

# Raisio plc's Interim Report for January-September 2018

President and CEO Pekka Kuusniemi  
7 November 2018



# Raisio's Q3/2018 in brief

- Q3 down by Russian import ban on fish feeds
  - Raisioaqua's net sales -7.6 M€ and EBIT -1.8 M€
- Additional marketing investment of 1 M€ in key brands
- In Russia, net sales and profitability in roubles at the comparison period level as a result of price increases
- In Poland, the net sales decline stopped and negative performance reversed
- The Irish business taken over by Raisio's own organisation in September
- With our strong brands, Raisio can shift higher raw material costs to product prices



# Divestment of the cattle feed business completed

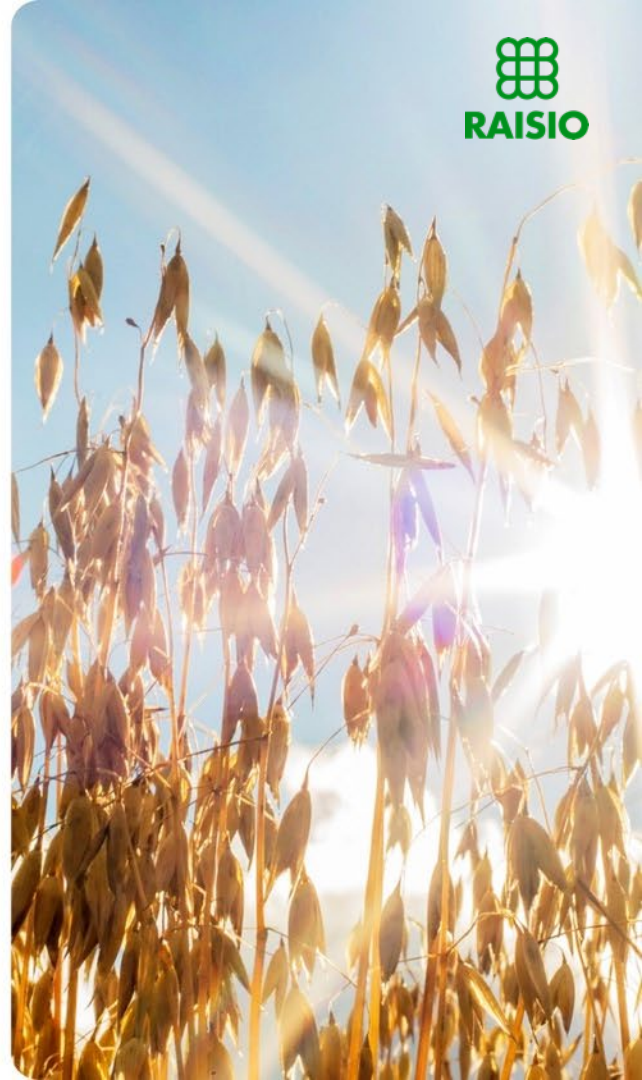
- The cattle feed business transferred to the new owner 1 November 2018
  - The transaction was subject to the Finnish Competition and Consumer Authority's approval
  - Enterprise value EUR 34 million
  - Sales profit some EUR 12.5 million
- Raisio's key figures after the completion of the divestment
  - Equity ratio some 79 per cent
  - Balance sheet total some EUR 343 million





# Raisio's 2018 full-year outlook unchanged

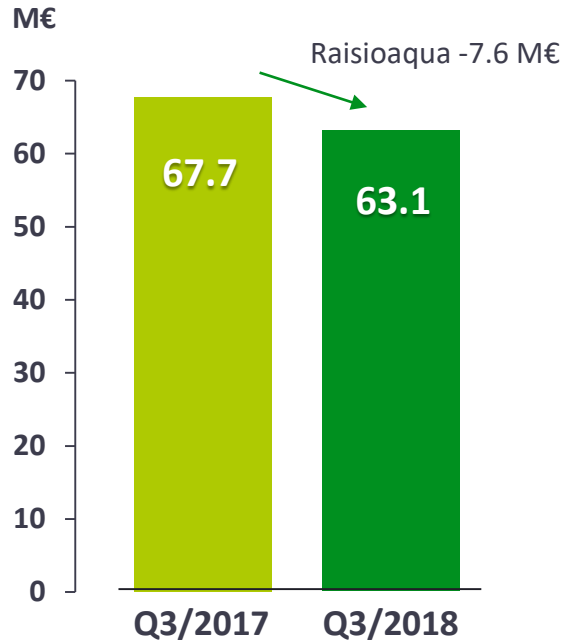
- Raisio expects the net sales of the Group's continuing operations to total some EUR 230 million.
- The company estimates that the comparable EBIT for the Group's continuing operations is some 12 per cent of net sales.
- Exchange rates will continue to significantly affect Raisio's net sales and EBIT.



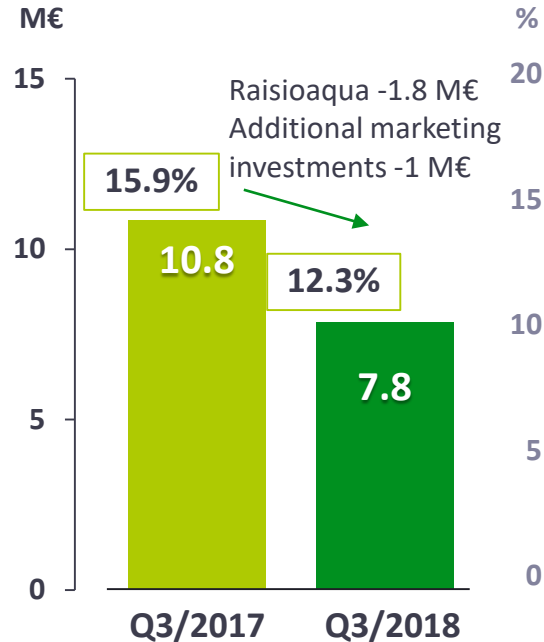
# Raisio Group net sales and EBIT Q3/2018

## Continuing operations

### Net sales



### Comparable EBIT

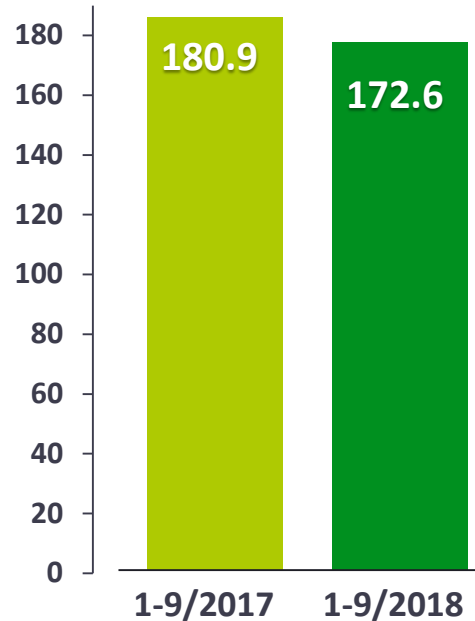


# Raisio Group net sales and EBIT 1-9/2018

## Continuing operations

### Net sales

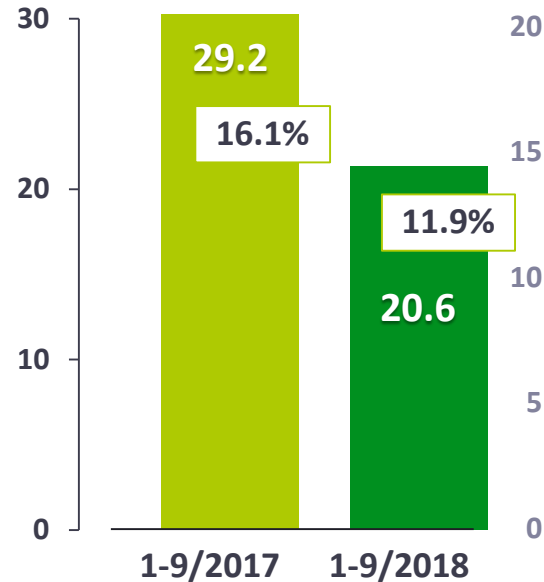
M€



### Comparable EBIT

M€

%



## Key figures, balance sheet 1-9/2018

	1-9/2018	1-9/2017
Equity ratio, %	76.7	69.6
Gearing, %	- 30.0	- 3.9
Net interest-bearing debt, M€	- 76.4	- 11.9
Equity per share, €	1.62	1.93
Investments, M€	3.7	8.4





# Healthy Food



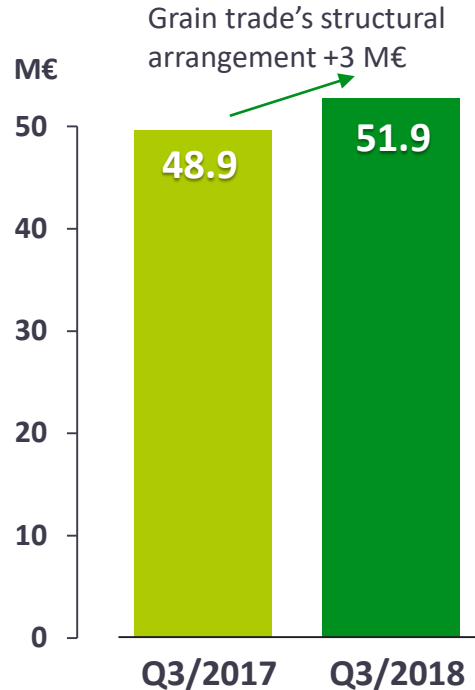
  
RAISIO



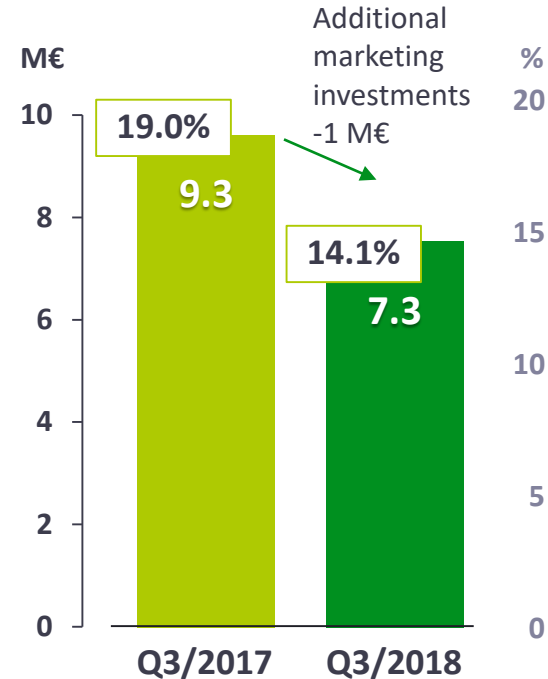


# Healthy Food Division's net sales and EBIT Q3/2018 continuing operations

## Net sales



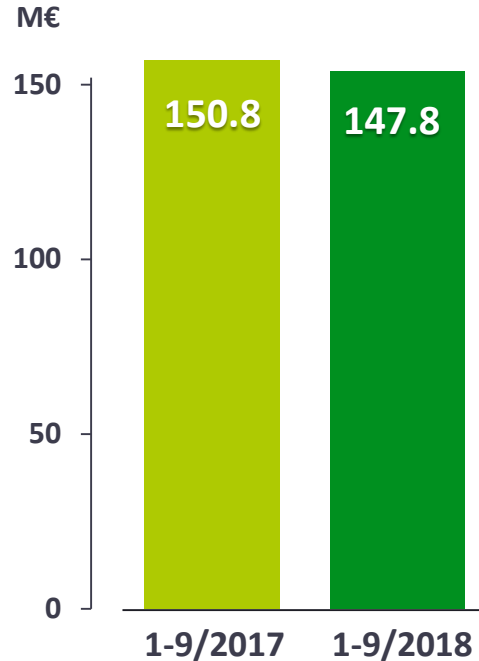
## Comparable EBIT



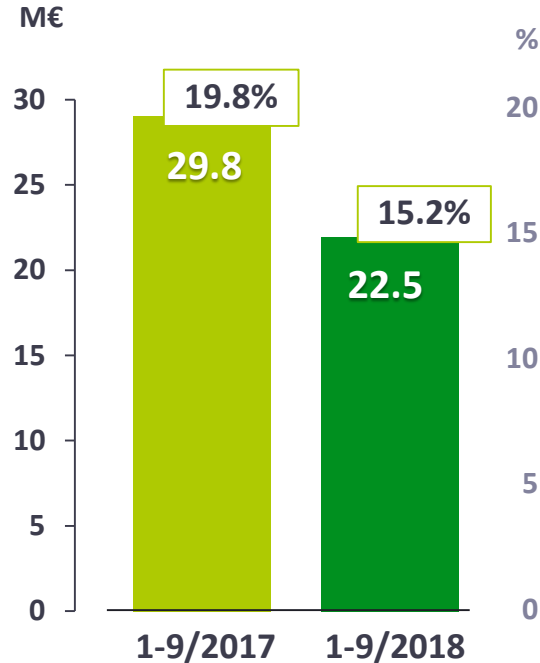
# Healthy Food Division's net sales and EBIT 1 - 9/2018

continuing operations

## Net sales

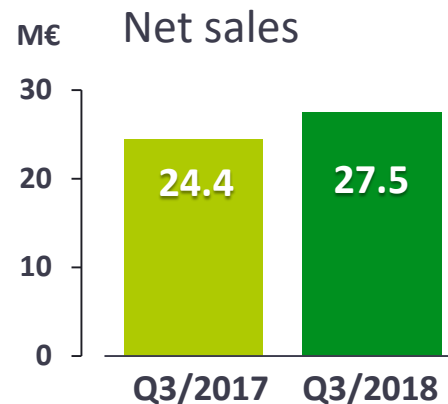


## Comparable EBIT



## Healthy Food, Northern and Eastern Europe

- Some 50% of the Healthy Food Division's net sales
- In Finland, net sales at the comparison period level excluding the impact of structural arrangement of the grain trade
  - Sales in Benecol and Elovena brands at the comparison period level
- As a result of the price increases carried out in Russia, net sales and profitability in roubles at the comparison period level
- In Ukraine, Nordic flakes continued to show sales growth
- In Poland, net sales remained significantly lower than in the comparison period; the profitability slide has been stopped
  - Focus on Benecol sales





# Elovena Muru Oat Mince: Raisio's latest oat innovation

- Genuinely different product into a growing plant protein category
- Neutral flavour, used as minced meat
- Main raw material: Finnish oat (41%)
- Healthy, plenty of protein and fibre
- 100 % plant-based
- Short and clear ingredient list
- Competitive price
- Excellent reception among consumers and retailers



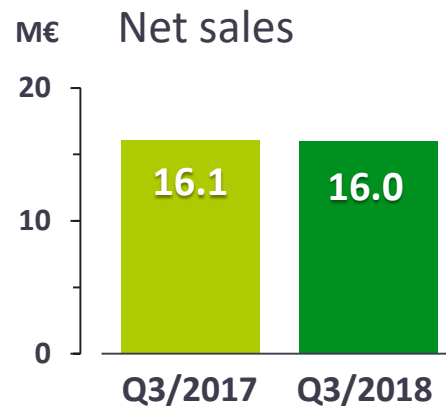
# Elovena is Finland's most valued oat brand

- Naturally from healthy oat: convenient and delicious products to consumers' everyday life
- The best sold oat products in Finland:
  - Elovena instant porridges: consumers' favourites
  - Elovena Dark Chocolate snack biscuit, one of Finland's most popular biscuits



## Healthy Food, Western Europe

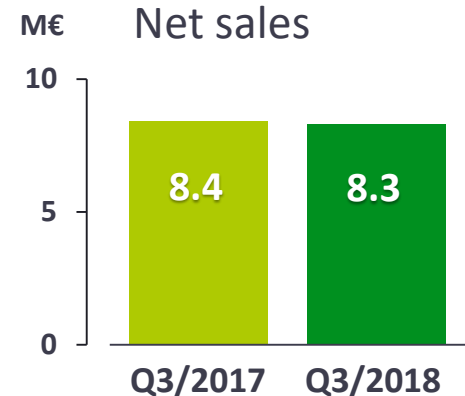
- Over 30% of Healthy Food Division's net sales
- In the UK, the expansion of distribution coverage for new Benecol products continued
  - Net sales at the comparison period level
  - Significant investments in new category launches
  - Extensive advertising campaign increased brand awareness and consumers' desire to try the products
- Raisio took over the Irish business in September
  - Net sales at the comparison period level
- Belgium is the next priority area with the aim of turning net sales into growth
  - Net sales down from the comparison period





# Healthy Food, Rest of the World

- Some 15% of the Healthy Food Division's net sales
- Sales were up in plant stanol ester, the Benecol product ingredient, for the production of consumer products sold in Raisio's own markets
- Plant stanol ester sales to licensing partners significantly down from the comparison period in all markets
  - Periodic deliveries are characteristic of the business
- As part of its strategy work, Raisio is assessing the functioning of the current licensing model in different markets



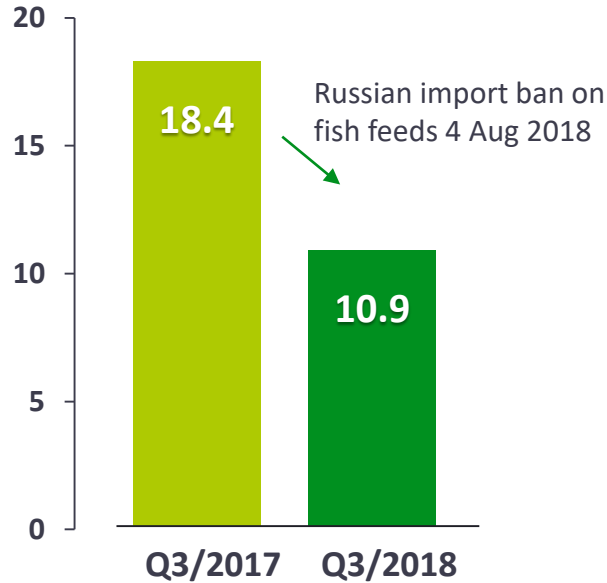
# Raisioaqua



# Raisioaqua Division's net sales and EBIT Q3/2018

## Net sales

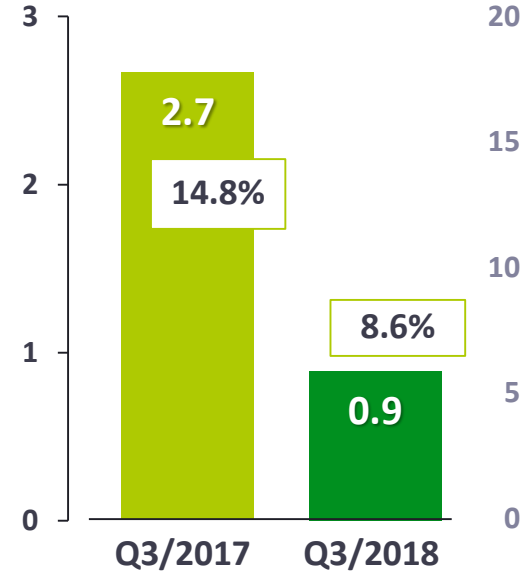
M€



## EBIT

M€

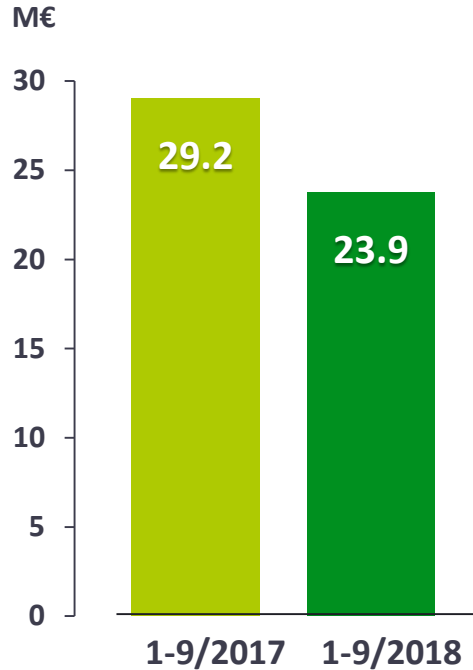
%





# Raisioaqua Division's net sales and EBIT 1-9/2018

## Net sales

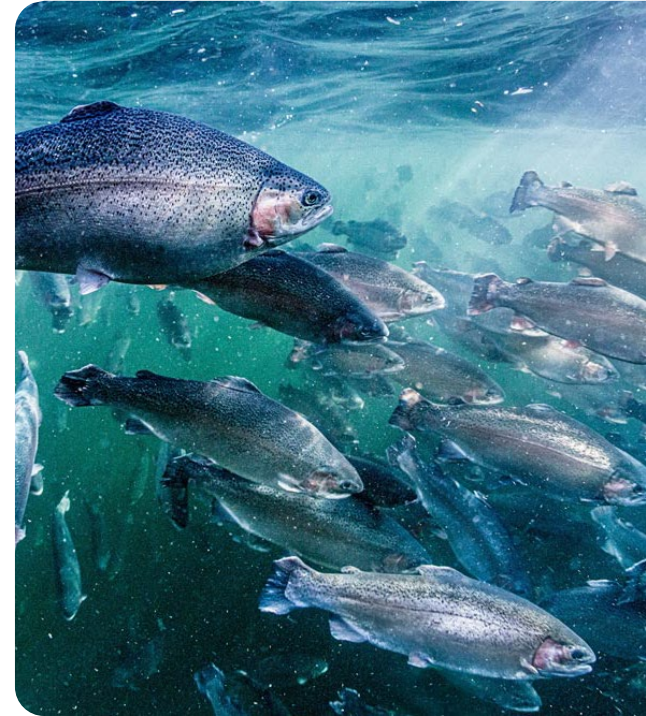


## EBIT



# Raisioaqua

- As a result of exceeded GMO levels, the Russian authorities interrupted the import of fish feeds 4 August 2018
- The GMO soy product is made by a Finnish supplier responsible for ensuring that the product is in line with the agreement
- Raisio continues to negotiate with the supplier on the damage compensation
- Active work is continued to lift the Russian import ban



Raisio's purpose:

Food for Health, Heart and Earth.

