



Hans Müller

*Dear Customer, Dear Reader,*

*Once in a while one is tempted to look into the crystal ball with the notion that there might be continued positive signs as far as the worldwide pulp and paper industry is concerned.*

*Judging by our recent order intake things are looking good and the same is true for sales revenue. The business segments that look the brightest are certainly the continued strong demand for paper and board production lines for China as well as the recent influx of orders of complete new production lines for board and packaging grade, particularly so for Europe.*

*In the U.S., improved economic activity should lead to increased demand for paper and forest products with first volumes and then prices for most commodities continuing to improve over time. The paper industry in the former Soviet Union operates near peak capacity. This situation could trigger major machine and system rebuilds in this geographic area, albeit we do not see major investments into new machines at this point.*

*South America, that is foremost Brazil and Chile, continue to be markets with good potential for suppliers like Voith.*

*The activities in Asia, other than China, continue at a rather reduced rate mainly in the rebuild sector. This is a segment in which our Joint Venture Voith-IHI continues to do exceptionally well.*

*The recently concluded DRUPA exhibition in Düsseldorf was a full success for the printing and converting machinery suppliers. This is to be considered a real turnaround and a sign of recovery of our customers' customers.*

*All in all, we continue to be cautiously optimistic and trust that rising Asian demand for fibre as well as increased energy prices will not dampen the apparent recovery in the forest product industry prematurely.*

*With this positive notion in mind I wish you interesting and enjoyable reading.*

A handwritten signature in blue ink that reads "Hans Müller". The signature is fluid and cursive, written in a professional style.

Hans Müller

on behalf of the Voith Paper Technology team