

Raisio's Net Sales Increased and EBIT Improved

Raisio's April-June 2019

President and CEO Pekka Kuusniemi

CFO Toni Rannikko

Raisio plc

7 August 2019



Raisio's Q2/2019: Net Sales Increased and EBIT Improved

NET SALES +5 %

62.7 M€ Q2/2018:
59.7 M€

EBIT +10 %

7.3 M€* Q2/2018:
6.5 M€*

H1/2019:

POSITIVE CASH FLOW

7.9 M€** H1/2018:
-0.2 M€**



KEY DRIVERS

1. Price increases completed
2. Strong start for the fish feed season
3. Improved cost-effectiveness

45 M€

investment decision for
plant-based value-added products

Raisio's EUR 45 Million Investment in Plant-based Value-added Products

- A new production facility producing plant-based value-added products to be built in Raisio, construction work started in July
- Investment responding to rapidly growing demand for plant-based food in Europe
- Enabling growth for Elovena and Benecol brands as defined in Raisio's strategy
- At full capacity, employment effect of 30 - 35 persons
- The first products made in the new factory available in shops H2/2021
- Enabling eco-friendly packages



Raisio's Outlook 2019: Unchanged

- In 2019, Raisio expects its net sales for continuing operations to grow (2018: EUR 228.2 million) and comparable EBIT to be over 10 per cent of net sales.
- Raisio will continue its investments in the brands, R&D and the company's own production in its most important product categories.





Healthy Food

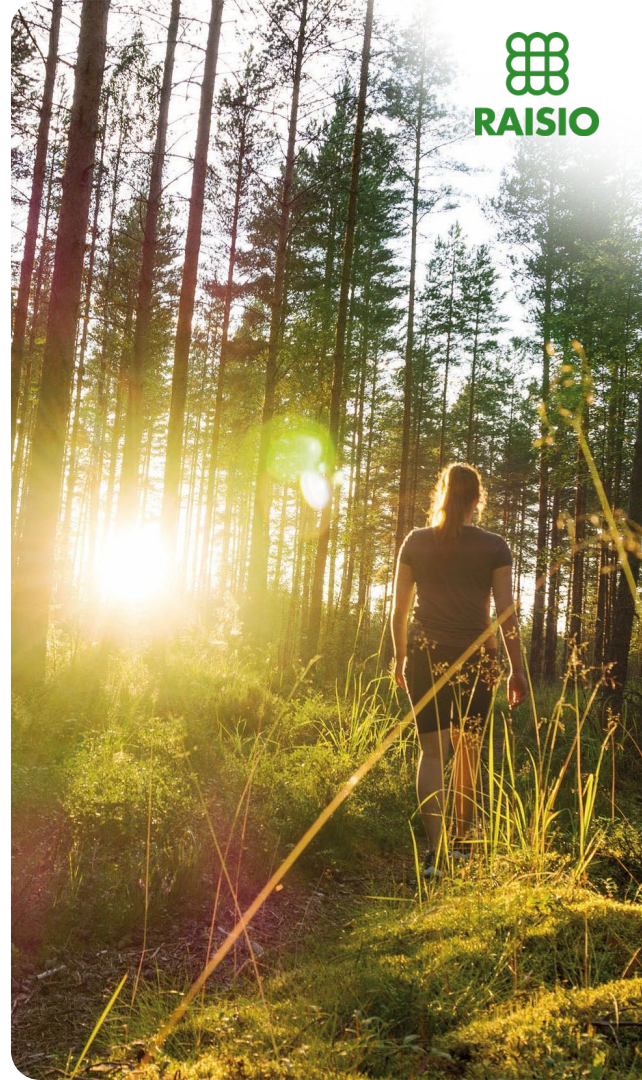
Benecol Proven to Lower Cholesterol Safely and Effectively

- Profitability in the UK improved, EBIT at the comparison period level
 - Price increases carried out
 - Continued sales growth in snack bars
- Sales in Benecol products +10% in Finland
 - Clear sales growth for Greek Style Yogurts
- In Poland, the turnaround proceeded as planned and operating loss clearly reduced
- In Ireland and Belgium, continued active efforts to turn sales into growth and to improve profitability



Plant Stanol May Relieve Asthma Symptoms

- The University of Maastricht investigates the impact of plant stanol ester, the Benecol product ingredient, on asthma symptoms
- The study started in spring 2019
- Researchers at the University of Maastricht have shown before that the plant stanol ester enriched yogurt improved the immune function in asthma patients
- In addition to its cholesterol-lowering effects, the new study helps to understand other possible health benefits of plant stanol ester



Continued Strong Sales Growth for Elovena Brand

- Planned price increases responding to the sharp rise in grain prices carried out in all the markets
- Increased sales through the new Elovena snack biscuits with 100% oat
- Intensified competition in the category of plant protein products
- Mince Oat Patties added to the Elovena range
- In Russia, net sales increased and EBIT improved for the Nordic products in April-June





Healthy Ingredients

Strong Start for the Fish Feed Season

- Fish feed sales up by over 20% in April-June
- Investments improved efficiency
- Growth seen particularly in Finland and in the exports to Russia
- Market openings in Poland and Sweden
- Benella fish available in the stores of ICA, a retail chain in Stockholm area
- Raisioaqua's growth boosted by its digital services and unique product range in line with the sustainable development



Healthy Ingredients: Oat Products

- Sales to Finnish bakeries and to industrial and catering customers rose over 10%
- Growth seen particularly in oat products and gluten-free oat products
- Raisio aims to increase export of its oat-based value-added products also to BtoB customers
- The review period's investments focusing on the development of the company's international oat business





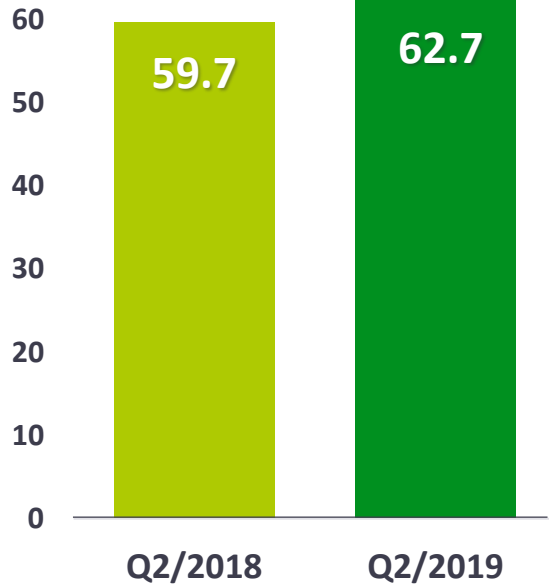
Financial Review

Raisio Group's net sales and EBIT Q2/2019

Continuing operations

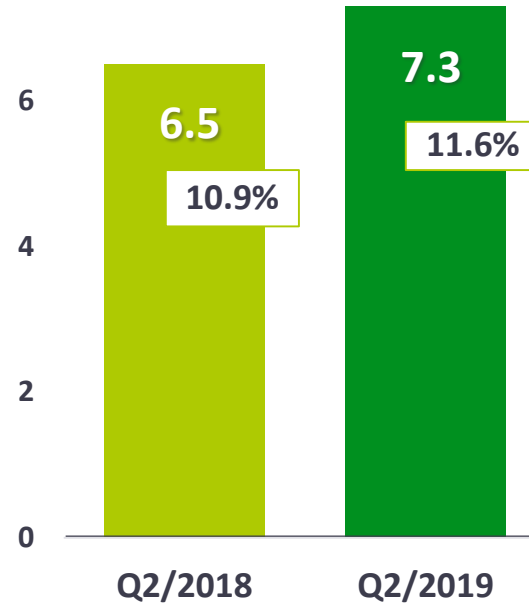
Net sales

M€



EBIT

M€



Key items affecting EBIT:

- Price increases completed
- Top period for fish feeds
- Improved cost-effectiveness

Key Figures, Balance Sheet H1/2019

	H1/2019	H1/2018
Cash flow from business operations after financial items and taxes, M€	7.9	- 0.2
Equity ratio, %	82.8	74.6
Gearing, %	- 37.0	- 29.3
Net interest-bearing debt, M€	- 93.8	- 72.7
Return on invested capital (ROIC), %	14.8	10.3*
Investments, M€	6.7	2.5

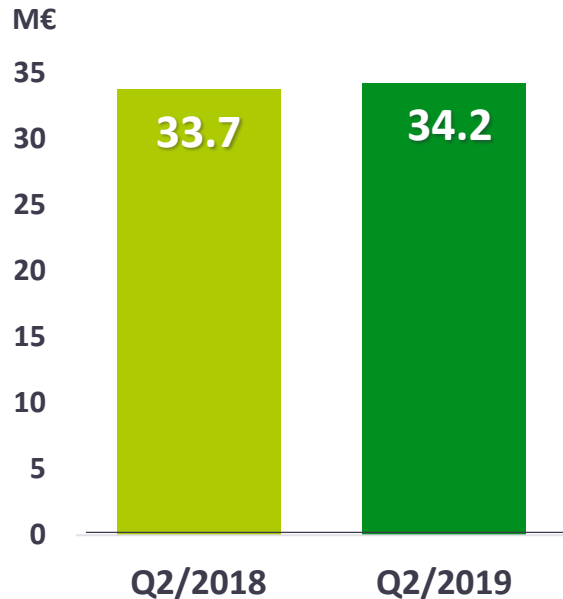
* includes discontinued operations



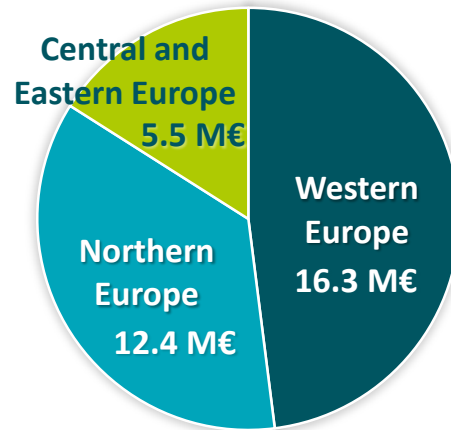
Healthy Food Unit's Net Sales and EBIT Q2/2019

Continuing operations

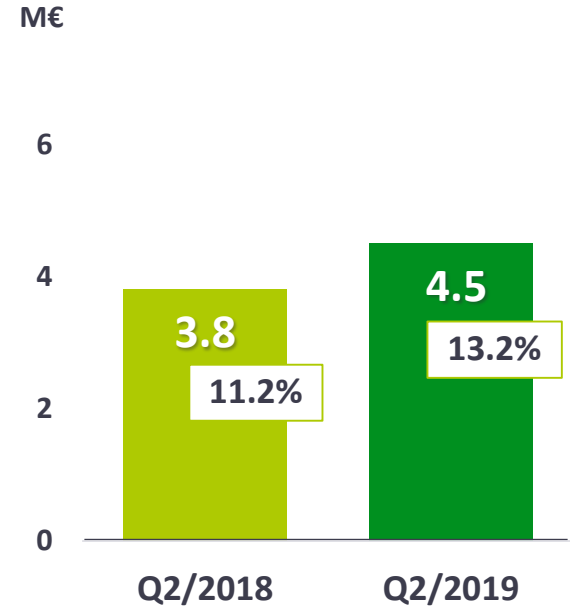
Net sales



Net sales by region



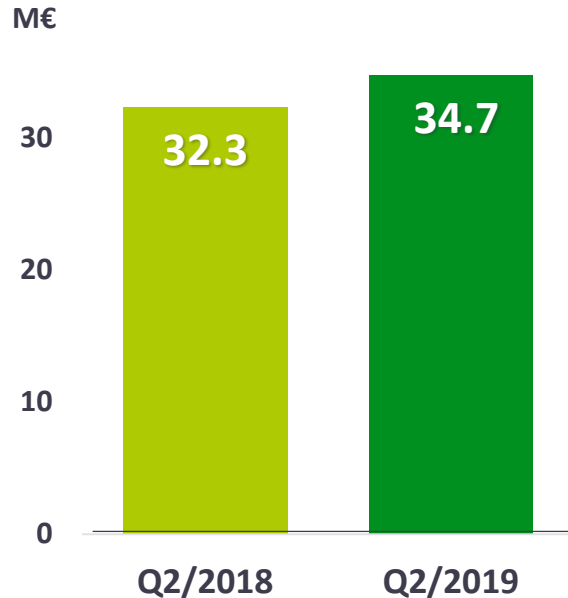
EBIT



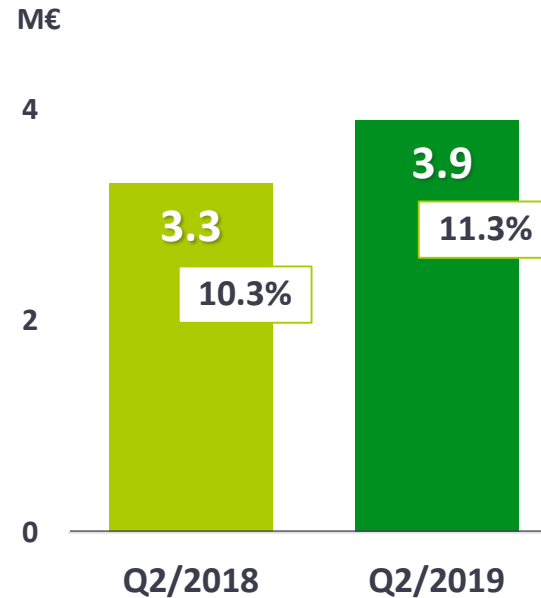
Healthy Ingredients Unit's Net Sales and EBIT Q2/2019


Continuing operations

Net sales



EBIT





Food for Health, Heart and Earth.