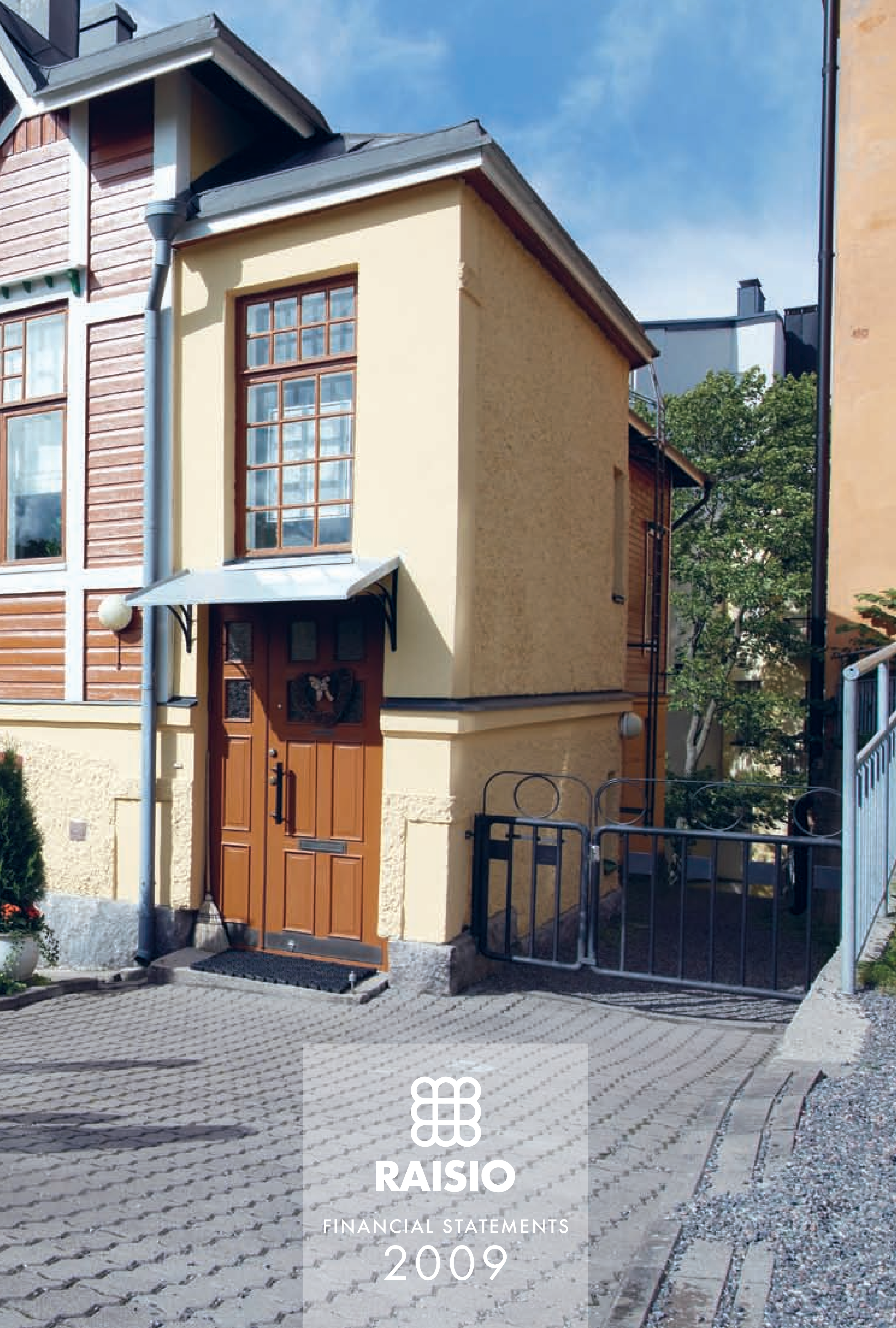


RAISIO

FINANCIAL STATEMENTS

2009

CONTENTS

REPORT OF THE BOARD OF DIRECTORS

FINANCIAL REPORTING

Raisio reports on its performance in line with the Group's continuing operations. The reportable Divisions are Brands and Business to Business. The Brands Division includes international brands (Benecol) and local brands, while the Business to Business Division includes the feed, malt and oil milling businesses. Discontinued operations had a considerable impact on the Group's performance in the review period.

OPERATING ENVIRONMENT

Solid competence, efficient operations and good management have enabled Raisio to solidify its position as a forerunner and expert in the food industry. As predicted, Raisio's strong brands grew even stronger during the difficult times of 2009. The global recession had a bigger impact on the demand for products offered by the Business to Business Division. Despite the rapid changes in the operating environment, Raisio managed to further improve its efficiency and profitability in the review period. Rather than creating threats, the changes in the global operating environment offer Raisio new alternatives and opportunities.

Following the turnaround and profitability improvement phases, Raisio's operations have stabilised at a satisfactory level in three years. The company will now move to a growth phase, which in practice means acquisitions, seeing as organic growth in the current market areas will not suffice to reach the company's targets.

Raisio is looking for growth through acquisitions that offer good opportunities for success and support the achievement of the company's strategy. Acquisitions ensure business growth and the achievement of targets in the long term, as well as create added value for owners. Raisio has already made preparations for the following phases. The Group aims to grow through acquisitions in Europe and expand into new market areas and new product categories. The divestment of the margarine business supported the company's growth target, as it was carried out at the right time amid strong consolidation in the sector.

Ecology, responsibility and consumer orientation form the foundation for Raisio's operations. The only way for companies to ensure their operating conditions in the future is by acting responsibly, in line with the principles of sustainable development and by saving environmental resources. The consumers' readiness and wish to make a difference through sustainable consumption choices are increasing fast. This emphasises the importance of, for example, products' carbon footprint label and the information it offers. Thanks to its sufficient land area and water supplies, Finland will also offer good opportunities for versatile food production in the future. Finland is a small country in terms of its national economy, which is why the joint efforts of the national food chain and the development of operating conditions are necessary to secure the future.

NET SALES

Raisio Group's net sales from continuing operations in January–December totalled EUR 375.9 million (2008: EUR 463.2 million), down 18.8 per cent on the previous year. Net sales were primarily affected by the drop in raw material prices. Net sales from outside Finland represented 33.1% (35.0%) of the total, amounting to EUR 124.4 million (EUR 162.2 million).

The January–December net sales of the Brands Division were EUR 177.6 million (EUR 195.4 million), those of the Business to Business Division EUR 205.6 million (EUR 282.7 million) and those of other operations EUR 0.9 million (EUR 1.0 million).

RESULT

The Group's EBIT from continuing operations in January–December totalled EUR 20.5 million (EUR 20.2 million) and, including one-off items, EUR 19.5 million (EUR 24.4 million). The EBIT of the Brands Division amounted to EUR 20.5 million (EUR 11.5 million and, including one-off items, EUR 15.7 million), that of the Business to Business Division EUR 3.0 million (EUR 12.3 million), that of other operations EUR -3.3 million and, including one-off items, EUR -4.3 million (EUR -3.4 million).

In 2009, Raisio recognised a total of EUR 1.1 million in one-off expenses for other operations, resulting from an unrealised acquisition and donation. The figures for the comparison period include a one-off item of EUR 4.2 million from the dissolution of the joint venture with Lantmännen.

Depreciation, allocated to operations in the income statement, totalled EUR 14.8 million (EUR 16.8 million) in January–December.

The pre-tax result for 2009 was EUR 20.1 million (EUR 19.8 million) and, including one-off items, EUR 18.9 million (EUR 24.0 million). The Group's net financial items in January–December totalled EUR -0.5 million and, including one-off items, EUR -0.6 million (EUR -0.4 million).

Raisio's post-tax result from continuing operations was EUR 14.2 million (EUR 15.2 million) and, including one-off items, EUR 13.4 million (EUR 19.5 million).

In January–December, earnings per share were EUR 0.09 (EUR 0.10 and, including one-off items, EUR 0.12).

BALANCE SHEET AND CASH FLOW

Raisio's balance sheet total at the end of December amounted to EUR 444.2 million (31 December 2008: EUR 364.0 million). Shareholders' equity totalled EUR 322.0 million (EUR 279.4 million), while equity per share at the end of the year was EUR 2.06 (EUR 1.79).

Raisio's interest-bearing debt was EUR 62.8 million at the end of December (EUR 19.7 million). Net interest-bearing debt was EUR -150.2 million (EUR -58.2 million). The equity ratio at the end of the year totalled 73.4 per cent (77.9%), and gearing was -46.6 per cent (-20.8%). Return on investment was 6.1 per cent (8.4%).

Cash flow from operations in January–December was EUR 51.5 million (EUR 52.7 million). Working capital amounted to EUR 66.1 million at the end of the review period (EUR 88.9 million). The company has successfully managed its working capital, which decreased by some EUR 23 million from the previous year. The biggest impact on working capital came from the decrease in inventories thanks to an enhanced control process.

Raisio plc paid EUR 10.8 million in dividends in 2009.

DISCONTINUED OPERATIONS

The divestment of Raisio's margarine business to Bunge was concluded on 16 October 2009. The price of the transaction was EUR 80 million. The transaction included the margarine business in Finland and Poland. The result from discontinued operations, including the divestment of the margarine business, was EUR 39.7 million. The final, specified transaction price was still under review at the date of the financial statements.

INVESTMENTS

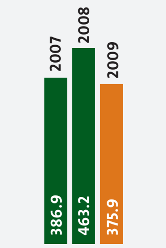
Raisio makes investments that target real needs. It aims to use existing capacity more efficiently by controlling it on the basis of customer information, as well as to raise utilisation rates. Raisio's partners assume responsibility for production and related investments on their own behalf. The Group's gross investments in 2009 totalled EUR 10.0 million (EUR 26.9 million), or 2.7 per cent (5.8%) of net sales. The gross investments of the Brands Division amounted to EUR 3.3 million (EUR 15.6 million), that of the Business to Business Division to EUR 5.4 million (EUR 9.3 million) and that of other operations to EUR 1.3 million (EUR 1.9 million).

The main investment in 2009 targeted the feed plant in the production site in Raisio. Investments in the comparison period included the acquisition cost of Melia Ltd's shares, totalling EUR 12.7 million.

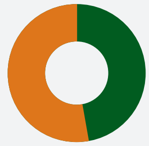
RESEARCH AND DEVELOPMENT

Raisio follows a consumer- and customer-oriented approach. R&D in foods develops plant-based, ecological, healthy, tasty and convenient products. The Benecol business carries out broad-based co-operation with research institutes and universities in clinical trials. R&D in feeds develops new feed mixes and feeding solutions that improve the efficiency and profitability of livestock production, ensure the animals' well-being and health and reduce the environmental load of livestock production.

The Group's research and development inputs in 2009 totalled EUR 6.1 million (EUR 5.8 million), or 1.6 per cent (1.3%) of net sales. The R&D expenses of the Brands



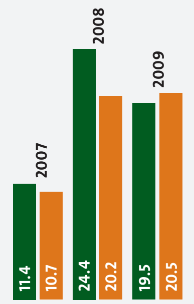
NET SALES (M€)



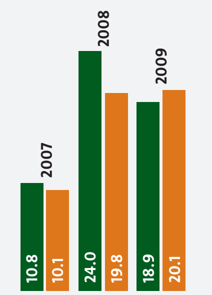
NET SALES BY DIVISION

BRANDS 47%

BUSINESS TO BUSINESS 53%

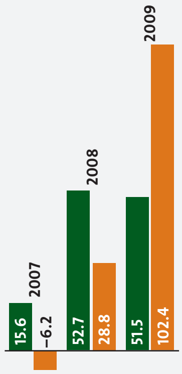


EBIT (M€)



RESULT BEFORE TAXES (M€)

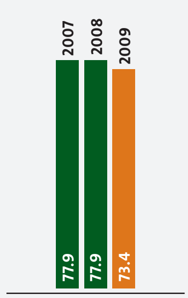
EXCLUDING ONE-OFF ITEMS



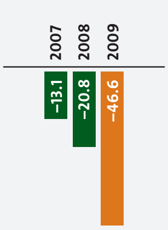
CASH FLOW (M€)

CASH FLOW FROM BUSINESS OPERATIONS

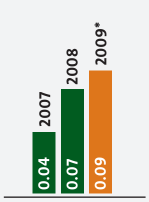
CASH FLOW AFTER INVESTMENTS



EQUITY RATIO (%)



NET GEARING (%)



DIVIDEND (€)

* BOARD OF DIRECTORS' PROPOSAL

CONTINUING OPERATIONS

Division were EUR 4.9 million (EUR 4.8 million) and those of the Business to Business Division EUR 1.2 million (EUR 1.0 million).

SEGMENT INFORMATION

BRANDS DIVISION

The January–December net sales of the Brands Division totalled EUR 177.6 million (EUR 195.4 million). The net sales of international brands increased by 2.7 per cent to EUR 47.0 million (EUR 44.3 million). The net sales generated by local brands were EUR 136.3 million (EUR 158.8 million). The Division accounted for around 47 per cent of the Group's net sales.

The Division's January–December EBIT was EUR 20.5 million (EUR 11.5 million, and, including one-off items, EUR 15.7 million). This represents 11.5 per cent (5.9%) of net sales, which exceeds the Division's target of 10 per cent. As predicted, Raisio's strong brands grew even stronger during difficult times. The increase in the sales volumes of Benecol products, as well as the sales growth of products sold under the Elovena and Sunnuntai brands especially in Finland, contributed to the considerable improvement in EBIT.

International brands – Benecol

The recession has not affected the overall demand for Benecol products. Their sales volumes increased in several European countries. In Great Britain, Benecol sales outpaced market growth. The sales promotion measures taken in Poland further strengthened the position of the Benecol brand. Bunge became a new, important partner for Raisio. In addition, Benecol products were launched on the Colombian market.

Plant stanol ester, the cholesterol-lowering ingredient in Benecol products, was one of the first products in Europe to obtain approval for the use of a disease-risk-reduction health claim under the Nutrition and Health Claim Regulation in autumn 2009. The following health claim is permitted in the marketing of Benecol foods containing plant stanol ester: "Plant stanol esters have been shown to lower blood cholesterol. High cholesterol is a risk factor in the development of coronary heart disease."

Clinical studies carried out in the Netherlands and Finland showed that a high daily intake of plant stanol ester, the Benecol ingredient, is safe for use and reduces cholesterol more effectively. The European Journal of Clinical Nutrition nominated plant stanol ester as one of the world's top ten nutritional innovations in the past thirty years.

Local brands

The Elovena, Sunnuntai and Carlshamn brands have strengthened during the recession, even though it has affected consumers' purchasing behaviour. Inexpensive everyday food and home baking grew more popular. Elovena products achieved record sales in Finland last year. The recession made 2009 a tough year in the HoReCa sector, which encompasses the catering business, bakeries and other food industry companies.

In 2009, Raisio completed its brand and product range optimisation and a profound customer co-operation development process, as well as raised the efficiency of its order-supply process and improved availability, especially in Finland, to correspond to those of the best companies. The divestment of the margarine business to Bunge completed in October 2009. The deal included the Finnish and Polish margarine businesses. Raisio will continue to sell margarine as a distributor of Bunge in Finland, Sweden and Estonia. Non-dairy products were launched under the Carlshamn brand on the Swedish market. A new company, Raisio Sp. z o.o., was established in Poland. Its product range includes Benecol snacks and grain products.

As a pioneering company, Raisio expanded the use of carbon footprint labelling of its products and was the world's first food company to indicate the overall water consumption of one of its consumer products on the package.

Targets

The targets for international brands are related to developing and expanding business worldwide, utilising new research information and developing new ingredients in order to broaden the product portfolio. Raisio still sees big opportunities in Asia and South America, where consumers have grown concerned about the rising cholesterol levels.

The target for Elovena, Sunnuntai and Carlshamn brands aim at profitable, organic growth in current market areas.

KEY FIGURES FOR THE BRANDS DIVISION

	10–12/2009	7–9/2009	4–6/2009	1–3/2009	2009	2008
NET SALES. M€	45.5	43.5	44.2	44.5	177.6	195.4
INTERNATIONAL BRANDS, M€	12.4	11.0	11.9	11.6	47.0	44.3
LOCAL BRANDS, M€	34.3	33.9	33.5	34.6	136.3	158.8
EBIT, M€	2.8	7.3	4.6	5.8	20.5	15.7
ONE-OFF ITEMS, M€	0.0	0.0	0.0	0.0	0.0	4.2
EBIT, EXCLUDING ONE-OFF ITEMS, M€	2.8	7.3	4.6	5.8	20.5	11.5
EBIT, %	6.2	16.8	10.3	13.1	11.5	5.9
INVESTMENTS, M€	1.1	1.1	0.7	0.4	3.3	15.6
NET ASSETS, M€	–	–	–	–	69.6	85.3

The objective of organic growth and acquisitions in Europe is to expand into new product categories and customer groups. Another target is to expand the product range of plant-based, ecological foods in the home market by introducing new, innovative products. Raisio will expand the use of carbon footprint label in its products.

BUSINESS TO BUSINESS DIVISION

The net sales of the Business to Business Division totalled EUR 205.6 million (EUR 282.7 million). The reduction resulted from the declining market prices of malt and vegetable oil caused by the global recession, from the drop in raw material prices being transferred to product prices, as well as from the reduced volumes in all operations. The Division accounted for around 53 per cent of the Group's net sales.

The EBIT of the Business to Business Division totalled EUR 3.0 million (EUR 12.3 million), or 1.4 per cent (4.3%) of net sales. Thanks to reacting quickly and adjusting its operations, the Division managed to report a profitable EBIT in each quarter of the exceptionally difficult year, even though the result decreased clearly year-over-year.

The volume of cattle feeds increased year-over-year. The Ylivieska plant met the efficiency and volume targets set for it, which led to a clearly stronger market position in the plant's operating region. One contributing factor was the confidence that customers showed in the Ylivieska plant as a local feed supplier. Exports of fish feeds increased over the previous year, while the volumes of pig and broiler feeds were down as a result of the overall market decreasing. The good domestic grain crop led to farms using more of their own grain as feed, while the additional capacity built in the field led to stiffer competition in the feed market. The recovery of the feed business is linked to the recovery of markets on the whole and to the profitability of livestock production.

The recession had a major impact on the operating environment of sectors dependent on global demand, such as malt and oil milling. The world market price of malt plunged in the review period and demand diminished in the vegetable oil market. Raisio adjusted its operations to the market situation.

Targets

With the traceability and safety of raw materials becoming increasingly important in the grain chain, Business to Business operations will continue to develop versatile co-operation with raw material producers. The main goal in the feed business is to strengthen the market position in Finland and to increase export. Raisio wants to be the most cost-effective partner of livestock producers. The company develops and introduces products and feeding solutions that improve the environmental efficiency of farms. The malt business aims to strengthen its position in the domestic market and in exports, as well as to increase co-operation with strategic partners.

Raisio has launched a development project to increase the use of vegetable oil for bioenergy and industrial solutions. Work on increasing the cultivation area of rapeseed in Finland is also ongoing. The goal is to ensure the competitiveness of the Finnish oil milling business on global markets, as well as to increase Finland's self-sufficiency in feed protein.

MANAGEMENT AND ADMINISTRATION

Raisio's Board of Directors had five members in 2009: Simo Palokangas (Chairman), Michael Ramm-Schmidt (Deputy Chairman), Anssi Aapola, Erkki Haavisto and Satu Lähteenmäki. The Board members are independent of the company and of significant shareholders.

Raisio's Supervisory Board is chaired by Michael Hornborg, MA (Agriculture & Forestry) and farmer, as of May 2009, while Holger Falck, agronomist, is the Deputy Chairman.

Vesa Kurula, Vice President, Operations, and a member of Raisio's management team, left the company in September 2009.

PERSONNEL

Raisio's continuing operations employed 593 people at year-end (31 December 2008: 625 people), with 14.3 per cent (31 December 2008: 14.7%) of the staff employed outside Finland. The Brands Division had 288, the Business to Business Division 244 and the service functions 61 employees on 31 December 2009.

KEY FIGURES FOR THE BUSINESS TO BUSINESS DIVISION

	10–12/2009	7–9/2009	4–6/2009	1–3/2009	2009	2008
NET SALES, M€	46.3	54.2	55.8	49.3	205.6	282.7
FEED, M€	40.0	48.8	43.0	44.3	176.1	235.9
MALT, M€	6.2	4.8	11.0	4.4	26.3	43.5
OTHER, M€	0.1	0.7	2.0	0.7	3.6	4.1
EBIT, M€	2.0	0.3	0.6	0.1	3.0	12.3
ONE-OFF ITEMS, M€	0.0	0.0	0.0	0.0	0.0	0.0
EBIT, EXCLUDING ONE-OFF ITEMS, M€	2.0	0.3	0.6	0.1	3.0	12.3
EBIT, %	4.3	0.6	1.0	0.1	1.4	4.3
INVESTMENTS, M€	1.3	1.7	1.7	0.6	5.4	9.3
NET ASSETS, M€	–	–	–	–	79.2	81.7

In 2009, Raisio's wages and fees from continuing operations totalled EUR 41.7 million (EUR 46.3 million in 2008 and EUR 46.1 million in 2007) including other personnel expenses.

Personnel-related matters are reported in greater detail in the corporate responsibility report published in conjunction with the annual report.

CORPORATE RESPONSIBILITY

Raisio is committed to taking responsibility for its operating environment, environmental matters and personnel, developing its operations in line with the principles of sustainable development. The company is closely involved in dealing with global changes that affect the food supply chain by developing ecological and healthy products and solutions that preserve natural resources and satisfy customer needs. Raisio is not aware of any significant financial environmental risks related to its operations. The company's operations are on an ecologically, ethically and financially solid foundation.

Raisio's corporate responsibility report is included in the annual report. The company reports on its corporate responsibility in compliance with the international GRI guidelines on sustainable development.

CHANGES IN GROUP STRUCTURE

The divestment of the margarine business included the Polish company Raisio Polska Foods Sp. z o.o. Raisio established a new company in Poland, Raisio Sp. z o.o. Its product range includes Benecol snacks and grain products.

COMPANY SHARES

At the end of the review period, Raisio plc held 8,803,109 free shares and 201,295 restricted shares, which were acquired from 2005 to 2009 based on the authorisation given by the Annual General Meeting. The number of free shares held by the company accounts for 6.7 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 the Group represent 5.5 per cent of the company's share capital and 1.6 per cent of overall votes. The company does not have any shares as collateral and did not have any in the review period. Since all of the shares were purchased in public trading, the company does not know what proportion of them may have been purchased from close associates of the company.

Of the shares held by the company, 3,487 restricted shares were purchased from January to March 2009 based on the authorisation given by the 2008 Annual General Meeting. The shares were purchased in public trading at the going price at the time of acquisition. A total of EUR 5,689 was paid for them. The number of restricted shares purchased in the review period accounts for 0.1 per cent of all restricted shares and the votes they represent. The number of all shares acquired in the period accounts for 0.002 per cent of the share capital and 0.008 per cent of overall votes.

Based on the authorisation given by the 2008 Annual General Meeting, 355,391 free shares were assigned in the review period. Of these, 334,500 were assigned as a part of the 2008 share-based incentive scheme in August 2009, and a total of 20,891 were assigned monthly, as of 1 April 2009, as rewards to the Chairman and members of the Board of Directors for handling their duties. The share-based rewards for April and May, however, were assigned in May. The value of free shares assigned as a part of the share-based incentive scheme was EUR 696,764 at the time of assignment, while the value of free shares assigned as rewards to the Board of Directors totalled EUR 45,190. The number of assigned shares equals 0.02 per cent of the share capital and 0.04 per cent of the votes it represents.

Of the 13 individuals who received shares based on the 2008 share-based incentive scheme, Jacek Dziekonski, Markku Krutsin, Leif Liedes, Merja Lumme, Pasi Lähdetie, Jyrki Paappa, Vincent Puojardieu and Matti Rihko belonged to the close associates of the company.

The Board of Directors was authorised by the Annual General Meeting in 2009 to dispose of all company shares. According to the Companies Act, the Board of Directors is also entitled to annul them. No shares were annulled in the review period.

As recognition of and reward for the successfully completed divestment of the margarine business, the company has decided to assign 168,000 Raisio plc free shares to 51 individuals in March 2011. The shares to be assigned at that time account for 0.1 per cent of the share capital and 0.02 per cent of the votes it represents, and their value will be determined at the time of assignment.

Subsidiaries do not and did not hold parent company shares, and they do not and did not hold them as collateral. 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 whole share capital and 0.37 per cent of the votes it represents. The Foundation does not and did not hold Raisio plc shares as collateral. A share in Raisio or its subsidiary does not entitle the holder to participate in the Annual General Meeting.

EVENTS AFTER THE REVIEW PERIOD

The proceedings concerning the sales profit from the divestment of Raisio's chemical business in 2004 have concluded favourably for Raisio on Tuesday, 9 February 2010. The Tax Administration's Tax Recipients' Legal Services Unit was not granted the leave to appeal by the Supreme Administrative Court. Raisio has considered the sales profit of approximately EUR 220 million to be free of tax and has handled it accordingly in its accounting. This was also the opinion of the Tax Office for Major Corporations in regular taxation, the Assessment Adjustment Board, the Helsinki Administrative Court and now the Supreme Administrative Court.

On Wednesday, 10 February 2010 Raisio announced a public offer to acquire the entire issued ordinary share capital of Glisten plc valuing the entire issued ordinary share capital at approximately EUR 22.8 million. Raisio offers EUR 1.61 per share. Glisten plc is a public company listed on the AIM market of the London Stock Exchange operating in the health, nutrition and premium snacking sectors. The completion of the acquisition process is expected to take place at the beginning of the second quarter of 2010 if the shareholders of Glisten support Raisio's offer. Raisio has a significant support from Glisten shareholders including senior management to accept the offer. The acquisition supports Raisio's strategy and provides both companies good opportunities for growth.

RISKS AND SOURCES OF UNCERTAINTY IN THE NEAR FUTURE

Economic growth may lead to an increase in the valuation of acquisitions. Uncertainty in the global economy may cause higher volatility in raw material and product prices, and business management will continue to be challenging.

Based on an appeal made by livestock producers, the Finnish Competition Authority will examine the legality of closed chains to determine the possibility of slaughterhouses to restrict the independence of livestock producers by imposing demands on feed contracts. If such activities are found to be legal, they will limit the independence of feed customers and restrict their freedom to choose their feed supplier based on competitive bidding.

The current EU health care claim process should create opportunities for Raisio, and on the other side it may also represent some risks as some claims are still under scrutiny by the EU parliament and as the implementation of the approved health claims are not yet totally clear.

OUTLOOK FOR 2010

In 2010–2011, Raisio will move to a growth phase. We expect a considerable increase in net sales in 2010. The cost of growth projects is predicted to impact the Group's profitability, especially in the early part of the year. The target EBIT of 10 per cent for the Brands Division and 5 per cent for the Business to Business Division will not yet be achieved in 2010. Our target is to maintain the existing level of profitability at the beginning of the growth phase.

BOARD OF DIRECTORS' PROPOSAL FOR THE DISTRIBUTION OF PROFITS

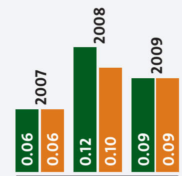
The parent company's distributable equity was EUR 199,519,488.14 on 31 December 2009. The Board of Directors will propose a dividend of EUR 0.09 per share at the Annual General Meeting on 25 March 2010.

The ex-dividend date is 26 March 2010, and the record date is 30 March 2010. The payable date is 8 April 2010.

Raisio, 11 February 2010

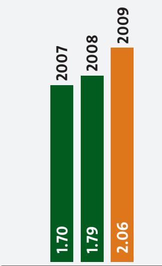
Raisio plc

Board of Directors

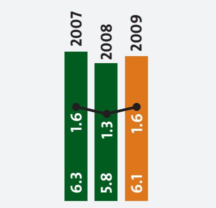


EARNINGS/SHARE (€)

EXCLUDING ONE-OFF ITEMS

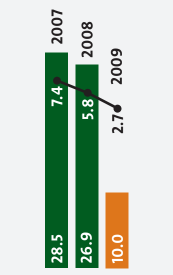


EQUITY/SHARE (€)



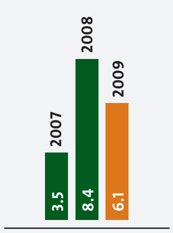
R & D EXPENCES (M€)

% OF NET SALES

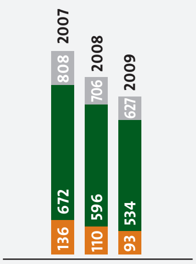


INVESTMENTS (M€)

% OF NET SALES



RETURN ON INVESTMENT, ROI (%)

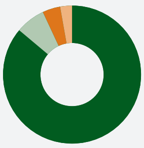


AVERAGE PERSONNEL

FINLAND

ABROAD

TOTAL



FINLAND 86%

RUSSIA AND UKRAINE 7%

REST OF EUROPE 4%

USA 3%

PERSONNEL BY REGION

CONTINUING OPERATIONS

CONSOLIDATED INCOME STATEMENT

(EUR MILLION)	NOTE	1.1.–31.12.2009	1.1.–31.12.2008
CONTINUING OPERATIONS:			
NET SALES	1	375.9	463.2
Cost of sales		−313.3	−394.5
Gross profit		62.6	68.7
Sales and marketing expenses		−28.4	−31.7
Administration expenses		−12.2	−11.9
Research and development expenses		−6.1	−5.8
Other income and expenses from business operations	2	3.5	5.1
EBIT	3, 4, 19	19.5	24.4
Financial income	5	3.1	2.4
Financial expenses	5	−3.7	−2.8
Share of the result of associates and joint ventures		0.1	0.1
RESULT BEFORE TAXES		18.9	24.0
Income taxes	6	−5.6	−4.5
RESULT FOR THE FINANCIAL PERIOD FOR CONTINUING OPERATIONS		13.4	19.5
DISCONTINUED OPERATIONS:	7		
Result for the financial period for discontinued operations		39.7	2.8
RESULT FOR THE FINANCIAL PERIOD		53.1	22.2
ATTRIBUTABLE TO:			
Parent company shareholders		53.1	22.1
Minority interest		0.0	0.1
		53.1	22.2
EARNINGS PER SHARE CALCULATED FROM THE RESULT OF PARENT COMPANY SHAREHOLDERS	8		
Earnings per share from continuing operations (EUR)			
Undiluted earnings per share		0.09	0.12
Diluted earnings per share		0.09	0.12
Earnings per share from discontinued operations (EUR)			
Undiluted earnings per share		0.26	0.02
Diluted earnings per share		0.25	0.02

COMPREHENSIVE INCOME STATEMENT

(EUR MILLION)	1.1.–31.12.2009	1.1.–31.12.2008
RESULT FOR THE PERIOD	53.1	22.2
OTHER COMPREHENSIVE INCOME ITEMS		
Translation differences recognised in profit and loss on disposal of foreign operations	−0.3	0.1
Gains and losses arising from translating the financial statements of foreign operations	−0.3	−1.0
COMPREHENSIVE INCOME FOR THE PERIOD	52.6	21.3
COMPONENTS OF COMPREHENSIVE INCOME:		
Equity holders of the parent company	52.6	21.2
Minority interest	0.0	0.1
	52.6	21.3

CONSOLIDATED BALANCE SHEET

(EUR MILLION)	NOTE	31.12.2009	31.12.2008
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	9	7.5	10.0
Goodwill	9, 10	0.0	1.2
Tangible assets	9	95.3	124.2
Shares in associated companies and joint ventures	11	0.8	0.7
Financial assets available for sale	12	0.6	0.6
Long-term receivables	13	0.4	0.6
Deferred tax assets	20	6.5	7.9
		111.0	145.2
CURRENT ASSETS			
Inventories	14	55.0	73.3
Accounts receivables and other receivables	15	54.9	66.0
Financial assets through profit or loss at fair value	16	215.3	66.8
Cash in hand and at banks	17	8.0	12.8
		333.2	218.9
TOTAL ASSETS		444.2	364.0
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY	18,19		
Equity of parent company shareholders			
Share capital		27.8	27.8
Premium fund		2.9	2.9
Reserve fund		88.6	88.6
Company shares		–18.5	–19.3
Translation differences		–3.7	–3.2
Retained earnings		225.0	182.7
		322.0	279.4
Minority interest		0.0	0.0
TOTAL SHAREHOLDERS' EQUITY		322.0	279.4
LIABILITIES			
Non-current liabilities			
Deferred tax liability	20	7.6	7.4
Pension contributions	21	0.2	0.2
Reserves	22	1.4	0.0
Non-current financial liabilities	24	48.6	14.3
Other non-current liabilities	25	0.0	0.1
		57.8	22.0
Current liabilities			
Accounts payable and other liabilities	25	48.3	54.9
Tax liability based on the taxable income for the period		0.1	0.7
Reserves	22	1.6	1.1
Financial liabilities at fair value through profit or loss	23	0.1	0.4
Current financial liabilities	24	14.2	5.5
		64.4	62.6
TOTAL LIABILITIES		122.1	84.6
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		444.2	364.0

Notes are an essential part of the financial statements.

CHANGES IN SHAREHOLDERS' EQUITY IN THE FINANCIAL PERIOD ENDED 31 DECEMBER 2009

(EUR MILLION)	SHARE CAPITAL	SHARE PREMIUM FUND	RESERVE FUND	OWN SHARES	TRANSLATION DIFFERENCES	RETAINED EARNINGS	EQUITY OF PARENT COMPANY SHAREHOLDERS	MINORITY INTEREST	TOTAL SHARE-HOLDERS' EQUITY
SHAREHOLDERS' EQUITY ON 31.12.2007	27.8	2.9	88.6	−17.9	−2.3	167.0	266.1	12.7	278.8
Comprehensive income for the period					−0.9	22.1	21.2	0.1	21.3
Dividends						−6.3	−6.3		−6.3
Repurchase of own shares				−1.6			−1.6		−1.6
Share-based payment				0.2		0.1	0.2		0.2
Squeeze-out						−0.2	−0.2	−12.8	−13.0
SHAREHOLDERS' EQUITY ON 31.12.2008	27.8	2.9	88.6	−19.3	−3.2	182.7	279.4	0.0	279.4
Comprehensive income for the period					−0.6	53.1	52.6	0.0	52.6
Dividends						−10.9	−10.9		−10.9
Repurchase of own shares				0.0			0.0		0.0
Share-based payment				0.9		0.1	1.0		1.0
SHAREHOLDERS' EQUITY ON 31.12.2009	27.8	2.9	88.6	−18.5	−3.7	225.0	322.0	0.0	322.0

CONSOLIDATED CASH FLOW STATEMENT

(EUR MILLION)	2009	2008
CASH FLOW FROM BUSINESS OPERATIONS		
EBIT	58.9	28.3
Adjustments to EBIT:		
Depreciation and impairment	21.7	19.4
Other income and expenses not involving disbursement	5.5	1.1
Other adjustments 1)	−52.0	−3.9
Cash flow before change in working capital	34.1	44.8
Change in current receivables	4.2	−0.7
Change in inventories	16.3	18.1
Change in current non-interest-bearing liabilities	−2.6	−5.0
Change in reserves	0.0	−0.8
Change in working capital	17.9	11.7
Cash flow from business operations before financial items and taxes	52.0	56.5
Interest paid	−4.1	−1.6
Dividends received	0.2	0.2
Interest received	2.7	1.8
Other financial items, net	1.7	−3.7
Income taxes paid	−1.1	−0.5
CASH FLOW FROM BUSINESS OPERATIONS	51.5	52.7
CASH FLOW FROM INVESTMENTS		
Acquisition of subsidiaries, minus liquid assets on the date of acquisition	0.0	−8.0
Investments on marketable securities	−10.0	0.0
Investments in tangible and intangible assets	−10.0	−17.1
Divestment of subsidiaries less liquid assets at the time of divestment	47.1	0.1
Income from investments available for sale	0.0	0.0
Income from tangible and intangible assets	23.6	1.2
Loans granted	−0.1	−1.9
Repayment of loan receivables	0.3	1.8
CASH FLOW FROM INVESTMENTS	50.9	−23.8
Cash flow after investments	102.4	28.8
CASH FLOW FROM FINANCIAL OPERATIONS		
Non-current loans taken out	52.5	17.0
Repayment of non-current loans	−8.5	−1.3
Change in current loans	−0.7	−3.2
Dividends paid	−10.8	−6.3
Repurchase of own shares	0.0	−1.6
CASH FLOW FROM FINANCIAL OPERATIONS	32.4	4.5
Change in liquid funds according to statement	134.8	33.4
Adjustment to translation difference	0.1	0.5
Change in liquid funds	134.9	33.9
Liquid funds at the beginning of the period	77.9	43.6
Impact of change in market value on liquid funds	0.1	0.4
Liquid funds at period-end	213.0	77.9

1) Adjustments resulting from divestment of working capital and investments.

ACCOUNTING POLICIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

BASIC INFORMATION

Raisio develops, produces and markets foods, functional food ingredients, feeds and malts. The Group operates in 9 countries. Raisio's organisation consists of two divisions – Brands and Business to Business – and service functions that support the Group's business areas.

The Group's parent company is Raisio plc. The parent company is domiciled in Raisio, Finland, and its registered address is Raisionkaari 55, FI-21200 Raisio.

Raisio's shares are listed on NASDAQ OMX Helsinki Ltd.

Copies of the financial statements are available on the company's website at www.raisio.com or from the parent company's headquarters in Raisio.

These consolidated financial statements were authorised for issue by Raisio plc's Board of Directors on 11 February 2010. Under the Finnish Companies Act, shareholders are entitled to adopt or reject the financial statements at the Annual General Meeting held after the publication of the financial statements. The Annual General Meeting may also decide to amend the financial statements.

BASIS OF PRESENTATION

Raisio's consolidated financial statements have been prepared according to the International Financial Reporting Standards (IFRS) and following the IAS and IFRS standards and SIC and IFRIC interpretations valid on 31 December 2009. In the Finnish Accounting Act and related rules and regulations, the International Accounting Standards refer to the standards and their interpretations approved for application within the EU according to the procedure governed by EU Regulation (EC) No. 1606/2002. Notes to the consolidated financial statements also comply with the Finnish Accounting and Community legislation that supplements the IFRS provisions. The currency used in the financial statements is the euro, and the statements are shown in EUR millions.

The consolidated financial statements have been prepared based on original purchase costs with the exception of available-for-sale financial assets, financial assets and liabilities entered at fair value through profit and loss, as well as derivative contracts measured at fair value. Non-current assets held for sale have been valued at the lower of the following: fair value less costs to sell or book value.

The Group has adopted the following revised or amended standards and interpretations as of 1 January 2009:

- IFRS 8 *Operating Segments replaces* IAS 14 *Segment Reporting*. According to the new standard, segment information must be based on internal reporting to the management and on the related accounting policies. The standard requires that data be presented on the Group's products, services, geographical areas and significant customers. The adoption of the new standard has not had a material impact on the disclosure of segment information, since the previously published segment information has also been based on the Group's internal reporting structure.
- Revised IAS 1 *Presentation of Financial Statements*. The revised standard changes the presentation of financial statements by separating changes in equity related to capital transactions with owners from non-owner changes in equity. The changes are mainly related to the presentation of the income statement and the statement of changes in equity. Comparative information has also been changed to correspond to the amended standard. The revision only applies to presentation and does not affect earnings per share.
- Amended IAS 23 *Borrowing Costs*. The amended standard requires that the acquisition cost of an asset, such as a production plant, which meets the conditions, shall directly include borrowing costs incurred from the acquisition, construction or production of the asset in question. The Group has previously recognised borrowing costs as an expense in the period in which they were incurred. The amendment has not affected the consolidated financial statements, since the Group did not have acquisitions that meet the conditions in the accounting period.
- Amendments to IFRS 2 *Share-based Payments for Vesting Conditions and Cancellations*. The amendment states that vesting conditions may only be service and performance conditions. According to the amendment, all features that are not vesting conditions must be taken into account when measuring the fair value of equity instruments. The amendment also clarifies the accounting treatment of cancellations. The amendments have not had a material impact on the consolidated financial statements.
- Amendments to IFRS 7 *Financial Instruments: Disclosures for Improving Disclosures about Financial Instruments*. The amendments were published in March 2009 in response to the global financial crisis. The amended standard requires additional disclosures to help evaluate the relative reliability of fair value measurements. Moreover, the amendments clarify and expand existing requirements for disclosures about the liquidity risk associated with financial instruments. The amendments do not have a material impact on the consolidated financial statements.
- Amendments to IAS 1 *Presentation of Financial Statements* and IAS 32 *Financial Instruments: Presentation for Puttable Financial Instruments and Obligations Arising on Liquidation*. The amendments require some puttable equity instruments that currently meet

the definition of a financial liability to be classified as equity. The adoption of the amended standards has not affected the consolidated financial statements.

- Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards* and IAS 27 *Consolidated and Separate Financial Statements for Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*. Since the amendments apply to first-time adopters, they will not have an impact on future consolidated financial statements.
- *Improvements to IFRSs, May 2008*. In the Annual Improvements process, minor and less urgent amendments to standards are compiled and implemented once a year. The process includes amendments to a total of 34 standards. The impacts of the amendments vary depending on the standard, but the amendments have not had a material impact on the consolidated financial statements.
- IFRIC 13 *Customer Loyalty Programmes*. The interpretation addresses loyalty award credits. Since the Group does not have any customer loyalty programmes referred to in the interpretation, this interpretation has not affected the consolidated financial statements.
- IFRIC 15 *Agreements for the Construction of Real Estate*. The interpretation provides guidance on how to determine what standard to apply when recognising revenue from real estate construction and when revenue from a construction project can be recognised. The interpretation has not affected the consolidated financial statements, since the Group does not operate in the construction industry.
- IFRIC 16 *Hedges of a Net Investment in a Foreign Operation*. The interpretation clarifies the treatment of hedge accounting of a net investment in a foreign operation in the consolidated financial statements. The interpretation has not affected Raisio's consolidated financial statements.

When preparing the financial statements in accordance with the IFRS, Group management must make certain estimates and judgments concerning the application of accounting principles. Information about the estimates and judgments that the management has made when applying the Group's accounting principles and that have the biggest impact on the figures presented in the financial statements are presented in conjunction with the accounting principles under "Critical accounting judgments and key sources of estimation uncertainty".

SCOPE AND ACCOUNTING POLICIES OF CONSOLIDATED FINANCIAL STATEMENTS

Subsidiaries

Raisio's consolidated financial statements include the parent company, Raisio plc, and such directly or indirectly owned subsidiaries over which it has control. Control is acquired when the Group owns more than half of the voting rights or possesses other rights to determine the financial and business principles of a company in order to benefit from its business operations.

In the consolidated financial statements, mutual shareholding is eliminated using the acquisition cost method. Acquisition cost is determined on the basis of the fair value of acquired assets valid on the purchase date plus direct costs related to the purchase. Goodwill consists of the portion of acquisition cost over the fair value of the net assets of the acquired company. Goodwill is not depreciated; its value is assessed at least once annually with an impairment test. Impairment losses are recognised through profit or loss.

Subsidiaries acquired during the financial period are included in the consolidated financial statements from the moment the Group acquires control; assigned subsidiaries are included in the statements until such control ends.

Business transactions between Group companies, internal receivables and liabilities, as well as internal distribution of profits and unrealised profits from internal deliveries are eliminated when preparing the consolidated financial statements. Unrealised losses are not eliminated if the loss is due to impairment.

Minority interest

Allocation of profit between parent company shareholders and the minority interest is presented in a separate income statement. Allocation of comprehensive income between parent company shareholders and the minority interest is presented in the statement of comprehensive income. The minority interest is included in the balance sheet under shareholders' equity as a separate item from the equity attributable to parent company owners. The minority interest of the losses accrued is entered in the consolidated financial statements up to the amount invested.

Associated companies and joint ventures

Associated companies are companies in which the Group owns 20–50% of the voting rights or over which it has considerable influence but no control. Joint ventures are companies where, according to an agreement-based arrangement, the Group is committed to sharing the control of financial and business principles with one or more parties. Associated companies and joint ventures are consolidated using the equity method. A holding equivalent to the Group ownership is eliminated from the unrealised profits between the Group and its associated companies or joint ventures. The Group investment in associated companies and joint ventures includes goodwill generated by the acquisition. The application of the equity method is discontinued when the book value of the investment has decreased to zero, unless the Group has acquired liabilities related to its associated companies or joint ventures or has guaranteed their liabilities. The Group's share of the associated companies' and joint ventures' profit for the period, calculated on the basis of its ownership, is presented as a separate item after EBIT. Similarly, the Group's share of the changes recognised in associated companies' and joint ventures' other comprehensive income have been recognised in the Group's other comprehensive income.

SEGMENT REPORTING

Segment information is presented in a manner similar to internal reporting reviewed by the chief decision-maker. The Group's Management Team has been nominated as the chief decision-maker at Raisio. It is responsible for allocating resources to operating segments and for evaluating their results.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

Figures representing the Group entities' performance and financial position are measured in the currency used in the main operating environment of each entity ('functional currency'). The functional and presentation currency of the parent company is the euro.

Business transactions in foreign currency

Business transactions in foreign currency are entered in the functional currency by using the transaction date exchange rate. Monetary items in foreign currency are converted into the functional currency using the closing date exchange rate. Non-monetary items are valued at the transaction date exchange rate. Profits and losses from transactions in foreign currency and the conversion of monetary items are recognised through profit or loss. Exchange rate profits and losses related to the main business are included in the corresponding items above EBIT. Financial exchange rate profits and losses are entered under financial income and expenses.

Conversion of financial statements in foreign currency

The separate income statements for foreign Group companies, where the valuation or closing currency is not the euro, are converted to the euro using the average exchange rates of the reporting period, and balance sheets using the closing date exchange rates. Converting income and comprehensive income from the accounting period by using different exchange rates in the income statement, the statement of comprehensive income and the balance sheet result in a translation difference recognised under shareholders' equity in the balance sheet, the change of which is recognised in other comprehensive income. Translation differences arising from the elimination of the acquisition cost of foreign entities and the conversion of items of equity accrued post-acquisition are recognised in other comprehensive income. When disposing of a foreign Group company during the period, the accumulated translation differences are recognised through profit or loss as part of the sales profit or loss when recording the corresponding disposal proceeds.

According to the exemption allowed by the IFRS 1, any cumulative translation differences accrued prior to the IFRS adoption date, 1 January 2004, have been entered under accrued profits and will not be recognised through profit or loss later when the subsidiary is sold. From the adoption date, the translation difference for foreign entities due to exchange rate changes is entered as a separate item under the translation differences of the Group shareholders' equity. The same process applies to non-current, intra-Group loans which, for their actual contents, are comparable with shareholders' equity.

Goodwill generated by the acquisition of a foreign entity and adjustments related to fair values are treated as assets and liabilities in the local currency of the unit in question and converted to the closing date exchange rate.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are valued at the original purchase cost minus accrued depreciations and value impairment.

When part of an item of property, plant and equipment is treated as a separate item, costs related to the replacement of the part are activated. Otherwise, any costs generated later are included in the carrying amount of the property, plant and equipment item only if it is likely that any future financial benefit related to the item will benefit the Group and that the purchase cost of the item can be determined reliably. Other repair and maintenance costs are recognised through profit or loss when they are realised.

Straight-line depreciations are made from tangible assets within the estimated financial effect period. No depreciations are made from land. The estimated useful lives are as follows:

- buildings and structures 10–25 years
- machinery and equipment 4–15 years

Estimated useful lifetimes are reviewed every closing date, and corresponding adjustments are made to the depreciation periods if they differ significantly from the previous figures. If the carrying amount of a commodity is greater than the recoverable amount, the carrying amount is immediately reduced to the recoverable level of the amount. Impairment is discussed in greater detail under "Impairment of tangible and intangible assets".

Sales profits and losses are determined by comparing the sales profit to the carrying amount. Sales profits and losses are included in the income statement under other operating income and expenses.

Depreciations on property, plant and equipment are discontinued when the item is classified as available for sale according to IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. Items of property, plant and equipment available for sale are valued at their carrying amount or a lower fair value less costs to sell.

BORROWING COSTS

The Group adopted the revised IAS 23 *Borrowing Costs* at the beginning of 2009. According to the revised standard, borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, such as a production plant, shall be capitalised when it is likely that they will generate future financial benefit and when the costs can be determined reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred. Since the Group did not acquire any qualifying assets in the accounting period, borrowing costs have not been capitalised in the period.

GOVERNMENT GRANTS AND ASSISTANCE

Government grants related to the purchase of property, plant and equipment are entered as deductions from the carrying amount when the Group has reasonable assurance of receiving the grants. In the case of grants, revenue recognition takes place through lower depreciations within the asset's useful life. Other public subsidies are recognised through profit or loss under income for the accounting periods in which the costs corresponding to the subsidies are generated.

INTANGIBLE ASSETS

Goodwill

Goodwill generated from business acquisitions represents the part of the purchase cost on the acquisition date that exceeds the Group's share of the fair value of net assets, debts and conditional debts of the companies acquired after 1 January 2004 (IFRS transition date). Other expenses directly resulting from the acquisition are also included in the acquisition cost. The goodwill of associated companies and joint ventures is included in the value of investment in associated companies and joint ventures. The goodwill of business combinations carried out prior to 1 January 2004 corresponds to the carrying amount according to the previous accounting standards, which has been used as the deemed cost for IFRS.

Goodwill is valued at the original purchase cost with impairment deducted. Goodwill and fair value measurement at the time of acquisition are treated as assets and liabilities of the acquired company. Goodwill is not depreciated in a regular manner; instead of depreciations, goodwill is tested annually for possible impairment. Impairment loss is recognised through profit or loss. For this purpose, goodwill is allocated to the entities that generate cash flow.

Research and development costs

Research costs are recognised as an expense in the income statement for the year in which they were generated. Research costs are capitalised in the balance sheet as intangible assets from the date after which the product can be technically implemented and commercially utilised and after which it is expected to generate financial benefit. Research costs previously entered as expenses cannot be recognised as assets in later accounting periods.

Costs related to the development of new products and processes at Raisio have not been capitalised, because any future returns to be derived from these are only ensured when the products are launched. Therefore, the Group has no capitalised development costs on the balance sheet on the closing date.

Other intangible assets

An intangible asset is recognised in the balance sheet at original cost if it can be reliably measured and it is probable that the economic benefits attributable to the asset will flow to the entity.

Intangible assets are entered in the income statement as an expense based on the straight-line depreciation method over their known or estimated useful life. The Group is not considered to have any assets with an unlimited useful life. The depreciation of intangible assets is based on the following estimated useful lives:

- Intangible rights 5–10 years
- Other intangible assets 5–20 years

INVENTORIES

Inventories are valued at the acquisition cost or at a lower net realisable value. The acquisition cost is determined by using the FIFO method or alternatively by the equivalent weighted average cost. The acquisition cost of finished products and work in progress consists of raw materials, direct work-related costs, other direct costs and the appropriate part of the variable manufacturing costs, as well as fixed general costs based on the normal utilised capacity. The acquisition cost does not include borrowing costs. A net realisable value is the estimated sales price in normal business operations, with the estimated product completion costs and sales-related costs deducted.

ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets and assets and liabilities related to discontinued operations are classified as held for sale if a value corresponding to their carrying amount will mainly be accumulated from the sale of the asset instead of from continuing use. In this case, the sale is considered to be highly probable, the asset is available for immediate sale in its current condition, management is committed to a plan to sell, and the sale is expected to take place within 12 months of classification. Assets held for sale and assets related to discontinued operations classified as held for sale are valued at the lower of the following: the carrying amount or the fair value less costs to sell. Depreciations from these assets are discontinued at the time of classification.

The result from discontinued operations is presented in the income statement as a separate item. Assets held for sale are presented as a separate item in the balance sheet.

RENTAL AGREEMENTS

Group as lessee

Rental agreements on tangible and intangible assets, where the Group has an essential share of the risks and benefits characteristic of ownership, are classified as financial leasing agreements. Assets acquired by a financial leasing agreement are entered on the balance sheet at the fair value of the leased asset at the commencement date of the rental agreement or at a lower current value of minimum rents. Payable leasing rents are divided into leasing costs and debt deductions. Financing interest is entered in the income statement during the leasing agreement in such a manner that the remaining debt will carry equal interest in each financial period. Depreciations from goods acquired via a financial leasing agreement are made within the useful life of the goods or a lower rental period. Rental obligations are included in financial liabilities.

Rental agreements that leave the risks and rewards incident to ownership to the lessor are treated as other rental agreements. Rents determined by any other rental agreement are recognised as an expense through profit or loss as fixed charge items within the rental period.

Group as lessor

All rental agreements with the Group as a lessor constitute other rental agreements, and the goods are included in the property, plant and equipment of the Group.

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

On each closing date, the Group assesses whether there are any indications of impairment in any asset. If there are indications, the amount of recoverable currency from the asset is estimated. For the assessment of impairment, assets are divided into units at the lowest level, which is mostly independent of other units and with a cash flow that can be differentiated. Irrespective of whether or not there are indications of impairment, impairment tests are always carried out annually for goodwill and unfinished intangible assets.

The recoverable amount of currency from tangible and intangible assets is the fair value of the assets less costs to sell, or a higher value in use. When determining the value in use, estimated future cash flows approved by the management are discounted to their present value at the average cost of the capital, which reflects the time value of the currency and the risk for the entity in question.

Impairment losses are entered when the carrying amount of assets is higher than the recoverable amount. Impairment loss is recognised through profit or loss. The impairment loss of an entity that produces a cash flow is first allocated to reduce the goodwill of an entity that produces the cash flow and then, symmetrically, the values of other assets of the entity. In conjunction with the recognition of impairment losses, the useful life of the asset subjected to depreciation is re-evaluated. The impairment of property, plant and equipment and of intangible assets, apart from impairment loss of goodwill, is cancelled if conditions have changed and the recoverable amount of assets has changed since the time the impairment loss was entered. However, the impairment loss will not be cancelled to a greater extent than the carrying amount of the assets would amount to without entering the impairment loss. Impairment losses recognised for goodwill are not reversed under any circumstances.

EMPLOYEE BENEFITS

Pension obligations

Post-employment benefits are classified as defined contribution or defined benefit plans. Under a defined contribution plan, the Group makes payments to separate units. The Group has no legal or constructive obligation to make further payments if the payment recipient does not have sufficient assets to pay the post-employment benefits. All arrangements that do not meet these conditions are defined benefit plans.

The Group's pension schemes comply with the local regulations of each country. Pension schemes are usually managed by separate pension insurance companies. Most of the foreign schemes, as well as the Finnish TyEL scheme, are defined contribution systems. Payments made to defined contribution pension schemes are recognised through profit or loss in the accounting period the charge applies to. The Group has no material defined benefit schemes.

Share-based payments

The Group has set up a three-year share-based incentive scheme as a part of its incentive and reward system offered to key personnel. In the scheme, the rewards are paid as a combination of company shares, previously acquired for the parent company, and cash. The shares issued under the scheme are measured at fair value at grant date and recognised as employee benefit expenses on a straight line over the vesting period. Cash-settled transactions are estimated using the share price on each reporting date and amortised through profit or loss as employee benefit expenses from the grant date to the date on which the transaction is made to the recipient. Equity-settled transactions are recognised under shareholders' equity and cash-settled transactions under liabilities.

PROVISIONS

Provisions are entered when the Group has a legal or actual liability due to a previous transaction, the realisation of the payment liability is likely and the amount of the liability can be reliably estimated. If part of the liability can be compensated by a third party, the compensation is entered as a separate asset, but only when, in practical terms, it is certain that the compensation will be received. Provisions are valued at the present value of expenditure required to settle the liability. The present value is calculated using a discount factor that has been selected to reflect the markets' view of the time value of money at the time of calculation and the risk related to the liability.

A rearrangement provision is entered when the Group has prepared a detailed rearrangement plan and implementation of the plan has begun or a notification of the matter has been issued. The rearrangement plan should include at least the following: arrangement-related business operations, main offices possibly affected by the arrangement, the workplace location, tasks and the estimated number of employees to whom compensations will be made for redundancy, expenses to be realised and the implementation period of the plan.

A provision is entered for loss-making agreements when the necessary expenses required to fulfil the liabilities exceed the benefits to be obtained from the agreement.

A provision is entered for liabilities related to write-offs and restoration to an original state when, according to environmental legislation and the Group environmental responsibility principles, the Group has a liability related to the writing off of a production unit, rectification of environmental damage or the transportation of equipment from one place to another.

DIVIDENDS TO BE PAID

The dividends paid by the Group are recognised in the financial period during which the shareholders have approved the dividends for payment.

INCOME TAXES

Tax expense consists of the change in current tax and deferred tax. Taxes are recognised through profit or loss except when they relate to the statement of comprehensive income or items directly recognised under shareholders' equity. In this case, tax effects are also recognised in the corresponding items. Current tax is calculated from the taxable income according to the valid tax rate of each country. The tax is adjusted by possible taxes related to previous accounting periods.

Deferred taxes are calculated from temporary differences between the carrying amount and the tax base. The most significant temporary differences arise from the depreciation of tangible and intangible assets, impairment of shares and unused tax losses. No deferred tax is entered for non-deductible goodwill. No deferred tax is entered for the undistributed earnings of subsidiaries, associated companies or joint ventures if the Group can determine the date of dissolution of the temporary difference and the difference is not expected to be dissolved in the foreseeable future.

Deferred taxes have been calculated using the tax rates set by the date of the financial statements or tax rates whose approved content has been announced by the date of the financial statements.

A deferred tax asset has been recognised to the extent that it is probable that taxable income will be generated in the future, against which the temporary difference can be used.

REVENUE RECOGNITION PRINCIPLES

Revenues from the sale of goods are recognised when any significant risks and benefits related to the ownership of the goods have been transferred to the purchaser and the Group no longer has proprietary rights or any real control over the products. Revenues from services are recognised when the service has been performed. Revenues from licences and royalties are recognised in accordance with the substance of the relevant agreement. Interest income is recognised using the effective interest method and dividend income when the right to receive payment is established.

INCOME STATEMENT BY FUNCTION OF EXPENSE

The Group's income statement is presented using the function of expense method. Separate functions include sales and marketing expenses, administrative expenses and R&D expenses. Costs of goods sold include the wage, material, acquisition and other expenses incurred from the production and acquisition of products. Administrative expenses include general administrative costs and Group management costs. Administrative expenses have been allocated to functions according to the matching principle.

OTHER OPERATING INCOME AND EXPENSES

Asset sales profits and losses related to continuing operations, returns unrelated to actual sales of deliverables, such as rental income, and impairments of goodwill and other miscellaneous assets, are presented as other operating income and expenses.

FINANCIAL ASSETS AND LIABILITIES

Financial assets

For the purpose of measurement following recognition, the Group's financial assets have been classified into the following categories in accordance with IAS 39, *Financial Instruments: Recognition and Measurement*: financial assets entered at fair value through profit or loss, loans and other receivables, financial assets held for sale. The classification is based on the purpose of acquisition of the financial assets, and it is carried out in connection with the original purchase. Transaction costs are included in the original carrying amount of the financial assets when treating an item not measured at fair value through profit or loss. Purchases and sales of financial assets, except derivatives, recognised at fair value through profit or loss are recognised on the settlement day. Purchases and sales of other financial assets and liabilities are recognised on the trade date.

Financial assets are derecognised in the balance sheet when the Group has lost its contractual right to cash flows or when it has transferred a significant share of risks and revenues outside the Group.

Financial assets recognised at fair value through profit or loss are financial assets held for trading. This group includes bonds, certificates of deposit and commercial papers, as well as fund units. Derivatives which do not fulfil the terms of hedge accounting have been classified as held for trading. All assets held for trading are current assets. Financial assets held for trading have been acquired to generate short-term profit from changes in market prices. Items in this group are valued at fair value, and the fair value of all deposits in this group is determined on the basis of quotations published in the active market, which is the closing date bid quotation. Unrealised profits and losses due to changes in the fair value are entered through profit or loss in the period in which they were generated.

Loans and other receivables are non-derivative assets with fixed or determinable payments, which are not quoted in the active market and are not held for trading by the Group. This group includes the Group's financial assets, sales and loan receivables and financial instruments included in accrued income. They are measured at amortised cost and are included in current and non-current financial assets; in the latter, if they fall due after 12 months.

Financial assets available for sale are non-derivative assets that have been specifically allocated to this group. The group consists almost exclusively of shares in unquoted companies. Unquoted shares are measured at purchase price, because reliable fair values are not available for them. The value of quoted shares is determined on the basis of prices quoted on active markets, which equal the quotes on the closing date. Changes in the fair value of financial assets available for sale are recognised in other comprehensive income and presented in the fair value reserve, including the tax effect. Changes in fair value are transferred from shareholders' equity and recognised through profit or loss as a reclassification adjustment when the investment is sold or it has been impaired to the extent that an impairment loss must be recognised.

Liquid funds

Liquid funds consist of cash, bank deposits to be paid on demand and other current, liquid investments. Items classified as liquid funds have a maturity of up to three months from the purchase date.

Financial liabilities

Financial liabilities are classified as financial liabilities recognised at fair value through profit or loss or as other financial liabilities. Financial liabilities are recognised at fair value on the basis of the compensation originally received. Transaction costs have been included in the original carrying amount of financial liabilities. Financial liabilities recognised at fair value through profit or loss are liabilities from derivative contracts which do not fulfil the terms of hedge accounting. Other financial liabilities are measured at amortised cost using the effective interest method. Financial debts are included in current and non-current debts and may be either interest-bearing or non-interesting-bearing.

Impairment of financial assets

At each closing date, the Group assesses whether there is objective evidence of impairment of a financial asset or a group of financial assets. The impairment loss for liabilities and other receivables entered at amortised cost in the balance sheet is measured as the difference between the carrying amount of the item and the present value of estimated future cash flows discounted at the initial effective interest rate. The impairment of available-for-sale financial assets is entered through profit or loss if there is objective evidence of impairment. These impairment losses are not reversed through the income statement.

The Group recognises impairment loss for accounts receivables if there is objective evidence that the receivable cannot be recovered in full. Considerable financial difficulties of a debtor, probability of bankruptcy and payment default are evidence of impairment of accounts receivables. Credit losses are recognised through profit or loss. If an impairment loss decreases in a subsequent period, the recognised loss is reversed through profit or loss.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

Derivative contracts are originally recognised at acquisition cost representing their fair value. Following the purchase, derivative contracts are valued at fair value. Profits and losses generated from the measurement at fair value are treated according to the purpose of use of the derivative contract.

According to its financial risk management policy, the Group uses various derivatives to hedge against interest rate, currency and commodity price risks. Interest rate swaps are used to hedge against changes in market rates of interest. Currency forward contracts are used to hedge receivables and debts in foreign currencies, as well as future commercial cash flows. Quoted rapeseed forward contracts can be used to hedge against the price risk caused by temporal differences of the fixed-price raw material purchases and product sales of the so-called vegetable oil chain.

Although the hedges meet the requirements for efficient hedging determined in the Group's risk management policy, the Group does not currently comply with the hedging policies of IAS 39. The changes in the fair values of interest rate swaps are recognised under financial income and expenses. The changes in the fair value of forward contracts are entered under other operating income and expenses, and the effects of the contracts' interest rate element are entered under financial income and expenses.

The changes in the fair value of rapeseed forward contracts are recognised under financial income and expenses.

The fair values of derivatives are presented in notes 27.

ACCOUNTING POLICIES CALLING FOR MANAGEMENT'S JUDGEMENT AND MAIN UNCERTAINTIES RELATED TO THE ASSESSMENTS

When preparing the consolidated financial statements, estimates and assumptions must be made concerning the future. These may affect the assets and liabilities at the time of the balance sheet preparation, as well as income and expenses in the reporting period. Actual figures may differ from those used in the financial statements. The estimates are based on the management's best judgment on the closing date. Any changes to estimates are entered in the period in which the estimates are adjusted.

Most of the Group's estimates are related to the valuation and useful life of assets, the amount of obsolete inventories and the use of deferred tax assets against future taxable income.

The estimates made in conjunction with the preparation of financial statements are based on the management's best judgment on the closing date. They are based on previous experience and future expectations considered to be most likely on the closing date. These include, in particular, the factors related to the Group's financial operating environment, which affect sales and the cost level. The Group monitors the realisation of these estimates and assumptions. Any changes in estimates and assumptions are entered in the period in which they have been detected.

Impairment testing

The Group performs regular annual tests on goodwill and unfinished intangible assets for possible impairment. The value of identifiable tangible and intangible assets and goodwill is also assessed if any event or change in conditions indicates that the book value no longer corresponds to the recoverable amount. The recoverable amount of cash-generating units is estimated using calculations based on value in use. Estimates are needed in the preparation of such calculations. The main variables in cash flow calculations are the discount rate, end value and number of years that cash flow estimates are based on, as well as the assumptions and estimates used to determine cash flows. The estimated income and expenses may differ considerably from actual figures.

Deferred tax assets

Management is required to make estimates when calculating the amount of deferred tax assets and the extent to which tax assets can be recognised in the balance sheet. If the estimates differ from actual figures, the deviations are entered in the profit or loss and deferred tax assets of the period in which the deviation was determined.

Amount of obsolete inventories

The Group regularly assesses the amount of obsolete inventories and possible decrease of fair values below original purchase cost. An obsolescence provision is entered if required. These assessments call for estimates of future demand for the company's products. Possible changes in these estimates may result in adjustments to the value of inventories in subsequent periods.

APPLICATION OF NEW AND AMENDED IFRS NORMS

IASB has published the following new or amended standards and interpretations, which have not yet taken effect or which the Group has not yet applied. The Group plans to adopt each standard and interpretation when it enters into effect, or, if the standard or interpretation takes effect during the accounting period, in the accounting period following the entry into effect.

- Revision of IFRS 3 *Business Combinations* (effective in periods starting on or after 1 July 2009). The scope of the amended standard is broader than before. Several of the changes brought about by the revision are significant to the Group. The amendments affect the amount of goodwill recognised for acquisitions, as well as business disposals. They also have an impact on the items recognised through profit or loss in the period of acquisition and in the periods in which additional consideration is paid or additional acquisitions are carried out. According to the transition requirements, business combinations with an acquisition date prior to the date of obligatory adoption of the standard need not be restated.
- Amendment to IAS 27 *Consolidated and Separate Financial Statements* (effective in periods starting on or after 1 July 2009). The amended standard requires that the impact of changes in the ownership of subsidiaries is recognised in shareholders' equity if the parent company retains control. In other words, minority transactions no longer result in goodwill entries or entries of gain or loss through profit and loss. If the parent loses control of a subsidiary, the retained interest is recognised at fair value through profit or loss. This accounting method will also be applied to investments in associates (IAS 28) and in joint ventures (IAS 31). As a result of the amendment, the losses of a subsidiary can be allocated to a minority even if they exceed the amount of the minority interest.
- Amendments to IFRS 2 *Share-based Payment (Group Cash-Settled Share-based Payment Transactions)* (effective in periods beginning on or after 1 January 2010). The amendments clarify that an entity that receives goods or services from suppliers shall apply IFRS 2 irrespective of whether it is liable for the required cash-settled share-based payments. The Group estimates that the amendment will not affect future consolidated financial statements. The amendment has not yet been endorsed in the EU.

- Amendment to IAS 32 *Financial Instruments: Presentation (Classification of Rights Issues)* (effective in periods beginning on or after 1 February 2010). The amendment concerns the accounting treatment of shares, options or warrants issued in a currency other than the issuer's functional currency. The Group estimates that the amendment will not affect future consolidated financial statements.
- Amendment to IAS 39 *Financial Instruments: Recognition and Measurement (Eligible Hedged Items)* (effective in periods beginning on or after 1 July 2009). The amendments concern hedge accounting. They clarify IAS 39 guidelines on a one-sided risk in a hedged item and on inflation in a financial hedged item. The Group estimates that the interpretation will not have a material impact on future consolidated financial statements.
- Revised IAS 24 *Related Party Disclosures* (effective in periods beginning on or after 1 January 2011). The revised standard simplifies the disclosure requirements for entities linked to the government and specifies the definition of related party. The revision is not expected to have a material impact on the consolidated financial statements. The revision has not yet been endorsed in the EU.
- Amendment to IFRS 1 *First-time Adoption of International Financial Reporting Standards – Additional Exemptions for First-Time Adopter* (effective in periods starting on or after 1 January 2010). The standard adds new exemptions for first-time adopters. The amendment does not affect the Group.
- IFRS 9 *Financial Instruments: Classification and Measurement* (effective in periods beginning on or after 1 January 2013). The standard is the first step in IASB's project to replace IAS 39 with a new standard for financial instruments. The standard deals with the classification and measurement of financial assets. The Group management is examining the standard's impact on the consolidated financial statements. The amendment has not yet been endorsed in the EU.
- *Improvements to IFRSs* (April 2009) (mostly effective in periods beginning on or after 1 January 2010). In the Annual Improvements process, minor and less urgent amendments are compiled and implemented once a year. The process includes amendments to a total of 12 standards. The impacts of the amendments vary, but the Group does not expect the changes to have a significant effect on its future consolidated financial statements. The amendments have not yet been endorsed in the EU.
- Amendments to IFRIC 9 *Reassessment of Embedded Derivatives and* IAS 39 *Financial Instruments: Recognition and Measurement for Embedded Derivatives* (effective in periods ending on or after 30 June 2009). According to the amendments on reclassification of a financial asset out of the 'fair value through profit or loss' category, all embedded derivatives must be reassessed and, if necessary, separately accounted for in the financial statements. The amendment is not expected to have an impact on the consolidated financial statements. The interpretation has not yet been endorsed in the EU.
- IFRIC 12 *Service Concession Arrangements* (effective in periods beginning after 29 March 2009) provides guidance on how an operator shall recognise certain contractual items in arrangements involving the provision of public service. The Group has not entered into agreements with the public sector as referred to in the interpretation in the now concluded accounting period or the period prior to that.
- IFRIC 17 *Distributions of Non-cash Assets to Owners* (effective in periods beginning on or after 1 July 2009). The interpretation provides guidance on the recognition and measurement of non-cash-settled dividends. The Group estimates that the interpretation will not affect future consolidated financial statements.
- IFRIC 18 *Transfers of Assets from Customers* (effective in periods beginning on or after 1 July 2009). The interpretation clarifies the requirements of IFRSs for agreements in which an entity receives an item of property, plant and equipment, or cash to be invested in such an item, from customers, and the entity must use the item to connect the customer to a network or to supply the customer with certain goods or services. The Group estimates that the interpretation will not affect future consolidated financial statements.
- Amended IFRIC 14 *Prepayments of a Minimum Funding Requirement* (effective in periods beginning on or after 1 January 2011). The amendment corrects an unintended consequence of IFRIC 14. Without the amendments, in some circumstances, entities are not permitted to recognise as an asset some voluntary prepayments for minimum funding contributions. The amendment will not affect the consolidated financial statements. The interpretation has not yet been endorsed in the EU.
- IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments* (effective in periods beginning on or after 1 July 2010). The interpretation clarifies the accounting treatment of cases in which the terms of a liability are renegotiated and, as a consequence of the new terms, the liability is extinguished with equity instruments issued. According to the interpretation, the difference between the carrying amount of the liabilities extinguished and the measurement of the equity instruments issued must be recognised in profit or loss when a liability is extinguished by issuing equity instruments. The amendment to the interpretation is not expected to have an impact on the consolidated financial statements. The interpretation has not yet been endorsed in the EU.

CONSOLIDATED NOTES

1. SEGMENT INFORMATION

In connection with its Q2 reporting, Raisio modified its segment reporting to match the management model in place after the divestment of the margarine business.

The Group is divided into two reportable segments – Brands and Business to Business – and into other operations. The Brands and Business to Business segments are the Group's strategic business units, managed as separate divisions. Their products are different by nature and require different types of distribution channels and marketing strategies. The Brands segment includes Benecol and local brands, and the reported figures are those of the Benecol business and of the Northern and Eastern European operations, which belonged to the former Food Division. The Business to Business Division encompasses the feed, malt and oil milling businesses. It corresponds to the former Feed & Malt segment.

The adoption of IFRS 8 has not caused any changes in segment reporting, since the Group's segment information was already based on IFRS-compliant reports submitted to management.

The assets and liabilities of the segments are items that the segment uses for its business operations or that can be allocated to segments on reasonable grounds. Unallocated items include tax and financial items, as well as items common to the Group. Intra-segment pricing is carried out at fair market value. Investments consist of increases in property, plant and equipment and intangible assets used for more than one accounting period.

In May 2009, Raisio signed an agreement on the divestment of its margarine business, previously part of the Food Division, and the deal was concluded on 16 October 2009. Consequently, the figures for Raisio Polska Foods Sp z o.o. are reported under discontinued operations, and the comparative information has been amended correspondingly.

(EUR MILLION)	BRANDS		BUSINESS TO BUSINESS		OTHER OPERATIONS		ELIMINATIONS		TOTAL	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
External sales										
Services	0.3	0.0	0.0	0.0	0.8	0.9			1.1	0.9
Goods	174.1	189.9	199.7	271.2	0.1	0.1			373.9	461.2
Royalties	0.9	1.0	0.0	0.0					0.9	1.0
Total external sales	175.3	190.9	199.7	271.2	0.9	1.0			375.9	463.2
Internal sales	2.3	4.6	5.8	11.4			−8.1	−16.0	0.0	0.0
Net sales	177.6	195.4	205.6	282.7	0.9	1.0	−8.1	−16.0	375.9	463.2
Depreciation	7.1	9.3	4.9	4.2	2.8	3.1			14.8	16.7
Value impairments	2.1	1.3							2.1	1.3
Segment EBIT	20.5	15.7	3.0	12.3	−4.3	−3.4	0.3	−0.2	19.5	24.4
Share of associates' results	0.0	0.0	0.1	0.1					0.1	0.1
Segment assets	91.4	96.1	104.8	113.7	16.5	17.5	−2.8	−1.8	209.9	225.4
Including:										
Shares in associates and joint ventures	0.1	0.1	0.7	0.6					0.8	0.7
Increase in non-current assets	3.3	15.6	5.4	9.3	1.3	1.9	0.0	0.0	10.0	26.9
Segment liabilities	21.8	10.8	25.6	32.1	6.3	5.5	−2.8	−1.7	50.9	46.7

(EUR MILLION)	2009	2008
RECONCILIATION		
Reconciliation of results		
Segment EBIT	19.5	24.4
Share of the results of associates and joint ventures	0.1	0.1
Financial income and expenses	−0.6	−0.4
Result before tax and discontinued operations	18.9	24.0
Reconciliation of assets to Group assets		
Segment assets	209.9	225.4
Segment assets from discontinued operations	0.0	42.7
Deferred tax assets	6.5	7.9
Loan receivables	1.4	1.7
Tax assets	3.1	6.7
Financial assets recognised at fair value in profit or loss	215.3	66.8
Liquid funds	8.0	12.8
Recognised assets	444.2	364.0
Reconciliation of liabilities to Group liabilities		
Segment liabilities	50.9	46.7
Segment liabilities from discontinued operations	0.0	8.5
Deferred tax liability	7.6	7.4
Financial liabilities	62.8	19.7
Financial liabilities recognised at fair value in profit or loss	0.1	0.4
Pension obligation	0.2	0.2
Tax liability	0.1	0.8
Dividend liability	0.5	0.5
Liabilities related to financing	0.0	0.4
Recognised liabilities	122.1	84.6
GEOGRAPHICAL INFORMATION		
Revenue from external customers		
Finland	251.5	301.0
Rest of Europe	117.4	156.3
Rest of the world	7.1	5.8
Total	375.9	463.2
Non-current assets, excluding deferred tax assets and financial instruments		
Finland	97.9	120.1
Rest of Europe	0.8	10.2
Rest of the world	4.9	5.8
Total	103.6	136.1

Information about major customers:
The Group's revenue from one major customer, as defined in IFRS 8, of both the Brands and the Business to Business segments, totalled some EUR 45 million (around EUR 68 million in 2008), which accounted for approximately 12% (15%) of consolidated net sales.

(EUR MILLION)	2009	2008
2. OTHER INCOME AND EXPENSES FROM BUSINESS OPERATIONS		
Gain on dissolution of joint venture	0.0	4.2
Other income and expenses from business operations	3.5	0.9
Total	3.5	5.1
Auditors' remuneration		
Audit	0.1	0.1
Certificates and reports	0.0	0.0
Tax guidance	0.0	0.0
Other services	0.4	0.2
Total	0.5	0.3
3. DEPRECIATION AND IMPAIRMENT		
Depreciation by asset group		
Depreciation on intangible assets		
Intangible rights	0.9	1.1
Other intangible assets	1.8	2.0
Total	2.7	3.1
Depreciation on tangible assets		
Buildings	4.2	4.5
Machinery and equipment	7.8	9.1
Other tangible assets	0.0	0.0
Total	12.1	13.7
Impairment by asset group		
Buildings	1.1	0.0
Machinery and equipment	0.6	0.0
Prepayments and uncompleted acquisitions	0.4	1.3
Total	2.1	1.3
Total depreciation and impairment	17.0	18.0
Depreciation by activity		
Cost of sales	11.0	12.3
Sales and marketing	0.2	0.2
Administration	3.1	3.5
Research and development	0.5	0.7
Total	14.8	16.7
Impairment and their retuns		
Expenses corresponding to products sold	2.1	1.3
Total	2.1	1.3
4. EXPENSES FROM EMPLOYMENT BENEFITS		
Salaries	31.1	36.8
Pension expenses – defined contribution plans	5.9	5.9
Share-based rewards	3.0	0.5
Other indirect personnel costs	1.7	3.0
Total	41.7	46.3

Details about the management's employee benefits are provided in Notes 30 Related party transactions. Details about assigned company shares are provided in Notes 19 Share-based payments.

AVERAGE NUMBER OF PEOPLE EMPLOYED BY THE GROUP IN THE FINANCIAL PERIOD	2009	2008
Brands	303	378
Business to Business	261	275
Joint operations	63	66
Total	627	719

(EUR MILLION)	2009	2008

5. FINANCIAL INCOME AND EXPENSES

Dividend income from available-for-sale financial assets	0.2	0.2
Sales profits of financial assets at fair value through profit or loss	0.3	0.0
Fair value change in financial assets at fair value through profit or loss	0.3	0.2
Interest income from financial assets at fair value through profit or loss	1.9	1.3
Interest income from loan receivables	0.0	0.1
Other interest income	0.4	0.6
Exchange rate differences, net	0.0	0.1
Other financial income	0.0	0.0
Total financial income	3.1	2.4
Fair value change in financial assets at fair value through profit or loss	0.0	0.0
Interest expenses from loans	–1.1	–0.4
Other interest expenses	–1.7	–1.1
Changes in value of commodity derivatives	0.0	–1.2
Exchange rate differences, net	0.0	0.0
Other financial expenses	–0.9	–0.1
Total financial expenses	–3.7	–2.8

Items comprising the EBIT include exchange rate gains and losses amounting to EUR –0.3 million in 2009 (EUR 0.1 million in 2008).

6. INCOME TAXES

Tax based on the taxable income for the financial period	–3.5	–2.1
Taxes paid in previous financial periods	0.0	–0.5
Deferred taxes	–2.0	–1.9
Total	–5.6	–4.5

Reconciliation statement for the tax expenses in the income statement and the taxes calculated on the basis of the Group's domestic tax rate (26%).

Taxes calculated on the basis of the domestic tax rate	–4.9	–6.2
Impact of a deviating tax rate used in foreign subsidiaries	–0.1	0.0
Returns exempt from tax	0.1	1.2
Non-deductible expenses	–0.3	–0.3
Unused losses in the financial period	–0.4	–0.8
Use of previously unrecognised fiscal losses	0.1	0.1
Recognition of deferred tax assets for depreciation not deducted previously in taxation	0.0	2.2
Tax from previous years	0.0	–0.5
Other items	–0.1	–0.3
Total	–5.6	–4.5

7. NON-CURRENT ASSETS AVAILABLE FOR SALE AND DISCONTINUED OPERATIONS

The Group signed a preliminary agreement on the divestment of its margarine business in May 2009, and the deal was concluded in October 2009. The divestment included the margarine plants in Poland and Finland, as well as some product brands. Raisio will continue to sell margarine as a distributor of Bunge in Finland, Sweden and Estonia.

Discontinued operations in the income statement include the result of the divested Raisio Polska Foods Sp, as well as the impact that the divestment of the margarine business had on results. Depreciations of the fixed assets sold were discontinued on 14 May 2009. The result of the Finnish margarine business is still presented under continuing operations, since Raisio continues to sell margarine.

In 2008, the Group did not have assets held for sale or discontinued operations. The comparative information for 2008 includes Raisio Polska Foods Sp's result for 2008.

Result for discontinued operations:

Income from ordinary operations	32.7	48.6
Expenses	–28.9	–45.1
Result before taxes	3.7	3.5
Taxes	–0.7	–0.7
Result after taxes	3.1	2.8

(EUR MILLION)	2009	2008
Earnings due to discontinuation	35.6	0.0
Taxes	1.1	0.0
Result after taxes	36.7	0.0
Result for the financial period from discontinued operations	39.7	2.8
Cash flows for discontinued operations:		
Cash flows from business operations	7.3	5.4
Cash flows from investments	70.7	0.7
Cash flows from financial operations	–1.0	–4.3
Total cash flows	77.0	1.8
Impact of divested operations on the Group's financial position:		
Non-current assets	21.1	
Inventories	6.3	
Current receivables	5.8	
Liquid funds	3.0	
	36.1	
Non-current liabilities	0.8	
Short-term creditors	5.6	
	6.4	
Net assets sold	29.7	
Accumulated translation differences	0.3	
Business sales proceeds	51.2	
Costs allocated to sales	–1.3	
Net income from sales	49.9	
Sales price	80.6	
Available from the sales price on the closing date	1.1	
Cash flow from sales	75.2	
In the cash flow statement:		
Divestment of subsidiaries less liquid assets at the time of divestment	47.1	
Disposal income from tangible and intangible assets	23.6	
Cash flow from business operations	4.6	
	75.2	

8. EARNINGS PER SHARE

Undiluted earnings per share have been calculated by dividing the profit for the period for parent company shareholders with the weighted average number of outstanding shares over the financial period.

	2009	2008
Profit for the period for parent company shareholders, continuing operations (EUR million)	13.4	19.4
Profit for the period for parent company shareholders, discontinued operations (EUR million)	39.7	2.8
Undiluted weighted average of shares in the financial period	155,797,720	156,604,834
Dilution resulting from share-based compensation	609,336	64,846
Diluted weighted average of shares in the financial period	156,407,056	156,669,680
Undiluted earnings per share, continuing operations (EUR/share)	0.09	0.12
Earnings per share adjusted by the dilution effect, continuing operations (EUR/share)	0.09	0.12
Undiluted earnings per share, discontinued operations (EUR/share)	0.26	0.02
Earnings per share adjusted by the dilution effect, discontinued operations (EUR/share)	0.25	0.02

9. INTANGIBLE ASSETS 2009

(EUR MILLION)	INTANGIBLE RIGHTS	GOODWILL	OTHER LONG-TERM EXPENDITURE	ADVANCES PAID AND INCOMPLETE ACQUISITIONS	INTANGIBLE ASSETS TOTAL
Acquisition cost 1.1.	31.5	24.2	17.1	0.1	73.0
Exchange rate differences	0.3	6.5	0.0	0.0	6.9
Increase	0.6	0.0	0.0	0.4	0.9
Divestments and other decreases	13.9	27.5	1.5	0.0	43.0
Reclassifications between items	0.0	0.0	0.4	−0.4	0.0
Acquisition cost 31.12.	**18.5**	**3.2**	**16.0**	**0.1**	**37.8**
Accumulated depreciation and write-downs 1.1.	27.8	23.1	10.9	0.0	61.8
Exchange rate differences	0.4	6.2	0.0	0.0	6.5
Accumulated depreciation of decrease and transfers	13.6	26.0	1.4	0.0	41.1
Depreciation for the financial period	0.9	0.0	1.8	0.0	2.7
Write-downs and their returns	0.0	0.0	0.3	0.0	0.3
Accumulated depreciation 31.12.	**15.5**	**3.2**	**11.6**	**0.0**	**30.4**
Book value 31.12.2009	**3.0**	**0.0**	**4.4**	**0.1**	**7.5**

9. TANGIBLE ASSETS 2009

(EUR MILLION)	LAND AND WATER AREAS	BUILDINGS AND CONSTRUCTIONS	MACHINERY AND EQUIPMENT	OTHER TANGIBLE ASSETS	ADVANCES PAID AND INCOMPLETE ACQUISITIONS	TANGIBLE ASSETS TOTAL
Acquisition cost 1.1.	5.1	137.8	266.8	1.2	6.2	417.1
Exchange rate differences	0.0	−0.3	−0.7	0.0	0.0	−1.1
Increase	0.0	0.1	0.4	0.0	8.9	9.4
Divestments and other decreases	0.2	25.4	66.0	0.9	0.1	92.6
Reclassifications between items	0.0	2.5	7.5	0.0	−10.0	0.0
Acquisition cost 31.12.	**4.8**	**114.6**	**207.9**	**0.3**	**5.0**	**332.7**
Accumulated depreciation and write-downs 1.1.	0.0	76.6	214.2	0.8	1.2	292.8
Exchange rate differences	0.0	−0.1	−0.6	0.0	0.0	−0.7
Accumulated depreciation of decrease and transfers	0.0	14.3	58.4	0.7	0.0	73.4
Depreciation for the financial period	0.0	4.4	8.0	0.0	0.0	12.5
Write-downs and their returns	0.0	5.0	0.8	0.0	0.4	6.2
Accumulated depreciation 31.12.	**0.0**	**71.6**	**164.1**	**0.0**	**1.7**	**237.4**
Book value 31.12.2009	**4.8**	**43.1**	**43.9**	**0.3**	**3.3**	**95.3**
Book value of the machinery and equipment 31.12.			**40.3**			

The book value of intangible and tangible assets includes machinery and equipment purchased via financial leasing to the value of EUR 0.2 million.

After the divestment of the margarine business, the Group reassessed the use of its real estate and buildings, and recognised an impairment loss totalling EUR 6.1 million on their overall value.

9. INTANGIBLE ASSETS 2008

(EUR MILLION)	INTANGIBLE RIGHTS	GOODWILL	OTHER LONG-TERM EXPENDITURE	ADVANCES PAID AND INCOMPLETE ACQUISITIONS	INTANGIBLE ASSETS TOTAL
Acquisition cost 1.1.	32.0	27.1	19.5	0.8	79.4
Exchange rate differences	–1.2	–2.9	0.0	0.0	–4.1
Increase	1.1	0.3	1.0	0.1	2.5
Divestments and other decreases	0.4	0.3	4.2	0.0	4.9
Reclassifications between items	0.0	0.0	0.8	–0.8	0.0
Acquisition cost 31.12.	**31.5**	**24.2**	**17.1**	**0.1**	**73.0**
Accumulated depreciation and write-downs 1.1.	28.3	25.8	13.1	0.0	67.2
Exchange rate differences	–1.2	–2.7	0.0	0.0	3.9
Accumulated depreciation of decrease and transfers	0.4	0.3	4.2	0.0	4.9
Depreciation for the financial period	1.1	0.3	2.0	0.0	3.3
Write-downs and their returns	0.0	0.0	0.0	0.0	0.0
Accumulated depreciation 31.12.	**27.8**	**23.1**	**10.9**	**0.0**	**61.8**
Book value 31.12.2008	**3.7**	**1.2**	**6.2**	**0.1**	**11.1**

9. TANGIBLE ASSETS 2008

(EUR MILLION)	LAND AND WATER AREAS	BUILDINGS AND CON-STRUCTIONS	MACHINERY AND EQUIPMENT	OTHER TANGIBLE ASSETS	ADVANCES PAID AND INCOMPLETE ACQUISITIONS	TANGIBLE ASSETS TOTAL
Acquisition cost 1.1.	4.9	129.2	274.3	1.4	20.4	430.2
Exchange rate differences	0.0	–1.1	–0.5	–0.1	–0.1	–1.8
Increase	0.2	3.1	7.6	0.0	3.4	14.2
Divestments and other decreases	0.0	3.7	21.7	0.2	0.0	25.6
Reclassifications between items	0.0	10.4	7.0	0.1	–17.5	0.0
Acquisition cost 31.12.	**5.1**	**137.8**	**266.8**	**1.2**	**6.2**	**417.1**
Accumulated depreciation and write-downs 1.1.	0.0	75.5	225.9	0.9	0.0	302.3
Exchange rate differences	0.0	–0.3	–0.5	–0.1	0.0	–1.0
Accumulated depreciation of decrease and transfers	0.0	3.7	20.9	0.1	0.0	24.7
Depreciation for the financial period	0.0	5.1	9.7	0.1	0.0	14.9
Write-downs and their returns	0.0	0.0	0.0	0.0	1.2	1.3
Accumulated depreciation 31.12.	**0.0**	**76.6**	**214.2**	**0.8**	**1.2**	**292.8**
Book value 31.12.2008	**5.1**	**61.2**	**52.5**	**0.4**	**5.0**	**124.2**
Book value of the machinery and equipment 31.12.			**49.6**			

The book value of intangible and tangible assets includes machinery and equipment purchased via financial leasing to the value of EUR 1.1 million.

(EUR MILLION)	2009	2008

10. GOODWILL TESTING

The Group's statement of financial position has no more goodwill. The goodwill of EUR 1.2 million remaining on the 2008 statement of financial position was related to the Polish margarine business. When the margarine business was divested, the goodwill was derecognised.

Goodwill is allocated to cash-flow-generating units for the purpose of impairment testing. In impairment tests, recoverable amounts are determined on the basis of the replacement cost. Cash flow estimates are based on estimates approved by the management, covering the following five years. Cash flows after the forecast period approved by the management are extrapolated using a steady growth factor.

11. HOLDINGS IN ASSOCIATED COMPANIES AND JOINT VENTURES

JOINT VENTURES

	2009	2008
Book value 1.1.	0.1	0.1
Exchange rate differences	0.0	0.1
Decrease	0.0	−0.1
Share of result for the financial period	0.0	0.0
Book value 31.12.	0.1	0.1

The book value of joint ventures does not include goodwill.

ASSOCIATED COMPANIES

	2009	2008
Book value 1.1.	0.6	1.4
Exchange rate differences	0.0	0.0
Decrease	0.0	−0.8
Share of result for the financial period	0.0	0.1
Book value 31.12.	0.7	0.6

The book value of associated companies does not include goodwill.

The amounts of the assets and liabilities, net sales and result of joint ventures, corresponding to the Group's holdings:

	2009	2008
Assets and liabilities related to investments in joint ventures:		
Non-current assets	0.1	0.0
Current assets	1.1	1.7
Non-current liabilities	0.1	0.0
Current liabilities	1.0	1.6
Assets, net	0.1	0.1
Income and expenses related to investments in joint ventures:		
Net sales	13.6	16.0
Expenses	13.6	16.0
Profit/loss	0.0	0.0

Total assets, liabilities, net sales and profit/loss of associated companies:

	2009	2008
Assets	2.2	2.0
Liabilities	0.4	0.4
Net sales	1.1	0.9
Profit/loss	0.2	0.1

(EUR MILLION)	2009	2008
12. FINANCIAL ASSETS AVAILABLE FOR SALE		
Unquoted investments in shares	0.6	0.6
Total investments available for sale	0.6	0.6

Unquoted investments in shares are presented at their purchase price, because their reliable fair values are not available.

13. LONG-TERM RECEIVABLES		
Loan assets from third parties	0.3	0.6
Loan assets from associates	0.1	0.0
Total long-term receivables	0.4	0.6

The non-current loan receivable presented above mainly consists of a variable-rate receivable in USD. The fair values of non-current receivables are presented in Note 27.

The balance sheet values correspond best to the amount equal to the maximum credit risk, excluding the fair value of collateral, in case other contracting parties cannot meet their obligations related to financial instruments. Loan assets from third parties form a credit risk concentration because they are mostly granted by a single company.

14. INVENTORIES		
Materials and supplies	33.4	47.9
Production in progress	7.3	8.7
Finished products and goods	14.2	16.6
Advances paid	0.1	0.1
Total inventories	55.0	73.3

The book value of inventories does not include essential entries, with which the value of inventories would have been reduced to correspond to their net realisation value.

15. ACCOUNTS RECEIVABLES AND OTHER RECEIVABLES		
Accounts receivables	40.2	51.6
Receivables from Group companies	1.2	1.4
Prepaid expenses and accrued income	7.8	2.5
Advance payment receivables	0.1	0.1
Amortisation instalment for long-term loan receivables	0.3	0.3
Current loan receivables	0.7	0.7
Avoir fiscal tax credit receivables	3.1	6.7
Other receivables	1.5	2.7
Total accounts receivables and other receivables	54.9	66.0

At the reporting date, about 90 per cent of the Group's accounts receivables were denominated in euro and the rest in other currencies.

At the reporting date, the Group had accounts receivables that had matured over 60 days earlier and whose value had not decreased: EUR 0.3 million (EUR 1.2 million in 2008) The overdue receivables have the following age distribution:

Overdue 61–180 days	0.2	1.0
Overdue more than 180 days	0.1	0.2
	0.3	1.2

(EUR MILLION)	2009	2008
The following items have been deducted from accounts receivables:		
Value on 1.1.	1.2	0.6
Increase	0.9	1.0
Decrease	–1.2	–0.3
Value on 31.12.	0.9	1.2

The Group recognised a total of EUR 0.6 million (EUR 1.0 million in reporting period 2008) in credit losses from accounts receivables in the reporting period.

Substantial items included in prepaid expenses and accrued income consist of accrued business income and expenses, financial items and taxes. In compliance with IAS 39, the fair values of receivables included in financial assets are presented in Note 27.

The balance sheet values correspond best to the amount equal to the maximum credit risk, excluding the fair value of collateral, in case other contracting parties cannot meet their obligations related to financial instruments. The receivables involve no significant credit risk concentrations.

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2009	2008
Securities under financial assets	215.0	65.2
Derivative contracts	0.2	1.6
Total financial assets recognised at fair value in the income statement	215.3	66.8

Financial assets recognised at fair value in the income statement include bonds held for trading purposes, fund units, certificates of deposit and commercial papers issued by banks and companies and falling due within 12 months, as well as derivatives held for trading purposes. Financial assets at fair value through profit or loss are denominated in euro.

The balance sheet values correspond best to the amount equal to the maximum credit risk in the event that other contracting parties are unable to meet their obligations related to financial instruments. Investments in items belonging to financial assets recognised at fair value through profit or loss are carefully diversified and involve no significant credit risk concentrations.

Changes in the fair value of financial assets held for trading purposes are presented in the income statement under financial income and expenses. The investments made in alternative investment funds, totalling EUR 10.1 million (EUR 0.0 million in 2008), are presented under investing activities in the consolidated statement of cash flows.

17. LIQUID FUNDS

	2009	2008
Cash in hand and at bank accounts	8.0	12.8

Current bank deposits are mainly denominated in euro and withdrawable on demand.

18. SHAREHOLDERS' EQUITY

The parent company's share capital is divided by share types as follows:

(EUR MILLION)	1 000 SHARES		SHARE CAPITAL		COMPANY SHARES	
	2009	2008	2009	2008	2009	2008
Series K (20 votes/share)	34,452	34,474	5.8	5.8		
Repurchase of company shares, series K	–201	–198			–0.4	–0.4
Series V (1 vote/share)	130,697	130,675	22.0	22.0		
Disposal of company shares, series V	427	72			1.0	0.2
Repurchase of company shares, series V	–9,231	–9,231			–19.1	–19.1
Total	156,145	155,793	27.8	27.8	–18.5	–19.3

Translation differences:
The translation differences fund includes the translation differences arising from the conversion of financial statements of independent foreign units. Profits and losses arising from the hedging of net investments in independent foreign units are also included in the translation differences when the requirements for hedge accounting is met.

(EUR MILLION)	2009	2008
Company shares: Company shares include the acquisition cost of shares held by the Group. In 2005–2008, a total of 9,428,308 company shares were acquired on the stock exchange. Of these, 9,230,500 were free shares and 197,808 were restricted shares. In 2009, the Group acquired 3,487 restricted shares. In 2008, a total of 72,000 free shares held by the company were assigned to management and key employees as remuneration. In the 2009 accounting period, a total of 334,500 free shares were assigned to management and key personnel as a part of the 2008 share-based incentive scheme, and a total of 20,891 free shares were assigned to Board members as a part of their fees. At the end of the 2009 financial period, the Group held 9,004,404 company shares, of which 8,803,109 were free shares and 201,295 restricted shares. The remaining acquisition cost of company shares totals EUR 18.5 million and is presented as a deduction from shareholders' equity.		
Dividends: The per-share dividend in 2009 was EUR 0.07, which amounted to a total of EUR 10.9 million (in 2008 EUR 0.04 per share and a total of EUR 6.3 million). After the date of the financial statements, the parent company's Board of Directors proposed a dividend of EUR 0.09 per share, or a total of EUR 14.9 million.		
Accumulated translation differences:		
Translation differences 1.1.		
Group companies	−3.2	−2.2
Associated companies	0.0	−0.1
	−3.2	−2.3
Change in translation difference		
Group companies	−0.6	−1.0
Associated companies	0.0	0.1
	−0.6	−0.9
Translation differences 31.12.		
Group companies	−3.7	−3.2
Associated companies	0.0	0.0
	−3.7	−3.2

19. SHARE-BASED PAYMENTS

Raisio plc's Board of Directors decided on 28 May 2008 to set up a three-year share-based incentive scheme as a part of the incentive and reward system offered to Raisio's key personnel. The scheme gives authorisation to distribute a maximum of 1,600,000 free shares already in the company's possession. Rewards are paid as a combination of shares and cash. The cash payment is to cover the taxes and fiscal fees arising from share-based rewards.

The financial year 2008 was the first earnings period in the scheme. Net sales growth and profit before extraordinary items and taxes were used as the earnings criteria. The maximum number of shares to be distributed was 400,000 free shares. As a reward for the scheme's first earnings period, 334,500 free shares were assigned to 13 people covered by the scheme in August 2009. Shares are subject to a disposal restriction and return obligation, which last until 1 September 2011 and will be applied if the employee's employment or job contract ends prior to the expiration of the disposal restriction.

As a part of rewards to the management and key personnel, the Group distributed a total of 72,000 Raisio plc free shares in spring 2008 for good performance in 2007.

In December 2008, the Board of Directors decided on a share-based incentive scheme for the second earnings period, which was the financial year 2009. The earnings criteria to be used are return on capital employed and profit before one-off items and taxes, as well as the divestment process of the margarine business. The maximum number of shares to be distributed is 600,000 free shares. The amount earned in rewards will be determined in the spring of 2010. Any rewards will be paid to those covered by the scheme in August 2010. Shares distributed as part of the scheme are subject to a disposal restriction and return obligation, which last until 31 December 2011 and will be applied if the employee's employment or job contract ends prior to the expiration of the disposal restriction. In the second earnings period, the scheme covered 51 people on the date of the financial statements.

Based on a decision made by the 2009 Annual General Meeting, around 20% of the fees for the members of the Board of Directors is paid in treasury shares. In 2009, a total of 20,891 shares were assigned for this purpose.

In December 2009, the Board of Directors made a decision on share-based rewards, according to which 168,000 free shares will be assigned in recognition for the successful divestment of the margarine business. The shares will be assigned in March 2011, and they will be subject to a disposal restriction lasting until March 2013.

	ONE-OFF REWARD 2009	INCENTIVE SCHEME 2009	INCENTIVE SCHEME 2008
Share-based reward schemes currently in effect:			
Grant date	22.1.2010	7.1.2009	13.6.2008
Nature of plan	shares and cash	shares and cash	shares and cash
Maximum number of share-based rewards	168,000	600,000	400,000
Number of people	51	55	15
Earnings period begins		1.1.2009	1.1.2008
Earnings period ends		31.12.2009	31.12.2008
Assignment of shares	March 2011	August 2010	August 2009
Release of shares	March 2013	31.12.2011	1.9.2011
Vesting conditions	Divestment of margarine business, no employment condition	Roce, EBT and divestment of margarine business, employment condition	Net sales and EBT, employment condition
Shares assigned:			
Time and date			August 2009
Number of shares			334,500
Number of people			13

(EUR MILLION)	2009	2008
Costs from employee benefits include cash- and equity-settled share-based payments:		
Equity-settled	0.9	0.2
Cash-settled	2.1	0.3
	3.0	0.5
Recognised in net income from continuing operations	1.1	0.5
Debt from cash-settled share-based plans	1.6	0.3
Information about share-based reward schemes:		
Parameters used in fair value calculations:		
Number of shares granted in the period	728,000	361,000
Share price at grant date, EUR	1.80	1.71
Fair value of share at grant date, EUR*)	1.64	1.64
Share price at closing date, EUR	2.66	1.47
Shares expected to be returned prior to reward payment, %	0.0	0.0
Shares expected to be returned in vesting period, %	0.0	0.0
Expected fulfillment of earnings criteria, %**)	100.0	96.3
Fair value of share remuneration at grant date, EUR million	1.2	0.6
Lapsed	0.1	0.0
Fair value of share remuneration at closing date, EUR million	1.9	0.5

*) Share price less expected, estimated dividends for the earnings period.
**) The amount earned in rewards in the earnings period is determined on the basis of the achievement of targets after the financial statements have been prepared in spring 2010. The table is based on the Group's best possible estimate at the closing date of the expected number of vested shares.

20. DEFERRED TAXES

Changes in deferred taxes in 2009:

(EUR MILLION)	1.1.2009	RECOGNISED IN THE INCOME STATEMENT	EXCHANGE RATE DIFFERENCES	ACQUIRED/ DIVESTED SUBSIDIARIES	31.12.2009
Deferred tax assets:					
Internal margin of inventories	0.0	0.0			0.0
Internal margin of fixed assets	0.0	0.0			0.0
Reserves	0.1	1.1			1.2
Leasing property	0.0	0.0			0.0
Confirmed fiscal losses	0.0	0.0			0.0
Pension contributions	0.0	0.0			0.0
Depreciation not deducted in taxation	6.2	−1.4			4.8
Other items	1.4	−0.6	0.0	−0.4	0.4
Total	7.9	−1.0	0.0	−0.4	6.5
Deferred tax liability:					
Accumulated depreciation difference	0.0	0.0	0.0		0.1
Financial assets recognised at fair value	0.0	0.1			0.1
Impairment on the acquisition costs for group companies	5.7	0.0			5.7
Other items	1.7	0.1		0.0	1.8
Total	7.4	0.2	0.0	0.0	7.6

Changes in deferred taxes in 2008:

(EUR MILLION)	1.1.2008	RECOGNISED IN THE INCOME STATEMENT	EXCHANGE RATE DIFFERENCES	ACQUIRED/ DIVESTED SUBSIDIARIES	31.12.2008
Deferred tax assets:					
Internal margin of inventories	0.1	−0.1			0.0
Internal margin of fixed assets	0.0	0.0			0.0
Reserves	0.5	−0.4			0.1
Leasing property	0.0	0.0			0.0
Confirmed fiscal losses	0.0	0.0			0.0
Pension contributions	0.0	0.0			0.0
Depreciation not deducted in taxation	8.9	−2.7			6.2
Other items	1.8	−0.2	−0.1		1.4
Total	11.3	−3.3	−0.1	0.0	7.9
Deferred tax liability:					
Accumulated depreciation difference	1.7	−1.7	0.0		0.0
Leasing property	0.0	0.0	0.0		0.0
Investments available for sale	0.0	0.0			0.0
Financial assets recognised at fair value	0.0	0.0			0.0
Impairment on the acquisition costs for group companies	5.7	0.0			5.7
Other items	1.7	0.0			1.7
Total	9.1	−1.7	0.0	0.0	7.4

Deferred tax assets corresponding to fiscal losses to be used at a later time have been recognised to the extent that it is probable that a tax benefit will be realised in the future. The Group's accumulated losses totalled EUR 46.7 million (31 December 2008: EUR 47.0 million). Most of the losses will be discounted over a period in excess of five years.

Deferred tax assets and liabilities are mutually deducted when legal off-setting rights exist and when the deferred taxes are related to one and the same individual. Sums netted in the consolidated balance sheet:

(EUR MILLION)	2009	2008
Deferred tax assets	6.5	7.9
Deferred tax liability	7.6	7.4
Deferred net tax assets	–1.1	0.5

Since the undistributed profits of foreign subsidiaries are negative, no tax liability has recorded for them.

21. PENSION CONTRIBUTIONS

Changes in the liabilities recorded in the balance sheet:

	2009	2008
Beginning of financial period	0.2	0.2
Paid benefits	0.0	0.0
Pension expenses in the income statement	0.0	0.0
End of financial period	0.2	0.2

22. RESERVES

	2009	2008
Reserves 1.1.	1.1	1.9
Increase in provisions	2.3	0.0
Provisions used	−0.4	−0.8
Reserves 31.12.	3.1	1.1
Non-current provisions	1.4	0.0
Current provisions	1.6	1.1
Total	3.1	1.1

The increase in provisions relates to the provision for a loss-making distribution agreement made in connection with the divestment of the margarine business.

23. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	2009	2008
Derivative contracts	0.1	0.4

Derivative contracts are interest rate and currency derivatives held for trading.

24. FINANCIAL LIABILITIES

	2009	2008
Non-current		
Bank loans	5.6	7.8
Pension loans	42.8	5.8
Financial leasing liabilities	0.2	0.7
Total	48.6	14.3

Bank and pension loans are denominated in euro.

(EUR MILLION)	2009	2008
Non-current liabilities (incl. finance leases), will mature as follows:		
Year 2011	13.0	3.5
Year 2012	13.0	3.4
Year 2013	11.9	2.3
Year 2014	8.4	1.2
Year 2015	2.3	
Current		
Overdraft facilities	0.0	0.7
Amortisation of long-term loans	13.1	3.4
Financial leasing liabilities	0.1	0.5
Other interest-bearing liabilities	1.0	0.8
Total	14.2	5.5

The fair values of interest-bearing liabilities are presented in Notes 27.

Financial liabilities are mainly variable-rate and euro-denominated. The interest rates of bank loans are mainly tied to 1–3-month Euribor rates. The interest rates of pension liabilities are linked to TyEL interest rates and are determined for periods ranging from one to three years.

Maturity of financial leasing liabilities:

	2009	2008
Financial leasing liabilities – total of minimum leases		
Within 12 months	0.1	0.5
After 12 months but before five years	0.3	0.7
Gross overall investment	0.4	1.2
Financial leasing liabilities – present value of minimum leases		
Within 12 months	0.1	0.4
After 12 months but before five years	0.3	0.6
Gross overall investment	0.3	1.0
Financial expenses accumulated in the future	0.1	0.2
Total financial liabilities	0.4	1.2

25. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	2009	2008
Non-current		
Other liabilities	0.0	0.1
Current		
Accounts payable	25.2	29.8
Liabilities to associated companies	0.2	0.2
Accrued liabilities and deferred income	13.8	14.1
Advances paid	5.5	5.2
Other liabilities	3.7	5.7
Total	48.3	54.9

Accrued liabilities include accrued business expenses and financial items. The most significant of these are accrued salaries and fees and other personnel expenses, which totalled EUR 8.7 million in 2009 (EUR 8.5 million in 2008).

26. FINANCIAL RISK MANAGEMENT OVERVIEW

Financial risk management aims to protect the Group against unfavourable developments in the financial markets and thus contribute to safeguarding and ensuring the Group's performance. Financing and financial risk management have been assigned to the Group Finance department, operating under the Chief Financial Officer, in order to ensure sufficient expertise, as well as comprehensive and cost-effective operations. The divisions report their key risks to the Finance department. It, in turn, collects all of the Group's risks and reports the risk exposures to finance and business management on a monthly and quarterly basis. The Finance department's operations are governed by the financial risk management policy approved by the Board of Directors. All major borrowing decisions are taken by the Board of Directors based on proposals made by the Finance department.

FINANCIAL RISKS AND THEIR MANAGEMENT

Credit risks

Counterparty risk

Counterparty risk refers to a situation in which a contracting party is unable or unwilling to fulfil its obligations. Raisio exposes itself to counterparty risk when the Finance department makes investments in the financial market and uses derivatives. The Finance department is responsible for the counterparty risk related to investments, loan assets and derivative contracts. The main approaches to managing counterparty risk include a careful selection of counterparties with a good credit rating, the use of counterparty-specific limits, as well as diversification.

Investment activities

The financial risk management policy regulates the sum, maturity and counterparties of invested assets. In addition to direct long- or short-term interest-bearing investments, assets can be invested in fixed-income funds, alternative investment funds, as well as shares and equity funds. The CFO has the right to decide on the counterparties for Raisio's investments as defined in the policy. In principle, counterparties may be member states of the European Monetary Union, large Finnish municipalities and alliances formed by them, financial institutions engaged in corporate banking in Finland and companies with a good credit rating, registered in a member state of the European Monetary Union.

Credit risk in sales

Following the guidelines issued by the Group, divisions make independent decisions on counterparty risk, such as the criteria used to approve customers, the applicable terms and conditions for sales and the required collateral. They also assume responsibility for the credit risk related to accounts receivable. Accounts receivable can also be secured with credit insurance policies.

Liquidity risk

Liquidity risk refers to a situation in which the Group's financial assets and additional financing options do not cover the future needs of business operations. In line with the policy, the Finance department strives to maintain good liquidity in all circumstances, keeping it at a level that guarantees strategic operating freedom to the management. The Group's liquid assets consist of invested financial assets, as well as remaining credits and overdraft facilities agreed with investors. Investments in alternative investment funds or equity funds are not included in liquid financial assets.

The liquidity reserve also includes the agreed 90-million-euro commercial paper programme. Funding risks are diversified by acquiring funding from various sources.

Market risks

Interest rate risk

Interest rate risk refers to the impact of interest rate fluctuations on the Group's net financial income and expenses, as well as on the market values of interest-bearing investments and derivatives, over the following 12 months. Interest rate risk is managed by controlling the structure and duration of the loan portfolio and interest-bearing investments within the limits allowed by the policy. The goal is to keep financial expenses as low and financial income as high as possible. The interest rate profile can be modified using interest rate swaps, forward rate agreements and interest rate options. At the date of the financial statements, the Group had an open euro-denominated interest rate swap with a nominal value of EUR 39.4 million (EUR 10.0 million in the comparison year). The Group's interest rate risk is monitored by calculating the impact that a one-percentage-point change in market rates has on the interest income and expenses of interest-bearing investments and debt over the following 12 months. The maximum interest rate risk is determined in the financial risk management policy.

INTEREST RATE RISK, EUR MILLION	31.12.2009	31.12.2008
Impact of 1-ppt increase in market rates:		
Interest income	1.3	0.6
Interest expenses	–0.5	0.0
Change in market values	–1,2	0.0
Net impact on interest income and expenses	–0.3	0.6

Raisio's sensitivity to interest rate fluctuations is determined by calculating how much a change of one percentage point, constant over the entire interest rate curve, affects net interest rate expenses and income. The examination takes into account Raisio's interest-bearing investments and liabilities. In the review period, Raisio's interest-bearing investments have focused on investments with a short term to maturity. The interest rates of financial liabilities are tied to the variable Euribor rate (1–3 months) or to the fixed TyEL interest rate, with interest periods of 1–3 years. At the date of the financial statements, 31 December 2009, Raisio's sensitivity to a one-percentage-point rise in interest rates was approximately EUR –0.3 million (EUR +0.6 million) and to an interest rate decrease of the same size approximately EUR –0.6 million (EUR –0.6 million). Had the interest rate been 1 percentage point higher on the closing date, 31 December 2009, Raisio's result after taxes would have been EUR –0.2 million (EUR +0.5 million) higher. Had the interest rate been 1 percentage point lower on the closing date, 31 December 2009, Raisio's result after taxes would have been EUR –0.5 million (EUR –0.5 million) lower.

Currency risk

Raisio hedges against currency exposure arising from foreign currency receivables and liabilities, off-balance-sheet purchase and sales agreements and, partly, from budgeted cash flows. Currency risk is managed using currency forwards, which are rarely continuously open for more than 12 months.

The Group's currency risk policy defines the maximum amount for a net position, mainly consisting of the domestic Group companies' commercial and financial items and the derivatives hedging them. Exposure to currency risk arises mainly from items denominated in the Russian ruble, Swedish crown and US dollar.

The Group's currency risk on 31 December 2009 would be EUR 0.0 million (EUR 0.1 million) if other currencies had weakened by 5% against the euro. The impact on Raisio's result after taxes would be EUR 0.0 million (EUR 0.1 million). On the closing date, the Group's 1–12-month currency forward contracts in RUB, SEK and USD had a nominal value of EUR 7.6 million. The Group companies' currency positions against functional currencies other than the euro are not significant.

(EUR MILLION) CURRENCY RISK 31.12.2009			CURRENCY RISK 31.12.2008		
Currency risk, net position			Currency risk, net position		
RUB	SEK	USD	RUB	SEK	USD
−0.6	0.5	−0.7	0.3	−0.2	1.4
5% weakening in currency against the euro:					
RUB	SEK	USD	RUB	SEK	USD
0.0	0.0	0.0	0.0	0.0	0.1

DERIVATIVES

(EUR MILLION) NOMINAL VALUES OF DERIVATIVES	31.12.2009	31.12.2008
Interest rate derivatives	39.4	10.0
Currency derivatives	7.5	28.9

CAPITAL MANAGEMENT

The target of the Group's capital management is to use a strong equity structure to safeguard the Group's ability to do business and to increase owner value by aiming at the highest possible return. The development of the equity structure is monitored using the equity ratio. At the end of 2009, the Group's equity was EUR 322.0 million (EUR 279.4 million) and its equity ratio was 73.4% (77.9%). The equity ratio is calculated by dividing shareholders' equity with the balance sheet total less advances received. The equity ratios were as follows:

	31.12.2009	31.12.2008
Equity, EUR million	322.0	279.4
Balance sheet total, EUR million	444.2	364.0
Equity ratio	73.4%	77.9%

27. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The following table presents the book values and fair values for each item. The book values correspond to the consolidated balance sheet values. The principles used to calculate the consolidated fair values of all financial instruments are presented below.

(EUR MILLION)	NOTE	BOOK VALUE 2009	FAIR VALUE 2009	BOOK VALUE 2008	FAIR VALUE 2008
Financial assets					
Financial assets available for sale*	12	0.6	0.6	0.6	0.6
Loan receivables	13	1.4	1.4	1.7	1.7
Sales receivables and other receivables	15	41.6	41.6	53.1	53.1
Investments recognised at fair value in the income statement*	16	215.0	215.0	65.2	65.2
Liquid assets	17	8.0	8.0	12.8	12.8
Derivatives*	16	0.2	0.2	1.6	1.6
Financial liabilities					
Bank loans	24	7.8	7.8	10.0	10.0
Pension loans	24	53.7	54.1	7.0	6.9
Other loans	24	1.0	1.0	0.8	0.8
Overdraft facilities	24	0.0	0.0	0.7	0.7
Financial leasing liabilities	24	0.3	1.0	1.2	1.0
Accounts payable and other liabilities	25	49.3	49.3	53.0	53.0
Derivatives*	23	0.1	0.1	0.4	0.4

The above price quotations, assumptions and valuation models have been used to determine the fair values of the financial assets and liabilities presented in the table:

Investments in shares and securities under financial assets:
Publicly quoted shares available for sale are valued at the NASDAQ OMX Helsinki Ltd's purchase price of the closing date. Unquoted investments in shares are recorded at the cost of acquisition because it has not been possible to use valuation methods to appraise them at fair value or to reliably determine their fair value. Financial assets recognised at fair value in the income statement are negotiable and they are valued using the market price prevailing on the closing date or the market rates corresponding to the duration of the contract.

Derivatives
The fair values of interest rate, currency and commodity derivatives are determined using publicly quoted market prices at the closing date.

Loan receivables, bank and pension loans and financial leasing liabilities
The fair values of loan receivables and bank and pension loans are based on discounted cash flows. The discount rate corresponds to the market rates that correspond to the rates determined in the said contracts. The fair value of financial leasing liabilities has been estimated by discounting future cash flows by the rate that corresponds to the rate of similar leasing contracts.

Accounts payable and other liabilities or sales receivables and other receivables
The original book value of accounts payable and other liabilities or sales receivables and other receivables corresponds to their fair value, because the impact of discounting is not significant taking into consideration the maturity of liabilities or receivables.

Fair value hierarchy for financial assets measured at fair value
Financial assets measured at fair value* belong to tier 1, since they are based on prices determined on active markets for corresponding assets or liabilities, with the exception of available-for-sale financial assets, which belong to tier 3, because their fair value is not based on observable market prices.

(EUR MILLION)	2009	2008
28. OTHER LEASES		
Group as lessee:		
Minimum leases paid on the basis of other non-cancellable leasing contracts:		
Within 12 months	0.4	0.8
After 12 months but before five years	0.4	0.5
After five years	0.5	0.5
Total	1.3	1.8

The Group has leased cars, production facilities and land areas.

Based on other leases, Raisio's 2009 income statement includes paid leases worth EUR 4.0 million (EUR 3.6 million in 2008).

(EUR MILLION)	2009	2008
29. CONTINGENT AND OTHER LIABILITIES		
Pledged assets:		
Contingent liabilities for others		
Guarantees	0.0	0.0
Other liabilities		
Other financial liabilities	2.8	1.7
Commitment to investment payments		
Commitments to investment payments effective at the reporting date	0.6	0.8

30. RELATED PARTY TRANSACTIONS

Consolidated subsidiaries, joint ventures and associated companies

	GROUP HOLDING, %	PARENT COMPANY HOLDING, %
SUBSIDIARY COMPANIES		
Brands		
Carlshamn Mejeri Produktion AB, Sweden	100.00	
OOO Ecomilk, Russia	100.00	
OOO Raisio, Russia	100.00	
Raisio Eesti AS, Estonia	100.00	
SIA Raisio Latvija, Latvia	100.00	
UAB Raisio Lietuva, Lithuania	100.00	
OOO Raisio Nutrition, Russia	100.00	
Raisio Sp. z o.o., Poland	100.00	
Raisio Staest US Inc., USA	100.00	
Raisio Sverige Ab, Sweden	100.00	
TOV Raisio Ukraina, Ukraine	100.00	
Raisio Nutrition Ltd / Ingredients, Mill and Non Dairy, Raisio	100.00	100.00
ZAO Zolotaya Melnitsa, Russia	74.90	
Business to Business		
Raisio Malt Ltd, Raisio	100.00	100.00
Raisio Nutrition Ltd / Oil Milling, Raisio	100.00	100.00
Raisio Feed Ltd, Raisio	100.00	100.00
Others		
Raision Konsernipalvelut Oy, Raisio	100.00	100.00
Raisionkaari Industrial Park Ltd., Raisio	100.00	50.00
JOINT VENTURES		
Brands		
Ateriamestarit Oy, Turku	50.00	
ASSOCIATED COMPANIES		
Business to Business		
Vihervakka Oy, Pöytyä	38.50	38.50

(EUR MILLION)	2009	2008
Business activities involving insiders:		
Sales to associated companies and joint ventures	12.0	13.6
Purchases from associated companies and joint ventures	0.1	0.1
Sales to key employees in management	0.2	1.1
Purchases from key employees in management	0.7	0.9
Long-term receivables from associated companies and joint ventures	0.1	0.0
Short-term receivables from associated companies and joint ventures	1.2	1.4
Liabilities to associated companies and joint ventures	0.2	0.2
Sales to associated companies and joint ventures are carried out at fair market value.		
Management's employee benefits:		
Wages and fees	2.8	1.9
Compensation paid in conjunction with termination of employment	0.2	0.1
Share-based benefits	1.0	0.1
Total	3.9	2.1
Members of the Supervisory Board:	0.0	0.0
Members of the Board of Directors:	0.3	0.3
Managing Director and members of Management Team:		
Matti Rihko	1.0	0.5
Other members of Management Team	2.5	1.2
Total	3.6	1.7

Pension and other benefits:

Members of the management have the right and obligation to retire at the age of 62.

The Managing Director's contract may be terminated by both sides with six months notice. If the contract is terminated by the company, the Managing Director is entitled to compensation corresponding to 12 months' pay in addition to the pay for the period of notice.

31. EVENTS AFTER THE REPORTING PERIOD

On 10 February 2010, Raisio made a EUR 22.8 million public offer for the entire share capital of Glisten plc, a UK company. Glisten plc is listed on the AIM market of the London Stock Exchange. Its core competence consists of healthy, nourishing and high-quality snacks. The acquisition is expected to be completed early in the second quarter of 2010, provided that the shareholders of Glisten approve Raisio's offer. Raisio offers EUR 1.51 per Glisten share. Glisten's shareholders, including senior management, have shown strong support for the offer and its acceptance. The acquisition supports Raisio's strategy and offers both companies good growth opportunities.

FINANCIAL INDICATORS

	2009	2008	2007
Result and profitability			
Net sales, M€ 1)	375.9	463.2	386.9
change, %	–18.8	19.7	4.5
International net sales, M€ 1)	124.4	162.2	123.0
% of net sales	33.1	35.0	31.8
Operating margin, M€ 1)	36.4	42.4	24.3
% of net sales	9.7	9.1	6.3
Depreciation and write-downs, M€ 1)	17.0	18.0	12.9
EBIT, M€ 1)	19.5	24.4	11.4
% of net sales	5.2	5.3	2.9
Result before taxes, M€ 1)	18.9	24.0	10.8
% of net sales	5.0	5.2	2.8
Return on equity, ROE, % 1)	4.5	7.0	3.3
Return on investment, ROI, % 1)	6.1	8.4	3.5
Financial and economical position			
Shareholders' equity, M€	322.0	279.4	278.8
Interest-bearing financial liabilities, M€	62.8	19.7	7.2
Net interest-bearing financial liabilities, M€	–150.2	–58.2	–36.5
Balance sheet total, M€	444.2	364.0	360.3
Equity ratio, %	73.4	77.9	77.9
Net gearing, %	–46.6	–20.8	–13.1
Cash flow from business operations, M€	51.5	52.7	15.6
Other indicators			
Gross investments, M€ 1)	10.0	26.9	28.5
% of net sales	2.7	5.8	7.4
R&D expenses, M€ 1)	6.1	5.8	6.3
% of net sales	1.6	1.3	1.6
Average personnel 1)	627	719	806

1) Key figures presented for continuing operations.

SHARE INDICATORS

	2009	2008	2007
Earnings/share, continuing operations (EPS), € [1]	0.09	0.12	0.06
Cash flow from business operations/share, € [1]	0.33	0.34	0.10
Equity/share, € [1]	2.06	1.79	1.70
Dividend/share, €	0.09 [2]	0.07	0.04
Dividend/earnings, %	104.9	58.3	66.7
Effective dividend yield, %			
Free shares	3.4	4.8	2.7
Restricted shares	3.3	4.3	2.6
P/E ratio			
Free shares	31.0	12.3	25.0
Restricted shares	31.7	13.7	25.3
Adjusted average quotation, €			
Free shares	2.06	1.56	1.95
Restricted shares	2.04	1.66	1.96
Adjusted lowest quotation, €			
Free shares	1.43	1.35	1.39
Restricted shares	1.49	1.38	1.50
Adjusted highest quotation, €			
Free shares	2.72	1.87	2.33
Restricted shares	2.78	1.85	2.25
Adjusted quotation 31.12., €			
Free shares	2.66	1.47	1.50
Restricted shares	2.72	1.64	1.52
Market capitalization 31.12., M€ [1]			
Free shares	324.2	178.6	183.7
Restricted shares	93.2	56.2	52.2
Total	417.4	234.8	235.8
Trading, M€			
Free shares	73.8	44.2	100.0
Restricted shares	2.3	1.3	2.6
Total	76.1	45.5	102.6
Number of shares traded			
Free shares, 1,000 shares	35,873	28,365	51,309
% of total	27.5	21.7	39.3
Restricted shares, 1,000 shares	1,114	808	1,323
% of total	3.2	2.3	3.8
Average adjusted number of shares, 1,000 shares [1]			
Free shares	121,666	122,310	124,553
Restricted shares	34,268	34,294	34,462
Total	155,934	156,605	159,015
Adjusted number of shares 31.12., 1,000 shares [1]			
Free shares	121,894	121,516	122,444
Restricted shares	34,250	34,276	34,316
Total	156,145	155,793	156,760

1) Number of shares, excluding company shares held by the Group
2) According to Board's proposal EUR 0.09 per share

CALCULATION OF KEY FINANCIAL INDICATORS

RETURN ON EQUITY (ROE), %	RESULT BEFORE TAXES – INCOME TAXES* / SHAREHOLDERS' EQUITY (AVERAGE OVER THE PERIOD)	X 100
RETURN ON INVESTMENT (ROI), %	RESULT BEFORE TAXES + FINANCIAL EXPENSES* / SHAREHOLDERS' EQUITY + INTEREST-BEARING LIABILITIES (AVERAGE OVER THE PERIOD)	X 100
EQUITY RATIO, %	SHAREHOLDERS' EQUITY / BALANCE SHEET TOTAL – ADVANCES RECEIVED	X 100
NET INTEREST-BEARING FINANCIAL LIABILITIES	INTEREST-BEARING FINANCIAL LIABILITIES – LIQUID FUNDS AND LIQUID FINANCIAL ASSETS RECORDED AT FAIR VALUE IN THE INCOME STATEMENT	
NET GEARING, %	NET INTEREST-BEARING FINANCIAL LIABILITIES / SHAREHOLDERS' EQUITY	X 100

CALCULATION OF KEY SHARE INDICATORS

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 31.12., ADJUSTED FOR SHARE ISSUE	
DIVIDEND PER SHARE	DIVIDEND DISTRIBUTED IN THE PERIOD / NUMBER OF SHARES AT PERIOD-END	
DIVIDEND PER EARNINGS, %*	DIVIDEND PER SHARE / PROFIT PER SHARE	X 100
EFFECTIVE DIVIDEND YIELD, %	DIVIDEND PER SHARE, ADJUSTED FOR SHARE ISSUE / CLOSING PRICE, ADJUSTED FOR SHARE ISSUE	X 100
PRICE PER EARNINGS (P/E RATIO)*	CLOSING PRICE, ADJUSTED FOR SHARE ISSUE / PROFIT PER SHARE	
MARKET CAPITALISATION	CLOSING PRICE, ADJUSTED FOR ISSUE X NUMBER OF SHARES 31.12. WITHOUT OWN SHARES	

* THE CALCULATION OF KEY INDICATORS USES CONTINUING OPERATIONS RESULT.

** EXCLUDING SHARES WITH A POTENTIAL RETURN OBLIGATION

SHARES AND SHAREHOLDERS

Raisio plc's shares are listed on NASDAQ OMX Helsinki Ltd. Raisio's market value at the end of 2009 was EUR 441.4 million. Overall trading totalled nearly EUR 76.1 million. The closing price of free shares on 30 December 2009 was EUR 2.66, and that of restricted shares was EUR 2.72. The Board of Directors will propose a dividend of EUR 0.09 at the Annual General Meeting in spring 2010.

SHARE CAPITAL AND SHARE CLASSES

The fully paid-up share capital of Raisio plc is EUR 27,776,072.91, which on 31 December 2009 was divided into 34,451,723 restricted shares (series K) and 130,697,307 free shares (series V). No nominal value is quoted for the shares. Restricted shares accounted for 20.9% of the share capital and 84.1% of the votes, while the corresponding figures for free shares were 79.1% and 15.9% (31 December 2009). The company's minimum share capital is EUR 25,000,000 and maximum share capital EUR 100,000,000. The share capital can be raised or lowered within these limits without amending the Articles of Association. There were no changes in the share capital during 2009. The company has not issued securities that entitle the holder to shares.

Raisio plc's shares are listed on NASDAQ OMX Helsinki Ltd (hereafter referred to as the stock exchange). The company's free shares are quoted in the Mid Cap segment under the Consumer Staples sector, and its restricted shares on the Prelist. The trading code for free shares is RAIVV and the ISIN code FI 0009002943, and for restricted shares RAIKV and FI 0009800395, respectively. The company's shares have been entered into the book-entry system.

Free and restricted shares have an equal entitlement to equity and profits. At Annual General Meetings, each restricted share entitles the holder to 20 votes and each free share to one vote. No shareholder is entitled to exercise more than 1/10 of the total number of votes represented at the Meeting.

The assignment of restricted shares requires the approval of the Board of Directors. Approval is required even if the party who the shares are assigned to already owns restricted shares in the company. Approval must be given if the share recipient is a natural person whose primary occupation is farming. If approval is not given, the Board of Directors must convert the assigned restricted share into a free share.

The Board may also convert restricted shares into free shares on request and likewise give advance information on whether the applicant will be granted permission to acquire restricted shares. In 2009, a total of 22,427 restricted shares were converted into free shares.

In the book-entry system, restricted shares for which the approval procedure is in progress, or for which approval has not been sought, will be retained on the waiting list until they are entered as restricted shares in the share register following approval, assigned to another shareholder or converted into free shares. The waiting list had 6.2 million restricted shares on 31 December 2009.

RAISIO SHARES TRADED ON THE STOCK EXCHANGE IN 2009

The highest price of the series V share was EUR 2.72 and the lowest EUR 1.43. The average price was EUR 2.06. The year-end price of the V share was EUR 2.66. The number of Raisio V shares traded in 2009 totalled 35.9 million (2008: 28.4 million), which equals some 27% of the total volume of V shares. The value of share trading was EUR 73.8 million (EUR 44.2 million).

The highest price of the series K share was EUR 2.78 and the lowest EUR 1.49. The average price was EUR 2.04. The year-end price of the K share was EUR 2.72. The number of Raisio's K shares traded in 2009 totalled 1.1 million (0.8 million), and the value of share trading was EUR 2.3 million (EUR 1.3 million).

The share capital had a market value of EUR 441.4 million at the end of 2009 (EUR 248.6 million), and EUR 417.4 million (EUR 234.8 million) excluding the shares held by the company.

OWNERSHIP STRUCTURE

At the end of 2009, Raisio plc had 37,384 registered shareholders (37,269). With a share of 56.4%, households made up the largest owner group (58.0%).

Raisio plc owned 8,803,109 free shares and 201,295 restricted shares on 31 December 2009. Other Group companies do not have holdings in Raisio plc. Shares in the company or its subsidiaries do not entitle the holder to participate in the Annual General Meeting.

At its highest, foreign ownership in Raisio amounted to 15.2%, at its lowest to 13.3% and at the end of the year to 13.3% (14.8%). Of the company's shares, 0.5% remain outside the book-entry system.

No disclosures of ownership changes, required from shareholders under Chapter 2, section 9, of the Securities Market Act, were made in the review period.

DIVIDEND POLICY AND DIVIDEND

It is Raisio's target to generate added value to all its shareholders by developing its business operations and improving business profitability, and by following a long-range dividend policy. The target is to annually distribute half of the per-share earnings generated by continuing operations, provided the dividend payment does not compromise the company's ability to meet its strategic objectives.

Raisio plc's Annual General Meeting, held on 26 March 2009, decided on a dividend of EUR 0.07 per share. The dividend was paid on 7 April 2009. No dividend was paid on the shares held by the company.

The Board of Directors will propose a per-share dividend of EUR 0.09 at the Annual General Meeting in spring 2010. The record date is 30 March 2010, and the payable date 8 April 2010.

SHARE-BASED INCENTIVE SYSTEMS 2008–2010

Raisio plc's Board of Directors decided in May 2008 to set up a three-year share-based incentive scheme as a part of the incentive and reward system offered to Raisio's key personnel. The goal is to integrate the targets of shareholders and key employees in order to increase the company's market capitalisation, to enhance the key employees' commitment to the company and to offer them a competitive reward system based on share ownership.

The scheme gives authorisation to distribute a maximum of 1,600,000 of Raisio plc's free shares already in the company's possession after previous share repurchases. Rewards are paid as a combination of shares and cash. Cash payments are to cover the taxes and fiscal fees arising from share-based rewards.

The financial year 2008 was the first earnings period in the scheme. Net sales growth and profit before extraordinary items and taxes were used as the earnings criteria. The maximum number of shares to be distributed was 400,000 free shares. As a reward for the scheme's first earnings period, 334,500 free shares were assigned to 13 people covered by the scheme in August 2009. The per-share value was EUR 2.083, and the total of the shares assigned was EUR 696,763.50. Shares distributed as a reward are subject to a disposal restriction and return obligation, which last until 1 September 2011 and will be applied if the employee's employment or job contract ends prior to the expiration of the disposal restriction.

In December 2008, the Board of Directors decided on a share-based incentive scheme for the second earnings period, which is the financial year 2009. The earnings criteria to be used are return on capital employed and profit before one-off items and taxes, as well as the divestment process of the margarine business. The maximum number of shares to be distributed is 600,000 free shares. The amount earned in rewards will be determined on the basis of the achievement of targets after the financial statements have been prepared in the spring of 2010. Any rewards will be paid to those covered by the scheme in August 2010. Shares distributed as part of the scheme are subject to a disposal restriction and return obligation, which last until 31 December 2011 and will be applied if the employee's employment or job contract ends prior to the expiration of the disposal restriction. In the second earnings period, the scheme covered 51 people at the end of the 2009 accounting period.

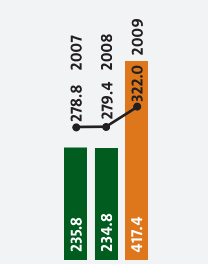
To date, the Board of Directors has not decided on a share-based incentive scheme for the 2010 accounting period (the third earnings period).

COMPANY MANAGEMENT SHAREHOLDINGS

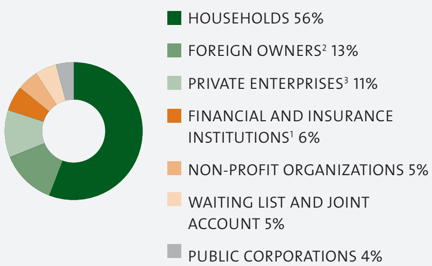
The members of the company's Supervisory Board, the members of the Board of Directors and the CEO, as well as associations and foundations under their control, owned 1,403,290 restricted shares and 4,766,872 free shares on 31 December 2009. This accounts for 3.7% of all shares and represents 4.0% of the maximum voting power.

STRUCTURE OF SHARE CAPITAL ON 31 DECEMBER 2009

	NUMBER OF SHARES	% OF TOTAL SHARES	% OF TOTAL VOTES
FREE SHARES	130,697,307	79.1	15.9
RESTRICTED SHARES	34,451,723	20.9	84.1
TOTAL	165,149,030	100.0	100.0



MARKET VALUE (M€)
— EQUITY
EXCLUDING THE SHARES HELD BY THE COMPANY



SHAREHOLDERS ON 31 DECEMBER 2009

[1] EXCLUDING NOMINEE-REGISTERED
[2] INCLUDING NOMINEE-REGISTERED
[3] INCLUDING THE SHARES HELD BY THE COMPANY

The CEO is covered by the Group's share-based incentive scheme, based on which he may receive a maximum of 66,667 Raisio plc free shares in August 2010 (second earnings period). In addition, based on the successfully completed divestment of the margarine business, a decision was made to assign 20,000 free shares as a one-off share-based reward for 2009 to the CEO in March 2011. Should the CEO obtain the maximum number of free shares from the 2009 incentive scheme, and adding to that the one-off share reward, the holding of the previously mentioned group would total 3.8 per cent of all shares and 4.0 per cent of the maximum voting power.

SHAREHOLDER AGREEMENTS

Raisio's Board of Directors is not aware of any valid agreements related to the ownership of the company's shares and the use of voting power.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

As a rule, amendments to the Articles of Association require that the proposed amendment is supported by a minimum of two-thirds of the given votes and shares represented at the meeting. However, amendments to sections 6, 7, 8, 9 and 18 of the Articles of Association require a decision by a three-quarter majority of the votes given and the shares represented to be made at two successive shareholders' meetings held with an interval of at least twenty days. In certain cases, the Companies Act requires a vote by types of shares and the shareholders' consent.

AMENDMENT TO THE ARTICLES OF ASSOCIATION IN 2009

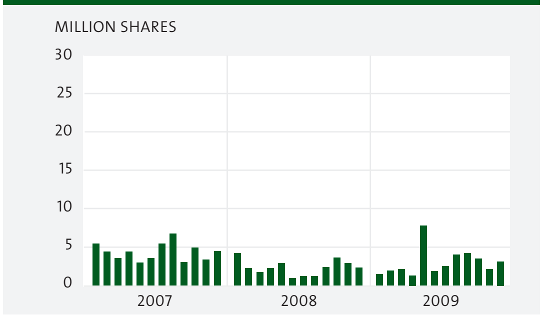
The Annual General Meeting approved the proposal of a group of shareholders to amend Section 14, paragraph 2 of the Articles of Association to state that a person who has turned 68 before the beginning of the term cannot be elected as a member of the Board of Directors. The amendment was entered in the Trade Register in April 2009 and is now in effect.

CORPORATE GOVERNANCE SYSTEM

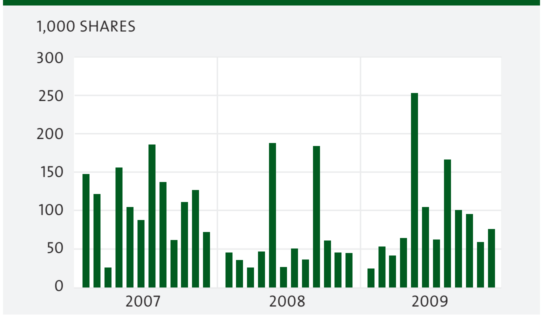
The Board of Directors consists of a minimum of five and a maximum of eight members elected by the Annual General Meeting. Their term begins at the end of the Annual General Meeting at which the election takes place and lasts until the end of the following Annual General Meeting.

With the exception of representatives of personnel groups, the members of the company's Supervisory Board, who number 15 as a minimum and 25 as a maximum, are elected by the shareholders' meeting for a term that begins at the shareholders' meeting at which the election takes

TRADING VOLUME, FREE SHARE



TRADING VOLUME, RESTRICTED SHARE



SHARE PRICE DEVELOPMENT, FREE SHARE

SHARE PRICE DEVELOPMENT, RESTRICTED SHARE

place and lasts until the end of the third Annual General Meeting following the election. One-third of the members are replaced every year. The Supervisory Board also has three representatives elected by personnel groups formed by Raisio's employees in Finland. Their term is approximately three years.

The CEO is appointed and discharged by the Board of Directors. The CEO is appointed for an indefinite term.

The body that elects the members of the Board of Directors and the Supervisory Board may make a new appointment decision at any time, meaning that the duties of a member or all members may be terminated before the term comes to an end.

SHARE REPURCHASE AUTHORISATION FOR THE BOARD OF DIRECTORS

The Annual General Meeting held in spring 2009 authorised the Board of Directors to decide on the repurchase of a maximum of 5,500,000 free shares and 1,375,000 restricted shares through public trading arranged by the stock exchange. The authorisation allows shares to be repurchased in order to develop the capital structure of the company, to finance or carry out acquisitions or other arrangements, to implement share-based incentive systems or to be otherwise further assigned or annulled. The authorisation expires, at the latest, on 26 September 2010.

The shares that may be repurchased under the authorisation amount to 4.2% of the share capital and to 4.0% of overall votes.

SHAREHOLDERS

25 MAJOR SHAREHOLDERS ON 31 DECEMBER 2009, ACCORDING TO SHAREHOLDERS REGISTER

	SERIES K, NO.	SERIES V, NO.	TOTAL, NO.	%	VOTES, NO.	%
NIEMISTÖ KARI		4,120,000	4,120,000	2.49	4,120,000	0.50
THE CENTRAL UNION OF AGRICULTURAL PRODUCERS AND FOREST OWNERS (MTK)	3,733,980	199,000	3,932,980	2.38	74,878,600	9.13
SKAGEN GLOBAL VERDIPAPIRFOND		2,287,300	2,287,300	1.38	2,287,300	0.28
OP-FINLAND VALUE FUND		2,150,000	2,150,000	1.30	2,150,000	0.26
ILMARINEN MUTUAL PENSION INSURANCE COMPANY		1,735,245	1,735,245	1.05	1,735,245	0.21
OP-FINLAND SMALL FIRMS FUND		1,671,271	1,671,271	1.01	1,671,271	0.20
AKTIA CAPITAL FUND		1,500,000	1,500,000	0.91	1,500,000	0.18
VARMA MUTUAL PENSION INSURANCE COMPANY		1,320,000	1,320,000	0.80	1,320,000	0.16
THE STATE PENSION FUND		1,300,000	1,300,000	0.79	1,300,000	0.16
ARVO ASSET MANAGEMENT LTD ARVO FINLAND VALUE		1,200,000	1,200,000	0.73	1,200,000	0.15
RELANDER HARALD BERTEL		1,025,000	1,025,000	0.62	1,025,000	0.13
MUTUAL INSURANCE COMPANY PENSION-FENNIA		1,000,000	1,000,000	0.61	1,000,000	0.12
MAA- JA VESITEKNIIKAN TUKI R.Y.		1,000,000	1,000,000	0.61	1,000,000	0.12
ETRA INVEST OY AB		1,000,000	1,000,000	0.61	1,000,000	0.12
SKAGEN VEKST VERDIPAPIRFOND		875,000	875,000	0.53	875,000	0.11
SKAGEN GLOBAL II VERDIPAPIRFOND		842,800	842,800	0.51	842,800	0.10
BROTHERUS ILKKA	42,540	784,500	827,040	0.50	1,635,300	0.20
THE CENTRAL UNION OF SWEDISH-SPEAKING AGRICULTURAL PRODUCERS IN FINLAND (SLC)	659,500	73,027	732,527	0.44	13,263,027	1.62
LANGH HANS	654,480		654,480	0.40	13,089,600	1.60
NORDEA NORDIC SMALL CAP FUND		657,709	657,709	0.40	657,709	0.08
HAAVISTO MAIJA	393,120	264,270	657,390	0.40	8,126,670	0.99
HAAVISTO HEIKKI	552,336	96,090	648,426	0.39	11,142,810	1.36
VERITAS PENSION INSURANCE COMPANY LTD.		620,000	620,000	0.38	620,000	0.08
CARNEGIE SHARE FUND		613,319	613,319	0.37	613,319	0.07
KESKITIEN TUKISÄÄTIÖ	100,000	500,000	600,000	0.36	2,500,000	0.30

SHARES REGISTERED UNDER FOREIGN OWNERSHIP, INCLUDING NOMINEE REGISTRATIONS, TOTALLED 21,953,675 ON 31 DECEMBER 2009, OR 13.3% OF THE TOTAL AND 16.8% OF FREE SHARES.

AT THE END OF THE YEAR, RAISIO PLC OWNED 9,004,404 COMPANY SHARES, WHICH REPRESENTS 5.5% OF THE TOTAL.

The repurchase authorisation granted by the Annual General Meeting in 2009 was not exercised in the accounting period. Based on the authorisation granted by the Annual General Meeting in 2008, the company repurchased 3,487 restricted shares for EUR 5,689 in public trading arranged by the stock exchange in January–March 2009 as a part of the company's repurchasing scheme initiated on 3 September 2008.

SHARE ISSUE AUTHORISATION FOR THE BOARD OF DIRECTORS

The Annual General Meeting in spring 2009 authorised the Board of Directors to decide on share issues by (1) disposing all of the company shares held by the company at the time of the decision and any repurchased shares – a maximum total of 16,460,000 shares, 1,801,500 of which can be restricted shares, and by (2) issuing a maximum of 16,500,000 new free shares against payment.

On 31 December 2009, the company shares available for disposal under the authorisation totalled 5.5% of the share capital and 1.6% of overall votes. The new free shares that can be issued under the authorisation total 10.0% of the share capital and 2.0% of overall votes.

The Board of Directors is entitled to decide to whom and in which order the company shares are disposed and new shares issued. The Board of Directors is entitled to deviate from the shareholders' pre-emptive rights in the disposal of shares and the issue of new shares if significant financial grounds thereto exist from the company's perspective. The development of the company's capital structure, the financing or implementation of acquisitions or other arrangements, as well as the implementation of share-based incentive systems, may be considered significant financial grounds. The Board of Directors may also decide to dispose of company shares through public trading arranged by the stock exchange in order to obtain funds to finance investments and possible acquisitions.

As a minimum, the price paid for shares shall equal the fair value of the shares at the time of disposal, as determined in the public trading arranged by the stock exchange. For the purpose of implementing share-based incentive systems, shares may be assigned without payment. The shares may also be disposed of against compensation other than money, against acknowledgement or on other specific terms.

Based on the authorisation, 355,391 free shares were disposed in the accounting period. Of them, 334,500 were distributed in August 2009 as a part of the 2008 share-based incentive scheme and 20,891 as a reward for handling the duties of the Board Chairman and members as of 1 April 2009. The disposal authorisation expires, at the latest, on 26 March 2014.

SPLIT OF SHREHOLDINGS ON 31 DECEMBER 2009

	FREE SHARES				RESTRICTED SHARES			
SHARES	SHAREHOLDERS		SHARES		SHAREHOLDERS		SHARES	
NO.	NO.	%	NO.	%	NO.	%	NO.	%
1–1,000	22,537	64.3	10,837,835	8.3	3,694	58.1	1,316,867	3.8
1,001–5,000	9,862	28.2	24,067,171	18.4	1,716	27.0	4,095,943	11.9
5,001–10,000	1,635	4.7	12,266,852	9.4	491	7.7	3,497,991	10.1
10,001–25,000	677	1.9	10,777,454	8.3	319	5.0	4,921,629	14.3
25,001–50,000	162	0.5	5,647,519	4.3	95	1.5	3,062,442	8.9
50,001–	144	0.4	66,745,806	51.1	45	0.7	10,746,016	31.2
WAITING LIST			0	0.0			6,192,805	18.0
JOINT ACCOUNT			185,770	0.1			618,030	1.8
SPECIAL ACCOUNTS			168,900	0.1			0	0.0
TOTAL	35,017	100.0	130,697,307	100.0	6,360	100.0	34,451,723	100.0

31 DECEMBER 2009 RAISIO PLC HAD A TOTAL OF 37,384 REGISTERED SHAREHOLDERS.

PARENT COMPANY INCOME STATEMENT

(EUR MILLION)	NOTE	1.1.–31.12.2009	1.1.–31.12.2008
NET SALES		2.32	2.75
Other income from business operations		0.01	0.02
Materials and services	1	−0.07	−0.06
Personnel expenses	2	−2.70	−2.21
Depreciation and write-downs	3	−0.06	−0.11
Other expenses from business operations	4	−5.32	−5.12
EBIT		−5.81	−4.73
Financial income and expenses	5	4.62	13.10
RESULT BEFORE EXTRAORDINARY ITEMS		−1.19	8.37
Extraordinary items	6	14.71	−6.61
RESULT BEFORE APPROPRIATIONS AND TAXES		13.52	1.76
Appropriations	7	0.02	0.01
Direct taxes	8	−3.50	−0.67
RESULT FOR THE FINANCIAL PERIOD		10.04	1.10

PARENT COMPANY BALANCE SHEET

(EUR MILLION)	NOTE	31.12.2009	31.12.2008
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	9	0.04	0.06
Tangible assets	9	0.44	0.41
Holdings in Group companies	10	103.93	103.93
Other investments	10	44.88	139.10
		149.29	243.51
CURRENT ASSETS			
Inventories		0.01	0.02
Current receivables	11	30.72	34.59
Securities under financial assets		214.21	64.53
Cash in hand and at banks		30.73	6.70
		275.67	105.84
TOTAL ASSETS		424.96	349.34
LIABILITIES AND SHAREHOLDERS' EQUITY			
SHAREHOLDERS' EQUITY	12		
Share capital		27.78	27.78
Premium fund		2.91	2.91
Reserve fund		88.59	88.59
Retained earnings		189.48	198.55
Result for the year		10.04	1.10
		318.79	318.92
APPROPRIATIONS	13	0.00	0.02
LIABILITIES			
Non-current liabilities	14	26.66	7.78
Current liabilities	15	79.51	22.62
		106.17	30.40
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		426.96	349.34

PARENT COMPANY CASH FLOW STATEMENT

(EUR MILLION)	2009	2008
CASH FLOW FROM BUSINESS OPERATIONS		
EBIT	−5.81	−4.73
EBIT adjustments:		
Planned depreciation	0.06	0.11
Other adjustments	0.73	0.85
Cash flow before change in working capital	−5.02	−3.78
Increase (–)/decrease (+) in current receivables	+1.88	+8.20
Increase (–)/decrease (+) in inventories	+0.01	−0.01
Increase (+)/decrease (–) in current interest-free liabilities	+0.26	+2.50
Change in working capital	2.16	10.70
Cash flow from business operations before financial items and taxes	−2.87	6.92
Interest paid and payments	−3.20	−2.63
Dividends received	0.01	0.20
Interest and other financial income	9.48	16.65
CASH FLOW FROM BUSINESS OPERATIONS	3.43	21.13
CASH FLOW FROM INVESTMENTS		
Investments in tangible and intangible assets	−0.06	0.00
Investments on marketable securities	−10.00	0.00
Loans granted	−49.00	−27.96
Repayment of loan receivables	143.02	67.02
CASH FLOW FROM INVESTMENTS	83.95	39.06
Cash flow after investments	87.38	60.19
CASH FLOW FROM FINANCIAL OPERATIONS		
Increase (+)/decrease (–) in non-current loans	+23.58	+9.17
Increase (+)/decrease (–) in current liabilities	+50.20	−45.28
Increase (–)/decrease (+) in loan receivables	+20.00	+15.53
Group contributions received and paid	−6.61	3.49
Repurchase of company shares	−0.01	−1.62
Dividend paid and other distribution of profit	−10.84	−6.24
CASH FLOW FROM FINANCIAL OPERATIONS	76.33	−24.95
Change in liquid funds	163.71	35.24
Liquid funds at the beginning of the period	71.23	35.99
Liquid funds at period-end	234.94	71.23

PARENT COMPANY ACCOUNTING PRINCIPLES

The parent company's financial statements have been drawn up in compliance with the Finnish Accounting and Companies Acts. The accounts have been drawn up in euros.

INVENTORIES

Inventories has been entered on the balance sheet in purchase cost.

VALUATION OF NON-CURRENT ASSETS

Tangible and intangible assets have been recognised on the balance sheet under cost of acquisition less planned depreciation. Planned depreciation has been calculated on a straight-line basis from the original cost of acquisition and the useful life of the asset. The depreciation plan is the same as the previous year.

The depreciation periods are as follows:

- buildings and structures 10–25 years
- machinery and equipment 4–10 years
- intangible rights 5–10 years
- other long-term expenses 5–20 years

Planned depreciation was not carried out on land areas or revaluations.

PENSION ARRANGEMENTS

Statutory and voluntary pension security for Raisio's personnel is arranged through pension insurance companies. The company's Managing Director is entitled and obligated to retire upon turning 62.

NET SALES

Net sales consist of product sales as well as income from services that the parent company provides to Group companies.

OTHER INCOME FROM BUSINESS OPERATIONS

Other income from business operations has been included profit from the sale of assets and other regular income not related to actual sales of goods or services, such as rents.

EXTRAORDINARY INCOME AND EXPENSES

Extraordinary income and expenses consist of received and paid Group subsidies.

INCOME TAXES

The taxes in the company's income statement include the taxes paid in the financial period, calculated on the basis of the taxable profit, as well as taxes paid in previous financial periods. The financial statements show accrued appropriations in full on the balance sheet, and the tax liability included in them is not treated as debt. Deferred taxes have not been entered.

FOREIGN CURRENCY ITEMS

The company's foreign currency receivables and liabilities have been converted into euros at the mean rates on the date of closing. Realised exchange rate differences, as well as gains and losses arising from the valuation of receivables and liabilities, have been entered in the income statement. Exchange rate gains and losses related to actual business operations are treated as adjustment items on sales and purchases, and those related to financing are entered under financing income and expenses.

DERIVATIVE CONTRACTS

In line with its risk management policy, Raisio uses derivatives to hedge against foreign exchange and interest rate risks. Currency derivatives are used to hedge foreign currency receivables and liabilities and exchange rate differences arising from them are recorded in the income statement.

The interest rate risk of the portfolio consisting of the Group's interest-bearing receivables and liabilities is reduced using interest rate swaps. The accrued interest from swaps is entered under financial income or expenses to adjust interest expenses or income from the receivables and liabilities portfolio. The market value of the interest rate swaps has not been recorded.

COMPANY SHARES

Share repurchase and related expenses are recognised in the company's financial statements as a decrease in retained earnings, while disposals are recognised as an increase in retained earnings.

INCENTIVE SCHEME FOR MANAGEMENT

The expenses related to the management's long-term, share-based incentive scheme are recognised as an earnings period expense in the income statement and as liabilities in the balance sheet.

CASH FLOW STATEMENT

Cash flows for the financial period have been categorised into cash flows from business operations, investments and financing. The statement of cash flows has been prepared using the indirect method.

NOTES TO THE PARENT COMPANY INCOME STATEMENT

(EUR MILLION)	2009	2008
1. MATERIALS AND SERVICES		
Materials, supplies and goods		
Purchases in the period	0.06	0.05
Change in inventories	0.01	0.01
Total	0.07	0.06
2. PERSONNEL EXPENSES		
Wages and fees	1.97	1.64
Pension expenses	0.57	0.21
Other personnel expenses	0.16	0.36
Total	2.70	2.21
WAGES AND FEES PAID TO MANAGEMENT		
Managing Director	1.00	0.52
Members of the Board of Directors	0.30	0.28
Members of the Supervisory Board	0.02	0.03
AVERAGE NUMBER OF PARENT COMPANY PERSONNEL		
Office workers	2	2
PENSION LIABILITY		
Pension liability for members of the Board of Directors and the Managing Director		
The parent company's Managing Director is entitled and obligated to retire upon turning 62.		
3. DEPRECIATION AND WRITE-DOWNS		
Planned depreciation	0.06	0.11
4. OTHER EXPENSES FROM BUSINESS OPERATIONS		
Auditors' remuneration:		
PricewaterhouseCoopers Oy		
Audit	0.05	0.03
Certificates and reports	0.02	
Tax guidance		0.00
Other services	0.02	0.17
	0.09	0.21

(EUR MILLION)	2009	2008
5. FINANCIAL INCOME AND EXPENSES		
Dividend received		
From participating interest companies	0.01	0.01
From others	0.00	0.19
Total	0.01	0.20
Total interest received from long-term investment		
From Group companies	4.71	12.32
Total income from long-term investment	4.72	12.52
Other interest and financial income		
From Group companies	0.32	2.14
From others	2.44	1.55
Total	2.76	3.69
Total interest received from long-term investment and other interest and financial income	7.46	16.02
Exchange rate differences		
To Group companies	−0.46	−1.38
To others	0.50	1.30
Total	0.04	−0.07
Interest paid and other financial expenses		
To Group companies	−0.33	−1.67
To others	−2.57	−1.37
Total	−2.89	−3.04
Total financial income and expenses	4.62	13.10
6. EXTRAORDINARY INCOME AND EXPENSES		
Extraordinary income		
Group subsidies received	23.25	0.00
Total	23.25	0.00
Extraordinary expenses		
Group subsidies paid	−8.54	−6.61
Total	−8.54	−6.61
Total extraordinary income and expenses	14.71	−6.61
7. APPROPRIATIONS		
Difference between planned depreciation and depreciation made in taxation	0.02	0.01
8. INCOME TAXES		
Income tax on extraordinary items	−3.82	1.72
Income tax on ordinary operations	0.17	−2.39
Taxes on previous financial years	0.15	0.00
Total	−3.50	−0.67

NOTES TO THE PARENT COMPANY BALANCE SHEET

9. INTANGIBLE ASSETS 2009

(EUR MILLION)	INTANGIBLE RIGHTS	OTHER LONG-TERM EXPENDITURE	INTANGIBLE ASSETS TOTAL
Acquisition cost 1.1.	0.24	0.37	0.62
Increase 1.1.–31.12.	0.00		0.00
Decrease 1.1.–31.12.			0.00
Reclassifications			0.00
Acquisition cost 31.12.	**0.25**	**0.37**	**0.62**
Accumulated depreciation and write-downs 1.1.	0.21	0.34	0.56
Accumulated depreciation of decrease and transfers	0.00		0.00
Depreciation for the year	0.00	0.02	0.03
Accumulated depreciation 31.12.	**0.22**	**0.36**	**0.58**
Book value 31.12.2009	**0.03**	**0.01**	**0.04**
Book value 31.12.2008	**0.03**	**0.03**	**0.06**

9. TANGIBLE ASSETS 2009

(EUR MILLION)	BUILDINGS AND CONSTRUCTIONS	MACHINERY AND EQUIPMENT	OTHER TANGIBLE ASSETS	TANGIBLE ASSETS TOTAL
Acquisition cost 1.1.	0.70	0.20	0.26	1.18
Increase 1.1.–31.12.		0.06		0.06
Decrease 1.1.–31.12.				0.01
Reclassifications				0.00
Acquisition cost 31.12.	**0.70**	**0.26**	**0.26**	**1.23**
Accumulated depreciation and write-downs 1.1.	0.55	0.20		0.75
Accumulated depreciation of decrease and transfers		0.00		0.00
Depreciation for the year	0.03	0.00		0.03
Accumulated depreciation 31.12.	**0.58**	**0.21**	**0.00**	**0.79**
Book value 31.12.2009	**0.12**	**0.06**	**0.26**	**0.44**
Book value 31.12.2008	**0.15**	**0.00**	**0.26**	**0.41**
Book value of the production machinery and equipment				
31.12.2009		**0.0**		
31.12.2008		**0.0**		

10. INVESTMENT 2009

(EUR MILLION)	GROUP COMPANY SHARES	PARTICIPATING INTEREST COMPANY SHARES	OTHER SHARES	RECEIVABLES, GROUP COMPANIES	TOTAL INVESTMENT
Acquisition cost 1.1.	103.93	0.03	0.03	139.04	243.03
Increase 1.1.–31.12.				49.00	49.00
Decrease 1.1.–31.12.				143.22	143.22
Acquisition cost 31.12.	**103.93**	**0.03**	**0.03**	**44.81**	**148.81**
Book value 31.12.2009	**103.93**	**0.03**	**0.03**	**44.81**	**148.81**
Book value 31.12.2008	**103.93**	**0.03**	**0.03**	**139.04**	**243.03**

SHARES AND HOLDINGS 2009

	GROUP HOLDING, %	PARENT COMPANY HOLDING, %
GROUP COMPANIES		
Raisio Malt Ltd, Raisio	100.00	100.00
Raision Konsernipalvelut Oy, Raisio	100.00	100.00
Raisionkaari Industrial Park Ltd., Raisio	100.00	50.00
Raisio Nutrition Ltd, Raisio	100.00	100.00
Raisio Feed Ltd, Raisio	100.00	100.00
ASSOCIATED COMPANIES		
Vihervakka Oy, Pöytyä	38.50	38.50

(EUR MILLION)	2009	2008
11. RECEIVABLES		
Current receivables		
Accounts receivables	0.00	0.00
Receivables from Group companies		
Accounts receivables	1.46	0.10
Loan receivables	1.70	23.47
Other receivables	23.30	0.07
Prepaid expenses and accrued income	0.26	2.03
	26.72	25.66
Receivables from participating interest companies		
Accounts receivables	0.00	0.00
Other receivables	3.32	6.69
Prepaid expenses and accrued income	0.68	2.24
Total current receivables	30.72	34.59

Prepaid expenses and accrued income include items related to the timing of operational income and expenses, financial items and taxes.

12. SHAREHOLDERS' EQUITY	2009	2008
Restricted shareholders' equity		
Share capital 1.1.	27.78	27.78
Share capital 31.12.	27.78	27.78
Premium fund 1.1.	2.91	2.91
Premium fund 31.12.	2.91	2.91
Reserve fund 1.1.	88.59	88.59
Reserve fund 31.12.	88.59	88.59
Total restricted shareholders' equity	119.27	119.27
Unrestricted shareholders' equity		
Retained earnings 1.1.	199.65	206.36
Dividend distributed	−10.91	−6.27
Disposal of company shares	0.74	0.08
Repurchase of company shares	−0.01	−1.62
Retained earnings 31.12.	189.48	198.55
Result for the year	10.04	1.10
Total unrestricted shareholders' equity	199.52	199.65
Total shareholders' equity	318.79	318.92
Distributable equity	199.52	

Company share capital dividend by share series as follows:

	2009		2008	
	SHARES	EUR 1,000	SHARES	EUR 1,000
Series K (20 votes/share)	34,451,723	5,794	34,474,150	5,798
Series V (1 vote/share)	130,697,307	21,982	130,674,880	21,978
Total	165,149,030	27,776	165,149,030	27,776

Company shares held by Raisio:

	2009		2008	
	SHARES	ACQUISITION COST EUR 1,000	SHARES	ACQUISITION COST EUR 1,000
Series K (20 votes/share)	201,295	389	197,808	382
Series V (1 vote/share)	8,803,109	18,089	9,158,500	19,027
Total	9,004,404	18,478	9,356,308	19,409

The probable assignment price of company shares held by Raisio on the date of the financial statements was EUR 24.0 million (EUR 13.8 million in 2008).

(EUR MILLION)	2009	2008
13. APPROPRIATIONS		
Appropriations consist of the accumulated depreciation difference.		
LIABILITIES		
14. NON-CURRENT LIABILITIES		
Loans from credit institutions	5.56	7.78
Pension loans	21.11	0.00
Total non-current liabilities	26.66	7.78
Liabilities falling due within a period longer than in five years		
Pension loans	2.35	0.00
Total	2.35	0.00
15. CURRENT LIABILITIES		
Loans from credit institutions	26.56	2.22
Pension loans	4.69	0.00
Accounts payable	0.38	0.18
Liabilities to Group companies		
Accounts payable	0.00	0.00
Other liabilities	45.45	17.52
Accrued liabilities and deferred income	0.05	0.19
	45.50	17.70
Other liabilities	0.76	0.56
Accrued liabilities and deferred income	1.61	1.97
Total current liabilities	79.51	22.62
Accrued liabilities and deferred income comprises items related to the periodization of operational expenses, financial items and taxes.		
Interest-free debts		
Non-current	11.34	9.50

(EUR MILLION)	2009	2008
16. CONTINGENT AND OTHER LIABILITIES AND PLEDGED ASSETS		
CONTINGENT OFF-BALANCE SHEET LIABILITIES:		
Leasing liabilities		
Amounts outstanding on leasing contracts		
Falling due in 2010	0.00	0.01
Leasing contracts do not include substantial liabilities related to termination and redemption terms.		
Contingent liabilities for Group companies		
Guarantees	43.09	27.46
17. DERIVATIVE CONTRACTS:		
The company uses derivative contract for hedging. The values of underlying instruments for derivative contracts, stated below, indicate the scope of hedging measures. The fair values of derivative contracts show the result had the derivative position been closed at market price on the closing day.		
Currency forward contracts:		
Fair value	0.01	1.24
Value of underlying instrument	7.52	28.86
The value of the underlying instrument in currency forward contracts is the sum of open forward contracts, converted into euros at the exchange rate of the closing day.		
Interest rate swaps:		
Fair value	0.13	−0.05
Value of underlying instrument	33.58	10.00

The value of interest rate swaps is the nominal amount of open contracts.

BOARD'S PROPOSAL FOR THE DISPOSAL OF PROFIT

Shareholders' equity according to the balance sheet at 31 December 2009 is EUR 199.519.488,14. The Board of Directors proposes that a dividend of EUR 0.09 per share be paid from the parent company's earnings

totalling	EUR 14.863.412,70
carried over on the retained earnings account	EUR 184.656.075,44
Total	EUR 199.519.488,14

However, dividend will not be paid on the shares which are held by the company at the record date 30 March 2010.

There has not been any essential changes in the Group's financial condition since the end of the financial period. The Group's liquidity is good and the payment of the proposed dividend does not, in our opinion, endanger the company's liquidity.

Raisio, 11 February 2010

Simo Palokangas
Anssi Aapola
Erkki Haavisto
Satu Lähteenmäki
Michael Ramm-Schmidt
Matti Rihko, *CEO*

AUDITORS' REPORT

To the Annual General Meeting of Raisio plc

We have audited the accounting records, the financial statements, the report of the Board of Directors and the administration of Raisio plc for the period 1.1.–31.12.2009. The financial statements comprise the consolidated balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the financial statements and the report of the Board of Directors and for the fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the fair presentation of the parent company's financial statements and the report of the Board of Directors in accordance with laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditors' Responsibility

Our responsibility is to perform an audit in accordance with good auditing practice in Finland, and to express an opinion on the parent company's financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. Good auditing practice requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements and the report of the Board of Directors are free from material misstatement and whether the members of the Supervisory Board and the Board of Directors of the parent company and the Managing Director have complied with the Limited Liability Companies Act.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

The audit was performed in accordance with good auditing practice in Finland. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Consolidated Financial Statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Opinion on the Company's Financial Statements and the Report of the Board of Directors

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Raisio, 11 February 2010

Johan Kronberg	Mika Kaarisalo
Authorised Public Accountant	*Authorised Public Accountant*

STATEMENT OF THE SUPERVISORY BOARD

At its meeting today, the Supervisory Board studied the financial statement, the consolidated financial statement and auditors' report for the financial period 1 January – 31 December 2009.

The Supervisory Board gives its assent to the approval of the financial statements and the consolidated financial statements and concurs with the Board of Directors' proposal for the allocation of profits.

Raisio, 18 February 2010

For the Supervisory Board

Michael Hornborg, *Chairman*

RAISIO

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