

Raisio plc's Interim Report January-March 2018

President and CEO Pekka Kuusniemi
4 May 2018



Raisio to divest its cattle feed business to Lantmännen Agro

- The enterprise value EUR 34 million, the arrangement will be conducted as a share transaction
- EV/EBITDA multiple 9,2
- Estimated closing in September 2018
- Cattle feed business includes
 - two production plants in Ylivieska and Kouvola
 - feed brands, e.g. Maituri and Melli
 - Raisioagro's Benemilk licence
- 76 employees will be transferred to Lantmännen Agro
- After the completion of the transaction, Raisio's estimated
 - equity ratio around 75%
 - balance sheet around EUR 347 million



Raisio's Q1/2018 in brief

Continuing operations

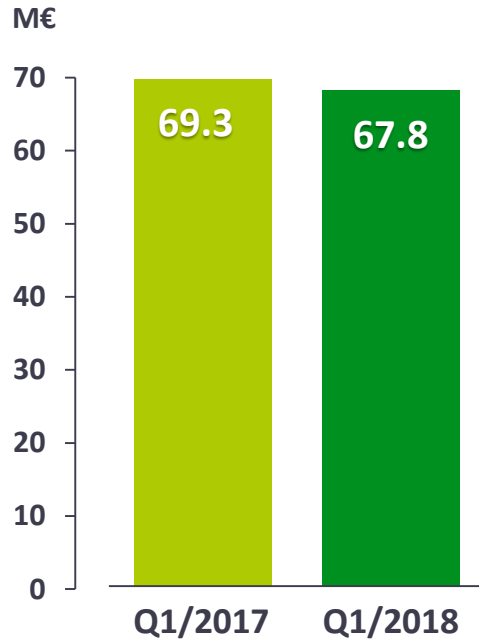
- Group net sales 67.8 (69.3) M€
- Group comparable EBIT 7.4 (7.8) M€, or 10.9 (11.3) % of net sales
- Business profitability weakened due to decreased sales volumes in Russia, Poland, Ireland and Belgium
- Net sales and sales volume slightly down from the comparison period in the UK
- Raisio has identified problem areas of the Healthy Food Division and initiated corrective measures
- Raisioagro's good sales growth in cattle feeds increased net sales and improved EBIT



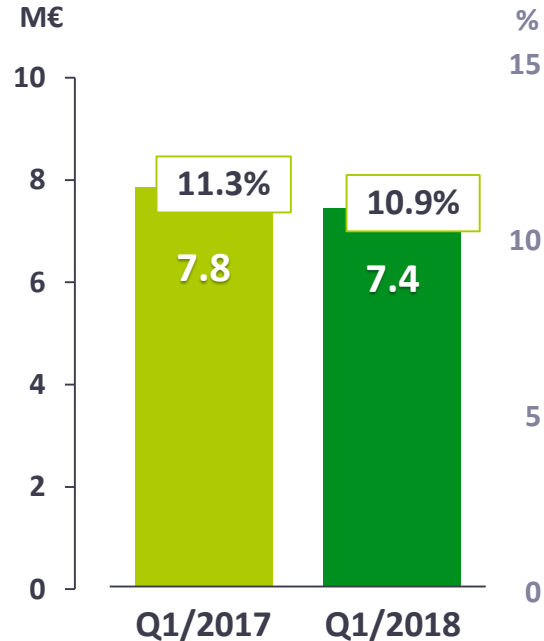
Raisio Group net sales and EBIT

Continuing operations

Net sales



Comparable EBIT



Key figures

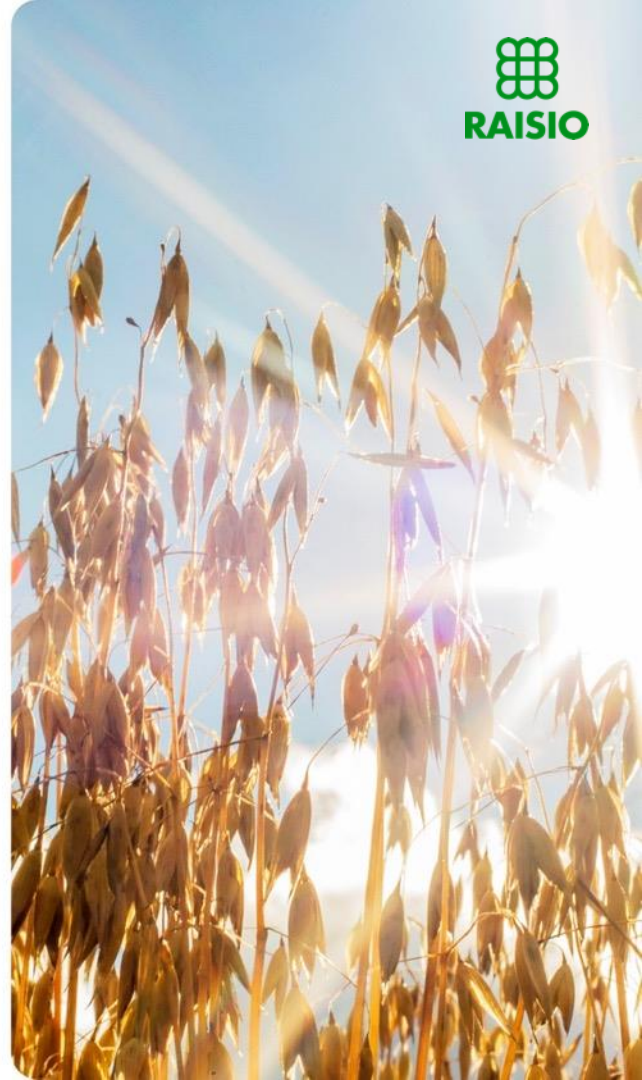
continuing operations, comparable figures

	Q1/2018	Q1/2017
Net sales, M€	67.8	69.3
EBITDA, M€	9.3	9.6
EBIT, M€	7.4	7.8
EBIT, %	10.9	11.3
EPS, €	0.04	0.04



Key figures, balance sheet

	Q1/2018	Q1/2017
Equity ratio, %	66.8	66.6
Gearing, %	- 40.5	17.3
Net interest-bearing debt , M€	- 98.4	50.9
Equity per share, €	1.54	1.86
Investments, M€	1.1	3.6



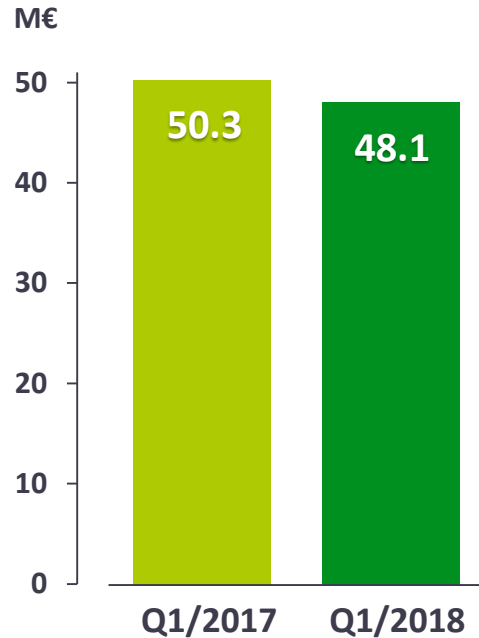
Healthy Food



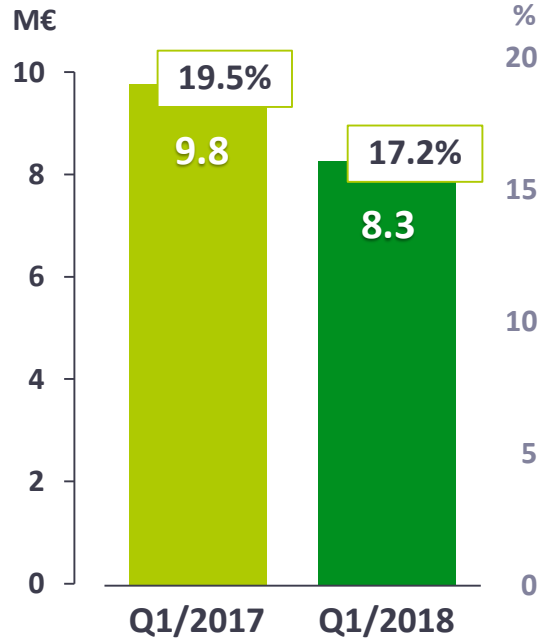
Healthy Food Division's net sales and EBIT

continuing operations

Net sales



Comparable EBIT



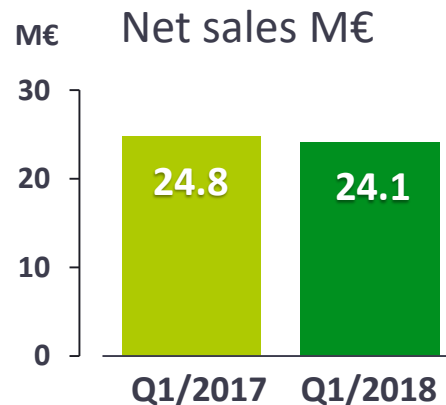
Healthy Food

- The new Healthy Food Division includes all Raisio's food-related businesses
- Brands: Benecol, Elovena, Nalle, Sunnuntai, Nordic, Torino and Provena
- Impact of the weakened British pound on net sales -0.5 M€ and on EBIT -0.1 M€
- Breakdown of net sales, continuing operations:
 - Northern and Eastern Europe, some 50%
 - Western Europe, some 35%
 - Rest of the World, some 15%



Healthy Food, Northern and Eastern Europe

- Markets: Finland, Poland, Russia, Ukraine, Sweden, Baltic Countries and Denmark
- Finnish operations at the comparison period level
 - Moderate sales growth for Benecol and Elovena products continued in Finland
- Net sales down in Russia, Ukraine showing clear growth
- In Poland, low sales for Benecol spreads in early 2018
- New in Poland: Benecol snack bars
- EBIT for Northern and Eastern Europe down from the comparison period



Novelty: Torino pastas with plenty of oat and vegetables

- Good taste and healthiness from oats and vegetables
- An easy way to add vegetables into your diet
- In stores in June 2018



1.5 carrots in
one serving



1 beetroot in
one serving

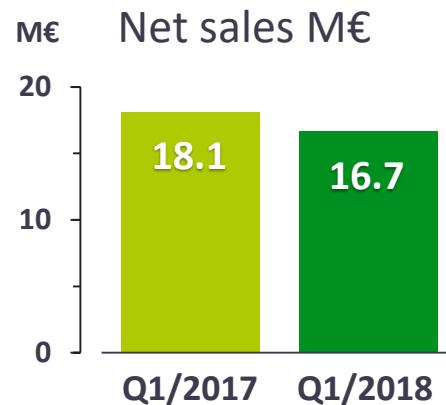


1 decilitre of broccoli
in one serving



Healthy Food, Western Europe

- Markets: UK, Ireland and Belgium
- Net sales
 - Sales clearly lower than in the comparison period in Ireland and Belgium
 - Conversion impact of the pound -0.5 M€
- In the UK, slightly increased spread sales, yogurt drink sales slightly down from the comparison period and yoghurt sales significantly lower
- Lower net sales weakened the Western Europe EBIT



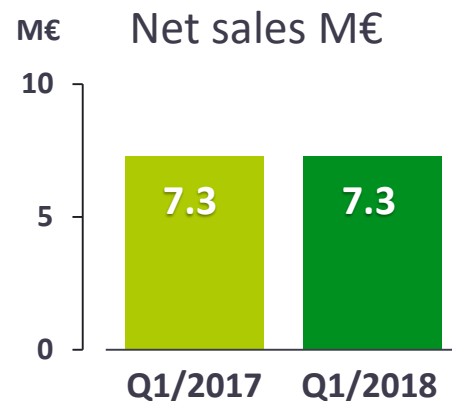


Benecol Greek Style Yogurt

UK launch ongoing

Healthy Food, Rest of the World

- The business includes:
 - Sales of Benecol ingredient for the products sold in own markets
 - Sales of Benecol ingredient to licensing partners
 - Raisio's food exports
- Plant stanol ester sales for the products sold in Raisio's own markets up from the comparison period
- Plant stanol sales to licensing partners were significantly down from the comparison period in all markets
- EBIT for the Rest of the World up from the comparison period



Raisioagro



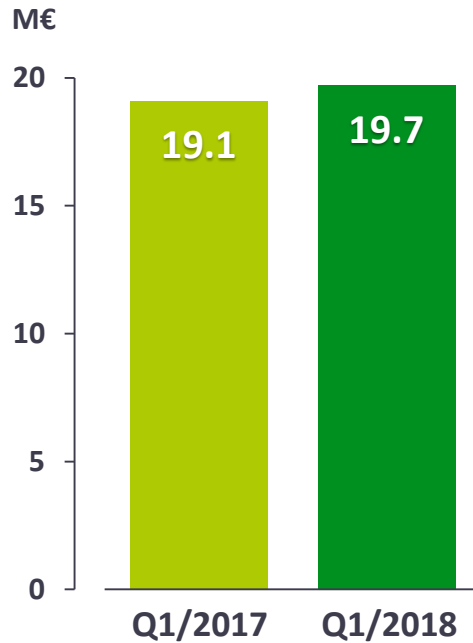
Raisioagro

- Raisioagro includes: cattle and fish feeds and farming supplies
 - Grain Trade transferred to Northern European operations
- Clear growth in cattle feed sales
 - Good results with active customer relations
 - Product portfolio in line with the needs of dairy farms
- Fish feed season just beginning
- Breakdown of net sales, by market:
 - Finland, nearly 95%
 - Northwest Russia, over 5%
 - Other markets, below 1%
- Already 250 dairy farms within the Tuotostutka milking robot monitoring



Raisioagro Division's net sales and EBIT

Net sales

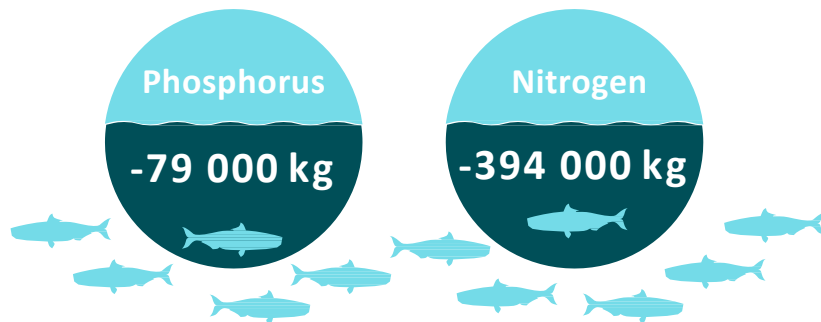


Comparable EBIT



Raisioaqua

- Good start for the fish feed season in April after the Q1
- Benella Rainbow Trout launched in Sweden in February
 - served in dozens of restaurants in the Stockholm region
 - available in some retail stores
- Baltic Blend fish feed had a significant impact on the nutrients in the Baltic Sea in 2017:



Raisio's outlook for 2018, updated on 26th April 2018

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

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

Raisio's key strategic target is to grow its Healthy Food business both organically and through acquisitions. With its structural reforms completed, Raisio has targeted all the resources to support the medium-term organic growth of the new Healthy Food Division. Raisio also seeks growth through acquisitions.

The company is net debt free and has a strong balance sheet, which allows acquisitions that suit the company's core business.



Raisio's purpose

Our core is in our heritage

- Healthy food
- Grain competence
- Natural raw materials
- Responsible business conduct
- Innovations
- Brands valued by consumers
- Ecology



Food and nutrition are hot consumer trends

Megatrends

- Health
- Snacking
- Well-being
- Heart health
- Stomach well-being
- Plant-based diets
- Natural, genuine food



Ability to renew makes the difference

- Brand development
- Novelties
- Understanding consumer needs
- Internationalisation
- Responsibility in the entire food chain
- Challenging our ways of working



We aim to grow organically
and through acquisitions



Raisio's purpose:

Food for Health, Heart and Earth





Raisio's purpose:

Food for Health, Heart and Earth

Tasty and healthy food is natural and comes from the heart of its maker.

As a responsible company, Raisio takes all important food-related factors into account: wellbeing, healthiness, taste and sustainability.

Our strong expertise and will to develop new products allow us to provide well-balanced food to eat with clear conscience.

Our food is good for Health, Heart and Earth.



The meaning of Raisio's purpose

The meaning of Raisio's purpose



Food for Health, Heart and Earth

Food is at the core of Raisio's operations. Our tasty food is always nutritionally good and produced responsibly and ethically. Eating is also about joy and pleasure. Our food is something to believe in.

The meaning of Raisio's purpose



Food for Health, Heart and Earth

We make healthy food
for you and for your
loved ones. Mental and
physical wellbeing create a
solid foundation for happy,
balanced everyday life.
Our foods are truly healthy.

The meaning of Raisio's purpose



Food for Health, Heart and Earth

We have always known what kind of food is good for the heart, and your heart is happy with our pioneering products combining innovation and healthy raw materials.

At Raisio, we make food with love and passion.

The meaning of Raisio's purpose



Food for Health, Heart and Earth

Our food grows from the earth and we know how important it is to take care of the Earth. We are a forerunner in responsibility and sustainability, and will continue to show the way. Food that loves the Earth is good for your heart and health.



Our story is true

Food + Health + Heart + Earth

Our healthy food made with love boosts wellbeing and supports balanced eating in every moment of the day.

Benecol is a pioneer in heart-friendly food and oat is proven to be good for the heart. Our products are the heart's choice.

Raisio's food combines health and good taste. We are determined to develop our product range increasingly healthy.

We have always taken care of the Earth and we want to learn more. We continue our ambitious work to make our carbon footprint smaller.



Thank you!