HKSCAN GROUP'S INTERIM REPORT 1 JANUARY – 30 SEPTEMBER 2010
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HKSCAN'S THIRD QUARTER IN LINE WITH PLANNING; ROSE POULTRY DEAL SIGNED IN SEPTEMBER WILL, WHEN EXECUTED, MAKE HKSCAN A LEADING POULTRY COMPANY IN NORTHERN EUROPE

*** HKScan's Q3 was as planned. Thanks to the normalisation of business in Finland, the non-recurring gains in Sweden and excellent success in the Polish market area, EBIT for the third quarter rose to EUR 18.8 million (EUR 14.1m).**

*** The Group's net sales over the nine-month period came to EUR 1 518.3 million (EUR 1 567.2 million) and operating profit to EUR 32.3 million falling slight short of the previous year's level (EUR 36.6 million).**

*** The company reaffirms its earnings guidance given in the Q2 interim report. With performance in the first half of the year falling markedly short of the same a year ago, the Group's full-year EBIT exclusive of non-recurring items is estimated to be at a level somewhat lower than in 2009.**

HKSCAN GROUP
(EUR million)

	Q3/2010	Q3/2009	Q1-Q3/10	Q1-Q3/09	2009
Net sales	532.4	533.5	1 518.3	1 567.2	2 124.7
EBIT	18.8	14.1	32.3	36.6	55.1
- EBIT margin, %	3.5	2.6	2.1	2.3	2.6
Profit/loss before taxes	16.5	10.8	25.3	21.9	37.3
Earnings per share, EUR	0.24	0.20	0.37	0.35	0.64

Per-share data has been adjusted for the share offering in 2009.

Q3, JULY-SEPTEMBER 2010

* The Group's net sales in third quarter of the year were EUR 532.4 million (EUR 533.5m). Group EBIT came in at EUR 18.8 million (EUR 14.1m).

* In Finland, the situation was returning to normal after the industrial action in the spring. EBIT in the third quarter came to EUR 6.8 million (EUR 7.7 m).

* In Sweden, EBIT came to EUR 6.6 million (EUR 2.5m). EBIT was increased by the gains on disposal of the properties in Uppsala and Visby. On the other hand, the restructuring has continued to give rise to significant additional expenditure.

* In the Baltics, EBIT was eroded as expected by the merger of Jelgavas Galas Kombinats with Rigas Miesnieks. EBIT came in at EUR 2.5 million (EUR 3.4 m).

* In Poland, EBIT nearly doubled to EUR 4.3 million (EUR 2.2m).

CEO MATTI PERKONOJA:

"Business in the third quarter of the year was in line with expectation for HKScan. The company's strategic strengths, decentralized geographical structure and large number of product segments support the steady and predictable development of the business. The acquisitions are in line with HKScan's growth strategy and do not involve such operational or financial risks of a magnitude that would jeopardize the company's controlled and long-term development.

The Group has strengthened measures to improve profitability and efficiency of the business, particularly in Sweden and Finland. HKScan announced in September plans for new structural changes to improve operations in the Finnish and Swedish market areas. In Finland, the focus is on significantly improving the productivity of the business in order to maintain international competitiveness. It was decided to expand the restructuring programme initiated in Sweden earlier in order to secure the programme's development benefits of EUR 30 million.

The business environment in the Baltics continues to present a challenge due to the state of the region's economies, although in recent months the situation has somewhat stabilized. The performance of Rakvere Lihakombinaat and Tallegg remained strong.

In Poland, there was a considerable improvement in Sokolów's EBIT. The driving force behind the positive trend was strengthening of the market positions in the modern retail trade and success in the export markets.

There was no need for reassessment of the balance sheet values tested in the quarterly impairment testing.

HKScan Corporation and the owners of the Danish company, Rose Poultry A/S signed an agreement in September according to which Denmark's largest poultry company will be acquired by HKScan. Rose Poultry's strategic suitability for HKScan is excellent, and upon closing of the transaction the company will become a leading player in the poultry segment in northern Europe. The aim is to complete the transaction during the current year and closing of the agreement will be conditional on approval by relevant competition authorities.

In Finland, HK Ruokatalo's unique and extensive Rapeseed pork development project has progressed on schedule. With the innovation pork will rise to a new level of quality and the top of healthy meat products. The pigs are fed feed to which Finnish rapeseed oil is added. As a result, the quality of the fat in their meat is rendered heart-friendly in a natural way. HK Ruokatalo will launch the new Rapeseed pork products, which are both tasty and good for the heart, onto the consumer market in February 2011."

MARKET AREA: FINLAND
(EUR million)

	Q3/2010	Q3/2009	Q1-Q3/10	Q1-Q3/09	2009
Net sales	179.0	181.6	520.3	547.2	732.5
EBIT	6.8	7.7	6.0	20.6	27.0
- EBIT margin, %	3.8	4.2	1.2	3.8	3.7

In Finland, EBIT came to EUR 6.8 million (EUR 7,7m). The summer barbecue season was successful and sales were in line with expectations. Demand for poultry meat in period was higher than forecast exceeding HK Ruokatalo's delivery capacity limiting at the same time the company's achievable earnings performance. The business performance and profitability of HKScan Finland’s other subsidiaries and associates was excellent.

The stock exchange release issued in mid-September specified the development plans concerning the business area in Finland. The planned programme seeks to strengthen the company's position and increase work productivity in Finland and to deliver development benefits of EUR 12.5 million by the end of 2011. The programme tentatively plans greater centralization of production activities. Implementation of the planned programme would mean a reduction of roughly 250 person-years throughout HKScan Finland’s entire business chain, including subcontractors and outsourced operations, by the end of 2011. Negotiations regarding the matter have been started with HK Ruokatalo’s employees at the beginning of November.

The export deliveries of HK Ruokatalo’s production facilities in Forssa and Mellilä to Russia were disrupted in July. This was due to a ban by the Russian authorities on exports from a number of Finnish food industry companies. The export ban with respect to the Mellilä production facility was lifted in late August. Disruption of exports from Forssa has caused some growth in stocks.

In collaboration with its partners HK Ruokatalo has developed a new kind of pork, Rapeseed pork, which is both tasty and good for the heart. The development project has progressed on schedule and the new heart–healthy Rapeseed pork products will be launched on the consumer market in February 2011.

MARKET AREA: SWEDEN
(EUR million)

	Q3/2010	Q3/2009	Q1-Q3/10	Q1-Q3/09	2009
Net sales	249.8	256.2	722.1	759.1	1 037.4
EBIT	6.6	2.5	12.3	7.6	16.7
- EBIT margin, %	2.6	1.0	1.7	1.0	1.6

Third-quarter net sales in Sweden were slightly below 2009 levels, amounting to EUR 249.8 million (EUR 256.2m). The reasons for the decrease were disruptions in supply relating to the running-in phase of the new logistics centre and the considerable increase in beef imports, which has decreased consumption and market price level of Swedish beef. The strengthened Swedish krona has significantly weakened the competitiveness of Swedish raw material-based production.

EBIT came in at EUR 6.6 million (EUR 2.5m). EBIT was increased by the EUR 7.9 million gains on the disposal of the production facilities in Uppsala and Visby recognized for the period. During the early part of the year the ongoing restructuring has given rise to an estimated EUR 8 million in additional expenditure, of which ca. EUR 4.6 million was in Q3.

Scan’s national distribution centre in Linköping was inaugurated in August. Centralization of deliveries will clarify operations and streamline distribution channels benefiting both customers and Scan. The disruptions seen in the deployment of the centre have been rectified, and delivery reliability is reaching the standard required.

The Pärsons brand of cold cuts succeeded well in Q3. The Scan brand, too, has strengthened its position in processed products.

In September, Scan Ab decided to expand the development programme initiated a year ago to secure the development benefits of EUR 30 million announced in 2009. According to the plan, the production of food sausages would be centralized during the period 2011–2013 from Örebro and Kristianstad mainly to Linköping. The production of semi-finished products sold under the Pärsons-brand would be transferred from Ströveltorp to Scan's other production facilities. In addition, the head office and administration are to be transferred from Skara and Stockholm to Linköping.

Upon implementation, the plan involves, as announced a year ago, a reduction in Scan's employees from the current 2 750 to approximately 2 500.

MARKET AREA: BALTICS
(EUR million)

	Q3/2010	Q3/2009	Q1-Q3/10	Q1-Q3/09	2009
Net sales	42.3	40.5	118.4	118.8	156.9
EBIT	2.5	3.4	6.9	7.9	9.8
- EBIT margin, %	6.0	8.3	5.8	6.6	6.3

In the Baltics, EBIT in Q3 was EUR 2.5 million (EUR 3.4m). Earnings were eroded in line with expectation by the merger of Jelgavas Galas Kombinats with the Rakvere Group's Latvia-based subsidiary AS Rigas Miesnieks, which acquired Jelgavas Galas Kombinats at the beginning of the year.

In the Baltics, the difficulties of the economies are starting to ease, but unemployment is high and purchasing power is accordingly still lower than normal. Competition is tight in the entire meat sector in the Baltics and performance is challenging, as consumers favour more affordable and less processed products.

The Rakvere Group's Latvia-based subsidiary AS Rigas Miesnieks has enhanced the efficiency of its operations by consolidating the sales and logistics function of Rigas Miesnieks and Jelgavas Galas Kombinats as of September. The aim is to centralize the companies' production-related activities during the course of next year mainly in Jelgavas' new and efficient facility. Rigas Miesnieks' dispatching department and administration will remain in Riga. Consolidating the operations will achieve, in addition to cost savings, flexibility in the difficult situation within Latvia's meat market.

Rakvere Lihakombinaat's animal waste processing unit was completed in August. The new facility is the most efficient and environmentally friendly in its sector in Estonia.

MARKET AREA: POLAND
(EUR million)

*)	Q3/2010	Q3/2009	Q1-Q3/10	Q1-Q3/09	2009
Net sales	76.9	69.2	206.8	186.5	251.7
EBIT	4.3	2.2	12.5	6.4	9.3
- EBIT margin, %	5.6	3.2	6.1	3.4	3.7

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

The strong business development that began in Poland at the end of 2009 continued in Q3 as well. Sokolów's EBIT nearly doubled to EUR 4.3m (EUR 2.2m). Net sales increased compared with the corresponding period a year earlier standing at EUR 76.9 million (69.2m).

The company's even greater success in the ranges of super- and hypermarkets of the modern retail chains, in particular, contributed to Sokolów achievement. Exports, too, have grown. The company's financial standing is in equilibrium and its cost competitiveness is good.

Thanks to its tight cost control, Sokolów has also retained its margin despite the fall in market prices.

AGREEMENT TO ACQUIRE THE LEADING DANISH POULTRY COMPANY, ROSE POULTRY A/S

HKScan Corporation ("HKScan") and the owners of the Danish company, Rose Poultry A/S ("Rose Poultry") – Vinderup Poultry A/S, Skovsgaard, Fjerkræslagteri A/S and Hedegaard A/S – signed in September an agreement according to which Denmark's largest poultry company will be acquired by HKScan. The aim is to complete the transaction during the course of this autumn. Closing of the agreement will be conditional on approval by relevant competition authorities.

Upon closing of the transaction, HKScan's operations in the poultry market will expand to Denmark and Sweden, and the company will become a leading player in the poultry market in northern Europe. Rose Poultry's strategic suitability for HKScan is excellent and it will constitute an important step in the development of the company's poultry business. The acquisition is in line with the strategy of the HKScan Group.

The purchase price for the shares in Rose Poultry is at maximum EUR 23.9 million subject to certain price adjustment mechanisms. The purchase price will be paid with a cash payment of at maximum EUR 15.9 million and a directed share issue of at maximum 1 000,000 HKScan Series A shares to the sellers. The parties have further agreed that the sellers have a put option pursuant to which during a period commencing 18 months after the closing date and expiring 21 months after the closing date, upon receipt of a sale notice, HKScan will acquire all or part of new HKScan Series A shares at a fixed price of EUR 8.00 per HKScan Series A share. The interest bearing net debt in the balance sheet of Rose Poultry is an estimated EUR 47 million. The final purchase price will be specified in conjunction with the closing of the transaction.

The Board of Directors of HKScan approved the acquisition on 9 September 2010 and decided to use the share issue authorisation granted to it by the Annual General Meeting held on 23 April 2010 for a directed share issue.

The maximum number of Series A shares to be issued represents approximately 2.06 percent of the number of all HKScan Series A shares registered at the time of the decision and approximately 0.64 percent of votes carried by all the company's shares.

Rose Poultry produces annually more than 130 million kilos of poultry meat, which is sold under the company's own Rose brand as well as under private labels as fresh, frozen or processed products in the company's main markets in Denmark, Sweden and the UK. Rose Poultry has three production facilities in Denmark and the company employs approximately 1 000 people.

CAPITAL EXPENDITURE AND FINANCE

The Group's gross investments in Q3 of 2010 totalled EUR 15.2 million (EUR 9.3m). Gross investments in the first nine months of the year totalled EUR 52.2 million (EUR 33.8m) and were divided among production-related investment in the market areas as follows: Finland EUR 16.5 million (EUR 9.0m), Sweden EUR 17.2 million (EUR 13.7m) and the Baltics EUR 12.4 million (EUR 4.7m). HKScan's share of Sokolów investments in Poland was EUR 6.1 million (EUR 6.4m).

The Group's interest-bearing debt at the end of September stood at EUR 458.8 million (EUR 483.6m). Gross interest-bearing debt at the turn of the year was EUR 417.4 million. The decline in debt from the corresponding period a year earlier (Q3/2009) is attributable to the EUR 78.0 million share offering executed in December 2009. The company allocated EUR 20 million of the proceeds of the offering to repaying its hybrid bond. The remaining proceeds of the offering were used to pay other interest-bearing debts.

The considerable strengthening (ca. 11%) of the Swedish krona since the turn of the year, a higher need for working capital, and dividend payments increased the company's gross interest-bearing debt in the early part of the year.

Net financial expenses have clearly fallen from a year ago owing to lower interest rates, a reduced loan portfolio and a decline in the costs of hedging equity denominated in EEK. Untapped credit facilities at 30 September 2010 stood at EUR 214.6 million (EUR 169.2m). In addition, the Group had other untapped overdraft and other facilities of EUR 27.1 million (EUR 42.1m). The EUR 100 million commercial paper programme had been drawn in the amount of EUR 17.0 million (EUR 10.0m).

At the end of September, the equity ratio stood at 35.8 percent (31.1%). A material contributor to the stronger equity ratio was the share offering executed in December 2009. The equity ratio at the turn of the year was 37.1 percent.

INSIDER TRIAL RELATING TO SHARE PURCHASES BY LSO OSUUSKUNTA

The trial regarding the share trading of LSO Osuuskunta in August 2006 began at the beginning of November. HKScan will monitor the progress of the proceedings and revisit the issue at the latest when the outcome of the case has been determined.

The Helsinki district prosecutor decided that six persons who were part of LSO Osuuskunta's management at the time, in 2006, would be prosecuted for aggravated abuse of insider information. Three of these persons are currently members of the Board of Directors of HKScan Corporation. The charge is based on the respective persons' positions at the time as representatives of LSO Osuuskunta and does not relate to their actions as members of the Board of HKScan Corporation.

In April 2010, the Helsinki district prosecutor resolved not to bring charges in respect of HKScan CEO Matti Perkonoja and one company official.

TREASURY SHARES

At 30 September 2010, HKScan held a total of 51 982 of its A Shares. These had a market value of EUR 0.41 million (EUR 7.81 each) and accounted for 0.10% of all shares and 0.03% of all votes. No dividend is paid on treasury shares.

BOARD OF DIRECTORS' EXISTING AUTHORIZATIONS

(1) The AGM of 23 April 2010 authorized the Board to resolve on acquiring a maximum of 3 500 000 Series A shares as treasury shares, equal to roughly 6.5% of total registered shares and 7.2% of total A Shares.

Treasury shares may only be acquired using unrestricted equity. 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.

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). This authorization is valid until 30 June 2011 and cancels the authorization granted to the Board by the AGM of 23 April 2009 to resolve on acquiring the company's treasury shares.

(2) The AGM also 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. The Board was authorized to resolve on the issue of a maximum of 5 500 000 A Shares, corresponding to ca. 10.2% of all registered shares in the company and ca. 11.3% of all A Shares.

The Board may resolve upon all the terms and conditions of the issue of shares and other special rights entitling to shares. The authorization to issue shares shall cover 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 2011 and cancels the authorization granted to the Board by the AGM of 23 April 2009 on resolving on an issue of shares, option rights as well as other special rights entitling to shares.

The authorizations concerning purchases of treasury shares and share issue were 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 acquisition of treasury shares or 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 the year, the Group had an average workforce of 7 342 employees (7 301 in Q1-Q3/2009). Analysis of employees on average by market area.

	Q1-Q3/2010	Q1-Q3/2009
Finland	2 505	2 403
Sweden	2 976	3 094
Baltics	1 861	1 804

In addition, Sokolów had an average of 5 665 (5 691) employees.

Analysis of employees by country:

	30.9.2010	30.9.2009
Sweden	37.2 %	38.4 %
Finland	32.2 %	32.1 %
Estonia	21.9 %	22.2 %
Latvia	4.2 %	2.9 %
Poland (Scan)	2.9 %	3.1 %
Other countries	1.5 %	1.3 %

RISKS AND UNCERTAINTY FACTORS IN THE NEAR FUTURE

The most significant uncertainty factors in the HKScan Group's business involve developments in the price of raw materials, in future possibly also the availability of these. Market area-specific uncertainty factors have to do especially with the success of the business development programmes in Finland and Sweden.

The international economic situation is stabilising. Ongoing major fluctuations in the Group's central currencies may affect the Group's net sales, earnings and balance sheet.

Changes in demand attributable to the financial climate such as, for example, growing unemployment, may occur in the Group's market areas or its export markets. These may erode Group net sales and earnings.

Any unforeseeable authorities procedures may hamper 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.

The Group is currently involved in certain legal proceedings and civil litigation. The cases remain pending but are estimated to have no significant impact on the Group's financial standing.

EVENTS TAKING PLACE AFTER THE END OF THE REVIEW PERIOD

The Finnish Competition Authority has approved the plan of HKScan Finland Oy and Järvi-Suomen Portti Osuuskunta to establish a new corporate entity. The company will continue the production of processed meats at Portti's plant located in Tikkala in the town of Mikkeli. The aim is for the new company to begin operations not later than at the turn of 2010/2011. Järvi-Suomen Portti is a minority shareholder in the new company. The company will continue in the consumer market as a separate company with its own brands. The business will be managed locally and the company will have its own sales organization.

As announced in the summer, the transaction includes the production machinery and business at the Tikkala plant as well as Järvi-Suomen Portti's brands. The plant in Mikkeli is to be made available through a long-term lease. Personnel affected by the arrangement will transfer to the new company as 'old employees', i.e. with the terms of their employment unchanged.

FUTURE OUTLOOK

Consumer demand for food is expected to continue to remain steady in the Group's home markets. Success in Christmas sales – which are traditionally strong in the company – is crucial in terms of overall performance for the year. The balanced situation in the business and the streamlining programmes already launched and planned provide the foundation for the stronger development of the Group's competitiveness and profitability.

With performance in the first half of the year falling markedly short of the same a year ago, the Group's full-year EBIT exclusive of non-recurring items is estimated to be at a level somewhat lower than in 2009.

CONSOLIDATED FINANCIAL STATEMENTS 1 January - 30 September 2010

CONSOLIDATED INCOME STATEMENT
(EUR million)

	Note	Q3/2010	Q3/2009	Q1-Q3/10	Q1-Q3/09	2009
NET SALES		532,4	533,5	1 518,3	1 567,2	2 124,7
Operating income and expenses	1.	-497.7	-504.0	-1 441.7	-1 488.2	-2 013.3
Share of profit of associates		0.3	0.6	1.1	0.8	0.9
Depreciation and impairment	1.	-16.2	-16.0	-45.3	-43.2	-57.2
EBIT		18.8	14.1	32.3	36.6	55.1
Financial income		2.0	1.8	5.5	4.9	5.2
Financial expenses		-5.1	-5.6	-14.8	-21.0	-24.9
Share of profit of associates		0.8	0.5	2.3	1.4	2.0
PROFIT/LOSS BEFORE TAXES		16.5	10.8	25.3	21.9	37.3
Income taxes		-2.7	-1.1	-3.3	-3.3	-4.9
PROFIT/LOSS FOR THE PERIOD		13.8	9.8	22.0	18.7	32.5
PROFIT/LOSS FOR THE PERIOD ATTRIBUTABLE TO:						
Equity holders of the parent		12.9	9.1	19.9	16.7	29.9
Non-controlling interests		0.9	0.7	2.1	2.0	2.6
Total		13.8	9.8	22.0	18.7	32.5

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

EPS, undiluted (EUR), continuing operations	0.24	0.20	0.37	0.35	0.64
EPS, diluted (EUR), continuing operations	0.24	0.20	0.37	0.35	0.64

Per-share data has been adjusted for the share offering in 2009.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 1 JANUARY - 30 SEPTEMBER 2010
(EUR million)

	Q3/2010	Q3/2009	Q1-Q3/10	Q1-Q3/09	2009
PROFIT/LOSS FOR THE PERIOD	13.8	9.8	22.0	18.7	32.5

OTHER COMPREHENSIVE INCOME (after taxes):					
Exchange differences on translating foreign operations	5.5	4.6	12.5	1.0	1.8
Available-for-sale investments	0.0	0.2	0.0	0.1	0.4
Cash flow hedging	0.0	-0.3	-3.9	0.2	-7.1
TOTAL OTHER COMPREHENSIVE INCOME	5.5	4.6	8.6	1.3	-4.8
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	19.3	14.4	30.7	20.0	27.6
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:					
Equity holders of the parent	18.1	13.4	28.0	17.7	24.8
Non-controlling interests	1.2	1.0	2.7	2.2	2.8
Total	19.3	14.4	30.7	20.0	27.6

CONSOLIDATED BALANCE SHEET
(EUR million)

	Note	30.9.2010	30.9.2009	31.12.2009
ASSETS				
NON-CURRENT ASSETS				
Intangible assets	2.	71.4	64.3	65.7
Goodwill	3.	95.4	85.3	88.2
Property, plant and equipment	4.	490.0	467.5	469.1
Holdings in associates		25.8	20.3	20.9
Trade and other receivables		23.0	21.6	18.2
Available-for-sale investments		11.8	10.6	10.5
Deferred tax asset		13.3	10.5	12.3
NON-CURRENT ASSETS		730.6	680.0	685.0
CURRENT ASSETS				
Inventories	5.	145.2	135.1	118.7
Trade and other receivables		220.7	200.7	194.3
Income tax receivable		3.3	1.4	0.2
Other financial assets		2.2	2.2	2.0
Cash and cash equivalents		58.7	49.1	73.9
CURRENT ASSETS		430.1	388.4	389.0
ASSETS		1 160.7	1 068.4	1 074.0
EQUITY AND LIABILITIES				
EQUITY				

Share capital	6.	66.8	66.8	66.8
Share premium reserve		74.2	73.8	74.2
Treasury shares		-0.0	-0.0	-0.0
Fair value reserve and other reserves		144.5	99.7	149.7
Translation differences		-1.4	-14.0	-13.1
Retained earnings		120.6	99.4	111.6
Equity attributable to equity holders of the parent		404.6	325.6	389.3
Non-controlling interests		10.4	6.2	9.4
EQUITY		415.1	331.8	398.7
NON-CURRENT LIABILITIES				
Deferred tax liability		33.6	33.5	32.2
Non-current interest-bearing liabilities		357.7	425.0	329.9
Non-current non-interest bearing liabilities		4.8	4.5	5.9
Pension obligations		3.1	3.5	3.6
Non-current provisions		3.0	3.5	8.5
NON-CURRENT LIABILITIES		402.2	470.0	380.1
CURRENT LIABILITIES				
Current interest-bearing liabilities		101.1	58.6	87.5
Trade and other payables		235.3	204.8	202.0
Income tax liability		3.8	0.4	2.7
Current provisions		3.3	2.7	2.8
CURRENT LIABILITIES		343.5	266.5	295.1
EQUITY AND LIABILITIES		1 160.7	1 068.4	1 074.0

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY
(EUR million)

	1.	2.	3.	4.	5.*)	6.	7.	8.	9.	10.	11.	12.
EQUITY AT 01.01.10	66.8	74.2	-8.4	143.5	0.0	14.6	-13.1	0.0	111.6	389.3	9.4	398.7
Income and expenses recognized during the period, total		-0.1	-3.8			-0.5	11.7		20.7	28.0	2.7	30.7
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 30.09.10	66.8	74.2	-12.2	143.5	0.0	13.1	-1.4	0.0	120.6	404.6	10.4	415.1

	1.	2.	3.	4.	5.*)	6.	7.	8.	9.	10.	11.	12.
EQUITY AT 01.01.09	66.8	73.5	-2.2	66.7	20.0	12.2	-15.8	0.0	97.0	318.2	5.4	323.7
Income and expenses recognized during the period, total		-0.1	0.3			-0.3	1.8		15.9	17.7	2.2	20.0
Share-based compensation expense		0.4								0.4		0.4
Other change										0.0	-0.1	-0.1
Direct recognition in retained earnings**)									-1.3	-1.3		-1.3
Transfers between items			0.6			2.2			-2.9	0.0		0.0
Share issue												
Purchase of treasury shares										0.0		0.0
Increase in holdings in subsidiaries										0.0	-0.6	-0.6
Dividend distribution									-9.4	-9.4	-0.8	-10.2
EQUITY AT 30.09.09	66.8	73.8	-1.3	66.7	20.0	14.2	-14.0	0.0	99.4	325.6	6.2	331.8

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

*) Comprising a hybrid bond classified as equity
**) Comprising interest paid on hybrid bond

In the interim reports for 2009, the company reported re-measurement of net investment hedges in the revaluation reserve. In the financial statements for 2009, the manner of reporting has been changed and hedging is recognized as an adjustment to translation differences. The figures for the comparison year have been modified to correspond to the current practice.

CASH FLOW STATEMENT
(EUR million)

	1-9/2010	1-9/2009	1-12/2009
Operating activities			
EBIT	32.3	36.6	55.1
Adjustments to EBIT	-7.8	-1.0	-0.4
Depreciation and amortization	45.3	43.2	57.2
Change in provisions	-6.1	2.8	7.6
Change in net working capital	-29.0	-11.5	2.5
Financial income	5.5	4.9	5.2
Financial expenses	-14.8	-21.0	-24.9
Taxes	-3.3	-3.3	-4.9
Net cash flow from operating activities	22.1	50.7	97.4
Investing activities			
Gross investments in property, plant and equipment	-50.8	-32.7	-43.7
Disposals of property, plant and equipment	8.0	1.7	2.9
Investments in subsidiary	-1.3	-0.9	-4.7
Shares in associates purchased	-1.7	0.0	-0.3
Shares in associates sold	0.2	0.0	0.0
Loans granted	-1.3	0.0	0.0
Repayments of loans receivable	1.1	0.3	5.1
Net cash flow from investing activities	-45.8	-31.8	-40.8
Cash flow before financing activities	-23.7	18.9	56.6
Financing activities			
Proceeds from share offering	0.0	0.0	76.8
Repayments of hybrid bond	0.0	0.0	-20.0
Current borrowings raised	110.3	44.0	46.6
Current borrowings repaid	-98.8	-51.5	-82.3
Non-current borrowings raised	33.3	16.7	74.7
Non-current borrowings repaid	-27.8	-61.4	-160.8
Interest on hybrid bond	0.0	-1.3	-2.1
Dividends paid	-11.9	-9.4	-9.4
Purchase of treasury shares	0.0	0.0	0.0
Net cash flow from financing activities	5.1	-62.9	-76.5
Change in cash and cash equivalents	-18.6	-44.0	-19.9
Cash and cash equivalents at 1.1.	75.9	94.4	94.4
Effect of changes in exchange rates on cash and cash equivalents	3.6	0.8	1.4
Cash and cash equivalents at 30.9.	60.9	51.3	75.9

FINANCIAL INDICATORS
Per-share data has been adjusted for the share offering in 2009.

	30.9.2010	30.9.2009	31.12.2009
EPS, undiluted, EUR	0.37	0.35	0.64

EPS, diluted, EUR	0.37	0.35	0.64
Equity per share at 30 Sept, EUR 1)	7.50	7.30	7.21
Equity ratio, %	35.8	31.1	37.1
Adjusted average			
number of shares, mill.	54.0	39.3	44.9
Gross capital expenditure			
on property, plant and equipment, EUR million	52.2	33.8	41.3
Employees, end of month			
average	7 342	7 301	7 429

1) Excluding minority's share of equity.

NOTES TO THE GROUP'S INTERIM REPORT

ACCOUNTING POLICIES
HKScan Corporation's interim report for 1 January – 30 September 2010 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 2009. These accounting principles are explained in the financial statements for 2009.

As of 1 January 2010, the Group has adopted the following new IFRS standards and interpretations:

Revised IAS 27. Consolidated and Separate Financial Statements (effective for annual periods beginning on or after 1 July 2009). The revised standard requires the effects of changes in subsidiary ownership to be recognized directly in Group equity when the parent entity retains control. If control in the subsidiary is lost, any remaining investment is measured to fair value and any difference recognized in profit or loss. A corresponding accounting treatment will in future apply also to investments in associates (IAS 28) and interests in joint ventures (IAS 31) As a result of the revision, the losses of a subsidiary can be allocated to the minority also when the losses exceed the minority's investment.

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

	Q3/2010	Q3/2009	Q1-Q3/10	Q1-Q3/09	2009
NET SALES					
-Finland	179.0	181.6	520.3	547.2	732.5
-Sweden	249.8	256.2	722.1	759.1	1 037.4
-Baltics	42.3	40.5	118.4	118.8	156.9
-Poland	76.9	69.2	206.8	186.5	251.7
-Between segments	-15.7	-14.1	-49.3	-44.4	-53.9
Group total	532.4	533.5	1 518.3	1 567.2	2 124.7
EBIT					
-Finland	6.8	7.7	6.0	20.6	27.0
-Sweden	6.6	2.5	12.3	7.6	16.7
-Baltics	2.5	3.4	6.9	7.9	9.8
-Poland	4.3	2.2	12.5	6.4	9.3
-Between segments	0.0	0.0	0.0	0.0	0.0
Segments total	20.2	15.8	37.8	42.5	62.8
-Group admin. costs	-1.5	-1.7	**) -5.4	*) -5.8	*)-7.7
Group total	18.8	14.1	32.3	36.6	55.1

*) Includes EUR 1.3 million in non-recurring severance pay relating to the termination of the former CEO's employment and recognized in Q1.
**) Includes a non-recurring expense of EUR 0.9 million recognized in Q2 and arising from soil decontamination at the Turku plant sold in late 2006.

NOTES TO THE INCOME STATEMENT

1. NON-RECURRING ITEMS

(EUR million)

	Q3/2010	Q3/2009	Q1-Q3/10	Q1-Q3/09	2009
Employee benefits expenses *)	-	-0.9	-	-5.0	-10.8
Depreciation and impairment **)	-	-1.9	-	-1.9	-1.9
Soil decontamination expense on sold land *)	-	-	-0.9	-	-
Gains on disposal of production facilities *)	7.9	-	7.9	-	-
Total non-recurring items	7.9	-2.8	7.0	-6.9	-12.7

*) Included in the income statement in the item "Operating income and expenses".
**) Included in the income statement in the item "Depreciation and impairment".

NOTES TO THE BALANCE SHEET

2. CHANGES IN INTANGIBLE ASSETS

(EUR million)

	Q1-Q3/2010	Q1-Q3/2009	2009
Carrying amount at beginning of period	65.7	57.8	57.8
Translation differences	7.1	3.1	3.0
Increase	0.6	1.5	2.8
Increase (acquisitions)	0.0	0.0	2.0
Decrease	-0.1	0.0	0.0
Depreciation and impairment	-2.4	-1.9	-2.7
Transfer to other balance sheet item	0.5	3.8	2.8
Carrying amount at end of period	71.4	64.3	65.7

3. CHANGES IN GOODWILL

(EUR million)

	Q1-Q3/2010	Q1-Q3/2009	2009
Carrying amount at beginning of period	88.2	81.7	81.7
Translation differences	4.1	1.8	1.6
Increase	0.0	1.8	1.9
Increase (acquisitions)	3.1	0.0	3.0
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	95.4	85.3	88.2

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

	Q1-Q3/2010	Q1-Q3/2009	2009
Carrying amount at beginning of period	469.1	479.3	479.3
Translation differences	15.6	4.3	6.6
Increase	48.2	31.6	41.2
Increase (acquisitions)	6.0	0.0	3.8
Decrease	-4.4	-1.8	-3.3
Depreciation and impairment	-44.0	-42.1	-55.8
Transfer to other balance sheet item	-0.5	-3.8	-2.6
Carrying amount at end of period	490.0	467.5	469.1

5. INVENTORIES
(EUR million)

	Q1-Q3/2010	Q1-Q3/2009	2009
Materials and supplies	89.4	82.8	73.9
Unfinished products	8.9	7.8	7.1
Finished products	31.6	30.2	23.7
Goods	0.2	0.1	0.0
Other inventories	4.0	3.9	4.1
Prepayments	3.3	2.1	2.1
Live animals, IFRS 41	7.7	8.2	7.6
Total inventories	145.2	135.1	118.7

6. NOTES TO EQUITY

Share capital and share premium reserve	Number of outstanding shares	Share capital EUR million	Share premium reserve (EUR million)	RIUE EUR million	Treasury shares (EUR million)	Total EUR million
1.1.2010	53 974 540	66.8	72.9	143.5	0.0	283.2
30.9.2010	53 974 540	66.8	72.9	143.5	0.0	283.2

RIUE = Reserve for invested unrestricted equity

The company paid on 5 May 2010 dividends of EUR 0.22 per share for the financial year 2009, a total of EUR 11 874 398.80.

DERIVATIVE INSTRUMENT LIABILITIES
(EUR million)

	30.9.2010	30.9.2009	31.12.2009
Nominal values of derivative instruments			
Foreign exchange derivatives	101.8	104.7	104.6
Interest-rate derivatives	210.6	198.6	203.5
Electricity derivatives	9.9	9.2	10.8
Fair values of derivative instruments			
Foreign exchange derivatives	0.1	-0.3	-1.1
Interest-rate derivatives	-17.3	-17.0	-11.3

Electricity derivatives	0.1	-2.0	-0.6

CONSOLIDATED OTHER CONTINGENT LIABILITIES
(EUR million)

	30.9.2010	30.9.2009	31.12.2009
Debts secured by			
pledges or mortgages			
- loans from financial institutions	32.7	35.9	33.9
Given as security			
- real estate mortgages	60.0	44.7	55.5
- pledges	26.0	29.5	30.4
- floating charges	18.8	17.1	20.7
For associates			
- guarantees	5.1	5.5	5.0
For others			
- guarantees and pledges	11.7	12.8	12.4
Other contingencies			
Leasing commitments	21.8	19.3	19.0
Rent liabilities	41.3	40.0	40.6
Other commitments	6.4	4.4	5.8

BUSINESS TRANSACTIONS WITH RELATED PARTIES
(EUR million)

	Q1-Q3/2010	Q1-Q3/2009	2009
Sales to associates	25.5	23.1	34.9
Purchases from associates	21.9	26.2	35.2
Trade and other receivables	1.7	1.8	2.5
Trade and other payables	7.8	9.0	8.5
Severance pay to the CEO	0.0	1.3	1.3

The figures presented in the interim report are unaudited.

Vantaa, 5 November 2010

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, 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 10,000 employees. It had net sales of 2.1 billion euro in 2009.

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