



5 SEPTEMBER 2018
CARNEGIE SMALL & MID CAP SEMINAR, STOCKHOLM

ALTIA

**Leading Nordic alcoholic beverage brand
company in the wine and spirits markets**

CEO PEKKA TENNILÄ

We are the leading Nordic alcoholic beverage brand house on the wine and spirits markets

WE OPERATE ON THE STABLE AND PROFITABLE NORDIC MARKET

Market positions in the Nordic region

Spirits	Wine
#1	#1

Key figures 2017

Net sales
359.0
EUR million

Comparable EBITDA margin
11.8%

Exports to approx. 30 countries

- Head office
- Production
- Distillery
- Sales office
- Warehouse



Market position

#1	#3
Spirits	Wines



Market position

#1	#1
Spirits	Wines

Market position



#3

Spirits

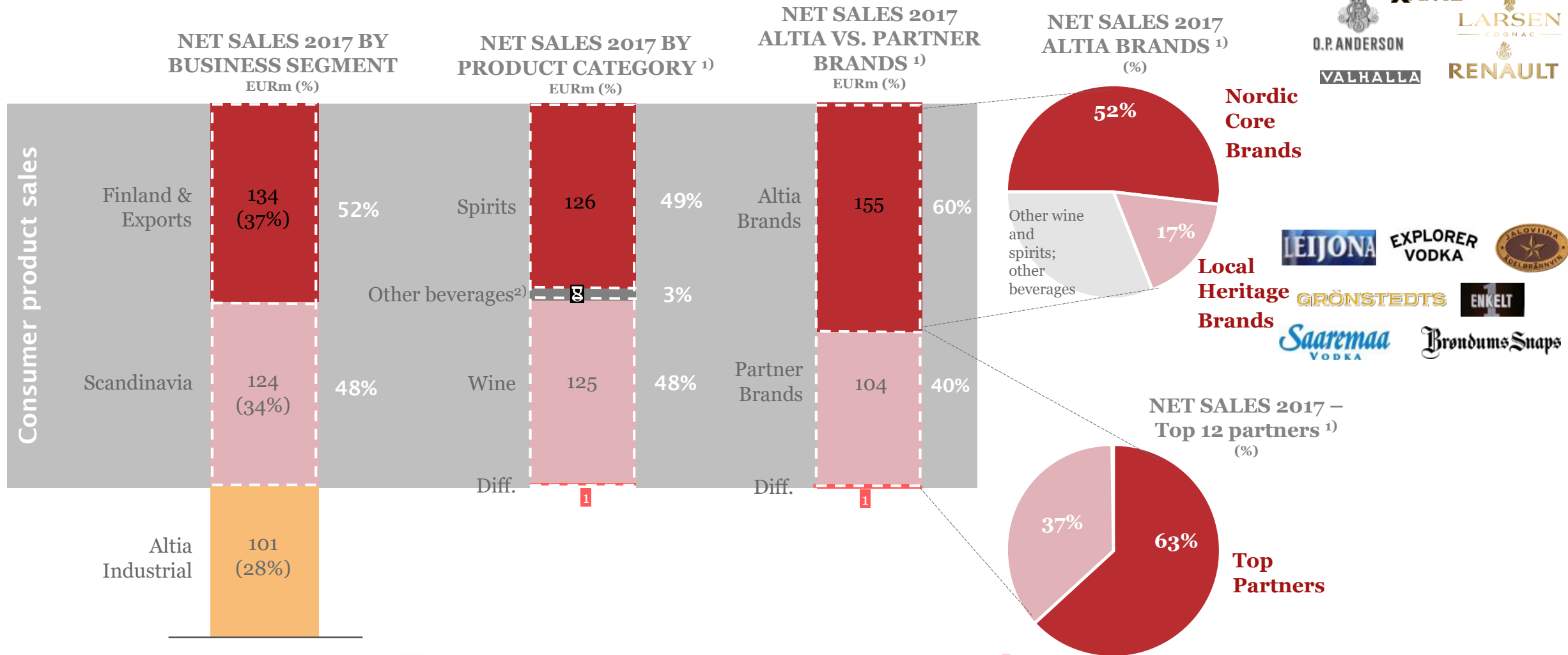
We are the Nordic iconic brands

BRAND FOCUSED BUSINESS THROUGH OWN AND PARTNER BRANDS



Wide assortment of many other own and partner brands from around 150 partners

Our business is well balanced



1) The breakdown of net sales by product category and by brands is based on unaudited internal sales reporting. In 2017, net sales in the internal sales reporting differed from the reported numbers by EUR 1.3m. The difference was mainly caused by the different FX treatment; 2) Includes soft drinks and sodas

Our operations are divided into three segments

ALTIA INDUSTRIAL PROVIDES INDUSTRIAL PARTNERS WITH HIGH-QUALITY SOLUTIONS AND SERVICES



Finland & Exports

- Consumer product sales in Finland, the Baltics, travel retail and exports

Net sales

134
EUR million

Comparable
EBITDA margin

14.6%



Scandinavia

- Consumer product sales in Sweden, Norway and Denmark

Net sales

124
EUR million

Comparable
EBITDA margin

9.3%



Altia Industrial

- Industrial products
- Industrial services
- Supply chain

Net sales

101
EUR million

Comparable
EBITDA margin

12.3%

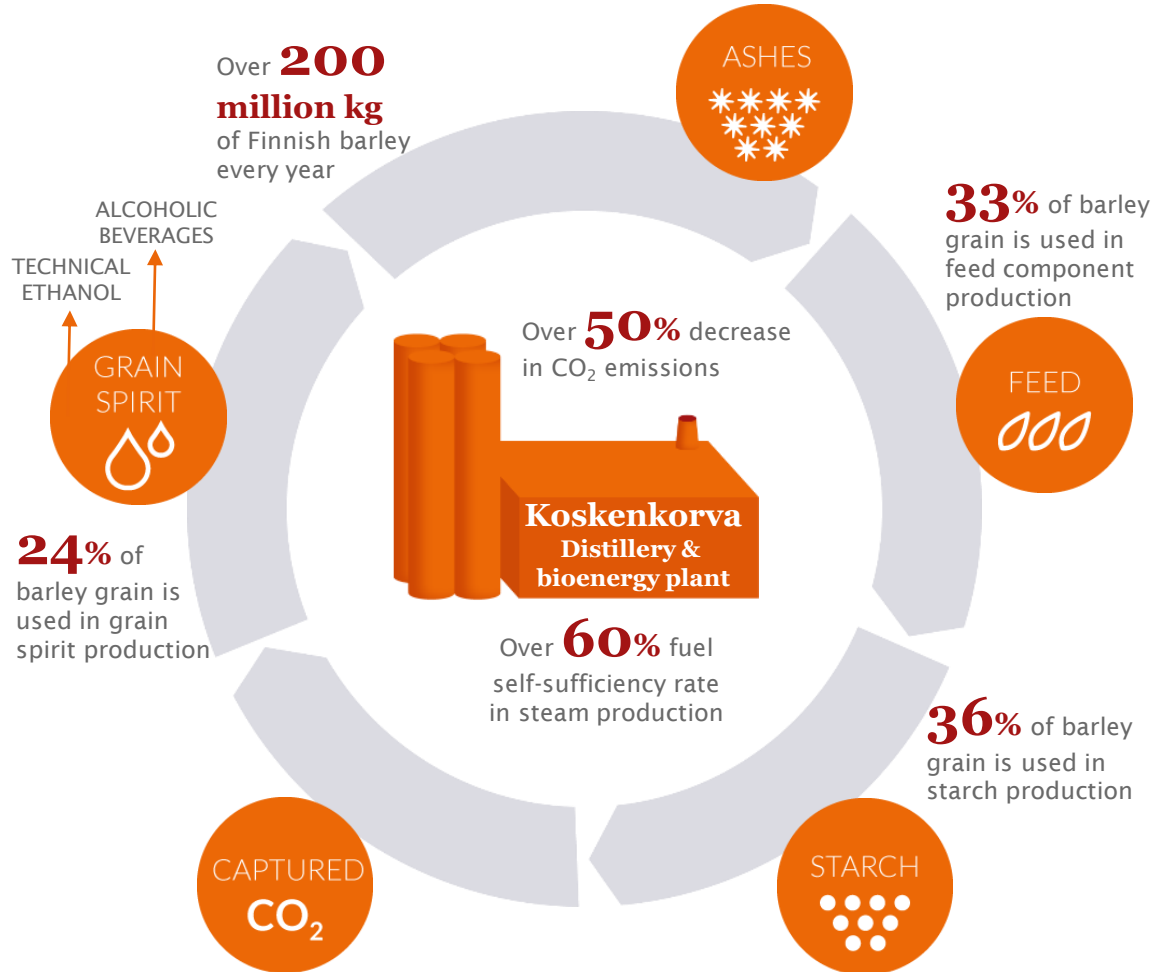
Let's drink better

Altia wants to support and co-create the development of a new, modern and responsible Nordic drinking culture



Sustainability and high quality raw materials are key elements of our brands

Finnish farmers and circular economy of barley – high material efficiency



Spring water



- Natural, unfiltered spring water
- Protected water abstraction areas
- The same source of water has been used since operations were first established in Rajamäki in 1888

Bulk wine & Cognac producers



- Dedicated Wine Sourcing team operates around the world in all wine regions
- Altia is committed to sustainable wine sourcing
- The production of Renault and Larsen Cognac is handled locally

Packaging



- The design of packaging takes into account the environmental attributes and recyclability of the materials used
- Forerunner in innovative, ecological and smart packaging such as PET bottles and bag-in-boxes
- Audits at raw material and packaging material suppliers

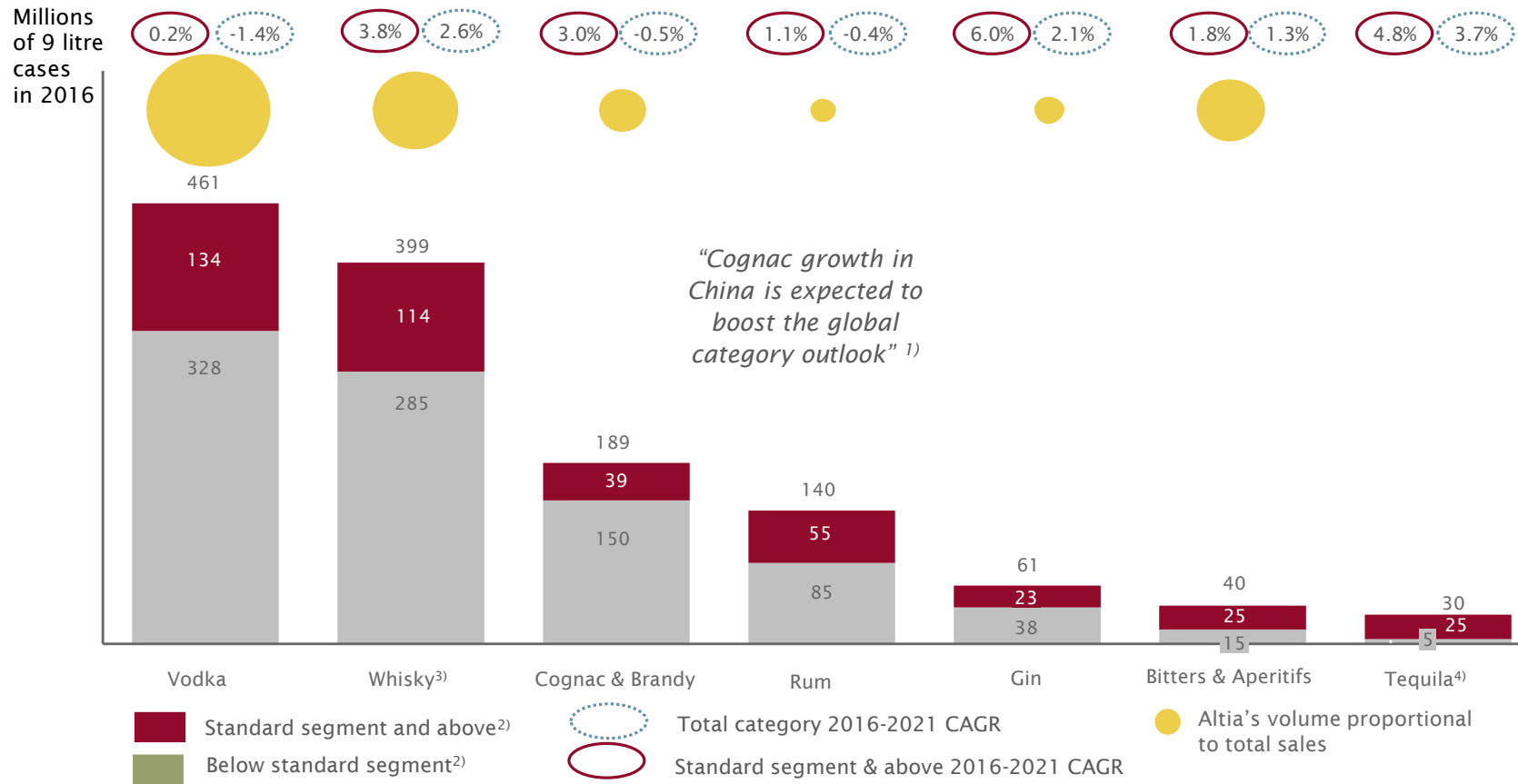


ALTIA

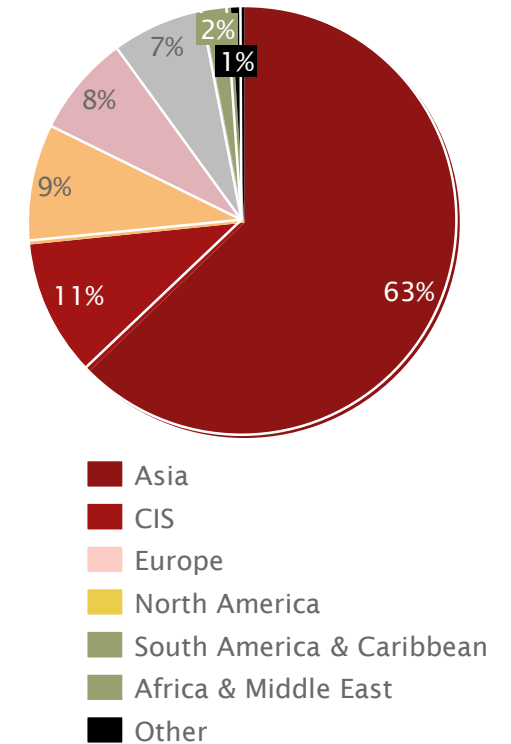
Market & trends

Globally, premiumisation is driving growth in all large spirits categories

Global spirits market by category⁵⁾



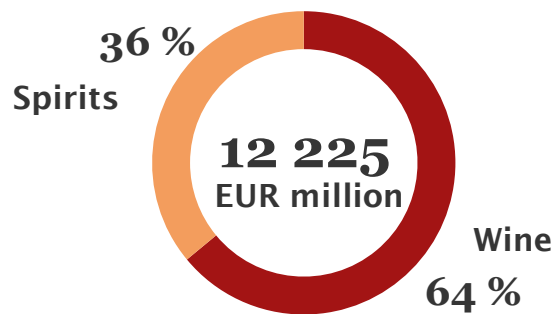
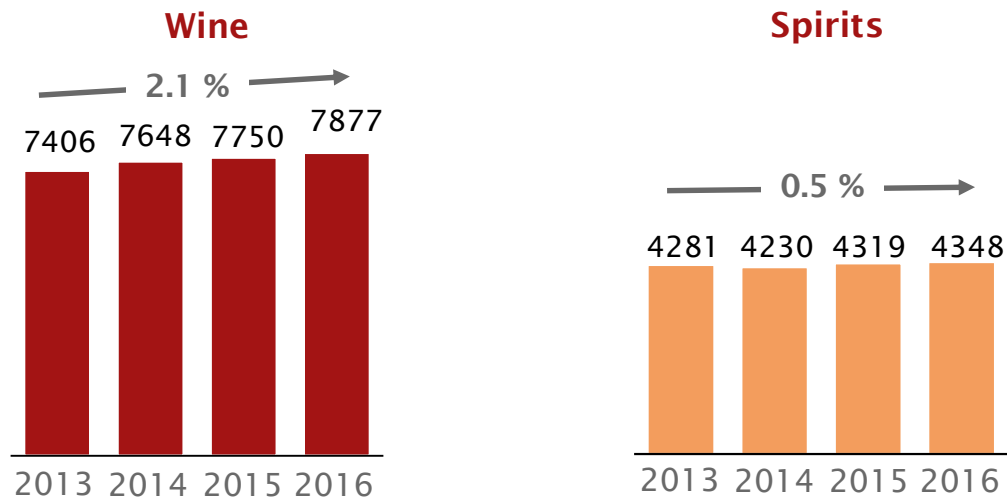
Global spirits volume by geography in 2016⁵⁾



1) Source: Euromonitor; 2) Standard segment and above includes Prestige, Ultra-premium, Super-premium, Premium and Standard classes. Below standard segment includes Value and Low-price segments; 3) In Whisky, the standard segment and above figure includes Scotch, US and Irish Whisky, while the rest are included in the below standard segment; 4) Includes mezcal; 5) Volume based; Source: IWSR

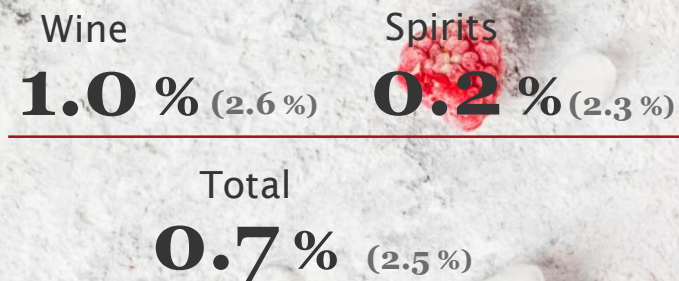
We operate in the large and non-cyclical Nordic wine and spirits market

Nordic wine and spirits market development (EUR million)¹⁾



Market value growth outlook

2017-2021¹⁾ (outlook 2018-2022²⁾
(Finland, Sweden, Norway, Denmark)



Wine category is expected to remain as a growth engine of the Nordic wine and spirits market while consumer trends create pockets of growth in the stable spirits market

1) Source: Euromonitor International Ltd. Alcoholic Drinks data 2017 edition (May 2017). All Euromonitor data calculated in EUR with fixed exchange rates and current prices.
2) Source: Euromonitor International Ltd. Alcoholic Drinks data 2018 edition (May 2018)

Innovation is facing a new consumer landscape that will have a major impact to the business in the coming years

- The strongest global narratives for drinks industry in 2018 are transparency, sustainability and health.
- If you create something that benefits the environment as well as people, people will be more likely to change their behaviour.
- Brands must embrace their role as educators and address both consumers' needs and the needs of our planet.
- Globally, alcohol consumption is declining. Global spirits consumption is on the rise, thanks to growth in the gin, tequila and whiskey markets.
- As the spirits market becomes increasingly crowded, new launches are challenging convention, borrowing for example from the world of wine by focusing on both ingredients and the terroir in which they are produced. Experiences become even bigger consumer needs.

As consumers demand more transparency across sectors, the food and drink industry cannot just pay lip service through clever marketing

*Martin Raymond,
Co-founder
The Future
Laboratory*

Our brand portfolio is well positioned to capture the growth pockets created by key market trends



Authenticity

- CONNOISSEURSHIP
- LOCALITY, PROVENANCE AND HERITAGE
- CRAFTSMANSHIP

In an uncertain and changing world, consumers seek what they can trust.

Sustainability

- ETHICAL WELLBEING
- FAIRLY TRADED
- ENVIRONMENTAL RESPONSIBILITY
- TRANSPARENCY

*Consumers favour environmentally friendly packaging
Recyclability is more important than ever*

Health consciousness

- BALANCED LIFE
- CLEAN CULTURE MOVEMENT
- FRESHNESS AND SIMPLICITY
- NATURAL INGREDIENTS

*There is an increasing demand for low and non-alcoholic, lower sugar products
Natural ingredients become more important*

Premiumisation

- QUALITY ALL AROUND
- SCARCITY IS LUXURY
- PREMIUM EXPERIENCES

Consumers seek for quality over quantity

Convenience

- ON-DEMAND
- EASY ACCESS
- CONVENIENT PACKAGING

Smaller serving sizes and ready to drink solutions as well as easy to serve and share

A top-down view of a rustic wooden surface. In the top left, there is a sprig of green rosemary. In the top right, a small wooden bowl is filled with dark blueberries, with a few more scattered on the surface. In the bottom right, a clear glass is filled with water and several ice cubes. The text 'ALTIA' is written in a white, serif font in the center-left, and 'Strategy' is written in a bold, black, sans-serif font below it.

ALTIA

Strategy

The core of our strategy is to deliver profitable growth



Commercial battles

1 Grow Nordic Core Brands

- Expand into new geographical markets
- Innovate into new occasions and consumer segments

2 Execute a step change in wines

- Grow wine segment with innovations and higher level of co-operation with partners
- Focus on Sweden and Finland - monopoly channel

3 Strengthen strategic partnerships

- Expand and develop new business and co-operation models
- Growth through innovations and co-operation models

4 Channel expansion and development

- Retail
- E-commerce and other digital platforms

5 Fund and enable growth – continuous improvement of overall efficiency

- Efficiencies and new capabilities in the supply chain
- Organisational ways of working through simplification and digitalisation
- Product portfolio optimisation
- Continuous development of co-operation and industrial products offering

Active brand portfolio management

Altia continues to focus on active brand portfolio management, potential selective acquisitions and/or divestments

We see that our best-in-class innovation generates topline growth

INNOVATION OPENS UP ATTRACTIVE AND TANGIBLE OPPORTUNITIES TO GROW ORGANICALLY



Re-design
&
re-packaging



Line extensions of
existing brands and
products



Premiumisation



New brands and
product launches to
the market



viinimaa

Innovative
marketing and new
business models

Our offering in the newly opened Finnish retail channel



ALTIA

31.8.2018

International expansion provides upside potential

HIGH-QUALITY DISTRIBUTION AGREEMENTS HAVE BEEN SIGNIFICANT MILESTONES FOR OUR EXPORT AMBITIONS

Recent export contracts



- The U.S is the second largest **vodka** market in the world
- The category has grown at around 2.7% CAGR in 2011-2016 and is expected grow at around 0.3% CAGR over 2016-2021¹⁾

- The growing gin trend in Europe has increased interest in other spiced spirits such as **aquavit**, which is expected to benefit from authenticity and heritage movements²⁾

- China is the second largest **cognac** market in the world and important especially in high end brands
- The cognac market in China is expected to grow at around 3.0% CAGR over 2016-2021¹⁾

- 1 Exports possess significant additional sales potential as the current global consumer trends fit well into Altia's Nordic core brand portfolio
- 2 Cost-efficient and low risk exports strategy through distribution partnerships
- 3 Strengthened innovation platform further supports export growth

1) Source: IWSR;
2) Source: Management Consultant Analysis

Our financial targets aim towards stable shareholder returns

Net sales growth	+2 % CAGR	<ul style="list-style-type: none">• Altia's target is to achieve an annual net sales growth of 2 per cent over time (CAGR)
Comparable EBITDA margin	15 %	<ul style="list-style-type: none">• Comparable EBITDA margin target to reach 15 per cent in the long-term
Net debt / comparable EBITDA	<2.5x	<ul style="list-style-type: none">• Altia's target is to keep reported net debt in relation to comparable EBITDA below 2.5x in the long-term
Dividend policy	≥60 % of the result for the period	<ul style="list-style-type: none">• Altia aims to pursue an active dividend policy, and the result for the period not considered necessary to grow and develop the company will be distributed to the shareholders

Thank you!

www.altiagroup.com



Appendices



Crop production forecast



31.8.2018

Satoarviot, tilanne 27.8.2018

Skördeuppskattning, situationen 27.7.2018

Crop production forecast 27.8.2018

Viljelykasvi	2018e			2017			2018e - 2017		Keskisato Skörden i medeltal Average yield 2008 - 2017 kg/ha
	Ala Areal Area 4)	Sato Skörd Yield 5)		Ala Areal Area 6)	Sato Skörd Yield 6)		Muutos Förändring Difference 7)	% 8)	
Crop	1 000 ha	milj. kg kg/ha million kg		1 000 ha	milj. kg kg/ha million kg		million kg	%	
Vehnä - Vete - Wheat ¹⁾	180,7	2 920	528,0	194,3	4 130	802,0	-273,9	-34 %	3 890
Syysvehnä - Höstvetete - Winter wheat	11,2	3 130	35,1	34,5	4 450	153,3	-118,2	-77 %	4 110
Kevätvehnä - Vårvetete - Spring wheat ¹⁾	169,5	2 910	493,0	159,8	4 060	648,7	-155,7	-24 %	3 840
Ruis - Råg - Rye ²⁾	17,3	2 820	48,8	28,9	3 920	8,0	-64,7	-57 %	2 980
Ohra - Korn - Barley ¹⁾	409,4	2 990	1 223,4	358,3	4 070	1 460,1	-236,7	-16 %	3 650
Kaura - Havre - Oats ¹⁾	298,0	2 910	868,6	269,5	3 760	1 013,9	-145,4	-14 %	3 410
Seosvilja - Blandsäd - Mixed crops ¹⁾	14,4	3 150	45,5	10,1	2 850	28,9	16,6	58 %	2 850
Viljat yhteensä - Säd totalt - Grain total ¹⁾	919,8	2 950	2 714,3	861,2	3 970	3 418,4	-704,1	-21 %	3 590
Tuorevilja - Färsk spannmål - Cereals harvested green ³⁾	117,0	117,1
Rypsi - Rybs - Turnip rape	27,5	1 210	33,3	23,7	1 290	30,6	2,7	9 %	1 290
Rapsi - Raps - Rape	30,8	1 520	46,9	31,5	1 920	60,6	-13,7	-23 %	1 740
Peruna - Potatis - Potatoes	21,7	23 170	502,7	21,2	28 860	611,9	-109,2	-18 %	26 790
Sokerijuurikas - Sockerbeta - Sugar beet	10,3	33 880	349,0	11,8	36 550	430,3	-81,3	-19 %	38 480
Herne - Ärtor - Peas	7,6	2 250	17,1	4,2	2 180	9,1	2,0	89 %	2 380
Härkäpapu - Bondböna - Broad bean	18,8	1 930	36,1	16,1	2 090	33,7	2,5	7 %	2 270
Kuivaheinä - Torrhö - Hay	104,0	2 980	309,6	86,6	3 390	293,3	16,3	6 %	3 510
Säilörehu - Ensilage - Silage	579,8	10 360	6 005,1	551,9	12 290	6 783,5	-778,3	-12 %	15 890

¹⁾ Ei sisällä tuoreena korjattua (kokoviljasäilörehu, tuoresäilövilja ja säilörehu) - Exkl. skördad färsk (helsädesensilage, ensilerad spannmål, ensilage) - Excl. Plants harvested green.

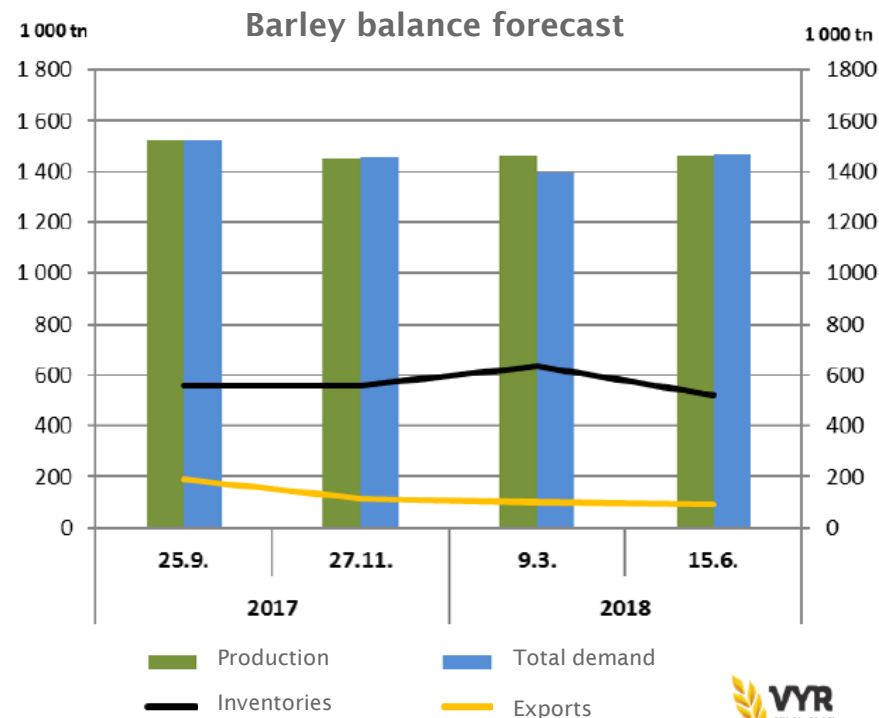
²⁾ Sisältää syys- ja kevätrukiin - Inkl. höst- och vårråg - Incl. winter and spring rye

³⁾ Sisältää kokoviljasäilörehun ja tuoresäilöviljan: kevätvehnä, ohra, kaura ja seosvilja - Inkl. helsädesensilage och ensilerad spannmål: vårvetete, korn, havre och blandsäd - Incl. cereals harvested green e.g. spring wheat, barley, oats and mixed crops

⁴⁾ Viljelyala: Käytössä oleva maatalousmaa 2018, 17.7.2018. - Odlingsareal: Utnyttjad jordbruksareal 2018, 17.7.2018. - Cultivated area: Utilised Agricultural area 2018, July 17th 2018

⁵⁾ Hehtaarisatoarvio perustuu ProAgrian asiantuntijoiden antamiin kuntakohtaisiin arvioihin - De hektarvisa skördeprognoserna baserar sig på bedömningar i olika kommuner gjorda av ProAgrias experter - The estimated yields per hectare are based on municipality-specific estimates provided by ProAgria Advisory Centres

⁶⁾ Korjattu ala - Skördad areal - Harvested area



Lähde: Luken ja VYR:n viljatasearviot



Lähde: SVT: Luonnonvarakeskus, Satotilasto

Source: OSF: Natural Resources Institute Finland, Crop Production Statistics

31.8.2018

New accounting standards: IFRS 16 Leases

NOT SIGNIFICANT IMPACT ON ALTIA

- Based on the Altia's preliminary impact assessment the implementation of IFRS 16 will increase the property, plant and equipment in its balance sheet.
- Altia does not expect the impact to be significant due to the nature and moderate number of off-balance sheet leases.
- At the 30 June 2018, the off the balance sheet lease obligations amounted to EUR 14.6 million.
- In the consolidated income statement, the operating expense will decrease while depreciation and interest costs will reflect an increase as the lease expense is no longer classified as an operating expense. This will lead to an improvement in EBITDA by approximately EUR 4-5 million.
- Altia expects to implement the standard by using a simplified approach where comparative figures will not be restated. The Group is in process to further assess its lease portfolio and quantifying the impact of adopting IFRS 16 and will continue to report on the expected impact in its financial reports.

Key ratios

EUR million		Q2 18	Q2 17	H1 18	H1 17	2017
Income statement						
Net sales	EUR million	87.1	91.3	160.6	164.6	359.0
Comparable EBITDA	EUR million	8.7	9.2	13.8	13.4	42.4
% of net sales	%	9.9	10.0	8.6	8.2	11.8
EBITDA	EUR million	8.3	9.0	9.3	12.8	40.3
Comparable operating result (EBIT)	EUR million	5.2	5.6	6.8	6.3	28.2
% of net sales	%	5.9	6.1	4.2	3.9	7.8
Operating result	EUR million	4.8	5.4	2.3	5.7	26.1
Result before taxes	EUR million	4.2	5.0	2.0	5.7	25.0
Result for the period	EUR million	3.6	3.9	1.7	4.7	18.3
Items affecting comparability	EUR million	-0.4	-0.2	-4.5	-0.6	-2.1
Balance sheet						
Cash and cash equivalents	EUR million			25.7	45.1	52.4
Total equity	EUR million			136.4	184.1	136.8
Borrowings	EUR million			103.1	72.7	100.1
Invested capital	EUR million			239.5	256.8	236.9

EUR million		Q2 18	Q2 17	H1 18	H1 17	2017
Profitability						
Return on equity (ROE), rolling 12 months	%			11.2	18.9	11.1
Return on invested capital (ROI), rolling 12 months	%			7.2	14.3	8.0
Financing and financial position						
Net debt	EUR million			77.4	27.7	47.7
Gearing	%			56.7	15.0	34.9
Equity ratio	%			35.2	45.5	34.3
Net cash flow from operating activities	EUR million	0.3	14.0	-26.7	-7.1	37.6
Net debt/comparable EBITDA, rolling 12 months				1.8	0.6	1.1
Share-based key ratios						
Earnings per share	EUR	0.10	0.11	0.05	0.13	0.51
Equity per share	EUR			3.77	5.12	3.80
Personnel						
Average number of personnel		742	783	723	784	762

Consolidated income statement

EUR million	Q2 18	Q2 17	H1 18	H1 17	2017
NET SALES	87.1	91.3	160.6	164.6	359.0
Other operating income	2.0	1.6	3.5	3.0	8.3
Materials and services	-49.1	-52.2	-91.0	-93.2	-202.0
Employee benefit expenses	-12.9	-13.2	-27.1	-26.5	-52.0
Other operating expenses	-18.8	-18.5	-36.7	-35.1	-72.9
Depreciation, amortisation and impairment	-3.5	-3.5	-7.0	-7.1	-14.2
OPERATING RESULT	4.8	5.4	2.3	5.7	26.1
Finance income	0.8	1.6	1.6	1.8	4.5
Finance expenses	-1.4	-2.0	-2.8	-2.7	-6.4
Share of profit in associates and income from interests in joint operations	0.0	0.0	0.9	0.9	0.9
RESULT BEFORE TAXES	4.2	5.0	2.0	5.7	25.0
Income tax expense	-0.7	-1.1	-0.3	-1.1	-6.7
RESULT FOR THE PERIOD	3.6	3.9	1.7	4.7	18.3
Result for the period attributable to:					
Owners of the parent	3.6	3.9	1.7	4.7	18.3

Consolidated balance sheet

EUR million	30 Jun 2018	30 Jun 2017	2017
ASSETS			
Non-current assets			
Goodwill	80.1	82.8	82.1
Other intangible assets	31.8	36.0	34.4
Property, plant and equipment	66.5	69.3	67.4
Investments in associates and interests in joint operations	7.6	7.6	7.6
Available-for-sale financial assets	1.4	0.8	1.4
Other receivables	-	-	1.0
Deferred tax assets	0.9	5.0	1.0
Total non-current assets	188.4	201.5	194.8
Current assets			
Inventories	109.6	101.6	94.5
Trade and other receivables	59.7	53.3	53.9
Current tax assets	4.7	2.8	2.8
Cash and cash equivalents	25.7	45.1	52.4
Total current assets	199.6	202.7	203.6
TOTAL ASSETS	388.0	404.2	398.4

EUR million	30 Jun 2018	30 Jun 2017	2017
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	60.5	60.5	60.5
Invested unrestricted equity fund	1.2	-	-
Fair value reserve	0.6	-	0.6
Hedge reserve	0.6	-1.3	-0.3
Translation differences	-20.5	-13.8	-16.0
Retained earnings	94.0	138.7	92.0
Total equity	136.4	184.1	136.8
Non-current liabilities			
Deferred tax liabilities	16.7	20.3	17.7
Borrowings	83.4	64.9	89.1
Provisions	-	-	-
Employee benefit obligations	1.4	1.7	1.3
Total non-current liabilities	101.5	86.9	108.2
Current liabilities			
Borrowings	19.7	7.8	11.0
Provisions	-	0.4	-
Trade and other payables	127.5	122.7	137.4
Current tax liabilities	2.9	2.3	5.0
Total current liabilities	150.1	133.2	153.4
Total liabilities	251.6	220.1	261.6
TOTAL EQUITY AND LIABILITIES	388.0	404.2	398.4

Cash flow from operations

EUR million	Q2 18	Q2 17	H1 18	H1 17	2017
CASH FLOW FROM OPERATING ACTIVITIES					
Result before taxes	4.2	5.0	2.0	5.7	25.0
Adjustments					
Depreciation, amortisation and impairment	3.5	3.5	7.0	7.1	14.2
Share of profit in associates and income from investments in joint operations	-0.0	0.0	-0.9	-0.9	-0.9
Net gain on sale of non-current assets	-0.4	-0.0	-0.5	-0.0	-1.6
Finance income and costs	0.6	0.4	1.2	0.9	1.9
Other adjustments	-0.0	-0.2	0.1	0.0	0.5
	3.6	3.8	6.8	7.0	14.1
Change in working capital					
Change in inventories, increase (-) / decrease (+)	-8.8	0.5	-15.6	-5.6	1.2
Change in trade and other receivables, increase (-) / decrease (+)	-6.3	-3.0	-4.6	10.4	9.4
Change in trade and other payables, increase (+) / decrease (-)	9.1	10.7	-9.7	-18.9	-2.6
Change in provisions, increase (+) / decrease (-)	-	-0.3	-	-0.9	-1.3
Change in working capital	-6.0	7.9	-29.8	-15.0	6.7
Interest paid	-0.4	-0.5	-0.6	-0.9	-1.7
Interest received	0.0	0.1	0.1	0.1	0.3
Other finance income and expenses paid	-0.0	-0.9	-0.8	-1.0	-2.2
Income taxes paid	-1.2	-1.4	-4.4	-3.1	-4.6
Financial items and taxes	-1.6	-2.7	-5.7	-4.9	-8.2
NET CASH FLOW FROM OPERATING ACTIVITIES	0.3	14.0	-26.7	-7.1	37.6

Quarterly net sales and comparable EBITDA by segment

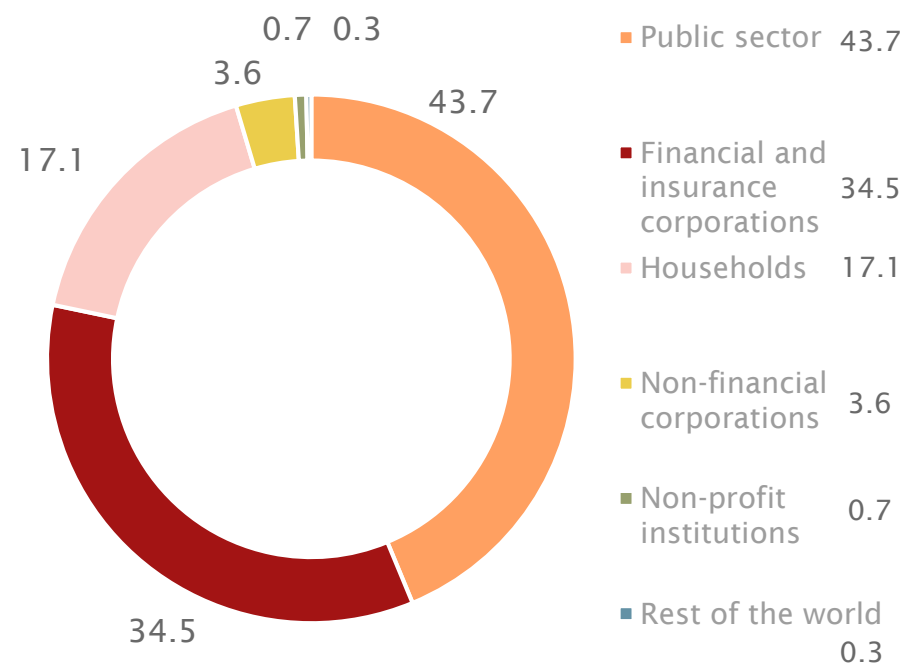
Net sales by segment

EUR million	Q2 18	Q1 18	Q4 17	Q3 17	Q2 17	Q1 17	Q4 16	Q3 16	Q2 16	Q1 16
Finland & Exports	35.4	27.1	40.7	31.4	35.7	26.0	41.1	31.6	33.9	27.3
Scandinavia	27.4	22.5	44.4	26.5	29.7	23.2	45.9	26.7	30.0	25.0
Altia Industrial	24.2	24.0	24.7	26.5	25.9	24.2	24.0	25.6	22.7	22.9
Total	87.1	73.5	109.8	84.5	91.3	73.4	111.0	83.9	86.6	75.1

Comparable EBITDA by segment

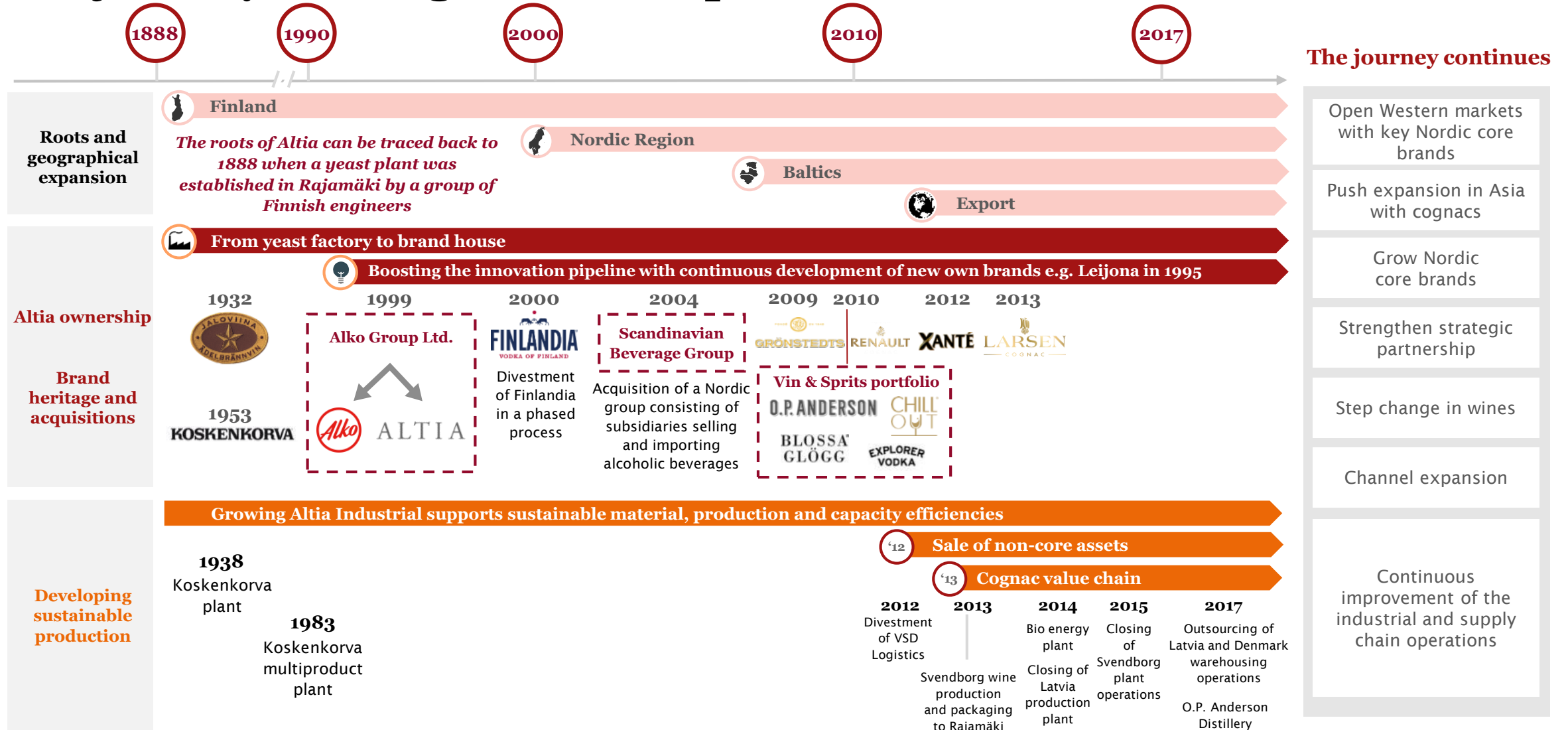
EUR million	Q2 18	Q1 18	Q4 17	Q3 17	Q2 17	Q1 17	Q4 16	Q3 16	Q2 16	Q1 16
Finland & Exports	4.6	3.4	7.2	4.0	5.2	3.1	7.7	4.5	4.3	3.6
Scandinavia	1.5	-0.1	8.9	1.0	2.1	-0.5	9.0	1.0	0.7	-0.3
Altia Industrial	2.5	1.4	3.7	4.5	2.6	1.6	2.6	3.4	2.6	-0.2
Other	0.2	0.4	-1.3	0.9	-0.8	0.1	-0.5	1.6	0.2	0.6
TOTAL comparable EBITDA	8.7	5.2	18.5	10.4	9.2	4.3	18.9	10.5	7.8	3.6
Items affecting comparability	-0.4	-4.1	-2.2	0.7	-0.2	-0.5	15.7	1.6	2.8	-0.1
EBITDA	8.3	1.1	16.3	11.1	9.0	3.8	34.6	12.1	10.6	3.6
Depreciation, amortisation and impairment	-3.5	-3.5	-3.6	-3.6	-3.5	-3.5	-3.7	-3.6	-3.6	-3.6
Operating result	4.8	-2.5	12.7	7.6	5.4	0.3	30.9	8.5	7.0	-0.0

Shareholder structure as at 31 July 2018



Shareholders		Number of shares	% of shares
1	Prime Minister's Office	13 097 481	36.2
2	Varma Mutual Pension Insurance Company	1 200 000	3.3
3	Ilmarinen Mutual Pension Insurance Company	1 100 000	3.0
4	OP-Finland Small Firms Fund	474 779	1.3
5	Veritas Pension Insurance Company Ltd.	400 000	1.1
6	Mandatum Life Unit-Linked	281 052	0.8
7	Säästöpankki Pienyhtiöt	275 481	0.8
8	Säästöpankki Kotimaa	150 000	0.4
9	Sijoitusrahasto Taaleritehdas Arvo Markka Osake	120 000	0.3
10	Oy Leo Longlife Finance	101 361	0.3
Top 10 total		17 200 154	47.6
Nominee-registered shares		11 323 511	31.3

Our journey to being the Nordic powerhouse and market leader



Our consumer brand segments reflect customer similarities and consumer habits

Scandinavia



- Net sales of EUR 123.7m and comparable EBITDA margin of 9.3% in 2017
- 86 full-time employees at the end of 2017
- Segment head Janne Halttunen
- The wine category is relatively popular compared to Finnish and Baltic markets, which is reflected in the segment's strategic focus

Local heritage brands



Key focus areas:

Growing presence in the wine market by responding to consumption habits

Strengthening strategic partnerships and cooperation throughout the value chain

Expanding presence in sales channels

Net sales split 2017¹⁾



Finland & Exports



- Net sales of EUR 133.9m and comparable EBITDA margin of 14.6% in 2017
- 96 full-time employees at the end of 2017
- Segment head Kari Kilpinen
- The strategic focus follows the region's consumption habits, which have traditionally been skewed towards spirits

Local heritage brands



Key focus areas:

Enhancing strong brand equity in spirits through innovation

Capturing untapped potential from wine market through cooperation with producers

Growing exports through distribution partnerships

Net sales split 2017¹⁾



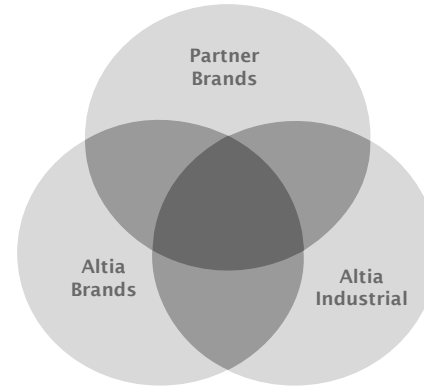
1) The breakdown of net sales by product category and by brands is based on unaudited internal sales reporting. In 2017, net sales in the internal sales reporting differed from the reported numbers by EUR 1.3m. The difference was mainly caused by the different FX treatment.

Altia Industrial takes care of the supply chain and provides Industrial Services and Products to customers

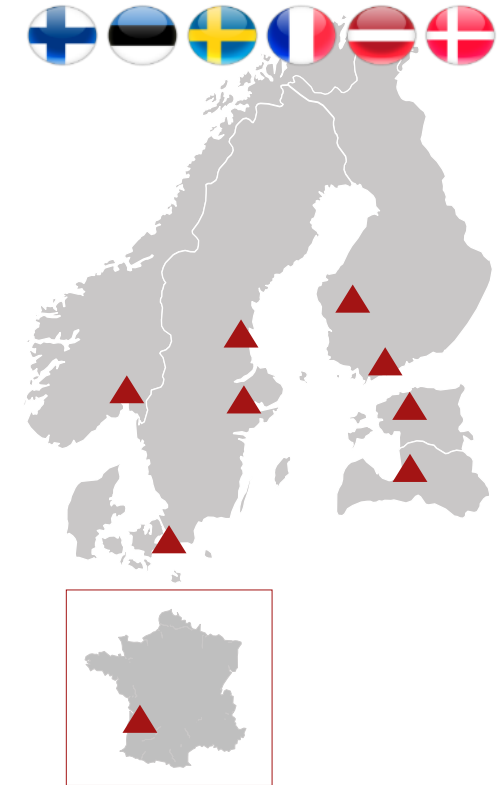
Introduction to the segment

- Net sales of EUR 101.3m and comparable EBITDA margin of 12.3% in 2017
- 405 full-time employees at the end of 2017
- Segment head Hannu Tuominen
- Industrial Services
 - Production and warehousing services
- Industrial products
 - Finnish barley is the focus of operations: barley starch, grain sprits, technical ethanols, naturet geothermal fluids and feed components are produced
- Supply chain
 - Distillation, Bottling and Customer Service & Logistics make up the supply chain processes

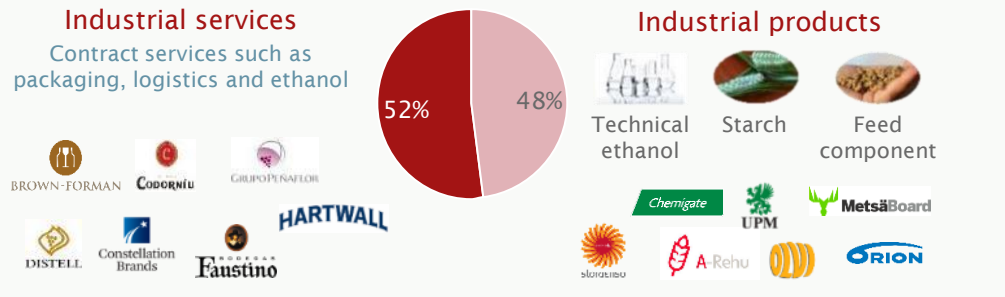
Highly integrated operating model ensuring first class efficiency



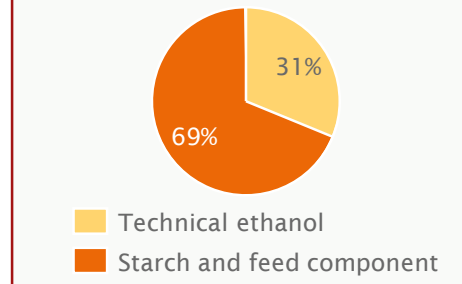
Supply chain footprint



Net sales 2017 by category¹⁾



Net sales 2017 industrial products split²⁾



Altia's core expertise includes processing and developing renewable agricultural raw materials into innovative end products

1) The breakdown of net sales by Industrial services and industrial products is based on accounting and is unaudited; 2) The breakdown of net sales by technical ethanol and starch and feed component is based on unaudited internal sales reporting

We have a proven executive management team



A Pekka Tennilä
CEO

C Janne Halttunen
SVP, SCANDINAVIA

E Hannu Tuominen
SVP, ALTIA INDUSTRIAL

G Kirsi Puntila
SVP, MARKETING

B Matti Piri
SVP, CFO

D Kari Kilpinen
SVP, FINLAND & EXPORTS

F Kirsi Lehtola
SVP, HR

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