



Interim Report for Duni AB (publ) 1 January – 30 September 2009

(compared with the same period of the previous year)

28 October 2009

Improved income and continued strong cash flow

1 January – 30 September 2009

- Net sales increased by 3.7% to SEK 3,063 m (2,954)
- Earnings per share for continuing operations amounted, after dilution, to SEK 4.36 (3.30)
- A strong cash flow has resulted in a reduction in the net debt from SEK 1,298 m to SEK 870 m over the last 12 months.

1 July – 30 September 2009

- Net sales increased by 4.9% to SEK 1,021 m (973)
- Earnings per share for continuing operations amounted, after dilution, to SEK 2.12 (1.21)

Key financials

	9 months January- September 2009	9 months January- September 2008	3 months July- September 2009	3 months July- September 2008	12 months January- December 2008	12 months October- September 08/09
Net sales, SEK m	3 063	2 954	1 021	973	4 099	4 208
Operating income ¹⁾ , SEK m	269	269	113	102	414	414
Operating margin ¹⁾ , %	8.8%	9.1%	11.0%	10.5%	10.1%	9.8%
Income after financial items, SEK m	279	212	134	72	251	318
Net income ²⁾ , SEK m	205	155	100	53	191	241

1) Before an unrealized valuation effect of derivatives, due to the non-application of hedge accounting, of SEK 48 m (-9) January – September, SEK 25 m (-18) July – September and before restructuring costs of SEK -2 m (0) January – September, SEK -1 m (0) July – September.

2) With respect to continuing operations.

CEO's comments

"The stabilization of the market situation which began during the second quarter of the year has continued during the third quarter. The trend from the beginning of the year with declining volumes has gradually leveled off and, during the third quarter, involved a reduction of approximately 2-3% within the Professional and Retail business areas compared to last year. In addition, sales within the Tissue business area have recovered as a result of an improved order in-take of hygiene products which could be discerned towards the end of the second quarter.

Duni's sales during the third quarter reached SEK 1,021 m, a 4.9% increase. At fixed exchange rates, this corresponds more or less to unchanged sales. The gross margin was further strengthened during the third



quarter, reaching 28.1%. This, in combination with improving volumes, primarily within the Tissue business area, and good cost control, have led to a strong operating income of SEK 113 m, as compared with SEK 102 m the preceding year.

Duni's main markets continue to resist the weak economy well. On the other hand, demand has been low during the quarter in Eastern Europe and, to some extent, Southern Europe. The growth within the market segment for take-away packaging is still positive. This year we have increased our efforts in offering branded restaurant chains customized packaging solutions within the Professional business area.

Operating margins in both the Professional and Retail business areas improved during the quarter in comparison with last year. For the Tissue business area, the increase in sales improved operating income, but the margin was lower than the preceding year primarily due to less favorable product mix.

The strong cash flow has continued during the third quarter, which reflects continued success with inventory reductions. Duni's net debt is now down to SEK 870 m.

In terms of seasonality, we are now entering the strongest quarter. Even if the economic situation has stabilized it is still on a relatively low level and we estimate that recovery can take time. Moreover, it should be noted that the prices for some of Duni's key input material have begun to rise. Prices are nevertheless still lower than the same period last year," says Fredrik von Oelreich, President and CEO, Duni.

Net sales increased by 3.7%

Net sales increased by 3.7% to SEK 3,063 m (2,964) during the period 1 January – 30 September 2009 as compared with the same period the preceding year. With unchanged exchange rates from the preceding year, net sales would have been SEK 220 m lower for the period. At fixed exchange rates, this entails a decline in sales of approximately 3.8%.

Net sales for the period 1 July - 30 September 2009 increased by SEK 48 m to SEK 1,021 m (973). With unchanged exchange rates, net sales would have been SEK 50 m lower for the period. The decline in sales during the third quarter, measured at fixed exchange rates, is slightly less than 0.2%. The sales growth for the third quarter is accordingly better than for the first half of the year within all segments, particularly the Tissue business area.

Operating margin of 8.8%

Operating income (EBIT) adjusted for non-recurring items amounted to SEK 269 m (269) for the period 1 January - 30 September 2009. The gross margin reached 26.4% (26.5%) and was influenced primarily by somewhat higher fixed production costs per sold product as a consequence of both lower sales volumes and inventory reductions. The underlying operating margin declined to 8.8% (9.1%). With unchanged exchange rates from the preceding year, the reported operating income would have been SEK 47 m lower.

Income after financial items amounted to SEK 279 m (212). Income after tax was SEK 205 m (155).

For the period 1 July - 30 September, operating income (EBIT) adjusted for non-recurring items amounted to SEK 113 m (102). The gross margin improved from 26.5% to 28.1%, as compared with the same period last year. The improvement relates to lower prices for both input material and traded goods as well as lower cost for logistics. The underlying operating margin increased to 11.0% (10.5%). With unchanged exchange rates from the preceding year, the reported operating income would have been SEK 13 m lower.



Income after financial items amounted to SEK 134 m (72). Income after tax was SEK 100 m (53).

Non-recurring items

Non-recurring items refers to restructuring costs as well as non-realized valuation effects of derivatives due to the non-application of hedge accounting.

The reported operating income for January – September is affected by non-realized valuation effects on derivatives of SEK 48 m (-9) and SEK 25 m (-18) for the period July – September. Additional restructuring costs of SEK -1 m (0) were incurred during the period July – September. For further information, see Note 5.

The Board has during the second quarter taken a decision to cease the hedging of future operating currency flows. Existing contracts will be gradually discontinued.

	9 months January- September	9 months January- September	3 months July- September	3 months July- September	12 months January- December	12 months October- September
SEK m	2009	2008	2009	2008	2008	08/09
Bridge non-recurring items						
Underlying operating income	269	269	113	102	414	414
Unrealized value changes, derivative instruments	48	-9	25	-18	-48	9
Restructuring costs	-2	-	-1	-	-41	-43
Reported operating income	315	260	137	83	326	381

Reporting of operating segments

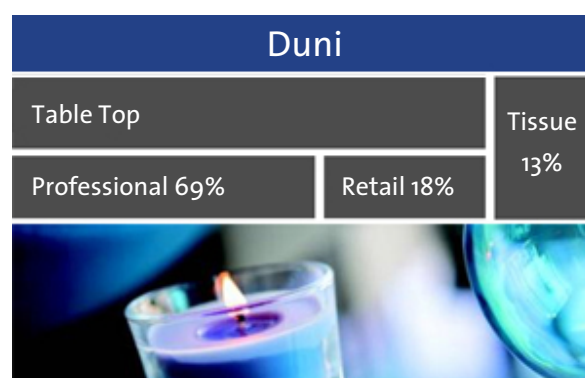
Duni's operations are divided into three segments, referred to as business areas.

The Professional business area (sales to hotels, restaurants and catering companies) accounted for 69% of Duni's net sales for the period 1 January – 30 September 2009.

The Retail business area (primarily focused on retail trade) accounted for 18% of net sales during the period.

The Tissue business area (airlaid and tissue-based material for tabletop products and hygiene applications) accounted for 13% of sales to external customers during the period.

The Professional and Retail business areas have, to a large extent, a common product range. Design and packaging solutions are, however, adapted to suit the different sales channels. Production and support functions are shared to a large degree by the business areas. Duni has chosen to report the results for the business areas on an underlying EBIT level, after common costs have been allocated to each respective business area. For further information see Note 4.



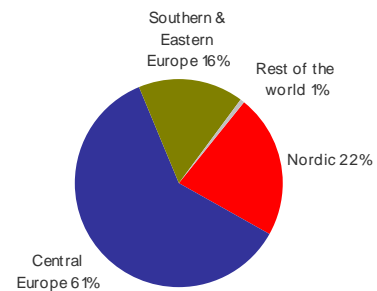
Split between business areas



Professional business area

	9 months January- September 2009	9 months January- September 2008	Change	3 months July- September 2009	3 months July- September 2008	Change	12 months January- December 2008	12 months October- September 08/09
Net Sales – Professional								
Nordic region	461	486	-5.1%	153	159	-3.3%	664	639
Central Europe	1 291	1 172	10.2%	432	403	7.2%	1 616	1 735
Southern & Eastern Europe	349	345	1.2%	119	119	0.0%	469	473
Rest of the World	17	15	22.1%	5	4	31.9%	22	24
Total	2 119	2 018	5.0%	708	684	3.6%	2 771	2 871

Net sales increased by 5.0% to SEK 2,119 m (2,018) for the period 1 January - 30 September 2009. With unchanged exchange rates from the preceding year, net sales would have been SEK 185 m lower for the period. The sales development reflects lower volumes as compared to last year. However, the volume development has been more favorable for the third quarter than for the first half of the year in all regions, with the exception of Eastern Europe, where volumes further weakened to some extent.



Geographical split, Professional

Operating income was SEK 265 m (246) with a stable operating margin of 12.5% (12.2%). Despite the reduced volume, the operating margin strengthened as a consequence of lower costs of materials and the impact of cost-saving measures within logistics, sales and administration.

Net sales for the period 1 July - 30 September were up SEK 24 m to SEK 708 m (684). Operating income increased to SEK 104 m (94) with an improved operating margin of 14.7% (13.8%).

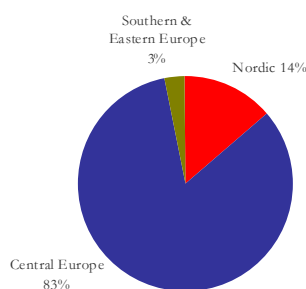
Retail business area

	9 months January- September 2009	9 months January- September 2008	Change	3 months July- September 2009	3 months July- September 2008	Change	12 months January- December 2008	12 months October- September 08/09
Net Sales – Retail								
Nordic region	77	105	-26.8%	22	30	-27.2%	148	121
Central Europe	443	401	10.4%	132	124	5.8%	610	652
Southern & Eastern Europe	13	10	31.9%	6	4	83.7%	19	22
Rest of the World	2	0	200.0%	1	0	100.0%	0	2
Total	535	515	3.7%	161	158	1.8%	777	797



Like the Professional business area, the Retail business area has seen sales improving during the third quarter. Sales growth has continued to be strong in the UK, with an improved result. The Nordic Region has experienced weak sales, especially in Denmark.

Net sales for the period 1 January - 30 September 2009 increased by SEK 20 m to SEK 535 m (515). With unchanged exchange rates from the preceding year, net sales would have been SEK 34 m lower for the period. Operating income amounted to SEK -8 m (-10). The operating margin was -1.5% (-1.9%).



Geographical split, Retail

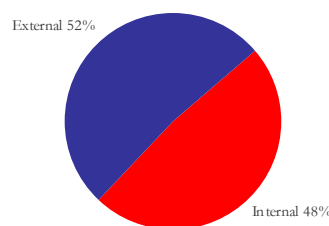
Net sales for the period 1 July - 30 September were SEK 161 m (158). Operating income was SEK 0 m (-4) and the operating margin was -0.3% (-2.5%). Lower costs for materials and logistics during the quarter have resulted in a positive income development.

Tissue business area

Net sales for the period 1 January - 30 September 2009 fell by 2.9% to SEK 409 m (421).

Operating income fell to SEK 12 m (33) and the operating margin was 2.9% (7.9%). The primary explanation for the decline in operating income in the Tissue business area is lower volumes of hygiene qualities during the first half of the year which, in turn, resulted in production stoppages to avoid inventory build-up.

Net sales for the period 1 July - 30 September were SEK 151 m (131). Operating income amounted to SEK 9 m (11) and the operating margin declined from 8.8% to 5.8% as compared with the same period the preceding year. Sales increased significantly in the third quarter. This also contributed to an improvement in the operating margin as compared with the first half of the year. However, the operating margin is lower than during the comparable quarter last year, primarily due to a less favorable product mix.



Sales mix, Tissue

In June 2009, the Board of Directors decided to invest in a new bio-boiler at the paper mill in Skåpafors, Sweden. The new boiler will reduce CO2 emissions, as the use of fossil fuel will be significantly reduced. This will also decrease waste disposal. The new bio-boiler is expected to be operational during the second half of 2010.



Cash flow

The Group's operating cash flow for the period 1 January - 30 September was SEK 360 m (-21). Cash flow has particularly been very strong during the most recent six months. Duni has taken measures to have good control over all parts of the operating capital, particular in respect of capital tied up in inventory. Inventory value has declined by SEK 94 m to SEK 448 m and accounts receivable fell by SEK 61 m to SEK 670 m since 31 December 2008. Despite the prevailing financial situation, Duni has not suffered any major credit losses. The cash flow trend has also been positively affected by lower interest expenses.

The Group's interest-bearing net debt per 30 September is SEK 870 m, compared with SEK 1,100 m per 31 December 2008 and SEK 1,298 m per 30 September 2008; see comments in Note 2.

Financial net

The financial net for the period 1 January - 30 September was SEK -36 m (-48). Lower loans and lower market interest rates contributed to lower interest expenses. Evaluation of cash balances in foreign currencies has resulted in the financial net fluctuating somewhat between quarters. The effect has been positive during the third quarter.

Taxes

The total reported tax expense for the period 1 January – 30 September was SEK 74 m (57). The tax expense for the same period of last year included a provision of SEK 1.6 m for a tax surcharge with respect to the now completed tax audit in Germany. The tax expense for the year includes adjustments from previous periods of SEK 1.4 m (2.9). During the period, the deferred tax asset relating to loss carry-forwards was utilized in the amount of SEK 16 m (27).

Earnings per share

The period's earnings per share for continuing operations before and after dilution were SEK 4.36 (3.30).

Duni's share

As per 30 September 2009 the share capital amounted to SEK 58,748,504 divided into 46,999,032 shares, each with a quotient value of SEK 1.25.

Shareholders

Duni is listed on NASDAQ OMX Nordic Stockholm under the ticker name "DUNI". Duni's three largest shareholders, as per 30 September 2009, are Mellby Gård Investerings AB (29.99%), Polaris Capital Management, LLC (12.18%) and Lannebo Fonder (8.56%).

Personnel

On 30 September 2009 there were 1,918 (1,980) employees. 854 of the employees were engaged in production. Duni's production units are located in Bramsche in Germany, Poznan in Poland, and Bengtsfors in Sweden. The reduction in personnel is a consequence of the cost saving measures that Duni initiated at the end of last year.

Acquisitions

No acquisitions were carried out 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.

Control and management of fluctuations in prices of raw materials and energy have a major impact on Duni's competitiveness. Due to the fact that hedge accounting is not applied, Duni has an increased accounting exposure, as unrealized profits or losses related to derivative instruments are accounted for in the income statement.

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 2008.

Since 2007, Duni's long-term financing has been secured through financing agreements valid until 2012. Contingent liabilities have increased from SEK 42 m to SEK 68 m since the beginning of the year. The increase is the result of additional security for energy trade within the Tissue business area.

Transactions with related parties

No transactions with related parties took place during the third quarter of 2009.

Events since 30 September

No significant events have occurred after the balance sheet date.

Interim reports

Quarter IV 17 February 2010



Annual general meeting 2010

The Annual General Meeting of Duni AB will be held in Malmö on 5 May 2010. For additional information, please see Duni's website.

The parent company

Net sales for the period 1 January – 30 September 2009 were SEK 844 m (911). Income after financial items was SEK 502 m (198). During the period, the parent company has received more dividends from subsidiaries than in the same period of last year.

Net debt amounted to SEK 52 m (668), of which a net asset of SEK 755 m (608) relates to subsidiaries. The external loans have been amortized with SEK 235 m since year end. Other receivables on the balance sheet have increased due to increased lending to subsidiaries. Net investments amounted to SEK 14 m (10).

Group structure and reporting

During 2006 and at the beginning of 2007, Duni completed the work of concentrating its operations to its core business, in principle corresponding to the former Duni Europe. In order to facilitate a relevant comparison between the years, only the new Group structure is reported in full and designated in this report as "continuing operations". There are no minority interests in Duni.

Accounting principles

This interim report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The parent company's financial statements are prepared in accordance with RFR 2.2, Reporting for Legal Entities, and the Swedish Annual Accounts Act. The accounting principles applied are those described in the annual report as per 31 December 2008 with the changes described in Note 1.

Information in the report

The information is such that Duni is obliged to publish pursuant to the Securities Market Act. The information will be disclosed to the media for publication at 8 AM CET on 28 October.

The interim report will be presented on Wednesday, 28 October at 10 AM CET at a telephone conference which also can be followed via the web. To participate in the telephone conference, please dial +46 (0)8 5052 0110. To follow the presentation via the web, please visit this link:

<http://events.webeventservices.com/duni/2009/10/28/>

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, 27 October 2009

Fredrik von Oelreich, President and CEO



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Review Report

We have reviewed the interim report for the period 1 January 2009 – 30 September 2009 for Duni AB. The Board of Directors and CEO are responsible for the preparation and presentation of this interim Report 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.

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 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 Standards on Auditing in Sweden, RS, 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 express an audit opinion.

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 27 October 2009

PricewaterhouseCoopers AB

Bo Hjalmarsson

Authorized Public Accountant



Consolidated Income Statements

SEK m	(Note 1)	9 months January- September 2009	9 months January- September 2008	3 months July- September 2009	3 months July- September 2008	12 months January- December 2008	12 months October- September 08/09
Net Sales		3 063	2 954	1 021	973	4 099	4 208
Cost of goods sold		-2 254	-2 172	-734	-715	-3 020	-3 102
Gross profit		809	782	287	258	1 079	1 106
Selling expenses		-354	-346	-109	-104	-465	-473
Administrative expenses		-141	-147	-45	-47	-198	-192
Research and development expenses		-19	-17	-6	-5	-23	-25
Other operating incomes	(Note 5)	98	43	48	7	57	112
Other operating expenses	(Note 5)	-78	-55	-38	-26	-124	-147
Operating income	(Note 4)	315	260	137	83	326	381
Financial income		2	4	0	2	8	5
Financial expenses, etc.		-38	-52	-3	-14	-83	-69
Net financial items		-36	-48	-3	-12	-75	-63
Income after financial items		279	212	134	72	251	318
Income tax		-74	-57	-35	-19	-60	-77
Net income, continuing operations		205	155	100	53	191	241
Net income, discontinued operations	(Note 3)	-	-	-	-	6	6
Net Income		205	155	100	53	197	247
Income attributable to:							
Equity holders of the Parent Company		205	155	100	53	197	247
Earnings per share, continuing operations, SEK							
Before dilution		4.36	3.30	2.12	1.12	4.06	5.13
After dilution		4.36	3.30	2.12	1.12	4.06	5.13
Average number of shares before dilution ('000)		46 999	46 999	46 999	46 999	46 999	46 999
Average number of shares after dilution ('000)		46 999	46 999	46 999	46 999	46 999	46 999
Earnings per share, discontinued operations, SEK							
Before dilution		-	-	-	-	0.13	0.13
After dilution		-	-	-	-	0.13	0.13
Average number of shares before dilution ('000)		46 999	46 999	46 999	46 999	46 999	46 999
Average number of shares after dilution ('000)		46 999	46 999	46 999	46 999	46 999	46 999
Earnings per share, attributable to equity holders of the Parent Company, SEK							
Before dilution		4.36	3.30	2.12	1.12	4.19	5.26
After dilution		4.36	3.30	2.12	1.12	4.19	5.26
Average number of shares before dilution ('000)		46 999	46 999	46 999	46 999	46 999	46 999
Average number of shares after dilution ('000)		46 999	46 999	46 999	46 999	46 999	46 999



Statement of comprehensive income

	9 months January- September 2009	9 months January- September 2008	3 months July- September 2009	3 months July- September 2008	12 months January- December 2008	12 months October- September 08/09
Net income of the period	205	155	100	53	197	247
Comprehensive income						
Exchange rate differences - translation of subsidiaries	-6	-2	8	6	16	12
Comprehensive income of the period	-6	-2	8	6	16	12
Sum of comprehensive income of the period	199	153	108	59	213	259
Comprehensive income of the period attributable to:						
Equity holders of the Parent Company	199	153	108	59	213	259

Comprehensive income consists of translation differences with no tax effects.

Consolidated Quarterly Income Statements in brief

SEK m	2009				2008			2007
Quarter	Jul- Sep	Apr- Jun	Jan- Mar	Oct- Dec	Jul- Sep	Apr- Jun	Jan- Mar	Oct- Dec
Net Sales	1 021	1 035	1 007	1 145	973	1 012	969	1 124
Cost of goods sold	-734	-766	-755	-848	-715	-752	-705	-808
Gross profit	287	269	252	297	258	260	264	316
Selling expenses	-109	-119	-126	-119	-104	-118	-125	-114
Administrative expenses	-45	-52	-45	-51	-47	-54	-46	-62
Research and development expenses	-6	-6	-6	-6	-5	-7	-5	-3
Other operating incomes	48	24	27	14	7	18	18	11
Other operating expenses	-38	-8	-32	-69	-26	-9	-20	-3
Operating income	137	108	70	66	83	90	86	145
Financial income	0	0	1	3	2	1	1	6
Financial expenses etc.	-3	-14	-21	-30	-14	-18	-20	-51
Net financial items	-3	-14	-20	-27	-12	-17	-19	-45
Income after financial items	134	94	50	39	72	73	67	100
Income tax	-35	-26	-13	-3	-19	-16	-22	-42
Net income, continuing operations	100	68	37	36	53	57	45	58
Net income, discontinued operations	-	-	-	6	-	-	-	15
Net Income	100	68	37	42	53	57	45	73



Consolidated Balance Sheets in brief

SEK m	30 September 2009	31 December 2008	30 September 2008
ASSETS			
Goodwill	1 199	1 199	1 199
Other intangible fixed assets	32	25	27
Tangible fixed assets	490	514	456
Financial fixed assets	348	369	375
Total fixed assets	2 069	2 107	2 057
Inventories	448	542	619
Accounts receivable	670	731	700
Other operating receivables	154	182	180
Cash and cash equivalents	153	249	93
Total current assets	1 425	1 704	1 592
TOTAL ASSETS	3 494	3 811	3 649
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	1 658	1 544	1 484
Long-term loans	840	1 151	1 188
Other long-term liabilities	225	229	224
Total long-term liabilities	1 065	1 380	1 412
Accounts payable	285	358	285
Other short-term liabilities	486	529	468
Total short-term liabilities	771	887	753
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3 494	3 811	3 649



Change in the Group's shareholders' equity

SEK m	Attributable to equity holders of the parent company					TOTAL EQUITY
	Share capital	Other injected capital	Reserves	Fair value reserve*	Loss carried forward incl. net income for the period	
Opening balance 1 January 2008	59	1 681	26	13	-363	1 416
Sum of comprehensive income of the period	-	-	-2	-	155	153
Dividend paid to shareholders	-	-	-	-	-85	-85
Closing balance 30 September 2008	59	1 681	24	13	-293	1 484
Sum of comprehensive income of the period	-	-	18	-	42	60
Closing balance 31 December 2008	59	1 681	42	13	-251	1 544
Sum of comprehensive income of the period	-	-	-6	-	205	199
Dividend paid to shareholders	-	-	-	-	-85	-85
Closing balance 30 September 2009	59	1 681	36	13	-131	1 658

* 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 2009	1 January- 30 September 2008
Current operation		
Operating income	315	260
Adjustment for items not included in cash flow etc	-4	82
Paid interest and tax	-84	-145
Change in working capital	133	-218
Cash flow from operations	360	-21
Investments		
Acquisition of fixed assets	-81	-86
Sales of fixed assets	0	3
Change in interest-bearing receivables	-11	2
Cash flow from investments	-92	-81
Financing		
Taken up loans ¹⁾	1 365	100
Amortization of debt ¹⁾	-1 600	-50
Dividend paid	-85	-85
Change in borrowing	-41	25
Cash flow from financing	-361	-9
Cash flow from the period	-93	-112
Liquid funds, opening balance	249	202
Exchange difference, cash and cash equivalents	-3	2
Cash and cash equivalents, closing balance	153	93

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



Key ratios in brief

	1 January- 30 September 2009	1 January- 30 September 2008
Net Sales, SEK m	3 063	2 954
Gross Profit, SEK m	809	782
EBIT ¹⁾ , SEK m	269	269
EBITDA ¹⁾ , SEK m	346	342
Number of Employees	1 918	1 980
Sales growth, %	3.7%	3.3%
Gross margin, %	26.4%	26.5%
EBIT ¹⁾ margin, %	8.8%	9.1%
EBITDA ¹⁾ margin, %	11.3%	11.6%
Return on capital employed ¹⁾	18.9%	17.2%
Net debt/equity ratio	52.5%	87.5%

¹⁾ Calculated based on underlying operating income.



Parent Company Income Statements in brief

SEK m	(Note 1)	9 months January- September 2009	9 months January- September 2008	3 months July- September 2009	3 months July- September 2008
Net Sales		844	911	286	293
Cost of goods sold		-767	-810	-262	-263
Gross profit		77	101	24	30
Selling expenses		-82	-96	-25	-24
Administrative expenses		-104	-106	-34	-31
Research and development expenses		-9	-9	-3	-2
Other operating incomes		255	172	114	54
Other operating expenses		-173	-144	-70	-61
Operating income		-36	-82	6	-34
Revenue from participations in Group companies		547	289	0	189
Other interest revenue and similar income		24	29	6	14
Interest expenses and similar expenses		-34	-38	-17	-12
Net financial items		538	280	-10	191
Income after financial items		502	198	-4	157
Appropriations		-	-	-	-
Taxes on income for the period		-8	3	-5	1
Net income for the period		494	201	-10	158



Parent Company Balance Sheets in Brief

SEK m	30 September 2009	31 December 2008	30 September 2008
ASSETS			
Goodwill	724	799	824
Other intangible fixed assets	32	25	27
Total intangible fixed assets	756	824	851
Tangible fixed assets	60	69	65
Financial fixed assets	1 082	1 071	1 075
Total fixed assets	1 898	1 964	1 991
Inventories	111	106	139
Accounts receivable	120	126	138
Other operating receivables	1 005	823	949
Cash and bank	111	153	21
Total current assets	1 347	1 208	1 247
TOTAL ASSETS	3 245	3 172	3 238
SHAREHOLDERS' EQUITY AND LIABILITIES			
Total restricted shareholders equity	83	83	83
Total unrestricted shareholders equity	1 861	1 398	1 407
Shareholders' equity¹⁾	1 944	1 481	1 490
Provisions	114	115	114
Long-term financial liabilities ²⁾	813	1 145	1 187
Total long-term liabilities	813	1 145	1 187
Accounts payable	52	71	51
Other short-term liabilities ²⁾	322	360	396
Total short-term liabilities	374	431	447
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	3 245	3 172	3 238

1) Shareholders' equity also includes Group contributions received from Rexcell Tissue & Airlaid AB.

2) Reclassification of internal has occurred between long-term and short-term liabilities.



Definitions

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

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

EBIT: Operating income.

EBIT margin: EBIT as a percentage of net sales.

EBITA: Operating income adjusted for impairment of fixed assets.

EBITA margin: EBITA as a percentage of net sales.

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

EBITDA margin: EBITDA as a percentage of net sales.

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

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

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

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

Currency adjusted: Figures adjusted for changes in exchange rates. Figures for 2009 are calculated at exchange rates for 2008.

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.



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 2.2, Reporting for Legal Entities, and the Annual Accounts Act. The accounting principles are the same as in the Annual Report as per 31 December 2008, with the exception of the following changes.

Changed accounting principles – the Group

– Presentation of Financial Statements

Commencing 1 January 2009, the Group has implemented the changes to IFRS 1 Presentation of Financial Statements. The standard divides up changes in shareholders' equity as a consequence of transactions with equity holders and other changes. The presentation of changes in shareholders' equity is changed to contain only details regarding transactions with equity holders. Changes in shareholders' equity other than those arising from transactions with equity holders must be presented on one line in the presentation of changes in shareholders' equity. In addition, the standard introduces the concept of "Statement of comprehensive income for the Group" which also shows income and expenses as reported in shareholders' equity. Duni has chosen to report in two presentations: an income statement and a statement of comprehensive income. Comparison information for 2008 has been adapted in accordance with the new standard.

– Operating Segments

Commencing 1 January 2009, the Group has implemented IFRS 8 Operating Segments. IFRS 8 replaces IAS 14 Segment Reporting. The new standard requires that segment information be presented based on the management's perspective, entailing that it is presented in the manner used in the internal reporting. The implementation of IFRS 8 has not resulted in any new operating segments being identified in Duni compared with previously. The starting point for identification of reportable segments is the internal reporting as reported to, and followed up by, the chief operating decision-maker, which in this context has been identified as group management. The business operations are evaluated and governed based on lines of business. Duni has identified three reportable operating segments in accordance with IFRS 8. These are: Professional, Retail and Tissue. These are the same as reported in previous years and the information is thus comparable to the segment information of previous years. Segments are evaluated internally based on operating income excluding non-recurring items.

Since the reportable segments are unchanged compared with previous years, the new standard does not entail any re-allocation of goodwill.

Note 2 • Net interest bearing debt

Commencing the fourth quarter of 2008, the interest-bearing debt is calculated excluding the effect of electricity- and currency derivatives.

Note 3 • Divested business

The American businesses, Duni Corporation and Duni Supply Corporation, were sold in August 2006. The final capital gain from the sale was SEK 131 m.



Note 4 • Segment reporting

2009-01-01 – 2009-09-30	Professional	Retail	Tissue	Group's Total
Total net sales	2 119	535	782	3 436
Net sales from other segments	-	-	373	373
Net sales from external customers	2 119	535	409	3 063
Underlying operating income	265	-8	12	269
Non-recurring items	-	-	-	46
Net financial items	-	-	-	-36
Income after financial items	-	-	-	279

2008-01-01 – 2008-09-30	Professional	Retail	Tissue	Group's Total
Total net sales	2 018	515	800	3 334
Net sales from other segments	-	-	379	379
Net sales from external customers	2 018	515	421	2 954
Underlying operating income	246	-10	33	269
Non-recurring items	-	-	-	-9
Net financial items	-	-	-	-48
Income after financial items	-	-	-	212

2009-07-01 – 2009-09-30	Professional	Retail	Tissue	Group's Total
Total net sales	708	161	288	1 158
Net sales from other segments	-	-	136	136
Net sales from external customers	708	161	151	1 021
Underlying operating income	104	0	9	113
Non-recurring items	-	-	-	24
Net financial items	-	-	-	-3
Income after financial items	-	-	-	134

2008-07-01 – 2008-09-30	Professional	Retail	Tissue	Group's Total
Total net sales	684	158	253	1 095
Net sales from other segments	-	-	122	122
Net sales from external customers	684	158	131	973
Underlying operating income	94	-4	11	102
Non-recurring items	-	-	-	-18
Net financial items	-	-	-	-12
Income after financial items	-	-	-	72

Inventory has decreased in all segments since year-end. No other material changes have taken place in the segments' assets compared with the annual report dated 31 December 2008.



Note 5 • Non-recurring items

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

Restructuring cost	9 months January- September 2009	9 months January- September 2008	3 months July September 2009	3 months July September 2008	12 months January- December 2008	12 months October September 08/09
SEK m						
Cost of goods sold	-2	-	-1	-	-21	-23
Selling expenses	0	-	0	-	-6	-6
Administrative expenses	-	-	-	-	-4	-4
Other operating expenses	-	-	-	-	-10	-10
Total	-2	0	-1	0	-41	-43
Derivative instruments	9 months January- September 2009	9 months January- September 2008	3 months July September 2009	3 months July September 2008	12 months January- December 2008	12 months October September 08/09
SEK m						
Other operating incomes	48	16	20	1	1	33
Other operating expenses	0	-25	6	-20	-49	-24
Total	48	-9	25	-18	-48	9