

Loetta

Q2 2013 results – 19 July 2013

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Q2 highlights

Significantly improved underlying profitability

- Net sales of SEK 1,131m (1,212)
- Underlying EBIT of SEK 109m (49)
- Underlying margin of 9.6 per cent (4.0)
- Repaid loan with SEK 90m
- Integration process essentially completed
- Factory restructurings proceeding according to plan
- Goody Good Stuff acquired
- New business system implemented in the factory in Levice



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Q2 Net sales and EBIT

SEKm	Apr-Jun 2013	Margin	Apr-Jun 2012	Margin
Net sales	1,131	-6.8% ¹⁾	1,212	
Operating profit (EBIT)	54	4.7%	-53	-4.4%
Underlying EBIT ²⁾	109	9.6%	49	4.0%
Profit for the period	-44		-122	

1) Changes in net sales

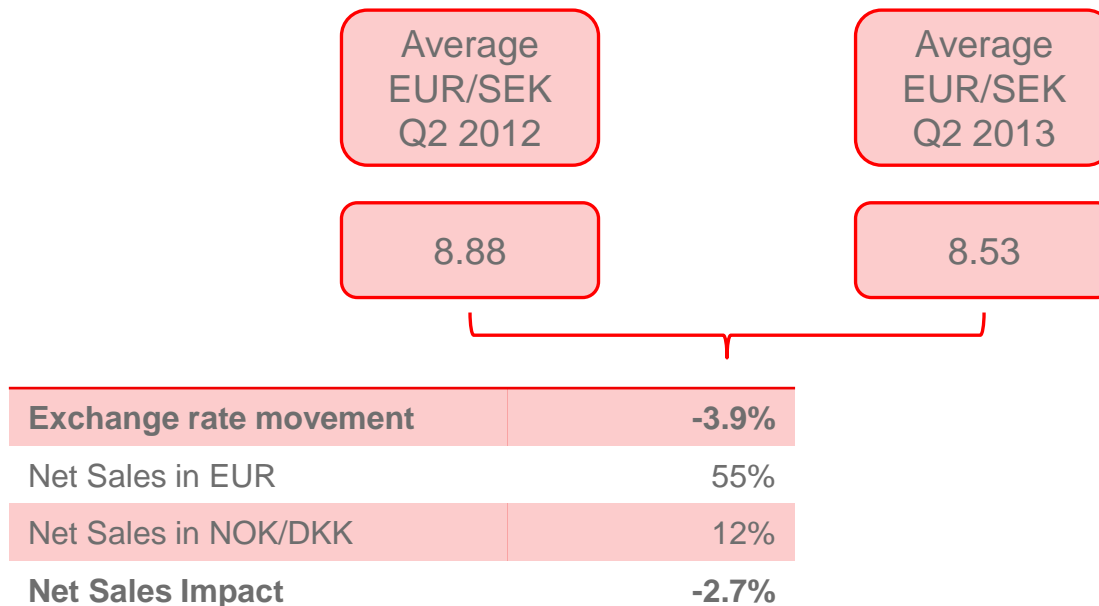
2) Adjusted for items affecting comparability related to the restructuring, integration & FX.

Changes in net sales, %	Apr-Jun 2013
Total	-6.8%
Changes in exchange rates	-2.7%
Structural changes	--
Organic growth	-4.1%

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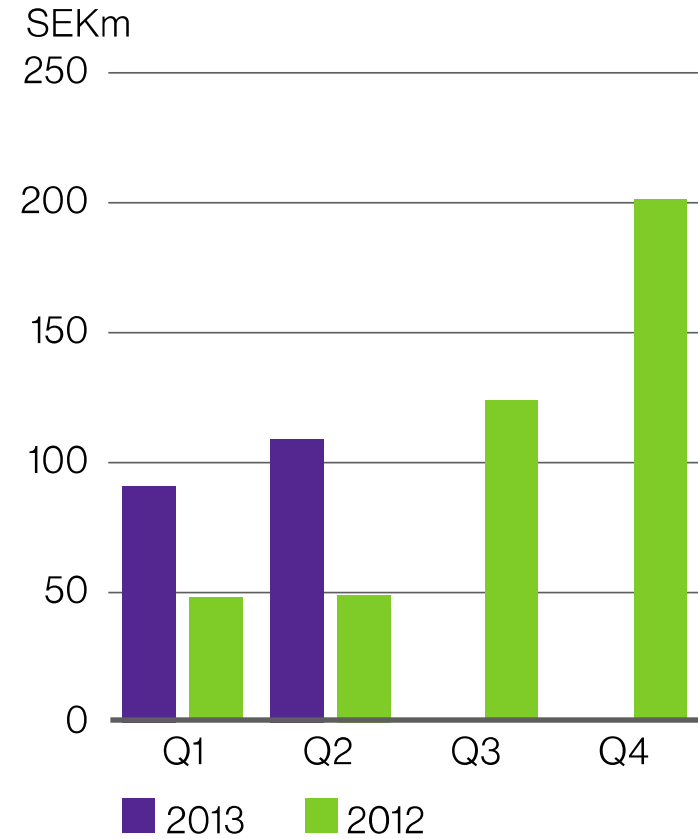


Net Sales, changes in exchange rates



- Despite recent strengthening of the EUR vs SEK, it is still weaker versus last year
- Large share of sales are in the Euroland area.
- Q1 effect was - 2.3%.

Underlying EBIT



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Applying Hedge accounting

SEKm	Q2 without hedge accounting	Adjustment	Q2 with hedge accounting
Net Sales	1,131	-	1,131
Operating Profit	54	-	54
Net Financial Items	-121	64	-57
Profit/loss before tax	-67	64	-3
Income tax expense	23	-14	9
Profit/loss for the period	-44	50	6

- Translation impact of partial borrowing currently recognized in profit and loss
- Other translation impacts are recognized in other comprehensive income
- Applying hedge accounting will eliminate volatility in profit and loss and will instead be recognized in other comprehensive income

Q2 cash flow

SEKm	Apr-Jun 2013	Apr-Jun 2012 ¹⁾
Cash flow from operating activities before changes in working capital	24	-20
Cash flow from changes in working capital	-47	145
Cash flow from operating activities	-23	125
Cash flows from investments in property, plant and equipment and intangible assets	-54	-50
Other cash flow from investing activities	-25	-1,372
Cash flow from investing activities	-79	-1,422
Cash flow from operating and investing activities	-102	-1,297

¹ The cash flow statement for Q1 and Q2 2012 has been restated after the final purchase price allocation.

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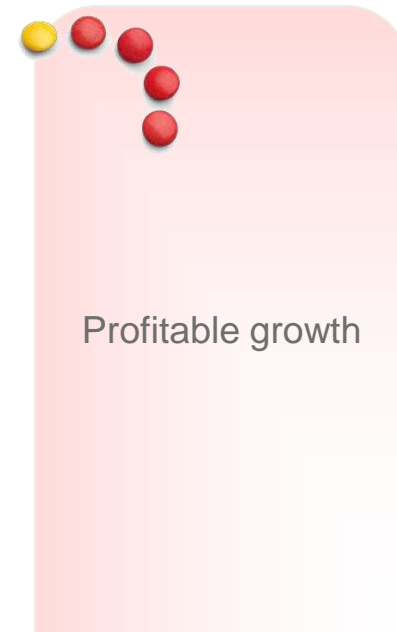
Synergy and factory restructuring program

Progress

- Integration process essentially completed
 - Some product insourcing, IT-integration and fine-tuning remains
 - Savings will be fully realised during 2013

- Factory restructurings proceeding according to plan
 - Factories in Alingsås and Aura closed, sold and products transferred
 - New Scandinavian warehouse structure in place
 - Factories in Levice and Ljungsbro preparing for production to be transferred from Gävle
 - Factory in Gävle to be closed Q1, 2014.
 - Savings will be fully realised towards the end of 2014.

In focus



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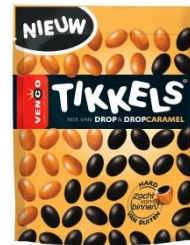


Q2 selection of product launches



Sweden

God&Glad Choklad Kola
Läkero! Sparkling
Läkero! Black Diamond
Guldnougat 100 years



Netherlands

Venco Tikkels Liquorice & Caramel



Italy

Saila Longfresh
Saila Mint&Guarana
Chewits new range of gummy candy
Stevia sweetener zero calories



Finland

Sisu chewing gum
Malaco Aakkoset
Tupla minibites
Tupla Dark



Norway

Malaco Surisar
Malaco Kombis
Malace Viva Lakrits



Travel Trade

Malaco Skipper's pipes

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Q&A

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