RAISIO

Q1/2013

RAISIO PLC

Interim Report

1 January –
31 March 2013

RAISIO'S EBIT IMPROVED BY 20%

January-March 2013, continuing operations

- Group net sales totalled EUR 128.3 (Q1/2012: EUR 135.0) million.
- Group EBIT improved by 20 per cent amounting to EUR 8.0 (Q1/2012: 6.6) million, which is 6.2 (4.9) % of net sales.
- Brands Division's profitability was good, EBIT 12.5 (11.1) % of net sales.
- Raisioagro's EBIT was slightly negative despite the clear improvement.
- Benemilk feeds already have a market share of some 10 per cent of dairy cattle feeds in Finland.

Raisio Group's key figures excluding one-off items

		Q1/2013	Q1/ 2012	2012
Results from continuing operations				
Net sales	M€	128.3	135.0	584.1
Change in net sales	%	-4.9	10.9	5.7
EBIT	M€	8.0	6.6	34.6
EBIT	%	6.2	4.9	5.9
Depreciation and impairment	M€	3.9	4.1	16.6
EBITDA	M€	11.9	10.8	51.2
Net financial expenses	M€	-0.4	-0.3	-2.5
Earnings per share (EPS)	€	0.04	0.03	0.18
Balance sheet				
Equity ratio	%	61.9	57.2	64.1
Gearing	%	8.4	0.4	4.9
Net interest-bearing debt	M€	26.2	1.4	16.2
Equity per share	€	2.00	2.05	2.10
Gross investments*	M€	1.7	4.1	24.6
Share				
Market capitalisation**	M€	470.3	383.3	479.3
Enterprise value (EV)	M€	496.5	384.7	495.5
EV/EBITDA		9.5	7.8	9.7

* Including acquisitions
** Excluding the company shares held by the Group

Chief Executive's review

"Raisio started the year strongly with good EBIT. Decline in net sales shows that we have been focusing on more profitable businesses and products. As part of the streamlining measures, we have also given up activities, in which we do not see enough growth potential. On the other hand, we have started activities, in which we know we can add value with our expertise. EBIT was at a strong level, but we would have liked to see more sales.

Raisio acquired a Czech confectionery company Candy Plus in November 2012 and its integration into the Raisio Group has now been completed successfully. We are very pleased with the deal. As part of Raisio, Candy Plus has been able to increase its net sales and improve its profitability.

Confidence in Benemilk feeds has been strongly reflected in Raisioagro's operations. With Benemilk feeds, we have managed in a few months to achieve a market share of some 10 per cent in Finnish dairy cattle feeds. This demonstrates that Benemilk feeds work and sell well. Almost 70 per cent of the farms testing Benemilk feeds have remained Raisio's customers during the campaign period. I am pleased that more and more milk producers have found through personal experience the efficacy of Benemilk feeds. They have also seen an increase in their milk income.

The Benemilk story has only just begun. After the review period in April, Raisio informed about the establishment of a joint venture in Finland with Intellectual Ventures, the world's leading invention capital company, specialising in the creation, management and commercialisation of inventions. This cooperation provides us with the best resources and expertise necessary for further development of our Benemilk invention. The joint venture also aims to commercialise the invention internationally, even though our patent application is still pending."

GROUP'S CONTINUOUS OPERATIONS

Financial reporting

Raisio Group reports on its performance in line with the continuing operations and all figures mentioned in this review are comparable. The Divisions that are reported in line with continuing operations include Brands and Raisioagro.

The Brands Division includes Consumer brands and Licensed brands units. In the text, the Consumer brands unit is examined by key market areas, which are Western Europe, Northern Europe and Eastern Europe. Raisio's latest acquisition Candy Plus is included in the Western European figures from 13 November 2012. Sulma operations became part of the Eastern European operations on 20 March 2012. The Licensed brands unit includes Benecol business.

Raisioagro Division includes feeds, grain trade, protein meals, vegetable oils and farming supplies.

Comparison figures in brackets refer to the corresponding date or period one year earlier unless otherwise stated.

Operating environment

Economic growth prospects are still modest in Raisio's main market areas. Economic situation in Europe is unstable and it remains challenging to maintain margins. At the beginning of 2013, Raisio's focus has been on operational streamlining, the company has been cutting costs and looked into opportunities to make better use of synergies within the Group. In the challenging and rapidly changing market situation, Raisio was able to improve its first-quarter EBIT by 20 per cent on the comparison period.

Sales of Benecol margarines in Finland and Poland have developed extremely well as Raisio took the sales back into its own hands. In Finland, Raisio has been responsible for Benecol margarine sale for several months now, whereas in Poland, sales began to reach full capacity later, in February-March 2013. In many countries, Finland included, it can be seen that investments in marketing are directly reflected in higher sales. In addition, increased cholesterol awareness in Finland has increased the overall sales of cholesterol-lowering functional foods.

Competitive position in the Finnish feed market remained tight. As the ownership of Hankkija Agriculture Ltd moved to Denmark, Raisioagro became the largest Finnish-owned feed producer. Raisioagro has maintained its market share in the feed market and improved its profitability.

Raisioagro wants to contribute to the further development of sustainable soy chain and is thus a forerunner in the Finnish market. Raisioagro purchased certificates for 10,000 tons of soy under the RTRS standard that has been developed for the verification of responsible soy production. Raisio became a member in the Round Table of Responsible Soy organisation already in 2010.

Net sales

Raisio Group's net sales in January-March totalled EUR 128.3 (135.0) million. Net sales for the Brands Division totalled EUR 75.2 (81.1) million. In terms of net sales, the Brands Division's first quarter was in line with our plan, which shows that our focus on more profitable operations has been the right choice. Net sales for the Raisioagro Division totalled EUR 53.5 (54.1) million and for other operations EUR 0.3 (0.5) million.

The Brands Division accounted for some 58 per cent and Raisioagro for some 42 per cent of the Group's net sales. January-March net sales from outside Finland represented 48.0 (50.6) per cent of the Group's total, amounting to EUR 61.5 (68.3) million.

Result

Raisio Group's January-March EBIT was EUR 8.0 (6.6) million accounting for 6.2 (4.9) per cent of net sales. EBIT for the Brands Division totalled EUR 9.4 (9.0) million and for Raisioagro EUR -0.6 (-1.8) million. EBIT for other operations was EUR -0.8 (-0.6) million.

Depreciations and impairment, allocated to operations in the income statement, amounted to EUR 3.9 (4.1) million in January-March.

The Group's net financial items totalled EUR -0.4 (-0.3) million in January-March.

In January-March, pre-tax result was EUR 7.7 (6.3) million.

The Group's January-March post-tax result totalled EUR 5.9 (4.7) million. The Group's earnings per share for continuing operations were EUR 0.04 (0.03) in January-March.

Balance sheet, cash flow and financing

At the end of March, Raisio Group's balance sheet totalled EUR 510.9 (31 December 2012: 517.6) million. Shareholders' equity was EUR 312.3 (31 December 2012: 327.3) million, while equity per share was EUR 2.00 (31 December 2012: 2.10).

At the end of March 2013, the Group's interest-bearing debt was EUR 74.3 (31 December 2012: 78.0) million. Net interest-bearing debt was EUR 26.2 (31 December 2012: 16.2) million.

On 31 March 2013, the Group's equity ratio totalled 61.9 (31 December 2012: 64.1) per cent and net gearing was 8.4 (31 December 2012: 4.9) per cent. Return on investment was 8.3 (31 December 2012: 4.5) per cent.

Cash flow from business operations was EUR -9.2 (-21.2) million in January-March.

At the end of March 2013, working capital amounted to EUR 106.0 (31 December 2012: 84.9) million. It was boosted by the increase in current assets especially in Raisioagro.

Investments

The Group’s gross investments in January-March were EUR 1.7 (4.1) million. Gross investments of the Brands Division were EUR 0.8 (3.6) million, those of Raisioagro EUR 0.7 (0.3) million and those of other operations EUR 0.2 (0.3) million.

Research and development

The Group's January-March research and development expenses were EUR 1.5 (1.8) million accounting for 1.1 (1.3) per cent of net sales.

R&D in foods focused on new product development in all Raisio’s market areas. New product launches can be expected already in the second quarter of 2013.

In January 2013, the American Food and Drug Administration, FDA, acknowledged the new GRAS (Generally recognized as safe) status of Raisio’s cholesterol-lowering ingredient, plant stanol ester, for use of multiple food products. This means that a wider range of foods with added plant stanol ester can now be marketed in the USA with a disease risk reduction health claim. The GRAS procedure included a comprehensive review of the scientific safety documentation for plant stanol ester.

Feeding studies confirming the effectiveness of Benemilk feeds

On the farms where Benemilk feeds have been used according to recommendations, both milk yields and contents have increased in line with research results. The feeding test conducted in the Maaninka research barn of MTT Agrifood Research Finland in spring 2012 was the first to confirm scientifically the user experience on the effectiveness of Benemilk feeds. The test showed increased milk yield as well as higher fat and protein levels.

Raisio has conducted feeding studies, including various breeds and feeding models, in Sweden, Holland and France together with international research institutes and universities. These studies confirm the efficacy of Benemilk feeds. In addition, the studies also brought out the possibility to further develop the feed composition with different feeding models.

Raisioagro is involved in several research projects related to milk and meat production, fish farming and field production. The studies focus on the environmental impact, animal welfare, production efficiency and nutritional quality of end products.

SEGMENT INFORMATION

BRANDS DIVISION

		Q1/2013	Q1/2012	2012
Net sales	M€	75.2	81.1	329.5
Consumer brands	M€	66.8	68.4	286.1
Licensed brands	M€	10.3	12.8	45.0
EBIT	M€	9.4	9.0	34.9
One-off items	M€	0.0	0.0	-2.5
EBIT, excluding one-off items	M€	9.4	9.0	37.4
EBIT, excluding one-off items	%	12.5	11.1	11.3
Investments*	M€	0.8	3.6	21.2
Net assets	M€	265.9	252.5	271.7

* Including acquisitions

Net sales

Net sales for the Brands Division totalled EUR 75.2 (81.1) million. Due to our streamlining activities, net sales decreased as planned and the Division's improved profitability shows that it has been the right choice to focus on operations with better profitability. Net sales for Consumer brands totalled EUR 66.8 (68.4) million. Net sales for Licensed brands, or Benecol, were EUR 10.3 (12.8) million. The UK accounted for 41 per cent of the Brands Division's net sales.

<u>Consumer brands</u>

Net sales for breakfast and snack products in the UK, reported in Western European figures, declined from the comparison period, since Raisio significantly reduced its share in low-profitable retail promotional activities. Net sales for the UK confectionery business increased by almost five per cent on the comparison period. Net sales were boosted by well selling new products of Raisio's confectionery brands as well as by good sales development in retailers' own brands produced by Raisio.

A Czech confectionery manufacturer Candy Plus became part of the Western European operations on 13 November 2012. The company's net sales increased by over 15 per cent on the comparison period. The fastest growth was seen in sales of soft gums.

Net sales for Northern European food operations declined, but comparable net sales remained at the comparison period's level. Net sales for the comparison period include intermediary sales of margarines produced by Bunge in Finland and Sweden, which ended in October 2012. Sales of Benecol margarines transferred to Raisio showed good growth in the first quarter of 2013. Sales development in Elovena products was also positive.

Net sales for Eastern European food operations increased by over 60 per cent on the comparison period. Net sales were boosted by the transfer of Benecol margarine sale to Raisio in Poland. In Russia, sales of grain products continued to show good growth.

Licensed brands

In the first quarter of 2013, Benecol did not reach last year's first-quarter net sales, since exceptionally large plant stanol ester deliveries to partners at the end of 2012 reduced the orders for the first quarter of this year. In addition, competitors' higher-than-usual promotional activity and retailers' tendency to price cuts in some EU countries decreased sales, but this is estimated to be temporary.

Result

First-quarter EBIT for the Brands Division totalled EUR 9.4 (9.0) million accounting for 12.5 (11.1) per cent of net sales. Increased level of the Division's result is a good indication of what can be achieved by focusing on operations with higher profits and by working on cost-effectiveness.

EBIT improved in almost all Consumer Brands operations. EBIT for the confectionery business reported in Western European operations improved significantly. The restructuring plan carried out in Northern European operations is proceeding as planned and is already showing results. In Finland, particularly sales in retail products developed well. EBIT for Eastern European operations improved and was clearly profitable.

EBIT for Benecol business decreased slightly but is still at its ordinary good level. The comparison period's EBIT benefited from plant stanol ester sale that was higher than usual.

Business, Consumer brands

Western Europe

Consumer demand for confectionery in the UK was weak in January-February, but picked up clearly as the weather started improving in March. Sales in Poppets products increased by almost 40 per cent on the comparison period. EBIT for confectionery production increased by over 40 per cent on the comparison period. New confectionery products will be launched in the second quarter of this year.

Sales development in snack products produced under Raisio partners' brands continued strong in the UK. Consumer demand especially in breakfast products has shown no signs of picking up in the unstable economic climate. British consumers prefer cheap promotional products and their brand loyalty is weak. From the comparison period, Raisio has significantly reduced its share in promotional sales with low profitability, which resulted in declined net sales of breakfast products. In the second quarter of 2013, Raisio will focus on new product launches with high visibility.

Raisio renewed its contract with Weight Watchers on savoury snack production. It was also agreed that Raisio is continuing as Weight Watchers' licensed partner in individually wrapped snack bars in such a way that Raisio will be responsible for the product sales to retailers also in the future.

In the Czech Republic, sales in confectionery increased and operational efficiency was improved. New types of products are produced in the confectionery line introduced at the time of the acquisition. Sales of these products have had a good start. Especially sale in soft gums with real fruit juice is on the increase. In the Czech Republic, confectionery is produced both under our own brands and under the partners' brands.

Northern Europe

The restructuring plan in Northern European operations is proceeding according to plan. In Finland, sales in retail products, in particular, developed well whereas in catering and industrial products, Raisio withdrew from low-margin sales and focused on maintaining the profitability in high-margin products.

Elovena and Benecol are the key brands in Raisio's product portfolio in Finland. These brands sold well in the review period. In Sweden, Raisio will move to a distributor model and focus on Honey Monster and Provena brands. The distributor model has already been introduced in the Baltic countries. Raisio has renewed its product portfolio in all Northern European markets. Volumes in discontinued products are small and their profitability is low. With the reduced product range, we are aiming at higher profitability.

On 5 March 2013, Norwegian Kavli Group and Raisio signed a contract on the sale of the fixed assets and brands of Raisio's non-dairy business. With the deal, Kavli will acquire Nordic Milkfreedom and Soygurt brands as well as licenses for Carlshamn Mejeri, Sunnuntai and Nalle brands in the category of non-dairy products. The business is to be transferred to the new owner during the second quarter of 2013.

Eastern Europe

In Russia, sales in grain products sold under the Nordic brand showed good growth. In Poland, Raisio will continue to focus on the launch of Benecol margarines, which will be supported by visible marketing efforts. Sales in Benecol margarines, transferred back to Raisio from Bunge, started in Poland in February-March.

Business, Licensed brands

In the review period, sales in Benecol products increased the most in Finland, Chile and Indonesia. This quarter showed, as many times before, significant differences in sales development between the countries. The competitors' higher than usual promotional activity and retailers' tendency to cut prices in some EU countries decreased sales, but this is estimated to be temporary.

Globally growing cholesterol problem, aging population and increased wealth of the middle class provide a strong foundation for the realisation of Raisio's growth strategy, particularly in Asia. Raisio has continued its activities in order to enter new markets in Asia. According to our guidelines, we will inform about new markets when the products are introduced.

RAISIOAGRO DIVISION

Raisioagro Division includes feeds, grain trade, protein meals, vegetable oils and farming supplies.

		Q1/2013	Q1/2012	2012
Net sales	M€	53.5	54.1	255.7
EBIT	M€	-0.6	-1.8	-0.7
One-off items	M€	0.0	0.0	-0.4
EBIT, excluding one-off items	M€	-0.6	-1.8	-0.3
EBIT, excluding one-off items	%	-1.1	-3.4	-0.1
Investments	M€	0.7	0.3	2.0
Net assets	M€	91.2	87.2	74.3

Net sales

In January-March, Raisioagro’s net sales were at the comparison period's level. Net sales totalled EUR 53.5 (54.1) million. Net sales in feeds and farming supplies rose by 20 per cent. Net sales in feeds were boosted by good sales growth in Benemilk feeds and the impact of increased raw material prices on product prices. Sales volumes in pig and poultry feeds as well as in basic cattle feeds were slightly below the comparison period. Strong demand for fertilisers, fuels and seeds increased net sales in farming supplies. Rapeseed oil sales declined 75 per cent due to the production adjustment.

Feeds and farming supplies accounted for 84 per cent of net sales, while protein meals, vegetable oils and grains represented 16 per cent.

Result

Raisioagro Division’s January-March EBIT was EUR -0.6 (-1.8) million. EBIT was still slightly negative despite the improvement of EUR 1.2 million from the comparison period.

Profitability in feeds and farming supplies improved. Losses of feed protein business reduced by half from the comparison period. At the beginning of the year, Raisio carried out investments to improve efficiency and flexibility of the feed protein factory. Profit impact of investments will be realised in the autumn when the factory is started and new rapeseed harvest is ready in Finland and its volume is known.

Business

<u>Feeds and farming supplies</u>

In January 2013, Raisio launched a product line of Benemilk feeds in Finland. All Benemilk feeds have very high energy levels and a strong impact on the milk volume as well as on fat and protein contents of milk. Benemilk product line includes three complete feeds and one semi-concentrate. The feeds are easily identified on the basis of colour, as colours Black, Red and Blue on the product names relate to the product properties.

In Finland, Benemilk feed sale already accounts for some 20 per cent of Raisioagro’s cattle feed sales. Benemilk feeds already represent some 10 per cent share of the Finnish dairy cattle feed market. There are more than 600 Finnish farms that use Benemilk feeds. We have gained many new Benemilk customers during the review period. We have also seen that as many as 70 per cent of new customers remain Benemilk product users, which is an excellent hit rate for a new product. The number of new satisfied customers verifies the efficacy of Benemilk feeds when the feeds are used correctly.

Raisio provided a satisfaction guarantee for new Benemilk customers. Producers had the guarantee if they undertook to report on the contents of their milk and to use Benemilk feeds for at least six consecutive weeks, following the feeding guidelines. If the economic added value brought about by Benemilk feeding is lower than the price difference between Benemilk feed and the similar type of feed used previously, the customer is entitled to apply for compensation. Benemilk feeds are the first feeds in Finland that have been granted a satisfaction guarantee. By the end of March 2013, only one Benemilk customer applied for compensation under the guarantee.

Protein meals and oils

At the feed protein factory, the company has made investments that have resulted in increased automation level of production and thus, in improved production flexibility. The running period of the factory ended at the end of March as planned and the staff have mainly been employed by the feed mill. The factory will be started again in the autumn as Finnish rapeseed harvest is ready.

All rapeseed meal produced by Raisioagro is used in the company's own production as protein source for feeds. As far as our own production is insufficient to meet the feed production needs, Raisio will import rapeseed meal to Finland.

Grains

In the review period, Raisio has exported grain from Finland clearly more than in previous years. Over 90% of the grain Raisio uses in Finland is Finnish. Raisio would like to increase the amount of Finnish grain, but we will have to continue imports of certain grains, such as durum wheat and rye, to meet the food industry's needs.

In the next harvest season, the area under rapeseed is remaining at the last season's level. However, harvest potential will improve as more and more farmers are going to start with higher-yielding varieties. Finnish oil plants account for only a third of the Finnish oil plant industry's need.

Group personnel

At the end of March, Raisio Group employed 1,972 (31 December 2012: 1,885) people. 79 (31 December 2012: 78) per cent of the personnel were working outside Finland. At the end of the review period, the Brands Division had 1,738, Raisioagro 177 and the Group's service functions 57 employees.

Internal changes in the Group management

Vincent Poujardieu started as Vice President of Raisio's Consumer brands unit on 29 April 2013. Consumer brands unit includes Raisio's food operations in Western, Northern and Eastern Europe. Poujardieu is also continuing as the Group's Vice President of Business Development. He has previously been responsible for Licensed brands unit.

Mikko Laavainen, M.Sc.(Econ.), started as Vice President of the Licensed brands unit on 29 April 2013. At the same time, he also became a member of the Group's Management Team. He has previously worked as COO of the Benecol business.

Paul Simmonds, who was Vice President of Consumer brands unit, will continue at Raisio as Senior Advisor.

Shares and shareholders

The number of Raisio plc's free shares traded on NASDAQ OMX Helsinki Ltd in January-March totalled 6.1 (6.3) million. The value of trading was EUR 19.2 (15.7) million and the average price EUR 3.15 (2.51). The closing price on 31 March 2013 was EUR 3.02.

A total of 0.2 (0.2) million restricted shares were traded in January-March. The value of trading was EUR 0.8 (0.6) million and the average price EUR 3.15 (2.52). The closing price on 31 March 2013 was EUR 3.05.

On 31 March 2013, the company had a total of 35,420 (31 December 2012: 35,414) registered shareholders. Foreign ownership of the entire share capital was 10.0 (31 December 2012: 9.3) per cent.

Raisio plc's market capitalisation at the end of March totalled EUR 499.8 (31 December 2012: EUR 509.3) million and, excluding the company shares held by the Group, EUR 483.8 (31 December 2012: EUR 493.1) million.

During the review period, a total of 19,038 restricted shares were converted into free shares.

At the end of the review period, the number of issued free shares was 131,120,902 while the number of restricted shares was 34,028,128. The share capital entitled to 811,683,462 votes.

At the end of the review period, Raisio plc held 5,059,233 free shares and 212,696 restricted shares acquired between 2005 and 2012 based on the authorisation given by the Annual General Meeting (AGM). The management-owned Reso Management Oy of which, on the basis of the agreements, Raisio plc is seen to have the control, and which is thus regarded as a subsidiary, owns 4,482,740 free shares. The number of free shares held by Raisio plc and Reso Management Oy accounts for 7.3 per cent of all free shares and the votes they represent, while the corresponding figure for restricted shares is 0.6 per cent. In all, the company shares held by these companies represent 5.9 per cent of the entire share capital and 1.7 per cent of overall votes. Other Group companies hold no Raisio plc shares. A share in Raisio held by the company itself or by its subsidiary does not entitle the holder to participate in the AGM.

Raisio plc and its subsidiaries do not have any shares as collateral and did not have any in the review period.

The Raisio Group Research Foundation holds 150,510 restricted shares, which is 0.44 per cent of the restricted shares and the votes they represent and, correspondingly, 0.09 per cent of the entire share capital and 0.37 per cent of the votes it represents.

The repurchase of own shares initiated in June 2012 ended on 22 March 2013.

The authorisations given to the Board of Directors by the AGM of spring 2013 to decide on the acquisition of own shares and/or on their acceptance as collateral as well as on share issues have not been exercised to date.

Decisions made at the Annual General Meeting

Raisio plc's Annual General Meeting (AGM) approved the financial statements for the financial year 1 January – 31 December 2012 and granted the members of the Board of Directors and the Supervisory Board as well as the Chief Executive discharge from liability.

As proposed by the Board of Directors, the AGM decided to pay a dividend of EUR 0.12 for each restricted and free share. The dividend was paid on 10 April 2013 to a shareholder who was entered in the shareholders' register on the record date of 3 April 2013. No dividend, however, was paid on the shares that at the time were held by the company.

The number of members of the Board of Directors was confirmed to be five, and Anssi Aapola, Erkki Haavisto, Matti Perkonoja, Michael Ramm-Schmidt and Pirkko Rantanen-Kervinen were all reappointed for the term commencing at the closing of the AGM. At its meeting held after the AGM, the Board of Directors elected Perkonoja as its Chairman and Ramm-Schmidt as its Vice Chairman.

The Chairman of the Board will be paid a monthly fee of EUR 5,000 and the members a monthly fee of EUR 2,000. Approximately 20 per cent of the fee will be paid with the company's own shares and approximately 80 per cent in cash. The fees are paid in two equal instalments during the term so that the first payment will be made on 15 June and the second on the 15 December. Moreover, they will receive a daily allowance for the meeting days and they will be reimbursed for travel expenses according to the Company's travel policy.

The number of members in the Supervisory Board was confirmed to be 25. Risto Ervelä, Hans Langh, Juha Marttila, Juha Salonen, Mervi Soupas, Urban Silén, Johan Taube and Arto Vuorela were elected as the members of the Supervisory Board for the term commencing from the closed AGM. Two of the elected members, Marttila and Soupas, are new in the Supervisory Board.

The annual remuneration payable to the Chairman of the Supervisory Board will be EUR 12,000 and the members will receive a payment of EUR 300 for each meeting, in addition to which their travel expenses will be compensated and they will receive a daily allowance for the meeting days according to the Company's travel policy. The Meeting also decided to pay the Chairman of the Supervisory Board a fee of EUR 300 for each attended Board meeting.

Authorised public accountants Mika Kaarisalo and Kalle Laaksonen were elected as regular auditors. Authorised public accountants PricewaterhouseCoopers Ltd and Vesa Halme were elected as deputy auditors. The auditors' term began at this Meeting and will end at the end of the next AGM.

The AGM authorised the Board of Directors to decide on the repurchase and/or on the acceptance as collateral of a maximum of 5,000,000 free shares and 1,250,000 restricted shares. The authorisation will be valid until 30 April 2014.

Furthermore, the AGM authorised the Board of Directors to decide on the share issues (1) by disposing of all of the company shares and any potentially repurchased own shares, a maximum total of 11,521,929 shares, 1,462,696 of which can be restricted shares, and (2) by issuing a maximum of 20,000,000 new free shares against payment. The share issue authorisations will expire on 27 March 2018 at the latest.

The details of the authorisations are available in the stock exchange release published on 12 February 2013.

The authorisation to repurchase own shares and to issue shares given by the AGM in 2012 expired on 27 March 2013.

Events after the review period

Raisio and Intellectual Ventures set up a joint venture in Finland to commercialise the Benemilk invention.

On 17 April 2013, Raisio and Invention Development Fund, managed by Intellectual Ventures, agreed to establish a joint venture called Benemilk Oy. The joint venture aims to develop and strengthen the intellectual property rights portfolio related to the Benemilk® invention and to commercialise the invention for global markets. With the arrangement, the Benemilk invention has been transferred to the joint venture, which grants Raisio a royalty-free, exclusive license to the invention and its future applications in Finland.

Raisio's group company Nordic Feed Innovation Oy owns 75 per cent and Intellectual Ventures (IV) 25 per cent of the joint venture. Raisio owns 76 per cent and Finnish Food Chain Development Oy 24 per cent of Nordic Feed Innovation Oy. These companies are new companies being incorporated for the arrangement.

Cooperation with the world's largest specialty invention company shows the potential of the strong innovations coming from Raisio even though Benemilk patent applications are still pending.
Our work with IV and its international invention ecosystem brings the best possible expertise and resources to bear upon the improvement, patenting, enforcement and global commercialisation of Raisio's Benemilk invention.

Intellectual Ventures is the world's leading invention capital company, specialising in the creation, management and monetisation of inventions and intellectual property rights. The company manages more than USD 5 billion in investment capital and has generated more than USD 2 billion in licensing revenue. IV has more than 40,000 patents and patent applications in its portfolio. Headquartered in Seattle, USA, IV employs more than 800 people globally and works with more than 4,000 outside inventors around the world.

<u>Raisio sold its esterification plant in the USA</u>

Raisio sold its US esterification plant to Avoca Inc, a subsidiary of Pharmachem Laboratories Inc. The agreement was signed and transaction closed on 18 April 2013. With the deal, the production of plant stanol ester, a Benecol product ingredient, will be centralised to the Raisio-based factory and profitability will improve according to the Group objective.

Raisio built the esterification plant in Summerville, South Carolina, in 1998. The factory has operated as a reserve plant with low volumes. In 2012, net sales of the factory totalled approximately EUR 3.2 million excluding the plant stanol ester production.

Risks and sources of uncertainty in the near future

Uncertainty in the international economic development will continue. The euro area economy decreased last year. Finding sustainable solutions to the states' debt problems is probably continuing to maintain the situation uncertain and growth can be expected in 2014 at the earliest. Despite the general situation, we believe that the grocery trade will remain relatively stable compared to many other industries.

Volatility in raw material prices is estimated to remain at a high level. Slowing economic growth and possibly good harvests may calm down the price development but, on the other hand, extreme weather events resulting from climate warming may cause sudden changes in harvest expectations and price levels of different agricultural commodities. Importance of risk management, both for value and volume, will remain significant in terms of profitability also in future.

Raisio's growth phase is a period of changes, during which several of the company's activities are developed and business management is considerably more challenging than in ordinary circumstances. Growth and rationalisation projects may still cause substantial costs in relation to the company size.

Divisions' targets for 2013

Brands Division aims at organic growth, improved profitability and more effective use of the Division's internal synergies.

In Northern European food operations, the extensive follow-through of the change in practices is continuing. This means that our focus will be on the improvement of profitability and competitiveness, elimination of low-profitable products in the portfolio and long-term development of the Finnish key brands, Benecol and Elovena.

Benecol business aims to expand into new markets, particularly in Asia, to grow the existing markets and to use new research results for further business development.

The joint venture with Intellectual Ventures will start international commercialisation of the invention. The joint venture Benemilk Oy will be reported as part of the Brands Division.

Raisioagro's primary objectives are to improve profitability in all areas and to increase the market share of Benemilk feeds in Finland. Finland is an important home and test market for the Benemilk innovation.

Outlook 2013

Raisio anticipates moderate net sales growth and expects solid improvements in EBIT over 2012.

In Raisio, 7 May 2013

RAISIO PLC

Board of Directors

Further information:
Matti Rihko, CEO, tel. +358 400 830 727
Jyrki Paappa, CFO, tel. +358 50 556 6512
Heidi Hirvonen, Communications and IR Manager, tel. +358 50 567 3060

Events:
A press and analyst event in Finnish will be arranged in Helsinki on Tuesday 7 May 2013 starting at 12.30 pm Finnish time. It will be held at Hotel Scandic Simonkenttä, in the *Pavilion* meeting room. The address is Simonkatu 9, Helsinki.

Chief Executive's video in English will be made available on Raisio's web site at www.raisio.com.

The interim report has not been audited.

CONDENSED FINANCIAL STATEMENTS AND NOTES

INCOME STATEMENT (M€)

	1-3/2013	1-3/2012	2012
CONTINUING OPERATIONS:			
Net sales	128.3	135.0	584.1
Expenses corresponding to products sold	-104.6	-112.7	-488.8
Gross profit	23.7	22.3	95.2
Other operating income and expenses, net	-15.7	-15.6	-63.6
EBIT	8.0	6.6	31.7
Financial income	0.4	0.9	1.9
Financial expenses	-0.8	-1.2	-17.9
Share of result of associates and joint ventures	0.0	0.0	-0.1
Result before taxes	7.7	6.3	15.6
Income taxes	-1.8	-1.6	-4.0
RESULT FOR THE PERIOD	5.9	4.7	11.7
Attributable to:			
Equity holders of the parent company	6.0	4.9	12.0
Non-controlling interests	-0.1	-0.2	-0.3
Earnings per share from the profit attributable to equity holders of the parent company (€)			
Undiluted earnings per share	0.04	0.03	0.08
Diluted earnings per share	0.04	0.03	0.08

COMPREHENSIVE INCOME STATEMENT (M€)

	1-3/2013	1-3/2012	2012
Result for the period	5.9	4.7	11.7
Other comprehensive income items after taxes			
Items that may be subsequently transferred to profit or loss			
Hedging of net investments	0.0	0.0	-0.5
Available-for-sale financial assets	0.0	0.0	0.0
Cash flow hedge	0.4	0.1	0.1
Translation differences	-2.7	-0.2	1.4
Comprehensive income for the period	3.6	4.6	12.7
Components of comprehensive income:			
Equity holders of the parent company	3.7	4.8	13.0
Non-controlling interests	-0.1	-0.2	-0.3

BALANCE SHEET (M€)

	31.3.2013	31.3.2012	31.12.2012
ASSETS			
Non-current assets			
Intangible assets	38.1	38.5	39.7
Goodwill	107.4	103.4	111.2
Property, plant and equipment	118.2	117.1	123.4
Shares in associates and joint ventures	0.8	0.9	0.7
Available-for-sale financial assets	2.4	2.4	2.3
Receivables	0.2	1.9	0.2
Deferred tax assets	2.9	3.5	2.4
Total non-current assets	269.9	267.6	279.9
Current assets			
Inventories	106.4	93.9	92.7
Accounts receivables and other receivables	81.0	89.2	82.0
Financial assets at fair value through profit or loss	34.4	103.0	56.3
Cash in hand and at banks	17.1	12.1	6.8
Total current assets	239.1	298.2	237.7
Non-current assets available for sale	2.0		
Total assets	510.9	565.8	517.6
SHAREHOLDER’S EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company			
Share capital	27.8	27.8	27.8
Company shares	-20.5	-19.8	-20.5
Other equity attributable to equity holders of the parent company	303.6	310.6	319.0
Equity attributable to equity holders of the parent company	311.0	318.6	326.3
Non-controlling interests	1.3	1.5	1.0
Total shareholder’s equity	312.3	320.1	327.3
Non-current liabilities			
Deferred tax liabilities	13.8	16.3	14.1
Pension contributions	0.2	0.2	0.2
Provisions	0.2	0.3	0.2
Non-current financial liabilities	47.6	69.6	55.5
Derivative contracts	1.3	1.4	1.7
Other non-current liabilities	0.1	0.1	0.1
Total non-current liabilities	63.2	88.0	71.8
Current liabilities			
Accounts payable and other liabilities	108.6	108.8	95.6
Provisions	0.0	0.5	0.0
Derivative contracts	0.2	1.8	0.3
Current financial liabilities	26.7	46.7	22.6
Total current liabilities	135.5	157.7	118.5
Total liabilities	198.7	245.7	190.3
Total shareholder’s equity and liabilities	510.9	565.8	517.6

CHANGES IN GROUP EQUITY (M€)

	Share capital	Share premium reserve	Re-serve fund	Com-pany shares	Trans-lation diffe-rences	Other re-serves	Re-tained ear-nings	Total	Non-con-trolling interests	Total equity
Equity on 31.12.2011	27.8	2.9	88.6	-19.5	-0.7	0.2	232.5	331.7	1.1	332.9
Comprehensive income for the period										
Result for the period	-	-	-	-	-	-	4.9	4.9	-0.2	4.7
Other comprehensive income items (adusted for tax effects)										
Hedging of net investment	-	-	-	-	0.0	-	-	0.0	-	0.0
Financial assets available for sale						0.0		0.0		0.0
Cash flow hedge	-	-	-	-	-	0.1		0.1	-	0.1
Translation differences	-	-	-	-	-0.2	-	-	-0.2	-	-0.2
Total comprehensive income for the period	0.0	0.0	0.0	0.0	-0.2	0.1	4.9	4.8	-0.2	4.6
Business activities involving shareholders										
Dividends	-	-	-	-	-	-	-17.6	-17.6	0.5	-17.1
Repurchase of company shares	-	-	-	-0.3	-	-	-	-0.3	-	-0.3
Share-based payment	-	-	-	-	-	-	0.0	0.0	-	0.0
Total business activities involving shareholders	0.0	0.0	0.0	-0.3	0.0	0.0	-17.6	-17.9	0.5	-17.4
Equity on 31.3.2012	27.8	2.9	88.6	-19.8	-1.0	0.3	219.8	318.6	1.5	320.1
Equity on 31.12.2012	27.8	2.9	88.6	-20.5	0.2	0.2	227.0	326.3	1.0	327.3
Comprehensive income for the period										
Result for the period	-	-	-	-	-	-	6.0	6.0	-0.1	5.9
Other comprehensive income items (adusted for tax effects)										
Available-for-sale financial assets	-	-	-	-	-	0.0	-	0.0	-	0.0
Cash flow hedge	-	-	-	-	-	0.4	-	0.4	-	0.4
Translation differences	-	-	-	-	-2.7	-	-	-2.7	-	-2.7
Total comprehensive income for the period	0.0	0.0	0.0	0.0	-2.7	0.4	6.0	3.7	-0.1	3.6
Business activities involving shareholders										
Dividends	-	-	-	-	-	-	-19.1	-19.1	0.4	-18.6
Share-based payment	-	-	-	-	-	-	0.0	0.0	-	0.0
Total business activities involving shareholders	0.0	0.0	0.0	0.0	0.0	0.0	-19.0	-19.0	0.4	-18.6
Equity on 31.3.2013	27.8	2.9	88.6	-20.5	-2.5	0.6	214.0	311.0	1.3	312.3

CASH FLOW STATEMENT (M€)

	1-3/2013	1-3/2012	2012
Result before taxes, continuing operations	7.7	6.3	15.6
Adjustments	4.3	4.5	33.0
Cash flow before change in working capital	11.9	10.8	48.6
Change in accounts receivables and other receivables	-0.7	-16.3	-4.6
Change in inventories	-14.4	-13.6	-8.3
Change in current non-interest-bearing liabilities	-4.1	-0.3	-4.7
Total change in working capital	-19.1	-30.3	-17.7
Financial items and taxes	-2.0	-1.8	-10.0
Cash flow from business operations	-9.2	-21.2	20.9
Investments in fixed assets	-2.3	-4.4	-10.0
Divestment of subsidiaries	0.0	0.0	0.0
Acquisition of subsidiaries	0.0	0.0	-46.2
Proceeds from sale of fixed assets	0.0	0.0	0.1
Investments on marketable securities	0.0	0.0	-0.1
Sales of securities	0.0	0.0	0.2
Loans granted	0.0	0.0	-0.8
Repayment of loan receivables	0.0	0.0	0.2
Cash flow from investments	-2.3	-4.4	-56.6
Change in non-current loans	-6.9	0.0	-23.2
Change in current loans	4.7	0.3	-2.0
Repurchase of company shares	0.0	-0.3	-1.0
Dividend paid to equity holders of the parent company	0.0	0.0	-17.0
Cash flow from financial operations	-2.2	0.0	-43.2
Change in liquid funds	-13.7	-25.6	-78.9
Liquid funds at the beginning of the period	61.9	140.5	140.5
Effects of changes in foreign exchange rates	0.1	0.0	0.7
Impact of change in market value on liquid funds	-0.2	-0.1	-0.4
Liquid funds at end of period	48.1	114.9	61.9

NOTES TO THE FINANCIAL STATEMENTS REPORT

This interim report has been prepared in compliance with IAS 34 Interim Financial Reporting according to the same principles and calculation methods as used in financial statements 2012 with the exception of the EU approved amendments to existing IFRS standards introduced on 1 January 2013. The standard amendments have not affected the consolidated financial statements.

Amendment to IAS 1 Presentation of Items of Other Comprehensive Income
Amendment to IAS 12 Treatment of Deferred Tax
Amendment to IAS 19 Employee Benefits
Amendment to IFRS 7 Financial instruments: Disclosures
IFRS 13 Fair Value Measurement
Annual Improvements to IFRSs

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. Actual figures may differ from these estimates.

Interim report is shown in EUR millions.

SEGMENT INFORMATION

The reported segments are Brands and Raisioagro. Brands segment consists of Licensed brands unit and Consumer brands unit. Under the segment, the Group reports Benecol business as well as Northern, Western and Eastern European food operations. Raisioagro includes feeds, grain trade, protein meals, vegetable oils, farming supplies.

NET SALES BY SEGMENT (M€)

	1-3/2013	1-3/2012	2012
Brands	75.2	81.1	329.5
Raisioagro	53.5	54.1	255.7
Other operations	0.3	0.5	2.0
Interdivisional net sales	-0.8	-0.7	-3.1
Total net sales	128.3	135.0	584.1

EBIT BY SEGMENT (M€)

	1-3/2013	1-3/2012	2012
Brands	9.4	9.0	34.9
Raisioagro	-0.6	-1.8	-0.7
Other operations	-0.8	-0.6	-2.5
Eliminations	0.0	0.0	0.0
Total EBIT	8.0	6.6	31.7

NET ASSETS BY SEGMENT (M€)

	31.3.2013	31.3.2012	31.12.2012
Brands	265.9	252.5	271.7
Raisioagro	91.2	87.2	74.3
Other operations and unallocated items	-44.9	-19.6	-18.8
Total net assets	312.3	320.1	327.3

INVESTMENTS BY SEGMENT (M€)

	1-3/2013	1-3/2012	2012
Brands	0.8	3.6	21.2
Raisioagro	0.7	0.3	2.0
Other operations	0.2	0.3	1.4
Eliminations	0.0	0.0	0.0
Total investments	1.7	4.1	24.6

NET SALES BY MARKET AREA (M€)

	1-3/2013	1-3/2012	2012
Finland	66.8	66.7	296.0
Great Britain	30.8	35.1	149.8
Rest of Europe	27.5	31.5	127.3
ROW	3.2	1.7	10.9
Total	128.3	135.0	584.1

ACQUIRED BUSINESS OPERATIONS

In 2012

Candy Plus

On 13 November 2012, Raisio plc announced the acquisition of a Czech Candy Plus s.a. confectionery company. The company has four subsidiaries.

Candy Plus is a company founded in 2000 and owned by private investors. Confectionery brands of the company in its home market, Czech, include brands such as Juicee Gummee, Fundy, Pedro and Cuksy. The product range includes the faster growing product categories of soft-eating and higher-fruit jellies, liquorice and functional confectionery.

Results of Candy Plus' companies have been reported as part of Raisio's Brands segment as from 13 November 2012.

The purchase price paid was 14.1 M€. The fees of lawyers, advisors and outside valuators related to the deal amounted to a total of 0.6 M€, which has been recorded as administration costs of the Brands segment in the income statement of 2012.

The acquisition resulted in goodwill of 5.5 M€. Goodwill is resulted from the income expectations of the local operations, based on the business entity's historical earning power and view of maintaining and improving the level of earnings. The goodwill recognised is not deductible for tax purposes in any respect.

Receivables acquired in conjunction of operations do not include irrecoverable items.

Raisio Group's net sales for January-December 2012 would have been 605.4 M€ and pre-tax result excluding one-off items 34.3 M€ if the acquisition of business operations completed during the financial year had been combined with the consolidated financial statement from the beginning of the financial year 2012. Post-acquisition net sales of subgroup Candy Plus totalled 3.2 M€ and pre-tax result was -0.2 M€.

The accounting treatment of Candy Plus operations has not yet been completed at the closing date.

Sulma

On 20 March 2012, Raisio announced the acquisition of Polish Sulma Sp. z o.o's pasta and grit operations. The operations were acquired by Raisio's Group company in Poland, Raisio sp. z o.o. The value of the deal was 2.4 M€ (PLN 9.8 million). In connection with the deal, pasta and grits operations including intellectual property rights as well as fixed and current assets were transferred to Raisio. Raisio did not assume liabilities as part of the acquisition. The acquisition did not generate any goodwill.

The values of acquired assets and assumed liabilities on the date of acquisition were as follows:

	Candy Plus	Sulma	Total
Property, plant and equipment	11.2	1.9	13.0
Trade marks	0.0	0.1	0.1
Other intangible assets	1.4		1.4
Deferred tax assets	0.3		0.3
Inventories	3.8	0.4	4.2
Accounts receivables and other receivables	5.1		5.1
Cash in hand and at banks	0.7		0.7
Total assets	22.4	2.4	24.8
Deferred tax liabilities	0.9		0.9
Non-current financial liabilities	2.9		2.9
Other non-current liabilities	0.0		0.0
Current interest-bearing liabilities	4.2		4.2
Other liabilities	5.8		5.8
Total liabilities	13.8	0.0	13.8
Net assets	8.6	2.4	11.0
Cash paid	14.0	2.4	16.4
Liabilities at the closing date	0.1		0.1
Acquisition price	14.1	2.4	16.5
Goodwill	5.5	0.0	5.5
Purchase price paid in cash	14.0	2.4	16.4
Financial assets of the acquired subsidiary	0.7		0.7
Cash flow generation	13.3	2.4	15.7

Changes in goodwill

	1-3/2013	1-3/2012	2012
Carrying amount of goodwill at the beginning of the review period	111.2	103.3	103.3
Translation differences	-3.8	0.2	2.5
Business combinations	0.0	0.0	5.5
Carrying amount of goodwill at the end of the review period	107.4	103.4	111.2

TANGIBLE ASSETS (M€)

	31.3.2013	31.3.2012	31.12.2012
Acquisition cost at the beginning of the period	410.7	386.9	386.9
Conversion differences	-1.9	-0.3	1.2
Increase	1.6	3.6	24.2
Decrease	-0.3	-0.2	-1.6
Acquisition cost at end of period	410.0	390.0	410.7
Accumulated depreciation and impairment at the beginning of the period	287.3	269.8	269.8
Conversion difference	-0.6	-0.3	0.5
Increase	0.0	0.0	3.7
Decrease and transfers	-0.3	-0.2	-1.3
Depreciation for the period	3.5	3.6	14.6
Accumulated depreciation and impairment at end of period	289.9	272.9	287.3
Book value at end of period	120.1	117.1	123.4

PROVISIONS (M€)

	31.3.2013	31.3.2012	31.12.2012
At the beginning of the period	0.2	1.4	1.4
Increase in provisions	0.0	0.0	0.0
Provisions used	0.0	-0.5	-1.2
At end of period	0.2	0.8	0.2

BUSINESS ACTIVITIES INVOLVING INSIDERS (M€)

	31.3.2013	31.3.2012	31.12.2012
Sales to associates and joint ventures	0.0	2.9	9.5
Purchases from associates and joint ventures	0.0	0.0	0.1
Sales to key employees in management	0.0	0.0	0.2
Purchases from key employees in management	0.3	0.3	0.9
Receivables from associates and joint ventures	0.1	1.4	0.4
Liabilities to associates and joint ventures	0.0	0.1	0.1
Receivables from the key persons in the management	10.7	11.6	10.6

CONTINGENT LIABILITIES (M€)

	31.3.2013	31.3.2012	31.12.2012
Contingent off-balance sheet liabilities			
Non-cancelable other leases			
Minimum lease payments	6.8	8.6	7.3
Contingent liabilities for the company			
Contingent liabilities for others			
Guarantees	0.0	0.0	0.0
Other liabilities	3.0	3.2	2.5
Commitment to investment payments	0.5	0.7	0.5

DERIVATIVE CONTRACTS (M€)

	31.3.2013	31.3.2012	31.12.2012
Nominal values of derivative contracts			
Currency forward contracts	89.7	56.9	65.1
Interest rate swaps	39.9	56.2	48.2

FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES:

The table shows carrying amounts and fair values for each item. Carrying amounts correspond the consolidated balance sheet values. The principles used by the Group for measuring the fair value of all financial instruments are presented below.

	Carrying amount 31.3.2013	Fair value 31.3.2013	Carrying amount 31.12.2012	Fair value 31.12.2012
Financial assets				
Financial assets available for sale*)	2.4	2.4	2.3	2.3
Loan receivables	0.2	0.2	0.2	0.2
Accounts receivables and other receivables	70.7	70.7	74.0	74.0
Investments recorded at fair value through profit or loss*)	31.0	31.0	55.1	55.1
Liquid funds	17.1	17.1	6.8	68.8
Derivatives*)	3.4	3.4	1.2	1.2
Financial liabilities				
Bank loans	69.3	71.1	77.7	78.9
Financial liabilities recorded at fair value through profit or loss*)	5.0	5.0	0.0	0.0
Other loans	0.0	0.0	0.3	0.3
Financial leasing liabilities	0.0	0.0	0.0	0.0
Accounts payable and other liabilities	90.1	90.1	76.0	76.0
Derivatives*)	1.5	1.5	2.0	2.0

Fair value hierarchy of financial assets and liabilities measured at fair value
With the exception of the financial assets available for sale, all other financial assets and liabilities measured at fair value *) are on level 2. Fair value of the items on level 2 is defined by valuation techniques using valuations provided by the service provider’s market pricing. Financial assets available for sale are on level 3 because their fair value is not based on observable market data.

MAIN EVENTS AFTER THE END OF THE INTERIM PERIOD

On 5 March 2013, Raisio announced it had signed a sales agreement to sell the fixed assets and brands of its non-dairy business to Norwegian Kavli Group. The business is to be transferred to the new owner during the second quarter of 2013. The fixed assets for sale in the transaction are presented in the non-current assets available for sale in the Group’s balance sheet 31 March 2013. The object of sale did not constitute a separate major business area, so it is not treated as a discontinued operation.

On 18 April 2013, Raisio announced to have sold and transferred its US-based esterification plant to American Avoca Inc. With the transaction, the production of plant stanol ester is centralised to the Raisio-based factory.

QUARTERLY PERFORMANCE (M€)

	1-3/ 2013	10-12/ 2012	7-9/ 2012	4-6/ 2012	1-3/ 2012
Net sales by segment					
Brands	75.2	76.5	86.2	85.6	81.1
Raisioagro	53.5	61.3	75.0	65.3	54.1
Other operations	0.3	0.5	0.5	0.5	0.5
Interdivisional net sales	-0.8	-0.8	-0.7	-0.8	-0.7
Total net sales	128.3	137.5	161.0	150.6	135.0
EBIT by segment					
Brands	9.4	5.7	9.2	11.0	9.0
Raisioagro	-0.6	-0.5	1.2	0.4	-1.8
Other operations	-0.8	-0.8	-0.4	-0.7	-0.6
Eliminations	0.0	0.0	0.0	0.0	0.0
Total EBIT	8.0	4.5	9.9	10.6	6.6
Financial income and expenses, net	-0.4	-2.7	-2.3	-10.7	-0.3
Share of result of associates	0.0	0.0	-0.1	0.0	0.0
Result before taxes	7.7	1.8	7.5	0.0	6.3
Income tax	-1.8	0.1	0.1	-2.5	-1.6
Result for the period from continuing operations	5.9	1.9	7.6	-2.5	4.7

KEY INDICATORS

	31.3.2013	31.3.2012	31.12.2012
Net sales, M€	128.3	135.0	584.1
Change of net sales, %	-4.9	10.9	5.7
Operating margin, M€	11.9	10.8	48.3
Depreciation and impairment, M€	3.9	4.1	16.6
EBIT, M€	8.0	6.6	31.7
% of net sales	6.2	4.9	5.4
Result before taxes, M€	7.7	6.3	15.6
% of net sales	6.0	4.7	2.7
Return on equity, ROE, %	7.4	5.8	3.5
Return on investment, ROI, %	8.3	6.7	4.5
Interest-bearing financial liabilities at end of period, M€	74.3	116.2	78.0
Net interest-bearing financial liabilities at end of period, M€	26.2	1.4	16.2
Equity ratio, %	61.9	57.2	64.1
Net gearing, %	8.4	0.4	4.9
Gross investments, M€	1.7	4.1	24.6
% of net sales	1.3	3.1	4.2
R & D expenses, M€	1.5	1.8	6.9
% of net sales	1.1	1.3	1.2
Average personnel	1,958	1,472	1,587
Earnings/share from continuing operations, €	0.04	0.03	0.08
Cash flow from operations/share, €	-0.06	-0.14	0.13
Equity/share, €	2.00	2.05	2.10
Average number of shares during the period, in 1,000s*)			
Free shares	121,571	121,677	121,568
Restricted shares	33,823	34,013	33,967
Total	155,394	155,690	155,535
Average number of shares at end of period, in 1,000s*)			
Free shares	121,579	121,681	121,560
Restricted shares	33,815	33,987	33,834
Total	155,394	155,668	155,394
Market capitalisation of shares at end of period, M€*)			
Free shares	367.2	299.3	374.4
Restricted shares	103.1	83.9	104.9
Total	470.3	383.3	479.3
Share price at end of period			
Free shares	3.02	2.46	3.08
Restricted shares	3.05	2.47	3.10

*) Number of shares, excluding the shares held by the company and shares held by Reso Management Oy

CALCULATION OF INDICATORS

Return on equity (ROE), %	Result before taxes – income taxes*) -- x 100 Shareholders' equity (average over the period)
Return on investment (ROI), %	Result before taxes + financial expenses*) -- x 100 Shareholders' equity + interest-bearing financial liabilities (average over the period)
Equity ratio, %	Shareholders' equity --- x 100 Balance sheet total – advances received
Net interest-bearing financial liabilities	Interest-bearing financial liabilities - liquid funds and liquid financial assets at fair value through profit or loss
Net gearing, %	Net interest-bearing financial liabilities --- x 100 Shareholders' equity
Earnings per share*)	Result for the year of parent company shareholders -- Average number of shares for the year, adjusted for share issue**)
Cash flow from business operations per share	Cash flow from business operations -- Average number of shares for the year, adjusted for share issue
Shareholders' equity per share	Equity of parent company shareholders -- Number of shares at end of period adjusted for share issue***)
Market capitalisation	Closing price, adjusted for issue x number of shares without company shares at the end of the period***)

*)The calculation of key indicators uses continuing operations result
**)Excluding shares with a potential return obligation and shares held by Reso Management Oy
***)Shares held by Reso Management Oy have been subtracted from the total number of shares