Year-End Report for Duni AB (publ)
1 January – 31 December 2015

(compared with the same period of the previous year)

12 February 2016

Stable earnings and strong balance sheet

1 October – 31 December 2015

- Net sales amounted to SEK 1,170 m (1,134). Adjusted for exchange rate changes, net sales increased by 1.0%.
- Earnings per share, for continuing operations, after dilution amounted to SEK 2.32 (2.23).
- The operating margin continues to strengthen, reaching 14.6% (14.5%) in the quarter.
- Stable core business with expanding Meal Service.

1 January – 31 December 2015

- Net sales amounted to SEK 4,200 m (3,870). Adjusted for exchange rate changes, net sales increased by 4.4%.
- Earnings per share, for continuing operations, after dilution amounted to SEK 7.37 (6.42).
- Cash flow remains strong and net debt decreased significantly in 2015.
- Decision to invest SEK 110 m in upgrading two of the paper machines in Skåpafors in order to increase capacity.
- Hygiene production in Skåpafors has now been closed down and the hygiene business, as well as the restructuring work within the business area Materials & Services, are reported as discontinued operations.
- The Board proposes a dividend of SEK 5.00 (4.50) per share.

Duni is a leading supplier of attractive and convenient products for table setting and take-away. The Duni brand is sold in more than 40 markets and enjoys a number one position in Central and Northern Europe. Duni has some 2,100 employees in 18 countries, headquarters in Malmö and production units in Sweden, Germany and Poland. Duni is listed on NASDAQ Stockholm under the ticker name "DUNI". ISIN-code is SE 0000616716.

Key financials [1)]

SEK m	3 months October-December 2015	3 months October-December 2014	12 months January-December 2015	12 months January-December 2014
Net sales	1 170	1 134	4 200	3 870
Operating income [2)]	171	164	528	452
Operating margin [2)]	14.6 %	14.5 %	12.6 %	11.7 %
Income after financial items	144	147	459	414
Net income	109	105	346	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	Q4 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
Continuing operations	**4 200**	**1 170**	**1 043**	**1 002**	**985**	**3 870**	**1 134**	**997**	**922**	**817**	**3 349**	**995**	**805**	**810**	**740**
- Discontinued operations	**83**	0	2	20	61	**379**	77	103	95	104	**454**	107	131	104	112
Duni Total	**4 283**	**1 170**	**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	Q4 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
Continuing operations	**528**	**171**	**146**	**104**	**107**	**452**	**164**	**129**	**93**	**67**	**369**	**150**	**79**	**89**	**50**
- Discontinued operations	**5**	0	0	1	4	**23**	5	3	8	6	**17**	1	8	3	4
Duni Total	**533**	**171**	**146**	**105**	**112**	**475**	**169**	**132**	**101**	**73**	**385**	**152**	**88**	**91**	**55**

CEO's comments

"Sales increased during the fourth quarter, albeit at a slower pace than seen in the preceding quarters. Sales in the quarter for Table Top and Consumer were affected by a weaker trend in Central Europe and the Nordic region together with, among other things, lower Christmas sales. At the same time, Meal Service benefited from the stable demand we are witnessing in the rest of Europe and in the take-away and catering segment. Sales for the period in the continuing operations amounted to SEK 1,170 m (1,134) and operating income was SEK 171 m (164). The operating margin continues to strengthen, reaching 14.6% (14.5%) during the quarter.

For the financial year as a whole, sales in the continuing operations increased by 8.5%, to SEK 4,200 m (3,870). Adjusted for exchange rate changes, sales increased by 4.4%. Operating income increased to SEK 528 m (452) and the operating margin strengthened to 12.6% (11.7%). In addition, the balance sheet was strengthened and net debt relative to income before amortization/depreciation is once again at the same level as at the end of 2013, i.e. prior to the acquisition of Paper+Design.

The part of the Rexcell restructuring program involving concentration of continuing production at the mill in Skåpafors was completed during the quarter. Production in Dals Långed was discontinued in October, and the plant was placed in mothballs. Despite a high level of activity, the restructuring has been implemented without any significant impact on the day-to-day operations. Installation work at the paper mill, with the previously announced investment to increase capacity, is proceeding according to plan and is expected to be completed during the latter part of 2016.

The *Table Top* business area increased its sales in the quarter by 1%, due entirely to positive currency effects. The growth we witnessed in western and southern Europe could not fully compensate for somewhat weaker sales in Central Europe and the Nordic region. Growth regeneration in Central Europe and the Nordic region has top priority and, accordingly, a change in the business area's management was carried out during the quarter. Table Top's sales in the quarter increased to SEK 612 m (604), but operating income weakened to SEK 118 m (126).

The *Meal Service* business area is continuing to develop strongly; the business area reaches a growth of almost 13% in the quarter. Continued high market demand in our prioritized segments, and successful product launchings, are strengthening our position as an innovative player. Sales amounted to SEK 162 m (144) and operating income increased to SEK 8 m (6).

The *Consumer* business area increased its sales by 2.4% during the quarter and similar to Table Top, growth was generated by positive currency effects. Paper+Design, which was acquired in 2014, had a strong quarter in terms of sales, whereas sales in Norway were adversely affected by the loss of a major customer and by weaker demand in Central Europe. Sales in the quarter amounted to SEK 330 m (322) and operating income increased to SEK 40 m (32).

The *New Markets* business area experiences a positive trend, with the exception of Russia where demand continues to shrink. Southeast Asia grew during the quarter and we experienced continued strong growth on our other export markets. Sales in the quarter amounted to SEK 52 m (54) and operating income increased to SEK 4 m (0).

Our operating income for the year as a whole increased by 17%, at the same time as a number of important structural projects were successfully concluded. We have continued to invest in delivery service and our customer satisfaction rate increased during the year. All things considered, we are convinced that we can look forward to an exciting and successful 2016," says Thomas Gustafsson, President and CEO, Duni.

Net sales for the quarter amounted to SEK 1 170 m

1 October – 31 December

Compared with the same period of last year, net sales increased by SEK 36 m, to SEK 1,170 m (1,134). Adjusted for exchange rate changes, net sales increased by SEK 12 m or 1.0%. Excluding currency and structural effects, Duni's organic sales growth demonstrated a slight increase in the quarter compared with the preceding year. The largest business area, Table Top, retreated somewhat, while Meal Service (focused on catering and take-away) saw accelerating sales and achieved growth in excess of 10%. General demand on Duni's markets remains weak, but macro indications point to a gradual improvement. The challenge facing Duni continues to be the weak trend within the Central Europe, which is especially clear within the Table Top business area.

1 January – 31 December

Net sales increased by SEK 330 m compared with the same period of last year, to SEK 4,200 m (3,870). Adjusted for exchange rate changes, net sales increased by SEK 172 m or 4.4%. When adjusted for structural and currency effects, growth of just over 1% was recorded, which is in line with the market as a whole. Table Top – which is the dominant business area in terms of sales, accounting for 54% of Duni's sales – experienced an even trend during the year, with many markets demonstrating growth but with Germany showing a slight downward trend. Meal Service continues to gain market shares and grew by almost 10%, however most markets are showing significantly stronger increases.

Net sales, currency effect [1)]

SEK m	3 months October-December 2015	3 months October-December 2015[1)] recalculated	3 months October-December 2014	Change in fixed exchange rates	12 months January-December 2015	12 months January-December 2015[1)] recalculated	12 months January-December 2014	Change in fixed exchange rates
Table Top	612	597	604	-1.1 %	2 266	2 172	2 179	-0.3 %
Meal Service	162	161	144	11.6 %	616	602	555	8.5 %
Consumer	330	321	322	-0.3 %	1 063	1 019	889	14.6 %
New Markets	52	53	54	-1.1 %	207	201	195	2.7 %
Materials & Services	14	14	10	35.2 %	48	48	52	-7.8 %
Duni, continuing operations	**1 170**	**1 146**	**1 134**	**1.0 %**	**4 200**	**4 042**	**3 870**	**4.4 %**

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

Operating margin of 14.6 % in the quarter

1 October – 31 December

Operating income for the continuing operations was SEK 171 m (164), with a gross margin of 30.6% (31.1%). The operating margin was 14.6% (14.5%). When adjusted for exchange rate changes, operating income was unchanged compared with the preceding year. The unchanged result can be seen as a logical consequence of the weak volume growth for the Group. It is also noteworthy that, in those areas where Duni achieved growth, profitability also strengthened. This clearly demonstrates the correlation between volume growth and its leverage effect on direct and indirect costs.

Income after financial items amounted to SEK 144 m (147). Income after tax was SEK 109 m (105).

1 January – 31 December

Operating income for the continuing operations amounted to SEK 528 m (452), with a gross margin of 29.6% (29.3%). The operating margin was 12.6% (11.7%). Adjusted for exchange rate changes, operating income increased by SEK 41 m compared with the preceding year. Income in comparable currencies strengthened by almost 10% for the year and, thanks to favourable exchange rate movements, the increase was just over 16%. As already mentioned, volume is the single most important income component. Despite modest organic growth of approximately SEK 50 m, income increased by the same figure. This is a consequence of increased internal efficiency with relatively low costs, as well as savings in the production line. The financial target for operating margin has been more than achieved for 2015.

Income after financial items amounted to SEK 459 m (414). Income after tax was SEK 346 m (302).

Operating income, currency effect [1)]

SEK m	3 months October-December 2015	3 months October-December 2015[1)] recalculated	3 months October-December 2014	12 months January-December 2015	12 months January-December 2015[1)] recalculated	12 months January-December 2014
Table Top	118	114	126	392	367	373
Meal Service	8	7	6	33	31	19
Consumer	40	38	32	84	77	54
New Markets	4	4	0	15	14	1
Materials & Services	1	1	1	4	4	4
Duni, continuing operations	**171**	**164**	**164**	**528**	**493**	**452**

1) For continuing 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 6.

Restructuring costs for the year amounted to SEK 11 m (0) mainly attributable to organizational changes in management and organizational changes and efficiency in business area Consumer. Restructuring costs has also been affected positively with damage compensation, attributable to the time before Duni became a listed company.

Bridge between operating income and EBIT [1)]

SEK m	3 months October-December 2015	3 months October-December 2014	12 months January-December 2015	12 months January-December 2014
Operating income	**171**	**164**	**528**	**452**
Restructuring costs	-10	0	-11	0
Unrealized value changes, derivative instruments	0	-	-	0
Amortization of intangible assets identified in connection with business acquisitions	-7	- 8	-27	-14
Fair value allocation in connection with acquisitions	-	0	-	-4
EBIT	**154**	**157**	**490**	**433**

[1)] For continuing operations.

Reporting of operating segments

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

The **Table Top** business area offers Duni's concepts and products primarily to hotels, restaurants and the catering industry. Table Top primarily markets napkins, tablecoverings and candles for the set table. Duni is the market leader within the premium segment in Europe. The business area accounted for approximately 54% (56%) of Duni's net sales during the period 1 January – 31 December 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% (14%) 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 centres, home furnishing stores, and DIY stores. The business area accounted for approximately 25% (23%) 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 operations. The income statement for the business area and the consolidated income statement 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

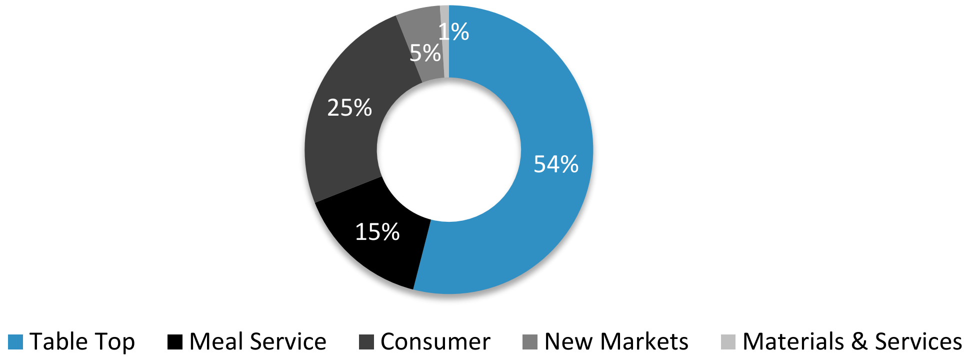


Table Top business area

1 October – 31 December

Net sales amounted to SEK 612 m (604). At fixed exchange rates, this corresponds to a decrease in sales of 1.1%. The decrease is entirely attributable to the central region, specifically Germany. Christmas sales, which are the individually most important season for Duni, were weaker than expected. Demand in Norway was lower, with a historically weak Norwegian krona leading to squeezed margins. Other markets were stable or experienced positive growth in the quarter.

Operating income was SEK 118 m (126) and the operating margin was 19.2% (20.8%). The operating margin fell back somewhat compared to the fourth quarter of 2014, but remains strong. The downturn was due to a somewhat unfavorable product and market mix, together with lower capacity utilization in production. The price increases implemented in the autumn of 2014 gave rise to only minor effects in the fourth quarter compared with last year.

1 January – 31 December

Net sales amounted to SEK 2,266 m (2,179). At fixed exchange rates, this corresponds to a decrease in sales of 0.3% compared with the preceding year. During the year, statistics within the restaurant sector have indicated a gradual improvement in, for example, Germany, but with continued modest figures in real terms. For Table Top, napkins sales are continuing to increase, especially within premium materials. The challenge encountered during the year has been within table setting products, where Germany in particular has experienced a negative trend. To summarize, it can be noted that the sales initiatives taken in recent years are continuing to generate growth on most markets, but that the situation in Germany remains challenging.

Operating income was SEK 392 m (373) and the operating margin was 17.3% (17.1%). Operating income within Table Top is strongly correlated to underlying demand. Despite somewhat lower sales for the year, profitability has been maintained thanks to relatively lower costs. Production has implemented significant cost saving measures, but at the same time has not experienced any of the positive absorption effects that were notable during the preceding year.

Net sales, Table Top

SEK m	3 months October-December 2015	3 months October-December 2015[1)] recalculated	3 months October-December 2014	12 months January-December 2015	12 months January-December 2015[1)] recalculated	12 months January-December 2014
Nordic region	104	104	106	348	348	352
Central Europe	419	405	412	1 545	1 461	1 478
South & East Europe	89	89	86	373	363	348
Total	**612**	**597**	**604**	**2 266**	**2 172**	**2 179**

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

Meal Service business area

1 October – 31 December

Net sales amounted to SEK 162 m (144). At fixed exchange rates, this corresponds to an increase in sales of 11.6%. Sales accelerated during the fourth quarter, reaching double-digit growth. This was due to relatively strong market demand within both take-away and fast-food, as well as Duni's strong product portfolio. During the year, a number of new contracts were secured, which had a positive effect in the fourth quarter.

Operating income was SEK 8 m (6) and the operating margin was 4.7% (3.9%). The stronger demand during the quarter resulted in increases in both earnings and profitability in the business area. Prices of constituent material components fluctuated sharply during 2015, but were stable during the fourth quarter. However, the strong US dollar is continuing to keep prices up.

1 January – 31 December

Net sales amounted to SEK 616 m (555). At fixed exchange rates, this corresponds to an increase in sales of 8.5%. The year was characterized by stable growth of between 7-8%, with acceleration during the latter part of the year. As the leader within the premium segment for single-use take-away solutions, Duni has continued to develop concepts and innovative solutions. In contrast to the Table Top business area, and partly also in contrast to the Consumer business area, Meal Service is expanding in Germany at a rate in excess of 20%, and is now the second-largest market within this segment. Growth has been positive on all markets.

Operating income was SEK 33 m (19) and the operating margin was 5.3% (3.5%). Operating income increased strongly during the year, by more than 60%, albeit from what are still relatively low levels. Since most of the sales comprise purchased products, sourcing expertise is a crucial factor for exploiting relative advantages over competitors in our offering to customers. Innovative solutions, with new materials and functions, have resulted in continued stability and a healthy gross margin. This has been a key factor in the positive earnings trend witnessed over the past three years.

Net sales, Meal Service

SEK m	3 months October-December 2015	3 months October-December 2015[1)] recalculated	3 months October-December 2014	12 months January-December 2015	12 months January-December 2015[1)] recalculated	12 months January-December 2014
Nordic region	74	74	68	286	286	270
Central Europe	59	57	50	214	204	184
South & East Europe	29	29	26	116	113	101
Total	**162**	**161**	**144**	**616**	**602**	**555**

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

Consumer business area

1 October – 31 December

Net sales amounted to SEK 330 m (322). At fixed exchange rates, this corresponds to a reduction in sales of 0.3%. Downward pressure was felt in the quarter due to weak demand in Norway and, in part, in Germany and the Benelux countries. The downturn on these markets was offset by a positive trend within Paper+Design, which was acquired in June 2014, and also in the UK. In the Consumer business area, as well, Christmas sales were somewhat lower than last year, which had a negative effects on the quarter.

Operating income was SEK 40 m (32) and the operating margin was 12.2% (9.9%). The fourth quarter is extremely important and accounts for approximately one half of annual earnings. Despite somewhat weaker Christmas sales, income increased by approximately 20%, with profitability well in excess of 10%. The improvement is wholly attributable to performance in the UK, with increased volumes together with a favorable sterling exchange rate trend.

1 January – 31 December

Net sales amounted to SEK 1,063 m (889). At fixed exchange rates, this corresponds to an increase in sales of 14.6%. As regards sales performance, 2015 was characterized by growing uncertainty, with monthly results fluctuating sharply on the different markets. Although the most recent set of data (Eurostat) indicates retail trade growth in the euro area, individual contracts have a greater impact on Duni. During the second half of the year, the business area lost a number of customer contracts, particularly in Norway and the Benelux countries.

Operating income was SEK 84 m (54) and the operating margin was 7.9% (6.1%). Consumer increased its earnings significantly during the year, partly explained by a structural effect in the first five months from the acquisition of Paper+Design. Excluding Paper+Design, the improvement within the rest of the business area was particularly evident in the UK, with stronger earnings despite moderate growth. With increasing competition, Consumer is strengthening its gross margins and reducing its indirect expenses.

Net sales, Consumer

SEK m	3 months October-December 2015	3 months October-December 2015[1)] recalculated	3 months October-December 2014	12 months January-December 2015	12 months January-December 2015[1)] recalculated	12 months January-December 2014
Nordic region	39	39	47	148	147	147
Central Europe	249	240	233	765	727	630
South & East Europe	27	26	26	79	76	69
Rest of the World	15	15	16	70	68	43
Total	**330**	**321**	**322**	**1 063**	**1 019**	**889**

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

New Markets business area

1 October – 31 December

Net sales amounted to SEK 52 m (54). At fixed exchange rates, this corresponds to a decrease in sales of 1.1%. The situation in Russia remains strained and demand is much lower than in 2014. The collapse in the Russian ruble's exchange rate further accelerated towards the end of the quarter, thereby further increase uncertainty. Other markets, including Singapore, grew during the quarter.

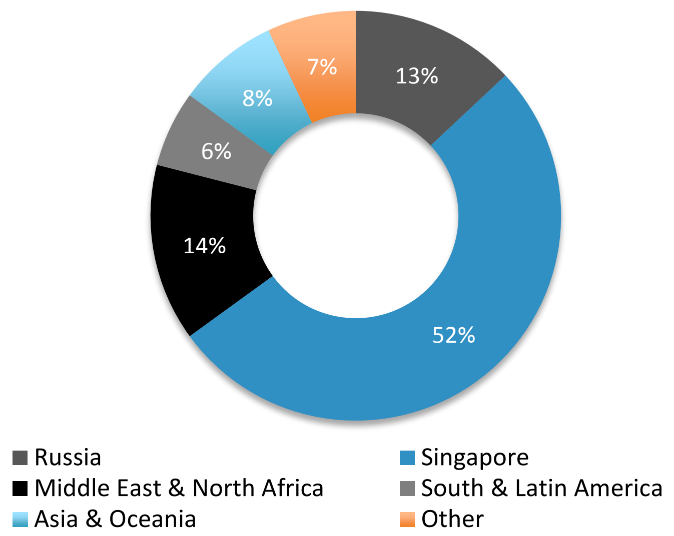
Operating income was SEK 4 m (0) and the operating margin was 8.0% (0.7%). The fourth quarter demonstrated an improvement compared with a weak final quarter of 2014, which had been heavily influenced by the growing concern that mainly affected Russia negatively. Thanks to a series of cost saving measures undertaken in Russia as well as a number of marketing activities, the business area has achieved much more satisfactory profitability.

1 January – 31 December

Net sales amounted to SEK 207 m (195). At fixed exchange rates, this corresponds to an increase in sales of 2.7%. Duni operates on a large number of markets outside Europe, with Singapore and Russia being the dominant markets. Positive growth was recorded on most markets, but the difficult situation in Russia – where the hotel and restaurant sector in the Moscow area has shrunk by approximately 40% – had an adverse impact on the business area. The situation stabilized somewhat during the second half of the year, but uncertainty increased once again towards the end of the year.

Operating income was SEK 15 m (1) and the operating margin was 7.4% (0.8%). Profitability within New Markets has been greatly influenced by an extensive program of measures launched at the end of 2014, most of which were focused on Russia. Despite severe competition, price increases have been carried out which have compensated for the weak Russian ruble's negative effect on the gross margin. Presence in Asia has continued to be prioritized, among other things resulting in increased sales of Duni's premium products.

Net sales, geographical split, New Markets



Materials & Services business area

1 October – 31 December

Net sales amounted to SEK 14 m (10). At fixed exchange rates, this corresponds to an increase in sales of 35.2%. Most sales consist of raw materials for other converting plants within and outside of Europe. This business provides an important insight into trends on the global market, in terms of both competitors and price trends.

Operating income was SEK 1 m (1) and the operating margin was 6.8% (6.0%).

1 January – 31 December

Net sales amounted to SEK 48 m (52). At fixed exchange rates, this corresponds to a decrease in sales of 7.8%. Volumes during the year were somewhat lower than in 2014, but were dictated to a greater extent by Duni's own capacity planning in regards to internal production. This provides a possibility to maximize capacity utilization at the paper mill in Skåpafors, Dalsland.

Operating income was SEK 4 m (4) and the operating margin was 8.2% (8.2%).

Cash flow

The Group's operating cash flow for the period 1 January – 31 December was SEK 640 m (533). Accounts receivable amounted to SEK 660 m (743), accounts payable to SEK 352 m (341) and inventories were valued at SEK 500 m (503). Cash flow including investing activities amounted to SEK 479 m (49). Cash flow developed strongly during the year and net debt further decreased during the fourth quarter, which is the most important quarter from a cash flow perspective. The improvement in earnings is naturally a strong contributory factor, but lower working capital also made a contribution.

The period's net capital investments in the continuing operations amounted to SEK 161 m (87). The increase consists mainly of the previously communicated investment of SEK 110 m in increased tissue capacity at the paper mill in Skåpafors whereof approximately SEK 50 m has been paid in 2015. Depreciation and reversal of impairment in respect of the continuing operations for the period amounted to SEK 158 m (121).

The Group's interest-bearing net debt on 31 December 2015 was SEK 584 m, compared with SEK 888 on 31 December 2014.

Financial net

The financial net for continuing operations for the period 1 January – 31 December was SEK -31 m (-19). Translation effects, mainly RUB, CHF, GBP and NOK, are strongly negative for the year, compared with positive effects in the preceding year.

Taxes

The total reported tax expense for the period 1 January – 31 December for continuing operations amounted to SEK 113 m (113), yielding an effective tax rate of 24.6% (27.2%). The tax expense for the year includes adjustments and non-recurring effects from the previous year of SEK -1.0 m (-8.2). The deferred tax asset relating to loss carry forwards was utilized in the amount of SEK 29 m (40).

Earnings per share

The earnings per share for continuing operations before and after dilution amounted to SEK 7.37 (6.42).

Duni's share

As per 31 December 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%), Swedbank Robur fonder (9.06%) and Polaris Capital Management, LLC (8.61%).

Personnel

On 31 December 2015 there were 2,082 (2,092) employees. 901 (916) of the employees are 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 endeavours to minimize potential adverse effects on the Group's financial results. The risks for the Group are in all essential respects also related to the Parent Company. Duni's management of financial risks is described in greater detail in the Annual Report as per 31 December 2014.

Duni's Contingent Liabilities have risen since the start of the year by SEK 23 m to SEK 79 m (56) due to a new cashpool solution in CHF.

Transactions with related parties

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

Major events since 31 December

No significant events have occurred since the balance sheet date.

Interim reports

Quarter I	21 April, 2016
Quarter II	13 July, 2016
Quarter III	21 October, 2016

Proposed dividend

The Board of Directors proposes a dividend of SEK 5.00 (4.50) per share or SEK 235 m (211). The Board believes that Duni has a continued strong balance sheet and that, after the proposed dividend, the Group will have scope to perform its obligations and implement planned investments. There is also scope for acquisition possibilities. 6 May 2016 is proposed as the record date for the right to receive dividends.

Annual General Meeting 2016

The Annual General Meeting of Duni AB will be held in Malmö at 3pm on 3 May, 2016 at Skånes Dansteater. For further information, kindly refer to Duni's website. The Annual Report will be available on Duni's website during the week of 28 March 2016. Shareholders who wish to present proposals to Duni's Nomination Committee or wish to have a matter addressed at the Annual General Meeting may do so by e-mail to valberedning@duni.com or bolagsstamma@duni.com, or by letter to: Duni AB, Att: Nomination Committee or AGM, Box 237, 201 22 Malmö, not later than 7 March 2016.

Nomination Committee

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

Duni's Nomination Committee for the 2016 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 1,191 m (1,166). Income after financial items amounted to SEK 148 m (180). The interest-bearing net debt amounted to SEK -733 m (-744), of which a net asset of SEK 1,270 m (1,529) is held by subsidiaries. Net capital expenditures amounted to SEK 24 m (14).

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 12 February at 7.45 AM CET.

The interim report will be presented on Friday, 12 February at 09.00 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 62. To follow the presentation via the web, please visit this link:

http://event.onlineseminarsolutions.com/r.htm?e=1119269&s=1&k=FA623D18F8748B0346522CFB1144FA80

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, 11 February 2016

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

Consolidated Income Statements

SEK m (Note 1)	3 months October-December 2015	3 months October-December 2014	12 months January-December 2015	12 months January-December 2014
Net sales	**1 170**	**1 134**	**4 200**	**3 870**
Cost of goods sold	-812	-782	-2 959	-2 736
Gross profit	**358**	**353**	**1 241**	**1 134**
Selling expenses	-123	-122	-476	-456
Administrative expenses	-64	-57	-240	-211
Research and development expenses	-3	-2	-10	-11
Other operating incomes	1	0	13	4
Other operating expenses	-16	-15	-37	-27
EBIT (Note 5)	**154**	**157**	**490**	**433**
Financial income	0	1	2	5
Financial expenses	-9	-11	-33	-24
Net financial items	**-9**	**-10**	**-31**	**-19**
Income after financial items	**144**	**147**	**459**	**414**
Income tax	-35	-42	-113	-113
Net income for continuing operations	**109**	**105**	**346**	**302**
Net income for discontinued operations	0	4	4	18
Net income	**109**	**109**	**350**	**319**
Income attributable to:				
Equity holders of the Parent Company	109	109	350	319
Earnings per share, continuing operations, SEK Before and after dilution	2.32	2.23	7.37	6.42
Earnings per share, discontinued operations, SEK Before and after dilution	0.00	0.09	0.09	0.38
Earnings per share, attributable to equity holders of the Parent company, SEK Before and after dilution	2.32	2.31	7.45	6.80
Average number of shares before and after dilution ('000)	46 999	46 999	46 999	46 999

Statement of Comprehensive Income

SEK m	3 months October-December 2015	3 months October-December 2014	12 months January-December 2015	12 months January-December 2014
Net income of the period	**109**	**109**	**350**	**319**
Other comprehensive incomes:				
Items that will not be reclassified to profit or loss:				
Actuarial loss on post-employment benefit obligations	4	-7	10	-40
Total	**4**	**-7**	**10**	**-40**
Items that may be reclassified subsequently to profit or loss:				
Exchange rate differences – translation of subsidiaries	0	1	4	6
Cash flow hedge	0	-1	-1	-4
Total	**0**	**0**	**3**	**2**
Other comprehensive income of the period, net after tax:	**4**	**-7**	**13**	**-38**
Sum of comprehensive income of the period	**113**	**102**	**364**	**281**
Sum of comprehensive income of the period attributable to:				
Equity holders of the Parent Company	113	102	364	281

All elements within comprehensive income refer to continuing operations.

Consolidated Quarterly Income Statements in brief

SEK m	2015				2014			
Quarter	Oct - Dec	Jul - Sep	Apr - Jun	Jan - Mar	Oct - Dec	Jul - Sep	Apr - Jun	Jan - Mar
Net sales	**1 170**	**1 043**	**1 002**	**985**	**1 134**	**997**	**922**	**817**
Cost of goods sold	-812	-731	-718	-698	-782	-702	-669	-583
Gross profit	**358**	**311**	**284**	**287**	**353**	**295**	**253**	**234**
Selling expenses	-123	-112	-116	-125	-122	-108	-112	-113
Administrative expenses	-64	-59	-60	-58	-57	-58	-50	-46
Research and development expenses	-3	-2	-3	-2	-2	-3	-2	-3
Other operating incomes	1	9	0	8	0	1	8	0
Other operating expenses	-16	-9	-9	-10	-15	-7	-4	-6
EBIT	**154**	**139**	**97**	**101**	**157**	**119**	**92**	**66**
Financial income	0	0	1	0	1	1	2	1
Financial expenses	-9	-10	-8	-6	-11	-6	-3	-4
Net financial items	**-9**	**-10**	**-7**	**-5**	**-10**	**-5**	**-1**	**-3**
Income after financial items	**144**	**130**	**90**	**95**	**147**	**114**	**90**	**63**
Income tax	-35	-31	-22	-25	-42	-30	-24	-17
Net income continuing operations	**109**	**99**	**68**	**70**	**105**	**84**	**66**	**46**
Net income discontinued operations	0	0	1	3	4	2	7	5
Net income	**109**	**99**	**69**	**74**	**109**	**87**	**73**	**51**

Consolidated Balance Sheet in brief

SEK m	31 December 2015	31 December 2014
ASSETS		
Goodwill	1 455	1 463
Other intangible fixed assets	274	311
Tangible fixed assets	857	851
Financial fixed assets	98	140
Total fixed assets	**2 684**	**2 765**
Inventories	500	503
Accounts receivables	660	743
Other operating receivables	130	112
Cash and cash equivalents	203	205
Total current assets	**1 494**	**1 563**
TOTAL ASSETS	**4 178**	**4 328**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	**2 345**	**2 193**
Long-term loans	553	11
Other long-term liabilities	359	388
Total long-term liabilities	**912**	**399**
Accounts payable	352	341
Short-term loans	-	818
Other short-term liabilities	568	578
Total short-term liabilities	**920**	**1 737**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**4 178**	**4 328**

Change in the Group's shareholders' equity

SEK m	Share capital	Other injected capital	Reserves	Cash flow reserves	Fair value reserve[1)]	Profit carried forward incl. net income for the period	TOTAL EQUITY
	Attributable to equity holders of the Parent Company						
Opening balance 1 January 2014	**59**	**1 681**	**49**	**-1**	**13**	**298**	**2 099**
Sum of comprehensive income of the period	-	-	6	-4	-	279	281
Dividend paid to shareholders	-	-	-	-	-	-188	-188
Closing balance 31 December 2014	**59**	**1 681**	**55**	**-5**	**13**	**389**	**2 193**
Sum of comprehensive income of the period	-	-	4	-1	-	361	364
Dividend paid to shareholders	-	-	-	-	-	-211	-211
Closing balance 31 December 2015	**59**	**1 681**	**59**	**-6**	**13**	**539**	**2 345**

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 2015	1 January – 31 December 2014
Current operation		
Operating income continuing operations	490	433
Adjusted for items not included in cash flow etc.	166	96
Paid interest and tax	-56	-13
Change in working capital	23	-12
Discontinued operations	17	29
Cash flow from operations	**640**	**533**
Investments		
Acquisitions of fixed assets continuing operations	-164	-90
Sales of fixed assets	3	3
Acquisitions*	-	-397
Change in interest-bearing receivables	0	0
Cash flow from investments	**-161**	**-484**
Financing		
Taken up loans[1)]	130	967
Amortization of debt[1)]	-382	-834
Dividend paid	-211	-188
Change in borrowing	-16	-17
Cash flow from financing	**-479**	**-72**
Cash flow from the period	**0**	**-23**
Liquid funds, operating balance	205	225
Exchange difference, cash and cash equivalents	-2	3
Cash and cash equivalents, closing balance	**203**	**205**

[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 – 31 December 2015 Continuing Operations	1 January – 31 December 2015 Duni Total	1 January – 31 December 2014 Continuing Operations	1 January – 31 December 2014 Duni Total
Net sales, SEK m	4 200	4 283	3 870	4 249
Gross profit, SEK m	1 241	1 247	1 134	1 158
Operating income, SEK m [1)]	528	533	452	475
EBITDA, SEK m [1)]	656	662	572	596
Net debt	584	584	888	888
Number of employees	2 082	2 082	2092	2 092
Sales growth	8.5%	0.8%	15.6%	11.7%
Gross margin	29.6%	29.1%	29.3%	27.2%
Operating margin [2)]	12.6%	12.4%	11.7%	11.2%
EBITDA margin[2)]	15.6%	15.5%	14.8%	14.0%
Return on capital employed[1)2)]	18.6%	18.8%	15.4%	16.2%
Net debt / equity ratio	24.9%	24.9%	40.5%	40.5%
Net debt / EBITDA[1)2)]	0.89	0.88	1.55	1.49

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

Parent Company Income Statements in brief

SEK m (Note 1)	3 months October-December 2015	3 months October-December 2014	12 months January-December 2015	12 months January-December 2014
Net sales	**330**	**324**	**1 191**	**1 166**
Cost of goods sold	-290	-269	-1 046	-1 020
Gross profit	**40**	**55**	**145**	**147**
Selling expenses	-31	-38	-122	-130
Administrative expenses	-45	-37	-154	-137
Research and development expenses	-1	-1	-6	-6
Other operating incomes	68	71	244	233
Other operating expenses	-47	-46	-164	-163
EBIT	**-16**	**3**	**-57**	**-56**
Revenue from participations in Group Companies	72	172	198	213
Other interest revenue and similar income	6	15	32	36
Interest expenses and similar expenses	-6	-2	-25	-13
Net financial items	**72**	**185**	**205**	**237**
Income after financial items	**55**	**187**	**148**	**180**
Taxes on income for the period	-17	-35	-27	-46
Net income for the period	**38**	**153**	**121**	**134**

Parent Company Statement of Comprehensive Income

SEK m	3 months October-December 2015	3 months October-December 2014	12 months January-December 2015	12 months January-December 2014
Net income of the period	**38**	**153**	**121**	**134**
Other comprehensive income[1]: *Items that may be reclassified subsequently to profit or loss:*				
Exchange rate differences – translation of subsidiaries	-1	-1	3	-2
Cash flow hedge	0	-1	-1	-4
Total	**-1**	**-2**	**2**	**-6**
Other comprehensive income of the period, net after tax:	**-1**	**-2**	**2**	**-6**
Sum of comprehensive income of the period	**37**	**151**	**123**	**128**
Sum of comprehensive income of the period attributable to:				
Equity holders of the Parent Company	37	151	123	128

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

Parent Company Balance Sheet in Brief

SEK m	31 December 2015	31 December 2014
ASSETS		
Goodwill	100	200
Other intangible fixed assets	32	29
Total intangible fixed assets	**132**	**229**
Tangible fixed assets	30	31
Financial fixed assets	2 262	2 513
Total fixed assets	**2 424**	**2 773**
Inventories	82	93
Accounts receivable	91	96
Other operating receivables	160	186
Cash and bank	144	140
Total current assets	**477**	**515**
TOTAL ASSETS	**2 901**	**3 288**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Total restricted shareholders' equity	83	83
Total unrestricted shareholders' equity	1 719	1 808
Shareholders' equity	**1 802**	**1 891**
Provisions	**104**	**107**
Long-term financial liabilities	537	-
Other long-term liabilities	7	-
Total long-term liabilities	**544**	**0**
Accounts payable	62	64
Short-term loans	-	818
Other short-term liabilities	389	408
Total short-term liabilities	**451**	**1 290**
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**2 901**	**3 288**

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 continuing operations. Discontinued operations are reported on a separate line following net income for continuing operations.

Note 4 • Segment reporting, SEK m

October – December

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

2014-10-01 – 2014-12-31	Table Top	Meal Service	Consumer	New Markets	Materials & Services	Continuing operations
Total net sales	604	144	323	54	148	1 273
Net sales from other segments	-	0	1	-	138	139
Net sales from external customers	**604**	**144**	**322**	**54**	**10**	**1 134**
Operating income	**126**	**6**	**32**	**0**	**1**	**164**
EBIT						**157**
Net financial items						**-10**
Income after financial items						**147**

January – December

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

2014-01-01 – 2014-12-31	Table Top	Meal Service	Consumer	New Markets	Materials & Services	Continuing operations
Total net sales	2 179	555	890	195	610	4 429
Net sales from other segments	-	0	1	-	558	559
Net sales from external customers	**2 179**	**555**	**889**	**195**	**52**	**3 870**
Operating income	**373**	**19**	**54**	**1**	**4**	**452**
EBIT						**433**
Net financial items						**-19**
Income after financial items						**414**

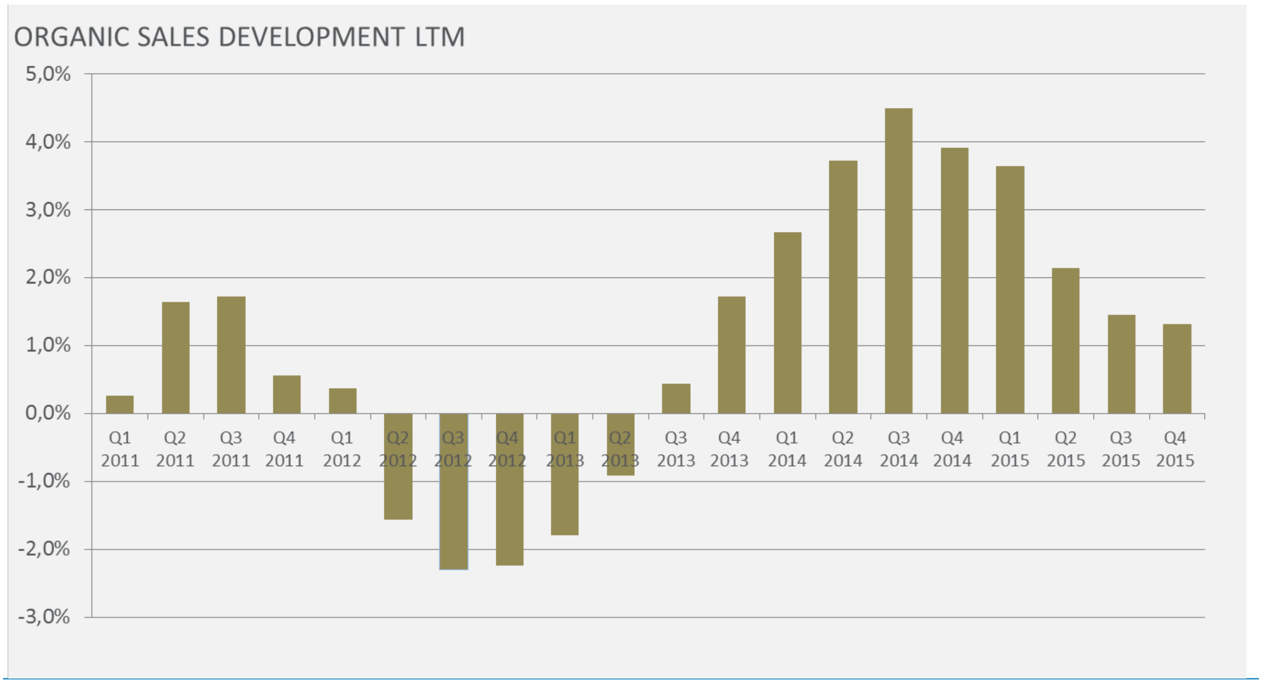
No material changes have taken place in the segments' assets compared with the Annual Report of 31 December 2014.

Quarterly overview, by segment:

Net sales SEK m	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Table Top	612	578	563	513	604	545	552	477
Meal Service	162	155	163	136	144	140	148	123
Consumer	330	245	212	276	322	249	161	157
New Markets	52	53	55	47	54	50	48	43
Materials & Services	14	11	10	13	10	13	13	16
Duni, continuing operations	**1 170**	**1 043**	**1 002**	**985**	**1 134**	**997**	**922**	**817**
Discontinued operations	0	2	20	61	77	103	95	104
Duni total	**1 170**	**1 045**	**1 022**	**1 046**	**1 211**	**1 100**	**1 017**	**921**

Operating income SEK m	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Table Top	118	109	87	77	126	97	87	64
Meal Service	8	10	13	2	6	8	7	-1
Consumer	40	21	-1	24	32	22	-5	6
New Markets	4	4	4	3	0	1	3	-3
Materials & Services	1	2	0	1	1	1	1	1
Duni, continuing operations	**171**	**146**	**104**	**107**	**164**	**129**	**93**	**67**
Discontinued operations	0	0	1	4	5	3	8	6
Duni total	**171**	**146**	**105**	**112**	**169**	**132**	**101**	**73**

Note 5 • Organic sales development, currency adjusted, LTM



Note 6 • Reporting of restructuring costs

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

Restructuring costs SEK m	3 months October-December 2015	3 months October-December 2014	12 months January-December 2015	12 months January-December 2014
Cost of goods sold	-2	-	-5	-1
Selling expenses	-3	0	-7	-2
Administrative expenses	-3	-	-4	0
Other operating expenses/income	-2	0	6	2
Total	**-10**	**0**	**-11**	**0**

All restructuring costs refer to continuing operations.