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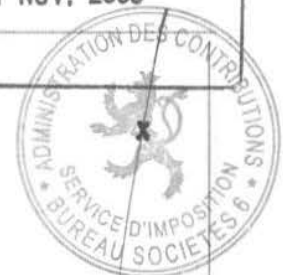
11 NOV. 2009

11 November 2009

References: VCO/CEED/CEAA/Q6909004M-AEDT

Huhtalux Supra S.à r.l – 2003 24 23869

Huhtalux S.à r.l – 2003 24 23850



1. **Key topics:** Interest-free loan, financing activity, share premium reduction

2. **Name of the advisor :** PwC

3. **Corporate group's name, or fund sponsor:** Huhtamäki

4. **Name of the project:** Interest-free loan structure

5. **Amount intended to be invested:** Approximately USD 300 million

6. **Date of implementation:** TBD 11 NOV. 2009

For the attention of Mr Marius Kohl

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Huhtalux Supra S.à r.l – 2003 24 23869
Huhtalux S.à r.l – 2003 24 23850

Interest-free loan structure

Dear Mr Kohl,

In our capacity of tax consultant of Huhtamäki, we discussed in our meetings dated 24 June 2009 and 5 August 2009 the tax treatment applicable to the interest-free loan structure which will be implemented shortly. This letter seeks to confirm the conclusions reached during our meetings and it will serve as a basis for the preparation of the tax returns of the Luxembourg companies involved.



A. Background and facts

1. The group Huhtamäki ("Huhtamäki") is a global consumer and specialty packaging group, headquartered in Finland, which employs approximately 14,000 employees in 59 manufacturing units and several sales offices in 34 countries worldwide. The group's net sales in 2008 amounted to EUR 2.3 billion. The shares of the Finnish head company of the group, Huhtamäki Oyj, are listed on the NASDAQ OMX Helsinki Ltd.
2. As it currently stands, Huhtamäki has two fully taxable Luxembourg resident companies: Huhtalux Supra S.à r.l ("Huhtalux Supra"), 100% held by Huhtamäki Holding Oy (the latter being 100% held by Huhtamäki Oyj) and Huhtalux S.à r.l ("Huhtalux"), 100% held by Huhtalux Supra.

3. Huhtalux and Huhtalux Supra are Luxembourg fully taxable resident companies and Huhtalux Supra has held 100% of Huhtalux uninterrupted since 10 December 2003.
4. Huhtalux and Huhtalux Supra are currently involved in a multicurrency bond financing structure with a Dutch subsidiary of Huhtalux, Huhtaned Capital BV, where the bonds are considered equity from a Luxembourg tax point of view (advance tax agreements dated 13 June 2006, 24 June 2006 and 17 October 2006, prepared by the Luxembourg law firm Loyens Winandy). The accounts of Huhtalux and Huhtalux Supra are currently denominated in EUR.
5. US group companies are currently financed by a Swiss branch of Huhtahung KFT (“KFT”), a Hungarian resident company 100% held by Huhtalux since 3 October 2007. The total of the funds loaned to US group companies by way of a credit facility is approximately USD 300 million, plus accrued interest which is calculated at 4 or 5% plus Libor.
6. Huhtamäki intends to replace the current US financing structure with an interest-free financing structure involving Huhtalux and a newly incorporated Irish tax resident company (“IrishCo”) 100% held by Huhtalux Supra. As part of the restructuring steps, the USD loan plus interest accrued (the “Loan”) currently held by the Swiss Branch will be transferred to Huhtalux.
7. Simplified structure charts of the holding structure both prior to and subsequent to the restructuring are enclosed in **Appendix 1**. A summary of the planned steps for the restructuring is included in **Appendix 2**.

B. Tax analysis

B.1 Transfer of the Loan to Huhtalux by way of a capital reduction of KFT (step 1)

8. As mentioned in **Appendix 2**, KFT will transfer the Loan to Huhtalux by way of a capital reduction of the same amount.
9. To the extent that the value of the Loan received by Huhtalux corresponds to decrease in the value of the participation held by Huhtalux in the Hungarian company, Huhtalux will not realize any income on this transaction.
10. In any case, should an income be realized by Huhtalux, regardless of its qualification for Luxembourg tax purposes (dividend or capital gain), this income will be eligible for the benefits of the participation exemption since all required criteria laid down by article 166 of the Luxembourg Income tax Law (“LITL”) and the Grand-Ducal decree of 21 December 2001 will be met.

11. Huhtalux is a fully taxable Luxembourg resident company and has held 100% of KFT for an uninterrupted period of more than twelve months. A Hungarian KFT is an entity falling under article 2 of the amended version of the Parent / Subsidiary Directive.
12. The acquisition of KFT by Huhtalux was entirely financed by equity, therefore there should be no expenses deducted in the past in relation to this participation. Therefore, the recapture rules should not apply in case an income is realised by Huhtalux on step 1.
13. In the case where the alternative step 1 is implemented, the same tax treatment will apply to the capital reduction by way of distribution of the short-term debt.

B.2 Share premium reduction by Huhtalux in consideration for an interest-free loan (step 2)

14. As mentioned in **Appendix 2**, Huhtalux will reduce its share premium by an amount equal to the value of the Loan. The consideration being left outstanding, Huhtalux Supra will be considered as granting an interest-free loan receivable (the "IFL") to Huhtalux for an equivalent amount.
15. To the extent that the value of the share premium reduction by Huhtalux corresponds to the interest free loan granted by Huhtalux Supra, the transaction will be tax neutral at the level of Huhtalux Supra.
16. Any income at the level of Huhtalux Supra, regardless of its qualification for Luxembourg tax purposes (capital gain or dividend), will benefit from the participation exemption since all the requirements of article 166 of LITL and the Grand-Ducal decree of 21 December 2001 will be met.
17. Moreover, the share premium reduction will not be subject to withholding tax at the level of Huhtalux, taking into account the analysis below.
18. Article 97 (1) LITL lists items that constitute income from movable property (such as dividends and other income attributed because of a participation in the share capital of a company) and that forms part of the income of a taxpayer. Article 146 LITL provides that such income is subject to withholding tax.
19. However, article 97, (3) (b) LITL provides for an exception to the general rule contained in article 97 (1) LITL in stating that the proceeds allocated on reduction of the share capital and corresponding to contributions of the shareholders are not deemed to constitute income from movable property. A reduction of share capital will however be taxable up to the amount of reserves (retained earnings) incorporated into the share capital since reserves are deemed to be distributed first. Furthermore, a reduction of share capital will also be taxable if not motivated by serious economical reasons.

20. According to the Administrative Practice Note n° 113 of October 3, 1985, if a company holds reserves that it does not want to distribute to the shareholders, the reimbursement of share capital is not motivated by serious economical reasons. Legitimate economic reasons would also not be available in cases where the company would have to enter into external borrowings in order to fund the reimbursement of the share capital.
21. Since the share premium, like the share capital, results from external contribution by the shareholders, the reduction of the share premium can be assimilated to a reduction of share capital from an economic and tax point of view. A reduction of share premium is therefore also covered by article 97 (3) b) LITL and hence is out of the scope of article 97 (1) LITL.
22. Any amount distributed by Huhtalux by way of share capital reduction and share premium reduction will be out of the scope of article 97 (1) LITL and will not be subject to withholding tax.

B.3 Contribution by Huhtalux Supra of the IFL to IrishCo in exchange for shares in IrishCo (step 3)

23. As mentioned in **Appendix 2**, Huhtalux Supra will contribute the IFL to the newly incorporated IrishCo in exchange for shares.
24. The incorporation of IrishCo and the contribution of the Loan in exchange for shares will not trigger any tax consequences in Luxembourg.
25. Further to this step, Huhtalux Supra will hold 100% shares in IrishCo.
26. Such participation will be exempt from net wealth tax provided that, in compliance with paragraph 60 of the Luxembourg Valuation Law, as at the time of the computation of Huhtalux Supra's unitary value, Huhtalux Supra still holds shares in IrishCo representing at least 10% of the share capital or having an acquisition cost of at least EUR 1.2 million.
27. Such participation will also benefit from the dividend and capital gains exemption pursuant to the provisions of article 166 LITL and the Grand Ducal decree of December 21, 2001 for the application of article 166 LITL since (1a) IrishCo will be incorporated under the form of a company falling within the scope of article 2 of the EU Parent/Subsidiary Directive and (1b) will be held 100% by Huhtalux Supra and provided that (2) the 12-months holding requirement is met.

B.4 Interest-free loan

Debt treatment

28. Considering the characteristics of the IFL as described in **Appendix 3**, the IFL will be considered as debt for corporate income tax (CIT), municipal business tax (MBT) and net wealth tax purposes.

Deemed interest deduction

29. Huhtalux will be involved in a financing activity (lending financed by borrowings) for an amount of initially approx. USD 300 million. The USD receivables will be financed by equity for the USD equivalent to EUR 1 million.
30. Huhtalux will be entitled to deduct a deemed interest on its interest-free loan from IrishCo that will permit it to realise a profit margin on its financing activity that is in line with the arm's length principle.
31. Considering the amounts involved, Huhtalux will be deemed to realize an appropriate and acceptable market level profit on its on-lending activity with respect to transfer pricing policy and articles 56 and 164(3) LITL provided that a minimum spread of 3/32% is realized on the annual average outstanding amount of the USD loan financed by the IFL.
32. In the case where the principal amount of the USD loan is lower than EUR 187,5 million or exceeds EUR 500 million, the minimum margin should be revised.

Taxable basis for corporate income tax and municipal business tax

33. The taxable basis will therefore consist of:
- A minimum of 3/32% of the annual average outstanding amount of the part of the USD loan financed by the IFL; and
 - income related to the portion of the USD loan financed by equity.
34. This taxable basis will be subject to CIT and MBT at the applicable tax rate.

Yearly cash flows

35. The group intends to repatriate the cash deriving from the interest income in Huhtalux before year-end. This would be done e.g. by way of a dividend payment or a share premium reduction from Huhtalux to Huhtalux Supra, and subsequently, from Huhtalux Supra to Huhtamäki Holding Oy.

36. If the group wishes to re-inject the cash into the structure, Huhtalux Supra may (instead of distributing the cash to Huhtamäki Holding Oy) capitalise IrishCo, which may on-lend this cash to Huhtalux on an interest-free basis.

Net Wealth Tax

37. Huhtalux will be entitled to deduct the nominal value of the IFL plus the notional interest deduction from its unitary value for net wealth tax purposes.
38. Provided that the cash deriving from the interest income in Huhtalux is repatriated before year-end, the taxable basis of Huhtalux for NWT purposes will therefore be composed of the following elements:
- the part of the USD loan financed by equity (USD equivalent to EUR 1 million), and
 - the profit after tax (including the minimum margin defined above, and the income related to the portion of the USD loan financed by equity).

B.5 Foreign exchange considerations

Implementation of the structure

39. Given that all the steps to implement the IFL structure and involving the Luxembourg entities, will happen on the same day, no foreign exchange movements will arise in Huhtalux and Huhtalux Supra.

Functional tax currency

40. USD will be the functional currency of Huhtalux for tax purposes. This implies that the tax returns will be prepared on the basis of the accounts in USD and the net result (if positive) will be converted into EUR by using the year end EUR / USD market rate. As long as all the assets and liabilities are denominated in USD, there should be no foreign exchange to be accounted for in Huhtalux.

We remain at your disposal should you need any further information and would like to thank you for the attention that you will give to our letter.

Yours sincerely,



Valéry Civilio
Partner



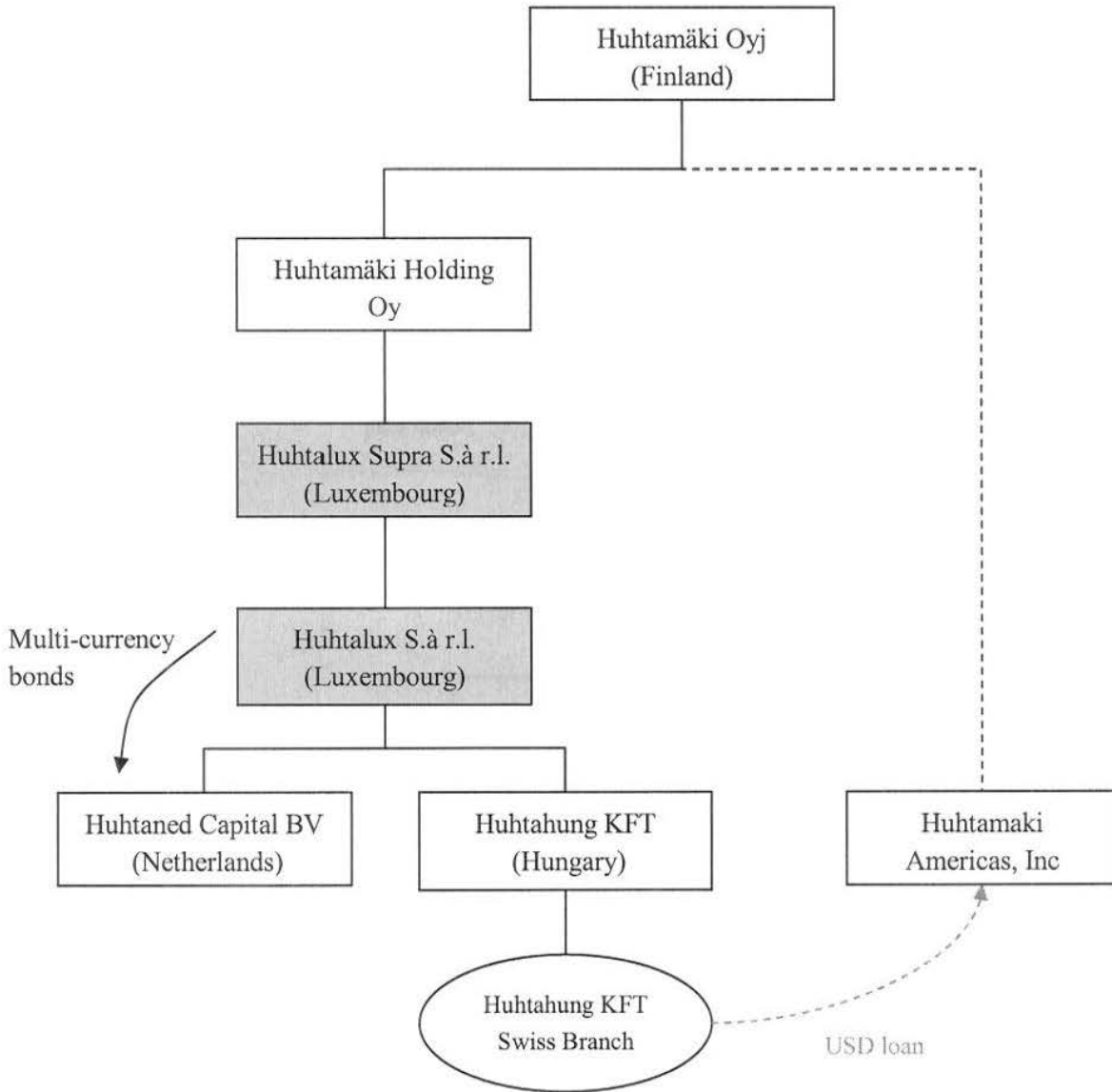
Alice Dessart
Senior Manager

Appendices:

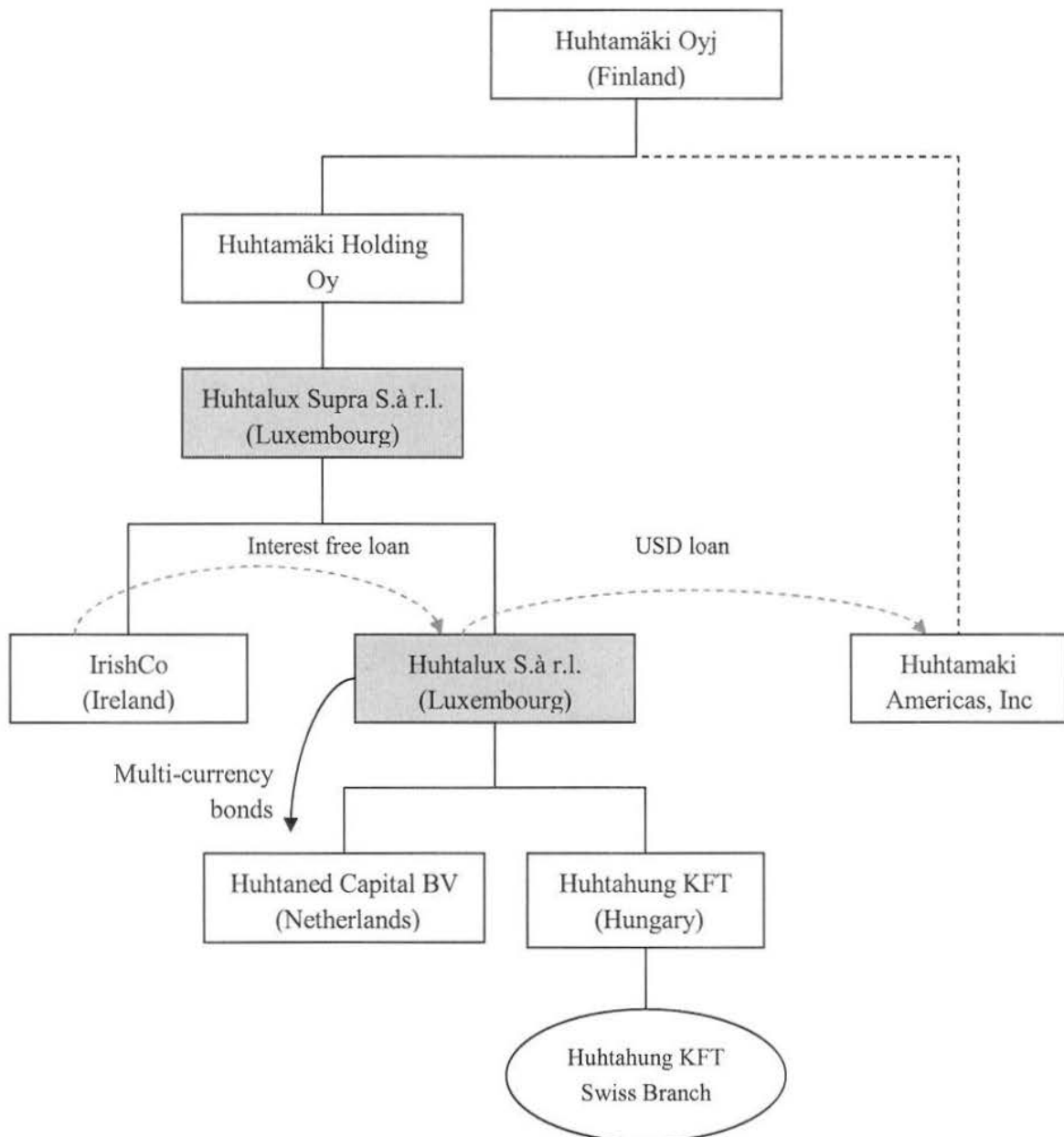
- Appendix 1:** Simplified structure charts
- Appendix 2:** Implementation steps
- Appendix 3:** Characteristics of the interest-free loan

This tax agreement is based on the facts as presented to PricewaterhouseCoopers Sàrl as at the date the advice was given. This tax agreement is dependent on specific facts and circumstances and may not be appropriate to any party other than the one for which it was prepared. This tax agreement was prepared with only the interests of PricewaterhouseCoopers Oy's Client, Huhtamäki Oyj, in mind, and was not planned or carried out in contemplation of any use by any other party. PricewaterhouseCoopers Sàrl, its partners, employees and or agents, neither owe nor accept any duty of care or any responsibility to any other party, whether in contract or in tort (including without limitation, negligence or breach of statutory duty) however arising, and shall not be liable in respect of any loss, damage or expense of whatever nature which is caused to any other party.

A. Simplified pre-reorganization structure



B. Simplified final structure



Implementation Steps

The implementation of the Irish-Luxembourg financing structure will be achieved through the completion of the following steps. The timing of these steps is not defined yet, but it is expected that the structure will be put in place sometimes before year-end or early 2010.

Preliminary step – Huhtahung KFT Swiss Branch (“Swiss Branch”) will re-assign its USD loan receivable (plus interest accrued) (the “Loan”) against Huhtamaki Americas Inc (“US Inc”) to its Hungarian head office, Huhtahung KFT (“KFT”).

Step 1 KFT will transfer the Loan to its Luxembourg parent company, Huhtalux S.à r.l. (“Huhtalux”), by way of a capital (or a share premium) reduction of the same amount.

Given that the process to reduce share capital in Hungary takes several months to complete (a waiting period of approximately 6 months is required), in order to accelerate the implementation of the IFL structure, an alternative step may be envisaged. KFT (or its Swiss Branch) may sell the Loan to Huhtalux against a short-term note bearing interest. After the said waiting period is elapsed, the short-term note and accrued interest thereon will be distributed up to Huhtalux by way of a capital reduction by KFT of the same amount.

Step 2 On the same day as the day on which Huhtalux acquires the Loan, Huhtalux will reduce its share premium by an amount equal to the value of the Loan, less an USD amount equivalent to EUR 1 million using the exchange rate of the day. The consideration for the share premium reduction being left outstanding, Huhtalux Supra will be considered granting an interest-free loan receivable (the "IFL") to Huhtalux for that amount.

Step 3 On the same day, Huhtalux Supra will contribute the IFL to a newly incorporated Irish resident company (“IrishCo”) in exchange for shares.

Further to these steps, Huhtalux will be in an on-lending situation with the USD interest-bearing loan due by US group companies financed by an IFL payable to IrishCo and a portion of equity.

Characteristics of the interest-free loan agreement

The main characteristics of the interest-free loan agreement between IrishCo and Huhtalux are described below. Subject to further agreement of the parties, the interest-free loan agreement may take the form of a facility agreement allowing for a maximum of three drawdowns per year. In addition, depending on the future financing needs of the group, the interest-free agreement may provide that the drawdown may be made in currencies other than USD, however limited to a maximum of three different currencies.

| | |
|---|--|
| Currency | USD |
| Maturity date | 15 years |
| Yield | Yield-free |
| Voting rights | No |
| Limited recourse clause | <p>The borrower shall be liable upon the Loan to the full extent of the underlying investment (USD loan receivables) and no judgment for any deficiency shall be sought by the lender against the company except:</p> <ul style="list-style-type: none"> - for proceeds from the sale of all or any portion of the investment not paid to the lender - for any fraud or material misrepresentation by the borrower - for any breach of the borrower of provisions of the loan agreement |
| Subordination | This Agreement is not subject to subordination and will be pari passu with any other amounts payable or due by Borrower. The loan will not be secured. |
| Conversion into shares of the borrower | No |
| Transfer restrictions | The IFL cannot be assigned outside the Group. |
| Repayment on demand | <p>The IFL will be repayable on IrishCo's demand.</p> <p>The Borrower may repay the IFL in kind, i.e. with the principal of the US loan receivables.</p> |
| Participation in liquidation proceeds | No |



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Administration des contributions directes

Bureau d'imposition
Sociétés 6

For the attention of Valéry Civilio
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Companies involved :

Huhtalux Supra S.à r.l. – 2003 24 23869

Huhtalux S.à r.l. – 2003 24 23850

11 November 2009

Dear Sir,

Further to your letter dated 11 November 2009 and reference VCO/CEED/CEAA/Q6909004M-AEDT relating to the transactions that the group Huhtamäki would like to conduct, I find the contents of said letter to be in compliance with current tax legislation and administrative practice.

It is understood that my above confirmation may only be used within the framework of the transactions contemplated by the abovementioned letter and that the principles described in your letter shall not apply ipso facto to other situations.

Le préposé du bureau
d'imposition Sociétés 6

Marius Kohl



