

# Huhtamäki Oyj Interim Report Q3 2015

January 1–September 30, 2015

**Huhtamäki**



## Continued profitability improvement

### Q3 2015 in brief

- Net sales grew to EUR 692 million (EUR 563 million)
- EBIT improved to EUR 62 million (EUR 40 million)
- EPS improved to EUR 0.43 (EUR 0.26)
- Comparable net sales growth was 6% in total and 7% in emerging markets
- Currency movements had a positive impact of EUR 40 million on the Group's net sales, and EUR 3 million on EBIT
- Free cash flow improved to EUR 27 million (EUR 15 million) despite the negative impact from the fine of EUR 15.6 million paid to the European Commission

### Q1-Q3 2015 in brief

- Net sales were EUR 2,036 million (EUR 1,655 million)
- EBIT excluding NRI was EUR 182 million (EUR 130 million)
- EPS excluding NRI was EUR 1.27 (EUR 0.85)
- Comparable net sales growth was 4% in total and 6% in emerging markets
- Currency movements had a positive impact of EUR 160 million on the Group's net sales, and EUR 13 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
- 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 launched an appeal on the decision.

### Key figures

EUR million	Q3 2015	Q3 2014	Change	Q1-Q3 2015	Q1-Q3 2014	Change	FY 2014
Net sales	692.2	562.7	23%	2,035.9	1,655.2	23%	2,235.7
EBITDA*	88.6	61.2	45%	259.6	191.4	36%	259.0
EBITDA margin*	12.8%	10.9%		12.8%	11.6%		11.6%
EBIT*	62.4	40.2	55%	181.8	129.6	40%	174.9
EBIT margin*	9.0%	7.1%		8.9%	7.8%		7.8%
EPS*, EUR	0.43	0.26	65%	1.27	0.85	49%	1.24
ROI**				14.2%	12.3%		12.6%
ROE**				18.4%	16.0%		16.1%
Capital expenditure	34.8	31.6	10%	96.4	77.2	25%	127.0
Free cash flow	27.2	14.7	85%	38.2	10.5	264%	64.6
<b>Including discontinued operations</b>							
EPS**, EUR	0.43	0.29	48%	1.27	0.93	37%	1.28
EPS, reported, EUR	0.43	0.29	48%	1.04	0.93	12%	1.33

\* Excluding NRI of EUR -22.6 million in Q1-Q3 2015.

\*\* Excluding NRI of EUR -23.9 million in Q1-Q3 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’re pleased to report good comparable growth for the third quarter with emerging markets at 7% and the Group at 6%. Although growth has been uneven across geographies during the course of the year reflecting economic uncertainty, all our business segments did well during the third quarter. Demand development in India was subdued, whereas China appears to have arrested the deepest demand decline. In Western Europe we saw some early signs of recovery. In the current market environment our global food packaging position proved its strength by allowing us to achieve good growth despite geographic variations.

Our profitability improvement continued. The North America segment achieved an excellent result and all our business segments excluding Foodservice Europe-Asia-Oceania were able to improve their profitability. I’m delighted to see that the actions our teams have taken are bearing fruit. We’ll continue our prudent housekeeping across business segments with an aim to achieve continued improvement.

Despite the volatility in raw material markets during the year, the impact of raw material prices on the Group level has been neutral. On the segment level, volatile plastic resin prices have had an impact on the profitability of the Foodservice Europe-Asia-Oceania and Flexible Packaging segments.

We continued to invest in growth in all segments according to our plans. Even with the increased investments and payment of the EUR 15.6 million fine to the European Commission, our cash flow developed well. There was also a good improvement in our return on equity and return on invested capital. Despite of the recent market uncertainty, we remain relatively optimistic on the longer term growth opportunities in food packaging and we remain focused on developing our business to capture our share of quality growth.”

## Financial review Q3 2015

The Group's comparable net sales growth was 6% during the quarter. All business segments contributed to the net sales growth. Growth was strongest in the North America and Foodservice Europe-Asia-Oceania business segments. Comparable growth in emerging markets was 7%. Growth was strongest in Eastern Europe and South America, while net sales development in India was soft. Net sales continued to decline in China. The Group's net sales grew to EUR 692 million (EUR 563 million). There was a significant positive impact on net sales from the Positive Packaging acquisition as well as foreign currency translation, which was EUR 40 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	Q3 2015	Q3 2014	Change	Of Group in Q3 2015
Foodservice Europe-Asia-Oceania	169.5	160.1	6%	24%
North America	240.3	191.2	26%	35%
Flexible Packaging	223.6	155.3	44%	32%
Molded Fiber	62.4	60.5	3%	9%
Elimination of internal sales	-3.6	-4.4		
<b>Group</b>	<b>692.2</b>	<b>562.7</b>	<b>23%</b>	

### Comparable growth by business segment

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

The Group's earnings growth accelerated driven by the robust earnings improvement in the North America business segment. Earnings growth was further supported by good development in the Flexible Packaging and Molded Fiber business segments. In addition, Positive Packaging continued to contribute positively to earnings. The Group's earnings before interest and taxes (EBIT) were EUR 62 million (EUR 40 million). Positive foreign currency translation impact on Group's EBIT was EUR 3 million.

### EBIT by business segment

EUR million	Q3 2015	Q3 2014	Change	Of Group in Q3 2015
Foodservice Europe-Asia-Oceania	13.8	16.0	-14%	22%
North America	25.0	7.8	221%	40%
Flexible Packaging	15.7	10.8	45%	25%
Molded Fiber	7.9	7.4	7%	13%
Other activities	0.0	-1.8		
<b>Group</b>	<b>62.4</b>	<b>40.2</b>	<b>55%</b>	

Net financial expenses increased to EUR 10 million (EUR 7 million). Tax expense was EUR 8 million (EUR 6 million).

Profit for the quarter was EUR 44 million (EUR 27 million). Earnings per share (EPS) were EUR 0.43 (EUR 0.26 and EUR 0.29 including discontinued operations).

## Financial review Q1-Q3 2015

The Group's comparable net sales growth was 4% during the period. All business segments contributed to the net sales growth. Comparable growth in emerging markets was 6%, driven by continued good development in Eastern Europe, Southeast Asia and South America. Net sales development was negative in China. The Group's net sales grew to EUR 2,036 million (EUR 1,655 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 160 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	Q1-Q3 2015	Q1-Q3 2014	Change	Of Group in Q1-Q3 2015
Foodservice Europe-Asia-Oceania	498.8	464.8	7%	24%
North America	703.5	563.7	25%	34%
Flexible Packaging	654.4	458.2	43%	32%
Molded Fiber	193.8	183.8	5%	10%
Elimination of internal sales	-14.6	-15.3		
<b>Group</b>	<b>2,035.9</b>	<b>1,655.2</b>	<b>23%</b>	

The Group's earnings development was robust. Earnings improvement was strongest in the North America business segment. Positive Packaging also contributed positively to earnings. The Group's EBIT were EUR 182 million, excluding NRI of EUR -23 million (EUR 130 million). Positive foreign currency translation impact on Group's EBIT was EUR 13 million.

### EBIT by business segment

EUR million	Q1-Q3 2015	Q1-Q3 2014	Change	Of Group in Q1-Q3 2015
Foodservice Europe-Asia-Oceania	42.1	44.4	-5%	23%
North America	65.0	29.8	118%	35%
Flexible Packaging	50.5	33.1	53%	28%
Molded Fiber	25.5	25.0	2%	14%
Other activities	-1.3	-2.7		
<b>Group</b>	<b>181.8</b>	<b>129.6</b>	<b>40%</b>	

*Other activities EBIT excluding NRI of EUR -22.6 million in Q1-Q3 2015.*

Net financial expenses increased to EUR 27 million (EUR 21 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 21 million (EUR 19 million). The corresponding tax rate was 16% (16%).

Profit for the reporting period was EUR 111 million, including NRI of EUR -23 million (EUR 90 million). EPS excluding NRI were EUR 1.27 (EUR 0.85). Reported EPS were EUR 1.05 (EUR 0.85) and EUR 1.04 (EUR 0.93) including discontinued operations.

## Statement of financial position and cash flow

The Group's net debt increased and was EUR 604 million (EUR 471 million) at the end of September. 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 0.64 (0.53). Net debt to EBITDA ratio (excl. NRI) was 1.8 (1.8). Average maturity of external committed credit facilities and loans was 3.5 (2.7) 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 81 million (EUR 191 million) at the end of September and the Group had EUR 311 million (EUR 320 million) of unused committed credit facilities available.

Total assets on the statement of financial position were EUR 2,485 million (EUR 2,282 million).

Capital expenditure was EUR 96 million (EUR 77 million). Largest investments for business expansion were made in the U.S., Russia, Thailand and the UK. The Group's free cash flow improved to EUR 38 million (EUR 11 million) despite the EUR 15.6 million fine paid to the European Commission during the third quarter.

## 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.

On July 1, 2015 Huhtamaki acquired the assets and business of Pure-Stat Technologies, Inc., a privately owned company in the U.S. 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.

## 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 15.6 million fine on Huhtamaki. The fine and legal costs of EUR 3 million related to the investigation and the appeal process were recognized as a non-recurring expense in the Group's Q2 2015 result and the payment of the fine was made during Q3 2015. Huhtamaki has examined the European Commission's decision and has launched 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	Q3 2015	Q3 2014	Change	Q1-Q3 2015	Q1-Q3 2014	Change	FY 2014
Net sales	169.5	160.1	6%	498.8	464.8	7%	620.4
EBIT	13.8	16.0	-14%	42.1	44.4	-5%	57.4
EBIT margin	8.1%	10.0%		8.4%	9.6%		9.3%
RONA				15.2%	17.6%		17.6%
Capital expenditure	12.1	8.0	51%	29.4	19.2	53%	33.6
Operating cash flow	10.0	18.5	-46%	23.6	38.5	-39%	41.9

### Q3 2015

Overall demand for foodservice packaging was relatively stable, but varied between geographies. In Western Europe, demand for insulated paper cups and paper containers was on a good level. Demand for foodservice packaging continued flat in Russia and soft in China. Paperboard prices were relatively stable, but prices for plastic resins declined after increasing sharply during the second quarter.

The Foodservice Europe-Asia-Oceania segment's net sales growth was good, comparable growth being 6%. Net sales development was positive both in Western and Eastern Europe, particularly in Russia. In Western Europe especially volumes for paper vending cups and paper containers developed positively. Healthy momentum continued in Australia boosted by sales to quick service restaurants. In China, net sales decline continued.

Currency movements had a mild negative impact on the segment's reported net sales. The translation impact was EUR -2 million.

The segment's earnings declined. Main reasons for the negative profitability development were the net sales decline in China and operational inefficiencies related to ramp-up of new capacity in the UK. In addition, inventory revaluations related to raw material price and currency fluctuations in certain countries, especially in Russia, had a negative impact on the segment's earnings.

### Q1-Q3 2015

Demand for foodservice packaging was relatively stable, but varied between geographies. In Western Europe the year started slow, but the demand, especially for insulated paper cups, turned stable during the second and third quarters. In Russia, demand for foodservice packaging turned flat during the reporting period. 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 3%. Net sales growth was strongest in Western Europe and Russia, but negative in China.

Currency movements had a positive impact on the segment's reported net sales. The translation impact was EUR 7 million.

The segment's earnings declined slightly. The positive volume and product mix development together with improved competitiveness of plastics operations in Europe were not sufficient to offset the adverse effect of volume decline 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	Q3 2015	Q3 2014	Change	Q1-Q3 2015	Q1-Q3 2014	Change	FY 2014
Net sales	240.3	191.2	26%	703.5	563.7	25%	769.3
EBIT	25.0	7.8	221%	65.0	29.8	118%	38.4
EBIT margin	10.4%	4.1%		9.2%	5.3%		5.0%
RONA				12.0%	6.7%		7.2%
Capital expenditure	11.2	5.7	96%	28.9	21.8	33%	36.7
Operating cash flow	31.7	14.0	126%	28.1	-10.0	381%	18.7

### Q3 2015

Market conditions in the United States remained stable. Moderate growth in foodservice and retail tableware continued. Demand for frozen dessert packaging was strong as lower dairy costs led to heavy promotional support. Raw material costs were relatively stable.

The North America segment's net sales grew, comparable net sales growth being 7%. Growth was strongest in the frozen dessert packaging business. Sales for Chinet® branded retail tableware and foodservice packaging businesses also developed positively.

The segment's reported net sales were positively affected by currency movements. The translation impact was EUR 39 million.

The segment's profitability improved significantly. Earnings growth was driven by favorable product mix and the segment's earlier actions to normalize its margins. In addition, lower distribution and energy costs, as well as high manufacturing output during the quarter, supported earnings development. The segment's earnings were also positively affected by currency movements.

### Q1-Q3 2015

General market conditions in the United States were stable. Demand for retail tableware, foodservice packaging and frozen dessert packaging was good. Development of raw material prices was relatively stable in paperboard and recycled fiber, but more volatile in plastic resins.

The North America segment's net sales grew, comparable growth being 4%. Growth was strongest in packaging for frozen desserts. Net sales for retail tableware also developed positively.

The segment's reported net sales were positively affected by currency movements. The translation impact was EUR 125 million.

The segment's earnings growth was strong. Earnings growth was mainly due to favorable product mix and the segment's successful implementation of actions to normalize its margins as well as lower distribution and energy costs. Additionally the segment's earnings were positively affected by currency movements. As a further note, the segment's earnings in Q1-Q3 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	Q3 2015	Q3 2014	Change	Q1-Q3 2015	Q1-Q3 2014	Change	FY 2014
Net sales	223.6	155.3	44%	654.4	458.2	43%	618.0
EBIT	15.7	10.8	45%	50.5	33.1	53%	45.5
EBIT margin	7.0%	7.0%		7.7%	7.2%		7.4%
RONA				12.4%	13.0%		13.6%
Capital expenditure	5.2	6.7	-22%	22.1	16.2	36%	24.7
Operating cash flow	9.5	9.9	-4%	44.8	14.8	203%	27.8

### Q3 2015

In Europe, steady demand growth for flexible packaging continued. Good growth momentum continued in Southeast Asia, whereas in India domestic demand continued to be subdued and exports to Africa faced a more uncertain environment. Prices for plastic resins decreased during the quarter.

The Flexible Packaging segment's net sales continued to grow and comparable growth was 5%. Net sales growth was driven by positive volume development in Europe and Southeast Asia, as well as favorable product mix in Europe. In India, net sales development was soft due to challenging market conditions both in domestic and export markets. Positive Packaging contributed EUR 56 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 7 million.

The segment's earnings growth was strong. Favorable product mix across regions and lower raw material costs had a positive impact on the segment's earnings. In addition, the segment's earnings were supported by positive earnings contribution from Positive Packaging.

### Q1-Q3 2015

Good growth momentum continued in Europe and Southeast Asia across flexible packaging product categories, whereas in India demand was softer during the period. Currency fluctuations had an effect on export demand in many markets. Raw material prices were volatile and declined in the first and third quarter, while having increased sharply during the second quarter.

The Flexible Packaging segment's net sales grew. Comparable growth was 5%. Net sales growth was strongest in Europe and Southeast Asia as a result of favorable volume and product mix development. In India, net sales grew moderately with some softness during the latter part of the period. Positive Packaging contributed EUR 149 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 31 million.

The segment's earnings growth was strong. Earnings growth was supported by volume growth as well as favorable product mix and raw material costs. Positive Packaging 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	Q3 2015	Q3 2014	Change	Q1-Q3 2015	Q1-Q3 2014	Change	FY 2014
Net sales	62.4	60.5	3%	193.8	183.8	5%	247.0
EBIT	7.9	7.4	7%	25.5	25.0	2%	35.0
EBIT margin	12.7%	12.2%		13.2%	13.6%		14.2%
RONA				19.1%	20.1%		20.4%
Capital expenditure	6.3	9.8	-36%	15.7	17.2	-9%	27.3
Operating cash flow	4.0	4.8	-17%	15.2	14.1	8%	17.5

### Q3 2015

In Europe, demand for molded fiber egg packaging was slightly subdued during the summer months, whereas in other markets demand for molded fiber egg packaging remained robust. Raw material prices were stable across markets.

The Molded Fiber segment's net sales grew, 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. Strong net sales growth in Russia continued. In Europe, net sales were negatively affected by lower demand for eggs and egg packaging during the summer months.

Currency movements had a negative impact on the segment's reported net sales. The translation impact was EUR -3 million.

The segment's earnings grew. Earnings growth was mainly driven by net sales growth especially in the regions with new capacity. It was further supported by continued good operational efficiency.

### Q1-Q3 2015

In Europe, demand for molded fiber egg packaging was somewhat soft during the latter part of the period, whereas in other main markets demand remained solid. In Oceania, demand for molded fiber fruit packaging was somewhat negatively affected by adverse weather conditions during the first half of the year. Raw material prices were relatively stable, but increased slightly during the second quarter.

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 in the first quarter with 50% grass fiber content.

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

The segment's earnings grew driven by volume growth, continued operational efficiency and favorable product mix as well as prudent margin management. As a further note, the segment's earnings in Q1-Q3 2014 include a one-time gain related to a refund of historic energy costs in Brazil.

## Personnel

The Group had a total of 16,721 (14,757) employees at the end of September 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 4,613 (4,415), North America 3,588 (3,584), Flexible Packaging 6,810 (4,214), Molded Fiber 1,649 (1,562), and Other activities 61 (55).

## Share capital and shareholders

At the end of September 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 103,654,933 (103,488,805), excluding the Company's own shares.

There were 24,621 (24,413) registered shareholders at the end September 2015. Foreign ownership including nominee registered shares accounted for 49% (43%).

## Share trading

During January-September 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 of September 2015, the Company's market capitalization was EUR 2,832 million (EUR 2,251 million) excluding the Company's own shares. With a closing price of EUR 27.31 the share price increased by 25% from the beginning of the year. During the reporting period the volume weighted average price for the Company's share was EUR 27.96. The highest price paid was EUR 32.99 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 1,387 million (EUR 706 million). The trading volume of 50 million (36 million) shares equaled an average daily turnover of 263,672 (189,879) shares. The cumulative value of the Company's share turnover including alternative trading venues, such as BATS Chi-X and Turquoise, was EUR 2,928 million (EUR 1,415 million). During the reporting period, 53% (50%) of all trading took place outside NASDAQ OMX Helsinki Ltd. (Source: Fidessa Fragmentation Index, [www.fragmentation.fidessa.com](http://www.fragmentation.fidessa.com))

## Significant events after the reporting period

Olli Koponen, previously Executive Vice President, Molded Fiber, was appointed as Executive Vice President, Flexible Packaging as of October 22, 2015. He continues as a member of the Group Executive Team. Petr Domin, previously Managing Director, Molded Fiber Europe, was appointed as interim Executive Vice President, Molded Fiber as of October 22, 2015. Shashank Sinha, previously Executive Vice President, Flexible Packaging and member of the Group Executive Team, has decided to leave Huhtamaki.

## 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 2016

In 2016, Huhtamaki will publish financial information as follows:

Results 2015	February 11
Interim Report, January 1–March 31, 2016	April 21
Interim Report, January 1–June 30, 2016	July 22
Interim Report, January 1–September 30, 2016	October 26

Annual Accounts 2015 will be published on week 8.

Huhtamäki Oyj's Annual General Meeting (AGM) is planned to be held on Thursday, April 21, 2016.

Espoo, October 21, 2015

Huhtamäki Oyj  
Board of Directors

## Group income statement (IFRS) - unaudited

EUR million	Q1-Q3 2015	Q1-Q3 2014	Q3 2015	Q3 2014	Q1-Q4 2014
<b>Continuing operations</b>					
Net sales	2,035.9	1,655.2	692.2	562.7	2,235.7
Cost of goods sold	-1,684.7	-1,397.5	-568.0	-476.4	-1,886.7
<b>Gross profit</b>	<b>351.2</b>	<b>257.7</b>	<b>124.2</b>	<b>86.3</b>	<b>349.0</b>
Other operating income	13.2	13.7	4.0	2.9	21.3
Sales and marketing	-54.2	-45.6	-19.0	-15.6	-62.5
Research and development	-11.7	-9.9	-4.2	-3.4	-13.3
Administration costs	-111.6	-82.1	-40.6	-28.8	-113.7
Other operating expenses	-29.3	-5.4	-2.5	-1.6	-7.5
Share of profit of equity-accounted investments	1.6	1.2	0.5	0.4	1.6
	<b>-192.0</b>	<b>-128.1</b>	<b>-61.8</b>	<b>-46.1</b>	<b>-174.1</b>
<b>Earnings before interest and taxes</b>	<b>159.2</b>	<b>129.6</b>	<b>62.4</b>	<b>40.2</b>	<b>174.9</b>
Financial income	3.2	3.1	1.1	1.0	4.4
Financial expenses	-30.3	-24.4	-10.7	-8.3	-33.3
<b>Profit before taxes</b>	<b>132.1</b>	<b>108.3</b>	<b>52.8</b>	<b>32.9</b>	<b>146.0</b>
Income tax expense	-20.9	-18.7	-8.4	-5.8	-14.5
<b>Profit for the period from continuing operations</b>	<b>111.2</b>	<b>89.6</b>	<b>44.4</b>	<b>27.1</b>	<b>131.5</b>
<b>Discontinued operations</b>					
Profit from operations	-	8.9	-	3.9	4.6
Result relating to disposed operations	-1.3	-	-	-	5.1
<b>Result for the period from discontinued operations</b>	<b>-1.3</b>	<b>8.9</b>	<b>-</b>	<b>3.9</b>	<b>9.7</b>
<b>Profit for the period</b>	<b>109.9</b>	<b>98.5</b>	<b>44.4</b>	<b>31.0</b>	<b>141.2</b>
<b>Attributable to:</b>					
Equity holders of the parent company					
Profit for the period from continuing operations	108.8	87.5	43.8	26.4	128.3
Result for the period from discontinued operations	-1.3	8.9	-	3.9	9.7
<b>Profit for the period attributable to owners of the parent</b>	<b>107.5</b>	<b>96.4</b>	<b>43.8</b>	<b>30.3</b>	<b>138.0</b>
Non-controlling interest					
Profit for the period from continuing operations	2.4	2.1	0.6	0.7	3.2
Result for the period from discontinued operations	-	-	-	-	-
<b>Profit for the period attributable to non-controlling interest</b>	<b>2.4</b>	<b>2.1</b>	<b>0.6</b>	<b>0.7</b>	<b>3.2</b>
<b>EUR</b>					
EPS profit for the period from continuing operations	1.05	0.85	0.43	0.26	1.24
EPS result for the period from discontinued operations	-0.01	0.08	-	0.03	0.09
<b>EPS attributable to equity holders of the parent company</b>	<b>1.04</b>	<b>0.93</b>	<b>0.43</b>	<b>0.29</b>	<b>1.33</b>
<b>Diluted:</b>					
EPS profit for the period from continuing operations	1.05	0.85	0.43	0.26	1.24
EPS result for the period from discontinued operations	-0.01	0.08	-	0.03	0.09
<b>EPS attributable to equity holders of the parent company</b>	<b>1.04</b>	<b>0.93</b>	<b>0.43</b>	<b>0.29</b>	<b>1.33</b>

## Group statement of comprehensive income (IFRS) - unaudited

EUR million	Q1-Q3 2015	Q1-Q3 2014	Q3 2015	Q3 2014	Q1-Q4 2014
Profit for the period	109.9	98.5	44.4	31.0	141.2
Other comprehensive income:					
<b>Items that will not be reclassified to profit or loss</b>					
Remeasurements on defined benefit plans	-0.8	1.2	0.1	0.0	-57.5
Income taxes related to items that will not be reclassified	0.3	-0.6	-	0.0	11.9
<b>Total</b>	<b>-0.5</b>	<b>0.6</b>	<b>0.1</b>	<b>0.0</b>	<b>-45.6</b>
<b>Items that may be reclassified subsequently to profit or loss</b>					
Translation differences	30.3	58.1	-24.8	47.2	83.8
Equity hedges	-17.2	-17.3	1.1	-14.6	-23.9
Cash flow hedges	-4.9	2.7	1.1	3.9	6.5
Income taxes related to items that may be reclassified	-0.1	-0.3	-0.2	-0.1	-0.4
<b>Total</b>	<b>8.1</b>	<b>43.2</b>	<b>-22.8</b>	<b>36.4</b>	<b>66.0</b>
<b>Other comprehensive income, net of tax</b>	<b>7.6</b>	<b>43.8</b>	<b>-22.7</b>	<b>36.4</b>	<b>20.4</b>
<b>Total comprehensive income</b>	<b>117.5</b>	<b>142.3</b>	<b>21.7</b>	<b>67.4</b>	<b>161.6</b>
<b>Attributable to:</b>					
Equity holders of the parent company	115.1	140.2	21.1	66.7	158.4
Non-controlling interest	2.4	2.1	0.6	0.7	3.2

## Group statement of financial position (IFRS) - unaudited

EUR million	Sept 30 2015	Dec 31 2014	Sept 30 2014
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	562.5	431.5	472.7
Other intangible assets	29.2	19.1	21.2
Tangible assets	826.9	680.1	701.6
Equity-accounted investments	11.9	11.6	11.8
Available-for-sale investments	1.8	1.9	1.8
Interest-bearing receivables	4.3	4.2	5.0
Deferred tax assets	49.5	55.9	36.8
Employee benefit assets	51.6	48.8	51.6
Other non-current assets	7.4	7.4	8.8
	<b>1,545.1</b>	<b>1,260.5</b>	<b>1,311.3</b>
<b>Current assets</b>			
Inventory	397.2	312.7	361.5
Interest-bearing receivables	2.8	2.4	0.8
Current tax assets	7.8	9.8	12.2
Trade and other current receivables	451.1	361.8	405.2
Cash and cash equivalents	81.3	350.8	191.2
	<b>940.2</b>	<b>1,037.5</b>	<b>970.9</b>
<b>Total assets</b>	<b>2,485.3</b>	<b>2,298.0</b>	<b>2,282.2</b>
<b>EQUITY AND LIABILITIES</b>			
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	-64.7	-77.8	-96.9
Fair value and other reserves	-104.8	-99.3	-79.4
Retained earnings	642.8	596.6	589.6
<b>Total equity attributable to equity holders of the parent company</b>	<b>917.4</b>	<b>862.2</b>	<b>856.0</b>
Non-controlling interest	33.3	30.6	29.0
<b>Total equity</b>	<b>950.7</b>	<b>892.8</b>	<b>885.0</b>
<b>Non-current liabilities</b>			
Interest-bearing liabilities	505.0	527.4	572.7
Deferred tax liabilities	81.3	72.2	74.6
Employee benefit liabilities	240.3	232.7	187.2
Provisions	26.4	25.6	32.0
Other non-current liabilities	6.1	4.3	4.1
	<b>859.1</b>	<b>862.2</b>	<b>870.6</b>
<b>Current liabilities</b>			
Interest-bearing liabilities			
Current portion of long term loans	115.6	76.1	29.6
Short-term loans	72.2	41.9	65.9
Provisions	1.9	3.6	2.5
Current tax liabilities	7.9	8.8	10.5
Trade and other current liabilities	477.9	412.6	418.1
	<b>675.5</b>	<b>543.0</b>	<b>526.6</b>
<b>Total liabilities</b>	<b>1,534.6</b>	<b>1,405.2</b>	<b>1,397.2</b>
<b>Total equity and liabilities</b>	<b>2,485.3</b>	<b>2,298.0</b>	<b>2,282.2</b>
	<b>Sept 30 2015</b>	<b>Dec 31 2014</b>	<b>Sept 30 2014</b>
Net debt	604.4	288.0	471.2
Net debt to equity (gearing)	0.64	0.32	0.53



## 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			1.1	1.3		1.3
Stock option exercised	0.5	0.2					0.7		0.7
Total comprehensive income for the year				40.8	3.0	96.4	140.2	2.1	142.3
Acquisition of non-controlling interest					0.0	-4.9	-4.9	-3.9	-8.8
Other changes					-0.1	-2.1	-2.2	5.9	3.7
<b>Balance on Sept 30, 2014</b>	<b>366.4</b>	<b>115.0</b>	<b>-38.7</b>	<b>-96.9</b>	<b>-79.4</b>	<b>589.6</b>	<b>856.0</b>	<b>29.0</b>	<b>885.0</b>
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			1.6	3.0		3.0
Total comprehensive income for the year				13.1	-5.5	107.5	115.1	2.4	117.5
Other changes						-0.7	-0.7	0.3	-0.4
<b>Balance on Sept 30, 2015</b>	<b>366.4</b>	<b>115.0</b>	<b>-37.3</b>	<b>-64.7</b>	<b>-104.8</b>	<b>642.8</b>	<b>917.4</b>	<b>33.3</b>	<b>950.7</b>

## Group statement of cash flows (IFRS) - unaudited

EUR million	Q1-Q3 2015	Q1-Q3 2014	Q3 2015	Q3 2014	Q1-Q4 2014
<b>Profit for the period*</b>	109.9	98.5	44.4	31.0	141.2
Adjustments*	123.3	96.7	44.0	34.5	119.3
Depreciation and amortization*	77.8	67.5	26.2	22.9	91.2
Share of profit of equity-accounted investments*	-1.6	-1.2	-0.5	-0.4	-1.6
Gain/loss from disposal of assets*	-0.2	-0.8	-0.1	-0.1	-1.0
Financial expense/-income*	27.1	23.4	9.6	8.1	31.9
Income tax expense*	20.9	18.8	8.4	5.9	16.8
Other adjustments, operational*	-0.7	-11.0	0.4	-1.9	-17.9
Change in inventory*	-46.2	-39.7	-16.3	3.7	-25.7
Change in non-interest bearing receivables*	-33.4	-77.2	20.1	-23.4	-46.1
Change in non-interest bearing payables*	19.4	36.9	-20.8	15.0	37.1
Dividends received*	1.0	0.6	0.3	0.3	1.0
Interest received*	0.7	1.3	0.2	0.4	1.5
Interest paid*	-23.0	-23.2	-3.8	-5.8	-25.2
Other financial expense and income*	-2.2	-1.8	-1.5	-0.6	-2.1
Taxes paid*	-15.3	-16.9	-4.8	-8.9	-22.1
<b>Net cash flows from operating activities</b>	<b>134.2</b>	<b>75.2</b>	<b>61.8</b>	<b>46.2</b>	<b>178.9</b>
Capital expenditure*	-96.4	-77.2	-34.8	-31.6	-127.0
Proceeds from selling tangible assets*	0.4	12.5	0.2	0.1	12.7
Divested subsidiaries and associated companies	-	-	-	-	101.0
Acquired subsidiaries and assets	-210.8	-4.7	-6.6	-4.7	-6.7
Proceeds from long-term deposits	0.9	0.6	0.4	0.1	0.8
Payment of long-term deposits	-0.6	-0.5	0.0	-0.5	-1.1
Proceeds from short-term deposits	1.4	18.6	0.3	7.4	19.4
Payment of short-term deposits	-1.8	-14.5	-0.2	-0.7	-15.6
<b>Net cash flows from investing activities</b>	<b>-306.9</b>	<b>-65.2</b>	<b>-40.7</b>	<b>-29.9</b>	<b>-16.5</b>
Proceeds from long-term borrowings	28.1	14.8	4.2	8.4	17.1
Repayment of long-term borrowings	-80.3	-40.2	-49.7	-1.8	-90.3
Proceeds from short-term borrowings	568.6	58.9	187.1	5.5	127.8
Repayment of short-term borrowings	-556.9	-38.8	-175.0	-12.9	-54.7
Dividends paid	-62.2	-59.0	-	-	-59.0
Proceeds from stock option exercises	-	0.7	-	-	0.7
Acquisition of non-controlling interest	-	-4.2	-	-	-4.2
<b>Net cash flows from financing activities</b>	<b>-102.7</b>	<b>-67.8</b>	<b>-33.4</b>	<b>-0.8</b>	<b>-62.6</b>
<b>Change in liquid assets</b>	<b>-269.5</b>	<b>-49.8</b>	<b>-16.4</b>	<b>21.7</b>	<b>109.8</b>
Cash flow based	-275.4	-57.8	-12.3	15.5	99.8
Translation difference	5.9	8.0	-4.1	6.2	10.0
Liquid assets period start	350.8	241.0	97.7	169.5	241.0
Liquid assets period end	81.3	191.2	81.3	191.2	350.8
Free cash flow (including figures marked with *)	38.2	10.5	27.2	14.7	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>	Q1-Q3 2015	Q3 2015	Q2 2015	Q1 2015	Q1-Q4 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
<b>Continuing operations</b>									
Foodservice Europe-Asia-Oceania	493.5	168.8	173.6	151.1	613.0	154.4	158.9	160.1	139.6
Intersegment net sales	5.3	0.7	1.8	2.8	7.4	1.2	1.2	2.6	2.4
North America	696.0	238.0	249.6	208.4	760.4	203.7	188.8	205.6	162.3
Intersegment net sales	7.5	2.3	2.9	2.3	9.0	2.0	2.4	2.7	1.9
Flexible Packaging	654.2	223.5	224.8	205.9	617.5	159.7	155.2	151.9	150.7
Intersegment net sales	0.2	0.1	0.0	0.1	0.5	0.1	0.1	0.2	0.1
Molded Fiber	192.2	61.9	65.6	64.7	244.8	62.7	59.8	61.3	61.0
Intersegment net sales	1.6	0.5	0.6	0.5	2.2	0.5	0.7	0.5	0.5
Elimination of intersegment net sales	-14.6	-3.6	-5.3	-5.7	-19.1	-3.8	-4.4	-6.0	-4.9
<b>Total continuing operations</b>	<b>2,035.9</b>	<b>692.2</b>	<b>713.6</b>	<b>630.1</b>	<b>2,235.7</b>	<b>580.5</b>	<b>562.7</b>	<b>578.9</b>	<b>513.6</b>
<b>Discontinued operations</b>									
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
<b>Total discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>193.4</b>	<b>43.5</b>	<b>50.5</b>	<b>49.3</b>	<b>50.1</b>

### EBIT

<i>EUR million</i>	Q1-Q3 2015	Q3 2015	Q2 2015	Q1 2015	Q1-Q4 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
<b>Continuing operations</b>									
Foodservice Europe-Asia-Oceania	42.1	13.8	16.4	11.9	57.4	13.0	16.0	17.4	11.0
North America	65.0	25.0	26.2	13.8	38.4	8.6	7.8	13.2	8.8
Flexible Packaging	50.5	15.7	17.8	17.0	45.5	12.4	10.8	11.3	11.0
Molded Fiber	25.5	7.9	9.0	8.6	35.0	10.0	7.4	10.0	7.6
Other activities <sup>1</sup>	-23.9	0.0	-18.2	-5.7	-1.4	1.3	-1.8	-0.9	0.0
<b>Total continuing operations</b>	<b>159.2</b>	<b>62.4</b>	<b>51.2</b>	<b>45.6</b>	<b>174.9</b>	<b>45.3</b>	<b>40.2</b>	<b>51.0</b>	<b>38.4</b>
<b>Discontinued operations</b>									
Films <sup>2</sup>	-1.3	-	-1.3	-	15.0	4.0	4.7	3.3	3.0

<sup>1</sup> Q1-Q3 2015 includes non-recurring items MEUR -22.6, Q2 2015 MEUR -18.5 and Q1 2015 MEUR -4.1.

<sup>2</sup> Q1-Q3 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>	Q1-Q3 2015	Q3 2015	Q2 2015	Q1 2015	Q1-Q4 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
<b>Continuing operations</b>									
Foodservice Europe-Asia-Oceania	62.0	20.4	23.3	18.3	82.5	19.5	22.3	23.6	17.1
North America	91.9	34.0	35.1	22.8	67.2	16.6	14.9	20.0	15.7
Flexible Packaging	71.4	22.9	25.2	23.3	63.5	17.1	15.4	15.7	15.3
Molded Fiber	35.2	11.2	12.2	11.8	46.5	12.9	10.3	12.9	10.4
Other activities <sup>1</sup>	-23.5	0.1	-18.1	-5.5	-0.7	1.5	-1.7	-0.7	0.2
<b>Total continuing operations</b>	<b>237.0</b>	<b>88.6</b>	<b>77.7</b>	<b>70.7</b>	<b>259.0</b>	<b>67.6</b>	<b>61.2</b>	<b>71.5</b>	<b>58.7</b>
<b>Discontinued operations</b>									
Films <sup>2</sup>	-1.3	-	-1.3	-	22.1	5.4	6.6	5.2	4.9

<sup>1</sup> Q1-Q3 2015 includes non-recurring items MEUR -22.6, Q2 2015 MEUR -18.5 and Q1 2015 MEUR -4.1.

<sup>2</sup> Q1-Q3 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>	Q1-Q3 2015	Q3 2015	Q2 2015	Q1 2015	Q1-Q4 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
<b>Continuing operations</b>									
Foodservice Europe-Asia-Oceania	19.9	6.6	6.9	6.4	25.1	6.5	6.3	6.2	6.1
North America	26.9	9.0	8.9	9.0	28.8	8.0	7.1	6.8	6.9
Flexible Packaging	20.9	7.2	7.4	6.3	18.0	4.7	4.6	4.4	4.3
Molded Fiber	9.7	3.3	3.2	3.2	11.5	2.9	2.9	2.9	2.8
Other activities	0.4	0.1	0.1	0.2	0.7	0.2	0.1	0.2	0.2
<b>Total continuing operations</b>	<b>77.8</b>	<b>26.2</b>	<b>26.5</b>	<b>25.1</b>	<b>84.1</b>	<b>22.3</b>	<b>21.0</b>	<b>20.5</b>	<b>20.3</b>
<b>Discontinued operations</b>									
Films	-	-	-	-	7.1	1.4	1.9	1.9	1.9

### Net assets allocated to the segments<sup>3</sup>

<i>EUR million</i>	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
<b>Continuing operations</b>							
Foodservice Europe-Asia-Oceania	372.9	385.0	377.7	344.5	335.1	321.4	316.9
North America	634.8	643.0	653.5	558.7	568.8	537.6	522.1
Flexible Packaging	604.1	608.5	630.8	346.2	346.3	335.4	330.2
Molded Fiber	192.5	189.5	189.1	177.4	183.1	170.9	163.5
<b>Discontinued operations</b>							
Films	-	-	-	-	140.5	135.6	134.9

<sup>3</sup> 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>	Q1-Q3 2015	Q3 2015	Q2 2015	Q1 2015	Q1-Q4 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
<b>Continuing operations</b>									
Foodservice Europe-Asia-Oceania	29.4	12.1	9.8	7.5	33.6	14.4	8.0	5.6	5.6
North America	28.9	11.2	9.8	7.9	36.7	14.9	5.7	7.0	9.1
Flexible Packaging	22.1	5.2	11.1	5.8	24.7	8.5	6.7	5.3	4.2
Molded Fiber	15.7	6.3	6.0	3.4	27.3	10.1	9.8	4.9	2.5
Other activities	0.3	0.0	0.2	0.1	0.7	0.3	0.2	0.1	0.1
<b>Total continuing operations</b>	<b>96.4</b>	<b>34.8</b>	<b>36.9</b>	<b>24.7</b>	<b>123.0</b>	<b>48.2</b>	<b>30.4</b>	<b>22.9</b>	<b>21.5</b>
<b>Discontinued operations</b>									
Films	-	-	-	-	4.0	1.6	1.2	0.7	0.5

### RONA (12m roll.)

<i>EUR million</i>	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
<b>Continuing operations</b>							
Foodservice Europe-Asia-Oceania	15.2%	16.2%	17.2%	17.6%	11.9%	9.7%	6.5%
North America	12.0%	9.5%	7.6%	7.2%	6.7%	7.5%	8.0%
Flexible Packaging	12.4%	12.8%	12.9%	13.6%	13.0%	13.0%	13.2%
Molded Fiber	19.1%	19.2%	20.4%	20.4%	20.1%	19.9%	18.4%
<b>Discontinued operations</b>							
Films	-	-	-	-	8.3%	5.0%	3.8%

### Operating cash flow

<i>EUR million</i>	Q1-Q3 2015	Q3 2015	Q2 2015	Q1 2015	Q1-Q4 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014
<b>Continuing operations</b>									
Foodservice Europe-Asia-Oceania	23.6	10.0	7.7	5.9	41.9	3.4	18.5	9.8	10.2
North America	28.1	31.7	10.1	-13.7	18.7	28.7	14.0	-2.5	-21.5
Flexible Packaging	44.8	9.5	22.5	12.8	27.8	13.0	9.9	2.8	2.1
Molded Fiber	15.2	4.0	7.5	3.7	17.5	3.4	4.8	4.2	5.1
<b>Discontinued operations</b>									
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 business segment as of February 1, 2015. The goodwill is expected to be non-deductible for income tax purposes. The consideration of EUR 197.2 million was paid in cash. 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
<b>Total assets</b>	<b>202.0</b>
Deferred taxes	-5.1
Interest-bearing loans	-69.5
Trade and other payables	-42.8
<b>Total liabilities</b>	<b>-117.4</b>
<b>Net assets total</b>	<b>84.6</b>
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

The net sales of the acquired business included in the Group income statement since acquisition date were EUR 149.2 million and profit for the period was EUR 5.1 million. The Group net sales from continuing operations would have been EUR 2,051.5 million, profit for the period from continuing operations EUR 111.5 million and profit for the period EUR 110.2 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.

On July 1, Huhtamaki completed the acquisition of assets and business of Pure-Stat Technologies Inc., a privately owned laminate manufacturer in the United States. Pure-Stat's laminate is used as a component in a number of Huhtamaki's molded fiber products. The acquired business has been consolidated into North America business segment as of July 1, 2015. The goodwill is expected to be deductible for income tax purposes. The consideration of EUR 6.6 million was paid in cash. The costs relating to advice etc. services are not considered to be material.

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

### EUR million

Customer relations	0.6
Tangible assets	4.9
Inventories	1.4
Trade and other receivables	2.0
Cash and cash equivalents	0.1
<b>Total assets</b>	<b>9.0</b>
Deferred taxes	-0.2
Interest-bearing loans	-2.7
Trade and other payables	-0.9
<b>Total liabilities</b>	<b>-3.8</b>
<b>Net assets total</b>	<b>5.2</b>
Goodwill	7.2
Consideration	12.4

## Analysis of cash flows of acquisition

### EUR million

Purchase consideration, paid in cash	-12.4
Cash and cash equivalents in acquired companies	0.1
Transaction costs of the acquisition	-0.2
Net cash flow on acquisition	-12.5

The net sales of the acquired businesses included in the Group income statement since acquisition date were EUR 4.0 million and profit for the period was EUR 0.2 million. The net sales and the profit for the period of the acquired businesses would not have had material effect in the Group income statement, if the acquired businesses had been consolidated from January 1, 2015.

## Other information

### Key indicators

	Q1-Q3 2015	Q1-Q4 2014	Q1-Q3 2014
Equity per share (EUR)	8.85	8.33	8.27
ROE, % (12m roll.)	16.4	16.7	13.8
ROI, % (12m roll.)	13.1	13.0	11.1
Personnel	16,721	13,818	14,757
Profit before taxes (EUR million, 12m roll.)	169.8	146.0	122.6
Depreciation of tangible assets (EUR million)	72.5	76.7	56.3
Amortization of other intangible assets (EUR million)	5.3	7.4	5.5

### Contingent liabilities

EUR million	Sept 30 2015	Dec 31 2014	Sept 30 2014
Mortgages	0.0	0.0	0.0
Guarantee obligations	0.5	0.7	0.4
Lease payments	62.3	65.7	68.5
Capital expenditure commitments	30.7	31.7	43.6

### Financial instruments measured at fair value

EUR million	Sept 30 2015	Dec 31 2014	Sept 30 2014
Fair value through profit and loss - assets			
Currency forwards, transaction risk hedges	3.9	3.4	2.1
Currency forwards, translation risk hedges	1.0	-	-
Currency forwards, for financing purposes	3.0	1.0	1.6
Currency options, transaction risk hedges	0.5	0.3	0.1
Interest rate swaps	3.5	4.0	3.3
Cross currency swaps	-	-	1.2
Electricity forwards	0.0	-	0.0
Available-for-sale investments	1.8	1.9	1.8
Fair value through profit and loss - liabilities			
Currency forwards, transaction risk hedges	1.5	0.9	1.6
Currency forwards, translation risk hedges	0.1	11.4	8.1
Currency forwards, for financing purposes	0.8	2.7	3.5
Currency options, transaction risk hedges	0.1	0.2	0.5
Interest rate swaps	2.4	2.0	1.5
Cross currency swaps	0.4	0.9	1.0
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	Sept 30 2015		Dec 31 2014		Sept 30 2014	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Non-current	505.0	502.0	527.4	524.0	572.7	565.8
Current	187.8	187.8	118.0	118.0	95.5	95.5
<b>Total</b>	<b>692.8</b>	<b>689.8</b>	<b>645.4</b>	<b>642.0</b>	<b>668.2</b>	<b>661.3</b>



## Other information (continued)

### Exchange rates

Income statement, average:

	Q1-Q3 2015	Q1-Q3 2014
AUD 1 =	0.6841	0.6772
GBP 1 =	1.3749	1.2312
INR 1 =	0.0141	0.0122
RUB 1 =	0.0150	0.0208
THB 1 =	0.0266	0.0228
USD 1 =	0.8975	0.7378

Statement of financial position, month end:

	Sept 30 2015	Sept 30 2014
AUD 1 =	0.6274	0.6924
GBP 1 =	1.3541	1.2865
INR 1 =	0.0136	0.0128
RUB 1 =	0.0137	0.0201
THB 1 =	0.0246	0.0245
USD 1 =	0.8926	0.7947

## 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) =

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