INTERIM REPORT H1 2012

Brødrene Hartmann A/S, 22 August 2012

Michael Rohde Pedersen, CEO

Marianne Rørslev Bock, CFO

HARTMANN CHOOSE FIBRE. SAVE NATURE.®

HIGHLIGHTS

Moderate growth in revenue and operating profit

- Hartmann **increased its revenue and operating profit*** in H1 2012.
  - Europe impacted by challenging market conditions and a temporary decrease in production efficiency.
  - North America recorded strong growth and a profit margin* of 23.5%.
- The **efforts to create 'Competitive edge'** and establish a stronger foundation for growth in 2013-2015 **progressed according to plan**.
- Hartmann continued to **generate cash** and offer an **attractive return on invested capital** (ROIC)
- Hartmann **retains its full-year forecast** for 2012.

* 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.

HARTMANN

STRATEGIC PROGRESS IN H1 2012

Hartmann built further competitive strength in H1

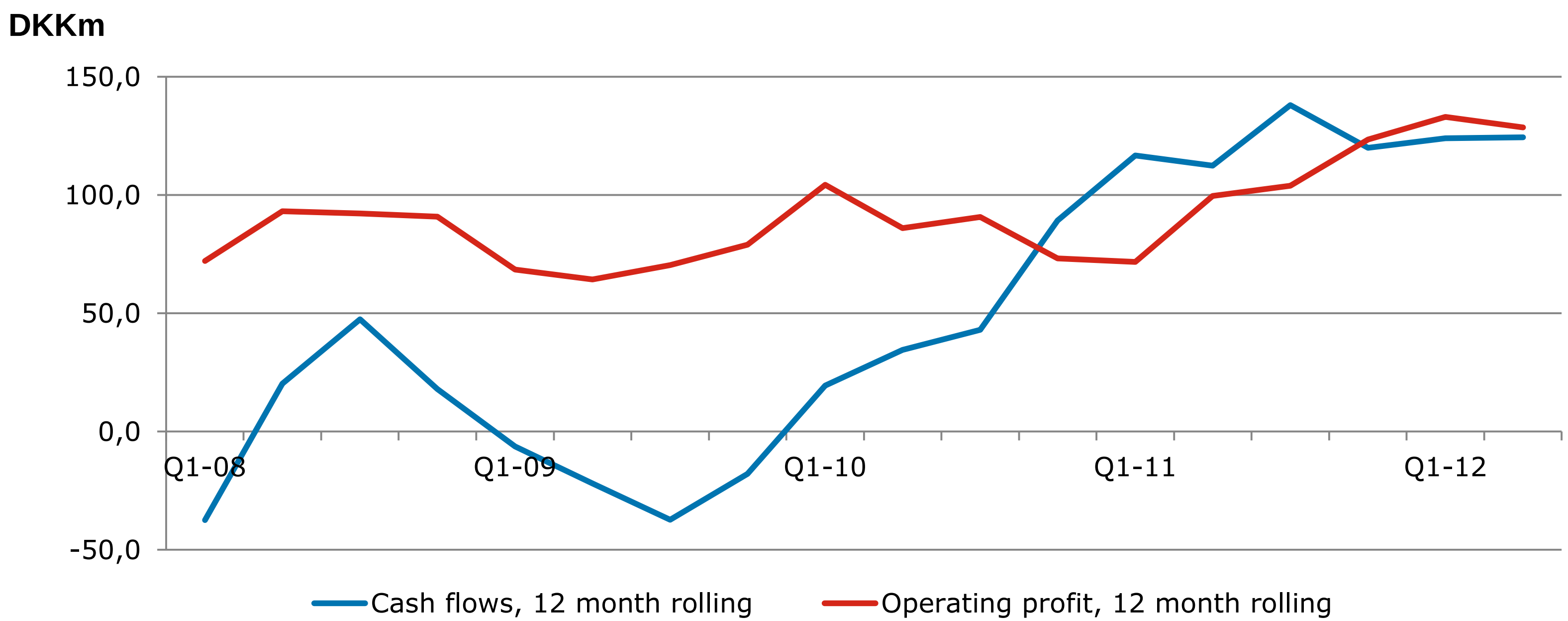
- Targeted efforts were made to strengthen Hartmann's 'Competitive edge'.
- Intensified cooperation across functions in Europe.
  - New procedures for Sales & Operations Planning implemented in Q2.
  - Synergies from centralization of logistics and sourcing.
- North American business successfully continued its efforts to increase the proportion of high-value products and optimize its production setup.

HARTMANN

KEY FIGURES AND FINANCIAL RATIOS

Q2 2012	Q2 2011	DKKm	H1 2012	H1 2011	Change (%)
358	352	**Revenue**	**769**	**727**	6
295	300	- Europe	639	622	3
63	52	- North America	130	104	25
17	21	**Operating profit**	**62**	**57**	9
9	26	- Europe	45	65	(31)
15	4	- North America	31	8	308
(2)	(1)	**Financial income and expenses**	**(4)**	**(9)**	(59)
12	16	**Profit**	**45**	**37**	23
10	10	**Cash flows (operating and investing activities)**	**52**	**48**	9
-	-	**Invested capital**	**687**	**727**	(6)
4.7	6.1	**Profit margin, %**	**8.1**	**7.8**	-
-	-	**ROIC, % (12 months)**	**18.2**	**13.3**	-

OPERATING PROFIT AND CASH FLOWS – STABLE TRENDS



- Cash flows from operating activities were favourably impacted by an improved operating profit and reduced tax payments.

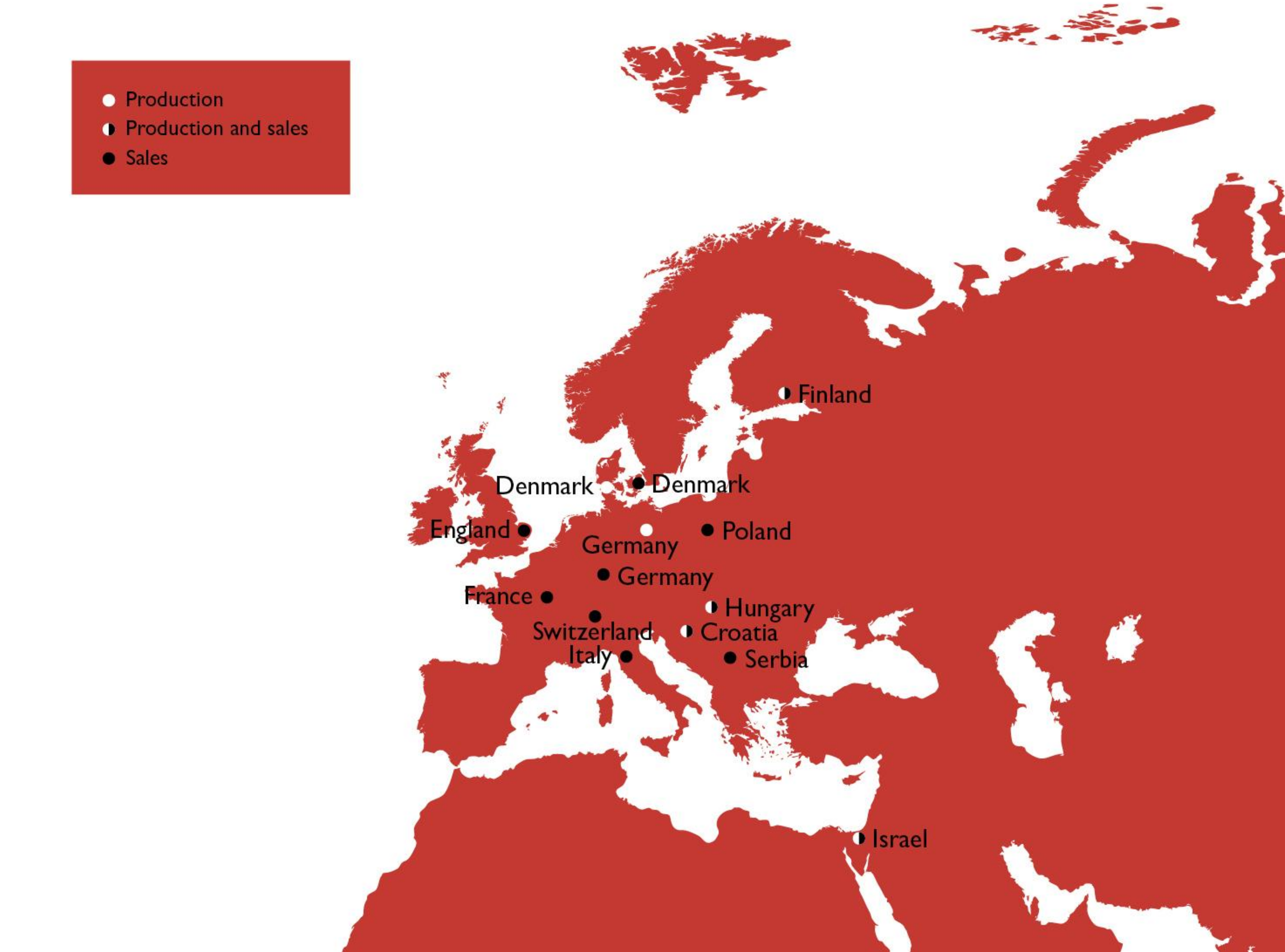
HARTMANN

BALANCE SHEET

Strong balance sheet and ROIC

DKKm	30.06.12	31.12.11	30.06.11
Assets	1,121	1,108	1,140
Invested capital (IC)	687	652	727
Net working capital (NWC)	145	116	150
Net interest-bearing debt	182	169	237
Equity	570	560	574
Return on invested capital, % (ROIC, 12 months)	18.2	17.8	13.3
Equity ratio, %	50.9	50.6	50.3
Gearing, %	31.9	30.2	41.4

HARTMANN


Production
Production and sales
Sales
Finland
Denmark
Denmark
England
Germany
Poland
Germany
France
Hungary
Switzerland
Croatia
Italy
Serbia
Israel

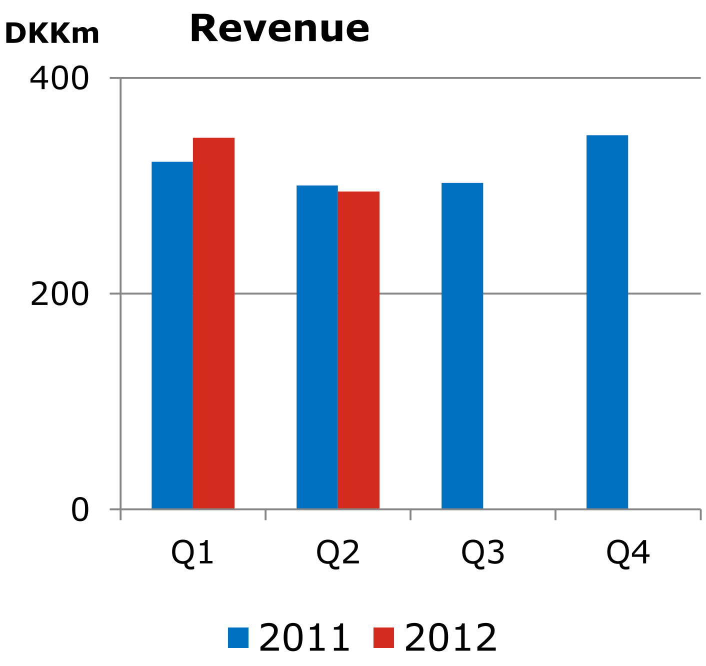
EUROPE – PERFORMANCE IN H1 2012

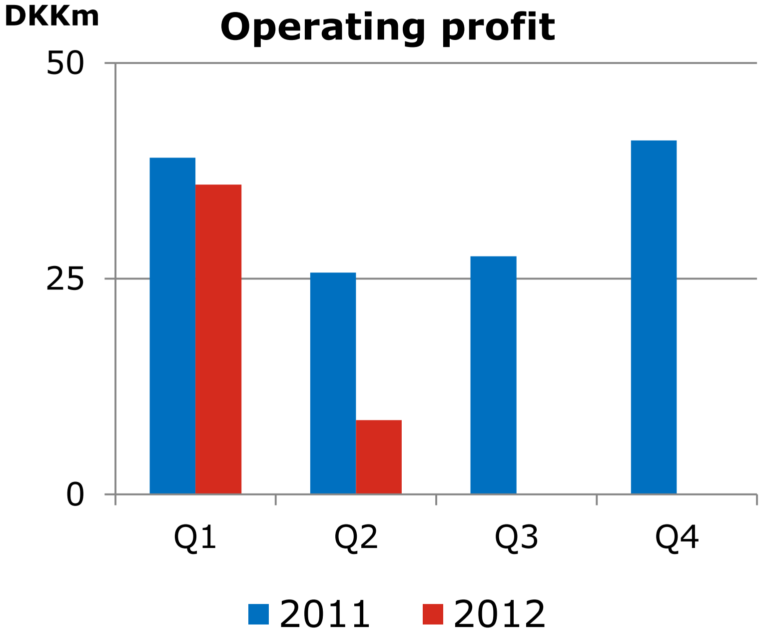
Increase in revenue offset by challenging market conditions

Q2 2012	Q2 2011	DKKm	H1 2012	H1 2011	2011
295	300	Revenue	$\boxed{639}$	622	1,272
9	26	Operating profit/(loss)	$\boxed{45}$	65	133
2.9	8.6	Profit margin, %	7.0	10.4	10.4
-	-	Invested capital	557	609	544
-	-	ROIC, % (12 months)	19.3	21.3	23.3

- H1 2012 revenue increased by 3%, primarily due to increased sales of egg packaging and a higher activity level in Hartmann Technology.
- Hartmann faced challenging market conditions and intensified price competition on its European markets offsetting the increase in revenue.
- A temporary decrease in production efficiency in the first part of Q2 as well as planned and expected costs related to the strengthening of Hartmann's organisation and competency levels affected the operating profit.

EUROPE – REVENUE AND OPERATING PROFIT






Production
Production and sales
Sales
USA
Canada
USA
USA
USA

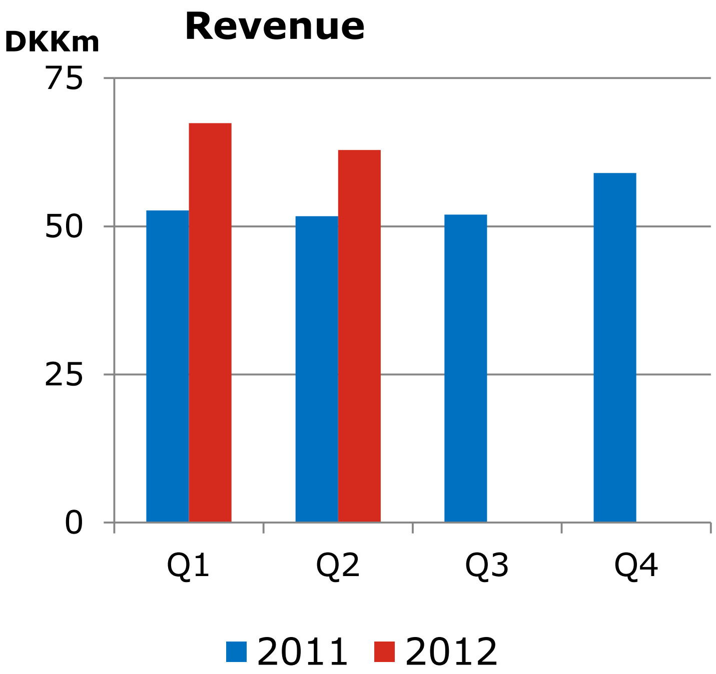
NORTH AMERICA – PERFORMANCE IN H1 2012

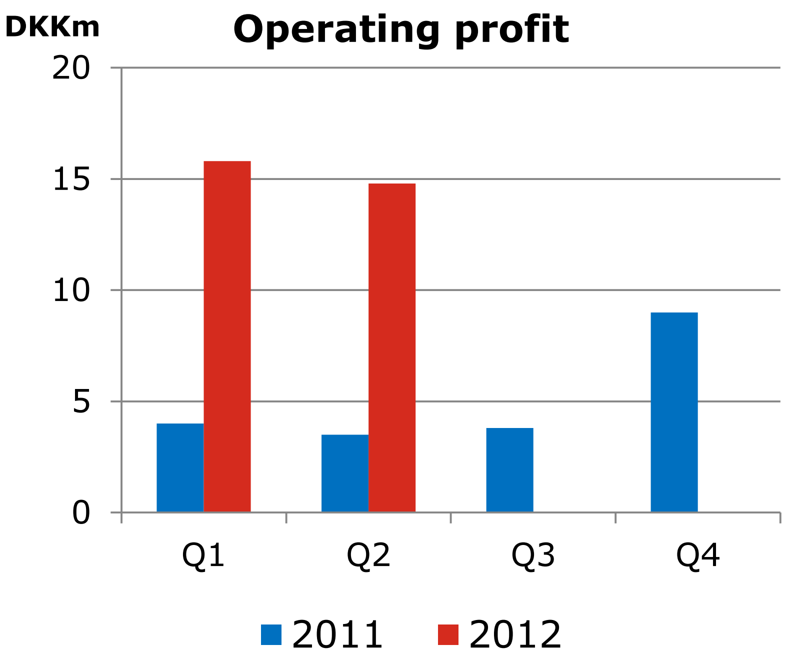
Strong growth in revenue and operating profit

Q2 2012	Q2 2011	DKKm	H1 2012	H1 2011	2011
63	52	Revenue	130	104	216
15	4	Operating profit/(loss)	31	8	20
23.5	6.8	Profit margin, %	23.5	7.2	9.3
-	-	Invested capital	133	122	111
-	-	ROIC, % (12 months)	33.9	2.6	16.8

- Strong revenue development driven by increased sales and a continued higher proportion of high-value products.
- The North American business recorded strong profitability in H1 based on revenue growth, efficiency improvements, reduced production complexity and lower paper prices.

NORTH AMERICA – REVENUE AND OPERATING PROFIT





HARTMANN

DRIVING GROWTH IN 2013-2015

Hartmann is prepared to drive growth in 2013-2015

- The second phase of 'Competitive edge – driving growth' will focus on positioning Hartmann as a clear market leader.
- Dedicated efforts to generate growth.
  - Opportunities in Europe and North America.
- Efforts to strengthen 'Competitive edge' continue.

HARTMANN

OUTLOOK

Hartmann retains its full-year forecast for 2012

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

- In 2012, revenue is expected to be in line with the 2011 revenue, and the profit margin is expected to be 7.5-9%.
  - The forecast is based on the business development in H1 2012 and an assumption of continued challenging market conditions on Hartmann's European markets as well as continued growth in North America in H2 2012.
- Hartmann's focus on production planning and optimisation as well as on enhancing its competitive strength is expected to lift the profit margin, while no targeted efforts will be made to generate growth in the short term.
- Raw material prices and transport costs are expected to remain at a high level.

HARTMANN

QUESTIONS

HARTMANN

CONTACT INFORMATION

Brødrene Hartmann A/S

Ørnegårdsvej 18

DK-2820 Gentofte

Tel. (+45) 45 97 00 00

www.hartmann-packaging.com

Michael Rohde Pedersen, CEO

Marianne Rørslev Bock, CFO