Press release

Interim Report for Duni AB (publ) 1 January – 30 June 2008

(compared with the same period of the previous year)

30 July 2008

Improved operating margin from 8.0% to 8.9% and continued increase in sales.

1 January – 30 June 2008

- Net sales increased by 4.6% to SEK 1,981 m (1,894).
- Income after tax for the continuing operations amounted to SEK 102 m (3).
- Earnings per share for the continuing operations amounted, after dilution, to SEK 2.17 (0.06).
- Operating income increased by 16.6% to SEK 176 m (151).
- Operating margin increased to 8.9% from 8.0%.
- Income after financial items amounted to SEK 140 m (31).
- Continued stable growth within the Professional business area with operating margin rising from 11.0% to 11.8%.

1 April – 30 June 2008

- Net sales increased by 4.2% to SEK 1,012 m (971).
- Income after tax for the continuing operations amounted to SEK 57 m (34).
- Earnings per share for the continuing operations amounted, after dilution, to SEK 1.21 (0.72).
- Operating income increased by 23.3 % to SEK 90 m (73).

CEO's comments

"During the second quarter of the year, first and foremost our largest business area, Professional, has continued to develop positively with a sales increase of 6.2%. For the Group as a whole, sales increased by 4.2%, primarily driven by an improved mix combined with implemented price increases.

Sales growth was strongest in Southern and Eastern Europe and in Benelux. Continued good development could be noted in Germany for both the Professional and Retail business areas. Also in the Nordic region both business areas reported increased sales and improved profitability, primarily due to a better product mix and price increases. Within the Professional business area, we also benefit from strong growth within the take-away range, where we have noted continued strong growth figures.

Sales for the Retail and Tissue business areas were relatively unchanged during the second quarter compared with last year. As regards Retail, this is in line with what has been communicated previously, i.e. that profitability is prioritised over increased sales. For Tissue, it concerns a small number of large customers where deliveries can vary somewhat between quarters. In addition, we benefited from some extra volumes to certain destinations at the beginning of the year, with final deliveries having taken place in May.

Overall, there has been strong income growth during the quarter, to the largest extent within the Professional business area. The gross margin continued to strengthen, mainly as a consequence of increased sales of premium products such as Duniletto® and Elegance, and we succeeded in compensating for increased raw materials cost by carrying out our own price increases.

Looking forward, it can be noted that the macro economic trend has taken a more negative direction than was the case earlier in the year. For example, in the UK and Spain there are signs of an economic slowdown; however, Duni is not so exposed to these markets and is continuing to gain market shares there. The overall picture for Duni shows a generally healthy demand within our market segments, even if the uncertainty regarding the market development during fall has increased due to the general economic outlook. As the market leader and with the effective operating platform put in place we feel well equipped in the event decreased disposable income should lead to a weakening on our markets", says Duni's CEO, Fredrik von Oelreich.

New Group structure and reporting

During 2006 and at the beginning of 2007, Duni completed the work of concentrating its operations to its core business, in principle corresponding to the former Duni Europe. The American businesses, Duni Corporation and Duni Supply Corporation, were sold in August 2006 and the sale of the flight catering business was completed in March 2007, when Duni AB sold the shares in deSter Holdings B.V. In order to facilitate a relevant comparison between the years, only the new Group structure is reported in full and designated in this report as "continuing operations".

Net sales increased by 4.6%

During the period 1 January – 30 June 2008, net sales were up SEK 87 m compared with the same period of last year, to SEK 1,981 m (1,894). Continuing strong demand for Duni's products, within the Professional and Tissue business areas, as well as implemented price increases, have contributed to the increase in sales.

Exchange rate changes had a positive impact on net sales of 0.8%. Adjusted for exchange rate changes, net sales increased by 3.8% to SEK 1,966 m (1,894).

Net sales for the period 1 April – 30 June 2008 increased by SEK 41 m to SEK 1,012 m (971). Adjusted for exchange rate changes, net sales increased by 3.9% to SEK 1,009 m (971).

Improved income

The improvement in income is largely driven by a strong gross margin. Duni has succeeded in raising prices in order to compensate for increased raw materials costs and to sell a more profitable product mix. The gross margin reached 26.5% (24.9%). Operating income (EBIT) increased to SEK 176 m (151) for the period 1 January– 30 June 2008. The operating margin increased from 8.0% to 8.9%.

Exchange rate changes had a positive impact on operating income of 2.3%. Adjusted for exchange rate changes, operating income increased to SEK 172 m (151).

Income after financial items amounted to SEK 140 m (31). Income after tax amounted to SEK 102 m (3).

Operating income (EBIT) increased to SEK 90 m (73) for the period 1 April – 30 June 2008. The gross margin was 25.7% (24.1%). The operating margin increased from 7.5% to 8.9%. Exchange rate changes had a positive impact on operating income of 1.1%. Adjusted for exchange rate changes, operating income increased to SEK 89 m (73).

Income after financial items amounted to SEK 73 m (60). Income after tax amounted to SEK 57 m (34).

Business area reporting

Duni's operations are divided into three business areas.

The Professional business area (sales to hotels, restaurants and catering companies) accounted for 67% of Duni's net sales during the period 1 January – 30 June 2008.

The Retail business area (primarily focused on sales to the grocery retail trade) accounted for 18% of net sales during the period.

The Tissue business area (airlaid and tissue-based material for table-top product and hygiene applications) accounted for 15% of sales to external customers during the period.

The Professional and Retail business areas have, to a large extent, a common product range. Design and packaging solutions are, however, adapted to suit the different sales channels.

Production and support functions are shared to a large degree by the business areas. Duni has chosen to report the results for the business areas on an EBIT level, after allocation of common costs over the respective business areas.

Professional business area
Net sales for the period 1 January – 30 June increased by 5.7% to SEK 1,333 m (1,261). Germany was one of the markets which performed well during the period. Southern and Eastern Europe continues to grow by double-digit figures.

Operating income increased to SEK 158 m (139). The operating margin was 11.8% (11.0%). The increase in income is due to a more profitable product mix combined with price increases.

Net sales for the period 1 April – 30 June increased by SEK 41 m to SEK 706 m (665). Operating income increased to SEK 89 m (77), with an operating margin of 12.7% (11.6%).

Retail business area
The phasing out of certain unprofitable private label contracts continues to impact sales. However, there is strong growth to existing and new customers in Germany, where Duni's new category approach is successfully being introduced. Net sales for the period 1 January – 30 June 2008 were almost unchanged at SEK 357 m (359).

Operating income improved somewhat to SEK -4 m (-10). The operating margin was -1.2% (-2.8%). The improvement is due to a more profitable product and customer mix.

Net sales for the period 1 April – 30 June amounted to SEK 164 m (163). Operating income improved from SEK -13 m to -8 and the operating margin was -5.0% (-8.0%).

Tissue business area
Net sales for the period 1 January – 30 June 2008 increased by 6.2% to SEK 291 m (274).

Operating income increased to SEK 23 m (22). The business area benefited from strong volumes, primarily during the first quarter. At the same time, rising energy prices have impacted the result. The operating margin was 7.9% (8.0%).

Net sales for the period 1 April – 30 June were SEK 143 m (143). Operating income was SEK 9 m (9) and the operating margin was 6.2% (6.3%).

Cash flow
The Group's cash flow from operations during the period 1 January – 30 June was SEK 73 m (-86). The positive cash flow trend is a consequence of lower interest expenses, in combination with an improved working capital for the continuing operations. However, most of Duni's operating income is generated during the second half of the year, which is expected to lead to a stronger cash flow during that period. Cash flow including investment activities amounted to SEK 10 m (1,070). The same period last year included a cash flow of SEK 1,209 from the divestment of the deSter business area. Duni's net investments in the continuing operations amounted to SEK 65 m (49).

The Group's net interest-bearing debt as per the end of June is SEK 1,155 m, compared with SEK 1,085 m on 31 December 2007. During the period, dividends were paid to the shareholders totalling SEK 85 m.

Operating capital
Commencing 31 December, capital tied up in inventory increased by SEK 56 m to SEK 556 m (500). Accounts receivable increased by SEK 2 m to SEK 548 m (546). Depreciation and write-downs for the period amounted to SEK 50 m (44).

Due to cheaper financing, during the quarter certain factoring contracts in Germany have been terminated. As a consequence, in the coming quarters there will be an increase in net debt and accounts receivable, with a positive impact on the financial net.

Financial net
The financial net for the period was SEK -36 m (-120). External interest expenses are lower than last year thanks to a reduced indebtedness and improved financing terms. A refinancing was carried out in connection with the divestment of the deSter business area in March 2007, and thus the first quarter of last year also includes a write-down of capitalised transaction costs of SEK 31 m. In addition to external interest expenses, the financial net also includes valuation of financial derivatives.

Taxes
As a consequence of the significant improvement in income, the total reported tax cost was SEK 38 m (28). The variation in the tax burden between the quarters is primarily due to prior period adjustments, as well as provisions

for the ongoing tax audit in Germany. There may also be fluctuations between quarters as a result of differences in non-deductible and tax exempt items.

On 1 January 2008, corporate income tax in Germany was reduced, which contributed to a lower tax cost for Duni. During the period, deferred tax claims relating to loss carry-forwards were reduced by SEK 16 m.

Personnel
On 30 June 2008, there were 1,976 (1,967) employees. 898 of the employees were engaged in production. Duni's production units are located in Bramsche in Germany, Poznan in Poland and Bengtsfors in Sweden

Acquisitions
No acquisitions were carried out during the period.

New establishment
No new establishments were made during the period.

Risk factors for Duni
A number of risk factors may affect Duni's operations in terms of both operational and financial risks. Operational risks are normally managed by the respective operating unit and financial risks by the Treasury Department.

Operational risks
Duni is currently exposed to risks which are directly connected to the ongoing business operations. Managing the impact of fluctuations in the prices of raw materials constitutes an important element for maintaining profitability. The development of attractive collections in particular the Christmas collection is fundamental for Duni achieving strong sales and income growth.

Financial risks
Financial risks are primarily risks directly related to exchange rates, interest rates and credit risks. Risk management within Duni is regulated by a finance policy approved by the Board of Directors. The risks for the Group are in all essential respects also relevant to the parent company. Duni's management of financial risks is described in greater detail in the Annual Report as per 31 December 2007.

No material changes have taken place in contingent liabilities since the end of last year.

Transactions with related parties
'Related parties' means Duni Holding AB. No transactions with related parties took place during the second quarter of 2008.

Changes in Board of Directors
At the Annual General Meeting held on 7 May 2008, Peter Nilsson (Chairman), Harry Klagsbrun, Sanna Suvanto Harsaae and Pia Rudengren were re-elected as directors by the shareholders. Anders Bülow and Magnus Yngen were newly elected as directors.

Events since 30 June
No significant events have occurred after the balance sheet date.

Earnings per share
The period's earnings per share for continuing operations, before and after dilution, were SEK 2.17 (0.06).

Interim reporting

Quarter III	29th of October, 2008
Quarter IV	18th of February, 2009

Outlook for 2008
Signs of an economic slowdown are noted on certain markets, but thus far no major impact has been seen regarding demand for Duni's products. The overall picture shows a generally healthy demand within Duni's market segments, even if the uncertainty regarding the market development during fall has increased due to the general economic outlook.

Pulp prices have stabilised somewhat but there is continued pressure on certain other expenses, primarily energy and transportation.

The parent company
Net sales for the period 1 January – 30 June 2008 amounted to SEK 619 m (576). Income after financial items amounted to SEK 41 m (-149). External interest expenses were lower than last year thanks to a lower debt burden and improved financing terms.

Net debt amounted to SEK 899 m, of which a net claim of SEK 242 m is attributable to subsidiaries. Net investments amounted to SEK 11 m (15).

Accounting principles
This interim report has been prepared in accordance with IAS 34 and the Annual Accounts Act. The parent company's financial statements are prepared in accordance with RFR

2.1, Reporting for Legal Entities, and the Annual Accounts Act. The accounting principles applied are those described in the annual report as per 31 December 2007.

Information in the report
The information is such that Duni is obliged to publish pursuant to the Securities Markets Act. The information will be disclosed to the media for publication at 8 AM CET on 30 July.

The interim report will be presented on Wednesday, 30 July at 3 PM CET at a telephone conference which also can be followed via the web. To participate in the telephone conference please dial +46 (0)8 5052 0110. To follow the presentation via the web, please visit this link: http://events.webeventservices.com/duni/2008/07/30/

This report has been prepared in both a Swedish and an English version. In the event of any discrepancy between the two, the Swedish version shall apply.

This report has not been the subject of an audit by the Company's auditors.

Report from the Board and the CEO
The Board and the CEO certify that this report provides a true and fair view of the Group's financial position and results and describes the material risks and uncertainties facing the Group and the companies included in the Group.

Malmö, 29 July 2008

Peter Nilsson, Chairman of the Board

Anders Bülow, Board Member

Harry Klagsbrun, Board Member

Pia Rudengren, Board Member

Sanna Suvanto-Harsaae, Board Member

Magnus Yngen, Board Member

Göran Andreasson, Employee Representative

Per-Åke Halvordsson, Employee Representative

Fredrik von Oelreich, President and CEO

Additional information is provided by:
Fredrik von Oelreich, President and CEO,
Tel.: +46 40 10 62 00
Johan L. Malmqvist, CFO,
Tel.: +46 40 10 62 00
Fredrik Wahrolén, Marketing and Communications Manager,
Tel.:+46 734 19 62 07

Duni AB (publ)
Box 237
201 22 Malmö
Tel.: +46 40 10 62 00
www.duni.com
Registration no: 556536-7488

Consolidated Income Statements

SEK m	6 months January-June 2008	6 months January - June 2007	3 months April-June 2008	3 months April-June 2007	12 months July-June 2007/2008
Net Sales	1 981	1 894	1 012	971	4 072
Cost of goods sold	-1 457	-1 423	-752	-737	-2 982
Gross profit	524	471	260	234	1 090
Selling expenses	-243	-227	-118	-112	-462
Administrative expenses	-100	-98	-54	-47	-211
Research and development expenses	-12	-6	-7	-4	-18
Other operating incomes	36	26	18	14	65
Other operating expenses	-29	-15	-9	-12	-46
Operating income*	176	151	90	73	418
Financial income	2	19	1	5	11
Financial expenses, etc.	-38	-139	-18	-18	-124
Net financial items	-36	-120	-17	-13	-113
Income after financial items	140	31	73	60	305
Income tax	-38	-28	-16	-26	-106
Net income, continuing operations	102	3	57	34	199
Net income, discontinued operations (Note 2)	-	457	-	-	15
Net Income	102	460	57	34	214
Income attributable to:					
Equity holders of the Parent Company	102	460	57	34	214
Minority interests	-	-	-	-	-

	6 months **January-June** **2008**	6 months **January - June** **2007**	3 months **April-June** **2008**	3 months **April-June** **2007**	12 months **July-June** **2007/2008**
Earnings per share, continuing operations, SEK					
Before dilution	2.17	0.06	1.21	0.72	4.23
After dilution	2.17	0.06	1.21	0.72	4.23
Average number of shares before dilution (´000)	46 999	46 999	46 999	46 999	46 999
Average number of shares after dilution (´000)	46 999	47 667	46 999	46 999	46 999
Earnings per share, discontinued operations, SEK					
Before dilution	-	9.72	-	-	0.32
After dilution	-	9.59	-	-	0.32
Average number of shares before dilution (´000)	46 999	46 999	46 999	46 999	46 999
Average number of shares after dilution (´000)	46 999	47 667	46 999	46 999	46 999
Earnings per share, attributable to equity holders of the Parent Company, SEK					
Before dilution	2.17	9.78	1.21	0.72	4.55
After dilution	2.17	9.65	1.21	0.72	4.55
Average number of shares before dilution (´000)	46 999	46 999	46 999	46 999	46 999
Average number of shares after dilution (´000)	46 999	47 667	46 999	46 999	46 999

* Other operating income and expenses include valuation of derivative instruments in accordance with IAS 39.

Consolidated Quarterly Income Statements in brief

SEK m	2008		2007				2006	
Quarter	**Apr-Jun**	**Jan-Mar**	**Oct-Dec**	**Jul-Sep**	**Apr-Jun**	**Jan-Mar**	**Oct-Dec**	**Jul-Sep**
Net Sales	1 012	969	1 124	966	971	923	1 111	886
Cost of goods sold	-752	-705	-808	-716	-737	-686	-834	-661
Gross profit	260	264	316	250	234	237	277	224
Selling expenses	-118	-125	-114	-105	-112	-115	-139	-100
Administrative expenses	-54	-46	-62	-49	-47	-51	-46	-50
Research and development expenses	-7	-5	-3	-3	-4	-2	2	-3
Other operating incomes	18	18	11	18	14	12	37	-1
Other operating expenses	-9	-20	-3	-14	-12	-3	-32	2
Operating income *	90	86	145	97	73	78	100	72
Financial income	1	1	6	3	5	14	15	14
Financial expenses etc.	-18	-20	-51	-35	-18	-121	-76	-96
Net financial items	-17	-19	-45	-32	-13	-107	-62	-83
Income after financial items	73	67	100	65	60	-29	38	-10
Income tax	-16	-22	-42	-27	-26	-2	-18	5
Net income, continuing operations	57	45	58	38	34	-31	20	-5
Net income, discontinued operations (Note 2)	-	-	15	-	-	457	-6	61
Net Income	57	45	73	38	34	426	15	55

* The operating income for 2006 includes restructuring costs amounting to SEK 17 m in Q4 2006 and SEK 2 m in Q3 2006. Other operating income and expenses include valuation of derivative instruments in accordance with IAS 39.

Consolidated Balance Sheets in brief

SEK m	30 June 2008	31 December 2007
ASSETS		
Goodwill	1 199	1 199
Other intangible fixed assets	29	29
Tangible fixed assets	452	433
Financial fixed assets	383	398
Total fixed assets	2 063	2 059
Inventories	556	500
Accounts receivable	548	546
Other operating receivables	196	207
Cash and cash equivalents	128	202
Total current assets	1 428	1 455
TOTAL ASSETS	3 491	3 514
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	1 425	1 416
Long-term loans	1 094	1 092
Other long-term liabilities	223	219
Total long-term liabilities	1 317	1 311
Accounts payable	304	305
Other short-term liabilities	445	482
Total short-term liabilities	749	787
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3 491	3 514

Change in the Group's shareholders' equity

SEK m	Attributable to equity holders of the parent company					Minority interest	Total Equity
	Share capital	Other injected capital.	Reserves	Loss carried forward incl. net income for the period	TOTAL		
Closing balance 31 December 2006	**59**	**1 681**	**28**	**-934**	**834**	**4**	**838**
Exchange rate differences	-	-	6	-	6	-	6
Divested business	-	-	-	-	0	-4	-4
Total transactions reported directly against shareholders' equity	**0**	**0**	**6**	**0**	**6**	**-4**	**2**
Net income for the period	-	-	-	460	460	-	460
Total recognized income and expense	**0**	**0**	**6**	**460**	**466**	**-4**	**462**
Closing balance 30 June 2007	**59**	**1 681**	**34**	**-474**	**1 300**	**0**	**1 300**
Exchange rate differences	-	-	5	-	5	-	5
Total transactions reported directly against shareholders' equity	**0**	**0**	**5**	**0**	**5**	**0**	**5**
Net income for the period	-	-	-	111	111	-	111
Total recognized income and expense	**0**	**0**	**5**	**111**	**116**	**-**	**116**
Closing balance 31 December 2007	**59**	**1 681**	**39**	**-363**	**1 416**	**0**	**1 416**
Exchange rate differences	-	-	-8	-	-8	-	-8
Total transactions reported directly against shareholders' equity	**0**	**0**	**-8**	**0**	**-8**	**0**	**-8**
Dividend paid to shareholders	-	-	-	-85	-85	-	-85
Net income for the period	-	-	-	102	102	-	102
Total recognized income and expense	**0**	**0**	**-8**	**17**	**9**	**0**	**9**
Closing balance 30 June 2008	**59**	**1 681**	**31**	**-346**	**1 425**	**0**	**1 425**

Consolidated Cash Flow Statement

SEK m	1 January – 30 June 2008	1 January – 30 June [1)] 2007
Current operation		
Operating income, continuing operations	176	151
Operating income, discontinued operations	-	465
Adjustment for items not included in cash flow etc	30	-399
Paid interest and tax	-81	-132
Change in working capital	-52	-171
Cash flow from operations	73	-86
Investments		
Acquisition of fixed assets	-68	-63
Sales of fixed assets	3	1
Divested business	-	1 209
Change in interest-bearing receivables	2	9
Cash flow from investments	-63	1 156
Financing		
Taken up loans	50	23
Amortization of debt	-50	-2 400
Dividend paid	-85	0
Change in borrowing	0	1 234
Cash flow from financing	-85	-1 143
Cash flow from the period	-75	-73
Liquid funds, opening balance	202	184
Exchange difference, cash and cash equivalents	1	1
Cash and cash equivalents, closing balance	128	112

1) The cash flow is a mix of continuing and discontinued operations. For further details see note 3, Clarification of operational cash flow for the continuing operations, 1 January – 30 June 2007.

Key ratios in brief

	1 January – 30 June 2008	1 January – 30 June 2007
Net Sales, SEK m	1 981	1 894
Gross Profit, SEK m	524	471
EBIT, SEK m	176	151
EBITDA, SEK m	226	195
Number of Employees	1 976	1 967
Sales growth, %	4.6	7.3
Gross margin, %	26.5	24.9
EBIT margin, %	8.9	8.0
EBITDA margin, %	11.4	10.3

Parent Company Income Statements in brief

SEK m	6 months **January - June** **2008**	6 months **January - June** **2007**
Net Sales	619	576
Cost of goods sold	-547	-534
Gross profit	72	42
Selling expenses	-72	-60
Administrative expenses	-75	-71
Research and development expenses	-6	-1
Other operating incomes	117	63
Other operating expenses	-84	-100
Operating income	-48	-127
Revenue from participations in Group companies	100	77
Other interest revenue and similar income	16	28
Interest expenses and similar expenses	-27	-127
Net financial items	89	-22
Income after financial items	41	-149
Appropriations	-	-
Taxes on income for the period	2	36
Net income for the period	43	-113

Parent Company Balance Sheets in Brief

SEK m	30 June 2008	31 December 2007
ASSETS		
Goodwill	849	899
Other intangible fixed assets	29	28
Tangible fixed assets	65	71
Financial fixed assets	1 082	1 100
Total fixed assets	2 025	2 098
Inventories	132	133
Accounts receivable	139	129
Other operating receivables	569	466
Cash and bank	58	116
Total current assets	898	844
TOTAL ASSETS	2 923	2 942
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity[1)]	1 314	1 304
Long-term financial liabilities	1 253	1 307
Other long-term liabilities	114	113
Total long-term liabilities	1 367	1 420
Accounts payable	55	64
Other short-term liabilities	187	154
Total short-term liabilities	242	218
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	2 923	2 942

1) Shareholders' equity also includes Group contributions from RexCell Tissue & Airlaid AB, which is included in the same tax subject.

Duni's share
As per 30 June 2008 the share capital amounted to SEK 58,748,504 divided into 46,999,032 shares, each with a quotient value of SEK 1.25.

Shareholders
Duni is listed on OMX Nordic Exchange Stockholm under the ticker name "DUNI". Duni's main shareholders are Mellby Gård Investerings AB (29.99%), EQT (16.72%), and Polaris Capital Fund Ltd (8.98%).

Definitions

Cost of goods sold: Cost of goods sold including production and logistic costs.

Gross margin: Gross profit as a percentage of net sales.

EBIT: Operating income.

EBIT margin: EBIT as a percentage of net sales.

EBITA: Operating income adjusted for impairment of intangible assets and amortisation of goodwill.

EBITA margin: EBITA as percent of net sales.

EBITDA: Operating income before total depreciations and impairments.

EBITDA margin: EBITDA as percent of net sales.

Capital employed: Non-interest bearing fixed assets and current assets less non-interest bearing liabilities.

Return on capital employed: Operating income as a percentage of the capital employed.

Return on shareholders' equity: Annual net income as a percentage of shareholders' equity.

Number of employees: The number of employees at end of period.

Currency adjusted: Figures adjusted for changes in exchange rates. Figures for 2007 are calculated at exchange rates for 2006.

Earnings per share: Income for the period divided by the average number of shares.

Net Interest-bearing debt:
Interest-bearing liabilities and pensions less cash and cash equivalents and interest-bearing receivables.

Notes

Note 1. Accounting and valuation principles

Since January 1, 2005, Duni applies International Financial Reporting Standards (IFRS) as adopted by the European Union. For transition effects see notes 45 and 46 in the Annual Report of 30 June 2007.

This interim report has been prepared in accordance with IAS 34, Interim Reporting. The consolidated financial statements have been prepared in accordance with IFRS as adopted by the EU and with the related reference to Chapter 9 of the Annual Accounts Act. The parent company's financial statements are prepared in accordance with RFR 2.1, Reporting for Legal Entities, and the Annual Accounts Act. The accounting principles are the same as in the Annual Report as per 31 December 2007.

Note 2. Divested business

The American businesses, Duni Corporation and Duni Supply Corporation, were sold in August 2006. In November 2007, Duni and Innoware LLC came to a final agreement concerning the purchase price and the arbitration proceedings between them were avoided. The final purchase price was adjusted by SEK 31 m. The effect on cash flow was SEK - 29 m. In connection with this settlement, the provision was adjusted and SEK 15 m was dissolved as an additional capital gain on the sale of Duni Americas.

The sale of deSter Holding B.V. was completed in March 2007.

Note 3. Clarification of operating cash flow for continuing operations 1 January – 30 June 2007

Investments

Duni's total net investments for the period 1 January – 30 June 2007 amounted to SEK 63 m. The net investments in the continuing operations have been SEK 49 m. Net investments in the continuing operations for the rolling twelve months July 2007 – June 2008 amounted to SEK 151 m.

Changes in working capital

The net change in operating working capital, inventory/accounts receivables/accounts payables during the period 1 January – 30 June, 2007 amounted to SEK -126 m. The change involves a net change of SEK -35 m in inventory, a net change of SEK -76 m in accounts receivable, and a net change of SEK -16 m in accounts payable for the continuing operations. The net change in the continuing operations for the rolling twelve months July 2007 – June 2008 amounts to SEK -44 m in inventory, SEK 88 m in accounts receivable and SEK 45 m in accounts payable.

Note 4. Sales development per geographic area

Net Sales - Professional	**Q2 2008**	**Q2 2007**	**Change**	**FY 2007**
Nordic region	176	168	5%	674
Central Europe	402	378	6%	1 537
Southern & Eastern Europe	124	114	9%	412
Rest of the World	4	5	-20%	18
Total	*706*	*665*	6%	*2 641*

Net Sales - Retail	**Q2 2008**	**Q2 2007**	**Change**	**FY 2007**
Nordic region	40	36	11%	168
Central Europe	122	126	-3%	621
Southern & Eastern Europe	2	1	100%	11
Rest of the World	0	0	0%	0
Total	*164*	*163*	1%	*800*