

INTERIM REPORT Q1 2014

Brødrene Hartmann A/S, 19 May 2014



HIGHLIGHTS

FINANCIALS

Positive trend in core business

Increased earnings on stable revenue

OPERATIONS

Higher capacity utilisation in Europe

Positive trend in North America, but unfavourable currency impact

OUTLOOK 2014

Revenue of DKK 1.6-1.7bn

Profit margin of 9.0-10.5%

STRATEGY

Improving utilisation and efficiency

Strengthening customer service

References to operating profit refer to operating profit before special items, and references to profit margin refer to profit margin before special items.

SELECTED STRATEGIC INITIATIVES

Positive developments maintained

Competitive edge

Results of improved utilisation and production efficiency

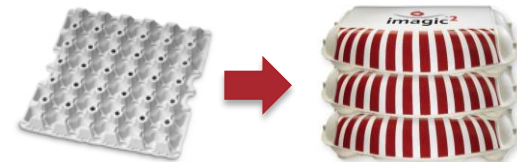
Centralisation of back office in Germany to improve service level



Driving growth

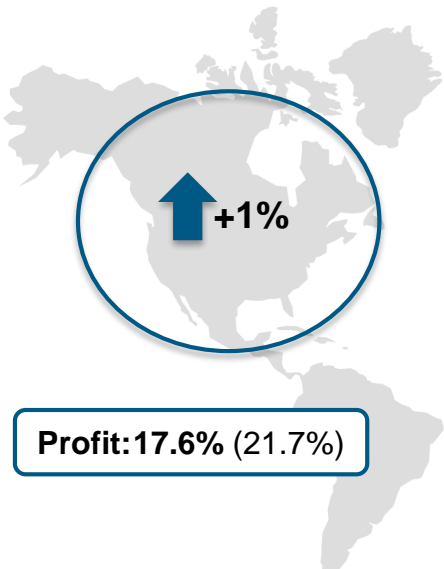
Increased share of premium products and average sales price

Expansion of capacity on track

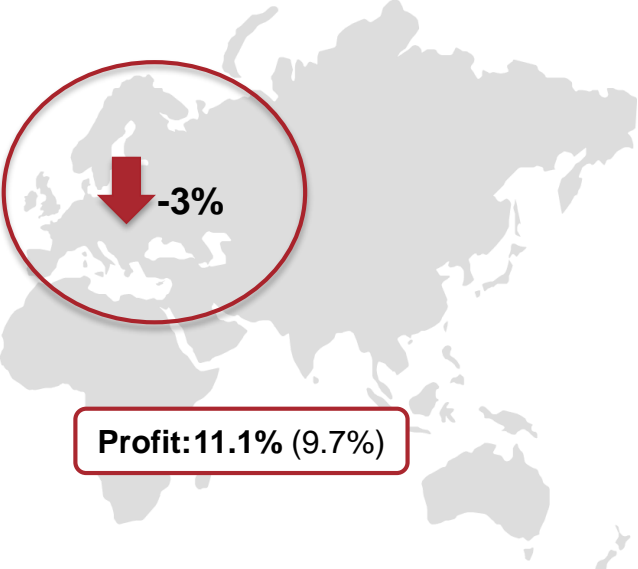


Ensure sustainable and profitable long-term growth

MARKET UPDATE

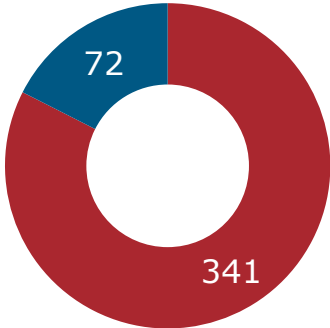


Profit: 17.6% (21.7%)



Profit: 11.1% (9.7%)

Revenue Q1 2014 (DKKm)



■ Europe (82%)
■ North America (18%)

NORTH AMERICA

Significantly increased share of premium products

Operating profit affected by currency fluctuations, higher energy prices and costs related to capacity expansion

EUROPE

Increased sales of moulded-fibre and premium products

Improved efficiency and capacity utilisation

Revenue impacted by phasing in Hartmann Technology

MARKET TRENDS

Stable and increasing demand for eggs

Retail chains in new markets

Focus on health and nutrition

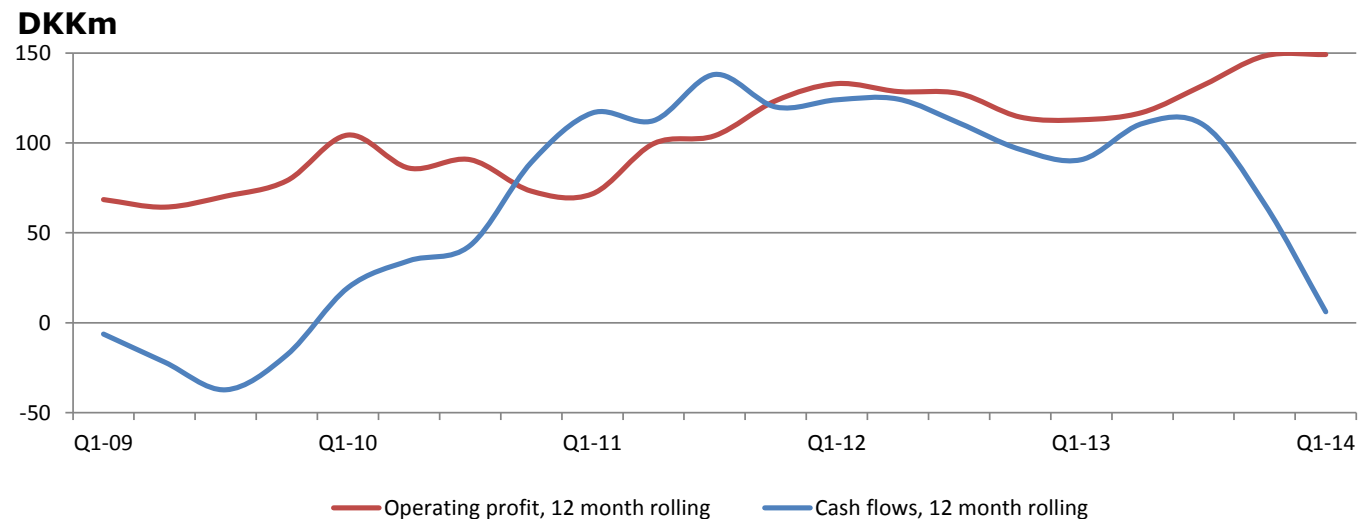
Emphasis on sustainability



FINANCIALS Q1 2014

Increased profitability on stable revenue

DKKm	Q1 2014	Q1 2013	Change (%)
Revenue	413	423	(2)
Operating profit	45	44	2
Special items	0	(33)	(100)
Profit	34	4	811
Free cash flows (operating and investing)	(24)	36	(166)
Invested capital	738	641	15
Profit margin, %	10.8	10.3	-
ROIC, % (12 month rolling)	22.6	16.7	-



Guidance for 2014 maintained

	Guidance 2014	Targets 2015
Revenue	DKK 1.6-1.7bn	DKK 1.7-1.8bn
Profit margin before special items	9.0-10.5%	9.5-11%

- Continued progress based on:
 - Customers – build relations and increase share of premium products
 - Efficiency – continued optimisation and use of robotic technology
 - Capacity – increase utilisation and capacity to allow for sustainable growth
- CAPEX expected to come to DKK 90-110m against earlier DKK 120-140m
 - Increased focus on utilisation and efficiency in Europe
 - Expansion of existing capacity in North America

CONTACT INFORMATION

Brødrene Hartmann A/S

Ørnegårdsvej 18

DK-2820 Gentofte

Tel. (+45) 45 97 00 00

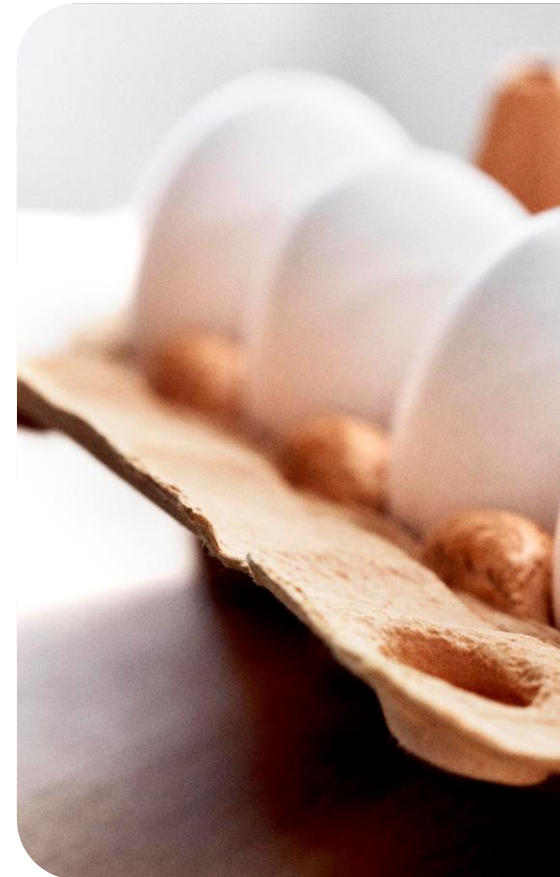
investor.hartmann-packaging.com



Ulrik Kolding
Hartvig, CEO



Marianne Rørslev
Bock, CFO



APPENDIX: KEY FIGURES AND FINANCIAL RATIOS

DKKm	Q1 2014	Q1 2013	Change (%)
Revenue	413	423	(2)
- Europe	341	351	(3)
- North America	72	72	1
Operating profit	45	44	2
- Europe	38	34	12
- North America	13	16	(18)
Special items	0	(33)	(100)
Net financials	(5)	0	(953)
Profit	34	4	811
Free cash flows	(24)	36	(166)
Profit margin, %	10.8	10.3	-

APPENDIX: BALANCE SHEET

Strong balance sheet and ratios

DKKm	31.03.14	31.12.13	31.03.13
Assets	1,148	1,126	1,145
Net working capital (NWC)	196	155	143
Invested capital (IC)	738	689	641
Net interest-bearing debt	168	138	102
Equity	637	612	596
ROIC, % (12 month rolling)	22.6	23.0	16.7
Equity ratio, %	55.5	54.4	52.1
Gearing, %	26.4	22.6	17.2

FORWARD-LOOKING STATEMENTS

Disclaimer

This presentation contains forward-looking statements reflecting management's expectations of future events and must be viewed in the context of among other things the business environments and currency markets, which may cause actual results to deviate materially from those projected by Hartmann.