INTERIM REPORT

January – September 2014

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ORGANIC REVENUE GROWTH ACCELERATED

Third quarter

- Organic revenue growth was 3%. Reported revenue decreased 2% to EUR 541.5 million (553.7) due to impact of divestments completed earlier.
- Operative EBITDA improved to EUR 69.9 million (68.9) with a margin of 12.9% (12.4%).
- Reported earnings per share increased to EUR 0.16 (0.09) mainly as a result of lower non-recurring charges than in the comparable period.
- On July 7, Kemira signed a preliminary agreement to acquire AkzoNobel's paper chemical business.

January-September

- Organic revenue growth reached 1%. Reported revenue decreased 6% to EUR 1,589.6 million (1,683.9) due to divestments and unfavorable currency exchange rates.
- Operative EBITDA decreased 3% to EUR 187.6 million (193.9) with a margin of 11.8% (11.5%).
- Operative earnings per share were EUR 0.47 (0.53).
- Kemira maintains its outlook for 2014.

Kemira's President and CEO Jari Rosendal:

"In the third quarter, Kemira's organic growth accelerated to 3% from 1% in the first half of 2014. Paper and Oil & Mining continued to grow above-the-market and Municipal & Industrial's revenue showed signs of recovery. Our operative EBITDA margin increased from 12.4% to nearly 13% with notable improvements in Oil & Mining and Municipal & Industrial.

Kemira is moving forward in the next phase of its strategy implementation: focusing on growth. We updated our mid-term revenue and operative EBITDA margin targets in September, expecting revenue of EUR 2.7 billion in 2017 and an operative EBITDA margin of 15%. These targets are expected to be reached through organic growth, inorganic growth, and continuous efficiency improvements.

In Paper, our market leadership position as the only global pulp and paper chemical supplier will be further strengthened by the acquisition of AkzoNobel paper chemical business, announced in July. Another positive development was the receipt of the final operating permits for our new process chemicals site in Nanjing, China. We are also increasing pulp chemical deliveries to StoraEnso's new pulp mill in Montes del Plata, Uruguay that ramps up its capacity.

In Oil & Mining, we are investing in new and existing emulsion and dry polyacrylamide capacity in North America in order to harvest the good growth potential in the oil & gas market. Demand for emulsion polyacrylamide has been strong, especially in horizontal drilling and stimulation of shale oil & gas. Kemira is the second largest producer of emulsion and dry polyacrylamides in the world.

In Municipal & Industrial, our new coagulant manufacturing site in Dormagen, Germany has reached its full planned capacity and in Tarragona, Spain we are currently ramping up the capacity in order to further strengthen our market leadership position in chemical raw and waste water treatment. In North America, we regained business, especially in the municipal water treatment sector and revenue decline slowed down in the third quarter.

Looking ahead, we will keep our guidance for 2014 unchanged, expecting slight organic revenue growth and an operative EBITDA approximately at the same level as in 2013."

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KEY FIGURES AND RATIOS

EUR million	Jul-Sep 2014	Jul-Sep 2013	Jan-Sep 2014	Jan-Sep 2013	Jan-Dec 2013
Revenue	**541.5**	553.7	**1,589.6**	1,683.9	2,229.1
Operative EBITDA	**69.9**	68.9	**187.6**	193.9	251.9
Operative EBITDA, %	**12.9**	12.4	**11.8**	11.5	11.3
EBITDA	**67.2**	50.4	**179.8**	153.1	141.9
EBITDA, %	**12.4**	9.1	**11.3**	9.1	6.4
Operative EBIT	**45.5**	47.5	**118.8**	129.7	164.2
Operative EBIT, %	**8.4**	8.6	**7.5**	7.7	7.4
EBIT	**42.9**	29.0	**107.2**	81.5	42.6
EBIT, %	**7.9**	5.2	**6.7**	4.8	1.9
Share of profit or loss of associates	**0.0**	0.1	**0.0**	-1.0	-1.1
Financing income and expenses	**-6.6**	-2.4	**-20.4**	-31.3	-39.0
Profit before tax	**36.3**	26.7	**86.8**	49.2	2.5
Net profit	**27.0**	16.3	**71.9**	22.8	-25.9
Earnings per share, EUR	**0.16**	0.09	**0.44**	0.12	-0.21
Operative earnings per share, EUR	**0.18**	0.22	**0.47**	0.53	0.70
Capital employed*	**1,310.2**	1,421.0	**1,310.2**	1,421.0	1,366.5
Operative ROCE*	**11.7**	11.1	**11.7**	11.1	11.9
ROCE*	**5.2**	2.6	**5.2**	2.6	3.0
Capital expenditure	**30.6**	32.6	**90.2**	92.5	197.5
Cash flow after investing activities	**6.8**	13.8	**97.6**	214.2	195.7
Equity ratio, % at period-end	**51**	52	**51**	52	51
Gearing, % at period-end	**41**	34	**41**	34	41
Personnel at period-end	**4,244**	4,469	**4,244**	4,469	4,453

*12-month rolling average

Definitions of key figures are available at www.kemira.com > Investors > Financial information. Comparative 2013 figures are provided in parentheses for some financial results, where appropriate. Operative EBITDA, operative EBIT, operative earnings per share and operative ROCE do not include non-recurring items.

FINANCIAL PERFORMANCE IN Q3 2014

Kemira Group's **revenue** decreased 2% to EUR 541.5 million (553.7). Revenue in local currencies, excluding acquisitions and divestments, increased 3% compared to the third quarter in 2013, mainly due to higher sales volumes. Sales price changes had also a small positive impact on revenue. Acquisitions had an impact of 4% and divestments an impact of -9% on the revenues. Currency exchange had -1% impact.

In the Paper segment, revenues increased 6% to EUR 300.6 million (283.7). Revenue growth in local currencies, excluding acquisitions and divestments, was 5% driven by higher sales volumes and sales prices of differentiated product lines, especially sizing and strength chemicals. Currency exchange impacted revenues by -1%. Acquisitions had an impact of 3% and divestments an impact of -1% on the revenue.

In the Oil & Mining segment, revenues increased 25% to EUR 95.9 million (76.8). Revenue in local currencies, excluding acquisitions and divestments, increased 14%. Sales volumes continued to increase in North America supported by accelerated horizontal drilling and stimulation activity. Sales prices were slightly higher compared to the third quarter in 2013. Acquisitions impacted revenues by 13% and divestments by -1%. Currency exchange had -1% impact.

In the Municipal & Industrial segment, revenues decreased 12% to EUR 145.0 million (164.2). Revenue in local currencies, excluding acquisitions and divestments, decreased 6%, due to lower sales volumes and sales prices in North America and EMEA regions. Acquisitions impacted revenue by 5% and divestments by -10%. Currency exchange impacted revenues by -1%.

Revenue, EUR million	**Jul-Sep 2014**	**Jul-Sep 2013**	**∆%**
Paper	**300.6**	283.7	6
Oil & Mining	**95.9**	76.8	25
Municipal & Industrial	**145.0**	164.2	-12
ChemSolutions	**-**	29.0	-
Total	**541.5**	553.7	-2

EBITDA increased 33% to EUR 67.2 million (50.4) mainly due to non-recurring items in the comparable period in 2013. **Non-recurring items affecting the EBITDA** were EUR -3 million (-19).

The operative EBITDA increased 1% to EUR 69.9 million (68.9). Currency exchange had a small positive impact as euro, the reported currency, depreciated particularly against the US dollar. Sales volume growth accelerated during the quarter and had EUR 7 million positive impact on the operative EBITDA. Fixed costs were impacted by approximately EUR 2 million due to increased sales and marketing efforts and costs related to the new manufacturing site in Nanjing, China. In addition, other corporate accruals were higher in the quarter compared to the comparable quarter in 2013.

In Paper, sales price increases could fully compensate increased raw material costs, mainly related to some commodity product lines. In Municipal & Industrial, sales prices followed declining coagulant related raw materials, like the price of hydrochloric acid, and polymer related raw material prices.

Acquisitions had a positive impact of EUR 6 million on operative EBITDA, mainly due to the acquisition of 3F. Divestments had an EUR -4 million impact on the operative EBITDA (see variance analysis on page 5).
The operative EBITDA margin improved to 12.9% (12.4%).

Variance analysis, EUR million	Jul-Sep
Operative EBITDA, 2013	**68.9**
Sales volumes	7.4
Sales prices	2.2
Variable costs	-3.9
Fixed costs	-7.6
Currency exchange	1.7
Others, incl. acquisitions and divestments	1.2
Operative EBITDA, 2014	**69.9**

Operative EBITDA	Jul-Sep 2014 EUR, million	Jul-Sep 2013 EUR, million	Δ%	Jul-Sep 2014 %-margin	Jul-Sep 2013 %-margin
Paper	**37.0**	35.7	4	**12.3**	12.6
Oil & Mining	**13.8**	10.4	33	**14.4**	13.5
Municipal & Industrial	**19.1**	19.7	-3	**13.2**	12.0
ChemSolutions	**-**	3.1	-	**-**	10.7
Total	**69.9**	68.9	1	**12.9**	12.4

The operative EBIT was EUR 45.5 million (47.5), impacted by EUR 3 million higher depreciation. Depreciation increased due to the new manufacturing sites in Nanjing, China; Dormagen, Germany and Tarragona, Spain. Completed acquisitions also resulted in increased amount of depreciation.

Financing income and expenses totaled EUR -6.6 million (-2.4) including EUR 0.7 million (2.4) changes in fair values of electricity derivatives and currency exchange differences of EUR -0.7 (-0.3). In addition, increased interest costs had a negative impact on the financing expenses.

Net profit attributable to the owners of the parent company increased to EUR 25.3 million (14.5) and the earnings per share to EUR 0.16 (0.09). Operative earnings per share were EUR 0.18 (0.22).

FINANCIAL PERFORMANCE IN JANUARY-SEPTEMBER 2014

Kemira Group's **revenue** decreased 6% to EUR 1,589.6 million (1,683.9). Revenue in local currencies, excluding acquisitions and divestments increased 1% mainly due to continued sales volume growth in Paper and Oil & Mining. Sales price changes had no material impact on revenues. Acquisitions had an impact of 4% and divestments an impact of -9% on the revenues. Currency exchange had a -2% impact.

In the Paper segment, revenues increased 4% to EUR 863.0 million (829.6). Revenue growth in local currencies, excluding acquisitions and divestments, was 6%, driven by higher sales volumes. Sales prices were also slightly higher than in the third quarter of 2013. Currency exchange impacted revenues by -2%. Acquisitions had an impact of 2% and divestments an impact of -1% on the revenue.

In the Oil & Mining segment, revenues increased 23% to EUR 285.5 million (233.0). Revenue growth in local currencies, excluding acquisitions and divestments, was 15% due to continued strong sales volume growth in the Americas. Sales price changes had a negligible impact on revenues. Acquisitions impacted revenues by 13% and divestments by -1%. Currency exchange had a -4% impact.

In the Municipal & Industrial segment, revenues decreased 17% to EUR 421.3 million (507.0). Revenue in local currencies, excluding acquisitions and divestments decreased by -9% due to lower sales volumes and sales prices in North America and in EMEA. Acquisitions impacted revenues by 4% and divestments by -10%. Currency exchange had a -2% impact.

Revenue, EUR million	**Jan-Sep 2014**	**Jan-Sep 2013**	**∆%**
Paper	**863.0**	829.6	4
Oil & Mining	**285.5**	233.0	23
Municipal & Industrial	**421.3**	507.0	-17
ChemSolutions	**19.8**	114.3	-
Total	**1,589.6**	1,683.9	-6

EBITDA increased 17% to EUR 179.8 million (153.1). **Non-recurring items affecting the EBITDA** were reduced to EUR -8 million (-41), including a capital gain of EUR 37 million related to the divestment of formic acid business and capital gain of EUR 4 million related to the divestment of the distribution business in Denmark. In addition, non-recurring items included approximately EUR 20 million settlement related to the old alleged infringement of competition law as well as provisions and restructuring charges related to streamlining of the Kemira's operations amounting to approximately EUR 30 million.

The operative EBITDA decreased 3% to EUR 187.6 million (193.9), mainly due to currency exchange impact of EUR -7 million. The positive acquisitions related impact of EUR 14 million could compensate for the divestment impact of EUR -13 million. Operative EBITDA in local currencies, excluding acquisitions and divestments remained at the level of the comparable period in 2013. The operative EBITDA margin improved to 11.8% (11.5%).

Operative EBITDA	**Jan-Sep 2014 EUR, million**	Jan-Sep 2013 EUR, million	**∆%**	**Jan-Sep 2014 %-margin**	Jan-Sep 2013 %-margin
Paper	**100.9**	96.4	5	**11.7**	11.6
Oil & Mining	**36.2**	26.4	37	**12.7**	11.3
Municipal & Industrial	**51.3**	54.7	-6	**12.2**	10.8
ChemSolutions	**-0.8**	16.4	-	**-4.0**	14.3
Total	**187.6**	193.9	-3	**11.8**	11.5

The operative EBIT decreased 8% to EUR 118.8 million (129.7) due to lower operative EBITDA and higher depreciation related to acquisitions and new manufacturing sites in China and Europe.

Financing income and expenses totaled EUR -20.4 million (-31.3). Changes of EUR -0.4 million (4.4) in fair values of electricity derivatives and the currency exchange differences of EUR -2.1 million (1.7) had negative impacts on the financing income and expenses. Comparable period in 2013 was impacted by write-down of EUR 23 million related to the divestment of Kemira's shares (39%) in the titanium dioxide Joint Venture Sachtleben GmbH.

Net profit attributable to the owners of the parent company increased to EUR 67.4 million (18.5) and the earnings per share to EUR 0.44 (0.12). Comparable period in 2013 was impacted by significant non-recurring restructuring charges and write-downs. Earnings per share, excluding non-recurring items, decreased 11% to EUR 0.47 (0.53).

FINANCIAL POSITION AND CASH FLOW

Cash flow from the operating activities in January-September 2014 decreased to EUR 49.2 million (128.3) mainly due to hedging settlements and settlement related to the old alleged infringement of competition law. Cash flow after the investing activities decreased to EUR 97.6 million (214.2) including proceeds of EUR 122 million related to the divestment of formic acid business. Comparable period included proceeds of EUR 98 million received from the divestment of shares in JV Sachtleben and EUR 81 million from the divestment of the food and pharmaceuticals businesses. The net working capital ratio decreased to 10.0% of the revenue (10.9% on December 31, 2013). At the end of the period, Kemira Group's net debt was EUR 457 million (456 on December 31, 2013).

At the end of the period, interest-bearing liabilities totaled EUR 565 million (558 on December 31, 2013). Fixed-rate loans accounted for 77% of the net interest-bearing liabilities (60% on December 31, 2013). The average interest rate of the Group's interest-bearing liabilities was 2.2% (1.5% on December 31, 2013). The duration of the Group's interest-bearing loan portfolio was 22 months (14 months on December 31, 2013). Kemira issued a senior unsecured bond of EUR 200 million on May 27, 2014. The five-year bond will mature on May 27, 2019 and it carries a fixed annual interest of 2.500 percent.

Short-term liabilities maturing in the next 12 months amounted to EUR 148 million, the commercial papers of which, issued in the Finnish market, represented EUR 10 million, and the short-term portion of the long-term loans represented EUR 85 million. On September 30, 2014, cash and cash equivalents totaled EUR 108 million (102 on December 31, 2013).

At the end of the period, the equity ratio was 51% (51% on December 31, 2013), while the gearing was 41% (41% on December 31, 2013). Shareholder's equity decreased to EUR 1,119.6 million (1,125.5 on December 31, 2013).

CAPITAL EXPENDITURE

In January-September 2014, capital expenditure decreased 2% to EUR 90.2 million (92.5). Capex can be broken down as follows: expansion capex 50% (66%), improvement capex 23% (15%), and maintenance capex 27% (19%). Expansion capex was lower due to completion of build-out activities of greenfield sites in Dormagen, Germany; Nanjing, China and Tarragona, Spain. Maintenance capex increased mainly due to a triennial maintenance break in Helsinborg site in Sweden during the second quarter in 2014.

In January-September 2014, the Group's depreciation and impairments increased to EUR 72.6 million (71.6). The comparable period in 2013 included a write down of EUR 7 million related to a closed process chemical site in Vaasa, Finland.

RESEARCH AND DEVELOPMENT

In January-September 2014, the Research and Development expenses totaled EUR 20.4 million (24.6), representing 1.3% (1.5.%) of the Kemira Group's revenue.

HUMAN RESOURCES

At the end of the period, Kemira Group had 4,123 permanent employees (4,350 on December 2013) and 121 temporary employees (103). Kemira employed 777 people in Finland (961), 1,643 people elsewhere in EMEA (1,634), 1,280 in North America (1,281), 185 in South America (237), and 359 in Asia Pacific (340).

CORPORATE RESPONSIBILITY

Kemira is recognized for the second consecutive year having a position on the Nordic Climate Disclosure Leadership Index (CDLI). The organizations ranked in the top 10% constitute the CDLI. Kemira scored 97 (96 in 2013), whereas the score threshold entering into the Nordic CDLI rose to 95 in 2014 (91 in 2013).

The key achievements of the corporate responsibility during the third quarter of 2014 are described in the following Table.

Responsibility focus areas	KPI's and KPI target values	Status Q3 2014
Responsible business practices		
Kemira Compliance program	Kemira Compliance program established by the end of 2014.	Compliance program has been established. Compliance training portfolio (covering Code of Conduct, Competition law, Inside information and Anti-bribery eLearning modules) has been finalized and will be launched for employees during the fourth quarter of 2014.
Responsible supply chain		
Code of Conduct for Suppliers, Distributors and Agents	Supplier contracts with signed CoC-SDA as attachment, 90% by the end of 2015.	89%
Supplier sustainability assessment	Number of core, strategic and critical suppliers covered by supplier sustainability assessment, 45 by the end of 2014.	Sustainability assessment program supported by an external assessment partner is on-going: 14 suppliers have been assessed and 40 suppliers are in progress.

Responsibility for employees

Performance management	Kemira employees covered by the global Performance Management process, > 95% by the end of 2014.	100% of employees are covered by the global Performance Management process (Performance and Development Discussions). 95 % of all employees have held and documented 2014 PDD discussion.
Leadership development	People managers participated in global leadership programs at least once in period 2013–2015, cumulative %, > 95% by the end of 2015.	50% (cumulative from the beginning of 2013, 11% during Jan-Sep 2014).
Employee engagement	Employee Engagement Index, index at or above the external industry norm by the end of 2015. Participation rate in Voices@Kemira, 75–85% by the end of 2015.	Implementation of the action plans based on the results of the smaller scale employee survey “Pulse” conducted in March have been started.
Occupational health and safety	Number of Total Recordable Injuries (TRI) (per million hours, Kemira + contractor, 1 year rolling average), achieve zero injuries.	8.2

Responsible manufacturing

Water efficiency	Baseline analyzed and water efficiency program defined by the end of 2014.	Internal water risk assessment has been conducted. Six sites were selected for a more detailed analysis.
Climate change	Kemira Carbon Index performance, Index ≤ 80 by end of 2020 (baseline year 2012 = 100).	Kemira Carbon index is reported on annual basis.

Sustainable products and solutions

Sustainability aspects in New Product Development (NPD) process	New NPD projects apply the sustainability check in Gate 1, 100% by the end of 2014. Existing NPD projects apply the sustainability check in Gates 2–4, 100% by the end of 2014.	100%

Responsibility towards the communities where we operate

Participation in local community involvement activities	Kemira sites with over 50 employees participated in local community involvement initiatives at least once in period 2013–2015, cumulative %, 100% by the end of 2015.	88%

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SEGMENTS

Paper

Paper has unique expertise in applying chemicals and supporting pulp & paper producers to innovate and constantly improve their operational efficiency. We develop and commercialize new products to fulfill customer needs and to ensure the leading portfolio of products and services for paper wet-end, focusing on packaging and board, as well as tissue. We leverage our strong pulp & paper application portfolio in North America and EMEA and build a strong position in China, Indonesia and Brazil.

EUR million	Jul-Sep 2014	Jul-Sep 2013	Jan-Sep 2014	Jan-Sep 2013	Jan-Dec 2013
Revenue	**300.6**	283.7	**863.0**	829.6	1,112.8
Operative EBITDA	**37.0**	35.7	**100.9**	96.4	131.1
Operative EBITDA, %	**12.3**	12.6	**11.7**	11.6	11.8
EBITDA	**34.0**	30.6	**72.2**	77.0	98.4
EBITDA, %	**11.3**	10.8	**8.4**	9.3	8.8
Operative EBIT	**23.8**	24.4	**63.9**	62.8	85.9
Operative EBIT, %	**7.9**	8.6	**7.4**	7.6	7.7
EBIT	**20.9**	19.3	**35.2**	36.0	45.1
EBIT, %	**7.0**	6.8	**4.1**	4.3	4.1
Capital employed*	**796.2**	783.8	**796.2**	783.8	780.8
ROCE*	**5.5**	5.8	**5.5**	5.8	5.8
Capital expenditure	**16.4**	16.9	**52.3**	51.1	75.5
Cash flow after investing activities	**15.5**	-11.7	**-8.0**	34.8	58.2

*12-month rolling average

Third quarter

The Paper segment's **revenue** increased 6% to EUR 300.6 million (283.7), impacted by a -1% currency exchange impact. Revenue in local currencies, excluding acquisitions and divestments, increased 5%, due to continued sales volume growth and higher sales prices. Sales volumes of sizing and strength chemicals increased in all regions and together with pulp chemical deliveries to new 1.3 million ton pulp mill in Montes del Plata in Uruguay, contributed mostly to the revenues. Sales prices were higher and related mainly to the corresponding increase of raw material prices. Acquisitions of 3F, Soto Industries and BASF AKD emulsion business had 3% and divestment of Brazilian coagulant business -1% impacts on the revenue.

In **EMEA**, revenues recovered during the quarter and were some 5% higher than in the third quarter of 2013. The recovery was partly due to restarted production of Helsingborg site in Sweden after a triennial maintenance break. In addition, sales volumes growth of differentiated product lines, especially sizing, and the acquisition of BASF AKD emulsion business contributed to the increased revenues. Unfavorable pricing of certain commodity products, like caustic soda, continued to have a small adverse revenue effect in the third quarter of 2014.

In the **Americas**, revenues increased nearly 10% in local currencies. Increased sales volumes of differentiated product lines, especially strength and recently launched Fennobind binder technologies, favorable pricing and pulp chemical deliveries to Montes del Plata pulp mill were the main reasons behind the revenue growth.

In **APAC**, revenues increased nearly 10% as the ongoing ramp up of the new manufacturing site in Nanjing, China is supporting sales volume growth in the region.

The operative EBITDA increased 4% to EUR 37.0 million (35.7) mainly due to sales volume growth. Sales price increases could fully compensate for the increased raw material costs. Fixed costs were higher than in the comparable period in 2013, due to increased sales and marketing efforts and other fixed costs related to the greenfield manufacturing site in Nanjing, China as well as to business relocation in Hong Kong, China.

The acquisition of Soto Industries and BASF AKD emulsion business, as well as currency exchange had all positive impacts on the operative EBITDA. The operative EBITDA margin was 12.3% (12.6%).

On July 7, 2014 Kemira announced the preliminary agreement to acquire AkzoNobel's global paper chemicals business. The closing of the intended transaction is expected in the first quarter of 2015 and is subject to customary closing conditions, including completion of employee consultation proceedings and approvals of competition authorities in certain countries. At closing, AkzoNobel’s paper chemical business will be reported entirely in the Paper segment. AkzoNobel's paper chemicals business includes products for retention and sizing, as well as other paper chemicals, including wet strength and coating products. In 2013, revenues of the purchased paper chemicals business were EUR 243 million (EMEA 40%, Americas 30% and APAC 30%). Over 50% of the revenues were related to the packaging board grades. In addition, the scope of the transaction includes 16 manufacturing sites 6 sites of which with approximately 400 employees will be transferred to Kemira and 10 sites will remain as AkzoNobel sites with contract manufacturing to Kemira. Kemira will increase capacity of its own paper chemical manufacturing sites during 2015-2016 in order to realize expected production synergies. Kemira expects the capital expenditure required for the capacity increase to amount between EUR 20-30 million. The production sites to be transferred to Kemira are located in Spain, Italy, South Korea, Thailand, Indonesia, and Australia.

January – September

The Paper segment’s **revenue** increased 4% to EUR 863.0 million (829.6). The revenues in local currencies, excluding divestments and acquisitions grew 6% due to sales volume growth, especially in polymers, sizing and strength agents, as well as other differentiated process chemicals. Sales price changes had a small positive impact on revenues. Currency exchange had a -2% impact. Acquisitions had an impact of 2% and divestments an impact of -1% on the revenue.

The operative EBITDA increased 5% to EUR 100.9 million (96.4), mainly due to higher sales volumes. Acquisitions had also a small positive impact on the operative EBITDA. Sales price changes could compensate for the somewhat higher variable costs. Increased sales and marketing efforts drove higher fixed costs. Operative EBITDA margin improved to 11.7% (11.6%). Operative EBIT margin was 7.4% (7.6%).

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OIL & MINING

O&M provides a unique combination of innovative chemicals and application knowledge that improves process efficiency and yield in oil, gas and metals recovery. We use our in-depth understanding of extraction processes to tailor solutions for water management and re-use. Expanding from our position in North America and EMEA, we continue to build a strong base for growth in South America, Middle East, and Africa.

EUR million	**Jul-Sep 2014**	Jul-Sep 2013	**Jan-Sep 2014**	Jan-Sep 2013	Jan-Dec 2013
Revenue	**95.9**	76.8	**285.5**	233.0	311.5
Operative EBITDA	**13.8**	10.4	**36.2**	26.4	32.7
Operative EBITDA, %	**14.4**	13.5	**12.7**	11.3	10.5
EBITDA	**11.7**	8.0	**31.8**	21.4	24.6
EBITDA, %	**12.2**	10.4	**11.1**	9.2	7.9
Operative EBIT	**9.3**	6.7	**22.7**	15.3	17.4
Operative EBIT, %	**9.7**	8.7	**8.0**	6.6	5.6
EBIT	**7.2**	4.3	**18.4**	10.4	6.5
EBIT, %	**7.5**	5.6	**6.4**	4.5	2.1
Capital employed*	**222.2**	171.9	**222.2**	171.9	188.2
ROCE*	**6.5**	4.7	**6.5**	4.7	3.5
Capital expenditure	**6.6**	4.5	**15.4**	10.3	69.8
Cash flow after investing activities	**9.6**	1.8	**17.6**	-8.2	-60.0

*12-month rolling average

Third quarter

The Oil & Mining segment's **revenue** increased 25% to EUR 95.9 million (76.8). Revenue growth in local currencies, excluding acquisitions and divestments continued and was 14%. Increased revenue was supported by the continued strong sales volume growth and somewhat higher sales prices in the Americas region. Acquisition of 3F had a 13% impact on revenues. The currency exchange impact was -1% compared to the third quarter in 2013 (-6% comparable impact in Q2 2014). The depreciation of euro against the most relevant foreign currencies (e.g US dollar and Canadian dollar) was the main reason for the improved currency exchange impact. Divestment of coagulant business in Brazil had a minor negative impact on revenue.

In the **Americas**, revenue increased nearly 30% in local currencies, excluding acquisitions and divestments, mainly due to increased demand for Kemira's dry and emulsion polyacrylamide products. Demand for polymers and other process chemicals was strong driven by the accelerated horizontal drilling and stimulation activity, especially in North America. The acquisition of 3F also contributed to the revenue growth.

In **EMEA**, revenue continued to decline and was 10%. Continued market softness, especially in relation to the demand for process chemicals used in the mining industry, was the main reason for the decline. However, demand for chemicals used in the mining industry showed some early signs of recovery in certain regions in Africa.

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The operative EBITDA increased 33% to EUR 13.8 million (10.4) due to strong sales volume growth and a positive impact of 3F acquisition. Sales price changes had also a positive impact and could partly compensate for the negative impact of higher variable costs. Fixed costs were slightly higher than in the comparable period in 2013, mainly due to higher manufacturing expenses related to higher volumes, as well as increased sales and marketing efforts and R&D expenses. Currency exchange had a negligible impact on the operative EBITDA. The operative EBITDA margin improved to 14.4% (13.5%).

January-September

The Oil & Mining segment's **revenue** increased 23% to EUR 285.5 million (233.0). The revenue in local currencies, excluding acquisitions and divestments increased 15% driven by the higher sales volumes in Americas region. Sales price changes had no material impact on revenues. Currency exchange had a -4% impact. Acquisition of 3F had an impact of 13% and divestment of the coagulant business in Brazil an impact of -1% on the revenue.

The operative EBITDA increased 37% to EUR 36.2 million (26.4) as a result of the increased sales volumes and a positive impact of 3F acquisition. The operative EBITDA margin improved to 12.7% (11.3%). Operative EBIT margin improved to 8.0% (6.6%).

MUNICIPAL & INDUSTRIAL

M&I is a leading water chemicals supplier for raw and wastewater applications in EMEA and North America, and aims to capture selected growth opportunities in emerging markets. We enable our municipal and industrial customers to improve their water treatment efficiency by supplying them with competitive, high-performing products and value adding application support.

EUR million	**Jul-Sep 2014**	Jul-Sep 2013	**Jan-Sep 2014**	Jan-Sep 2013	Jan-Dec 2013
Revenue	**145.0**	164.2	**421.3**	507.0	659.4
Operative EBITDA	**19.1**	19.7	**51.3**	54.7	68.3
Operative EBITDA, %	**13.2**	12.0	**12.2**	10.8	10.4
EBITDA	**21.5**	9.8	**40.2**	39.6	-0.5
EBITDA, %	**14.8**	6.0	**9.5**	7.8	-0.1
Operative EBIT	**12.4**	14.4	**32.9**	38.9	45.8
Operative EBIT, %	**8.6**	8.8	**7.8**	7.7	6.9
EBIT	**14.8**	4.6	**18.0**	23.9	-23.4
EBIT, %	**10.2**	2.8	**4.3**	4.7	-3.6
Capital employed*	**279.7**	321.5	**279.7**	321.5	309.2
ROCE*	**-10.5**	-1.5	**-10.5**	-1.5	-7.6
Capital expenditure	**7.7**	10.3	**21.8**	29.3	46.9
Cash flow after investing activities	**17.1**	21.0	**25.5**	26.4	37.9

**12-month rolling average*

Third quarter

The Municipal & Industrial segment's **revenue** decreased 12% to EUR 145.0 million (164.2). Revenue in local currencies, excluding acquisitions and divestments, decreased 6%, due to lower sales volumes and sales prices in North America and EMEA regions. The decline slowed down materially from the second quarter of 2014, when the comparable year-on-year revenue decline was 14%. The divestments completed earlier in Brazil, Denmark, and Romania had an impact of -10% on the revenues and were partly compensated by the acquistion impact of 5%. Currency exchange had a small negative impact on the revenues.

In **EMEA**, revenue in local currencies, excluding acquisitions and divestments decreased 3%, mainly due to lower sales prices. Sales prices decreased as a concequence of lower raw material prices. Sales volumes recovered and were close to a level of the comparable period in 2013. 3F acquisition had a positive impact on the revenues and could compensate for the impacts of the divestments in Denmark and Romania.

In **Americas**, the decline of revenue in local currencies, excluding acquisitions and divestments, slowed down notably and was 10% compared to the decline of 26% in the second quarter of 2014. This was a result of increased sales and marketing efforts, as well as leveraging the offering of high quality raw water and wastewater treatment chemicals to municipal and industrial customers in order to retain market leadership position in the region.

The operative EBITDA decreased 3% to EUR 19.1 million (19.7) with an improved margin of 13.2% (12.0%). Decreased operating costs could not fully compensate for the impact of lower sales volumes and sales prices. Variable costs were EUR 3 million lower driven by the decreased raw material prices as well as cost synergies related to the acquisition of 3F. Fixed costs were EUR 3 million or nearly 10% lower than in the third quarter of 2013 due to "Fit for Growth" cost savings and other efficiency measures implemented in EMEA and NAFTA regions. Currency exchange had a small positive impact on the operative EBITDA.

January-September

The Municipal & Industrial segment's **revenue** decreased 17% to EUR 421.3 million (507.0). The revenues in local currencies, excluding acquisitions and divestments, decreased by 9% due to lower sales volumes, especially in North America. Sales prices had negative impact on revenue. Acquisitions had an impact of 4% and divestments an impact of -10% on the revenue. Currency exchange had a -2% impact.

The operative EBITDA decreased 6% to EUR 51.3 million (54.7), mainly due to lower sales volumes and sales prices. Operative EBITDA was positively impacted by the "Fit for Growth"-related savings and the ongoing implementation of other efficiency measures which together draw fixed costs some 10% lower than in the comparable period. Variable costs were lower, mainly due to decreased raw material costs. Raw material costs were lower due to cost synergies related to the acquisition of 3F and decline of certain raw material prices. Sales prices declined largely in line with the related raw material prices. The operative EBITDA margin improved to 12.2% (10.8%). Operative EBIT margin improved to 7.8% (7.7%).

KEMIRA OYJ'S SHARES AND SHAREHOLDERS

On September 30, 2014, Kemira Oyj's share capital amounted to EUR 221.8 million and the number of shares was 155,342,557. Each share entitles to one vote at the Annual General Meeting.

At the end of September, Kemira Oyj had 32,326 registered shareholders (30,640 at the end of December 2013). Foreign shareholders held 21.2% of the shares (21.6% at the end of December 2013), including nominee registered holdings. Households owned 15.7% of the shares (14.9% at the end of December 2013). Kemira held 3,291,185 treasury shares (3,301,006 at the end of December 2013) representing 2.1% (2.1% at the end of December 2013) of all company shares. Based on the decision of the Annual General Meeting of Kemira Oyj on March 24, 2014, Kemira Oyj has transferred 9,821 shares on May 5, 2014 to the members of the Board of Directors as a part of the remuneration to the Board.

Kemira Oyj's share closed at EUR 10.45 on the NASDAQ OMX Helsinki at the end of September 2014 (12.16 at the end of December 2013). Shares registered a high of EUR 12.27 and a low of EUR 10.07 in January-September 2014. The average share price was EUR 11.10. The company's market capitalization, excluding treasury shares, was EUR 1,589 million at the end of September 2014 (1,849 at the end of December 2013). In January-September 2014, Kemira Oyj's share trading volume on NASDAQ OMX Helsinki increased 18% to 55.9 million (47.5). The average daily trading volume was 295,563 (251,540) shares. Source: NASDAQ OMX.

In addition to NASDAQ OMX Helsinki, Kemira shares are traded on several alternative market places or multilateral trading facilities (MTF), for example at BATS Chi-X and Turquoise. In January-September 2014, a total of 20.8 million (19.6) Kemira Oyj's shares were traded on the alternative market places or 27% (29%) of the total amount of traded shares. Source: Fidessa.

The total amount of traded Kemira shares, including the trade on NASDAQ OMX Helsinki and multilateral trading facilities increased by 14% in January-September 2014 compared to January-September 2013.

Authorizations

The AGM 2014 authorized the Board of Directors to decide upon the repurchase of a maximum of 4,500,000 company's own shares ("Share repurchase authorization"). The Share repurchase authorization is valid until the end of the next Annual General Meeting.

The AGM 2014 also authorized the Board of Directors to decide to issue a maximum of 15,600,000 new shares and/or transfer a maximum of 7,800,000 of the company's own shares held by the company ("Share issue authorization"). The Share issue authorization is valid until May 31, 2015. The share issue authorization has been used in connection with the Board of Directors remuneration.

SHORT-TERM RISKS AND UNCERTAINTIES

There have been no significant changes in the Kemira's short-term risks or uncertainties compared to December 31, 2013.

A detailed account of the Kemira's risk management principles and organization is available on the company's website at http://www.kemira.com. An account of the financial risks is available in the Notes to the Financial Statements 2013. Environmental, hazard, supplier, and talent management risks are discussed in the Kemira's Corporate Responsibility Report, which was published as a part of the Kemira Report 2013 on February 26, 2014.

OTHER EVENTS DURING THE REVIEW PERIOD

On July 7, 2014, Kemira announced the preliminary agreement to acquire AkzoNobel's global paper chemicals business. The Enterprise Value of the transaction for AkzoNobel's paper chemicals business is EUR 153 million. The closing of the intended transaction is expected in the first quarter of 2015 and is subject to customary closing conditions, including completion of employee consultation proceedings and approvals of competition authorities in certain countries.

Changes in company's management

On August 1, 2014, Kemira announced that Frank Wegener, President of the Municipal & Industrial segment and region EMEA will leave Kemira.

On September 26, 2014, Kemira announced that Antti Salminen was appointed President of the Municipal & Industrial segment and region EMEA as of November 1, 2014. Michael Löffelmann was appointed Executive Vice President of Projects & Manufacturing Technology and member of Kemira's Management Board as of November 1, 2014.

KEMIRA'S FINANCIAL TARGETS FOR 2017 AND OUTLOOK 2014

Kemira will continue to focus on improving its profitability and reinforcing positive operative cash flow. The company will also continue to invest in order to secure future growth in the water quality and quantity management business.

Kemira's financial targets have been revised in connection with its Capital Markets Day on September 9, 2014. The company's financial targets for 2017 are:

- revenue EUR 2.7 billion
- Operative EBITDA-% of revenue 15%
- gearing level <60%.

Kemira expects its capital expenditure-to-sales ratio to increase for the next few years from the current run rate of approximately 6%. In addition, Kemira expects its medium-term operative tax rate to be in the range of 22%-24%. This rate excludes non-recurring items and the contribution of income from associated companies.

The basis for growth is the expanding market for chemicals related to water quality and quantity management and Kemira's strong expertise in this field. The need to increase operational efficiency in our customer industries creates opportunities for Kemira to develop new products and services for both current and new customers. Research and Development is a critical organic growth enabler for Kemira and it provides differentiation capabilities in the water quality and quantity management markets. Kemira will invest in innovation, technical expertise, and competencies in the targeted focus areas.

Outlook for 2014 (unchanged)

Kemira is maintaining its existing outlook for 2014. In 2014, Kemira expects its revenue in local currencies and excluding acquisitions and divestments to be slightly higher than in 2013 and its operative EBITDA to be approximately at the same level as in 2013.

The guidance for 2014 is defined as follows.

Kemira guidance	Definition
Approximately at the same level	**from -5% to 5%**
Slightly higher/lower	**from 0% to 5% or from 0% to -5%**
Higher/lower	**from 5% to 15% or from -5% to -15%**
Significantly higher/lower	**more than 15% or less than -15%**

Helsinki, October 22, 2014

Kemira Oyj
Board of Directors

FINANCIAL CALENDAR 2014 AND 2015

Financial results for the year 2014	February 10, 2015
Interim Report January-March 2015	April 24, 2015
Interim Report January-June 2015	July 22, 2015
Interim Report January-September 2015	October 23, 2015

Kemira Oyj's Annual Report 2014 will be published during the week starting on February 23, 2015. The Annual General Meeting is scheduled for Monday, March 23, 2015 at 1.00 pm (CET+1). The Board of Directors of the company will convene the meeting.

All forward-looking statements in this review are based on the management's current expectations and beliefs about future events, and actual results may differ materially from the expectations and beliefs such statements contain.

Kemira
Where water meets chemistry ™

KEMIRA GROUP

CONSOLIDATED INCOME STATEMENT

EUR million	7-9/2014	7-9/2013	1-9/2014	1-9/2013	2013
Revenue	**541.5**	553.7	**1,589.6**	1,683.9	2,229.1
Other operating income	**1.9**	3.2	**50.3**	9.3	15.2
Operating expenses	**-476.2**	-506.5	**-1,460.1**	-1,540.1	-2,102.4
Depreciation, amortization and impairment	**-24.3**	-21.4	**-72.6**	-71.6	-99.3
Operating profit (EBIT)	**42.9**	29.0	**107.2**	81.5	42.6
Finance costs, net	**-6.6**	-2.4	**-20.4**	-31.3	-39.0
Share of profit or loss of associates	**0.0**	0.1	**0.0**	-1.0	-1.1
Profit before tax	**36.3**	26.7	**86.8**	49.2	2.5
Income tax expense	**-9.3**	-10.4	**-14.9**	-26.4	-28.4
Net profit for the period	**27.0**	16.3	**71.9**	22.8	-25.9
Net profit attributable to:					
Equity owners of the parent	**25.3**	14.5	**67.4**	18.5	-31.6
Non-controlling interests	**1.7**	1.8	**4.5**	4.3	5.7
Net profit for the period	**27.0**	16.3	**71.9**	22.8	-25.9
Earnings per share, basic and diluted, EUR	**0.16**	0.09	**0.44**	0.12	-0.21

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	7-9/2014	7-9/2013	1-9/2014	1-9/2013	2013
Net profit for the period	**27.0**	16.3	**71.9**	22.8	-25.9
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss:					
Available-for-sale financial assets	**0.0**	0.0	**0.0**	0.0	-27.0
Exchange differences on translating foreign operations	**7.1**	-2.7	**2.7**	-12.1	-17.7
Cash flow hedges	**1.9**	2.1	**4.4**	0.8	-2.3
Items that will not be reclassified subsequently to profit or loss:					
Remeasurements of defined benefit pensions	**0.0**	0.0	**0.0**	2.9	22.6
Other comprehensive income for the period, net of tax	**9.0**	-0.6	**7.1**	-8.4	-24.4
Total comprehensive income for the period	**36.0**	15.7	**79.0**	14.4	-50.3
Total comprehensive income attributable to:					
Equity owners of the parent	**34.4**	13.7	**74.6**	10.7	-55.4
Non-controlling interests	**1.6**	2.0	**4.4**	3.7	5.1
Total comprehensive income for the period	**36.0**	15.7	**79.0**	14.4	-50.3

CONSOLIDATED BALANCE SHEET

EUR million	30/9/2014	31/12/2013
ASSETS		
Non-current assets		
Goodwill	**481.6**	471.9
Other intangible assets	**75.9**	75.3
Property, plant and equipment	**682.3**	644.5
Investments in associates	**0.8**	0.8
Available-for-sale financial assets	**233.8**	233.6
Deferred tax assets	**35.6**	36.0
Other investments	**9.3**	9.2
Defined benefit pension receivables	**29.9**	29.8
Total non-current assets	**1,549.2**	1,501.1
Current assets		
Inventories	**192.6**	169.9
Interest-bearing receivables	**0.1**	0.5
Trade and other receivables	**333.5**	320.9
Current income tax assets	**17.6**	11.2
Cash and cash equivalents	**108.2**	102.0
Total current assets	**652.0**	604.5
Non-current assets classified as held-for-sale	**-**	105.4
Total assets	**2,201.2**	2,211.0
EQUITY AND LIABILITIES		
Equity		
Equity attributable to equity owners of the parent	**1,107.1**	1,112.5
Non-controlling interests	**12.5**	13.0
Total equity	**1,119.6**	1,125.5
Non-current liabilities		
Interest-bearing liabilities	**416.9**	279.9
Other liabilities	**21.4**	21.4
Deferred tax liabilities	**49.7**	43.5
Defined benefit pension liabilities	**73.5**	73.8
Provisions	**24.1**	27.3
Total non-current liabilities	**585.6**	445.9
Current liabilities		
Interest-bearing current liabilities	**148.3**	278.4
Trade payables and other liabilities	**325.5**	302.6
Current income tax liabilities	**1.4**	13.6
Provisions	**20.8**	25.2
Total current liabilities	**496.0**	619.8
Liabilities directly associated with the assets classified as held-for-sale	**-**	19.8
Total liabilities	**1,081.6**	1,085.5
Total equity and liabilities	**2,201.2**	2,211.0

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	7-9/2014	7-9/2013	1-9/2014	1-9/2013	2013
EUR million					
Cash flow from operating activities					
Net profit for the period	**27.0**	16.3	**71.9**	22.8	-25.9
Total adjustments	**36.3**	39.9	**60.9**	142.6	228.1
Operating profit before change in net working capital	**63.3**	56.2	**132.8**	165.4	202.2
Change in net working capital	**10.4**	-4.9	**-20.8**	-16.0	24.8
Cash generated from operations	**73.7**	51.3	**112.0**	149.4	227.0
Finance expenses, net and dividends received	**-24.3**	7.1	**-38.9**	0.0	-0.2
Income taxes paid	**-10.4**	-9.0	**-23.9**	-21.1	-26.5
Net cash generated from operating activities	**39.0**	49.4	**49.2**	128.3	200.3
Cash flow from investing activities					
Purchases of subsidiaries, net of cash acquired	**-**	-2.5	**-**	-2.5	-58.6
Other capital expenditure	**-30.6**	-30.1	**-90.2**	-90.0	-138.9
Proceeds from sale of assets	**-2.6**	0.0	**138.3**	181.6	193.4
Change in long-term loan receivables decrease (+) / increase (-)	**1.0**	-3.0	**0.3**	-3.2	-0.5
Net cash used in investing activities	**-32.2**	-35.6	**48.4**	85.9	-4.6
Cash flow from financing activities					
Proceeds from non-current interest-bearing liabilities (+)	**0.1**	-6.0	**200.1**	0.9	0.0
Repayments from non-current interest-bearing liabilities (-)	**-22.5**	-54.8	**-50.1**	-63.7	-95.1
Short-term financing, net increase (+) / decrease (-)	**-76.1**	76.1	**-159.3**	-22.6	-32.6
Dividends paid	**-1.5**	-1.8	**-85.5**	-85.1	-85.1
Other finance items	**-0.3**	-0.7	**0.7**	0.5	-1.1
Net cash used in financing activities	**-100.3**	12.8	**-94.1**	-170.0	-213.9
Net decrease (-) / increase (+) in cash and cash equivalents	**-93.5**	26.6	**3.5**	44.2	-18.2
Cash and cash equivalents at end of period	**108.2**	164.9	**108.2**	164.9	102.0
Exchange gains (+) / losses (-) on cash and cash equivalents	**1.8**	1.6	**2.7**	2.9	-3.4
Cash and cash equivalents at beginning of period	**199.9**	139.9	**102.0**	123.6	123.6
Net decrease (-) / increase (+) in cash and cash equivalents	**-93.5**	26.6	**3.5**	44.2	-18.2

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR million	Equity attributable to equity owners of the parent									
	Share capital	Share premium	Fair value and other reserves	Un-restricted equity reserve	Exchange differences	Treasury shares	Retained earnings	Total	Non-controlling interests	Total Equity
Equity at January 1, 2013	221.8	257.9	93.7	196.3	-23.1	-22.2	523.0	1,247.4	13.2	1,260.6
Net profit for the period	-	-	-	-	-	-	18.5	18.5	4.3	22.8
Other comprehensive income, net of tax	-	-	0.8	-	-11.5	-	2.9	-7.8	-0.6	-8.4
Total comprehensive income	-	-	0.8	-	-11.5	-	21.4	10.7	3.7	14.4
Transactions with owners										
Dividends paid	-	-	-	-	-	-	-80.6 *)	-80.6	-4.5	-85.1
Returned treasury shares	-	-	-	-	-	-0.1	-	-0.1	-	-0.1
Treasury shares issued to the Board of Directors	-	-	-	-	-	0.1	-	0.1	-	0.1
Share-based payments	-	-	-	-	-	-	0.4	0.4	-	0.4
Changes due to business combinations	-	-	-0.5	-	-	-	1.3	0.8	-0.8	0.0
Transactions with owners	-	-	-0.5	-	-	0.0	-78.9	-79.4	-5.3	-84.7
Equity at September 30, 2013	221.8	257.9	94.0	196.3	-34.6	-22.2	465.5	1,178.7	11.6	1,190.3

*) A dividend was EUR 80.6 million in total (EUR 0.53 per share) in respect of the financial year ended December 31, 2012. The annual general meeting approved EUR 0.53 dividend on March 26, 2013. The dividend record date was April 2, 2013, and the payment date April 9, 2013.

EUR million	Share capital	Share premium	Fair value and other reserves	Un-restricted equity reserve	Exchange differences	Treasury shares	Retained earnings	Total	Non-controlling interests	Total Equity
Equity at January 1, 2014	**221.8**	**257.9**	**64.0**	**196.3**	**-40.2**	**-22.2**	**434.9**	**1,112.5**	**13.0**	**1,125.5**
Net profit for the period	-	-	-	-	-	-	67.4	**67.4**	4.5	**71.9**
Other comprehensive income, net of tax	-	-	4.4	-	2.8	-	-	**7.2**	-0.1	**7.1**
Total comprehensive income	**-**	**-**	**4.4**	**-**	**2.8**	**-**	**67.4**	**74.6**	**4.4**	**79.0**
Transactions with owners										
Dividends paid	**-**	**-**	**-**	**-**	**-**	**-**	-80.6 *)	**-80.6**	-4.9	**-85.5**
Treasury shares issued to the Board of Directors	**-**	**-**	**-**	**-**	**-**	0.1	**-**	**0.1**	-	**0.1**
Share-based payments	**-**	**-**	**-**	**-**	**-**	**-**	0.3	**0.3**	**-**	**0.3**
Other changes	**-**	**-**	**-**	**-**	**-**	**-**	0.2	**0.2**	**-**	**0.2**
Transactions with owners	**-**	**-**	**-**	**-**	**-**	**0.1**	**-80.1**	**-80.0**	**-4.9**	**-84.9**
Equity at September 30, 2014	**221.8**	**257.9**	**68.4**	**196.3**	**-37.4**	**-22.1**	**422.2**	**1,107.1**	**12.5**	**1,119.6**

*) A dividend was EUR 80.6 million in total (EUR 0.53 per share) in respect of the financial year ended December 31, 2013. The annual general meeting approved EUR 0.53 dividend on March 24, 2014. The dividend record date was March 27, 2014, and the payment date April 3, 2014.

Kemira had in its possession 3,291,185 of its treasury shares on September 30, 2014. The average share price of treasury shares was EUR 6.73 and they represented 2.1% of the share capital and the aggregate number of votes conferred by all shares. The aggregate par value of the treasury shares is EUR 4.7 million.

The share premium is a reserve accumulating through subscriptions entitled by the management stock option program 2001. This reserve based on the old Finnish Companies Act (734/1978), which does not change anymore. The fair value reserve is a reserve accumulating based on available-for-sale financial assets (shares) measured at fair value and hedge accounting. Other reserves originate from local requirements of subsidiaries. The unrestricted equity reserve includes other equity type investments and the subscription price of shares to the extent that they will not, based on a specific decision, be recognized in share capital.

KEY FIGURES

	7-9/2014	7-9/2013	1-9/2014	1-9/2013	2013
Earnings per share, basic and diluted, EUR *)	**0.16**	0.09	**0.44**	0.12	-0.21
Cash flow from operations per share, EUR *)	**0.25**	0.32	**0.32**	0.84	1.32
Capital expenditure, EUR million	**30.6**	32.6	**90.2**	92.5	197.5
Capital expenditure / revenue, %	**5.7**	5.9	**5.7**	5.5	8.9
Average number of shares, basic (1,000) *)	**152,051**	152,042	**152,047**	152,038	152,039
Average number of shares, diluted (1,000) *)	**152,185**	152,206	**152,188**	152,183	152,179
Number of shares at end of period, basic (1,000) *)	**152,051**	152,042	**152,051**	152,042	152,042
Number of shares at end of period, diluted (1,000) *)	**152,185**	152,206	**152,185**	152,206	152,091
Equity per share, EUR *)			**7.28**	7.75	7.32
Equity ratio, %			**50.9**	52.0	50.9
Gearing, %			**40.8**	34.4	40.6
Interest-bearing net liabilities, EUR million			**457.0**	409.0	456.3
Personnel (average)			**4,299**	4,653	4,632

*) Number of shares outstanding, excluding the treasury shares.

REVENUE BY BUSINESS AREA

EUR million	7-9/2014	7-9/2013	1-9/2014	1-9/2013	2013
Paper *)	**300.6**	283.7	**863.0**	829.6	1,112.8
Oil & Mining	**95.9**	76.8	**285.5**	233.0	311.5
Municipal & Industrial	**145.0**	164.2	**421.3**	507.0	659.4
ChemSolutions *)	**0.0**	29.0	**19.8**	114.3	145.4
Total	**541.5**	553.7	**1,589.6**	1,683.9	2,229.1

EBITDA BY BUSINESS AREA

EUR million	7-9/2014	7-9/2013	1-9/2014	1-9/2013	2013
Paper *)	**34.0**	30.6	**72.2**	77.0	98.4
Oil & Mining	**11.7**	8.0	**31.8**	21.4	24.6
Municipal & Industrial	**21.5**	9.8	**40.2**	39.6	-0.5
ChemSolutions *)	**0.0**	2.0	**35.6**	15.1	19.4
Total	**67.2**	50.4	**179.8**	153.1	141.9

OPERATING PROFIT (EBIT) BY BUSINESS AREA

EUR million	7-9/2014	7-9/2013	1-9/2014	1-9/2013	2013
Paper *)	**20.9**	**19.3**	**35.2**	**36.0**	45.1
Oil & Mining	**7.2**	**4.3**	**18.4**	**10.4**	6.5
Municipal & Industrial	**14.8**	**4.6**	**18.0**	**23.9**	-23.4
ChemSolutions *)	**0.0**	**0.8**	**35.6**	**11.2**	14.4
Total	**42.9**	**29.0**	**107.2**	**81.5**	42.6

*) On March 2014, Kemira closed the divestment of formic acid business which had formed the major part of ChemSolutions segment. After the closure, the remaining sodium percarbonate business in ChemSolutions segment was transferred to Paper segment and ChemSolutions segment was discontinued as of the beginning of Q2 2014.

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CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	1-9/2014	1-9/2013	2013
Carrying amount at beginning of year	**644.5**	655.9	655.9
Acquisitions of subsidiaries	**-**	-	30.4
Increases	**78.7**	69.9	116.3
Decreases	**-1.7**	-0.3	-1.8
Disposal of subsidiaries	**-**	-3.5	-17.9
Depreciation and impairments	**-60.8**	-62.4	-86.0
Transferred to non-current assets classified as held-of-sale	**-**	-	-33.9
Exchange rate differences and other changes	**21.6**	-12.4	-18.5
Net carrying amount at end of period	**682.3**	647.2	644.5

CHANGES IN INTANGIBLE ASSETS

EUR million	1-9/2014	1-9/2013	2013
Carrying amount at beginning of year	**547.2**	583.0	583.0
Acquisitions of subsidiaries	**-0.1**	-	53.3
Increases	**11.4**	9.9	9.9
Decreases	**0.0**	0.0	0.0
Disposal of subsidiaries	**-**	-	-41.1
Amortization and impairments	**-11.8**	-9.2	-13.3
Transferred to non-current assets classified as held-of-sale	**-**	-	-36.6
Exchange rate differences and other changes	**10.8**	-7.8	-8.0
Net carrying amount at end of period	**557.5**	575.9	547.2

DERIVATIVE INSTRUMENTS

	9/30/2014		12/31/2013	
EUR million	**Nominal value**	**Fair value**	Nominal value	Fair value
Currency instruments				
Forward contracts	**476.9**	**-5.7**	604.8	0.7
Currency options	**102.8**	**-0.1**	-	-
Bought	**51.4**	**0.1**	-	-
Sold	**51.4**	**-0.2**	-	-
Interest rate instruments				
Interest rate swaps	**275.7**	**-1.0**	194.6	-3.6
of which cash flow hedge	**175.7**	**-2.4**	194.6	-3.6
of which fair value hedge	**100.0**	**1.4**	-	-
Bond futures	**10.0**	**-0.1**	10.0	0.2
of which open	**10.0**	**-0.1**	10.0	0.2
Other instruments	**GWh**	**Fair value**	GWh	Fair value
Electricity forward contracts, bought	**1,610.0**	**-4.3**	1,450.5	-7.8
of which cash flow hedge	**1,610.0**	**-4.3**	1,450.5	-7.8

The fair values of the instruments which are publicly traded are based on market valuation on the date of reporting. Other instruments have been valuated based on net present values of future cash flows. Valuation models have been used to estimate the fair values of options.

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FAIR VALUE OF FINANCIAL ASSETS

EUR million	9/30/2014				12/31/2013			
Fair value hierarchy	**Level 1**	**Level 2**	**Level 3**	**Total net**	Level 1	Level 2	Level 3	Total net
Available-for-sale financial assets	**6.9**	**-**	**226.9**	**233.8**	6.6	-	227.0	233.6
Currency instruments	**-**	**2.4**	**-**	**2.4**	-	4.0	-	4.0
Interest rate instruments, hedge accounting	**-**	**1.4**	**-**	**1.4**	-	-	-	0.0
Other instruments	**-**	**-**	**-**	**0.0**	-	0.2	-	0.2
Trade receivables	**-**	**266.1**	**-**	**266.1**	-	255.4	-	255.4
Total	**6.9**	**269.9**	**226.9**	**503.7**	6.6	259.6	227.0	493.2

Level 1: Fair value is determined based on quoted market prices in markets.
Level 2: Fair value is determined by using valuation techniques. The fair value refers to the value that is observable from the market value of elements of financial instrument or from the market value of corresponding financial instrument; or the value that is observable by using commonly accepted valuation models and techniques, if the market value can be measured reliably with them.
Level 3: Fair value is determined by using valuation techniques, which use inputs which have a significant effect on the recorded fair value, and inputs are not based on observable market data.

Level 3 specification	**Total net 9/30/2014**	Total net 12/31/2013
Instrument		
Carrying amount at beginning of period	**227.0**	264.0
Effect on the statement of comprehensive income	**-**	-41.1
Transfers	**-**	-
Increases	**0.2**	4.1
Decreases	**-0.3**	-
Carrying amount at end of period	**226.9**	227.0

FAIR VALUE OF FINANCIAL LIABILITIES

EUR million	9/30/2014				12/31/2013			
Fair value hierarchy	**Level 1**	**Level 2**	**Level 3**	**Total net**	Level 1	Level 2	Level 3	Total net
Non-current interest-bearing liabilities	**-**	**431.1**	**-**	**431.1**	-	284.1	-	284.1
liabilities	**-**	**88.1**	**-**	**88.1**	-	59.2	-	59.2
Loans from financial institutions	**-**	**54.9**	**-**	**54.9**	-	57.2	-	57.2
Other liabilities	**-**	**39.8**	**-**	**39.8**	-	185.2	-	185.2
Currency instruments	**-**	**8.2**	**-**	**8.2**	-	3.3	-	3.3
Interest rate instruments	**-**	**2.4**	**-**	**2.4**	-	3.6	-	3.6
Other instruments	**-**	**4.3**	**-**	**4.3**	-	7.8	-	7.8
Trade payables	**-**	**142.6**	**-**	**142.6**	-	143.3	-	143.3
Total	**-**	**771.4**	**-**	**771.4**	-	743.7	-	743.7

CONTINGENT LIABILITIES

EUR million	9/30/2014	12/31/2013
Assets pledged		
On behalf of own commitments	**6.2**	6.4
Guarantees		
On behalf of own commitments	**46.8**	50.4
On behalf of others	**3.3**	3.1
Operating leasing liabilities		
Maturity within one year	**26.4**	26.4
Maturity after one year	**157.8**	139.9
Other obligations		
On behalf of own commitments	**1.3**	1.6
On behalf of associates	**0.6**	0.7

Major off-balance sheet investment commitments

Major amounts of contractual commitments for the acquisition of property, plant and equipment on September 30, 2014 were about EUR 10.1 million for plant investments.

Litigation

On August 19, 2009, Kemira Oyj received a summons stating that Cartel Damage Claims Hydrogen Peroxide SA had filed an action against six hydrogen peroxide manufacturers, including Kemira, for violations of competition law applicable to the hydrogen peroxide business. In its claim, Cartel Damage Claims Hydrogen Peroxide SA seeks an order from the Regional Court of Dortmund in Germany to obtain an unabridged and full copy of the decision of the European Commission, dated May 3, 2006, and demands that the defendants, including Kemira, are jointly and severally ordered to pay damages together with accrued interest on the basis of such decision.

Cartel Damage Claims Hydrogen Peroxide SA has stated that it will specify the amount of the damages at a later stage after the full copy of the decision of the European Commission has been obtained by it. In order to provide initial guidance as to the amount of such damages, Cartel Damage Claims Hydrogen Peroxide SA presents in its claim a preliminary calculation of the alleged overcharge having been paid to the defendants as a result of the violation of the applicable competition rules by the parties which have assigned and sold their claim to Cartel Damage Claims Hydrogen Peroxide SA. In the original summons such alleged overcharge, together with accrued interest until December 31, 2008, was stated to be EUR 641.3 million.

Thereafter Cartel Damage Claims Hydrogen Peroxide SA has delivered to the attorneys of the defendants an April 14, 2011 dated brief addressed to the court and an expert opinion. In the said brief the minimum damage including accrued interest until December 31, 2010, based on the expert opinion, is stated to be EUR 475.6 million. It is further stated in the brief that the damages analysis of the expert does not include lost profit.

The process is currently pending in the Regional Court of Dortmund, Germany. It has on April 29, 2013 decided to suspend the case and to ask a preliminary ruling on jurisdiction from the Court of Justice of the European Union. Kemira defends against the claim of Cartel Damage Claims Hydrogen Peroxide SA.

Kemira Oyj has additionally been served on April 28, 2011 a summons stating that Cartel Damage Claims Hydrogen Peroxide SA had filed an application for summons in the municipal court of Helsinki on April 20, 2011 for violations of competition law applicable to the hydrogen peroxide business claiming from Kemira Oyj as maximum compensation EUR 78.0 million as well as overdue interest starting from November 10, 2008 as litigation expenses with overdue interest. The referred violations of competition law are the same as those on basis of which CDC has taken legal action in Germany in Dortmund. The municipal court made on July 4, 2013 a decision which could not be appealed separately. In its decision the municipal court considered to have jurisdiction and that the claims made by the claimant were at least not totally time-barred. On May 19, 2014 Kemira announced that it had signed an agreement with Cartel Damage Claims Hydrogen Peroxide SA and CDC Holding SA (together "CDC") to settle the lawsuit in Helsinki, Finland. Based on the settlement CDC withdrew the damages claims and Kemira paid to CDC a compensation of EUR 18.5 million and compensated CDC for its legal costs. The settlement also includes significant limitations of liabilities for Kemira regarding the pending legal actions filed by CDC entities in Dortmund, Germany (mentioned above) and in Amsterdam, the Netherlands (mentioned below).

Kemira Oyj's subsidiary Kemira Chemicals Oy (former Finnish Chemicals Oy) has on June 9, 2011 received documents where it was stated that CDC Project 13 SA has filed an action against four companies in municipal court of Amsterdam, including Kemira, asking damages for violations of competition law applicable to the sodium chlorate business. The European Commission set on June 2008 a fine of EUR 10.15 million on Finnish Chemicals Oy for antitrust activity in the company's sodium chlorate business during 1994-2000. Kemira Oyj acquired Finnish Chemicals in 2005. The municipal court of Amsterdam decided on June 4, 2014 to have jurisdiction over the case. The said decision may be appealed separately and Kemira is making an appeal. Kemira defends against the claim of CDC Project 13 SA.

As mentioned above the settlement between Kemira and CDC relating the Helsinki litigation also includes significant limitations of liabilities for Kemira regarding the pending legal actions filed by CDC entities in Dortmund, Germany and in Amsterdam, the Netherlands. However, regardless of such limitations of liabilities, Kemira is currently not in a position to make any estimate regarding the duration or the likely outcome of the processes started by Cartel Damage Claims Hydrogen Peroxide SA and CDC Project 13 SA. No assurance can be given as to the outcome of the processes, and unfavorable judgments against Kemira could have a material adverse effect on Kemira's business, financial condition or results of operations. Due to its extensive international operations the Group, in addition to the above referred claims, is involved in a number of other legal proceedings incidental to these operations and it does not expect the outcome of these other currently pending legal proceedings to have materially adverse effect upon its consolidated results or financial position.

RELATED PARTY

Transactions with related parties have not changed materially.

QUARTERLY INFORMATION

EUR million	**2014 7-9**	2014 4-6	2014 1-3	2013 10-12	2013 7-9	2013 4-6	2013 1-3
Revenue							
Paper *)	**300.6**	282.0	280.4	283.2	283.7	278.0	267.9
Oil & Mining	**95.9**	97.6	92.0	78.5	76.8	79.9	76.3
Municipal & Industrial	**145.0**	138.6	137.7	152.4	164.2	178.0	164.8
ChemSolutions *)	**0.0**	0.0	19.8	31.1	29.0	33.4	51.9
Total	**541.5**	518.2	529.9	545.2	553.7	569.3	560.9
EBITDA							
Paper *)	**34.0**	7.5	30.7	21.4	30.6	17.3	29.1
Oil & Mining	**11.7**	11.2	8.9	3.2	8.0	5.4	8.0
Municipal & Industrial	**21.5**	16.1	2.6	-40.1	9.8	16.8	13.0
ChemSolutions *)	**0.0**	0.0	35.5	4.3	2.0	2.1	11.0
Total	**67.2**	34.8	77.7	-11.2	50.4	41.6	61.1
Operative EBITDA, excluding non-recurring items							
Paper *)	**37.0**	30.8	33.1	34.7	35.7	30.3	30.4
Oil & Mining	**13.8**	11.7	10.7	6.3	10.4	7.3	8.7
Municipal & Industrial	**19.1**	17.7	14.5	13.6	19.7	21.1	13.9
ChemSolutions *)	**0.0**	0.0	-0.8	3.4	3.1	2.8	10.5
Total	**69.9**	60.2	57.5	58.0	68.9	61.5	63.5
Operating profit (EBIT)							
Paper *)	**20.9**	-5.1	19.4	9.1	19.3	-0.7	17.4
Oil & Mining	**7.2**	6.7	4.5	-3.9	4.3	1.8	4.3
Municipal & Industrial	**14.8**	8.4	-5.2	-47.3	4.6	11.5	7.8
ChemSolutions *)	**0.0**	0.0	35.6	3.2	0.8	0.7	9.7
Total	**42.9**	10.0	54.3	-38.9	29.0	13.3	39.2
Operating profit (EBIT), excluding non-recurring items							
Paper *)	**23.8**	18.2	21.9	23.1	24.4	19.1	19.3
Oil & Mining	**9.3**	7.1	6.3	2.1	6.7	3.5	5.1
Municipal & Industrial	**12.4**	11.7	8.8	6.9	14.4	15.9	8.6
ChemSolutions *)	**0.0**	0.0	-0.7	2.4	2.0	1.5	9.2
Total	**45.5**	37.0	36.3	34.5	47.5	40.0	42.2

*) On March 2014, Kemira closed the divestment of formic acid business which had formed the major part of ChemSolutions segment. After the closure, the remaining sodium percarbonate business in ChemSolutions segment was transferred to Paper segment and ChemSolutions segment was discontinued as of the beginning of Q2 2014.

DEFINITIONS OF KEY FIGURES

Earnings per share (EPS)

$$\frac{\text{Net profit attributable to equity owners of the parent}}{\text{Average number of shares}}$$

Cash flow from operations

Cash flow from operations, after change in net working capital and before investing activities

Cash flow from operations per share

$$\frac{\text{Cash flow from operations}}{\text{Average number of shares}}$$

Equity per share

$$\frac{\text{Equity attributable to equity owners of the parent at end of period}}{\text{Number of shares at end of period}}$$

Equity ratio, %

$$\frac{\text{Total equity x 100}}{\text{Total assets - prepayments received}}$$

Gearing, %

$$\frac{\text{Interest-bearing net liabilities x 100}}{\text{Total equity}}$$

Interest-bearing net liabilities

Interest-bearing liabilities - cash and cash equivalents

Return on capital employed (ROCE), %

$$\frac{\text{Operating profit + share of profit or loss of associates x 100}}{\text{Capital employed}^{1)\ 2)}}$$

1) Average
2) Capital Employed = Net working capital + property, plant and equipment available for use + intangible assets + investments in associates

BASIS OF PREPARATION

This unaudited condensed consolidated interim financial statements has been prepared in accordance with IAS 34 'Interim financial reporting'. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with IFRS.

All the figures in this interim financial statements have been rounded and consequently the sum of individual figures can deviate from the presented sum figure.

ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year, except as described below.

- Taxes on income in the interim periods are accrued using the tax rate that would be applicable total annual earnings.

- IFRS 10 Consolidated Financial Statements. The standard establishes control as the base for consolidation. Additionally, the standard provides further guidance on how to apply principles of control when it is challenging to assess. The new standard had no impact on the Group's financial figures.

- IFRS 11 Joint Arrangements. The standard emphases the rights and obligations of the joint arrangement rather than its legal form in the accounting. The arrangements are divided into two: joint operations and joint ventures. The standard requires joint ventures to be accounted for using equity method of accounting. Proportional consolidation of joint ventures is no longer allowed. The new standard had no impact on the Group's financial figures.

- IFRS 12 Disclosure of Interests in Other Entities. The standard includes disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other, off balance sheet vehicles. The new standard had no impact on the Group's financial figures.

- IAS 27 (revised 2011) Separate Financial Statements. The revised standard includes the requirements for separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10. The revised standard had no impact on the Group's financial figures.

- IAS 28 (revised 2011) Investments in Associates and Joint Ventures. The revised standard includes requirements for both joint operations and associates to be accounted by using equity method of accounting after IFRS 11 was issued. The revised standard had no impact on the Group's financial figures.

- Amendment to IAS 32 Financial instruments: Presentation. The amendment clarifies the conditions for net presentation of financial assets and liabilities and introduces some additional application guidance. The amendment had no impact on the Group's financial figures.

- Amendment to IAS 36 Impairment of assets: Recoverable Amount Disclosures for Non-Financial Assets. The overall effect of the amendments is to clarify the disclosure requirements on those cash generating units which have been subject to impairment. The amendment had no impact on the Group's financial figures.

- Amendments to IAS 39: Novation of Derivatives and Continuation of Hedge Accounting. The amendments allow the continuation of hedge accounting under IAS 39 when a derivative is novated to a clearing counterparty and certain conditions are met. The amendments had no impact on the Group's financial figures.

- Amendment to IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities. The amendment provides additional transition relief by limiting the requirement to provide adjusted comparative information to only the preceding comparative period. The amendment had no impact on the Group's financial figures.

- Amendment to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements. The amendment provides 'investment entities' (as defined) an exemption from the consolidation of particular subsidiaries and instead require that an investment entity measure the investment in each eligible subsidiary at fair value through profit or loss in accordance with IFRS 9 or IAS 39. The amendment had no impact on the Group's financial figures.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.