

Interim Report

January 1 – June 30, 2007

Huhtamäki Group is a leading manufacturer of consumer and specialty packaging with 2006 net sales totaling EUR 2.3 billion. Consumer goods and foodservice markets are served by over 15,000 employees in 66 manufacturing units and several sales offices in 36 countries. The parent company, Huhtamäki Oyj, has its head office in Espoo, Finland and is listed on the Helsinki Stock Exchange. Additional information is available at www.huhtamaki.com.

Huhtamäki Oyj

INTERIM REPORT JANUARY 1 – JUNE 30, 2007



**Continued solid performance in Americas and Global Flexibles – as anticipated
Group earnings down due to significantly lower royalty income in corporate net**

- In Europe robust sales growth in Flexibles, Molded Fiber and Foodservice; decline in profitability
- In Americas strong result despite adverse currency translations impact supported by diligent price management and operational efficiency
- In Oceania improved performance and in Asia favorable volume development
- Group EBIT reflects reduction of corporate net due to lower royalty income particularly in the second quarter

Key figures

EUR million	Q2 2007	Q2 2006	H1 2007	H1 2006	2006
Net sales	606.1	594.1	1,170.8	1,156.2	2,275.6
EBIT before corporate items, underlying	40.2	43.6	78.0	77.5	138.1
Corporate net	-4.5	9.6	-4.6	16.6	19.5
EBIT, underlying*	35.7	53.2	73.4	94.1	157.6
EBIT margin %, underlying	5.9	9.0	6.3	8.1	6.9
EBIT, reported	35.7	49.8	73.4	87.0	145.5
EPS, reported	0.19	0.33	0.43	0.57	0.94

* The underlying EBIT excludes restructuring charges

Business review

In the second quarter, market demand for consumer packaging continued stable in the mature markets and healthy in the emerging markets. While overall demand was on a similar level to last year, the increasing raw material prices require continuous efforts to pass the cost pressure upstream as well as improve productivity. The prices for the main raw materials remained on a high level during the quarter, showing a clear increase compared to the average level of the previous year.

Price/mix changes had a positive impact (+3%), while volume development was moderate. These are not fully reflected in reported net sales of EUR 606.1 million (+2%) due to unfavorable movement in currency translations (-2%).

For the first half of the year, net sales was EUR 1,170.8 million (+1%). The geographical distribution of sales was the following: Europe 53% (52%), Americas 30% (32%) and Asia-Oceania-Africa 17% (16%).

Europe

EUR million	Q2 2007	Q2 2006	H1 2007	H1 2006	2006
Net sales	320.3	311.2	625.2	603.8	1,188.7
EBIT, underlying*	14.7	19.8	28.3	33.8	52.1
EBIT margin %, underlying	4.6	6.4	4.5	5.6	4.4
EBIT, reported	14.7	16.4	28.3	26.7	40.3
RONA % underlying (12m roll.)	-	-	5.8	8.2	6.7

In Europe, sales growth within Consumer Goods segment was robust in the Flexibles and Molded Fiber businesses in the second quarter, while the Films business was impacted by the



implementation of the new enterprise resource planning (ERP) platform. The sales performance in the Rigid business was varied with Germany and Eastern Europe at the top end, while the UK was at the low end. Within Foodservice segment, healthy sales growth was driven by success in Eastern Europe. For the quarter, the reported net sales was EUR 320.3 million (+3%) with a positive impact from price/mix changes (+3%) and a slight decline in volume (-1%).

The region's underlying EBIT was EUR 14.7 million (-26%), corresponding to an EBIT margin of 4.6% (6.4%). This reflects margin pressure experienced by continued increase in raw material costs as well as temporarily weaker profitability of the Films business. The reported EBIT was EUR 14.7 million. In the previous year the reported EBIT of EUR 16.4 million included restructuring charges of EUR 3.5 million.

For the first half of the year, net sales was EUR 625.2 million (+4%). The underlying EBIT of EUR 28.3 million (-16%) corresponded to an EBIT margin of 4.5% (5.6%). The reported EBIT was 28.3 million (EUR 26.7 million).

Americas

EUR million	Q2 2007	Q2 2006	H1 2007	H1 2006	2006
Net sales	185.2	191.1	348.9	367.4	711.5
EBIT, underlying*	20.2	19.7	38.7	33.4	61.3
EBIT margin %, underlying	10.9	10.3	11.1	9.1	8.6
EBIT, reported	20.2	19.7	38.7	33.4	61.3
RONA % underlying (12m roll.)	-	-	11.8	10.9	11.0

In the Americas, within Foodservice segment sales in Retail stabilized at a good level in the second quarter. The new product launches received a positive market reaction. Within Consumer Goods segment, sales in the Frozen desserts category accelerated during the quarter after a slower start to the year, while the reverse took place in the Flexibles business. In South America, sales growth picked up after a stable beginning of the year. For the quarter, the positive impact from price/mix changes (+4%) more than compensated for the slight decline in volume (-1%). The reported net sales of EUR 185.2 million (-3%) was depressed by currency translations (-6%).

The region's underlying EBIT was EUR 20.2 million (+3%), corresponding to an EBIT margin of 10.9% (10.3%). This reflects diligent price management and continued improvement in operational efficiency.

For the first half of the year, net sales was EUR 348.9 million (-5%). The underlying EBIT of EUR 38.7 million (+16%) corresponded to an EBIT margin of 11.1% (9.1%).

Asia-Oceania-Africa

EUR million	Q2 2007	Q2 2006	H1 2007	H1 2006	2006
Net sales	100.6	91.8	196.7	185.0	375.4
EBIT, underlying*	5.3	4.1	11.0	10.3	24.7
EBIT margin %, underlying	5.3	4.5	5.6	5.6	6.6
EBIT, reported	5.3	4.1	11.0	10.3	24.4
RONA % underlying (12m roll.)	-	-	7.9	7.7	8.1

In Asia-Oceania-Africa, sales performance within Consumer Goods and Foodservice segments was robust during the second quarter. In Oceania, sales growth was driven by the Rigid business where the improvement seen already in the beginning of the year accelerated during the second quarter. In Asia, volume growth remained favorable driven by the Flexibles



businesses in India and Thailand. For the quarter, volume growth continued strong (+7%) and there was a positive impact from price/mix changes (+2%). The reported net sales of EUR 100.6 million (+10%) was boosted further by currency translations (+1%).

The region's underlying EBIT was EUR 5.3 million (+29%), corresponding to an EBIT margin of 5.3% (4.5%). This reflects margin improvement in Oceania mitigated by start-up costs associated with investments in new capacity.

For the first half of the year, net sales was EUR 196.7 million (+6%). The underlying EBIT of EUR 11.0 million (+7%) corresponded to an EBIT margin of 5.6% (unchanged).

Financial review

In the second quarter, the underlying EBIT before corporate items was EUR 40.2 million (-8%), corresponding to an EBIT margin of 6.6% (7.3%). Corporate net was EUR -4.5 million (EUR 9.6 million) reflecting the significant reduction in royalty income as well as higher corporate expenses.

The underlying Group EBIT was EUR 35.7 million (EUR 53.2 million), corresponding to an EBIT margin of 5.9% (9.0%). The reported EBIT was EUR 35.7 million. In the previous year the reported EBIT of EUR 49.8 million included restructuring charges of EUR 3.4 million.

At EUR -11.0 million (EUR -10.3 million), the increase in net financial items was mainly due to higher interest rates and debt level. The reported profit for the period was EUR 19.4 million (EUR 33.3 million), and EPS was EUR 0.19 (EUR 0.33).

For the first half of the year, the Group's underlying EBIT was EUR 73.4 million (-22%), corresponding to an EBIT margin of 6.3% (8.1%). This reflects mainly a EUR 21.2 million reduction in corporate net. The reported EBIT was 73.4 million. In the previous year the reported EBIT of EUR 87.0 million included restructuring charges of EUR 7.1 million. Net financial items were EUR 20.2 million (EUR 18.4 million). The income tax expense was EUR 9.6 million (EUR 11.3 million), corresponding to a tax rate of 18.0% (16.4%). The reported profit for the period was EUR 43.8 million (EUR 57.5 million), and EPS was EUR 0.43 (EUR 0.57).

The average number of outstanding shares used in the EPS calculation was 100,426,461 (98,810,850) excluding 5,061,089 (unchanged) company's own shares.

On a rolling 12-month basis, the return on investment (ROI) was 9.1% (9.5%) and return on equity (ROE) was 9.6% (11.2%).

Balance sheet and cash flow

In the end of the second quarter, free cash flow of EUR -6.3 million (EUR 18.8 million) was impacted by an elevated level of working capital. In addition, capital expenditure increased to EUR 31.5 million (EUR 27.3 million). For the first half of the year, free cash flow was EUR -42.7 million (17.7 million) with capital expenditure of EUR 57.1 million (EUR 46.0 million).

Net debt at the end of the second quarter was EUR 796.7 million (EUR 692.4 million), corresponding to a gearing ratio of 0.92 (0.85).

Major change programs and investments

Key priorities for this year include progress on earlier announced change programs and development of growth platforms. During the second quarter, it was decided that a new flexibles packaging facility will be built close to the existing facility in Bangkok, Thailand. The



aim is to capture growth opportunities by supplying the local and multinational food and consumer goods industry with advanced flexibles packaging. According to the preliminary schedule production at the new site will commence around mid 2008. The value of the investment is approximately EUR 17 million.

With reference to the earlier announced programs, the exit from the rigid packaging site in Göttingen, Germany, took place during the quarter. The capacity expansion in Foodservice hot beverage cups in several European units progressed and will be completed by year-end 2007. The new capacity added to the existing flexibles packaging facility in Malvern, USA, is scheduled to be operational during the second half of 2007. The relocation from Hong Kong, China, to the new rigid packaging facility in Guangzhou, China, is expected to be completed during the first quarter of 2008.

Additionally, reduction of working capital and targeted allocation of capital expenditure will have a high priority during the second half of the year.

Personnel

The Group had 15,129 (15,004) employees on June 30, 2007.

Changes in management

Timo Salonen was appointed as Chief Financial Officer with effect from July 1, 2007. He succeeded Sakari Ahdekivi, who joins another company.

Short-term risks and uncertainties

Volatile raw material and energy prices as well as movements in currency translations are considered to be significant short-term business risks and uncertainties in the Group's operations.

Outlook for 2007

A clear improvement is expected in the operational result, which should largely balance out the significant reduction in corporate net due to lower royalty income. The underlying EBIT for the full-year is estimated to be close to the level of 2006. Increase in net financial items and higher tax rate will have an impact on earnings.

Capital expenditure is expected to be somewhat lower than in 2006 with emphasis on organic growth investments.

This interim report is unaudited.

Espoo, July 18, 2007
Huhtamäki Oyj
Board of Directors

The Q3 2007 interim report will be published on October 25, 2007.

Group Income statement (IFRS)

Unaudited

EUR million	H1 2007	H1 2006	Q2 2007	Q2 2006	Q1-Q4 2006
Net sales	1,170.8	1,156.2	606.1	594.1	2,275.6
Cost of goods sold	-989.8	-981.1	-510.7	-499.2	-1,946.4
Gross profit	181.0	175.1	95.4	94.9	329.2
Other operating income	13.4	29.6	3.4	13.5	56.2
Sales and marketing	-41.4	-41.0	-21.4	-21.0	-82.8
Research and development	-9.6	-10.3	-4.8	-4.9	-19.3
Administration costs	-61.6	-63.1	-31.5	-31.6	-126.5
Other operating expenses	-8.4	-3.3	-5.4	-1.1	-11.3
	-107.6	-88.1	-59.7	-45.1	-183.7
Earnings before interest and taxes	73.4	87.0	35.7	49.8	145.5
Financial income	4.9	6.6	3.2	2.8	11.0
Financial expenses	-25.1	-25.0	-14.3	-13.3	-47.8
Income of associated companies	0.2	0.2	0.1	0.2	0.5
Profit before taxes	53.4	68.8	24.7	39.5	109.2
Income tax expense	-9.6	-11.3	-5.3	-6.2	-12.6
Profit for the period	43.8	57.5	19.4	33.3	96.6
Attributable to:					
Equity holders of the parent company	42.8	56.2	19.0	32.9	93.3
Minority interest	1.0	1.3	0.4	0.4	3.3
Basic earnings per share (EUR) for the shareholders of parent company	0.43	0.57	0.19	0.33	0.94
Diluted earnings per share (EUR) for the shareholders of parent company	0.42	0.56	0.18	0.33	0.93

Group balance sheet (IFRS)

Unaudited

EUR million	Jun 30 2007	Dec 31 2006	Jun 30 2006
ASSETS			
Non-current assets			
Goodwill	523.4	525.2	528.8
Other intangible assets	35.6	35.1	7.7
Tangible assets	853.1	840.1	808.5
Investments in associated companies	1.7	1.5	1.7
Available for sale investments	1.7	1.8	1.9
Interest bearing receivables	3.0	6.6	7.7
Deferred tax assets	17.5	14.1	14.2
Employee benefit assets	63.4	64.0	64.7
Other non-current assets	5.1	5.0	5.1
	1,504.5	1,493.4	1,440.3
Current assets			
Inventory	374.9	341.8	327.2
Interest bearing receivables	8.4	0.5	14.6
Current tax assets	11.3	9.9	6.7
Trade and other current receivables	443.3	400.7	428.4
Cash and cash equivalents	25.9	22.3	34.7
	863.8	775.2	811.6
Total assets	2,368.3	2,268.6	2,251.9
EQUITY AND LIABILITIES			
Share capital	358.7	358.7	354.3
Premium fund	104.7	104.7	98.4
Treasury shares	-46.5	-46.5	-46.5
Translation differences	-106.7	-106.7	-102.4
Fair value and other reserves	2.0	2.1	4.3
Retained earnings	533.5	528.8	492.5
Total equity attributable to equity holders of the parent company	845.6	841.1	800.5
Minority interest	20.4	19.3	17.3
Total equity	866.0	860.4	817.8
Non-current liabilities			
Interest bearing liabilities	370.0	314.7	369.6
Deferred tax liabilities	63.6	62.9	78.7
Employee benefit liabilities	111.7	111.4	113.1
Provisions	50.9	46.8	52.0
Other non-current liabilities	3.9	3.9	4.2
	600.1	539.7	617.6
Current liabilities			
Interest bearing liabilities			
- Current portion of long term loans	42.7	41.7	16.5
- Short term loans	421.3	383.7	363.2
Provisions	7.4	11.9	15.9
Current tax liabilities	19.4	19.7	9.5
Trade and other current liabilities	411.4	411.5	411.4
	902.2	868.5	816.5
Total liabilities	1,502.3	1,408.2	1,434.1
Total equity and liabilities	2,368.3	2,268.6	2,251.9
	Jun 30 2007	Dec 31 2006	Jun 30 2006
Net debt	796.7	710.7	692.4
Net debt to equity (gearing)	0.92	0.83	0.85

Changes in shareholders' equity
Unaudited

EUR million	Attributable to equity holders of the parent company						Total equity	Minority interest	Total
	Share capital	Share issue premium	Treasury shares	Translation diff.	Fair value and other reserves	Retained earnings			
Balance at Dec 31, 2005	353.0	96.8	-46.5	-76.3	-0.2	475.2	802.0	18.4	820.4
Cash flow hedges									
Hedge result deferred to equity					4.2		4.2		4.2
Hedge result recognized in income statement					2.0		2.0		2.0
Translation differences				-26.1			-26.1	-2.4	-28.5
Deferred tax in equity					-1.9		-1.9		-1.9
Other changes						-2.2	-2.2		-2.2
Net income recognized directly in equity				-26.1	4.3	-2.2	-24.0	-2.4	-26.4
Net income for the period						56.2	56.2	1.3	57.5
Total recognized income and expense for the period				-26.1	4.3	54.0	32.2	-1.1	31.1
Dividend						-37.5	-37.5		-37.5
Share-based payments						0.8	0.8		0.8
Stock options exercised	1.3	1.6			0.2		3.1		3.1
Balance at Jun 30, 2006	354.3	98.4	-46.5	-102.4	4.3	492.5	800.5	17.3	817.8
Balance at Dec 31, 2006	358.7	104.7	-46.5	-106.7	2.1	528.8	841.1	19.3	860.4
Cash flow hedges									
Hedge result deferred to equity					1.4		1.4		1.4
Hedge result recognized in income statement					-1.4		-1.4		-1.4
Translation differences				0.0			0.0	0.1	0.1
Deferred tax in equity					-0.1		-0.1		-0.1
Other changes						3.3	3.3		3.3
Net income recognized directly in equity				0.0	-0.1	3.3	3.2	0.1	3.3
Net income for the period						42.8	42.8	1.0	43.8
Total recognized income and expense for the period				0.0	-0.1	46.2	46.1	1.1	47.1
Dividend						-42.2	-42.2		-42.2
Share-based payments						0.7	0.7		0.7
Stock options exercised	0.0	0.0			0.0		0.0		0.0
Balance at Jun 30, 2007	358.7	104.7	-46.5	-106.7	2.0	533.5	845.6	20.4	866.0

Group cash flow statement (IFRS)
Unaudited

EUR million	H1 2007	H1 2006	Q2 2007	Q2 2006	Q1-Q4 2006
Profit for the period*	43.8	57.5	19.4	33.3	96.6
Adjustments*	74.2	69.9	40.6	33.5	126.9
- Depreciation and amortization*	49.1	53.9	24.6	23.4	101.5
- Gain on equity of minorities*	-0.2	-0.2	-0.1	-0.2	-0.5
- Gain/loss from disposal of assets*	0.3	-0.5	0.1	-0.2	0.1
- Financial expense/-income*	20.3	18.4	11.2	10.5	36.8
- Income tax expense*	9.6	11.3	5.2	6.1	12.6
- Other adjustments, operational*	-4.9	-13.0	-0.4	-6.1	-23.6
Change in inventory*	-31.0	-27.6	3.7	-4.9	-44.1
Change in non-interest bearing receivables*	-48.5	-58.5	-28.9	-57.2	-9.7
Change in non-interest bearing payables*	1.1	44.4	3.0	53.0	19.3
Dividends received*	0.3	0.3	0.2	0.0	1.0
Interest received*	0.7	2.0	0.1	0.9	2.7
Interest paid*	-20.6	-17.2	-8.4	-6.9	-38.0
Other financial expense and income*	0.4	-0.5	0.6	-2.0	0.7
Taxes paid*	-7.6	-9.2	-5.6	-3.7	-16.3
Net cash flows from operating activities	12.8	61.1	24.7	46.0	139.1
Capital expenditure*	-57.1	-46.0	-31.5	-27.3	-154.0
Proceeds from selling fixed assets*	1.6	2.6	0.5	0.1	6.5
Divested subsidiaries	-	23.3	-	10.5	22.9
Proceeds from long-term deposits	0.5	0.0	0.0	0.0	1.6
Payment of long-term deposits	-1.5	-3.3	-1.5	-0.6	-3.9
Proceeds from short-term deposits	0.5	8.1	0.0	2.7	24.8
Payment of short-term deposits	-3.9	-5.5	-3.8	0.0	-8.1
Net cash flows from investing	-59.9	-20.8	-36.3	-14.6	-110.2
Proceeds from long-term borrowings	240.2	230.1	75.4	23.1	409.0
Repayment of long-term borrowings	-187.3	-262.6	-18.3	-41.5	-495.5
Proceeds from short-term borrowings	1,568.6	1,301.3	876.8	530.9	2,612.7
Repayment of short-term borrowings	-1,528.7	-1,274.1	-879.3	-518.5	-2,543.6
Dividends paid	-42.2	-37.5	-42.2	-37.5	-37.5
Proceeds from stock option exercises	-	3.1	-	3.1	13.5
Net cash flows from financing	50.6	-39.7	12.4	-40.4	-41.4
Change in liquid assets	3.6	-2.9	0.7	-11.5	-15.3
Cash flow based	3.5	0.6	0.8	-9.0	-12.5
Translation difference	0.1	-3.5	-0.1	-2.5	-2.8
Liquid assets period start	22.3	37.6	25.2	46.2	37.6
Liquid assets period end	25.9	34.7	25.9	34.7	22.3
Free cash flow (including figures marked with *)	-42.7	17.7	-6.3	18.8	-8.4

NOTES FOR THE INTERIM REPORT

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. Except for accounting policy changes listed below, the same accounting policies have been applied in the interim financial statements as in annual financial statements for 2006. Interim report is unaudited.

Changes in accounting principles

The Group has adopted the following IFRS standards and interpretations considered applicable to Huhtamäki, with effect from January 1, 2007

IAS 1 Presentation of Financial statements: Capital disclosures: The Amendment to IAS 1 requires information about capital and capital management during the accounting period.

IFRIC 8 Scope of IFRS 2 Share-Based Payments: The interpretation applies to share-based payments, where the received compensation is below the fair value of granted equity instrument.

IFRIC 9 Reassessment of Embedded Derivatives: The interpretation requires the determination of whether the arrangement contains embedded derivatives, which have to be reported separately as derivative instruments.

IFRIC 10 Interim Financial reporting and Impairment: IFRIC 10 denies to reverse the impairment charge reported in interim report at later closing dates.

The effect of these newly adopted standards has not had a material impact on the reported results or disclosures.

In 2006 in the Americas segment the price reduction type item has been transferred from sales and marketing costs to amend net sales. In the business segment the whole item fell on the Foodservice segment. The effect of this restatement on net sales was EUR -3.9 million in Q1, EUR -6.7 million in Q2 and EUR -3.2 million in Q3 of 2006. The restatement did not have material impact on net sales based key ratios.

Regions

Net sales

EUR million	Q2 2007	Q1 2007	H1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q1-Q4 2006
Europe	320.3	304.9	625.2	288.4	296.5	311.2	292.6	1,188.7
Americas	185.2	163.7	348.9	170.3	173.8	191.1	176.3	711.5
Asia-Oceania-Africa	100.6	96.1	196.7	98.5	91.9	91.8	93.2	375.4
Total	606.1	564.7	1,170.8	557.2	562.2	594.1	562.1	2,275.6

Interregional sales are not significant.

EBIT

EUR million	Q2 2007	Q1 2007	H1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q1-Q4 2006
Europe	14.7	13.6	28.3	0.4	13.2	16.4	10.2	40.3
Americas	20.2	18.5	38.7	13.9	14.0	19.7	13.7	61.3
Asia-Oceania-Africa	5.3	5.7	11.0	6.6	7.5	4.1	6.3	24.4
EBIT before corporate items	40.2	37.8	78.0	20.9	34.7	40.2	30.2	126.0
Corporate net	-4.5	-0.1	-4.6	-0.5	3.4	9.6	7.0	19.5
Total	35.7	37.7	73.4	20.4	38.1	49.8	37.2	145.5

Underlying EBIT

EUR million	Q2 2007	Q1 2007	H1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q1-Q4 2006
Europe	14.7	13.6	28.3	3.4	14.9	19.8	13.9	52.1
Americas	20.2	18.5	38.7	13.9	14.0	19.7	13.7	61.3
Asia-Oceania-Africa	5.3	5.7	11.0	6.9	7.5	4.1	6.3	24.7
EBIT before corporate items	40.2	37.8	78.0	24.2	36.4	43.6	33.9	138.1
Corporate net	-4.5	-0.1	-4.6	-0.5	3.4	9.6	7.0	19.5
Total	35.7	37.7	73.4	23.7	39.8	53.2	40.9	157.6

Net assets and RONA % (12m roll.)

EUR million	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Europe	803.8	789.7	782.7	779.4	778.6	784.8
RONA-% underlying	5.8 %	6.6 %	6.7 %	7.8 %	8.2 %	8.7 %
RONA-% reported	5.2 %	5.5 %	5.1 %	6.1 %	5.5 %	0.1 %
Americas	565.0	566.2	558.1	564.5	565.9	573.4
RONA-% underlying	11.8 %	11.7 %	11.0 %	11.0 %	10.9 %	9.7 %
RONA-% reported	11.8 %	11.7 %	11.0 %	11.0 %	10.9 %	4.3 %
Asia-Oceania-Africa	319.0	303.4	301.0	295.8	292.2	293.9
RONA-% underlying	7.9 %	7.9 %	8.1 %	8.1 %	7.7 %	8.4 %
RONA-% reported	7.9 %	7.9 %	8.1 %	6.1 %	5.6 %	5.8 %

Business segments

Net sales

EUR million	Q2 2007	Q1 2007	H1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q1-Q4 2006
Consumer Goods	390.2	389.2	779.4	359.0	368.2	379.6	388.5	1,495.3
Foodservice	215.9	175.5	391.4	198.2	194.0	214.5	173.6	780.3
Total	606.1	564.7	1,170.8	557.2	562.2	594.1	562.1	2,275.6

Intersegment sales are not significant.

EBIT

EUR million	Q2 2007	Q1 2007	H1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q1-Q4 2006
Consumer Goods	26.8	26.5	53.3	11.6	23.7	21.1	18.1	74.7
Foodservice	13.4	11.3	24.7	9.3	11.0	19.1	12.1	51.3
EBIT before corporate items	40.2	37.8	78.0	20.9	34.7	40.2	30.2	126.0
Corporate net	-4.5	-0.1	-4.6	-0.5	3.4	9.6	7.0	19.5
Total	35.7	37.7	73.4	20.4	38.1	49.8	37.2	145.5

Underlying EBIT

EUR million	Q2 2007	Q1 2007	H1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q1-Q4 2006
Consumer Goods	26.8	26.5	53.3	14.5	25.2	23.5	20.9	84.1
Foodservice	13.4	11.3	24.7	9.7	11.2	20.1	13.0	54.0
EBIT before corporate items	40.2	37.8	78.0	24.2	36.4	43.6	33.9	138.1
Corporate net	-4.5	-0.1	-4.6	-0.5	3.4	9.6	7.0	19.5
Total	35.7	37.7	73.4	23.7	39.8	53.2	40.9	157.6

Other information

EUR million	H1 2007	H1 2006	Q1-Q4 2006
Equity per share (EUR)	8.42	8.07	8.37
ROE, %	9.6	11.2	11.7
ROI, %	9.1	9.5	9.4
Capital expenditure	57.1	46.0	154.0
Personnel	15,129	15,004	14,792
Profit before taxes (12m roll.)	94.0	107.9	109.2
Depreciation	46.2	46.1	92.6
Amortization of other intangible assets	2.8	1.4	2.7

Share capital and shareholders

At the end of the review period, the company's registered share capital was EUR 358,657,670.00 (354,306,472.40) corresponding to a total number of outstanding shares of 105,487,550 (104,207,786). This includes 5,061,089 (unchanged) company's own shares, which represent 4.8% of the total number of shares. The net figure of outstanding shares was 100,426,461 (99,146,697).

At the end of June there were 21,025 (20,795) registered shareholders. Nominee registered shares including foreign ownership accounted for 27.3% (23.0%).

Share developments

Huhtamäki's share is quoted on the Helsinki Stock Exchange on the Nordic Large Cap list under the Materials sector. At the end of June, the company's market capitalization was EUR 1,310.2 million (EUR 1,447.4 million) and EUR 1,247.3 million (EUR 1,377.1 million) excluding company's own shares. With a closing price of EUR 12.42 (EUR 13.89) the share price decreased by 17% (0%) from the beginning of the year, while the OMX Helsinki CAP PI Index increased by 13% (+6%). In January-June, the volume weighted average price for the Huhtamäki share was EUR 13.14 (EUR 14.79). The highest price paid was EUR 15.89 on January 15, 2007 and the lowest price paid was EUR 12.01 on March 14, 2007.

During the first six months, the cumulative value of the Huhtamäki share turnover was EUR 703.8 million (EUR 587.2 million). The trading volume of 53.6 million (39.7 million) shares equalled an average daily turnover of EUR 5.7 million (EUR 4.7 million) or, correspondingly 432,116 (320,005) shares.

In total, turnover of the company's 2003 A, B and C option rights was EUR 2.7 million, corresponding to a trading volume of 586,355.

Contingent liabilities

	Jun 30 2007	Dec 31 2006	Jun 30 2006
EUR million			
Mortgages	14.5	14.7	14.8
Guarantee obligations	4.8	3.8	3.8
Lease payments	57.3	59.3	63.1
Capital expenditure commitments	45.0	27.4	34.6

Nominal values of derivative instruments

	Jun 30 2007	Dec 31 2006	Jun 30 2006
EUR million			
Currency forwards, transaction risk hedges	58	54	79
Currency forwards, translation risk hedges	110	112	63
Currency swaps, financing hedges	138	107	188
Currency options	2	1	0
Interest rate swaps	131	139	224
Electricity forwards	-	2	-

The following EUR rates have been applied to GBP, INR, AUD and USD

		Q2/07	Q2/06
Income statement, average:	GBP 1 =	1.482	1.455
	INR 1 =	0.018	0.018
	AUD 1 =	0.608	0.604
	USD 1 =	0.752	0.813
		Q2/07	Q2/06
Balance sheet, month end:	GBP 1 =	1.484	1.445
	INR 1 =	0.018	0.017
	AUD 1 =	0.630	0.584
	USD 1 =	0.740	0.787

Definitions for key indicators

Earnings per share = $\frac{\text{Profit before taxes - minority interest - taxes}}{\text{Average number of shares outstanding}}$

Earnings per share = (diluted) $\frac{\text{Diluted profit before taxes - minority interest - taxes}}{\text{Average fully diluted number of shares outstanding}}$

Net debt to equity (gearing) = $\frac{\text{Interest bearing net debt}}{\text{Equity + minority interest (average)}}$

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

Shareholders' equity per share = $\frac{\text{Equity}}{\text{Issue-adjusted number of shares at period end}}$

Return on equity (ROE) = $\frac{100 \times (\text{Profit for the period})}{\text{Equity + minority interest (average)}}$

Return on investment (ROI) = $\frac{100 \times (\text{Profit before taxes + interest expenses + net other financial expenses})}{\text{Balance sheet total - Interest-free liabilities (average)}}$

