

A mixed first quarter 2008:

**Margin improvement for Antalis thanks to the initial benefits of integrating Map
Arjowiggins held back by unfavourable currency trends and higher energy costs**

- Sales of Euro 1,327 million, up 29% ((4)% on a pro-forma basis)
- Recurring operating income down 10% to Euro 22 million ((37)% on a pro-forma basis)
- Recurring net income of Euro 15 million, up 6% ((24)% on a pro-forma basis)

Sequana Capital today reports its unaudited results for the first quarter 2008.

Consolidated Profit & Loss

In Euro millions, except for EPS	1 st quarter 2008	1 st quarter 2007	1 st quarter 2007 pro-forma***	% change reported	% change pro-forma
Sales	1,327	1,031	1,381	29%	(4)%
EBITDA*	43.3	47.9	62.1	(10)%	(30)%
In % of sales	3.3%	4.6%	4.5%		
Recurring operating income	22.2	24.8	35.5	(10)%	(37)%
In % of sales	1.7%	2.4%	2.6%		
Recurring net income**	14.9	14.1	19.6	6%	(24)%
Recurring diluted EPS (euro)	0.30	0.29	0.40		
Net income - group share	5.7	18.2	23.7		
Diluted EPS (euro)	0.12	0.37	0.48		
Weighted average number of shares after dilution	49,087,118	49,228,870	49,228,870		

(*) EBITDA: Recurring operating income before depreciation

(**) Recurring net income: recurring operating income after net finance income and recurring income taxes.

(***) These results include the operations of Dalum Papier A/S and Map Merchant Group and have been restated for the sale of Canson Inc.

- During the first quarter 2008, consolidated net sales came to Euro 1,327 million, an increase of 29% compared with sales of Euro 1,031 million during the first quarter 2007. Pro-forma sales declined by 4% ((0.5)% at constant exchange rates). The currency effect was Euro (47) million, representing (3.5)% of sales.
- EBITDA amounted to Euro 43 million, or 3.3% of sales.
- Recurring operating income was Euro 22 million, 1.7% of sales, compared with 2.4% during the same period of the previous year. On a pro-forma basis, the first quarter 2008 showed a contrasted picture for both subsidiaries. Firstly, the initial benefits expected from Antalis' acquisition of Map started to appear, leading to an improvement in Antalis' recurring operating income compared with the previous year. Secondly, and as anticipated, Arjowiggins remained in the black, but its profitability was negatively impacted by higher energy and raw material costs and unfavourable currency trends.
- Recurring net income came to Euro 15 million, Euro 0.30 per share.
- Net income - group share, including non-recurring items, was Euro 0.12 per share.

Pascal Lebard, Chief Executive Officer of *Sequana Capital*, stated: "We are in a position to reiterate our guidance for full year 2008 whereas *Sequana Capital* expects its recurring operating income to improve. For *Antalis*, the synergies harnessed with *Map* are expected to accelerate during the year and its recurring operating income should significantly improve. For *Arjowiggins*, the cost reduction efforts, the planned price increases and the transfer of production from certain units to the low-cost and dollar regions, which are currently taking place, should pay off during the second half of the year. Therefore, *Arjowiggins* is expected to report a decline of its recurring operating income in the first half of 2008, before swinging back into growth in the second half."

COMMENTS ABOUT THE SUBSIDIARIES

Breakdown of sales by subsidiary In Euro millions	1 st quarter 2008	1 st quarter 2007	1 st quarter 2007 on a pro forma basis*	% change reported	% change pro-forma
Antalis	866	597	923	45.1%	(6.2)%
Arjowiggins	529	500	525	5.7%	0.8%
Other businesses	5	5	5	n/a	n/a
Eliminations	-72	-71	-71	n/a	n/a
Total	1,327	1,031	1,381	29%	(4)%

(*) For *Antalis*, these results include the operations of *Map Merchant Group*. For *Arjowiggins*, these results include the operations of *Dalum Papier A/S* and have been restated for the sale of *Canson Inc.*

Antalis

Sales were Euro 866 million, up 45% compared with the same period of last year. Pro-forma sales declined by 6.2% ((3.6)% at constant exchange rates). The currency impact (mainly the British pound) was Euro (24) million during the quarter. The small decline in sales was merely due to a reduction in the number of billing days in the first quarter of 2008 compared with the first quarter of 2007 (Easter time), which impact will be neutralized in the first half 2008. This performance remains solid and confirms that revenue melt expected from the *Map* acquisition is lower than anticipated by the group in the initial integration plans.

Arjowiggins

Sales were Euro 529 million, up 6% compared with the same period of last year. Prof-forma sales increased by 0.8% (5.2% at constant exchange rates). The currency impact (US dollar and British pound) was Euro (23) million during the quarter. The increase in sales reflected efforts to boost sales in recent months and strong performance in both coated paper thanks to the implementation of the green strategy, and security. *Greenfield*, which we acquired early 2008, contributed to Euro 15 million in sales during the first quarter 2008, a strong year over year increase, as a result of a significant increase in pulp selling prices.

KEY EVENTS

- *Arjowiggins* closed the acquisition of *Greenfield SAS*, a producer of premium-quality recycled and FSC certified (Forest Stewardship Council) paper pulp. *Greenfield* owns close to 250,000 tonnes p.a. in deinking capacity for used paper.
- *Antalis* sold *Premier Paper Group Limited* to UK-based independent group *Beswick Paper* for £19.1 million (around Euro 25 million). This disposal follows on from the acquisition of *Map* by *Antalis* on October 31, 2007 and the undertaking given to the European Commission to dispose of *Premier Paper*, one of *Map's* two subsidiaries in the United Kingdom.

UPCOMING EVENTS/ANNOUNCEMENTS

Annual General Meeting	May 21, 2008
H1 2008 results	July 25, 2008

About Sequana Capital

Sequana Capital (NYSE Euronext Paris: VOR) is a diversified paper group active in paper manufacturing and distribution, with two 100%-owned subsidiaries:

- **Antalis:** European leader in the distribution of paper and industrial packaging products in Europe. Present in 44 countries, Antalis has 7,900 employees.
- **Arjowiggins:** world leader in creative and technical papers, the company is active in 82 countries with 7,700 employees.

With 16,000 employees worldwide, Sequana Capital reported pro forma sales of €5.4 billion in 2007.

Sequana Capital

Pascal Bantegnie
+33 (0)1 56 88 78 08
contact@sequanacapital.fr

www.sequanacapital.fr

Image Sept

Florence Riu
+33 (0)1 53 70
74 26

* * * * *