

Brødrene Hartmann A/S

Interim report for the nine months ended 30 September 2008

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The interim report for the nine months ended 30 September 2008 of Brødrene Hartmann A/S is published on 17 November 2008 in Danish and English through the NASDAQ OMX Copenhagen A/S as company announcement no. 17/2008. In case of inconsistencies between the Danish and the English versions of the report, the Danish version shall prevail.

The announcement is available on our website, www.hartmann-packaging.com, and it will be distributed electronically to all subscribers to Hartmann's e-mail service.

Enquiries concerning this interim report or investor enquires in general should be addressed to Investor Relations Secretariat (p. 18). Enquiries may also be addressed to the Group's President & CEO, Peter A. Poulsen, on tel. +45 45 97 00 00 or mobile +45 51 51 40 69.

This interim report is issued by:

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Highlights

- In Q3 2008, we continued our **turnaround activities** as planned under the 'Forward to basics' plan with the aim of stabilising and consolidating our business. The plan will be **implemented by the end of 2008** and the Group expects to see the full effects of the activities in 2009.
- As announced in May 2008 in connection with our rights issue, it is the **goal** of Hartmann to achieve an EBIT margin of about **10% from 2010 onwards**. This goal is to be achieved by optimising the European business, adapting the level of activity in Industrial Packaging, lifting sales and improving the utilisation of capacity in North America. Further information and status information will be included in Hartmann's annual report for 2008.
- Consolidated **revenue** for the nine months ended 30 September 2009 increased to DKK 1,106 million from DKK 1,070 million last year as a result of higher volumes and an improved product and price mix in the core business of egg packaging in Europe. The improvement was partially offset by lower revenue in Industrial Packaging and Egg Packaging North America.
- Consolidated **operating profit (EBIT)** improved considerably. Accumulated profit for 2008 was DKK 39 million compared with a loss of DKK 172 million in the year-earlier period.
- Despite generally higher prices of paper and energy in the first nine months of 2008 compared with the year-earlier period, accumulated **EBIT** for the year **adjusted for asset impairment and non-recurring items** increased to DKK 61 million from DKK 21 million in 2007. The growth was primarily attributable to the turnaround activities in Hartmann's European core business of egg and industrial packaging.
- The Group's **cash flows** reflected the positive impact of the significant improvement in earnings for the nine months ended 30 September 2008 and the net proceeds of DKK 252 million from our rights issue. Accumulated cash flows from operating activities for 2008 increased to DKK 79 million from DKK 11 million last year.
- **EAT** for the nine months ended 30 September 2008 was a loss of DKK 15 million (nine months 2007: a loss of DKK 517 million). Asset impairment, non-recurring costs and results from discontinued operations totalled DKK 22 million for the nine months ended 30 September 2008, and DKK 444 million the year-earlier period.
- **Egg Packaging Europe**, Hartmann's largest and most important business area, showed strong performance in the first nine months of 2008 with strong revenue and earnings growth.
- **Egg Packaging North America** performed unsatisfactorily during the first nine months of the year. Activities were influenced by unfavourable effects of currency hedging and a minor decline in volumes compared with last year. Volumes are expected to grow again from the beginning of 2009.
- **Industrial Packaging** performed as expected during the first nine months of the year. Revenue fell due to the closedown of industrial packaging activities in Asia and North America and the trimming of the product portfolio. Revenue was also affected by the decision by the largest customer in the business area to phase out its purchases of Hartmann packaging, as expected. EBIT for the nine months ended 30 September 2008 grew due to the turnaround activities launched in 2007, resulting in major reductions in fixed and variable costs.
- Hartmann **maintains its outlook** for 2008. Revenue is expected to be approx. DKK 1,480 million, EBIT approx. DKK 55 million and profit/loss for the year (EAT) approx. DKK 0 million.

Financial key figures and ratios

	Q3 2008	Q3 2007	Acc. 2008	Acc. 2007	2007
Income statement (DKKm)					
Revenue	336.2	356.2	1,105.5	1,069.5	1,492.0
Operating profit/(loss) before depreciation and amortisation (EBITDA)	30.8	21.1	137.8	56.0	113.0
Operating profit/(loss) (EBIT) excl. impairment	8.2	(0.6)	70.3	(16.6)	9.2
Operating profit/(loss) (EBIT)	8.2	(0.6)	38.7	(171.6)	(145.8)
Net financial income and expenses	(8.9)	(13.3)	(52.8)	(39.8)	(51.9)
Profit/(loss) before tax (EBT)	(0.7)	(13.9)	(14.1)	(211.4)	(197.5)
Profit/(loss) for the period from continuing operations	(0.5)	(31.2)	(14.6)	(272.2)	(271.1)
Profit/(loss) for the period from discontinued operations	-	-	-	(244.9)	(242.3)
Profit/(loss) for the period (EAT)	(0.5)	(31.2)	(14.6)	(517.1)	(513.4)
Statement of cash flows (DKKm)					
Cash flow from operating activities	48.5	16.4	79.3	10.7	56.1
Cash flow from investing activities	(37.3)	(32.5)	(56.4)	(120.5)	(141.4)
Cash flow from financing activities	(3.4)	125.2	132.1	104.2	73.8
Cash flow from continuing operations	7.8	109.1	155.0	(5.7)	(11.5)
Cash flow from discontinued operations	-	1.8	-	(48.3)	(64.6)
Cash flow in total	7.8	110.9	155.0	(54.0)	(76.1)
Balance sheet (DKKm)					
Assets			1,186.1	1,201.5	1,220.2
Invested capital (IC)			805.5	817.8	810.1
Net working capital (NWC)			135.9	118.3	112.4
Net interest-bearing debt			305.2	602.1	591.5
Equity			502.8	217.6	220.1
Financial ratios in %					
Operating margin (EBITDA)	9.2	5.9	12.5	5.2	7.6
EBIT margin	2.4	(0.2)	3.5	(16.0)	(9.8)
Return on invested capital (ROIC)			6.4	(25.5)	(16.3)
Return on equity			(5.4)	(181.0)	(134.3)
Equity ratio			42.4	18.1	18.0
Gearing			60.7	276.7	268.7
Share-related key figures *					
Number of shares (at period-end, less treasury shares)			6,915,090	3,407,545	3,407,545
Number of shares (average, less treasury shares)			5,335,517	4,483,612	4,483,612
Earnings per share (EPS) (DKK)			(2.8)	(115.2)	(113.7)
Cash flow from operating activities per share (DKK)			14.9	2.4	12.5
Book value per share			72.7	48.5	49.1
Market price per share at period-end (DKK)			96.00	117.80	112.48
Market price per share at period-end (DKK) (actual)			96.00	155.00	148.00
Listed price/book value			1.3	2.4	2.3

* Adjusted for the bonus element in connection with the rights issue in June 2008, in accordance with IAS 33, excluding the number of shares at period end and the market price per share at period end (actual).

Operating and financial review for 01.01. – 30.09.2008

Hartmann's European egg and industrial packaging business performed well and generated strong growth in operating profit adjusted for asset impairment and non-recurring costs. Operations in North America continued to perform unsatisfactorily.

Amounts in DKKm					
	Q3 2008	Q3 2007	Acc. 2008	Acc. 2007	2007
Operating profit/(loss) (EBIT)	8	(1)	39	(172)	(146)
Impairment of assets in Asia	-	-	-	40	40
Impairment of assets in North America	-	-	-	115	115
Impairment of assets in Industrial Packaging	-	-	32	-	-
Non-recurring items, closure costs, Asia activities	-	-	(8)	-	-
Sales of machine (other business areas)	-	-	(5)	-	-
Non-recurring items, restructuring of organisation etc.	2	10	3	38	44
Operating profit/(loss) (EBIT), normalised	10	9	61	21	53
By division:					
Egg Packaging Europe	23	16	80	46	69
Egg Packaging North America*	(7)	(5)	(20)	(20)	(28)
Industrial Packaging	3	9	27	22	40
Other*	(9)	(11)	(26)	(27)	(28)
Operating profit/(loss) (EBIT), normalised	10	9	61	21	53

* Includes a profit of DKK 6 million for YTD 2008 from intra-group sales of production technology. The profit has been eliminated under Other.

Results for the period

Revenue

Consolidated revenue for the nine months ended 30 September 2008 grew due to higher volumes and an improved product and price mix in the core business of egg packaging in Europe. The improvement was partially offset by expected lower revenue in Industrial Packaging and lower revenue in the North American operations due to unfavourable effects of currency hedging and a minor decline in volumes.

Consolidated revenue for the nine months ended 30 September 2008 increased to DKK 1,106 million from DKK 1,070 million in the year-earlier period.

The Group posted consolidated revenue of DKK 336 million in Q3 2008, up from the year-earlier level of DKK 356 million. The drop was in line with expectations and was mainly attributable to lower revenue in Industrial Packaging as a result of the decision by the largest customer in the business area to phase out its purchases of Hartmann packaging.

EBIT

Consolidated operating profit (EBIT) improved considerably in the first nine months of 2008. The improvement was primarily attributable to the activi-

ties in Hartmann's European core business of egg and industrial packaging in connection with the turnaround plan 'Forward to basics' (p. 5).

Accumulated profit for 2008 was DKK 39 million compared with a loss of DKK 172 million in the year-earlier period.

Q3 operating profit was DKK 8 million (Q3 2007: a loss of DKK 1 million).

Accumulated normalised EBIT for 2008 (adjusted for asset impairment and non-recurring items) was DKK 61 million, representing a considerable improvement over the year-earlier period (nine months 2007: DKK 21 million).

Normalised EBIT was DKK 10 million in Q3 2008 (Q3 2007: DKK 9 million).

Financials

Accumulated financial income and expense for 2008 was a net expense of DKK 53 million (nine months 2007: a net expense of DKK 40 million).

Financial income and expense in Q3 2008 was a net expense of DKK 9 million (Q3 2007: a net expense of DKK 13 million).

As announced in our interim report for H1 2008, the Group reclassified DKK 16 million in accumulated foreign exchange losses from equity to financial income and expense in connection with the closedown of operations in Asia. The reclassification only affected the income statement and had no effect on equity or cash flows. Accumulated financial income and expense for 2007 was negatively affected by a reclassification of foreign exchange losses of DKK 8 million.

EAT

EAT for the nine months ended 30 September 2008 was a loss of DKK 15 million (nine months 2007: a loss of DKK 517 million). Asset impairment, non-recurring costs and results from discontinued operations totalled DKK 22 million for the nine months ended 30 September 2008 (nine months 2007: DKK 444 million).

The Group posted a loss (EAT) of DKK 1 million in Q3 2008 (Q3 2007: DKK 31 million).

Turnaround activities completed in 2008

Hartmann has previously described its turnaround plan 'Forward to basics' (most recently in the interim report for H1 of 28 August 2008).

The plan was launched by Management in 2007 in order to turn around the Group's performance. The 'Forward to basics' plan focuses on three main areas:

- (1) partial global withdrawal
- (2) adjustment of the organisation
- (3) earnings rather than growth

The effect of the turnaround activities continued in Q3 2008. These activities are largely the reason for the growth in operating profit (EBIT) in the European core business.

The turnaround plan will be implemented by the end of 2008, and the Group expects to see the full effects of the activities in 2009.

Egg Packaging Europe

Revenue

Hartmann's largest and most important business area showed strong growth in the nine months ended 30 September 2008. Revenue improved due to higher volumes and an improved product and price mix.

Revenue for the nine months ended 30 September 2008 was DKK 833 million, reflecting an increase of DKK 76 million (10%) from the year-earlier level (nine months 2007: DKK 757 million).

Revenue was DKK 275 million in Q3 2008, representing an increase of 9% from the year-earlier level (Q3 2007: DKK 253 million).

EBIT

The core business of egg packaging in Europe also showed considerable EBIT growth in the first nine months of the year. Growth was achieved despite generally higher paper and energy prices compared with last year and was essentially attributable to the turnaround activities relating to the trimming of the product portfolio, improved production allocation and improvements in production efficiency.

Accumulated operating profit for the nine months ended 30 September 2008 was DKK 80 million, up DKK 32 million from the year-earlier level (nine months 2007: DKK 48 million).

Operating profit for Q3 2008 was DKK 23 million, up DKK 6 million from the year-earlier level (Q3 2007: DKK 17 million).

Egg Packaging North America

Revenue

Revenue of Hartmann North America for the nine months ended 30 September 2008 showed a falling trend due to the unfavourable effects of currency hedging and a minor decline in volumes.

Accumulated revenue for 2008 was DKK 91 million, which was DKK 18 million lower than in the year-earlier period (nine months 2007: DKK 109 million). DKK 3 million of this related to exchange rate translation from CAD to DKK.

Revenue in Q3 2008 was DKK 28 million, down DKK 9 million from the year-earlier level (Q3 2007: DKK 37 million).

Management expects volumes to grow from early 2009.

EBIT

EBIT for the nine months ended 30 September 2008 showed favourable growth.

Accumulated EBIT for 2008 was a loss of DKK 14 million, up DKK 122 million from the year-earlier level (nine months 2007: a loss of DKK 136 million) due to asset impairment and non-recurring costs of DKK 116 million in 2007 and intra-group transactions in 2008 of DKK 6 million.

EBIT for Q3 2008 was a loss of DKK 7 million, down DKK 2 million from the year-earlier level (Q3 2007: a loss of DKK 5 million).

Unfavourable effects of currency hedging

Revenue and earnings from operations in North America remained affected by unfavourable currency hedging between CAD and USD compared with currency hedging in 2007.

The table below shows the average currency hedging results for Q3 and the accumulated figure for the year, reflecting the effect on revenue and earnings.

CAD/USD	
Average currency hedging Q3 2008	1,02
Average currency hedging Q3 2007	0,85
Change in currency hedging	0,17
EBIT effect in Q3 2008 (DKKm)	approx. (3)
Average currency hedging YTD 2008	1,05
Average currency hedging YTD 2007	0,86
Change in currency hedging	0,19
EBIT effect YTD 2008 (DKKm)	approx. (12)

As shown in the table, the difference between EBIT for Q3 2008 and the year-earlier period was attributable to the unfavourable effects of currency hedging.

The table also shows that accumulated EBIT for the year was adversely affected by the currency hedging between CAD and USD.

The average hedging for the full year 2008 was effected at 1.04, whereas the rate for the full year 2007 was 0.88.

In the autumn of 2008, Management hedged the CAD/USD cross rate for the full year 2009 at an average level of 0.93. This will have a positive effect on the North American operations compared with 2008.

Industrial Packaging

Revenue

Industrial Packaging performed as expected in the nine months ended 30 September 2008. Revenue fell due to the closedown last year of the industrial packaging activities in Asia and North America and the comprehensive trimming of the product portfolio, as part of the turnaround plan. Revenue was also affected by the decision by the largest customer in the business area to phase out its purchases of Hartmann packaging (see also the interim report for HI 2008 of 28 August 2008).

Accumulated revenue for 2008 amounted to DKK 101 million, reflecting a decline of DKK 56 million (36%) compared with the year-earlier level (nine months 2007: DKK 157 million).

Revenue in Q3 2008 was DKK 25 million, reflecting a decline of DKK 28 million from the year-earlier level (Q3 2007: DKK 53 million).

EBIT

Operating profit for the nine months ended 30 September 2008 grew due to the turnaround activities launched in 2007, which resulted in major reductions in fixed and variable costs.

Accumulated operating profit for the nine months ended 30 September 2008 broke even, corresponding to an improvement of DKK 40 million compared with the year-earlier period (nine months 2007: a loss of DKK 40 million).

Accumulated EBIT for 2008, adjusted for impairment and non-recurring items, increased by DKK 5 million, which was equivalent to a 20% improvement.

EBIT for Q3 2008 was DKK 1 million, which was in line with the year-earlier period (Q3 2007: DKK 2 million).

Accumulated for 2008, the relocation of production from Denmark to Hungary resulted in asset impairment of DKK 32 million and non-recurring costs of DKK 3 million. As announced in the interim report for HI 2008 of 28 August 2008, total impairment and non-recurring items for the year are still expected to amount to DKK 38 million.

The Group will continue its efforts to attract new customers to compensate for the major industrial packaging customer which is phasing out its pur-

changes of Hartmann products due to a new packaging strategy. As previously announced, revenue from Industrial Packaging is assumed to drop significantly in the course of 2009 and 2010.

Other business areas

Other business areas comprise Hartmann Technology, the combined heat and power plant in Tønder and non-profit-generating corporate functions.

Revenue

Revenue for the nine months ended 30 September 2008 was DKK 80 million, up DKK 34 million from the year-earlier level (nine months 2007: DKK 46 million), the main growth driver being the sale of production plant in Hartmann Technology in H1 2008.

Revenue in Q3 2008 was DKK 8 million, down DKK 5 million from the year-earlier level. Hartmann Technology's activities in the period were related to the production of intra-group property, plant and equipment, which was the main reason for the decline.

EBIT

A higher level of activity and non-recurring costs in 2007 resulted in higher EBIT for the first nine months of the year.

Accumulated EBIT for 2008 was a loss of DKK 27 million (nine months 2007: a loss of DKK 43 million).

EBIT for Q3 2008 was a loss of DKK 9 million (Q3 2007: a loss of DKK 14 million).

The Hartmann share

At 1 January 2008, the market price of Hartmann's shares was DKK 112.48 (adjusted for the bonus element of the rights issue in June 2008). At 30 September 2008, the price was DKK 96.00.

Important Board resolutions

No important Board resolutions were made in Q3 2008 which are not described in this interim report or in previous company announcements.

Cash flows and capital resources

The Group's cash flows reflect the positive impact of the significant improvement in earnings for the nine months ended 30 September 2008 and of net proceeds of DKK 252 million from the rights issue.

Cash flows from operating activities

Cash flows from operating activities increased due to the significant improvement in profit in the first nine months of the year.

Accumulated cash flows from operating activities for 2008 amounted to an inflow of DKK 79 million (nine months 2007: an inflow of DKK 11 million).

Cash flows from operating activities in Q3 2008 amounted to an inflow of DKK 49 million (Q3 2007: an inflow of DKK 16 million).

Cash flows from investing activities

Cash flows from investing activities in the nine months ended 30 September 2008 amounted to an outflow of DKK 56 million (nine months 2007: an outflow of DKK 121 million).

Cash flows from investing activities in Q3 2008 amounted to an outflow of DKK 37 million (Q3 2007: an outflow DKK 33 million), which was in line with expectations.

After the rights issue, capital investments were increased as planned, including the establishment of a de-inking facility at the production plant in Hungary.

Cash flows from financing activities

Cash flows from financing activities in the nine months ended 30 September 2008 amounted to an inflow of DKK 132 million (nine months 2007: an inflow of DKK 104 million).

Cash flows from financing activities in Q3 2008 amounted to an outflow of DKK 3 million (Q3 2007: an inflow of DKK 125 million), which reflected the proceeds from borrowings of DKK 130 million.

Capital resources

The Group's net interest-bearing debt at 30 September 2008 amounted to DKK 305 million (31 December 2007: DKK 592 million).

The Group's financial gearing at 30 September 2008 stood at 61% (1 January 2008: 269%).

The Group's unused bank credit lines amounted to DKK 154 million at 30 September 2008 (31 December 2007: DKK 138 million).

Cash and cash equivalents amounted to DKK 93 million at 30 September 2008 (30 September 2007: DKK 52 million).

The Group's available cash and cash equivalents amounted to DKK 247 million at 30 September 2008 (31 December 2007: DKK 190 million).

Management believes that, based on cash flows from operating activities and the proceeds from the rights issue, the Group has sufficient capital resources to cover the ongoing financing of current operations and planned investments announced in connection with the rights issue.

Movements in equity

At 30 September 2008, the Group's equity stood at DKK 503 million, up DKK 283 million from the year-earlier period (31 December 2007: DKK 220 million). The increase was primarily due to the net proceeds of DKK 252 million from the rights issue.

As a result, Hartmann's equity ratio increased from 18% at the beginning of the year to 42% at 30 September 2008.

Outlook 2008

Hartmann maintains its outlook for the full year for consolidated revenue, operating profit (EBIT) and consolidated profit (EAT) announced in the interim report for H1 2008 on 28 August 2008.

Amounts in DKKm	Outlook as at 28 August 2008	Outlook as at 19 November 2008
Revenue	approx. 1,480	approx. 1,480
Operating profit/(loss) (EBIT)	approx. 55	approx. 55
Profit/(loss) for the year (EAT)	approx. 0-5	approx. 0-5

Revenue

Hartmann's revenue forecast for 2008 is DKK 1,480 million, which is unchanged from the forecast announced in the interim report for H1 2008.

EBIT

The growth in EBIT for Q3 2008 supports the most recently announced forecasts of operating profit. Hartmann therefore maintains its forecast of a consolidated operating profit (EBIT) for 2008 of approx. DKK 55 million.

Profit for the year (EAT)

Hartmann maintains its forecast of consolidated profit (EAT) for the year of approx. DKK 0 million.

Goals

As announced in connection with the rights issue, it is the goal of Hartmann to achieve an EBIT margin of about 10% from 2010 onwards. This goal is to be achieved by optimising the European business, adapting the level of activity in Industrial Packaging, lifting sales and improving utilisation of capacity in North America. Further information and status information will be included in Hartmann's annual report for 2008.

Risks

Currency risks

As stated in the Annual Report 2007, the Group's most significant risks still relate to the cross rate between CAD and USD. The Group has hedged the primary currencies, except for EUR, for the full year of 2008.

Operational risks

Recycled paper and energy (electricity and gas) constitute the most important raw materials in Hartmann's production. Accordingly, fluctuations in prices of paper and energy have a major impact on the Group's financial performance.

Hartmann achieves a partial reduction of its sensitivity to developments in paper and energy prices through fixed-price and framework agreements. However, in some countries, national legislation does not permit fixed-price agreements with energy suppliers.

Developments in the price of recycled paper and energy in Hartmann are in line with industry developments, but due to the fixed-price agreements, the effect on Hartmann's purchase prices as a result of fluctuations in the market price occurs at a certain delay. This may improve the Group's opportunities of making adjustments, if any.

Management report

The Board of Directors and the Executive Board have today considered and approved the interim report for the nine months ended 30 September 2008 of Brødrene Hartmann A/S.

The interim report, which is unaudited and has not been reviewed by the company's auditors, is presented in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies.

In our opinion, the interim report gives a true and fair view of the Group's assets and liabilities and financial position at 30 September 2008 and of the results of the Group's operations and cash flows for the nine months ended 30 September 2008.

We are furthermore of the opinion that the Management's report gives a true and fair view of developments in the Group's operations and financial situation, the results for the period in review and the Group's financial position in general and describes significant risk and uncertainty factors that may affect the Group.

Gentofte, 17 November 2008

Executive Board:

Peter Arndrup Poulsen
President & CEO

Tom Wrensted
CFO

Board of Directors:

Erik Højsholt
Chairman

Walther V. Paulsen
Vice Chairman

Ove Brandt

Niels Hermansen

Peter-Ulrik Plesner

Hans Vilhelmsen

Income statement

Amounts in DKKm				
	Q3 2008	Q3 2007	Acc. 2008	Acc. 2007
Revenue	336.2	356.2	1,105.5	1,069.5
Production costs *	(253.3)	(265.4)	(795.7)	(814.6)
Gross profit	82.9	90.8	309.8	254.9
Sales and distribution costs *	(59.6)	(63.3)	(186.1)	(200.0)
Administrative expenses *	(15.4)	(28.9)	(54.5)	(73.9)
Other operating income	0.3	0.8	1.1	2.4
Operating profit/(loss) before impairment	8.2	(0.6)	70.3	(16.6)
Impairment of fixed assets **	-	-	(31.6)	(155.0)
Operating profit/(loss) (EBIT)	8.2	(0.6)	38.7	(171.6)
Other financial income	0.8	0.4	1.4	1.6
Other financial expenses ***	(9.7)	(13.7)	(54.2)	(41.4)
Profit/(loss) before tax (EBT) from continuing operations	(0.7)	(13.9)	(14.1)	(211.4)
Tax on the profit for the period from continuing operations	0.2	(17.3)	(0.5)	(60.8)
Profit/(loss) for the period from continuing operations	(0.5)	(31.2)	(14.6)	(272.2)
Profit/(loss) for the period from discontinued operations	-	-	-	(244.9)
Net profit/(loss) for the period (EAT)	(0.5)	(31.2)	(14.6)	(517.1)
The profit/(loss) for the period is attributable to:				
Shareholders of Brødrene Hartmann A/S	(0.5)	(31.2)	(14.8)	(516.3)
Minority interests	-	-	0.2	(0.8)
	(0.5)	(31.2)	(14.6)	(517.1)
Earnings per share				
Earnings per share in DKK (EPS)	(0.1)	(7.0)	(2.8)	(115.2)
Earnings per share in DKK, diluted (EPS-D)	(0.1)	(7.0)	(2.8)	(115.2)
Earnings per share in DKK for continuing operations	(0.1)	(7.0)	(2.8)	(60.5)
Earnings per share in DKK for continuing operations, diluted	(0.1)	(7.0)	(2.8)	(60.5)

* In Q3 2008, production costs were adversely affected by DKK 2 million. In Q3 2007, administrative expenses were adversely affected by DKK 10 million.

For YTD 2008, production costs were positively affected by DKK 5 million. YTD 2007 production costs, sales and distribution costs and administrative expenses were adversely affected by non-recurring items of DKK 16 million, DKK 4 million and DKK 18 million.

** For YTD 2008, impairment of assets amounted to DKK 32 million related to Industrial Packaging. YTD 2007 impairment of assets totalled DKK 155 million, of which DKK 40 million related to Industrial Packaging in Asia and DKK 115 million related to Egg Packaging in North America.

*** In YTD 2008, other financial expenses were adversely affected by DKK 16 million as a consequence of a reclassification of foreign exchange losses from equity to the income statement relating to activities in Asia.

Statement of cash flows

Amounts in DKKm				
	Q3 2008	Q3 2007	Acc. 2008	Acc. 2007
Profit/(loss) for the period from continuing operations	(0.5)	(31.2)	(14.6)	(272.2)
Adjustments	35.4	50.7	150.4	328.4
Changes in working capital	26.9	12.2	(4.8)	(5.4)
Cash flows from operating activities before interest income and expense and similar items	61.8	31.7	131.0	50.8
Financial income	0.8	0.4	1.4	1.6
Financial expenses	(9.5)	(10.3)	(34.0)	(24.4)
Cash flows from ordinary activities	53.1	21.8	98.4	28.1
Net income tax paid	(4.6)	(5.4)	(19.1)	(17.4)
Cash flows from operating activities	48.5	16.4	79.3	10.7
Acquisition of property, plant and equipment	(39.6)	(32.5)	(66.2)	(120.7)
Disposal of property, plant and equipment	2.3	-	9.8	0.2
Cash flows from investing activities	(37.3)	(32.5)	(56.4)	(120.5)
Cash flows from operating and investing activities	11.2	(16.1)	22.9	(109.9)
Repayment of non-current loans	(6.0)	(4.8)	(77.9)	(25.8)
Public grants received	4.4	-	4.4	-
Income from sale of preemptive rights, treasury shares	-	-	2.2	-
Proceeds from rights shares *	(1.8)	-	220.1	-
Drawdown of short-term bank debt	-	80.0	-	80.0
Subordinated loan capital	-	50.0	(16.7)	-
Cash flows from financing activities	(3.4)	125.2	132.1	104.2
Cash flows from continuing operations	7.8	109.1	155.0	(5.7)
Cash flows from discontinued operations	-	1.8	-	(48.3)
Total cash flows	7.8	110.9	155.0	(54.0)
Cash and cash equivalents at 1 January	19.3	(219.8)	(131.1)	(54.5)
Foreign exchange translation differences	(1.2)	(0.1)	2.0	(0.5)
Cash and cash equivalents at 30 September	25.9	(109.0)	25.9	(109.0)
Recognition of cash and cash equivalents at 30 September:				
Cash	92.8	41.2	92.8	41.2
Banks (current liabilities)	(66.9)	(150.2)	(66.9)	(150.2)
Total cash and bank debt	25.9	(109.0)	25.9	(109.0)

* Proceeds from the rights issue at 30 September 2008 were calculated as the net proceeds of DKK 252 million, less converting of subordinated loan capital of DKK 33 million plus outstanding costs in connection with the rights issue of DKK 1 million.

Balance sheet, assets

Amounts in DKKm	Sept. 30, 2008	Sept. 30, 2007	Dec. 31, 2007
Non-current assets			
Intangible assets			
Development projects	0.1	0.6	0.3
Goodwill	10.7	10.7	10.7
Total intangible assets	10.8	11.3	11.0
Property, plant and equipment			
Land and buildings	166.4	165.8	169.4
Technical plant and machinery	416.3	418.6	475.5
Other operating equipment and fixtures	20.6	15.6	19.0
Plant under construction	46.0	84.8	26.1
Total property, plant and equipment	649.3	684.8	690.0
Other non-current assets			
Investments in associates	3.7	3.6	3.9
Deferred tax asset	40.3	36.7	34.3
Total other non-current assets	44.0	40.3	38.2
Total non-current assets	704.1	736.4	739.2
Current assets			
Inventories	108.0	112.5	110.8
Trade receivables	224.6	239.4	273.8
Contract work in progress	-	-	4.4
Corporation tax receivables	2.9	6.8	4.5
Other receivables	39.6	40.3	15.2
Prepayment	14.1	24.9	20.0
Cash and cash equivalents	92.8	41.2	52.3
Total current assets	482.0	465.1	481.0
Total assets	1,186.1	1,201.5	1,220.2

Balance sheet, equity and liabilities

Amounts in DKKm	Sept. 30, 2008	Sept. 30, 2007	Dec. 31, 2007
Equity			
Share capital	140.3	70.2	70.2
Retained earnings	362.5	145.2	149.9
Equity attributable to the shareholders of Brødrene Hartmann A/S	502.8	215.4	220.1
Minority interests	-	2.2	-
Total equity	502.8	217.6	220.1
Non-current liabilities			
Deferred tax	8.9	27.2	24.6
Pension obligations	18.4	18.2	18.4
Mortgages	2.0	3.4	2.7
Bank debt	304.3	330.3	328.0
Other debt	1.2	1.7	2.4
Government grants	15.6	10.5	13.1
Total non-current liabilities	350.4	391.3	389.2
Current liabilities			
Current portion of non-current liabilities	24.8	109.4	79.7
Subordinated loan capital	-	50.0	50.0
Bank debt	66.9	150.2	183.4
Contract work in progress	-	-	0.2
Prepayments from customers	-	6.1	4.0
Trade payables	92.3	105.6	121.9
Payables to associates	3.5	4.1	4.9
Corporation tax	9.2	2.4	4.4
Provisions	1.4	1.1	0.9
Other payables	134.8	163.7	161.5
Total current liabilities	332.9	592.6	610.9
Total liabilities	683.3	983.9	1,000.1
Total equity and liabilities	1,186.1	1,201.5	1,220.2

Statement of recognised income and expenses

Amounts in DKKm				
	Q3 2008	Q3 2007	Acc. 2008	Acc. 2007
Foreign exchange translation differences, foreign subsidiaries	(2.5)	(13.4)	30.6	182.6
Foreign exchange translation, equity-like loans to subsidiaries	(1.3)	0.2	2.7	(2.9)
Revaluation on hedging instruments transferred to the income statement (before tax)	1.2	0.1	(7.6)	(0.3)
Revaluation on hedging instruments	(7.9)	(0.9)	20.4	9.1
Actuarial loss on defined-benefit plans	1.2	(0.1)	1.2	(0.2)
Tax on movements in equity	(2.1)	0.7	(4.2)	2.1
Income from sale of preemptive rights, treasury shares	-	-	2.2	-
Profit/(loss) recognised directly in equity	(11.4)	(13.4)	45.3	190.4
Profit/(loss) for the period	(0.5)	(31.2)	(14.6)	(517.1)
Total recognised income and expense for the period	(11.9)	(44.6)	30.7	(326.7)
Attributable to:				
Shareholders of Brødrene Hartmann A/S	(11.9)	(43.8)	30.7	(325.2)
Minority interests	-	(0.8)	-	(1.5)
	(11.9)	(44.6)	30.7	(326.7)

Revenue and operation profit/(loss) by division

Amounts in DKKm

	Q3 2008	Q3 2007	Acc. 2008	Acc. 2007
Revenue				
Egg Packaging Europe	274.6	252.8	833.0	757.3
Egg Packaging North America	28.1	36.9	91.4	109.3
Industrial Packaging	25.4	53.1	101.0	156.8
Other	8.1	13.4	80.1	46.1
Total	336.2	356.2	1,105.5	1,069.5
Operating profit/(loss) (EBIT)				
Egg Packaging Europe	23.2	16.7	79.6	47.7
Egg Packaging North America	(7.1)	(5.2)	(14.2)	(136.5)
Industrial Packaging	1.3	1.6	0.3	(39.6)
Other	(9.2)	(13.7)	(27.0)	(43.2)
Total	8.2	(0.6)	38.7	(171.6)

Notes

1. Accounting policies

The interim report is presented in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies. The applied accounting policies are the same as those applied in the Annual Report 2007, to which reference is made.

For definitions of key figures and ratios, see the Annual Report 2007.

2. Judgments and estimates

The preparation of interim reports requires Management to make accounting judgments and estimates that affect the use of accounting policies and recognised assets, liabilities, income and expenses. The actual values may differ from these judgments. In the presentation of the consolidated interim report, the critical judgments made by Management in the application of the Group's accounting policies, and the considerable uncertainty inherent in judgments related thereto, are identical to those applying to the presentation of the Annual Report 2007.

3. Non-recurring items

Accumulated EBIT for 2008 reflect the negative effect of DKK 22 million related to asset impairment, non-recurring items and reorganisation costs.

See also the table on p. 4.

4. Property, plant and equipment

In the nine months ended 30 September 2008, the Group acquired assets in a total amount of DKK 66 million. The acquisitions related primarily to the continued expansion of the production plant in Hungary and are on par with expectations.

Besides the building and the production line in Malaysia, no important assets have been divested in 2008.

Q3 2008 included a total of DKK 32 million in impairment of property, plant and equipment due to the relocation of production from Denmark to Hungary.

5. Events after the balance sheet date

No significant events have occurred after the balance sheet date in the interim report for Q3 2008 that will affect Hartmann's assets, liabilities or financial position as at 30 September 2008 and its results and cash flows for the nine months ended 30 September 2008.

6. Seasonal fluctuations

Revenue and results posted by the Group for the nine months ended 30 September 2008 were affected by usual seasonal fluctuations.

Additional information

To subscribe to Hartmann's e-mail service, please visit our website, www.hartmann-packaging.com. Subscribers receive communications by e-mail at the same time as the market.

Financial calendar 2009

Thursday, 19 March 2009:
Annual Report for 2008

Friday, 20 March 2009:
Investor presentation for 2008

Tuesday, 21 April 2009:
Annual General Meeting

Thursday, 28 May 2009:
Interim Report for Q1 2009

Thursday, 27 August 2009:
Interim Report for H1 2009

Friday, 28 August 2009:
Investor presentation for H1 2009

Tuesday, 24 November 2009:
Interim Report for Q3 2009

Historical and topical information about Hartmann's operations, company announcements, financial statements, investor presentations, etc. are available on Hartmann's website, www.hartmann-packaging.com.

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