
# Interim Report for Duni AB (publ)
# 1 January – 30 June 2013

(compared with the same period of the previous year)

12 July 2013

## *Strong second-quarter in an economy which continues to be a challenge*

1 April – 30 June 2013

- Net sales amounted to SEK 914 m (934). Adjusted for exchange rate changes, net sales increased by 1.0%.
- Earnings per share, after dilution, amounted to SEK 1.41 (1.19).
- Seasonally, a historically strong operating margin of 10.0%.
- On 17 June, Duni entered into an agreement for the acquisition of the assets in Song Seng Associates, the leading supplier of single-use packaging for food and beverages in Singapore with a growing export market in Southeast Asia.

1 January – 30 June 2013

- Net sales amounted to SEK 1,766 m (1,790). Adjusted for exchange rate changes, net sales increased by 1.7%.
- Earnings per share, after dilution, amounted to SEK 2.18 (1.97).
- Stability despite a somewhat declining European market.

## *Key financials*

| SEK m | 3 months April-June 2013 | 3 months April - June 2012 | 6 months January – June 2013 | 6 months January – June 2012 | 12 months July – June 12/13 | 12 months January – December 2012 |
|---|---|---|---|---|---|---|
| Net sales | 914 | 934 | 1 766 | 1 790 | 3 645 | 3 669 |
| Operating income1) 2) | 91 | 90 | 146 | 150 | 338 | 342 |
| Operating margin1) 2) | 10.0% | 9.6% | 8.3% | 8.4% | 9.3% | 9,3% |
| Income after financial items 2) | 88 | 77 | 137 | 128 | 213 | 204 |
| Net income2) | 66 | 56 | 103 | 93 | 136 | 126 |

1) Underlying operating income; for link to reported operating income, see the section entitled "Non-recurring items".
2) Comparison figures for 2012 recalculated in accordance with IAS19R; see further in Note 2.

Duni is a leading supplier of attractive and convenient products for table setting and takeaway. The Duni brand is sold in more than 40 markets and enjoys a number one position in Central and Northern Europe. Duni has some 1,900 employees in 18 countries, headquarters in Malmö and production units in Sweden, Germany and Poland. Duni is listed on NASDAQ OMX Stockholm under the ticker name "DUNI". ISIN-code is SE 0000616716.

## *CEO's comments*

"The growth from the first quarter of the year was maintained into the second quarter and, despite low growth figures, it is pleasing that the pace exceeds the market in general. Sales during the second quarter amounted to SEK 914 m (934) which, measured at fixed exchange rates corresponds to an increase of 1.0% compared with last year. Operating income before non-recurring items was SEK 91 m (90) and the operating margin was 10.0% which is strong, for the second quarter, even from a historical perspective. The results were particularly good within Meal Service, which is a part of Professional, and in our markets outside of Europe. The growth trend is stable in markets such as Russia and the Middle East, and the export markets grew during the quarter by 28%. Within Europe, demand continues to be weak and industry statistics generally show either demand on par with last year or a decrease of a few percentage points. Within the segments, we see continued growth in easily accessible concepts such as Fast Food and take-away which, on most markets, occurs at the expense of growth via traditional restaurants.

During the quarter, we decided to carry out organizational changes within each category. In order to increase the degree of specialization and strengthen the focus on prioritized customer segments, the sales organization is being integrated into each business area. The change, which is a natural step in the reorganization which was commenced during 2012, is creating the conditions for more efficient use of resources and improved integration between marketing and sales activities. The organizational change is being implemented in stages and it is anticipated that it will be fully implemented at the end of the first quarter of 2014.

As a part of our increased focus on growth markets, the acquisition of Song Seng in Singapore was announced during the quarter. Song Seng has successfully conducted the purchase and sale of single-use products on the rapidly growing take-away market in Southeast Asia since 1984. In recent years, the company has increased its market presence significantly and invested in a structure which renders possible future growth. The acquisition creates a platform for the immediate launch of Duni's products while the business itself is both profitable and growing strongly.

Professional reports at fixed exchange rates a marginal increase in sales during the quarter with strong earnings. Good cost controls and positive effects from purchasing, among other things, generated an operating margin for the quarter of 13.8% (12.9%). Developments in southern Europe continue to be a challenge while our primary markets are developing on par with last year. Customer-oriented work is at a high level but, as a consequence of poor demand, competition is increasing. The premium range is developing better than the range as a whole and efforts in Evolin® and other premium products continues. Sales for the quarter amounted to SEK 699 m (689) which, measured at fixed exchange rates, corresponds to a sales increase of 0.9%. Net income for the period comes in at SEK 94 m (90).

Due to lower level of promotions, Consumer sales during the quarter were lower than last year. Net sales amounted to SEK 119 m (126) which, measured at fixed exchange rates, corresponds to a decrease in sales of 1.6%. The business climate in the Consumer business area is challenging and, despite the fact that several new customer contracts were implemented, sales came in at below last year's level. Viewed over two quarters and measured at fixed exchange rates, the business area grew by 6.7% but further measures must be taken in order to achieve stability. Operating income amounted to SEK -5 m (0) and was primarily affected by lower gross profits. The business operations within the Tissue business area follow the plan established in conjunction with the decision to leave the hygiene products market.

All in all, and given the market situation, we are satisfied with the income for the quarter. It is pleasing that underlying growth persists and we have segments and markets reporting high growth. In addition, two important activities have been implemented with the acquisition of Song Seng and the change in the sales organization, initiatives which create opportunities for both enhanced profitability and faster growth," says Thomas Gustafsson, President and CEO, Duni.

## Net sales for the quarter amounted to SEK 914 m

*1 April – 30 June*

Net sales amounted to SEK 914 m (934). Adjusted for exchange rates changes, net sales increased by 1.0%. Duni reports growth in several areas during the second quarter, and particularly positive growth within Meal Service and exports outside of Europe in the Professional business area. Despite this, sales were at the same level as last year since southern Europe, Benelux and the UK reported lower sales during the quarter.

*1 January – 30 June*

Net sales decreased by SEK 24 m to SEK 1 766 m (1 790) as compared with the same period last year. Adjusted for exchange rates changes, net sales increased by 1.7%. The market continues to decline for several European markets while the market in northern Europe has stabilized in part. Growth continues to be seen in fast food chains and the catering segment, while the traditional restaurant segment is characterized by weaker demand. In this challenging business climate, the Professional business area reports almost unchanged sales while Consumer, through new contracts, reports growth related to the first quarter.

| *Net sales, currency effect* <br> *SEK m* | 3 months April - June 2013 | 3 months April-June 2013[1] recalculated | 3 months January-June 2012 | Change in fixed exchange rates | 6 months January – June 2013 | 6 months January – June 2013[1] recalculated | 6 months January - June 2012 | Change in fixed exchange rates |
|---|---|---|---|---|---|---|---|---|
| Professional | 681 | 705 | 699 | 0.9% | 1 266 | 1 311 | 1 324 | -1.0% |
| Consumer | 119 | 124 | 126 | -1.6% | 259 | 269 | 253 | 6.7% |
| Tissue | 114 | 114 | 109 | 4.9% | 240 | 240 | 213 | 13.1% |
| **Duni** | **914** | **943** | **934** | **1.0%** | **1 766** | **1 820** | **1 790** | **1.7%** |

[1] Reported net sales for 2013 recalculated at 2012 exchange rates.

## An operating margin for the quarter of 10.0%

*1 April – 30 June*

Operating income (EBIT) adjusted for non-recurring items amounted to SEK 91 m (90) and the gross margin to 26.1% (26.2%). The gross margin was maintained despite a high cost level for traded goods. This is partially explained by a certain amount of price compensation to customers, but also to a large degree by increased activities on the purchasing side. The operating margin increased to 10.0% (9.6%). The second quarter reports a historically strong operating margin. Adjusted for changes in exchange rates, the operating income was 5 MSEK higher than last year. Income after financial items amounted to SEK 88 m (77). Net income after taxes was SEK 66 m (56).

*1 January – 30 June*

Operating income (EBIT) adjusted for non-recurring items amounted to SEK 146 m (150) and the gross margin to 25.9% (26.4%). The underlying operating margin for the group was 8.3% (8.4%). Adjusted for exchange rates changes, operating income increased by 4 MSEK as compared with last year. Raw materials costs and exchange rate effects were in general relatively stable, while Duni succeeded in compensating through selective price increases within the areas impacted by higher costs. In addition, the utilization rate was better than last year when a reduction in goods in stock entailed lower production. Despite newly won contracts last year, the Consumer business area reports a decline which is reflected by a lower level of promotions than previous year. Net income after financial items amounted to SEK 137 m (128). Net income after taxes amounted to SEK 103 m (93).

| *Underlying operating income, currency effect* *SEK m* | 3 months April - June 2013 | 3 months April- June 2013[1)] recalculated | 3 months April- June 2012 | 6 months January- June 2013 | 6 months January- June 2013[1)] recalculated | 6 months January- June 2012 |
|---|---|---|---|---|---|---|
| Professional | 94 | 98 | 90 | 147 | 155 | 151 |
| Consumer | -5 | -5 | 0 | -8 | -7 | -1 |
| Tissue | 2 | 2 | 0 | 6 | 6 | 0 |
| **Duni** | **91** | **95** | **90** | **146** | **154** | **150** |

[1)] Underlying operating income for 2013 recalculated at 2012 exchange rates.

## *Non-recurring items*

Non-recurring items means restructuring costs and unrealized valuation effects from currency and energy derivatives as a consequence of the fact that hedges are not reported for these financial instruments.

The net income reported for the period 1 January – 30 June is not affected by unrealized valuation effects for derivatives or restructuring costs. For further information, see Note 5.

During 2012, restructuring costs were incurred totaling SEK 113 m. Of this amount, SEK 83 m relates to the planned closure of the hygiene products unit within Tissue. This primarily involves write-downs of fixed assets and, in part, also of inventories. It is estimated that closure of the unit will be completed in April 2014.

| *Non-recurring items* *SEK m* | 3 months April - June 2013 | 3 months April - June 2013 | 6 months January - June 2013 | 6 months January - June 2012 | 12 months July – June 12/13 | 12 months January – December 2012 |
|---|---|---|---|---|---|---|
| **Underlying operating income** | **91** | **90** | **146** | **150** | **338** | **342** |
| Unrealized value changes, derivative instruments | 0 | 0 | 0 | 1 | -5 | 0 |
| Restructuring costs | 0 | -2 | 0 | -6 | -107 | -113 |
| **Reported operating income** | **91** | **87** | **146** | **145** | **226** | **229** |

## *Reporting of operating segments*

Duni's operations are divided into three segments, referred to as business areas.

The Professional business area (sales to hotels, restaurants and catering companies) accounted for 72% (74%) of Duni's net sales during the period 1 January – 30 June 2013. Professional comprises two product categories: Table Top and Meal Service. Table Top markets primarily napkins, tablecoverings and candles, which are combined in matching concepts for the set table. Meal Service markets more functional concepts for take-away packaging and serving products, such as to-go, take-away and catering. Table Top accounts for approximately 80% of total sales within the Professional business area.

| **Duni** | | |
|---|---|---|
| *Professional 72%* | *Consumer 15%* | *Tissue 13%* |

*Split on Net sales between business areas*

The Consumer business area (focused primarily on the grocery retail trade), accounted for 15% (14%) of net sales during the period.

The Tissue business area (airlaid and tissue-based material for tabletop products and hygiene applications) accounted for 13% (12%) of sales to external customers during the period. Duni plan to close down the part of the business involving external sales, primarily to the hygiene products sector, within the Tissue business area. Production is planned to be phased out over the next three quarters.

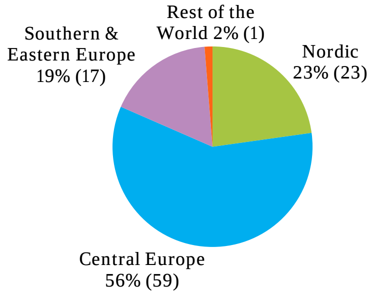
The Professional and Consumer business areas have, to a large extent, a common product range. Design and packaging solutions are, however, adapted to suit the different sales channels. Production and support functions are shared to a large degree by the business areas.

Duni management team, which decides upon the allocation of resources within Duni and evaluates results from the business operations, is the highest executive decision-making body in Duni. Duni controls the business areas on the underlying operating income, after shared costs have been allocated to each business area. For further information, see Note 4.

## Professional business area

*1 April – 30 June*

Net sales decreased by SEK 18 m to SEK 681 m (699). Measured at fixed exchange, this corresponds to a sales increase of 0.9%. Within this business area, additional steps have been taken in order to increase the focus on take-away and the catering segment in order to derive more benefit from the general market trend. It is also within this area that a broader growth has been achieved during the quarter, even if still modest. The launch and processing of Evolin®, Duni's new premium quality for tablecoverings, continues and should be viewed as an important element of defending Duni's position as the leading innovator of the set table. Germany contributed positively to sales during the quarter, while competition in southern Europe, Benelux and Great Britain continues to intensify.



*Sales, Geographical split, Professional*

Operating income increased to SEK 94 m (90) with an operating margin of 13.8% (12.9%). Operating income for the quarter reflects increased internal efficiency with lower costs and a positive currency effect from the re-valuation of operating capital as compared with last year.

*1 January – 30 June*

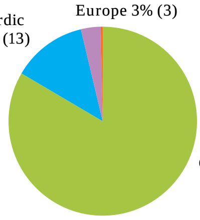
Net sales amounted to SEK 1,266 m (1,324). Measured at fixed exchange rates, this corresponds to a decrease in sales of 1.0%. Central and eastern Europe continued to report stability and important strategic markets, including Russia, report growth of approximately 30%, however still from low levels. During the year, the focus has been on improving the integration of the sales and marketing divisions in order to ensure increased efficiency, but primarily in order to be able to satisfy customer demands and expectations in a better and quicker way. In a market which is not growing, this is crucial and provides possibilities for increased market shares.

Operating income was SEK 147 m (151) and the operating margin was 11.6% (11.4%). In comparable currencies, the profits increased, both in absolute figures and with respect to margins. Duni's aim has always been to offer products of unique and high quality. This continues to be a pillar, but the goal of offering simple products at competitive prices is becoming ever more important.

| *Net Sales, Professional*<br><br>*SEK m* | 3 months April-June 2013 | 3 months April-June 2013[1] recalculated | 3 months January-June 2012 | 6 months January – June 2013 | 6 months January-June 2013[1] recalculated | 6 months January – June 2012 | 12 months July – June 12/13 | 12 months January – December 2012 |
|---|---|---|---|---|---|---|---|---|
| Nordic region | 156 | 156 | 160 | 293 | 293 | 300 | 607 | 614 |
| Central Europe | 384 | 402 | 402 | 729 | 763 | 779 | 1 528 | 1 578 |
| Southern & Eastern Europe | 129 | 134 | 128 | 223 | 232 | 227 | 451 | 455 |
| Rest of the World | 12 | 12 | 8 | 21 | 22 | 18 | 38 | 35 |
| **Total** | **681** | **705** | **699** | **1 266** | **1 311** | **1 324** | **2 624** | **2 682** |

[1] Reported net sales for 2013 recalculated at 2012 exchange rates.

## Consumer business area



*Sales – Geographical split, Consumer*

*April – 30 June*

Net sales amounted to SEK 119 m (126). Measured at fixed exchange rates, this corresponds to a decrease in sales of 1.6%. The quarter began with weak sales figures despite new contracts which contributed positively. During the latter part of the reporting period, sales strengthened but, despite this, did not rise to the same level as the corresponding quarter last year. The main reason is that last year was marked by a number of promotions and the campaign pressure was lower in the second quarter of this year.

Operating income was SEK -5 m (0) and the operating margin was -4.4% (-0.2%). Net income for the quarter decreased primarily as a consequence of pressure on gross margins in a market with tough competition. The internal efficiency measures have not been able to compensate for this fully.

*1 January – 30 June*

Net sales amounted to SEK 259 m (253), corresponding to an increase in sales of 6.7% at fixed currency rates. Despite a weaker second quarter, the business area reports growth which exceeds the market demand and a change from the negative trend of recent years. The challenge is to obtain sufficient leverage in the contracts which are secured.

Operating income was SEK -8 m (-1). The operating margin was -3.0% (-0.6%). Net income decreased, but it is important to bear in mind that the first half of the year is a weak period for the Consumer business area where small movements in raw materials and currencies can have large relative effects on the operating income. Cooperation during the year with well-known international designers has yielded a positive response which promises an interesting path forward.

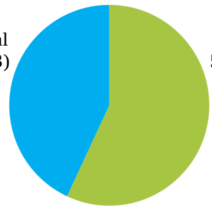
| *Net Sales, Consumer* *SEK m* | 3 months April-June 2013 | 3 months April – June 2013[1] recalculated | 3 months April-June 2012 | 6 months January-June 2013 | 6 months January – June 2013[1] recalculated | 6 months January - June 2012 | 12 months July – June 12/13 | 12 months January – December 2012 |
|---|---|---|---|---|---|---|---|---|
| Nordic region | 23 | 23 | 18 | 47 | 47 | 33 | 89 | 75 |
| Central Europe | 92 | 97 | 103 | 207 | 217 | 211 | 453 | 457 |
| Southern & Eastern Europe | 4 | 4 | 4 | 5 | 5 | 8 | 15 | 18 |
| Rest of the World | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 |
| **Total** | **119** | **124** | **126** | **259** | **269** | **253** | **557** | **551** |

[1] Reported net sales for 2013 recalculated at 2012 exchange rates.

**Tissue business area**

*1 April – 30 June*

External sales amounted to SEK 114 m (109). Operating income was SEK 2 m (0) and the operating margin increased to 1.9% (-0.3 percent). Sales have stabilized at the levels which were planned during the period until and including the first quarter of 2014 when it is planned to close the hygiene product business.



*Sales mix, Tissue*

*1 January – 30 June*

External sales amounted to SEK 240 m (213). Operating income was SEK 6 m (0). The operating margin increased to 2.6% (0.0%). The first half of the year reports significantly better sales figures which is also reflected in the improvement in net income by SEK 6 m.

## *Cash flow*

The group's operating cash flow for the period 1 January – 30 June amounted to SEK 53 m (124). The value of goods in stock was SEK 450 m (469). Accounts receivable amounted to SEK 669 m (636) and accounts payable to SEK 261 m (282). The cash flow for the operating capital is normal for the quarter, but worse than last year. This is partially explained by a reduction in goods in stock during the second quarter of 2012.

Cash flow, including investment operations, amounted to SEK 25 m (59). Net investments for the period amounted to SEK 30 m (68). Depreciation for the period was SEK 59 m (57).

The group's interest-bearing liabilities as per 30 June 2013 amounted to SEK 793 m as compared with SEK 897 m as per 30 June 2012 and SEK 638 m as per 31 December 2012.

## *Financial net*

The financial net for the period 1 January – 30 June amounted to SEK -9 m (-17). Unrealized recalculation affects were not as negative during the year as compared with the same period last year.

## *Taxes*

The total reported tax cost for the period 1 January – 30 June amounted to SEK 34 m (35) which yields an effective tax rate of 25.1% (27.3%). The tax cost for the year includes adjustments from prior periods of SEK 0.2 m (-0.4). The deferred tax asset relating to loss carry forwards was utilized in the amount of SEK 19 m (14).

## *Earnings per share*

The earnings per share before and after dilution amounted to SEK 2.18 (1.97).

### Duni's share

As per 30 June 2013 the share capital amounted to SEK 58 478 790 divided into 46 999 032 shares, each with a quotient value of SEK 1.25.

### Shareholders

Duni is listed on NASDAQ OMX Stockholm under the ticker name "DUNI". Duni's three largest shareholders are Mellby Gård Investerings AB (29.99%), Polaris Capital Management, LLC (10.75%) and Carnegie fonder (9.26%).

## *Personnel*

On 30 June 2013 there were 1,882 (1,864) employees. 794 (788) of the employees were engaged in production. Duni's production units are located in Bramsche in Germany, Poznan in Poland, and Bengtsfors in Sweden.

## *Acquisitions*

On 17 June, Duni entered into an agreement to acquire the assets in Song Seng Associates, a leading supplier of disposable packaging for food and beverages in Singapore. In addition to its own product portfolio, the company also offers possibilities for customized solutions. Typical customers today include hotels, restaurants, various types of restaurant chains as well as hospitals and healthcare institutions. In addition to its strong position in Singapore, Song Seng also has a growing export business in Asia and Oceania.

The takeover took place on 1 July 2013. The assets will largely consist of goodwill in Song Seng. The total purchase price amounted, preliminarily, to 15 MSGD, where 50% was paid in cash at closing, 25% will be paid during the third quarter after Song Seng's accounts are finalized, and the remaining 25% after three years. The additional purchase price is conditioned on the company's profit performance.

The acquisition is a very important step in Duni's strategy of expanding on growth markets and increasing the degree of service within the growing take-away and fast food chain segment. The takeover includes 32 employees, and the previous owner, Willie Soh, will continue to lead the business in Singapore under Duni's management. Annual sales amount to approximately 16 MSGD and profitability is well in line with Duni's financial targets of an EBIT margin of over 10%.

Other information related to the acquisition was not available in time before the publication of the financial reports. A preliminary specification of the acquisition, including other information related to the acquisition, will be provided in the interim report for the third quarter of 2013.

## *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 which it is 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 range. 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 consumption at consumer level and increased price competition, which may affect volumes and gross margins. 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 which 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 per 31 December 2012.

In July 2012, Duni entered into a new financing agreement with a three-year term. Borrowing is therefore reported for the same period last year as short-term.

Duni has had no changes in contingent liabilities since 31 December 2012.

## *Transactions with related parties*

No transactions with related parties took place during the second quarter of 2013.

## *Major events during the quarter*

Tina Andersson, currently a member of Duni's Board, is appointed new Corporate Marketing & Communications Director as from 1 September. As a consequence of this appointment, she will leave the Duni Board of Directors.

## *Major events since 30 June*

On 1 July, Duni commenced its business operations in Singapore through the acquisition of the assets of Song Seng Associates Pte Ltd.

## *Interim reports*

| | |
|---|---|
| Quarter III | 23 October, 2013 |
| Quarter IV | 13 February, 2014 |

## *Duni´s Board*

At the Annual General Meeting held on 2 May 2013, Anders Bülow, Pia Rudengren, Magnus Yngen and Tina Andersson were re-elected to serve on Duni's board. Thomas Gustafsson had decline re-election. Anders Bülow was re-elected as chairman of the board.

## *Parent Company*

Net sales for the period 1 January – 30 June amounted to SEK 513 m (505). Income after financial items was SEK 43 m (52).

The net debt amounted to SEK -374 m (-334), of which a net asset of SEK 1,059 m (1,129) relates to subsidiaries. Net capital expenditures amounted to SEK 5 m (7).

## *Accounting principles*

This interim report for the Group has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The Parent Company's financial statements are prepared in accordance with RFR 2, Reporting for Legal Entities, and the Swedish Annual Accounts Act. As from 1 January 2013, IAS 19R is applied, with the consequence that comparison figures for 2012 have also been recalculated; for further information see Note 2. Otherwise, the accounting principles applied are those described in the Annual Report as per 31 December 2012. There is no non-controlling interest in Duni.

## *Information in the report*

The information is such that Duni AB (publ) is to publish in accordance with the Swedish Securities Markets Act and/or the Financial Instruments Trading Act. The information will be submitted for publication on 12 July at 8.00 AM CET.

The interim report will be presented on Friday, 12 July at 10.00 AM CET at a telephone conference which also can be followed via the web. To participate in the telephone conference, please dial +46 (0)8 519 993 51. To follow the presentation via the web, please visit this link:

https://www.anywhereconference.com/?Conference=137347599&PIN=905542

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

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

**Report from the Board and the CEO**

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

*Malmö, 11 July 2013*

Anders Bülow, Chairman of the Board

Tina Andersson, Board Member

Alex Myers, Board Member

Pia Rudengren, Board Member

Magnus Yngen, Board Member

Per-Åke Halvordsson, Employee representative PTK

Henry Olssen, Employee representative LO

Thomas Gustafsson, President and CEO

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## Consolidated Income Statements

| SEK m (Note 1) | 3 months April - June 2013 | 3 months April - June 2012 | 6 months January-June 2013 | 6 months January – June 2012 | 12 months July – June 12/13 | 12 months January-December 2012 |
|---|---|---|---|---|---|---|
| **Net Sales** | **914** | **934** | **1 766** | **1 790** | **3 645** | **3 669** |
| Cost of goods sold | -675 | -689 | -1 308 | -1 318 | -2 714 | -2 724 |
| **Gross profit** | **239** | **245** | **458** | **472** | **932** | **945** |
| Selling expenses | -102 | -108 | -216 | -230 | -424 | -438 |
| Administrative expenses | -41 | -40 | -80 | -83 | -173 | -176 |
| Research and development expenses | -5 | -8 | -10 | -15 | -21 | -26 |
| Other operating incomes (Note 1, 5) | 3 | 2 | 1 | 4 | 1 | 4 |
| Other operating expenses (Note 1, 5) | -3 | -3 | -6 | -3 | -84 | -81 |
| **Operating income (Note 4)** | **91** | **87** | **146** | **145** | **230** | **229** |
| Financial income | 2 | 1 | 3 | 3 | 6 | 5 |
| Financial expenses, etc. | -5 | -11 | -12 | -20 | -23 | -30 |
| **Net financial items** | **-3** | **-10** | **-9** | **-17** | **-17** | **-25** |
| **Income after financial items** | **88** | **77** | **137** | **128** | **213** | **204** |
| Income tax | -22 | -21 | -34 | -35 | -78 | -79 |
| **Net Income** | **66** | **56** | **103** | **93** | **135** | **126** |
| **Income attributable to:** | | | | | | |
| Equity holders of the Parent Company | 66 | 56 | 103 | 93 | 135 | 126 |
| **Earnings per share, attributable to equity holders of the Parent Company, SEK** | | | | | | |
| Before and after dilution | 1.41 | 1.19 | 2.18 | 1.97 | 2.88 | 2.67 |
| Average number of shares before and after dilution (´000) | 46 999 | 46 999 | 46 999 | 46 999 | 46 999 | 46 999 |

## Statement of Comprehensive Income

| SEK m | 3 month April-June 2013 | 3 month April - June 2012 | 6 months January - June 2013 | 6 months January-June 2012 | 12 months July-June 12/13 | 12 months January-December 2012 |
|---|---|---|---|---|---|---|
| **Net income of the period** | **66** | **56** | **103** | **93** | **135** | **126** |
| **Other comprehensive income:** | | | | | | |
| *Items that will not be reclassified to profit or loss:* | | | | | | |
| Actuarial loss on post employment benefit obligations | -4 | -10 | 2 | -12 | -12 | -26 |
| ***Total*** | **-4** | **-10** | **2** | **-12** | **-12** | **-26** |
| *Items that may be reclassified subsequently to profit or loss:* | | | | | | |
| Exchange rate differences - translation of subsidiaries | -6 | 3 | -7 | 8 | -4 | 11 |
| Cash flow hedge | 0 | -1 | 1 | -1 | 0 | -2 |
| **Total** | **-6** | **2** | **-6** | **7** | **-4** | **9** |
| **Other comprehensive income of the period, net after tax:** | **-10** | **-8** | **-4** | **-5** | **-16** | **-17** |
| **Sum of comprehensive income of the period** | **56** | **48** | **99** | **88** | **119** | **109** |
| **Sum of comprehensive income of the period attributable to:** | | | | | | |
| Equity holders of the Parent Company | 56 | 48 | 99 | 88 | 119 | 109 |

## Consolidated Quarterly Income Statements in brief

| SEK m | 2013 | | 2012 | | | | 2011 | |
|---|---|---|---|---|---|---|---|---|
| Quarter | Apr - Jun | Jan - Mar | Oct-Dec | Jul-Sep | Apr-Jun | Jan-Mar | Oct-Dec | Jul-Sep |
| **Net Sales** | **914** | **852** | **1 031** | **849** | **934** | **856** | **1 063** | **917** |
| Cost of goods sold | -675 | -633 | -764 | -642 | -689 | -629 | -747 | -669 |
| **Gross profit** | **239** | **219** | **267** | **207** | **245** | **227** | **315** | **248** |
| Selling expenses | -102 | -115 | -111 | -97 | -108 | -122 | -109 | -105 |
| Administrative expenses | -41 | -39 | -54 | -39 | -40 | -42 | -45 | -43 |
| Research and development expenses | -5 | -5 | -5 | -5 | -8 | -8 | -9 | -7 |
| Other operating incomes | 3 | 0 | 3 | 0 | 2 | 4 | 1 | 5 |
| Other operating expenses | -3 | -6 | -78 | -4 | -3 | -2 | -10 | -1 |
| **Operating income** | **91** | **55** | **23** | **62** | **87** | **57** | **144** | **98** |
| Financial income | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Financial expenses etc. | -5 | -7 | -6 | -4 | -11 | -8 | -10 | -9 |
| **Net financial items** | **-3** | **-6** | **-5** | **-3** | **-10** | **-7** | **-9** | **-8** |
| **Income after financial items** | **88** | **49** | **18** | **59** | **77** | **50** | **134** | **90** |
| Income tax | -22 | -13 | -32 | -11 | -21 | -13 | -36 | -26 |
| **Net Income** | **66** | **36** | **-15** | **47** | **56** | **37** | **98** | **63** |

## Consolidated Balance Sheets in brief

| SEK m | 30 June 2013 | 31 December 2012 | 30 June 2012 |
|---|---|---|---|
| **ASSETS** | | | |
| Goodwill | 1 199 | 1 199 | 1 199 |
| Other intangible fixed assets | 49 | 51 | 57 |
| Tangible fixed assets | 718 | 744 | 834 |
| Financial fixed assets | 199 | 219 | 244 |
| **Total fixed assets** | **2 165** | **2 213** | **2 334** |
| Inventories | 450 | 387 | 469 |
| Accounts receivable | 669 | 624 | 636 |
| Other operating receivables | 141 | 126 | 135 |
| Cash and cash equivalents | 182 | 181 | 107 |
| **Total current assets** | **1 441** | **1 318** | **1 347** |
| **TOTAL ASSETS** | **3 607** | **3 531** | **3 681** |
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | | |
| **Shareholders' equity** | **1 919** | **1 985** | **1 965** |
| Long-term loans | 731 | 576 | 17 |
| Other long-term liabilities | 275 | 275 | 277 |
| **Total long-term liabilities** | **1 006** | **851** | **294** |
| Accounts payable | 261 | 301 | 282 |
| Short-term loans | - | - | 754 |
| Other short-term liabilities | 420 | 394 | 386 |
| **Total short-term liabilities** | **681** | **695** | **1 422** |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | **3 607** | **3 531** | **3 681** |

## Change in the Group's shareholders' equity

| SEK m | Share capital | Other injected capital | Reserves | Cash flow reserves | Fair value reserve [1] | Profit carried forward incl. net income for the period | TOTAL EQUITY |
|---|---|---|---|---|---|---|---|
| | Attributable to equity holders of the parent company | | | | | | |
| **Opening balance 1 January 2012** | **59** | **1 681** | **43** | **0** | **13** | **286** | **2 082** |
| Change in accounting principle IAS 19 | - | - | - | - | - | -40 | -40 |
| **Adjusted opening balance 1 January 2012** | **59** | **1 681** | **43** | **0** | **13** | **246** | **2 042** |
| Sum of comprehensive income of the period | - | - | 8 | -1 | - | 81 | 88 |
| Dividend paid to shareholders | - | - | - | - | - | -164 | -164 |
| **Closing balance 30 June 2012** | **59** | **1 681** | **51** | **-1** | **13** | **163** | **1 965** |
| Sum of comprehensive income of the period | - | - | 3 | -1 | - | 17 | 19 |
| **Closing balance 31 December 2012** | **59** | **1 681** | **54** | **-2** | **13** | **180** | **1 985** |
| Sum of comprehensive income of the period | - | - | -7 | 1 | - | 104 | 98 |
| Dividend paid to shareholders | - | - | - | - | - | -164 | -164 |
| **Closing balance 30 June 2013** | **59** | **1 681** | **47** | **-1** | **13** | **120** | **1 919** |

[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-<br>30 June<br>2013 | 1 January-<br>30 June<br>2012 |
|---|---|---|
| **Current operation** | | |
| Operating income | 146 | 145 |
| Adjustment for items not included in cash flow etc. | 40 | 41 |
| Paid interest and tax | -32 | -31 |
| Change in working capital | -101 | -30 |
| **Cash flow from operations** | **53** | **124** |
| **Investments** | | |
| Acquisition of fixed assets | -29 | -69 |
| Sales of fixed assets | 0 | 3 |
| Change in interest-bearing receivables | 1 | 1 |
| **Cash flow from investments** | **-28** | **-65** |
| **Financing** | | |
| Taken up loans[1)] | 164 | 134 |
| Amortization of debt[1)] | -17 | - |
| Dividend paid | -164 | -164 |
| Change in borrowing | -6 | -6 |
| **Cash flow from financing** | **-24** | **-37** |
| **Cash flow from the period** | **1** | **22** |
| Liquid funds, opening balance | 181 | 85 |
| Exchange difference, cash and cash equivalents | 0 | 0 |
| **Cash and cash equivalents, closing balance** | **182** | **107** |

1) 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-30 June 2013 | 1 January-30 June 2012 |
|---|---|---|
| Net Sales, SEK m | 1 766 | 1 790 |
| Gross Profit, SEK m | 458 | 472 |
| EBIT[1], SEK m | 146 | 150 |
| EBITDA[1], SEK m | 205 | 206 |
| Net debt[3] | 793 | 897 |
| Number of Employees | 1 882 | 1 864 |
| | | |
| Sales growth | -1.3% | -2.1% |
| Gross margin | 25.9% | 26.4% |
| EBIT[1] margin | 8.3% | 8.4% |
| EBITDA[1] margin | 11.6% | 11.5% |
| | | |
| Return on capital employed [1] [2] | 13.4% | 15.2% |
| Net debt/equity ratio [3] | 41.3% | 45.7% |
| Net debt/EBITDA [1] [2] [3] | 1.75 | 1.77 |

1) Calculated based on underlying operating income.
2) Calculated based on the last twelve months.
3) Comparison figures for 2012 recalculated in accordance with IAS19R; see further in Note 2.

## Parent Company Income Statements in brief

| SEK m (Note 1) | 3 months April - June 2013 | 3 months April - June 2012 | 6 months January - June 2013 | 6 months January - June 2012 |
|---|---|---|---|---|
| **Net Sales** | **269** | **268** | **513** | **505** |
| Cost of goods sold | -226 | -236 | -440 | -448 |
| **Gross profit** | **43** | **31** | **72** | **56** |
| Selling expenses | -29 | -28 | -62 | -66 |
| Administrative expenses | -29 | -32 | -58 | -64 |
| Research and development expenses | -2 | -4 | -4 | -7 |
| Other operating incomes | 53 | 59 | 100 | 110 |
| Other operating expenses | -38 | -39 | -94 | -77 |
| **Operating income** | **-1** | **-12** | **-28** | **-48** |
| Revenue from participations in Group Companies | 40 | 98 | 40 | 98 |
| Other interest revenue and similar income | 7 | 7 | 15 | 16 |
| Interest expenses and similar expenses | -3 | -9 | -10 | -13 |
| **Net financial items** | **45** | **96** | **45** | **101** |
| **Income after financial items** | **43** | **84** | **17** | **52** |
| Taxes on income for the period | -6 | -3 | -6 | -2 |
| **Net income for the period** | **37** | **81** | **11** | **51** |

## Parent Company Statement of Comprehensive Income

| SEK m | 3 month April - June 2013 | 3 month April- June 2012 | 6 months January- June 2013 | 6 months January- June 2012 |
|---|---|---|---|---|
| **Net income of the period** | **37** | **81** | **11** | **51** |
| **Other comprehensive income:** | | | | |
| *Items that will not be reclassified to profit or loss:* | - | - | - | - |
| *Items that may be reclassified subsequently to profit or loss:* | | | | |
| Exchange rate differences - translation of subsidiaries | 1 | -1 | 1 | -1 |
| Cash flow hedge | 0 | -1 | 1 | -1 |
| **Total** | **1** | **-2** | **2** | **-2** |
| **Other comprehensive income of the period, net after tax** | **1** | **-2** | **2** | **-2** |
| **Sum of comprehensive income of the period** | **38** | **80** | **13** | **49** |
| **Sum of comprehensive income of the period attributable to:** | | | | |
| Equity holders of the Parent Company | 38 | 80 | 13 | 49 |

## Parent Company Balance Sheets in Brief

| SEK m | 30 June 2013 | 31 December 2012 | 30 June 2012 |
|---|---|---|---|
| **ASSETS** | | | |
| Goodwill | 350 | 400 | 450 |
| Other intangible fixed assets | 36 | 39 | 48 |
| **Total intangible fixed assets** | **385** | **439** | **497** |
| Tangible fixed assets | 37 | 39 | 67 |
| Financial fixed assets | 2 004 | 1 977 | 990 |
| **Total fixed assets** | **2 041** | **2 455** | **1 554** |
| Inventories | 91 | 73 | 92 |
| Accounts receivable | 117 | 98 | 107 |
| Other operating receivables | 230 | 295 | 1 329 |
| Cash and bank | 141 | 130 | 68 |
| **Total current assets** | **579** | **596** | **1 595** |
| **TOTAL ASSETS** | **3 006** | **3 050** | **3 150** |
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | | |
| Total restricted shareholders equity | 84 | 83 | 83 |
| Total unrestricted shareholders equity | 1 737 | 1 889 | 1 877 |
| **Shareholders' equity** | **1 821** | **1 972** | **1 960** |
| **Provisions** | **111** | **112** | **113** |
| Long-term financial liabilities | 716 | 559 | 8 |
| **Total long-term liabilities** | **716** | **559** | **8** |
| Accounts payable | 54 | 53 | 49 |
| Short-term financial liabilities | - | - | 753 |
| Other short-term liabilities | 304 | 354 | 266 |
| **Total short-term liabilities** | **358** | **407** | **1 068** |
| **TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES** | **3 006** | **3 050** | **3 150** |

## Definitions

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

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

**EBIT:** Operating income.

**Underlying EBIT**: Operating income adjusted for non-recurring items.

**EBIT margin:** EBIT as a percentage of net sales.

**EBITA:** Operating income adjusted for impairment of fixed assets.

**EBITA margin:** EBITA as a percentage of net sales.

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

**EBITDA margin:** EBITDA as a percentage of net sales.

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

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

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

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

**Currency adjusted:** Figures adjusted for changes in exchange rates. Figures for 2013 are calculated at exchange rates for 2012.

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

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

**HoReCa:** Abbreviation for hotels, restaurants and catering.

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

# 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.

As from 1 January 2013, Duni applies the revised IAS 19, Employee Benefits (IAS 19R). This entails that previously unreported actuarial losses are reported on the transition date and that the actuarial profits or losses which arise going forward will be reported in Comprehensive Income. In addition, the method for calculating pension costs has been changed since the standard requires that the return on the managed assets which is reported in the income statement must be established based on the discount rate applied for calculation of the commitment. Regarding transition effects, see Note 2.

Duni also applies IFRS 13, entailing additional disclosure concerning financial assets and liabilities; see also Note 3. Otherwise, the accounting principles are the same as in the Annual Report per 31 December 2012.

## *Note 2 •Transition effects from changed accounting principle, IAS19R*

The transition on 1 January 2012 entails an impact on equity of SEK 40 m; the pension liability increased by SEK 51 m, deferred tax increased by SEK 14 m, and other receivables were reduced by SEK 3 m.

| **2012-01-01 - 2012-12-31, SEK m** | **In accordance with earlier principles** | **Effects of change in accounting principle** | **In accordance with current principles** |
|---|---|---|---|
| **Balance Sheet** | | | |
| **Assets** | | | |
| Deferred tax asset | 197 | 20 | 217 |
| Other operating receivables | 71 | -3 | 68 |
| Other assets | 3 246 | - | 3 246 |
| **Total assets** | **3 514** | **17** | **3 531** |
| **Shareholders' equity and liabilities** | | | |
| Shareholders' equity | 2 051 | -66 | 1 985 |
| Provision for pensions | 163 | 83 | 246 |
| Other liabilities | 1 300 | - | 1 300 |
| **Total shareholders' equity and liabilities** | **3 514** | **17** | **3 531** |
| **Income statement** | | | |
| Operating income | 228 | 2 | 229 |
| Income tax | -79 | 0 | -79 |
| Net income | 124 | 1 | 126 |
| Earnings per share, attributable to equity holders of the Parent Company, SEK | 2.63 | 0.03 | 2.67 |

**Statement of Comprehensive Income:**

| | | | |
|---|---|---|---|
| Net income for the period | 124 | 1 | 126 |
| Other comprehensive income | 9 | -26 | -17 |
| Sum of comprehensive income of the period | 133 | -26 | 109 |

| 2012-01-01 - 2012-06-30, SEK m | In accordance with earlier principles | Effects of change in accounting principle | In accordance with current principles |
|---|---|---|---|
| **Balance Sheet** | | | |
| **Assets** | | | |
| Deferred tax asset | 233 | 18 | 240 |
| Other operating receivables | 54 | -3 | 50 |
| Other assets | 3 390 | - | 3 390 |
| **Total assets** | **3 666** | **15** | **3 681** |
| **Shareholders' equity and liabilities** | | | |
| Shareholders' equity | 2 017 | -52 | 1 965 |
| Provision for pensions | 170 | 67 | 237 |
| Other liabilities | 1 479 | - | 1 479 |
| **Total shareholders' equity and liabilities** | **3 666** | **15** | **3 681** |
| **Income statement** | | | |
| Operating income | 145 | - | 145 |
| Income tax | -35 | - | -35 |
| Net income | 93 | - | 93 |
| Earnings per share, attributable to equity holders of the Parent Company, SEK | 1.97 | - | 1.97 |
| **Statement of Comprehensive Income:** | | | |
| Net income for the period | 93 | 0 | 93 |
| Other comprehensive income | 7 | -12 | -5 |
| Sum of comprehensive income of the period | 99 | 12 | 88 |

| 2012-04-01 - 2012-06-30, SEK m | In accordance with earlier principles | Effects of change in accounting principle | In accordance with current principles |
|---|---|---|---|
| **Statement of Comprehensive Income:** | | | |
| Net income for the period | 56 | 0 | 56 |
| Other comprehensive income | 2 | -10 | -8 |
| Sum of comprehensive income of the period | 58 | -10 | 48 |

The change in operating income, SEK 1 m, is attributable to administrative expenses and quarter 4, 2012.

## *Note 3 • 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 2012, 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 4 • Segment reporting, SEK m*

April - June

| **2013-04-01 – 2013-06-30** | **Professional** | **Consumer** | **Tissue** | **Group's Total** |
|---|---|---|---|---|
| Total net sales | 681 | 119 | 249 | **1 049** |
| Net sales from other segments | - | - | 134 | **134** |
| **Net sales from external customers** | **681** | **119** | **114** | **914** |
| **Underlying operating income** | **94** | **-5** | **2** | **91** |
| Non-recurring items | - | - | - | **0** |
| **Operating income** | - | - | - | **91** |
| Net financial items | - | - | - | **-3** |
| Income after financial items | - | - | - | **88** |

| **2012-04-01 – 2012-06-30** | **Professional** | **Consumer** | **Tissue** | **Group's Total** |
|---|---|---|---|---|
| Total net sales | 699 | 126 | 250 | **1 074** |
| Net sales from other segments | - | - | 141 | **141** |
| **Net sales from external customers** | **699** | **126** | **109** | **934** |
| **Underlying operating income** | **90** | **0** | **0** | **90** |
| Non-recurring items | - | - | - | **-2** |
| **Operating income** | - | - | - | **87** |
| Net financial items | - | - | - | **-10** |
| Income after financial items | - | - | - | **77** |

January - June

| 2013-01-01 – 2013-06-30 | Professional | Consumer | Tissue | Group's Total |
|---|---|---|---|---|
| Total net sales | 1 267 | 259 | 513 | **2 039** |
| Net sales from other segments | 1 | - | 272 | **273** |
| **Net sales from external customers** | **1 266** | **259** | **240** | **1 766** |
| **Underlying operating income** | **147** | **-8** | **6** | **146** |
| Non-recurring items | - | - | - | **0** |
| **Operating income** | - | - | - | **146** |
| Net financial items | - | - | - | **-9** |
| Income after financial items | - | - | - | **137** |

| 2012-01-01 – 2012-06-30 | Professional | Consumer | Tissue | Group's Total |
|---|---|---|---|---|
| Total net sales | 1 324 | 253 | 492 | **2 069** |
| Net sales from other segments | - | - | 279 | **279** |
| **Net sales from external customers** | **1 324** | **253** | **213** | **1 790** |
| **Underlying operating income** | **151** | **-1** | **0** | **150** |
| Non-recurring items | - | - | - | **-5** |
| **Operating income** | - | - | - | **145** |
| Net financial items | - | - | - | **-17** |
| Income after financial items | - | - | - | **128** |

No significant changes have taken place in the assets of the segments compared with the Annual Report as per 31 December 2012.

Quarterly overview, by segment:

| *Net sales*<br>SEK m | Q2 2013 | Q1 2013 | Q4 2012 | Q3 2012 | Q2 2012 | Q1 2012 | Q4 2011 | Q3 2011 |
|---|---|---|---|---|---|---|---|---|
| Professional | 681 | 586 | 722 | 635 | 699 | 626 | 750 | 696 |
| Consumer | 119 | 140 | 197 | 101 | 126 | 127 | 209 | 110 |
| Tissue | 114 | 126 | 111 | 112 | 109 | 104 | 104 | 111 |
| **Duni** | **914** | **852** | **1 031** | **849** | **934** | **856** | **1 063** | **917** |

| *Underlying operating income*<br>SEK m | Q2 2013 | Q1 2013 | Q4 2012 | Q3 2012 | Q2 2012 | Q1 2012 | Q4 2011 | Q3 2011 |
|---|---|---|---|---|---|---|---|---|
| Professional | 94 | 53 | 109 | 77 | 90 | 61 | 121 | 93 |
| Consumer | -5 | -3 | 19 | -12 | 0 | -1 | 24 | -5 |
| Tissue | 2 | 4 | 2 | -2 | 0 | 0 | 6 | 10 |
| **Duni** | **91** | **55** | **130** | **63** | **90** | **60** | **151** | **98** |

## *Note 5 • Non-recurring items*

Duni considers restructuring cost and unrealized valuation effects on derivative instruments, due to non-application of hedge accounting, as non-recurring items. Presented below is a specification of the lines on which these items are included in the consolidated income statement.

| *Derivative instruments SEK m* | 3 months April - June 2013 | 3 months April- June 2012 | 6 months January - June 2013 | 6 months January- June 2012 | 12 months July - June 12/13 | 12 months January - December 2012 |
|---|---|---|---|---|---|---|
| Other operating incomes | 3 | 0 | 1 | 1 | 1 | 1 |
| Other operating expenses | -3 | 0 | -6 | - | -6 | 0 |
| **Total** | **0** | **0** | **-5** | **1** | **-5** | **0** |

| *Restructuring cost SEK m* | 3 months April- June 2013 | 3 months April- June 2012 | 6 months January- June 2013 | 6 months January - June 2012 | 12 months July – June 12/13 | 12 months January- December 2012 |
|---|---|---|---|---|---|---|
| Cost of goods sold | - | - | - | - | -14 | -14 |
| Selling expenses | - | -2 | - | -5 | -7 | -12 |
| Administrative expenses | 0 | - | 0 | - | -10 | -10 |
| Other operating expenses | 0 | 0 | 0 | 0 | -77 | -77 |
| **Total** | **0** | **-2** | **0** | **-5** | **-107** | **-113** |