Interim Report for Duni AB (publ) 1 January – 30 June 2011

(compared with the same period of the previous year)

15 July 2011

Stronger sales trend

1 January – 30 June 2011

- Net sales amounted to SEK 1,827 m (1,930). Adjusted for exchange rate changes, net sales increased by 0.2%.
- Earnings per share amounted, after dilution, to SEK 2.12 (2.48).
- Increased marketing measures within growth areas.

1 April – 30 June 2011

- Net sales amounted to SEK 960 m (970). Adjusted for exchange rate changes, net sales increased by 3.5%.
- Earnings per share amounted, after dilution, to SEK 1.25 (1.40).
- Both Professional and Retail demonstrated an improved sales development compared with the preceding quarter.

Key financials

SEK m	6 months January-June 2011	6 months January-June 2010	3 months April-June 2011	3 months April-June 2010	12 months July-June 10/11	12 months January-December 2010
Net sales	1 827	1 930	960	970	3 868	3 971
Operating income[1)]	155	168	88	91	421	435
Operating margin[1)]	8.5%	8.7%	9.1%	9.4%	10.9%	10,9%
Income after financial items	134	156	79	90	397	418
Net income	99	117	59	66	289	306

[1)] Underlying operating income; for link to reported operating income, see the section entitled "Non-recurring items".

CEO's comments

"It is pleasing to note that the volume trend during the second quarter of the year improved compared with the first quarter and largely reflects the continued recovery on our main markets.

Both Professional and Retail increased their sales volumes compared with last year, by just over 3% and 1.5% respectively. However, the sales trend within the Tissue business area remained weak, primarily within the hygiene products sector, and sales fell from SEK 125 m to SEK 109 m. For Duni as a whole, sales experienced an upward turn during the quarter and reached SEK 960 m. At fixed exchange rates, this corresponds to an increase of 3.5% compared with the second quarter of last year.

Thanks to the improved sales trend, we achieved a seasonally strong operating profit of SEK 88 m. At fixed exchange rates, this corresponds to SEK 93 m, which is somewhat better than last year's result. Both Professional and Retail reported increased income at fixed exchange rates, while Tissue fell back due to a decrease in sales and lower capacity utilization. However, the order book is expected to improve during the second half of the year.

During the quarter, costs for certain input materials and in particular for traded goods, continued to increase. Going forward, this will impact on the cost of sold goods, but we believe that Duni will be able to mitigate this effect thanks to the price increases that we are currently implementing. As regards the market trend in general, we anticipate continued volume growth within our main area, Professional," says Fredrik von Oelreich, President and CEO, Duni.

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Net sales amounted to SEK 1,827 m

During the period 1 January – 30 June 2011, net sales fell by SEK 103 m compared with the same period last year, to SEK 1,827 m (1,930). Adjusted for exchange rate changes, net sales increased by 0.2%. The low growth during the first half of the year is mainly attributable to the Tissue business area, where hygiene products demonstrated a weak trend.

Net sales for the period 1 April – 30 June fell by SEK 10 m, to SEK 960 m (970). When adjusted for exchange rate changes, net sales increased by 3.5%. The second quarter demonstrated positive growth within the HoReCa sector, which is in line with the improvement in the economy. The Retail business area demonstrated sales growth despite continued weak demand in general from the grocery retail trade.

Net sales, currency effect SEK m	6 months January-June 2011	6 months January-June 2011[1] recalculated	6 months January-June 2010	Change in fixed exchange rates	3 months April-June 2011	3 months April-June 2011[1] recalculated	3 months April-June 2010	Change in fixed exchange rates
Professional	1 320	1 405	1 344	4.5%	717	753	710	6.1%
Retail	293	316	320	-1.4%	135	141	136	4.2%
Tissue	214	214	266	-19.8%	109	109	125	-12.6%
Duni	**1 827**	**1 934**	**1 930**	**0.2%**	**960**	**1 004**	**970**	**3.5%**

[1] Reported net sales for 2011 recalculated at 2010 exchange rates.

Operating margin of 8.5%

For the period 1 January – 30 June 2011, operating income (EBIT) adjusted for non-recurring items was SEK 13 m lower at SEK 155 m (168). The Group's underlying operating margin thus weakened from 8.7% to 8.5%. Adjusted for exchange rate changes, operating income declined by SEK 1 m compared with last year.

A favorable product mix has contributed to a maintained gross margin despite increased cost of goods sold. In view of the high costs for raw material and traded goods price increases to customers have been announced for the second half of the year. The gross margin for the first half of the year is unchanged at 25.6% (25.6%). Income after financial items was SEK 134 m (156). Income after tax was SEK 99 m (117).

For the period 1 April – 30 June, operating income (EBIT) adjusted for non-recurring items amounted to SEK 88 m (91). The gross margin weakened somewhat to 25.1% (25.4%), primarily due to lower capacity utilization within Tissue. Costs for raw materials and traded goods have continued to increase and resulted in a somewhat lower gross margin in the quarter. The operating margin declined from the historically high 9.4% last year to 9.1% in the quarter. When adjusted for exchange rate changes, operating income increased by SEK 2 m. Income after financial items was SEK 79 m (90). Income after tax was SEK 59 m (66).

Underlying operating income, currency effect SEK m	6 months January-June 2011	6 months January-June 2011[1] recalculated	6 months January-June 2010	3 months April-June 2011	3 months April-June 2011[1] recalculated	3 months April-June 2010
Professional	144	155	163	91	96	94
Retail	1	2	1	-4	-4	-7
Tissue	10	10	5	1	1	5
Duni	**155**	**167**	**168**	**88**	**93**	**91**

[1] Underlying operating income for 2011 recalculated at 2010 exchange rates.

Non-recurring items

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

Reported income for the period 1 January – 30 June 2011 is affected by non-realized valuation effects of derivatives in the amount of SEK -8 m (-4). For further information see below as well as Note 3.

Non-recurring items SEK m	6 months January-June 2011	6 months January-June 2010	3 months April-June 2011	3 months April-June 2010	12 months July-June 10/11	12 months January-December 2010
Underlying operating income	**155**	**168**	**88**	**91**	**421**	**435**
Unrealized value changes, derivative instruments	-8	-4	-2	-1	-3	1
Restructuring costs	-	0	-	0	0	0
Reported operating income	**147**	**165**	**86**	**91**	**418**	**436**

Reporting of operating segments

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

The Professional business area (sales to hotels, restaurants and catering companies) accounted for 72% (70%) of Duni's net sales for the period 1 January – 30 June 2011.

The Retail business area (primarily focused on retail trade) accounted for 16% (16%) of net sales during the period.

The Tissue business area (airlaid and tissue-based material for tabletop products and hygiene applications) accounted for 12% (14%) of sales to external customers during the period.

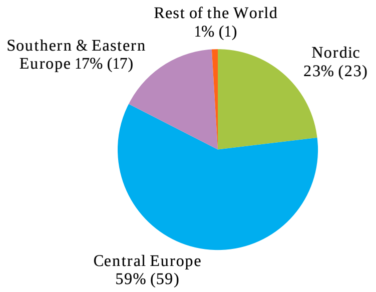
Split on Net sales between business areas

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 management team, which decides upon the allocation of resources within Duni and evaluates results from the business operations, is the highest executive decision-making body in Duni. Duni controls the business areas on the underlying operating income, after shared costs have been allocated to each business area. For further information, see Note 2.

Professional business area

Net sales for the period 1 January – 30 June 2011 declined by SEK 24 m, to SEK 1,320 m (1,344). At fixed exchange rates, this corresponds to an increase in sales of 4.5%. The year began at a lower pace than expected, but has gradually improved.



Sales - Geographical split, Professional

Operating income was SEK 144 m (163), with a reduced operating margin of 10.9% (12.1%). Similarly to the first quarter, income is affected by the increased market investments aimed at achieving a higher rate of growth on prioritized markets and product ranges.

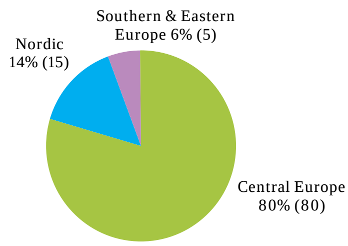
Net sales for the period 1 April – 30 June increased by SEK 7 m, to SEK 717 m (710). At fixed exchange rates, this corresponds to an increase in sales of 6.1%. Germany in particular is showing a recovery from a weak first quarter. Operating income declined to SEK 91 m (94), with an operating margin of 12.7% (13.2%).

Net Sales Professional, SEK m	6 months January-June 2011	6 months January-June 2011 1) recalculated	6 months January-June 2010	3 months April-June 2011	3 months April-June 2011 1) recalculated	3 months April-June 2010	12 months July-June 10/11	12 months January-December 2010
Nordic region	304	304	311	162	162	166	638	645
Central Europe	777	839	796	418	444	414	1 641	1 660
Southern & Eastern Europe	227	247	223	131	140	123	455	451
Rest of the World	13	14	13	6	6	6	27	27
Total	**1 320**	**1 405**	**1 344**	**717**	**753**	**710**	**2 759**	**2 783**

1) Reported net sales for 2011 recalculated at 2010 exchange rates.

Retail business area

Net sales for the period 1 January – 30 June 2011 fell by SEK 27 m, to SEK 293 m (320), equal to a reduction in sales of 1.4% at fixed exchange rates. Despite a challenging competitive situation, not least in the Nordic region, and weak demand within the retail sector, Retail has succeeded in improving its market position on several markets.



Sales – Geographical split, Retail

Operating income was SEK 1 m (1). The operating margin strengthened to 0.5% (0.2%). The first half of the year, particularly the second quarter, is seasonally the weakest period for Retail.

Net sales for the period 1 April – 30 June amounted to SEK 135 m (136). At fixed exchange rates, this corresponds to an increase in sales of 4.2%. Despite the commenced phase-out of a major private label customer, which was announced last year, the second quarter demonstrated healthy growth, particularly attributable to Central Europe. The phase-out of this customer contract will be accelerated during the third quarter and thereby have a larger negative impact on sales. The Nordic region, where Retail has lost market shares for a period of time, stabilized during the second quarter and initiatives to strengthen

Duni's market position have begun to bear fruit. Operating income was SEK -4 m (-7) and the operating margin was -3.0% (-5.4%).

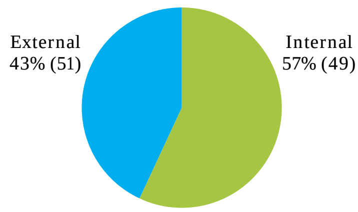
Net Sales Retail, SEK m	6 months January-June 2011	6 months January-June 2011 [1] recalculated	6 months January-June 2010	3 months April-June 2011	3 months April-June 2011 [1] recalculated	3 months April-June 2010	12 months July-June 10/11	12 months January-December 2010
Nordic region	41	41	48	21	22	22	87	94
Central Europe	235	256	255	104	110	105	523	543
Southern & Eastern Europe	17	18	18	9	9	9	51	52
Rest of the World	1	1	0	1	1	0	1	0
Total	**293**	**316**	**320**	**135**	**141**	**136**	**662**	**689**

[1] Reported net sales for 2011 recalculated at 2010 exchange rates.

Tissue business area

Net sales for the period 1 January – 30 June 2011 fell by 19.5%, to SEK 214 m (266).

Operating income increased to SEK 10 m (5). The operating margin was 4.5% (2.0%). External sales declined to the benefit of increased internal production to other business areas. Weaker demand within the hygiene products sector has negatively impacted on sales to a certain degree.



Sales mix, Tissue

Net sales for the period 1 April – 30 June were SEK 109 m (125).
Operating income was SEK 1 m (5) and the operating margin was 0.5% (3.8%). During the second quarter, income was negatively affected by a decrease in inventory combined with lower demand, which taken together resulted in low capacity utilization.

Cash flow

The Group's operating cash flow for the period 1 January – 30 June 2011 was SEK 85 m (30). The first half of the year, especially the second quarter, have been characterized by a deliberate decrease in inventory and thereby a positive contribution to cash flow.

Compared with the same period of last year, inventories increased by SEK 18 m to SEK 467 m (449), accounts receivable increased by SEK 53 m, to SEK 704 m (651) and accounts payable increased by SEK 28 m, to SEK 311 m (283). Cash flow including investing activities amounted to SEK -33 m (-100). Duni's net investments were SEK 119 m (132), while depreciation and impairment for the period amounted to SEK 53 m (52).

The Group's interest-bearing net debt on 30 June 2011 was SEK 793 m, compared with SEK 799 m on 30 June 2010 and SEK 582 m on 31 December 2010.

Financial net

The financial net for the period 1 January – 30 June 2011 amounted to SEK -12 m (-9). The largest difference in the quarter compared with the preceding year is effects in the second quarter 2010 of unrealized and realized changes in value. The interest rate level is in the quarter also somewhat higher compared with preceding year.

Taxes

The total reported tax expense for the period 1 January – 30 June 2011 was SEK 35 m (39), yielding an effective tax rate of 26.0% (25.1%). The tax expense for the year includes adjustments from previous periods of SEK 0.4 m (2.2). The deferred tax asset relating to loss carry-forwards was utilized in the amount of SEK 19 m (15).

Earnings per share

The earnings per share for continuing operations before and after dilution amounted to SEK 2.12 (2.48).

Duni's share

As per 30 June 2011 the share capital amounted to SEK 58,748,790 divided into 46,999,032 shares, each with a quotient value of SEK 1.25.

Shareholders

Duni is listed on NASDAQ OMX Stockholm under the ticker name "DUNI". Duni's three largest shareholders, as per 30 June 2011, are Mellby Gård Investerings AB (29.99%), Polaris Capital Management, LLC (10.65%) and Lannebo fonder (9.16%).

Personnel

On 30 June 2011 there were 1,917 (1,907) employees. 808 (826) of the employees were engaged in production. Duni's production units are located in Bramsche in Germany, Poznan in Poland, and Bengtsfors in Sweden.

Acquisitions

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.

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 2010.

Since 2007, Duni's long-term financing has been secured through financing agreements valid until 2012. Duni has no significant changes in contingent liabilities since 31 December 2010.

Transactions with related parties

No transactions with related parties took place during the second quarter of 2011.

Major events since 30 June

No significant events have occurred after the balance sheet date.

Interim reports

Quarter III	26 October 2011
Quarter IV	15 February 2012

Duni's Board

At the annual general meeting held on 5 May 2011, Anders Bülow, Tomas Gustafsson, Pia Rudengren and Magnus Yngen were re-elected to Duni's board. Sanna Suvanto-Harsaae declined re-election. Tina Andersson was elected as a new director. Anders Bülow was re-elected as Chairman of the Board.

The Parent Company

Net sales for the period 1 January – 30 June 2011 amounted to SEK 548 m (561). Income after financial items was SEK -16 m (215). The figure for last year includes dividends from subsidiaries.

Net debt amounted to SEK -198 m (-181), of which a net asset of SEK 954 m (946) relates to subsidiaries. Other receivables have increased due to increased lending to subsidiaries. Net investments amounted to SEK 26 m (12).

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, 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 2010.

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 15 July at 8.00 AM CET.

The interim report will be presented on Friday, 15 July at 10.00 AM CET at a telephone conference which also can be followed via the web. To participate in the telephone conference, please dial +46 (0)8 5052 0114. To follow the presentation via the web, please visit this link:

http://webeventservices.stream57.com/20110715duniab/

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

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

Report from the Board and the CEO

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

Malmö, 14 July 2011

Anders Bulow, Chairman of the Board

Tina Andersson, Board Member

Tomas Gustafsson, Board Member

Pia Rudengren, Board Member

Magnus Yngen, Board Member

Fredrik von Oelreich, President and CEO

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Consolidated Income Statements

SEK m (Note 1)	6 months January-June 2011	6 months January-June 2010	3 months April-June 2011	3 months April-June 2010	12 months July-June 10/11	12 months January-December 2010
Net Sales	**1 827**	**1 930**	**960**	**970**	**3 868**	**3 971**
Cost of goods sold	-1 360	-1 436	-720	-724	-2 842	-2 919
Gross profit	**468**	**494**	**241**	**246**	**1 025**	**1 052**
Selling expenses	-227	-228	-110	-107	-434	-434
Administrative expenses	-85	-87	-43	-42	-172	-174
Research and development expenses	-14	-11	-7	-5	-28	-25
Other operating incomes (Note 3)	32	39	19	16	127	134
Other operating expenses (Note 3)	-27	-42	-14	-18	-101	-117
Operating income (Note 2)	**147**	**165**	**86**	**91**	**418**	**436**
Financial income	1	1	1	0	2	1
Financial expenses, etc.	-14	-9	-7	-2	-23	-19
Net financial items	**-12**	**-9**	**-7**	**-1**	**-21**	**-18**
Income after financial items	**134**	**156**	**79**	**90**	**397**	**418**
Income tax	-35	-39	-20	-24	-108	-112
Net Income	**99**	**117**	**59**	**66**	**289**	**306**
Income attributable to:						
Equity holders of the Parent Company	99	117	59	66	289	306
Earnings per share, attributable to equity holders of the Parent Company, SEK						
Before and after dilution	2.12	2.48	1.25	1.40	6.15	6.52
Average number of shares before and after dilution (´000)	46 999	46 999	46 999	46 999	46 999	46 999

Statement of comprehensive income

SEK m	6 months January-June 2011	6 months January-June 2010	3 months April-June 2011	3 months April-June 2010	12 months July-June 10/11	12 months January-December 2010
Net income of the period	**99**	**117**	**59**	**66**	**289**	**306**
Comprehensive income, net after tax:						
Exchange rate differences - translation of subsidiaries	-4	5	-2	1	3	13
Cash flow hedge	0	-	0	-	0	-
Comprehensive income of the period, net after tax:	**-4**	**5**	**-2**	**1**	**3**	**13**
Sum of comprehensive income of the period	**95**	**122**	**57**	**67**	**292**	**319**
Comprehensive income of the period attributable to:						
Equity holders of the Parent Company	95	122	57	67	292	319

Consolidated Quarterly Income Statements in brief

SEK m	2011		2010				2009	
Quarter	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep
Net Sales	**960**	**867**	**1 097**	**943**	**970**	**960**	**1 157**	**1 021**
Cost of goods sold	-720	-640	-785	-698	-724	-712	-800	-734
Gross profit	**241**	**227**	**312**	**245**	**246**	**248**	**357**	**287**
Selling expenses	-110	-118	-107	-99	-107	-121	-128	-109
Administrative expenses	-43	-42	-45	-43	-42	-45	-43	-45
Research and development expenses	-7	-6	-9	-5	-5	-6	-10	-6
Other operating incomes	19	13	80	15	16	23	9	48
Other operating expenses	-14	-13	-62	-11	-18	-25	-12	-38
Operating income	**86**	**61**	**169**	**102**	**91**	**74**	**173**	**137**
Financial income	1	1	0	0	0	0	0	0
Financial expenses etc.	-7	-6	-6	-3	-2	-8	-7	-3
Net financial items	**-7**	**-6**	**-6**	**-3**	**-1**	**-8**	**-7**	**-3**
Income after financial items	**79**	**55**	**163**	**99**	**90**	**66**	**166**	**134**
Income tax	-20	-15	-46	-27	-24	-15	-35	-35
Net Income	**59**	**41**	**117**	**72**	**66**	**51**	**131**	**100**

Consolidated Balance Sheets in brief

SEK m	30 June 2011	31 December 2010	30 June 2010
ASSETS			
Goodwill	1 199	1 199	1 199
Other intangible fixed assets	49	44	32
Tangible fixed assets	654	588	559
Financial fixed assets	266	289	318
Total fixed assets	**2 168**	**2 120**	**2 108**
Inventories	467	437	449
Accounts receivable	704	634	651
Other operating receivables	142	174	147
Cash and cash equivalents	91	122	89
Total current assets	**1 404**	**1 367**	**1 337**
TOTAL ASSETS	**3 572**	**3 487**	**3 445**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	**1 922**	**1 991**	**1 794**
Long-term loans	710	530	712
Other long-term liabilities	209	211	208
Total long-term liabilities	**919**	**741**	**920**
Accounts payable	311	315	283
Other short-term liabilities	419	440	448
Total short-term liabilities	**731**	**755**	**731**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**3 572**	**3 487**	**3 445**

Change in the Group's shareholders' equity

	Attributable to equity holders of the parent company					
SEK m	Share capital	Other injected capital	Reserves	Fair value reserve [1)]	Loss carried forward incl. net income for the period	TOTAL EQUITY
Opening balance 1 January 2010	**59**	**1 681**	**36**	**13**	**0**	**1 789**
Sum of comprehensive income of the period	-	-	5	-	117	122
Dividend paid to shareholders	-	-	-	-	-117	-117
Closing balance 30 June 2010	**59**	**1 681**	**41**	**13**	**0**	**1 794**
Sum of comprehensive income of the period	-	-	8	-	189	197
Closing balance 31 December 2010	**59**	**1 681**	**49**	**13**	**189**	**1 991**
Sum of comprehensive income of the period	-	-	-4	-	99	95
Dividend paid to shareholders	-	-	-	-	-164	-164
Closing balance 30 June 2011	**59**	**1 681**	**45**	**13**	**124**	**1 922**

1) Fair value reserve means a reappraisal of land in accordance with earlier accounting principles. The reappraised value is adopted as the acquisition value in accordance with the transition rules in IFRS 1.

Consolidated Cash Flow Statement

SEK m	1 January-30 June 2011	1 January-30 June 2010
Current operation		
Operating income	147	165
Adjustment for items not included in cash flow etc	50	60
Paid interest and tax	-35	-16
Change in working capital	-77	-179
Cash flow from operations	**85**	**30**
Investments		
Acquisition of fixed assets	-121	-134
Sales of fixed assets	2	2
Change in interest-bearing receivables	1	3
Cash flow from investments	**-118**	**-130**
Financing		
Taken up loans[1)]	125	136
Amortization of debt[1)]	-	-102
Dividend paid	-164	-117
Change in borrowing	41	45
Cash flow from financing	**2**	**-39**
Cash flow from the period	**-31**	**-138**
Liquid funds, opening balance	122	230
Exchange difference, cash and cash equivalents	1	-2
Cash and cash equivalents, closing balance	**91**	**89**

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

Key ratios in brief

	1 January-30 June 2011	1 January-30 June 2010
Net Sales, SEK m	1 827	1 930
Gross Profit, SEK m	468	494
EBIT[1], SEK m	155	168
EBITDA[1], SEK m	208	221
Net debt	793	799
Number of Employees	1 917	1 907
Sales growth	-5.3%	-5.5%
Gross margin	25.6%	25.6%
EBIT[1] margin	8.5%	8.7%
EBITDA[1] margin	11.4%	11.4%
Return on capital employed[1] [2]	17.2%	19.6%
Net debt/equity ratio	41.2%	44.5%
Net debt/EBITDA [1] [2]	1.51	1.45

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

Parent Company Income Statements in brief

SEK m (Note 1)	6 months January-June 2011	6 months January-June 2010	3 months April-June 2011	3 months April-June 2010
Net Sales	**548**	**561**	**290**	**295**
Cost of goods sold	-498	-499	-263	-256
Gross profit	**51**	**63**	**28**	**39**
Selling expenses	-58	-62	-27	-29
Administrative expenses	-71	-62	-40	-30
Research and development expenses	-6	-6	-3	-3
Other operating incomes	113	129	55	65
Other operating expenses	-82	-106	-42	-52
Operating income	**-53**	**-44**	**-29**	**-11**
Revenue from participations in Group Companies	34	241	34	241
Other interest revenue and similar income	14	10	7	5
Interest expenses and similar expenses	-11	7	-5	5
Net financial items	**37**	**258**	**37**	**251**
Income after financial items	**-16**	**215**	**7**	**240**
Taxes on income for the period	0	-7	0	-7
Net income for the period	**-16**	**208**	**7**	**234**

Parent Company Statement of comprehensive income

SEK m	6 months January-June 2011	6 months January-June 2010	3 months April-June 2011	3 months April-June 2010
Net income of the period				
Comprehensive income, net after tax:	**-16**	**208**	**7**	**234**
Exchange rate differences - translation of subsidiaries	2	-1	1	-1
Cash flow hedge	0	-	0	-
Comprehensive income of the period, net after tax	**2**	**-1**	**1**	**-1**
Sum of comprehensive income of the period	**-14**	**207**	**8**	**233**
Comprehensive income of the period attributable to:				
Equity holders of the Parent Company	-14	207	8	233

Parent Company Balance Sheets in Brief

SEK m	30 June 2011	31 December 2010	30 June 2010
ASSETS			
Goodwill	550	599	649
Other intangible fixed assets	41	38	32
Total intangible fixed assets	**590**	**637**	**681**
Tangible fixed assets	74	63	65
Financial fixed assets	1 013	1 031	1 052
Total fixed assets	**1 088**	**1 731**	**1 799**
Inventories	91	103	101
Accounts receivable	110	96	113
Other operating receivables	1 090	1 026	1 076
Cash and bank	41	65	35
Total current assets	**1 332**	**1 290**	**1 324**
TOTAL ASSETS	**3 010**	**3 021**	**3 123**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Total restricted shareholders equity	83	83	84
Total unrestricted shareholders equity	1 866	1 994	1 977
Shareholders' equity	**1 949**	**2 077**	**2 061**
Provisions	**115**	**109**	**111**
Long-term financial liabilities	647	510	651
Total long-term liabilities	**647**	**510**	**651**
Accounts payable	54	52	41
Other short-term liabilities	245	273	259
Total short-term liabilities	**299**	**325**	**300**
TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES	**3 010**	**3 021**	**3 123**

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 2011 are calculated at exchange rates for 2010.

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

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

HoReCa: Abbreviation for hotels, restaurants and catering.

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

Notes

Note 1 • Accounting and valuation principles

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

This interim report has been prepared in accordance with IAS 34, Interim Reporting. The consolidated financial statements have been prepared in accordance with IFRS as adopted by the EU and with the related reference to Chapter 9 of the Annual Accounts Act. The parent company's financial statements are prepared in accordance with RFR 2, Reporting for Legal Entities, and the Annual Accounts Act. The accounting principles are the same as in the Annual Report as per 31 December 2010.

Note 2 • Segment reporting, SEK m

January - June

2011-01-01 – 2011-06-30	**Professional**	**Retail**	**Tissue**	**Group's Total**
Total net sales	1 320	293	502	**2 115**
Net sales from other segments	-	-	288	**288**
Net sales from external customers	**1 320**	**293**	**214**	**1 827**
Underlying operating income	**144**	**1**	**10**	**155**
Non-recurring items	-	-	-	**-8**
Operating income	**-**	**-**	**-**	**147**
Net financial items	-	-	-	**-12**
Income after financial items	-	-	-	**134**

2010-01-01 – 2010-06-30	**Professional**	**Retail**	**Tissue**	**Group's Total**
Total net sales	1 344	320	523	**2 187**
Net sales from other segments	-	-	257	**257**
Net sales from external customers	**1 344**	**320**	**266**	**1 930**
Underlying operating income	**163**	**1**	**5**	**168**
Non-recurring items	-	-	-	**-4**
Operating income	**-**	**-**	**-**	**165**
Net financial items	-	-	-	**-9**
Income after financial items	-	-	-	**156**

April - June

2011-04-01 – 2011-06-30	Professional	Retail	Tissue	Group's Total
Total net sales	717	135	252	**1 103**
Net sales from other segments	-	-	142	**142**
Net sales from external customers	**717**	**135**	**109**	**960**
Underlying operating income	**91**	**-4**	**1**	**88**
Non-recurring items	-	-	-	**-2**
Operating income	**-**	**-**	**-**	**86**
Net financial items	-	-	-	**-7**
Income after financial items	-	-	-	**79**

2010-04-01 – 2010-06-30	Professional	Retail	Tissue	Group's Total
Total net sales	710	136	264	**1 110**
Net sales from other segments	-	-	139	**139**
Net sales from external customers	**710**	**136**	**125**	**970**
Underlying operating income	**94**	**-7**	**5**	**91**
Non-recurring items	-	-	-	**-1**
Operating income	**-**	**-**	**-**	**91**
Net financial items	-	-	-	**-1**
Income after financial items	-	-	-	**90**

No significant changes have taken place in the assets of the segments compared with the annual report as per 31 December 2010.

Note 3 • Non-recurring items

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

Derivative instruments SEK m	6 months January-June 2011	6 months January-June 2010	3 months April-June 2011	3 months April-June 2010	12 months July-June 10/11	12 months January-December 2010
Other operating incomes	-	2	-	1	6	8
Other operating expenses	-8	-6	-2	-2	-8	-6
Total	**-8**	**-4**	**-2**	**-1**	**-3**	**1**

Restructuring cost SEK m	6 months January-June 2011	6 months January-June 2010	3 months April–June 2011	3 months April–June 2010	12 months July-June 10/11	12 months January-December 2010
Cost of goods sold	-	0	-	0	0	0
Selling expenses	-	-	-	-	-	1
Other operating expenses	-	-	-	-	0	-1
Total	**0**	**0**	**0**	**0**	**0**	**0**