



Brødrene Hartmann A/S

Interim Report no. 1/2008

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In case of inconsistencies between the Danish and the English version of the report, the Danish version shall take precedence.

The release is available on our website at www.hartmann-packaging.com and is distributed electronically to everyone having signed up for Hartmann's investor service.

Enquiries concerning the present release or investor enquires in general should be addressed to the Investor Relations (p. 20). Questions may also be addressed directly to the Group's CEO, Peter A. Poulsen, on tel. +45 45 97 00 00 or +45 51 51 40 69.

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Developments in brief

Developments in Hartmann's European business within egg and industrial packaging were positive, and the Group posted significant growth in operating result (EBIT). Operations in North America are affected by the unfavourable cross rates between CAD/USD. Consolidated operating result (EBIT) stood at DKK 34 million against DKK 5 million last year.

The Group is making an upward adjustment of DKK 20 million in the revenue forecast for 2008, from approx. DKK 1,460 million to approx. DKK 1,480 million. As a result of general operational improvements and increased activities in the European business the Group is making an isolated upward adjustment of approx. DKK 10 million. The sale of a building and a production line in Malaysia improves earnings by DKK 15 million. The changed market situation of Industrial Packaging has a negative impact on the revenue forecast for 2008 of approx. DKK 38 million (extraordinary restructuring costs and impairment). The total impact of these items is a downward adjustment of the revenue forecast for 2008 from approx. DKK 70 million to approx. DKK 55 million.

Revenue for Q1 2008 came to DKK 416 million, up 9% from the same period last year.

Operating result (EBIT) for Q1 2008 stood at DKK 34 million against DKK 5 million last year. The normalised operating result (EBIT) for Q1 2008 came to DKK 34 million against DKK 19 million last year, up 79%.

Consolidated earnings (EAT) for Q1 2008 came to DKK 16 million against the year-earlier level of DKK -3 million, reflecting an increase of DKK 18 million after allowing for DKK -1 million in effect of discontinued operations in Q1 2007.

Equity at 31 March 2008 came to DKK 226 million, reflecting an improvement of DKK 6 million from the opening level.

Hartmann increases **the revenue forecast for the full year 2008** by DKK 20 million, from approx. DKK 1,460 million to DKK 1,480 million. The revenue growth posted in Q1 has been replaced by a lower revenue level in April than expected.

General operational improvements in Q1 and April: Because of the higher activity level and the strong growth in the European core business in the first three months of the year and a preliminary operating result (EBIT) for April 2008 on a par with expectations, the Group is isolated making an upward adjustment of approx. DKK 10 million of the operating result forecast for the full year.

Changed market situation for Industrial Packaging: Industrial Packaging is a minor business area and posted 15% of the Group revenue in 2007. As announced in stock exchange release no. 8/2008 of 16 May 2008, the largest customer of the business area Industrial Packaging has announced its intention to gradually phase out purchases of Hartmann's moulded-fibre packaging products, starting in 2009 and ending late that year. No revenue effect is expected from this in 2008. The customer in question accounted for approx. 65% of the revenue of Industrial Packaging in 2007.

The knowledge of the declining market potential and the closing down of the industrial packaging activities in North America and Asia have caused

that Hartmann already before the loss of the big customer adjusted forecast for this business area.

However, Management finds that Industrial Packaging still has a customer potential for moulded-fibre packaging solutions that is expected to compensate to some extent for the lost revenue. For that reason Hartmann has in 2007 initiated a sales and development process focused on sales of moulded-fibre packaging to other high-volume segments in Europe. Management believes that there is a potential within the area of food service, such as catering.

As a consequence of the changed market situation, Hartmann intends to accelerate the planned relocation of industrial packaging to its production plant in Hungary. This is expected to involve approx. DKK 8 million in non-recurring costs already in 2008. The relocation is expected to reduce unit costs.

In the Group forecast for 2009 Hartmann has calculated a 30-35% decline of revenue for Industrial Packaging compared with the 2007 level (incl. Asia and North America) and in 2010 a revenue is expected to be 25% of the 2007 level (incl. Asia and North America) based upon a surplus in sale to existing customers. Operating result for 2010 is also expected to be approx. 25% of the 2007 level (normalised).

A scrutiny of the assets of Industrial Packaging indicates that some assets cannot be removed and have no scrap value. For that reason a write-down of approx. DKK 30 million of the value of the assets in Industrial Packaging is forecast for Q2 2008. Although it will affect revenue and equity, the write-down will not affect the cash flow.

Sale of building and production line in Malaysia: The Group's operations in Malaysia and China will be closed down for good in Q2 2008. When the Annual Report 2007 was released, two conditional agreements had been signed for the sale of a

building and a production line. These two agreements have now become final and the effect thereof, totalling approx. DKK 15 million, will be recognised in the result for Q2 2008.

The operating result (EBIT) forecast is adjusted on account of the above developments from the level of DKK 70 million stated in the Annual Report 2007 to approx. DKK 55 million for the full year.

The total effect of the above-mentioned items is expected to have a positive tax effect of approx. DKK 10 million on earnings before tax (EAT) for the year.

Moreover, the closure of the production plants in Asia has resulted in the reclassification in Q2 2008 (from equity to financials) of the amount of DKK 16 million in accumulated exchange losses stated in the Annual Report 2007. The reclassification relates exclusively to the income statement and has no equity or cash flow effect.

Accordingly, **the earnings after tax (EAT) forecast for the year** is changed from approx. DKK 20 million to approx. DKK 0-5 million.

At the Annual General Meeting on 22 April 2008 the Board of Directors was authorised to **increase the company's B-share capital and abolish the system of multiple share classes** conditional upon the organisation of a **capital increase** of a minimum nominal amount of DKK 35,075,460. If the Board decides to exercise the authority, the plan as of now is to arrange a share issue with pre-emptive rights for existing shareholders.

Provided that the subscription price decided upon reflects a certain discount, and taking into account the current listed price of the share, the net proceeds will be in the region of DKK 250 million. This is only an estimate, and it depends upon factors such as a fully subscribed issue.

Financial key figures and ratios

	Q1 2008	Q1 2007	2007
Income statement (DKKm)			
Revenue	415.6	381.0	1,492.0
Operating profit/(loss) before depreciation (EBITDA)	56.8	29.7	113.0
Operating profit/(loss) (EBIT) excl. impairment	34.2	5.1	9.2
Operating profit/(loss) (EBIT)	34.2	5.1	(145.8)
Net financial income and expenses	(12.8)	(8.3)	(51.9)
Profit/(loss) before tax (EBT)	21.4	(3.2)	(197.5)
Profit/(loss) for the period from continuing operations	16.1	(2.3)	(271.1)
Profit/(loss) for the period from discontinued operations	-	(0.7)	(242.3)
Profit/(loss) for the period (EAT)	16.1	(3.0)	(513.4)
Statement of cash flows (DKKm)			
Cash flow from operating activities	12.8	(12.2)	56.1
Cash flow from investing activities	(15.7)	(38.5)	(141.4)
Cash flow from financing activities	(13.1)	(12.7)	73.8
Cash flow from continuing operations	(16.0)	(63.4)	(11.5)
Cash flow from discontinued operations	-	(11.3)	(64.6)
Cash flow in total	(16.0)	(74.7)	(76.0)
Balance sheet (DKKm)			
Assets	1,199.0	1,498.1	1,220.2
Equity	226.1	540.7	220.1
Net interest-bearing debt, excl. South America	587.7	378.0	591.5
<i>Net interest-bearing debt, incl. South America</i>	587.7	492.0	591.5
Net working capital (NWC)	148.0	175.7	112.4
Invested capital (IC)	817.2	1,023.8	810.1
Financial ratios in %			
Operating margin (EBITDA)	13.7	7.8	7.6
EBIT margin	8.2	1.3	(9.8)
Effective tax rate	24.8	28.1	-
Return on invested capital (ROIC)	4.2	0.5	(16.3)
Gearing excl. net interest-bearing debt in South America	259.9	69.9	268.7
<i>Gearing incl. net interest-bearing debt in South America</i>	259.9	90.9	268.7
Return on equity	7.2	(0.6)	(134.4)
Share-related key figures			
Number of shares (less treasury shares)	3,407,545	3,407,545	3,407,545
Earnings per share (EPS) (DKK)	4.7	(0.8)	(149.6)
Cash flow per share (DKK)	3.8	(3.6)	16.5
Book value per share	66.4	158.7	64.6
Listed price per share at year-end (DKK)	146.0	207.0	148.0
Listed price/book value	2.2	1.3	2.3

Development in Group operations in Q1 of 2008

Developments in Hartmann's European business within egg and industrial packaging were positive, and the Group posted significant growth in operating result (EBIT). Operations in North America are affected by the unfavourable development in exchange rates.

Amounts in DKKm

	Q1 2008	Q1 2007	2007
Operating profit/(loss) (EBIT)	34	5	(146)
Impairment of fixed assets Asia	-	-	49
Impairment of fixed assets North America	-	-	115
Non-recurring items, restructuring organisation	-	14	35
Operating profit/(loss) (EBIT) normalised	34	19	53
By divisions:			
Egg Packaging Europe	39	27	69
Egg Packaging North America	(8)	(7)	(28)
Industrial Packaging	13	4	40
Other	(10)	5	(28)
Operating profit/(loss) (EBIT) normalised	34	19	53

Revenue and earnings

The Group posted DKK 416 million in first-quarter revenue, reflecting an increase of 9% from last year. The operating result (EBIT) for Q1 2008 came to DKK 34 million against DKK 5 million in the same period last year.

Hartmann posted an operating result of DKK 34 million in Q1 2008 against a normalised operating result (adjusted for non-recurring costs) of DKK 19 million.

Items under financial income and expense for Q1 2008 totalled DKK -13 million against DKK -8 million in the same period last year due to increased interest payments and exchange rate losses.

Consolidated first-quarter earnings (EAT) for Q1 2008 came to DKK 16 million against DKK -3 million last year, reflecting an increase of DKK 18 million after allowing for discontinued activities, which affected Q1 2007 in an amount of DKK -1 million.

Turnaround: 'Forward to basics'

As stated in the Annual Report 2007, Hartmann has launched several activities in connection with the turnaround process 'Forward to basics'. The purpose of the process has been to stabilise and consolidate the Group's business by means of a partial global withdrawal, a trimming of the organisation and focus on earnings rather than growth. Going forward, the Hartmann Group will maintain focus on a number of activities related to the turnaround plan, including efficiency-raising measures, a trimming of the customer and product portfolio and improved coordination between sales and production.

Capital increase and share classes

At the company's Annual General Meeting on 22 April 2008, the Board of Directors was authorised to increase the company's B-share capital and abolish the system of multiple share classes conditional upon the organisation of a capital increase involving

a minimum nominal amount of DKK 35,075,460. If the Board decides to exercise the authority, the plan is to arrange a share issue with pre-emptive rights for existing shareholders. Provided that the subscription price decided upon reflects a certain discount, and taking into account the current listed price of the share, the net proceeds will be in the region of DKK 250 million. This is only an estimate, and it depends upon factors such as a fully subscribed issue. No decision was made to carry out the issue.

Important Board resolutions

There were no important Board resolutions in the first quarter of 2008 other than those outlined in the present interim report.

Egg Packaging Europe

Growth in revenue and earnings in Europe

Revenue in Q1 2008 totalled DKK 294 million, up 8% from the year-earlier level of DKK 273 million mainly as a result of higher prices, a changed product mix and timing differences in relation to 2007, when Easter was in Q2. Growth was also driven by late 2007 orders for which delivery was not effected until January 2008.

Operating result (EBIT) for Q1 2008 totalled DKK 39 million against DKK 27 million last year. Fixed costs reflected a decline from the year-earlier level, but the improvement in operating result is attributable mainly to an improved contribution margin and higher revenue.

Egg Packaging North America

Revenue was affected by unfavourable developments in exchange rates. Earnings were unchanged from the year-earlier level.

Revenue in Q1 2008 came to DKK 36 million, down 5% from the year-earlier level of DKK 38 million exclusively due to the unfavourable developments in cross rates between CAD/USD and CAD/DKK, as in terms of volume revenue was unchanged from the level attained in Q1 2007.

The operating result (EBIT) for Q1 2008 stood at DKK -2 million against the year-earlier level of DKK -9 million, reflecting a positive effect of DKK 6 million in connection with an intra-group sale of production technology, and for that reason the normalised EBIT came to DKK -8 million against DKK -7 million in the same period last year.

As stated in the Annual Report 2007, purchases of raw materials and other services for the Group's operations in North America are settled in Canadian dollar (CAD), whereas the majority of sales are in American dollar (USD). Accordingly, an increase in the cross rate CAD/USD involves a proportional reduction in income, and that has an adverse effect on the Group's earnings potential. The cross rate has increased from 0.87 at 31 March 2007 to 0.97 at 31 March 2008, and the rate of CAD against DKK declined by approx. 5% during the same period.

As explained in the Annual Report 2007, cover was arranged of CAD/USD for the first four months of 2008 at an unfavourably high level. This had an adverse effect of approx. DKK 3 million on the result achieved in Q1 2008 compared to the year-earlier level.

See p. 11 for more information on Hartmann's foreign exchange risks and the forward cover thereof.

As announced in stock exchange release no. 6/2008, renegotiation of the wage agreement with the labour unions at the production plant in Canada was completed in late April 2008. A new three-year agreement has been signed, and Hartmann considers the negotiated result to be satisfactory.

Industrial Packaging

Revenue growth in Europe. Considerable increase in earnings.

First-quarter revenue in 2008 came to DKK 44 million against DKK 50 million last year, or a decline of 12% in reflection of the closure of the industrial packaging operations in Asia and North America. Europe contributed revenue growth of 5%.

The operating result (EBIT) in Q1 2008 came to DKK 13 million, reflecting an improvement of DKK 9 million from the year-earlier level of DKK -1 million, which was affected by DKK 5 million in non-recurring costs. The main driver of the positive

developments in operating profit was the effect of the turnaround measures initiated in 2007 which resulted in a significant reduction of fixed and variable costs. Moreover, the operating result in Q1 2007 reflected just under DKK -2 million contributed by the discontinued operations in Asia and North America.

As announced in stock exchange release no. 8/2008 of 16 May 2008, the largest customer of Industrial Packaging has announced its intention to gradually phase out purchases of Hartmann's moulded-fibre packaging products, beginning in 2009 and ending late that same year. Information on the effect thereof is found in the section on Hartmann's outlook for 2008 on p. 9.

Other business areas

First-quarter revenue in 2008 came to DKK 42 million against DKK 20 million last year. The increase is mainly driven by sales of technology to external customers.

The operating result (EBIT) in Q1 2008 totalled DKK -16 million against DKK -12 million last year. Besides Hartmann Technology and the combined heat and power plant, the category 'Other business areas' also includes non-income generating corporate functions. The amount in operating result was affected by the elimination of DKK 6 million in gain on an intra-group sale of production technology from Hartmann North America to Europe, causing normalised EBIT to total DKK -10 million against DKK -5 million in the same period last year.

Cash flows and capital resources

The Group's cash flows reflect a positive impact of the significant improvement in first-quarter earnings compared to the same period last year.

Cash flows from operating activities

First-quarter cash flows from operating activities in 2008 totalled DKK 13 million against the year-earlier level of DKK -12 million, reflecting the significant improvement in earnings.

Cash flows from investing activities

Due to less investing activities cash flows from investing activities in Q1 2008 totalled DKK -16 million against DKK -39 million in the same period last year.

Cash flows from financing activities

First-quarter cash flows from financing activities in 2008 totalled DKK -13 million which is on a par with the year-earlier level.

Cash flows from discontinued operations

Cash flows from discontinued operations had a negative impact on Q1 2007 of DKK 11 million.

Capital resources

The Group had a total of DKK 588 million in net interest-bearing debt at 31 March 2008 against DKK 592 million at 31 December 2007.

The Group's financial gearing at 31 March 2008 stood at 260% against the opening level of 269%.

The Group's unutilised bank credit lines amounted to DKK 125 million at 31 March 2008 against DKK 137 million at 31 December 2007. Cash and cash equivalents came to DKK 48 million at 31 March 2008 against DKK 52 million at 31 December 2007, resulting in a total amount in cash resources available to the Group of DKK 173 million at 31 March 2008 against DKK 190 million at 31 December 2007.

It is the opinion of Management that the Group has sufficient capital resources to cover the ongoing financing of current and planned operations.

However, because of the high financial gearing of the Group, major investments or further developments of the Group will require the procurement of additional capital. At the Annual General Meeting on 22 April 2008 it was resolved to authorise the Board of Directors to arrange an increase of the capital of Hartmann as described on p. 5.

Movements in equity

Group equity came to DKK 226 million at 31 March 2008, reflecting an increase of DKK 6 million from the opening level (DKK 220 million at 31 December 2007), primarily as a result of the significant improvement in earnings adjusted for exchange rate adjustments and the revaluation of hedging instruments.

On 31 March 2008, equity in the Parent company Brødrene Hartmann A/S amounted to less than 50% of the nominal capital. As announced earlier the Board of directors is working on the preparation of a share capital increase, which among other things will compensate for this situation.

Outlook in future

The Group is making an upward adjustment of DKK 20 million in the revenue forecast for 2008, from approx. DKK 1,460 million to approx. DKK 1,480 million. As a result of general operational improvements and increased activities in the European business the Group is making an isolated upward adjustment of approx. DKK 10 million. The sale of a building and a production line in Malaysia improves earnings by DKK 15 million. The changed market situation of Industrial Packaging has a negative impact on the revenue forecast for 2008 of approx. DKK 38 million (extraordinary restructuring costs and impairment). The total impact of these items is a downward adjustment of the revenue forecast for 2008 from approx. DKK 70 million to approx. DKK 55 million.

Revenue

Hartmann increases the revenue forecast for the full year 2008 contained in the Annual Report 2007 by DKK 20 million, from approx. DKK 1,460 million to DKK 1,480 million. The revenue growth posted in Q1 has been replaced by a lower revenue level in April than expected.

Operating result (EBIT)

In the Annual Report 2007, Management announced expectations of an operating result (EBIT) of approx. DKK 70 million. Because of the factors outlined below, this outlook is now adjusted. Hartmann now expects an operating result (EBIT) for 2008 in the region of DKK 55 million, which is approx. DKK 15 million below the previous announcement.

General operational improvements in Q1 and April

Because of the higher activity level and strong growth in the European core business in the first three months of the year and a preliminary operating result (EBIT) for April 2008 on a par with expectations, the Group is isolated making an upward adjustment of approx. DKK 10 million of the operating result forecast for the full year.

Changed market situation for Industrial Packaging

Industrial Packaging is a minor business area and posted 15% of the Group revenue in 2007. As announced in stock exchange release no. 8/2008 of 16

May 2008, the largest customer of the business area Industrial Packaging has announced its intention to gradually phase out purchases of Hartmann's moulded-fibre packaging products, starting in 2009 and ending late that year. No revenue effect is expected or forecasted. The customer in question accounted for approx. 65% of the total revenue of Industrial Packaging in 2007.

The knowledge of the declining market potential and the closing down of the industrial packaging activities in North America and Asia have caused that Hartmann also before the loss of the big customer has adjusted forecast for this business area.

However, Management finds that Industrial Packaging still has a customer potential for moulded-fibre packaging solutions that is expected to compensate to some extent for the lost revenue. For that reason Hartmann has in 2007 initiated a sales and development process focused on sales of moulded-fibre packaging to other high-volume segments in Europe. Management believes that there is a potential within the area of food service, such as catering.

In response to the changed market situation, Hartmann intends to accelerate the planned relocation of industrial packaging to its production plant in Hungary. This is expected to involve approx. DKK 8 million in non-recurring reorganisation costs already in 2008. The relocation is expected to reduce unit costs.

In the Group forecast for 2009 Hartmann has calculated a 30-35% decline of revenue for Industrial Packaging compared with the 2007 level (incl. Asia and North America) and in 2010 a revenue is expected to be 25% of the 2007 level (incl. Asia and North America) based upon a surplus in sale to existing customers. Operating result for 2010 is also expected to be approx. 25% of the 2007 level (normalised).

A scrutiny of the assets of Industrial Packaging indicates that some assets cannot be relocated and have no scrap value. For that reason a write-down of approx. DKK 30 million of the value of the assets in Industrial Packaging is forecast for Q2 2008. Although it will affect revenue and equity, the write-down will not affect the cash flow.

Sale of building and production line in Malaysia

The Group's operations in Malaysia and China will be closed down for good in Q2 2008. When the Annual Report 2007 was released, two conditional agreements had been signed for the sale of a building and a production line. These two agreements have now become final and the effect thereof, total-

ling approx. DKK 15 million, will be recognised in the result for Q2 2008

Earnings for the year (EAT)

The total effect of the above-mentioned items is expected to have a positive tax effect of approx. DKK 10 million on earnings before tax (EAT) for the year.

Moreover, the closure of the production plants in Asia will result in the reclassification in Q2 2008 (from equity to financials) of the amount of DKK 16 million in accumulated exchange losses stated in the Annual Report 2007. The reclassification relates exclusively to the income statement and has no equity or cash flow effect.

Accordingly, the earnings after tax (EAT) forecast for the year is changed from approx. DKK 20 million to approx. DKK 0-5 million.

If the Board decides to arrange a share issue, it will have a positive effect on the level of net financial expenses and, thus, also on the consolidated earnings after tax.

Amounts in DKKm	Outlook announced in Annual Report 2007	Revised outlook as at 22 May 2008
Revenue	approx. 1,460	approx. 1,480
Operating profit/(loss) (EBIT)	approx. 70	approx. 55
Profit/(loss) for the year (EAT)	approx. 20	approx. 0-5

Risks

Foreign exchange risks

As announced in Annual Report 2007, the Group's most critical risks still relate to the cross rate CAD/USD. The Group has arranged cover of the primary currencies, apart from EUR, for the full year 2008.

Operational risks

Recycled paper and energy (electricity and gas) constitute the most important raw materials in Hart-

mann's production. Accordingly, fluctuations in prices of paper and energy have a major impact on developments in the Group's results. Whenever possible, Hartmann signs fixed-price contracts for paper and energy. In some countries, national legislation does not allow the signing of fixed-price contracts with energy suppliers. The fixed-price contracts ensure stable prices during the term of the contract, but they do not reduce the effect of price increases in the long term. Whenever possible, the Group tries to obtain compensation for the price increases in sales prices.

Statement by Board of Directors and Executive Board

The Board of Directors and the Executive Board today discussed and approved the Interim Report for the period 1 January – 31 March 2008 of Brødrene Hartmann A/S.

The Interim Report, which is unaudited and has not been reviewed by the Group's auditor, is presented in accordance with IFRS 34 'Interim Financial Reporting' as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies.

In our opinion, the Interim Report gives a true and fair view of the Group's assets and liabilities and

financial position at 31 March 2008 and of the result of the Group's operations and cash flows in the period 1 January – 31 March 2008.

We are furthermore of the opinion that the management's report gives a true and fair review of developments in the Group's operations and financial situation, the result for the period in review and the Group's financial position in general, as well as a description of the material risks and uncertainties affecting it.

Gentofte, 22 May 2008

Executive Board:

Peter Arndrup Poulsen
CEO

Tom Wrensted
CFO

Board of Directors:

Erik Højsholt
Chairman

Walther V. Paulsen
Vice Chairman

Ove Brandt

Niels Hermansen

Michael S. Nielsen

Peter-Ulrik Plesner

Hans Vilhelmsen

Income statement

Amounts in DKKm

	Q1 2008	Q1 2007	2007
Revenue	415.6	381.0	1,492.0
Production costs *	(293.6)	(280.7)	(1,120.8)
Gross profit	122.0	100.3	371.2
Sales and distribution costs	(66.1)	(74.4)	(268.3)
Administrative expenses *	(22.0)	(22.0)	(96.7)
Other operating income	0.3	1.2	3.0
Operating profit/(loss) before impairment	34.2	5.1	9.2
Impairment of fixed assets	-	-	155
Operating profit/(loss) (EBIT)	34.2	5.1	(145.8)
Operating profit after tax in associates	-	-	0.2
Other financial income	0.3	0.5	2.9
Other financial expenses	(13.1)	(8.8)	(54.8)
Profit/(loss) before tax (EBT) from continuing operations	21.4	(3.2)	(197.5)
Tax on the profit for the period from continuing operations	(5.3)	0.9	(73.6)
Profit/(loss) for the period from continuing operations	16.1	(2.3)	(271.1)
Profit/(loss) for the period from discontinued operations **	-	(0.7)	(242.3)
Net profit/(loss) for the period (EAT)	16.1	(3.0)	(513.4)
The profit/(loss) for the period is attributable to:			
Shareholders of Brødrene Hartmann A/S	16.0	(2.7)	(509.7)
Minority interests	0.1	(0.3)	(3.7)
	16.1	(3.0)	(513.4)
Earnings per share			
Earnings per share in DKK (EPS)	4.7	(0.8)	(149.6)
Earnings per share in DKK, diluted (EPS-D)	4.7	(0.8)	(149.6)
Earnings per share in DKK for continuing operations	4.7	(0.9)	(78.5)
Earnings per share in DKK for continuing operations, diluted	4.7	(0.9)	(78.5)
South America			
Revenue	-	50.6	92.0
EBIT	-	3.3	(0.3)
Profit/(loss) for the period from discontinued operations	-	(0.7)	(242.3)

* In 1. Quarter 2007 Production costs, Sales- and distribution costs and Administration expenses was adversely affected by non-recurring items of DKK 7 million, DKK 5 million and DKK 2 million.

** Discontinued operations

Statement of cash flows

Amounts in DKKm			
	Q1 2008	Q1 2007	2007
Profit/(loss) for the period from continuing operations	16.1	(2.3)	(271.1)
Adjustments	39.7	33.9	383.0
Changes in working capital	(28.0)	(30.6)	5.9
Cash flows from operating activities before interest income and expense and similar items	27.8	1.0	117.8
Financial income	0.3	0.5	2.9
Financial expenses	(10.2)	(6.3)	(40.7)
Cash flows from ordinary activities	17.9	(4.8)	80.0
Net income tax paid	(5.1)	(7.4)	(23.9)
Cash flows from operating activities	12.8	(12.2)	56.1
Acquisition of property, plant and equipment	(17.6)	(38.6)	(147.5)
Disposal of property, plant and equipment	1.9	0.1	1.1
Dividend received from associates	-	-	0.3
Public grants received	-	-	4.7
Cash flows from investing activities	(15.7)	(38.5)	(141.4)
Cash flows from operating and investing activities	(2.9)	(50.7)	(85.3)
Repayment of non-current loans	(13.1)	(12.7)	(26.2)
Subordinated loan	-	-	50.0
Long term debt	-	-	50.0
Cash flows from financing activities	(13.1)	(12.7)	73.8
Cash flows from continuing operations	(16.0)	(63.4)	(11.5)
Cash flows from discontinued operations	-	(11.3)	(64.6)
Total cash flows	(16.0)	(74.7)	(76.1)
Cash and cash equivalents at 1 January	(131.1)	(54.5)	(54.5)
Foreign exchange translation differences	1.6	0.2	(0.5)
Cash and cash equivalents at 31 March	(145.5)	(129.0)	(131.1)
Recognition of cash and cash equivalents at 31 March:			
Cash	48.3	175.8	52.3
Cash included in assets held for sale	-	1.5	-
Banks, included in liabilities relating to assets held for sale	-	(82.6)	-
Banks (current liabilities)	(193.8)	(141.8)	(183.4)
Total cash and bank debt	(145.5)	(47.1)	(131.1)

Balance sheet, assets

Amounts in DKKm	Mar. 31, 2008	Mar. 31, 2007	Dec. 31, 2007
<i>Non-current assets</i>			
<i>Intangible assets</i>			
Development projects	0.2	1.2	0.3
Goodwill	10.7	10.7	10.7
Total intangible assets	10.9	11.9	11.0
<i>Property, plant and equipment</i>			
Land and buildings	167.1	153.9	169.4
Technical plant and machinery	451.0	552.3	475.5
Other operating equipment and fixtures	21.5	19.8	19.0
Plant under construction	27.9	58.3	26.1
Total property, plant and equipment	667.5	784.3	690.0
<i>Other non-current assets</i>			
Investments in associates	3.9	4.0	3.9
Deferred tax asset	35.2	93.8	34.3
Total other non-current assets	39.1	97.8	38.2
Total non-current assets	717.5	894.0	739.2
<i>Current assets</i>			
Inventories	105.8	115.3	110.8
Trade receivables	255.1	259.3	273.8
Contract work in progress	14.4	-	4.4
Corporation tax receivables	3.6	9.2	4.5
Other receivables	19.8	48.8	15.2
Prepayment	34.5	23.5	20.0
Cash and cash equivalents	48.3	72.8	52.3
Assets classified as held for sale	-	75.2	-
Total current assets	481.5	604.1	481.0
Total assets	1,199.0	1,498.1	1,220.2

Balance sheet, equity and liabilities

Amounts in DKKm	Mar. 31, 2008	Mar. 31, 2007	Dec. 31, 2007
Equity			
Share capital	70.2	70.2	70.2
Retained earnings	155.9	466.9	149.9
Equity attributable to the shareholders of Brødrene Hartmann A/S	226.1	537.1	220.1
Minority interests	-	3.6	-
Total equity	226.1	540.7	220.1
Non-current liabilities			
Deferred tax	25.6	33.3	24.6
Pension obligations	19.5	19.5	18.4
Mortgages	2.7	4.0	2.7
Bank debt	310.8	329.6	328.0
Other debt	7.3	5.8	2.4
Government grants	14.2	11.4	13.1
Total non-current liabilities	380.1	403.6	389.2
Current liabilities			
Current portion of non-current liabilities	78.7	29.1	79.7
Bank debt	50.0	-	50.0
Subordinated loan	193.8	88	183
Prepayments from customers	-	-	4.0
Trade payables	103.4	123.4	121.9
Payables to associates	3.7	4.5	4.9
Corporation tax	8.2	6.4	4.4
Provisions	0.9	-	0.9
Other payables	154.1	123.8	161.5
Liabilities classified as assets held for sale	-	178.8	-
Total current liabilities	592.8	553.8	610.9
Total liabilities	972.9	957.4	1,000.1
Total equity and liabilities	1,199.0	1,498.1	1,220.2

Statement of recognised income and expenses

Amounts in DKKm	Q1 2008	Q1 2007	2007
Foreign exchange translation differences, foreign subsidiaries	(2.4)	(4.4)	184.4
Foreign exchange translation, equity-like loans to subsidiaries	0.1	0.7	(3.0)
Revaluation on hedging instruments transferred to the income statement (before tax)	(9.8)	0.6	(0.3)
Revaluation on hedging instruments	4.3	4.1	8.7
Actuarial loss on defined-benefit plans	-	(0.1)	(3.0)
Tax on movements in equity	(2.3)	(1.5)	2.4
Profit/(loss) recognised directly in equity	(10.1)	(0.6)	189.2
Profit/(loss) for the period	16.1	(3.0)	(513.4)
Total recognised income and expense for the period	6.0	(3.6)	(324.2)
Attributable to:			
Shareholders of Brødrene Hartmann A/S	6.0	(3.4)	(320.4)
Minority interests	-	(0.2)	(3.8)
Total	6.0	(3.6)	(324.2)

Business segments

Amounts in DKKm

	Q1 2008	Q1 2007	2007
Revenue			
Egg Packaging Europe	294	273	1,043
Egg Packaging North America	36	38	147
Industrial Packaging	44	50	220
Other	42	20	82
Total	416	381	1,492
Operating profit/(loss) (EBIT)			
Egg Packaging Europe	39	27	64
Egg Packaging North America *	- 2	(9)	(29)
Egg Packaging North America incl. impairment *	- 2	9	144
Industrial Packaging	13	(1)	33
Industrial Packaging incl. impairment	13	1	16
Other *	- 16	(12)	(50)
Total	34	5	(146)

* EBIT for 1. Quarter 2008 consist an profit on sales of a production machine to a group company. The profit is eliminated under 'Other'.

Notes

1. Accounting policies

The interim report is presented in accordance with IFRS 34 'Interim Financial Reporting' as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies. The applied accounting policies are the same as those applied in the Annual Report 2007, which contains the policies in full.

2. Accounting judgments and estimates

When presenting an interim report, Management has to make accounting judgments and estimates that affect the application of the accounting policies and the recognised assets, liabilities, income and expenses. The actual values may differ from these judgments. In the presentation of the consolidated interim report, the critical judgments made by Management in the application of the Group's accounting policies, and the considerable uncertainty inherent in judgments related thereto, are identical to those applying to the presentation of the annual report at 31 December.

3. Property, plant and equipment

In Q1 2008, the Group acquired assets representing a total amount of DKK 17.6 million. The acquisitions in Q1 2008 related primarily to the expansion of the production plant in Hungary and the purchase of a warehouse in Croatia, and this is on a par with expectations.

In Q1 2008 no assets were divested which represented significant amounts.

4. Financial risks

Following an agreement with the banks, the Group did not fulfil the financial covenants applying to a lending arrangement in Q1 2008. The Group has been granted an additional credit line totalling DKK 148 million for which the banks have issued a loan approval lasting until 31 March 2009 until further notice. The Group is currently working on a restructuring of its existing bank credit facilities, and the new credit facilities are expected to include a number of financial covenants as well as a margin pricing grid.

5. Subsequent events

As announced previously in the present interim report, the Group's Annual General Meeting on 22 April 2008 resolved to authorise the Board of Directors to increase the B-share capital and abolish the system of multiple share classes. Also, the final agreements have been signed for the sale of a building and a production line in Malaysia in April 2008. Lastly, as announced in stock exchange release no. 8/2008 of 16 May 2008, the largest customer of the business area Industrial Packaging has announced its intention to phase out purchases of Hartmann's moulded-fibre packaging products starting in early 2009 and ending late that same year.

6 Seasonal fluctuations

Group revenue and operating result for Q1 2008 are positively affected by usual seasonal fluctuations.

Investor service

Anyone interested in subscribing to Hartmann's news service may sign up for the service on the Group's website at www.hartmann-packaging.com. Communications from Hartmann will be sent to all subscribers by email at the same time as they are released to the share market.

Developments of the Hartmann share

The opening price listed for the Hartmann share in 2008 was 148, and in late April 2008 it had declined to 145. Trading in the share came to DKK 10 million in the first three months of 2008 and involved 376 transactions, compared to DKK 34 million and 757 transactions in the same period last year.

Financial diary for the rest of 2008

Thursday, 28 August 2008:
Report for Q2 2008

Friday, 29 August 2008:
Investor presentation on IH 2008

Monday, 17 November 2008:
Report for Q3 2008

The Group's website, www.hartmann-packaging.com, contains historical and topical information on Group operations, stock exchange releases, financial statements, investor presentations, etc.

Corporate Governance

Hartmann's Board of Directors and Executive Board find it important to secure efficiency and

transparency in the management of the Group. Whenever possible, Management applies the recommendations for Corporate Governance and is ready to account for any deviations under the principle of 'comply or explain'. The Group's Corporate Governance policy is explained in full in stock exchange release no. 4/2006 of 23 March 2006 and appears with a few additions in the Group's Annual Report 2006 and 2007. A full description is also available on Hartmann's website at www.hartmann-packaging.com

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