HKSCAN GROUP'S INTERIM REPORT 1 JANUARY – 30 September 2011
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Upturn in HKScan's profitabilty compared with early part of the year

*** The HKScan Group's net sales in the first nine months of the year grew to EUR 1 841.4 million (EUR 1 518.3 million). Growth in net sales was 21%.**

*** Group EBIT for the first nine months of the year came in at EUR 22.1 million (EUR 32.3 m).**

*** The protracted difficulties in the pork business began to ease in the second half of the period under review.**

*** HKScan's sales in the consumer market strengthened further. The Group's market positions were stable, in some parts on the rise.**

*** The company reaffirms its guidance given in the Q2 interim report. The Group's full-year EBIT is expected to fall short of 2010 levels.**

HKSCAN GROUP
(EUR million)

	Q3/2011	Q3/2010	Q1-Q3/11	Q1-Q3/10	2010
Net sales	618.1	532.4	1 841.4	1 518.3	2 113.9
EBIT	14.0	18.8	22.1	32.3	48.0
- EBIT margin, %	2.3	3.5	1.2	2.1	2.3
Profit/loss before taxes	5.6	16.5	2.2	25.3	36.5
Earnings per share, EUR	0.09	0.24	0.05	0.37	0.52

JULY-SEPTEMBER 2011

- The Group's net sales grew in the third quarter of the year by 16.2% and were EUR 618.1 million (EUR 532.4 m).
- EBIT came in at EUR 14.0 million (EUR 18.8 m).
- In Finland, profitability improved clearly compared with the early part of the year. EBIT stood at EUR 4.8 million (EUR 6.8 m).
- In Sweden, EBIT was EUR 5.4 million (EUR 6.6 m). EBIT from operations was better than last year, when non-recurring items for the comparison year are taken into account.
- In Denmark, profitability fell short of the targets and EBIT was EUR -1.3 million. In Denmark, performance in the period was eroded by the business development programme.
- In the Baltics, EBIT rose substantially to EUR 3.4 million (EUR 2.5 m).
- In Poland, business developed according to plan and EBIT came in at EUR 3.4 million (EUR 4.3 m).

CEO MATTI PERKONOJA:

"HKScan's third quarter in 2011 went as planned and the Group's profitability strengthened after a difficult start to the year. In spite of the uncertainties relating to trends in the global economy in the near future, consumer demand for the company's products has remained stable. The wide range of the Group's product offering balances sales volumes in economic downturns too.

By far the most challenging part of HKScan's operations is control of the pork-based business, especially in the Group's main market areas. Hardest hit during the past year by the challenges of overproduction in Europe and low price levels in international export markets has been production within the sphere of international competition.

Recovery of the pork export market in the Far East during the autumn and the positive development in profitability it achieved will be reflected in HKScan's performance in the next few months.

In Finland, the ongoing transfer of pork production to more controlled and longer-term contract production will facilitate significantly management of the business, control of sales volumes and streamlining of operations.

The difficulty in forecasting price trends of the main cost items in meat production, feed and energy, will continue.

The basis in the development of the production chains and products of HKScan's business units is formed by the expectations of the various consumer groups: overall quality and taste of products, product safety, transparency of operations and welfare of production animals and the environment.

Consumer trends becoming stronger: local aspects, organic aspects and deliciousness, are based on the aforementioned expectations. The HKScan Group develops its overall service and product offering on the basis of these consumer expectations."

MARKET AREA: FINLAND
(EUR million)

	Q3/2011	Q3/2010	Q1-Q3/11	Q1-Q3/10	2010
Net sales	199.0	179.0	594.9	520.3	718.5
EBIT	4.8	6.8	4.9	6.0	10.7
- EBIT margin, %	2.4	3.8	0.8	1.2	1.5

In Finland, net sales grew by 11.2% and in the third quarter totalled EUR 199.0 million (EUR 179.0 m). Of growth in net sales, approximately half was due to Järvi-Suomen Portti Oy's merger with the Group at the beginning of the year. EBIT in the quarter came in at EUR 4.8 million, (EUR 6.8 m).

The profitability of the business continued to be modest due to the protracted challenges in pork production and low sales prices in the domestic and export markets. Production management has been streamlined, prices have been increased, and the export markets are gradually recovering.

Consumer demand for HK Rapeseed Pork, launched in February, has remained excellent. With the success of rapeseed pork, consumption of Finnish pork has risen to a new level. The total consumption of pork in Finland has grown by about five percent during the current year (TNS Gallup, Meat Barometer).

Commercial success in Finland during the summer was good, and HK Ruokatalo's share of the total market grew.

HK Ruokatalo's productivity programme has proceeded according to plan. During the past quarter, pork cutting activities have been concentrated in the Forssa production plant.

In the autumn, Järvi-Suomen Portti Oy strengthened its development programme for the near future in which the efficiency of the production plant located in Tikkala in the town of Mikkeli will be improved, functions will be reorganized and overlaps between the functions of HKScan Finland and Järvi-Suomen Portti will be dismantled. The most significant operational change in the near future will be the transfer of the logistics operations in Mikkeli to HK Ruokatalo’s plant in Vantaa early in 2012. The annual overall benefit of the efficiency programme is estimated to be approximately EUR 2 million.

MARKET AREA: SWEDEN
(EUR million)

	Q3/2011	Q3/2010	Q1-Q3/11	Q1-Q3/10	2010
Net sales	254.7	249.8	770.1	722.1	997.1
EBIT	5.4	6.6	9.7	12.3	20.4
- EBIT margin, %	2.1	2.6	1.3	1.7	2.0

In Sweden, net sales grew by one percent and in the third quarter totalled EUR 254.7 million (EUR 249.8 m) and EBIT EUR 5.4 million (EUR 6.6 m). Net sales in krona were at the same level as the previous year. EBIT from operations was better than last year, when non-recurring items for the comparison year in the net amount of EUR +3.3 million are taken into account.

Growth of the grocery business in Sweden has come to standstill and stores have strongly increased the share of own-brands in their ranges. In spite of this, Scan AB's barbecue season was successful.

In November, Scan AB will launch in Sweden a product range based on imported meat raw material under the Hansa brand. The aim is to provide an alternative to stores’ own brands. Meat for Hansa can be imported, taking into account the HKScan Group's meat balance sheet, price level and exchange rates, from other areas within the Group too.

Only Swedish meat will be sold under the Scan brand, in the future too. In developing the brand, there has been strong focus recently on responsibility and local aspects which are based on Swedish primary production.

The competitiveness of production based on Swedish meat raw material is still poor. Scarcity in the supply of Swedish beef and pork continues to place pressure on the purchase prices of local raw material. On the other hand, the strong krona has contributed to an increase in the volumes of imported raw material. Imported beef accounts for more than 50 percent of total consumption. With respect to the primary production of pork, production volumes are continuing to fall.

The implementation of the beef cutting line investment in Linköping, which was part of Scan’s efficiency programme, was completed in the third quarter.

MARKET AREA: DENMARK
(EUR million)

	Q3/2011	Q3/2010	Q1-Q3/11	Q1-Q3/10	2010
Net sales	60.4	-	173.8	-	21.8*)
EBIT	-1.3	-	-2.4	-	-0.0*)
- EBIT margin, %	-2.2	-	-1.4	-	0.0*)

*) Rose Poultry A/S has been merged with the HKScan Group since 29 November 2010.

In Denmark, Rose Poultry's net sales in the third quarter amounted to EUR 60.4 million. EBIT was EUR -1.3 million. Rose Poultry has in the period under review implemented a business development programme which has given rise to additional costs in the company's operations.

With respect to product sales prices, the price of chicken leg quarters, especially, has been poor both in the EU market and in the Middle East, which is important for Rose Poultry. Low export prices have weakened Rose Poultry's overall profitability. In Denmark, as in HKScan's other market areas, broiler feed and consequently producer prices rose in the early part of the year.

The measures to centralize and increase the efficiency of Rose Poultry's operations have continued at the plants in Vinderup and Skovsgaard. Discontinuation of poultry slaughtering at the Padborg facility reduced the number of employees in the company by 50.

In line with its strategy, Rose Poultry is developing a fresh product range in its home market in Denmark and, in particular, in Sweden. During the period under review, the company launched in Denmark, among other products, fresh minced broiler meat. In the Swedish market, Rose Poultry has made a significant opening with exports of fresh corn-fed broilers. Organic broiler, which is part of Rose Poultry's product range has been received positively in the market.

MARKET AREA: BALTICS
(EUR million)

	Q3/2011	Q3/2010	Q1-Q3/11	Q1-Q3/10	2010
Net sales	44.9	42.3	128.3	118.4	160.4
EBIT	3.4	2.5	7.0	6.9	8.7
- EBIT margin, %	7.6	6.0	5.4	5.8	5.4

In the Baltics, net sales grew by 7.1% and in the third quarter was EUR 44.9 million (EUR 42.3 m) and EBIT to EUR 3.4 million (EUR 2.5 m). The merger of AS Jelgavas Galas Kombinats with the Group on 1 July 2010 has contributed to the cumulative growth in net sales.

Sales of Rakvere's and especially of Tallegg's summer season products succeeded well. In the Baltics, consumption of cheaper poultry products is growing strongly, while consumption of higher-priced pork – and beef - has fallen somewhat.

In order to be able to meet growing demand, the poultry company Tallegg has developed its products and modernized its production processes and lines.

In the Baltics, recovery of the economy and escalating inflation has increased the prices of raw materials and other inputs. Pressure to raise personnel costs too continues. Despite these challenges, business operations in the Baltics have adjusted to the prevailing market situation well.

MARKET AREA: POLAND
(EUR million)

*)	Q3/2011	Q3/2010	Q1-Q3/11	Q1-Q3/10	2010
Net sales	77.5	76.9	225.0	206.8	279.3
EBIT	3.4	4.3	9.2	12.5	15.5
- EBIT margin, %	4.4	5.6	4.1	6.1	5.6

*) The figures refer to HKScan's share (50%) of the Sokolów Group's figures.

In Poland, Sokolów's net sales in the third quarter were EUR 77.5 million, at the level of the comparison period (EUR 76.9 m,) and EBIT EUR 3.4 million (EUR 4.3 m).

Deterioration of the profitability of pork in Poland has continued because of the growth in production costs. Transferring rises in costs to consumers poses a challenge. The worst hit by the situation have been small and medium-sized companies specializing in slaughter and meat cutting. Larger companies have coped with the situation better and Sokolów's sales improved as planned, both in modern and in traditional retail chains.

Sokolów's two largest investments and development projects were the cold cuts plant Sokolów Podlaski, which will increase the annual volume of cold cuts production to 36 million kilos, and the beef slaughtering line in Tarnów.

CAPITAL EXPENDITURE AND FINANCE

The Group's gross investments in the third quarter of 2011 totalled EUR 9.1 million (EUR 15.2 m). Gross investments in the first nine months of 2011 totalled EUR 41.5 million (EUR 52.2 m) and were divided among production-related investment in the market areas as follows: Finland EUR 12.3 million (EUR 16.5 m), Sweden EUR 6.7 million (EUR 17.2 m), Denmark EUR 4.3 million (EUR – m) and the Baltics EUR 8.5 million (EUR 12.4 m). HKScan's share of Sokolów investments in Poland was EUR 9.7 million (EUR 6.1 m).

In Finland, the most important investments concerned increases in capacity at the Forssa and Eura production facilities. In Sweden, the main investments were development of the processes at Kristianstad and Linköping. In Denmark, the investments involved the integration of Rose Poultry and modernization of the production lines. In the Baltics, the main investments continued to involve the modernizations carried out on the production lines at Rakvere to secure manufacturing capacity and the programme for restructuring production at Tallegg. In Poland, the most important investment projects were improvement of the Sokolów Podlaski production facility and the beef slaughtering line at the Tarnów plant.

The Group's interest-bearing debt at the end of September stood at EUR 506.9 million (EUR 458.8 m). The growth in debt from the corresponding period a year earlier (Q3/2010) is attributable mainly to the Rose Poultry deal executed in November 2010. Gross interest-bearing debt at the turn of the year was EUR 514.2 million. The decrease in debt since the turn of the year is partly notional due to the weakening of the Swedish krona and the Polish zloty.

Due to rising monetary rates and the increase in total loans, net financial expenses have risen considerably compared with the previous year, totalling in January-September EUR 21.9 million (EUR 9.3 m). Untapped committed credit facilities at 30 September 2011 stood at EUR 178.0 million (EUR 214.6 m). In addition, the Group had other untapped overdraft and other facilities of EUR 31.8 million (EUR 27.1 m). The EUR 100 million commercial paper programme had been drawn in the amount of EUR 73.0 million (EUR 17.0 m).

At the end of the period under review, the equity ratio was 33.3 percent (35.8%). The equity ratio at the turn of the year was 34.0 percent.

TREASURY SHARES

At 30 September 2011, HKScan held a total of 53 734 of its A Shares. These had a market value of EUR 0.25 million (EUR 4.62 each) and accounted for 0.10% of all shares and 0.03% of all votes. No dividend is paid on treasury shares.

RESOLUTIONS PASSED BY ANNUAL GENERAL MEETING

HKScan Corporation's Annual General Meeting on 27 April 2011 adopted the parent company's and consolidated financial statements and discharged the members of the Board of Directors and the CEO from liability for 2010. It was resolved that the company pay a dividend of EUR 0.22 per share for 2010 in accordance with the proposal of the Board of Directors.

In departure from the recommendation of the Board of Directors, the Annual General Meeting resolved, on the proposal of HKScan's largest shareholder, LSO Osuuskunta, that the number of members of the company's Board of Directors be six (6). Juha Kylämäki, Niels Borup, Matti Karppinen, Tero Hemmilä and Otto Ramel were, in accordance with the proposal of the Board, re-elected to a new term and, in accordance with the proposal of LSO Osuuskunta, Henrik Treschow was elected as a new member. At the organization meeting held immediately following the AGM, the Board re-elected Juha Kylämäki as chairman and Niels Borup as deputy chairman.

The Annual General Meeting resolved to elect Authorized Public Accountants PricewaterhouseCoopers Oy, with APA Johan Kronberg as principal auditor, and APA Petri Palmroth to serve as auditors as well as APA Mika Kaarisalo and APA Jari Viljanen to serve as deputy auditors until the end of the next Annual General Meeting.

BOARD OF DIRECTORS' EXISTING AUTHORIZATIONS

(1) The Annual General Meeting authorized the Board to resolve on acquiring and/or accepting as pledge the company's Series A shares as follows:

The number of Series A shares to be acquired and/or accepted as pledge shall not exceed 2 500 000, equal to approximately 4.5% of all shares and roughly 5.0% of Series A shares in the company.

Treasury shares may under the authorization only be acquired using unrestricted equity, which means that acquisitions will reduce the company's funds available for distribution of profit. Treasury shares may be purchased for a price quoted in public trading on the purchase day or for a price otherwise determined by the market.

Shares can be acquired on the basis of the authorization to strengthen the company's capital structure. In addition, shares can be acquired under the authorization to fund or implement corporate acquisitions or other arrangements or otherwise transferred or cancelled.

The Board of Directors shall resolve upon the method of purchase. Among other means, derivatives may be utilized in purchasing the shares. The shares may be purchased in a proportion other than that of the shares held by the shareholders (directed purchase). A directed acquisition of treasury shares can only be executed for reasons of weighty financial consequence to the company and the authorization cannot be exercised in violation of the principle of shareholder equality. This authorization is valid until 30 June 2012.

This authorization cancels the authorization granted to the Board by the Annual General Meeting of 23 April 2010 to resolve on acquiring the company's own A Shares.

(2) The Annual General Meeting authorized the Board of Directors to resolve on an issue of shares, option rights as well as other special rights entitling to shares as referred to in Chapter 10:1 of the Limited Liability Companies Act as follows:

This authorization concerns the issue of Series A shares. The Board was authorized to decide on the number of shares to be issued. However, no more than 2 500 000 Series A shares may be issued under this authorization. The maximum number under the authorization equals approximately 4.5% percent of the company's total registered shares and approximately 5.0% percent of total Series A shares.

The Board is authorized to resolve upon all the terms and conditions of the issue of shares and other special rights entitling to shares. The authorization to issue shares covers the issuing of new shares as well as the transfer of the company's treasury shares. The issue of shares and other special rights entitling to shares may be implemented as a directed issue. This authorization is valid until 30 June 2012.

The authorization cancels the authorization granted to the Board by the Annual General Meeting of 23 April 2010 on resolving on an issue of shares, option rights as well as other special rights entitling to shares.

The authorization concerning the issue of shares and other special rights entitling to shares was granted to provide the company's Board with flexibility in deciding on capital market transactions necessary to the company, e.g. to secure its financing needs or to execute mergers and acquisitions. A directed share issue can only be executed for reasons of weighty financial consequence to the company and the authorization cannot be exercised in violation of the principle of shareholder equality.

EMPLOYEES

In the first nine months of 2011, HKScan had an average workforce of 8 520 employees (7 429 in Q1-Q3/2010).

The increase in employees was due to the restructuring arrangements in 2010. The Danish company, Rose Poultry A/S, and the Latvian company, Jelgavas Galas Kombinats A/S, joined the Group in the latter part of 2010 and Järvi-Suomen Portti Oy early in 2011. The comparison figures from Q1-Q3/2010 are therefore exclusive of the numbers of employees in these three companies.

The average number of employees in each market area was as follows:

	Q1-Q3/2011	Q1-Q3/2010
Finland	2 796	2 505
Sweden	2 937	3 063
Denmark	890	-
Baltics	1 897	1 861

Sokolów employed an average of 6 193 (5 665) persons.

Analysis of employees by country at 30 September is as follows:

	30.9.2011	30.9.2010
Finland	32.4%	31.7%
Sweden	31.3%	38.3%
Estonia	19.7%	21.5%
Denmark	11.2%	0.6%
Latvia	2.8%	4.1%
Poland (Scan)	1.9%	2.9%
Other countries	0.7%	0.9%

Additionally, the Sokolów Group had 6 352 (6 004) employees at the end of the period under review.

RISKS AND UNCERTAINTY FACTORS IN THE NEAR FUTURE

The most significant uncertainty factors in the HKScan Group's business involve price trends of raw materials and availability, especially with respect to Finnish and Swedish pork and to Danish poultry meat. Market area-specific uncertainty factors have to do with the success of the business development programmes in Finland and Sweden and the integration of the Rose Poultry acquisition in Denmark.

Challenges in the global economic situation will continue. Major fluctuation in the Group's central currencies and the higher price of money may affect the Group's competitiveness, net sales, earnings and balance sheet. Changes in demand attributable to the financial situation such as, for example, growing unemployment, may occur in the Group's market areas or its export markets. These may affect the Group's net sales and earnings.

Any unforeseeable authorities procedures may affect the company's business in its export markets.

The possibility of animal diseases can never be fully excluded in the food industry's raw meat supplies.

FUTURE OUTLOOK

Consumer demand for meat is expected to remain steady in the Group's domestic markets. The decentralized structure of HKScan's business in different product groups and geographical areas, and the ongoing efficiency and development programmes will provide the foundation for stronger development of the Group's competitiveness and profitability.

The difficult global market situation for pork is easing in the Group's main market areas. On the other hand, changes in the costs of inputs can still be forecast only for the near future. The protracted profitability crisis in the pork business will change most permanently the structures and production volumes of the entire supply chain. The company will improve profitability of the business in question by raising selling prices and through the controlled adjustment of procurement volumes.

The Group's full-year EBIT is expected to fall short of 2010 levels.

The process of selecting a new CEO is progressing as planned and more information will be given in near future.

Consolidated financial statements
1 January - 30 September 2011

CONSOLIDATED INCOME STATEMENT
(EUR million)

	Note	Q3/2011	Q3/2010	Q1-Q3/11	Q1-Q3/10	2010
NET SALES		618.1	532.4	1 841.4	1 518.3	2 113.9
Operating income and expenses	1.	-586.6	-497.7	-1 765.9	-1 441.7	-2 006.2
Share of associates' results		0.2	0.3	0.6	1.1	1.8
Depreciation and impairment		-17.7	-16.2	-54.0	-45.3	-61.5
EBIT		14.0	18.8	22.1	32.3	48.0

Financial income		2.0	2.0	5.5	5.5	8.1
Financial expenses		-11.0	-5.1	-27.4	-14.8	-21.9
Share of associates' results		0.6	0.8	2.0	2.3	2.2
PROFIT/LOSS BEFORE TAXES		5.6	16.5	2.2	25.3	36.5
Income tax		-0.1	-2.7	1.7	-3.3	-5.7
PROFIT/LOSS FOR THE PERIOD		5.6	13.8	3.9	22.0	30.8
PROFIT/LOSS FOR THE PERIOD ATTRIBUTABLE TO:						
Equity holders of the parent		5.2	12.9	2.6	19.9	27.9
Non-controlling interests		0.4	0.9	1.3	2.1	2.9
Total		5.6	13.8	3.9	22.0	30.8

Earnings per share calculated on profit attributable to equity holders of the parent:

EPS, undiluted, continuing operations, EUR/share	0.09	0.24	0.05	0.37	0.52
EPS, diluted, continuing operations, EUR/share	0.09	0.24	0.05	0.37	0.52

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 1 JANUARY – 30 SEPTEMBER
(EUR million)

	Q3/2011	Q3/2010	Q1-Q3/11	Q1-Q3/10	2010
Profit/loss for the period	5.6	13.8	3.9	22.0	30.8
OTHER COMPREHENSIVE INCOME (after taxes):					
Exchange differences on translating foreign operations	-4.3	5.5	-6.0	12.5	13.5
Available-for-sale investments	0.0	0.0	0.0	0.0	0.0
Cash flow hedging	-4.5	0.0	-3.5	-3.9	1.8
Revaluation	0.1	0.0	0.1	0.0	0.0
TOTAL OTHER COMPREHENSIVE INCOME	-8.7	5.5	-9.4	8.6	15.4
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-3.1	19.3	-5.5	30.7	46.1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:					
Equity holders of the parent	-3.5	18.1	-6.6	28.0	42.6
Non-controlling interests	0.5	1.2	1.1	2.7	3.5
Total	-3.1	19.3	-5.5	30.7	46.1

CONSOLIDATED BALANCE SHEET
(EUR million)

	Note	30.9.2011	30.9.2010	31.12.2010
ASSETS				
NON-CURRENT ASSETS				
Intangible assets	2.	74.7	71.4	77.1
Goodwill	3.	99.7	95.4	100.4
Tangible assets	4.	513.2	490.0	537.8
Shares in associates		28.6	25.8	27.0
Trade and other receivables		29.7	23.0	25.3
Available-for-sale investments		12.1	11.8	13.1
Deferred tax asset		17.0	13.3	14.4
NON-CURRENT ASSETS		775.1	730.6	795.0
CURRENT ASSETS				
Inventories	5.	180.2	145.2	159.9
Trade and other receivables		238.5	220.7	240.6
Income tax receivable		4.0	3.3	0.3
Other financial assets		0.3	2.2	3.9
Cash and cash equivalents		48.4	58.7	69.5
CURRENT ASSETS		471.4	430.1	474.1
ASSETS		1 246.5	1 160.7	1 269.2
EQUITY AND LIABILITIES				
EQUITY				
Share capital	6.	66.8	66.8	66.8
Share premium reserve		73.3	74.2	73.4
Treasury shares		-0.0	-0.0	-0.0
Fair value reserve and other reserves		155.7	144.5	154.4
Translation differences		-5.0	-1.4	0.6
Retained earnings		111.5	120.6	124.4
Equity attributable to equity holders of the parent		402.2	404.6	419.6
Non-controlling interests		11.3	10.4	11.1
EQUITY		413.5	415.1	430.6
NON-CURRENT LIABILITIES				
Deferred tax liability		37.5	33.6	38.9
Non-current interest-bearing liabilities		397.9	357.7	361.2
Non-current non-interest bearing liabilities		12.4	4.8	12.4
Non-current provisions		1.0	3.0	2.4
Pension obligations		2.9	3.1	3.1
NON-CURRENT LIABILITIES		451.8	402.2	418.0
CURRENT LIABILITIES				
Current interest-bearing liabilities		109.0	101.1	153.0
Trade and other payables		269.5	235.3	262.5

Income tax liability		2.1	3.8	2.7
Current provisions		0.7	3.3	2.3
CURRENT LIABILITIES		381.2	343.5	420.6
EQUITY AND LIABILITIES		1 246.5	1 160.7	1 269.2

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY
(EUR million)

	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
EQUITY AT 1.1.2011	66.8	73.4	-6.5	143.5	0.0	17.4	0.6	0.0	124.4	419.6	11.1	430.6
Result for the financial year									2.6	2.6	1.3	3.9
Translation differences		-0.1				-1.4	-5.6		1.3	-5.9	-0.1	-6.0
Available-for-sale investments										0.0		0.0
Cash flow hedging			-3.5							-3.5		-3.5
Revaluation						0.1				0.1		0.1
Total comprehensive income for the period	0.0	-0.1	-3.5	0.0	0.0	-1.3	-5.6	0.0	3.9	-6.6	1.1	-5.5
Other change												
Direct recognition in retained earnings									1.4	1.4		1.4
Transfers between items						6.2			-6.2	0.0		0.0
Share issue										0.0		0.0
Purchase of treasury shares										0.0		0.0
Increase in holdings in subsidiaries										0.0		0.0
Dividend distribution									-12.1	-12.1	-0.9	-13.0
EQUITY AT 30.9.2011	66.8	73.3	-10.0	143.5	0.0	22.2	-5.0	0.0	111.5	402.2	11.3	413.5

	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
EQUITY AT 1.1.2010	66.8	74.2	-8.4	143.5	0.0	14.6	-13.1	0.0	111.6	389.3	9.4	398.7
Result for									19.9	19.9	2.2	22.0

the financial year												
Translation differences		-0.1	0.1			-0.5	11.7		0.7	11.9	0.5	12.4
Available-for-sale investments			0.0							0.0		0.0
Cash flow hedging			-3.9							-3.9		-3.9
Total comprehensive income for the period		-0.1	-3.8			-0.5	11.7		20.6	28.0	2.7	30.6
Share-based compensation expense		0.1								0.1		0.1
Other change						-1.0				-1.0	0.0	-1.0
Direct recognition in retained earnings									0.1	0.1	-0.2	-0.1
Transfers between items										0.0		0.0
Share issue										0.0		0.0
Purchase of treasury shares										0.0		0.0
Increase in holdings in subsidiaries									0.0	0.0	-0.1	-0.1
Dividend distribution									-11.9	-11.9	-1.4	-13.2
EQUITY AT 30.9.2010	66.8	74.2	-12.2	143.5	0.0	13.1	-1.4	0.0	120.6	404.6	10.4	415.1

COLUMNS: 1. Share capital, 2. Share premium reserve, 3. Revaluation reserve, 4. Reserve for invested unrestricted equity (RIUE), 5. Other equity item, 6. Other reserves, 7. Translation differences, 8. Treasury shares, 9. Retained earnings, 10. Equity holders of the parent, 11. Non-controlling interests, 12. Total

CASH FLOW STATEMENT
(EUR million)

	Q1-Q3/2011	Q1-Q3/2010	2010
Operating activities			
EBIT	22.1	32.3	48.0
Adjustments to EBIT	-0.2	-7.8	-4.6
Depreciation and amortization	54.0	45.3	61.5
Change in provisions	-3.0	-6.1	-7.9
Change in net working capital	-21.1	-29.0	-3.7
Financial income	4.2	5.5	8.1
Financial expenses	-25.5	-14.8	-21.9
Taxes	-2.9	-3.3	-5.7
Net cash flow from operating activities	27.6	22.1	73.8

Investing activities			
Gross investments in property, plant and equipment	-40.1	-50.8	-73.6
Disposals of property, plant and equipment	1.3	8.0	7.0
Investments in subsidiary		-1.3	-25.2
Shares in associates purchased	-0.2	-1.7	-1.6
Shares in associates sold		0.2	1.3
Loans granted	-1.5	-1.3	-1.0
Repayments of loans receivable	1.2	1.1	1.2
Net cash flow from investing activities	-39.3	-45.8	-91.9
Cash flow before financing activities	-11.7	-23.7	-18.1
Financing activities			
Current borrowings raised	35.7	110.3	169.9
Current borrowings repaid	-82.1	-98.8	-159.1
Non-current borrowings raised	125.9	33.3	45.2
Non-current borrowings repaid	-77.8	-27.8	-33.0
Dividends paid	-12.1	-11.9	-11.9
Purchase of treasury shares		0.0	-0.0
Net cash flow from financing activities	-10.5	5.1	11.1
Change in cash and cash equivalents	-22.2	-18.6	-7.0
Cash and cash equivalents at 1.1.	73.4	75.9	75.9
Effect of changes in exchange rates on cash and cash equivalents	-2.4	3.6	4.5
Cash and cash equivalents at 30.9.	48.7	60.9	73.4

FINANCIAL INDICATORS

	30.9.2011	30.9.2010	31.12.2010
EPS, undiluted, EUR	0.05	0.37	0.52
EPS, diluted, EUR	0.05	0.37	0.52
Equity per share, 30.9., EUR	7.32	7.50	7.63
Equity ratio, %	33.3	35.8	34.0
Adjusted average			
number of shares, mill.	55.0	54.0	54.0
Gross capital expenditure			
on PPE, EUR million	41.5	52.2	70.7
Employees, end of month			
average	8 520	7 429	7 491

Notes to the Group's interim report

ACCOUNTING POLICIES

HKScan Corporation's interim report for 1 January – 30 September 2011 has been prepared in compliance with IAS 34 Interim Financial Reporting. The same accounting principles have been applied in the interim report as in the annual financial statements for 2010. Due to the rounding of the figures to the nearest million euros in the interim report, some totals may not agree with the sum of their constituent parts. These accounting principles are explained in the financial statements for 2010.

As of 1 January 2011, the Group has adopted the following new IFRS standards and interpretations:

– Change to IAS 32, Financial Instruments: Presentation - Classification of Rights Issues (effective from 1 February 2010 or the succeeding financial periods). The change applies to the accounting treatment (classification) for the issue of shares, options and warrants outside the issuer's functional currency. The amendments have no impact on consolidated reporting.

- IFRIC 19, Extinguishing Financial Liabilities with Equity Instruments (effective from 1 July 2010 or the succeeding financial periods). The interpretation clarifies accounting where an entity renegotiates the terms of a financial liability and, as a result, issues its own equity instruments to the creditor to settle all or a part of the financial liability. The amendments have no impact on consolidated reporting.

- Amendments to IFRIC 14 interpretation, Prepayment of Minimum Funding Requirement (effective from 1 January 2011 or the succeeding financial periods). The amendment is aimed at correcting the unintended consequence of IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. After the amendments, entities are permitted to recognize as an asset some voluntary prepayments for minimum funding contributions. The amendments have no impact on consolidated reporting.

- Revised IAS 24, Related Party Disclosures (effective from 1 January 2011 or the succeeding financial periods). The revised standard clarifies the definition of a related party and simplifies the disclosure requirements for government-related entities.

ANALYSIS BY SEGMENT (EUR million)
Net sales and EBIT by main market area

	Q3/2011	Q3/2010	Q1-Q3/11	Q1-Q3/10	2010
NET SALES					
- Finland	199.0	179.0	594.9	520.3	718.5
- Sweden	254.7	249.8	770.1	722.1	997.1
– Denmark	60.4		173.8		21.8
- Baltics	44.9	42.3	128.3	118.4	160.4
- Poland	77.5	76.9	225.0	206.8	279.3
- Between segments	-18.3	-15.7	-50.7	-49.3	-63.3
Group total	618.1	532.4	1 841.4	1 518.3	2 113.9
EBIT					
- Finland	4.8	6.8	4.9	6.0	10.7
- Sweden	5.4	6.6	9.7	12.3	20.4
– Denmark	-1.3		-2.4		-0.0
- Baltics	3.4	2.5	7.0	6.9	8.7
- Poland	3.4	4.3	9.2	12.5	15.5
- Between segments	0.0	0.0	0.0	0.0	-
Segments total	15.7	20.2	28.4	37.8	55.2

Group administration costs	-1.7	-1.5	-6.3	*)-5.4	*)-7.2
Group total	14.0	18.8	22.1	32.3	48.0

*) Includes EUR 0.9 million in soil decontamination expenses on sold land recognized in Q2.

NOTES TO THE INCOME STATEMENT

1. NON-RECURRING ITEMS
(EUR million)

	Q1-Q3/2011	Q1-Q3/2010	2010
Soil decontamination expense on sold land *)	-	-0.9	
Gains on disposal of production facilities *)	-	7.9	
Total non-recurring items	-	7.0	

*) Included in the income statement in the item “Operating income and expenses”.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

2. CHANGES IN INTANGIBLE ASSETS
(EUR million)

	Q1-Q3/2011	Q1-Q3/2010	2010
Carrying amount at beginning of period	77.1	65.7	65.7
Translation differences	0.1	7.1	8.1
Increase	1.8	0.6	1.2
Increase (acquisitions)	0.0	0.0	4.2
Decrease	-0.7	-0.1	-0.2
Depreciation and impairment	-2.9	-2.4	-3.5
Transfer to other balance sheet item	-0.5	0.5	1.5
Carrying amount at end of period	74.7	71.4	77.1

3. CHANGES IN GOODWILL
(EUR million)

	Q1-Q3/2011	Q1-Q3/2010	2010
Carrying amount at beginning of period	100.4	88.2	88.2
Translation differences	-1.1	4.1	4.2
Increase	0.4	0.0	1.3
Increase (acquisitions)	0.0	3.1	6.8
Decrease	0.0	0.0	0.0
Depreciation and impairment	0.0	0.0	0.0
Transfer to other balance sheet item	0.0	0.0	0.0
Carrying amount at end of period	99.7	95.4	100.4

4. CHANGES IN PROPERTY, PLANT AND EQUIPMENT
(EUR million)

	Q1-Q3/2011	Q1-Q3/2010	2010
Carrying amount at beginning of period	537.8	469.1	469.1
Translation differences	-10.3	15.6	17.4
Increase	37.5	48.2	71.6

Increase (acquisitions)	1.1	6.0	43.0
Decrease	-1.0	-4.4	-2.4
Depreciation and impairment	-50.1	-44.0	-59.5
Transfer to other balance sheet item	-1.7	-0.5	-1.5
Carrying amount at end of period	513.2	490.0	537.8

5. INVENTORIES
(EUR million)

	Q1-Q3/2011	Q1-Q3/2010	2010
Materials and supplies	91.5	89.4	88.8
Unfinished products	9.7	8.9	8.8
Finished products	60.4	31.6	45.7
Goods	0.0	0.2	0.0
Other inventories	7.9	4.0	6.2
Prepayments for inventories	2.4	3.3	2.6
Live animals, IFRS 41	8.3	7.7	7.6
Total inventories	180.2	145.2	159.9

6. NOTES TO EQUITY

Share capital and share share premium reserve	Number of outstanding shares	Share capital	Share premium reserve	RIUE	Treasury shares	Tot.
1.1.2011	54 972 788	66.8	72.9	151.1	0.0	290.8
30.9.2011	54 972 788	66.8	72.9	151.1	0.0	290.8

RIUE = Reserve for invested unrestricted equity

DERIVATIVE INSTRUMENT LIABILITIES
(EUR million)

	30.9.2011	30.9.2010	31.12.2010
Derivative instrument liabilities			
Nominal values of derivative instruments			
Foreign exchange derivatives	76.5	101.8	149.9
Interest rate derivatives	265.4	210.6	247.0
Electricity derivatives	10.5	9.9	10.2
Fair values of derivative instruments			
Foreign exchange derivatives	3.6	0.1	-0.3
Interest rate derivatives	-18.9	-17.3	-16.8
Electricity derivatives	0.0	0.1	2.2

CONSOLIDATED OTHER CONTINGENT LIABILITIES
(EUR million)

	30.9.2011	30.9.2010	31.12.2010
Debts secured by			
pledges or mortgages			

- loans from financial institutions	32.1	32.7	56.1
Given as security			
- real estate mortgages	58.6	60.0	48.9
- pledges	5.9	26.0	20.8
- floating charges	44.7	18.8	47.3
For associates			
- guarantees	5.3	5.1	5.3
For others			
- guarantees and pledges	14.0	11.7	13.8
Other contingencies			
Leasing commitments	25.6	21.8	25.5
Rent liabilities	57.9	41.3	56.3
Other commitments	19.1	6.4	6.5

BUSINESS TRANSACTIONS WITH RELATED PARTIES
(EUR million)

	Q1-Q3/2011	Q1-Q3/2010	2010
Sales to associates	45.7	25.5	40.4
Purchases from associates	36.9	21.9	35.1
Trade and other receivables	3.6	1.7	1.8
Trade and other payables	8.0	7.8	8.8

The figures presented in the interim report are unaudited.

Vantaa, 4 November 2011

HKScan Corporation
Board of Directors

Further information is available from CEO Matti Perkonoja. Please leave any messages for him to call with Marjukka Hujanen on +358 (0)10 570 6218.

HKScan is one of the leading food companies in northern Europe with home markets in Finland, Sweden, Denmark, the Baltic countries and Poland. HKScan manufactures, sells and markets pork and beef, poultry products, processed meats and convenience foods under several well-known local brand names. Its customers are retail, the HoReCa sector, industry and export customers. HKScan is active in nine countries and has some 11 000 employees. It had net sales of EUR 2.1 billion in 2010.

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