

Interim report Q3 2015

12 November 2015

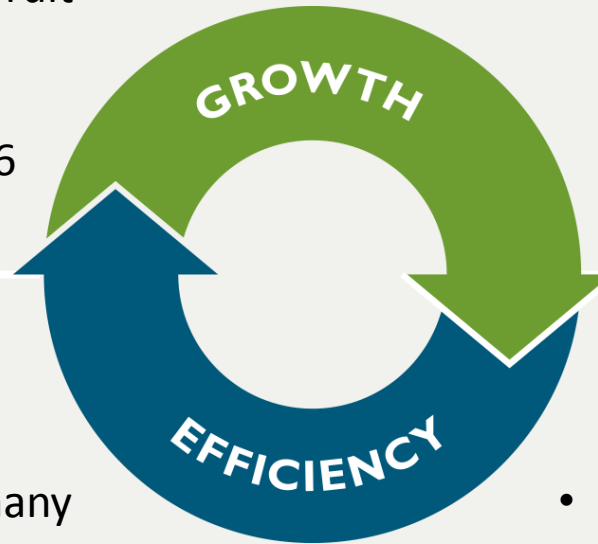
Q3 highlights

- Continued revenue growth and profitability improvements on group level despite increasing competition in Europe
- Efforts to further improve profitability in Europe on track
 - Sharpened efforts to stabilise sales prices in selected markets
 - Negotiations regarding proposed closure of facility in Germany
 - Expansion of other production capacity in Europe
- Strong performance in Americas with high capacity utilisation across markets
 - South American expansion in progress – DKK 140m investment in 2 facilities
 - Utilisation of expanded production capacity in North America
- Special costs of DKK 84m in Q3 and DKK 97m in 9M 2015 related to European efficiency measures
- 2015 outlook maintained
 - Revenue of DKK 2.0-2.1bn
 - Profit margin before special items of 10-11.5%

Unpacking our potential – selected initiatives

- Add two factories in South America
 - Addition to egg and fruit packaging capacity
 - Total investment of DKK 140m in 2015-16

- Progress in North America
 - High utilisation of added capacity
 - Considerations concerning next step



- Proposed closure in Germany
 - Streamline footprint
 - Reduce costs
 - Subject to negotiations

- Sharpened efforts to stabilise prices
 - Increased price competition in selected markets

Americas

Revenue: DKK 216 million (182%)

Profit margin: 15.2% (2014: 13.3%)

Added capacity and high utilisation

Ongoing expansion in South America

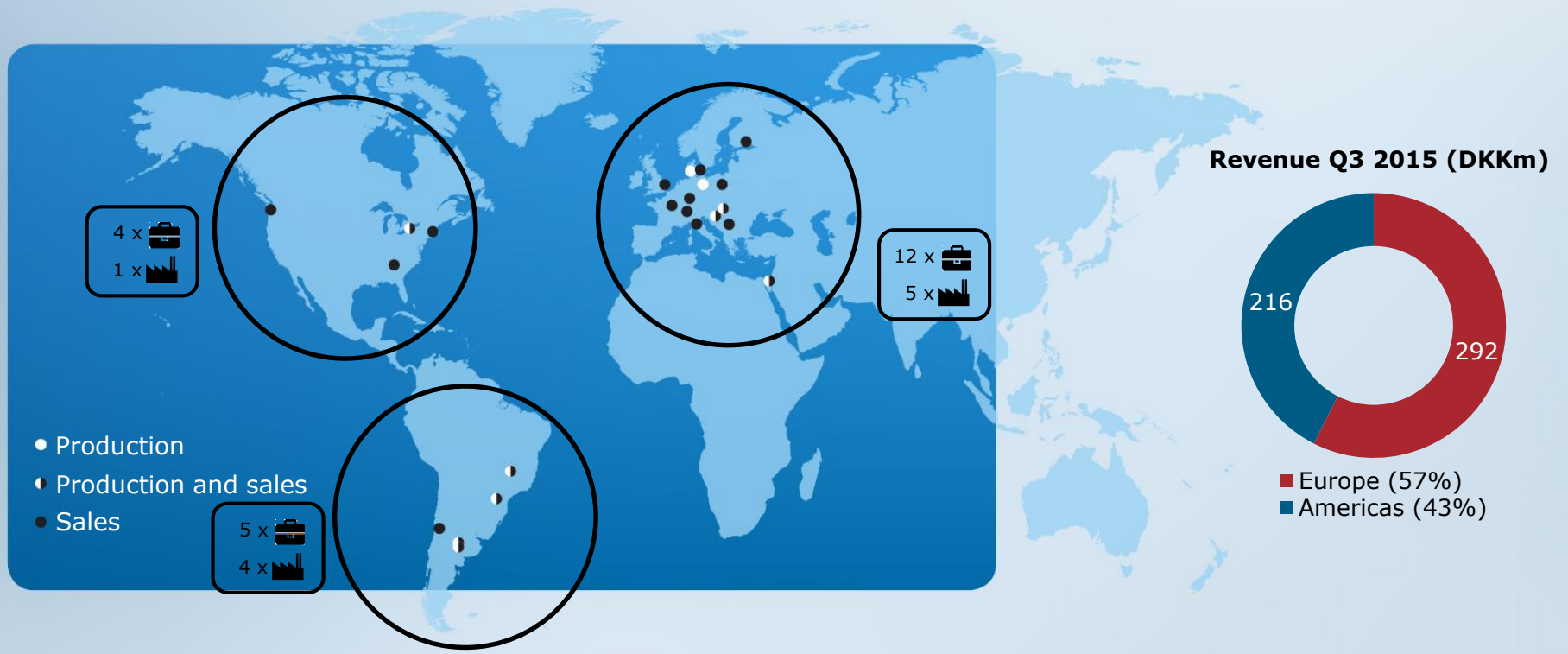
Europe

Revenue: DKK 292 million (-1%)

Profit margin: 8.5% (2014: 7.2%)

Increase in moulded-fibre volumes

Increased competition in selected markets

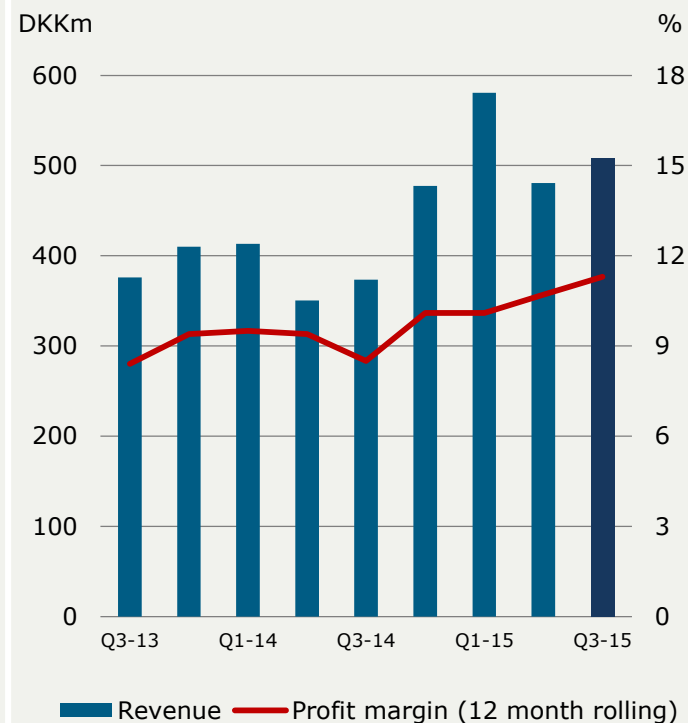


Financials Q3 2015

- Profitability improvements across markets
 - Group revenue growth of 37%
 - Strong profit margin of 10.2% (7.0%) despite low season
- Increased European competition reduced average sales price
- Currency gains affected revenue and operating profit
- DKK 84m special costs from European efficiency initiatives

DKKm	Q3 2015	Q3 2014	Change (%)
Revenue	508	373	37
Operating profit	52	26	99
Special items	(84)	0	-
Profit	(35)	21	(273)
Free cash flows (operating and investing)	(1)	22	(104)
Invested capital	1,020	736	39
Profit margin, %	10.2	7.0	-
ROIC, % (12 month rolling)	23.2	18.5	-

Group revenue and profit margin



Outlook 2015

Guidance for 2015 maintained

	Guidance 2015	Targets 2017
Revenue	DKK 2.0-2.1bn	DKK 2.2-2.4bn
Profit margin before special items	10-11.5%	12-14%

- 2015 guidance based on:
 - Addition of South American activities in Q1 2015
 - Cost reductions to offset competition in Europe
 - Improved capacity utilisation across all business units
- Expected special costs of DKK 90-110m in 2015
- 2017 targets based on:
 - Efficiency improvements
 - Organic growth through improved utilisation and expansion of production network
- ROIC maintained at a level of at least 22% in 2017
- Impact of potential acquisitions is not included in Hartmann's targets

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Upcoming events

Annual report 2015	8 March 2016
Annual general meeting	11 April 2016
Q1 interim report	24 May 2016

Appendix: Key figures and financial ratios

DKKm	Q3 2015	Q3 2014	Change (%)	9M 2015	9M 2014	Change (%)
Revenue	508	373	37	1,570	1,137	38
- Europe	292	297	(1)	900	919	(2)
- Americas	216	77	182	670	218	207
Operating profit	52	26	99	156	88	77
- Europe	25	21	17	69	71	(3)
- Americas	33	10	222	105	34	205
Special items	(84)	0	-	(97)	0	-
Net financials	(13)	(2)	496	(24)	(11)	111
Profit	(35)	21	(273)	30	66	(55)
Free cash flows	(1)	22	(104)	(270)	18	(1,574)
Profit margin, %	10.2	7.0	-	9.9	7.7	-

Appendix: Balance sheet

DKKm	30.09.15	30.09.14	31.12.14
Assets	1,683	1,206	1,244
Net working capital (NWC)	279	180	175
Invested capital (IC)	1,020	736	736
Net interest-bearing debt	497	185	161
Equity	548	623	663
ROIC, % (12 month rolling)	23.2	18.5	22.3
Equity ratio, %	32.6	51.7	53.3
Gearing, %	90.7	29.7	24.2

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.