



HUHTAMÄKI OYJ INTERIM REPORT

January 1 – September 30, 2011



HUHTAMAKI

Q1-Q3 2011

Growth momentum continued

- Healthy net sales growth continued, led by the Flexible Packaging segment
- Two strategic, growth enhancing acquisitions completed
- Positive sales and earnings development in the North America segment in the third quarter
- Foodservice Europe-Asia-Oceania segment's profitability disappointing

Key figures (continued operations)

EUR million	Q1-Q3 2011	Q1-Q3 2010	Q3 2011	Q3 2010	2010
Net sales	1,521.8	1,470.0	515.8	499.8	1,951.8
EBIT reported	92.2	106.6	24.8	33.4	134.3
EBIT excl. NRI*	100.0	106.6	32.6	33.4	134.3
EBIT margin excl. NRI*, %	6.6	7.3	6.3	6.7	6.9
EPS reported, EUR	0.61	0.70	0.16	0.23	0.92
EPS excl. NRI*, EUR	0.69	0.70	0.24	0.23	0.92
ROI, %	10.2	10.1			12.0

*EUR -7.8 million non-recurring items (NRI) in Q1-Q3 2011 and Q3 2011.

Overview

The Group's trading conditions remained relatively stable during the reporting period, despite increased economic uncertainty towards the end of the period. Demand for consumer packaging remained robust within emerging markets. Raw material price levels stabilized but currencies moved adversely in the third quarter. The Group's outlook for 2011 has been modified regarding the tax rate.

The Group's net sales developed favorably in the reporting period compared to the corresponding period in 2010, led by the continued strong growth in the Flexible Packaging segment. Reported Group net sales growth for the reporting period was EUR 52 million, of which the businesses acquired during the third quarter accounted for EUR 6 million. Net sales development in the North America segment in constant currencies turned positive during the third quarter. Adverse currency translations, especially in North America, had a negative impact in reported net sales development during the reporting period.

The Group's earnings before interest and taxes (EBIT) for the reporting period were EUR 92 million, including a non-recurring charge of EUR 8 million related to the closure of the New Lynn unit in New Zealand. Successful price management and favorable product mix supported earnings development during the third quarter. Currency translations continued to have a negative impact on earnings during the third quarter.

The Group's free cash flow continued to develop positively during the third quarter, but free cash flow in the reporting period was lower than in the corresponding period in 2010. Return on investment (ROI) was 10.2% (10.1%).

Two strategic, growth enhancing acquisitions were completed during the reporting period. A hygienic films manufacturer was acquired in Brazil and a specialty folding carton business in the United States. The closure of a Flexible Packaging manufacturing unit in New Zealand was announced during the reporting period.

Business review by segment

The sales distribution by segment was the following: Flexible Packaging 28% (26%), Films 9% (8%), North America 25% (28%), Molded Fiber 12% (12%), Foodservice Europe-Asia-Oceania 24% (23%) and Other activities 2% (3%).

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, Asia, Oceania and South America.

EUR million	Q1-Q3 2011	Q1-Q3 2010	Q3 2011	Q3 2010	2010
Net sales	436.1	390.5	146.2	133.3	524.6
EBIT*	28.6	24.7	8.4	7.7	34.3
EBIT margin* %	6.6	6.3	5.7	5.8	6.5
RONA* %	11.6	10.6			10.7

* Excluding non-recurring items of EUR -7.8 million in Q1-Q3 2011 and Q3 2011.

The good momentum continued within the Flexible Packaging segment as net sales continued to grow at double digit rates in the reporting period. Net sales growth in Europe further accelerated in the third quarter, driven by both healthy volume development as well as favorable product mix. In Asia strong net sales growth continued especially in Thailand and Vietnam throughout the reporting period. Currency translations had a negative impact on net sales in Asia.

The segment's earnings excluding non-recurring items developed positively during the reporting period compared to the corresponding period in 2010. Third quarter earnings developed positively in Asia despite adverse currency translations.

The closure of a loss making manufacturing unit in New Lynn, New Zealand was announced during the third quarter. The closure, expected to be finalized by the end of July 2012, is estimated to have an approximately EUR 5 million annualized positive impact on the segment's earnings as of the second half of 2012. A non-recurring charge of EUR 8 million related to the closure of the New Lynn unit was booked in the third quarter.

FILMS

Films are mainly used for technical applications in the label, adhesive tape, hygiene and health care industries, as well as building and construction, automotive, packaging and graphic arts industries. The segment serves global markets from production units in Europe, Asia, North America and South America.

EUR million	Q1-Q3 2011	Q1-Q3 2010	Q3 2011	Q3 2010	2010
Net sales	134.5	127.3	48.0	44.0	163.7
EBIT	8.7	9.3	3.7	3.0	10.8
EBIT margin %	6.5	7.3	7.7	6.8	6.6
RONA %	7.9	6.7			9.1

The Films segment's net sales developed positively during the reporting period compared to the corresponding period in 2010. The positive development in the third quarter is mainly attributable to the hygiene films unit acquired in Brazil and net sales increase in North America.

The segment's earnings declined during the reporting period compared to the corresponding period in 2010, due to the unfavorable product mix and quality problems experienced earlier in the year. During the third quarter the segment's earnings developed positively. Currency translations had a negative impact on net sales and earnings development in North America during the reporting period.

An acquisition of a Brazilian hygiene films manufacturer, Prisma Pack Indústria de Filmes Técnicos e Embalagens Ltda, was completed during the third quarter. The acquisition strengthened significantly the Films segment's geographic scope, improving its ability to serve global films customers also in South America. With the acquisition the Films segment gained a strong position in the growing market of hygienic films in Brazil. The acquisition also supports the Films segment's target of establishing a leading global position in films for hygiene applications. The acquired business was consolidated into the Films segment as of September 1, 2011.

A new, state-of-the-art films manufacturing unit started operations in Thailand during the third quarter. The unit is focused on manufacturing high quality films for the growing market of hygiene products in Asia, and further strengthens the segment's geographic scope and position in the global market of films for hygiene applications.

NORTH AMERICA

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

EUR million	Q1-Q3 2011	Q1-Q3 2010	Q3 2011	Q3 2010	2010
Net sales	383.5	407.8	129.2	136.4	535.6
EBIT	33.3	37.4	10.4	10.1	45.4
EBIT margin %	8.7	9.2	8.0	7.4	8.5
RONA %	10.9	10.6			11.9

The North America segment's reported net sales declined during the reporting period compared to the corresponding period in 2010 due to adverse currency translations. Net sales development in constant currency turned positive during the third quarter. The retail business continued the positive development started in the second quarter 2011, mainly led by range extensions targeted to the value conscious consumers. Also the foodservice business developed favorably during the third quarter, whilst volumes and net sales within the consumer goods business continued to suffer from softness in the ice cream market.

The segment's earnings increased during the third quarter compared to the corresponding period in 2010 due to continued positive earnings development in the retail business. Reporting period earnings, however, were lower than in the corresponding period in 2010 due to adverse currency translations.

During the third quarter the acquisition of the assets and business of Paris Packaging, Inc., a converter of specialty folding cartons in the United States was completed. The product range of the acquired business is complementary to the North America segment and the acquisition strengthened the segment's position especially within the foodservice market. The business was consolidated into the North America segment as of September 1, 2011.

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	Q1-Q3 2011	Q1-Q3 2010	Q3 2011	Q3 2010	2010
Net sales	177.3	171.9	58.7	57.2	232.9
EBIT	15.1	15.7	5.1	5.4	21.9
EBIT margin %	8.5	9.1	8.7	9.4	9.4
RONA %	12.3	12.0			12.7

The Molded Fiber segment's net sales developed positively during the reporting period and especially during the third quarter. Net sales development in the third quarter was positive particularly in Europe.

Despite positive sales development, the segment's earnings declined slightly during the reporting period compared to the corresponding period in 2010. Third quarter negative earnings development was caused mainly by unfavorable currency translations.

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, Middle-East, Asia and Oceania.

EUR million	Q1-Q3 2011	Q1-Q3 2010	Q3 2011	Q3 2010	2010
Net sales	365.2	352.6	125.8	121.5	467.6
EBIT	17.4	20.4	6.2	8.7	24.5
EBIT margin %	4.8	5.8	4.9	7.2	5.2
RONA %	8.9	9.1			10.6

The Foodservice Europe-Asia-Oceania segment's net sales continued to develop positively in Eastern Europe and Asia, and the segment's net sales grew in the reporting period compared to the corresponding period in 2010.

Despite positive sales development the segment's reporting period earnings declined compared to the corresponding period in 2010. The decline in the segment's third quarter earnings was mainly attributable to the low profitability of the Central European plastics and Nordic businesses. Currency translations had a negative impact on the segment's net sales and earnings development.

Financial review

The Group EBIT excluding non-recurring items for the reporting period was EUR 100 million (EUR 107 million), corresponding to an EBIT margin of 6.6% (7.3%). The Group EBIT including non-recurring items for the reporting was EUR 92 million (EUR 107 million). For the third quarter, the Group EBIT excluding non-recurring items was EUR 33 million (EUR 33 million), corresponding to an EBIT margin of 6.3% (6.7%). The Group EBIT including non-recurring items for the third quarter was EUR 25 million (EUR 33 million).

Reporting period financial expenses were maintained in the same level as in the corresponding period in 2010. Net financial items for the reporting period were EUR -12 million (EUR -12 million) and for the third quarter EUR -5 million (EUR -3 million). Tax expense for the reporting period was EUR 11 million (EUR 16 million) and for the third quarter EUR 1 million (EUR 5 million). The corresponding tax rate for the reporting period was 13% (16%). Decrease in tax expense is due to tax charge adjustments related to the reporting period and booked during the third quarter.

The result including non-recurring items for the reporting period was EUR 71 million (EUR 79 million) and for the third quarter EUR 19 million (EUR 26 million). The earnings per share (EPS) including non-

recurring items for the reporting period were EUR 0.61 (EUR 0.70) and for the third quarter EUR 0.16 (EUR 0.23). EPS excluding non-recurring items for the reporting period were EUR 0.69 (EUR 0.70) and for the third quarter EUR 0.24 (EUR 0.23).

Adverse foreign currency translation impact on net sales versus 2010 exchange rates was EUR -30 million during the reporting period and EUR -18 million during the third quarter. The adverse impact on EBIT was EUR -3 million during the reporting period and EUR -2 million during the third quarter.

The majority of European Rigid Consumer Goods Plastics operations, reported as discontinued operations, was divested in 2010. Discontinued operations do not have an impact in the Group's financial figures in the reporting period. The result for January-September 2010, including discontinued operations, was EUR 87 million and for July-September 2010 EUR 29 million. The EPS for January-September 2010, including discontinued operations, were EUR 0.77 and for July-September 2010 EUR 0.26.

The average number of outstanding shares used in EPS calculations was 101,400,257 (101,167,399), excluding 4,591,089 (4,826,089) of the Company's own shares.

STATEMENT OF FINANCIAL POSITION AND CASH FLOW

Free cash flow for the reporting period was EUR 1 million (EUR 76 million) and for the third quarter EUR 20 million (EUR 32 million). Cash flow generation improved during the third quarter compared to the previous quarters in 2011.

Capital expenditure for the reporting period was EUR 53 million (EUR 48 million). Third quarter capital expenditure was EUR 20 million (EUR 23 million). Majority of the capital expenditure was allocated on business expanding investments.

Net debt was EUR 351 million (EUR 345 million) at the end of the reporting period. This corresponds to a gearing ratio of 0.41 (0.42). Compared to December 31, 2010, net debt increased by EUR 81 million, and gearing ratio increased from 0.32 to 0.41. The two acquisitions completed in the third quarter increased the Group's net debt by EUR 39 million. Net debt to EBITDA ratio (excluding non-recurring items) was 1.7 (1.6) at the end of the reporting period.

As a result of refinancing activities during the reporting period, the average maturity of external committed credit facilities and loans at the end of the reporting period was extended to 4.5 (2.1) years. In the third quarter, a EUR 65.5 million freely transferable floating rate loan agreement (Schuldschein) was signed. The loan is divided into two tranches with loan periods of five and seven years. The funds will be used for refinancing and general corporate purposes of the Group and the total loan amount was drawn at the end of September. After the reporting period, it was announced that the EUR 75 million hybrid bond issued in November 2008 will be redeemed on November 28, 2011.

The Group's liquidity position remained strong. At the end of the reporting period, cash and cash equivalents were EUR 98 million (EUR 56 million) and the Group had EUR 298 million (EUR 329 million) of unused committed credit facilities available.

Total assets on the statement of financial position were EUR 1,905 million (EUR 1,857 million).

Personnel

The Group had 12,507 (12,839) employees at the end of September 2011. During the third quarter, the amount of personnel increased due to the acquisitions.

Change in the Board of Directors

In September, George V. Bayly announced his resignation from the Board of Directors of Huhtamäki Oyj. After the resignation, the Board of Directors still constitutes a quorum and consists of the following

members: Mikael Lilius, Chairman, Jukka Suominen, Vice-Chairman, Eija Ailasmaa, William R. Barker, Rolf Börjesson, Siaou-Sze Lien and Sandra Turner.

Changes in the Group Executive Team

In September, Group Vice President, Human Resources Sari Lindholm was appointed as Senior Vice President, Human Resources and member of the Group Executive Team reporting to Jukka Moisio, CEO.

Juha Salonen, Senior Vice President, Administration and Legal, previously responsible also for human resources will continue as member of the Group Executive Team responsible for Group administration, legal as well as environment, health and safety regulatory affairs.

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 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 2011

The Group's trading conditions are expected to remain similar to the trading conditions experienced earlier in 2011. Raw material prices are not expected to increase from the third quarter levels. Financial charges are expected to increase from the exceptionally low level in 2010. Tax rate is estimated to be approximately at the level of 2010.

The good financial position and ability to generate a positive cash flow will enable the Group to further address profitable growth opportunities. Capital expenditure is expected to be around EUR 100 million.

Financial reporting schedule in 2012

The Results 2011 will be published on February 15, 2012. Additionally, the interim reports will be published as follows:

- | | |
|---|------------------|
| • Interim Report January 1 – March 31, 2012 | April 24, 2012 |
| • Interim Report January 1 – June 30, 2012 | July 20, 2012 |
| • Interim Report January 1 – September 30, 2012 | October 19, 2012 |

Huhtamäki Oyj's Annual General Meeting is planned to be held on April 24, 2012.

Espoo, October 19, 2011

Huhtamäki Oyj

Board of Directors

Group income statement (IFRS) - unaudited

EUR million	Q1-Q3 2011	Q1-Q3 2010	Q3 2011	Q3 2010	Q1-Q4 2010
CONTINUING OPERATIONS					
Net sales	1,521.8	1,470.0	515.8	499.8	1,951.8
Cost of goods sold	-1,292.1	-1,226.7	-444.6	-421.6	-1,631.9
Gross profit	229.7	243.3	71.2	78.2	319.9
Other operating income	14.1	16.0	4.5	5.6	22.0
Sales and marketing	-50.0	-54.2	-16.6	-17.5	-70.1
Research and development	-12.5	-12.1	-4.3	-4.4	-16.3
Administration costs	-80.8	-80.2	-27.9	-26.6	-111.9
Other operating expenses	-8.3	-6.2	-2.1	-1.9	-9.3
	-137.5	-136.7	-46.4	-44.8	-185.6
Earnings before interest and taxes	92.2	106.6	24.8	33.4	134.3
Financial income	4.2	3.6	1.8	1.2	5.7
Financial expenses	-15.8	-15.2	-6.4	-4.6	-19.9
Income of associated companies	0.5	0.5	0.2	0.2	0.6
Result before taxes	81.1	95.5	20.4	30.2	120.7
Income taxes	-10.5	-16.3	-1.4	-4.7	-16.2
Result for the period from continuing operations	70.6	79.2	19.0	25.5	104.5
DISCONTINUED OPERATIONS					
Result from operations	-	9.3	-	3.8	12.2
Loss relating to disposed operations	-	-2.0	-	-	-2.0
Result for the period from discontinued operations	-	7.3	-	3.8	10.2
Result for the period	70.6	86.5	19.0	29.3	114.7
Attributable to:					
Equity holders of the parent company					
Result for the period from continuing operations	68.0	76.7	18.2	24.7	100.9
Result for the period from discontinued operations	-	7.3	-	3.8	10.2
Result for the period attributable to owners of parent	68.0	84.0	18.2	28.5	111.1
Non-controlling interest					
Result for the period from continuing operations	2.6	2.5	0.8	0.8	3.6
Result for the period from discontinued operations	-	-	-	-	-
Result for the period attributable to non-controlling interest	2.6	2.5	0.8	0.8	3.6
EUR					
EPS result for the period from continuing operations	0.67	0.76	0.18	0.25	1.00
EPS attributable to hybrid bond investors	0.06	0.06	0.02	0.02	0.08
EPS continuing operations	0.61	0.70	0.16	0.23	0.92
EPS result for the period from discontinued operations	-	0.07	-	0.03	0.10
EPS attributable to equity holders of the parent company	0.61	0.77	0.16	0.26	1.02
EPS result for the period	0.67	0.83	0.18	0.28	1.10
Diluted:					
EPS result for the period from continuing operations	0.67	0.76	0.18	0.25	1.00
EPS attributable to hybrid bond investors	0.06	0.06	0.02	0.02	0.08
EPS continuing operations	0.61	0.70	0.16	0.23	0.92
EPS result for the period from discontinued operations	-	0.07	-	0.03	0.10
EPS attributable to equity holders of the parent company	0.61	0.77	0.16	0.26	1.02
EPS result for the period	0.67	0.83	0.18	0.28	1.10

Group statement of comprehensive income (IFRS) - unaudited

EUR million	Q1-Q3 2011	Q1-Q3 2010	Q3 2011	Q3 2010	Q1-Q4 2010
Result for the period	70.6	86.5	19.0	29.3	114.7
Other comprehensive income:					
Translation differences	-14.3	26.4	12.8	-33.0	32.8
Fair value and other reserves	-0.9	-0.7	-1.8	1.2	1.9
Income tax related to components of other comprehensive income	0.3	0.1	0.6	-0.3	-0.5
Other comprehensive income, net of tax	-14.9	25.8	11.6	-32.1	34.2
Total comprehensive income	55.7	112.3	30.6	-2.8	148.9
Attributable to:					
Equity holders of the parent company	53.1	109.8	29.8	-3.6	145.3
Non-controlling interest	2.6	2.5	0.8	0.8	3.6

Group statement of financial position (IFRS) - unaudited

EUR million	Sept 30 2011	Dec 31 2010	Sept 30 2010
ASSETS			
Non-current assets			
Goodwill	408.4	400.8	399.0
Other intangible assets	25.5	26.7	28.6
Tangible assets	609.3	614.8	588.3
Investments in associated companies	3.3	3.1	3.0
Available for sale investments	1.1	1.2	1.1
Interest bearing receivables	14.1	11.9	1.0
Deferred tax assets	15.3	13.0	13.1
Employee benefit assets	60.4	61.3	60.7
Other non-current assets	5.2	4.5	4.2
	1,142.6	1,137.3	1,099.0
Current assets			
Inventory	306.8	265.2	258.5
Interest bearing receivables	8.6	35.4	33.3
Current tax assets	2.7	3.4	3.9
Trade and other current receivables	345.8	305.1	326.6
Cash and cash equivalents	98.3	118.7	56.0
	762.2	727.8	678.3
Assets classified as held for sale	-	-	80.0
Total assets	1,904.8	1,865.1	1,857.3
EQUITY AND LIABILITIES			
Share capital	360.6	360.6	360.6
Premium fund	106.8	106.8	106.8
Treasury shares	-42.2	-44.4	-44.4
Translation differences	-111.5	-97.2	-106.9
Fair value and other reserves	-3.5	-2.9	-5.0
Retained earnings	442.4	426.0	401.2
Amounts recognized in other comprehensive income and accumulated in equity relating to non/current assets held for sale	-	-	3.4
Total equity attributable to equity holders of the parent company	752.6	748.9	715.7
Non-controlling interest	23.0	24.8	23.3
Hybrid bond	75.0	75.0	75.0
Total equity	850.6	848.7	814.0
Non-current liabilities			
Interest bearing liabilities	259.5	283.0	244.0
Deferred tax liabilities	59.2	51.7	49.9
Employee benefit liabilities	98.9	101.7	101.6
Provisions	44.3	47.5	50.6
Other non-current liabilities	4.1	4.5	5.2
	466.0	488.4	451.3
Current liabilities			
Interest bearing liabilities			
- Current portion of long term loans	82.5	61.4	71.5
- Short term loans	130.3	91.5	120.0
Provisions	7.4	2.5	2.1
Current tax liabilities	11.4	8.8	9.8
Trade and other current liabilities	356.6	363.8	349.4
	588.2	528.0	552.8
Liabilities directly associated with assets classified as held for sale	-	-	39.2
Total liabilities	1,054.2	1,016.4	1,043.3
Total equity and liabilities	1,904.8	1,865.1	1,849.6
	Sept 30 2011	Dec 31 2010	Sept 30 2010
Net debt	351.3	269.9	345.2
Net debt to equity (gearing)	0.41	0.32	0.42

Statement of changes in equity (IFRS) - unaudited

EUR million	Attributable to equity holders of the parent company										
	Share capital	Share issue premium	Treasury shares	Translation diff.	Fair value and other reserves	Retained earnings	Discontinued Operations	Total	Non-controlling interest	Hybrid bond	Total equity
Balance at Dec 31, 2009	360.6	106.8	-46.5	-130.0	-4.3	354.8	-	641.4	20.2	75.0	736.6
Corrections of previous period errors						7.7		7.7			7.7
Balance at Jan 1, 2010	360.6	106.8	-46.5	-130.0	-4.3	362.5	-	649.1	20.2	75.0	744.3
Dividend						-38.5		-38.5			-38.5
Share-based payments			2.1			-0.6		1.5			1.5
Interest on Hybrid Bond						-6.6		-6.6			-6.6
Total comprehensive income for the year				26.4	-0.6	84.0		109.8	2.5		112.3
Discontinued operations				-3.3	-0.1		3.4	0.0			0.0
Other changes						0.4		0.4	0.6		1.0
Balance at Sept 30, 2010	360.6	106.8	-44.4	-106.9	-5.0	401.2	3.4	715.7	23.3	75.0	814.0
Balance at Dec 31, 2010	360.6	106.8	-44.4	-97.2	-2.9	426.0	-	748.9	24.8	75.0	848.7
Dividend						-44.6		-44.6			-44.6
Share-based payments			2.2			-0.7		1.5			1.5
Interest on Hybrid Bond						-6.6		-6.6			-6.6
Total comprehensive income for the year				-14.3	-0.6	68.0		53.1	2.6		55.7
Discontinued operations											-
Other changes						0.3		0.3	-4.4		-4.1
Balance at Sept 30, 2011	360.6	106.8	-42.2	-111.5	-3.5	442.4	-	752.6	23.0	75.0	850.6



Group statement of cash flow (IFRS) - unaudited

EUR million	Q1-Q3 2011	Q1-Q3 2010	Q3 2011	Q3 2010	Q1-Q4 2010
Result for the period*	70.6	86.5	19.0	29.3	114.7
Adjustments*	88.1	78.6	34.5	27.0	102.0
- Depreciation, amortization and impairment*	61.4	60.6	22.1	20.0	81.2
- Gain on equity of minorities*	-0.5	-0.5	-0.2	-0.2	-0.6
- Gain/loss from disposal of assets*	-0.4	-3.0	-0.1	-0.3	-2.2
- Financial expense/-income*	11.7	11.6	4.7	3.4	14.2
- Income tax expense*	10.5	16.5	1.4	4.8	16.5
- Other adjustments, operational*	5.4	-6.6	6.6	-0.7	-7.1
Change in inventory*	-37.2	-21.2	3.2	2.9	-32.1
Change in non-interest bearing receivables*	-34.7	-2.2	4.6	37.1	-3.6
Change in non-interest bearing payables*	-16.0	-11.9	-16.6	-32.7	24.3
Dividends received*	0.7	0.3	0.2	0.2	0.5
Interest received*	2.3	3.1	1.0	1.0	5.3
Interest paid*	-13.6	-11.0	-5.0	-5.7	-12.8
Other financial expense and income*	-1.2	-1.2	-0.9	-2.0	-0.4
Taxes paid*	-5.6	-3.7	0.0	-2.9	-6.6
Net cash flows from operating activities	53.4	117.3	40.0	54.2	191.3
Capital expenditure*	-53.2	-47.7	-20.1	-23.4	-85.8
Proceeds from selling fixed assets*	0.9	6.6	0.4	1.1	7.4
Acquired subsidiaries	-28.9	-	-28.9	-	-
Divested subsidiaries	-	-	-	-	52.0
Proceeds from long-term deposits	0.7	12.4	0.1	0.2	12.8
Payment of long-term deposits	-2.8	-1.4	0.0	-0.1	-12.6
Proceeds from short-term deposits	33.3	4.6	2.9	1.4	6.4
Payment of short-term deposits	-7.7	-16.6	-3.1	-1.4	-18.8
Net cash flows from investing	-57.7	-42.1	-48.7	-22.2	-38.6
Proceeds from long-term borrowings	211.1	182.5	96.3	60.0	274.2
Repayment of long-term borrowings	-230.6	-234.7	-127.0	-98.1	-288.3
Proceeds from short-term borrowings	892.0	858.4	583.0	442.3	1,154.6
Repayment of short-term borrowings	-836.2	-853.8	-513.9	-460.0	-1,195.6
Dividends paid	-44.6	-38.4	0.0	-	-38.4
Hybrid bond interest	0.0	-	0.0	-	-7.9
Net cash flows from financing	-8.3	-86.0	38.4	-55.8	-101.5
Change in liquid assets	-20.4	-8.0	29.7	-34.2	54.7
Cash flow based	-12.6	-10.8	29.7	-23.8	51.2
Translation difference	-7.8	2.8	0.0	-10.4	3.5
Liquid assets period start	118.7	64.0	68.6	90.2	64.0
Liquid assets period end	98.3	56.0	98.3	56.0	118.7
Free cash flow (including figures marked with *)	1.1	76.2	20.3	31.9	112.9

Notes for the results report

This interim report has been prepared in accordance with IAS 34 Interim financial Reporting. Except for accounting policy changes listed below, the same accounting policies have been applied in the interim financial statements as in annual financial statements for 2010.

CHANGES IN ACCOUNTING PRINCIPLES

The Group has adopted the following IFRS standards and interpretations considered applicable to Huhtamaki, with effect from January 1, 2011:

- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments.
- IFRIC 14 Prepayments of a Minimum Funding Requirement.
- Amended IAS 24 Related Party Disclosures.
- Improvements to IFRS (May 2010)

These newly adopted standards have not had impact on the reported results.

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

EUR million	Q1-Q3 2011	Q3 2011	Q2 2011	Q1 2011	Q1-Q4 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Continuing operations									
Flexible Packaging	435.2	146.0	143.0	146.2	523.1	133.9	132.9	129.9	126.4
- Intersegment net sales	0.9	0.2	0.3	0.4	1.5	0.2	0.4	0.5	0.4
Films	131.3	47.0	42.9	41.4	159.1	35.2	42.9	41.0	40.0
- Intersegment net sales	3.2	1.0	1.2	1.0	4.6	1.2	1.1	1.1	1.2
North America	381.0	128.2	141.9	110.9	532.4	127.2	135.5	156.9	112.8
- Intersegment net sales	2.5	1.0	0.8	0.7	3.2	0.6	0.9	0.9	0.8
Molded Fiber	176.7	58.3	59.8	58.6	232.6	60.9	57.1	59.2	55.4
- Intersegment net sales	0.6	0.4	0.1	0.1	0.3	0.1	0.1	0.0	0.1
Foodservice Europe-Asia-Oceania	361.2	124.4	127.4	109.4	447.9	110.7	116.6	119.9	100.7
- Intersegment net sales	4.0	1.4	1.5	1.1	19.7	4.3	4.9	5.2	5.3
Other activities	36.4	11.9	13.0	11.5	56.7	13.9	14.8	15.4	12.6
- Intersegment net sales	2.1	0.6	0.9	0.6	3.2	0.7	0.8	1.0	0.7
Elimination of intersegment net sales	-13.3	-4.6	-4.8	-3.9	-32.5	-7.1	-8.2	-8.7	-8.5
Total continuing operations	1,521.8	515.8	528.0	478.0	1,951.8	481.8	499.8	522.3	447.9
Discontinued operations									
Rigid consumer goods plastics	-	-	-	-	154.7	37.1	40.3	40.2	37.1
- Intersegment net sales	-	-	-	-	12.2	2.4	3.5	3.5	2.8
Elimination of intersegment net sales	-	-	-	-	-12.2	-2.4	-3.5	-3.5	-2.8
Total discontinued operations	-	-	-	-	154.7	37.1	40.3	40.2	37.1

EBIT

EUR million	Q1-Q3 2011	Q3 2011	Q2 2011	Q1 2011	Q1-Q4 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Continuing operations									
Flexible packaging ⁽¹⁾	20.8	0.6	10.0	10.2	34.3	9.6	7.7	7.1	9.9
Films	8.7	3.7	1.9	3.1	10.8	1.5	3.0	3.8	2.5
North America	33.3	10.4	16.3	6.6	45.4	8.0	10.1	18.9	8.4
Molded Fiber	15.1	5.1	4.6	5.4	21.9	6.2	5.4	5.7	4.6
Foodservice Europe-Asia-Oceania	17.4	6.2	7.7	3.5	24.5	4.1	8.7	8.2	3.5
Other activities	-3.1	-1.2	-0.5	-1.4	-2.6	-1.7	-1.5	0.6	0.0
Total continuing operations	92.2	24.8	40.0	27.4	134.3	27.7	33.4	44.3	28.9
Discontinued operations									
Rigid consumer goods plastics ⁽²⁾	-	-	-	-	10.6	3.1	3.9	1.7	1.9

¹⁾ Q1-Q3 and Q3 2011 includes non-recurring charges MEUR 7.8.

²⁾ Q1-Q4 and Q4 2010 includes non-recurring charges MEUR 2.0.

Segments (continued)

EBITDA

EUR million	Q1-Q3 2011	Q3 2011	Q2 2011	Q1 2011	Q1-Q4 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Continuing operations									
Flexible Packaging ⁽²⁾	37.2	7.6	14.7	14.9	53.8	14.4	12.7	12.1	14.6
Films	13.1	5.2	3.3	4.6	16.7	3.0	4.5	5.3	3.9
North America	48.0	15.3	21.2	11.5	64.6	13.0	14.9	23.8	12.9
Molded Fiber	24.3	8.1	7.7	8.5	34.4	9.6	8.5	8.7	7.6
Foodservice Europe-Asia-Oceania	32.8	11.4	12.8	8.6	44.8	9.5	13.8	13.3	8.2
Other activities	-1.8	-0.7	-0.1	-1.0	-0.7	-1.2	-1.0	1.0	0.5
Total continuing operations	153.6	46.9	59.6	47.1	213.6	48.3	53.4	64.2	47.7
Discontinued operations									
Rigid consumer goods plastics ⁽¹⁾	-	-	-	-	12.5	3.1	3.9	2.6	2.9

¹⁾ Q2 and Q1-Q4 2010 includes non-recurring charges MEUR 2.0.

²⁾ Q3 and Q1-Q3 2011 includes non-recurring charges MEUR 7.8.

DEPRECIATION AND AMORTIZATION

EUR million	Q1-Q3 2011	Q3 2011	Q2 2011	Q1 2011	Q1-Q4 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Continuing operations									
Flexible Packaging	16.4	7.0	4.7	4.7	19.5	4.8	5.0	5.0	4.7
Films	4.4	1.5	1.4	1.5	5.9	1.5	1.5	1.5	1.4
North America	14.7	4.9	4.9	4.9	19.2	5.0	4.8	4.9	4.5
Molded Fiber	9.2	3.0	3.1	3.1	12.5	3.4	3.1	3.0	3.0
Foodservice Europe-Asia-Oceania	15.4	5.2	5.1	5.1	20.3	5.4	5.1	5.1	4.7
Other activities	1.3	0.5	0.4	0.4	1.9	0.5	0.5	0.4	0.5
Total continuing operations	61.4	22.1	19.6	19.7	79.3	20.6	20.0	19.9	18.8
Discontinued operations									
Rigid consumer goods plastics	-	-	-	-	1.9	0.0	0.0	0.9	1.0

NET ASSETS ALLOCATED TO THE SEGMENTS³⁾

EUR million	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Continuing operations							
Flexible Packaging	327.9	332.7	333.0	328.2	325.6	328.6	320.4
Films	152.0	127.0	125.0	118.8	120.4	125.0	119.3
North America	413.0	368.9	370.4	369.8	376.0	411.2	385.1
Molded Fiber	173.0	174.6	175.2	173.1	172.1	176.0	174.2
Foodservice Europe-Asia-Oceania	250.5	252.5	240.3	238.5	227.7	237.3	228.2
Discontinued operations							
Rigid consumer goods plastics	-	-	-	-	44.7	42.5	47.3

³⁾ Following statement of financial position items are included in net assets: intangible and tangible assets, 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

EUR million	Q1-Q3 2011	Q3 2011	Q2 2011	Q1 2011	Q1-Q4 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Continuing operations									
Flexible Packaging	10.1	3.3	4.8	2.0	12.8	5.5	3.6	1.5	2.2
Films	5.6	1.9	1.8	1.9	7.5	3.7	2.3	1.1	0.4
North America	16.3	6.1	5.2	5.0	22.3	6.7	7.1	5.6	2.9
Molded Fiber	7.4	3.6	1.9	1.9	15.8	8.9	4.9	0.8	1.2
Foodservice Europe-Asia-Oceania	13.2	4.9	5.6	2.7	18.6	7.7	4.4	3.5	3.0
Other activities	0.6	0.3	0.2	0.1	2.2	0.8	0.2	1.0	0.2
Total continuing operations	53.2	20.1	19.5	13.6	79.2	33.3	22.5	13.5	9.9
Discontinued operations									
Rigid consumer goods plastics	-	-	-	-	6.6	4.8	0.9	0.6	0.3

RONA, % (12m roll.)

	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Continuing operations							
Flexible Packaging	9.2%	11.4%	10.6%	10.7%	10.0%	10.0%	9.3%
Films	7.9%	7.7%	9.4%	9.1%	6.7%	5.5%	-0.6%
North America	10.9%	10.8%	11.4%	11.9%	10.6%	11.7%	13.3%
Molded Fiber	12.3%	12.4%	13.1%	12.7%	12.0%	11.6%	10.9%
Foodservice Europe-Asia-Oceania	8.9%	10.0%	10.7%	10.6%	9.1%	8.3%	7.4%
Discontinued operations							
Rigid consumer goods plastics	-	-	-	-	0.9%	1.9%	6.2%

OPERATING CASH FLOW

EUR million	Q1-Q3 2011	Q3 2011	Q2 2011	Q1 2011	Q1-Q4 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Continuing operations									
Flexible Packaging	16.5	10.5	10.9	-4.9	34.6	22.3	3.4	7.7	1.2
Films	-6.4	1.0	0.5	-7.9	5.7	5.5	5.2	-0.2	-4.8
North America	12.2	9.3	9.5	-6.6	59.0	19.0	9.0	18.4	12.6
Molded Fiber	12.3	4.0	5.6	2.7	23.1	7.5	6.0	7.3	2.3
Foodservice Europe-Asia-Oceania	-2.7	6.4	-5.2	-3.9	21.8	5.4	11.5	5.2	-0.3
Discontinued operations									
Rigid consumer goods plastics	-	-	-	-	-3.7	-11.4	2.7	0.2	4.8

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

Business combinations

On August 11, 2011, Huhtamäki Oyj and its subsidiary entered into an agreement to acquire all the quotas of a Brazilian hygienic films manufacturer Prisma Pack Indústria de Filmes Técnicos e Embalagens Ltda. The acquisition marked an important step in Huhtamäki's strategy of profitable growth and significantly strengthened its Films segment's geographic scope as well as presence within the growing market of hygienic films. The acquisition was completed on August 31, 2011. The goodwill is expected to be non-deductible for income tax purposes.

On September 1, 2011, Huhtamäki, Inc. acquired the assets and business of Paris Packaging, Inc., a converter of specialty folding cartons in the United States. With the acquisition Huhtamäki continued to implement its strategy of profitable growth, significantly strengthening its position in the North American foodservice and consumer goods packaging markets. The goodwill is expected to be deductible for income tax purposes.

The following table summarises the combined consideration paid and the provisional amounts of the assets acquired and liabilities assumed recognised at the acquisition date, prepared according to IFRS and Huhtamäki accounting principles. Because the process of fair valuation of the acquired assets and liabilities was not completed as of reporting date, the fair values of the acquired net assets and the amount of goodwill may be subject to adjustments until the fair value process is finalized.

CONSIDERATION

EUR million

Cash	28.9
Total consideration	28.9

ACQUISITION RELATED COSTS

(included in other expenses in the consolidated income statement for the reporting period)

1.0

RECOGNIZED AMOUNTS OF IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED

EUR million

Contractual customer relationship (included in intangibles)	2.2
Property, plant and equipment	16.4
Inventories	9.2
Trade and other receivables	13.2
Cash and cash equivalents	0.2
Trade and other payables	-10.4
Borrowings	-10.0
Deferred tax liabilities	-0.5
Total identifiable net assets	20.3
Goodwill	8.6
Consideration	28.9

ANALYSIS OF CASH FLOWS ON ACQUISITION

EUR million

Purchase consideration, paid in cash	28.9
Cash and cash equivalents in acquired companies	0.2
Transaction costs of the acquisition	1.0
Net cash flow on acquisition	30.1

The net sales of the acquisitions included in the consolidated income statement since September 1, 2011 were MEUR 6.3. The acquisitions' contribution to the result for the same period was MEUR -0.1. Had the acquisitions been consolidated from January 1, 2011, the consolidated income statement would show net sales of MEUR 1.581,6 and profit of MEUR 70.9.

Other information

KEY INDICATORS

	Q1-Q3 2011	Q1-Q3 2010	Q1-Q4 2010
Equity per share (EUR)	7.42	7.07	7.40
ROE, % (12m roll.)	11.8	11.3	14.5
ROI, % (12m roll.)	10.2	10.1	12.0
Personnel	12,507	12,839	11,687
Result before taxes (12m roll.)	109.3	104.9	131.2
Depreciation	57.3	56.0	75.1
Amortization of other intangible assets	4.1	4.6	6.1

CONTINGENT LIABILITIES

EUR million	Sept 30 2011	Dec 31 2010	Sept 30 2010
Mortgages	14.5	14.5	14.5
Guarantee obligations	0.0	0.0	0.0
Lease payments	53.8	67.3	52.4
Capital expenditure commitments	28.0	19.7	30.5

NOMINAL VALUES OF DERIVATIVE INSTRUMENTS

EUR million	Sept 30 2011	Dec 31 2010	Sept 30 2010
Currency forwards, transaction risk hedges	37	47	52
Currency forwards, translation risk hedges	80	47	46
Currency swaps, financing hedges	98	116	123
Currency options	1	0	-
Interest rate swaps	113	151	150
Cross currency swaps	48	48	-
Electricity forwards	1	1	1

EXCHANGE RATES

Income statement, average:	Q1-Q3 2011	Q1-Q3 2010
GBP 1 =	1.148	1.166
INR 1 =	0.016	0.017
AUD 1 =	0.739	0.682
USD 1 =	0.711	0.760
Statement of financial position, month end:	Sept 30 2011	Sept 30 2010
GBP 1 =	1.154	1.163
INR 1 =	0.015	0.016
AUD 1 =	0.721	0.711
USD 1 =	0.741	0.733

Other information (continued)

SHARE CAPITAL AND SHAREHOLDERS

At the end of reporting period, the Company's registered share capital was EUR 360,615,288.00 (unchanged) corresponding to a total number of outstanding shares of 106,063,320 (unchanged) including 4,591,089 (4,826,089) Company's own shares. The Company's own shares had the total accountable par value of EUR 15,609,702.60 (EUR 16,408,702.60), representing 4.3% (4.6%) of the total number of shares and voting rights. The amount of outstanding shares net of Company's own shares was 101,472,231 (101,237,231).

There were 26,899 (26,104) registered shareholders at the end of the reporting period. Foreign ownership including nominee registered shares accounted for 24% (26%).

SHARE DEVELOPMENTS

The Company's share is quoted on the NASDAQ OMX Helsinki Ltd on the Nordic Mid Cap list under the Materials sector.

At the end of reporting period, the Company's market capitalization was EUR 835 million (EUR 999 million) and EUR 799 million (EUR 954 million) excluding Company's own shares. With a closing price of EUR 7.87 (EUR 9.42) the share price decreased by 24% (-3%) from the beginning of the year, while the OMX Helsinki Cap PI Index decreased by 30% (+16%) and the OMX Helsinki Materials PI Index increased by 40% (+32%). During the reporting period the volume weighted average price for the Company's share was EUR 9.19 (EUR 8.61). The highest price paid was EUR 10.75 and the lowest price paid was EUR 7.09.

During the reporting period the cumulative value of the Company's share turnover was EUR 382 million (EUR 585 million). The trading volume of 41 million (68 million) shares equaled an average daily turnover of EUR 2.0 million (EUR 3.1 million) or, correspondingly 218,036 (359,968) shares.

In total, turnover of the Company's 2006 A, B and C option rights was EUR 1,007,542.36 (EUR 236,843.99) corresponding to a trading volume of 807,317 (217,644) option rights.

DEFINITIONS FOR KEY INDICATORS

EPS result for the period =	$\frac{\text{Result for the period - non-controlling interest}}{\text{Average number of shares outstanding}}$
EPS result for the period (diluted) =	$\frac{\text{Diluted result for the period - non-controlling interest}}{\text{Average fully diluted number of shares outstanding}}$
EPS attributable to hybrid bond investors =	$\frac{\text{Hybrid bond interest}}{\text{Average number of shares outstanding}}$
EPS attributable to hybrid bond investors (diluted) =	$\frac{\text{Hybrid bond interest}}{\text{Average fully diluted number of shares outstanding}}$
EPS attributable to equity holders of the parent company =	$\frac{\text{Result for the period - non-controlling interest - hybrid bond interest}}{\text{Average number of shares outstanding}}$
EPS attributable to equity holders of the parent company (diluted) =	$\frac{\text{Diluted result for the period - non-controlling interest - hybrid bond interest}}{\text{Average fully diluted number of shares outstanding}}$
Net debt to equity (gearing) =	$\frac{\text{Interest bearing net debt}}{\text{Equity + non-controlling interest + hybrid bond}}$
RONA, % =	$\frac{100 \times \text{Earnings before interest and taxes (12 m roll.)}}{\text{Net assets (12 m roll.)}}$
Operating cash flow =	Ebit + depreciation and amortization (including impairment) - capital expenditures + disposals +/- change in inventories, trade receivables and trade payables
Shareholders' equity per share =	$\frac{\text{Total equity attributable to equity holders of parent company}}{\text{Issue-adjusted number of shares at period end}}$
Return on equity (ROE) =	$\frac{100 \times (\text{Result for the period}) (12 m roll.)}{\text{Equity + non-controlling interest + hybrid bond (average)}}$
Return on investment (ROI) =	$\frac{100 \times (\text{Result before taxes + interest expenses + net other financial expenses}) (12 m roll.)}{\text{Statement of financial position total - Interest-free liabilities (average)}}$

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