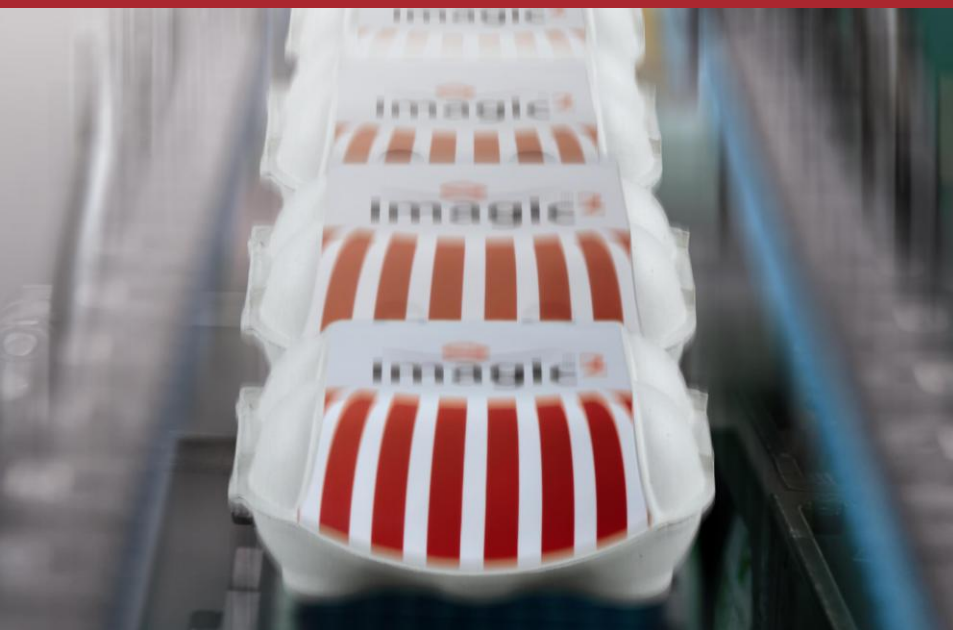


# ANNUAL REPORT 2012

Conference call, 8 March 2013

Michael Rohde Pedersen, CEO

Marianne Rørslev Bock, CFO



# HIGHLIGHTS

## FINANCIALS

Revenue growth and solid cash flow  
Profitability challenged in Europe  
Strong performance in North America

## OPERATIONS

Complexity reduction in Europe  
New products and services launched

## OUTLOOK 2013

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

## STRATEGY

Continued optimisation  
Intensified customer focus

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

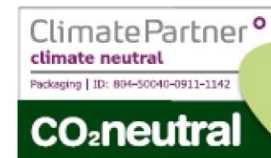
### Competitive edge

Streamlined production network  
Reduction of complexity in Europe  
Long-term effect on profitability



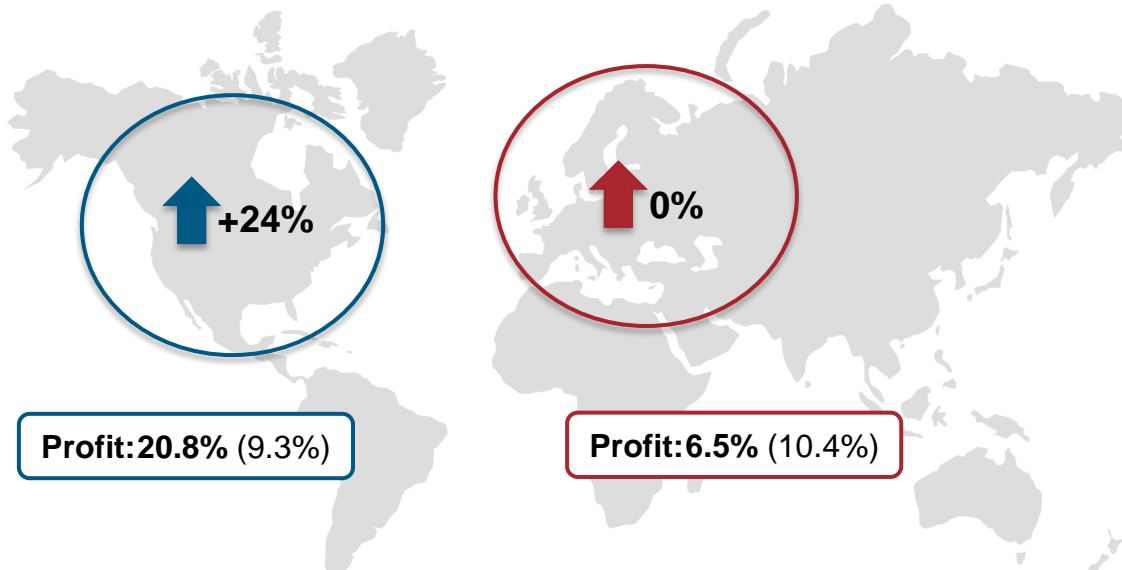
### Driving growth

Launch of imagic<sup>2</sup>® in late 2012  
CO<sub>2</sub> neutral packaging  
FSC certification

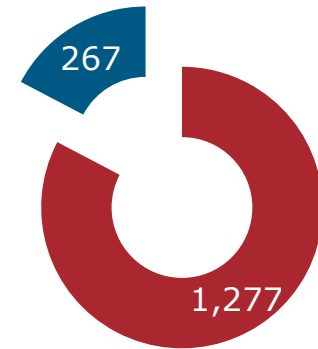


**Ensure sustainable and profitable long-term growth**

# MARKET UPDATE



## Revenue 2012 (DKKm)



- Europe (83%)
- North America (17%)

### NORTH AMERICA

Increased sales and proportion of premium products

High capacity utilisation

Raw material prices and utilisation

### EUROPE

Price adjustments in a few mature markets

Lower capacity utilisation

Investment in strengthening of organisation

### MARKET TRENDS

Stable demand for eggs

Retail chains in new markets

Focus on health and nutrition

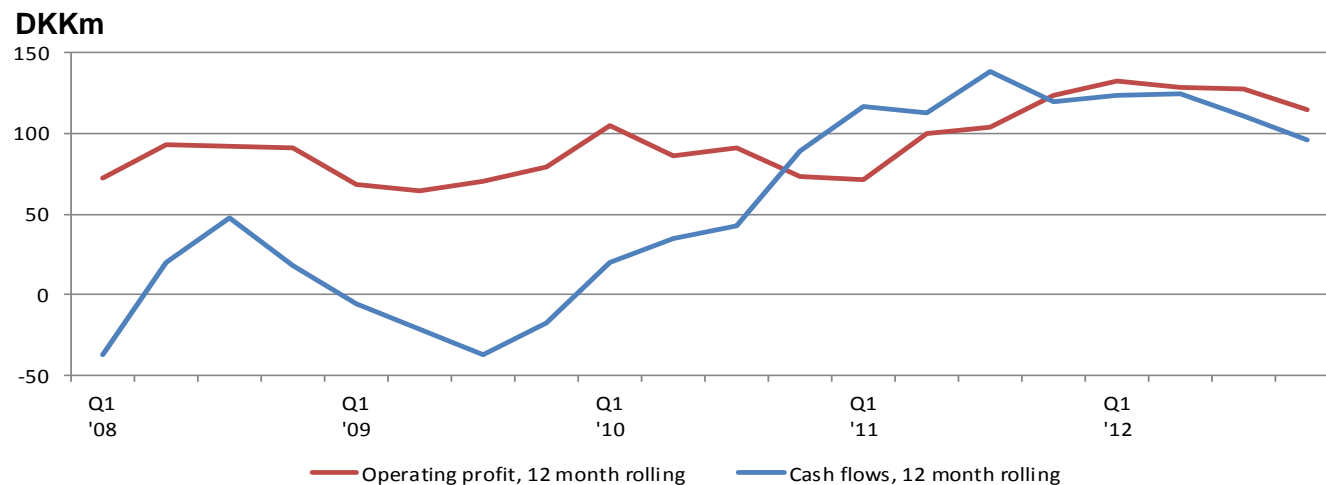
Emphasis on sustainability

# FINANCIALS 2012

## Stable development at group level

DKKm	2012	2011	Change (%)
Revenue	1.544	1.488	4
Operating profit	114	124	(7)
Profit	93	76	21
Cash flows (operating and investing activities)	96	120	(20)
Invested capital	655	652	0
Profit margin, %	7.4	8.3	-
ROIC, %	17.5	17.8	-

## Positive long-term trend



## Steady development expected in 2013

	<b>Realised 2012</b>	<b>Guidance 2013</b>	<b>Targets 2015</b>
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:
  - Efficiency enhancements
  - Focus on customers
  - Increased proportion of premium products
- Planned closure of Varkaus factory expected to lead to special items of around DKK 30-40m, while improving profitability and not affecting group revenue
- CAPEX expected to be in the region of DKK 70-90m excluding any potential investment in capacity increases in North America

# QUESTIONS



# CONTACT INFORMATION

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Michael Rohde  
Pedersen, CEO



Marianne Rørslev  
Bock, CFO





# APPENDIX: KEY FIGURES AND FINANCIAL RATIOS

Q4 2012	Q4 2011	DKKm	2012	2011	Change (%)
402	407	<b>Revenue</b>	<b>1,544</b>	<b>1,488</b>	4
331	347	- Europe	1,277	1,272	0
71	59	- North America	267	216	24
28	41	<b>Operating profit</b>	<b>114</b>	<b>124</b>	(7)
20	41	- Europe	83	133	(38)
14	9	- North America	56	20	178
(3)	(2)	<b>Financial income and expenses</b>	<b>(8)</b>	<b>(16)</b>	51
30	24	<b>Profit</b>	<b>93</b>	<b>76</b>	21
		<b>Cash flows (operating and investing activities)</b>			
28	43		<b>96</b>	<b>120</b>	(20)
7.0	10.2	<b>Profit margin, %</b>	<b>7.4</b>	<b>8.3</b>	-

# APPENDIX: BALANCE SHEET

## Strong balance sheet and ratios

<b>DKKm</b>	<b>31.12.12</b>	<b>31.12.11</b>
Assets	1,141	1,108
Invested capital (IC)	655	652
Net working capital (NWC)	131	116
Net interest-bearing debt	137	171
Equity	600	560
ROIC, %	17.5	17.8
Equity ratio, %	52.6	50.6
Gearing, %	22.8	30.5

# 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.