

## RAISIO'S NET SALES AND OPERATING RESULT INCREASED IN JULY–SEPTEMBER

- In July–September, Raisio's net sales increased by 22.5 per cent year-over-year, amounting to EUR 134.5 million (EUR 109.8 million in July–September 2007).
- Operating result in July–September doubled to EUR 7.6 million, excluding one-off items (EUR 3.7 million), accounting for 5.6 per cent of net sales.
- All divisions improved their operating result.
- Cash flow from business operations in July–September totalled EUR 36.3 million (EUR 25.6 million).
- Raisio's forecast of the Group's outlook for 2008 remains unchanged.

The figures for the comparison period are given in brackets in the text.

### Key figures, result from continuing operations

	7-9/2008	7-9/2007	1-9/2008	1-9/2007	2007
Net sales, EUR million	134.5	109.8	376.3	312.7	421.9
Operating result, EUR million	7.6	3.7	18.3	8.2	9.9
% of net sales	5.6	3.4	4.9	2.6	2.3
Result before taxes, EUR million	7.4	3.2	17.9	8.1	8.8
Earnings per share, EUR	0.03	0.01	0.08	0.04	0.05

The figures do not include one-off items.

### Key figures, balance sheet

	30.9.2008	30.9.2007	31.12.2007
Return on investment, %	10.5	4.7	3.5
Equity ratio, %	77.0	76.9	77.9
Net gearing, %	-12.5	-16.3	-13.1
Equity per share, EUR	1.77	1.70	1.70

## CEO Matti Rihko

“Raisio's profitability improvement continued as planned. Our actions have been successful, leading to improvements under difficult conditions. In economical turmoil food is a defensive business. Sense of community and safety are emphasised in difficult times. Strong brands are a safe choice, because they offer to consumers good quality at a reasonable price.

The changes in the food chain are only in the beginning. The entire chain must adjust to new conditions, in which volatility in grain prices continues, food accounts for an increasing share of household consumption and consumers are even more aware of ecologically sound and sustainable alternatives, along with matters affecting the environment. The changing conditions will have both short- and long-term impacts on all of the parties involved. Consumers have made it clear that they want natural and healthy food. As a forerunner in plant-based, ecological nutrition, Raisio is well positioned to meet the new challenges facing the food chain.

Raisio's new feed plant in Ylivieska is located at the heart of Finland's milk-producing region. The company's investment in a highly efficient production plant will make the entire Finnish milk chain more competitive. The plant's delivery area produces half of Finland's milk and beef, and the region's livestock farms use around one-fourth of the feed mixes produced in Finland. The Ylivieska plant came on line as planned and will be operating at full capacity at year-end. Raisio has boosted its position on the Finnish feed market this year.

In early September, Raisio took sole responsibility for the marketing of Benecol products in Finland and launched new, interesting products and safe, clinically tested product applications. Raisio offers Finland's widest range of cholesterol-lowering functional foods. Experiences from many countries show that Benecol sales increase if the partner company focuses on developing the entire market for cholesterol-lowering functional foods and introduces new, interesting products and applications.”

## RESULT FROM CONTINUING OPERATIONS

The Group's net sales in July–September totalled EUR 134.5 million (EUR 109.8 million). The most significant growth was seen in the Feed & Malt Division. The Food Division's net sales amounted to EUR 51.7 million (EUR 48.6 million), while that of Feed & Malt was EUR 78.7 million (EUR 59.3 million) and that of Ingredients EUR 11.0 million (EUR 10.2 million).

Net sales in January–September increased about 20 per cent year-over-year, totalling EUR 376.3 million (EUR 312.7 million). Net sales from outside Finland represented 39.9% (39.2%) of the total, or EUR 150.2 million (EUR 122.5 million).

The Group's operating result in the third quarter more than doubled year-over-year to EUR 7.6 million (EUR 3.7 million) and, including one-off items, to EUR 7.6 million (EUR 5.6 million). The Food Division's operating result was EUR 1.4 million (EUR -2.1 million) and, including one-off items, EUR 1.4 million (EUR -5.7 million). The operating result of the Feed & Malt Division was EUR 4.3 million (EUR 4.1 million), and, including one-off items, EUR 4.3 million (EUR 9.6 million), while that of Ingredients was EUR 3.1 million (EUR 2.1 million) and that of other operations EUR -1.0 million (EUR -0.4 million).

The Group's operating result in January–September totalled EUR 18.3 million (EUR 8.2 million) and, including one-off items, EUR 22.5 million (EUR 10.0 million). In the first quarter of 2008, Raisio recognised a one-off income item of EUR 4.2 million from the dissolution of joint ventures with Lantmännen, a Swedish corporation. In the third quarter of 2007, Raisio made write-downs in the Food Division and a reversal to the fixed asset write-down in the Feed & Malt Division. These measures had only a minor impact on the Group's result in the comparison period. Depreciations, allocated to operations in the income statement, amounted to EUR 4.6 million (EUR 4.9 million) in July–September and to EUR 13.4 million (EUR 13.6 million) in January–September.

The third-quarter result before taxes was EUR 7.4 million (EUR 3.2 million) and, including one-off items, EUR 7.4 million (EUR 5.0 million). Result before taxes in January–September was EUR 17.9 million (EUR 8.1 million) and, including one-off items, EUR 22.1 million (EUR 9.9 million). Raisio's net financial items in July–September totalled EUR -0.2 million (EUR -0.5 million), and EUR -0.5 million (EUR 0.3 million) in January–September.

The third-quarter result after taxes was EUR 5.3 million (EUR 2.0 million) and, including one-off items, EUR 5.3 million (EUR 2.9 million). Result after taxes in January–September was EUR 12.2 million (EUR 5.8 million) and, including one-off items, EUR 16.4 million (EUR 6.7 million). Earnings per share in July–September were EUR 0.03 (EUR 0.01), and, including one-off items, EUR 0.03 (EUR 0.02). In January–September, earnings per share were EUR 0.08 (EUR 0.04) and, including one-off items, EUR 0.10 (EUR 0.04). Return on investment was 10.5 per cent (4.7%).

## BALANCE SHEET AND FINANCIAL POSITION

At the end of September, Raisio's balance sheet total was EUR 359.5 million (EUR 360.3 million on 31 December 2007) and its equity was EUR 276.4 million (EUR 278.8 million on 31 December 2007). Equity per share rose to EUR 1.77 at the end of September (EUR 1.70 on 31 December 2007). The Group's balance sheet includes only EUR 1.4 million in goodwill.

The Group's interest-bearing financial liabilities at the end of September totalled EUR 14.0 million (EUR 7.2 million on 31 December 2007). Net interest-bearing financial liabilities were EUR -34.5 million (EUR -36.5 million on 31 December 2007). The equity ratio at the end of September was 77.0% (77.9% on 31 December 2007), and the gearing ratio -12.5% (-13.1% on 31 December 2007). Cash flow from business operations in the third quarter was EUR 36.3 million (EUR 25.6 million) and EUR 26.2 million (EUR 14.4 million) in January–September. Working capital totalled EUR 99.0 million at the end of the review period (EUR 100.5 million on 31 December 2007).

Raisio's gross investments in July–September were EUR 3.1 million (EUR 9.1 million) and in January–September EUR 25.0 million (EUR 21.2 million), which corresponds to 6.7 per cent (6.8%) of net sales. This year's two main investments are the Ylivieska feed plant and the acquisition of a 25% holding in Melia Ltd.

## CONTINUING OPERATIONS

### Food

Turn around in Food Division has been implemented quickly and according to plans. The product portfolio has been renewed, and operations have been enhanced considerably. This has resulted in markedly improved performance at a time when the food industry, in general, is facing great problems.

The Food Division's net sales in July–September were EUR 51.7 million (EUR 48.6 million) and in January–September EUR 150.4 million (EUR 146.8 million). Net sales from Northern European operations corresponded to those of the comparison period, despite the number of product lines decreasing significantly from the comparison period. Additionally, research based on consumers needs has enabled successful launches of new products. In Finland, Raisio has focused on the growth strategy of its strategic brands – Elovena, Sunnuntai and Keiju – which has resulted in both the volume and value of sales increasing. Elovena snack drinks have been a success and they have stabilized their position.

At the beginning of September, Raisio took sole responsibility for the marketing of Benecol products in Finland and launched new products containing plant stanol ester. The range of Elovena snack drinks also expanded with the introduction of the Elovena-Benecol snack drink. The first statistics from trade point to these measures being successful and to sales having increased.

Raisio re-launched margarines under the Carlshamn Mejeri brand in Sweden. Trade and consumers have given a warm welcome to the new products, and sales are up from the comparison period. The company is also preparing for the launch of Elovena products in Sweden. The Elovena design has been adapted to the brand expectations of local consumers.

Net sales from Eastern European operations increased by 25 per cent year-over-year, totalling EUR 16.5 million (EUR 13.2 million). Raisio's Eastern European operations include Poland, Russia and neighbouring regions. In Poland, growth was particularly good in modern trade margarine sales. The sales of Benecol margarines increased, and the company continued to strengthen its market leadership. Raisio also launched Elovena snack biscuits on the Polish market. Sales were slightly up in Russia from the comparison period, although margarine sales continued to decrease.

#### Key figures for the Food Division

	7-9/2008	7-9/2007	1-9/2008	1-9/2007	2007
Net sales, EUR million	51.7	48.6	150.4	146.8	197.1
Northern Europe	36.6	36.5	106.6	109.1	148.1
Eastern Europe	16.5	13.2	47.9	41.1	53.9
Operating result, EUR million	1.4	-5.7	7.1	-8.3	-11.1
One-off items, EUR million	0.0	-3.6	4.2	-3.6	-5.3
Operating result, excluding one-off items, EUR million	1.4	-2.1	2.9	-4.7	-5.8
% of net sales	2.7	-4.2	1.9	-3.2	-2.9
Investments	1.0	1.5	16.1	5.8	7.2
Net assets	-	-	81.0	88.4	85.8

The Food Division's operating result in the third quarter improved clearly year-over-year, amounting to EUR 1.4 million (EUR -2.1 million) and, including one-off items, to EUR 1.4 million (EUR -5.7 million). The Food Division posted its third consecutive profitable quarter. Profitability has improved thanks to the Division renewing its product range in compliance with consumer needs, enhancing its processes, as well as systematically developing the supply chain, which has improved both cost-effectiveness and the service level. Operating result in January–September was EUR 2.9 million (EUR -4.7 million) and, including one-off items, EUR 7.1 million (EUR -8.3 million).

#### Feed & Malt

The Feed & Malt Division's net sales in July–September increased by nearly 33 per cent to EUR 78.7 million (EUR 59.3 million). Net sales from malt increased by nearly 20 per cent and that of feeds by nearly 35 per cent from the comparison period. This increase came about from the rise in unit prices, following the increase in raw material prices. The sales volumes of feed and vegetable oil also increased. Raisio has boosted its position in the Finnish feed market this year, and the utilisation of plant capacity is high. The volume and export of fish feeds correspond to the previous year's levels. Net sales in January–September totalled EUR 211.8 million (EUR 152.7 million).

### Key figures for the Feed & Malt division

	7-9/2008	7-9/2007	1-9/2008	1-9/2007	2007
Net sales, EUR million	78.7	59.3	211.8	152.7	206.7
Feed	65.4	48.6	174.5	126.6	175.5
Malt	12.8	10.7	34.1	25.1	30.1
Other	0.7	0.2	3.9	1.4	1.7
Operating result, EUR million	4.3	9.6	10.3	13.0	14.2
One-off items, EUR million	0.0	5.5	0.0	5.5	6.0
Operating result, excluding one-off items, EUR million	4.3	4.1	10.3	7.5	8.2
% of net sales	5.5	6.9	4.8	4.9	4.0
Investments	1.7	5.7	6.5	10.3	16.7
Net assets	-	-	100.9	77.8	86.0

The Feed & Malt Division's operating result in July–September totalled EUR 4.3 million (EUR 4.1 million) and, including one-off items, EUR 4.3 million (EUR 9.6 million). Operating result in January–September was EUR 10.3 million (EUR 7.5 million) and, including one-off items, EUR 10.3 million (EUR 13.0 million). The year-over-year increase in operating result has resulted from the improved pressing margins in oil milling and the good profit development in malt.

The Ylivieska feed plant was inaugurated on 23 June 2008, and production will be up and running at full speed at the turn of the year. The investment in the highly efficient plant was around EUR 20 million. Production at the Oulu plant came to an end in late September, and the production line is now being transferred to the Ylivieska plant.

The Finnish grain crop was good in terms of volume. However, due to the rainy harvest period, the quality of grain is variable. Since Raisio uses grain in versatile ways, it can put different qualities to efficient use. This ensures that the crops of contract farmers can be sold also in years in which the volume and quality of crops vary. The Group has considerably increased its direct acquisition of grain.

To improve the competitiveness of the Finnish food product chain, Raisio offers its contract farmers value-added services and sells production inputs. In addition to seeds for sowing and plant protection products, the company has introduced a new product group, that of field fertilizers, into its production input range offered to farmers. Raisio aims to provide its contract farmers and feed customers with more economical alternatives for efficient cultivation.

### Ingredients

Raisio continues to focus on building the growth potential for Benecol. It expanded the market in Asia and continues to invest in the region. Managing the regulatory processes is challenging but Raisio is supported by its strong scientific evidence. The profitability of the Ingredients Division remained strong.

The Ingredients Division's net sales in July–September totalled EUR 11.0 million (EUR 10.2 million). The year-over-year sales of Benecol products increased clearly in Great Britain and Poland, as did the sales volume of plant stanol ester. Benecol products are currently sold in 28 countries. Net sales in January–September totalled EUR 33.8 million (EUR 33.3 million).

### Key figures for the Ingredients Division

	7-9/2008	7-9/2007	1-9/2008	1-9/2007	2007
Net sales, EUR million	11.0	10.2	33.8	33.3	44.9
Operating result, EUR million	3.1	2.1	8.2	7.1	9.5
One-off items, EUR million	0.0	0.0	0.0	0.0	0.0
Operating result, excluding one-off items, EUR million	3.1	2.1	8.2	7.1	9.5
% of net sales	28.5	20.7	24.2	21.4	21.2
Investments	0.1	1.6	1.0	5.7	7.5
Net assets	-	-	42.1	43.8	46.0

The Ingredients Division's operating result in July–September was EUR 3.1 million (EUR 2.1 million). The operating result benefited from cost-effectiveness and growth in volumes. Operating result in January–September was EUR 8.2 million (EUR 7.1 million), or 24.2 per cent of net sales.

In September, Raisio's partner, Kalbe Nutritionals, launched smoothies containing plant stanol ester in Indonesia under the Nutrive Benecol brand. In India, the sales development of the Colred-Benecol nutritional powder has not been satisfactory and Raisio's Indian partner is taking further measures to increase brand recognition and to enhance marketing to health care professionals.

In co-operation with its local partners, Raisio continues its preparations to enter new market areas and to launch interesting new products in all market areas.

## RESEARCH AND DEVELOPMENT

Raisio's R&D is based on a consumer- and customer-oriented approach. The development of new products emphasises flavour, pleasure, health, well-being and the environment. Research and development inputs amounted to EUR 1.2 million (EUR 1.3 million) in the third quarter, and to EUR 4.2 million (EUR 4.3 million) in January–September, representing 1.1% (1.4%) of net sales.

## PERSONNEL

Raisio employed 997 people at the end of September (1,114 on 30 September 2007), 33.2% of whom worked outside Finland (31.1% on 30 September 2007). At the end of September, the Food Division had 595, Feed & Malt 272, Ingredients 64 and service functions 66 employees.

Raisio outsourced its laboratory operations to Eurofins Scientific Finland Oy. The 45 employees of Raisio's laboratory services transferred to the employment of Eurofins on 1 September 2008 when the company took over the laboratory business and assumed responsibility for the laboratory services needed by Raisio.

Kirsi Swanljung-von Wehrt, Raisio plc's Vice President, Legal Affairs, and a member of the Group's management team, resigned from the company in order to return to duties as an expert.

## SHARES AND SHAREHOLDERS

The number of Raisio plc's free shares that were traded on NASDAQ OMX Helsinki in January–September totalled 19.4 million (38.9 million). The value of trading was EUR 30.8 million (EUR 78.9 million), and the average price was EUR 1.59 (EUR 2.03). The closing price on 30 September 2008 was EUR 1.58.

A total of 0.65 million restricted shares (1.0 million) were traded in January–September. The value of trading was EUR 1.1 million (EUR 2.0 million), and the average price was EUR 1.67 (EUR 2.00). The closing price on 30 September 2008 was EUR 1.69.

On 30 September 2008, the Group had a total of 37,293 registered shareholders (37,873 on 31 December 2007). Foreign ownership of the entire share capital was 14.5 per cent (15.4% on 31 December 2007).

Raisio's market value at the end of September amounted to EUR 264.7 million (EUR 248.4 million on 31 December 2007). Excluding the company shares held by the Group, the company's market value was EUR 251.1 million (EUR 235.8 million on 31 December 2007).

At the end of the review period, Raisio plc held 8,419,906 free shares and 183,903 restricted shares. Of these, 261,406 free shares and 6,100 restricted shares have been purchased starting in September 2008 on the basis of the authorisation granted by the Annual General Meeting in spring 2008. The number of free shares accounts for 6.44% of all free shares and the votes they represent, while the corresponding figure for restricted shares is 0.53%. In all, the company shares held by the Group represent 5.21% of the company's share capital and 1.48% of overall votes.

Raisio plc's subsidiaries did not hold any shares in the parent company. The Raisio plc Research Foundation, an affiliated association, holds 150,510 restricted shares, which is 0.44% of the restricted shares and the votes they represent and, correspondingly, 0.09% of the whole share capital and 0.37% of the votes it represents.

A company share held by Raisio or its subsidiary does not entitle the holder to participate in the Annual General Meeting.

## REPURCHASE OF COMPANY SHARES

On 26 August 2008, the Board of Directors of Raisio decided to initiate a share repurchase programme, according to which the company will purchase a maximum of 1,000,000 free shares and a maximum of 250,000 restricted shares. The share repurchases started on 3 September 2008 and will continue until the said amounts have been acquired or until otherwise announced.

## SHARE-BASED INCENTIVE SCHEME

In May 2008, the Board of Directors decided to set up a three-year, share-based incentive scheme as a part of the incentive and reward system offered to Raisio's key personnel. The goal is to integrate the targets of shareholders and key employees in order to increase the company's market capitalisation, to enhance the key employees' commitment to the company and to offer them a competitive reward system based on share ownership.

The scheme gives authorisation during three years to distribute a maximum of 1,600,000 of Raisio plc's free shares already in the company's possession after the share repurchases carried out in 2005-2007. Rewards are paid as a combination of shares and cash. Cash payments are to cover the taxes and fiscal fees arising from share-based rewards.

The financial year 2008 is the first earnings period in the scheme, which uses net sales growth and result before taxes, excluding one-off items, as earnings criteria. The maximum number of shares to be distributed is 400,000 free shares. The amount earned in rewards will be determined on the basis of the achievement of targets after the financial statements have been prepared in the spring of 2009. Any rewards will be paid to those covered by the scheme in August 2009. Shares distributed as part of the scheme are subject to a disposal restriction and return obligation, which last until 1 September 2011 and will be applied if the employee's employment or job contract end prior to the expiration of the disposal restriction. The scheme covers 15 people in the first earnings period.

## DECISIONS MADE AT THE ANNUAL GENERAL MEETING

Raisio plc's Annual General Meeting approved the financial statements for the financial year 1 January – 31 December 2007 and discharged the members of the Supervisory Board and the Board of Directors, as well as the Chief Executive Officer, from liability. The Annual General Meeting

decided to distribute a dividend of EUR 0.04 per share. The dividend was paid to shareholders on 8 April 2008.

The Annual General Meeting authorised the Board of Directors to decide on the repurchase of a maximum of 6,000,000 free shares and 1,500,000 restricted shares. The authorisation expires on 27 September 2009.

Furthermore, the Annual General Meeting authorised the Board of Directors to decide on share issues by (1) disposing all of the company shares and any repurchased shares – a maximum total of 16,500,000 shares, 2,269,500 of which can be restricted shares, and by (2) issuing a maximum of 16,500,000 new free shares against payment. The share issue authorisations will expire, at the latest, on 27 March 2013.

Details of the authorisations are available in the stock exchange release issued on 13 February 2008. A stock exchange release about the decisions made by the Annual General Meeting was published on 27 March 2008.

## CHANGES IN GROUP STRUCTURE

Melia Ltd's business will be transferred to Raisio Nutrition Ltd, while Melia Ltd's machinery, equipment, buildings and land in both Raisio and Nokia will be transferred to Raisionkaaren Teollisuuspuisto Ltd on 1 January 2009. Melia Ltd's personnel will transfer to the employment of Raisio Nutrition Ltd retaining their current terms and benefits of employment. This will complete the reorganisation initiated in autumn 2007, leading to Raisio's commercial and production operations in Finland being separated also at company-level.

The malting business run by Raisio Nutrition will be incorporated into a limited company, Raisio Malt Oy, through a partial spinoff, which will take effect on 31 December 2008.

## RISKS AND SOURCES OF UNCERTAINTY IN THE NEAR FUTURE

The external environment will remain challenging due to the general economic uncertainty, the changes in the food industry, as well as the increasing cost pressure affecting trade, industry and producers.

The Helsinki Administrative Court has handled the appeal filed by the representative of the Tax Office for Major Corporations concerning the taxation of the sales profit resulting from

the divestment of Raisio Chemicals in 2004. The Administrative Court's decision coincides with the original decision made by the Tax Office for Major Corporations in the company's regular taxation, as well as that later made by the Assessment Adjustment Board. According to the decision, the sales profit of approximately EUR 220 million is free of tax. The Administrative Court's decision will take legal effect within 60 days from its announcement, unless the representative of the tax recipients applies for leave to appeal and amendment from Supreme Administrative Court.

## OUTLOOK

Raisio's forecast of the Group's outlook in 2008 remains unchanged. Raisio's net sales are expected to increase, and the operating result from continuing operations in 2008, excluding one-off items, is expected to improve from the previous year. All divisions are expected to post profitable annual operating results, although the pressure on profitability will continue in feed. The overall operating result in the Food Division is expected to be profitable, although the target operating result rate of 5 per cent will probably not be achieved due to increased marketing inputs, new product launches and preparations for entry into new markets. The Ingredients Division is expected to increase its net sales and improve profitability from the previous year.

Raisio, 31 October 2008

RAISIO PLC

Board of Directors

## Further information:

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A press and analyst event will be arranged on 31 October 2008 at 10:00 a.m. in Helsinki. It will be held at Hotel Scandic Simonkenttä, in the Balsa-Freda meeting room. The address is Simonkatu 9, Helsinki.

A teleconference in English will be held on 31 October 2008 at 4:00 pm Finnish time, tel. +358 (0)9 8248 6504, PIN code 9373.

The interim report has not been audited.

Raisio plc will publish its Financial Statements for 2008 on 12 February 2009.

**CONDENSED FINANCIAL STATEMENTS AND NOTES**
**INCOME STATEMENT (EUR million)**

	7-9/2008	7-9/2007	1-9/2008	1-9/2007	2007
CONTINUING OPERATIONS:					
<b>Net sales</b>	134.5	109.8	376.3	312.7	421.9
Expenses corresponding to products sold	-112.6	-88.6	-314.3	-258.3	-352.0
<b>Gross profit</b>	21.9	21.2	61.9	54.4	69.9
Other operating income and expenses, net	-14.3	-15.6	-39.4	-44.4	-59.3
<b>Operating result</b>	7.6	5.6	22.5	10.0	10.6
Financial income	0.4	0.4	1.4	1.9	2.5
Financial expenses	-0.6	-0.8	-1.9	-1.6	-3.2
Share of result of associated companies and joint ventures	0.1	-0.1	0.1	-0.3	-0.3
<b>Result before taxes</b>	7.4	5.0	22.1	9.9	9.5
Income tax	-2.1	-2.1	-5.7	-3.2	-1.2
<b>Result for the period from the continuing operations</b>	5.3	2.9	16.4	6.7	8.3
DISCONTINUED OPERATIONS:					
<b>Result for the period from discontinued operations</b>	0.0	-4.0	0.0	-5.6	-7.3
<b>RESULT FOR THE PERIOD</b>	5.3	-1.1	16.4	1.1	1.1
Attributable to:					
Equity holders of the parent company	5.3	-0.8	16.3	1.4	1.4
Minority interest	0.0	-0.3	0.1	-0.3	-0.4
<b>Earnings per share from the profit attributable to equity holders of the parent company</b>					
Earnings per share from continuing operations (EUR)	0.03	0.02	0.10	0.04	0.05
Earnings per share from discontinued operations (EUR)	0.00	-0.03	0.00	-0.04	-0.05

**BALANCE SHEET (EUR million)**

	30.9.2008	30.9.2007	31.12.2007
<b>ASSETS</b>			
Non-current assets			
Intangible assets	10.4	10.7	10.9
Goodwill	1.4	1.3	1.3
Property, plant and equipment	127.1	123.7	127.9
Shares in associated companies and joint ventures	0.8	1.9	1.4
Financial assets available for sale	0.6	0.6	0.6
Receivables	1.1	2.6	1.3
Deferred tax assets	11.4	11.6	11.3
Total non-current assets	152.7	152.2	154.7
Current assets			
Inventories	86.0	79.4	91.7
Accounts receivables and other receivables	72.0	77.4	70.1
Financial assets at fair value through profit or loss	41.9	47.6	27.9
Cash in hand and at banks	6.9	10.5	15.9
Total current assets	206.7	214.9	205.6
<b>Total assets</b>	<b>359.5</b>	<b>367.1</b>	<b>360.3</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to equity holders of the parent company			
Share capital	27.8	27.8	27.8
Own shares	-18.2	-14.8	-17.9
Other equity attributable to equity holders of the parent company	266.8	256.3	256.2
Equity attributable to equity holders of the parent company	276.4	269.3	266.1
Minority interest	0.0	12.8	12.7
Total equity	276.4	282.1	278.8
Non-current liabilities			
Deferred tax liabilities	9.1	9.6	9.1
Pension liabilities	0.2	0.2	0.2
Non-current interest-bearing liabilities	10.0	0.5	0.4
Other non-current liabilities	0.1	0.0	0.0
Total non-current liabilities	19.4	10.3	9.7
Current liabilities			
Accounts payable and other liabilities	57.9	60.4	61.8
Reserves	1.1	2.3	1.9
Financial liabilities at fair value through profit or loss	0.6	0.7	1.5
Current interest-bearing liabilities	4.0	11.4	6.8
Total current liabilities	63.7	74.8	71.9
Total liabilities	83.1	85.0	81.5
<b>Total equity and liabilities</b>	<b>359.5</b>	<b>367.1</b>	<b>360.3</b>

**CHANGES IN GROUP EQUITY (EUR million)**

	Share capital	Share premium reserve	Reserve fund	Own shares	Translation differences	Retained earnings	Total	Minority interest	Total equity
Equity on 31.12.2006	27.8	2.9	88.6	-11.4	-1.2	170.4	277.1	13.3	290.4
Translation differences, transferred to the income statement on disposal of subsidiaries					0.4	-	0.4	0.0	0.4
Translation differences, generated in the financial period	-	-	-	-	-1.3	-	-1.3	0.0	-1.3
Other changes	-	-	-	-	-	0.0	0.0	-	0.0
Net income recorded directly in shareholders' equity	0.0	0.0	0.0	0.0	-0.9	0.0	-0.9	0.0	-0.9
Result for the financial period	-	-	-	-	-	1.4	1.4	-0.3	1.1
Net profit for the financial period	0.0	0.0	0.0	0.0	-0.9	1.4	0.5	-0.3	0.2
Dividends	-	-	-	-	-	-4.8	-4.8	-0.3	-5.1
Repurchase of own shares	-	-	-	-3.4	-	-	-3.4	-	-3.4
Total other changes	0.0	0.0	0.0	-3.4	0.0	-4.8	-8.2	-0.3	-8.5
Equity on 30.9.2007	27.8	2.9	88.6	-14.8	-2.2	167.0	269.3	12.8	282.1
Equity on 31.12.2007	27.8	2.9	88.6	-17.9	-2.3	167.0	266.1	12.7	278.8
Translation differences, transferred to the income statement on disposal of associated companies and joint ventures	-	-	-	-	0.0	0.1	0.1	-	0.1
Translation differences, generated in the financial period	-	-	-	-	0.7	-	0.7	-	0.7
Other changes	-	-	-	-	0.1	-0.1	0.0	0.0	0.0
Net income recorded directly in shareholders' equity	0.0	0.0	0.0	0.0	0.8	-0.1	0.8	0.0	0.8
Result for the financial period	-	-	-	-	-	16.3	16.3	0.1	16.4
Net profit for the financial period	0.0	0.0	0.0	0.0	0.8	16.2	17.1	0.1	17.2
Dividends	-	-	-	-	-	-6.3	-6.3	-	-6.3
Repurchase of own shares	-	-	-	-0.5	-	-	-0.5	-	-0.5
Share-based payment	-	-	-	0.2	-	0.0	0.2	-	0.2
Squeeze-out	-	-	-	-	-	-0.2	-0.2	-12.8	-13.0
Total other changes	0.0	0.0	0.0	-0.3	0.0	-6.5	-6.8	-12.8	-19.6
Equity on 30.9.2008	27.8	2.9	88.6	-18.2	-1.5	176.8	276.4	0.0	276.4

**CASH FLOW STATEMENT (EUR million)**

	1-9/2008	1-9/2007	2007
Operating result	22.5	3.8	3.3
Adjustments to operating result	10.1	16.7	22.3
Cash flow before change in working capital	32.7	20.5	25.6
Change in current receivables	-7.2	-8.5	1.9
Change in inventories	5.9	1.4	-12.1
Change in current non-interest-bearing liabilities	-3.1	1.1	0.2
Total change in working capital	-4.5	-6.0	-9.9
Financial items and taxes	-2.0	-0.1	0.0
Cash flow from business operations	26.2	14.4	15.6
Investments	-13.2	-22.9	-30.7
Divestment of subsidiaries	0.1	4.1	4.1
Acquisition of subsidiaries	-8.0	-0.2	-0.2
Divestment of associated companies	0.0	0.2	0.7
Proceeds from sale of fixed assets	1.3	2.7	2.9
Loans granted	-1.9	0.0	-0.1
Repayment of loan receivables	1.7	1.4	1.3
Cash flow from investments	-20.0	-14.8	-21.9
Change in non-current loans	8.7	-8.7	-11.7
Change in current loans	-3.3	-3.1	-5.3
Repurchase of own shares	-0.5	-3.4	-6.5
Dividend paid to equity holders of the parent company	-6.2	-4.8	-4.8
Dividend paid to minority interests	0.0	-0.3	-0.3
Cash flow from financial operations	-1.3	-20.4	-28.6
Adjustment to translation difference	0.1	-0.5	-0.5
Change in liquid funds	5.0	-21.2	-35.3
Liquid funds at the beginning of the period	43.6	78.8	78.8
Impact of change in market value on liquid funds	-0.1	0.3	0.1
Liquid funds at the end of the period	48.5	58.0	43.6

**NOTES TO THE INTERIM REPORT**

This interim report has been prepared in accordance with the IAS 34 Interim Financial Reporting. The same accounting principles and calculating methods has been complied in this interim report as in 2007 annual financial statements. The interim report is shown in EUR millions.

When preparing the interim report, management must make estimates and assumptions that affect the reported assets and liabilities, income and expenses. Actual figures may differ from these estimates.

**SEGMENT INFORMATION**
**NET SALES BY SEGMENT (EUR million)**

	7-9/ 2008	7-9/ 2007	1-9/ 2008	1-9/ 2007	2007
Food	51.7	48.6	150.4	146.8	197.1
Feed & Malt	78.7	59.3	211.8	152.7	206.7
Ingredients	11.0	10.2	33.8	33.3	44.9
Other operations	0.3	0.1	0.7	0.3	0.4
Interdivisional net sales	-7.2	-8.4	-20.6	-20.4	-27.1
Total net sales	134.5	109.8	376.3	312.7	421.9

**OPERATING RESULT BY SEGMENT (EUR million)**

	7-9/ 2008	7-9/ 2007	1-9/ 2008	1-9/ 2007	2007
Food	1.4	-5.7	7.1	-8.3	-11.1
Feed & Malt	4.3	9.6	10.3	13.0	14.2
Ingredients	3.1	2.1	8.2	7.1	9.5
Other operations	-1.0	-0.4	-2.5	-1.7	-2.1
Eliminations	-0.3	0.0	-0.5	-0.1	0.1
Total net sales	7.6	5.6	22.5	10.0	10.6

**NET ASSETS BY SEGMENT (EUR million)**

	30.9.2008	30.9.2007	31.12.2007
Food	81.0	88.4	85.8
Feed & Malt	100.9	77.8	86.0
Ingredients	42.1	43.8	46.0
Other operations, discontinued operations and unallocated items	52.3	72.1	60.9
Total net assets	276.4	282.1	278.8

**INVESTMENTS BY SEGMENT (EUR million)**

	7-9/ 2008	7-9/ 2007	1-9/ 2008	1-9/ 2007	2007
Food	1.0	1.5	16.1	5.8	7.2
Feed & Malt	1.7	5.7	6.5	10.3	16.7
Ingredients	0.1	1.6	1.0	5.7	7.5
Other operations	0.3	0.3	1.4	1.0	1.6
Eliminations	0.0	0.0	0.0	-1.6	-1.6
Total investments	3.1	9.1	25.0	21.2	31.4

**NET SALES BY MARKET AREA (EUR million)**

	7-9/ 2008	7-9/ 2007	1-9/ 2008	1-9/ 2007	2007
Finland	76.8	67.8	226.0	190.2	263.9
Poland	13.5	9.8	35.9	30.5	38.5
Russia	14.0	14.8	37.6	33.3	39.5
Other Europe	28.9	15.9	72.3	54.7	74.8
ROW	1.4	1.5	4.4	4.1	5.2
Total	134.5	109.8	376.3	312.7	421.9

**DISCONTINUED OPERATIONS AND NON-CURRENT ASSETS HELD FOR SALE**
**Discontinued operations**

The diagnostics business, food potato businesses and Monäs Feed Oy Ab sold in 2007 are treated as discontinued operations in the Group's reporting.

	1-9/2008	1-9/2007	2007
<b>Result for the discontinued operations</b>			
Income from ordinary operations		17.3	19.3
Expenses		-23.5	-23.7
Result before taxes		-6.2	-4.5
Taxes		0.6	-0.1
Result after taxes		-5.6	-4.6
Result from discontinued operations		0.0	-2.9
Taxes		0.0	0.1
Result after taxes		0.0	-2.7
Result for the discontinued operations		-5.6	-7.3
<b>Cash flow for the discontinued operations</b>			
Cash flow from business operations		-1.4	1.3
Cash flow from investments	0.8	6.0	5.8
Cash flow from financial operations		-0.1	-0.1
Total cash flow	0.8	4.5	7.0

**TANGIBLE ASSETS**

	30.9.2008	30.9.2007	31.12.2007
Acquisition cost at the beginning of the period	430.2	450.5	450.5
Conversion differences	1.6	-1.4	-1.4
Increase	10.6	20.3	29.4
Decrease	-14.6	-36.6	-48.3
Reclassifications between items	0.0	0.0	0.0
Acquisition cost at the end of the period	427.7	432.8	430.2
Accumulated depreciation and write-downs at the beginning of the period	302.3	332.8	332.8
Conversion difference	1.0	-0.9	-1.0
Decrease and transfers	-13.9	-32.5	-42.8
Depreciation for the period	11.1	11.3	15.1
Write-downs	0.0	-1.5	-1.9
Accumulated depreciation and write-downs at the end of the period	300.6	309.2	302.3
Book value at the end of the period	127.1	123.7	127.9

**RESERVES**

	30.9.2008	30.9.2007	31.12.2007
At the beginning of the period	1.9	5.1	5.1
Increase in provisions	0.0	0.4	0.0
Provisions used	-0.8	-3.3	-3.3
At the end of the period	1.1	2.3	1.9

**BUSINESS ACTIVITIES INVOLVING INSIDERS**

	30.9.2008	30.9.2007	31.12.2007
Sales to associated companies and joint ventures	10.3	9.4	12.8
Purchases from associated companies and joint ventures	0.1	2.8	3.1
Sales to key employees in management	0.0	0.0	0.0
Purchases from key employees in management	0.8	0.5	0.6
Short-term receivables from associated companies and joint ventures	2.1	2.6	2.3
Liabilities to associated companies and joint ventures	0.2	0.6	0.5

**CONTINGENT LIABILITIES (EUR million)**

	30.9.2008	30.9.2007	31.12.2007
Assets given for security			
For the company			
Mortgages on real estate	0.0	17.1	0.7
Corporate mortgages	0.0	33.5	0.0
Contingent off-balance sheet liabilities			
Non-cancelable other leases			
Minimum lease payments	1.7	2.2	2.5
Contingent liabilities for the company	0.0	1.5	1.5
Contingent liabilities for associated companies			
Guarantees	0.0	3.1	0.0
Contingent liabilities for others			
Guarantees	0.0	0.2	0.1
Other liabilities	2.2	2.2	2.0
Commitment to investment payments	2.0	8.1	2.7

**DERIVATIVE CONTRACTS (EUR million)**

	30.9.2008	30.9.2007	31.12.2007
Nominal values of derivative contracts			
Raw material futures	0.9	2.3	11.2
Currency forward contracts	23.8	24.4	18.6
Interest rate swaps	10.0	-	-

**QUARTERLY PERFORMANCE (EUR million)**

	7-9/ 2008	4-6/ 2008	1-3/ 2008	10-12/ 2007	7-9/ 2007	4-6/ 2007	1-3/ 2007
Net sales by segment							
Food	51.7	49.7	49.0	50.3	48.6	48.5	49.8
Feed & Malt	78.7	68.9	64.3	54.0	59.3	53.0	40.4
Ingredients	11.0	10.1	12.7	11.6	10.2	10.7	12.5
Other operations	0.3	0.2	0.2	0.1	0.1	0.1	0.1
Interdivisional net sales	-7.2	-6.0	-7.4	-6.7	-8.4	-6.1	-5.9
<b>Total net sales</b>	<b>134.5</b>	<b>122.9</b>	<b>118.9</b>	<b>109.2</b>	<b>109.8</b>	<b>106.1</b>	<b>96.8</b>
Operating result by segment							
Food	1.4	0.9	4.8	-2.7	-5.7	-1.7	-0.9
Feed & Malt	4.3	4.2	1.7	1.2	9.6	2.9	0.5
Ingredients	3.1	1.7	3.3	2.4	2.1	2.6	2.5
Other operations	-1.0	-0.7	-0.8	-0.4	-0.4	-0.5	-0.8
Eliminations	-0.3	0.4	-0.6	0.2	0.0	0.0	-0.1
<b>Total operating result</b>	<b>7.6</b>	<b>6.5</b>	<b>8.4</b>	<b>0.6</b>	<b>5.6</b>	<b>3.3</b>	<b>1.2</b>
Financial income and expenses, net	-0.2	-0.2	-0.1	-1.0	-0.5	-0.3	1.1
Share of result of associated companies	0.1	0.0	0.0	0.0	-0.1	-0.1	-0.2
<b>Result before taxes</b>	<b>7.4</b>	<b>6.3</b>	<b>8.4</b>	<b>-0.4</b>	<b>5.0</b>	<b>2.8</b>	<b>2.1</b>
Income tax	-2.1	-2.5	-1.1	2.0	-2.1	-0.8	-0.4
<b>Result for the period from continuing operations</b>	<b>5.3</b>	<b>3.8</b>	<b>7.3</b>	<b>1.6</b>	<b>2.9</b>	<b>2.1</b>	<b>1.7</b>

**ONE-OFF ITEMS (EUR million)**

	7-9/ 2008	4-6/ 2008	1-3/ 2008	10-12/ 2007	7-9/ 2007	4-6/ 2007	1-3/ 2007
Food							
Impairment of goodwill					-1.3		
Other impairments				-1.6	-2.0		
Other one-off items			4.2		-0.3		
Feed & Malt							
The reversal of impairment in the Feed & Malt business				0.5	5.5		
Impact on operating result	0.0	0.0	4.2	-1.2	1.9	0.0	0.0
Financial income and expenses, net							
Share of result of associated companies and joint ventures							
Impact on result before taxes	0.0	0.0	4.2	-1.2	1.9	0.0	0.0

**KEY INDICATORS**

	30.9.2008	30.9.2007	31.12.2007
Net sales, EURm	376.3	312.7	421.9
change, %	20.3	2.9	4.8
Operating result, EURm	22.5	10.0	10.6
% of net sales	6.0	3.2	2.5
Result before taxes, EURm	22.1	9.9	9.5
% of net sales	5.9	3.2	2.3
Return on equity, ROE, %	7.9	2.2	2.9
Return on investment, ROI, %	10.5	4.7	3.5
Interest-bearing liabilities at the end of the period, EURm	14.0	11.9	7.2
Equity ratio, %	77.0	76.9	77.9
Net gearing, %	-12.5	-16.3	-13.1
Gross investments, EURm	25.0	21.2	31.4
% of net sales	6.7	6.8	7.5
Depreciation, EURm	13.4	13.6	18.3
R & D expenses, EURm	4.2	4.3	6.4
% of net sales	1.1	1.4	1.5
Average personnel	1 073	1 181	1 157
Earnings/share from continuing operations, EUR	0.10	0.04	0.05
Cash flow from operations/share, EUR	0.17	0.09	0.10
Equity/share, EUR	1.77	1.70	1.70
Average number of shares during the period, in 1,000s*)			
Free shares	122,488	125,184	124,553
Restricted shares	34,299	34,502	34,462
Total	156,786	159,686	159,015
Average number of shares at the end of the period, in 1,000s*)			
Free shares	122,255	124,045	122,444
Restricted shares	34,290	34,383	34,316
Total	156,545	158,428	156,760
Market capitalisation of shares at the end of the period, EURm*)			
Free shares	193.2	240.6	183.7
Restricted shares	58.0	66.7	52.2
Total	251.1	307.3	235.8

\*) Number of shares without own shares

**CALCULATION OF INDICATORS**

Return on equity (ROE), %	$\frac{\text{Result before taxes – income taxes}^*)}{\text{Shareholders' equity (average over the period)}} \times 100$
Return on investment (ROI), %	$\frac{\text{Result before taxes + financial expenses}^*)}{\text{Shareholders' equity + interest-bearing financial liabilities (average over the period)}} \times 100$
Equity ratio, %	$\frac{\text{Shareholders' equity}}{\text{Balance sheet total – advances received}} \times 100$
Net interest-bearing financial liabilities	Interest-bearing financial liabilities - liquid assets and financial assets recorded at fair value in the income statement
Net gearing, %	$\frac{\text{Net interest-bearing financial liabilities}}{\text{Shareholders' equity}} \times 100$
Earnings per share <sup>*)</sup>	$\frac{\text{Result for the year of parent company shareholders}}{\text{Average number of shares for the year, adjusted for share issue}}$
Cash flow from business operations per share	$\frac{\text{Cash flow from business operations}}{\text{Average number of shares for the year, adjusted for share issue}}$
Shareholders' equity per share	$\frac{\text{Equity of parent company shareholders}}{\text{Number of shares at the end of the period adjusted for share issue}}$
Market capitalisation	Closing price, adjusted for issue x number of shares without own shares at the end of the period

<sup>\*)</sup>The calculation of key indicators uses continuing operations result