Q2 2009 Presentation

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2009 Q2 Highlights

- Net sales increased with 2.2% to SEK 1,035 m
- Underlying operating profit[1] amounted to SEK 84 m (84)
- Underlying operating margin[1] amounted to 8.1% (8.2%)
- Strong cash flow primarily due to inventory reductions
- Increased profitability in Professional
  - Lower cost of goods and input materials
  - Cost savings in logistics, sales and administration costs
- Retail development in line with Quarter 1
  - Slightly lower EBIT and profit margin due to lower volumes
- Tissue negatively influenced by low volumes of hygiene in the quarter

[1] **Excluding market valuation of derivatives SEK 25 (7) m and restructuring costs -1 (0) m**

Excluding translation effect: net sales SEK 952 m, underlying operating profit SEK 65m with underlying operating profit 6.8%

Duni – the European Market Leader for Table Top Solutions

Duni*

Table Top

Professional 68%

Retail 19%

Tissue 13%

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]

Q2 2009

- Sales: SEK 1.0 billion (+2.2%)
- EBIT: SEK 84 million (84) [2]
- EBIT margin: 8.1% (8.2%) [2]

[1] Excluding restructuring costs SEK -41 (0) m and market valuation of derivatives SEK -48 (-1) m
[2] Excluding restructuring costs SEK -1 (0) m and market valuation of derivatives SEK 25 (7) m
* Sales' split 2008

Market Outlook

HORECA market long term 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

Continued uncertainty regarding macro economic development

- Recession in several important Duni markets
- In core markets HORECA declines with 4-7% in H1 (German HORECA -4.8% first 4 months)

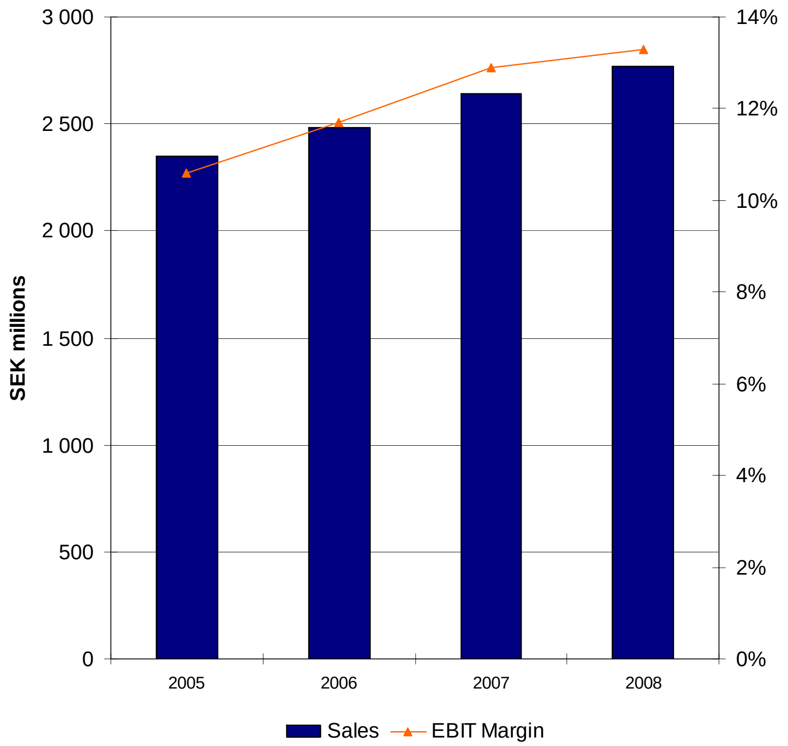
Raw material prices and costs of certain traded goods still at levels considerably lower than last year, though in some cases with indications of increases

Changing eating habits


Business Areas
DUNI 60
YEARS
WWW.DUNI.COM
Duni

Professional

Sales and EBIT [1]



Geographical split – sales Q2 2009[2]

Net Sales - Professional	Q2 2009	Q2 2008	Growth
Nordic region	164	176	-6,8%
Central Europe	442	402	10,0%
Southern & Eastern Europe	129	124	4,0%
Rest of the World	6	4	50,0%
Total	*742*	*706*	5,2%

Stabilized volume trend

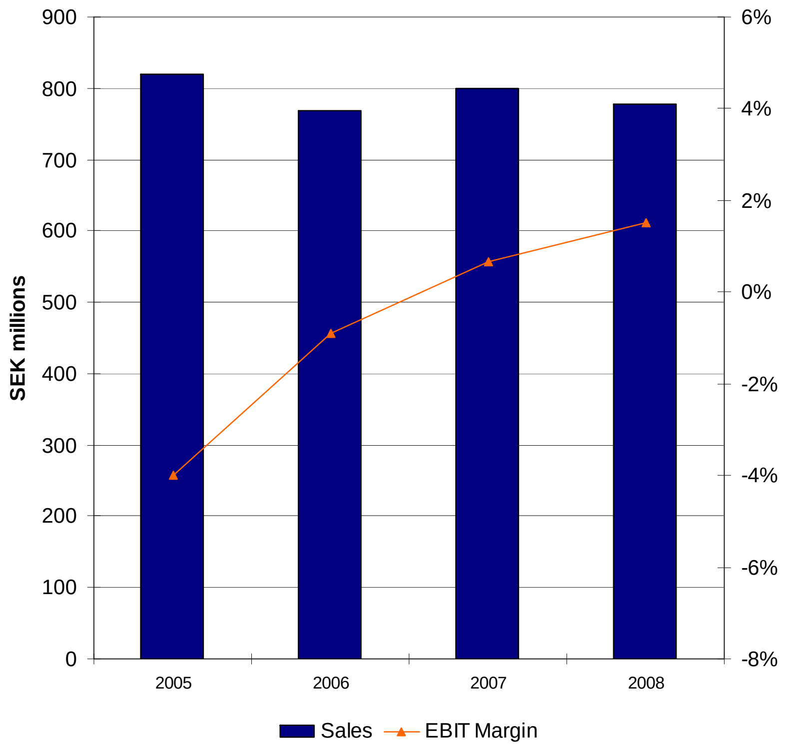
Positive profitability development

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

2) Translation effect on sales in Q2 is SEK 72 m

Retail

Sales and EBIT [1]



Geographical split – sales Q2 2009[2]

Net Sales - Retail	**Q2 2009**	**Q2 2008**	**Growth**
Nordic region	28	40	-30,0%
Central Europe	136	122	11,5%
Southern & Eastern Europe	4	2	100,0%
Rest of the World	1	0	0,0%
Total	*169*	*164*	3,0%

Sales development in line with Quarter 1

Positive development in UK

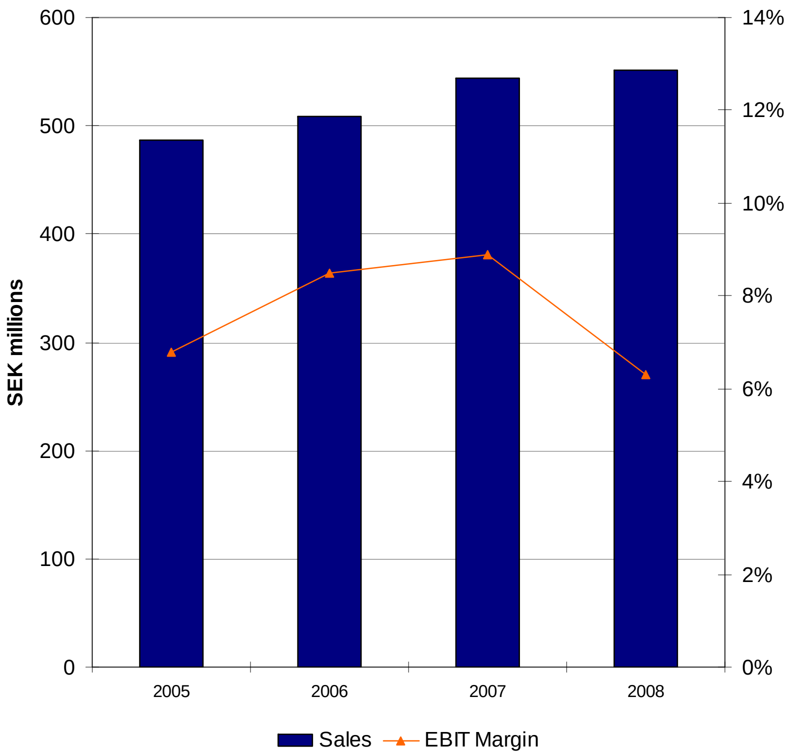
Discontinued low margin contracts in Nordics

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

2) Translation effect on sales in Q2 is SEK 12 m

Tissue

Sales and EBIT [1]



Sales mix Q2 2009

Low volumes in hygiene

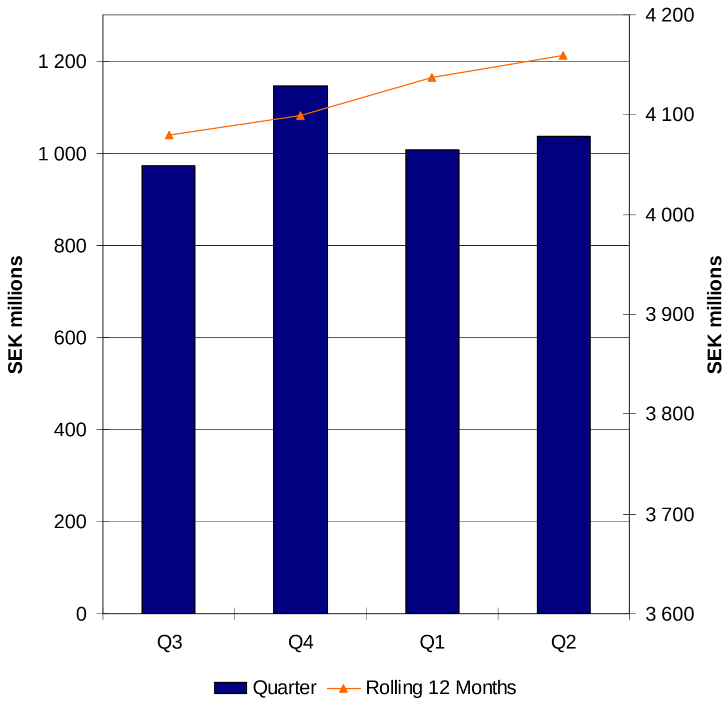
Volumes expected to improve in H2

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

Financials

Sales development stabilized

LTM Sales



Sales growth

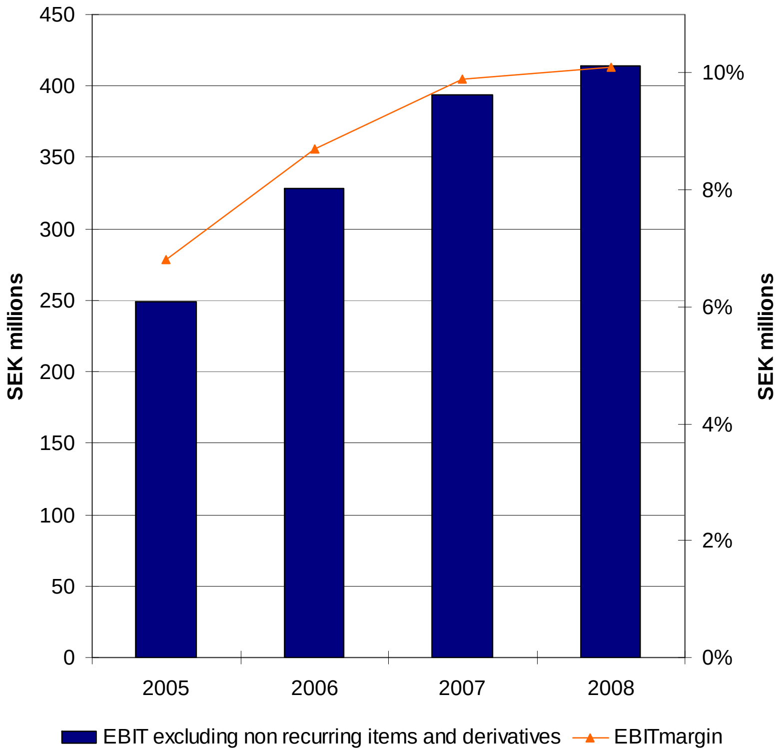
	2006	2007	2008	2008 Q2	2009 Q2
Professional	5.7%	6.3%	4.9%	6.2%	5.2%
Retail	-6.2%	4.2%	-2.9%	0.6%	3.0%
Tissue	4.5%	6.9%	1.3%	0.0%	-13.1%
Total	2.9%	5.9%	2.9%	4.2%	2.2%

Volume development in Retail & Professional slightly improved vs. Quarter 1

Considerable translation effect of weak SEK

Improved profit margin in Professional

Operating profit (MSEK)



Operating margin

	2006[1]	2007[2]	2008[2]	2008 Q2[2]	2009 Q2[2]
Professional	11.7%	12.9%	13.3%	12.0%	12.9%
Retail	-0.9%	0.6%	1.5%	-5.7%	-6.2%
Tissue	8.5%	8.9%	6.3%	5.6%	-1.5%
Non-recurring/ derivatives	-1.3%	0.0%	-2.2%	0.7%	2.3%
Total [1 2]	8.7%	9.9%	10.1%	8.2%	8.1%

Operating margin negatively impacted by lower volumes, however compensated by lower cost of goods and cost savings

[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	4,160
Cost of goods sold	-2,812	-2,948	-3,020	-3,083
Gross profit	950	1,037	1,079	1,077
Gross margin	*25.3%*	*26.0%*	*26.3%*	*25,9%*
Selling expenses	-459	-446	-465	-467
Administrative expenses	-219	-208	-198	-194
Research and development expenses	-6	-13	-23	-24
Other operating income	44	57	57	72
Other operating expenses	-33	-33	-124	-136
Reported operating profit	**277**	**394**	**326**	**327**
Operating margin	*7.4%*	*9.9%*	*8,0%*	*7,9%*
Non-recurring items[1]	50	1	89	76
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)	30/06/2009		30/06/2009
Intangible assets	1,233	Shareholders' equity	1,551
Tangible assets	499	Interest bearing debt	1,002
Financial fixed assets	355	Pension liabilities	200
Inventory	448	Other long term liabilities	27
Accounts receivable	722	Accounts payable	275
Other current receivables	153	Other current liabilities	490
Cash & cash equivalents	135		
Total assets	**3,545**	**Total equity and liabilities**	**3,545**

ROCE[1]	*18%*	*Net debt*	*1,066*
ROCE[1] (w/o goodwill)	*38%*	*Net debt / equity*	*69%*
		Net debt / EBITDA[1]	*2.1x*

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

Simplified Cash Flow Profile

(SEK million)	2006	2007	2008	2008 Q2	2009 Q2
Operating profit [1]	327	395	414	84	84
Depreciation	82	90	97	25	25
Change in trading capital[2]	***-106***	***-28***	***-75***	***13***	***138***
Inventory	26	-24	-3	3	78
Accounts receivable	8	14	-114[3]	-23	2
Accounts payable	-66	30	15	3	2
Other operating working capital	-74	-48	27	29	56
Capital expenditures	-130	-132	-139	-34	-31
Operating cash flow	***173***	***322***	***297***	***94***	***239***

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