



HUHTAMAKI

GROUP

July 21, 2011



Huhtamaki 2011 Q2 results

Net sales growth accelerated

CEO Jukka Moisio

CFO Timo Salonen

Good net sales growth driven by emerging markets

- Emerging markets show the way in net sales growth
 - Group net sales +5% yoy*
 - Emerging markets net sales +14% yoy*
- Robust Q2 net sales growth especially in Flexible Packaging segment
 - Europe +12% yoy**
 - Asia +19% yoy**
- Favorable trend in volumes
- Successful cost containment continued
- Improved stability in North America



Group highlights

Q2 2011

EUR million	Q2 2011	Q2 2010	H1 2011	H1 2010	2010
<i>Continuing operations</i>					
Net sales	528.0	522.3	1,006.0	970.2	1,951.8
EBIT	40.0	44.3	67.4	73.2	134.3
EBIT margin %	7.6	8.5	6.7	7.5	6.9
EPS, EUR	0.28	0.30	0.45	0.47	0.92
<i>Including discontinued operations divested in 2010</i>					
EPS, EUR	0.28	0.32	0.45	0.51	1.02
ROI %			11.2	10.0	12.0
Free cash flow	12.4	37.2	-19.2	44.3	112.9

- Growth driven by Flexible Packaging segment
- Successful cost containment continued
- Cash flow turned positive in Q2
- Currency translations had a negative impact in Q2 net sales and earnings



Business review by segment



Flexible Packaging

Q2 2011

EUR million	Q2 2011	Q2 2010	H1 2011	H1 2010	2010
Net sales	143.3	130.4	289.9	257.2	524.6
EBIT	10.0	7.1	20.2	17.0	34.3
EBIT margin %	7.0	5.4	7.0	6.6	6.5
RONA %			11.4	10.0	10.7
Operating cash flow	10.9	7.7	6.0	8.9	34.6

- Double digit net sales growth in Q2 in Europe and Asia
- EBIT margin improved to 7% driven by good volume growth
- Volume growth accelerated in Q2 and together with successful margin management more than offset the continued high raw material costs
- Oceania still loss making and under review



Films

Q2 2011

EUR million	Q2 2011	Q2 2010	H1 2011	H1 2010	2010
Net sales	44.1	42.1	86.5	83.3	163.7
EBIT	1.9	3.8	5.0	6.3	10.8
EBIT margin %	4.3	9.0	5.8	7.6	6.6
RONA %			7.7	5.5	9.1
Operating cash flow	0.5	-0.2	-7.4	-5.0	5.7

- Healthy volume growth in hygiene applications
- Unfavorable product mix and equipment problems led to negative earnings development in Q2
- Corrective actions have been taken



North America

Q2 2011

EUR million	Q2 2011	Q2 2010	H1 2011	H1 2010	2010
Net sales	142.7	157.8	254.3	271.4	535.6
EBIT	16.3	18.9	22.9	27.3	45.4
EBIT margin %	11.4	12.0	9.0	10.1	8.5
RONA %			10.8	11.7	11.9
Operating cash flow	9.5	18.4	2.9	31.0	59.0

- Stable Q2 net sales in constant currency
- Retail business net sales developed positively in Q2, led by Chinet branded items
- Consumer goods volumes and net sales continued to suffer from weak ice cream market
- Q2 earnings affected by adverse currency translations and high raw material costs



Molded Fiber

Q2 2011

EUR million	Q2 2011	Q2 2010	H1 2011	H1 2010	2010
Net sales	59.9	59.2	118.6	114.7	232.9
EBIT	4.6	5.7	10.0	10.3	21.9
EBIT margin %	7.7	9.6	8.4	9.0	9.4
RONA %			12.4	11.6	12.7
Operating cash flow	5.6	7.3	8.3	9.6	23.1

- Weak consumer demand for eggs in Q2 led to flat net sales development
 - More egg trays, less egg cartons were sold
- Unfavorable product mix and short term equipment issues impacted H1 earnings



Foodservice Europe-Asia-Oceania

Q2 2011

EUR million	Q2 2011	Q2 2010	H1 2011	H1 2010	2010
Net sales	128.9	125.1	239.4	231.1	467.6
EBIT	7.7	8.2	11.2	11.7	24.5
EBIT margin %	6.0	6.6	4.7	5.1	5.2
RONA %			10.0	8.3	10.6
Operating cash flow	-5.2	5.2	-9.1	4.9	21.8

- Positive net sales development in Eastern Europe and Asia
- Product mix developed positively
- Earnings suffered from high raw material costs (plastics) and short term operational issues



Financial review



Income statement

Q2 2011

EUR million	Q2 2011	Q2 2010	H1 2011	H1 2010	2010
Net sales	528.0	522.3	1,006.0	970.2	1,951.8
EBITDA	59.6	64.2	106.7	111.9	213.6
EBITDA margin %	11.3	12.3	10.6	11.5	10.9
EBIT	40.0	44.3	67.4	73.2	134.3
EBIT margin %	7.6	8.5	6.7	7.5	6.9
Net financial items	-3.3	-4.2	-7.0	-8.2	-14.2
Result before taxes	36.8	40.3	60.7	65.3	120.7
Taxes	-5.5	-7.2	-9.1	-11.6	-16.2
Result for the period from continuing operations	31.3	33.1	51.6	53.7	104.5
EPS from continuing operations	0.28	0.30	0.45	0.47	0.92
Result for the period from discontinued operations	-	1.8	-	3.5	10.2
Result for the period	31.3	34.9	51.6	57.2	114.7
EPS including discontinued operations	0.28	0.32	0.45	0.51	1.02



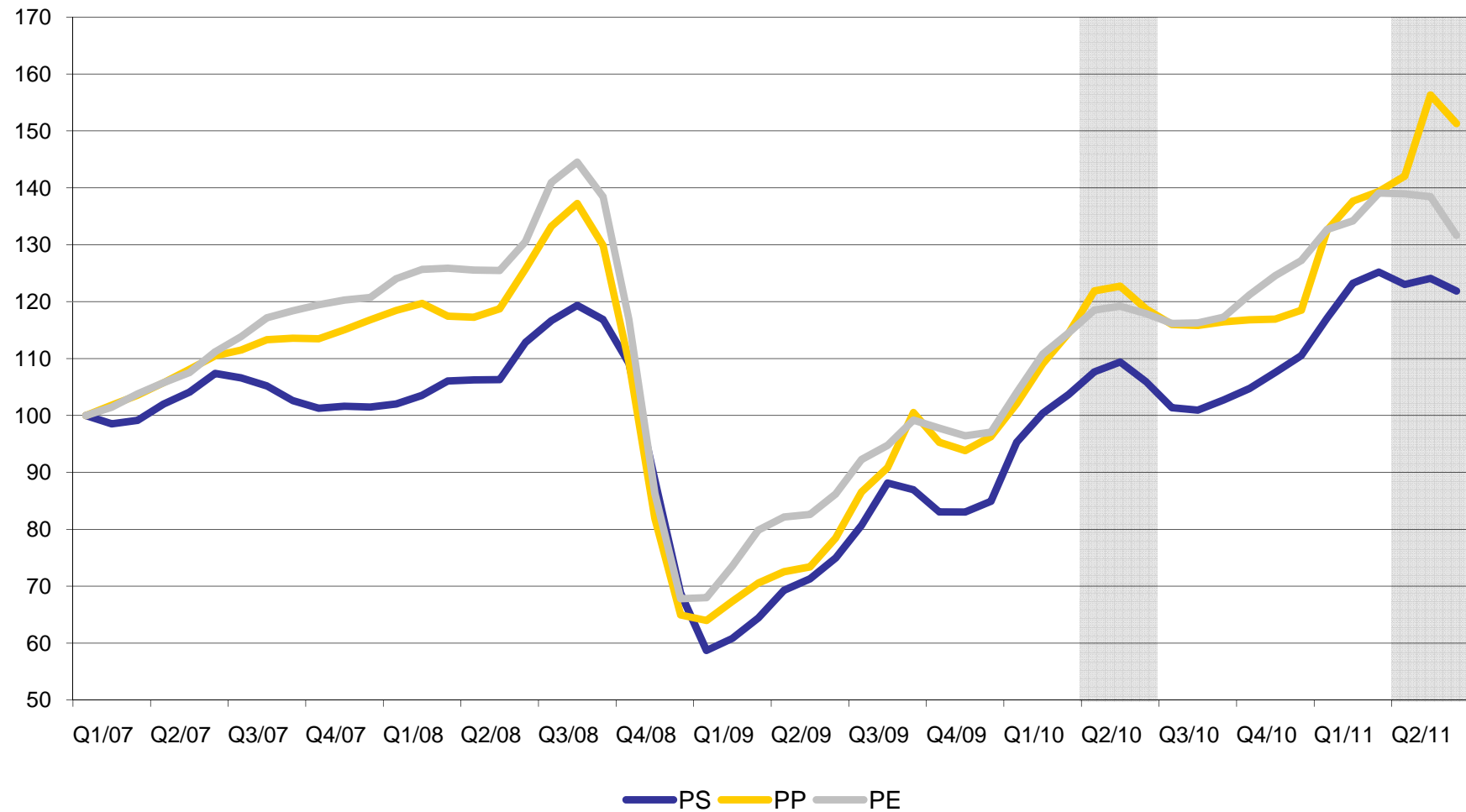
Volume development

Q2 2011

	Q2 2011	H1 2011	2010
Flexible Packaging	8%	6%	6%
Films	7%	9%	22%
North America	-1%	-2%	-4%
Molded Fiber	2%	2%	-1%
Foodservice EAO	-2%	-1%	-2%
Group Total	2%	2%	1%



Polymer based raw material prices



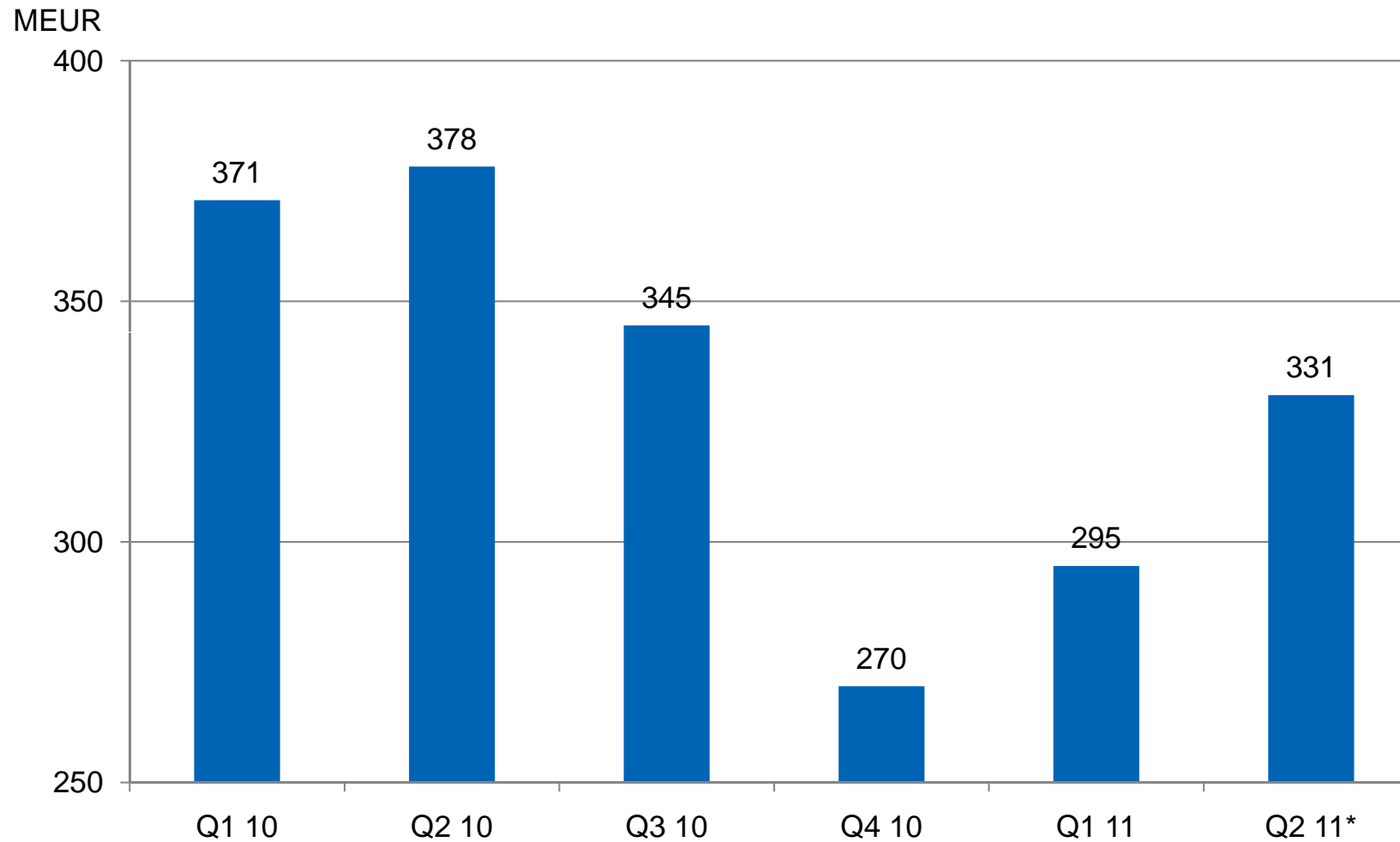
Group statement of financial position

Q2 2011

EUR million	Jun 2011	Dec 2010	Jun 2010
Total assets	1,819.2	1,865.1	1,973.6
Operating working capital	363.8	308.1	368.8
Net debt	330.5	269.9	378.0
Equity & non-controlling interest	822.2	848.7	819.4
Gearing	0.40	0.32	0.46
ROI%	11.2	12.0	10.0
ROE%	13.2	14.5	11.2



Net debt development

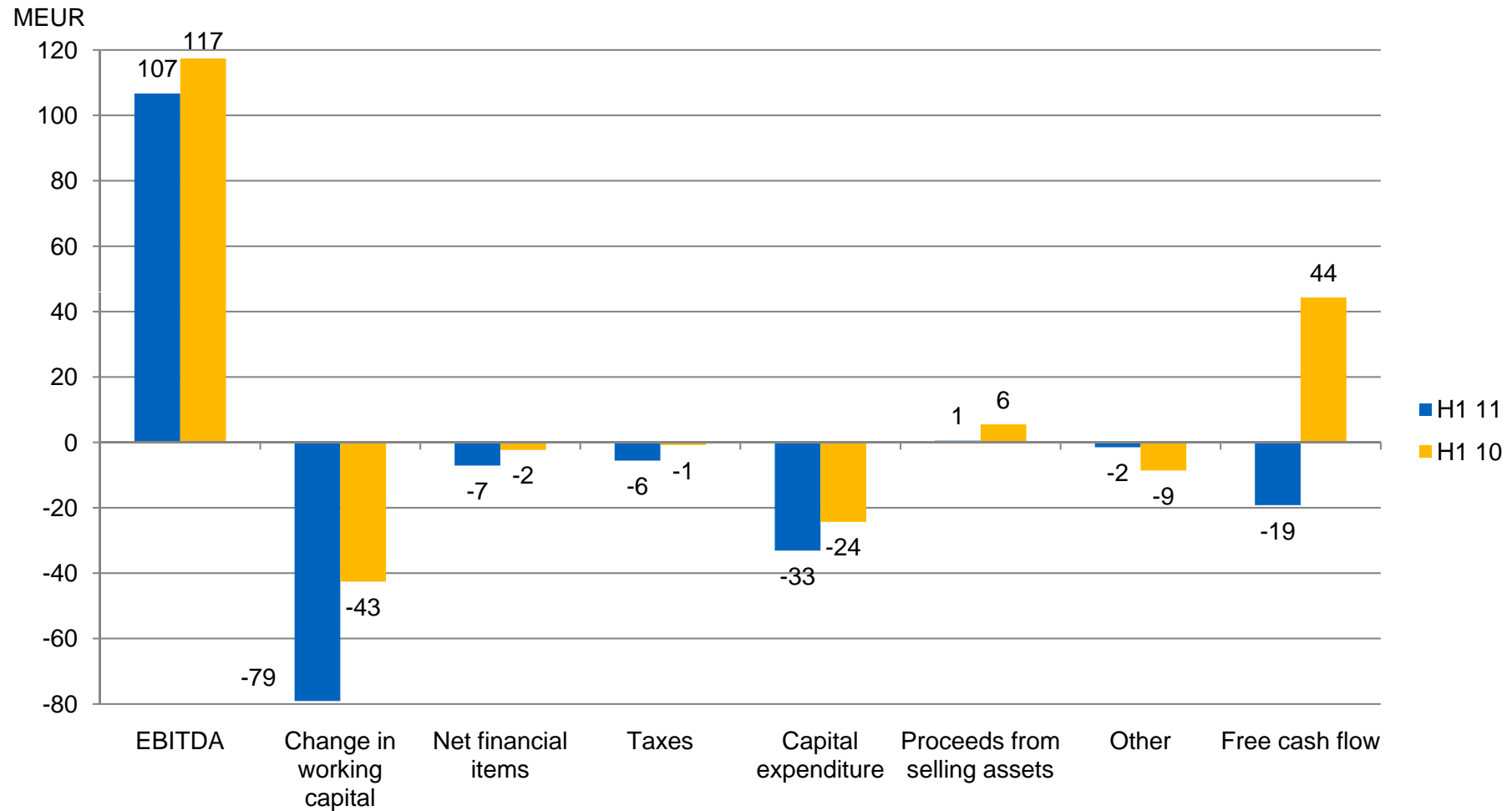


Q2 2011

* Dividend of EUR 45 million was paid in Q2 2011.

Cash flow

H1 2011 vs. H1 2010



Q2 2011

NB: H1 2010 figures include discontinued operations.

Looking forward



Outlook 2011

- The Group's trading conditions are expected to remain similar to the trading conditions experienced earlier in 2011.
- Raw material prices are not expected to increase further.
- Financial charges and tax expenses are expected to increase from the exceptionally low level in 2010.
- Good financial position and ability to generate a positive cash flow will enable the Group to address profitable growth opportunities.
- Capital expenditure is expected to be around EUR 100 million.

Short-term risks and uncertainties:

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



Scheduled events in 2011

- October 20 Interim Report Q3 2011





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Appendices



Huhtamaki in 2011

Key Figures
2010

EUR 2.0
Billion in
net sales

12,000
People
employed

53
Manufacturing
units

31
Operating
countries

Globally Organized

Geographically Organized

Businesses

Flexibles

Films

Molded Fiber

Disposables



Reporting
Segments

**Flexible
Packaging**

Films

**Molded
Fiber**

**North
America**

**Foodservice
E-A-O**

Share of
Net Sales*

27%

8%

12%

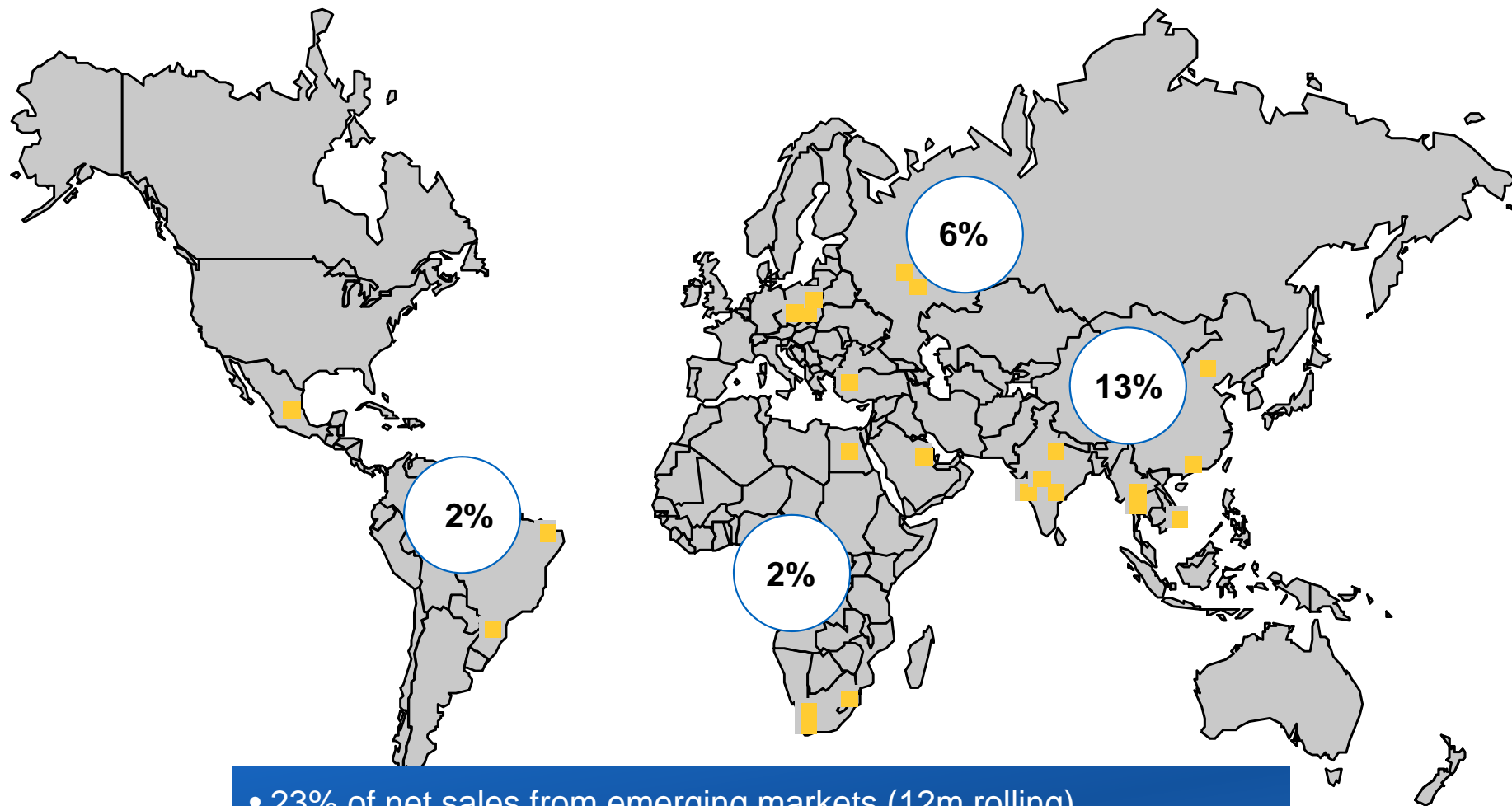
27%

23%



* Other Activities 3%

Emerging markets' share of net sales continues to increase



- 23% of net sales from emerging markets (12m rolling)
- 4,500 out of 12,000 employees in emerging markets
- 24 out of 53 manufacturing units in emerging markets



NB: Definition of emerging markets based on IMF's World Economic Outlook report 2011

Solid domestic shareholding

- 27,115 registered shareholders at the end of June 2011
- 24% of shares controlled by non-profit organizations
 - Finnish Cultural Foundation a major owner since 1943, current ownership 17.2%
- 76% of shares in domestic ownership

Shareholder distribution by sector
June 30, 2011

