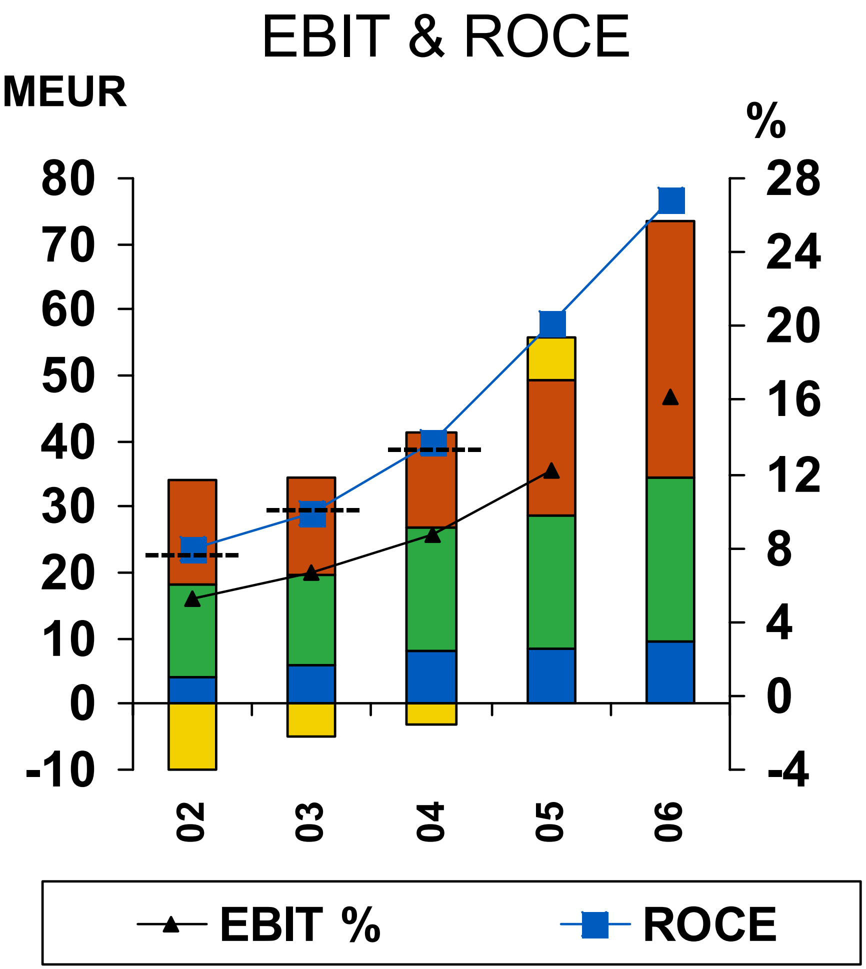
Paints & Coatings in Q3

- Revenue up 27%
  - Organic growth 6%
  - Integration of Kraski Teks progressing well
- EBIT up 89%, ROCE 26.9% (16.8%)
  - One-time income of 13.1 MEUR from the sale of a factory site in Stockholm
  - Acquisition of Kraski Teks +2.9 MEUR
- A new sales company in Kazakhstan
- 100% shareholding in Finncolor in the Czech Republic acquired

	Q3/06	Q3/05	Ch%	**2005**
Revenue, MEUR	**164.6**	129.9	27	**457.5**
EBIT, MEUR	**39.0**	20.6	89	**55.9**
EBIT, %	**23.7**	15.9		**12.2**

Paints & Coatings





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Outlook

- Kemira Group expects to continue its growth during the fourth quarter of 2006
  - Previous acquisitions and organic growth
  - On average, raw material prices are projected to remain unchanged during the rest of the year

- Kemira's full-year revenue, operating profit and earnings per share are expected to increase markedly from 2005 levels.

All forward-looking statements in this report are based on the management's present expectations and beliefs about future events, and the actual results may differ materially from the expectations and beliefs contained in the forward-looking statements.

Just add Kemira