Results 2009

Huhtamaki Group is a leading manufacturer of consumer and specialty packaging with 2009 net sales totaling EUR 2 billion. Foodservice and consumer goods markets are served by approximately 13,000 people in 54 manufacturing units and several sales offices in 33 countries. The parent company, Huhtamäki Oyj, has its head office in Espoo, Finland and is listed on the NASDAQ OMX Helsinki Ltd. Additional information is available at www.huhtamaki.com.

Huhtamäki Oyj

RESULTS 2009

Improved profitability and strong cash flow despite lower net sales

- **Group net sales reduced due to lower demand, divestments, and discontinued operations**
- **Profitability improved markedly**
- **Strong cash flow; net debt reduced considerably**
- **The Board of Directors proposes a dividend of EUR 0.38 (EUR 0.34 for 2008) per share**

Key figures EUR million	Q1-Q4 2009	Q1-Q4 2008	Q4 2009	Q4 2008
Net sales	2,037.7	2,260.0	476.2	548.8
EBIT*	119.1	-74.5	6.5	-147.7
EBIT margin %	5.8	-3.3	1.4	-26.9
EPS	0.63	-1.12	-0.02	-1.43
ROI % (12m roll.)	9.6	-4.8	-	-

* EBIT includes non-recurring charges of EUR 10.1 million in Q4 2009, EUR 13.9 million in Q1-Q4 2009, EUR 158.6 million in Q4 2008 and EUR 165.5 million in Q1-Q4 2008.

CEO Jukka Moisio: “Huhtamaki had a financially strong year even if sales volumes declined due to soft market sentiment and demand. Our performance in profitability was good with a clear improvement in earnings from the previous year. We reduced our net debt by a third and achieved a significant improvement in ROI (return on investment). Cost control and cash generation as well as price and product mix management were key priorities throughout the year.

The financial foundation for further developing our business strongholds has been laid. Huhtamaki’s stronghold business segments performed well in 2009 and the strategic review of the Rigid Consumer Goods Plastics operations proceeded according to our expectations. Industrial performance was improved, benefiting both Huhtamaki and our customers. Huhtamaki is in a good position to start the year 2010.”

Overview

The year was characterized by customer cautiousness and uncertainty. Demand remained sluggish throughout the year. At EUR 2,038 million (EUR 2,260 million in 2008), the Group net sales declined due to lower volumes, divestments and discontinued operations. In addition, currency translations had a minor adverse effect on the euro-denominated value of net sales.

Despite the decline in net sales, profitability improved markedly. The full year Group EBIT, excluding non-recurring charges, was higher than the previous year. In the first half of the year North America and Rigid Consumer Goods Plastics (“Consumer Goods”) segments improved earnings strongly, while towards the year end Flexibles Global (“Flexibles”) and Rough Molded Fiber Global (“Molded Fiber”) segments showed progress compared to the previous year. Foodservice Europe-Asia-Oceania (“Foodservice”) segment also improved earnings but Films Global (“Films”) segment suffered from low demand and reported reduced earnings compared to the previous year. Most of the business segments were able to maintain sound margins, and successful cost reductions added to earnings growth. These positive factors more than compensated for the decrease of volumes which was experienced in most business segments.

Cash flow generation was strong throughout 2009, supported by improved working capital efficiency and low capital expenditure. All segments achieved good results in cash generation. This contributed to a considerable reduction of net debt, which advanced the accomplishment of the Group’s key financial targets.

Business review by segment

The sales distribution in 2009 was following: Flexibles Global 22% (21%), Films Global 7% (9%), North America 25% (23%), Rough Molded Fiber Global 10% (9%), Foodservice Europe-Asia-Oceania 22% (21%) and Rigid Consumer Goods Plastics 14% (17%).

Flexibles Global

Flexibles business is organized as a global segment. Flexibles are used for consumer packaging of a wide range and variety of food, personal and health care and other products.

EUR million	Q1-Q4 2009	Q1-Q4 2008	Q4 2009	Q4 2008
Net sales	464.3	497.6	110.2	117.1
EBIT*	28.4	-1.0	7.2	-16.6
EBIT margin %	6.1	-0.2	6.5	-14.2
RONA % (12m roll.)	8.8	-0.3	-	-

* EBIT includes non-recurring charges of EUR 17.9 million in Q4 2008 and Q1-Q4 2008.

The segment's net sales declined during the year, remaining soft also in the fourth quarter. While sales volumes were stable in comparison to prior year, price reductions applied as a result of lower raw material costs had a negative impact on the net sales. The discontinued operations in Malvern, USA, also had a decreasing effect on net sales.

Despite lower net sales, the segment's earnings growth accelerated towards year end. EBIT reflects successful cost containment, better operational control and the elimination of Malvern losses. The segment made a very good operating cash flow on the fourth quarter, which accumulated to a strong full year operating cash flow.

During the year, a production unit in Thane, India was reconstructed and a new enterprise resource planning (ERP) system was implemented at all four sites in India.

Films Global

Films business is organized as a global segment. Films are mainly used for technical applications in the label, adhesive tape, hygiene and health care industries, as well as building and construction, automotive, packaging and graphic arts industries.

EUR million	Q1-Q4 2009	Q1-Q4 2008	Q4 2009	Q4 2008
Net sales	154.4	200.7	32.8	41.9
EBIT*	-2.7	7.9	-1.3	0.1
EBIT margin %	-1.7	3.9	-4.0	0.2
RONA % (12m roll.)	-2.2	5.6	-	-

* EBIT includes non-recurring charges of EUR 3.8 million Q1-Q4 2009.

Films segment suffered from low customer demand, particularly in industrial applications. Volume shortfall was obvious throughout the year and also some price reductions were made. There was, however, some recovery of orders towards the end of the year.

The segment's negative volume development was reflected in its earnings decline. EBIT includes a EUR 4 million non-recurring charge related to the divestment of the release paper business and the resulting restructuring of operations in Forchheim, Germany.

All manufacturing of the divested release paper business in Forchheim is scheduled to be finalized and transferred to the buyer, B. Laufenberg GmbH, by the end of the first quarter of 2010.

North America

The segment includes the Rigid and Molded Fiber business in North America and Mexico. Rigid paper and plastic packaging, which serves ice-cream and other consumer goods as well as foodservice markets, is completed with Molded Fiber Chinet® disposable tableware products.

EUR million	Q1-Q4 2009	Q1-Q4 2008	Q4 2009	Q4 2008
Net sales	528.7	536.0	117.2	149.9
EBIT*	55.5	33.4	2.9	1.2
EBIT margin %	10.5	6.2	2.5	0.8
RONA % (12m roll.)	14.8	8.9	-	-

* EBIT includes non-recurring charges of EUR 5.2 million in Q4 2008 and Q1-Q4 2008.

The segment's sales growth was strong in the first half of the year but, together with volumes, slowed down towards the end of the year. The slowdown in sales was attributable to soft market conditions, as well as the refocus and downscaling of the plastics operations with the closure of the site in Phoenix, USA. While the full year currency translation impact was positive, the impact turned unfavorable towards the year end. Retail sales grew due to new products and strong marketing efforts while foodservice sales suffered from soft market conditions and the restructuring of the plastics operations. In Frozen desserts business, market positions were strengthened and sales grew slightly.

North America segment's EBIT was supported by the strong market positions in North America. The growth in EBIT was attained by careful cost containment, successful margin management and improved product mix. Unfavorable currency translation, volume softness and high marketing expenditure related to Chinet® brand re-launch slowed down earnings generation in the fourth quarter of the year.

Rough Molded Fiber Global

The segment includes the Rough Molded Fiber business in Europe, Oceania, Africa and South America. Rough molded fiber is used to make fresh product packaging, such as egg and fruit packaging.

EUR million	Q1-Q4 2009	Q1-Q4 2008	Q4 2009	Q4 2008
Net sales	207.6	214.0	56.0	51.7
EBIT*	17.6	8.4	4.8	-1.4
EBIT margin %	8.5	3.9	8.6	-2.7
RONA % (12m roll.)	10.5	4.8	-	-

* EBIT includes non-recurring charges of EUR 3.7 million in Q4 2008 and Q1-Q4 2008.

The segment's net sales decreased from previous year due to low sales in the machine and waste paper trading operations as well as an adverse impact from currency translations. Molded fiber packaging sales were up in all geographic regions and growth accelerated in the fourth quarter. In particular, egg packaging demand was robust and the Group strengthened its market positions.

Molded Fiber segment's earnings growth reflects good cost containment and efficient operations. Towards the year end, positive volumes contributed to improved profitability.

Foodservice Europe-Asia-Oceania

Foodservice paper and plastic disposable tableware is supplied to foodservice operators and fast food restaurants.

EUR million	Q1-Q4 2009	Q1-Q4 2008	Q4 2009	Q4 2008
Net sales	449.6	489.5	108.1	114.9
EBIT*	16.3	-1.6	0.7	-15.2
EBIT margin %	3.6	-0.3	0.6	-13.2
RONA % (12m roll.)	6.9	-0.6	-	-

* EBIT includes non-recurring charges of EUR 14.5 million in Q4 2008 and Q1-Q4 2008.

Foodservice segment's volumes decreased. The decline in net sales reflects market softness and an adverse impact from currency translations. Most of the European markets were soft. Sales in Oceania, instead, showed moderate but steady growth. No clear change of these trends was seen in the fourth quarter.

The segment's EBIT was supported by growth in Oceania, improved operational control in Asia as well as good overall cost containment.

In Europe and in Australia legal and operational segregation of Consumer Goods business was completed successfully, with no impact on customer service level throughout the process.

Rigid Consumer Goods Plastics

The segment includes the Rigid Consumer Goods Plastics business in Europe and Oceania. Rigid plastic packaging serves the consumer goods markets with fresh food, dairy, ice cream and edible fats packaging.

EUR million	Q1-Q4 2009	Q1-Q4 2008	Q4 2009	Q4 2008
Net sales	282.2	389.8	61.9	86.8
EBIT*	9.6	-123.4	-6.6	-117.7
EBIT margin %	3.4	-31.7	-10.7	-135.6
RONA % (12m roll.)	9.2	-52.8	-	-

* EBIT includes non-recurring charges of EUR 10.1 million in Q4 2009 and Q1-Q4 2009, EUR 117.3 million in Q4 2008 and EUR 124.2 million in Q1-Q4 2008.

The segment's net sales were reduced due to divestments, adverse currency translations and lower volumes. While sales increased in Eastern Europe and in Australia, sales in other markets declined.

Consumer Goods segment's EBIT includes EUR 10 million of non-recurring charges (EUR 124 million of non-recurring charges) related to execution of the strategic review of the segment. In detail, the sale of the Consumer Goods units in Australia and South America resulted to a book loss of EUR 7 million. The segregation and ongoing strategic review of Consumer Goods operations in Europe resulted in a non-recurring charge of EUR 3 million. The improvement in earnings is due to significant cost reduction and efficient operational control.

The divestment of the remaining Consumer Goods business in Australia was finalized in the fourth quarter of the year. The business was sold to Alto Manufacturing Pty Ltd, a subsidiary of Pact Group Pty Ltd. With three manufacturing units in Bankstown, Mulgrave and Wacol and some 330 employees, the annual net sales of the divested business were approximately EUR 50 million. The agreed value for the transaction was EUR 33 million. Following the divestments of the Consumer Goods business in South America and the EPS (Expanded Polystyrene) packaging business in Australia on the second quarter of 2009, the segment now has operations in Europe only. The strategic review of the European operations is ongoing.

Financial review

The Group EBIT in 2009 was EUR 119 million (EUR -75 million), corresponding to an EBIT-margin of 5.8% (-3.3%). In the fourth quarter, the Group EBIT was EUR 6.5 million, (EUR -147.7 million), corresponding to an EBIT margin of 1.4% (-14.1%).

The full year Group EBIT includes non-recurring charges related to the divestment of the Films segment's release paper business and related restructuring of operations in Forchheim, Germany, as well as the strategic review of the Consumer Goods operations. Altogether, non-recurring charges in 2009 amounted to EUR 14 million (EUR 166 million). The Group EBIT in 2009 excluding non-recurring charges amounts to EUR 133 million (EUR 91 million), corresponding to an EBIT-margin of 6.5% (4.0%). In the fourth quarter, the Group EBIT excluding non-recurring items was EUR 17 million (EUR 11 million), corresponding to an EBIT-margin of 3.5% (2.0%).

The net financial items were EUR -26 million (EUR -46 million), with the fourth quarter amounting to EUR -5 million (EUR -12 million). Full year tax expense amounts to EUR 20 million (income of EUR 10 million) with the fourth quarter accounting for EUR -2 million (EUR 16 million).

The 2009 result was EUR 74 million (EUR -110 million) and the earnings per share (EPS) were EUR 0.63 (EUR -1.12). Correspondingly, in the fourth quarter the result was EUR 0 million (EUR -143 million) and the EPS were EUR -0.02 (EUR -1.43).The average number of outstanding shares used in the EPS calculations was 100,539,283 (100,426,461) excluding 5,061,089 (unchanged) of the Company's own shares.

Balance sheet and cash flow

Free cash flow in 2009 amounted to EUR 208 million (EUR 104 million), and in the fourth quarter to EUR 40 million (EUR 37 million). The strong improvement was due to efficient working capital management and a low level of capital expenditure. Capital expenditure in 2009 was EUR 53 million (EUR 74 million). In the fourth quarter, capital expenditure totaled EUR 21 million (EUR 27 million).

Net debt was EUR 368 million (EUR 587 million) at the end of December 2009. This corresponds to a gearing ratio of 0.50 (0.84). Debt reduction was achieved through strong cash flow and proceeds from divestments.

Total assets on the balance sheet were EUR 1,759 million (EUR 1,952 million).

Strategic direction

In 2009, the Group continued to develop its strongholds and review the Consumer Goods operations. The commitment to deliver a strong positive cash flow materialized and the Group's financial position was strengthened. Industrial performance was upgraded through continuous improvement projects.

The Group's focus remained on its five business segments with the most favorable preconditions to further improve the results and market shares. North America and Molded Fiber business segments were supported by investments in growth and operational excellence. Films business segment divested the release paper production and focused solely on release films. Flexibles and Foodservice business segments continued to develop a solid base for growth. Consumer Goods business was segregated from Foodservice in order to facilitate the strategic review.

The review of different strategic alternatives for the Consumer Goods operations proceeded. During 2009, units were divested in South America, Australia and South Africa. The review of the remaining operations in Europe continues.

The Group's key financial targets, return on investment (ROI) at 15% and dividend payout ratio of 40%, remain unchanged. Maintaining a solid financial base and further developing all five strongholds continue to be a priority.

Personnel

The Group had 12,900 (14,644) employees at the end of December 2009. The number of employees by segment was the following: Flexibles 3,643 (3,603), Films 775 (926), North America 2,643 (2,731), Molded Fiber 1,581 (1,613), Foodservice 2,849 (3,663), Consumer Goods 1,355 (2,051), and other 54 (57). The average number of employees was 13,735 (15,044).

Huhtamäki Oyj employed 48 (52) people at year-end. The annual average was 49 (723). The decrease in the annual average is due to the segregation of the Foodservice and Consumer Goods businesses from the parent company into its wholly owned subsidiaries in 2008.

Resolutions of Huhtamäki Oyj's Annual General Meeting

Huhtamäki Oyj's Annual General Meeting of Shareholders was held in Helsinki on April 3, 2009. The meeting adopted the Company's Annual Accounts and the Consolidated Annual Accounts for 2008 and discharged the members of the Company's Board of Directors and the CEO from liability. The dividend for 2008 was set at EUR 0.34 (EUR 0.42) per share, as proposed by the Board of Directors.

Eight members of the Board of Directors were elected for a term which lasts until the end of the Annual General Meeting of Shareholders following the election. Ms. Eija Ailasmaa, Mr. George V. Bayly, Mr. Rolf Börjesson, Mr. Robertus van Gestel, Mr. Mikael Lilius, Mr. Anthony J.B. Simon and Mr. Jukka Suominen were re-elected to the Board of Directors. Ms. Siaou-Sze Lien was elected as a new member. The Board of Directors subsequently elected Mikael Lilius as Chairman of the Board and Jukka Suominen as Vice-Chairman of the Board.

The meeting granted the Board of Directors an authorization to resolve upon conveyance of the Company's own shares. The authorization is valid until April 30, 2012.

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 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.

Outlook for 2010

General economic and market conditions in 2010 remain uncertain. The Group is in a good financial position to address growth opportunities in stronghold segments when they arise. Capital expenditure is expected to be higher than in 2009 but below EUR 100 million.

Dividend proposal

The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.38 (EUR 0.34) per share be paid.

Annual General Meeting 2010

The Annual General Meeting of Shareholders will be held on Wednesday, March 24, 2010 at 2 pm (Finnish time), at Finlandia Hall, Mannerheimintie 13 e, in Helsinki, Finland.

Financial Reporting in 2010

Huhtamaki will publish the interim report for January-March on April 22, January-June on July 22 and January-September on October 21.

As of January 1, 2010, the Flexibles Global segment was renamed Flexible Packaging, the Films Global segment was renamed Films and the Rough Molded Fiber Global segment was renamed Molded Fiber.

Espoo, February 11, 2010
Huhtamäki Oyj
Board of Directors

Huhtamäki Oyj
January 1 - December 31, 2009

Group income statement (IFRS)

EUR million	Q1-Q4 2009	Q1-Q4 2008	Q4 2009	Q4 2008
Net sales	**2,037.7**	**2,260.0**	**476.2**	**548.8**
Cost of goods sold	-1,699.1	-2,043.2	-406.4	-564.0
Gross profit	**338.6**	**216.8**	**69.8**	**-15.2**
Other operating income	19.0	21.6	4.2	7.4
Sales and marketing	-75.7	-84.8	-18.0	-21.3
Research and development	-16.5	-16.2	-4.4	-4.2
Administration costs	-120.8	-117.2	-30.8	-30.1
Other operating expenses	-25.5	-94.7	-14.3	-84.3
	-219.5	-291.3	-63.3	-132.5
Earnings before interest and taxes	**119.1**	**-74.5**	**6.5**	**-147.7**
Financial income	24.1	10.0	3.8	2.5
Financial expenses	-49.9	-55.7	-8.4	-14.1
Income of associated companies	0.6	0.5	0.1	0.1
Result before taxes	**93.9**	**-119.7**	**2.0**	**-159.2**
Income taxes	-20.4	9.5	-2.1	16.4
Result for the period	**73.5**	**-110.2**	**-0.1**	**-142.8**
Attributable to:				
Equity holders of the parent company	71.1	-111.9	-0.5	-142.9
Minority interest	2.4	1.7	0.4	0.1
EPS (EUR) from result for the period	0.71	-1.11	0.00	-1.42
EPS (EUR) attributable to hybrid bond investors	0.08	0.01	0.02	0.01
EPS (EUR) attributable to equity holders of the parent company	0.63	-1.12	-0.02	-1.43
Diluted:				
EPS (EUR) from result for the period	0.71	-1.11	0.00	-1.42
EPS (EUR) attributable to hybrid bond investors	0.08	0.01	0.02	0.01
EPS (EUR) attributable to equity holders of the parent company	0.63	-1.12	-0.02	-1.43

Group statement of comprehensive income (IFRS)

EUR million	Q1-Q4 2009	Q1-Q4 2008	Q4 2009	Q4 2008
Result for the period	**73.5**	**-110.2**	**-0.1**	**-142.8**
Other comprehensive income:				
Translation differences	0.7	-9.4	2.0	-8.6
Fair value and other reserves	1.2	-9.1	2.6	-6.5
Income tax related to components of other comprehensive income	-0.5	2.7	-0.8	2.2
Other comprehensive income, net of tax	**1.4**	**-15.8**	**3.8**	**-12.9**
Total comprehensive income	**74.9**	**-126.0**	**3.7**	**-155.7**
Attributable to:				
Equity holders of the parent company	72.3	-127.7	3.2	-156.0
Minority interest	2.6	1.7	0.5	0.3

Huhtamäki Oyj

January 1 - December 31, 2009

Group statement of financial position (IFRS)

EUR million	Dec 31 2009	Dec 31 2008
ASSETS		
Non-current assets		
Goodwill	394.8	402.4
Other intangible assets	32.7	34.5
Tangible assets	604.2	676.3
Investments in associated companies	2.5	1.9
Available for sale investments	1.9	1.9
Interest bearing receivables	11.0	0.1
Deferred tax assets	16.5	15.1
Employee benefit assets	57.9	62.5
Other non-current assets	3.0	3.7
	1,124.5	**1,198.4**
Current assets		
Inventory	236.1	296.7
Interest bearing receivables	19.4	2.1
Current tax assets	9.1	9.4
Trade and other current receivables	305.5	377.9
Cash and cash equivalents	64.0	67.8
	634.1	**753.9**
Total assets	**1,758.6**	**1,952.3**
EQUITY AND LIABILITIES		
Share capital	360.6	358.7
Premium fund	106.8	104.7
Treasury shares	-46.5	-46.5
Translation differencies	-130.0	-130.5
Fair value and other reserves	-4.3	-5.0
Retained earnings	354.8	327.5
Total equity attributable to equity holders of the parent company	**641.4**	**608.9**
Minority interest	20.2	18.4
Hybrid bond	75.0	75.0
Total equity	**736.6**	**702.3**
Non-current liabilities		
Interest bearing liabilities	294.3	474.7
Deferred tax liabilities	42.5	29.8
Employee benefit liabilities	102.8	103.8
Provisions	55.9	58.4
Other non-current liabilities	5.4	6.5
	500.9	**673.2**
Current liabilities		
Interest bearing liabilities		
- Current portion of long term loans	67.3	25.2
- Short term loans	101.1	157.3
Provisions	6.0	10.1
Current tax liabilities	10.9	9.8
Trade and other current liabilities	335.8	374.4
	521.1	**576.8**
Total liabilities	**1,022.0**	**1,250.0**
Total equity and liabilities	**1,758.6**	**1,952.3**

	Dec 31 2009	Dec 31 2008
Net debt	368.3	587.2
Net debt to equity (gearing)	0.50	0.84

Statement of changes in equity

EUR million	Share capital	Share issue premium	Treasury shares	Translation diff.	Fair value and other reserves	Retained earnings	Total	Minority interest	Hybrid bond	Total equity
	Attributable to equity holders of the parent company									
Balance at Dec 31, 2007	**358.7**	**104.7**	**-46.5**	**-121.1**	**1.4**	**475.7**	**772.9**	**20.5**	**-**	**793.4**
Dividend						-42.2	-42.2			-42.2
Share-based payments						1.2	1.2			1.2
Hybrid bond									75.0	75.0
Total comprehensive income for the year				-9.4	-6.4	-111.9	-127.7	1.7		-126.0
Other changes						4.7	4.7	-3.8		0.9
Balance at Dec 31, 2008	**358.7**	**104.7**	**-46.5**	**-130.5**	**-5.0**	**327.5**	**608.9**	**18.4**	**75.0**	**702.3**

EUR million	Share capital	Share issue premium	Treasury shares	Translation diff.	Fair value and other reserves	Retained earnings	Total	Minority interest	Hybrid bond	Total equity
Balance at Dec 31, 2008	**358.7**	**104.7**	**-46.5**	**-130.5**	**-5.0**	**327.5**	**608.9**	**18.4**	**75.0**	**702.3**
Dividend						-34.1	-34.1			-34.1
Share-based payments						2.5	2.5			2.5
Stock options excercised	1.9	2.1					4.0			4.0
Interest on Hybrid Bond						-7.9	-7.9			-7.9
Total comprehensive income for the year				0.5	0.7	71.1	72.3	2.6		74.9
Other changes						-4.3	-4.3	-0.8		-5.1
Balance at Dec 31, 2009	**360.6**	**106.8**	**-46.5**	**-130.0**	**-4.3**	**354.8**	**641.4**	**20.2**	**75.0**	**736.6**

Huhtamäki Oyj

January 1 - December 31, 2009

Group cash flow statement (IFRS)

EUR million	Q1-Q4 2009	Q1-Q4 2008	Q4 2009	Q4 2008
Result for the period*	**73.5**	**-110.2**	**-0.1**	**-142.8**
Adjustments*	134.2	280.0	30.6	170.2
- Depreciation, amortization and impairment*	88.6	245.9	23.7	173.4
- Gain on equity of minorities*	-0.6	-0.5	-0.1	-0.1
- Gain/loss from disposal of assets*	5.7	-4.3	5.3	-0.4
- Financial expense/-income*	25.8	45.7	4.7	11.6
- Income tax expense*	20.4	-9.5	2.0	-16.4
- Other adjustments, operational*	-5.7	2.7	-5.0	2.1
Change in inventory*	58.3	38.2	21.7	56.6
Change in non-interest bearing receivables*	50.4	8.2	35.2	17.4
Change in non-interest bearing payables*	-28.3	2.8	-22.3	-30.0
Dividends received*	0.5	0.5	0.2	0.3
Interest received*	2.2	1.7	0.7	0.3
Interest paid*	-21.0	-43.2	-2.6	-9.5
Other financial expense and income*	-2.3	-2.1	1.3	-1.8
Taxes paid*	-12.5	-5.0	-5.2	1.5
Net cash flows from operating activities	**255.0**	**170.9**	**59.5**	**62.2**
Capital expenditure*	-52.9	-74.3	-21.2	-26.6
Proceeds from selling fixed assets*	5.9	7.1	1.8	1.2
Divested subsidiaries	69.0	-	33.0	
Proceeds from long-term deposits	1.3	3.3	0.5	0.3
Payment of long-term deposits	-11.4	-2.5	-8.9	0.0
Proceeds from short-term deposits	13.7	33.4	10.9	3.8
Payment of short-term deposits	-29.2	-31.4	-11.6	-3.1
Net cash flows from investing	**-3.6**	**-64.4**	**4.5**	**-24.4**
Proceeds from long-term borrowings	599.3	489.3	26.2	171.7
Repayment of long-term borrowings	-785.2	-415.9	-117.0	-131.9
Proceeds from short-term borrowings	333.8	2,446.3	109.7	328.6
Repayment of short-term borrowings	-363.3	-2,620.5	-88.1	-456.6
Dividends paid	-34.1	-42.2	-	-
Hybrid bond	-	75.0	-	75.0
Hybrid bond interest	-7.9	-	-7.9	-
Proceeds from stock options exercised	4.1	-	4.0	-
Net cash flows from financing	**-253.3**	**-68.0**	**-73.1**	**-13.2**
Change in liquid assets	**-3.8**	**37.0**	**-9.4**	**23.4**
Cash flow based	-1.9	38.5	-9.1	24.6
Translation difference	-1.9	-1.5	-0.3	-1.2
Liquid assets period start	67.8	30.8	73.4	44.4
Liquid assets period end	64.0	67.8	64.0	67.8
Free cash flow (including figures marked with *)	208.0	103.7	40.1	36.8

Huhtamäki Oyj

January 1 - December 31, 2009

NOTES FOR THE RESULT REPORT

Except for accounting policy changes listed below, the same accounting policies have been applied in the interim financial statements as in annual financial statements for 2008.

Changes in accounting principles

The Group has adopted the following IFRS standards and interpretations considered applicable to Huhtamaki, with effect from January 1, 2009:

- IAS 23 Borrowing cost. The amendment requires capitalization of borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of asset.
- IAS 1 Presentation of Financial Statements -amendment. Amended standard has changed the presentation of income statement and statement of changes in shareholders' equity.
- IFRIC 13 Customer Loyalty Programmes. The interpretation addresses the accounting by entities that operate customer loyalty programmes with their customers.

These newly adopted standards have not had impact on the reported results.

Segments

Segment information is presented according to the IFRS standards. Items below EBIT - financial items and taxes - are not allocated to the segments.

Net sales

EUR million	Q4 2009	Q3 2009	Q2 2009	Q1 2009	Q1-Q4 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q1-Q4 2008
Flexibles Global	109.5	114.0	118.2	119.7	461.4	117.9	123.9	124.7	127.8	494.3
- Intersegment net sales	0.7	0.8	0.8	0.6	2.9	-0.8	1.4	1.7	1.0	3.3
Films Global	32.1	40.4	38.3	40.0	150.8	40.9	50.8	51.6	50.5	193.8
- Intersegment net sales	0.7	0.9	0.8	1.2	3.6	1.0	1.5	1.8	2.6	6.9
North America	116.5	128.3	152.1	128.1	525.0	148.5	132.4	137.6	113.3	531.8
- Intersegment net sales	0.7	1.0	1.0	1.0	3.7	1.4	1.0	1.0	0.8	4.2
Rough Molded Fiber Global	56.6	51.6	51.0	48.3	207.5	51.5	53.1	54.1	54.7	213.4
- Intersegment net sales	-0.6	0.4	0.3	0.0	0.1	0.2	0.3	0.1	0.0	0.6
Foodservice Europe-Asia-Oceania	103.8	111.2	117.8	97.1	429.9	107.0	118.7	124.6	106.4	456.7
- Intersegment net sales	4.3	5.0	3.0	7.4	19.7	7.9	8.1	8.2	8.6	32.8
Rigid Consumer Goods Plastics	57.7	61.6	70.4	73.4	263.1	83.0	93.2	97.9	95.9	370.0
- Intersegment net sales	4.2	4.9	5.7	4.3	19.1	3.8	4.7	6.4	4.9	19.8
Elimination of intersegment net sales	10.0	13.0	11.6	14.5	49.1	13.5	17.0	19.2	17.9	67.6
Total	476.2	507.1	547.8	506.6	2,037.7	548.8	572.1	590.5	548.6	2,260.0

EBIT

EUR million	Q4 2009	Q3 2009	Q2 2009	Q1 2009	Q1-Q4 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q1-Q4 2008
Flexibles Global (1	7.2	7.6	4.8	8.8	28.4	-16.6	3.9	5.5	6.2	-1.0
Films Global (2	-1.3	1.5	-3.4	0.5	-2.7	0.1	3.7	3.6	0.5	7.9
North America (3	2.9	14.5	23.6	14.5	55.5	1.2	10.5	14.4	7.3	33.4
Rough Molded Fiber Global (4	4.8	4.7	4.3	3.8	17.6	-1.4	3.7	3.0	3.1	8.4
Foodservice Europe-Asia-Oceania (5	0.7	6.8	6.4	2.4	16.3	-15.2	5.9	5.3	2.4	-1.6
Rigid Consumer Goods Plastics (6	-6.6	4.5	6.0	5.7	9.6	-117.7	-1.4	-4.8	0.5	-123.4
Other activities	-1.2	-1.0	-2.7	-0.7	-5.6	1.9	-0.1	0.0	0.0	1.8
Total (7	6.5	38.6	39.0	35.0	119.1	-147.7	26.2	27.0	20.0	-74.5

1) Q4 and Q1-Q4 2008 includes non-recuring charges MEUR 17.9.

2) Q2 and Q1-Q4 2009 includes non-recuring charges MEUR 3.8.

3) Q4 and Q1-Q4 2008 includes non-recuring charges MEUR 5.2.

4) Q4 and Q1-Q4 2008 includes non-recuring charges MEUR 3.7.

5) Q4 and Q1-Q4 2008 includes non-recuring charges MEUR 14.5.

6) Q4 and Q1-Q4 2009 includes non-recuring charges MEUR 10.1, Q4 2008 includes non-recuring charges MEUR 117.3, Q3 2008 includes non-recuring charges MEUR 0.1, Q2 2008 includes non-recuring charges MEUR 6.8, Q1-Q4 2008 includes non-recuring charges MEUR 124.2.

7) Q4 2009 includes non-recuring charges MEUR 10.1, Q2 2009 includes non-recuring charges MEUR 3.8, Q1-Q4 2009 includes non-recuring charges MEUR 13.9, Q4 2008 includes non-recuring charges MEUR 158.6, Q3 2008 includes non-recuring charges MEUR 0.1, Q2 2008 includes non-recuring charges MEUR 6.8, Q1-Q4 2008 includes non-recuring charges MEUR 165.5.

EBITDA

EUR million	Q4 2009	Q3 2009	Q2 2009	Q1 2009	Q1-Q4 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q1-Q4 2008
Flexibles Global	12.6	12.1	9.3	13.3	47.3	-11.4	9.0	10.0	10.7	18.3
Films Global	0.3	3.0	-2.0	2.1	3.4	1.2	5.4	5.2	1.9	13.7
North America	7.7	20.4	29.4	19.8	77.3	6.4	14.8	18.7	11.6	51.5
Rough Molded Fiber Global	8.6	7.5	7.0	6.5	29.6	1.3	6.5	5.9	6.1	19.8
Foodservice Europe-Asia-Oceania	6.7	11.9	11.0	7.2	36.8	-9.7	13.5	10.5	7.6	21.9
Rigid Consumer Goods Plastics	-4.8	6.3	8.5	8.1	18.1	-113.8	3.0	-0.4	5.0	-106.2
Other activities	-0.9	-0.9	-2.5	-0.5	-4.8	2.5	0.2	0.2	0.2	3.1
Total	30.2	60.3	60.7	56.5	207.7	-123.5	52.4	50.1	43.1	22.1

Depreciation and amortization

EUR million	Q4 2009	Q3 2009	Q2 2009	Q1 2009	Q1-Q4 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q1-Q4 2008
Flexibles Global	5.4	4.5	4.5	4.5	18.9	5.2	5.1	4.5	4.5	19.3
Films Global	1.6	1.5	1.4	1.6	6.1	1.1	1.7	1.6	1.4	5.8
North America	4.8	5.9	5.8	5.3	21.8	5.2	4.3	4.3	4.3	18.1
Rough Molded Fiber Global	3.8	2.8	2.7	2.7	12.0	2.7	2.8	2.9	3.0	11.4
Foodservice Europe-Asia-Oceania	6.0	5.1	4.6	4.8	20.5	5.5	7.6	5.2	5.2	23.5
Rigid Consumer Goods Plastics	1.8	1.8	2.5	2.4	8.5	3.9	4.4	4.4	4.5	17.2
Other activities	0.3	0.1	0.2	0.2	0.8	0.6	0.3	0.2	0.2	1.3
Total	23.7	21.7	21.7	21.5	88.6	24.2	26.2	23.1	23.1	96.6

Net assets allocated to the segments [8]

EUR million	Q4 2009	Q3 2009	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008
Flexibles Global	305.5	311.5	325.8	342.2	359.7	389.2	373.1	381.4
Films Global	111.0	117.5	125.2	135.8	133.1	146.2	140.8	145.3
North America	364.8	365.8	370.8	393.9	379.2	390.2	358.9	370.0
Rough Molded Fiber Global	166.0	167.1	169.9	170.4	164.1	177.6	180.2	182.6
Foodservice Europe-Asia-Oceania	225.7	236.8	246.6	241.7	244.2	284.0	286.0	293.6
Rigid Consumer Goods Plastics	72.6	103.3	103.8	137.3	129.7	262.0	267.7	276.3

[8] Net assets include the following balance sheet items: intangible and tangible assets, other non-current assets, inventories, trade and other current receivables (excluding accrued interest income), other non-current liabilities and trade and other current liabilities (excluding accrued interest expense).

Capital expenditure

EUR million	Q4 2009	Q3 2009	Q2 2009	Q1 2009	Q1-Q4 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q1-Q4 2008
Flexibles Global	3.3	2.3	3.2	2.1	10.9	4.9	3.0	8.6	4.7	21.2
Films Global	0.4	0.2	0.3	0.2	1.1	0.5	0.8	1.0	2.1	4.4
North America	6.5	6.5	2.8	1.0	16.8	5.9	4.0	2.6	1.3	13.8
Rough Molded Fiber Global	3.7	0.7	0.8	1.6	6.8	4.8	3.1	1.0	0.8	9.7
Foodservice Europe-Asia-Oceania	5.1	2.7	1.4	2.3	11.5	6.3	4.2	3.2	3.2	16.9
Rigid Consumer Goods Plastics	2.1	1.6	1.0	0.8	5.5	4.1	1.3	1.4	0.7	7.5
Other activities	0.1	0.0	0.2	0.0	0.3	0.1	0.0	0.0	0.7	0.8
Total	21.2	14.0	9.7	8.0	52.9	26.6	16.4	17.8	13.5	74.3

RONA, % (12m roll.)

	Q4 2009	Q3 2009	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008
Flexibles Global	8.8%	1.4%	0.3%	0.4%	-0.3%	3.7%	4.7%	5.5%
Films Global	-2.2%	-1.0%	0.7%	5.7%	5.6%	5.9%	6.6%	6.8%
North America	14.8%	14.3%	13.0%	10.7%	8.9%	7.8%	8.0%	8.7%
Rough Molded Fiber Global	10.5%	6.8%	6.1%	5.3%	4.8%	7.6%	7.6%	8.1%
Foodservice Europe-Asia-Oceania	6.9%	0.2%	-0.2%	-0.6%	-0.6%	1.0%	0.3%	0.3%
Rigid Consumer Goods Plastics	9.2%	-85.6%	-67.9%	-59.3%	-52.8%	-27.2%	-24.2%	-21.1%

Operating Cash Flow

EUR million	Q4 2009	Q3 2009	Q2 2009	Q1 2009	Q1-Q4 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q1-Q4 2008
Flexibles Global	21.1	17.3	23.4	20.0	81.8	12.7	-3.2	6.7	4.6	20.8
Films Global	5.0	8.4	8.2	1.9	23.5	13.9	0.5	7.7	2.5	24.6
North America	8.9	9.6	22.9	14.5	55.9	16.5	6.7	23.1	-3.9	42.4
Rough Molded Fiber Global	6.1	4.3	8.6	-0.6	18.4	3.6	3.9	8.7	1.2	17.4
Foodservice Europe-Asia-Oceania	9.6	18.3	7.1	-2.1	32.9	3.6	7.6	14.5	1.3	27.0
Rigid Consumer Goods Plastics	4.7	7.9	11.1	0.7	24.4	11.6	-1.2	19.9	5.5	35.8

As net sales and EBIT of reportable segments form Groups' total net sales and EBIT, reconciliations to corresponding amounts are not presented.

Other information EUR million	Q1-Q4 2009	Q1-Q4 2008
Equity per share (EUR)	7.09	6.81
ROE, % (12m roll.)	10.1	-14.8
ROI, % (12m roll.)	9.6	-4.8
Personnel	12,900	14,644
Result before taxes (12m roll.)	93.9	-119.7
Depreciation	82.6	89.2
Amortization of other intangible assets	5.9	7.4

Share capital and shareholders

At the end of the year the Company's registered share capital was EUR 360,615,688.00 (358,657,670.00) corresponding to a total number of outstanding shares of 106,063,320 (105,487,550) including 5,061,089 (unchanged) Company's own shares. The Company's own shares had the total accountable par value of EUR 17,207,702.60, representing 4.8% of the total number of shares and voting rights. The amount of outstanding shares net of Company's own shares was 101,002,231 (100,426,461).

In January-December 2009, a total of 561,470 new shares of Huhtamäki Oyj were issued based on share subscriptions under Huhtamäki Oyj's 2003 option rights plan. 489,830 new shares were issued based on the option rights 2003 A and 71,640 based on the option rights 2003 B. The corresponding increase in the company's share capital, EUR 1,908,998.00, was entered in the Finnish Trade Register on November 16, 2009. The new shares became publicly tradable as of November 17, 2009. In terms of shareholder rights, the new shares are identical to the shares of the company already traded on NASDAQ OMX Helsinki Ltd.

The 2003 A, 2003 B and 2003 C option rights under the Huhtamäki Oyj's 2003 option rights plan entitled to the subscription of a total of 2,250,000 new shares. The annual subscription period was May 2 - October 31. The last subscription date for shares of all option rights under the 2003 option rights plan was October 21, 2009.

The Company's 2006 B option rights were listed on the NASDAQ OMX Helsinki Ltd on October 1, 2009.

There were 22,935 (22,089) registered shareholders at the end of December 2009. Foreign ownership including nominee registered shares accounted for 29% (24%).

Share developments

The Company's share is quoted on the NASDAQ OMX Helsinki Ltd on the Nordic Mid Cap list under the Materials sector.

At the end of December 2009, the Company's market capitalization was EUR 1,028.8 million (EUR 464.1 million) and EUR 979.7 million (EUR 441.9 million) excluding Company's own shares. With a closing price of EUR 9.70 (EUR 4.40) the share price increased by 121% (-46%) from the beginning of the year, while the OMX Helsinki Cap PI Index increased by 36% (-50%) and the OMX Helsinki Materials PI Index increased by 19% (-50%). In January-December 2009, the volume weighted average price for the Company's share was EUR 7.25 (EUR 6.29). The highest price paid was EUR 9.90 on December 30, 2009 and the lowest price paid was EUR 4.46 on January 2, 2009.

During the reporting period the cumulative value of the Company's share turnover was EUR 522.6 million (EUR 707.3 million). The trading volume of 72.7 million (111.6 million) shares equalled an average daily turnover of EUR 2.1 million (EUR 2.8 million) or, correspondingly 289,818 (441,220) shares.

In total, turnover of the Company's 2003 A, B and C as well as 2006 A option rights was EUR 1,351,735 corresponding to a trading volume of 1,810,814.

Contingent liabilities

EUR million	Dec 31 2009	Dec 31 2008
Mortgages	14.5	14.5
Guarantee obligations	2.5	2.9
Lease payments	54.0	49.8
Capital expenditure commitments	10.2	7.3

Nominal values of derivative instruments

EUR million	Dec 31 2009	Dec 31 2008
Currency forwards, transaction risk hedges	25	49
Currency forwards, translation risk hedges	29	34
Currency swaps, financing hedges	123	105
Currency options	3	-
Interest rate swaps	167	160
Interest rate options	-	7
Electricity forwards	1	6

The following EUR rates have been applied to GBP, INR, AUD and USD

		Q1-Q4/09	Q1-Q4/08
Income statement, average:	GBP 1 =	1.122	1.258
	INR 1 =	0.015	0.016
	AUD 1 =	0.563	0.575
	USD 1 =	0.718	0.679
		Q4/09	Q4/08
Balance sheet, month end:	GBP 1 =	1.126	1.050
	INR 1 =	0.015	0.015
	AUD 1 =	0.625	0.493
	USD 1 =	0.694	0.719

Definitions for key indicators

EPS from the result for the period = $\frac{\text{Result for the period - minority interest}}{\text{Average number of shares outstanding}}$

EPS from the result for the period (diluted) = $\frac{\text{Diluted result for the period - minority interest}}{\text{Average fully diluted number of shares outstanding}}$

EPS attributable to hybrid bond investors = $\frac{\text{Hybrid bond interest}}{\text{Average number of shares outstanding}}$

EPS attributable to hybrid bond investors (diluted) = $\frac{\text{Hybrid bond interest}}{\text{Average fully diluted number of shares outstanding}}$

EPS attributable to equity holders of the parent company = $\frac{\text{Result for the period - minority interest - hybrid bond interest}}{\text{Average number of shares outstanding}}$

EPS attributable to equity holders of the parent company (diluted) = $\frac{\text{Diluted result for the period - minority interest - hybrid bond interest}}{\text{Average fully diluted number of shares outstanding}}$

Net debt to equity (gearing) = $\frac{\text{Interest bearing net debt}}{\text{Equity + minority interest + hybrid bond (average)}}$

RONA, % = $\frac{\text{100 x Earnings before interest and taxes (12 m roll.)}}{\text{Net assets (12 m roll.)}}$

Operating cash flow = Ebit + depreciation and amortization (including impairment) - capital expenditures + disposals +/- change in inventories, trade receivables and trade payables

Shareholders' equity per share = $\frac{\text{Equity}}{\text{Issue-adjusted number of shares at period end}}$

Return on equity (ROE) = $\frac{\text{100 x (Result for the period) (12 m roll.)}}{\text{Equity + minority interest + hybrid bond (average)}}$

Return on investment (ROI) = $\frac{\text{100 x (Result before taxes + interest expenses + net other financial expenses) (12 m roll.)}}{\text{Balance sheet total - Interest-free liabilities (average)}}$

HUHTAMAKI

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