Year-End Report for Duni AB (publ)
1 January – 31 December 2016

(compared to the same period previous year)

10 February 2017

Growth within Table Top business area

1 October – 31 December

- Net sales amounted to SEK 1,234 m (1,170). Adjusted for exchange rate movements, net sales increased by 3.6%.
- Earnings per share, for continuing operations, after dilution amounted to SEK 2.41 (2.32).
- Table Top business area demonstrates continued growth.
- A strong US dollar is pushing up raw material prices.

1 January – 31 December

- Net sales amounted to SEK 4,271 m (4,200). Adjusted for exchange rate movements, net sales increased by 2.0%.
- Earnings per share, for continuing operations, after dilution amounted to SEK 7.06 (7.37).
- The acquired company Terinex Siam is consolidated in Duni as from August 2016.
- Net debt is higher than last year due to acquisition and increased investments.
- The Board of Directors proposes a dividend of SEK 5.00 (5.00) per share.

Duni is a leading supplier of attractive and convenient products for table setting and take-away. The Duni brand is sold in more than 40 markets and enjoys a number one position in Central and Northern Europe. Duni has some 2,200 employees in 19 countries, headquarters in Malmö and production units in Sweden, Germany, Poland and Thailand. Duni is listed on NASDAQ Stockholm under the ticker name "DUNI". ISIN-code is SE 0000616716.
This information is information that Duni AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 7.45 CET on February 10, 2017.

Key financials [1)]

SEK m	3 months October-December 2016	3 months October-December 2015	12 months January - December 2016	12 months January-December 2015
Net sales	1 234	1 170	4 271	4 200
Operating income [2)]	171	171	502	528
Operating margin [2)]	13.9%	14.6%	11.8%	12.6%
Income after financial items	148	144	441	459
Net income	113	109	334	346

[1)] For continuing operations.
[2)] For bridge to EBIT, see the section entitled "Operating income - Non-recurring items".

Bridge continuing operations

Net sales

SEK m	**2016**	Q4 2016	Q3 2016	Q2 2016	Q1 2016	**2015**	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Continuing operations	**4 271**	**1 234**	**1 064**	**1 013**	**959**	**4 200**	**1 170**	**1 043**	**1 002**	**985**
- Discontinued operations	**0**	0	0	0	0	83	0	2	20	61
Duni Total	**4 271**	**1 234**	**1 064**	**1 013**	**959**	**4 283**	**1 170**	**1 045**	**1 022**	**1 046**

Operating income

SEK m	**2016**	Q4 2016	Q3 2016	Q2 2016	Q1 2016	**2015**	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Continuing operations	**502**	**171**	**136**	**108**	**87**	**528**	**171**	**146**	**104**	**107**
- Discontinued operations	**0**	0	0	0	0	5	0	0	1	4
Duni Total	**502**	**171**	**136**	**108**	**87**	**533**	**171**	**146**	**105**	**112**

CEO's comments

"Sales in the fourth quarter amounted to SEK 1,234 m (1,170) and it is pleasing that all business areas reported an increase in sales. The acquisition of Terinex Siam has lifted New Markets, and we are witnessing a gradually improved sales trend in Table Top. Operating income amounted to SEK 171 m (171) and, just as in the previous quarter, the weaker margin is primarily due to the weakness of the pound sterling. Net profit after tax increased to SEK 113 m (109).

Net debt at the end of the year amounted to SEK 757 m. This represents an increase of approximately SEK 180 m compared with last year and is due to the acquisition of Terinex Siam and an increased level of investments. SEK 10 m (10) has been taken in restructuring costs for the outstanding part of the program that was initiated in 2015. These costs have related primarily to organizational changes in Germany and the Nordic region.

One of the most important priorities during the year has been to strengthen growth in the Table Top business area. For some time, growth in Central Europe and the Nordic region in particular has been adversely affected by lower demand for table coverings and a weaker trend in the Cash & Carry sales channel. During the year, a number of measures have been implemented and we see a positive shift in the previously declining trend during the last two quarters.

Our sites are meeting their production targets and throughout we have experienced a positive trend during the quarter. The previously announced investment to expand capacity in Rexcell (the paper mill in Skåpafors) has been completed and the ongoing installation work has been carried out without any significant disruptions.

The *Table Top* business area grew by 5.5% in the quarter, with sales reaching SEK 645 m (612). With the exception of the Nordic region, all sales regions reported a growth in sales compared to last year, with the strongest growth being visible in southern Europe where double-digit growth was achieved. Operating income increased to SEK 125 m (118), while the somewhat weaker operating margin is mainly due to the weaker pound sterling.

The *Meal Service* business area reported lower growth than the previous quarters, amounting to 3% when adjusted for currency effects. The fourth quarter of last year was very strong as demand for Duni's products increased due to the large inflow of refugees, particularly in Germany. Apart from the Nordic region, all regions demonstrated a continued stable increase in sales. Due to ongoing sales investments, operating income was lower at SEK 6 m (8).

The *Consumer* business area achieved sales of SEK 331 m (330). Operating income declined to SEK 28 m (40) due to lower production efficiency, increased inventory write-downs and a weaker customer mix than last year. Measures are now being implemented aimed at strengthening the business area's long-term efficiency and product offering.

The *New Markets* business area increased its sales to SEK 73 m (52), where growth is driven by the acquisition of Terinex Siam as well as an improved trend in Russia. The integration of Terinex Siam is proceeding according to plan and current measures are focused on improved production efficiency as well as a stronger presence in neighbouring markets, such as Southeast Asia and Australia. Operating income increased to SEK 10 m (4) and the operating margin strengthened to 13.7% (7.9%).

A number of important projects were initiated and completed during 2016. The acquisition of Terinex Siam strengthens our product offering and thereby our competitiveness on the South East Asian market. The investment to increase capacity in Rexcell is improving the cost efficiency of our tissue material, while measures implemented in the largest business area, Table Top, are expected to contribute to an improved sales trend. After three years of increases in income, we note that our Group operating profit for the full year is below last year's level. This downturn is mainly due to the weaker pound sterling, but we have also been affected by relatively weak sales at the beginning of the year", says Thomas Gustafsson, President and CEO, Duni.

Net sales in the quarter of SEK 1,234 m

1 October – 31 December

Compared to the same period last year, net sales for continuing operations increased by SEK 64 m to SEK 1,234 m (1,170). Adjusted for exchange rate movements, net sales increased by SEK 42 m or 3.6%. During the fourth quarter, organic growth was achieved just over 1%, which is in line with the full year. Table Top accounted for most of the increase, driven by an improved situation on the German market. The most recent macro statistics from DEHOGA show a modest improvement within the restaurant sector in Germany; however, at 1% in real terms it remains weak. Growth in Meal Service was not as strong as in previous quarters, primarily due to a very strong fourth quarter last year when an increase of 12% was recorded.

1 January – 31 December

Compared to the same period last year, net sales for continuing operations increased by SEK 71 m to SEK 4,271 m (4,200). Adjusted for exchange rate movements, net sales increased by SEK 85 m or 2.0%. Excluding acquisitions and currency movements, organic growth for the year amounted to 1.2%, thereby falling short of the financial target of 5%. The market as a whole is in line with growth in the economy, which is assessed at just over 1%. There are, however, a number of differences between segments and markets. 2016 was characterized by weak growth in Germany up to the end of the third quarter, when a clear change was discernible. During the final months of the year, sales grew at between 3-5%. Southern Europe, such as Spain and Italy, has been positively affected by increased tourism, while for example France and the UK have experienced weaker demand. Despite a weaker end of the year, the Meal Service business area has continued to demonstrate its strength, with an increase of 8% for the full year.

Net sales, currency effect [1)]

SEK m	3 months October-December 2016	3 months October-December 2016[2)] recalculated	3 months October-December 2015	Change in fixed exchange rates	12 months January-December 2016	12 months January-December 2016[2)] recalculated	12 months January-December 2015	Change in fixed exchange rates
Table Top	645	634	612	3.5%	2 293	2 300	2 266	1.5%
Meal Service	171	167	162	2.8%	666	664	616	7.9%
Consumer	331	328	330	-0.5%	1 039	1 048	1 063	-1.4%
New Markets	73	71	52	34.8%	220	221	207	6.5%
Materials & Services	14	14	14	-3.2%	52	53	48	9.0%
Duni, continuing operations	**1 234**	**1 213**	**1 170**	**3.6%**	**4 271**	**4 285**	**4 200**	**2.0%**

1) For continuing operations.
2) Reported net sales for 2016 recalculated at 2015 exchange rates.

Operating margin of 13.9% for the quarter

1 October – 31 December

Operating income for the continuing operations amounted to SEK 171 m (171) with a gross margin of 29.2% (30.6%). The operating margin was 13.9% (14.6%). Adjusted for exchange rate movements, income fell by SEK 5 m compared to last year. A stronger US dollar, which raises the prices of raw materials in euros, had an adverse impact on income, particularly towards the end of the quarter. The weak pound sterling negatively affected margins on the UK market. Thanks to the improved situation in Germany, contribution to profit within the Table Top business area has improved. During the quarter, restructuring expenses of SEK 10 m were taken, attributable to organizational efficiency measures within, primarily, production in Germany and the Nordic region. These constitute part of the program that was started in 2015 and which is now completed.

Income after financial items amounted to SEK 148 m (144). Income after tax was SEK 113 m (109).

1 January – 31 December

Operating income for continuing operations amounted to SEK 502 m (528) with a gross margin of 28.8% (29.6%). The operating margin was 11.8% (12.6%). The financial target of an operating margin of more than 10% is thereby once again met. Adjusted for translation effects due to exchange rate movements, operating income decreased by SEK 26 m compared with last year. Margins on the UK market were affected by the weak pound. Table Top was also affected by weak demand on the German market during the first half of the year. During the year, Duni has continued, with great success, to strengthen its unique position within environmentally adapted materials. This is an explanation behind a large part of the sales increase in the Meal Service business area. Furthermore, the acquisition of Terinex Siam has strengthened Duni's position on the Asian market, which will continue to increase in importance going forward.

Income after financial items amounted to SEK 441 m (459). Income after tax for the continuing operations was SEK 334 m (346).

Operating income, currency effect [1)]

SEK m	3 months October-December 2016	3 months October-December 2016[2)] recalculated	3 months October-December 2015	12 months January-December 2016	12 months January-December 2016[2)] recalculated	12 months January-December 2015
Table Top	125	120	118	369	367	392
Meal Service	6	6	8	41	41	33
Consumer	28	28	40	65	65	84
New Markets	10	10	4	23	23	15
Materials & Services	1	1	1	4	4	4
Duni, continuing operations	**171**	**166**	**171**	**502**	**501**	**528**

1) For continuing operations.
2) Reported net sales for 2016 recalculated at 2015 exchange rates.

Operating income – items affecting comparability

Duni manages its operations based on what Duni refers to as operating income. 'Operating income' means operating income before restructuring costs, non-realized valuation effects of currency derivatives, fair value allocations and amortization of intangible assets identified in connection with business acquisitions. Duni has chosen to analyze operating income, since it is subject to fewer non-recurring items than the reported income. See the table below.

In those cases where derivative instruments have a value, they are reported in the income statement under 'Other Income' or 'Other Expenses'. For details of restructuring costs, see Note 6.

During the fourth quarter, restructuring expenses amounted to SEK 10 m (10). These relate to organizational changes and efficiency improvements within production in Germany and within sales in the Nordic region. This represents the final part of the program that was started last year and primarily involved organizational changes in management as well as organizational changes and efficiency improvements within the Consumer business area.

Bridge between operating income and EBIT [1)]

SEK m	3 months October-December 2016	3 months October-December 2015	12 months January-December 2016	12 months January-December 2015
Operating income	**171**	**171**	**502**	**528**
Restructuring costs	-10	-10	-10	-11
Unrealized value changes. derivative instruments	-	0	-	-
Amortization of intangible assets identified in connection with business acquisitions	-8	-7	-27	-27
Fair value allocation in connection with acquisitions	0	-	-1	-
EBIT	**153**	**154**	**463**	**490**

[1)] For continuing operations.

Reporting of operating segments

Duni's operations are divided into five operating segments, which are referred to by Duni as business areas.

The **Table Top** business area offers Duni's concepts and products primarily to hotels, restaurants and the catering industry. Table Top primarily markets napkins, table coverings and candles for the set table. Duni is a market leader within the premium segment in Europe. The business area accounted for approximately 54% (54%) of Duni's net sales during the period 1 January – 31 December 2016.

The **Meal Service** business area offers concepts for meal packaging and service for take-away, ready-to-eat meals, and catering. Customers mainly comprise of companies operating within the restaurant sector, catering or food production. As a niche player, Duni enjoys a leading position within this area in the Nordic region and has a clear growth agenda on some identified markets in Europe. The business area accounted for approximately 16% (15%) of Duni's net sales during the period.

The **Consumer** business area offers consumer products to primarily the retail sector in Europe. Customers mainly comprise grocery retail chains, but also other channels such as specialty stores, including garden centers, home furnishing stores, and DIY stores. The business area accounted for approximately 24% (25%) of Duni's net sales during the period.

The **New Markets** business area offers Duni's attractive quality concepts, table top concepts as well as packaging, to markets outside of Europe. In addition to customer segments such as hotels, restaurants and catering, the business area also aims its offering at the retail sector. The business area accounted for approximately 5% (5%) of Duni's net sales during the period. As from August 2016, the acquired company Terinex Siam is included as part of the New Markets business area.

The **Materials & Services** business area comprises those parts that are not accommodated within the other business areas. Most of the business area comprises of external sales of tissue. Production of hygiene products ceased at the end of March 2015 and is thus no longer included in the business area. Instead, the hygiene business is reported as discontinued operations. The income statement for the business area and the consolidated income statement have been recalculated and contains only continuing operations. The business area accounted for approximately 1% (1%) of Duni's net sales during the period. Sales of hygiene products previously accounted for 90% of Materials & Services' sales.

With the exception of Materials & Services, the business areas largely have a joint product range. However, design and packaging solutions are adapted to suit the different sales channels. Production and support functions are largely shared by these business areas.

Group management, which is the highest executive and decision-making body in Duni, decides on the allocation of resources within Duni and evaluates the results of the operations. The business areas are directed based on operating income after shared costs have been allocated between the business areas. For further information, see Note 4.

Split of net sales between business areas

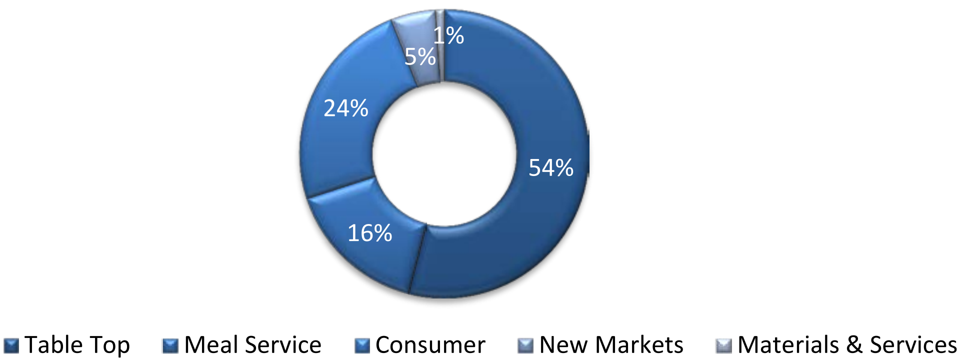


Table Top business area

1 October – 31 December

Net sales amounted to SEK 645 m (612). At fixed exchange rates, this corresponds to an increase in sales of 3.5%. Measures taken to turn around a negative trend in Germany, which began as early as the end of 2015, have borne fruit – as the fourth quarter clearly shows. Germany is the single most important market in terms of positive growth during the quarter. Southern Europe is the region showing the highest percentage rate of growth. The Nordic region continues to be challenging and is the region showing a negative deviation compared to the market growth as a whole.

Operating income was SEK 125 m (118) and the operating margin was 19.4% (19.2%). Income improved in the quarter, thanks to the higher volumes. The margin nearly reached 20%, which is higher than the yearly average and is a consequence of high capacity utilization with advantageous leverage effects. Measures have been taken to ensure increased delivery capacity and product range optimization, thereby lowering profitability.

1 January – 31 December

Net sales amounted to SEK 2,293 m (2,266). At fixed exchange rates, this corresponds to an increase in sales of 1.5%. All regions reported sales on par with, or in excess of, last year. Demand within the restaurant sector demonstrated a gradual increase during the year, with Germany moving from negative figures in terms of real demand to moderately positive ones. France – particularly Paris and the south coast – showed a negative trend, while Spain and Italy increased significantly above average and benefited from a strong tourist season.

Operating income was SEK 369 m (392) and the operating margin was 16.1% (17.3%). The lower income is due to a combination of adverse currency movements as well as a weak trend in Germany at the beginning of the year. Production has had a positive impact on income thanks to lower costs per produced unit, despite major challenges within logistics. Market demand for customized products and specific distribution terms is increasing, giving added opportunity against competitors who are unable to meet these demands.

Net sales, Table Top

SEK m	3 months October-December 2016	3 months October-December 2016[1)] recalculated	3 months October-December 2015	12 months January-December 2016	12 months January-December 2016[1)] recalculated	12 months January-December 2015
Nordic region	104	104	104	344	344	348
Central Europe	437	430	419	1 545	1 555	1 545
South & East Europe	104	99	89	401	398	373
Rest of the World	1	1	0	3	3	0
Total	**645**	**634**	**612**	**2 293**	**2 300**	**2 266**

[1)] Reported net sales for 2016 recalculated at 2015 exchange rates.

Meal Service business area

1 October – 31 December

Net sales amounted to SEK 171 m (162). At fixed exchange rates, this corresponds to an increase in sales of 2.8%. The increase in sales levelled off during the fourth quarter and should be seen in the light of a very strong final quarter of 2015, when the refugee situation prevailing at the time created strong demand for single use products. The Nordic region – more specifically, Sweden – is experiencing increased competition, while southern and central Europe remain strong. Sales of packaging machinery which supports Duni's unique food packaging solutions are, by their very nature, volatile, and sales in the quarter were lower than last year.

Operating income was SEK 6 m (8) and the operating margin was 3.6% (4.7%). Meal Service is continuing to invest both in the development of its product range and in strengthening its sales organization. The slightly weaker result is due to an increase in these investment costs, while the gross margin is strengthened by a positive product mix and successful purchasing plan. It is necessary to continue to be the leader within this segment, which is growing more rapidly than the traditional restaurant sector.

1 January – 31 December

Net sales amounted to SEK 666 m (616). At fixed exchange rates, this corresponds to an increase in sales of 7.9%. Although the increase in sales in the fourth quarter was lower than for the year as a whole, 2016 has entailed a further acceleration of the growth that started 2-3 years ago when Duni reinforced its focus on the take-away segment. By being attentive to the market's needs and being able to offer and develop innovative solutions, Duni has been able to actively influence and make an impression within this dynamic segment.

Operating income was SEK 41 m (33) and the operating margin was 6.1% (5.3%). Despite considerable investments within both organization and product development, income increased by 25% relative to last year and is increasing as a proportion of Group income. Since the capital tied up within Meal Service is limited, the return on capital employed is increasing even more. Purchasing expertise represents a key area, not only to secure the best purchasing prices, but more importantly in order to drive and develop new concepts together with suppliers and customers.

Net sales, Meal Service

SEK m	3 months October-December 2016	3 months October-December 2016[1) recalculated	3 months October-December 2015	12 months January-December 2016	12 months January-December 2016[1) recalculated	12 months January-December 2015
Nordic region	76	76	74	300	300	286
Central Europe	63	60	59	238	237	214
South & East Europe	32	31	29	127	126	116
The rest of the World	0	0	-	1	1	-
Total	**171**	**167**	**162**	**666**	**664**	**616**

[1)] Reported net sales for 2016 recalculated at 2015 exchange rates.

Consumer business area

1 October – 31 December

Net sales amounted to SEK 331 m (330). At fixed exchange rates, this corresponds to a decrease in sales of 0.5%. The fourth quarter was weaker than last year due to a weaker trend within certain markets in Central Europe. Nevertheless, the Christmas range was generally well received and is important for continued discussions in coming seasons.

Operating income was SEK 28 m (40) and the operating margin was 8.6% (12.2%). The fourth quarter had a weaker customer mix than last year while being negatively affected by extensive work in adapting the product range. Thus, a number of costs were incurred in the quarter associated with inventory write-downs as well as activities to create long-term cost efficiency improvements. Furthermore, Consumer incurred higher costs in connection with peaks in demand.

1 January – 31 December

Net sales amounted to SEK 1,039 m (1,063). At fixed exchange rates, this corresponds to a decrease in sales of 1.4%. While the retail trade in Europe continues to grow at around 2% on a full-year basis, the business area lost some ground compared to last year. During the year, it was not possible to compensate in full with new customers for the loss of some major customers during 2015. Focus has also gradually been placed on working closer with the customers and demonstrating the strength as a total supplier for the set table.

Operating income was SEK 65 m (84) and the operating margin was 6.2% (7.9%). The complexity increases each year and is a result of Duni operating in multiple segments in parallel. Our strength lies in being able to offer simpler products that have high production efficiency at low costs, but also unique premium products, such as limited series of high quality designer napkins. This gives Duni a unique position within the retail sector, since our customer offer is broader; however, it also imposes exacting demands for continued adaptation of production in order to bring down the cost per produced unit within all segments.

Net sales, Consumer

SEK m	3 months October-December 2016	3 months October-December 2016[1] recalculated	3 months October-December 2015	12 months January-December 2016	12 months January-December 2016[1] recalculated	12 months January-December 2015
Nordic region	42	41	39	146	146	148
Central Europe	245	244	249	752	760	765
South & East Europe	32	31	27	77	77	79
Rest of the World	13	12	15	65	64	70
Total	**331**	**328**	**330**	**1 039**	**1 048**	**1 063**

1) Reported net sales for 2016 recalculated at 2015 exchange rates.

New Markets business area

1 October – 31 December

Net sales amounted to SEK 73 m (52). At fixed exchange rates, this corresponds to an increase in sales of 34.8%. The increase in sales is driven by the acquisition of Terinex Siam, which was completed during the third quarter. Duni's position is thereby strengthened in Asia, and it is also here Duni offering products to the premium segment. Although Asia is an undeveloped market for premium solutions compared to Europe, we are convinced that conditions exist for a significantly higher percentage of these products. However, extensive work will be required to reach this goal.

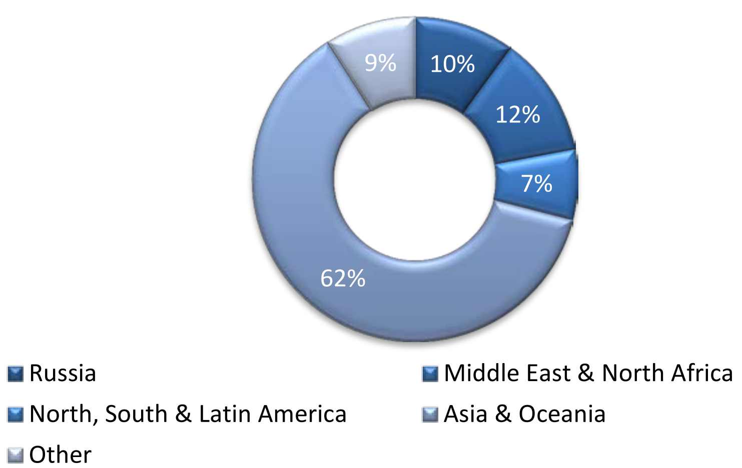
Operating income was SEK 10 m (4) and the operating margin was 13.7% (8.0%). Terinex Siam contributed to the improvement in income and is the primary reason for the increase compared to last year. Despite lower sales, Russia has succeeded in achieving higher profitability. A stronger Russian Ruble also had a positive impact on income.

1 January – 31 December

Net sales amounted to SEK 220 m (207). At fixed exchange rates, this corresponds to a decrease in sales of 6.5%. During 2016, sales were weak in Russia and on a number of other markets, such as the Middle East. Stabilization has been apparent during the second half of the year and an increase was reported within certain segments. A growing number of markets outside Europe are showing increased interest in environmentally adapted alternatives, although this is generally not prioritized over price. Therefore, cooperation with the other business areas in Duni is important in order to constantly ensure that the best customer offering is always available in terms of function and price.

Operating income was SEK 23 m (15) and the operating margin was 10.4% (7.4%). The operating margin has strengthened during the year and increased to over 10%. In part, this is attributable to the acquisition of Terinex Siam, but it is also due to the changes implemented in Russia and certain other markets outside of Europe. Focus has been placed on profitability, with contracts being renegotiated or terminated accordingly.

Net sales, geographical split, New Markets



Materials & Services business area

1 October – 31 December

Net sales amounted to SEK 14 m (14). Most of the sales within this business area comprise sales of raw material from Duni's paper mill in Skåpafors, Sweden. Although this is insignificant in scale, it is relevant in providing important information about market developments within the paper manufacturing industry.

Operating income was SEK 1 m (1) and the operating margin was 10.8% (6.8%). The gross margins are largely unchanged and the indirect costs are low.

1 January – 31 December

Net sales amounted to SEK 52 m (48). At fixed exchange rates, this corresponds to an increase in sales of 9.0%. Operating income was SEK 4 m (4) and the operating margin was 7.9% (8.2%). Although sales within this business area do not constitute a core business for Duni, it makes an important contribution primarily through the indirect effects of maximizing capacity utilization at the paper mill in Skåpafors.

Cash flow

The Group's operating cash flow for the period 1 January – 31 December was SEK 446 m (623). Apart from a lower contribution from the business, at the beginning of the year cash flow was affected by a major payment of income tax with respect to the years 2014 and 2015. Accounts receivables amounted to SEK 730 m (660), accounts payables to SEK 373 m (352) and inventory was valued at SEK 548 m (500).

Cash flow including investing activities amounted to SEK 146 m (462). The acquisition of Terinex Siam affected cash flow by SEK -103 m. Net capital expenditures for the period regarding continuing operations amounted to SEK 176 m (161). The capex level is higher due to the investment in capacity at the paper mill in Skåpafors. Amortization/depreciation for the period regarding continuing operations was SEK 159 m (158).

The Group's interest-bearing net debt as of 31 December 2016 was SEK 757 m, compared with SEK 584 m on 31 December 2015.

Financial net

The financial net for continuing operations for the period 1 January – 31 December was SEK -22 m (-31). The negative translation effects show an improvement of SEK 10 m compared to the same period of last year.

Taxes

The total reported tax expense for the period 1 January – 31 December for continuing operations amounted to SEK 107 m (113), yielding an effective tax rate of 24.3% (24.6%). The tax expense for the year includes adjustments and non-recurring effects from the previous year of SEK 0.4 m (-1.4). The deferred tax asset relating to loss carryforwards was utilized in the amount of SEK 35 m (29) and is expected to be utilized in full during 2017.

Earnings per share

The earnings per share for continuing operations before and after dilution amounted to SEK 7.06 (7.37).

Duni's share

As per 31 December 2016 the share capital amounted to SEK 58,748,790 divided into 46,999,032 shares, each with a quotient value of SEK 1.25.

Shareholders

Duni is listed on NASDAQ Stockholm under the ticker name "DUNI". Duni's three largest shareholders are Mellby Gård Investerings AB (29.99 %), Polaris Capital Management, LLC (10.63 %) and Swedbank Robur fonder (9.14 %).

Personnel

On 31 December 2016 there were 2,234 (2,082) employees. 966 (901) of the employees were engaged in production. Duni's production units are located in Bramsche and Wolkenstein in Germany, Poznan in Poland, Bengtsfors in Sweden and Bangkok in Thailand.

Acquisitions

On 17 August 2016, Duni acquired in total 60% of the shares in the Thai company, Terinex Siam Co. Ltd., a market leading manufacturer and supplier of napkins and single-use products for food. Terinex Siam focuses on the HoReCa market in Southeast Asia, with key markets primarily in Thailand, Singapore and Australia. The product range includes napkins and single-use products for food, but also doilies and aluminium foil.

Terinex Siam has just above 100 employees within production, logistics and sales. The company is based on the outskirts of Bangkok and, in 2015, had sales of THB 345 m with an operating margin in excess of 20%. The acquisition has been consolidated in the New Markets business area.

Duni acquired 49% of the shares directly and 11% of the shares indirectly through a joint venture company in Thailand. The purchase price of THB 462 m was paid in cash in connection with the takeover and Duni's net debt was affected by the amount of SEK 113 m, which is accommodated within current loan agreements. The acquisition cost affects income for the year under the item "Other operating expenses" and amounts to SEK 5 m. In accordance with RFR2, the parent company reports these expenses as financial assets.

Duni has chosen to report its non-controlling interests at fair value. For more information regarding accounting principles, see Note 1. The fair value of 100% of the net assets amounts to SEK 84 m. Intangible fixed assets primarily comprise customer contracts. Goodwill corresponds to synergies within purchasing together with the fact that Duni now has a production site in Asia. Duni, together with Terinex Siam, will be able to take advantage of existing/overlapping distribution channels and jointly develop the product range and customer portfolio. No part of the reported goodwill or intangible fixed assets is expected to be deductible in conjunction with income taxation.

Acquired net assets	TSEK, Fair value
Intangible fixed assets	46 355
Tangible fixed assets	23 028
Other long-term receivables	132
Other financial receivables	496
Deferred tax asset/liability, net	-9 067
Current tax	-1 995
Inventory	12 069
Accounts receivable	10 382
Other current receivables	1 655
Deferred income and expenditures, net	-1 801
Cash	10 325
Accounts payable	-1 795
Other current liabilities	-5 370
Acquired identifiable net assets	**84 413**
Goodwill	104 265
Non-controlling interests	-75 471
Acquired net assets	**113 207**

New establishment

No new establishments were carried out 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 handled by each operating unit and financial risks are managed by the Group's Treasury department, which is included as a unit within the Parent Company.

Operational risks

Duni is exposed to a number of operational risks that are important to manage. The development of attractive product ranges, particularly the Christmas collection, is extremely important in order for Duni to achieve good sales and income growth. Duni addresses this issue by constantly developing its ranges. Approximately 25% of the collection is replaced each year in response to, and to create, new trends. A weaker economy over an extended period of time in Europe might lead to fewer restaurant visits. Reduced market demand and increased price competition, may affect volumes and gross margins partly through increased discounts and customer bonuses. Fluctuations in prices of raw materials and energy constitute an operational risk which may have a material impact on Duni's operating income.

Financial risks

Duni’s finance management and its handling of financial risks are regulated by a finance policy adopted by the Board of Directors. The Group divides its financial risks between currency risks, interest rate risks, credit risks, financing and liquidity risks. These risks are controlled in an overall risk management policy that focuses on unforeseen events on the financial markets and endeavours to minimize potential adverse effects on the Group’s financial results. The risks for the Group are in all essential respects also related to the Parent Company. Duni's management of financial risks is described in greater detail in the Annual Report as per 31 December 2015.

Duni's contingent liabilities have decreased by SEK 2 m to SEK 77 m (79) since the start of the year.

Transactions with related parties

No transactions with related parties took place during the fourth quarter of 2016.

Major events during the period

On 1 November, the composition of Duni's Nomination Committee for the 2017 Annual General Meeting was published in a press release.

On 21 December, it was announced in a press release that in January 2017 Duni will buy the currently leased logistics facilities in Osnabrück, Germany. The purchase is done in order to secure and improve customer service and deliveries going forward.

Major events since 31 December

No significant events have occurred since the balance sheet date.

Interim reports

Quarter I	25 April, 2017
Quarter II	14 July, 2017
Quarter III	20 October, 2017

Proposed dividend

The Board of Directors proposes a dividend of SEK 5.00 (5.00) per share or SEK 235 m (235). The Board considers Duni to have a strong balance sheet allowing for possible future acquisitions while maintaining the Group´s obligations and planned investments, including the proposed dividend. 5 May 2017 is proposed as the record date for the right to dividends.

Annual General Meeting 2017

The Annual General Meeting of Duni AB will be held in Malmö at 3pm on 3 May, 2017 at Akvariet, Dockplatsen 12. For further information, please see Duni's website. The Annual Report will be available on Duni's website during the week of 24 April. Shareholders who wish to submit proposals to Duni's Nomination Committee or wish to have a matter addressed at the Annual General Meeting, may do so by email to valberedning@duni.com or bolagsstamma@duni.com or by letter to the following address: Duni AB, Att: Valberedning or Bolagsstämma, Box 237, 201 22 Malmö, not later than 15 March 2017.

Nomination Committee

The Nomination Committee is a shareholder committee charged with the responsibility of nominating those individuals who are to be proposed at the Annual General Meeting for inclusion on Duni's Board of Directors. The Nomination Committee presents proposals for a Board Chairman and other Directors. It also produces proposals regarding board fees, including allocation between the Chairman and other Directors, as well as compensation (if any) for committee work.

Duni's Nomination Committee for the 2017 Annual General Meeting comprises four members: Magnus Yngen, (Chairman of Duni AB), Rune Andersson (Mellby Gård Investerings AB), Bernard R. Horn, Jr (Polaris Capital Management, LLC), and Bo Lundgren (Swedbank Robur fonder).

Parent Company

Net sales for the period 1 January – 31 December amounted to SEK 1,140 m (1,191). Income after financial items amounted to SEK 214 m (148). Dividends from subsidiaries during the year were higher than last year. The interest-bearing net debt was SEK -734 m (-733), of which a net asset of SEK 1,374 m (1,270) relates to subsidiaries. Net investments amounted to SEK 15 m (24).

Accounting principles

The interim report for the Group has been prepared in accordance with IAS 34 and the Swedish Annual Reports Act. The parent company' reporting is prepared in accordance with RFR 2, Reporting for Legal Entities, and the Swedish Annual Reports Act. Accounting principles have been applied as reported for the Annual Report per 31 December 2015, with an addition as regards non-controlling interests as reported in Note 1.

Information in the report

Duni AB (publ) publishes this information pursuant to the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information will be submitted for publication at 07.45 CET on 10 February.

On Friday, 10 February, at 10.00 CET the report will be presented via a telephone conference, which can also be followed via the web. To participate in the telephone conference, please call +46 8 5 66 426 91. To follow the presentation on the web, use the following link:

http://event.onlineseminarsolutions.com/r.htm?e=1346078&s=1&k=18D2553F933A7F003A5255EDC3D732B8

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 reviewed by the Company's auditors.

Malmö, 9 February 2017

Thomas Gustafsson, President and CEO

Additional information is provided by:

Thomas Gustafsson, President and CEO, +46 40 10 62 00
Mats Lindroth, CFO, +46 40 10 62 00
Helena Haglund, Group Accounting Manager, +46 734 19 63 04

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 (Note 1)	3 months October-December 2016	3 months October-December 2015	12 months January-December 2016	12 months January-December 2015
Net sales	**1 234**	**1 170**	**4 271**	**4 200**
Cost of goods sold	-874	-812	-3 039	-2 959
Gross profit	**360**	**358**	**1 231**	**1 241**
Selling expenses	-129	-123	-483	-476
Administrative expenses	-67	-64	-245	-240
Research and development expenses	-2	-3	-8	-10
Other operating incomes	1	1	8	13
Other operating expenses	-10	-16	-43	-37
EBIT (Note 5)	**153**	**154**	**463**	**490**
Financial income	0	0	1	2
Financial expenses	-5	-9	-23	-33
Net financial items	**-5**	**-9**	**-22**	**-31**
Income after financial items	**148**	**144**	**441**	**459**
Income tax	-34	-35	-107	-113
Net income for continuing operations	**113**	**109**	**334**	**346**
Net income for discontinued operations	0	0	0	4
Net income	**113**	**109**	**334**	**350**
Net income attributable to:				
- Equity holders of the Parent Company	*112*	109	*332*	*350*
-Non-controlling interests	*2*	-	*2*	-

Earnings per share for continuing and discontinued operations, attributable to equity holders of the Parent company, SEK (before and after dilution):

Continuing operations	2.41	2.32	7.06	7.37
Discontinued operations	0.00	0.00	0.00	0.09
Total	**2.41**	**2.32**	**7.06**	**7.45**
Average number of shares before and after dilution ('000)	46 999	46 999	46 999	46 999

Statement of Comprehensive Income

SEK m	3 months October-December 2016	3 months October-December 2015	12 months January-December 2016	12 months January-December 2015
Net income of the period	**113**	**109**	**334**	**350**
Other comprehensive incomes:				
Items that will not be reclassified to profit or loss:				
Actuarial loss on post-employment benefit obligations	14	4	-30	10
Total	**14**	**4**	**-30**	**10**
Items that may be reclassified subsequently to profit or loss:				
Exchange rate differences – translation of subsidiaries	1	0	-3	4
Cash flow hedge	2	0	-1	-1
Total	**3**	**0**	**-4**	**3**
Other comprehensive income of the period, net after tax:	**16**	**4**	**-34**	**13**
Sum of comprehensive income of the period	**130**	**113**	**300**	**364**
- Of which non-controlling interests	3	-	5	-

All elements within comprehensive income refer to continuing operations.

*Post-employment benefit obligations are recalculated each quarter since interest rates vary depending on market circumstances; a lower rate of interest gives rise to a higher cost in comprehensive income and a higher pension debt, while a higher rate of interest gives rise to a lower cost in comprehensive income and a lower pension debt than in the preceding quarter.

Consolidated Quarterly Income Statements in brief

SEK m	2016				2015			
Quarter	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net sales	**1 234**	**1 064**	**1 013**	**959**	**1 170**	**1 043**	**1 002**	**985**
Cost of goods sold	-874	-751	-728	-687	-812	-731	-718	-698
Gross profit	**360**	**313**	**285**	**273**	**358**	**311**	**284**	**287**
Selling expenses	-129	-112	-115	-126	-123	-112	-116	-125
Administrative expenses	-67	-60	-61	-57	-64	-59	-60	-58
Research and development expenses	-2	-2	-2	-2	-3	-2	-3	-2
Other operating incomes	1	1	4	2	1	9	0	8
Other operating expenses	-10	-11	-10	-10	-16	-9	-9	-10
EBIT	**153**	**130**	**101**	**80**	**154**	**139**	**97**	**101**
Financial income	0	0	0	0	0	0	1	0
Financial expenses	-5	-4	-8	-7	-9	-10	-8	-6
Net financial items	**-5**	**-4**	**-7**	**-6**	**-9**	**-10**	**-7**	**-5**
Income after financial items	**148**	**126**	**94**	**74**	**144**	**130**	**90**	**95**
Income tax	-34	-32	-21	-19	-35	-31	-22	-25
Net income continuing operations	**113**	**94**	**72**	**54**	**109**	**99**	**68**	**70**
Net income discontinued operations	0	0	0	0	0	0	1	3
Net income	**113**	**94**	**72**	**54**	**109**	**99**	**69**	**74**
Result attributable to:								
- Equity holders of the Parent Company	*112*	*93*	*72*	*54*	*109*	*99*	*69*	*74*
-Non-controlling interests	*2*	*0*	-	-	-	-	-	-

Consolidated Balance Sheet in brief

SEK m	31 December 2016	31 December 2015
ASSETS		
Goodwill	1 577	1 455
Other intangible fixed assets	304	274
Tangible fixed assets	951	857
Financial fixed assets	67	98
Total fixed assets	**2 899**	**2 684**
Inventories	548	500
Accounts receivables	730	660
Other operating receivables	124	130
Cash and cash equivalents	186	203
Total current assets	**1 588**	**1 494**
TOTAL ASSETS	**4 487**	**4 178**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	**2 486**	**2 345**
Long-term loans	676	553
Other long-term liabilities	402	359
Total long-term liabilities	**1 079**	**912**
Accounts payable	373	352
Short-term loans	0	-
Other short-term liabilities	549	568
Total short-term liabilities	**922**	**920**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**4 487**	**4 178**

Change in the Group's shareholders' equity

	Attributable to equity holders of the Parent Company							
SEK m	Share capital	Other injected capital	Reserves	Cash flow reserves	Fair value reserve[1)]	Profit carried forward incl. net income for the period	Non-controlling interests	**TOTAL EQUITY**
Opening balance 1 January 2015	**59**	**1 681**	**55**	**-5**	**13**	**389**	**-**	**2 193**
Sum of comprehensive income of the period	-	-	4	-1	-	361	-	364
Dividend paid to shareholders	-	-	-	-	-	-211	-	-211
Closing balance 31 December 2015	**59**	**1 681**	**59**	**-6**	**13**	**539**	**-**	**2 345**
Sum of comprehensive income of the period	-	-	-6	-1	-	302	5	300
Non-controlling interest arising upon acquisition of subsidiaries	-	-	-	-	-	-	75	75
Dividend paid to shareholders	-	-	-	-	-	-235	-	-235
Closing balance 31 December 2016	**59**	**1 681**	**53**	**-7**	**13**	**606**	**80**	**2 486**

1) Fair value reserve means a reappraisal of land in accordance with earlier accounting principles. The reappraised value is adopted as the acquisition value in accordance with the transition rules in IFRS 1.

Consolidated Cash Flow Statement

SEK m	1 January – 31 December 2016	1 January – 31 December 2015
Current operation		
Operating income continuing operations	463	490
Adjusted for items not included in cash flow etc.	141	149
Paid interest and tax	-127	-56
Change in working capital	-32	23
Discontinued operations	-	17
Cash flow from operations	**446**	**623**
Investments		
Acquisitions of fixed assets continuing operations	-178	-164
Sales of fixed assets	3	3
Acquisition of subsidiaries[1)]	-124	-
Change in interest-bearing receivables	0	0
Cash flow from investments	**-300**	**-161**
Financing		
Taken up loans[2)]	277	130
Amortization of debt[2)]	-191	-382
Dividend paid	-235	-211
Change in borrowing	-9	1
Cash flow from financing	**-159**	**-462**
Cash flow from the period	**-12**	**0**
Liquid funds, operating balance	203	205
Exchange difference, cash and cash equivalents	-6	-2
Cash and cash equivalents. closing balance	**186**	**203**

[1)] Acquisitions of subsidiaries comprise acquisitions of shares less acquired cash and cash equivalents, as well as payment of supplemental purchase price in respect of Duni Song Seng.
[2]Loans and amortizations, within the credit facility, are reported gross for duration above 3 months according to IAS 7.

Key ratios in brief

	1 January- 31 December 2016 Duni Total [3]	1 January- 31 December 2015 Continuing operations	1 January- 31 December 2015 Duni Total
Net sales, SEK m	4 271	4 200	4 283
Gross profit, SEK m	1 231	1 241	1 247
Operating income, SEK m [1]	502	528	533
EBITDA, SEK m [1]	632	656	662
Net debt	757	584	584
Number of employees	2 234	2 082	2 082
Sales growth	1.7%	8.5%	0.8%
Gross margin	28.8%	29.6%	29.1%
Operating margin [2]	11.8%	12.6%	12.4%
EBITDA margin [2]	14.8%	15.6%	15.5%
Return on capital employed [1][2]	15.8%	18.6%	18.8%
Net debt / equity ratio	30.5%	24.9%	24.9%
Net debt / EBITDA [1][2]	1.20	0.89	0.88

1) Calculated based on operating income.
2) Calculated based on the last twelve months.
3) For 2016, Duni total does not differ from continuing operations.

Parent Company Income Statements in brief

SEK m (Note 1)	3 months October-December 2016	3 months October-December 2015	12 months January-December 2016	12 months January-December 2015
Net sales	**312**	**330**	**1 140**	**1 191**
Cost of goods sold	-290	-290	-1 023	-1 046
Gross profit	**22**	**40**	**117**	**145**
Selling expenses	-35	-31	-121	-122
Administrative expenses	-46	-45	-158	-154
Research and development expenses	-1	-1	-5	-6
Other operating incomes	88	68	256	244
Other operating expenses	-34	-47	-151	-164
EBIT	**-6**	**-16**	**-63**	**-57**
Revenue from participations in Group Companies	223	72	273	198
Other interest revenue and similar income	6	6	25	32
Interest expenses and similar expenses	-6	-6	-22	-25
Net financial items	**223**	**72**	**277**	**205**
Income after financial items	**217**	**55**	**214**	**148**
Taxes on income for the period	-29	-17	-35	-27
Net income for the period	**188**	**38**	**178**	**121**

Parent Company Statement of Comprehensive Income

SEK m	3 months October-December 2016	3 months October-December 2015	12 months January-December 2016	12 months January-December 2015
Net income of the period	**188**	**38**	**178**	**121**
Other comprehensive income[1]: *Items that may be reclassified subsequently to profit or loss:*				
Exchange rate differences – translation of subsidiaries	-	-1	-	3
Cash flow hedge	2	0	-1	-1
Total	**2**	**-1**	**-1**	**2**
Other comprehensive income of the period. net after tax:	**2**	**-1**	**-1**	**2**
Sum of comprehensive income of the period	**190**	**37**	**178**	**123**
Sum of comprehensive income of the period attributable to:				
Equity holders of the Parent Company	190	37	178	123

1) The Parent company does not have any items that will “not be reclassified to profit or loss”.

Parent Company Balance Sheet in Brief

SEK m	31 December 2016	31 December 2015
ASSETS		
Goodwill	0	100
Other intangible fixed assets	36	32
Total intangible fixed assets	**36**	**132**
Tangible fixed assets	24	30
Financial fixed assets	2 392	2 262
Total fixed assets	**2 452**	**2 424**
Inventories	96	82
Accounts receivable	103	91
Other operating receivables	214	160
Cash and bank	119	144
Total current assets	**532**	**477**
TOTAL ASSETS	**2 983**	**2 901**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Total restricted shareholders' equity	83	83
Total unrestricted shareholders' equity	1 660	1 719
Shareholders' equity	**1 744**	**1 802**
Provisions	**100**	**104**
Long-term financial liabilities	659	537
Other long-term liabilities	8	7
Total long-term liabilities	**667**	**544**
Accounts payable	64	62
Short-term loans	0	-
Other short-term liabilities	409	389
Total short-term liabilities	**472**	**451**
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**2 983**	**2 901**

Definitions

Capital employed: Non-interest bearing fixed assets and current assets, excluding deferred tax assets, less non-interest bearing liabilities.

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

Currency adjusted: Figures adjusted for changes in exchange rates related to consolidation. Figures for 2016 are calculated at exchange rates for 2015. Effects of translation of balance sheet items are not included.

Earnings per share: Net income divided by the average number of shares.

EBIT: Reported operating income.

EBIT margin: EBIT as a percentage of net sales.

EBITA: Operating income before amortization of intangible assets.

EBITDA: Operating income before depreciation and impairment of fixed assets.

EBITDA margin: EBITDA as a percentage of net sales.

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

HoReCa: Abbreviation for hotels, restaurants and catering.

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

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

Operating income: operating income adjusted for restructuring costs, non-realized valuation effects of currency derivatives, fair value allocations and amortization of intangible assets identified in connection with business acquisitions.

Organic growth: Acquired companies are included in organic growth when they have been a part of the Duni Group for eight quarters.

Private label: Products marketed under customer's own label.

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

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

Source reference: HoReCa statistics refer to the European Commission website, Key Indicators for the Euro Area. DEHOGA refers to HoReCa statistics for Germany on DEHOGA Zahlenspiegel.

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, Reporting for Legal Entities, and the Annual Accounts Act. The accounting principles are the same as in the Annual Report as per 31 December 2015, with the addition of non-controlling interests as set forth below.

Duni reports non-controlling interests in an acquired company either at fair value or at the holding's proportionate share of the identifiable net assets of the acquired company. This choice of principle is made for each individual business acquisition. In respect of non-controlling interests in Terinex Siam, Duni has chosen to report non-controlling interests at fair value.

Note 2 • Financial assets and liabilities

Duni has derivative instruments valued at fair value and held for hedging purposes; all derivative instruments are classified on level 2. Level 2 derivative instruments consist of currency forward contracts and interest rate swaps, which are used for hedging purposes. Valuation of currency forward contracts at fair value is based on published futures prices on an active market. The valuation of interest rate swaps is based on futures interest rates produced based on observable yield curves. The discounting has no material impact on the valuation of derivative instruments on level 2. No financial assets or liabilities have been moved between the valuation categories. The valuation techniques are unchanged during the year.

As described in greater detail in the Annual Report per 31 December 2015, the financial assets and liabilities comprise items with short terms to maturity. Thus, the fair value is considered in all essential respects to correspond to the book value.

Note 3 • Discontinued operations

On 28 March 2015, production of hygiene products in Skåpafors ceased. The hygiene business which was previously reported in the Materials & Services business area are reported as from the second quarter of 2015 as discontinued operations. This affects only the income statement which has been recalculated to show continuing operations. Discontinued operations are reported on a separate line following net income for continuing operations.

Note 4 • Segment reporting, SEK m

October – December

2016-10-01 – 2016-12-31	**Table Top**	**Meal Service**	**Consumer**	**New Markets**	**Materials & Services**	**Continuing operations**
Total net sales	645	171	345	73	192	1 426
Net sales from other segments	-	-	14	-	178	192
Net sales from external customers	**645**	**171**	**331**	**73**	**14**	**1 234**
Operating income	**125**	**6**	**28**	**10**	**1**	**171**
EBIT						153
Net financial items						**-5**
Income after financial items						**148**

2015-10-01 – 2015-12-31	Table Top	Meal Service	Consumer	New Markets	Materials & Services	Continuing operations
Total net sales	612	162	331	52	170	1 327
Net sales from other segments	-	0	1	-	156	157
Net sales from external customers	**612**	**162**	**330**	**52**	**14**	**1 170**
Operating income	**118**	**8**	**40**	**4**	**1**	**171**
EBIT						154
Net financial items						**-9**
Income after financial items						**144**

January – December

2016-01-01 – 2016-12-31	Table Top	Meal Service	Consumer	New Markets	Materials & Services	Continuing operations
Total net sales	2 293	666	1 067	220	680	4 926
Net sales from other segments	-	-	28	-	628	656
Net sales from external customers	**2 293**	**666**	**1 039**	**220**	**52**	**4 271**
Operating income	**369**	**41**	**65**	**23**	**4**	**502**
EBIT						463
Net financial items						**-22**
Income after financial items						**441**

2015-01-01 – 2015-12-31	Table Top	Meal Service	Consumer	New Markets	Materials & Services	Continuing operations
Total net sales	2 266	616	1 070	207	654	4 813
Net sales from other segments	-	0	7	-	606	613
Net sales from external customers	**2 266**	**616**	**1 063**	**207**	**48**	**4 200**
Operating income	**392**	**33**	**84**	**15**	**4**	**528**
EBIT						490
Net financial items						**-31**
Income after financial items						**459**

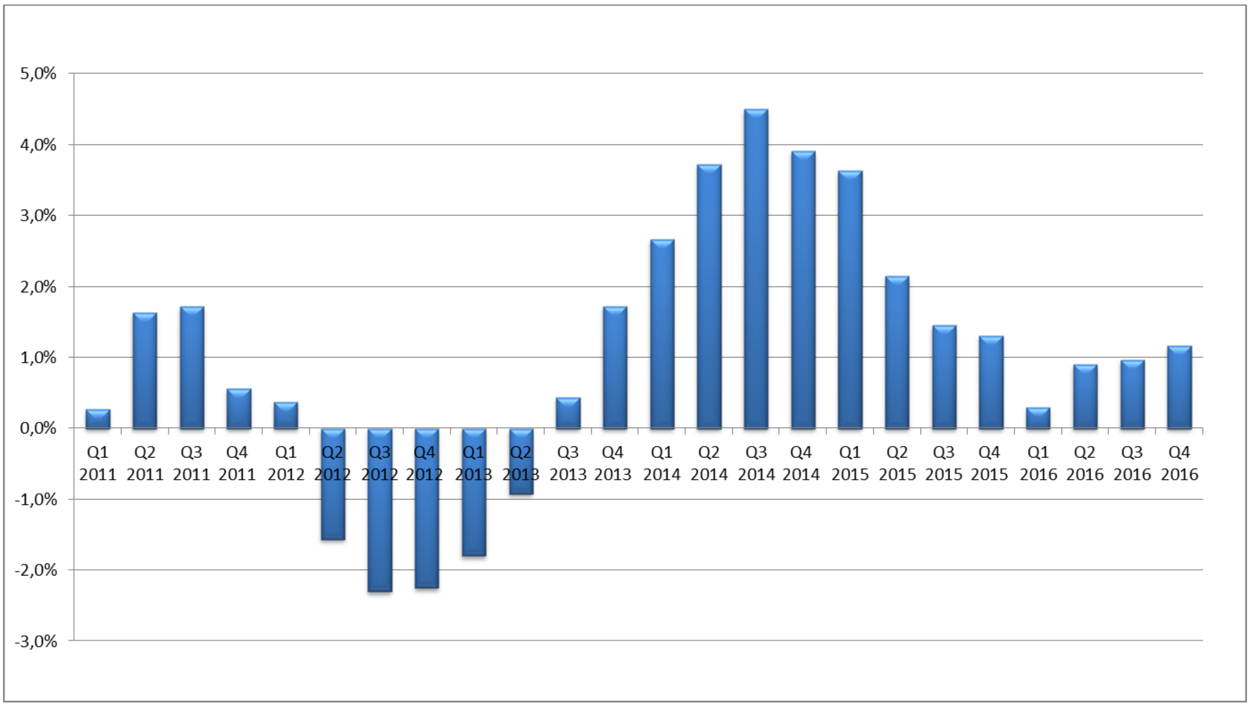
No material changes have taken place in the segments' assets compared with the Annual Report of 31 December 2015 except for the assets from the acquisition of Terinex Siam, which is consolidated in New Markets.

Quarterly overview, by segment:

Net sales SEK m	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Table Top	645	579	566	503	612	578	563	513
Meal Service	171	167	180	148	162	155	163	136
Consumer	331	247	213	248	330	245	212	276
New Markets	73	59	42	47	52	53	55	47
Materials & Services	14	12	13	14	14	11	10	13
Duni, continuing operations	**1 234**	**1 064**	**1 013**	**959**	**1 170**	**1 043**	**1 002**	**985**
Discontinued operations	0	0	0	0	0	2	20	61
Duni total	**1 234**	**1 064**	**1 013**	**959**	**1 170**	**1 045**	**1 022**	**1 046**

Operating income SEK m	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Table Top	125	97	87	60	118	109	87	77
Meal Service	6	13	19	3	8	10	13	2
Consumer	28	18	-1	19	40	21	-1	24
New Markets	10	7	2	4	4	4	4	3
Materials & Services	1	1	1	1	1	2	0	1
Duni, continuing operations	**171**	**136**	**108**	**87**	**171**	**146**	**104**	**107**
Discontinued operations	0	0	0	0	0	0	1	4
Duni total	**171**	**136**	**108**	**87**	**171**	**146**	**105**	**112**

Note 5 • Organic sales development, currency adjusted, LTM



From the 3rd quarter 2015, Duni Song Seng is included in the organic growth.
From the 2nd quarter 2016, Paper + Design is included in the organic growth.

Note 6 • Reporting of restructuring costs

Presented below is a specification of the lines on which restructuring costs are reported in the income statement.

Restructuring costs SEK m	3 months October-December 2016	3 months October-December 2015	12 months January-December 2016	12 months January-December 2015
Cost of goods sold	-3	-2	-3	-5
Selling expenses	-1	-3	-1	-7
Administrative expenses	-7	-3	-7	-4
Other operating expenses/income	-	-2	-	6
Total	**-10**	**-10**	**-10**	**-11**

All restructuring costs refer to continuing operations.