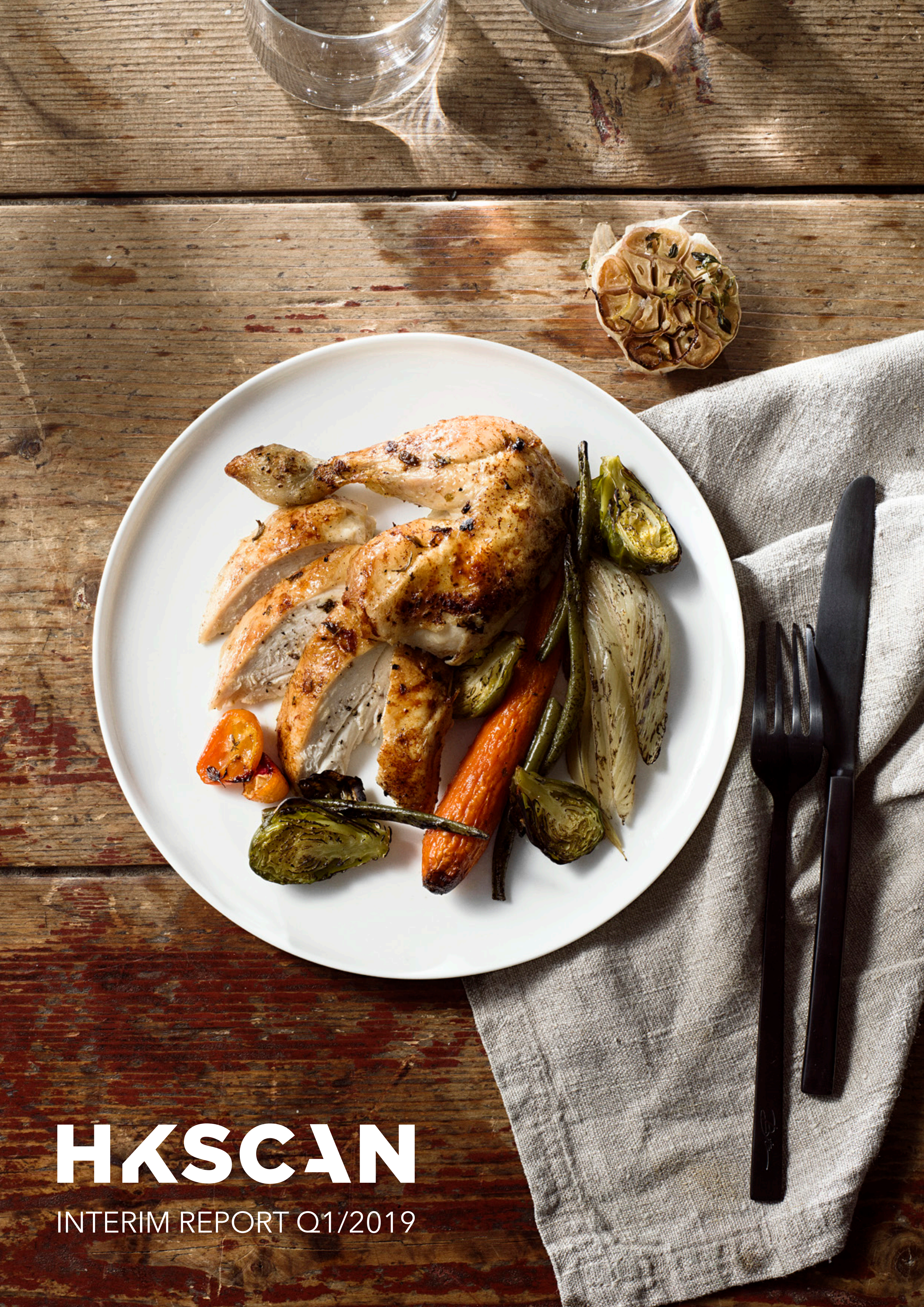


HKSCAN

INTERIM REPORT Q1/2019

HKScan Group's Interim Report 1 January–31 March 2019:

The company's loss decreased clearly – balancing finances started

January–March 2019 in brief

- Net sales were EUR 401.8 (411.0) million.
- EBIT was EUR -14.7 (-18.3) million, and the EBIT margin -3.6 (-4.4) per cent. Danish asset prices were depreciated by 4,5 million after impairment testing.
- Comparable EBIT was EUR -10.1 (-18.1) million. The corresponding EBIT margin was -2.5 (-4.4) per cent.
- EPS was EUR -0.33 (-0.31).
- Cash flow before investments was EUR -15.3 (-39.9) million and before debt service EUR -26.3 (-99.8) million.
- Net debt was EUR 364.7 (358.0) million and net gearing stood at 119.8 (109.1) per cent including IFRS16 impact of 14.5 percentage points.
- Poultry business performance of market area Finland improved significantly and contributed to the Group EBIT improvement.

The figures in parentheses refer to the comparison period, i.e. the same period in the previous year, unless otherwise mentioned. Financial information presented in this report is unaudited.

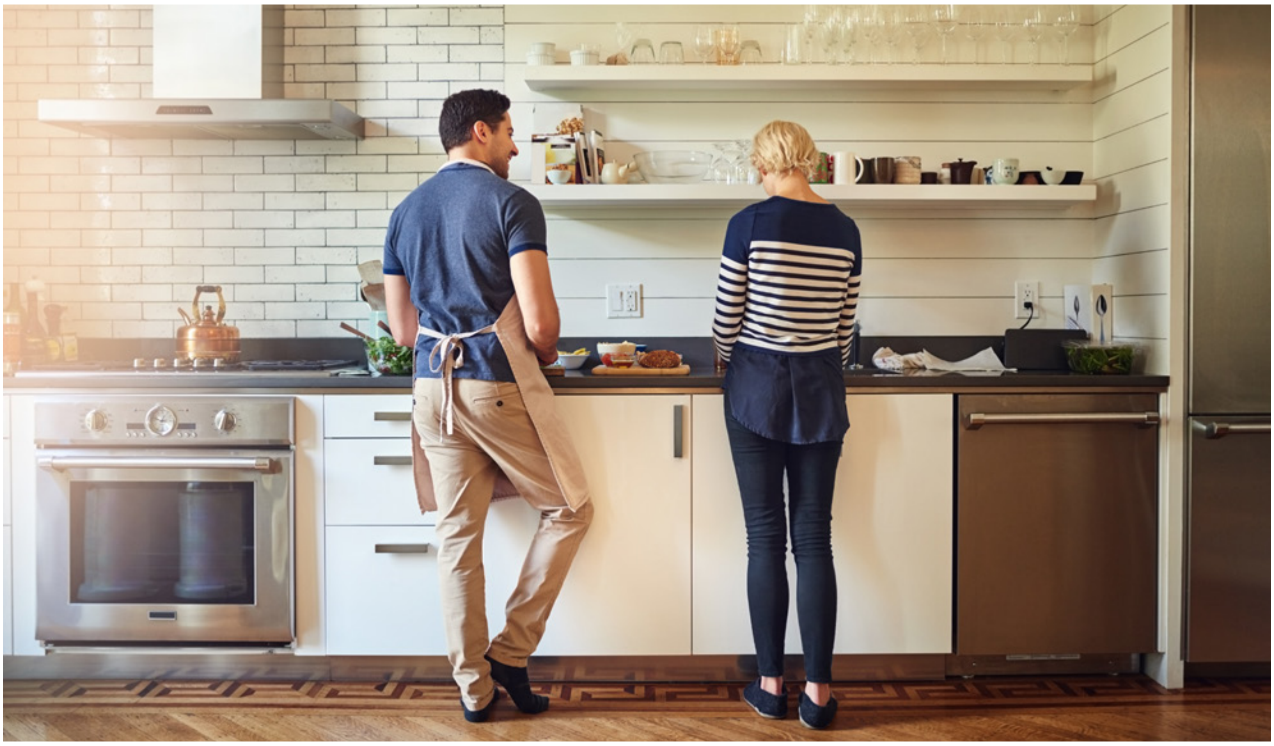
As of 1 January 2019, HKScan has adopted the new IFRS 16 Leases standard using the full retrospective method. Quarterly and full-year Group and Market Area financial information for 2018 has been restated accordingly. Additional information about the impact is disclosed in the accounting policies.

Outlook 2019 (Revised on 8 May 2019)

Global meat consumption is projected to increase during the coming years. Within HKScan's home markets, consumption growth is estimated to be led by poultry and meal categories, while demand in other categories is expected to remain stable. HKScan expects its improvement programmes and other corrective actions to start recording results in 2019 and the company's comparable EBIT is expected to improve clearly from the previous year.

Outlook for 2019 (Previous)

Global meat consumption is projected to increase during the coming years. Within HKScan's home markets, consumption growth is estimated to be led by poultry and meal categories, while demand in other categories is expected to remain stable. HKScan expects its improvement programmes and other corrective actions to start recording results in 2019.



Key figures, Q1

EUR million	1-3/2019	1-3/2018	2018
Net sales	401.8	411.0	1,715.4
EBIT	-14.7	-18.3	-48.3
- % of net sales	-3.6	-4.4	-2.8
Profit/loss before taxes	-17.4	-20.7	-58.5
- % of net sales	-4.3	-5.0	-3.4
Profit/loss for the period	-16.9	-16.7	-51.3
- % of net sales	-4.2	-4.1	-3.0
Comparable EBIT	-10.1	-18.1	-46.3
- % of net sales	-2.5	-4.4	-2.7
Comparable profit/loss before taxes	-12.8	-20.5	-56.5
- % of net sales	-3.2	-5.0	-3.3
EPS, EUR	-0.33	-0.31	-1.00
Cash flow before investments	-15.3	-39.9	-3.4
Cash flow before debt service	-26.3	-99.8	-95.4
Cash flow before financing activities	-27.9	-101.4	-104.1
Return on capital employed (ROCE) before taxes, %	-6.1	-7.5	-6.7
Net debt	364.7	358.0	335.6
Net gearing, %	119.8	109.1	103.3

Tero Hemmilä, HKScan's CEO

HKScan's first quarter result was negative but improved clearly from the comparison period. We are not satisfied with the results reported today, but we see the root causes of the weak financial performance and continue to implement the agreed resolute actions for correcting our financial performance.

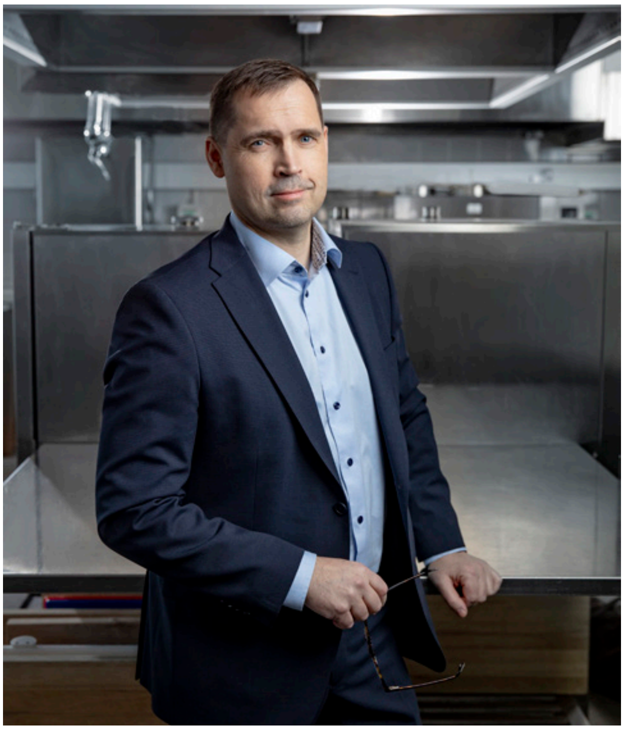
The cost saving and development actions started and boosted after the beginning of the year, together with the actions begun last year, started to record results. The most significant factors affecting the improved financial performance were the positive development of our Finnish poultry business and the related Rauma operations. Moreover, successful operational efficiency improvement actions in all market areas and firm cost reduction measures contributed to the result. The improved performance of the Finnish poultry business was visible in the improvement of both cash flow and EBIT. The EBITDA of the Rauma unit turned positive during the first quarter.

Pork export from Finland to China proceeded according to plan and the targets for the first year of export will be met. The strong reduction of pork production in China caused by African swine fever has increased the demand of pork in the global market and has a positive impact on the price level of export sales.

After the reporting period we announced changes in the composition of the Group Management Team. The changes became valid immediately. In accordance with the goals presented earlier, the Management Team has been strengthened with meat and food industry expertise.

The new Group Management Team has taken the helm in driving the implementation of short-term corrective measures as well as in renewing the Group strategy and related strategic focus areas. The work will continue during the spring and summer. The new Management Team is preparing a three-year programme for the company, aiming to restore its profitability to the level of leading companies in the industry. The content of the profitability improvement programme and the company's updated strategy will be communicated in late summer at the latest. Efficiency improvement programmes that have begun earlier will be incorporated in the new result improvement programme.

As stated earlier, we continue to strengthen the market area level management of both the entire meat value chain and the product portfolio. When it comes to product development we will shift the emphasis from the group-level centralised way of working towards country and market area based responsibilities, which takes better and faster into account consumers' and customers' expectations. We assume the shift to become visible in the



perceived attractiveness of our products as well as in sales development. With this change we ensure customer and consumer orientation of our business. Increasing net sales and improving productivity and cost efficiency will remain as our key focus areas when building a more solid foundation for our business. Our ambition is to restore our brand leadership position in selected categories and concentrate on developing and growing these categories. We will further increase our efforts in our sustainability work as a key part of the foundation of our business. Participation in the climate change related dialogue will increase in importance for us.

We see the poultry and meals businesses as the strategic long term development growth directions. In red meat we want to have a strong development approach and proactively respond to consumers sustainability related potential concerns. We are also openly and more widely examining our role and share in the consumer's diet and are actively assessing our business portfolio.

We are planning a share issue to secure our financial position and to strengthen our capital structure. The planned share issue would provide a strong foundation for balancing the Company's financial situation and for building future growth.

By stabilising our financial situation we develop HKScan to become an interesting company that rewards its shareholders and belongs to key food-industry players on the market.

Group net sales and performance

January–March

The Group's net sales were EUR 401.8 (411.0) million in the first quarter. Poultry sales in Finland continued to recover during the quarter thanks to the improved delivery capability and efficiency of the Rauma plant. In Sweden, net sales were close to the level of the comparison period measured in local currency but decreased in euros. This year Easter sales did not contribute to the first quarter net sales, which was visible – especially in Sweden and in Finland.

In Denmark, a slight decrease of net sales was recorded due to lower retail sales, which was partly offset by increased export and industrial sales. Market area Baltics recorded a small increase in net sales as a result of continuing growth in domestic retail sales and improved product mix.

The Group's comparable EBIT was EUR -10.1 (-18.1) million. The improvement derived mainly from the recovery of the Finnish poultry business, operational efficiency improvements at all home markets as well as group-wide savings in both personnel and administrative costs.

In Sweden, despite the negative currency effect, comparable EBIT increased from the comparison period as a result of better sales margins, operational efficiency measures and lower administration costs.

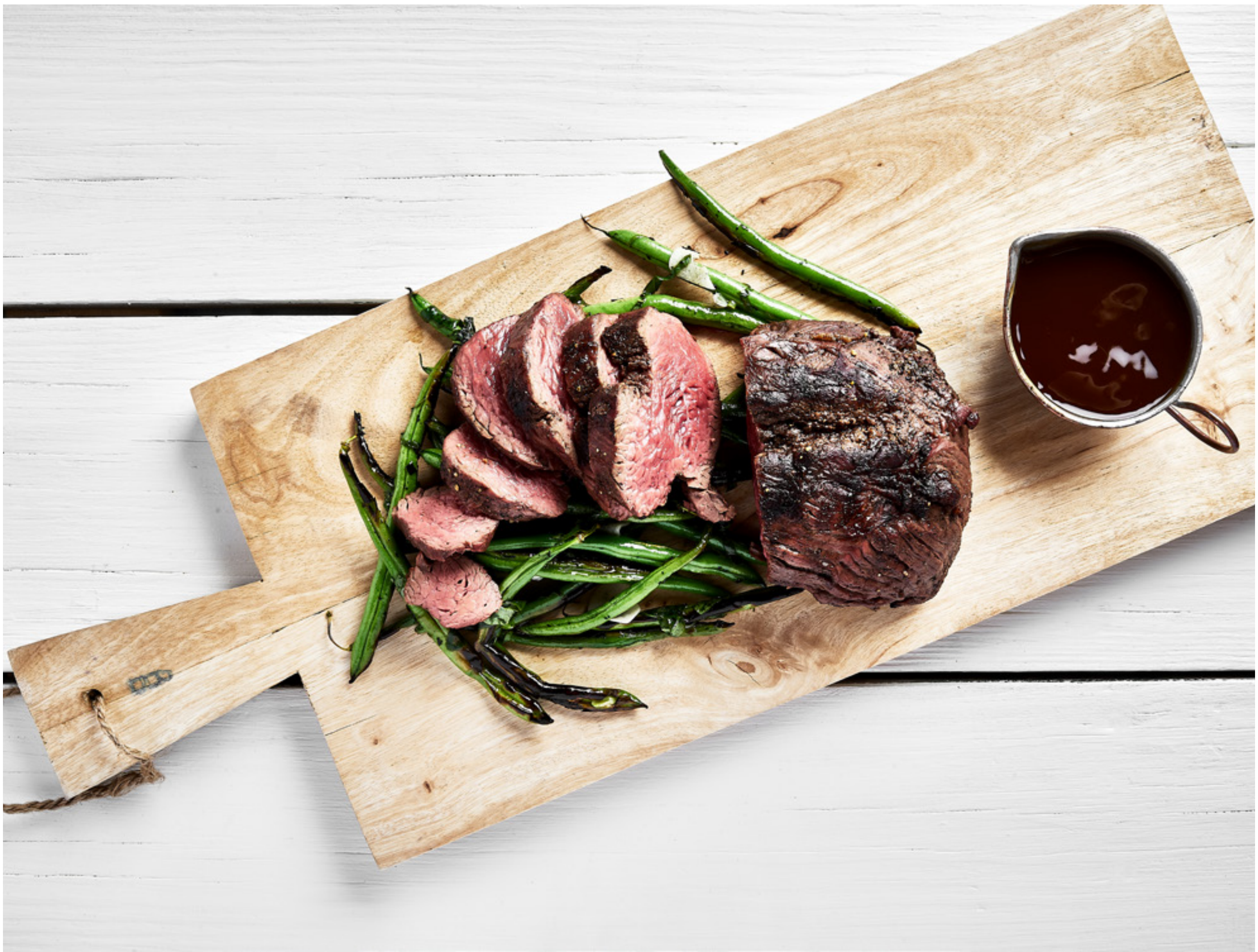
In Finland, EBIT improved as the performance of the poultry business strengthened clearly, with the business recording a slightly positive EBITDA. On top of that, operational efficiency improvements, sales price increases, as well as tight cost control contributed to the profitability improvement of market area Finland.

In Denmark, comparable EBIT decreased from the previous year despite the positive development in operational efficiency. Changes in the customer structure and sales mix as well as increased raw material costs had a negative impact on the EBIT. Changes in customer base were affecting the performance especially during the first quarter. The situation will start to improve from May onwards. After a weak start of the year, a new impairment test was conducted and as a result, asset values were depreciated by additional EUR 4.5 million.

In the Baltics, comparable EBIT improved slightly from the previous year, ending up almost on par with the comparison period. The EBIT was impacted positively by the change of biological asset revaluation and lower administrative costs that together offset higher animal raw material costs and low European meat market prices.

HKScan's pork exports from Finland to China commenced last year in April. The sales and related activities continued in line with the targeted levels and continue creating new revenue opportunities throughout the entire value chain.

In February 2019, HKScan announced its plans to improve its cost-efficiency and to assess the way of working in its Categories & Concepts function. The related statutory negotiations were started among white-collar employees and management in all HKScan's operating countries. As an outcome, HKScan's headcount reduces by 183. The actions will result in annual savings of EUR 10 million. The savings are expected to materialise on a phased basis starting in Q4 2019, gradually taking full effect at the beginning of 2020.



Market area Sweden

EUR million	1-3/2019	1-3/2018	2018
Net sales	154.3	164.0	682.1
EBIT	-1.0	-1.5	8.9
- EBIT margin, %	-0.6	-0.9	1.3
Comparable EBIT	-1.0	-1.3	9.3
- EBIT margin, %	-0.6	-0.8	1.4

Net sales were EUR 154.3 (164.0) million and comparable EBIT was EUR -1.0 (-1.3) million. Net sales decreased from the previous year mainly due to the weakened Swedish krona. In local currency, net sales were close to on par with the previous year, despite the fact that this year, the Easter sales did not contribute to the first quarter results. Sales in processed categories and meals developed positively, whereas red meat sales declined.

Despite the negative local currency effect, comparable EBIT increased from the comparison period as a result of better sales margins, operational efficiency measures and lower administration costs.

Both pork and beef animal raw material prices remained below the previous year's level due to low world market prices and surplus on the market.

Stock levels remained on the same level as in the previous year.

Market area Finland

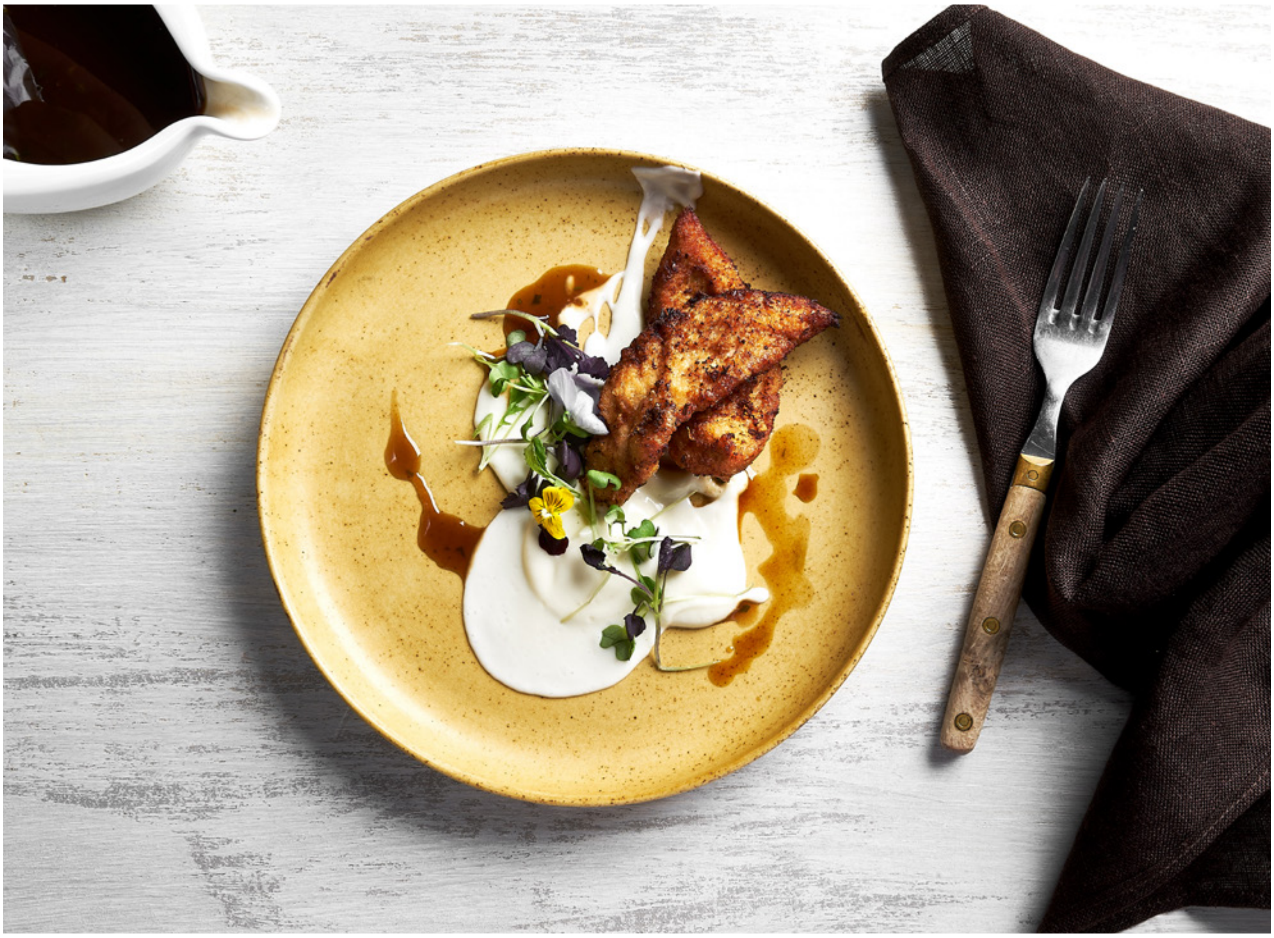
EUR million	1-3/2019	1-3/2018	2018
Net sales	173.8	174.2	721.9
EBIT	-3.0	-10.3	-36.1
- EBIT margin, %	-1.7	-5.9	-5.0
Comparable EBIT	-3.0	-10.3	-35.6
- EBIT margin, %	-1.7	-5.9	-4.9

Net sales were EUR 173.8 (174.2) million and comparable EBIT was EUR -3.0 (-10.3) million. Net sales decreased compared to the previous year due to the impact of Easter sales, which last year contributed to the first quarter net sales.

Poultry sales continued to recover as a result of the improved delivery capability and efficiency of the Rauma plant. Sales of meals developed favourably. Sales in other categories decreased from the previous year mainly due to lower sales in the red meat category. HKScan's exports from Finland to China continued in line with the targeted levels.

EBIT improved as a result of the improved performance of the poultry business, operational efficiency improvements as well as tight cost control. Sales margins also improved during the reporting period. The performance of the poultry business improved clearly, with the unit recording a slightly positive EBITDA.

Stock levels increased slightly during the quarter. Active measures to balance the inventories are ongoing via enhanced meat balance management.



Market area Denmark

EUR million	1-3/2019	1-3/2018	2018
Net sales	35.4	36.0	149.3
EBIT	-7.1	-0.8	-5.8
- EBIT margin, %	-20.1	-2.3	-3.9
Comparable EBIT	-2.6	-0.8	-5.8
- EBIT margin, %	-7.4	-2.3	-3.9

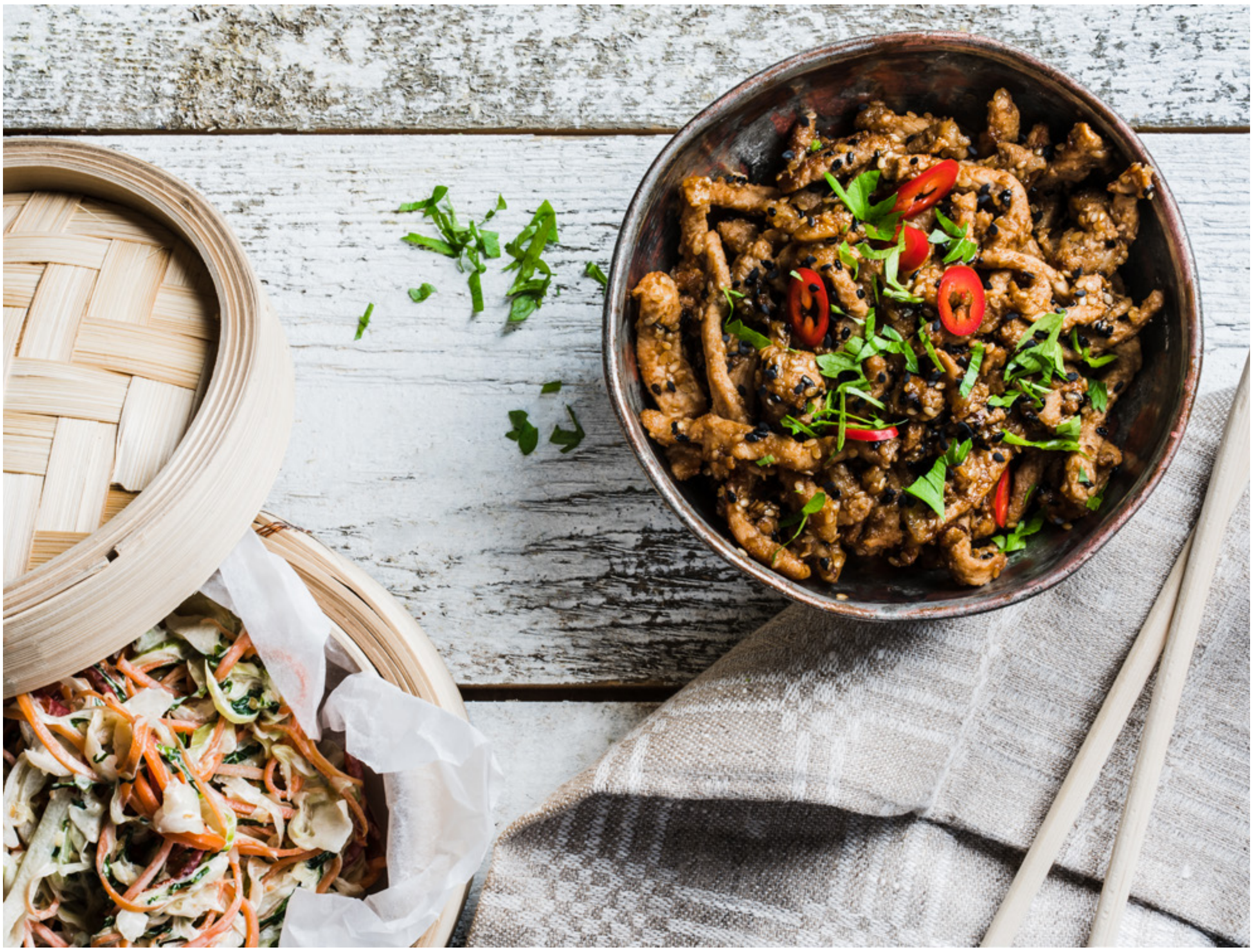
Net sales were EUR 35.4 (36.0) million and comparable EBIT was EUR -2.6 (-0.8) million.

The decrease in net sales was attributed to lower retail sales, which were partly offset by increased export and industrial sales.

Comparable EBIT decreased from the previous year despite the positive development in operational efficiency, which continued to improve during the first quarter. Changes in the customer structure and sales mix as well as increased raw material costs had a negative impact on EBIT. Stock levels recorded a slight increase during the quarter.

As a result of modest financial development, an impairment loss amounting to EUR 4.5 million has been recorded in Denmark. Impairment had no impact on cash flow.

During the upcoming spring and summer, the company will, as part of its strategy revision, carefully evaluate development needs of its Danish business operations as well as its role as a part of the business portfolio.



Market area Baltics

EUR million	1-3/2019	1-3/2018	2018
Net sales	38.3	36.8	162.1
EBIT	-0.7	-1.0	-0.7
- EBIT margin, %	-1.9	-2.6	-0.4
Comparable EBIT	-0.7	-1.0	-0.7
- EBIT margin, %	-1.7	-2.6	-0.4

Net sales were EUR 38.3 (36.8) million and comparable EBIT EUR -0.7 (-1.0) million. Net sales increased as a result of the continuing good growth in domestic retail sales and improved product mix.

Comparable EBIT improved slightly from the previous year. The EBIT was impacted positively by the lower administration costs that together with the change of biological asset revaluation (amounting to EUR 0.7 (-0.1) million), offset higher animal raw material costs and low European meat market prices.

Branded sales of processed products developed positively. The demand for poultry products also increased. The pork market remained weak, which also correlated with the related sales prices. However, towards the end of the quarter, pork prices started to increase. Stock levels increased compared with the previous year.

Revising and executing strategy

HKScan's From Farm to Fork thinking of today continues to provide a relevant approach for HKScan's future. It emphasises the company's position as a responsible and sustainability-focused food company in charge of the entire value chain. Considering the financial performance of HKScan, it is evident that the implementation of HKScan's former strategy has not generated the improvement target set for the company's profitability. That is why we have during the past month made effort to recognise the root causes for the failures made. Resolute actions are needed to correct the negative development and create the prerequisites for growth. The goal is to return profitability to the level of leading companies in the industry.

The first corrective measures are organisational. The matrix organisation has made responsibilities, including profit responsibility, unclear and slowed down decision-making. The company now strengthens the market area level profit responsibility and management. At the same time, it nevertheless leverages recognised Group-level synergies. Group administration will be tightened and organisational hierarchy reduced to introduce flexibility and speed in decision-making. The meat industry expertise of the organisation will be strengthened.

In February 2019, HKScan announced its plans to improve its cost-efficiency and to assess the way of working in its Categories & Concepts function. The related statutory negotiations were started among all white-collar employees and management at all HKScan's operating countries. As an outcome, HKScan's headcount reduces by 183. The actions will result in annual savings of EUR 10 million. The savings are expected to materialise on a phased basis starting in Q4 2019, gradually taking full effect at the beginning of 2020.

Another area under review concerns the management of the entire meat value chain. The company emphasises the determined market area-based management of the entire meat value chain. Managing the meat balance, developing the product portfolio and leading with attention to the entire meat balance is key. Consumer and market-oriented innovation work remains one of our key strategic competence areas, but it will have a stronger local emphasis than before. This ensures a full focus on our customers and consumers. Brand leadership in selected product categories and customer cooperation remain at the core of our operations.

HKScan is currently evaluating its current strategy and redefining the Group's strategic focus areas. The strategy work continues during the spring and summer. The company is redefining its long-term operational and financial targets, and at the same time, the implementation of short-term corrective measures is being secured.

HKScan commented its ongoing strategy work after the reporting period in April 2019. The company is openly and more widely examining its role and share in the consumer's diet. The poultry and meal businesses are seen as the strategic development growth directions for HKScan's business. As the poultry is an important growth area, the Rauma unit has a significant role in building HKScan's future. During the last quarter, the result of the poultry business improved significantly, and EBITDA was positive. However, there is still work to be done in reaching the target level in production efficiency. The company's poultry business in Estonia also plays a key role in the growing poultry category.

Meals are another growth driver for the company. To strengthen the Group's position in the growing meals business, HKScan has been investing in the expansion of the Group's meals production capacity in Rakvere, Estonia. The investment project has proceeded in line with the plans and the rebuilt sections of the unit will be inaugurated in June 2019.

In red meat, HKScan develops resolutely its industrial cost-efficiency while targeting enhanced commercialisation of the responsibility work concerning domestic meat as well as improving Group-internal cooperation in Finland with associated companies Tamminen and Kivikylä.

In Sweden, parts of the Group's Kristianstad unit were modernised, and the upgraded production lines were inaugurated in March 2019. The Baltic and Swedish investment projects will improve HKScan's environmental performance and reduce energy and water consumption and related costs.

HKScan's pork exports from its Finnish Forssa plant to China have proceeded according to plan. The targets for the first year of export will be met.

In addition to defining the growth directions, HKScan sees that its key strategic assessments are related to the company's structure, within which framework it is also looking at the positioning of different market areas as part of the Group's business operations.

The renewed Group Management Team is preparing a Group-wide three-year programme for the company, aiming to restore its profitability to the level of leading companies in the industry. The content of the profitability improvement programme and the company's updated strategy will be communicated in late summer at the latest. Efficiency improvement programmes that have begun earlier will be incorporated in the new Group-wide result improvement programme.

Together with its farming community, HKScan has launched several strategic initiatives to secure the availability of responsibly produced, domestic, high-quality meat. In Finland, an education programme targeted at young farmers was kicked off during the quarter. HKScan strives to safeguard the long-term competitiveness of sustainable Nordic primary production and support generation shifts of farming entrepreneurs.

Balance sheet, cash flow and financing

The Group's interest-bearing debt at the end of March was EUR 370.6 (365.4) million including an IFRS 16 lease liability of EUR 44.7 (45.6) million. Net debt was EUR 364.7 (358.0) million, increasing by EUR 6.7 million from the previous year and EUR 29.0 million from the year-end. The net gearing ratio was 119.8 (109.1) per cent. The impact of the IFRS 16 lease liability on the net gearing ratio was approximately 14.5 percentage points. Cash flow before investments was EUR -15.3 (-39.9) million.

The Group's liquidity remained good. Committed credit facilities at the end of March stood at EUR 100.0 (100.0) million and were entirely undrawn. The EUR 200.0 million commercial paper programme had been drawn to the amount of EUR 37.0 (27.0) million.

Net financial expenses in the first quarter were EUR -2.8 (-2.9) million.

Research and development

HKScan's research and development activities aim to develop the Group's offering to customers and consumers by leveraging consumer insight and foresight as well as capabilities, resources and investments in innovation and concept development at all HKScan's markets.

Corporate responsibility

Corporate responsibility is an integral part of HKScan's daily operations. HKScan's corporate responsibility work focuses on four main areas: Economic responsibility, Social responsibility, Animal health and welfare and Environment. The company sees that there is a great potential in developing further the CR performance of the entire food value chain in close collaboration with HKScan's farming community and the Groups primary production related personnel. Participation in the climate change related dialogue will increase in importance.

HKScan has defined its Group-level environmental targets by 2030. The company aims to cut its greenhouse gas emissions by 90 per cent (compared to 2014), reduce energy use by 20 per cent (compared to 2016) and reduce water use by 25 per cent (compared to 2018). The targets are in line with the global and national targets defined under the Paris Agreement and the UN sustainable development goals.

Moreover, material efficiency and recycling are essential parts of HKScan's environmental work. As an important step in the company's packaging roadmap, HKScan will replace all non-recyclable black plastic packaging with other alternatives by the end of 2019 in Sweden and in Finland.

Corporate Responsibility at HKScan has been described more thoroughly on HKScan's web page as well as in the Group's Annual Report 2018.

Personnel

HKScan employed 6,791 (7,018) people at the end of March 2019. The average number of employees in January–March was 6,756 (6,943). Of that number, 29.0 (29.1) per cent were located in Sweden, 39.3 (40.2) per cent in Finland, 8.8 (8.9) per cent in Denmark and 22.9 (21.8) per cent in the Baltics.

Salaries and remunerations to employees, including social costs, totalled EUR 77.6 (77.9) million in January–March 2019.

In February, HKScan announced its plans to improve its cost-efficiency and to assess the way of working in its Categories & Concepts function. The company initiated statutory negotiations in all its functions in all markets following the legal requirements of each country. All white-collar employees and management in all HKScan's operating countries were within the scope of the negotiations. With the planned actions, HKScan targeted Group-wide annual savings of EUR 10 million, materialising from the fourth quarter of 2019 onwards and gradually taking full effect at the beginning of 2020.

After the reporting period, on 2 April, HKScan communicated that both its country-specific negotiations in Finland and the negotiations concerning the integration of the Categories and Concepts organization in Finland were completed. As an outcome, HKScan's headcount in Finland would reduce by 74 employees. After the reporting period, on 6 May, HKScan communicated that the negotiations in the other market areas were completed too and the total Group-wide personnel reduction would be 183.

Shares and shareholders

At the end of March 2019, HKScan Corporation's share capital stood at EUR 66,820,528. The Corporation's total number of shares issued, 55,026,522, were divided into two share series as follows: A Shares, 49,626,522 (90.19% of the total number of shares) and K Shares, 5,400,000 (9.81%). The A Shares are quoted on Nasdaq Helsinki Oy. The K Shares are held by LSO Osuuskunta (4,735,000 shares) and Lantmännen ek. för. (665,000 shares) and are not listed. There were no changes in the number of shares and in the holdings of LSO Osuuskunta and Lantmännen ek. för.

At the end of March 2019, the company held 992,348 (1,008,849) A shares as treasury shares, corresponding to 1.8 per cent of the company's total number of shares, and 0.6 per cent of the total number of votes.

HKScan's calculational market cap at the end of March 2019 stood at EUR 95.5 (168.1) million, breaking down as follows: Series A shares had a market value of EUR 86.0 (152.4) million, and the unlisted Series K shares a calculational value of EUR 9.5 (16.6) million.

In January–March, a total of 3,832,307 (3,038,946) of the company's shares, with a total value of EUR 6,750,987 (9,332,044), were traded. The highest price quoted in the period under review was EUR 2.00 (3.23), and the lowest was EUR 1.48 (2.94). The average price was EUR 1.76 (3.07). At the end of March 2019, the closing price was EUR 1.77 (3.07).

Share-based long-term incentive plan

On 7 February 2018, HKScan announced that the Board of Directors of HKScan Corporation approved a share-based long-term incentive plan for the Group's top management and selected key employees for 2018–2020. It comprises a Performance Share Plan (also "PSP") as the main structure and a Restricted Share Plan (also "RSP") as a complementary structure.

The first plan (PSP 2018–2020) commenced at the beginning of 2018 and the potential share rewards thereunder will be paid in spring 2021 if the performance targets set by the Board of Directors are reached. The potential rewards will be paid in class A shares of HKScan. At the time of commencement of the plan approximately 30 individuals were eligible to participate in PSP 2018–2020.

The complementary Restricted Share Plan consists of annually commencing individual restricted share plans, each with a three-year vesting period after which the allocated restricted share grants will be paid to the participants in class A shares of HKScan. The first plan (RSP 2018–2020) within the Restricted Share Plan structure commenced at the beginning of 2018 and the potential share rewards thereunder will be paid in the spring 2021. At the time of commencement of the plan eleven individuals belonging to the top management were eligible to participate in RSP 2018–2020.

After the reporting period, on 8 May 2019, HKScan announced that the Board of Directors of HKScan Corporation has approved new plan periods within the share-based long-term incentive scheme for HKScan's key employees. The long-term incentive scheme comprises a Performance Share Plan (also "PSP") and a Restricted Share Plan (also "RSP"). The Board approved the commencement of a new plan period, PSP 2019–2021, within the Performance Share Plan structure. Eligible to participate in PSP 2019–2021 are the Group Management Team members, in total maximum of 10 individuals. The payment of the share rewards thereunder is conditional on the achievement of the performance targets set by the Board of Directors. The potential rewards will be paid in class A shares of HKScan in two tranches, the first in the spring 2022 and the second in the spring 2023.

The Board approved also the commencement of a new plan period, RSP 2019–2021, within the Restricted Share Plan structure. The potential share rewards thereunder will be paid in class A shares of HKScan in two tranches, the first in the spring 2022 and the second in the spring 2023. The Board has for RSP 2019–2021 set a group level financial criterion, the fulfilment of which is a precondition for the payment of the share rewards under the plan. Eligible to participate in RSP 2019–2021 are the participants of the PSP 2019–2021 plan.

Board authorisations

The new authorisations, granted to the Board by the AGM 2019 on 11 April 2019, are described in the section 'Annual General Meeting 2019.

Changes in senior management

30 January 2019, HKScan announced that Tero Hemmilä would start working as the CEO of the company on 4 February 2019.

Short-terms risks and uncertainty factors

Significant uncertainty factors in HKScan Group's business are related to sales and raw material prices, as well as management of global and local meat balances. Increased primary production costs put pressure on increasing raw material prices.

The risks related to impairment of assets or breaching financial covenants under finance agreements will increase and have an effect on the financial position in case the Group is not able to improve its financial performance and strengthen its balance sheet. Breaches of covenants could result in a default of an essential part of loans.

Potential delays related to the targeted efficiency development of the Rauma unit may impact the Group's short term financial performance.

Other risks include various unexpected actions potentially taken by tax authorities, other authorities or pressure groups, which may cause restrictions to the business, volatility in demand, or significant increases of taxes or other fees. Public discussion related to meat consumption and climate change may also have an impact on demand.

HKScan is also involved in some juridical proceedings in its home markets. Potential breaches of business principles and the Group's Code of Conduct are also recognised as operational risks.

In the food industry's raw material supply, the risks of animal diseases, such as the African Swine Fever (ASF), or any international or regional food scandals impacting the overall consumption outlook cannot be fully excluded.

HKScan's risks are reported in more detail in the risk management section of the Annual Report 2018. The Group's 2018 Report of Non-financial Information and the Group's Annual Report 2018 have been published in March 2019.

Events after the reporting period

After the reporting period, on 3 April 2019, HKScan announced changes in the composition of the Group Management Team. The changes became valid as of 3 April 2019.

HKScan Corporation's Group Management Team will include the following positions and persons: EVP Market Area Finland: Jari Leija, EVP Market Area Sweden: Sofia Hyléen Toresson, EVP Market Area Baltics: Anne Mere, EVP Market Area Denmark & International: Jukka Nikkinen, EVP Meat Balance & Supply Chain: Esa Mäki, Chief Operating Officer (COO) leading Operations and Technology functions: Mika Koskinen, Chief Financial Officer (CFO): Jyrki Paappa and EVP Administration (HR and Legal): Markku Suvanto.

After the reporting period on 3 April, HKScan communicated the status of the statutory negotiations that concerned its all white-collar employees and management. On 6 May, the company announced that the negotiations were completed at all home markets. As a result, the total Group-wide personnel reduction will be 183. These measures will result in annual savings of EUR 10 million, materialising from the fourth quarter of 2019 onwards and gradually taking full effect at the beginning of 2020.

After the reporting period on 8 May 2019, HKScan announced that the company plans a share issue to strengthen its capital structure. The planned financing arrangement would significantly strengthen the company's financial position. The Company has received EUR 54.8 million in commitments from institutional investors to subscribe for new series A shares in the share issue directed at institutional investors. The Board of Directors has provided a notice of an extraordinary general meeting to be held on Wednesday, 29 May 2019, to authorize the Board of Directors to implement a financing arrangement.

After the reporting period on 8 May 2019, HKScan published a Notice of the Extraordinary General Meeting that will be held on 29 May 2019, beginning at 10 am. (Finnish time) at Congress Centre Mauno, at the address BioCity, Tykistökatu 6, Turku, Finland. The proposals of the Board of Directors relating to the agenda of the Extraordinary General Meeting and the notice may be viewed on HKScan Corporation's website at www.hkscan.com.

After the reporting period, on 8 May 2019, HKScan announced that the Board of Directors of HKScan Corporation has approved new plan periods within the share-based long-term incentive scheme for HKScan's key employees. The long-term incentive scheme comprises a Performance Share Plan (also "PSP") and a Restricted Share Plan (also "RSP").

Extraordinary General Meeting

On 7 January 2019, HKScan published a Notice of the Extraordinary General Meeting that was held on Wednesday, 30 January 2019, in Turku, Finland.

The Extraordinary General Meeting resolved that the number of ordinary members of the Board of Directors would be five (5) and the number of deputy members would be two (2).

Jari Mäkilä, Harri Suutari and Terhi Tuomi were elected as new members of the Board of Directors until the end of the Annual General Meeting 2019, In addition, Ilkka Uusitalo was elected as new deputy Board member until the end of the Annual General Meeting 2019.

Reijo Kiskola and Per Olof Nyman continue as Board members and Carl-Peter Thorwid as a deputy Board member until the end of the Annual General Meeting 2019.

After the reporting period on 8 May 2019, HKScan published a Notice of the Extraordinary General Meeting that will be held on 29 May 2019, beginning at 10 am. (Finnish time) at Congress Centre Mauno, at the address BioCity, Tykistökatu 6, Turku, Finland. The proposals of the Board of Directors relating to the agenda of the Extraordinary General Meeting and the notice may be viewed on HKScan Corporation's website at www.hkscan.com.

Annual General Meeting 2019

The Annual General Meeting (AGM) of HKScan Corporation was held on 11 April 2019 in Turku, Finland. The AGM decided that the company will not pay dividend for 2018.

The AGM also resolved on the annual remuneration of the Board's members, deputy members and the chairs of the committees. Of the current Board members, Reijo Kiskola, Jari Mäkilä, Per Olof Nyman, Harri Suutari and Terhi Tuomi were re-elected, and Anne Leskelä was elected as a new member until the end of the Annual General Meeting 2020. In addition, Carl-Peter Thorwid and Ilkka Uusitalo were re-elected as deputy Board members until the end of the Annual General meeting 2020.

At the organizational meeting after the AGM, the Board re-elected Reijo Kiskola as Chairman and re-elected Jari Mäkilä as Vice Chairman.

Ernst & Young Oy, the firm of authorised public accountants, with Erkka Talvinko, APA, as the lead audit partner, was elected as the auditor until the closing of the next AGM.

The AGM authorised the Board to decide on share issues, option rights as well as other special rights entitling to shares, and on the purchase of the company's own Series A shares and/or on the acceptance the company's own Series A shares as pledges. The authorisations will be effective until 30 June 2020, revoking the authorisations given by the AGM 2018.

The resolutions of the Annual General Meeting have been published in full in the stock exchange release of 11 April 2019 and are also available on the company's website at www.hkscan.com.

Next financial report

HKScan Group's half-year financial report 2019 will be published on Thursday, 18 July 2019. The interim report January–September will be published on 6 November 2019.

Press conference for analysts and media

Information meeting related to HKScan Corporation's first quarter result for analysts, institutional investors and media will be organised at Hotel Haven's auditorium (address: Eteläranta 16, Helsinki, Finland) at 10 a.m. on 8 May 2019.

The first quarter result will be presented by Tero Hemmilä, President and CEO, and Jyrki Paappa, CFO. The event will be held in Finnish.

Conference calls in English will be arranged upon separate request. Those interested in the calls, kindly contact HKScan Communications, communications@hkscan.com (phone +358 10 570 5700) to make an appointment.

Outlook for 2018 (Revised on 8 May 2019)

Global meat consumption is projected to increase during the coming years. Within HKScan's home markets, consumption growth is estimated to be led by poultry and meal categories, while demand in other categories is expected to remain stable. HKScan expects its improvement programmes and other corrective actions to start recording results in 2019 and the company's comparable EBIT is expected to improve clearly from the previous year.

Outlook for 2018 (Previous)

Global meat consumption is projected to increase during the coming years. Within HKScan's home markets, consumption growth is estimated to be led by poultry and meal categories, while demand in other categories is expected to remain stable. HKScan expects its improvement programmes and other corrective actions to start recording results in 2019.

Vantaa, 8 May 2019

HKScan Corporation
Board of Directors

Further information: HKScan Media Service Desk +358 (0)10 570 5700 or email: communications@hkscan.com

HKScan is a Nordic meat and meals company. We employ close to 7 200 professionals in striving to serve the world´s most demanding consumers, maintaining quality throughout the full chain of operations, From Farm to Fork. HKScan produces, markets and sells high-quality, sustainably produced pork, beef, poultry and lamb products, as well as charcuterie and meals, with strong consumer brands, including HK®, Scan®, Rakvere®, Kariniemen®, Rose®, Pärsons® and Tallegg®. Our customers are the retail, food service, industrial and export sectors, and our home market comprises of Finland, Sweden, Denmark and the Baltics. We export to close to 50 countries. In 2018, HKScan had net sales of EUR 1.7 billion, making us one of Europe's leading meat and meals companies..

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Consolidated Interim Report 1 January–31 March 2019

Consolidated income statement

EUR million	Note	1-3/2019	1-3/2018	2018
Net sales		401.8	411.0	1,715.4
Cost of goods sold	1	-393.5	-402.0	-1,659.5
Gross profit		8.3	9.0	55.9
Other operating items total	1	2.5	1.7	6.9
Sales and marketing costs	1	-9.7	-10.6	-43.6
General administration costs	1	-15.8	-18.3	-67.5
Operating profit		-14.7	-18.3	-48.3
Financial income		0.4	0.5	2.0
Financial expenses		-3.2	-3.3	-13.3
Share of profit/loss in associates and joint ventures		0.1	0.4	1.1
Profit/loss before taxes		-17.4	-20.7	-58.5
Income tax		0.5	4.0	7.2
Profit/loss for the period		-16.9	-16.7	-51.3
Non-controlling interests		-0.1	-0.1	-1.7
Profit/loss for the period		-17.0	-16.9	-53.0

Earnings per share calculated on profit attributable to equity holders of the parent:

EPS, undiluted, continuing operations, EUR/share		-0.33	-0.31	-1.00
EPS, diluted, continuing operations, EUR/share		-0.33	-0.31	-1.00

Consolidated statement of comprehensive income

EUR million	1–3/2019	1–3/2018	2018
Profit/loss for the period	-16.9	-16.7	-51.3
OTHER COMPREHENSIVE INCOME (after taxes):			
Exchange differences on translating foreign operations	-1.3	-4.1	-4.0
Cash flow hedging	-2.5	1.0	4.2
Actuarial gains or losses	0.0	0.0	-6.9
TOTAL OTHER COMPREHENSIVE INCOME	-3.8	-3.1	-6.7
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-20.6	-19.8	-58.0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:			
Equity holders of the parent	-20.8	-19.9	-59.7
Non-controlling interests	0.1	0.1	1.7
Total	-20.6	-19.8	-58.0

Consolidated balance sheet

EUR million	Note	31 March 2019	31 March 2018	31 Dec. 2018
ASSETS				
Intangible assets	2	135.7	133.9	137.5
Tangible assets	3, 4	468.6	493.9	478.5
Holdings		33.0	34.7	33.0
Deferred tax asset		43.8	37.2	43.3
Other non-current assets		3.3	2.7	2.5
TOTAL NON-CURRENT ASSETS		684.4	702.4	694.8
Inventories	5	139.7	123.0	121.4
Current receivables		137.3	130.1	130.9
Cash and cash equivalents		5.9	7.2	29.4
TOTAL CURRENT ASSETS		282.9	260.3	281.7
TOTAL ASSETS		967.3	962.7	976.5
EQUITY AND LIABILITIES				
EQUITY	6	304.3	328.1	325.0
Non-current loans, interest-bearing	4	273.4	319.8	278.3
Non-current liabilities, non-interest-bearing		62.5	54.7	63.3
TOTAL NON-CURRENT LIABILITIES		335.8	374.5	341.7
Current loans, interest-bearing	4	97.2	45.6	86.9
Current liabilities, non-interest-bearing		229.9	214.5	223.0
TOTAL CURRENT LIABILITIES		327.2	260.1	309.9
TOTAL EQUITY AND LIABILITIES		967.3	962.7	976.5

Statement of changes in consolidated equity

EUR million	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
EQUITY ON 1 Jan. 2019	**66.8**	**72.9**	**5.1**	**143.5**	**40.0**	**10.3**	**-11.9**	**0.0**	**-17.2**	**309.5**	**15.4**	**325.0**
Result for the financial period	-	-	-	-	-	-	-	-	-17.0	-17.0	0.1	-16.9
Other comprehensive income (+) / expense (–)												
Transl. diff.	-	-	-	-	-	-	-1.3	-	-	-1.3	-	-1.3
Cash flow hedging	-	-	-2.5	-	-	-	-	-	-	-2.5	-	-2.5
Actuarial gains or losses	-	-	-	-	-	-	-	-	-	-	-	-
Total compreh. income for the period	**-**	**-**	**-2.5**	**-**	**-**	**-**	**-1.3**	**-**	**-17.0**	**-20.8**	**0.1**	**-20.6**
Direct recognitions	-	-	-	-	-	0.0	-	-	0.0	0.0	-	0.0
Dividend distribution	-	-	-	-	-	-	-	-	-	-	-	-
EQUITY ON 31 March 2019	**66.8**	**72.9**	**2.6**	**143.5**	**40.0**	**10.3**	**-13.1**	**0.0**	**-34.2**	**288.8**	**15.6**	**304.3**

EUR million	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
EQUITY ON 1 Jan. 2018	**66.8**	**72.9**	**1.0**	**143.5**	**0.0**	**10.3**	**-7.9**	**0.0**	**48.6**	**335.1**	**14.4**	**349.5**
IFRS 9, Change in opening balance	-	-	-	-	-	-	-	-	-1.0	-1.0	-	-1.0
Result for the financial period	-	-	-	-	-	-	-	-	-16.9	-16.9	0.1	-16.7
Other comprehensive income (+) / expense (–)												
Transl. diff.	-	-	-	-	-	-	-4.1	-	-	-4.1	-	-4.1
Cash flow hedging	-	-	1.0	-	-	-	-	-	-	1.0	-	1.0
Actuarial gains or losses	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**1.0**	**-**	**-**	**-**	**-4.1**	**-**	**-16.9**	**-19.9**	**0.1**	**-19.8**
Direct recognitions	-	-	-	-	-	0.0	-	-	0.0	0.0	-	0.0
Dividend distribution	-	-	-	-	-	-	-	-	-	-	-0.6	-0.6
EQUITY ON 31 March 2018	**66.8**	**72.9**	**1.9**	**143.5**	**0.0**	**10.3**	**-12.0**	**0.0**	**30.8**	**314.2**	**13.9**	**328.1**

COLUMNS: 1. Share capital, 2. Share premium reserve, 3. Revaluation reserve, 4. Reserve for invested unrestricted equity (RIUE), 5. Hybrid loan, 6. Other reserves, 7. Translation differences, 8. Treasury shares, 9. Retained earnings, 10. Equity holders of the parent, 11. Non-controlling interests, 12. Total

Cash flow statement

EUR million	1-3/2019	1-3/2018	2018
Cash flow before change in net working capital	6.7	-1.7	19.3
Change in net working capital	-22.0	-38.2	-22.7
Financial items and taxes	-2.2	-2.7	-10.9
CASH FLOW FROM OPERATING ACTIVITIES	-17.5	-42.6	-14.3
Cash flow from investing activities	-10.4	-58.8	-89.8
CASH FLOW AFTER INVESTING ACTIVITIES	-27.9	-101.4	-104.1
Hybrid loan	-	-	39.8
Change in loans	4.3	58.5	48.3
Dividends paid	-	-0.6	-5.5
CASH FLOW FROM FINANCING ACTIVITIES	4.3	57.9	82.6
NET CASH FLOW	-23.5	-43.5	-21.5
Cash and cash equivalents at beginning of period	29.4	50.9	50.9
Translation differences	0.0	-0.2	0.1
Cash and cash equivalents at end of period	5.9	7.2	29.4

Financial indicators

	31 March 2019	31 March 2018	31 Dec. 2018
Earnings per share (EPS), undiluted, EUR	-0.33	-0.31	-1.00
Earnings per share (EPS), diluted, EUR	-0.33	-0.31	-1.00
Equity per share, EUR	5.34	5.82	5.73
Equity ratio, %	31.5	34.1	33.3
Adjusted average number of outstanding shares, mill.	54.0	54.0	54.0
Gross capital expenditure on PPE, EUR mill.	11.8	12.3	52.2
Employees, end of month average	6,756	6,943	7,179

Calculation of financial indicators

HKScan discloses alternative performance measures (APM) to give relevant information to stakeholders. Disclosed APMs are also used in steering the company. Items affecting comparability and related APMs are disclosed to better reflect the operational business performance and to enhance comparability between periods.

Return on capital employed (ROCE) before tax, last 12 months (%)	Profit before tax + interest and other financial expenses / Balance sheet total – non-interest-bearing liabilities (average)	x 100
Equity ratio (%)	Total equity / Balance sheet total – advances received	x 100
Net gearing ratio (%)	Net interest-bearing liabilities / Total equity	x 100
Earnings per share (EPS)*	Profit for the period attributable to equity holders of the parent / Average number of outstanding shares during period	
Equity per share	Equity attributable to holders of the parent / Number of outstanding shares at end of period	
Market capitalisation	The number of outstanding shares at the end of period x the closing price on the last trading day of the financial year	
Cash flow before debt service	Cash flow before financing activities and financial items	
Cash flow before investments	Cash flow before financing activities, investment activities, financial items and taxes	
Employee numbers	Average of workforce figures calculated at the end of calendar months	
Items affecting comparability	One-time charges, which are not related to the normal continuing operations and materially affect the company's finances. Examples of such expenses are: capacity adjustments (restructuring), redundancy, legal costs relating to restructuring or similar, one-time expenses related to efficiency/reorganisation programmes, significant compensations or penalties paid out due to a legal verdict or settlement, transaction fees/expenses related to business acquisitions (consultation, advisory, legal, due diligence, registration etc.) and gains/losses of business disposals.	
Comparable EBIT	Operating profit – items affecting comparability	
Comparable profit before taxes	Profit before taxes – items affecting comparability	
Net debt	Interest-bearing debt – cash and bank	

* When calculating the earnings per share, interest and issue costs of the hybrid loan, net of tax, have been reduced from profit for the period.

Notes to the consolidated interim report

Accounting policies

HKScan Corporation's Interim Report for Q1/2019 has been prepared in compliance with IAS 34 Interim Financial Reporting standards. The same accounting principles have been applied in the interim report as in the annual financial statements for 2018, except for the adoption of new IFRS 16 standard effective as of 1 January 2019. Due to the rounding of the figures to the nearest million euros in the interim report, some totals may not agree with the sum of their constituent parts. Accounting principles are explained in the financial statements for 2018. The interim report is unaudited.

The Group applies with full retrospective method the new IFRS 16 standard that are effective as of 1 January 2018. Comparative information is restated. According to IFRS 16 lessee is required to recognise assets and liabilities for all leases with a term of more than 12 months and depreciation of lease assets separately from interest on lease liabilities in the income statement. Less than 12 months agreements and assets of low value are excluded by the Group. The new standard has no significant impact on profit before taxes. Assets and interest-bearing liabilities grew by approximately EUR 45 million. Detailed information about the impact is available in restatement bulletin published 3 May 2019.

Analysis by segment

EUR million	1-3/2019	1-3/2018	2018
NET SALES			
- Sweden			
Sales, goods	154.3	163.9	681.9
Sales, services	0.0	0.1	0.1
- Finland			
Sales, goods	173.1	173.4	718.4
Sales, services	0.8	0.8	3.5
- Denmark			
Sales, goods	35.4	36.0	149.3
Sales, services	0.0	0.0	0.0
- Baltics			
Sales, goods	38.3	36.8	161.9
Sales, services	0.0	0.0	0.3
Group total	**401.8**	**411.0**	**1,715.4**
EBIT			
- Sweden	-1.0	-1.5	8.9
- Finland	-3.0	-10.3	-36.1
- Denmark	-7.1	-0.8	-5.8
- Baltics	-0.7	-1.0	-0.7
Segments total	-11.8	-13.5	-33.6
Group administration costs	-2.9	-4.8	-14.7
Group total	**-14.7**	**-18.3**	**-48.3**
INVESTMENTS			
- Sweden	4.3	1.8	8.1
- Finland	2.6	7.9	29.7
- Denmark	0.5	0.1	3.0
- Baltics	4.4	2.4	11.3
Total	11.8	12.3	52.2
AVERAGE NUMBER OF EMPLOYEES			
- Sweden	1,962	2,024	2,123
- Finland	2,652	2,789	2,883
- Denmark	594	615	636
- Baltics	1,549	1,515	1,538
Total	6,756	6,943	7,179

Notes to the income statement

1. Items affecting comparability

EUR million	1-3/2019	1-3/2018	2018
Comparable EBIT	**-10.1**	**-18.1**	**-46.3**
Personnel costs, Group Management [1]	-	-	-1.2
Termination of employment, Sweden [1]	-	-	-0.1
Closing of sales office, Sweden [1]	-	-0.2	-0.2
Impairment of assets, Finland [2] [3]	-	-	-0.5
Termination of employment, Baltics [1]	-0.1	-	-
Termination of employment, Baltics [2]	0.0	-	-
Impairment of assets, Denmark [2] [3]	-4.5	-	-
EBIT	**-14.7**	**-18.3**	**-48.3**

[1] Included in the Income Statement in the item "General administration and sales and marketing costs"
[2] Included in the Income Statement in the item "Cost of goods sold"
[3] Assets impairment to match their book value with estimated future profit

Notes to the statement of financial position

2. Changes in intangible assets

EUR million	1-3/2019	1-3/2018	2018
Opening balance	137.5	137.2	137.2
Translation differences	-1.2	-3.7	-3.5
Additions	0.0	0.2	0.1
Additions, business acquisitions	-	-	-
Disposals	-	-	-
Depreciation and impairment	-0.7	-0.5	-2.4
Reclassification between items	0.1	0.9	6.1
Closing balance	135.7	133.9	137.5

3. Changes in tangible assets

EUR million	1-3/2019	1-3/2018	2018
Opening balance	478.5	502.2	502.2
Translation differences	-0.9	-3.2	-3.3
Additions	11.9	12.1	52.1
Additions, business acquisitions	-	-	-
Disposals	-0.2	-0.4	-1.6
Depreciation and impairment	-20.6	-16.1	-64.8
Reclassification between items	-0.1	-0.9	-6.1
Closing balance	468.6	493.9	478.5

4. Right-of-use assets and lease liabilities

EUR million	Land and Water	Buildings and structures	Machinery and equipment	Total	Lease liabilities
Opening balance on 1 Jan. 2019	6.4	19.6	20.0	46.1	46.8
Translation differences	-	-0.1	0.0	-0.1	-0.1
Additions	-	0.5	0.7	1.2	1.2
Depreciation for the financial period	-0.3	-1.0	-1.3	-2.7	-
Reclassification between items	-	-	-1.8	-1.8	-
Payments	-	-	-	-	-3.1
Closing balance on 31 March 2019	6.1	19.0	17.5	42.6	44.7

EUR million	Land and Water	Buildings and structures	Machinery and equipment	Total	Lease liabilities
Opening balance on 1 Jan. 2018	6.5	18.0	21.7	46.2	47.2
Translation differences	-	-0.4	-0.2	-0.6	-0.6
Additions	0.3	0.4	1.1	1.7	1.7
Depreciation for the financial period	-0.3	-0.9	-1.4	-2.7	-
Payments	-	-	-	-	-2.7
Closing balance on 31 March 2018	6.5	17.1	21.1	44.7	45.6

EUR million	1-3/2019	1-3/2018	2018
Depreciation expense of right-of-use assets	-2.7	-2.7	-10.8
Interest expense on lease liabilities	-0.3	-0.3	-1.4
Total amounts recognised in profit or loss	**-3.0**	**-3.0**	**-12.2**

5. Inventories

EUR million	1-3/2019	1-3/2018	2018
Materials and supplies	87.7	75.7	75.8
Semi-finished products	4.8	3.2	4.8
Finished products	39.7	35.9	33.4
Other inventories	0.2	0.3	0.2
Inventories, advance payments	1.2	1.4	1.7
Biological assets	6.2	6.7	5.4
Total inventories	**139.7**	**123.0**	**121.4**

6. Notes to equity

Share capital and share premium reserve	Number of outstanding shares	Share capital	Share premium reserve	Reserve for invested unrestricted equity	Treasury	Total
1 Jan. 2019	54,034,174	66.8	72.9	143.5	0.0	283.1
31 March 2019	54,034,174	66.8	72.9	143.5	0.0	283.1

Derivative instrument liabilities

EUR million	31 March 2019	31 March 2018	31 Dec. 2018
Nominal values of derivative instruments			
Foreign exchange derivatives	51.5	41.3	40.0
Interest rate derivatives	118.7	119.0	119.1
Electricity derivatives	12.4	8.7	10.0
Fair values of derivative instruments			
Foreign exchange derivatives	-0.1	0.2	-0.1
Interest rate derivatives	-7.9	-9.5	-8.2
Electricity derivatives	2.5	1.7	5.3

Consolidated other contingent liabilities

EUR million	31 March 2019	31 March 2018	31 Dec. 2018
Debts secured by pledges or mortgages			
- loans from financial institutions	-	-	-
On own behalf			
- Mortgages given	-	-	-
- Assets pledged	-	-	-
On behalf of others			
- guarantees and other commitments	11.6	17.0	11.7
Other contingencies			
Leasing commitments	1.1	1.1	1.3

The fair value determination principles applied by the group on financial instruments measured at fair value

Derivatives

The fair values of currency derivatives are determined by using the market prices for contracts of equal duration at the reporting date. The fair values of interest rate swaps are determined using the net present value method supported by the market interest rates at the reporting date. The fair value of commodity derivatives is determined by using publicly quoted market prices.

	31 March 2019	Level 1	Level 2	Level 3
Assets measured at fair value				
Financial assets recognised at fair value through profit or loss				
- Trading securities	-	-	-	-
- Trading derivatives				
- Interest rate swaps	-	-	-	-
- Foreign exchange derivatives	0.1	-	0.1	-
- Commodity derivatives	2.6	-	2.6	-
of which subject to cash flow hedging	2.6	-	2.6	-
Total	**2.7**	**-**	**2.7**	**-**
Liabilities measured at fair value				
Financial liabilities recognised at fair value through profit or loss				
-Trading derivatives				
- Interest rate swaps	-7.9	-	-7.9	-
- Foreign exchange derivatives	-0.2	-	-0.2	-
- Commodity derivatives	-0.1	-	-0.1	-
of which subject to cash flow hedging	-0.1	-	-0.1	-
Total	**-8.2**	**-**	**-8.2**	**-**

	31 March 2018	Level 1	Level 2	Level 3
Assets measured at fair value				
Financial assets recognised at fair value through profit or loss				
- Trading securities	-	-	-	-
- Trading derivatives				
- Interest rate swaps	-	-	-	-
- Foreign exchange derivatives	0.2	-	0.2	-
- Commodity derivatives	1.7	-	1.7	-
of which subject to cash flow hedging	1.7	-	1.7	-
Total	**1.9**	**-**	**1.9**	**-**

Liabilities measured at fair value				
Financial liabilities recognised at fair value through profit of loss				
-Trading derivatives				
- Interest rate swaps	-9.5	-	-9.5	-
- Foreign exchange derivatives	0.0	-	0.0	-
- Commodity derivatives	-	-	-	-
of which subject to cash flow hedging	-	-	-	-
Total	**-9.5**	**-**	**-9.5**	**-**

Business transactions with related parties

EUR million	1-3/2019	1-3/2018	2018
Sales to associates	4.8	5.0	20.2
Purchases from associates	9.3	8.1	32.5
Trade and other receivables from associates	2.8	2.0	2.7
Trade and other payables to associates	5.8	5.8	3.3