Duni

Press release

Six-month report for Duni AB (publ) 1 January – 30 June 2007

(compared with the same period previous year)

26 September 2007

Net sales increased by 7.3% compared to previous year

1 January – 30 June 2007

- Net sales increased by 7.3% to SEK 1,894m (1,765).
- Operating income increased by 43.8% to SEK 151m (105).
- Income before tax amounted to SEK 31m (-27).
- Net income for the period amounted to SEK 3m (-37).
- Price increases have been implemented in all major markets to compensate for higher raw material costs.
- Continued growth of net sales in the Professional business area of 6.0% (8.7%).
- Investments within category management contributed to 10.5% (-6.9%) growth of net sales in the Retail business area.
- The sale of the flight catering business deSter was completed in March 2007.

1 April – 30 June 2007

- Net sales increased by 5.9% to SEK 971m (917).
- Operating income increased by 10.6% to SEK 73m (66).
- Income before tax amounted to SEK 60m (-5).
- Net income for the period amounted to SEK 34m (-20).

CEO's comments

The growth in sales for the first half of 2007 was attributable primarily to increased volumes, but was also explained by implemented price increases.

Sales within the Professional business area were driven by overall strong market conditions coupled with a trend towards meals being increasingly taken outside the home, as well as a decline in the use of linen for table settings in favour of premium paper based products. Moreover, the Retail sector is gradually providing greater space for Duni's products in stores. The demand for Duni's products within the Tissue business area remained strong during the period.

The positive sales development was the main driver behind the continued overall profit improvement.

The structural changes within the Duni group are now completed, following the sale of Duni Americas in 2006 and of the flight catering business, deSter Holding B.V., which was executed at the end of the first quarter 2007. As a consequence Duni is now fully focused on growth of its core business, says Fredrik von Oelreich, CEO, Duni.

New Group structure and reporting

During 2006 and at the beginning of 2007, Duni has completed the concentration to its core business, in principle corresponding to the former Duni Europe. The American business, Duni Corporation and Duni Supply Corporation, were sold in August 2006 and the sale of the flight catering business was completed in March 2007, when Duni AB sold the shares in the deSter Holding B.V. to a newly established holding entity, wholly owned by funds advised by EQT.

A financing package for the continuing operations was secured by the end of March. As a consequence thereof and the divestment of deSter the contingent liabilities has decreased from SEK 21m to SEK 12m for the Group and from SEK 89m to SEK 42m for the parent company.

In order to achieve relevant comparisons between the years, only the new corporate structure of Duni is reported in full. As a consequence relevant comparisons between the years can be made. See note 1 for further information regarding accounting principles.

This report represents a full accounting year for the period 1 January – 30 June 2007. Following the restructuring, the company will revert back to a financial year ending 31 December.

Net sales increase of 7.3%

Net sales increased by SEK 129m, or 7.3%, to SEK 1,894m (1,765) during 1 January – 30 June 2007 compared to previous year. Exchange rate fluctuations had a negative impact on sales of 0.7%. Currency adjusted net sales increased by 8.1% to SEK 1,908m. The increase in sales is to the largest extent attributable to increased volumes, but is also explained by price increases.

Net sales during 1 April – 30 June increased by SEK 54m, or 6.0%, to SEK 971m (917). Currency adjusted net sales increased by 6.1% to SEK 973m (917)

Improved income

Operating income (EBIT) increased by 43.8% to SEK 151m (105) for the period 1 January – 30 June 2007. The gross margin was 25.1% (25.4).

The operating margin increased from 5.9% to 8.0%. The improvement is mainly due to the mentioned volume and price increases.

Exchange rate fluctuations had a negative impact on profit of 1.9%. Currency adjusted operating income increased by 46.7% to SEK 154m (105).

Income before tax amounted to SEK 31m (-27). Net Income was SEK 3m (-37).

Operating income (EBIT) for the period 1 April - 30 June increased by 10.6% to SEK 73m (66). The operating margin increased from 7.2% to 7.5%. The gross margin was 24.6% (24.9%).

Exchange rate fluctuations had a negative impact on operating income of 6.4%. Currency adjusted operating income increased by 18.2% to SEK 78m (66).

Income before tax increased to SEK 60m (-5). Net Income amounted to SEK 34m (-20).

Business area reporting

Duni's operations are divided into three business areas.

The Professional business area (sales to hotels, restaurants and catering companies) accounted for 66.5% of Duni's net sales during 1 January – 30 June 2007 and for 68.5% for the period 1 April - 30 June.

The Retail business area (sales to the consumer market via retail trade) accounted for 19.0% of net sales during 1 January – 30 June 2007 and for 16.5% for the period 1 April – 30 June.

The Tissue business area (consisting of airlaid and tissue based material for table top products and hygiene applications) represented 14.5% of net sales to external customers during 1 January – 30 June 2007 and for 15.0% for the period 1 April – 30 June.

The product assortments for Professional and Retail are to a large extent common, however adapted in packaging and design to fit the specific sales channels. Many production assets and general support functions are shared between the business areas. Duni has chosen to report the results for the business areas on an EBIT level, after allocation of such common costs.

Professional business area

Sales in the Nordic and German markets showed stable although moderate growth for the whole period and for the period 1 April – 30 June. Duni continues to enjoy a higher rate of growth in Benelux and the UK. Sales in southern and eastern Europe, continued to rise by double digits.

Net sales increased by 6.0% (8.7%) to SEK 1,261m (1,190) for the period 1 January – 30 June 2007.

Operating income increased by 27.5% to SEK 139m (109). The operating margin was 11.0% (9.2). The volume growth coupled with price increases were the main contributors to the profit improvement.

Net sales for the period 1 April – 30 June increased by 5.6 % to SEK 665m (630). Operating income increased by 14.9% to SEK 77m (67). The operating margin was 11.6% (10.6).

Retail business area

Investments to better manage the shelf space in store ("category management"), including a higher share of Duni branded products, contributed to a positive development for the business area. Furthermore volumes have developed positively in general with existing customers.

Net sales increased by 10.5% to SEK 359m (325) for the period 1 January – 30 June 2007.

Operating income improved to SEK -10m (-19). The operating margin was -2.8% (-5.8%). The improvement was due to volume growth and strong cost control. The Retail business is seasonal where the largest portion of sales is generated in the fourth quarter.

Net sales for the period 1 April – 30 June increased by 1.2% to SEK 163m (161). Operating income decreased to SEK -13m (-8). The operating margin was -8.0% (-5.0%).

Tissue business area

Net sales increased by 9.6% to SEK 274m (250) for the period 1 January – 30 June 2007. The increase in sales was attributable primarily to sales of airlaid materials sold to manufacturers of hygienic consumer products.

Operating income increased by 46.6 % to SEK 22m (15). The operating margin was 8.0% (6.0%).

Net sales for the period 1 April - 30 June increased by 13.5 % to SEK 143m (126). Operating income increased by 28.6% to SEK 9m (7). The operating margin was 6.3 % (5.6%).

Cash flow

The Group's cash flow from operations during the period 1 January – 30 June 2007 amounted to SEK -86m (-111) before investments/ divestments and SEK 1,156m (-88) after investments/divestments. Duni's net investments amounted to SEK 63m (94). The main part of Duni's operating income is generated during the second half of the year leading to a stronger cash flow during that period.

Operating capital

During the period, inventory for continuing operations increased by SEK 41m to SEK 503m for continuing operations. The corresponding increase in preceding year was SEK 37m. Accounts receivable for continuing operations increased by SEK 89m to SEK 653m (564). Depreciation and amortisation for the period 1 January – 30 June 2007 was SEK 44m (42).

Financial net and taxes

The financial net for the period amounted to SEK -120m (-132). In the period 1 April – 30 Net financial items was improved to SEK -13m (-71), following the refinancing in connection with the sale of deSter Holding B.V.

Total taxes amounted to SEK -28m (-11). The fluctuations in taxes between isolated quarters are mainly due to timing effects of accrued costs not yet tax deductible.

Purchase

The purchase organisation is centralised at the head office in Malmö and is split up in the strategic procurement department which handles all negotiations and purchase agreements with suppliers, and an operational department which handles all day-to-day orders and planning of supply. For traded goods, call-off is handled at the head office, whereas production input material is handled at the production units.

Personnel

On 30 June 2007, there were 1,967 (3,241) employees in Duni. Of the number of employees, 894 were employed within production. Duni's production units are located in Bramsche in Germany, Poznan in Poland, and Bengtsfors in Sweden.

Sale of Duni Americas and deSter Holding B.V.

In August 2006 Duni Americas was sold to Norwest Equity Partners. The final sales price for Duni Americas is subject to an arbitration proceeding during 2007.

In March 2007, Duni AB sold the shares in the deSter Holding B.V. to a newly established holding entity, wholly owned by funds advised by EQT. See note 2 for further information.

Acquisitions
No acquisitions were made during the period.

New establishments
No new establishments were made during the period.

Risk factors for Duni
A number of risks factors may affect Duni's operations in terms of operational risks and financial risks. Operational risks are normally managed by the operating units and financial risks by the Group Treasury department.

Operational risks
Duni is currently exposed to risks in connection with its business operations. Managing the impact of fluctuations in the prices of raw materials is important for maintaining the Group's profitability. The development of attractive collections – in particular the Christmas collection – is very important for Duni's development of sales and results.

Financial risks
Financial risks refer primarily to risks related to exchange rates, interest rates and credit risks. Risk management within Duni is regulated by a financial policy established by the Board of Directors.

The risks for the Group are also relevant for the parent company. A description of risk management for the Duni Group is presented in the 2007 Annual Report.

Transactions with related parties
Purchases from, and sales to, closely-associated companies amounted to SEK 40m (2006: SEK 158m). 'Closely-associated companies' as used here means companies in the deSter Group. For additional information, see the note 'Discontinued operations' in the 2007 Annual Report.

Change in Board of Directors
During the first quarter, Duni's Board of Directors was strengthened by the addition of Peter Nilsson, former President and CEO of the Duni Group (under its former structure), Dr. Gerold Linzbach, President of the German company Symrise GmbH, as well as Gun Nilsson, former Vice-President of the Duni Group (under its former structure) and a member of the Board of Husqvarna AB.

Events post 30 June
The Board of Duni has been further strengthened by the election of two new Board members. At an extraordinary general meeting on August 10, 2007, Pia Rudengren and Harry Klagsbrun, who replaces Juha Lindfors, were elected to the Board of Duni. Pia Rudengren is Chairman of Q-Med AB, a Board member of Biophausia AB, Zodiak Television AB and Varyag Resources AB. Prior to joining EQT Partners as a senior partner, Harry Klagsbrun was a member of the Group Executive Committee at SEB, running its Asset Management Division and CEO of Alfred Berg Group. Pia and Harry will bring important capital markets and SSE listing experience to the Duni Board.

Outlook for 2007
Duni foresees continued favourable market conditions for its products in the coming months. Raw material prices are still following an upward trend, but Duni's price increases are estimated to come into full effect during the second half of 2007.

The parent company
Net sales amounted to SEK 576m (436) for the period 1 January – 30 June 2007. Income after financial items amounted to SEK -149m (-265). Net borrowings amounts to SEK 1,271m, of which SEK 252m refer to subsidiaries.
Net investments amounted to SEK 15m (8).

Net sales for the period 1 April - 30 June amounted to SEK 301m (241). Income after financial items amounted to SEK -149m (-265).

As a consequence of the before mentioned divestment of deSter, the Financial fixed assets, Other operating receivables, Long term loans and Short term loans have been reduced.

Accounting principles
This six-month report has been prepared according to IAS 34 and according to the Swedish Financial Accounting Standards Council's standards RR 31 and, with regard to the parent company, RR 32. The accounting principles applied comply with those presented in the June 2007 Annual Report.

Malmö, [xx] September 2007
Duni AB (publ)
The Board of Directors

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Report from the Board and the CEO
The Board and the CEO certify that this report gives a true and fair view of Duni's financial position and results of operations and describes risks and uncertainties that the parent company, the Group and the companies that form part of the Group are facing.

Malmö, 26 September 2007

Peter Nilsson, Chairman of the Board

Sanna Suvanto-Harsaae, Board member

Harry Klagsbrun, Board member

Göran Lundqvist, Board member

Dr. Gerold Linzbach, Board member

Gun Nilsson, Board member

Pia Rudengren, Board member

Göran Andreasson, Employee representative

Per-Åke Halvordsson, Employee representative

Fredrik von Oelreich, President and CEO

Review Report

We have reviewed the interim report for the period 1 January 2007 – 30 June 2007 for Duni AB. The Board of Directors and CEO are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by FARSRS. 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 practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not, in all material respects, in accordance with IAS 34 and the Annual Accounts Act.

Malmö 27 September 2007

PricewaterhouseCoopers AB

Bo Hjalmarsson
Authorized Public Accountant

Consolidated Income Statements

SEK M	6 months January-June 2007	6 months January-June 2006	3 months April-June 2007	3 months April-June 2006	12 months January-December 2006
Net Sales	1,894	1,765	971	917	3,762
Cost of goods sold	-1,423	-1,316	-732	-690	-2,812
Gross profit	471	449	239	228	950
Selling expenses	-227	-220	-112	-104	-459
Administrative expenses	-98	-122	-47	-62	-219
Research and development expenses	-6	-6	-4	-4	-6
Other operating income	26	7	9	10	44
Other operating expenses	-15	-4	-12	0	-33
Operating income	151	105	73	66	277
Interest income	19	30	5	15	59
Interest expenses etc.	-139	-162	-18	-86	-335
Net financial items	-120	-132	-13	-71	-276
Income after financial items	31	-27	60	-5	1
Taxes	-28	-11	-26	-15	-12
Net income continuing operations	3	-37	34	-20	-11
Net income discontinued operations[1]	457	22	-	28	77
Net Income	460	-15	34	8	66
Income attributable to:					
Equity holders of the Parent Company	460	-15	34	8	66
Minority interests	-	-	-	-	-
Income per share, continuing operations, SEK					
Before dilution	0.06	-0.79	0.72	-0.43	-0.23
After dilution	0.06	-0.79	0.72	-0.43	-0.23
Average number of shares before dilution (´000)	46 999	46 999	46 999	46 999	46 999
Average number of shares after dilution (´000)	47 667	48 335	46 999	48 335	48 335
Income per share, discontinued operations, SEK					
Before dilution	9.72	0.47	-	0.60	1.64
After dilution	9.59	0.47	-	0.60	1.64
Average number of shares before dilution (´000)	46 999	46 999	46 999	46 999	46 999
Average number of shares after dilution (´000)	47 667	48 335	46 999	48 335	48 335
Income per share, attributable to equity holders of the Parent Company, SEK					
Before dilution	9.78	-0.32	0.72	0.17	1.41
After dilution	9.65	-0.32	0.72	0.17	1.41
Average number of shares before dilution (´000)	46 999	46 999	46 999	46 999	46 999
Average number of shares after dilution (´000)	47 667	48 335	46 999	48 335	48 335

[1] The American business, Duni Corporation and Duni Supply Corporation, were sold in August 2006 and the sale of deSter Holding B.V. was completed in March 2007.

Consolidated Quarterly Income Statements

SEK M	2007		2006				2005	
Quarter	Apr-June	Jan-March	Oct-Dec	July-Sep	Apr-June	Jan-March	Oct-Dec	July-Sep
Net Sales	971	923	1.111	886	917	848	1,112	885
Cost of goods sold	-737	-686	-834	-661	-690	-627	-841	-668
Gross profit	234	237	277	224	228	222	271	217
Selling expenses	-112	-115	-139	-100	-104	-116	-193	-118
Administrative expenses	-47	-51	-46	-50	-62	-60	7	-57
Research and development expenses	-4	-2	2	-3	-4	-1	2	0
Other operating income	14	12	37	-1	10	3	25	4
Other operating expenses	-12	-3	-32	2	0	-9	-10	18
Operating income	73	78	100	72	66	39	101	64
Interest income	5	14	15	14	15	15	15	13
Interest expenses etc.	-18	-121	-76	-96	-86	-76	-86	-72
Net financial items	-13	-107	-62	-83	-71	-61	-70	-59
Income after financial items	60	-29	38	-10	-4	-23	31	5
Taxes	-26	-2	-36	34	-15	5	-55	-1
Net income continuing operations	34	-31	3	24	-19	-18	-24	5
Net income discontinued operations[1)]	-	457	-6	61	27	-5	97	-11
Net Income	34	426	-3	84	8	-23	73	-6

[1)] The American business, Duni Corporation and Duni Supply Corporation, were sold in August 2006 and the sale of deSter Holding B.V. was completed in March 2007.

Consolidated Balance Sheets

SEK M	30 June 2007	31 Dec [1] 2006	30 June[2] 2006
ASSETS			
Goodwill	1,199	2,145	2,237
Other intangible fixed assets	21	15	11
Tangible fixed assets	399	692	810
Financial fixed assets	434	496	557
Total fixed assets	2,053	3,348	3,615
Inventories	503	639	833
Accounts receivable	653	900	983
Other operating receivables	214	233	270
Cash and bank	112	193	122
Total current assets	1,482	1,965	2,208
TOTAL ASSETS	3,535	5,313	5,823
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	1,300	838	771
Long term loans	1,234	2,349	2,873
Other long term liabilities	232	305	316
Total long term liabilities	1,466	2,654	3,189
Accounts payable	256	472	545
Short term loans	15	700	530
Other liabilities	498	649	788
Total short term liabilities	769	1,821	1,863
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,535	5,313	5,823

1) Balance sheet per December 2006 includes discontinued operations, deSter, which was sold in March 2007.
2) Balance sheet per June 2006 includes discontinued operations, deSter, which was sold in March 2007 and Duni Americas, which was sold in August 2006.

Change in shareholders' equity

SEK M	Related to parent company's shareholders					Minority interest	Total Share-holders' Equity
	Share capital	Other capital contrib.	Reserves	Loss carried forward incl. earnings/loss for the year	TOTAL		
Closing balance 31 December 2005	**59**	**1,681**	**74**	**-1,000**	**814**	**2**	**816**
Currency rate differences	-	-	-32	-	**-32**	-	**-32**
Acquisition of businesses	-	-	-	-	**-**	2	**2**
Total transactions reported directly against shareholders' equity	**0**	**0**	**-32**	**0**	**-32**	**2**	**-32**
Net income for the period	-	-	-	-15	**-15**	-	**-15**
Total reported revenues and costs	**0**	**0**	**-32**	**-15**	**-47**	**2**	**-45**
Closing balance 30 June 2006	**59**	**1,681**	**42**	**-1,015**	**767**	**4**	**771**
Currency rate differences	-	-	-14	-	**-14**	-	**-14**
Acquisition of businesses	-	-	-	-	**-**	-	**0**
Total transactions reported directly against shareholders' equity	**0**	**0**	**-14**	**0**	**-14**	**0**	**-14**
Net income for the period	-	-	-	81	**81**	-	**81**
Total reported revenues and costs	**0**	**0**	**-14**	**81**	**67**	**0**	**67**
Closing balance 31 December 2006	**59**	**1,681**	**28**	**-934**	**834**	**4**	**838**
Currency rate differences	-	-	6	-	**6**	-	**6**
Minority interest sold	-	-	-	-	**-**	-4	**-4**
Total transactions reported directly against shareholders' equity	**0**	**0**	**6**	**0**	**6**	**-4**	**-2**
Net income for the year	-	-	-	460	**460**	-	**460**
Total reported revenues and costs	**0**	**0**	**6**	**460**	**466**	**-4**	**462**
Closing balance 30 June 2007	**59**	**1,681**	**34**	**-474**	**1,300**	**0**	**1,300**

Consolidated Cash Flow Analysis [1)]

SEK M	1 Jan– 30 June 2007	1 Jan – 30 June 2006	1 Jan – 31 Dec 2006
Current operation			
Operating income, continuing operations	151	105	277
Operating income, discontinued operations	465	60	202
Adjustment for items not included in cash flow etc	-399	58	41
Interest, dividend and tax	-132	-125	-241
Change in working capital	-171	-209	-148
Cash flow from operations	-86	-111	131
Investments			
Acquisition of fixed assets	-63	-94	-210
Sales of fixed assets	1	11	19
Divested business	1,209	-	441
Change in interest-bearing receivables	9	-5	-9
Cash flow from investments	1,156	-88	241
Financing			
Net change in credit facility	23	250	-106
Amortization of debt	-2,400	-39	-497
Change in borrowing	1,234	-36	270
Cash flow from financing	-1,143	175	-333
Cash flow from the year	-73	-24	39
Liquid funds, opening balance	184	152	153
Exchange difference, liquid funds	1	-5	-8
Liquid funds, closing balance	112	123	184

1) The cash flow is a mix of continuing and discontinued operations. For more details see note 2, discontinued operations.

Consolidated Key Ratios

	1 Jan – 30 June 2007	1 Jan – 30 June 2006
Net Sales, SEK m	1,894	1,765
Gross Profit, SEK m	476	449
EBIT, SEK m	151	105
EBITDA, SEK m	195	147
Number of Employees	1,967	3,241
Sales growth, %	7.3	6.4
Gross margin, %	25.1	25.4
EBIT margin, %	8.0	5.9
EBITDA margin, %	10.3	8.3

Parent Company Income Statements

SEK M	6 months January-June 2007	6 months January-June 2006
Net Sales	576	436
Cost of goods sold	-534	-385
Gross profit	42	51
Selling expenses	-60	-59
Administrative expenses	-71	-92
Research and development expenses	-1	0
Other operating income	63	20
Other operating expenses	-100	-86
Operating income	-127	-166
Result from participations in group companies	77	28
Interest income	28	39
Interest expenses etc.	-127	-171
Net financial items	-22	-104
Income after financial items	-149	-265
Appropiations	-	-3
Taxes	36	53
Net income	-113	-218

Parent Company Balance Sheets

SEK M	30 June 2007	31 Dec 2006
ASSETS		
Goodwill	949	999
Other intangible fixed assets	5	5
Tangible fixed assets	75	90
Financial fixed assets	1,139	2,366
Total fixed assets	2,168	3,460
Inventories	133	114
Accounts receivable	148	133
Other operating receivables	588	1,281
Cash and bank	64	54
Total current assets	933	1,582
TOTAL ASSETS	3,101	5,042
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	1,261	1,375
Long term loans	1,357	2,553
Other long term liabilities	151	141
Total long term liabilities	1,508	2,694
Accounts payable	42	48
Short term loans	15	700
Other liabilities	275	225
Total short term liabilities	332	973
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,101	5,042

Duni's share

As per end of June the share capital in Duni AB amounted to SEK 58,926m distributed among a total of 5 874 879 shares, each with a quota value of SEK 10.

At a Board meeting on 28 August 2007, there was a decision to split the share in 8:1 and the distributed amount of shares after this split is 46 999 032 shares, each with a quota value of SEK 1,25.

Shareholders

Duni AB is owned by Duni Holding AB, which in turn is indirectly controlled jointly by the private equity funds EQT I and EQT III. EQT I was launched 1995 and was fully invested 1999. The fund invested in medium-sized companies primarily based in the Nordic region. The committed capital of EQT I is SEK 3.2 billion. EQT III was launched 2001 and was fully invested 2005. The fund invested in medium sized companies in Northern Europe. The committed capital of EQT III EUR is 2 billion.

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 amortisation of goodwill

EBITA margin: EBITA as percent of net sales

EBITDA: Operating income before total depreciations

EBITDA margin: EBITDA as percent of net sales

Capital employed: Non-interest bearing fixed assets and current assets less non-interest bearing liabilities.

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

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

Number of employees: The number of employees at year-end.

Currency adjusted: Figures adjusted for currency exchange rates. 2007 years figures calculated at 2006 years rates.

Income per share: Income for the period divided by the average number of shares.

Notes

Note 1 Accounting and valuation principles

Duni applies since January 1, 2005, International Financial Reporting Standards (IFRS) as adopted by the European Union. For transition effects see note 45 and 46 in Jthe 2007 Annual Report.

This six-month report has been prepared according to IAS 34 and according to the Swedish Financial Accounting Standards Council's standards RR 31 and, with regard to the parent company, RR 32. The accounting principles applied comply with those presented in the June 2007 Annual Report.

Note 2 Discontinued Operations

deSter group

On 29 March 2007, an agreement was entered into and Dunis' shares in the deSter group were sold. The sales price amounted to SEK 1,254 m. Commencing at the time of sale, Dunis' holdings in the deSter group have been reported under 'Discontinued Operations', which means that the deSter group's net income were reported on a line in the group's income statement. The deSter group constituted a separate segment.

No reclassification has been carried out of assets and liabilities in the balance sheet as per 30 June 2007 related to deSter, since the relevant decisions and sale took place during a single period.

Net cash flow from deSter

SEK M	2007	2006
Cash flow from current operations	11	22
Cash flow from investment operations	-13	-26
Cash flow from financing operations	28	38
Total cash flow	26	34

The cash flow relates in its entirety to the cash flow from the ongoing operations of deSter, including internal transactions between deSter and the Duni Group. 'Financing activities' relates to internal financing from Duni AB.

Income statement

SEK M	2007	2006
Net Sales	434	2,026
Operating costs	-424	-1,923
Other income/costs - net	2	-22
Financial items - net	-15	-25
Taxes	-11	-22
Loss/Income for the year	-14	34
Capital gain from sale - operating income	453	-
Capital gain from sale - financial net	18	-
Net income for the year from discontinued operations	457	34

Analysis of the effect on the group's liquid funds at the time of sale

SEK M	**2007**
Total Assets	1,975
Total Liabilities	-1,174
Capital Gain	453
Sales Price	1,254
Cash in company	-45
Total Cash Flow from divestment	1,209

Duni Americas

On 31 August 2006 an agreement was entered into and Duni's holdings in Duni Americas were sold, including the companies Duni Corporation and Duni Supply Corporation. Duni owned 100% of the shares in both companies. The sales price was at market value and amounted to SEK 290 million. Commencing the date of the sale, Duni's holdings in Duni Americas were reported as discontinued operations, entailing that Duni Americas' net earnings were presented on a row in the consolidated income statement. Duni Americas constituted a separate segment.

No reclassification of assets and liabilities relating to Duni Americas has taken place in the balance sheet as per 31 December 2006, since the decision and sale took place during the same period.

Net cash flow generated from Duni Americas:

SEK M	**2006**
Cash flow from current operations	27
Cash flow from investment operations	4
Cash flow from financing operations	-67
Total cash flow	-36

The cash flow relates in its entirety to the cash flow from the ongoing operations of Duni America, including internal transactions. 'Financing activities' relates to internal financing from Duni AB.

Income statement

SEK M	2006
Net Sales	466
Operating costs	-444
Other income/costs - net	-1
Financial items - net	-24
Taxes	-66
Loss for the year	-67
Capital gain from sale - operating income	98
Capital gain from sale - financial net	12
Net income for the year from discontinued operations	43

Capital gain – financial net relates to translation differences attributable to the discontinued business.

Analysis of the effect on the group's liquid funds at the time of sale

SEK M	2006
Total Assets	422
Total Liabilities	-230
Capital Gain	98
Sales Price	290
Netting of inter-company receivables	151
Cash in company	-
Total Cash Flow from divestment	441

Continuing Operations

Investments

The net investments for the group in total have during 2007 amounted to SEK 63m, (full year 2006: 210, first half year 2006: 94). The net investments for the continuing operations have been SEK 49m, (130, 57). Investments for the continuing operations primarily relate to maintenance of machines and the business system SAP.

Change in operating working capital

The total group's change in operating working capital, Inventory/accounts receivables/accounts payables, has during the year amounted to SEK -126m (full year 2006: 71, first half year 2006: -130). The change is based upon SEK -35m, (26, -38) in inventory, SEK -76m, (8, 18) in accounts receivable and SEK -16m, (-66, -91) in accounts payable for the continuing operations.