

FINANCIAL STATEMENTS 2010

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10 February 2011



Discontinuity 2010 – growth projects

**Dozens of targets and
non-disclosure agreements**

11 projects through non-disclosure agreement
to due diligence process

5 projects
through DD phase
to price
negotiations

**Growth project costs of
3.5 M€ recognised
through profit and loss
in 2010.**

Big Bear Group 2/2011

Glisten 4/2010

Discontinuity 2010

CHANGE IN PRIORITY

- Share of branded business grew
- UK became the biggest single brand market
- Complexity in raw material management increased
- Growth in bioenergy (rapeseed oil, oat briquets)
- Direct purchase and sale of raw materials - a more comprehensive model
- Traceability from farm to consumer in Elovena chain
- Closed Circuit Cultivation CCC as a meter in contract farming
- Business model change in margarine, from producer to distributor, reduced comparable result by 4 M€

Discontinuity 2010

VOLATILITY

- Remaining value risk. Additionally volume risk in Finland.
- Exotic raw materials, e.g. nuts and cocoa, have bigger role in product costs
- Weather market: earlier, changing weather was a problem in primary production, now also in logistics, processing and customers' operations
- Price increases in essential raw materials, e.g. palladium and lysine, even sharper than in basic raw materials

UTILITIES IN FINLAND

- Harsh cost increase, e.g. energy taxes, water, waste water

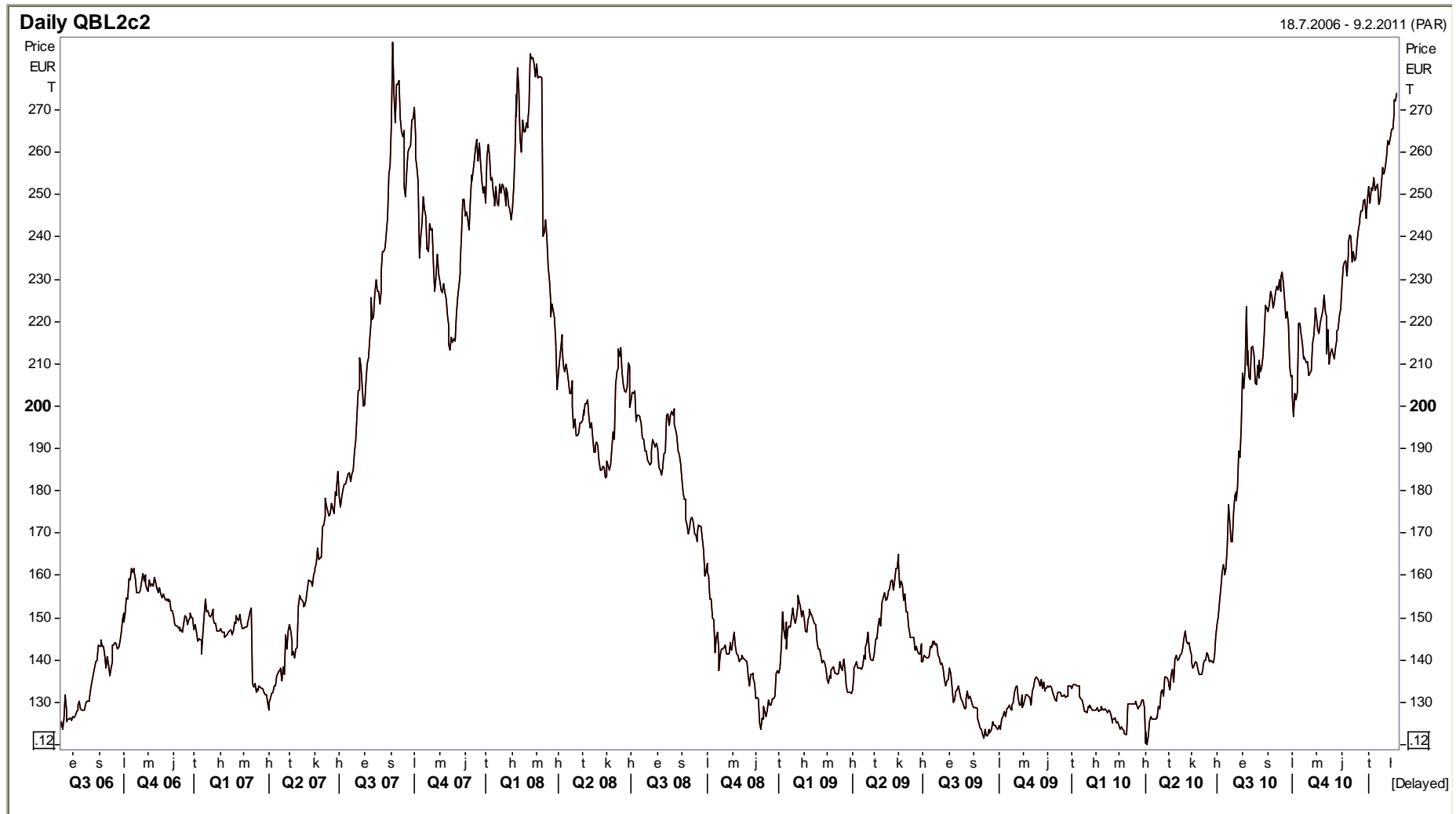
Cocoa, future, USD/ton



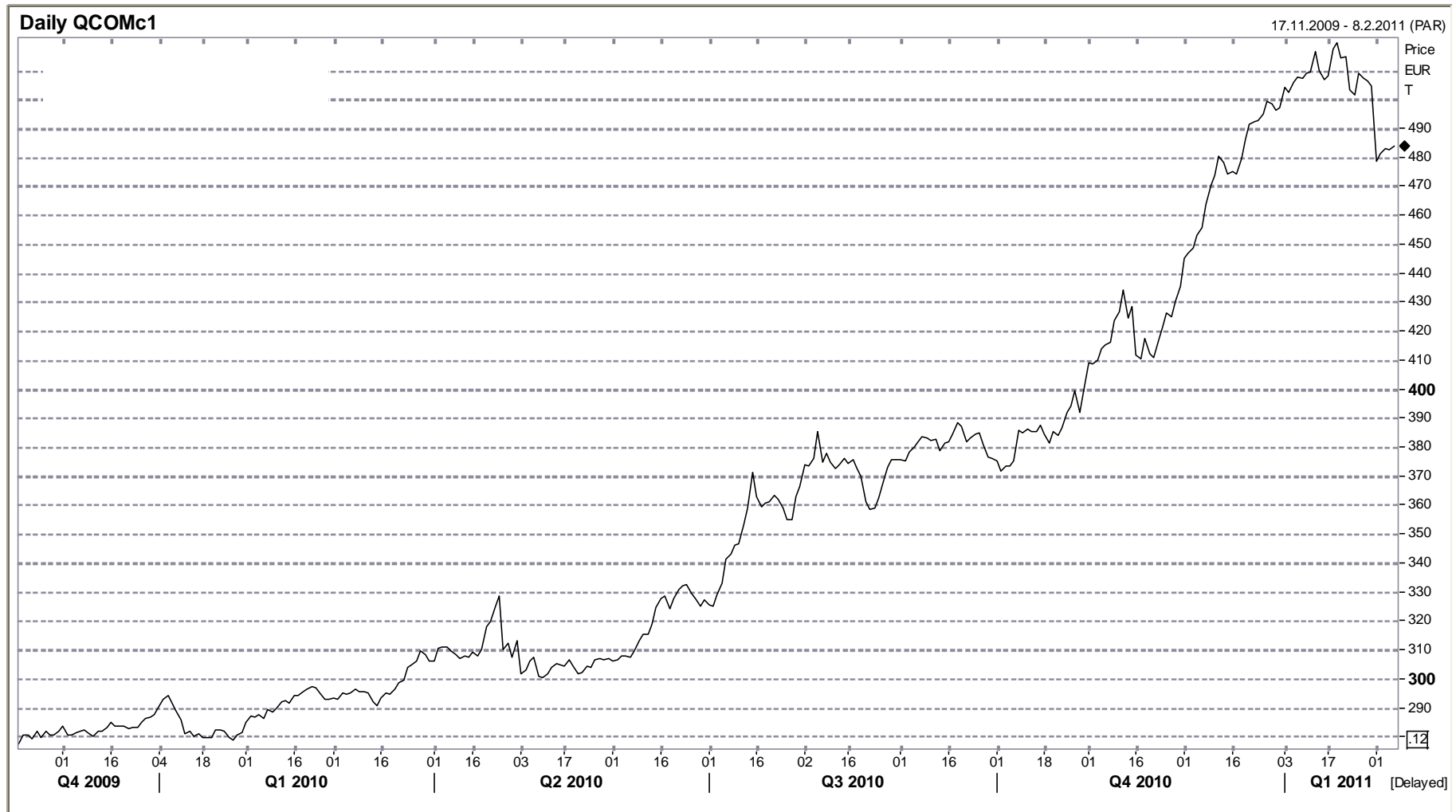
Sugar, future, USD/ton



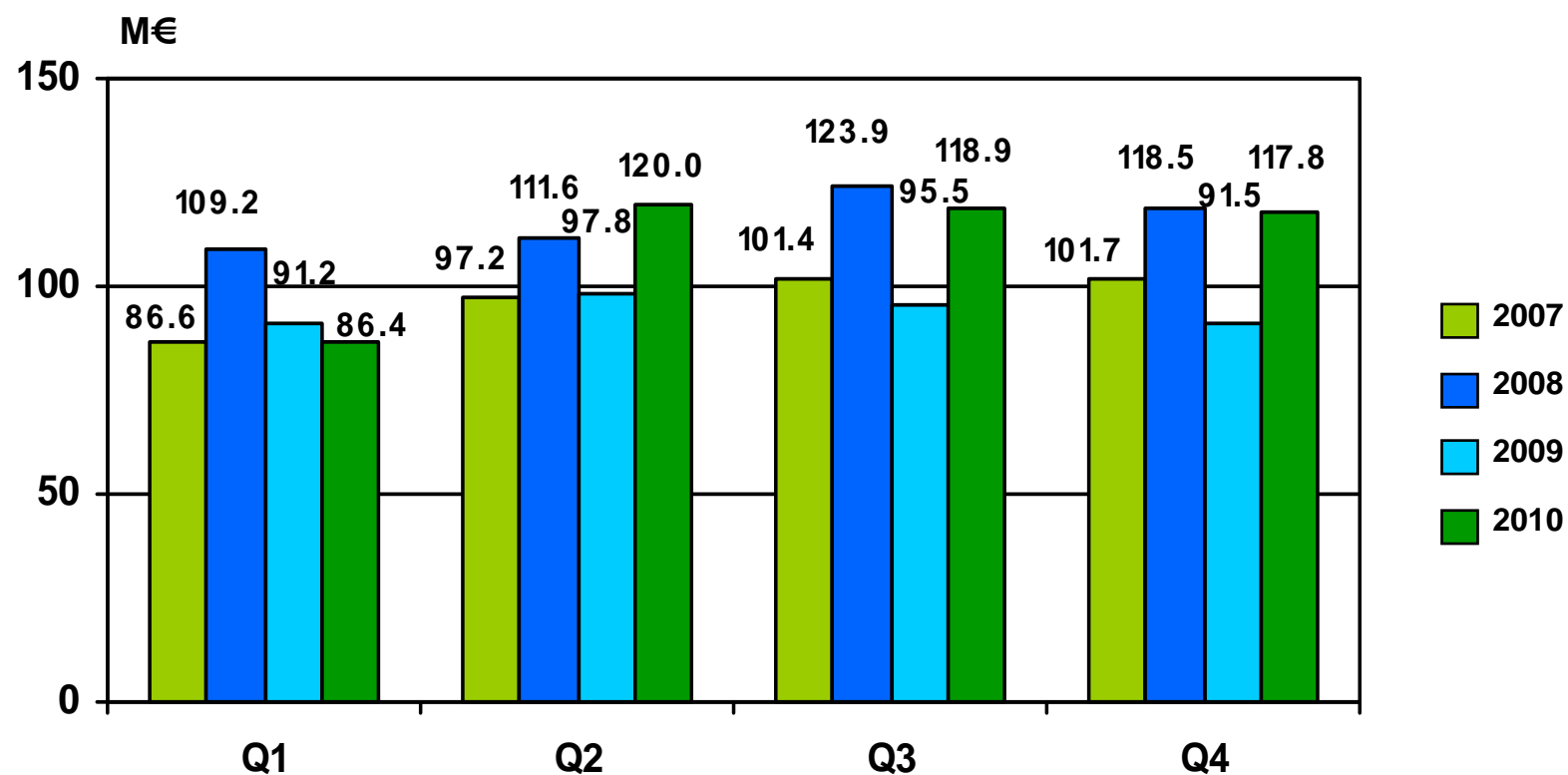
Wheat, NYSE Liffe Paris, future, €/ton



Rapeseed, NYSE Liffe Paris, future, €/ton

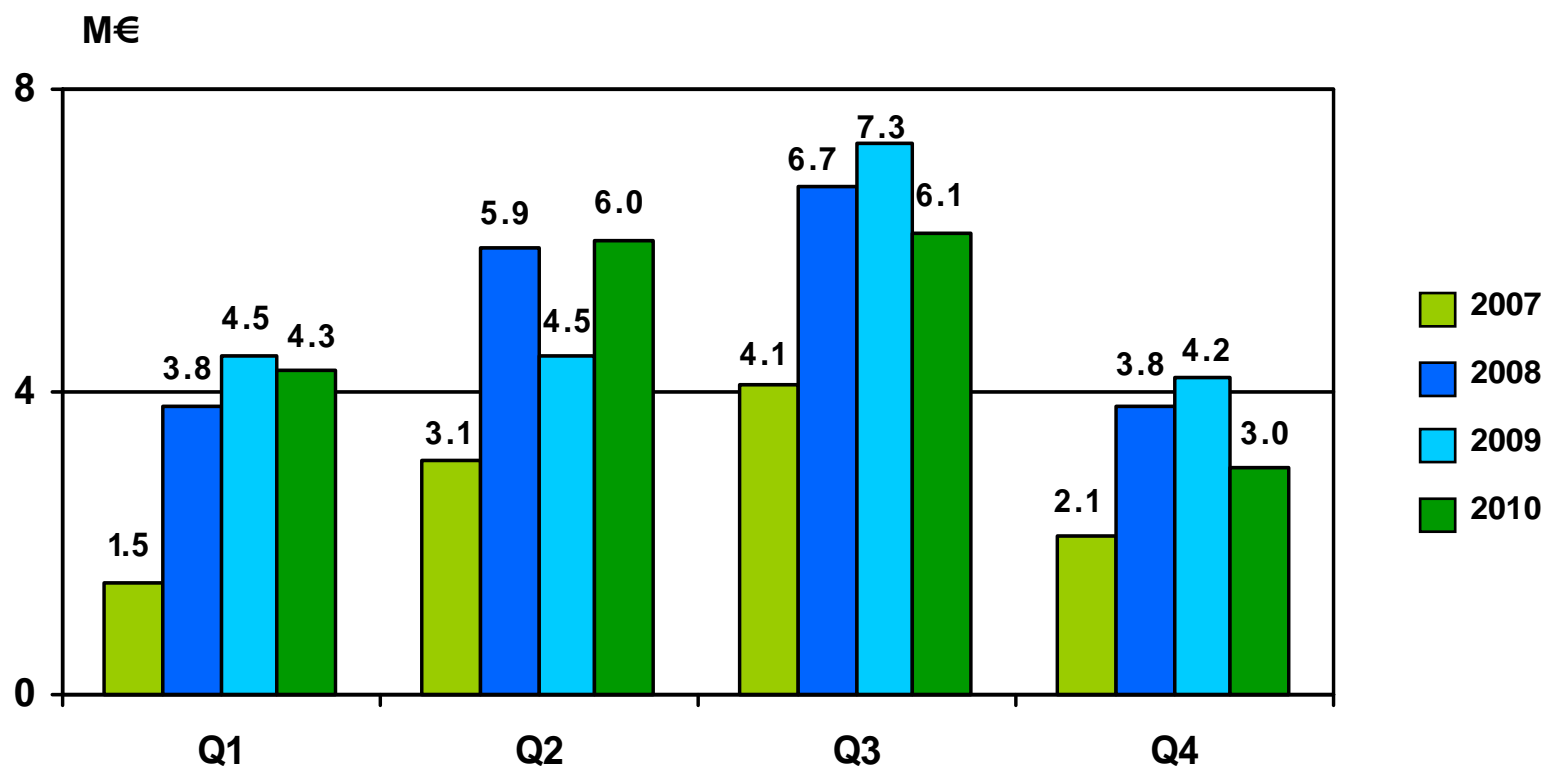


Group's quarterly net sales (Continuing operations)



Group's EBIT quarterly

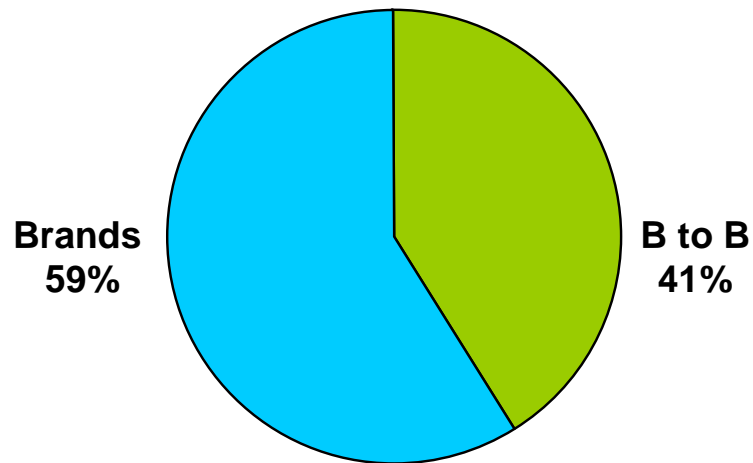
(Continuing operations, excluding one-off items)



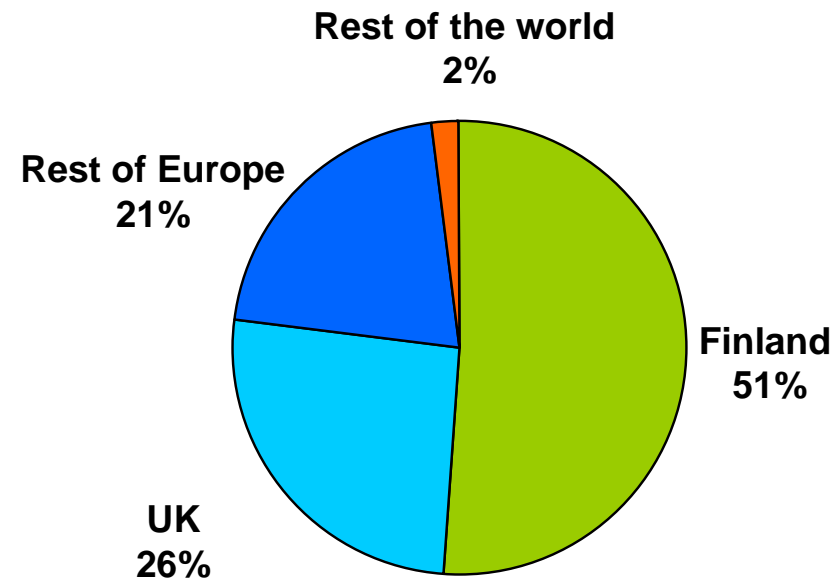
Distribution of net sales

(Pro forma February 2011 after the acquisition of Big Bear Group)

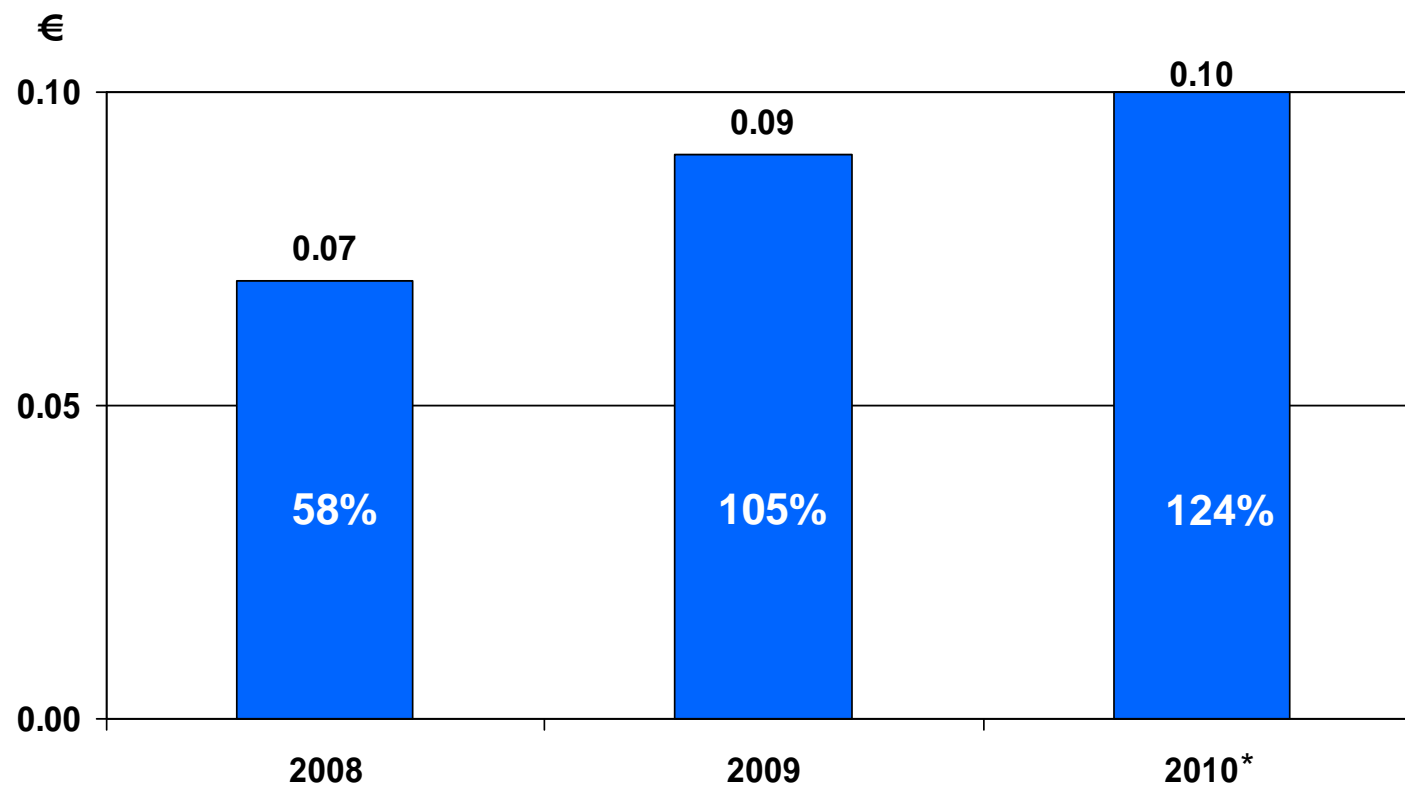
By Divisions



By regions



Dividend and EPS ratio (%)



*Board of Directors' proposal for dividend

Key figures, result

Continuing operations		Q4/2010	Q4/2009	2010	2009
Net sales	M€	117.8	91.5	443.0	375.9
Change in net sales	%	28.8	-22.8	17.9	-18.8
EBIT	M€	3.0	4.2	19.4	20.5*
EBIT	%	2.6	4.6	4.4	5.5*
Depreciation and impairment	M€	4.1	5.4	15.9	17.0*
EBITDA	M€	7.1	9.6	35.3	37.5*
Net financial expenses	M€	0.3	0.3	-1.9	-0.5*
Earnings per share (EPS)	€	0.01	0.02	0.08	0.09*
Earnings per share (EPS), diluted	€	0.01	0.02	0.08	0.09*

* Excluding one-off items

Key figures, balance sheet

		Q4/2010	Q4/2009	2010	2009
Equity ratio	%	-	-	67.6	73.4
Gearing	%	-	-	-22.5	-46.6
Net interest-bearing debt	M€	-	-	-72.9	-150.2
Equity per share	€	-	-	2.06	2.06
Dividend/share	€	-	-	0.10*	0.09
Gross investments	M€	2.9	3.0	49.1**	10.0
SHARE					
Market capitalisation***	M€	-	-	439.1	417.4
Enterprise value (EV)	M€	-	-	356.1	257.1
EV/EBITDA		-	-	10.1	6.9

* Dividend proposal of the Board of Directors

** Including the purchase of Glisten shares

*** Excluding the shares held by the company

A photograph of a breakfast meal. In the foreground, a white ceramic bowl with a floral pattern contains oatmeal topped with a square pat of butter. To the right, a glass of orange juice is visible. In the background, a packet of Elovenera cereal is prominently displayed, featuring a woman in a yellow jacket and the brand name in a stylized white font on a blue background. The scene is set against a blurred green background, possibly a field or garden.

Business reviews

Brands Division 2010

Net sales

- 236.4 M€ (177.6 M€)
- Growth +33%
- Sales of main brands increased in all markets
- Benecol sales stable, increased in new markets
- Sales of non-dairy products under Carlshamn brand doubled



Brands Division 2010

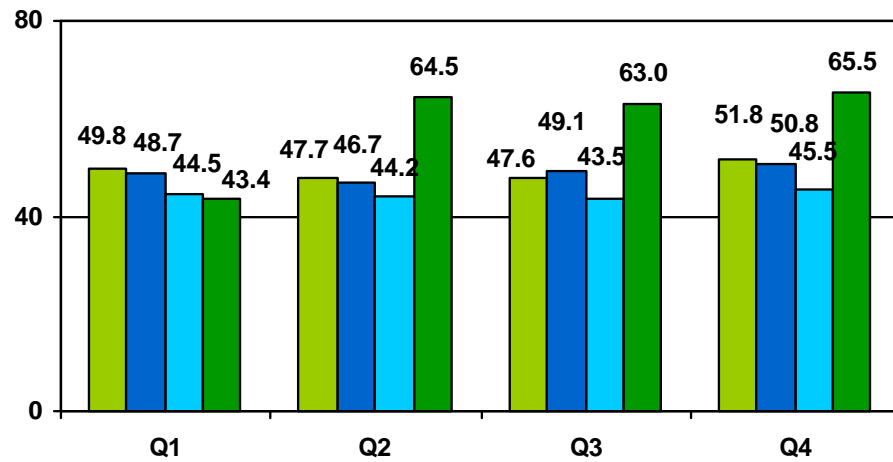
EBIT

- 20.0 M€ (20.5 M€)
- 8.5% (11.5%) of net sales
- At the previous year's level including the growth project costs
- Changed margarine business model reduced EBIT by 4 M€
- Raisio UK's profitability strengthened, as expected
- Positive result in Russia and Ukraine

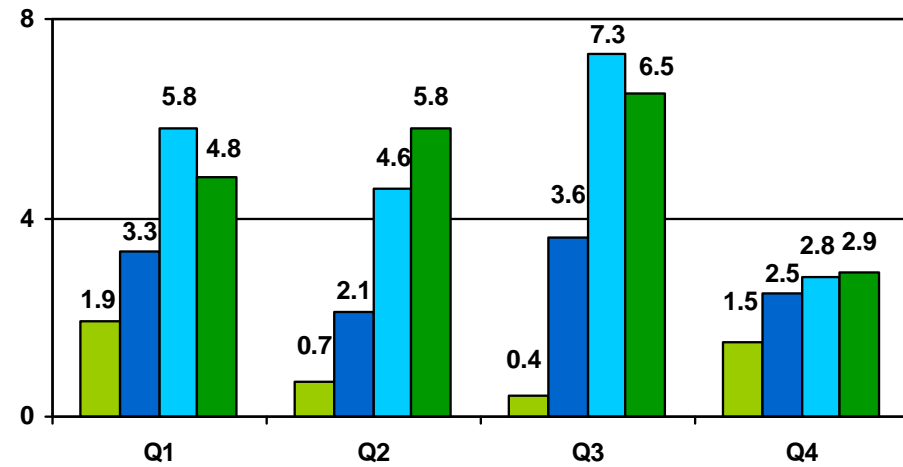


Brands Division

Net sales, M€



EBIT, M€
(excluding one-off items)



Business to Business Division 2010

- Despite the exceptional year Raisio's position in feed market remained unchanged
- Competitors gained price advantage for the use of GMO feed
 - Raisio doesn't use GMO raw materials in its products
- Market leadership strengthened in Finnish malt market
- Rapeseed oil as raw material for Neste Oil's renewable diesel. Deliveries started in December.
- Technical bio oils in several pilots



Business to Business Division 2010

Net sales

- 208.3 M€ (205.6 M€)

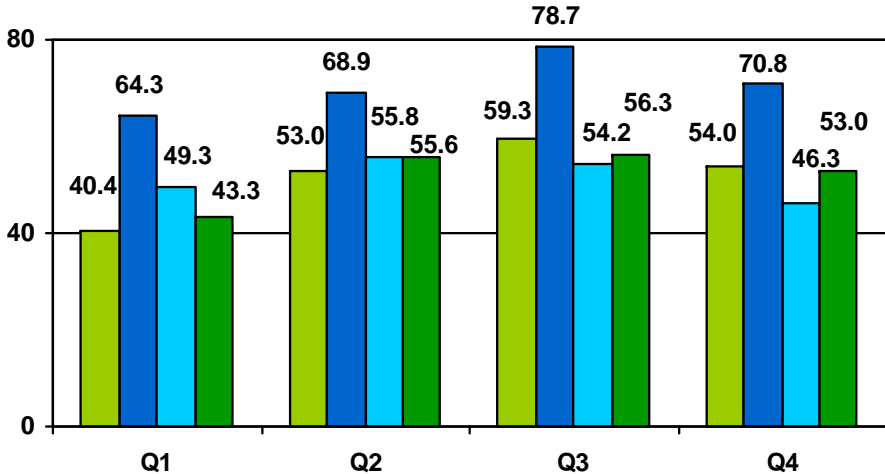
EBIT

- 2.1 M€ (3.0 M€)
- 1.0% (1.4%) of net sales
- Raisio increasingly uses new feed carbon footprint data to further develop its operations, feeding concepts and products.

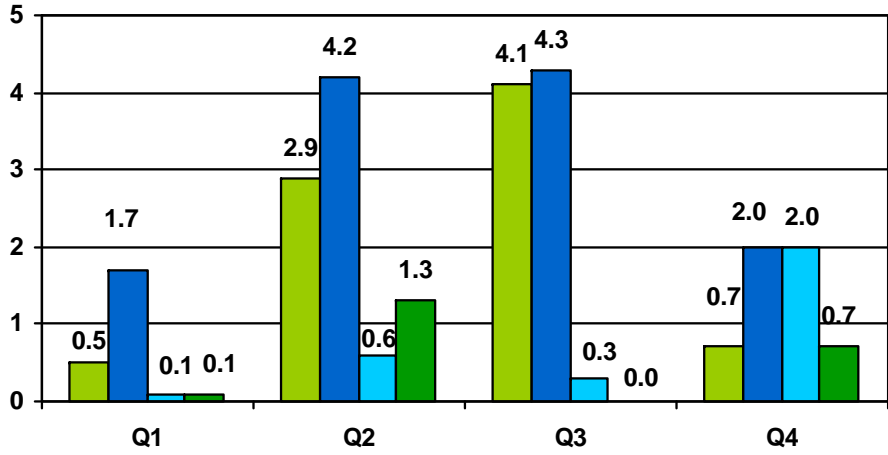


Business to Business Division

Net sales, M€



EBIT, M€
(excluding one-off items)



- 2007
- 2008
- 2009
- 2010

Outlook 2011

- Raisio continues the implementation of the growth phase as planned.
- We expect net sales increase for 2011, especially for the Brands Division.
- The effect of price volatility in raw materials continues.
- Activity in growth projects brings extensive costs compared to the company size and thus, undermines profitability in the short term.
- Group's target is to maintain the earlier 4-5% profitability level also during the growth phase.



HONEY MONSTER IS HERE...



Honey Monster Foods



Big Bear Group Plc

- Snacks, cereals and confectionery
- Well-known, traditional brands
- Strong market position in the UK
- Retail chains and impulse channel as customers
- Good profitability
- Strong growth in net sales



Key figures

- Enterprise value 95.3 M€ (82.0 M£)
- Net sales 65.1 M€ (56.0 M£)
- EBIT 12.1 M€ (19%)
- EBITDA 13.6 M€ (21%)
- After the acquisition, Raisio's financial assets are 100 M€ and equity ratio some 60%
- Big Bear Group as part of Raisio's financial reporting from Q1/2011
- Acquisition will improve Raisio's earnings per share in 2011, also after expenses and taxes related to the transaction

- EV / EBIT 7.9 x
- EV / EBITDA 7.0 x

