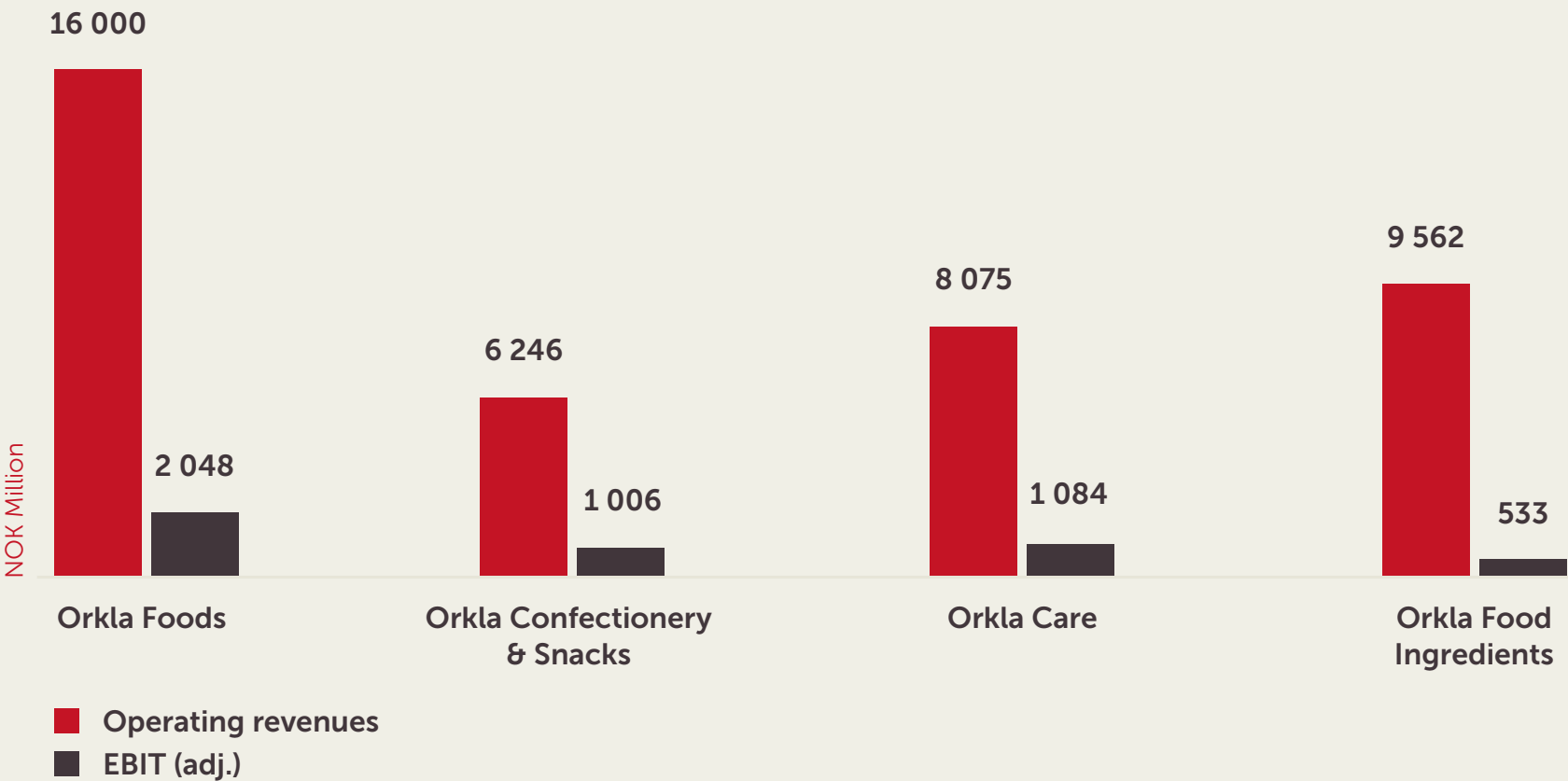


Orkla's business areas

All alternative performance measures (APM) are presented on page 224.

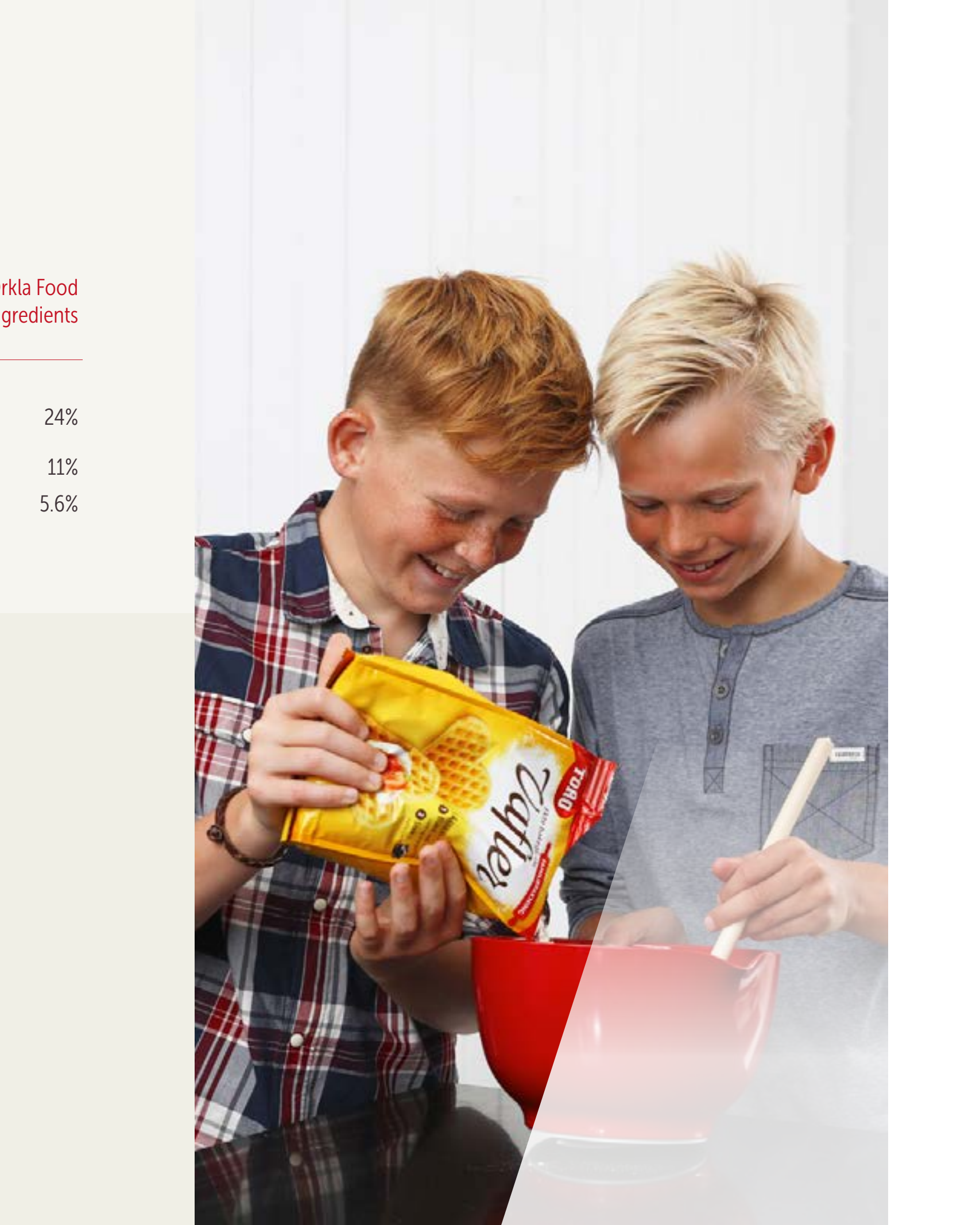
Branded Consumer Goods incl. Headquarters

Operating revenues	Organic growth	Number of employees	EBIT (adj.)	EBIT (adj.) margin	EBIT (adj.) growth
39.6 NOK billion	-0.2%	18 067	4.4 NOK billion	11.1%	+2%
					EBIT (adj.) margin growth -10 bps



Branded Consumer Goods

	Orkla Foods	Orkla Confectionery & Snacks	Orkla Care	Orkla Food Ingredients
Share of BCG operating revenues	40%	16%	20%	24%
Share of BCG EBIT (adj.)	44%	22%	23%	11%
EBIT (adj.) margin	12.8%	16.1%	13.4%	5.6%



Orkla Investments

Jotun* (42.6%)

EBIT

1.4

NOK billion

Hydro Power

EBIT (adj.)

0.4

NOK billion

Financial Investments

Book value real estate

1.9

NOK billion

*On a 100% basis.

Key figures

Operating revenues
NOK 16.0 billion

Organic growth
1.5%

Number of employees
7 644

EBIT (adj.)
NOK 2.0 billion

EBIT (adj.) margin
12.8%

EBIT (adj.) growth
-0% (flat)

EBIT (adj.) margin growth
+10 bps



Orkla Foods

Orkla Foods is the largest business area, accounting for 39 per cent of Orkla's operating revenues.

Orkla Foods offers well-known local branded products to consumers in the Nordics, Baltics, Central Europe and India. The business area holds leading market positions in a number of categories, including frozen pizza, ketchup, soups, sauces, bread toppings and ready-to-eat meals. Orkla Foods primarily sells its products through the grocery retail trade, but also holds strong positions in the out-of-home, convenience store and petrol station sectors. Its many widely known brands include Grandiosa, TORO, Stabburet, Felix, Paulúns, Abba, Kalles, Beauvais, Den Gamle Fabrik, Spilva, Vitana and MTR.



Breakdown of sales revenues by geographical region

● Norway	29%
● Nordics ex. Norway	39%
● Baltics	3%
● Europe other	22%
● World other	6%



Orkla Foods' largest product categories are ready-to-eat dishes, sauces and flavourings, dehydrated casseroles, fish and seafood, pizza, garnish, desserts and between-meal products, bread toppings and beverages.

Key figures

Operating revenues
NOK 6.2 billion

Organic growth
-3.4%

Number of
employees
3 281

EBIT (adj.)
NOK 1.0 billion

EBIT (adj.) margin
16.1%

EBIT (adj.) growth
-4%

EBIT (adj.)
margin growth
-10 bps



Orkla Confectionery & Snacks

Orkla Confectionery & Snacks’s turnover accounts for 15 per cent of Orkla’s operating revenues.

Orkla Confectionery & Snacks is market leader in the confectionery, biscuits and snacks categories, with well-known local brands and tastes that delight consumers in the Nordic and Baltic countries. Its many widely known brands include KiMs, Nidar, Göteborgs Kex, Sætre, OLW, Panda, Laima, Selga, Adazu and Kalev.



Breakdown of Orkla Confectionery & Snacks’ sales revenues by geographical region

● Norway	29%
● Nordics ex. Norway	48%
● Baltics	18%
● Europe other	5%
● World other	1%



The largest categories in Orkla Confectionery & Snacks are snacks, confectionery and biscuits.

Taste hit in Scandinavia

Panda liquorice balls were introduced in Finland, Norway and Denmark in autumn 2018, and will be launched in Sweden in early 2019. This is a good example of the way we collaborate as “One Orkla”, launching a growing number of innovations in several of our markets. What makes Panda liquorice balls distinctive is the balanced taste experience provided by a soft liquorice core coated in chocolate and liquorice or raspberry powder. The packaging reflects the product’s good taste and quality, and has a practical closing function. The liquorice balls meet consumer demand for quality sweets offering a unique taste experience, and the product has been well received by customers and consumers in all the markets.



Key figures

Operating revenues
NOK 8.1 billion

Organic growth
-1.8%

Number of
employees
3 265

EBIT (adj.)
NOK 1.1 billion

EBIT (adj.) margin
13.4%

EBIT (adj.) growth
+1%

EBIT (adj.)
margin growth
-100 bps



Orkla Care

Orkla Care accounts for 20 per cent of Orkla's operating revenues and is organised into seven business units.

The two largest business units are Orkla Home & Personal Care, which holds leading positions in the personal care and cleaning products segments, and Orkla Health, which holds leading positions in the dietary supplement, sports nutrition and weight control segments. Orkla Care also holds leading positions in painting tools (Orkla House Care), wound care (Orkla Wound Care), basic garments sold through the grocery channel (Pierre Robert Group) and professional cleaning products (Lilleborg). HSNG is the Nordic region's leading online retailer within health and sports nutrition. Orkla Care's well-known brands include Möller's, Salvequick, Collett, Nutrilett, Riemann, Maxim, Define, Sunsilk, Blenda, Jif, Sun, Zalo, Jordan and Pierre Robert.



Breakdown of Orkla Care's sales revenues by geographical region

● Norway	40%
● Nordics ex. Norway	34%
● Baltics	1%
● Europe other	19%
● World other	5%



The largest categories in Orkla Care are hygiene, cleaning products, health, textiles, vitamins and dietary supplements.

Scandinavian design with focus on sustainability

Our new Jordan Green Clean toothbrush has been designed with both consumers and the environment in mind. Jordan Green Clean was launched in autumn 2018 in Scandinavia, and has been well received by customers and consumers alike. In 2019, the toothbrush will be launched in more countries, including Finland, Poland, the Netherlands and France, in addition to certain Asian markets. With its modern design, ergonomic handle and quality bristle, Jordan Green Clean combines functionality and sustainable materials, minimising use of resources and giving materials a new life. The toothbrush handle is made of 100 per cent recycled plastic from food containers. The packaging is made of recycled paper fibre from paper-based products. The bristles are 100 per cent bio-based, and the packaging label is made from FSC-certified paper from responsibly managed forests.



Key figures

Operating revenues
NOK 9.6 billion

Organic growth
1.2%

Number of employees
3 543

EBIT (adj.)
NOK 0.5 billion

EBIT (adj.) margin
5.6%

EBIT (adj.) growth
+14%

EBIT (adj.) margin growth
+20 bps



Orkla Food Ingredients

Orkla Food Ingredients accounts for 23 per cent of Orkla’s operating revenues. Orkla Food Ingredients is the leading supplier of bakery ingredients in the Nordic and Baltic regions, in addition to holding growing positions in selected countries in Europe.

The business area has sales and distribution companies in 21 countries. Artisanal and industrial bakeries account for around 66 per cent of sales. Approximately 20 percent are direct-to-consumer sales under well-known brands such as Odense Marcipan, Mors hjemmebakke, Kronjäst, Bakkedal and Naturli’. The remaining 14 per cent of turnover is sales of ice cream ingredients and accessories. A major share of Orkla Food Ingredients’ sales stem from distribution agreements. Due to this factor, and to a substantial share of raw material sales, Orkla Food Ingredients’ operating margin is lower than that of Branded Consumer Goods’ other business areas.



Breakdown of sales revenues by geographical region

● Norway	12%
● Nordics ex. Norway	42%
● Baltics	4%
● Europe other	42%
● World other	1%



The largest categories in Orkla Food Ingredients are yeast, butter blends, plant-based foods, marzipan and margarine.

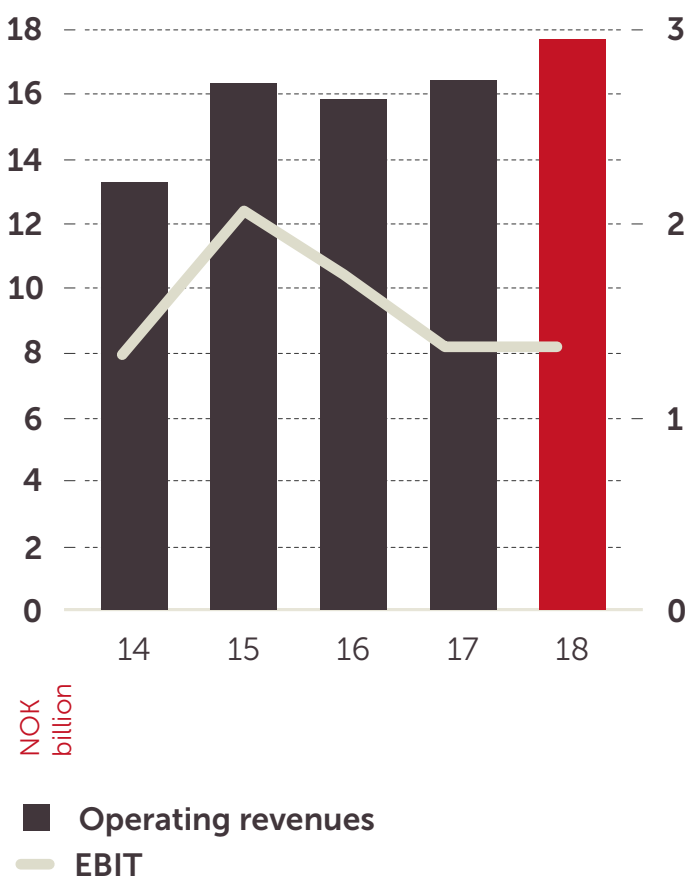
Orkla Investments

Orkla has some investments outside the Branded Consumer Goods business which are organised under Orkla Investments.

The business area Orkla Investments comprises the associate and joint venture company Jotun (42.6 per cent interest). It also includes Hydro Power and Financial Investments.

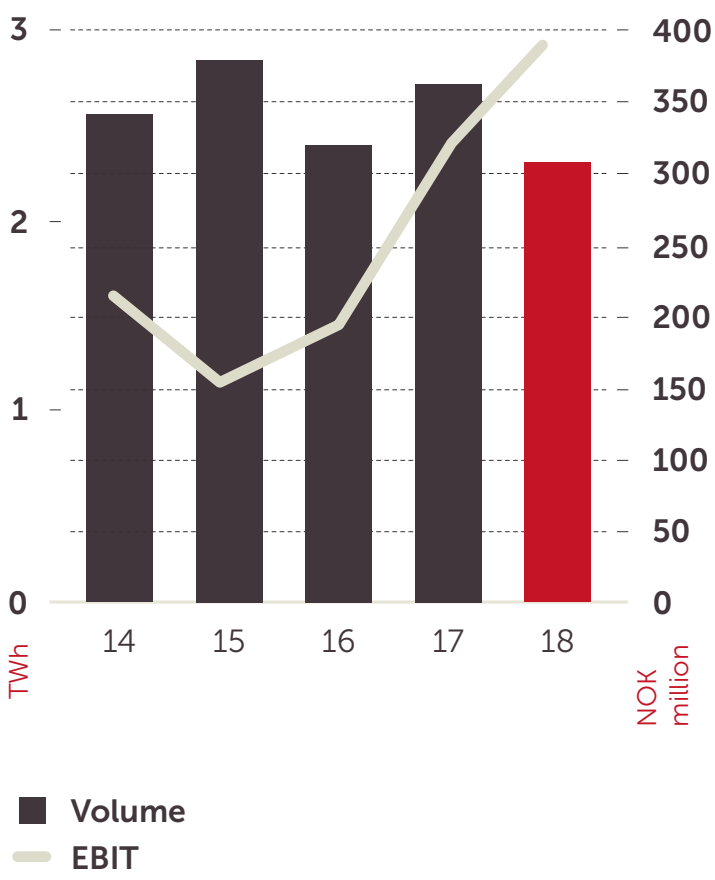
Jotun

Jotun is one of the leading global manufacturers of paint and powder coatings. Jotun's worldwide activities consist of the development, production, marketing and sale of a variety of paint systems, and are organised in the four segments Decorative Paints, Marine Coatings, Protective Coatings and Powder Coatings. The company's main markets are the Middle East, India, Africa, Northeast Asia, Southeast Asia and Scandinavia. Jotun is accounted for using the equity method and presented on the line "Profit from associates and joint ventures" in the consolidated financial statements.



Hydro Power

Hydro Power consists of a wholly owned power plant in Sarpsfoss and leased power plants through Orkla's 85 per cent interest in the Saudefaldene power company. Sauda's power operations are regulated by a lease agreement with Statkraft, which runs until 31 December 2030. The energy operations generate and supply electricity to the Nordic power market, and produce an average annual volume (2011–2018) totalling 2.5 TWh, of which around 1 TWh is a fixed delivery commitment with a net effect of zero on profit.

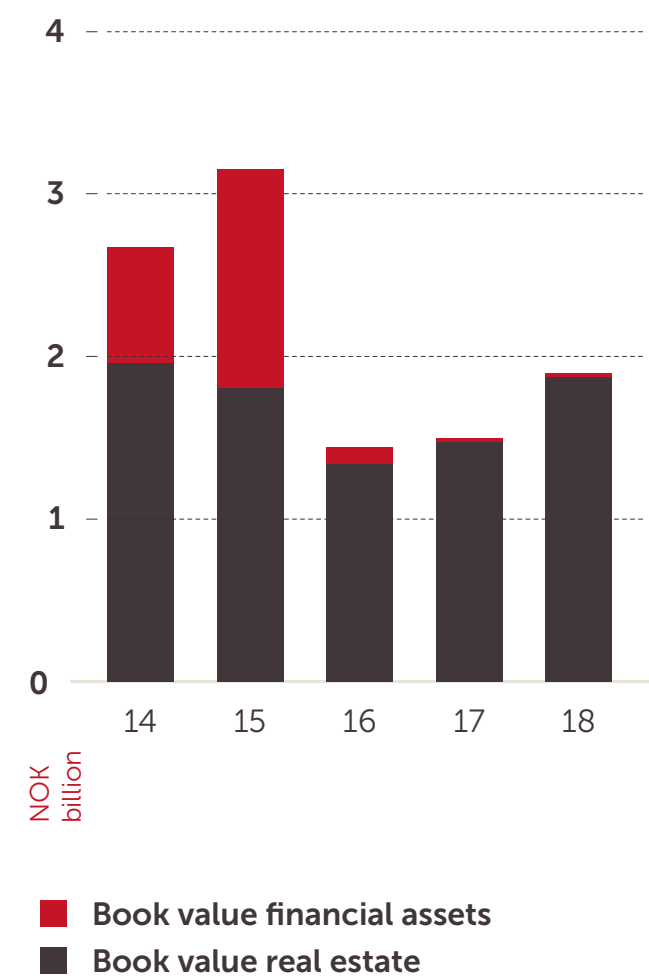


Financial Investments

Financial Investments consists chiefly of Orkla Eiendom (real estate) and Orkla Venture. Orkla Eiendom is responsible for the development of properties freed up as a result of the restructuring of Branded Consumer Goods, and the development of the Group's new headquarters. As at 31 December 2018, Orkla's real estate investments had a book value of NOK 1.9 billion.

Orkla Venture was established in 2017 to reach out to a growing universe of entrepreneurial businesses and start-up companies engaged in innovation outside established companies. Orkla Venture focuses primarily on technology, concepts and business models that might be relevant for Orkla's businesses. Besides offering risk capital, Orkla provides both expertise and collaboration in relevant parts of the value chain. The objective is to create a mutually beneficial collaborative relationship in which more start-up companies succeed, also during the challenging commercialisation phase,

while Orkla is introduced to and adopts new technology and business models. Partnering with the start-up community will be an important part of Orkla's further development.



Gorm's Pizza & Kotipizza

Through its investments in Gorm's and Kotipizza Group, Orkla strengthened its presence in the pizza category in 2018 and acquired a leading position in a growing sales channel. Kotipizza is Finland's best-known pizza brand and the largest pizza restaurant chain in the Nordic region, comprising around 280 restaurants. Gorm's is market leader in the premium pizza restaurant segment in Denmark, and is a strong brand with solid plans for growth in the restaurant, takeaway and catering sectors in Denmark. Orkla already leads the frozen pizza market in the Norwegian and Swedish grocery sector, and holds a strong No. 2 position in the Finnish grocery sector. Gorm's and Kotipizza are reported under Orkla Investments in the financial statements. Kotipizza was consolidated from 2019.

