



**Glaston Corporation
Annual General Meeting
5 April 2011**

President & CEO Arto Metsänen

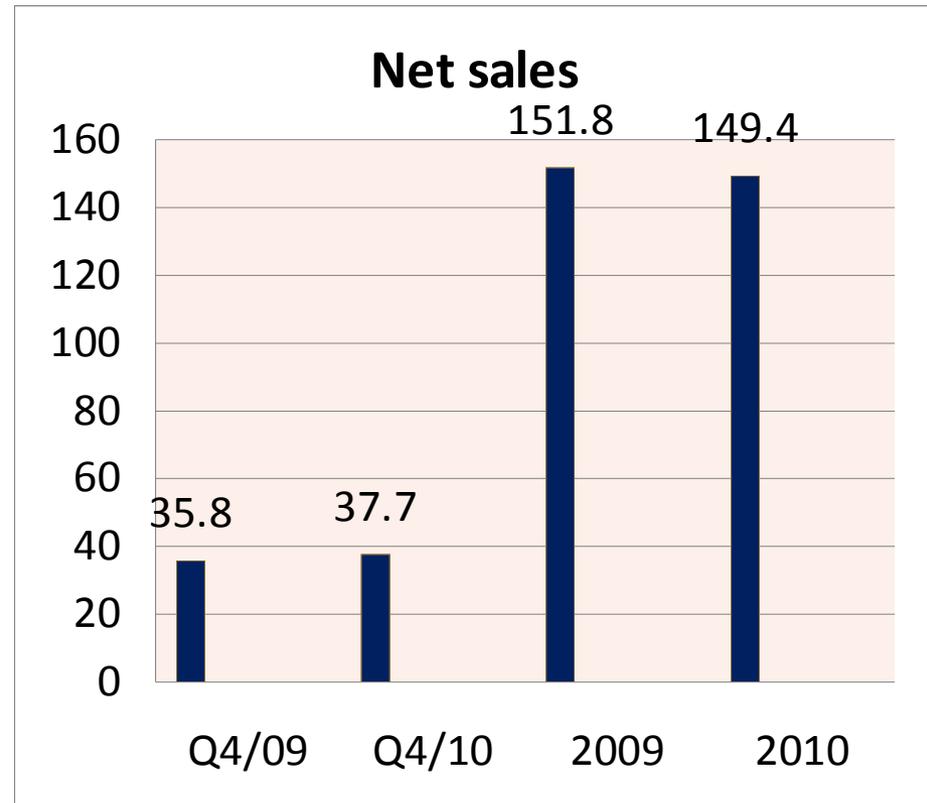
Operating Environment 2010

- In demand for glass processing machines, cautious signs of a market recovery were evident
 - Markets developed unevenly. Demand continued to be active in Asia and South America. In North America, faint signs of a recovery were seen towards the end of the year. In Europe, the market situation continued to be challenging throughout the year.
 - In the final quarter, increased activity was perceptible in the solar energy segment.
 - Competition in markets continued to be tight.

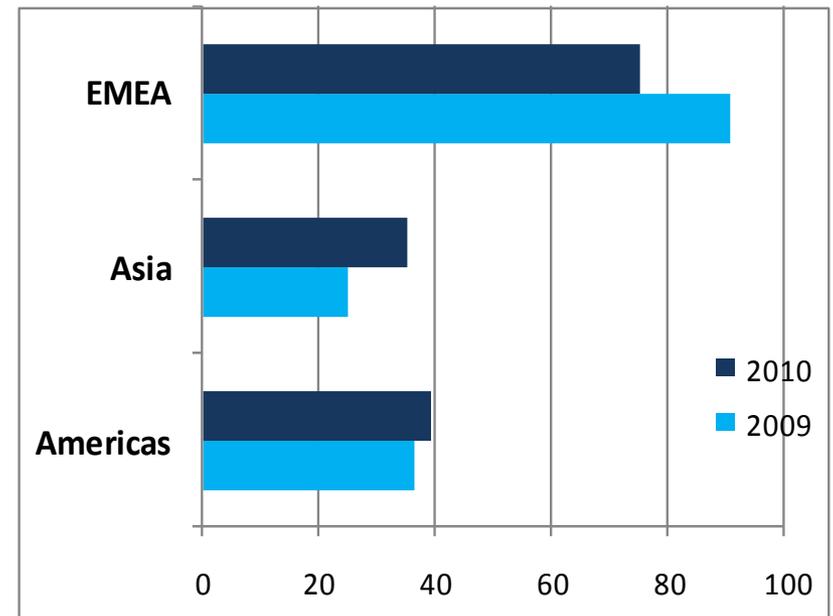
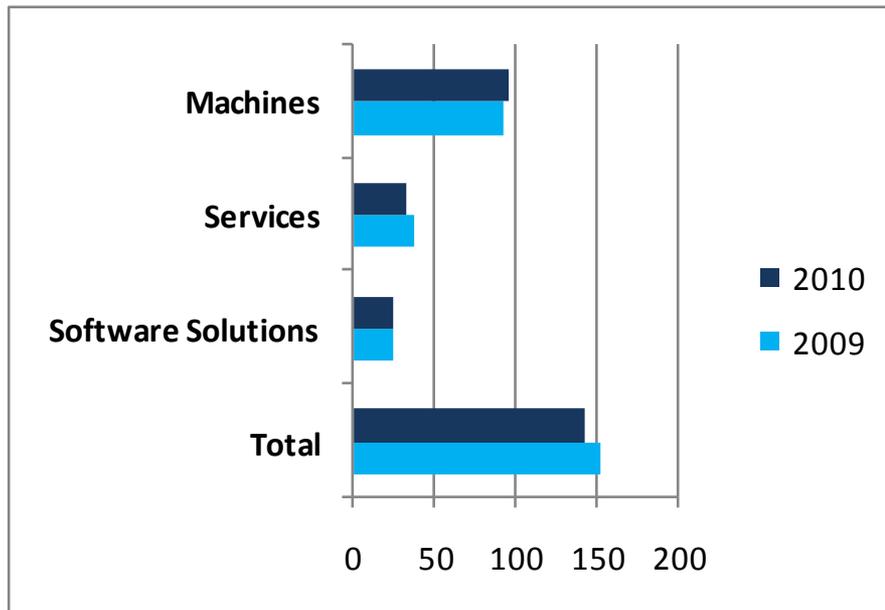


Impact on Glaston

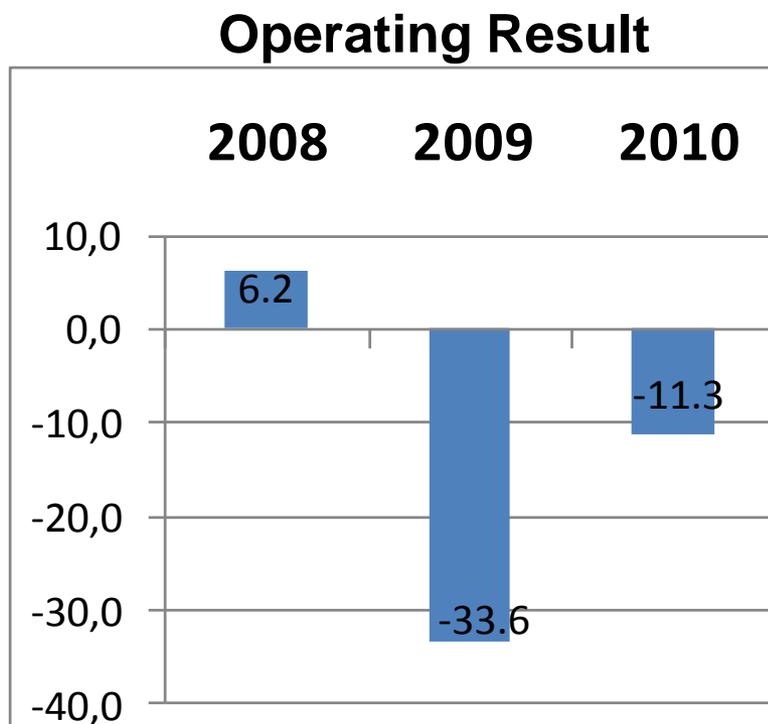
- 2010 was challenging for Glaston. Demand for our products remained at a low level and the company's profitability was weak.
- Operating year marked by extensive efficiency measures to reverse the trend in profitability.
- Operational focus shifted to Asian and South American markets.



Development of net sales, EUR MILLION



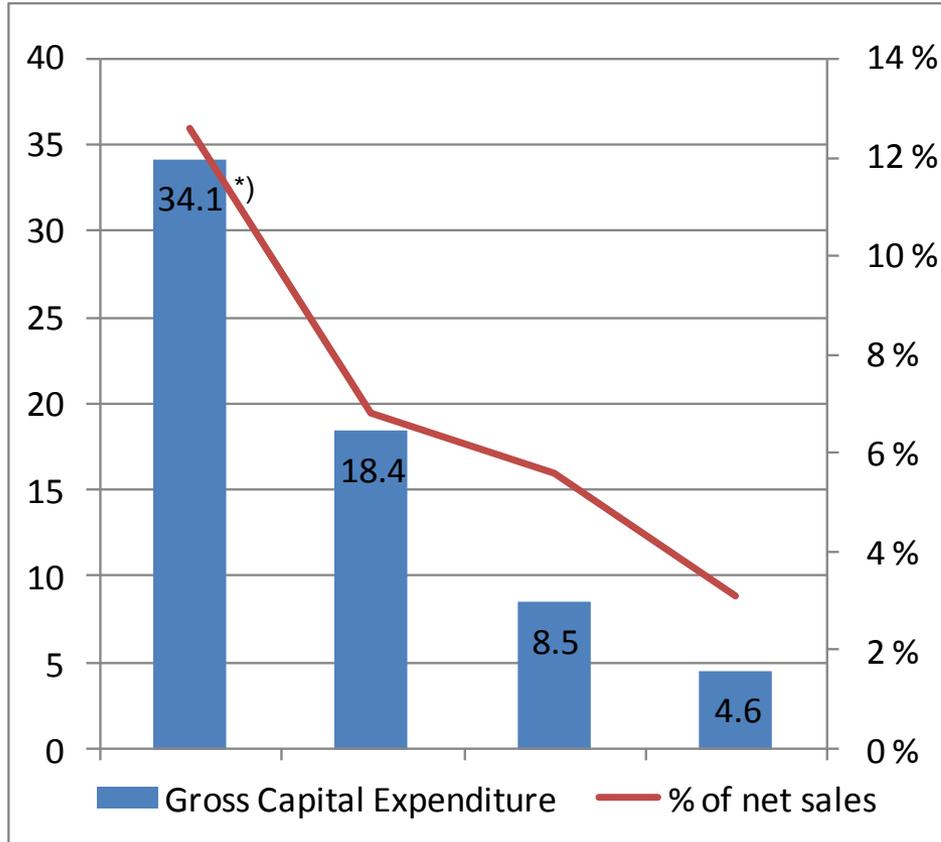
Operating result, EUR MILLION



Operating result, excluding non-recurring items, was a loss of EUR 11.3 million

- Operating result improved clearly, but was still negative.
- Non-recurring costs of EUR 13.7 million, mainly from adjustment measures.
- Services segment achieved a good profit level and Software Solutions performed satisfactorily. Machines segment's result burdened by goodwill impairment of EUR 5.8 million.

Gross capital expenditure

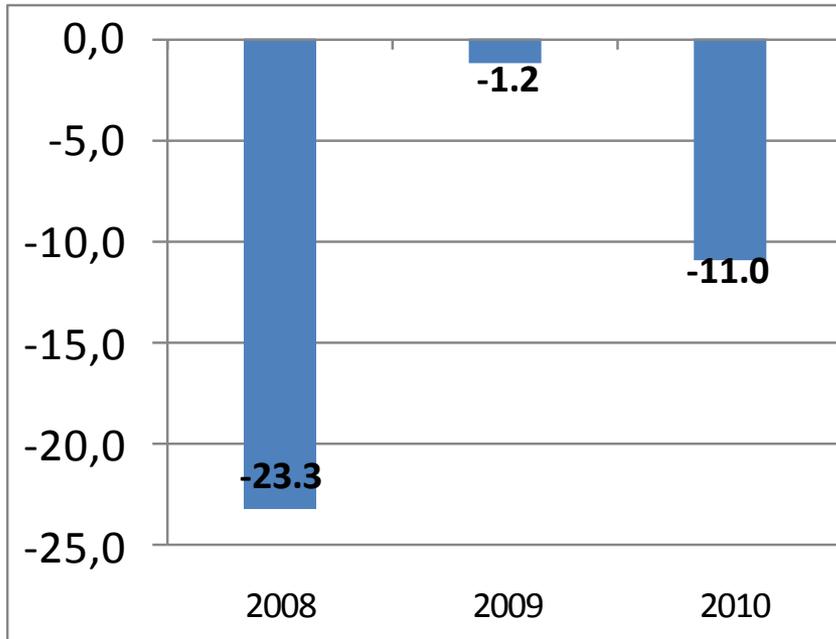


- The most significant investments in 2010 were in product development.
- Several new products launched onto the market.
- Glaston has a very strong patent position, with around 100 patent families and over 500 patents.

*Incl. Albat+Wirsam AG acquisition

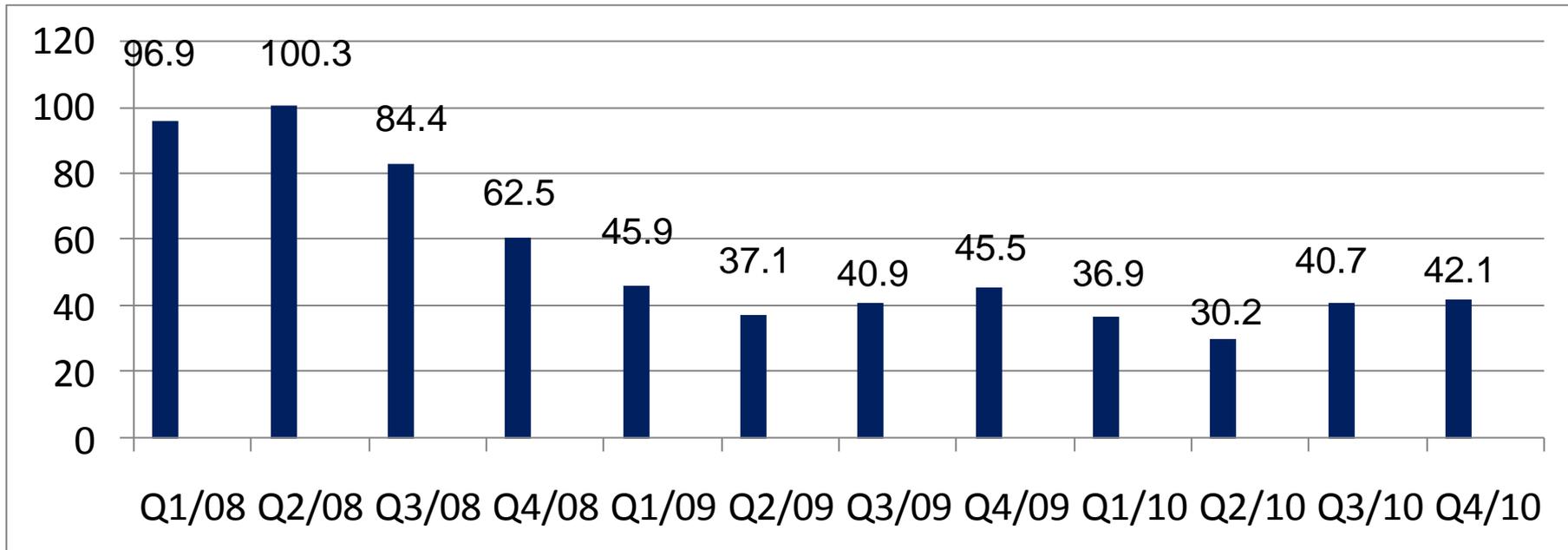
Cash flow

Cash Flow from Operations



- In February 2011, Glaston agreed a financial package guaranteeing the company's funding for the next 3 years.
- EUR 73.7 million syndicated loan facility.
- New shares issued for around EUR 6 million issued and EUR 4.0 million debenture loan.
- Conversion of convertible bond.

Order book



Products and product development

- In product development, attention was focused on product user-friendliness, production efficiency and reliability, and end-product quality.
- The most significant new products were the Tamglass FC500 and Tamglass RC200 flat tempering machines, Tamglass Power Control, directed at the South American LowE glass market, the iControl control and automation system, the iLook online quality measurement system and the Vortex Pro convention system.



Outlook stated on 1 March remains valid

- A modest recovery in Glaston's market is expected during 2011.
 - In Asia and particularly in China, demand is expected to grow strongly.
 - In South America, demand was on a high level in 2010 and we expect this positive development to continue.
 - In the North American market, cautious signs of recovery were evident in the final quarter of 2010, and modest growth in demand is expected in 2011.
 - In Europe and the Middle East, the market remains challenging.
- In 2011 the business development priorities are improving profitability and completing the adjustment measures, whose positive effect on the result will be realised towards the end of the year.
- We expect that 2011 net sales will be at least at the 2010 level and that the operating result will return to a positive trend.

2011 : Focus on profitability

- A clear improvement in operational profitability.
- Completing the adjustment measures.
- Enhancing sourcing operations.
- Expansion of agent and distributor network.
- Shift towards a customer-oriented operating model.



Burj Khalifa, Dubai