

# Tikkurila Industrial Coatings

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# Industrial Coatings in Brief

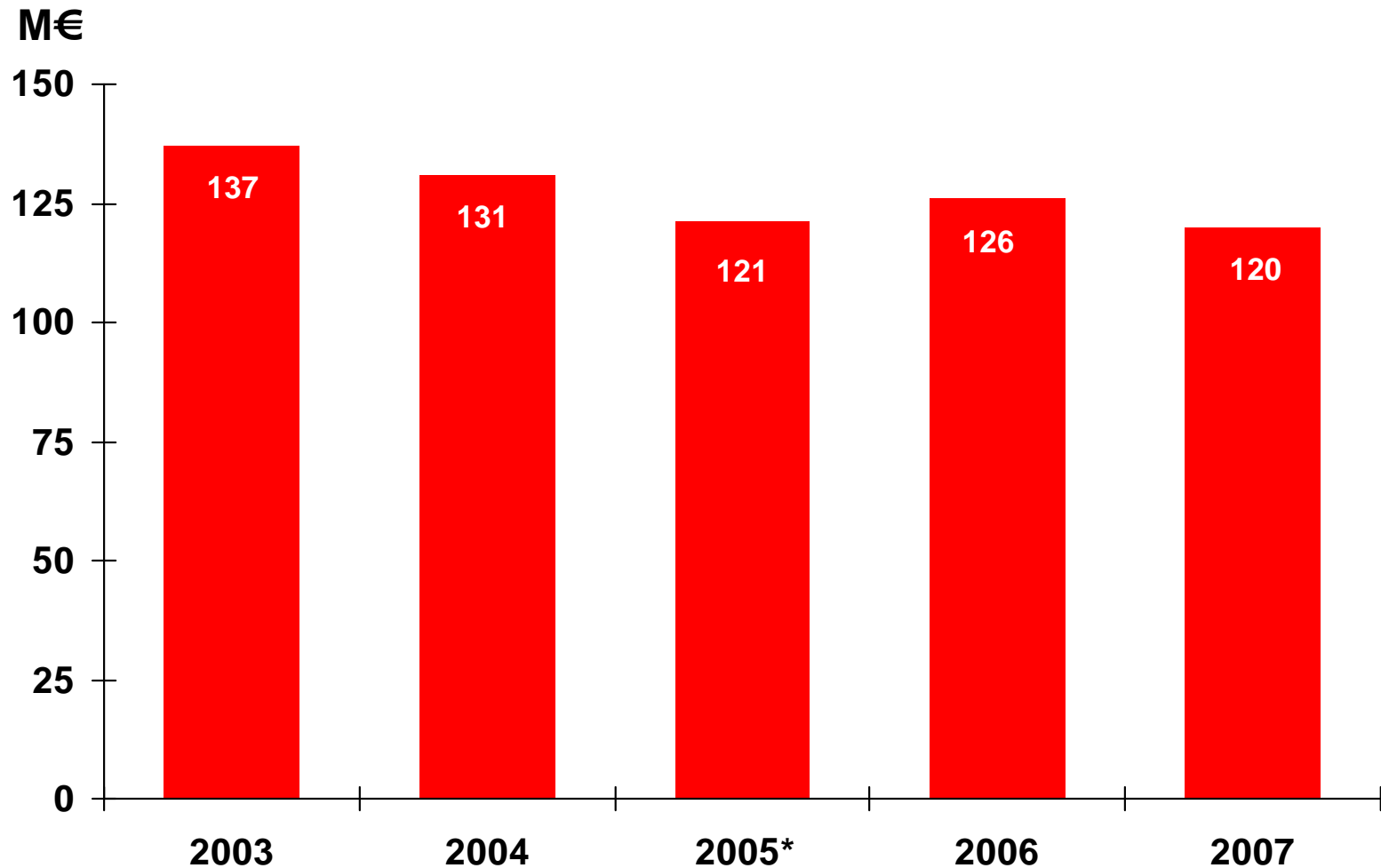
- Tikkurila Industrial Coatings supplies metal and wood industries with products and solutions for manufacturing, construction, maintenance and repair
- 2007 Revenue 120 M€
- Brands: Tikkurila Coatings, Gamma and Ohtek
- Manufacturing locations: Finland, Russia and Poland
- Industrial sectors are served through direct deliveries or via the Temaspeed network with 254 specialised distributors in 28 countries
- Market positions 2007
  - Finland metal: No 1, wood: No 2
  - Sweden metal: No 1, wood: No 3-4
  - Russia<sup>(2006)</sup> metal: No 2
  - Poland\* metal: No 2
  - Baltic States<sup>(\*\*/\*\*/\*\*\*)</sup> No 1-2

\* Management estimates

\*\* Depending on business unit (Metal/Wood)

\*\*\* Depending on country

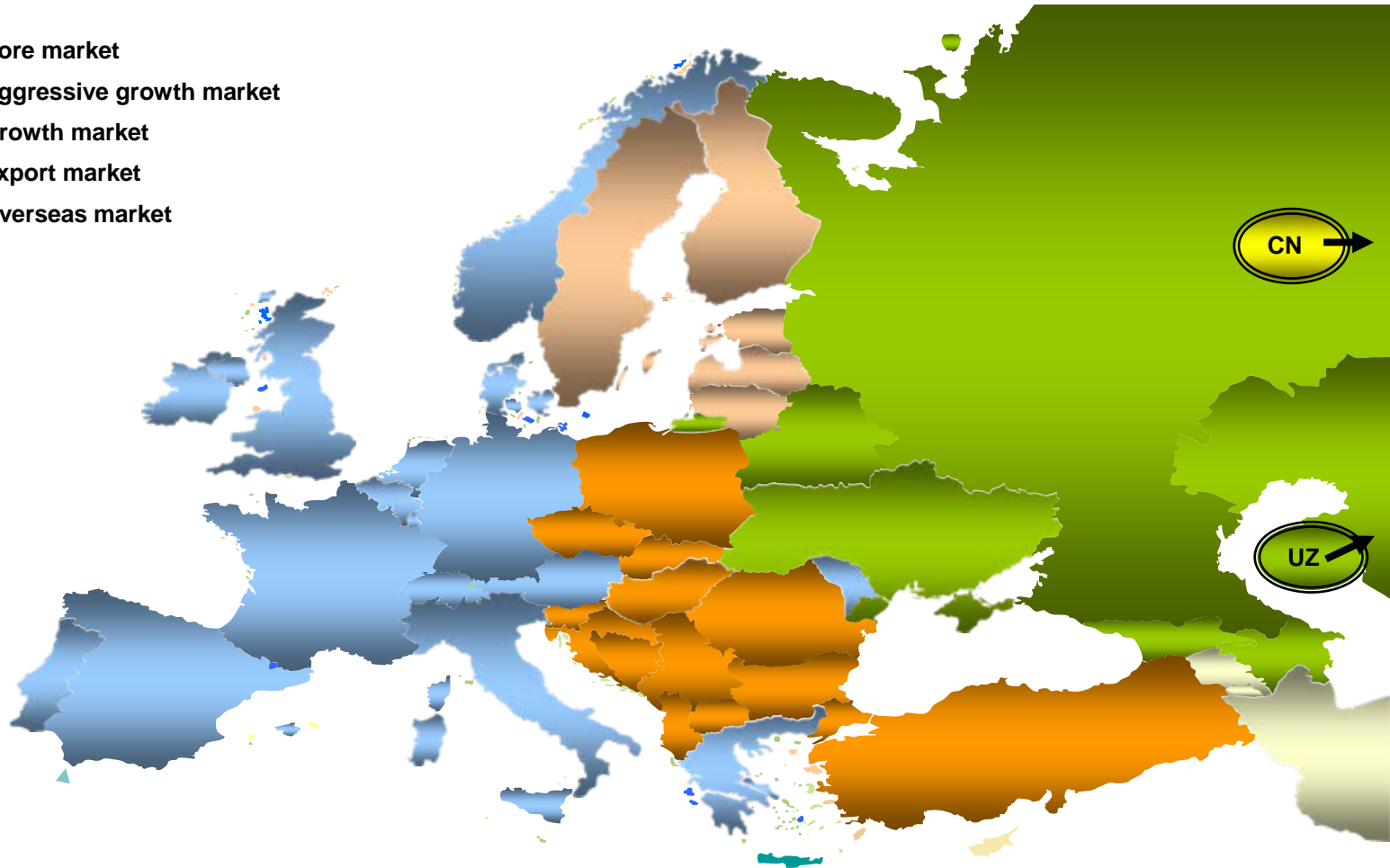
# Revenue in 2003–2007



\* UK Industrial Coatings business and Coil coating business divested

# Geographical Markets

- = Core market
- = Aggressive growth market
- = Growth market
- = Export market
- = Overseas market



# Recent Trends in Business Environment

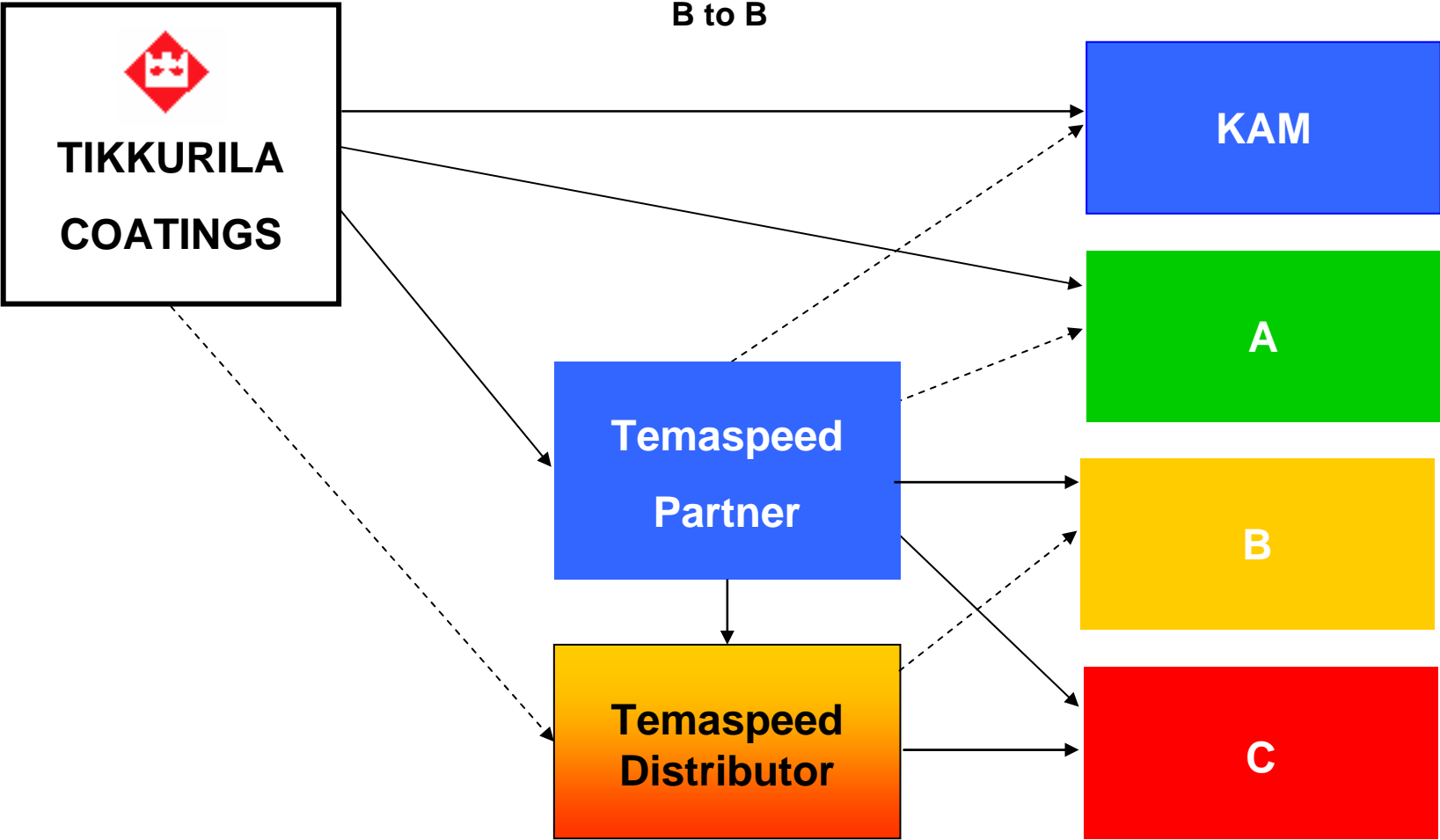
- Increased investment and number of subcontracting in Eastern Europe and China
- Decision making becoming more centralized as a result of expected metal and wood industry consolidation
- Customers are searching for new technologies and business opportunities
- Regulatory tightening (VOC regulations and REACH)
- Shift towards radcure and waterborne coatings
- Expected paint industry consolidation is expected to tighten the competition

# Main Competitors by Market Area

-  = Core market
-  = Aggressive growth market
-  = Growth market
-  = Export market
-  = Overseas market



# Distribution and Service Strategy



# Temaspeed Distribution Network

- Consists of privately owned shops
- Services local customers through fast deliveries, colour service, tailor made service products, sundry items, technical support and problem solving
- Efficiency is based on utilization of advanced tinting technology, location near to customer, availability of products and professional service
- Target customer groups are small and medium size industry using paint
- The target is to make Temaspeed the best known brand in industrial paint distribution both in quality and network coverage

