

# Interim Report Q3/2007

30 October 2007  
CEO Matti Rihko

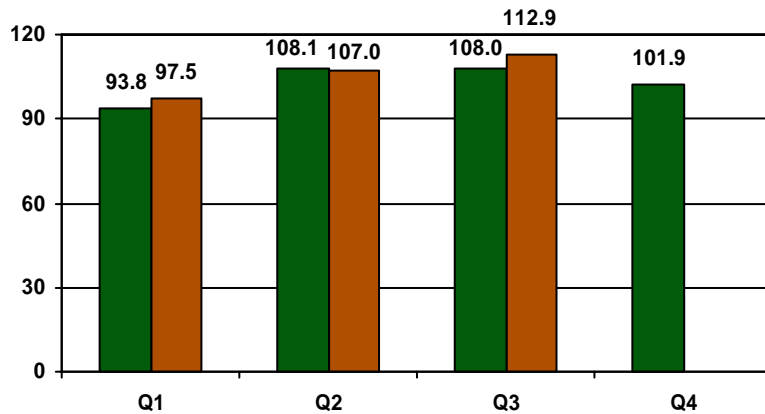
# Q3/2007

- Turnover increased by 5.5% from Q2/2007
- Operating result improved and amounted to EUR 4.2 million, excluding rationalisation expenses
- Cash flow from operating activities positive, totalling EUR 25.6 million
- Equity ratio high at 76.9%
- New start for Benecol following the return of rights

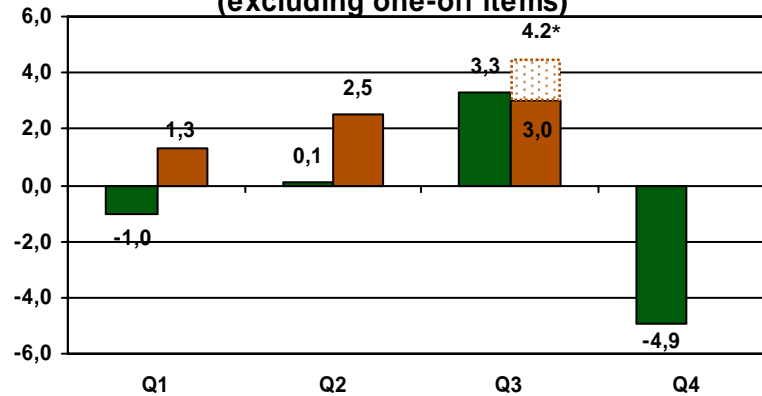
# Quarterly performance

## Continuing operations

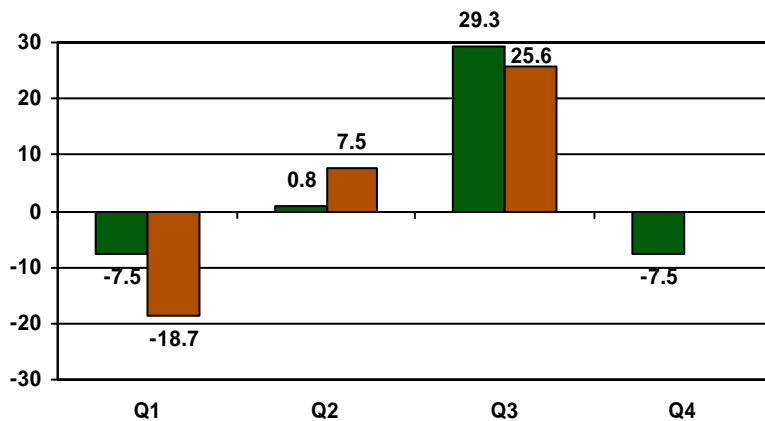
Turnover, EURm



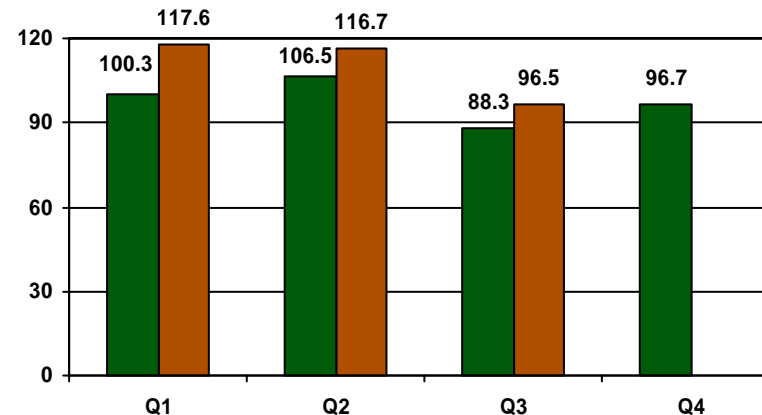
Operating result, EURm  
(excluding one-off items)



Cash flow, EURm



Working capital, EURm



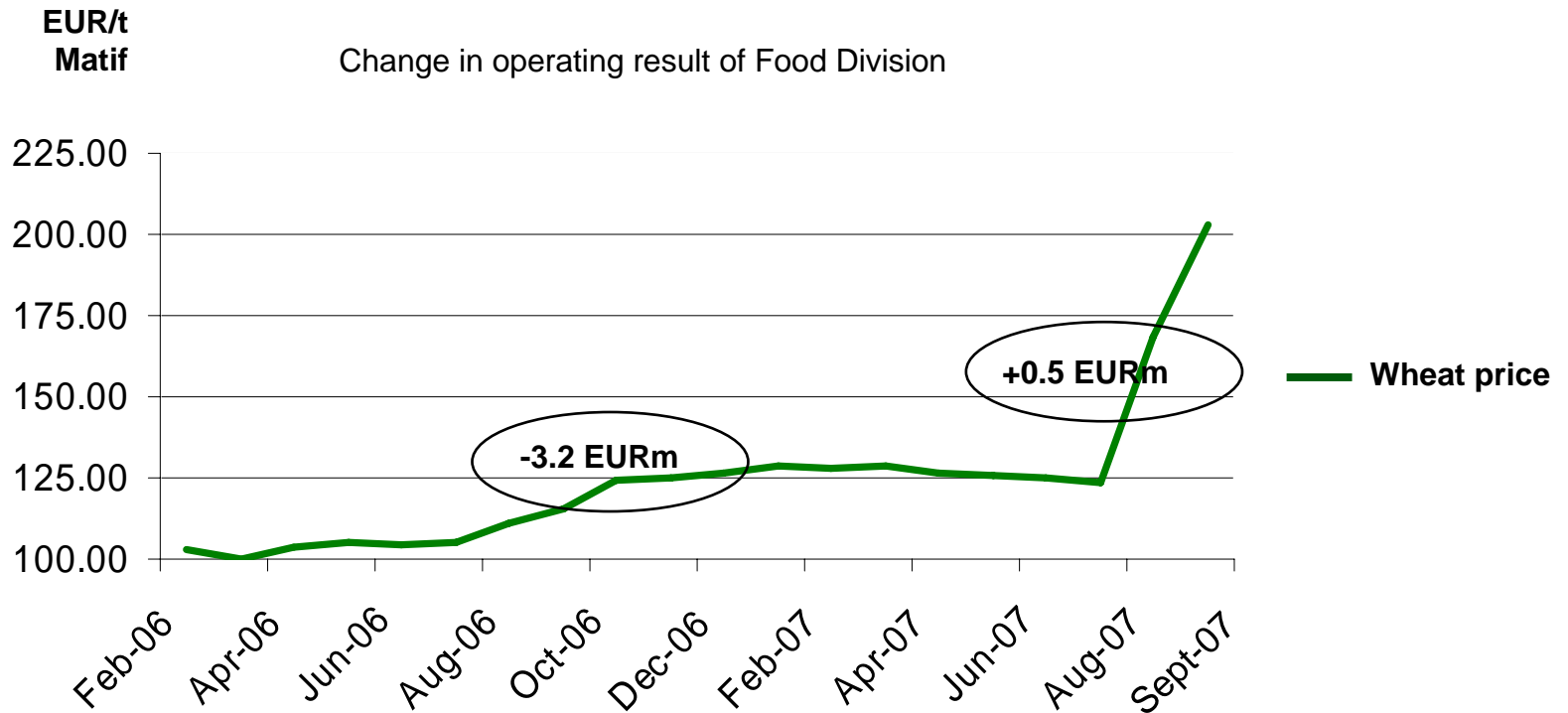
\*excluding rationalisation cost

■ 2006  
■ 2007

# Q3/2007

- Group's profitability improved
- Performance less dependent on grain price volatility
- New, flexible pricing model negotiated with retail trade in Finland
- Renewal of operations business model
- More efficient and less hierarchic organisation
- Operations streamlined and production overcapacity cut

# Performance less dependent on grain price volatility



Source: Reuters

# New, flexible pricing model negotiated with retail trade in Finland

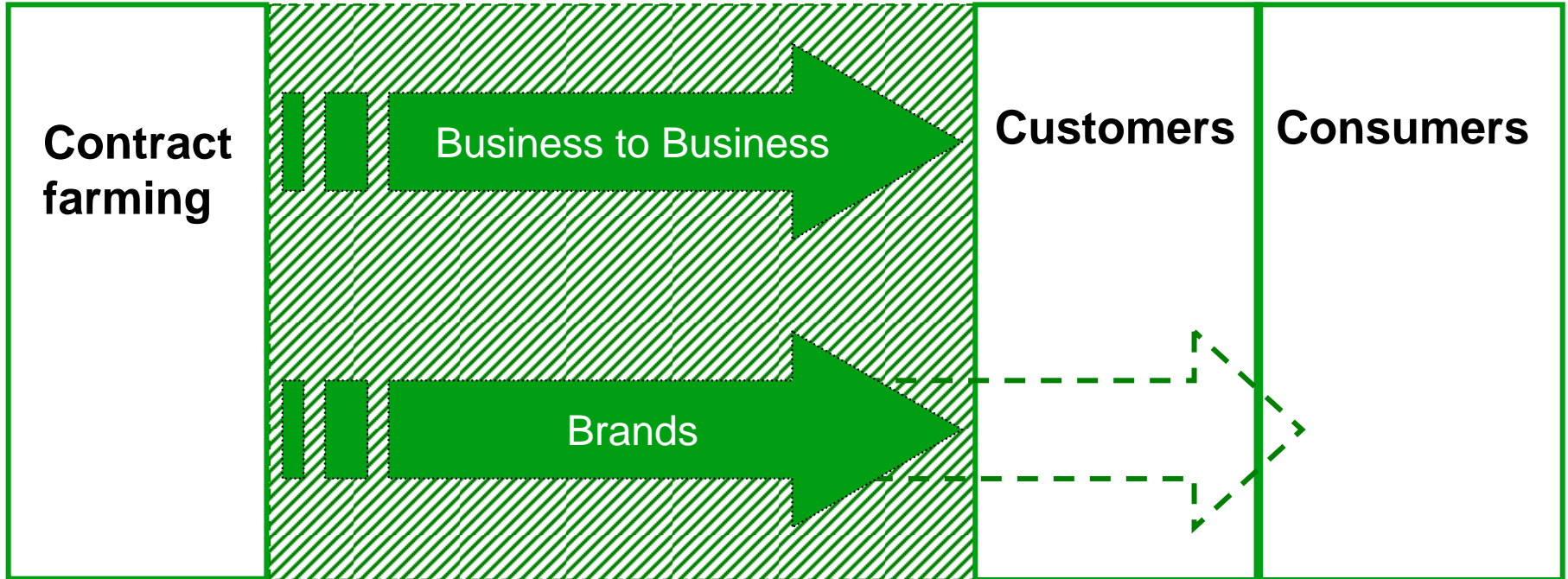
## Business to Business

- Conversion margin negotiated, the cost of raw material transferred to customers

## Brands

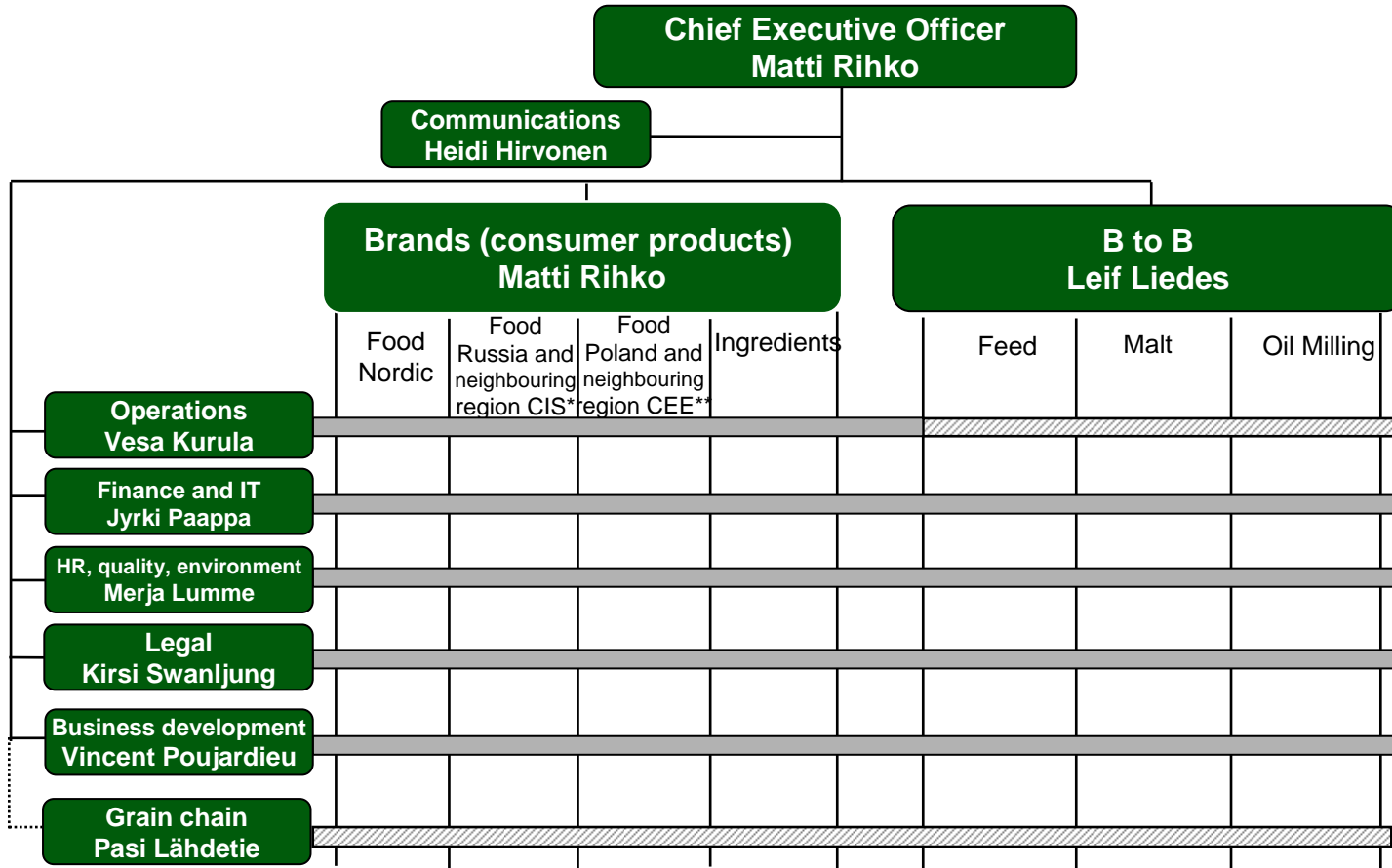
- The cost of raw material transferred to consumers in four-month-periods

# Business model renewed



 = grain chain

# More efficient and less hierarchic organisation



\*Commonwealth of Independent States

\*\*Central Eastern Europe



# Operations streamlined and overcapacity in production cut

- Divestment of Diagnostics business
- Margarine production in Russia to a subcontractor
- Close of wheat and rye mills in Nokia
- New brand portfolio and reduction in the number of stock-keeping units

# Key figures Q3/2007

## Result, continuing operations

	7-9/2007	4-6/2007	7-9/2006	1-9/2007	1-9/2006	2006
Turnover, EURm	112.9	107.0	108.0	317.3	309.9	411.8
Operating result, EURm	3.0	2.5	3.3	6.9	2.4	-2.5
% of turnover	2.7	2.4	3.1	2.2	0.8	-0.6
Result before taxes, EURm	3.1	2.6	3.5	7.4	3.6	-0.7
Earnings/share, EUR	0.01	0.01	0.01	0.03	0.01	-0.01
Personnel in the end of the period	1,132	1,249	1,255	1,132	1,255	1,214

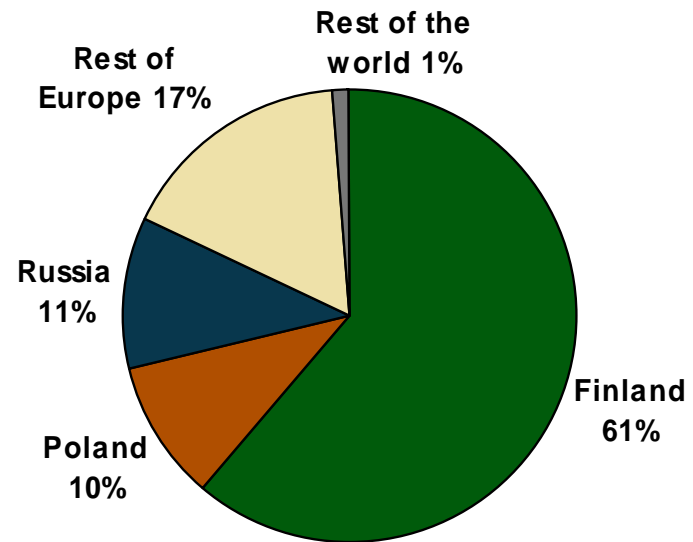
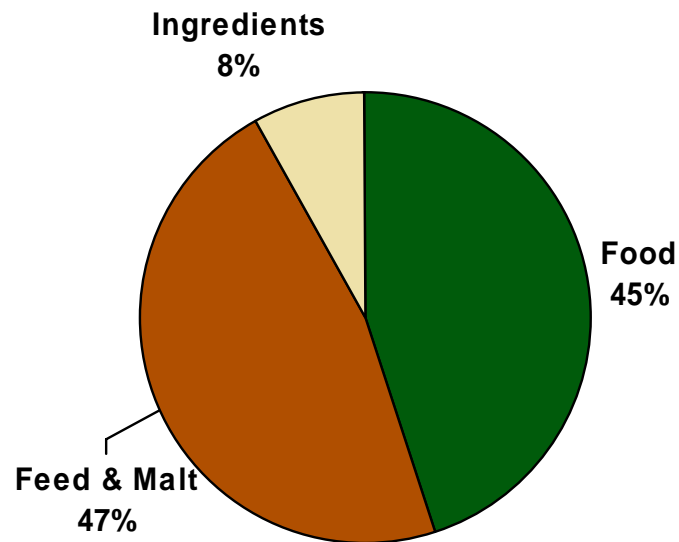
Figures excluding one-off items

# Key figures Q3/2007

## Balance sheet, continuing operations

	<b>30.9.2007</b>	<b>30.9.2006</b>	<b>31.12.2006</b>
Return on investment, %	3.6	2.4	-9.3
Equity ratio, %	76.9	77.9	75.0
Gearing, %	-16.6	-21.6	-19.1
Equity/share, EUR	1.70	2.02	1.73
Equity, EURm	282.1	337.4	290.4
Total assets, EURm	367.1	433.6	387.4

# Distribution of turnover 1-9/2007



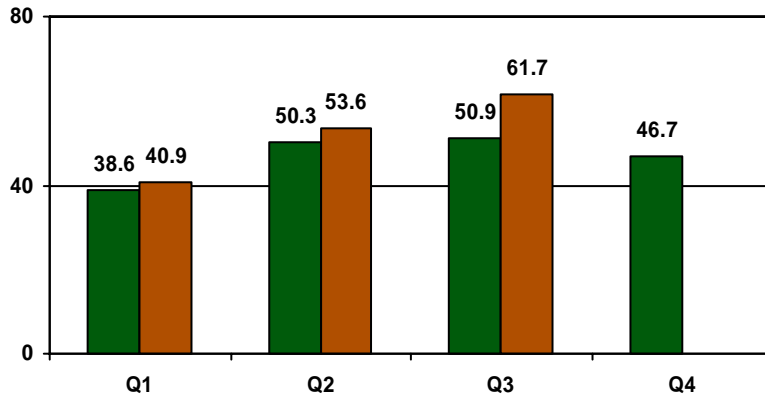
# Feed & Malt Q3/2007

- Turnover EUR 61.7 million (EUR 50.9 million)
  - Turnover increased by over 20% from the comparison period
  - Growth in turnover resulted from increases in feed and malt prices
- Operating result EUR 3.4 million (EUR 2.7 million)
  - Good development of result in the malt business improved the operating result
- Model of direct invoicing of feed mixes established
- Structural changes in the Finnish feed industry have led to new forms of co-operation

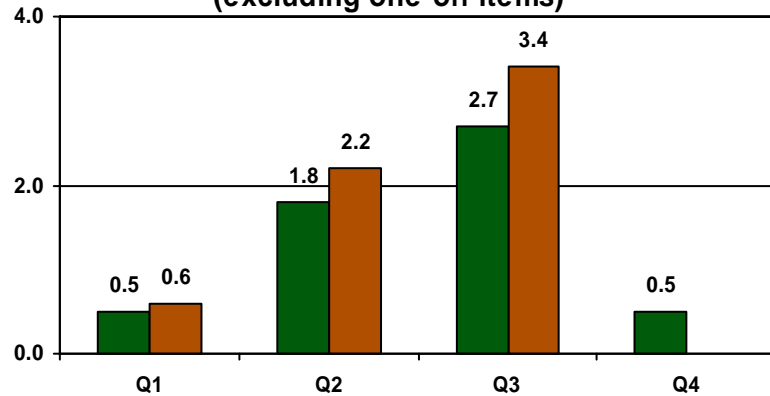


# Feed & Malt

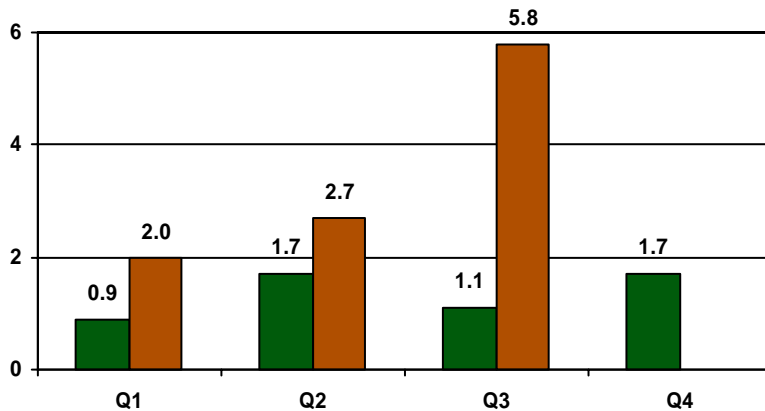
Turnover, EURm



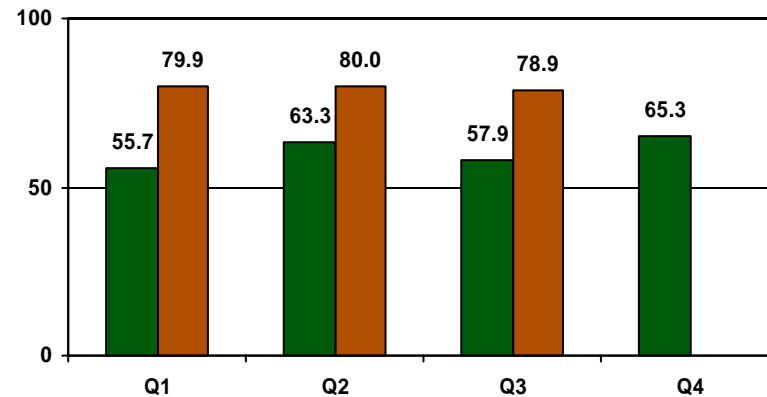
Operating result, EURm  
(excluding one-off items)



Investments, EURm



NAV, EURm



■ 2006  
■ 2007

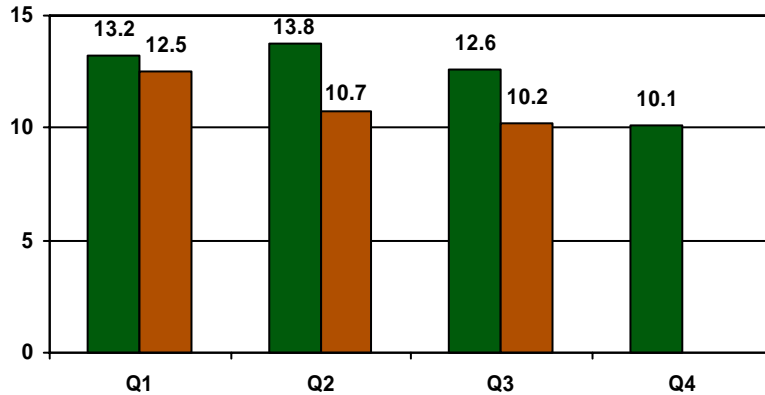
# Ingredients Q3/2007

- Turnover EUR 10.2 million (EUR 12.6 million)
  - Seasonal fluctuations and lower volumes in the US and German markets reduced turnover
  - Turnover is expected to return to the previous, normal level in the last quarter of 2007
- Operating result EUR 2.1 million (EUR 2.2 million)
  - Operating result remained over 20% of turnover
- Raisio regained Benecol rights from McNeil
  - Development of the business from a new starting point
- Raisio aims to be an active player in the growing European, Asian and Us markets

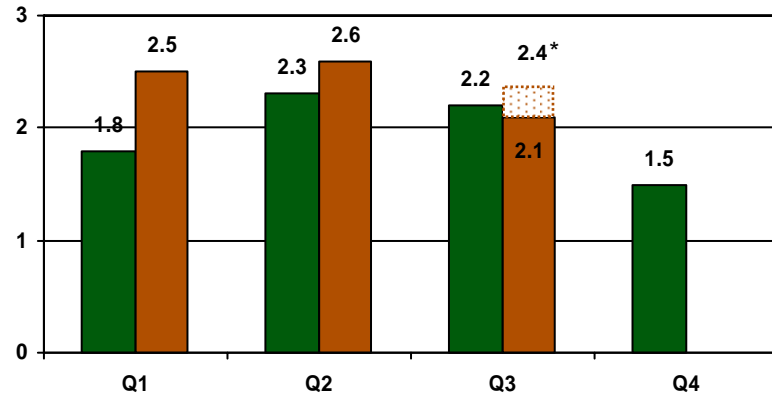


# Ingredients

Turnover, EURm

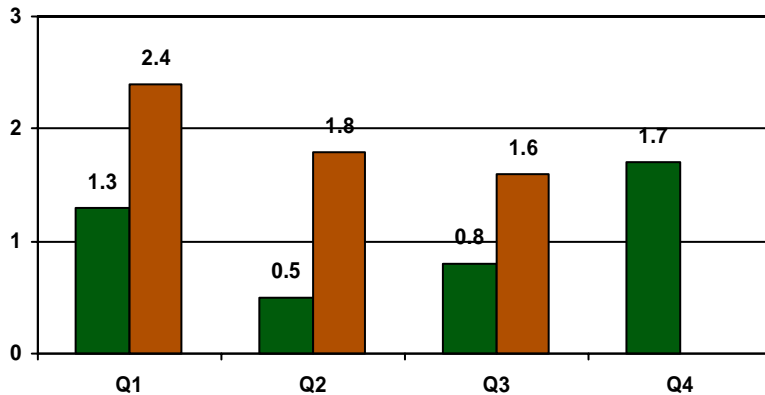


Operating result, EURm

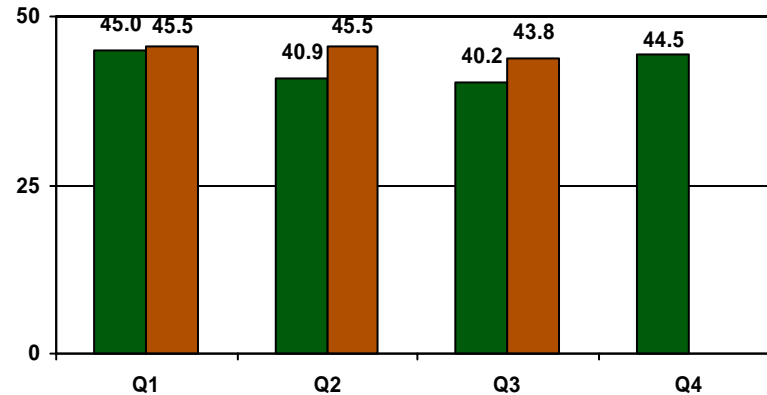


\*excluding rationalisation cost

Investments, EURm



NAV, EURm



■ 2006  
■ 2007



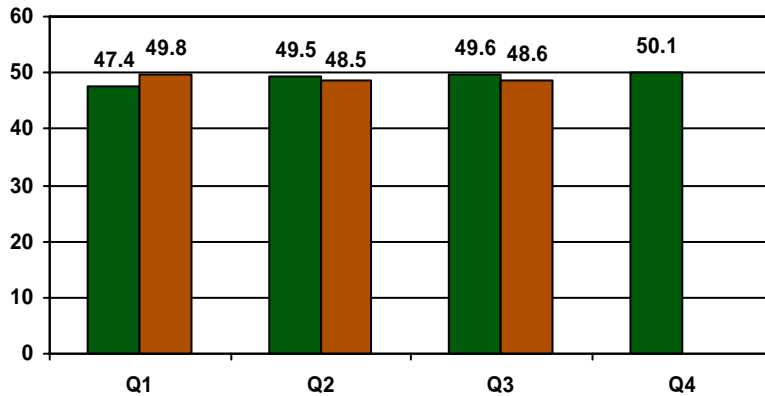
# Food Division Q3/2007

- Turnover EUR 48.6 million (EUR 49.6 million)
  - Growth in the soy-oat business, the Finnish margarine business and Russian operations
  - Raisio cut the loss-making part of the domestic bakery flour sales and non-profitable distributor sales in Finland and Poland
- Operating result EUR -2.1 million (EUR -1.4 million)
  - Improvement in the operating result was slowed down by a record fast increase in raw material prices in all markets
  - Including the rationalisation cost the operating result weakened by EUR 0.9 million
- Margarine production in Russia transferred to a subcontractor
- Wheat and rye mills in Nokia to be closed
- New brand portfolio introduced
  - Spread world, breakfast and snack world and baking world

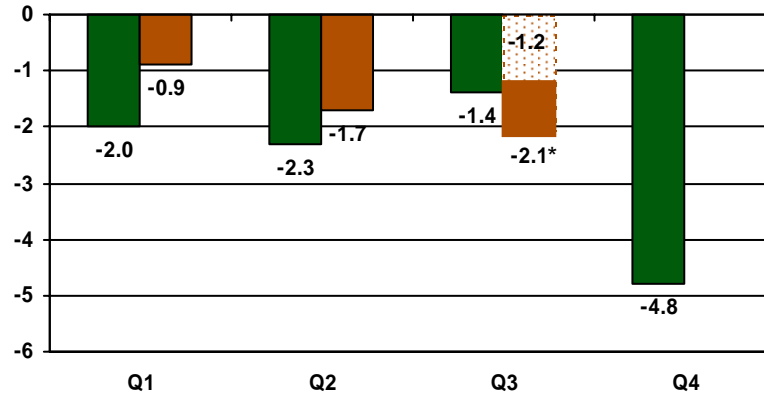


# Food

Turnover, EURm

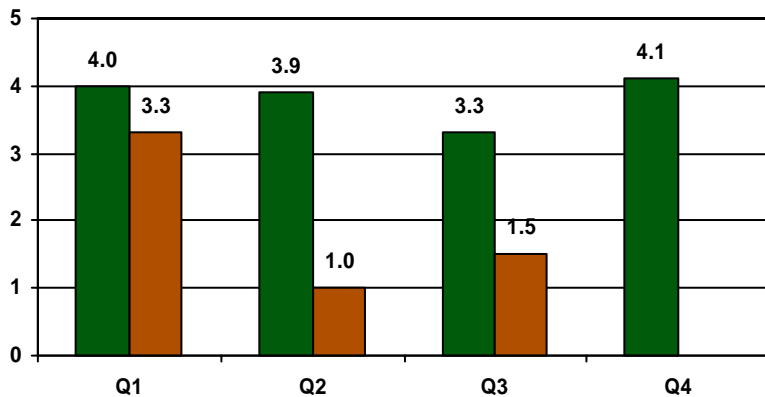


Operating result, EURm  
(excluding one-off items)

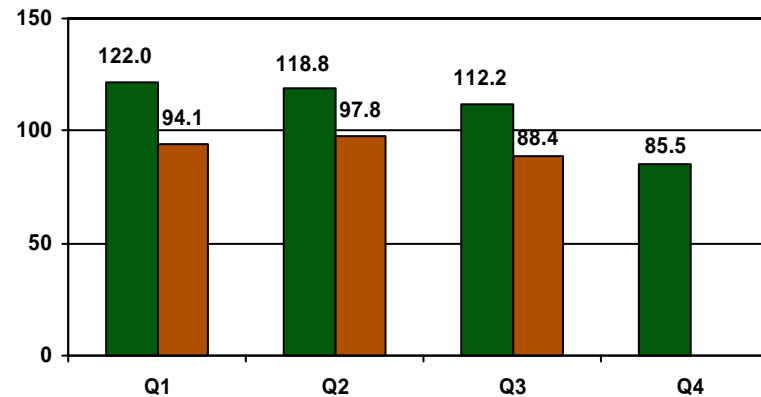


\*excluding rationalisation cost

Investments, EURm



NAV, EURm



■ 2006  
■ 2007

# Outlook

## Year 2007

- Group's operating result for 2007, excluding one-off items, is expected to be clearly profitable.
- Q4/2007 the Food Division's loss is expected to be in line with the previous quarters in 2007 and full-year operating result to improve clearly over the previous year but to continue in the red.
- Ingredients and Feed & Malt Divisions are expected to record better operating results than last year.



Raisio is a forerunner  
and specialist  
in plant-based nutrition  
with leading brands