Interim Report for Duni AB (publ) 1 January – 30 September 2015

(compared with the same period of the previous year)

21 October 2015

Historically strong quarter with strong operating margin

1 July – 30 September 2015

- Net sales amounted to SEK 1,043 m (997). Adjusted for exchange rate changes, net sales increased by 1.1%.
- Earnings per share, for continuing operations, after dilution amounted to SEK till 2.10 (1.80).
- High capital expenditure level, continued strong cash flow.

1 January – 30 September 2015

- Net sales amounted to SEK 3,030 m (2,736). Adjusted for exchange rate changes, net sales increased by 5.8%.
- Earnings per share, for continuing operations, after dilution amounted to SEK 5.05 (4.19).
- Decision to invest SEK 110 m in upgrading two of the paper machines in Skåpafors in order to increase capacity.
- Production of hygiene products in Skåpafors is now discontinued; the hygiene product operations and restructuring work within the Materials & Services business area are reported as discontinued operations.

Key financials [1)]

SEK m	3 months July-September 2015	3 months July-September 2014	9 months January-September 2015	9 months January-September 2014	12 months October-September 2014/2015	12 months January-December 2014
Net sales	1 043	997	3 030	2 736	4 164	3 870
Operating income [2)]	146	129	357	288	521	452
Operating margin [2)]	14.0%	12.9%	11.8%	10.5%	12.5%	11.7%
Income after financial items	130	114	315	268	462	414
Net income	99	84	237	197	342	302

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

Bridge continuing operations

Net sales SEK m	**2015**	Q3 2015	Q2 2015	Q1 2015	**2014**	Q4 2014	Q3 2014	Q2 2014	Q1 2014	**2013**	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Continued operations	**3 030**	**1 043**	**1 002**	**985**	**3 870**	**1 134**	**997**	**922**	**817**	**3 349**	**995**	**805**	**810**	**740**
- Discontinued operations	**83**	2	20	61	**379**	77	103	95	104	**454**	107	131	104	112
Duni Total	**3 113**	**1 045**	**1 022**	**1 046**	**4 249**	**1 211**	**1 100**	**1 017**	**921**	**3 803**	**1 102**	**936**	**914**	**852**

Operating income SEK m	**2015**	Q3 2015	Q2 2015	Q1 2015	**2014**	Q4 2014	Q3 2014	Q2 2014	Q1 2014	**2013**	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Continued operations	**357**	**146**	**104**	**107**	**452**	**164**	**129**	**93**	**67**	**369**	**150**	**79**	**89**	**50**
- Discontinued operations	**5**	0	1	4	**23**	5	3	8	6	**17**	1	8	3	4
Duni Total	**362**	**146**	**105**	**112**	**475**	**169**	**132**	**101**	**73**	**385**	**152**	**88**	**91**	**55**

CEO's comments

”The operating income for the quarter is historically strong and exceeds the third quarter of last year by a considerable margin. Total net sales fell by 5% due to the closure of the hygiene products business. However, the continued operations reported organic growth of 3%, excluding currency effects and acquisitions. Despite improved growth compared with the two preceding quarters of the year, we have not achieved the target level of 5%. Operating income in the continued operations increased by 13%, to SEK 146 m (129), and the operating margin improved to 14.0% (12.9%).

The quarter was characterized by good delivery performance and cost control. The improvement in the margin was driven primarily by more efficient operation at our paper mill and in the logistics units, but also thanks to growth in the core business and continued favorable exchange rates. The weak krona generates exchange rate advantages; conversely, a strong USD negatively affects the prices of, first and foremost, pulp and plastic products.

The restructuring program in Rexcell Tissue & Airlaid AB is proceeding and the process of moving airlaid production to the mill in Skåpafors will be completed during the final quarter of the year. Despite a high level of activity, the restructuring has been implemented without any significant impact on the day-to-day operations. During the coming quarters, work will also be intensified on the previously announced investment in increased capacity at the paper mill. Installation is expected to be completed during the latter part of 2016.

The *Table Top* business area increased its sales in the quarter by 6% compared with last year. The increase in sales is attributable to positive currency effects. Somewhat weak sales in Central Europe and the Nordic region dragged down the growth rate for the business area, at the same time as southern and Eastern Europe grew by almost 20%. A return to growth in Central Europe and the Nordic region is a top priority issue and we are currently further intensifying our sales effort. The business area's sales for the quarter increased to SEK 579 m (545) and operating income increased to SEK 109 m (97).

Within *Meal Service* we are witnessing continued strong growth driven by increased market demand and higher market shares. Consistent investments in unique and environmentally-adapted products have broadened the customer base, at the same time as strengthen our position as a leading innovator. During the quarter, sales increased by approximately 10% compared with last year. Sales reached SEK 155 m (140) and the operating income was SEK 10 m (8).

Sales in the *Consumer* business area fell during the quarter. This was primarily due to the somewhat weaker trend in Central Europe, which had a negative impact on revenues in the business area. Sales for the quarter amounted to SEK 245 m (249) and operating income declined to SEK 21 m (22).

Within *New Markets* we recorded strong growth in our main markets. The weaker economic climate in China, has led to a slowdown in the rate of growth in Southeast Asia, but our operations in Singapore compensated for this with increased export sales. The Russian operations have now been restructured and are better adapted to the prevailing economic climate. The workforce has been reduced and extensive price increases have been carried out. During the quarter, sales in the business area increased to SEK 53 m (50) and operating profit rose to SEK 4 m (1).

All in all, it is pleasing that our core business is continuing to improve in efficiency and is contributing to increased profitability. During the quarter, both delivery performance and efficiency in the flow of goods improved, at the same time as Rexcell implemented its restructuring program without significant disruptions in operations. We take this with us into the final and most important quarter of the year”, says Thomas Gustafsson, President and CEO, Duni.

Net sales for the quarter amounted to SEK 1 043 m

1 July – 30 September

Compared with the same period of last year, net sales increased by SEK 46 m to SEK 1,043 m (997). Adjusted for currency changes, net sales increased by SEK 11 m or 1.1%. The third quarter included no structural effects from acquisitions. The rate of growth has improved since the preceding quarter, thanks to a positive trend within the tourist industry in southern Europe as well as continued strong demand within the Meal Service business area. Demand within the traditional restaurant sector in Germany remained weak, while conversely strong growth was recorded within Meal Service. Successful sales of the Christmas range had a positive impact on net sales at the end of the quarter.

1 January – 30 September

Compared with the same period of last year, net sales increased by SEK 294 m to SEK 3,030 m (2,736). Adjusted for currency changes, net sales increased by SEK 160 m or 5.8%. HoReCa statistics show a somewhat improved rate of growth during the year, while consumer confidence has been stable but weakened slightly during the latter part of the third quarter. Most of Duni's markets within the various business areas demonstrate a positive trend; however, the mature markets have been more stable and, in certain cases, declined somewhat.

Net sales, currency effect [1)]

SEK m	3 months July-September 2015	3 months July-September 2015[2)] recalculated	3 months July-September 2014	Change in fixed exchange rates	9 months January-September 2015	9 months January-September 2015[2)] recalculated	9 months January-September 2014	Change in fixed exchange rates
Table Top	578	557	545	2.2%	1 654	1 575	1 575	0.0%
Meal Service	155	152	140	8.4%	454	442	411	7.4%
Consumer	245	236	249	-5.1%	733	698	566	23.2%
New Markets	53	52	50	4.1%	155	147	142	4.2%
Materials & Services	11	11	13	-12.4%	34	34	42	-18.5%
Duni , continued operations	**1 043**	**1 008**	**997**	**1.1%**	**3 030**	**2 896**	**2 736**	**5.8%**

1) For continuing operations.
2) Reported net sales for 2015 recalculated at 2014 exchange rates.

Operating margin of 14.0% in the quarter

1 July – 30 September

Operating income for the continued operations amounted to SEK 146 m (129) with a gross margin of 29.9% (29.6%). The operating margin was 14.0% (12.9%). Adjusted for currency changes, operating income was SEK 9 m higher than last year. The increase is primarily attributable to growth within the Table Top business area, as well as continued strong growth within Meal Service. In addition to a satisfactory gross contribution, the third quarter has had good utilization in all factories and thereby high capacity utilization. The work on improving efficiency within logistics and delivery precision is also resulting in lower costs.

Income after financial items amounted to SEK 130 m (114). Income after tax was SEK 99 m (84).

1 January – 30 September

Operating income for the continued operations amounted to SEK 357 m (288) with a gross margin of 29.1% (28.6%). The operating margin was 11.8% (10.5%). Adjusted for currency changes, operating income increased by SEK 41 m compared with last year. Despite a continued challenging situation on most markets, general growth is one of the primary explanations behind Duni continuing to strengthen its operating margin. During the year, focus has been placed on increasing efficiency in the vertical integration through improved internal productivity. This is taking place without impeding the ambition to constantly improve the customer offering in terms of service, delivery and, of course, product range. At the same time, raw materials costs have stabilized, thereby creating conditions to realize the full impact of cost savings within production.

Income after financial items amounted to SEK 315 m (268). Income after tax was SEK 237 m (197).

Operating income, currency effect 1)

SEK m	3 months July-September 2015	3 months July-September 2015 2) recalculated	3 month July-September 2014	9 months January-September 2015	9 months January-September 2015 2) recalculated	9 months January-September 2014
Table Top	109	104	97	274	254	247
Meal Service	10	9	8	25	24	14
Consumer	21	20	22	44	39	22
New Markets	4	4	1	11	9	1
Materials & Services	2	2	1	3	3	4
Duni, continued operations	**146**	**138**	**129**	**357**	**329**	**288**

1) For continued operations.
2) Reported net sales for 2015 recalculated at 2014 exchange rates.

Operating income – Non-recurring items

Duni manages its operations based on what Duni refers to as operating income. 'Operating income' means operating income before restructuring costs, non-realized valuation effects of currency derivatives, fair value allocations and amortization of intangible assets identified in connection with business acquisitions. See the table below.

'Operating income' is a designation which is being used as from 1 January 2014 and corresponds to Duni's previously communicated 'underlying operating income'. For all periods up to and including 31 December 2013, operating income corresponds to the previously communicated 'underlying operating income'.

In those cases where derivative instruments have a value, they are reported in the income statement under 'Other Income' or 'Other Expenses'. For details of restructuring costs, see Note 5.

Bridge between operating income and EBIT [1)]

SEK m	3 months July-September 2015	3 months July-September 2014	9 months January-September 2015	9 months January-September 2014	12 months October-September 2014/2015	12 months January-December 2014
Operating income	**146**	**129**	**357**	**288**	**521**	**452**
Restructuring costs	0	0	0	-1	0	0
Unrealized value changes, derivative instruments	0	-	0	0	0	0
Amortization of intangible assets identified in connection with business acquisitions	-7	-5	-20	-7	-28	-14
Fair value allocation in connection with acquisitions	-	-4	-	-4	-	-4
EBIT	**139**	**119**	**337**	**277**	**493**	**433**

[1)] For continued operations.

Reporting of operating segments

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

The **Table Top** business area offers Duni's concepts and products primarily to hotels, restaurants and the catering industry. Table Top primarily markets napkins, tablecoverings and candles for the set table. Duni is the market leader within the premium segment in Europe. The business area accounted for approximately 55% (58%) of Duni's net sales during the period 1 January – 30 September 2015.

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

The **Consumer** business area offers consumer products to, primarily, the retail trade in Europe. Customers mainly comprise grocery retail chains, but also other channels such as various types of specialty stores, for example garden centers, home furnishing stores, and DIY stores. The business area accounted for approximately 24% (21%) of Duni's net sales during the period. As from June 2014, the Paper+Design acquisition is included as part of the Consumer business area.

The **New Markets** business area offers Duni's concepts regarding attractive quality products and table top concepts as well as packaging, with a focus on new markets outside Europe. In addition to customer segments such as hotels, restaurants and catering, the business area also aims its offering at the retail trade. The business area accounted for approximately 5% (5%) of Duni's net sales during the period.

The **Materials & Services** business area comprises those parts which are not accommodated within the other business areas. Most of the business area comprises external sales of tissue. Production of hygiene products ceased at the end of March 2015 and is thus no longer included in the business area. Instead, hygiene business is reported as a discontinued operation. The income statement for the business area and the consolidated income statement from 2013 have been recalculated and contain only continuing operations. Hygiene business accounted for 88% of Materials & Services' sales for 2014. The business area accounted for approximately 1% (1%) of Duni's net sales during the period.

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

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

Split on net sales between business areas

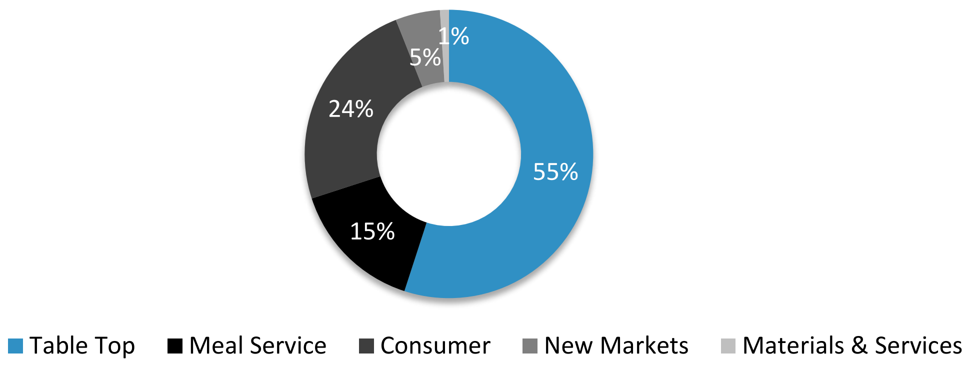


Table Top business area

1 July – 30 September

Net sales amounted to SEK 578 m (545). At fixed exchange rates, this corresponds to an increase in sales of 2.2%. Following a weaker second quarter, Table Top is once again demonstrating growth. Most markets are experiencing a clearly positive trend, and this was particularly notable in southern Europe where the tourist season developed well during the summer. In the UK, too, the trend has been positive thanks to an advantageously strong pound sterling. In Germany and Switzerland (where Duni is the leader within the premium category) sales continue to be lower than last year, but a degree of stabilization is discernible.

Operating income was SEK 109 m (97) with an operating margin of 18.9% (17.8%). Table Top enjoyed satisfactory operational leverage from growth in the quarter, which contributed to strengthening the margin. There have been few new launchings, which has resulted in lower indirect costs and further contributed to the increase in income.

1 January – 30 September

Net sales amounted to SEK 1,654 m (1,575). At fixed exchange rates, this corresponds to unchanged sales compared with last year. As the leading manufacturer of premium solutions for single-use products, Duni often faces challenges from competitors offering a simpler product range. Thanks to its presence on the market over many years, Duni has succeeded in developing a loyal customer base that appreciates the added value brought by Duni’s unique, patented products, also in periods of increased uncertainty.

Operating income was SEK 274 m (247) and the operating margin was 16.6% (15.7%). The earnings trend within Table Top is strongly correlated with positive growth, especially in the short and medium terms due to the time lag in adapting the production structure to sales trends. Likewise, there are also positive effects in times of increased demand since substantial efficiency gains can be achieved during a limited period of time without major capital expenditures. This has been clearly evident during the year, with volume growth changing in the different quarters.

Net sales, Table Top

SEK m	3 months July-September 2015	3 months July-September 2015[1] recalculated	3 months July-September 2014	9 months January-September 2015	9 months January-September 2015[1] recalculated	9 months January-September 2014	12 months October-September 2014/2015	12 months January-December 2014
Nordic region	83	83	84	244	244	246	350	352
Central Europe	392	372	370	1 126	1 056	1 066	1 537	1 478
South & East Europe	104	101	91	284	274	262	371	348
Total	**578**	**557**	**545**	**1 654**	**1 575**	**1 575**	**2 258**	**2 179**

[1] Reported net sales for 2015 recalculated at 2014 exchange rates.

Meal Service business area

1 July – 30 September

Net sales amounted to SEK 155 m (140). At fixed exchange rates, this corresponds to an increase in sales of 8.4%. Meal Service is continuing to grow at a faster rate than Duni as a whole and is an important area since market demand for take-away solutions continues to be strong. As distinct from the Table Top business area, it is the German market (where Meal Service still has a relatively small market share) that is growing the fastest. As result of ever higher raw materials prices, especially within different grades of plastic, pinpointed price increases were announced during the third quarter. These are expected to gradually generate an effect during the fourth quarter, with the full impact being felt at the beginning of 2016.

Operating income was SEK 10 m (8) and the operating margin was 6.3% (5.4%). The gross margin during the quarter declined as a consequence of the high raw materials prices. This is the primary reason why the strong growth was not fully reflected in the operating income, although income did increase by one percent.

1 January – 30 September

Net sales amounted to SEK 454 m (411). At fixed exchange rates, this corresponds to an increase in sales of 7.4%. The Nordic region has previously exhibited a slight downward trend, but sales increased gradually during the third quarter. The Norwegian market proved to be an exception and fell back slightly after having performed strongly in 2014. Customized solutions developed in close cooperation with customers, together with environmentally adapted alternatives, continue to be one of the most important components for profitable growth within the business area.

Operating income was SEK 25 m (14) and the operating margin was 5.5% (3.3%). Since nearly all sales within Meal Service are based on externally purchased products, purchasing expertise is an important component. Satisfactory profitability goes hand-in-hand with being able to offer the most innovative and environmentally-adapted products on the market. Meal Service improved its earnings during the year, despite challenging external factors including a high level of volatility as far as raw materials are concerned.

Net sales, Meal Service

SEK m	3 months July-September 2015	3 months July-September 2015[1)] recalculated	3 months July-September 2014	9 months January-September 2015	9 months January-September 2015[1)] recalculated	9 months January-September 2014	12 months October-September 2014/2015	12 months January-December 2014
Nordic region	70	70	68	212	212	202	280	270
Central Europe	55	53	47	155	146	134	205	184
South & East Europe	29	29	24	87	83	75	113	101
Total	**155**	**152**	**140**	**454**	**442**	**411**	**598**	**555**

1) Reported net sales for 2015 recalculated at 2014 exchange rates.

Consumer business area

1 July – 30 September

Net sales amounted to SEK 245 m (249). At fixed exchange rates, this corresponds to a decrease in sales of 5.1%. The quarter included no structural effects since Paper+Design was acquired at the end of the second quarter of 2014. Sales fell back during the quarter, mainly due to lower sales in the Nordic region and in Germany. The Nordic region has previously developed positively, but a contract with a major customer was not renewed during the year. The German market is very competitive with volatile demand on a customer level.

Operating income was SEK 21 m (22) and the operating margin was 8.6% (8.9%). Despite somewhat lower sales, income for the quarter is almost on par with last year. Similarly to the Table Top business area, a high level of efficiency in the production stage has made a positive contribution during the quarter.

1 January – 30 September

Net sales amounted to SEK 733 m (567). At fixed exchange rates, this corresponds to an increase in sales of 23.2%, primarily attributable to the acquisition of Paper+Design. The integration of Paper+Design has increased the possibility for Duni to expand its offering to customers and clearly strengthen its position as the leading supplier of premium products. During 2015, focus within the business area has been on continuing to develop Designs for Duni®, while at the same time identifying new markets and new channels on existing markets. The retail trade is, by its very nature, subject to price pressure and tough competition, but there is also strong demand on the market for environmentally conscious materials as well as innovative solutions, where Duni is the leader.

Operating income was SEK 44 m (22) and the operating margin was 6.0% (4.0%). The strong increase in earnings is to a large extent attributable to the acquisition of Paper+Design. Duni has created a new platform within the business area, with an additional production unit resulting in possibilities for future growth. Initially, focus has primarily been placed on sales synergies, but the second half of the year has also been characterized by increased cooperation between the production units in order to optimize capacity and cost efficiency.

Net sales, Consumer

SEK m	3 months July-September 2015	3 months July-September 2015[1)] recalculated	3 months July-September 2014	9 months January-September 2015	9 months January-September 2015[1)] recalculated	9 months January-September 2014	12 months October-September 2014/2015	12 months January-December 2014
Nordic region	36	35	41	109	107	99	157	147
Central Europe	173	165	163	516	487	397	749	630
South & East Europe	15	15	23	52	50	43	78	69
Rest of the World	21	21	22	55	53	28	71	43
Total	**245**	**236**	**249**	**733**	**698**	**567**	**1 055**	**889**

1) Reported net sales for 2015 recalculated at 2014 exchange rates.

New Markets business area

1 July – 30 September

Net sales amounted to SEK 53 m (50). At fixed exchange rates, this corresponds to an increase in sales of 4.1%. Singapore, which is the dominant market in the business area, is growing well in line with the economy as a whole, at around 5%. The Russian market is still experiencing strains since demand within the restaurant sector has fallen by half since the beginning of the year. The third quarter, too, was well down on last year. Other markets, however, are demonstrating a strong increase in growth. South America and Australia were particularly positive during the quarter, albeit from low levels.

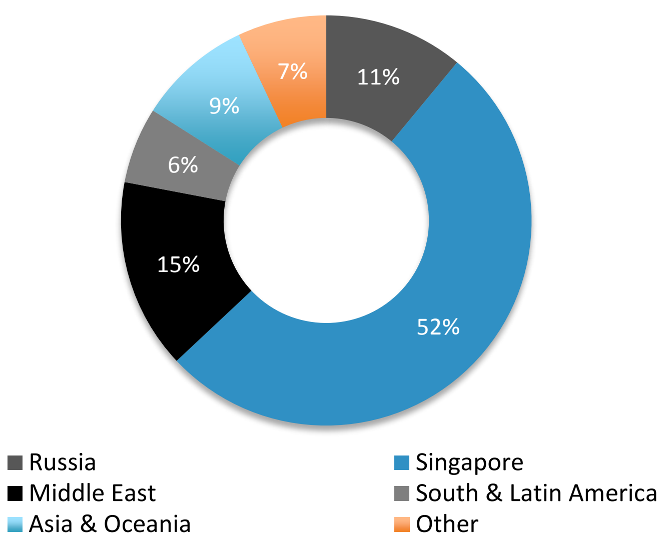
Operating income was SEK 4 m (1) and the operating margin was 7.9% (2.2%). Despite a very strained situation with a continued weak currency, earnings were unchanged as far as Russia is concerned. This is thanks to a multitude of focused activities such as cost reductions, as well as price compensation vis-à-vis customers. As a result, New Markets improved its earnings due to increased sales on other markets.

1 January – 30 September

Net sales amounted to SEK 155 m (142). At fixed exchange rates, this corresponds to an increase in sales of 4.2%. The markets outside Europe are relatively unexplored as far as premium segment single-use products are concerned. Demand has increased gradually during the year, but this is strongly connected to active and successful marketing work undertaken by Duni.

Operating income was SEK 11 m (1) and the operating margin was 7.2% (0.8%). Earnings have improved substantially during the year and the operating margin is approaching the average for Duni. This is, of course, primarily due to positive growth, as well as the activities that have dominated the Russian market described above.

Net sales, geographical split, New Markets



Materials & Services business area

1 July – 30 September

Net sales amounted to SEK 11 m (13). At fixed exchange rates, this corresponds to a fall in sales of 12.4%. Most sales within this business area comprise sales of raw material from Duni's paper mill in Skåpafors, Dalsland. Even if sales are low, they are important since they provide important information about the market trend within paper production and companies on the market.

Operating income was SEK 2 m (1) and the operating margin was 15.8% (9.3%). Earnings improved despite the lower sales. Gross margins are largely unchanged, but indirect costs are low.

1 January – 30 September

Net sales amounted to SEK 34 m (42). At fixed exchange rates, this corresponds to a fall in sales of 18.5%. Operating income was SEK 3 m (4) and the operating margin was 8.8% (8.8%). Even if sales are down on last year, this is from low levels.

Cash flow

The Group's operating cash flow for the period 1 January – 30 September was SEK 325 m (271). Accounts receivable amounted to SEK 727 m (758), accounts payable to SEK 311 m (342) and inventory was valued at SEK 571 m (559). Cash flow including capital expenditure activities amounted to SEK 220 m (-177). The improvement in earnings is reflected in the higher cash flow compared with last year. Capital expenditures increased during the quarter, among other things due to the announced investment in the paper mill (1 June), as well as investments in the raw materials warehouse in Germany. Delivery capability steadily improved during the year, at the same time as the inventory turnover rate increased somewhat.

Net capital expenditures for the period for continuing operations amounted to SEK 105 m (52). Amortization/depreciation for the period, for continuing operations was SEK 115 m (95).

The Group's interest-bearing net debt as of 30 September 2015 was SEK 867 m, compared with SEK 1 061 on 30 September 2014 and SEK 888 m on 31 December 2014.

Financial net

The financial net for continued operations for the period 1 January – 30 September was SEK -22 m (-9). The translation effects for the period were negative compared with positive effects last year.

Taxes

The total reported tax expense for the period 1 January – 30 September for continued operations amounted to SEK 78 m (71), yielding an effective tax rate of 24.6% (26.2%). The tax expense for the year includes adjustments and non-recurring effects from the previous year of SEK 0.3 m (-4.3). The deferred tax asset relating to loss carryforwards was utilized in the amount of SEK 33 m (40).

Earnings per share

The earnings per share for continued operations before and after dilution amounted to SEK 5.05 (4.19).

Duni's share

As per 30 September 2015 the share capital amounted to SEK 58,748,790 divided into 46,999,032 shares, each with a quotient value of SEK 1.25.

Shareholders

Duni is listed on NASDAQ Stockholm under the ticker name "DUNI". Duni's three largest shareholders are Mellby Gård Investerings AB (29.99%), Carnegie fonder (8.85%) and Polaris Capital Management, LLC (8.83%).

Personnel

On 30 September 2015 there were 2,095 (2,103) employees. 904 (947) of the employees were engaged in production. Duni's production units are located in Bramsche and Wolkenstein in Germany, Poznan in Poland and Bengtsfors in Sweden.

Acquisitions

No acquisitions were made during the period.

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 2014.

Duni's Contingent Liabilities have risen since the start of the year by SEK 25 m to SEK 81 m (56) due to a new cashpool in Switzerland.

Transactions with related parties

No transactions with related parties took place during the third quarter of 2015.

Major events since 30 September

No significant events have occurred since the balance sheet date.

Interim reports

Quarter IV	12 February, 2016
Quarter I	21 April, 2016

Annual General Meeting 2016

The Annual General Meeting of Duni AB will be held in Malmö at 3pm on 3 May, 2016. For further information, kindly refer to Duni's website.

Parent Company

Net sales for the period 1 January – 30 September amounted to SEK 861 m (842). Income after financial items amounted to SEK 93 m (-7). This year, dividends from subsidiaries were received during the third quarter, whereas last year they were paid during the fourth quarter. The interest-bearing net debt amounted to SEK -673 m (-500), of which a net asset of SEK 1,443 m (1,471) is held by subsidiaries. Net capital expenditures amounted to SEK 16 m (9).

Accounting principles

The interim report for the Group has been prepared in accordance with IAS 34 and the Swedish Annual Reports Act. The parent company' reporting is prepared in accordance with RFR 2, Reporting for Legal Entities, and the Swedish Annual Reports Act. Accounting principles have been applied as reported for the Annual Report per 31 December 2014.

There is no holding without controlling influence 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 21 October at 7.45 AM CET.

The interim report will be presented on Wednesday, 21 October 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 8 566 426 95. To follow the presentation via the web, please visit this link:
http://event.onlineseminarsolutions.com/r.htm?e=1061863&s=1&k=3A8162C8E99EADA25BBD1EFDA7AA94D6

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.

Malmö, 20 October 2015

Thomas Gustafsson, President and CEO

Additional information is provided by:

Thomas Gustafsson, President and CEO, +46 40 10 62 00
Mats Lindroth, CFO, +46 40 10 62 00
Tina Andersson, Corporate Marketing & Communication Director, +46 734 19 62 24

Duni AB (publ)
Box 237
201 22 Malmö
Tel.: +46 40 10 62 00, www.duni.com, Registration no: 556536-7488

Report of Review of Interim Financial Information

Introduction

We have reviewed the condensed interim financial information (interim report) of Duni AB (publ) as of 30 September 2015 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Malmö, 20 October 2015
PricewaterhouseCoopers AB

Eva Carlsvi
Authorized Public Accountant

Consolidated Income Statements

SEK m (Note 1)	3 months July-September 2015	3 months July-September 2014	9 months January-September 2015	9 months January-September 2014	12 months October-September 2014/2015	12 months January-December 2014
Net sales	**1 043**	**997**	**3 030**	**2 735**	**4 164**	**3 870**
Cost of goods sold	-731	-702	-2 147	-1 955	-2 928	-2 736
Gross profit	**311**	**295**	**883**	**781**	**1 235**	**1 134**
Selling expenses	-112	-108	-353	-334	-475	-456
Administrative expenses	-59	-58	-176	-154	-233	-211
Research and development expenses	-2	-3	-8	-9	-10	-11
Other operating incomes	9	1	17	6	15	4
Other operating expenses	-9	-7	-26	-14	-39	-27
EBIT (Note 5)	**139**	**119**	**337**	**277**	**493**	**433**
Financial income	0	1	2	4	3	5
Financial expenses	-9	-6	-23	-13	-35	-24
Net financial items	**-9**	**-5**	**-22**	**-9**	**-32**	**-19**
Income after financial items	**130**	**114**	**315**	**268**	**462**	**414**
Income tax	-31	-30	-78	-71	-120	-113
Net income for continued operations	**99**	**84**	**237**	**197**	**342**	**302**
Net income for discontinued operations	0	2	4	14	8	18
Net income	**99**	**87**	**241**	**211**	**350**	**319**
Income attributable to:						
Equity holders of the Parent Company	99	87	241	211	350	319
Earnings per share, continued operations, SEK Before and after dilution	2.10	1.80	5.05	4.19	7.27	6.42
Earnings per share, discontinued operations, SEK Before and after dilution	0.00	0.05	0.09	0.30	0.17	0.38
Earnings per share, attributable to equity holders of the Parent company, SEK Before and after dilution	2.10	1.85	5.13	4.48	7.44	6.80
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 months July-September 2015	3 months July-September 2014	9 months January-September 2015	9 months January-September 2014	12 months October-September 2014/2015	12 months January-December 2014
Net income of the period	**99**	**87**	**241**	**211**	**350**	**319**
Other comprehensive incomes:						
Items that will not be reclassified to profit or loss:						
Actuarial loss on post-employment benefit obligations	10	-16	7	-33	0	-40
Total	**10**	**-16**	**7**	**-33**	**0**	**-40**
Items that may be reclassified subsequently to profit or loss:						
Exchange rate differences – translation of subsidiaries	-4	3	4	5	5	6
Cash flow hedge	-2	-3	0	-3	-1	-4
Total	**-5**	**0**	**4**	**2**	**4**	**2**
Other comprehensive income of the period, net after tax:	**4**	**-16**	**11**	**-31**	**4**	**-38**
Sum of comprehensive income of the period	**104**	**71**	**252**	**180**	**354**	**281**
Sum of comprehensive income of the period attributable to:						
Equity holders of the Parent Company	104	71	252	180	354	281

All elements within comprehensive income refer to continuing operations.

Consolidated Quarterly Income Statements in brief

SEK m	2015			2014				2013
Quarter	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec
Net sales	**1 043**	**1 002**	**985**	**1 134**	**997**	**922**	**817**	**995**
Cost of goods sold	-731	-718	-698	-782	-702	-669	-583	-690
Gross profit	**311**	**284**	**287**	**353**	**295**	**253**	**234**	**305**
Selling expenses	-112	-116	-125	-122	-108	-112	-113	-117
Administrative expenses	-59	-60	-58	-57	-58	-50	-46	-48
Research and development expenses	-2	-3	-2	-2	-3	-2	-3	-4
Other operating incomes	9	0	8	0	1	8	0	4
Other operating expenses	-9	-9	-10	-15	-7	-4	-6	-3
EBIT	**139**	**97**	**101**	**157**	**119**	**92**	**66**	**139**
Financial income	0	1	0	1	1	2	1	2
Financial expenses	-10	-8	-6	-11	-6	-3	-4	-4
Net financial items	**-10**	**-7**	**-5**	**-10**	**-5**	**-1**	**-3**	**-2**
Income after financial items	**130**	**90**	**95**	**147**	**114**	**90**	**63**	**136**
Income tax	-31	-22	-25	-42	-30	-24	-17	-32
Net income continuing operations	**99**	**68**	**70**	**105**	**84**	**66**	**46**	**105**
Net income discontinued operations	0	1	3	4	2	7	5	1
Net income	**99**	**69**	**74**	**109**	**87**	**73**	**51**	**106**

Consolidated Balance Sheet in brief

SEK m	30 September 2015	31 December 2014	30 September 2014
ASSETS			
Goodwill	1 461	1 463	1 488
Other intangible fixed assets	282	311	264
Tangible fixed assets	862	851	824
Financial fixed assets	102	140	155
Total fixed assets	**2 706**	**2 765**	**2 732**
Inventories	571	503	559
Accounts receivables	727	743	758
Other operating receivables	111	112	116
Cash and cash equivalents	175	205	210
Total current assets	**1 583**	**1 563**	**1 643**
TOTAL ASSETS	**4 290**	**4 328**	**4 375**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	**2 233**	**2 193**	**2 091**
Long-term loans	793	-	-
Other long-term liabilities	366	388	363
Total long-term liabilities	**1 159**	**388**	**363**
Accounts payable	311	341	342
Short-term loans	-	828	1 007
Other short-term liabilities	586	578	572
Total short-term liabilities	**897**	**1 747**	**1 921**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**4 290**	**4 328**	**4 375**

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 2014	**59**	**1 681**	**49**	**-1**	**13**	**298**	**2 099**
Sum of comprehensive income of the period	-	-	5	-3	-	178	180
Dividend paid to shareholders	-	-	-	-	-	-188	-188
Closing balance 30 September 2014	**59**	**1 681**	**54**	**-4**	**13**	**288**	**2 091**
Sum of comprehensive income of the period	-	-	1	-1	-	102	102
Closing balance 31 December 2014	**59**	**1 681**	**55**	**-5**	**13**	**389**	**2 193**
Sum of comprehensive income of the period	-	-	4	0	-	248	252
Dividend paid to shareholders	-	-	-	-	-	-211	-211
Closing balance 30 September 2015	**59**	**1 681**	**59**	**-5**	**13**	**426**	**2 233**

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 – 30 September 2015	1 January – 30 September 2014
Current operation		
Operating income continuing operations	337	277
Adjusted for items not included in cash flow etc.	109	69
Paid interest and tax	-51	-14
Change in working capital	-88	-88
Discontinued operations	19	27
Cash flow from operations	**325**	**271**
Investments		
Acquisitions of fixed assets continuing operations	-106	-52
Sales of fixed assets	1	0
Acquisitions*	-	-397
Change in interest-bearing receivables	-	0
Cash flow from investments	**-105**	**-448**
Financing		
Taken up loans[1)]	130	967
Amortization of debt[1)]	-169	-618
Dividend paid	-211	-188
Change in borrowing	0	0
Cash flow from financing	**-250**	**161**
Cash flow from the period	**-30**	**-17**
Liquid funds, operating balance	205	225
Exchange difference, cash and cash equivalents	0	2
Cash and cash equivalents, closing balance	**175**	**210**

[1)] Loans and amortizations, within the credit facility, are reported gross for duration above 3 months according to IAS 7.
*Acquisitions consist of payment of shares and repayment of shareholder loans.

Key ratios in brief

	1 January – 30 September 2015 continued operations	1 January – 30 September 2015 Duni Total	1 January – 30 September 2014 continued operations	1 January – 30 September 2014 Duni Total
Net sales, SEK m	3 030	3 113	2 736	3 037
Gross profit, SEK m	883	889	781	800
Operating income, SEK m [1)]	357	362	288	306
EBITDA, SEK m [1)]	452	457	375	394
Net debt	867	867	1 061	1 061
Number of employees	2 095	2 095	2 103	2 103
Sales growth	10.7%	2.5%	16.2%	12.4%
Gross margin	29.1%	28.6%	28.6%	26.3%
Operating margin [2)]	11.8%	11.6%	10.5%	10.1%
EBITDA margin[2)]	14.9%	14.7%	13.7%	13.0%
Return on capital employed[1)2)]	17.4%	17.7%	14.6%	15.3%
Net debt / equity ratio	38.8%	38.8%	50.7%	50.7%
Net debt / EBITDA[1)2)]	1.34	1.31	1.92	1.85

1) Calculated based on operating income.

2) Calculated based on the last twelve months.

Parent Company Income Statements in brief

SEK m (Note 1)	3 months July-September 2015	3 months July-September 2014	9 months January-September 2015	9 months January-September 2014
Net sales	**294**	**290**	**861**	**842**
Cost of goods sold	-257	-258	-756	-750
Gross profit	**37**	**32**	**105**	**92**
Selling expenses	-27	-27	-90	-92
Administrative expenses	-34	-33	-109	-100
Research and development expenses	-1	-1	-4	-4
Other operating incomes	61	55	177	159
Other operating expenses	-38	-39	-118	-118
EBIT	**-3**	**-13**	**-40**	**-63**
Revenue from participations in Group Companies	96	2	127	41
Other interest revenue and similar income	8	11	26	25
Interest expenses and similar expenses	-8	-5	-20	-10
Net financial items	**96**	**8**	**132**	**56**
Income after financial items	**93**	**-5**	**93**	**-7**
Taxes on income for the period	-5	-4	-10	-12
Net income for the period	**88**	**-9**	**83**	**-19**

Parent Company Statement of Comprehensive Income

SEK m	3 months July-September 2015	3 months July-September 2014	9 months January-September 2015	9 months January-September 2014
Net income of the period	**88**	**-9**	**83**	**-19**
Other comprehensive income[1)]: *Items that may be reclassified subsequently to profit or loss:*				
Exchange rate differences – translation of subsidiaries	2	0	4	-1
Cash flow hedge	-2	-3	0	-3
Total	**0**	**-3**	**3**	**-4**
Other comprehensive income of the period, net after tax:	**0**	**-3**	**3**	**-4**
Sum of comprehensive income of the period	**88**	**-12**	**86**	**-23**
Sum of comprehensive income of the period attributable to:				
Equity holders of the Parent Company	88	-12	86	-23

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

Parent Company Balance Sheet in Brief

SEK m	30 September 2015	31 December 2014	30 September 2014
ASSETS			
Goodwill	125	200	225
Other intangible fixed assets	25	29	27
Total intangible fixed assets	**150**	**229**	**251**
Tangible fixed assets	36	31	36
Financial fixed assets	2 564	2 513	2 553
Total fixed assets	**2 600**	**2 773**	**2 840**
Inventories	96	93	99
Accounts receivable	108	96	113
Other operating receivables	154	186	198
Cash and bank	106	140	137
Total current assets	**464**	**515**	**547**
TOTAL ASSETS	**3 214**	**3 288**	**3 387**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Total restricted shareholders' equity	83	83	83
Total unrestricted shareholders' equity	1 682	1 808	1 657
Shareholders' equity	**1 765**	**1 891**	**1 740**
Provisions	**105**	**107**	**108**
Long-term financial liabilities	770	-	-
Total long-term liabilities	**770**	**0**	**0**
Accounts payable	46	64	54
Short-term loans	-	818	1 000
Other short-term liabilities	528	408	484
Total short-term liabilities	**574**	**1 290**	**1 538**
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**3 214**	**3 288**	**3 387**

Definitions

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

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

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

EBIT: Reported operating income.

EBIT margin: EBIT as a percentage of net sales.

EBITA: Operating income before amortization of intangible assets.

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

EBITDA margin: EBITDA as a percentage of net sales.

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 2015 are calculated at exchange rates for 2014. 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.

Source reference: HoReCa statistics refer to the European Commission website, Key Indicators for the Euro Area.

Notes

Note 1 • Accounting and valuation principles

Since January 1, 2005, Duni applies International Financial Reporting Standards (IFRS) as adopted by the European Union. For transition effects see notes 45 and 46 in the Annual Report of 30 June 2007.

This interim report has been prepared in accordance with IAS 34, Interim Reporting. The consolidated financial statements have been prepared in accordance with IFRS as adopted by the EU and with the related reference to Chapter 9 of the Annual Accounts Act. The parent company's financial statements are prepared in accordance with RFR 2, Reporting for Legal Entities, and the Annual Accounts Act. The accounting principles are the same as in the Annual Report as per 31 December 2014.

Note 2 • Financial assets and liabilities

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

As described in greater detail in the Annual Report per 31 December 2014, the financial assets and liabilities comprise items with short terms to maturity. Thus, the fair value is considered in all essential respects to correspond to the book value.

Note 3 • Discontinued operations

On 28 March 2015, production of hygiene products in Skåpafors ceased. The hygiene business which was previously reported in the Materials & Services business area are reported as from the second quarter of 2015 as discontinued operations. This affects only the income statement which has been recalculated from 2013 to show continued operations. Discontinued operations are reported on a separate line following net income for continuing operations.

Note 4 • Segment reporting, SEK m

July – September

2015-07-01 – 2015-09-30	**Table Top**	**Meal Service**	**Consumer**	**New Markets**	**Materials & Services**	**Continued operations**
Total net sales	578	155	248	53	180	1 215
Net sales from other segments	-	-	3	0	169	172
Net sales from external customers	**578**	**155**	**245**	**53**	**11**	**1 043**
Operating income	**109**	**10**	**21**	**4**	**2**	**146**
EBIT						139
Net financial items						-10
Income after financial items						130

2014-07-01 – 2014-09-30	Table Top	Meal Service	Consumer	New Markets	Materials & Services	Continued operations
Total net sales	545	140	249	50	162	1 146
Net sales from other segments	-	-	0	-	149	149
Net sales from external customers	**545**	**140**	**249**	**50**	**13**	**997**
Operating income	**97**	**8**	**22**	**1**	**1**	**129**
EBIT						119
Net financial items						-5
Income after financial items						114

January – September

2015-01-01 – 2015-09-30	Table Top	Meal Service	Consumer	New Markets	Materials & Services	Continued operations
Total net sales	1 654	454	738	155	484	3 485
Net sales from other segments	-	-	5	0	450	455
Net sales from external customers	**1 654**	**454**	**733**	**155**	**34**	**3 030**
Operating income	**274**	**25**	**44**	**11**	**3**	**357**
EBIT						337
Net financial items						-22
Income after financial items						315

2014-01-01 – 2014-09-30	Table Top	Meal Service	Consumer	New Markets	Materials & Services	Continued operations
Total net sales	1 575	411	567	142	452	3 146
Net sales from other segments	-	-	0	-	410	410
Net sales from external customers	**1 575**	**411**	**567**	**142**	**42**	**2 736**
Operating income	**247**	**14**	**22**	**1**	**4**	**288**
EBIT						277
Net financial items						-9
Income after financial items						268

No material changes have taken place in the segments' assets compared with the Annual Report of 31 December 2014.

Quarterly overview, by segment:

Net sales SEK m	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013
Table Top	578	563	513	604	545	552	477	576
Meal Service	155	163	136	144	140	148	123	132
Consumer	245	212	276	322	249	161	157	220
New Markets	53	55	47	54	50	48	43	56
Materials & Services	11	10	13	10	13	13	16	12
Duni, continued operations	**1 043**	**1 002**	**985**	**1 134**	**997**	**922**	**817**	**995**
Discontinued operations	2	20	61	77	103	95	104	107
Duni total	**1 045**	**1 022**	**1 046**	**1 211**	**1 100**	**1 017**	**921**	**1 102**

Operating income SEK m	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013
Table Top	109	87	77	126	97	87	64	116
Meal Service	10	13	2	6	8	7	-1	4
Consumer	21	-1	24	32	22	-5	6	27
New Markets	4	4	3	0	1	3	-3	3
Materials & Services	2	0	1	1	1	1	1	0
Duni, continued operations	**146**	**104**	**107**	**164**	**129**	**93**	**67**	**150**
Discontinued operations	0	1	4	5	3	8	6	1
Duni total	**146**	**105**	**112**	**169**	**132**	**101**	**73**	**152**

Note 5 • Reporting of restructuring costs

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

Restructuring costs SEK m	3 months July-September 2015	3 months July-September 2014	9 months January-September 2015	9 months January-September 2014	12 months October-September 2014/2015	12 months January-December 2014
Cost of goods sold	-4	-	-4	-1	-4	-1
Selling expenses	-4	0	-4	-2	-4	-2
Administrative expenses	-2	-	-2	-	-2	0
Other operating expenses/income	9	0	9	2	9	2
Total	**0**	**0**	**0**	**-1**	**0**	**0**

All restructuring costs refer to continued operations.