HARTMANN CHOOSE FIBRE. SAVE NATURE.®

INTERIM REPORT
9M 2013

CONTENTS

HIGHLIGHTS

The stable trend witnessed in Hartmann's European markets continued in the third quarter of the year, and both Europe and North America reported revenue and operating growth for 9M 2013. The activities to enhance efficiency in Europe and to expand production capacity in North America are progressing according to plan and will contribute to the achievement of Hartmann's long-term goals. Hartmann retains its full-year revenue forecast of DKK 1.5-1.6 billion and revises its profit margin forecast to 8.5-9.5% against previously 7.5-9.5%.

- Hartmann's revenue for 9M 2013 was DKK 1,169 million (2012: DKK 1,142 million), and operating profit* was DKK 104 million (2012: DKK 86 million), equal to a profit margin* of 8.9% (2012: 7.5%). For Q3, revenue was DKK 376 million (2012: DKK 373 million), and operating profit was DKK 39 million (2012: DKK 24 million), equal to a profit margin of 10.5% (2012: 6.5%).

- Cash flows from operating and investing activities grew to a net cash inflow of DKK 82 million for 9M 2013 (2012: a net cash inflow of DKK 69 million) and amounted to a net cash inflow of DKK 16 million for Q3 (2012: a net cash inflow of DKK 17 million). Return on invested capital (ROIC) rose to 20.4% (2012: 18.7%).

- The European revenue for 9M 2013 was DKK 950 million (2012: DKK 946 million), and operating profit increased to DKK 73 million (2012: DKK 63 million), equal to a profit margin of 7.6% (2012: 6.6%). For Q3, revenue was DKK 303 million (2012: DKK 306 million), and operating profit grew to DKK 28 million (2012: DKK 18 million), equal to a profit margin of 9.3% (2012: 5.9%). The efficiency enhancements in the European business continue and are aimed at maintaining the positive trend and further improving the financial performance.

- Revenue for the North American business rose to DKK 219 million for 9M 2013 (2012: DKK 197 million), and operating profit rose to DKK 49 million (2012: DKK 41 million), equal to a profit margin of 22.5% (2012: 21.0%). For Q3, revenue was DKK 73 million (2012: DKK 66 million), and operating profit grew to DKK 16 million (2012: DKK 11 million), equal to a profit margin of 21.8% (2012: 16.3%).

- Special items amounted to an expense of DKK 39 million for 9M 2013 (2012: DKK 0 million), covering the closure of the manufacturing facility in Finland and a severance payment to the former CEO of Hartmann.

- Hartmann has appointed Ulrik Kolding Hartvig as CEO. Ulrik Kolding Hartvig will join Hartmann on 1 May 2014 at the latest, taking over from Marianne Rørslev Bock, who has acted as interim CEO since June 2013.

- Hartmann retains its full-year revenue forecast of DKK 1.5-1.6 billion and revises its profit margin forecast to 8.5-9.5% against previously 7.5-9.5%.

* References to operating profit in this report are to operating profit before special items, and references to profit margin are to profit margin before special items, unless otherwise stated.

KEY FIGURES AND FINANCIAL RATIOS

DKKm

Group	Q3 2013	Q3 2012	9M 2013	9M 2012
Statement of comprehensive income				
Revenue	376	373	1,169	1,142
Operating profit/(loss) before depreciation, amortisation and impairment (EBITDA)	59	45	136	146
Operating profit/(loss) before special items	39	24	104	86
Special items	0	0	(39)	0
Operating profit/(loss) (EBIT)	39	24	65	86
Financial income and expenses, net	(4)	(1)	(12)	(5)
Profit/(loss) before tax (EBT)	35	23	53	82
Profit/(loss) for the period (EAT)	32	18	48	63
Comprehensive income	25	21	40	95
Cash flows				
Cash flows from operating activities	50	32	143	110
Cash flows from investing activities	(34)	(15)	(61)	(42)
Cash flows from financing activities	(5)	0	(43)	(59)
Total cash flows	11	17	39	10
Balance sheet				
Assets			1,154	1,154
Invested capital (IC)			633	693
Net working capital (NWC)			128	151
Net interest-bearing debt			123	165
Equity			574	591
Financial ratios, %				
Profit margin (EBITDA)	15.7	12.1	11.7	12.7
Profit margin before special items	10.5	6.5	8.9	7.5
Profit margin (EBIT)	10.5	6.5	5.6	7.5
Return on average invested capital (ROIC, rolling 12 months)			20.4	18.7
Return on equity (rolling 12 months)			13.5	14.9
Equity ratio			49.7	51.3
Gearing			21.4	27.9
Share-based financial ratios				
No. of shares (at period end, excluding treasury shares)			6,915,090	6,915,090
No. of shares (average, excluding treasury shares)			6,915,090	6,915,090
Earnings per share, DKK (EPS)	4.6	2.6	7.0	9.1
Cash flows from operating activities per share, DKK	7.2	4.6	20.7	16.0
Book value per share, DKK			83.0	85.5
Market price per share, DKK			136.5	115.0
Market price/book value per share			1.6	1.3
Price/earnings			19.5	12.7

The financial ratios are calculated in accordance with 'Recommendations & Ratios 2010', issued by the Danish Society of Financial Analysts. See note 37 to the financial statements in the annual report for 2012.

DEVELOPMENTS IN 9M 2013

The positive trend witnessed in 9M 2013 was driven by stabilisation in a number of Hartmann's European markets and growth in North America. Based on the increased operating profit, Hartmann revises its profit margin forecast to 8.5-9.5% against previously 7.5-9.5%.

The activities to improve the performance of the European business were intensified in the first six months of the year, and the initiatives targeting sales and production are progressing according to plan. In Q3, Hartmann achieved significant operating profit growth in Europe and will continue its efficiency enhancement efforts with the aim of maintaining the positive trend and further boosting the performance.

North America continued to see both revenue growth and operating profit growth. The improvement and the positive feedback received from existing and new customers provide a solid platform for the expansion of production capacity, which is still expected to be fully implemented in 2014.

Hartmann has appointed Ulrik Kolding Hartvig as CEO as of 1 May 2014 at the latest. Ulrik Kolding Hartvig comes from a position as Senior Vice President with FLSmidth and has previously held management positions with Danish industrial companies operating internationally, including the position of CEO of Cembrit Holding. Ulrik Kolding Hartvig will be taking over from Marianne Rørslev Bock, who has acted as interim CEO since June 2013.

STATEMENT OF COMPREHENSIVE INCOME

Revenue

Hartmann's total revenue was DKK 1,169 million for 9M 2013 (2012: DKK 1,142 million) and DKK 376 million for Q3 (2012: DKK 373 million). Both Europe and North America reported revenue growth.

Europe

The European business reported revenue of DKK 950 million for 9M 2013 (2012: DKK 946 million) and DKK 303 million for Q3 (2012: DKK 306 million).

Sales in Hartmann's mature markets continued to stabilise, and the efforts to increase the proportion of premium products in a number of markets continue to produce good results.

North America

In North America, Hartmann generated revenue of DKK 219 million for 9M 2013 (2012: DKK 197 million) and DKK 73 million for Q3 (2012: DKK 66 million).

The positive trend witnessed in the first three quarters of the year was driven by increased sales, with revenue positively influenced by additional sales to existing customers, in particular, based on increased capacity utilisation. The North American growth continued in Q3, and the proportion of premium products increased.

Operating profit

Operating profit grew to DKK 104 million in 9M 2013 (2012: DKK 86 million), equal to a profit margin of 8.9% (2012: 7.5%), and for Q3 operating profit was DKK 39 million (2012: DKK 24 million), equal to a profit margin of 10.5% (2012: 6.5%).

Europe

Operating profit for the European business was DKK 73 million for 9M 2013 (2012: DKK 63 million), equal to a profit margin of 7.6% (2012: 6.6%). For Q3, operating profit grew to DKK 28 million (2012: DKK 18 million), equal to a profit margin of 9.3% (2012: 5.9%).

The higher proportion of premium products and sales growth contributed positively to the higher operating profit for 9M (positive effect of DKK 18 million), while increased energy and paper prices had a negative impact on the financial performance (negative effect of DKK 9 million). The increase in energy prices was partially offset by energy efficiency enhancements, and capacity utilisation in the European manufacturing facilities continued to improve in Q3.

North America

North America generated an operating profit of DKK 49 million for 9M 2013 (2012: DKK 41 million), equal to a profit margin of 22.5% (2012: 21.0%). Operating profit grew to DKK 16 million for Q3 (2012: DKK 11 million), equal to a profit margin of 21.8% (2012: 16.3%).

The continued sales growth in the North American business positively affected the operating profit for 9M 2013 (positive effect of DKK 14 million), while a minor increase in fixed costs and higher transport costs were negative contributors (negative effect of DKK 8 million).

Corporate functions

Costs related to corporate functions came to DKK 18 million for 9M 2013 (2012: DKK 18 million) and DKK 5 million for Q3 (2012: DKK 5 million).

Special items

Special items for 9M 2013 amounted to a net expense of DKK 39 million (2012: DKK 0 million). See note 4 to the financial statements. Of this amount, the closure of the manufacturing facility in Finland led to an expense of DKK 33 million, and the severance payment to Hartmann's CEO was an expense of DKK 6 million.

Financial income and expenses

Hartmann reported a net financial expense of DKK 12 million for 9M 2013 (2012: a net expense of DKK 5 million) and a net expense of DKK 4 million for Q3 (2012: a net expense of DKK 1 million). The change was attributable to adverse effects of foreign exchange adjustments on translation into DKK.

Profit for the period

Profit for the period was DKK 48 million for 9M 2013 (2012: DKK 63 million) and DKK 32 million for Q3 (2012: DKK 18 million). Tax on

The first nine months of the year were characterised by stabilisation in Europe and growth in North America. *On that background, Hartmann revises its profit margin forecast to 8.5-9.5% against previously 7.5-9.5%.*

profit for the period was DKK 5 million for 9M 2013 (2012: DKK 19 million). The effective tax rate for 2013 is expected to be 9% as a result of an expected higher rate of utilisation of tax-loss carry forwards in North America.

Comprehensive income

Comprehensive income was DKK 40 million for 9M 2013 (2012: DKK 95 million) and DKK 25 million for Q3 (2012: DKK 21 million). The change in profit for the period contributed negatively to comprehensive income in the amount of DKK 14 million. Comprehensive income was further negatively affected in the amount of DKK 11 million (2012: a positive effect of DKK 28 million) by translation into DKK of net assets in foreign subsidiaries.

CASH FLOWS

Cash flows from operating activities amounted to a cash inflow of DKK 143 million for 9M 2013 (2012: a cash inflow of DKK 110 million) and a cash inflow of DKK 50 million for Q3 (2012: a cash inflow of DKK 32 million). Operating profit growth and change in working capital were positive contributors.

Cash flows from investing activities during the first nine months of 2013 amounted to a net cash outflow of DKK 61 million (2012: a net cash outflow of DKK 42 million) and a net cash outflow of DKK 34 million for Q3 (2012: a net cash outflow of DKK 15 million). Hartmann increased its investments in both Europe and North America as planned. Cash flows from operating and investing activities thus amounted to a net cash inflow of DKK 82 million for 9M 2013 (2012: a net cash inflow of DKK 69 million) and a net cash inflow of DKK 16 million for Q3 (2012: a net cash inflow of DKK 17 million).

BALANCE SHEET

ROIC

Return on invested capital (ROIC) rose to 20.4% at 30 September 2013 (2012: 18.7%).

The objective of Hartmann's operations and investments is to continuously secure an attractive return on invested capital for its shareholders of not less than 15%.

Capital resources

At 30 September 2013, the group's net interest-bearing debt stood at DKK 123 million against DKK 137 million at 31 December 2012. Hartmann has reduced its net interest-bearing debt by DKK 42 million since 30 September 2012.

Hartmann's financial gearing was 21% at 30 September 2013 against 23% at 1 January 2013. Hartmann's total drawing right, including deposits and unutilised overdraft facilities, amounted to DKK 354 million at 30 September 2013. Management considers the capital resources satisfactory.

Equity

Equity stood at DKK 574 million at 30 September 2013, against DKK 600 million at 1 January 2013. Hartmann's equity ratio was 50% at 30 September 2013, against 53% at 1 January 2013.

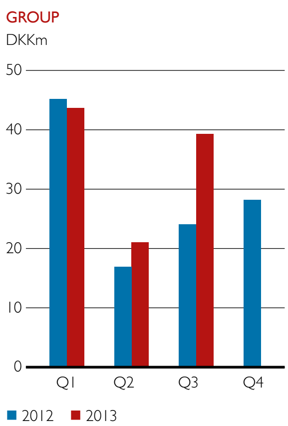
THE HARTMANN SHARE

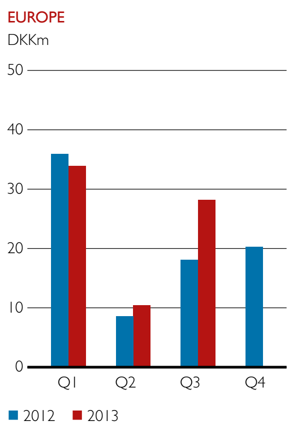
The official market price of the Hartmann share was DKK 110.5 at 31 December 2012 and DKK 136.5 at 30 September 2013. Information on share performance is available at www.investor.hartmann-packaging.com.

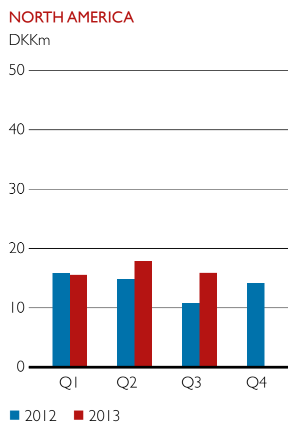
EVENTS AFTER THE BALANCE SHEET DATE

On 28 October 2013, Hartmann announced the appointment of Ulrik Kolding Hartvig as CEO. Ulrik Kolding Hartvig will join the group on 1 May 2014 at the latest.

OPERATING PROFIT







OUTLOOK

Based on the stable trend witnessed in Hartmann's European markets and the performance for 9M 2013, Hartmann retains its full-year revenue forecast of DKK 1.5-1.6 billion and revises its profit margin forecast to 8.5-9.5% against previously 7.5-9.5%.

Special items are expected to be an expense of DKK 36-46 million, which amount is not included in the guidance for 2013.

Due to seasonal fluctuations, Hartmann's revenue for the first and fourth quarters is generally higher than for the second and third quarters. Hartmann's sales of machinery are not affected by seasonal fluctuations, but revenue may be subject to quarterly fluctuations depending on the timing of order execution at Hartmann Technology.

Hartmann's total capital expenditure for 2013 is expected to amount to approximately DKK 120 million, down from the previous forecast of DKK 120-140 million. The total capital expenditure comprises this year's investments in expansion of existing production capacity in North America, expected to be fully implemented in 2014, and the group's increased focus on automating and enhancing production efficiency in both Europe and North America.

ASSUMPTIONS

Hartmann's revenue and profit margin forecast for 2013 is based on the present composition of the group's business operations. In addition, total costs of raw materials and selling prices are assumed to remain relatively stable at the level prevailing at the time of presentation of this interim report. Any deviations from these assumptions may affect the 2013 performance.

Hartmann's operating profit and profit margin are mainly exposed to developments in raw material prices and exchange rates. Hartmann has hedged its primary currency exposure until 30 June 2014.

FORWARD-LOOKING STATEMENTS

The forward-looking statements in this interim report reflect Hartmann's current expectations for future events and financial results. The statements are inherently subject to uncertainty, and actual results may therefore differ from expectations. Factors that may cause the actual results to differ from expectations include, but are not limited to, general economic developments and developments in the financial markets, changes and amendments to legislation and regulation in Hartmann's markets, changes in demand for products, competition and the prices of raw materials.

FORECAST AND FINANCIAL TARGETS

	2013 Previous	2013 Revised	2015
Revenue	DKK 1.5-1.6bn	DKK 1.5-1.6bn	DKK 1.7-1.8bn
Profit margin	7.5-9.5%	8.5-9.5%	8-11%

RISK FACTORS

See the section on risk factors and note 33 to the financial statements in the annual report for 2012 for a full description of Hartmann's risk factors.

RAW MATERIALS

Hartmann is dependent on the purchase prices of the raw materials used in production. Hartmann is particularly exposed to fluctuations in the purchase prices of recycled paper and energy (electricity and gas), which are the most important raw materials used in production.

There is limited scope for reducing Hartmann's sensitivity to developments in the price of recycled paper if supplies of the required volumes are to be secured and maintained. Hartmann substitutes to some extent certain types of paper for other types if prices are more favourable.

Hartmann regularly signs fixed-price agreements with energy suppliers, typically for periods of 6 or 12 months, covering a substantial part of the group's energy consumption. However, it is not possible to sign fixed-price agreements with energy suppliers in all of the countries in which Hartmann operates.

Hartmann is committed to reducing its sensitivity to fluctuations in the prices of raw materials through continual implementation of technological improvements and optimisation of work processes.

CURRENCY

Hartmann's currency risks consist of transaction risks and translation risks, respectively.

Hartmann is exposed to transaction risk due to cross-border transactions leading to contractual cash flows in foreign currency. Most sales generated in the North American business are invoiced in USD, while most costs are incurred in CAD. Therefore, the currency exposure in relation to the USD/CAD exchange rate constitutes one of the group's single largest transaction risks. Other significant transaction risks relate to the currencies CHF, EUR, GBP, HRK, HUF, PLN and SEK.

Due to its foreign subsidiaries, Hartmann is exposed to translation risks since a major part of the group's earnings and net assets derive from these foreign subsidiaries and is therefore translated and included in the consolidated financial statements, which are presented in DKK. In terms of net position, foreign subsidiaries' reporting in the currencies CAD, EUR, HRK, HUF and ILS represents Hartmann's greatest translation exposure.

Hartmann hedges its transaction risk to the effect that primary currencies are continuously hedged for a period of not less than 6 and not more than 12 months. Translation risk is not hedged, as it does not have any direct impact on Hartmann's cash resources or underlying cash flows.

MANAGEMENT STATEMENT

The Board of Directors and the Executive Board have today considered and approved the interim report of Brødrene Hartmann A/S for the nine months ended 30 September 2013.

The interim report, which has been neither audited nor reviewed by the company's auditors, was prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and Danish disclosure requirements for listed companies.

In our opinion, the interim financial statements give a true and fair view of the group's assets and liabilities and financial position at 30 September 2013 and of the results of the group's operations and cash flows for the nine months ended 30 September 2013.

Furthermore, in our opinion, the management report includes a fair review of the development and performance of the group's activities, the financial results for the period and the financial position of the group in general and describes the principal risks and uncertainties that it faces.

Gentofte, 12 November 2013

Executive Board:	Marianne Rørslev Bock *CFO and interim CEO*		
Board of Directors:	Agnete Raaschou-Nielsen *Chairman*	Walther V. Paulsen *Vice Chairman*	Jan Peter Antonisen
	Niels Hermansen	Jørn Mørkeberg Nielsen	Steen Parsholt
	Niels Christian Petersen		

INTERIM FINANCIAL STATEMENTS

Interim financial statements

STATEMENT OF COMPREHENSIVE INCOME

DKKm

Group	Q3 2013	Q3 2012	9M 2013	9M 2012
Revenue	376.0	372.9	1,168.8	1,142.3
Production costs	(260.3)	(269.4)	(812.7)	(808.9)
Gross profit/(loss)	**115.7**	**103.5**	**356.1**	**333.4**
Selling and distribution costs	(62.8)	(66.7)	(210.6)	(204.5)
Administrative expenses	(14.4)	(13.3)	(43.5)	(44.2)
Other operating income	0.8	0.6	2.0	1.5
Operating profit/(loss) before special items	**39.3**	**24.1**	**104.0**	**86.2**
Special items, cf. note 4	0.0	0.0	(38.9)	0.0
Operating profit/(loss)	**39.3**	**24.1**	**65.1**	**86.2**
Financial income	0.2	2.1	1.3	5.6
Financial expenses	(4.6)	(3.1)	(13.3)	(10.3)
Profit/(loss) before tax	**34.9**	**23.1**	**53.1**	**81.5**
Tax on profit/(loss) for the period	(3.1)	(5.4)	(4.7)	(18.8)
Profit/(loss) for the period	**31.8**	**17.7**	**48.4**	**62.7**
Items that can be reclassified to profit or loss:				
Foreign exchange adjustment of:				
Foreign subsidiaries	(5.0)	4.5	(10.7)	28.1
Equity-like loans to subsidiaries	(0.3)	(0.2)	0.4	(0.2)
Value adjustment of hedging instruments:				
Recognised in equity	(1.7)	(3.0)	2.4	6.6
Transferred to revenue	(0.5)	(2.2)	1.9	(4.8)
Transferred to production costs	0.5	3.3	(1.9)	3.6
Transferred to financial income and expenses	0.0	0.4	0.0	0.5
Tax on the above	0.4	0.5	(0.7)	(1.3)
Other comprehensive income	**(6.6)**	**3.3**	**(8.6)**	**32.5**
Comprehensive income	**25.2**	**21.0**	**39.8**	**95.2**
Earnings per share, DKK	4.6	2.6	7.0	9.1
Earnings per share, DKK, diluted	4.6	2.6	7.0	9.1

STATEMENT OF CASH FLOWS

DKKm

Group	Q3 2013	Q3 2012	9M 2013	9M 2012
Operating profit/(loss) before special items	39.3	24.1	104.0	86.2
Depreciation and amortisation	19.6	20.9	58.5	59.3
Adjustment for other non-cash items	(0.1)	(0.2)	(0.1)	(0.2)
Change in working capital	4.0	(7.1)	2.0	(19.5)
Restructuring costs etc. paid	(6.3)	(0.6)	(7.5)	(1.8)
Cash generated from operations	**56.5**	**37.1**	**156.9**	**124.0**
Interest etc. received	0.2	0.5	1.3	3.2
Interest etc. paid	(2.9)	(3.0)	(7.0)	(10.2)
Net income tax paid	(3.9)	(2.9)	(8.2)	(6.8)
Cash flows from operating activities	**49.9**	**31.7**	**143.0**	**110.2**
Disposals of property, plant and equipment	0.1	0.3	0.3	0.3
Acquisitions of property, plant and equipment	(34.1)	(15.3)	(61.1)	(42.1)
Government grants received	0.0	0.0	0.0	0.2
Cash flows from investing activities	**(34.0)**	**(15.0)**	**(60.8)**	**(41.6)**
Cash flows from operating and investing activities	**15.9**	**16.7**	**82.2**	**68.6**
Raising of non-current debt	0.0	0.0	39.9	70.1
Repayment of non-current debt	(5.0)	0.0	(17.5)	(65.1)
Dividend paid	0.0	0.0	(65.7)	(64.0)
Cash flows from financing activities	**(5.0)**	**0.0**	**(43.3)**	**(59.0)**
Total cash flows	**10.9**	**16.7**	**38.9**	**9.6**
Cash and bank debt at beginning of period	92.4	7.9	66.4	13.8
Foreign exchange adjustment	(0.4)	0.2	(2.4)	1.4
Cash and bank debt at end of period	**102.9**	**24.8**	**102.9**	**24.8**
Recognition of cash and bank debt at end of period:				
Cash	102.9	86.3	102.9	86.3
Overdraft facilities	0.0	(61.5)	0.0	(61.5)
	102.9	**24.8**	**102.9**	**24.8**

The statement of cash flows cannot be derived solely from the published financial information.

BALANCE SHEET
ASSETS

DKKm

	30 Sept. 2013	30 Sept. 2012	31 Dec. 2012
Goodwill	10.7	10.7	10.7
Other intangible assets	2.1	4.7	3.8
Intangible assets	**12.8**	**15.4**	**14.5**
Land and buildings	149.5	170.7	167.1
Technical plant and machinery	316.3	338.0	332.3
Fixtures and fittings, tools and equipment	5.8	7.0	6.5
Technical plant under construction	33.0	21.7	18.1
Property, plant and equipment	**504.6**	**537.4**	**524.0**
Investments in associates	1.7	1.7	1.7
Other receivables	10.6	15.4	10.8
Deferred tax	99.9	80.3	92.9
Other non-current assets	**112.2**	**97.4**	**105.4**
Non-current assets	**629.6**	**650.2**	**643.9**
Inventories	125.5	135.3	130.7
Trade receivables	259.4	236.7	238.2
Income tax receivable	5.8	10.9	7.1
Other receivables	24.2	25.0	38.7
Prepayments	6.9	9.2	5.8
Cash and cash equivalents	102.9	86.3	77.0
Current assets	**524.7**	**503.4**	**497.5**
Assets	**1,154.3**	**1,153.6**	**1,141.4**

BALANCE SHEET
EQUITY AND LIABILITIES

DKKm

	30 Sept. 2013	30 Sept. 2012	31 Dec. 2012
Share capital	140.3	140.3	140.3
Hedging reserve	(3.0)	(3.6)	(4.8)
Translation reserve	(47.5)	(26.6)	(37.1)
Proposed dividend	0.0	0.0	65.7
Retained earnings	484.5	481.3	436.1
Equity	**574.3**	**591.4**	**600.2**
Deferred tax	14.9	18.7	15.2
Pension obligations	43.6	32.9	46.8
Credit institutions	225.6	189.9	203.1
Government grants	20.1	23.6	22.2
Other payables	0.0	2.3	1.5
Non-current liabilities	**304.2**	**267.4**	**288.8**
Government grants	2.8	3.2	3.1
Overdraft facilities	0.0	61.5	10.6
Prepayments from customers	9.7	12.2	12.1
Trade payables	119.3	88.8	120.0
Payables to associates	2.9	2.2	2.0
Income tax	7.1	5.2	0.3
Provisions	21.9	2.9	2.2
Other payables	112.1	118.8	102.1
Current liabilities	**275.8**	**294.8**	**252.4**
Liabilities	**580.0**	**562.2**	**541.2**
Equity and liabilities	**1,154.3**	**1,153.6**	**1,141.4**

STATEMENT OF CHANGES IN EQUITY

DKKm

Group	Share capital	Hedging reserve	Translation reserve	Proposed dividend	Retained earnings	Total equity
Equity at 1 January 2013	**140.3**	**(4.8)**	**(37.1)**	**65.7**	**436.1**	**600.2**
Profit/(loss) for the period	-	-	-	0.0	48.4	48.4
Other comprehensive income						
Items that can be reclassified to profit or loss						
Foreign exchange adjustment of:						
Foreign subsidiaries	-	-	(10.7)	-	-	(10.7)
Equity-like loans to subsidiaries	-	-	0.4	-	-	0.4
Value adjustment of hedging instruments:						
Recognised in equity	-	2.4	-	-	-	2.4
Transferred to revenue	-	1.9	-	-	-	1.9
Transferred to production costs	-	(1.9)	-	-	-	(1.9)
Tax on the above	-	(0.6)	(0.1)	-	-	(0.7)
	0.0	**1.8**	**(10.4)**	**0.0**	**0.0**	**(8.6)**
Total comprehensive income	**0.0**	**1.8**	**(10.4)**	**0.0**	**48.4**	**39.8**
Transactions with owners						
Dividend paid	-	-	-	(65.7)	-	(65.7)
Total changes in equity	**0.0**	**1.8**	**(10.4)**	**(65.7)**	**48.4**	**(25.9)**
Equity at 30 September 2013	**140.3**	**(3.0)**	**(47.5)**	**0.0**	**484.5**	**574.3**

Equity at 1 January 2012	**140.3**	**(8.1)**	**(54.6)**	**64.0**	**418.6**	**560.2**
Profit/(loss) for the period	-	-	-	0.0	62.7	62.7
Other comprehensive income						
Items that can be reclassified to profit or loss						
Foreign exchange adjustment of:						
Foreign subsidiaries	-	-	28.1	-	-	28.1
Equity-like loans to subsidiaries	-	-	(0.2)	-	-	(0.2)
Value adjustment of hedging instruments:						
Recognised in equity	-	6.6	-	-	-	6.6
Transferred to revenue	-	(4.8)	-	-	-	(4.8)
Transferred to production costs	-	3.6	-	-	-	3.6
Transferred to financial income and expenses	-	0.5	-	-	-	0.5
Tax on the above	-	(1.4)	0.1	-	-	(1.3)
	0.0	**4.5**	**28.0**	**0.0**	**0.0**	**32.5**
Total comprehensive income	**0.0**	**4.5**	**28.0**	**0.0**	**62.7**	**95.2**
Transactions with owners						
Dividend paid	-	-	-	(64.0)	-	(64.0)
Total changes in equity	**0.0**	**4.5**	**28.0**	**(64.0)**	**62.7**	**31.2**
Equity at 30 September 2012	**140.3**	**(3.6)**	**(26.6)**	**0.0**	**481.3**	**591.4**

NOTES

01 ACCOUNTING POLICIES

The interim financial statements are presented in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and Danish disclosure requirements for listed companies. No interim financial statements have been prepared for the parent company. The interim financial statements are presented in Danish kroner (DKK), which is the presentation currency used for the group's operations and the functional currency of the parent company.

The accounting policies applied in the interim financial statements are consistent with the accounting policies applied in the consolidated financial statements for 2012. The accounting policies are described in note 37 to the financial statements in the annual report for 2012, to which reference is made.

New financial reporting standards and interpretations in 2013
Hartmann has implemented all new and revised financial reporting standards and interpretations adopted by the EU that are effective for financial years beginning on or after 1 January 2013. In this connection, Hartmann has implemented IAS 1 concerning presentation of other comprehensive income. The comparative figures have been restated accordingly. Furthermore, Hartmann has assessed that the new and revised standards and interpretations that are effective for financial years beginning on or after 1 January 2013 are either not relevant or not of significant importance.

02 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

Significant accounting estimates and judgments
In applying the group's accounting policies, management is required to make judgments, estimates and assumptions concerning the carrying amount of assets and liabilities which cannot be immediately inferred from other sources.

The judgments, estimates and assumptions made are based on historical experience and other relevant factors which management considers reasonable under the circumstances, but which are inherently uncertain and unpredictable.

The estimates and underlying assumptions are regularly assessed. Changes to accounting estimates are recognised in the reference period in which the change occurs and in future reference periods if the change affects the period in which it is made as well as subsequent reference periods.

Recoverable amount of the combined heat and power plant in Tønder
In 2008, the district heating company Tønder Fjernvarme filed a complaint with the Danish Energy Regulatory Authority concerning the pricing of surplus heat from Hartmann's combined heat and power plant in Tønder, Denmark. In a preliminary advisory opinion issued on 8 May 2013, the Danish Energy Regulatory Authority ordered Hartmann to repay an excess payment of DKK 21 million. Hartmann disagrees with the preliminary opinion and has filed an additional submission with the Energy Regulatory Authority. The Energy Regulatory Authority has not yet made a decision in the matter. Once the Energy Regulatory Authority has made a decision, management will assess whether the matter should be brought before the Danish Energy Board of Appeal. Not later than when a final decision has been made will Hartmann's management reassess the basis of operation and the valuation of the plant. The valuation and the profitability of the continued operation of the combined heat and power plant depend on the price level determined in the final decision. The carrying amount of property, plant and equipment at 30 September 2013 relating to the plant was DKK 25.8 million.

Other factors
The group's revenue and results of operations are subject to seasonal fluctuations.

03 SEGMENT INFORMATION

The reporting of business segments is in accordance with the internal reporting to the Executive Board and the Board of Directors. The Executive Board and the Board of Directors constitute the chief operating decision maker of Hartmann.

Hartmann's activities are segmented on the basis of the geographical location of the reporting units.

No operating segments have been aggregated to represent the reporting segments.

The internal management reporting complies with the group's accounting policies. Business-related decisions on resource allocation and performance evaluation for each of the segments are made on the basis of the operating profits of the individual segments before special items. Decisions relating to financing and taxation are made on the basis of information on Hartmann as a whole and are not allocated to the reporting segments. The pricing of inter-segment transactions is made on an arm's length basis.

Segment income and expenses as well as segment assets and liabilities comprise those items that in the internal management reporting are directly attributed to each individual segment and those items that are indirectly allocated to the individual segments on a reliable basis. Profits in associates, financial income and expenses, income taxes, investments in associates, tax assets and tax liabilities, and cash and cash equivalents and bank debt are not allocated to reporting segments.

The reporting segments are:

- **Europe** comprises production and sales of moulded-fibre packaging. Products are produced at manufacturing facilities in Europe (including Israel) and are primarily sold to egg producers, egg packing businesses, retail chains and buyers of industrial packaging. The segment also comprises sales of machinery for production of moulded-fibre packaging and the combined heat and power plant in Tønder, Denmark.

- **North America** comprises production and sales of moulded-fibre packaging. Products are primarily produced at the North American manufacturing facility and sold to egg producers, egg packing businesses and retail chains.

NOTES

DKKm

03 SEGMENT INFORMATION CONT'D

OPERATIONS 9M 2013

	Europe	North America	Total reporting segments
Moulded fibre	862.9	219.1	1,082.0
Other revenue	86.8	0.0	86.8
Revenue	**949.7**	**219.1**	**1,168.8**
Operating profit/(loss) before special items	**72.5**	**49.3**	**121.8**
Other segment information			
Depreciation, amortisation and impairment	48.9	10.1	
Investments in intangible assets and property, plant and equipment	37.7	23.4	
Net working capital (NWC)	113.5	14.9	
Invested capital	502.3	132.7	
Segment assets	776.0	169.5	945.5

OPERATIONS 9M 2012

	Europe	North America	Total reporting segments
Moulded fibre	848.7	196.7	1,045.4
Other revenue	96.9	0.0	96.9
Revenue	**945.6**	**196.7**	**1,142.3**
Operating profit/(loss) before special items	**62.6**	**41.4**	**104.0**
Other segment information			
Depreciation, amortisation and impairment	50.6	9.2	
Investments in intangible assets and property, plant and equipment	30.5	11.6	
Net working capital (NWC)	132.3	17.3	
Invested capital	559.0	134.1	
Segment assets	805.0	171.5	976.5

NOTES

DKKm

03 SEGMENT INFORMATION CONT'D

RECONCILIATION

	9M 2013	9M 2012
Revenue		
Revenue for reporting segments	1,168.8	1,142.3
Revenue, cf. interim financial statements	**1,168.8**	**1,142.3**
Performance targets		
Operating profit/(loss) before special items for reporting segments	121.8	104.0
Non-allocated corporate functions	(18.3)	(18.3)
Eliminations	0.5	0.5
Operating profit/(loss) before special items, cf. interim financial statements	104.0	86.2
Special items	(38.9)	0.0
Operating profit/(loss), cf. interim financial statements	65.1	86.2
Financial income	1.3	5.6
Financial expenses	(13.3)	(10.3)
Profit/(loss) before tax, cf. interim financial statements	**53.1**	**81.5**

	30 Sept. 2013	30 Sept. 2012
Assets		
Assets for reporting segments	945.5	976.5
Non-allocated assets	210.4	179.3
Eliminations	(1.6)	(2.2)
Assets, cf. interim financial statements	**1,154.3**	**1,153.6**

04 SPECIAL ITEMS

	Q3 2013	Q3 2012	9M 2013	9M 2012
Impairment of property, plant and equipment	0.0	0.0	12.6	0.0
Demolition and clearing costs	0.0	0.0	8.9	0.0
Severance payments	0.0	0.0	15.5	0.0
Other costs relating to closure of manufacturing facility	0.0	0.0	1.9	0.0
Special costs	**0.0**	**0.0**	**38.9**	**0.0**

NOTES

DKKm

05 CONTINGENT LIABILITIES

As stated in note 3 to the financial statements in the annual report for 2012 and note 2 to the financial statements in this interim report, Hartmann is involved in a dispute with Danish district heating company Tønder Fjernvarme concerning the pricing of surplus heat. In a preliminary advisory opinion issued on 8 May 2013, the Danish Energy Regulatory Authority ordered Hartmann to repay an excess payment of DKK 21 million. Hartmann disagrees with the preliminary opinion and has filed an additional submission with the Energy Regulatory Authority. Once the Energy Regulatory Authority has made a decision, management will assess whether the matter should be brought before the Danish Energy Board of Appeal. A provision of DKK 3.5 million was made at 30 September 2013. (2012: DKK 0 million).

06 FINANCIAL INSTRUMENT CATEGORIES

	30 Sept. 2013		30 Sept. 2012		31 Dec. 2012	
Group	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Derivative financial instruments to hedge future cash flows	0.0	0.0	0.3	0.3	0.2	0.2
Financial assets used as hedging instruments	**0.0**	**0.0**	**0.3**	**0.3**	**0.2**	**0.2**
Trade receivables	259.4	259.4	236.7	236.7	238.2	238.2
Other receivables	30.0	30.0	35.6	35.6	45.6	45.6
Cash and cash equivalents	102.9	102.9	86.3	86.3	77.0	77.0
Loans and receivables	**392.3**	**392.3**	**358.6**	**358.6**	**360.8**	**360.8**
Derivative financial instruments to hedge future cash flows	4.0	4.0	5.7	5.7	6.6	6.6
Financial liabilities used as hedging instruments	**4.0**	**4.0**	**5.7**	**5.7**	**6.6**	**6.6**
Credit institutions	225.6	225.6	251.4	251.4	213.7	213.7
Other liabilities	237.4	237.4	211.6	211.6	219.3	219.3
Financial liabilities measured at amortised cost	**463.0**	**463.0**	**463.0**	**463.0**	**433.0**	**433.0**

The fair value of derivative financial instruments to hedge future cash flows is based on observable data (level 2).

07 EVENTS AFTER THE BALANCE SHEET DATE

Other than what has been recognised or mentioned in this interim report, no significant events have occurred after the balance sheet date at 30 September 2013 of significance to the consolidated financial statements.

HARTMANN AT A GLANCE

Hartmann is one of the three largest producers of moulded-fibre egg packaging and one of the world's largest producers of machinery for producing moulded-fibre packaging. Hartmann's market position can be ascribed to its strong technology know-how and extensive experience of production of moulded fibre since 1936.

Sustainability
Sustainability and environmental considerations are integral elements of Hartmann's business model and strategy. All of Hartmann's products are based on recycled paper; a renewable, CO_2-neutral and biodegradable resource. Hartmann works closely with its customers to support the need for sustainable products in the retail trade, and the company is the first to offer FSC-certified and CO_2-neutral retail packaging.

Markets
Hartmann's egg packaging is sold globally. The group's principal markets consist of Europe and North America, where Hartmann has strong market positions. Hartmann is the market leader in Europe and has a small share of the North American market. Hartmann's technology, including machinery and services, is also sold globally outside its key markets.

Customers
Hartmann sells egg packaging to producers, distributors and to retail chains, which are increasingly seeking Hartmann's expertise in the marketing of eggs. Hartmann's technology and related services are sold to producers of moulded-fibre packaging. Hartman has more than 1,500 customers in 50 countries, and most of these customers have long-standing relations with Hartmann. In 2012, Hartmann generated total revenue of DKK 1.5 billion.

Organisation
Hartmann has about 1,500 employees, and its head office is situated in Gentofte, Denmark. Production takes place at Hartmann's own manufacturing facilities. Five of these facilities are located in Europe, one is located in Israel and one in Canada. The group has sales offices in twelve countries.

The Hartmann share
Hartmann's shares have been listed on NASDAQ OMX Copenhagen A/S since 1982. The company has one share class, and each share carries one vote. Interested parties can receive financial reports and company announcements by subscribing to Hartmann's news service at www.investor.hartmann-packaging.com.

FINANCIAL CALENDAR 2014

24 February 2014	Deadline for submission of business to be transacted at the annual general meeting
6 March 2014	Annual report 2013
8 April 2014	Annual general meeting 2013
19 May 2014	Interim report Q1 2014
21 August 2014	Interim report Q2 2014
13 November 2014	Interim report Q3 2014

HARTMANN CHOOSE FIBRE. SAVE NATURE.®

Brødrene Hartmann A/S
Ørnegårdsvej 18
DK-2820 Gentofte

Tel.: (+45) 45 97 00 00
Fax: (+45) 45 97 00 01
E-mail: bh@hartmann-packaging.com
Web: hartmann-packaging.com

Company reg. (CVR) no. 63 04 96 11

This interim report has been prepared in accordance with the International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

This interim report was released as company announcement no. 17/2013 through NASDAQ OMX Copenhagen A/S in Danish and English. In case of discrepancies between the two versions or in case of doubt, the Danish version will prevail.