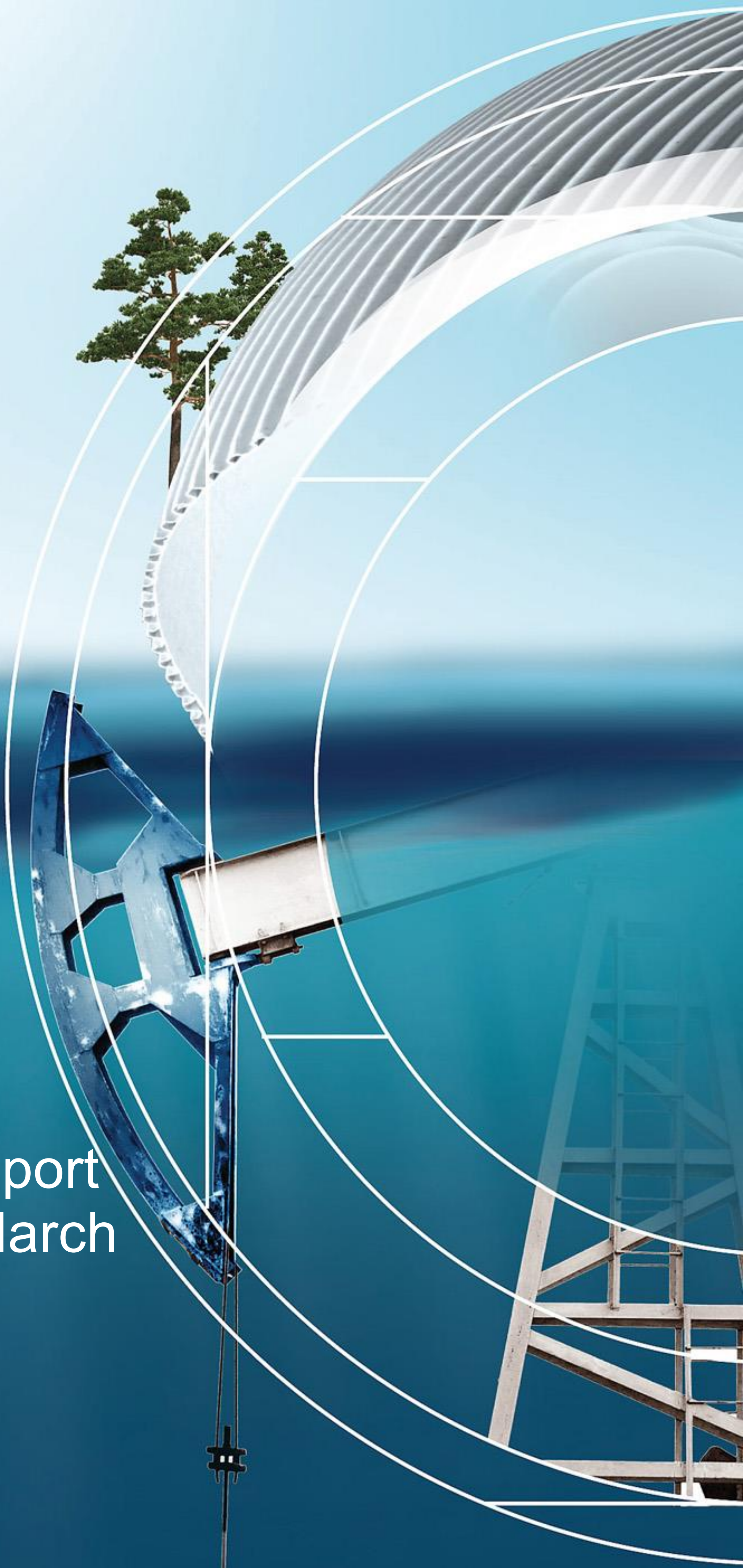
Kemira
Where water meets chemistry™



Interim Report January-March 2016

REVENUE AND OPERATIVE EBITDA GROWTH CONTINUED

- Revenue increased 5% to EUR 582.7 million (553.0) mainly due to the acquisition of AkzoNobel's paper chemicals business. Revenue in local currencies, excluding acquisitions and divestments, decreased 2%.
- Operative EBITDA increased 10% to EUR 72.8 million (66.4) with a margin of 12.5% (12.0%).
- Earnings per share were EUR 0.16 (0.16).
- Outlook (unchanged): Kemira continues to focus on profitable growth. Kemira expects its revenue and operative EBITDA to increase in 2016 compared to 2015.

Kemira's President and CEO Jari Rosendal:

"The year started according to our expectations. The Pulp & Paper segment had a strong first quarter with revenue growth and improvement in profitability. The Municipal & Industrial segment maintained its volume growth, and the Oil & Mining segment took actions to mitigate the challenging market environment while maintaining focus on the long-term opportunities. In January-March the Group's revenue increased 5% and operative EBITDA 10%, and resulted an improved EBITDA margin of 12.5%.

In the Pulp & Paper segment, revenue in local currencies, excluding acquisitions and divestments, increased 3%. We had a very good growth in APAC and South America. The operative EBITDA margin of the segment improved for the fourth consecutive quarter to 13%. Strong demand for pulp continues and therefore the timing is excellent for the new sodium chlorate plant in Brazil, which successfully started up in March 2016. In addition, we announced in March the investment in the additional sodium chlorate capacity in Finland, which is expected to be operational during the fourth quarter of 2017.

The Oil & Mining segment continued to face a challenging market in the U.S. shale operations. However, the segment was able to improve its operative EBITDA margin from 5% to 9% compared to the fourth quarter of 2015, which is a good achievement in this market. We have taken actions to protect our existing business and have maintained discipline in cost management. We continue to invest in new applications and promising growth areas, such as Chemical Enhanced Oil Recovery.

In the Municipal & Industrial segment, the volume growth continued at 3%, while sales prices declined leading to a 1% revenue growth in local currencies, excluding acquisitions and divestments. We are overcoming the temporary cost increase in North America, which was due to the disruption caused by a closure of a supplier's site in the fourth quarter of 2015. The operative EBITDA margin improved sequentially and was almost 13%.

We continue to grow and focus on improved profitability through operational improvements, leveraging growth, and capturing synergies. After the first quarter, Kemira is on track to increase its revenue and operative EBITDA in 2016."

KEY FIGURES AND RATIOS

EUR million	Jan-Mar 2016	Jan-Mar 2015	Jan-Dec 2015
Revenue	**582.7**	553.0	2,373.1
Operative EBITDA	**72.8**	66.4	287.3
Operative EBITDA, %	**12.5**	12.0	12.1
EBITDA	**71.1**	65.2	263.8
EBITDA, %	**12.2**	11.8	11.1
Operative EBIT	**40.9**	39.1	163.1
Operative EBIT, %	**7.0**	7.1	6.9
EBIT	**39.2**	37.8	132.6
EBIT, %	**6.7**	6.8	5.6
Finance costs, net	**-6.0**	-7.5	-30.8
Profit before taxes	**33.3**	30.5	102.1
Net profit for the period	**25.7**	26.4	77.2
Earnings per share, EUR	**0.16**	0.16	0.47
Capital employed*	**1,697.8**	1,466.2	1,659.5
Operative ROCE*, %	**9.7**	11.0	9.8
ROCE*, %	**7.9**	9.3	8.0
Cash flow from operating activities	**26.2**	42.4	247.6
Capital expenditure excl. acquisitions	**31.4**	27.0	181.7
Capital expenditure	**29.5**	27.0	305.1
Cash flow after investing activities	**-2.3**	16.0	-53.8
Equity ratio, % at period-end	**42**	48	46
Equity per share, EUR	**6.96**	7.51	7.76
Gearing, % at period-end	**60**	49	54
Personnel at period-end	**4,711**	4,285	4,685

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

Definitions of key figures are available at www.kemira.com > Investors > Financial information. Comparative 2015 figures are provided in parentheses for some financial results, where appropriate. Operative EBITDA, operative EBIT and operative ROCE do not include non-recurring items.

FINANCIAL PERFORMANCE IN JANUARY-MARCH 2016

Revenue increased 5% to EUR 582.7 million (553.0) due to acquisitions. Revenue in local currencies, excluding acquisitions and divestments, decreased 2% mainly due to continued low activity in the U.S. shale gas and oil business. The Pulp & Paper segment had revenue growth of 3% and the Municipal & Industrial segment revenue growth of 1% in local currencies, excluding acquisitions and divestments.

Revenue, EUR million	**Jan-Mar 2016**	Jan-Mar 2015	**Δ%**	Organic growth*, %	Currency impact, %	Acq. & div. impact, %
Pulp & Paper	**362.4**	314.6	+15	+3	-1	+13
Oil & Mining	**75.5**	93.9	-20	-19	-1	0
Municipal & Industrial	**144.8**	144.5	0	+1	-1	0
Total	**582.7**	553.0	+5	-2	-1	+8

* Revenue growth in local currencies, excluding acquisitions and divestments

Revenue growth in local currencies, excluding acquisitions and divestments, has been corrected for the second and fourth quarter of 2015. Correct figures are; the second quarter 0% (previously communicated -1%), the fourth quarter -3% (-4%). The change has no impact on the first quarter, third quarter and full year 2015 revenue growth.

The operative EBITDA increased 10% to EUR 72.8 million (66.4). Lower variable costs continued to have a positive impact. The operative EBITDA margin was 12.5% (12.0%).

Variance analysis, EUR million	**Jan-Mar**
Operative EBITDA, 2015	**66.4**
Sales volumes	+0.1
Sales prices	-9.3
Variable costs	+20.1
Fixed costs	-6.6
Currency exchange	+0.6
Others	+1.5
Operative EBITDA, 2016	**72.8**

Operative EBITDA	**Jan-Mar 2016 EUR, million**	Jan-Mar 2015 EUR, million	**Δ%**	**Jan-Mar 2016 %-margin**	Jan-Mar 2015 %-margin
Pulp & Paper	**47.9**	36.1	+33	**13.2**	11.5
Oil & Mining	**6.5**	11.1	-41	**8.6**	11.8
Municipal & Industrial	**18.4**	19.2	-4	**12.7**	13.3
Total	**72.8**	66.4	+10	**12.5**	12.0

The EBITDA increased 9% to EUR 71.1 million (65.2). **Non-recurring items affecting the EBITDA** were EUR -1.7 million (-1.2) and resulted mainly from integration costs related to acquisitions. In the previous year, non-recurring items were also related mainly to acquisitions.

Depreciation, amortization and impairments increased to EUR 31.9 million (27.4) due to acquisitions and increased investments, including EUR 4.6 million (1.4) amortization of purchase price allocation.

Non-recurring items, EUR million	Jan-Mar 2016	Jan-Mar 2015
Within EBITDA	**-1.7**	-1.2
Pulp & Paper	-1.2	-1.1
Oil & Mining	-0.4	-0.1
Municipal & Industrial	-0.1	0
Within depreciation, amortization and impairments	**0**	-0.1
Pulp & Paper	0	0
Oil & Mining	0	0
Municipal & Industrial	0	-0.1
Total	**-1.7**	-1.3

The operative EBIT increased to EUR 40.9 million (39.1) due to higher revenue, despite the higher depreciation and amortization resulting from acquisitions. **The operative EBIT margin** was 7.0% (7.1%).

Finance costs, net totaled EUR -6.0 million (-7.5), including the currency exchange differences of EUR 0.0 million (-3.5).

Income taxes increased to EUR -7.6 million (-4.1). Taxes in the first quarter of 2015 included some returns from previous years.

Net profit attributable to equity owners of the parent company was EUR 24.5 million (25.0). Earnings per share were EUR 0.16 (0.16).

FINANCIAL POSITION AND CASH FLOW

Cash flow from the operating activities in January-March 2016 decreased to EUR 26.2 million (42.4) due to the change in net working capital. Cash flow after investing activities decreased to EUR -2.3 million (16.0). At the end of the period, Group's interest-bearing net liabilities were EUR 644 million (642 on December 31, 2015).

At the end of the period, interest-bearing liabilities totaled EUR 800 million (794 on December 31, 2015). Fixed-rate loans accounted for 78% of the net interest-bearing liabilities (80%). The average interest rate of the Group's interest-bearing liabilities was 2.0% (2.0%). The duration of the Group's interest-bearing loan portfolio was 30 months (31).

Short-term liabilities maturing in the next 12 months amounted to EUR 134 million, the short-term part of the long-term loans represented EUR 37 million. On March 31, 2016, cash and cash equivalents totaled EUR 156 million. The Group has an undrawn EUR 400 million revolving credit facility and an undrawn EUR 50 million term loan.

At the end of the period, the equity ratio was 42% (46% on December 31, 2015), while the gearing was 60% (54%). Shareholders' equity was EUR 1,073.9 million (1,193.2). The decrease is related to the equity effect of dividend payment of EUR 81 million and a fair value valuation of EUR 46 million of the energy assets in Pohjolan Voima Group due to lower electricity prices.

CAPITAL EXPENDITURE

In January-March 2016, capital expenditure increased to EUR 29.5 million (27.0) including the impact of acquisitions. Capital expenditure, excluding the impact of acquisitions, increased to EUR 31.4 million (27.0) and can be broken down as follows: expansion capex 36% (48%), improvement capex 36% (31%) and maintenance capex 28% (21%). The new sodium chlorate plant in Brazil was the single largest item within the expansion capex.

RESEARCH AND DEVELOPMENT

In January-March 2016, Research and Development expenses totaled EUR 8.3 million (7.7), representing 1.4% (1.4%) of the Group's revenue.

HUMAN RESOURCES

At the end of the period, the Group had 4,711 employees (4,685 on December 31, 2015). Kemira employed 785 people in Finland (785), 1,786 people elsewhere in EMEA (1,786), 1,584 in the Americas (1,578), and 556 in APAC (536).

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Where water meets chemistry™

CORPORATE RESPONSIBILITY

FOCUS AREA	KPI'S, TARGET VALUES AND STATUS

Sustainable products & solutions

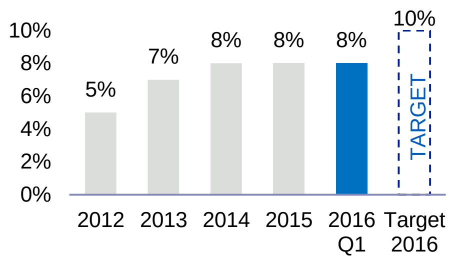
Innovation sales

Share of innovation revenue of the total revenue, %

→ 10% by the end of 2016

→ Reported quarterly

Behind target | In progress | Achieved



COMMENTS
Due to some delays in commercialization of NPD projects, the Innovation sales is currently behind the 10% target.

Responsible supply chains

Direct supplier management

Number of onsite audits for suppliers (with the lowest sustainability assessment score)

→ On average 5 suppliers audited every year during 2016-2020,

→ Reported annually

Behind target | **In progress** | Achieved

COMMENTS
Preparations for supplier audit have started (incl. reassessments, audit scope definition and audit provider selection).

Responsible manufacturing

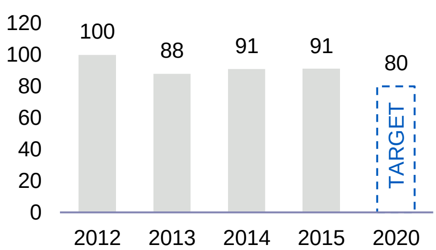
Climate change

Carbon index

→ Kemira Carbon Index ≤ 80 by the end of 2020 (2012 = 100)

→ Reported annually

Behind target | **In progress** | Achieved



COMMENTS
Our target is to improve energy efficiency of our manufacturing sites. Energy Management Team was established to coordinate energy-related projects and activities globally to capture the saving opportunities and to improve the energy efficiency. As part of our Energy Efficiency Enhancement Program (E3plus), several E3plus Energy Reviews were initiated at our major sites.

FOCUS AREA	KPI'S, TARGET VALUES AND STATUS

Responsibility towards the employees

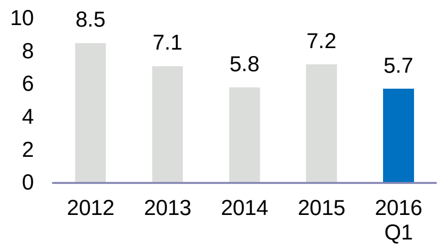
Occupational Health and Safety

Number of Total Recordable Injuries (TRI)

(per million hours, Kemira + contractor, 1 year rolling average)

→ Achieve zero injuries

→ Reported quarterly



Behind target	**In progress**	Achieved

COMMENTS

EHSQ Code of Behaviours was launched and trainings initiated. Safety KPIs set as bonus target for all bonus-eligible employees (incl. Management Board).

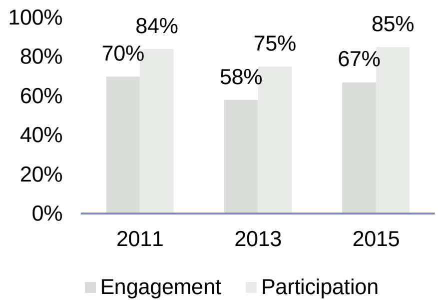
Employee engagement

Employee engagement index based on Voices@Kemira biennial survey

→ The index at or above the external industry norm

Participation rate in Voices@Kemira

→ 75% or above



Behind target	In progress	**Achieved**

COMMENTS

Pulse surveys are planned for Q2 and Q4 2016 to support the follow-up and to provide regular feedback on employee engagement before the next biennial Voices@Kemira survey, which is planned to be held in 2017.

Leadership development

Leadership development activities provided, average

→ Two (2) leadership development activities per people manager position during 2016-2020[1]

→ Reported annually

Behind target	**In progress**	Achieved

COMMENTS

76 leadership development activities were completed in Q1 2016, using the best practice 70:20:10 model[2] for Learning and Development (incl. job rotations, coaching and mentoring, and development programs).

[1] Based on the current number of people manager positions, the cumulative amount of leadership development required to reach two (2) leadership development activities per people manager position during 2016-2020 equals approximately to a total of 1500 leadership activities during 2016-2020 (or an average of 75 activities per quarter).

[2] The 70:20:10 Model for Learning and Development continues to be widely employed by organizations throughout the world. It holds that individuals obtain 70 percent of their knowledge from job-related experiences, 20 percent from interactions with others, and 10 percent from formal educational events.

SEGMENTS

PULP & PAPER

Pulp & Paper has unique expertise in applying chemicals and supporting pulp & paper producers in innovating and constantly improving 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. Pulp & Paper leverages its strong application portfolio in North America and EMEA and builds a strong position in the emerging Asian and South American markets.

EUR million	Jan-Mar 2016	Jan-Mar 2015	Jan-Dec 2015
Revenue	**362.4**	314.6	1,417.3
Operative EBITDA	**47.9**	36.1	171.0
Operative EBITDA, %	**13.2**	11.5	12.1
EBITDA	**46.7**	35.0	157.1
EBITDA, %	**12.9**	11.1	11.1
Operative EBIT	**28.2**	20.7	96.8
Operative EBIT, %	**7.8**	6.6	6.8
EBIT	**27.0**	19.6	82.6
EBIT, %	**7.5**	6.2	5.8
Capital employed*	**1,103.0**	907.0	1,068.6
Operative ROCE*, %	**9.5**	9.3	9.1
ROCE*, %	**8.2**	6.4	7.7
Capital expenditure excl. acquisitions	**16.7**	17.7	118.9
Capital expenditure	**14.8**	17.7	240.1
Cash flow after investing activities	**-0.7**	9.6	-63.2

*12-month rolling average

The Pulp & Paper segment's **revenue** increased 15% to EUR 362.4 million (314.6). Acquisitions (AkzoNobel's paper chemicals business and Soto Industries) had an impact of +13% and currency exchange rate fluctuations -1%. Revenue in local currencies, excluding acquisitions and divestments, increased 3%.

Revenue growth in local currencies, excluding acquisitions and divestments, has been corrected for the second, third and fourth quarter of 2015. Correct figures are; the second quarter 5% (previously communicated 4%), the third quarter 3% (1%), the fourth quarter 2% (0%). The full year 2015 revenue growth in local currencies, excluding acquisitions was 3% (2%). The change has no impact on revenue growth for the first quarter of 2015.

In **EMEA**, revenue increased 9% due to acquisitions. Revenue in local currencies, excluding acquisitions and divestments, remained at the previous year's level. Demand for strength and surface additives, as well as defoamers, was good. Bleaching chemical capacity utilization continued at high rates.

In the **Americas**, revenue growth continued and was 12% due to acquisitions. Tight competitive situation in North America had a negative impact and revenue decreased in local currencies, excluding acquisitions and divestments. The new sodium chlorate plant in Ortigueira, Brazil started up successfully in March and began to contribute to the revenue. In addition, existing bleaching chemical capacity utilization continued at high rates.

In **APAC**, revenue increased 69% mainly due to the acquisitions. Revenue in local currencies, excluding acquisitions and divestments, increased at a low double-digit rate. Higher sales volumes from the Nanjing site in China and cross-sales synergies from the AkzoNobel paper chemicals acquisition supported the revenue growth.

The operative EBITDA increased 33% to EUR 47.9 million (36.1) mainly due to the favorable variable cost development. The operative EBITDA margin improved to 13.2% (11.5%).

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	Jan-Mar 2016	Jan-Mar 2015	Jan-Dec 2015
Revenue	**75.5**	93.9	350.1
Operative EBITDA	**6.5**	11.1	33.5
Operative EBITDA, %	**8.6**	11.8	9.6
EBITDA	**6.1**	11.0	30.8
EBITDA, %	**8.1**	11.7	8.8
Operative EBIT	**0.8**	5.8	11.1
Operative EBIT, %	**1.1**	6.2	3.2
EBIT	**0.4**	5.7	2.9
EBIT, %	**0.5**	6.1	0.8
Capital employed*	**272.5**	249.2	271.4
Operative ROCE*, %	**2.2**	11.8	4.1
ROCE*, %	**-0.9**	11.6	1.1
Capital expenditure excl. acquisitions	**5.7**	4.6	28.5
Capital expenditure	**5.7**	4.6	30.7
Cash flow after investing activities	**-6.2**	5.1	10.7

*12-month rolling average

The Oil & Mining segment's **revenue** decreased 20% to EUR 75.5 million (93.9). Currency exchange rate fluctuations had an impact of -1% on the revenue. Sales volumes declined and prices were under pressure due to the market environment with continued lower raw material prices. Revenue in local currencies, excluding acquisitions and divestments, decreased 19%.

In the **Americas**, revenue decreased 33% mainly due to the slowdown of horizontal drilling and fracking activity. In addition, lower sales prices had a negative impact.

In **EMEA**, revenue increased 19% as a result of polyacrylamide deliveries into a conventional oil field in India, using new polyacrylamide-based Chemical Enhanced Oil Recovery technology.

The operative EBITDA decreased to EUR 6.5 million (11.1) and the margin to 8.6% (11.8%) mainly due to the lower revenue. Lower variable costs and currency exchange rate fluctuations had a positive impact on the operative EBITDA. Despite the challenging market environment in shale business, the operative EBITDA improved from 4.7% to 8.6% compared to the fourth quarter of 2015.

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	Jan-Mar 2016	Jan-Mar 2015	Jan-Dec 2015
Revenue	144.8	144.5	605.7
Operative EBITDA	18.4	19.2	82.8
Operative EBITDA, %	12.7	13.3	13.7
EBITDA	18.3	19.2	75.9
EBITDA, %	12.6	13.2	12.5
Operative EBIT	11.9	12.6	55.2
Operative EBIT, %	8.2	8.7	9.1
EBIT	11.8	12.5	47.1
EBIT, %	8.1	8.7	7.8
Capital employed*	323.1	310.8	320.2
Operative ROCE*, %	16.9	15.1	17.2
ROCE*, %	14.4	15.9	14.7
Capital expenditure excl. acquisitions	9.0	4.7	34.2
Capital expenditure	9.0	4.7	34.2
Cash flow after investing activities	7.7	8.2	38.2

*12-month rolling average

The Municipal & Industrial segment's **revenue** remained stable and totalled EUR 144.8 million (144.5). Revenue in local currencies, excluding acquisitions and divestments, increased 1%. Currency exchange rate fluctuations had an impact of -1%.

In **EMEA**, revenue remained at previous year's level due to the negative impact from currency exchange rate fluctuations. Steady volume growth continued. Sales prices of coagulants and polymers continued to be under pressure.

In the **Americas**, revenue growth was 1% as a result of volume growth. The impact from currency exchange rate fluctuations was negligible.

In **APAC**, revenue decreased 5% due to declining sales prices and increased focus on the profitable product lines.

The operative EBITDA decreased 4% to EUR 18.4 million (19.2) with a margin of 12.7% (13.3%). Variable costs continued to decrease. Profitability was negatively impacted by temporary costs in North America due to the closure of the supplier's site during the fourth quarter of 2015.

KEMIRA OYJ'S SHARES AND SHAREHOLDERS

On March 31, 2016, 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 March, Kemira Oyj had 33,018 registered shareholders (32,601 on December 31, 2015). Non-Finnish shareholders held 21.3% of the shares (21.4%) including nominee registered holdings. Households owned 16.5% of the shares (16.1%). Kemira held 2,986,157 treasury shares (3,280,602) representing 1.9% (2.1%) of all company shares.

Kemira Oyj's share price decreased 10% during the quarter and closed at EUR 9.81 on the Nasdaq Helsinki at the end of March 2016 (10.88 at the end of December 2015). The ex-dividend date was March 22, 2016 impacting the share price development in the first quarter. Shares registered a high of EUR 10.96 and a low of EUR 8.92 in January-March 2016. The volume-weighted average share price was EUR 10.05.

The company's market capitalization, excluding treasury shares, was EUR 1,495 million at the end of March 2016 (1,654 at the end of December 2015).

In January-March 2016, Kemira Oyj's share trading volume on Nasdaq Helsinki was EUR 187 million (285). The average daily trading volume was 305,199 (427,012) shares. Source: Nasdaq. The total value of Kemira Oyj's share trading in January-March 2016 was EUR 29 million (38), 35% (33%) of which was executed on trading facilities other than Nasdaq Helsinki. Source: Kemira.com.

AGM DECISIONS

Annual General Meeting

Kemira Oyj's Annual General Meeting, held on March 21, 2016, decided on the dividend of EUR 0.53 per share. The dividend was paid out on April 6, 2016. The Annual General Meeting elected seven (previously six) members to the Board of Directors. Annual General Meeting re-elected Wolfgang Büchele, Winnie Fok, Juha Laaksonen, Timo Lappalainen, Jari Paasikivi, and Kerttu Tuomas and elected Kaisa Hietala as a new member of the Board of Directors. Jari Paasikivi was re-elected as the Chairman of the Board and Kerttu Tuomas was re-elected to continue as the Vice Chairman.

The AGM 2016 authorized the Board of Directors to decide upon the repurchase of a maximum of 4,800,000 company's own shares ("Share repurchase authorization"). Shares will be repurchased by using unrestricted equity, either through a tender offer with equal terms to all shareholders at a price determined by the Board of Directors or otherwise than in proportion to the existing shareholdings of the company's shareholders in public trading on the Nasdaq Helsinki Ltd. (the "Helsinki Stock Exchange") at the market price quoted at the time of the repurchase.

The price paid for the shares repurchased through a tender offer under the authorization shall be based on the market price of the company's shares in public trading. The minimum price to be paid would be the lowest market price of the share quoted in public trading during the authorization period and the maximum price the highest market price quoted during the authorization period.

Shares shall be acquired and paid for in accordance with the Rules of the Helsinki Stock Exchange and Euroclear Finland Ltd.
Shares may be repurchased to be used in implementing or financing mergers and acquisitions, developing the company's capital structure, improving the liquidity of the company's shares or to be used for the payment of the annual fee payable to the members of the Board of Directors or implementing the company's share-based incentive plans. In order to realize the aforementioned purposes, the shares acquired may be retained, transferred further or cancelled by the company. The Board of Directors will decide on other terms related to the share repurchase. The Share repurchase authorization is valid until the end of the next Annual General Meeting.

The Annual General Meeting 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 company's own shares held by the company ("Share issue authorization"). The new shares may be issued and the company's own shares held by the company may be transferred either for consideration or without consideration. The new shares may be issued and the company's own shares held by the company may be transferred to the company's shareholders in proportion to their current shareholdings in the company, or by disapplying the shareholders' pre-emption right through a directed share issue, if the company has a weighty financial reason to do so, such as financing or implementing mergers and acquisitions, developing the capital structure of the company, improving the liquidity of the company's shares or if this is justified for the payment of the annual fee payable to the members of the Board of Directors or implementing the company's share-based incentive plans. The directed share issue may be carried out without consideration only in connection with the implementation of the company's share-based incentive plan. The subscription price of new shares shall be recorded to the invested unrestricted equity reserves. The consideration payable for company's own shares shall be recorded to the invested unrestricted equity reserves. The Board of Directors will decide on other terms related to the share issues. The Share issue authorization is valid until May 31, 2017.

The AGM elected Deloitte & Touche Oy as the company's auditor, with Jukka Vattulainen, Authorized Public Accountant, acting as the principal auditor.

BOARD COMMITTEES

On March 21, 2016, the Board of Directors of Kemira Oyj elected members among themselves for the Audit Committee and the Personnel and Remuneration Committee. The Board's Audit Committee members are Kaisa Hietala, Juha Laaksonen, Timo Lappalainen and Jari Paasikivi. The Audit Committee is chaired by Juha Laaksonen. The Board's Personnel and Remuneration Committee members are Juha Laaksonen, Jari Paasikivi, and Kerttu Tuomas. The Personnel and Remuneration Committee is chaired by Jari Paasikivi.

SHORT-TERM RISKS AND UNCERTAINTIES

There have been no significant changes in the Kemira's short-term risks or uncertainties compared to December 31, 2015.

A detailed account of Kemira's risk management principles is available on the company's website at http://www.kemira.com. Financial risks are also described in the Notes to the Financial Statements for the year 2015.

OTHER EVENTS DURING THE REVIEW PERIOD

In March 2016, Kemira announced the expansion of sodium chlorate production in Finland. Kemira will invest approximately EUR 50-60 million in its Joutseno site as part of the strategy implementation. The new production unit is expected to be in operation during the fourth quarter of 2017.

In March 2016, Kemira initiated a plan to improve the efficiency and modernize the manufacturing at a site in Botlek, Netherlands. The plans include modernization into a new bio-based manufacturing technology.

EVENTS AFTER THE REVIEW PERIOD

In April 2016, Kemira initiated a plan to close a manufacturing site in Ottawa, Canada.

FINANCIAL TARGETS 2017 AND OUTLOOK FOR 2016 (UNCHANGED)

Kemira will continue to focus on improving its profitability and 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%.

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 growth for Kemira, providing differentiation capabilities in its relevant markets.

Outlook for 2016

Kemira continues to focus on profitable growth. Kemira expects its revenue and operative EBITDA to increase in 2016 compared to 2015.

Kemira expects its capital expenditure, excluding acquisitions, to be around EUR 200 million in 2016.

Helsinki, April 25, 2016

Kemira Oyj
Board of Directors

FINANCIAL CALENDAR 2016

Interim Report January-June 2016	July 21, 2016
Interim Report January-September 2016	October 25, 2016

Kemira Capital Markets Day will be held on September 15, 2016 in London at Haberdashers' Hall.

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	1-3/2016	1-3/2015	2015
Revenue	**582.7**	553.0	2,373.1
Other operating income	**1.6**	2.0	7.1
Operating expenses	**-513.2**	-489.8	-2,116.4
Depreciation, amortization and impairments	**-31.9**	-27.4	-131.2
Operating profit (EBIT)	**39.2**	37.8	132.6
Finance costs, net	**-6.0**	-7.5	-30.8
Share of profit or loss of associates	**0.1**	0.2	0.3
Profit before taxes	**33.3**	30.5	102.1
Income taxes	**-7.6**	-4.1	-24.9
Net profit for the period	**25.7**	26.4	77.2
Net profit attributable to:			
Equity owners of the parent	**24.5**	25.0	71.0
Non-controlling interests	**1.2**	1.4	6.2
Net profit for the period	**25.7**	26.4	77.2
Earnings per share, basic and diluted, EUR	**0.16**	0.16	0.47

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	1-3/2016	1-3/2015	2015
Net profit for the period	**25.7**	26.4	77.2
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Available-for-sale financial assets	**-46.0**	0.0	-21.0
Exchange differences on translating foreign operations	**-14.3**	48.5	26.2
Cash flow hedges	**-4.3**	-1.2	-2.5
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements on defined benefit pensions	**0.0**	0.0	35.9
Other comprehensive income for the period, net of tax	**-64.6**	47.3	38.6
Total comprehensive income for the period	**-38.9**	73.7	115.8
Total comprehensive income attributable to:			
Equity owners of the parent	**-40.1**	71.8	109.6
Non-controlling interests	**1.2**	1.9	6.2
Total comprehensive income for the period	**-38.9**	73.7	115.8

CONSOLIDATED BALANCE SHEET

EUR million	3/31/2016	12/31/2015
ASSETS		
Non-current assets		
Goodwill	**511.9**	518.3
Other intangible assets	**126.0**	134.7
Property, plant and equipment	**808.3**	815.3
Investments in associates	**1.4**	1.2
Available-for-sale financial assets	**214.0**	271.6
Deferred tax assets	**25.8**	29.5
Other investments	**4.9**	5.8
Defined benefit pension receivables	**48.9**	48.9
Total non-current assets	**1,741.2**	1,825.3
Current assets		
Inventories	**215.4**	207.0
Interest-bearing receivables	**0.4**	0.2
Trade and other receivables	**404.6**	389.8
Current income tax assets	**12.9**	21.4
Cash and cash equivalents	**156.2**	151.5
Total current assets	**789.5**	769.9
Total assets	**2,530.7**	2,595.2
EQUITY AND LIABILITIES		
Equity		
Equity attributable to equity owners of the parent	**1,059.8**	1,180.3
Non-controlling interests	**14.1**	12.9
Total equity	**1,073.9**	1,193.2
Non-current liabilities		
Interest-bearing liabilities	**666.6**	670.9
Other liabilities	**21.4**	21.4
Deferred tax liabilities	**39.8**	55.9
Defined benefit pension liabilities	**76.3**	77.3
Provisions	**28.0**	28.1
Total non-current liabilities	**832.1**	853.6
Current liabilities		
Interest-bearing current liabilities	**133.7**	122.7
Trade payables and other liabilities	**462.3**	388.7
Current income tax liabilities	**16.3**	22.1
Provisions	**12.4**	14.9
Total current liabilities	**624.7**	548.4
Total liabilities	**1,456.8**	1,402.0
Total equity and liabilities	**2,530.7**	2,595.2

Kemira
Where water
meets chemistry™

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

EUR million	1-3/2016	1-3/2015	2015
Cash flow from operating activities			
Net profit for the period	**25.7**	26.4	77.2
Total adjustments	**37.6**	36.8	189.1
Operating profit before change in net working capital	**63.3**	63.2	266.3
Change in net working capital	**-34.0**	-13.9	20.7
Cash generated from operations before financing items and taxes	**29.3**	49.3	287.0
Finance expenses, net and dividends received	**0.9**	-10.1	-27.1
Income taxes paid	**-4.0**	3.2	-12.3
Net cash generated from operating activities	**26.2**	42.4	247.6
Cash flow from investing activities			
Purchases of subsidiaries and asset acquisitions, net of cash acquired	**1.9**	-	-123.4
Other capital expenditure	**-31.4**	-27.0	-181.7
Proceeds from sale of assets	**0.4**	0.2	3.3
Change in long-term loan receivables decrease (+) / increase (-)	**0.6**	0.4	0.4
Net cash used in investing activities	**-28.5**	-26.4	-301.4
Cash flow from financing activities			
Proceeds from non-current interest-bearing liabilities (+)	**-**	-	250.0
Repayments from non-current interest-bearing liabilities (-)	**-**	-0.1	-86.0
Short-term financing, net increase (+) / decrease (-)	**8.9**	61.0	9.9
Dividends paid	**-**	-75.4	-86.6
Other finance items	**0.0**	0.2	0.1
Net cash used in financing activities	**8.9**	-14.3	87.4
Net decrease (-) / increase (+) in cash and cash equivalents	**6.6**	1.7	33.6
Cash and cash equivalents at end of period	**156.2**	125.5	151.5
Exchange gains (+) / losses (-) on cash and cash equivalents	**-1.9**	4.7	-1.2
Cash and cash equivalents at beginning of period	**151.5**	119.1	119.1
Net decrease (-) / increase (+) in cash and cash equivalents	**6.6**	1.7	33.6

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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 attributable to equity owners of the parent									
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	-	-	-	-	-	-	25.0	25.0	1.4	26.4
Other comprehensive income, net of tax	-	-	-1.2	-	48.0	-	-	46.8	0.5	47.3
Total comprehensive income	-	-	-1.2	-	48.0	-	25.0	71.8	1.9	73.7
Transactions with owners										
Dividends paid	-	-	-	-	-	-	-80.6 [1)]	-80.6	-	-80.6
Share-based payments	-	-	-	-	-	-	0.2	0.2	-	0.2
Transfers in equity	-	-	0.1	-	-	-	-0.1	0.0	-	0.0
Other changes	-	-	-	-	-	-	-0.2	-0.2	-	-0.2
Transactions with owners	-	-	0.1	-	-	-	-80.7	-80.6	-	-80.6
Equity at March 31, 2015	221.8	257.9	116.3	196.3	9.4	-22.1	362.3	1,141.9	14.5	1,156.4

[1)] 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.

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, 2016	**221.8**	**257.9**	**94.2**	**196.3**	**-12.4**	**-22.0**	**444.5**	**1,180.3**	**12.9**	**1,193.2**
Net profit for the period	-	-	-	-	-	-	**24.5**	**24.5**	**1.2**	**25.7**
Other comprehensive income, net of tax	-	-	**-50.3**	-	**-14.3**	-	-	**-64.6**	**0.0**	**-64.6**
Total comprehensive income	**-**	**-**	**-50.3**	**-**	**-14.3**	**-**	**24.5**	**-40.1**	**1.2**	**-38.9**
Transactions with owners										
Dividends paid	**-**	**-**	**-**	**-**	**-**	**-**	**-80.7** [2)]	**-80.7**	**-**	**-80.7**
Treasury shares issued to the target group of share-based incentive plan	**-**	**-**	**-**	**-**	**-**	**2.0**	**-**	**2.0**	**-**	**2.0**
Share-based payments	**-**	**-**	**-**	**-**	**-**	**-**	**-1.7**	**-1.7**	**-**	**-1.7**
Transfers in equity	**-**	**-**	**1.0**	**-**	**-**	**-**	**-1.0**	**0.0**	**-**	**0.0**
Transactions with owners	**-**	**-**	**1.0**	**-**	**-**	**2.0**	**-83.4**	**-80.4**	**0.0**	**-80.4**
Equity at March 31, 2016	**221.8**	**257.9**	**44.9**	**196.3**	**-26.7**	**-20.0**	**385.6**	**1,059.8**	**14.1**	**1,073.9**

[2)] A dividend was EUR 80,7 million in total (EUR 0.53 per share) in respect of the financial year ended December 31, 2015. The annual general meeting approved EUR 0.53 dividend on March 21, 2016. The dividend record date was March 23, 2016, and the payment date April 6, 2016.

Kemira had in its possession 2,986,157 of its treasury shares on March 31, 2016. The average share price of treasury shares was EUR 6,73 and they represented 1,9% of the share capital and the aggregate number of votes conferred by all shares. The aggregate par value of the treasury shares is EUR 4,3 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

	1-3/2016	1-3/2015	2015
Earnings per share, basic and diluted, EUR [1]	**0.16**	0.16	0.47
Net cash generated from operating activities per share, EUR [1]	**0.17**	0.28	1.63
Capital expenditure, EUR million	**29.5**	27.0	305.1
Capital expenditure / revenue, %	**5.1**	4.9	12.9
Average number of shares, basic (1,000) [1]	**152,160**	152,051	152,059
Average number of shares, diluted (1,000) [1]	**152,548**	152,373	152,395
Number of shares at end of period, basic (1,000) [1]	**152,356**	152,051	152,062
Number of shares at end of period, diluted (1,000) [1]	**152,550**	152,373	152,544
Equity per share, EUR [1]	**6.96**	7.51	7.76
Equity ratio, %	**42.5**	48.3	46.0
Gearing, %	**60.0**	48.6	53.8
Interest-bearing net liabilities, EUR million	**644.1**	561.8	642.1
Personnel (average)	**4,715**	4,256	4,559

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

REVENUE BY SEGMENT

EUR million	1-3/2016	1-3/2015	2015
Pulp & Paper	**362.4**	314.6	1,417.3
Oil & Mining	**75.5**	93.9	350.1
Municipal & Industrial	**144.8**	144.5	605.7
Total	**582.7**	553.0	2,373.1

EBITDA BY SEGMENT

EUR million	1-3/2016	1-3/2015	2015
Pulp & Paper	**46.7**	35.0	157.1
Oil & Mining	**6.1**	11.0	30.8
Municipal & Industrial	**18.3**	19.1	75.9
Total	**71.1**	65.1	263.8

OPERATING PROFIT (EBIT) BY SEGMENT

EUR million	1-3/2016	1-3/2015	2015
Pulp & Paper	**27.0**	19.6	82.6
Oil & Mining	**0.4**	5.7	2.9
Municipal & Industrial	**11.8**	12.5	47.1
Total	**39.2**	37.8	132.6

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

EUR million	1-3/2016	2015
Net book value at beginning of period	**815.3**	706.2
Purchases of subsidiaries and asset acquisitions	**0.0**	22.6
Increases	**31.1**	166.0
Decreases	**-0.1**	-0.8
Depreciation and impairments	**-24.6**	-100.9
Exchange rate differences and other changes	**-13.4**	22.2
Net book value at end of period	**808.3**	815.3

CHANGES IN GOODWILL AND OTHER INTANGIBLE ASSETS

EUR million	1-3/2016	2015
Net book value at beginning of period	**653.0**	561.9
Purchases of subsidiaries and asset acquisitions	**-0.6**	96.8
Increases	**0.3**	11.4
Decreases	**0.0**	-
Amortization	**-7.3**	-30.3
Exchange rate differences and other changes	**-7.5**	13.2
Net book value at end of period	**637.9**	653.0

BUSINESS COMBINATIONS

2015: Acquisition of AkzoNobel paper chemicals business

On May 4, 2015 Kemira acquired 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 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 127.5 million was paid in cash and it does not involve the contingent consideration. Kemira acquired a 100% interest in acquired business and the acquired business has been consolidated into Pulp & Paper segment. A provisional goodwill of EUR 21.3 million arises from the expected synergy in the business combination.

The calculations under IFRS 3 related to the acquisition are provisional and the presented values of assets, liabilities and goodwill may change during the 12-month period when the acquisition calculation will be finalized. Based on preliminary calculations EUR 62.2 million was allocated to intangible assets as customer relationships, non-compete agreements, patents and technologies. Acquired intangible assets will be amortized within an average of six years.

The following table summarizes the consideration paid for AkzoNobel paper chemicals business, and the amounts of the assets acquired and liabilities assumed recognized on the acquisition date:

EUR million	
Purchase consideration, paid in cash, total	127.5
The assets and liabilities recognized as a result of the acquisition	
Intangible assets	62.2
Property, plant and equipment	21.9
Inventories	14.8
Trade receivables	8.1
Other receivables	3.5
Cash and cash equivalents	13.6
Deferred tax liabilities	-3.8
Provisions, trade payables and other liabilities	-14.1
Net assets acquired in fair value	106.2
Goodwill	21.3
Total	127.5

Acquisition-related costs of EUR 7.7 million have been included in other operating expenses in the Consolidated Income Statement for the year ended 31 December 2015.

The revenue included in the Consolidated Income Statement since 4 May 2015 contributed by AkzoNobel paper chemicals business was EUR 146 million. It also contributed EBITDA of EUR 13 million over the same period.

Had AkzoNobel paper chemicals business been consolidated from 1 January 2015, the consolidated income statement would show pro forma revenue of EUR 219 million and EBITDA of EUR 19 million. The pro forma amounts are provided for comparative purposes only and do not necessarily reflect the actual result that would have occurred, nor is it necessarily indicative of future results of operations of the combined companies.

2015: Acquisitions of Soto Industries LLC and Polymer Services 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 acquisition is consolidated to Pulp & Paper segment.

On December 8, 2015, Kemira acquired certain assets of Polymer Services, LLC, a privately owned company, headquartered in Plainville, Kansas. Polymer Services, LLC is a highly specialized company focusing on the field application of polymer gel treatments for enhanced or improved oil recovery. The acquisition is consolidated to Oil & Mining segment.

These 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.

DERIVATIVE INSTRUMENTS

EUR million	3/31/2016 Nominal value	3/31/2016 Fair value	12/31/2015 Nominal value	12/31/2015 Fair value
Currency instruments				
Forward contracts	**258.4**	**2.6**	402.3	3.1
Interest rate instruments				
Interest rate swaps	**337.9**	**0.9**	348.8	1.6
of which cash flow hedge	**237.9**	**-3.2**	248.8	-1.7
of which fair value hedge	**100.0**	**4.1**	100.0	3.3
Other instruments	**GWh**	**Fair value**	GWh	Fair value
Electricity forward contracts, bought	**1,447.5**	**-14.3**	1,455.7	-10.5
of which cash flow hedge	**1,447.5**	**-14.3**	1,455.7	-10.5

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	3/31/2016				12/31/2015			
Fair value hierarchy	**Level 1**	**Level 2**	**Level 3**	**Total net**	Level 1	Level 2	Level 3	Total net
Available-for-sale financial assets	**-**	**-**	**214.0**	**214.0**	-	-	271.6	271.6
Other investments	**-**	**5.0**	**-**	**5.0**	-	5.8	-	5.8
Currency instruments	**-**	**4.8**	**-**	**4.8**	-	5.2	-	5.2
Interest rate instruments, hedge accounting	**-**	**4.1**	**-**	**4.1**	-	3.3	-	3.3
Other receivables	**-**	**0.2**	**-**	**0.2**	-	0.2	-	0.2
Trade receivables	**-**	**288.7**	**-**	**288.7**	-	295.4	-	295.4
Total	**-**	**302.8**	**214.0**	**516.8**	-	309.9	271.6	581.5

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 3/31/2016**	Total net 12/31/2015
Instrument		
Carrying value at beginning of period	**271.6**	293.7
Effect on the statement of comprehensive income	**-57.6**	-26.3
Increases	**0.0**	4.2
Decreases	**0.0**	0.0
Carrying value at end of period	**214.0**	271.6

FAIR VALUE OF FINANCIAL LIABILITIES

EUR million	3/31/2016				12/31/2015			
Fair value hierarchy	**Level 1**	**Level 2**	**Level 3**	**Total net**	Level 1	Level 2	Level 3	Total net
Non-current interest-bearing liabilities	**-**	**699.3**	**-**	**699.3**	-	695.1	-	695.1
Repayments from non-current interest-bearing liabilities	**-**	**38.0**	**-**	**38.0**	-	38.1	-	38.1
Non-current other liabilities	**-**	**21.4**	**-**	**21.4**	-	21.4	-	21.4
Finance lease liabilities	**-**	**1.1**	**-**	**1.1**	-	1.2	-	1.2
Loans from financial institutions	**-**	**101.9**	**-**	**101.9**	-	88.6	-	88.6
Other liabilities	**-**	**38.0**	**-**	**38.0**	-	33.6	-	33.6
Currency instruments	**-**	**2.2**	**-**	**2.2**	-	2.1	-	2.1
Interest rate instruments	**-**	**3.2**	**-**	**3.2**	-	1.7	-	1.7
Other instruments	**-**	**14.3**	**-**	**14.3**	-	10.5	-	10.5
Trade payables	**-**	**139.8**	**-**	**139.8**	-	162.4	-	162.4
Total	**-**	**1,059.2**	**-**	**1,059.2**	-	1,054.7	-	1,054.7

CONTINGENT LIABILITIES

EUR million	3/31/2016	12/31/2015
Assets pledged		
On behalf of own commitments	**6.1**	6.1
Guarantees		
On behalf of own commitments	**50.8**	52.9
On behalf of others	**3.0**	3.0
Operating leasing liabilities		
Maturity within one year	**35.8**	37.5
Maturity after one year	**174.4**	184.7
Other obligations		
On behalf of own commitments	**1.1**	1.1
On behalf of associates	**0.5**	0.6

Major off-balance sheet investment commitments

Major amounts of contractual commitments for the acquisition of property, plant and equipment on March 31, 2016 were about EUR 27.1 million for plant investments.

LITIGATION

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

Cartel Damage Claims Hydrogen Peroxide SA 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 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 now continue at the municipal court of Amsterdam where Kemira is the only defendant after the other defendants have settled the claim with CDC Project 13 SA. CDC Project 13 SA claims from Kemira in its brief filed to the municipal court of Amsterdam EUR 61,1 million as damages and interested calculated until December 2, 2015 from which amount CDC Project 13 SA asks the court to deduct the share of the earlier other defendants for other sales than made by them directly, and statutory interest on so defined amount starting from December 2, 2015. 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	2016 1-3	2015 10-12	2015 7-9	2015 4-6	2015 1-3
Revenue					
Pulp & Paper	**362.4**	372.3	379.1	351.3	314.6
Oil & Mining	**75.5**	76.4	90.1	89.7	93.9
Municipal & Industrial	**144.8**	151.5	155.9	153.8	144.5
Total	**582.7**	600.2	625.1	594.8	553.0
EBITDA					
Pulp & Paper	**46.7**	42.8	44.9	34.4	35.0
Oil & Mining	**6.1**	3.3	7.0	9.5	11.0
Municipal & Industrial	**18.3**	11.6	22.9	22.2	19.2
Total	**71.1**	57.7	74.8	66.1	65.2
Operative EBITDA					
Pulp & Paper	**47.9**	46.9	46.7	41.3	36.1
Oil & Mining	**6.5**	3.6	7.4	11.4	11.1
Municipal & Industrial	**18.4**	17.5	24.1	22.0	19.2
Total	**72.8**	68.0	78.2	74.7	66.4
Operating profit (EBIT)					
Pulp & Paper	**27.0**	21.6	25.2	16.2	19.6
Oil & Mining	**0.4**	-6.5	1.3	2.4	5.7
Municipal & Industrial	**11.8**	2.7	16.2	15.7	12.5
Total	**39.2**	17.8	42.7	34.3	37.8
Operative EBIT					
Pulp & Paper	**28.2**	25.9	27.0	23.2	20.7
Oil & Mining	**0.8**	-2.4	1.7	6.0	5.8
Municipal & Industrial	**11.9**	9.6	17.4	15.6	12.6
Total	**40.9**	33.1	46.1	44.8	39.1

DEFINITIONS OF KEY FIGURES

Earnings per share (EPS)

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

Net cash generated from operating activities

Net cash generated from operating activities, after change in net working capital and before investing activities

Net cash generated from operating activities per share, EUR

$$\frac{\text{Net cash flow from operating activities}}{\text{Average number of shares}}$$

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) 12-month rolling average

2) Capital Employed = property, plant and equipment + intangible assets + net working capital + investments in associates

BASIS OF PREPARATION AND ACCOUNTING POLICIES

This unaudited consolidated interim financial statements has been prepared in accordance with IAS 34 ´Interim financial reporting´. The same accounting policies have been applied as in the annual financial statements. The interim financial statements should be read in conjunction with the annual financial statements 2015.

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.

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 JUDGMENTS

The preparation of interim financial statements requires management to make judgments, 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.