



Atria Plc
Interim Report
1 January – 31 March 2015

CEO
Juha Gröhn
28 April 2015

ATRIA PLC
Good food - better mood.

28 April 2015 | 1

Atria Group Review Q1/2015

| €Million | Q1 2015 | Q1 2014 | 2014 |
|-----------------------|------------|------------|---------|
| Net sales | 314.5 | 327.0 | 1,426.1 |
| EBIT | 0.7 | -2.5 | 40.6 |
| EBIT % | 0.2 | -0.8 | 2.8 |
| Profit before taxes | -1.6 | -5.7 | 34.0 |
| Earnings per share, € | -0.07 | -0.19 | 0.93 |
| Extraordinary items* | 0.0 | -0.8 | 1.0 |

* Extraordinary items are included in the reported figures.

- **Atria Group's** EBIT grew from the previous year.
- Consolidated net sales fell by 3.8%. At comparable exchange rates, the decline was 0.7%.
- Consolidated EBIT improved by EUR 3.2 million year-on-year.
- EBIT for the comparative period included EUR 0.8 million non-recurring costs.
- Atria initiated an investment of EUR 36 million in the modernisation of a pig cutting plant in Nurmo, Finland.
- The Swedish Competition Authority approved the sale of the Falbygdens cheese business to Arla. The sale realized 1 April 2015 according to the contract.

ATRIA PLC
Good food - better mood.

28 April 2015 | 2

Atria Finland Review Q1/2015

| €Million | Q1 2015 | Q1 2014 | 2014 |
|----------------------|------------|------------|-------|
| Net sales | 212.2 | 216.9 | 945.5 |
| EBIT | 1.9 | 0.2 | 33.6 |
| EBIT % | 0.9 | 0.1 | 3.6 |
| Extraordinary items* | 0.0 | -0.8 | 0.9 |

*Extraordinary items are included in the reported figures.

- **Atria Finland's** net sales for January–March declined by EUR 4.7 million year-on-year. This decline was due to lower consumer demand and the sluggishness of the overall market.
- EBIT amounted to EUR 1.9 million (EUR 0.2 million). This increase was attributable to improved cost-efficiency.
- Atria Finland made a decision to invest approximately EUR 36 million in expanding and modernising its pig cutting plant in Nurmo, Finland.
- New production facilities will be built next to the old plant, and the existing production facilities will be renovated and automated using the latest production technology. The investment is expected to generate annual cost savings of some EUR 8 million in the cutting plant's operations.

ATRIA PLC
Good food - better mood.

28 April 2015 | 3



Atria Finland

- In January–March, the total market of the product groups represented by Atria shrank by around 1% in Finland in terms of value compared to the corresponding period last year.
- Atria's share of production in January–March was 25%. (Source: Atria)
- Atria Finland's all production plants had been awarded certification in compliance with the FSSC 22000 standard.
- The first Food Safety System Certification 22000 was awarded to Atria's production plant in Kauhajoki in last August. The rest of Atria's production plants in Nurmo, Forssa, Jyväskylä and Sahalahti obtained the quality certification in January.

28.4.2015 | 4

Atria Scandinavia

Review Q1/2015

| €Million | Q1 2015 | Q1 2014 | 2014 |
|----------------------|------------|------------|-------|
| Net sales | 85.2 | 88.4 | 371.9 |
| EBIT | 1.9 | 0.9 | 14.9 |
| EBIT % | 2.2 | 1.1 | 4.0 |
| Extraordinary items* | 0.0 | 0.0 | 0.0 |

*Extraordinary items are included in the reported figures.

- At comparable exchange rates, **Atria Scandinavia's** net sales for January–March grew by 1.1% year-on-year.
- Increase of EBIT for January–March was due to higher sales, stable prices and improved production efficiency.
- The Swedish Competition Authority approved on 11 March 2015 the sale of Atria Scandinavia's Falbygdens cheese business to Arla. The sale price was approximately EUR 34 million.
- The transaction will reduce Atria's annual net sales by approximately EUR 52 million and EBIT by some EUR 3 million.

ATRIA PLC
Good food - better mood.

28 April 2015 | 5

Atria Scandinavia



ATRIA PLC
Good food - better mood.

- The total market for sausages in the Swedish retail trade grew by 3% in the period under review and the total market for cold cuts remained unchanged (source: AC Nielsen).
- In the Danish retail sector, the total market for cold cuts shrank by about 2.5% during the period.
- In Sweden, Atria's brands lost some market share, whereas in Denmark, the 3-Stjernet brand strengthened its market share (source: AC Nielsen).
- Atria has increased the production of private label products in Sweden.
- In the period under review, 20 projects were under way in the Atria's Handprint programme, with a view to developing matters related to safe and healthy food, environmental responsibility and job satisfaction.

28.4.2015 | 6

Atria Russia Review Q1/2015

| €Million | Q1 2015 | Q1 2014 | 2014 |
|----------------------|------------|------------|------|
| Net sales | 15.8 | 21.3 | 98.8 |
| EBIT | -2.3 | -2.2 | -5.7 |
| EBIT % | -14.4 | -10.2 | -5.8 |
| Extraordinary items* | 0.0 | 0.0 | 0.5 |

*Extraordinary items are included in the reported figures.

- At comparable exchange rates, **Atria Russia's** net sales for January–March grew by 5.6% year-on-year.
- In the local currency, the growth in net sales was due to significant price increases. However, the increases were not sufficient to fully offset higher raw material costs.
- In the period under review, the greatest challenges for business were posed by higher raw material costs, lower consumer demand, high inflation and general economic uncertainty in the market due to the weakening of the rouble.

ATRIA PLC
Good food - better mood.

28 April 2015 | 7

Atria Russia



- A downward trend was seen in retail sales and the product groups represented by Atria in the first quarter.
- The retail market declined by 4.4% in January and 7.7% in February.
- Atria launched an affordable product range during the period to meet consumer demand in the current operating environment.
- The production plant in Sinyavino was awarded certification in compliance with the ISO 22000 standard in January.
- The Gorelovo plant's FSSC 22000 certification was confirmed in an annual audit.

ATRIA PLC
Good food - better mood.

28.4.2015 | 8

Atria Baltic Review Q1/2015

| €Million | Q1 2015 | Q1 2014 | 2014 |
|----------------------|------------|------------|------|
| Net sales | 7.6 | 7.4 | 34.5 |
| EBIT | -0.1 | -0.2 | -0.0 |
| EBIT % | -1.7 | -2.8 | -0.1 |
| Extraordinary items* | 0.0 | 0.0 | -0.4 |

*Extraordinary items are included in the reported figures.

- **Atria Baltic's** net sales for January–March totalled EUR 7.6 million (EUR 7.4 million). EBIT was EUR -0.1 million (EUR -0.2 million).
- Atria strengthened its market share in meat products in the retail sector.
- Oversupply in the European meat market has led to record low meat prices. This reduced the profitability of Atria's primary production and exports in Estonia.
- Low meat prices increased the consumption of fresh meat in particular in Estonia in the first quarter. At the same time, lower prices have reduced the profitability of sales.

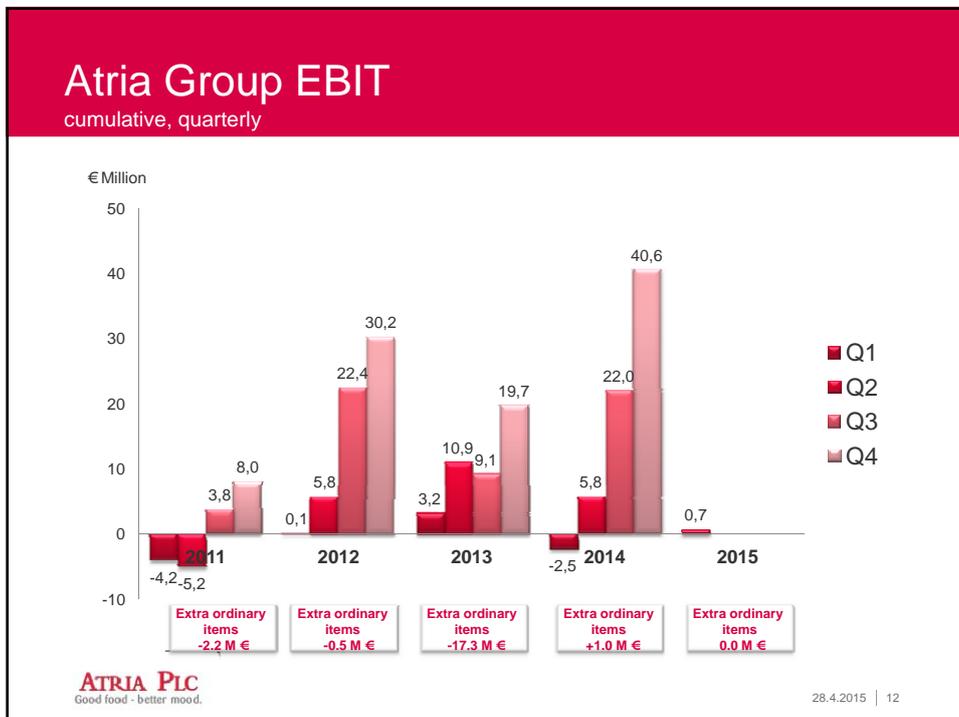
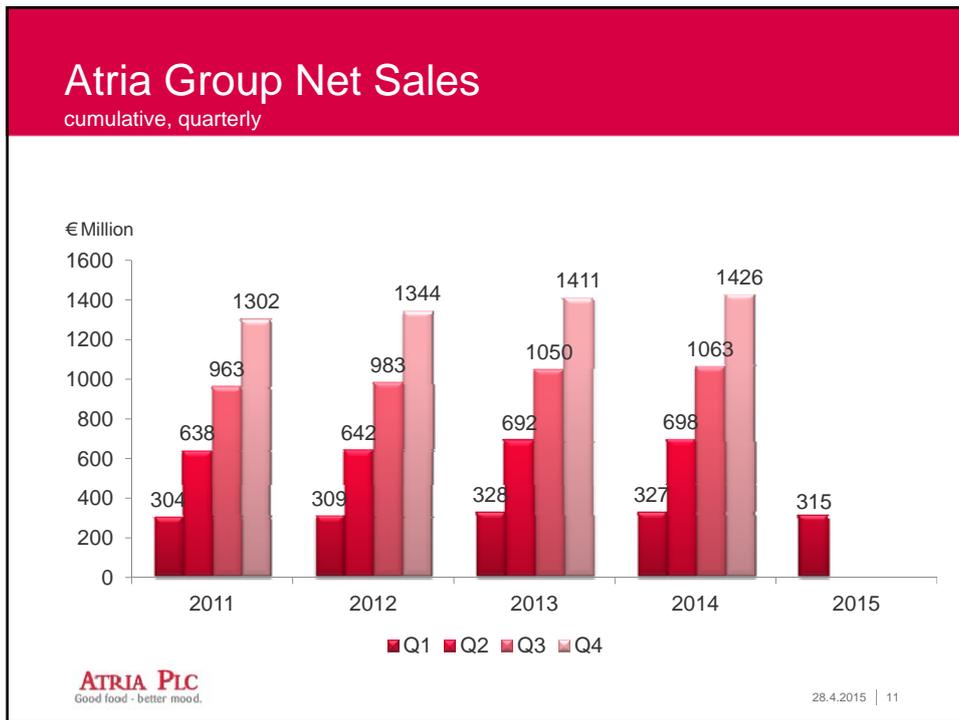
ATRIA PLC
Good food - better mood.

28 April 2015 | 9

Financial Development

ATRIA PLC
Good food - better mood.

28 April 2015 | 10



Atria Group Financial indicators

| € Million | 31.3.2015 | 31.3.2014 | 31.12.2014 |
|-------------------------------------|-----------|-----------|------------|
| Shareholders' equity per share, EUR | 14.40 | 14.07 | 14.22 |
| Interest-bearing liabilities | 266.4 | 336.5 | 254.1 |
| Equity ratio, % | 44.3 | 40.6 | 44.0 |
| Gearing, % | 64.8 | 83.9 | 62.6 |
| Net gearing, % | 64.0 | 81.3 | 61.8 |
| Gross investments in fixed assets | 9.5 | 37.5 | 62.7 |
| Gross investments, % of net sales | 3.0 | 11.5 | 4.4 |
| Average number of employees | 4,382 | 4,707 | 4,715 |

- During the period under review, the Group's free cash flow (operating cash flow - cash flow from investments) was EUR -9.6 million (EUR -23.5 million).
- On 31 March 2015, the Group's undrawn committed credit facilities amounted to EUR 110.2 million (31 December 2014: EUR 110.6 million). The average maturity of loans and committed credit facilities at the end of the period under review was 2 years 9 months (31 December 2014: 3 years).

ATRIA PLC
Good food - better mood.

28 April 2015 | 13

Atria Group Income Statement

| € Million | Q1 2015 | Q1 2014 | Q1-Q4 2014 |
|---|-------------|-------------|---------------|
| NET SALES | 314.5 | 327.0 | 1,426.1 |
| Cost of goods sold | -282.5 | -293.6 | -1,249.3 |
| GROSS PROFIT | 32.0 | 33.4 | 176.8 |
| <i>% of Net sales</i> | 10.2 | 10.2 | 12.4 |
| Other income | 0.7 | 0.6 | 6.7 |
| Other expenses | -32.0 | -36.5 | -142.9 |
| EBIT | 0.7 | -2.5 | 40.6 |
| <i>% of Net sales</i> | 0.2 | -0.8 | 2.8 |
| Financial income and expenses | -2.3 | -3.6 | -12.7 |
| Income from joint-ventures and associates | 0.0 | 0.4 | 6.2 |
| PROFIT BEFORE TAXES | -1.6 | -5.7 | 34.0 |
| Income taxes | -0.4 | 0.4 | -7.2 |
| PROFIT FOR THE PERIOD | -2.0 | -5.3 | 26.8 |
| <i>% of Net sales</i> | -0.6 | -1.6 | 1.9 |
| Earnings/share, € | -0.07 | -0.19 | 0.93 |

ATRIA PLC
Good food - better mood.

28 April 2015 | 14

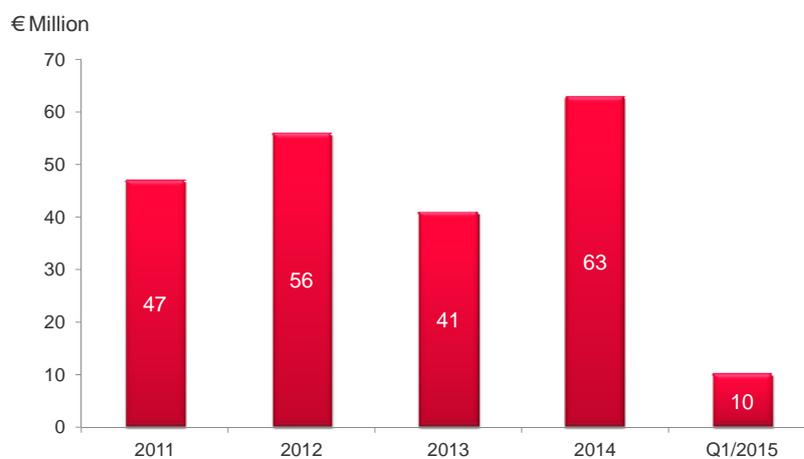
Atria Group Cash flow statement

| Milj. EUR | Q1 2015 | Q1 2014 | Q1-Q4 2014 |
|--|-------------|--------------|---------------|
| Cash flow from operating activities | -5.4 | 18.8 | 113.3 |
| Financial items and taxes | 5.0 | -5.1 | -21.1 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | -0.4 | 13.7 | 92.2 |
| Investing activities, tangible and intangible assets | -8.9 | -10.6 | -33.9 |
| Acquired operations | | -26.3 | -32.5 |
| Sold subsidiary shares | | | 11.9 |
| Non-current receivables | 0.1 | -0.9 | -2.8 |
| Dividends received from investments | | | 8.4 |
| Change in other investments | -0.5 | 0.6 | 1.1 |
| NET CASH USED IN INVESTING ACTIVITIES | -9.2 | -37.2 | -47.8 |
| FREE CASH FLOW | -9.6 | -23.5 | 44.3 |
| Changes in interest-bearing liabilities | 9.4 | 5.3 | -63.4 |
| Dividends paid | | | -6.2 |
| NET CASH USED IN FINANCING ACTIVITIES | 9.4 | 5.3 | -69.6 |
| CHANGE IN LIQUID FUNDS | -0.3 | -18.2 | -25.3 |

ATRIA PLC
Good food - better mood.

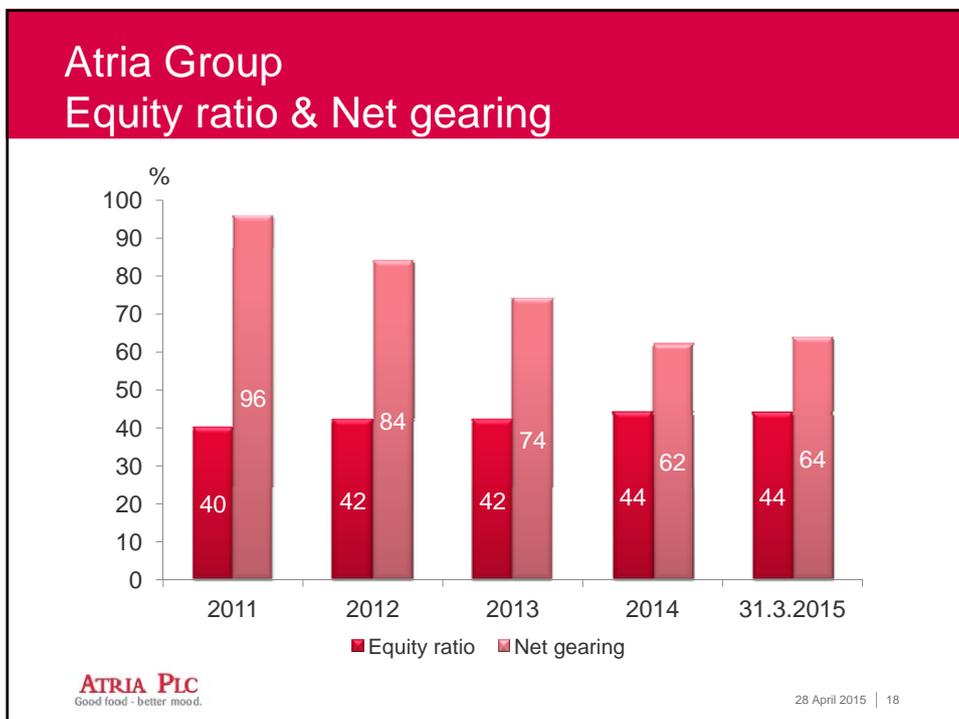
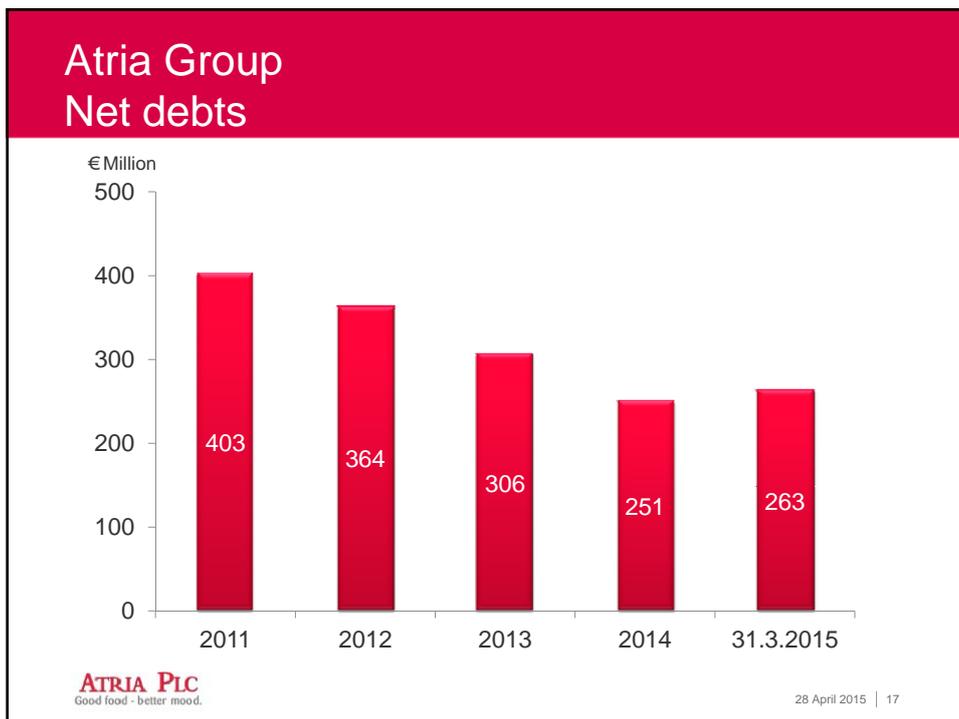
28 April 2015 | 15

Atria Group Gross investments



ATRIA PLC
Good food - better mood.

28 April 2015 | 16



Events occurring after the period

- Atria Scandinavia's Falbygdens cheese business was sold to Arla Foods AB. The divested operations were consolidated into Arla Foods AB from 1 April 2015.

Business risks in the period under review and short-term risks

- Unplanned and unforeseen incidents related to the quality and safety of raw materials and products in any part of the chain, from primary production to consumption, constitute a potential risk in Atria's operations. Also, shifts in the balance between meat supply and demand in global meat markets pose a risk to Atria's business.
- Atria estimates that no significant changes have occurred in risks associated with raw materials and in meat market uncertainties compared to the situation described in the Annual Report 2014.
- Atria's exposure to the volatility of the Russian rouble and to the effects of Russia's import ban on EU meat continues.

Outlook for the future

- In 2014, consolidated EBIT without non-recurring items was EUR 39.6 million.
- In 2015, EBIT is projected to be at the same level and net sales are expected to decrease.

Board of Directors' proposal for profit distribution

- The Board of Directors proposes that a dividend of EUR 0.40 be paid for each share for the financial year 2014.



Atria[®]

Good food, better mood.

ATRIA PLC
Good food - better mood.

28 April 2015 | 23

