Year-End Report for Duni AB (publ)
1 January – 31 December 2013

(compared with the same period of the previous year)

13 February 2014

Improved earnings in all business areas

1 October – 31 December 2013

- Net sales amounted to SEK 1 102 m (1 031). Adjusted for exchange rate changes, net sales increased by 6.2%.
- Earnings per share, after dilution, amounted to SEK 2.25 (-0.32).
- Strong cash flow with historically low net debt (< SEK 500 m).

1 January – 31 December 2013

- Net sales amounted to SEK 3 803 m (3 669). Adjusted for exchange rate changes, net sales increased by 4.7%.
- Earnings per share, after dilution, amounted to SEK 5.68 (2.67).
- The Board proposes a dividend of SEK 4.00 (3.50) per share.

Key financials

SEK m	3 months October - December 2013	3 months October - December 2012	12 months January – December 2013	12 months January – December 2012
Net sales	1 102	1 031	3 803	3 669
Operating income[1)2)]	152	130	385	342
Operating margin[1)2)]	13.8%	12.6%	10.1%	9.3%
Income after financial items[2)]	138	18	350	204
Net income[2)]	106	-15	267	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 concluding quarter of the year demonstrates growth and improvement in earnings within all business areas. Net sales for the quarter, measured at fixed exchange rates, amount to SEK 1,095 m (1,031), representing growth of 6.2% compared with last year. Operating income, before structural costs, increased by SEK 22 m and reached SEK 152 m (130). The improvement is mainly attributable to strong Christmas sales and good capacity utilization at our production plants, but is also due to underlying improvements in our business areas. Cash flow remains strong and, at the end of the quarter, the net debt was SEK 491 m (638).

Following a slow start to the year, the sales trend has gradually strengthened. The new organization structure is contributing to more active working of the market and our position has strengthened on several markets and product segments. The take-away range is continuing to expand within Professional, while within Consumer we are winning an increasing number of customer contracts. This development is to be seen in light of continued weak general demand in several regions. The European HoReCa markets have retreated some percentage points and as yet there are no clear signs of any improvement. The consumer market is somewhat more stable.

At fixed exchange rates, Professional increased its quarterly sales by SEK 36 m compared with last year. Net sales measured at fixed exchange rates were SEK 758 m (722), with growth primarily due to the acquisition of Duni Song Seng. Sales outside Europe are continuing to grow by double digits, albeit from low levels. The improvement in Eastern and Southern Europe during the quarter is particularly pleasing. The tendency is that our position in these markets stabilize more and more. Operating income in the quarter increased to SEK 127 m (109) and the operating margin was 16.6% (15.1%).

The Consumer business area showed a rate of growth of 11.8% in the quarter, with net sales at fixed exchange rates amounting to SEK 221 m (197). This trend is a consequence of new contracts secured in 2012 and 2013, but is also due to positive Christmas sales. Operating income was SEK 23 m (19) and the operating margin strengthened to 10.6% (9.6%).

Within the Tissue business area, the improvement is entirely due to the decision to phase out the external hygiene product sales. The decision to discontinue that business has facilitated a more efficient operation, at the same time as measures relating to the future closure are being implemented gradually. Net sales during the quarter amounted to SEK 117 m (111) and the operating income was SEK 2 m (2). Volumes during the quarter were on par with last year.

2013 has been an eventful year, characterized by several important initiatives. The rate of growth for the year (measured in comparable currency) was 4.7%, which is satisfactory on a zero-growth market. At the same time, we see that the sales trend strengthened during the latter part of the year. With 2013's endeavors accomplished, we can face 2014 with a good measure of self-confidence," says Thomas Gustafsson, President and CEO, Duni.

Net sales for the quarter amounted to SEK 1 102 m

1 October – 31 December

Net sales amounted to SEK 1,102 m (1,031). When adjusted for exchange rate changes, net sales increased by 6.2%. The fourth quarter was characterized by an improvement within retail trade. General demand was somewhat stronger, but it is primarily new customer contracts which have contributed to a strong quarter for Duni. The traditional restaurant sector continues to display weak demand, a factor which is also reflected in unchanged volumes for that category. The take-away sector, however, is making a positive contribution to Professional, which in total reports healthy growth in the quarter. The for Duni important Christmas sales yielded good results, within both Consumer and Professional, and contributed to the positive performance. Although the fourth quarter produced strong growth figures, there are few indications that underlying growth has yet taken off.

1 January – 31 December

Net sales increased by SEK 134 m compared with the same period of last year, to SEK 3,803 m (3,669). When adjusted for exchange rate changes, net sales increased by 4.7%. Despite the fact that the European market as a whole was unchanged, and that the markets in several regions actually declined somewhat during the year, Duni enjoyed growth within a number of areas. The acquisition of Song Seng in Singapore has made a positive contribution and accounts for almost one half of the increase in sales. The Consumer business area had a strong year, enjoying the positive effect of new contracts gained in 2012 and 2013. Professional had a somewhat tougher year, but individual markets and product segments demonstrated solid growth. Sales to the distributor markets outside Europe and Russia continued to show strong growth figures. The Tissue business area contributed to the increase in sales during the year, with business being affected by the decision to discontinue the hygiene product business in the first quarter of 2015.

Net sales, currency effect *SEK m*	3 months October - December 2013	3 months October - December 2013[1] recalculated	3 months October - December 2012	Change in fixed exchange rates	12 months January – December 2013	12 months January – December 2013[1] recalculated	12 months January – December 2012	Change in fixed exchange rates
Professional	764	758	722	4.9%	2 702	2 731	2 682	1.8%
Consumer	221	221	197	11.8%	603	612	551	11.1%
Tissue	117	117	111	5.3%	499	499	436	14.2%
Duni	**1 102**	**1 095**	**1 031**	**6.2%**	**3 803**	**3 842**	**3 669**	**4.7%**

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

Operating margin of 13.8% in the quarter

1 October – 31 December

Operating income (EBIT) adjusted for non-recurring items increased by SEK 24 m, to SEK 152 m (128), while the gross margin improved to 28.0% (25.9%). The operating margin increased to 13.8% (12.4%). When adjusted for exchange rate changes, operating income was SEK 21 m higher than last year. The strong result is primarily due to increased sales volumes and positive absorption effects in production. A higher level of capacity utilization offset a somewhat higher cost level for input material. Focused price increases were carried out during the quarter to compensate for the high costs for plastic-based input materials.

The various efficiency programs carried out in recent years have made a positive contribution to the operating margin. Additional measures initiated in the operations have resulted in structural costs in the quarter of just over SEK 11 m. This is an important activity for maintaining profitable growth.

Income after financial items was SEK 138 m (18). Income after tax was SEK 106 m (-15).

1 January – 31 December

Operating income (EBIT) adjusted for non-recurring items was SEK 385 m (342). The gross margin was 26.4% (25.8%) and the underlying operating margin for the group was 10.1% (9.3%). When adjusted for exchange rate changes, operating income increased by SEK 49 m compared with last year. All business areas demonstrated an improvement in earnings compared with last year. Although growth in Professional was low, increased volume in Consumer contributed to better capacity utilization. The premium segment (in which Evolin® represents the most recent, and the most important, launch), continues to strengthen its share, with a positive impact on the gross margin. Cost efficiency in all stages is of major importance. The important steps towards a more market-driven organization that were taken in 2013 are contributing to a higher operating margin, among other things due to lower indirect costs.

Income after financial items was SEK 350 m (204). Income after tax was SEK 267 m (126).

Underlying operating income, currency effect *SEK m*	3 months October - December 2013	3 months October - December 2013[1] recalculated	3 months October - December 2012	12 months January - December 2013	12 months January - December 2013[1] recalculated	12 months January - December 2012
Professional	127	126	109	356	361	337
Consumer	23	23	19	12	13	6
Tissue	2	2	2	17	17	-1
Duni	**152**	**151**	**130**	**385**	**391**	**342**

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

Non-recurring items

'Non-recurring items' means restructuring costs and non-realized valuation effects of currency and energy derivatives, due to the fact that hedge accounting is not applied as regards these financial instruments.

During 2012, restructuring costs were incurred totaling SEK 113 m. Of these costs, SEK 83 m relate to the planned closure of the hygiene applications unit within Tissue. These costs relate primarily to write downs of fixed assets and, to a certain extent, also inventory. The unit was scheduled for closure in April 2014, but in the fourth quarter of 2013 Duni announced that the closure would be postponed until the first quarter of 2015. However, the planned volume for the 2014 financial year is expected to diminish, which caused Rexcell Tissue and Airlaid AB to give notice of redundancy affecting 23 employees.

After a new organization was established in April 2012, a restructuring program was initiated in 2013 aimed at dividing the sales and marketing departments between Table Top and Meal Service within the Professional business area. The program started with the Nordic region during Q3 and has continued in Q4 with additional sales organizations in Europe. In total, restructuring costs of SEK 11 m have been incurred. In all, the measures are expected to generate annual savings on par with the structural costs and the full impact on earnings is expected to be achieved during the second half of 2014.

In addition, SEK 6 m of the restructuring costs relate to efficiency improvements in the logistics operations.

The reported income for the period 1 January – 31 December is affected by non-realized valuation effects of derivative contracts of SEK 0 m (0). For further information, see Note 5.

Non-recurring items *SEK m*	3 months October - December 2013	3 months October - December 2012	12 months January - December 2013	12 months January - December 2012
Underlying operating income	**152**	**130**	**385**	**342**
Unrealized value changes, derivative instruments	0	0	0	0
Restructuring costs	-12	-107	-17	-13
Reported operating income	**140**	**23**	**369**	**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 71% (73%) of Duni's net sales during the period 1 January – 31 December 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 *71%*	*Consumer* *16%*	*Tissue* *13%*

Split on Net sales between business areas

The Consumer business area (focused primarily on the grocery retail trade), accounted for 16% (15%) 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 plans to phase-out the part of the business in the Tissue business area which relates to external sales, primarily to the hygiene product sector. Production is planned to continue up to and including the first quarter of 2015.

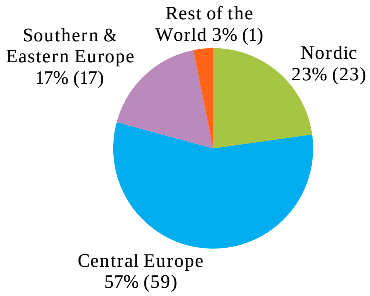
The Professional and Consumer business areas have, to a large extent, a common product range. Design and packaging solutions are, however, adapted to suit the different sales channels. Production and support functions are shared to a large degree by the business areas.

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 October – 31 December

Net sales increased by SEK 42 m, to SEK 764 m (722). At fixed exchange rates, this corresponds to an increase in sales of 4.9%. The increase in sales during the quarter is primarily due to the acquisition of Song Seng, with a flat net sales in the rest of the Professional business area compared with the same period of last year. However, the fourth quarter produced an improvement in Southern and Eastern Europe, where the economic crisis had previously had a negative impact on growth. Central Europe – with Germany as the dominant market – declined somewhat, which is in line with the trend on the market as a whole within the restaurant sector.



Sales, Geographical split, Professional

Operating income was higher at SEK 127 m (109), with an operating margin of 16.6% (15.1%). The year's Christmas collection, with generally strong margins, was well received on the market. During the quarter, work has proceeded on the integration of Song Seng, focusing particularly on the distribution of Duni's products and purchasing synergies.

1 January – 31 December

Net sales amounted to SEK 2,702 m (2,682). At fixed exchange rates, this corresponds to an increase in sales of 1.8%. The traditional restaurant sector has exhibited stagnation during the year, with a hint of a slight improvement during the second half of the year. Catering, however, has performed much more positively and it is also in this sector that Professional has grown during the year. Several activities have been carried out to further strengthen competitiveness within this area. Customer solutions with a clear environmental profile, as well as new customized concepts, have proved successful. During the second half of the year, the implementation of a new inventory management system had a negative impact on delivery capability; however, the situation returned to normal towards the end of the year.

Operating income was SEK 356 m (337) and the operating margin was 13.2% (12.6). During the year, the Professional business area gradually implemented a new market-driven organization, with greater focus on the take-away segment. As a consequence, not only has this area demonstrated solid growth, but also improved cost efficiency which has counteracted cost increases within other areas and investments. The acquisition of Song Seng has made a positive contribution to income, and additional synergies are expected within both purchasing as well as sales of Duni's products. Several markets outside Europe continue to be of interest, but are growing from low levels. These markets involve greater complexity in the form of logistical solutions, but Duni's offering has proved to be attractive on a number of non-European markets.

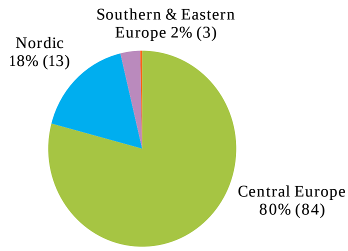
Net Sales, Professional *SEK m*	3 months October - December 2013	3 months October - December 2013[1)] recalculated	3 months October - December 2012	12 months January – December 2013	12 months January - December 2013[1] recalculated	12 months October – December 2012
Nordic region	175	175	173	613	613	614
Central Europe	429	423	423	1 529	1 550	1 578
Southern & Eastern Europe	121	120	117	467	474	455
Rest of the World	39	40	9	93	95	35
Total	**764**	**758**	**722**	**2 702**	**2 731**	**2 682**

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

Consumer business area

1 October – 31 December

Net sales amounted to SEK 221 m (197). At fixed exchange rates, this corresponds to an increase in sales of 11.8%. The effect of the new contracts secured last year diminished during the fourth quarter, since deliveries under those contracts began during the second half of 2012. However, new, smaller contracts have made a positive contribution, as did strong Christmas sales, among other places in the UK. The Nordic region, which has experienced a couple of challenging years, showed positive growth. In part, this is a result of the cooperation with well-known designers in the “Designs for Duni®” concept.



Sales – Geographical split, Consumer

Operating income was SEK 23 m (19) and the operating margin was 10.6% (9.6%). Fourth quarter results are absolutely crucial as regards profitability for the entire year. It is, therefore, pleasing to note that the positive trend, with a strong operating margin, is continuing. Some of the new contracts are for the retail trade’s private labels; these involve lower margins but generate a positive effect within production. Several new initiatives have been taken to work up markets, such as Poland and France.

1 January – 31 December

Net sales amounted to SEK 603 m (551), equal to an increase in sales of 11.1% at fixed exchange rates. A large part of the increase can be attributed to the major contract which was secured during the second half of 2012. It can, however, be noted that Consumer is demonstrating growth on all key markets, at the same time as the retail trade has begun a gradual recovery, with moderately positive figures for the year. The volatile business climate that characterizes the retail trade represents a challenge. A continued attractive product range is of greatest importance to keep and satisfy existing customers as well as new customers.

Operating income was SEK 12 m (6). The operating margin strengthened to 2.1% (1.0%). The additional volumes and the increased capacity utilization have made a positive contribution to Consumer’s higher earnings.

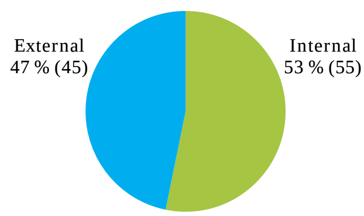
Net Sales, Consumer *SEK m*	3 months October - December 2013	3 months October - December 2013[1)] recalculated	3 months October - December 2012	12 months January - December 2013	12 months January – December 2013[1)] recalculated	12 months January - December 2012
Nordic region	35	35	28	104	105	75
Central Europe	173	173	161	478	486	457
Southern & Eastern Europe	12	12	8	20	20	18
Rest of the World	0	0	0	1	1	1
Total	**221**	**221**	**197**	**603**	**612**	**551**

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

Tissue business area

1 October – 31 December

External net sales amounted to SEK 117 m (111). Operating income was SEK 2 m (2) and the operating margin 1.5% (1.5%). Volumes were lower than in the preceding quarter, but in line with last year. Focus is being placed on preparing for the planned closure of the hygiene product business. Thus, during the phase-



Sales mix, Tissue

out period great importance is attached to stability in the production system and a high level of delivery certainty with respect to both external and internal volumes.

1 January – 31 December

External net sales amounted to SEK 499 m (436). Operating income was SEK 17 m (-1). The operating margin increased to 3.4% (-0.2%). The increase in income is a direct result of increased volumes, product mix and prices. As previously reported, this is temporary in nature. At the same time, it should be pointed out that the reduced complexity resulting from this contract extension has meant improved productivity and fewer production outages. The decision to postpone by one year the phase-out of the hygiene product business, until the first quarter of 2015, increases the possibilities for the employees affected by the closure to find alternative work. In addition, we are assisting our customers in finding additional suppliers of these hygiene material components.

Cash flow

The Group's operational cash flow for the period 1 January-31 December was SEK 463 m (429). The inventory value is SEK 434 m (387). Accounts receivable amount to SEK 658 m (624) and accounts payable amount to SEK 348 m (301).

Cash flow including investing activities amounted to SEK 325 m (317). Duni's strong cash flow is due to the improvement in earnings, but is also a result of sound control of accounts receivable and accounts payable. Despite certain delivery problems in the autumn connected to the implementation of a new inventory management system, there has been little impact on due, non-paid accounts receivables since the process was characterized by close dialogue with our customers.

Net capital expenditures for the period amounted to SEK 82 m (113). Depreciation and amortization for the period amounted to SEK 117 m (112). The capital expenditure level is significantly lower than last year. Following a number of years in which new materials have been launched (of which Evolin® has been the most important), as well as investments within environment improvement measures such as a new biofuel boiler, 2013 has been characterized by lower capital expenditures.

The Group's interest-bearing net debt on 31 December 2013 was SEK 491 m, compared with SEK 638 m on 31 December 2012.

Financial net

The financial net for the period 1 January – 31 December was SEK -19 m (-25). The difference is primarily due to a better result from exchange rate revaluations on non-realized and realized financial income and expenses than last year.

Taxes

The total reported tax expense for the period 1 January – 31 December was SEK 83 m (79), yielding an effective tax rate of 23.7% (38.9%). The tax expense for the year includes adjustments from previous periods of SEK 0 m (-10.1). The deferred tax asset relating to loss carryforwards has been utilized in the amount of SEK 40 m (12).

Earnings per share

The earnings per share before and after dilution amounted to SEK 5.68 (2.63).

Duni's share

As per 31 December 2013 the share capital amounted to SEK 58,748,790 divided into 46,999,032 shares, each with a quotient value of SEK 1.25.

Shareholders

Duni is listed on NASDAQ OMX Stockholm under the ticker name "DUNI". Duni's three largest shareholders are Mellby Gård Investerings AB (29.99%), Carnegie fonder (9.5%) and Polaris Capital Management, LLC (8.19%).

Personnel

On 31 December 2013 there were 1 902 (1 875) employees. 783 (792) 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 1 July 2013, Duni acquired the net assets of Song Seng Associates Pte in Singapore, with a growing export market in Southeast Asia. Duni Song Seng was formed and consolidated within the Professional business area. The acquisition constitutes an important step in Duni's strategy of expanding on emerging markets and increasing the service level within the growing take-away and meal service segment. The takeover includes 32 employees, and the former owner Willie Soh will continue to preside over the operations in Singapore under Duni's management. The annual turnover is approximately SEK 85 m and profitability is well in line with Duni's financial target of an EBIT margin in excess of 10%.

Acquisition-related costs of SEK 2.8 m are included in other operating expenses in the parent company's income statement and the consolidated income statement. The total purchase price is SEK 76 m, of which SEK 57 m has been paid in cash and SEK 19 m constitutes a supplementary purchase price which is conditional on earnings growth in the company. The fair value of the supplementary purchase price constitutes an assessment of the likelihood that earnings growth over the next three years will be achieved.

The fair value of identifiable net assets is SEK 26 m, of which SEK 25 m relates to an intangible asset in the form of customer relations. In addition, goodwill of SEK 50 m arises through the acquisition. This relates to local presence with distribution in the region which will constitute a platform for Duni to develop business in Southeast Asia, as well as favorable purchasing channels.

Acquisition analysis:

Purchase price, SEK '000	
Cash and equivalents	57 151
Conditional purchase price	19 152
Total purchase price	**76 302**

Reported amount of identifiable acquired net assets, SEK '000	
Intangible fixed assets	25 116
Tangible fixed assets	944
Inventories	4 969
Accounts receivable	10 247
Other current receivables	77
Deferred tax liability	-4 375
Accounts payable	-10 329
Other current liabilities	-593
Total identifiable net assets	**26 055**
Goodwill	50 247
Total	**76 302**

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.

Contingent liabilities have been reduced by SEK 3 m since 31 December 2012.

Transactions with related parties

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

Major events since 31 December

No significant events have occurred since the balance sheet date.

Interim reports

Quarter I	25 April, 2014
Quarter II	11 July, 2014
Quarter III	22 October, 2014

Proposed Dividend

The Board of Directors proposes a dividend of SEK 4.00 (3.50) per share, or SEK 188 m (164). The Board of Directors considers that Duni has a strong balance sheet and that, following the proposed dividend, there is scope for the Group to perform its obligations and carry out planned investments. There is also scope for acquisition opportunities. 9 May 2014 is proposed as the record date for the right to receive dividends.

Annual General Meeting 2014

The Annual General Meeting of Duni AB will be held in Malmö at 3 pm on 6 May 2014 at Skånes Dansteater. For further information, please see Duni's website. The Annual Report will be available on Duni's website during week 14. Shareholders who wish to submit a proposal to Duni's Nomination Committee or wish to have any matter addressed at the Annual General Meeting may do so by e-mail to valberedning@comi.com or bolagsstamma@duni.com, or by letter to: Duni AB, Att: Nomination Committee or AGM, Box 237, 201 22 Malmö, not later than 6 March 2014.

Nomination Committee

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

Duni's Nomination Committee pending the 2014 Annual General Meeting comprises four members: Anders Bülow, (Chairman of Duni AB), Rune Andersson (Mellby Gård Investerings AB, also Chairman of the Nomination Committee), Bernard R. Horn, Jr. (Polaris Capital Management, LLC) and Hans Hedström, (Carnegie fonder).

Parent Company

Net sales for the period 1 January – 31 December amounted to SEK 1 113 m (1 056). Income after financial items was SEK 176 m (110). The net debt amounted to SEK -627 m (-483), of which a net asset of SEK 1 062 m (1 022) relates to subsidiaries. Net capital expenditures amounted to SEK 9 m (14).

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 13 February at 8.00 AM CET.

The Year-End report will be presented on Thursday, 13 February 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 63. To follow the presentation via the web, please visit this link:

http://event.onlineseminarsolutions.com/r.htm?e=733368&s=1&k=2A49969774C04DB74A717F7711774679

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, 12 February 2014

Thomas Gustafsson, President and CEO

Additional information is provided by:

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Consolidated Income Statements

SEK m (Note 1)	3 months October - December 2013	3 months October - December 2012	12 months January - December 2013	12 months January – December 2012
Net Sales	**1 102**	**1 031**	**3 803**	**3 669**
Cost of goods sold	-794	-764	-2 798	-2 724
Gross profit	**308**	**267**	**1 005**	**945**
Selling expenses	-117	-111	-437	-438
Administrative expenses	-48	-54	-173	-176
Research and development expenses	-5	-5	-19	-26
Other operating incomes (Note 5)	4	3	2	4
Other operating expenses (Note 5)	-3	-78	-10	-81
Operating income (Note 4)	**140**	**23**	**369**	**229**
Financial income	2	1	7	5
Financial expenses, etc.	-4	-6	-26	-30
Net financial items	**-2**	**-5**	**-19**	**-25**
Income after financial items	**138**	**18**	**350**	**204**
Income tax	-32	-32	-83	-79
Net Income	**106**	**-15**	**267**	**126**
Income attributable to:				
Equity holders of the Parent Company	106	-15	267	126
Earnings per share, attributable to equity holders of the Parent Company, SEK				
Before and after dilution	2.25	-0.32	5.68	2.67
Average number of shares before and after dilution (´000)	46 999	46 999	46 999	46 999

Comparison figures for 2012 recalculated in accordance with IAS19R; see further in Note 2.

Statement of Comprehensive Income

SEK m	3 months October - December 2013	3 months October-December 2012	12 months January-December 2013	12 months January-December 2012
Net income of the period	**106**	**-15**	**267**	**126**
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Actuarial loss on post employment benefit obligations	-5	-4	15	-26
Total	**-5**	**-4**	**15**	**26**
Items that may be reclassified subsequently to profit or loss:				
Exchange rate differences - translation of subsidiaries	0	-3	-5	11
Cash flow hedge	0	0	1	-2
Total	**0**	**-3**	**-4**	**9**
Other comprehensive income of the period, net after tax:	**-5**	**-7**	**11**	**-17**
Sum of comprehensive income of the period	**101**	**-22**	**278**	**109**
Sum of comprehensive income of the period attributable to:				
Equity holders of the Parent Company	101	-22	278	109

Consolidated Quarterly Income Statements in brief

SEK m	2013				2012			
Quarter	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net Sales	**1 102**	**936**	**914**	**852**	**1 031**	**849**	**934**	**856**
Cost of goods sold	-794	-697	-675	-633	-764	-642	-689	-629
Gross profit	**308**	**239**	**239**	**219**	**267**	**207**	**245**	**227**
Selling expenses	-117	-103	-102	-115	-111	-97	-108	-122
Administrative expenses	-48	-45	-41	-39	-54	-39	-40	-42
Research and development expenses	-5	-4	-5	-5	-5	-5	-8	-8
Other operating incomes	4	0	3	0	3	0	2	4
Other operating expenses	-3	-3	-3	-6	-78	-4	-3	-2
Operating income	**140**	**83**	**91**	**55**	**23**	**62**	**87**	**57**
Financial income	2	2	2	1	1	1	1	1
Financial expenses etc.	-4	-9	-5	-7	-6	-4	-11	-8
Net financial items	**-2**	**-7**	**-3**	**-6**	**-5**	**-3**	**-10**	**-7**
Income after financial items	**138**	**75**	**88**	**49**	**18**	**59**	**77**	**50**
Income tax	-32	-17	-22	-13	-32	-11	-21	-13
Net Income	**106**	**59**	**66**	**36**	**-15**	**47**	**56**	**37**

Consolidated Balance Sheets in brief

SEK m	31 December 2013	31 December 2012
ASSETS		
Goodwill	1 249	1 199
Other intangible fixed assets	78	51
Tangible fixed assets	723	744
Financial fixed assets	180	219
Total fixed assets	**2 20**	**2 213**
Inventories	434	387
Accounts receivable	658	624
Other operating receivables	148	126
Cash and cash equivalents	225	181
Total current assets	**1 465**	**1 318**
TOTAL ASSETS	**3 695**	**3 531**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	**2 099**	**1 985**
Long-term loans	493	576
Other long-term liabilities	264	275
Total long-term liabilities	**757**	**851**
Accounts payable	348	301
Other short-term liabilities	491	394
Total short-term liabilities	**839**	**695**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**3 695**	**3 531**

Comparison figures for 2012 recalculated in accordance with IAS19R; see further in Note 2.

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	TOTAL EQUITY
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	-	-	14	-2	-	118	130
Dividend paid to shareholders	-	-	-	-	-	-164	-164
Closing balance 31 December 2013	**59**	**1 681**	**54**	**-2**	**13**	**180**	**1 985**
Sum of comprehensive income of the period	-	-	-5	1	-	282	278
Dividend paid to shareholders	-	-	-	-	-	-164	-164
Closing balance 31 December 2013	**59**	**1 681**	**49**	**-1**	**13**	**298**	**2 099**

[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 2013	1 January- 31 December 2012
Current operation		
Operating income	369	228
Adjustment for items not included in cash flow etc.	106	189
Paid interest and tax	-61	-64
Change in working capital	50	76
Cash flow from operations	**463**	**429**
Investments		
Acquisition of fixed assets	-83	-115
Sales of fixed assets	1	1
Acquisitions	-57	-
Change in interest-bearing receivables	1	2
Cash flow from investments	**-138**	**-112**
Financing		
Taken up loans[1)]	164	134
Amortization of debt[1)]	-254	-180
Dividend paid	-164	-164
Change in borrowing	-28	-10
Cash flow from financing	**-283**	**-220**
Cash flow from the period	**42**	**97**
Liquid funds, opening balance	181	85
Exchange difference, cash and cash equivalents	1	-1
Cash and cash equivalents, closing balance	**225**	**181**

[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- 31 December 2013	1 January- 31 December 2012
Net Sales, SEK m	3 803	3 669
Gross Profit, SEK m	1 005	945
EBIT[1) 3)], SEK m	385	342
EBITDA[1) 3)], SEK m	503	454
Net debt[3)]	491	638
Number of Employees	1 902	1 875
Sales growth	3,7%	-3.6%
Gross margin	26,4%	25.8%
EBIT[1) 3)] margin	10,1%	9.3%
EBITDA[1) 3)] margin	13,2%	12.4%
Return on capital employed[1) 2) 3)]	16,0%	14.2%
Net debt/equity ratio[3)]	23,4%	32.1%
Net debt/EBITDA [1) 2) 3)]	0.97	1.41

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 October - December 2013	3 months October - December 2012	12 months January - December 2013	12 months January - December 2012
Net Sales	**329**	**309**	**1 113**	**1 056**
Cost of goods sold	-297	-265	-980	-936
Gross profit	**32**	**44**	**133**	**120**
Selling expenses	-28	-35	-118	-123
Administrative expenses	-34	-39	-122	-132
Research and development expenses	-2	-2	-8	-12
Other operating incomes	57	51	198	190
Other operating expenses	-49	-55	-168	-178
Operating income	**-23**	**-35**	**-86**	**-135**
Revenue from participations in Group Companies	215	129	255	238
Other interest revenue and similar income	8	7	31	30
Interest expenses and similar expenses	-4	-4	-24	-22
Net financial items	**219**	**132**	**262**	**245**
Income after financial items	**196**	**97**	**176**	**110**
Taxes on income for the period	-33	-53	-37	-48
Net income for the period	**163**	**44**	**138**	**63**

Parent Company Statement of Comprehensive Income

SEK m	3 months October - December 2013	3 months October – December 2012	12 months January - December 2013	12 months January - December 2012
Net income of the period	**163**	**44**	**138**	**63**
Comprehensive income, net after tax:				
Exchange rate differences - translation of subsidiaries	1	0	3	0
Cash flow hedge	0	0	1	-2
Comprehensive income of the period, net after tax	**1**	**0**	**4**	**-2**
Sum of comprehensive income of the period	**164**	**44**	**143**	**61**
Comprehensive income of the period attributable to:				
Equity holders of the Parent Company	164	44	143	61

Parent Company Balance Sheets in Brief

SEK m	31 December 2013	31 December 2012
ASSETS		
Goodwill	300	400
Other intangible fixed assets	35	39
Total intangible fixed assets	**335**	**439**
Tangible fixed assets	32	39
Financial fixed assets	1 975	1 977
Total fixed assets	**2 007**	**2 455**
Inventories	91	73
Accounts receivable	94	98
Other operating receivables	290	295
Cash and bank	164	130
Total current assets	**640**	**596**
TOTAL ASSETS	**2 982**	**3 050**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Total restricted shareholders equity	83	83
Total unrestricted shareholders equity	1 868	1 889
Shareholders' equity	**1 951**	**1 972**
Provisions	**109**	**112**
Long-term financial liabilities	490	559
Total long-term liabilities	**490**	**559**
Accounts payable	52	53
Other short-term liabilities	380	354
Total short-term liabilities	**432**	**407**
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**2 982**	**3 050**

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 related to consolidation. Figures for 2013 are calculated at exchange rates for 2012. Effects of translation of balance sheet items are not included.

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**

2012-01-01 - 2012-12-31, SEK m	In accordance with earlier principles	Effects of change in accounting principle	In accordance with current principles
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

2012-01-01 – 2012-12-31, SEK m

Statement of Comprehensive Income:

	In accordance with earlier principles	Effects of change in accounting principle	In accordance with current principles
Net income for the period	124	1	126
Other comprehensive income	9	-26	-17
Sum of comprehensive income of the period	133	-25	109

2012-10-01 - 2012-12-31, 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	-16	1	-14
Other comprehensive income	-3	-3	-6
Sum of comprehensive income of the period	-19	-2	-20

The change in operating income, SEK 1 m, is attributable to administrative expenses.

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

October - December

2013-10-01 – 2013-12-31	Professional	Consumer	Tissue	Group's Total
Total net sales	764	221	256	**1 241**
Net sales from other segments	-	-	139	**139**
Net sales from external customers	**764**	**221**	**117**	**1 102**
Underlying operating income	**127**	**23**	**2**	**152**
Non-recurring items	-9	-3	0	**-12**
Operating income	**118**	**20**	**2**	**140**
Net financial items	-	-	-	**-2**
Income after financial items	-	-	-	**138**

2012-10-01 – 2012-12-31	Professional	Consumer	Tissue	Group's Total
Total net sales	722	197	239	**1 159**
Net sales from other segments	-	-	128	**128**
Net sales from external customers	**722**	**197**	**111**	**1 031**
Underlying operating income	**109**	**19**	**2**	**130**
Non-recurring items	-14	-8	-85	**-107**
Operating income	**95**	**11**	**-83**	**23**
Net financial items	-	-	-	**-5**
Income after financial items	-	-	-	**18**

January – December

2013-01-01 – 2013-12-31	Professional	Consumer	Tissue	Group's Total
Total net sales	2 702	603	1 055	**4 360**
Net sales from other segments	-	-	556	**556**
Net sales from external customers	**2 702**	**603**	**499**	**3 803**
Underlying operating income	**356**	**12**	**17**	**385**
Non-recurring items	-12	-5	0	**-17**
Operating income	**344**	**7**	**17**	**369**
Net financial items	-	-	-	**-19**
Income after financial items	-	-	-	**350**

2012-01-01 – 2012-12-31	Professional	Consumer	Tissue	Group's Total
Total net sales	2 682	551	978	**4 211**
Net sales from other segments	-	-	542	**542**
Net sales from external customers	**2 682**	**551**	**436**	**3 669**
Underlying operating income	**337**	**6**	**-1**	**342**
Non-recurring items	-19	-8	-85	**-113**
Operating income	318	-2	-86	**229**
Net financial items	-	-	-	**-25**
Income after financial items	-	-	-	**204**

Quarterly overview, by segment:

Net sales SEK m	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012
Professional	764	671	681	586	722	635	699	626
Consumer	221	123	119	140	197	101	126	127
Tissue	117	141	114	126	111	112	109	104
Duni	**1 102**	**936**	**914**	**852**	**1 031**	**849**	**934**	**856**

Underlying operating income SEK m	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Q4 2012	Q3 2012	Q2 2012	Q1 2012
Professional	127	82	94	53	109	77	90	61
Consumer	23	-3	-5	-3	19	-12	0	-1
Tissue	2	9	2	4	2	-2	0	0
Duni	**152**	**88**	**91**	**55**	**130**	**63**	**90**	**60**

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 October - December 2013	3 months October - December 2012	12 months January - December 2013	12 months January - December 2012
Other operating incomes	-	0	-	1
Other operating expenses	0	0	0	0
Total	**0**	**0**	**0**	**0**

Restructuring cost *SEK m*	3 months October - December 2013	3 months October - December 2012	12 months January - December 2013	12 months January - December 2012
Cost of goods sold	1	-13	1	-14
Selling expenses	-7	-7	-11	-12
Administrative expenses	0	-10	0	-10
Other operating expenses	-6	-77	-7	-77
Total	**-12**	**-107**	**-17**	**-113**