

A close-up photograph of a cyclist wearing a black helmet and a bright red jacket with reflective silver stripes. The cyclist is looking down at a brown paper coffee cup with a white lid that they are holding in their gloved hands. The background is a blurred city street with buildings and greenery.

Good net sales development, margins impacted by increased costs

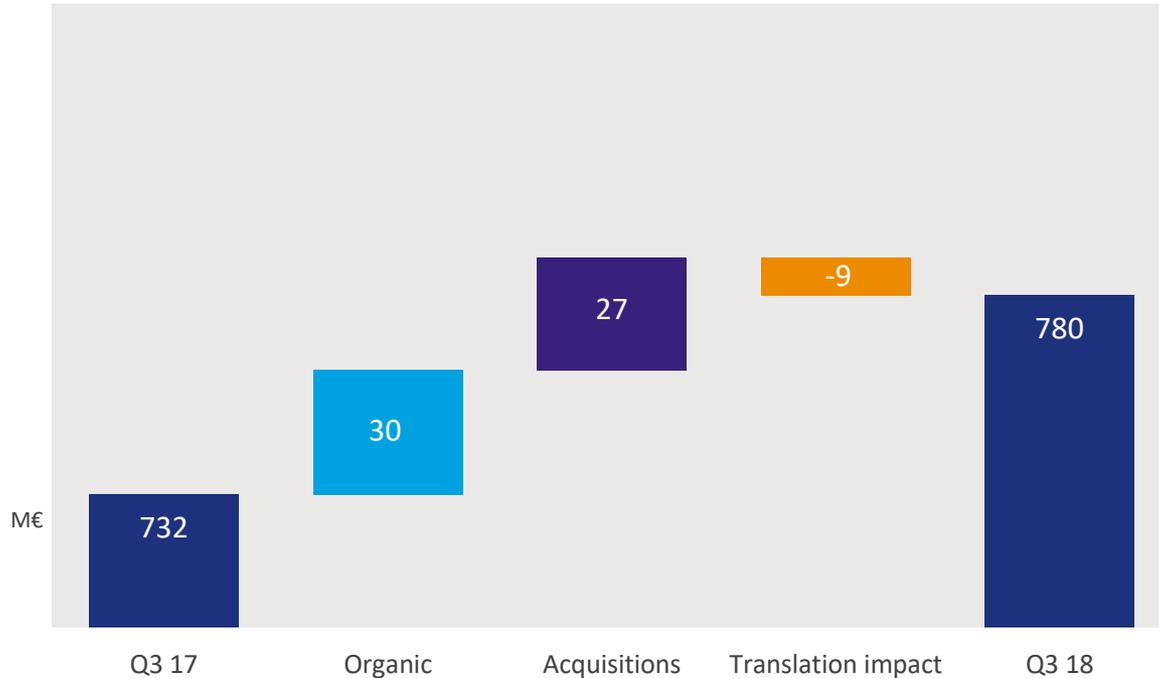
Interim Report Q3 2018

CEO Jukka Moisio

CFO Thomas Geust

Huhtamaki

7% net sales growth in Q3 – both organic and acquisitive growth contributed



Net sales growth split in Q3 18

- 4% comparable growth with all business segments contributing
- 5% in emerging markets
- 4% from acquisitions
- Currency impact decreased to MEUR -9 (app. -1%)

Currency translation impacting good year-to-date growth



Net sales growth split in Q1-Q3 18

- 5% comparable growth
- 8% in emerging markets; growth strongest in Africa, Russia, Brazil and India
- 2% from acquisitions
- Negative currency translation impact of M€ 117 (app. 5%)

Comparable growth

	Q3 18	Q2 18	Q1 18	Q4 17	Q3 17	YTD 18	YTD 17	FY 2017	Long-term ambitions
Foodservice E-A-O	5%	5%	5%	6%	4%	5%	3%	4%	5-7%
North America	2%	2%	5%	2%	2%	3%	1%	2%	2-5%
Flexible Packaging	6%	11%	6%	9%	7%	8%	3%	4%	6-8%
Fiber Packaging	4%	3%	5%	4%	5%	4%	5%	5%	5-7%
Group	4%	6%	5%	5%	4%	5%	3%	3%	5+%

- Flexible Packaging; good volume development in India and Europe
- Solid growth in Foodservice E-A-O; led by core paperboard items and global key accounts
- Strong paperboard growth in North America moderated by lower sales of branded tableware
- Strong growth of fiber packaging in the UK, Russia, Brazil and Africa

Strong net sales growth, high cost environment

MEUR	Q3 18	Q3 17	Change	Q1-Q3 18	Q1-Q3 17	Change
Net sales	779.8	732.0	7%	2,290.9	2,243.3	2%
Adjusted EBITDA ¹	87.6	94.0	-7%	278.4	294.4	-5%
Margin ¹	11.2%	12.8%		12.2%	13.1%	
Adjusted EBIT ²	56.5	64.3	-12%	186.7	202.7	-8%
Margin ²	7.3%	8.8%		8.2%	9.0%	
Adjusted EPS, EUR ³	0.38	0.44	-12%	1.25	1.39	-10%
ROI ²				12.2%	13.9%	
ROE ³				15.4%	16.4%	
Capital expenditure	45.6	48.7	-6%	126.5	144.1	-12%
Free cash flow	-3.3	17.0		23.5	5.2	

Q3 18 Highlights

- Earnings improvement in Foodservice E-A-O
- High costs and unfavorable product mix burdened North America margins
- Q3 main changes:
 - Input costs, price/mix -9 MEUR
 - Distribution -5 MEUR
 - Currency -0.4 MEUR
 - Organic & acquired growth +7 MEUR (incl. Goodyear impact)

Profit below long-term ambitions – actions ongoing

1. Pricing

Restore gross margin, currently impacted by cost increases (ongoing)

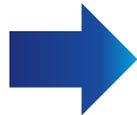
2. Cost-out and efficiency improvements

Cost-out activities including:

- Write-off of non-competitive lines; India, North America (Q4 2018)
- Focused restructuring plans (Q4/18 – H1/19), e.g.
 - Closure of EPS in Poland (Q4 2018)
 - Optimized foodservice manufacturing footprint in New Zealand (Q4 2018)

Efficiency improvement actions including:

- Automation in Western Europe, Southeast Asia (2019-2020)



**Annualized gross profit improvement target MEUR 15-18,
estimated IAC MEUR -30 in Q4 18**

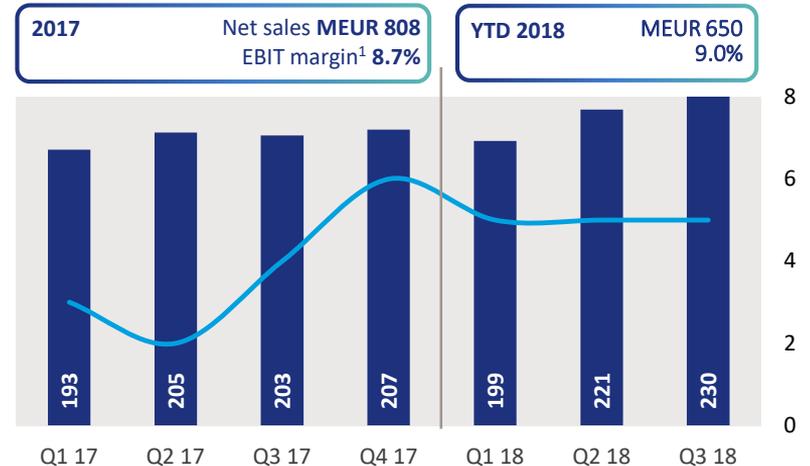
3. Maintain stable SG&A

Current efficiency competitive (ongoing)

Business segment review

Foodservice Europe-Asia-Oceania: Solid performance

- Good net sales development
 - Core paperboard items
 - Global key accounts
- Earnings improvement supported by
 - Positive net sales development, good cost control and successful price management
 - Contribution from acquired units
- Margins burdened by increasing costs, especially in Eastern Europe



Key figures, MEUR	Comparable growth, %		
	Q3 18	Q3 17	Change
Adjusted EBIT ¹	18.7	18.4	2%
Margin ¹	8.1%	9.1%	
RONA ¹	13.1%	12.6%	
Capital expenditure	14.1	11.5	23%
Operating cash flow	10.5	16.0	-34%

New print with a QR code makes cup recycling easier in the UK

- Cup design includes a QR code taking to a web page with details of recycling sites and schemes across the UK
- All cups manufactured by Huhtamaki in the UK are made of PEFC certified board and either recyclable or compostable

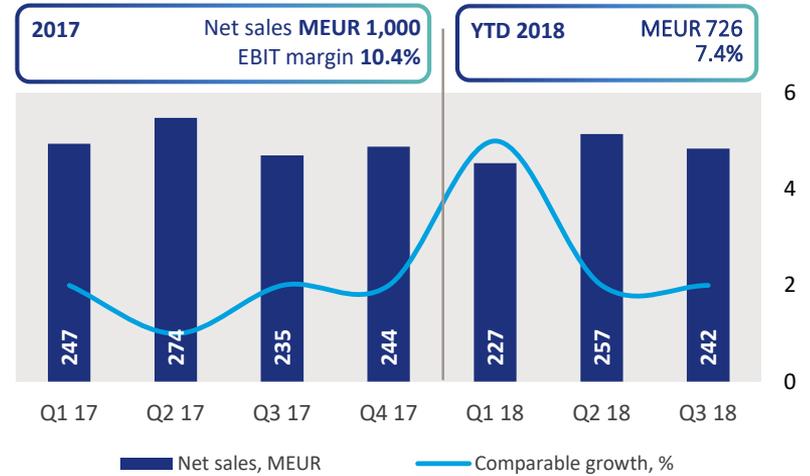


European Commission SUP directive – status update

- The next step in the legislative process are trilogies between the EU Commission, Parliament and Member States, where the proposal is negotiated further
- **Items proposed to be banned (straws, cutlery, plates) represent only a small part of Foodservice E-A-O's sales in Europe**
- Other single-use foodservice packaging products are categorized for consumption reduction (by 2025), extended producer responsibility, awareness raising and marking requirements
 - At present, the proposal includes also single use food packaging made of coated paperboard
- Some single-use flexible packaging products are categorized for extended producer responsibility, awareness raising and marking requirements
- Huhtamaki, together with the rest of the industry is working to innovate new food packaging solutions from renewable and recyclable materials, aiming to minimize their impact on the environment, while ensuring consumer safety and food hygiene
- According to our view, paper and fiber are likely to continue gaining share over plastic in foodservice packaging applications

North America: Paperboard progressed well

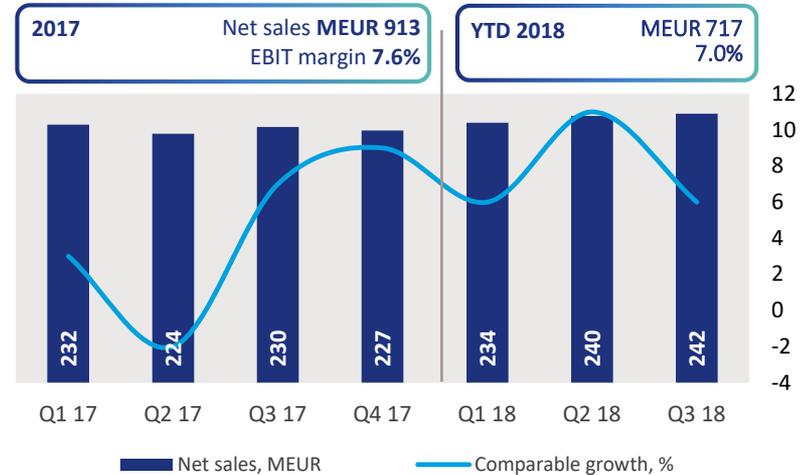
- Strong paperboard sales driven by foodservice, ice cream, and private label tableware
- Branded tableware sales declined due to lower promotional activity
- High cost environment continued
 - Distribution and input costs
 - Goodyear start-up costs
- Working capital change negative
 - Anticipating Q4 deliveries
- Currency impact turned positive



Key figures, MEUR	Q3 18	Q3 17	Change
EBIT	14.6	20.2	-28%
<i>Margin</i>	6.0%	8.6%	
RONA	10.8%	13.9%	
Capital expenditure	12.6	27.0	-53%
Operating cash flow	-4.2	9.6	-143%

Flexible Packaging: Strong volume growth

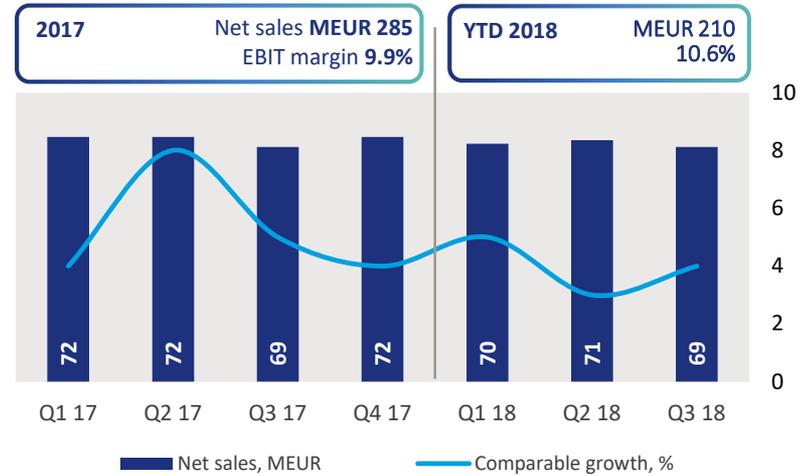
- Good volume growth across markets, exports to Africa subdued
- Segment profitability suffered from emerging market currencies, especially the devaluation of Indian rupee
 - Higher input costs
 - Prices increase with a delay
- Egypt start-up on track
 - Early trials in Q4
 - Commercial deliveries starting Q1/2019



Key figures, MEUR	Q3 18	Q3 17	Change
Adjusted EBIT ¹	15.0	17.7	-15%
Margin ¹	6.2%	7.7%	
RONA ¹	10.6%	10.6%	
Capital expenditure	13.5	5.8	133%
Operating cash flow	1.7	12.4	-86%

Fiber Packaging: Product business developed well

- Strong growth in the UK, Russia, Brazil and Africa
- Good earnings development of product business
 - Especially strong outside Europe
- Raw materials stable at low level
- Fresh tray in second consumer test
 - Costs visible in segment earnings



Key figures, MEUR	Q3 18	Q3 17	Change
Adjusted EBIT ¹	7.0	7.3	-4%
Margin ¹	10.1%	10.6%	
RONA ¹	12.9%	14.8%	
Capital expenditure	4.7	4.3	9%
Operating cash flow	1.5	3.3	-54%

Financial review

Q3 reported net sales reflect underlying growth – currency translation moderate

MEUR	Q3 18	Q3 17	Change	Q1-Q3 2018	Q1-Q3 2017	Change
Net sales	779.8	732.0	7%	2,290.9	2,243.3	2%
Adjusted EBITDA ¹	87.6	94.0	-7%	278.4	294.4	-5%
Margin ¹	11.2%	12.8%		12.2%	13.1%	
Adjusted EBIT ²	56.5	64.3	-12%	186.7	202.7	-8%
Margin ²	7.3%	8.8%		8.2%	9.0%	
EBIT	56.4	64.3	-12%	196.1	202.7	-3%
Net financial items	-6.6	-5.1	-30%	-20.1	-16.0	-26%
Adjusted profit before taxes ²	49.9	59.2	-16%	166.7	186.7	-11%
Adjusted income tax expense ³	-10.5	-13.0	19%	-35.2	-41.0	14%
Adjusted profit for the period ⁴	39.4	46.2	-15%	131.5	145.7	-10%
Adjusted EPS, EUR ⁴	0.38	0.44	-12%	1.25	1.39	-10%

Q3 Highlights

- Good growth, high costs
- High depreciation burdens EBIT
- Tax rate at 21%

Q1-Q3 Highlights

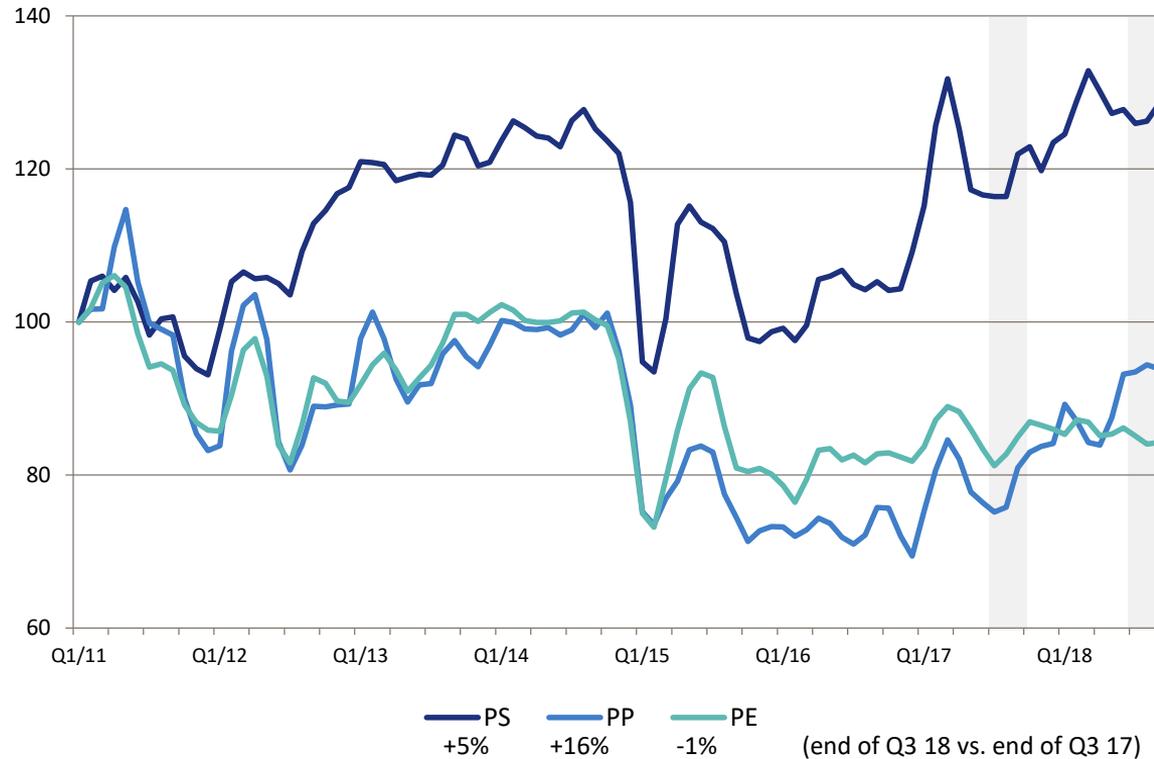
- Good growth and significant currency headwind
- YTD Gross margin down app. 1.5 percentage points due to lower VA margin and higher distribution costs

Less negative impact from currency translation in Q3 2018

	Average rate Q1-Q3 2017	Closing rates					Average rate Q1-Q3 2018
		Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	
USD	1.11	1.18	1.19	1.24	1.16	1.17	1.20
INR	72.56	77.11	76.47	80.80	79.68	84.98	80.19
GBP	0.87	0.88	0.89	0.88	0.89	0.89	0.88
CNY	7.57	7.84	7.80	7.80	7.67	8.06	7.78
AUD	1.45	1.51	1.53	1.61	1.58	1.62	1.58
THB	38.10	39.33	38.93	38.74	38.36	37.96	38.41
RUB	64.88	68.39	68.80	71.33	73.10	76.90	73.38
BRL	3.53	3.75	3.95	4.13	4.48	4.73	4.29
NZD	1.55	1.64	1.69	1.71	1.71	1.76	1.71
ZAR	14.69	15.92	14.73	14.50	16.06	16.52	15.38

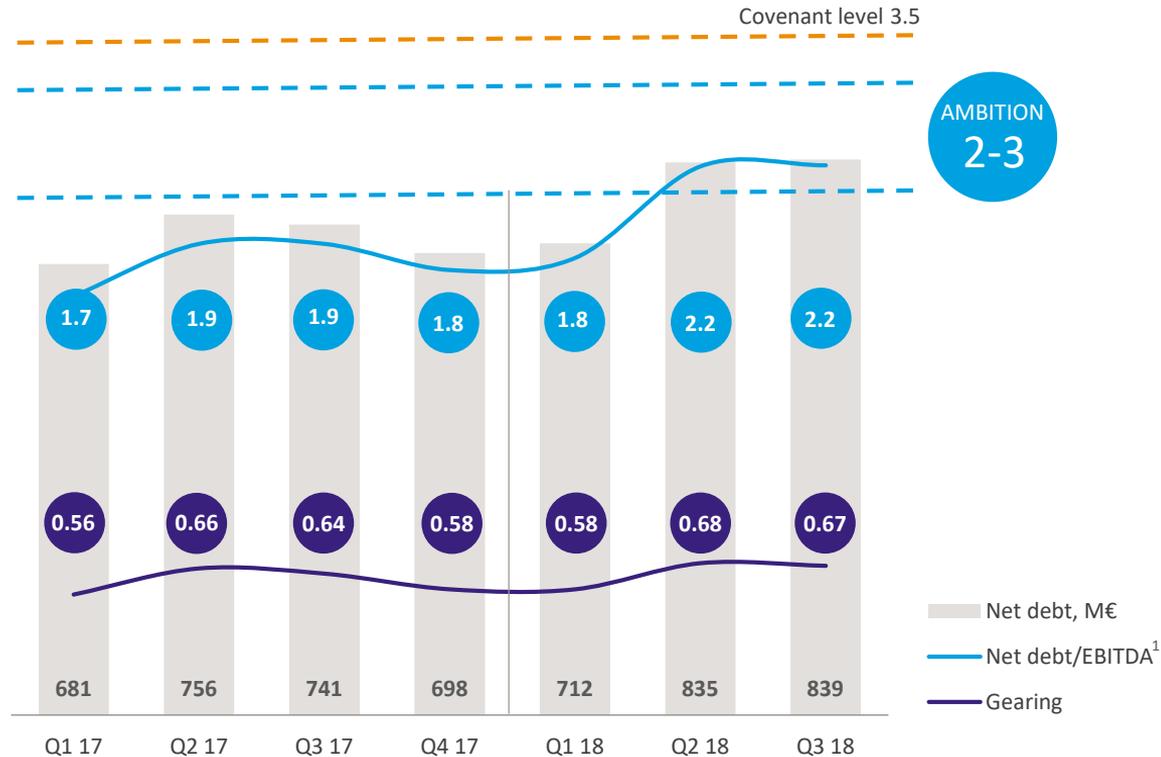
- Foreign currency impact compared to 2017 rates
 - Q3 2018 Net Sales MEUR -9 and EBIT MEUR -0.4
 - YTD 2018 Net sales MEUR -117 and EBIT MEUR -8.6
- The most significant impacts from USD, INR and RUB

Up-trending cost environment in raw materials



- Overall cost inflation
- Sharp increase in plastic resins in emerging markets
 - e.g. PET films up 25% in India during Q3
- Prices of fiber varied
 - OCC and post-consumer fiber low; post-industrial fiber higher
 - Paperboard high, following pulp increases

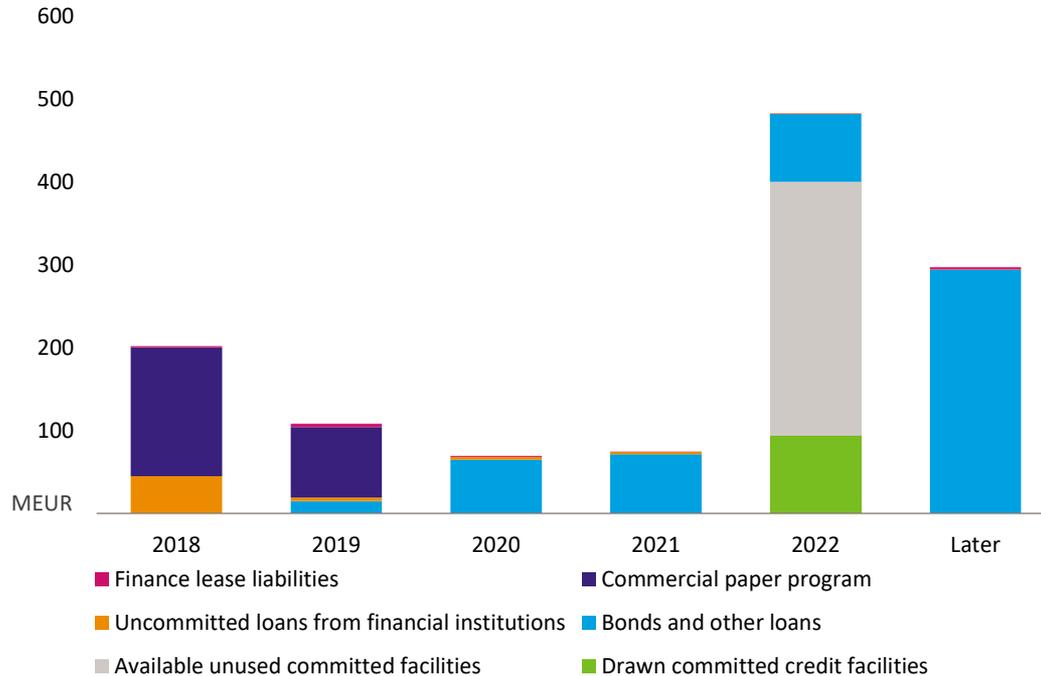
Debt position includes Q2 acquisitions



- Net debt/EBITDA at 2.2
- At the end of Q3 18
 - Cash and cash equivalents MEUR 79
 - Unused committed credit facilities available MEUR 306
- Funds available for acquisitions approx. MEUR 400-500

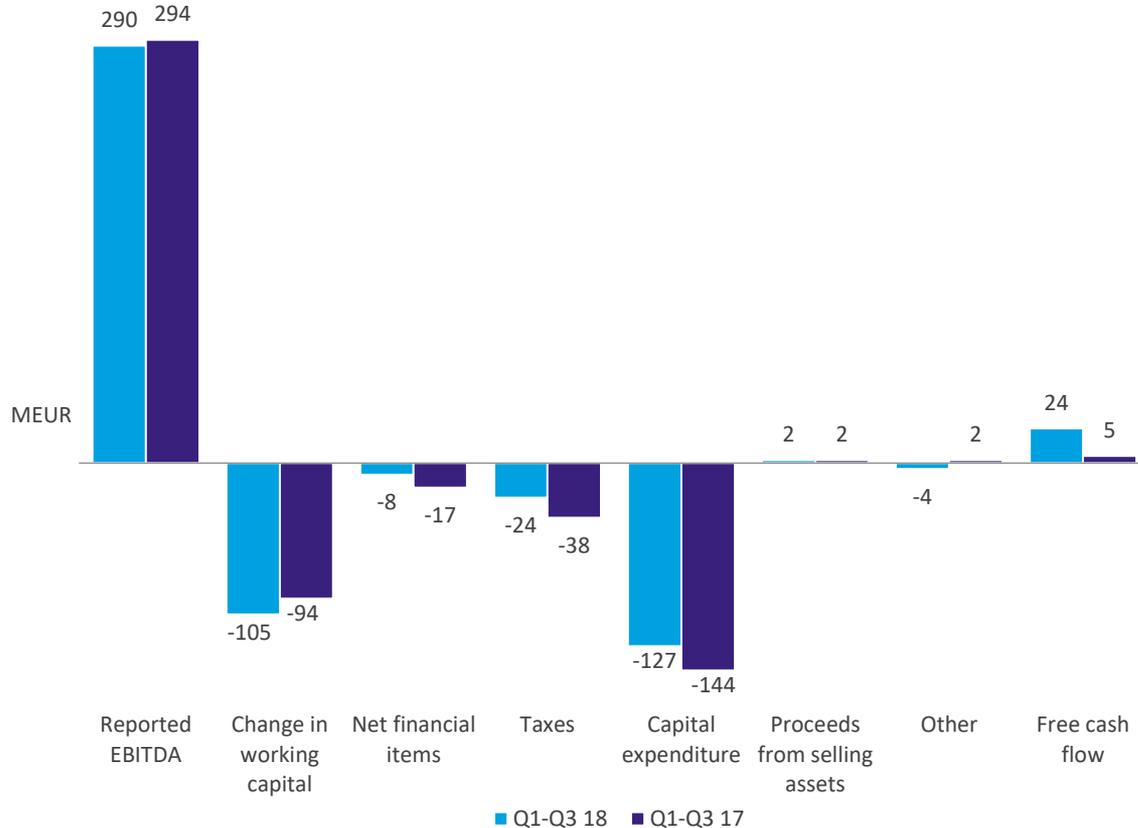
Loan maturities extended in 2017

Debt maturity structure September 30, 2018



– Average maturity 3.9 years at the end of Q3 2018 (4.8 at the end of Q3 2017)

Free cash flow



- Working capital reflects onboarding new business and higher raw material costs
- Lower capex

Progress towards long-term ambitions

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	YTD Q3 2018	Long-term ambition
Organic growth	3%	6%	4%	4%	3%	5%	5+%
EBITDA margin	11.2%	11.6%	12.5%	13.3%	13.0%	12.2%	14+%
EBIT margin	7.4%	7.8%	8.7%	9.4%	9.0%	8.2%	10+%
ROI	12.1%	12.6%	14.7%	14.7%	13.6%	12.2%	15+%
ROE	15.8%	16.1%	18.1%	17.7%	17.0%	15.4%	18%
Capex/EBITDA	50%	49%	43%	52%	55%	45%	40%
Net debt/EBITDA	1.6	1.0	1.6	1.8	1.8	2.2	2-3
Free cash flow, MEUR	56	65	91	100	56	24	150
Dividend payout ratio	47%	47%	40%	40%	42%	n/a	40-50%

- Group growth is on track
- Profitability improvement actions ongoing

Looking forward

Outlook 2018

The Group's trading conditions are expected to remain relatively stable during 2018. The good financial position and ability to generate a positive cash flow will enable the Group to address profitable growth opportunities. Capital expenditure is expected to be approximately at the same level as in 2017 with the majority of the investments directed to business expansion.

Short-term risks and uncertainties

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 2019

February 14

Results 2018

Week 8

**Annual Accounts 2018
& Directors' Report**

April 25

**Q1 19 Interim Report
AGM**

July 19

**Half-yearly Report
2019**

October 23

Q3 19 Interim Report



Helping great products
reach more people,
more easily

Our business segments

Our three business areas are organized into four reporting segments

Foodservice packaging



Foodservice Europe-Asia-Oceania and North America

- 40 plants on 5 continents
- 8,930 employees
- €1.8bn net sales

Flexible packaging



Flexible Packaging

- 27 plants on 3 continents
- 7,300 employees
- €913mn net sales

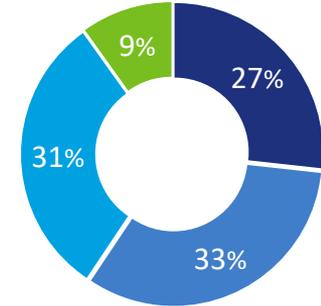
Fiber packaging



Fiber Packaging

- 11 plants on 4 continents
- 1,750 employees
- €285mn net sales

Share of net sales per segment in 2017



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

Foodservice E-A-O: Geared for profitable growth

Foodservice paper and plastic disposable tableware, such as cups and lids, is supplied to foodservice operators, fast food restaurants and coffee shops. The segment has production in Europe, South Africa, Middle East, Asia and Oceania.

Our products



Net sales by geography



Our competitive advantages

- Unique footprint
- Wide product range
- High standards to operate applied in all locations
- Renewed innovations roadmap
- Sourcing ability
- Solid operating efficiency and up-to-date manufacturing capacity

Our customers



Market position



Key competitors

Seda, Detpak, HK Cup, Graphic Packaging, Dart/Solo and local players

MEUR	Long-term ambition	LTM Q3 18	2017	2016	2015	2014	2013	2012
Net sales		857.2	807.5	741.0	667.5	620.4	629.1	626.8
Comparable growth	5-7%	5% ⁽¹⁾	4%	5%	4%	4%	2%	-1%
EBIT		76.2	70.1	63.2	52.4	57.4	46.9	38.1
Margin	9-11%	8.9%	8.7%	8.5%	7.9%	9.3%	7.5%	6.1%
RONA	15+%	13.1%	13.0%	13.7%	14.2%	17.6%	13.9%	11.6%
Capex		55.5	53.4	46.9	39.6	33.6	16.8	21.1
Operating cash flow		43.9	57.1	38.0	35.4	41.9	55.9	39.7



Focus areas

- Footprint expansion
- Product portfolio expansion, especially folded carton and bags & wraps
- Execution of the renewed innovation roadmap with emphasis on sustainability and aim for enhanced differentiation
- Sourcing collaboration across segments

North America: Continue on the growth path

The North America segment serves local markets with foodservice packaging, Chinet® disposable tableware as well as ice-cream containers and other consumer goods packaging products. The segment has production in the United States and Mexico.

Our products



Net sales by market channel



Our competitive advantages

- Leading shaped paperboard converter
- 21st century new capacity
- Capability for customer promotions
- Molded fiber competence and scale, Chinet® brand
- Uniquely global in foodservice packaging
- Ice-cream systems offering

MEUR	Long-term ambition	LTM Q3 18	2017	2016	2015	2014	2013	2012
Net sales		969.7	1,000.4	1,005.1	947.7	769.3	725.3	704.3
Comparable growth	2-5%	3% ⁽¹⁾	2%	6%	4%	6%	5%	5%
EBIT		82.2	104.1	107.6	88.2	38.4	38.4	53.0
Margin	9-10%	8.5%	10.4%	10.7%	9.3%	5.0%	5.3%	7.5%
RONA	11-14%	10.8%	14.2%	16.3%	14.1%	7.2%	8.0%	11.7%
Capex		65.5	97.9	97.9	40.9	36.7	66.7	31.5
Operating cash flow		20.1	31.7	40.4	61.1	18.7	-15.0	28.7

Our customers



Market position



Key competitors

Georgia Pacific, Pactiv, Dart/Solo, West Rock, Graphic Packaging, Berry Plastics



Focus areas

- Replicate Batavia success in Goodyear, AZ
- Build culture to attract best employees and best customers
- Leverage our capacity in foodservice paperboard packaging and retail store brands

⁽¹⁾ For YTD 2018

Flexible Packaging: Strengthening our position

Flexible packaging is used for a wide range of consumer products including food, pet food, hygiene and health care products. The segment serves global markets from production units in Europe, Middle East, Asia and South America.

Our products



Sales by geography



■ Europe
■ Asia

Our competitive advantages

- Unmatched footprint in emerging markets
- Good reputation among blue-chip customers
- Global R&D knowhow to speed up innovations & commercialization
- Wide product offering
- Strong teams & resource pool in India

Our customers



Market position

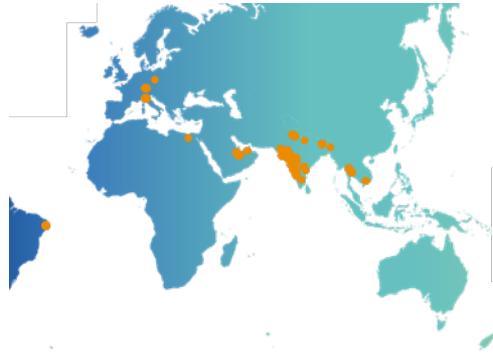


flexible packaging company in emerging markets

Key competitors

Amcor(/Bemis), Constantia, Sealed Air, Dai Nippon, regional and local players

MEUR	Long-term ambition	LTM Q3 18	2017	2016	2015	2014	2013	2012
Net sales		943.5	912.7	868.6	868.9	618.0	585.8	573.3
Comparable growth	6-8%	8% ¹	4%	-1%	3%	7%	4%	2%
EBIT		69.6	69.7	73.8	68.8	45.5	44.0	44.6
Margin	9-11%	7.4%	7.6%	8.5%	7.9%	7.4%	7.5%	7.8%
RONA	15+%	10.6%	10.8%	11.6%	12.3%	13.6%	13.3%	13.8%
Capex		54.4	41.1	25.7	31.6	24.7	15.6	19.8
Operating cash flow		29.7	36.6	87.9	63.5	27.8	34.8	41.4



Focus areas

- Harvest full benefits of the recent growth initiatives
- Seize the momentum with global key accounts
- Offer best-in-market innovation capability
- Build capacity for organic growth and seek for potential acquisition targets

Huhtamaki

Fiber Packaging: Focus on profitable growth to enhance our positions

Recycled and other natural fibers are used to make fresh product packaging, such as egg, fruit, food and drink packaging. The segment has production in Europe, Oceania, Africa and South America.

Our products



Sales by geography



Our competitive advantages

- Full control throughout the value chain from raw material sourcing to NPD
- Centralized R&D
- Sustainability knowhow
- Local service backed by global knowledge
- Strong teams and continuous knowledge sharing

MEUR	Long-term ambition	LTM Q3 18	2017	2016	2015	2014	2013	2012
Net sales		282.5	285.1	267.8	260.3	247.0	236.3	237.3
Comparable growth	5-7%	4% ⁽¹⁾	5%	5%	5%	9%	6%	4%
EBIT		27.8	28.2	34.6	33.5	35.0	29.6	26.4
Margin	13-15%	9.8%	9.9%	12.9%	12.9%	14.2%	12.5%	11.1%
RONA	18+%	12.9%	12.8%	16.4%	17.7%	20.4%	18.2%	16.1%
Capex		19.1	22.0	27.6	34.1	27.3	18.9	14.8
Operating cash flow		21.0	20.7	16.7	9.9	17.5	21.0	25.6

Our customers

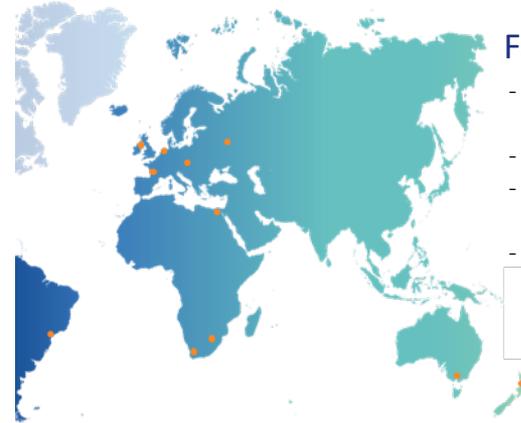


Market position



Key competitors

Hartmann, Pactiv, local players, plastics manufacturers



Focus areas

- Continued investments in new capacity
- Expansion of product portfolio
- Active interest in potential acquisitions
- Innovations and sustainability
- Continuous improvement: operational efficiency, cost mgmt
- Knowledge sharing

Huhtamaki

Becoming the first choice in food packaging – next steps

Our business is consumer food and drink packaging

Food-on-the-go

Pre-packed food



Convenience

Short shelf life

Food Safety

Long shelf life

Waste prevention

Our packaging protects food and drink products, delivering them to consumers safely and in good condition, helping to reduce food waste.

Megatrends support food packaging growth...

Food packaging offers stable growth opportunities over the cycle

Food contact requirements create a higher entry barrier

Innovations create more sustainable and easy-to-use packaging

Megatrends create opportunities for us



More people



Growing middle class



More urban



More sustainable

... and our positions offer good opportunities



World changes create opportunities

8.6bn
people by 2030

3.2bn
in middle class

55%
urban population

Global challenges:

- Marine plastics
- Waste handling and processing
- Food safety

Changing consumer habits:

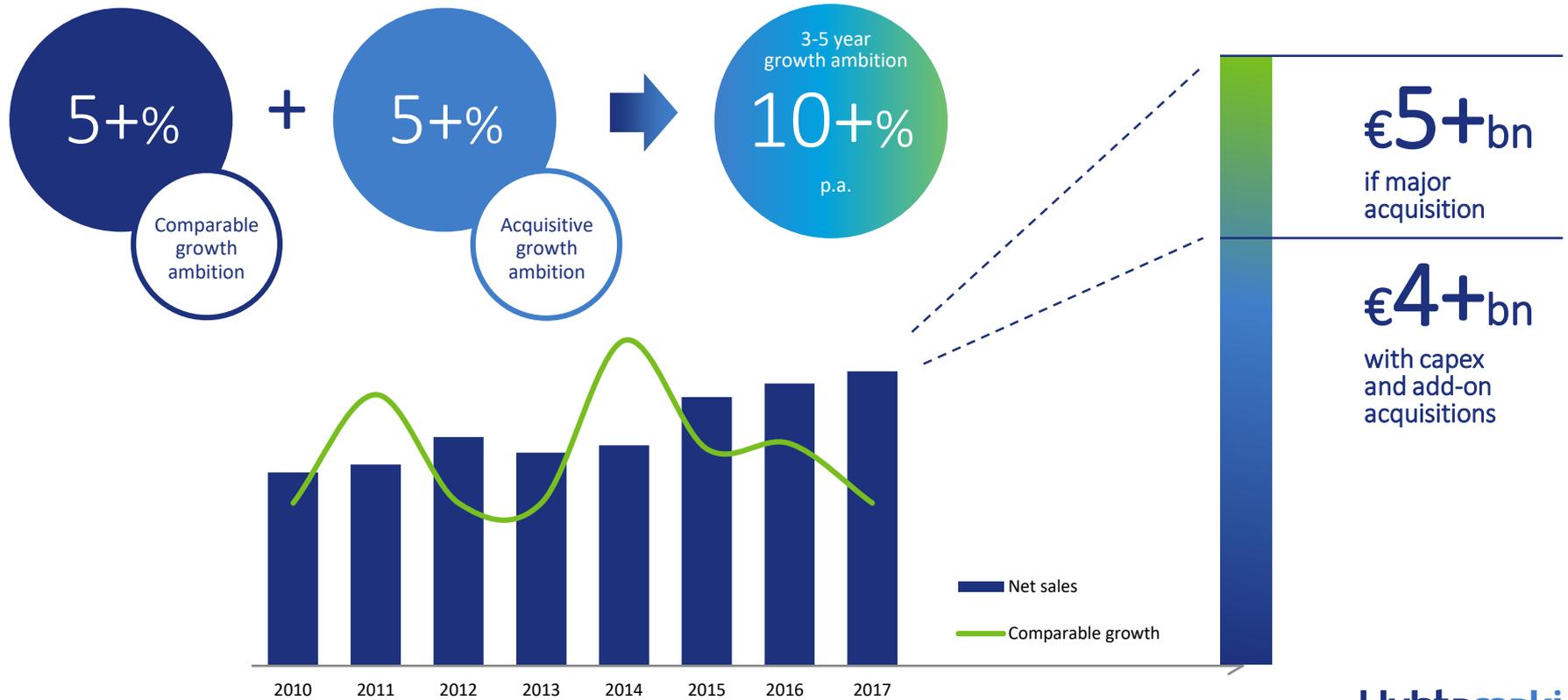
- Lifestyle & convenience
- Home delivery

New
packaging
innovations

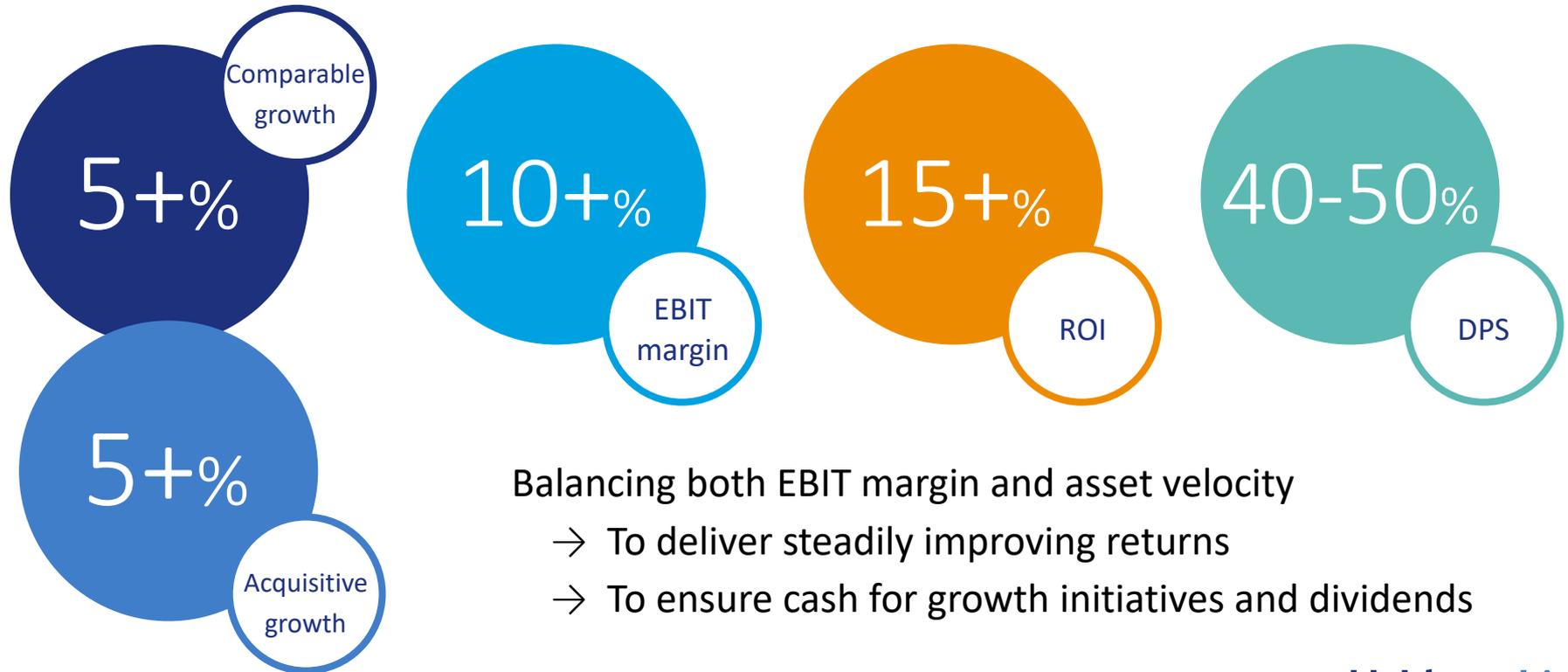
Circular
economy in
action

Responsible
consumer
behavior

We target long-term growth both organically and via acquisitions



Growth and operational efficiency drive profitability improvement – Summary of our long-term ambitions



Balancing both EBIT margin and asset velocity

- To deliver steadily improving returns
- To ensure cash for growth initiatives and dividends

How we support our customers' growth

We invest to expand our network and to improve our capabilities

- Follow global customers
- Serve local customers

We're a safe pair of hands throughout our network

- Global standards locally
- Constant quality & reliable delivery

We offer a wide product range to make our customers' lives easier

- Food packaging experience and planned product range expansion

We take innovation into next level

- Game-changing
- Incremental
- Sustainability enhancing

Enhanced collaboration across competent and experienced teams that we continuously develop

Developing & building our manufacturing capability is in our DNA

Achieve our vision: The first choice in food packaging

Grow

AMBITION
10+%

- Organic and innovative growth 5+%
- Acquisitive growth 5+%

Build more

- Continue organic investments
- Continue disciplined acquisitions

Sustainability

- Ensure food safety
- Reduce food waste
- Fit-for-purpose material choices and converting

Raise EBIT margin

AMBITION
10+%

- Topline growth
- Operating efficiency

Strengthen collaboration

- Focus on food
- Engaged and high performing teams

Live our purpose every day

Helping great products reach more people, more easily.

On sustainability of food packaging

Our business is consumer food and drink packaging

Food-on-the-go

Pre-packed food



Convenience

Short shelf life

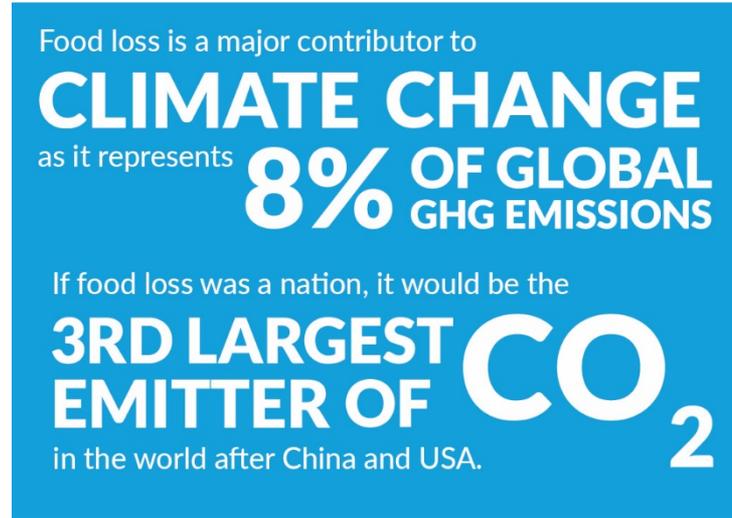
Food Safety

Long shelf life

Waste prevention

Our packaging protects food and drink products, delivering them to consumers safely and in good condition, helping to reduce food waste.

Food waste and loss is a global challenge



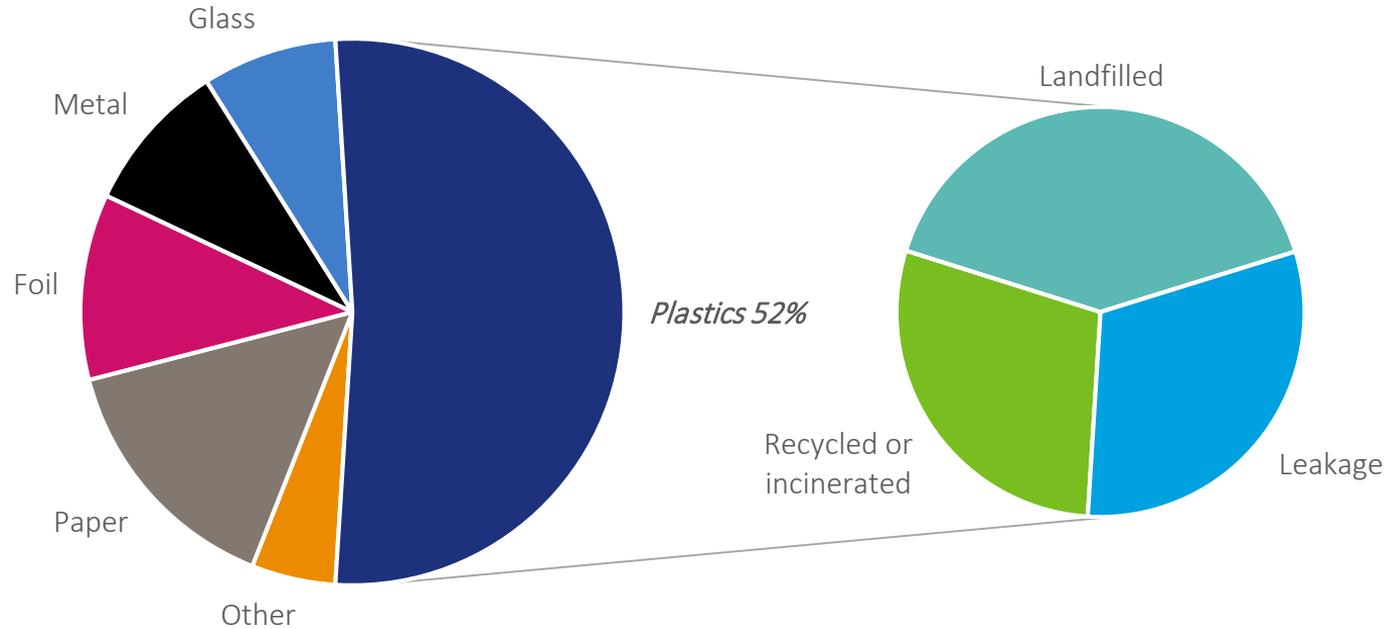
- Using appropriate packaging can help reduce food waste at almost every stage of the food chain*

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



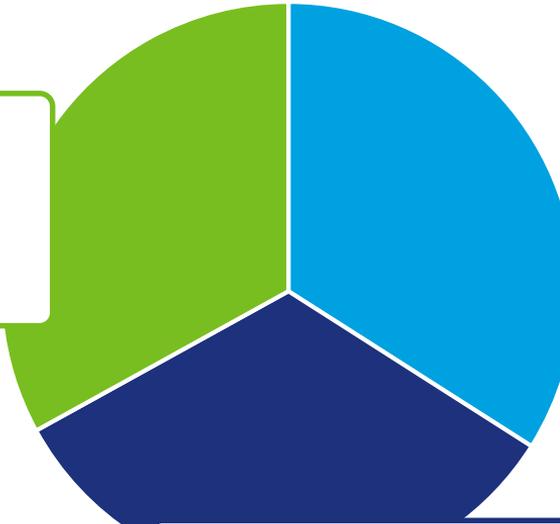
- Proper packaging results in less greenhouse gas emissions
- In many applications more packaging leads to lower overall carbon footprint due to reduced food waste

52% of global consumer packaging is made of plastics – of which 14% get recycled today



We use different materials for different purposes, aiming for optimal packaging

2/3 of raw material we use is renewable



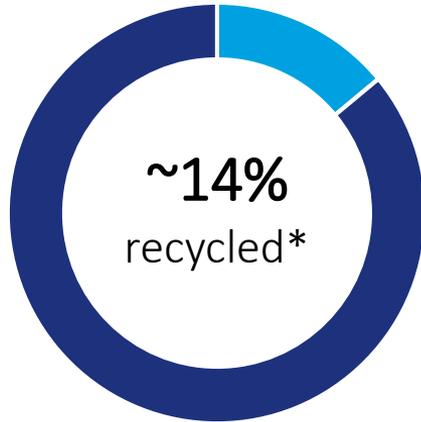
Recycled fibers are derived from either post-consumer or post-industrial recycled materials

– Virgin fiber is used due to food contact regulation
– 97% of virgin fiber used is certified

Different plastics are used to achieve lightweight, fit-for-purpose, long shelf life barrier structures

Recycling rates vary – upside potential to utilize valuable materials remain

Plastic packaging



Steel

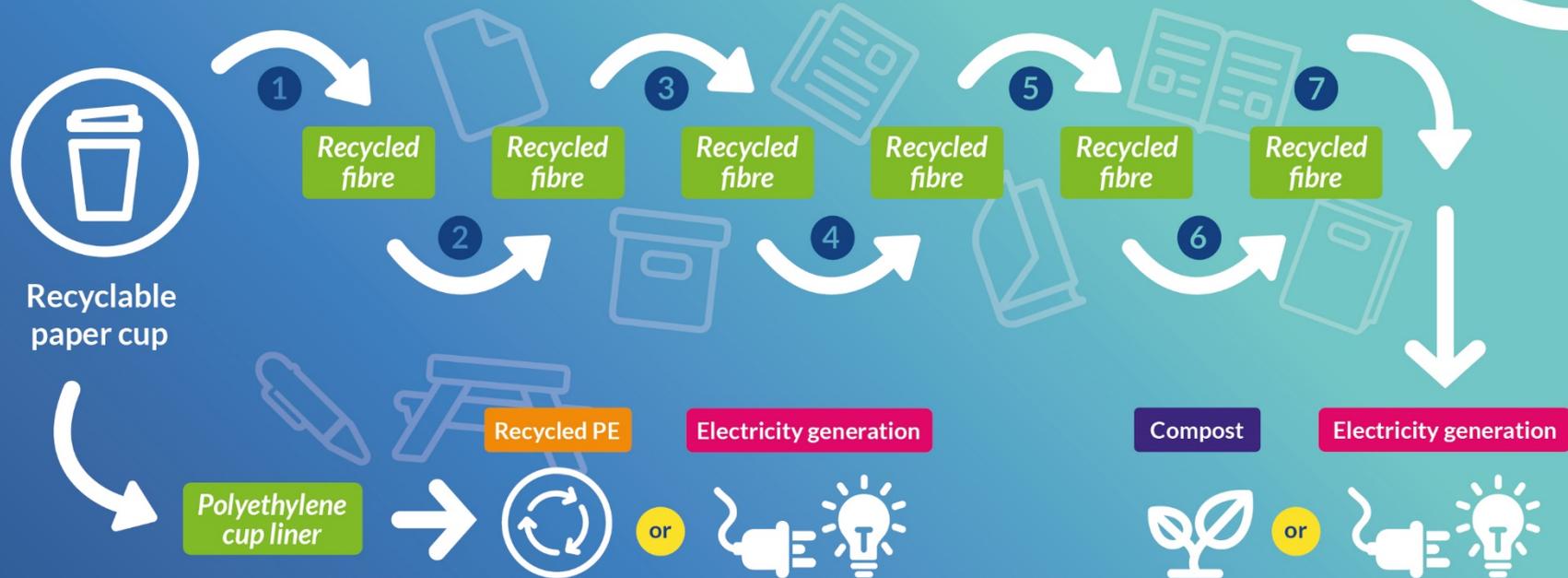


Paper



Paper cup recycling

The fibre in our recyclable cup can be used up to seven times and then composted or used to generate electricity



Good for the environment. Good for the economy. Good for people

Appendices

We're the global specialist in packaging for food and drink

Net sales

€3.0bn

Comparable growth

3%



EBIT margin

9.0%

ROI

13.6%



Our vision

The first choice in food packaging

Employees

18,100



Manufacturing sites

78

Operations in
34 countries



Our purpose

Helping great products reach more people, more easily.

We're well positioned to deliver on our ambitions

Who we are:

Who we serve:

What we offer:

Main materials we use:

#1

FOODSERVICE
packaging company
operating globally



Paperboard

#1

FIBER PACKAGING
company globally



Recycled fibers

#1

FLEXIBLE PACKAGING
company in
emerging markets



Plastic & other
materials

Group financials 2009-2017

		LTM Q3 18	2017	2016	2015	2014 ⁽¹⁾	2013 ⁽¹⁾	2012 ⁽²⁾	2011	2010	2009
Net sales	MEUR	3,036	2,989	2,865	2,726	2,236	2,161	2,321	2,043	1,952	1,832
<i>Comparable growth ⁽³⁾</i>	%	5⁽⁵⁾	3	4	4	6	3	3	5	3	-5
Adjusted EBITDA ⁽⁴⁾	MEUR	374	390	382	342	259	242	254	208	214	193
<i>Margin ⁽⁴⁾</i>	%	12.3	13.0	13.3	12.5	11.6	11.2	10.9	10.2	11.0	10.5
Adjusted EBIT ⁽⁴⁾	MEUR	252	268	268	238	175	160	164	128	134	112
<i>Margin ⁽⁴⁾</i>	%	8.3	9.0	9.4	8.7	7.8	7.4	7.0	6.2	6.9	6.1
Adjusted EPS ⁽⁴⁾	EUR	1.76	1.90	1.83	1.65	1.24	1.17	1.19	0.87	0.92	0.57
ROI ⁽⁴⁾	%	12.2	13.6	14.7	14.7	12.6	12.1	12.6	9.8	12.0	9.6
ROE ⁽⁴⁾	%	15.4	17.0	17.7	18.1	16.1	15.8	15.8	11.0	14.5	10.1
Capex	MEUR	197	215	199	147	127	121	94	82	86	53
Free cash flow	MEUR	74	56	100	91	65	56	103	65	113	208
Gearing		0.67	0.58	0.57	0.53	0.32	0.50	0.50	0.49	0.32	0.50
Net debt to EBITDA ⁽⁴⁾		2.2	1.8	1.8	1.6	1.0	1.6	1.6	1.9	1.2	1.7
Dividend per share	EUR		0.80	0.73	0.66	0.60	0.57	0.56	0.46	0.44	0.38

Stable financial position

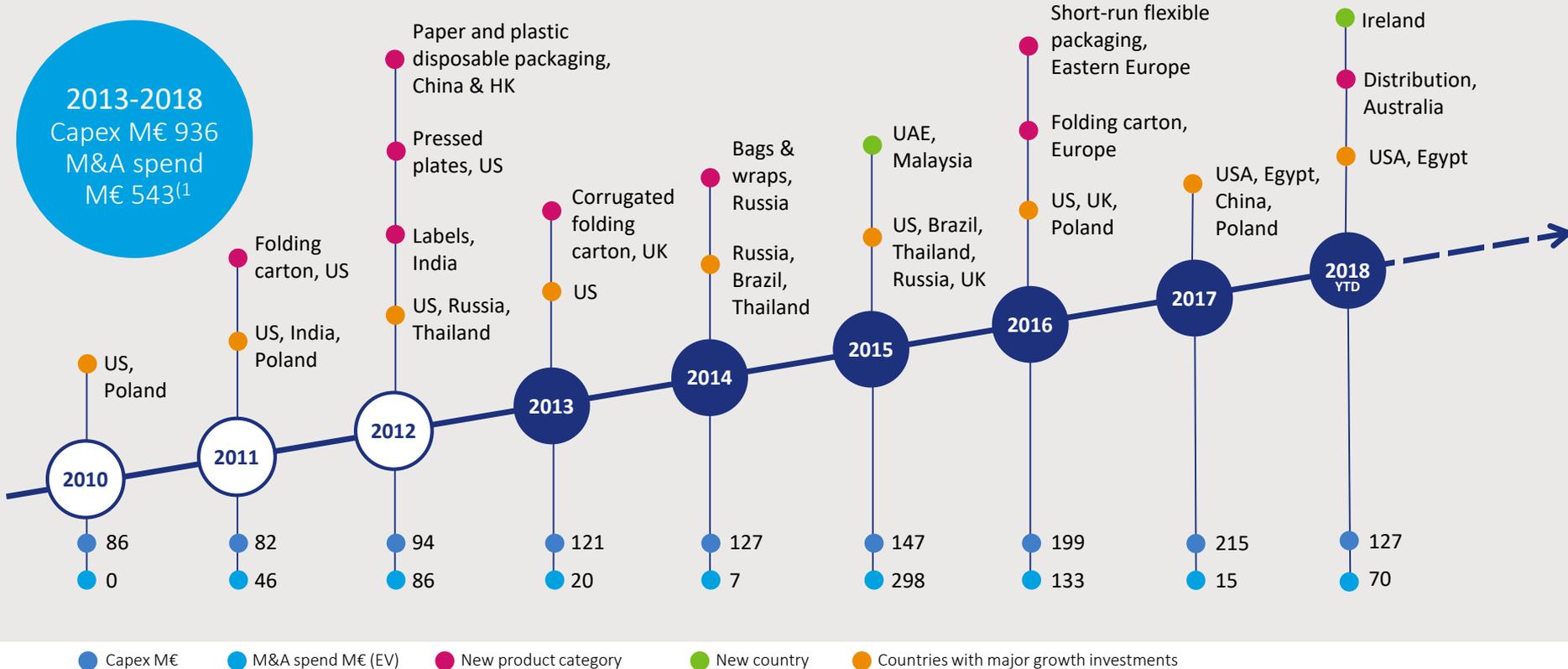
<i>MEUR</i>	Sep 2018	Dec 2017	Sep 2017
Total assets	3,082	2,931	2,912
Operating working capital	612	512	534
Net debt	839	698	741
Equity & non-controlling interest	1,243	1,208	1,158
Gearing	0.67	0.58	0.64
ROI ¹	12.2%	13.6%	13.9%
ROE ¹	15.4%	17.0%	16.4%

- Higher assets reflect investments and acquisitions
- Major investments in ramp-up phase or approaching completion

Quarterly comparable growth by business segment since 2016

	Q3 18	Q2 18	Q1 18	Q4 17	Q3 17	Q2 17	Q1 17	Q4 16	Q3 16	Q2 16	Q1 16	FY 17	FY 16	FY 15	Long-term ambition
Foodservice E-A-O	5%	5%	5%	6%	4%	2%	3%	3%	5%	7%	7%	4%	5%	4%	5-7%
North America	2%	2%	5%	2%	2%	1%	2%	5%	2%	8%	10%	2%	6%	4%	2-5%
Flexible Packaging	6%	11%	6%	9%	7%	-2%	3%	-3%	-3%	2%	1%	4%	-1%	3%	6-8%
Fiber Packaging	4%	3%	5%	4%	5%	8%	4%	6%	6%	5%	4%	5%	5%	5%	5-7%
Group total	4%	6%	5%	5%	4%	1%	3%	3%	2%	6%	6%	3%	4%	4%	5+%

Solid track record of growth investments



¹⁾ Enterprise value

17 acquisitions completed since 2011

- Paris Packaging, Inc., US, September 2011 (North America)
- Ample Industries, Inc., US, November 2011 (North America)
- Josco (Holdings) Limited, China, April 2012 (Foodservice E-A-O)
- Winterfield, LLC, US, August 2012 (North America)
- Webtech Labels Private Limited, India, November 2012 (Flexible Packaging)
- BCP Fluted Packaging Ltd., UK, November 2013 (Foodservice E-A-O)
- Interpac Packaging Ltd., New Zealand, August 2014 (Foodservice E-A-O)
- Positive Packaging, India, January 2015 (Flexible Packaging)
- Butterworth Paper Cups, Malaysia, March 2015 (Foodservice E-A-O)
- Pure-Stat Technologies, Inc., US, July 2015 (North America)
- FIOMO a.s., Czech Republic, January 2016 (Flexible Packaging)
- Delta Print and Packaging Ltd., UK, May 2016 (Foodservice E-A-O)
- Val Pack Solutions Private Limited, India, July 2016 (Foodservice E-A-O)
- International Paper foodservice packaging units, China, September 2017 (Foodservice E-A-O)
- Tailored Packaging Pty Ltd., Australia, April 2018 (Foodservice E-A-O)
- Cup Print Unlimited Company, May 2018 (Foodservice E-A-O)
- Ajanta Packaging, India, June 2018 (Flexible Packaging)

In total approx. MEUR 671 of annual net sales acquired for MEUR 675⁽¹⁾

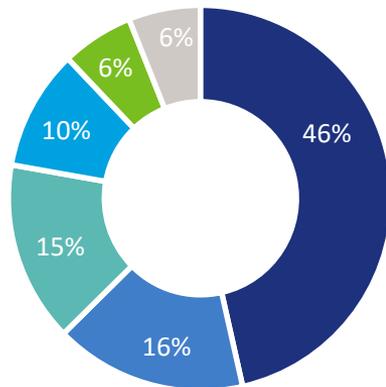
More details per acquisition are available on our website www.huhtamaki.com/en/investors/huhtamaki-as-an-investment/acquisitions-and-divestments/



Ownership

- 31,630 registered shareholders at the end of September 2018
- 54% of shares in domestic ownership
- 16% of shares controlled by non-profit organizations
 - Finnish Cultural Foundation a major owner since 1943, current ownership 11%
- Number of outstanding shares 107,760,385 including 3,425,709 of the Company's own shares

Shareholder distribution by sector
September 30, 2018



- Foreign ownership incl. nominee registered shares
- Non-profit organizations
- Households
- Public-sector organizations
- Private companies
- Financial and insurance companies

Definitions for performance measures

Performance measures according to IFRS

Earnings per share (EPS) attributable to equity holders of the parent company =

$\frac{\text{Profit for the period} - \text{non-controlling interest}}{\text{Average number of shares outstanding}}$

Diluted earnings per share (diluted EPS) attributable to equity holders of the parent company =

$\frac{\text{Diluted profit for the period} - \text{non-controlling interest}}{\text{Average fully diluted number of shares outstanding}}$

Alternative performance measures

EBITDA =

EBIT + depreciation and amortization

Net debt to equity (gearing) =

$\frac{\text{Interest-bearing net debt}}{\text{Total equity}}$

Return on net assets (RONA) =

$\frac{100 \times \text{Earnings before interest and taxes (12m roll.)}}{\text{Net assets (12m roll.)}}$

Operating cash flow =

EBIT + depreciation and amortization - capital expenditure
+ disposals +/- change in inventories, trade receivables and trade payables

Shareholders' equity per share =

$\frac{\text{Total equity attributable to equity holders of the parent company}}{\text{Issue-adjusted number of shares at period end}}$

Return on equity (ROE) =

$\frac{100 \times \text{Profit for the period (12m roll.)}}{\text{Total equity (average)}}$

Return on investment (ROI) =

$\frac{100 \times (\text{Profit before taxes} + \text{interest expenses} + \text{net other financial expenses}) (12m roll.)}{\text{Statement of financial position total} - \text{Interest-free liabilities (average)}}$

In addition to IFRS and alternative performance measures presented above, Huhtamaki may present adjusted performance measures, which are derived from IFRS or alternative performance measures by adding or deducting items affecting comparability (IAC). The adjusted performance measures are used in addition to, but not substituting, the performance measures reported in accordance with IFRS.

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