RAISIO

Q3/2013

RAISIO PLC

Interim Report

1 January –
30 September 2013

RAISIO'S RECORD EBIT

July-September 2013, continuing operations

- Group net sales totalled EUR 149.5 million (Q3/2012: EUR 161.0 million).
- Group's EBIT excluding one-off items was EUR 12.0 million (Q3/2012: EUR 10.7 million) accounting for 8.0% (6.6%) of net sales.
- Brands Division's EBIT excluding one-off items was EUR 10.8 million (EUR 9.7 million) accounting for 14.8% (11.3%) of net sales.
- Raisioagro's EBIT more than doubled from the comparison period totalling EUR 2.6 (1.2) million.
- Cash flow from business operations was positive totalling EUR 38.1 million.

January-September 2013, continuing operations

- Group net sales totalled EUR 426.4 million (Q1-Q3/2012: EUR 446.6 million).
- Group's EBIT excluding one-off items was EUR 31.0 million (Q1-Q3/2012: EUR 28.0 million) accounting for 7.3% (6.3%) of net sales.
- Brands Division's EBIT excluding one-off items was EUR 31.3 million (EUR 29.7 million) accounting for 13.8% (11.8%) of net sales.
- Raisioagro's EBIT was EUR 3.3 million (EUR -0.2 million).

Raisio Group's key figures excluding one-off items

		7-9/ 2013	7-9/ 2012	1-9/ 2013	1-9/ 2012	1-12/ 2012
Results from continuing operations						
Net sales	M€	149.5	161.0	426.4	446.6	584.1
Change in net sales	%	-7.1	13.6	-4.5	7.9	5.7
EBIT	M€	12.0	10.7	31.0	28.0	34.6
EBIT	%	8.0	6.6	7.3	6.3	5.9
Depreciation and impairment	M€	3.7	4.2	11.2	12.4	16.6
EBITDA	M€	15.6	14.8	42.2	40.4	51.2
Net financial expenses	M€	-0.2	-1.2	-1.4	-2.1	-2.5
Earnings per share (EPS)	€	0.06	0.06	0.15	0.14	0.18
Balance sheet						
Equity ratio	%	-	-	64.5	62.0	64.1
Gearing	%	-	-	-2.6	2.4	4.9
Net interest-bearing debt	M€	-	-	-8.4	7.7	16.2
Equity per share	€	-	-	2.10	2.10	2.10
Gross investments*	M€	4.0	1.7	8.7	7.7	24.6
Share						
Market capitalisation**	M€	-	-	664.8	440.4	479.3
Enterprise value (EV)	M€	-	-	656.5	448.1	495.5
EV/EBITDA		-	-	12.4	9.0	9.7

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

CEO Matti Rihko's review

"The Group's EBIT rose to EUR 12.0 million, which is the current Raisio's all-time best quarterly result. Market conditions in all our operations are challenging and it is a great accomplishment to maintain margins in a rapidly changing environment as the eurozone economy keeps contracting.

Successful fish feed season and Benemilk feeds were driving Raisioagro's good performance. Raisioagro's EBIT more than doubled from the same time period last year totalling EUR 2.6 million. Good performance shows that our customers trust us and that our product range meets their needs in a highly competitive Finnish feed market. We have been looking for new solutions for the oil milling industry to secure the profitability and future of the business as the EU decisions undermine the operating conditions. At the end of October, Raisio decided to continue its vegetable oil operations, but to lay off the plant personnel until further notice in early 2014.

International commercialisation of the Benemilk invention is one of Raisio's most important objectives at the moment. Our cooperation with Intellectual Ventures, the world leader in intellectual property rights, is progressing well as expected. The number of patent applications filed by Benemilk Oy, a joint venture of Raisio and IV, is expected to rise above 50. In addition, the same number of patentable inventions related to the Benemilk innovation have been decided to be kept confidential for the time being. The Benemilk innovation involves extremely strong IPR expertise, which is also a significant benefit when negotiating with potential license partners.

Rest of the year, we will focus especially on our breakfast and snacks operations in the UK. During the past year, in addition to Raisioagro, improvement efforts focused on Northern European operations that now show improved performance on a monthly basis as a result of the changes and reorganisation carried out."

Operating environment in July-September

In the review period, Raisoagro performed well and maintained its position in the Finnish feed market. There will be new excess capacity in Finland, so the competition in the feed market is expected to remain tough in the future.

Raisioagro will conduct an extensive Benemilk roadshow this autumn with events for livestock producers and dairy professionals across Finland. Our expanded Benemilk product range provides suitable feeds for all most common feeding models.

Slow decline in the eurozone economy continued in the second quarter and, in terms of growth, there were no significant improvements during the third quarter. It was challenging to maintain margins also in Raisio's consumer brands in rapidly changing market conditions. For example, volume was lost in breakfast cereals sold in the UK under Raisio's own brands as the whole breakfast cereal market declined.

GROUP'S CONTINUOUS OPERATIONS

Financial reporting

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

The Brands Division includes Consumer brands and Licensed brands units. In the text, Consumer brands unit is examined by key market areas, which are Western Europe, Northern Europe and Eastern Europe. The non-dairy business that Raisio sold is included in the Northern European figures until 9 May 2013. Licensed brands unit includes Benecol business and a joint venture called Benemilk Ltd from 1 July 2013.

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

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

Net sales

Raisio Group's net sales in *July-September* totalled EUR 149.5 (161.0) million. Net sales for the Brands Division totalled EUR 73.3 (86.2) million and for the Raisioagro Division EUR 76.4 (75.0) million. Net sales for other operations amounted to EUR 0.3 (0.5) million. Net sales for the Northern European market area, part of the Consumer Brands unit, were down on the comparison period, which includes the intermediary sale of margarines ended in October 2012. Net sales for Eastern European operations increased by more than 40 per cent. Growth was driven by good Benecol margarine sales in Poland. Net sales for the Czech confectionery company Candy Plus, reported in Western European operations, were up by over 30 per cent. Raisioagro's net sales improved from the comparison period despite steep declines in grain prices; grain is the largest single raw material used in feeds.

In *January-September*, the Group's net sales totalled EUR 426.4 (446.6) million. Net sales for the Brands Division totalled EUR 226.7 (253.0) million and for the Raisioagro Division EUR 200.8 (194.4) million. Net sales for other operations amounted to EUR 1.0 (1.5) million. The Brands Division accounted for some 53 per cent and Raisioagro 47 per cent of Raisio's net sales.

January-September net sales from outside Finland represented 49.1 (49.8) per cent of the Group's total, amounting to EUR 209.2 (222.3) million.

Result

Raisio Group's *July-September* EBIT was EUR 9.0 (9.9) and, excluding one-off items, 12.0 (10.7) million, which is 6.0 (6.2) and, excluding one-off items, 8.0 (6.6) per cent of net sales. A one-off item of EUR 3.0 million is recorded in the Brands Division's third-quarter EBIT resulting mainly from expenses of the centralisation process of the UK snack bar production. In the review period, the Group's EBIT included a one-off item of EUR 0.7 million, which included the expenses resulting from the acquisition projects and performance improvement activities. EBIT for the Brands Division totalled EUR 7.9 (9.2) and, excluding one-off items, 10.8 (9.7) million. EBIT for Raisioagro was EUR 2.6 (1.2) million and for other operations EUR -1.5 (-0.4 and, excluding one-off items, -0.3) million.

In *January-September*, the Group's EBIT amounted to EUR 27.3 (27.2) and, excluding one-off items, 31.0 (28.0) million, which is 6.4 (6.1) and, excluding one-off items, 7.3 (6.3) per cent of net sales. The Brands Division's EBIT in *January-September* was EUR 27.7 (29.1) and, excluding one-off items, 31.3 (29.7) million. EBIT for the Raisioagro Division was EUR 3.3 (-0.2) million and for other operations EUR -3.7 (-1.7 and, excluding one-off items, -1.6) million.

Depreciation and impairment, allocated to operations in the income statement, amounted to EUR 3.7 (4.2) million in *July-September* and to EUR 11.2 (12.4) million in *January-September*.

The Group's net financial expenses in *July-September* totalled EUR -0.2 (-2.3) and, excluding one-off items, -0.2 (-1.2) million. The Group's net financial expenses in *January-September* totalled EUR -1.4 (-13.3) and, excluding one-off items, -1.4 (-2.1) million. The review periods' financial items include a one-off item of EUR 1.1 million in July-September and that of EUR 11.2 million in January-September resulting from the implementation of the redemption of Raisio UK Ltd's non-controlling interest.

The *July-September* pre-tax result was EUR 8.8 (7.5) and, excluding one-off items, 11.7 (9.4) million. The *January-September* pre-tax result was EUR 26.0 (13.8) and, excluding one-off items, 29.6 (25.7) million.

The Group's post-tax result in *July-September* totalled EUR 6.9 (7.6) and, excluding one-off items, 9.2 (9.3) million. In *January-September*, the post-tax result was EUR 20.1 (9.8) and, excluding one-off items, 22.9 (21.6) million.

The Group's earnings per share for continuing operations were EUR 0.04 (0.05) in *July-September* and, excluding one-off items, 0.06 (0.06) and in *January-September* EUR 0.13 (0.06) and, excluding one-off items, 0.15 (0.14).

Balance sheet, cash flow and financing

At the end of September, the Raisio Group’s balance sheet totalled EUR 509.2 (31 December 2012: 517.6) million. Shareholders’ equity was EUR 327.0 (31 December 2012: 327.3) million, while equity per share was EUR 2.10 (31 December 2012: 2.10).

At the end of September, the Group’s interest-bearing financial liabilities were EUR 78.4 (31 December 2012: 78.0) million. Net interest-bearing debt was EUR -8.4 (31 December 2012: 16.2) million.

On 30 September 2013, the Group’s equity ratio totalled 64.5 (31 December 2012: 64.1) per cent and net gearing -2.6 (31 December 2012: 4.9) per cent. Return on investment was 9.1 and, excluding one-off items 10.3 (31 December 2012: 4.5 and, excluding one-off items, 8.3) per cent.

Cash flow from business operations in *January-September* was EUR 44.7 (7.9) million.

At the end of September, working capital amounted to EUR 67.3 (31 December 2012: 84.9) million, or approximately EUR 17 million less than at the end of September 2012. During the financial period, working capital of some EUR 21 million has been released from current assets.

Investments

The Group's gross investments in *July-September* totalled EUR 4.0 (1.7) million. Gross investments of the Brands Division were EUR 3.5 (1.2) million, those of Raisioagro EUR 0.3 (0.3) million and those of other operations EUR 0.1 (0.2) million. The investments made were ordinary replacement and streamlining investments.

The Group's gross investments in *January-September* totalled EUR 8.7 (7.7) million, or 2.0 (1.7) per cent of net sales.

Research and development

The Group's research and development expenses in *July-September* were EUR 1.2 (1.6) million. In *January-September,* research and development expenses totalled EUR 4.7 (5.0) million, or 1.1 (1.1) per cent of net sales.

During 2013, scientific studies related to the Benemilk innovation have been conducted in Finland as well as in Holland, Sweden and France. Based on the research results, we know that the Benemilk concept works well in cow feeding based on both grass and corn silage as well as with various breeds of cattle. In these studies, energy-corrected milk yield increased by an average of 2.5 kg per cow per day. Furthermore, feed efficiency improves by almost 10 per cent.

In the third quarter, the Benemilk product range was expanded with five new feeds. Benemilk product line now includes four compound feeds and four protein feeds. Our expanded Benemilk product range provides suitable feeds for all most common feeding models.

SEGMENT INFORMATION

BRANDS DIVISION

		7-9/ 2013	7-9/ 2012	1-9/ 2013	1-9/ 2012	1-12/ 2012
Net sales	M€	73.3	86.2	226.7	253.0	329.5
Consumer brands	M€	65.6	74.0	201.2	216.8	286.1
Licensed brands	M€	10.6	12.5	31.6	36.5	45.0
EBIT	M€	7.9	9.2	27.7	29.1	34.9
One-off items	M€	-3.0	-0.6	-3.6	-0.6	-2.5
EBIT, excluding one-off items	M€	10.8	9.7	31.3	29.7	37.4
EBIT, excluding one-off items	%	14.8	11.3	13.8	11.8	11.3
Investments	M€	3.5	1.2	6.3	5.8	7.2*
Net assets	M€	-	-	254.6	260.9	271.7

* Excluding one-off items

Financial review

<u>July-September</u>

In July-September, the Brands Division’s *net sales* amounted to EUR 73.3 (86.2) million, 15 per cent down on the comparison period. In terms of net sales, the Brands Division’s review period was the weakest quarter of 2013 while the comparison period was the best quarter of 2012. Net sales for the Consumer brands unit totalled EUR 65.6 (74.0) million. The review period’s most significant accomplishments include the Northern European operations’ good performance, Candy Plus’ strong sales growth and good Benecol margarine sales in Poland. Net sales for Licensed brands unit were EUR 10.6 (12.5) million.

In July-September, the Brands Division’s *EBIT* excluding one-off items was over 10 per cent up on the comparison period while net sales were down. EBIT amounted to EUR 7.9 (9.2) and, excluding one-off items, 10.8 (9.7) million, which is 10.7 (10.6) and, excluding one-off items, 14.8 (11.3) per cent of net sales.

Western European operations showed a slightly better July-September EBIT than in the comparison period. EBIT for the confectionery business, reported in the Western European figures, were up by over 60 per cent on the comparison period. The Czech Republic-based Candy Plus was included in the confectionery business figures in November 2012. EBIT for Northern European operations improved significantly on the comparison period due to the operational renewal. Strong sales of Benecol margarines in Poland multiplied Eastern European operations’ EBIT from the comparison period.

EBIT for the Benecol business was down on the comparison period due to declined net sales while EBIT remained at its ordinary good level.

<u>January-September</u>

Net sales for the Brands Division totalled EUR 226.7 (253.0) million in January-September. Net sales for the Consumer brands unit totalled EUR 201.2 (216.8) million and for the Licensed brands unit EUR 31.6 (36.5) million. The fall in net sales was largely expected, but partly due to rapid market changes. On the other hand, net sales increased due to brisk sales growth in several home markets.

In January-September, *EBIT* for the Brands Division amounted to EUR 27.7 (29.1) and, excluding one-off items, 31.3 (29.7) million, which is 12.2 (11.5) and, excluding one-off items, 13.8 (11.8) per cent of net sales. Relatively greatest improvements in EBIT were delivered by Finland and Poland as well as Candy Plus. This year, Raisio has paid special attention to the use of synergies between food and confectionery operations, to the cost structure and to the further enhancement of operations.

Business operations

Consumer brands, Western Europe

Net sales for the confectionery business were up by 40 per cent on the comparison period and EBIT for the business was good. Net sales for Candy Plus were more than 30 per cent higher than in the comparison period. Particularly good sales were seen in soft gums and in products of the new fruit liquorice line.
In the UK, net sales for the confectionery business were slightly down on the comparison period while EBIT was up. The margins of branded products grew and the share of low-profit promotional sales decreased from the comparison period.

Sales in snack bars made under the partners' brands showed good sales development in the UK, whereas sales in breakfast cereals sold under Raisio's own brands declined significantly from the comparison period. Net sales and EBIT were adversely affected by competitors' activity in campaigning at the same time as Raisio had decreased its promotional activity. In addition, sugar content in breakfast cereals received a lot of negative attention, which contributed to the fall in the entire breakfast cereal market. Consumer demand in the UK remained weak and consumers preferred significantly more affordable foods. Raisio has initiated measures to improve the market situation of the breakfast cereals sold under Raisio's own brands and to ensure long-term growth.

In August 2013, Raisio decided to centralise the production of the UK-based Tywyn factory to the Newport factory in Wales. Annual savings are expected to total approximately EUR 1.4 million. After the centralisation process, the majority of Raisio's snack bars are manufactured at the Newport factory.

Consumer brands, Northern Europe

Raisio reduced its product range sold in Northern European markets and discontinued low-profit products.
In July-September, sales in Benecol minidrinks and margarines and in Elovena instant porridges and snack biscuits all together showed more than 15 per cent growth in Finland. Furthermore, sales in Nalle and Sunnuntai brands developed well. However, net sales for Northern European food operations were markedly lower than in the comparison period while EBIT improved considerably. The decline in net sales was largely planned, since the comparison period's net sales included the intermediary sale of margarines produced by Bunge, ended in Finland and Sweden in October 2012, as well as the non-dairy business divested last spring.

Consumer brands, Eastern Europe

Net sales for Eastern European food operations were up by over 40 per cent on the comparison period.
The growth was driven by good sales development of Benecol margarines in Poland. Sales in mill products sold under the Nordic and Elovena brands remained at the comparison period level in Russia and Ukraine.
The product range of Sulma's pasta factory in Poland has been developed so that the number of added value pastas increased and that of basic pastas decreased. In the third quarter, Eastern Europe accounted for well over 10 per cent of net sales for Raisio's Consumer brands unit.

Licensed brands, Benecol

In September 2013, Raisio launched Benecol Yogurt Drinks in Hong Kong together with a local distributor.
In Hong Kong, Raisio uses a new alternative business model as the company itself and the local Benecol product distributor are jointly responsible for business operations. The Benecol product launch is supported with an extensive advertising campaign towards consumers and information services intended for healthcare professionals.

Immediately after the end of the review period, Raisio's Indonesian partner Kalbe International launched Benecol smoothies in the Philippines. Kalbe International is Raisio's long-term partner that launched Benecol products on the Indonesian market in 2008. In the early stages of the launch, Nutrive Benecol products are sold in more than 300 retail stores in the Philippines. The launch also includes marketing campaigns towards consumers and healthcare professionals.

In the growing Asian markets, Benecol products are now sold in the Philippines and Indonesia as well as in Hong Kong and Thailand. Raisio will continue its long-term efforts to enter new markets in the BRIC countries.

The decline in Benecol business net sales was mainly due to the decreased volume in contract manufactured esterification as a result of the US factory divestment in spring 2013 as well as to plant stanol deliveries that were lower than in the comparison period, especially to Poland. In the comparison period, Bunge was responsible for the sales of Benecol margarines in Poland. The company ordered an exceptionally large quantity of plant stanol ester before the Benecol margarine sale was transferred back to Raisio. In terms of Benecol product sales, there are still significant differences between the countries in Europe. As a rule, the markets where the partner is investing in the brand and marketing show increased sales.

Licensed brands, Benemilk Ltd

Benemilk Ltd, a joint venture set up by Raisio and the world leader in intellectual property rights Intellectual Ventures, aims to develop and strengthen the Benemilk innovation related IPR portfolio and to commercialise the invention for global markets. The Benemilk invention has been transferred to the joint venture Benemilk Ltd, which granted Raisioagro a royalty-free, exclusive license to the invention and its future applications in Finland. Sales of Benemilk feeds in Finland are reported in Raisioagro's figures. Finland is an important home and test market for the Benemilk feeds.

The studies carried out in different countries, using different feeding models, have confirmed that with Benemilk feeding, feed efficiency improves by over 10 per cent and energy-corrected milk yield per cow per day increases by an average of 2.5 kg. Benemilk feeding improves the milk production efficiency. Solutions have long been sought worldwide for more effective milk production because of the growing dairy product demand due to population growth.

RAISIOAGRO DIVISION

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

		7-9/ 2013	7-9/ 2012	1-9/ 2013	1-9/ 2012	1-12/ 2012
Net sales	M€	76.4	75.0	200.8	194.4	255.7
EBIT	M€	2.6	1.2	3.3	-0.2	-0.7
One-off items	M€	0.0	0.0	0.0	0.0	-0.4
EBIT, excluding one-off items	M€	2.6	1.2	3.3	-0.2	-0.3
EBIT, excluding one-off items	%	3.4	1.6	1.7	-0.1	-0.1
Investments	M€	0.3	0.3	1.6	1.0	2.0
Net assets	M€	-	-	68.8	75.4	74.3

Financial development

July-September

Raisioagro Division's *net sales* were up on the comparison period, despite the decline in grain prices, totalling EUR 76.4 (75.0). The most significant growth was seen in sales of Benemilk feeds, fish feeds and farming supplies. Net sales for the oil milling industry halved from the comparison period due to production adjustments.

Raisioagro's *EBIT* more than doubled from the comparison period totalling EUR 2.6 (1.2) million, which is 3.4 (1.6) per cent of net sales. EBIT improvement was due to sales growth in livestock feeds with higher processing degree, a good fish feed season and the oil milling industry's reduced loss from the comparison period.

January-September

Raisioagro's *net sales* were EUR 200.8 (194.4) million, or over 3 per cent more than in the comparison period. Net sales growth is driven by Raisioagro's diverse product range, innovative feeds and feeding expertise. Feeds and farming supplies accounted for some 86 per cent, protein meals, vegetable oils and grains for some 14 per cent of Raisioagro's net sales.

In January-September, *EBIT* of the Division was EUR 3.3 (-0.2) million. Sales growth in farming supplies and feeds with higher degree of processing can also be seen in improved EBIT.

Business operations

Fish farming conditions were excellent in Finland and Northwest Russia this year. Fish ate and grew well as water did not get too warm, despite the hot weather. Raisioagro's market position strengthened in Northwest Russia and Finland. Hercules LP, Raisioagro's most sold fish feed, is based on our own innovation. The feed decreases phosphorus emissions of fish farming by as much as 26 per cent.

Sales volume of Raisioagro's pig and poultry feeds was down due to excess capacity in the Finnish feed production and tough competition resulting from the situation. In Finland, growth is seen particularly in the broiler meat and egg production. Pork production is no longer falling.

Sales volume in Raisioagro's cattle feeds fell on the comparison period as sales focused on the feeds with higher processing degree, such as Benemilk. Sales in the Benemilk feeds developed well towards the autumn as milk producers increased the share of industrial feeds in animal feeding after summer. Benemilk feeds have further strengthened their market position in Finland.

According to the estimate of Tike (Information Centre of the Ministry of Agriculture and Forestry), this season's oilseed crop was approximately 80,000 tonnes, which is a third less than two years ago. The current crop is not sufficient and the growing use of imported seeds makes the oil milling industry unprofitable. The EU decision will ban the use of the most common plant protection product used in oil seed cultivation starting from 1 December 2013. The decision has significantly increased the challenges in the sector and is an unfortunate setback for the already low protein self-sufficiency level in Finland. Production at Raisio's vegetable oil factory resumed in early October after the summer shutdown. In September 2013, Raisio started employee co-operation negotiations concerning the whole factory staff in order to re-assess the factory's operational possibilities in the current situation.

Personnel and administration

Raisio Group's continuing operations employed 1,918 people at the end of September (31 December 2012: 1,885 people). 79 (31 December 2012: 78) per cent of the personnel were working outside Finland. At the end of the review period, the Brands Division had 1,681, Raisioagro Division 183 and service functions 54 employees.

Jarmo Puputti, M.Sc. (Eng.), started as Raisioagro Ltd's Managing Director and member of the Raisio Group's Management Team on 1 November 2013. Puputti joined Raisio from Nokian Heavy Tyres Ltd, where he worked as Managing Director.

Raisioagro's long-time Managing Director Leif Liedes started as Senior Advisor in the Benemilk project and continues as a member of the Group's Management Team.

Shares and shareholders

The number of Raisio plc's free shares traded on NASDAQ OMX Helsinki Ltd in January-September totalled 23.5 (23.1) million. The value of trading was EUR 81.3 (58.9) million and the average price EUR 3.46 (2.55). The closing price on 30 September 2013 was EUR 4.30.

A total of 0.9 (0.7) million restricted shares were traded in January-September. The value of trading was EUR 3.0 (1.8) million and the average price EUR 3.39 (2.54). The closing price on 30 September 2013 was EUR 4.20.

On 30 September 2013, the company had a total of 34,383 (31 December 2012: 35,414) registered shareholders. Foreign ownership of the entire share capital was 14.8 (31 December 2012: 9.3) per cent.

Raisio plc's market capitalisation at the end of September amounted to EUR 706.7 (31 December 2012: 509.3) million and, excluding the company shares held by the Group, to EUR 684.1 (31 December 2012: 493.1) million.

During the review period, a total of 82,104 restricted shares were converted into free shares.

At the end of the review period, the number of issued free shares was 131,183,968 while the number of restricted shares was 33,965,062. The share capital entitled to 810,485,208 votes.

At the end of the review period, Raisio plc held 5,054,690 free shares and 212,696 restricted shares acquired in 2005-2012 based on the authorisations given by the Annual General Meetings. The management-owned Reso Management Oy of which, on the basis of the agreements, Raisio plc is seen to have the control, and which is thus regarded as a subsidiary, owns 4,482,740 free shares. The number of free shares held by Raisio plc and Reso Management Oy accounts for 7.3 per cent of all free shares and the votes they represent, while the corresponding figure for restricted shares is 0.6 per cent. In all, the company shares held by these companies represent 5.9 per cent of the entire share capital and 1.7 per cent of overall votes. Other Group companies hold no Raisio plc shares. A share in Raisio held by the company itself or by its subsidiary does not entitle the holder to participate in the AGM.

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

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

In the review period, a total of 4,543 free shares were assigned to the Chairman and members of the Board as part of the compensation for managing their duties, in line with the decision taken by the AGM in 2013.

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

Authorisations to repurchase own shares and issue shares

On 27 March 2013, the AGM authorised the Board of Directors to decide on the repurchase and/or on the acceptance as collateral of a maximum of 5,000,000 free shares and 1,250,000 restricted shares. The authorisation will be valid until 30 April 2014.

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

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

In the review period, the Board has not exercised its authorisation to issue shares, repurchase own shares or accept own shares as collateral.

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

Decisions made at the Annual General Meeting

Raisio plc's Annual General Meeting (AGM) held on 27 March 2013 approved the financial statements for the financial year 1 January - 31 December 2012 and granted the members of the Board of Directors and the Supervisory Board as well as the Chief Executive Officer discharge from liability. The AGM approved the Board of Directors' proposal to pay a dividend of EUR 0.12 per share, which was paid to the shareholders on 10 April 2013.

A Stock Exchange Release was published on 27 March 2013 concerning the decisions made by the Meeting, in addition to which the decisions were described in the Interim Report of January-March.

Events after the review period

Raisio to centralise its confectionery production

At the end of October, after extensive studies and negotiations, Raisio decided to centralise the majority of the confectionery production of the UK-based Skegness factory to another UK factory in Leicester and part to the Rohatec factory in the Czech Republic. The confectionery production will end at the Skegness factory by the end of March 2014. The 87 employees have been offered work at Raisio's other UK factories.

It is currently estimated that the reorganisation of confectionery production will result in a one-off item of about EUR 2.1 million for the last quarter of this year. Annual savings are expected to total approximately EUR 2 million. Production is scheduled to begin at new sites in the second and third quarters of 2014.

Raisio to lay off the entire personnel of its oil milling industry until further notice

The employee co-operation negotiations Raisio started at the end of September for the re-evaluation of operational possibilities in the oil milling industry were completed on 31 October 2013. Raisio will continue oilseed crushing but will lay off the entire plant personnel until further notice in early 2014. The decision concerns 15 employees.

Raisio carried out the adjustment of the oil milling industry to the market situation last winter and made investments in production efficiency and flexibility. However, these measures were not sufficient to secure profitable business in the new situation. The EU's decision to ban the use of neonicotinoids will further weaken the availability of Finnish seed and the crushing of imported seed is not economically feasible. Potential agricultural subsidy solutions supporting the oilseed cultivation in Finland are very important for the future of the business.

Risks and sources of uncertainty in the near future

Uncertainty in the international economic development is continuing. Last year, the eurozone economy contracted and the slow decline has continued. Finding sustainable solutions to the states' debt problems will probably maintain the situation uncertain and growth can be expected in 2014 at the earliest. Despite the generally uncertain situation, we believe that the grocery trade will remain relatively stable compared to many other industries.

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

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

Guidance unchanged

Raisio continues to expect solid improvement in EBIT over 2012. The Group's net sales are estimated to be slightly lower than last year.

In Raisio, 5 November 2013

RAISIO PLC

Board of Directors

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

A press and analyst event in Finnish will be arranged on Tuesday 5 November 2013 at 1:30 p.m. Finnish time in Helsinki. It will be held at Hotel Scandic Simonkenttä, in the Espa meeting room. The address is Simonkatu 9, Helsinki.

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

The interim report has not been audited.

CONDENSED FINANCIAL STATEMENTS AND NOTES

INCOME STATEMENT (M€)

	7-9/ 2013	7-9/ 2012	1-9/ 2013	1-9/ 2012	2012
CONTINUING OPERATIONS:					
Net sales	149.5	161.0	426.4	446.6	584.1
Expenses corresponding to products sold	-122.8	-136.1	-349.5	-373.1	-488.8
Gross profit	26.8	24.9	76.9	73.5	95.2
Other operating income and expenses, net	-17.8	-14.9	-49.6	-46.2	-63.6
EBIT	9.0	9.9	27.3	27.2	31.7
Financial income	0.3	0.4	0.8	1.7	1.9
Financial expenses	-0.5	-2.7	-2.2	-15.1	-17.9
Share of result of associates and joint ventures	0.0	-0.1	0.0	-0.1	-0.1
Result before taxes	8.8	7.5	26.0	13.8	15.6
Income taxes	-1.8	0.1	-5.8	-4.0	-4.0
RESULT FOR THE PERIOD	6.9	7.6	20.1	9.8	11.7
Attributable to:					
Equity holders of the parent company	7.0	7.6	20.4	10.1	12.0
Non-controlling interests	-0.1	-0.1	-0.2	-0.3	-0.3
Earnings per share from the profit attributable to equity holders of the parent company (€)					
Undiluted earnings per share	0.04	0.05	0.13	0.06	0.08
Diluted earnings per share	0.04	0.05	0.13	0.06	0.08

COMPREHENSIVE INCOME STATEMENT (M€)

	7-9/ 2013	7-9/ 2012	1-9/ 2013	1-9/ 2012	2012
Result for the period	6.9	7.6	20.1	9.8	11.7
Other comprehensive income items after taxes					
Items that may be subsequently transferred to profit or loss					
Hedging of net investments	0.0	-0.3	0.0	-0.5	-0.5
Available-for-sale financial assets	0.0	0.0	0.0	0.0	0.0
Cash flow hedge	-0.1	0.0	0.4	0.0	0.1
Translation differences	1.9	0.7	-2.5	3.1	1.4
Comprehensive income for the period	8.7	8.0	18.1	12.4	12.7
Components of comprehensive income:					
Equity holders of the parent company	8.8	8.1	18.3	12.7	13.0
Non-controlling interests	-0.1	-0.1	-0.2	-0.3	-0.3

BALANCE SHEET (M€)

	30.9.2013	30.9.2012	31.12.2012
ASSETS			
Non-current assets			
Intangible assets	39.0	39.4	39.7
Goodwill	108.6	108.1	111.2
Property, plant and equipment	113.6	114.2	123.4
Shares in associates and joint ventures	0.8	0.7	0.7
Available-for-sale financial assets	2.6	2.3	2.3
Receivables	0.1	2.5	0.2
Deferred tax assets	3.5	1.8	2.4
Total non-current assets	268.2	269.0	279.9
Current assets			
Inventories	71.1	78.5	92.7
Accounts receivables and other receivables	83.1	100.0	82.0
Financial assets at fair value through profit or loss	63.7	78.2	56.3
Cash in hand and at banks	23.1	6.3	6.8
Total current assets	241.0	262.9	237.7
Total assets	509.2	531.9	517.6
SHAREHOLDER'S EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company			
Share capital	27.8	27.8	27.8
Company shares	-20.5	-20.5	-20.5
Other equity attributable to equity holders of the parent company	318.5	318.6	319.0
Equity attributable to equity holders of the parent company	325.8	325.9	326.3
Non-controlling interests	1.2	1.2	1.0
Total shareholder's equity	327.0	327.1	327.3
Non-current liabilities			
Deferred tax liabilities	14.0	14.0	14.1
Pension contributions	0.2	0.2	0.2
Provisions	0.2	0.3	0.2
Non-current financial liabilities	37.7	59.7	55.5
Derivative contracts	0.9	1.6	1.7
Other non-current liabilities	0.1	0.1	0.1
Total non-current liabilities	53.0	75.9	71.8
Current liabilities			
Accounts payable and other liabilities	87.7	96.3	95.6
Provisions	0.1	0.1	0.0
Derivative contracts	0.7	0.5	0.3
Current financial liabilities	40.7	32.1	22.6
Total current liabilities	129.2	128.9	118.5
Total liabilities	182.2	204.8	190.3
Total shareholder's equity and liabilities	509.2	531.9	517.6

CHANGES IN GROUP EQUITY (M€)

	Share capital	Share premium reserve	Re-serve fund	Com-pany shares	Trans-lation diffe-rences	Other re-serves	Re-tained ear-nings	Total	Non-con-trolling interests	Total equity
Equity on 31.12.2011	27.8	2.9	88.6	-19.5	-0.7	0.2	232.5	331.7	1.1	332.9
Comprehensive income for the period										
Result for the period	-	-	-	-	-	-	10.1	10.1	-0.3	9.8
Other comprehensive income items (adusted for tax effects)										
Hedging of net investment	-	-	-	-	-0.5	-	-	-0.5	-	-0.5
Financial assets available for sale	-	-	-	-	-	0.0	-	0.0	-	0.0
Cash flow hedge	-	-	-	-	-	0.0	-	0.0	-	0.0
Translation differences	-	-	-	-	3.1	-	-	3.1	-	3.1
Total comprehensive income for the period	0.0	0.0	0.0	0.0	2.7	0.0	10.1	12.7	-0.3	12.4
Business activities involving shareholders										
Dividends	-	-	-	-	-	-	-17.6	-17.6	0.5	-17.1
Repurchase of company shares	-	-	-	-1.0	-	-	-	-1.0	-	-1.0
The share acquired from the non-controlling interest	-	-	-	-	-	-	-	0.0	-0.1	-0.1
Share-based payment	-	-	-	0.0	-	-	0.1	0.1	-	0.1
Total business activities involving shareholders	0.0	0.0	0.0	-1.0	0.0	0.0	-17.6	-18.6	0.4	-18.2
Equity on 30.9.2012	27.8	2.9	88.6	-20.5	1.9	0.1	225.0	325.9	1.2	327.1
Equity on 31.12.2012	27.8	2.9	88.6	-20.5	0.2	0.2	227.0	326.3	1.0	327.3
Comprehensive income for the period										
Result for the period	-	-	-	-	-	-	20.4	20.4	-0.2	20.1
Other comprehensive income items (adusted for tax effects)										
Available-for-sale financial assets	-	-	-	-	-	0.0	-	0.0	-	0.0
Cash flow hedge	-	-	-	-	-	0.4	-	0.4	-	0.4
Translation differences	-	-	-	-	-2.5	-	-	-2.5	-	-2.5
Total comprehensive income for the period	0.0	0.0	0.0	0.0	-2.5	0.4	20.4	18.3	-0.2	18.1
Business activities involving shareholders										
Dividends	-	-	-	-	-	-	-19.1	-19.1	0.4	-18.6
Unclaimed dividends	-	-	-	-	-	-	0.1	0.1	-	0.1
The share acquired from the non-controlling interest	-	-	-	-	-	-	-	0.0	0.0	0.0
Share-based payment	-	-	-	0.0	-	-	0.2	0.2	-	0.2
Total business activities involving shareholders	0.0	0.0	0.0	0.0	0.0	0.0	-18.8	-18.8	0.4	-18.4
Equity on 30.9.2013	27.8	2.9	88.6	-20.5	-2.3	0.7	228.6	325.8	1.2	327.0

CASH FLOW STATEMENT (M€)

	1-9/2013	1-9/2012	2012
Result before taxes, continuing operations	26.0	13.8	15.6
Adjustments	12.9	26.1	33.0
Cash flow before change in working capital	38.8	40.0	48.6
Change in accounts receivables and other receivables	-3.1	-26.2	-4.6
Change in inventories	21.0	2.5	-8.3
Change in current non-interest-bearing liabilities	-8.7	0.3	-4.7
Total change in working capital	9.2	-23.4	-17.7
Financial items and taxes	-3.3	-8.7	-10.0
Cash flow from business operations	44.7	7.9	20.9
Investments in fixed assets	-8.3	-7.8	-10.0
Divestment of subsidiaries	0.0	0.0	0.0
Acquisition of subsidiaries	0.0	-32.7	-46.2
Proceeds from sale of fixed assets	5.6	0.1	0.1
Investments on marketable securities	-0.3	-0.1	-0.1
Sales of securities	0.0	0.2	0.2
Loans granted	0.0	-0.8	-0.8
Repayment of loan receivables	0.1	0.2	0.2
Cash flow from investments	-2.9	-41.0	-56.6
Change in non-current loans	-18.4	-11.5	-23.2
Change in current loans	19.7	6.1	-2.0
Repurchase of company shares	0.0	-1.0	-1.0
Dividend paid to equity holders of the parent company	-18.5	-17.0	-17.0
Cash flow from financial operations	-17.2	-23.4	-43.2
Change in liquid funds	24.6	-56.5	-78.9
Liquid funds at the beginning of the period	61.9	140.5	140.5
Effects of changes in foreign exchange rates	0.2	0.5	0.7
Impact of change in market value on liquid funds	0.1	-0.3	-0.4
Liquid funds at end of period	86.7	84.1	61.9

NOTES TO THE FINANCIAL STATEMENTS REPORT

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

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

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

Interim report is shown in EUR millions.

SEGMENT INFORMATION

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

NET SALES BY SEGMENT (M€)

	7-9/2013	7-9/2012	1-9/2013	1-9/2012	2012
Brands	73.3	86.2	226.7	253.0	329.5
Raisioagro	76.4	75.0	200.8	194.4	255.7
Other operations	0.3	0.5	1.0	1.5	2.0
Interdivisional net sales	-0.6	-0.7	-2.1	-2.3	-3.1
Total net sales	149.5	161.0	426.4	446.6	584.1

EBIT BY SEGMENT (M€)

	7-9/2013	7-9/2012	1-9/2013	1-9/2012	2012
Brands	7.9	9.2	27.7	29.1	34.9
Raisioagro	2.6	1.2	3.3	-0.2	-0.7
Other operations	-1.5	-0.4	-3.7	-1.7	-2.5
Eliminations	0.0	0.0	0.0	0.0	0.0
Total EBIT	9.0	9.9	27.3	27.2	31.7

NET ASSETS BY SEGMENT (M€)

	30.9.2013	30.9.2012	31.12.2012
Brands	254.6	260.9	271.7
Raisioagro	68.8	75.4	74.3
Other operations and unallocated items	3.5	-9.1	-18.8
Total net assets	327.0	327.1	327.3

INVESTMENTS BY SEGMENT (M€)

	7-9/2013	7-9/2012	1-9/2013	1-9/2012	2012
Brands	3.5	1.2	6.3	5.8	21.2
Raisioagro	0.3	0.3	1.6	1.0	2.0
Other operations	0.1	0.2	0.9	0.9	1.4
Eliminations	0.0	0.0	0.0	0.0	0.0
Total investments	4.0	1.7	8.7	7.7	24.6

NET SALES BY MARKET AREA (M€)

	7-9/2013	7-9/2012	1-9/2013	1-9/2012	2012
Finland	77.5	83.7	217.2	224.2	296.0
Great Britain	27.6	38.4	92.6	114.6	149.8
Rest of Europe	42.2	36.2	108.5	97.8	127.3
ROW	2.2	2.7	8.1	9.9	10.9
Total	149.5	161.0	426.4	446.6	584.1

ACQUIRED BUSINESS OPERATIONS

In 2012

Candy Plus

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

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

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

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

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

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

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

The accounting treatment for the consolidation of Candy Plus business was not yet complete when the 2012 financial statements were being drawn up.

Sulma

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

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

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

Changes in goodwill

	1-9/2013	1-9/2012	2012
Carrying amount of goodwill at the beginning of the review period	111.2	103.3	103.3
Translation differences	-2.6	4.8	2.5
Business combinations	0.0	0.0	5.5
Carrying amount of goodwill at the end of the review period	108.6	108.1	111.2

TANGIBLE ASSETS (M€)

	30.9.2013	30.9.2012	31.12.2012
Acquisition cost at the beginning of the period	410.7	386.9	386.9
Conversion differences	-2.4	3.2	1.2
Increase	7.1	6.6	24.2
Decrease	-32.7	-0.6	-1.6
Acquisition cost at end of period	382.7	396.1	410.7
Accumulated depreciation and impairment at the beginning of the period	287.3	269.8	269.8
Conversion difference	-1.1	1.6	0.5
Increase	0.0	0.0	3.7
Decrease and transfers	-27.3	-0.4	-1.3
Depreciation for the period	10.3	10.9	14.6
Accumulated depreciation and impairment at end of period	269.1	281.9	287.3
Acquisition cost at the beginning of the period	113.6	114.2	123.4

PROVISIONS (M€)

	30.9.2013	30.9.2012	31.12.2012
At the beginning of the period	0.2	1.4	1.4
Increase in provisions	0.0	0.0	0.0
Provisions used	0.0	-1.1	-1.2
At end of period	0.3	0.3	0.2

BUSINESS ACTIVITIES INVOLVING INSIDERS (M€)

	30.9.2013	30.9.2012	31.12.2012
Sales to associates and joint ventures	0.0	8.2	9.5
Purchases from associates and joint ventures	0.0	0.1	0.1
Sales to key employees in management	0.2	0.1	0.2
Purchases from key employees in management	0.6	0.7	0.9
Receivables from associates and joint ventures	0.0	1.6	0.4
Liabilities to associates and joint ventures	0.0	0.0	0.1
Receivables from the key persons in the management	10.5	10.5	10.6

CONTINGENT LIABILITIES (M€)

	30.9.2013	30.9.2012	31.12.2012
Contingent off-balance sheet liabilities			
Non-cancelable other leases			
Minimum lease payments	6.3	8.0	7.3
Contingent liabilities for the company			
Contingent liabilities for others			
Guarantees	0.0	0.0	0.0
Other liabilities	3.8	2.6	2.5
Commitment to investment payments	0.3	0.8	0.5

DERIVATIVE CONTRACTS (M€)

	30.9.2013	30.9.2012	31.12.2012
Nominal values of derivative contracts			
Currency forward contracts	79.8	62.9	65.1
Interest rate swaps	33.6	46.2	48.2
Raw material futures	2.0		

FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES:

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

	Carrying amount 30.9.2013	Fair value 30.9.2013	Carrying amount 31.12.2012	Fair value 31.12.2012
Financial assets				
Financial assets available for sale*)	2.6	2.6	2.3	2.3
Loan receivables	0.1	0.1	0.2	0.2
Accounts receivables and other receivables	77.1	77.1	74.0	74.0
Investments recorded at fair value through profit or loss*)	63.7	63.7	55.1	55.1
Liquid funds	23.1	23.1	6.8	6.8
Derivatives*)	0.1	0.1	1.2	1.2
Financial liabilities				
Bank loans	58.4	59.7	77.7	78.9
Financial liabilities recorded at fair value through profit or loss*)	20.0	20.0	0.0	0.0
Other loans	0.0	0.0	0.3	0.3
Financial leasing liabilities	0.0	0.0	0.0	0.0
Accounts payable and other liabilities	72.6	72.6	76.0	76.0
Derivatives*)	1.6	1.6	2.0	2.0

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

QUARTERLY PERFORMANCE (M€)

	7-9/ 2013	4-6/ 2013	1-3/ 2013	10-12/ 2012	7-9/ 2012	4-6/ 2012	1-3/ 2012
Net sales by segment							
Brands	73.3	78.1	75.2	76.5	86.2	85.6	81.1
Raisioagro	76.4	70.9	53.5	61.3	75.0	65.3	54.1
Other operations	0.3	0.3	0.3	0.5	0.5	0.5	0.5
Interdivisional net sales	-0.6	-0.7	-0.8	-0.8	-0.7	-0.8	-0.7
Total net sales	149.5	148.6	128.3	137.5	161.0	150.6	135.0
EBIT by segment							
Brands	7.9	10.5	9.4	5.7	9.2	11.0	9.0
Raisioagro	2.6	1.3	-0.6	-0.5	1.2	0.4	-1.8
Other operations	-1.5	-1.4	-0.8	-0.8	-0.4	-0.7	-0.6
Eliminations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total EBIT	9.0	10.4	8.0	4.5	9.9	10.6	6.6
Financial income and expenses, net	-0.2	-0.8	-0.4	-2.7	-2.3	-10.7	-0.3
Share of result of associates	0.0	0.0	0.0	0.0	-0.1	0.0	0.0
Result before taxes	8.8	9.5	7.7	1.8	7.5	0.0	6.3
Income tax	-1.8	-2.2	-1.8	0.1	0.1	-2.5	-1.6
Result for the period from continuing operations	6.9	7.3	5.9	1.9	7.6	-2.5	4.7

KEY INDICATORS

	30.9.2013	30.9.2012	31.12.2012
Net sales, M€	426.4	446.6	584.1
Change of net sales, %	-4.5	7.9	5.7
Operating margin, M€	38.6	39.7	48.3
Depreciation and impairment, M€	11.2	12.4	16.6
EBIT, M€	27.3	27.2	31.7
% of net sales	6.4	6.1	5.4
Result before taxes, M€	26.0	13.8	15.6
% of net sales	6.1	3.1	2.7
Return on equity, ROE, %	8.2	4.0	3.5
Return on investment, ROI, %	9.1	5.1	4.5
Interest-bearing financial liabilities at end of period, M€	78.4	91.8	78.0
Net interest-bearing financial liabilities at end of period, M€	-8.4	7.7	16.2
Equity ratio, %	64.5	62.0	64.1
Net gearing, %	-2.6	2.4	4.9
Gross investments, M€	8.7	7.7	24.6
% of net sales	2.0	1.7	4.2
R & D expenses, M€	4.7	5.0	6.9
% of net sales	1.1	1.1	1.2
Average personnel	1,953	1,525	1,587
Earnings/share from continuing operations, €	0.13	0.06	0.08
Cash flow from operations/share, €	0.29	0.05	0.13
Equity/share, €	2.10	2.10	2.10
Average number of shares during the period, in 1,000s*)			
Free shares	121,589	121,593	121,568
Restricted shares	33,808	33,990	33,967
Total	155,396	155,583	155,535
Average number of shares at end of period, in 1,000s*)			
Free shares	121,647	121,460	121,560
Restricted shares	33,752	33,928	33,834
Total	155,399	155,388	155,394
Market capitalisation of shares at end of period, M€*)			
Free shares	523.1	343.7	374.4
Restricted shares	141.8	96.7	104.9
Total	664.8	440.4	479.3
Share price at end of period			
Free shares	4.30	2.83	3.08
Restricted shares	4.20	2.85	3.10

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

CALCULATION OF INDICATORS

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

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