

A close-up photograph of a white ceramic bowl filled with a creamy, light-colored soup. The soup is garnished with a small sprig of fresh green parsley and several thin slices of green onions. To the left of the bowl, two whole garlic bulbs are visible, one in the foreground and one slightly behind it. The background is a soft-focus green, suggesting more fresh herbs.

Apetit Plc

Financial Statements Bulletin 2013

Briefing for Analysts and Media

Scandic Hotel Simonkenttä, 25th February 2014 at 10.00 am

Eero Kinnunen, CFO

Apetit Group in brief

Apetit

Customers

Consumers, trade, professional food service sector, food industry

Market position

Leading position in frozen foods and in food solutions to professional food service sector. One of the leading in fresh fish and seafood products. Major position in grains and oilseeds.

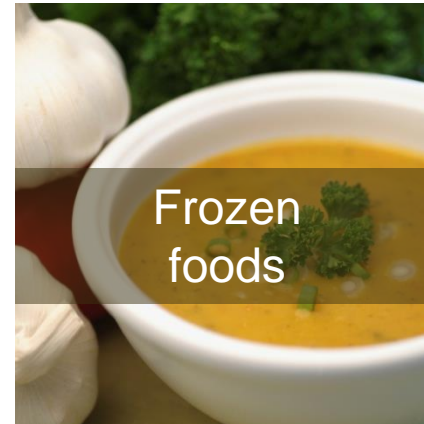
Main markets

- Finland: Frozen foods, food solutions and vegetable oils
- Finland, Sweden and Norway: fresh fish and food products
- International: Grains and feedsuff

Products and Services

Frozen vegetables and frozen ready meals, fresh fish and seafood products, ready-to-use vegetable and fruit products, grains, vegetable oils and animal feedstuff.

Operating Segments



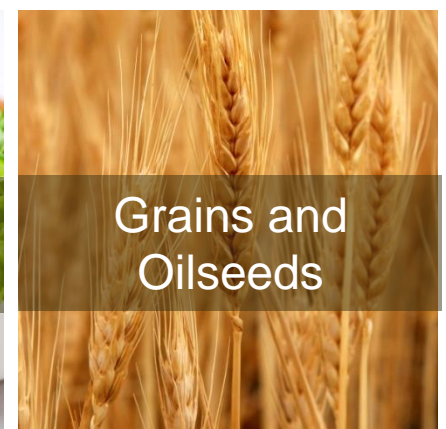
Frozen foods



Fish and fish products



Fresh vegetables and fruits



Grains and Oilseeds



Apetit group structure

Food Business

Grains and Oilseeds Business

Other Operations

Apetit Pakaste Oy

Apetit Kala Oy (70%)

Myrskylän Savustamo Oy (70%)
Associated company Taimen Oy (30%)

Maritim Food AS

Maritim Food Sweden AB
Sandanger AS

Caternet Finland Oy

Apetit Suomi Oy

Avena Nordic Grain Oy (84,5 %)

Mildola Oy

ZAO Avena St. Petersburg
UAB Avena Nordic Grain
OÜ Avena Nordic Grain
TOO Avena Astana
OOO Avena-Ukraina

Apetit Plc

Associated company
Sucros Oy (20%)



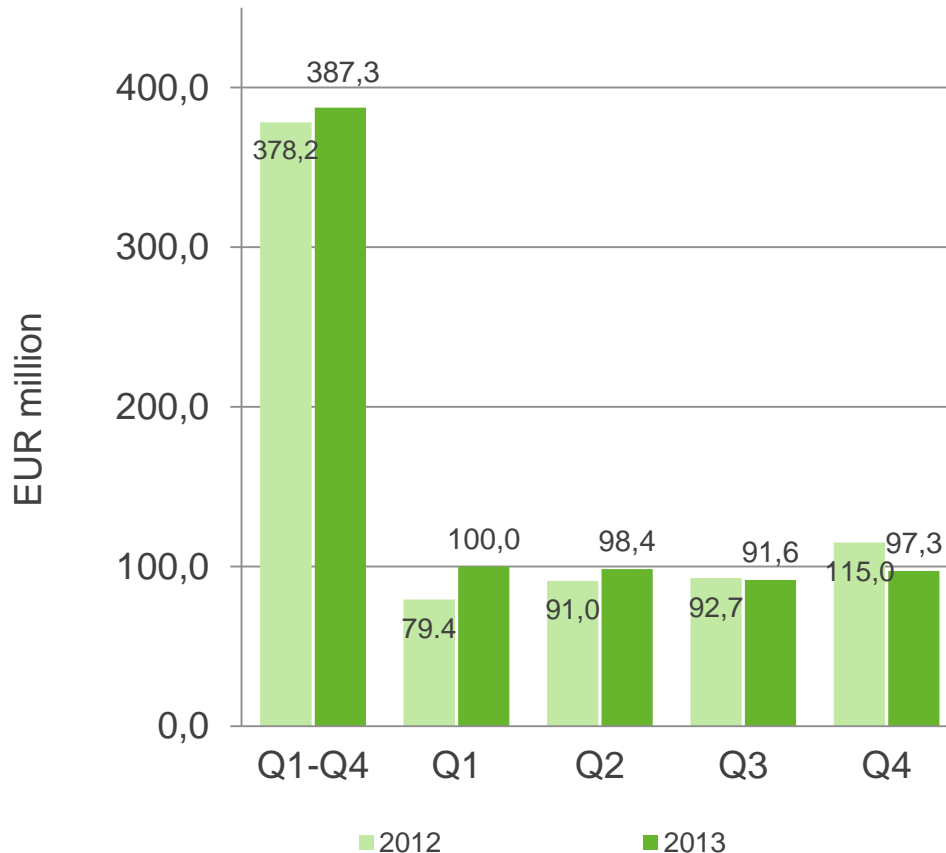
Key Figures for Q4 and 2013

EUR million	10-12/ 2013	10-12/ 2012	Change	2013	2012	Change
Net sales	97.3	115.0	- 15.4 %	387.3	378.2	+ 2.4 %
Operating profit excl. non.-recurring items	5.4	5.1		12.2	8.8	
Operating profit	5.1	5.1		9.4	8.5	
Profit before taxes	4.5	4.6		9.3	7.5	
Profit for the period	4.4	4.0		9.3	6.7	
Earnings per share, EUR	0.72	0.64		1.63	1.07	
Shareholders' equity per share, EUR				22.90	22.37	
Equity ratio, %				70.3	60.6	
Return on equity (ROE), %				6.5	4.8	
Return on investment (ROI), %				7.0	5.4	

Net sales

Net sales

Apetit group, comparison 2013/2012



**Q4 consolidated net sales
EUR 97.3 (115.0) million**

- 15 %

- The decrease was mainly related to the Grains and Oilseeds segment.

**Q1-Q4 consolidated net sales
EUR 387.3 (378.2) million**

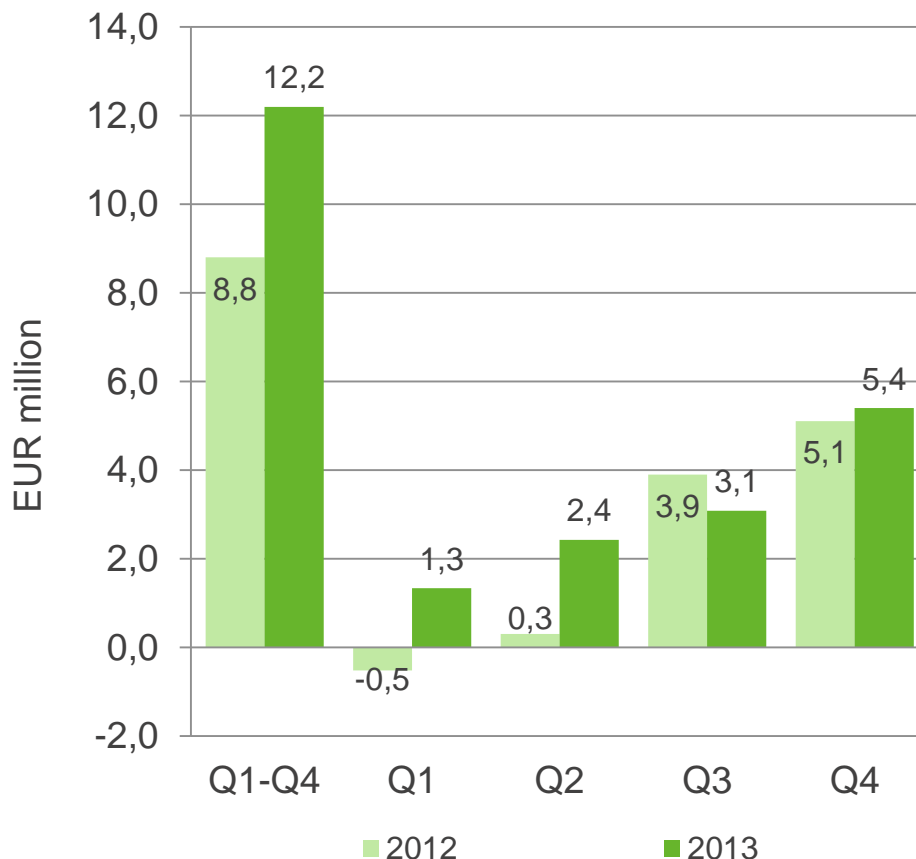
+ 2 %

- The net sales grew particularly due the higher sales volumes in the fish product group.

Operating profit, excl. non-recurring items

Operating profit, excl. non-recurring items

Apetit group, comparison 2013/2012



Q4 Operating profit excluding non-recurring items
EUR 5.4 (5.1) million

+ 6 %

- In the Food Business and Other Operations segments, the operating profit before non-recurring items increased from 2012.
- In the Grains and Oilseeds segment, the operating profit before non-recurring items was smaller than in 2012.
- Non-recurring items totalled EUR -0.3 (-0.0) million and were related to the Other Operations segment.
- The operating profit includes EUR 2.5 (1.5) million as the share of the profits of associated companies.

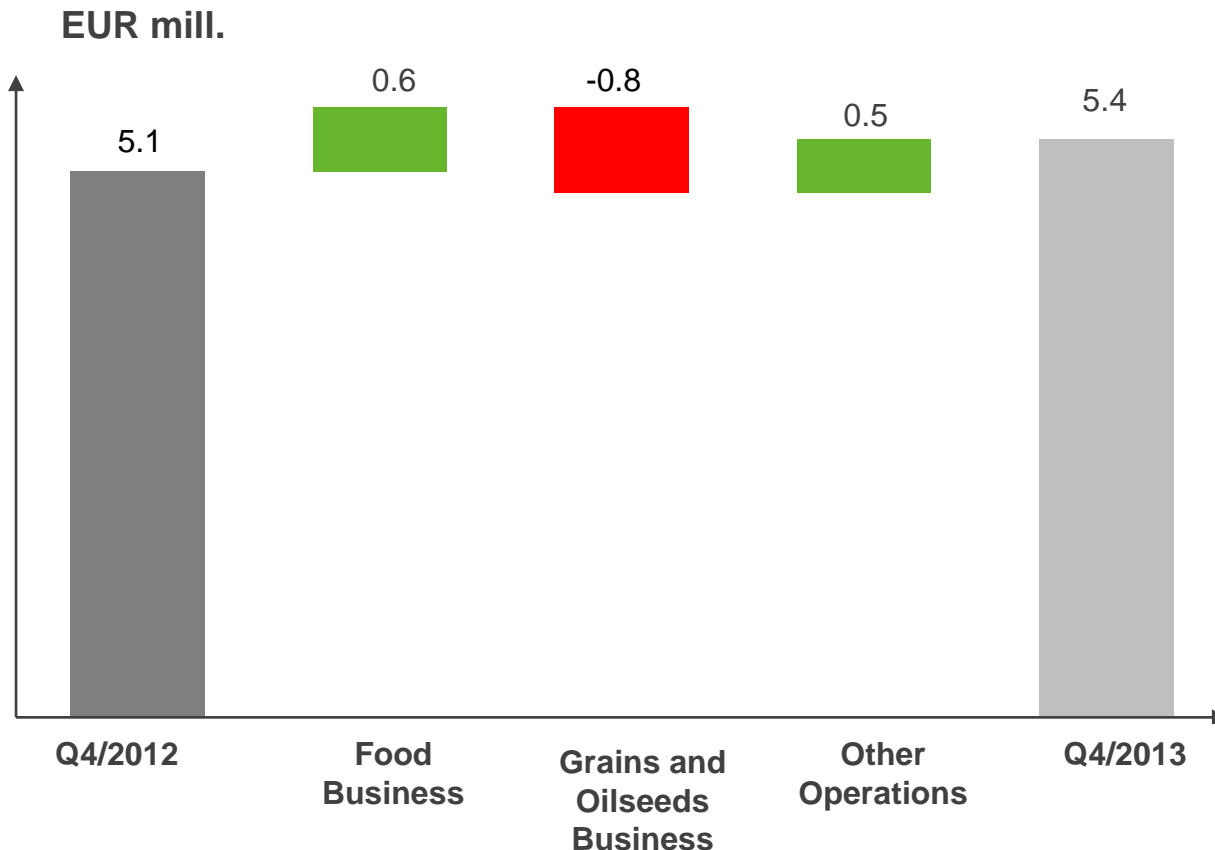
Q1-Q4 Operating profit excluding non-recurring items
EUR 12.2 (8.8) million

+ 39%

- Non-recurring items totalled EUR -2.8 (-0.4) million.
- The operating profit includes EUR 6.2 (3.7) million as the share of the profits of associated companies.
- The operating profit includes EUR 2.6 (1.2) million recognised as income in association with the estimated additional purchase price of Caternet Finland Ltd.

Operating profit, excl. non-recurring items

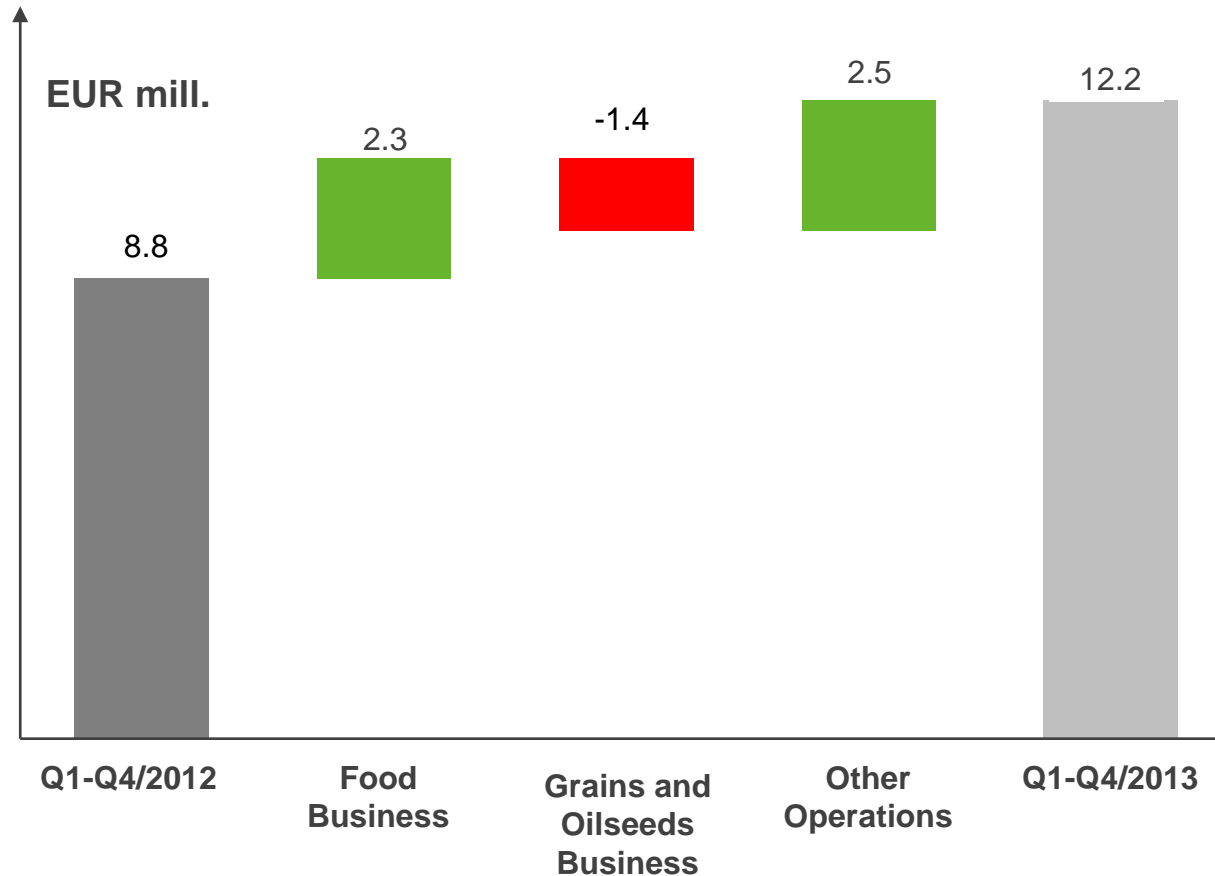
Change Q4/2013 vs. Q4/2012



- In October-December, the operating profit, excluding non-recurring items, was up year on year.
- In Food Business, the operating profit, excluding non-recurring items, was up year on year.
- In Grains and Oilseeds Business, the operating profit, excluding non-recurring items, was down year on year.
- In Other Operations, the operating profit, excluding non-recurring items, was up year on year.

Operating profit, excl. non-recurring items

Change 2013 vs. 2012



- The operating profit excluding non-recurring items, was up year on year.
- In Food Business, the operating profit, excluding non-recurring items, was up year on year.
- In Grains and Oilseeds Business, the operating profit, excluding non-recurring items, was down year on year.
- In Other Operations, the operating profit, excluding non-recurring items, was up year on year.



Food Business overview

Food Business

Frozen vegetables and frozen ready meals

- Apetit is Finland's leading producer of frozen vegetables and frozen ready meals.
- Largely based on Finnish raw materials, the frozen vegetables and frozen ready meals are produced at Säskylä and at Pudasjärvi.
- Apetit is Finland's largest procurer of contract-grown vegetables.



Fresh fish and fish products

- Apetit is major fish and fish products producer in Finland.
- The production units of Apetit are in Kuopio, Kustavi, Kivikko and Myrskylä.
- Subsidiary Maritim Food Group has two production facilities in Norway and one in Sweden.
- Associated company Taimen Oy (30 %) is significant Finnish fish farmer and fingerling producer.



Ready-to-use vegetable and fruit products

- Apetit supplies the professional food service sector with food products that make great meals – even on a daily basis if needed.
- The product range includes fresh and ready-to-use vegetable and fruit products, salads.
- Production unit in Kivikko, which is centrally located in Helsinki capital region.



Apetit Kotimainen range expanded and sales were up



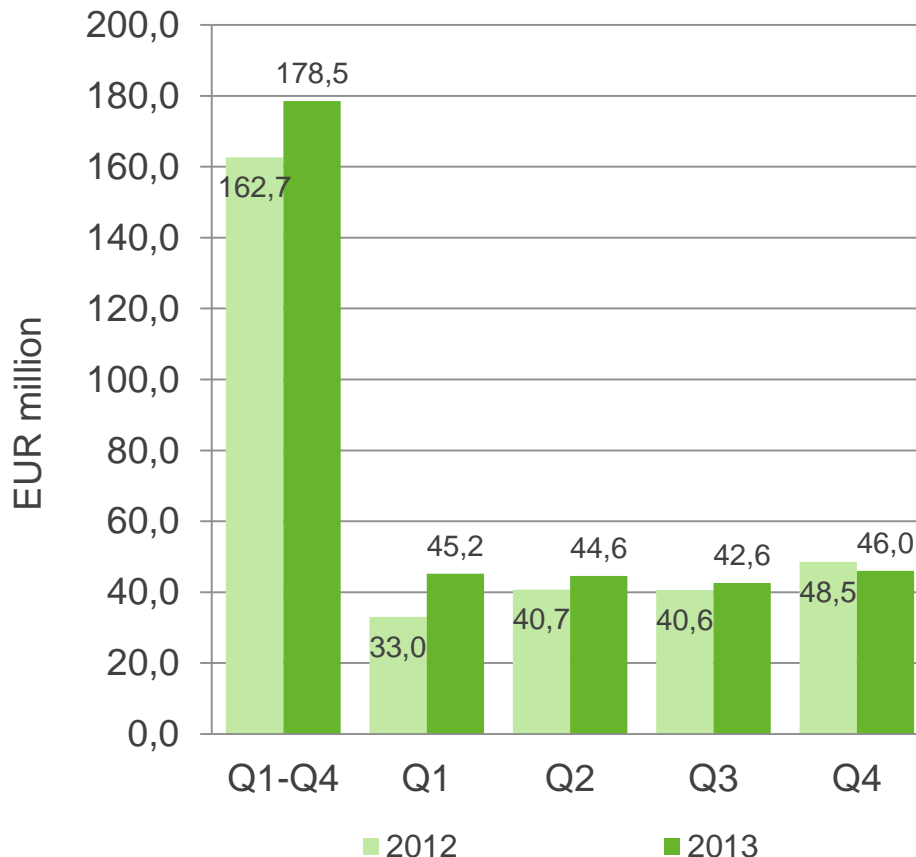
Domestic content means more to consumers each year

- Appetit Kotimainen sales were up by 13% from the previous year.
- In the consumer-packaged product group there are already 20 frozen and 10 fish products.
- There are 18 frozen products offered to the professional food service sector and 14 fish products in service sales.
- In the Kotimainen range, carrot slices, carrot soup, beetroot gratin, cream of fresh pea soup, pea patties, spinach soup, lactose-free spinach soup and frozen root vegetables for soups were launched as new products in 2013.

Net sales

Net sales

Food Business, comparison 2013/2012



Q4 net sales
EUR 46.0 (48.5) million

- 5,2 %

- The decrease was due to reduced fish product and fresh product sales.
- The fourth-quarter sales of frozen vegetables and frozen ready meals were at the previous year's level.

Q1-Q4 net sales
EUR 178.5 (162.7) million

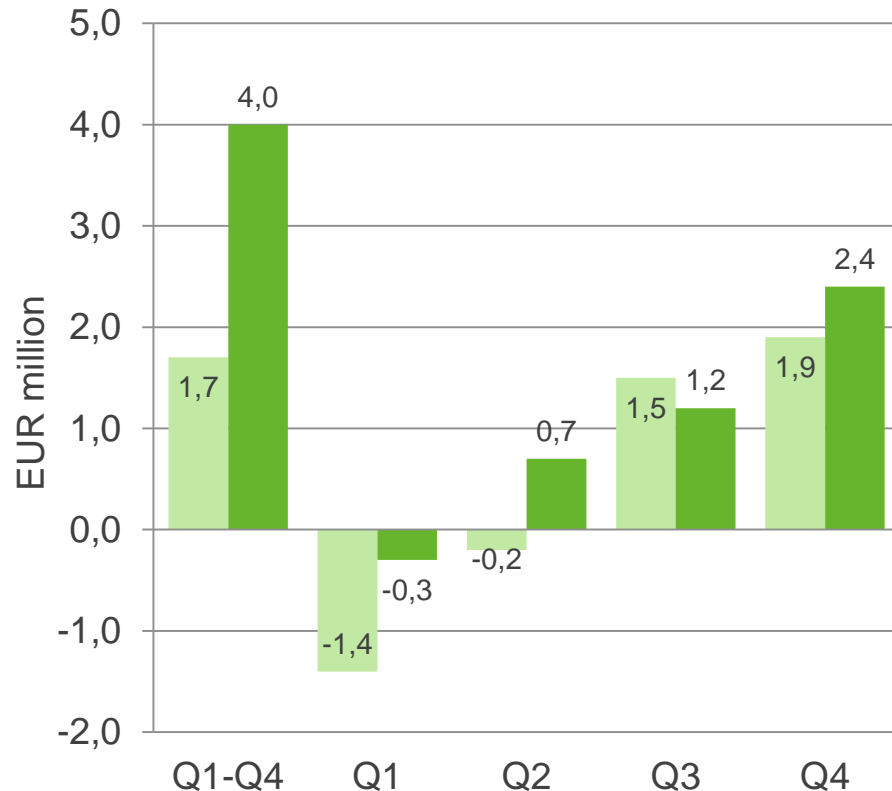
+ 9,7 %

- In the fish product group, sales in euros increased in all markets, with the growth being particularly strong in Finland, where sales increased by nearly 20%.
- Sales in the frozen foods product group increased slightly from the previous year, with frozen ready meals showing the strongest growth.

Operating profit excluding non-recurring items, Q4

Operating profit, exclc. non-recurring items

Food Business, comparison 2013/2012



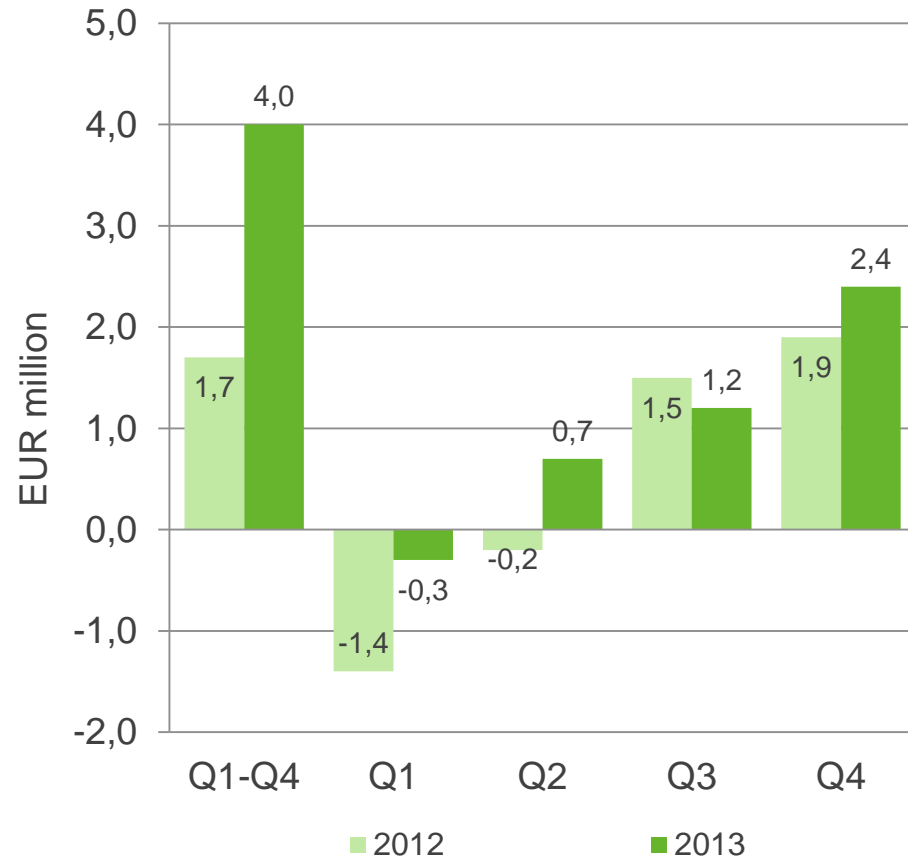
Q4 operating profit excl. non-recurring items
EUR 2.4 (1.9) million

+ 26 %

- Favourable profitability development was supported by increased efficiency in the production of frozen foods and higher volumes at harvest time.
- In Norway and Sweden, performance was boosted by sales and volume growth, the moderate development of raw-material prices and the results of earlier efficiency measures.
- In Finland, the profitability of the fish product group and fresh products was unsatisfactory, particularly because of the discrepancy between raw-material prices and end-customer prices as well as lower sales volumes than in 2012.
- The impact of the associated on the result for the period was EUR 0.2 (-0.2) million.

Operating profit excluding non-recurring items, Q1-Q4

Operating profit, excl. non-recurring items
Food Business, comparison 2013/2012



Q4 operating profit excl. non-recurring items
EUR 4.0 (1.7) million

+ 135 %

- The favourable development was supported by efficient frozen foods production and a successful harvest season as well as increased volumes, the moderate development of raw-material prices and the results of earlier efficiency measures in Norway and Sweden.
- In Finland, the profitability of the fish product group and the fresh product group was unsatisfactory. In addition to reduced volumes, profitability was weakened by the discrepancy between raw-material purchase prices and end-customer prices.
- The operating profit includes EUR 2.6 (1.2) million recognised as income in association with the estimated additional purchase price of Caternet Finland Ltd. In the corresponding period of the previous year, the operating profit included EUR -0.5 million in transaction expenses from the acquisition of Caternet.
- The reported operating profit includes EUR -2.0 (0.0) million in non-recurring items, which are based on an impairment of EUR 2.0 million recognised in the third quarter in the Finnish Seafood business as a result of goodwill testing.
- The share of the profit of the associated company was EUR 0.6 (-0.1) million.

A vibrant yellow field of flowering oilseed rape (canola) stretches towards a line of green trees under a bright blue sky filled with large, white, fluffy clouds. The foreground is filled with the detailed texture of the yellow flowers and green stems.

Grains and Oilseeds Business overview

Grains and Oilseeds Business

Grains, oilseeds and feeding stuffs

- Avena engages in the trading of grains, oilseeds and animal feedstuffs in numerous markets. Trading is especially active in the Baltic Sea region and in the rest of Europe.
- Avena Nordic Grain Oy has subsidiaries in Estonia, Lithuania, Russia, Ukraine, and Kazakhstan.
- Avena's strengths are its diverse grain trading expertise, individualised customer service and flexible operation in the rapidly changing markets.



Vegetable oils

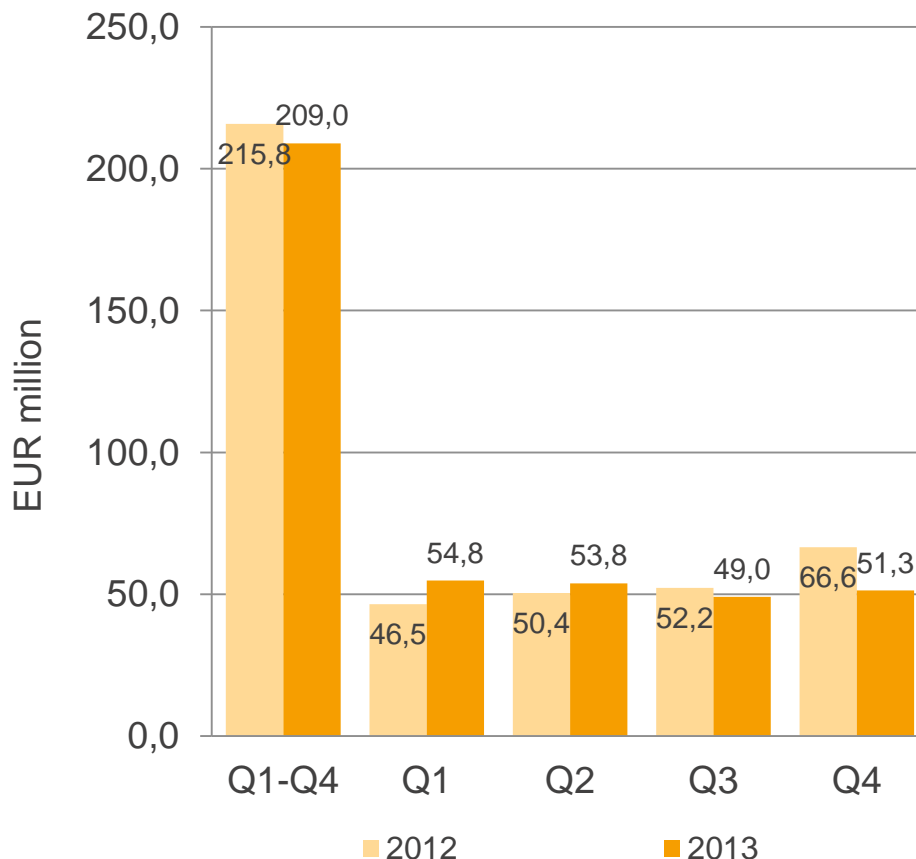
- Mildola's main raw material is Finnish rapeseed.
- Mildola's production process is environmentally friendly and chemical free, therefore the healthy microcomponents of the rapeseeds remain in the oil. Over 99.9% of the seed is used in the process.
- Protein feed created in the refining process is a valuable ingredient in farm animal feed.



Net sales

Net sales

Grains and Oilseeds Business, comparison 2013/2012



Q4 net sales

EUR 51.3 (66.6) million

- 23 %

- Net sales for the Grains and Oilseeds business were lower than in the fourth quarter of the previous year as a result of decreased market prices and slow grain trading.
- Measured in tonnes, sales volumes in grain trading decreased from the corresponding period of the previous year.
- Sales of vegetable oils and expeller were on a par with those of the previous year.
- The delivery volumes of packaged vegetable oil products continued to grow.

Q1-Q4 net sales

EUR 209.0 (215.8) million

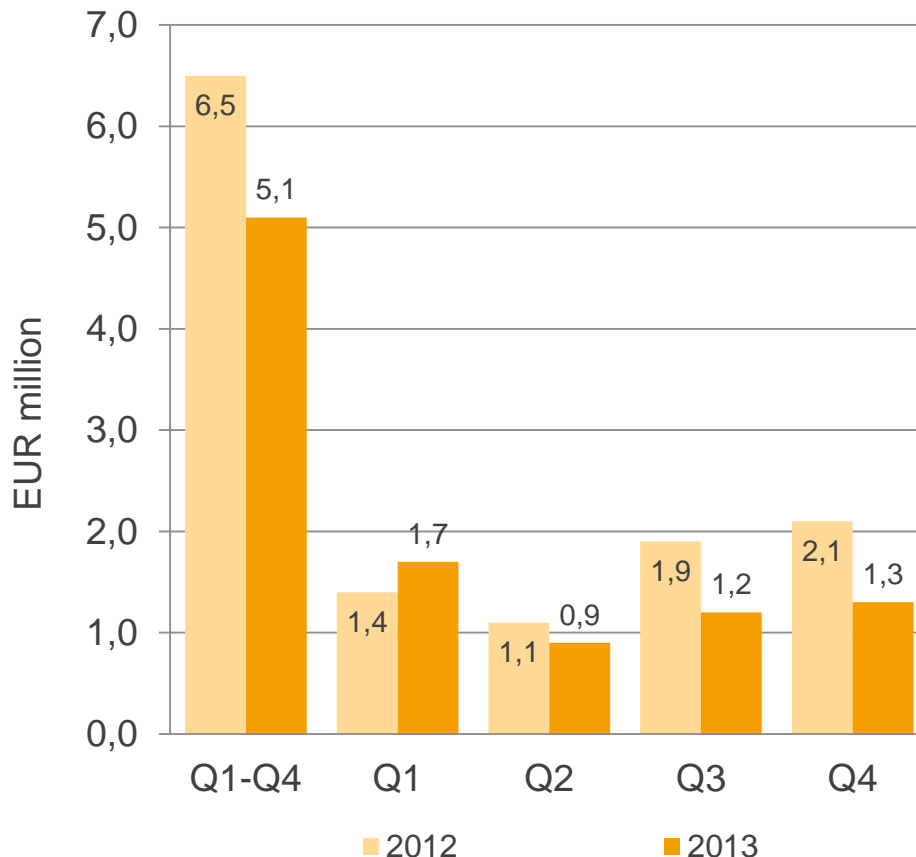
- 3 %

- Due to high harvest levels, world market prices remained significantly lower in the second half of 2013 than in the previous harvest season.
- Finnish rapeseed from the new harvest was good, and the harvest was nearly 10% larger than in 2012.

Operating profit excluding non-recurring items

Operating profit, excl. Non-recurring items

Grains and Oilseeds Business, comparison 2013/2012



Q4 operating profit, excluding non-recurring items
EUR 1.3 (2.1) million

- 38 %

- Profitability decreased as a result of slow exports in grain trading and lower margins than those in the corresponding period.
- Profitability was supported by successful raw-material purchases in vegetable oils and expeller, the pricing of expeller and good sales of packaged vegetable oil.

Q1-Q4 operating profit, excluding non-recurring items
EUR 5.1 (6.5) million

- 22 %

- Operating profit decreased as a result of slow exports in grain trading and lower margins than those in the corresponding period.

The continuation and development of rapeseed growing in Finland

EU to ban temporarily the use of seed treatments containing neonicotinoids. Neonicotinoids are claimed to be harmful to bees.

- Cultivation areas in Finland may decrease in the spring sowing in 2014, as the EU has banned the use of seed treatments that contain neonicotinoids for two years as of 1 December 2013. Their effects on pollinating insects will be studied during that time.
- The Finnish Safety and Chemicals Agency (Tukes) has granted a special permit for the sale, marketing and use of seeds treated earlier in Finland for the spring of 2014. However, new seeds must not be treated with the prohibited substances.
- To manage the purchasing risks related to Finnish rapeseed, the Apetit Group's Grains and Oilseeds business has pursued a strategy that aims to ensure profitable growth by investing in production with a very high utilisation rate in the refining of oilseeds and by focusing on expertise in refining and purchasing.
- This enables profitable vegetable oil milling with greater volumes of imported rapeseed, if necessary.



Other Operations overview

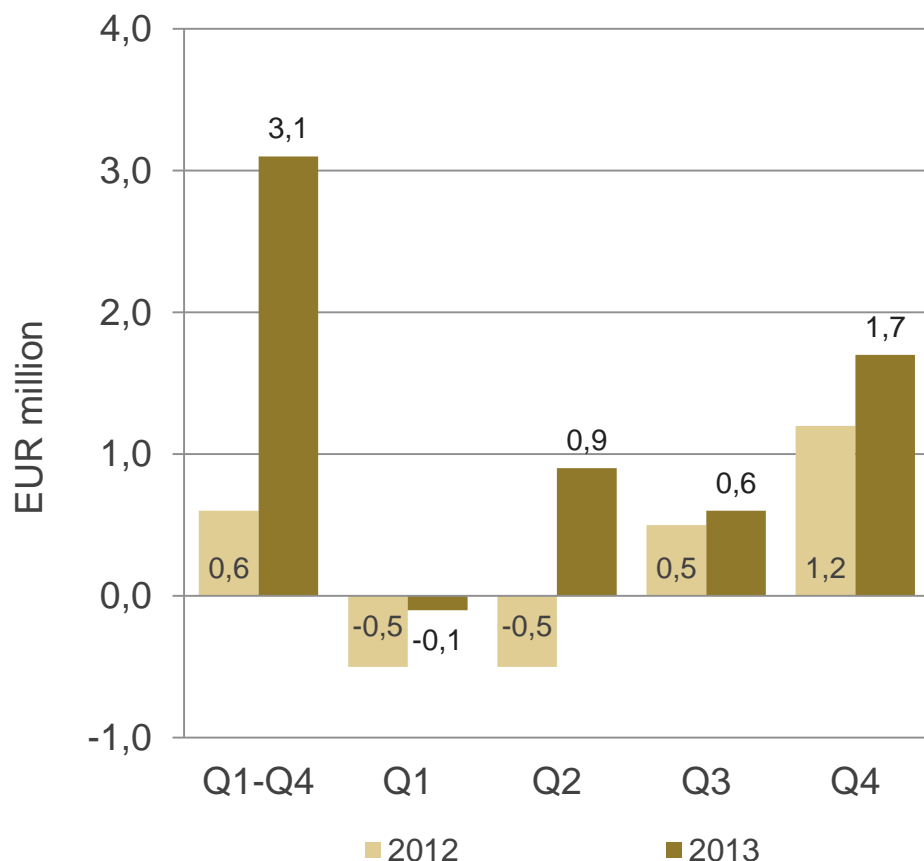
Other Operations

Other Operations segment

- The parent company, **Apetit Plc**, is responsible for Group administration, development of the Group structure and management of shareholdings and real estate.
- The associated company **Sucros Ltd** (20%) produces, sells and markets sugar products for the food industry and the retail trade, and for export.

Operating profit

Operating profit, excluding non-recurring items
Other Operations, comparison 2012/2013



Q4 operating profit excluding non-recurring items
EUR 1.7 (1.2) million

+ 42 %

- Operating profit includes EUR 2.3 (2.1) million as the share of the profits of associated companies.
- Non-recurring items totalled EUR -0.3 (-0.0) million, comprising expenses paid to external consultants in the arbitration court case concerning the shareholder agreement dispute between Apetit Plc and Nordic Sugar.

Q1-Q4 operating profit excluding non-recurring items
EUR 3.1 (0.6) million

+ 417 %

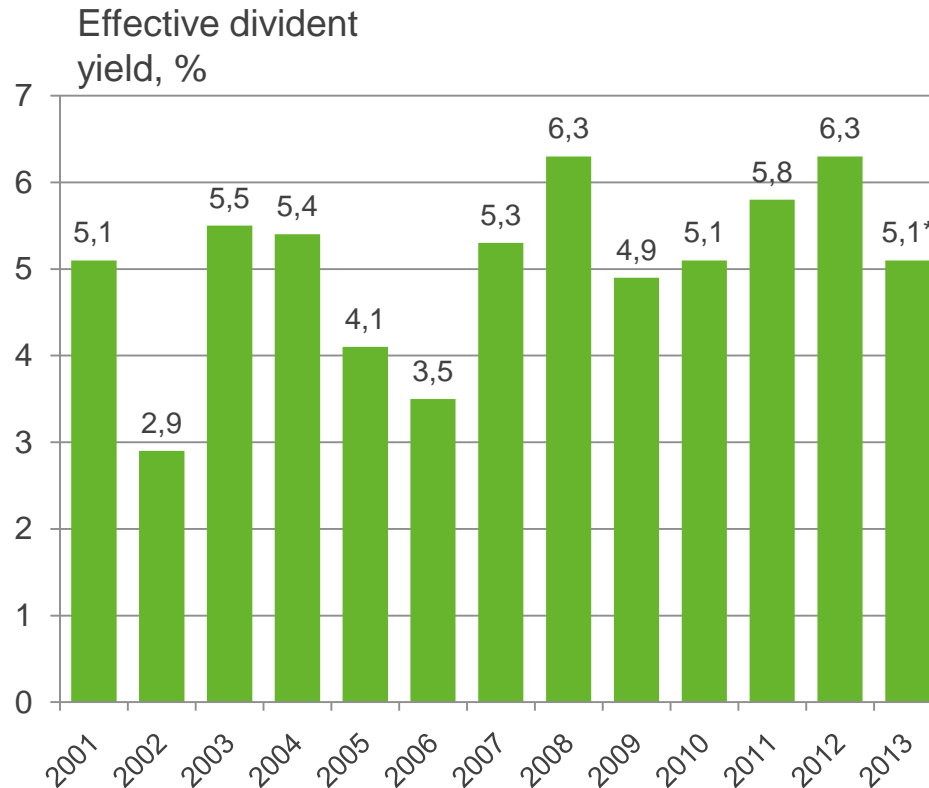
- Operating profit includes EUR 5.6 (3.8) million as the share of the profits of associated companies.
- Non-recurring items totalled EUR -0.8 (-0.4) million, comprising expenses paid to external consultants in the arbitration court case concerning the shareholder agreement dispute between Apetit Plc and Nordic Sugar.



Dividend proposal Outlook for 2014

Dividend proposal for 2013

- The Board of Directors' dividend proposal to the AGM is EUR 1.00 (0.90) per share.



The aim of the Apetit plc Board is to ensure that the share generates a good return and retains its value.

Dividend policy supports this goal. The company will distribute a dividend of no less than 40% of the proportion of the profit for the financial year that is assigned to parent company shareholders.

* BOD's proposal

Outlook for 2014

- The Apetit Group seeks organic growth in its Food Business and Grains and Oilseeds business. Net sales will be affected particularly by the level of activity in the grain and oilseed markets and by changes in the price levels. Net sales for the first half of 2014 are expected to be lower than in the previous year as a result of lower market prices for grains.
- The Group's full-year operating profit excluding non-recurring items is not expected to exceed the previous year's level. In the Other Operations segment, lower market prices for sugar are expected to weaken the result of the associated company Sucros. In Food Business and the Grains and Oilseeds business, the company seeks to improve profitability from 2013. The second half of the year is expected to be more significant in terms of the total result than in 2013. The operating profit before non-recurring items for the first half of the year is expected to be lower than in the previous year.
- In addition, the outcome of the shareholder agreement dispute concerning Sucros may have a significant effect on the result for 2014. The decision is expected to be issued during 2014.



Other current issues

Restructuring the Food Business

- In 2013, the Apetit Group completed a significant restructuring of its Finnish consumer businesses, the objective of which is to raise consumer and customer orientation to an entirely new level, improve profitability and boost growth.
- Our strategic goal is to make Apetit, by 2016, the preferred food solution for consumers who value wellbeing and the preferred partner for customers that value good service.



Apetit's new business structure was in place from the beginning of 2014

- The Food Business combines the previous Frozen Foods and the Seafood businesses, Caternet Finland Oy and the service company Apetit Suomi Oy
- With a merged organisation and consistent processes, the effectiveness of strategic planning and implementation, operating profitability and growth potential can be improved.
- Benefits also include better overall monitoring of financial matters and quality, more efficient procurement, ordering and delivery processes and much improved consumer understanding and marketing.
- The changes to the company's legal structure to match the new operating model will take place during 2014.



Shareholder agreement dispute between Apetit and Nordic Sugar



- According to Apetit Plc, Nordic Sugar has committed 3 breaches against the agreement.
- According to the terms and conditions of the shareholder agreement, one proven breach will incur a contractual penalty totalling EUR 8.9 million per breach. Therefore the penalty could total a maximum of close to EUR 27 million.
- In return, Nordic Sugar has called for a contractual penalty of EUR 4.5 million to be imposed on Apetit Plc for a breach of shareholder agreement in connection with the dismissal of Sucros's managing director.
- Both parties have denied the breaches of agreement claimed by the other party.
- More detailed information has been given in Financial Statements Bulletin (16 February 2012), Interim Report January-March (4 May 2012) and Interim Report January – June (15 August 2012) and in their Briefing material.
- The decision of the arbitration court in the case is expected to be obtained during 2014.



Herkullista. Kotimaista.
Pakastealtaasta.



Tuoretta kalaa
herkkupöytiin.



Asiantuntevaa vilja- ja
öljykasvikauppaa.



Hyvän aterian ainekset
ammattikeittiöille.

Thank you for your interest

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