Year-End Report for Duni AB (publ)
1 January – 31 December 2017

(compared to the same period of the previous year)

9 February 2018

Stable quarter despite strongly increasing raw materials prices

1 October – 31 December

- Net sales amounted to SEK 1,254 m (1,234). Adjusted for exchange rate movements, net sales increased by 1.9%.
- Earnings per share after dilution amounted to SEK 2.55 (2.41).
- The price compensation has not fully offset record-high levels of pulp prices.
- A stable quarter with strong results in Consumer and Meal Service.
- Duni adopts an investment in airlaid capacity for around SEK 50 m for the subsidiary Rexcell Tissue & Airlaid AB. The investment is planned for completion of installation during Q2 2018.

1 January – 31 December

- Net sales amounted to SEK 4,441 m (4,271). Adjusted for exchange rate movements, net sales increased by 3.0%.
- Earnings per share after dilution amounted to SEK 6.99 (7.06).
- Net debt was higher than in the previous year, which is mainly due to acquisitions and an increase in investments.
- The Board of Directors proposes dividend of SEK 5.00 (5.00) per share.
- Acquisition of Sharp Serviettes in New Zealand.
- An investment of SEK 55 m in a logistics property in Germany.

Key financials

SEK m	3 months October-December 2017	3 months October-December 2016	12 months January-December 2017	12 months January-December 2016
Net sales	1,254	1,234	4,441	4,271
Operating income[1)]	169	171	491	502
Operating margin[1)]	13.5%	13.9%	11.1%	11.8%
Income after financial items	155	148	439	441
Net income	121	113	334	334

[1)]For bridge to EBIT, see the section entitled ”Operating income”.

CEO's comments

"Sales in Q4 2017 amounted to SEK 1,254 m (1,234). The sales increase is primarily attributable to the acquisition of Sharp Serviettes in New Zealand during Q2. Excluding acquisitions, sales are generally at the level of the previous year. Operating income was SEK 169 m (171). The slightly lower result is mainly related to strongly increasing raw materials prices, primarily for paper pulp, which cannot yet be sufficiently compensated by market price adjustments. Net income after tax for the quarter was SEK 121 m (113), which is the highest net income ever in a single quarter.

Net debt at the end of the quarter amounted to SEK 855 m. During the last two years, Duni's net debt has increased by around SEK 280 m. This increase is a consequence of the acquisition of Terinex Siam and Sharp Serviettes, as well as a high investment level to strengthen the Group's production and logistics capacity. Nonetheless, the financial position is still strong, with a net debt ratio to the profit before amortization of 1.36 (1.20).

During 2017, great efforts were made to strengthen Duni's delivery capacity. This was affected negatively, however, by capacity shortages in the logistics markets, primarily in Central Europe. Measures to safeguard capacity and delivery capacity will therefore take continued high priority in 2018.

The *Table Top* business area reported net sales of SEK 641 m (645) and operating income of SEK 121 m (125). Sales were relatively stable in most markets, but with some reduction in the UK and in certain Central European markets. The somewhat weaker result is mainly related to the record-high paper pulp prices. The achievement of price compensation in relation to the market is therefore the most important action for the business area at the start of the new year.

The *Meal Service* business area increased its net sales to SEK 179 m (171) and its operating income to SEK 7 m (6). After a relatively weak Q3, the business area has now regained its previous growth rate. It is pleasing to note that the market investments which took place during the second half of 2016, which burdened the business area's result for the year, are now beginning to have a positive impact. The business area's growth is mainly attributable to the environmentally-conscious range, for which innovation and product development continue to be very important.

Yesterday, 8 February 2018, Duni acquired 75% of the shares in Biopac in the UK. This is our first acquisition in the Meal Service business area. The company has annual sales of approximately SEK 55 m and is solely focused on sales of environmentally-customized meal products, which was an important consideration for the acquisition.

The *Consumer* business area's net sales fell to SEK 317 m (331) while its operating income increased to SEK 32 m (28). The main reasons for the improved result are a low cost level and a more favorable product mix. Like the Table Top business area, Consumer was affected by the high pulp prices. This makes price compensation towards the market a very high priority.

The *New Markets* business area increased its net sales to SEK 96 m (73) while its operating income fell to SEK 7 m (10). Sales increased mainly as a consequence of the acquisition of Sharp Serviettes, while organic growth was also favorable. During the year, the business area achieved several market investments and organizational improvements, to ensure continued strong organic growth. These investments explain the reduced operating income during the quarter. The primary focus during 2018 is driving growth continuously.

After my first quarter as President and CEO of Duni, and after meeting many of Duni's employees, I can note that Duni is ready to meet the future opportunities and challenges. I therefore look forward with confidence to building a stronger Duni, together with the entire organization," says Johan Sundelin, President and CEO, Duni.

Net sales for the quarter of SEK 1,254 m

1 October – 31 December

Compared to the same period last year, net sales increased by SEK 20 m to SEK 1,254 m (1,234). Adjusted for exchange rate movements, net sales increased by SEK 23 m or 1.9%. Meal Service made a good recovery from the weak Q3 in sales terms, and is now back at a growth rate of 5%. Christmas sales increased from the previous year, mainly in the Central European regions. Sales in the UK declined for both Table Top and Consumer in the face of declining demand and the weak pound sterling's sustained pressure on gross margins.

1 January – 31 December

Compared to the same period last year, net sales increased by SEK 171 m to SEK 4,441 m (4,271). Adjusted for exchange rate movements, net sales increased by SEK 129 m or 3.0%. Organic growth for the year was almost 1%, which is below the financial target of 5%. However, this is at the level of the overall market, with weaker development for traditional restaurants, while take-away solutions and environmentally conscious products show considerably faster growth. All business areas are growing, apart from Consumer, and there is growth in a majority of the markets. The German market gradually improved during the year, even though challenges remain within certain product segments. Duni's focus is to increase the share of areas subject to strong market demand, leading to additional development of environmentally conscious and sustainable products, and added focus on markets outside of Europe.

Net sales, currency effect

SEK m	3 months October-December 2017	3 months October-December 2017[1)] recalculated	3 months October-December 2016	Change in fixed exchange rates	12 months January-December 2017	12 months January-December 2017[1)] re-calculated	12 months January-December 2016	Change in fixed exchange rates
Table Top	641	643	645	-0.4%	2,338	2,320	2,293	1.2%
Meal Service	179	179	171	5.0%	704	698	666	4.9%
Consumer	317	317	331	-4.3%	1,010	1,002	1,039	-3.6%
New Markets	96	97	73	32.9%	322	314	220	42.4%
Other	21	21	14	50.8%	67	66	52	26.6%
Total	**1,254**	**1,257**	**1,234**	**1.9%**	**4,441**	**4,400**	**4,271**	**3.0%**

[1)]Reported net sales for 2017 recalculated at 2016 exchange rates.

Operating margin in the quarter of 13.5%

1 October – 31 December

Operating income amounted to SEK 169 m (171) with an operating margin of 13.5% (13.9%). Gross margin amounted to 29.8% (29.2%). Adjusted for translation effects due to exchange rate movements, operating income was SEK 1 m lower than last year. Meal Service has recovered to a degree and delivered better results than last year. Raw materials prices continue to maintain a high level, but price compensation towards customers and increased sales resulted in a strong final quarter. Table Top was affected by historically high levels for pulp prices, which reduced the margin. Price compensation activities have been initiated and will gradually contribute starting Q2 2018. Despite the same challenging high raw materials prices, the Consumer business area strengthened its result thanks to increased production efficiency and generally low costs during the quarter.

Income after financial items amounted to SEK 155 m (148). Income after tax was SEK 121 m (113).

1 January – 31 December

Operating income amounted to SEK 491 m (502), with an operating margin of 11.1% (11.8%). We have once again met our financial target of an operating margin over 10%. Gross margin amounted to 28.5% (28.8%). Adjusted for translation effects due to exchange rate movements, operating income was SEK 17 m lower than last year. Primarily the strong price increase for plastic materials during the year, as well as rising pulp prices at the close of the year, had a negative impact on the margin and thereby results. Price increases have gradually compensated for this. In the first half of the year, currency effects were negative, especially from the weak pound sterling. A positive aspect for the year is that the investments in the New Markets business area resulted in a strong position, with increased volumes from Duni's premium segment, but from low levels. We can also note that the market is increasing its focus on the environmentally-conscious range, where Duni is also strengthening its existing leading position.

Income after financial items amounted to SEK 439 m (441). Income after tax was SEK 334 m (334).

Operating income, currency effect translation effects

SEK m	3 months October-December 2017	3 months October-December 2017[1)] recalculated	3 months October-December 2016	12 months January-December 2017	12 months January-December 2017[1)] recalculated	12 months January-December 2016
Table Top	121	122	125	375	370	369
Meal Service	7	7	6	31	30	41
Consumer	32	32	28	57	56	65
New Markets	7	7	10	24	23	23
Other	2	2	1	5	5	4
Total	**169**	**170**	**171**	**491**	**485**	**502**

[1)]Operating income for 2017 recalculated at 2016 exchange rates.

Operating income

Duni manages its operations based on what Duni refers to as operating income. “Operating income” means operating income before restructuring costs, 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 fewernon-recurring items than the reported income. “Operating profit margin” means operating income expressed as a percentage of sales. For the bridge between operating income and EBIT, see the table below.

For the full year 2017 restructuring costs amounted to SEK 0 m (10). Restructuring costs were incurred for efficiency improvements in marketing and sales. In addition, revenue was recognized for damages relating to the period before Duni was listed. Restructuring costs totaling SEK 10 m were incurred in the latter part of 2016. These costs mainly involved organizational changes and efficiency improvements in production in Germany and in sales in the Nordic region. For details of restructuring costs, see Note 5.

Bridge between operating income and EBIT

SEK m	3 months October-December 2017	3 months October-December 2016	12 months January-December 2017	12 months January-December 2016
Operating income	**169**	**171**	**491**	**502**
Restructuring costs	-1	-10	0	-10
Amortization of intangible assets identified in connection with business acquisitions	-9	-8	-34	-27
Fair value allocation in connection with acquisitions	0	0	-1	-1
EBIT	**159**	**153**	**456**	**463**

Reporting of operating segments

Duni's operations are divided into four 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 catering, and companies in the health and care sectors. Table Top primarily markets napkins, table coverings and candles for the set table. Duni is the market leader within the premium segment in Europe. The business area accounted for approximately 53% (54%) of Duni's net sales during the period from 1 January to 31 December 2017.

The **Meal Service** business area offers concepts for meal packaging and service for e.g. take-away, ready-to-eat meals, and catering. The business area’s customers are mainly take-away-operated restaurants, food producers, and companies in the health and care sectors. As a niche player, Duni enjoys a leading position within this area in the Nordic region and has a clear growth agenda on identified markets in Europe. The business area accounted for approximately 16% (16%) of Duni's net sales during the period.

The **Consumer** business area offers consumer products to primarily the retail trade in Europe. The business area's customers 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 23% (24%) of Duni's net sales during the period.

The **New Markets** business area offers Duni's attractive quality product concepts, table top concepts and packaging to markets outside Europe. In addition to customer segments such as hotels, restaurants and catering, the business area also aims its offerings at the retail sector. The business area accounted for approximately 7% (5%) of Duni's net sales during the period. Terinex Siam has been included in the business area since August 2016 and Sharp Serviettes, with the legal trade name of United Corporation Limited, has been included in the business area since May 2017.

These business areas largely have a joint product assortment. However, design and packaging solutions are adapted to suit the different sales channels. Production and support functions are to a great extent 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 managed on the basis of operating income after shared costs have been allocated between them. For further information, see Note 3.

Up to and including 2016, operations were divided between five operating segments. Starting in 2017, Duni no longer tracks the Materials & Services business area and will instead report it under Other. This is a natural step given that the former hygiene operations, which were discontinued in March 2015, were included in Materials & Services. At that time, the business area accounted for approximately 13% of Duni's total net sales. After the hygiene operations were discontinued, they were recognized as discontinued operations and were therefore no longer included in Materials & Services. The business area accounted for only slightly more than 1% of Duni's net sales in 2016. External sales of tissue and airlaid materials from the Skåpafors factory and external sales of finance and accounting services from the European Finance Function (EFF) in Poznan are also included in Other.

Split of net sales between business areas

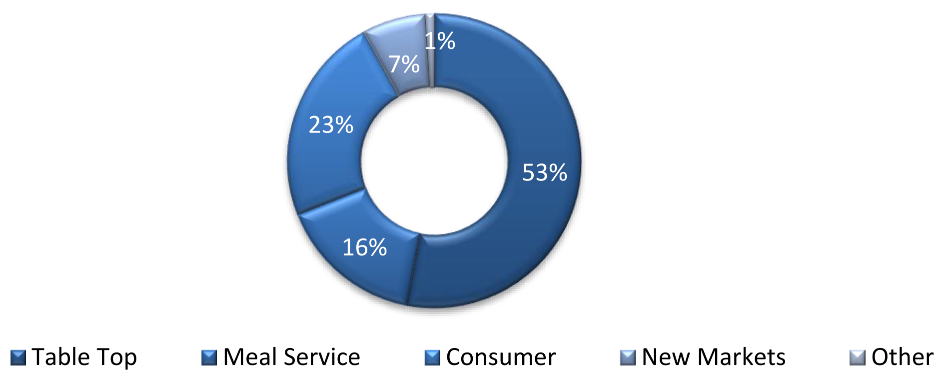


Table Top business area

1 October – 31 December

Net sales amounted to SEK 641 m (645). At fixed exchange rates, this corresponds to a decrease in sales of 0.4%. In overall terms, most markets showed relatively steady development, except the UK and certain parts of Central Europe, which declined a little. Pulp prices rose to record-high levels during the quarter, and price compensation discussions therefore commenced at the end of Q4. The outcome is expected as from Q2 2018. Activities to reverse a negative trend in Germany, which were initiated back in late 2016, have produced results, which is clearly demonstrated by sales in Q4.

Operating income was SEK 121 m (125) and the operating margin was 18.8% (19.4%). Both income and the operating margin fell back somewhat during the quarter compared to the previous year, mainly explained by increasing raw materials prices, which reached record-high levels. Table Top has a higher logistics costs ratio than before, which reflects the challenging situation in the logistics market, as a consequence of capacity shortages.

1 January – 31 December

Net sales amounted to SEK 2,338 m (2,293). At fixed exchange rates, this corresponds to an increase in sales of 1.2%. During the year, Table Top's ambition was to commence close cooperation with several large wholesalers in order to gain a better understanding of the end-consumer market's required table-setting products and solutions. The year was also affected by a rather more stable situation in the main market, Germany, even though the increase within certain segments is offset by weaker development within e.g. table coverings. The consumer confidence index rose gradually during the year. This had a positive impact on the restaurant sector, which grew in step with the overall economy, but with greater differences between markets.

Operating income was SEK 375 m (369) and the operating margin was 16.0% (16.1%). The results are almost at the same level as the previous year. The beginning of the year was marked by negative effects of the weak pound sterling, and generally weak development in volumes. The majority of the markets, including Germany, improved during the year. Despite rising raw materials costs, with limited opportunity for direct compensation, the business area still made progress with other items in the range, such as certain candle types and accessories. Price compensation is the most important issue to address in the immediate future, besides new product launches, to retain the leading position within table-setting products.

Net sales, Table Top

SEK m	3 months October-December 2017	3 months October-December 2017[1)] recalculated	3 months October-December 2016	12 months January-December 2017	12 months January-December 2017[1)] recalculated	12 months January-December 2016
Nordic region	106	106	104	357	357	344
Central Europe	428	431	437	1,555	1,545	1,545
South & East Europe	106	105	104	424	415	401
Rest of the World	0	0	1	2	2	3
Total	**641**	**643**	**645**	**2,338**	**2,320**	**2,293**

[1)]Reported net sales for 2017 recalculated at 2016 exchange rates.

Meal Service business area

1 October – 31 December

Net sales amounted to SEK 179 m (171). At fixed exchange rates, this corresponds to an increase in sales of 5.0%. Meal Service recovered from a weak Q3. South Europe continues to show above-average growth, while Germany's growth is lower than before. Environmentally adapted products are the growth locomotive in the range, contributing to a sales increase in Q4. Price increases related to certain elements of the plastics range have now been fully implemented and a recovered gross margin can be noted for the quarter.

Operating income was SEK 7 m (6) and the operating margin was 4.1% (3.6%). The higher raw materials prices, which had a negative impact on the previous quarter and primarily Q3, have now been compensated with price increases for customers in the relevant ranges. Together with active procurement to find alternative solutions, this led to a recovery for the gross margin in Q4, with a strong result.

1 January – 31 December

Net sales amounted to SEK 704 m (666). At fixed exchange rates, this corresponds to an increase in sales of 4.9%. The quarter landed at the same level as the full year, which is growth of around 5%. The market for Meal Service products is growing faster than the restaurant sector and Duni can see sustained good development in this area. It can also be noted that environmentally adapted packaging material is driving growth, with increasing market interest in solutions of this type. This also results in capacity shortages for raw materials of this type, which has further heightened the importance of active procurement in order to secure the optimum material to fulfill customers' requirements.

Operating income was SEK 31 m (41) and the operating margin was 4.4% (6.1%). 2017 was affected negatively by dramatic price increases for raw materials during the first half-year. At the end of Q3 full compensation with price increases was achieved. At the end of 2016 and the beginning of 2017, the organization was strengthened in order to gain more benefit from the dynamics within the take-away segment, as well as various food and beverage packaging solutions. This organizational adjustment took place gradually during the year and was fully implemented in the second half of 2017. As a consequence, the business area now has improved conditions for further acceleration of the development of the environmentally adapted range.

Net sales, Meal Service

SEK m	3 months October-December 2017	3 months October-December 2017[1)] recalculated	3 months October-December 2016	12 months January-December 2017	12 months January-December 2017[1)] recalculated	12 months January-December 2016
Nordic region	78	78	76	309	309	300
Central Europe	66	66	63	251	248	238
South & East Europe	35	35	32	143	140	127
Rest of the World	0	0	0	1	1	1
Total	**179**	**179**	**171**	**704**	**698**	**666**

[1)]Reported net sales for 2017 recalculated at 2016 exchange rates.

Consumer business area

1 October – 31 December

Net sales amounted to SEK 317 m (331). At fixed exchange rates, this corresponds to a decrease in sales of 4.3%. The quarter was concluded in a strong position, with positive development in Christmas sales. For the overall quarter, the business area lost some ground, however, mainly due to lower sales in the UK, and declining demand in parts of Eastern Europe. A large share of the loss is attributable to one individual customer with a low margin, so that the quarter's gross margin improved, despite a drop in sales. Like the Table Top business area, the increase in pulp prices led to price compensation activities at the end of the quarter.

Operating income was SEK 32 m (28) and the operating margin was 10.0% (8.6%). Despite somewhat weaker sales development, the result for the quarter was stronger. The cost level was low and marketing costs were considerably lower than in previous years. The product mix was also beneficial, with a strong gross margin, despite higher raw materials costs. Production efficiency was also relatively high during the quarter, which contributed positively to the business area.

1 January – 31 December

Net sales amounted to SEK 1,010 m (1,039). At fixed exchange rates, this corresponds to a decrease in sales of 3.6%, and is mainly attributable to a limited number of customers. The European retail sector has developed positively since the end of 2013, with an annual increase rate of just above 2%. Competition in most markets is still intense, especially concerning standard products. Duni is primarily growing in areas where it offers unique materials or environmentally conscious products in which it has taken a leading position. Large food chains are growing faster than small independent stores. This gives opportunities for larger volumes, but also presents challenges in terms of providing more specific customized solutions.

Operating income was SEK 57 m (65) and the operating margin was 5.6% (6.2%). Operating income for 2017 reflects the lower sales and declined in step with a reduced contribution margin. The cost level and production efficiency resulted in a positive contribution, but could not fully compensate for the lower sales. Clearer segmentation of the retail sector commenced in 2017.Duni will therefore be able to offer its attractive range, with adjustments for the respective segments' requirements, while reducing complexity.

Net sales, Consumer

SEK m	3 months October-December 2017	3 months October-December 2017[1)] recalculated	3 months October-December 2016	12 months January-December 2017	12 months January-December 2017[1)] recalculated	12 months January-December 2016
Nordic region	43	42	42	151	149	146
Central Europe	236	237	245	727	723	752
South & East Europe	28	28	32	73	72	77
Rest of the World	10	10	13	59	58	65
Total	**317**	**317**	**331**	**1,010**	**1,002**	**1,039**

[1)]Reported net sales for 2017 recalculated at 2016 exchange rates.

New Markets business area

1 October – 31 December

Net sales amounted to SEK 96 m (73). At fixed exchange rates, this corresponds to an increase in sales of 32.9%. Q4 was affected positively by the acquisition of Sharp Serviettes, as well as organic growth at the level of the company's financial target. Duni continues to strengthen its presence in Asia, which is also where growth is most apparent. Other markets have shown varying development, where the Middle East in particular, affected by lower demand, continued to lose ground from the previous year. The measures to introduce Duni's premium range are being continued successfully.

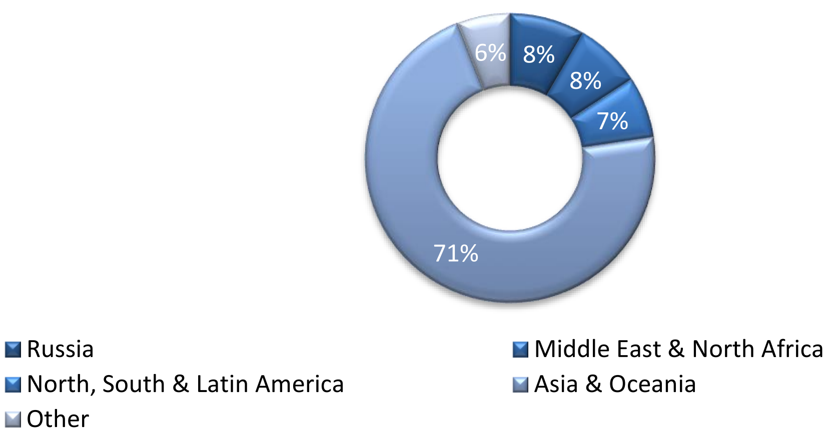
Operating income was SEK 7 m (10) and the operating margin was 7.7% (13.7%). The result for Q4 was below the previous year, mainly due to higher indirect costs as a consequence of the efforts to build up a new organization, primarily in Asia. New Markets is experiencing the increased challenge of higher logistics costs, also as a ratio of total costs. Despite higher raw materials costs, the gross margin improved during the quarter. This is a consequence of more favorable development in the customer mix, as well as the gradual increase in the relative strength of Duni's premium range.

1 January – 31 December

Net sales amounted to SEK 322 m (220). At fixed exchange rates, this corresponds to an increase in sales of 42.4%. The year shows sound growth in several strategically important areas, such as Asia and Oceania. There was also lower demand in other regions, such as the Middle East. There is clear potential, but the time required to develop the Duni relevant market will vary according to tradition and economic conditions. There are clear similarities with Europe in terms of strong development within environmentally adapted alternatives, with distinct demand for these products. Duni commands a strong position in this respect.

Operating income was SEK 24 m (23) and the operating margin was 7.4% (10.4%). The improvement in income was predominantly due to the acquisitions. The result improved during the year, but the margin narrowed as a result of the measures taken to achieve a consolidated platform for effective distribution and coordination, primarily in Asia and Oceania. This work will continue, but now Duni is better prepared to take in new business and achieve effective leverage, with a strong margin.

Net sales, geographical split, New Markets



Cash flow

The Group's cash flow from operations was SEK 449 m (446) for the period 1 January-31 December. Accounts receivable amounted to SEK 798 m (730), accounts payable to SEK 428 m (373) and inventory was valued at SEK 627 m (548).

Cash flow including investing activities amounted to SEK 156 m (146). Net investments for the period amounted to SEK 234 m (176) and amortization to SEK 174 m (159) In Q1, a SEK 55 m investment was made in a logistics property in Germany. The acquisition of Sharp Serviettes in Q2 had a negative impact on cash flow of SEK 59 m. The acquisition of Terinex Siam in 2016 had a cash-flow impact of SEK 124 m.

The Group's net interest-bearing debt as of 31 December 2017 was SEK 855 m, compared with SEK 757 m as of 31 December 2016.

Financial net

The financial net for the period 1 January-31 December was SEK -17 m (-22). Translation effects are less negative than previous year.

Taxes

The total reported tax expense for the period 1 January-31 December amounted to SEK 106 m (107), yielding an effective tax rate of 24.0% (24.3%). The tax expense for the year includes adjustments and non-recurring effects from the previous year of SEK -1.3 m (-0.4). The deferred tax asset relating to loss carryforwards was utilized at the amount of SEK 18 m (35). Duni AB has now utilized its entire loss carryforwards and is now once again paying tax in Sweden.

Earnings per share

The earnings per share before and after dilution amounted to SEK 6.99 (7.06).

Duni's share

At 31 December 2017, the share capital amounted to SEK 58,748,790 divided into 46,999,032 outstanding ordinary shares. The quotient value of the shares was SEK 1.25 per share.

Shareholders

Duni is listed on NASDAQ Stockholm under the ticker name "DUNI". Duni's three largest shareholders are Mellby Gård Investerings AB (29.99%), Swedbank Robur fonder (9.1%) and Carnegie fonder (8.5%).

Personnel

On 31 December 2017 there were 2,362 (2,279) employees. 1,057 (996) 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, Bangkok in Thailand and Auckland in New Zealand.

Acquisitions

On 8 February, Duni acquired 75% of the shares in Kindtoo Ltd, trading as Biopac UK Ltd, from the entrepreneurs Mark Brigden and Eric Grayham. Biopac is a leading supplier of sustainable diposable packaging for food and beverages in the UK. As from February, the company is consolidated in the Meal Service business area.

Biopac has 12 employees and annual sales of approximately SEK 55 m, with an operating margin well in line with the Meal Service business area. The entrepreneurs will continue to play an active role in the company. 90% of the purchase price will be paid in cash in conjunction with the acquisition and the remaining amount will be paid in accordance with the established acquisition balance sheet. The total purchase price amounts to approximately SEK 22 m for 75% of the company's shares. The same amount is carried to Duni's net debt, and is covered by the existing facility. Other acquisition-related information was not available prior to the completion of this year-end report. A preliminary specification of the acquisition, including other acquisition-related costs, will be provided in the interim report for Q1 2018.

On 3 May 2017, Duni acquired a total of 80% of the shares of New Zealand company United Corporations Limited, which is traded under the name Sharp Serviettes. Sharp Serviettes is a leading manufacturer and supplier of napkins as well as food hygiene and serving products in New Zealand. The company is consolidated in the New Markets business area as from and including May.

Sharp Serviettes has 45 employees and has its production unit in western Auckland with distribution across New Zealand. The company is a leading supplier of table setting products in New Zealand and was also already a Duni product distributor before the acquisition. Sharp Serviettes is a well-reputed partner in the HoReCa industry and retail sector in New Zealand. The company offers a wide range of quality products that can be adapted to customer requirements. Sharp Serviettes values short lead times and manufactures to order, to maintain high delivery performance.

The purchase price of SEK 59 m was paid in cash in connection with the takeover, and SEK 47 m of the purchase price was for the shares in the company, while SEK 12 m was to redeem loans. The purchase impacted Duni's net debt in the amount of SEK 59 m, which is accommodated within the current loan facility. The acquisition costs affect income for the year under the item "Other operating expenses" and amount to SEK 1.7 m. In accordance with RFR2, the parent company reports these expenses as financial assets.

Duni has an obligation to acquire the remaining 20% of the shares. The minority owners of United Corporations Limited have a put option in the period April-June 2019 to 2021 where the redemption price is determined by future income. As a result of the option, Duni recognizes the acquisition of the shares in Sharp Serviettes as if the company were fully consolidated, and recognizes a liability amounting to the discounted expected redemption price of the options. The difference between the liability for the option and the non-controlling interest to which the option is related will be recognized directly against equity. For more information regarding accounting principles, see Note 1.

The fair value of 100% of the net assets amounts to SEK 59 m. Intangible fixed assets primarily comprise customer contracts. Goodwill corresponds to the synergy effects within purchasing and access to another production unit and thus a stronger platform for Duni in Asia and Oceania. 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	19,872
Tangible fixed assets	6,816
Inventory	11,919
Accounts receivable	5,665
Cash	1,152
Long-term loans	-12,878
Accounts payable	-3,040
Deferred tax liability	-5,814
Tax liabilities	-1,026
Other current liabilities	-406
Other liabilities	-456
Acquired identifiable net assets	**21,804**
Non-controlling interests	-11,702
Goodwill	36,703
Acquired net assets	**46,806**

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 very 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 endeavors 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 of 31 December 2016.

Duni signed for new financing on 18 December 2017 so that financing is long-term once again. It now comprises two loan facilities totaling EUR 200 m, with revolving borrowing, of which EUR 50 m runs until June 2020, and EUR 150 m runs until December 2020. The new financing has similar loan terms to the previous facility.

Duni's contingent liabilities as of 31 December 2017 were SEK 40 m, compared with SEK 77 m as of 31 December 2016. The reduction is mainly due to a revoked guarantee concerning an overdraft facility in Poland, as well as a revoked customs guarantee.

Transactions with related parties

No significant transactions with related parties took place during Q4 2017.

Major events during the period

A press release was issued on 7 November 2017 announcing the composition of Duni's Nomination Committee for the 2018 Annual General Meeting.

A press release was issued on 21 December 2017 that Duni will invest in increased airlaid capacity. The subsidiary Rexcell Tissue & Airlaid AB will invest approximately SEK 50 m in an upgrade that will increase airlaid capacity by approximately 25% per annum. The investment is planned for completion during Q2 2018.

Major events since 31 December

Yesterday, 8 February 2018, Duni acquired 75% of the shares in Kindtoo Ltd, which is marketed under the name of Biopac UK Ltd.

Interim reports

Quarter I	20 April 2018
Quarter II	13 July 2018
Quarter III	18 October 2018

Proposed dividend

The Board of Directors proposes dividend of SEK 5.00 (5.00) per share, or SEK 235 m (235). The Board believes that Duni has a continued strong balance sheet and that, after the proposed dividend, the Group will have scope to perform its obligations and implement planned investments. 11 May 2018 is proposed as the record date for the right to receive dividend.

Annual General Meeting 2018

The Annual General Meeting of Duni AB will be held in Malmö at 3 pm on 8 May 2018. For more information, please see Duni's website. The Annual Report will be available on Duni's website during the week beginning on Monday, 9 April. Shareholders who wish to present proposals to Duni's Nomination Committee or wish to have a matter addressed at the Annual General Meeting may do so by e-mail to valberedning@duni.com or bolagsstamma@duni.com, or by letter to: Duni AB, Attn: Nomination Committee or AGM, Box 237, SE-201 22 Malmö, by no later than 13 March 2018.

Composition of Nomination Committee

The Nomination Committee is a shareholder committee responsible for nominating the persons proposed at the Annual General Meeting for election to Duni's Board of Directors. The Nomination Committee presents proposals regarding a Chairman of the Board and other directors. It also produces proposals regarding board fees, including the allocation of such fees between the Chairman and other directors, as well as any compensation for committee work.

Duni's Nomination Committee for the 2018 Annual General Meeting comprises four members: Magnus Yngen (Chairman of Duni AB), Rune Andersson (Mellby Gård Investerings AB), Bo Lundgren (Swedbank Robur fonder) and Johan Strömgren (Carnegie fonder).

Parent Company

Net sales for the period 1 January-31 December amounted to SEK 1,160 m (1,140). Income after financial items amounted to SEK 323 m (214). The improvement in results from the previous year is related to how goodwill on acquisition in the parent company was fully amortized in 2016. This was previously recognized in other operating expenses at SEK 100 m per annum. The net interest-bearing debt was SEK -799 m (-734), of which a net asset of SEK 1,572 m (1,374) relates to subsidiaries. Net investments amounted to SEK 21 (15) MSEK and amortization amounted to SEK 16 m (117).

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's 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 for 31 December 2016.

Information in the report

Duni AB (publ) publishes this information in accordance with the Securities Market Act and/or the Financial Instruments Trading Act. The information was provided for publication on 9 February at 07.45 am.

At 10.00 am on Friday, 9 February, the report will be presented at a telephone conference, which can also be followed on the web. To participate in the telephone conference, call +46 8 566 426 62. To follow the presentation on the web, please visit this link:

http://event.on24.com/wcc/r/1596343-1/ABFD7D0803713E6D43C6522B889DB0B3

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.

Malmö, 8 February 2018

Johan Sundelin, President and CEO

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Consolidated Income Statements

SEK m (Note 1)	3 months October-December 2017	3 months October-December 2016	12 months January-December 2017	12 months January-December 2016
Net sales	**1,254**	**1,234**	**4,441**	**4,271**
Cost of goods sold	-881	-874	-3,177	-3,039
Gross profit	**373**	**360**	**1,264**	**1,231**
Selling expenses	-129	-129	-505	-483
Administrative expenses	-72	-67	-261	-245
Research and development expenses	-2	-2	-8	-8
Other operating incomes	3	1	12	10
Other operating expenses	-13	-10	-47	-43
EBIT (Note 6)	**159**	**153**	**456**	**463**
Financial income	0	0	0	1
Financial expenses	-5	-5	-18	-23
Net financial items	**-5**	**-5**	**-17**	**-22**
Income after financial items	**155**	**148**	**439**	**441**
Income tax	-33	-34	-106	-107
Net income	**121**	**113**	**334**	**334**
Net income attributable to:				
- Equity holders of the Parent Company	*120*	*112*	*329*	*332*
- Non-controlling interests	*2*	*2*	*5*	*2*
Earnings per share attributable to equity holders of the Parent Company				
Before and after dilution (SEK)	2.55	2.41	6.99	7.06
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 2017	3 months October-December 2016	12 months January-December 2017	12 months January-December 2016
Net income	**121**	**113**	**334**	**334**
Other comprehensive incomes:				
Items that will not be reclassified to profit or loss:				
Actuarial loss on post-employment benefit obligations*	10	14	4	-30
Total	**10**	**14**	**4**	**-30**
Items that may be reclassified subsequently to profit or loss:				
Exchange rate differences – translation of subsidiaries	15	1	3	-3
Cash flow hedge	0	2	2	-1
Total	**15**	**3**	**5**	**-4**
Other comprehensive income of the period, net after tax:	**26**	**16**	**10**	**-34**
Sum of comprehensive income of the period	**147**	**130**	**343**	**300**
- Of which non-controlling interests	5	3	5	5

*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	2017				2016			
Quarter	Oct-Dec	Jul-Sept	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sept	Apr-Jun	Jan-Mar
Net sales	**1,254**	**1,082**	**1,101**	**1,004**	**1,234**	**1,064**	**1,013**	**959**
Cost of goods sold	-881	-778	-800	-719	-874	-751	-728	-687
Gross profit	**373**	**304**	**302**	**286**	**360**	**313**	**285**	**273**
Selling expenses	-129	-118	-128	-130	-129	-112	-115	-126
Administrative expenses	-72	-61	-66	-61	-67	-60	-61	-57
Research and development expenses	-2	-2	-2	-2	-2	-2	-2	-2
Other operating incomes	3	2	9	1	1	1	4	2
Other operating expenses	-13	-12	-13	-12	-10	-11	-10	-10
EBIT	**159**	**114**	**102**	**81**	**153**	**130**	**101**	**80**
Financial income	0	0	0	0	0	0	0	0
Financial expenses	-5	-6	-4	-3	-5	-4	-8	-7
Net financial items	**-5**	**-6**	**-4**	**-3**	**-5**	**-4**	**-7**	**-6**
Income after financial items	**155**	**108**	**98**	**78**	**148**	**126**	**94**	**74**
Income tax	-33	-27	-25	-20	-34	-32	-21	-19
Net income	**121**	**80**	**73**	**58**	**113**	**94**	**72**	**54**
Net income attributable to:								
- Equity holders of the Parent Company	*120*	*79*	*72*	*57*	*112*	*93*	*72*	*54*
- Non-controlling interests	*2*	*1*	*1*	*1*	*2*	*0*	*-*	*-*

Consolidated Balance Sheet in brief

SEK m	31 December 2017	31 December 2016
ASSETS		
Goodwill	1,617	1,577
Other intangible fixed assets	294	304
Tangible fixed assets	1,080	951
Financial fixed assets	51	67
Total fixed assets	**3,042**	**2,899**
Inventory	627	548
Accounts receivable	798	730
Other operating receivables	139	124
Cash and cash equivalents	227	186
Total current assets	**1,791**	**1,588**
TOTAL ASSETS	**4,833**	**4,487**
SHAREHOLDERS’ EQUITY AND LIABILITIES		
Shareholders’ equity	**2,594**	**2,486**
Long-term loans	653	676
Other long-term liabilities	388	402
Total long-term liabilities	**1,041**	**1,079**
Accounts payable	428	373
Short-term loans	197	-
Other short-term liabilities	573	549
Total short-term liabilities	**1,197**	**922**
TOTAL SHAREHOLDERS’ EQUITY AND LIABILITIES	**4,833**	**4,487**

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 2016	**59**	**1,681**	**59**	**-6**	**13**	**539**	-	**2,345**
Sum of comprehensive income for 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**
Sum of comprehensive income for the period	-	-	4	2	-	333	5	343
Non-controlling interest arising upon acquisition of subsidiaries	-	-	-	-	-	-	0	0
Dividend paid to shareholders	-	-	-	-	-	-235	-	-235
Closing balance 31 December 2017	**59**	**1,681**	**57**	**-5**	**13**	**704**	**85**	**2,594**

[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 2017	1 January - 31 December 2016
Current operation		
Operating income continuing operations	456	463
Adjusted for items not included in cash flow etc.	141	141
Paid interest and tax	-100	-127
Change in working capital	-48	-32
Cash flow from operations	**449**	**446**
Investments		
Acquisitions of fixed assets continuing operations	-237	-178
Sales of fixed assets	3	3
Acquisition of subsidiaries	-59	-124
Change in interest-bearing receivables	0	0
Cash flow from investments	**-293**	**-300**
Financing		
Taken up loans[1)]	640	277
Amortization of debt[1)]	-488	-191
Dividend paid to shareholders	-235	-235
Change in borrowing	-32	-9
Cash flow from financing	**-114**	**-159**
Cash flow from the period	**41**	**-12**
Liquid funds, operating balance	186	203
Exchange difference, cash and cash equivalents	0	-6
Cash and cash equivalents. closing balance	**227**	**186**

[1)]Loans and amortizations, within the credit facility, are reported gross for durations above 3 months according to IAS 7.

Key ratios in brief

	12 months 1 January - 31 December 2017	12 months 1 January - 31 December 2016
Net sales, SEK m	4,441	4,271
Gross profit, SEK m	1,264	1,231
Operating income, SEK m [1)]	491	502
EBITDA, SEK m [1)]	630	632
Net debt	855	757
Number of employees	2,362	2,279
Sales growth	4.0%	1.7%
Gross margin	28.5%	28.8%
Operating margin 1)	11.1%	11.8%
EBITDA margin1)	14.2%	14.8%
Return on capital employed1) 2)	14.4%	15.8%
Net debt / equity ratio	32.9%	30.5%
Net debt / EBITDA1) 2)	1.36	1.20

1) Calculated based on operating income.
2) Calculated based on the last twelve months.

Parent Company Income Statements in brief

SEK m (Note 1)	3 months October-December 2017	3 months October-December 2016	12 months January-December 2017	12 months January-December 2016
Net sales	**325**	**312**	**1,160**	**1,140**
Cost of goods sold	-291	-290	-1,050	-1,023
Gross profit	**33**	**22**	**110**	**117**
Selling expenses	-31	-35	-122	-121
Administrative expenses	-47	-46	-160	-158
Research and development expenses	-1	-1	-5	-5
Other operating incomes	61	88	247	256
Other operating expenses	-10	-34	-44	-151
EBIT	**4**	**-6**	**26**	**-63**
Revenue from participation in Group Companies	238	223	290	273
Financial income	6	6	22	25
Financial expenses	-4	-6	-16	-22
Net financial items	**240**	**223**	**297**	**277**
Income after financial items	**244**	**217**	**323**	**214**
Income tax	-32	-29	-39	-35
Net income	**212**	**188**	**284**	**178**

Parent Company Statement of Comprehensive Income

SEK m	3 months October-December 2017	3 months October-December 2016	12 months January-December 2017	12 months January-December 2016
Net income	**212**	**188**	**284**	**178**
Other comprehensive income1):				
Items that may be reclassified subsequently to profit or loss:				
Exchange rate differences – translation of subsidiaries	-1	0	-2	-1
Cash flow hedge	0	2	2	-1
Total	**-1**	**2**	**1**	**-1**
Other comprehensive income for the period. net after tax:	**-1**	**2**	**1**	**-1**
Sum of comprehensive income for the period	**211**	**190**	**285**	**178**
Sum of comprehensive income for the period attributable to:				
Equity holders of the Parent Company	211	190	285	178

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 2017	31 December 2016
ASSETS		
Goodwill	0	0
Other intangible fixed assets	40	36
Total intangible fixed assets	**40**	**36**
Tangible fixed assets	25	24
Financial fixed assets	2,575	2,392
Total fixed assets	**2,640**	**2,452**
Inventory	98	96
Accounts receivable	112	103
Other operating receivables	205	214
Cash and bank	157	119
Total current assets	**572**	**532**
TOTAL ASSETS	**3,211**	**2,983**
SHAREHOLDERS’ EQUITY AND LIABILITIES		
Total restricted shareholders’ equity	83	83
Total unrestricted shareholders’ equity	1,710	1,661
Shareholders’ equity	**1,794**	**1,744**
Provisions	**109**	**100**
Long-term loans	637	659
Other long-term liabilities	5	8
Total long-term liabilities	**642**	**667**
Accounts payable	60	64
Short-term loans	197	-
Other short-term liabilities	409	409
Total short-term liabilities	**667**	**472**
TOTAL SHAREHOLDERS’ EQUITY, PROVISIONS AND LIABILITIES	**3,211**	**2,983**

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/currency impact translations effects: Figures adjusted for changes in exchange rates related to consolidation. Figures for 2017 are calculated at exchange rates for 2016. 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 active full-time employees at end of period.

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

Operating margin: Operating income as a percentage of sales.

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

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 for 31 December 2016.

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 Sharp Serviettes, Duni has chosen to report non-controlling interests at fair value.

IFRS 9, Financial Instruments, has been adopted by the EU and is effective for financial years beginning on or after 1 January 2018. Duni will apply IFRS 9 in the financial year beginning on 1 January 2018. In accordance with the standard's transition rules, the Group will not re-calculate comparative figures for the 2017 financial year. The consequences of IFRS 9 have been assessed and it will not have any impact on the company's income statement or balance sheet. The annual financial statements are affected, however, by the extended disclosure requirements which both standards impose on the company. Duni assesses that the current hedging arrangements fulfill the conditions for hedge accounting on the application of IFRS 9 and have updated the hedging documentation in accordance herewith. On the transition to IFRS 9, the hedge accounting will not affect the company's income statement or balance sheet.

IFRS 15, Revenue from Contracts with Customers, has been adopted by the EU and is effective for financial years beginning on or after 1 January 2018. Duni will apply IFRS 15 in the financial year beginning on 1 January 2018. The transition method applied is complete retroactive application. The consequences of IFRS 15 have been assessed and it will not have any significant impact on Duni's income statement or balance sheet. IFRS 15 also has extended disclosure requirements which affect Duni.

IFRS 16, Leases, has not yet been adopted by the EU, but is expected to be applicable to financial years beginning on or after 1 January 2019. Duni does not plan for early application of IFRS 16. Work to evaluate the consequences of this standard has been initiated and mapping of all of the Group's leasing agreements has been completed. The remaining work includes assessing discount rates and which agreements fall under the exemptions of short-term leases and leases of low-value assets. Duni's financial statements and key ratios will be affected, but it is still too early to assess the amounts. For more information, see Note 2 in the Annual Report for 31 December 2016.

Note 2 • Financial assets and liabilities

Duni has derivative instruments valued at fair value and held for hedging purposes 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. The put option issued to the minority owners of Sharp Serviettes at the time of acquisition is classified on level 3 and its valuation is largely based on unobservable market data such as the discount rate and future cash flows. 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 for 31 December 2016, 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 • Segment reporting, MSEK

October-December

2076-10-01 – 2017-12-31	Table Top	Meal Service	Consumer	New Markets	Other	Total
Total net sales	641	179	322	96	21	1,258
Net sales from other segments	-	-	5	-	-	5
Net sales from external customers	**641**	**179**	**317**	**96**	**21**	**1,254**
Operating income	**121**	**7**	**32**	**7**	**2**	**169**
EBIT						159
Net financial items						-5
Income after financial items						155

The assets of Sharp Serviettes will be allocated to the New Markets business area.

2016-10-01 – 2016-12-31	Table Top	Meal Service	Consumer	New Markets	Other	Total
Total net sales	645	171	345	73	14	1,248
Net sales from other segments	-	-	14	-	-	14
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

January – December

2017-01-01 – 2017-12-31	Table Top	Meal Service	Consumer	New Markets	Other	Total
Total net sales	2,338	705	1,034	322	67	4,465
Net sales from other segments	-	0	24	-	-	24
Net sales from external customers	**2,338**	**704**	**1,010**	**322**	**67**	**4,441**
Operating income	**375**	**31**	**57**	**24**	**5**	**491**
EBIT						456
Net financial items						-17
Income after financial items						439

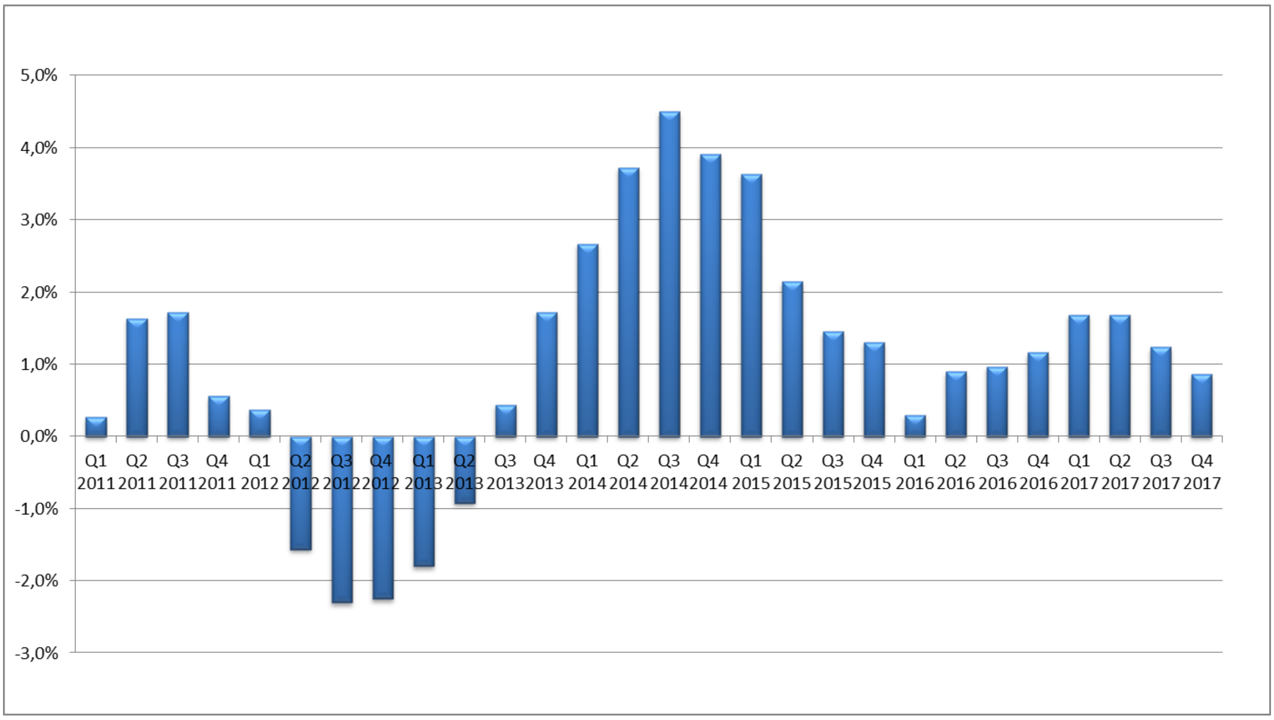
2016-01-01 – 2016-12-31	Table Top	Meal Service	Consumer	New Markets	Other	Total
Total net sales	2,293	666	1,067	220	52	4,299
Net sales from other segments	-	-	28	-	-	28
Net sales from external customers	**2,293**	**666**	**1,039**	**220**	**52**	**4,271**
Operating income	**369**	**41**	**65**	**23**	**4**	**502**
EBIT						463
Net financial items						-22
Income after financial items						441

Quarterly overview, by segment:

Net sales SEK m	**Q4 2017**	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Table Top	641	581	605	511	645	579	566	503
Meal Service	179	170	194	162	171	167	180	148
Consumer	317	235	211	247	331	247	213	248
New Markets	96	78	78	70	73	59	42	47
Other	21	18	14	14	14	12	13	14
Duni Total	**1,254**	**1,082**	**1,101**	**1,004**	**1,234**	**1,064**	**1,013**	**959**

Operating income SEK m	**Q4 2017**	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Table Top	121	96	95	64	125	97	87	60
Meal Service	7	7	15	2	6	13	19	3
Consumer	32	14	-6	16	28	18	-1	19
New Markets	7	5	5	7	10	7	2	4
Other	2	1	1	1	1	1	1	1
Duni Total	**169**	**123**	**110**	**89**	**171**	**136**	**108**	**87**

Note 4 • 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 5 • 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 2017	3 months October-December 2016	12 months January-December 2017	12 months January-December 2016
Cost of goods sold	-1	-3	-1	-3
Selling expenses	0	-1	-4	-1
Administrative expenses	0	-7	-3	-7
Other operating expenses/income	-	-	7	-
Total	**-1**	**-10**	**0**	**-10**