



HUHTAMAKI

GROUP

July 20, 2012



Q2 2012 Interim Report

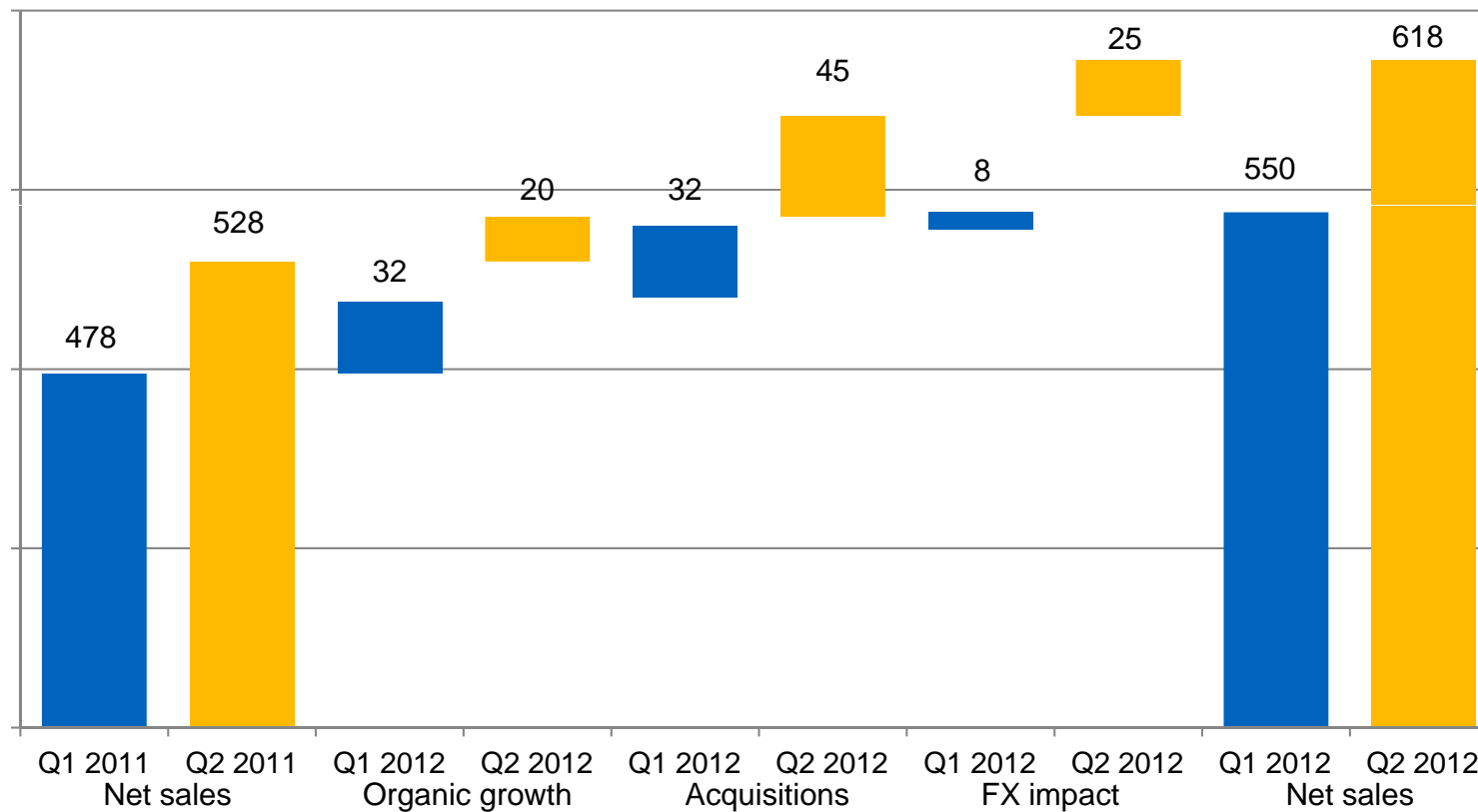
Solid net sales and earnings growth

CEO Jukka Moisio

CFO Timo Salonen

16% net sales growth in H1 2012

- Robust growth achieved both organically and through acquisitions



Group highlights

Q2 2012

EUR million	Q2 2012	Q2 2011	H1 2012	H1 2011	FY 2011
Net sales	618.1	528.0	1,168.2	1,006.0	2,043.6
EBIT*	49.3	40.0	83.2	67.4	127.6
EBIT margin*, %	8.0	7.6	7.1	6.7	6.2
EPS*, EUR	0.39	0.28	0.64	0.45	0.87
ROI, %			11.0	11.2	9.8
ROE, %			12.9	13.2	11.0
Free cash flow	34.7	12.4	23.8	-19.2	64.9

- Group earnings developed strongly as earnings grew in all business segments
- The acquired units also contributed to earnings growth
- The quarter-on-quarter improvement of ROI and ROE continued
- Cash flow turned positive in the second quarter



Business review by segment



Flexible Packaging

Q2 2012

EUR million	Q2 2012	Q2 2011	H1 2012	H1 2011	FY 2011
Net sales	151.4	143.3	304.3	289.9	578.3
EBIT*	11.6	10.0	23.5	20.2	38.3
EBIT margin* %	7.7	7.0	7.7	7.0	6.6
RONA %			10.5	11.4	9.3
Operating cash flow	7.4	10.9	12.0	6.0	39.7

- Second quarter net sales growth strongest in Asia
- Earnings growth result of volume growth and favorable product mix
- Reduced losses from Oceania, site to be closed down by end July



Flexible Packaging

Trading conditions

- Europe:
 - Demand for FMCG* packaging largely unaffected by the general economic uncertainty
 - Increased customer focus on optimizing working capital
- Asia:
 - Impact of Eurozone crisis increasing market uncertainty, however demand for flexible packaging relatively stable
 - Market uncertainty reflected in customer order behaviour leading to smaller lot sizes and last minute confirmations



Films

Q2 2012

EUR million	Q2 2012	Q2 2011	H1 2012	H1 2011	FY 2011
Net sales	51.4	44.1	101.2	86.5	177.0
EBIT	2.8	1.9	5.6	5.0	8.4
EBIT margin %	5.4	4.3	5.5	5.8	4.7
RONA %			6.0	7.7	6.2
Operating cash flow	3.9	0.5	3.4	-7.4	-4.3

- Profitability improved mainly due to continued good performance in North America
- Some softness in demand of industrial films



Films

Trading conditions

- Tangible slowdown in demand for industrial films in the U.S. towards the end of the second quarter, whereas earlier in the year demand was strong
- Europe stable, but threat due to uncertain economy does exist
- Continued healthy demand for higher quality hygiene products in Asia and South America



North America

Q2 2012

EUR million	Q2 2012	Q2 2011	H1 2012	H1 2011	FY 2011
Net sales	189.7	142.7	346.4	254.3	532.3
EBIT	20.3	16.3	30.4	22.9	43.5
EBIT margin %	10.7	11.4	8.8	9.0	8.2
RONA %			12.0	10.8	11.2
Operating cash flow	9.0	9.5	-6.8	2.9	43.5

- Positive net sales development in the second quarter especially in foodservice, led by units acquired in 2011
- Earnings grew, boosted by the acquired units and positive currency translations



North America

Trading conditions

- Retail:
 - Consumer spending more pragmatic, private label gains market share in many product categories
- Foodservice:
 - Stronger positions aided by the 2011 acquisitions
- Consumer Goods:
 - Strong ice-cream market as a result of increased promotions
 - Economic uncertainty reflected in increased customer focus on working capital management



Molded Fiber

Q2 2012

EUR million	Q2 2012	Q2 2011	H1 2012	H1 2011	FY 2011
Net sales	65.9	61.4	131.8	121.4	244.0
EBIT	6.2	4.6	13.0	10.0	20.9
EBIT margin %	9.4	7.5	9.9	8.2	8.6
RONA %			13.7	12.6	12.0
Operating cash flow	11.5	5.5	15.5	8.5	18.5

- Robust net sales growth due to positive volume and mix development
- Favorable mix and stabilized raw material prices continued to support earnings



Molded Fiber

Trading conditions

- Shortage of eggs in Europe created a positive sales mix effect – packers and retailers prefer premium packaging to reach higher sales prices
- Molded fiber a sustainable choice, more egg packers moving away from plastics
- Demand for eggs relatively high in Europe during the summer, probably due to low temperatures and uncertain economy
- Egg production expected to continue to grow towards the year end



Foodservice Europe-Asia-Oceania

Q2 2012

EUR million	Q2 2012	Q2 2011	H1 2012	H1 2011	FY 2011
Net sales	162.7	139.9	290.7	260.0	524.1
EBIT*	11.8	7.6	16.2	10.4	20.8
EBIT margin* %	7.3	5.4	5.6	4.0	4.0
RONA %			9.2	8.2	7.8
Operating cash flow	7.1	-6.9	11.0	-11.4	10.7

- Net sales growth continued due to positive development in Eastern Europe and acquisition of Josco
- Earnings improved markedly as a result of successful restructuring activities in Germany and continued good development in Eastern and Southern Europe
- Acquisition of Josco further strengthens the segment's position as the leading foodservice packaging supplier in Asia (consolidated as of April 1, 2012)



Foodservice Europe-Asia-Oceania

Trading conditions

- European economic outlook generally bleak, but coffee and fast food sector relatively unaffected as well as Eastern European markets, especially Russia
- Pace of growth slowing down in Asia, but Huhtamaki in a good position, strengthened by the Josco acquisition



Financial review



Income statement

Q2 2012

EUR million	Q2 2012	Q2 2011	H1 2012	H1 2011	FY 2011
Net sales	618.1	528.0	1,168.2	1,006.0	2,043.6
EBITDA	71.3	59.6	127.0	106.7	196.9
EBITDA margin %	11.5	11.3	10.9	10.6	9.6
EBIT*	49.3	40.0	83.2	67.4	127.6
EBIT margin* %	8.0	7.6	7.1	6.7	6.2
Net financial items	-4.6	-3.3	-9.6	-7.0	-16.1
Result before taxes	45.0	36.8	74.1	60.7	105.2
Taxes	-4.8	-5.5	-7.7	-9.1	-13.5
Result for the period	40.2	31.3	66.4	51.6	91.7
EPS*	0.39	0.28	0.64	0.45	0.87



Growth by business segment

Q2 2012

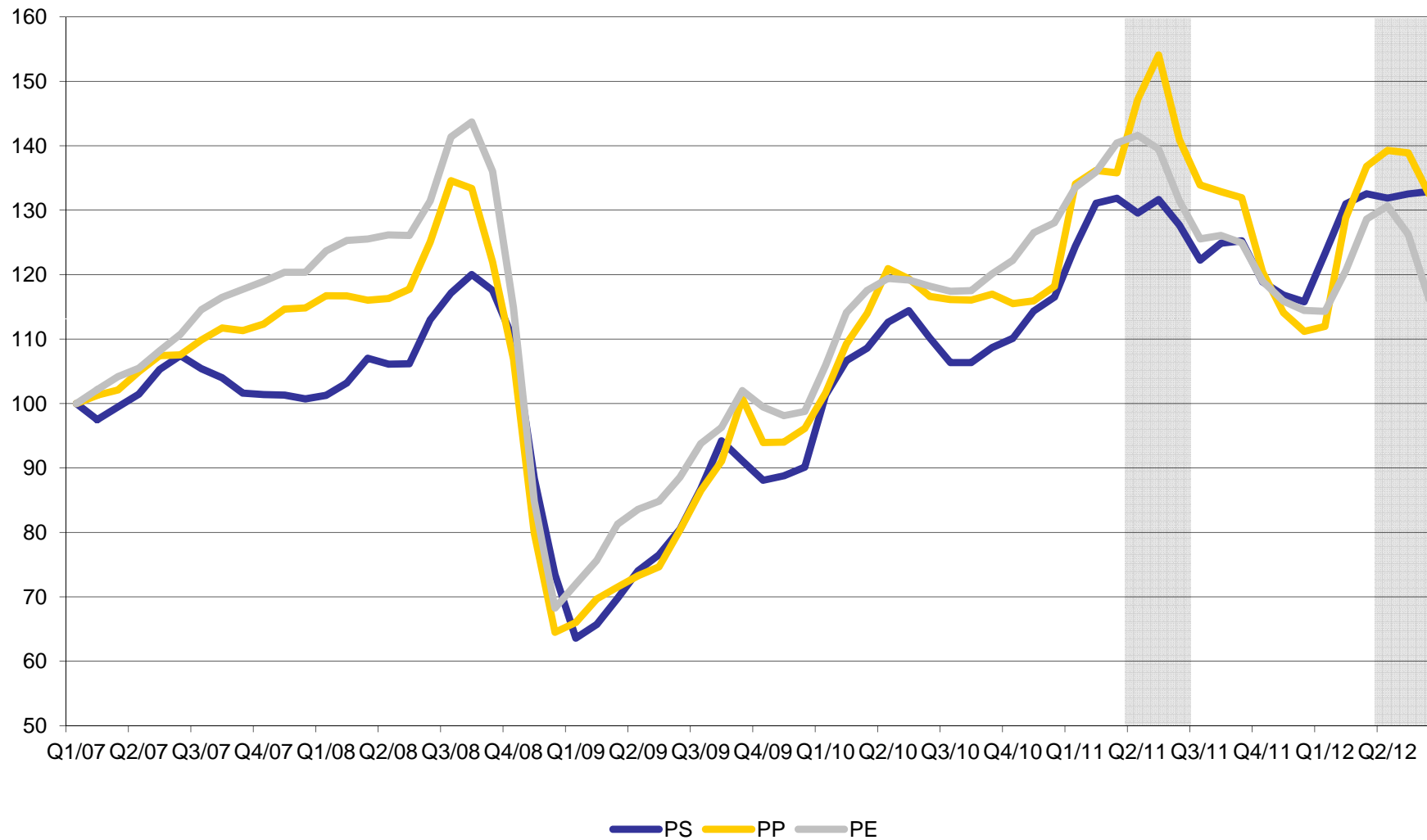
*Comparable growth**

	H1 2012	Q2 2012	Q1 2012	FY 2011
Flexible Packaging	5%	6%	5%	12%
Films	4%	3%	5%	6%
North America	7%	4%	11%	1%
Molded Fiber	10%	8%	11%	3%
Foodservice EAO	3%	2%	5%	3%
Group total	6%	4%	7%	5%

- The Group achieved 4% volume growth in H1 2012 compared to 1% in FY 2011



Polymer based raw material prices



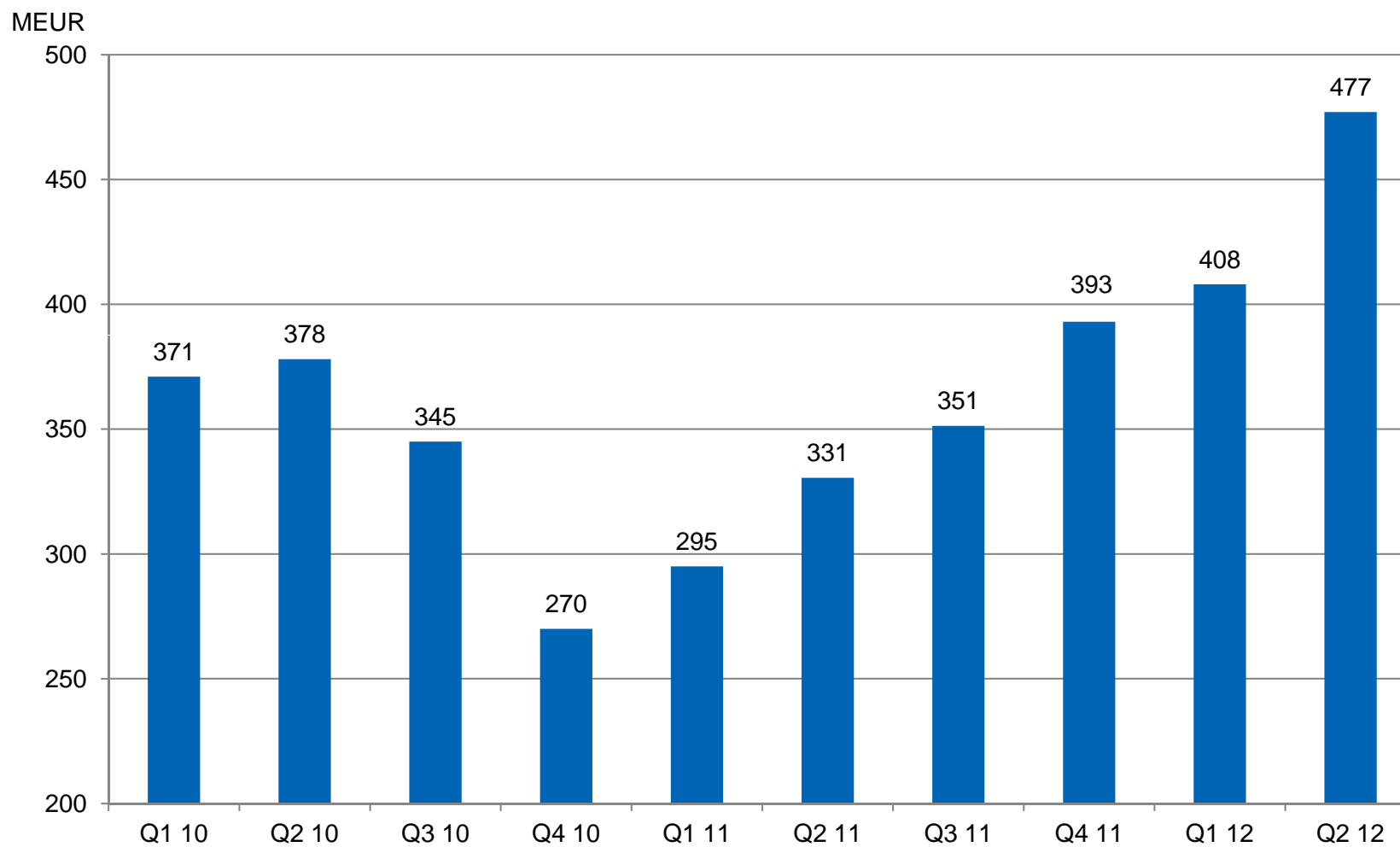
Group statement of financial position

Q2 2012

EUR million	Jun 2012	Dec 2011	Jun 2011
Total assets	2,143.5	1,909.6	1,819.2
Operating working capital	424.7	337.2	363.8
Net debt	476.9	393.4	330.5
Equity & non-controlling interest	833.3	805.0	822.2
Gearing	0.57	0.49	0.40
ROI %	11.0	9.8	11.2
ROE %	12.9	11.0	13.2

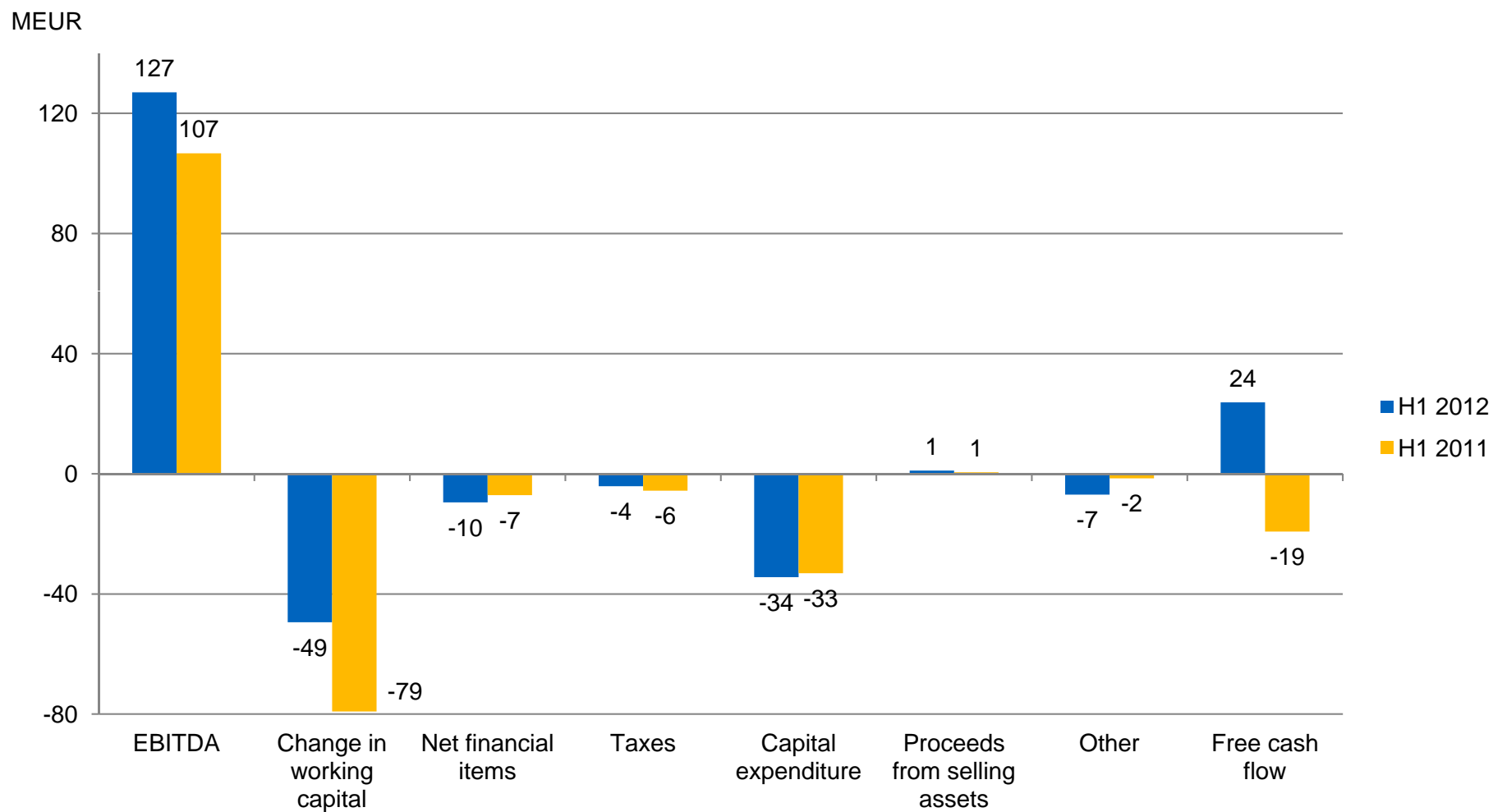


Net debt development



Cash flow

H1 2012 vs. H1 2011



Looking forward



Outlook 2012

- The Group's trading conditions are expected to remain relatively stable during 2012.
- Good financial position and ability to generate a positive cash flow will enable the Group to further address profitable growth opportunities.
- Growth in net sales is expected to continue.
- Earnings per share (EPS) are expected to increase significantly compared to the EUR 0.87 (excluding NRI) achieved in 2011.
- Capital expenditure is expected to be below 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 2012

- Interim Report Q3 2012

October 19



**For further information,
please contact us:**

www.huhtamaki.com » Investors
ir@huhtamaki.com

IR Manager
Kaisa Marttinen
Tel. +358 10 686 7815
kaisa.marttinen@fi.huhtamaki.com



Appendices



Q2 2012

Huhtamaki in 2012

EUR 2.0
billion in net
sales in 2011

14,000
people
employed

61
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*

28%

9%

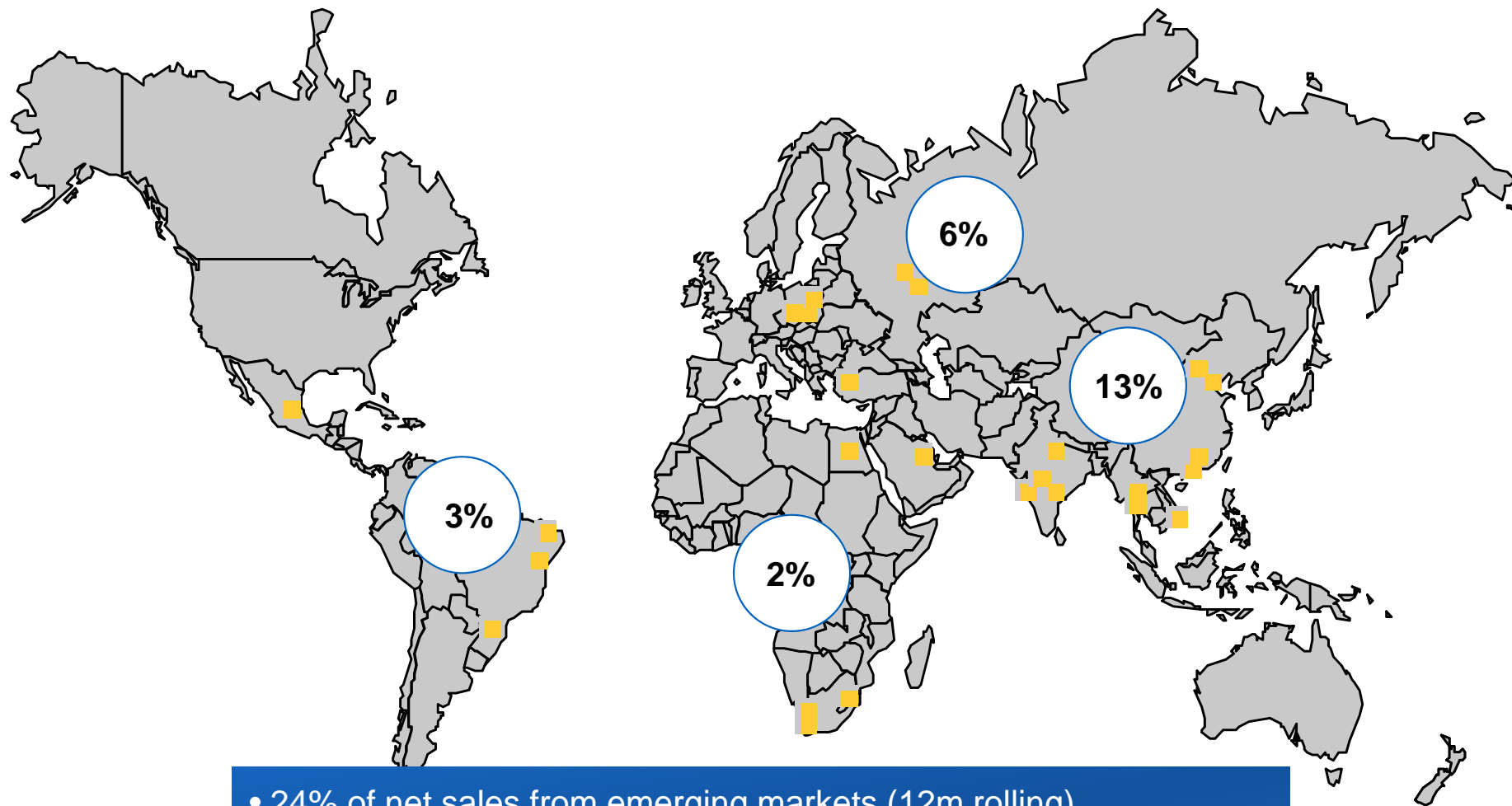
12%

26%

23%



Emerging markets' share of net sales



- 24% of net sales from emerging markets (12m rolling)
- 5,900 out of 14,000 employees in emerging markets
- 26 out of 61 manufacturing units in emerging markets



Q2 2012

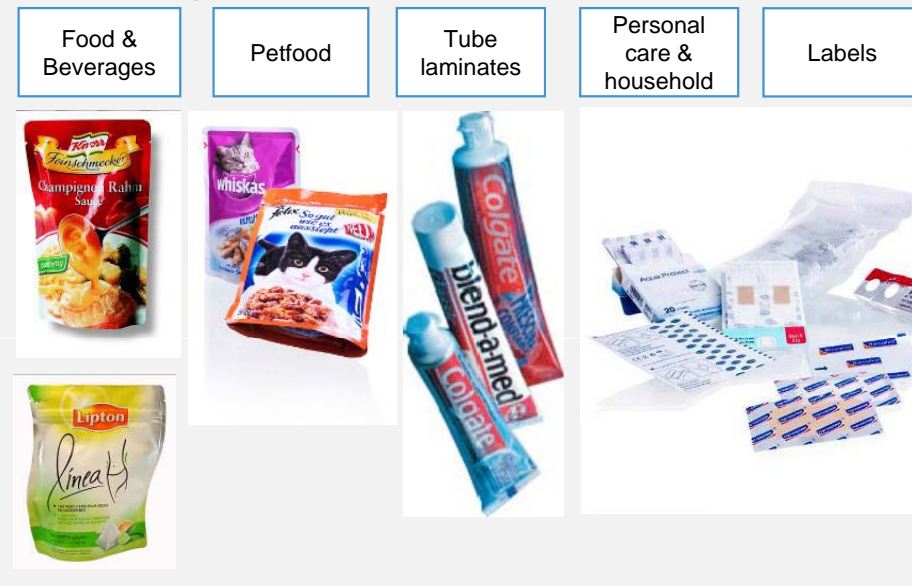
Figures as of June 30, 2012.

NB: Definition of emerging markets is based on IMF's World Economic Outlook Report 2011.

Flexible Packaging:

A leader in technology and innovation

Markets and products



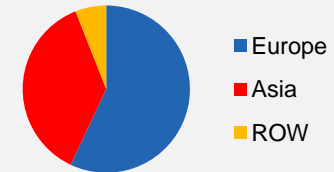
Major customers



Major players



Sales by geography



MEUR	2011	2010	2009
Net sales	578.3	524.6	464.3
EBIT*	38.3	34.3	28.4
EBIT margin* %	6.6	6.5	6.1
RONA %	9.3	10.7	8.8

Strong market position in

- Biscuits and confectionary in India
- Coffee in Thailand and Vietnam
- Chocolate in Europe
- Tube laminates and pet food worldwide

Competitive advantages

- Excellent technical knowhow
- Leading in South and Southeast Asia
- Strong anchor in Europe
- High focus on innovation, NPD

Growth potential

- 6-8% p.a. - mainly driven by Asia and selected market segments in Europe



Q2 2012

* Excluding NRI of EUR -7.8 million in 2011.

North America:

A leading position based on molded fiber and shaped paperboard

Markets and products

Consumer Goods



Retail



Foodservice



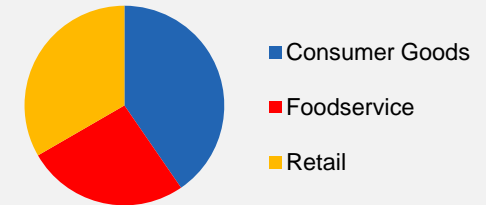
Major customers



Major players



Sales by market channel



MEUR	2011	2010	2009
Net sales	532.3	535.6	528.7
EBIT	43.5	45.4	55.5
EBIT margin %	8.2	8.5	10.5
RONA %	11.2	11.9	14.8

Strong market positions

- Leading position in shaped containers for frozen desserts
- Leading position in premium branded tableware market (Chinet® products)

Competitive advantage

- Chinet® brand – Consumer reputation
- Paper forming expertise and systems capability
- Operation and supply chain excellence
- Molded fiber technology and cost position



Growth potential

- 3-4% p.a. - driven by Retail and Foodservice



Foodservice E-A-O:

Global footprint brings competitive advantage

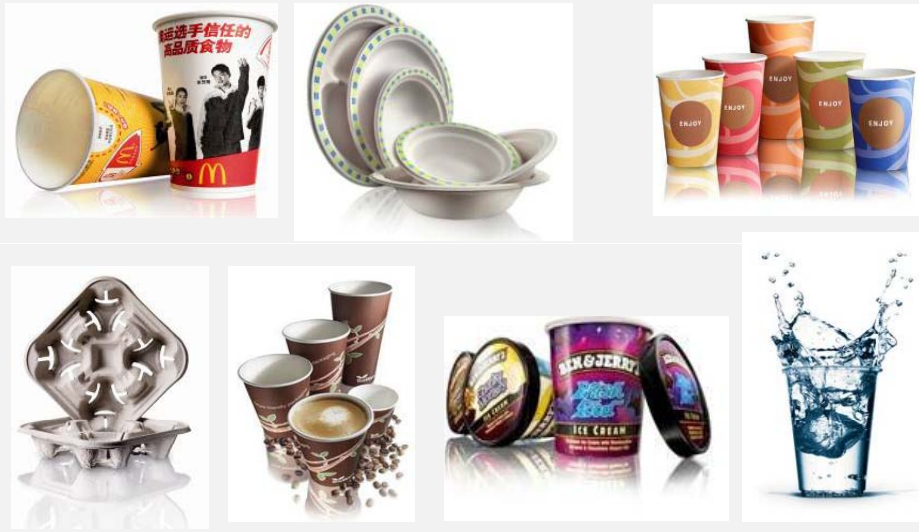
Markets and products

QSR

Catering

Industry

Vending



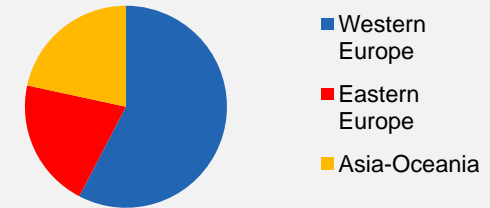
Customers



Major players



Sales by geography



MEUR	2011**	2010	2009
Net sales	524.1	467.6	449.6
EBIT*	20.8	24.5	16.3
EBIT margin* %	4.0	5.2	3.6
RONA %	7.8	10.6	0.2

Strong market positions

- Europe: #1
- Asia-Oceania: #1

Competitive advantage

- Long term presence in emerging markets, global network and footprint
- Leading in sustainable solutions - BioWare
- Paper forming expertise
- High quality standards



Growth potential

- ~5% p.a. – driven by Eastern Europe and Asia



Q2 2012

* Excluding NRI of EUR 0.8 million in 2011.

** Restated with positive net impact of MEUR 42 in 2011 net sales.

Molded Fiber:

Global presence and strong technological knowhow

Markets and products

Egg packaging



Fruit trays



Major customers

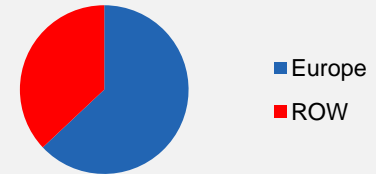
- Retailers
- Packers



Major players



Sales by geography



MEUR	2011	2010	2009
Net sales	244.0	232.9	207.6
EBIT	20.9	21.9	17.6
EBIT margin %	8.6	9.4	8.5
RONA %	12.0	12.7	10.5

Market position

- Global #1

Competitive advantage

- Local presence
- In-house proprietary technology
- Experienced team
- In-house recycled paper sourcing

Growth potential

- 3-4% p.a. – driven by emerging markets



Films:

Leading competencies and technical knowhow

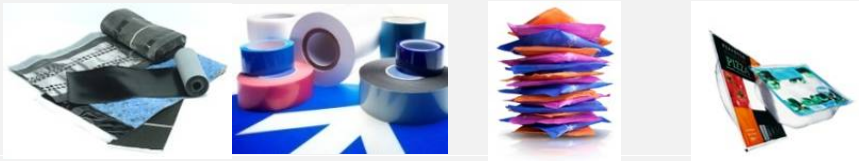
Markets and products

Building and construction

Pressure sensitive

Hygiene and healthcare

Technical markets and speciality packing



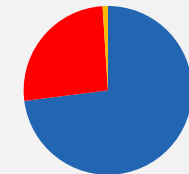
Major customers



Major players



Sales by geography



■ Europe
■ NA
■ Asia

MEUR	2011	2010	2009
Net sales	177.0	163.7	154.4
EBIT*	8.4	10.8	1.1
EBIT margin* %	4.7	6.6	0.7
RONA %	6.2	9.1	-2.2

Market position

- Global leader in release films

Competitive advantage

- Strong technical knowhow, especially in silicone coating
- Global manufacturing capability
- High focus on innovations
- Competence in release film applications and bio films

Growth potential

- 5-10% p.a.



Q2 2012

* Excluding NRI of EUR -3.8 million in 2009.

Solid domestic shareholding

- 24,380 registered shareholders at the end of June 2012
- 24% of shares controlled by non-profit organizations
 - Finnish Cultural Foundation a major owner since 1943, current ownership 17.2%
- 68% of shares in domestic ownership

Shareholder distribution by sector
June 30, 2012

