Financial Statements bulletin 1 January – 31 December 2010

Fourth quarter (October–December):

- Consolidated net sales amounted to EUR 87.9 (71.7) million, which was a year-on-year increase of 23%.
- Operating profit, excluding non-recurring items, was EUR 5.1 (5.4) million; there were no non-recurring items.
- Profit for the period came to EUR 4.4 (4.2) million, and earnings per share amounted to EUR 0.71 (0.67).

Financial year (January–December):

- Consolidated net sales amounted to EUR 308.7 (266.0) million, which was a year-on-year increase of 16%.
- Operating profit, excluding non-recurring items, came to EUR 8.3 (7.7) million; non-recurring items totalled EUR 0.0 (-0.8) million.
- Profit for the year came to EUR 6.5 (5.8) million, and earnings per share amounted to EUR 1.04 (0.94).

The Board will propose a dividend of EUR 0.90 (0.76) per share to the Annual General Meeting.

The information here has not been audited.

Matti Karppinen, CEO:

"The accrual of the Group's operating profit was, as expected, weighted heavily towards the final quarter, and the full-year operating profit, excluding non-recurring items, exceeded the previous year's level.

As a whole, the year was free of surprises, but the result varied among the different businesses. Frozen Foods posted a good result, as in the previous year. Grains and Oilseeds also reached the level achieved in 2009. The profit of the Other Operations segment improved year-on-year as a result of the final quarter performance, which was attributable to the improved result from the associated company and lower Group Administration costs. The Seafood business again posted a significant loss, although the Taimen ownership arrangement made in the summer had a positive impact on the performance.

The Taimen arrangement was a step towards the revitalisation of the Seafood business, but robust development measures are still essential for Seafood to post a profit."

KEY FIGURES

EUR million	Q4/ 2010	Q4/ 2009	Q1-Q4/ 2010	Q1-Q4/ 2009
Net sales	87.9	71.7	308.7	266.0
Operating profit	5.1	5.4	8.3	6.8
Operating profit, excluding non-recurring items	5.1	5.4	8.3	7.7
Profit before taxes	5.1	5.2	8.4	7.3
Profit for the period	4.4	4.2	6.5	5.8
Earnings per share, EUR	0.71	0.67	1.04	0.94

NET SALES AND PROFIT

Fourth quarter (October–December):
Consolidated net sales in the fourth quarter amounted to EUR 87.9 (71.7) million, an increase of 23% on the same quarter in 2009. This increase was largely attributable to the Grains and Oilseeds business. Net sales of the Seafood business were also up on the same quarter a year earlier.

The fourth-quarter operating profit, excluding non-recurring items, totalled EUR 5.1 (5.4) million. There were no non-recurring items. The Other Operations segment and Frozen Foods both improved their profit, year on year. The profit for the Seafood business was almost unchanged. The Grains and Oilseeds result was good, but fell short of the excellent figure of a year earlier.

Financial income and expenses in October-December came to EUR 0.0 (-0.2) million. Profit before taxes was EUR 5.1 (5.2) million, and taxes on the profit for the quarter came to EUR -0.7 (-1.1) million. Profit for the period came to EUR 4.4 (4.2) million, and earnings per share amounted to EUR 0.71 (0.67).

Financial year (January–December):
Consolidated net sales in January-December amounted to EUR 308.7 (266.0) million, up by 16 % on the previous year. Most of this growth was in the Grains and Oilseeds business. Net sales of the Seafood business were also up. In Frozen Foods, net sales were slightly below the previous year's total.

The operating profit, excluding non-recurring items, was EUR 8.3 (7.7) million. The non-recurring items came to EUR 0.0 (-0.8) million. The operating profit includes EUR 3.0 (2.0) million as the share of the profit of associated companies. A total of EUR 0.6 (0.0) million of the associated company profits concerns Seafood, and EUR 2.4 (2.0) Other Operations.

Financial income and expenses came to a total of EUR 0.1 (0.5) million. This figure includes valuation items of EUR 0.9 (0.5) million with no cash flow implications. Financial expenses also include EUR -0.8 (-0.7) million of Avena Nordic Grain Group's profit as the share attributable to the Avena Nordic Grain Oy employee shareholders.

Profit before taxes was EUR 8.4 (7.3) million. Taxes for the financial year came to EUR -1.9 (-1.5) million. Profit for the period came to EUR 6.5 (5.8) million, and earnings per share amounted to EUR 1.04 (0.94).

CASH FLOWS, FINANCING AND BALANCE SHEET

The Group's liquidity was good and its financial position is strong.

The cash flow from operating activities in the financial year after interest and taxes amounted to EUR 0.6 (25.8) million. The impact of the change in working capital was EUR -7.4 (14.9) million, most of this being in the Grains and Oilseeds business.

The net cash flow from investing activities came to EUR 3.5 (-10.4) million. Deposits and withdrawals of liquid assets into and from short-term fixed income funds had an impact of EUR 10.1 (-13.0) million on the cash flow from investing activities. The cash flow from financing activities came to EUR -4.4 (-17.5) million, and this included EUR -4.7 (-5.3) million in dividend payments.

At the close of the financial year, the Group had EUR 4.0 (3.3) million in interest-bearing liabilities and EUR 14.6 (25.0) million in liquid assets. Net interest-bearing liabilities totalled EUR -10.7 (-21.7) million. The consolidated balance sheet total stood at EUR 191.9 (176.1) million. At the end of the year, equity totalled EUR 138.9 (137.3) million. The equity ratio was 72.4% (78.0%) and gearing was -7.7% (-15.8%). There were no issues made within the framework of the commercial paper programme during the financial year. The Group's liquidity is secured with committed credit facilities; a total of EUR 25.0 (25.0) million was available in credit at the end of the financial year. No credit facilities were used during the financial year.

INVESTMENT

The Group's gross investment in non-current assets came to EUR 3.1 (2.7) million.

Investment by Frozen Foods totalled EUR 1.2 (1.9) million, by Seafood EUR 1.1 (0.6) million, by Grains and Oilseeds EUR 0.7 (0.3) million and by Other Operations EUR 0.2 (0.0) million.

Investment in shares during the financial year came to EUR 10.5 million. These concerned the Seafood business, specifically the acquisition of shares of Myrskylän Savustamo Oy and Taimen Oy.

PERSONNEL

The average number of personnel during the financial year was 621 (657). The average number of personnel in Frozen Foods was 199 (205), in Seafood 351 (379), in Grains and Oilseeds 61 (62) and in Other Operations 10 (11).

SEASONALITY OF OPERATIONS

In accordance with the IAS 2 standard, the historical cost of inventories includes a systematically allocated portion of the fixed production overheads. In production that focuses on seasonal crops, raw materials are processed into finished products mainly during the final quarter of the year, which means that the inventory volumes and their balance-sheet values are at their highest at the end of the year. Since the entry of the fixed production overheads included in the historical cost as an expense item is deferred until the time of sale, most of the Group's annual profit is accrued in the final quarter. The seasonal nature of operations is most marked in Frozen Foods and in the associated company Sucros, due to the link between production and the crop harvesting season.

In the Seafood business, the sales of Apetit Kala Oy and Myrskylän Savustamo Oy peak at weekends and on holidays. A significant proportion of the entire year's profit in the Seafood business depends on the success of Christmas sales. Due to the growing season for fish, only a small amount of the profit accumulated for the Taimen Group, which reports as an associated company, accrues during the summer months. Net sales in the Grains and Oilseeds business vary from one year and quarter to the next to a greater extent than in the other businesses, being dependent on the demand and supply situation and on the price levels domestically and on other markets.

OVERVIEW OF OPERATING SEGMENTS

Frozen Foods

EUR million	Q4 2010	Q4 2009	Q1-Q4 2010	Q1-Q4 2009
Net sales	11.3	11.4	45.1	46.0
Operating profit	1.5	1.4	3.4	3.4
Operating profit, excl. non-recurring items	1.5	1.4	3.4	3.4

Fourth quarter (October–December):
Fourth-quarter net sales in Frozen Foods were at the level of a year earlier. Sales to the retail sector and to the hotel, restaurant and catering sector were up year on year, while sales to the food industry and exports decreased. Sales of products sold under the Apetit brand grew significantly and the proportion of manufacturing accounted for by retailers' private labels fell. The drop in exports was a result of the autumn's smaller-than-normal pea crop, which in turn reduced exports of peas.

The operating profit of Frozen Foods was a little better than in the same quarter a year earlier. During the period, productivity continued to improve, and sales focused on the more profitable products.

With weather conditions being favourable, the root vegetable and potato harvest and processing went well, and the targeted volumes of good quality raw materials were obtained for storage. Pea and spinach growth suffered from the hot and dry summer, and the crops were smaller than usual.

Financial year (January–December):
Net sales in Frozen Foods fell by about 2% year on year. Sales under retailers' private labels decreased, as did sales to the food industry and exports. Sales to the hotel, restaurant and catering sector were at the level of 2009. Sales of frozen foods to the retail sector under the Apetit brand were up. Frozen vegetable sales were up by almost 10%, sales of frozen potato products by 10% and Apetit soups by almost 20%. This positive trend was partly due to good sales of the Apetit Kotimainen Finnish-grown products, the Apetit Muurikka pan-fry vegetables and lactose-free Apetit soups. Sales of the new range of fishburgers, fishballs and vegetable burgers and vegetable balls launched for the hotel, restaurant and catering sector were also extremely good.

The operating profit of Frozen Foods for the full year was at the level of the previous year. There were no non-recurring items. The improved productivity had a positive effect on the result, as did the stronger sales focus on more profitable products. The labour market disputes in the spring, however, had an adverse impact on sales and also added to costs when empty stocks had to be refilled after the disputes were over. Delivery reliability was not returned to the pre-strike level until the summer.

During the year, the marketing of Apetit products has highlighted the naturally good nutrition properties of the frozen products and has emphasised the Finnish origin of the Apetit products. The theme of 'locally produced food straight from the freezer' is being continued in marketing during 2011.

The average number of personnel in Frozen Foods was 199 (205).

Investment in the Frozen Foods business totalled EUR 1.2 (1.9) million. Among the investments, the most significant were the replacement investments in crop-season production facilities and in the frozen ready meals factory, as well as the enlargement of the despatch premises at the Pudasjärvi production facility.

Seafood

EUR million	Q4/ 2010	Q4/ 2009	Q1-Q4/ 2010	Q1-Q4/ 2009
Net sales	23.9	21.0	80.9	75.9
Operating profit	0.4	0.5	-1.8	-2.5
Operating profit, excl. non-recurring items	0.4	0.5	-1.8	-1.8

Fourth quarter (October-December):
The fourth-quarter net sales of the Seafood business were up by about 14%. The growth occurred in the Finnish Seafood business.

The growth was a result of the increase in the average sales price and the greater proportion of higher added value cold-smoked and raw pickled rainbow trout products. The impact of Myrskylän Savustamo Oy on the year's sales was approximately EUR 2.6 million. The Christmas sales period was successful.

In the foreign Seafood business, the drop in sales in Norway was partly a result of discontinuing the sale of poorly profitable smoked salmon to the main customer in September. Sales of higher added value meal components, on the other hand, picked up at the end of the year, and canned products continued to sell well. Final-quarter shellfish sales in Norway were weak. On the Swedish market, sales of shellfish in brine were good, and exports to the Finnish market continued to grow strongly.

The fourth-quarter operating profit, excluding non-recurring items, was almost at the level of a year earlier. There were no non-recurring items. Both the Finnish and foreign Seafood businesses saw a turnaround in their performance, posting an operating profit for the quarter. Boosting the result in the Finnish business was the summer acquisition of Myrskylän Savustamo Oy and associated company Taimen Oy. In the foreign Seafood business, the positive result was possible because of the higher sales of more profitable products and the improvement in productivity and cost efficiency. The result was burdened by higher raw material prices.

Financial year (January-December):
Full-year net sales in the Seafood business were up by about 7%. The majority of the growth was in the Finnish Seafood business.

The growth was attributable to the higher average price of fish product sales compared with a year earlier, the positive sales trend in higher added value cold-smoked and raw-pickled products, and the addition of Myrskylän Savustamo to the Group at the start of June.

Net sales in the foreign Seafood business in euros were up on the previous year by about 1%. Measured in local currencies, net sales were down by about 10%. Most of the decrease in net sales was on the Norwegian market. On the Swedish market the trend in sales to the retail trade and to the hotel, restaurant and catering sector was favourable, especially in the last quarter of the year. Exports to Finland continued to be strong. By product group, the best sales trend was in dressings, though shellfish sales also developed well.

Seafood's full-year operating result, excluding non-recurring items, was about the same as a year earlier, and was a loss. Non-recurring items totalled EUR 0.0 (-0.7) million. The result deteriorated slightly in the Finnish Seafood business, and correspondingly improved in the foreign Seafood business. The operating result included EUR -0.1 (0.0) million as an unrealised change in the fair value of currency hedges. The share in the profit of associated company Taimen Oy in June-December was EUR 0.6 million.

Affecting profitability in the Finnish Seafood business was the substantial rise in raw material prices for rainbow trout and Norwegian salmon, which began in the first half of the year. The price level dropped a little in the early autumn when supplies increased, but was still at an exceptionally high level. Due to retailer pricing periods and the tight competition, significant price rises for products that are priced by period will not be made until 2011.

The impact of the spring labour market disputes was felt in the Seafood business until the summer. Due to the industrial action, sales fell short, delivery reliability weakened and productivity suffered.

The process of integrating Apetit Kala Oy and Myrskylän Savustamo Oy, acquired in June, and its subsidiary, Safu Oy, has proceeded according to plan. The functions of Apetit Kala were reorganised, and the new personnel structure took effect at the start of September. Erkki Lepistö relinquished his position as Managing Director of Apetit Kala Oy for personal reasons, and on 14 October 2010 Matti Karppinen was appointed as his successor. Karppinen also continues as CEO of Lännen Tehtaat plc.

To streamline the fresh fish supply chain and improve the service level, Apetit Kala began fresh fish processing at the Kustavi production plant early in November. This will increase processing capacity, reduce logistics costs and shorten the time from sea to table.

In the foreign Seafood business the high raw material price of Norwegian salmon adversely affected profit-earning capacity up to the early autumn. The shellfish raw material price rose during the second half of the year, too. Due to the retail trade's pricing periods, any price rises to compensate for a rise in raw material prices is delayed. Productivity and operating efficiency have been good. During the year, Maritim Food engaged strongly in product renewal, in collaboration with the main customer. New kinds of products, redesigned and with a higher store profile, were launched during 2010, both under the retailer's private label and under the Maritim brand; these launches will continue in 2011.

Maritim Food has three production sites in Norway and one in Sweden. In the latter part of the year, the company launched a general review of the development possibilities of the factory operations and of the scope for concentration in production.

The average number of personnel in the Seafood business was 351 (379). The reduction in average personnel was due in part to the smaller number of Kalatori service counters in Finland, though personnel numbers were also boosted by arrival of Myrskylän Savustamo Oy and Safu Oy, which joined the Group at the start of June, and the launch of the Kustavi fish processing plant at the beginning of November. The number of personnel in the foreign Seafood business decreased due to the jobs lost in September as a result of the adjustment measures in production.

Investment in the Seafood business totalled EUR 1.1 (0.6) million. Most of this was in completing the productivity investment programme at the Kuopio production plant.

Grains and Oilseeds

EUR million	Q4/ 2010	Q4/ 2009	Q1-Q4/ 2010	Q1-Q4/ 2009
Net sales	52.2	38.7	181.9	143.4
Operating profit	1.6	2.6	7.2	7.3
Operating profit, excl. non-recurring items	1.6	2.6	7.2	7.4

Fourth quarter (October–December):
Fourth-quarter net sales in the Grains and Oilseeds business were up by 35% year on year. This was due to growth in delivery volumes of grains and vegetable oils and the significant rise in market prices since the same quarter in 2009.

The fourth-quarter operating profit, excluding non-recurring items, was down on the excellent level of a year earlier.

Financial year (January–December):
Full-year net sales in the Grains and Oilseeds business were up by 27% year on year. The increase in net sales was a consequence of higher volume in both grain and vegetable oil sales.

The agricultural commodities markets saw significant changes during 2010. In the first half of the year, prices were low, which was due to the large harvests, greater stocks around the world in 2008 and 2009, and expectations of a plentiful harvest to come.

The weather in summer 2010 led to major crop losses in Russia, Kazakhstan and Ukraine. The combined grain production of the EU countries amounted to 274 million tonnes, which was about 20 million tonnes less than the previous year. In Finland, the crop was 2.9 million tonnes, compared to 4.3 million tonnes in 2009. The reduced supply and strong demand caused prices to rise substantially in the second half of the year in the EU and world markets.

The prices of soybeans and other oilseeds as well as vegetable oils and expeller meal rose considerably in the second half of the year. In Finland, the area under rapeseed grew and a record crop was obtained, almost 180,000 tonnes, despite per-hectare yields being low.

For the Grains and Oilseeds business, the operating profit, excluding non-recurring items, came to EUR 7.2 (7.4) million. The non-recurring items totalled EUR 0.0 (-0.1) million. In the first six months of the year, Avena achieved a good level of profit. In the final six months, profit-earning was hampered temporarily by the considerable increase in market prices that took place during the summer.

Mildola Oy's vegetable oils business, excluding its oil milling operation, was transferred to Avena Nordic Grain Oy in an asset deal that took place at the end of 2009, leaving Mildola Oy to continue its oil milling operation as a production unit of Avena as of the start of 2010.

To expand local procurement and trading and to boost exports, Avena opened a new office in Estonia and established a subsidiary, TOO Avena Astana, in Kazakhstan, alongside the representative office there. The Kazakhstan subsidiary will begin ordinary operations during 2011.

The Grains and Oilseeds business employed an average of 61 (62) people.

During the year, investment came to EUR 0.7 (0.3) million and focused on the renewal of Avena's Internet marketplace (Avenakauppa) and the renewal of the process automation system and other replacement investment for the Kirkkonummi vegetable oil mill. At the end of the financial year, construction of a new packaging department and canister filling line began at the oil mill.

Other Operations

EUR million	Q4/ 2010	Q4/ 2009	Q1-Q4/ 2010	Q1-Q4/ 2009
Net sales	1.2	1.1	2.6	2.4
Operating profit	1.5	0.8	-0.5	-1.3
Operating profit, excl. non-recurring items	1.5	0.8	-0.5	-1.3

The Other Operations segment comprises the service company Apetit Suomi Oy, Group Administration, items not allocated under any of the business segments, and the associated companies Sucros Ltd and Ateriamestarit Oy. The cost impact of the services produced by Apetit Suomi Oy is an encumbrance on the operating result of the Group's businesses in proportion to their use of the services.

Fourth quarter (October–December):
Net sales from the sale of services in the Other Operations segment were up slightly on the previous year's level.

The fourth-quarter operating result came to EUR 1.5 (0.8) million, which includes EUR 1.8 (1.3) million as the share of the profits of associated companies.

Financial year (January–December):
Net sales in Other Operations for the year amounted to EUR 2.6 (2.4) million.

The operating result was EUR -0.5 (-1.3) million. The operating result includes EUR 2.4 (2.0) million as the share of the profits of associated companies. The improved result is a consequence of the associated company Sucros's year-on-year profit improvement and the lower costs of the Group Administration and Apetit Suomi compared with the previous year.

CORPORATE ADMINISTRATION AND MANAGEMENT

At its organisational meeting on 13 April 2010, Lännen Tehtaat plc's Supervisory Board elected Helena Walldén as its chairman and Juha Nevavuori as its deputy chairman.

At the same meeting, the Supervisory Board elected the following as members of the company's Board of Directors, as of 13 April 2010: Harri Eela, Heikki Halkilahti, Aappo Kontu, Matti Lappalainen, Hannu Simula and Soili Suonoja. The Supervisory Board elected Matti Lappalainen chairman of the Board of Directors and Hannu Simula deputy chairman. Tom v Weymarn was member and chairman of the Board of Directors until 13 April 2010.

Matti Karppinen has served as CEO of Lännen Tehtaat plc since 1 September 2005. Eero Kinnunen, Chief Financial Officer (CFO) of the Lännen Tehtaat Group, was appointed Deputy CEO as of 1 January 2008.

AUDITORS

Hannu Pellinen, APA and PricewaterhouseCoopers Oy Authorized Public Accountants, with Tomi Moisio, APA, CPFA as responsible auditor, were appointed as auditors for Lännen Tehtaat plc by the Annual General Meeting on 30 March 2010.

USE OF THE AUTHORISATIONS GRANTED TO THE BOARD OF DIRECTORS

By 16 February 2011, the company's Board of Directors had not exercised the authorisations granted to it to issue new shares or to transfer Lännen Tehtaat plc shares held by the company.

SHARE TURNOVER

The number of Lännen Tehtaat plc shares traded on the stock exchange during the financial year was 1,035,276 (1,997,857), representing 16.4% (31.6%) of the total number of shares. The highest share price quoted was EUR 20.00 (15.99) and the lowest EUR 15.51 (11.90). The average price of shares traded was EUR 17.62 (13.71). The share turnover for the year was EUR 18.2 (27.4) million. The year-end share price was EUR 17.50 (15.65), and the market capitalisation was EUR 110.6 (98.9) million.

OWN SHARES

At the close of the financial year, the company had in its possession a total of 130,000 of its own shares acquired during previous years, with a combined nominal value of EUR 0.26 million. These shares represent 2.1% of the company's total number of shares and of the total number of votes. The company's own shares in its possession carry no voting or dividend rights.

FLAGGING ANNOUNCEMENTS

Lännen Tehtaat received three flagging announcements during the financial year.

On 7 May 2010, EM Group Oy announced that its holding in Lännen Tehtaat plc had, on 6 May 2010, exceeded 5% of the total number of Lännen Tehtaat plc shares and votes. At the time of the announcement, EM Group Oy owned 316,000 Lännen Tehtaat plc shares, equating to 5.002% of the total number of Lännen Tehtaat plc shares and 5.107% of the votes.

On 15 September 2010, Valio Ltd announced that its holding in Lännen Tehtaat plc had, on 14 September 2010, gone below the 5% flagging limit. Prior to the share transactions of 14 September 2010, Valio Ltd's holding amounted to 327,912 shares and votes. Following the share transactions of 14 September 2010, Valio Ltd owns no Lännen Tehtaat plc shares.

On 15 September 2010, Valio Pension Fund announced that its holding in Lännen Tehtaat plc had, on 14 September 2010, exceeded 5% of the total number of Lännen Tehtaat plc shares and votes. Prior to the share transactions of 14 September 2010, the Valio Pension Fund held 86,478 Lännen Tehtaat plc shares and votes. After the share transactions made on 14 September 2010, the Valio Pension Fund owns 414,390 Lännen Tehtaat plc shares, which represents 6.5% of the number of Lännen Tehtaat plc shares and votes.

SHORT-TERM RISKS AND UNCERTAINTIES

The most significant short-term risks for the Lännen Tehtaat Group concern the following: the management of raw material price changes and currency risks; a rise in energy prices; availability of raw materials; the impact of fish price rises on consumer demand; the solvency of customers and the delivery performance of suppliers; changes in the Group's businesses and customerships; and corporate acquisitions and the subsequent integration processes.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

There have been no significant events since the close of the financial year.

ASSESSMENT OF PROBABLE FUTURE DEVELOPMENT

The Group's net sales will be affected particularly by the level of activity in grain and oilseed markets and by changes in the price level of grains and oilseeds.

The Group's profit trend is expected to remain good in the first half of the year. The profit performance in the second half of the year will be influenced substantially by the extent of activity in the grain and oilseed markets, which at this stage of the year is still difficult to assess. Thanks to the measures taken to develop the Group's different businesses, and thanks to the corporate acquisitions made in 2010, the full-year operating profit, excluding non-recurring items, is expected to be better than the previous year's level.

BOARD OF DIRECTORS' PROPOSALS FOR PROFIT MEASURES AND FOR DISTRIBUTION OF OTHER UNRESTRICTED EQUITY

The aim of the Board of Directors of Lännen Tehtaat plc is that the company's shares provide shareholders with a good return on investment and retain their value. It is the company's policy to distribute in dividends at least 40% of the profit for the financial year attributable to shareholders of the parent company.

The parent company's distributable funds totalled EUR 84,512,088.26 on 31 December 2010, of which EUR 6,550,104.19 is profit for the financial year.

The Board proposes that a dividend of EUR 0,90 per share be distributed for 2010. The Board of Directors will propose that a total of EUR 5,568,818.40 be distributed in dividends and that EUR 78,943,269.86 be left in equity. The proposed dividend is 86.5% of the earnings per share.

No dividend will be paid on shares held by the company.

No significant changes have taken place in the financial standing of the company since the end of the financial year. The company's liquidity is good, and in the view of the Board of Directors this will not be jeopardized by the proposed distribution of dividends.

Consolidated income statement

EUR million	**Q4 / 2010**	Q4 / 2009	**Jan - Dec 2010**	Jan - Dec 2009
Net sales	**87.9**	71.7	**308.7**	266.0
Other operating income	**0.6**	0.6	**1.4**	1.5
Operating expenses	**-84.2**	-66.9	**-299.4**	-257.3
Depreciation	**-1.3**	-1.3	**-5.3**	-5.3
Impairments	**-0.1**	- 0.0	**-0.1**	-0.1
Share of profits of associated companies	**2.2**	1.3	**3.0**	2.0
Operating profit	**5.1**	5.4	**8.3**	6.8
Financial income and expenses	**0.0**	-0.2	**0.1**	0.5
Profit before taxes	**5.1**	5.2	**8.4**	7.3
Income taxes	**-0.7**	-1.1	**-1.9**	-1.5
Profit for the period	**4.4**	4.2	**6.5**	5.8
Attributable to				
Equity holders of the parent	**4.4**	4.2	**6.5**	5.8
Non-controlling interests	**-**	-	**-**	-
Basic and diluted earnings per share, calculated of the profit attributable to the shareholders of the parent company, EUR	**0.71**	0.67	**1.04**	0.94

Statement of comprehensive income

EUR million	**Q4 / 2010**	Q4 / 2009	**Jan - Dec 2010**	Jan - Dec 2009
Profit for the period	**4.4**	4.2	**6.5**	5.8
Other comprehensive income				
Cash flow hedges	**1.7**	1.0	**1.1**	1.1
Taxes related to cash flow hedges	**-0.4**	-0.3	**-0.3**	-0.3
Translation differences	**0.2**	0.2	**0.8**	1.4
Total comprehensive income	**5.9**	5.1	**8.1**	8.0
Attributable to				
Equity holders of the parent	**5.9**	5.1	**8.1**	8.0
Non-controlling interests	**-**	-	**-**	-

Consolidated statement of financial position

EUR million	**31 Dec 2010**	31 Dec 2009
ASSETS		
Non-current assets		
Intangible assets	**6.0**	5.6
Goodwill	**8.6**	6.9
Tangible assets	**37.0**	37.9
Investment in associated companies	**33.9**	24.0
Available-for-sale investments	**0.1**	0.1
Receivables	**0.7**	1.8
Deferred tax assets	**1.4**	1.1
Non-current assets total	**87.5**	77.4
Current assets		
Inventories	**55.0**	48.1
Receivables	**34.5**	25.5
Income tax receivable	**0.2**	0.1
Financial assets at fair value through profits	**7.1**	17.2
Cash and cash equivalents	**7.5**	7.9
Current assets total	**104.4**	98.7
Total assets	**191.9**	176.1

EUR million	**31 Dec 2010**	31 Dec 2009
EQUITY AND LIABILITIES		
Equity attributable to the equity holders of the parent	**136.2**	137.3
Non-controlling interests	**2.7**	-
Total equity	**138.9**	137.3
Non-current liabilities		
Deferred tax liabilities	**4.4**	4.1
Long-term financial liabilities	**2.1**	2.4
Non-current provisions	**0.0**	0.2
Other non-current liabilities	**4.6**	-
Non-current liabilities total	**11.1**	6.6
Current liabilities		
Short-term financial liabilities	**1.8**	0.9
Income tax payable	**1.0**	1.5
Trade payables and other liabilities	**39.1**	29.7
Current liabilities total	**41.9**	32.1
Total liabilities	**53.0**	38.8
Total equity and liabilities	**191.9**	176.1

Consolidated statement of cash flows

EUR million	**Jan - Dec 2010**	Jan - Dec 2009
Net profit for the period	**6.5**	5.8
Adjustments, total	**4.9**	6.5
Change in net working capital	**-7.4**	14.9
Interests paid	**-1.1**	-1.8
Interests received	**0.3**	1.0
Taxes paid	**-2.6**	-0.6
Net cash flow from operating activities	**0.6**	25.8
Investments in tangible and intangible assets	**-3.1**	-2.7
Proceeds from sales of tangible and intangible assets	**0.5**	3.2
Acquisition of associated companies	**-8.1**	-
Transactions with non-controlling interests	**2.7**	-1.2
Purchases of other investments	**-32.9**	-22.0
Proceeds from sales of other investments	**43.0**	9.0
Dividends received from investing activities	**1.5**	3.3
Net cash flow from investing activities	**3.5**	-10.4
Proceeds from/repayments of short-term loans	**0.6**	-9.5
Proceeds from/repayments of long-term loans	**-0.3**	-2.7
Payment of financial lease liabilities	**0.0**	0.0
Dividends paid	**-4.7**	-5.3
Cash flows from financing activities	**-4.4**	-17.5
Net change in cash and cash equivalents	**-0.3**	-2.0
Cash and cash equivalents at the beginning of the period	**7.9**	9.9
Cash and cash equivalents at the end of the period	**7.5**	7.9

Purchases of other investments and proceeds from sales of other investments are cash flows related to short-term fixed income funds.

Statement of changes in shareholders' equity

EUR million	Share capital	Share premium account	Net unrealised gains	Other reserves	Own shares	Translation differences	Retained earnings	Total	Non-controlling interest (NCI)	Total equity
	Attributable to equity holders of the parent									
Shareholders' equity at 1 Jan. 2010	12.6	23.4	0.0	7.2	-1.8	-0.5	96.4	137.3	-	137.3
Dividend distribution	-	-	-	-	-	-	-4.7	-4.7	-	-4.7
Transactions with NCI	-	-	-	-	-	-	-2.9	-2.9	2.7	-0.2
Other changes	-	-	-	-	-	-	0.1	0.1	-	0.1
Total comprehensive income	-	-	-0.9	0.0	-	0.8	6.5	6.5	-	6.5
Shareholders' equity at 31 Dec. 2010	12.6	23.4	-0.8	7.2	-1.8	0.3	95.3	136.2	2.7	138.9
Shareholders' equity at 1 Jan. 2009	12.6	23.4	-0.8	7.2	-1.8	-1.9	96.6	135.1	0.5	135.6
Dividend distribution	-	-	-	-	-	-	-5.3	-5.3	-	-5.3
Transactions with NCI	-	-	-	-	-	-	-0.7	-0.7	-0.5	-1.2
Other changes	-	-	-	-	-	-	0.2	0.2	-	0.2
Total comprehensive income	-	-	0.8	-	-	1.4	5.8	8.0	-	8.0
Shareholders' equity at 31 Dec. 2009	12.6	23.4	0.0	7.2	-1.8	-0.5	96.4	137.3	-	137.3

Basis of preparation and accounting policies

The financial statements release has been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU. The accounting policies adopted are consistent with those of the Group's annual financial statements for the year ended 31 December 2009. New standards and interpretations adopted in 2010 did not have any material effect to this financial statement bulletin.

Segment information

Operating segments, January–December 2010

EUR million	Frozen Foods	Seafood	Grains and Oilseeds	Other Operations	**Total**
Total segment sales	45.1	80.9	181.9	2.6	**310.5**
Intra-group sales	0.0	0.0	0.0	-1.7	**-1.8**
Net sales	45.1	80.9	181.9	0.9	**308.7**
Share of profits of associated companies included in operating profit	-	0.6	-	2.4	**3.0**
Operating profit	3.4	-1.8	7.2	-0.5	**8.3**
Gross investments in non-current assets	1.2	1.1	0.7	0.2	**3.1**
Corporate acquisitions and other share purchases	-	10.5	-	-	**10.5**
Depreciations	2.2	1.9	0.7	0.6	**5.3**
Impairments	-	0.1	-	-	**0.1**
Personnel	199	351	61	10	**621**

Operating segments, January–December 2009

EUR million	Frozen Foods	Seafood	Grains and Oilseeds	Other Operations	Total
Total segment sales	46.0	75.9	143.4	2.4	267.8
Intra-group sales	-0.1	0.0	0.0	-1.6	-1.7
Net sales	46.0	75.9	143.4	0.8	266.0
Share of profits of associated companies included in operating profit	-	-	-	2.0	2.0
Operating profit	3.4	-2.5	7.3	-1.3	6.8
Gross investments in non-current assets	1.9	0.6	0.3	-	2.7
Corporate acquisitions and other share purchases	-	1.2	-	-	1.2
Depreciations	2.0	2.0	0.7	0.7	5.3
Impairments	-	-	0.1	-	0.1
Personnel	205	379	62	11	657

Key indicators

	31 Dec 2010	31 Dec 2009
Shareholders' equity per share, EUR	**22.01**	22.19
Equity ratio, %	**72.4**	78.0
Gearing, %	**-7.7**	-15.8
Gross investments in non-current assets, EUR million	**3.1**	2.7
Corporate acquisitions and other share purchases, EUR million	**10.5**	1.2
Average number of personnel	**621**	657
Average number of shares, 1,000 pcs	**6,188**	6,188

The key figures in this year-end report are calculated with same accounting principles than presented in the 2009 annual financial statements.

Contingent liabilities, contingent assets and other commitments

EUR million	31 Dec 2010	31 Dec 2009
Mortgages given for debts		
Real estate mortgages	**2.8**	2.0
Guarantees	**12.1**	11.1
Non-cancellable other leases, minimum lease payments		
Real estate leases	**5.9**	4.3
Other leases	**0.7**	0.8
DERIVATIVE INSTRUMENTS		
Outstanding nominal values of derivate instruments		
Forward currency contracts	**6.6**	4.0
Commodity derivative instruments	**13.9**	9.2
CONTINGENT ASSETS		
The present value of proceeds from the sale of shares in the joint entry account	**0.7**	0.7

INVESTMENT COMMITMENTS
Lännen Tehtaat has no significant investment commitments on 31 December 2010.

OTHER COMMITMENTS
Based on the shareholder agreements on the ownership arrangement between Apetit Kala Oy and Taimen Oy, under certain terms and conditions the contracting parties are entitled to terminate the cross ownership at fair value. The liability in any termination of ownership will, on the basis of IAS 32, be recognised under non-current liabilities. The receivable arising in connection with this may not, under IFRS rules, be recognised.

Changes in tangibles assets

EUR million	**31 Dec 2010**	31 Dec 2009
Book value at the beginning of the period	**37.9**	43.5
Additions	**2.6**	2.0
Additions through acquisitions	**0.7**	-
Disposals	**-0.3**	-4.0
Depreciations and impairments	**-4.4**	-4.5
Other changes	**0.5**	0.9
Book value at the end of the period	**37.0**	37.9

Transactions with associated companies and joint ventures

EUR million	**Jan - Dec 2010**	Jan - Dec 2009
Sales to associated companies	**1.1**	1.0
Sales to joint ventures	**7.3**	6.7
Purchases from associated companies	**6.6**	2.2
Long-term receivables from associated companies	**-**	1.3
Long-term receivables from joint ventures	**0.1**	0.1
Trade receivables and other receivables from associated companies	**1.6**	1.6
Trade receivables and other receivables from joint ventures	**0.7**	0.7
Trade payables and other liabilities to associated companies	**0.4**	0.2

Espoo 17 February 2011

LÄNNEN TEHTAAT PLC
Board of Directors