

A photograph of three people (two women and one man) sitting at a black metal outdoor table in a garden. They are eating and talking. The background features a white wall with an arched doorway and a window, and lush greenery. The scene is bright and sunny.

Q4 Presentation 2014

13 February, 2015

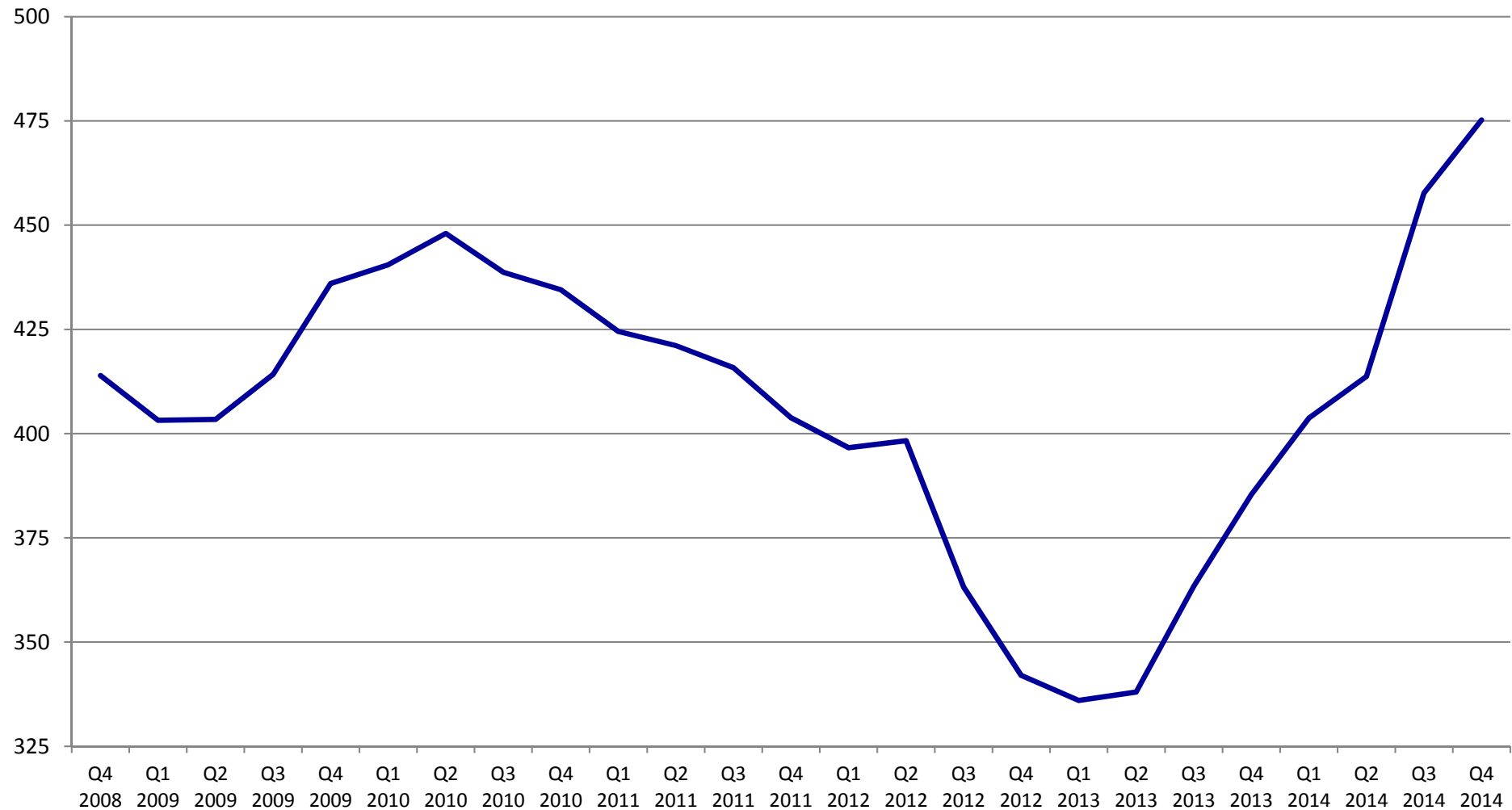
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2014 Q4 Highlights

- Continued profit improvement in all core Business Areas.
 - Russian market and Business Area New Markets negatively influenced by deteriorating Russian ruble and Russian economic downturn.
 - Organic growth in the quarter, although on a slightly lower level compared to the trend for the full year; reflecting weaker macro environment.
- Net sales SEK 1 211 m (1 102)
 - Operating income SEK 169 m (152)
 - Operating margin 14.0% (13.8%)

Operating income (LTM) on highest level since IPO





Market Outlook

Market Outlook

- HoReCa market long-term growing in line or slightly above GDP.
 - Higher growth in take-away, catering and fast food restaurants.
 - Uncertain consumer confidence with negative influence on spending.
- Macro figures show mixed signals.
 - Indicators generally on par with outlook from October; meaning zero or marginal market growth.
 - Low oil price stimulate consumer confidence. Contrary, fundamentals in several European countries still in a challenging position.
 - Albeit low share of Duni sales, Russian crisis negatively influenced local Russian market. Part of European tourism sector negatively influenced during the late part of 2014.
- Pulp on historical high levels in EUR driven by strong USD.
- Downward pressure on plastic prices as a result of low oil prices.

HoReCa Sales Development

- Northern Europe:
 - Scandinavia with positive development, in particular Sweden. Finland negatively influenced by Russian crisis.
- Central Europe:
 - Germany show weaker figures for restaurant sector during the second part of 2014.
- South/East Europe:
 - Increased uncertainty due to the Greek development.





Business Areas



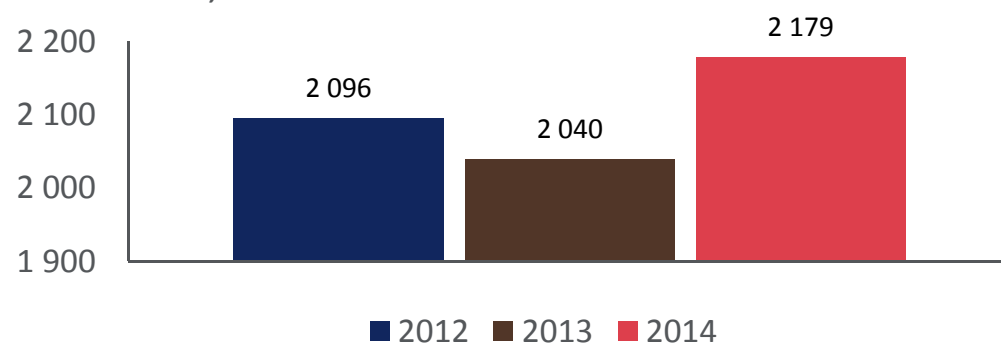
Table Top

Profit margin strengthened throughout the year including quarter four.

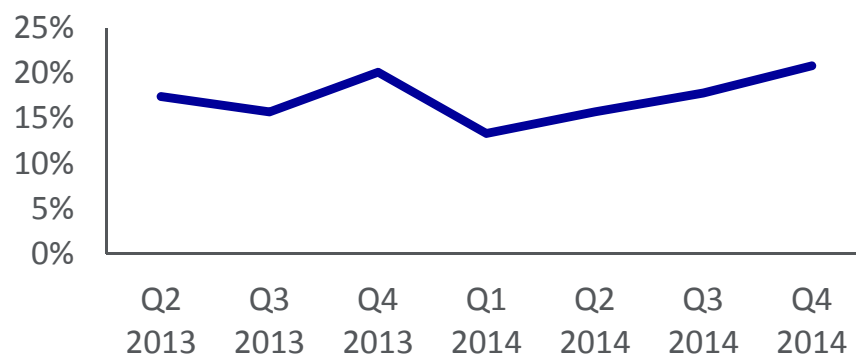
Table Top

SALES & OPERATING MARGIN ¹⁾

NET SALES, SEK m



OPERATING MARGIN, %



1) Operating margin adjusted for fair value allocations and amortization of intangible assets identified in connection with business acquisitions and for restructuring costs and market valuation of derivatives.

Q4, 2014

- Growth for the quarter, but slightly lower compared to average levels in 2014.
- Cost efficiency program in production and sales have contributed to profit margin improvement.
- High volatility in exchange rates in fourth quarter with mainly positive effects, though considerably higher risk and uncertainty going forward.
- Strong USD vs. EUR continue to put pressure on pulp price being on all time high levels in EUR.



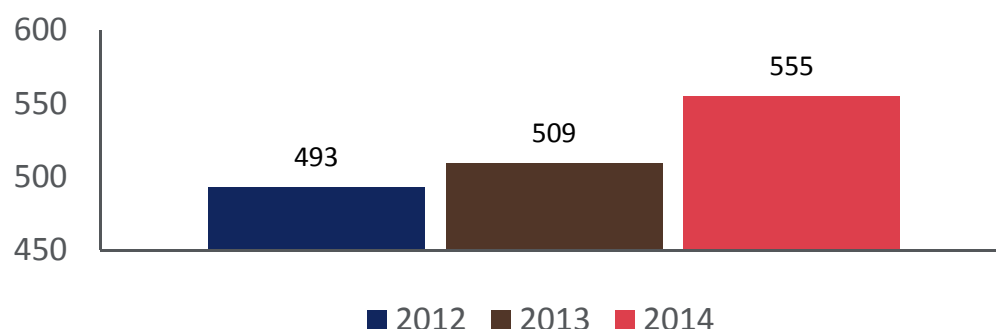
Meal Service

Stable growth in fourth quarter, corresponding to 2014 average growth rate.

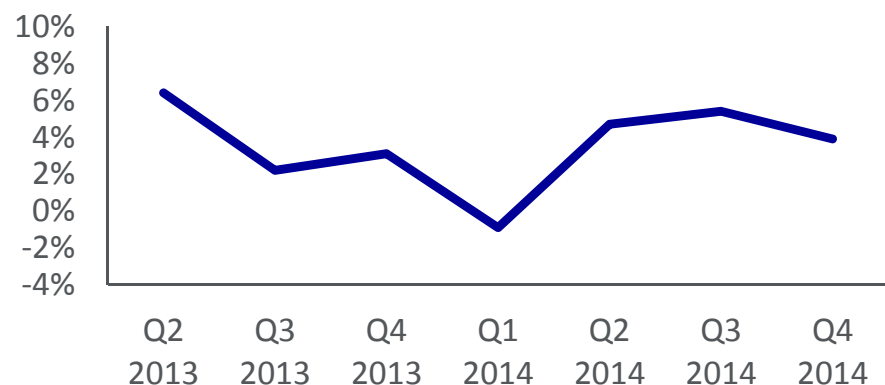
Meal Service

SALES & OPERATING MARGIN ¹⁾

NET SALES, SEK m



OPERATING MARGIN, %



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Q4, 2014

- Broad growth improvement influencing almost all markets and product groups.
- Environmental conscious solutions continue to develop well above average growth levels with high recognition from the market.
- Low oil prices have eased the cost pressure on some input materials, in particular plastic materials. Strong USD works against part of this effect.



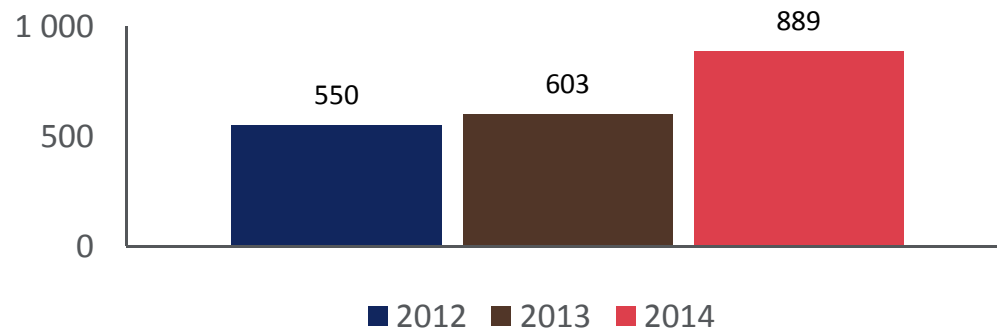
Consumer

Stability compared to previous year, but with contribution from Paper+Design acquisition.

Consumer

SALES & OPERATING MARGIN ¹⁾

NET SALES, SEK m



OPERATING MARGIN, %



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Q4, 2014

- Paper+Design Group continue to be the main explanation for improvements compared to previous year.
- Retail industry show modest growth which is also reflected in Consumer for the fourth quarter.
- Marketing investment to strengthen Duni brand through Designs for Duni®. Focus mainly on the German market.



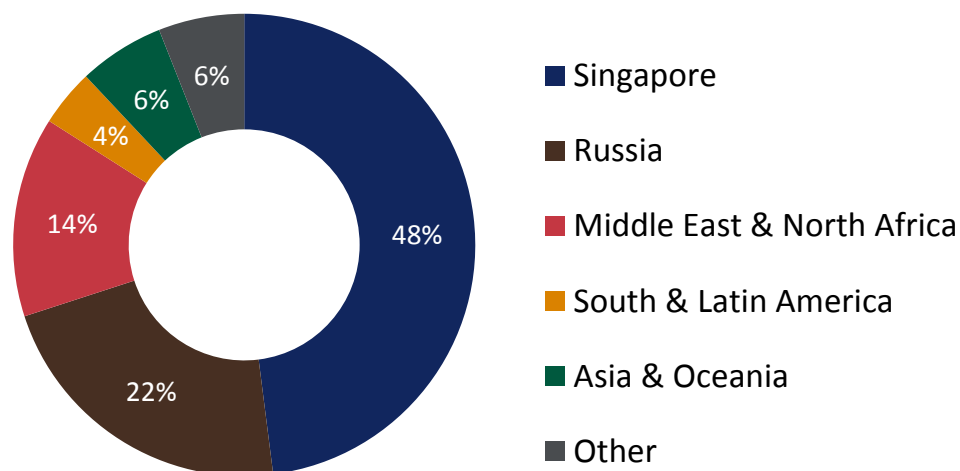


New Markets

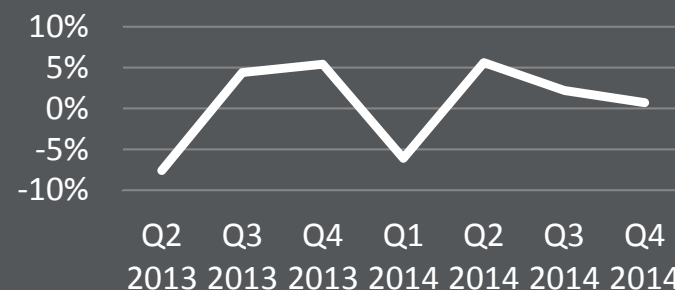
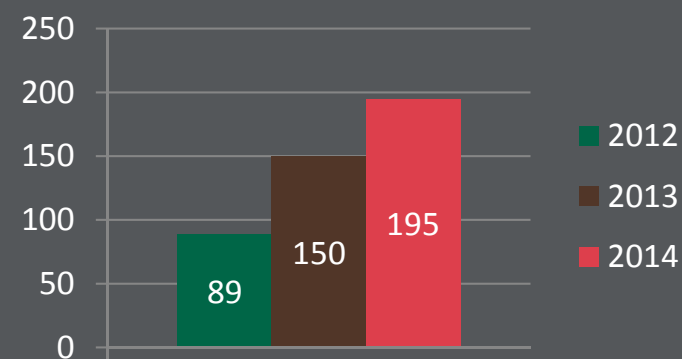
Russian market severely influenced by deteriorating Russian ruble.

New Markets

- Russian crisis influenced fourth quarter negatively with exchange losses and lower gross margins.
- Duni Singapore improved gross margins contributed by higher premium sales.
- Other distributor markets developed positively, especially in Middle-East.



SALES & OPERATING MARGIN ¹⁾



1) Operating margin adjusted for fair value allocations and amortization of intangible assets identified in connection with business acquisitions and for restructuring costs and market valuation of derivatives.





Materials & Services

Hygiene business reaching final phase of production.

The image displays seven black, triangular tarts arranged on a white background. Each tart is topped with a different combination of ingredients: some have blueberries, some have raspberries, and some have a green leaf-like garnish. All tarts are dusted with white powdered sugar. The word "Financials" is written in white text on the bottom right tart.

Financials

Full Year Operating Margin >11%

SEK m	Q4 2014	Q4 2013	2014	2013
Net sales	1 211	1 102	4 249	3 803
Gross profit	358	308	1 158	1 005
Gross margin	29.5%	28.0%	27.2%	26.4%
Selling expenses	-122	-117	-456	-437
Administrative expenses	-57	-48	-211	-173
R & D expenses	-2	-5	-12	-19
Other operating net	-15	1	-24	-8
EBIT	162	140	456	369
Adjustments	-8	-12	-18	-17
Operating income ¹⁾	169	152	475	385
Operating margin	14.0%	13.8%	11.2%	10.1%
Financial net	-10	-2	-19	-19
Taxes	-43	-32	-118	-83
Net income	109	106	319	267
Earnings per share	2.31	2.25	6.80	5.68

1) Operating income adjusted for fair value allocations and amortization of intangible assets identified in connection with business acquisitions and for restructuring costs and market valuation of derivatives.



Strong quarter in Meal Service

SEK m		Q4 2014	Q4 2013	2014	2013
Table Top	Net Sales	604	576	2 179	2 040
	Operating income ¹⁾	126	116	373	339
	Operating margin	20.8%	20.1%	17.1%	16.6%
Meal Service	Net Sales	144	132	555	509
	Operating income ¹⁾	6	4	19	13
	Operating margin	3.9%	3.1%	3.5%	2.5%
Consumer	Net Sales	322	220	889	603
	Operating income ¹⁾	32	27	54	13
	Operating margin	9.9%	12.4%	6.1%	2.2%
New Markets	Net Sales	54	56	195	150
	Operating income ¹⁾	0	3	1	3
	Operating margin	0.7%	5.4%	0.8%	2.2%
Materials & Services	Net Sales	87	118	431	502
	Operating income ¹⁾	6	2	27	17
	Operating margin	6.7%	1.6%	6.3%	3.3%
Duni	Net Sales	1 211	1 102	4 249	3 803
	Operating income ¹⁾	169	152	475	385
	Operating margin	14.0%	13.8%	11.2%	10.1%

1) Operating income adjusted for fair value allocations and amortization of intangible assets identified in connection with business acquisitions and for restructuring costs and market valuation of derivatives.

Cash Flow in line with income development

SEK m	Q4 2014	Q4 2013	2014	2013
EBITDA ¹⁾	203	181	596	503
Capital expenditure	-35	-39	-87	-82
Change in; Inventory	63	61	6	-35
Accounts receivable	36	-6	-8	-4
Accounts payable	-74	53	-28	30
Other operating working capital	47	-20	22	60
Change in working capital	72	88	-8	50
Operating cash flow	240	230	501	471

1) Operating income adjusted for fair value allocations and amortization of intangible assets identified in connection with business acquisitions and for restructuring costs and market valuation of derivatives.

Net Debt/EBITDA at 1.5

SEK m	December 2014	December 2013
Goodwill	1 463	1 249
Tangible and intangible fixed assets	1 162	802
Net financial assets ¹⁾	-1	166
Inventories	503	434
Accounts receivable	743	658
Accounts payable	-341	-348
Other operating assets and liabilities ³⁾	-448	-371
Net assets	3 081	2 590
Net debt	888	491
Equity	2 193	2 099
Equity and net debt	3 081	2 590
ROCE ²⁾	16%	16%
ROCE ²⁾ w/o Goodwill	32%	33%
Net debt / Equity	41%	23%
Net debt / EBITDA ²⁾	1.5	1.0

1) Deferred tax assets and liabilities + Income tax receivables and payables.

2) Operating income adjusted for fair value allocations and amortization of intangible assets identified in connection with business acquisitions and for restructuring costs and market valuation of derivatives.

3) Including restructuring provision and derivatives.

Sales growth

> 5%

Organic growth of 5% over a business cycle

Consider acquisitions to reach new markets or to strengthen current market positions

2014

3.9%

at fixed exchange rates,
excluding hygiene business¹⁾

Operating margin

> 10%

Top line growth – premium focus

Improvements in manufacturing, sourcing and logistics

2014

11.2%

Dividend payout ratio

40+%

Target at least 40% of net profit

2014

4.50 SEK
per share

(proposal)





Thank you!