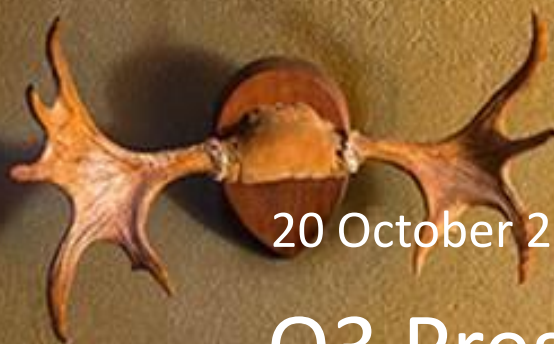


IS NEVER
WASTED WHEN
YOU'RE
WASTED
ALL THE TIME



20 October 2017

Q3 Presentation 2017



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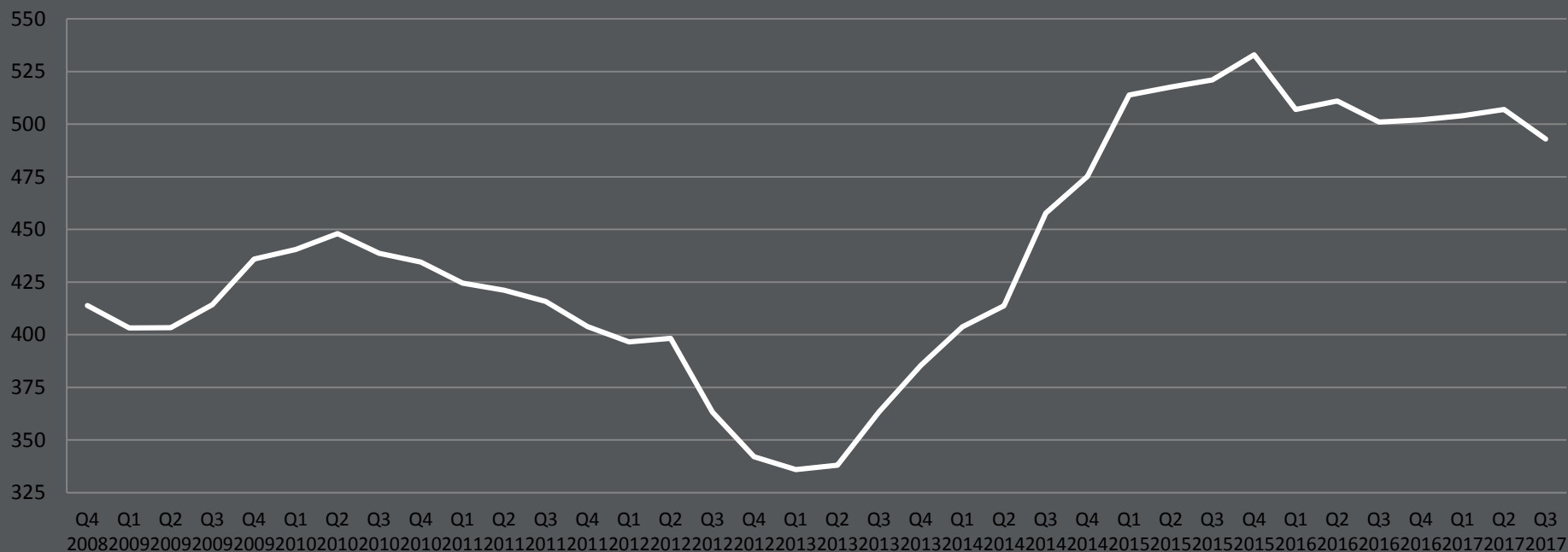
2017 Q3 Highlights

- Operating income slightly down, partly explained by high raw material costs.
- Table Top with growth in majority of the markets. Germany continue to show a positive development.
- Historically high cost for plastics prices and delivery issues triggered a weak quarter for Meal Service.
- Relative good quarter for many markets in Consumer, but weak development in Switzerland, Norway and Finland having negative mix effect on gross margin.
- Asia and Oceania growing with double digit levels, but challenges in Middle East remains. Focus to optimize flows from Europe to Asia and strengthen organization in APAC region.
- Price increases almost fully implemented during the quarter which partly mitigated record high costs for input material in particular in Meal Service.

- Net sales SEK 1 082 m
(1 064)
- Operating income SEK 123 m
(136)
- Operating margin 11.4%
(12.8%)



LTM operating income development



Includes discontinued operations





Business Areas



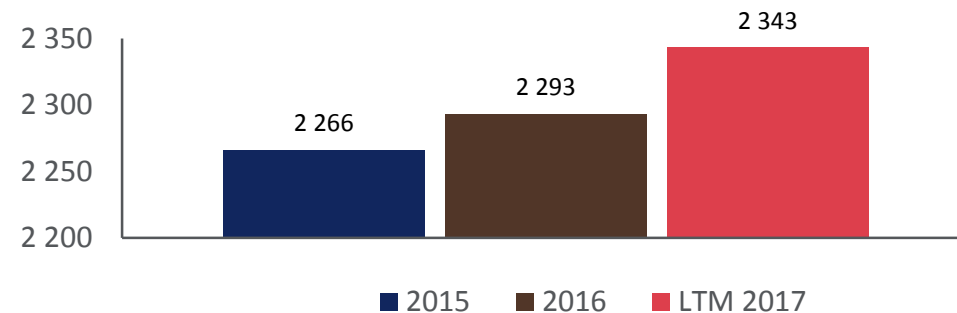
Table Top

Germany continues to
develop positively

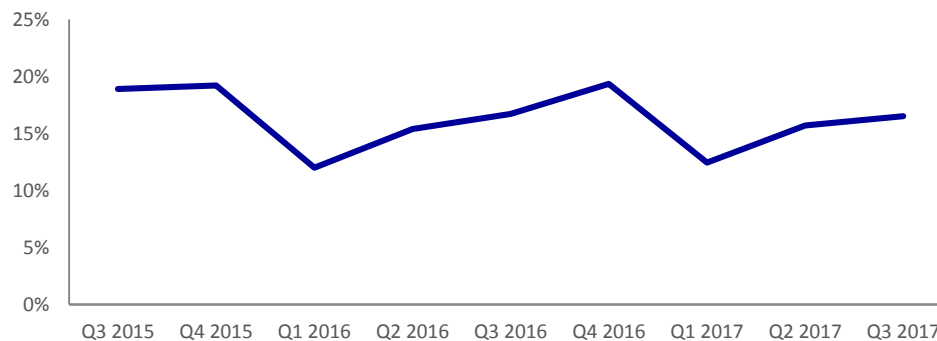
Table Top

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.

Q3, 2017

- Marginally positive growth measured as sales per day.
- Premium napkins together with LED candles driving the growth.
- South region boosted by strong tourist season.
- UK successful in securing additional business, however with lower gross margin due to weaker British pound.
- Price increases now fully implemented.





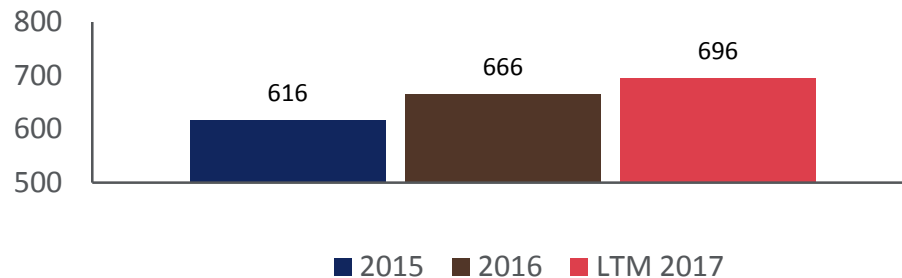
Meal Service

Quarter influenced by high costs for raw materials

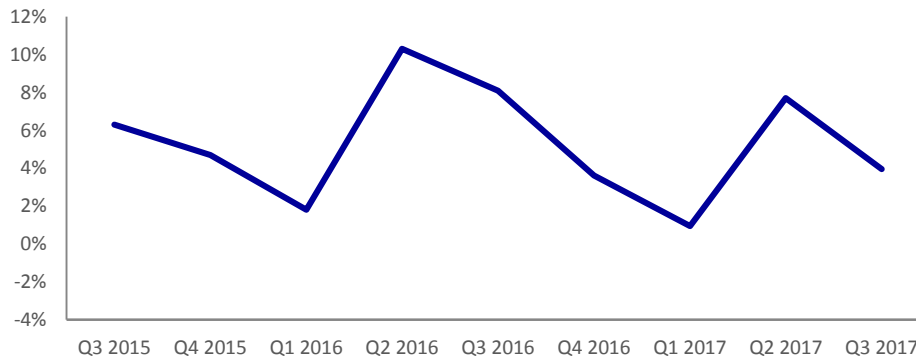
Meal Service

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.

Q3, 2017

- Weak quarter with lower sales growth vs. previous quarters and decline in profit.
- Sales of machines for food packaging significantly down in the quarter. This together with lower sales of standard products main reason for weak quarter.
- Environmentally conscious materials the most important contributor for growth. Duni strengthens its market position.





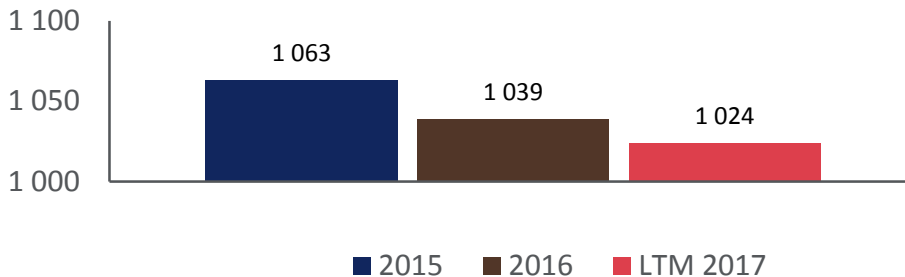
Consumer

Generally stable quarter,
but negative mix effects

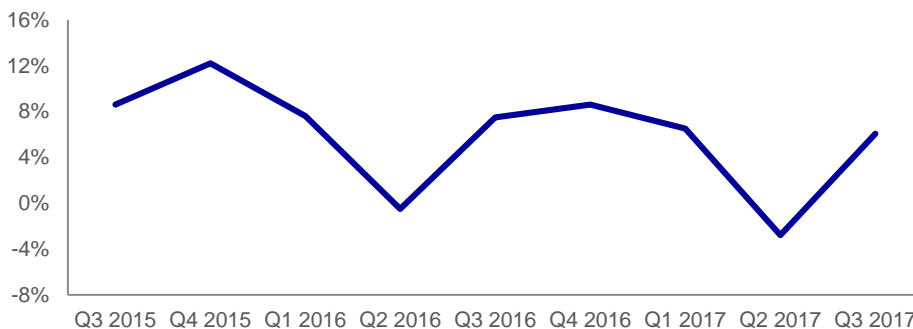
Consumer

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.

Q3, 2017

- Trend of higher share of logistic cost driven by more complex demands from customers.
- Design cooperation with Bernadotte & Kylberg with new launch of Amazonica – an iconic, eco-conscious collection.
- Positive feedback from customers on seasonal assortment.





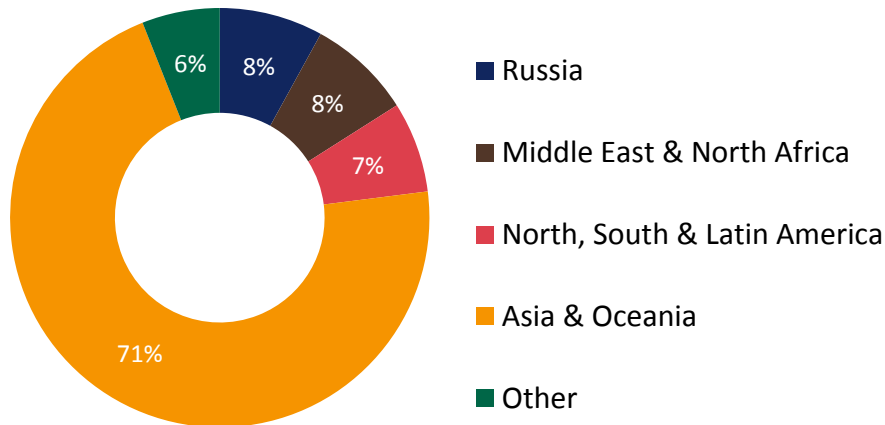
New Markets

Focus on strengthening the organization



New Markets

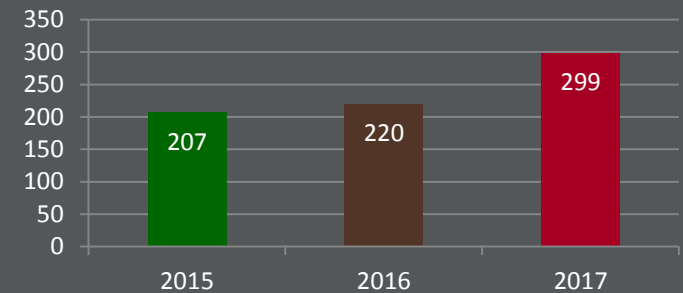
- Focus on optimizing the flows from production units in Europe and APAC region to maximize customer offer at lowest cost.
- Investment in strengthening of the organization key activity for long term profitable growth and securing business opportunities.



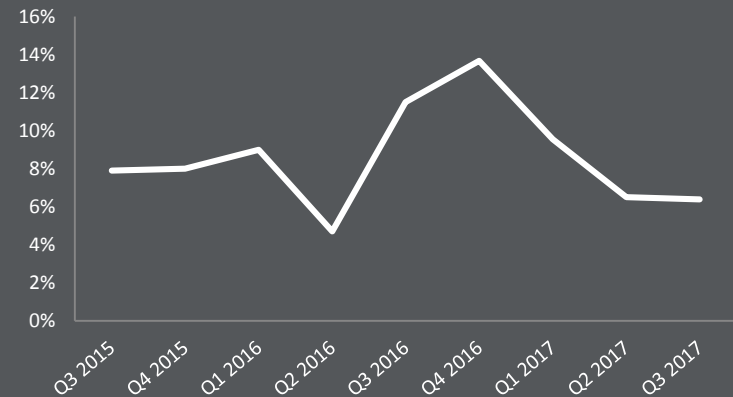
Net sales, geographical split

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.

Financials



Operating income Q3 on 123 MSEK

SEK m	Q3 2017	Q3 2016	YTD 2017	YTD 2016	LTM 2016/ 2017	FY 2016
Net sales	1 082	1 064	3 188	3 037	4 422	4 271
Gross profit	304	313	891	871	1 252	1 231
Gross margin	28.1%	29.4%	28.0%	28.7%	28.3%	28.8%
Selling expenses	-118	-112	-375	-353	-505	-483
Administrative expenses	-61	-60	-188	-178	-255	-245
R & D expenses	-2	-2	-6	-6	-8	-8
Other operating net	-10	-10	-25	-24	-34	-33
EBIT	114	130	297	311	450	463
Adjustments	-9	-6	-25	-20	-44	-38
Operating income ¹⁾	123	136	322	331	493	502
Operating margin	11.4%	12.8%	10.1%	10.9%	11.5%	11.8%
Financial net	-6	-4	-13	-18	-17	-22
Taxes	-27	-32	-72	-73	-107	-107
Net income	80	94	212	220	326	334
Earnings per share	1.68	1.99	4.44	4.68	6.82	7.06

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



Solid growth in Table Top

SEK m		Q3 2017	Q3 2016	YTD 2017	YTD 2016	LTM 2016/ 2017	FY 2016
Table Top	Net Sales	581	579	1 697	1 648	2 343	2 293
	Operating income ¹⁾	96	97	254	244	379	369
	Operating margin	16.5%	16.7%	14.9%	14.8%	16.2%	16.1%
Meal Service	Net Sales	170	167	525	495	696	666
	Operating income ¹⁾	7	13	23	35	29	41
	Operating margin	4.0%	8.1%	4.4%	7.0%	4.2%	6.1%
Consumer	Net Sales	235	247	693	708	1 024	1 039
	Operating income ¹⁾	14	18	25	36	53	65
	Operating margin	6.1%	7.5%	3.6%	5.1%	5.2%	6.2%
New Markets	Net Sales	78	59	226	147	299	220
	Operating income ¹⁾	5	7	17	13	27	23
	Operating margin	6.4%	11.5%	7.4%	8.8%	8.9%	10.4%
Other	Net Sales	18	12	46	39	60	52
	Operating income ¹⁾	1	1	3	3	5	4
Duni total	Net Sales	1 082	1 064	3 188	3 037	4 422	4 271
	Operating income ¹⁾	123	136	322	331	493	502
	Operating margin	11.4%	12.8%	10.1%	10.9%	11.5%	11.8%

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



Capex on high level

SEK m	Q3 2017	Q3 2016	YTD 2017	YTD 2016	LTM 2016/ 2017	FY 2016
EBITDA¹⁾	158	169	426	426	632	632
Capital expenditure	-41	-31	-165	-115	-228	-176
Change in; Inventory	-39	-49	-94	-69	-43	-18
Accounts receivable	-15	-21	-41	-32	-52	-42
Accounts payable	3	26	-25	-40	24	9
Other operating working capital	27	54	22	40	2	20
Change in working capital	-24	11	-138	-101	-69	-32
Operating cash flow	93	149	122	210	336	424

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

Financial position on par with last year

SEK m	September 2017	December 2016	September 2016
Goodwill	1 605	1 577	1 576
Tangible and intangible fixed assets	1 316	1 255	1 243
Net financial assets ¹⁾	-82	-72	-48
Inventories	652	548	602
Accounts receivable	772	730	723
Accounts payable	-346	-373	-323
Other operating assets and liabilities ³⁾	-437	-422	-434
Net assets	3 480	3 243	3 339
Net debt	1 032	757	982
Equity	2 447	2 486	2 357
Equity and net debt	3 480	3 243	3 339
ROCE ²⁾	14%	16%	15%
ROCE ²⁾ w/o Goodwill	27%	31%	30%
Net debt / Equity	42%	31%	42%
Net debt / EBITDA ²⁾	1.63	1.20	1.56

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. Calculated based on the last twelve months.

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

LTM

1.2%

at fixed exchange rates,
excluding hygiene business

Operating margin

> 10%

Top line growth – premium focus

Improvements in manufacturing, sourcing and logistics

LTM

11.5%

Dividend payout ratio

40+%

Target at least 40% of net profit

2016

5.00 SEK
per share





Thank you!

