
Q1 2009
Presentation
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2009 Q1 Highlights

- Net sales increased with 3.9% to SEK 1007 m
- Underlying operating profit[1] amounted to SEK 73 m (83)
- Underlying operating margin[1] amounted to 7.2% (8.6%)
- Softer volumes and operating profit in Professional
  - Recession impacting sales in Eastern Europe
  - Growth in Duni FoodSolutions continues
- Healthy development in Retail
  - Focus on profitable customers in Nordics
  - Significant improvement in UK
- Lower Tissue sales with subsequent production stops impacting operating result

[1] Excluding market valuation of derivatives SEK -2 (3) m

Excluding translation effect: net sales SEK 921 SEK, underlying operating profit SEK 58m with underlying operating profit 6.3%

Duni – the European Market Leader for Table Top Solutions

Duni*			
	Table Top		Tissue 13%
	Professional 68%	Retail 19%	

Manufactured	Napkins	Plates	Table coverings
Traded	Candles	Eating & Drinking (glasses, cups, plates, cutlery)	Meal service

Key financials

Full year 2008

- Sales: SEK 4.1 billion (+2.9%)
- EBIT: SEK 414 million (395) [1]
- EBIT margin: 10.1% (9.9%) [1]

Jan – March 2009

- Sales: SEK 1.0 billion (+3.9%)
- EBIT: SEK 73 million (83) [2]
- EBIT margin: 7.2% (8.6%) [2]

[1] Excluding restructuring costs SEK -41 (0) m and market valuation of derivatives SEK -48 (-1) m
[2] Excluding market valuation of derivatives SEK -2 (3) m
* Sales' split 2008

Market Outlook

HORECA market growing in line or slightly above GDP

- Positive eating out trend
- Continued strong growth in take-away sector

Retail growth in line with GDP

- Private label over-represented in our category
- Discount stores and private label more in focus in a weaker economy

Higher uncertainty

- GDP forecasts revised downwards
- More countries entering recession

Raw material prices and costs of certain traded goods have stabilized at lower levels

- Energy
- Transport
- Pulp (USD/SEK)
- Plastic

Horeca Market in Germany
- January 2009

Gastgewerbeumsatz Veränderung gegenüber dem jeweiligen Vorjahreszeitraum in %		
	01/09 zu 01/08	
Wirtschaftsbereich	**nominal**	**real**
Gastgewerbe insgesamt	-3,2%	-5,2%
Davon:		
Beherbergungsgewerbe	-4,4%	-5,9%
Gastronomie	-2,5%	-4,8%
Darunter:		
Caterer und sonstige Verpflegungsdienstleistungen	-4,1%	-6,8%
Quelle: Statistisches Bundesamt		

www.destatis.de

Hotel Sector France
- January to February 2009

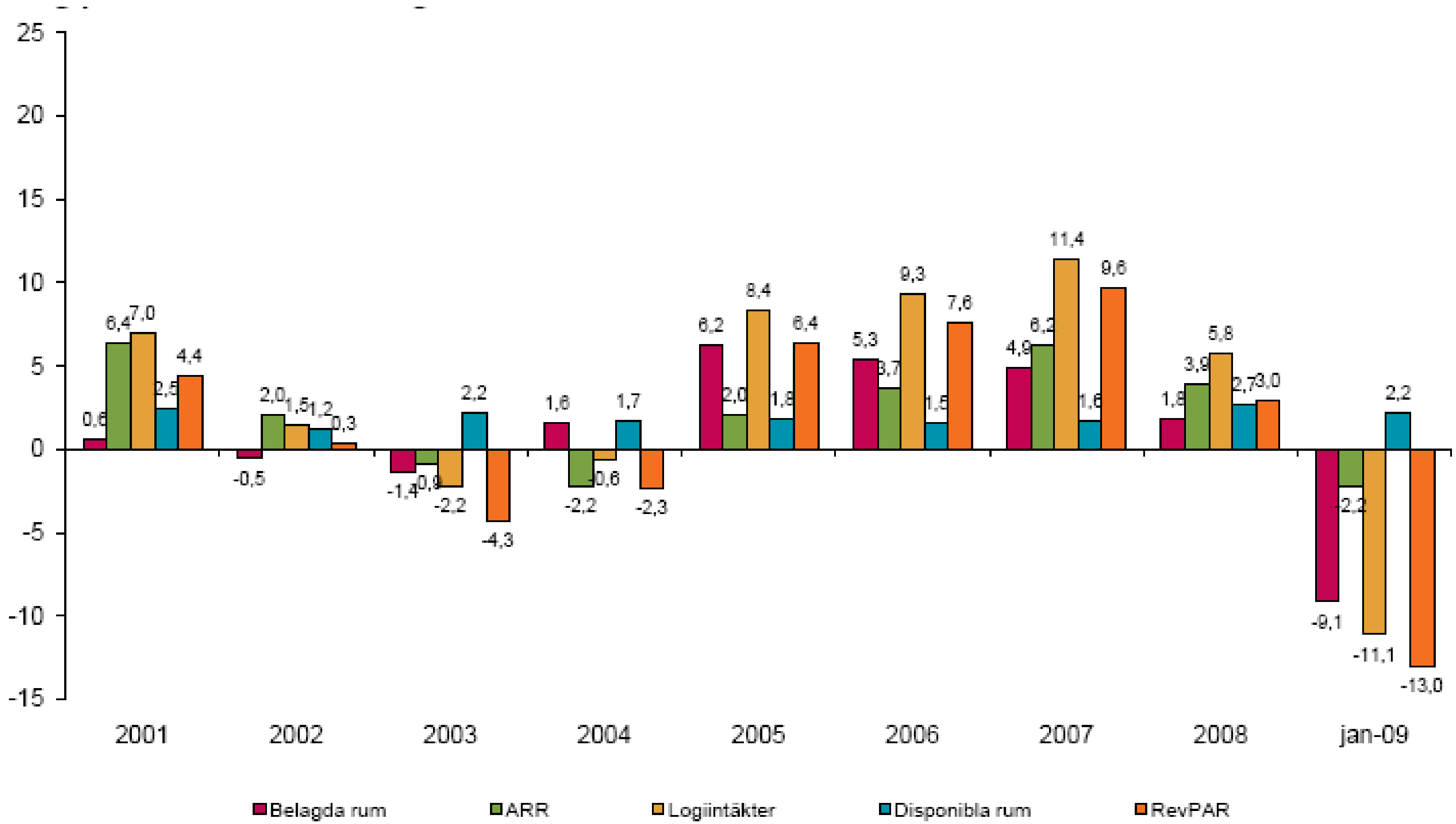
Accumulated data

February	<u>4 *</u>	<u>3 *</u>	<u>2 *</u> (class of hotel)
Occupation rate 2009	52,3 %	53,5 %	57 %
Var./n-1	-12,8 %	-7,1 %	-4,8 %
Average revenue 2009	196 €	95 €	62 €
Var./n-1	-9,5 %	0,7 %	4,7 %
RevPAR 2009	102 €	51 €	35 €
Var./n-1	-21 %	-6,5 %	-0,3 %

Source: jeudi 2 avril 2009-source : hotellerie restauration

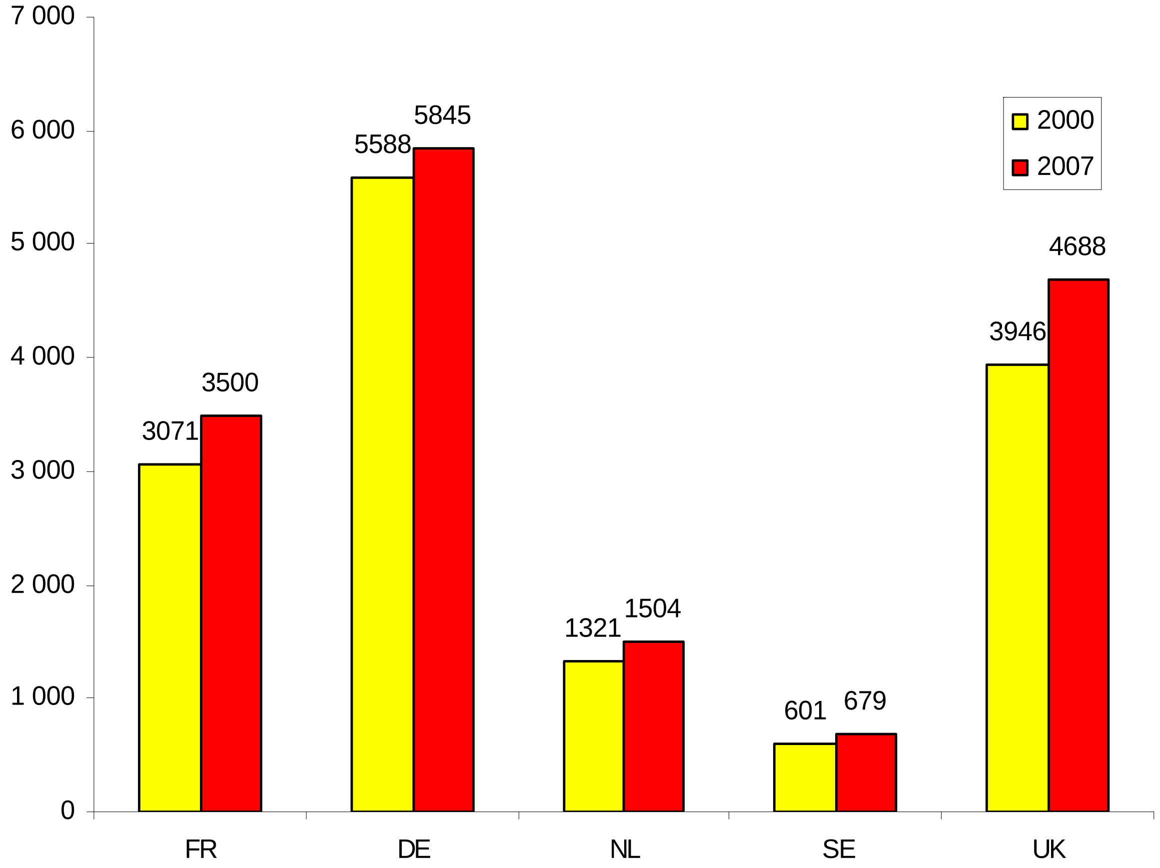
Hotel Sector Sweden

- 2001 to January 2009 (annual % change)



Källa: Nutek/Statistiska centralbyrån (SCB), bearbetning SHR

Number of Meals 2000-2007 (million)[1), Commercial Food Service*



CAG (Annual Average Rate of Change)	1.89%	0.64%	1.87%	1.77%	2.49%

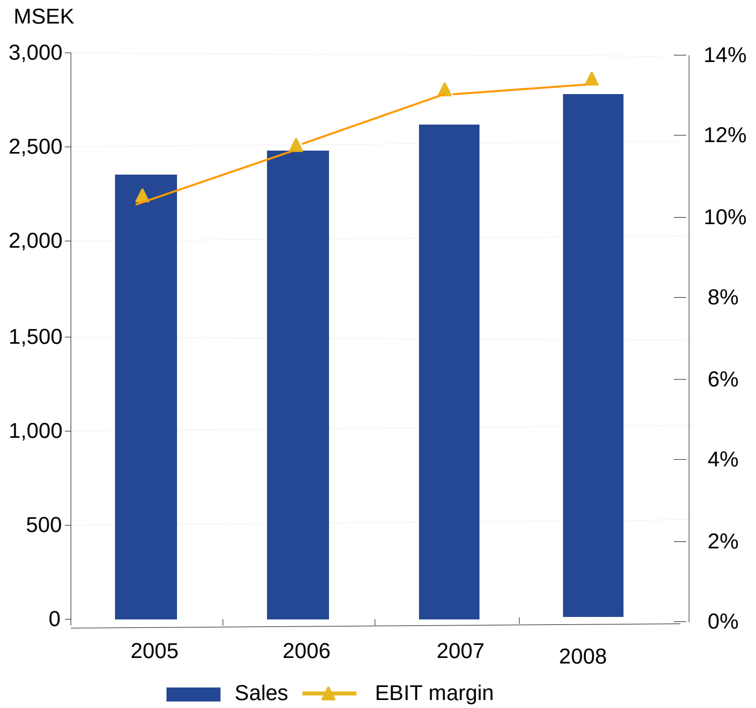
1) Foodservice Annual Count and Expenditures Tracking 2008

* Hotels & Gambling, Restaurants/Bars/Cafés, QSR & Coffee Stores, Leisure Total

Business Areas

Professional – Stable Development

Sales and EBIT [1]



Geographical split – sales Q1 2009[2]

Net Sales - Professional	Q1 2009	Q1 2008	Growth
Nordic region	144	152	-5,3%
Central Europe	418	367	13,9%
Southern & Eastern Europe	101	103	-1,9%
Rest of the World	6	6	0,0%
Total	*669*	*628*	6,5%

Softer volumes in a weaker market

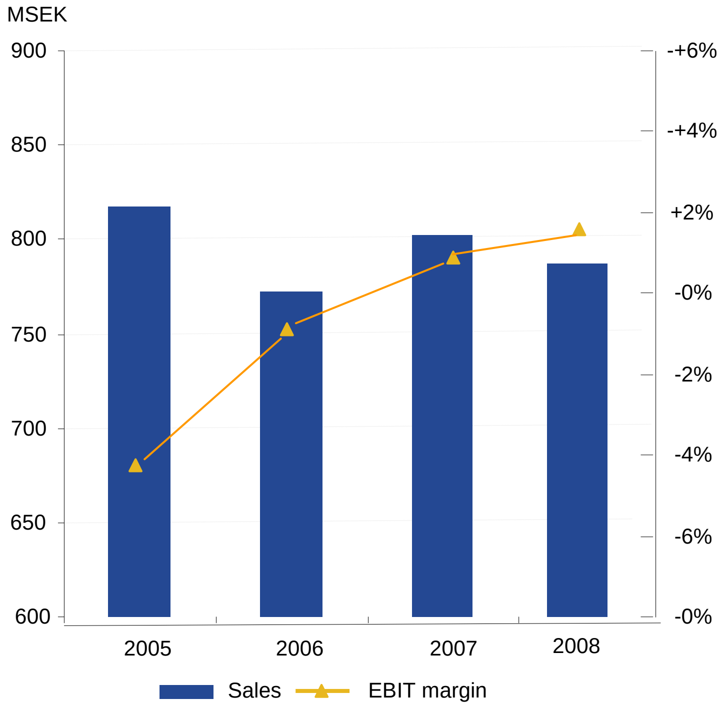
Solid EBIT margin

1) Excluding non-recurring costs and market valuation of derivatives

2) Translation effect on sales in Q1 is SEK 69 m

Retail – Turnaround

Sales and EBIT [1]



Geographical split – sales Q1 2009[2]

Net Sales - Retail	**Q1 2009**	**Q1 2008**	**Growth**
Nordic region	27	34	-20,6%
Central Europe	175	155	12,9%
Southern & Eastern Europe	3	4	-25,0%
Rest of the World	0	0	0,0%
Total	*205*	*193*	6,2%

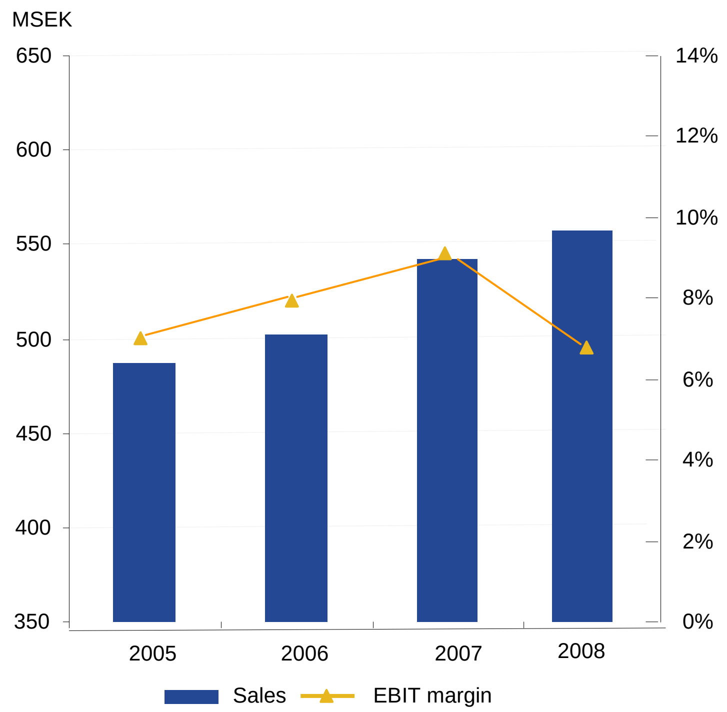
Improved profitability prioritized over sales growth

Duni brand & premium in focus

1) Excluding non-recurring costs and market vauation of derivatives
2) Translation effect on sales in Q1 is SEK 18 m

Tissue

Sales and EBIT [1]



Sales mix Q1 2009

Tissue In-house creates competitive advantage

Q1 impacted by lower volumes and production stops

1) Excluding non-recurring costs and market valuation of derivatives

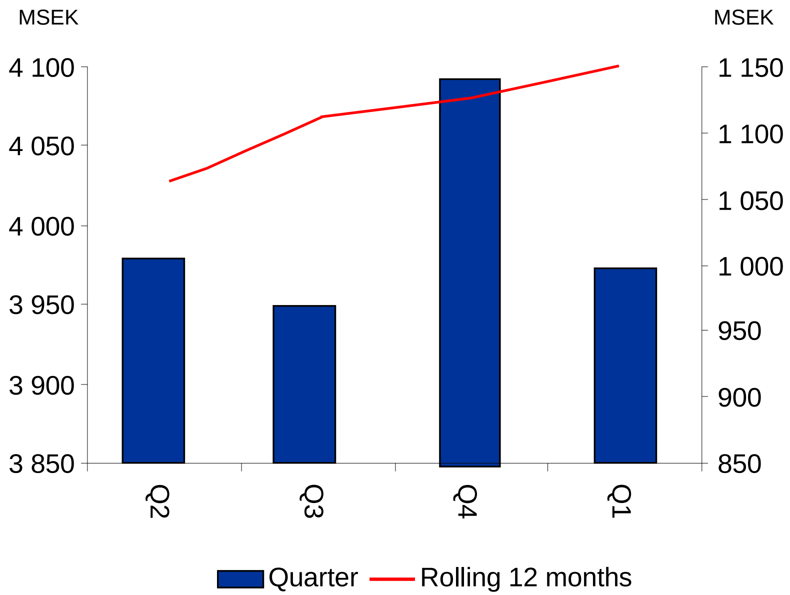
Focus 2009

- Control and monitoring of cost saving initiatives
  - Continue to rationalize and optimize manufacturing footprint
  - Further improve on logistic costs
  - Indirect cost structure
  - Procurement opportunities
- Capitalize on new product launches
  - Premium Table Top: Improved Dunilin, Sensia, Duniletto Slim
  - Eating & Drinking: Amuse-Bouche, Biodegradable range
  - Duni FoodSolutions: New sealing machine, Sous scellage
- Trading capital focus
- Strengthen presence in growth markets
- Drive commercial excellence
- Monitor acquisition possibilities

Financials

Tougher Market Impacting Volumes

LTM Sales

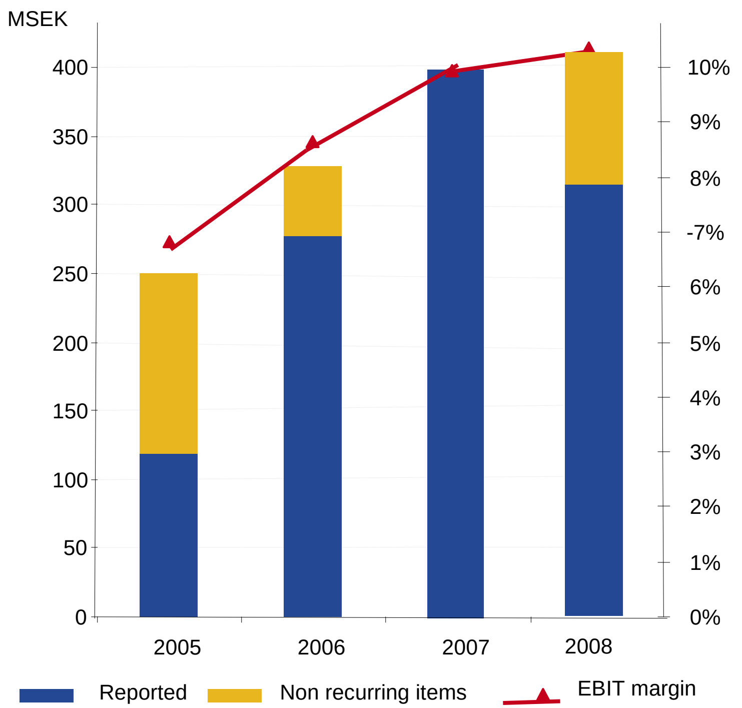


Sales growth

	2006	2007	2008	2008 Q1	2009 Q1
Professional	5.7%	6.3%	4.9%	5.3%	6.5%
Retail	-6.2%	4.2%	-2.9%	-1.3%	6.0%
Tissue	4.5%	6.9%	1.3%	12.7%	-9.5%
Total	2.9%	5.9%	2.9%	5.0%	3.9%

- Volume decline of 5-6% in Professional, slightly less in Retail
- Weak Swedish krona as well some element of price increases rolling over from 2008

Margins Slightly Down



Operating margin

	2006[1]	2007[2]	2008[2]	2008 Q1[2]	2009 Q1[2]
Professional	11.7%	12.9%	13.3%	10.6%	9.7%
Retail	-0.9%	0.6%	1.5%	1.7%	1.3%
Tissue	8.5%	8.9%	6.3%	9.3%	3.8%
Non-recurring/ derivatives	-1.3%	0.0%	-2.2%	0.3%	-0.2%
Total [1 2]	8.7%	9.9%	10.1%	8.6%	7.2%

- EBIT margin in Q1 2009 impacted by lower volumes and production stops
- Limited effect from market valuation of derivatives SEK -2 (3) m

[1] Excluding non-recurring items (restructuring costs)

[2] Excluding non-recurring items (restructuring costs) and market valuation of derivatives

Income Statement

	2006	2007	2008	Last 12-months
Net sales	3,762	3,985	4,099	4,137
Cost of goods sold	-2,812	-2,948	-3,020	-3,069
Gross profit	950	1,037	1,079	1,068
Gross margin	*25.3%*	*26.0%*	*26.3%*	*25,8%*
Selling expenses	-459	-446	-465	-466
Adminstrative expenses	-219	-208	-198	-197
Research and development expenses	-6	-13	-23	-24
Other operating income	44	57	57	66
Other operating expenses	-33	-33	-124	-137
Reported operating profit	**277**	**394**	**326**	**310**
Operating margin	*7.4%*	*9.9%*	*8,0%*	*7,5%*
Non-recurring items[1]	50	1	89	93
Operating profit (excl. non recurring items)	**327**	**395**	**414**	**403**
Operating margin (excl. non recurring items)	*8.7%*	9.9%	10,1%	9,7%

1) Non-recurring items is the sum of restructuring costs and market valuation of derivatives

Balance Sheet

(SEK in millions)	31/03/2009		31/03/2009
Intangible assets	1,222	Shareholders' equity	1,563
Tangible assets	505	Interest bearing debt	1,045
Financial fixed assets	361	Pension liabilities	200
Inventory	528	Other long term liabilities	28
Accounts receivable	726	Accounts payable	274
Other current receivables	171	Other current liabilities	486
Cash & cash equivalents	83		
Total assets	**3,596**	**Total equity and liabilities**	**3,596**

ROCE[1]	*17%*	*Net debt*	*1,161*
ROCE[1] (w/o goodwill)	*35%*	*Net debt / equity*	*74%*
		Net debt / EBITDA[1]	*2.3x*

1) Excluding non-recurring costs and market valuation of derivatives

Simplified Cash Flow Profile

(SEK million)	**2006**	**2007**	**2008**	**2008 Q1**	**2009 Q1**
Operating profit [1]	327	395	414	83	73
Depreciation	82	90	97	25	25
Change in trading capital[2]	***-106***	***-28***	***-75***	***-65***	***-77***
Inventory	26	-24	-3	-58	13
Accounts receivable	8	14	-114[3]	20	4
Accounts payable	-66	30	15	-4	-81
Other operating working capital	-74	-48	27	-23	-13
Capex	-130	-132	-139	-31	-23
Operating cash flow	***173***	***322***	***297***	***12***	***-2***

1) Excluding non-recurring costs and market valuation of derivatives
2) Continuing businesses excluding disposals.
3) Cancellation of factoring contracts amounting to SEK 135 m in Q4 2008

Duni

Financial Targets

Target		Last 12-months
Sales growth > 5%	• Organic growth of 5% over a business cycle	2.7%
	• Consider acquisitions to reach new markets or to strengthen current market positions	-
EBIT margin > 10%	• Top-line growth – premium focus • Improvements in manufacturing, sourcing and logistics	9.7%
Dividend payout ratio 40+%	• Board target at least 40% of net profit	1.80 kr/share (proposal 2009)