RAISIO'S EBIT EUR 10.2 MILLION, AN IMPROVEMENT OF 73%

April-June 2011, continuing operations

- Raisio's net sales grew 30% on the comparison period amounting to EUR 150.5 million (Q2/2010: EUR 115.7 million).
- EBIT from continuing operations totalled EUR 10.2 million (Q2/2010: EUR 5.9 million) accounting for 6.8% (5.1%) of net sales.
- Profitability of the Brands Division was ordinary, EBIT 10.3% of net sales.
- Profitability of the Business to Business Division improved, EBIT 3.2% of net sales
- In June, Raisio divested its malt business to Viking Malt recording a capital gain of EUR 4.8 million in the result of discontinued operations.

Outlook remains unchanged

Raisio continues implementing its growth phase according to plan. We expect net sales growth for 2011, especially for the Brands Division. In terms of the Group's development, it remains essential to pay attention to the impact of raw material price volatility on net sales. Activeness in growth projects brings extensive costs in relation to the company size, thus undermining profitability in the short term. The Group's target is to maintain the earlier profitability level of 4-5% also during the growth phase.

Raisio Group's key figures

		Q2/ 2011	Q2/ 2010	H1/ 2011	H1/ 2010	2010
Results from continuing operations						
Net sales	M€	150.5	115.7	272.2	198.7	423.6
Change in net sales	%	30.0	33.1	37.0	14.3	21.0
EBIT	M€	10.2	5.9	16.2*	10.3	19.2
EBIT	%	6.8	5.1	6.0*	5.2	4.5
Depreciation and impairment	M€	4.1	4.0	8.0	7.3	15.1
EBITDA	M€	14.2	9.9	24.2*	17.6	34.3
Net financial expenses	M€	-0.9	-2.9	-1.0*	-3.0	-1.9
Earnings per share (EPS)	€	0.05	0.01	0.08*	0.03	0.08
Earnings per share (EPS), diluted	€	0.05	0.01	0.08*	0.03	0.08
Balance sheet						
Equity ratio	%	-	-	60.7	68.6	67.6
Gearing	%	-	-	13.5	-10.8	-22.5
Net interest-bearing debt	M€	-	-	42.7	-34.1	-72.9
Equity per share	€	-	-	2.02	2.02	2.06
Gross investments	M€	1.3	41.2**	66.8**	42.6**	48.5**
Share						
Market capitalisation***	M€	-	-	379.0	425.3	439.1
Enterprise value (EV)	M€	-	-	421.7	363.7	356.1
EV/EBITDA		-	-	10.3	10.2	10.4

* Excluding one-off items
** Including acquisitions
*** Excluding the company shares held by the Group
The figures for the comparison period are given in brackets in the text.

Chief Executive's review

"Raisio's second quarter of 2011 was completed as planned without disturbances affecting the business in our market areas. The integration of acquisitions has proceeded well, which reflects positively both on the result and outlook. Economic crisis also opens up interesting prospects for future acquisitions.

The divestment of our malt business to Viking Malt in June streamlined the operations of Business to Business Division that now includes feeds, feed components, bioenergy and direct sales of agricultural inputs. After the transaction, Raisio continues as a malting barley trader and thus also as a partner to Viking Malt. The unprofitable malt business was sold because it is increasingly difficult for an individual malt house to succeed in the competition with large international players as energy and water costs are constantly rising. Raisio recognised a one-off gain of nearly EUR 5 million on the transaction as discontinued operations for the results of the malt business examined in this review.

The profitability of livestock production, particularly pork production, declined on the comparison period in Finland, which resulted in a slight decrease in Raisio's total feed volume. We saw growth in fish and chicken feeds. Profitability problems are expected to continue in livestock production until the product pricing is cost-based.

Our main brands continued to grow in all Raisio's market areas. A major reorganisation was carried out in the UK, which allows us to develop our activities and secure growth. EBIT of the Brands Division rose to the target level in the review period, 10% of net sales, which is a good achievement. Benecol's sales growth remained strong in our largest market, the UK, even though sales varied widely between different European countries."

RESULT FROM THE GROUP'S CONTINUING OPERATIONS

Financial reporting

Raisio reports on its performance in line with the Group's continuing operations. The reportable Divisions are Brands and Business to Business. The Brands Division includes international brands (Benecol) and local brands.

Local brands are examined by market areas in the text. Western European operations have been reported as part of the local brands from the second quarter of 2010, after the realised Glisten acquisition. Big Bear Group, Raisio's latest acquisition, is included in the figures of Western European operations starting from 4 February 2011.

The Business to Business Division is comprised of feed and feed protein businesses. Malt business sold in June 2011 is examined in the discontinued operations.

Net sales

Raisio Group's net sales in April-June totalled EUR 150.5 million (Q2/2010: EUR 115.7 million), which is 30% more than in the comparison period. Net sales of the Brands Division were EUR 81.1 million (EUR 64.5 million), those of the Business to Business Division EUR 71.0 million (EUR 51.4 million) and those of other operations EUR 0.2 million (EUR 0.2 million). Raw material prices higher than in the comparison period and good sales development in the UK increased the Group's net sales.

The Group's January-June net sales were EUR 272.2 million (EUR 198.7 million), 37% more than in the comparison period. At the end of June 2011, net sales from outside Finland represented 43.0% (40%) of the total, amounting to EUR 117.2 million (EUR 79.3 million).

The Brands Division's share of the Group's January-June net sales was 56% and Business to Business Division's 44% excluding the malt business.

Result

Raisio Group's April-June EBIT was EUR 10.2 million (EUR 5.9 million) accounting for 6.8% (5.1 %) of net sales. The EBIT of the Brands Division amounted to EUR 8.4 million (EUR 5.8 million), that of the Business to Business Division EUR 2.3 million (EUR 1.2 million) and that of other operations, including eliminations, EUR -0.5 million (EUR -1.1 million).

The Group's EBIT in January-June was EUR 16.2 million and, including one-off items, EUR 15.1 million (EUR 10.3 million). The Brands Division's EBIT for the first half of the year included a one-off item of EUR 1.1 million resulting from acquisition costs following the due diligence process. Brands Division's EBIT in January-June was EUR 14.2 million and, including one-off items, EUR 13.1 million (EUR 10.6 million). Correspondingly, EBIT of the Business to Business Division was EUR 3.0 million (EUR 1.3 million).

Depreciation and impairment, allocated to operations in the income statement, amounted to EUR 4.1 million (EUR 4.0 million) in April-June and to EUR 8.0 million (EUR 7.3 million) in January-June.

The Group's April-June net financial expenses totalled EUR -0.9 million (EUR -2.9 million). Net financial items in January-June totalled EUR -1.0 million and, including one-off items, EUR -3.2 million (EUR -3.0 million). Additional purchase price debt of EUR 2.2 million to Raisio UK's non-controlling interest, resulting from the acquisition of Big Bear Group, has been recognised in financial items in the first quarter of 2011.

The second-quarter pre-tax result was EUR 9.3 million (EUR 3.0 million). The Group's pre-tax result for January-June was EUR 15.2 million and, including one-off items, EUR 11.9 million (EUR 7.4 million).

The Group's post-tax result in April-June totalled EUR 7.1 million (EUR 2.2 million). The post-tax result for January-June was EUR 11.7 million and, including one-off items, EUR 8.4 million (EUR 5.3 million). The Group's earnings per share for April-June were EUR 0.05 (EUR 0.01) and for January-June EUR 0.08 and, including one-off items, EUR 0.06 (EUR 0.03). In addition, earnings per share of discontinued operations were EUR 0.03.

Balance sheet and cash flow

Raisio's balance sheet total at the end of June amounted to EUR 527.2 million (31 December 2010: EUR 487.2 million). Shareholders' equity totalled EUR 317.4 million (31 December 2010: EUR 324.0 million), while equity per share was EUR 2.02 (31 December 2010: EUR 2.06).

Raisio's interest-bearing debt was EUR 112.9 million at the end of June (31 December 2010: EUR 67.2 million). Net interest-bearing debt was EUR 42.7 million (31 December 2010 EUR -72.9 million). The equity ratio totalled 60.7% (31 December 2010: 67.6%) and net gearing was 13.5% (31 December 2010: -22.5%). Return on investment was 6.7% (31 December 2010: 5.0%).

Cash flow from business operations in January-June was EUR -7.6 million (EUR -4.9 million). The divestment of malt business will improve cash flow by EUR 22.3 million in the next quarter.

Working capital amounted to EUR 99.1 million at the end of June (31 December 2010: EUR 79.3 million). The amount of working capital was increased by grown receivables and decreased payables. Net working capital tied up in the new subsidiary Big Bear Group amounted to EUR 7.2 million at the end of June.

Divestment of malt business

Raisio plc sold its malt business (subsidiary Raisio Malt Ltd) at the end of June 2011 at EUR 17 million to Viking Malt Ltd, the largest malt manufacturer in the Nordic Countries. The divestment of the malt business is part of streamlining of Raisio's activities as its synergies between the company's other businesses have not been significant. Raisio continues the contract farming of malting barley and develops the company's operations as a malting barley trader and thus also as a partner to Viking Malt.

For January-June, Raisio recognised EUR 4.3 million post-tax results for discontinued operations.

Investments

Raisio's investments excluding the acquisitions have stabilised at a moderate level. The company aims to use and manage the existing production capacity efficiently based on customer need and to keep the plant utilisation rates high.

The Group's gross investments in April-June totalled EUR 1.3 million (EUR 41.2 million), or 0.9% of net sales. Gross investments of the Brands Division were EUR 0.3 million (EUR 40.2 million). Investments of the comparison period include the acquisition of Glisten shares. Investments of the Business to Business Division were EUR 0.8 million (EUR 0.8 million) in the review period and those of other operations EUR 0.2 million (EUR 0.2 million).

The Group's gross investments for January-June amounted to EUR 66.8 million (EUR 42.6 million). Investments of the review period include the acquisition of Big Bear Group.

Research and development

Raisio's R&D in foods focuses on healthy snacks. In the markets of cholesterol-lowering functional foods, the excellent new research results related to plant stanol ester in Benecol products and to its health effect enable us to further strengthen the position of the Benecol brand globally. The focus of R&D in feeds is on finding animals' nutrient needs to increase animal well-being and to improve profitability in livestock production with correctly chosen feeds, which also contribute to reduced environmental impacts of livestock production.

Technical bio-oils developed by Raisio are widely in pilot use, but wider use of these environmentally friendly products is still slown down by current Finnish taxation. Extensive use of bio-oils would require such state measures that have already been carried out in European forerunner countries. Raisio together with its partners have several projects related to the bio-oil production underway.

Raisio Group's investment in R&D in April-June totalled EUR 1.7 million (EUR 1.6 million), or 1.2% (1.4 %) of the Group's net sales. R&D investments of the Brands Division were EUR 1.4 million (EUR 1.3 million) and those of the Business to Business Division EUR 0.3 million (EUR 0.3 million).

SEGMENT INFORMATION

Brands Division

In April-June, net sales of the Brands Division grew almost 26% on the comparison period amounting to EUR 81.1 million (EUR 64.5 million). Net sales were increased as a result of the correct product pricing corresponding to price increase of grain raw materials and the strong development of food sales in the UK. January-June net sales totalled EUR 154.0 million (EUR 107.9 million). The Division accounted for some 56% of the Group's net sales.

EBIT of the Brands Division for the second quarter grew almost 46% on the comparison period amounting to EUR 8.4 million (EUR 5.8 million), which is 10.3% (9.0%) of net sales. A one-off item of EUR -1.1 million resulting from the acquisition costs has been recognised in the EBIT of the first half of 2011. Benecol's profitability remained at its ordinary good level. The profitability of the Western European operations improved. EBIT in January-June was EUR 14.2 million and, including one-off items, EUR 13.1 million (EUR 10.6 million).

As a result of the acquisition, Big Bear Group became part of the Brands Division's Western European operations from 4 February 2011. Glisten is included in the figures of the comparison period starting from the second quarter of 2010.

Local brands

In April-June, net sales of the local brands grew almost 31% on the comparison period amounting to EUR 68.5 million (EUR 52.3 million). Net sales grew in all Raisio's market areas in Western, Northern and Eastern Europe.

Western Europe

In the second quarter of 2011, the Western European operations were reorganised and Raisio's UK operations were merged together. In connection with the reorganisation, two units were formed one of which includes breakfast and snack products (e.g. brands Honey Monster, Dormen and Harvest Cheweee) and the other confectionery (e.g. Fox's and Just). Nimbus Foods, a manufacturer of confectionery and various confectionery mixes for industrial customers, will continue as an independent part of the UK operations. The reorganisation aims to ensure profitable growth, to take advantage of the staff expertise in order to develop the entire Western European operations, as well as to eliminate overlapping operations. Raisio continues with efforts to improve production efficiency.

Sales of the Western European operations developed well in the UK. In snack bars, the agreement with our European partner, a branded products manufacturer, had a good start. Furthermore, we saw good sales in products made under our partners' own brands, particularly in seasonal products related to weight loss and control. Seasonal products of the brand Honey Monster increased consumers' interest in breakfast products. Moreover, some new Honey Monster products were launched. The UK's confectionery market is currently characterised by a greater demand for branded than for private label products, and Raisio has acquired several new customers.

Our cooperation agreement with a major airline company ensured sales growth in Dormen nuts. Products equipped with the logos of the airline and Dormen have increased the Dormen brand awareness also in other distribution channels. Furthermore, Raisio launched savoury snacks in retail trade under the Dormen brand. Also the airline partner included these products in its selection. Sales increase in savoury Weight Watchers products continued, especially in discount and fixed price retail chains whose sales have increased in economically difficult times.

Nimbus Foods continued its good growth, particularly as a raw material supplier for British food companies with branded products. The growth was promoted by the high promotional level typical of the UK retail trade.

Northern Europe

In our Northern European markets, sales in Raisio's branded products increased on the comparison period in Finland and Sweden. Sales increased the most in Sweden. Bakery and industrial sales in Finland decreased due to the decline in bread consumption leading to a sharp price competition.

Our Elovena brand continued its strong performance in Finland. Sales of Elovena snack biscuits grew the most. Consumers welcomed our new seasonal flavour, launched in the spring, which already now sells as well as our best-selling favourite dark chocolate biscuit. In the large category of porridges, Raisio has long been the market leader with Elovena flakes. The category is especially growing in easy-to-make instant porridges.

Sales in Benecol non-dairy products grew and the popularity of home baking continued. Sales of our smaller brands were also growing of which Nalle children's food range and Torino barley products are good examples. Sales of catering products sold under the Elovena and Sunnuntai brands also grew.

In Sweden, sales of non-dairy products under the Carlshamn brand grew almost 40% on the comparison period, and at the same time, Raisio strengthened its position in the market. Demand for the non-dairy products has grown in Sweden in recent years and the growth is continuing. In Sweden, we have carried out a reorganisation that aims to secure profitable growth.

Eastern Europe

Food sales increased in Raisio's Eastern European operations in Russia, Ukraine and Poland. In Ukraine, sales grew more than 70% on the comparison period.

Sales of Nordic products developed well in Russia and Ukraine. In the second quarter of 2011, Raisio launched a series of pasta products sold under the Nordic brand. In Poland, sales of Benecol products grew some 40% on the comparison period, which was partially impacted by the launch of spoonable Benecol snacks earlier this year. Sales of Elovena products doubled from the comparison period. Moreover, online sales of gluten-free Provena products began in Poland. Raisio aims to expand the Elovena product range during the end of the year.

International brands - Benecol

Net sales of Benecol were EUR 12.7 million in April-June (EUR 12.3 million). Sales volume of plant stanol ester, Benecol product ingredient, grew on the comparison period. January-June net sales were EUR 23.8 million (EUR 25.2 million). Benecol's profitability remained at its ordinary good level also in the second quarter of 2011.

Healthy sales development of Benecol products continued in the UK and Ireland where Raisio's partner carried out several sales promotion campaigns. Tight competition in the Spanish and Polish markets continued. At the beginning of the year, sales in the Benecol products varied considerably between different countries in Europe. In Indonesia we saw a sales increase that was supported by marketing activities carried out by Raisio's partner. Raisio continued its active work on local authorisations in Asia and to promote market access for Benecol products.

Key figures for the Brands Division

		Q2/2011	Q2/2010	H1/2011	H1/2010	2010
Net sales	M€	81.1	64.5	154.0	107.9	236.4
International brands - Benecol	M€	12.7	12.3	23.8	25.2	47.8
Local brands	M€	68.5	52.3	130.4	82.7	188.7
EBIT	M€	8.4	5.8	13.1	10.6	20.0
One-off items	M€	0.0	0.0	-1.1	0.0	0.0
EBIT, excluding one-off items	M€	8.4	5.8	14.2	10.6	20.0
EBIT	%	10.3	9.0	9.2	9.9	8.5
Investments	M€	0.3	40.2	65.2	40.8	43.4
Net assets	M€	-	-	237.3	144.3	143.6

Targets and outlook

Raisio is growing by combining ecology and health into a whole that meets consumer needs. In the Brands Division's operations, Raisio continues its efforts to ensure profitable growth. The target is the same in all current and new market areas. Raisio's food operations work closely together and various product launches are under preparation in different markets.

Raisio wants to serve all consumer groups and to meet their needs with a versatile product selection that covers a wide range of different product applications. Our focus is on healthy snacks. We believe that nutritionally varied food is the key to consumers' balanced diet in which whole grains play an important part. We anticipate growth in demand for gluten-free products and will launch products suiting this trend in several market areas.

Organic food has taken off in Finland, and Raisio's product range already includes 17 organic products. Raisio intends to expand the range of organic products in the near future.

In the UK, retail sales are expected to continue promotionally driven. High promotional level in sales improves the brand awareness, and Raisio expects to see further growth in sales of its branded products. Economic situation in the UK has made consumers more price-conscious, and it is challenging to develop products meeting consumer needs in all product segments.

Raisio continues to work actively to strengthen the expert role of the Benecol brand and to enter new market areas with its partners mainly in Asia and South America. Clinical studies showing the health effect of Raisio's cholesterol-lowering Benecol products make product launches into new markets easier and support the company's organic growth.

Management of price volatility in raw materials will be essential also in the future in order to ensure competitiveness and profitability.

Business to Business Division

The Business to Business Division is comprised of feed and feed protein businesses. Our sold malt business is reported under discontinued operations.

April-June net sales of the Business to Business Division increased 38% on the comparison period totalling EUR 71.0 million (EUR 51.4 million). Growth in net sales was mainly impacted by product pricing that corresponds the price increase of raw materials. January-June net sales were EUR 120.5 million (EUR 91.3 million). The Division accounted for some 44% of the Group's net sales.

The first quarter EBIT of the Business to Business Division was EUR 2.3 million (EUR 1.2 million) accounting for 3.2% (2.3%) of net sales. Increased sales volume in fish feed and positive development of input trade improved the EBIT. It was also improved by increased sales of rapeseed oil in Finland as raw material for renewable diesel. On the other hand, availability of Finnish seeds of rapeseed was poor due to last year's low crop level and, moreover, the use of imported rapeseed in processing was higher than in the comparison period. In January-June, EBIT amounted to EUR 3.0 million (EUR 1.3 million).

In the review period, price increase in raw material costs and in all farming inputs undermined the profitability of livestock production, which in turn reduced sales volume in industrial feeds. The situation is particularly difficult in pork sector due to, e.g., warehouse clearances of frozen pork to the markets as a result of the dioxin scandal in Germany. The difficult situation is expected to continue at least until the end of the year.

Sales volume in Raisio's farm feeds slightly decreased on the comparison period. Volume in fish and chicken feeds increased and decreased in other animal groups. There were no significant changes in Raisio's market position during the review period.

Key figures for the Business to Business Division

		Q2/ 2011	Q2/ 2010	H1/ 2011	H1/2010	2010
Net sales	M€	71.0	51.4	120.5	91.3	188.8
Feeds	M€	60.3	48.4	106.7	86.4	180.8
Other	M€	10.8	3.1	13.9	4.9	8.0
EBIT	M€	2.3	1.2	3.0	1.3	1.9
One-off items	M€	0.0	0.0	0.0	0.0	0.0
EBIT, excluding one-off items	M€	2.3	1.2	3.0	1.3	1.9
EBIT	%	3.2	2.3	2.5	1.4	1.0
Investments	M€	0.8	0.8	1.3	1.3	3.8
Net assets	M€	-	-	95.4	84.2	71.0

Targets and outlook

Business to Business Division aims to maintain its strong market position in Finland and to improve profitability. Input trade to feed customers will be increased and diversified.

No significant changes in the short term are expected in volumes of industrial feed used in Finnish livestock production. Meat consumption slightly increased in Finland at the beginning of the year. General economic situation may, however, reflect on the Business to Business Division's operations. Raw material price volatility is expected to continue and its impact on feed price is important as grain raw materials cover some 60-70% of feeds. Profitability problems in livestock farms, especially in pig farms, may lead to payment failures and credit losses at the end of the year.

At worst, if the warm weather still continues, the heat may impact the demand for fish feed causing un unexceptional situation, similar to last year, as young fish stopped eating due to too warm water temperature.

Adequate supply of Finnish seeds of rapeseed is still a significant challenge because imports of seeds increase costs, thus weakening competitiveness. During this harvest period, only half of the last harvest period's amounts were sown.

Grain market

Last winter, international grain markets were characterised by high price volatility in raw materials. In the spring, eyes were turned to the new grain year of 2011-2012. Last spring grain markets remained highly volatile because a globally good harvest would be necessary in order to meet the increasing demand for grain. Grain stocks of the last harvest period were low at the end of June.

Market volatility in Finland has been more peaceful than in international markets but we have also faced quite high price volatility. Sowing was started earlier than on average and cultivated areas were larger than last spring. The areas of rapeseed grown in Finland were smaller than last year's record large areas but still clearly larger than on average. Harvest prospects were good at the beginning of August.

Personnel

Raisio's continuing operations employed 1,523 people at the end of June (31 December 2010: 1,234 people). 66% of the personnel (61% 31 December 2010) were working abroad. At the end of the review period, the Brands Division had 1,217, the Business to Business Division 244 and the service functions 62 employees. The figures include summer workers.

Shares and shareholders

The number of Raisio plc's free shares traded on NASDAQ OMX Helsinki Ltd in January-June totalled 15.7 million (23.0 million). The value of trading was EUR 40.7 million (EUR 63.3 million) and the average price EUR 2.58 (EUR 2.75). The closing price on 30 June 2011 was EUR 2.43.

A total of 0.4 million restricted shares (0.7 million) were traded in January-June. The value of trading was EUR 1.1 million (EUR 1.8 million) and the average price EUR 2.64 (EUR 2.74). The closing price on 30 June 2011 was EUR 2.39.

On 30 June 2011, the company had a total of 37,065 registered shareholders (36,174 shareholders on 31 December 2010). Foreign ownership of the entire share capital was 11.2% (12.2% on 31 December 2010).

Raisio plc's market capitalisation at the end of June totalled EUR 399.9 million (31 December 2010: EUR 463.4 million) and, excluding the company shares held by the Group, EUR 389.9 million (31 December 2010: EUR 451.7 million).

During the review period, no restricted shares were converted into free shares.

At the end of the review period, the number of issued free shares was 130,893,973 while t he number of restricted shares was 34,255,057. The share capital entitled to 815,995,113 votes.

At the end of the review period, Raisio plc held 3,947,184 free shares and 201,295 restricted shares acquired from 2005 to 2009 based on the authorisation given by the Annual General Meeting. 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 6.4% of all free shares and the votes they represent, while the corresponding figure for restricted shares is 0.6%. In all, the company shares held by these companies represent 5.2% of the entire share capital and 1.5% of overall votes. Other Group companies hold no Raisio plc shares.

A share in Raisio or its subsidiary does not entitle the holder to participate in the Annual General Meeting.

In the review period, a total of 7,704 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 Annual General Meeting in 2011.

A total of 5,000 free shares assigned on the basis of the share-based incentive scheme were returned to the company according to the conditions related to the ending of employment or service.

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

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

Decisions made at the Annual General Meeting

Raisio plc's Annual General Meeting (AGM) held on 24 March 2011 approved the financial statements for the financial year 1 January – 31 December 2010 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 0.10 per share and it was paid to the shareholders on 5 April 2011.

In the second handling in accordance with the Articles of Association, the AGM approved the Board of Directors' proposal for amending the section 9.3 of the Articles of Association to read as follows: "In the General Meeting, no shareholder's shares are entitled to vote with more votes than one tenth of the total number of votes of the shares represented at the Meeting." Furthermore, the AGM approved the Board of Directors' proposal to delete the section 17.3 which means that from now on, the term of an auditor and a deputy auditor will start at the closing of the General Meeting in which they were elected and end at the closing of the next Annual General Meeting. The amendments of the Articles of Association were entered in the Trade Register on 7 April 2011 and thus, have taken into effect.

The proposal of Osakesäästäjien Keskusliitto ry for abolition of the Supervisory Board and for amending the respective parts of the Articles of Association was rejected in the vote.

The AGM authorised the Board of Directors to decide on the repurchase of a maximum of 6,000,000 free shares and 1,500,000 restricted shares. The authorisation will be valid until 24 September 2012. Furthermore, the AGM authorised the Board of Directors to decide on the share issues by disposing of all of the company shares and any potentially repurchased own shares, a maximum total of 11,651,183 shares, 1,701,295 of which can be restricted shares at the maximum, and by issuing a maximum of 20,000,000 new free shares against payment. The share issue authorisations will be valid until 24 March 2016 at the latest. The details of the authorisations are available in the stock exchange release published on 10 February 2011. The authorisation to repurchase own shares and to issue shares given by the AGM in 2010 expired on 24 March 2011.

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

The Chairman of the Board will be paid a monthly fee of EUR 5,000 and the members a monthly fee of EUR 2,000. Approximately 20% of the fee will be paid with the company's own shares and approximately 80% in cash.

The number of members of the Supervisory Board was confirmed to be 25. Vesa Harjunmaa, Michael Hornborg, Timo Könttä, Paavo Myllymäki, Kari Niemistö, Yrjö Ojaniemi and Hannu Tarkkonen were elected as the members of the Supervisory Board for the term commencing at *the closing of the AGM and ending at the Annual General Meeting of 2014. Two of the elected members, Harjunmaa and Könttä, are new in the Supervisory Board. In May 2011, the Supervisory Board elected Michael Hornborg as its Chairman and Holger Falck as its Vice Chairman.

The annual remuneration payable to the Chairman of the Supervisory Board will be EUR 12,000 and the Chairman and members of the Supervisory Board will receive a payment of EUR 300 for each meeting. The Meeting also decided to pay the Chairman of the Supervisory Board a fee of EUR 300 for each attended Board Meeting.

Authorised public accountant Kalle Laaksonen, who was elected as a deputy auditor at the AGM of spring 2010, was now elected as a regular auditor for the financial year 2011 and he replaces Mika Kaarisalo then elected as a regular auditor. Authorised public accountant Vesa Halme was elected as a deputy auditor to replace Kalle Laaksonen. Furthermore, authorised public accountant Johan Kronberg is the other regular auditor and PricewaterhouseCoopers Ltd is the other deputy auditor in the financial year 2011.

Authorised public accountants Johan Kronberg and Kalle Laaksonen were elected as regular auditors for the financial year 2012. Authorised public accountants PricewaterhouseCoopers Ltd and Vesa Halme were elected as deputy auditors.

Events after the review period

Repurchase of company's own shares

The Board of Directors of Raisio plc has decided to exercise the authorisation to repurchase own shares given by the AGM of 24 March 2011. The repurchase was started on 11 July 2011 and is carried out in the public trading organised by NASDAQ OMX Helsinki Ltd.

By this decision, a maximum of 5,000,000 shares can be repurchased, of which a maximum of 4,000,000 may be free shares and a maximum of 1,000,000 restricted shares. The repurchase will continue until the amounts mentioned above have been repurchased or until further notice.

In accordance with the authorisation, shares are repurchased in order to develop the capital structure of the company, to finance or carry out acquisitions or other arrangements, to implement share-based incentive schemes or to be otherwise further assigned or annulled.

Raisio Feed and grain trade unit started employee cooperation negotiations

On 10 August 2011, Raisio announced to begin employee co-operation negotiations with its personnel in the Business to Business Division and in the grain trade unit for financial and production-related reasons and due to restructuring of operations. 165 employees are in the scope of the negotiations. The estimate of permanent workforce reduction is some 20 people.

The need for restructuring of operations is related to a strong structural change of recent years in Finnish agricultural production, especially in livestock production. The change is expected to continue. Tightened competition, growing pressure to food imports and strong bargaining power of trade have complicated the passing on of increased costs to producer prices. Despite the growth in efficiency, the situation has led to a significant deterioration in farm profitability and, at worst, to serious financial problems, depending on the production sector. The competition has intensified in feeds and in other input and accessory trade. Agricultural markets are now clearly global and impacts are directly seen also in Finland. As a significant partner of Finnish livestock and grain farms, Raisio is looking for ways to improve competitive conditions and profitability in the long term.

Risks and sources of uncertainty in the near future

The growth phase is a period of changes for Raisio. During this phase, several of the company's activities are developed and business management is considerably more challenging than in ordinary circumstances. Growth projects bring costs that can be substantial in relation to the company size and it is challenging to maintain profitability at the level stated in the outlook. Raisio has, however, been able to exceed the set 4-5% profitability level during the growth phase despite the changes in the market environment.

Raisio sees that companies' multiples have remained high despite the recession. This means that much work will be needed so that acquisitions can be made at the multiples accordant with Raisio's objectives during the growth phase. Economic crisis opens up interesting prospects in the acquisition front. On the other hand, general instability in financial markets may complicate acquisition financing. These circumstances can, however, create a competitive advantage for a stable Nordic player.

After selling its malt business, Raisio has no product groups in which the price of energy would be the key driver of profitability. Nevertheless, energy taxes, water and waste water fees form, in Finland especially, a significant cost factor for the Business to Business operations also in the future.

Raisio anticipated among the first, already in 2007, high price volatility and a permanent upturn in the long-term fall of grain real price. Our vision is still topical since the grain raw material prices have been and will continue to be volatile. As the company's focus changed, our raw material procurement with new raw materials such as nuts, cocoa and sugar will be more diverse.
In terms of the Group profitability, risk management of raw material prices will be essential also in the future, both for value and volume.

The risks and outlook of the businesses in the near future are further examined in the Segment Information of this Interim Report.

Raisio, 16 August 2011

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 in Helsinki on 16 August 2011 starting at 1.00 p.m. Finnish time. It will be held at Hotel Scandic Simonkenttä, in the Pavilion meeting room. The address is Simonkatu 9, Helsinki.

A teleconference in English will be held on 16 August 2011 at 3.00 p.m. Finnish time. Participants are requested to call the number +358 (0)9 8248 4795, PIN code 1523.

The interim report has not been audited.

CONDENSED FINANCIAL STATEMENTS AND NOTES

INCOME STATEMENT (M€)

	4-6/ 2011	4-6/ 2010	1-6/ 2011	1-6/ 2010	2010
CONTINUING OPERATIONS:					
Net sales	150.5	115.7	272.2	198.7	423.6
Expenses corresponding to products sold	-125.1	-95.2	-225.2	-162.6	-351.2
Gross profit	25.3	20.5	47.0	36.1	72.4
Other operating income and expenses, net	-15.1	-14.6	-31.9	-25.8	-53.1
EBIT	10.2	5.9	15.1	10.3	19.2
Financial income	0.4	-1.9	1.2	-1.0	1.0
Financial expenses	-1.3	-1.0	-4.5	-1.9	-2.9
Share of result of associated companies and joint ventures	0.0	0.0	0.0	0.1	0.0
Result before taxes	9.3	3.0	11.9	7.4	17.4
Income tax	-2.2	-0.8	-3.5	-2.1	-5.1
Result for the period from continuing operations	7.1	2.2	8.4	5.2	12.3
DISCONTINUED OPERATIONS: **Result for the period from discontinued operations**	4.6	-0.1	4.3	-0.1	-0.1
RESULT FOR THE PERIOD	11.7	2.1	12.7	5.2	12.2
Attributable to:					
Equity holders of the parent company	11.9	2.1	12.9	5.2	12.3
Non-controlling interests	-0.2	0.0	-0.2	0.0	-0.1
Earnings per share from the profit attributable to equity holders of the parent company					
CONTINUING OPERATIONS:					
Undiluted earnings per share	0.05	0.01	0.06	0.03	0.08
Diluted earnings per share	0.05	0.01	0.06	0.03	0.08
DISCONTINUED OPERATIONS:					
Undiluted earnings per share	0.03	0.00	0.03	0.00	0.00
Diluted earnings per share	0.03	0.00	0.03	0.00	0.00

COMPREHENSIVE INCOME STATEMENT (M€)

	4-6/ 2011	4-6/ 2010	1-6/ 2011	1-6/ 2010	2010
Result for the period	11.7	2.1	12.7	5.2	12.2
Other comprehensive income items					
Protection of net investments	0.2	-0.6	0.5	-0.6	-0.2
Financial assets available for sale	0.0		0.0		1.4
Cash flow hedge	-0.6		-0.7		0.0
Translation differences recognised in profit and loss on disposal of foreign operations	0.0	0.0	0.0	0.0	0.0
Gains and losses arising from translating the financial statements of foreign operations	-1.4	3.2	-3.6	3.8	1.6
Comprehensive income for the period	9.9	4.6	8.9	8.3	14.9
Components of comprehensive income:					
Equity holders of the parent company	10.1	4.6	9.1	8.3	15.1
Non-controlling interests	-0.2	0.0	-0.2	0.0	-0.1

BALANCE SHEET (M€)

	30.6.2011	30.6.2010	31.12.2010
ASSETS			
Non-current assets			
Intangible assets	36.4	11.7	10.7
Goodwill	95.5	54.0	51.9
Property, plant and equipment	119.2	109.0	106.4
Shares in associated companies and joint ventures	0.8	0.8	0.8
Financial assets available for sale	2.5	0.6	2.5
Receivables	2.4	0.5	1.7
Deferred tax assets	5.5	7.1	5.3
Total non-current assets	262.4	183.6	179.3
Current assets			
Inventories	85.1	74.9	88.2
Accounts receivables and other receivables	107.0	67.8	69.0
Financial assets at fair value through profit or loss	64.2	110.6	131.8
Cash in hand and at banks	8.6	25.6	18.9
Total current assets	264.8	278.9	307.9
Total assets	527.2	462.5	487.2
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company			
Share capital	27.8	27.8	27.8
Own shares	-17.8	-16.8	-17.8
Other equity attributable to equity holders of the parent company	306.1	305.9	313.0
Equity attributable to equity holders of the parent company	316.1	316.9	323.0
Non-controlling interests	1.3	0.0	1.0
Total equity	317.4	316.9	324.0
Non-current liabilities			
Deferred tax liabilities	16.3	7.2	7.6
Pension liabilities	0.2	0.2	0.2
Reserves	0.7	1.9	1.1
Non-current financial liabilities	98.3	59.9	53.1
Derivative contracts	1.3		
Other non-current liabilities	0.1	0.1	0.1
Total non-current liabilities	116.8	69.3	62.1
Current liabilities			
Accounts payable and other liabilities	76.6	56.4	85.1
Reserves	1.6	1.6	1.7
Derivative contracts	0.2	4.0	0.1
Current financial liabilities	14.6	14.2	14.1
Total current liabilities	93.1	76.3	101.1
Total liabilities	209.8	145.6	163.2
Total equity and liabilities	527.2	462.5	487.2

CHANGES IN GROUP EQUITY (M€)

	Share capital	Share premium reserve	Reserve fund	Own shares	Translation differences	Fair value reserve	Retained earnings	Total	Non-controlling interests	Total equity
Equity on 31.12.2009	27.8	2.9	88.6	-18.5	-3.7	0.0	225.0	322.0	0.0	322.0
Comprehensive income for the period										
Result for the period										
Other comprehensive income items	-	-	-	-	-	-	5.2	5.2	-	5.2
Protection of net investment	-	-	-	-	-0.6	-	-	-0.6	-	-0.6
Translation differences arising from disposals of foreign operations	-	-	-	-	0.0	-	-	0.0	-	0.0
Gains and losses arising from translating the financial statements of foreign operations	-	-	-	-	3.8	-	-	3.8	-	3.8
Total comprehensive income for the period	0.0	0.0	0.0	0.0	3.1	0.0	5.2	8.3	0.0	8.3
Dividends	-	-	-	-	-	-	-14.1	-14.1	-	-14.1
Share-based payment	-	-	-	1.7	-	-	-1.1	0.6	-	0.6
Equity on 30.6.2010	27.8	2.9	88.6	-16.8	-0.6	0.0	215.0	316.9	0.0	316.9
Equity on 31.12.2010	27.8	2.9	88.6	-17.8	-2.4	1.4	222.5	323.0	1.0	324.0
Comprehensive income for the period										
Result for the period	-	-	-	-	-	-	12.9	12.9	-0.2	12.7
Other comprehensive income items (adjusted for tax effects)										
Protection of net investments	-	-	-	-	0.5	-	-	0.5	-	0.5
Financial assets available for sale	-	-	-	-	-	0.0	-	0.0	-	0.0
Cash flow hedge	-	-	-	-	-	-0.7	-	-0.7	-	-0.7
Gains and losses arising from translating the financial statements of foreign operations	-	-	-	-	-3,6	-	-	-3.6	-	-3.6
Total comprehensive income for the period	0.0	0.0	0.0	0.0	-3.1	-0.8	12.9	9.1	-0.2	8.9
Dividends	-	-	-	-	-	-	-16.1	-16.1	0.4	-15.7
Share-based payment	-	-	-	0.0	-	-	0.1	0.1	-	0.1
Equity on 31.3.2011	27.8	2.9	88.6	-17.8	-5.5	0.6	219.4	316.1	1.3	317.4

CASH FLOW STATEMENT (M€)

	1-6/2011	1-6/2010	2010
Result before taxes, continuing operations	11.9	7.4	17.6
Result before taxes, discontinued operations	4.3	-0.3	-0.4
Adjustments	6.9	10.3	18.4
Cash flow before change in working capital	23.1	17.4	35.5
Change in accounts receivables and other receivables	-14.6	-1.6	-3.9
Change in inventories	1.4	-10.6	-24.5
Change in current non-interest-bearing liabilities	-17.9	-6.9	21.3
Total change in working capital	-31.1	-19.0	-7.1
Financial items and taxes	0.4	-3.3	-5.4
Cash flow from business operations	-7.6	-4.9	23.0
Investments in fixed assets	-4.0	-5.2	-11.0
Divestment of subsidiaries	-3.6	3.5	3.5
Acquisition of subsidiaries	-63.1	-22.2	-22.2
Proceeds from sale of fixed assets	0.1	0.0	0.1
Investments on marketable securities	0.0	-20.0	-25.1
Sales of securities	10.1	0.0	22.4
Loans granted	-0.7	-0.4	-0.7
Repayment of loan receivables	0.3	0.3	0.3
Cash flow from investments	-61.0	-44.0	-32.8
Change in non-current loans	16.7	-35.6	-42.6
Change in current loans	-2.0	-6.9	-6.9
Investment of related parties	0.0	0.0	1.2
Repurchase of own shares	0.0	0.0	-1.0
Dividend paid to equity holders of the parent company	-15.6	-14.0	-14.0
Cash flow from financial operations	-0.8	-56.5	-63.3
Change in liquid funds	-69.4	-105.4	-73.1
Liquid funds at the beginning of the period	140.1	213.0	213.0
Effects of changes in foreign exchange rates	-0.1	0.8	0.5
Impact of change in market value on liquid funds	-0.4	-0.2	-0.3
Liquid funds at period-end	70.2	108.2	140.1

NOTES TO THE INTERIM REPORT

This interim report has been prepared in compliance with IAS 34 Interim Financial Reporting according to the same principles and calculation methods that were used in financial statements 2010 with the exception of the amendments to the principles mentioned below.

The Group has adopted the following IFRS standards or their amendments as of 1 January 2011:

Revised IAS 24 *Information concerning related parties in the financial statements*
Amendment to IAS 32 *Financial Instruments*: *Presentation – Classification of Rights Issues*
Improvements to IFRSs (May 2010)
Amended IFRIC 14 *Prepayments of a Minimum Funding Requirement*
IFRIC 19 *Extinguishing Financial liabilities with Equity Instruments*

The amendments of the standards and interpretations mentioned above have not affected the figures presented for the review period.

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

Interim report is shown in EUR millions.

SEGMENT INFORMATION

The reportable Divisions are Brands and Business to Business. The Brands Division is composed of international brands - Benecol, and local brands. Under the Division, the Group reports Benecol unit as well as Northern, Western and Eastern European food operations. Big Bear Group acquired in the review period was combined in the figures of Western European food operations as of 4 February 2011. Business to Business Division includes the feed and feed protein businesses. The figures of the malt business sold in the review period are reported under discontinued operations. The figures for previous periods presented in the interim report have been adjusted accordingly.

NET SALES BY SEGMENT (M€)

	4-6/ 2011	4-6/ 2010	1-6/ 2011	1-6/ 2010	2010
Brands	81.1	64.5	154.0	107.9	236.4
Business to Business	71.0	51.4	120.5	91.3	188.8
Other operations	0.2	0.2	0.4	0.4	0.9
Interdivisional net sales	-1.9	-0.4	-2.7	-0.9	-2.5
Total net sales	150.5	115.7	272.2	198.7	423.6

EBIT BY SEGMENT (M€)

	4-6/ 2011	4-6/ 2010	1-6/ 2011	1-6/ 2010	2010
Brands	8.4	5.8	13.1	10.6	20.0
Business to Business	2.3	1.2	3.0	1.3	1.9
Other operations	-0.2	-1.1	-0.8	-1.7	-2.8
Eliminations	-0.3	0.0	-0.3	0.0	0.0
Total EBIT	10.2	5.9	15.1	10.3	19.2

NET ASSETS BY SEGMENT (M€)

	30.6.2011	30.6.2010	31.12.2010
Brands	237.3	144.3	143.6
Business to Business	95.4	84.2	71.0
Other operations and unallocated items	-15.4	88.4	109.4
Total net assets	317.4	316.9	324.0

INVESTMENTS BY SEGMENT (M€)

	4-6/ 2011	4-6/ 2010	1-6/ 2011	1-6/ 2010	2010
Brands	0.3	40.2	65.2	40.8	43.4
Business to Business	0.8	0.8	1.3	1.3	3.8
Other operations	0.2	0.2	0.3	0.5	1.3
Eliminations	0.0	0.0	0.0	0.0	0.0
Total investments	1.3	41.2	66.8	42.6	48.5

NET SALES BY MARKET AREA (M€)

	4-6/ 2011	4-6/ 2010	1-6/ 2011	1-6/ 2010	2010
Finland	83.9	62.6	155.0	119.4	248.2
Great Britain	35.2	22.6	65.3	24.9	68.4
Rest of Europe	29.1	28.2	47.9	50.2	99.0
ROW	2.2	2.3	4.0	4.2	7.9
Total	150.5	115.7	272.2	198.7	423.6

ACQUIRED BUSINESS OPERATIONS

In 2011

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

The acquisition supports Raisio´s target to become the leading provider of healthy snacks in Europe. Raisio will gain a stronger foothold in the branded snack and breakfast markets in the UK and Western Europe and strengthen its position in the confectionery market.The purchase price paid totalled 63.3 M€ (53.7 M£).
The fees of lawyers, advisors and outside valuators related to the deal amounted to a total of 1.7 M€. Of this amount, a total of 1.1 M€ has been recognised as administration costs of the Brands Division in the income statement of 2011. Cost of 0.6 M€ was recognised in 2010.

Goodwill resulting from the acquisition was 49.0 M€ (41.6 M£). Goodwill is resulted from the income expectations of the local operations, based on the business entity's historical earning power and view of maintaining and improving the level of earnings.

Raisio Group's net sales for January-March 2011 would have been 276.4 M€ and pre-tax result excluding one-off items 15.7 M€ if the acquisition of business operations completed during the financial year had been combined with the consolidated financial statement from the beginning of the financial year 2011. Post-acquisition net sales of subgroup Big Bear Group was 22.6 M€ and pre-tax result 1.7 M€.

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

	Fair valuea entered in the business combination	Carrying values before business combination
Property, plant and equipment	21.7	21.7
Trade marks	28.3	0.0
Deferred tax assets	0.1	0.1
Inventories	6.5	6.4
Accounts receivables and other receivables	9.3	9.3
Cash in hand and at banks	0.2	0.2
Total assets	66.1	37.7
Deferred tax liabilities	9.5	1.8
Non-current financial liabilities	30.1	30.1
Other non-current liabilities	0.4	0.4
Current interest-bearing liabilities	2.0	2.0
Other liabilities	9.8	9.8
Total liabilities	51.8	44.1
Net assets	14.3	-6.4
Acquisition cost	63.3	
Goodwill	49.0	
Purchase price paid in cash	63.3	
Financial assets of the acquired subsidiary	0.2	
Cash flow generation	63.1	

The business combination of the acquisition is not finished because of the ongoing work to settle the fair values of certain balance sheet items of the acquiree.

In 2010

Raisio plc made a public purchase offer for the entire share capital of British Glisten plc. The shareholders of Glisten plc approved Raisio's purchase offer on 12 March 2010, and the deal became legally valid on 8 April 2010.

Raisio UK Ltd, founded for the purpose of the acquisition, acquired the share capital of Glisten plc. After the closing of the deal, Raisio plc owned 85% and the senior management of Glisten 15% of Raisio UK Ltd's share capital. Later it was agreed to amend the shareholder agreement so that Glisten's senior management increased its ownership in Raisio UK Ltd up to 21.3%. Since Raisio is obligated to redeem the part of the management's shares, the company has been consolidated to the Group according to the shareholding of 100% and the redemption price has been treated as a liability.

The acquisition price was thus comprised of the share paid in cash and the purchase price liability later paid to Glisten management for the ownership of Raisio UK Ltd's. The part of the purchase price paid in cash was 22.2 M€ (19.5 M£). The amount of the purchase price liability was estimated to be 16.0 M€ (14.0 M£) at the time of the acquisition and it was entered on the balance sheet as a liability. The payment time of the purchase price liability is estimated to be during the third quarter of 2012.

The fees of lawyers, advisors and outside valuators related to the deal amounted to a total of administration costs of 1.1 M€ recognised in the income statement

Goodwill resulting from the acquisition was 50.9 M€ (44.6 M£). Goodwill is resulted from the income expectations of the local operations, based on the business entity's historical earning power and view of maintaining and improving the level of earnings.

Raisio Group's net sales for January-December 2010 would have been 462.8 M€ and pre-tax result excluding one-off items 17.7 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 2010. The post-acquisition net sales of subgroup Glisten was 65.5 M€ and pre-tax result 4.3 M€.

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

	Fair values entered in the business combination	Carrying values before business combination
Property, plant and equipment	14.0	14.0
Trade marks	4.6	0.0
Deferred tax assets	0.2	0.0
Inventories	8.4	8.2
Accounts receivables and other receivables	14.7	14.7
Cash in hand and at banks	0.0	0.0
Total assets	42.0	37.0
Deferred tax liabilities	2.1	0.7
Reserves	0.9	0.9
Financial liabilities	32.3	32.3
Financial liabilities at fair value through profit or loss	5.1	5.1
Other liabilities	14.3	14.3
Total liabilities	54.7	53.3
Net assets	-12.7	-16.3
Acquisition cost	38.2	
Goodwill	50.9	
Purchase price paid in cash	22.2	
Financial assets of the acquired subsidiary	0.0	
Cash flow generation	22.2	

Changes in goodwill

	1-6/2011	1-6/2010	2010
Carrying amount of goodwill at the beginning of the review period.	51.9	0.0	0.0
Translation differences	-5.3	3.7	0.9
Business combinations	49.0	50.3	50.9
Carrying amount of goodwill at the end of the review period	95.5	54.0	51.9

DISCONTINUED OPERATIONS AND NON-CURRENT ASSETS HELD FOR SALE

Discontinued operations

Raisio sold its margarine business to Bunge in 2009. After the deal, the adjustment items of the purchase price as well as other items related to the sold operations have been recognised under discontinued operations in the income statement. Raisio still continues margarine sales as Bunge's distributor, in Finland and Sweden. This is presented under continuing operations in the income statement.

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

	1-6/2011	1-6/2010	2010
Result for the discontinued operations (M€)			
Income from ordinary activities	11.8	7.8	19.6
Expenses	-12.4	-7.7	-19.4
Result before taxes	-0.6	0.1	0.2
Taxes	0.0	0.0	0.0
Result after taxes	-0.6	0.0	0.1
Earnings due to discontinuation	4.8	-0.3	-0.4
Taxes	0.0	0.2	0.2
Result after taxes	4.9	-0.1	-0.2
Result for discontinued operations	4.3	-0.1	-0.1
Cash flow for the discontinued operations (M€)			
Cash flow from business operations	-2.2	-6.1	-2.5
Cash flow from investments	-3.8	3.2	2.8
Cash flow from financial operations	3.0	0.0	0.0
Total cash flow	-2.9	-2.9	0.4
Myydyn toiminnon vaikutus konsernin taloudelliseen asemaan (M€)			
Divested net assets	12.0		
Transaction price (available 30 July)	17.0		
Transaction expenses	0.2		
Impact on earnings	4.8		
Impact on cash flow (liquid funds of the divested company)	-3.6		

TANGIBLE ASSETS (M€)

	30.6.2011	30.6.2010	31.12.2010
Acquisition cost at the beginning of the period	373.9	332.7	332.7
Conversion differences	-3.0	4.1	1.9
Increase	31.3	36.1	39.9
Decrease	-22.9	-0.2	-0.5
Acquisition cost at period-end	379.3	372.7	373.9
Accumulated depreciation and impairment at the beginning of the period	267.5	237.4	237.4
Conversion difference	-2.1	3.2	1.4
Increase	7.8	16.9	15.8
Decrease and transfers	-20.5	0.0	0.0
Depreciation for the period	7.3	6.2	13.0
Accumulated depreciation and impairment at period-end	260.1	263.7	267.5
Book value at period-end	119.2	109.0	106.4

RESERVES (M€)

	30.6.2011	30.6.2010	31.12.2010
At the beginning of the period	2.8	3.1	3.1
Increase in provisions	0.0	0.9	1.1
Provisions used	-0.5	-0.5	-1.3
At period-end	2.3	3.5	2.8

BUSINESS ACTIVITIES INVOLVING INSIDERS (M€)

	30.6.2011	30.6.2010	31.12.2010
Sales to associated companies and joint ventures	5.2	5.4	10.8
Purchases from associated companies and joint ventures	0.1	0.1	0.2
Sales to key employees in management	0.0	0.0	0.0
Purchases from key employees in management	0.5	0.5	0.8
Receivables from associated companies and joint ventures	1.0	0.9	1.2
Liabilities to associated companies and joint ventures	0.0	0.0	0.1
Receivables from the key persons in the management	11.6		11.5

CONTINGENT LIABILITIES (M€)

	30.6.2011	30.6.2010	31.12.2010
Contingent off-balance sheet liabilities			
Non-cancelable other leases			
Minimum lease payments	9.0	10.3	9.1
Contingent liabilities for the company			
Contingent liabilities for others			
Guarantees	0.0	0.0	0.0
Other liabilities	6.4	4.5	7.0
Commitment to investment payments	0.9	1.6	0.5

DERIVATIVE CONTRACTS (M€)

	30.6.2011	30.6.2010	31.12.2010
Nominal values of derivative contracts			
Currency forward contracts	72.9	63.4	58.2
Interest rate swaps	80.2	36.0	30.8

QUARTERLY PERFORMANCE (M€)

	4-6/ 2011	1-3/ 2011	10-12/ 2010	7-9/ 2010	4-6/ 2010	1-3/ 2010
Net sales by segment						
Brands	81.1	72.9	65.5	63.0	64.5	43.4
Business to Business	71.0	49.5	49.0	48.4	51.4	39.9
Other operations	0.2	0.2	0.2	0.2	0.2	0.2
Interdivisional net sales	-1.9	-0.8	-0.8	-0.7	-0.4	-0.5
Total net sales	150.5	121.7	113.9	111.0	115.7	83.0
EBIT by segment						
Brands	8.4	4.7	2.9	6.5	5.8	4.8
Business to Business	2.3	0.7	0.4	0.2	1.2	0.1
Other operations	-0.2	-0.5	-0.7	-0.4	-1.1	-0.6
Eliminations	-0.3	0.0	0.0	0.0	0.0	0.0
Total EBIT	10.2	4.9	2.7	6.3	5.9	4.4
Financial income and expenses, net	-0.9	-2.3	0.3	0.8	-2.9	-0.1
Share of result of associated companies	0.0	0.0	0.0	0.0	0.0	0.0
Result before taxes	9.3	2.6	2.9	7.1	3.0	4.4
Income tax	-2.2	-1.3	-1.0	-2.0	-0.8	-1.3
Result for the period from continuing operations	7.1	1.3	1.9	5.1	2.2	3.0

KEY INDICATORS

	30.6.2011	30.6.2010	31.12.2010
Net sales, M€	272.2	198.7	423.6
Change of net sales, %	37.0	14.3	21.0
Operating margin, M€	23.1	17.5	34.3
Depreciation and impairment, M€	8.0	7.3	15.1
EBIT, M€	15.1	10.3	19.2
% of net sales	5.5	5.2	4.5
Result before taxes, M€	11.9	7.4	17.4
% of net sales	4.4	3.7	4.1
Return on equity, ROE, %	5.2	3.3	3.8
Return on investment, ROI, %	6.7	4.3	5.0
Interest-bearing financial liabilities at period-end, M€	112.9	74.1	67.2
Net interest-bearing financial liabilities at period-end, M€	42.7	-34.1	-72.9
Equity ratio, %	60.7	68.6	67.6
Net gearing, %	13.5	-10.8	-22.5
Gross investments, M€	66.8	42.6	48.5
% of net sales	24.5	21.5	11.4
R & D expenses, M€	3.6	2.7	5.9
% of net sales	1.3	1.3	1.4
Average personnel	1,451	925	1,086
Earnings/share from continuing operations, €	0.06	0.03	0.08
Cash flow from operations/share, €	-0.05	-0.03	0.15
Equity/share, €	2.02	2.02	2.06
Average number of shares during the period, in 1,000s*)			
Free shares	122,460	122,119	122,226
Restricted shares	34,054	34,250	34,217
Total	156,514	156,370	156,443
Average number of shares at period-end, in 1,000s*)			
Free shares	122,464	122,627	122,461
Restricted shares	34,054	34,250	34,054
Total	156,518	156,877	156,515
Market capitalisation of shares at period-end, M€*)			
Free shares	279.6	333.5	344.1
Restricted shares	81.4	91.8	95.0
Total	379.0	425.3	439.1
Share price at period-end			
Free shares	2.43	2.72	2.81
Restricted shares	2.39	2.68	2.79

*) Number of shares, excluding the shares held by the company and shares held by Raisio 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 period-end adjusted for share issue***)
Market capitalisation	Closing price, adjusted for issue x number of shares without own 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 Raisio Management Oy
***)Shares held by Raisio Management Oy have been subtracted from the total number of shares