Atria Plc

Good food - better mood.

ANNUAL REPORT 2011

ATRIA PLC

Atria Plc is a powerfully growing and internationalizing Finnish food-industry company. Atria is one of the leading food industry companies in Finland and in the Nordic countries, Russia and the Baltic region.

Atria's net sales in 2011 was EUR 1,301.9 million and it employed an average of 5,467 persons. The Group is divided into four business areas: Atria Finland, Atria Scandinavia, Atria Russia and Atria Baltic.

Atria's customer groups are retail trade, Food Service sector and industry. In addition it has a Fast Food concept business based on its own brands.

Atria's roots go back to 1903, when its oldest owner cooperative was founded.

Atria Plc's shares are listed on the NASDAQ OMX Helsinki Ltd.

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In addition to the information provided in this Annual Report, corporate responsibility at Atria is discussed in the Corporate Responsibility Report 2011.
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ATRIA'S BUSINESS AREAS

KEY INDICATORS | SHARE IN GROUP NET SALES | SHARE IN GROUP PERSONNEL | CUSTOMERS

ATRIA FINLAND

KEY INDICATORS

	2011	2010
Net sales, EUR million	793.7	767.8
EBIT, EUR million	19.3	30.7
EBIT, %	2.4	4.0
Average personnel	2,113	2,089

SHARE IN GROUP NET SALES

Atria Finland´s share in Group net sales.....60%
Rest of Group............40%

SHARE IN GROUP PERSONNEL

Atria Finland´s average personnel....39%
Rest of Group............61%

CUSTOMERS

- consumer goods retail trade
- Food Service customers[1]
- food industry
- export customers
- Concept customers

ATRIA SCANDINAVIA

KEY INDICATORS

	2011	2010
Net sales, EUR million	374.9	391.6
EBIT, EUR million	13.8	13.9
EBIT, %	3.7	3.5
Average personnel	1,153	1,205

SHARE IN GROUP NET SALES

Atria Scandinavia´s share in Group net sales.....28%
Rest of Group............72%

SHARE IN GROUP PERSONNEL

Atria Scandinavia´s average personnel....21%
Rest of Group............79%

CUSTOMERS

- consumer goods retail trade
- Food Service customers[1]
- Deli customers (Ridderheims customers and Falbygdens Ost customers)
- Concept customers

ATRIA RUSSIA

KEY INDICATORS

	2011	2010
Net sales, EUR million	123.0	129.2
EBIT, EUR million	-18.9	-27.9
EBIT, %	-15.4	-21.6
Average personnel	1,812	2,048

SHARE IN GROUP NET SALES

Atria Russia´s share in Group net sales.......9%
Rest of Group............91%

SHARE IN GROUP PERSONNEL

Atria Russia´s average personnel....33%
Rest of Group............67%

CUSTOMERS

- consumer goods retail trade
- Food Service customers[1]
- Concept customers

ATRIA BALTIC

KEY INDICATORS

	2011	2010
Net sales, EUR million	35.2	35.0
EBIT, EUR million	-2.2	-3.7
EBIT, %	-6.1	-10.5
Average personnel	389	470

SHARE IN GROUP NET SALES

Atria Baltic´s share in Group net sales.......3%
Rest of Group............97%

SHARE IN GROUP PERSONNEL

Atria Baltic´s average personnel......7%
Rest of Group............93%

CUSTOMERS

- consumer goods retail trade
- Food Service customers[1]

1) Includes customers of hotel, restaurant a
enterprises as well as public administrati

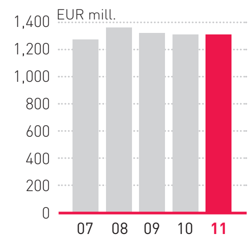
CORE PRODUCT GROUPS	BRANDS 2011
• fresh and consumer-packed meat • meat products, such as sausages and cold cuts • convenience food • poultry products	Atria Finland's leading brand is Atria, one of the best-known and most valued food brands in Finland. In Finland, Atria is the market leader in many of its product groups. Its total market share in the consumer goods retail trade is approximately 25 per cent.
• cold cuts • meat products, such as sausages and cold cuts • convenience food • delicatessen products, such as premium cheese, premium sausages and marinated fresh products	Atria Scandinavia has an extensive selection of brands. The best-known brand in Sweden is Sibylla, which is also Atria's most international brand. With a market share of approximately 30 per cent, the Ridderheims and Falbygdens delicatessen products, which are marketed by the Atria Deli business, are the market leaders in their respective product groups in Sweden.
• meat products, particularly sausages • cold cuts • convenience food (pizza, etc.) • fresh meat • Atria Russia's primary production	Atria Russia's brands are Pit-Product and CampoMos. With a market share of approximately 20 per cent, the Pit-Product brand is the market leader in its product groups in St Petersburg's consumer goods retail trade. CampoMos' market share in Moscow's centralised consumer goods retail trade is small.
• meat products, particularly sausages • cold cuts • fresh and consumer-packed meat • Atria Baltic's primary production	By roots and nature, Atria Baltic's brands in Estonia are local brands that, with the centralisation of the consumer goods retail trade, have grown into national brands. The best-known brand are Maks & Moorits and Wõro, whose grill sausages are the market leader in their segment.

nd catering (Food Service)
on customers.

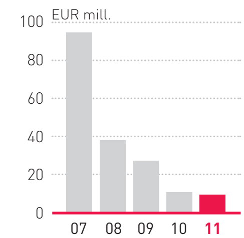
Atria group key indicators

	2011	2010
Net sales, EUR million	**1,301.9**	1,300.9
EBIT, EUR million	**8.0**	9.8
EBIT, %	**0.6**	0.8
Profit before tax, EUR million	**-4.7**	0.3
Earnings per share, EUR	**-0.24**	-0.18
Equity ratio, %	**39.5**	40.2
Gross investments, EUR million	**47.0**	46.2
Gross investments of net sales, %	**3.6**	3.5
Average personnel	**5,467**	5,812

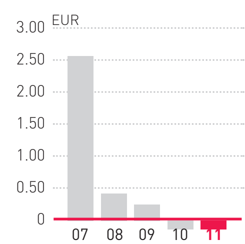
Net sales



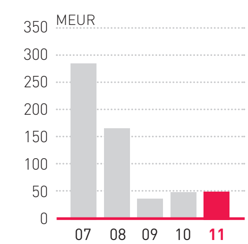
EBIT



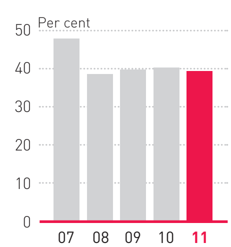
Earnings per share



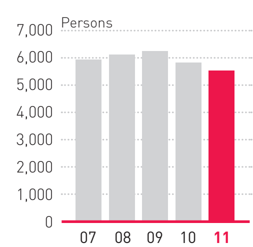
Gross investments



Equity ratio



Average personnel



ATRIA´S MARKET AREA

In Atria´s market area, in the Baltic Sea region and in European parts of Russia, there are approximately 60 million consumers.

Atria´s production plants and their contact information are on page 114.

Kimmo Mäntylä

Strengthening the base for profitability and growth

"We are not satisfied with Atria's result. We launched new products in all business areas to improve profitability and growth."

CEO Juha Gröhn, what were most significant changes in Atria's operating environment in 2011?
Two important changes took place in Atria's operating environment: increased economic uncertainty and an imbalance in the meat raw material market.

The uncertainty of the global economy increased and concerns in financial markets about a deepening European debt crisis have increased since last summer. Although the economic outlook was bleak or at least hazy, operating conditions in the food production industry in general, and the meat processing industry in particular, remained largely unaffected. People still need to eat every day.

The imbalance of the meat raw material market, on the other hand, did affect and continues to affect our operations significantly. The European market was flooded with pork in 2011. At the same time, the continued high prices of feed and cereals increased the price of meat. The oversupply evaporated at the end of the year due to increased demand. The European meat market then calmed. Atria Finland, which uses domestically sourced meat, benefits that, if the price of imported meat is high, imports of competing meat to Finland shrink. Atria Scandinavia, Russia and Baltic, which use some imported meat in production, are in turn at a disadvantage when the price level of imported meat rises.

How would you evaluate Atria's net sales and EBIT performance in 2011?
Our net sales remained at the previous year's level. We have ceased the production, sale and marketing of many unprofitable products and product groups in recent years. This has been a deliberate and consistent choice. Our primary goal has been

to strengthen the base for improved profitability and healthy organic growth.

We are not content with the Atria´s result. We were too slow at carrying the increased raw material costs over to prices in all market areas. At the same time, the results in Finland were impaired by the oversupply of pork. We have to note though that the result of the second half of the year was significantly better than that of the first half.

What are the key measures by which Atria will improve its profitability in 2012?
Better profitability will depend on projects initiated in 2011 to improve our cost efficiency. They will generate cost savings of approximately EUR 10 million in 2012.

In 2011, we launched new products in all business areas, and these will establish a solid base for improving profitability – and for growth. Good examples are the investments in the Lönneberga brand in Sweden, the new Family Farm Chicken concept in Finland, the total overhaul of the CampoMos brand in Russia and the relaunch of the Maks & Moorits brand in Estonia. The strengthening of the Sibylla concept in Russia is also a significant investment in our future.

The significance of the general market situation for profitability should not be underestimated, either. The situation in the meat market has stabilised and frozen stocks have decreased.

A key goal of Atria's strategy has been to significantly improve the profitability of operations outside Finland. I believe that a turn for the better has already taken place.

Above all, Atria aims to grow organically. Where do you see the best growth opportunities in 2012?
Despite the uncertainty of the global economy, I see growth potential in all our operating markets. It might be slower than the growth we have seen in the past few years. We will continue to generate growth through a higher degree of processing. The Russian market is the most promising market in the long run, but we will also grow elsewhere. There are differences in the volume and speed of growth between product groups, and we must remember that some product groups might not grow. However, even these product groups can be crucial for strategic or commercial reasons.

"Better profitability will depend on projects initiated in 2011 to improve our cost efficiency."

Atria stresses the responsibility of its operations in its product leadership strategy. Will this be an important competitive asset in the next few years?
Companies must operate responsibly if they wish to stay ahead of the competition. Operations must continuously meet responsibility requirements and be fit to pass external audits. Consumers and customers increasingly base their purchasing decisions on their own values. But responsibility must not – and by current standards it cannot – be disconnected or seem an afterthought. It must be one of the driving forces behind activities and a natural part of daily operations.

***

Although 2011 was a highly challenging year for Atria, for the most part we managed to proceed in accordance with plans and also had many moments of success. I would like to thank all Atria employees and our partners for excellent cooperation in the best interest of our consumers, customers, shareholders and the company.

Juha Gröhn
CEO, Atria Plc

Core strategic goals:

Improved profitability and organic growth

Atria strives to increase its value systematically for the long term. The core objectives for the strategic period extending to 2013 are significantly improved profitability and steady, mainly organic, growth.

The most important financial goal under Atria's strategy is to significantly improve the profitability of its international operations. At the same time, the aim is also to secure and strengthen the profitability of Atria's Finnish operations.

Atria has implemented major efficiency improvement programmes in all its business areas. The programmes have enabled Atria to improve both its profitability and competitiveness.

Besides improving profitability, Atria is looking for growth. This means mainly organic growth, and the company will only consider complementary acquisitions. In the previous strategy period, which ended in 2010, Atria's international growth was predominantly based on acquisitions and capital investments.

Stronger balance sheet

Under Atria's strategy, the focus is also on strengthening the financial position and balance sheet structure.

Atria's goal is to raise its return on equity, and it is also striving to raise its equity ratio. At the same time, net gearing should be brought down. The financial position will be enhanced, first and foremost, by improving profitability and cash flow. The company may also consider releasing assets from the balance sheet through a reduction of working capital.

Profitability improvement programmes, page 7

Atria's values

- Profitability and forerunner in our business
- Costefficiency
- Consumer and customer focus
- Individual and cooperative initiative
- Networking – teamworking

Financial targets

	Target	Achieved in 2011
EBIT	5%	0,6%
Equity ratio	40%	39, 5%
Share of international operations	50%	40,2%
Return on equity (ROE)	12%	-1,5 %
Distribution of dividends of the profit for the period	50%	-84,5%

ATRIA'S STRATEGY

Vision	**Atria is the first choice for consumers and customers in fresh foods in the Baltic Sea region and European parts of Russia.**
Strategy 2010–2013	1. Significantly improving the profitability of international operations. 2. Strengthening the market position and organic growth.
Strategic means	1. Achievement of long-term competitive advantage based on product leadership, which is based on proprietary brands. 2. Investments in Atria's brands and profitability within Atria Finland. Improving profitability will entail restructuring operations. 3. Product group and brand strategy creation and production restructuring within Atria Scandinavia. 4. Rapid profit improvement in Atria Russia's business areas. 5. Increase in sales and full restructuring of operations in Estonia. 6. Reduction of working capital.
Mission	**Good food – better mood.**

Growth through product leadership

To improve its profitability and secure its growth, Atria aims for an increasingly strong market position in all its business areas.

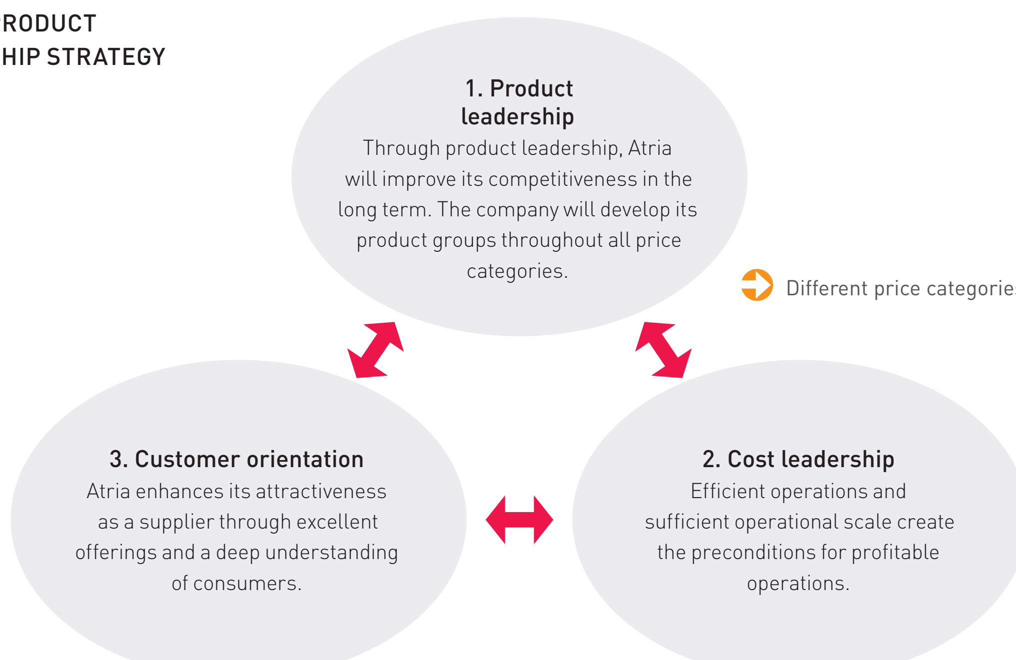
Atria will develop its product groups using product leadership as the guiding principle. Product leadership is Atria's competitive strategy to gain long-term competitive advantage and clearly stand out from competitors.

In line with the product leadership model, Atria is concentrating its R&D and marketing efforts on strengthening its own brands. Strong brands put Atria in an excellent position to develop products with a higher degree of processing and more profitable price levels. The goal is to develop entirely new, innovative product groups, concepts and business models.

In accordance with the product leadership strategy, Atria will do the following:

- Develop proprietary products that genuinely bring added value to consumers
- Focus on its own brands
- Avoid monitoring or copying competitors' products
- Heavily invest in improving consumer understanding and in market research
- Heavily invest in product development and marketing
- Maintain product innovations as a key preference, aiming for pioneering innovations in all business areas
- Create a balanced product portfolio which also comprises longer-term development projects
- Analyse and carefully select the product groups in which product leadership is targeted; product leadership does not apply to all product groups
- Apply sustained efforts; the successful development of product range management, R&D and marketing processes takes 2–3 years.

ATRIA'S PRODUCT LEADERSHIP STRATEGY



Different price categories, page 8–13

Risk management

The purpose of Atria's risk management is to support the achievement of the Group's strategic and financial targets. With the help of proactive and consistent risk management, the company ensures business continuity in all business areas in the event that the risks are realised.

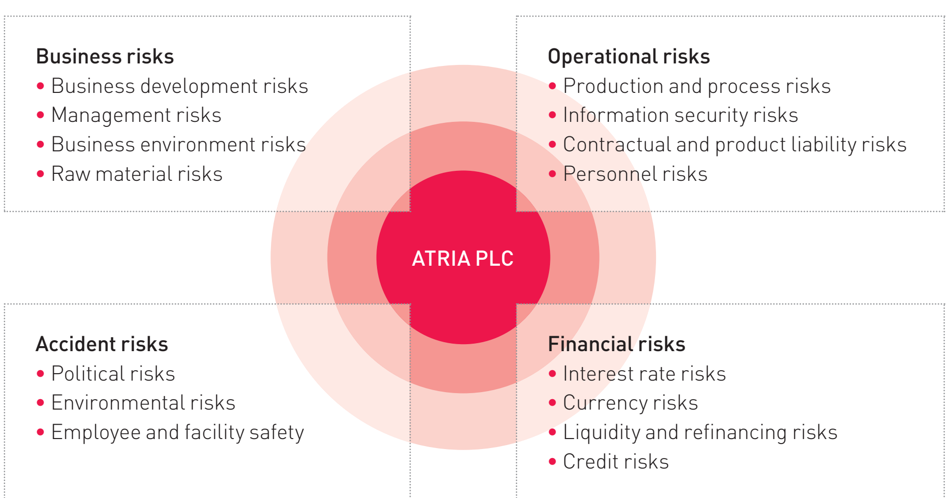
The profitability of Atria's business is greatly affected by global risks associated with changes in the availability and market price of meat raw material. Price risk in cereals is also connected to Atria's own primary production. Atria aims to protect itself against unfavourable fluctuations in production costs by adjusting production where necessary. Atria also tries to anticipate changes through the pricing of end products.

In Atria Russia's operations, changing restrictions and import duties on meat, as well as other regulations, constitute special characteristics of the market. Atria aims to secure the availability and quality of locally produced pork by investing in pig production in Russia.

Report by the Board of Directors, page 37
Financial risk management, Notes to the Financial Statements, page 77
Atria's primary production in Russia, page 28

ATRIA'S RISK MAP

The risk map below shows examples of risks to Atria's operations.



PROFITABILITY IMPROVEMENT PROGRAMMES 2010–2011

	Measures	Impact
Atria Finland	2010–2012: Concentration of bovine slaughtering at Kauhajoki	annual savings EUR 6 million
	2011: Nurmo efficiency improvement programme	annual savings EUR 4 million
Atria Scandinavia	2010: discontinuation of consumer packed meat production and investments in production automation	
	2011: Concentration of black pudding production at Tranås	annual savings EUR 1 million
	2011: Concentration of ham products production and cold cuts slicing at Malmö in 2012	annual savings EUR 1.5 million
Atria Russia	2010–2011: Concentration of meat products production at Gorelovo and Sinyavino plants	annual savings EUR 7.5 million
Atria Baltic	2010: shutdown of the Ahja plant and concentration of production at the Valga and Vastse-Kuuste plants	annual savings EUR 1 million

ATRIA´S STRATEGIC MEASURES AND GROWTH 2007–2011

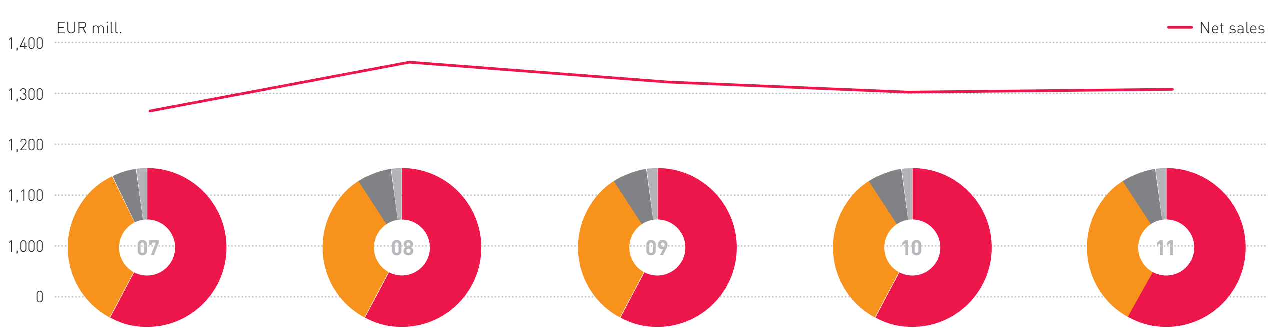
2007
- Atria acquires the Swedish company AB Sardus
- Atria acquires Liha-Pouttu Oy in Finland
- Atria sells the Swedish company Svensk Snabbmat för Storkök AB
- Atria discontinues its production operations in Lithuania.

2008
- Atria acquires the Russian company OOO Campomos, which mainly operates in the Moscow market
- Atria acquires the Swedish company AB Ridderheims Delikatesser
- Atria acquires the meat processing companies AS Wõro Kommerts and AS Vastse-Kuuste Lihatööstus in Estonia.

2009
- Atria sells the Lätta Måltider business in Sweden
- Atria invests in pork production in Russia by acquiring a 26 per cent holding in the Russian company OOO Dan Invest.

2010
- Atria made no new acquisitions. Instead, it focused on developing operations and improving profitability.

2011
- Atria made no new acquisitions. Instead, it focused on improving its costefficiency.



Net sales: EUR 1,272 mill.
- Atria Finland 58%
- Atria Scandinavia ... 35%
- Atria Russia 5%
- Atria Baltic 2%

Net sales: EUR 1,357 mill.
- Atria Finland 58%
- Atria Scandinavia ... 33%
- Atria Russia 7%
- Atria Baltic 2%

Net sales: EUR 1,316 mill.
- Atria Finland 58%
- Atria Scandinavia ... 33%
- Atria Russia 7%
- Atria Baltic 2%

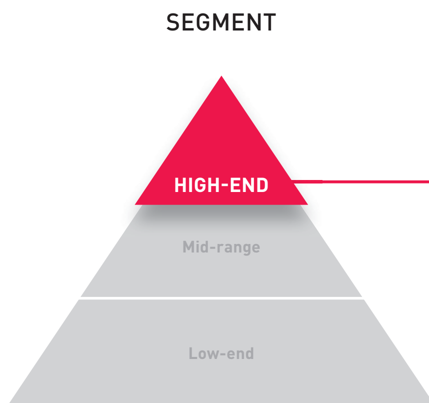
Net sales: EUR 1,301 mill.
- Atria Finland 58%
- Atria Scandinavia ... 29%
- Atria Russia 10%
- Atria Baltic 3%

Net sales: EUR 1,302 mill.
- Atria Finland 60%
- Atria Scandinavia ... 28%
- Atria Russia 9%
- Atria Baltic 3%

PRODUCT LEADERSHIP

PRODUCT LEADERSHIP is Atria's competitive strategy to gain long-term competitive advantage and stand out from its competitors.

To achieve optimal success, product leadership requires consumer-driven operations and clear segmentation of product lines. Sustained success also requires a comprehensive and balanced offering, which Atria is well positioned to provide as one of the leading operators in the industry.



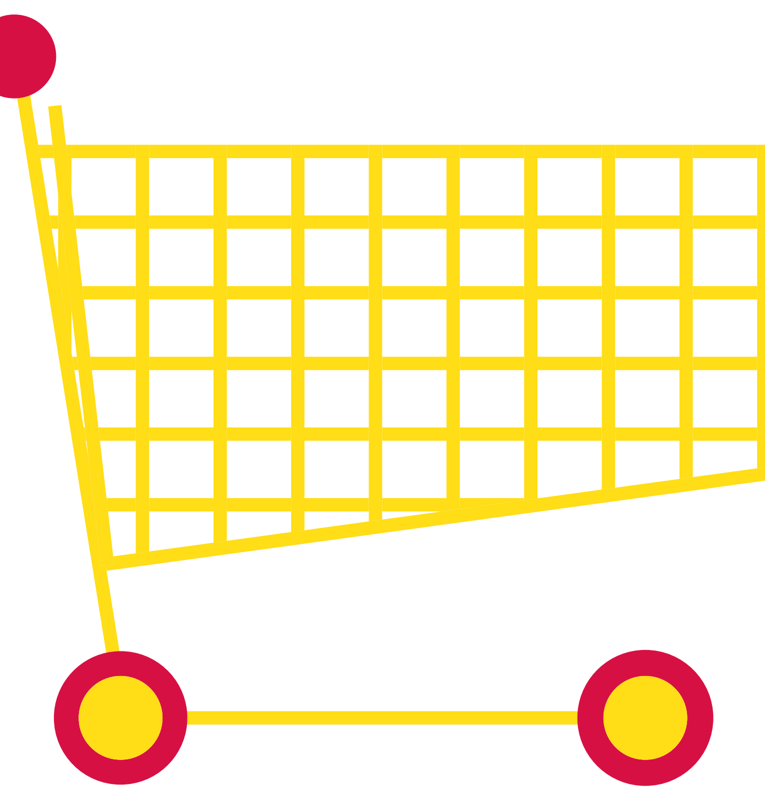
Role of segment
- Create value
- Platform for innovation
- Spearhead for international expansion

Product category
- Most types of cold cuts
- Higher-end sausages
- Higher-end convenience foods

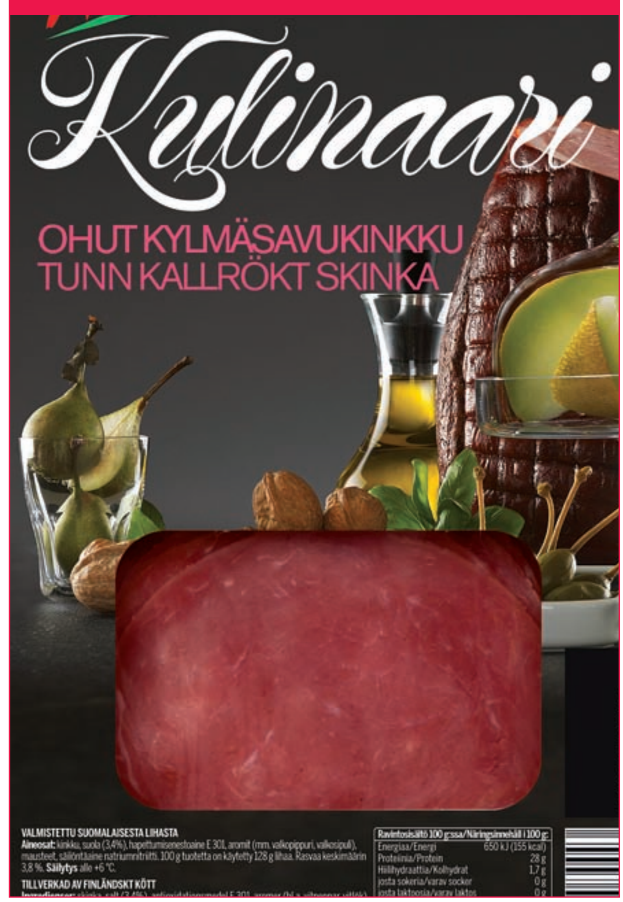
Key success factors
- Continuous innovation
- Very clear and compelling brand promise

Products

Examples of high-end products in 2011



ATRIA KULINAARI
The Kulinaari product family is Atria's big investment in the cold cuts high-end category. The products come from the best hams and roasts. Made by traditional recipes and methods, their meat content is at least 95 per cent and they contain no monosodium glutamate. The products come in modern recyclable paperboard packages.



Key factor: Continuous innovation

"Innovations definitely make us more competitive. Recognising consumer needs is a key success factor. We must know the consumers well in order to understand what they value and how they make purchasing decisions while shopping. Consumer surveys help us to outline market segments. They allow us to identify important target groups, set up appropriate product portfolios and develop successful brand strategies.

We must also understand market trends and particularly identify the trends with significant potential for growth.

We want to lead the way in spotting new trends, and must actively look for them around the world. One of our tools in achieving this aim is the Ridderheims report, Sweden's most comprehensive food and dietary trend survey. The next report will be our fourth.

Continuous innovations will increase Atria's significance in the market, and innovative products also increase our chances of raising the prices per kilogram of our products. This enhances the value of our brands and our customers will also benefit from better profitability."

Lena Hjorth
Director, Innovation,
Atria Scandinavia

Bosse Kinnås

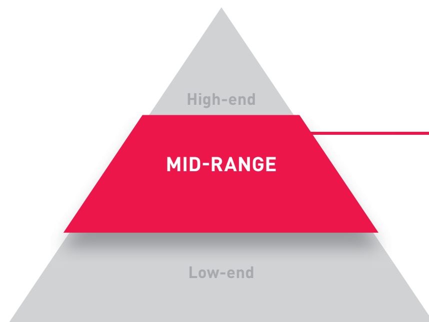
ATRIA BRAVUURI
In 2011 Atria Finland launched the Atria Bravuuri product family, designed to facilitate and speed up home cooking. According to surveys there is growing demand for this type of product in Finland where one in five consumers feel that cooking meat dishes is demanding.

PIT-PRODUCT
Cured sausages hold their position as big favourites in Russia, and selections are extensive. Atria produces more than ten sorts of salami and nearly as many sorts of mettwurst under the Pit-Product brand. The production is concentrated at the Sinyavino plant of St Petersburg, where Atria has invested significantly to increase the cured sausage production capacity.

RIDDERHEIMS
The Ridderheims brand is an innovator and market expander in fresh deli products in the consumer goods sector. The brand covers hundreds of products from around Europe. Ridderheims is part of the Atria Deli business which also includes premium cheeses sold under the Falbygdens brand.

LÖNNEBERGA
Lönneberga is a strong and well-known brand in Sweden. It dates back to the 1930s and has an image of excellent quality. Lönneberga is already number one in the high-end cold cuts category and number two in the Swedish cold cuts market overall.

SEGMENT



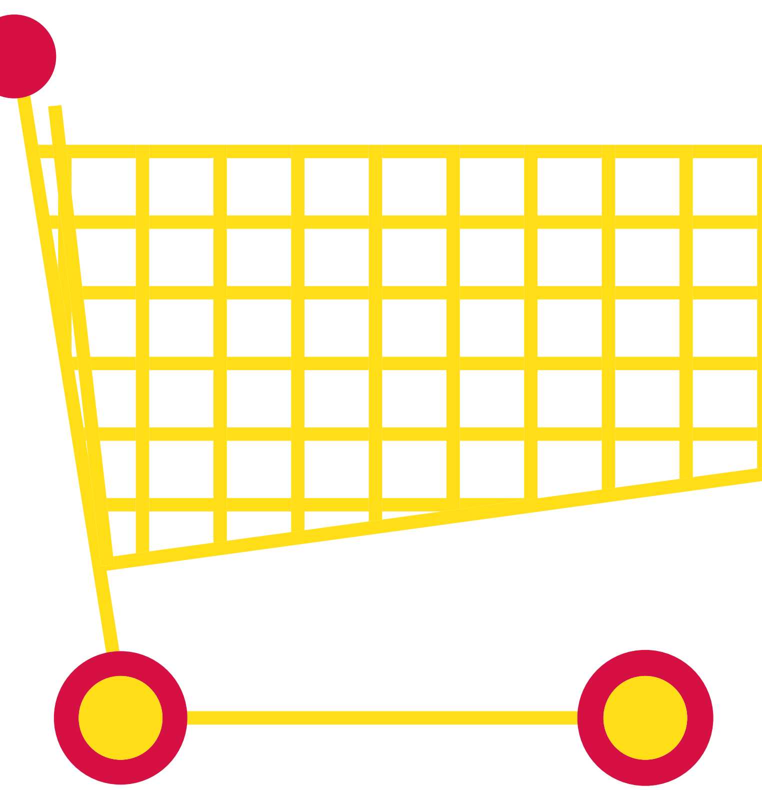
Role of segment
- Strong value brand in Finland
- Secures scale and visibility to consumers

Product category
- Large volume and strong brand promise products

Key success factors
- Continuous innovation
- Large scale

Products

Examples of mid-range products in 2011



ATRIA GOTLER
Gotler is Finland's best-selling cold cut sausage. It was launched in 1965 in 1.8 kg packages for slicing. Gotler was a trailblazer in its time: the packaging carried a list of ingredients for the consumer. This old favourite is now produced in several versions and most of it is sold sliced in smaller packs.

CAMPOMOS
The CampoMos brand has revolutionized the cold cuts market in Russia. The brand was the first to introduce resealable cold cut packages, for example. It also led the way by declaring the meat content on the label, a practice which local competitors have gegun to use in their own packages.

Key factor: Large scale

Juha Ruohola
Deputy CEO
Atria Plc

"Atria is a leading company in its operating area in many ways. One of our competitive advantages is economies of scale in the areas of cooperation network and cost management.

"In sales our main advantage is being able to serve customers of all sizes with reliable deliveries – be they countrywide retail chains in Sweden or the retail chains in Russia's main cities, Moscow and St Petersburg.

"Our size allows us to form cooperation networks which increase our own competitiveness and that of our partners. Cooperation networks will become even more significant in the future, especially in joint product development, logistics and research.

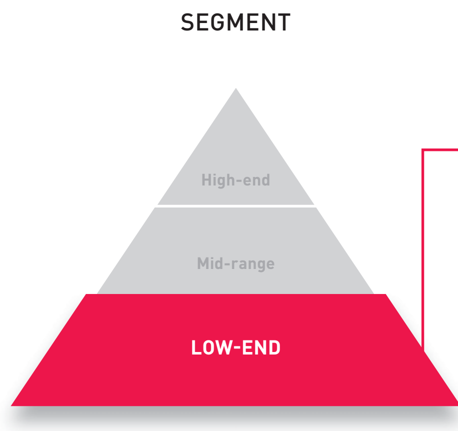
"Purchases are an important part of our cost structure, raw meat accounting for the largest cost item. Centralised purchasing operations yield cost synergies between Atria's business areas and operating markets. We are an attractive business partner for our raw material suppliers because of our high purchasing volumes. Besides, our product leadership model and large scale allow us to continuously develop new innovations for the market. This will yield better profitability and growth for us and our partners in the long run."

3-STJERNET PRODUCTS WITH A KEYHOLE NUTRITION LABEL
3-Stjernet launched children's snack products, low-fat pork and chicken sausages. Around two million packed lunches are prepared in Danish families every day, more than 600,000 of them for children. The consumer can easily select healthy products while shopping by looking for the green keyhole symbol. These products contain less fat and sugar than some other products. The label is widely used in Denmark, Norway and Sweden.

LITHELLS
Lithells is a renowned Swedish brand dating back to 1907. The brand is well known by Swedish consumers and its best-selling items include cold cuts and cooking sausages, especially frankfurters.

SIBYLLA
Sibylla is one of Sweden's best-known brands and it is rapidly expanding into other markets too. It launched a new Sibylla Hot Dog double bun last year. The fast-food market has seen intense growth, particularly in Russia and Poland, where the Sibylla fast-food concept has also expanded the most.

MAKS & MOORITS
Atria Baltic revamped its Maks & Moorits brand and created an entirely new marketing concept. Last year's new products included uncooked Spanish-style Chorizo sausages sold in oven-ready packages. The products do not contain preservatives or monosodium glutamate.



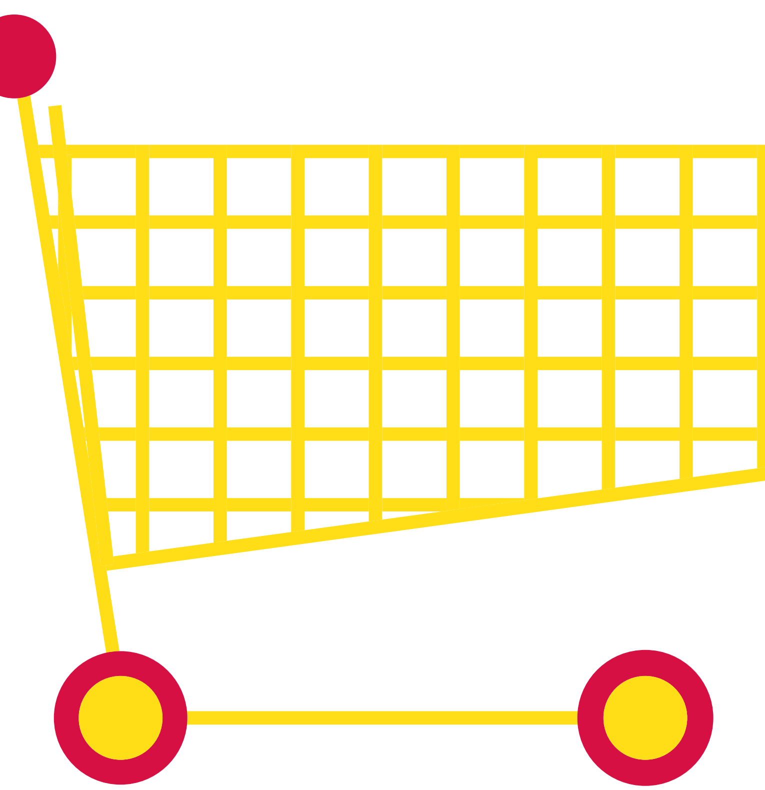
Role of segment
- Requires optimal supply chain: maximises capacity utilisation rate

Product category
- Largest volume products with little innovation potential
- Private label products involving less added value

Key success factors
- Efficient supply chain
- Large delivery volumes
- Appropriately scaled supply

Products

Examples of low-end products in 2011



BARBEQUE SEASON PRODUCTS

The summer barbeque season is an important season for both Atria and the Finnish consumer goods retail market. Most Finns eat grilled or barbequed food at least once a week in the holiday season. Atria has aimed to systematically strengthen its position as the leading fresh food provider in the summer holiday season, and it has been the number one brand in grill products for several years in a row. Atria invests more than any other producer of meat products in Finland in marketing in the summer holiday season, taking advantage of all channels of consumer and customer communications.

Key factor: Efficient supply chain


Kaj Kusnetsov

Tapani Potka
Director
Operative supply chain management
Atria Finland Ltd

"Excellent management of the requirements placed on logistics and the entire fresh food supply chain is one of Atria's competitive assets, not just in Finland but also in other markets.

"The efficiency of our supply chain relies on successful operational control. This involves collaboration throughout the supply chain both within Atria as well as with customers, producers and other supply chain partners. Our significant investments in logistics, IT and automation boost the efficiency of this collaboration. Well-managed operational control also relies on being able to forecast demand. We must excel in forecasting demand, since our customers can place orders at the last minute, even up to one day prior to delivery.

"Atria Finland's delivery reliability figures are a very concrete demonstration of the efficiency of our supply chain. They are the product of efficient, highly concentrated production with built-in cost-effective logistics operations.

"Even though Atria Finland's supply chain model cannot be directly copied in other Atria business areas, we strive to propagate best practices. A good example is the efficient logistics centre located in Gorelovo, St Petersburg."

Atria Finlands delivery reliability figures: page 16

ATRIA CASSEROLES
Atria's liver and rice casserole, mince and potato pie and mince and macaroni bake are popular meals with a steady demand in the Finnish consumer goods market. They compete fiercely with other manufacturers' and private label products.

GEA'S BLACK PUDDING
Black pudding is popular traditional fare in Sweden, and Gea's is the best-known brand in the category. Its market share in Sweden is 80 per cent. The black pudding is also available in sausage form. Atria shifted the production of this brand to the Tranås plant where annual production can be significantly increased above 4,300 tonnes per year.

CAMPOMOS
Frankfurters are by far the biggest cooking sausages product group in both Moscow and St Petersburg. They account for around 75 per cent of all cooking sausages. In St Petersburg the Pit-Product brand is the market leader in its product group, and in Moscow CampoMos is number two. Some of the products are inexpensive and typical special discount products.

Major differences in growth and consolidation

In Atria's business areas in Finland and Scandinavia, the overall consumption of meat products will increase only slightly and the consumer goods retail trade is highly consolidated. In Russia and the Baltic countries, demand for meat products is expected to grow considerably over the long term, and consolidation of the consumer goods retail trade is only just beginning.

	Overview	Operational environment
FINLAND	• Quantitative growth of the market:[1] approx. 3% • Growth in terms of value:[2] approx. 5% • Size of the market:[3] approx. EUR 2 billion • Proportion of total consumer expenditure spent on food: 13% • Finland is a net exporter of meat; the main export is pork • 86% of the pork consumed is Finnish • 82% of the beef consumed is Finnish • 85% of the poultry consumed is Finnish	• The consumer goods retail trade is highly consolidated; the sector is dominated by the S Group and the K-Group. • The market share of private label goods in the food retail trade grew slightly in 2011. Their shares in the product groups represented by Atria ranged from 5 to 15 per cent.
SWEDEN / DENMARK	• Quantitative growth of the market:[1] 2% • Growth in terms of value:[2] approx. 2% • Size of the market:[3] approx. EUR 2.8 billion • Proportion of total consumer expenditure spent on food: 11% • Sweden is a net importer of meat; nearly 50% of beef, over 25% of pork, and over 40% of poultry is imported. • Denmark is a major net exporter of meat globally; the main export is pork.	• The consumer goods retail trade is highly consolidated in Sweden; by far the largest retailer is ICA. Other large retailers are Coop and Axfood. • In Denmark, the consumer goods retail trade is dominated by Danske Supermarked, Coop and SuperGros. • Sales of private label goods in Sweden and Denmark accounted for 19% and 21% of total sales, respectively. The growth in private labels subsided.
RUSSIA	**St Petersburg** • Growth in terms of value:[1] approx. 7% • Size of the market:[2] approx. EUR 0.5 billion **Moscow** • Growth in terms of value:[1] approx. 8% • Size of the market:[2] approx. EUR 1.5 billion • Food accounts for 30% of total consumption expenditure by Russian citizens. • Russia is the world's most significant net importer of meat; the country's own meat production cannot satisfy the growing demand, either in terms of quantity or quality.	• As a proportion of all food purchases, the share of the modern consumer goods retail trade is growing rapidly in Russia, although traditional marketplaces and market halls still dominate, with a share of over 50%. The share of supermarkets and hypermarkets is growing most quickly. • The consumer goods retail trade is highly fragmented, but chains are increasingly gaining ground. • The combined market share of the three largest consumer retail chains is approximately 5% of total sales throughout Russia. The largest chains are Magnit, X5 and Kopeika.
ESTONIA	• Growth in terms of value:[1] approx. 5% • Size of the market:[2] approx. EUR 200 million • Proportion of total consumer expenditure spent on food: approx. 25% • Estonia's own meat production is mostly sufficient to cover the increased demand; some pork is imported.	• The Estonian consumer goods retail trade has rapidly modernised since the country joined the EU. • Nordic chains have a prominent position in the country, the largest ones being Rimi Baltic, owned by ICA, and Prisma, owned by the S Group. ETK, Selver and Maxima are the main local players.

Competitive environment

- The meat industry is the largest food industry sector. There are some 300 meat processing plants and slaughterhouses in Finland, of which the 20 largest produce over 90% of the gross value of production.
- By far the largest producers are Atria Finland Ltd and HK Ruokatalo Oy.
- Atria Finland is the largest slaughterhouse company in Finland with a market share of over 40% in pork processing.
- Other significant, mid-sized players are the privately-owned Saarioinen Oy, Oy Snellman Ab and Pouttu Oy.

1) Overall demand for meat products
2) Average consumer price of meat and meat products
3) Total market for food products represented by Atria

- About half of the Swedish meat processing market is dominated by small companies with annual net sales of less than EUR 50 million.
- The largest player in the market is Scan AB, which is owned by HKScan. Atria Scandinavia is the second largest player.
- The acquisitions made by Atria and HKScan were the biggest M&A arrangements in the industry in Sweden.

- In Denmark, the clear leader in the meat processing market is Danish Crown, Europe's largest meat industry company and one of the largest meat export companies in the world.

1) Consumer goods retail trade market
2) Total growth of the product groups represented by Atria in the consumer goods retail trade
3) Total market for food products represented by Atria

- The consolidation of the meat processing industry is still in its early days in Russia, and there are few international players. Atria is the largest foreign operator in the sector.
- Price competition remained tough in 2009–2011 and landed some operators in the sector in severe financial difficulties, but it did not eliminate the overcapacity.

1) Overall demand for meat products in the consumer goods retail trade
2) Volume of the processed meat product market

- Estonia's largest meat industry company is Rakvere Lihakombinaat, which is owned by HKScan. Atria is the second largest producer in the country.
- The number of meat processing companies has decreased slightly in Estonia, and small companies, which often operate locally, are more focused on improving their operational efficiency than on expansion.

1) Overall demand for meat products in the consumer goods retail trade
2) Volume of the processed meat product market

”Atria reinforced consumers’ confidence in Finnish meat production through a big corporate awareness and image campaign.”

GROWTH AND PROFITABILITY

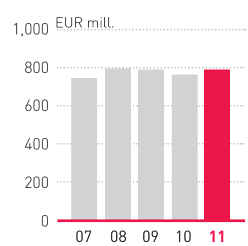
Atria Finland’s net sales increased slightly, but high raw material costs and low selling prices notably weakened profitability until autumn, when the situation in the meat market improved and selling prices began to pick up.

Atria Finland’s net sales began to grow again after two years of decline. Net sales increased by 3.4 per cent to EUR 793.7 million. The volume of sales to the consumer goods retail market remained almost unchanged while the net sales of Atria Food Service increased slightly. In the first half of the year exports accounted for a greater share of net sales than a year earlier, but they declined in the second half.

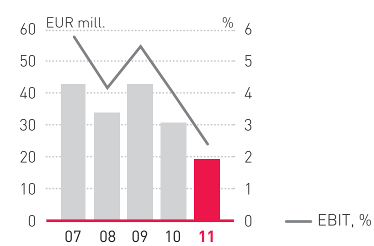
Profitability deteriorated notably until the autumn. Full-year EBIT fell by 37.1 per cent to EUR 19.3 million. EBIT was 2.4 per cent of net sales, compared with 4.0 per cent in 2010. The main reason for poor profitability was the price of raw materials, which remained high and could not be fully passed on to sales prices. The profitability of Food Service sales developed favourably, but export profitability was impaired by the low price level.

Profitability improved towards the end of the year. The fourth quarter EBIT of EUR 7.1 million approached the previous year’s level (EUR 7.8 million). Profitability improved as corrections were seen in the European meat market. The price level of meat rose significantly and high stock levels were successfully brought down to normal levels. Atria Finland’s own actions – cost control and cost savings from efficiency programmes – also contributed significantly to improved profitability.

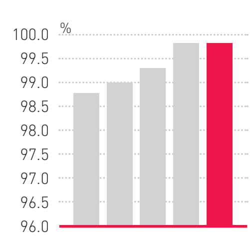
Net sales



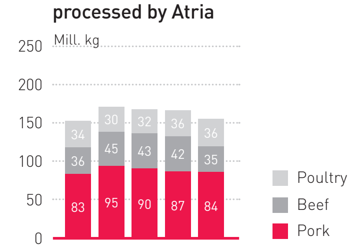
EBIT



Delivery reliability



Meat volumes processed by Atria



”The company made significant investment decisions to improve the profitability and competitiveness of its beef chain.”

MARKETS

The demand for and prices of food products in both the consumer goods retail sector and Food Service sector increased. This trend continued in early 2012.

Food sales in the consumer goods retail sector picked up significantly from the previous year: the overall value of sales grew by 6.9 per cent. The value of hypermarket sales increased by 8 per cent.[1)] The value of Food Service sales also increased substantially by around 7 per cent, with the hotel and restaurant sector leading the growth.

The growth of product groups represented by Atria in the consumer goods retail sector was much lower. Measured in terms of the value of sales, growth was 3 per cent. Measured in terms of weight it fell by 2.3 per cent.[2)]

1) Source: Finnish Grocery Trade Association, 2012
2) Source: Atria Finland, 2012

MARKETING AND MARKET POSITION

Atria Finland maintained its overall market position despite cheap imports and price competition in the first half of the year.

Atria’s overall market share in the consumer goods retail trade remained strong, at approximately 25 per cent of value by its own estimate. In order to ensure its profitability, Atria refrained from extreme price competition.

Sales in the Food Service product groups developed positively and Atria strengthened its market position significantly. By the company’s own estimate its market share grew to approximately one third of the total value of the market.

In marketing Atria focused on its own brands. Besides a massive corporate image campaign, Atria invested systematically in marketing new products and product ranges. The main focus of marketing investments was the Atria Bravuuri product range, which has continued to succeed in 2012 both in terms of sales and its market position.

Corporate image advertising makes a point: page 32

PROFITABILITY IMPROVEMENT

Atria Finland decided to transfer its bovine slaughterhouse operations to its Kauhajoki plant and launched efficiency improvements at the Nurmo production plants. The eventual annual cost savings are estimated at EUR 10 million, of which EUR 4 million will be achieved in 2012.

Atria’s decision to transfer bovine slaughtering and cutting operations to its Kauhajoki plant improves the competitiveness and profitability of the company’s beef supply chain significantly. The productivity and cost efficiency of the existing slaughterhouses in Kauhajoki and Kuopio are poor and the cost per kilogram of beef is too high. The new slaughterhouse allows Atria to improve its price competitiveness against imported meat.

The efficiency of the Nurmo production plant was increased as dictated by the market situation. The cost savings achieved by the efficiency programme are estimated at EUR 4 million a year. The improved cost structure will ensure that products remain price-competitive, which will remain a key element in Atria’s competitiveness and profitability.

Kauhajoki investment: page 20

INVESTMENTS TO SECURE GROWTH

Atria Finland made significant investment decisions to improve the efficiency of its production processes and increase capacity. The total value of the investments is EUR 32 million.

The value of the investment in the Kauhajoki bovine slaughterhouse is EUR 26 million. When the slaughterhouse is taken into use in 2013, Atria's annual slaughtering capacity will increase from 26 million kilograms to approximately 40 million kilograms.

Atria is responding to the increased demand for chicken by investing EUR 6 million in an extension of the Seinäjoki chicken hatchery and in new technology. The new marketing standard which came into force in the EU in 2010 has significantly increased the demand for fresh chicken whilst also posing new logistical challenges for the entire supply chain, especially during periods of peak demand.

The competitive status of Atria's chicken production is also supported by the decision made by the Itikka Cooperative and chicken producers in early 2012 to build a new poultry fodder plant in Ilmajoki. The new fodder factory will almost double A-Rehu's production capacity to 240 million kilograms in 2013. The value of the investment is around EUR 14 million.

PRIMARY PRODUCTION AND MEAT MARKETS

The meat production profitability crisis sank Atria's pork processing volumes whilst the processing volumes of beef and poultry remained unchanged. The market outlook for these meat products is positive, even in the longer term.

Although the stabilisation of the international meat market situation towards the end of the year strengthened pork prices significantly, it did not solve the long-term profitability crisis in meat production. The prices of key raw materials for meat production – cereals and feed – continued to rise sharply.

The profitability crisis in pork production has led to decreasing production, which was also evident in Atria's falling procurement volumes. The declining trend continued for the fourth year in a row.

The beef market is stable. Total consumption in Finland increased by one per cent and production by one per cent. Atria has invested significantly in product development and marketing for fillet and steak products, resulting in improved growth and profitability figures for Food Service sales.

Poultry consumption is also increasing steadily. The increase was one per cent in 2011 and the growth forecast for 2012 is 3 per cent. After its investments in poultry production have been completed, Atria has a good chance of growing faster than the market.

Kauhajoki investment: page 20

STRATEGY IMPLEMENTATION

Atria Finland's strategic focus areas are 1) reinforcing the Atria brand, 2) strengthening the competitiveness of existing products and 3) improving profitability.

1) Atria increased its R&D, product development and marketing investments substantially.
2) The competitiveness of products was strengthened by ensuring production cost efficiency and delivery reliability, especially during periods of peak demand.
3) Besides efficiency improvement programmes and growth investments, Atria focused on a balanced management of its product groups, focussing particularly on profitability.

Product development and marketing: page 32
Key marketing campaigns: page 33

ATRIA'S HANDPRINT

Atria's Handprint corporate responsibility programme focused on projects related to animal welfare, product safety, nutrition and well-being of employees at work.

Atria continued its three-year Early Caring project launched in 2009, which has increased the performance capacity of individuals and the personnel as a whole, reduced absences due to sickness and accidents, and prevented premature retirement. Atria also invested significantly in occupational health care by constructing a modern occupational health station at the Nurmo site. The value of the investment is slightly over EUR 1 million.

Corporate responsibility: page 34

Mika Ala-Fossi
Executive Vice President
Atria Finland

PROFITABILITY AND GROWTH 2012

What measures will Atria Finland take to improve its profitability in 2012?
We will focus on the cost efficiency of industrial operations. The efficiency improvement programme launched at the Nurmo production plant in 2011 will bring a marked increase in cost efficiency. The construction of the Kauhajoki slaughterhouse is another example of increased cost efficiency. We have also made efficiency-enhancing investments in poultry production.

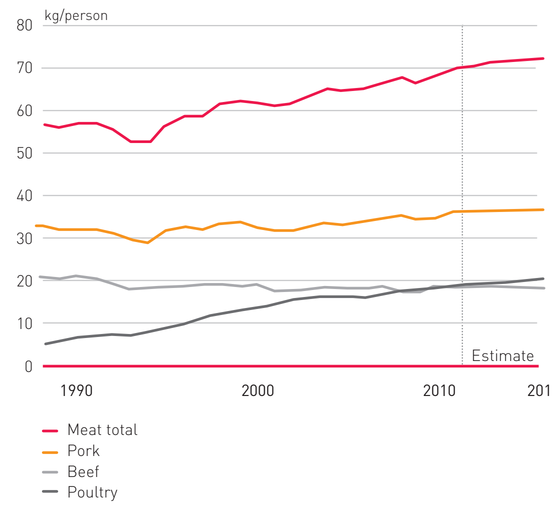
How will Atria boost its growth?
First and foremost we must further improve our customer cooperation in order to increase our net sales. We will also invest heavily in marketing and sales measures and activate transparent consumer communications.

What is the trump card – action, product or innovation – that will set Atria apart from its competitors in 2012?
As the market leader we will stand out in many ways, not least in our role as a trendsetter. One example is the simple and straightforward food introduced under the simplicity concept. Besides nutritional matters, straightforwardness also means easy-to-read packaging labels and easy-to-open packages. The 100 per cent commitment of the Atria brand to Finnish meat also sets us apart from most of our competitors. The transparency of our operations and products and a high level of responsibility are also winning factors.

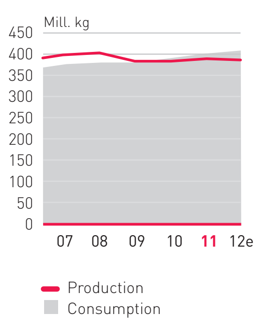
ATRIA FINLAND

Finland's meat processing markets		2011	2012 (Estimate)
Total production		+1 % 387 mill. kg	-1 % 385 mill. kg
Total consumption		+3 % 400 mill. kg	+1,6 % 406 mill. kg
Pork	Production	-1 % 202 mill. kg	-4 % 193 mill. kg
	Consumption	+5 % 196 mill. kg	+1 % 197 mill. kg
Beef	Production	+1 % 83 mill. kg	+-0 % 83 mill. kg
	Consumption	+1 % 99 mill. kg	+1 % 100 mill. kg
Poultry	Production	+5 % 102 mill. kg	+6 % 107 mill. kg
	Consumption	+1 % 99 mill. kg	+3 % 102 mill. kg

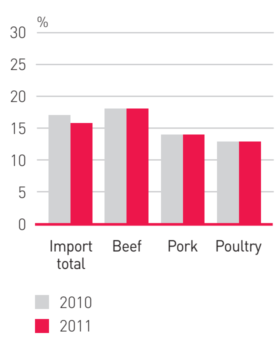
Meat consumption in Finland per capita 1990–2016



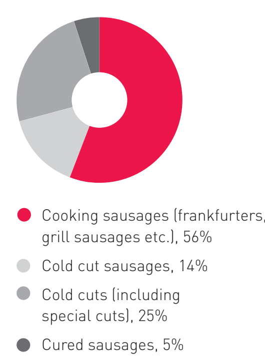
Total production and consumption



Proportion of meat imports in total consumption



Structure of meat products consumption



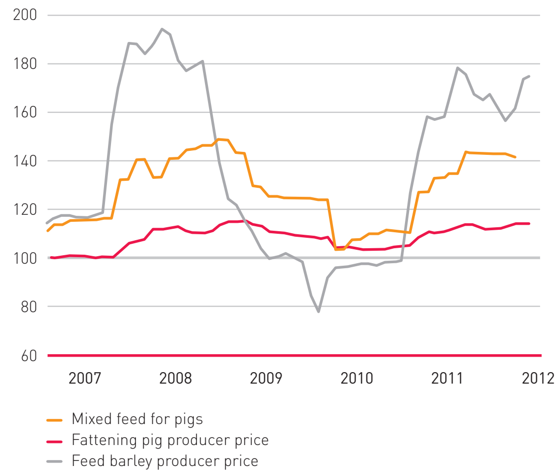
Atria's bovine slaughtering on the cutting edge in Europe

Atria is investing approximately EUR 26 million in building and renovating the Kauhajoki bovine slaughterhouse and cutting plant. This slaughterhouse will count among Europe's biggest and significantly improve the productivity of Atria's meat-cutting operations.

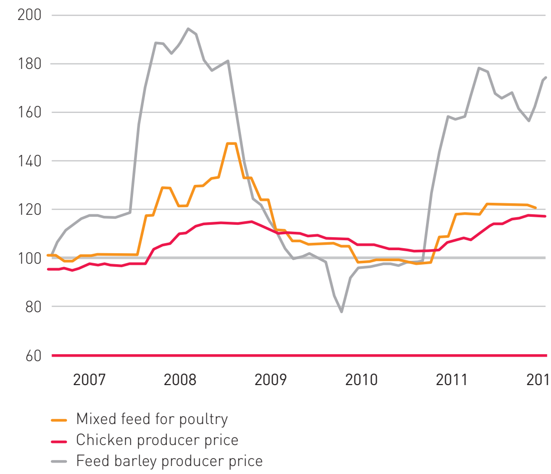
- to be completed in early 2013
- raises Kauhajoki's slaughtering capacity from 26 to 40 million kilograms a year
- enables the processing of larger animals
- the facilities, process technology and phasing of work have been developed to achieve optimal results as regards animal welfare, production hygiene, production efficiency and work safety
- the main machine supplier is MPS Red Meat Slaughtering, a global market leader in meat processing systems; the main building contractor is Lemminkäinen

layout picture Arkkitehtitoimisto Liark Oy

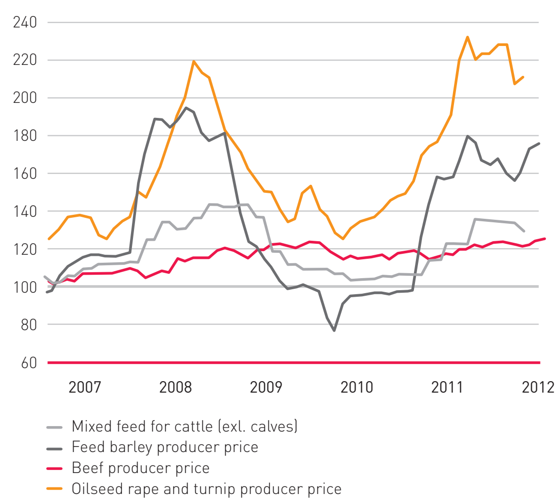
Price index: pork (Index: 2005=100)



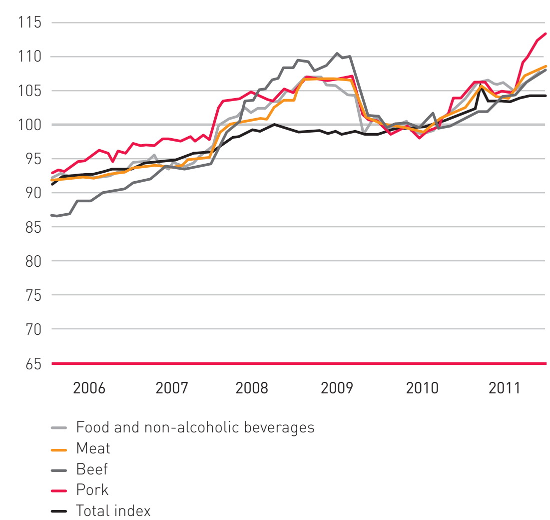
Price index: poultry (Index: 2005=100)



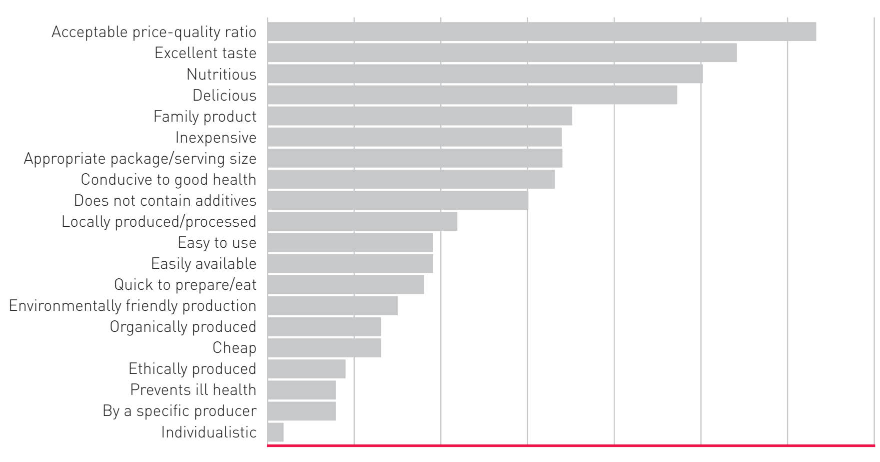
Price index: beef (Index: 2005=100)



Consumer price development (Index 2010=100)



Consumer priorities in selecting food products



Sources:
Suomen lihamarkkinat (Finnish meat market), Suomen Gallup Elintarviketieto, 2012 Consumer selection criteria table: TNS Gallup, 2011

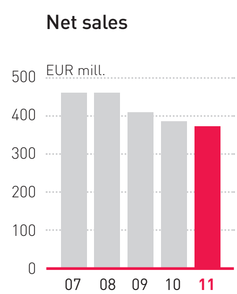
"Atria strengthened the market position of its brand products, especially the Lönneberga brand."

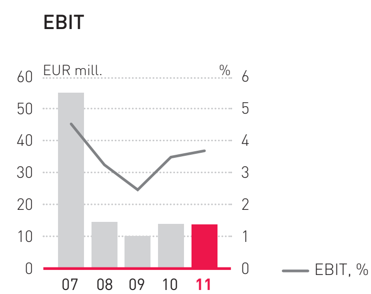
GROWTH AND PROFITABILITY

Atria Scandinavia's net sales fell as expected following the closure of unprofitable operations. Profitability was similar to the previous year.

Atria Scandinavia's net sales fell by 4.3 per cent to 374.9 million euros. In the local currency, net sales fell by 8.4 per cent. The decline in the net sales was mainly due to the discontinuation of the unprofitable consumer packed meat business. The net sales of this business was around 45 million euros.

EBIT remained roughly unchanged. The 13.8 million euros in EBIT represented 3.7 per cent of net sales. The 13.9 million euros for the reference year includes a non-recurring item of 2 million euros. Profitability suffered towards the end of the year from increased raw material costs and tougher price competition. Atria Scandinavia still successfully secured its competitiveness through improvement programmes which led to lighter cost structure and improved efficiency.





MARKETS

Overall food product sales in the Swedish consumer goods retail sector fell slightly.

A strong period of growth in the Swedish economy came to an end in the first half of the year. This led to a slight decrease in total sales of food products in the consumer goods retail market towards the end of the year. The market for Atria's key products – cold cuts and cooking sausages – began to contract. The market for Food Service products, on the other hand, continued to increase somewhat. In Denmark the cold cuts market showed renewed growth following recovery in the economy as a whole.

Growth of the Swedish economy is expected to slow to less than one per cent in 2012, leading to a slight drop in consumption which will also affect the food products market. In Denmark consumption is expected to increase.*)

*) Source: Nordea Bank and the Swedish and Danish treasuries, 2011.

"The company lightened its cost structure through production restructuring."

MARKETING AND MARKET POSITION

Atria Scandinavia was able to strengthen its market position in the most strategic product groups and discontinued several unprofitable products.

In marketing, Atria Scandinavia followed its strategy and focused on strong proprietary brands and value-added products. The company invested substantially in the Sibylla fast-food concept and especially in the Lönneberga brand. Atria almost doubled the number of Lönneberga-branded products to approximately 30, which reinforced its market position in important cold cuts product groups. It was also able to strengthen the no. 2 position of its 3-Stjernet brand in the Danish cold cuts market.

In the increasingly price-competitive cooking sausages segment, Atria lost some market share as it gave up product groups with low profitability.

Atria continued investing in the growth and international expansion of its concepts business. Atria Deli's key growth markets were Sweden and Finland, where its sales grew 20 per cent. Investments in the Sibylla concept concentrated on Eastern Europe, especially Russia and Poland. At the beginning of 2012, a total of around 495 Sibylla outlets had been set up in Russia and around 750 in Poland.

PROFITABILITY IMPROVEMENT

Atria Scandinavia achieved greater efficiency by restructuring its production. The annual cost savings achieved through the efficiency programmes in 2011 and early 2012 are around EUR 2.5 million.

In early 2011, Atria moved its black pudding production from Saltsjö-Boo in Stockholm to its Tranås plant. The switch will create significant synergy benefits for the black pudding products produced under the Gea's brand which holds an 80 per cent market share in Sweden.

At the beginning of 2012 Atria decided to close its Halmstad factory and to move the production of ham products and the slicing of cold cuts to a single production plant in Malmö.

www.atriagroup.com/en/media/pages/companyreleases

INVESTMENTS SECURE GROWTH

Atria Scandinavia invested a total of EUR 7 million in efficiency improvements and capacity increases for its production processes.

To further reinforce its position as the leading supplier of black pudding and liver pâté products, Atria invested more than 2 million euros in new technology and systems at its Tranås factory.

Moving ham production and slicing to the Malmö plant will increase Atria's competitiveness through economies of scale in production and logistics. The preliminary investment requirement in premises, machinery and systems comes to nearly 5 million euros.

RAW MEAT MARKETS

The high prices of raw meat and falling Swedish pork production created challenges for Atria Scandinavia which will continue into 2012.

High international demand for pork and low frozen stocks kept the price level high. The situation is not expected to change significantly, at least in the first half of 2012. Sweden's self-sufficiency in pork production is around 75 per cent and it is expected to sink further. The price of beef also increased as demand peaked, although the supply was more balanced than for pork. A significant share of the meat used by Atria Scandinavia is sourced from abroad.

In Sweden an ongoing campaign promotes the use of the "Svenskt kött" label on products made of Swedish meat. The label has featured on the Lönneberga products since the second half of 2011.

www.lonnebergaskinka.se
www.svenskkott.se

STRATEGY IMPLEMENTATION

Atria Scandinavia's strategic goal is to be the market leader or strong number two in the cold cuts, sausage and delicatessen product categories in consumer goods retail and in the Food Service sector in its geographical operating area. The company focuses on its strong brands, product development and efficient sales and production.

Atria Scandinavia's most important strategic focus areas were:

1) Enhancing the competitiveness of product groups, especially through product development, new products and marketing. The Lönneberga, Sibylla and Lithells brands received the greatest attention.
2) Significant international growth of the Sibylla concept. The company furthered this goal through R&D projects whereby refrigerated products are put on offer alongside frozen goods.
3) Improving the efficiency of the production structure. Atria continued its production and logistics efficiency improvement programmes which have allowed it to improve cost efficiency and lighten the cost structure.

ATRIA'S HANDPRINT

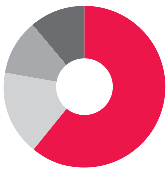
Atria's Handprint corporate responsibility programme focused on projects regarding nutrition and the origin of meat.

The role of locally sourced food further strengthened as a consumer trend in Sweden, and this went along with an active discussion regarding the origin of Swedish meat. Atria contributed through the Utvalda Gårdar traceability project.

Corporate responsibility, page 34

Net sales / sales channels

Breakdown of Atria Scandinavia's net sales by sales channel



- Consumer goods retail Sweden....... 61%
- Atria Foodservice............................ 17%
- Atria Concept.................................. 11%
- Consumer goods retail Denmark 11%

Net sales / product groups / sales channels

Breakdown of Atria Scandinavia's net sales by product groups and their sales channels

		Sales channel			
Product group	Product group net sales (EUR million)	Consumer goods retail Sweden	Atria Foodservice	Atria Concept	Consumer goods retail Denmark
Cold cuts	> 100	67%	3%		30%
Sausages	50–100	70%	10%	20%	
Delicatessen products	50–100	93%	7%		
Minced meat	30–50	10%	60%	30%	
Traditional home meals	30–50	52%	45%	3%	
Convenience foods	< 30	80%			20%
Other food products	30–50		45%	55%	

Market shares

Market shares in Atria Scandinavia's key product groups

Product group	Market size (EUR million)	Atria's market share[1)]	Atria's market position
Cold cuts, Sweden	474	16.5%	2
Cold cuts, Denmark	369	12.9%	2
Sausages, Sweden	375	12.3%	2
Mature hard cheese	134	15.7%	4

Source: AC Nielsen, 2011
1) Share of Atria's own brands

Tomas Back
Executive Vice President
Atria Scandinavia

PROFITABILITY AND GROWTH 2012

What measures will Atria Scandinavia take to improve its profitability in 2012?
For Atria Scandinavia this will be a challenging year due to weak growth in market volumes and changing raw material prices. Our primary goal is to strengthen the position of our main product groups in the market and to maintain our profitability through efficiency measures.

How will Atria boost its growth?
We will try to increase our net sales by investing in our main product groups and brands. We will work to increase our market share through intensified sales efforts. The market is unlikely to grow in 2012.

What is the trump card – action, product or innovation – that will set Atria apart from its competitors in 2012?
Atria Scandinavia has many excellent products and strong brands. We can stand out and achieve our targets for 2012 by investing effectively in product sales and brand visibility.

ATRIA RUSSIA

"Atria reinforced the market position of the Pit-Product brand in St Petersburg and invested in expanding the Sibylla brand."

GROWTH AND PROFITABILITY

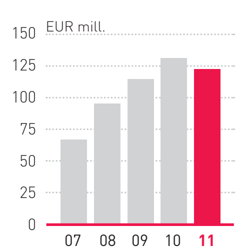
Atria Russia's net sales decreased slightly due to falling sales in the Moscow region and the fall of the rouble. Profitability remained poor although the operating loss clearly decreased towards the end of the year.

Atria Russia's net sales fell by 4.9 per cent to EUR 123 million. In the local currency the decrease was 2.9 per cent. The end of the growth of net sales was mainly due to decreasing sales in the Moscow region after the company gave up its unprofitable products. In the St Petersburg area, on the other hand, Atria's sales did well and grew according to plan.

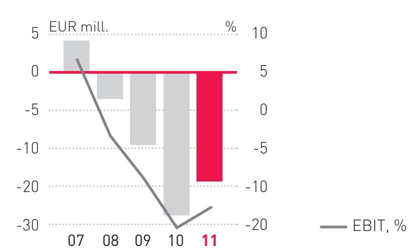
Full-year profitability was poor. The operating loss of EUR 18.9 million remained on a par with the 2010 level operationally, since that figure (EUR -27.9 million) contained a non-recurring expenses of EUR 9.5 million. However, the three-year trend of increasing operating losses came to an end. Whereas the first half of the year showed an operating loss of EUR 11.1 million, the figure for the second half was down to EUR 7.8 million. Prices started to strengthen and Atria's cost efficiency improved.

There have been four fundamental reasons for Atria Russia's loss-making performance: weak demand, low selling prices, high raw material costs and the unhealthy cost structure of the Moscow operations. Aside from the uncertainty regarding raw material costs, the preconditions for a positive performance have improved in 2012.

Net sales



EBIT



MARKETS

The demand for meat products has barely increased despite the nation's economic recovery. Sales prices remained low and the industry was marred by tough price competition.

The Russian economy recovered steadily, although the growth figures were nowhere near those preceding the economic crisis. The growth forecast for 2012 is around 4 per cent, but this depends on many uncertain factors.[1)]

The meat and meat products markets recovered slowly from the previous year's 10 per cent decrease in overall demand. The market – especially in the Moscow region – was characterised by a low average price level and tough competition, which made it difficult to incorporate the increased raw material costs into sales prices. Overcapacity in the sector contributed to the low price level, and no relief was in sight despite widespread profitability problems.

1) Source: Bank of Finland, BOFIT, 2011

"The company enhanced its profitability and competitiveness by centralising production."

MARKETING AND MARKET POSITION

Atria Russia maintained its strong market position in the St Petersburg area, but lost some of its foothold in Moscow. The company launched a full revamp of the CampoMos brand product range.

Atria Russia is a clear market leader in its own product groups in the St Petersburg area with a market share of around 20 per cent.[1)] Despite tough competition, Atria managed to strengthen the position of its Pit-Product brand – not least thanks to products which are entirely new in the local market. These included precooked minced meat products.

In the Moscow region, Atria saw its market share slip. The market share of the product groups in which Atria involved was around 2 per cent.[1)] To reinforce its position, Atria launched a full revamp of the CampoMos brand. It started by discarding unprofitable product groups and products. The number of products is being cut from around 200 to 75 in 2012. This move will allow Atria to much better focus its marketing and sales efforts. At the same time the company is investing in the development of new products. Sales channels are also being reorganised. Besides modern, centrally operated consumer goods retail chains, the company is now also investing in local shops which are by far the biggest distribution channel in Moscow. The reorganisation of sales in the hotel, restaurant and catering sector and the Sibylla concept goes beyond Moscow, equally affecting St Petersburg and Atria's other Russian markets.

1) Atria's own estimate.

Atria Russia´s marketing campaigns: page 33

PROFITABILITY IMPROVEMENT

Atria Russia's production structure revamp proceeded according to plan: most of the production of meat products was moved to the Gorelovo plant in St Petersburg. The annual cost savings are around EUR 7.5 million.

Atria Russia's measures to move the production of meat products to the Gorelovo plant have not just improved cost efficiency but also considerably reduced the company's fixed and variable overheads. The staff reductions will affect more people than anticipated and therefore the annual cost savings will reach approximately EUR 7.5 million. The savings will be fully realised by the beginning of 2013.

Centralising the production of meat products at the highly efficient Gorelovo plant improves the price competitiveness of Atria's product groups significantly. Price is a key negotiation argument especially in the Moscow meat products market.

Although Atria is striving to improve its profitability by increasing volumes in the selected product groups, it also aims to develop new product groups which stand out from the traditional Russian fare. In these groups, competition is still undeveloped and profit margins are higher than in volume products.

INVESTMENTS TO SECURE GROWTH

Atria Russia's growth targets are supported first and foremost by the high productivity and capacity of the Gorelovo meat product facility and logistics centre. Atria has invested more than EUR 70 million in Gorelovo.

Transferring production of meat products from the Moscow and St Petersburg-Sinyavino plants to Gorelovo allows Atria to take full advantage of the new plant's efficient Western process technology. This project increases the productivity of Atria's entire production structure. Running since 2010, the Gorelovo plant has a modern integrated logistics centre, which increases the efficiency of the order–supply processes, particularly in the St Petersburg area.

When the production of meat products has been completely transferred to Gorelovo, Atria will retain pizza production and a logistics centre in Moscow. The Sinyavino plant in St Petersburg focuses on the production of popular cured sausages. Atria has increased its production capacity at these plants in line with the positive market outlook.

PRIMARY PRODUCTION

The competitiveness of Atria Russia's raw material procurement will improve dramatically as the production volume of its part-owned pig farms is gradually increased to 188,000 pigs a year.

Atria Russia's profitability was particularly affected by the high price level of imported meat in the first half of the year. The costs of its own Campofarm pork farm also increased because of the rising market prices of cereal which led to higher feed costs. The farm's capacity is around 55,000 slaughter pigs a year.

The competitiveness of Atria Russia's pork procurement will improve markedly as the production volume of its part-owned pig farms increases. Atria owns a 26 per cent share in the Russian company OOO Dan Invest which is investing approximately EUR 40 million in two pork farms. The annual production volume of the Rask and DanKub farms will increase gradually to around 188,000 slaughter pigs in 2013. This investment will enable Atria to secure its supply of locally sourced pork.

STRATEGY IMPLEMENTATION

Atria Russia's key strategic focus area is 1) a marked increase in profitability. Other focus areas include 2) establishing a competitive advantage based on product leadership, 3) increasing sales, 4) boosting the Sibylla business and 5) increasing production efficiency.

1) Atria Russia strives to achieve a positive EBIT in the second half of 2013.
2) Atria will strengthen its product leadership-based competitive advantage by radically revamping its product groups.
3) Atria will strive to increase its sales not just by investing in modern retail outlets but also by winning over local shops.
4) The Sibylla concept has been separated into an independent sales responsibility area which will be given significant new resources.
5) Atria has improved the efficiency and profitability of its overall production structure by revamping its operations.

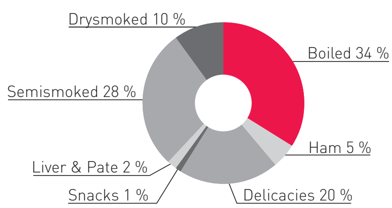
ATRIA'S HANDPRINT

Atria's Handprint corporate responsibility programme focused on employee training programmes. Atria Russia also strives to be a trendsetter in corporate responsibility issues. It will utilise and localise the best practices and projects of Atria's other business areas, mainly the businesses in Finland and Scandinavia.

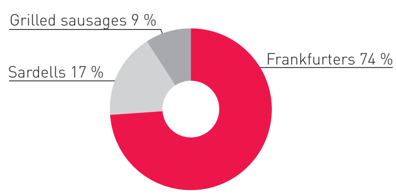
Corporate responsibility, page 34

ST PETERSBURG MEAT PRODUCTS MARKET
Markets total about EUR 500 million

Cold cuts
Markets total about EUR 359 million

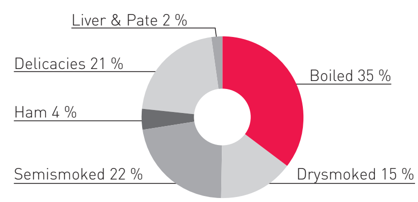


Sausages
Markets total about EUR 150 million

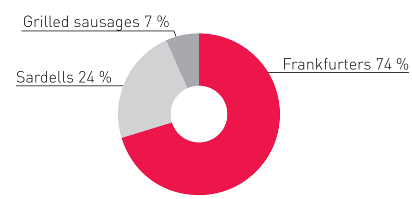


MOSCOW MEAT PRODUCTS MARKET
Markets total about EUR 1,500 million

Cold cuts
Markets total about EUR 1,140 million



Sausages
Markets total about EUR 360 million



Market share
Atria Russia´s main product group market shares.

Product group	Market share in St Petersburg		Market share in Moscow	
Boiled sausages	1	6	●	4
Dry smoked sausages	1	6	●	7
Semismoked sausages	1	8	●	6
Frankfurters	1	6	●	2
Sardells	1	6	●	3
Liver & Pate	1	6	●	5
Meat delicacies	1	10	●	9
Meat snacks	1	2	●	3

● Pit-Product brand
● CampoMos brand

Source: Business Analytica, 2010

Jarmo Lindholm
Executive Vice President
Atria Russia

PROFITABILITY AND GROWTH 2012

What measures will Atria take to improve its profitability in 2012?
We have two main paths to increased profitability: continuous improvement of the cost structure using structural arrangements, and increasing profitable sales with a healthy product range and well targeted sales and marketing measures.

How will Atria boost its growth?
New sales measures are taken to increase growth. Our main objective is to improve our profitability substansially from 2011.

What is the trump card – action, product or innovation – that will set Atria apart from its competitors in 2012?
Atria stands out in the St Petersburg market through its balanced product range and having by far the most recognised and preferred brand. In Moscow we stand out through interesting and innovative new products.

"Atria revamped its Maks & Moorits brand and carried out a massive relaunch. The company improved its profitability through product group arrangements."

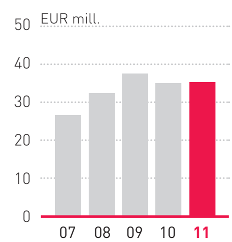
GROWTH AND PROFITABILITY

Atria Baltic's net sales were on a par with the 2010 level whilst profitability improved.

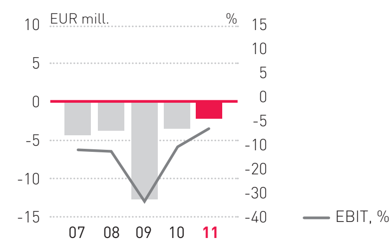
Atria Baltic's net sales increased 0.7 per cent to EUR 35.2 million.

Profitability improved substantially. The operating loss shrank by more than 40 per cent to EUR -2.2 million. This figure contains a total of EUR 0.3 million of non-recurring expenses. Profitability improved predominantly through the long-term measures the company has taken to reduce costs and increase profitability. The positive progress was also boosted by the improved sales structure. On the other hand, profitability was impaired by the increased costs of primary production.

Net sales



EBIT



MARKETS

The overall market for food products in Estonia expanded slightly as the economy recovered.

Estonia's economic recovery started in 2010 and continued at a GDP growth rate of 7.5 per cent. The growth is expected to slow to 3.6 per cent in 2012. [1] The overall market for food products grew less dramatically. Sales figures for Atria's key product groups – cold cuts and sausages – only grew 1 per cent and prices per kilogram went up roughly 6 per cent. The price of consumer-packed marinated meat saw the biggest growth, at 11 per cent.[2]

1) Source: Nordea Bank, 2011
2) Source: AC Nielsen, 2011

MARKETING AND MARKET POSITION

Atria Baltic invested heavily in updating its product range. The overall market share remained stable.

Atria Baltic carried out a massive repositioning of its product groups. The Maks & Moorits brand was modernised and a new marketing concept was set up for the product group. The brand relaunch had exceptionally wide coverage in Estonia in view of the whole sector. Marketing efforts continue and the investments are expected to bear fruit in 2012 by way of enhanced growth and profitability figures.

Atria's market share in Estonia remained stable throughout the year. The company maintained its position as market leader in the grill and cured sausage product groups although price competition continued to be tough and the company gave up several unprofitable products.

Atria Baltic's marketing campaigns : page 33

PROFITABILITY IMPROVEMENT

Atria Baltic improved its cost efficiency through the previously initiated production revamp and a more profitable sales structure.

Atria's cost efficiency has improved in Estonia primarily through the concentration of operations. In 2010 the company closed down its plant in Ahja and transferred production to the Valga and Vastse-Kuuste plants. This measure has lightened the cost structure by approximately one million euros. Atria is also targeting better profitability through product group arrangements, by focusing its marketing and sales efforts on higher profitability products.

PRIMARY PRODUCTION

Increased feed costs reduced the profitability of Atria's own primary production.

Increased feed costs raised the producer prices of beef and pork, at the same time weakening the profitability of Atria Baltic's own pork farms. Atria is Estonia's second biggest pork producer, with 67,000 pigs slaughtered annually. The majority of the raw meat used by Atria comes from its own five pork farms, which Atria has modernised with significant investments.

STRATEGY IMPLEMENTATION

Atria Baltic's strategic focus areas are 1) strengthening brands and revising the product range, 2) enhancing customer cooperation and 3) increasing the efficiency of operations.

1) Atria has made significant investments in the repositioning and relaunch of its strategic brand, Maks & Moorits.
2) Besides enhancing existing customer relationships, Atria strives to increase its share in the product selection at service counters of retail stores.
3) Having centralised its production, Atria is focusing on increasing the efficiency of production control and monitoring.

ATRIA'S HANDPRINT

Atria's Handprint corporate responsibility programme focused on projects related to the nutritional value of food.

Atria was the first to launch low-salt and E-code-free products on the Estonian market in the Jussi product line. It also gave up the use of sodium glutamate in its Maks & Moorits branded products.

Corporate responsibility, page 34

Rauno Väisänen
Executive Vice President
Atria Baltic

PROFITABILITY AND GROWTH 2012

What measures will Atria Baltic take to improve its profitability in 2012?
The main ways of improving profitability are increasing sales volumes and cost efficiency at all process stages.

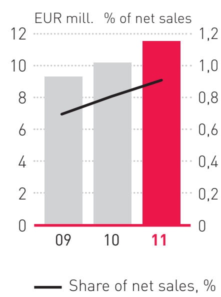
How will Atria speed up its growth – or is this even a primary goal?
We have to increase sales, especially in the key product groups of cold cuts, sausages and consumer packed meat. The main boosters of growth are intensifying sales, improved customer collaboration, the Maks & Moorits brand relaunch at the end of 2011 and the successful launch of new products.

What is the trump card – action, product or innovation – that will set Atria apart from its competitors in 2012?
We have researched our customers' and consumers' needs and preferences fairly thoroughly. Now we are making the most of this knowledge. Our focus is now on more customer- and consumer-driven product development and marketing.

Additional investments to strengthen Atria's brands

In line with its product leadership strategy, Atria has concentrated its R&D and marketing efforts on strengthening its own brands. In Finland, investment was channelled into a massive corporate image campaign. In Sweden, the main target was the Lönneberga brand, and in Estonia, the Maks & Moorits brand received investment. In Russia, Atria made significant changes regarding the CampoMos brand.

Atria's research and product development operations



Atria's product leadership model is a genuinely consumer-driven business model in which the development of operations and product groups is guided by the needs of consumers and retail operators and Atria's other customers. In order to make its operations and supply more consumer-driven, Atria has stepped up its research and product development efforts. The Group's research and product development operations focus on researching consumer behaviour and market data. In addition, Atria participates in applied research in the areas of product and packaging technology and food science. Marketing is also an essential part of the product leadership model. Since product leadership is Atria's differentiation tool, innovation and uniqueness are significant factors in marketing communication.

In 2011, Atria launched about 340 new products. This figure includes new packages and new product support services. New products are key to the product leadership model; efforts are made to considerably increase their share of both net sales and EBIT.

Read more about Atria's product leadership strategy on page 8.
Read more about the marketing and market position of Atria's business areas on segment reviews.

Corporate image advertising makes a point

Atria Finland launched an extensive advertising campaign that highlighted five topic areas in 2011. The campaign continues in the spring of 2012. It told Finnish consumers about the advantages of choosing Finnish meat for their shopping basket. The full-page ads, published in 26 newspapers and magazines, had excellent media reach. Opinion polls indicate that the campaign significantly reinforced consumer confidence in Finnish meat production and in Atria.

Key marketing campaigns in various business areas in 2011

	Main campaigns:	Key target:	Key media:	Key achievements:
Atria Finland	Corporate image advertising Read more on the opposite page	To increase Atria's recognition rate and trust in the brand and to activate discussion regarding the benefits of Finnish meat production	26 newspapers and magazines	Trust in Atria and Atria's products increased markedly
	Atria Bravuuri	To introduce the new product family and its brand promise: "Real home-made food quickly and easily"	TV spots, newspapers and magazines, visibility in stores	Successful launch of entirely new products that meet culinary trends. The products also appeal to a younger audience
	Atria Kulinaari	To strengthen market leadership and forerunner image, develop the consumer-driven cold cuts offer	TV spots, newspapers and magazines, visibility in stores, online	Market launch and advancement of premium cold cuts. Launching an entirely new, recyclable package.
Atria Scandinavia	Lönneberga cold cuts	To reach 10% market share (from 6.7%), increase sales and strengthen brand equity	Mass launch of 14 items, in-store material, trade campaigns, TV spots	Sales up 32%, market share for the full year was 8.6%, in Q4 10%. Brand perception (best quality, worth paying more for) was markedly up.
Atria Russia	Pit-Product cold cuts, products for cooking, convenience food	24% sales growth	Lottery, guaranteed gifts for purchase, posters at bus stops and in metro, radio spots, online banners, promotion websites and point of sale material	Sales grew by 28%.
	Pit-Product semi-smoked sausages	To demonstrate the advantages of semi-smoked sausages to consumers. Sales increase.	Metro posters, indoor advertising	Average sales growth in the product group was 13%
	Marketing support for minced meat products	50% sales growth	Promo packs, media advertising, in-store advertising, online competitions	Sales grew by 42%
Atria Baltic	Rebranding of Jussi products. The products were reassigned to the Maks & Moorits brand.	To upgrade the product's image in line with the brand strategy, sales growth	TV, point of sale material, in-store TV, radio, PR	Improved distribution and profitability, sales up 250%
	New packages for summer products	To unify the look of products, increase visibility and distribution	TV, in-store TV, radio	Better ranking in listings, moderate sales increase and positive customer feedback
	Maks & Moorits brand relaunch	To stand out from competitors, increase awareness and trust, emphasise quality	TV, in-store TV, radio, point of sale material consumer focused gift campaigns	Increased visibility, positive attention, but lower short-term impact on sales than expected

	1 "Wolf in cow's clothing"	2 "As a vet, I look after humans"	3 "Lingonberry – packed with additives"	4 "Where does the chicken come from?"	5 "Grown free"
Message	Finnish beef cattle are traditionally reared in accordance with sustainable development, the feed mostly procured from domestic sources and the animals medicated with caution. The meat is not radiated. Consumer must be given the tools to recognise safe domestic meat products at the time of purchase	The Finnish pork chain is highly professional, from farms to production. The piggeries have free space to reduce tail biting. Animals at Atria farms are healthy, with more than 200 vets and officials ensuring their well-being. Transportation times have been cut to a minimum and journeys are planned on the animals' terms.	Additives, when used sensibly, are in the consumer's best interest. Many carefully researched substances added to meat are naturally present in fruit, vegetables and berries. The most common sources of nitrates, for example, are vegetables and tap water. Small amounts of natural nitrites are used to preserve consumers' health.	The quality of chicken products is the result of a commitment across the entire Atria product chain to caring for the well-being of production animals. Consumers can trace Atria chicken products right back to the family farm which produced it. A journey of only 48 hours from farm to shelf ensures the freshness of the goods.	Atria beef cattle are raised free, eat grass grown on the farm and are rarely sick. Compared with Finnish beef, the carbon footprint of foreign beef is many times larger.
Results	The ad's media reach was notably above the average for full-page ads. It was considered individual and interesting.	With an approach that was more restrained than that of the "Wolf in cow's clothing" ad, this ad was effective in building trust in Atria's pork chain across age groups. The ad succeeded in promoting Atria's long-term corporate image.	The bold statement bore fruit, particularly in the under-30 age group. This age group's trust in Atria's products rose to a new high. This ad had high media reach across all age groups.	This ad had the highest media reach compared with the previously published ads in the series. It further increased trust in Atria.	77 per cent of the readers espoused for beef cattle's breeding circumstances comparison between Finnish and foreign countries.

Responsible business for the long term

Atria's corporate responsibility policy is encapsulated in its mission, "Good food – better mood". For Atria, the concept of good food covers the entire food chain from primary production to the dining table. Atria's good food is produced in a responsible and ethical manner; it is of high quality and it is safe. Good food leads to a better mood and added value for all of Atria's stakeholders.

Atria aims to secure its current and future operating conditions through responsible operations. In accordance with the principles of sustainable development, Atria takes into account the economic, social and environmental aspects of all its business areas.

Atria's corporate responsibility policy is embodied in its day-to-day work with stakeholders. The principal stakeholders include the following:

- Customers
- Consumers
- Shareholders
- Authorities
- Personnel
- Suppliers

Other stakeholders include subcontractors, local communities, educational institutes and the media.

The corporate responsibility programme sums up the principles of responsible operations

Atria has an extensive corporate responsibility programme called Atria's Handprint. The programme gathers the principles, practices, projects and results of Atria's responsible operations.

Under Atria's Handprint programme, responsible operations will initially be developed and measured in the following seven sectors:

- Finance
- Environment
- Animal welfare
- Product safety
- Nutrition
- Personnel
- Communication

By making improvements to all of these factors in a balanced manner, Atria aims to become a leading company in responsible food production in its areas of operation.

Atria's corporate responsibility is described in detail in the separate Corporate Responsibility Report. You can view the report and read more about corporate responsibility matters on Atria Group's website at www.atriagroup.com/en/corporate-responsibility

You can also order a printed report by contacting Atria's Group Communications unit (info@atria.fi).

ATRIA'S CORPORATE RESPONSIBILITY DEVELOPMENT PROJECTS 2011*

	Targets 2011	Key results in 2011	Targets 2012
Economic responsibility	• Delivery on product leadership strategy pledges. • Significant improvement of the profitability of Atria's operations. • Investments in product development and marketing as well as in the development of new types of operating models.	• Atria's net sales for the year remained at the previous year's level and EBIT weakened slightly. • Programmes to increase the efficiency of operations were initiated in all business areas and changes were implemented.	• Launches of significant new products and projects to increase the efficiency of operations aim to increase net sales and EBIT in all business areas.
Environmental responsibility	• Reducing the direct environmental impact of industrial operations.	• At the Group level, energy consumption has evened out and energy efficiency has improved. • At the Group level, water consumption relative to production output has remained at relatively good levels. Total consumption increased by four per cent. • Of all Atria's waste and effluent streams, 98% ends up being recycled.	• Reducing direct environmental impact. • Identifying and managing the environmental impact throughout the chain through chain collaboration.
Social responsibility			
Personnel	• Improving well-being at work by business area.	• Implementation of strategy-oriented training. • At Atria Finland, Early Caring measures contributed to increased workplace well-being.	• Description, analysis and implementation of the leadership profile. • Development of leadership throughout Atria Group and at all organisational levels in line with the intended profile • Turning the Talent Management process into an executive, middle management and administrative tool. • Harmonising pay structures across Atria Group.
Product safety	• Harmonising product safety procedures in all business areas as part of the Safe Atria Quality programme. • Certified product safety systems for all Group facilities by 2014.	• Certification for the new ISO 22000:2005 product safety system progressed as scheduled. • Internal audits were carried out between the Group countries to propagate good practices for pathogen control.	• Substantiating best practices in the Safe Atria Quality programme. • Certified product safety systems for all Group facilities by 2014.
Nutrition	• Maintaining and developing Atria's balanced product portfolio with consideration for nutritional aspects.	• Development of products with low sodium levels and reduction of salt in existing products. • Increase in the number of additive-free products in all markets.	• Maintaining and developing a versatile product range so that it is easy for consumers to make smart and healthy choices among Atria products.
Animal welfare	• Promoting animal welfare and developing assessment methods.	• Development of internal reporting systems. • Active participation in the development of national health care systems and putting new operations into practice. • Pain relief during castration of male pigs was introduced. • Carrying out a study of Welfare Quality assessment methods in Finland.	• Promoting animal welfare in the long term through projects for each animal species and developing welfare assessment and measuring methods. • Collaborative research in developing well-being.

*) The table shows examples of Atria's corporate responsibility projects.
The full table is available in Atria's Corporate Responsibility Report.

Financial statement and annual report

Annual General Meeting 3 May 2012

Atria Plc invites its shareholders to the Annual General Meeting, which will be held on Thursday, 3 May 2012 in Helsinki at the Finlandia Hall.

The AGM will address the following matters, among others:
1. Matters to be addressed at the AGM as set out in Article 16 of the Articles of Association.

The invitation to the AGM was published in national newspapers on 20 March 2012. The AGM documents are available in Atria's website at www.atriagroup.com.

Financial Reporting in 2012

Atria Plc will publish financial results in 2012 as follows:

2011 Financial statement	16 February 2012
2011 Annual Report	during week 14
Interim Report Q1 (3 months)	3 May 2012
Interim Report Q2 (6 months)	26 July 2012
Interim Report Q3 (9 months)	1 November 2012

Atria's financial information will be published in real time on the company website at www.atriagroup.com.

Imbalances on international meat markets weakened Atria's performance in the first half of the year – a turn for the better occurred in the second half.

2011 began with problems in international meat markets. The oversupply of pork in Europe forced market prices down. At the same time, the price level of essential raw materials – cereals and feed – remained high and increased the cost of locally produced meat in Atria's business areas. Transferring such rapid raw material price rises to sales prices is a challenge for the food products industry. Agreements with customers are often long-term. Imbalances on meat markets and low consumer demand in Russia contributed to weak performance in the first half of the year.

In the third quarter, the market took a turn for the better. The increase in pork production came to a halt, and EU forecasts indicate that production volumes will start decreasing in the second half of 2012. Chinese customers became active on the pork market and exports from Europe to China increased significantly in the second half of the year. The price level subsequently rose.

Atria Finland, which uses domestically sourced meat, benefits if the price of imported meat is high and imports of competing meat to Finland shrink. Those business areas (Russia, Scandinavia and the Baltic countries) which use some imported meat in production are at a disadvantage when the price level rises.

Growth in the consumer goods retail market in Atria's business area was modest. In Finland, the consumer goods retail market grew by 5.9 per cent in 2011. In terms of value, sales of the product groups represented by Atria grew 3 per cent. In Sweden and Denmark the market remained fairly stagnant. In Russia, the market as a whole showed little growth and the consumer goods retail market grew around 4 per cent in 2011. Economic development in Estonia was positive in 2011.

By Atria's own estimate, its market share in Finland was approximately 25 per cent. In Sweden and Denmark, the market shares of Atria brands remained stable. Atria's market share in the St Petersburg area has remained at around 20 per cent. In Moscow, Atria has lost market share. In Estonia, Atria's market share has remained stable in a slightly growing market.

Strategy: Product leadership

The product leadership strategy launched in 2010 was systematically implemented in 2011. The key objective of the strategy is to significantly improve the profitability of Atria's foreign operations. The strategy also aims to secure and strengthen Atria Finland's profitability. Besides improving profitability, the new strategy promotes company growth. This means predominantly organic growth, and only complementary acquisitions will be considered.

The strategy set out the following focus areas for the individual business areas:

Atria Finland:
- Strengthening the Atria brand
- Ensuring the competitiveness of existing products
- Gaining insight into consumer needs and new products
- Improving profitability

Atria Scandinavia:
- Improving profitability (streamlining production and logistics)
- Benefiting from the competitive advantage based on product leadership: strengthening the competitiveness of existing products and brands (Lönneberga, Sibylla, Lithells) and new products
- Promoting international growth of the Sibylla brand

Atria Russia:
- Aiming for a positive EBIT in the second half of 2013
- Creating a competitive advantage based on product leadership
- Increasing sales
- Expanding the Sibylla business significantly
- Improving productivity

Atria Baltic:
- Strengthening product brands and revising the selection
- Improving customer cooperation
- Increasing the efficiency of operations

Atria Group's financial targets are as follows:

EBIT	5 %
Equity ratio	40 %
Share of international operations	50 %
Return on equity (ROE)	12 %
Dividend distribution of profit for the period	50 %

Corporate responsibility projects are well underway

Atria's corporate responsibility projects were taken forward in Atria's Handprint programme. At Atria Finland and Atria Scandinavia, the programme focuses on development projects connected with the environment, well-being of animals, product safety, nutrition, personnel and communication. At Atria Baltic and Atria Russia, stakeholder expectations differ from those in the other business areas. In these regions, Atria pays particular attention to developing its personnel's skills and to improving working conditions and the atmosphere at work. Enhancing communication is also a key area for development in Russia and Estonia.

In the period under review, the Group had a total of 54 ongoing corporate responsibility projects. Examples:
- ISO 22000 certification of production plants
- Elimination of artificial additives from products

- The domestic meat advertising campaign in Finland
- Development of the painless castration of piglets in Finland

A corporate responsibility report was published as part of Atria's Handprint programme.

Poor performance in the first half improved at the end of the year

Atria Finland's net sales were EUR 793.7 million (EUR 767.8 million), up 3.4 per cent year-on-year. Net sales for the reference period were weakened by the labour market disputes in the food industry in spring 2010.

Full-year EBIT, EUR 19.3 million (EUR 30.7 million), was clearly weaker than in the previous year. In the first two quarters, performance was affected by instability in the market, a poor sales structure and increased raw material prices. The EBIT includes a EUR 1.8 million write-down for the Forssa logistics site. In the third quarter, the meat market took a turn for the better, as global demand for and supply of pork balanced out in comparison with the first two quarters. Atria Finland's EBIT turned positive at the end of the third quarter.

Atria launched two profitability improvement programmes in Finland in early 2011. Atria decided to transfer its bovine slaughtering operations to Kauhajoki, and an efficiency improvement programme was launched at the Nurmo facility to cut approximately 110 person-years. Atria expects the programmes to achieve total annual cost savings of EUR 10 million. The savings started to materialise in 2011 and will be fully effective from the beginning of 2013.

The Kauhajoki bovine slaughterhouse investment progressed according to plan, and the new slaughterhouse will be operational in early 2013. With the extension and the renovation of the slaughtering line, the slaughtering capacity at Kauhajoki will increase from the current 26 million kilograms to approximately 40 million kilograms a year. In the context of this investment, Atria bought the shares of Kauhajoen Teurastamokiinteistöt Oy from Itikka Co-operative for EUR 6.1 million. Atria also made a decision to invest EUR 6 million in an extension of the Seinäjoki chicken hatchery and new equipment.

Mika Ala-Fossi was appointed Managing Director of Atria Finland as of 1 February 2011.

Atria Scandinavia's net sales were EUR 374.9 million (EUR 391.6 million), a decline of 4.3 per cent. Net sales in local currency fell by 8.4 per cent. The decrease in net sales was mainly due to the discontinuation of the production of consumer-packed meat in the summer of 2010. Annual net sales from this business were approximately EUR 45 million.

Atria Scandinavia's EBIT was on a par with the previous year at EUR 13.8 million (EUR 13.9 million). The EBIT for the reference year includes a non-recurring expense of EUR 2.3 million relating to the shutdown of the Årsta plant.

Atria Scandinavia's development programme continued according to plan in 2011. The Saltsjö-Boo facility was closed down and the production of black pudding was transferred to the Tranås plant. These measures are expected to generate annual cost savings of EUR 1 million. The cost savings are fully realised from the beginning of 2012. The Saltsjö-Boo property was sold and a non-recurring profit of EUR 0.7 was entered for the period.

Tomas Back was appointed Executive Vice President for Atria Scandinavia as of 1 May 2011.

Atria Russia's net sales fell slightly to EUR 123.0 million (EUR 129.2 million). The fall was due to low market demand, intensified competition and the impact that end-product price increases had on sales volumes, especially in Moscow. In the local currency, net sales fell by 2.9 per cent year-on-year.

Atria Russia's EBIT was heavily in the red, at EUR -18.9 million (EUR -27.9 million). The 2010 figure includes EUR -9.5 million of non-recurring expenses (a goodwill impairment of EUR -10.8 million and non-recurring profits of EUR 1.3 million). Atria Russia's earnings took a turn for the better in the second half of the year. The EBIT for the first half of the year was EUR -11.1 million and for the second half it was EUR -7.8 million. The reasons for the performance improvement were improved cost-efficiency, price rises and a streamlining of the product range.

The development programme launched in 2010 to enhance production capacity and profitability was completed in accordance with the plan. Meat products are now produced at the centralised Gorelovo and Sinyavino plants in St Petersburg. Pizza production and a logistics centre operate in Moscow. The annual cost savings are estimated at EUR 7.5 million, a figure which will be fully realised from the beginning of 2013, although savings were already being made in the second half of 2011.

Jarmo Lindholm was appointed Executive Vice President for Atria Russia as of 1 May 2011.

Atria Baltic's net sales were at the previous year's level, at EUR 35.2 million (EUR 35.0 million). The operating loss shrank by more than 40 per cent to EUR -2.2 million (EUR -3.7 million). The full-year EBIT includes a total of EUR 0.3 million of non-recurring expenses (sales profit of EUR 0.9 million from the restructuring of business operations and a loss of EUR 1.2 million from the sale of a factory in Lithuania).

Rauno Väisänen was appointed Executive Vice President for Atria Baltic as of 1 May 2011.

Group key indicators, EUR million:	2011	2010	2009
Net sales	1,301.9	1,300.9	1,316.0
EBIT	8.0	9.8	27.5
EBIT%	0.6	0.8	2.1
Balance sheet total	1,067.5	1,111.6	1,101.3
Return on equity, %	-1.5	-1.0	1.7
Return on investments, %	1.7	1.9	4.7
Equity ratio, %	39.5	40.2	39.7
Net gearing, %	95.5	92.2	89.4

Earnings

Consolidated EBIT was EUR 8.0 million (EUR 9.8 million). The EBIT for 2011 includes a total of EUR -2.2 million of non-recurring expenses (EUR -11.8 million), of which EUR 0.8 million is related to the severance pay of Atria Plc's previous CEO.

Events occurring after the period

Atria Scandinavia announced its plans to launch an action plan focusing on improving profitability. The programme is aimed at streamlining and automating the production process of ham products and the slicing of cold cuts. Negotiations with labour market organisations have been initiated so that the planning of the programme can be started.

If the programme is implemented, an estimated EUR 4.7 million will be invested in production equipment at the Malmö plant and the Halmstad plant will be closed down after production has been transferred to Malmö. The programme is expected to generate annual cost savings of approximately EUR 1.5 million.

Atria Plc's Board of Directors decided to terminate the share incentive plan for Atria Group's key personnel and to adopt a new long-term merit pay system. The share incentive system is no longer in use in 2012. It was launched in 2007 and disclosed in a stock exchange release on 28 June 2007.

The new long-term reward programme for the Group's key personnel has three 12-month periods: 2012, 2013, and 2014. The full earning period for the programme ends on 31 December 2014. The reward earned in an earning period is determined after the period has expired on the basis of targets. Cash rewards can be earned for reaching targets established for the relevant earning period. Any remuneration from the programme for the full earning period will be based on the Group's earnings per share (EPS). Cash rewards payable under the programme throughout the course of its earning period, between 2012 and 2014, are capped at EUR 4.5 million. The system covers 40 key individuals.

Research and development

Atria Group's research and development operations focus on researching consumer behaviour and market data in all of the Group's business areas. In addition, Atria participates in applied research in the areas of product and packaging technology and food science.

In line with Atria's strategy, product leadership is our strategic differentiation tool. Investments in product development and research operations have thus been greater than in the past. The product leadership strategy highlights Atria's focus on better consumer knowledge and the development of new, innovative products. It is equally important to ensure the competitiveness of existing products, including appropriate attention to high quality and product safety. Product development in 2011 focused on the responsibility aspect of products: transparency as regards nutritional facts and product ingredients, as well as open communication.

Atria Finland launched 91 new products in the consumer goods and Food Service markets in 2011. The most successful launches included the Atria Kulinaari range, Atria Bravuuri range (consumer-packed meat and chicken products) and Atria Gourmet Chicken Fillet Cutlet. These new products account for 5 per cent of total sales in Finland.

Atria Russia launched 12 new products. The most significant new products included re-sealable frankfurter packs, which also won a national innovation award. The new CampoMos cold cuts were also well received. In Russia, the new products account for approximately one per cent of total sales.

Atria Scandinavia launched 186 new products across all product groups. The launches of the Lönneberga cold cuts, Fallbygdens Ost premium cheeses and 3-Stjernet low-calorie cut sausages were particularly successful. In Sweden, the new products account for some 4.2 per cent of total sales, and, in Denmark, new products account for 10.8 per cent of total sales.

Atria Baltic launched 50 new products. Grill sausages were the most successful new products. In Estonia, special focus was on developing additive-free products and redesigning packaging. New products accounted for 6.3 per cent of total sales.

Proportion of net sales spent on research and development activities in Atria Group in 2009–2011:

	2011	2010	2009
Research and development, EUR million	11.9	10.3	9.4
% of net sales	0.9	0.8	0.7

Financing and liquidity

In the first few months of 2011 a fairly optimistic atmosphere prevailed on financial markets. The economy seemed to pick up and market rates also went up accordingly. The terms of bank loans were returning to normal and longer-term maturities were once again available on loans in comparison with the preceding years of financial crisis.

Concerns over the European debt crisis grew over the summer, however, bringing along increased economic pessimism. Long rates went down in the spring and Euribor rates decreased in late summer. The increased uncertainty was also evident in attitudes towards the banking system, since some banks had significant exposures to the European risk countries. Banks began to lose trust in each other, availability of long-term funding deteriorated and prices shot up. This led to rising customer lending margins in late summer, and banks strove to shorten the maximum maturities of new loans.

In April, Atria Plc took out two long-term seven-year bullet loans with variable interest rates for a total of EUR 50 million. In August, an interest rate swap agreement was signed to switch these loans to a fixed interest rate. The new loans were taken out to extend the average life of the loan portfolio. There were no significant changes in the sum of the loan portfolio during the year. Short-term funding was acquired through commercial papers, as in previous years. The Group's liquidity remained good; to ensure liquidity at all times Atria had on average EUR 150 million of unused committed credit lines.

At the end of the accounting period (31 December 2011), fixed interest debts accounted for 50.2 per cent (39.7 per cent) of the Group's liabilities. Atria Scandinavia concluded an agreement with Nordea Finans Sverige AB concerning the sale of trade receivables. The agreement decreased the company's trade receivables by a total of EUR 15.5 million at the end of the period.

Risk management

Atria's business is exposed to a variety of external and internal risks, whose effects on the results may be negative or positive. The purpose of Atria's proactive risk management activities, implemented consistently across the Group, is to support the execution of Atria's strategy and the achievement of targets, as well as to secure business continuity if the risks are realised.

Risk management operations in Atria are guided by the Risk Management Policy, which has been approved by the Board of Directors, and its harmonised operating models for risk assessment and reporting. Risk management is applied to identify, assess and manage factors that jeopardise the attainment of goals. A risk assessment in accordance with the risk management policy is implemented yearly in all business areas and Group operations. The significance of a risk is assessed as a combination of the event's probability and economic impact. The most significant risks observed are prioritised throughout the Group and reported to the Board of Directors annually. The Management Teams of the business areas and the Group Management Team are responsible for implementing the required risk management measures in their respective areas of responsibility.

The profitability of Atria's business is greatly affected by the global risk associated with changes in the availability and market price of meat raw material. Price risk in cereals is also connected to Atria's own primary production. Atria aims to protect itself against unfavourable fluctuations in production costs by adjusting production where necessary. Atria also tries to anticipate changes in the pricing of end products. The Group applies a uniform currency risk policy to hedge against currency risks relating to raw material procurement. The Group makes active use of currency derivatives, particularly in order to hedge foreign-currency-denominated material purchases in Sweden against currency risks.

Products sold under the Atria brand are manufactured using only Finnish meat. Consequently, changes in the production volumes and availability of Finnish meat raw material may affect Atria Finland's profitability in the long run. Changes in meat consumption may have a similar impact on production volumes and the Group's business as a whole.

In Atria Russia's operations, changing restrictions and import duties on meat, as well as other regulations, constitute a special characteristic of the market. Atria aims to secure the availability and quality of locally produced pork by investing in local pork production in Russia. Atria and its Danish partners have launched an extensive project in Russia concerning two pig farms. Atria Russia's production plant in Gorelovo in the St Petersburg region enables increased efficiency and the launch of new product groups in the Russian market. The most important new product group is convenience food, not much of which has been on offer in the Russian market up until now. Atria Russia will continue implementing its projects to centralise functions and manage capacity in 2012.

Retail trade in the food industry is highly consolidated in all of Atria's key markets, which creates opportunities for building diverse forms of cooperation over the long term. On the other hand, this increases dependence on individual customers. The strength of Atria's market position and brands improve its negotiating position.

Being a food manufacturing company, it is of primary importance for Atria to ensure the high quality and safety of raw materials and products throughout the production chain. Atria has modern methods in place for ensuring the safety of production processes and for eliminating various microbiological, chemical and physical hazards. An animal disease discovered at a critical point in Atria's production chain could interrupt production in the unit concerned and disturb the entire chain's operations. Internal monitoring involving multiple stages is applied to detect potential hazards as early as possible.

The economic downturn increases the risk of weakening liquidity among Atria's customers and the occurrence of credit losses, particularly in the hotel and restaurant sector, as well as in the Baltic states and in Russia. As a result of more efficient credit control, no significant credit losses were incurred. A significant proportion of Atria's trade receivables in Finland are related to feed and animal trading in primary production. The profitability of agricultural production and producers' liquidity may be reduced by sharp changes in the price of inputs.

Significant changes in energy costs, such as electricity and gas prices, may affect Atria's profitability. Atria uses derivatives to hedge against unfavourable changes in accordance with its hedging policy.

Low temperatures and repetitive movements are characteristic of work performed within the food industry. The work is often physically demanding and requires the use of cutting machines and tools, which increases the risk of accidents at work. Atria aims to prevent occupational accidents, disease risks and related costs by investing in safety at work and the continuous improvement of work methods and tools.

Atria has more than 20 production plants in Finland, Sweden, Denmark, Estonia and Russia. All of these are insured against material damage and business interruptions through the Group's insurance programmes.

Atria manages its financial risks in accordance with the financing policy approved by the Board of Directors. The Board of Directors has delegated the application and implementation of financing policy and management of financing risks to the Group's Treasury unit, which consists of the CEO, CFO, Managing Director of Atria Scandinavia, the Group Controller and the Treasurer. The practical management of financial risks is the responsibility of the Group's Treasury unit. The aim of the Group's financial risk management is to reduce the effect on earnings, the balance sheet and cash flow due to price fluctuations on the financial markets and other uncertainty factors, and to ensure sufficient liquidity. The main risks related to financing are interest rate risk, currency risk, liquidity and refinancing risk and credit risk. Atria's financial risk management is discussed in more detail in the notes to the financial statements on page 77.

Changes in the administration and operational organisation

In its constitutive meeting following the Annual General Meeting, Atria Plc's Supervisory Board re-elected retiring member Martti Selin as a member of the Board of Directors. Ari Pirkola was elected Chairman and Seppo Paavola Deputy Chairman of the Supervisory Board. The Chairman of the Board of Directors, Martti Selin, and the Deputy Chairman, Timo Komulainen, were re-elected.

Atria Plc's Board of Directors has the following membership: Chairman of the Board Martti Selin; Deputy Chairman Timo Komulainen; members Tuomo Heikkilä, Esa Kaarto, Maisa Romanainen and Harri Sivula.

Juha Gröhn was appointed CEO of Atria Plc from 18 March 2011 after Matti Tikkakoski left the position at the beginning of March. Simultaneously, the management model and composition of Atria Plc's Management Team was simplified.

Atria Plc's Management Team consists of the following people:

- Juha Gröhn, CEO
- Juha Ruohola, Vice President and Deputy CEO
- Mika Ala-Fossi, Executive Vice President, Atria Finland
- Tomas Back, Executive Vice President, Atria Scandinavia
- Jarmo Lindholm, Executive Vice President, Atria Russia
- Rauno Väisänen, Executive Vice President, Atria Baltic
- Heikki Kyntäjä, CFO

The members of the Management Team report to CEO Juha Gröhn.

Kirsi Matero, Group Vice President, Human Resources, transferred to another employer in December.

Atria Plc's governance is described in more detail under "Corporate governance principles".

Average number of personnel (FTE)	2011	2010	2009
Atria Finland	2,113	2,089	2,222
Atria Scandinavia	1,153	1,205	1,394
Atria Russia	1,812	2,048	2,003
Atria Baltic	389	470	595
Atria Group total	5,467	5,812	6,214
Salaries and benefits for the period, Group total (EUR million)	181.8	180.9	184.8

Incentive programmes for the management and key personnel

Share incentive plan

Atria Plc had a share incentive plan in place for key personnel in the Group with three earning periods: the calendar years of 2010, 2011 and 2012. At the beginning of 2012 the Board of Directors decided to discontinue the share-based plan and it will thus no longer be applied in 2012.

Incentives based on the share incentive plan are paid partly in the form of Series A shares and partly in cash. The cash payments covered any taxes or similar costs associated with the incentives. The recipients were not allowed to transfer the shares for a period of two years from the end of the earning period. Profit from the programme for the earning periods 2010 and 2011 was linked to consolidated EBIT and return on capital employed (ROCE). The cap on share incentives was set at 100,100 of Atria Plc's Series A shares a year for 2010 and 2011. However, no shares were awarded based on performance in 2010 and 2011.

In the earlier earning periods of the incentive plan in 2007–2009 incentives were paid partly in the form of Series A shares and partly in cash. The cash payments covered any taxes or similar costs associated with the incentives. The recipients were not allowed to transfer the shares for a period of two years from the end of the earning period. In the 2007–2009 earning periods, a total of 38,540 Series A shares held by the company were transferred at no cost to key personnel under the incentive plan (35,260 shares for 2007 and 3,280 shares for 2009). Of these shares, 4,750 have since returned to the company.

Long-term incentive plan

In February 2012, Atria Plc's Board of Directors decided to adopt a new long-term merit pay system for the Group's key personnel. The new plan has three 12-month periods: 2012, 2013, and 2014. The earning period for the plan ends on 31 December 2014. The reward earned in an earning period is determined after the period has expired based on how well the targets have been achieved. The plan offers an opportunity to earn cash rewards for reaching targets established for the relevant earning period. Any profit from the programme is based on the Group's earnings per share (EPS). Cash rewards payable in the programme throughout the course of its earning period, between 2012 and 2014, are capped at EUR 4.5 million. The system covers 40 key individuals.

Short-term incentive plan

Atria Plc's Board of Directors has determined the management and key personnel's merit pay system for 2012. The maximum bonus payable to Atria Plc's CEO and Management Team is 35 per cent to 50 per cent of annual salary, depending on the performance impact and requirement level of each individual's role. The criteria in Atria Plc's merit pay system are the performance requirements and working capital at Group level and in the area of responsibility of the person concerned.

Environmental responsibility

The well-being of the environment is essential to the operations of Atria and the food industry as a whole.

Atria Group's environmental responsibility is built around three main elements:

- Taking the environment into consideration at all operational levels
- Identifying the indirect environmental impact of various stages of the operating chain
- Reducing the direct environmental impact of operations

The key environmental aspects that Atria has control over are the consumption of energy and water, wastewater production and the generation of municipal waste. Transportation and primary production have a significant indirect impact on the environment. The company is aware of this impact and monitors key variables such as the fuel consumption of vehicles. In primary production, we guide farms in environmental efficiency and recommend that they make a commitment to comply with the conditions for environmental subsidies from the European Union.

Environmental management at Atria Finland and to some extent at Atria Scandinavia is based on an environmental management system certified in compliance with the ISO 14001 standard. In other business areas, the company strives to achieve a corresponding level of environmental management.

Environmental solutions are developed in collaboration with local environmental groups and through networking with the top experts in the area. This produces best practices which reinforce continuous improvement.

Atria Finland's environmental management is handled by a steering group which works under the Management Team and is in charge of planning and monitoring environmental management. The steering group has representatives from purchasing, production, product development, packaging design and energy production. The composition of the group ensures that Atria's environmental management encompasses all of the areas in which the company can control its environmental impact. The group analyses the results achieved in the previous year, discusses the required investments and sets the targets for the following period.

Outlook for 2012

Atria estimates that the global economy will continue to face uncertain times in 2012, and the same applies to economic growth and market development in Atria's business areas.

The potential weakening of purchasing power will have less impact on the buying and consumption food than on the purchases of consumer durables.

The demand in the meat market improved in the second half of 2011. At the moment, the balance of demand and supply is clearly better than a year ago. Frozen stocks are small. As a user of domestic raw material, Atria Finland benefits from this market situation. In Atria's other business areas, where raw materials are acquired from rapidly fluctuating global markets, the rise of raw material costs may cause problems.

An estimated EUR 10 million of cost savings from the efficiency improvement programmes announced in the past will materialise in 2012. Significant new product launches occurred in 2011 and these are expected to have a positive impact on sales and performance in all market areas.

The Group's EBIT was EUR 8.0 million in 2011. A considerably higher EBIT is anticipated for 2012, and performance is expected to improve, especially in the second half of the year. A moderate increase in net sales is also expected in 2012.

Atria Plc's share capital

The breakdown of the parent company's share capital is as follows:

- Series A shares (1 vote/share)..............................19,063,747
- Series KII shares (10 votes/share) 9,203,981

Series A shares have preference for a dividend of EUR 0.17, after which Series KII shares are paid a dividend of up to EUR 0.17. If dividend funds remain after this, Series A and Series KII shares entitle their holders to an equal right to a dividend.

Atria's Articles of Association include a pre-emptive purchase clause concerning the KII shares. If Series KII shares are transferred to a party outside the company or Series KII shares are transferred to a shareholder within the company who has not previously owned Series KII shares, the proposed recipient of the shares must inform the Board of Directors without delay, and Series KII shareholders have the right to pre-emptively purchase the shares under certain conditions. In addition, the acquisition of Series KII shares by means of transfer requires approval by the company. Series A shares have no such limitations.

Information on shareholding distribution, shareholders and management holdings can be found under the heading Shares and shareholders.

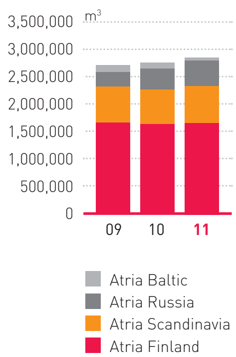
Valid authorisations and authorisation to grant special rights and purchase of treasury shares

The General Meeting authorised the Board of Directors to decide, on one or several occasions, on an issue of a maximum of 12,800,000 new Series A shares or on the disposal of any Series A shares held by the company through a share issue and/or by granting option rights or other special rights entitling people to shares as referred to in Chapter 10, Section 1 of the Companies Act. The authorisation is intended to be used for the financing or execution of any acquisitions or other arrangements or investments relating to the company's business, for the implementation of the company's incentive programme or for other purposes subject to a decision by the Board.

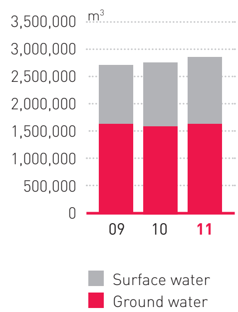
The Board is also authorised to decide on all terms and conditions of the share issue and of the granting of special rights as referred to in Chapter 10, Section 1 of the Companies Act. The authorisation thus includes the right to also issue

Environmental responsibility of Atria Group

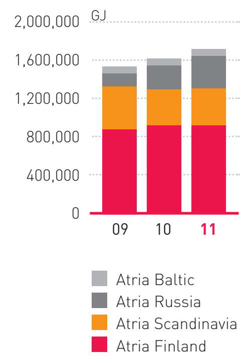
Total water withdrawal



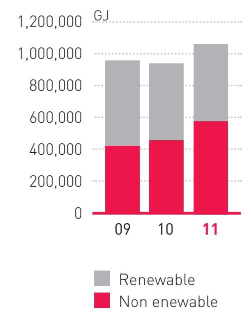
Total water withdrawal by source



Total energy consumption



Indirect energy consumption by primary source



shares in deviation from the proportion of the shares held by the shareholders under the conditions provided by law, the right to issue shares against or without payment and the right to decide on a share issue to the company itself without payment – subject to the provisions of the Companies Act regarding the maximum number of treasury shares to be held by a company.

The authorisation shall supersede the share issue authorisation granted by the Annual General Meeting on 29 April 2010 to the Board of Directors, and be valid until the closing of the next Annual General Meeting or until 30 June 2012, whichever is first.

The General Meeting authorised the Board of Directors to decide, on one or several occasions, on the acquisition of a maximum of 2,800,000 of the company's own Series A shares with funds belonging to the Company's unrestricted equity, subject to the provisions of the Companies Act regarding the maximum number of treasury shares to be held by a company. The Company's own Series A shares may be acquired for use as consideration in any acquisitions or other arrangements relating to the Company's business, to finance investments, as part of the Company's incentive scheme, to develop the Company's capital structure, to be otherwise further transferred, to be retained by the Company or to be cancelled.

The shares shall be acquired in a proportion other than that of the shareholders' current shareholdings in the Company in public trading arranged by NASDAQ OMX Helsinki Ltd at the market price at the moment of acquisition. The shares shall be acquired and paid for in accordance with the rules of NASDAQ OMX Helsinki Ltd and Euroclear Finland Oy.

The Board of Directors was authorised to decide on the acquisition of the company's own shares in all other respects.

The authorisation shall supersede the authorisation granted by the Annual General Meeting on 29 April 2010 to the Board of Directors to decide on the acquisition of the company's own shares and be valid until the closing of the next Annual General Meeting or until 30 June 2012, whichever is first.

Board of Directors' proposal for profit distribution

The parent company's shareholders' equity on 31 December 2011 comprises the invested unrestricted equity fund of EUR 110,227,500.00, treasury share fund of EUR -1,277,443.82 and profits of EUR 89,664,986.96, of which profit for the period totals EUR 11,321,556.50.

The Board of Directors will propose to the Annual General Meeting that the profits be used as follows:

A dividend of EUR 0.20/share be paid totalling, EUR	5,631,283.20
To be retained as shareholders' equity, EUR	84,033,703.76
	89,664,986.96

No significant changes have occurred in the company's financial position since the end of the accounting period. The company's liquidity is good and, according to the Board of Directors, the proposed dividend does not compromise the company's solvency.

ATRIA PLC'S SHAREHOLDERS AND SHARES

BREAKDOWN OF SHARE OWNERSHIP

Shareholders by number of shares owned, 31 Dec 2011

Number of shares	Shareholders		Shares	
	number	%	1,000 shares	%
1-100	4,790	42.26	244	0.86
101-1,000	5,428	47.88	2,067	7.31
1,001-10,000	1,023	9.02	2,527	8.94
10,001-100,000	76	0.67	1,910	6.76
100,001-1,000,000	17	0.15	5,209	18.43
1,000,001-999,999,999,999	2	0.02	16,311	57.70
Total	11,336	100.00	28,268	100.00

Shareholders by business sector, 31 Dec 2011

Business sector	Shareholders		Shares	
	number	%	1,000 shares	%
Companies	469	4.14	18,307	64.76
Financial and insurance institutions	44	0.39	1,632	5.78
Public corporations	15	0.13	1,635	5.78
Non-profit organisations	108	0.95	622	2.20
Households	10,675	94.17	5,319	18.82
Foreign owners	25	0.22	105	0.37
Total	11,336	100.00	27,621	97.71
Nominee-registered, total	9		647	2.29

INFORMATION ON SHAREHOLDERS

Major shareholders, 31 Dec 2011	KII	A	Total	%
Itikka Co-operative	4,914,281	3,537,652	8,451,933	29.90
Lihakunta	4,020,200	3,838,797	7,858,997	27.80
Varma Mutual Pension Insurance Company		767,411	767,411	2.71
Pohjanmaan Liha Co-operative	269,500	480,038	749,538	2.65
Mandatum Life Insurance Company Limited		690,858	690,858	2.44
Veritas Pension Insurance Company		401,500	401,500	1.42
Skandinaviska Enskilda Banken AB		317,906	317,906	1.12
Reima Kuisla		300,000	300,000	1.06
Nordea Bank Finland Plc		287,309	287,309	1.51
Investment Fund Nordea Pro Suomi		254,917	254,917	0.90

Major shareholders by voting rights, 31 Dec 2011	KII	A	Total	%
Itikka Co-operative	49,142,810	3,537,652	52,680,462	47.42
Lihakunta	40,202,000	3,838,797	44,040,797	39.64
Pohjanmaan Liha Co-operative	2,695,000	480,038	3,175,038	2.86
Varma Mutual Pension Insurance Company		767,411	767,411	0.69
Mandatum Life Insurance Company Limited		690,858	690,858	0.62
Veritas Pension Insurance Company		401,500	401,500	0.36
Skandinaviska Enskilda Banken AB		317,906	317,906	0.29
Reima Kuisla		300,000	300,000	0.27
Nordea Bank Finland Plc		287,309	287,309	0.26
Investment Fund Nordea Pro Suomi		254,917	254,917	0.23

MANAGEMENT'S SHAREHOLDING

Holdings by the members of the Board of Directors and the Supervisory Board, the CEO and Deputy CEO amounted to 52,204 series A shares on 31 December 2011, representing 0.18% of shares and 0.05% of the voting rights.

MONTHLY TRADING VOLUME OF SERIES A SHARES IN 2011

Month	Trading, EUR	Trading, no.	Monthly lowest	Monthly highest
January	4,218,177	468,715	8.71	9.15
February	3,467,845	401,367	8.45	8.90
March	3,561,624	430,290	7.85	8.76
April	1,385,911	164,851	8.00	8.75
May	4,757,341	601,482	7.77	8.15
June	2,341,180	359,642	5.86	7.77
July	960,218	145,222	6.00	7.27
August	6,552,893	1,156,561	4.99	6.34
September	1,636,468	306,281	5.10	5.59
October	2,341,359	407,803	5.03	6.80
November	3,024,933	448,751	6.11	7.14
December	1,265,626	203,456	5.92	6.84
Total	35,513,575	5,094,421		

SERIES A SHARE PRICE DEVELOPMENT 2007–2011

GROUP KEY INDICATORS

FINANCIAL INDICATORS

EUR million	31 Dec 2011	31 Dec 2010	31 Dec 2009	31 Dec 2008	31 Dec 2007
Net sales	1,301.9	1,300.9	1,316.0	1,356.9	1,272.2
EBIT	8.0	9.8	27.5	38.4	94.5
% of net sales	0.6	0.8	2.1	2.8	7.4
Financial income and expenses	-14.1	-11.1	-12.4	-22.3	-14.3
% of net sales	1.1	0.9	0.9	1.6	1.1
Profit before taxes	-4.7	0.3	16.5	16.7	80.6
% of net sales	-0.4	0.0	1.3	1.2	6.3
Return on equity (ROE), %	-1.5	-1.0	1.7	2.5	17.2
Return on investment (ROI), %	1.7	1.9	4.7	5.3	15.2
Equity ratio, %	39.5	40.2	39.7	38.4	47.6
Interest-bearing liabilities	409.4	429.9	425.8	448.4	321.9
Gearing, %	97.1	96.4	97.5	103.1	67.6
Net gearing, %	95.5	92.2	89.4	94.6	60.1
Gross investments in fixed assets	47.0	46.2	33.0	152.6	284.1
% of net sales	3.6	3.5	2.5	11.2	22.3
Average number of personnel	5,467	5,812	6,214	6,135	5,947
Research and development costs	11.9	10.3	9.4	9.9	8.4
% of net sales *	0.9	0.8	0.7	0.7	0.7
Order stock**	-	-	-	-	-

* Booked in total as expenditure for the financial year

** Not a significant indicator as orders are generally delivered on the day following the order being placed

SHARE-ISSUE ADJUSTED INDICATORS PER SHARE

EUR million		31 Dec 2011	31 Dec 2010	31 Dec 2009	31 Dec 2008	31 Dec 2007
Earnings per share (EPS), EUR		-0.24	-0.18	0.25	0.42	2.56
Equity/share, EUR		14.81	15.68	15.39	15.34	16.77
Dividend/share, EUR*		0.20	0.25	0.25	0.20	0.70
Dividend/profit, %*		-84.5	-138.9	99.5	48.1	27.4
Effective dividend yield *		3.4	2.8	2.3	1.7	4.0
Price/earnings (P/E)		-25.1	-50.0	44.0	27.9	6.8
Market capitalisation		168.2	254.4	312.6	327.9	490.4
Share turnover/1000 shares	A	5,094	9,702	7,389	4,077	7,933
Share turnover, %	A	26.7	50.9	38.8	21.4	41.6
Number of shares, million, total		28.3	28.3	28.3	28.3	28.3
Number of shares	A	19.1	19.1	19.1	19.1	19.1
	KII	9.2	9.2	9.2	9.2	9.2
Average share issue-adjusted number of shares		28.3	28.3	28.3	28.3	26.1
Share issue-adjusted number of shares on 31 Dec		28.3	28.3	28.3	28.3	28.3
Share price development, EUR						
Lowest of the period	A	4.99	8.74	6.50	10.51	16.90
Highest of the period	A	9.15	13.48	13.00	18.29	28.77
At end of the period	A	5.95	9.00	11.06	11.60	17.35
Average price during the period	A	7.21	10.93	10.76	14.04	22.18

* The Board of Directors' proposal

CALCULATION OF FINANCIAL INDICATORS:

Return on equity (%) $= \dfrac{\text{Profit/loss for the period}}{\text{Shareholders' equity (average for the period)}} * 100$

Return on investments (%) $= \dfrac{\text{Profit before tax + interest and other financial expenses}}{\text{Shareholders' equity + interest-bearing financial liabilities (average)}} * 100$

Equity ratio (%) $= \dfrac{\text{Shareholders' equity}}{\text{Balance sheet total - advance payments received}} * 100$

Gearing (%) $= \dfrac{\text{Interest-bearing financial liabilities}}{\text{Shareholders' equity}} * 100$

Net gearing (%) $= \dfrac{\text{Interest-bearing financial liabilities - cash and cash equivalents}}{\text{Shareholders' equity}} * 100$

Earnings per share (basic) $= \dfrac{\text{Profit for the period attributable to the owners of the parent company}}{\text{Weighted average of outstanding shares}}$

Equity/share $= \dfrac{\text{Equity attributable to the owners of the parent company}}{\text{Undiluted number of shares on 31 Dec}}$

Dividend per share $= \dfrac{\text{Dividend distribution during the period}}{\text{Undiluted number of shares on 31 Dec}}$

Dividend/profit (%) $= \dfrac{\text{Dividend/share}}{\text{Earnings per share (EPS)}} * 100$

Effective dividend yield (%) $= \dfrac{\text{Dividend/share}}{\text{Closing price at the end of the period}} * 100$

Price/earnings (P/E) $= \dfrac{\text{Closing price at the end of the period}}{\text{Earnings per share}}$

Average price $= \dfrac{\text{Overall share turnover in euro}}{\text{Undiluted average number of shares traded during the period}}$

Market capitalisation = Number of shares at the end of the period * closing price on 31 Dec

Share turnover (%) $= \dfrac{\text{Number of shares traded during the period}}{\text{Undiluted average number of shares}} * 100$

CONSOLIDATED INCOME STATEMENT

EUR 1,000	Notes	1 Jan-31 Dec 2011	1 Jan-31 Dec 2010
Net sales	1, 2	1,301,861	1,300,906
Costs of goods sold	7, 8	-1,162,670	-1,149,118
Gross margin		**139,191**	**151,788**
Sales and marketing expenses	3, 7, 8	-90,464	-84,497
Administrative expenses	4, 7, 8	-42,422	-47,329
Other operating income	5	8,424	7,714
Other operating expenses	6	-6,765	-17,920
EBIT	1	**7,964**	**9,756**
Financial income	9	13,843	31,500
Financial expenses	9	-27,977	-42,623
Net financial items		**-14,134**	**-11,123**
Income from associates	15	1,447	1,672
Profit before taxes		**-4,723**	**305**
Income taxes	10, 18	-1,902	-4,532
Profit for the year		**-6,625**	**-4,227**
Profit attributable to:			
Owners of the parent		-6,664	-5,069
Non-controlling interests		39	842
Total		**-6,625**	**-4,227**
Basic earnings per share, EUR	11	-0.24	-0.18
Earnings per share adjusted by the dilution effect, earnings per share, EUR	11	-0.24	-0.18

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 1,000			
Profit for the year		-6,625	-4,227
Other items of the total comprehensive income after tax:			
Financial assets available for sale	9, 10, 16, 30	-9	13
Cash flow hedge	9, 10, 30	-6,219	3,156
Net investment hedge	10, 30		322
Actuarial gains/losses from benefit-based pension obligations	10, 27	-1,580	
Translation differences	9	-2,864	16,888
Total comprehensive income for the year		**-17,297**	**16,152**
Comprehensive income attributable to:			
Owners of the parent		-17,348	15,097
Non-controlling interests		51	1,055
Total		**-17,297**	**16,152**

The notes presented on pages 52 to 87 form an integral part of the consolidated financial statements.

CONSOLIDATED BALANCE SHEET

Assets, EUR 1,000	Notes	31 Dec 2011	31 Dec 2010
Non-current assets			
Property, plant and equipment	1, 12	464,380	470,099
Biological assets	13	1,367	1,891
Goodwill	14	163,076	162,923
Other intangible assets	14	74,363	75,527
Investments in joint ventures and associates	15, 33	13,883	11,862
Other financial assets	16, 30	1,638	1,586
Trade receivables, loans and other receivables	17, 30	19,946	20,166
Deferred tax assets	10, 18	15,943	11,453
Total		754,596	755,507
Current assets			
Inventories	19	108,188	105,334
Biological assets	13	5,298	5,765
Trade and other receivables	20, 30	176,798	199,852
Current tax assets		11,601	17,453
Cash and cash equivalents	21, 30	6,618	18,530
Total		308,503	346,934
Non-current assets held for sale	22	4,422	9,174
Total assets	1	1,067,521	1,111,615

Equity and liabilities, EUR 1,000	Notes	31 Dec 2011	31 Dec 2010
Equity belonging to the shareholders of the parent company			
Share capital		48,055	48,055
Share premium		138,502	138,502
Treasury shares		-1,277	-1,271
Other funds		-4,406	1,822
Invested unrestricted equity fund		110,571	110,571
Translation differences		-17,192	-14,314
Retained earnings		144,528	159,811
Total	10, 11, 18, 23, 24, 30	418,781	443,176
Non-controlling interests		2,920	2,867
Total equity		421,701	446,043
Non-current liabilities			
Interest-bearing financial liabilities	25, 30	297,128	302,778
Deferred tax liabilities	10, 18	47,952	46,797
Other liabilities	26, 30	4,193	800
Pension obligations	27	7,252	
Provisions	28		812
Total		356,525	351,187
Current liabilities			
Interest-bearing financial liabilities	25, 30	112,248	127,159
Trade and other payables	29, 30	176,569	186,525
Current tax liabilities		478	701
Total		289,295	314,385
Total liabilities	1	645,820	665,572
Equity and liabilities, total		1,067,521	1,111,615

The notes presented on pages 52 to 87 form an integral part of the consolidated financial statements.

CALCULATION OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE GROUP

		Equity belonging to the owners of the parent company								Non-controll-ing interests	Equity total
EUR 1,000	Note	Share capital	Share premium	Treasury shares	Other funds	Invested unrestric-ted equity fund	Transla-tion dif-ferences	Retained earnings	Total		
Equity 1 January 2010		48,055	138,502	-1,308	-1,669	110,596	-30,989	171,919	435,106	1,812	436,918
Total comprehensive income for the year											
Profit for the year								-5,069	-5,069	842	-4,227
Other items of the total comprehensive income											
Financial assets available for sale					13				13		13
Cash flow hedge					3,156				3,156		3,156
Net investment hedge					322				322		322
Translation differences							16,675		16,675	213	16,888
Transactions with owners											
Own shares	23			37					37		37
Share incentive	24					-25			-25		-25
Distribution of dividends	23							-7,039	-7,039		-7,039
Equity 31 December 2010		48,055	138,502	-1,271	1,822	110,571	-14,314	159,811	443,176	2,867	446,043
Total comprehensive income for the year											
Profit for the year								-6,664	-6,664	39	-6,625
Other items of the total comprehensive income											
Financial assets available for sale					-9				-9		-9
Cash flow hedge					-6,219				-6,219		-6,219
Actuarial gains/losses from pension benefits	27							-1,580	-1,580		-1,580
Translation differences							-2,878		-2,878	14	-2,864
Transactions with owners											
Own shares	23			-6					-6		-6
Share incentive	24								0		0
Distribution of dividends	23							-7,039	-7,039		-7,039
Equity 31 December 2011		48,055	138,502	-1,277	-4,406	110,571	-17,192	144,528	418,781	2,920	421,701

The notes presented on pages 52 to 87 form an integral part of the consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

EUR 1,000	Note	1 Jan-31 Dec 2011	1 Jan-31 Dec 2010
Cash flow from operating activities			
Sales income		1,318,347	1,302,497
Payments received from other operating revenue		6,661	7,627
Payments on operating expenses		-1,263,994	-1,224,582
Interest paid and payments on other operating expenses		-26,171	-42,723
Dividends received		44	12
Interest payments received and other financial income		13,799	26,756
Direct taxes paid		1,607	-24,894
Cash flow from operating activities		50,293	44,693
Cash flow from investments			
Investments in tangible and intangible assets		-34,201	-39,615
Sold subsidiary shares	35	1,985	
Acquired subsidiary shares	34	-6,052	
Investments		-2,523	-596
Cash flow from investments		-40,791	-40,211
Cash flow from financing			
Draw down of long-term loans		50,000	40,814
Loans repaid		-64,188	-56,245
Dividends paid	23	-7,039	-7,039
Cash flow from financing		-21,227	-22,470
Change in cash and cash equivalents		-11,725	-17,988
Cash and cash equivalents at the start of the accounting period	21	18,530	35,300
Effect of exchange rate changes		-187	1,218
Cash and cash equivalents at end of accounting period		6,618	18,530

The notes presented on pages 52 to 87 form an integral part of the consolidated financial statements.

Basic corporate information

The parent company of the Atria Group, Atria Plc, is a Finnish public company formed in accordance with Finnish law and domiciled in Kuopio, Finland. The company has been listed on Nasdaq OMX Helsinki Ltd since 1991. Copies of the consolidated financial statements are available online at www.atriagroup.com or from the parent company's head office at Itikanmäentie 3, Seinäjoki; postal address: P.O. Box 900, FI-60060 ATRIA.

Atria Plc and its subsidiaries manufacture and market food products, especially meat products, poultry products, meals and food concepts. Atria has established Finland, Sweden, Denmark, European parts of Russia and the Baltic countries as its market area. Atria's subsidiaries are also located in this area. The Group's operations are divided into four business areas: Atria Finland, Atria Scandinavia, Atria Russia and Atria Baltic.

The financial statements were approved by the Board of Directors for publication on 15 February 2012. According to the Finnish Companies Act, the shareholders are entitled to approve or reject the financial statements in the Annual General Meeting to be held after their publication. The AGM can also make a decision to revise the financial statements.

Accounting policies

Basis of preparation

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) approved for use in the EU. IAS and IFRS standards valid on 31 December 2011 have been followed, as well as SIC and IFRIC interpretations. The IFRS refer to standards and interpretations thereof approved for application in the EU in compliance with the proceedings stipulated in Regulation (EC) 1606/2002, as referred to in the Finnish Accounting Act and subsequent regulations. The notes to the consolidated financial statements also comply with Finnish accounting and corporate legislation.

The consolidated financial statements have been prepared on acquisition cost basis with the exception of biological assets, available-for-sale financial assets, financial assets and liabilities measured at fair value through profit or loss and derivative instruments. From the moment of classification, the assets held for sale are measured at the lower of their book value and fair value less cost to sell.

The financial statement data are presented in units of 1,000 euros, with sums rounded off to the nearest thousand.

Changes in accounting policies and disclosures

a) New and amended standards which must be applied by the financial period beginning on 1 January 2011

No such IFRS standards or IFRIC interpretations became effective in this financial period which significantly affect the consolidated financial statements.

b) New standards and interpretations which the Group will adopt as of 1 January 2012

- IFRS 7 (amendment) Financial Instruments: Disclosures – Derecognition (effective in financial periods beginning on or after 1 July 2011). This amendment increases the transparency of disclosure of business transactions involving transfers of financial instruments and improves the understanding of the audience regarding the risks involved in the transfers of financial instruments as well as the impact of these risks on the entity's financial standing particularly when the operation involves securitisation of financial assets. The amendment has not yet been approved for application in the EU.
- IAS 12 (amendment) Income Taxes – Deferred Tax (effective in financial periods beginning on or after 1 July 2011). IAS 12 at present stipulates that the measurement of deferred tax relating to an asset recognised at fair value depends on whether cash equalling the book value of the asset is expected to accumulate through use of the asset or its sale. In accordance with the amendment, the book value of certain assets recognised at fair value is by default assumed to be accrued from their sale. This assumption is applicable for deferred taxes which arise from investment real estate, property, plant and equipment and intangible assets recognised either at fair value or by the revaluation model. This amendment has not yet been approved for application in the EU.

The abovementioned standards or amendments are not expected to have any material impact on future consolidated financial statements.

c) The Group will adopt the following standards, interpretations or amendments to existing standards in 2013 or later

- IFRS 10 Consolidated Financial Statements (effective in financial periods beginning on or after 1 January 2013). IFRS 10 establishes the principles regarding the preparation and presentation of consolidated financial statements when an entity controls one or more other entities. The standard defines the principle of control. It establishes control as the basis for consolidation. It sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee. It also sets out the accounting requirements for the preparation of consolidated financial statements. The standard has not been given EU approval yet.

- IFRS 11 Joint Arrangements (effective in financial periods beginning on or after 1 January 2013). IFRS 11 provides guidelines for the treatment of joint arrangements. The treatment is based on the rights and obligations due to an arrangement and not on its judicial form. There are two categories of joint arrangements: joint operations and joint ventures. The parties to a joint operation have rights to the assets and obligations for the liabilities relating to the arrangement, and both account in their own financial statements for their share in the assets, liabilities, revenue and expenses. In a joint venture the parties have rights to the net assets of the arrangement and they account for their share using the equity method. Relative consolidation of joint ventures is no longer permissible. The standard has not been given EU approval yet.
- IFRS 12 Disclosure of Interests in Other Entities (effective in financial periods beginning on or after 1 January 2013). The standard sets out the requirements for notes regarding involvement with other entities. It applies to joint arrangements, associates, investment vehicles created for specific purposes and other off-balance-sheet vehicles. The standard has not been given EU approval yet.
- IFRS 13 Fair Value Measurement (effective in periods beginning on or after 1 January 2013). The objective of the standard is to increase consistency and to reduce complexity. The standard contains a precise definition of fair value and sets out the requirements for fair value measurement and disclosures which apply to all IFRS standards. The use of fair value is not extended; instead guidelines are set out regarding its measurement in situations where it is permitted or required by other IFRS standards. The standard has not been given EU approval yet.
- IAS 27 (revised in 2011) Separate Financial Statements (effective in financial periods beginning on or after 1 January 2013). The revised standard contains requirements for separate financial statements which remain after the items regarding control have been incorporated in the new IFRS 10. The standard has not been given EU approval yet.
- IAS 28 (revised in 2011) Investments in associates and joint ventures (effective as of 1 January 2013). The revised standard contains requirements regarding the accounting for investments in associates and joint ventures using the equity method following the publication of IFRS 11. The standard has not been given EU approval yet.
- IAS 1 (amendment) Presentation of Financial Statements (effective in financial periods beginning on or after 1 July 2012). The main change is the requirement to group other comprehensive income items according to whether or not they will be accounted for through profit or loss in the future (adjustments due to changes in classification). The items to be presented under other comprehensive income remain unchanged. The amendment has not yet been approved for application in the EU.
- IAS 19 (amendment) Employee Benefits (effective in financial periods beginning on or after 1 January 2013). The amendment eliminates the option to apply the "corridor method". The way the estimated yield on assets in funds behind defined benefit plans is revised. The financing cost will be determined at the net sum (of the liability and assets within the plan). The amendment has not yet been approved for application in the EU.
- IFRS 9 Financial Instruments (effective date still unknown). This is the first part of a more extensive project to replace IAS 39 with a new standard. Different valuation bases are maintained, but they are simplified by imposing two valuation categories for financial assets: amortised cost and fair value. The classification depends on the entity's business model and the characteristics of the cash flows of the financial asset. The guidelines in IAS 39 regarding the impairment of financial assets and hedge accounting remain effective. The standard has not been given EU approval yet.
- IAS 32 (amendment) Offsetting Financial Assets and Financial Liabilities (effective in financial periods beginning on or after 1 January 2014). The amendment addresses the inconsistency in current practice when applying the guidelines on when financial assets and liabilities can be presented in the balance sheet as a net sum in under IAS 32. The amendment further prescribes that the right to offset financial assets and liabilities must be enforceable 'any day', meaning that it cannot be contingent on a future event. In addition both parties must be able to set off the amounts within normal business operations, after payment default and in the event of bankruptcy. The amendment also provides further clarity to when certain payment arrangements conducted at gross amounts meet the conditions of offsetting under IAS 32.
- IFRS 7 (amendment) Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (effective in financial periods beginning on or after 1 January 2013). The amendment extends existing disclosure requirements in that entities will have to provide numerical data on financial instruments presented as net amounts in the balance sheet as well as on financial instruments which are governed by 'master netting' or a similar contractual arrangement, even if they are presented as gross amounts in the balance sheet.

The abovementioned standards or amendments are not expected to have any material impact on future consolidated financial statements.

Pension obligations

The Group's Swedish companies have defined-benefit pension arrangements (ITP2). Most of the ITP2 pension arrangements are provided by the occupational pension insurance company

Alecta as multiple-employer arrangements, so the funds and liabilities within them cannot be allocated to an individual company. For this reason sufficient information is not available on the ITP2 pension arrangements managed by Alecta for them to be treated as defined benefit plans are normally treated in the financial statements. The remaining ITP2 pension arrangements are financed through the FPG/PRI system, and these are treated as defined benefit plans as of the financial period 2011 due to an increased availability of information and a change in valuation principles between the Swedish accounting practice and IFRS. The figures illustrating the pension liability in previous financial statements have not been adjusted, since this was not considered to materially impact the picture provided by the consolidated financial statements.

Accounting policies calling for judgments by the management and key sources of estimation uncertainty

When preparing the financial statements, the management must make assessments and assumptions concerning the future and affecting assets and debts in relation to responsibilities, profits and costs. The realised values may deviate from the original assessments and assumptions. In addition, discretion must be used in applying the accounting policies.

Key discretionary decisions when applying the accounting policies:

The Group management must make discretionary decisions regarding the choice and application of accounting policies. This, in particular, applies to cases where the IFRS practice in force contains alternative recognition, measurement or presentation procedures. The management has exercised judgment in the classification of assets and financial items and in the recognition of deferred tax assets and reserves.

Key accounting assessments and assumptions:

The assessments are based on the management's best estimate at the end date of the reporting period. Any changes in the assessments and assumptions are recognised in the accounting period in which the assessment or assumption is adjusted and in all subsequent accounting periods.

Measurement of the fair value of assets acquired in business combinations:

The assets and liabilities acquired in business combinations are valued using the fair value at the time of acquisition. In significant business combinations, the Group has used an external advisor when measuring the fair value of tangible and intangible assets. In the case of tangible assets, comparisons have been made with the market price of corresponding assets, and the assets have been tested for impairment caused by their age, wear and other similar factors. The fair value of intangible assets is determined based on assessments of asset cash flows. The management believes that the assessments and assumptions are sufficiently detailed to be used as the basis for fair value measurement.

Impairment of assets:

The Group reviews any indication of impairment of tangible and intangible assets at least at the end date of each reporting period.

The Group conducts annual impairment tests on goodwill and intangible assets with indefinite useful lives. It also assesses any indication of impairment in accordance with the accounting policies. At the end of the accounting period, the value of the intangible assets to be tested annually was EUR 231.5 million. The recoverable amounts of cash-generating units are measured on the basis of value-in-use calculations. The cash flows estimated in these calculations are based on the five-year financial plans approved by the management (Note 14).

No impairment losses were booked based on impairment testing in the period under review. Additional information on the recoverable amount susceptibility to changes in the assumptions used can be found in Note 14.

Accounting policies for the consolidated financial statements

Subsidiaries

The consolidated financial statements include the parent company Atria Plc and all of its subsidiaries. Subsidiaries are companies over which the Group has control. The Group is in control when it owns over half of the voting rights or otherwise has control over the company. Control refers to the right to decide on the company's financial and operating principles in order to reap benefit from its operations. The acquired subsidiaries are consolidated from the moment the Group gains control in them until said control ends.

Business combinations are accounted for using the acquisition method. Paid consideration and the identifiable net assets and accepted liabilities of the acquired business are valued at fair value at the time of the acquisition. Paid consideration includes the fair value of an asset or liability arising from a contingent consideration arrangement. Acquisition costs are entered as expenses as they arise. The net assets and accepted and contingent liabilities acquired in business combinations are valued at fair value at the time of the acquisition. The interest of non-controlling owners in the acquisition target is recognised on acquisition basis either at fair value or based on their relative share of the identifiable net assets of the acquisition target.

The amount by which the sum total of paid consideration, non-controlling owners' share in the acquisition target and the fair value of the previously held interest exceeds the Group's share of the fair value of the acquired net assets is recognised as goodwill in the balance sheet. If the sum total of the consideration, non-controlling owners' share and previously held interest is less than the fair value of the acquired net assets of the subsidiary, the difference is recognised through profit or loss.

All intra-Group transactions, receivables and liabilities and income and expenses are eliminated. Profits and losses due to intra-Group transactions leading to the recognition of an asset are also eliminated. The accounting policies applied by subsidiaries have been, where necessary, revised to match the Group policies.

The transactions conducted with non-controlling shareholders which do not lead to a loss of control are treated as equity transactions. When shares are purchased from non-controlling shareholders, the difference between the consideration paid and the book value of the share acquired of the net assets of the subsidiary is recognised in equity. Profit or loss from the sale of shares to non-controlling shareholders is also recognised in equity.

When the control or large influence by the Group ceases to exist, any remaining interest is measured at fair value on the date of the loss of control and the change in book value is recognised through profit or loss. This fair value serves as the original book value when the remaining interest is later recognised as an associate, joint venture or financial assets. In addition, the amounts of the said entity previously recognised in other comprehensive income are treated as if the Group had directly assigned the associated assets and liabilities. This may mean that amounts previously entered as other comprehensive income become accounted for through profit or loss.

Associates

Associates are companies in which the Group has considerable influence but no control. This is usually the case when the Group holds shares which entitle it to 20–50% of the voting rights. The investments in associates are accounted for using the equity method. When using the equity method, the investment is originally entered at acquisition cost and this amount is augmented or reduced by entering the investing company's share of the subsequent profits or losses of the investment object after the time of acquisition.

If the interest in an associate diminishes but a large influence remains, only a relative share of the amounts previously recognised in other comprehensive income is accounted for through profit or loss.

The Group share of associates' post-acquisition profits or losses is recognised in the income statement under EBIT. The book value of the investment is adjusted accordingly. If the Group's share of the loss of an associate is as great as or greater than its interest in the associate, any other unsecured receivables included, the Group will not adjust the loss up if it does not have a legal or factual obligation to do so and it has not made payments on behalf of the associate.

Joint ventures

Joint ventures are companies in which the Group and other parties exercise joint control based on an agreement. Within the Group, joint ventures are consolidated using the equity method.

Foreign currency translation

The functional and presentation currency of the parent company is the euro. The consolidated financial statements are presented in thousands of euros.

Foreign currency business transactions have been translated into euros at the exchange rate on the date of transaction. Foreign currency receivables and liabilities have been translated into euros at the exchange rate on the closing date. Exchange gains and losses arising from foreign currency transactions as well as receivables and liabilities have been recognised in the income statement, excluding those exchange rate changes of derivative instruments that are qualifying cash flow hedges or are used to effectively protect foreign net investments and loans that are part of a net investment in a foreign operation. These translation differences have been recognised in other comprehensive income. Exchange gains and losses from operations are included in the appropriate item before operating profit. Exchange gains and losses from forward exchange agreements protecting financial transactions and foreign currency-denominated loans are included in financial income and expenses.

The profit and financial position of Group companies outside the euro zone are accounted for in the currency that is the currency of the operating region of the company in question. The income statements of Group companies outside the euro zone are translated into euros at the average exchange rate in the reporting period, and the balance sheets at the rate on the closing date. The exchange difference arising from the use of different translation rates is recognised in other comprehensive income. The translation differences arising from the elimination of the acquisition costs of subsidiaries outside the euro zone and the hedge profit deriving from the corresponding net investments are recognised in other comprehensive income. When a foreign operation is partially disposed of or sold, exchange rate differences recognised in equity are recognised through profit or loss as a sales gain or loss.

Property, plant and equipment

Property, plant and equipment are recognised at original acquisition cost, less accumulated depreciation and any impairment.

If the property, plant or equipment consists of several parts with different useful lives, each part is treated as a separate asset. In this case, the costs arising from replacing the part are activated. Otherwise, later costs are included in the book value of the property, plant and equipment only if it is probable that the future benefit connected to the asset will benefit the Group, and the acquisition cost of the asset can be reliably determined. Other repair and maintenance costs are recognised through profit or loss after they have materialised.

Depreciation is calculated as straight-line depreciation according to the estimated useful life as follows:

Buildings.. 25–40 years
Machinery and equipment .... 5–10 years
Other tangible assets.. 5–10 years

No depreciation is made on land and water. Assets which are not suited for recognition Land and water, Buildings and structures, Machinery and equipment due to their nature or depreciation periods are recognised as Other tangible assets.

The residual value and useful life of assets are reviewed annually at the closing of the accounts and, if necessary, adjusted so that the book value is equal to or less than the recoverable amount.

The depreciation of property, plant and equipment stops when the property, plant or equipment is classified as available for sale in accordance with IFRS 5, Non-current Assets Held for Sale and Discontinued Operations.

Gains and losses accumulated from the disposal or transfer of property, plant or equipment are included in other operating income or expenses.

Leases – Group as lessor:

Leases concerning tangible assets where the Group has a considerable share of the risks and rewards related to ownership are classified as finance leases. Finance leases are entered in the balance sheet at the fair value of the leased asset on the day the lease period begins, or at a lower value that corresponds to the current value of the minimum lease payments. The depreciation of assets acquired with finance leases is made for the period of their useful life or a shorter leasing period. Lease payments are apportioned between a finance charge and debt amortisation over the lease period, so that the interest rate for the outstanding liability in each financial year remains constant. Lease obligations are included in interest-bearing debts.

Leases where the risks and rewards related to ownership remain with the lessor are handled as other leases. Rental payments due to other leases are recognised as expenses in the income statement, based on the straight-line method during the lease period.

Intangible assets

Goodwill:

Goodwill is the amount by which the acquisition cost exceeds the Group's share of the fair value of the acquired subsidiary's identifiable net assets at the time of acquisition. Goodwill arising from the acquisition of subsidiaries is recognised in intangible assets. Goodwill is tested annually for impairment and entered in the balance sheet at acquisition cost less accrued impairment losses. An impairment loss recognised for goodwill is not reversed.

Goodwill is tested annually for impairment. For this purpose, goodwill is allocated to cash-generating units. The Group's cash-generating units are classified by business segment based on the operations and location of subsidiaries. In 2011, they are Atria Finland, Atria Scandinavia, Atria Russia and Atria Estonia. Goodwill is measured at original acquisition cost less impairment.

Other intangible assets:

Intangible assets are entered in the balance sheet at original acquisition cost if the acquisition cost of the asset can be reliably determined and if it is probable that the expected financial benefit from the asset will benefit the company.

Intangible assets with a limited useful life are recognised as expenses based on straight-line depreciation in the income statement during their known or estimated useful life. No depreciation is booked for intangible assets with indefinite useful lives, but they are instead tested annually for impairment.

Depreciation periods:
Customer relationships.. 3–8 years
Trademarks .... 5–10 years
Other intangible assets *)....................................... 5–10 years

*) Includes computer software, subscription fees etc.

Impairment of tangible and intangible assets

On each closing date, the Group reviews intangible and tangible assets to see whether they show indications of impairment. If there are such indications, the recoverable amount from the said asset is estimated. The recoverable amount of cash from goodwill and intangible assets with indefinite useful lives is assessed annually and whenever indications of impairment are detected. The recoverable amount is the fair value of the asset less costs to sell or, if higher, the asset's value in use. If the recoverable amount cannot be assessed per item, the impairment need is observed on the level of cash-flow generating units, i.e. at the lowest unit level which is mainly independent of other units and at which cash flows can be distinguished from other cash flows.

Impairment loss is recognised if the book value of the asset is higher than the recoverable amount. Impairment loss is recognised immediately in the income statement. If the impairment loss arises with regard to a cash-generating unit, it is first allocated to reduce the goodwill and then to reduce the other assets of the unit pro rata. The useful life of the depreciated asset is re-evaluated in conjunction with the recognition of an impairment loss. An impairment loss recognised for an asset other than goodwill is reversed if there has been a change in the estimates used to determine the amount recoverable from the said asset. However, the impairment loss may not be reversed in excess of what the asset's book value would be without the recognition of the impairment loss. An impairment loss recognised for goodwill is never reversed.

Inventories

Inventories are measured at the lower of original cost or probable net realisable value. The acquisition cost is determined using the FIFO method. The acquisition cost for finished and unfinished products consists of raw materials, direct labour costs, other direct costs, and the appropriate share of manufacturing-related variable overheads and fixed overheads at a normal level of operations. The net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

Biological assets

The Group's biological assets consist of live animals and growing crops. Biological assets are valued at fair value, less estimated sales-related expenses. Productive animals are included in tangible assets and other biological assets are included in inventories.

Agricultural products harvested of the biological assets at harvest time are valued at fair value, less estimated sales-related expenses. Valuation after harvest is conducted in accordance with inventory valuation principles.

The fair value of productive biological assets is based on acquisition price less a cost corresponding to the reduction of value in use due to the aging of the animals. There is no available market price for productive animals.

The fair value of consumable biological assets (slaughter animals) equals their market price, which is based on the company's slaughter animal procurement / sales in the local market. The fair value of consumable biological assets (growing crops) is based on production costs.

Financial assets

Classification

The Group's financial assets are divided into the following categories:

- Financial assets recognised at fair value through profit or loss
- Loans and other receivables
- Financial assets available for sale

The classification is made on the basis of the purpose of the acquisition, and the assets are classified in connection with the original acquisition.

Financial assets recognised at fair value through profit or loss:

A financial asset belongs to this category if it has been acquired for trading purposes or if it has been initially recognised at fair value through profit or loss. Financial assets held for trading are acquired mainly to generate profit from changes in short-term market prices. The derivatives used by the company that do not fulfil the hedge accounting conditions in IAS 39 have been classified as held for trading. The assets belonging to this category have been classified as current assets.

Loans and other receivables:

Loans and other receivables are non-derivative financial assets which involve payments that are fixed or determinable and which are not listed on active markets. They are included in current assets, except when they fall due within more than 12 months of the end date of the reporting period. These assets are classified as non-current assets. The trade and other receivables as well as cash and cash equivalents in financial assets are also included in the Group's loans and other receivables.

Financial assets available for sale:

Financial assets available for sale are non-derivative assets that have been prescribed to this category or that have not been prescribed to any other category. They are included in non-current assets unless they fall due or are intended to be kept for less than 12 months from the closing date, in which case they are included in current assets.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the basis of the trading date, i.e., the date on which the Group commits to purchase or sell the asset. Financial assets are classified as non-current assets when they fall due more than 12 months from the closing date. If the financial assets are intended to be kept for less than 12 months, they are classified as current assets.

Financial assets are derecognised when the rights to receive cash flows from investments have expired or have been transferred to another party and the Group has transferred substantially all risks and rewards of ownership.

Investments in financial assets not recognised at fair value through profit or loss are initially recognised at fair value plus all transaction costs that are directly attributable to the acquisition or issue. Financial assets recognised at fair value through profit or loss are initially recognised at fair value, and all transaction costs are expensed in the income statement.

Financial assets recognised at fair value through profit or loss and available-for-sale financial assets are subsequently measured at fair value. Loans and other receivables are measured at amortised cost using the effective interest method.

Unrealised and realised profits and losses due to changes in the fair value of the "financial assets at fair value through profit or loss" category are recognised in the income statement in the accounting period in which they occur. Exchange differences and changes in the fair value of assets classified as available for sale are recognised in other comprehensive income and are presented in the fair value reserve, taking the tax effect into consideration.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are transferred to the income statement as financial income and expenses. Dividends on available-for-sale equity instruments are recognised in the income statement when the Group's right to receive payments is established. The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), fair value is established through valuation techniques. These include the use of recent arm's-length transactions between independent parties, fair values of other instruments that are substantially similar and discounted cash flow analysis. The models make maximum use of market inputs and they rely as little as possible on entity-specific inputs. Whether there is objective proof of impairment of a financial asset or financial asset category is estimated on each closing date. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its acquisition cost is considered as an indicator that the securities are impaired. If any such evidence exists, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised through profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments will not be reversed through the income statement.

Derivative instruments and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The derivatives hedge accounting is applied to are defined as either:

- hedges of interest rate, currency or electricity price risks associated with a recognised asset or liability or a highly probable anticipated transaction (cash flow hedge); or
- hedges of a net investment in a foreign operation (net investment hedge).

The relationship between hedging instruments and hedged items is documented at the inception of the hedging transaction. Risk management objectives and strategies for undertaking various hedge transactions are documented as well. The Group documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedge transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liabilities.

Cash flow hedge:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement under the appropriate item. Gains and losses accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss (for example, when the anticipated purchase that is hedged takes place). However, when the anticipated transaction that is hedged results in the recognition of a non-financial asset (for example, inventories or fixed assets), the gains and losses previously deferred in equity are transferred from equity and included in the initial acquisition cost of the asset. The deferred amounts are ultimately recognised in costs of goods sold in case of inventories, or in depreciations in case of fixed assets. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at the time remains in equity and is recognised in the income statement only when the anticipated transaction occurs. When a anticipated transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement under the appropriate item.

Net investment hedge:

Hedges of net investments in foreign operations are accounted for in the same way as cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Gains and losses accumulated in equity are included in the income statement when the foreign operation is partially disposed of or sold.

Derivatives that do not meet the criteria for hedge accounting:

Certain derivative instruments do not meet the criteria for hedge accounting. All changes in the fair value of these derivatives are immediately recognised in the appropriate item of the income statement.

Trade receivables

Trade receivables are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate method and taking impairment into account. Provisions for impairment for trade receivables are recognised when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

If the impairment loss decreases in a later accounting period, and the reduction can be objectively linked to a transaction that has taken place after the recognition of the impairment loss, the recognised loss is reversed through profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank deposits available on demand. Items classified as cash and cash equivalents have a maximum maturity of three months from acquisition. Available credit limits are included in current interest-bearing liabilities.

Non-current assets held for sale

Non-current assets are classified as held for sale if their book value is to be recovered through a sale rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary. Furthermore, management must be committed to the sale, which should be expected to occur within one year of the date of classification.

Immediately before being classified as held for sale, these assets are measured in accordance with the applicable IFRS standards. Thereafter, the assets are measured at the lower of their book value and fair value less cost to sell. These assets are no longer depreciated after the classification.

Equity

Ordinary shares are presented as share capital. Expenses related to the issue or acquisition of equity instruments are presented as a deductible item under equity.

If a Group company acquires shares in the company, the consideration paid for them and the expenses arising directly from the acquisition, taking the tax effect into consideration, are deducted from the shareholders' equity until the shares are either cancelled or reissued. If the shares are reissued, the consideration received for them less transaction costs directly attributable to the shares is included in the shareholders' equity, taking the tax effect into consideration.

Financial liabilities

Financial liabilities are initially recognised at fair value. They are later measured at amortised cost using the effective interest rate method. Financial liabilities are included in current and non-current liabilities.

A one-off credit fee related to committed credit facilities is spread over the duration of the agreement. The credit limit fees related to such facilities are recognised as a cost based on the passing of time.

Provisions

A provision is entered when the Group has, due to a past event, a judicial or factual obligation, and the obligation is likely to materialise and the sum of the obligation can be reliably estimated. Provisions are valued at the current value of the expenses required to cover the obligation. The amounts of provisions are reviewed on each closing date and adjusted to correspond to the best estimate at that time. Changes in provisions are recognised in the income statement in the same item where the original provision was entered.

Revenue recognition

Net sales include profits from the sale of products and services, as well as raw materials and equipment, adjusted by indirect taxes and discounts.

Goods and services:

Revenue from the sale of articles is recognised when the risks and rewards of owning the article have been transferred to the buyer. Revenue from services is recognised when the service has been completed.

Rental income:

Rental income is recognised on a straight-line basis over the lease period.

Interest and dividends:

Interest rates are recognised based on the passing of time, taking into account the effective income from the asset. Dividend income is recognised when the shareholders' right to payment is established.

Employee benefits

Pension obligations:

Pension arrangements are classified as either defined benefit or defined contribution plans. In defined contribution plans, the Group makes fixed payments into a separate unit. The Group has no legal or constructive obligation to make additional payments, if the recipient of the payments cannot pay the pension benefits in question. All plans that do not fulfil these conditions are defined benefit pension plans. Payments made into defined contribution plans are recognised in the income statement in the reporting period to which they apply. The

Group's pension plans are mainly defined contribution plans.

In defined benefit plans the company still has an ongoing obligation for the plan even after the payment for the period has been made. For arrangements classified as defined benefit plans, actuarial estimates acquired on a yearly basis serve as the grounds for recognising an expense and liability or asset in the financial statements. Actuarial gains or losses are recognised as equity refund or charge through other comprehensive income in the financial period in which they occur.

Share-based payments:

The Group has an incentive programme for the management where the payments are made in part as company shares, and in part as money. The benefits awarded under the programme are measured at fair value at the time of awarding and recognised in the income statement as an expense arising from employee benefits spread over the earnings and engagement period. The amount of money paid in the arrangement is remeasured using the share price at the balance sheet date and recognised in the income statement as an expense from employee benefits spread over from the day of awarding until the money is transferred to the recipient. The final amount of the expense depends on how well the conditions of the incentive programme are met. More information on share-based payments is provided in Note 24.

Research and development expenses

Research expenditure is recognised as an expense in the balance sheet. Development expenditure related to individual projects is activated in the balance sheet when there is enough certainty that the asset in question can be technically implemented and will probably generate a future financial benefit. Activated development expenditure is recognised as project-specific expenses over the useful life of the asset. The asset is amortised from the time it is ready for use. The Group has no activated development expenses.

Government grants

Grants received as compensation for expenses are recognised in the income statement, while expenses connected with the grant are entered as costs. Such grants are entered under other operating income. In the period under review, production subsidies for agricultural operations in Russia and Estonia have been recognised as government grants. The nature of the grants varies from one country to the next and the grants are only paid after all the terms and conditions of the grant have been met, so the company does not have a repayment obligation regarding grants received. No significant change is anticipated regarding the amount of grants.

Government grants, such as grants received for the acquisition of property, plant and equipment, are recognised as a deduction in the book value of property, plant and equipment when it is reasonably certain that the grant will be received and that the Group company fulfils the prerequisites for receiving the grant. Grants are recognised as income in the form of lower depreciation during the useful life of the asset.

Income taxes

The tax expense in the income statement consists of current tax, tax adjustments from previous financial years, and deferred taxes. Taxes are entered in the income statement except if they are connected to other comprehensive income or to items recognised directly in equity. In this case the tax is also entered in other comprehensive income or directly in equity. Current tax is calculated from taxable profit based on the valid tax rate of each country. The tax is adjusted by possible taxes related to previous periods.

Deferred taxes are calculated from all temporary differences between the book value and tax base. The biggest temporary differences arise from the depreciation of property, plant and equipment and fair value measurement in connection with acquisitions. No deferred tax is booked for non-deductible goodwill impairment and no deferred tax is booked for the subsidiaries' undistributed profits if the difference is not likely to dissolve in the foreseeable future.

Deferred tax is calculated using the tax rates provided by the balance sheet date. Deferred tax assets are recognised to the amount for which it is likely that taxable profit will be generated in the future against which the temporary difference can be utilised.

1. 1. Segment information, EUR 1,000

The Group's operating segments are based on the Group's internal organisation structure and internal financial reporting, which the Group's Board of Directors uses in strategic and operative decision-making. The Group's Board of Directors assesses the performance of the operating segments based on net sales, EBIT and return on capital employed. The Group has four recognisable geographical segments that differ essentially from one another in terms of the functioning of the markets. They are Atria Finland, Atria Scandinavia, Atria Russia and Atria Baltic. In addition, Group costs are now reported separately in unallocated items. Group costs mainly consist of personnel and administration costs. A segment's assets and liabilities are items that can be directly attributed or reasonably allocated to the segment. The transactions between the segments take place at market price.
The group has two customers, and the value of the trade with the two of them forms between 10 and 15 per cent of the Group's net sales. The net sales in question is reported in the operating segments Finland, Russia and the Baltics.

Accounting period that ended on 31 December 2011

Operating segments	Finland	Scandinavia	Russia	Baltic	Unallocated	Eliminations	Group
Net sales							
External	777,956	365,820	122,961	35,124			1,301,861
Internal	15,724	9,068		84		-24,876	0
Total net sales	793,680	374,888	122,961	35,208			1,301,861
EBIT	19,299	13,826	-18,939	-2,150	-4,072		7,964
Financial income and expenses							-14,134
Income from joint ventures and associates							1,447
Income taxes							-1,902
Profit for the period							-6,625
Assets	480,265	382,639	180,391	44,980		-20,754	1,067,521
Liabilities	235,774	265,920	152,993	11,887		-20,754	645,820
Return on capital employed (ROCE) %	5.1 %	5.5 %	-11.6 %	-6.2 %			0.9 %
Investments	28,676	10,456	6,867	959			46,958
Depreciation	25,558	11,448	10,110	2,806			49,922
Impairment			33	36			69
Impairment of non-current assets held for sale	1,800						1,800

Accounting period that ended on 31 December 2010

Operating segments	Finland	Scandinavia	Russia	Baltic	Unallocated	Eliminations	Group
Net sales							
External	753,655	383,190	129,248	34,813			1,300,906
Internal	14,114	8,440		152		-22,706	0
Total net sales	767,769	391,630	129,248	34,965			1,300,906
EBIT	30,690	13,895	-27,943	-3,666	-3,220		9,756
Financial income and expenses							-11,123
Income from joint ventures and associates							1,672
Income taxes							-4,532
Profit for the period							-4,227
Assets	492,025	413,066	188,235	52,167		-33,878	1,111,615
Liabilities	241,924	299,224	141,688	16,614		-33,878	665,572
Return on capital employed (ROCE) %	7.9 %	5.3 %	-16.9 %	-9.6 %			1.1 %
Investments	13,254	9,524	22,624	765			46,167
Depreciation	28,749	11,662	8,102	2,985			51,498
Impairment		210	10,825	19			11,054

2. Net sales, EUR 1,000

	2011	2010
Sale of goods	1,287,262	1,286,489
Sale of services	5,650	5,227
Other sales	8,949	9,190
Total	1,301,861	1,300,906

3. Research and development costs, EUR 1,000

The income statement includes R&D costs booked as costs to the amount of	11,890	10,287

4. Fees paid to auditors, EUR 1,000

Auditing fees	508	546
Reports and statements	14	33
Tax consulting	25	46
Other fees	27	93
Total	574	718

5. Other operating income, EUR 1,000

Sales income from fixed assets	1,763	87
Cancellation of contingent consideration		2,922
Contributions received	399	366
Other *)	6,262	4,339
Total	8,424	7,714

*) including rental income and sales income from by-products

6. Other operating expenses, EUR 1,000

Sales loss from fixed assets	2,876	1,233
Impairment of fixed assets	1,869	1,263
Depreciation on intangible assets	1,013	11,774
Other *)	1,007	3,650
Total	6,765	17,920

*) including costs related to the sales of by-products, credit losses and, in 2010, non-recurring restructuring costs

7. Personnel expenses, EUR 1,000

Expenses from employee benefits:		
Salaries and wages	181,770	180,916
Pension costs - contribution plans	28,594	28,061
Pension costs - benefit-based plans	159	
Other staff-related expenses	21,619	19,795
Total	232,142	228,772
Information on management employee benefits is presented in Note 33. Information on share incentives is presented in Note 24.		
Expenses from employee benefits per operation:		
Costs of goods sold	178,547	177,632
Sales and marketing expenses	31,059	27,945
Administrative expenses	22,536	23,195
Total	232,142	228,772

	2011	2010
Group personnel on average by business area:		
Finland	2,113	2,089
Scandinavia	1,153	1,205
Russia	1,812	2,048
Baltic	389	470
Total	5,467	5,812

8. Depreciation and impairment, EUR 1,000

	2011	2010
Depreciation and impairment per operation:		
Costs of goods sold	44,348	46,129
Sales and marketing expenses	1,830	1,572
Administrative expenses	2,731	4,066
Other operating expenses	1,082	10,785
Total	49,991	62,552

9. Financial income and expenses, EUR 1,000

	2011	2010
Financial income:		
Interest income on loan receivables	3,152	2,986
Exchange rate gains from financial liabilities and loan receivables valued at amortised cost	7,577	26,470
Dividends received from financial assets for sale	44	12
Other financial income	6	28
Changes in the value of financial assets at fair value through profit or loss – Derivative instruments - not in hedge accounting	3,064	2,004
Total	13,843	31,500
Financial expenses:		
Interest expenses from financial liabilities valued at amortised cost	-14,587	-10,694
Exchange rate losses from financial liabilities and loan receivables valued at amortised cost	-6,428	-20,472
Other financial expenses	-1,545	-2,351
Changes in the value of financial assets at fair value through profit or loss - Derivative instruments - not in hedge accounting	-5,417	-9,106
Total	-27,977	-42,623
Financial income and expenses, total	-14,134	-11,123
Items related to financial instruments and recognised in other items of the total comprehensive income before taxes:		
Cash flow hedges	-8,228	4,207
Financial assets available for sale	-14	17
Net investment hedge		434
Translation differences	-2,864	16,888
Total	-11,106	21,546

10. Income taxes, EUR 1,000

	2011	2010
Taxes in the income statement:		
Tax based on the taxable profit for the period	4,758	6,956
Retained taxes	-55	181
Deferred tax	-2,801	-2,605
Total	1,902	4,532
Balancing of income statement taxes to profit before taxes:		
Profit before taxes	-4,723	305
Taxes calculated with parent company's 26% tax rate	1,228	79
Effect of foreign subsidiaries' deviating tax rates	223	3,175
Retained taxes	-574	579
Utilization of recognised losses	-117	
Effect from associates' earnings	-376	-432
Effect of tax-free income	-538	-1,179
Effect of costs that are non-deductible in taxation	1,800	2,315
Unrecognised deferred tax assets	1,356	61
Changes in tax rate	-1,246	
Other changes	146	-66
Total	1,902	4,532

Taxes recognised in other items of the total comprehensive income:	Before tax	Tax effects	After tax
2011			
Cash flow hedges	-8,228	2,009	-6,219
Financial assets available for sale	-14	5	-9
Actuarial losses from pension obligations	-2,075	495	-1,580
Translation differences	-2,864		-2,864
Total	-13,181	2,509	-10,672
2010			
Cash flow hedges	4,207	-1,051	3,156
Net investment hedge	434	-112	322
Financial assets available for sale	17	-4	13
Translation differences	16,888		16,888
Total	21,546	-1,167	20,379

11. Earnings per share, EUR 1,000

Basic earnings per share are calculated by dividing the parent company's shareholder's profit for the period by the weighted average number of outstanding shares.

Profit for the period attributable to the owners of the parent company	-6,664	-5,069
Weighted average of shares for the period (1,000)	28,157	28,156
Basic earnings per share	-0.24	-0.18

When calculating the earnings per share adjusted by the dilution effect, the dilution effect from all potential dilutive conversions of ordinary shares is taken into account in the weighted average number of shares. The Group's share incentive plan criteria based on the 2011 result are not met and, therefore, no dilutive shares exist.

12. Property, plant and equipment, EUR 1,000

	Land and water	Buildings and structures	Machinery and equipment	Other tangible assets	Acquisitions in progress	Total
Acquisition cost, 1 Jan 2011	12,981	464,275	537,911	2,849	16,109	1,034,125
Business combinations	63	1,571	1,010	9	1,324	3,977
Increases	1	5,804	29,052	257	25,790	60,904
Decreases	-438	-5,959	-23,438	-29	-14,832	-44,696
Exchange differences	-108	-1,727	-384	-11	-107	-2,337
Acquisition cost, 31 Dec 2011	12,499	463,964	544,151	3,075	28,284	1,051,973
Accumulated depreciation and impairment, 1 Jan 2011		-182,844	-379,871	-1,311	0	-564,026
Business combinations		-254	-345	-5		-604
Decreases		3,947	20,333	29		24,309
Depreciation		-12,977	-34,229	-236		-47,442
Impairment		-12	-46		-11	-69
Exchange differences		138	93	8		239
Accumulated depreciation and impairment, 31 Dec 2011		-192,002	-394,065	-1,515	-11	-587,593
Book value, 1 Jan 2011	12,981	281,431	158,040	1,538	16,109	470,099
Book value, 31 Dec 2011	12,499	271,962	150,086	1,560	28,273	464,380

	Land and water	Buildings and structures	Machinery and equipment	Other tangible assets	Acquisitions in progress	Total
Acquisition cost, 1 Jan 2010	6,693	427,337	496,820	5,737	38,770	975,357
Business combinations						
Increases	5,849	31,537	41,619	290	34,220	113,515
Decreases		-3,865	-19,687	-3,200	-58,213	-84,965
Exchange differences	439	9,266	19,159	22	1,332	30,218
Acquisition cost, 31 Dec 2010	12,981	464,275	537,911	2,849	16,109	1,034,125
Accumulated depreciation and impairment, 1 Jan 2010		-167,707	-338,263	-2,076	-27	-508,073
Business combinations						
Decreases		1,556	6,748	1,349	27	9,680
Depreciation		-12,510	-35,632	-565		-48,707
Impairment		-421	-51	-8		-480
Exchange differences		-3,762	-12,673	-11		-16,446
Accumulated depreciation and impairment, 31 Dec 2010		-182,844	-379,871	-1,311	0	-564,026
Book value, 1 Jan 2010	6,693	259,630	158,557	3,661	38,743	467,284
Book value, 31 Dec 2010	12,981	281,431	158,040	1,538	16,109	470,099

Assets acquired with financial leasing contracts are included in machinery and equipment. The acquisition cost recognised on the basis of the financial leasing contracts was EUR 6.3 million (EUR 5.4 million) and accumulated depreciation was EUR 3.4 million (EUR 1.0 million). Book value of assets was EUR 2.9 million (EUR 4.4 million).

The value of property, plant and equipment includes EUR 33,000 in borrowing costs.
The Group has received EUR 0.2 million in government grants for the acquisition of fixed assets.

The tangible assets used as loan collateral amount to EUR 5.9 million (EUR 9.0 million).

13. Biological assets, EUR 1,000

	2011	2010
Biological assets:		
Productive	1,367	1,891
Consumable	5,298	5,765
At end of the period	6,665	7,656
Amounts of biological assets at the end of the period:		
Boars / number	52	57
Sows, gilts/number	7,310	7,298
Dairy cattle / number	0	749
Pigs for fattening / number	48,986	58,361
Yearling, heifer / number	0	723
Chicken eggs, chicken chicks / number	2,232,914	1,710,345
Growing crops / hectares	2,000	1,238
Production of agricultural products during the period:		
Pork/1,000 kg	9,607	10,369
Beef/1,000 kg	15	67
Chicken/1,000 kg	33,098	32,886
Milk/1,000 kg	1,303	5,238
Cereal/1000 kg	5,641	15,113

Agricultural production is practised in order to control raw material risks in the meat product business. Any increase in the cost of agricultural production is, if possible, passed on in the production chain to the meat product business and to the meat product sale prices.

14. Goodwill and other intangible assets, EUR 1,000

Intangible assets	Goodwill	Trademarks	Customer relationships	Other intangible assets	Total
Acquisition cost, 1 Jan 2011	193,487	74,143	2,347	20,052	290,029
Business combinations				72	72
Increases				1,105	1,105
Decreases	-10,386	-570		-28	-10,984
Exchange differences	220	247		-26	441
Acquisition cost, 31 Dec 2011	183,321	73,820	2,347	21,175	280,663
Accumulated depreciation and impairment 1 Jan 2011	-30,564	-5,014	-1,325	-14,676	-51,579
Business combinations				-3	-3
Depreciation on decreases	10,386	522		7	10,915
Depreciation		-364	-370	-1,746	-2,480
Impairment					0
Exchange differences	-67	-27		17	-77
Accumulated depreciation, 31 Dec 2011	-20,245	-4,883	-1,695	-16,401	-43,224
Book value, 1 Jan 2011	162,923	69,129	1,022	5,376	238,450
Book value, 31 Dec 2011	163,076	68,937	652	4,774	237,439

Intangible assets	Goodwill	Trademarks	Customer relationships	Other intangible assets	Total
Acquisition cost, 1 Jan 2010	176,621	67,085	2,347	18,044	264,097
Increases				2,270	2,270
Decreases	-1,048			-514	-1,562
Exchange differences	17,914	7,058		252	25,224
Acquisition cost, 31 Dec 2010	193,487	74,143	2,347	20,052	290,029
Accumulated depreciation and impairment 1 Jan 2010	-18,820	-3,600	-903	-12,965	-36,288
Depreciation on decreases				514	514
Depreciation		-358	-422	-2,008	-2,788
Impairment	-10,785				-10,785
Exchange differences	-959	-1,056		-217	-2,232
Accumulated depreciation, 31 Dec 2010	-30,564	-5,014	-1,325	-14,676	-51,579
Book value, 1 Jan 2010	157,801	63,485	1,444	5,079	227,809
Book value, 31 Dec 2010	162,923	69,129	1,022	5,376	238,450

During the 2010 accounting period, the company reached an agreement concerning the contingent consideration for the Campomos acquisition. The change in the purchase price reduced the amount of goodwill created by the acquisition by EUR 1.0 million.

Goodwill and intangible assets with indefinite useful lives are allocated to the Group's cash-generating units as follows:

	Goodwill		Trademarks	
	2011	2010	2011	2010
Atria Finland	3,721	3,721		
Atria Scandinavia	150,294	150,140	58,788	58,481
Atria Russia	0	0	5,128	5,247
Atria Estonia	9,061	9,062	4,462	4,516
Total	163,076	162,923	68,378	68,244

Impairment testing

The recoverable amount of a cash-generating unit is defined on the basis of value-in-use calculations. These calculations use cash flow forecasts that are based on budgets approved by the management, are defined before taxes and extend over a five-year period. Cash flows after the five-year forecast period are extrapolated using the growth rates presented below. The growth rate used does not exceed the average long-term growth rate of the industry in which the unit that generates the cash flow operates.

Key assumptions for 2011	Atria Finland	Atria Scandinavia	Atria Russia brand	Atria Estonia
Long-term net sales growth rate	1.0 %	1.0 %	4.5 %	1.0 %
Discount rate defined before taxes	5.3 %	4.8 %	12.4 %	6.8 %

Key assumptions for 2010	Atria Finland	Atria Scandinavia	Atria Russia brand	Atria Estonia
Long-term net sales growth rate	1.0 %	1.0 %	4.5 %	1.0 %
Discount rate defined before taxes	5.4 %	6.1 %	11.1 %	6.1 %

The most important assumptions used in Atria's impairment testing for cash flow forecasts are growth in net sales and long-term EBIT margin. The growth and profitability assumptions used are based on the profitability levels and growth rate in net sales that the company will experience in the near future in Finland and Scandinavia. EBIT margins are expected to be close to the Group's targeted level of 5%. The improving long-term profitability of the Baltic region is based on the assumptions that the ongoing improvement measures, the more profitable use of meat raw material and the improvement of the general market situation will make the company profitable in the next few years.

Growth percentage assumptions are moderate in all market areas. Russia's higher growth projection is due to its higher market growth expectations and the relatively high growth projection for meat consumption. Due to the relatively stable development of the food industry and moderately optimistic growth forecasts, it is unlikely that the growth rate assumptions will generate impairment losses in the future.

As regards EBIT margins, impairment losses must be recognised if the long-term level in Scandinavia remains about 59% below the assumption and 21% below the assumption in Estonia. In Finland, the EBIT percentage should be approximately 77% below the assumption before the need for impairment arises.

Discount rates could produce impairment losses (all cash flow forecasts being equal) if they increased by 4.0 percentage points in Scandinavia and 0.9 percentage points in Estonia. In Finland, an increase by over 8 percentage points would lead to impairments. Clearly higher discount rates would mean that the market situation has changed in such a way that the change could affect Atria's cash flows as well. Therefore, the above-mentioned increases in discount rates do not directly mean that there would be a need for impairment.

In the financial statements, a separate test was conducted on a brand with an indefinite useful life for Atria Russia. The testing did not indicate a need for recognising an impairment loss. On the basis of a sensitivity analysis, an impairment loss is not likely to be recognised for the brand in the coming years, either.

15. Investments in joint ventures and associates, EUR 1,000

Investments in joint ventures and associates	2011	2010
In joint ventures:		
At the beginning of the period	4,635	1,038
Share of earnings for the period	1,702	1,459
Dividends received	-419	-33
Other changes		2,171
At the end of the period	5,918	4,635
In associates:		
At the beginning of the period	7,227	6,406
Share of earnings for the period	-255	213
Dividends received	-128	-39
Other changes	1,121	647
At the end of the period	7,965	7,227
Total	13,883	11,862

Joint ventures and associates	Domicile	Assets	Liabilities	Net sales	Profit/ loss	Ownership share (%)
2011						
Joint ventures:						
Best-In Oy	Kuopio	1,754	782	5,263	132	50.0
Honkajoki Oy Group	Honkajoki	18,111	8,059	26,814	3,103	50.0
Länsi-Kalkkuna Oy	Säkylä	3,723	2,833	25,864	168	50.0
Associates:						
OOO Dan-Invest	Krasnodar, Russia	34,728	26,592	655	-2,004	26.0
Findest Protein Oy *)	Kaustinen	2,578	1,377	3,604	1	41.7
Finnpig Oy Group	Seinäjoki	2,929	1,902	3,269	28	50.0
Foodwest Oy	Seinäjoki	1,232	379	2,081	66	33.5
Kiinteistö Oy Itikanmäen Teollisuustalo	Seinäjoki	3,716	18	194		13.2
OÜ LKT Invest	Valga, Estonia	240			21	26.0
LTK Co-operative	Hämeenlinna	11,300	2,181	21,712	775	40.7
Param Para AB	Stockholm, Sweden	1,099	769	3,196	50	24.0
Transbox Oy	Helsinki	1,529	1,155	5,900	5	23.0
Tuoretie Oy	Seinäjoki	9,485	8,539	61,773	21	33.3
2010						
Joint ventures:						
Best-In Oy	Kuopio	1,602	726	5,019	73	50.0
Honkajoki Oy Group	Honkajoki	17,356	9,519	25,939	2,733	50.0
Länsi-Kalkkuna Oy	Säkylä	3,696	2,974	24,313	26	50.0
Associates:						
OOO Dan-Invest	Krasnodar, Russia	24,096	16,994	557	-510	26.0
Findest Protein Oy *)	Kaustinen	3,131	1,690	3,535	141	41.7
Finnpig Oy Group	Seinäjoki	2,838	2,029	3,411	118	50.0
Foodwest Oy	Seinäjoki	1,040	254	2,002	-6	33.5
Kiinteistö Oy Itikanmäen Teollisuustalo	Seinäjoki	3,720	68	174	-8	13.2
OÜ LKT Invest	Valga, Estonia	220			20	26.0
LTK Co-operative	Hämeenlinna	10,673	2,009	21,510	548	40.7
Tuoretie Oy	Seinäjoki	8,148	7,231	60,564	-1	33.3

*) Ownership share: direct 16.6% and indirect 25.1 %

16. Other financial assets, EUR 1,000

	2011	2010
Other financial assets include financial assets available for sale:		
Financial assets available for sale, 1 Jan	1,586	2,307
Exchange differences		-1
Increases	167	17
Decreases	-115	-737
Financial assets available for sale, 31 Dec	1,638	1,586
Financial assets available for sale include the following items:		
Listed securities	167	181
Unlisted securities	1,471	1,405
Total	1,638	1,586
Financial assets available for sale are denominated in the following currencies:		
EUR	1,638	1,505
SEK		81
Total	1,638	1,586

17. Trade receivables, loans and other receivables, EUR 1,000

	Balance sheet values 2011	Balance sheet values 2010
Trade receivables from producers	10,763	11,309
Loan receivables	8,166	6,597
Other receivables	996	918
Derivative financial instruments - in hedge accounting	0	1,321
Accrued credits and deferred charges	21	21
Total	19,946	20,166
Fair values do not deviate significantly from balance sheet values.		
Non-current receivables were divided into currencies as follows:		
EUR	19,085	19,720
SEK	634	425
RUR	202	
Other	25	21
Total	19,946	20,166

Trade receivables from producers include feed and animal trading receivables from animal payments, which fall due in more than 12 months. The credit risk of these receivables is explained in Note 20.
No impairment has been recognised for loans and other receivables.
The maximum credit risk for loans and other receivables is equivalent to their book value.

18. Deferred tax assets and liabilities, EUR 1,000

Deferred tax assets and liabilities	2011	2010
Deferred tax assets:		
Tax asset to be realised in more than 12 months	15,328	11,142
Tax asset to be realised within 12 months	615	311
Total	15,943	11,453
Deferred tax liabilities:		
Tax liability to be realised in more than 12 months	47,952	46,306
Tax liability to be realised within 12 months	0	491
Total	47,952	46,797

Changes in deferred tax	2011	2010
Deferred tax assets:		
Tangible and intangible assets	1,251	737
Inventories	761	330
Trade and other receivables	666	72
Provisions	0	100
Interest-bearing and non interest-bearing liabilities	2,773	1,518
Recognised losses	10,492	8,696
Total	15,943	11,453
Deferred tax liabilities:		
Tangible and intangible assets	47,797	45,328
Financial assets	31	36
Inventories	65	443
Trade and other receivables	59	990
Provisions		
Interest-bearing and non interest-bearing liabilities		
Total	47,952	46,797
Change in deferred tax:		
Recognised in the income statement	2,801	2,605
Recognised in other items of the total comprehensive income	2,509	-1,167
Recognised directly in equity		676
Acquisition of subsidiaries	-1,745	
Exchange differences	-230	-3,297
Total	3,335	-1,183

Deferred tax assets for unused tax losses are recognised to the amount for which obtaining tax benefits on the basis of taxable profit is likely. The period's losses, for which deferred tax assets have been left unrecognised, amount to EUR 9.7 million.

Deferred tax assets recognised from recognised losses expire as follows:	Finland	Russia	Total
2016		39	39
2017		544	544
2018		243	243
2019	98	2,666	2,764
2020	8	5,110	5,118
2021		1,784	1,784
Total	106	10,386	10,492

19. Inventories, EUR 1,000

	2011	2010
Materials and supplies	55,830	42,979
Unfinished products	13,581	14,616
Finished products	34,740	43,559
Other inventories	4,037	4,180
Total	108,188	105,334

During the accounting period, EUR 1.5 million (EUR 0.8 million), i.e., the amount used to lower the book value of the inventories to a value comparable with the net realisable value, was recognised as expenses.

20. Trade receivables and other current receivables, EUR 1,000

	2011	2010
Trade receivables	117,144	135,467
Trade receivables from producers	32,436	30,621
Loan receivables	2,927	3,143
Other receivables	14,922	19,827
Derivative financial instruments - not in hedge accounting	0	299
Derivative financial instruments - in hedge accounting	0	1,871
Accrued credits and deferred charges	9,369	8,624
Total	176,798	199,852

Fair values do not deviate significantly from balance sheet values.

In the Atria Group, credit risk from trade receivables is considered small in proportion to the scope of the operations. The Group's trade receivables are dispersed over several market areas and many customers. The share of retail chains in trade receivables is central in all business areas. Credit risk is managed with securities, such as credit insurances and bank guarantees as well as with advance billing. Each business area has been assigned a separate credit policy that takes the special features of the market area into account. Credit risk is examined and monitored on a case-by-case basis for major customers and customer groups.

Trade receivables from producers include feed and animal trading receivables from animal payments. The receivables situation and security values are monitored regularly in accordance with the credit policy.

Material items in accrued credits and deferred charges consist of prepaid expenses of purchase invoices, lease receivables and tax amortisations.

Breakdown of trade receivables and items booked as credit losses:		2011	Credit losses	Net 2011
Not due		131,699		131,699
Overdue	Less than 30 days	13,860		13,860
	30–60 days	1,322		1,322
	61–90 days	904		904
	More than 90 days	2,395	-600	1,795
Total		150,180	-600	149,580

Breakdown of trade receivables and items booked as credit losses:		2010	Credit losses	Net 2011
Not due		153,705		153,705
Overdue	Less than 30 days	8,890	-10	8,880
	30–60 days	1,545	-82	1,463
	61–90 days	572		572
	More than 90 days	2,017	-549	1,468
Total		166,729	-641	166,088

Current receivables were divided into currencies as follows:	2011	2010
EUR	121,542	119,723
SEK	23,028	41,278
RUR	21,062	24,349
DKK	6,400	6,028
EEK		4,312
USD	1,925	1,695
NOK	1,155	937
Other	1,686	1,530
Total	176,798	199,852

21. Cash and cash equivalents, EUR 1,000

	2011	2010
Cash in hand and at banks	6,618	18,530

22. Non-current assets held for sale, EUR 1,000

	Finland	Russia	Baltic	Total
2011				
Land and water	146			146
Buildings and structures	1,246	1,915	1,098	4,259
Machinery and equipment				0
Other tangible assets	17			17
Total	1,409	1,915	1,098	4,422
2010				
Land and water	146			146
Buildings and structures	3,046	1,960	3,675	8,681
Machinery and equipment			330	330
Other tangible assets	17			17
Total	3,209	1,960	4,005	9,174

Non-current assets held for sale include industrial real estate in Moscow, Russia, (balance sheet value EUR 1.9 million), industrial real estate in Vilnius, Lithuania, (balance sheet value EUR 1.1 million) and logistics real estate in Forssa, Finland, (balance sheet value EUR 1.4 million). The Group is actively selling the real estate, but sales periods for some of the real estate are longer due to the depressed market situation. The Group expects the sales to come through after markets have recovered.

During the 2011 accounting period, part of the industrial real estate in Vilnius was sold and a loss of EUR 1.2 million was recorded following the sale. Additionally, during the 2011 accounting period, an impairment of EUR 1.8 million was recognised for the logistics centre located in Forssa.

During the 2010 accounting period, an impairment of EUR 1.0 million was recognised for the plant located in Moscow.

23. Equity, EUR 1,000

Shares and share capital

Shares are divided into A and KII series, which differ in terms of voting rights. A series shares have one vote per share and KII series shares have ten votes per share. A series shares have preference for a dividend of EUR 0.17, after which KII series shares are paid a dividend of up to EUR 0.17. If there is still more dividend available for distribution, A and KII series shares have the same entitlement to the dividend. All issued shares have been paid in full. The share has no nominal value or a maximum number.

Number of shares outstanding (1,000)	A series	KII series	Total
1 Jan 2010	18,950	9,204	28,154
Shares granted in share incentives	3		3
31 Dec 2010	18,953	9,204	28,157
Returned from the share incentive plan	-1		-1
31 Dec 2011	18,952	9,204	28,156

Reserves included in shareholders' equity:

Share premium
The portion of share subscription payments recognised in share premium in compliance with the conditions of plans prior to the new Companies Act (21.7.2006/624) taking effect.

Own shares
The treasury shares reserve contains the acquisition cost of own shares held by the Group. In 2008 and 2009, the Group's parent company, Atria Plc, acquired 145,102 shares on the stock exchange for an acquisition cost of EUR 1.3 million. In 2008, 35,260 of the acquired shares and, in 2010, 3,280 shares were transferred to key persons as a part of the Group's share incentive plan. At the end of the year, the parent company held a total of 111,312 treasury shares (110,432 treasury shares).

Other funds	2011	2010
Fair value reserve	98	107
Hedging fund	-4,504	1,715
Total	-4,406	1,822

The other funds item includes the fair value reserve and hedging fund. Changes in the fair value of available-for-sale financial assets are recognised in the fair value reserve, while the effective portions of changes in the fair value of the derivative instruments used for hedging are recognised in the hedging fund.

Invested unrestricted equity fund
This reserve contains other equity investments and the share subscription price to the extent that it is not recognised in share capital according to a separate decision, as well as the value of shares earned on the basis of the share incentive plan, calculated at the rate of the grant date.

Translation differences
The translation differences from the translation of the financial statements of foreign subsidiaries, as well as the translation of fair value adjustments of goodwill, assets and liabilities arising in conjunction with the acquisition of the said companies are recognised in translation differences. Profits and losses arisen from hedges of net investments in foreign operations are also recognised in translation differences when the hedge accounting criteria are met.

Parent company's distributable shareholders' equity	2011	2010
Invested unrestricted equity fund	110,228	110,228
Retained earnings	78,343	74,397
Own shares	-1,277	-1,271
Profit for the period	11,322	10,985
Total	198,615	194,339

Dividend per share paid for the period	2011	2010
Dividend/share, EUR	0.25	0.25
Dividend distributed by the parent company	7,039	7,039

The Board of Directors proposes to the Annual General Meeting, which will be held on 3 May 2012, that the Company pay EUR 0.20 per share in dividend, total of EUR 5,631,283.

24. Share-based payments, EUR 1,000

Atria Plc has had a share incentive plan in place for key personnel in the Group with three earning periods: the calendar years of 2010, 2011 and 2012. At the beginning of 2012 the Board of Directors decided to discontinue the share-based plan and it will thus no longer be applied in 2012.
Incentives based on the share incentive plan have been paid partly in the form of Series A shares and partly in cash. The cash payments covered any taxes or similar costs associated with the incentives. The recipients were not allowed to transfer the shares for a period of two years from the end of the earning period. Profit from the programme for the earning periods 2010 and 2011 was linked to consolidated EBIT and return on capital employed (ROCE). The cap on share incentives was set at 100,100 of Atria Plc's Series A shares a year for 2010 and 2011. However, no shares were awarded based on performance in 2010 and 2011. In the 2007–2009 earning periods, a total of 38,540 Series A shares held by the company were transferred at no cost to key personnel under the incentive plan (35,260 shares for 2007 and 3,280 shares for 2009). Of these shares, 4,750 have since returned to the company.

Earnings periods	2011	2010
Grant date	3 Feb 2011	17 Feb 2010
Earnings period begins	1 Jan 2011	1 Jan 2010
Earnings period ends	31 Dec 2011	31 Dec 2010
Maximum number of shares granted as remuneration	100,100	100,100
Share release	31 Dec 2013	31 Dec 2012
Number of people	43	41
Earnings criteria:		
- Operative EBIT	80 %	80 %
- Capital employed	20 %	20 %
Achievement of earnings criteria, %	0 %	0 %
Number of share incentives granted	0	0
Share price listed on grant date, EUR	8.61	11.17
Share price listed on balance sheet date, EUR	5.95	9.00

Impact of share incentive plan on the result for the period	2011	2010
Impact of the scheme on the profit for the period	6	13
Liabilities from the cash payments of the share-based scheme	0	0

25. Interest-bearing financial liabilities, EUR 1,000

	Balance sheet values 2011	Balance sheet values 2010
Non-current		
Bonds	80,000	80,000
Loans from financial institutions	164,574	158,510
Pension fund loans *)	49,021	59,929
Other liabilities	2,014	2,037
Finance lease obligations	1,519	2,302
Total	297,128	302,778
Current		
Loans from financial institutions	14,644	21,796
Commercial papers	86,500	92,500
Pension fund loans	6,157	6,157
Other liabilities	3,622	5,108
Finance lease obligations	1,325	1,598
Total	112,248	127,159
Total interest-bearing liabilities	409,376	429,937

*) The debt to the FPG/PRI system related to the financing of the Swedish ITP2 pension arrangement has been transferred from pension fund loans to pension obligations in the 2011 accounting period.

The fair values of interest-bearing loans do not deviate significantly from balance sheet values.

With fixed interest rates	50.2%	39.7%
With variable interest rates	49.8%	60.3%
Average interest rate	3.24%	2.71%

Non-current liabilities mature as follows:	2011	2010
2012		25,304
2013	81,042	79,478
2014	89,571	90,451
2015	8,870	33,407
2016	6,012	6,012
2017	53,005	
Later	58,628	68,126
Total	297,128	302,778

Interest-bearing liabilities are divided into currencies as follows:	2011	2010
EUR	217,525	228,986
SEK	134,608	157,111
DKK	13,957	15,904
RUR	42,222	25,208
EEK		211
LTL	1,064	2,517
Total	409,376	429,937

Finance lease obligations	2011	2010
Total amount of minimum lease payment:		
In less than a year	1,441	1,713
Between one and five years	1,699	2,513
After five years	30	54
Total	3,170	4,280
Present value of minimum lease payment:		
In less than a year	1,328	1,611
Between one and five years	1,495	2,251
After five years	20	37
Total	2,843	3,899
Future interest accumulation	327	381
Total	3,170	4,280

26. Other non-current liabilities, EUR 1,000

	2011	2010
Other liabilities	2	34
Derivative instruments - in hedge accounting	4,166	766
Derivative instruments - not in hedge accounting	17	
Accruals and deferred income	8	
Total	4,193	800

Non-current liabilities were divided into currencies as follows	2011	2010
EUR	3,075	766
SEK	1,106	
Other	12	34
Total	4,193	800

27. Pension obligations, EUR 1,000

The Group's Swedish companies have defined-benefit ITP2 pension arrangements. Most of the ITP2 pension arrangements are provided by the occupational pension insurance company Alecta as multiple-employer arrangements, so the funds and liabilities within them cannot be allocated to an individual company. For this reason the ITP2 pension arrangements managed by Alecta are treated as defined contribution plans in the financial statements. The remaining ITP2 pension arrangements are financed through the FPG/PRI system, and these will be treated as defined benefit plans as of the financial period 2011.

The benefit-based pension liability in the balance sheet is determined as follows	2011
Present value of funded obligations	7,252
Fair value of assets	0
Under (+)/Overfunding (-)	7,252
Pension liability in the balance sheet	7,252

The benefit-based pension cost is determined as follows	2011
Costs based on performances in the period	81
Benefits paid	-163
Interest costs	241
Pension costs in the income statement	159
Actuarial gains/losses	2,075
Pension costs in the comprehensive income	2,075

Changes to debt in the balance sheet	2011
ITP2 pension arrangement debt at the beginning of the accounting period *)	4,920
Pension costs in the income statement and in the comprehensive income	2,234
Exchange differences	98
At the end of the period	7,252
Used actuarial assumptions (%)	
Discount rate	3.84
Rate of inflation	2.00

*) The debt to the FPG/PRI system related to the financing of the Swedish ITP2 pension arrangement has in the earlier accounting periods been presented as a pension fund loan in long-term interest-bearing liabilities.

28. Provisions, EUR 1,000

Legal claims	2011
At the beginning of the period	812
Used provisions	-500
Cancellation of unused provisions	-312
Total	0

Legal claims concerned a cancelled sale of real estate in Moscow and a contract dispute in Sweden.

29. Current trade and other payables, EUR 1,000

	2011	2010
Trade payables	101,822	111,331
Advances received	1,174	1,096
Other liabilities	26,531	28,447
Derivative instruments - not in hedge accounting	2,799	1,741
Derivative instruments - in hedge accounting	1,763	217
Accrued liabilities	42,480	43,693
Total	176,569	186,525

Material items in accrued liabilities consist of personnel expenses and the amortisation of debt interests.

Current liabilities were divided into currencies as follows	2011	2010
EUR	103,028	99,794
SEK	49,565	57,001
RUR	13,150	13,394
DKK	6,506	6,132
USD	3,013	3,830
EEK	0	4,930
NOK	445	533
Other	862	911
Total	176,569	186,525

30. Financial risk management

The financing policy approved by the Board of Directors defines the general principles of financial risk management. The Board has delegated the management of financial risks to the Financing Committee, while the practical management of financial risks is centrally handled by the Group's Treasury unit. The goal of financial risk management is to reduce the effect that price fluctuations on the financial markets and other uncertainty factors have on earnings, the balance sheet and cash flow, as well as to ensure sufficient liquidity. Treasury, together with the business areas, aims to identify, assess and hedge against all risks in accordance with the financing policy. The main risks related to financing are interest rate risk, currency risk, liquidity and refinancing risk and credit risk. Commodity risks and capital structure management are also dealt with at the end of this section.

Interest rate risk

Interest rate risk is managed by dividing financing into instruments with variable and fixed interest rates and by hedging with interest rate derivatives. During the accounting period, the Group used interest rate swaps in interest rate risk management. The Group links interest rate risk management to the interest margin indicator that is forecast by dividing the 12-month rolling operating margin by the forecast net interest rate expenses. The lower the operating margin is in relation to net financing costs, the larger is the share of debt that must have a fixed interest rate. The Group's interest-bearing debt at the time of the financial statements was EUR 409.4 million (EUR 429.9 million), of which EUR 205.6 million (EUR 170.5 million) or 50.2% (39.7%) had fixed interest rates. The ratio of debt with fixed and variable interest rates is at the level defined by the Group's financing policy.

The interest rate risk is mainly directed at the Group's interest-bearing liabilities because the amount of money market investments and related interest rate risk is low. The Group's operating cash flow is to a large extent independent of fluctuations in interest rates. At the time of the financial statements, Atria Plc had four open interest rate swaps subject to hedge accounting.

1) An interest rate swap amounting to EUR 40 million where Atria pays a fixed interest rate of 2.58% and receives the 6-month Euribor rate. The company uses the interest rate swap to hedge a bond with variable interest rate that matures on 28 March 2014.

2) An interest rate swap amounting to SEK 370 million (maturing on 9 December 2015) where Atria pays a fixed interest rate of 2.542% and receives the 3-month Stibor rate. The company uses the interest rate swap to hedge a SEK 370 million loan with variable interest rate.

3) An interest rate swap amounting to EUR 25 million where Atria pays a fixed interest rate of 2.408% and receives the 6-month Euribor rate. The company uses the interest rate swap to hedge a EUR 25 million loan with variable interest rate that matures on 30 April 2018.

4) An interest rate swap amounting to EUR 25 million where Atria pays a fixed interest rate of 2.355% and receives the 6-month Euribor rate. The company uses the interest rate swap to hedge a EUR 25 million loan with variable interest rate that matures on 30 April 2018.

The sensitivity analysis of net interest rate expenses is based on a 1% change in interest rates, which is considered to be reasonably realistic. It is calculated for year-end interest-bearing, variable-rate net liabilities that are expected to remain the same over the accounting period. The interest rate swaps are taken into account in the calculation. In simulations, the same change in interest rate is used for all currencies. On 31 December 2011, variable-rate net liabilities amounted to EUR 197.1 million (EUR 240.9 million). At the end of 2011, a +/-1% change in interest rates corresponded to a change of EUR +/-2.0 million in the Group's annual interest rate expenses (EUR +/-2.4 million). With a +1% change, the effect on equity would be EUR 5.0 million (2.9 million) and, with a -1% change, EUR -5.3 million (-3.0 million).

Currency risk

Atria Group operates in many currency zones and is exposed to currency-related risks. Currency risks arise from forecast transactions, assets and liabilities booked into the balance sheet and net investments in the operations of foreign subsidiaries. The subsidiaries hedge the currency risk related to commercial, operational items according to their currency risk policy for each business area. Each currency risk policy has been approved by the Treasury Committee. In Finland and Sweden, hedge accounting is applied to the aforementioned currency hedges. Currency risk is monitored according to the 12-month rolling cash flow forecast, and hedges are carried out for periods of 1 to 6 months using forward exchange agreements. The cash flows hedged during this time are expected to occur and affect profit or loss. Among other things, transaction risks come from the euro-denominated meat raw material imports of Atria's Swedish operations and from the USD-denominated imports of its Russian companies. In Atria's Finnish operations, currency flows and risks are relatively low and are mainly related to USD- and SEK-denominated exports.

The Group has net investments in the operations of foreign subsidiaries that are exposed to currency risks. The Treasury Committee decides on net investment hedges on a case-by-case basis. At the time of the financial statements, there were no derivative agreements in force for net investment hedging. The parent company grants financing to the subsidiaries in their home currencies and has hedged the currency-denominated loan receivables from the subsidiaries through currency loans and forward exchange agreements.

If, at the end of the accounting period, the euro had been 10% weaker/stronger than the Swedish krona (all other factors being equal), profit before taxes would have been EUR 0.9 million higher/lower due to the Swedish subsidiaries' euro-denominated accounts payable (EUR 0.4 million). The effect on equity would have been EUR 0.8 million (EUR 0.7 million). Sensitivity analyses also take into account the effects of currency derivatives, which offset the effects of change in exchange rates.

If, at the end of the accounting period, the USD had been 10% weaker/stronger than the Russian rouble (all other factors being equal), profit before taxes would have been EUR 0.3 million higher/lower due to the Russian subsidiaries' USD-denominated accounts payable (EUR 0.4 million). The effect on equity would have been EUR 0.0 million (EUR 0.0 million).

Liquidity and refinancing risk

Atria Plc's Treasury raises the majority of the Group's interest-bearing capital. Liquidity and refinancing risks are managed through a balanced loan maturity distribution and by having sufficient committed credit limits with sufficiently long periods of validity at hand, by using many financial institutions and instruments to raise finance and by keeping a sufficient amount of cash funds. Atria uses commercial papers actively for short-term financing and to manage liquidity. There was EUR 152.5 million (EUR 125.5 million) in undrawn binding credit limits at the end of the year. EUR 113.5 million of the EUR 200 million commercial paper programme had not been used at the end of the accounting period (EUR 107.5 million). The average maturity of the Group's loans and committed credit limits was 3 years 1 months (3 years 5 months).

The main covenant used in loan agreements is a minimum equity ratio covenant of 30%. The Group's equity ratio has been approx. 40% for many years, and the Group will continue to ensure an equity ratio higher than the level required by the covenant. According to the terms of loan agreements, the implementation of covenants is reported to financiers either quarterly or semi-annually.

According to the Group management's view, there was no significant liquidity accumulation in financial assets or financial sources.

The table below shows the maturity analysis for financial liabilities and derivative instruments (undiscounted figures). The capital levies and revenue of derivative liabilities and assets are related to forward exchange agreements, and interest payments to interest rate swaps.

Maturity analysis for financial obligations

EUR 1,000		Maturity, 31 Dec 2011			
		< 1 year	1-5 years	> 5 years	Total
Loans	Instalments	112,248	238,500	58,628	409,376
	Interest payments	8,722	28,394	1,374	38,490
Derivative liabilities and assets	Capital payments	144,993			144,993
	Capital income	-141,879			-141,879
	Interest payments	3,336	10,812	599	14,747
	Interest income	-2,948	-7,305	-740	-10,993
Other liabilities	Instalments	11,744	14		11,758
Trade payables	Payments				101,822
Accruals and deferred income	Payments		8		42,488
Total	Total payments	425,345	277,728	60,601	763,674
	Total income	-144,827	-7,305	-740	-152,872
	Net payments	280,518	270,423	59,861	610,802

EUR 1,000		Maturity, 31 Dec 2010			
		< 1 year	1-5 years	> 5 years	Total
Loans	Instalments	127,159	234,652	68,126	429,937
	Interest payments	8,102	22,186	6,182	36,470
Derivative liabilities and assets	Capital payments	117,866			117,866
	Capital income	-119,776			-119,776
	Interest payments	1,523	7,675		9,198
	Interest income	-2,110	-6,872		-8,982
Other liabilities	Instalments	14,106	37		14,143
Trade payables	Payments	111,331			111,331
Accruals and deferred income	Payments	43,693	33		43,726
Total	Total payments	423,780	264,583	74,308	762,671
	Total income	-121,886	-6,872	0	-128,758
	Net payments	301,894	257,711	74,308	633,913

Credit risk

Credit risk is managed at Group level in accordance with the Group's risk management policy approved by the Board of Directors. The credit risk related to financing, i.e., the counterparty risk, is managed by selecting only well-established highly rated counterparties with good credit ratings as counterparties. The Group's liquid assets are only invested with counterparties that meet the above-mentioned criteria. This is also the procedure when entering into financing and derivative agreements. The credit risk related to derivatives is also decreased by the fact that all payments made in relation to derivatives are net payments. Atria has only concluded derivatives contracts with its main financing banks.

The credit risk of the Group's operative business is related to our customers, of which the main ones are large retail chains. Part of the Group's trade receivables are related to feed and animal trading in primary production. The credit risk related to this is higher, but also more dispersed. Additionally, the Group's trade receivables are dispersed over several market areas and many customers. However, the share of retail chains in trade receivables is central in all business areas.

Credit loss risk is managed with securities, such as credit insurances and bank guarantees as well as with advance invoicing. Each business area has been assigned a separate credit policy that takes the special features of the market area into account. Credit risk is examined and monitored on a case-by-case basis for major customers and customer groups. The breakdown at trade receivables is illustrated in Note 20, page 72.

Commodity risk

The Group is exposed to commodity risks, the most significant of which are meat raw material and electricity. Fluctuations in the price of meat raw material affect profitability in the short term, but efforts are made to pass on the price increases to sales prices as soon as possible.

Fluctuations in the price of electricity are hedged with forward electricity agreements according to the Group's electricity procurement policy. The edging levels in the policy are shown in the table below.

Period	hedging level minimum	hedging level maximum
1–12 months	70%	100%
13–24 months	40%	80%
25–36 months	0%	50%
37–48 months	0%	40%
49–60 months	0%	30%

Hedge accounting in accordance with IFRS is applied to electricity hedges. The effective portion of changes in the value of derivatives has been recognised under equity, and the ineffective portion, which amounts to EUR -0.4 million (EUR -0.2 million) has been recognised in the income statement.

If the market price of electricity derivatives changed by +/-10% from the level prevailing on 31 December 2011, the effect on equity would be EUR +/-1.3 million (EUR +/-1.0 million).

Capital structure management

In capital structure management, the Group aims to ensure normal operating conditions under all circumstances and to maintain an optimal capital structure in terms of capital costs.

The Group monitors the development of its capital structure primarily through the equity ratio, for which the Group has set a target level of 40%. Based on this equity ratio, the company estimates that the availability and total cost of new capital are optimal.

Equity ratio is affected by balance sheet total and equity. The company is able to affect balance sheet total and, through that, capital structure by managing working capital, through the amount of investments as well as by selling business operations or assets. Correspondingly, the company can affect the amount of its own equity through dividend distribution and share issues.

In the assessment of investments and divestments, the Group uses the Group's weighted average cost of capital (WACC) as reference. This way, the Group tries to ensure that its assets generate at least an amount corresponding to the average cost of its capital.

Equity ratio (target 40%)

Realised	31.12.2011	31.12.2010
	39.5%	40.2%

Values for financial assets and liabilities by category:

EUR 1,000 2011 balance sheet item	Financial assets and liabilities recognised at fair value through profit or loss	Derivative instruments under hedge accounting	Loans and other receivables	Financial assets available for sale	Financial liabilities	Balance sheet value in total
Non-current assets						
Trade receivables			10,763			10,763
Other financial assets				1,638		1,638
Loan receivables			8,166			8,166
Other receivables *)			794			794
Accrued credits and deferred charges *)			21			21
Current assets						
Trade receivables			149,580			149,580
Loan receivables			2,927			2,927
Other receivables *)			5,868			5,868
Accrued credits and deferred charges *)			9,369			9,369
Cash and cash equivalents			6,618			6,618
Total financial assets	0	0	194,106	1,638	0	195,744
Non-current liabilities						
Interest-bearing financial liabilities					297,128	297,128
Other liabilities **)					2	2
Accruals and deferred income **)					8	8
Derivative instruments	17	4,166				4,183
Current liabilities						
Interest-bearing financial liabilities					112,248	112,248
Trade payables					101,822	101,822
Other liabilities **)					8,120	8,120
Accruals and deferred income **)					42,480	42,480
Derivative instruments	2,799	1,763				4,562
Total financial liabilities	2,816	5,929	0	0	561,808	570,553

*) Do not include VAT or income tax assets

**) Do not include VAT or income tax liabilities

EUR 1,000 2010 balance sheet item	Financial assets and liabilities recognised at fair value through profit or loss	Derivative instruments under hedge accounting	Loans and other receivables	Financial assets available for sale	Financial liabilities	Balance sheet value in total
Non-current assets						
Trade receivables			11,309			11,309
Other financial assets				1,586		1,586
Loan receivables			6,597			6,597
Other receivables *)			918			918
Accrued credits and deferred charges *)			21			21
Derivative instruments		1,321				1,321
Current assets						
Trade receivables			166,088			166,088
Loan receivables			3,143			3,143
Other receivables *)			6,595			6,595
Accrued credits and deferred charges *)			8,624			8,624
Derivative instruments	299	1,871				2,170
Cash and cash equivalents			18,530			18,530
Total financial assets	299	3,192	221,825	1,586	0	226,902
Non-current liabilities						
Interest-bearing financial liabilities					300,476	300,476
Accruals and deferred income **)					34	34
Derivative instruments		766				766
Current liabilities						
Interest-bearing financial liabilities					125,561	125,561
Trade payables					111,331	111,331
Other liabilities **)					8,996	8,996
Accruals and deferred income **)					43,693	43,693
Derivative instruments	1,939	19				1,958
Total financial liabilities	1,939	785	0	0	590,091	592,815

*) Do not include VAT or income tax assets
**) Do not include VAT or income tax liabilities

Fair value hierarchy:

EUR 1,000 Balance sheet item	31 Dec 2011	Level 1	Level 2	Level 3
Non-current assets				
Financial assets available for sale				
- Listed shares	167	167		
- Unlisted shares	1,471			1,471
Total	1,638	167	0	1,471
Non-current liabilities				
Derivative instruments	4,183		4,183	
Current liabilities				
Derivative instruments	4,562		4,562	
Total	8,745	0	8,745	0

Balance sheet item	31 Dec 2010	Level 1	Level 2	Level 3
Non-current assets				
Financial assets available for sale				
- Listed shares	181	181		
- Unlisted shares	1,405			1,405
Derivative instruments	1,321		1,321	
Current assets				
Derivative instruments	2,170		2,170	
Total	5,077	181	3,491	1,405
Non-current liabilities				
Derivative instruments	766		766	
Current liabilities				
Derivative instruments	1,958		1,958	
Total	2,724	0	2,724	0

Level 1: Prices listed on active markets for identical assets and liabilities
The fair value of financial instruments traded in active markets is based on market prices listed on the closing date. Markets are regarded as active if listed prices are readily and regularly available from the stock exchange, broker, industry group, price information service or surveillance authority, and these prices represent actual and regularly occurring market events between independent parties. The current purchase price is used as the listed market price for financial assets.

Level 2: Fair values can be determined either directly (i.e., as prices) or indirectly (i.e., derived from prices).
A fair value is established through valuation techniques for financial instruments that are not traded in active markets (such as OTC derivatives). These valuation techniques make maximum use of observable market information, when available, and rely as little as possible on company-specific assessments. If all significant input required for determining the fair value of the instrument is observable, the instrument is on level 2.

Level 3: Fair values are not based on verifiable market prices.
If one or more significant piece of input information is not based on observable market information, the instrument is classified on level 3. Assessments by external parties are used for measurement of financial instruments and, if such assessments are not available, the company's own calculations/assessments are used.

Changes in financial instruments belonging to level 3

Unlisted shares	2011	2010
Opening balance 1 Jan	1,405	2,143
Purchases	167	24
Decreases	-101	-762
Closing balance 31 Dec	1,471	1,405

Derivative instruments:

Fair values of derivative instruments EUR 1,000	Derivative assets 31 Dec 2011	Derivative liabilities 31 Dec 2011	Net fair value 31 Dec 2011	Net fair value 31 Dec 2010
Forward exchange agreements				
Cash flow hedges under IAS 39 hedge accounting		229	-229	-196
Other hedges		2,618	-2,618	-1,509
Interest rate swaps, due in more than 1 year				
Cash flow hedges under IAS 39 hedge accounting		3,527	-3,527	264
Electricity derivatives				
Cash flow hedges under IAS 39 hedge accounting		2,173	-2,173	2,135
Other hedges		198	-198	73
Total	0	8,745	-8,745	767

Nominal values of derivative instruments EUR 1,000	31 Dec 2011	31 Dec 2010
Forward exchange agreements		
Cash flow hedges under IAS 39 hedge accounting	12,760	13,370
Other hedges	100,432	107,692
Interest rate swaps		
Cash flow hedges under IAS 39 hedge accounting	131,517	81,269
Electricity derivatives		
Cash flow hedges under IAS 39 hedge accounting	15,505	7,982
Other hedges	479	200
Total	260,693	210,513

31. Other leases, EUR 1,000

Group as lessee	2011	2010
Minimum lease payments based on non-cancellable leases		
Within one year	6,181	7,623
Within more than one year and a maximum of five years	11,263	13,670
After five years	8,861	8,901
Total	26,305	30,194
Rents recognised as cost	5,468	5,121

The terms and conditions of the leases vary. The Group companies rent properties, machinery, equipment and cars.

32. Contingent liabilities, EUR 1,000

Debts with mortgages or other collateral given as security	2011	2010
Loans from financial institutions	3,327	5,363
Pension fund loans	7,251	4,920
Total	10,578	10,283
Mortgages and other securities given as comprehensive security		
Real estate mortgages	4,509	4,990
Corporate mortgages	1,346	4,022
Total	5,855	9,012
Contingent liabilities not included in the balance sheet		
Guarantees	470	756

33. Related party transactions, EUR 1,000

Group companies by business area	Domestic	Ownership share (%)	Share of votes (%)
Atria Finland:			
Ab Botnia-Food Oy	Finland	100.0	100.0
A-Lihatukkurin Oy	Finland	100.0	100.0
A-Logistics Ltd	Finland	100.0	100.0
A-Pekoni Nurmo Oy	Finland	100.0	100.0
A-Pihvi Kauhajoki Oy	Finland	100.0	100.0
A-Pihvi Nurmo Oy	Finland	100.0	100.0
A-Rehu Oy	Finland	51.0	51.0
A-Sikateurastamo Oy	Finland	100.0	100.0
Atria Concept Oy	Finland	100.0	100.0
Atria Plc	Finland		
Atria Finland Ltd	Finland	100.0	100.0
Atria-Chick Oy	Finland	100.0	100.0
Atria-Lihavalmiste Oy	Finland	100.0	100.0
Atria-Meetvursti Oy	Finland	100.0	100.0
Atria-Tekniikka Oy	Finland	100.0	100.0
Atria-Tuoreliha Oy	Finland	100.0	100.0
Atria-Valmisruoka Oy	Finland	100.0	100.0
A-Farmers Ltd	Finland	97.9	99.0
F-Logistiikka Oy	Finland	100.0	100.0
Itikka-Lihapolar Oy	Finland	100.0	100.0
Kauhajoen Teurastamokiinteistöt Oy	Finland	100.0	100.0
Kiinteistö Oy Tievapolku 3	Finland	100.0	100.0
Liha ja Säilyke Oy	Finland	100.0	100.0
Rokes Oy	Finland	100.0	100.0
Suomen Kalkkuna Oy	Finland	100.0	100.0
Atria Scandinavia:			
3-Stjernet A/S	Denmark	100.0	100.0
Atria Concept AB	Sweden	100.0	100.0
Atria Concept SP Z.o.o	Poland	100.0	100.0
Atria Denmark A/S	Denmark	100.0	100.0
Atria Foodservice AB	Sweden	100.0	100.0
Atria Retail AB	Sweden	100.0	100.0
Atria Scandinavia AB	Sweden	100.0	100.0
Atria Supply AB	Sweden	100.0	100.0
Falbygdens Ostnederlag AB	Sweden	100.0	100.0
KB Joddlaren	Sweden	100.0	100.0
Nordic Fastfood AB	Sweden	51.0	51.0
Nordic Fastfood Etablerings AB	Sweden	51.0	51.0
Ridderheims AS	Norway	100.0	100.0
Ridderheims Falbygdens AB	Sweden	100.0	100.0
Atria Russia:			
Atria-Invest Oy	Finland	100.0	100.0
OOO CampoFerma	Russia	100.0	100.0
OOO CampoFoods Moscow	Russia	100.0	100.0
OOO MPZ CampoMos	Russia	100.0	100.0
OOO Pit-Product	Russia	100.0	100.0
Atria Baltic:			
Atria Eesti AS	Estonia	100.0	100.0
Atria Farmid OÜ	Estonia	100.0	100.0
OÜ Atria	Estonia	100.0	100.0
UAB Vilniaus Mesa	Lithuania	100.0	100.0

Group joint ventures and associates and other related parties	Domestic	Ownership share (%)	Share of votes (%)
Group joint ventures:			
Best-In Oy	Finland	50.0	50.0
Honkajoki Oy	Finland	50.0	50.0
Länsi-Kalkkuna Oy	Finland	50.0	50.0
Group's associates:			
OOO Dan-Invest	Russia	26.0	26.0
Findest Protein Oy	Finland	41.7	41.7
Finnpig Oy	Finland	50.0	50.0
Foodwest Oy	Finland	33.5	33.5
Kiinteistö Oy Itikanmäen Teollisuustalo	Finland	13.2	13.2
OÜ LKT Invest	Estonia	26.0	26.0
Finnish Meat Research Institute LTK co-operative	Finland	40.7	40.7
Param Para AB	Sweden	24.0	24.0
Transbox Oy	Finland	23.0	23.0
Tuoretie Oy	Finland	33.3	33.3

Other related parties:
Members of the Board of Directors and Supervisory Board
Itikka Co-operative Group
Lihakunta
Pohjanmaan Liha Co-operative Group

Transactions with related parties as well as receivables from and debts to related parties	Joint ventures and associates	Other related parties	Total
1 Jan–31 Dec 2011			
Sale of goods	1,448	4,532	5,980
Sale of services	662	90	752
Rental income	320		320
Divested buildings	1,443		1,443
Purchase of goods	18,457	8,839	27,296
Purchase of services	47,730	181	47,911
Rental costs	7	3,240	3,247
Acquired shares		6,084	6,084
31 Dec 2011			
Trade receivables	299	557	856
Other receivables	17	102	119
Trade payables	4,048	19	4,067
Other liabilities		3,819	3,819

Transactions with related parties as well as receivables from and debts to related parties	Joint ventures and associates	Other related parties	Total
1 Jan–31 Dec 2010			
Sale of goods	659	4,243	4,902
Sale of services	421	37	458
Rental income	312	35	347
Purchase of goods	16,942	8,640	25,582
Purchase of services	46,910		46,910
Rental costs	3,460		3,460

Transactions with related parties as well as receivables from and debts to related parties	Joint ventures and associates	Other related parties	Total
31 Dec 2010			
Trade receivables	100	487	587
Other receivables		1,081	1,081
Trade payables	4,022		4,022
Other liabilities (to owners)		5,921	5,921

The sale of goods and services to related parties is based on the Group's valid price lists. The majority of services purchased were the logistics services of Tuoretie Oy. Debts to related parties are loans that can be called in immediately or as agreed; their interest rate is tied to the 3-month or 6-month Euribor rate.

The Group Management Team's employee benefits	2011	2010
Salaries and other short-term employee benefits	1,998	2,590
Severance pay in connection with termination of employment	737	
Share-based payments		41
Pensions	346	404
Total	3,081	3,035

The retirement age for the President and CEO is 63 years. However, the President and CEO has the right to retire at the age of 60. The amount of pension is based on the President and CEO's annual income during employment at Atria Group.

The pension group benefits for the management have been arranged for the members of Atria Group Management Team who are within the scope of Finnish social security. The retirement age of the group pension insurance is 63 years for the members of the Management Team. The pension plan is contribution-defined, and the annual payment is based on the monthly salary (monetary salary and fringe benefits) of the insured.

Salaries and short-term benefits paid to the members of the Supervisory Board, the Board of Directors, the CEO and deputy CEO	2011	2010
Members of the Supervisory Board:		
Pirkola Ari, Chairman	54	51
Paavola Seppo, Deputy Chairman	31	31
Other members of the Supervisory Board, total	45	38
Members of the Board of Directors:		
Selin Martti, Chairman	74	67
Komulainen Timo, Deputy Chairman	84	77
Heikkilä Tuomo	36	33
Kaarto Esa	55	52
Lillandt Runar, Member of the Board until June 2010		22
Romanainen Maisa, Member of the Board since July 2010	25	12
Sivula Harri	28	27
Tikkakoski Matti, CEO, until March 2011		
CEOs		
Gröhn Juha, as of 4 March 2011	482	
Tikkakoski Matti, until 3 March 2011	847	688
Deputy CEOs	299	378
Ruohola Juha, as of 1 May 2011		
Gröhn Juha, until 3 March 2011		

34. Business combinations, EUR 1,000

As part of the efficiency improvement programme of bovine slaughtering and cutting operations, on 21 June 2011 Atria acquired the entire share capital of Kauhajoen Teurastamokiinteistöt Oy from Itikka Co-operative, which belongs to the company's related parties. Kauhajoen Teurastamokiinteistöt Oy owns the slaughterhouse property and equipment used by Atria in Kauhajoki. The objective of the acquisition was to clarify the ownership structure.

Atria invests approximately EUR 26 million in renovating the Kauhajoki bovine slaughterhouse and cutting plant. The investment is due to be completed by the end of 2012. The annual cost savings generated by the efficiency improvement programme of the entire bovine slaughtering are estimated to amount to approximately EUR 6 million.

Kauhajoen Teurastamokiinteistöt Oy	Fair values used in the acquisition	Book value before the acquisition
Property, plant and equipment	9,013	2,415
Intangible assets	69	69
Current receivables	211	211
Cash in hand and at bank	32	32
Total assets	9,324	2,726
Other non-current interest-bearing liabilities	1,500	1,500
Deferred tax liabilities	1,715	
Current interest-bearing liabilities	25	25
Total liabilities	3,240	1,525
Net assets	6,084	1,202
Purchase price	6,084	
Cash flow effect of acquisition	6,052	

The calculation is preliminary.

35. Sold operations, EUR 1,000

The programme aimed at enhancing cost efficiency in the Baltic countries progressed during the accounting period. OÜ Puidukaupandus, a company owned by Atria that engages in milk production, was sold. Atria Baltic recorded a non-recurring sales gain on this transaction of EUR 0.2 million during the accounting period. This acquisition had no impact on Atria Group´s net sales, EBIT, assets or liabilities.

36. Events occurring after the closing date

In January 2012, Atria announced its plans to launch an action plan focusing on improving profitability in Sweden. The programme is aimed at streamlining and automating the production process of ham products and the slicing of cold cuts. Negotiations with labour market organisations have been initiated so that the planning of the programme can be started. Atria intends to invest in new production equipment at the Malmö plant. At the same time, the manufacturing of ham products and the slicing of cold cuts will be transferred from the Halmstad plant in southern Sweden to the Malmö plant. Furthermore, the production processes of the Malmö plant will be improved, and plans will be drawn up to renovate production facilities and to automate internal logistics. If the programme is implemented, an estimated EUR 4.7 million will be invested in production equipment at the Malmö plant and the Halmstad plant will be closed down after production has been transferred to Malmö. The programme is expected to generate annual cost savings of approximately EUR 1.5 million.

In February 2012, Atria plc's Board of Directors decided to end the share-based incentive programme for Atria Group's key persons. The system is no longer in use in 2012. The incentive programme was launched in 2007 and reported in the company announcement of 28 June 2007. Incentives from the share-based incentive programme were paid partly in Series-A shares and partly through cash payments. The cash payments covered the taxes and similar costs created by the incentives. In total, 38,540 A series treasury shares held by the company were transferred free of charge to the company's key persons in the incentive programme. Of the shares transferred, 4,750 in all have been returned to the company.

The new long-term reward programme for the Group's key personnel has three 12-month periods: 2012, 2013, and 2014. The full earning period for the programme ends on 31 December 2014. The reward earned in an earning period is determined after the period has expired based on how well the targets have been achieved. The plan offers an opportunity to earn cash rewards for reaching targets established for the relevant earning period. Any profit from the programme is based on the Group's earnings per share (EPS). Cash rewards payable in the programme throughout the course of its earning period, between 2012 and 2014, are capped at EUR 4.5 million. The new long-term reward programme covers 40 of Atria Group's key persons.

PARENT COMPANY FINANCIAL STATEMENTS (FAS)

INCOME STATEMENT , EUR 1,000

	Note	1 Jan–31 Dec 2011	1 Jan–31 Dec 2010
NET SALES	2.1	46,417	52,641
Other operating income	2.2	2,783	2,961
Personnel expenses	2.3	-3,552	-2,518
Depreciation and impairment	2.4		
Planned depreciation		-23,015	-26,485
Other operating expenses	2.5	-5,531	-6,528
EBIT		17,102	20,071
Financial income and expenses	2.6	9,445	4,132
PROFIT BEFORE EXTRAORDINARY ITEMS		26,547	24,203
Extraordinary items	2.7	-7,300	-1,422
PROFIT BEFORE APPROPRIATIONS AND TAXES		19,247	22,781
Appropriations	2.8	-7,858	-11,712
Income taxes	2.9	-67	-84
NET PROFIT FOR THE ACCOUNTING PERIOD		11,322	10,985

BALANCE SHEET, EUR 1,000

Assets	Note	31 Dec 2011	31 Dec 2010
FIXED ASSETS			
Intangible assets	3.1		
Intangible rights		35	61
Other long-term expenditure		3,923	4,392
Intangible assets, total		3,957	4,453
Tangible assets	3.1	235,445	243,768
Investments	3.2		
Interests in Group companies		257,835	245,529
Interests in associates		3,652	3,624
Other shares and interests		1,479	1,330
Investments, total		262,966	250,482
TOTAL FIXED ASSETS		502,368	498,704
CURRENT ASSETS			
Long-term receivables	3.3	316,381	5,695
Short-term receivables	3.3	80,836	385,289
Cash in hand and at bank		1,806	13,747
TOTAL CURRENT ASSETS		399,024	404,731
Total assets		901,393	903,436

Liabilities	Note	31 Dec 2011	31 Dec 2010
EQUITY	3.4		
Share capital		48,055	48,055
Share premium		138,502	138,502
Own shares		-1,277	-1,271
Invested unrestricted equity fund		110,228	110,228
Retained earnings		78,343	74,398
Profit for the period		11,322	10,985
TOTAL EQUITY		385,172	380,896
ACCRUED APPROPRIATIONS	3.5		
Depreciation difference		69,014	61,152
LIABILITIES			
Non-current liabilities	3.6	285,844	281,848
Current liabilities	3.7	161,362	179,541
TOTAL LIABILITIES		447,206	461,389
Total liabilities		901,393	903,436

STATEMENT OF CHANGES IN FINANCIAL POSITION, EUR 1,000

	1 Jan–31 Dec 2011	1 Jan–31 Dec 2010
CASH FLOW FROM OPERATING ACTIVITIES		
Sales income	45,619	53,892
Other business revenue	2,783	2,961
Payments on operating expenses	-8,354	-8,017
Cash flow from operating activities before financial items and taxes	40,048	48,835
Financial income and expenses, net	5,924	4,518
Tax paid	5,578	823
Cash flow from operating activities	51,550	54,176
CASH FLOW FROM INVESTMENTS		
Investments in tangible and intangible assets and investments	-26,679	-43,071
Change in Group receivables	-7,324	-47,221
Cash flow from investments	-34,003	-90,292
CASH FLOW FROM FINANCING		
Loan payments	-1,358	12,418
Change in Group liabilities	-13,784	22,561
Dividends paid	-7,039	-7,039
Own shares	-6	37
Other income	0	0
Group contribution	-7,300	-1,422
Cash flow from financing	-29,487	26,555
CASH FLOW FROM OPERATING ACTIVITIES	51,550	54,176
CASH FLOW FROM INVESTMENTS	-34,003	-90,292
CASH FLOW FROM FINANCING	-29,487	26,555
TOTAL	-11,940	-9,560
Change in cash and cash equivalents		
Cash and cash equivalents 1 Jan	-13,747	-23,307
Cash and cash equivalents 31 Dec	1,806	13,747
Change	-11,940	-9,560

NOTES TO THE FINANCIAL STATEMENTS 1 JANUARY–31 DECEMBER 2011

1. PRINCIPLES APPLIED IN PREPARING THE FINANCIAL STATEMENTS

General principles applied in preparing the financial statements
Atria Plc's financial statements have been drawn up in accordance with Finland's Accounting Act and the other rules and regulations pertaining to the compilation of financial statements (FAS).

Information related to the Group
Atria Plc is the parent company of Atria Plc, and its domicile is in Kuopio, Finland. Copies of Atria Plc's financial statements are available from the company's head office at Itikanmäentie 3, Seinäjoki postal address; P.O. Box 900, FI-60060 ATRIA, Finland.

Valuation principles
In the balance sheet, tangible and intangible assets are entered at their direct acquisition cost less planned depreciation and value adjustments. Depreciation is implemented on a straight-line basis over the service life of the assets. Contributions received for the acquisition of tangible assets are entered as a decrease in acquisition costs. These contributions are not significant.

Depreciation periods		Depreciation period
Buildings	Nurmo	40 years
	other locations	25 years
Machinery and equipment	Nurmo	10 years
	other locations	7 years
Computer software		5 years
Other long-term items		10 years

The publicly listed companies' shares in the company's fixed assets investments have been measured at acquisition cost. The book value of the shares on 31 December 2011 was EUR 29,326.86 and their fair value was EUR 108,526.31. In the balance sheet, financial instruments are measured at acquisition cost less value adjustments.

Items expressed in foreign currencies
Items expressed in foreign currencies have been converted into euro at the exchange rate quoted by the European Central Bank. The exchange differences of the realised currency-denominated loans are presented under financial items.

Derivative financial instruments
The company enters into derivative agreements in order to control exchange differences and interest rate levels.
The derivatives used are forward exchange agreements and interest rate swaps. The derivatives hedge accounting is not applied to are measured at fair value. All profits and losses resulting from fair value recognition are presented under the financial items of the income statement. The positive fair value of the derivatives used for hedging is presented under receivables and the negative fair value under liabilities. The derivatives hedge accounting is applied to are recognised in the proper item of the income statement on their expiration date.

The fair values of all derivatives are presented in Note 4.3.

2. 2. NOTES TO THE INCOME STATEMENT

	1 Jan–31 Dec 2011	1 Jan–31 Dec 2011

2.1. NET SALES, EUR 1,000

Net sales	46,417	52,641

The company's rental income is presented as net sales because it corresponds with the present nature of the company's operations.

2.2. OTHER OPERATING INCOME, EUR 1,000

Service charges to group companies	2,729	2,961
Other	54	0
Total	2,783	2,961

2.3. PERSONNEL EXPENSES, EUR 1,000

Average number of employees		
Clerical staff in Finland	12	10
Personnel expenses		
Salaries:		
CEO, Executive Vice President and Deputy CEO and members of the Board	1,873	808
Members of the Supervisory Board	112	109
Other salaries	803	1,055
Total	2,788	1,972
Pension costs	652	504
Other staff-related expenses	112	42
Total	764	546
Personnel expenses total	3,552	2,518

Pension commitments of members of the Board and CEO:
The company's statutory pensions are defined contribution plans and have been arranged through an insurance company. The company does not have pension commitments for the CEO and the members of the Board of Directors and the Supervisory Board.

2.4. DEPRECIATION AND IMPAIRMENT, EUR 1,000

Depreciations of tangible and intangible assets	23,015	26,485

Depreciation specification per balance sheet item included in Section 3.1.

2.5. OTHER OPERATING EXPENSES, EUR 1,000

Other operating expenses	5,531	6,528

Including administration, marketing, energy, cleaning, operational and other costs as well as fees paid to auditors.

Fees paid to auditors / Pricewaterhouse Coopers Oy		
Auditing fees	217	199
Tax consulting	8	8
Other fees	9	24
Total	234	231

The presented figures are based on invoicing.

2.6. FINANCIAL INCOME AND EXPENSES, EUR 1,000

Return on long-term investments		
Dividend yield:		
From group companies	10,631	10,707
From other companies	588	83
Total	11,219	10,790
Other interest and financial income		
From group companies	12,614	6,615
From other companies	8,822	26,164
Total	21,436	32,779
Interest expenses and other financial expenses		
To group companies	1,420	555
To other companies	21,790	38,882
Total	23,210	39,437
Financial income and expenses total	9,445	4,132
Interest expenses and other financial expenses include exchange rate losses (net)	417	2,018

2.7. EXTRAORDINARY ITEMS

Group contributions paid	7,300	1,422

2.8. APPROPRIATIONS

Difference between planned depreciation and depreciation implemented in taxation	-7,858	-11,712

2.9. INCOME TAXES

Income taxes on operations	67	84

3 . NOTES TO THE BALANCE SHEET

3.1. INTANGIBLE AND TANGIBLE ASSETS, EUR 1,000

	31 Dec 2011	31 Dec 2010
Intangible assets:		
Intangible rights		
Acquisition cost 1 Jan	1,455	1,448
Increases	0	7
Decreases	0	0
Acquisition cost 31 Dec	1,455	1,455
Accumulated depreciation 1 Jan	-1,394	-1,352
Depreciation on decreases	0	0
Depreciation for the accounting period	-26	-43
Accumulated depreciation 31 Dec	-1,420	-1,394
Book value 31 Dec	35	61
Other long-term expenditure		
Acquisition cost 1 Jan	16,386	14,472
Increases	936	1,914
Decreases	-4	0
Acquisition cost 31 Dec	17,318	16,386
Accumulated depreciation 1 Jan	-11,994	-10,309
Depreciation on decreases	0	0
Depreciation for the accounting period	-1,401	-1,685
Accumulated depreciation 31 Dec	-13,395	-11,994
Book value 31 Dec	3,923	4,392
Intangible assets, total	3,957	4,453
Tangible assets:		
Land and water		
Acquisition cost 1 Jan	1,469	1,469
Decreases	-235	0
Acquisition cost 31 Dec	1,233	1,469
Buildings and structures		
Acquisition cost 1 Jan	279,252	277,638
Increases	2,095	1,614
Decreases	-494	0
Acquisition cost 31 Dec	280,853	279,252
Accumulated depreciation 1 Jan	-123,066	-116,232
Depreciation on decreases	0	0
Depreciation for the accounting period	-6,726	-6,834
Accumulated depreciation 31 Dec	-129,792	-123,066
Book value 31 Dec	151,061	156,186
Machinery and equipment		
Acquisition cost 1 Jan	274,815	271,068
Increases	7,731	3,748
Decreases	-12	0
Acquisition cost 31 Dec	282,535	274,815
Accumulated depreciation 1 Jan	-199,061	-181,284
Depreciation on decreases	0	0
Depreciation for the accounting period	-14,730	-17,777
Accumulated depreciation 31 Dec	-213,790	-199,061
Book value 31 Dec	68,745	75,755

	31 Dec 2011	31 Dec 2010
Other tangible assets		
Acquisition cost 1 Jan	2,215	2,099
Increases	20	126
Decreases	0	-10
Acquisition cost 31 Dec	2,235	2,215
Accumulated depreciation 1 Jan	-890	-744
Depreciation on decreases	0	0
Depreciation for the accounting period	-132	-146
Accumulated depreciation 31 Dec	-1,022	-890
Book value 31 Dec	1,213	1,325
Advance payments and acquisitions in progress		
Acquisition cost 1 Jan	9,034	2,073
Changes +/-	4,159	6,960
Acquisition cost 31 Dec	13,192	9,034
Tangible assets total	235,445	243,768
Non-depreciated acquisition cost of machinery and equipment	68,745	75,755

The share of items other than production machinery and equipment is not significant in amount. The acquisition costs of completely depreciated and scrapped items are presented as decreases.

3.2. INVESTMENTS, EUR 1,000

	Parent company holding %	Parent company holding %
Group companies:		
Ab Botnia-Food Oy, Seinäjoki	100	100
A-Farmers Ltd, Seinäjoki	97.9	97.9
Atria Concept Oy, Seinäjoki	100	100
Atria Finland Ltd, Kuopio	100	100
Atria-Invest Oy, Seinäjoki	100	100
Itikka-Lihapolar Oy, Seinäjoki	100	100
Kiinteistö Oy Tievapolku 3, Helsinki	100	100
Liha ja Säilyke Oy, Forssa	63.2	63.2
Atria Scandinavia AB, Sköllersta, Sweden	100	100
Rokes Oy, Forssa	100	100
Suomen Kalkkuna Oy, Seinäjoki	100	100
Atria Eesti AS, Valga, Estonia	100	100
OÜ Atria, Tallinn, Estonia	100	100
UAB Vilniaus Mesa, Vilna, Lithuania	100	100
Kauhajoen Teurastamokiinteistöt Oy, Kauhajoki	100	0.0
Joint ventures and associates:		
Best-In Oy, Kuopio	50.0	50.0
Foodwest Oy, Seinäjoki	33.5	33.5
Honkajoki Oy, Honkajoki	50.0	50.0
Kiinteistö Oy Itikanmäen Teollisuustalo, Seinäjoki	13.2	13.2
Finnish Meat Research Institute LTK co-operative, Hämeenlinna	40.7	40.7
Länsi-Kalkkuna Oy, Säkylä	50.0	50.0
Tuoretie Oy, Helsinki	33.3	33.3
Transbox Oy, Helsinki	15.7	0.0

3.3. RECEIVABLES, EUR 1,000	31 Dec 2011	31 Dec 2010
Long-term receivables:		
Receivables from group companies:		
Loan receivables	316,381	5,695
Short-term receivables:		
Loan receivables	221	221
Trade receivables	34	38
Other receivables	300	505
Accrued credits and deferred charges	128	5,771
Receivables from group companies:		
Trade receivables	1,623	820
Other receivables	74,485	377,646
Accrued credits and deferred charges	4,045	289
Total current receivables	80,836	385,289
Material items included in the accrued credits and deferred charges:		
- amortised interests	4,046	289
- amortised taxes	31	5,677
- other	96	93
Total	4,173	6,059

3.4. EQUITY, EUR 1,000	31 Dec 2011	31 Dec 2010
Share capital 1 Jan	48,055	48,055
Share capital 31 Dec	48,055	48,055
Share premium 1 Jan	138,502	138,502
Share premium 31 Dec	138,502	138,502
Restricted equity total	186,557	186,557
Own shares 1 Jan	-1,271	-1,308
Acquisition of own shares	-6	37
Own shares 31 Dec	-1,277	-1,271
Invested unrestricted equity fund 1 Jan	110,228	110,228
Invested unrestricted equity fund 31 Dec	110,228	110,228
Retained earnings 1 Jan	85,383	81,437
Distribution of dividends	-7,039	-7,039
Retained earnings 31 Dec	78,343	74,398
Profit for the period	11,322	10,985
Retained earnings 31 Dec	89,665	85,383
Unrestricted equity total	198,615	194,339
Equity total	385,172	380,896

Changes in own shares during the accounting period:

Date	Amount	Consideration
2 Jan 2011	160	EUR 10.74 / share
17 Jan 2011	40	EUR 9.06 / share
6 Sep 2011	400	EUR 5.22 / share
2 Nov 2011	280	EUR 6.50 / share

At the beginning of the period, the number of treasury shares was 110,432, which was increased by the shares returned from the share-based incentive programme. At the end of the year, the company held a total of 111,312 treasury shares. The ownership share of the shares held is 0.4% of equity and 0.1% of the voting rights.

	31 Dec 2011	31 Dec 2010
Calculation of funds appropriate for distribution as dividends:		
Retained earnings	78,343	74,398
Profit for the period	11,322	10,985
Own shares	-1,277	-1,271
Total	88,388	84,111

The breakdown of the share capital is as follows:

	2011		2010	
	number	Euro	number	Euro
A series shares (1 vote/share)	19,063,747	32,408	19,063,747	32,408
KII series shares (10 votes/share)	9,203,981	15,647	9,203,981	15,647
Total	28,267,728	48,055	28,267,728	48,055

3.5. ACCRUED APPROPRIATIONS, EUR 1,000	31 Dec 2011	31 Dec 2010
Depreciation difference	69,014	61,152

3.6. NON-CURRENT LIABILITIES, EUR 1,000		
Bonds	80,000	80,000
Loans from financial institutions	161,623	151,468
Pension fund loans	25,946	29,316
Total	267,569	260,784
Liabilities to group companies:		
Other non-current liabilities	18,275	21,063
Total non-current liabilities	285,844	281,847
Loans maturing later than in five years:		
Loans from financial institutions	51,250	2,500
Pension fund loans	1,025	1,538
Other non-current liabilities	7,125	9,913
Total	59,400	13,950

Atria Plc's bond loan issued in 2006 amounting to EUR 40 million matures in 2013 (interest rate 2.57%).
Atria Plc's bond loan issued in 2007 amounting to EUR 40 million matures in 2014 (interest rate 2.43%).

3.7. CURRENT LIABILITIES	31 Dec 2011	31 Dec 2010
Loans from financial institutions	100,730	107,646
Pension fund loans	3,370	3,370
Trade payables	618	465
Other liabilities	3,117	4,133
Accruals and deferred income	4,224	3,749
Liabilities to group companies:		
Other non-current liabilities	2,788	2,788
Trade payables	369	254
Other liabilities	38,669	55,543
Accruals and deferred income	7,478	1,594
Total current liabilities	161,362	179,541
Material items included in accruals and deferred income:		
- accruals of salaries and social security payments	678	495
- personnel fund	0	4
- interest accruals	2,081	1,701
- exchange rate difference of forward contracts	1,558	1,707
- other	7,385	1,436
Total	11,702	5,342

4. OTHER NOTES

4.1. SECURITIES GIVEN, CONTINGENT LIABILITIES AND OTHER LIABILITIES, EUR 1,000

	31 Dec 2011	31 Dec 2010
Contingent liabilities and other liabilities not included in the balance sheet		
Guarantees:		
For group companies	71,112	77,599
Total	71,112	77,599
Other leases:		
Minimum rents paid based on other leases		
Within one year	398	869
Within more than one year and a maximum of five years	595	853
After more than five years	3,473	3,570
Total	4,466	5,292

4.2. VAT LIABILITIES

The company has made the property investments referred to in the Value Added Tax Act. The remaining verification liability of these investments was assessed for each verification period on 31 December 2011.
The company is obliged to verify reductions in VAT on property investments if the taxable use of the properties decreases during the verification period.

Year of completion of the investment	Remaining amount of verification liability	
2007	0	926
2008	866	1,011
2009	963	1,101
2010	286	322
2011	1,595	0
Total	3,711	3,360

4.3 DERIVATIVE FINANCIAL INSTRUMENTS

Fair values of derivative financial instruments	Derivative assets 31 Dec 2011	Derivative assets 31 Dec 2010
Forward exchange agreements:		
Other hedges	0	26
Interest rate swaps, due in more than 1 year:		
Cash flow hedges under hedge accounting	0	1,030
Total	0	1,056

Fair values of derivative financial instruments	Derivative liabilities 31 Dec 2011	Derivative liabilities 31 Dec 2010
Forward exchange agreements:		
Other hedges	1,491	1,733
Interest rate swaps, due in more than 1 year:		
Cash flow hedges under hedge accounting	3,527	766
Total	5,018	2,499

Signatures and Auditor's Report

Seinäjoki, 19 March 2012

Martti Selin Chairman	Timo Komulainen
Tuomo Heikkilä	Maisa Romanainen
Esa Kaarto	Harri Sivula
Juha Gröhn CEO	

Auditor's note

A report on the audit performed has been issued today.

Seinäjoki, 19 March 2012

PricewaterhouseCoopers Oy
Authorised Public Accountants
Juha Wahlroos
Authorised Public Accountant

To the Annual General Meeting of Atria Corporation

We have audited the accounting records, the financial statements, the report of the Board of Directors and the administration of Atria Corporation for the year ended 31 December, 2011. The financial statements comprise the consolidated statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements and the report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Supervisory Board and Board of Directors of the parent company as well the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or whether they have violated the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Consolidated Financial Statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Opinion on the Company's Financial Statements and the Report of the Board of Directors

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Other Opinions

We support that the financial statements and the consolidated financial statements should be adopted. The proposal by the Board of Directors regarding the use of the profit shown in the balance sheet is in compliance with the Limited Liability Companies Act. We support that the Members of the Supervisory Board and Board of Directors as well the Managing Director of the parent company should be discharged from liability for the financial period audited by us.

Seinäjoki 19 March 2012

PricewaterhouseCoopers Oy
Authorised Public Accountants
Juha Wahlroos
Authorised Public Accountant

Content

Corporate governance principles

Atria Plc ('Atria' or 'the company') is a Finnish public company, and the responsibilities and obligations of its governing bodies are determined by Finnish law. The parent company, Atria Plc, and its subsidiaries constitute the international Atria Group. The company is domiciled in Kuopio.

Responsibility for the administration and operations of Atria Group lies with the governing bodies of the parent, Atria Plc. These are the General Meeting, Supervisory Board, Board of Directors and the CEO.

Atria's decision-making and corporate governance are in compliance with the Finnish Companies Act, regulations applied to publicly listed companies, Atria Plc's Articles of Association, the rules of procedure for Atria's Board of Directors and committees, and NASDAQ OMX Helsinki Ltd's rules and guidelines. Atria follows the Finnish Corporate Governance Code ("Corporate Governance Code"). The full Corporate Governance Code may be viewed at www.cgfinland.fi. In accordance with the Comply or Explain principle, the company departs from the recommendations of the Code as follows:

- The company has a Supervisory Board.
- As an exception to recommendation 8, Atria's Supervisory Board elects the Board of Directors in accordance with the Articles of Association.
- As an exception to recommendation 10, the term of a Board member is three (3) years in accordance with Atria's Articles of Association.

Atria Plc has prepared a review of the corporate governance system in accordance with the recommendation of the Finnish Corporate Governance Code. The review is available on the company's website at www.atriagroup.com.

General Meeting

The General Meeting is Atria Plc's supreme decision-making body. At the General Meeting, shareholders decide on the approval of the financial statements and the use of the profit shown on the balance sheet, discharging of the members of the Board of Directors and of the Supervisory Board, as well as the CEO, from liability, the number of members of the Supervisory Board, and their election and remuneration; and the election of one or more auditors and the fees for auditing.

The Annual General Meeting is held annually by the end of June on a date designated by the Board of Directors, and the agenda includes matters that are to be handled by the Annual General Meeting in accordance with the Articles of Association and any other proposals. In addition, the company may hold an Extraordinary General Meeting, if necessary.

The General Meeting is convened by the Board of Directors. It is held in the company's domicile, Kuopio, or in Helsinki. The notice to convene the General Meeting is communicated by publishing the notice on the Company's website and by a stock exchange release at the earliest three (3) months and at the latest three (3) weeks before the General Meeting, however, no later than nine (9) days prior to the record date for the General Meeting. In addition, the Board of Directors may decide to publish the notice, or delivery notification of the notice, in one or more national newspapers determined by the Board, or in some other manner it may decide.

To have the right to participate in a General Meeting, a shareholder must register with the company no later than on the day mentioned in the notice of meeting, which can be no earlier than ten (10) days before the meeting.

The CEO, the Chairman of the Board and the majority of the Board members shall be present in the General Meeting, and also auditors shall be present in the Annual General Meeting. A first-time candidate nominated to the Supervisory Board shall be present in the General Meeting where a decision on his or her appointment is made, unless there is a weighty reason for his or her absence.

Supervisory Board

In accordance with Atria Plc's Articles of Association, the company has a Supervisory Board elected by the General Meeting. The Supervisory Board consists of a minimum of 18 and a maximum of 21 members, who are elected for terms of three years. A person aged sixty-five (65) or older cannot be elected to the Supervisory Board. The Supervisory Board elects a Chairman and Vice Chairman from amongst its members for terms of one year. The Supervisory Board meets three times a year on average.

The duties of the Supervisory Board are specified in the Finnish Companies Act and Atria Plc's Articles of Association. The key duties of the Supervisory Board are to:

- Supervise the administration of the company by the Board of Directors and the CEO.
- Elect the members of the Board of Directors and decide which of the members shall act as the Chairman and Vice Chairman of the Board of Directors, and decide on their remuneration.
- Issue instructions to the Board of Directors on matters that are of far-reaching consequence or important in principle.
- Submit its statement on the financial statements and auditors' report to the Annual General Meeting.

Shareholders of the company representing more than 50% of the votes have expressed their contentment with the current model based on the Supervisory Board because it brings a far-reaching perspective on the company's operations and decision-making.

In 2011, the members of Atria Plc's Supervisory Board were the following:

Chairman of the Supervisory Board:
Ari Pirkola born 1959, Farmer, member since 2008
Vice Chairman of the Supervisory Board:
Seppo Paavola born 1962, Farmer, member since 2006
Members:
Juha-Matti Alaranta born 1965, Farmer, member since 2000
Juho Anttikoski born 1970, Farmer, member since 2009
Mika Asunmaa born 1970, Farmer, member since 2005
Lassi-Antti Haarala born 1966, Agrologist, Farmer, member since 2002
Juhani Herrala born 1959, Farmer, member since 2002
Henrik Holm born 1966, Farmer, member since 2002
Veli Hyttinen born 1973, Agrologist, Farmer, member since 2010
Pasi Ingalsuo born 1966, Agrologist, Farmer, member since 2004
Juha Kiviniemi born 1972, MSc (Agric.), Farmer, member since 2010
Teuvo Mutanen born 1965, Agricultural Officer, Agricultural Entrepreneur, member since 2007
Mika Niku born 1970, Farmer, member since 2009
Heikki Panula born 1955, MSc (Agric.), Farmer, member since 2005
Pekka Parikka born 1951, Farmer, member since 2008
Juha Partanen born 1962, Farmer, member since 2011
Juho Tervonen born 1950, Farmer, member since 2001
Tomi Toivanen born 1954, Farmer, member since 2009
Timo Tuhkasaari born 1965, Farmer, member since 2002.

All members of Atria Plc's Supervisory Board are members of the administrative bodies of the company's principal owners Lihakunta, Itikka Co-operative and Pohjanmaan Liha Co-operative. All members of the Supervisory Board are independent of the company and dependent on the company's principal owners.

In 2011, Atria Plc's Supervisory Board met three (3) times, and the average attendance percentage of the members was 96.4.

Board of Directors

In accordance with the Articles of Association, the Atria Board of Directors has a minimum of five and a maximum of seven members. As an exception to recommendation 8 and in line with the Articles of Association, the Supervisory Board elects the members of the Board of Directors and decides which of the members shall act as the Chairman and Vice Chairman of the Board of Directors and decides on their remuneration. Shareholders of the company representing more than 50% of the votes have expressed their satisfaction with the current practice, complying with the Articles of Association, whereby the members of the Board of Directors are appointed by the Supervisory Board. The Supervisory Board appoints the members of the Board of Directors in its organisation meeting, which is held annually in June.

The term of office of a member of Atria's Board of Directors differs from the term of one year specified in recommendation 10. As per the Articles of Association, the term of a member of the Board of Directors is three (3) years. Shareholders representing more than 50% of the votes have stated that the term of three years is appropriate for the long-term development of the company and have not seen the need to shorten the term from that specified in the Articles of Association.

Duties of the Board of Directors

Atria's Board of Directors shall ensure the appropriate organisation of the company's administration, operations, accounting and supervision of asset management. To this end, the Board of Directors has adopted written rules of procedure concerning the duties of the Board, the matters to be dealt with, meeting practices and the decision-making procedure. According to these rules, the Board of Directors discusses and decides on significant matters related to the company's strategy, investments, organisation and financing. The rules of procedure lay down the following key duties for the Board of Directors:

- Approve the strategic goals and guidelines for the Group and its business units
- Approve the budgets and business plans for the Group and business units
- Decide on the investment plan for each calendar year and approve major investments (i.e., investments exceeding one million euros)
- Approve major M&A and restructuring operations
- Approve the Group's operating principles for important elements of management and supervision
- Discuss and adopt interim reports and financial statements
- Prepare the items to be dealt with at General Meetings and ensure that decisions are implemented
- Approve the audit plan for internal auditing
- Appoint the CEO and decide on his or her remuneration and other benefits
- At the CEO's proposal, approve the hiring of his or her direct subordinates and the principal terms of their employment contracts

- Approve the organisational structure and the key principles of incentive schemes
- Monitor and evaluate the CEO's performance
- Decide on other matters that are important in view of the size of the Group and that are not part of day-to-day operations, such as considerable expansion or contraction of business or other material changes in operations, and the sale and pledging of fixed assets
- Decide on other matters which, under the Finnish Companies Act, fall within the remit of the Board of Directors
- Perform the Audit Committee's duties referred to in recommendation 27 of the Corporate Governance Code.

The Board of Directors evaluates its operation and working methods regularly through self-evaluation once a year.

Meeting practices and information flow

The Board of Directors meets at regular intervals about 10 times during the term in accordance with a separate meeting schedule confirmed in advance by the Board, and when necessary. In 2011, the Board of Directors met fifteen (19) times. The average meeting attendance percentage of the members of the Board of Directors was 95.8.

During the meetings of the Board of Directors, the CEO gives a review of the financial situation of the Group. The review also covers forecasts, investments and organisational changes, and all other important issues from the point of view of the Group.

The following reports are reviewed in each regular meeting:

- report on the development of the company's business operations for each business area
- report on measures taken between Board meetings.

The agenda of the meeting shall be delivered to the members of the Board of Directors no later than one week before the meeting. The meeting material shall be prepared by the CEO and the Secretary of the Board of Directors according to the instructions provided by the Chairman. The meeting material shall be delivered to the members no later than three days before the meeting.

The majority of the members of the company's Board of Directors are independent of the company. Harri Sivula and Maisa Romanainen are independent of the company and the principal owners, and Martti Selin, Timo Komulainen, Tuomo Heikkilä and Esa Kaarto are members of the administrative bodies of the company's principal owners – Lihakunta and Itikka Co-operative.

The members of the Board of Directors are obliged to provide the Board with sufficient information to assess their skills and independency and to notify the Board of any changes to the information.

Board Committees

The Board of Directors may set up committees to handle duties designated by the Board. The Board shall approve the rules of procedure for the committees. The committees of the Board of Directors are the Nomination Committee and the Remuneration Committee, whose members are elected by the Board from amongst its members according to the rules of procedure of the committee. The committees have no autonomous decision-making power. Decisions are made by the Board of Directors based on the committees' preparations. The committees shall report on their work to the Board of Directors, which also supervises their operations.

Nomination Committee

The Nomination Committee consists of the Chairman of the Board of Directors and two members of the Board of Directors elected by the Board itself. In accordance with recommendation 29 of the Corporate Governance Code, the company's CEO or the members of the Board of Directors who belong to the company's other management shall not be elected as members of the Nomination Committee.

According to the rules of procedure, the duties of the Nomination Committee are as follows:

- prepares a proposal to be made to the Supervisory Board regarding new members of the Board of Directors
- prepares all matters related to the fees and bonuses to be paid to the members of the Board of Directors
- looks for candidates to fill vacant seats in the Board of Directors
- makes a proposal to the Supervisory Board regarding new members of the Board of Directors
- makes the preparations for the nomination of the CEO and Deputy CEO
- makes the preparations for the mapping of the successors to the CEO and Deputy CEO
- performs other duties separately assigned to the Nomination Committee by the Board of Directors.

The Chairman shall convene the Nomination Committee as needed. At the meetings, the matters belonging to the duties of the Nomination Committee are reviewed.

The Nomination Committee may invite other people to join its meetings if deemed necessary and may use external experts to assist the Committee in fulfilling its duties.

In 2011, the Chairman of the Nomination Committee was Martti Selin and the other members were Maisa Romanainen and Timo Komulainen. All members of the Nomination Committee are independent of the company. Maisa Romanainen is also independent of the principal owners. The Committee met one (1) time in 2011. All members of the Committee attended the meeting.

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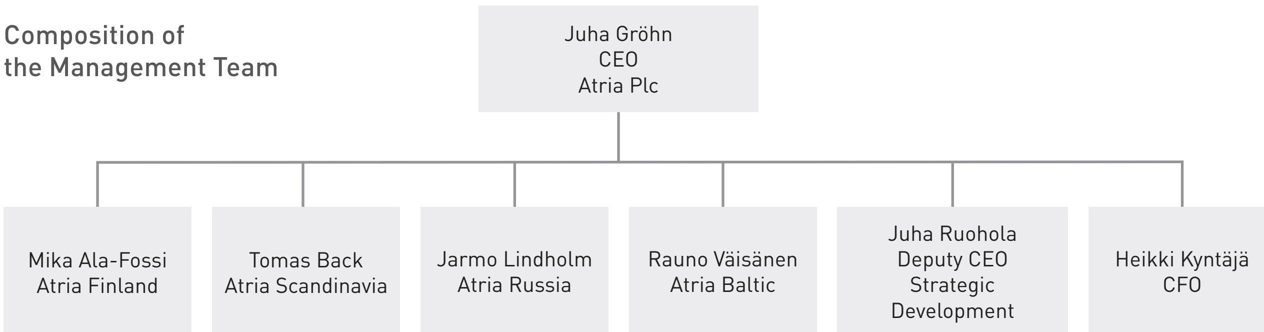
Atria Plc´s Board of Directors from left:
» Maisa Romanainen, Member of the Board
» Harri Sivula, Member of the Board
» Martti Selin, Chairman of the Board of Directors
» Tuomo Heikkilä, Member of the Board
» Timo Komulainen, Vice Chairman of the Board of Directors
» Esa Kaarto, Member of the Board

Board Of Directors

Name	Selin, Martti Ilmari Chairman	Komulainen, Timo Juhani Vice Chairman	Heikkilä, Tuomo Juhani
Year of birth	1946	1953	1948
Education	Farming school	Agrologist	Farming school
Main occupation	Farmer, meat producer	Farmer	Farmer
Relevant work experience	• Metal industry, Sweden • Positions of trust	Positions of trust	Positions of trust
Member of the Board since	2005	1993	1996
Current key positions of trust	• Chairman of the Supervisory Board of Itikka Co-operative as of 31 Dec 2011, member of the Supervisory Board as of 1 Jan 2012 • Chairman of the Board of Directors of Itikan Maa- ja metsätilat Oy	• Chairman of the Board of Directors of Lihakunta Co-operative • Chairman of the Board of Directors of A-Farmers Ltd • Chairman of the Board of Directors of A-Rehu Oy • Deputy Chairman of the Board of Directors of Jukola Co-operative	• Member of the Board of Directors of Lihakunta Co-operative
Independency	Independent of the company, dependent on key shareholders	Independent of the company, dependent on key shareholders	Independent of the company, dependent on key shareholders

Kaarto, Esa Heikki Ilmari	Romanainen, Maisa Annukka	Sivula, Harri Juhani
1959	1967	1962
MSc (Agr.)	MSc (Econ.)	MSc (Admin.)
Farmer	Director, Department Store Division, Executive Vice President, Stockmann Plc 2008–	President and CEO, Restel Ltd 2011–
Positions of trust	• Brio Oy, Product Manager, Purchasing Manager, etc. 1990–1996 • Stockmann Plc 1996– - Purchasing Manager - Department Store Director, Moscow, Russia - Department Store Director, Tallinn, Estonia - Director, international department stores - Director, Finnish and Baltic department stores	• Kesko Corporation, 1987–1999 - Sales Manager, Purchasing Manager - Division Manager, Sales Director - Director of Marketkesko - Director of Lähikesko - Director, Foodstuffs Division • Kesko Corporation/Kesko Food Ltd, 1999–2006 - Vice President • Onninen Oy, 2006–2010 - CEO
2009	2010	2009
• Chairman of the Board of Directors of Itikka Co-operative • Deputy Chairman of the Board of Directors of A-Farmers Ltd • Deputy Chairman of the Board of Directors of A-Rehu Oy • Member of the Board of Directors of Oy Feedmix Ab • Member of the Board of Directors of Kiinteistö Oy Rehukanava • Chairman of the Board of Directors of Suurusrehu Oy	• Member of the Board of Directors of Tuko Logistics Cooperative and Finnish Grocery Trade Association	• Member of the Board of Directors of Norpe Ltd • Member of the Board of Directors of Leipurin Ltd
Independent of the company, dependent on key shareholders	Independent of the company and key shareholders	Independent of the company and key shareholders

Composition of the Management Team



Remuneration Committee

The Remuneration Committee consists of the Chairman, Vice Chairman and one member of the Board of Directors elected by the Board itself. In accordance with recommendation 32 of the Corporate Governance Code, the CEO or people belonging to the company's other management shall not be elected as members of the Remuneration Committee.

The aim of the Remuneration Committee is to ensure the objectivity of decision-making, enhance the achievement of the company's goals through bonus schemes, increase the company's value and ensure that bonus schemes are transparent and systematic. The aim of the Remuneration Committee is also to ensure that the merit pay systems are connected with the company's strategy and the results obtained.

According to the rules of procedure, the duties of the Remuneration Committee are as follows:

- prepares the terms of employment of the CEO and Vice President and brings them before the Board of Directors
- prepares the remuneration, fees and other employment benefits of the directors that report to the CEO and brings them before the Board of Directors
- prepares the forms and criteria of the bonus and incentive schemes of top management and brings them before the Board of Directors
- prepares the content and group assignments of the pension programmes of the company's management and brings them before the Board of Directors
- submits its statement on the bonus arrangements for the whole personnel before their approval and assesses their functionality and the achievement of the goals of the systems
- if required, discusses possible interpretation problems related to the application of the approved bonus schemes and recommends a solution
- if required, reviews information to be published in the financial statements and, where applicable, in other bonus-related documents
- performs other duties separately assigned to it by the Board of Directors.

The Chairman of the Remuneration Committee shall convene the Committee according to need, however, at least twice a year. The meetings discuss the matters that belong to the duties of the Remuneration Committee. The Remuneration Committee may invite other people to join its meetings if deemed necessary and may use external experts to assist the Committee in fulfilling its duties.

In 2011, the Chairman of the Remuneration Committee was Martti Selin and the other members were Timo Komulainen and Harri Sivula. All members of the Remuneration Committee are independent of the company. Harri Sivula is also independent of the principal owners. The Remuneration Committee met five (5) times in 2011. All members of the Committee attended all meetings.

CEO

The company has a CEO in charge of managing the company's operations in accordance with the instructions and orders issued by the Board of Directors, as well as informing the Board of Directors of the development of the company's operations and financial performance. The CEO also sees to the organisation of the company's day-to-day administration and ensures reliable asset management. The CEO is appointed by the Board of Directors, which decides on the terms of his or her employment.

The company's CEO is Mr Juha Gröhn, MSc (Food Sc.). His task is to attend to the day-to-day administration of the company in accordance with the instructions and orders issued by the Board of Directors. The personal details of the CEO can be found in connection with the presentation of the members of the Management Team.

Management Team

Atria Group has a Management Team chaired by the CEO. The Management Team assists the CEO in planning the operations and in operational management. The duties of the Management Team include, among others, preparing strategic plans and putting them into practice, handling significant projects and organisational changes as well as reviewing and implementing the Group's risk management measures in their respective areas of responsibility.

In 2011, the Management Team met nine (9) times.

The Management Team is presented on the next spread.

Remuneration (in euros) of the members of the Supervisory Board in 2011

Name	Procedures of the Supervisory Board	Benefits from Group companies	Total
Pirkola Ari, Chairman	54,000		54,000
Paavola Seppo, Vice Chairman	31,200		31,200
Alaranta Juha-Matti	1,500		1,500
Anttikoski Juho	1,750		1,750
Asunmaa Mika	1,750		1,750
Haarala Lassi Antti	2,000		2,000
Herrala Juhani	1,750		1,750
Holm Henrik	1,250	5,400	6,650
Hyttinen Veli	1,750		1,750
Ingalsuo Pasi	1,750	6,300	8,050
Kiviniemi Juha	1,250		1,250
Koivisto Veli, until June 2011	750	1,800	2,550
Mutanen Teuvo	2,000		2,000
Niku Mika	1,000		1,000
Panula Heikki	1,250		1,250
Parikka Pekka	2,000		2,000
Partanen Juha, as of July 2011	500		500
Tervonen Juho	1,750	4,800	6,550
Toivanen Tomi	1,000		1,000
Tuhkasaari Timo	1,750		1,750
Total	111,950	18,300	130,250

In 2011, monthly fees and meeting fees paid to the members of the Board were the following:

Name	Position	Board of Directors and committee work	Benefits from Group companies	Total
Selin Martti	Chairman	74,400.00		74,400.00
Komulainen Timo	Vice Chairman	45,900.00	38,100.00	84,000.00
Heikkilä Tuomo	Member	36,000.00		36,000.00
Kaarto Esa	Member	33,900.00	20,700.00	54,600.00
Romanainen Maisa	Member	25,200.00		25,200.00
Sivula Harri	Member	27,600.00		27,600.00
Total		243,000.00	58,800.00	301,800.00

Rewarding

Rewarding of the members of the Supervisory Board

The Annual General Meeting decides yearly on the remuneration of the members of the Supervisory Board. In 2011, the Supervisory Board met three (3) times and the remunerations were as follows:

- Meeting compensation 250 euros/meeting
- Compensation for loss of working time 250 euros for meeting and proceeding dates
- The fee of the Chairman of the Supervisory Board 3,000 euros/month
- The fee of the Vice Chairman of the Supervisory Board 1,500 euros/month
- Travel allowance according to the State's Travelling Regulations (national railway in first class)

The members of the Supervisory Board have no share incentive plans or share-based bonus schemes.

In 2011, monthly fees and meeting fees paid to the members of the Supervisory Board for participating in the procedures of the Supervisory Board (including being a member of the Supervisory Board of another company that is part of the same Group) were as stated above:

Rewarding of the members of the Board of Directors

The Supervisory Board decides on the remuneration of the members of the Atria Board of Directors annually. The remuneration to the members of the Board of Directors is paid as monetary compensation. The members of the Board have no share incentive plans or share-based bonus schemes. The principles governing the rewarding of the CEO are set out in a different section.

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Management Team

Name	**Juha Gröhn** CEO, Atria Plc	**Juha Ruohola** Group Vice President and Deputy CEO	**Mika Ala-Fossi** Executive Vice President Atria Finland
Joined Atria in	1990	1999	2000
Year of birth	1963	1965	1971
Education	MSc (Food Sc.)	MSc (Agriculture and Forestry), eMBA	Meat industry technician
Relevant work experience	• Foreman, Lihapolar 1990–1991 • R&D Manager, Itikka-Lihapolar 1991–1993 • Director, Slaughterhouse Industry, Atria Ltd 1993–1998 • Director, Meat Product and Convenience Food Industries, Atria Ltd 1999–2003 • Director, Steering, Deputy CEO, Atria Ltd 2003–2004 • Director, Meat Industry, Deputy CEO, Atria Ltd 2004–2006 • Managing Director, Atria Finland Ltd, Deputy CEO, Atria Plc 2006–2010 • Managing Director, Atria Scandinavia, Deputy CEO, Atria Plc 2010–2011 • CEO, Atria Plc 2011–	• Agronomist, Central Union of Agricultural Producers and Forest Owners (MTK), Tampere Region 1990–1992 • Acting Executive Director, Central Union of Agricultural Producers and Forest Owners (MTK), Tampere Region 1992–1994 • Purchasing Director LSO Foods Oy 1994–1997 • Managing Director, Lihakunta Co-operative 1997–1999 • Managing Director, Lithells AB 1999–2001 • Director, Convenience Food Industry, Atria Ltd 2001–2003 • Director, Meat Product and Convenience Food Industries, Atria Ltd 2003–2005 • Director, Meat Product Industry, Atria Ltd 2005–2006 • Director, Atria Russia 2006–2011 • Deputy CEO, Atria Plc 2011–	• Foreman, Liha-Saarioinen Oy 1997–2000 • Unit Manager, Atria Ltd 2000–2003 • Production Manager, Atria Ltd 2003–2006 • Director, poultry operations, Atria Finland 2006–2007 • Director, Convenience Food and Meat Product Production 2007–2011 • Executive Vice President, Atria Finland, 2011–

   

Jarmo Lindholm Executive Vice President Atria Russia	**Tomas Back** Executive Vice President Atria Scandinavia	**Rauno Väisänen** Executive Vice President Atria Baltic	**Heikki Kyntäjä** CFO
2002	2007	1982	2009
1973	1964	1958	1952
MSc (Econ.)	MSc (Econ.)	Meat industry technician	BSc (Econ.)

Jarmo Lindholm

- Customer Service Manager & e-Business, Unilever Finland 1998–2000
- Account Manager, Marketing Manager, AC Nielsen 2000–2002
- Marketing Manager, Atria Ltd 2002–2005
- Group Vice President, Product Group Management and Product Development, Commercial Director, Atria Finland Ltd 2005–2010
- Group Vice President, Product Leadership, Atria Plc 2010–2011
- Director, Atria Russia 2011–

Tomas Back

- Financial Manager, Huhtamäki Finance Oy, Lausanne 1990–1995
- Financial Officer/CFO, Huhtamäki Oyj 1996–2002
- CFO, Huhtamäki Americas / Rigid Europe 2003–2007
- CFO, Atria Plc 2007–2011
- Director, Atria Baltic 2010–2011
- Executive Vice President, Atria Scandinavia 2011–

Rauno Väisänen

- Foreman, Atria Ltd 1982–1993
- Unit Manager, Atria Finland Ltd 1993–2010
- Genaral Manager, Atria Eesti AS 2010–
- Executive Vice President, Atria Baltic 2011–

Heikki Kyntäjä

- Auditor, finance department, General Motors Finland 1976–1978
- Financial Officer, Hackman Taloustavarat Oy 1978–1986
- Business Controller, Stromberg Inc., Cleveland, OH, USA 1986–1988
- Business Controller, ABB Motors Oy 1988–1990
- VP Finance & Control, ABB Strömberg Sähkönjakelu Oy 1991–1995
- VP Finance & Control, ABB Transmit Oy 1995–2000
- VP Finance & Control, ABB Oy, Low-voltage instruments 2001–2008
- VP Supply Management, ABB Oy, Low-voltage instruments 2008–2009
- Finance Director, Atria Finland Ltd 2009–2011
- CFO, Atria Plc 2011–

In 2011, the financial benefits included for the President and CEO and the management team were following:

Name	Salaries	Fringe benefits	Merit pay	Severance pay in connection with termination of employment	Pension contributions	2011 Total
CEO						
Juha Gröhn, from March 2011	370,803	12,227	0	0	98,587	481,617
Matti Tikkakoski	77,758	11,550	0	737,122	20,969	847,398
Management team	1,400,095	118,484	6,840	0	226,879	1,752,298
Total	1,848,656	142,261	6,840	737,122	346,434	3,081,313

Remuneration of Board members:

- Meeting compensation 300 euros/meeting and compensation for loss of working time 300 euros/meeting and proceeding date
- Fee of the Chairman of the Board of Directors 4,400 euros/month
- Fee of the Vice Chairman of the Board of Directors 2,200 euros/month
- Fee of a member of the Board of Directors 1,700 euros/month

In 2011, monthly fees and meeting fees paid to the members of the Board for participating in the procedures of the Board of Directors (including being a member of the Board of another company that is part of the same Group) were the following:

The members of the Board have no share incentive plans or share-based bonus schemes.

Bonus schemes for the CEO and other management

The bonus scheme for the management of Atria Plc consists of a fixed monthly salary, merit pay, pension benefits and a share incentive plan. The company has no option scheme in place.

The Atria Plc Board of Directors decides on the remuneration, other financial benefits and the criteria applied in the merit pay system for the Group's CEO and the Management Team, as well as the merit pay principles used for other management members.

The Managing Director of a business area and the Group's CEO decide on the rewarding of the members of the management teams of the various business areas according to the one-over-one principle. The merit pay systems for the management teams of business areas are approved by the CEO.

The retirement age for the CEO is 63 years. However, the CEO has the right to retire at age 60. The amount of pension is based on the CEO's annual earnings at Atria Group as specified by the Board of Directors. In 2011, the group pension contributions of the CEO were 26% of annual earnings, which included monetary salary and fringe benefits without cash payments of incentive schemes.

According to the CEO's contract, the period of notice is six (6) months for both parties. If the company terminates the contract, the CEO is entitled to the salary for the period of notice, and to a severance pay corresponding to totally 18 months' salary. There are no terms and conditions for any other compensation based on termination of employment.

Management and key persons' incentive programmes

Share incentive plan

Atria Plc had a share incentive plan in place for key personnel in the Group with three earning periods: the calendar years of 2010, 2011 and 2012. At the beginning of 2012 the Board of Directors decided to discontinue the share-based plan and it will thus no longer be applied in 2012.

Incentives based on the share incentive plan are paid partly in the form of Series A shares and partly in cash. The cash payments covered any taxes or similar costs associated with the incentives. The recipients were not allowed to transfer the shares for a period of two years from the end of the earning period. Profit from the programme for the earning periods 2010 and 2011 was linked to consolidated EBIT and return on capital employed (ROCE). The cap on share incentives was set at 100,100 of Atria Plc's Series A shares a year for 2010 and 2011. However, no shares were awarded based on performance in 2010 and 2011.

In the earlier earning periods of the incentive plan in 2007–2009, incentives were paid partly in the form of Series A shares and partly in cash. The cash payments covered any taxes or similar costs associated with the incentives. The recipients were not allowed to transfer the shares for a period of two years from the end of the earning period. In the 2007–2009 earning periods, a total of 38,540 Series A shares held by the company were transferred at no cost to key personnel under the incentive plan (35,260 shares for 2007 and 3,280 shares for 2009). Of these shares, 4,750 have since returned to the company. Additional information on share incentive plans can be found in Note 12, Share-Based Payments to the financial statements.

Long-term incentive plan
In February 2012, Atria Plc's Board of Directors decided to adopt a new long-term merit pay system for the Group's key personnel. The new plan has three 12-month periods: 2012, 2013, and 2014. The earning period for the plan ends on 31 December 2014. The reward earned in an earning period is determined after the period has expired based on how well the targets have been achieved. The plan offers an opportunity to earn cash rewards for reaching targets established for the relevant earning period. Any profit from the programme is based on the Group's earnings per share (EPS). Cash rewards payable in the programme throughout the course of its earning period, between 2012 and 2014, are capped at EUR 4.5 million. The system covers 40 key individuals.

Short-term incentive plan
Atria Plc's Board of Directors has determined the management and key personnel's merit pay system for 2012. The maximum bonus payable to Atria Plc's CEO and Management Team is 35% to 50% of annual salary, depending on the performance impact and requirement level of each individual's role. The criteria in Atria Plc's merit pay system are the performance requirements and working capital at Group level and in the area of responsibility of the person concerned.

Pension benefits
Managerial group pension benefits confirmed by Atria's Board of Directors have been arranged for the members of the Atria Group Management Team who are covered by Finnish social security. The retirement age of the group pension insurance is 63 years for the members of the Management Team. The pension plan is payment-based, and the annual premium is based on the insured monthly salary (monetary salary and fringe benefits) as specified by the Board of Directors. Equivalent pension benefits have been separately arranged for the members of the Management Team who are not covered by Finnish social security.

Internal control, risk management and internal audit
Internal control and risk management are processes under the responsibility of the company's top management, aimed at ensuring the achievement of the company's goals. The operating principles of internal control are confirmed by the company's Board of Directors. Atria's internal control includes comprehensive risk management and independent internal audit. The purpose of internal control is to ensure that Atria's operations are efficient and in line with the company's strategy, all financial and operational reports are reliable, the Group's operations are legal and the company's internal principles and codes of conduct are complied with.

A description of the main features of internal control and risk management in relation to the financial reporting process can be found in a report published by the company on corporate governance.

Risk management
The purpose of risk management is to support the execution of Atria's strategy and the achievement of targets, and to secure business continuity. Atria Group's risk management goals, principles, responsibilities and powers are specified in its Risk Management Policy approved by the Board of Directors, the aim of which is to contribute to the identification and understanding of risks and to ensure that management receive relevant and sufficient information in support of business decisions.

Risk management is applied to identify, assess and manage factors that jeopardise the attainment of goals. In compliance with the policy, the Group has in place a uniform operating model for risk identification and reporting in all business areas. The model forms an integral part of annual strategic planning. Risks are managed in accordance with the specified approved principles in all business areas and Group operations. In risk assessment, an action plan is defined according to which the identified risks are managed.

Risk definition and classification
Risks are defined as external or internal (within Atria Group) events that may have a positive or negative impact on the execution of the company's strategy, the achievement of its targets and the continuity of business.

Atria is subject to many different risks. For reporting purposes, Atria's risks are divided into four categories: **business risks, financial risks, operational risks and accident risks**.

Business risks are related, for example, to business decisions, resources allocation, the way in which changes in the business environment are responded to, or management systems in general.

Financial risks refer, for example, to the risk of insufficient financial resources in the short or medium term, the risk of the counterparties failing to meet their financial obligations or the risk of changes in market prices affecting the company.

Operational risks are defined as deficiencies or malfunctions in processes or systems, risks related to people's actions and risks related to legislation or other regulations.

Accident risks refer to external or internal (within Atria) events or malfunctions that cause damage or loss.

Organisation and responsibilities in risk management
Atria Plc's Board of Directors approves the Risk Management Policy and supervises its implementation. The CEO is responsible for organising risk management. Internal

control and risk management are implemented by the entire organisation, including the Board of Directors, management and entire personnel. However, the responsibility for internal control and risk management lies with the company's top management. Organisation of internal control and risk management is part of Group management. The management defines the operational procedures and codes of practice that enable the achievement of the company's goals. The Group Management Team and the management teams of the business areas are responsible for identifying and assessing risks and for implementing risk management in their respective areas of responsibility. The management of financial risks is centralised in the Group's Treasury unit. The CFO gathers and reports the most significant risks identified to the Board of Directors at least once a year. The CFO is responsible for development, guidelines and support in risk management and reporting. External advisers are also used in the development work.

Internal audit

Atria has an internal audit function that is independent of the rest of the organisation and supports Group administration and business area management in achieving their goals. A key task of internal audit is to review and assess the appropriateness, functionality and profitability of the company's risk management and internal control, and it thus aims to contribute to the achievement of the organisation's goals. Within its task, the function assesses the following areas:

- accuracy and adequacy of financial information
- compliance with operating principles, codes of practice, regulations and reporting systems
- protection of property against losses
- cost-efficiency and effectiveness of the use of resources

The purpose of internal audit is to ensure that all of the company's business areas comply with the Group's rules and guidelines and that the operations are managed effectively. The results of internal auditing are documented, and they are discussed with the management of the audited entity before the report and suggestions for improvement are presented to the CEO of the Group.

The entities to be audited are defined in cooperation with Group management. The audit plan is also based on annual Group-wide risk assessment. The company's Board of Directors approves the annual plan for internal audit. Internal audit also serves as an expert in development projects related to its task domain and carries out separate studies on the assignment of the Board of Directors or the Group's top management. The Internal Auditor reports to the CEO. A summary of the audit results is presented to the Board of Directors at least once a year.

Auditing

In accordance with the Articles of Association, the company shall have at least one (1) and no more than four (4) regular auditors; the number of deputy auditors shall not exceed this. The auditors and deputy auditors shall be public accountants or firms of independent public accountants authorised by the Central Chamber of Commerce of Finland. The term of service of the auditors shall end at the conclusion of the Annual General Meeting following their election.

The auditor provides Atria's shareholders with an Auditor's Report document in accordance with the law, in conjunction with the company's financial statements, and reports regularly to the Board of Directors and the management. The auditor participates in a Board meeting at least once a year, on which occasion a discussion of the audit plan and the results of auditing is arranged.

In 2011, Atria Plc's Annual General Meeting elected PricewaterhouseCoopers Oy, a firm of authorised public accountants, as the company's auditor until the closing of the next AGM. The firm has notified Authorised Public Accountant Juha Wahlroos as the auditor with principal responsibility.

Auditor's remuneration for the 2011 accounting period

In 2011, the Group paid a total of 508,000 euros in auditor's remuneration. The whole Group paid a total of 66,000 euros for services not related to auditing.

INVESTOR RELATIONS

Investor reporting

The aim of Atria's investor reporting is to ensure that the market has at all times correct and sufficient information available to determine the value of Atria's share. In addition the aim is to provide the financial markets with versatile information, based on which those active in the capital markets can form a justified image of Atria as an investment object.

Atria has determined a silent period in its investor relation communication that is three weeks prior to the publication of interim and annual reports. During this period Atria gives no statements on its financial status.

Investor information

Atria publishes financial information in real time on its web pages at www.atriagroup.com. Here you can find annual reports, interim reports and press and stock exchange releases. The company's largest shareholders and insiders as well as their holdings are updated regularly to the web pages.

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Stock Exchange releases

Atria Plc published a total of 20 stock exchange releases in 2010. The releases can be found on the Atria Group website www.atriagroup.com.

Stock exchange release subjects in 2011	
Mika Ala-Fossi appointed as Executive Vice President Atria Finland	14 Jan 2011
Atria invests in the Kauhajoki bovine slaughterhouse and begins co-operation in bovine slaughtering in Eastern Finland with Saarioinen	26 Jan 2011
Atria is investing in improving the efficiency of production in Sweden	7 Feb 2011
Atria Plc's Financial statement release 1 January–31 December 2010	17 Feb 2011
Matti Tikkakoski leaves his position as President and CEO of Atria Plc	4 March 2011
Atria to launch an efficiency improvement programme in Finland	17 March 2011
Notice to the General Meeting	18 March 2011
Mr Juha Gröhn appointed Atria Plc's new President and CEO	18 March 2011
Atria Plc's Annual Report 2010 has been published	6 Apr 2011
Changes in Atria Plc's management team	21 Apr 2011
Interim Report of Atria Plc 1 January–31 March 2011	29 Apr 2011
Decisions of Atria Group Plc's Annual General Meeting	29 Apr 2011
Notification of change in shareholding under the Finnish Securities Markets Act	25 May 2011
Atria announces amendment to its full-year result forecast	13 Jun 2011
Election of the board members and the chairmen of Atria Plc	22 Jun 2011
Interim Report of Atria Plc 1 January–30 June 2011	28 Jul 2011
Interim report of Atria Plc 1 January–30 September 2011	27 Oct 2011
Changes in Atria Group's HR management	7 Nov 2011
Atria Plc's interim reports in 2012 and preliminary report 2011	10 Nov 2011
Atria records EUR 2.3 million of non-recurring costs	21 Dec 2011

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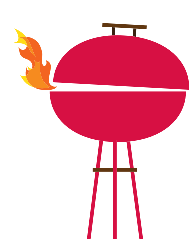

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