

FAVOURABLE BEGINNING OF THE YEAR
Result improved significantly

- Raisio's turnover for the first quarter was EUR 98.1 million (EUR 98.7 million for the first quarter of 2004 for continuing operations).
- Operating result was EUR 4.1 million (EUR 0.2 million).
- Operative profitability of Raisio Nutrition improved significantly and the growth of Raisio Life Sciences continued.
- Raisio's turnover is expected to be on par with the turnover from last year's continuing operations, yet their operating result is expected to improve during 2005 thanks to the extensive rationalisation programmes and the discontinuation of loss-making business.

In this review, figures for the comparison period have been presented in brackets and they stand for the continuing operations unless otherwise informed.

Key Figures

	1-3/2005	1-3/2004	2004
Turnover, EUR million	98.1	98.7*	437.9*
Operating result, EUR million	4.1	0.2*	10.6**
% of turnover	4.2	0.2*	2.4**
Result before taxes, EUR million	4.8	-0.9*	10.7**
Return on investment, %	5.0	3.5	46.7
Equity ratio %	71.8	28.3	76.4
Gearing, %	-39.7	153.7	-41.9
Earnings per share, EUR	0.02	-0.01*	0.07**
Equity per share, EUR	2.11	1.05	2.29

*continuing operations

**continuing operations excluding one-off items

CEO Rabbe Klemets:

"During the first quarter, Raisio's business operations progressed as planned. Raisio was able to improve the operative profitability of both business segments and take a few strategic steps that will enable growth during next year.

Research and product development create a basis for the renewal of Raisio. The simultaneous implementation of a number of product development projects requires focusing not only on R&D skills but also on production technology and marketing. To this end, we have commenced the planning of and the required change work for a production plant focusing on the manufacturing of oat and soy-based products, and formed new partnerships and strengthened old ones in order to improve the marketing channels for our new products. The GoGreen joint venture with Cerealia strengthens the commercialisation opportunities of our oat and soy-based products. The pure oats project opens a way for us to manufacture products aimed at the expanding "niche" market of celiac patients. While on the other hand, the acquisition of a minority share in the Obory dairy in Poland enables the expansion of the Benecol product family.

In the second proceeding, on the last day of the review period, Raisio's Annual General Meeting

approved a significant amendment to the Articles of Association. As a result, Raisio's corporate governance corresponds to the recommendation given to listed companies, apart from one exception: the Supervisory Board will continue to be responsible for the selection of Raisio's Board members. At the same time, it was decided to change the name Raisio Group plc to Raisio plc. I believe that the streamlining of corporate governance and the increase in transparency will, for their part, improve the credibility of Raisio as a listed company, and our clear and pithy name, Raisio plc, will communicate our dynamics and our aim for renewal."

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

This interim report has been prepared in accordance with the principles of the IFRS. Raisio adopted the International Financial Reporting Standards as of the beginning of 2005. This adoption has been explained in a separate report on 22 April 2005.

Financial assets have been categorised in compliance with IAS 39 as financial assets at fair value, loans and other receivables or financial assets available for sale. Hedge accounting is applied within the group on selected items. The

accounting of financial instruments according to IFRS principles had no major impact on equity.

RESULTS AND FINANCING

Raisio recorded a turnover of EUR 98.1 million (EUR 98.7 million) for the first quarter. The turnover of Raisio Life Sciences increased, whilst that of Raisio Nutrition decreased. Turnover from outside Finland for the first quarter represented 35.6% (33.8%) of the total, or EUR 34.9 million (EUR 33.4 million).

Consolidated operating result for the first quarter was EUR 4.1 million (EUR 0.2 million). Both Raisio Life Sciences and Raisio Nutrition were able to improve their profitability.

The first quarter's result before taxes was EUR 4.8 million (EUR -0.9 million). Raisio's net financial items totalled EUR +0.8 million (EUR -1.1 million). The financial result was significantly increased by the smaller amount of debt and extensive financial assets.

The result for the financial period in the first quarter was EUR 3.5 million (EUR -1.6 million). Earnings per share in the first quarter amounted to EUR 0.02 (EUR -0.01).

BALANCE SHEET AND FINANCIAL POSITION

The balance sheet total at the end of March was EUR 506.3 million (EUR 514.3 million on 31.12.2004), while shareholders' equity amounted to EUR 348.0 million (EUR 378.1 million on 31.12.2004). The equity was decreased by a dividend of EUR 34.7 million. Equity per share at the end of March was EUR 2.11 (EUR 2.29 on 31.12.2004).

The net interest-bearing debt of Raisio at the end of March was EUR -144.1 million (EUR -168.1 million on 31.12.2004). The equity ratio at the end of March was 71.8% (76.4% on 31.12.2004), and the gearing ratio was -39.7% (-41.9% on 31.12.2004).

Working capital increased to EUR 84.2 million (EUR 57.5 million on 31.12.2004). Working capital was increased due to bigger inventories and smaller accounts payable. Raisio's gross investments totalled EUR 4.7 million (EUR 3.5 million).

BUSINESS AREAS

Raisio Nutrition

Raisio Nutrition's turnover for the first quarter was EUR 85.9 million (EUR 88.0 million). The restructuring carried out decreased the margarine

sales in Sweden. Food sales in Finland were also showing a slight decrease. On the other hand, the turnover in Poland continued to grow. Turnover generated by the Feed and malt business was on par with the comparison period.

Raisio Nutrition turnover, EUR million

	1-3/2005	1-3/2004	2004
Food	50.1	52.6	217.1
Margarine products	28.3	28.8	121.6
Milling products	18.1	18.6	75.1
Processed food potato	4.6	4.9	21.2
Others	-	0.4	0.8
Internal sales	-0.9	-0.1	-1.7
Feed and malt	39.5	39.7	190.7
Feeds	36.2	36.4	165.2
Malt	3.0	3.0	24.7
Internal sales	-0.2	-0.1	-0.5
Internal sales for business area	-3.8	-4.4	-17.9
Total	85.9	88.0	389.9

Raisio Nutrition booked a significantly improved segment result of EUR 2.5 million (EUR -0.6 million) for the first quarter, i.e. 3.0% of the turnover. The improved profitability was due to enhanced margarine business, increased volume of farm feeds and the higher pressing margins of vegetable oil.

Codetermination talks, commenced at the beginning of February and aimed at further enhancing Raisio's margarine production, ended at the end of March. As a result of these talks, 17 employees will be made redundant and reorganisation of some tasks will be carried out. In addition, there will be a reduction of 5 jobs through retirement. Maintenance operations of the margarine plant were outsourced to ABB Oy, Service. A total of 110 employees will be working at the plant following reductions.

Raisio acquired a 25 per cent share of Obory, a Polish dairy company. Obory is a market leader in yoghurt drinks under the JOVI brand in Poland, where Raisio will now have the right to sell Obory products nationwide. Among other things, co-operation with Obory will enable Raisio to introduce new Benecol products to complement the successful Benecol margarine. A yoghurt drink, the first Benecol product manufactured by Obory, was introduced at the end of March. Obory products will strengthen Raisio's position and complement effectively the company's product portfolio. They will also give logistic synergy benefits on the rapidly expanding Polish markets and its neighbouring markets, both defined as Raisio's growth areas.

Raisio and the Swedish Cerealia Foods & Bread company will found GoGreen AB on the basis of equally shared ownership to meet the increasing consumer needs in the healthy plant-based products sector. GoGreen will provide an excellent channel into the North European markets, for example for the fresh oat and soy-based products in which Raisio invests by starting the manufacture of fresh oat and soy-based products in Turku. New products will be launched in early 2006.

Raisio was successful in the "Finnish Food Product of the Year 2005" competition organised by the Finnish Food and Drink Industries' Federation. The bread spreads series was won by the Benecol Olive spread, and the first and main course series by Keiju Fraiche, 20% cooking fraiches.

Raisio Life Sciences

The turnover for Raisio Life Sciences grew by 13.2% and amounted to EUR 13.4 million (EUR 11.8 million). The increase in ingredient sales came about mostly from increased purchases by existing customers. The solid growth of yoghurt drinks sold in mini-bottles continued. Turnover from the diagnostics business was on par with the comparison period.

Raisio Life Sciences turnover, EUR million

	1-3/2005	1-3/2004	2004
Ingredients	11.3	9.8	44.7
Diagnostics	2.1	2.0	8.6
Total	13.4	11.8	53.3

The segment result for Raisio Life Sciences improved in the first quarter to EUR 2.2 million (EUR 0.9 million) due to the increased turnover of the ingredients business. The segment result was 16.5% of the turnover.

RESEARCH AND DEVELOPMENT

Priorities in research and development are the development of new grain, soy and vegetable oil-based products, as well as new ingredients to complement Benecol. Raisio will also focus on the development of new technologies and applications. In food diagnostics, the development of fast pathogen screening methods is a priority.

Raisio, together with Finn Cereal, agreed on a Letter of Intent aimed at the manufacture of so-called pure oat products, especially for people with celiac disease. On completion of the final agreement, Raisio will be responsible for contract farming of oat, product development and marketing, whilst Finn Cereal will be responsible for the processing of pure oats. This agreement

gives Raisio the opportunity to continue the contract farming of healthy Finnish oats and their further processing into new consumer products both for the domestic and other EU markets. The products will be manufactured at Finn Cereal's Kokemäki production plant, which from now on will be reserved for pure oat products only.

Research and development costs in the first quarter amounted to EUR 2.2 million (EUR 1.9 million).

PERSONNEL AND GOVERNANCE

Raisio employed 1,372 people at the end of March (1,412 on 31.12.2004), 33% of whom worked outside Finland (32% on 31.12.2004).

At the end of March, Raisio Nutrition employed 1,036 people, Raisio Life Sciences 146 people, and Research and Development 104 people.

DECISIONS MADE AT THE ANNUAL GENERAL MEETING

The Annual General Meeting held on 31 March 2005 in Turku approved the financial statements for the financial period of 1 January–31 December 2004 and discharged those accountable from liability. The AGM decided to distribute EUR 0.21 per share as dividends from last year. The dividend was paid to shareholders on 12 April 2005.

The Board of Directors' proposed amendments to sections 1, 3, 6, 7, 8, 10, 14, 15 and 19 of the Articles of Association were approved. The new Articles of Association approved in the second proceeding in accordance with section 19 of the Articles of Association became effective on 25 April 2005 and are available at www.raisiogroup.com.

The AGM authorised the Board of Directors to decide on the repurchase and disposal of company shares. The maximum number of shares to be purchased is five per cent of the company's share capital and five per cent of all the company's votes. These authorisations are valid until the Annual General Meeting in 2006, however no later than 31 March 2006. The details of the authorisations have been disclosed in a stock exchange release issued on 16 February 2005.

The number of members in the Supervisory Board for 2006 was confirmed as 23. The following people were selected as members of the Supervisory Board from 1 January 2006 until the end of the Annual General Meeting in 2008: Risto Ervelä, Holger Falck, Esa Härmälä, Timo

Järvilahti, Antti Lithovius, Urban Silén and Simo Vaismaa.

Johan Kronberg and Mika Kaarisalo, authorised public accountants, were elected regular auditors for the financial year 2006.

PricewaterhouseCoopers Oy and Kalle Laaksonen, authorised public accountant, were elected deputy auditors.

SHARES AND SHAREHOLDERS

The number of Raisio plc's free shares traded on the Helsinki Exchanges in the first quarter totalled 41.0 million (46.6 million). The value of share trading was EUR 92.8 million (EUR 65.9 million) and the average price EUR 2.26 (EUR 1.42). The closing price on 31 March 2005 was EUR 2.36. The price of the series V shares rose by 24% from the beginning of the year.

A total of 661,826 restricted shares were traded in the first quarter (456,621). The value of share trading was EUR 1.5 million (EUR 0.7 million) and the average price EUR 2.29 (EUR 1.50). The closing price on 31 March 2005 was EUR 2.38. The price of the series K shares rose by 29% from the beginning of the year.

On 31 March 2005, Raisio had 44,857 registered shareholders. Of all shares, 12.7% were in foreign holding (11.7 % on 31.12.2004) with the

corresponding value for free shares being 16.0% (14.8% on 31.12.2004).

OUTLOOK

Raisio's turnover is expected to be on par with the turnover from last year's continuing operations, yet their operating result is expected to improve during 2005 thanks to the extensive rationalisation programmes and the discontinuation of loss-making business. However, the second quarter operating profit is estimated to be somewhat lower than the operating profit for the continuing operations (EUR 4.7 million excluding one-off items) in the comparison period.

Raisio, 03.05.2005

Raisio plc
Board of Directors

Further information:

Taru Narvanmaa, Executive Vice President,
Communications and Investor Relations, tel. +358
50 590 9398

Jyrki Paappa, Chief Financial Officer, tel. +358 50
5566 512

A press and analyst conference will be organised in Helsinki on 3 May 2005 at 3 p.m. A teleconference in English will be held on 3 May 2005 at 4.30 p.m. tel. +358 (0)800 148 766.

No auditors' report has been issued concerning the interim report.

INCOME STATEMENT (EUR million)	1-3/2005	1-3/2004	2004
CONTINUING OPERATIONS:			
Turnover	98.1	98.7	437.9
Cost of sales	-76.4	-81.0	-360.0
Gross profit	21.6	17.7	78.0
Other operating income and expenses, net	-17.6	-17.4	-96.2
Operating result	4.1	0.2	-18.4
Finance income and expenses	0.8	-1.1	-1.6
Share of result of associates	-0.1	-0.1	-0.4
Result before tax	4.8	-0.9	-20.3
Income tax	-1.3	-0.7	1.2
Result for the period from the continuing operations	3.5	-1.6	-19.1
DISCONTINUED OPERATIONS:			
Result for the period from discontinued operations	-	-14.3	232.1
RESULT FOR THE PERIOD	3.5	-16.0	213.0
Attributable to:			
Equity holders of the parent	3.4	-16.1	211.3
Minority interest	0.1	0.2	1.7
Earnings per share from the profit attributable to equity holders of the parent (EUR)			
Earnings per share from continued operations (EUR)	0.02	-0.10	1.28
Earnings per share from discontinued operations (EUR)	0.02	-0.01	-0.12
Earnings per share from discontinued operations (EUR)	-	-0.09	1.40

No auditors' report has been issued concerning the interim report.

BALANCE SHEET (EUR million)

	31.3.2005	31.3.2004	31.12.2004
Non-current assets			
Intangible assets	10.2	12.2	10.2
Goodwill	16.8	41.2	17.0
Tangible assets	127.1	136.3	127.0
Shares in associated companies	1.5	1.9	1.6
Investments available for sale	8.1	7.1	8.0
Receivables	7.0	7.5	6.7
Deferred tax assets	8.7	18.3	9.5
Current assets			
Inventories	68.8	80.6	56.5
Accounts receivables and other receivables	66.5	44.6	63.8
Financial assets at fair value through profit or loss	184.7	8.9	210.4
Cash in hand and at banks	6.8	4.2	3.8
Non-current assets available for sale	-	329.4	-
Total assets	506.3	692.3	514.3
Equity attributable to equity holders of the parent	348.0	172.7	378.1
Minority interest	14.8	22.8	14.7
Deferred tax liability	10.3	16.5	10.3
Pension liabilities	0.7	3.9	0.7
Non-current interest bearing liabilities	23.2	218.7	26.0
Accounts payable and other liabilities	85.8	54.7	61.8
Current interest bearing liabilities	23.5	12.1	22.8
Liabilities related to non-current assets available for sale	-	190.9	-
Total equity and liabilities	506.3	692.3	514.3

No auditors' report has been issued concerning the interim report.

CHANGES IN GROUP EQUITY (EUR million)

	Sha- re- ca- pi- tal	Share pre- mium acc- ount	Reser- ve fund	Ot- her re- ser- ves	Trans- lati- on diffe- ren- ces	Re- valu- ati- on re- serve	Re- tai- ned ear- nings	To- tal	Mino- rity in- te- rest	To- tal
Equity at 1.1.04	27.8	2.9	88.8	0.2	0.0	0.0	69.9	189.5	23.1	212.6
Dividend paid							-1.7	-1.7	-0.2	-1.9
Changes in translation differences			0.0		1.7		-0.7	1.0	0.3	1.3
Net profit for review period							-16.1	-16.1	0.2	-16.0
Items recognised directly in equity					-0.2			-0.2		-0.2
Tax of previous period					0.1			0.1		0.1
Other changes			0.0				0.1	0.1	-0.5	-0.4
Equity at 31.3.04	27.8	2.9	88.8	0.2	1.6	0.0	51.5	172.7	22.8	195.6
Equity at 1.1.05	27.8	2.9	88.6	0.0	-3.2	0.0	262.0	378.1	14.7	392.0
Effects of adopting IAS 32 and IAS 39						0.3	-0.3	0.0		0.0
Dividend paid							-34.7	-34.7		-34.7
Changes in translation differences					1.4		-0.4	1.0		1.0
Items recognised directly in equity					-0.1			-0.1		-0.1
Tax of previous period					0.0			0.0		0.0
Cash flow hedges										
Hedge result referred to equity						-0.1		-0.1		-0.1
Investments available for sale										
Fair value profits						0.6		0.6		0.6
Deferred tax entered in equity						-0.1		-0.1		-0.1
Net profit for review period							3.4	3.4	0.1	3.5
Other changes							0.0	0.0	0.0	0.0
Equity at 31.3.05	27.8	2.9	88.6	0.0	-1.9	0.6	230.0	348.0	14.8	362.8

No auditors' report has been issued concerning the interim report.

CASH FLOW STATEMENT (EUR million)

	1-3/2005	1-3/2004	2004
Cash flow before change in working capital	10.2	14.4	44.6
Change in working capital	-24.2	-5.9	13.1
Financial items and taxes	0.6	-5.5	-11.9
Cash flow from business operations	-13.4	2.9	45.9
Investments	-6.8	-12.2	-32.5
Proceeds from sale of fixed assets	-	0.5	406.3
Cash flow from investments	-6.8	-11.6	373.8
Change in non-current loans	-2.8	0.4	-219.2
Change in current loans	0.3	3.4	0.3
Change in loan receivables	-	-0.1	-1.0
Dividend paid	-	-0.2	-21.7
Cash flow from financial operations	-2.5	3.5	-241.6
Unallocated items	-0.1	0.6	1.4
Change in liquid funds	-22.9	-4.6	179.5
Liquid funds at beginning of period	214.1	34.6	34.6
Impact of change of market value on liquid funds	0.3	-	-
Liquid funds at end of period	191.5	30.1	214.1

TURNOVER BY SEGMENT (EUR million)

	1-3/2005	1-3/2004	2004
Raisio Nutrition	85.9	88.0	389.9
Raisio Life Sciences	13.4	11.8	53.3
Other operations	0.2	-	-
Interdivisional turnover	-1.4	-1.1	-5.3
Total turnover from continuing operations ^{98.1}	98.7	437.9	
Discontinued operations	-	108.2	192.7
Eliminations	-	-1.3	-3.6
Total turnover	98.1	205.6	627.0

SEGMENT RESULTS (EUR million)

(Operating profit + share of result of associates)

	1-3/2005	1-3/2004	2004
Raisio Nutrition	2.5	-0.6	-10.2
Raisio Life Sciences	2.2	0.9	-4.8
Other operations	-0.6	-0.2	-3.9
Eliminations	-0.1	0.0	0.1
Segment result from continuing operations	4.0	0.1	-18.8
Discontinued operations	-	6.6	240.9
Eliminations	-	0.0	-
Total	4.0	6.7	222.2

No auditors' report has been issued concerning the interim report.

NET ASSETS BY SEGMENT (EUR million)

	31.3.2005	31.3.2004	31.12.2004
Raisio Nutrition	163.7	177.1	147.5
Raisio Life Sciences	51.1	64.7	47.0
Other operations	148.0	-46.2*	198.3
Total	362.8	195.5	392.8

* incl. discontinued operations

INVESTMENTS BY SEGMENT (EUR million)

	1-3/2005	1-3/2004	2004
Raisio Nutrition	2.8	2.3	16.0
Raisio Life Sciences	1.0	0.2	2.8
Other operations	4.5	0.9	4.4
Eliminations	-3.6	0.0	-1.2
Total investments from continuing operations	4.7	3.5	22.1
Discontinued operations	-	10.0	12.8
Total investments	4.7	13.5	34.8

TURNOVER BY MARKET AREA FROM CONTINUING OPERATIONS (EUR million)

	1-3/2005	1-3/2004*	2004*
Finland	63.1	65.3	280.8
Poland	9.2	7.6	33.4
Russia	4.0	4.5	32.4
Other Europe	20.9	20.1	85.1
ROW	0.8	1.2	6.2
Total	98.1	98.7	437.9

* continuing operations

QUARTERLY PERFORMANCE (EUR million)

	1-3/2005	10-12/2004	7-9/2004	4-6/2004	1-3/2004
Turnover of Raisio Nutrition	85,9	97,5	99,0	105,4	88,0
Turnover of Raisio Life Sciences	13,4	16,1	11,7	13,7	11,8
Interdivisional turnover	-1,2	-1,5	-1,1	-1,5	-1,1
Total turnover	98,1	112,1	109,6	117,5	98,7
Segment result of Raisio Nutrition	2,5	4,3	3,4	-17,3	-0,6
Segment result of Raisio Life Sciences	2,2	1,6	0,8	-8,1	0,9
Other operations	-0,6	-0,5	-0,5	-2,7	-0,2
Eliminations	-0,1	0,0	0,0	0,0	0,0
Total segment results	4,0	5,5	3,7	-28,1	0,1
Finance income and expenses, net	0,8	0,7	0,2	-1,3	-1,1
Result before tax	4,8	6,1	3,9	-29,4	-0,9
Income tax	-1,3	-2,8	7,1	-2,4	-0,7
Result for the period from the continuing operations	3,5	3,3	11,0	-31,8	-1,6

No auditors' report has been issued concerning the interim report.

KEY INDICATORS

	1-3/2005	1-3/2004	2004
Return on equity, ROE, %	3.7	-31.3	70.4
Return on investment, ROI, %	5.0	3.5	46.7
Interest bearing liabilities at end of period, EURm	47.4	330.5	49.5
Gross investments, EURm	4.7	13.5	34.8
Gross investments from continuing operations, EURm	4.7	3.5	22.1
% of turnover from continuing operations	4.8	3.5	5.0
R & D expenditure, EURm	2.2	4.6	12.9
R & D expenditure from continuing operations, EURm	2.2	1.9	8.4
% of turnover from continuing operations	2.3	1.9	1.9
Personnel average	1,378	2,719	2,005
Personnel average in continuing operations	1,378	1,522	1,498
Equity ratio, %	71.8	28.3	76.4
Gearing, %	-39.7	153.7	-41.9
Earnings/share, EUR	0.02	-0.10	1.28
Cash flow from operations/share, EUR	-0.08	0.02	0.28
Equity/share, EUR	2.11	1.05	2.29
Average number of shares during the period, in 1,000s			
Free shares	130,585	130,097	130,455
Restricted shares	34,564	35,052	34,694
Total	165,149	165,149	165,149
Market capitalisation of shares at end of the Period, EURm			
Free shares	308.2	201.0	248.1
Restricted shares	82.2	52.6	63.9
Total	390.4	253.6	312.0

No auditors' report has been issued concerning the interim report.

CONTINGENT LIABILITIES (EUR million)	31.3.2005	31.3.2004	31.12.2004
Assets given for security			
For the company			
Mortgages on real estate	52.7	72.6	52.7
Securities pledged	0.2	4.1	0.5
Corporate mortgages	34.1	46.9	34.4
Contingent off-balance sheet			
Non-cancellable other leases			
Minimum lease payments	2.6	1.7	1.8
Contingent liabilities for the Group companies			
Guarantees	-	1.0	-
Contingent liabilities for the Company	2.1	4.8	2.1
Contingent liabilities for others			
Guarantees	-	1.1	0.1
Other liabilities	1.5	5.0	-
 DERIVATIVE CONTRACTS (EUR million)			
Nominal values of derivative contracts			
Raw material futures	2.0	14.0	0.8
Forward electricity contracts	1.0	4.1	5.6
Currency forward contracts	38.9	61.9	35.9
Interest-rate swaps	-	80.0	-