

Huhtamäki Oyj Interim Report Q2 2015

January 1–June 30, 2015

Huhtamäki



Profitability improvement continued

Q2 2015 in brief

- Net sales were EUR 714 million (EUR 579 million)
- EBIT excluding non-recurring items (NRI) was EUR 70 million (EUR 51 million)
- EPS excluding NRI was EUR 0.52 (EUR 0.34)
- Comparable net sales growth was 1% in total and 5% in emerging markets
- Currency movements had a positive impact of EUR 67 million on the Group's net sales, and EUR 6 million on EBIT
- The European Commission imposed a fine of EUR 15.6 million on Huhtamaki based on infringements of EU's competition regulation in 2002-2006. Huhtamaki has examined the Commission's decision and has decided to launch an appeal.

H1 2015 in brief

- Net sales were EUR 1,344 million (EUR 1,093 million)
- EBIT excluding NRI was EUR 119 million (EUR 89 million)
- EPS excluding NRI was EUR 0.85 (EUR 0.59)
- Comparable net sales growth was 3% in total and 5% in emerging markets
- Currency movements had a positive impact of EUR 120 million on the Group's net sales, and EUR 10 million on EBIT
- Acquisition of Positive Packaging, a flexible packaging company operating in India, United Arab Emirates and Africa, was closed at the end of January and the business was consolidated into the Flexible Packaging business segment as of February 1, 2015

Key figures

EUR million	Q2 2015	Q2 2014	Change	H1 2015	H1 2014	Change	FY 2014
Net sales	713.6	578.9	23%	1,343.7	1,092.5	23%	2,235.7
EBITDA*	96.2	71.5	35%	171.0	130.2	31%	259.0
EBITDA margin*	13.5%	12.4%		12.7%	11.9%		11.6%
EBIT*	69.7	51.0	37%	119.4	89.4	34%	174.9
EBIT margin*	9.8%	8.8%		8.9%	8.2%		7.8%
EPS*, EUR	0.52	0.34	53%	0.85	0.59	44%	1.24
ROI**				13.4%	12.3%		12.6%
ROE**				17.5%	16.6%		16.1%
Capital expenditure	36.9	23.6	56%	61.6	45.6	35%	127.0
Free cash flow	30.4	7.1	328%	11.0	-4.2	362%	64.6
Including discontinued operations							
EPS**, EUR	0.52	0.37	41%	0.85	0.64	33%	1.28
EPS, reported, EUR	0.32	0.37	-14%	0.61	0.64	-5%	1.33

* Excluding NRI of EUR -18.5 million in Q2 2015 and EUR -22.6 million in H1 2015.

** Excluding NRI of EUR -19.8 million in Q2 2015, EUR -23.9 million in H1 2015 and EUR 5.1 million in FY 2014.

Unless otherwise stated, all figures presented in this report, including corresponding periods in 2014, cover continuing operations only. Continuing operations include the Foodservice Europe-Asia-Oceania, North America, Flexible Packaging and Molded Fiber business segments. Discontinued operations for 2014 and 2015 include the Films business segment, which was sold at the end of December 2014. Unless otherwise stated, all comparisons in this report are compared to the corresponding period in 2014. ROI, ROE and RONA figures presented in this report are calculated on a 12-month rolling basis.

Jukka Moisio, CEO:

“We remain satisfied with the continued strong profitability improvement as we recorded the highest ever second quarter results. The profitability improvement was strongly driven by the North America segment that executed planned actions to bring its operating profitability to a more normalized level. Also the Flexible Packaging segment achieved a solid profitability improvement helped by the Positive Packaging business that performed according to our expectations in the second quarter. We are five months into the acquisition and will continue to execute our business plan to achieve the targeted synergies.

The comparable net sales growth was more subdued in this quarter. As part of the profit normalization actions, the North America segment discontinued low profitability products, bringing its comparable net sales development temporarily to negative territory. Prices for plastic resins reached their low point during the first quarter and due to lag effect in net selling prices, the lower raw material prices of the first quarter resulted in lower selling prices and reduced comparable growth in the second quarter. This concerns especially the Flexible Packaging segment, which is the primary user of plastic raw materials in the Group. The resin prices have increased significantly in the second quarter and we expect the topline impact to even out during coming quarters.

Our key markets of Southeast Asia, North America, and Europe are expected to offer good growth opportunities going forward. Main softness in emerging markets is in China and although the growth has slowed down in Eastern Europe it still remains at a good level. In summary, we are reasonably optimistic about net sales development during the second half of 2015 and we should see good contributions both from organic growth actions as well as our recent acquisitions.

At the end of June, the European Commission gave its decision on the cartel case related to our former rigid plastic consumer goods business in Europe, and imposed a EUR 16 million fine on Huhtamaki. After having studied the Commission's decision we've decided to launch an appeal. We do not tolerate unethical behavior and continue to do our utmost to prevent it from happening.”

Financial review Q2 2015

The Group's comparable net sales growth was 1% during the quarter. Stable growth in Molded Fiber, Flexible Packaging and Foodservice Europe-Asia-Oceania business segments continued. The North America business segment's reported net sales grew, whereas in constant currencies net sales development was negatively affected by the segment's successful focus on actions to normalize its margins. Comparable growth in emerging markets was 5%. Good net sales growth in South America, Russia and Southeast Asia continued. Net sales grew also in India, but declined in China. The Group's net sales grew to EUR 714 million (EUR 579 million). There was a significant positive impact on net sales from the Positive Packaging acquisition as well as foreign currency translation, which was EUR 67 million compared to the 2014 exchange rates. Majority of the currency impact came from the strengthening of the US dollar versus euro.

Net sales by business segment

EUR million	Q2 2015	Q2 2014	Change	Of Group in Q2 2015
Foodservice Europe-Asia-Oceania	175.4	162.7	8%	24%
North America	252.5	208.3	21%	35%
Flexible Packaging	224.8	152.1	48%	32%
Molded Fiber	66.2	61.8	7%	9%
Elimination of internal sales	-5.3	-6.0		
Group	713.6	578.9	23%	

Comparable growth by business segment

	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Foodservice Europe-Asia-Oceania	2%	3%	2%	4%
North America	-2%	7%	5%	4%
Flexible Packaging	4%	5%	12%	6%
Molded Fiber	5%	5%	7%	9%
Group	1%	5%	6%	5%

The Group's earnings development was solid. Strong earnings growth in the North America business segment continued. In addition, earnings growth was good in the Flexible Packaging business segment with a significant positive contribution from Positive Packaging. The Group's earnings before interest and taxes (EBIT) were EUR 70 million, excluding NRI of EUR -19 million (EUR 51 million). Positive foreign currency translation impact on Group's EBIT was EUR 6 million.

EBIT by business segment

EUR million	Q2 2015	Q2 2014	Change	Of Group in Q2 2015
Foodservice Europe-Asia-Oceania	16.4	17.4	-6%	23%
North America	26.2	13.2	98%	38%
Flexible Packaging	17.8	11.3	58%	26%
Molded Fiber	9.0	10.0	-10%	13%
Other activities	0.3	-0.9		
Group	69.7	51.0	37%	

Other activities EBIT excluding NRI of EUR -18.5 million in Q2 2015.

Net financial expenses increased to EUR 9 million (EUR 7 million). Tax expense was EUR 7 million (EUR 8 million).

Profit for the period was EUR 36 million, including NRI of EUR -19 million (EUR 37 million). The NRI is related to the fine of EUR 16 million imposed on Huhtamaki by the European Commission based on infringements of EU's competition regulation in 2002-2006 as well as legal costs of EUR 3 million related to the investigation and the appeal process.

Earnings per share (EPS) excluding NRI were EUR 0.52 (EUR 0.34). Reported EPS were EUR 0.33 (EUR 0.34) and EUR 0.32 (EUR 0.37) including discontinued operations.

Financial review H1 2015

The Group's comparable net sales growth was 3% during the period. All business segments contributed to the net sales growth. Comparable growth in emerging markets was 5%. The growth in emerging markets was driven by continued good development in Russia, Southeast Asia and South America, whereas negative net sales development in China continued. The Group's net sales grew to EUR 1,344 million (EUR 1,093 million). In addition to organic growth, there was a significant positive impact on net sales from the Positive Packaging acquisition as well as the foreign currency translation, which was EUR 120 million compared to the 2014 exchange rates. The majority of the currency impact came from the strengthening of the US dollar versus euro.

Net sales by business segment

EUR million	H1 2015	H1 2014	Change	Of Group in H1 2015
Foodservice Europe-Asia-Oceania	329.3	304.7	8%	24%
North America	463.2	372.5	24%	34%
Flexible Packaging	430.8	302.9	42%	32%
Molded Fiber	131.4	123.3	7%	10%
Elimination of internal sales	-11.0	-10.9		
Group	1,343.7	1,092.5	23%	

The Group's earnings development was good. Earnings improvement was strongest in the North America business segment. The Group's EBIT were EUR 119 million, excluding NRI of EUR -23 million (EUR 89 million). Positive Packaging also contributed positively to earnings. Positive foreign currency translation impact on Group's EBIT was EUR 10 million.

EBIT by business segment

EUR million	H1 2015	H1 2014	Change	Of Group in H1 2015
Foodservice Europe-Asia-Oceania	28.3	28.4	0%	23%
North America	40.0	22.0	82%	33%
Flexible Packaging	34.8	22.3	56%	29%
Molded Fiber	17.6	17.6	0%	15%
Other activities	-1.3	-0.9		
Group	119.4	89.4	34%	

Other activities EBIT excluding NRI of EUR -22.6 million in H1 2015.

Net financial expenses increased to EUR 18 million (EUR 14 million). The payment of purchase price for Positive Packaging led to a higher amount of net debt and thus higher financial expenses. Tax expense was EUR 13 million (EUR 13 million). The corresponding tax rate was 16% (16%).

Profit for the period was EUR 67 million, including NRI of EUR -23 million (EUR 63 million). EPS excluding NRI were EUR 0.85 (EUR 0.59). Reported EPS were EUR 0.62 (EUR 0.59) and EUR 0.61 (EUR 0.64) including discontinued operations.

Statement of financial position and cash flow

The Group's net debt increased and was EUR 630 million (EUR 472 million) at the end of June. Increase in net debt was to a large extent due to the payment of purchase price for Positive Packaging as well as currency translation impact. The level of net debt corresponds to a gearing ratio of 0.68 (0.58). Net debt to EBITDA ratio (excl. NRI) was 2.1 (1.8). Average maturity of external committed credit facilities and loans was 3.8 (3.0) years. In January, the Group refinanced its EUR 400 million syndicated revolving credit facility for the period of five years, which prolonged the average maturity.

Cash and cash equivalents were EUR 98 million (EUR 170 million) at the end of June and the Group had EUR 310 million (EUR 330 million) of unused committed credit facilities available.

Total assets on the statement of financial position were EUR 2,524 million (EUR 2,178 million).

Capital expenditure was EUR 62 million (EUR 44 million). Majority of the investments were made for business expansion. Largest investments were made in the U.S., Russia and the UK. The Group's free cash flow improved and was EUR 11 million (EUR -4 million).

Acquisitions and divestments

On January 30, 2015 Huhtamaki completed the acquisition of Positive Packaging, a flexible packaging company with nine manufacturing facilities in India and the United Arab Emirates as well as significant business in Africa and other export markets. With the acquisition Huhtamaki continued to implement its strategy of quality growth and significantly strengthened its position in the fast-growing emerging markets. The annual net sales of the acquired business are approximately EUR 220 million and it employs approximately 2,500 people in India and the UAE as well as in sales offices in seven countries. The debt free purchase price was USD 336 million. The business was consolidated into the Flexible Packaging business segment as of February 1, 2015.

On March 13, 2015 Huhtamaki announced the acquisition of Butterworth Paper Cups Sdn Bhd, a privately owned paper cup and foodservice packaging manufacturer in Malaysia. The debt free purchase price of approximately EUR 8 million approximately corresponds with the annual net sales of the business. The company employs approximately 120 people in its manufacturing unit in Penang, Malaysia. The acquisition was closed on and the business consolidated into the Foodservice Europe-Asia-Oceania business segment as of April 1, 2015.

Significant events during the reporting period

On June 24, 2015 the European Commission announced the outcome of its investigations on anticompetitive behavior in the markets of plastic trays used for retail packaging. Huhtamäki Oyj had received in September 2012 the European Commission's statement of objections concerning alleged anticompetitive behavior in the markets of plastic trays used for retail packaging of fresh food during years 2000–2008. The European Commission found certain of Huhtamaki's former operations to have been involved in anticompetitive practices. The concerned operations are no longer part of Huhtamaki as they were part of the Group's rigid consumer goods business in Europe that was closed down or divested in years 2006 and 2010. Based on infringements in North-West Europe and France during years 2002–2006 the European Commission imposed a EUR 16 million fine on Huhtamaki. The fine and legal costs of EUR 3 million related to the investigation and the appeal process are recognized as a non-recurring expense in the Group's Q2 2015 result. Huhtamaki has examined the European Commission's decision and has decided to launch an appeal against the decision before the General Court of the European Union.

Business review by segment

Foodservice Europe-Asia-Oceania

Foodservice paper and plastic disposable tableware, such as cups, is supplied to foodservice operators, fast food restaurants and coffee shops. The segment has production in Europe, South Africa, Middle East, Asia and Oceania.

EUR million	Q2 2015	Q2 2014	Change	H1 2015	H1 2014	Change	FY 2014
Net sales	175.4	162.7	8%	329.3	304.7	8%	620.4
EBIT	16.4	17.4	-6%	28.3	28.4	0%	57.4
EBIT margin	9.4%	10.7%		8.6%	9.3%		9.3%
RONA				16.2%	16.1%		17.6%
Capital expenditure	9.8	5.6	75%	17.3	11.2	54%	33.6
Operating cash flow	7.7	9.8	-21%	13.6	20.0	-32%	41.9

Q2 2015

During the quarter, demand for foodservice packaging varied between geographies. In Europe, demand for insulated paper cups picked up after a slower start to the year. In Russia, demand development was flat. In China, demand continued to be soft, while in Oceania a healthy momentum continued. Paperboard prices were relatively stable, but prices of plastic resins increased sharply.

The Foodservice Europe-Asia-Oceania segment's net sales grew, comparable growth being 2%. In the UK and Southwest Europe net sales grew primarily as a result of favorable product mix. Volume growth was strongest in insulated paper cups, and also sales of paper vending cups and PET tumblers developed positively. Despite softening market conditions, net sales growth in Russia continued. In China, net sales declined.

Currency movements had a positive impact on the segment's reported net sales. The translation impact was EUR 6 million.

The segment's earnings declined slightly. The impact of positive product mix on earnings was not sufficient to cover the adverse effect of negative volume development particularly in China.

H1 2015

Demand for foodservice packaging varied between geographies. In Western Europe the year started slow, but the demand especially for insulated paper cups picked up during the second quarter. In Russia, demand for foodservice packaging was good in the first quarter, but market sentiment turned soft during the second quarter. Demand was soft in China, but healthy in Oceania. Prices for plastic resins were volatile, while paperboard prices remained relatively stable.

The Foodservice Europe-Asia-Oceania segment's net sales grew, comparable growth being 2%. Net sales growth was strongest in Western Europe, good in Russia and negative in China.

Currency movements had a positive impact on the segment's reported net sales. The translation impact was EUR 10 million.

In constant currencies the segment's earnings grew, primarily due to positive volume and product mix development in Western Europe as well as improved competitiveness of Central European plastics operations. The earnings were negatively impacted by soft development in China.

North America

The North America segment serves local markets with Chinet® disposable tableware products, foodservice packaging products, as well as ice-cream containers and other consumer goods packaging products. The segment has production in the United States and Mexico.

EUR million	Q2 2015	Q2 2014	Change	H1 2015	H1 2014	Change	FY 2014
Net sales	252.5	208.3	21%	463.2	372.5	24%	769.3
EBIT	26.2	13.2	98%	40.0	22.0	82%	38.4
EBIT margin	10.4%	6.3%		8.6%	5.9%		5.0%
RONA				9.5%	7.5%		7.2%
Capital expenditure	9.8	7.0	40%	17.7	16.1	10%	36.7
Operating cash flow	10.1	-2.5	504%	-3.6	-24.0	85%	18.7

Q2 2015

In general, market conditions in the United States remained stable. Demand for frozen dessert packaging was boosted by lower producer ingredient costs and promotions. Prices for plastic resins increased, while prices for other raw materials were relatively stable.

The North America segment's reported net sales grew. However, in constant currencies net sales development was negative with comparable growth being -2%. Volume growth for frozen dessert packaging was strong, but net sales in foodservice and retail businesses declined moderately. Since late 2014, the segment has discontinued low profitability products in order to normalize its margins and improve its operational efficiency. These actions were successful, but had an expected adverse effect on the segment's net sales development. In addition, seasonal sales patterns between the first and the second quarter had a mild adverse effect on the segment's net sales on the quarter.

The segment's reported net sales were positively affected by currency movements. The translation impact was EUR 49 million.

The segment's profitability improved significantly. Earnings growth was driven by normalized distribution and energy costs as well as the segment's successful implementation of actions to normalize its profitability. The segment's earnings were also positively affected by currency movements.

H1 2015

General trading environment in the United States was stable. Demand for private label tableware and foodservice packaging was good especially in the first quarter, whereas demand for frozen dessert packaging picked up in the second quarter. Development of raw material prices was mixed. Plastic resin prices increased, recycled fiber costs remained at high levels and paperboard prices were stable.

The North America segment's net sales grew, comparable growth being 2%. Growth was strongest in frozen dessert packaging supported by favorable retail tableware business during the first quarter. The segment's successful focus on actions to normalize its margins had an adverse effect on net sales development towards the end of the period.

The segment's reported net sales were positively affected by currency movements. The translation impact was EUR 86 million.

The segment's earnings growth was strong. Earnings growth was mainly due to favorable business mix resulting from the segment's successful implementation of actions to normalize its profitability as well as normalized distribution and energy costs. Solid operational performance and strong sales growth in the first quarter also enhanced the segment's profitability. Additionally the segment's earnings were positively affected by currency movements. As a further note, the segment's earnings in H1 2014 included a EUR 8 million one-time gain related to a redesign of a pension plan.

Flexible Packaging

Flexible packaging is used for a wide range of consumer products including food, pet food, hygiene and health care products. The segment serves global markets from production units in Europe, Middle East, Asia and South America.

EUR million	Q2 2015	Q2 2014	Change	H1 2015	H1 2014	Change	FY 2014
Net sales	224.8	152.1	48%	430.8	302.9	42%	618.0
EBIT	17.8	11.3	58%	34.8	22.3	56%	45.5
EBIT margin	7.9%	7.4%		8.1%	7.4%		7.4%
RONA				12.8%	13.0%		13.6%
Capital expenditure	11.1	5.3	109%	16.9	9.5	78%	24.7
Operating cash flow	22.5	2.8	704%	35.3	4.9	620%	27.8

Q2 2015

In general, demand for flexible packaging, especially for food products, continued healthy. In India demand was subdued and competitive activity was high. Raw material prices increased sharply after having reached their low point during the first quarter.

The Flexible Packaging segment's net sales continued to grow and comparable growth was 4%. Growth was strongest in packaging for pet food and personal care in Southeast Asia and Europe. In India, net sales growth was affected by lower seasonal volumes in the beverage category as well as volatility in the main export markets in Africa. Positive Packaging has been reported as part of the segment as of February 1, 2015 and contributed EUR 57 million on the segment's net sales during the quarter.

Currency movements had a positive impact on the segment's reported net sales. The translation impact was EUR 12 million.

The segment's earnings grew significantly. Positive Packaging had a significant positive contribution to the segment's earnings growth. In addition, favorable product mix, especially in Europe, as well as lower raw material costs impacted positively on the segment's earnings.

H1 2015

Good growth momentum continued in Europe and Southeast Asia across flexible packaging product categories, whereas in India demand growth slowed down towards the end of the period. Currency fluctuations also had an effect on export demand in many markets. Raw material prices were volatile and increased sharply during the latter part of the period after declining in the beginning of the year.

The Flexible Packaging segment's net sales grew with all markets reporting growth. Comparable growth was 5%. Net sales growth was good in Southeast Asia, Europe and Oceania as a result of healthy volume growth in packaging for pet food, food and personal care products. In India, net sales growth continued with some moderation towards the end of the period. Positive Packaging contributed EUR 93 million on the segment's net sales.

Currency movements had a positive impact on the segment's reported net sales. The translation impact was EUR 25 million.

The segment's earnings growth was strong. Earnings growth was driven by good volume development in Asia and positive product mix in Europe. Positive Packaging and favorable raw material costs also contributed positively to the segment's earnings.

Molded Fiber

Recycled molded fiber is used to make fresh product packaging, such as egg and fruit packaging. The segment has production in Europe, Oceania, Africa and South America.

EUR million	Q2 2015	Q2 2014	Change	H1 2015	H1 2014	Change	FY 2014
Net sales	66.2	61.8	7%	131.4	123.3	7%	247.0
EBIT	9.0	10.0	-10%	17.6	17.6	0%	35.0
EBIT margin	13.6%	16.2%		13.4%	14.3%		14.2%
RONA				19.2%	19.9%		20.4%
Capital expenditure	6.0	4.9	22%	9.4	7.4	27%	27.3
Operating cash flow	7.5	4.2	79%	11.2	9.3	20%	17.5

Q2 2015

Overall demand for molded fiber egg and fruit packaging remained solid across markets. In Europe, there was a slight seasonal dip in demand following the Easter period, which corrected back to normal levels during the quarter. In New Zealand, demand for fruit packaging was somewhat affected by adverse weather conditions and increased competitive activity. Raw material prices increased slightly as export demand of waste paper was influenced by exchange rate fluctuations.

The Molded Fiber segment's net sales grew steadily, comparable net sales growth being 5%. Net sales growth was strongest in South America, Eastern Europe and Africa, where recent capacity additions were fully utilized. In Russia, local production base provided an additional advantage over imported competitive products. In Central Europe the segment's net sales were negatively affected by the temporary seasonal decline following Easter and price pressures in certain markets.

There was no significant foreign currency translation impact on the segment's reported net sales.

The segment's comparable earnings grew driven by higher volumes especially in the regions with new capacity. Earnings growth was further supported by continued good operational efficiency. As a further note, the segment's earnings in Q2 2014 include a one-time gain related to a refund of historic energy costs in Brazil.

H1 2015

Overall demand for molded fiber egg packaging remained solid across markets. Demand for molded fiber fruit packaging was somewhat negatively affected by adverse weather conditions in Oceania. Raw material prices were relatively stable, but started to increase slightly towards the end of the period.

The Molded Fiber segment's net sales grew steadily, comparable net sales growth being 5%. Net sales growth was strongest in South America, Eastern Europe and Africa. In Central Europe the segment's net sales development was flat. In order to address the growing trend of organic and free-range eggs, the segment commercialized a completely new molded fiber packaging with 50% grass fiber content.

There was no significant foreign currency translation impact on the segment's reported net sales.

The segment's comparable earnings development was positive driven by healthy volume growth, continued operational efficiency and favorable product mix as well as prudent margin management. As a further note, the segment's earnings in H1 2014 include a one-time gain related to a refund of historic energy costs in Brazil.

Personnel

The Group had a total of 16,598 (14,744) employees at the end of June 2015. The change in the number of personnel is mainly due to the acquisition of Positive Packaging at the end of January 2015 and the sale of the Films business segment at the end of 2014. The number of employees by segment was the following: Foodservice Europe-Asia-Oceania 4,628 (4,375), North America 3,622 (3,702), Flexible Packaging 6,651 (4,147), Molded Fiber 1,636 (1,540), and Other activities 56 (56).

Changes in management

Teija Sarajärvi, M.A., was appointed as Senior Vice President, Human Resources and a member of the Group Executive Team as of October 1, 2015. Sari Lindholm, Senior Vice President, Human Resources and a member of the Group Executive Team decided to leave Huhtamaki as of May 31, 2015.

Share capital and shareholders

At the end June 2015, Huhtamäki Oyj's ("the Company") registered share capital was EUR 366 million (EUR 366 million) corresponding to a total number of shares of 107,760,385 (107,760,385), including 4,063,906 (4,206,064) Company's own shares. Own shares represent 3.8% (3.9%) of the total number of shares and votes. The number of outstanding shares excluding the Company's own shares was 103,696,479 (103,554,321). The average number of outstanding shares used in EPS calculations was 103,633,816 (103,455,347), excluding the Company's own shares.

There were 24,602 (25,178) registered shareholders at the end June 2015. Foreign ownership including nominee registered shares accounted for 48% (42%).

Share trading

During January-June 2015 the Company's share was quoted on NASDAQ OMX Helsinki Ltd on the Nordic Large Cap list under the Industrials sector and it was a component of the OMX Helsinki 25 Index.

At the end June 2015, the Company's market capitalization was EUR 2,874 million (EUR 1,978 million) excluding the Company's own shares. With a closing price of EUR 27.72 the share price increased by 27% from the beginning of the year. During the reporting period the volume weighted average price for the Company's share was EUR 27.51. The highest price paid was EUR 32.05 and the lowest price paid was EUR 21.35.

During the reporting period the cumulative value of the Company's share turnover on NASDAQ OMX Helsinki Ltd was EUR 996 million (EUR 467 million). The trading volume of 36 million (24 million) shares equaled an average daily turnover of 296,533 (195,938) shares. The cumulative value of the Company's share turnover including alternative trading venues, such as BATS Chi-X and Turquoise, was EUR 2,071 million (EUR 994 million). During the reporting period, 52% (53%) of all trading took place outside NASDAQ OMX Helsinki Ltd. (Source: Fidessa Fragmentation Index, www.fragmentation.fidessa.com)

Resolutions of the Annual General Meeting 2015

Huhtamäki Oyj's Annual General Meeting of Shareholders was held in Helsinki on April 21, 2015. The meeting adopted the Company's Annual Accounts including the Consolidated Annual Accounts for 2014 and discharged the members of the Company's Board of Directors and the CEO from liability. As proposed by the Board of Directors, dividend for 2014 was set at EUR 0.60 per share compared to EUR 0.57 paid for the previous year.

Seven members of the Board of Directors were elected for a term ending at the end of the next AGM. To the Board of Directors were re-elected Ms. Eija Ailasmaa, Mr. Pekka Ala-Pietilä, Mr. William R. Barker, Mr. Rolf Börjesson, Ms. Maria Mercedes Corrales, Mr. Jukka Suominen and Ms. Sandra Turner. The Board of Directors elected Mr. Pekka Ala-Pietilä as the Chairman of the Board and Mr. Jukka Suominen as the Vice-Chairman of the Board.

Ernst & Young Oy, a firm of Authorized Public Accountants, was elected as Auditor of the Company for the financial year January 1 - December 31, 2015. Mr. Harri Pärssinen, APA, will be the Auditor with principal responsibility.

The Board of Directors was authorized to resolve on the repurchase of an aggregate maximum of 10,776,038 of the Company's own shares. The Board of Directors was also authorized to decide on the issuance of shares and the issuance of special rights entitling to shares. The aggregate number of shares to be issued on the basis of the authorization may not exceed 10,776,038 shares. Both authorizations remain in force until the end of the next AGM, however, no longer than until June 30, 2016.

Significant events after the reporting period

On July 1, 2015 Huhtamaki acquired the assets and business of Pure-Stat Technologies, Inc., a privately owned company in the United States. Pure-Stat's laminate is used as a component in a number of Huhtamaki's molded fiber products. The company employs 12 people in its manufacturing unit in Lewiston, Maine. The purchase price was approximately EUR 6 million and the acquired unit became part of Huhtamaki's North America business segment as of July 1, 2015.

Short term risks and uncertainties

Volatile raw material and energy prices as well as movements in currency rates are considered to be relevant short-term business risks and uncertainties in the Group's operations. General political, economic and financial market conditions can also have an adverse effect on the implementation of the Group's strategy and on its business performance and earnings.

Outlook for 2015

The Group's trading conditions are expected to remain relatively stable during 2015. The good financial position and ability to generate a positive cash flow will enable the Group to continue to address profitable growth opportunities. Capital expenditure is expected to be at the same level as in 2014. Majority of the investments are expected to be directed to enhance growth in the emerging markets.

Financial reporting in 2015

Huhtamaki will publish the following interim report during the course of the year:

Interim Report January 1 – September 30, 2015

October 22, 2015

Espoo, July 23, 2015

Huhtamäki Oyj
Board of Directors

Group income statement (IFRS) - unaudited

EUR million	H1 2015	H1 2014	Q2 2015	Q2 2014	Q1-Q4 2014
Continuing operations					
Net sales	1,343.7	1,092.5	713.6	578.9	2,235.7
Cost of goods sold	-1,116.7	-921.1	-587.7	-484.5	-1,886.7
Gross profit	227.0	171.4	125.9	94.4	349.0
Other operating income	9.2	10.8	4.7	6.8	21.3
Sales and marketing	-35.2	-30.0	-18.8	-17.0	-62.5
Research and development	-7.5	-6.5	-3.7	-3.4	-13.3
Administration costs	-71.0	-53.3	-36.6	-27.8	-113.7
Other operating expenses	-26.8	-3.8	-20.8	-2.3	-7.5
Share of profit of equity-accounted investments	1.1	0.8	0.5	0.3	1.6
	-130.2	-82.0	-74.7	-43.4	-174.1
Earnings before interest and taxes	96.8	89.4	51.2	51.0	174.9
Financial income	2.1	2.1	0.9	1.1	4.4
Financial expenses	-19.6	-16.1	-9.5	-8.0	-33.3
Profit before taxes	79.3	75.4	42.6	44.1	146.0
Income tax expense	-12.5	-12.9	-6.7	-7.5	-14.5
Profit for the period from continuing operations	66.8	62.5	35.9	36.6	131.5
Discontinued operations					
Profit from operations	-	5.0	-	2.6	4.6
Result relating to disposed operations	-1.3	-	-1.3	-	5.1
Result for the period from discontinued operations	-1.3	5.0	-1.3	2.6	9.7
Profit for the period	65.5	67.5	34.6	39.2	141.2
Attributable to:					
Equity holders of the parent company					
Profit for the period from continuing operations	65.0	61.1	35.3	35.8	128.3
Result for the period from discontinued operations	-1.3	5.0	-1.3	2.6	9.7
Profit for the period attributable to owners of the parent	63.7	66.1	34.0	38.4	138.0
Non-controlling interest					
Profit for the period from continuing operations	1.8	1.4	0.6	0.8	3.2
Result for the period from discontinued operations	-	-	-	-	-
Profit for the period attributable to non-controlling interest	1.8	1.4	0.6	0.8	3.2
EUR					
EPS profit for the period from continuing operations	0.62	0.59	0.33	0.34	1.24
EPS result for the period from discontinued operations	-0.01	0.05	-0.01	0.03	0.09
EPS attributable to equity holders of the parent company	0.61	0.64	0.32	0.37	1.33
Diluted:					
EPS profit for the period from continuing operations	0.62	0.59	0.33	0.34	1.24
EPS result for the period from discontinued operations	-0.01	0.05	-0.01	0.03	0.09
EPS attributable to equity holders of the parent company	0.61	0.64	0.32	0.37	1.33

Group statement of comprehensive income (IFRS) - unaudited

EUR million	H1 2015	H1 2014	Q2 2015	Q2 2014	Q1-Q4 2014
Profit for the period	65.5	67.5	34.6	39.2	141.2
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Remeasurements on defined benefit plans	-0.9	1.2	-0.1	1.2	-57.5
Income taxes related to items that will not be reclassified	0.3	-0.6	0.0	-0.4	11.9
Total	-0.6	0.6	-0.1	0.8	-45.6
Items that may be reclassified subsequently to profit or loss					
Translation differences	55.1	10.9	-38.3	9.4	83.8
Equity hedges	-18.3	-2.7	7.1	-2.4	-23.9
Cash flow hedges	-6.0	-1.2	1.0	-0.9	6.5
Income taxes related to items that may be reclassified	0.1	-0.2	0.0	0.2	-0.4
Total	30.9	6.8	-30.2	6.3	66.0
Other comprehensive income, net of tax	30.3	7.4	-30.3	7.1	20.4
Total comprehensive income	95.8	74.9	4.3	46.3	161.6
Attributable to:					
Equity holders of the parent company	94.0	73.5	3.7	45.5	158.4
Non-controlling interest	1.8	1.4	0.6	0.8	3.2

Group statement of financial position (IFRS) - unaudited

EUR million	Jun 30 2015	Dec 31 2014	Jun 30 2014
ASSETS			
Non-current assets			
Goodwill	558.5	431.5	460.8
Other intangible assets	30.5	19.1	21.5
Tangible assets	835.6	680.1	657.8
Equity-accounted investments	12.7	11.6	11.3
Available-for-sale investments	1.9	1.9	1.7
Interest-bearing receivables	4.7	4.2	4.3
Deferred tax assets	51.7	55.9	37.1
Employee benefit assets	52.1	48.8	48.0
Other non-current assets	6.3	7.4	7.2
	1,554.0	1,260.5	1,249.7
Current assets			
Inventory	388.8	312.7	351.5
Interest-bearing receivables	3.1	2.4	7.8
Current tax assets	8.9	9.8	6.9
Trade and other current receivables	471.0	361.8	392.5
Cash and cash equivalents	97.7	350.8	169.5
	969.5	1,037.5	928.2
Total assets	2,523.5	2,298.0	2,177.9
EQUITY AND LIABILITIES			
Share capital	366.4	366.4	366.4
Premium fund	115.0	115.0	115.0
Treasury shares	-37.3	-38.7	-38.7
Translation differences	-41.0	-77.8	-129.5
Fair value and other reserves	-105.8	-99.3	-83.1
Retained earnings	598.3	596.6	561.3
Total equity attributable to equity holders of the parent company	895.6	862.2	791.4
Non-controlling interest	33.8	30.6	24.5
Total equity	929.4	892.8	815.9
Non-current liabilities			
Interest-bearing liabilities	557.1	527.4	565.1
Deferred tax liabilities	80.2	72.2	68.6
Employee benefit liabilities	242.7	232.7	184.1
Provisions	26.3	25.6	31.7
Other non-current liabilities	4.7	4.3	4.5
	911.0	862.2	854.0
Current liabilities			
Interest-bearing liabilities			
Current portion of long term loans	66.5	76.1	29.2
Short-term loans	111.8	41.9	59.2
Provisions	1.9	3.6	4.3
Current tax liabilities	8.1	8.8	9.4
Trade and other current liabilities	494.8	412.6	405.9
	683.1	543.0	508.0
Total liabilities	1,594.1	1,405.2	1,362.0
Total equity and liabilities	2,523.5	2,298.0	2,177.9
	Jun 30 2015	Dec 31 2014	Jun 30 2014
Net debt	629.9	288.0	471.9
Net debt to equity (gearing)	0.68	0.32	0.58

Statement of changes in equity (IFRS) - unaudited

Attributable to equity holders of the parent company

<i>EUR million</i>	Share capital	Share issue premium	Treasury shares	Translation differences	Fair value and other reserves	Retained earnings	Total	Non-controlling interest	Total equity
Balance on Dec 31, 2013	365.9	114.8	-38.9	-137.7	-82.3	558.1	779.9	24.9	804.8
Dividends paid						-59.0	-59.0		-59.0
Share-based payments			0.2			0.6	0.8		0.8
Stock option exercised	0.5	0.2					0.7		0.7
Total comprehensive income for the year				8.2	-0.8	66.1	73.5	1.4	74.9
Acquisition of non-controlling interest						-2.6	-2.6	-1.7	-4.3
Other changes						-1.9	-1.9	-0.1	-2.0
Balance on Jun 30, 2014	366.4	115.0	-38.7	-129.5	-83.1	561.3	791.4	24.5	815.9
Balance on Dec 31, 2014	366.4	115.0	-38.7	-77.8	-99.3	596.6	862.2	30.6	892.8
Dividends paid						-62.2	-62.2		-62.2
Share-based payments			1.4			-0.9	0.5		0.5
Total comprehensive income for the year				36.8	-6.5	63.7	94.0	1.8	95.8
Other changes						1.1	1.1	1.4	2.5
Balance on Jun 30, 2015	366.4	115.0	-37.3	-41.0	-105.8	598.3	895.6	33.8	929.4

Group statement of cash flows (IFRS) - unaudited

EUR million	H1 2015	H1 2014	Q2 2015	Q2 2014	Q1-Q4 2014
Profit for the period*	65.5	67.5	34.6	39.2	141.2
Adjustments*	79.3	62.2	41.0	36.0	119.3
Depreciation and amortization*	51.6	44.6	26.5	22.4	91.2
Share of profit of equity-accounted investments*	-1.1	-0.8	-0.6	-0.3	-1.6
Gain/loss from disposal of assets*	-0.1	-0.7	-0.1	-0.6	-1.0
Financial expense/-income*	17.5	15.3	8.6	7.6	31.9
Income tax expense*	12.5	12.9	6.7	7.5	16.8
Other adjustments, operational*	-1.1	-9.1	-0.1	-0.6	-17.9
Change in inventory*	-29.9	-43.4	-6.6	-12.7	-25.7
Change in non-interest bearing receivables*	-53.5	-53.8	16.1	-40.1	-46.1
Change in non-interest bearing payables*	40.2	21.9	0.8	14.5	37.1
Dividends received*	0.7	0.3	0.4	0.1	1.0
Interest received*	0.5	0.9	0.3	0.4	1.5
Interest paid*	-19.2	-17.4	-13.6	-13.0	-25.2
Other financial expense and income*	-0.7	-1.2	0.1	-0.3	-2.1
Taxes paid*	-10.5	-8.0	-6.0	-5.7	-22.1
Net cash flows from operating activities	72.4	29.0	67.1	18.4	178.9
Capital expenditure*	-61.6	-45.6	-36.9	-23.6	-127.0
Proceeds from selling tangible assets*	0.2	12.4	0.2	12.3	12.7
Divested subsidiaries and associated companies	-	-	-	-	101.0
Acquired subsidiaries and assets	-204.2	-	3.8	-	-6.7
Proceeds from long-term deposits	1.9	0.5	0.4	0.2	0.8
Payment of long-term deposits	-2.0	0.0	-0.1	0.0	-1.1
Proceeds from short-term deposits	2.5	11.2	0.9	1.2	19.4
Payment of short-term deposits	-3.0	-13.8	-2.8	-2.6	-15.6
Net cash flows from investing activities	-266.2	-35.3	-34.5	-12.5	-16.5
Proceeds from long-term borrowings	23.9	6.4	0.0	6.3	17.1
Repayment of long-term borrowings	-30.6	-38.4	-12.5	-3.2	-90.3
Proceeds from short-term borrowings	381.5	53.4	339.4	16.8	127.8
Repayment of short-term borrowings	-381.9	-25.9	-293.9	-15.6	-54.7
Dividends paid	-62.2	-59.0	-62.2	-59.0	-59.0
Proceeds from stock option exercises	-	0.7	-	0.2	0.7
Acquisition of non-controlling interest	-	-4.2	-	-	-4.2
Net cash flows from financing activities	-69.3	-67.0	-29.2	-54.5	-62.6
Change in liquid assets	-253.1	-71.5	0.1	-47.2	109.8
Cash flow based	-263.1	-73.3	3.4	-48.6	99.8
Translation difference	10.0	1.8	-3.3	1.4	10.0
Liquid assets period start	350.8	241.0	97.6	216.7	241.0
Liquid assets period end	97.7	169.5	97.7	169.5	350.8
Free cash flow (including figures marked with *)	11.0	-4.2	30.4	7.1	64.6

Notes for the interim results report

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. Except for the accounting policy changes listed below, the same accounting policies have been applied in the interim financial statements as in the annual financial statements for 2014. The following amended standards and interpretations, which have been adopted with effect from January 1, 2015, had no impact on the interim financial statements:

- Revised IAS 19 Employee benefits. The amendment concerns defined benefit plans with contributions from employees or third parties.
- Annual improvements (December 2013). Annual improvements include smaller amendments to nine standards.

Segments

Segment information is presented according to the IFRS standards. Items below EBIT - financial items and taxes - are not allocated to the segments.

Net Sales

<i>EUR million</i>	H1 2015	Q2 2015	Q1 2015	Q1-Q4 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Continuing operations								
Foodservice Europe-Asia-Oceania	324.7	173.6	151.1	613.0	154.4	158.9	160.1	139.6
Intersegment net sales	4.6	1.8	2.8	7.4	1.2	1.2	2.6	2.4
North America	458.0	249.6	208.4	760.4	203.7	188.8	205.6	162.3
Intersegment net sales	5.2	2.9	2.3	9.0	2.0	2.4	2.7	1.9
Flexible Packaging	430.7	224.8	205.9	617.5	159.7	155.2	151.9	150.7
Intersegment net sales	0.1	0.0	0.1	0.5	0.1	0.1	0.2	0.1
Molded Fiber	130.3	65.6	64.7	244.8	62.7	59.8	61.3	61.0
Intersegment net sales	1.1	0.6	0.5	2.2	0.5	0.7	0.5	0.5
Elimination of intersegment net sales	-11.0	-5.3	-5.7	-19.1	-3.8	-4.4	-6.0	-4.9
Total continuing operations	1,343.7	713.6	630.1	2,235.7	580.5	562.7	578.9	513.6
Discontinued operations								
Films	-	-	-	193.4	43.5	50.5	49.3	50.1
Intersegment net sales	-	-	-	6.0	1.5	1.8	1.1	1.6
Elimination of intersegment net sales	-	-	-	-6.0	-1.5	-1.8	-1.1	-1.6
Total discontinued operations	-	-	-	193.4	43.5	50.5	49.3	50.1
EBIT								
<i>EUR million</i>	H1 2015	Q2 2015	Q1 2015	Q1-Q4 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Continuing operations								
Foodservice Europe-Asia-Oceania	28.3	16.4	11.9	57.4	13.0	16.0	17.4	11.0
North America	40.0	26.2	13.8	38.4	8.6	7.8	13.2	8.8
Flexible Packaging	34.8	17.8	17.0	45.5	12.4	10.8	11.3	11.0
Molded Fiber	17.6	9.0	8.6	35.0	10.0	7.4	10.0	7.6
Other activities ¹	-23.9	-18.2	-5.7	-1.4	1.3	-1.8	-0.9	0.0
Total continuing operations	96.8	51.2	45.6	174.9	45.3	40.2	51.0	38.4
Discontinued operations								
Films ²	-1.3	-1.3	-	15.0	4.0	4.7	3.3	3.0

¹ H1 2015 includes non-recurring items MEUR -22.6, Q2 2015 MEUR -18.5 and Q1 2015 MEUR -4.1.

² H1 2015 and Q2 2015 include non-recurring items MEUR -1.3, Q1-Q4 2014 and Q4 2014 MEUR 5.1.

Segments (continued)

EBITDA

<i>EUR million</i>	H1 2015	Q2 2015	Q1 2015	Q1-Q4 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Continuing operations								
Foodservice Europe-Asia-Oceania	41.6	23.3	18.3	82.5	19.5	22.3	23.6	17.1
North America	57.9	35.1	22.8	67.2	16.6	14.9	20.0	15.7
Flexible Packaging	48.5	25.2	23.3	63.5	17.1	15.4	15.7	15.3
Molded Fiber	24.0	12.2	11.8	46.5	12.9	10.3	12.9	10.4
Other activities ¹	-23.6	-18.1	-5.5	-0.7	1.5	-1.7	-0.7	0.2
Total continuing operations	148.4	77.7	70.7	259.0	67.6	61.2	71.5	58.7
Discontinued operations								
Films ²	-1.3	-1.3	-	22.1	5.4	6.6	5.2	4.9

¹ H1 2015 includes non-recurring items MEUR -22.6, Q2 2015 MEUR -18.5 and Q1 2015 MEUR -4.1.

² H1 2015 and Q2 2015 include non-recurring items MEUR -1.3, Q1-Q4 2014 and Q4 2014 MEUR 5.1.

Depreciation and amortization

<i>EUR million</i>	H1 2015	Q2 2015	Q1 2015	Q1-Q4 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Continuing operations								
Foodservice Europe-Asia-Oceania	13.3	6.9	6.4	25.1	6.5	6.3	6.2	6.1
North America	17.9	8.9	9.0	28.8	8.0	7.1	6.8	6.9
Flexible Packaging	13.7	7.4	6.3	18.0	4.7	4.6	4.4	4.3
Molded Fiber	6.4	3.2	3.2	11.5	2.9	2.9	2.9	2.8
Other activities	0.3	0.1	0.2	0.7	0.2	0.1	0.2	0.2
Total continuing operations	51.6	26.5	25.1	84.1	22.3	21.0	20.5	20.3
Discontinued operations								
Films	-	-	-	7.1	1.4	1.9	1.9	1.9

Net assets allocated to the segments³

<i>EUR million</i>	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Continuing operations						
Foodservice Europe-Asia-Oceania	385.0	377.7	344.5	335.1	321.4	316.9
North America	643.0	653.5	558.7	568.8	537.6	522.1
Flexible Packaging	608.5	630.8	346.2	346.3	335.4	330.2
Molded Fiber	189.5	189.1	177.4	183.1	170.9	163.5
Discontinued operations						
Films	-	-	-	140.5	135.6	134.9

³ Following statement of financial position items are included in net assets: intangible and tangible assets, equity-accounted investments, other non-current assets, inventories, trade and other current receivables (excluding accrued interest income), other non-current liabilities and trade and other current liabilities (excluding accrued interest expense).

Segments (continued)

Capital expenditure

<i>EUR million</i>	H1 2015	Q2 2015	Q1 2015	Q1-Q4 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Continuing operations								
Foodservice Europe-Asia-Oceania	17.3	9.8	7.5	33.6	14.4	8.0	5.6	5.6
North America	17.7	9.8	7.9	36.7	14.9	5.7	7.0	9.1
Flexible Packaging	16.9	11.1	5.8	24.7	8.5	6.7	5.3	4.2
Molded Fiber	9.4	6.0	3.4	27.3	10.1	9.8	4.9	2.5
Other activities	0.3	0.2	0.1	0.7	0.3	0.2	0.1	0.1
Total continuing operations	61.6	36.9	24.7	123.0	48.2	30.4	22.9	21.5
Discontinued operations								
Films	-	-	-	4.0	1.6	1.2	0.7	0.5

RONA (12m roll.)

<i>EUR million</i>	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Continuing operations						
Foodservice Europe-Asia-Oceania	16.2%	17.2%	17.6%	11.9%	9.7%	6.5%
North America	9.5%	7.6%	7.2%	6.7%	7.5%	8.0%
Flexible Packaging	12.8%	12.9%	13.6%	13.0%	13.0%	13.2%
Molded Fiber	19.2%	20.4%	20.4%	20.1%	19.9%	18.4%
Discontinued operations						
Films	-	-	-	8.3%	5.0%	3.8%

Operating cash flow

<i>EUR million</i>	H1 2015	Q2 2015	Q1 2015	Q1-Q4 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Continuing operations								
Foodservice Europe-Asia-Oceania	13.6	7.7	5.9	41.9	3.4	18.5	9.8	10.2
North America	-3.6	10.1	-13.7	18.7	28.7	14.0	-2.5	-21.5
Flexible Packaging	35.3	22.5	12.8	27.8	13.0	9.9	2.8	2.1
Molded Fiber	11.2	7.5	3.7	17.5	3.4	4.8	4.2	5.1
Discontinued operations								
Films	-	-	-	10.3	6.5	-0.4	4.0	0.2

Reportable segments' net sales and EBIT form Groups' total net sales and EBIT, so no reconciliations to corresponding amounts are presented.

Business combinations

On January 30, 2015 Huhtamaki completed the acquisition of Positive Packaging, a privately owned flexible packaging company with nine manufacturing facilities in India and the United Arab Emirates (UAE) as well as significant business in Africa and other countries. With the acquisition Huhtamaki continued to implement its strategy of quality growth and strengthen its position in the fast-growing emerging markets. The acquired business has been consolidated into Flexible Packaging segment as of February 1, 2015. The goodwill is expected to be non-deductible for income tax purposes. The initial accounting of business combination has been updated during the quarter. The revised consideration amounted to EUR 197.2 million. The costs of EUR 4.1 million relating to advice etc. services are included in the Group income statement in account Other operating expenses. The initial accounting of business combination is ongoing and the presented values of assets, liabilities and goodwill may change when the accounting is finalized.

The draft values of acquired assets and liabilities at time of acquisition were as follows:

EUR million

Customer relations	7.1
Intangible assets	4.3
Tangible assets	95.6
Inventories	29.4
Trade and other receivables	63.1
Cash and cash equivalents	2.5
Total assets	202.0
Deferred taxes	-5.1
Interest-bearing loans	-69.5
Trade and other payables	-42.8
Total liabilities	-117.4
Net assets total	84.6
Goodwill	112.6
Consideration	197.2

Analysis of cash flows of acquisition

EUR million

Purchase consideration, paid in cash*	-197.2
Cash and cash equivalents in acquired companies	2.5
Transaction costs of the acquisition	-4.1
Net cash flow on acquisition	-198.8

* Revised estimate

The net sales of the acquired business included in the Group income statement since acquisition date were EUR 93.4 million and profit for the period was EUR 4.0 million. The Group net sales from continuing operations would have been EUR 1,359.3 million, profit for the period from continuing operations EUR 67.1 million and profit for the period EUR 65.8 million, if the acquired business had been consolidated from January 1, 2015.

Business combinations

On April 1, 2015 Huhtamaki completed the acquisition of Butterworth Paper Cups Sdn Bhd, a privately owned paper cup and foodservice packaging manufacturer in Malaysia. With the acquisition Huhtamaki expanded its foodservice manufacturing footprint to Southeast Asia and significantly strengthened its presence and capability to serve customers in Malaysia, Singapore and other regional Southeast Asian markets. The acquired business has been consolidated into Foodservice Europe-Asia-Oceania business segment as of April 1, 2015. The goodwill is expected to be non-deductible for income tax purposes. The consideration of EUR 5.8 million was paid in cash. The costs of EUR 0.2 million relating to advice etc. services are included in the Group income statement in account Other operating expenses.

The draft values of acquired assets and liabilities at time of acquisition were as follows:

EUR million

Customer relations	0.6
Tangible assets	4.2
Inventories	0.9
Trade and other receivables	2.0
Cash and cash equivalents	0.1
Total assets	7.8
Deferred taxes	0.2
Interest-bearing loans	-2.7
Trade and other payables	-0.9
Total liabilities	-3.8
Net assets total	4.0
Goodwill	1.8
Consideration	5.8

Analysis of cash flows of acquisition

EUR million

Purchase consideration, paid in cash	-5.8
Cash and cash equivalents in acquired companies	0.1
Transaction costs of the acquisition	-0.2
Net cash flow on acquisition	-5.9

The net sales of the acquired business included in the Group income statement since acquisition date were EUR 2.0 million and profit for the period was EUR 0.1 million. The net sales and the profit for the period of the acquired business would not have material effect in the Group income statement, if the acquired business had been consolidated from January 1, 2015.

Other information

Key indicators

	H1 2015	Q1-Q4 2014	H1 2014
Equity per share (EUR)	8.64	8.33	7.64
ROE, % (12m roll.)	15.4	16.7	13.7
ROI, % (12m roll.)	12.3	13.0	10.7
Personnel	16,598	13,818	14,744
Profit before taxes (EUR million, 12m roll.)	149.9	146.0	119.7
Depreciation of tangible assets (EUR million)	48.3	76.7	37.1
Amortization of other intangible assets (EUR million)	3.3	7.4	3.7

Contingent liabilities

EUR million	Jun 30 2015	Dec 31 2014	Jun 30 2014
Mortgages	0.0	0.0	0.1
Guarantee obligations	0.5	0.7	0.4
Lease payments	67.0	65.7	68.9
Capital expenditure commitments	40.3	31.7	31.6

Financial instruments measured at fair value

EUR million	Jun 30 2015	Dec 31 2014	Jun 30 2014
Fair value through profit and loss - assets			
Currency forwards, transaction risk hedges	1.9	3.4	0.6
Currency forwards, translation risk hedges	1.6	-	-
Currency forwards, for financing purposes	2.3	1.0	0.8
Currency options, transaction risk hedges	0.2	0.3	0.1
Interest rate swaps	2.7	4.0	1.9
Cross currency swaps	0.8	-	1.0
Electricity forwards	0.0	-	-
Available-for-sale investments	1.9	1.9	1.7
Fair value through profit and loss - liabilities			
Currency forwards, transaction risk hedges	1.0	0.9	1.9
Currency forwards, translation risk hedges	0.3	11.4	2.2
Currency forwards, for financing purposes	1.0	2.7	1.3
Currency options, transaction risk hedges	0.4	0.2	0.5
Interest rate swaps	2.1	2.0	2.1
Cross currency swaps	0.4	0.9	1.1
Electricity forwards	0.3	0.2	0.2

The fair values of the financial instruments measured at fair value have been indirectly derived from market prices. Only fair values of electricity forwards are based on quoted prices in active markets.

Interest-bearing liabilities

EUR million	Jun 30 2015 Carrying amount	Fair value	Dec 31 2014 Carrying amount	Fair value	Jun 30 2014 Carrying amount	Fair value
Non-current	557.1	552.0	527.4	524.0	565.1	554.6
Current	178.3	178.3	118.0	118.0	88.4	88.4
Total	735.4	730.3	645.4	642.0	653.5	643.0

Other information (continued)

Exchange rates

Income statement, average:

	H1 2015	H1 2014
AUD 1 =	0.7014	0.6671
GBP 1 =	1.3656	1.2174
INR 1 =	0.0143	0.0120
RUB 1 =	0.0155	0.0208
THB 1 =	0.0272	0.0224
USD 1 =	0.8966	0.7296

Statement of financial position, month end:

	Jun 30 2015	Jun 30 2014
AUD 1 =	0.6873	0.6879
GBP 1 =	1.4057	1.2477
INR 1 =	0.0140	0.0122
RUB 1 =	0.0160	0.0216
THB 1 =	0.0265	0.0226
USD 1 =	0.8937	0.7322

Definitions for key indicators

Earnings per share (EPS) from profit for the period from continuing operations =

$\frac{\text{Profit for the period from continuing operations} - \text{non-controlling interest}}{\text{Average number of shares outstanding}}$

Earnings per share (EPS) from profit for the period from discontinued operations =

$\frac{\text{Profit for the period from discontinued operations} - \text{non-controlling interest}}{\text{Average number of shares outstanding}}$

Earnings per share (EPS) attributable to equity holders of the parent company =

$\frac{\text{Profit for the period} - \text{non-controlling interest}}{\text{Average number of shares outstanding}}$

Diluted earnings per share (EPS) from profit for the period from continuing operations =

$\frac{\text{Diluted profit for the period from continuing operations} - \text{non-controlling interest}}{\text{Average fully diluted number of shares outstanding}}$

Diluted earnings per share (EPS) from profit for the period from discontinued operations =

$\frac{\text{Diluted profit for the period from discontinued operations} - \text{non-controlling interest}}{\text{Average fully diluted number of shares outstanding}}$

Earnings per share attributable to equity holders of the parent company (diluted EPS) =

$\frac{\text{Diluted profit for the period} - \text{non-controlling interest}}{\text{Average fully diluted number of shares outstanding}}$

Net debt to equity (gearing) =

$\frac{\text{Interest-bearing net debt}}{\text{Equity} + \text{non-controlling interest}}$

Return on net assets (RONA) =

$\frac{100 \times \text{Earnings before interest and taxes (12m roll)}}{\text{Net assets (12m roll)}}$

Operating cash flow =

Ebit + depreciation and amortization (including impairment) - capital expenditure + disposals +/- change in inventories, trade receivables and trade payables

Shareholders' equity per share =

$\frac{\text{Total equity attributable to equity holders of the parent company}}{\text{Issue-adjusted number of shares at period end}}$

Return on equity (ROE) =

$\frac{100 \times \text{Profit for the period (12m roll)}}{\text{Equity} + \text{non-controlling interest (average)}}$

Return on investment (ROI) =

$\frac{100 \times (\text{Profit before taxes} + \text{interest expenses} + \text{net other financial expenses}) (12m roll)}{\text{Statement of financial position total} - \text{Interest-free liabilities (average)}}$