

annual accounts 2001





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Announcements

Annual general meeting

The Annual General Shareholders' Meeting (AGM) of Huhtamäki Oyj will be held on Monday, March 25, 2002 at 3:00 p.m. in Finlandia Hall, Mannerheimintie 13 e, Helsinki. The proceedings will be conducted in Finnish. Simultaneous translation into English will be provided.

The main items on the AGM agenda are:

- Statutory business as expressed in Article 8 of Articles of Association
- Establishing a new program to repurchase up to 5% of the company's own shares during one year following the AGM

Shareholders registered by the Finnish Central Securities Depository Ltd. on March 15, 2002, may exercise their rights at the AGM. Beneficiary holders of nominee shares are welcome to attend and vote, provided they have obtained a temporary registration by March 15. In each case, participation should be notified to the company no later than March 21 by 4.00 p.m. Finnish time, either by telephone (+358 800 90026, "Huhtamäki AGM Services"), in writing (Huhtamäki Oyj, Länsituulentie 7, FIN-02100 Espoo, Finland), or via e-mail: (pirjo.tuuli@fi.huhtamaki.com).

Shareholders wishing to authorize another person to represent them at

the AGM are requested to mail the proxy to the above address by March 21.

All documents and proposals under review at the AGM will be available for public viewing from February 25 at Group Headquarters, Länsituulentie 7, 02100 Espoo, Finland. Copies of the documents will be mailed to shareholders upon request. For further information contact Investor Relations, +358 9 6868 8361.

Dividend

The Board of Directors proposes to the AGM a dividend of EUR 1.25 per share for 2001. Dividend will be paid on April 9 to shareholders as registered on April 2.

Financial calendar

Huhtamäki will release the following financial information for 2002 in Finnish and English:

2002:

- April 25–1st Quarter Interim Report
- July 25–2nd Quarter Interim Report
- October 24–3rd Quarter Interim Report

2003:

- February – Full-year Results
- Week 11–Annual Report

As a rule, interim results will be released at or about 9.00 a.m. Finnish time. All financial releases may be retrieved instantly from the company's website, www.huhtamaki.com

On-line electronic services have become the main channel of financial information. Huhtamäki does not automatically mail its Annual and Interim Reports to registered shareholders. Interested parties wishing to receive mailed reports are kindly requested to contact Investor Relations, tel. +358 9 6868 8363, or via e-mail: IR@huhtamaki.com

financial targets

The Board of Directors of Huhtamäki Oyj has endorsed the following financial targets by 2003:

- Annual organic growth at least **5%**
- Operating margin (before amortization) at least **10%**
- Return on investment (before amortization) **15%**
- Strong cash flow
- Long term gearing ratio around 100%
- Average payout ratio 40%

Directors' report

Overview

In 2001, Huhtamaki successfully pursued the business strategies and financial objectives set during the past two years. The company's transformation into a pure consumer packaging specialist was finalized at the end of February, on the completion of the divestment of the Van Leer industrial packaging division. During the year, several small, non-core operations were also sold. Acquisition opportunities were not pursued.

Numerous processes were in motion to streamline manufacturing, and to redirect capacity to higher value added businesses. Five factories were closed. The net reduction of workforce in continuing operations was 800 persons.

The year did not provide an ideal setting for business. Three distinct factors affected Huhtamaki's markets: a slowdown in the world economy, food safety issues in Europe, and the aftermath of the September 11 terrorist attacks. While none of these had a deep or lasting influence, together they depressed volume growth to some extent. Compared to year 2000, the main positive feature was the overall stability of the raw materials market, and the softening of key polymer prices.

Against this backdrop, Huhtamaki's sales and earnings development was more than satisfactory. While net sales increased by 5% over the corresponding pro forma figure for 2000, operating profit (earnings before interest, tax and amortization) advanced by 20%. The profit improvement was particularly clear in the final quarter, when operating profit was up by 27% on the back of a sales growth of 2%.

The favorable development is attributable to three factors: 1) reduction of fixed costs, resulting from synergies and rationalization; 2) incremental sales at healthy margins; and 3) higher value added from an improving product mix and lower raw materials costs.

The repurchase of almost 20% of the company's own shares optimized

the Group's capital structure, and contributed to the 30% improvement of earnings per share before amortization during the final quarter. The corresponding full-year results, EUR 4.45 before and EUR 2.97 after amortization, are both 17% above the corresponding pro forma figures for 2000, setting a new company record.

The Board carried out its annual strategy review in September but found no reason to deviate from earlier directions. Hence, the main emphasis in 2002 remains on optimizing the existing company structure, accelerating sales growth and improving profitability further.

Dividend Proposal

The Board proposes a dividend of EUR 1.25 per share, 14% more than for 2000 and representing a payout ratio of 42%.

Integration, Synergies and Restructuring

In terms of organization, the integration of Huhtamaki and the Dutch company

Van Leer, acquired in 1999, was largely accomplished in 2000. In 2001, further work concentrated on improving efficiencies through streamlining the manufacturing structure and processes. Rationalization projects to this effect advanced well, but further measures remain to be implemented in 2002.

The U.S. rigid plastics and flexible packaging businesses acquired towards the end of 2000 were successfully integrated during 2001. The costs of all major integration and rationalization projects have been covered from provisions made in late 1999 after the Van Leer transaction, and in March 2001 as part of the balance sheet adjustments following the sale of the industrial packaging division. At year-end, unused integration provisions amounted to EUR 35 million.

The following table summarizes restructuring accomplished during 2001:

| country/unit | action |
|------------------------------------|-------------------------------------------------------|
| Netherlands | |
| Groenlo paper pkg plant | Closed, production transferred to Göttingen (Germany) |
| France | |
| Guegon plastic pkg plant | Closing completed |
| Auneau thermoforming | Transfer to Alf (Germany) completed |
| Auneau mono sheet business | Swap to multi sheet ongoing |
| Dourdan focus on injection molding | Downsizing ongoing |
| USA | |
| Mt Carmel (PA) plastics pkg plant | Closure completed |
| Los Angeles (CA) paper pkg plant | Downsizing completed |
| East Providence (RI) | Paper cup mfg relocation to Fulton (NY) completed |
| | Plastic pkg relocation started, closure in 2002 |
| Waterville (MN) | Downsizing completed |
| Foodservice Headquarters | Relocated to Chicago (IL) |
| New Zealand | |
| Consumer Flexibles | Three plants concentrated to New Lynn |

The net reduction of workforce (in full-time equivalents) was 320 in Europe, 230 in the Americas and 250 in Asia-Oceania-Africa.

Healthy Business Developments

The industrial packaging division was not consolidated during 2001. The following analysis is based on a pro forma treatment of the year 2000, in which the sales, profits, depreciation, goodwill amortization and financial expenses related to industrial packaging have been eliminated. "Actual" refers to statutory accounts in 2000, which include the industrial packaging operations.

The Group's consolidated net sales in 2001 amounted to EUR 2,382 million, 5% above the corresponding pro forma figure in 2000 but 28% below the actual 2000 sales. Structural changes boosted sales by 2%, price changes and currency translations also by 2% and volume growth by 1%.

Geographically, the sales broke down as follows: Europe 49%, Americas 35%, and Asia, Oceania and Africa 16%. Finland's share of the total was 3%.

European sales amounted to EUR 1,179 million. Sales of core packaging products were robust; the 2% decline in total sales reflects the retreat from unprofitable product lines, the divestment of two business units in the second half of the year, and the low value of waste paper trading. The underlying market development was relatively stronger in North and Central Europe. Operating profit from Europe improved by 27% to EUR 93 million, with the final-quarter figure up by 55%. The operating margin in Europe improved from 6.1% in 2000 to 7.9%, and RONA (return on net assets) from 11.4% to 14.7%.

Sales in the Americas advanced by 32% to EUR 826 million, mainly reflecting acquisitions in late 2000. The North American sales were buoyant most of the time. Operating profit from the Americas increased by 38% to EUR 75 million, with the corresponding margin advancing from 8.6% to 9.0%. RONA also improved slightly, to 15.8%.

Sales in the rest of the world amounted to EUR 377 million, with gains in Asia, Africa and Oceania tempered by currency translations into euros. The comparison figure from 2000, EUR 451 million, includes

divested operations. The region's operating profit was EUR 30 million, which corresponds to 8.1% of net sales (7.0% in 2000). The region's RONA also advanced from 10.1% to 11.8%.

The sales of the Consumer Goods category amounted to EUR 1,296 million, 54% of the total and up by 1%. The figure includes the Films business, as well as machine trade and other supporting operations. Sales growth accelerated towards year-end and was 4% in the final quarter.

Good growth in several segments, including soups, confectionery and personal care, offset the stagnant sales of dairy and edible fats packaging, which partly reflected voluntary retreat from unprofitable product areas. New take-home ice cream containers were well received in the U.S. and Oceania. As a whole, flexible packaging developed well, and significant volume growth was secured for the most important products, sterilizable stand-up pouches and toothpaste tube laminate, in 2002 and beyond.

The Consumer Goods category's operating profit contribution improved by 17% to EUR 93 million or 7.2% net sales. The improvement in the final quarter was a remarkable 78%.

Food Service sales, including Fresh Foods packaging, amounted to EUR 1,087 million, up by 9%. Among the positive contributors were the continued good progress in European quick service markets, the new plastic packaging operations in the U.S., healthy progress for molded fiber products especially in Europe, as well as an excellent year for the U.S. Chinet® retail products.

European cattle diseases affected food service and fresh foods packaging early in the year, mainly in the U.K. and South Europe. The September 11 terrorist attack caused a short-lived stall in sales around the world; the U.S. food service markets remained hesitant towards year-end. Hence, the final quarter's sales remained virtually flat against the previous year.

The Food Service category's operating profit amounted to EUR 105 million, up by 32% and 9.7% of net sales. Despite a slowdown in sales, the operating margin

in the fourth quarter improved by 2 percentage points to 10.7%.

Profit Improvement On Track

The improvement of the Group's financial performance gained momentum towards year-end. Healthy margins development, declining working capital levels and lower than anticipated interest expenses all contributed to a strong free cash flow.

The operating profit from operations totaled EUR 199 million, showing an improvement of 25% over 2000 pro forma. Group royalty income and unallocated expenses showed a net income of EUR 23 million, 7% less than in 2000. Hence, the Group operating profit improved by 20% to EUR 222 million or 9.3% of net sales. After an amortization charge of EUR 45 million for goodwill and other intangible assets, the corresponding operating profit after amortization (EBIT) amounted to EUR 178 million, up by 23%. For reference, the full-year depreciation of tangible assets was EUR 111 million.

Net financial expenses amounted to EUR 49 million, 78% above 2000 pro forma but 21% less than the actual figure. The increase against pro forma reflects U.S. acquisitions in late 2000, as well as capital tied in share repurchases. The profit before minority interest and taxes amounted to EUR 130 million, 11% above 2000 pro forma. Taxes increased by 16% to EUR 37 million and minority interest amounted to EUR 7 million, whereby net income increased by 9% to EUR 87 million.

Share repurchases caused the average number of shares in issue to decline from 31,475,963 in 2000 to 29,279,424. This contributed to the 17% growth in earnings per share, to EUR 4.45 (before amortization) and EUR 2.97 (after amortization).

Higher profits and a tighter balance sheet led to a clear improvement in return on equity (ROE), to 12.6%, and return on investment (ROI), to 11.8%. Both figures are before amortization.

Strong Cash Flow; Balance Sheet Structure On Target

The structure of Huhtamaki's balance sheet has been subject to sharp

changes in recent years, reflecting the timing of major corporate transactions. The company's stated objective is a net debt to equity (gearing) ratio around one. This target zone was reached in October, following the divestment of the industrial packaging operations earlier in the year and the repurchase and invalidation of almost 20% of the company shares in issue. The share buybacks absorbed a total of EUR 207 million. This amount was written off from equity. The total free cash flow (cash from operations minus capital expenditure, interest and tax) for the year amounted to EUR 151 million.

At year-end, net debt amounted to EUR 901 million and gearing to 94%. Equity per share was EUR 34.56, up by 5%.

Capital Expenditure, Research and Development

The Group's total capital expenditure amounted to EUR 144 million, 13% more than in 2000 pro forma. A significant part of this was related to rationalization and restructuring. Other projects included the construction a new logistics center in Germany, and new printing capacity in several locations. The reconstruction of the Polish Siemianowice plant, which was destroyed by fire in late 2000, advanced on plan.

Reported expenditure on research and development amounted to EUR 13 million, substantially more than in 2000. The new Technology and Development Centers in Finland, Germany and the Netherlands became operational. An Innovation Board established at the start of the year endorsed several projects of Group-level interest; local innovation and development work continued as before.

Important product launches included superior-quality cups for hot beverages, several molded fiber items aimed at food service operators, new shapes and features in take-home ice containers, and a whole range of fresh foods packaging, including absorbent produce trays with proprietary open-cell technology.

The first environmentally friendly EarthShell® food service packaging line in Göttingen, Germany, was

nearing completion at year-end. Trial runs are expected to commence during the first quarter of 2002.

Annual General Meeting

The Annual General Meeting convened on April 3, approving the company's accounts and the Board's dividend proposal, EUR 1.10 per share. The meeting also changed the company's name back to Huhtamäki Oyj, authorized the Board of Directors to launch a share repurchase program covering up to 5% of the company shares in issue within a year, and amended the pricing mechanism for B and C options in the company's Option Rights 2000 program.

The Board of Directors was re-elected with the exception of Mr Heikki Marttinen, who was no longer available. The Finnish Cultural Foundation nominated CEO Timo Peltola as his successor. Thus, the Board consisted of the following persons: Veli Sundbäck (Chairman), Paavo Hohti (Vice Chairman), Ivar Samrén (Vice Chairman), Jean Philippe Deschamps, Harry Leliveld, Mikael Lilius, Timo Peltola, Anthony J.B. Simon and Jukka Viinanen. Messrs. Samrén and Leliveld resigned on September 11, after Stichting Van Leer Group Foundation had sold its Huhtamäki shares to Huhtamäki Finance B.V.

Extraordinary Shareholders' Meeting Lowered Share Capital

An extraordinary shareholders' meeting was held on October 10, to decide on the lowering of the company's share capital by EUR 20.985 million to EUR 86.033 million through invalidating the 6,172,015 own shares, corresponding to 19.6% of the equity, that had come to the company's possession.

1,573,798 shares or 5.0% of the shares outstanding had been acquired in public trading via the Helsinki Exchanges between April 11 and August 17. The total price paid for the shares was EUR 47.9 million, corresponding to an average price of EUR 30.44 per share. 4,598,217 shares, representing 14.6% of the share capital, were acquired from Stichting Van Leer Group Foundation on September 11 by Huhtamäki

Finance B.V., the wholly owned Dutch subsidiary of Huhtamäki Oyj. The price was EUR 34.59 per share, equal to the trade-weighted average price on Helsinki Exchanges for the two weeks preceding September 7. The total consideration thus amounted to EUR 159.1 million. The lowering of the share capital was entered to the Finnish Trade Registered on October 17.

Certain related amendments were adopted in the company's Articles of Association. The minimum share capital was lowered to EUR 80 million. The Board of Directors now consists of a minimum of six and a maximum of nine members. The right of the Finnish Cultural Foundation together with its affiliate association, and of Stichting Van Leer Group Foundation to nominate one or two Boards members each was removed, as their mutual shareholders' agreement was no longer in force.

Ownership Structure

On September 11, Stichting Van Leer Group Foundation sold its Huhtamäki shares, 14.6% of the total outstanding, to Huhtamäki Finance B.V. This left the Finnish Cultural Foundation alone as the company's largest shareholder. The Foundation, together with its affiliate association, held 18.2% of the equity at year-end. Foreign shareholding amounted to 21.7% of the equity. The company had 15,669 registered shareholders, marginally less than at the end of 2000.

Share developments

Share prices, EUR

| | |
|-------------|------------|
| January 2 | 29.44 |
| February 21 | 24.50 low |
| October 11 | 37.00 high |
| December 28 | 35.50 |

Having strengthened sharply in the last weeks of December 2000, the Huhtamäki share opened the year to a decline. Market confidence returned in late February, whereafter an upward trend was evident during the rest of the year. The swing from the year's lowest to highest price was 51.6%, whereas the increase from the first to the last trading day was a more moderate 20.6%. Nevertheless, the

share overperformed the HEX all-share index by almost 80%.

The average daily trading volume for the share on HEX increased by over 70% to 41,500 shares. The figure was boosted by the share repurchase program active from mid-April to mid-August, but volumes remained brisk during the rest of the year as well. At the company's request, the share was de-listed from the EuroNext Amsterdam (formerly AEX) exchange on February 16 due to insignificant volumes.

Corporate Structure

The sale of the Van Leer industrial packaging division to the U.S. company Greif Bros. Corporation was completed on March 3. The final consideration was USD 555 million, including debt and other liabilities assumed by the buyer. The other divested units included molded fiber business in India (April), Keyes S.p.a., the Italian molded fiber operation (July); U.S. molded fiber fruit packaging business (July), and SAF Plastics, a Turkish flexible packaging unit (November). In each case, the buyer was a private investor group. The combined annualized sales of these units amounted to EUR 54 million. Their aggregate profit contribution was negative.

Executive Appointments

Mr. Kalle Tanhuanpää, a former Huhtamaki executive, was appointed Chief Marketing Officer and Executive Committee Member from the beginning of 2002. From the same date, Mr. Matti Tikkakoski and Mr. Henk Koekoek switched roles in the Executive Committee, with the former becoming Chief Technology Officer and the latter Executive Vice President Europe. In August, Mr. Jan Lång was appointed Group Vice President South Europe and Mr. Joel Portnoj became Group Vice President Africa.

Personnel

At year-end, Huhtamaki had 16,417 employees, 6,681 less than at the end of 2000. The reduction mainly reflects the sale of the industrial packaging operations. The divested consumer packaging operations employed a

total of 510 employees, and various restructuring measures resulted in a net reduction of 800 employees. The average number of employees was 17,237, against 23,480 in 2000. The company had 73 factories and additional sales units in 35 countries at the end of 2001.

The parent company employed 751 people at year-end, comprising the Espoo Head Office (70) and the Finnish packaging operations (681). The respective annual average was 795 (752 in 2000).

The European Works Council (EWC), an information and discussion platform for employee representatives from within EEA (European Economic Area), had its first official meeting during the year.

The Outlook For 2002

In 2002, Huhtamaki will pursue further efficiency improvements, foster innovation across the company and strengthen customer relationships. A cautious market recovery now appears to be in sight, but the company's long-term volume growth target may again prove challenging. The positive momentum

in margins development will nevertheless continue, as further synergies and rationalization benefits will materialize from both past and pending projects. All such projects will be completed during the year.

A year-on-year decline of 14% in the average number of shares in issue will alone strengthen earnings per share significantly, and a new share buyback program is proposed to the Annual General Meeting. Capital expenditure will remain on the level of depreciation, contributing to a strong free cash flow. All told, Huhtamaki looks forward to another year of growth and profit improvement.

main countries of operation (ranked by net sales; employees in full-time equivalents)

| Country | Employees | Net sales, EUR million |
|-----------------|-----------|------------------------|
| USA | 3,202 | 749 |
| Germany | 2,620 | 477 |
| UK | 1,319 | 187 |
| France | 679 | 113 |
| Australia | 795 | 110 |
| Italy | 508 | 91 |
| The Netherlands | 350 | 87 |
| Finland | 714 | 81 |
| India | 1,135 | 61 |
| Brazil | 627 | 45 |

key exchange rates in euros

| | | 2001 | | 2000 | |
|---------------|-----|------------------|---------------|------------------|---------------|
| | | Income statement | Balance sheet | Income statement | Balance sheet |
| Australia | AUD | 0.5770 | 0.5787 | 0.6291 | 0.5963 |
| Brazil | BRL | 0.4755 | 0.4893 | 0.5924 | 0.5524 |
| UK | GBP | 1.6082 | 1.6434 | 1.6410 | 1.6023 |
| India | INR | 0.0237 | 0.0235 | 0.0241 | 0.0230 |
| South Africa | ZAR | 0.1295 | 0.0959 | 0.1564 | 0.1421 |
| United States | USD | 1.1166 | 1.1347 | 1.0824 | 1.0747 |

Annual accounts 2001

group income statement

| EUR million | 2001 | % | 2000 | % |
|-------------------------------------------------------------------------|----------------|--------------|---------|-------|
| Net sales (1) | 2,382.4 | 100.0 | 3,307.7 | 100.0 |
| Cost of goods sold | 1,821.9 | | 2,570.4 | |
| Gross profit | 560.4 | 23.5 | 737.3 | 22.3 |
| Sales and marketing | 117.1 | | 111.3 | |
| Administration costs | 132.3 | | 240.3 | |
| Other operating expenses | 182.4 | | 253.1 | |
| Other operating income | -49.7 | | -49.5 | |
| | 382.1 | | 555.2 | |
| Earnings before interest and taxes (2,3) | 178.3 | 7.5 | 182.1 | 5.5 |
| Net financial income/expense (4) | -49.2 | | -61.9 | |
| Gain/loss on equity of associated companies | +1.1 | | +0.9 | |
| Profit before exceptional items, minority interest and taxes | 130.3 | 5.5 | 121.1 | 3.7 |
| Taxes (6) | 36.6 | | 33.6 | |
| Minority interest | 6.6 | | 6.4 | |
| Net income | 87.1 | 3.7 | 81.1 | 2.5 |

group balance sheet

ASSETS

| EUR million | 2001 | % | 2000 | % |
|------------------------------------------------------------|----------------|--------------|----------------|--------------|
| FIXED ASSETS | | | | |
| Intangible assets (7) | | | | |
| Intangible rights | 0.4 | | 0.4 | |
| Goodwill | 626.8 | | 746.8 | |
| Other capitalised expenditure | 103.5 | | 28.1 | |
| | 730.7 | 27.5 | 775.3 | 21.4 |
| Tangible assets (7) | | | | |
| Land | 39.6 | | 60.7 | |
| Buildings and constructions | 235.6 | | 319.0 | |
| Machinery and equipment | 641.9 | | 779.8 | |
| Other tangible assets | 16.5 | | 12.3 | |
| Construction in progress and advance payments | 76.7 | | 105.1 | |
| | 1,010.3 | 38.1 | 1,276.9 | 35.2 |
| Other fixed assets | | | | |
| Shares and holdings (8,9) | 7.6 | | 189.3 | |
| Loans receivable | 4.7 | | 4.2 | |
| | 12.3 | 0.5 | 193.5 | 5.3 |
| CURRENT ASSETS | | | | |
| Inventories | | | | |
| Raw and packaging material | 84.8 | | 194.9 | |
| Work-in-process | 45.7 | | 53.1 | |
| Finished goods | 155.0 | | 204.1 | |
| Advance payments | 2.4 | | 9.3 | |
| | 287.9 | 10.9 | 461.4 | 12.7 |
| Receivables (10) | | | | |
| Long-term | | | | |
| Deferred tax asset (18) | 93.0 | | 82.0 | |
| Other long-term receivables | 25.1 | | 23.7 | |
| | 118.1 | 4.4 | 105.7 | 2.9 |
| Short-term | | | | |
| Trade receivables | 362.3 | | 535.9 | |
| Loans receivable | 6.9 | | 39.9 | |
| Accrued income and other short-term receivables (10,19) | 103.9 | | 204.6 | |
| | 473.2 | 17.9 | 780.4 | 21.6 |
| Marketable securities | | | | |
| | 2.9 | 0.1 | 1.0 | |
| Cash and bank | | | | |
| | 15.2 | 0.6 | 33.4 | 0.9 |
| | 2,650.8 | 100.0 | 3,627.6 | 100.0 |

LIABILITIES AND EQUITY

| EUR million | 2001 | % | 2000 | % |
|----------------------------------------------|----------------|--------------|-------------|----------|
| Shareholders' equity (14,15) | | | | |
| Share capital | 86.0 | | 107.0 | |
| Premium fund | 343.5 | | 339.5 | |
| Consolidation difference | 76.1 | | 71.8 | |
| Retained earnings – transferred | – | | | |
| from untaxed reserves | 37.0 | | 42.1 | |
| Retained earnings available for distribution | 244.9 | | 391.0 | |
| Net income for the period | 87.1 | | 81.1 | |
| | 874.6 | 33.0 | 1,032.5 | 28.5 |
| Minority interest | 80.4 | 3.0 | 85.9 | 2.4 |
| Liabilities | | | | |
| Long-term | | | | |
| Loans from financial institutions (11) | 570.2 | | 798.8 | |
| Pension loans (11) | 0.2 | | 0.9 | |
| Deferred tax liability (18) | 162.4 | | 167.7 | |
| Other long-term liabilities (12) | 135.0 | | 206.3 | |
| | 867.9 | 32.7 | 1,173.7 | 32.4 |
| Short-term | | | | |
| Loans from financial institutions (11) | 360.4 | | 641.7 | |
| Trade payables (13) | 213.5 | | 295.0 | |
| Accrued expenses (13,20) | 180.9 | | 269.1 | |
| Other short-term liabilities (13) | 73.1 | | 129.7 | |
| | 827.9 | 31.2 | 1,335.5 | 36.8 |
| | 2,650.8 | 100.0 | 3,627.6 | 100.0 |

group cash flow statement

| EUR million | 2001 | 2000 |
|---------------------------------------------|---------------|---------------|
| EBIT | 178.3 | 182.1 |
| Depreciation | 156.1 | 194.8 |
| Gain/Loss on disposal of assets | -5.6 | -3.4 |
| Dividend from associated companies | 1.0 | 0.3 |
| Change in inventory | 60.4 | -75.4 |
| Change in non-interest bearing receivables | 33.3 | -97.5 |
| Change in non-interest bearing payables | -46.0 | -39.7 |
| Net financial income/expense | -50.2 | -54.7 |
| Taxes | -19.4 | -29.6 |
| Cash flows from operating activities | 307.9 | 76.9 |
| Capital expenditure | -175.7 | -179.0 |
| Change in other investments | -0.4 | -2.5 |
| Proceeds from selling fixed assets | 19.9 | 20.9 |
| Acquired subsidiaries | - | -252.7 |
| Divested subsidiaries | 327.5 | 153.4 |
| Change in long-term deposits | -1.1 | 11.2 |
| Change in short-term deposits | -7.7 | -31.9 |
| Cash flows from investing activities | 162.5 | -280.6 |
| Change in long-term loans | -162.8 | 30.2 |
| Change in short-term loans | -82.2 | 199.8 |
| Dividends paid | -34.6 | -33.1 |
| Proceeds from share issues | -207.0 | - |
| Cash flows from financing activities | -486.6 | 196.9 |
| Change in liquid assets | -16.2 | -6.8 |
| Liquid assets on January 1, 2001 | 34.4 | 41.2 |
| Liquid asset on December 31, 2001 | 18.2 | 34.4 |

parent company income statement

| EUR million | 2001 | % | 2000 | % |
|-------------------------------------------------------------|--------------|-------|-------|-------|
| Net sales (1) | 102.6 | 100.0 | 95.8 | 100.0 |
| Cost of goods sold | 72.7 | | 67.3 | |
| Gross profit | 29.9 | 29.1 | 28.5 | 29.8 |
| Sales and marketing | 8.1 | | 6.8 | |
| Administration costs | 14.7 | | 19.1 | |
| Other operating expenses | 9.0 | | 7.5 | |
| Other operating income | -39.1 | | -35.9 | |
| | -7.3 | | -2.5 | |
| Earnings before interest and taxes (2,3) | 37.2 | 36.2 | 31.0 | 32.3 |
| Net financial income/expense (4) | 909.1 | | -43.1 | |
| Profit before exceptional items | 946.3 | 921.9 | -12.1 | -12.6 |
| Exceptional income (5) | 4.0 | | 8.2 | |
| Exceptional expense (5) | -0.5 | | -3.2 | |
| Profit before appropriations and taxes | 949.8 | 925.4 | -7.1 | -7.4 |
| Depreciation difference, (-) increase, (+) decrease | +2.1 | | +2.5 | |
| Change in voluntary reserves, (-) increase, (+) decrease | +5.1 | | - | |
| Taxes (6) | 6.4 | | - | |
| Net income | 950.7 | 926.2 | -4.6 | -4.8 |

parent company balance sheet

ASSETS

| EUR million | 2001 | % | 2000 | % |
|-----------------------------------------------|---------|-------|---------|-------|
| FIXED ASSETS | | | | |
| Intangible assets (7) | | | | |
| Intangible rights | 0.3 | | 0.3 | |
| Other capitalised expenditure | 17.0 | | 19.6 | |
| | 17.3 | 0.9 | 19.9 | 1.1 |
| Tangible assets (7) | | | | |
| Land | 0.5 | | 0.5 | |
| Buildings and constructions | 25.5 | | 32.6 | |
| Machinery and equipment | 31.3 | | 31.5 | |
| Other tangible assets | 2.1 | | 0.4 | |
| Construction in progress and advance payments | 6.1 | | 1.8 | |
| | 65.6 | 3.5 | 66.8 | 3.8 |
| Other fixed assets | | | | |
| Shares and holdings (8,9) | 1,751.2 | | 1,624.8 | |
| Loans receivable | 3.3 | | 6.0 | |
| | 1,754.6 | 92.5 | 1,630.8 | 91.6 |
| CURRENT ASSETS | | | | |
| Inventories | | | | |
| Raw and packaging material | 2.7 | | 2.9 | |
| Work-in-process | 0.4 | | 0.6 | |
| Finished goods | 8.6 | | 8.3 | |
| | 11.7 | 0.6 | 11.8 | 0.7 |
| Receivables (10) | | | | |
| Long-term | | | | |
| Loans receivable | 4.4 | | 4.1 | |
| Other long-term receivables | 0.1 | | 0.1 | |
| | 4.5 | 0.2 | 4.2 | 0.2 |
| Short-term | | | | |
| Trade receivables | 12.7 | | 11.8 | |
| Loans receivable | – | | 0.3 | |
| Accrued income (19) | 26.9 | | 32.3 | |
| | 39.6 | 2.1 | 44.4 | 2.5 |
| Cash and bank | | | | |
| | 2.8 | 0.1 | 1.8 | 0.1 |
| | 1,896.1 | 100.0 | 1,779.7 | 100.0 |

LIABILITIES AND EQUITY

| EUR million | 2001 | % | 2000 | % |
|----------------------------------------------------|----------------|--------------|-------------|----------|
| Shareholders' equity (14,15) | | | | |
| Share capital | 86.0 | | 107.0 | |
| Premium fund | 343.5 | | 322.6 | |
| Retained earnings available for distribution | -31.0 | | 220.0 | |
| Net income for the period | 950.7 | | -4.6 | |
| | 1,349.2 | 71.2 | 645.0 | 36.3 |
| Untaxed reserves | 52.0 | 2.7 | 59.3 | 3.3 |
| Liabilities | | | | |
| Long-term | | | | |
| Pension loans (11) | 0.2 | | 0.9 | |
| | 0.2 | 0.0 | 0.9 | 0.0 |
| Short-term | | | | |
| Trade payables (13) | 5.8 | | 5.4 | |
| Accrued expenses (13,20) | 11.1 | | 20.9 | |
| Other short-term liabilities (13) | 477.7 | | 1,048.2 | |
| | 494.6 | 26.1 | 1,074.5 | 60.4 |
| | 1,896.1 | 100.0 | 1,779.7 | 100.0 |
| Total retained earnings available for distribution | 919.6 | | 215.5 | |

parent company cash flow statement

| EUR million | 2001 | 2000 |
|---------------------------------------------|---------------|--------------|
| EBIT | 37.2 | 31.0 |
| Depreciation | 8.1 | 8.0 |
| Gain/Loss on disposal of assets | | 0.1 |
| Change in inventory | 0.2 | -2.0 |
| Change in non-interest bearing receivables | 0.5 | -17.5 |
| Change in non-interest bearing payables | 1.1 | -12.6 |
| Net financial income/expense | -33.3 | -40.7 |
| Taxes | -0.1 | 5.3 |
| Exceptional income/expense | 2.5 | 1.2 |
| Cash flows from operating activities | 16.2 | -27.2 |
| Capital expenditure | -11.6 | -6.5 |
| Change in other investments | | - |
| Proceeds from selling fixed assets | 7.2 | 0.5 |
| Acquired subsidiaries | -126.7 | -1.3 |
| Divested subsidiaries | 1.1 | - |
| Change in long-term deposits | 2.4 | 1.8 |
| Change in short-term deposits | -0.2 | 18.5 |
| Cash flows from investing activities | -127.8 | 13.0 |
| Change in long-term loans | -0.6 | - |
| Change in short-term loans | -576.7 | 46.9 |
| Dividends | 932.2 | |
| Dividends paid | -34.6 | -33.1 |
| Proceeds from share issues | -207.7 | - |
| Cash flows from financing activities | 112.6 | 13.8 |
| Change in liquid assets | 1.0 | -0.4 |
| Liquid assets on January 1, 2000 | 1.8 | 2.2 |
| Liquid assets on December 31, 2000 | 2.8 | 1.8 |

Accounting principles

The financial statements of Huhtamäki Oyj and its subsidiaries have been prepared according to Finnish Accounting Standards (FAS). In the consolidated financial statements FAS enables the compliance with accounting principles that are fundamentally in accordance with International Accounting Standards (IAS). The financial statements have been prepared in Euros on the basis of historical costs and do not take into account increases in the market value of assets, unless otherwise stated.

Consolidation principles

Acquired companies have been consolidated according to the purchase method. The difference between the acquisition cost and the subsidiary's equity at the time of acquisition has been allocated, where applicable, to the underlying assets and depreciated accordingly. The remainder of the difference is shown as goodwill on consolidation and amortized according to plan.

The consolidated financial statements include the parent company Huhtamäki Oyj and all subsidiaries where at least 50% of a subsidiary's voting power is controlled directly or indirectly by the parent company, or the parent company is otherwise in control of the company.

Subsidiaries acquired during the financial year are included in the consolidated financial statements from the date of their acquisition and subsidiaries sold are included up to their date of sale.

The financial statements of subsidiaries located in hyperinflationary economies have been locally adjusted for the effects of inflation. These adjustments are included in the consolidation.

All inter-company transactions, receivables, liabilities and unrealized

profits, as well as distribution of profits within the group, are eliminated. Minority interests are separated from the net income and equity. They are shown as a separate item.

Foreign currency

Foreign currency transactions are recorded according to the exchange rates prevailing on the transaction date. Trade receivables and payables are revalued at the rate of exchange on the balance sheet date. Exchange rate differences arising from translation of trade receivables are recorded under net sales, and exchange rate differences on trade payables under costs and expenses. Exchange rate differences on translation of financial items, such as loans and deposits, are entered under financial income and expenses.

In the consolidated financial statements, in regard to the shareholders' equity, translation differences due to exchange rate fluctuations have been recorded as a separate component of equity. A similar treatment is applied to intra-group permanent loans, which due to their conditions have the character of equity.

The income statements of all foreign subsidiaries have been translated into euros at the average annual exchange rate and the balance sheets at the year-end exchange rate.

Derivative instruments

Foreign exchange forward contracts and options are used for hedging the Group's currency position. Foreign exchange forwards are marked-to-market at the rate of exchange on the balance sheet date and recorded in the income statement as an adjustment of sales and purchases only to the extent they relate to balance sheet items being hedged.

The revaluation differences of forwards used for hedging forecasted cash flows are booked to the balance sheet as accruals. Foreign currency options are marked-to-market and booked to the income statement.

Foreign exchange forward contracts used for hedging financial items, such as loans and deposits, are marked-to-market and booked to other financial income and expense.

The group manages its interest rate risks using forward rate agreements, interest rate swaps and options. Interest income or expenses deriving from such instruments are accrued over the contract period. Interest rate derivative instruments not used for hedging purposes are marked-to-market on the balance sheet date and the gain/loss is recorded in the income statement.

Goodwill and other intangible assets

Goodwill and other intangible assets are amortized on a systematic basis over their estimated useful life. The period of amortization does not exceed 20 years.

Tangible assets

Items of property, plant and equipment are stated at historical cost and are depreciated using the straight line method over their estimated useful lives. Freehold land is not depreciated. Land use rights are depreciated over the agreement period.

The periods of depreciation used (years):

- buildings and other structures 20–40
- machinery and equipment 5–15
- other tangible assets 3–12

Leases of plant and equipment under which the Group assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases.

Investments

Investments classified as current assets are carried at market value. Any increases or decreases in carrying values are credited or charged to financial income.

Investments classified as long-term assets are carried at cost, less amounts written off to recognize permanent declines in the value of the investment. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to income.

Investments in subsidiaries are carried at cost in the balance sheet of the parent company in accordance with the valuation policy applied to long-term investments. A listing of the Group's significant subsidiaries is set out in note 8.

Investments in associated companies are carried in parent company's balance sheet in accordance with the valuation policy applied to long-term investments noted above and in Group's balance sheet under equity method. Jointly owned companies are accounted for according to the share of ownership. An associated company is one in which Huhtamaki holds, directly or indirectly, between 20% and 50% of the voting power of the company. A listing of the Group's associates is set out in note 9.

Inventories

Inventories are stated at the lower of cost, replacement cost or net realizable value. Cost for purchased inventories represent historic purchase price determined on the "first in first out" (FIFO) basis.

Cost for produced finished goods and work in process represent the historic purchase price of materials, determined on a first in first out basis, plus direct labor, other direct costs and related production overheads excluding selling and financial costs.

Income taxes

The Group income statement includes income taxes of Group companies based on taxable profit for the financial period according to local tax regulations as well as adjustments to prior year taxes and deferred taxes.

Deferred taxes

Deferred tax arising from timing differences between book and fiscal valuation of net income is calculated applying the standard tax rate applicable at the balance sheet date or the tax rate at when the tax is going to be paid. Deferred tax debits are only carried forward if there is a reasonable expectation of realization.

In the consolidated balance sheet accumulated depreciation difference and untaxed reserves (appropriations) have been divided into equity and deferred tax as well as deferred tax arising from movements on untaxed reserves during the financial year have been taken into account in net income.

Revenue recognition

Revenue is recognized at the date of delivery. Net sales is calculated after deduction of sales discounts, indirect sales taxes and exchange differences on sales in foreign currencies.

Research and development

Research and development costs are charged as an expense in the income statement in the period in which they are incurred without exception.

Pensions and other post retirement benefits

The Group companies have various pension plans in accordance with local conditions and practices. Contributions are based on periodic actuarial valuations and are charged against profits. The plans are covered according to local conditions and practices.

Some US based Group companies provide for certain post retirement health care and life insurance benefits. Unfunded part of the plans is recorded in the balance sheet as a liability.

Other operating income and expenses

Other operating income includes gains from disposal of assets and regular income, such as royalty and rental income, which have not been derived from primary activities.

Other operating expenses include losses from disposal of assets and other costs not directly related to end product such as R&D.

Extraordinary income and expenses

Extraordinary income and expenses include items which fall outside the ordinary activities of the company, e.g. items related to major divestments or restructuring operations.

Cash flow statement

Cash flow statement illustrates cash in- and outflows arising from operations, investments and financing. In the investments, acquisitions and divestments are valued at the purchase price of shares. Assets and liabilities of the acquired/divested company are neither included in the change in working capital, net investments nor financing in the cash flow statement.

1. NET SALES

| EUR million | GROUP | | PARENT COMPANY | |
|--------------------------------------|----------------|----------------|----------------|-------------|
| | 2001 | 2000 | 2001 | 2000 |
| Net sales by categories: | | | | |
| Consumer Goods | 1,295.7 | 1,283.5 | 27.3 | 24.8 |
| Food Service (including Fresh Foods) | 1,086.7 | 994.5 | 75.3 | 71.0 |
| Consumer Total | 2,382.4 | 2,278 | 102.6 | 95.8 |
| Discontinued operations | - | 1,029.7 | - | - |
| Total | 2,382.4 | 3,307.7 | 102.6 | 95.8 |

| EUR million | GROUP | | PARENT COMPANY | |
|-------------------------|----------------|----------------|----------------|-------------|
| | 2001 | 2000 | 2001 | 2000 |
| Net sales by region: | | | | |
| Europe | 1,179.1 | 1,202.5 | 102.6 | 95.8 |
| Americas | 825.7 | 624.5 | - | - |
| Asia-Oceania-Africa | 377.6 | 451.0 | - | - |
| Discontinued operations | - | 1,029.7 | - | - |
| Total | 2,382.4 | 3,307.7 | 102.6 | 95.8 |

2. PERSONNEL COSTS

| EUR million | GROUP | | PARENT COMPANY | |
|-----------------------|--------------|--------------|----------------|-------------|
| | 2001 | 2000 | 2001 | 2000 |
| Wages and salaries | 428.0 | 568.6 | 23.8 | 21.4 |
| Pension costs | 17.9 | 23.5 | 3.4 | 3.2 |
| Other personnel costs | 90.5 | 138.9 | 2.2 | 2.0 |
| Total | 536.4 | 731.0 | 29.4 | 26.6 |

The above amounts are on an accrual basis. Remuneration paid by the parent company to the members of the Board of Directors as well as the Managing Director of Huhtamäki Oyj (10 people) amounted to EUR 0.9 million. The Managing Director of Huhtamäki Oyj is entitled to retirement at the age of 60.

| Personnel (average) | GROUP | | PARENT COMPANY | |
|---------------------|--------|--------|----------------|------|
| | 2001 | 2000 | 2001 | 2000 |
| | 17,237 | 23,480 | 795 | 752 |

3. DEPRECIATION AND AMORTIZATION

| EUR million | GROUP | | PARENT COMPANY | |
|---------------------------|--------------|--------------|----------------|------------|
| | 2001 | 2000 | 2001 | 2000 |
| Depreciation by function: | | | | |
| Production | 103.8 | 138.3 | 3.8 | 3.5 |
| Sales and marketing | 0.5 | 1.0 | 0.3 | 0.3 |
| Administration | 5.0 | 8.0 | 0.9 | 0.8 |
| Other | 46.8 | 47.4 | 3.1 | 3.4 |
| Total depreciation | 156.1 | 194.7 | 8.1 | 8.0 |

| | | | | |
|-----------------------------|--------------|--------------|------------|------------|
| Depreciation by asset type: | | | | |
| Land, Buildings | 10.9 | 18.8 | 0.7 | 0.9 |
| Machinery and equipment | 99.9 | 130.3 | 4.2 | 4.0 |
| Goodwill | 38.6 | 42.2 | - | - |
| Other intangible assets | 6.7 | 3.4 | 3.2 | 3.1 |
| Total depreciation | 156.1 | 194.7 | 8.1 | 8.0 |

4. FINANCIAL INCOME/EXPENSE

| EUR million | GROUP | | PARENT COMPANY | |
|-------------------------------------------|--------------|--------------|----------------|--------------|
| | 2001 | 2000 | 2001 | 2000 |
| Interest income | 10.7 | 16.0 | - | - |
| Intercompany interest income | - | - | 5.9 | 4.7 |
| Dividend income | 2.7 | 8.7 | - | - |
| Dividend income from subsidiaries | - | - | 931.3 | - |
| Dividend income from associated companies | - | - | 0.8 | 0.5 |
| Other financial income | 2.4 | 2.1 | 1.6 | 0.4 |
| Interest expense | -61.5 | -85.8 | - | - |
| Intercompany interest expense | - | - | -30.5 | -48.4 |
| Other financial expense | -3.5 | -2.9 | 0.1 | -0.2 |
| Total | -49.2 | -61.9 | 909.1 | -43.0 |

5. EXCEPTIONAL ITEMS

| EUR million | GROUP | | PARENT COMPANY | |
|--------------------------|-------|------|----------------|------|
| | 2001 | 2000 | 2001 | 2000 |
| Exceptional income | - | - | - | - |
| Exceptional expense | - | - | -0.5 | -3.2 |
| Group contributions, net | - | - | 4.0 | 8.2 |
| Total | - | - | 3.5 | 5.0 |

The parent company exceptional expense comprises of structural changes within the group, that have been eliminated on the group level.

6. TAXES

| EUR million | GROUP | | PARENT COMPANY | |
|----------------|-------|-------|----------------|------|
| | 2001 | 2000 | 2001 | 2000 |
| Ordinary taxes | -35.3 | -25.7 | -6.4 | - |
| Deferred taxes | -1.3 | -7.9 | - | - |
| Total | -36.6 | -33.6 | -6.4 | - |

7. FIXED ASSETS

| EUR million | GROUP | | PARENT COMPANY | |
|------------------------------------------------|-------|-------|----------------|------|
| | 2001 | 2000 | 2001 | 2000 |
| Intangible rights | | | | |
| Acquisition cost at January 1 | 1.0 | 1.1 | 0.4 | 0.4 |
| Additions | - | 0.5 | - | - |
| Disposals | 0.5 | -0.1 | - | - |
| Intra-balance sheet transfer | - | -0.5 | - | - |
| Changes in exchange rates | -0.4 | - | - | - |
| Acquisition cost at December 31 | 1.1 | 1.0 | 0.4 | 0.4 |
| Accumulated amortization at January 1 | 0.6 | 0.6 | 0.1 | 0.1 |
| Accum. amortization on decreases and transfers | 0.2 | -0.3 | - | - |
| Accumulation during the financial year | 0.2 | 0.3 | - | - |
| Changes in exchange rates | -0.3 | - | - | - |
| Accumulated amortization at December 31 | 0.7 | 0.6 | 0.1 | 0.1 |
| Book value at December 31 | 0.4 | 0.4 | 0.3 | 0.3 |
| Goodwill | | | | |
| Acquisition cost at January 1 | 834.0 | 847.0 | - | - |
| Additions | 0.3 | 13.4 | - | - |
| Disposals | -87.6 | -33.3 | - | - |
| Intra-balance sheet transfer | - | - | - | - |
| Changes in exchange rates | 5.3 | 6.9 | - | - |
| Acquisition cost December 31 | 752.0 | 834.0 | - | - |
| Accumulated amortization at January 1 | 87.2 | 45.5 | - | - |
| Accum. amortization on decreases and transfers | -0.5 | -0.1 | - | - |
| Amortization during the financial year | 37.7 | 42.2 | - | - |
| Changes in exchange rates | 0.9 | -0.4 | - | - |
| Accumulated amortization at December 31 | 125.3 | 87.2 | - | - |
| Book value at December 31 | 626.7 | 746.8 | - | - |
| Other capitalised expenditure | | | | |
| Acquisition cost at January 1 | 40.9 | 13.5 | 30.2 | 30.0 |
| Additions | 82.5 | 21.3 | 0.6 | 0.2 |
| Disposals | -4.5 | -0.6 | - | - |
| Intra-balance sheet transfer | 2.5 | 7.3 | - | - |
| Changes in exchange rates | 2.3 | -0.6 | - | - |
| Acquisition cost at December 31 | 123.9 | 40.9 | 30.8 | 30.2 |

| EUR million | GROUP | | PARENT COMPANY | |
|-------------------------------------------------------------------------------|---------|---------|----------------|------|
| | 2001 | 2000 | 2001 | 2000 |
| Accumulated amortization at January 1 | 12.8 | 7.0 | 10.6 | 7.5 |
| Accum. amortization on decreases and transfers | -0.3 | 2.9 | - | - |
| Amortization during the financial year | 7.3 | 3.1 | 3.2 | 3.1 |
| Changes in exchange rates | 0.6 | -0.2 | - | - |
| Accumulated amortization at December 31 | 20.4 | 12.8 | 13.8 | 10.6 |
| Book value at December 31 | 103.5 | 28.1 | 17.0 | 19.6 |
| Land and land use rights | | | | |
| Acquisition cost at January 1 | 61.7 | 63.2 | 0.5 | 0.9 |
| Additions | 0.3 | 3.0 | - | - |
| Disposals | -21.7 | -4.9 | - | -0.4 |
| Intra-balance sheet transfer | 0.2 | 0.1 | - | - |
| Changes in exchange rates | 0.1 | 0.3 | - | - |
| Acquisition cost at December 31 | 40.6 | 61.7 | 0.5 | 0.5 |
| Accumulated amortization at January 1 | 1.0 | 0.6 | - | - |
| Accum. amortization on decreases and transfers | -0.3 | - | - | - |
| Amortization during the financial year | 0.2 | 0.4 | - | - |
| Changes in exchange rates | 0.1 | - | - | - |
| Accumulated amortization at December 31 | 1.0 | 1.0 | - | - |
| Book value at December 31 | 39.6 | 60.7 | 0.5 | 0.5 |
| Buildings and constructions | | | | |
| Acquisition cost at January 1 | 391.3 | 371.1 | 63.0 | 62.8 |
| Additions | 32.6 | 15.1 | 0.3 | 0.4 |
| Disposals | -157.0 | -38.1 | -13.6 | -0.2 |
| Intra-balance sheet transfer | 9.1 | 41.3 | - | - |
| Changes in exchange rates | 2.6 | 1.9 | - | - |
| Acquisition cost at December 31 | 278.6 | 391.3 | 49.7 | 63.0 |
| Accumulated depreciation at January 1 | 72.3 | 61.8 | 30.4 | 29.5 |
| Accum. depreciation on decreases and transfers | -42.3 | -6.0 | -6.9 | -0.1 |
| Depreciation during the financial year | 12.0 | 18.4 | 0.7 | 1.0 |
| Changes in exchange rates | 1.0 | -1.9 | - | - |
| Accumulated depreciation at December 31 | 43.0 | 72.3 | 24.2 | 30.4 |
| Book value at December 31 | 235.6 | 319.0 | 25.5 | 32.6 |
| Revaluation of buildings and constructions (included in the above figures) | 2.4 | 6.7 | 2.4 | 6.7 |
| Machinery and equipment | | | | |
| Acquisition cost at January 1 | 1,143.3 | 1,100.9 | 72.3 | 66.6 |
| Additions | 121.4 | 101.4 | 5.4 | 6.4 |
| Disposals | -406.7 | -105.2 | -2.0 | -0.7 |
| Intra-balance sheet transfer | 65.0 | 28.2 | -5.5 | - |
| Changes in exchange rates | -26.1 | 18.0 | - | - |
| Acquisition cost at December 31 | 896.9 | 1,143.3 | 70.2 | 72.3 |
| Accumulated depreciation at January 1 | 363.5 | 276.1 | 40.8 | 37.3 |
| Accum. depreciation on decreases and transfers | -169.9 | -42.7 | -5.4 | -0.5 |
| Depreciation during the financial year | 100.0 | 124.8 | 3.5 | 4.0 |
| Changes in exchange rates | -38.6 | 5.3 | - | - |
| Accumulated depreciation at December 31 | 255.0 | 363.5 | 38.9 | 40.8 |
| Book value at December 31 | 641.9 | 779.8 | 31.3 | 31.5 |
| Other tangible assets | | | | |
| Acquisition cost at January 1 | 40.1 | 26.9 | 0.8 | 1.0 |
| Additions | 4.2 | 3.5 | 0.7 | - |
| Disposals | -4.8 | -3.1 | -0.1 | -0.2 |
| Intra-balance sheet transfer | 2.8 | 11.6 | 5.5 | - |
| Changes in exchange rates | 2.6 | 1.2 | - | - |
| Acquisition cost at December 31 | 44.9 | 40.1 | 6.9 | 0.8 |

| | | | | |
|------------------------------------------------|-------|-------|------|------|
| Accumulated depreciation at January 1 | 27.8 | 16.1 | 0.4 | 0.6 |
| Accum. depreciation on decreases and transfers | -4.9 | 4.9 | 3.7 | -0.2 |
| Depreciation during the financial year | 5.8 | 5.8 | 0.7 | - |
| Changes in exchange rates | -0.3 | 1.0 | - | - |
| Accumulated depreciation at December 31 | 28.4 | 27.8 | 4.8 | 0.4 |
| Book value at December 31 | 16.5 | 12.3 | 2.1 | 0.4 |
| Construction in progress and advance payments | | | | |
| Acquisition cost at January 1 | 105.1 | 116.3 | 1.8 | 2.1 |
| Additions | 86.2 | 80.1 | 10.4 | 6.3 |
| Disposals | -43.3 | -7.8 | -6.1 | -6.6 |
| Intra-balance sheet transfer | -77.8 | -88.2 | - | - |
| Changes in exchange rates | 6.5 | 4.7 | - | - |
| Acquisition cost at December 31 | 76.7 | 105.1 | 6.1 | 1.8 |

8. INVESTMENT IN SUBSIDIARIES

The list contains operative companies, holding companies and other subsidiaries with sufficient assets. A complete statutory list is enclosed in the official statutory accounts, which may be obtained from the company on request. Foreign subsidiaries' nominal values are expressed in local currency (1,000). Subsidiaries' book values are expressed in holding company's currency (1,000).

Huhtamaki Oyj's shareholding in subsidiaries:

| Name | Number of shares | Size of holding % | | Nominal value | | Book value | Group holding % |
|----------------------------------------------|------------------|-------------------|-----|---------------|-----|------------|-----------------|
| Huhtamaki Finance B.V. | 4,900,713 | 100.0 | NLG | 490,071 | EUR | 1,712,765 | 100.0 |
| Huhtamaki Portugal S.G.P.S., Lda | 2 | 100.0 | PTE | 50,400 | EUR | 1,975 | 100.0 |
| Huhtamaki Finance Oy | 50 | 100.0 | EUR | 8,409 | EUR | 8,409 | 100.0 |
| Pacific World Packaging (International) Ltd. | 182,502 | 100.0 | HDK | 183 | EUR | 9,512 | 100.0 |
| Partner Polarcup Oy | 78,694 | 100.0 | EUR | 13,236 | EUR | 13,236 | 100.0 |
| Huhtamaki Argentina S.A. | 1,400,000 | 91.2 | ARS | 1,400 | EUR | 1,803 | 100.0 |
| Huhtamaki Hungary Kft | 1 | 100.0 | HUF | 51,060 | EUR | 339 | 100.0 |

Subsidiary shares owned by Huhtamaki Finance B.V.:

| | | | | | | | |
|--------------------------------------------------|------------|-------|-----|---------------|-----|---------|-------|
| Huhtamaki Istanbul Sanayi A.S. | 1,650,000 | 100.0 | TRL | 1,650,000,000 | EUR | 25,201 | 100.0 |
| Huhtamaki Holdings Pty Ltd | 43,052,750 | 100.0 | AUD | 43,053 | EUR | 1,715 | 100.0 |
| Huhtamaki (NZ) Holdings Ltd | 13,920 | 100.0 | NZD | 12,250 | EUR | 2,637 | 100.0 |
| Huhtamaki Anglo Holding Unlimited | 64,000,001 | 100.0 | GBP | 64,000 | EUR | 102,597 | 100.0 |
| Huhtamaki Finance B.V.Y. Cia.Sociedada Colectiva | - | 99.9 | EUR | 6,003 | EUR | 6,000 | 100.0 |
| Huhtamaki Finance Co I B.V. | 200 | 100.0 | EUR | 20 | EUR | 241,623 | 100.0 |
| Huhtamaki Holdings France S.A.R.L | 489,668 | 100.0 | FRF | 7,467 | EUR | 7,726 | 100.0 |
| Huhtamaki (Norway) Holdings A/S | 28,459 | 100.0 | NOK | 28,459 | EUR | 3,470 | 100.0 |
| Huhtamaki Sweden Holding AB | 1,000 | 100.0 | SEK | 100 | EUR | 4,387 | 100.0 |
| Huhtamaki Egypt LLC | 6,000 | 75.0 | EGP | 6,000 | EUR | 2,024 | 75.0 |
| Huhtamaki South Africa (Pty) Ltd. | 167,661 | 100.0 | ZAR | 335 | EUR | 1,774 | 100.0 |
| Huhtamaki S.p.A | 20,020,000 | 100.0 | ITL | 10,410 | EUR | 34,796 | 100.0 |
| Huhtamaki Singapore Pte. Ltd | 28,000 | 100.0 | SGD | 28,000 | EUR | 11,977 | 100.0 |

Subsidiary shares owned by Huhtamaki Pty. Ltd:

| | | | | | | | |
|-----------------------------|-----------|-------|-----|-------|-----|-------|-------|
| Huhtamaki Australia Limited | 9,241,702 | 100.0 | AUD | 9,242 | AUD | 9,242 | 100.0 |
|-----------------------------|-----------|-------|-----|-------|-----|-------|-------|

Subsidiary shares owned by Huhtamaki (NZ) Holdings Ltd:

| | | | | | | | |
|---------------------------|---------|------|-----|-----|-----|--------|-------|
| Huhtamaki (Henderson) Ltd | 195,700 | 97.5 | NZD | 391 | NZD | 28,493 | 100.0 |
|---------------------------|---------|------|-----|-----|-----|--------|-------|

Subsidiary shares owned by Huhtamaki Holdings France S.A.R.L.:

| | | | | | | | |
|-----------------------|--------|-------|-----|-------|-----|-------|-------|
| Huhtamaki France S.A. | 71,994 | 100.0 | FRF | 7,200 | FRF | 4,992 | 100.0 |
|-----------------------|--------|-------|-----|-------|-----|-------|-------|

Subsidiary shares owned by Huhtamaki Finance B.V.Y. Cia, Sociedada Colectiva:

| | | | | | | | |
|----------------------|---------|-------|-----|--------|-----|--------|-------|
| Huhtamaki Spain S.A. | 430,000 | 100.0 | EUR | 12,922 | EUR | 24,000 | 100.0 |
|----------------------|---------|-------|-----|--------|-----|--------|-------|

Subsidiary shares owned by Huhtamaki Anglo Holding Unlimited:

| | | | | | | | |
|---------------|------------|-------|-----|--------|-----|--------|-------|
| Huhtamaki Ltd | 51,928,202 | 100.0 | GBP | 51,928 | GBP | 87,000 | 100.0 |
|---------------|------------|-------|-----|--------|-----|--------|-------|

| Name | Number of shares | Size of holding % | | Nominal value | | Book value | Group holding % |
|--------------------------------------------------------------------------------|------------------|-------------------|-----|---------------|-----|------------|-----------------|
| Subsidiary shares owned by Huhtamaki Ltd: | | | | | | | |
| Huhtamaki (UK) Ltd | 11,000,004 | 100.0 | GBP | 11,000 | GBP | 25,513 | 100.0 |
| Subsidiary shares owned by Huhtamaki Norway A/S: | | | | | | | |
| Huhtamaki Norway A/S | 950 | 100.0 | NOK | 950 | NOK | 148,000 | 100.0 |
| Subsidiary shares owned by Huhtamaki Sweden Holding AB: | | | | | | | |
| Huhtamaki Sweden AB | 1,500 | 100.0 | SEK | 150 | SEK | 17,157 | 100.0 |
| Subsidiary shares owned by Partner Polarcup Oy: | | | | | | | |
| 000 Huhtamaki S.N.G. | 170,958,800 | 95.0 | RUR | 170,959 | EUR | 16,563 | 100.0 |
| Subsidiary shares owned by Huhtamaki Portugal S.G.P.S., Lda: | | | | | | | |
| Polarcup – Embalagens S.A. | 170,000 | 100.0 | PTE | 170,000 | PTE | 384,963 | 100.0 |
| Subsidiary shares owned by Pacific World Packaging (International) Ltd: | | | | | | | |
| Huhtamaki (Malaysia) Sdn. Bhd. | 21,999,999 | 100.0 | MYR | 22,000 | HKD | 45,915 | 100.0 |
| Huhtamaki Hong Kong Limited | 181,402 | 100.0 | HKD | 181 | HKD | 78,034 | 100.0 |
| Subsidiary shares owned by Huhtamaki Hong Kong Limited: | | | | | | | |
| Huhtamaki (Tianjin) Limited | 1 | 100.0 | CNY | 103,435 | HKD | 127,952 | 100.0 |
| Subsidiary shares owned by Huhtamaki Finance Co I B.V.: | | | | | | | |
| Huhtamaki Sp. Z.o.o. | 110,156 | 98.5 | PLN | 11,016 | EUR | 3,810 | 100.0 |
| Huhtamaki Consorcio Mexicana S.A. de C.V. | 130,994,500 | 96.9 | MXP | 130,995 | EUR | 18,746 | 100.0 |
| Huhtamaki Česká republika, a.s. | 1 | 100.0 | CZK | 111,215 | EUR | 5,389 | 100.0 |
| Huhtamaki France Investments Holding B.V. | 191 | 100.0 | EUR | 19 | EUR | 13,385 | 100.0 |
| Huhtamaki PT ASABA Indonesia | 11,250 | 50.0 | IDR | 2,679 | EUR | 1,094 | 50.0 |
| Huhtavefa B.V. | 180 | 100.0 | NLG | 18 | EUR | 18 | 100.0 |
| Huhtamaki Beheer V B.V. | 182 | 100.0 | NLG | 18 | EUR | 241,667 | 100.0 |
| Huhtamaki Beheer XI B.V. | 182 | 100.0 | NLG | 91 | EUR | 21,121 | 100.0 |
| Huhtamaki Industries B.V. | 170,000 | 100.0 | EUR | 43,010 | EUR | – | 100.0 |
| Huhtamaki (Thailand) Ltd. | 999,993 | 100.0 | THB | 100,000 | EUR | 7,885 | 100.0 |
| Huhtamaki New Zealand Limited | 7,737,306 | 100.0 | NZD | 7,737 | EUR | 4,800 | 100.0 |
| Subsidiary shares owned by Huhtamaki Consorcio Mexicana, S.A. de C.V.: | | | | | | | |
| Huhtamaki Mexicana, S.A. de C.V. | 19,130,916 | 100.0 | MXP | 19,131 | MXP | 19,131 | 100.0 |
| Subsidiary shares owned by Huhtavefa B.V.: | | | | | | | |
| The Paper Products Limited | 6,394,093 | 51.0 | INR | 63,941 | EUR | 23,082 | 51.0 |
| Subsidiary shares owned by Huhtamaki (UK) Holdings Limited: | | | | | | | |
| Huhtamaki (Lurgan) Limited | 1,551,999 | 100.0 | GBP | 1,552 | GBP | 4,937 | 100.0 |
| Subsidiary shares owned by Huhtamaki Beheer V B.V.: | | | | | | | |
| Huhtamaki Americas, Inc. | 1,000 | 100.0 | USD | 1 | EUR | 241,650 | 100.0 |
| Subsidiary shares owned by Huhtamaki Americas, Inc.: | | | | | | | |
| Huhtamaki North America | 1,000 | 90.0 | USD | 1 | USD | 109,797 | 100.0 |
| Huhtamaki Consumer Packaging, Inc. | 1,000 | 100.0 | USD | 1 | USD | 123,548 | 100.0 |
| Subsidiary shares owned by Huhtamaki Consumer Packaging, Inc.: | | | | | | | |
| Huhtamaki Packaging, Inc. | 100 | 100.0 | USD | 1 | USD | 23,164 | 100.0 |
| Subsidiary shares owned by Huhtamaki Beheer XI B.V.: | | | | | | | |
| Huhtamaki Brazil Investments B.V. | 200 | 100.0 | EUR | 20 | EUR | 42,804 | 100.0 |
| Subsidiary shares owned by Huhtamaki North Americas: | | | | | | | |
| Huhtamaki Delaware, Inc. | 100 | 100.0 | USD | 1 | USD | 381,129 | 100.0 |

| Name | Number of shares | Size of holding % | | Nominal value | | Book value | Group holding % |
|--------------------------------------------------------------------------------------|------------------|-------------------|-----|---------------|-----|------------|-----------------|
| Subsidiary shares owned by Huhtamaki Delaware, Inc.: | | | | | | | |
| Huhtamaki Holding, Inc. | 100 | 100.0 | USD | 1 | USD | 284,857 | 100.0 |
| Subsidiary shares owned by Huhtamaki Holding Inc.: | | | | | | | |
| Huhtamaki Flexibles, Inc. | 100 | 100.0 | USD | 1 | USD | 1,000 | 100.0 |
| Huhtamaki Plastics, Inc. | 1,000 | 100.0 | USD | 3 | USD | 1,500 | 100.0 |
| Huhtamaki - East Providence., Inc. | 6,445 | 100.0 | USD | 15 | USD | 32,463 | 100.0 |
| Huhtamaki Group of Companies | 100 | 100.0 | USD | 1 | USD | 82,830 | 100.0 |
| Subsidiary shares owned by Huhtamaki Brazil Investments B.V.: | | | | | | | |
| Huhtamaki do Brazil Ltda | 4,886,600 | 100.0 | BRL | 4,887 | EUR | 13,482 | 100.0 |
| Subsidiary shares owned by Huhtamaki France Investments Holding B.V.: | | | | | | | |
| Huhtamaki La Rochelle SNC | 2,499,976 | 100.0 | FRF | 25,000 | EUR | 206 | 100.0 |
| Subsidiary shares owned by Huhtamaki Industries B.V.: | | | | | | | |
| Huhtamaki Nederland B.V. | 10,000 | 100.0 | EUR | 4,530 | EUR | 14,006 | 100.0 |
| Huhtamaki Paper Recycling B.V. | 1,350 | 100.0 | EUR | 61 | EUR | 1,492 | 100.0 |
| Huhtamaki Pulp Moulding Machinery B.V. | 200 | 100.0 | EUR | 91 | EUR | 290 | 100.0 |
| Huhtamaki Protective Packaging B.V. | 250 | 100.0 | EUR | 113 | EUR | 113 | 100.0 |
| Huhtamaki Beheer III B.V. | 1 | 100.0 | DEM | 3,550 | EUR | 17,697 | 100.0 |
| Subsidiary shares owned by Huhtamaki Beheer III B.V.: | | | | | | | |
| Huhtamaki (Deutschland) B.V. & Co Holding KG | 19,391 | 75.1 | EUR | 1,939 | EUR | 160,439 | 75.1 |
| Subsidiary shares owned by Huhtamaki (Deutschland) B.V. & Co. Holding KG: | | | | | | | |
| Huhtamaki Deutschland Operations Holding GmbH | 1 | 100.0 | DEM | 38,400 | DEM | 119,630 | 100.0 |
| Subsidiary shares owned by Huhtamaki Deutschland Operations GmbH: | | | | | | | |
| Huhtamaki Deutschland GmbH | 14,850 | 100.0 | DEM | 15,050 | EUR | 131,073 | 100.0 |
| Subsidiary shares owned by Huhtamaki (Deutschland) GmbH: | | | | | | | |
| Huhtamaki Deutschland GmbH & Co. KG | 1 | 100.0 | EUR | 4,090 | EUR | 85,306 | 100.0 |

9. INVESTMENTS IN ASSOCIATED AND OTHER COMPANIES

Foreign subsidiaries' nominal values are expressed in local currency (1,000), while book values are in holding company's currency (1,000).

| Name | Number of shares | Size of holding % | | Nominal value | | Book value | Group holding % |
|----------------------------------------|------------------|-------------------|-----|---------------|-----|------------|-----------------|
| Owned by Huhtamäki Oyj: | | | | | | | |
| Joint Ventures: | | | | | | | |
| MCP Solutions Oy | 4 | 50.0 | EUR | 4,000 | EUR | 11 | 50.0 |
| Polarcup EarthShell Aps | 1,000 | 50.0 | EUR | 100 | EUR | 634 | 50.0 |
| Associated companies: | | | | | | | |
| Arabian Paper Products Co. | 1,600 | 40.0 | SAR | 1,600 | EUR | 452 | 40.0 |
| Other: | | | | | | | |
| Hex Oy | 24,400 | 0.2 | EUR | 34 | EUR | 25 | |
| Repligen Corporation | 30,514 | 0.2 | USD | - | EUR | 271 | |
| Suomen Osakekeskusrekisteri Osuuskunta | 8 | 1.7 | EUR | 27 | EUR | 27 | |
| Owned by the Group: | | | | | | | |
| Joint Ventures: | | | | | | | |
| Huhtamäki EarthShell GmbH | - | 50.0 | EUR | 50 | EUR | 575 | 50.0 |
| Associated companies: | | | | | | | |
| Hiatus B.V. | 950 | 47.5 | NLG | 200 | EUR | 471 | 47.5 |
| Other: | | | | | | | |
| Nordea FDR | 306,000 | 0.0 | EUR | 505 | EUR | 968 | |
| Pohjola-Yhtymä Vakuutus Oyj | 117,664 | 0.3 | EUR | 99 | EUR | 1,461 | |

10. RECEIVABLES

| EUR million | GROUP | | PARENT COMPANY | |
|-------------------------------------------------------------|--------------|--------------|----------------|-------------|
| | 2001 | 2000 | 2001 | 2000 |
| Current | | | | |
| Trade receivables | 362.3 | 535.9 | 7.3 | 6.8 |
| Intercompany trade receivables | – | – | 5.4 | 5.0 |
| Loan receivables | 6.9 | 39.9 | – | – |
| Intercompany loan receivables | – | – | – | 0.3 |
| Accrued income and other short-term receivables | 103.9 | 204.6 | 14.4 | 12.9 |
| Accrued corporate income and other intercompany receivables | – | – | 12.5 | 19.4 |
| | 473.1 | 780.4 | 39.6 | 44.4 |
| Long-term | | | | |
| Intercompany loan receivables | – | – | 4.4 | 4.1 |
| Other long-term receivables | 25.1 | 23.7 | 0.1 | 0.1 |
| Deferred tax asset | 93.0 | 82.0 | – | – |
| | 118.1 | 105.7 | 4.5 | 4.2 |
| Total receivables | 591.2 | 886.1 | 44.1 | 48.6 |

11. LOANS

| EUR million | GROUP | | PARENT COMPANY | |
|----------------------------------------------------|-------|-------|----------------|------|
| | 2001 | 2000 | 2001 | 2000 |
| Current | | | | |
| Bank loans – current portion | 16.9 | 13.4 | – | – |
| Other loans – current portion | 3.2 | 4.3 | – | – |
| Obligations under finance leases – current portion | 0.2 | 0.6 | – | – |
| Short-term loans | 340.3 | 623.4 | – | – |
| | 360.6 | 641.7 | – | – |
| Long-term | | | | |
| Bank loans | 565.6 | 787.3 | – | – |
| Pension loans | 0.2 | 0.9 | 0.2 | 0.9 |
| Other long-term loans | 4.8 | 9.7 | – | – |
| Obligations under finance leases | 0.1 | 1.8 | – | – |
| | 570.7 | 799.7 | 0.2 | 0.9 |
| Changes in long-term loans and repayments | | | | |
| Bank loans | | | | |
| January 1, 2001 | 800.6 | 825.9 | – | – |
| Additions | 118.0 | 218.8 | – | – |
| Decreases | 337.5 | 242.5 | – | – |
| Changes in exchange rates | +1.4 | -1.6 | – | – |
| | 582.5 | 800.6 | – | – |
| Repayments 2002 | 16.9 | 13.3 | – | – |
| December 31, 2001 | 565.6 | 787.3 | – | – |
| Pension loans December 31, 2001 | | | | |
| From pension foundation | 0.2 | 0.9 | 0.2 | 0.9 |
| Repayments | | | | |
| 2002 | 20.3 | – | – | – |
| 2003 | 182.4 | – | – | – |
| 2004 | 310.8 | – | – | – |
| 2005 | 7.6 | – | – | – |
| 2006 | 7.6 | – | – | – |
| 2007 | 57.2 | – | 0.2 | – |

12. OTHER LONG-TERM LIABILITIES

| EUR million | GROUP | | PARENT COMPANY | |
|-------------------|-------|-------|----------------|------|
| | 2001 | 2000 | 2001 | 2000 |
| Pension liability | 21.2 | 53.4 | - | - |
| Other | 113.8 | 152.9 | - | - |
| | 135.0 | 206.3 | - | - |

Other long term liabilities include reserves for risks and post retirement benefits.

13. PAYABLES

| EUR million | GROUP | | PARENT COMPANY | |
|-----------------------------|-------|-------|----------------|---------|
| | 2001 | 2000 | 2001 | 2000 |
| Restructuring reserve | 34.7 | 50.6 | - | - |
| Other payables | 38.4 | 79.1 | 477.7 | 1,048.2 |
| | 73.1 | 129.7 | 477.7 | 1,048.2 |
| Trade payables | 213.5 | 295.0 | 4.7 | 4.3 |
| Intercompany trade payables | - | - | 1.1 | 1.1 |
| | 213.5 | 295.0 | 5.8 | 5.4 |

Huhtamäki Oyj's debt mainly comprises of debt to Huhtamäki Finance Oy.

14. SHARE CAPITAL OF THE PARENT COMPANY

| | Number of shares | EUR |
|---------------------------------------------------|------------------|----------------|
| January 1, 2001 | 31,475,963 | 107,018,274.20 |
| Redemption of repurchased shares October 17, 2001 | -6,172,015 | -20,984,851.00 |
| Outstanding December 31, 2001 | 25,303,948 | 86,033,423.20 |

The counter value of a share is EUR 3.40.

Members of the Board of Directors and the Managing Director of Huhtamäki Oyj owned on December 31, 2001 a total of 26,250 shares in Huhtamäki Oyj. These shares represent 0.10% of the total number of shares and voting rights.

Option Rights 1997 Plan

The Annual General Meeting held on April 9, 1997 approved the issue of up to 4.500 non-interest bearing bonds, each having a par value of FIM 100, for up to an aggregate principal amount of FIM 450.000 to certain members of the management of Huhtamäki Oyj and its subsidiaries. The bonds were fully repaid by April 1, 2000. The aggregate amount of 450.000 option rights were attached to the bonds. The option rights are marked as follows: 225.000 with A and 225.000 with B. Each option right entitles its holder to subscribe for one share. The aggregate subscription price before the deduction of the year 2001 dividend is EUR 38,72. The option rights A may be exercised from April 1, 2000 to October 31, 2004 and the option rights B from April 1, 2002 to October 31, 2004. If exercised in full, the option rights will entitle to subscription for a total of 450.000 shares, whereby the share capital would be increased by a maximum amount of EUR 1.530.000 representing approximately 1,8 per cent of the outstanding share capital of Huhtamäki Oyj. Approximately 60 persons participate in the Option Rights 1997 Plan. Huhtamäki Oyj will apply for listing of the option rights A and B on the Helsinki Exchanges as of April 1, 2002.

Option Rights 2000 Plan

The Annual General Meeting held on April 12, 2000 approved the issue of up to 900.000 option rights to certain members of the management of Huhtamäki Oyj and its subsidiaries. The option rights are marked as follows: 300.000 with A, 300.000 with B and 300.000 with C. Each option right entitles its holder to subscribe for one share. The option rights marked with A may be exercised from May 2, 2002 to October 31, 2006, the option rights marked with B from May 2, 2003 to October 31, 2006 and the option rights marked with C from May 2, 2004 to October 31, 2006. Before the deduction of the year 2001 dividend the aggregate subscription price for one share for the option rights A is EUR 34,61 and for the option rights B EUR 28,46. The subscription price for the shares under the option rights marked with C shall be the market value of the share on the Helsinki Exchanges during the period of March 1 – March 28, 2002 added with such an amount that equals to ten per cent (10%) of the market value of the share. If exercised in full, the option rights will entitle to the subscription for a total of 900.000 shares whereby the share capital would be increased by a maximum amount of EUR 3.060.000 representing approximately 3,5 per cent of the

outstanding share capital of Huhtamäki Oyj. Approximately 100 persons participate in the Option Rights 2000 Plan. Huhtamäki Oyj will apply for listing of the option rights A on the Helsinki Exchanges as of May 2, 2002

General

Shares subscribed for pursuant to option rights shall entitle to the distribution of dividend for the accounting period during which such shares were subscribed and paid for. Right to vote and other shareholders' rights attached to the shares subscribed for under the option rights shall become effective as of the date on which the share subscription is entered in the Finnish Trade Register.

Pursuant to the option rights issued, an aggregate maximum number of 1.350.000 new shares may be subscribed representing approximately 5,3 per cent of the total number of votes on December 31, 2001. During the year 2001 no new shares were subscribed by exercising the option rights.

15. CHANGES IN EQUITY

| EUR million | GROUP | | PARENT COMPANY | |
|--------------------------------------|--------------|--------------|----------------|--------------|
| | 2001 | 2000 | 2001 | 2000 |
| Restricted equity: | | | | |
| Share capital January 1 | 107.0 | 106.0 | 107.0 | 106.0 |
| Bonus issue | – | 1.0 | – | 1.0 |
| Share repurchase | -21.0 | – | -21.0 | – |
| Share capital December 31 | 86.0 | 107.0 | 86.0 | 107.0 |
| | | | | |
| Premium fund January 1 | 339.5 | 340.5 | 322.6 | 323.6 |
| Transfer from share capital | 21.0 | – | 21.0 | – |
| Transfer to retained earnings | -16.9 | – | – | – |
| Bonus issue | – | -1.0 | – | -1.0 |
| Premium fund December 31 | 343.5 | 339.5 | 343.5 | 322.6 |
| | | | | |
| Consolidation difference January 1 | 71.8 | 44.7 | – | – |
| Change | 4.3 | 27.1 | – | – |
| Consolidation difference December 31 | 76.1 | 71.8 | – | – |
| Total restricted equity | 505.6 | 518.3 | 429.5 | 429.6 |
| | | | | |
| Non-restricted equity: | | | | |
| Retained earnings January 1 | 472.1 | 422.4 | 215.4 | 253.1 |
| Changes in exchange rates | 2.4 | 1.7 | – | – |
| Reversal of revaluation | -4.3 | – | -4.3 | – |
| Dividends | -34.6 | -33.1 | -34.6 | -33.1 |
| Share repurchase | -207.6 | – | -207.6 | – |
| Transfer from premium fund | 16.9 | – | – | – |
| Net income for the period | 87.1 | 81.1 | 950.7 | -4.6 |
| Retained earnings December 31 | 332.0 | 472.1 | 919.6 | 215.4 |
| | | | | |
| Transfers from untaxed reserves | | | | |
| January 1 | 42.1 | 44.5 | – | – |
| Change | -5.1 | -2.4 | – | – |
| December 31 | 37.0 | 42.1 | – | – |
| Total non-restricted equity | 369.0 | 514.2 | 919.6 | 215.4 |
| | | | | |
| Minority interest: | | | | |
| Minority interest January 1 | 85.9 | 87.7 | – | – |
| Increase | – | 0.4 | – | – |
| Minority interest for the year | 6.6 | 6.4 | – | – |
| Decrease | -12.1 | -8.6 | – | – |
| Minority interest December 31 | 80.4 | 85.9 | – | – |

Third-party interest includes EUR 63.9 million of preference shares in a Group company.

16. COMMITMENTS AND CONTINGENCIES

| EUR million | GROUP | PARENT COMPANY |
|----------------------------------|---------------------------|----------------|
| | Operating lease payments: | |
| 2002 | 16.3 | 0.2 |
| 2003 and thereafter | 44.6 | 0.3 |
| Total | 60.9 | 0.5 |
| | | |
| Capital expenditure commitments: | | |
| 2002 | 6.2 | 0.2 |
| 2003 and thereafter | – | – |
| Total | 6.2 | 0.2 |
| | | |
| Mortgages: | | |
| For own debt | 7.0 | 0.2 |
| | | |
| Guarantee obligations: | | |
| For subsidiaries | – | 938.4 |
| For associated companies | – | 0.4 |
| For external parties | 1.1 | 1.1 |

17. MANAGEMENT OF FINANCIAL RISKS

The objective of the financial risk management is to ensure that the company has access to sufficient funding in the most cost efficient way and to minimize the impact on the company from adverse movements in the financial markets.

The management of financial risks is guided and controlled by a Finance Committee, led by the CEO. Risk reports on the company's interest bearing balance sheet items, commercial flows and derivatives are reviewed and required measures approved by the Finance Committee on a monthly basis.

The financial risks are managed centrally by the Treasury function at the Espoo headquarters. Huhtamäki Finance Oy, the in-house bank, is the centre point of the company's funding and risk management, serving the business units in daily financing, foreign exchange transactions and cash management co-ordination.

Currency risk

The company has production units in 35 countries and is exposed to exchange rate risk through inter-company cross-border trade, exports and imports, funding of foreign units and currency denominated equities. The largest exposures derive from export and royalty receivables in USD and raw material and trade imports in Australia, U.K. and Poland mainly from the Euro area. In inter-company cross-border trade, EUR is used in Europe and USD elsewhere.

The objective of currency transaction risk management is to identify exposures and protect the company from negative exchange rate movements. Business units are in charge of actively managing their currency risks

related to future commercial cash flows. Transaction exposures are managed according to policies and limits defined by the business unit and approved by the Finance Committee. The net commercial position is monitored on a 12-month rolling basis. Eligible hedging instruments are currency forwards and in authorized subsidiaries also currency options. Business units' counterpart in hedging transactions is Huhtamäki Finance Oy.

As a main rule subsidiaries are financed in local currencies. In very high interest rate countries business units have drawn loans also in other currencies, totalling EUR 5 million at balance sheet date. The Finance Committee approves the borrowing currencies in each country.

The equity changes arising from exchange rate movements in consolidation are reported as a consolidation difference. The main exposures derive from equities in US, Australian and U.K. subsidiaries. The company may hedge its translation risks selectively by using foreign currency loans and derivatives taking into account market functionality and hedging costs. Changes in EUR values of such hedges are offset against the consolidation difference. Equity hedging decisions are made by the Finance Committee.

Interest rate risk

The interest bearing debt together with related hedging measures expose the company to interest rate risk, namely re-pricing- and price risk caused by interest rate movements. The company's policy is to maintain in the main debt currencies an average duration that matches a benchmark based on the company's estimated cash flow, selected balance sheet ratios, business cyclicity and also the shape and level of the yield curve. The

objective of interest rate risk management is to maintain in the long term the lowest possible average interest rate level for outstanding and estimated debt within the framework set by the interest rate risk management policy.

The company manages interest rate risk by selection of debt interest periods and by using derivatives such as futures, forward rate agreements, interest rate swaps and options. Of net debt after hedges in the main borrowing currencies EUR and USD, 42% and 48% respectively carried a fixed rate at balance sheet date. Management of interest rate risk is centralized to the company's Treasury.

Liquidity and re-financing risk

The company maintains sufficient liquidity reserves at all times by efficient cash management structures such as cash pools and concentration accounts managed by the Treasury and by maintaining overdraft facilities. Excess cash is invested in liquid money market instruments or short-term bank deposits. Funds are invested at banks, with which the company has credit facilities, or in government bonds, treasury bills or commercial papers of borrowers with a solid investment grade rating and selected Finnish corporate issuers.

The company maintains unused committed credit facilities to ensure financing resources under all circumstances. In addition, the company has a EUR 350 M commercial paper program in Finland and uncommitted credit facilities with relationship banks.

Re-financing risk is managed by maintaining a balanced maturity structure of credit facilities. The maturity structure of debt facilities is adapted to the estimated currency specific cash flow of the company.

FOREIGN EXCHANGE TRANSACTION EXPOSURE

| EUR million | 31.12.2001 Commercial Position | 31.12.2000 Commercial Position |
|--------------|--------------------------------------|--------------------------------------|
| Currency | | |
| USD | 34 | 49 |
| PLN | 32 | 15 |
| GBP | 23 | 30 |
| AUD | 21 | 27 |
| Other | 62 | 35 |
| Total | 172 | 155 |

CURRENCY SPLIT AND MATURITY STRUCTURE OF OUTSTANDING NET DEBT INCLUDING HEDGES

| EUR million | 31.12.2001 | | | | | | 31.12.2000 | | | | | | |
|--------------|----------------|------------------|--------------|-------------------------------|---------------------------------------------|-----------|------------|-----------|-----------|-----------|----------------|------------------|--------------|
| | Amount mEUR | Avg. duration | Avg. rate | Rate sensitivity1) mEUR | Debt repricing in period, incl. derivatives | | | | | | Amount mEUR | Avg. duration | Avg. rate |
| 2002 | | | | | 2003 | 2004 | 2005 | 2006 | Later | | | | |
| EUR | 525 | 1.1 y | 3.9% | 3.3 | 363 | 12 | 50 | 50 | 50 | | 701 | 0.8 y | 5.3% |
| USD | 207 | 2.6 y | 4.7% | 0.1 | 93 | 18 | 7 | 40 | 18 | 31 | 415 | 0.8 y | 6.8% |
| AUD | 48 | 0.9 y | 6.7% | 0.2 | 15 | 33 | | | | | 92 | 1.8 y | 7.4% |
| GBP | 37 | 0.1 y | 4.2% | 0.3 | 37 | | | | | | 77 | 0.2 y | 6.2% |
| Other | 85 | 0.4 y | 6.8% | 0.5 | 81 | 2 | 1 | | | 1 | 78 | 0.3 y | 8.2% |
| Total | 902 | 1.3 y | 4.5% | 4.4 | 589 | 65 | 58 | 90 | 68 | 32 | 1,363 | 0.8 y | 6.1% |

1) Effect of one percentage point rise in market interest rates on Group's net interest expenses over the following 12 months.

DEBT STRUCTURE

| EUR million | 31.12.2001 | | | 31.12.2000 | | | | | | | | |
|-----------------------------|-----------------|---------------------|--------------|---------------------------|------------|------------|----------|----------|-----------|-----------------|---------------------|--------------|
| | Amount drawn | Amount available | Total | Maturity of facility/loan | | | | | | Amount drawn | Amount available | Total |
| Debt type | | | | 2002 | 2003 | 2004 | 2005 | 2006 | Later | | | |
| Revolving facilities | 410 | 234 | 644 | 13 | 171 | 460 | | | | 844 | 110 | 954 |
| Bank loans | 191 | | 191 | 102 | 61 | 6 | | | 22 | 258 | | 258 |
| Private Placements | 85 | | 85 | 16 | 19 | 7 | 7 | 7 | 29 | 101 | | 101 |
| Commercial Paper Program | 245 | | 245 | 245 | | | | | | 238 | | 238 |
| Total | 931 | 234 | 1,165 | 376 | 251 | 473 | 7 | 7 | 51 | 1,441 | 110 | 1,551 |

OUTSTANDING OFF-BALANCE SHEET INSTRUMENTS SUMMARY

| EUR million | 31.12.2001 | | | | 31.12.2000 | | | | | | | |
|-------------------------------------------------|-----------------|---------------|------|----|--------------------|------|------|------|-------|-------|---------------|--|
| | Market value | Nominal value | | | Maturity Structure | | | | | | Nominal value | |
| Gross | | Net | 2002 | | 2003 | 2004 | 2005 | 2006 | Later | Gross | Net | |
| Currency forwards | | | | | | | | | | | | |
| for transaction risk | -0.5 | 68 | | 68 | | | | | | 498 | | |
| for financing purposes | 0.8 | 57 | | 57 | | | | | | 481 | | |
| Interest rate forwards and futures contracts | | | | | | | | | | | | |
| EUR | 0.0 | 40 | 40 | 40 | | | | | | 320 | 200 | |
| Interest rate swaps | | | | | | | | | | | | |
| EUR | -1.5 | 150 | 150 | | | 50 | 50 | 50 | | 100 | 100 | |
| USD | -1.4 | 57 | 57 | | 11 | | 35 | 11 | | 56 | 13 | |
| other | -1.3 | 33 | 33 | | 33 | | | | | 87 | 87 | |

18. DEFERRED TAX ASSET/LIABILITY

| | GROUP | | PARENT COMPANY | |
|-------------------------------|--------------|--------------|----------------|-------------|
| | 2001 | 2000 | 2001 | 2000 |
| Deferred tax asset | | | | |
| EUR million | 2001 | 2000 | 2001 | 2000 |
| Due to consolidation | 0.9 | 2.3 | - | - |
| Due to timing differences | 92.1 | 79.7 | - | - |
| Total | 93.0 | 82.0 | - | - |
| Deferred tax liability | | | | |
| EUR million | 2001 | 2000 | 2001 | 2000 |
| On untaxed reserves | 15.1 | 12.6 | - | - |
| Due to timing differences | 147.3 | 155.1 | - | - |
| Total | 162.4 | 167.7 | - | - |

19. ACCRUED INCOME

| | GROUP | | PARENT COMPANY | |
|--------------------------------------------------------|--------------|--------------|----------------|-------------|
| | 2001 | 2000 | 2001 | 2000 |
| EUR million | 2001 | 2000 | 2001 | 2000 |
| Accrued interest and other financial items | 3.7 | 62.3 | 0.2 | 0.1 |
| Prepayments | 11.7 | 33.0 | 5.8 | 3.6 |
| Personnel, social security and pensions | 1.3 | 2.4 | 0.3 | 0.3 |
| Rebates | 2.5 | 2.1 | 0.4 | 0.6 |
| Accruals for income and other taxes | 19.7 | 28.8 | 0.4 | 0.1 |
| Miscellaneous accrued income | 23.8 | 15.7 | 6.5 | 6.5 |
| Accrued corporate income and prepaid expense | - | - | 12.4 | 19.4 |
| Other | 4.7 | 4.1 | 0.9 | 1.8 |
| | 67.4 | 148.4 | 26.9 | 32.4 |
| Other short-term receivables | 36.5 | 56.2 | - | - |
| Accrued income and other short-term receivables | 103.9 | 204.6 | 26.9 | 32.4 |

20. ACCRUED EXPENSES

| | GROUP | | PARENT COMPANY | |
|-----------------------------------------|--------------|--------------|----------------|-------------|
| | 2001 | 2000 | 2001 | 2000 |
| EUR million | 2001 | 2000 | 2001 | 2000 |
| Accrued interest expense | 9.2 | 27.9 | 2.1 | 12.3 |
| Personnel, social security and pensions | 61.9 | 74.0 | 7.6 | 7.3 |
| Purchases of material | 8.3 | 16.6 | 0.1 | - |
| Rebates | 17.4 | 15.1 | 0.2 | 0.1 |
| Accrued income taxes | 40.0 | 44.4 | - | 0.4 |
| Miscellaneous accrued expense | 15.7 | 56.9 | 0.6 | 0.2 |
| Prepayments | 0.7 | 4.1 | - | - |
| Other accrued corporate expense | - | - | 0.4 | - |
| Other | 27.7 | 30.1 | 0.1 | 0.6 |
| Total | 180.9 | 269.1 | 11.1 | 20.9 |

Net sales by business sector

| EUR million | 1997 | % | 1998 | % | 1999 | % | 2000 | % | 2001 | % |
|--------------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|
| Packaging | 546.9 | 50.9 | 716.0 | 58.4 | 1,412.1 | 100.0 | 3,307.7 | 100.0 | 2,382.4 | 100.0 |
| Other ¹ | 527.4 | 49.1 | 510.1 | 41.6 | - | - | - | - | - | - |
| Total | 1,074.3 | 100.0 | 1,226.1 | 100.0 | 1,412.1 | 100.0 | 3,307.7 | 100.0 | 2,382.4 | 100.0 |

Operating earnings by business sector

| EUR million | 1997 | % | 1998 | % | 1999 | % | 2000 | % | 2001 | % |
|--------------------|-------------|------------|-------------|------------|--------------|------------|--------------|------------|--------------|------------|
| Packaging | 43.0 | 7.9 | 54.1 | 7.5 | 116.2 | 8.2 | 200.9 | 6.0 | 198.5 | 8.3 |
| Other ¹ | 44.3 | 8.4 | 30.0 | 5.9 | -2.3 | - | -18.8 | - | -20.2 | - |
| Total | 87.3 | 8.1 | 84.1 | 6.9 | 113.9 | 8.1 | 182.1 | 5.5 | 178.3 | 7.5 |

¹ Unallocated costs and income; revenue from divested units.

From 1999 onwards Packaging goodwill amortisation has been included in Other.

proposal of the board of directors

On December 31, 2001, consolidated non-restricted equity amounted to EUR 331,993,881.30.

On December 31, 2001, Huhtamäki Oyj's non-restricted equity was EUR 919,635,452.91 of which the net income for the financial period was EUR 950,685,803.58.

The Board of Directors proposes distribution of the retained earnings as follows:

| | |
|-------------------------------------------|-----------------------|
| – to the shareholders EUR 1.25 a share | 31,629,935.00 |
| – to be left in the non-restricted equity | <u>887,005,517.91</u> |
| | 919,635,452.91 |

The Board of Directors proposes that the payment of dividends will be made on April 9, 2002. The dividends will be paid to shareholders who on the record date, April 2, 2002, are registered as shareholders in the register of shareholders.

Espoo, February 11, 2002

Veli Sundbäck

Paavo Hohti

Jean Philippe Deschamps

Mikael Lilius

Anthony J.B. Simon

Jukka Viinanen

Timo Peltola
CEO

auditors' report

TO THE SHAREHOLDERS OF HUHTAMÄKI OYJ

We have audited the accounting, the financial statements and the corporate governance of Huhtamäki Oyj for the period 1.1.–31.12.2001. The financial statements, which include the report of the Board of Directors, consolidated and parent company income statements, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the Managing Director. Based on our audit we express an opinion on these financial statements and on corporate governance.

We have conducted the audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. The purpose of our audit of corporate governance is to examine that the members of the Board of Directors and the Managing Director have legally complied with the rules of the Companies' Act.

In our opinion the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements in Finland. The financial statements give a true and fair view, as defined in the Accounting Act, of both the

consolidated and parent company's result of operations as well as of the financial position. The financial statements with the consolidated financial statements can be adopted and the members of the Board of Directors and the Managing Director of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the distribution of retained earnings is in compliance with the Companies Act.

Espoo, February 11, 2002

Esa Kailiala
Authorized Public Accountant

Pekka Pajamo
Authorized Public Accountant

huhtamaki 1997–2001

| EUR million | | 1997 | 1998 | 1999 | 2000 | 2001 |
|-----------------------------------------------------------------------------|---|---------|---------|---------|---------|---------|
| Net sales | | 1,074.3 | 1,226.1 | 1,412.1 | 3,307.7 | 2,382.4 |
| Increase in net sales | % | -14.9 | 14.1 | 15.2 | 134.2 | -28.0 |
| Net sales outside Finland | | 950.1 | 1,099.8 | 1,364.5 | 3,251.5 | 2,301.1 |
| Earnings before interest, taxes, depreciation and amortisation | | 150.0 | 151.4 | 202.1 | 376.8 | 334.4 |
| Earnings before interest, taxes, depreciation and amortisation/net sales | % | 14.0 | 12.3 | 14.4 | 11.4 | 14.0 |
| Earnings before interest and taxes | | 87.3 | 84.1 | 113.9 | 182.1 | 178.3 |
| Earnings before interest and taxes/net sales | % | 8.1 | 6.9 | 8.1 | 5.5 | 7.5 |
| Profit before exceptional items | | 88.0 | 79.6 | 94.4 | 121.1 | 130.3 |
| Profit before exceptional items/net sales | % | 8.2 | 6.5 | 6.7 | 3.7 | 5.5 |
| Net income | | 69.3 | 61.4 | 101.8 | 81.1 | 87.1 |
| Shareholders' equity | | 686.2 | 680.5 | 958.1 | 1,032.5 | 874.6 |
| Return on investment | % | 12.9 | 10.6 | 10.4 | 8.7 | 9.6 |
| Return on shareholders' equity | % | 10.4 | 8.8 | 9.4 | 7.8 | 8.6 |
| Solidity | % | 57.9 | 52.5 | 31.1 | 30.8 | 36.0 |
| Net debt to equity | | -0.04 | 0.28 | 1.09 | 1.22 | 0.94 |
| Current ratio | | 1.55 | 1.09 | 0.94 | 0.96 | 0.94 |
| Times interest earned | | .. | 14.47 | 8.47 | 5.40 | 6.58 |
| Capital expenditure | | 77.2 | 81.7 | 100.7 | 172.7 | 144.0 |
| Capital expenditure/net sales | % | 7.2 | 6.7 | 7.1 | 5.2 | 6.0 |
| Research and development | | 5.3 | 6.2 | 7.2 | 10.0 | 12.8 |
| Research and development/net sales | % | 0.5 | 0.5 | 0.5 | 0.3 | 0.5 |
| Number of shareholders (December 31) | | 16,566 | 16,168 | 15,966 | 15,765 | 15,669 |
| Personnel (December 31) | | 9,974 | 11,024 | 23,876 | 23,098 | 16,417 |

per share data

| | | 1997 | 1998 | 1999 | 2000 | 2001 |
|-------------------------------------------------------|-------------|------------|------------|------------|------------|-------------------|
| Earnings per share | EUR | 2.55 | 2.29 | 2.39 | 2.58 | 2.97 ¹ |
| Dividend, nominal | EUR | 1.01 | 1.01 | 1.05 | 1.10 | 1.25 ² |
| Dividend/earnings per share | % | 39.5 | 44.1 | 43.9 | 42.7 | 42.0 ² |
| Dividend yield | | | | | | |
| Series K | % | 2.8 | 3.2 | – | – | – ³ |
| Series I | % | 2.7 | 3.1 | 3.1 | 3.9 | 3.5 ² |
| Shareholders' equity per share | EUR | 25.63 | 25.32 | 30.44 | 32.80 | 34.56 |
| Share price at December 31 | | | | | | |
| Series K | EUR | 36.83 | 31.96 | – | – | – ³ |
| Series I | EUR | 37.84 | 32.63 | 33.60 | 28.40 | 35.50 |
| Average number of shares adjusted for share issue | | 26,748,354 | 26,835,736 | 27,964,032 | 31,475,963 | 29,279,424 |
| Number of shares adjusted for share issue at year end | | 26,775,896 | 26,874,746 | 31,475,963 | 31,475,963 | 25,303,948 |
| P/E ratio | | | | | | |
| Series K | | 14.3 | 13.7 | – | – | – ³ |
| Series I | | 14.9 | 14.1 | 14.0 | 11.0 | 11.9 |
| Market capitalisation at December 31 | EUR million | 993.0 | 952.0 | 1,057.6 | 893.9 | 898.3 |

¹ The dilutive effect of the stock option programs of 1997 and 2000 included: EUR 2.84

² 2001: Board's proposal

³ Series K and I combined on October 8, 1999

comparison against 2000 pro forma

INCOME STATEMENT

| EUR million | 2001 | 2000 Pro forma | Change % |
|--------------------------------------------------|---------|----------------|-------------|
| Net sales | 2,382.4 | 2,278.0 | 4.6 |
| EBITDA | 334.4 | 296.6 | 12.7 |
| Operating profit (EBITA) | 221.7 | 184.1 | 20.4 |
| EBIT | 178.3 | 144.5 | 23.4 |
| % of net sales | 7.5 | 6.3 | |
| Net financial | | | |
| +income/-expense | -49.2 | -27.6 | -78.1 |
| +Gain/-loss on equity of associated companies | 1.1 | 0.9 | 24.0 |
| Profit before minority interest and taxes | 130.3 | 117.7 | 10.7 |
| Taxes | 36.6 | 31.5 | 16.0 |
| Minority interest | 6.6 | 6.1 | 8.2 |
| Net income | 87.1 | 80.2 | 8.6 |
| Earnings per share (before amortization) (EUR) | 4.45 | 3.82 | 16.6 |
| Earning per share (after amortization) (EUR) | 2.97 | 2.55 | 16.6 |

REGIONS – NET SALES

| EUR million | 2001 | 2000 Pro forma | Change % |
|---------------------|---------|----------------|-------------|
| Europe | 1,179.1 | 1,202.5 | -1.9 |
| Americas | 825.7 | 624.5 | 32.2 |
| Asia–Oceania–Africa | 377.6 | 451.0 | -16.3 |
| Total | 2,382.4 | 2,278.0 | 4.6 |

REGIONS – OPERATING PROFIT (EBITA) AND RONA %

| EUR million | 2001 | 2000 Pro forma | Change % |
|---------------------|------|----------------|-------------|
| Europe | 93.4 | 73.6 | 26.9 |
| % of net sales | 7.9 | 6.1 | |
| RONA % (12m roll.) | 14.7 | 11.4 | |
| Americas | 74.7 | 53.9 | 38.5 |
| % of net sales | 9.0 | 8.6 | |
| RONA % (12m roll.) | 15.8 | 15.0 | |
| Asia–Oceania–Africa | 30.4 | 31.6 | -3.7 |
| % of net sales | 8.1 | 7.0 | |
| RONA % (12m roll.) | 11.8 | 10.1 | |

CATEGORIES – NET SALES

| EUR million | 2001 | 2000 Pro forma | Change % |
|--------------------------------------|---------|----------------|-------------|
| Consumer Goods | 1,295.7 | 1,283.5 | 1.0 |
| Food Service (including Fresh Foods) | 1,086.7 | 994.5 | 9.3 |
| Total | 2,382.4 | 2,278.0 | 4.6 |

CATEGORIES – OPERATING PROFIT (EBITA)

| EUR million | 2001 | 2000 Pro forma | Change % |
|--------------------------------------|-------|----------------|-------------|
| Consumer Goods | 93.0 | 79.4 | 17.1 |
| % of net sales | 7.2 | 6.2 | |
| Food Service (including Fresh Foods) | 105.5 | 79.7 | 32.4 |
| % of net sales | 9.7 | 8.0 | |
| Total from operations | 198.5 | 159.1 | 24.8 |
| % of net sales | 8.3 | 7.0 | |
| Corporate net | 23.2 | 25.0 | -7.2 |
| Total | 221.7 | 184.1 | 20.4 |
| % of net sales | 9.3 | 8.1 | |

definitions for key indicators

| | |
|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Earnings per share | = $\frac{\text{Profit before exceptional items, minority interest and taxes} - \text{minority interest} - \text{taxes}}{\text{Average fully diluted number of shares}}$ |
| Dividend yield | = $\frac{100 \times \text{issue-adjusted dividend}}{\text{Issue-adjusted share price at December 31}}$ |
| Shareholders' equity per share | = $\frac{\text{Equity} + \text{untaxed reserves} - \text{deferred tax and minority interest in untaxed reserves}}{\text{Issue-adjusted number of shares at December 31}}$ |
| P/E ratio | = $\frac{\text{Issue-adjusted share price at December 31}}{\text{Earnings per share}}$ |
| Market capitalisation | = The number of shares issued in the different share series at December 31 multiplied by the corresponding share prices on the stock exchange |
| Return on investment | = $\frac{100 \times (\text{Profit before exceptional items, minority interest and taxes} + \text{interest expenses} + \text{other financial expenses})}{\text{Balance sheet total} - \text{interest-free liabilities (average)}}$ |
| Return on shareholders' equity | = $\frac{100 \times (\text{Profit before exceptional items, minority interest and taxes} - \text{taxes})}{\text{Equity} + \text{minority interest} + \text{untaxed reserves} - \text{deferred tax in untaxed reserves (average)}}$ |
| Net debt to equity | = $\frac{\text{Interest bearing net debt}}{\text{Equity} + \text{minority interest} + \text{untaxed reserves} - \text{deferred tax in untaxed reserves}}$ |
| Solidity | = $\frac{100 \times (\text{equity} + \text{minority interest} + \text{untaxed reserves} - \text{deferred tax in untaxed reserves})}{\text{Balance sheet total} - \text{advances received}}$ |
| Current ratio | = $\frac{\text{Current assets}}{\text{Current liabilities}}$ |
| Times interest earned | = $\frac{\text{Earnings before interest and taxes} + \text{depreciation and amortisation}}{\text{Net interest expenses}}$ |



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