Kemira
Where water meets chemistry™

Interim Report

JANUARY-SEPTEMBER 2015

REVENUE GROWTH WITH STABLE PROFITABILITY

THIRD QUARTER

- Revenue increased 15% to EUR 625.1 million (541.5), driven mainly by inorganic growth in Pulp & Paper.
- Operative EBITDA increased 12% to EUR 78.2 million (69.9) with a margin of 12.5% (12.9%).

January-September

- Revenue increased 12% to EUR 1,772.9 million (1,589.6). Revenues in local currencies, excluding acquisitions and divestments remained largely unchanged.
- Operative EBITDA increased 17% to EUR 219.3 million (187.6) with an improved margin of 12.4% (11.8%).
- Operative earnings per share increased 6% to EUR 0.50 (0.47).
- Kemira maintains its outlook for 2015.

Kemira's President and CEO Jari Rosendal:

"Our third quarter was solid with continued double-digit revenue and operative EBITDA growth. Growth was particularly strong in the Pulp & Paper segment. In the Municipal & Industrial segment, operative EBITDA margin improved from 13.2% to 15.5%. In the Oil & Mining segment, market conditions continued to be challenging, especially in North American shale oil operations and impacted the demand for our products.

The integration of the acquired AkzoNobel's paper chemicals business is proceeding well. Our customers benefit from our strengthened product portfolio, application knowhow in pulp and paper chemistries as well as our backward integration into key products and raw materials, such as polymers and sizing chemicals. Revenue and cost synergies have started to materialize according to plan.

In September, we made a small acquisition in North America. The acquisition of certain assets of Soto Industries LLC strengthens our process chemicals portfolio, improving our ability to serve customers in the pulp and paper industry. At the same time, we have focused on continuous efficiency improvement and optimization of our manufacturing footprint. As part of this, we started to plan a closure of a manufacturing site in Soave, Italy.

So far this year, we have benefitted of lower raw material costs, especially when it comes to our polymer product lines. Favorable currency exchange rate fluctuations have also had a positive impact. Global availability of certain sizing related raw materials has started to improve and increased the utilization of our site in Nanjing during the quarter.

Looking forward towards the end of the year, we expect continued solid performance from Pulp & Paper and Municipal & Industrial. In Oil & Mining, oil price volatility impacts the predictability of the business. Progress in new application areas like chemical enhanced oil recovery and oil sands is encouraging."

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Where water
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KEY FIGURES AND RATIOS

EUR million	Jul-Sep 2015	Jul-Sep 2014	Jan-Sep 2015	Jan-Sep 2014	Jan-Dec 2014
Revenue	**625.1**	541.5	**1,772.9**	1,589.6	2,136.7
Operative EBITDA	**78.2**	69.9	**219.3**	187.6	252.9
Operative EBITDA, %	**12.5**	12.9	**12.4**	11.8	11.8
EBITDA	**74.8**	67.2	**206.1**	179.8	252.9
EBITDA, %	**12.0**	12.4	**11.6**	11.3	11.8
Operative EBIT	**46.1**	45.5	**130.0**	118.8	158.3
Operative EBIT, %	**7.4**	8.4	**7.3**	7.5	7.4
EBIT	**42.7**	42.9	**114.8**	107.2	152.6
EBIT, %	**6.8**	7.9	**6.5**	6.7	7.1
Share of profit or loss of associates	**0.0**	0.0	**0.3**	0.0	0.2
Financing income and expenses	**-8.2**	-6.6	**-25.0**	-20.4	-30.7
Profit before tax	**34.5**	36.3	**90.1**	86.8	122.1
Net profit	**27.1**	27.0	**72.8**	71.9	95.8
Earnings per share, EUR	**0.17**	0.16	**0.45**	0.44	0.59
Operative earnings per share, EUR	**0.18**	0.18	**0.50**	0.47	0.63
Capital employed*	**1,601.6**	1,433.4	**1,601.6**	1,433.4	1,427.7
Operative ROCE*	**10.6**	10.7	**10.6**	10.7	11.1
ROCE*	**10.0**	4.8	**10.0**	4.8	10.7
Capital expenditure	**55.5**	30.6	**241.8**	90.2	145.1
Cash flow after investing activities	**27.6**	6.8	**-103.6**	97.6	75.2
Equity ratio, % at period-end	**46**	51	**46**	51	51
Gearing, % at period-end	**59**	41	**59**	41	42
Personnel at period-end	**4,692**	4,244	**4,692**	4,244	4,248

*12-month rolling average (ROCE, % based on the EBIT)

Definitions of key figures are available at www.kemira.com > Investors > Financial information. Comparative 2014 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 2015

Kemira Group's **revenue** increased 15% to EUR 625.1 million (541.5). Revenue in local currencies, excluding acquisitions and divestments decreased 1% compared to the third quarter in 2014. Increased sales volumes in the Municipal & Industrial segment could only partly compensate for the lower sales volumes in the Oil & Mining segment. Sales prices remained at the level of the third quarter in 2014. Acquisitions had an impact of 11% and favorable currency exchange rates an impact of 5% on the revenues.

In the Pulp & Paper segment, revenues increased 26% to EUR 379.1 million (300.6). Revenue growth in local currencies, excluding acquisitions and divestments was 1% with increased sales prices compensating the impact of the somewhat lower sales volumes. Acquisitions had an impact of 20% and currency exchange rates an impact of 5% on revenues.

In the Oil & Mining segment, revenues decreased 6% to EUR 90.1 million (95.9). Revenue in local currencies, excluding acquisitions and divestments, decreased 15% mainly due to continued slowdown in the drilling and stimulation activity of US shale operations. Increased polyacrylamide deliveries to CEOR applications partly compensated for the decreased shale operations related demand. As a consequence of lower raw material prices, the average sales prices of our products, especially in the Americas, declined compared to the third quarter in 2014. Currency exchange had a positive impact of 9%.

In the Municipal & Industrial segment, revenues increased 8% to EUR 155.9 million (145.0). Revenue in local currencies, excluding acquisitions and divestments, increased 2% due to continued sales volume growth in all regions. Sales prices were somewhat lower than in the comparable period. Currency exchange impacted revenues by 6%.

Revenue, EUR million	Jul-Sep 2015	Jul-Sep 2014	∆%
Pulp & Paper	**379.1**	300.6	26
Oil & Mining	**90.1**	95.9	-6
Municipal & Industrial	**155.9**	145.0	8
Total	**625.1**	541.5	15

The EBITDA increased 11% to EUR 74.8 million (67.2). **Non-recurring items affecting the EBITDA** were EUR -3 million (-3).

The operative EBITDA increased 12% to EUR 78.2 million (69.9). Favorable currency exchange rates, especially U.S. dollar, continued to have a positive impact. Lower variable costs and contribution from acquisitions were the main reasons for higher operative EBITDA in local currencies. Fixed costs increased by EUR 5 million, driven by the Pulp & Paper and Oil & Mining segments. The operative EBITDA margin was 12.5% (12.9%).

Variance analysis, EUR million	Jul-Sep
Operative EBITDA, 2014	**69.9**
Sales volumes	-2.8
Sales prices	0.2
Variable costs	8.8
Fixed costs	-5.3
Currency exchange	5.6
Others, incl. acquisitions and divestments	1.8
Operative EBITDA, 2015	**78.2**

Operative EBITDA	Jul-Sep 2015 EUR, million	Jul-Sep 2014 EUR, million	∆%	Jul-Sep 2015 %-margin	Jul-Sep 2014 %-margin
Pulp & Paper	**46.7**	37.0	26	**12.3**	12.3
Oil & Mining	**7.4**	13.8	-46	**8.2**	14.4
Municipal & Industrial	**24.1**	19.1	26	**15.5**	13.2
Total	**78.2**	69.9	12	**12.5**	12.9

Financing income and expenses totaled EUR -8.2 million (-6.6). Changes in the fair value of electricity derivatives were EUR -0.1 (0.7). Currency exchange rate differences were EUR 0.5 million (-0.7).

Net profit attributable to the owners of the parent company was EUR 25.5 million (25.3) and the earnings per share EUR 0.17 (0.16). Operative earnings per share remained unchanged at EUR 0.18 (0.18).

FINANCIAL PERFORMANCE IN JANUARY-SEPTEMBER 2015

Kemira Group's **revenue** increased 12% to EUR 1,772.9 million (1,589.6). Revenue in local currencies, excluding acquisitions and divestments, decreased 1% due to slightly lower sales volumes and sales prices. Higher sales volumes in the Pulp & Paper and Municipal & Industrial segments could partly compensate for the declined sales volumes in the Oil & Mining segment. Sales prices were lower in the Municipal & Industrial and Oil & Mining segments. Acquisitions had an impact of 6% and divestments an impact of -1% on the revenues. Currency exchange had a positive impact of 7%.

In the Pulp & Paper segment, revenues increased 21% to EUR 1,045.0 million (863.0). Revenue growth in local currencies, excluding acquisitions and divestments, was 3% driven by higher sales volumes and higher sales prices. Currency exchange impacted revenues positively by 7%. Acquisitions had an impact of 11% on the revenue.

In the Oil & Mining segment, revenues decreased 4% to EUR 273.7 million (285.5). Revenue in local currencies, excluding acquisitions and divestments, declined 15% mainly due to the decreased sales volumes in the Americas region. Currency exchange had a positive impact of 11%.

In the Municipal & Industrial segment, revenues increased 8% to EUR 454.2 million (421.3). Revenue in local currencies, excluding acquisitions and divestments increased by 2% driven by higher sales volumes in all regions. Currency exchange impacted revenues by 6%.

Revenue, EUR million	Jan-Sep 2015	Jan-Sep 2014	∆%
Pulp & Paper	**1,045.0**	863.0	21
Oil & Mining	**273.7**	285.5	-4
Municipal & Industrial	**454.2**	421.3	8
ChemSolutions	-	19.8	-
Total	**1,772.9**	1,589.6	12

The EBITDA increased 15% to EUR 206.1 million (179.8). **Non-recurring items affecting the EBITDA** were EUR -13 million (-8), mainly related to the acquisition of AkzoNobel's paper chemicals business, as well as the closure of our manufacturing plant in Longview, WA, United States. The comparable period in 2014 included a capital gain of EUR 37 million related to the divestment of the formic acid business and a capital gain of EUR 4 million related to the divestment of the distribution business in Denmark. In addition, the comparable period in 2014 included approximately EUR 20 million settlement compensation related to an old alleged infringement of competition law.

The operative EBITDA increased 17% to EUR 219.3 million (187.6), mainly due to EUR 24 million lower variable costs and the positive currency exchange rate impact of EUR 21 million, as well as a contribution from acquisitions. Higher fixed costs of EUR 14 million and lower sales prices partly offset the positive impacts. The operative EBITDA margin improved to 12.4% (11.8%).

Operative EBITDA	**Jan-Sep 2015 EUR, million**	Jan-Sep 2014 EUR, million	**Δ%**	**Jan-Sep 2015 %-margin**	Jan-Sep 2014 %-margin
Pulp & Paper	**124.1**	100.9	23	**11.9**	11.7
Oil & Mining	**29.9**	36.2	-17	**10.9**	12.7
Municipal & Industrial	**65.3**	51.3	27	**14.4**	12.2
ChemSolutions	**-**	-0.8	-	**-**	-4.0
Total	**219.3**	187.6	17	**12.4**	11.8

The operative EBIT increased 9% to EUR 130.0 million (118.8) with a margin of 7.3% (7.5%).

Financing income and expenses totaled EUR -25.0 million (-20.4) including changes of EUR -0.4 million (-0.4) in fair values of electricity derivatives and EUR 2.3 million write down of a shareholder's loan related to Kemira's ownership in TVO (Teollisuuden Voima Oyj), a Finnish power company. Currency exchange differences, mainly related to U.S. dollar had EUR -3.0 million (-2.1) impact on the financing income and expenses.

Net profit attributable to the owners of the parent company was EUR 68.1 million (67.4) and the earnings per share EUR 0.45 (0.44). Operative earnings per share increased 6% to EUR 0.50 (0.47).

FINANCIAL POSITION AND CASH FLOW

In January-September 2015, cash flow from the operating activities was EUR 135.0 million (49.2). Cash flow after investing activities decreased to EUR -103.6 million (97.6), including an impact of approximately EUR -121 million from the acquisition. The comparable period included proceeds of EUR 134 million related to the divestments. The net working capital ratio increased to 11.1% of the revenue (9.9% on December 31, 2014), driven by higher net working capital ratio of acquired businesses.

At the end of the period, Kemira Group's net debt was EUR 690 million (486 on December 31, 2014). Net debt increased due to AkzoNobel's paper chemicals business acquisition and dividend payment.

At the end of the period, interest-bearing liabilities totaled EUR 815 million (605 on December 31, 2014). Fixed-rate loans accounted for 79% of the net interest-bearing liabilities (82% on December 31, 2014). The average interest rate of the Group's interest-bearing liabilities was 2.0% (2.1% on December 31, 2014). The duration of the Group's interest-bearing loan portfolio was 32 months (23 months on December 31, 2014).

Kemira issued a senior unsecured bond of EUR 150 million in May 13, 2015. The seven-year bond will mature on May 13, 2022 and it carries a fixed annual interest of 2.250 percent.

Short-term liabilities maturing in the next 12 months amounted to EUR 135 million, of which the commercial papers, issued in the Finnish market, represented EUR 20 million and the short term part of the long-term loans represented EUR 36 million. On September 30, 2015, cash and cash equivalents totaled EUR 125 million. Undrawn, committed long-term facilities amounted to EUR 500 million.

At the end of the period, the equity ratio was 46% (51% on December 31, 2014), while the gearing was 59% (42% on December 31, 2014). Shareholder's equity was EUR 1,159.5 million (1,163.3 on December 31, 2014).

CAPITAL EXPENDITURE

In January-September 2015, capital expenditure increased to EUR 241.8 million (90.2).

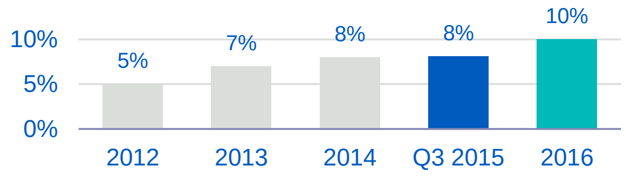
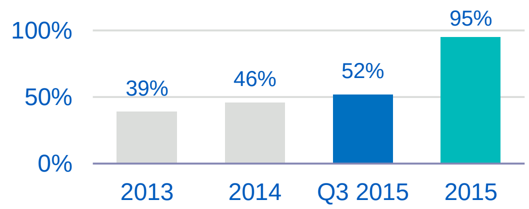
Capital expenditure, excluding the impact of acquisitions increased 41% to EUR 120.4 (85.1) and can be broken down as follows: expansion capex 47% (50%), improvement capex 30% (23%), and maintenance capex 23% (27%). The biggest individual project impacting capital expenditure in 2015 is a construction of a sodium chlorate plant in Brazil.

In January-September 2015, the Group's depreciation, amortization and impairments, excluding non-recurring items, increased to EUR 89.3 million (68.8), mainly as a result of acquisitions and completed expansion investments in 2014.

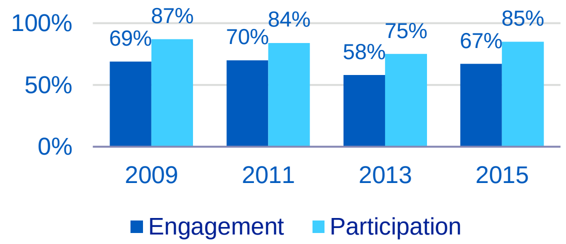
RESEARCH AND DEVELOPMENT

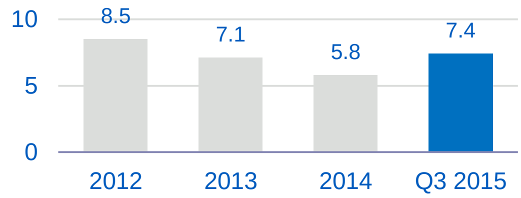
In January-September 2015, the Research and Development expenses increased 17% to EUR 23.8 million (20.4) representing 1.3% (1.3%) of Kemira Group's revenue.

CORPORATE RESPONSIBILITY

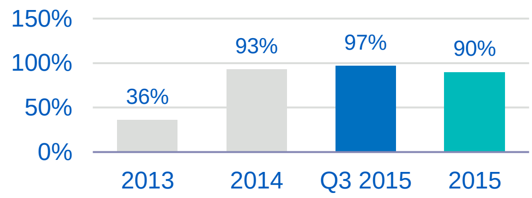
<table>
<tr><th>Responsibility focus areas</th><th>KPI’s and KPI target values</th><th>Status Q3 2015</th></tr>
<tr><td colspan="3">Sustainable products and solutions</td></tr>
<tr><td>Innovation sales</td><td>Share of innovation revenue of total revenue
→ 10% by the end of 2016</td><td>
</td></tr>
<tr><td colspan="3">Responsibility for employees</td></tr>
<tr><td>Leadership development</td><td>People managers participated in the global leadership programs at least once during the period 2013–2015, cumulative %
→ > 95% by the end of 2015</td><td>

Global roll-out of renewed Leadership programs started in Q3 2015.</td></tr>
<tr><td>Employee engagement</td><td>Employee Engagement Index
→ Index at or above the external industry norm (68%) by the end of 2015

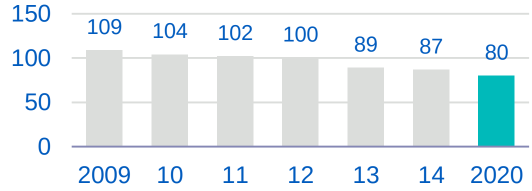
Participation rate in Voices@Kemira
→ 75–85% by the end of 2015</td><td>

Results are shared with employees. Action planning together with employees is completed by 83% of managers.</td></tr>
<tr><td>Occupational health and safety</td><td>Number of Total Recordable Injuries (TRI) (per million hours, Kemira + contractor, 1 year rolling average)
→ Achieve zero injuries</td><td>
</td></tr>
</table>

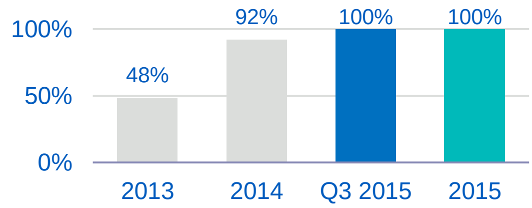
Responsible supply chain

Code of Conduct for Suppliers, Distributors and Agents	Supplier contracts with signed CoC-SDA as attachments → 90% by the end of 2015	

Responsible manufacturing

Climate change	Kemira Carbon Index performance → Index ⩽ 80 by end of 2020 (baseline year 2012 = 100)	 Kemira Carbon index is calculated and reported on annual basis.

Responsibility toward 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 during the period 2013–2015, cumulative % → 100% by the end of 2015	

HUMAN RESOURCES

At the end of the period, Kemira Group had 4,692 employees (4,248 on December 2014). Kemira employed 793 people in Finland (759), 1,790 people elsewhere in EMEA (1,654), 1,579 in the Americas (1,483), and 530 in APAC (352).

SEGMENTS

Pulp & Paper

Pulp & Paper has unique expertise in applying chemicals and supporting pulp & paper producers to innovate and constantly improve their operational efficiency. The segment develops and commercializes new products to fulfill customer needs, ensuring the leading portfolio of products and services for paper wet-end, focusing on packaging and board, as well as tissue. Paper leverages its strong pulp & paper application portfolio in North America and EMEA and builds a strong position in the emerging Asian and South American markets.

EUR million	Jul-Sep 2015	Jul-Sep 2014	Jan-Sep 2015	Jan-Sep 2014	Jan-Dec 2014
Revenue	**379.1**	300.6	**1,045.0**	863.0	1,170.0
Operative EBITDA	**46.7**	37.0	**124.1**	100.9	137.2
Operative EBITDA, %	**12.3**	12.3	**11.9**	11.7	11.7
EBITDA	**44.9**	34.0	**114.3**	72.2	109.9
EBITDA, %	**11.8**	11.3	**10.9**	8.4	9.4
Operative EBIT	**27.0**	23.8	**70.9**	63.9	85.8
Operative EBIT, %	**7.1**	7.9	**6.8**	7.4	7.3
EBIT	**25.2**	20.9	**61.0**	35.2	57.6
EBIT, %	**6.6**	7.0	**5.8**	4.1	4.9
Capital employed*	**1,020.2**	865.7	**1,020.2**	865.7	881.2
ROCE*	**8.2**	5.1	**8.2**	5.1	6.5
Capital expenditure	**39.6**	16.4	**202.9**	52.3	83.0
Cash flow after investing activities	**32.2**	15.5	**-106.9**	-8.0	-10.1

*12-month rolling average

Third quarter

Pulp & Paper segment's **revenue** increased 26% to EUR 379.1 million (300.6), mainly as a result of the acquisition impact of 20% and the impact of the currency exchange rate fluctuations of 5%. Organic revenue growth continued, driven by increased sales volumes of bleaching chemicals in South America and process chemicals in APAC. A short strike of pulp and paper industry workers in Finland impacted sales volumes negatively in the EMEA region. Sales prices increased slightly compared to the third quarter in 2014.

In **EMEA**, revenue increased 13% driven by the acquisition of AkzoNobel's paper chemicals business. Sales volumes were negatively impacted by the strike in the pulp and paper industry in Finland. Higher market price of caustic soda was the main reason for the increased average sales prices.

In the **Americas**, revenue growth continued and was 30%. Growth continued to be supported by the paper chemicals business acquisitions, pulp chemical deliveries to Montes del Plata, a new 1.3 million ton pulp mill in Uruguay, and favorable currency exchange rates.

In **APAC**, the acquisition of AkzoNobel's paper chemicals business had a significant positive impact and together with the impact of favorable currency exchange rates more than doubled the revenue compared to the corresponding period in 2014. In addition, growth was supported by increased sales volumes, especially in China. Higher sales volumes were driven by improved utilization of production capacity at the Nanjing site.

The operative EBITDA increased 26% to EUR 46.7 million (37.0), mainly due to higher sales prices and continued favorable translational currency effect, as well as a positive impact of acquisitions. Lower price of electricity as well as decreased oil related raw material prices had positive impacts on variable costs. Continued focus on sales and marketing, as well as R&D, drove EUR 3 million higher fixed costs. The utilization rate of Kemira's new manufacturing site in Nanjing, China improved, as the shortage of alpha olefin seen in the beginning of the year started to ease. The operative EBITDA margin remained at 12.3% (12.3%), despite of the somewhat dilutive impact of the acquisition of AkzoNobel's paper chemicals business.

January – September

The Pulp & Paper segment's **revenue** increased 21% to EUR 1,045.0 million (863.0). The revenues in local currencies, excluding divestments and acquisitions grew 3% due to the sales volume growth in all regions. Sales price changes had also a small positive impact on revenues. Currency exchange had a 7% impact and acquisitions an impact of 11% on the revenue.

The operative EBITDA increased 23% to EUR 124.1 million (100.9), due to sales volumes growth, increased sales prices, contribution from acquisitions as well as favorable currency exchange rate fluctuations. Operative EBITDA margin improved to 11.9% (11.7%). The operative EBIT margin declined to 6.8% (7.4%) due to higher depreciation.

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. The segment uses its in-depth understanding of extraction processes to tailor solutions for water management and re-use. Expanding from its position in North America and EMEA, Oil & Mining continues to build a strong base for growth in South America, Middle East, and Africa.

EUR million	**Jul-Sep 2015**	Jul-Sep 2014	**Jan-Sep 2015**	Jan-Sep 2014	Jan-Dec 2014
Revenue	**90.1**	95.9	**273.7**	285.5	382.2
Operative EBITDA	**7.4**	13.8	**29.9**	36.2	48.4
Operative EBITDA, %	**8.2**	14.4	**10.9**	12.7	12.7
EBITDA	**7.0**	11.7	**27.5**	31.8	46.2
EBITDA, %	**7.8**	12.2	**10.0**	11.1	12.1
Operative EBIT	**1.7**	9.3	**13.5**	22.7	29.9
Operative EBIT, %	**1.9**	9.7	**4.9**	8.0	7.8
EBIT	**1.3**	7.2	**9.4**	18.4	27.7
EBIT, %	**1.4**	7.5	**3.4**	6.4	7.2
Capital employed*	**265.3**	236.0	**265.3**	236.0	239.5
ROCE*	**7.1**	6.1	**7.1**	6.1	11.5
Capital expenditure	**7.5**	6.6	**19.5**	15.4	26.3
Cash flow after investing activities	**-9.3**	9.6	**3.5**	17.6	20.6

*12-month rolling average

Third quarter

Oil & Mining segment's **revenue** decreased 6% to EUR 90.1 million (95.9). Favorable currency exchange rate fluctuations had an impact of 9% on the revenue and could partly compensate for the impact of declined sales volumes and lower sales prices. Revenue in local currencies declined by 15%, mainly due to continued slowdown of horizontal drilling and fracking activity in the US. In addition to the lower demand of Kemira's polymers used in horizontal drilling and fracking in the US, pricing pressure became more evident during the quarter. Sales volumes of polyacrylamides used in chemical enhanced oil recovery increased and had a positive impact on the revenue.

In the **Americas**, revenue decreased 15%, mainly due to declined sales volumes of polyacrylamides used in the US shale operations, partly compensated by the strengthened US dollar. In addition, lower sales prices had a negative impact. Kemira continued to gain business in the Canadian oil sands market with accelerating but currently modest revenue impact.

In **EMEA**, revenue increased 21% as a result of first polyacrylamide deliveries into conventional oil fields in India, using new polyacrylamide based chemical enhanced oil recovery technology.

The operative EBITDA declined to EUR 7.4 million (13.8) and the margin to 8.2% (14.4%), mainly due to decreased sales volumes and lower sales prices. In addition, higher fixed costs had a negative impact on the operative EBITDA. Variable costs were lower due to decreases in various oil price-derived raw material prices. Currency exchange rate fluctuations had a positive impact on the operative EBITDA.

January-September

The Oil & Mining segment's **revenue** decreased 4% to EUR 273.7 million (285.5). The revenue in local currencies, excluding acquisitions and divestments decreased 15% as a result of lower sales volumes in the Americas region. Sales price changes had also a negative impact on revenues. Currency exchange had an 11% positive impact.

The operative EBITDA was EUR 29.9 million (36.2) with a margin of 10.9% (12.7%). The operative EBIT margin was 4.9% (8.0%).

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. The segment enables its 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 2015**	Jul-Sep 2014	**Jan-Sep 2015**	Jan-Sep 2014	Jan-Dec 2014
Revenue	**155.9**	145.0	**454.2**	421.3	564.7
Operative EBITDA	**24.1**	19.1	**65.3**	51.3	68.1
Operative EBITDA, %	**15.5**	13.2	**14.4**	12.2	12.1
EBITDA	**22.9**	21.5	**64.3**	40.2	61.3
EBITDA, %	**14.7**	14.8	**14.2**	9.5	10.9
Operative EBIT	**17.4**	12.4	**45.6**	32.9	43.3
Operative EBIT, %	**11.2**	8.6	**10.0**	7.8	7.7
EBIT	**16.2**	14.8	**44.4**	18.0	31.7
EBIT, %	**10.4**	10.2	**9.8**	4.3	5.6
Capital employed*	**317.0**	319.7	**317.0**	319.7	309.4
ROCE*	**18.3**	-9.2	**18.3**	-9.2	10.2
Capital expenditure	**8.4**	7.7	**19.4**	21.8	35.2
Cash flow after investing activities	**14.0**	17.1	**30.2**	25.5	34.3

*12-month rolling average

Third quarter

The Municipal & Industrial segment's **revenue** increased 8% to EUR 155.9 million (145.0) as a result of the favorable currency exchange rate impact of 6% and an organic growth of 2%. Organic growth was driven by increased sales volumes in all regions. Sales prices were somewhat lower than in the comparable period in 2014.

In **EMEA**, revenue growth reached 4% as a result of higher sales volumes of coagulants across the region. In addition, sales volumes of polymers continued to grow. Sales prices of coagulants and polymers continued to be impacted by tight competition.

In the **Americas**, solid revenue growth continued and was 14% as a result of the favorable currency exchange rates and higher sales volumes of coagulants used in municipal and industrial water treatment. Sales prices were somewhat lower than in the comparable period in 2014.

Strong revenue growth in **APAC** continued and reached 29%, driven by higher sales volumes and favorable currency exchange rates.

The operative EBITDA increased 26% to EUR 24.1 million (19.1) with an improved margin of 15.5% (13.2%) mainly due to continued sales volume growth and lower operating costs. All the regions contributed to the improved operative EBITDA margin. Currency exchange rate fluctuations contributed positively to the operative EBITDA.

January-September

The Municipal & Industrial segment's **revenue** increased 8% to EUR 454.2 million (421.3). The revenues in local currencies, excluding acquisitions and divestments, increased by 2% due to the higher sales volumes in all regions, especially in the Americas. Currency exchange had a positive impact of 6%.

The operative EBITDA increased 27% to EUR 65.3 million (51.3) as a result of solid organic growth, improved efficiency and lower variable costs. The operative EBITDA margin improved to 14.4% (12.2%) and the operative EBIT margin to 10.0% (7.8%).

KEMIRA OYJ'S SHARES AND SHAREHOLDERS

On September 30, 2015, 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 32,559 registered shareholders (33,164 at the end of December 2014). Non-Finnish shareholders held 20.9% of the shares (18.9% at the end of December 2014) including nominee registered holdings. Households owned 15.7% of the shares (16.1% at the end of December 2014). Kemira held 3,280,602 treasury shares (3,291,185 at the end of December, 2014) representing 2.1% (2.1% at the end of December 2014) of all company shares.

Kemira Oyj's share price closed at EUR 10.32 on the NASDAQ OMX Helsinki at the end of September 2015 (9.89 at the end of December 2014). Shares registered a high of EUR 12.27 and a low of EUR 9.13 in January-September 2015. The average share price was EUR 10.79. The company's market capitalization, excluding treasury shares, was EUR 1,569 million at the end of September 2015 (1,504 at the end of December 2014). In January-September 2015, Kemira Oyj's share trading volume on NASDAQ OMX Helsinki was 60.3 million (55.9). The average daily trading volume was 320,572 (295,563) shares. Source: NASDAQ OMX. The total value of Kemira Oyj's share trading in January-September 2015 was EUR 802 million (686), of which 36% (34%) was executed on other trading facilities than on NASDAQ OMX Helsinki. Source: Fidessa.

Authorizations

The AGM 2015 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 2015 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, 2016. 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 Kemira’s short-term risks or uncertainties compared to December 31, 2014.

A detailed account of 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 2014. Risks are discussed in detail in Kemira’s Annual Report 2014 that was published on February 25, 2015.

Changes to company management

On July 30, 2015, Kemira appointed Kim Poulsen, (Master of Science, Economics) as President of Kemira's Pulp & Paper segment and APAC region and a member of the Management Board. He will start in the position on November 1, 2015.

OTHER EVENTS DURING THE REVIEW PERIOD

On September 2, 2015, Kemira acquired certain assets of Soto Industries, LLC of Charlotte, North Carolina, USA.

OTHER EVENTS AFTER THE REVIEW PERIOD

On October 12, 2015 Kemira started to plan for closing the production at its site in Soave, Italy.

KEMIRA’S FINANCIAL TARGETS 2017 AND OUTLOOK FOR 2015 (UNCHANGED)

Kemira will continue to focus on improving its profitability and operative cash flow. The company will also continue to invest in order to secure future growth to serve selected water intensive industries.

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, excluding acquisitions to increase in the next few years from the 2014 level of 6.3%. In addition, Kemira expects its medium-term operative tax rate to be in the range of 22%-25%. This rate excludes non-recurring items.

The basis for growth is the expanding market for chemicals and Kemira's expertise that helps customers in water intensive industries to increase their water, energy and raw material efficiency. 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 enabler of organic growth for Kemira, providing differentiation capabilities in its relevant markets. Kemira will invest in innovation, technical expertise, and competencies in its selected focus areas.

Outlook for 2015

Outlook for 2015: In 2015, Kemira will focus on profitable growth both organically and inorganically. Kemira's revenue and operative EBITDA in 2015 are expected to increase compared to 2014.

Helsinki, October 22, 2015

Kemira Oyj
Board of Directors

FINANCIAL CALENDAR 2015 AND 2016

Financial Statements Bulletin 2015	February 11, 2016
Interim Report January-March 2016	April 26, 2016
Interim Report January-June 2016	July 21, 2016
Interim Report January-September 2016	October 25, 2016

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 GROUP

CONSOLIDATED INCOME STATEMENT

EUR million	7-9/2015	7-9/2014	1-9/2015	1-9/2014	2014
Revenue	**625.1**	541.5	**1,772.9**	1,589.6	2,136.7
Other operating income	**1.2**	1.9	**5.2**	50.3	55.2
Operating expenses	**-551.5**	-476.2	**-1,572.0**	-1,460.1	-1,939.0
Depreciation, amortization and impairment	**-32.1**	-24.3	**-91.3**	-72.6	-100.3
Operating profit (EBIT)	**42.7**	42.9	**114.8**	107.2	152.6
Finance costs, net	**-8.2**	-6.6	**-25.0**	-20.4	-30.7
Share of profit or loss of associates	**0.0**	0.0	**0.3**	0.0	0.2
Profit before tax	**34.5**	36.3	**90.1**	86.8	122.1
Income tax expense	**-7.4**	-9.3	**-17.3**	-14.9	-26.3
Net profit for the period	**27.1**	27.0	**72.8**	71.9	95.8
Net profit attributable to:					
Equity owners of the parent	**25.5**	25.3	**68.1**	67.4	89.9
Non-controlling interests	**1.6**	1.7	**4.7**	4.5	5.9
Net profit for the period	**27.1**	27.0	**72.8**	71.9	95.8
Earnings per share, basic and diluted, EUR	**0.17**	0.16	**0.45**	0.44	0.59

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	7-9/2015	7-9/2014	1-9/2015	1-9/2014	2014
Net profit for the period	**27.1**	27.0	**72.8**	71.9	95.8
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	50.0
Exchange differences on translating foreign operations	**-16.7**	7.1	**14.0**	2.7	1.2
Cash flow hedges	**-3.3**	1.9	**-4.5**	4.4	3.4
Items that will not be reclassified subsequently to profit or loss:					
Remeasurements of defined benefit pensions	**0.0**	0.0	**0.0**	0.0	-26.6
Other comprehensive income for the period, net of tax	**-20.0**	9.0	**9.5**	7.1	28.0
Total comprehensive income for the period	**7.1**	36.0	**82.3**	79.0	123.8
Total comprehensive income attributable to:					
Equity owners of the parent	**5.7**	34.4	**77.6**	74.6	118.3
Non-controlling interests	**1.4**	1.6	**4.7**	4.4	5.5
Total comprehensive income for the period	**7.1**	36.0	**82.3**	79.0	123.8

CONSOLIDATED BALANCE SHEET

EUR million	9/30/2015	12/31/2014
ASSETS		
Non-current assets		
Goodwill	**519.7**	485.6
Other intangible assets	**131.5**	76.3
Property, plant and equipment	**778.2**	706.2
Investments in associates	**1.2**	0.9
Available-for-sale financial assets	**293.8**	293.7
Deferred tax assets	**38.8**	33.7
Other investments	**7.0**	9.2
Defined benefit pension receivables	**6.6**	7.5
Total non-current assets	**1,776.8**	1,613.1
Current assets		
Inventories	**226.1**	197.3
Interest-bearing receivables	**0.2**	0.1
Trade and other receivables	**399.8**	343.7
Current income tax assets	**17.8**	22.4
Cash and cash equivalents	**125.2**	119.1
Total current assets	**769.1**	682.6
Total assets	**2,545.9**	2,295.7
EQUITY AND LIABILITIES		
Equity		
Equity attributable to equity owners of the parent	**1,148.1**	1,150.7
Non-controlling interests	**11.4**	12.6
Total equity	**1,159.5**	1,163.3
Non-current liabilities		
Interest-bearing liabilities	**680.3**	448.3
Other liabilities	**21.4**	21.4
Deferred tax liabilities	**59.2**	46.4
Defined benefit pension liabilities	**74.9**	73.1
Provisions	**24.9**	23.6
Total non-current liabilities	**860.7**	612.8
Current liabilities		
Interest-bearing current liabilities	**134.8**	156.9
Trade payables and other liabilities	**365.8**	327.7
Current income tax liabilities	**15.1**	17.9
Provisions	**10.0**	17.1
Total current liabilities	**525.7**	519.6
Total liabilities	**1,386.4**	1,132.4
Total equity and liabilities	**2,545.9**	2,295.7

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

EUR million	7-9/2015	7-9/2014	1-9/2015	1-9/2014	2014
Cash flow from operating activities					
Net profit for the period	**27.1**	27.0	**72.8**	71.9	95.8
Total adjustments	**48.8**	36.3	**130.4**	60.9	92.8
Operating profit before change in net working capital	**75.9**	63.3	**203.2**	132.8	188.6
Change in net working capital	**14.3**	10.4	**-37.8**	-20.8	-19.4
Cash generated from operations	**90.2**	73.7	**165.4**	112.0	169.2
Finance expenses, net and dividends received	**0.0**	-24.3	**-20.1**	-38.9	-61.6
Income taxes paid	**-9.3**	-10.4	**-10.3**	-23.9	-33.4
Net cash generated from operating activities	**80.9**	39.0	**135.0**	49.2	74.2
Cash flow from investing activities					
Purchases of subsidiaries and asset acquisitions, net of cash acquired	**-6.4**	-	**-121.4**	-	0.6
Other capital expenditure	**-49.1**	-30.6	**-120.4**	-90.2	-145.7
Proceeds from sale of assets	**2.2**	-2.6	**2.8**	138.3	145.5
Change in long-term loan receivables decrease (+) / increase (-)	**0.0**	1.0	**0.4**	0.3	0.6
Net cash used in investing activities	**-53.3**	-32.2	**-238.6**	48.4	1.0
Cash flow from financing activities					
Proceeds from non-current interest-bearing liabilities (+)	**0.0**	0.1	**250.0**	200.1	245.0
Repayments from non-current interest-bearing liabilities (-)	**-10.1**	-22.5	**-72.7**	-50.1	-62.6
Short-term financing, net increase (+) / decrease (-)	**7.5**	-76.1	**22.0**	-159.3	-152.9
Dividends paid	**-3.9**	-1.5	**-86.5**	-85.5	-86.0
Other finance items	**-0.2**	-0.3	**-0.1**	0.7	0.1
Net cash used in financing activities	**-6.7**	-100.3	**112.7**	-94.1	-56.4
Net decrease (-) / increase (+) in cash and cash equivalents	**20.9**	-93.5	**9.1**	3.5	18.8
Cash and cash equivalents at end of period	**125.2**	108.2	**125.2**	108.2	119.1
Exchange gains (+) / losses (-) on cash and cash equivalents	**-5.0**	1.8	**-3.0**	2.7	-1.7
Cash and cash equivalents at beginning of period	**109.3**	199.9	**119.1**	102.0	102.0
Net decrease (-) / increase (+) in cash and cash equivalents	**20.9**	-93.5	**9.1**	3.5	18.8

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, 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.

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, 2015	**221.8**	**257.9**	**117.4**	**196.3**	**-38.6**	**-22.1**	**418.0**	**1,150.7**	**12.6**	**1,163.3**
Net profit for the period	-	-	-	-	-	-	68.1	**68.1**	4.7	**72.8**
Other comprehensive income, net of tax	-	-	-4.5	-	14.0	-	-	**9.5**	0.0	**9.5**
Total comprehensive income	**-**	**-**	**-4.5**	**-**	**14.0**	**-**	**68.1**	**77.6**	**4.7**	**82.3**
Transactions with owners										
Dividends paid	-	-	-	-	-	-	-80.6 *)	**-80.6**	-5.9	**-86.5**
Treasury shares issued to the Board of Directors	-	-	-	-	-	0.1	-	**0.1**	-	**0.1**
Share-based payments	-	-	-	-	-	-	0.6	**0.6**	**-**	**0.6**
Transfer in equity	-	-	0.1	-	-	-	-0.1	**0.0**	**-**	**0.0**
Other changes	-	-	-	-	-	-	-0.3	**-0.3**	**-**	**-0.3**
Transactions with owners	**-**	**-**	**0.1**	**-**	**-**	**0.1**	**-80.4**	**-80.2**	**-5.9**	**-86.1**
Equity at September 30, 2015	**221.8**	**257.9**	**113.0**	**196.3**	**-24.6**	**-22.0**	**405.7**	**1,148.1**	**11.4**	**1,159.5**

*) A dividend was EUR 80.6 million in total (EUR 0.53 per share) in respect of the financial year ended December 31, 2014. The annual general meeting approved EUR 0.53 dividend on March 23, 2015. The dividend record date was March 25, 2015, and the payment date April 1, 2015.

Kemira had in its possession 3,280,602 of its treasury shares on September 30, 2015. 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

	7-9/2015	7-9/2014	1-9/2015	1-9/2014	2014
Earnings per share, basic and diluted, EUR [1]	**0.17**	0.16	**0.45**	0.44	0.59
Cash flow from operations per share, EUR [1]	**0.54**	0.25	**0.89**	0.32	0.49
Capital expenditure, EUR million	**55.5**	30.6	**241.8**	90.2	145.1
Capital expenditure / revenue, %	**8.9**	5.7	**13.6**	5.7	6.8
Average number of shares, basic (1,000) [1]	**152,062**	152,051	**152,058**	152,047	152,048
Average number of shares, diluted (1,000) [1]	**152,384**	152,185	**152,380**	152,188	152,203
Number of shares at end of period, basic (1,000) [1]	**152,062**	152,051	**152,062**	152,051	152,051
Number of shares at end of period, diluted (1,000) [1]	**152,384**	152,185	**152,384**	152,185	152,373
Equity per share, EUR [1]			**7.55**	7.28	7.57
Equity ratio, %			**45.6**	50.9	50.7
Gearing, %			**59.5**	40.8	41.8
Interest-bearing net liabilities, EUR million			**689.9**	457.0	486.1
Personnel (average)			**4,517**	4,299	4,285

1) Number of shares outstanding, excluding the number of shares bought back.

REVENUE BY BUSINESS AREA

EUR million	7-9/2015	7-9/2014	1-9/2015	1-9/2014	2014
Pulp & Paper [2]	**379.1**	300.6	**1,045.0**	863.0	1,170.0
Oil & Mining	**90.1**	95.9	**273.7**	285.5	382.2
Municipal & Industrial	**155.9**	145.0	**454.2**	421.3	564.7
ChemSolutions [2]	**-**	-	**-**	19.8	19.8
Total	**625.1**	541.5	**1,772.9**	1,589.6	2,136.7

EBITDA BY BUSINESS AREA

EUR million	7-9/2015	7-9/2014	1-9/2015	1-9/2014	2014
Pulp & Paper [2]	**44.9**	34.0	**114.3**	72.2	109.9
Oil & Mining	**7.0**	11.7	**27.5**	31.8	46.2
Municipal & Industrial	**22.9**	21.5	**64.3**	40.2	61.3
ChemSolutions [2]	**-**	-	**-**	35.6	35.5
Total	**74.8**	67.2	**206.1**	179.8	252.9

OPERATING PROFIT (EBIT) BY BUSINESS AREA

EUR million	7-9/2015	7-9/2014	1-9/2015	1-9/2014	2014
Pulp & Paper [2]	**25.2**	20.9	**61.0**	35.2	57.6
Oil & Mining	**1.3**	7.2	**9.4**	18.4	27.7
Municipal & Industrial	**16.2**	14.8	**44.4**	18.0	31.7
ChemSolutions [2]	**-**	-	**-**	35.6	35.6
Total	**42.7**	42.9	**114.8**	107.2	152.6

[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 Pulp & Paper -segment and ChemSolutions segment was discontinued as of the beginning of Q2 2014.

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	1-9/2015	1-9/2014	2014
Carrying amount at beginning of year	**706.2**	644.5	644.5
Acquired of subsidiaries	**21.6**	-	-
Increases	**112.3**	78.7	124.5
Decreases	**-0.6**	-1.7	-5.7
Depreciation and impairments	**-73.1**	-60.8	-84.1
Exchange rate differences and other changes	**11.8**	21.6	27.0
Net book value at end of period	**778.2**	682.3	706.2

CHANGES IN INTANGIBLE ASSETS

EUR million	1-9/2015	1-9/2014	2014
Carrying amount at beginning of year	**561.9**	547.2	547.2
Acquired of subsidiaries	**92.0**	-0.1	-0.1
Increases	**8.0**	11.4	16.0
Amortization and impairments	**-18.2**	-11.8	-16.2
Exchange rate differences and other changes	**7.5**	10.8	15.0
Net book value at end of period	**651.2**	557.5	561.9

BUSINESS COMBINATIONS

Acquisition of AkzoNobel paper chemicals business

On May 4, 2015 Kemira completed the acquisition of AkzoNobel paper chemicals business. As a result of the acquisition, six AkzoNobel paper chemicals production sites and about 350 employees transferred to Kemira. The transferred production sites to Kemira are located in South Korea, Thailand, Indonesia, Australia, Spain and Italy. The acquisition strengthens Kemira's market position especially in the APAC region. It also enables efficiency improvements in global paper chemicals manufacturing network.

The consideration of EUR 129 million was paid in cash and the acquired business has been consolidated into Pulp & Paper segment. The calculations under IFRS 3 related to the acquisition are ongoing and the presented values of assets, liabilities and goodwill may change when the accounting will be finalized.

The preliminary values of acquired assets and liabilities at time of acquisition were as follows:

EUR million	
Purchase consideration, paid in cash, total	129
Recognized amounts of identifiable assets acquired liabilities assumed	
Intangible assets	58
Property, plant and equipment	22
Inventories	14
Trade and other receivables	11
Cash and cash equivalents	14
Deferred tax liabilities	-4
Provisions, trade payables and other liabilities	-14
Total identifiable net assets	101
Goodwill	28
Total	129

Acquisition of Soto Industries LLC

On September 2, 2015, Kemira announced that it has acquired certain assets of Soto Industries, LLC, a privately owned company, headquartered in Charlotte, North Carolina. Soto specializes in the application of scale control products, defoamers, and settling agents for the pulp and paper industry. The calculations under IFRS 3 related to the acquisition are ongoing and fair value of identifiable assets are obtained when the final calculations have been completed. The acquistion is consolidated to Pulp & Paper segment.

DERIVATIVE INSTRUMENTS

EUR million	9/30/2015 Nominal value	9/30/2015 Fair value	12/31/2014 Nominal value	12/31/2014 Fair value
Currency instruments				
Forward contracts	**331.7**	**4.3**	304.7	1.5
Currency options	**-**	**-**	65.2	-
Bought	**-**	**-**	32.6	-
Sold	**-**	**-**	32.6	-
Interest rate instruments				
Interest rate swaps	**375.9**	**-0.1**	324.5	0.5
of which cash flow hedge	**275.9**	**-2.2**	224.5	-2.5
of which fair value hedge	**100.0**	**2.1**	100.0	3.0
Other instruments	**GWh**	**Fair value**	GWh	Fair value
Electricity forward contracts, bought	**1,522.6**	**-12.3**	1,503.6	-5.9
of which cash flow hedge	**1,522.6**	**-12.3**	1,503.6	-5.9

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.

FAIR VALUE OF FINANCIAL ASSETS

EUR million	9/30/2015				12/31/2014			
Fair value hierarchy	**Level 1**	**Level 2**	**Level 3**	**Total net**	Level 1	Level 2	Level 3	Total net
Available-for-sale financial assets	**-**	**-**	**293.8**	**293.8**	-	-	293.7	293.7
Currency instruments	**-**	**6.1**	**-**	**6.1**	-	2.9	-	2.9
Interest rate instruments, hedge accounting	**-**	**2.1**	**-**	**2.1**	-	3.0	-	3.0
Trade receivables	**-**	**307.0**	**-**	**307.0**	-	265.3	-	265.3
Total	**-**	**315.2**	**293.8**	**609.0**	-	271.2	293.7	564.9

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 9/30/2015**	Total net 12/31/2014
Instrument		
Carrying amount at beginning of period	**293.7**	227.0
Effect on the statement of comprehensive income	**-**	62.5
Increases	**0.1**	4.4
Decreases	**-**	-0.2
Carrying amount at end of period	**293.8**	293.7

FAIR VALUE OF FINANCIAL LIABILITIES

EUR million	9/30/2015				12/31/2014			
Fair value hierarchy	Level 1	Level 2	Level 3	Total net	Level 1	Level 2	Level 3	Total net
Non-current interest-bearing liabilities	**-**	**711.0**	**-**	**711.0**	-	461.7	-	461.7
Repayments from non-current interest-bearing liabilities	**-**	**37.9**	**-**	**37.9**	-	88.1	-	88.1
Loans from financial institutions	**-**	**82.0**	**-**	**82.0**	-	63.2	-	63.2
Other liabilities	**-**	**48.2**	**-**	**48.2**	-	41.0	-	41.0
Currency instruments	**-**	**1.8**	**-**	**1.8**	-	1.4	-	1.4
Interest rate instruments	**-**	**2.2**	**-**	**2.2**	-	2.5	-	2.5
Other instruments	**-**	**12.3**	**-**	**12.3**	-	5.9	-	5.9
Trade payables	**-**	**162.3**	**-**	**162.3**	-	135.2	-	135.2
Total	**-**	**1,057.7**	**-**	**1057.7**	-	799.0	-	799.0

CONTINGENT LIABILITIES

EUR million	9/30/2015	12/31/2014
Assets pledged		
On behalf of own commitments	**6.0**	6.0
Guarantees		
On behalf of own commitments	**51.2**	48.4
On behalf of others	**3.0**	3.3
Operating leasing liabilities		
Maturity within one year	**34.3**	31.1
Maturity after one year	**180.7**	161.8
Other obligations		
On behalf of own commitments	**1.2**	1.2
On behalf of associates	**0.4**	0.6

Major off-balance sheet investment commitments

Major amounts of contractual commitments for the acquisition of property, plant and equipment on September 30, 2015 were about EUR 25.3 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 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 presented 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 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, was 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. By its decision on April 29, 2013 it decided to suspend the case and to ask a preliminary ruling on jurisdiction from the Court of Justice of the European Union which has given its ruling on May 21, 2015. Thereafter, on request by Regional Court of Dortmund, the parties have filed their briefs on admissibility of the proceedings. In its brief responding to the said request of the court Cartel Damage Claims Hydrogen Peroxide SA has additionally waived seeking an order to obtain an unabridged and full copy of the decision of the European Commission, dated May 3, 2006, and demanded from Kemira and the three other defendants jointly and severally damages an amount to be decided by the court but at least EUR 196.2 million together with accrued interest calculated from August 24, 2009 at an interest rate exceeding by 5 per cent the base rate at a time, and other interest of EUR 97.6 million. 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 on jurisdiction was appealed by Kemira to the court of appeal of Amsterdam. According to the decision by the court of appeal on July 21, 2015, the municipal court of Amsterdam has jurisdiction over the case. The proceedings will continue next at the municipal court of Amsterdam. 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 said processes. 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	2015 7-9	2015 4-6	2015 1-3	2014 10-12	2014 7-9	2014 4-6	2014 1-3
Revenue							
Pulp & Paper [1)]	**379.1**	351.3	314.6	307.0	300.6	282.0	280.4
Oil & Mining	**90.1**	89.7	93.9	96.7	95.9	97.6	92.0
Municipal & Industrial	**155.9**	153.8	144.5	143.4	145.0	138.6	137.7
ChemSolutions [1)]	**-**	-	-	-	-	-	19.8
Total	**625.1**	594.8	553.0	547.1	541.5	518.2	529.9
EBITDA							
Pulp & Paper [1)]	**44.9**	34.4	35.0	37.7	34.0	7.5	30.7
Oil & Mining	**7.0**	9.5	11.0	14.4	11.7	11.2	8.9
Municipal & Industrial	**22.9**	22.2	19.2	21.1	21.5	16.1	2.6
ChemSolutions [1)]	**-**	-	-	-	-	-	35.5
Total	**74.8**	66.1	65.2	73.2	67.2	34.8	77.7
Operative EBITDA, excluding non-recurring items							
Pulp & Paper [1)]	**46.7**	41.3	36.1	36.3	37.0	30.8	33.1
Oil & Mining	**7.4**	11.4	11.1	12.2	13.8	11.7	10.7
Municipal & Industrial	**24.1**	22.0	19.2	16.8	19.1	17.7	14.5
ChemSolutions [1)]	**-**	-	-	-	-	-	-0.8
Total	**78.2**	74.7	66.4	65.3	69.9	60.2	57.5
Operating profit (EBIT)							
Pulp & Paper [1)]	**25.2**	16.2	19.6	22.4	20.9	-5.1	19.4
Oil & Mining	**1.3**	2.4	5.7	9.3	7.2	6.7	4.5
Municipal & Industrial	**16.2**	15.7	12.5	13.7	14.8	8.4	-5.2
ChemSolutions [1)]	**-**	-	-	-	-	-	35.6
Total	**42.7**	34.3	37.8	45.4	42.9	10.0	54.3
Operating profit (EBIT), excluding non-recurring items							
Pulp & Paper [1)]	**27.0**	23.2	20.7	21.9	23.8	18.2	21.9
Oil & Mining	**1.7**	6.0	5.8	7.2	9.3	7.1	6.3
Municipal & Industrial	**17.4**	15.6	12.6	10.4	12.4	11.7	8.8
ChemSolutions [1)]	**-**	-	-	-	-	-	-0.7
Total	**46.1**	44.8	39.1	39.5	45.5	37.0	36.3

[1)] 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 Pulp & 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 = property, plant and equipment + intangible assets + net working capital + investments in associates

BASIS OF PREPARATION

This unaudited consolidated interim financial statements has been prepared in accordance with IAS 34 *Interim financial reporting*. The condensed interim financial statements should be read in conjunction with the annual financial statements 2014, which have been prepared in accordance with IFRSs.

All the figures in this financial statements bulletin 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.

- Kemira Group has adopted IFRIC 21 *Levies*. The interpretation provides guidance on when to recognize a liability for a levy imposed by a government. The application of IFRIC 21 has not had any material impact on the amounts reported on the interim financial statements.

- Other amendments to IFRSs have not had any material impact on the amounts reported on the interim financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated 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.