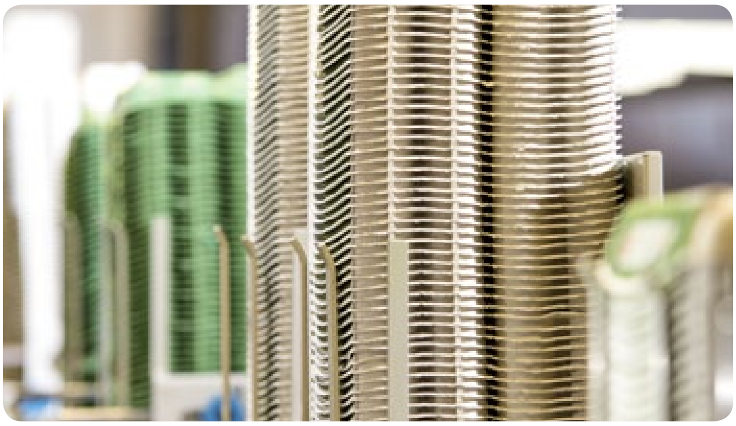
HARTMANN CHOOSE FIBRE. SAVE NATURE.®

INTERIM REPORT
Q1 2015



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HIGHLIGHTS

Revenue and operating profit increased in Q1 2015 as a result of the addition of the South American activities and progress in Americas. The European business developed as expected, with the efforts to improve efficiency continuing. We maintain our guidance for 2015 with revenue of DKK 2.0-2.1 billion and a profit margin of 10-11.5%.

CEO Ulrik Kolding Hartvig says: "Our business developed steadily in Q1 with our new South American activities contributing to a considerable increase in revenue and operating profit. The integration of the South American activities is progressing according to plan, and we recorded good results on the American markets. In Europe, the business developed as expected, and we have strengthened our efforts to improve efficiency in line with our strategy."

"On the basis of the expected positive development in Q1 and progress on the American markets, we maintain our guidance for 2015. In the European business, we will sharpen our focus on further improving efficiency in the period ahead."

Q1 2015

- Total revenue grew to DKK 581 million (2014: DKK 413 million) with operating profit* at DKK 62 million (2014: DKK 45 million), corresponding to a profit margin* of 10.6% (2014: 10.8%). Fluctuations in exchange rates impacted favourably on revenue by DKK 14 million and on operating profit by DKK 8 million.

- The European business maintained revenue of DKK 342 million (2014: DKK 341 million) while operating profit fell to DKK 33 million (2014: DKK 38 million), corresponding to a profit margin of 9.6% (2014: 11.1%) as a result of increased provisions for bad debts in relation to a specific customer in Eastern Europe.

- In Americas, revenue grew to DKK 239 million (2014: DKK 72 million) and operating profit to DKK 36 million (2014: DKK 13 million), corresponding to a profit margin of 14.9% (2014: 17.6%). The development is attributable to the addition of the South American activities and the utilisation of the expanded production capacity in North America.

- As a result of the increase in operating profit, cash flows from operating activities grew to a net inflow of DKK 28 million (2014: net inflow of DKK 9 million).

OUTLOOK 2015

- We maintain our full-year guidance of revenue of DKK 2.0-2.1 billion and a profit margin of 10-11.5%.

* Operating profit refers to operating profit before special items and profit margin to profit margin before special items.

KEY FIGURES AND FINANCIAL RATIOS

DKKm

Group	Q1 2015	Q1 2014	FY 2014
Statement of comprehensive income			
Revenue	581	413	1.615
Operating profit	62	45	163
Special items	0	0	(7)
Financial income and expenses, net	7	(5)	(17)
Profit/(loss) before tax	69	40	139
Profit/(loss) for the period	56	34	119
Comprehensive income	65	25	117
Cash flows			
Cash flows from operating activities	28	9	141
Cash flows from investing activities	(357)	(33)	(98)
Cash flows from financing activities	301	0	(33)
Total cash flows	(29)	(24)	10
Balance sheet			
Assets	1,743	1,148	1,244
Investments in property, plant and equipment	30	33	99
Net working capital	312	196	175
Invested capital	1,119	738	736
Interest-bearing debt	487	168	161
Equity	728	637	663
Financial ratios, %			
Profit margin	10.6	10.8	10.1
Return on average invested capital (ROIC, rolling 12 mths.)	21.7	22.6	22.3
Return on equity (rolling 12 mths.)	22.0	20.0	19.2
Equity ratio	41.8	55.5	53.3
Gearing	66.9	26.4	24.2
Share-based financial ratios			
No. of shares (year-end, excluding treasury shares)	6,915,090	6,915,090	6,915,090
No. of shares (average, excluding treasury shares)	6,915,090	6,915,090	6,915,090
Earnings per share, DKK (EPS)	8.1	4.9	17.2
Cash flow per share, DKK	4.0	1.3	20.4
Book value per share, DKK	105.3	92.1	95.8
Market price per share, DKK	246.5	188.0	173.0
Market price/book value per share	2.3	2.0	1.8
Price/earnings (rolling 12 mths.)	12.1	11.2	10.1

The financial ratios are calculated in accordance with 'Recommendations & Ratios 2010', issued by the Danish Society of Financial Analysts. See note 39 to the financial statements in the annual report for 2014.

DEVELOPMENTS IN Q1 2015

Hartmann grew revenue and operating profit in Q1 2015 as a result of the addition of the South American activities and progress in Americas. Europe saw moderate progress in sales of both retail and transport packaging and Hartmann Technology maintained its high activity level. The integration of the South American activities is progressing according to plan, and we maintain our guidance for 2015.

COMPREHENSIVE INCOME

Revenue

Total revenue came to DKK 581 million in Q1 2015 (2014: DKK 413 million). Fluctuations in exchange rates impacted revenue favourably by DKK 14 million in Q1.

Europe

Revenue in Europe was DKK 342 million (2014: DKK 341 million). Sales of both retail and transport packaging grew moderately, while the average selling price fell on account of a changed sales composition in terms of geography and products.

The other European activities saw a stable development overall with Hartmann Technology maintaining a high activity level.

Americas

In Americas, revenue rose to DKK 239 million in Q1 2015 (2014: DKK 72 million). The development was driven by the addition of the South American activities in early 2015 and continued progress in both North America and South America.

North America continued the positive development, lifting the proportion of products in the premium segment and growing sales as a result of the expanded production capacity.

Our South American activities developed favourably with sales of egg packaging rising moderately. Exports of fruit from Argentina fell back due to the Argentine fixed exchange rate policy towards the strengthened USD. This resulted in lower sales of fruit packaging.

Operating profit

Operating profit grew to DKK 62 million in Q1 2015 (2014: DKK 45 million), corresponding to a profit margin of 10.6% (2014: 10.8%). Fluctuations in exchange rates impacted operating profit favourably by DKK 8 million in Q1.

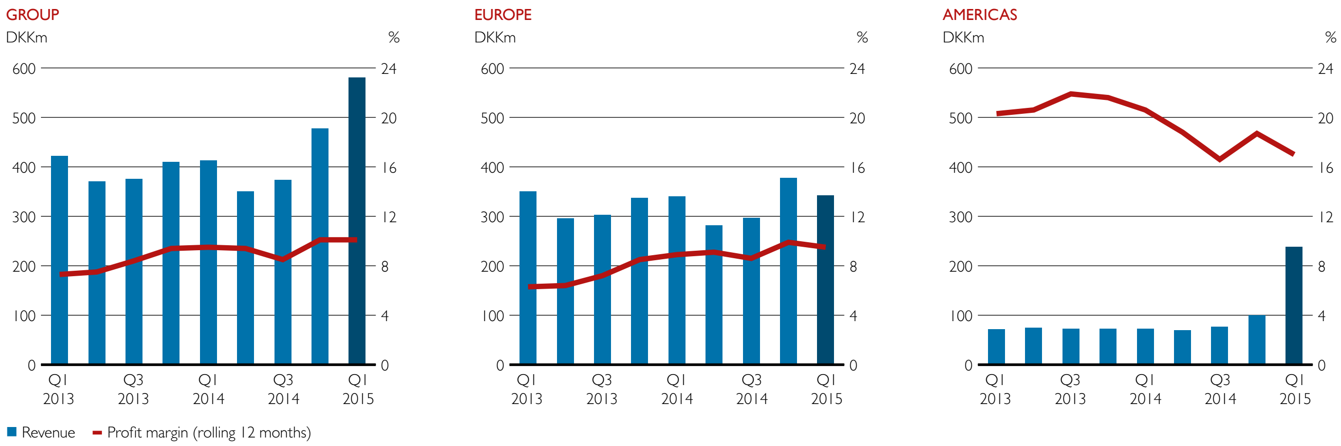
Europe

In Q1, operating profit in the European business came to DKK 33 million (2014: DKK 38 million), corresponding to a profit margin of 9.6% (2014 11.1%). The development may primarily be attributed to increased provisions for bad debts relating to a specific customer in Eastern Europe as well as the effect of the lower average selling price in the quarter.

Americas

Operating profit in Americas grew to DKK 36 million in Q1 2015 (2014: DKK 13 million), corresponding to a profit margin of 14.9% (2014: 17.6%) as a result of the addition of the South American activities and increased revenue.

REVENUE AND PROFIT MARGIN



The segment Americas comprises Hartmann's activities in North America and South America. The South American activities contribute to the performance from Q1 2015.

Hartmann grew revenue and operating profit in Q1,

with the integration of the South American activities progressing as planned.

In North America, the utilisation of the expanded production capacity and the sales growth along with a higher average selling price contributed to improved operating profit.

In South America, the operating profit development was as expected.

Corporate functions
Costs related to corporate functions came to DKK 7 million in Q1 2015 (2014: DKK 6 million).

Financial income and expenses
In Q1, financial income and expenses was a net income of DKK 7 million (2014: net expense of DKK 5 million) due to favourable currency adjustments.

Profit for the period
Profit before tax rose to DKK 56 million in Q1 2015 (2014: DKK 34 million), with tax on profit for the period amounting to an expense of DKK 12 million (2014: expense of DKK 6 million).

Comprehensive income
Comprehensive income for Q1 2015 was DKK 65 million (2014: DKK 25 million).

Acquired activities
Hartmann acquired the South American activities on 6 January 2015, and in Q1 the acquired activities contributed DKK 132 million to the group's total revenue, cf. note 5.

CASH FLOWS

Cash flows from operating activities in Q1 2015 increased to a net inflow of DKK 28 million (2014: net inflow of DKK 9 million) as a result of the increase in operating profit. Cash flows from investing activities in Q1 were a net outflow of DKK 357 million (2014: net outflow of DKK 33 million) as a result of the purchase of the South American activities.

Total cash flows from operating and investing activities in Q1 came to a net outflow of DKK 330 million (2014: net outflow of DKK 24 million).

BALANCE SHEET

ROIC
Return on invested capital was 22% at 31 March 2015 (2014: 23%).

Capital resources
At 31 March 2015, the group's net interest-bearing debt amounted to DKK 487 million (2014: DKK 168 million). The development is attributable to the long-term loans obtained to finance the purchase of the South American activities.

On this background, the financial gearing increased to 67% at 31 March 2015 (2014: 26%). Hartmann's financial resources were DKK 513 million at 31 March 2015, comprising cash and cash equivalents and undrawn credit facilities on loans and overdrafts. The drawing facilities are subject to the usual financial covenants, cf. note 34 in the annual report for 2014.

Equity
At 31 March 2015, equity stood at DKK 728 million (2014: DKK 637 million) with the equity ratio at 42% (2014: 56%).

THE HARTMANN SHARE

The official market price of the Hartmann share was DKK 173.0 at year-end 2014 and DKK 246.5 at 31 March 2015. Our share performance can be monitored at investor.hartmann-packaging.com.

EVENTS AFTER THE BALANCE SHEET DATE

Between the balance sheet date and the date of presentation of this interim report no events have occurred which materially affect the evaluation of this interim report.

OUTLOOK

Based on the development in Q1 2015 and the expected development in markets, prices and capacity, we maintain our guidance for 2015 of revenue of DKK 2.0-2.1 billion and a profit margin of 10-11.5%.

The development will be driven by the addition of the South American activities and improved capacity utilisation in Europe and North America.

ASSUMPTIONS

Hartmann's revenue and profit margin guidance for 2015 is based on the current composition of our business operations. In addition, the combined costs of raw materials and the selling prices are assumed to remain relatively stable at the level prevailing at the date of release of this interim report. Deviations from these assumptions may affect the 2015 performance.

Due to seasonal fluctuations, operating profit is generally higher for Q1 and Q4 than for Q2 and Q3. The profit margin is mainly exposed to developments in raw material prices and exchange rates. We have hedged our primary currency exposure up to the end of 2015.

FORWARD-LOOKING STATEMENTS

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

GUIDANCE AND FINANCIAL TARGETS

	2015	2017
Revenue	DKK 2.0-2.1 bn	DKK 2.2-2.4 bn
Profit margin	10-11.5%	12-14%

RISK FACTORS

For a full description of Hartmann's risk factors, see the section on risk factors and note 34 to the financial statements in the 2014 annual report.

RAW MATERIALS

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

There is limited scope for reducing sensitivity to developments in the price of recycled paper if supplies of the required volumes are to be secured and maintained.

We regularly sign fixed-price agreements with energy suppliers for typically 6 or 12 months, covering a substantial part of our energy consumption. However, it is not possible to sign fixed-price agreements with energy suppliers in all the countries in which we operate.

We are committed to reducing our sensitivity to fluctuations in raw material prices through continuous implementation of technological improvements and optimisation of work processes.

CURRENCY

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

Hartmann is exposed to transaction risks arising from cross-border transactions leading to contractual cash flows in foreign currencies. The USD/CAD currency exposure constitutes one of the group's single largest transaction risks. This is a consequence of the fact that the majority of sales generated in the North American business are invoiced in USD, while the largest part of costs are incurred in CAD. Other significant transaction risks relate to the currencies CHF, EUR, GBP, HRK, HUF and PLN.

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

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

MANAGEMENT STATEMENT

The Board of Directors and the Executive Board today considered and approved the interim report of Brødrene Hartmann A/S for the period 1 January - 31 March 2015.

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

In our opinion, the interim financial statements give a true and fair view of the group's assets and liabilities and financial position at 31 March 2015 and of the results of the group's operations and cash flows for the period 1 January - 31 March 2015.

We are of the opinion that the management report includes a fair review of the development and performance of the group's business and financial position, the results for the period and the financial position in general of the consolidated companies, together with a description of the principal risks and uncertainties that the group faces.

Gentofte, 19 May 2015

Executive Board:	Ulrik Kolding Hartvig *CEO*	Marianne Rørslev Bock *CFO*	
Board of Directors:	Agnete Raaschou-Nielsen *Chairman*	Niels Hermansen *Vice Chairman*	
	Jørn Mørkeberg Nielsen	Steen Parsholt	
	Jan Peter Antonisen	Andy Hansen	Niels Christian Petersen

INTERIM FINANCIAL STATEMENTS

Interim financial statements

STATEMENT OF COMPREHENSIVE INCOME

DKKm

Group	Q1 2015	Q1 2014	FY 2014
Revenue	580.9	413.1	1,614.6
Production costs	(396.7)	(277.5)	(1,104.6)
Gross profit	**184.2**	**135.6**	**510.0**
Selling and distribution costs	(99.5)	(74.5)	(290.4)
Administrative expenses	(23.1)	(17.2)	(59.5)
Other operating income	0.1	0.6	2.9
Other operating expenses	0.0	0.0	0.0
Operating profit/(loss) before special items	**61.7**	**44.5**	**163.0**
Special items	0.0	0.0	(7.0)
Operating profit/(loss)	**61.7**	**44.5**	**156.0**
Profit/(loss) after tax in associates	0.0	0.0	0.1
Financial income	12.9	0.2	1.8
Financial expenses	(6.0)	(5.0)	(18.7)
Profit/(loss) before tax	**68.6**	**39.7**	**139.2**
Tax on profit/(loss) for the period	(12.4)	(5.5)	(20.3)
Profit/(loss) for the period	**56.2**	**34.2**	**118.9**
Items that cannot be reclassified to profit or loss:			
Actuarial gains/(losses) on pension obligations	0.0	0.0	(15.2)
Tax	0.0	0.0	4.0
Items that can be classified to profit or loss:			
Foreign exchange adjustment of:			
Foreign subsidiaries	9.4	(10.3)	6.5
Equity-like loans to subsidiaries	1.5	0.5	2.1
Value adjustment of hedging instruments:			
Recognised in other comprehensive income	2.5	4.4	(10.8)
Transferred to revenue	(6.7)	(2.8)	7.7
Transferred to production costs	(0.4)	(1.2)	1.3
Transferred to financial income and expenses	0.0	0.0	2.4
Tax	2.6	(0.1)	(0.4)
Other comprehensive income after tax	**8.9**	**(9.5)**	**(2.4)**
Comprehensive income	**65.1**	**24.7**	**116.5**
Earnings per share, DKK	8.1	4.9	17.2
Earnings per share, DKK (diluted)	8.1	4.9	17.2

STATEMENT OF CASH FLOWS

DKKm

Group	Q1 2015	Q1 2014	FY 2014
Operating profit/(loss) before special items	61.7	44.5	163.0
Depreciation and amortisation	23.6	16.7	70.6
Adjustment for other non-cash items	(0.1)	0.0	(0.1)
Change in working capital	(53.7)	(44.9)	(38.1)
Restructuring costs etc. paid	(0.5)	(3.3)	(23.2)
Cash generated from operations	**31.0**	**13.0**	**172.2**
Interest etc. received	6.3	0.2	1.8
Interest etc. paid	(5.0)	(2.2)	(10.8)
Net income tax paid	(4.8)	(2.0)	(22.3)
Cash flows from operating activities	**27.5**	**9.0**	**140.9**
Disposals of property, plant and equipment	0.2	0.0	0.6
Acquisitions of property, plant and equipment	(30.4)	(32.8)	(98.6)
Acquisition of subsidiaries and activities, cf. note 5	(327.1)	0.0	0.0
Government grants received	0.0	0.0	0.9
Acquisition of associates	0.0	0.0	(0.9)
Cash flows from investing activities	**(357.3)**	**(32.8)**	**(98.0)**
Cash flows from operating and investing activities	**(329.8)**	**(23.8)**	**42.9**
Raising of non-current debt	300.9	0.1	261.5
Repayment of non-current debt	0.0	0.0	(229.0)
Dividends paid	0.0	0.0	(65.7)
Cash flows from financing activities	**300.9**	**0.1**	**(33.2)**
Total cash flows	**(28.9)**	**(23.7)**	**9.7**
Cash and bank debt at 1 January	56.0	45.7	45.7
Foreign exchange adjustment	3.7	0.1	0.6
Cash and bank debt at end of period	**30.8**	**22.1**	**56.0**
Recognition of cash and bank debt at end of period:			
Cash	70.9	33.6	56.0
Overdraft facilities	(40.1)	(11.5)	0.0
	30.8	**22.1**	**56.0**

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

BALANCE SHEET
ASSETS

DKKm

Group	31 March 2015	31 March 2014	31 Dec. 2014
Goodwill	77.2	10.7	10.7
Other intangible assets	38.7	1.0	0.0
Intangible assets	**115.9**	**11.7**	**10.7**
Land and buildings	160.7	147.2	141.3
Technical plant and machinery	483.9	321.7	379.4
Fixtures and fittings, tools and equipment	14.7	5.6	10.6
Technical plant under construction	40.8	68.0	29.2
Property, plant and equipment	**700.1**	**542.5**	**560.5**
Investments in associates	2.8	1.8	2.8
Other receivables	7.4	8.9	7.0
Deferred tax	144.2	95.7	109.7
Other non-current assets	**154.4**	**106.4**	**119.5**
Non-current assets	**970.4**	**660.6**	**690.7**
Inventories	184.6	114.6	131.2
Trade receivables	421.6	280.6	311.0
Income tax	8.8	3.6	3.2
Other receivables	69.5	46.7	42.7
Prepayments	16.9	8.2	9.1
Cash	70.9	33.6	56.0
Current assets	**772.3**	**487.3**	**553.2**
Assets	**1,742.7**	**1,147.9**	**1,243.9**

BALANCE SHEET
EQUITY AND LIABILITIES

DKKm

Group	31 March 2015	31 March 2014	31 Dec. 2014
Share capital	140.3	140.3	140.3
Hedging reserve	(4.3)	(2.7)	(2.5)
Translation reserve	(38.0)	(66.8)	(48.7)
Proposed dividend	65.7	65.7	65.7
Retained earnings	564.1	500.1	507.9
Equity	**727.8**	**636.6**	**662.7**
Deferred tax	41.6	20.8	20.3
Pension obligations	43.4	29.9	43.5
Credit institutions	517.5	184.2	216.6
Government grants	14.7	18.4	14.6
Non-current liabilities	**617.2**	**253.3**	**295.0**
Government grants	2.5	2.8	2.5
Overdraft facilities	40.1	11.5	0.0
Prepayments from customers	2.6	0.1	32.0
Trade payables	175.3	124.2	148.6
Payables to associates	4.1	0.8	3.4
Income tax	18.0	5.8	8.5
Provisions	3.0	14.5	2.6
Other payables	152.1	98.3	88.6
Current liabilities	**397.7**	**258.0**	**286.2**
Liabilities	**1,014.9**	**511.3**	**581.2**
Equity and liabilities	**1,742.7**	**1,147.9**	**1,243.9**

STATEMENT OF CHANGES IN EQUITY

DKKm

Group	Share capital	Hedging reserve	Translation reserve	Proposed dividend	Retained earnings	Total equity
Equity at 1 January 2015	**140.3**	**(2.5)**	**(48.7)**	**65.7**	**507.9**	**662.7**
Profit/(loss) for the period	-	-	-	0.0	56.2	56.2
Other comprehensive income						
Items that can be reclassified to profit/(loss)						
Foreign exchange adjustment of:						
Foreign subsidiaries	-	-	9.4	-	-	9.4
Equity-like loans to subsidiaries	-	-	1.5	-	-	1.5
Value adjustment of hedging instruments:						
Recognised in other comprehensive income	-	2.5	-	-	-	2.5
Transferred to revenue	-	(6.7)	-	-	-	(6.7)
Transferred to production costs	-	(0.4)	-	-	-	(0.4)
Tax	-	2.8	(0.2)	-	-	2.6
	0.0	**(1.8)**	**10.7**	**0.0**	**0.0**	**8.9**
Total comprehensive income	**0.0**	**(1.8)**	**10.7**	**0.0**	**56.2**	**65.1**
Changes in equity	**0.0**	**(1.8)**	**10.7**	**0.0**	**56.2**	**65.1**
Equity at 31 March 2015	**140.3**	**(4.3)**	**(38.0)**	**65.7**	**564.1**	**727.8**

Group	Share capital	Hedging reserve	Translation reserve	Proposed dividend	Retained earnings	Total equity
Equity at 1 January 2014	**140.3**	**(3.0)**	**(57.0)**	**65.7**	**465.9**	**611.9**
Profit/(loss) for the period	-	-	-	0.0	34.2	34.2
Other comprehensive income						
Items that can be reclassified to profit/(loss)						
Foreign exchange adjustment of:						
Foreign subsidiaries	-	-	(10.3)	-	-	(10.3)
Equity-like loans to subsidiaries	-	-	0.5	-	-	0.5
Value adjustment of hedging instruments:						
Recognised in other comprehensive income	-	4.4	-	-	-	4.4
Transferred to revenue	-	(2.8)	-	-	-	(2.8)
Transferred to production costs	-	(1.2)	-	-	-	(1.2)
Tax	-	(0.1)	0.0	-	-	(0.1)
	0.0	**0.3**	**(9.8)**	**0.0**	**0.0**	**(9.5)**
Total comprehensive income	**0.0**	**0.3**	**(9.8)**	**0.0**	**34.2**	**24.7**
Changes in equity	**0.0**	**0.3**	**(9.8)**	**0.0**	**34.2**	**24.7**
Equity at 31 March 2014	**140.3**	**(2.7)**	**(66.8)**	**65.7**	**500.1**	**636.6**

NOTES

01 ACCOUNTING POLICIES

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

The accounting policies applied in the interim financial statements are consistent with the accounting policies applied in the consolidated financial statements for 2014. The accounting policies are described in note 39 to the financial statements in the annual report for 2014, to which reference is made.

New financial reporting standards and interpretations in 2015
Hartmann has implemented all new and revised financial reporting standards and interpretations adopted by the EU that are effective for financial years beginning on or after 1 January 2015. Furthermore, Hartmann has assessed that the new and revised standards and interpretations that are effective for financial years beginning on or after 1 January 2015 are either not relevant or not of significant importance.

02 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

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

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

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

See note 3 to the financial statements in the annual report for 2014 for a full description of significant accounting estimates, assumptions and uncertainties.

Other factors
Due to seasonal fluctuations, revenue and operating profit are generally higher for Q1 and Q4.

03 SEGMENT INFORMATION

The reporting of business segments is in accordance with the internal reporting to the Executive Board and the Board of Directors. The Executive Board and the Board of Directors constitute the Chief Operating Decision Maker of Hartmann.

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

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

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

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

The reporting segments are:

- **Europe,** comprising the production and sale of moulded-fibre packaging. The products are manufactured at factories in Europe (including Israel) and are primarily sold to egg producers, egg packing businesses and retail chains. The segment also comprises sales of machinery for the production of moulded-fibre packaging and the combined heat and power plant in Tønder, Denmark.

- **Americas,** comprising the production and sale of moulded-fibre packaging. The products are primarily manufactured at the North American and South American factories and sold to egg and fruit producers, egg and fruit packing businesses and retail chains. Comparative figures for 2014 are exclusive of the South American activities acquired as of 6 January.

NOTES

DKKm

03 SEGMENT INFORMATION CONT'D

OPERATIONS Q1 2015

	Europe	Americas	Total reporting segments
Moulded fibre	309.6	238.6	548.2
Other revenue	32.7	0.0	32.7
Revenue	**342.3**	**238.6**	**580.9**
Operating profit/(loss) before special items	**32.7**	**35.6**	**68.3**
Other segment information			
Depreciation, amortisation and impairment	14.0	9.7	
Investments in intangible assets and property, plant and equipment	9.7	20.7	
Net working capital	190.7	121.7	
Invested capital	566.7	559.9	
Segment assets	833.2	690.7	1,523.9

OPERATIONS Q1 2014

	Europe	Americas	Total reporting segments
Moulded fibre	312.1	72.4	384.5
Other revenue	28.6	0.0	28.6
Revenue	**340.7**	**72.4**	**413.1**
Operating profit/(loss) before special items	**37.9**	**12.7**	**50.6**
Other segment information			
Depreciation, amortisation and impairment	14.7	2.2	
Investments in intangible assets and property, plant and equipment	5.3	27.5	
Net working capital	195.6	13.0	
Invested capital	564.4	187.3	
Segment assets	791.0	223.4	1,014.4

NOTES

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03 SEGMENT INFORMATION CONT'D

RECONCILIATION

	Q1 2015	Q1 2014
Revenue		
Revenue for reporting segments	580.9	413.1
Revenue, cf. interim financial statements	**580.9**	**413.1**
Performance targets		
Operating profit/(loss) before special items for reporting segments	68.3	50.6
Non-allocated corporate functions	(6.8)	(6.3)
Eliminations	0.2	0.2
Operating profit/(loss) before special items, cf. interim financial statements	61.7	44.5
Special items	0.0	0.0
Operating profit/(loss), cf. interim financial statements	61.7	44.5
Financial income	12.9	0.2
Financial expenses	(6.0)	(5.0)
Profit/(loss) before tax, cf. interim financial statements	**68.6**	**39.7**

	31 March 2015	31 March 2014
Assets		
Assets for reporting segments	1,523.9	1,014.4
Non-allocated assets	226.7	134.7
Eliminations	(7.9)	(1.2)
Assets, cf. interim financial statements	**1,742.7**	**1,147.9**

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04 FINANCIAL INSTRUMENT CATEGORIES

	31 March 2015		31 March 2014		31 Dec. 2014	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Derivative financial instruments to hedge future cash flows	1.8	1.8	0.6	0.6	0.4	0.4
Financial assets used as hedging instruments	**1.8**	**1.8**	**0.6**	**0.6**	**0.4**	**0.4**
Trade receivables	421.5	421.5	280.6	280.6	311.0	311.0
Other receivables	76.5	76.5	49.7	49.7	45.5	45.5
Cash	70.9	70.9	33.6	33.6	56.0	56.0
Loans and receivables	**568.9**	**568.9**	**363.9**	**363.9**	**412.5**	**412.5**
Derivative financial instruments to hedge future cash flows	9.9	9.9	4.1	4.1	3.7	3.7
Financial assets used as hedging instruments	**9.9**	**9.9**	**4.1**	**4.1**	**3.7**	**3.7**
Credit institutions	557.6	557.6	195.7	195.7	216.6	216.6
Other liabilities	339.6	339.6	225.0	225.0	245.4	245.4
Financial liabilities measured at amortised cost	**897.2**	**897.2**	**420.7**	**420.7**	**462.0**	**462.0**

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

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05 ACQUISITIONS

On 6 January 2015, Hartmann acquired the South American moulded-fibre activities of Lactosan Sanovo Holding A/S ('Sanovo Greenpack'), Hartmann's majority shareholder and related party. The transaction was executed as a share purchase. Hartmann has acquired 100% of the voting rights and the ownership interest.

Sanovo Greenpack is South America's leading producer of moulded-fibre packaging for eggs and fruit with about 600 employees and four production facilities in Brazil and Argentina.

Hartmann is expanding its business volume significantly through its presence in the attractive growth markets in South America, strengthening the group's global position within production and sale of moulded-fibre egg packaging.

Sanovo Greenpack's revenue is derived from sales of moulded-fibre egg and fruit packaging to the attractive markets in Brazil and Argentina, which are characterised by favourable demographic trends and increasing urbanisation. In addition, the production facilities in Brazil and Argentina are based on machine technology developed and manufactured by Hartmann, which allows for synergies in operating and maintaining the machinery.

PRELIMINARY SPECIFICATION OF ACQUIRED ASSETS AND LIABILITIES

	6 January 2015
Intangible assets	40.4
Property, plant and equipment	123.1
Other non-current assets	35.2
Inventories	56.9
Receivables	114.4
Cash	17.2
Deferred tax liabilities	(16.9)
Overdraft facilities	(44.3)
Trade payables	(26.0)
Other payables	(70.8)
Net assets acquired	**229.2**
Goodwill	70.8
Purchase price	**300.0**
Of which cash and cash equivalents in Sanovo Greenpack	(17.2)
Purchase price in cash	**282.8**
Overdraft facilities	44.3
Effect on cash flows	**327.1**

Hartmann incurred transaction costs relating to the acquisition of approximately DKK 7 million, primarily concerning consultancy services recognised in special items in the statement of comprehensive income for 2014.

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05 ACQUISITIONS CONT'D

The fair value of the acquired technical plant is estimated on the basis of the depreciated replacement value.

The fair value of the acquired finished goods and work in progress is determined on the basis of expected selling prices to be obtained in the course of normal business operations less expected completion costs and costs incurred to execute the sale, and with deduction of a reasonable profit on the sales effort and a reasonable profit on the completion.

The fair value of the acquired raw materials and goods for sale is determined at replacement cost.

An estimate is made of the value of the the acquired trademarks as well as the expected useful life of these. The fair value of the acquired trademarks is calculated by discounting the royalty payments that will be saved through owning the right of use of the trademark (the relief-from-royalty method). A discount rate in the level of 12-13% has been applied, depending on the market in question. The applied discount rate is after tax and reflects the risk-free interest rate.

The fair value of customer relations is determined through use of the Multi-Period Excess Earnings method (MEEM). Customer relations are calculated as the present value of the net cash flow generated by sales to customers after deduction of a reasonable return on all other assets which contribute to generating the cash flows in question. The fair value of other intangible assets is based on the discounted cash flows that are expected to be generated by the continued use or sale of the assets.

Receivables are valued at the present value of the amounts that are expected to be received less expected costs for collection. The group's loan interest rate before tax is used in the case of discounting. However, discounting is not used when the effect is immaterial.

Liabilities are valued at the present value of the amounts that are required for settling the liabilities. The group's loan interest rate before tax is used in the case of discounting. However, discounting is not used when the effect is immaterial.

Acquired net assets include trade receivables and services at a fair value of DKK 114 million.

After recognition of identifiable assets, liabilities and contingent liabilities at fair value, goodwill relating to the acquisition has been determined at DKK 71 million. Goodwill represents the value of the existing staff, access to new markets as well as the expected synergies from the merger with Hartmann. The recognised goodwill is not tax deductible.

Of the group's revenue for the period of DKK 581 million, DKK 132 million may be attributed to Sanovo Greenpack. Of the group's profit for the period of DKK 56 million, DKK 5 million may be attributed to Sanovo Greenpack.

06 EVENTS AFTER THE BALANCE SHEET DATE

No material events have occurred after the balance sheet date 31 March 2015 of significance to the consolidated financial statements other than what has been recognised or mentioned in this interim report.

HARTMANN AT A GLANCE

Hartmann is the world's leading manufacturer of moulded-fibre egg packaging, market leader within the production of fruit packaging in South America and one of the world's largest manufacturers of machinery for producing moulded-fibre packaging. Founded in 1917, Hartmann's market position is based on its strong technology know-how and extensive experience of moulded-fibre production since 1936.

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

Markets
Hartmann's egg packaging is sold globally. The main markets are Europe, South America and North America, where Hartmann has strong market positions. Hartmann is market leader in Europe and in South America, where the product portfolio also includes fruit packaging. Hartmann has a small but growing share of the North American market. Hartmann's technology, including machinery and services, is also sold globally outside its main markets.

Customers
Hartmann sells egg and fruit packaging to manufacturers, distributors and retail chains, which are increasingly seeking Hartmann's marketing expertise. Hartmann's technology and related services are sold to manufacturers of moulded-fibre packaging. In 2014, Hartmann generated total revenue of DKK 1.6 billion.

Organisation
Headquartered in Gentofte, Denmark, Hartmann has 2,100 employees. Production takes place at Hartmann's own factories, of which four are in Europe, one in Israel, four in South America and one in Canada.

The Hartmann share
Hartmann's shares have been listed on Nasdaq Copenhagen since 1982. There is one class of shares, and each share carries one vote. Interested parties can receive financial reports and company announcements by subscribing to Hartmann's news service at investor.hartmann-packaging.com.

FINANCIAL CALENDAR 2015

20 August 2015	Interim report Q2 2015
12 November 2015	Interim report Q3 2015

HARTMANN CHOOSE FIBRE. SAVE NATURE.®

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