

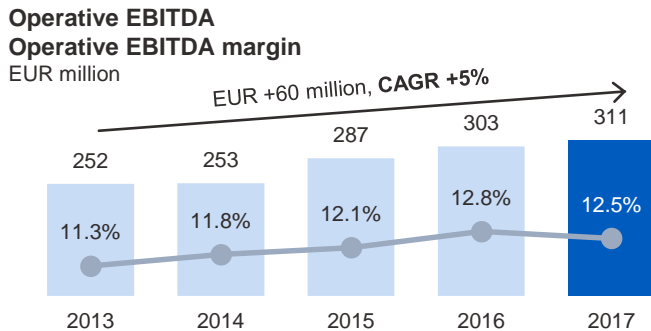
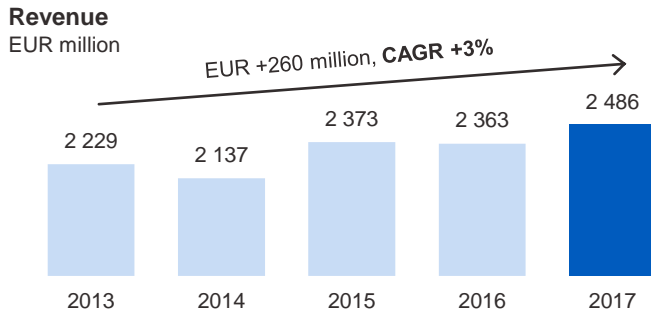
Kemira – solid equity story with clear profitability improvement potential

KEMIRA TODAY

Kemira is a global chemicals company serving customers in water-intensive industries

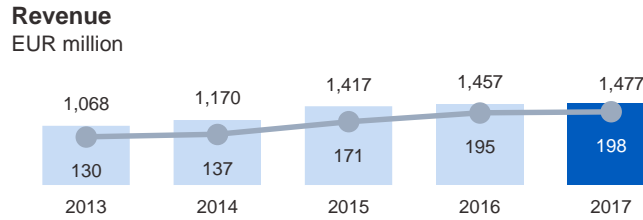


DELIVERING PROFITABLE GROWTH

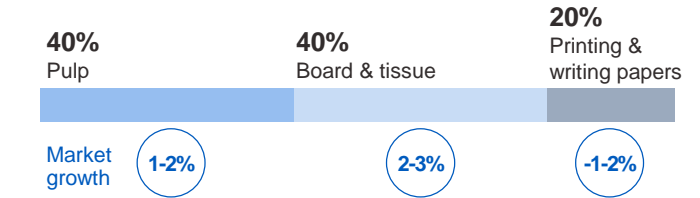


PULP & PAPER CHEMICALS

FY2017: Revenue EUR 1,477 million, Operative EBITDA EUR 198 million, margin 13.4%, operative ROCE 9.0%



Revenue by customer type and market growth



Market environment

Kemira (pulp and paper) market share ~16%

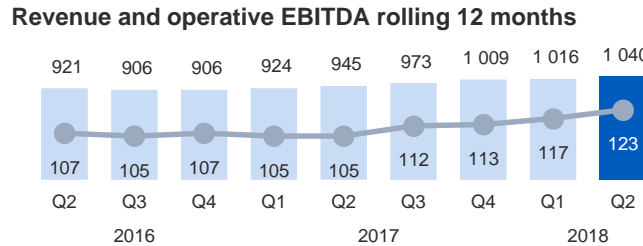
- | | |
|------------------|----|
| BASF (paper) | #1 |
| Solenis (paper) | #2 |
| AkzoNobel (pulp) | #3 |
| Ecolab (paper) | #4 |
| | #5 |

Customer examples

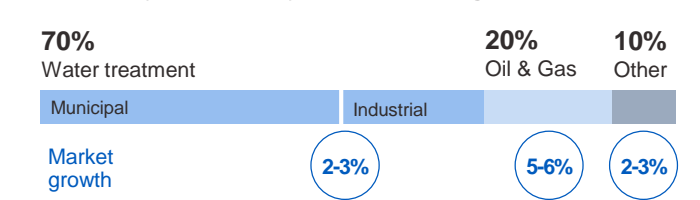


INDUSTRY & WATER CHEMICALS

FY2017: Revenue EUR 1,009 million, Operative EBITDA EUR 114 million, margin 11.3%, operative ROCE 11.0%



Revenue by customer type and market growth



Market environment

Water treatment

Kemira's market share ~30% in coagulants and ~20% in polymers
Main competitors in coagulants:

- Feralco (Europe)
- Kronos (Europe)
- Tessenderlo (Europe)
- Chemtrade (US)
- USAlco (US)

Oil & Gas

Kemira's market share ~25% in polymers used for friction in shale oil
Main competitors in polymers (also in water treatment):

- SNF
- BASF
- Solenis
- Nalco
- Solvay (only O&G)

Customer examples

Municipal (40%),
customer examples

- | | |
|-----------|---------------|
| Amsterdam | Los Angeles |
| Barcelona | Montreal |
| Frankfurt | New York City |
| London | Toronto |
| Oslo | Melbourne |
| Paris | Shanghai |
| Stockholm | Singapore |

Industrial (60%),
customer examples



Targeting 14-16% operative EBITDA

MID- TO LONG-TERM FINANCIAL TARGETS

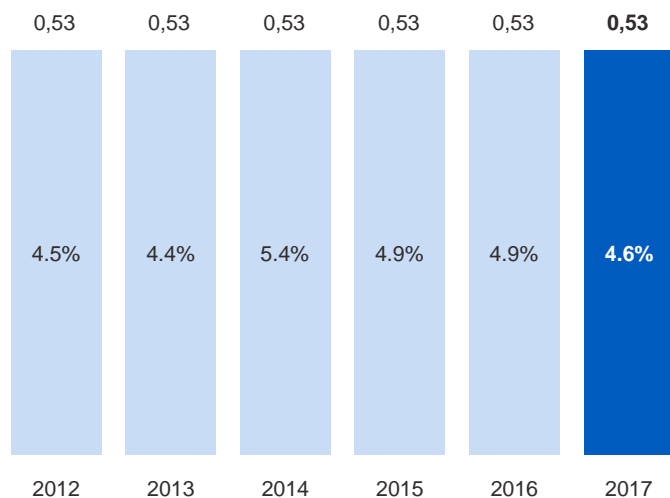
Targets	2015	2016	2017
Above-the-market growth	EUR 2,373 million Change +11%	EUR 2,363 million Change 0%	EUR 2,486 million Change +5%
Operative EBITDA 14-16%	12.1%	12.8%	12.5%
Gearing below 60%	54%	54%	59%

FACTORS TO WATCH FOR PROFITABILITY IMPROVEMENT






Factors	H1 2018 comments
Volume growth and sales price increases	Group's volume growth +3% and sales prices +6%
Oil & Gas becoming larger share of Group (incl. shale, CEOR and oil sands)	Revenue from EUR 126m in 2016 to EUR 217m (LTM)
Raw material price development	Significant headwind in 2017 and YTD 2018
Currency exchange rate development, especially EUR/USD	FX delta EUR -16 million on EBITDA
Prudent fixed cost management	Fixed costs almost flat despite strong organic growth
AKD acquisition / joint venture in China	Significant backward integration and growth benefits

STABLE AND COMPETITIVE DIVIDEND

Dividend per share and dividend yield



GLOBAL TRENDS FAVOR KEMIRA

 <p>RECYCLING</p> <p>Increasing the lifespan and quality of the recycled fibers</p>	 <p>E-COMMERCE</p> <p>Growing demand for light-weight and recyclable materials in retail packaging</p>	 <p>ALTERNATIVE MATERIALS TO PLASTICS</p> <p>Increasing need for biobased and biodegradable materials in packaging materials</p>	 <p>REGULATION DRIVING BETTER WATER QUALITY</p> <p>More effective and tailored water treatment at every stage of the water cycle</p>	 <p>OIL RESOURCES BECOMING HARDER TO EXTRACT</p> <p>Lifespan extension of oil fields is a growing opportunity for water soluble polymer chemistry</p>
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