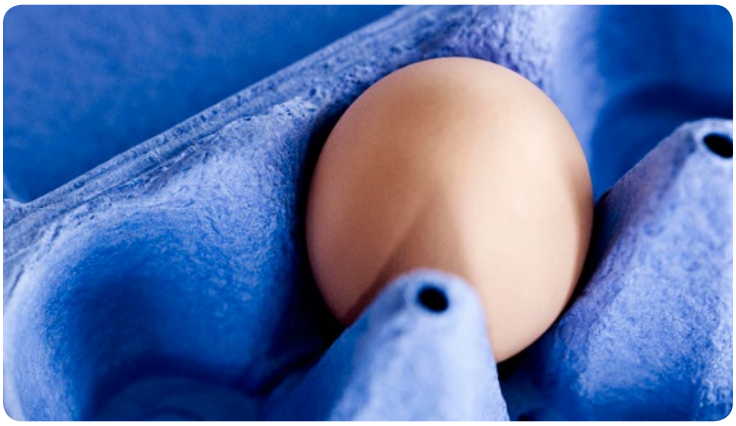
HARTMANN CHOOSE FIBRE. SAVE NATURE.®

Interim report

Q3 2015



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Highlights

Hartmann's revenue and operating profit continued to grow in Q3 2015, driven by a positive trend in the Americas, while the European business was affected by increasing price competition on several central European markets. The efficiency improvement measures launched in Europe are progressing according to plan, and production capacity in South America is being expanded as planned with the construction of two factories. We maintain our full-year guidance for 2015.

CEO Ulrik Kolding Hartvig: 'Our sale of packaging increased in Q3, and both our revenue and earnings grew despite the increasingly competitive European markets. The efficiency improvement measures taken in the European business are on track, and we are stepping up efforts to stabilise selling prices on the markets where price competition is showing a trend that will be unsustainable in the long term. Capacity utilisation is high on the American markets, and this has prompted us to boost the expansion of our South American production capacity by building two new factories, which are scheduled for completion in 2016.'

Q3 2015

- Hartmann's total revenue grew to DKK 508 million (2014: DKK 373 million) with operating profit* at DKK 52 million (2014: DKK 26 million), corresponding to a profit margin* of 10.2% (2014: 7.0%). Foreign exchange gains lifted revenue by DKK 18 million and operating profit by DKK 12 million.

- Revenue from our European business was DKK 292 million (2014: DKK 297 million), and operating profit increased to DKK 25 million (2014: DKK 21 million), corresponding to a profit margin of 8.5% (2014: 7.2%). The sale of moulded-fibre packaging grew in Q3, and the decrease in total revenue was attributable to lower contributions from Hartmann's other activities.

- Revenue from the Americas grew to DKK 216 million for Q3 (2014: DKK 77 million), and operating profit grew to DKK 33 million (2014: DKK 10 million), corresponding to a profit margin of 15.2% (2014: 13.3%). The positive trend was attributable to the addition of the South American activities in early 2015 and the utilisation of the expanded production capacity in North America, combined with foreign exchange gains.

- Special costs amounted to DKK 84 million (2014: DKK 0 million) resulting from write-downs and other costs in connection with the proposed closure of our factory in Germany in H1 2016 and organisational adjustments in Europe. See note 4 to the financial statements. Consultations with the German employee representatives are currently ongoing, and the expansion of production capacity at other factories in Europe is progressing according to plan.

9M 2015

- Total revenue for 9M 2015 grew to DKK 1,570 million (2014: DKK 1,137 million) with operating profit* at DKK 156 million (2014: DKK 88 million), corresponding to a profit margin* of 9.9% (2014: 7.7%). Foreign exchange gains lifted revenue by DKK 60 million and operating profit by DKK 37 million. Special costs amounted to DKK 97 million (2014: DKK 0 million).

- Our European business generated revenue of DKK 900 million for 9M 2015, (2014: DKK 919 million) and operating profit of DKK 69 million (2014: DKK 71 million), corresponding to a profit margin of 7.7% (2014: 7.7%).

- In the Americas, revenue grew to DKK 670 million (2014: DKK 218 million) and operating profit to DKK 105 million (2014: DKK 34 million), corresponding to a profit margin of 15.7% (2014: 15.8%).

- Cash flows from operating activities rose to a net inflow of DKK 156 million (2014: an inflow of DKK 92 million), and return on invested capital was 23% (2014: 19%).

Outlook for 2015

- We maintain our full-year guidance of revenue in the range of DKK 2.0-2.1 billion and a profit margin before special items 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	Q3 2015	Q3 2014	9M 2015	9M 2014
Statement of comprehensive income				
Revenue	508	373	1,570	1,137
Operating profit	52	26	156	88
Special items	(84)	0	(97)	0
Financial income and expenses, net	(13)	(2)	(24)	(11)
Profit/(loss) before tax	(45)	24	35	77
Profit for the period	(35)	21	30	66
Comprehensive income	(115)	28	(49)	77
Cash flows				
Cash flows from operating activities	39	40	156	92
Cash flows from investing activities	(39)	(18)	(426)	(74)
Cash flows from financing activities	(5)	0	321	(21)
Total cash flows	(6)	22	51	(2)
Balance sheet				
Assets	-	-	1,683	1,206
Investments in property, plant and equipment	39	17	99	73
Net working capital	-	-	279	180
Invested capital	-	-	1,020	736
Interest-bearing debt, net	-	-	497	185
Equity	-	-	548	623
Financial ratios, %				
Profit margin	10.2	7.0	9.9	7.7
Return on invested capital (ROIC, rolling 12 months)	-	-	23.2	18.5
Return on equity (rolling 12 months)	-	-	12.5	17.2
Equity ratio	-	-	32.6	51.7
Gearing	-	-	90.7	29.7
Share-based financial ratios				
No. of shares (end of period, excluding treasury shares)	-	-	6,915,090	6,915,090
No. of shares (average, excluding treasury shares)	-	-	6,915,090	6,915,090
Earnings per share, DKK (EPS)	(5.1)	2.9	4.3	9.5
Cash flows per share, DKK	5.6	5.8	22.6	13.3
Book value per share, DKK	-	-	79.2	90.1
Market price per share, DKK	-	-	241.0	173.5
Market price/book value per share	-	-	3.0	1.9
Price/earnings (rolling 12 months)	-	-	20.1	11.6

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 our annual report for 2014.

Developments in Q3 2015

Our sale of moulded-fibre packaging increased in Europe and in the Americas in Q3 2015, and our revenue, operating profit and profit margin showed a positive trend. The positive development was driven by the addition of the South American activities and utilisation of the expanded production capacity in North America, while operating profit in Europe was adversely affected by increasing competition. As advised in company announcement no. 10/2015, we filed a complaint with the Danish Energy Board of Appeal against a decision by the Secretariat of Danish Energy Regulatory Authority concerning pricing of district heating from our combined heat and power plant in Denmark.

The efficiency improvement measures implemented in Europe and the proposed closure of our German factory in H1 2016, combined with the expansion of remaining production capacity, is intended to offset the effects of the increasing competition. The ongoing initiatives are progressing according to plan, and we are stepping up efforts to stabilise the group's selling prices on several central European markets where price competition is showing a trend that will be unsustainable in the long term.

The integration of the South American activities is on schedule, and we are currently expanding our production capacity as planned in order to meet demand on our markets, which are characterised by favourable demographic trends and continued urbanisation. The expansion comprises the construction of two factories in Brazil and Argentina, respectively. The factories are intended to add to our South American production capacity for the production of both egg and fruit packaging in 2016, and our total investment will be in the region of DKK 140 million over the course of 2015 and 2016.

Statement of comprehensive income

Revenue

Our total revenue grew to DKK 508 million for Q3 2015 (2014: DKK 373 million), and for 9M revenue was DKK 1,570 million (2014: DKK 1,137 million). Exchange rate fluctuations lifted revenue by DKK 18 million for Q3 and by DKK 60 million for 9M 2015.

Europe

Revenue in Europe was DKK 292 million for Q3 (2014: DKK 297 million). Our sales of egg packaging increased, which contributed positively to the development in revenue despite intensifying price competition and a resulting decline in the average selling price. The trend in Hartmann's total European revenue was attributable to lower contributions from our other European activities.

Revenue for 9M 2015 was DKK 900 million (2014: DKK 919 million) with an unchanged contribution from the sale of egg packaging.

Americas

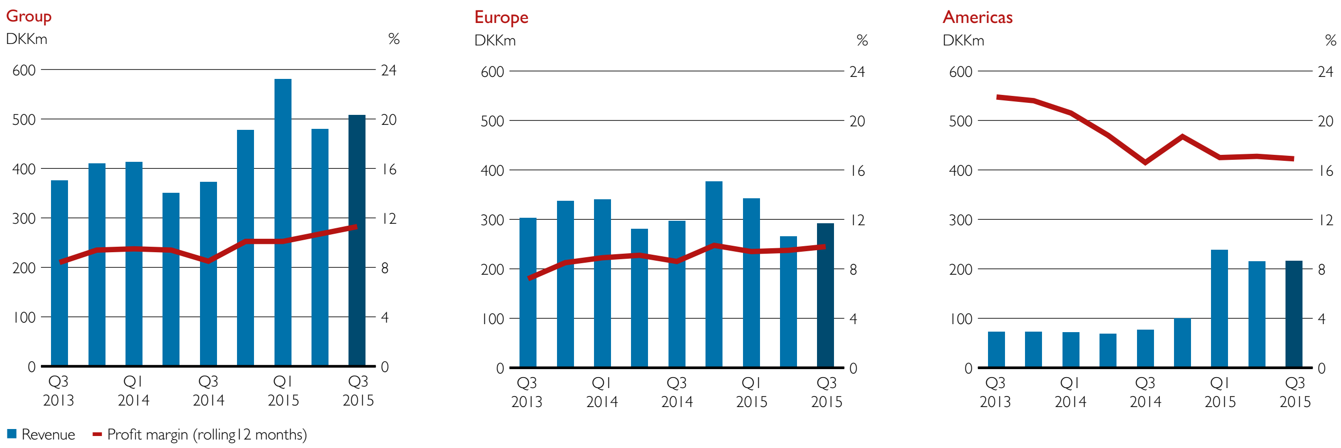
Revenue from the Americas grew to DKK 216 million for Q3 (2014: DKK 77 million), the positive trend being attributable to the addition of the South American activities and progress in both North and South America.

In North America, revenue grew as a result of utilisation of the expanded production capacity and exchange rate fluctuations. The outbreak of bird flu earlier in the year and the resulting drop in the supply of eggs had no significant impact on our sale of egg packaging in Q3.

Overall, our South American business reported a positive performance, and capacity utilisation at our four factories was high. The sale of fruit packaging in Argentina continued to be affected by a drop in fruit exports as a result of the Argentinian fixed exchange rate policy vis-à-vis the strengthened US dollar. The Brazilian business continued to show resilience to the challenging economic conditions, but a significant depreciation of the Brazilian real led a to lower contribution to consolidated revenue for Q3.

Revenue grew to DKK 670 million for 9M (2014: DKK 218 million).

Revenue and profit margin



The Americas segment consists of Hartmann's activities in North and South America. The South American activities contributed to our performance as from Q1 2015.

Operating profit
Our operating profit increased to DKK 52 million for Q3 (2014: DKK 26 million), corresponding to a profit margin of 10.2% (2014: 7.0%). Operating profit for 9M 2015 increased to DKK 156 million (2014: DKK 88 million), and the profit margin grew to 9.9% (2014: 7.7%). Exchange rate fluctuations lifted operating profit by DKK 12 million for Q3 and by DKK 37 million for 9M 2015.

Europe
Operating profit for our European business rose to DKK 25 million for Q3 (2014: DKK 21 million), corresponding to a profit margin of 8.5% (2014: 7.2%). Operating profit was favourably impacted by the increase in the sale of egg packaging and lower overheads, while the drop in the average selling price and lower revenue from the other European activities were negative contributors.

Operating profit for Hartmann' European business was DKK 69 million for 9M (2014: DKK 71 million), corresponding to a profit margin of 7.7% (2014: 7.7%).

Americas
Operating profit for the American activities rose to DKK 33 million for Q3 (2014: DKK 10 million), corresponding to a profit margin of 15.2% (2014: 13.3%). The positive trend in operating profit was attributable to the addition of the South American activities in early 2015 and the utilisation of the expanded production capacity in North America, combined with foreign exchange gains.

Operating profit grew to DKK 105 million for 9M (2014: DKK 34 million), corresponding to a profit margin of 15.7% (2014: 15.8%).

Corporate functions
Costs related to corporate functions came to DKK 6 million for Q3 (2014: DKK 6 million) and DKK 19 million for 9M 2015 (2014: DKK 18 million).

Special items
Special items amounted to a net expense of DKK 84 million for Q3 (2014: DKK 0) and a net expense of DKK 97 million for 9M (2014: DKK 0 million) as a result of write-downs and other costs in connection with the proposed closure of our factory in Germany in Q1 2016 and organisational adjustments at the European factories and at our headquarters. See note 4 to the financial statements.

Financial income and expenses
Financial income and expenses were a net expense of DKK 13 million for Q3 (2014: a net expense of DKK 2 million), and the development was attributable to the increase in net interest-bearing debt and foreign exchange adjustments. Financial income and expenses for 9M 2015 amounted to a net expense of DKK 24 million (2014: a net expense of DKK 11 million).

Profit/loss for the period
Hartmann reported a loss of DKK 35 million for Q3 (2014: profit of DKK 21 million) and a profit of DKK 30 million for 9M (2014: DKK 66 million). Tax on profit/loss for Q3 constituted income of DKK 9 million (2014: an expense of DKK 3 million) and an expense of DKK 5 million for 9M (2014: an expense of DKK 11 million).

Comprehensive income
Comprehensive income for Q3 was negative at DKK 115 million (2014: positive at DKK 28 million) and negative at DKK 49 million for 9M (2014: positive at DKK 77 million). The change was due to special costs and foreign exchange adjustments of subsidiaries.

Acquired activities
We acquired the South American activities as of 6 January 2015. See note 6 to the financial statements. The acquired activities contributed DKK 114 million to consolidated revenue for Q3 and DKK 359 million for 9M.

Cash flows
Cash flows from operating activities amounted to a net inflow of DKK 39 million for Q3 (2014: an inflow of DKK 40 million) and a net inflow DKK 156 million for 9M (2014: an inflow of DKK 92 million) as a result of operating profit growth. Cash flows from investing activities were a net outflow of DKK 39 million for Q3 (2014: an outflow of DKK 18 million) and a net outflow of DKK 426 million for 9M (2014: an outflow of DKK 74 million) due to our acquisition of the South American activities and an increased level of investment.

Cash flows from operating and investing activities thus amounted to a net outflow of DKK 1 million for Q3 (2014: an inflow of DKK 22 million) and a net outflow of DKK 270 million for 9M (2014: an outflow of DKK 18 million).

Balance sheet
ROIC
Return on invested capital was 23% at 30 September 2015 (2014: 19%).

Capital resources
At 30 September 2015, our net interest-bearing debt stood at DKK 497 million (2014: DKK 185 million). The development was attributable to long-term loans obtained to finance the acquisition of the South American activities.

Our financial gearing thus grew to 91% at 30 September 2015 (2014: 30%). Financial resources were DKK 397 million at 30 September 2015, comprising cash and cash equivalents and undrawn credit facilities on loans and overdrafts. Hartmann's loans are subject to customary financial covenants. See note 34 to the financial statements in our annual report for 2014.

Equity
At 30 September 2015, equity stood at DKK 548 million (2014: DKK 623 million) with an equity ratio of 33% (2014: 52%). The change was due to special costs and foreign exchange adjustments of subsidiaries.

The Hartmann share
The official market price of the Hartmann share was DKK 241.0 at 30 September 2015 against DKK 173.0 at 31 December 2014. Our share performance can be monitored at investor.hartmann-packaging.com.

Events after the balance sheet date
No events have occurred in the period from the balance sheet date until the date of presentation of this interim report that materially affect the evaluation of the interim report.

Outlook

Based on developments in 9M 2015 and the expected developments in markets and capacity, coupled with increasing price competition in Europe, we maintain our full-year guidance for 2015 of revenue in the range of DKK 2.0-2.1 billion and a profit margin before special items of 10-11.5%.

Overall, we expect to incur special costs of about DKK 90-110 million for 2015 as a result of our activities to enhance efficiency in our European business.

Assumptions

Our 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 selling prices are assumed to remain relatively stable at the level prevailing at the date of release of this interim report. Any deviations from the assumptions may affect our 2015 performance.

Due to seasonal fluctuations, our operating profit is generally higher for the first and fourth quarters than for the second and third quarters. Our profit margin is mainly exposed to developments in raw material prices and exchange rates. We have hedged our primary currency exposure until 30 June 2016.

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.

Outlook and targets

	2015	2017
Revenue	DKK 2.0-2.1bn	DKK 2.2-2.4bn
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 our annual report for 2014.

Raw materials

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

We are exposed to transaction risk due to cross-border transactions leading to contractual cash flows in foreign currency. Most sales generated in the North American business are invoiced in USD, while most costs are incurred in CAD. Therefore, the currency exposure in relation to the USD/CAD exchange rate constitutes one of our single largest transaction risks. 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 risk since part of our earnings and net assets derives from these foreign subsidiaries and is therefore translated and included in the consolidated financial statements, which are presented in DKK. In terms of net position, foreign subsidiaries' reporting in the currencies ARS, BRL, CAD, HRK, HUF and ILS represents our greatest translation exposure.

We hedge our 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 our 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 ended 30 September 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 30 September 2015 and of the results of the group's operations and cash flows for the period ended 30 September 2015.

We are of the opinion that the management report includes a fair review of the development and performance of the group's business, 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, 12 November 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	Q3 2015	Q3 2014	9M 2015	9M 2014
Revenue	508.4	373.4	1,569.8	1,137.0
Production costs	(345.9)	(265.2)	(1,074.4)	(791.0)
Gross profit/(loss)	**162,5**	**108,2**	**495,4**	**346,0**
Selling and distribution costs	(90.7)	(69.1)	(273.4)	(216.6)
Administrative expenses	(20.7)	(13.6)	(67.1)	(43.6)
Other operating income	0.7	0.6	0.8	2.1
Other operating expenses	0.0	(0.2)	(0.1)	(0.2)
Operating profit/(loss) before special items	**51.8**	**25.9**	**155.6**	**87.7**
Special items, see note 4	(83.7)	0.0	(97.2)	0.0
Operating profit/(loss)	**(31.9)**	**25.9**	**58.4**	**87.7**
Financial income	(1.0)	0.2	3.5	0.6
Financial expenses	(11.7)	(2.3)	(27.1)	(11.8)
Profit/(loss) before tax	**(44.6)**	**23.8**	**34.8**	**76.5**
Tax on profit/(loss) for the period	9.2	(3.3)	(5.1)	(10.7)
Profit/(loss) for the period	**(35.4)**	**20.5**	**29.7**	**65.8**
Items that can be reclassified to profit or loss:				
Foreign exchange adjustment of:				
Foreign subsidiaries	(79.0)	8.2	(81.6)	8.6
Equity-like loans to subsidiaries	1.6	0.6	4.0	1.4
Value adjustment of hedging instruments:				
Recognised in other comprehensive income	(5.1)	(2.9)	(16.1)	(6.0)
Transferred to revenue	1.7	1.2	13.8	6.4
Transferred to production costs	(0.2)	0.0	(0.4)	1.8
Transferred to financial income and expenses	0.3	0.0	2.0	0.0
Tax	0.7	0.3	(0.4)	(0.8)
Other comprehensive income after tax	**(80.0)**	**7.4**	**(78.7)**	**11.4**
Comprehensive income	**(115.4)**	**27.9**	**(49.0)**	**77.2**
Earnings per share, DKK	(5.1)	2.9	4.3	9.5
Earnings per share, DKK (diluted)	(5.1)	2.9	4.3	9.5

Statement of cash flows

DKKm

Group	Q3 2015	Q3 2014	9M 2015	9M 2014
Operating profit/(loss) before special items	51.8	25.9	155.6	87.7
Depreciation and amortisation	23.2	18.1	71.3	52.7
Adjustment for other non-cash items	(0.7)	0.2	(0.7)	0.0
Change in working capital	(26.3)	4.6	(36.7)	(23.7)
Restructuring costs etc. paid	(3.5)	(5.1)	(8.1)	(10.5)
Cash generated from operations	**44.5**	**43.7**	**181.4**	**106.2**
Interest etc. received	2.6	0.2	7.5	0.6
Interest etc. paid	(11.0)	(1.6)	(25.4)	(6.3)
Income tax paid	2.4	(2.1)	(7.3)	(8.5)
Cash flows from operating activities	**38.5**	**40.2**	**156.2**	**92.0**
Disposals of property, plant and equipment	0.1	0.0	0.4	0.5
Acquisitions of property, plant and equipment	(39.2)	(17.0)	(99.3)	(73.1)
Government grants repaid	(0.3)	(0.2)	(0.3)	(0.2)
Acquisition of subsidiaries and activities, see note 6	0.0	0.0	(327.1)	0.0
Acquisition of associates	0.0	(0.9)	0.0	(0.9)
Cash flows from investing activities	**(39.4)**	**(18.1)**	**(426.3)**	**(73.7)**
Cash flows from operating and investing activities	**(0.9)**	**22.1**	**(270.1)**	**18.3**
Raising of non-current debt	0.0	0.0	392.1	45.1
Repayment of non-current debt	(5.1)	0.0	(5.1)	0.0
Dividend paid	0.0	0.0	(65.7)	(65.7)
Cash flows from financing activities	**(5.1)**	**0.0**	**321.3**	**(20.6)**
Total cash flows	**(6.0)**	**22.1**	**51.2**	**(2.3)**
Cash and bank debt at beginning of period	113.8	21.8	56.0	45.7
Foreign exchange adjustment	(1.3)	0.0	(0.7)	0.5
Cash and bank debt at end of period	**106.5**	**43.9**	**106.5**	**43.9**
Recognition of cash and bank debt at end of period:				
Cash	147.5	56.3	147.5	56.3
Overdraft facilities	(41.0)	(12.4)	(41.0)	(12.4)
	106.5	**43.9**	**106.5**	**43.9**

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

Balance sheet assets

DKKm

Group	30 Sept. 2015	30 Sept. 2014	31 Dec. 2014
Goodwill	63.1	10.7	10.7
Other intangible assets	29.9	0.0	0.0
Intangible assets	**93.0**	**10.7**	**10.7**
Land and buildings	136.1	144.2	141.3
Technical plant and machinery	423.3	384.1	379.4
Fixtures and fittings, tools and equipment	13.2	8.3	10.6
Assets under construction	83.5	19.3	29.2
Property, plant and equipment	**656.1**	**555.9**	**560.5**
Investments in associates	2.8	2.7	2.8
Other receivables	7.1	8.8	7.0
Deferred tax	122.8	106.2	109.7
Other non-current assets	**132.7**	**117.7**	**119.5**
Non-current assets	**881.8**	**684.3**	**690.7**
Inventories	229.9	138.0	131.2
Trade receivables	345.0	273.1	311.0
Income tax	8.1	6.2	3.2
Other receivables	58.8	39.4	42.7
Prepayments	12.2	9.1	9.1
Cash and cash equivalents	147.5	56.3	56.0
Current assets	**801.5**	**522.1**	**553.2**
Assets	**1,683.3**	**1,206.4**	**1,243.9**

Balance sheet equity and liabilities

DKKm

Group	30 Sept. 2015	30 Sept. 2014	31 Dec. 2014
Share capital	140.3	140.3	140.3
Hedging reserve	(3.0)	(1.4)	(2.5)
Translation reserve	(126.9)	(47.2)	(48.7)
Proposed dividend	0.0	0.0	65.7
Retained earnings	537.6	531.7	507.9
Equity	**548.0**	**623.4**	**662.7**
Deferred tax	17.4	31.2	20.3
Pension obligations	40.6	28.1	43.5
Credit institutions	603.6	0.0	216.6
Government grants	12.7	16.7	14.6
Non-current liabilities	**674.3**	**76.0**	**295.0**
Credit institutions	0.0	229.2	0.0
Government grants	2.5	2.7	2.5
Overdraft facilities	41.0	12.4	0.0
Prepayments from customers	29.0	0.1	32.0
Trade payables	148.3	159.3	148.6
Payables to associates	4.1	2.5	3.4
Income tax	16.5	5.1	8.5
Provisions	77.0	7.7	2.6
Other payables	142.6	88.0	88.6
Current liabilities	**461.0**	**507.0**	**286.2**
Liabilities	**1,135.3**	**583.0**	**581.2**
Equity and liabilities	**1,683.3**	**1,206.4**	**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	29.7	29.7
Other comprehensive income						
Items that can be reclassified to profit or loss						
Foreign exchange adjustment of:						
Foreign subsidiaries	-	-	(81.6)	-	-	(81.6)
Equity-like loans to subsidiaries	-	-	4.0	-	-	4.0
Value adjustment of hedging instruments:						
Recognised in other comprehensive income	-	(16.1)	-	-	-	(16.1)
Transferred to revenue	-	13.8	-	-	-	13.8
Transferred to production costs	-	(0.4)	-	-	-	(0.4)
Transferred to financial income and expenses	-	2.0	-	-	-	2.0
Tax	-	0.2	(0.6)	-	-	(0.4)
	0.0	**(0.5)**	**(78.2)**	**0.0**	**0.0**	**(78.7)**
Total comprehensive income	**0.0**	**(0.5)**	**(78.2)**	**0.0**	**29.7**	**(49.0)**
Transactions with owners						
Dividend paid	-	-	-	(65.7)	-	(65.7)
Total changes in equity	**0.0**	**(0.5)**	**(78.2)**	**(65.7)**	**29.7**	**(114.7)**
Equity at 30 September 2015	**140.3**	**(3.0)**	**(126.9)**	**0.0**	**537.6**	**548.0**

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	65.8	65.8
Other comprehensive income						
Items that can be reclassified to profit or loss						
Foreign exchange adjustment of:						
Foreign subsidiaries	-	-	8.6	-	-	8.6
Equity-like loans to subsidiaries	-	-	1.4	-	-	1.4
Value adjustment of hedging instruments:						
Recognised in other comprehensive income	-	(6.0)	-	-	-	(6.0)
Transferred to revenue	-	6.4	-	-	-	6.4
Transferred to production costs	-	1.8	-	-	-	1.8
Tax	-	(0.6)	(0.2)	-	-	(0.8)
	0.0	**1.6**	**9.8**	**0.0**	**0.0**	**11.4**
Total comprehensive income	**0.0**	**1.6**	**9.8**	**0.0**	**65.8**	**77.2**
Transactions with owners						
Dividend paid	-	-	-	(65.7)	-	(65.7)
Total changes in equity	**0.0**	**1.6**	**9.8**	**(65.7)**	**65.8**	**11.5**
Equity at 30 September 2014	**140.3**	**(1.4)**	**(47.2)**	**0.0**	**531.7**	**623.4**

Notes

01 Accounting policies

The consolidated 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 our 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 assessed on an ongoing basis. Changes to accounting estimates are recognised in the reference period in which the change occurs and in future reference periods if the change affects both the period during which the change takes place and subsequent reference periods.

See note 4 to the financial statements in this interim report and note 3 to the financial statements in our 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 the first and fourth quarters of the year.

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 individual segment's operating profit 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, retail chains and buyers of industrial packaging. The segment also comprises sale of machinery for 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, packing businesses and retail chains. Comparative figures for 2014 are exclusive of the South American activities acquired as of 6 January 2015.

Notes

DKKm

03 Segment information
cont'd

Operations 9M 2015

	Europe	Americas	Total reporting segments
Moulded fibre	858.8	669.8	1,528.6
Other revenue	41.2	0.0	41.2
Revenue	**900.0**	**669.8**	**1,569.8**
Operating profit/(loss) before special items	**68.9**	**104.9**	**173.8**
Other segment information			
Impairment, depreciation and amortisation, excluding special items	43.0	28.9	
Investments in intangible assets and property, plant and equipment	38.5	66.1	
Net working capital	162.4	116.2	
Invested capital	515.9	516.7	
Segment assets	772.6	642.3	1,414.9

Operations 9M 2014

	Europe	Americas	Total reporting segments
Moulded fibre	855.7	218.4	1,074.1
Other revenue	62.9	0.0	62.9
Revenue	**918.6**	**218.4**	**1,137.0**
Operating profit/(loss) before special items	**70.9**	**34.4**	**105.3**
Other segment information			
Impairment, depreciation and amortisation, excluding special items	43.2	10.1	
Investments in intangible assets and property, plant and equipment	34.3	45.4	
Net working capital	143.2	36.4	
Invested capital	510.0	233.0	
Segment assets	772.6	269.9	1,042.5

Notes

DKKm

03 Segment information
cont'd

Reconciliation

	9M 2015	9M 2014
Revenue		
Revenue for reporting segments	1,569.8	1,137.0
Revenue, see interim financial statements	**1,569.8**	**1,137.0**
Performance targets		
Operating profit/(loss) before special items for reporting segments	173.8	105.3
Non-allocated corporate functions	(18.8)	(18.2)
Eliminations	0.6	0.6
Operating profit/(loss) before special items, see interim financial statements	155.6	87.7
Special items	(97.2)	0.0
Operating profit/(loss), cf. interim financial statements	58.4	87.7
Financial income	3.5	0.6
Financial expenses	(27.1)	(11.8)
Profit/(loss) before tax, see interim financial statements	**34.8**	**76.5**

	30 Sept. 2015	30 Sept. 2014
Assets		
Assets for reporting segments	1,414.9	1,042.5
Non-allocated assets	281.3	171.3
Eliminations	(12.9)	(7.4)
Assets, see interim financial statements	**1,683.3**	**1,206.4**

04 Special items

	Q3 2015	Q3 2014	9M 2015	9M 2014
Impairment of property, plant and equipment	15.5	0.0	15.5	0.0
Other costs	68.2	0.0	81.7	0.0
Special costs	**83.7**	**0.0**	**97.2**	**0.0**

Special costs related to organisational adjustments at Hartmann's European factories and headquarters and costs in connection with the proposed closure of the factory in Germany.

Other costs related to, among other things, severance payments, compensation paid in connection with cancellation of supplier contracts, legal and consultancy fees and other costs in connection with the proposed closure of our factory in Germany.

The effects of the proposed closure of the factory in Germany on Hartmann's financial statements are subject to uncertainty. As a consequence, the costs recognised were calculated on the basis of management's assessment at the date of publication of this interim report.

Notes

DKKm

05 Financial instrument categories

	30 Sept. 2015		30 Sept. 2014		31 Dec. 2014	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Derivative financial instruments to hedge future cash flows	3.0	3.0	0.0	0.0	0.4	0.4
Financial assets used as hedging instruments	**3.0**	**3.0**	**0.0**	**0.0**	**0.4**	**0,4**
Trade receivables	345.0	345.0	273.1	273.1	311.0	311.0
Other receivables	63.9	63.9	45.6	45.6	45.5	45.5
Cash and cash equivalents	147.5	147.5	56.3	56.3	56.0	56.0
Loans and receivables	**556.4**	**556.4**	**375.0**	**375.0**	**412.5**	**412.5**
Derivative financial instruments to hedge future cash flows	7.1	7.1	1.7	1.7	3.7	3.7
Financial liabilities used as hedging instruments	**7.1**	**7.1**	**1.7**	**1.7**	**3.7**	**3.7**
Credit institutions	644.6	644.6	241.6	241.6	216.6	216.6
Other liabilities	304.4	304.4	253.2	253.2	245.4	245.4
Financial liabilities measured at amortised cost	**949.0**	**949.0**	**494.8**	**494.8**	**462.0**	**462.0**

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

Notes

DKKm

06 Acquisitions

At 6 January 2015, Hartmann acquired the South American moulded-fibre activities of Lactosan Sanovo Holding A/S ('Sanovo Greenpack'), Hartmann's majority shareholder and thus a related party. The transaction was executed as a share purchase. Hartmann 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.

We are expanding our business volume significantly through our presence in the attractive growth markets in South America, strengthening our global position within production and sale of moulded-fibre egg packaging.

The South American revenue is derived from sales of moulded-fibre egg and fruit packaging, mainly to the attractive markets in Brazil and Argentina, which are characterised by favourable demographic trends and growing 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 recognition 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 and cash equivalents	17.2
Deferred tax liabilities	(16.9)
Overdraft facilities	(44.3)
Trade payables	(26.0)
Other payables	(70.8)
Net activities acquired	**229.2**
Goodwill	70.8
Purchase consideration	**300.0**
Of which cash and cash equivalents in Sanovo Greenpack	(17.2)
Cash purchase consideration	**282.8**
Overdraft facilities	44.3
Cash flow effect	**327.1**

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

Notes

06 Acquisitions
cont'd

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

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 resale is determined at replacement cost.

In business combinations, an estimate is made of the value of 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.

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 9M 2015 of DKK 1,570 million, DKK 359 million can be attributed to Sanovo Greenpack. Of the group's profit for 9M 2015 of DKK 30 million, DKK 15 million can be attributed to Sanovo Greenpack.

07 Events after the balance sheet date

Other than what has been recognised or mentioned in this interim report, no significant events have occurred after the balance sheet date at 30 September 2015 of significance to the consolidated financial statements.

Hartmann at a glance

Hartmann is the world's leading manufacturer of moulded-fibre egg packaging, market leader in the production of fruit packaging in South America and one of the world's largest manufacturers of machinery for producing moulded-fibre packaging. Hartmann was founded in 1917, and our market position is based on our 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. We work closely with our customers to meet the demand for sustainable products in the retail trade, and we were the first manufacturer to offer both FSC-certified and CO_2-neutral retail packaging.

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

Customers
We sell egg and fruit packaging to producers, packing businesses and retail chains, which are increasingly turning to us for our marketing expertise. Our technology and related services are sold to manufacturers of moulded-fibre packaging. In 2014, we generated total revenue of DKK 1.6 billion.

Organisation
Hartmann is headquartered in Gentofte, Denmark, and we have 2,100 employees. Production takes place at our own factories, four of which are located 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. We have one class of shares, and each share carries one vote. Interested parties can receive financial reports and company announcements by subscribing to our news service at investor.hartmann-packaging.com.

Financial calendar 2016

29 February 2016	Deadline for submission of business to be transacted at the annual general meeting
8 March 2016	Annual report 2015
11 April 2016	Annual general meeting
24 May 2016	Interim report Q1 2016
18 August 2016	Interim report Q2 2016
9 November 2016	Interim report Q3 2016

HARTMANN CHOOSE FIBRE. SAVE NATURE.®

Brødrene Hartmann A/S
Ørnegårdsvej 18
DK-2820 Gentofte

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

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

This interim report was released in Danish and English through Nasdaq Copenhagen as company announcement no. 12/2015. In case of discrepancies between the two versions, or in case of doubt, the Danish version prevails.