

# *Loetta*

## **Q1 2017 results – 21 April 2017**

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# Q1 highlights

## Net sales declined - profit for the period improved

- **Net sales** declined by 0.8 per cent to SEK 1,347m (1,358) including a positive impact from foreign exchange rates of 1.2 per cent
- **Operating profit** amounted to SEK 93m (108). **Profit for the period** improved to SEK 59m (44)
- **Operating profit, adjusted** for items affecting comparability, amounted to SEK 110m (126)
- **Cash flow** from operating activities amounted to SEK 155m (253)
- On 17 February, Cloetta signed an agreement to **acquire Candyking**



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# Overall market and sales development

## Sales declined

- The confectionery market showed a negative development in all of Cloetta's core markets
- Organic sales declined by 2.0 per cent
- Sales grew or was unchanged in Finland, the Netherlands, UK, Denmark, Norway and in the export markets
- In Sweden, sales declined in pick & mix, mainly due to the Easter effect
- Decline in contract manufacturing

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# Profit for the period increased

Key ratios, SEKm	Jan-Mar 2017	Margin %	Change %	Jan-Mar 2016	Margin %	Full year 2016
Net sales	1,347		-0.8	1,358		5,852
Gross profit	505	37.5		506	37.3	2,319
Operating profit, adjusted	110	8.2	-12.7	126	9.3	758
Operating profit/loss (EBIT)	93	6.9	-13.9	108	8.0	- 82
Net financial items	-12			-46		-174
Profit/loss before tax	81		30.6	62		-256
Profit/loss for the period	59		34.1	44		-191
Profit for the period excluding impact of impairment loss	59		34.1	44		403
Earnings per share, excluding impact of impairment loss, SEK	0.21		40.0	0.15		1.41

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# Changes in net sales

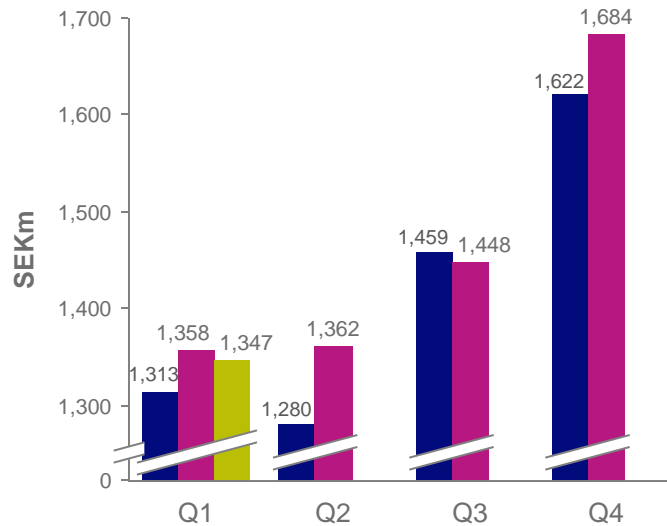
Changes in net sales	Jan-Mar 2017	Full year 2016
Organic growth	-2.0%	0.5%
Structural changes	-	2.2%
Changes in exchange rates	1.2%	0.4%
<b>Total</b>	<b>-0.8%</b>	<b>3.1%</b>

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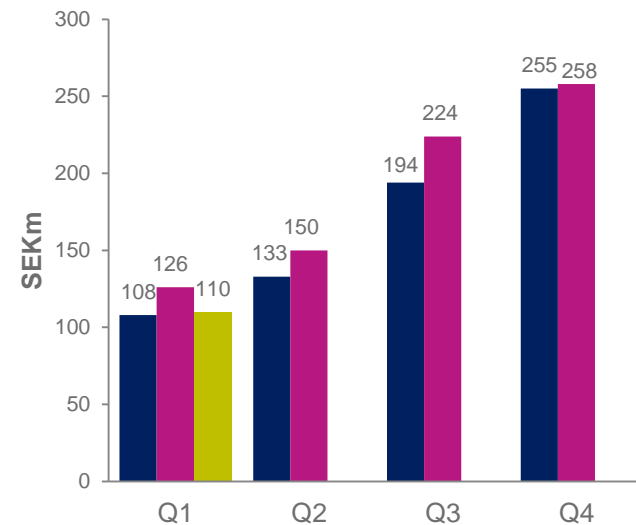


# Net sales and Operating profit, adjusted

Net sales



Operating profit, adjusted



■ 2015 ■ 2016 ■ 2017



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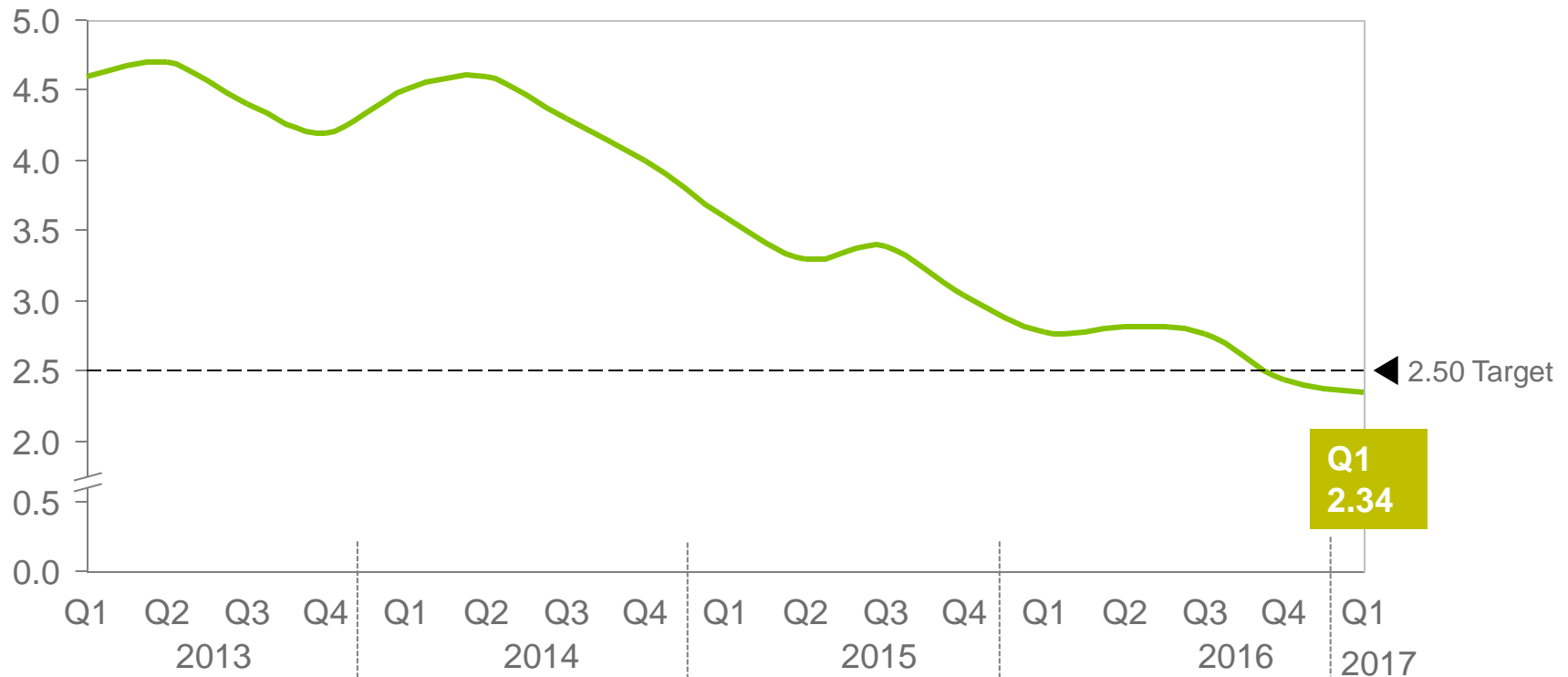
# Cash flow

SEKm	Jan-Mar 2017	Jan-Mar 2016	Full year 2016
Cash flow from operating activities before changes in working capital	62	121	813
Cash flow from changes in working capital	93	132	76
<b>Cash flow from operating activities</b>	<b>155</b>	<b>253</b>	<b>889</b>
Cash flow from investments in property, plant and equipment and intangible assets	-34	-38	-170
Cash flow from other investing activities	-	-	-152
<b>Cash flow from investing activities</b>	<b>-34</b>	<b>-38</b>	<b>-322</b>
<b>Cash flow from operating and investing activities</b>	<b>121</b>	<b>215</b>	<b>567</b>
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-90</b>	<b>-534</b>
<b>Cash flow for the period</b>	<b>121</b>	<b>125</b>	<b>33</b>



# Financial leverage

Net debt/EBITDA below target



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# In focus



Profitable  
growth



Closure of the  
acquisition of  
Candyking



Integration of  
Candyking



Strategic review  
of Cloetta Italy

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# Q1 selection of product launches

## Sweden



## Finland



## Norway



## Denmark



## The Netherlands



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**Q & A**

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