

SUSTAINED GROWTH AND IMPROVED PROFITABILITY FOR RAISIO

- In April–June Raisio’s turnover increased by 16 per cent year-over-year, amounting to EUR 122.9 million (EUR 106.1 million in April–June 2007).
- Operating result in April–June was EUR 6.5 million (EUR 3.3 million), or 5.3 per cent of turnover.
- All of Raisio’s divisions recorded a profitable operating result.
- 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

| | 4-6/2008 | 4-6/2007 | 1-6/2008 | 1-6/2007 | 2007 |
|----------------------------------|----------|----------|----------|----------|-------|
| Turnover, EUR million | 122.9 | 106.1 | 241.8 | 202.9 | 421.9 |
| Operating result, EUR million | 6.5 | 3.3 | 10.7 | 4.4 | 9.9 |
| % of turnover | 5.3 | 3.1 | 4.4 | 2.2 | 2.3 |
| Result before taxes, EUR million | 6.3 | 2.8 | 10.4 | 4.9 | 8.8 |
| Earnings per share, EUR | 0.02 | 0.01 | 0.04 | 0.02 | 0.05 |

The figures do not include one-off items.

Key figures, balance sheet

| | 30.6.2008 | 30.6.2007 | 31.12.2007 |
|-------------------------|-----------|-----------|------------|
| Return on investment, % | 10.5 | 3.6 | 3.5 |
| Equity ratio, % | 78.2 | 78.2 | 77.9 |
| Net gearing, % | -0.3 | -9.8 | -13.1 |
| Equity per share, EUR | 1.73 | 1.71 | 1.70 |

CEO Matti Rihko:

“The second-quarter figures show that Raisio is on the right path. The forceful measures that we took well in advance to enhance cost-effectiveness have been successful. The simultaneous move to make operations more customer-oriented provides a foundation for future growth, although product launches, marketing inputs and research and development projects raise costs in the short term.

Global changes in the food chain will affect the rules in the food industry. To ensure the availability and sufficiency of Finnish grain raw material, Raisio actively participates in developing the whole grain chain.

Competition has remained stiff in feeds. The Ylivieska plant, inaugurated in June, will considerably strengthen Raisio’s competitive position in the future because the highly efficient plant has low operating costs and an ideal location in terms of logistics at the heart of Finland’s milk-producing region.

The CO₂ emissions label that Raisio introduced in the spring has been very well received. Raisio’s actions come as an answer to the quickly strengthening changes in living habits. I firmly believe that people are ready to move from words to action in order to curb climate change, and the Elovena CO₂ label gives them important information in this respect.

As a pioneer in plant-based, ecological food, and as one of Europe’s most innovative grain companies, Raisio is in an extremely good position to answer the new challenges facing the food industry.”

RESULT FROM CONTINUING OPERATIONS

Raisio's turnover in April–June increased by 16.0% to EUR 122.9 million (EUR 106.1 million). The most significant growth was seen in the Feed & Malt Division. The Food Division's turnover amounted to EUR 49.7 million (EUR 48.5 million), while that of Feed & Malt was EUR 68.9 million (EUR 53.0 million) and that of Ingredients EUR 10.1 million (EUR 10.7 million).

Turnover in January–June increased over 19 per cent year-over-year, totalling EUR 241.8 million (EUR 202.9 million). Turnover from outside Finland represented 38.3% (39.7%) of the total, or EUR 92.5 million (EUR 80.5 million).

The Group's operating result in April–June totalled EUR 6.5 million (EUR 3.3 million). The Food Division posted an operating result of EUR 0.9 million (EUR -1.7 million), Feed & Malt EUR 4.2 million (EUR 2.9 million), Ingredients EUR 1.7 million (EUR 2.6 million) and other operations EUR -0.7 million (EUR -0.5 million).

Operating result in January–June was EUR 10.7 million (EUR 4.4 million) and, including one-off items, EUR 14.9 million (EUR 4.4 million). In the first quarter, Raisio booked a one-off income item of EUR 4.2 million from the dissolution of joint ventures with Lantmännen, a Swedish corporation. Depreciations, allocated to operations in the income statement, amounted to EUR 4.4 million (EUR 4.4 million) in April–June and to EUR 8.8 million (EUR 8.7 million) in January–June.

The second-quarter result before taxes was EUR 6.3 million (EUR 2.8 million), while that for January–June was EUR 10.4 million (EUR 4.9 million) and, including one-off items, EUR 14.7 million (EUR 4.9 million). Raisio's net financial income in April–June totalled EUR -0.2 million (EUR -0.3 million), and EUR -0.3 million in January–June (EUR 0.7 million).

The second-quarter result after taxes was EUR 3.8 million (EUR 2.1 million), while that for January–June was EUR 6.9 million (EUR 3.8 million) and, including one-off items, EUR 11.1 million (EUR 3.8 million). Earnings per share in April–June were EUR 0.02 (EUR 0.01), in January–June EUR 0.04 (EUR 0.02) and, including one-off items, EUR 0.07 (EUR 0.02). Return on investment was 10.5 per cent (3.6%).

BALANCE SHEET AND FINANCIAL POSITION

At the end of June, Raisio's balance sheet total was EUR 346.6 million (EUR 360.3 million on 31 December 2007) and its equity was EUR 270.6 million (EUR 278.8 million on 31 December 2007). Equity per share at the end of June was EUR 1.73 (EUR 1.70 on 31 December 2007).

The Group's interest-bearing debt at the end of June was EUR 15.3 million (EUR 7.2 million on 31 December 2007). Net interest-bearing debt totalled EUR -0.9 million (EUR -36.5 million on 31 December 2007). The equity ratio at the end of June was 78.2% (77.9% on 31 December 2007), and the net gearing ratio -0.3% (-13.1% on 31 December 2007). Cash flow from business operations in the second quarter was EUR 0.1 million (EUR 7.5 million) and EUR -10.1 million (EUR -11.2 million) in January–June. Working capital rose to EUR 125.1 million (EUR 100.5 million on 31 December 2007). The increase in working capital came from the higher value of inventories, a decrease in accounts payable and an increase in accounts receivable.

Raisio's gross investments in April–June were EUR 4.7 million (EUR 5.8 million) and in January–June EUR 22.0 million (EUR 12.2 million), which corresponds to 9.1 per cent (6.0%) of turnover.

CONTINUING OPERATIONS

Food

The Food Division's turnover in April–June amounted to EUR 49.7 million (EUR 48.5 million) and that of January–June to EUR 98.7 million (EUR 98.3 million). The Food Division's turnover figures are reported by market area. The Northern Europe market area includes Finland, Sweden and the Baltic countries, while Eastern Europe consists of Poland, Russia and neighbouring regions.

Northern Europe increased its turnover year-over-year, when taking into account that the comparison period includes rice resale, which Raisio is no longer involved in, as well as partly unprofitable bakery flour sales. Their divestment decreased turnover but improved profitability. The sales of branded products increased.

In early May 2008, Raisio launched a new flavour in the Elovena snack drink range. Sales of the drinks now exceed 1.5 million consumer packages. The Elovena snack drink range will be expanded again this autumn, and the products will be launched, for example, in Sweden and Poland.

Raisio re-launched margarines under the Carlshamn Mejeri brand in Sweden. The brand is very well known in Sweden, and the products have been well received both among retail trade and consumers. Raisio will continue its growth inputs in Sweden by introducing new products and product groups.

Turnover grew in the Eastern European markets. The sales of margarine and Benecol products increased year-over-year in Poland, while flake sales continued to grow in Russia. Margarine sales decreased further in Russia. In both countries, the product range was renewed to match consumer needs.

Key figures for the Food Division

| | 4-6/2008 | 4-6/2007 | 1-6/2008 | 1-6/2007 | 2007 |
|--|----------|----------|----------|----------|-------|
| Turnover, EUR million | 49.7 | 48.5 | 98.7 | 98.3 | 197.1 |
| Northern Europe | 34.9 | 36.0 | 70.0 | 72.6 | 148.1 |
| Eastern Europe | 16.0 | 13.4 | 31.5 | 27.9 | 53.9 |
| Operating result, EUR million | 0.9 | -1.7 | 5.7 | -2.6 | -11.1 |
| One-off items, EUR million | 0.0 | 0.0 | 4.2 | 0.0 | -5.3 |
| Operating result, excluding one-off items, EUR million | 0.9 | -1.7 | 1.5 | -2.6 | -5.8 |
| % of turnover | 1.8 | -3.6 | 1.5 | -2.7 | -2.9 |
| Investments | 1.4 | 1.0 | 15.1 | 4.4 | 7.2 |
| Net assets | - | - | 83.6 | 97.8 | 85.8 |

The operating result for the Food Division clearly improved year-over-year in April–June, amounting to EUR 0.9 million (EUR -1.7 million). The Food Division posted its second consecutive profitable operating result. The Division's profitability improved from the comparison period thanks to cost-effectiveness, the divestment of unprofitable operations, the ongoing cutting of the product range, successful new product launches and the new, flexible pricing system. Operating result in January–June was EUR 1.5 million (EUR -2.6 million) and, including one-off items, EUR 5.7 million (EUR -2.6 million). In the first quarter, a one-off income item of EUR 4.2 million was booked in the Food Division's operating result, following the dissolution of the joint ventures with Lantmännen.

Raisio will continue its measures to enhance cost-effectiveness. Raisio will also launch new products and product groups and continue its inputs in product development based on consumer needs, as well as in marketing communications.

Feed & Malt

The Feed & Malt Division's turnover in April–June increased by 30% to EUR 68.9 million (EUR 53.0 million). Turnover from malt increased by nearly 37 per cent and that of feeds by 30 per cent year-over-year. The increase came from the growth in feed sales volumes, as well as the transfer of higher raw material prices to the prices of end products. Despite stiff competition, Raisio strengthened its position in the feed market. Turnover in January–June totalled EUR 133.2 million (EUR 93.4 million), which means a year-over-year growth of more than 42 per cent.

Key figures for the Feed & Malt division

| | 4-6/2008 | 4-6/2007 | 1-6/2008 | 1-6/2007 | 2007 |
|--|----------|----------|----------|----------|-------|
| Turnover, EUR million | 68.9 | 53.0 | 133.2 | 93.4 | 206.7 |
| Feed | 56.2 | 43.4 | 109.1 | 78.0 | 175.5 |
| Malt | 11.9 | 8.7 | 21.2 | 14.4 | 30.1 |
| Other | 1.0 | 1.0 | 3.3 | 1.2 | 1.7 |
| Operating result, EUR million | 4.2 | 2.9 | 5.9 | 3.4 | 14.2 |
| One-off items, EUR million | 0.0 | 0.0 | 0.0 | 0.0 | 6.0 |
| Operating result, excluding one-off items, EUR million | 4.2 | 2.9 | 5.9 | 3.4 | 8.2 |
| % of turnover | 6.1 | 5.5 | 4.4 | 3.6 | 4.0 |
| Investments | 2.6 | 2.7 | 4.9 | 4.6 | 16.7 |
| Net assets | - | - | 122.9 | 76.5 | 86.0 |

The Feed & Malt Division's operating result in April–June totalled EUR 4.2 million (EUR 2.9 million). The improvement came from the good financial performance in malt and the enhanced pressing margins in oil milling. Price competition continued to be stiff in the feed markets. Operating result in January–June totalled EUR 5.9 million (EUR 3.4 million).

The Ylivieska feed plant was inaugurated on 23 June 2008, and production will be up and running at full speed in early 2009. 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 investment in the highly efficient plant was around EUR 20 million. Production at the Oulu plant will be wound down in autumn 2008.

The grain markets have slowed down in anticipation of the new crop. The global crop of grain and oil plants will have a remarkable impact on future price development in Finland. Worldwide markets for grain raw material will continue to experience uncertainty and strong volatility.

Ingredients

Turnover in the Ingredients Division in April–June totalled EUR 10.1 million (EUR 10.7 million). Turnover decreased because of the drop in raw material prices. The sales of Benecol products increased in Great Britain and Poland, while in Belgium sales fell from the comparison period. Sales volumes corresponded to those of the comparison period. Turnover in January–June totalled EUR 22.8 million (EUR 23.1 million).

Key figures for the Ingredients Division

| | 4-6/2008 | 4-6/2007 | 1-6/2008 | 1-6/2007 | 2007 |
|--|----------|----------|----------|----------|------|
| Turnover, EUR million | 10.1 | 10.7 | 22.8 | 23.1 | 44.9 |
| Operating result, EUR million | 1.7 | 2.6 | 5.0 | 5.0 | 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 | 1.7 | 2.6 | 5.0 | 5.0 | 9.5 |
| % of turnover | 17.4 | 24.1 | 22.1 | 21.8 | 21.2 |
| Investments | 0.2 | 1.8 | 0.9 | 4.1 | 7.5 |
| Net assets | - | - | 40.1 | 45.5 | 46.0 |

Operating result in the Ingredients Division in April–June totalled EUR 1.7 million (EUR 2.6 million). Operating result in January–June totalled EUR 5.0 million (EUR 5.0 million).

Raisio and its partners are preparing new product launches, but it is difficult to estimate the duration of permit processes in different countries. To secure growth in the European markets for cholesterol-lowering, functional foods, the Division must be able to introduce new product applications and enhance co-operation with partners.

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. As one of the global pioneers in the sector, Raisio has equipped its Elovena oats with a label indicating the CO₂ emissions of the product and has thus created a new labelling indicator. Raisio participates in several projects and will expand the use of its CO₂ label in its consumer products during this year.

Research and development costs amounted to EUR 1.4 million (EUR 1.3 million) in the second quarter, and to EUR 2.9 million (EUR 3.0 million) in the January to June period, representing 1.2 per cent (1.5%) of turnover.

PERSONNEL

Raisio employed 1,135 people at the end of June (1,239 on 30 June 2007), 29.3% of whom worked outside Finland (30.3 % on 30 June 2007). At the end of June, the Food Division had 694, Feed & Malt 304, Ingredients 67 and service functions 70 employees. The headcount also includes summer employees.

Markku Krutsin, MSc (Econ. & Bus. Adm.) and MBA, Vice President of Raisio plc's Food Division, Northern Europe, and Jacek Dziekonski, MSc (Eng.) and MBA, Vice President of Raisio plc's Food Division, Eastern Europe, have been appointed members of the Group's management team as of 1 June 2008.

SHARES AND SHAREHOLDERS

The number of Raisio plc's free shares traded on the OMX Nordic Exchange Helsinki in January–June totalled 14.6 million (23.9 million). The value of trading was EUR 22.9 million (EUR 47.4 million), and the average share price was EUR 1.57 (EUR 1.98). The closing price on 30 June 2008 was EUR 1.70.

A total of 0.4 million restricted shares (0.6 million) were traded in January–June. The value of trading was EUR 0.6 million (EUR 1.2 million), and the average share price was EUR 1.69 (EUR 1.96). The closing price on 30 June 2008 was EUR 1.70.

On 30 June 2008, the Group had a total of 37,364 registered shareholders (37,873 on 31 December 2007). Foreign ownership of the entire share capital was 14.6 per cent (15.4% on 31 December 2007).

Raisio's market value at the end of June amounted to EUR 280.8 million (EUR 248.4 million on 31 December 2007). Excluding the company shares held by the Group, the company's market value was EUR 266.6 million (EUR 235.8 million on 31 December 2007).

At the end of the review period, Raisio plc held 8,158,500 free shares and 177,803 restricted shares. The number of free shares accounts for 6.24% of all free shares and the votes they represent, while the corresponding figure for restricted shares is 0.52%. In all, the company shares held by the Group represent 5.05% of the company's share capital and 1.43% of overall votes.

Raisio plc's subsidiaries did not hold any shares in the parent company. The Raisio plc's 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.

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 turnover 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.

EVENTS AFTER THE REVIEW PERIOD

On 3 July 2008, Raisio and Eurofins Scientific Finland Oy signed business divestment agreements by which Raisio outsources its laboratory operations to Eurofins. The 45 employees of Raisio's laboratory services will transfer to the employment of Eurofins on 1 September 2008 when the company takes over the laboratory business and assumes responsibility for the laboratory services needed by Raisio. Outsourcing laboratory activities will generate cost savings in the field of mass testing and will improve the service level, as Eurofins focuses its operations on the site in Raisio.

RISKS AND SOURCES OF UNCERTAINTY IN THE NEAR FUTURE

The biggest challenges in the near future come from controlling the volatility of raw material prices, as well as the amount and quality of the next crop. Changes affecting the food industry and the growing profitability pressure felt in trade, the industry and among farmers make the external operating environment challenging.

According to the decision made by the Assessment Adjustment Board of the Tax Office for Major Corporations in November 2006, the sales profit of the divestment of Raisio Chemicals,

totalling approximately EUR 220 million, is free of tax. The case is still under consideration in the Helsinki administrative court. Raisio's stand, supported by the expert statements obtained by the company, remains the same: the sales profit is free of tax.

OUTLOOK

Raisio's forecast of the Group's outlook for 2008 remains unchanged. Raisio's turnover is 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 turnover and improve profitability from the previous year.

Raisio, 1 August 2008

RAISIO PLC

Board of Directors

Further information:

Matti Rihko, CEO, tel. +358 400 830 727
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Heidi Hirvonen, Communications Manager,
tel. +358 50 567 3060

A press and analyst event in Finnish will be arranged on 1 August 2008 at 10:30 a.m. Finnish time in Helsinki. It will be held at Hotel Scandic Simonkenttä, in the Mansku meeting room. The address is Simonkatu 9, Helsinki

A teleconference in English will be held on 1 August 2008 at 4:00 p.m. Finnish time, tel. +358 (0)9 8248 6169, PIN code 7413.

The interim report has not been audited.

The interim report for January–September will be published on 31 October 2008.

CONDENSED FINANCIAL STATEMENTS AND NOTES

INCOME STATEMENT (EUR million)

| | 4-6/2008 | 4-6/2007 | 1-6/2008 | 1-6/2007 | 2007 |
|--|----------|----------|----------|----------|--------|
| CONTINUING OPERATIONS: | | | | | |
| Turnover | 122.9 | 106.1 | 241.8 | 202.9 | 421.9 |
| Expenses corresponding to products sold | -102.6 | -88.8 | -201.7 | -169.7 | -352.0 |
| Gross profit | 20.3 | 17.3 | 40.0 | 33.2 | 69.9 |
| Other operating income and expenses, net | -13.8 | -14.0 | -25.1 | -28.8 | -59.3 |
| Operating result | 6.5 | 3.3 | 14.9 | 4.4 | 10.6 |
| Financial income | 0.3 | 0.1 | 1.1 | 1.5 | 2.5 |
| Financial expenses | -0.5 | -0.4 | -1.4 | -0.7 | -3.2 |
| Share of result of associated companies and joint ventures | 0.0 | -0.1 | 0.0 | -0.2 | -0.3 |
| Result before taxes | 6.3 | 2.8 | 14.7 | 4.9 | 9.5 |
| Income tax | -2.5 | -0.8 | -3.6 | -1.1 | -1.2 |
| Result for the period from the continuing operations | 3.8 | 2.1 | 11.1 | 3.8 | 8.3 |
| DISCONTINUED OPERATIONS: | | | | | |
| Result for the period from discontinued operations | 0.0 | -0.6 | 0.0 | -1.6 | -7.3 |
| RESULT FOR THE PERIOD | 3.8 | 1.5 | 11.1 | 2.2 | 1.1 |
| Attributable to: | | | | | |
| Equity holders of the parent company | 3.8 | 1.4 | 11.0 | 2.2 | 1.4 |
| Minority interest | 0.0 | 0.0 | 0.1 | 0.0 | -0.4 |
| Earnings per share from the profit attributable to equity holders of the parent company | | | | | |
| Earnings per share from continuing operations (EUR) | 0.02 | 0.01 | 0.07 | 0.02 | 0.05 |
| Earnings per share from discontinued operations (EUR) | 0.00 | 0.00 | 0.00 | -0.01 | -0.05 |

BALANCE SHEET (EUR million)

| | 30.6.2008 | 30.6.2007 | 31.12.2007 |
|---|--------------|--------------|--------------|
| ASSETS | | | |
| Non-current assets | | | |
| Intangible assets | 10.9 | 11.0 | 10.9 |
| Goodwill | 1.4 | 2.6 | 1.3 |
| Property, plant and equipment | 128.3 | 118.3 | 127.9 |
| Shares in associated companies and joint ventures | 0.7 | 2.0 | 1.4 |
| Financial assets available for sale | 0.6 | 0.6 | 0.6 |
| Receivables | 1.0 | 2.6 | 1.3 |
| Deferred tax assets | 11.1 | 11.1 | 11.3 |
| Total non-current assets | 154.0 | 148.2 | 154.7 |
| Current assets | | | |
| Inventories | 99.0 | 87.4 | 91.7 |
| Accounts receivables and other receivables | 77.1 | 78.9 | 70.1 |
| Financial assets at fair value through profit or loss | 12.8 | 32.6 | 27.9 |
| Cash in hand and at banks | 3.8 | 10.6 | 15.9 |
| Total current assets | 192.6 | 209.4 | 205.6 |
| Non-current assets available for sale | | 8.9 | |
| Total assets | 346.6 | 366.5 | 360.3 |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to equity holders of the parent company | | | |
| Share capital | 27.8 | 27.8 | 27.8 |
| Own shares | -17.8 | -12.6 | -17.9 |
| Other equity attributable to equity holders of the parent company | 260.6 | 257.6 | 256.2 |
| Equity attributable to equity holders of the parent company | 270.6 | 272.8 | 266.1 |
| Minority interest | 0.0 | 13.1 | 12.7 |
| Total equity | 270.6 | 285.9 | 278.8 |
| Non-current liabilities | | | |
| Deferred tax liabilities | 9.1 | 8.2 | 9.1 |
| Pension liabilities | 0.2 | 0.2 | 0.2 |
| Non-current interest-bearing liabilities | 9.8 | 2.1 | 0.4 |
| Other non-current liabilities | 0.1 | 0.0 | 0.0 |
| Total non-current liabilities | 19.2 | 10.5 | 9.7 |
| Current liabilities | | | |
| Accounts payable and other liabilities | 50.1 | 52.3 | 61.8 |
| Reserves | 1.1 | 1.9 | 1.9 |
| Financial liabilities at fair value through profit or loss | 0.1 | 0.2 | 1.5 |
| Current interest-bearing liabilities | 5.5 | 13.1 | 6.8 |
| Total current liabilities | 56.8 | 67.5 | 71.9 |
| Debts related to non-current assets held for sale | | 2.6 | |
| Total liabilities | 76.0 | 80.6 | 81.5 |
| Total equity and liabilities | 346.6 | 366.5 | 360.3 |

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, generated in the financial period | - | - | - | - | -0.4 | - | -0.4 | 0.0 | -0.4 |
| Other changes | - | - | - | - | - | 0.0 | 0.0 | - | 0.0 |
| Net income recorded directly in shareholders' equity | 0.0 | 0.0 | 0.0 | 0.0 | -0.4 | 0.0 | -0.4 | 0.0 | -0.4 |
| Result for the financial period | - | - | - | - | - | 2.2 | 2.2 | 0.0 | 2.2 |
| Net profit for the financial period | 0.0 | 0.0 | 0.0 | 0.0 | -0.4 | 2.2 | 1.8 | 0.0 | 1.8 |
| Dividends | - | - | - | - | - | -4.8 | -4.8 | -0.3 | -5.1 |
| Repurchase of own shares | - | - | - | -1.2 | - | - | -1.2 | - | -1.2 |
| Total other changes | 0.0 | 0.0 | 0.0 | -1.2 | 0.0 | -4.8 | -6.0 | -0.3 | -6.3 |
| Equity on 30.6.2007 | 27.8 | 2.9 | 88.6 | -12.6 | -1.6 | 167.8 | 272.8 | 13.1 | 285.9 |
| 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 | - | - | - | - | -0.1 | - | -0.1 | - | -0.1 |
| 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 | 0.0 | -0.1 | -0.1 | 0.0 | -0.1 |
| Result for the financial period | - | - | - | - | - | 11.0 | 11.0 | 0.1 | 11.1 |
| Net profit for the financial period | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 10.9 | 10.9 | 0.1 | 11.0 |
| Dividends | - | - | - | - | - | -6.3 | -6.3 | - | -6.3 |
| Repurchase of own shares | - | - | - | 0.0 | - | - | 0.0 | - | 0.0 |
| Share-based payment | - | - | - | 0.2 | - | 0.0 | 0.1 | - | 0.1 |
| Squeeze-out | - | - | - | - | - | -0.2 | -0.2 | -12.8 | -13.0 |
| Total other changes | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | -6.5 | -6.4 | -12.8 | -19.2 |
| Equity on 30.6.2008 | 27.8 | 2.9 | 88.6 | -17.8 | -2.3 | 171.4 | 270.6 | 0.0 | 270.6 |

CASH FLOW STATEMENT (EUR million)

| | 1-6/ 2008 | 1-6/ 2007 | 2007 |
|---|--------------|--------------|-------|
| Operating result | 14.9 | 2.8 | 3.3 |
| Adjustments to operating result | 4.9 | 9.1 | 22.3 |
| Cash flow before change in working capital | 19.8 | 11.8 | 25.6 |
| Change in current receivables | -9.6 | -9.6 | 1.9 |
| Change in inventories | -7.3 | -6.4 | -12.1 |
| Change in current non-interest-bearing liabilities | -11.5 | -7.8 | 0.2 |
| Total change in working capital | -28.4 | -23.8 | -9.9 |
| Financial items and taxes | -1.5 | 0.7 | 0.0 |
| Cash flow from business operations | -10.1 | -11.2 | 15.6 |
| Investments | -10.0 | -13.0 | -30.7 |
| Divestment of subsidiaries | 0.1 | 0.0 | 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 | 0.6 | 2.7 | 2.9 |
| Loans granted | -1.9 | 0.0 | -0.1 |
| Repayment of loan receivables | 1.1 | 1.4 | 1.3 |
| Cash flow from investments | -18.1 | -8.9 | -21.9 |
| Change in non-current loans | 9.3 | -7.5 | -11.7 |
| Change in current loans | -2.2 | -1.2 | -5.3 |
| Repurchase of own shares | 0.0 | -1.2 | -6.5 |
| Dividend paid to equity holders of the parent company | 0.0 | -4.8 | -4.8 |
| Dividend paid to minority interests | -6.2 | -0.3 | -0.3 |
| Cash flow from financial operations | 0.9 | -14.9 | -28.6 |
| Adjustment to translation difference | 0.0 | -0.2 | -0.5 |
| Change in liquid funds | -27.2 | -35.2 | -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 | -0.2 | 0.1 | 0.1 |
| Liquid funds at the end of the period | 16.2 | 43.7 | 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

TURNOVER BY SEGMENT (EUR million)

| | 4-6/ 2008 | 4-6/ 2007 | 1-6/ 2008 | 1-6/ 2007 | 2007 |
|--------------------------|--------------|--------------|--------------|--------------|-------|
| Food | 49.7 | 48.5 | 98.7 | 98.3 | 197.1 |
| Feed & Malt | 68.9 | 53.0 | 133.2 | 93.4 | 206.7 |
| Ingredients | 10.1 | 10.7 | 22.8 | 23.1 | 44.9 |
| Other operations | 0.2 | 0.1 | 0.5 | 0.2 | 0.4 |
| Interdivisional turnover | -6.0 | -6.1 | -13.4 | -12.0 | -27.1 |
| Total turnover | 122.9 | 106.1 | 241.8 | 202.9 | 421.9 |

OPERATING RESULT BY SEGMENT (EUR million)

| | 4-6/ 2008 | 4-6/ 2007 | 1-6/ 2008 | 1-6/ 2007 | 2007 |
|------------------|--------------|--------------|--------------|--------------|-------|
| Food | 0.9 | -1.7 | 5.7 | -2.6 | -11.1 |
| Feed & Malt | 4.2 | 2.9 | 5.9 | 3.4 | 14.2 |
| Ingredients | 1.7 | 2.6 | 5.0 | 5.0 | 9.5 |
| Other operations | -0.7 | -0.5 | -1.5 | -1.2 | -2.1 |
| Eliminations | 0.4 | 0.0 | -0.2 | -0.1 | 0.1 |
| Total turnover | 6.5 | 3.3 | 14.9 | 4.4 | 10.6 |

NET ASSETS BY SEGMENT (EUR million)

| | 30.6.2008 | 30.6.2007 | 31.12.2007 |
|---|-----------|-----------|------------|
| Food | 83.6 | 97.8 | 85.8 |
| Feed & Malt | 122.9 | 76.5 | 86.0 |
| Ingredients | 40.1 | 45.5 | 46.0 |
| Other operations, discontinued operations and unallocated items | 24.0 | 66.0 | 60.9 |
| Total net assets | 270.6 | 285.9 | 278.8 |

INVESTMENTS BY SEGMENT (EUR million)

| | 4-6/ 2008 | 4-6/ 2007 | 1-6/ 2008 | 1-6/ 2007 | 2007 |
|-------------------|--------------|--------------|--------------|--------------|------|
| Food | 1.4 | 1.0 | 15.1 | 4.4 | 7.2 |
| Feed & Malt | 2.6 | 2.7 | 4.9 | 4.6 | 16.7 |
| Ingredients | 0.2 | 1.8 | 0.9 | 4.1 | 7.5 |
| Other operations | 0.6 | 0.3 | 1.0 | 0.6 | 1.6 |
| Eliminations | 0.0 | 0.0 | 0.0 | -1.6 | -1.6 |
| Total investments | 4.7 | 5.8 | 22.0 | 12.2 | 31.4 |

TURNOVER BY MARKET AREA (EUR million)

| | 4-6/ 2008 | 4-6/ 2007 | 1-6/ 2008 | 1-6/ 2007 | 2007 |
|--------------|--------------|--------------|--------------|--------------|-------|
| Finland | 73.6 | 62.4 | 149.2 | 122.4 | 263.9 |
| Poland | 11.7 | 10.0 | 22.4 | 20.7 | 38.5 |
| Russia | 14.7 | 12.8 | 23.7 | 18.5 | 39.5 |
| Other Europe | 21.6 | 20.1 | 43.4 | 38.7 | 74.8 |
| ROW | 1.3 | 0.9 | 3.0 | 2.6 | 5.2 |
| Total | 122.9 | 106.1 | 241.8 | 202.9 | 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.

| | 1-6/2008 | 1-6/2007 | 2007 |
|--|----------|----------|-------|
| Result for the discontinued operations | | | |
| Income from ordinary operations | | 12.7 | 19.3 |
| Expenses | | -14.4 | -23.7 |
| Result before taxes | | -1.7 | -4.5 |
| Taxes | | 0.1 | -0.1 |
| Result after taxes | | -1.6 | -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 | | -1.6 | -7.3 |
| Cash flow for the discontinued operations | | | |
| Cash flow from business operations | | -0.7 | 1.3 |
| Cash flow from investments | 0.4 | 2.0 | 5.8 |
| Cash flow from financial operations | | -0.2 | -0.1 |
| Total cash flow | 0.4 | 1.1 | 7.0 |

| | 30.6.2007 |
|--|-----------|
| Assets held for sale: | |
| Tangible assets | 0.8 |
| Intangible assets | 1.4 |
| Inventories | 1.1 |
| Financial assets available for sale | 0.9 |
| Accounts receivables and other receivables | 4.2 |
| Cash in hand and at banks | 0.6 |
| Total assets | 8.9 |
| Liabilities held for sale: | |
| Interest-bearing liabilities | 0.5 |
| Accounts payable and other liabilities | 2.1 |
| Total liabilities | 2.6 |

TANGIBLE ASSETS

| | 30.6.2008 | 30.6.2007 | 31.12.2007 |
|---|-----------|-----------|------------|
| Acquisition cost at the beginning of the period | 430.2 | 450.5 | 450.5 |
| Conversion differences | -0.2 | -0.3 | -1.4 |
| Increase | 7.8 | 13.0 | 29.4 |
| Decrease | -11.7 | -33.1 | -48.3 |
| Reclassifications between items | 0.0 | 0.0 | 0.0 |
| Operations held for sale | | -3.5 | |
| Acquisition cost at the end of the period | 426.2 | 426.6 | 430.2 |
| Accumulated depreciation and write-downs at the beginning of the period | 302.3 | 332.8 | 332.8 |
| Conversion difference | -0.2 | -0.2 | -1.0 |
| Decrease and transfers | -11.6 | -29.1 | -42.8 |
| Depreciation for the period | 7.3 | 7.5 | 15.1 |
| Write-downs | 0.0 | 0.0 | -1.9 |
| Operations held for sale | | -2.7 | |
| Accumulated depreciation and write-downs at the end of the period | 297.9 | 308.3 | 302.3 |
| Book value at the end of the period | 128.3 | 118.3 | 127.9 |

RESERVES

| | 1-6/2008 | 1-6/2007 | 2007 |
|--------------------------------|----------|----------|------|
| At the beginning of the period | 1.9 | 5.1 | 5.1 |
| Increase in provisions | 0.0 | 0.0 | 0.0 |
| Provisions used | -0.8 | -3.3 | -3.3 |
| At the end of the period | 1.1 | 1.9 | 1.9 |

BUSINESS ACTIVITIES INVOLVING INSIDERS

| | 30.6.2008 | 30.6.2007 | 31.12.2007 |
|---|-----------|-----------|------------|
| Sales to associated companies and joint ventures | 6.6 | 6.1 | 12.8 |
| Purchases from associated companies and joint ventures | 0.1 | 2.6 | 3.1 |
| Sales to key employees in management | 0.0 | 0.0 | 0.0 |
| Purchases from key employees in management | 0.8 | 0.4 | 0.6 |
| Short-term receivables from associated companies and joint ventures | 1.4 | 2.3 | 2.3 |
| Liabilities to associated companies and joint ventures | 0.3 | 0.8 | 0.5 |

CONTINGENT LIABILITIES (EUR million)

| | 30.6.2008 | 30.6.2007 | 31.12.2007 |
|---|-----------|-----------|------------|
| Assets given for security | | | |
| For the company | | | |
| Mortgages on real estate | 0.0 | 18.0 | 0.7 |
| Securities pledged | 0.0 | 0.0 | 0.0 |
| Corporate mortgages | 0.0 | 33.5 | 0.0 |
| Contingent off-balance sheet liabilities | | | |
| Non-cancelable other leases | | | |
| Minimum lease payments | 1.9 | 2.3 | 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 | 0.1 | 0.0 | 0.1 |
| Other liabilities | 2.2 | 2.4 | 2.0 |
| Commitment to investment payments | 0.8 | 11.4 | 2.7 |

DERIVATIVE CONTRACTS (EUR million)

| | 30.6.2008 | 30.6.2007 | 31.12.2007 |
|--|-----------|-----------|------------|
| Nominal values of derivative contracts | | | |
| Raw material futures | 0.3 | 3.3 | 11.2 |
| Currency forward contracts | 20.7 | 17.6 | 18.6 |

QUARTERLY PERFORMANCE (EUR million)

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

ONE-OFF ITEMS (EUR million)

| | 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 | 4.2 | -1.2 | 1.9 | 0.0 | 0.0 |
| Financial income and expenses, net | | | | | | |
| Share of result of associated companies | | | | | | |
| Impact on result before taxes | 0.0 | 4.2 | -1.2 | 1.9 | 0.0 | 0.0 |

KEY INDICATORS

| | 30.6.2008 | 30.6.2007 | 31.12.2007 |
|--|-----------|-----------|------------|
| Turnover, EURm | 241.8 | 202.9 | 421.9 |
| change, % | 19.1 | 1.4 | 4.8 |
| Operating result, EURm | 14.9 | 4.4 | 10.6 |
| % of turnover | 6.2 | 2.2 | 2.5 |
| Result before taxes, EURm | 14.7 | 4.9 | 9.5 |
| % of turnover | 6.1 | 2.4 | 2.3 |
| Return on equity, ROE, % | 8.1 | 2.6 | 2.9 |
| Return on investment, ROI, % | 10.5 | 3.6 | 3.5 |
| Interest-bearing liabilities at the end of the period, EURm | 15.3 | 15.7 | 7.2 |
| Equity ratio, % | 78.2 | 78.2 | 77.9 |
| Net gearing, % | -0.3 | -9.8 | -13.1 |
| Gross investments, EURm | 22.0 | 12.2 | 31.4 |
| % of turnover | 9.1 | 6.0 | 7.5 |
| Depreciation, EURm | 8.8 | 8.7 | 18.3 |
| R & D expenses, EURm | 2.9 | 3.0 | 6.4 |
| % of turnover | 1.2 | 1.5 | 1.5 |
| Average personnel | 1,073 | 1,180 | 1,157 |
| Earnings/share from continuing operations, EUR | 0.07 | 0.02 | 0.05 |
| Cash flow from operations/share, EUR | -0.06 | -0.07 | 0.10 |
| Equity/share, EUR | 1.73 | 1.71 | 1.70 |
| Average number of shares during the period, in 1.000s*) | | | |
| Free shares | 122,490 | 125,442 | 124,553 |
| Restricted shares | 34,300 | 34,517 | 34,462 |
| Total | 156,790 | 159,959 | 159,015 |
| Average number of shares at the end of the period, in 1.000s*) | | | |
| Free shares | 122,516 | 125,032 | 122,444 |
| Restricted shares | 34,296 | 34,504 | 34,316 |
| Total | 156,813 | 159,536 | 156,760 |
| Market capitalisation of shares at the end of the period, EURm*) | | | |
| Free shares | 208.3 | 256.3 | 183.7 |
| Restricted shares | 58.3 | 69.0 | 52.2 |
| Total | 266.6 | 325.3 | 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 ^{*)} | $\frac{\text{Result for the year of parent company shareholders}}{\text{Average number of shares for the year, adjusted for share issue}}$ |
| 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 |

^{*)}The calculation of key indicators uses continuing operations result