



HUHTAMÄKI OYJ

INTERIM REPORT

January 1 – June 30, 2014



HUHTAMAKI

H1 2014

Net sales and EBIT growth continued

Q2 2014 in brief

- Net sales were EUR 628 million (EUR 619 million)
- EBIT was EUR 54 million (EUR 49 million, excluding NRI of EUR -7 million)
- EPS was EUR 0.37 (EUR 0.34, excluding NRI)
- Comparable net sales growth was 7% in total and 12% in the emerging markets
- Currency movements had a significant negative impact of EUR 28 million on the Group's net sales
- Acquisition of Positive Packaging, a flexible packaging company operating in India, United Arab Emirates and Africa, was announced after the end of the quarter

H1 2014 in brief

- Net sales were EUR 1,192 million (EUR 1,187 million)
- EBIT was EUR 96 million (EUR 86 million, excluding NRI of EUR -7 million)
- EPS was EUR 0.64 (EUR 0.58, excluding NRI)
- Comparable net sales growth was 6% in total and 12% in the emerging markets
- Currency movements had a significant negative impact of EUR 58 million on the Group's net sales

Key figures

EUR million	Q2 2014	Q2 2013	Change	H1 2014	H1 2013	Change	FY 2013
Net sales	628.2	618.9	2%	1,191.9	1,187.3	0%	2,342.2
EBITDA*	76.7	71.9	7%	140.3	131.6	7%	256.4
EBITDA margin*	12.2%	11.6%		11.8%	11.1%		10.9%
EBIT*	54.3	49.2	10%	95.7	86.4	11%	166.7
EBIT margin*	8.6%	7.9%		8.0%	7.3%		7.1%
EPS*, EUR	0.37	0.34	9%	0.64	0.58	10%	1.21
ROI*				12.3%	12.3%		12.1%
ROE*				16.6%	15.0%		15.8%
Capital expenditure	23.6	29.1	-19%	45.6	55.9	-18%	121.0
Free cash flow	7.1	27.2	-74%	-4.2	5.8	-172%	56.0

* Excluding non-recurring items (NRI) of EUR -7.3 million in Q2 2013 and H1 2013 and EUR -30.6 million in FY 2013.

Unless otherwise stated, all comparisons in this report are compared to the corresponding period in 2013. ROI, ROE and RONA figures presented in this report are calculated on a 12-month rolling basis.

Jukka Moisio, CEO:

“Our organic growth this quarter was 7% against our target of 5%. Our good pace in the emerging markets continued and we achieved 12% organic growth. Given the continued economic uncertainty in many markets, I am pleased that we have stayed well on our course.

Our pipeline of ideas and projects continues to be good in terms of new product development, bringing them to market as well as new businesses. The hard work of our acquisition team was rewarded as we were able to announce the acquisition of Positive Packaging early July. Positive Packaging is a good fit to our strategy of quality growth and emerging market positions. With Positive we are able to improve our position in India, we gain a good foothold in the Middle East and a significant improvement in Africa.

The acquisition of Positive Packaging also supports our growing focus on consumer food packaging. Due to this reason we have decided to evaluate options regarding our Films business. While the business is growing well and improving its profitability, it serves different end users than the other Huhtamaki businesses.

Huhtamaki's financial performance during the second quarter continued good. Our EBIT growth exceeds the net sales growth and improved RONA in most of the segments shows that our asset utilization is on a good level. We are making good progress towards achieving our medium term ambitions.”

Financial review Q2 2014

The Group's comparable net sales growth was 7% during the quarter with all business segments reporting organic growth. Comparable growth in the emerging markets was 12%, led by Eastern Europe and South America. The Group's reported net sales were EUR 628 million (EUR 619 million). The negative foreign currency translation impact on Group's net sales continued and was EUR 28 million compared to the 2013 exchange rates. The largest negative impact on the Group's net sales came from the fluctuations of US dollar, Indian rupee and Russian ruble.

NET SALES BY BUSINESS SEGMENT

EUR million	Q2 2014	Q2 2013	Change	Of Group in Q2 2014
Foodservice Europe-Asia-Oceania	162.7	167.4	-2.8%	25%
North America	208.3	197.0	5.7%	33%
Flexible Packaging	152.1	152.9	-0.5%	24%
Molded Fiber	61.8	59.0	4.7%	10%
Films	50.4	47.1	7.0%	8%

Excluding internal sales eliminations of EUR -7.1 million in Q2 2014 and EUR -4.5 million in Q2 2013.

COMPARABLE GROWTH BY BUSINESS SEGMENT

	Q2 2014	Q1 2014	Q4 2013	Q3 2013
Foodservice Europe-Asia-Oceania	5%	3%	3%	3%
North America	10%	3%	6%	7%
Flexible Packaging	4%	7%	9%	6%
Molded Fiber	10%	10%	10%	6%
Films	10%	9%	2%	3%
Group	7%	5%	6%	5%

The Group's earnings development in constant currencies continued strong, with all business segments except North America contributing to the positive development. Main reasons for the positive development were good volume growth and continued focus on operational efficiencies. In constant currencies the earnings before interest and taxes (EBIT) grew by 14%. The Group's EBIT were EUR 54 million (EUR 49 million, excluding NRI of EUR -7 million). Negative foreign currency translation impact on Group's EBIT was EUR 2 million.

EBIT BY BUSINESS SEGMENT

EUR million	Q2 2014	Q2 2013	Change	Of Group in Q2 2014
Foodservice Europe-Asia-Oceania	17.4	14.8	17.6%	32%
North America	13.2	15.0	-12.0%	24%
Flexible Packaging	11.3	12.0	-5.8%	20%
Molded Fiber	10.0	7.3	37.0%	18%
Films	3.3	1.8	83.3%	6%

Excluding Other activities EBIT EUR -0.9 million in Q2 2014 and EUR -1.7 million in Q2 2013. Foodservice Europe-Asia-Oceania EBIT excluding NRI of EUR -7.3 million in Q2 2013.

Net financial expenses were EUR 8 million (EUR 7 million). Tax expense was EUR 8 million (EUR 6 million).

Profit for the period was EUR 39 million (EUR 29 million). There were no NRI reported during the quarter, whereas profit for the second quarter of 2013 includes NRI of EUR -7 million. Earnings per share (EPS) were EUR 0.37 (EUR 0.34 excluding NRI or EUR 0.27 reported).



Financial review H1 2014

The Group's comparable net sales growth was 6% during the period. In the emerging markets, comparable growth was 12%, with Eastern European markets showing fastest growth. The Group's reported net sales were EUR 1,192 million (EUR 1,187 million). The negative foreign currency translation impact on Group's net sales was EUR 58 million compared to the 2013 exchange rates. The largest negative impact on the Group's net sales came from the fluctuations of US dollar, Russian ruble and Indian rupee.

NET SALES BY BUSINESS SEGMENT

EUR million	H1 2014	H1 2013	Change	Of Group in H1 2014
Foodservice Europe-Asia-Oceania	304.7	317.0	-3.9%	25%
North America	372.5	361.6	3.0%	32%
Flexible Packaging	302.9	302.0	0.3%	25%
Molded Fiber	123.3	119.6	3.1%	10%
Films	102.1	95.7	6.7%	8%

Excluding internal sales eliminations of EUR -13.6 million in H1 2014 and EUR -8.6 million in H1 2013.

The Group's earnings development in constant currencies was strong, with all business segments contributing to the positive development. Main reasons for the positive development were volume growth and continued good cost containment. EBIT in constant currencies grew by 14%. The Group's EBIT were EUR 96 million (EUR 86 million, excluding NRI of EUR -7 million). Negative foreign currency translation impact on Group's EBIT was EUR 4 million.

EBIT BY BUSINESS SEGMENT

EUR million	H1 2014	H1 2013	Change	Of Group in H1 2014
Foodservice Europe-Asia-Oceania	28.4	23.2	22.4%	29%
North America	22.0	22.8	-3.5%	23%
Flexible Packaging	22.3	23.2	-3.9%	23%
Molded Fiber	17.6	14.4	22.2%	18%
Films	6.3	3.6	75.0%	7%

Excluding Other activities EBIT EUR -0.9 million in H1 2014 and EUR -0.8 million in H1 2013. Foodservice Europe-Asia-Oceania EBIT excluding NRI of EUR -7.3 million in H1 2013.

Net financial expenses increased slightly and were EUR 15 million (EUR 14 million). The increase was due to a higher amount of external debt compared to the previous year as a result of the fixed rate unsecured bond issued in the second quarter of 2013. Tax expense was EUR 13 million (EUR 10 million). The corresponding tax rate was 16% (16%).

Profit for the period was EUR 68 million (EUR 55 million). There were no NRI reported during the period, whereas the profit for the corresponding period in 2013 includes NRI of EUR -7 million. EPS were EUR 0.64 (EUR 0.58 excluding NRI or EUR 0.51 reported).

STATEMENT OF FINANCIAL POSITION AND CASH FLOW

The Group's net debt was EUR 472 million (EUR 460 million) at the end of the period. This corresponds to a gearing ratio of 0.58 (0.58). Net debt to EBITDA ratio (excl. NRI) was 1.8 (1.8). Average maturity of external committed credit facilities and loans was 3.0 (3.9) years.

The Group's liquidity position remained strong. At the end of the period cash and cash equivalents were EUR 170 million (EUR 183 million). The Group had EUR 330 million (EUR 306 million) of unused committed credit facilities available.

Total assets on the statement of financial position were EUR 2,178 million (EUR 2,188 million).

Capital expenditure was EUR 46 million (EUR 56 million). Focus of the capital expenditure was in business expansion investments, particularly in the United States, India and Russia. The Group's free cash flow was EUR -4 million (EUR 6 million). Strong net sales growth resulted in increases in the trade receivables and finished goods inventories in many business segments at the end of the period.

There were no acquisitions, divestments or non-recurring items recorded during the period. On February 21, 2014, Huhtamäki Oyj's wholly owned subsidiary increased its shareholding in the Indian subsidiary Huhtamäki PPL Limited from 60.8% to 63.9% by acquiring the remaining shares of the former promoter family. Subsequently the joint venture agreement between Huhtamäki and the former promoter family was terminated.



Business review by segment

FOODSERVICE EUROPE-ASIA-OCEANIA

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

EUR million	Q2 2014	Q2 2013	Change	H1 2014	H1 2013	Change	FY 2013
Net sales	162.7	167.4	-2.8%	304.7	317.0	-3.9%	629.1
EBIT*	17.4	14.8	17.6%	28.4	23.2	22.4%	46.9
EBIT margin*	10.7%	8.8%		9.3%	7.3%		7.5%
RONA*				16.1%	12.4%		13.9%
Capital expenditure	5.6	3.5	60.0%	11.2	5.6	100.0%	16.8
Operating cash flow	9.8	10.8	-9.3%	20.0	17.6	13.6%	55.9

* Excluding NRI of EUR -7.3 million in Q2 2013 and H1 2013 and EUR -28.1 million in FY 2013.

Q2 2014

Demand for foodservice packaging continued on a good level across all markets. Strong demand in Eastern Europe continued, despite the generally fragile economic situation in Russia. Strongest performing product categories were double-wall hot cups and matching lids driven by continued global popularity of specialty coffee and tea drinks.

The Foodservice Europe-Asia-Oceania segment's comparable net sales continued to develop positively. Comparable growth was 5%. Net sales grew all over Europe, the growth being strongest in Eastern Europe. In addition, net sales growth in Oceania was strong due to favorable weather conditions increasing the demand for quick service products in particular.

For the second quarter of 2013 the segment's net sales included EUR 12 million sales of the plastics unit in Italy that was divested during the fourth quarter of 2013. The negative effect of the divestment on the segment's net sales was partially offset by the positive contribution of the specialty corrugated packaging unit acquired in the UK during the fourth quarter of 2013.

The segment's reported net sales were negatively affected by adverse currency movements, especially in Russia and China. The translation impact was EUR -6 million.

The segment's earnings growth was strong. Continued positive earnings development was due to volume growth, favorable product mix, good control of input and operational costs and the effect of the successful restructuring actions taken during 2013. Favorable product mix development resulted from continued growth of the core product range volumes, extension of product portfolio and the lower share of low-margin plastic items.

H1 2014

Demand for foodservice packaging was good, particularly for double-wall hot cups. Demand growth was strong also in Eastern Europe despite the political unrest in Ukraine and the generally fragile economic situation in Russia.

The Foodservice Europe-Asia-Oceania segment's comparable net sales developed positively. Comparable growth was 4%. Net sales grew strongest in Eastern Europe as a result of volume growth. In Central Europe net sales development was negative due to declined volumes of plastic containers.

In the first half of 2013 the segment's net sales include EUR 24 million sales of the plastics unit in Italy that was divested during the fourth quarter of 2013. The negative effect of the divestment on the

segment's net sales was partially offset by the positive contribution of the specialty corrugated packaging unit acquired in the UK during the fourth quarter of 2013.

The segment's reported net sales were negatively affected by adverse currency movements. The translation impact was EUR -15 million.

The segment's earnings grew significantly. The positive earnings development was due to volume growth, favorable product mix, overall operational efficiency and the effect of the successful restructuring actions taken during 2013.



NORTH AMERICA

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

EUR million	Q2 2014	Q2 2013	Change	H1 2014	H1 2013	Change	FY 2013
Net sales	208.3	197.0	5.7%	372.5	361.6	3.0%	725.3
EBIT	13.2	15.0	-12.0%	22.0	22.8	-3.5%	38.4
EBIT margin	6.3%	7.6%		5.9%	6.3%		5.3%
RONA				7.5%	9.7%		8.0%
Capital expenditure	7.0	14.4	-51.4%	16.1	32.4	-50.3%	66.7
Operating cash flow	-2.5	7.0	-135.7%	-24.0	-8.1	-196.3%	-15.0

Q2 2014

The U.S. economy rebounded in the quarter after the weaker start to the year. Market demand for foodservice packaging and retail disposable tableware grew moderately. New regulations regarding driving hours in addition to a lag effect from harsh weather conditions continued to impact transport related services and costs. Paperboard raw material costs increased with prices for other materials holding relatively constant.

The North America segment's comparable net sales grew by 10%. Net sales growth was strongest in private label tableware for the retail trade and sales to national foodservice operators. The earlier investments in capacity in Batavia, Ohio and Marion, Indiana facilitated growth. Sales of Chinnet® branded tableware also developed favorably, whereas sales of packaging for frozen desserts remained soft.

The segment's reported net sales were negatively affected by adverse currency movements. The translation impact was EUR -10 million.

The segment's earnings declined. Increased distribution costs and paperboard raw material prices as well as costs related to changes in the manufacturing setup of pressed paper plates, had a negative effect on the segment's earnings. In addition, earnings were affected by the longer-term shift in the segment's product portfolio.

H1 2014

Increasing costs and capacity pressures in both distribution and raw materials were common themes throughout the first half of the year. Demand grew stronger towards the end of the period recovering from a weak overall economic activity in the beginning of the period.

The North America segment's comparable net sales grew by 7%. Net sales growth was strongest in private label tableware for the retail trade and sales to national foodservice operators. Sales of Chinnet® branded tableware also developed favorably, whereas sales of packaging for frozen desserts remained soft.

The segment's reported net sales were negatively affected by adverse currency movements. The translation impact was EUR -17 million.

In constant currencies the segment's earnings grew modestly. Increased distribution, raw material and energy costs had a negative effect on the segment's earnings. In addition, earnings were affected by the longer-term shift in the segment's product portfolio. The negative effects were partially offset by 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, Asia and South America.

EUR million	Q2 2014	Q2 2013	Change	H1 2014	H1 2013	Change	FY 2013
Net sales	152.1	152.9	-0.5%	302.9	302.0	0.3%	585.8
EBIT	11.3	12.0	-5.8%	22.3	23.2	-3.9%	44.0
EBIT margin	7.4%	7.8%		7.4%	7.7%		7.5%
RONA				13.0%	13.3%		13.3%
Capital expenditure	5.3	4.3	23.3%	9.5	7.9	20.3%	15.6
Operating cash flow	2.8	11.3	-75.2%	4.9	8.4	-41.7%	34.8

Q2 2014

Overall demand for flexible packaging was relatively stable. In Asia and Oceania demand for flexible packaging was on a good level. Favorable weather conditions in Central Europe stimulated the demand for ice cream packaging, but otherwise the demand in Europe softened after a strong first quarter. Raw material prices were relatively stable in Europe and in Asia. Competitive activity was strong in all markets.

The Flexible Packaging segment's comparable net sales grew by 4%, mainly as a result of volume growth in Asia. Sales grew especially for the personal care and food packaging.

Adverse currency movements, especially in India and Thailand, had a negative impact on the segment's reported net sales. The translation impact was EUR -8 million.

In constant currencies the segment's earnings grew modestly, mainly due to volume growth in Asia and favorable product mix development in India. Good cost containment in Europe supported the segment's earnings development. Earnings were negatively impacted by adverse currency movements in Asia.

H1 2014

Overall demand for flexible packaging was relatively stable. Market sentiment in Europe softened towards the end of the period. Raw material prices were stable in Europe and stabilized towards the end of the period in Asia.

The Flexible Packaging segment's comparable net sales grew by 5%, mainly as a result of volume growth in Asia. Sales grew especially for the personal care as well as food and beverage packaging.

Adverse currency movements had a negative impact on the segment's reported net sales. The translation impact was EUR -17 million.

In constant currencies the segment's earnings developed positively, mainly due to volume growth in Europe in the first quarter. Unfavorable product mix across the business segment and competitive pressure in Asia had a negative effect on the segment's earnings. Earnings were also negatively impacted by adverse currency movements.

MOLDED FIBER

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

EUR million	Q2 2014	Q2 2013	Change	H1 2014	H1 2013	Change	FY 2013
Net sales	61.8	59.0	4.7%	123.3	119.6	3.1%	236.3
EBIT	10.0	7.3	37.0%	17.6	14.4	22.2%	29.6
EBIT margin	16.2%	12.4%		14.3%	12.0%		12.5%
RONA				19.9%	17.1%		18.2%
Capital expenditure	4.9	6.3	-22.2%	7.4	8.8	-15.9%	18.9
Operating cash flow	4.2	9.0	-53.3%	9.3	12.2	-23.8%	21.0

Q2 2014

In Europe, demand for molded fiber packaging was solid and the Molded Fiber business segment's capacity utilization remained high, even though competitive activity accelerated during the quarter. In Eastern and Southern Europe customers' changeover from plastics based packaging to molded fiber packaging continued. In New Zealand, strong apple season had a positive impact on the demand for molded fiber fruit packaging, whereas in Australia a hen disease impacted negatively the availability of eggs and consequently the demand for egg packaging. In Russia, egg prices were on a low level throughout the quarter thus increasing the demand for egg trays versus egg cartons.

The Molded Fiber segment's strong comparable net sales growth continued, being 10% during the quarter. The development was strongest in Eastern and Central Europe, where customers' preference for molded fiber packaging increased the net sales. The segment's long term focus on new product development also started to affect the top line development positively.

The segment's reported net sales were negatively impacted by adverse currency movements. The translation impact was EUR -2 million.

The segment's strong earnings development continued as a result of good cost containment and volume growth. In addition, the earnings were positively affected by a one-time gain related to a refund of historic energy costs in Brazil.

H1 2014

Demand for molded fiber packaging was solid in all markets. In Europe demand accelerated during the period, as customers in Eastern and Southern Europe chose molded fiber based packaging over plastics. Competitive activity remained strong.

The Molded Fiber segment's comparable net sales growth was strong being 10%, led by the Eastern European markets. Both volume growth as well as favorable product mix development contributed to the net sales growth.

The segment's reported net sales were negatively impacted by adverse currency movements. The translation impact was EUR -7 million.

The segment's earnings development accelerated during the period. The earnings growth was due to volume growth and operational efficiency across the segment, as well as favorable product mix development, especially in Europe. In addition, the earnings were positively affected by a one-time gain related to a refund of historic energy costs in Brazil. The segment's earnings were negatively affected by adverse currency movements.

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	Q2 2014	Q2 2013	Change	H1 2014	H1 2013	Change	FY 2013
Net sales	50.4	47.1	7.0%	102.1	95.7	6.7%	186.5
EBIT*	3.3	1.8	83.3%	6.3	3.6	75.0%	6.7
EBIT margin*	6.5%	3.8%		6.2%	3.8%		3.6%
RONA*				6.8%	4.6%		4.6%
Capital expenditure	0.7	0.5	40.0%	1.2	1.1	9.1%	2.7
Operating cash flow	4.0	5.6	-28.6%	4.2	3.1	35.5%	13.5

* Excluding EUR -2.5 million NRI in FY 2013.

Q2 2014

Demand for films in all end user segments was stable during the quarter. In Europe and in the United States, good demand for films for the building and construction industries continued. Demand for high-end hygiene films was strong in South-East Asia as well as in South America, where the second quarter is the high season for the industry.

The Films segment's strong net sales growth continued and comparable net sales grew by 10%. Volumes grew in all product segments.

The segment's reported net sales were negatively affected by adverse currency movements. The translation impact was EUR -2 million.

The segment's positive earnings development accelerated during the quarter. The good development was driven by strong sales in Europe and North America. In addition, improved operational efficiency in Thailand and Brazil as well as increased share of higher-margin products in the segment's product portfolio in Brazil contributed to earnings growth.

H1 2014

Demand for films for the building and construction industries was good in Europe as well as in the United States where positive signals from the housing market turned into strong demand. Demand development for hygiene films as well as for pressure sensitive films for the automotive industry was also positive.

The Films segment's net sales growth was strong in all business units. Good volume growth across all product segments and positive product mix development in Brazil contributed to the net sales growth. The segment's comparable net sales growth was 10%.

The segment's reported net sales were negatively affected by adverse currency movements. The translation impact was EUR -3 million.

Strong earnings development continued throughout the period driven by positive volume development in all markets, especially in Europe and North America. Improved operational efficiency as well as product mix also contributed to earnings growth.

Personnel

The Group had a total of 14,744 (14,385) employees at the end of June 2014. The number of employees by segment was the following: Foodservice Europe-Asia-Oceania 4,375 (4,495), North America 3,702 (3,288), Flexible Packaging 4,147 (4,131), Molded Fiber 1,540 (1,497), Films 924 (919), and Other activities 56 (55).

Shares and shareholders

SHARE CAPITAL AND SHAREHOLDERS

At the end of the reporting period, Huhtamäki Oyj's ("the Company") registered share capital was EUR 366 million (EUR 365 million) corresponding to a total number of shares of 107,760,385, including 4,206,064 Company's own shares. Own shares represent 3.9% (3.9%) of the total number of shares and votes. The number of outstanding shares excluding the Company's own shares was 103,554,321. The average number of outstanding shares used in EPS calculations was 103,455,347 (102,873,988), excluding the Company's own shares. Based on share subscriptions with option rights 2006 C under the Company's Option Rights 2006 Plan, a total of 151,634 new shares were issued during the reporting period. The corresponding increase in the Company's share capital was EUR 0.5 million.

There were 25,178 (25,199) registered shareholders at the end of June 2014. Foreign ownership including nominee registered shares accounted for 42% (38%).

SHARE TRADING

At the end of June 2014, the Company's market capitalization was EUR 1,978 million (EUR 1,471 million) excluding the Company's own shares. With a closing price of EUR 19.10 the share price increased by 2% from the beginning of the year. During the reporting period the volume weighted average price for the Company's share was EUR 19.56. The highest price paid was EUR 21.07 and the lowest price paid was EUR 17.63.

During the reporting period the cumulative value of the Company's share turnover on NASDAQ OMX Helsinki Ltd was EUR 467 million (EUR 333 million). The trading volume of 24 million (23 million) shares equaled an average daily turnover of 195,938 (187,919) shares. The cumulative value of the Company's share turnover including alternative trading venues, such as BATS Chi-X and Turquoise, was EUR 994 million (EUR 547 million). During the reporting period, 53% (39%) of all trading took place outside NASDAQ OMX Helsinki Ltd. (Source: Fidessa Fragmentation Index, www.fragmentation.fidessa.com)

During the reporting period the total turnover of the Company's option rights 2006 C was EUR 0.5 million corresponding to a trading volume of 37,573 option rights. The subscription period for shares based on the Company's option rights 2006 C ceased on April 30, 2014 and the Company's Option Rights 2006 Plan terminated. The Company has no ongoing option rights plans.

Changes in management

Shashank Sinha was appointed as Executive Vice President, Flexible Packaging and a member of the Group Executive Team as of April 14, 2014. Simultaneously Suresh Gupta stepped aside from the role of Executive Vice President and a member of the Group Executive Team and continues as a Senior Advisor for the Group reporting to CEO Jukka Moisio.

Director, Finance, and a member of the Group Executive Team Thomas Geust was appointed as Chief Financial Officer as of July 1, 2014. He continues as a member of the Group Executive Team.

Significant events after the reporting period

On July 8, 2014 Huhtamäki entered into an agreement to acquire Positive Packaging, a privately owned 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 Huhtamäki continues

to implement its strategy of quality growth and strengthens its position in the fast-growing emerging markets.

The annual net sales of the business to be acquired are approximately EUR 220 million and it employs approximately 2,500 people in India and UAE as well as in the sales offices in seven countries. Huhtamäki will acquire Positive Packaging for a debt free purchase price of EUR 247 million (USD 336 million). The business will become part of the Group's Flexible Packaging business segment. The transaction is subject to the approval of competition authorities and other regulators and it is expected to be finalized in the fall.

On July 18, 2014 it was announced that as a result of Huhtamäki's growing strategic focus on food packaging it has been decided to evaluate options regarding the Group's Films business. One possible outcome of this evaluation is the divestment of the Films business segment.

Resolutions of the Annual General Meeting 2014

Huhtamäki Oyj's Annual General Meeting of Shareholders (AGM) was held in Helsinki on April 24, 2014. The meeting adopted the Company's Annual Accounts and the Consolidated Annual Accounts for 2013 and discharged the members of the Company's Board of Directors and the CEO from liability. As proposed by the Board of Directors, dividend for 2013 was set at EUR 0.57 per share compared with EUR 0.56 paid for the previous year.

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

The Authorized Public Accountant firm Ernst & Young Oy was elected as Auditor of the Company for the financial year January 1 - December 31, 2014. Mr. Harri Pärssinen, APA, shall be the Auditor with principal responsibility.

The AGM authorized the Board of Directors to decide on the repurchase of the Company's own shares. The AGM also authorized the Board of Directors to decide on the issuance of shares as well as the issuance of special rights entitling to shares. Both authorizations remain in force until the end of the next AGM, however, no longer than until June 30, 2015.

Short term risks and uncertainties

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

In September 2012 Huhtamäki Oyj received the European Commission's statement of objections concerning alleged anticompetitive behavior during years 2000-2008. Huhtamäki Oyj has responded to the statement of objections and is exercising its rights of defense in the process, which is expected to take several months. The final outcome of the process is uncertain. More information on the matter is available in the Results 2013 published on February 6, 2014.

Outlook for 2014

The Group's trading conditions are expected to remain relatively stable during 2014. 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 2013. A significant part of the investments are expected to be directed to enhance growth in the emerging markets.

Financial reporting in 2014

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

Interim Report January 1 – September 30, 2014

October 23, 2014

Espoo, July 17, 2014
Huhtamäki Oyj
Board of Directors

Group income statement (IFRS) – unaudited

EUR million	H1 2014	H1 2013	Q2 2014	Q2 2013	Q1-Q4 2013
Net sales	1,191.9	1,187.3	628.2	618.9	2,342.2
Cost of goods sold	-1,004.7	-1,008.1	-525.5	-525.4	-1,994.3
Gross profit	187.2	179.2	102.7	93.5	347.9
Other operating income	11.7	8.4	7.2	4.1	18.5
Sales and marketing	-34.4	-36.8	-19.4	-19.5	-73.0
Research and development	-7.2	-8.5	-3.8	-4.6	-16.2
Administration costs	-56.8	-59.2	-29.7	-29.1	-117.9
Other operating expenses	-5.6	-5.5	-3.0	-3.3	-26.6
Share of profit of equity-accounted investments	0.8	1.5	0.3	0.8	3.4
	-91.5	-100.1	-48.4	-51.6	-211.8
Earnings before interest and taxes	95.7	79.1	54.3	41.9	136.1
Financial income	2.1	2.2	1.1	1.2	8.0
Financial expenses	-17.4	-16.3	-8.7	-8.5	-33.5
Profit before taxes	80.4	65.0	46.7	34.6	110.6
Income tax expense	-12.9	-10.4	-7.5	-5.5	-12.9
Profit for the period	67.5	54.6	39.2	29.1	97.7
Attributable to:					
Equity holders of the parent company	66.1	52.5	38.4	28.1	94.1
Non-controlling interest	1.4	2.1	0.8	1.0	3.6
EUR					
EPS attributable to equity holders of the parent company	0.64	0.51	0.37	0.27	0.91
Diluted EPS attributable to equity holders of the parent company	0.64	0.51	0.37	0.27	0.91

Group statement of comprehensive income (IFRS) – unaudited

EUR million	H1 2014	H1 2013	Q2 2014	Q2 2013	Q1-Q4 2013
Profit for the period	67.5	54.6	39.2	29.1	97.7
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Remeasurements on defined benefit plans	1.2	1.2	1.2	0.0	7.2
Income taxes related to items that will not be reclassified	-0.6	-0.3	-0.4	0.0	-4.8
Total	0.6	0.9	0.8	0.0	2.4
Items that may be reclassified subsequently to profit or loss					
Translation differences	10.9	-6.1	9.4	-25.3	-34.4
Equity hedges	-2.7	-0.5	-2.4	4.1	7.6
Cash flow hedges	-1.2	2.7	-0.9	1.8	2.7
Income taxes related to items that may be reclassified	-0.2	-0.1	0.2	0.0	-0.4
Total	6.8	-4.0	6.3	-19.4	-24.5
Other comprehensive income, net of tax	7.4	-3.1	7.1	-19.4	-22.1
Total comprehensive income	74.9	51.5	46.3	9.7	75.6
Attributable to:					
Equity holders of the parent company	73.5	49.4	45.5	8.7	72.0
Non-controlling interest	1.4	2.1	0.8	1.0	3.6

Group statement of financial position (IFRS) – unaudited

EUR million	Jun 30 2014	Dec 31 2013	Jun 30 2013
ASSETS			
Non-current assets			
Goodwill	460.8	458.5	452.3
Other intangible assets	21.5	24.9	25.5
Tangible assets	657.8	653.6	667.1
Equity-accounted investments	11.3	10.0	11.2
Available-for-sale investments	1.7	1.7	1.7
Interest-bearing receivables	4.3	4.8	17.5
Deferred tax assets	37.1	38.1	37.2
Employee benefit assets	48.0	38.5	31.6
Other non-current assets	7.2	6.0	9.1
	1,249.7	1,236.1	1,253.2
Current assets			
Inventory	351.5	305.0	325.7
Interest-bearing receivables	7.8	4.6	18.7
Current tax assets	6.9	6.4	2.1
Trade and other current receivables	392.5	349.0	404.8
Cash and cash equivalents	169.5	241.0	183.3
	928.2	906.0	934.6
Total assets	2,177.9	2,142.1	2,187.8
EQUITY AND LIABILITIES			
Share capital	366.4	365.9	364.9
Premium fund	115.0	114.8	114.7
Treasury shares	-38.7	-38.9	-38.9
Translation differences	-129.5	-137.7	-116.6
Fair value and other reserves	-83.1	-82.3	-84.4
Retained earnings	561.3	558.1	526.9
Total equity attributable to equity holders of the parent company	791.4	779.9	766.6
Non-controlling interest	24.5	24.9	25.9
Total equity	815.9	804.8	792.5
Non-current liabilities			
Interest-bearing liabilities	565.1	594.9	607.1
Deferred tax liabilities	68.6	63.4	56.5
Employee benefit liabilities	184.1	182.4	184.0
Provisions	31.7	30.7	36.7
Other non-current liabilities	4.5	5.7	8.6
	854.0	877.1	892.9
Current liabilities			
Interest-bearing liabilities			
Current portion of long term loans	29.2	23.3	23.6
Short-term loans	59.2	36.8	49.0
Provisions	4.3	5.6	5.2
Current tax liabilities	9.4	7.7	10.7
Trade and other current liabilities	405.9	386.8	413.9
	508.0	460.2	502.4
Total liabilities	1,362.0	1,337.3	1,395.3
Total equity and liabilities	2,177.9	2,142.1	2,187.8
	Jun 30 2014	Dec 31 2013	Jun 30 2013
Net debt	471.9	404.6	460.2
Net debt to equity (gearing)	0.58	0.50	0.58

Statement of changes in equity (IFRS) – unaudited

EUR million	Attributable to equity holders of the parent company								Non-controlling interest	Total equity
	Share capital	Share issue premium	Treasury shares	Translation differences	Fair value and other reserves	Retained earnings	Total			
Balance on Dec 31, 2012	364.5	114.1	-42.2	-110.0	-87.9	540.5	779.0	26.5	805.5	
Dividends paid						-57.7	-57.7		-57.7	
Share-based payments			3.3			0.2	3.5		3.5	
Stock option exercised	0.4	0.6					1.0		1.0	
Total comprehensive income for the year				-6.6	3.5	52.5	49.4	2.1	51.5	
Other changes						-8.6	-8.6	-2.7	-11.3	
Balance on Jun 30, 2013	364.9	114.7	-38.9	-116.6	-84.4	526.9	766.6	25.9	792.5	
Balance on Dec 31, 2013	365.9	114.8	-38.9	-137.7	-82.3	558.1	779.9	24.9	804.8	
Dividends paid						-59.0	-59.0		-59.0	
Share-based payments			0.2			0.6	0.8		0.8	
Stock option exercised	0.5	0.2					0.7		0.7	
Total comprehensive income for the year				8.2	-0.8	66.1	73.5	1.4	74.9	
Acquisition of non-controlling interest						-2.6	-2.6	-1.7	-4.3	
Other changes						-1.9	-1.9	-0.1	-2.0	
Balance on Jun 30, 2014	366.4	115.0	-38.7	-129.5	-83.1	561.3	791.4	24.5	815.9	

Group statement of cash flows (IFRS) – unaudited

EUR million	H1 2014	H1 2013	Q2 2014	Q2 2013	Q1-Q4 2013
Profit for the period*	67.5	54.6	39.2	29.1	97.7
Adjustments*	62.2	74.1	36.0	40.9	143.9
Depreciation and amortization*	44.6	49.3	22.4	26.8	96.5
Share of profit of equity-accounted investments*	-0.8	-1.5	-0.3	-0.8	-3.4
Gain/loss from disposal of assets*	-0.7	-0.1	-0.6	-0.2	-1.6
Financial expense/-income*	15.3	14.1	7.6	7.3	25.5
Income tax expense*	12.9	10.4	7.5	5.5	12.9
Other adjustments, operational*	-9.1	1.9	-0.6	2.3	14.0
Change in inventory*	-43.4	-11.2	-12.7	10.7	-8.0
Change in non-interest bearing receivables*	-53.8	-50.9	-40.1	-13.1	-16.3
Change in non-interest bearing payables*	21.9	19.3	14.5	3.1	-6.0
Dividends received*	0.3	0.5	0.1	0.4	3.1
Interest received*	0.9	1.3	0.4	0.9	2.6
Interest paid*	-17.4	-12.6	-13.0	-7.3	-19.2
Other financial expense and income*	-1.2	-1.9	-0.3	-1.3	-2.8
Taxes paid*	-8.0	-12.0	-5.7	-7.4	-21.1
Net cash flows from operating activities	29.0	61.2	18.4	56.0	173.9
Capital expenditure*	-45.6	-55.9	-23.6	-29.1	-121.0
Proceeds from selling tangible assets*	12.4	0.5	12.3	0.3	3.1
Divested subsidiaries	-	-	-	-	6.2
Acquired subsidiaries	-	-	-	-	-18.0
Proceeds from long-term deposits	0.5	0.4	0.2	0.2	15.7
Payment of long-term deposits	0.0	-0.9	0.0	-0.7	-3.8
Proceeds from short-term deposits	11.2	5.2	1.2	2.3	35.2
Payment of short-term deposits	-13.8	-14.5	-2.6	-13.5	-31.1
Net cash flows from investing	-35.3	-65.2	-12.5	-40.5	-113.7
Proceeds from long-term borrowings	6.4	189.2	6.3	184.2	205.5
Repayment of long-term borrowings	-38.4	-6.3	-3.2	-5.8	-29.0
Proceeds from short-term borrowings	53.4	708.1	16.8	319.2	740.9
Repayment of short-term borrowings	-25.9	-725.7	-15.6	-334.4	-756.1
Dividends paid	-59.0	-57.7	-59.0	-57.7	-57.7
Proceeds from stock option exercises	0.7	1.0	0.2	0.4	2.1
Acquisition of non-controlling interest	-4.2	-	-	-	-
Net cash flows from financing	-67.0	108.6	-54.5	105.9	105.7
Change in liquid assets	-71.5	102.3	-47.2	117.7	160.0
Cash flow based	-73.3	104.6	-48.6	121.4	165.9
Translation difference	1.8	-2.3	1.4	-3.7	-5.9
Liquid assets period start	241.0	81.0	216.7	65.6	81.0
Liquid assets period end	169.5	183.3	169.5	183.3	241.0
Free cash flow (including figures marked with *)	-4.2	5.8	7.1	27.2	56.0

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 2013. The following amended standards and interpretations, which have been adopted with effect from January 1, 2014, had no impact on the interim financial statements:

- Revised IAS 32 Financial Instruments: Presentation. The amendments clarify the instructions on the right to offset financial assets and liabilities.
- Revised IAS 39 Financial Instruments: Recognition and measurement. The amendments provide an exception to the requirement to discontinue hedge accounting in certain circumstances in which the counterparty to a hedging instrument changes.
- IFRIC 21 Levies. The interpretation clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, occurs.

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	H1 2014	Q2 2014	Q1 2014	Q1-Q4 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Foodservice Europe-Asia-Oceania	299.7	160.1	139.6	620.8	149.5	157.3	165.4	148.6
- Intersegment net sales	5.0	2.6	2.4	8.3	2.6	2.7	2.0	1.0
North America	367.9	205.6	162.3	721.2	179.1	182.0	196.3	163.8
- Intersegment net sales	4.6	2.7	1.9	4.1	1.9	0.7	0.7	0.8
Flexible Packaging	302.6	151.9	150.7	584.9	138.4	144.9	152.7	148.9
- Intersegment net sales	0.3	0.2	0.1	0.9	0.2	0.3	0.2	0.2
Molded Fiber	122.3	61.3	61.0	234.2	59.8	55.9	58.6	59.9
- Intersegment net sales	1.0	0.5	0.5	2.1	0.5	0.5	0.4	0.7
Films	99.4	49.3	50.1	181.1	41.6	46.4	45.9	47.2
- Intersegment net sales	2.7	1.1	1.6	5.4	1.3	1.5	1.2	1.4
Elimination of intersegment net sales	-13.6	-7.1	-6.5	-20.8	-6.5	-5.7	-4.5	-4.1
Segments total	1,191.9	628.2	563.7	2,342.2	568.4	586.5	618.9	568.4

EBIT

EUR million	H1 2014	Q2 2014	Q1 2014	Q1-Q4 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Foodservice Europe-Asia-Oceania ⁽¹⁾	28.4	17.4	11.0	18.8	-5.9	8.8	7.5	8.4
North America	22.0	13.2	8.8	38.4	5.0	10.6	15.0	7.8
Flexible Packaging	22.3	11.3	11.0	44.0	10.1	10.7	12.0	11.2
Molded Fiber	17.6	10.0	7.6	29.6	8.9	6.3	7.3	7.1
Films ⁽²⁾	6.3	3.3	3.0	4.2	0.5	0.1	1.8	1.8
Other activities	-0.9	-0.9	0.0	1.1	1.3	0.6	-1.7	0.9
Segments total ⁽³⁾	95.7	54.3	41.4	136.1	19.9	37.1	41.9	37.2

¹⁾ Q1-Q4 2013 includes non-recurring items MEUR -28.1, Q4 2013 MEUR -18.1, Q3 2013 MEUR -2.7 and Q2 2013 MEUR -7.3.

²⁾ Q1-Q4 and Q3 2013 include non-recurring items MEUR -2.5.

³⁾ Q1-Q4 2013 includes non-recurring items MEUR -30.6, Q4 2013 MEUR -18.1, Q3 2013 MEUR -5.2 and Q2 2013 MEUR -7.3.

EBITDA

EUR million	H1 2014	Q2 2014	Q1 2014	Q1-Q4 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Foodservice Europe-Asia-Oceania ⁽¹⁾	40.7	23.6	17.1	51.5	1.5	16.7	18.3	15.0
North America	35.7	20.0	15.7	64.5	11.6	17.1	21.5	14.3
Flexible Packaging	31.0	15.7	15.3	61.6	14.6	15.0	16.5	15.5
Molded Fiber	23.3	12.9	10.4	40.9	11.8	9.1	10.0	10.0
Films ⁽²⁾	10.1	5.2	4.9	12.2	2.6	2.0	3.8	3.8
Other activities	-0.5	-0.7	0.2	1.9	1.4	0.8	-1.4	1.1
Segments total ⁽³⁾	140.3	76.7	63.6	232.6	43.5	60.7	68.7	59.7

¹⁾ Q1-Q4 2013 includes non-recurring items MEUR -21.3, Q4 2013 MEUR -17.1, Q3 2013 MEUR -1.0 and Q2 2013 MEUR -3.2.

²⁾ Q1-Q4 and Q3 2013 include non-recurring items MEUR -2.5.

³⁾ Q1-Q4 2013 includes non-recurring items MEUR -23.8, Q4 2013 MEUR -17.1, Q3 2013 MEUR -3.5 and Q2 2013 MEUR -3.2.

Segments (continued)

DEPRECIATION AND AMORTIZATION

EUR million	H1 2014	Q2 2014	Q1 2014	Q1-Q4 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Foodservice Europe-Asia-Oceania	12.3	6.2	6.1	32.7	7.4	7.9	10.8	6.6
North America	13.7	6.8	6.9	26.1	6.6	6.5	6.5	6.5
Flexible Packaging	8.7	4.4	4.3	17.6	4.5	4.3	4.5	4.3
Molded Fiber	5.7	2.9	2.8	11.3	2.9	2.8	2.7	2.9
Films	3.8	1.9	1.9	8.0	2.1	1.9	2.0	2.0
Other activities	0.4	0.2	0.2	0.8	0.1	0.2	0.3	0.2
Segments total	44.6	22.4	22.2	96.5	23.6	23.6	26.8	22.5

NET ASSETS ALLOCATED TO THE SEGMENTS⁴⁾

EUR million	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Foodservice Europe-Asia-Oceania	321.4	316.9	315.2	323.8	338.0	356.8
North America	537.6	522.1	488.2	479.9	493.2	494.2
Flexible Packaging	335.4	330.2	320.5	332.9	334.7	344.9
Molded Fiber	170.9	163.5	160.9	165.8	162.5	163.4
Films	135.6	134.9	135.9	141.2	145.6	152.8

⁴⁾ 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).

CAPITAL EXPENDITURE

EUR million	H1 2014	Q2 2014	Q1 2014	Q1-Q4 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Foodservice Europe-Asia-Oceania	11.2	5.6	5.6	16.8	7.2	4.0	3.5	2.1
North America	16.1	7.0	9.1	66.7	18.5	15.8	14.4	18.0
Flexible Packaging	9.5	5.3	4.2	15.6	5.3	2.4	4.3	3.6
Molded Fiber	7.4	4.9	2.5	18.9	7.1	3.0	6.3	2.5
Films	1.2	0.7	0.5	2.7	0.8	0.8	0.5	0.6
Other activities	0.2	0.1	0.1	0.3	0.1	0.1	0.1	0.0
Segments total	45.6	23.6	22.0	121.0	39.0	26.1	29.1	26.8

RONA (12m roll.)

	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Foodservice Europe-Asia-Oceania	9.7%	6.5%	5.6%	10.3%	10.4%	12.1%
North America	7.5%	8.0%	8.0%	9.1%	9.7%	11.0%
Flexible Packaging	13.0%	13.2%	13.3%	13.2%	13.3%	13.3%
Molded Fiber	19.9%	18.4%	18.2%	16.7%	17.1%	16.4%
Films	5.0%	3.8%	2.9%	3.1%	4.6%	5.3%

OPERATING CASH FLOW

EUR million	H1 2014	Q2 2014	Q1 2014	Q1-Q4 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Foodservice Europe-Asia-Oceania	20.0	9.8	10.2	55.9	15.7	22.6	10.8	6.8
North America	-24.0	-2.5	-21.5	-15.0	-16.8	9.9	7.0	-15.1
Flexible Packaging	4.9	2.8	2.1	34.8	21.2	5.2	11.3	-2.9
Molded Fiber	9.3	4.2	5.1	21.0	7.8	1.0	9.0	3.2
Films	4.2	4.0	0.2	13.5	6.2	4.2	5.6	-2.5

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

Other information

KEY INDICATORS

	H1 2014	Q1-Q4 2013	H1 2013
Equity per share (EUR)	7.64	7.54	7.44
ROE, % (12m roll.)	13.7	12.0	14.1
ROI, % (12m roll.)	10.7	9.9	11.7
Personnel	14,744	14,362	14,385
Profit before taxes (EUR million, 12m roll.)	126.0	110.6	130.4
Depreciation of tangible assets (EUR million)	40.3	88.3	45.2
Amortization of other intangible assets (EUR million)	4.3	8.2	4.1

CONTINGENT LIABILITIES

EUR million	Jun 30 2014	Dec 31 2013	Jun 30 2013
Mortgages	0.1	0.0	-
Guarantee obligations	0.4	0.4	0.4
Lease payments	68.9	50.1	54.5
Capital expenditure commitments	31.6	18.4	27.6

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

EUR million	Jun 30 2014	Dec 31 2013	Jun 30 2013
Fair value through profit and loss - assets			
Currency forwards, transaction risk hedges	0.6	1.2	2.0
Currency forwards, translation risk hedges	-	1.8	1.0
Currency forwards, for financing purposes	0.8	1.0	2.8
Currency options, transaction risk hedges	0.1	0.1	0.4
Interest rate swaps	1.9	0.2	0.7
Cross currency swaps	1.0	1.6	1.8
Available-for-sale investments	1.7	1.7	1.7
Fair value through profit and loss - liabilities			
Currency forwards, transaction risk hedges	1.9	0.6	0.4
Currency forwards, translation risk hedges	2.2	0.5	-
Currency forwards, for financing purposes	1.3	1.7	0.3
Currency options, transaction risk hedges	0.5	0.6	0.2
Interest rate swaps	2.1	3.4	4.3
Cross currency swaps	1.1	-	-
Electricity forwards	0.2	0.2	0.2

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

INTEREST-BEARING LIABILITIES

EUR million	Jun 30 2014 Carrying amount	Fair value	Dec 31 2013 Carrying amount	Fair value	Jun 30 2013 Carrying amount	Fair value
Non-current	565.1	554.6	594.9	573.6	607.1	592.5
Current	88.4	88.4	60.1	60.1	72.6	72.6
Total	653.5	643.0	655.0	633.7	679.7	665.1

Other information (continued)

EXCHANGE RATES

Income statement, average:		H1 2014	H1 2013
	AUD 1 =	0.667	0.773
	GBP 1 =	1.217	1.180
	INR 1 =	0.012	0.014
	RUB 1 =	0.021	0.025
	THB 1 =	0.022	0.025
	USD 1 =	0.730	0.763
Statement of financial position, month end:		Jun 30 2014	Jun 30 2013
	AUD 1 =	0.688	0.706
	GBP 1 =	1.248	1.167
	INR 1 =	0.012	0.013
	RUB 1 =	0.022	0.023
	THB 1 =	0.023	0.025
	USD 1 =	0.732	0.765

DEFINITIONS FOR KEY INDICATORS

EPS attributable to equity holders of the parent company =	<u>Profit for the period - non-controlling interest</u> Average number of shares outstanding
EPS attributable to equity holders of the parent company (diluted) =	<u>Diluted profit for the period - non-controlling interest</u> Average fully diluted number of shares outstanding
Net debt to equity (gearing) =	<u>Interest-bearing net debt</u> Equity + non-controlling interest
Return on net assets (RONA) =	<u>100 x Earnings before interest and taxes (12 m roll.)</u> Net assets (12 m 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 =	<u>Total equity attributable to equity holders of the parent company</u> Issue-adjusted number of shares at period end
Return on equity (ROE) =	<u>100 x (Profit for the period) (12 m roll.)</u> Equity + non-controlling interest (average)
Return on investment (ROI) =	<u>100 x (Profit before taxes + interest expenses + net other financial expenses) (12 m roll.)</u> Statement of financial position total - Interest-free liabilities (average)

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