

INTERIM REPORT H1 2013

Conference call, 22 August 2013



HIGHLIGHTS

FINANCIALS

Stable growth and solid cash flow
Continued stabilisation in Europe
Profitable growth in North America

OPERATIONS

European optimisation on track
Expansion in North America initiated

OUTLOOK 2013

Revenue of DKK 1.5-1.6bn
Profit margin of 7.5-9.5%

STRATEGY

Efficiency measures in Europe
Stronger position in North America

References to operating profit in this presentation refer to operating profit before special items, and references to profit margin refer to profit margin before special items, unless otherwise stated.

SELECTED STRATEGIC INITIATIVES

Building a stronger platform for growth

Competitive edge

Focus on selected initiatives to improve European profitability

Increased efficiency in sales and production



Driving growth

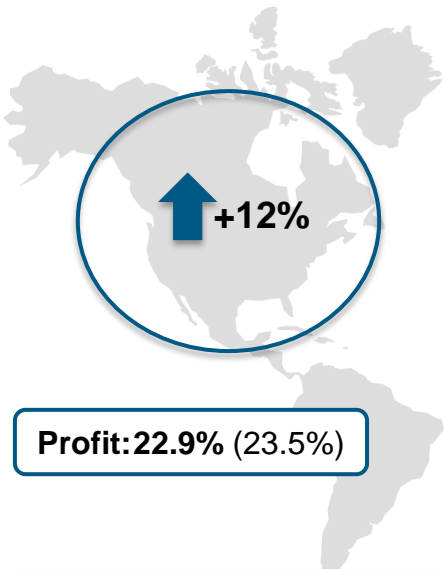
Expansion in North America to continue growth

Roll-out of imagic²® product line in Europe

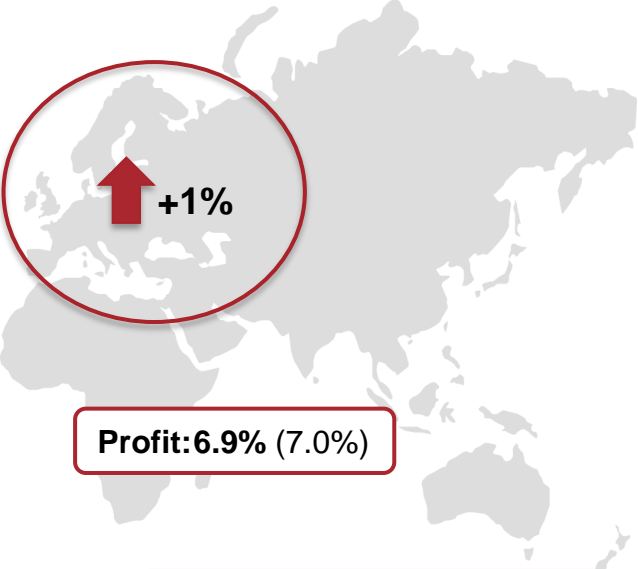


Ensure sustainable and profitable long-term growth

MARKET UPDATE

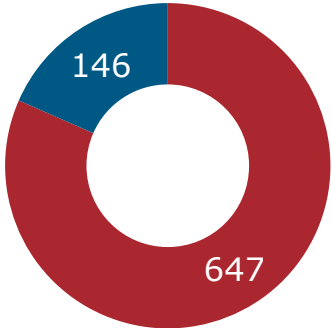


Profit: 22.9% (23.5%)



Profit: 6.9% (7.0%)

Revenue H1 2013 (DKKm)



■ Europe (82%)
■ North America (18%)

NORTH AMERICA

- Increased sales to existing customers
- Temporary drop in market supply
- Expected fixed costs increase

EUROPE

- Continued stabilisation in mature markets
- Increased share of premium products
- Lower capacity utilisation

MARKET TRENDS

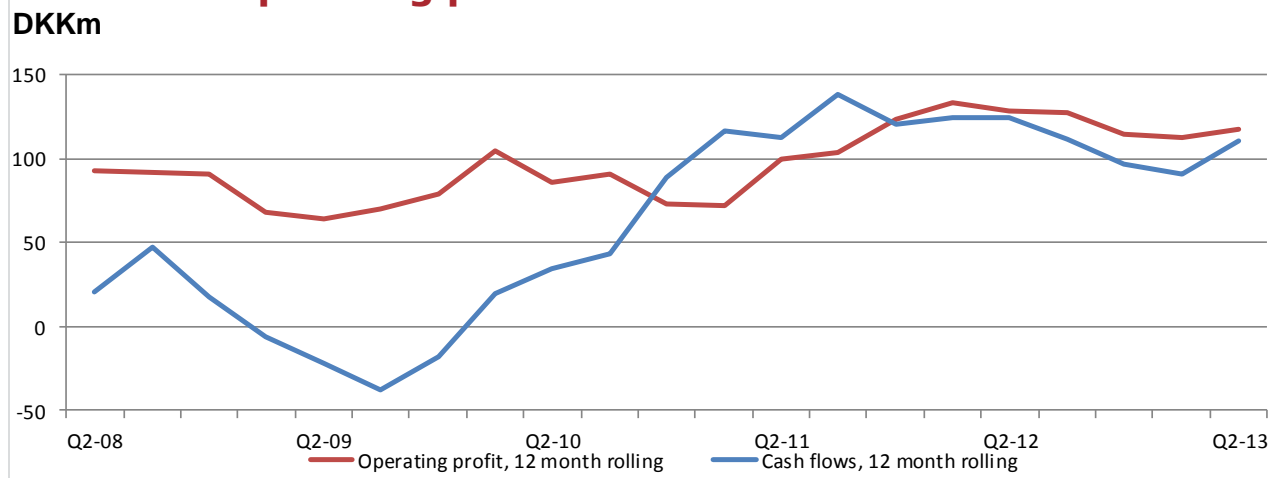
- Stable demand for eggs
- Retail chains in new markets
- Focus on health and nutrition
- Emphasis on sustainability

FINANCIALS H1 2013

Stable growth and solid cash flow

DKKm	H1 2013	H1 2012	Change (%)
Revenue	793	769	3
Operating profit	65	62	4
Special items	39	0	-
Profit	17	45	(63)
Free cash flows (operating and investing)	66	52	27
Invested capital	606	687	(12)
Profit margin, %	8.2	8.1	-
ROIC, % (12 month rolling, incl. special items)	12.1	18.2	-

Stabilised operating profit and cash flows



Guidance for 2013 maintained

	Realised 2012	Guidance 2013	Targets 2015
Revenue	DKK 1,544m	DKK 1.5-1.6bn	DKK 1.7-1.8bn
Profit margin before special items	7.4%	7.5-9.5%	8-11%

- Expectations for continued growth and increased profitability based on:
 - Increased share of premium products
 - Efficiency enhancements
- Expected special items of DKK 36-46m
 - Closure of Finnish factory on track
 - Special items of DKK 33m in H1 – expected level of DKK 30-40m in 2013
 - Q2 severance payment to former CEO entailed special items of DKK 6m
- CAPEX expected to be in the region of DKK 120-140m
 - Expansion in North America – to be fully implemented in 2014
 - Focus on automation and efficiency in Europe and North America

QUESTIONS



CONTACT INFORMATION

Brødrene Hartmann A/S

Ørnegårdsvej 18

DK-2820 Gentofte

Tel. (+45) 45 97 00 57

investor.hartmann-packaging.com



Marianne Rørslev Bock,
CFO & interim CEO



APPENDIX: KEY FIGURES AND FINANCIAL RATIOS

Q2 2013	Q2 2012	DKKm	H1 2013	H1 2012	Change (%)
370	358	Revenue	793	769	3
296	295	- Europe	647	639	1
74	63	- North America	146	130	12
21	17	Operating profit	65	62	4
10	9	- Europe	44	45	0
18	15	- North America	33	31	9
(6)	0	Special items	(39)	0	-
(7)	(2)	Net financials	(8)	(4)	109
13	12	Profit	17	45	(63)
30	10	Free cash flows	66	52	27
5.7	4.7	Profit margin, %	8.2	8.1	-

APPENDIX: BALANCE SHEET

Strong balance sheet and ratios

DKKm	30.06.13	31.12.12	30.06.12
Assets	1,126	1,141	1,121
Invested capital (IC)	606	655	687
Net working capital (NWC)	111	131	145
Net interest-bearing debt	138	137	182
Equity	549	600	570
ROIC, % (12 month rolling, incl. special items)	12.1	17.5	18.2
Equity ratio, %	48.8	52.6	50.9
Gearing, %	25.2	22.8	31.9

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.