HARTMANN CHOOSE FIBRE. SAVE NATURE.®

INTERIM REPORT
H1 2012

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HIGHLIGHTS

In H1 2012, Hartmann's revenue and operating profit rose despite challenging market conditions in the European markets. A lower operating profit in Hartmann's European business was offset by continued strong growth in the North American market. Hartmann retains its full-year forecast for 2012 of revenue on a level with 2011 (DKK 1.5 billion) and a profit margin of 7.5-9%.

- Hartmann reported revenue of DKK 769 million for H1 2012 (2011: DKK 727 million) and operating profit* of DKK 62 million (2011: DKK 57 million), corresponding to a profit margin* of 8.1% (2011: 7.8%). Revenue for Q2 2012 was DKK 358 million (2011: DKK 352 million), and operating profit was DKK 17 million (2011: DKK 21 million), corresponding to a profit margin of 4.7% (2011: 6.1%).

- Cash flows from operating and investing activities continued to show a positive trend and amounted to a net cash inflow of DKK 52 million for H1 2012 (2011: a net cash inflow of DKK 48 million) and a net cash inflow of DKK 10 million for Q2 2012 (2011: a net cash inflow of DKK 10 million).

- Return on invested capital grew, standing at 18.2% at 30 June 2012 (2011: 13.3%).

- In Europe, Hartmann's revenue for H1 2012 was DKK 639 million (2011: DKK 622 million), and operating profit was DKK 45 million (2011: DKK 65 million). Revenue for Q2 2012 was DKK 295 million (2011: DKK 300 million), and operating profit was DKK 9 million (2011: DKK 26 million).

- Hartmann's North American business reported revenue of DKK 130 million for H1 2012 (2011: DKK 104 million) and operating profit of DKK 31 million (2011: DKK 8 million). Revenue for Q2 2012 was DKK 63 million (2011: DKK 52 million), and operating profit was DKK 15 million (2011: DKK 4 million).

- Based on its H1 performance and the expected market trends, Hartmann maintains its full-year forecast for 2012 of revenue on a level with 2011 (DKK 1.5 billion) and a profit margin of 7.5-9%. The challenging market conditions in some of the European markets are expected to continue to impact Hartmann's performance for the second half of the year, while the positive trends in North America are expected to continue.

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

KEY FIGURES AND FINANCIAL RATIOS

DKKm

Group	Q2 2012	Q2 2011	H1 2012	H1 2011
Statement of comprehensive income				
Revenue	358	352	769	727
Operating profit/(loss) before depreciation, amortisation and impairment (EBITDA)	36	42	101	98
Operating profit/(loss) before special items	17	21	62	57
Special items	0	0	0	0
Operating profit/(loss) (EBIT)	17	21	62	57
Financial income and expenses, net	(2)	(1)	(4)	(9)
Profit/(loss) before tax (EBT)	15	21	58	48
Profit/(loss) for the period (EAT)	12	16	45	37
Comprehensive income	24	9	74	40
Cash flows				
Cash flows from operating activities	28	13	79	57
Cash flows from investing activities	(18)	(4)	(27)	(9)
Cash flows from financing activities	(129)	(49)	(59)	(55)
Total cash flows	(119)	(40)	(7)	(8)
Balance sheet				
Assets			1,121	1,140
Invested capital (IC)			687	727
Net working capital (NWC)			145	150
Net interest-bearing debt			182	237
Equity			570	574
Financial ratios, %				
Profit margin (EBITDA)	10.0	12.0	13.1	13.5
Profit margin before special items	4.7	6.1	8.1	7.8
Profit margin (EBIT)	4.7	6.1	8.1	7.8
Return on invested capital (ROIC, 12 months)			18.2	13.3
Return on equity (12 months)			14.8	12.9
Equity ratio			50.9	50.3
Gearing			31.9	41.4
Share-based financial ratios				
No. of shares (at period end, excluding treasury shares)			6,915,090	6,915,090
No. of shares (average, excluding treasury shares)			6,915,090	6,915,090
Earnings per share, DKK (EPS)	1.7	2.3	6.5	5.3
Cash flows from operating activities per share, DKK	4.1	2.0	11.4	8.2
Book value per share, DKK			82.5	82.9
Market price per share, DKK			109.0	79.0
Market price/book value per share			1.3	1.0
Price/earnings			16.8	15.0

The financial ratios are calculated in accordance with 'Recommendations & Ratios 2010', issued by the Danish Society of Financial Analysts. See note 37 in the annual report for 2011.

DEVELOPMENTS IN H1 2012

During the first half of 2012, Hartmann continued its work to strengthen the organisation and build a solid platform for growth during the 2013-2015 strategy period. Developments were in line with plans during the first half of 2012, which was characterised by growth in North America and challenging market conditions in Europe.

The European business was marked by intensified price competition and higher raw material and transport costs; a trend that had a negative impact on Hartmann's profitability. While Hartmann successfully lifted its sales, demand in the European markets fell below expectations, and production planning thus resulted in a temporary decline in production efficiency during the first part of Q2 2012.

As part of the work to strengthen 'Competitive edge' in the European business and build a more efficient organisation, Hartmann stepped up its cross-functional collaboration during Q2 2012. Hartmann implemented new procedures for Sales & Operations Planning in the European business with a view to improving overall production planning and optimising the utilisation of production facilities. The changes have already been effected and have resulted in improved collaboration across the sales and production organisation through more effective communication and improved coordination.

Hartmann works continuously to achieve other synergies from the centralisation of specialist functions at the head office. Based on this, for example, a number of cross-functional initiatives have been implemented in order to optimise the transport process and reduce freight costs by establishing a stronger, joint basis for choosing collaborative partners in the field. Moreover, the centralisation of the purchasing function will lead to future savings through joint purchase agreements made across the European production sites.

The challenging market conditions in Europe were offset by strong developments in North America. Hartmann continued to progress, succeeding in its efforts to enhance capacity utilisation and increase profitability for the North American business through increased sales of high-value packaging and continued optimisation of production and product portfolio.

STATEMENT OF COMPREHENSIVE INCOME

Revenue

Hartmann's consolidated revenue was DKK 769 million for H1 2012 (2011: DKK 727 million). Revenue for Q2 2012 was DKK 358 million (2011: DKK 352 million).

Europe

Hartmann's European business reported revenue for H1 2012 of DKK 639 million (2011: DKK 622 million) and DKK 295 million for Q2 2012 (2011: DKK 300 million).

The revenue growth witnessed in the first half of the year was mainly attributable to increased sales of moulded-fibre packaging in Europe and a higher level of activity at Hartmann Technology. The intensified price competition in Hartmann's European markets had a negative impact on revenue, and a temporary fall in the supply of eggs due to stricter EU requirements concerning the conditions of laying hens in conventional cages had a minor adverse effect; primarily, however, in the UK market.

The increase in sales of moulded-fibre packaging was driven by positive developments in the southern and central European markets. In addition, Hartmann's sales during the prior-year period were lower as a result of German and Dutch consumers having responded to the discovery that dioxin-contaminated vegetable fat had been used as feed for poultry and other animals.

North America

In the North American business area, revenue for H1 2012 came to DKK 130 million (2011: DKK 104 million) and DKK 63 million for Q2 2012 (2011: DKK 52 million).

Sales rose during the first half of the year as a result of targeted sales efforts, and Hartmann successfully increased the proportion of high-value products relative to the prior-year period. The positive trend contributed to revenue growth and a higher average selling price in North America.

Operating profit

Hartmann reported operating profit of DKK 62 million for H1 2012 (2011: DKK 57 million), corresponding to a profit margin of 8.1% (2011: 7.8%). Operating profit for Q2 2012 was DKK 17 million (2011: DKK 21 million), corresponding to a profit margin of 4.7% (2011: 6.1%).

Europe

Hartmann reported operating profit of DKK 45 million for H1 2012 (2011: DKK 65 million), corresponding to a profit margin of 7.0% (2011: 10.4%). Operating profit for Q2 2012 was DKK 9 million (2011: DKK 26 million), corresponding to a profit margin of 2.9% (2011: 8.6%).

Operating profit was negatively affected by intensified price competition in Hartmann's European markets and the resulting decline in the average selling price (negative effect of DKK 15 million) and higher raw material and transport costs (negative effect of DKK 14 million). Moreover, the temporary reduction in production efficiency in Europe affected operating profit for H1 2012 (negative effect of DKK 7 million). Overheads grew as a result of the planned strengthening of Hartmann's organisation and competencies (negative effect of DKK 10 million).

The increase in revenue for H1 2012 and an increase in the proportion of high-value packaging contributed positively (DKK 12 million) to operating profit, partially offsetting the trend in the average selling price and overheads. The increase in the level of activity at Hartmann Technology also had a positive impact on operating profit (DKK 8 million).

North America

The North American business continued its strong performance, reporting operating profit of DKK 31 million (2011: DKK 8 million) and a profit margin of 23.5% (2011: 7.2%) for H1 2012. Operating profit for Q2 2012 was DKK 15 million (2011: DKK 4 million), corresponding to a profit margin of 23.5% (2011: 6.8%).

A marked improvement in capacity utilisation combined with higher revenue and a higher average selling price contributed positively (DKK 14 million) to operating profit growth in North America. Furthermore, generally reduced prices of recycled paper, investments in technology to optimise raw material consumption and reduce production complexity contributed to the strong H1 performance.

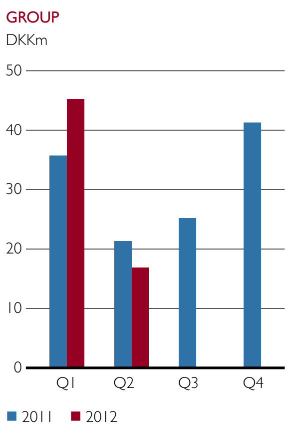
Corporate functions

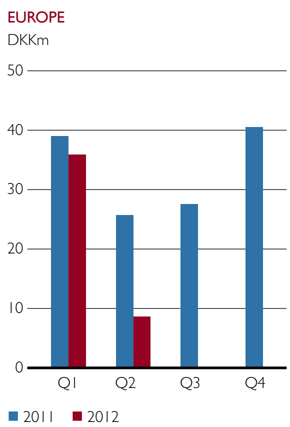
Costs related to corporate functions came to DKK 13 million for H1 2012 (2011: DKK 16 million) and DKK 7 million for Q2 2012 (2011: DKK 8 million).

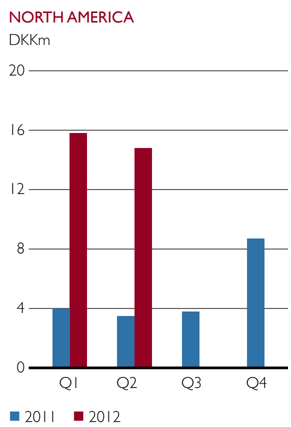
Financial income and expenses

Financial income and expenses amounted to a net expense of DKK 4 million for H1 2012 (2011: a net expense of DKK 9 million). For Q2 2012, financial income and expenses amounted to a net expense of DKK 2 million (2011: a net expense of DKK 1 million). The change was attributable to lower interest payments and positive foreign exchange adjustments.

OPERATING PROFIT







Profit for the period
Profit for H1 2012 was DKK 45 million (2011: DKK 37 million) and DKK 12 million for Q2 2012 (2011: DKK 16 million).

Comprehensive income
Comprehensive income for H1 2012 came to DKK 74 million (2011: DKK 40 million) and DKK 24 million for Q2 2012 (2011: DKK 9 million). Comprehensive income for H1 2012 was positively affected in the amount of DKK 24 million (2011: DKK 4 million) by translation into DKK of net assets in foreign subsidiaries.

CASH FLOWS

Cash flows from operating activities
Cash flows from operating activities amounted to a cash inflow of DKK 79 million for H1 2012 (2011: a cash inflow of DKK 57 million) and a cash inflow of DKK 28 million for Q2 2012 (2011: a cash inflow of DKK 13 million). The trend was positively influenced by operating profit growth, reduced tax and interest payments and a positive development in the change in working capital.

Cash flows from investing activities
Cash flows from investing activities amounted to a cash outflow of DKK 27 million for H1 2012 (2011: a cash outflow of DKK 9 million) and a cash outflow of DKK 18 million for Q2 2012 (2011: a cash outflow of DKK 4 million). Cash flows from operating and investing activities thus amounted to a net cash inflow of DKK 52 million for H1 2012 (2011: a net cash inflow of DKK 48 million) and a net cash inflow of DKK 10 million for Q2 2012 (2011: a net cash inflow of DKK 10 million).

Cash flows from financing activities
Cash flows from financing activities amounted to a cash outflow of DKK 59 million for H1 2012 (2011: a cash outflow of DKK 55 million) and a cash outflow of DKK 129 million for Q2 2012 (2011: a cash outflow of DKK 49 million). Cash flows from financing activities were affected by a dividend distribution to Hartmann's shareholders of DKK 64 million (2011: DKK 16 million).

BALANCE SHEET

ROIC
At 30 June 2012, return on invested capital (ROIC) stood at 18.2%, against 13.3% at 30 June 2011. The improvement was attributable to operating profit growth as well as controlled reduction and continued optimisation of invested capital over the past 12 months.

The objective of Hartmann's operations and investments is to continuously secure an attractive return on invested capital (ROIC) of not less than 15% for its shareholders.

Capital resources
At 30 June 2012, the group's net interest-bearing debt stood at DKK 182 million, against DKK 169 million at 31 December 2011. Hartmann has reduced its net interest-bearing debt by DKK 55 million from DKK 237 million at 30 June 2011.

Hartmann's financial gearing was 31.9% at 30 June 2012 against 30.2% at 1 January 2012.

Hartmann has extended its existing long-term flexible loans until mid-2015 on unchanged terms. At 30 June 2012, the group's total drawing rights amounted to DKK 280 million. Hartmann has not drawn the full amount, and the total undrawn facility of non-current loans amounted to DKK 90 million at 30 June 2012.

Hartmann's total drawing rights, including deposits and unutilised overdraft facilities, amounted to DKK 320 million at 30 June 2012.

Management considers the capital resources satisfactory.

Equity
Equity stood at DKK 570 million at 30 June 2012, against DKK 560 million at 1 January 2012.

Hartmann's equity ratio was 50.9% at 30 June 2012, against 50.6% at 1 January 2012.

THE HARTMANN SHARE

The official market price of the Hartmann share was DKK 101.0 on 31 December 2011 and DKK 109.0 on 30 June 2012. Information on share performance is available on Hartmann's investor section at www.hartmann-packaging.com.

EVENTS AFTER THE BALANCE SHEET DATE

No events have occurred in the period from the balance sheet date until the date of presentation of this interim report that materially affect the evaluation of the report.

OUTLOOK

Based on its H1 performance and the expected market trends, Hartmann maintains its full-year forecast for 2012 of revenue on a level with 2011 (DKK 1.5 billion). The challenging market conditions in some of the European markets are expected to continue to impact Hartmann's performance for the second half of the year, while the positive trends in North America are expected to continue.

The forecast of a profit margin of 7.5-9% is retained.

Due to seasonal fluctuations, Hartmann's revenue for the first and fourth quarters is generally higher than for the second and third quarters. Hartmann's sales of machinery are not affected by seasonal fluctuations but revenue may be subject to quarterly fluctuations depending on the timing of order execution at Hartmann Technology.

ASSUMPTIONS

Hartmann's revenue and profit margin forecasts for 2012 are based on the present composition of the group's business operations. In addition, total costs of raw materials and selling prices are assumed to remain relatively stable at the level prevailing at the time of presentation of this interim report. Any deviations from these assumptions may affect the 2012 performance.

Hartmann's profit margin is mainly exposed to developments in raw material prices and exchange rates. Hartmann has hedged its most significant exchange rate exposures for the remainder of 2012.

FORWARD-LOOKING STATEMENTS

The forward-looking statements in this interim report reflect Hartmann's current expectations for future events and financial results. The statements are inherently subject to uncertainty, and actual results may therefore differ from expectations. Factors that may cause the actual results to differ from expectations include, but are not limited to, general economic developments and developments in the financial markets, changes and amendments to legislation and regulation in Hartmann's markets, changes in demand for products, competition and the prices of raw materials.

OUTLOOK AND FINANCIAL TARGETS

	2012	2015
Revenue	DKK 1.5 billion	DKK 1.7-1.8 billion
Profit margin	7.5-9%	8-11%

RISK FACTORS

See the section on risk factors and note 33 in the annual report for 2011 for a full description of Hartmann's risk factors.

RAW MATERIALS

Hartmann is dependent on the purchase prices of the raw materials used in its production. Hartmann is particularly exposed to fluctuations in the purchase prices of recycled paper and energy (electricity and gas), which are the most important raw materials used in production.

There is limited scope for reducing Hartmann's sensitivity to developments in the price of recycled paper if supplies of the required volumes are to be secured and maintained. Hartmann uses other types of paper in production and to some extent switches between different types of paper if more favourable prices can be obtained.

Hartmann regularly signs fixed-price agreements with energy suppliers, typically for periods of 6 or 12 months, covering a substantial part of the group's energy consumption. However, it is not possible to sign fixed-price agreements with energy suppliers in all of the countries in which Hartmann operates.

Hartmann is committed to reducing its sensitivity to fluctuations in the prices of raw materials through continual implementation of technological improvements and optimisation of work processes.

CURRENCY

Hartmann's currency risks consist of transaction risks and translation risks, respectively.

Hartmann is exposed to transaction risk due to cross-border transactions leading to contractual cash flows in foreign currency. Most sales generated in the North American business are invoiced in USD, whereas most costs are incurred in CAD. Accordingly, the currency exposure in relation to the USD/CAD exchange rate constitutes one of the group's single largest transaction risks. Other significant transaction risks relate to the currencies CHF, EUR, GBP, HRK, HUF, PLN and SEK.

Due to its foreign subsidiaries, Hartmann is exposed to translation risks since part of the group's earnings and net assets derive from these foreign subsidiaries and is therefore translated and included in the consolidated financial statements, which are presented in DKK. In terms of net position, foreign subsidiaries' reporting in the currencies CAD, EUR, HRK, HUF and ILS represents Hartmann's greatest translation exposure.

The group's currency exposure is hedged to the effect that significant currencies are continuously hedged for a period of not less than 6 and not more than 12 months. Translation risk is not hedged, as it does not have any direct impact on Hartmann's cash resources or underlying cash flows.

DEVELOPMENTS IN THE PRICE OF RECYCLED PAPER

Source: BvSE (Bundesverband Sekundärrohstoffe und Entsorgung e.V.)

MANAGEMENT STATEMENT

The Board of Directors and the Executive Board have today considered and approved the interim report of Brødrene Hartmann A/S for the six months ended 30 June 2012.

The interim report, which has been neither audited nor reviewed by the company's auditors, was prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and Danish disclosure requirements for listed companies.

In our opinion, the interim financial statements give a true and fair view of the group's assets and liabilities and financial position at 30 June 2012 and of the results of the group's operations and cash flows for the six months ended 30 June 2012.

We are furthermore of the opinion that the management report includes a fair review of the development and performance of the group's business and financial position, the results for the period and the group's overall financial position together with a description of the principal risks and uncertainties that the group faces.

Gentofte, 22 August 2012

Executive Board:	Michael Rohde Pedersen *Chief Executive Officer*	Marianne Rørslev Bock *Chief Financial Officer*	
Board of Directors:	Agnete Raaschou-Nielsen *Chairman*	Walther V. Paulsen *Vice Chairman*	Jan Peter Antonisen
	Niels Hermansen	Jørn Mørkeberg Nielsen	Niels Christian Petersen
	Peter-Ulrik Plesner		

INTERIM FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

DKKm

Group	Q2 2012	Q2 2011	H1 2012	H1 2011
Revenue	357.6	351.9	769.4	726.8
Production costs	(257.7)	(257.3)	(539.5)	(523.7)
Gross profit/(loss)	**99.9**	**94.6**	**229.9**	**203.1**
Selling and distribution costs	(69.0)	(59.4)	(137.8)	(115.9)
Administrative expenses	(14.5)	(14.3)	(30.9)	(31.1)
Other operating income	0.5	0.4	1.8	1.0
Other operating expenses	0.0	0.0	(0.9)	(0.1)
Operating profit/(loss) before special items	**16.9**	**21.3**	**62.1**	**57.0**
Special items	0.0	0.0	0.0	0.0
Operating profit/(loss)	**16.9**	**21.3**	**62.1**	**57.0**
Financial income	1.5	1.2	3.5	1.4
Financial expenses	(3.2)	(1.8)	(7.2)	(10.3)
Profit/(loss) before tax	**15.2**	**20.7**	**58.4**	**48.1**
Tax on profit/(loss) for the year	(3.5)	(5.0)	(13.4)	(11.6)
Profit/(loss) for the period	**11.7**	**15.7**	**45.0**	**36.5**
Hedging of net assets	0.0	1.6	0.0	4.6
Foreign exchange adjustment of:				
Foreign subsidiaries	9.3	(4.4)	23.6	3.7
Equity-like loans to subsidiaries	0.1	(0.7)	0.0	(4.0)
Value adjustment of hedging instruments:				
Recognised in equity	6.1	(2.5)	9.6	0.6
Transferred to revenue	(2.5)	(1.2)	(2.6)	(1.9)
Transferred to production costs	0.3	0.0	0.3	0.0
Transferred to financial income and expenses	0.1	0.0	0.1	0.0
Tax on other comprehensive income	(0.9)	0.9	(1.8)	0.3
Other comprehensive income	**12.5**	**(6.3)**	**29.2**	**3.3**
Comprehensive income	**24.2**	**9.4**	**74.2**	**39.8**
Earnings per share, DKK	1.7	2.3	6.5	5.3
Earnings per share, DKK, diluted	1.7	2.3	6.5	5.3

STATEMENT OF CASH FLOWS

DKKm

Group	Q2 2012	Q2 2011	H1 2012	H1 2011
Operating profit/(loss) before special items	16.9	21.3	62.1	57.0
Depreciation and amortisation	18.9	20.7	38.4	41.3
Adjustment for other non-cash items	0.0	0.0	0.0	(0.2)
Change in working capital	(1.0)	(22.1)	(12.4)	(22.3)
Restructuring costs etc. paid	(0.6)	(0.6)	(1.2)	(1.2)
Cash flows from operating activities	**34.2**	**19.3**	**86.9**	**74.6**
Interest etc. received	2.4	0.0	2.7	0.2
Interest etc. paid	(3.2)	(4.2)	(7.2)	(10.3)
Net income tax paid	(5.1)	(1.7)	(3.9)	(8.0)
Cash flows from operating activities	**28.3**	**13.4**	**78.5**	**56.5**
Disposals of property, plant and equipment	0.0	0.0	0.0	0.3
Acquisitions of property, plant and equipment	(18.4)	(3.9)	(26.8)	(9.5)
Dividend received from associates	0.0	0.2	0.0	0.2
Government grants received	0.2	0.0	0.2	0.0
Cash flows from investing activities	**(18.2)**	**(3.7)**	**(26.6)**	**(9.0)**
Cash flows from operating and investing activities	**10.1**	**9.7**	**51.9**	**47.5**
Raising of non-current debt	0.0	120.4	70.1	120.4
Repayment of non-current debt	(65.1)	(154.2)	(65.1)	(159.8)
Dividend paid	(64.0)	(15.6)	(64.0)	(15.6)
Cash flows from financing activities	**(129.1)**	**(49.4)**	**(59.0)**	**(55.0)**
Total cash flows	**(119.0)**	**(39.7)**	**(7.1)**	**(7.5)**
Cash and cash equivalents and bank debt at beginning of period	126.8	41.5	13.8	6.1
Foreign exchange adjustment	0.1	0.5	1.2	3.7
Cash and cash equivalents and bank debt at end of period	**7.9**	**2.3**	**7.9**	**2.3**
Recognition of cash and cash equivalents and bank debt at end of period:				
Cash and cash equivalents	55.5	56.4	55.5	56.4
Overdraft facilities	(47.6)	(54.1)	(47.6)	(54.1)
	7.9	**2.3**	**7.9**	**2.3**

The statement of cash flows cannot be derived solely from the published financial information.

BALANCE SHEET

ASSETS

DKKm

	30 June 2012	30 June 2011	31 Dec. 2011
Goodwill	10.7	10.7	10.7
Other intangible assets	5.2	7.5	6.3
Intangible assets	**15.9**	**18.2**	**17.0**
Land and buildings	163.4	173.0	162.5
Technical plant and machinery	341.8	382.9	348.3
Other fixtures and fittings, tools and equipment	7.7	8.3	7.5
Technical plant under construction	25.8	9.3	14.1
Property, plant and equipment	**538.7**	**573.5**	**532.4**
Investments in associates	1.7	3.7	1.7
Other receivables	15.1	9.2	13.9
Deferred tax	82.8	88.7	91.2
Other non-current assets	**99.6**	**101.6**	**106.8**
Non-current assets	**654.2**	**693.3**	**656.2**
Inventories	138.6	111.3	119.0
Trade receivables	227.5	226.0	241.7
Income tax receivable	6.8	8.3	7.7
Other receivables	31.2	35.5	34.5
Prepayments	7.3	8.8	8.3
Cash and cash equivalents	55.5	56.4	40.3
Current assets	**466.9**	**446.3**	**451.5**
Assets	**1,121.1**	**1,139.6**	**1,107.7**

BALANCE SHEET
EQUITY AND LIABILITIES

DKKm

	30 June 2012	30 June 2011	31 Dec. 2011
Share capital	140.3	140.3	140.3
Hedging reserve	(2.5)	(0.7)	(8.1)
Translation reserve	(31.0)	(18.1)	(54.6)
Proposed dividend	0.0	0.0	64.0
Retained earnings	463.6	452.1	418.6
Equity	**570.4**	**573.6**	**560.2**
Deferred tax	18.7	14.7	17.5
Pension obligations	33.9	24.7	36.0
Credit institutions	189.9	238.7	184.9
Government grants	24.6	21.3	24.7
Other payables	2.7	2.1	3.2
Non-current liabilities	**269.8**	**301.5**	**266.3**
Credit institutions	0.0	1.1	0.0
Government grants	3.2	2.1	3.0
Overdraft facilities	47.6	54.1	26.5
Prepayments from customers	21.7	17.8	24.4
Trade payables	94.6	80.1	118.6
Payable to associates	0.9	1.5	3.7
Income tax	1.6	0.1	0.5
Provisions	2.4	1.3	1.6
Other payables	108.9	106.4	102.9
Current liabilities	**280.9**	**264.5**	**281.2**
Liabilities	**550.7**	**566.0**	**547.5**
Equity and liabilities	**1,121.1**	**1,139.6**	**1,107.7**

STATEMENT OF CHANGES IN EQUITY

DKKm

Group	Share capital	Hedging reserve	Translation reserve	Proposed dividend	Retained earnings	Total equity
Equity at 1 January 2012	**140.3**	**(8.1)**	**(54.6)**	**64.0**	**418.6**	**560.2**
Profit/(loss) for the period	-	-	-	0.0	45.0	45.0
Other comprehensive income						
Foreign exchange adjustment of:						
Foreign subsidiaries	-	-	23.6	-	-	23.6
Value adjustment of hedging instruments:						
Recognised in equity	-	9.6	-	-	-	9.6
Transferred to revenue	-	(2.6)	-	-	-	(2.6)
Transferred to production costs	-	0.3	-	-	-	0.3
Transferred to financial income and expenses	-	0.1	-	-	-	0.1
Tax on other comprehensive income	-	(1.8)	-	-	-	(1.8)
Total comprehensive income	**0.0**	**5.6**	**23.6**	**0.0**	**45.0**	**74.2**
Transactions with owners						
Dividend paid	-	-	-	(64.0)	-	(64.0)
Total changes in equity	**0.0**	**5.6**	**23.6**	**(64.0)**	**45.0**	**10.2**
Equity at 30 June 2012	**140.3**	**(2.5)**	**(31.0)**	**0.0**	**463.6**	**570.4**

Group	Share capital	Hedging reserve	Translation reserve	Proposed dividend	Retained earnings	Total equity
Equity at 1 January 2011	**140.3**	**0.2**	**(22.3)**	**15.6**	**415.6**	**549.4**
Profit/(loss) for the period	-	-	-	0.0	36.5	36.5
Other comprehensive income						
Hedging of net assets	-	-	4.6	-	-	4.6
Foreign exchange adjustment of:						
Foreign subsidiaries	-	-	3.7	-	-	3.7
Equity-like loans to subsidiaries	-	-	(4.0)	-	-	(4.0)
Value adjustment of hedging instruments:						
Recognised in equity	-	0.6	-	-	-	0.6
Transferred to revenue	-	(1.9)	-	-	-	(1.9)
Tax on other comprehensive income	-	0.4	(0.1)	-	-	0.3
Total comprehensive income	**0.0**	**(0.9)**	**4.2**	**0.0**	**36.5**	**39.8**
Transactions with owners						
Dividend paid	-	-	-	(15.6)	-	(15.6)
Total changes in equity	**0.0**	**(0.9)**	**4.2**	**(15.6)**	**36.5**	**24.2**
Equity at 30 June 2011	**140.3**	**(0.7)**	**(18.1)**	**0.0**	**452.1**	**573.6**

NOTES

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01 ACCOUNTING POLICIES

The interim financial statements are presented in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and Danish disclosure requirements for listed companies. No interim financial statements have been prepared for the parent company. The interim financial statements are presented in Danish kroner (DKK), which is the presentation currency used for the group's operations and the functional currency of the parent company.

The accounting policies applied in the interim financial statements are consistent with the accounting policies applied in the consolidated financial statements for 2011. The accounting policies are described in note 37 in the annual report for 2011, to which reference is made.

New financial reporting standards and interpretations in 2012
Hartmann has implemented all new and revised financial reporting standards and interpretations adopted by the EU that are effective for financial years beginning on or after 1 January 2012. Hartmann has assessed that the new and revised standards and interpretations that are effective for financial years beginning on or after 1 January 2012 are either not relevant or not of significant importance.

02 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

Significant accounting estimates and judgments
In applying the group's accounting policies, management is required to make judgments, estimates and assumptions concerning the carrying amount of assets and liabilities which cannot be immediately inferred from other sources.

The judgments, estimates and assumptions made are based on historical experience and other relevant factors which management considers reasonable under the circumstances, but which are inherently uncertain and unpredictable.

The estimates and underlying assumptions are regularly assessed. Changes to accounting estimates are recognised in the reference period in which the change occurs and in future reference periods if the change affects the period in which it is made as well as subsequent reference periods.

Other factors
The group's revenue and results of operations are subject to seasonal fluctuations.

03 SEGMENT INFORMATION

The reporting of business segments is in accordance with the internal reporting to the Executive Board and the Board of Directors. The Executive Board and the Board of Directors constitute the Chief Operating Decision Maker of Hartmann.

Hartmann's activities are segmented on the basis of the geographical location of the reporting units.

No operating segments have been aggregated to represent the reporting segments.

The internal management reporting complies with the group's accounting policies. Business-related decisions on resource allocation and performance evaluation for each of the segments are made on the basis of the operating profit of the individual segment before special items. Decisions relating to financing and taxation are made on the basis of information on Hartmann as a whole and are not allocated to the reporting segments. The pricing of inter-segment transactions is made on an arm's length basis.

Segment income and expenses as well as segment assets and liabilities comprise those items that in the internal management reporting are directly attributed to each individual segment and those items that are indirectly allocated to the individual segments on a reliable basis. Profit/losses in associates, financial income and expenses, income taxes, investments in associates, tax assets and tax liabilities, and cash and cash equivalents and bank debt are not allocated to reporting segments.

The reporting segments are:

- **Europe** comprises production and sales of moulded-fibre packaging. Products are produced at factories in Europe (including Israel) and are primarily sold to egg producers, egg packing businesses and retail chains and buyers of industrial packaging. The segment also comprises sales of machinery for production of moulded-fibre packaging and the combined heating and power plant in Tønder, Denmark.

- **North America** comprises production and sales of moulded-fibre packaging. Products are primarily produced at the North American factory and sold to egg producers, egg packing businesses and retail chains.

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03 SEGMENT INFORMATION CONT'D

OPERATIONS H1 2012

	Europe	North America	Total reporting segments
Moulded fibre	572.4	130.3	702.7
Other revenue	66.7	0.0	66.7
Revenue	**639.1**	**130.3**	**769.4**
Operating profit/(loss) before special items	**44.5**	**30.6**	**75.1**
Other segment information			
Depreciation, amortisation and impairment	32.7	6.0	
Investments in intangible assets and property, plant and equipment	21.3	5.5	
Net working capital (NWC)	124.2	20.7	
Invested capital	556.6	132.6	
ROIC, % (12 months)	19.3	33.9	
Segment assets	805.8	170.9	976.7

OPERATIONS H1 2011

	Europe	North America	Total reporting segments
Moulded fibre	568.8	104.4	673.2
Other revenue	53.6	0.0	53.6
Revenue	**622.4**	**104.4**	**726.8**
Operating profit/(loss) before special items	**64.7**	**7.5**	**72.2**
Other segment information			
Depreciation, amortisation and impairment	35.6	6.0	
Investments in intangible assets and property, plant and equipment	5.1	4.4	
Net working capital (NWC)	133.6	16.7	
Invested capital	609.3	121.5	
ROIC, % (12 months)	21.3	2.6	
Segment assets	838.4	152.1	990.5

NOTES

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03 SEGMENT INFORMATION CONT'D

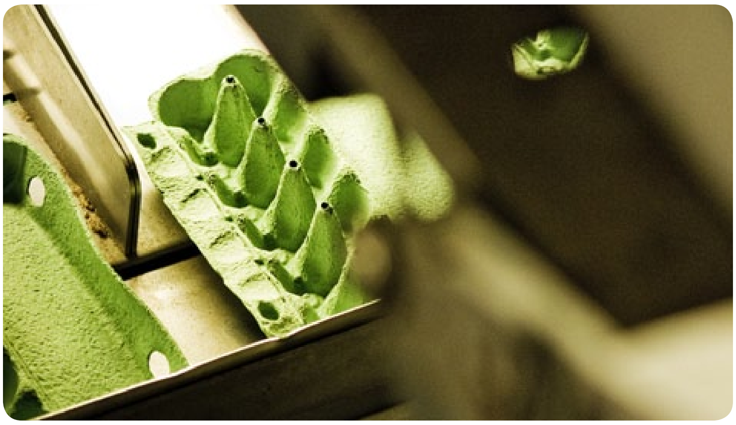
RECONCILIATION

	H1 2012	H1 2011
Revenue		
Revenue for reporting segments	769.4	726.8
Revenue, cf. interim financial statements	**769.4**	**726.8**
Performance targets		
Operating profit/(loss) before special items for reporting segments	75.1	72.2
Non-allocated corporate functions	(13.3)	(15.5)
Eliminations	0.3	0.3
Operating profit/(loss) before special items, cf. interim financial statements	62.1	57.0
Special items for reporting segments	0.0	0.0
Operating profit/(loss), cf. interim financial statements	62.1	57.0
Financial income	3.5	1.4
Financial expenses	(7.2)	(10.3)
Profit/(loss) before tax, cf. interim financial statements	**58.4**	**48.1**

	30 June 2012	30 June 2011
Assets		
Assets for reporting segments	976.7	990.5
Non-allocated assets	146.8	152.1
Eliminations	(2.4)	(3.0)
Assets, cf. interim financial statements	**1,121.1**	**1,139.6**

04 EVENTS AFTER THE BALANCE SHEET DATE

No events have occurred after the balance sheet date at 30 June 2012 until the date of presentation of this interim report that significantly affect the group's assets, liabilities or financial position as at 30 June 2012 or the results of the group's operations and cash flows for the six months ended 30 June 2012.



ADDITIONAL INFORMATION

FINANCIAL CALENDAR 2012

Wednesday, 14 November 2012:
Interim report 9M 2012

Historical and current information about Hartmann's operations, company announcements, financial statements, investor presentations, etc. are available at Hartmann's website, www.hartmann-packaging.com. You can also sign up for Hartmann's news service at our website. Subscribers receive communications by e-mail at the same time as the market.

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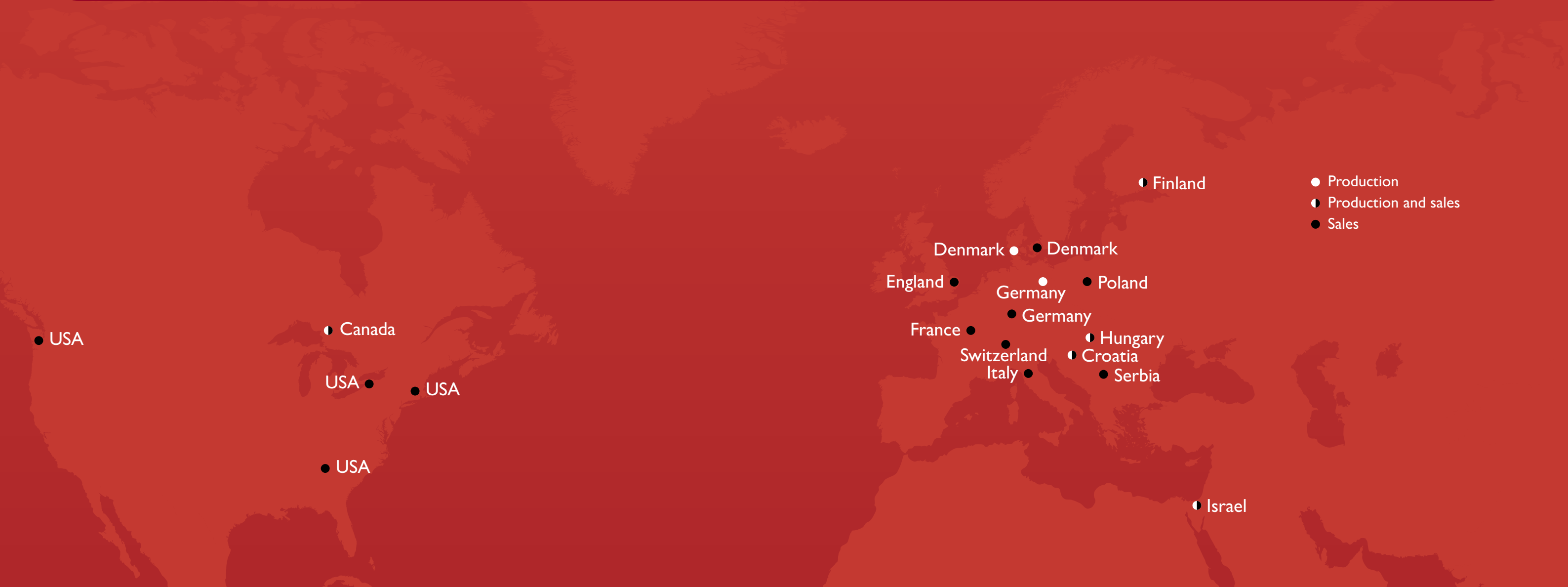

HARTMANN AT A GLANCE

Hartmann is one of the three largest producers of moulded-fibre egg packaging and one of the world's largest producers of machinery for producing moulded-fibre packaging. Hartmann's market position can be ascribed to its strong technology know-how and extensive experience of production of moulded fibre since 1936.

Sustainability
Sustainability and environmental considerations are integral elements of Hartmann's business model and strategy. All of Hartmann's products are based on recycled paper; a renewable, CO_2-neutral and biodegradable resource. Hartmann collaborates closely with its customers to support the need for sustainable products in the retail trade.

Markets
Hartmann's egg packaging is sold globally. The group's key markets consist of Europe and North America, where Hartmann has strong market positions. Hartmann is the market leader in Europe and has a small share of the North American market. Hartmann's technology, including machinery and services, is also sold globally outside its key markets.

Customers
Hartmann sells egg packaging to egg producers, egg packing businesses and supermarket chains, which are increasingly seeking Hartmann's expertise in the marketing of eggs. Hartmann's technology and related services are sold to producers of moulded-fibre egg packaging. Hartmann has more than 1,500 customers in 50 countries, and most of these customers have long-standing relations with Hartmann. In 2011, Hartmann generated total revenue of DKK 1.5 billion.

Organisation
Hartmann has about 1,500 employees, and its head office is situated in Gentofte, Denmark. Production takes place at Hartmann's own factories. Five of these factories are located in Europe, one is located in Israel and one in Canada. The group has sales offices in 12 countries.

The Hartmann share
Hartmann's shares have been listed on NASDAQ OMX Copenhagen A/S since 1982. The company has one share class, and each share carries one vote.

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This interim report has been prepared in accordance with the International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

This interim report was released as company announcement no. 10/2012 through NASDAQ OMX Copenhagen A/S in Danish and English. In case of discrepancies between the two versions and in case of doubt, the Danish version will prevail.