

OLVI GROUP'S INTERIM REPORT, 1 JANUARY TO 30 SEPTEMBER 2014 (9 MONTHS)

Olvi Group's accumulated sales volume and net sales from January to September increased slightly on the previous year. Olvi's position remained strong in all market areas. Consolidated operating profit fell slightly short of the previous year but relative profitability remained good. The earnings outlook for 2014 remains unchanged: sales volume and net sales are expected to slightly increase, and operating profit is estimated to remain at the healthy level of 2013.

Olvi Group's sales volume, net sales and operating profit from July to September (Q3) improved clearly on the previous year. The euro-denominated operating profit was Olvi plc's all-time high for the third quarter.

January-September in brief:

- The Group's sales increased by 15.4 percent to 449.3 (433.9) million litres
- The Group's net sales increased by 1.4 million euro to 258.6 (257.2) million euro
- The Group's operating profit declined slightly to 36.5 (37.7) million euro
- The Group's equity to total assets ratio remained at a healthy level of 57.6 (58.3) percent
- Gross capital expenditure increased to 31.9 (21.1) million euro. The expenditure was spent mostly on increasing production capacity and improving production efficiency
- Business performance in Finland fell short of the previous year: sales declined by 7.5 percent to 114.7 (124.0) million litres, net sales declined by 15.7 percent to 81.9 (97.1) million euro and operating profit declined by 41.1 percent to 6.5 (11.0) million euro. Factors affecting the performance in Finland included weakened consumer purchasing power, clearly intensified price competition in the industry, a strong increase in tourist imports, as well as a decline in the exports of soft drinks
- The parent company's sales in the domestic market in Finland increased by almost two percent and the market position strengthened
- Business performance in the Baltic states was better than in the previous year: sales increased by 5.3 percent to 230.6 (219.0) million litres, net sales improved by 2.2 percent to 123.8 (121.2) million euro and operating profit improved by 6.1 percent to 18.3 (17.3) million euro
- Business performance in Belarus developed very favourably: sales increased by 10.5 percent to 135.2 (122.4) million litres, net sales improved by 22.0 percent to 65.8 (53.9) million euro and operating profit improved by 29.3 percent to 12.3 (9.5) million euro

KEY RATIOS

	1-9/2014	1-9/2013	Change %	1-12/2013
Net sales, MEUR	258.6	257.2	+0.5	327.3
Operating profit, MEUR	36.5	37.7	-3.3	43.2
Gross capital expenditure, MEUR	31.9	21.1	+51.6	35.7
Earnings per share, EUR	1.39	1.39	+/-0	1.61
Equity per share, EUR	9.07	7.93	+14.4	8.14
Equity to total assets, %	57.6	58.3		58.0
Gearing, %	28.0	27.1		26.4

Lasse Aho, Managing Director of Olvi plc, said the following in connection with the disclosure of the accounts: "In the beginning of the third quarter of 2014, a long period of hot weather had a positive effect on third-quarter sales and earnings in all of the Group's operating areas. Business developed very favourably in Belarus and the Baltic states. An upturn in sales was also seen in Finland; however, performance targets were not met."

OLVI GROUP'S SALES VOLUME, NET SALES AND EARNINGS IN JANUARY-SEPTEMBER 2014

Olvi Group's sales from January to September increased by 15.4 million litres or 3.5 percent to 449.3 (433.9) million litres.

The parent company's sales in the domestic market in Finland increased by almost two percent but total sales declined by 9.3 million litres to 114.7 (124.0) million litres due to a decline in the volume of soft drink exports.

Sales in the Baltic states increased by a total of 11.6 million litres to 230.6 (219.0) million litres. Sales in Lithuania increased by almost 19 percent, and sales in Estonia by some 2 percent. Sales in Latvia remained almost on a par with the previous year.

Sales in Belarus in January-September increased by 12.8 million litres to 135.2 (122.4) million litres. Intra-Group sales remained on a par with the previous year.

The Group's net sales from January to September amounted to 258.6 (257.2) million euro. Net sales improved by 1.4 million euro or 0.5 percent. Finnish net sales declined to 81.9 (97.1) million euro. The net sales drop of 15.2 million euro was mainly due to a decrease in exports. Net sales in the Baltic states increased by 2.6 million euro to 123.8 (121.2) million euro and in Belarus by 11.9 million euro to 65.8 (53.9) million euro. Among the Baltic states, a clear growth in net sales was seen in Lithuania, 14.7 percent. Net sales in Latvia declined by 3.3 percent, and net sales in Estonia were almost on a par with the previous year.

Olvi Group's operating profit for January-September stood at 36.5 (37.7) million euro, or 14.1 (14.7) percent of net sales. The Group's operating profit declined by 1.2 million euro or 3.3 percent.

Operating profit in Finland amounted to 6.5 (11.0) million euro, a decline of 4.5 million euro. Operating profit in the Baltic states improved by 1.0 million euro to 18.3 (17.3) million euro. Among the Baltic states, the greatest increase in operating profit was seen in Lithuania. Operating profit improved also in Estonia, while a drop was seen in Latvia. Operating profit in Belarus stood at 12.3 (9.5) million euro, showing an increase of 2.8 million euro. Eliminations against operating profit increased by 0.6 million euro.

Olvi Group's profit after taxes in the period under review was 29.4 (29.5) million euro. Earnings per share calculated from the profit belonging to parent company shareholders in January-September stood at the previous year's level of 1.39 (1.39) euro per share.

OLVI GROUP'S SALES VOLUME, NET SALES AND EARNINGS IN JULY-SEPTEMBER 2014

As a whole, Olvi Group's sales volume, net sales and operating profit developed favourably in the third quarter.

The Group's sales increased by 18.5 million litres or 12.2 percent to 170.4 (151.9) million litres. An extended period of hot weather in July and August had a positive effect on sales volume development. Sales in Finland increased by 3.4 million litres to 42.3 (38.9) million litres. Sales in the Baltic states increased by 1.3 million litres to 81.8 (80.5) million litres and sales in Belarus by 9.4 million litres to 54.1 (44.7) million litres. Among the Baltic states, the greatest increase in sales was seen in Lithuania. Sales in Estonia also increased in the third quarter but a drop was seen in Latvia. Intra-Group eliminations declined by 4.4 million litres.

The Group's net sales from July to September amounted to 99.3 (86.5) million euro. Net sales improved by 12.8 million euro or 14.7 percent mostly thanks to excellent development in Belarus. Net sales in Finland achieved the previous year's level at 29.4 (29.5) million euro. Net sales in the Baltic states were also on a par with

the previous year at 44.1 (43.9) million euro. Among the Baltic states, net sales in Lithuania improved by 10.6 percent and in Estonia by 3.6 percent. Net sales in Latvia declined by 15.9 percent. An excellent improvement in net sales was seen in Belarus, with an increase of 10.4 million euro or 56.1 percent to 29.0 (18.6) million euro.

The Group's operating profit for the third quarter stood at 17.2 (14.9) million euro, or 17.3 (17.2) percent of net sales. The operating profit increased by 2.3 million euro or 15.1 percent on the previous year mainly due to excellent performance in Belarus. Operating profit in Finland amounted to 2.3 (3.9) million euro, a decline of -1.6 million euro on the previous year. Operating profit in the Baltic states stood at 8.1 (7.4) million euro, and in Belarus at 6.6 (3.6) million euro. Operating profit in the Baltic states increased by 0.7 million euro, and operating profit in Belarus increased by 3.0 million euro. Among the Baltic states, the greatest proportional increase in operating profit was seen in Lithuania, and the operating profit improvement in Estonia was also good. Operating profit in Latvia declined clearly.

SALES VOLUME, NET SALES AND EARNINGS BY GEOGRAPHICAL SEGMENT IN JANUARY-SEPTEMBER AND JULY-SEPTEMBER 2014

Seasonal nature of the operations

The Group's business operations are characterised by seasonal variation. The net sales and operating profit from the reported geographical segments do not accumulate evenly but vary according to the time of the year, the conditions and the variation between seasons. Most of the Group's earnings are accumulated during the second and third quarters.

PARENT COMPANY OLVI PLC (Olvi)

January to September 2014

According to statistics by the Federation of the Brewing and Soft Drinks Industry, the Finnish beverage market in January-September increased by 6 million litres or one percent compared to the previous year.

Total sales of alcoholic beverages were on a par with the previous year, and the sales of non-alcoholic beverages increased by slightly more than two percent. The greatest increase in sales was seen in mineral waters, almost eight percent. The sales of long drinks and soft drinks increased by approximately one percent, while beers remained on the previous year's level. The sales of ciders declined slightly. (Federation of the Brewing and Soft Drinks Industry, September 2014).

Olvi's domestic sales in January-September increased by some two percent, which is slightly more than the growth of the entire industry. Olvi's overall market position improved slightly in January-September, from the previous year's 17.8 percent to 18.0 percent. According to statistics by the Federation of the Brewing and Soft Drinks Industry, Olvi's market share in alcoholic beverages (beers, ciders and long drinks) increased in January-September 2014 to 24 (23) percent. The market share in non-alcoholic beverages was 9 (9) percent.

Olvi's sales in January-September amounted to 114.7 (124.0) million litres. Sales declined by 9.3 million litres or 7.5 percent. The substantial decline in sales was due to the fact that exports of Angry Birds soft drinks into Russia diminished greatly in comparison to the previous year. The decline in soft drink exports was also affected by substantial devaluation of the Russian rouble. Any decline in the exchange rate of the rouble will increase the retail prices of imported foodstuffs in Russia.

Among Olvi's main product groups in Finland, the sales of beers improved by a few percent while the total sales of the industry were on a par with the previous year. The sales of Olvi ciders increased by 16 percent simultaneously with a decline in the industry's sales. The sales of Olvi long drinks declined clearly. The sales of soft drinks declined clearly due to a sales dip in Angry Birds beverages. The sales of mineral waters increased by almost 10 percent, slightly outperforming the industry.

According to an extensive study of beer brands commissioned from the Taloustutkimus market research agency by the trade magazine Markkinointi&Mainonta (10/2014), the most valued beer brands in Finland are Sandels and OLVI.

Olvi's exports and tax-free sales declined substantially during the review period, amounting to 6.9 (17.6) million litres. The decline in exports was due to a substantial drop in soft drink exports into Russia. However, tax free sales to ships and harbour sales increased clearly in the review period. Exports and tax-free sales represented 6.0 (14.2) percent of total sales.

Olvi's net sales from January to September declined to 81.9 (97.1) million euro. Net sales declined by 15.2 million euro or 15.7 percent. The decline in the average price of domestic net sales was affected by greatly intensified price competition and a change in consumption habits towards a lower price bracket due to a decline in consumer purchasing power.

Olvi's operating profit also declined in the review period. Operating profit stood at 6.5 (11.0) million euro, which was 7.9 (11.3) percent of net sales. The operating profit declined by 4.5 million euro. In addition to a decreased average price of net sales, the drop in performance was affected by write-downs on unsaleable inventories and package scrapping costs totalling 0.8 million euro. The company was also unable to adapt its fixed costs to the diminished sales volume quickly enough.

Olvi's operating profit in January-September included 0.7 million euro of sales gains arising from the sales of production machinery to the Lithuanian subsidiary.

July to September 2014

The parent company's sales in the third quarter increased by 3.4 million litres or 8.7 percent to 42.3 (38.9) million litres. An extended period of hot weather in July and August had a positive effect on the increased sales volume.

Net sales were on a par with the previous year at 29.4 (29.5) million euro.

Operating profit for July-September stood at 2.3 (3.9) million euro, or 7.8 (13.1) percent of net sales. Third-quarter operating profit declined by 1.6 million euro or 40.6 percent due to the reasons described above in the context of accumulated earnings.

AS A. LE COQ (A. Le Coq)

January to September 2014

The consumption of beers in the Estonian market remained on a par with the previous year. An increase of a few percent was seen in ciders but the consumption of long drinks dropped by five percent. The consumption of waters in January-September increased by almost eight percent. The consumption of soft drinks declined by approximately six percent and the consumption of juices by almost 10 percent. (Nielsen, June-July 2014).

The Estonian subsidiary AS A. Le Coq's January-September sales amounted to 104.6 (102.4) million litres. Sales increased by 2.2 million litres or 2.1 percent. The company's domestic sales and exports remained on a par with the previous year. The sales increase was attributable to intra-Group sales.

The sales of A. Le Coq waters outperformed industry growth in the domestic market while the sales of beers and long drinks were on a par with the previous year. The sales of ciders and juices declined on the previous year.

A. Le Coq has still retained its good position in the Estonian beverage market. The company is the market leader in beers and achieved its all-time high in the market share statistics by Nielsen in June-July 2014, with a market share of almost 43 percent. The company has also reinforced its clear market leader position in long drinks and juices. In ciders and soft drinks the company is the

clear number two player. In mineral waters the company is the clear market leader judged by value. (Nielsen, June-July 2014).

Exports and tourist sales made up 16.0 (18.2) percent of the company's total sales in January-September.

A. Le Coq's net sales in January-September were almost on a par with the previous year at 64.4 (64.6) million euro. Net sales declined by 0.2 million euro or 0.3 percent.

The company's operating profit for the period under review improved on the previous year. Operating profit stood at 14.3 (13.6) million euro, which was 22.2 (21.0) percent of net sales. The operating profit improved by 0.7 million euro or 5.2 percent.

July to September 2014

A. Le Coq's third-quarter sales increased by 2.5 million litres or 7.0 percent, ending up at 37.9 (35.4) million litres. Net sales from July to September amounted to 23.3 (22.5) million euro. Net sales improved by 0.8 million euro or 3.6 percent.

The company was able to improve its profitability during the third quarter. A. Le Coq's operating profit was 6.0 (5.6) million euro or 25.8 (24.8) percent of net sales. The operating profit improved by 0.4 million euro or 7.8 percent.

A/S CESU ALUS (Cesu Alus)

January to September 2014

In the Latvian beverage market, total sales of long drinks in January-September were on a par with the previous year while a slight decline was seen in beers. A clear decline continued in the sales of ciders. (Nielsen, June-July 2014).

Cesu Alus's total sales in January-September were almost on a par with the previous year at 63.2 (63.6) million litres. Sales declined by 0.4 million litres or 0.7 percent. The company's domestic sales and exports improved by a total of 3.6 percent while intra-Group sales declined by almost 12 percent.

Cesu Alus's domestic sales of beers and long drinks increased slightly on the previous year. The sales of ciders declined, while a clear increase was seen in soft drinks (including kvass). The company's sales of waters have also increased substantially in 2014.

Cesu Alus is the market leader in the declining cider market. The company is also the clear market leader in long drinks. The company holds the number three position in the beer market if private label products are included. (Nielsen, July 2014).

Cesu Alus's net sales from January to September amounted to 29.3 (30.3) million euro, representing a decline of 1.0 million euro or 3.3 percent.

Operating profit for January-September stood at 2.2 (2.7) million euro, or 7.3 (8.8) percent of net sales. The operating profit declined by 0.5 million euro or 19.2 percent. The decline in operating profit was due to deteriorated profitability caused by the decline in average price of net sales.

July to September 2014

Cesu Alus's third quarter fell short of the previous year above all due to declined intra-Group sales but also due to intensified competition in the Latvian beverage market.

Cesu Alus's sales in the third quarter amounted to 20.0 (24.0) million litres, representing a decline of 4.0 million litres or 16.7 percent. The drop in sales was due to diminished intra-Group sales. Net sales amounted to 9.4 (11.1) million

euro, representing a decline of 1.7 million euro or 15.9 percent on the previous year.

The company's operating profit for July-September stood at 0.8 (1.0) million euro, or 8.9 (9.3) percent of net sales. Net sales declined by 0.2 million euro or 19.5 percent.

AB VOLFAS ENGELMAN (Volfas Engelman)

January to September 2014

In the overall Lithuanian beverage market, the sales of beers increased while the sales of long drinks and ciders declined clearly in the review period. (Nielsen, June-July 2014).

Volfas Engelman's sales volume, net sales and operating profit developed well in the review period. Sales amounted to 62.9 (53.0) million litres, representing an increase of 9.9 million litres or 18.6 percent.

The sales of beers in the domestic market increased substantially. Clear growth was also seen in the sales of long drinks even though the overall market declined by 20 percent. The drop in cider sales was smaller than that of the overall cider market. The sales of soft drinks (including kvass) were almost on a par with last year.

Volfas Engelman has further improved its position in the Lithuanian beverage market. The company is the clear market leader in long drinks and kvass, and it has clearly improved its market share in comparison with the previous year. In the beer market, the company shares the number two position with another player. (Nielsen, June-July 2014).

The company's exports in the review period increased by 22.5 percent on the previous year. Exports accounted for 3.0 (3.0) percent of total sales.

The company's net sales from January to September amounted to 30.1 (26.3) million euro. Thanks to good sales development, net sales increased by 3.8 million euro or 14.7 percent.

Thanks to good performance in the third quarter, operating profit increased to 1.9 (1.0) million euro compared to the previous year. Operating profit came to 6.3 (3.9) percent of net sales. The operating profit improved by 0.9 million euro or 85.3 percent. The improvement in operating profit was attributable to good development in sales volumes and cost-cutting.

July to September 2014

Volfas Engelman performed well in the third quarter. The company's sales volume from July to September amounted to 23.9 (21.1) million litres, representing an increase of 2.8 million litres or 13.4 percent. Third-quarter net sales increased by 1.1 million euro or 10.6 percent to 11.4 (10.3) million euro.

The company's operating profit improved substantially in July-September. Operating profit stood at 1.3 (0.8) million euro, which was 11.1 (7.8) percent of net sales. The operating profit improved by 0.5 million euro or 58.7 percent.

OAO LIDSKOE PIVO (Lidskoe Pivo)

January to September 2014

The overall beverage market in Belarus saw an upward trend from January to September. The sales of beers declined slightly in the review period. The sales of juice drinks increased substantially, and good growth was also seen in the sales of waters. The sales of soft drinks increased slightly while a slight drop was seen in the sales of kvass. The sales of ciders declined clearly. (Nielsen, June-July 2014).

The January-September sales of Lidskoe Pivo operating in Belarus amounted to 135.2 (122.4) million litres. Sales increased by 12.8 million litres or 10.5 percent on the previous year.

The sales of waters in the domestic market increased substantially. Clear growth was also seen in the sales of juice drinks and beers. There was slight growth in soft drinks (including kvass). On the other hand, the sales of ciders declined clearly.

Lidskoe Pivo has clearly grown in the beer and juice drink markets. The company is the clear market leader in kvass as well as ciders. The market shares in waters and soft drinks are in the order of a few percent but the market share in waters is gradually increasing (Nielsen, June-July 2014).

Lidskoe Pivo's exports increased substantially in the review period, by 40.8 percent. Exports accounted for 17.9 (14.0) percent of total sales. The main destination for exports was Russia.

The company's net sales in January-September increased by 11.9 million euro or 22.0 percent on the previous year, amounting to 65.8 (53.9) million euro.

Operating profit in the review period was very good at 12.3 (9.5) million euro, or 18.7 (17.6) percent of net sales. Operating profit improved by 2.8 million euro or 29.3 percent on the previous year thanks to good performance in the third quarter.

July to September 2014

Lidskoe Pivo's sales in the third quarter increased to 54.1 (44.7) million litres. This represents an increase of 9.4 million litres or 21.1 percent.

Net sales stood at 29.0 (18.6) million euro, an increase of 10.4 million euro or 56.1 percent. The increase in net sales in July-September substantially outperformed sales volume growth.

The company's profitability improved with an operating profit increase to 6.6 (3.6) million euro, which is 22.7 (19.6) percent of net sales. The operating profit improved by 3.0 million euro.

FINANCING AND INVESTMENTS

Olvi Group's balance sheet total at the end of September 2014 was 331.0 (286.6) million euro. Equity per share stood at 9.07 (7.93) euro, an increase of 1.14 euro per share or 14.4 percent. The equity to total assets ratio declined slightly but remained on a healthy level of 57.6 (58.3) percent. The amount of interest-bearing liabilities was 61.2 (51.0) million euro, including current liabilities of 26.4 (18.6) million euro.

During the period under review, Olvi Group's gross capital expenditure amounted to 31.9 (21.1) million euro. The parent company Olvi accounted for 14.1 million euro and the subsidiaries in the Baltic states for 8.0 million euro of the total. Lidskoe Pivo's gross capital expenditure in the first part of the year was 9.8 million euro.

The largest investments in Finland in 2014 are an extension and performance improvement in automated picking, the completion of the new high-rise storehouse and installations of related equipment, an extension to the dispatch area, development of packaging options at the production lines, as well as acquisitions of additional product conveyors. Olvi's investments include 0.7 million euro of shares acquired from minority shareholders of Lidskoe Pivo in April 2014.

In the Baltic states, A. Le Coq's largest investments consist of new PET bottle formats, a reception, storage and handling system for glucose syrup, an extension to the cold storage rooms of the juice factory, and replacement of conveyor systems for logistics. Cesu Alus's largest investments consist of the replacement of the bottle-blowing machine, the acquisitions of pre-mixing equipment for the juicing facility and a machine for laying PET bottles on pallets, as well as

investments related to logistics performance improvements. The largest investments in Volfas Engelman consist of the acquisitions of a bottle-blowing machine and a new canning line.

Lidskoe Pivo's investments in 2014 include extensions to storage and production facilities, the construction of a new boiling room, replacement of pipelines in fermentation and yeast tanks, the acquisition of new pressure tanks, mixing equipment for fermentation tanks, as well as the acquisition of buffer conveyors and new formats.

PRODUCT DEVELOPMENT

Research and development includes projects to design and develop new products, packages, processes and production methods, as well as further development of existing products and packages. The R&D costs have been recognised as expenses. The main objective of Olvi Group's product development is to create new products for profitable and growing beverage segments.

NEW PRODUCTS

Only the most important new products are announced in interim reports and financial statement bulletins. Detailed information on new products can be found on the Web pages of each company.

Finland

New products for September have already been presented in the Q2 interim report. In addition to them, the Balanssi Proteiini snack drink in 0.33 L tetrapack was introduced. It is a milk-based high-protein product manufactured by Osuuskunta Maitomaa.

Subsidiaries

Volfas Engelman in Lithuania introduced a 0.33-litre aluminium bottle for its Volfas Engelman Rinktinis (5.2%) and Volfas Engelman Balta (5.0%) beers.

PERSONNEL

Olvi Group's average number of personnel in January-September 2014 was 1,986 (2,034). The Group's average number of personnel decreased by 48 people or 2.4 percent. The total number of personnel at the end of September was 1,886 (1,934).

Olvi Group's average number of personnel by country:

	1-9/2014	1-9/2013
Finland	379	(414)
Estonia	336	(317)
Latvia	219	(222)
Lithuania	214	(218)
Belarus	838	(863)
Total	1,986	(2,034)

GROUP STRUCTURE

There were no changes in Olvi Group's structure from July to September. At the end of September 2014, Olvi Group's holding in A. Le Coq was 100.0 percent, in Cesu Alus 99.76 percent, in Volfas Engelman 99.58 percent and in Lidskoe Pivo 94.57 percent. Furthermore, A. Le Coq had a 49.0 percent holding in AS Karme and a 20.0 percent holding in Verska Mineraalvee OÜ in Estonia.

OLVI A SHARE AND SHARE MARKET

Olvi's share capital at the end of September 2014 stood at 20.8 million euro. The total number of shares was 20,758,808, of these 17,026,552 or 82.0 percent being Series A shares and 3,732,256 or 18.0 percent Series K shares. Each Series A share

carries one (1) vote and each Series K share carries twenty (20) votes. Series A and Series K shares have equal rights to dividends.

The Olvi A share was quoted on Nasdaq OMX Helsinki (Helsinki Stock Exchange) at 23.95 (25.89) euro at the end of September 2014. In January-September, the highest quote for the Series A share was 29.90 (27.93) euro and the lowest quote was 23.30 (19.70) euro. The average price was 25.98 (23.58) euro.

In January-September, a total of 1,579,911 (1,820,943) Olvi A shares were traded, representing 9.3 (10.7) percent of the total number of Series A shares. The value of trading was 41.0 (43.0) million euro.

At the end of September 2014, the market capitalisation of Series A shares was 407.8 (440.8) million euro and the market capitalisation of all shares was 497.2 (537.4) million euro.

The number of shareholders at the end of September 2014 was 9,983 (9,492). Foreign holdings plus foreign and Finnish nominee-registered holdings represented 20.0 (20.7) percent of the total number of book entries and 4.5 (6.8) percent of total votes.

Foreign and nominee-registered holdings are reported in Table 5, Section 9 of the tables attached to this interim report, and the largest shareholders are reported in Table 5, Section 10.

TREASURY SHARES

There were no changes in the number of treasury shares held by Olvi in January-September 2014. At the end of September 2014, Olvi held 1,124 of its own Series A shares. Treasury shares held by Olvi plc are reported in the tables section of this interim report, in Table 5, Section 6.

BUSINESS RISKS AND THEIR MANAGEMENT

Risk management is a part of Olvi Group's everyday management and operations. It increases corporate security and contributes to the achievement of operational targets. The objective of risk management is to operate proactively and create operating conditions in which business risks are managed comprehensively and systematically in all of the Group companies and all levels of the organisation. In addition to the company itself, risk management benefits its personnel, customers, shareholders and other related groups.

The objective of risk management is to ensure the realisation of the company's strategy and secure the continuity of business. Olvi Group identifies, assesses, manages and monitors its crucial risks regularly. With regard to identified risks, the effects, scope and probability of realisation are assessed together with the means of eliminating or reducing the risk. Furthermore, risk management aims to identify and utilise any business opportunities that may arise.

Strategic and operational risks

Olvi Group's strategic risks refer to risks related to the characteristics of the company's business and strategic choices. The Group's operations are located in several countries that differ substantially in terms of their social and economic situations and the phases and directions of development. For example, strategic risks relate to changes in tax legislation and other regulations, the operating environment and foreign exchange markets. If realised, strategic risks can substantially hamper the company's operational preconditions.

The Group's most substantial identified operational risks relate to the procurement and quality of raw materials, the production process, markets and customers, information security and systems, as well as changes in foreign exchange rates.

Financing risks

Olvi Group operates internationally, and its business involves risks arising from exchange rate fluctuations. Foreign exchange risks arise from the cash flows of purchases and sales in foreign currency, as well as investments in foreign subsidiaries and the conversion of their balance sheet items into euro. Foreign exchange risk is reduced by the fact that most of the Group's product sales and raw material purchases are denominated in euro. In addition to Finland, Estonia and Latvia belong to the euro zone, and from the beginning of 2015 Lithuania will be included.

The objective of financing risk management is to minimise the adverse effects of changes in the financial markets on the Group's financial performance, shareholders' equity and liquidity. The general principles of the Group's risk management are approved by the Board of Directors of the parent company, and the parent company's management together with the management of subsidiaries is responsible for their practical implementation. Responsibility for Olvi Group's financing tasks is centralised in the parent company Olvi. The objectives of centralisation include optimisation of cash flows and financing costs, as well as efficient management of risks and liquidity.

There have not been any significant changes in Olvi Group's business risks since the closing of the accounts 2013. A more detailed description of the risks is provided in the Board of Directors' report and the notes to the financial statements. Financing risks are also described in more detail in the Investors section of the corporate Web site.

BUSINESS RISKS AND UNCERTAINTIES IN THE NEAR TERM

With regard to the economic situation in Europe, unstability can still be seen in individual countries. The unemployment rate is still high. Weakened consumer purchasing power leads to a choice of less expensive products. Demand in Finland is also held back by the highest excise tax rates within the European Union.

The continuation of the Ukrainian crisis, increased tension, the European Union's sanctions against Russia and the counter-sanctions imposed by Russia make exports difficult and also affect the exchange rate of the rouble. Olvi is putting effort to increasing exports into Russia particularly from Belarus, which is in a customs union with Russia.

Another substantial factor hampering the predictability of Olvi Group's business still relates to Belarus and its outlook for the next few years. The IAS 29 standard "Financial Reporting in Hyperinflationary Economies" will be applied at least until the end of 2014.

NEAR-TERM OUTLOOK

The full-year sales volumes and net sales in 2014 are expected to grow slightly in the current accounting period. The operating profit for 2014 is expected to be on a par with the healthy level of 2013.

OLVI PLC
Board of Directors

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TABLES:
- Statement of comprehensive income, Table 1
- Balance sheet, Table 2
- Changes in shareholders' equity, Table 3
- Cash flow statement, Table 4
- Notes to the interim report, Table 5

DISTRIBUTION:

NASDAQ OMX Helsinki Ltd, Key media, www.olvi.fi

INCOME STATEMENT

EUR 1,000

	7-9/ 2014	7-9/ 2013	1-9/ 2014	1-9/ 2013	1-12/ 2013
Net sales	99264	86512	258574	257213	327256
Other operating income	294	330	1037	651	983
Operating expenses	-78264	-68656	-211895	-210023	-271391
Depreciation and impairment	-4138	-3280	-11216	-10103	-13627
Operating profit	17156	14906	36500	37738	43221
Financial income	377	461	2482	2293	3105
Financial expenses	374	-1048	-1659	-2783	-4501
Share of earnings of associates	0	0	0	0	-11
Earnings before tax	17907	14319	37323	37248	41814
Taxes *)	-2359	-1801	-7893	-7790	-7628
NET PROFIT FOR THE PERIOD	15548	12518	29430	29458	34186
Other comprehensive income items:					
Translation differences related to foreign subsidiaries	1416	-1716	-538	-1398	-2858
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	16964	10802	28892	28060	31328
Distribution of profit:					
- parent company shareholders	15221	12334	28860	28813	33520
- non-controlling interests	327	184	570	645	666
Distribution of comprehensive income:					
- parent company shareholders	16607	10738	28387	27532	30886
- non-controlling interests	357	64	505	528	442
Earnings per share calculated from the profit belonging to parent company shareholders, EUR					
- undiluted	0.73	0.59	1.39	1.39	1.61
- diluted	0.73	0.59	1.39	1.39	1.61

*) Taxes calculated from the profit for the review period.

BALANCE SHEET

EUR 1,000

	30.9.2014	30.9.2013	31.12.2013
ASSETS			
Non-current assets			
Tangible assets	189618	157232	165783
Goodwill	18565	17856	17805
Other intangible assets	2663	2580	2701
Interests in associates	1077	1077	1077
Financial assets available for sale	549	549	549
Loan receivables and other non-current receivables	349	393	349
Deferred tax receivables	171	147	87
Total non-current assets	212992	179834	188351
Current assets			
Inventories	46498	43943	41178
Accounts receivable and other receivables	63475	56902	57705
Income tax receivable	341	22	848
Other non-current assets available for sale	4	163	124
Liquid assets	7682	5735	7507
Total current assets	118000	106765	107362
TOTAL ASSETS	330992	286599	295713
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity held by parent company shareholders			
Share capital	20759	20759	20759
Other reserves	1092	1092	1092
Treasury shares	-8	-8	-8
Translation differences	-20793	-18967	-20321
Retained earnings	187282	161643	167420
	188332	164519	168942
Share belonging to non-controlling interests	2365	2594	2597
Total shareholders' equity	190697	167113	171539
Non-current liabilities			
Financial liabilities	34810	32359	28483
Other liabilities	1	250	0
Deferred tax liabilities	5288	4085	3761
Current liabilities			
Financial liabilities	26354	18646	24348
Accounts payable and other liabilities	72747	62712	66704
Income tax liability	1095	1434	878
Total liabilities	140295	119486	124174
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	330992	286599	295713

CHANGES IN CONSOLIDATED
SHAREHOLDERS' EQUITY

EUR 1,000	Share capital	Other reserves	Treasury shares reserve	Translation differences	Retained earnings	Share of non-controlling interests	Total
Shareholders' equity 1 Jan 2013	20759	1092	-8	-17687	141317	1939	147412
Adjustments for hyperinflation					1891	174	2065
Adjusted shareholders' equity 1 Jan 2013	20759	1092	-8	-17687	143208	2113	149477
Comprehensive income:							
Net profit for the period					28813	645	29458
Other comprehensive income items:							
Translation differences				-1280		-117	-1397
Total comprehensive income for the period				-1280	28813	528	28061
Transactions with shareholders:							
Payment of dividends					-10379	-46	-10425
Total transactions with shareholders					-10379	-46	-10425
Changes in holdings in subsidiaries:							
Acquisition of shares from non-controlling interests					0		0
Change in share belonging to non-controlling interests					1	-1	0
Total changes in holdings in subsidiaries					1	-1	0
Shareholders' equity 30 Sep 2013	20759	1092	-8	-18967	161643	2594	167113

EUR 1,000	Share capital	Other reserves	Treasury shares reserve	Translation differences	Retained earnings	Share of non-controlling interests	Total
Shareholders' equity 1 Jan 2014	20759	1092	-8	-20320	167420	2597	171540
Adjustments for hyperinflation					3780	217	3997
Adjusted shareholders' equity 1 Jan 2014	20759	1092	-8	-20320	171200	2814	175537
Comprehensive income:							
Net profit for the period					28860	570	29430
Other comprehensive income items:							
Translation differences				-473		-65	-538
Total comprehensive income for the period				-473	28860	505	28892

Transactions with shareholders:			
Payment of dividends			
		-13492	-72 -13564
Total transactions with shareholders		-13492	-72 -13564
Changes in holdings in subsidiaries:			
Acquisition of shares from non-controlling interests		-168	-168
Change in share belonging to non-controlling interests		882	-882 0
Total changes in holdings in subsidiaries		714	-882 -168
Shareholders' equity 30 Sep 2014	20759	1092	-8 -20793 187282 2365 190697

Other reserves include the share premium account, legal reserve and other reserves.

OLVI GROUP

TABLE 4

CASH FLOW STATEMENT

EUR 1,000

	1-9/2014	1-9/2013	1-12/2013
Net profit for the period	29430	29458	34186
Adjustments to profit for the period	22272	20213	24214
Change in net working capital	-5744	-4315	2451
Interest paid	-1519	-2528	-4246
Interest received	235	314	530
Taxes paid	-4826	-5311	-7126
Cash flow from operations (A)	39848	37831	50009
Investments in tangible and intangible assets	-34066	-19312	-31975
Sales gains from tangible and intangible assets	60	-228	220
Expenditure on other investments	-250	0	0
Cash flow from investments (B)	-34256	-19540	-31755
Withdrawals of loans	25835	688	5541
Repayments of loans	-17502	-8154	-11180
Dividends paid	-13537	-10542	-10541
Increase (-) / decrease (+) in current interest-bearing business receivables	-8	0	1
Increase (-) / decrease (+) in long-term loan receivables	0	16	55
Cash flow from financing (C)	-5212	-17992	-16124
Increase (+)/decrease (-) in liquid assets (A+B+C)	380	299	2130
Liquid assets 1 January	7507	5698	5698
Effect of exchange rate changes	-205	-262	-321
Liquid assets 30 Sep/31 Dec	7682	5735	7507

NOTES TO THE INTERIM REPORT

The accounting policies used for this interim report are the same as those used for the annual financial statements 2013.

The accounting policies are presented in the Annual Report 2013 which was published on 20 March 2014. The information disclosed in the interim report is unaudited.

The information in the interim report is presented in thousands of euros (EUR 1,000). For the sake of presentation, individual figures and totals have been rounded to full thousands, which causes rounding differences in additions.

The Group has adopted the following new or revised standards and interpretations in 2014:

- Amendment to IFRSs 10, 11 and 12 on transition guidance
- IFRS 10 "Consolidated Financial Statements"
- IFRS 11 "Joint Arrangements"
- IFRS 12 "Disclosures of Interests in Other Entities"
- IAS 27 (Revised 2011) "Separate Financial Statements"
- IAS 28 (Revised 2011) "Investments in Associates and Joint Ventures"
- Amendment to IAS 32 "Financial Instruments: Presentation" concerning the offset of assets and liabilities
- Amendment to IAS 36 "Impairment of Assets" concerning the disclosure of recoverable amounts
- Amendment to IAS 39 "Financial Instruments: Recognition and Measurement" concerning the novation of derivatives

The above changes in standards and their interpretations have no substantial effect on the income statement or balance sheet.

Some changes in standards may affect the scope of disclosure of notes.

1. SEGMENT INFORMATION

SALES BY GEOGRAPHICAL SEGMENT (1,000 litres)

	7-9/ 2014	7-9/ 2013	1-9/ 2014	1-9/ 2013	1-12/ 2013
Olvi Group total	170386	151915	449306	433919	557232
Finland	42287	38904	114716	124028	159909
Estonia	37898	35426	104567	102386	129314
Latvia	20025	24033	63199	63625	79724
Lithuania	23896	21069	62884	53023	69554
Belarus	54103	44658	135228	122422	156523
- sales between segments	-7823	-12175	-31288	-31565	-37792

NET SALES BY GEOGRAPHICAL SEGMENT (EUR 1,000)

	7-9/ 2014	7-9/ 2013	1-9/ 2014	1-9/ 2013	1-12/ 2013
Olvi Group total	99264	86512	258574	257213	327256
Finland	29395	29533	81859	97068	123608
Estonia	23320	22509	64378	64589	81261
Latvia	9367	11137	29298	30284	37571
Lithuania	11389	10294	30140	26281	34139
Belarus	29038	18600	65772	53906	68319
- sales between segments	-3245	-5561	-12873	-14915	-17642

OPERATING PROFIT BY GEOGRAPHICAL SEGMENT (EUR 1,000)

	7-9/ 2014	7-9/ 2013	1-9/ 2014	1-9/ 2013	1-12/ 2013
Olvi Group total	17156	14906	36500	37738	43221
Finland	2300	3873	6468	10985	12844
Estonia	6023	5587	14281	13581	15998
Latvia	831	1033	2153	2666	2458
Lithuania	1268	799	1891	1020	1264
Belarus	6580	3648	12269	9487	10665
- eliminations	154	-34	-562	-1	-8

2. PERSONNEL ON AVERAGE

	1-9/ 2014	1-9/ 2013	1-12/ 2013
Finland	379	414	401
Estonia	336	317	314
Latvia	219	222	215
Lithuania	214	218	216
Belarus	838	863	853
Total	1986	2034	1999

3. RELATED PARTY TRANSACTIONS

Employee benefits to management

Salaries and other short-term employee benefits to the Board of Directors and Managing Director

EUR 1,000

	1-9/ 2014	1-9/ 2013	1-12/ 2013
Managing Director	280	258	340
Chairman of the Board	62	63	85
Other members of the Board	95	97	130
Total	437	418	555

4. SHARES AND SHARE CAPITAL

	30.9.2014	%
Number of A shares	17026552	82.0
Number of K shares	3732256	18.0
Total	20758808	100.0
Total votes carried by A shares	17026552	18.6
Total votes carried by K shares	74645120	81.4
Total number of votes	91671672	100.0
Votes per Series A share	1	
Votes per Series K share	20	

The registered share capital on 30 September 2014 totalled 20,759 thousand euro.

Olvi plc's Series A and Series K shares received a dividend of 0.65 euro per share for 2013 (0.50 euro per share for 2012), totalling 13.5 (10.4) million euro. The dividends were paid on 30 April 2014. The Series K and Series A shares entitle to equal dividend. The Articles of Association include a redemption clause concerning Series K shares.

5. SHARE-BASED PAYMENTS

Olvi plc's Board of Directors decided on 29 April 2014 on a share-based incentive scheme for Olvi Group's key personnel. The purpose of the scheme is to combine the objectives of shareholders and key personnel to improve the company's value, make key personnel committed to the company and provide them with a competitive bonus scheme based on earning shares in the company.

The scheme has one vesting period of three calendar years, the years 2014 to 2016. Any bonus from the scheme for the vesting period 2014 to 2016 is based on the Group's accumulated operating profit (EBIT).

Furthermore, the share-based incentive scheme has a three-year vesting period starting on 1 July 2014 and ending on 30 June 2017. Receiving a bonus for this vesting period requires that the key person purchases shares in the company to the amount decided by the Board of Directors. Furthermore, entitlement to a bonus is bound to the validity of the key person's employment or service contract at the time the bonus is paid.

The bonuses for both vesting periods will be paid in 2017 partially in Olvi plc Series A shares and partially in cash. The purpose of the cash portion is to cover taxes and other statutory fees levied on the key person due to the bonus. If the key person's employment or service contract terminates before the payment of the bonus, the principal rule is that no bonus will be paid.

The members of the company's Management Group must hold one-half of the shares received on the basis of the vesting period 2014-2016 for the duration of their employment or service contract.

The target group of the share-based incentive scheme includes approximately 50 people. The total bonuses paid on the basis of the scheme amount to an approximate maximum of 40,000 Olvi plc Series A shares and the amount of cash required to pay the taxes and other statutory fees arising from the shares.

Accounting entries related to the vesting period from 1 July 2014 to 30 June 2017 were booked in January-September 2014 for a total of 22.3 thousand euro.

Olvi Group has no warrants or options.

6. TREASURY SHARES

Olvi plc held a total of 1,124 of its own Series A shares on 1 January 2014.

Olvi plc has not acquired more treasury shares or transferred them to others in January-September 2014, which means that the number of Series A shares held by the company was unchanged on 30 September 2014. The purchase price of the Series A shares held as treasury shares totalled 8.5 thousand euro.

Series A shares held by Olvi plc as treasury shares represented 0.005 percent of the share capital and 0.001 percent of the aggregate number of votes. The treasury shares represented 0.007 percent of all Series A shares and associated votes.

On 16 April 2014, the General Meeting of Shareholders of Olvi plc decided to revoke any unused authorisations to acquire treasury shares and authorise the Board of Directors of Olvi plc to decide on the acquisition of the company's own shares using distributable funds. The authorisation is valid for one year starting from the General Meeting and covers a maximum of 500,000 Series A shares.

The Annual General Meeting also decided to revoke all existing unused authorisations for the transfer of own shares and authorise the Board of Directors to decide on the issue of a maximum of 1,000,000 new Series A shares and the transfer of a maximum of 500,000 Series A shares held as treasury shares.

In January-September 2014, the Board of Directors of Olvi plc has not exercised the authorisations granted by the General Meeting.

7. NUMBER OF SHARES *)	1-9/2014	1-9/2013	1-12/2013
- average	20757684	20757684	20757684
- at end of period	20757684	20757684	20757684

*) Treasury shares deducted.

8. TRADING OF SERIES A SHARES ON THE HELSINKI STOCK EXCHANGE

	1-9/2014	1-9/2013	1-12/2013
Trading volume of Olvi A shares	1579911	1820943	2601699
Total trading volume, EUR 1,000	41009	43038	63938
Traded shares in proportion to all Series A shares, %	9.3	10.7	15.3
Average share price, EUR	25.98	23.58	24.26
Price on the closing date, EUR	23.95	25.89	28.60
Highest quote, EUR	29.90	27.93	28.75
Lowest quote, EUR	23.30	19.70	19.70

9. FOREIGN AND NOMINEE-REGISTERED HOLDINGS ON 30 SEPTEMBER 2014

	Book entries		Votes		Shareholders	
	qty	%	qty	%	qty	%
Finnish total	16609633	80.01	87522497	95.47	9917	99.34
Foreign total	444713	2.14	444713	0.49	58	0.58
Nominee-registered (foreign) total	14044	0.07	14044	0.01	3	0.03
Nominee-registered (Finnish) total	3690418	17.78	3690418	4.03	5	0.05
Total	20758808	100.00	91671672	100.00	9983	100.00

10. LARGEST SHAREHOLDERS ON 30 SEPTEMBER 2014

	Series K	Series A	Total	%	Votes	%
1. Olvi Foundation	2363904	890613	3254517	15.68	48168693	52.54
2. Hortling Heikki Wilhelm *)	903488	103280	1006768	4.85	18173040	19.82
3. The Heirs of Hortling Kalle Einari	187104	25248	212352	1.02	3767328	4.11
4. Hortling Timo Einari	165824	35308	201132	0.97	3351788	3.66
5. Hortling-Rinne Laila Marit	102288	2100	104388	0.50	2047860	2.23
6. Pohjola Bank plc, nominee register		1902900	1902900	9.17	1902900	2.08
7. Nordea Bank Finland plc, nominee register		1212215	1212215	5.84	1212215	1.32
8. Ilmarinen Mutual Pension Insurance Company		849218	849218	4.09	849218	0.93
9. Varma Mutual Pension Insurance Company		788075	788075	3.80	788075	0.86
10. Skandinaviska Enskilda Banken Ab (Publ)						
Helsinki branch, nominee register		522652	522652	2.52	522652	0.57
Others	9648	10694943	10704591	51.56	10887903	11.88
Total	3732256	17026552	20758808	100.00	91671672	100.00

*) The figures include the shareholder's own holdings and shares held by parties in his control.

11. PROPERTY, PLANT AND EQUIPMENT

EUR 1,000

	1-9/2014	1-9/2013	1-12/2013
Increase	30729	20147	34509
Decrease	-8469	-1082	-1087
Total	22260	19065	33422

12. CONTINGENT LIABILITIES

EUR 1,000

	30.9.2014	30.9.2013	31.12.2013
Pledges and contingent liabilities			
For own commitments	2397	4991	2715
Leasing and rental liabilities:			
Due within one year	1171	1135	1238
Due within 1 to 5 years	1290	668	637
Due in more than 5 years	5	6	6
Leasing and rental liabilities total	2466	1809	1881
Package liabilities	2133	2813	2781
Other liabilities	2000	2000	2000

13. CALCULATION OF FINANCIAL RATIOS

Equity to total assets, % = $100 * (\text{Shareholders' equity held by parent company shareholders} + \text{non-controlling interests}) / (\text{Balance sheet total} - \text{advances received})$

Earnings per share = $\text{Profit belonging to parent company shareholders} / \text{Average number of shares during the period, adjusted for share issues}$

Equity per share = $\text{Shareholders' equity held by parent company shareholders} / \text{Number of shares at end of period, adjusted for share issues}$

Gearing, % = $100 * (\text{Interest-bearing debt} - \text{cash in hand and at bank}) / (\text{Shareholders' equity held by parent company shareholders} + \text{non-controlling interests})$