Interim Report
January - March 2018

RAISIO PLC

RAISIO

RAISIO'S INTERIM REPORT JANUARY-MARCH 2018

January-March 2018, continuing operations

- Raisio Group's net sales totalled EUR 67.8 (69.3) million.
- The Group's comparable EBIT was EUR 7.4 (7.8) million, accounting for 10.9 (11.3)% of net sales.
- The Healthy Food Division's net sales amounted to EUR 48.1 (50.3) million, and comparable EBIT was EUR 8.3 (9.8) million, accounting for 17.2 (19.5)% of net sales.
- Net sales for the Raisioagro Division were EUR 19.7 (19.1) million and comparable EBIT was EUR 0.1 (0.3) million.
- After the review period, Raisio revised its full-year outlook for net sales on 26 April 2018. In terms of EBIT, the full-year outlook remains unchanged.

RAISIO GROUP'S KEY FIGURES

	Q1/2018	Q1/2017			2017		
	Con-tinuing	Con-tinuing	Dis-continued*	Total	Con-tinuing	Dis-continued*	Total
Income statement							
Net sales, M€	67.8	69.3	23.3	92.5	306.8	96.0	402.8
Change in net sales, %	-2.1	-21.7	-8.9	-18.9	-8.8	-3.7	-7.7
Comparable EBIT, M€	7.4	7.8	2.8	10.6	37.8	8.1	45.9
Comparable EBIT, %	10.9	11.3	11.8	11.4	12.3	8.4	11.4
EBIT, M€	5.8	6.9	2.8	9.6	55.9	-59.2	-3.2
EBIT, %	8.5	9.9	11.8	10.4	18.2	-61.7	-0.8
Comparable EBITDA, M€	9.3	9.6	3.5	13.1	45.9	11.1	57.0
EBITDA, M€	7.6	8.7	3.5	12.2	71.8	-27.4	44.4
Financial income and expenses,M€	0.1	0.0	0.0	0.0	-1.4	-0.3	-1.7
Comparable earnings per share, €	0.04	0.04	0.01	0.05	0.18	0.04	0.22
Earnings per share €	0.03	0.04	0.01	0.05	0.27	-0.38	-0.11
Balance sheet							
Equity ratio, %	66.8	66.6	-	-	73.4	-	-
Net gearing, %	-40.5	17.3	-	-	-39.8	-	-
Net interest-bearing debt,M€	-98.4	50.9	-	-	-105.1	-	-
Equity per share, €	1.54	1.86	-	-	1.68	-	-
Investments,M€	1.1	3.6	0.6	4.2	10.4	5.4	15.8

* The Confectionery business Raisio divested on 29 December 2017 was reported as a discontinued operation in the 2017 Financial Statements.

The interim report has not been audited.

CEO'S REVIEW

"With the divestment of our confectionery and cattle feed businesses, Raisio is at the beginning of the new. The company has a clear focus: responsibly produced healthy food. In early 2018, we have implemented a significant reorganisation of operations. The main change was the integration of all Raisio's food brands and businesses into the Healthy Food Division. We have already taken the first steps following the change in the organisational structure and started the resource allocation to support the profitable growth of the Healthy Food Division.

Raisio's net sales and EBIT for January-March 2018 were at satisfactory levels. Moderate sales growth for Benecol and Elovena products continued in Finland. Sales and business profitability weakened in Poland, Russia, Ireland and Belgium, mainly due to challenges in sales volumes. Net sales and sales volume for the UK operations were also slightly down from the comparison period. Raisio has identified the main problems and initiated corrective measures. We have set an ambitious but realistic time-frame for these measures.

Raisio has combined the Group's Vision and Mission into a Purpose. The Purpose published in April 2018 sets ambitious goals for Raisio and it will guide us in the right direction. We have always known what kind of food is healthy and good for the heart. In addition, we want to continue as a pioneer in corporate responsibility. Raisio's Purpose in brief: *Food for Health, Heart and Earth.*"

FINANCIAL REPORTING

Raisio has renewed its organisational structure and therefore, the structure of the financial reporting and segments has also been changed. In the financial period 2018, Raisio's reportable strategic segments are Healthy Food (previously Brands) and Raisioagro. The Healthy Food segment consists of the following operating segments: Northern and Eastern Europe, Western Europe and the Rest of the World (previously Healthy Food, Benecol, Confectionery until 29 December 2017, and Benemilk). From 1 January 2018, Benemilk is reported as part of the Other operations segment.

The Raisioagro Division's businesses are cattle and fish feeds. On 31 January 2018, Raisio announced to consider the divestment of its cattle and fish feed businesses as one strategic alternative and to have initiated negotiations with several operations. Assets and liabilities of Raisioagro segment's cattle feed business are classified as available for sale in this report.

In 2017, Raisio's Grain Trade business was reported as part of Raisioagro. From 1 January 2018, it will be reported as part of the Northern and Eastern European operations of the Healthy Food Division.

The key figures for the comparison periods have been adjusted to correspond to the new structure of Raisio's financial reporting.

The confectionery business, which the Raisio Group divested at the end of 2017, is presented as discontinued operations in the 2017 financial statements in accordance with IFRS 5. In this Interim Report, the comparison figures for previous periods and related items have been adjusted accordingly.

In this report, the comparison figures in brackets refer to the corresponding date or period one year earlier and to continuing operations unless otherwise stated.

NET SALES, continuing operations

Raisio Group’s net sales totalled EUR 67.8 (69.3) million, which is some two per cent down from the comparison period. Net sales from outside Finland totalled EUR 32.6 (35.1) million, representing 48.1 (50.7) per cent of the Group’s total.

Net sales for the Healthy Food Division totalled EUR 48.1 (50.3) million. Net sales for Raisioagro were EUR 19.7 (19.1) million and for other operations EUR 0.4 (0.3) million. The Healthy Food Division accounted for some 70 per cent and Raisioagro for some 30 per cent of the Group’s net sales.

The conversion impact of the weakened British pound on the net sales of the Group and Healthy Food Division was EUR -0.5 million. This means the impact that arises when the subsidiaries’ net sales in pounds is converted into euros as part of the consolidated financial statements.

RESULTS, continuing operations

The Raisio Group’s comparable EBIT amounted to EUR 7.4 (7.8) million, accounting for 10.9 (11.3) per cent of net sales. The Group’s EBIT was EUR 5.8 (6.9) million, accounting for 8.5 (9.9) per cent of net sales.

The Healthy Food Division’s comparable EBIT was EUR 8.3 (9.8) million and EBIT was EUR 8.1 (9.8) million. Raisioagro’s comparable EBIT totalled EUR 0.1 (-0.3) million and EBIT was EUR 0.4 (-0.3) million. Comparable EBIT for other operations was EUR -1.0 (-1.6) million and EBIT was EUR -2.8 (-2.6) million.

The conversion impact of the weakened British pound on EBIT of the Group and Healthy Food Division was EUR -0.1 million. This refers to the impact arising when subsidiaries’ EBIT in pounds is converted into euros as part of the consolidated financial statements.

Comparable depreciations and impairment totalled EUR 1.9 (1.8) million. Net financial expenses were EUR 0.1 (0.0) million.

Comparable pre-tax result was EUR 7.5 (7.8) million, and pre-tax result EUR 5.9 (6.9) million.

The comparable post-tax result was EUR 5.9 (6.4) million. The post-tax result totalled EUR 4.6 (5.6) million. The Group’s comparable earnings per share were EUR 0.04 (0.04) and earnings per share EUR 0.03 (0.04).

ITEMS AFFECTING COMPARABILITY, continuing and discontinued operations

EUR million	Q1/2018	Q1/2017			2017		
	Continuing	Continuing	Dis-continued	Total	Continuing	Dis-continued	Total
Comparable EBIT	7.4	7.8	2.8	10.6	37.8	8.1	45.9
+ capital gain	-	-	-	-	28.0	-	28.0
- capital loss	-	-	-	-	-	-38.4	-38.4
- impairment tangible and intangible assets	-	-	-	-	-7.8	-28.7	-36.5
- impairment inventories	-	-	-	-	-0.7	-	-0.7
+/- structural arrangements and streamlining projects	-1.6	-0.9	-	-0.9	-1.3	-0.1	-1.5
+/- other items	-	-	-	-	-0.1	-	-0.1
Items affecting comparability in total	-1.6	-0.9	-	-0.9	18.1	-67.3	-49.1
EBIT	5.8	6.9	2.8	9.6	55.9	-59.2	-3.2

EUR million	Q1/2018	Q1/2017			2017		
	Continuing	Continuing	Dis-continued	Total	Continuing	Dis-continued	Total
Comparable EBITDA	9.3	9.6	3.5	13.1	45.9	11.1	57.0
+/- Depreciations and impairment	-	-	-	-	7.8	28.7	36.5
+/- Items affecting EBIT	-1.6	-0.9	-	-0.9	18.1	-67.3	-49.1
Items affecting comparability in total	-1.6	-0.9	-	-0.9	25.9	-38.5	-12.5
EBITDA	7.6	8.7	3.5	12.2	71.8	-27.4	44.4
+/- Impairment	-	-	-	-	-8.0	-28.7	-36.7
+/- Depreciations	-1.9	-1.8	-0.8	-2.6	-7.9	-3.0	-10.9
EBIT	5.8	6.9	2.8	9.6	55.9	-59.2	-3.2

BALANCE SHEET, CASH FLOW AND FINANCING, continuing operations

At the end of March, Raisio Group’s balance sheet totalled EUR 364.2 (31 December 2017: 361.3) million. Shareholders’ equity was EUR 243.0 (31 December 2017: 264.0) million, while equity per share totalled EUR 1.54 (31 December 2017: 1.68); the change is mainly due to the dividend distribution. Changes in equity are described in detail in the Table section below.

At the end of March, working capital amounted to EUR 31.1 (31 December 2017: 19.0 and 31 March 2017: 41.9) million. The increase in working capital from the year-end was primarily due to increased current assets related to raw material stocks.

Cash flow from business operations was EUR -5.0 (-0.6) million. Cash flow after investments and before financing activies totalled EUR -6.5 (-4.0) million.

At the end of the review period, the Group’s interest-bearing financial liabilities were EUR 45.9 (31 December 2017: 45.9) million. Net interest-bearing debt was EUR -98.4 (31 December 2017: -105.1) million.

At the end of March, Raisio’s financial assets recognised at fair value through profit or loss, and cash and cash equivalents totalled EUR 144.3 million. In addition, the company has a binding and undrawn revolving credit facility of EUR 50.0 million.Cash reserves are diversified into deposits in Nordic banks or otherwise low-risk investments.

The Group’s equity ratio totalled 66.8 (31 December 2017: 73.4) per cent, and net gearing was -40.5 (31 December 2017: -39.8) per cent.

Comparable return on investment was 10.4 (31 December 2017: 10.5) per cent, and return on investment 8.2 (31 December 2017: 15.6) per cent.

INVESTMENTS, continuing operations

The Group's investments totalled EUR 1.1 (3.6) million, or 1.7 (5.2) per cent of net sales. Investments of the Healthy Food Division totalled EUR 0.5 (0.2) million, those of Raisioagro EUR 0.3 (0.8) million and those of other operations EUR 0.3 (2.6) million.

RESEARCH AND DEVELOPMENT, continuing operations

The Group's January-March research and development expenses were EUR 0.8 (0.7) million, accounting for 1.2 (1.1) per cent of net sales. The Healthy Food Division’s R&D expenses totalled EUR 0.5 (0.5) and Raisioagro’s 0.3 (0.2) million.

<u>Healthy Food</u>

The product development in foods is guided by the principles defined in Raisio's Purpose: good taste, healthiness, overall well-being and sustainable development. In 2018, Raisio’s product development continues to reduce the sugar content in its products with the focus on plant-based food and increased use of oat, particularly in baking products.

In early 2018, the Benecol product range was complemented with Greek type yogurts. The new products were first launched in the UK. In Finland and the UK, the Benecol product line was expanded with fat-free yogurts made with no added sugar. New flavours in the Elovena and Nalle instant porridge lines were launched in Finland.

In 2018, Raisio continues to launch interesting new products in several markets. Benecol snack bars and Torino vegetable pastas are examples of Raisio’s new product categories.

Cattle and fish feeds

In 2018, Raisioagro's product development focuses on the development of products and services that further ensure animal welfare and production profitability, and promote responsible milk production and fish farming.

Raisioagro achieved its goal and all its cattle feeds are now soy-free. Soy-freeness is also part of the Sustainable Productivity concept supporting the goal of dairies to have a soy-free milk chain. In the review period, Raisioagro launched milk replacers for calves, which covers high-quality feeding solutions throughout the life cycle of a dairy cow. To celebrate its 70th anniversary, Raisioagro launched Opti-Maissi and Juhla-Maituri products containing corn positively impacting the milk production.

Raisioagro's strong feeding expertise is used in its Tuotostutka® and Kasvuluotain® services that create added value for customers with solutions analysing the data generated by dairy farms and fish farmers.

SEGMENT INFORMATION

HEALTHY FOOD DIVISION

Healthy Food Division includes all Raisio's food-related businesses and continuing operations.

Healthy Food Division's key figures, continuing and discontinued operations

	Q1/2018	Q1/2017			2017		
	Continuing	Continuing	Dis-continued*	Total	Continuing	Dis-continued*	Total
Net sales, M€	48.1	50.3	23.3	73.5	201.4	96.0	297.4
Northern and Eastern Europe, M€	24.1	24.8	-	24.8	98.1	-	98.1
Western Europe, M€	16.7	18.1	23.3	41.4	68.2	96.0	164.2
Rest of the World, M€	7.3	7.3	-	7.3	35.2	-	35.2
Comparable EBIT, M€	8.3	9.8	2.8	12.5	39.3	8.1	47.4
Comparable EBIT, %	17.2	19.5	11.8	17.1	19.5	8.4	15.9
Items affecting comparability, M€	-0.2	-	-	-	-0.9	-67.3	-68.2
EBIT, M€	8.1	9.8	2.8	12.5	38.4	-59.2	-20.8
EBIT, %	16.9	19.5	11.8	17.1	19.0	-61.7	-7.0
Investments, M€	0.5	0.2	0.6	0.8	1.5	5.4	6.9
Net assets, M€	123.4	126.2	155.6	281.8	117.4	-	117.4

* Confectionery business Raisio divested on 29 December 2017 was reported as a discontinued operation in the 2017 Financial Statements.

Items affecting the Healthy Food Division's comparability, continuing and discontinued operations

EUR million	Q1/2018	Q1/2017			2017		
	Continuing	Continuing	Discontinued	Total	Continuing	Dis-continued	Total
Comparable EBIT	8.3	9.8	2.8	12.5	39.3	8.1	47.4
+ capital gain	-	-	-	-	-	-	-
- capital loss	-	-	-	-	-	-38.4	-38.4
- impairment, intangible assets	-	-	-	-	-0.2	-28.7	-29.0
- impairment, inventories	-	-	-	-	-0.7	-	-0.7
+/- structural arrangements and streamlining projects	-	-	-	-	-	-0.1	-0.1
+/- other items	-0.2	-	-	-	-	-	-
Items affecting comparability in total	-0.2	-	-	-	-0.9	-67.3	-68.2
EBIT	8.1	9.8	2.8	12.5	38.4	-59.2	-20.8

Financial review, continuing operations

Net sales for the Healthy Food Division totalled EUR 48.1 (50.3) million. The conversion impact of the weakened British pound on net sales was EUR -0.5 million. This refers to the impact that arises when the subsidiaries' net sales in pounds is converted into euros as part of the consolidated financial statements.

Some 50 per cent of the Healthy Food Division's net sales were generated in Northern and Eastern Europe, where Raisio's key brands are Elovena, Benecol, Nordic, Sunnuntai, Nalle and Torino. Nearly 35 per cent of the Healthy Food Division's net sales were generated from the Benecol product sale in Western Europe and the remaining 15 per cent from other markets. Net sales for other markets consisted mainly of the sale of plant stanol ester, the Benecol product ingredient.

The Healthy Food Division's comparable EBIT amounted to EUR 8.3 (9.8) million, accounting for 17.2 (19.5) per cent of net sales. EBIT was EUR 8.1 (9.8) million, accounting for 16.9 (19.5) per cent of net sales. The conversion impact of the weakened British pound on EBIT was EUR -0.1 million. This refers to the impact that arises when the subsidiaries' net sales in pounds is converted into euros as part of the consolidated financial statements.

Operating environment

Consumers show a strong interest in food and nutrition throughout Raisio's markets. In addition to healthiness and snacking, the megatrends guiding consumers are well-being and daily coping, heart and stomach health, plant-based diet, as well as naturalness and authenticity. The sales decline in cholesterol-lowering, functional foods continued as a result of the declining sales in the spread category. Consumers are interested in functional snacks and products sold as part of meals.

We have surveyed consumer needs in Finland. Together with increased snacking, meals and eating together are becoming more and more important. In busy everyday life, convenience is considered important with snacks and breakfast products. Reliable brands and products made of natural raw materials are popular among consumers.

The demand for plant-based food is continuing. Finnish consumers view that natural raw materials, such as oat, meet the expectations related to healthiness and well-being of plant-based food.

Business operations

<u>Northern and Eastern Europe</u>

Raisio's markets of Northern and Eastern Europe are Finland, Poland, Russia, Ukraine, Sweden, the Baltic Countries and Denmark. Net sales for Northern and Eastern Europe were EUR 24.1 (24.8) million. Sales in Russia and Poland were significantly down from the comparison period, which also resulted in a clearly lower EBIT. Raisio has initiated measures to restore the profitability of Russian and Polish businesses and to promote sales.

Net sales for the Finnish operations remained at the comparison period level. Grocery trade showed increased sales and the moderate growth in the Benecol and Elovena product sales continued. Sales in healthier Torino pastas increased slightly. In line with its objective, Raisio will continue to expand into new product categories and to launch new, plant-based alternatives served as part of meals. The launches of Raisio's novelties are scheduled for the spring and autumn 2018.

In the review period, Raisio's purchased some 10 per cent more milling wheat, oat and rye than in the comparison period. Despite the very difficult harvest year, Raisio managed particularly well with the acquisition of Finnish milling wheat. The strong euro weakened grain exports from Finland.

Raisio's Nordic flakes and snack biscuits and gluten-free Provena products, all made in Finland, are exported to Russia and Ukraine. Net sales in Ukraine clearly increased while in Russia, net sales were significantly down, mainly due to lower sales prices of flakes. The impact of currency changes in Russia and Ukraine on the key figures was clearly negative.

In Poland, Benecol expanded into a new product category with the launch of snack bars. Intense competition in cholesterol-lowering spreads continued, and for Benecol spread sales, the beginning of the year was exceptionally weak. With Benecol, Raisio continues to actively develop the brand, brand communication and product line.

Western Europe

Western Europe's markets include the UK, Ireland and Belgium. Net sales for the Western European operations amounted to EUR 16.7 (18.1) million. There were three main reasons for the net sales decline: clearly lower sales than in the comparison period in Ireland and Belgium, the negative conversion impact of the pound, and the positive effect of unused promotional support on the comparison period's net sales. Lower net sales also weakened the business profitability.

In the UK, the largest market for Benecol products, sales in spreads were slightly up from the comparison period. Sales for Benecol yogurt drinks were slightly down from the comparison period but Raisio maintained its strong market leader position. Sales in yogurts were, however, significantly lower.

Raisio launched its Greek type Benecol yogurt in the UK. This novelty will increase the usability of Benecol products in cooking and snacking. This kind of new products meeting consumer needs also grow the brand interest.

Raisio is increasingly active in working together with healthcare professionals in all of the company's own Benecol product markets. Healthcare professionals' recommendations are of high importance for consumers when they are looking for solutions to better heart health and to lower high cholesterol levels.

Raisio's cooperation with its long-term Benecol product distributor in Ireland will end in the autumn 2018. Preparations to develop the Benecol brand and portfolio as well as to create the company's own sales organisation in Ireland are proceeding as planned. Exceptionally low promotional level in the review period was seen as a significant drop in sales.

Rest of the World

The Rest of the World business includes the deliveries of plant stanol ester, the Benecol product ingredient, for the production of consumer products sold in Raisio's own markets and sales to licensing partners as well as Raisio's food exports to other than the company's main markets.

Net sales for the Rest of the World business totalled EUR 7.3 (7.3) million. EBIT improved from the comparison period. The Benecol product ingredient deliveries for the production of consumer products sold in Raisio's own markets were at the comparison period level. Raisio's own markets for Benecol consumer products include the UK, Ireland, Belgium, Finland, Poland and Hong Kong.

Raisio's licensing partners are responsible for the production, sales and marketing of Benecol consumer products in some 20 countries. Sales in plant stanol ester to licensing partners were significantly down from the comparison period in all geographical areas: EMEA, Asia, South and Northern America. The net sales development is also impacted by periodic deliveries of plant stanol ester.

At the beginning of 2018, sales in licensing partners' consumer products declined from the comparison period especially in Indonesia, Chile and the USA. In Europe, the licensing partners' consumer product sales were at the comparison period level even though there were considerable differences in the sales development between the countries.

RAISIOAGRO DIVISION

Raisioagro Division includes cattle and fish feeds, and farming supplies. From 1 January 2018, the Grain Trade business is reported as part of the Healthy Food Division's Northern and Eastern European operations.

Raisioagro's key figures, continuing operations

	Q1/2018	Q1/2017	2017
Net sales, M€	19.7	19.1	105.6
Comparable EBIT, M€	0.1	-0.3	4.3
Comparable EBIT, %	0.7	-1.7	4.0
Items affecting comparability, M€	0.3	-	-
EBIT, M€	0.4	-0.3	4.3
EBIT, %	2.0	-1.7	4.0
Investments, M€	0.3	0.8	3.3
Net assets, M€	28.5	28.1	24.3

Items affecting Raisioagro's comparability, continuing operations

EUR million	Q1/2018	Q1/2017	2017
Comparable EBIT	0.1	-0.3	4.3
+/- other items	0.3	-	-
Items affecting comparability, in total	0.3	-	-
EBIT	0.4	-0.3	4.3

Financial review

Raisioagro's net sales totalled EUR 19.7 (19.1) million. In Finland, net sales for cattle feeds clearly increased as a result of active customer relations and the product line corresponding to the diverse needs of dairy farms. Raisioagro continued its planned sales reduction in the low-margin farming supply sales. Finland accounted for almost 95 per cent, Russia over five per cent and other markets below one per cent of Raisioagro's net sales.

Raisioagro's comparable EBIT totalled EUR 0.1 (-0.3) million and EBIT was EUR 0.4 (-0.3) million. Increased cattle feed sales also improved profitability.

Operating environment

There were no significant changes in the Finnish cattle feed market during the review period. As the structural change in milk production continues, the number of dairy farms is declining and the farm size is increasing. The remaining farms are also increasingly professionally managed. With investments, the number of milking robot farms continued to grow. The milk market development in Europe is affecting the price paid for milk also in Finland.

With productive investments, Finland now has overcapacity in the feed production. In the highly competitive Finnish feed market, companies with cost-effective processes and ability to create added value to customers with new services will succeed.

In Finland, the fish feed market is stable. Demand for fish farmed in Finland is growing, but new fish farming licences and licences to increase the current quotas are rarely granted. Thanks to Raisioaqua's environmentally friendly Baltic Blend feeds, farmers still believe in positive licensing processes. In Northwest Russia, the Baltic Countries and Sweden, innovative feed producers have opportunities to increase their business.

Business operations

Raisioagro's key market areas are Finland and Northwest Russia. The cattle feed production is centralised in Ylivieska and Kouvola. Fish feeds are made in the Raisio-based factory.

Cattle feeds

Raisioagro's sales were boosted by the long-term work, in line with the company's strategy, to promote multi-channel customer encounter and by the adaptation of the product range to meet the diverse needs of dairy farms. Better customer service and targeted marketing further increased the sales growth of added value products, such as Maituri cattle feeds.

Raisioagro's strong investment in digital services was seen in steady growth of the number of dairy farms within the Tuotostutka® milking robot monitoring. Now already 250 dairy farms, or over 20,000 Finnish dairy cows, are in the monitoring that helps analyse the yield and well-being of cows and optimise the feeding. The service creates added value to customers, which is reflected in the yield and profitability of the farm.

Sales in Benecol feeds in Finland were nearly at the comparison period level. Farms using Benemilk feeds are pleased with the added value received, i.e. increased milk volume and improved fat and protein contents of milk.

Cattle feed export to Russia increased significantly. Melli minerals accounted for most of the exports that, however, were low compared to the rest of the business. Raisioagro's feeding expertise and the Kouvola factory location near the eastern border will allow export growth also in the future as Russia is investing in its own milk production.

Fish feeds

The fish feed season starts in the spring and continues well into autumn. Water temperature is the main factor affecting the length of time to grow fish. In January-March, the delivery volumes of fish feeds were low in Finland and sales mainly resulted from the Russian customers filling their inventories. The fish feed business was preparing for the season: recipies were renewed, the product portfolio was developed and the introduction of a new sacking line was finalised.

As the recognition and demand for Benella fish farmed using Raisioaqua's Baltic Blend feeds have increased, the contract manufacturers are growing increasing amounts of fish. In Finland, Benella Rainbow Trout and Whitefish are available in the selections of Stockmann Herkku stores, Kesko's Pirkka Premium Line, ISS restaurants and Kespro Menu. The Benella fish was launched in Sweden in the review period.

The Baltic Blend fish feeds allow responsible and sustainable fish farming. With the Baltic Blend feeds used by Finnish fish farmers, the nitrogen load in the Baltic Sea has dropped by as much as 75 per cent and the phosphorus load was negative for the entire fish farming industry.

MANAGEMENT AND PERSONNEL

At the end of March, Raisio Group's continuing operations employed 408 (417) people. A total of 19 (20) per cent of personnel worked outside Finland. The Healthy Food Division had 254 (255), Raisioagro 98 (103) and the service functions 56 (59) employees.

In order to ensure Raisio's growth, competitiveness and profitability, the company started cooperation negotiations on 5 February 2018. A total of 115 were within the negotiations. The negotiations concerned the Group services as well as marketing, product development and service functions of the new Healthy Food Division. The negotiations were largely completed on 22 March 2018 resulting in the termination of 20 employments. The terminations are carried out through retirements, voluntary arrangements and redundancies, and partly through the termination of fixed-term employment contracts. As the negotiations related to the possible divestment of Raisio's feed businesses are completed, it will be also possible to close the cooperation negotiations in terms of employments closely related to Raisioagro.

Group Management Team

From 1 February 2018, the Group Management Team members are President and CEO Pekka Kuusniemi, CFO Antti Elevuori, Vice President of Legal Affairs Sari Koivulehto-Mäkitalo, Vice President of HR Merja Lumme, Vice President of Operations Jukka Heinänen and Vice President of Raisioagro Perttu Eerola.

Vincent Poujardieu, Vice President of the Benecol business and the Group Management Team member, left Raisio on 31 January 2018.

CCO of the Healthy Food Division

Benecol and Foods businesses, which operated as separate organisations, were combined into one Healthy Food Division. From 1 February 2018, in addition to his CEO role, Pekka Kuusniemi will serve as CCO of the Healthy Food Division until a new director is appointed.

SHARES AND SHAREHOLDERS

The number of Raisio plc's free shares traded on NASDAQ OMX Helsinki Ltd in January-March totalled 13.9 (11.1) million. The value of trading was EUR 56.8 (39.0) million and the average price EUR 4.09 (3.50). The closing price on 31 March 2018 was EUR 3.62.

A total of 0.5 (0.3) million restricted shares were traded in January-March. The value of trading was EUR 2.1 (1.0) million and the average price EUR 4.09 (3.56). The closing price on 31 March 2018 was EUR 3.60.

On 31 March 2018, the company had a total of 37,584 (31 December 2017: 38,532) registered shareholders. Foreign ownership of the entire share capital was 23.5 (31 December 2017: 21.9) per cent. Raisio plc's market capitalisation at the end of March totalled EUR 597.2 (31 December 2017: 634.2) million and, excluding the company shares held by the company, EUR 568.9 (31 December 2017: 604.1) million.

During the review period, a total of 317,198 restricted shares were converted into free shares. At the end of the review period, the number of issued free shares was 132,962,591 while the number of restricted shares was 32,186,439. The share capital entitled to 776,691,371 votes.

At the end of the review period, Raisio plc held 7,617,327 free shares and 212,696 restricted shares acquired, on the other hand, between 2005 and 2012 based on the authorisations given by the Annual General Meeting and, on the other, obtained through the subsidiary merger in August 2014 or transferred to the company because the right to receive a merger consideration has expired. The number of free shares held by Raisio plc accounts for 5.7 per cent of all free shares and the votes they represent, while the corresponding figure for restricted shares is 0.7 per cent. In all, these shares represent 4.7 per cent of the entire share capital and 1.5 per cent of overall votes. Other Group companies hold no Raisio plc shares. A share held in Raisio or its subsidiary does not entitle the holder to participate in the AGM.

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

Raisio plc's Research Foundation holds 150,510 restricted shares, which is 0.47 per cent of the restricted shares and the votes they represent and, correspondingly, 0.09 per cent of the entire share capital and 0.39 per cent of the votes it represents.

The Board of Directors has an authority to decide on the repurchase and/or on the acceptance as collateral of a maximum of 5 000,000 free shares and 1,250,000 restricted shares. The authorisation will be valid until 30 April 2019. Furthermore, the Board of Directors has the authority to decide on share issues by disposing of a maximum of 14,000,000 free shares and a maximum of 1,460,000 restricted shares held by the company as well as by issuing a maximum of 20,000,000 new free shares. The share issue authorisation will be valid until 30 April 2019. The authorisations have not so far been exercised and related details on both are available in the Stock Exchange Release published on 12 February 2018.

The authorisation to repurchase own shares and to issue shares given by the 2017 AGM expired on 21 March 2018.

DECISIONS MADE AT THE ANNUAL GENERAL MEETING

Raisio plc's Annual General Meeting (AGM) approved the financial statements for the financial year 1 January - 31 December 2017 and granted the members of the Board of Directors and the Supervisory Board as well as the CEO discharge from liability.

As proposed by the Board of Directors, the AGM decided to pay a dividend of EUR 0.17 for each restricted and free share. The dividend was paid on 5 April 2018 to a shareholder who was entered in the shareholders' register on the record date 23 March 2018. No dividend, however, was paid on the shares that were held by the company at that time.

The number of members of the Board of Directors was confirmed to be five, and Erkki Haavisto, Ilkka Mäkelä, Leena Niemistö and Ann-Christine Sundell were reappointed and Kari Kauniskangas was appointed as a new member; all for the term commencing at the closing of the AGM. At its meeting held after the AGM, the Board of Directors elected Ilkka Mäkelä as its Chairman and Kari Kauniskangas as its Vice Chairman.

The Chairman of the Board will be paid a monthly fee of EUR 5,000 and the members a monthly fee of EUR 2,500. Approximately 20 per cent of the fee will be paid with the company's own shares and approximately 80 per cent in cash. The fees are paid in two equal instalments during the term so that the first payment will be made on 15 June and the second on the 15 December.

In addition, the Chairman of the Board will be paid a fee of EUR 800 for each meeting and EUR 400 for teleconference; the members of the Board will be paid EUR 400 for each meeting and EUR 200 for teleconference; the same fees will be also paid for the meetings of committees elected by the Board of Directors among its members. Attendance fees are paid in cash. Moreover, they will receive a daily allowance for the meeting days and they will be reimbursed for travel expenses according to the Company's travel policy.

The number of members of the Supervisory Board was confirmed to be 25. Holger Falck, Mårten Forss, Mikael Holmberg, Kimmo Inovaara, Markku Kiljala, Tuomas Levomäki, Heikki Pohjala and Tapio Ylitalo were elected as the members of the Supervisory Board for the term commencing at the closing of the AGM. Inovaara is a new member in the Supervisory Board.

The annual remuneration payable to the Chairman of the Supervisory Board will be EUR 12,000. The Chairman and the members of the Supervisory Board will receive a payment of EUR 350 for each meeting, in addition to which their travel expenses will be compensated and they will receive a daily allowance for the meeting days according to the Company's travel policy. The Meeting also decided to pay the Chairman of the Supervisory Board a fee of EUR 350 for each attended meeting of the Board of Directors.

Authorised public accountants Esa Kailiala and Kimmo Antonen were elected as regular auditors, and authorised public accountants Niklas Oikia and KPMG Oy Ab were elected as deputy auditors. The auditors' term began at the AGM and will end at the end of the next AGM.

The AGM authorised the Board of Directors to decide on the repurchase and/or on the acceptance as collateral of a maximum of 5,000,000 free shares and 1,250,000 restricted shares. The authorisation will be valid until 30 April 2019.

Furthermore, the AGM authorised the Board of Directors to decide on the share issues (1) by disposing of a maximum of 14,000,000 free shares and a maximum of 1,460,000 restricted shares held by the company, and (2) by issuing a maximum of 20,000,000 new free shares. The share issue authorisations will expire on 30 April 2019.

The details of the authorisations are available in the Stock Exchange Release published on 12 February 2018.

DIRECTED SHARE ISSUE

In December 2014, Raisio plc's Board of Directors decided on the Group's key employees' share-based incentive scheme for the period that started on 1 January 2015 and ended on 31 December 2017.

On 15 March 2018, the Board of Directors approved the bonuses paid under the share reward scheme and, in order to convey the part paid in shares to key employees, decided to implement a directed share issue without payment based on the authorisation granted to the Board by the Annual General Meeting of 23 March 2017.

In the share issue, a total of 10,266 Raisio plc's free shares held by the company were conveyed without consideration to the key employees within the share reward scheme, with deviation from the shareholders' pre-emptive subscription rights. The conveyed 10,266 free shares correspond to 0,006 per cent of all Raisio plc's shares and 0,001 per cent of all votes.

There is an especially weighty financial reason for the deviation from the shareholders' pre-emptive right in the directed share issue without payment through the assignment of the company's own shares from the company's point of view and taking into account the best interests of all of its shareholders, since the purpose of the share reward scheme is to combine the objectives of owners and key employees in order to increase the company value as well as to commit the key employees to the company through direct share ownership. Direct share ownership is a way to further commit key employees to the company and to strengthen the alignment of shareholders and key employees' goals and interests.

The shares were conveyed to key employees on 11 April 2018. The right to dividend and other shareholder rights begin on the day on which the shares have been registered in the key employee's book-entry account.

The Board recommends that the key employees within the share reward scheme hold a substantial part of all shares they have received based on the scheme as long as the value of their holdings corresponds to their six months' gross salary.

EVENTS AFTER THE REVIEW PERIOD

On 4 May 2018, after the review period, Raisio announced that the company has signed an agreement to divest its cattle feed business to Lantmännen Agro Oy. The enterprise value is EUR 34 million and the deal is expected to be complete during September 2018. Details related to the divestment of the cattle feed business are available in Raisio's Stock Exchange Release published on 4 May 2018 at www.raisio.com.

RISKS AND SOURCES OF UNCERTAINTY IN THE NEAR FUTURE

The Eurozone economy is expected to continue its sharp growth in 2018. The growth is based on private consumption and the investment recovery, supported by low interest rates and decreased political uncertainty. However, the favourable outlook for growth is overshadowed by the threat of rising protectionism.

The UK voted to leave the European Union in the EU referendum (Brexit). All details related to Brexit are unclear. The uncertainty arising from the decision is expected to weaken the UK's growth prospects and to continue to cause significant volatility in the external value of the pound. Inflation in the UK is higher than in the euro area and is cutting consumers' purchasing power.

The Finnish economy grew sharply in 2017 and the strong growth is expected to continue in 2018. Economic development is based on private consumption, rising investments and exports, low interest levels and falling unemployment rates. Economic growth is burdened by rising inflation.

In Russia, the economy is recovering and consumers' purchasing power is growing as inflation has slowed down. In Ukraine, the business environment remains challenging.

Changes in exchange rates significantly affect Raisio's net sales and EBIT, directly and indirectly. As a result of the uncertainty created by Brexit, the pound is volatile. This impacts Raisio's net sales and EBIT as considerable part of them is generated in the UK. Volatility in the rouble's external value affects the exports of feeds and flake products. It may also have an impact on the utilisation rates of production plants in Finland.

The price and availability of agricultural raw materials constitute a major challenge for Raisio's businesses. Global warming and extreme weather events can rapidly affect the crop expectations, supply, demand and price of these commodities. Changes are also possible in the supply, demand and price of other key raw materials, such as sterols. In terms of business profitability, the role of risk management remains essential both for value and volume, of which the growth period in Finland in 2017 was a good reminder.

Raisio expects the grocery market to remain fairly stable compared to other sectors. Changes and tightening competition in retail trade are a challenge for the food industry too, through sales prices and terms in all Raisio's main markets.

Profitability and liquidity problems in the Finnish agriculture and livestock farming are weakening the purchasing power of the sector and put pressure on Raisioagro's profitability. The crisis in Ukraine and Crimea led to the EU sanctions and Russia's counter-sanctions in 2014.
Especially the import ban of dairy products hampers Raisioagro's operations directly and indirectly. The uninterrupted functioning of fish feed exports is important for Raisioaqua.
It is also possible that Russia will expand the scope of its import bans into new product groups.

Preparing for and adapting to Brexit remains a key challenge for Raisio's businesses in 2018, and for example in the Benecol business, this may lead to changes in subcontracting arrangements. International raw material chain and contract manufacturing of consumer products expose especially the Benecol business to the availability, price and currency risks.

To ensure growth and profitability of its operations, Raisio may carry out corporate restructuring which, as rationalisation projects, may result in significant one-off expenses.

OUTLOOK

After the review period, Raisio revised the Group's full-year outlook for net sales on 26 April 2018. In terms of EBIT, the full-year outlook remains unchanged.

Raisio's new outlook for 2018

Raisio expects the net sales of the Group's continuing operations to be approximately at the 2017 level. The company estimates that the comparable EBIT for the Group's continuing operations is over 10 per cent of net sales. Exchange rates will continue to significantly affect Raisio's net sales and EBIT.

In addition to foods and feeds, Raisio's net sales consist of exports of raw materials, such as grains. Raisio has identified the concerns and initiated corrective measures in the markets where the net sales development did not meet the expectations in early 2018.

Raisio's key strategic target is to grow its Healthy Food business both organically and through acquisitions. With its structural reforms completed, Raisio has targeted all the resources to support the medium-term organic growth of the new Healthy Food Division. Raisio also seeks growth through acquisitions. The company is net debt free and has a strong balance sheet, which allows acquisitions that suit the company's core business.

Raisio's outlook on 12 February 2018

Raisio estimates the net sales of the Group's continuing operations to slightly increase from 2017. The company estimates the comparable EBIT of the Group's continuing operations account for more than 10 per cent of net sales. Exchange rates will continue to significantly affect Raisio's net sales and EBIT.

Raisio's key strategic target is growth, both organically and through acquisitions. To ensure Raisio's organic growth, the company will move from a holding-type structure to a model in which all resources are targeted toward supporting the strategic objectives of the new Healthy Food Division. Raisio will also seek growth through acquisitions that suit its core business. Raisio is net debt free and has a strong balance sheet, which makes acquisitions supporting its core business possible.

In Raisio, 4 May 2018

Raisio plc's Board of Directors

Further information:
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Antti Elevuori, CFO, tel. +358 40 560 4148
Heidi Hirvonen, Communications and IR Manager, tel. +358 50 567 3060

Raisio's financial reviews in 2018
- Half-Year Financial Report for January-June on 8 August 2018
- Interim Report January-September on 9 November 2018

This release contains forward-looking statements that are based on assumptions, plans and decisions known by Raisio's senior management. Although the management believes that the forward-looking assumptions are reasonable, there is no certainty that these assumptions will prove to be correct. Therefore, the actual results may materially differ from the assumptions and plans included in the forward-looking statements due to, e.g., unanticipated changes in market and competitive conditions, the global economy as well as in laws and regulations.

CONDENSED FINANCIAL STATEMENTS AND NOTES

THE GROUP'S INCOME STATEMENT (M€)

	1-3/2018	1-3/2017			2017		
	Continu-ing	Continu-ing	Discon-tinued*	Total	Continu-ing	Discon-tinued*	Total
Net sales	67.8	69.3	23.3	92.5	306.8	96.0	402.8
Expenses corresponding to products sold	-48.4	-49.4	-18.5	-67.8	-222.9	-78.3	-301.2
Gross profit	**19.3**	**19.9**	**4.8**	**24.7**	**83.9**	**17.7**	**101.6**
Other operating income and expenses, net	-13.6	-13.0	-2.0	-15.0	-28.0	-76.9	-104.9
EBIT	**5.8**	**6.9**	**2.8**	**9.6**	**55.9**	**-59.2**	**-3.2**
Financial income	0.5	0.8	0.1	0.9	1.3	-0.2	1.1
Financial expenses	-0.4	-0.8	-0.1	-0.9	-2.7	-0.1	-2.8
Share of result of associates and joint ventures	0.1	0.0	–	0.0	0.0	–	0.0
Result before taxes	5.9	6.9	2.8	9.6	54.5	-59.5	-5.0
Income taxes	-1.4	-1.3	-0.5	-1.8	-12.7	0.3	-12.4
Result for the period	**4.6**	**5.6**	**2.2**	**7.8**	**41.8**	**-59.2**	**-17.3**
Attributable to:							
Equity holders of the parent company	4.6	5.6	2.2	7.8	41.8	-59.2	-17.3
Non-controlling interests	0.0	0.0	2.2	2.2	0.0	0.0	0.0
Earnings per share from the profit attributable to equity holders of the parent company, €							
Undiluted earnings per share, €	0.03	0.04	0.01	0.05	0.27	-0.38	-0.11
Diluted earnings per share, €	0.03	0.04	0.01	0.05	0.27	-0.38	-0.11

* The Confectionery business Raisio divested on 29 December 2017 was reported as a discontinued operation in the 2017 Financial Statements.

THE GROUP'S COMPREHENSIVE INCOME STATEMENT (M€)

	1-3/2018	1-3/2017			2017		
	Continu-ing	Continu-ing	Discon-tinued*	Total	Continu-ing	Discon-tinued*	Total
Result for the period	**4.6**	**5.6**	**2.2**	**7.8**	**41.8**	**-59.2**	**-17.3**
Other comprehensive income items							
Items that will not be reclassified to profit or loss							
Change in equity investments	0.2	-0.2	-	-0.2	-0.2	-	-0.2
Change in tax impact	0.0	0.0			0.0		
Items that may be subsequently transferred to profit or loss							
Change in value of cash flow hedging	-1.0	-0.4	-0.3	-0.8	0.5	0.0	0.5
Change in translation differences related to foreign companies	1.2	0.1	0.1	0.2	-5.2	-0.2	-5.4
Change in tax impact	0.2	0.1	0.1	0.2	-0.1	-	-0.1
Comprehensive income for the period	**5.1**	**5.2**	**2.0**	**7.3**	**36.9**	**-59.4**	**-22.5**
Components of comprehensive income:							
Equity holders of the parent company	5.1	5.2	2.0	7.3	36.9	-59.4	-22.5
Non-controlling interests	-	-	-	-	-	-	-

* The Confectionery business Raisio divested on 29 December 2017 was reported as a discontinued operation in the 2017 Financial Statements.

THE GROUP'S BALANCE SHEET (M€)

	31.3.2018	31.3.2017	31.12.2017
ASSETS			
Non-current assets			
Intangible assets	43.4	62.8	42.9
Goodwill	47.1	154.2	46.5
Property, plant and equipment	35.1	89.4	50.1
Shares in associates and joint ventures	0.8	0.7	0.7
Equity investments	2.3	2.2	2.2
Deferred tax assets	2.5	5.5	2.7
Total non-current assets	131.1	314.8	145.0
Current assets			
Inventories	30.4	53.2	30.5
Accounts receivables and other receivables	28.7	54.4	34.6
Financial assets at fair value through profit or loss	3.2	8.6	2.2
Cash in hand and at banks	141.3	10.9	149.0
Total current assets	203.6	127.0	216.3
Non-current assets available for sale	29.4	-	-
Total assets	364.2	441.8	361.3
SHAREHOLDER'S EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company			
Share capital	27.8	27.8	27.8
Company shares	-19.8	-19.8	-19.8
Other equity attributable to equity holders of the parent company	235.1	285.6	256.1
Equity attributable to equity holders of the parent company	243.0	293.5	264.0
Non-controlling interests	-	-	-
Total shareholder's equity	243.0	293.5	264.0
Non-current liabilities			
Deferred tax liabilities	5.3	8.1	5.1
Provisions	1.1	0.1	1.1
Non-current financial liabilities	22.9	45.8	23.0
Total non-current liabilities	29.4	54.0	29.2
Current liabilities			
Accounts payable and other liabilities	59.8	66.4	42.8
Provisions	0.0	2.4	2.1
Derivative contracts	1.1	2.5	0.2
Current financial liabilities	23.0	23.0	22.9
Total current liabilities	83.9	94.2	68.1
Debts related to non-current assets available for sale	7.9	-	-
Total liabilities	121.2	148.3	97.2
Total shareholder's equity and liabilities	364.2	441.8	361.3

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (M€)

	Share capital	Share premium reserve	Reserve fund	Invested unrestricted equity fund	Other reserves	Company shares	Translation differences	Retained earnings	Total	Non-controlling interests	Total equity
Equity on 1.1.2017	**27.8**	**2.9**	**88.6**	**8.9**	**-1.9**	**-19.8**	**-13.1**	**219.9**	**313.2**	**0.0**	**313.2**
Comprehensive income for the period											
Result for the period	-	-	-	-	-	-	-	7.8	7.8	-	7.8
Other comprehensive income items											
Equity investments	-	-	-	-	-0.2	-	-	-	-0.2	-	-0.2
Cash flow hedge	-	-	-	-	-0.8	-	-	-	-0.8	-	-0.8
Translation differences	-	-	-	-	-	-	0.2	-	0.2	-	0.2
Tax impact	-	-	-	-	0.2	-	-	-	0.2	-	0.2
Total comprehensive income for the period	**0.0**	**0.0**	**0.0**	**0.0**	**-0.8**	**0.0**	**0.2**	**7.8**	**7.3**	**0.0**	**7.3**
Business activities involving shareholders											
Dividends	-	-	-	-	-	-	-	-26.8	-26.8	-	-26.8
Share-based payment	-	-	-	-	-	-	-	-0.1	-0.1	-	-0.1
Total business activities involving shareholders	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**-26.9**	**-26.9**	**0.0**	**-26.9**
Equity on 31.3.2017	**27.8**	**2.9**	**88.6**	**8.9**	**-2.7**	**-19.8**	**-12.9**	**200.8**	**293.5**	**0.0**	**293.5**
Equity on 1.1.2018	**27.8**	**2.9**	**88.6**	**8.9**	**-1.6**	**-19.8**	**-18.5**	**175.8**	**264.0**	**0.0**	**264.0**
Impact of new IFRS 2 standard	-	-	-	-	-	-	-	0.7	0.7	-	0.7
Adjusted opening balance 1.1.2018	**27.8**	**2.9**	**88.6**	**8.9**	**-1.6**	**-19.8**	**-18.5**	**176.5**	**264.7**	**0.0**	**264.7**
Comprehensive income for the period											
Result for the period	-	-	-	-	-	-	-	4.6	4.6	-	4.6
Other comprehensive income items											
Protection of net investments	-	-	-	-	-	-	-	-	0.0	-	0.0
Equity investments	-	-	-	-	0.2	-	-	-	0.2	-	0.2
Cash flow hedge	-	-	-	-	-1.0	-	-	-	-1.0	-	-1.0
Translation differences	-	-	-	-	-	-	1.2	-	1.2	-	1.2
Tax impact	-	-	-	-	0.2	-	-	-	0.2	-	0.2
Total comprehensive income for the period	**0.0**	**0.0**	**0.0**	**0.0**	**-0.7**	**0.0**	**1.2**	**4.6**	**5.1**	**0.0**	**5.1**
Business activities involving shareholders											
Dividends	-	-	-	-	-	-	-	-26.7	-26.7	-	-26.7
Unclaimed dividend	-	-	-	-	-	-	-	-	0.0	-	0.0
Transfer from retained earnings to other reserves	-	-	-	-	-	-	-	-	0.0	-	0.0
Share-based payment	-	-	-	-	-	-	-	-0.1	-0.1	-	-0.1
Total business activities involving shareholders	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**-26.8**	**-26.8**	**0.0**	**-26.8**
Equity on 31.3.2018	**27.8**	**2.9**	**88.6**	**8.9**	**-2.3**	**-19.8**	**-17.3**	**154.2**	**243.0**	**0.0**	**243.0**

CONSOLIDATED CASH FLOW STATEMENT (M€)

	1-3/2018	1-3/2017			1-12/2017		
	Continu-ing	Continu-ing	Discon-tinued*	Total	Continu-ing	Discon-tinued*	Total
CASH FLOW FROM BUSINESS OPERATIONS							
Result before taxes	5.9	6.9	2.8	9.6	54.5	-59.5	-5.0
Adjustments							
Planned depreciations	1.9	1.8	0.8	2.6	8.1	3.0	11.1
Financial income and expenses	-0.1	0.0	0.0	0.0	1.4	0.3	1.7
Share of results of associates and joint ventures	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
Other adjustments	-0.4	0.1	-0.1	0.0	-20.2	67.5	47.3
Total adjustments	1.3	1.9	0.7	2.6	-10.6	70.8	60.2
Cash flow before change in working capital	7.2	8.8	3.4	12.2	43.9	11.3	55.2
Change in working capital							
Increase (-) / decrease (+) in current receivables	0.6	-3.0	0.7	-2.4	-1.4	-0.7	-2.2
Increase (-) / decrease (+) in inventories	-8.8	-8.8	-2.3	-11.1	-0.2	-0.5	-0.8
Increase (+) / decrease (-) in current interest-free liablities	-2.0	3.6	1.6	5.3	2.7	-0.4	2.3
Total change in working capital	-10.2	-8.2	0.0	-8.2	1.1	-1.7	-0.6
Cash flow from business operations before financial items and taxes	-3.0	0.6	3.4	4.0	45.0	9.6	54.6
Interest paid and payments for other financial expenses from business operations	-0.4	-0.6	-0.1	-0.7	-2.0	-0.4	-2.4
Dividends received from business operations	0.1	0.2	-	0.2	0.2	-	0.2
Interest received and other financial income from business operations	0.1	0.2	0.1	0.3	0.8	0.0	0.9
Other financial items, net	0.4	0.2	-	0.2	-0.2	-	-0.2
Income taxes paid	-2.4	-1.2	-0.6	-1.8	-6.4	-1.5	-7.8
Net cash flow from business operations	-5.1	-0.6	2.8	2.2	37.5	7.6	45.1
CASH FLOW FROM INVESTMENTS							
Additional acquisition of associates shares	-	-	-	-	0.0	-	0.0
Investment in tangible assets	-1.1	-2.3	-0.7	-3.0	-9.3	-5.3	-14.6
Investment in intangible assets	-0.4	-1.1	0.0	-1.1	-2.0	-0.1	-2.0
Income from the sale of the Group companies' shares adjusted for cash at the time of transfer	-	-	-	-	-	89.4	89.4
Income from intangible and tangible commodities	0.0	0.0	-	0.0	39.2	0.1	39.3
Net cash flow from investments	-1.5	-3.4	-0.8	-4.1	28.0	84.0	112.0
Cash flow after investments	-6.5	-4.0	2.1	-1.9	65.6	91.5	157.1
CASH FLOW FROM FINANCIAL OPERATIONS							
Other financial items, net	-	-	-	-	0.8	-	0.8
New non-current loans	-	-	-	-	0.0	-	0.0
Repayment of non-current loans	-	-19.7	-	-19.7	-42.6	-	-42.6
Dividends and other profit distribution paid to shareholders of the parent company	-	-22.1	-	-22.1	-26.6	-	-26.6
Net cash flow from financial operations	0.0	-41.8	0.0	-41.8	-68.4	0.0	-68.4
CHANGE IN LIQUID FUNDS	-6.5	-45.8	2.1	-43.8	-2.8	91.5	88.7
Liquid funds at the beginning of the period	151.0	61.9			61.9		
Impact of changes in exchange rates	-0.1	-0.2			0.5		
Impact of changes in market value on liquid funds	0.0	-0.1			-0.1		
Liquid funds at end of period	144.3	17.9			151.0		

* The Confectionery business Raisio divested on 29 December 2017 was reported as a discontinued operation in the 2017 Financial Statements.

NOTES TO THE INTERIM REPORT

Accounting principles and presentation of figures

Raisio plc's Interim Report for January-March 2018 has been prepared in accordance with IAS 34, Interim Financial Reporting. It should be read together with Raisio plc's Financial Statements published on 12 February 2018. In the preparation of the Interim Report, Raisio plc has followed the same accounting principles as in the 2017 Financial Statements with the exception of the standard amendments and interpretations concerning Raisio plc that came into effect in 2018.

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Although these estimates are based on the management's best knowledge of current events, actual results may differ from the estimates.

The Interim Report is shown in EUR millions.

Impacts of new and revised standards

At the beginning of the financial period, Raisio plc adopted the new standards introduced by International Accounting Standards Board (IASB), IFRS 9 *Financial instruments* and IFRS 15 *Revenue from Contracts with Customers*, as well as amendments to IFRS 2 *Share-based payments*, all effective from 1 January 2018. The Group's opening balance sheet of 1 January 2018 has been adjusted due to the amended IFRS 9 and IFRS 2. The IFRS 15 does not have a material impact on the consolidated financial statements and no impact on the opening balance sheet of 1 January 2018.

The impacts of the standard amendments on the Group's opening balance and shareholders' equity as well as the changes in accounting principles are presented below.

Impacts of new and revised standards on the Group's opening balance sheet (M€)

	Balance sheet 31.12.2017	Adjust-ments	Opening balance 1.1.2018
ASSETS			
Non-current assets			
Equity investments	-	-	2.2
Avaivable-for-sale finacial assets	2.2	-2.2	0.0
Total assets	2.2	-2.2	2.2
SHAREHOLDER'S EQUITY AND LIABILITIES			
Equity	264.0	0.7	264.7
Total shareholder's equity	264.0	0.7	264.7
Current liabilities			
Accounts payable and other liabilities	42.8	-0.7	42.1
Total current liabilities	42.8	-0.7	42.1

IFRS 15 Revenue from Contracts with Customers

The Group adopted the IFRS 15 *Revenue from Contracts with Customers* on 1 January 2018. The standard superseded the previous IAS 11 *Construction contracts* and IAS 18 *Revenue* as well as related interpretations. *Revenue from Contracts with Customers* includes a five-step model for the recognition of sales revenue: how much and when revenue is recognised. The standard requires revenue to be recognised when the customer acquires control over the product or service.

The Raisio Group's sales to customers are primarily sale of goods. The Group records sales revenue when the customer acquires control over the products. Control is seen to be transferred at a point in time according to the delivery terms. The Raisio Group has no contracts to be recognised as income by reference to the stage of completion. Revenue from services is recognised over a period of time when the service has been completed. Possible variable consideration is recorded to its most likely amount. The transaction price of a product or service does not include a significant financing component since the time between the transfer and payment of the goods or services is no more than one year. The Raisio Group adopted the standard in full retroactively. The adoption of the standard did not have a material impact on the consolidated financial statements, and the principles of revenue recognition have not been changed. Therefore, the adoption of the standard had no effect on the volume or timing of sales revenue from customer contracts. Minor changes have been made to the SAP ERP system due to the recognition and presentation requirements of the IFRS 15.

IFRS 9 Financial instruments

The Group has adopted the IFRS 9 *Financial instruments* as from 1 January 2018. The standard deals with the classification and measurement of financial assets and liabilities, and with hedge accounting. Changes in the accounting principles have been adjusted to the opening balance sheet on 1 January 2018. With the adopted IFRS 9, the Group's financial assets have been reclassified in three measurement categories: financial assets recorded at amortised cost, financial assets recorded at fair value in other comprehensive income and financial assets recorded at fair value through profit or loss. Financial assets recorded at amortised cost include the financial assets that are to be held until the end of the contract and whose cash flows consist solely of capital and interest. Financial assets recorded at fair value through the statement of comprehensive income include the derivatives under hedge accounting and equity securities. Financial assets recognised at fair value through profit or loss include the financial assets that do not meet the criteria of other categories.

IFRS 9 requires hedge accounting to be in line with the company's risk management strategy and instead of the retrospective hedging relationship efficiency testing under former IAS 39, the effectiveness of hedging is assessed largely forward on the basis of qualitative criteria. In line with its financial risk management policy, the Raisio Group may use various derivatives to hedge against interest rate and currency risks.

The Raisio Group currently uses currency forward contracts to hedge receivables and liabilities in foreign currencies as well as future commercial cash flows. Future foreign currency items are forecast monthly to the following year. On the basis of these items, the Group makes foreign exchange derivative contracts and monitors hedging efficiency. Profit effects of changes in the value of such derivative contracts, to which hedge accounting is applied and which are effective hedging instruments, are presented consistently with the hedged item. When a derivative contract is entered into, the Group processes it as hedging of a highly probable forecast transaction (cash flow hedging).

Hedge accounting is discontinued in case its conditions cease to meet the qualifying criteria, the hedged item is derecognized from the balance sheet, the hedging instrument expires or it is sold or exercised or the forecast transaction is no longer expected to occur. When initiating hedge accounting, the Group documents the relationship between the hedged item and hedging instrument as well as the Group's risk management objectives and strategy for undertaking the hedge. When initiating hedging and at least in connection of each financial statements, the Group documents and assesses the effectiveness of hedging relationships by examining the hedging instrument's ability to offset the changes in fair value of hedged item or in cash flows. Change in fair value of the effective portion of derivative instruments meeting the conditions of cash flow hedging are recognised in other comprehensive income and presented in the equity hedge fund. Gains and losses accrued in equity from the hedging instrument are transferred to profit or loss when the hedged item affects profit or loss. The ineffective portion for profit or loss on the hedging instrument is recorded in the income statement either in other operating income or expenses, or in financial income or expenses, depending on its nature.

The new impairment model of the IFRS 9 requires impairments to be recognised based on expected credit losses. Earlier, impairments were recognised when there was evidence of impairment. Raisio plc applies the simplified approach included in the IFRS 9, under which impairments are recognised at an amount corresponding to the expected impairments for the entire effective period. The model Raisio plc applies is in line with the standard. The model calculates the average from the credit losses for the previous three years for continuing operations in relation to the receivables for the end of the financial period preceding each year. The model is applied to the reporting period by calculating the minimum credit loss provision for the year-end receivables corresponding to the previous three-year average. Using the management's judgement, Raisio plc makes a credit loss provision higher than the minimum mentioned above. With the adoption of the standard, the Group's impairment entries will not significantly increase.

Classification of financial assets and liabilities

Financial assets	**IAS 39**	**IFRS 9**
Forward exchange contracts, for hedging purposes	Fair value through other comprehensive income	Fair value through other comprehensive income
Other forward exchange contracts	Fair value through profit and loss	Fair value through profit and loss
Commercial papers	Fair value through profit and loss	Fair value through profit and loss
Equity securities	Financial assets available-for-sale	Fair value through other comprehensive income
Accounts receivables and other receivables	Loans and other receivables	Amortised cost
Liquid funds	Loans and other receivables	Amortised cost
Financial liabilities	**IAS 39**	**IFRS 9**
Forward exchange contracts, for hedging purposes	Fair value through other comprehensive income	Fair value through other comprehensive income
Other forward exchange contracts	Fair value through profit and loss	Fair value through profit and loss
Bank loans	Amortised cost	Amortised cost
Financial leasing liabilities	Amortised cost	Amortised cost
Accounts payable and other liabilities	Amortised cost	Amortised cost

IFRS 2 Share-based payments

The Group adopted the amendments to IFRS 2 *Share-based payments* on 1 January 2018. The amendments to IFRS 2 *Classification and Measurement of Share-based Payment Transactions* clarify the accounting process of certain type of arrangements. They concern three areas: measurement of cash-settled payments, share-based payments less withholding tax, and changing of share-based payments from cash-settled to equity-settled.

Due to the amendments, the Raisio Group has reclassified the cash-settled shares under the share reward schemes as part of the share-based payments payable in shares. Changes in the accounting principles have been adjusted to the opening balance sheet on 1 January 2018. The change concerns the share reward schemes of 2015-2017, 2016-2018 and 2017-2019. Possible rewards of the Group's schemes are paid partly in the company's free shares and partly in cash. The cash payment is made to cover the key employee's taxes and fiscal fees arising from the reward. The standard amendment had a minor impact on the Raisio Group's interim financial statements.

New and revised standards applicable to future financial periods

IFRS 16 *Leases* is applicable in periods starting on or after 1 January 2019. The new standard will replace the IAS 17 and related interpretations. As a result, nearly all rental agreements will be entered as fixed assets on the balance sheet, excluding short-term contracts of less than 12 months and contracts with low value. Operative rental agreements and finance leases are no longer separated. This change moves off-balance sheet liabilities to the balance sheet, which results in increased amounts of fixed assets and liabilities. There will be no significant changes in the accounting treatment applied by lessors. The Raisio Group has started to prepare for the adoption of the standard. The Group's balance sheet will include new entries for assets and liabilities that are mainly land, business premises and vehicles included in other current leases. The nature of costs related to these contracts will change as the IFRS 16 replaces rental expenses by depreciation of fixed assets and by interest expense arising from lease liability. The interest expense is reported as part of financial expenses. The amendment affects the key figures based on the balance sheet, such as gearing ratio. The adoption of the standard has no cash flow impact. IFRS 16 will not have a material impact on Raisio plc's consolidated financial statements.

Alternative key figures and items affecting comparability

The Group presents alternative key figures to describe the financial performance and position of its businesses as well as cash flows to improve the comparability between different periods and to increase understanding of the formation of the company's earnings and its financial position.

The alternative key figure is derived from the IFRS financial statements. The alternative key figures should not be considered as substitute indicators compared to the key figures defined in the IFRS. It is possible to present items affecting comparability and to calculate alternative key figures without items affecting comparability in the Board of Directors' report, Financial Statements Bulletin, Half-Year and Interim Reports.

Items affecting comparability are income or expenses arising as a result of one or rare events. Significant expenses of outside experts related to business acquisitions and business expansion, expenses related to business reorganisation and expenses related to the impairment of assets and their possible repayment are presented as items affecting comparability.

Items affecting comparability are recorded in the income statement according to the matching principle under the income or expense category.

The Raisio Group presents, for example, following alternative key figures: gross profit, EBIT, comparable EBIT, EBITDA, comparable EBITDA, pre-tax result, comparable earnings / share, return on equity %, return on investments %, comparable return on investments %, equity ratio %, net gearing %, net interest-bearing debt, interest-bearing debt, cash flow from operations, cash flow from operations per share, equity per share, dividend per share, dividend per earnings.

SEGMENT INFORMATION

Raisio has renewed its organisational structure and therefore, the structure of the financial reporting and segments have also been changed. The reportable segments are Healthy Food (previously Brands), Raisioagro and other operations. Healthy Food and Raisioagro segments are the Group's strategic operating units that are managed as separate units and whose performance is regularly reviewed by the top management. The products of the reportable segments are different and require different distribution channels and marketing strategies.

The Healthy Food segment consists of the following operating segments: Northern and Eastern Europe, Western Europe and the Rest of the World (previously Healthy Food, Benecol, Confectionery until 29 December 2017, and Benemilk). From 1 January 2018, Benemilk is reported as part of the Rest of the World segment.

Raisioagro Division includes cattle and fish feeds, and farming supplies.

In 2017, Raisio's Grain Trade business was reported as part of Raisioagro. From 1 January 2018, it will be reported as part of the Northern and Eastern European operations of the Healthy Food Division.

In terms of the changes, the comparison periods figures have been altered accordingly.

The Raisio Group's Confectionery business transferred to Valeo Foods Ltd on 29 December 2017. The Confectionery business included in the Healthy Food (previously Brands) was reported as a discontinued operation in the 2017 financial statements in accordance with the IFRS 5. In the Financial Statements Bulletin, Financial Statements, Board of Directors' report and this Interim Report, the comparison figures for previous periods and related items have been adjusted accordingly.

Net sales by segment (M€)

	31.3.2018	31.3.2017	31.12.2017
Healthy Food			
Northern and Eastern Europe	24.1	24.8	98.1
Western Europe	16.7	18.1	68.2
Rest of the world	7.3	7.3	35.2
Total Healthy Food	48.1	50.3	201.4
Raisioagro	19.7	19.1	105.6
Other operations*	0.4	0.3	1.3
Interdivisional net sales	-0.4	-0.4	-1.5
Total net sales	67.8	69.3	306.8

* The Confectionery business Raisio divested on 29 December 2017 was reported as a discontinued operation in the 2017 Financial Statements.

EBIT by segment (M€)

	31.3.2018	31.3.2017	31.12.2017
Healthy Food	8.1	9.8	38.4
Raisioagro	0.4	-0.3	4.3
Other operations*	-2.8	-2.6	13.3
Total EBIT	5.8	6.9	55.9

Net assets by segment (M€)

	31.3.2018	31.3.2017	31.12.2017
Healthy Food	123.4	126.2	117.4
Raisioagro	28.5	28.1	24.3
Other operations and unallocated items	91.1	139.2	122.3
Total net assets	243.0	293.5	264.0

Investment by segment (M€)

	31.3.2018	31.3.2017	31.12.2017
Healthy Food	0.5	0.2	1.5
Raisioagro	0.3	0.8	3.3
Other operations	0.3	2.6	5.6
Total investments	1.1	3.6	10.4

REVENUE

Net sales by market (M€)

	31.3.2018	31.3.2017	31.12.2017
Finland	35.2	34.2	149.6
Great Britain	16.8	15.1	57.8
Rest of Europe	15.0	18.8	93.4
Rest of world	0.8	1.1	6.1
Total	67.8	69.3	306.8

Net sales by category (M€)

	1-3/2018	1-3/2017	1-12/2017
Sales of goods	67.3	68.8	305.2
Sales of services	0.3	0.3	0.9
Royalties	0.2	0.2	0.8
Total net sales	67.8	69.3	306.8

ACQUIRED BUSINESSES, DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

Acquired businesses

In the period of 1 January - 31 March 2018 and in 2017, there were no acquired businesses.

Discontinued operations

The Raisio Group's Confectionery business transferred to Valeo Foods Ltd on 29 December 2017. The Confectionery business included in the Healthy Food (previously Brands) was reported as a discontinued operation in the 2017 financial statements. The comparison period has been changed accordingly in this Interim Report.

	31.12.2017
Impact of the discontinued operations on the Group's financial position:	
Non-current assets	116.4
Inventories	11.8
Short-term receivables	17.5
Loans receivables (cash pool)	-15.4
Liquid funds	2.8
Funds in total	**133.2**
Non-current liabilities	2.3
Current liabilities	17.5
Liabilities in total	**19.8**
Divested net assets	**113.4**
Accumulated translation differences	-1.5
Capital gain/loss on the divested business including accumulated translation differences	-36.5
Transaction expenses allocated to the divestment	-0.8
Guaranteed reserve of receivables directed at sales	-1.1
Profit impact on EBIT	**-38.4**
Enterprise value	100.0
Investment debt related to factories and other non-interest-bearing items related to net debt	10.6
Interest-bearing net financial liability of the divested subsidiaries at the time of transfer	12.6
Enterprise value of the shares	**76.8**
Enterprise value of the shares	76.8
Net interest-bearing debt of the divested subsidiaries at the time of transfer	-12.6
Subsidiary divestments adjusted for cash at the time of transfer	**89.4**
Cash flow from sales including expenses	86.0
In the cash flow statement	
Subsidiary divestments adjusted for cash at the time of transfer	89.4
Cash flow from investments	-5.4
Cash flow from business operations	7.6
Change in loans receivables	-5.6
Cash flow effect of the divested operation in total and repayments of loan receivables	86.0

Assets held for sale

On 31 January 2018, Raisio announced to consider the divestment of its cattle and fish feed businesses as one strategic alternative and to have initiated negotiations with several operators. Assets and liabilities related to the Raisioagro segment's cattle feeds are classified as available for sale in this Interim Report.

	31.3.2018
Non-current assets	14.4
Inventories	8.9
Short-term receivables	6.1
Funds in total	**29.4**
Current liabilities	7.9
Liabilities in total	7.9
Assets held for sale, net assets	**21.5**

PROPERTY, PLANT AND EQUIPMENT (M€)

	31.3.2018	**31.3.2017**	**31.12.2017**
Acquisition cost at the beginning of the period	310.7	371.8	371.8
Conversion differences	0.0	0.2	-0.1
Increase	0.7	3.0	13.8
Decrease	0.0	-0.1	-74.7
Assets held for sale	-87.6	-	-
Acquisition cost at end of period	**223.8**	**374.9**	**310.7**
Accumulated depreciation and impairment at the beginning of the period	260.6	283.3	283.3
Conversion difference	0.0	0.1	-0.4
Decrease and transfers	0.0	-0.1	-31.3
Depreciations and impairment for the period	1.5	2.2	9.0
Assets held for sale	-73.3	-	-
Accumulated depreciation and impairment at end of period	**188.7**	**285.5**	**260.6**
Book value at end of period	**35.1**	**89.4**	**50.1**

PROVISIONS (M€)

	31.3.2018	**31.3.2017**	**31.12.2017**
At the beginning of the period	3.2	2.6	2.6
Increase in provisions	0.0	0.0	1.2
Provisions used	-2.1	-0.1	-0.5
At end of period	1.1	2.5	3.2

RELATED PARTY TRANSACTIONS (M€)

	31.3.2018	31.3.2017	31.12.2017
Sales to associates and joint ventures	0.0	0.0	0.0
Purchases from associates and joint ventures	0.1	0.0	0.1
Sales to key employees in management	0.1	0.1	0.3
Purchases from key employees in management	0.2	0.2	1.0
Liabilities to associates and joint ventures	0.0	0.0	0.0
Receivables from the key persons in the management	0.0	0.0	0.0
Payables to key management personnel	0.1	0.1	0.1

CONTINGENT LIABILITIES (M€)

	31.3.2018	31.3.2017	31.12.2017
Contingent off-balance sheet liabilities			
Non-cancelable other leases			
Minimum lease payments	1.4	1.4	1.4
Other liabilities	2.9	2.8	2.3
Guarantee liabilities on the Group companies' commitments	33.1	33.1	33.1
Commitment to investment payments	1.0	4.1	1.1

DERIVATIVE CONTRACTS (M€)

	31.3.2018	31.3.2017	31.12.2017
Nominal values of derivative contracts			
Currency forward contracts	72.5	213.4	82.1

FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

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

	Carrying amount 31.3.2018	Fair value 31.3.2018	Carrying amount 31.12.2017	Fair value 31.12.2017
Financial assets				
Equity investments*)	2.3	2.3	2.2	2.2
Accounts receivables and other receivables	32.0	32.0	32.7	32.7
Investments recorded at fair value through profit or loss*)	3.0	3.0	2.0	2.0
Liquid funds	141.3	141.3	149.0	149.0
Derivatives*)	0.2	0.2	0.2	0.2
Financial liabilities				
Bank loans	45.8	46.4	45.8	46.5
Financial leasing liabilities	0.2	0.2	0.1	0.1
Accounts payable and other liabilities	28.9	28.9	32.5	32.5
Derivatives*)	1.1	1.1	0.2	0.2

Fair value hierarchy of financial assets and liabilities measured at fair value

Of the financial assets and liabilities measured at fair value *), all except the equity investments are on the level 2. The fair value of the level 2 items is defined by valuation techniques using market pricing valuations provided by the service provider. Equity investments are on the level 3 as their fair value is not based on observable market data.

RECONCILIATIONS RELATED TO CASH FLOW STATEMENT

Adjustments to business cash flows (M€)

	1-3/2018	1-3/2017	1-12/2017
Impairment for intangible and tangible fixed assets	-	-	36.5
Impairment for current assets	-	-	0.7
Divestment losses of subsidiary shares	-	-	38.4
Capital gains and losses of fixed assets	0.0	-	-28.1
Costs of share rewards	-0.1	-	0.0
Other	-0.3	0.0	-0.3
Total adjustments in cash flow statement	-0.4	0.0	47.3

Income statement items containing no payment transaction and items presented elsewhere in the cash flow statement are adjusted.

Acquisitions and disposals of fixed assets of cash flow from investing (M€)

	1-3/2018	1-3/2017	1-12/2017
Acquisitions of fixed assets in total	-1.1	-3.9	-15.9
Payments for investments of earlier financial periods (change in accounts payable)	-0.3	-0.2	-0.7
Investments funded by finance lease or other non-interest-bearing debt	0.0	0.0	0.0
Fixed asset acquisitions funded by cash payments	**-1.5**	**-4.1**	**-16.6**
Capital gain and loss on fixed assets in the income statement	0.0	0.0	28.1
Balance sheet value of disposed asset	0.0	0.0	11.2
Consideration received from fixed asset divestments in the cash flow statement	**0.0**	**0.0**	**39.3**

Net assets of divested subsidiaries (M€)

	1-12/2017
Capital gain or loss in the income statement excluding sales expenses directed at sales	-36.5
Non-current assets	116.4
Inventories	11.8
Receivables	17.5
Liquid funds incl. loans receivables (group cash pool)	-12.6
Non-current liabilities	2.3
Current liabilities	17.5
Total net assets sold	**113.4**
Sales price	76.8
Proceeds in the cash flow statement adjusted by cash at the date of transfer	89.4

Reconciliation of liabilities related to financing activities (M€)

	2017	Cash flows	Non cash flow influenced changes: Forward exchange contracts	Non cash flow influenced changes: Changes in exchange rates	Non cash flow influenced changes: Changes in fair value	2018
Non-current liabilities	45.7	-	-	-	-	45.7
Current liabilities	0.0	-	-	-	-	0.0
Lease liability	0.1	0.0				0.2
Net assets / liabilities used to hedge non-current liabilities	0.0	-	-	-	-	0.0
Total liabilities for financing activities	**45.9**	**0.0**	**-**	**-**	**-**	**45.9**

QUARTERLY EARNINGS FROM CONTINUING OPERATIONS (M€)

	1-3/ 2018	**10-12/ 2017**	**7-9/ 2017**	**4-6/ 2017**	**1-3/ 2017**
Net sales by segment					
Healthy Food	48.1	50.6	48.9	51.6	50.3
Raisioagro	19.7	21.4	36.3	28.8	19.1
Other operations	0.4	0.4	0.3	0.3	0.3
Interdivisional net sales	-0.4	-0.4	-0.3	-0.4	-0.4
Total net sales	67.8	72.0	85.2	80.3	69.3
EBIT by segment					
Healthy Food	8.1	8.5	9.3	10.7	9.8
Raisioagro	0.4	0.1	3.2	1.2	-0.3
Other operations	-2.8	-10.2	-1.7	27.8	-2.6
Total EBIT	5.8	-1.6	10.8	39.8	6.9
Financial income and expenses, net	0.1	-0.3	-0.7	-0.3	0.0
Share of result of associates	0.1	0.0	0.0	0.0	0.0
Result before taxes	5.9	-1.9	10.1	39.4	6.9
Income tax	-1.4	-1.5	-2.1	-7.8	-1.3
Result for the period	4.6	-3.3	7.9	31.7	5.6

KEY FIGURES

Key figures have been calculated from continuing operations, including the items affecting comparability.

	31.3.2018	31.3.2017	31.12.2017
Net sales, M€	67.8	69.3	306.8
Change of net sales, %	-2.1	-21.7	-8.8
Operating margin, M€	7.6	8.7	71.8
Depreciation and impairment, M€	1.9	1.8	15.9
EBIT, M€	5.8	6.9	55.9
% of net sales	8.5	9.9	18.2
Result before taxes, M€	5.9	6.9	54.5
% of net sales	8.7	9.9	17.8
Return on equity, ROE, %	7.2	7.4	14.5
Return on investment, ROI, %	8.2	7.6	15.6
Interest-bearing financial liabilities at end of period, M€	45.9	68.8	45.9
Net interest-bearing financial liabilities at end of period, M€	-98.4	50.9	-105.1
Equity ratio, %	66.8	66.6	73.4
Net gearing, %	-40.5	17.3	-39.8
Gross investments, M€	1.1	3.6	10.4
% of net sales	1.7	5.2	3.4
R & D expenses, M€	0.8	0.7	3.4
% of net sales	1.2	1.1	1.1
Average personnel	409	414	415
Earnings/share, €	0.03	0.04	0.27
Cash flow from operations/share (continuing and discontinued operations in total), €	-0.03	0.01	0.29
Equity/share, €	1.54	1.86	1.68
Average number of shares during the period, in 1,000s			
Free shares	125 173	125 004	124 927
Restricted shares	32 146	32 470	32 436
Total	157 319	157 474	157 363
Average number of shares at end of period, in 1,000s			
Free shares	125 345	125 005	125 028
Restricted shares	31 974	32 469	32 291
Total	157 319	157 474	157 319
Market capitalisation of shares at end of period, M€			
Free shares	453.7	421.3	480.1
Restricted shares	115.1	111.0	124.0
Total	568.9	532.3	604.1
Share price at end of period			
Free shares	3,62	3,37	3,84
Restricted shares	3,60	3,42	3,84

FORMULAS FOR KEY FIGURES

Earnings per share	Result for the year of parent company shareholders -- Average number of shares for the year, adjusted for share issue
Formulas for alternative key figure calculation	
Return on equity (ROE), %	Result before taxes – income taxes -- x 100 Shareholders' equity (average over the period)
Return on investment (ROI), %	Result before taxes + financial expenses -- x 100 Shareholders' equity + interest-bearing financial liabilities (average over the period)
Equity ratio, %	Shareholders' equity --- x 100 Balance sheet total – advances received
Net interest-bearing financial liabilities	Interest-bearing financial liabilities - liquid funds and liquid financial assets at fair value through profit or loss
Net gearing, %	Net interest-bearing financial liabilities --- x 100 Shareholders' equity
Comparable earnings per share	Profit for the period attributable to the parent company shareholders +/- items affecting comparability --- Average number of shares during the period adjusted for issues
Cash flow from business operations per share	Cash flow from business operations -- Average number of shares for the year, adjusted for share issue
Shareholders' equity per share	Equity of parent company shareholders --- Number of shares at end of period adjusted for share issue
Comparable net sales	Net sales +/-items affecting comparability
Comparable EBIT	EBIT +/-items affecting comparability
Comparable EBIT, %	Comparable EBIT -- Comparable net sales
EBITDA	EBIT + depreciations and impairment
Comparable EBITDA	EBIT +/- items affecting comparability + depreciations and impairment
Market capitalisation	Closing price, adjusted for issue x number of shares without company shares at the end of the period