Q1/2012

RAISIO PLC

Interim Report

1 January –
31 March 2012

RAISIO'S EBIT IMPROVED

January-March 2012, continuing operations excluding one-off items

- Net sales growth 11%, net sales EUR 135.0 million (Q1/2011: EUR 121.7 million)
- EBIT EUR 6.6 million (Q1/2011: EUR 6.1 million) accounting for 4.9% (5.0%) of net sales
- Good profitability for the Brands Division, EBIT 11.1% (8.0%) of net sales
- Raisioagro's EBIT negative due to market conditions in feed protein operations

Raisio Group's key figures

		Q1/ 2012	Q1/ 2011	2011
Results from continuing operations				
Net sales	M€	135.0	121.7	552.6
Change in net sales	%	10.9	46.7	30.5
EBIT	M€	6.6	6.1*	31.8*
EBIT	%	4.9	5.0*	5.8*
Depreciation and impairment	M€	4.1	3.9	17.0
EBITDA	M€	10.8	10.0*	48.8*
Net financial expenses	M€	-0.3	-0.1*	-1.5*
Earnings per share (EPS)	€	0.03	0.03*	0.16*
Earnings per share (EPS), diluted	€	0.03	0.03*	0.16*
Balance sheet				
Equity ratio	%	57.2	56.7	60.2
Gearing	%	0.4	16.5	-7.5
Net interest-bearing debt	M€	1.4	50.7	-24.8
Equity per share	€	2.05	1.95	2.13
Gross investments	M€	4.1**	65.5**	71.2**
Share				
Market capitalisation***	M€	383.3	411.3	372.3
Enterprise value (EV)	M€	384.7	451.8	347.5
EV/EBITDA		7.8	12.3	7.1

* Excluding one-off items
** Including acquisitions
*** Excluding the company shares held by the Group

Chief Executive's review

"Raisio showed continued growth as expected in the first quarter of 2012. In the Brands Division, our determined work led to clearly improved profitability and increased net sales. The most significant profitability improvement was seen in our Western European food operations, or in the companies that have become part of Raisio through acquisition. Benecol's profitability remained at its ordinary good level. Good performance of the Brands Division shows that we have chosen the right path. In challenging market conditions and rapidly changing markets, we have been able to improve our results and to develop our operations as the forerunner of the sector.

As a Group with a strong balance sheet, we are in a good place to continue the implementation of our growth phase also through acquisitions. In the review period, the Group's food operations in Poland expanded in line with objectives as we acquired Sulma's pasta and grits operations.
The acquisition enables Raisio's growth as well as the expansion of our product range in Poland.

Raisioagro now has the first quarter behind with its new structure and service concept. Customers have well received Raisioagro's new competitive service concept. This provides a good foundation for cooperation with our customers and for further development of services. As expected, the profitability of feed protein operations continued weak. The oil seed crushing industry is struggling with profitability issues across Europe.

Over the last few years, Raisio has grown to become an attractive partner, and we are widely cooperating with major Finnish companies at the leading edge to develop green economy solutions that are also economically viable. Raisio has versatile expertise that can also be used when developing future solutions for food production and for sustainable use of natural resources. Bioeconomy is an opportunity also for Raisio."

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 reported in line with continuing operations include Brands and Raisioagro.

The Brands Division includes local and international brands. Local brands are examined by key market areas in the text. Big Bear Group is included in the Western Europe's comparison figures starting from 4 February 2011. Sulma operations became part of Eastern European operations on 20 March 2012. Our international brands include Benecol and Simpli.

The Raisioagro Division includes feeds, grain trade, protein meals and vegetable oils, production inputs, farming supplies and bioenergy.

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

Operating environment

The Brands Division's first quarter of the year went as expected in all our market areas. Good performance development in the UK continued despite challenging market conditions. Raisio has a competitive advantage through its presence in a number of different sales channels and through the ability to develop the product range to meet changing needs of different channels. The situation in the Finnish food market remained tight. In Eastern European markets, sales increased in Russia, Ukraine and Poland. Sales in Benecol products are stable even though differences between the countries are still considerable.

Raisio continued the implementation of its growth phase by acquiring Polish Sulma sp. z o.o.'s pasta and grits operations that include intellectual property rights as well as fixed and current assets. The deal was carried out on 20 March 2012 and its value was EUR 2.4 million (PLN 9.8 million). Raisio paid the purchase price in cash and the Group did not assume liabilities. With the acquisition of Sulma operations, Raisio gained a foothold in the Polish pasta market. Through our own sales network and distribution channels, Raisio aims to expand the market area of Sulma pasta products to cover the whole country.

The first quarter of 2012 was difficult for Raisioagro as the low crushing margin of feed protein operations undermined the profitability from the comparison period. The inadequacy of Finnish seeds of rapeseed to meet industrial needs in Finland has strained business profitability during the entire harvest season at the same time as the import of seeds has increased the cost.

Sales volume in feeds was at the comparison period's level. Raisioagro is still in the very early stages with sales of fertilisers and other farming supplies to grain farms. Customers have responded positively to the Raisio's product range expansion.

Net sales

Raisio Group's net sales in January-March 2012 increased by 10.9 per cent on the comparison period totalling EUR 135.0 (121.7) million. Net sales of the Brands Division were EUR 81.1 (72.9) million and those of the Raisioagro Division EUR 54.1 (49.5) million. Net sales of other operations totalled EUR 0.5 (0.2) million.

The Brands Division accounted for 59.6 per cent and Raisioagro for 40.1 per cent of the Group's first-quarter net sales. January-March net sales from outside Finland represented 50.6 (41.6) per cent of the Group's total net sales, amounting to EUR 68.3 (50.7) million. The Brands Division's largest market area, the UK, accounted for 26.0 (24.7) per cent of the total.

Result

Raisio Group's January-March EBIT was EUR 6.6 (4.9 and, excluding one-off items, 6.1) million, which is 4.9 (4.0 and, excluding one-off items, 5.0) per cent of net sales. EBIT of the Brands Division totalled EUR 9.0 (4.7 and, excluding one-off items, 5.8) million and that of Raisioagro EUR -1.8 (0.7) million. EBIT of other operations was EUR -0.6 (-0.5) million. The Brands Division's EBIT for the first half of 2011 included a one-off item of EUR 1.2 million resulting from the Big Bear Group acquisition costs following the due diligence process.

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

The Group's net financial items for January-March totalled EUR -0.3 (-2.3 and, excluding one-off items, EUR -0.1) million.

In 2012, the first-quarter pre-tax result was EUR 6.3 (2.6 and, excluding one-off items, 6.0) million.

The Group's post-tax result in January-March totalled EUR 4.7 (1.3 and, excluding one-off items, 4.7) million. The Group's earnings per share for continuing operations in January-March were EUR 0.03 (0.01 and, excluding one-off items, 0.03).

Balance sheet, cash flow and financing

At the end of March, the Raisio Group's balance sheet totalled EUR 565.8 (31 December 2011: 561.8) million. Shareholders' equity was EUR 320.1 (31 December 2011: 332.9) million, while equity per share was EUR 2.05 (31 December 2011: 2.13).

At the end of March 2012, the Group's interest-bearing debt was EUR 116.2 (31 December 2011: 115.7) million. Net interest-bearing debt was EUR 1.4 (31 December 2011: -24.8) million.

On 31 March 2012, the Group's equity ratio totalled 57.2 (31 December 2011: 60.2) per cent and net gearing was 0.4 (31 December 2011: -7.5) per cent. Return on investment in January-March was 6.7 (31 December 2011: 7.3 and, excluding one-off items, 8.1) per cent.

Cash flow from operations for the first quarter of 2012 was EUR -21.2 (-25.2) million.

At the end of March 2012, working capital amounted to EUR 93.7 (31 December 2011: 65.6) million. Especially Raisioagro's working capital increased due to seasonal variation.

Investments

The Group's gross investments for January-March totalled EUR 4.1 (65.5 and, excluding acquisitions, 1.5) million, which is 3.1 (53.8 and, excluding acquisitions, 1.2) per cent of net sales. Gross investments of the Brands Division were EUR 3.6 (64.9 and, excluding acquisitions 0.9) million, those of Raisioagro EUR 0.3 (0.5) million and those of other operations EUR 0.3 (EUR 0.1) million.

Raisio's maintenance investments have stabilised at a moderate level.

SEGMENT INFORMATION

BRANDS DIVISION

		Q1/2012	Q1/2011	2011
Net sales	M€	81.1	72.9	314.6
Local brands	M€	68.4	61.8	269.2
International brands	M€	12.8	11.2	45.7
EBIT	M€	9.0	4.7	30.1
One-off items	M€	0.0	-1.2	-1.1
EBIT, excluding one-off items	M€	9.0	5.8	31.2
EBIT, excluding one-off items	%	11.1	8.0	9.9
Investments*	M€	3.6	64.9	67.8
Net assets	M€	252.5	245.4	245.8

* Including acquisitions

Net sales

In January-March, net sales of the Brands Division increased by over 11 per cent on the comparison period, amounting to EUR 81.1 (72.9) million. Net sales increased evenly in all the Brands Division's operations. January-March net sales of local brands rose by almost 11 per cent on the comparison period, amounting to EUR 68.4 (61.8) million. Net sales in international brands, or Benecol operations, were EUR 12.8 (11.2) million.

The UK accounted for 44 per cent, Finland 30 per cent and rest of the world 26 per cent of the Brands Division's first-quarter net sales. The UK's position as the largest market area of Raisio's branded products was further strengthened in the review period. Sulma pasta and grits business was incorporated into the Raisio Group's figures after the acquisition completed 20 March 2012 and will be reported under local brands as part of Eastern European operations.

Result

The Brands Division's first-quarter EBIT, excluding one-off items, increased by over 55 per cent on the comparison period totalling EUR 9.0 (4.7 and, excluding one-off items, 5.8) million. EBIT was in accordance with the objective, i.e. 11.1 (8.0) per cent of net sales. The most significant EBIT improvement was seen in our Western European operations. Benecol's EBIT was higher than usual due to particularly large deliveries during the first quarter. A one-off item of EUR -1.2 million resulting from the acquisition costs has been entered in the first-quarter EBIT of the comparison period, 2011.

As a result of the acquisition, Big Bear Group became part of local brands' Western European operations from 4 February 2011 and its figures are included in the comparison period's figures starting from the date in question.

Local brands

Western Europe

Net sales and profitability of Western European food markets were clearly better than in the comparison period. The improvement in profitability was a result of many factors, such as launches of innovative new products, expansion of branded products into new sales channels, synergies delivered by restructured UK operations and cost-efficiency.

A high level of promotion-driven sales continued in the UK's retail sector. Raisio has a strong presence in retail promotions with its branded products, especially breakfast products. Raisio launched pasta-based snack products for children under the licensed brands Bob the Builder, Fireman Sam and Thomas the Tank Engine. Moreover, the product range in confectionery brands was expanded.

As a result of restructuring, Raisio's UK operations were divided into two divisions: Breakfast and snack product Division and Confectionery Division. Raisio's first-quarter confectionery sales increased on the comparison period while sales in breakfast and snack products were almost at the comparison period's level.

After the acquisitions and operations restructuring, the UK market sees Raisio as a strong company with innovative products whose operations are at a healthy level. We aim at profitable business growth and at efficiency in all our operations.

Northern Europe

In Northern European food markets, net sales increased slightly on the comparison period in Finland, Sweden and the Baltic Countries. The situation in Finland, the largest market in Northern Europe, continued particularly tight. Consumers are interested in natural, additive-free products that are produced locally. Raisio meets this demand with its plant-based foods.

Sales in snack products in Finland were boosted by good sales growth in Elovena snack biscuits. A TV campaign drove sales growth in Benecol products in the review period. Particularly good sales growth was seen in Benecol minidrinks. Home baking has become trendy again, which shows in improved sales of Sunnuntai products in Finland. We are continuing the launch of Honey Monster products and early 2012, we carried out an extensive web, media and TV campaign. In addition, Honey Monster character was seen in tasting events in stores and in outdoor advertising.

Non-dairy products sold and marketed in Finland under the Keiju brand will gradually be transferred under the Nordic brand. Soygurts were the first and they are now seen in fresh, striped packs on the store shelves. The brand change of non-dairy products will be seen throughout the year, creams are next in line and then drinks in the autumn.

Sales in catering products increased, which results from increased demand for plant-based food. Ecological and locally produced Finnish food is very popular and trendy. Moreover, demand for organic products is growing especially in bigger cities and in Southern Finland. Raisio has already earlier launched organic alternatives of its main products and they show strong sales.

Sales in industrial products declined in Finland as a result of exceptionally aggressive price competition and decreased consumption of industrial flour. Raisio did not go along with the price competition, which does not meet the guidelines we have set for our operations.

A restructuring process is underway in industrial sales, the effects of which are shown as changes in consumer behaviour and as structural changes in the sector's distribution channels. For example, in-store bakeries operate very much like traditional bakeries.

Net sales in Sweden were boosted when sales of Kalas Puffar breakfast cereals were transferred to Raisio. The Sugar Puffs cereal is known as Kalas Puffar in the Swedish market. Sales development of non-dairy products sold under the Carlshamn brand continued especially strong in soygurts.

Eastern Europe

In Eastern European food markets, the first quarter of 2012 was good in Russia, Ukraine and Poland. Net sales increased in all market areas and EBIT showed improvement. Sales volumes also increased.

The acquisition of Sulma pasta and grits operations in Poland supports Raisio’s growth objectives. Work is currently underway to integrate Sulma operations as part of Raisio’s food operations.

International brands

Benecol

Compared with the first quarters of earlier years, Raisio provided its partners with exceptionally high amounts of Benecol product ingredient, plant stanol ester, in January-March 2012. Periodical deliveries are characteristic of the business. In the second quarter of 2012, delivery volumes are expected to level off.

Sales in effectively cholesterol-lowering Benecol products were stable in our key market area in Europe although the differences in the sales development between different countries are still significant. In the review period, sales in Benecol products increased in Poland and Finland. In both countries, TV campaigns were carried out during the review period.

Outside Europe, sales in Benecol products rose at the beginning of the year, especially in Indonesia and Chile. In these countries too, Raisio's partners have increased marketing measures and their activeness translates into improved sales. Raisio will continue measures to expand into new markets, particularly in Asia and South America.

Simpli

Simpli OatShake snack drinks were launched in the United States in March 2011. In December 2011, Simpli OatShake was awarded as the Best Smoothie of 2011 in the US. Only one European beverage, Red Bull, has won this award before. These BevNET granted awards are also called the Oscars of non-alcoholic beverages.

In March 2012, Simpli OatShake won the prestigious Product Innovation Award granted by NRA (National Restaurant Association). NRA is the largest association in the US restaurant industry. In our Simpli OatShake snack drinks, the jury was delighted by the taste but also by the fact that health, allergies and ease of use are taken into account in this product.

Coffee-flavoured Simpli Oatshake launched in the US market in April was granted a Silver Sofi Award together with two other products in the category of Outstanding Cold Beverage. The prizes will be awarded in Washington DC on 18 June when one of the three finalists will be awarded with a Golden Sofi. NASFT (National Association for the Specialty Food Trade) awarding the prizes is the industry's most significant retail organisation.

Simpli OatShake is an innovation developed by Raisio. Raisio's snack drinks made of Finnish oats are dairy-free and healthy. Oat Solutions LLC is Raisio's licence partner selling and marketing Simpli products in the US market. The range also includes gluten-free oat porridges. Key sales regions of Simpli products are California, Texas, Midwest and New York. Simpli products are sold in a total of 1,200 stores in 38 states.

Research and development

Raisio's R&D in foods focuses on healthy, ecological and convenient snacks, and on specialty products tailored to customers. Renewal of Elovena Hetki instant porridges including the development of new flavours has been our key project in Finland. This work is still in progress. We have also finalised our future new products that complement well Raisio's range of healthy and tasty snack products. For the US market, Raisio developed oat-based coffee-flavoured Simpli OatShake.

Raisio started product development cooperation between Finnish and UK operations.
The objective of this cooperation is to combine the countries' product development knowhow.
This allows us to start completely new types of R&D projects.

In January-March, R&D expenses of the Brands Division amounted to EUR 1.5 (1.6) million accounting for 1.9 (2.1) per cent of the Group's net sales.

RAISIOAGRO DIVISION

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

		Q1/2012	Q1/2011	2011
Net sales	M€	54.1	49.5	241.1
EBIT	M€	-1.8	0.7	2.9
One-off items	M€	0.0	0.0	0.0
EBIT, excluding one-off items	M€	-1.8	0.7	2.9
EBIT, excluding one-off items	%	-3.4	1.5	1.2
Investments	M€	0.3	0.5	2.5
Net assets	M€	87.2	92.2	63.1

Net sales

In January-March, net sales of the Raisioagro Division were up over 9 per cent on the comparison period, amounting to EUR 54.1 (49.5) million. Net sales increased thanks to sales in farming supplies and rapeseed oil sales growth on the comparison period. Selling price of feeds per tonne was slightly lower than in the comparison period.

At Raisioagro, feeds and farming supplies accounted for some 70 per cent, protein meals, oils and grain for some 30 per cent of the first-quarter net sales.

Result

The first quarter EBIT of the Raisioagro Division was EUR -1.8 (0.7) million accounting for -3.4 (1.5) per cent of net sales.

The first-quarter result was undermined by low crushing margin of feed protein business as there was not enough Finnish seed of rapeseed available to meet industrial needs in Finland and imported seeds accounted for three quarters of the use. Use of imported seeds increased costs in feed protein production and undermined profitability. Moreover, the Division's profitability was weakened by marketing investments on a new product group, farming supplies, as well as by the launch of Raisioagro's new service concept.

Business

Feeds and farming supplies

Sales volume of Raisioagro's feeds remained at the comparison period's level. Sales volume rose in cattle and poultry feeds but decreased slightly in pig feeds. The fish feed season has begun and will continue until the late autumn.

Pork and egg production declined in Finland at the beginning of the year. Pork production continues to struggle with the profitability crisis. In the long term, as the industry restructuring progresses, profitability is expected to improve. The directive banning battery cages in poultry farming came into force at the beginning of 2012 and led to terminations of henhouses and thus, the market has even seen a shortage of eggs. Outlook in the dairy sector is favourable and producer prices are at a reasonable level although increased production inputs and costs are challenging also to milk farm profitability. In the broiler feed market, the competitor's new investment will increase excess capacity and further intensify competition.

Protein meals and oils

Protein meals are the key product of Raisio's feed protein operations. All protein meal is used for our own production, as raw material for feeds. Rapeseed oil, a process by-product, is used in food and feed industry and as bioenergy. At the moment, Raisio is not delivering rapeseed oil as raw material for Neste Oil's renewable diesel. Because of this, we need to find new markets for surplus oil from food and feed use. At the beginning of 2012, the whole personnel of the Raisio-based factory processing oil plants was laid off.

This harvest season, Finnish rapeseed has covered less than a third of raw material needs of feed protein operations. In addition to low crushing margin, import costs of seeds and quality-related premiums have also undermined business profitability. The seed price has increased more than 10 per cent in the review period.

In April, after the review period, Raisio started employee co-operation negotiations among the personnel working in the development project on technical bio-oils. The purpose of the negotiations is to determine business potential and the conditions for continuation.

Grains

During the first three months of 2012, international grain markets were at the mercy of the weather. Drought cuts down corn and soy crops in South America. At the same time, China's need for grain is growing along with higher living standards. Cold wave in Europe caused considerable winter damages regionally in autumn grains and rapeseed. Raw material price volatility was high in the world's grain stock exchanges. Grain, oil plant and protein plant prices were on the increase throughout the early 2012.

The Finnish grain market was quiet and prices followed the general direction of the grain market. In Finland, farming area for the next harvest season is expected to increase from last year but the rapeseed acreage is estimated to decrease slightly. This means that protein self-sufficiency in Finland is unlikely to improve.

Research and development

At the beginning of 2012, Raisio filed a patent application on a feed innovation that increases both milk yield and contents of fat and protein in milk. Maituri 12 000 E, our feed developed based on this innovation, was launched in Finland in February. The feed is delivered to hundreds of dairy cattle farms and it has been very well received. Increased milk yield and the rise in fat and protein contents found at the research stage have also realised in practice, on the farms.

In April, we launched a supplementary feed Amino-Maituri 12 000 E based on the same innovation. It can be used when the farm has its own grain available along with silage.

Raisio has started measures to patent and commercialise the innovation internationally.

The Raisioagro Division's R&D expenses totalled EUR 0.2 (0.3) million in January-March.

Group personnel

At the end of March Raisio Group's continuing operations employed 1,534 (31 December 2011: 1,432) people. 70 (31 December 2011: 69) per cent of the personnel were working outside Finland. At the end of the review period, the Brands Division had 1,279, the Raisioagro Division 193 and service functions 62 employees.

Shares and shareholders

The number of Raisio plc's free shares traded on NASDAQ OMX Helsinki Ltd in January-March totalled 6.3 (10.4) million. The value of trading was EUR 15.7 (27.7) million and the average price EUR 2.51 (2.67). The closing price on 31 March 2012 was EUR 2.46.

A total of 0.2 (0.3) million restricted shares were traded in January-March. The value of trading was EUR 0.6 (0.7) million and the average price EUR 2.52 (2.75). The closing price on 31 March 2012 was EUR 2.47.

On 31 March 2012, the company had a total of 36,453 (31 December 2011: 36,366) registered shareholders. Foreign ownership of the entire share capital was 8.6 (31 December 2011: 9.8) per cent.

Raisio plc's market capitalisation at the end of March totalled EUR 406.6 (31 December 2011: EUR 394.7) million and, excluding the company shares held by the Group, EUR 394.3 (31 December 2011: EUR 383.1) million.

During the review period, a total of 57,137 restricted shares were converted into free shares.

At the end of the review period, the number of issued free shares was 130,951,110 while the number of restricted shares was 34,197,920. The share capital entitled to 814,909,510 votes.

At the end of the review period, Raisio plc held 4,787,771 free shares and 210,971 restricted shares acquired between 2005 and 2011 based on the authorisation given by the Annual General Meeting (AGM). A total of 122,742 free shares and 2,460 restricted shares were acquired during the review period. 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 7.1 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 5.7 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 July 2011 ended on 27 March 2012.

The authorisations given to the Board of Directors by the AGM of spring 2012 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.

Annual General Meeting (AGM)

Raisio plc’s Annual General Meeting (AGM) held on 29 March 2012 approved the financial statements for the financial year 1 January – 31 December 2011 and granted the members of the Board of Directors and the Supervisory Board as well as the Chief Executive Officer discharge from liability.

As proposed by the Board of Directors, the AGM decided to pay a dividend of EUR 0.11 for each restricted and free share. The dividend was paid on 12 April 2012 to a shareholder who was entered in the shareholders’ register on the record date of 3 April 2012. 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 six, and Anssi Aapola, Erkki Haavisto, Simo Palokangas, 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 Palokangas 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. Cay Blomberg, Holger Falck, Mikael Holmberg, Markku Kiljala, Jarmo Mäntyharju, Heikki Pohjala, Rita Wegelius and Tapio Ylitalo were elected as the members of the Supervisory Board for the term commencing at the closing of the AGM and ending at the AGM of 2015. Two of the elected members, Holmberg and Kiljala, 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 Johan Kronberg 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 29 September 2013.

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 15,386,123 shares, 2,451,295 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 29 March 2017 at the latest.

The details of the authorisations are available in the stock exchange release published on 14 February 2012.

The authorisation to repurchase own shares and to issue shares given by the AGM in 2011 expired on 29 March 2012.

Short-term risks and uncertainties

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. The growth project may still cause substantial costs in relation to the company size.

Raisio believes that its short-term risks and uncertainties are unchanged. More information on the matter can be found in the Financial Statement Review dated 14 February 2012.

Targets and outlook

In the Brands Division, Raisio continues its efforts to ensure profitable growth both organically and through acquisitions. Raisio is preparing major new product launches and expansion into new sales channels in all the Company's food markets. Raisio's target is to be the leading European operator in healthy and ecological snacks.

To ensure competitiveness and profitability in all the Brands Division's operations, price volatility management in raw materials will remain essential.

The growth in branded products in the UK is estimated to continue despite very challenging market conditions. Raisio UK will continue to enhance its operations and to extend its brands with new products into new product segments and new sales channels according to plan. Promotion-driven sales are expected to continue at current high levels also in the future.

In Northern European markets, especially in Finland and Sweden, our target is to deliver profitable organic growth with our new products meeting customer needs, and to expand in new sales channels.

Raisio continues to work actively to strengthen the expert role of the Benecol brand, to establish new partnerships and to enter new markets together with the partners mainly in Asia and South America. It is not possible to estimate the schedule for entering new markets as each country has its own regulations and authorisation policies. Regarding functional foods, these processes may take years, even for a forerunner. We are also preparing to extend our product range with new products and flavours suitable for different markets.

Raisioagro aims to maintain its strong market position in feeds and grain trade in Finland and to improve its comprehensive services for grain and feed customers. The range of production inputs and farming supplies will be expanded and diversified. In new product segments, Raisio aims to grow and strengthen its market position. Raisioagro continues its long-term efforts to improve the Division’s profitability.

In the short term, no significant changes are expected in volumes of industrial feed used in Finnish livestock production. Milk production is estimated to increase with the growth in international demand, but pork sector is still strained by the EU’s overproduction.

In order to ensure the Division’s competitiveness and profitability, management of volatility in raw material prices in Raisioagro’s operations remains vital.

Maituri 12000 E is a feed innovation that has proven its effectiveness in the Finnish market. Raisio believes that the company can bring a significant extra margin to the milk chain by offering higher efficiency compared to ordinary feed. If the international patenting and commercialising of the feed innovation succeed, it will be significantly shown in the company’s activities over the next few years.

Guidance

Raisio continues the implementation of its growth strategy both organically and through acquisitions. We expect EBIT to further improve annually.

Raisio, 8 May 2012

RAISIO PLC
Board of Directors

Further information:
Matti Rihko, CEO, tel. +358 400 830 727
Jyrki Paappa, CFO, tel. +358 50 5566 512
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 8 May 2012 starting at 1.30 p.m. Finnish time. It will be held at Hotel Scandic Simonkenttä, in the Pavilion meeting room. The address is Simonkatu 9, Helsinki.

A teleconference in English will be held on 8 May 2012 at 3.30 p.m. Finnish time.
Participants are requested to call the number +358 (0)9 8248 3782, PIN code 32582.

The interim report has not been audited.

CONDENSED FINANCIAL STATEMENTS AND NOTES

INCOME STATEMENT (M€)

	1-3/2012	1-3/2011	2011
CONTINUING OPERATIONS:			
Net sales	135.0	121.7	552.6
Expenses corresponding to products sold	-112.7	-100.0	-461.6
Gross profit	22.3	21.7	91.0
Other operating income and expenses, net	-15.6	-16.8	-60.3
EBIT	6.6	4.9	30.7
Financial income	0.9	0.9	3.0
Financial expenses	-1.2	-3.1	-6.7
Share of result of associates and joint ventures	0.0	0.0	0.0
Result before taxes	6.3	2.6	27.0
Income taxes	-1.6	-1.3	-5.7
Result for the period for continuing operations	4.7	1.3	21.3
DISCONTINUED OPERATIONS: **Result for the period for discontinued operations**	0.0	-0.3	4.2
RESULT FOR THE PERIOD	4.7	1.0	25.5
Attributable to:			
Equity holders of the parent company	4.9	1.1	25.8
Non-controlling interests	-0.2	-0.1	-0.3
Earnings per share from the profit attributable to equity holders of the parent company (€)			
CONTINUING OPERATIONS:			
Undiluted earnings per share	0.03	0.01	0.14
Diluted earnings per share	0.03	0.01	0.14
DISCONTINUED OPERATIONS:			
Undiluted earnings per share	0.00	0.00	0.03
Diluted earnings per share	0.00	0.00	0.03

COMPREHENSIVE INCOME STATEMENT (M€)

	1-3/2012	1-3/2011	2011
Result for the period	4.7	1.0	25.5
Other comprehensive income items			
Hedging of net investments	0.0	0.3	-0.3
Available-for-sale financial assets	0.0	0.0	-0.1
Cash flow hedge	0.1	-0.1	-1.1
Translation differences recognised in profit and loss on disposal of foreign operations	0.0	0.0	0.0
Gains and losses arising from translating the financial statements of foreign operations	-0.2	-2.2	2.0
Comprehensive income for the period	4.6	-1.1	25.9
Components of comprehensive income:			
Equity holders of the parent company	4.8	-1.0	26.2
Non-controlling interests	-0.2	-0.1	-0.3

BALANCE SHEET (M€)

	31.3.2012	31.3.2011	31.12.2011
ASSETS			
Non-current assets			
Intangible assets	38.5	37.4	38.4
Goodwill	103.4	98.1	103.3
Property, plant and equipment	117.1	124.3	117.1
Shares in associates and joint ventures	0.9	0.8	0.8
Available-for-sale financial assets	2.4	2.6	2.4
Receivables	1.9	2.1	3.0
Deferred tax assets	3.5	5.5	4.0
Total non-current assets	267.6	270.8	268.9
Current assets			
Inventories	93.9	113.4	80.2
Accounts receivables and other receivables	89.2	76.1	71.7
Financial assets at fair value through profit or loss	103.0	67.8	121.6
Cash in hand and at banks	12.1	18.9	19.4
Total current assets	298.2	276.2	292.9
Total assets	565.8	547.0	561.8
SHAREHOLDER'S EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company			
Share capital	27.8	27.8	27.8
Company shares	-19.8	-17.8	-19.5
Other equity attributable to equity holders of the parent company	310.6	296.0	323.4
Equity attributable to equity holders of the parent company	318.6	306.0	331.7
Non-controlling interests	1.5	1.4	1.1
Total shareholder's equity	320.1	307.4	332.9
Non-current liabilities			
Deferred tax liabilities	16.3	16.6	16.4
Pension contributions	0.2	0.2	0.2
Provisions	0.3	0.9	0.5
Non-current financial liabilities	69.6	105.7	76.3
Derivative contracts	1.4	0.3	1.8
Other non-current liabilities	0.1	0.1	0.1
Total non-current liabilities	88.0	123.8	95.2
Current liabilities			
Accounts payable and other liabilities	108.8	94.8	90.7
Provisions	0.5	1.6	0.9
Derivative contracts	1.8	0.1	2.7
Current financial liabilities	46.7	19.4	39.5
Total current liabilities	157.7	115.8	133.8
Total liabilities	245.7	239.6	228.9
Total shareholder's equity and liabilities	565.8	547.0	561.8

CHANGES IN GROUP EQUITY (M€)

	Share capital	Share premium reserve	Reserve fund	Company shares	Translation differences	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Equity on 31.12.2010	27.8	2.9	88.6	-17.8	-2.4	1.4	222.5	323.0	1.0	324.0
Comprehensive income for the period										
Result for the period	-	-	-	-	-	-	1.1	1.1	-0.1	1.0
Other comprehensive income items (adusted for tax effects)										
Hedging of net investment	-	-	-	-	0.3	-	-	0.3	-	0.3
Cash flow hedge	-	-	-	-	-	-0.1	-	-0.1	-	-0.1
Gains and losses arising from translating the financial statements of foreign operations	-	-	-	-	-2.2	-	-	-2.2	-	-2.2
Total comprehensive income for the period	0.0	0.0	0.0	0.0	-1.9	-0.1	1.1	-1.0	-0.1	-1.1
Business activities involving shareholders										
Dividends	-	-	-	-	-	-	-16.1	-16.1	0.4	-15.7
Share-based payment	-	-	-	-	-	-	0.1	0.1	-	0.1
Total business activities involving shareholders	0.0	0.0	0.0	0.0	0.0	0.0	-16.0	-16.0	0.4	-15.6
Equity on 31.3.2011	27.8	2.9	88.6	-17.8	-4.3	1.3	207.5	306.0	1.4	307.4
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 (adjusted for tax effects)										
Hedging of net investments	-	-	-	-	0.0	-	-	0.0	-	0.0
Available-for-sale financial assets	-	-	-	-	-	0.0	-	0.0	-	0.0
Cash flow hedge	-	-	-	-	-	0.1	-	0.1	-	0.1
Translation differences arising from disposals of foreign operations	-	-	-	-	0.0	-	-	0.0	-	0.0
Gains and losses arising from translating the financial statements of foreign operations	-	-	-	-	-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

CASH FLOW STATEMENT (M€)

	1-3/2012	1-3/2011	2011
Result before taxes, continuing operations	6.3	2.3	27.0
Result before taxes, discontinued operations	0.0	0.0	4.2
Adjustments	4.5	6.6	16.6
Cash flow before change in working capital	10.8	8.8	47.8
Change in accounts receivables and other receivables	-16.3	-0.1	1.4
Change in inventories	-13.6	-19.2	8.3
Change in current non-interest-bearing liabilities	-0.3	-15.0	-6.5
Total change in working capital	-30.3	-34.2	3.1
Financial items and taxes	-1.8	0.2	-0.9
Cash flow from business operations	-21.2	-25.2	50.0
Investments in fixed assets	-4.4	-2.2	-8.3
Divestment of subsidiaries	0.0	0.0	11.1
Acquisition of subsidiaries	0.0	-63.7	-63.1
Proceeds from sale of fixed assets	0.0	0.0	2.5
Investments on marketable securities	0.0	0.0	0.0
Sales of securities	0.0	0.0	10.1
Loans granted	0.0	-0.4	-1.1
Repayment of loan receivables	0.0	0.3	3.3
Cash flow from investments	-4.4	-66.0	-45.5
Change in non-current loans	0.0	22.6	12.5
Change in current loans	0.3	3.0	0.3
Repurchase of company shares	-0.3	0.0	-1.7
Dividend paid to equity holders of the parent company	0.0	0.0	-15.6
Cash flow from financial operations	0.0	25.6	-4.5
Change in liquid funds	-25.6	-65.6	0.0
Liquid funds at the beginning of the period	140.5	140.1	140.1
Effects of changes in foreign exchange rates	0.0	0.2	0.2
Impact of change in market value on liquid funds	-0.1	-0.2	0.3
Liquid funds at end of period	114.9	74.4	140.5

NOTES TO THE INTERIM 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 2011 with the exception of the EU approved amendments to existing IFRS standards introduced on 1 January 2012. These standard amendments have not affected the consolidated financial statements.

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 reportable Divisions are Brands and Raisioagro. The Brands Division is composed of international brands - Benecol, and local brands. Under the Division, the Group reports Benecol unit as well as Northern, Western and Eastern European food operations. Big Bear Group acquired in the beginning of 2011 was combined in the figures of Western European food operations as of
4 February 2011. Raisioagro includes feeds, grain trade, protein meals and vegetable oils, production inputs and bioenergy.

NET SALES BY SEGMENT (M€)

	1-3/2012	1-3/2011	2011
Brands	81.1	72.9	314.6
Raisioagro	54.1	49.5	241.1
Other operations	0.5	0.2	1.4
Interdivisional net sales	-0.7	-0.8	-4.6
Total net sales	135.0	121.7	552.6

EBIT BY SEGMENT (M€)

	1-3/2012	1-3/2011	2011
Brands	9.0	4.7	30.1
Raisioagro	-1.8	0.7	2.9
Other operations	-0.6	-0.5	-2.4
Eliminations	0.0	0.0	0.0
Total EBIT	6.6	4.9	30.7

NET ASSETS BY SEGMENT (M€)

	31.3.2012	31.3.2011	31.12.2011
Brands	252.5	245.4	245.8
Raisioagro	87.2	92.2	63.1
Other operations, discontinued operations and unallocated items	-19.6	-30.1	24.0
Total net assets	320.1	307.4	332.9

INVESTMENTS BY SEGMENT (M€)

	1-3/2012	1-3/2011	2011
Brands	3.6	64.9	67.8
Raisioagro	0.3	0.5	2.5
Other operations	0.3	0.1	0.8
Eliminations	0.0	0.0	0.0
Total investments	4.1	65.5	71.2

NET SALES BY MARKET AREA (M€)

	1-3/2012	1-3/2011	2011
Finland	66.7	71.1	313.5
Great Britain	35.1	30.1	135.0
Rest of Europe	31.5	18.8	95.5
ROW	1.7	1.8	8.5
Total	135.0	121.7	552.6

ACQUIRED BUSINESS OPERATIONS

In 2012

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 EUR 2.4 million (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.

Assets acquired (preliminary):

	Preliminary fair values recorded in the business combination
Property, plant and equipment	1.9
Intangible assets	0.1
Inventories	0.4
Total	2.4

The acquisition did not generate any goodwill.

In 2011

On 4 February 2011, Raisio plc announced its acquisition of British Big Bear Group plc with two subsidiaries. Big Bear Group was founded in 2003 and it has acquired traditional, well-known brands in Britain.
In breakfast category, the company has the brands Honey Monster, Honey Waffles and Sugar Puffs as well as Harvest Cheweee in snack bars and Fox's in confectionery. The product range includes breakfast cereal products mainly for children's category as well as healthy snack bars and cereal products with no artificial flavours or colours.

The acquisition supports Raisio´s target to become the leading provider of healthy snacks in Europe. Raisio will gain a stronger foothold in the branded snack and breakfast markets in the UK and Western Europe and strengthen its position in the confectionery market.

The purchase price paid totalled 63.3 M€ (53.7 M£). The fees of lawyers, advisors and outside valuators related to the deal amounted to a total of 1.7 M€. Of this amount, a total of 1.1 M€ has been recognised as administration costs of the Brands Division in the income statement of 2011. Cost of 0.6 M€ was recognised in 2010.

Goodwill resulting from the acquisition was 49.0 M€ (41.6 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.

Raisio Group's net sales for January-December 2011 would have been 556.8 M€ and pre-tax result from continuing operations excluding one-off items 30.8 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 2011. Post-acquisition net sales of subgroup Big Bear Group was 51.0 M€ and pre-tax result 5.8 M€.

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

	Fair valuea entered in the business combination	Carrying values before business combination
Property, plant and equipment	21.7	21.7
Trade marks	28.3	0.0
Deferred tax assets	0.1	0.1
Inventories	6.5	6.4
Accounts receivables and other receivables	9.3	9.3
Cash in hand and at banks	0.2	0.2
Total assets	66.1	37.7
Deferred tax liabilities	9.5	1.8
Non-current financial liabilities	30.1	30.1
Other non-current liabilities	0.4	0.4
Current interest-bearing liabilities	2.0	2.0
Other liabilities	9.9	9.9
Total liabilities	51.9	44.2
Net assets	14.3	-6.5
Acquisition cost	63.3	
Goodwill	49.0	
Purchase price paid in cash	63.3	
Financial assets of the acquired subsidiary	0.2	
Cash flow generation	63.1	

Changes in goodwill

	1-3/2012	1-3/2011	2011
Carrying amount of goodwill at the beginning of the review period	103.3	51.9	51.9
Translation differences	0.2	-3.3	2.4
Business combinations	0.0	49.6	49.0
Carrying amount of goodwill at the end of the review period	103.4	98.1	103.3

DISCONTINUED OPERATIONS AND NON-CURRENT ASSETS HELD FOR SALE

Discontinued operations

Raisio sold its malt business included in the Raisioagro Division to Viking Malt Ltd at the end of June 2011. Income of the malt business and income resulting of the divestment are both presented in the Group's discontinued operations in 2011.

	1-3/2012	1-3/2011	2011
Result for the discontinued operations (M€)			
Income from ordinary activities		4.9	11.8
Expenses		-5.3	-12.1
Result before taxes		-0.4	-0.3
Taxes		0.0	0.0
Result after taxes		-0.4	-0.3
Earnings due to discontinuation		0.0	4.5
Taxes		0.1	0.0
Result after taxes		0.1	4.5
Result for discontinued operations		-0.3	4.2
Cash flow for the discontinued operations (M€)			
Cash flow from business operations		-6.1	-2.2
Cash flow from investments		-0.1	16.0
Cash flow from financial operations		3.0	3.0
Total cash flow		-3.1	16.8
Impact of divested operations on the Group's financial position (M€)			
Divested net assets			12.3
Transaction price			17.0
Transaction expenses			0.2
Impact on earnings			4.5
Impact on cash flow			13.2

TANGIBLE ASSETS (M€)

	31.3.2012	31.3.2011	31.12.2011
Acquisition cost at the beginning of the period	386.9	373.9	373.9
Conversion differences	-0.3	-2.0	1.5
Increase	3.6	30.1	37.4
Decrease	-0.2	-0.1	-25.9
Acquisition cost at end of period	390.0	401.8	386.9
Accumulated depreciation and impairment at the beginning of the period	269.8	267.5	267.5
Conversion difference	-0.3	-1.4	1.2
Increase	0.0	8.0	8.4
Decrease and transfers	-0.2	-0.1	-22.3
Depreciation for the period	3.6	3.6	15.0
Accumulated depreciation and impairment at end of period	272.9	277.5	269.8
Book value at end of period	117.1	124.3	117.1

PROVISIONS (M€)

	31.3.2012	31.3.2011	31.12.2011
At the beginning of the period	1.4	2.8	2.8
Increase in provisions	0.0	0.0	0.0
Provisions used	-0.5	-0.3	-1.5
At end of period	0.8	2.5	1.4

BUSINESS ACTIVITIES INVOLVING INSIDERS (M€)

	31.3.2012	31.3.2011	31.12.2011
Sales to associates and joint ventures	2.9	2.7	10.7
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	0.4	0.8
Receivables from associates and joint ventures	1.4	1.3	1.1
Liabilities to associates and joint ventures	0.1	0.0	0.1
Receivables from the key persons in the management	11.6	11.5	11.6

CONTINGENT LIABILITIES (M€)

	31.3.2012	31.3.2011	31.12.2011
Contingent off-balance sheet liabilities			
Non-cancelable other leases			
Minimum lease payments	8.6	12.5	9.3
Contingent liabilities for others			
Guarantees	0.0	0.0	0.0
Other liabilities	3.2	6.9	13.8
Commitment to investment payments	0.7	1.1	0.4

DERIVATIVE CONTRACTS (M€)

	31.3.2012	31.3.2011	31.12.2011
Nominal values of derivative contracts			
Currency forward contracts	56.9	75.3	65.8
Interest rate swaps	56.2	83.7	56.2

QUARTERLY PERFORMANCE (M€)

	1-3/2012	10-12/2011	7-9/2011	4-6/2011	1-3/2011
Net sales by segment					
Brands	81.1	79.1	81.5	81.1	72.9
Raisioagro	54.1	60.1	60.5	71.0	49.5
Other operations	0.5	0.5	0.5	0.2	0.2
Interdivisional net sales	-0.7	-1.0	-0.9	-1.9	-0.8
Total net sales	135.0	138.7	141.7	150.5	121.7
EBIT by segment					
Brands	9.0	6.6	10.4	8.4	4.7
Raisioagro	-1.8	-0.5	0.4	2.3	0.7
Other operations	-0.6	-1.2	-0.4	-0.2	-0.5
Eliminations	0.0	0.0	0.3	-0.3	0.0
Total EBIT	6.6	4.9	10.7	10.2	4.9
Financial income and expenses, net	-0.3	-0.3	-0.2	-0.9	-2.3
Share of result of associates	0.0	0.0	0.0	0.0	0.0
Result before taxes	6.3	4.6	10.5	9.3	2.6
Income tax	-1.6	0.4	-2.6	-2.2	-1.3
Result for the period from continuing operations	4.7	5.0	7.9	7.1	1.3

KEY INDICATORS

	31.3.2012	31.3.2011	31.12.2011
Net sales, M€	135.0	121.7	552.6
Change of net sales, %	10.9	46.7	30.5
Operating margin, M€	10.8	8.8	47.7
Depreciation and impairment, M€	4.1	3.9	17.0
EBIT, M€	6.6	4.9	30.7
% of net sales	4.9	4.0	5.6
Result before taxes, M€	6.3	2.6	27.0
% of net sales	4.7	2.2	4.9
Return on equity, ROE, %	5.8	3.9	6.5
Return on investment, ROI, %	6.7	5.1	7.3
Interest-bearing financial liabilities at end of period, M€	116.2	125.0	115.7
Net interest-bearing financial liabilities at end of period, M€	1.4	50.7	-24.8
Equity ratio, %	57.2	56.7	60.2
Net gearing, %	0.4	16.5	-7.5
Gross investments, M€	4.1	65.5	71.2
% of net sales	3.1	53.8	12.9
R & D expenses, M€	1.8	1.8	6.8
% of net sales	1.3	1.5	1.2
Average personnel	1,472	1,395	1,454
Earnings/share from continuing operations, €	0.03	0.01	0.14
Cash flow from operations/share, €	-0.14	-0.16	0.32
Equity/share, €	2.05	1.95	2.13
Average number of shares during the period, in 1,000s*)			
Free shares	121,677	122,461	122,283
Restricted shares	34,013	34,054	34,052
Total	155,690	156,515	156,334
Average number of shares at end of period, in 1,000s*)			
Free shares	121,681	122,461	121,746
Restricted shares	33,987	34,054	34,047
Total	155,668	156,515	155,793
Market capitalisation of shares at end of period, M€*)			
Free shares	299.3	322.1	291.0
Restricted shares	83.9	89.2	81.4
Total	383.3	411.3	372.3
Share price at end of period			
Free shares	2.46	2.63	2.39
Restricted shares	2.47	2.62	2.39

*) 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