

Becoming the first choice in sustainable food packaging

Roadshow presentation
July–September 2020

Huhtamaki



Broadly serving food on-the-go and food on-the-shelf

Markets
Customers

Food on-the-go



QSR



Food Delivery

Food on-the-shelf



FMCG



Retail

Products



Convenience



Food safety



Food availability



Food waste reduction



Packaging



Foodservice packaging



Molded fiber packaging



Flexible packaging

Huhtamaki operates on a global scale

Figures for 2019

NET SALES

€3.4B

ADJUSTED EBIT MARGIN

8.6%

MANUFACTURING UNITS

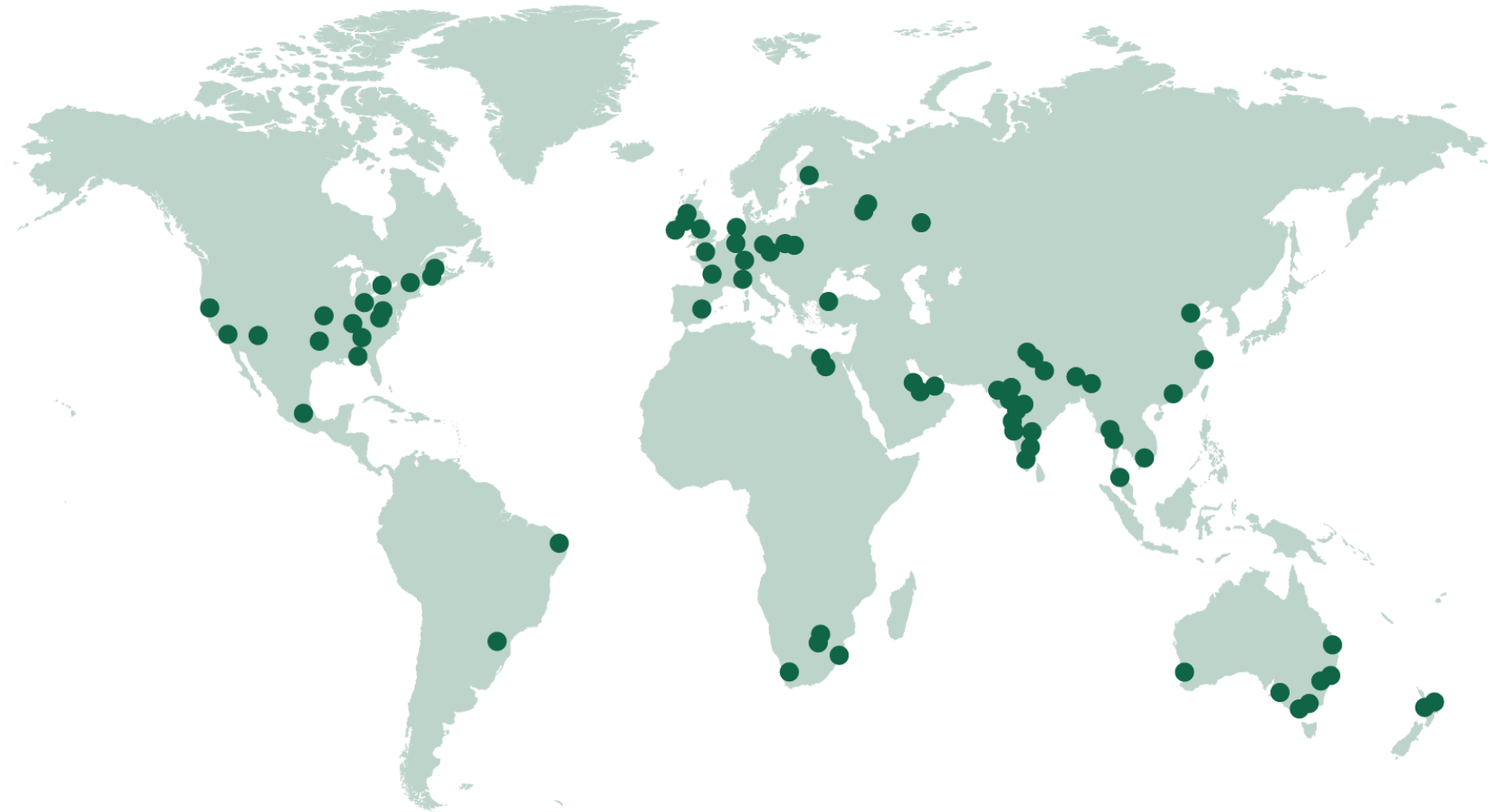
81

OPERATING COUNTRIES

35

EMPLOYEES

18,598



We operate through 3 business segments

North America

18 manufacturing units in
2 countries

4,200 employees

€1.2B net sales

Fiber and Foodservice Europe-Asia-Oceania

33 manufacturing units in
28 countries

6,800 employees

€1.3B net sales

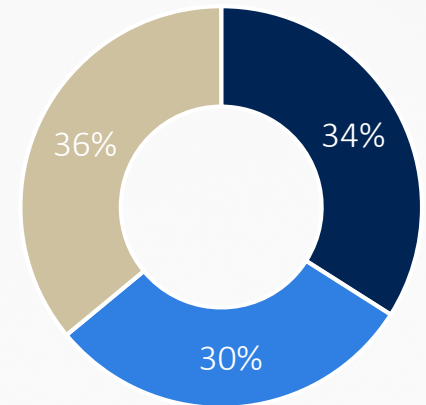
Flexible Packaging

29 manufacturing units in
16 countries

7,500 employees

€1.0B net sales

Net sales per segment (2019)



- North America
- Flexible Packaging
- Fiber and Foodservice Europe-Asia-Oceania

Fiber Packaging and Foodservice EAO will be integrated as of June 1, 2020, while the segments will continue to be reported separately, at least for the remainder of the financial year 2020.

Understanding the value of packaging within the broader sustainability context

Hygiene

Packaging promotes hygiene and prevents spread of disease

Food safety

Packaging keeps food safe from spoilage and preserves its original properties

Food availability

Packaging enables food availability everywhere in the world and allows food to be transported affordably and at low emissions

Food waste prevention

1/3 of food is wasted, representing 8% of global greenhouse gases. Packaging prevents food waste

The future of food packaging is impacted by four transformative trends

- The next billion consumers will come from emerging markets
- Future consumer will require packaging to be innovative, individual and sustainable
- Digitalization will influence packaging and the way we do business
- Sustainability will drive innovation and collaboration



Our strategic priorities

We are for shaping the sustainable future of everyday life to offer wellbeing, convenience and responsible lifestyle to billions of people everywhere

OUR AMBITION and FOUR STRATEGIC PRIORITIES

Our ambition is to be the first choice in sustainable food packaging

GROWTH

Scaling our core businesses
Expansion in emerging markets
Developing sustainable solutions
Food delivery packaging
Innovation & venturing

COMPETITIVENESS

Top operational performance
Process performance
Scale & structural efficiencies
Digitalizing operations

TALENT

Zero accident safety record
Strategic capabilities
High-performance culture
Values in the way we work

SUSTAINABILITY

Embedded in everything we do

FLAWLESS STRATEGY EXECUTION

Our empowered **Business Segments** execute and drive the business strategy
Our **Global Functions** support strategy delivery
Our **World Class Management** program transforms our performance

OUR VALUES

Care Dare Deliver

We have high financial and sustainability ambitions

Our ambition

First choice in sustainable food packaging

Comparable growth

5+%

Adjusted EBIT margin

10+%

Net debt/Adjusted EBITDA

2-3

Dividend payout ratio

40-50%

100%

of products designed to be recyclable, compostable or reusable

>80%

renewable or recycled raw material

100%

of fiber from recycled or certified sources

>90%

of non-hazardous waste recycled or composted

100%

renewable electricity

Carbon neutral production

and science-based emission target



For further information,
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www.huhtamaki.com/investors

Huhtamaki

Disclaimer

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Appendix:

The role of packaging



The future of food packaging is impacted by four transformative trends



The next billion consumers will come from emerging markets

- Middle class will increase by 1.8B people in the next 10 years
- Coming from China, India, South East Asia and longer-term Africa
- Demanding safe access to affordable food every day, enabled by packaging
- Driving the need for local scale and cost competitiveness



Future consumer will require packaging to be innovative, individual and sustainable

- Future consumer values convenience and self expression
- Consciousness of personal and environmental wellbeing is increasing
- New brands and models are emerging in Food delivery, FMCG, Retail
- Increasing demand for innovative, individual, sustainable packaging fast to the market



Digitalization will influence packaging and the way we do business

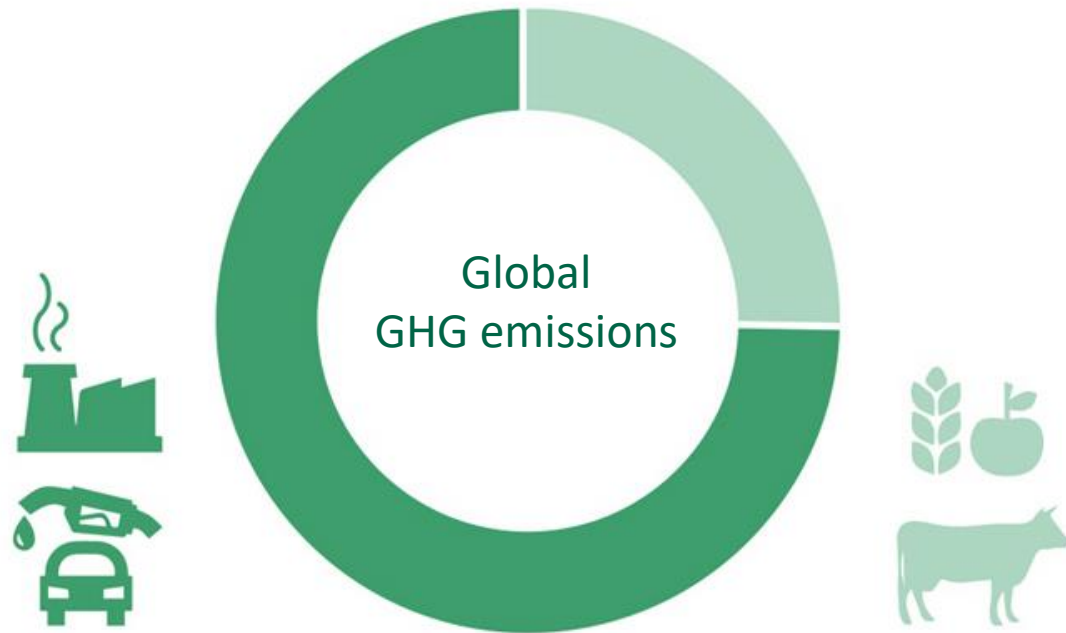
- The pace of digitalization will accelerate
- Creating demand for smart packaging for product traceability and consumer engagement
- Technology and analytics will reshape operations
- New digital-enabled business models will rise



Sustainability will drive innovation and collaboration

- Increasing consumer sentiment and regulation spreading globally
- Demanding circularity and plastic substitution solutions
- Driving a need for innovation in products and business models
- Requiring us to collaborate across the value chain

Food is a major contributor to climate change

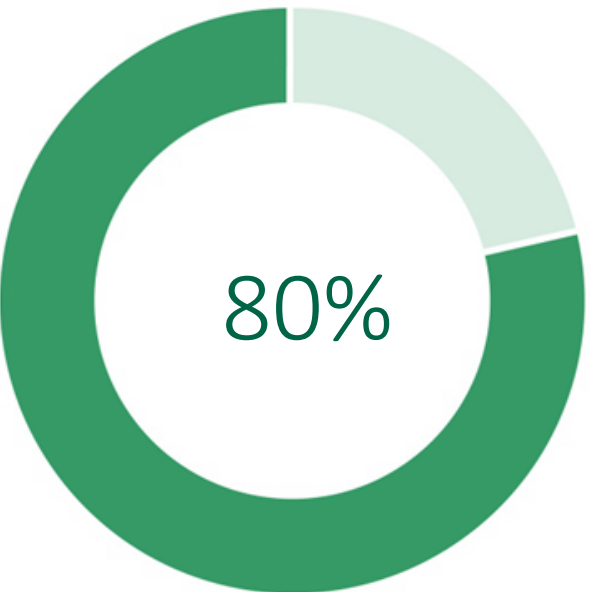


approx. 25%
of global GHG emissions come from
food systems

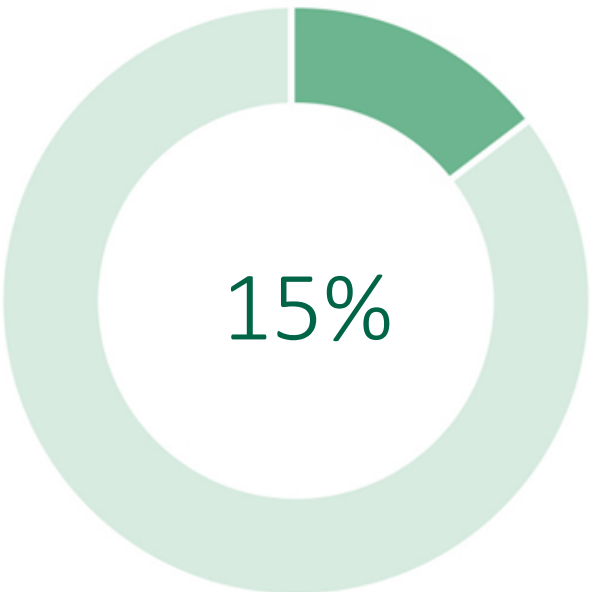


8%
of global GHG emissions come from wasted
of lost food

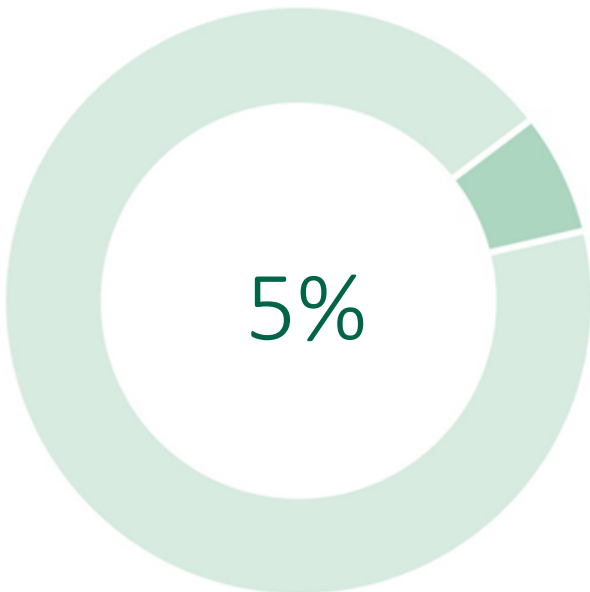
Packaging accounts for approx. 5% of food's CO₂ footprint



Food production

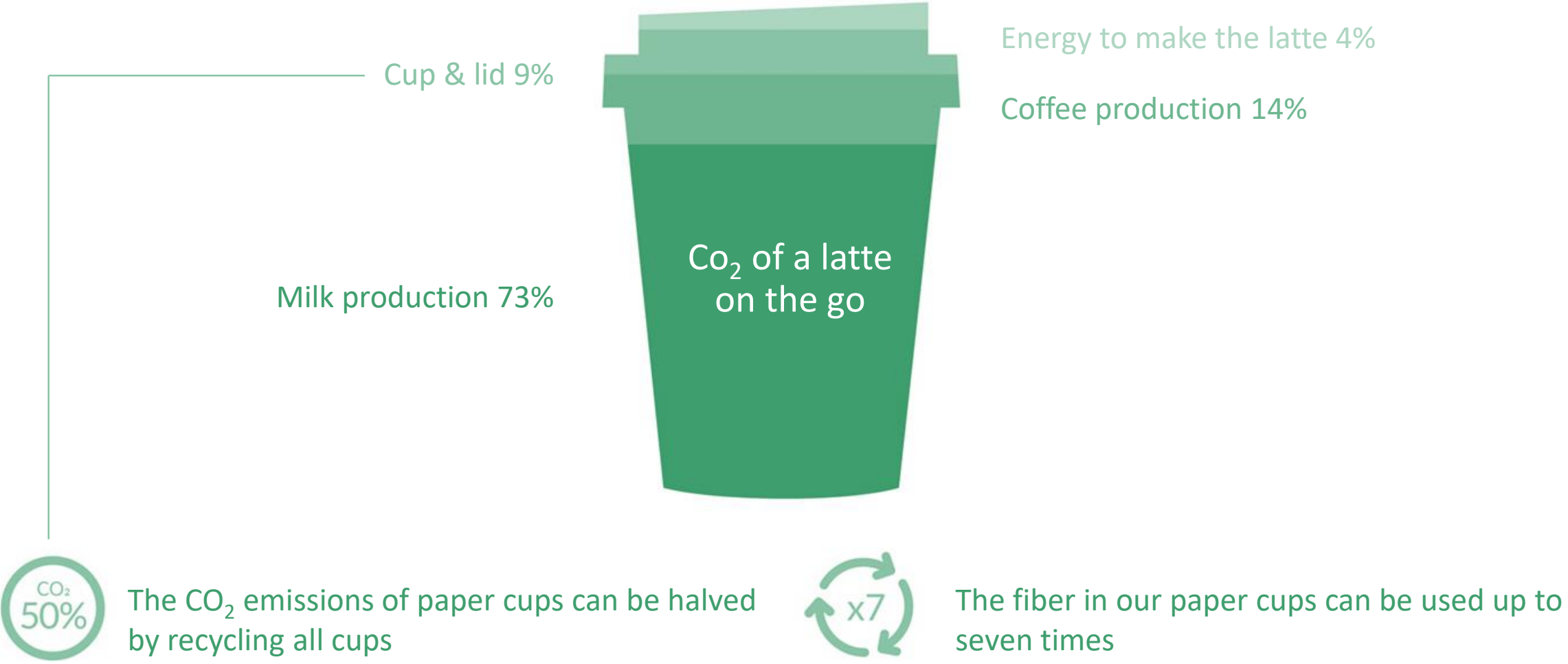


Transport and distribution



Packaging

Only a small share of CO₂ emissions of a latte on-the-go come from the cup, and these can be halved by increasing recycling



Source: Comparative LCA study of cups for hot drinks made of six different materials, VTT 2019

In addition to recyclable packaging, consumer awareness and an efficient collection, sorting and recycling infrastructure are required to solve littering and waste challenges



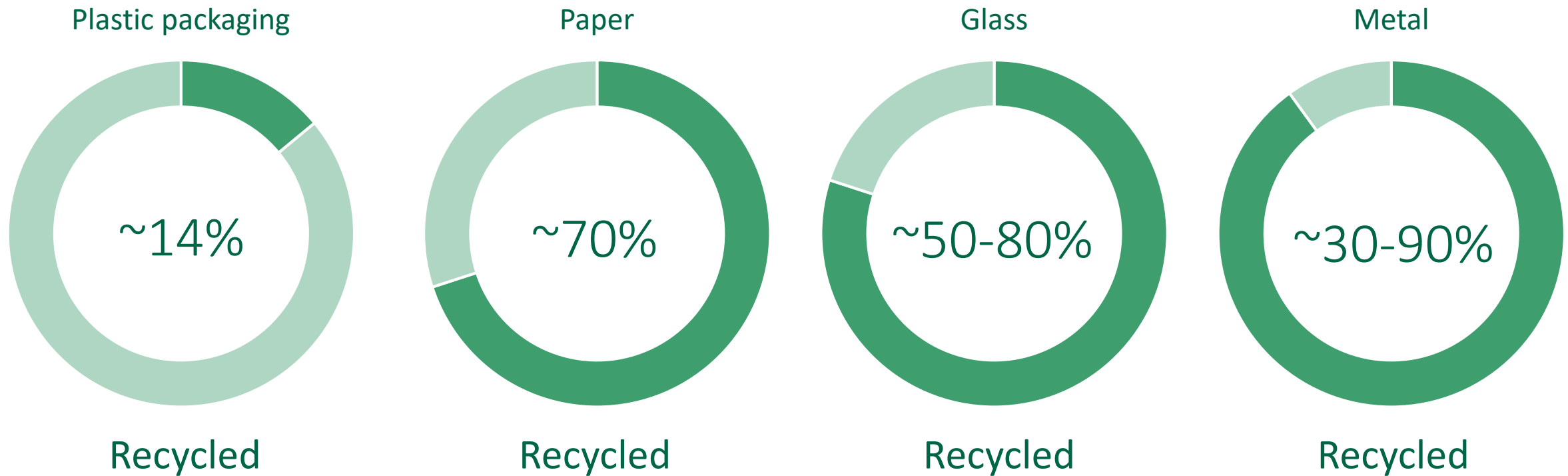
Recyclable packaging

Collection, sorting and recycling infrastructure

Consumer behaviour

Less waste in the environment

Recycling rates vary – significant potential to utilize valuable materials



Source: Smithers Pira: Future Lifecycles of Packaging Recycling to 2023

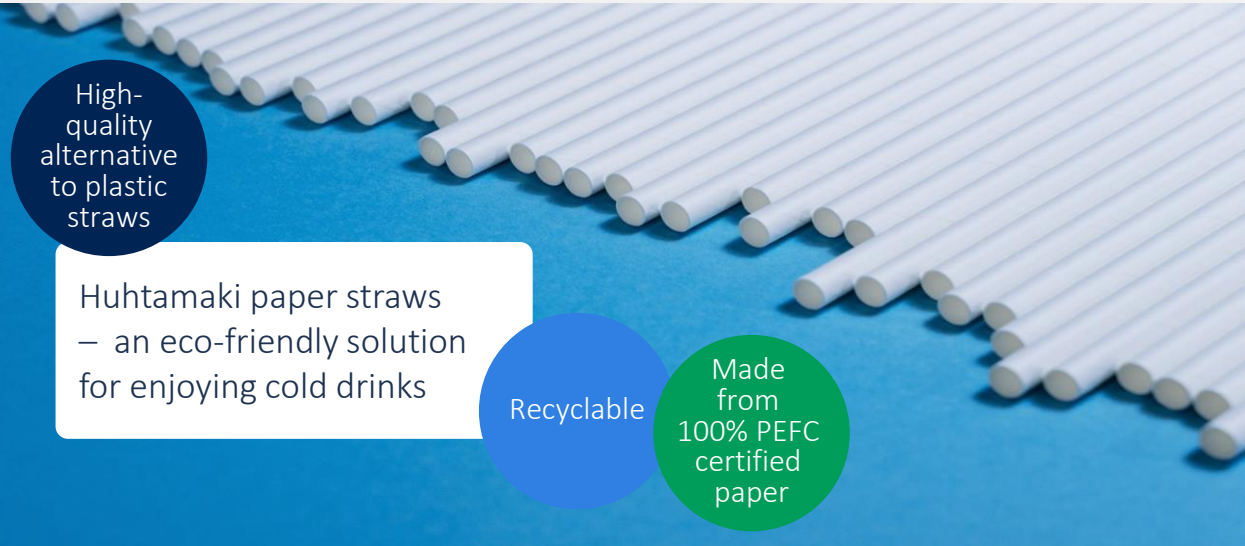
Examples of recent innovations and product launches



Huhtamaki Fresh ready meal tray – a recyclable alternative to black plastic, made of renewable raw materials

Micro-wave and oven safe

Cooler to touch than plastic



High-quality alternative to plastic straws

Huhtamaki paper straws – an eco-friendly solution for enjoying cold drinks

Recyclable

Made from 100% PEFC certified paper



Huhtamaki blueloop – flexible packaging designed for recycling

- Mono-material structures
- Minimum 90% standard materials like PE, PP, or PET
- Available already for several end applications ranging from candy and chocolates to dry foods and personal care products

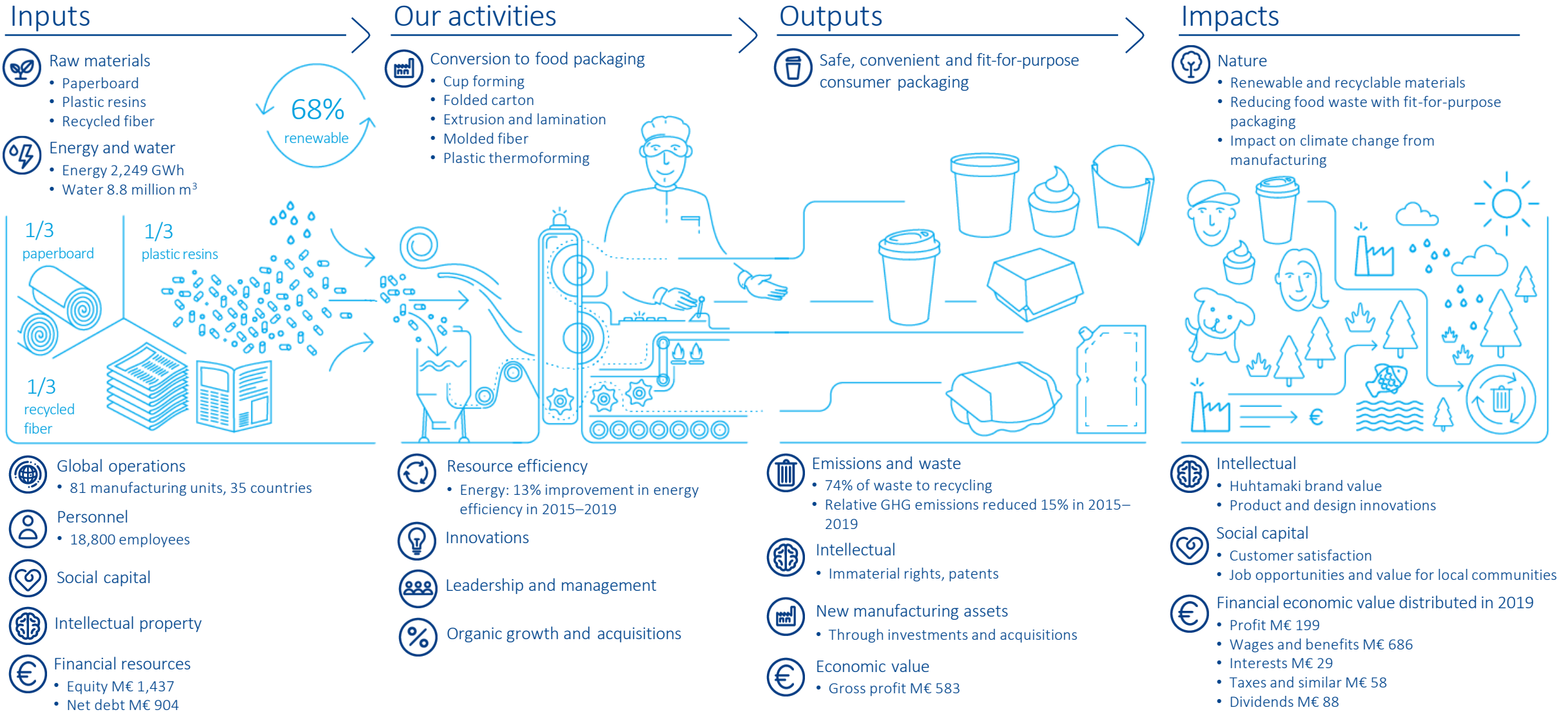
100% renewable FutureSmart product line further reduces CO₂ emissions



Appendix: Segments and financials



Operating model: We are a converter



Fiber and Foodservice Europe-Asia-Oceania

Fiber Packaging and Foodservice E-A-O have been integrated as of June 1, 2020

Recycled and other natural fibers are used to make fresh product packaging, such as egg, fruit, food and drink packaging, and foodservice paper and plastic disposable tableware, such as cups and lids, is supplied to foodservice operators, fast food restaurants and coffee shops.

Production in Europe, South Africa, Middle East, Asia and Oceania.

NET SALES

€1,250 mn

ADJUSTED EBIT MARGIN

9.2%

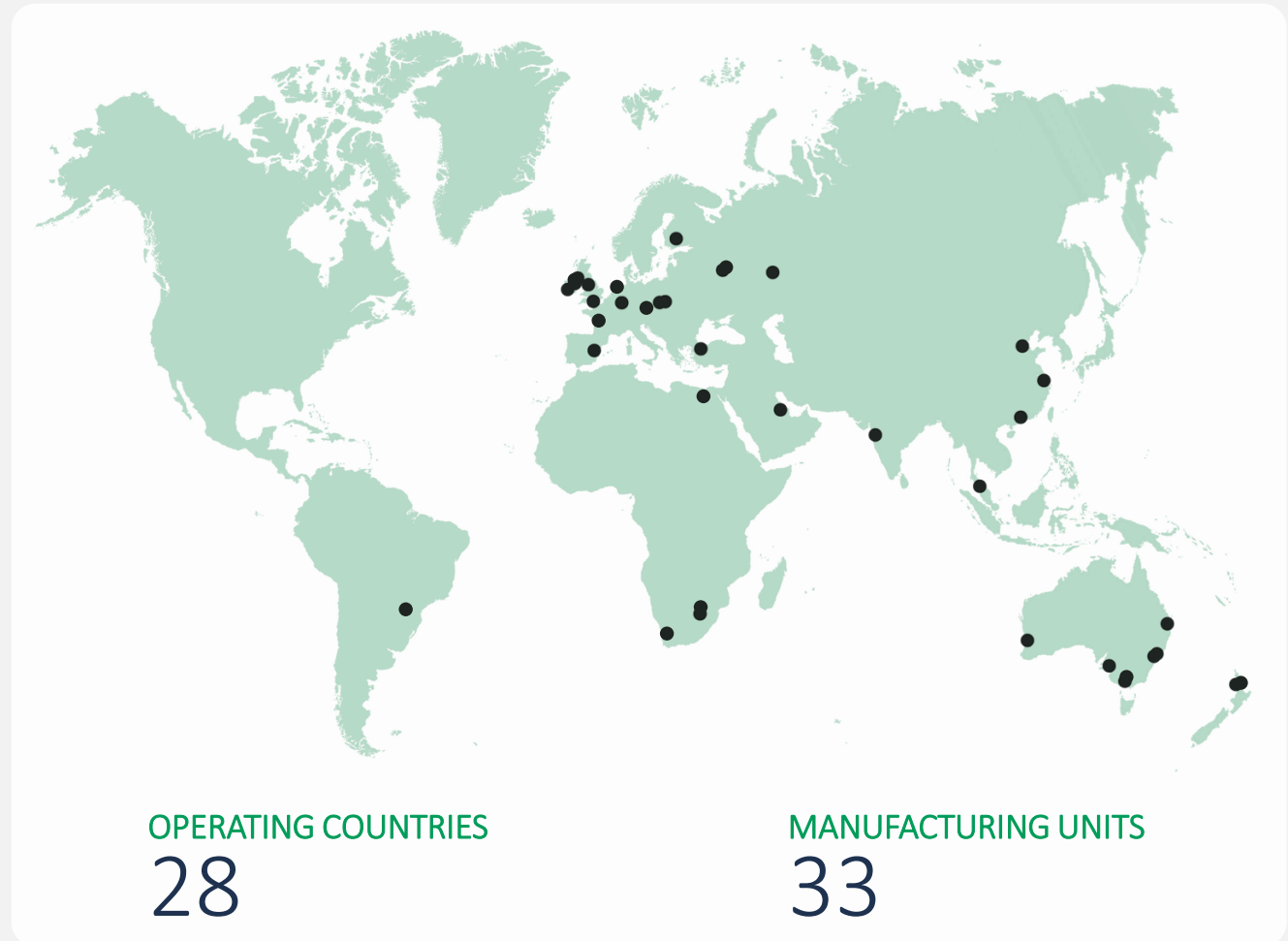
EMPLOYEES

6,762

MARKET POSITION

#1

- globally operating foodservice packaging company
- in fiber packaging globally



Combined figures for 2019 for Fiber Packaging and Foodservice Europe-Asia-Oceania.

North America

Serves local markets with foodservice packaging, Chinet® disposable tableware as well as ice-cream containers and other consumer goods packaging products.

Production in the United States and Mexico.

NET SALES

€1,153 mn

ADJUSTED EBIT MARGIN

9.7%

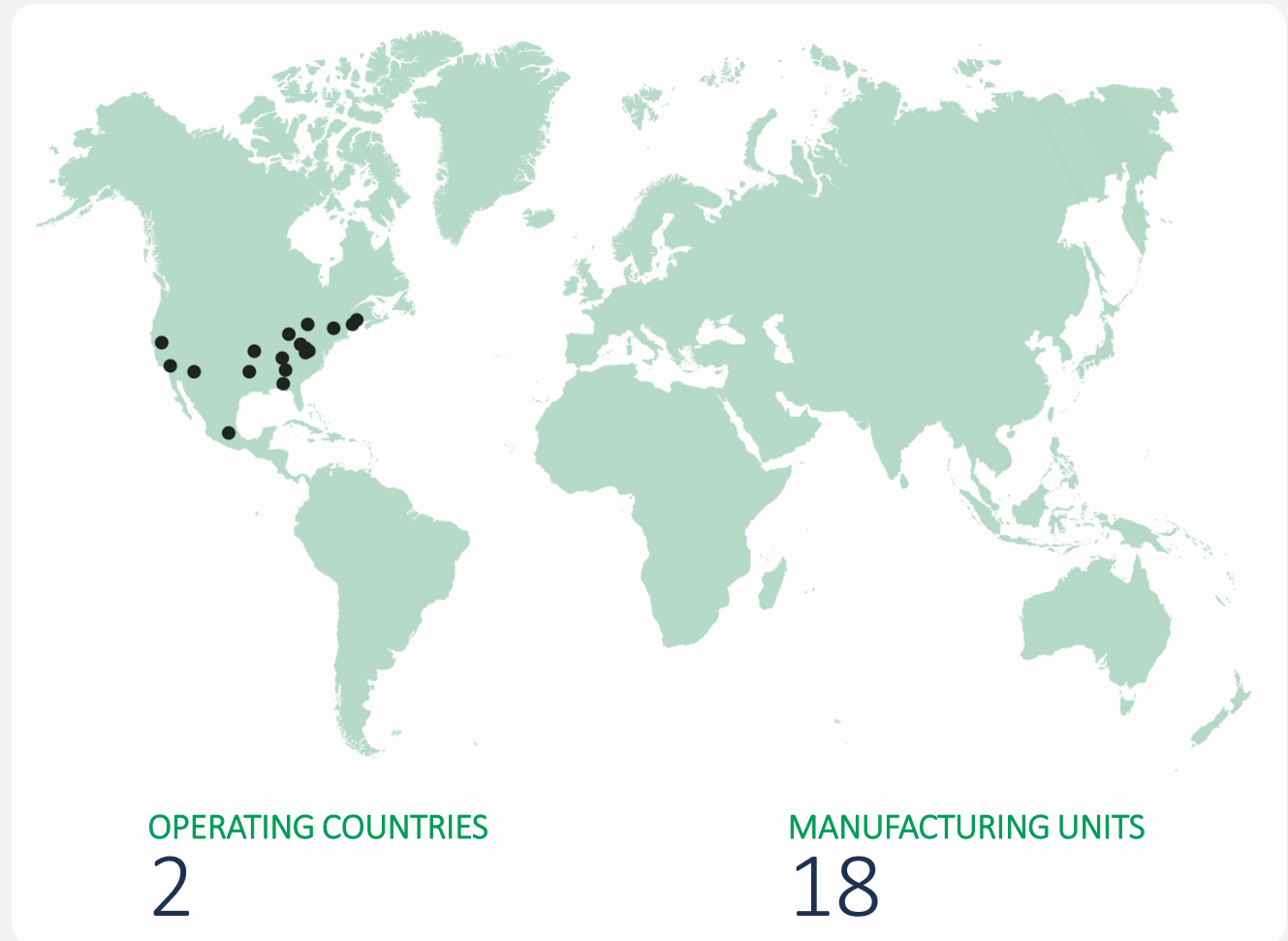
EMPLOYEES

4,209

MARKET POSITION

#1

globally operating
foodservice packaging
company



Figures for 2019

Flexible Packaging

Flexible packaging is used for a wide range of pre-packed consumer products including food, beverages, pet food, hygiene and health care products.

Production in Europe, Middle East and Africa, Asia and South America.

NET SALES

€1,016 mn

ADJUSTED EBIT MARGIN

8.1%

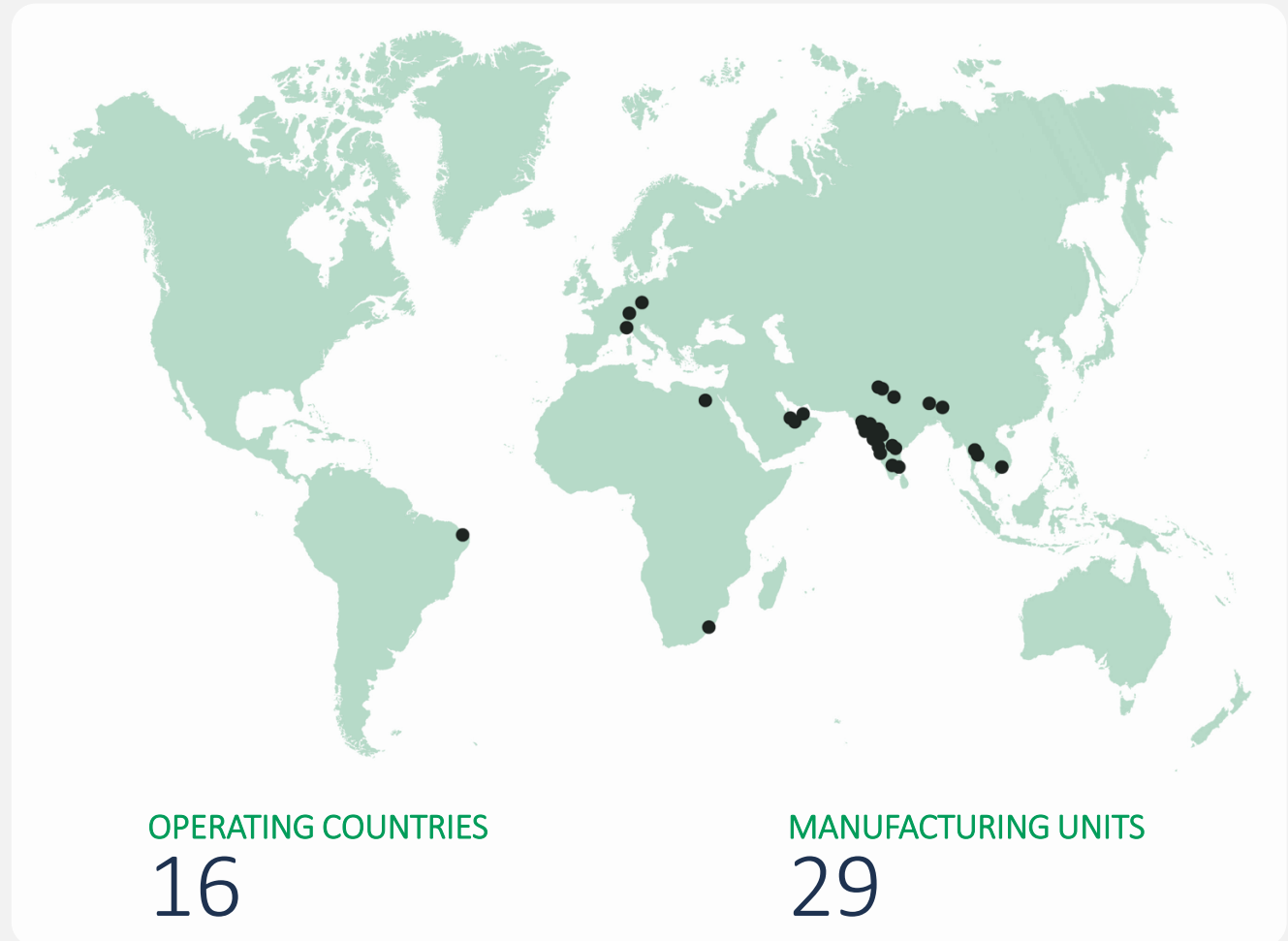
EMPLOYEES

7,544

MARKET POSITION

#1

flexible packaging
company in
emerging markets



Figures for 2019

Products, customers, sales split and competitors per segment

Fiber Packaging and Foodservice E-A-O have been integrated as of June 1, 2020

	Fiber Packaging	Foodservice E-A-O	North America	Flexible Packaging
Our products				
Our customers				
Net sales split	<ul style="list-style-type: none"> ■ Europe ■ ROW 	<ul style="list-style-type: none"> ■ Western Europe & UK ■ Central & Eastern Europe ■ Rest of world 	<ul style="list-style-type: none"> ■ Foodservice ■ Retail ■ Consumer goods 	<ul style="list-style-type: none"> ■ Europe ■ Asia ■ Middle East and Africa
Key competitors	<ul style="list-style-type: none"> • Hartmann • Pactiv • Local players • Plastics manufacturers 	<ul style="list-style-type: none"> • Seda • Detpak • HK Cup • Graphic Packaging • Dart/Solo • Local players 	<ul style="list-style-type: none"> • Graphic Packaging • Dart/Solo • Reynolds/Pactiv • Koch/Georgia Pacific • Novolex • Berry Plastics • Westrock • Sabert • Gen Pak • AJM • Aspen 	<ul style="list-style-type: none"> • Amcor • Constantia • Sealed Air • Dai Nippon • Regional players • Local players

Strategic focus areas for segments

Fiber Packaging and Foodservice E-A-O have been integrated as of June 1, 2020

Fiber Packaging

Egg and fruit protective packaging

- Steady underlying growth and plastic substitution in some geographies
- Room to expand geographically, within product categories and to take share from plastic
- Base to develop circular models together with Foodservice

Molded fiber technology

- Plastic substitution in QSR, FMCG and Grocery Retail drives demand for more complex molded fiber applications
- Our molded fiber technology and application development capabilities position us well to capture this opportunity together with Foodservice

Foodservice E-A-O

Global key accounts in QSR, Coffee and FMCG

- Strong business with room to grow product portfolio and expand geographically
- Well positioned to expand in emerging markets

Plastic substitution

- Unique platform in paperboard conversion and molded fiber, to develop complex sustainable solutions
- Global reach and scale allows to industrialize new solutions fast

Agile models

- Agile model serving small accounts, combining short-run, long-run, sourcing and distribution capabilities
- Base to build a strong food delivery packaging business

North America

Retail, Foodservice, Consumer goods

- Convenience lifestyle driving growth for our core products
- Room to expand in growing categories – folded carton, molded fiber, private label pressed plates

Unique capabilities position us well to capture growth

- Brand building and retail expertise
- Ice cream systems and capabilities
- Paperboard technology and ability to do complex promotion management
- Molded fiber technology and scale
- Strong track record in sustainability
- National network allowing us to offer right products in the right markets to the right customers

Flexible Packaging

Strong demand for flexible packaging

- Strong underlying demand for FMCG products, driven by emerging markets
- Flexible packaging remains superior solution for modern retail supply chain
- Footprint in fast growing emerging markets with further room to expand
- Accelerating innovation in line with our customer needs positions us for growth above market

Competitiveness, agility and sustainability

- Improving operations to be the best-in-class will drive rise in profitability
- Increasing agility, while maintaining quality and reliability
- Actions in circularity, advocacy and innovation for sustainability will enhance our industry leadership

Segment key figures (1/2)

Fiber Packaging and Foodservice E-A-O have been integrated as on June 1, 2020

- Improving customers access to combined fiber and paperboard technology
- Leveraging organization synergies and growth opportunities (plastic substitution, food delivery)
- Positive financial benefits

Foodservice Europe-Asia-Oceania

Key figures (MEUR)	2013	2014	2015	2016	2017	2018 ¹	2019	Long-term ambition
Net sales	629.1	620.4	667.5	741.0	807.5	881.7	956.7	
Comparable growth	2%	4%	4%	5%	4%	4%	4%	5-7%
Adjusted EBIT	46.9	57.4	52.4	63.2	70.1	77.1	85.7	
Margin	7.5%	9.3%	7.9%	8.5%	8.7%	8.7%	9.0%	9-11%

Fiber Packaging

Key figures (MEUR)	2013	2014	2015	2016	2017	2018 ¹	2019	Long-term ambition
Net sales	236.3	247.0	260.3	267.8	285.1	283.0	293.4	
Comparable growth	6%	9%	5%	5%	5%	4%	6%	3-5%
Adjusted EBIT	29.6	35.0	33.5	34.6	28.2	31.2	29.0	
Margin	12.5%	14.2%	12.9%	12.9%	9.9%	11.0%	9.9%	13-15%

All figures excluding Items Affecting Comparability (IAC). ¹ 2018 figures have been restated for IFRS 16 impact.

Segment key figures (2/2)

North America

Key figures (MEUR)	2013	2014	2015	2016	2017	2018 ¹	2019	Long-term ambition
Net sales	725.3	769.3	947.7	1,005.1	1,000.4	1,002.7	1,152.7	
Comparable growth	5%	6%	4%	6%	2%	5%	9%	3-5%
Adjusted EBIT	38.4	38.4	88.2	107.6	104.1	73.0	111.4	
Margin	5.3%	5.0%	9.3%	10.7%	10.4%	7.3%	9.7%	9-10%

Flexible Packaging

Key figures (MEUR)	2013	2014	2015	2016	2017	2018 ¹	2019	Long-term ambition
Net sales	585.8	618.0	868.9	868.6	912.7	952.3	1,016.4	
Comparable growth	4%	7%	3%	-1%	4%	7%	3%	6-8%
Adjusted EBIT	44.0	45.5	68.8	73.8	69.7	67.8	82.6	
Margin	7.5%	7.4%	7.9%	8.5%	7.6%	7.1%	8.1%	9-11%

All figures excluding Items Affecting Comparability (IAC). ¹ 2018 figures have been restated for IFRS 16 impact.

Group financials 2010-2019

		2010	2011	2012 ²	2013 ¹	2014 ¹	2015	2016	2017	2018 ²	2019
Net sales	MEUR	1,952	2,043	2,321	2,161	2,236	2,726	2,865	2,989	3,104	3,399
Comparable growth ³		3%	5%	3%	3%	6%	4%	4%	3%	5%	6%
Adjusted EBITDA ⁴	MEUR	214	208	254	242	259	342	382	390	399	456
Margin ⁴		11.0%	10.2%	10.9%	11.2%	11.6%	12.5%	13.3%	13.0%	12.8%	13.4%
Adjusted EBIT ⁴	MEUR	134	128	164	160	175	238	268	268	251	293
Margin ⁴		6.9%	6.2%	7.0%	7.4%	7.8%	8.7%	9.4%	9.0%	8.1%	8.6%
Adjusted EPS ⁴	EUR	0.92	0.87	1.19	1.17	1.24	1.65	1.83	1.9	1.69	1.88
Adjusted ROI ⁴		12.0%	9.8%	12.6%	12.1%	12.6%	14.7%	14.7%	13.6%	11.6%	12.3%
Adjusted ROE ⁴		14.5%	11.0%	15.8%	15.8%	16.1%	18.1%	17.7%	17.0%	14.5%	15.2%
Capex	MEUR	86	82	94	121	127	147	199	215	197	203.9
Free cash flow	MEUR	113	65	103	56	65	91	100	56	80	225.8
Gearing		0.32	0.49	0.5	0.5	0.32	0.53	0.57	0.58	0.73	0.63
Net debt to adj. EBITDA ⁴		1.2	1.9	1.6	1.6	1.0	1.6	1.8	1.8	2.3	2.0
Dividend per share	EUR	0.44	0.46	0.56	0.57	0.6	0.66	0.73	0.8	0.84	0.89 ⁵

¹Continuing operations ²Figures restated ³Net sales growth excluding foreign currency changes, acquisitions and divestments ⁴Excluding IAC ⁵Proposal by the Board of Directors

Comparable net sales growth by business segment

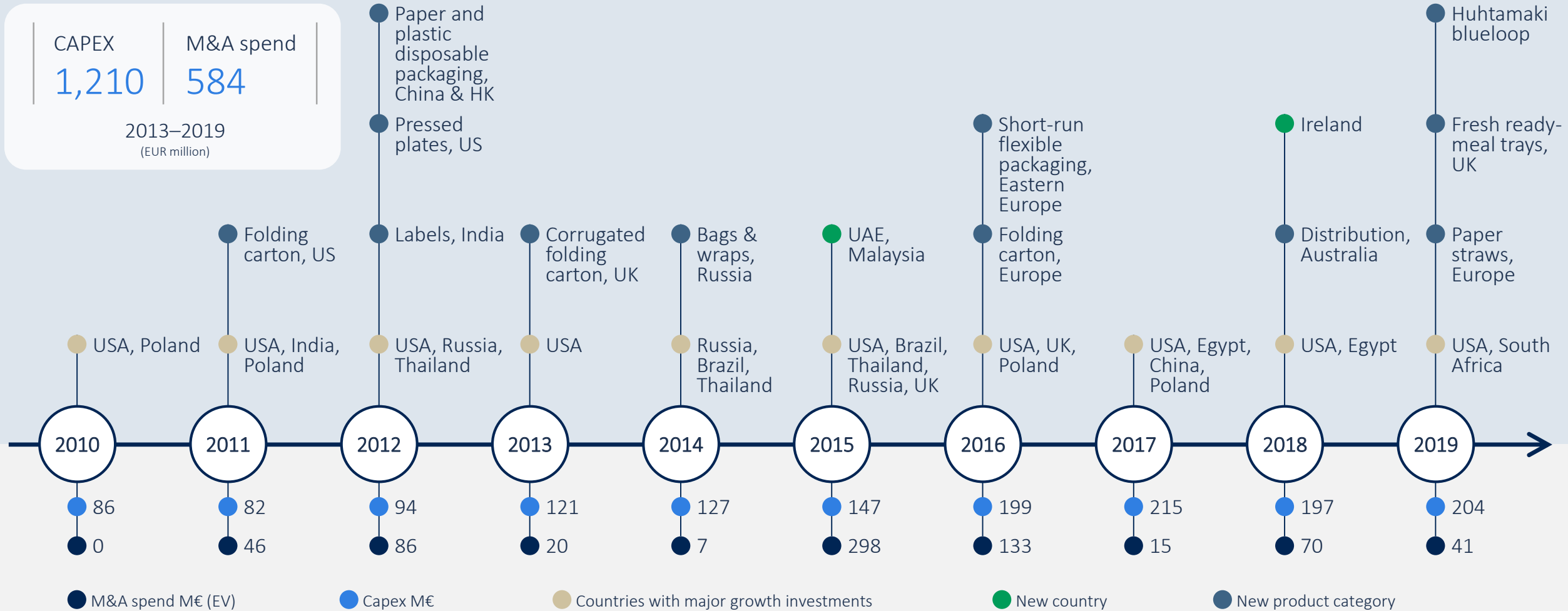
Quarterly	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	Q4 18	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20
Foodservice E-A-O	3%	2%	4%	6%	5%	5%	5%	3%	4%	3%	4%	4%	-4%	-28%
North America	2%	1%	2%	2%	5%	2%	2%	11%	5%	13%	14%	6%	9%	-5%
Flexible Packaging	3%	-2%	7%	9%	6%	11%	6%	4%	5%	1%	4%	3%	2%	2%
Fiber Packaging	4%	8%	5%	4%	5%	3%	4%	5%	4%	7%	7%	8%	9%	10%
Group	3%	1%	4%	5%	5%	6%	4%	6%	5%	6%	7%	5%	3%	-8%

Annual	FY 17	FY 18	FY 19	Long-term ambition
Foodservice E-A-O	4%	4%	4%	5-7%
North America	2%	5%	9%	3-5%
Flexible Packaging	4%	7%	3%	6-8%
Fiber Packaging	5%	4%	6%	3-5%
Group	3%	5%	6%	5+%

Fiber Packaging and Foodservice E-A-O have been integrated as on June 1, 2020

- Improving customers access to combined fiber and paperboard technology
- Leveraging organization synergies and growth opportunities (plastic substitution, food delivery)
- Positive financial benefits

Solid track record of growth investments



20 acquisitions completed since 2011

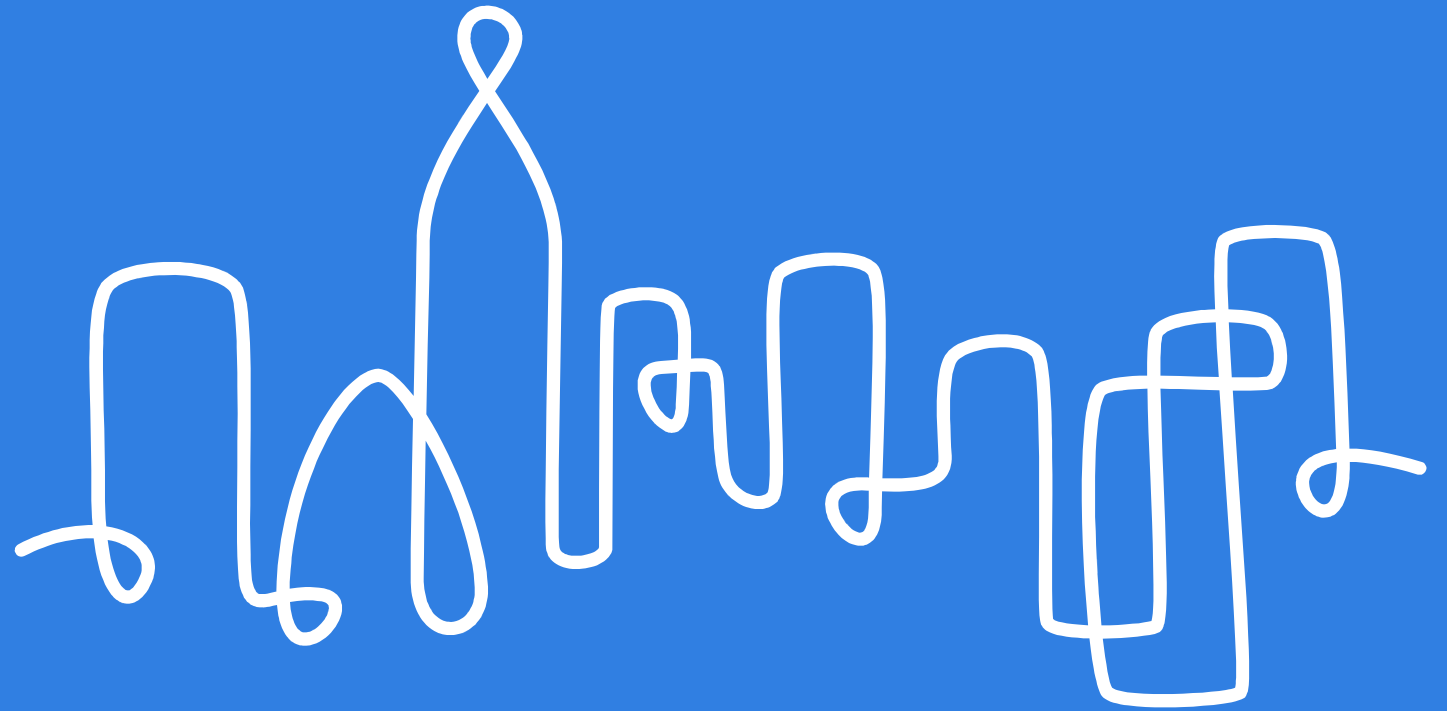
Date (completed)	Acquired company	Country	Acquiring segment
Mar 2020	Laminor S.A.	Brazil	Flexible Packaging
Jan 2020	Mohan Mutha Polytech Private Limited	India	Flexible Packaging
Dec 2019	Everest Flexibles Pty Ltd	South Africa	Flexible Packaging
Jun 2018	Ajanta Packaging	India	Flexible Packaging
May 2018	Cup Print Unlimited Company	Republic of Ireland	Foodservice E-A-O
Apr 2018	Tailored Packaging Pty Ltd.	Australia	Foodservice E-A-O
Sep 2017	International Paper foodservice packaging units	China	Foodservice E-A-O
Jul 2016	Val Pack Solutions Private Limited	India	Foodservice E-A-O
May 2016	Delta Print and Packaging Ltd.	UK	Foodservice E-A-O
Jan 2016	FIOMO a.s.	Czech Republic	Flexible Packaging
Jul 2015	Pure-Stat Technologies, Inc.	USA	North America
Apr 2015	Butterworth Paper Cups	Malaysia	Foodservice E-A-O
Jan 2015	Positive Packaging	India	Flexible Packaging
Aug 2014	Interpac Packaging Ltd.	New Zealand	Foodservice E-A-O
Nov 2013	BCP Fluted Packaging Ltd.	UK	Foodservice E-A-O
Nov 2012	Webtech Labels Private Limited	India	Flexible Packaging
Aug 2012	Winterfield, LLC	USA	North America
Apr 2012	Josco (Holdings) Limited	China	Foodservice E-A-O
Nov 2011	Ample Industries, Inc.	USA	North America
Sep 2011	Paris Packaging, Inc.	USA	North America



More details of the acquisitions available on our website:

www.huhtamaki.com/en/investors/huhtamaki-as-an-investment/acquisitions-and-divestments/

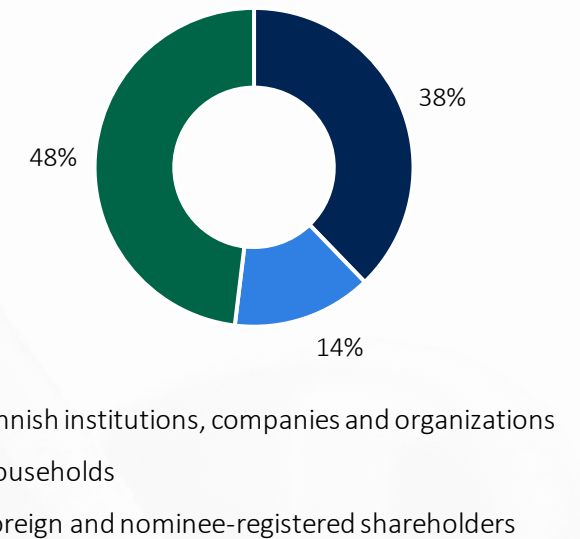
Appendix: Shareholders and management



Largest shareholders and split of shareholding

Shareholder	Number of shares	% of total shares	Change	Change %
1. Finnish Cultural Foundation	12,010,653	11.15%	0	0.00%
2. Huhtamäki Oyj	3,410,709	3.17%	0	0.00%
3. Varma Mutual Pension Insurance Company	2,973,809	2.76%	-10,000	-0.34%
4. Ilmarinen Mutual Pension Insurance Company	2,890,468	2.68%	233,793	8.80%
5. Elo Mutual Pension Insurance Company	1,125,431	1.04%	96,155	9.34%
6. The Local Government Pensions Institution	1,091,596	1.01%	0	0.00%
7. Society of Swedish Literature in Finland	988,500	0.92%	0	0.00%
8. ODIN Norden	812,701	0.75%	-151,000	-15.67%
9. The State Pension Fund	795,951	0.74%	0	0.00%
10. Mandatum Life Insurance Company Ltd.	660,810	0.61%	203	0.03%
Total of 10 largest shareholders	26,760,628	24.83%	169,151	0.16%
Other shareholders	80,999,757	75.17%	-	-
Total	107,760,385	100.00%	-	-

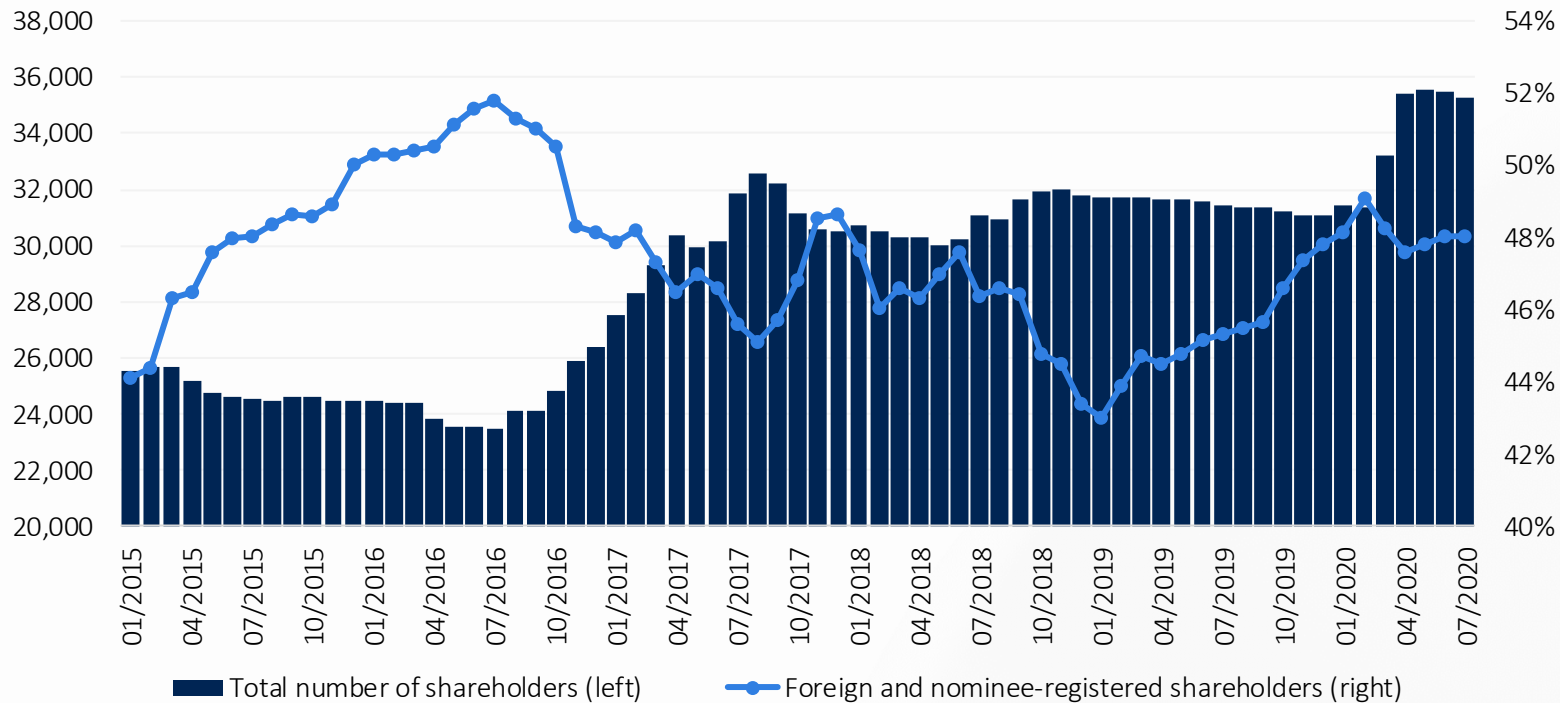
Split of shareholding



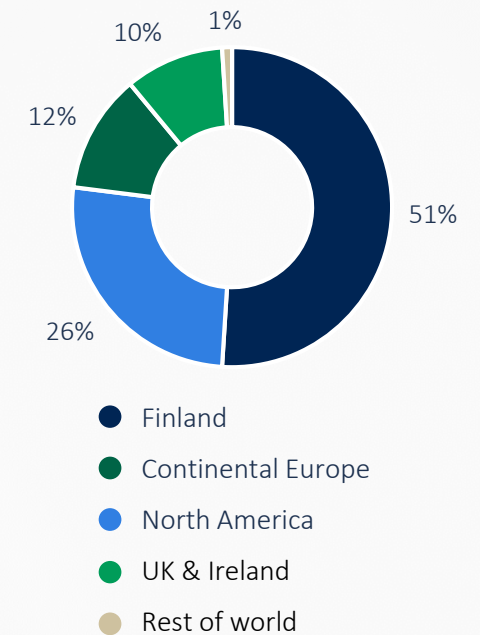
Shareholder data as at July 31, 2020. 'Change' refers to the change in shareholding during the previous calendar month.

Foreign shareholding and distribution by geography

Total number of shareholders and foreign shareholding



Approximate shareholder distribution by geography (as in May 2019)



Global Executive Team



Charles Héaulmé
President and CEO



Arup Basu
President, Flexible Packaging



Clay Dunn
President, North America



Eric Le Lay
President, Foodservice EAO
and Fiber Packaging



Thomas Geust
CFO



Thomasine Kamerling
EVP Sustainability
and Communications



Marina Madanat
EVP Strategy and
Business Development



Sami Pauni
EVP Corporate Affairs and
Legal, Group General Counsel



Teija Sarajärvi
EVP Human Resources
and safety



Antti Valtokari
EVP IT and
Process Performance

Board of Directors



Pekka Ala-Pietilä
Chairman of the Board

HR ★

Born 1957, Finnish citizen

Starting date: April 24, 2012

Key positions of trust:

Sanoma Corporation, Chairman of the Board (2016–) and Board member (2014–); SAP SE, Supervisory Board member (2002–); and others



Kerttu Tuomas
Vice-Chairman

AC

Born 1957, Finnish citizen

Starting date: April 27, 2017

Key positions of trust:

Kemira Oyj, Vice-Chairman of the Board (2014–) and Board member (2010–); Medix Biochemica Group Oy, Board member (2018–); and others



Doug Baillie

HR

Born 1955, U.K. citizen

Starting date: April 21, 2016

Key positions of trust:

Airtel Africa PLC, Board member (2019–); The MasterCard Foundation, Board member (2015–); Leverhulme Trust, Board member (2015–)



William R. Barker

HR

Born 1949, U.S. citizen

Starting date: March 24, 2010

Key positions of trust:

Shield Holdco LLC (holding company of Dynatect Manufacturing, Inc.), Board member (2014, 2019–) and Chairman of the Board (2014–2019); and others



Anja Korhonen

AC ★

Born 1953, Finnish citizen

Starting date: April 25, 2018

Key positions of trust:

Outotec Oyj, Board member (2013–); Oriola Oyj, Board member (2014–)



Sandra Turner

AC

Born 1952, U.K. citizen

Starting date: April 20, 2011

Key positions of trust:

Carpetright PLC, Board member (2010–); McBride PLC, Board member (2011–); Greggs PLC, Board member (2014–); Greene King PLC, Board member (2019–); and others



Ralf K. Wunderlich

HR

Born 1966, German citizen

Starting date: July 1, 2018

Key positions of trust:

AptarGroup, Board member (2009–); Essentra PLC, Board member (2017–)

All members of the Board of Directors are independent of the Company and significant shareholders.

AC = Audit Committee

HR = Human Resources Committee

★ = Chairman of the Committee

For more information about the Board of Directors, please see [here](#).

Our operating environment

(as given at Q2 2020 results)





Visible and tangible recovery

- Consistent increase in order-in-take since April
- Food on-the-go most impacted by the restrictions, order-in-take end June still lower than 2019 with variations across geographies

Consumption shifts will drive innovation and new models

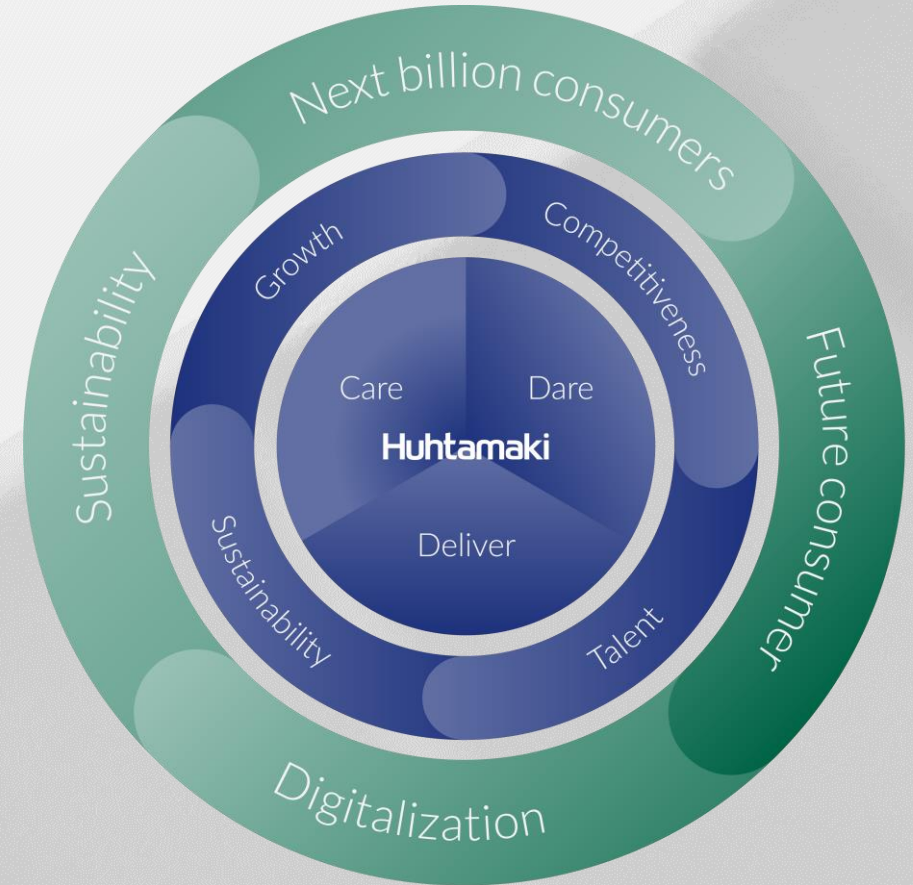
- Shift to working from home, changing foodservice store visiting culture
- Retail as a source of “ready to eat and ready to cook”. Fresh food as a new category for packaging
- Increase in food and groceries delivery, requiring more functional packaging
- Higher need for hygiene and safety, requiring high-quality, tamper-proof packaging and traceability
- Increased e-commerce and accelerated need of digital solutions

The fundamental trends underlying our strategy remain true

- the next billion consumers
- the consumer of the future
- digitalisation
- sustainability

Our Strategy is the right strategy

- Ambition: first choice in sustainable food packaging
- Strategic priorities:
 - accelerate **Growth**
 - improve **Competitiveness**
 - develop **Talent**
 - embed **Sustainability** in everything we do
- Operating model: empowered Business Segments and World-Class Management program to drive transformation across businesses
- Core values: Care Dare Deliver



Celebrating our 100-year legacy by donating up to 3 MEUR to initiatives addressing global sustainability challenges



Caring immediately

0.5 MEUR to boost COVID-19 emergency relief efforts in Asia and Europe and improving the lives of the world's most vulnerable

Recipient: International Red Cross



Acting today

0.6 MEUR to set a cleaning system of plastic waste from Mithi river in Mumbai, India

Recipient: partnership by UNTIL, VTT, RiverRecycle and Earth5R



Educating for tomorrow

0.9 MEUR to provide education and training on waste management and circular systems in South Africa, Vietnam, and India

Recipient: WasteAid



Innovating for the future

1 MEUR to surface and support early stage solutions for a circular economy, via organizing a start-up program

Recipient: Food System 6

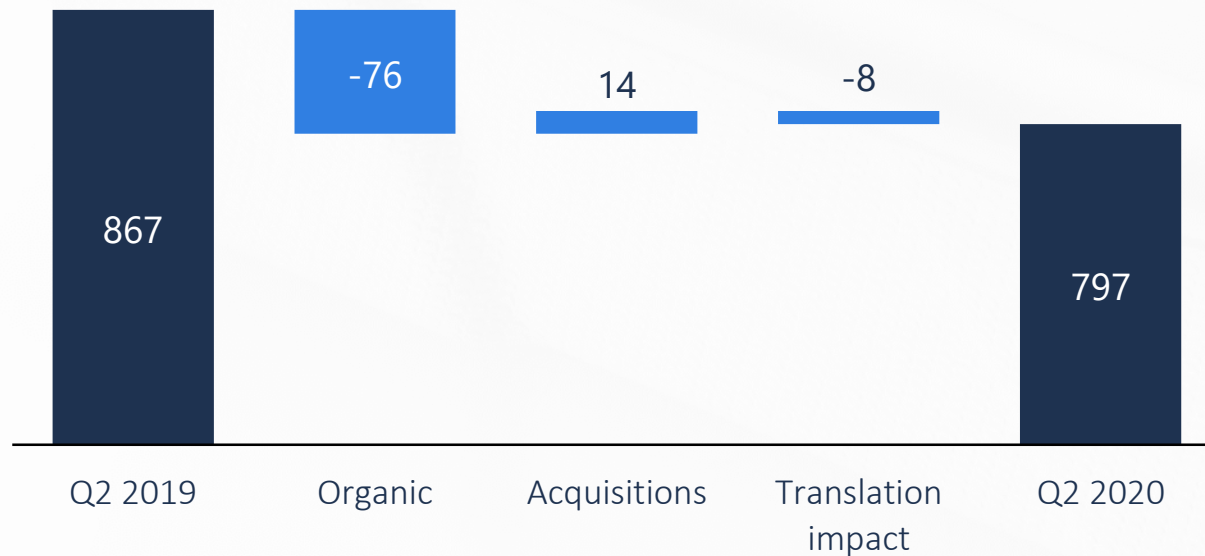
Q2 2020 results:

Good resilience in the face of
the COVID-19 crisis



Q2 2020: Sales impacted by the COVID-19 related restrictions

Development of net sales in Q2 2020
(EUR million)



Net sales growth -8% in Q2 2020

- Comparable net sales growth -8% (-12% in emerging markets)
- 2% from acquisitions
- 1% negative currency impact

Comparable net sales growth is growth excluding foreign currency changes, acquisitions, divestments and ancillary businesses. Acquisitions calculated for 12 first months from closing.

Food on-the-shelf packaging continued to grow, food on-the-go significantly impacted

<i>Comparable growth</i>	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	H1 19	H1 20	Long-term ambitions
Foodservice E-A-O	3%	4%	4%	-4%	-28%	4%	-17%	5-7%
North America	13%	14%	6%	9%	-5%	9%	1%	3-5%
Flexible Packaging	1%	4%	3%	2%	2%	3%	2%	6-8%
Fiber Packaging	7%	7%	8%	9%	10%	5%	10%	3-5%
Group	6%	7%	5%	3%	-8%	5%	-3%	5+%

- COVID-19 affected foodservice business globally
- Strong growth continued in retail tableware in North America
- Strong demand for food on-the-shelf products disrupted by interruptions in the supply chain

Comparable net sales growth is growth excluding foreign currency changes, acquisitions, divestments and ancillary businesses.

Solid adjusted EBIT margin despite COVID-19 crisis

<i>MEUR</i>	Q2 20	Q2 19	Change	H1 20	H1 19	Change
Net sales	797.1	867.3	-8%	1,641.7	1,669.4	-2%
Adjusted EBIT ¹	70.1	78.3	-10%	143.7	146.1	-2%
Margin	8.8%	9.0%		8.8%	8.8%	
Adjusted EPS, EUR ²	0.44	0.51	-14%	0.90	0.95	-5%
Capital expenditure	40.3	38.6	4%	79.7	78.3	2%

- Lower earnings due to decrease in net sales
- Positive impacts from 2019 price management, lower raw material prices and a favorable sales mix in North America
- Adjusted EPS negatively affected by higher tax rate and financing costs
- Capex for future growth and efficiency enabled by our healthy balance sheet

¹ Excluding IAC of EUR 0.1 million in Q2 2020 (EUR -0.5 million) and EUR 9.0 million in H1 2020 (EUR -0.6 million).

² Excluding IAC of EUR 0.1 million in Q2 2020 (EUR -0.4 million) and EUR 7.0 million in H1 2020 (EUR -0.5 million).

Q2 2020 results: Business segment review

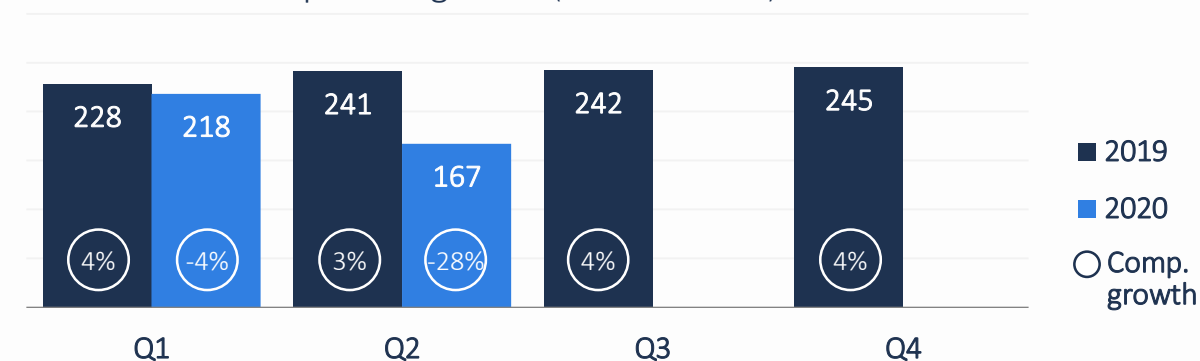


Foodservice EAO: COVID-19 drives decrease in sales and earnings

Key figures, MEUR

	Q2 20	Q2 19	Change
Net sales	167.2	241.0	-31%
Comparable growth	-28%	3%	
Adjusted EBIT ¹	6.2	22.0	-72%
Margin	3.7%	9.1%	
Capital expenditure	18.5	15.3	21%
Operating cash flow ¹	-7.0	15.6	<-100%

Net sales and comparable growth (EUR million & %)



Key figures, MEUR

	H1 20	H1 19	Change
Net sales	384.8	469.0	-18%
Comparable growth	-17%	4%	
Adjusted EBIT ¹	23.6	42.1	-44%
Margin	6.1%	9.0%	
Adjusted RONA ¹	8.7%	11.1%	
Capital expenditure	34.5	28.9	20%
Operating cash flow ¹	4.1	23.4	-83%

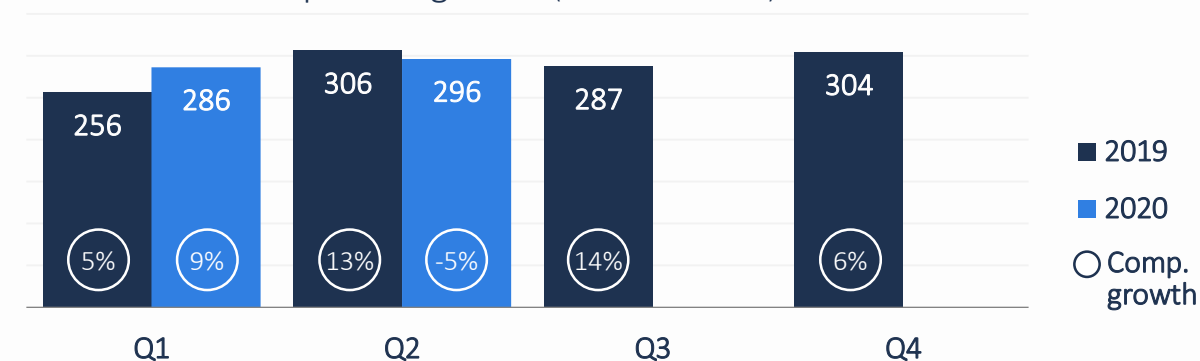
- Lockdown and restrictions resulted in significant negative impact on demand for foodservice packaging, affecting both sales and earnings
- Measures taken to mitigate the crisis impact e.g. allocation of idle manufacturing capacity for other purposes
- Continued investments for future growth and category expansion based on the step-wise recovery post lockdown in Q2 and our overarching confidence in the category

¹ Excluding IAC of EUR -0.5 million in Q2 2020 (EUR -0.2 million) and EUR -2.1 million in H1 2020 (EUR -0.2 million).

North America: Strong performance during Q2 and H1

Key figures, MEUR	Q2 20	Q2 19	Change
Net sales	296.1	306.4	-3%
Comparable growth	-5%	13%	
Adjusted EBIT ¹	37.9	32.4	17%
Margin	12.8%	10.6%	
Capital expenditure	9.9	9.4	5%
Operating cash flow ¹	71.9	34.2	>100%

Net sales and comparable growth (EUR million & %)



Key figures, MEUR	H1 20	H1 19	Change
Net sales	582.3	562.1	4%
Comparable growth	1%	9%	
Adjusted EBIT ¹	68.4	53.0	29%
Margin	11.7%	9.4%	
Adjusted RONA ¹	14.9%	10.3%	
Capital expenditure	21.8	24.1	-9%
Operating cash flow ¹	79.2	37.1	>100%

- Strong growth in retail tableware and in-home ice cream consumption
- COVID-19 impacted foodservice packaging sales negatively, primarily in drink cups and trays
- Earnings improved as a result of the continuation of the margins established in 2019, favorable sales mix and lower energy, fuel and plastic resin costs

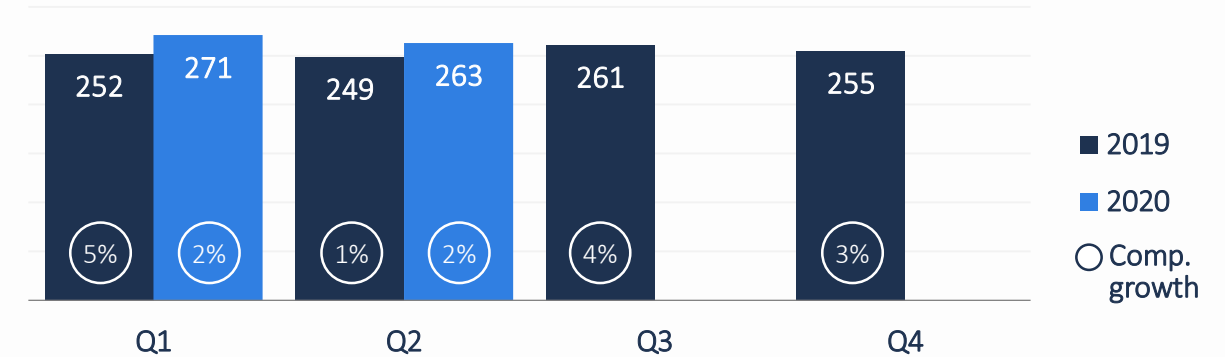
¹ Excluding IAC of EUR -0.0 million in Q2 2020 (no IAC in Q2 2019).and EUR -3.4 million in H1 2020 (no IAC in H1 2019).

Flexible Packaging: Performance impacted by disruptions in the supply chain

Key figures, MEUR

	Q2 20	Q2 19	Change
Net sales	263.1	248.7	6%
Comparable growth	2%	1%	
Adjusted EBIT ¹	19.1	20.1	-5%
Margin	7.3%	8.1%	
Capital expenditure	7.5	10.6	-29%
Operating cash flow ¹	7.4	16.5	-55%

Net sales and comparable growth (EUR million & %)



Key figures, MEUR

	H1 20	H1 19	Change
Net sales	534.0	500.5	7%
Comparable growth	2%	3%	
Adjusted EBIT ¹	40.1	43.2	-7%
Margin	7.5%	8.6%	
Adjusted RONA ¹	10.1%	10.5%	
Capital expenditure	15.5	19.3	-20%
Operating cash flow ¹	9.1	15.8	-42%

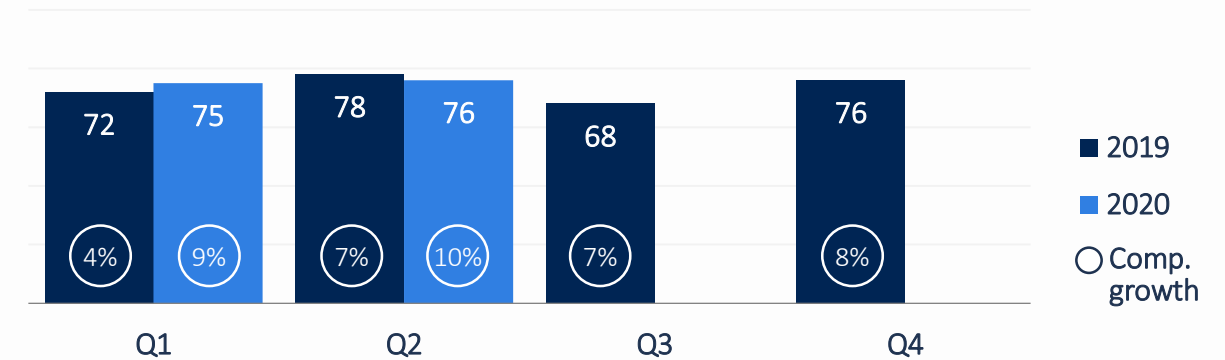
- Good demand for flexible packaging across most markets, with higher than normal demand in Europe
- The lower performance was driven mainly by UAE and India
 - India business was severely impacted during Q2 by the strict restrictions across the country limiting demand and supply
 - UAE suffered factory lockdowns
- Integration of recent acquisitions continues according to plan and supported growth and earnings

¹ Excluding IAC of EUR -0.3 million in Q2 2020 (no IAC in Q2 2019) and EUR -4.9 million in H1 2020 (no IAC in H1 2019).

Fiber Packaging: Significant growth in sales and solid profitability

Key figures, MEUR	Q2 20	Q2 19	Change
Net sales	75.7	77.5	-2%
Comparable growth	10%	7%	
Adjusted EBIT ¹	8.5	7.6	12%
Margin	11.2%	9.8%	
Capital expenditure	4.3	3.2	34%
Operating cash flow ¹	7.5	8.9	-16%

Net sales and comparable growth (EUR million & %)

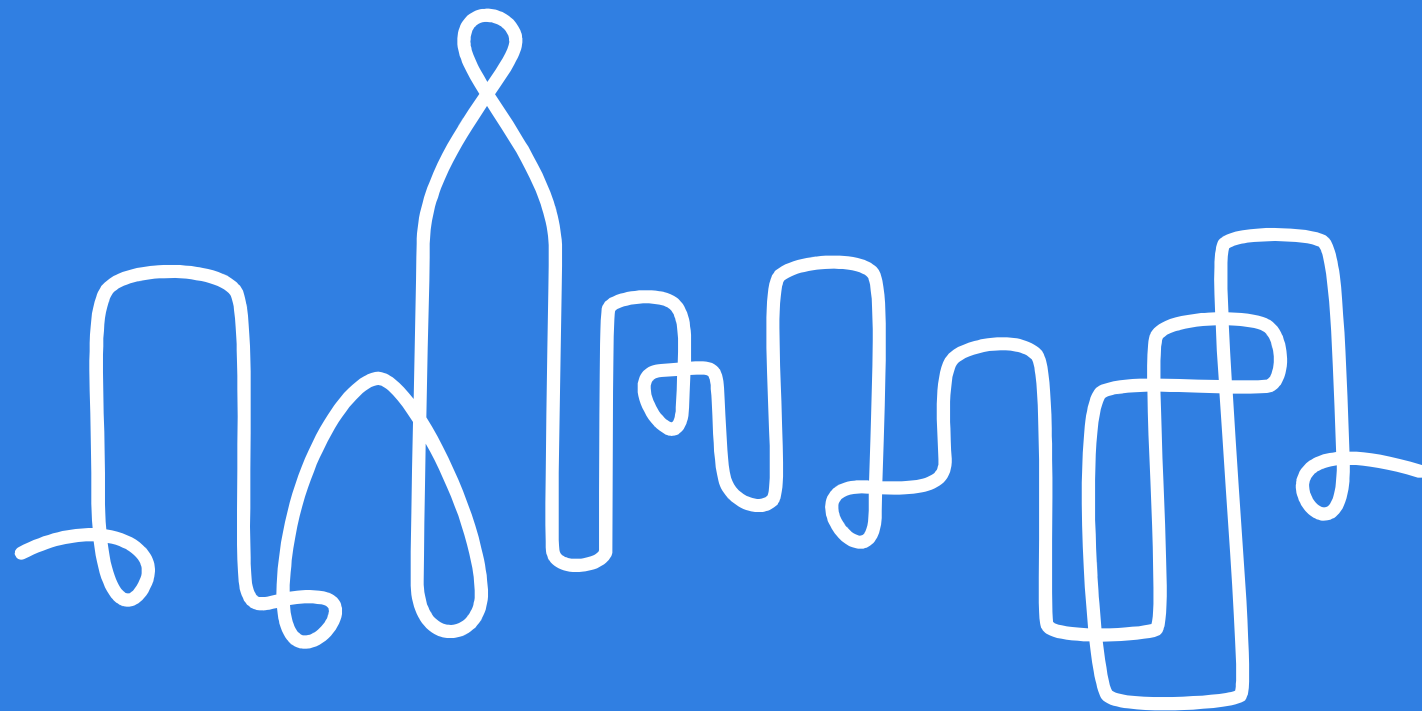


Key figures, MEUR	H1 20	H1 19	Change
Net sales	150.2	149.1	1%
Comparable growth	10%	5%	
Adjusted EBIT ¹	16.7	14.4	16%
Margin	11.1%	9.7%	
Adjusted RONA ¹	13.4%	13.5%	
Capital expenditure	7.7	5.8	33%
Operating cash flow ¹	7.4	13.5	-46%

- Strong demand across markets – especially in egg packaging and continued plastic substitution
- Net sales increased especially in Europe
- Earnings improvement driven by volume growth, pricing actions implemented earlier and lower raw material prices

¹ Excluding IAC of EUR -0.8 million in Q2 2020 (no IAC in Q2 2019) and EUR -1.5 million in H1 2020 (no IAC in H1 2019).

Q2 2020 results: Financials review



Solid EBIT margin whilst EPS affected by financial items and tax rate

MEUR	Q2 20	Q2 19	Change	H1 20	H1 19	Change
Net sales	797.1	867.3	-8%	1,641.7	1,669.4	-2%
Adjusted EBITDA ¹	112.1	118.6	-5%	229.1	225.5	2%
<i>Margin¹</i>	14.1%	13.7%		14.0%	13.5%	
Adjusted EBIT ²	70.1	78.3	-10%	143.7	146.1	-2%
<i>Margin²</i>	8.8%	9.0%		8.8%	8.8%	
EBIT	70.2	77.8	-10%	152.7	145.5	5%
Net financial items	-8.4	-7.8	-8%	-17.6	-15.7	-12%
Adjusted profit before taxes	61.7	70.5	-12%	126.1	130.4	-3%
Adjusted income tax expense ³	-13.9	-15.6	11%	-28.4	-28.0	-1%
Adjusted profit for the period ⁴	47.8	54.9	-13%	97.7	102.3	-4%
Adjusted EPS, EUR ⁴	0.44	0.51	-14%	0.90	0.95	-5%

- Net financial items increased following internal funding arrangements and precautionary measures for COVID-19
- Higher reported tax in H2 2020 with adjusted tax rate 23% (22% in H1 2019)

¹ Excluding IAC of EUR 0.9 million in Q2 20 (EUR -0.5 million) and EUR 14.0 million in H1 20 (EUR -0.6 million). ³ Excluding IAC of EUR 0.0 million in Q2 20 (EUR 0.1 million) and EUR -2.0 million in H1 20 (EUR 0.1 million).

² Excluding IAC of EUR 0.1 million in Q2 20 (EUR -0.5 million) and EUR 9.0 million in H1 20 (EUR -0.6 million). ⁴ Excluding IAC of EUR 0.1 million in Q2 20 (EUR -0.4 million) and EUR 7.0 million in H1 20 (EUR -0.5 million).

No significant impact from currencies

	Average rate H1 2019	Closing rates					Average rate H1 2020	Change in average rate
		Q2 19	Q3 19	Q4 19	Q1 20	Q2 20		
USD	1.13	1.14	1.09	1.12	1.10	1.13	1.10	3%
INR	79.13	78.57	77.07	79.81	83.50	85.19	81.63	-3%
GBP	0.87	0.89	0.89	0.85	0.89	0.92	0.87	0%
CNY	7.67	7.82	7.79	7.82	7.83	7.98	7.75	-1%
AUD	1.60	1.63	1.62	1.60	1.80	1.64	1.68	-5%
THB	35.72	35.00	33.51	33.47	36.08	34.85	34.82	3%
RUB	73.79	71.61	70.37	69.28	88.14	78.92	76.61	-4%
BRL	4.34	4.39	4.55	4.51	5.65	6.11	5.40	-24%
NZD	1.68	1.70	1.74	1.66	1.84	1.75	1.76	-5%
ZAR	16.05	16.09	16.48	15.74	19.73	19.43	18.30	-14%

Foreign currency translation impact

Q2 2020
(EUR million)

Net sales	EBIT
-8	0

H1 2020
(EUR million)

Net sales	EBIT
+2	+1

Please note: Income statement is valued on average rate, balance sheet on closing rate.

Net debt decreased compared to Q2 2019 and Q1 2020

Net debt, net debt/adj. EBITDA and gearing

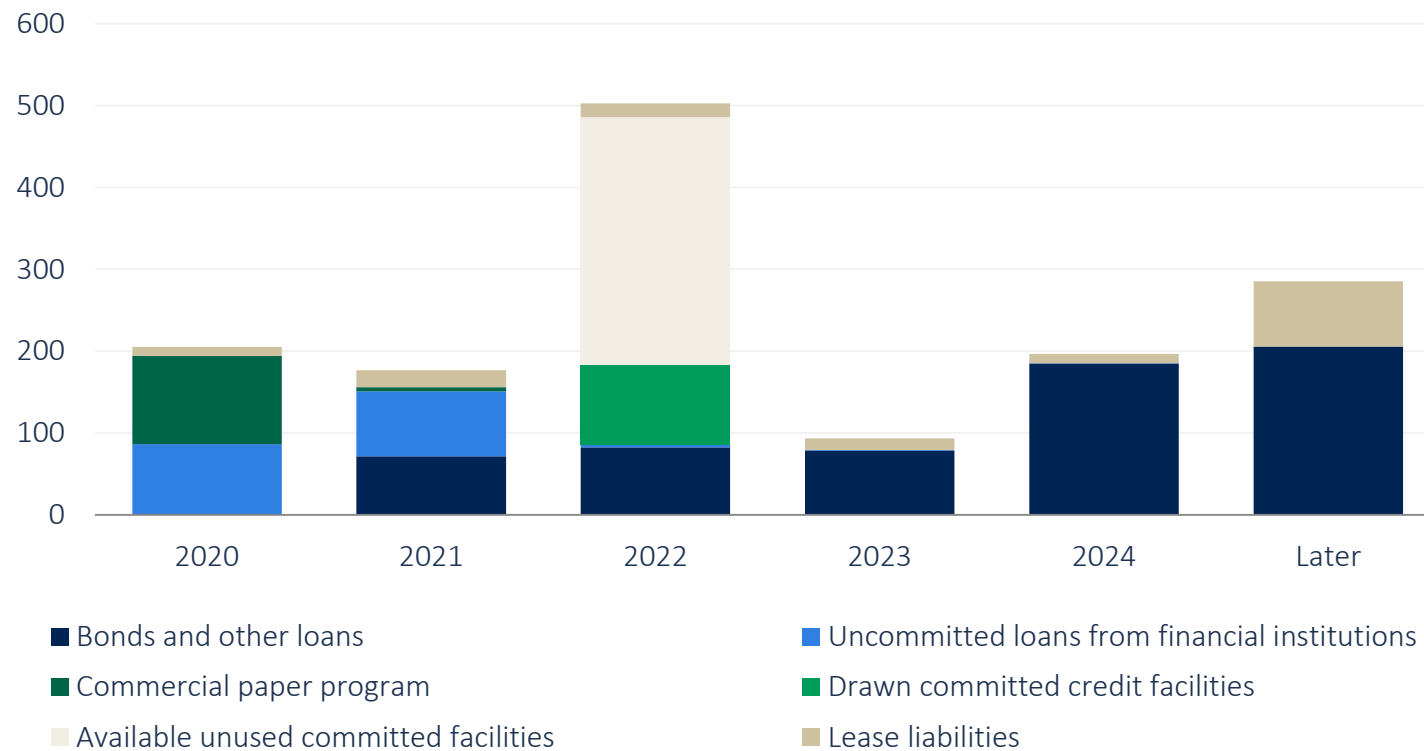


- Net debt/Adj. EBITDA at 2.0
- At the end of Q2 2020:
 - Cash and cash equivalents EUR 234 million
 - Unused committed credit facilities available EUR 303 million
- Net debt EUR 908 million and lease liabilities EUR 154 million

¹ Covenant level is excluding IFRS 16 lease liabilities.

Loan maturities

Debt maturity structure June 30, 2020
(EUR million)

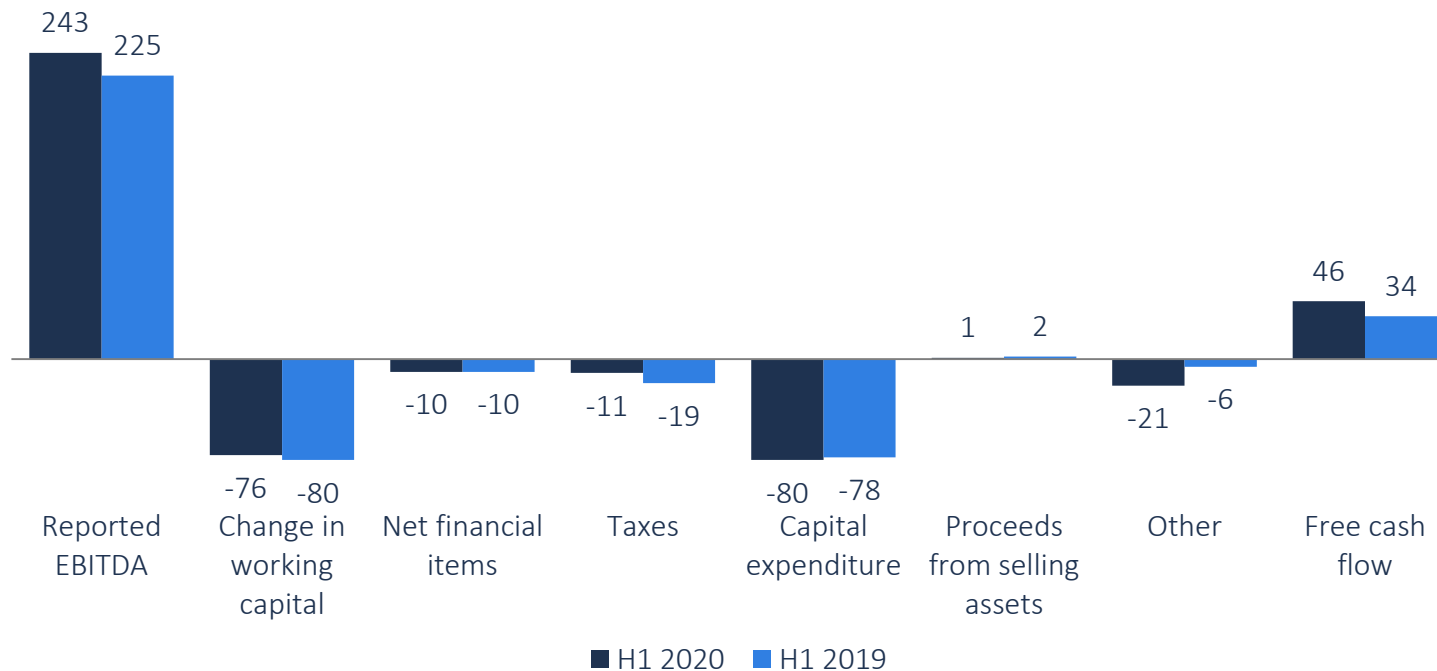


- Average maturity 3.1 years at the end of Q2 2020 (3.2 Q2 2019)
- Unused committed credit facilities of EUR 303 million maturing in 2022
- EUR 150 million Schuldschein in 3 and 5 year maturities signed on June 26, 2020¹
 - Proceeds will be used for general corporate purposes and repayment of existing debt maturing during the next 12 months

¹ Funds paid on July 3, 2020

Higher free cash flow

Free cash flow bridge
(EUR million)



Cash flow driven by:

- Higher EBITDA despite impact from COVID
- Laminor gain of ~20 MEUR is recognized as non-cash in 'Other'
- Positive impact from working capital following active receivables collection

Stable financial position

<i>MEUR</i>	Jun 2020	Jun 2019
Total assets	3,672	3,413
Operating working capital	617	662
Net debt	908	1,019
Equity & non-controlling interest	1,475	1,305
Gearing	0.62	0.78
Adjusted ROI ¹	11.6%	11.5%
Adjusted ROE ¹	14.2%	14.8%

- Higher total assets following growth
- Net debt decreased and gearing improved
- Improvement in adjusted ROI, decrease in adjusted ROE

¹ Excluding IAC.

Progress towards long-term financial ambitions

	2014	2015	2016	2017	2018 ¹	2019	H1 2020	Long-term ambition
Organic growth	6%	4%	4%	3%	5%	6%	-3%	5+%
Adjusted EBIT margin	7.8%	8.7%	9.4%	9.0%	8.1%	8.6%	8.8%	10+%
Net debt/Adj. EBITDA	1.0	1.6	1.8	1.8	2.3	2.0	2.0	2-3
Dividend payout ratio	47%	40%	40%	42%	50%	47% ²		40-50%

- The long-term ambitions were updated at the Strategy Update on March 23, 2020
- In April, the AGM authorized the Board of Directors to decide on the distribution of the dividend for 2019 in one or several instalments of a total maximum of EUR 0.89 per share

¹ FY 2018 figures restated for IFRS 16 impact

² The Annual General Meeting has authorized the Board of Directors to decide at a later stage and in its discretion on the distribution of dividend in one or several instalments of a total maximum of EUR 0.89 per share. Payout ratio of 47% corresponds to a dividend payout of EUR 0.89.

Q2 2020 results:
Looking forward



Huhtamaki

Outlook 2020

Disturbance from the COVID-19 pandemic on Huhtamaki's operating environment is expected to continue. The demand especially for food on-the-go packaging may be significantly negatively impacted whilst demand for food on-the-shelf packaging and convenience tableware may be positively impacted. Huhtamaki's diversified product portfolio provides resilience to the effects of the pandemic.

Short-term risks and uncertainties

The COVID-19 pandemic including a potential second wave of the pandemic is a significant short-term risk potentially creating disturbance in the Group's trading conditions and its operating environment, as well as in demand for the Group's products.

Volatile raw material and energy prices as well as movements in currency rates are considered to be relevant short-term business risks and uncertainties in the Group's operations.

General political, economic and financial market conditions can also have an adverse effect on the implementation of the Group's strategy and on its business performance and earnings.

Financial calendar 2020

October 22

Q3 2020 Interim Report

November 10

Segment update and site visit in
Hämeenlinna, Finland

More information will follow. Event subject to restrictions following COVID-19.

Disclaimer

Information presented herein contains, or may be deemed to contain, forward-looking statements. These statements relate to future events or Huhtamäki Oyj's or its affiliates' ("Huhtamäki") future financial performance, including, but not limited to, strategic plans, potential growth, expected capital expenditure, ability to generate cash flows, liquidity and cost savings that involve known and unknown risks, uncertainties and other factors that may cause Huhtamäki's actual results, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Such risks and uncertainties include, but are not limited to: (1) general economic conditions such as movements in currency rates, volatile raw material and energy prices and political uncertainties; (2) industry conditions such as demand for Huhtamäki's products, pricing pressures and competitive situation; and (3) Huhtamäki's own operating and other conditions such as the success of manufacturing activities and the achievement of efficiencies therein as well as the success of pending and future acquisitions and restructurings and product innovations. Future results may vary from the results expressed in, or implied by, forward-looking statements, possibly to a material degree. All forward-looking statements made in this presentation are based on information currently available to the management and Huhtamäki assumes no obligation to update or revise any forward-looking statements. Nothing in this presentation constitutes investment advice and this presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities or otherwise to engage in any investment activity.

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Huhtamaki