

Q2 2012 Results

Bengt Baron, CEO

Danko Maras, CFO

Jacob Broberg, SVP IR

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Cloetta

Q2 highlights

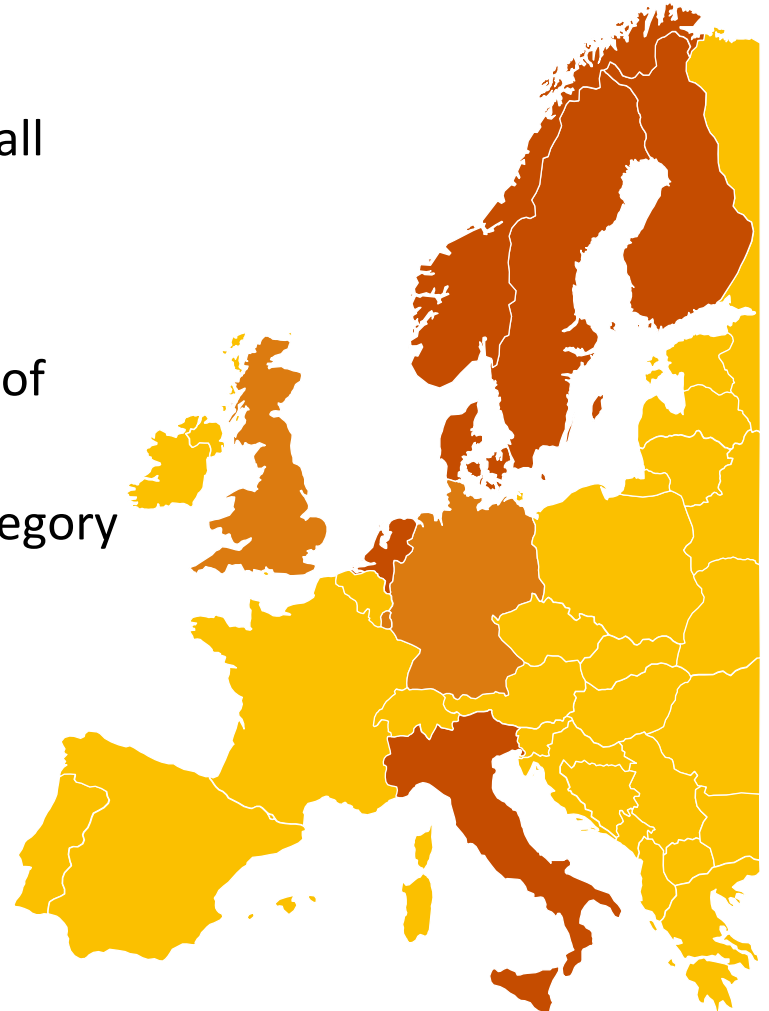
- Net sales of SEK 1,212m (1,120) - underlying net sales decrease of 3% due to continued soft markets
- Underlying EBITA of SEK 53m (112) excluding restructuring and integration costs of SEK 100m during the second quarter
- Rights issue and re-financing completed
- Integration process on plan – staff reductions carried out
- Restructuring process according to plan - decision to close the factories in Aura, Alingsås and Gävle
- Continued high raw material costs – implemented gross price adjustments have not yet had full effect
- Cash flow from operating activities of SEK 102m (143)



Overall market development

Soft development on most key markets

- Sugar confectionary category flattish overall
- Service trade under pressure
- Italy under pressure due to financial crisis
- Finland recovering from temporary effect of confectionary taxes
- Positive development in the chocolate category in Sweden



Progress - synergy and restructuring program

Synergies from the merger

- Restructuring in the commercial organisation
- Efficiency measures within administration
- In-sourcing of current distribution business in Finland, Denmark and Norway
- In-sourcing of third party production
- Procurement synergies
- Update corporate processes
- IT-integration and systems
- Finalise move of production from Slagelse, Denmark to Levice, Slovakia

**Annual savings of at least
SEK 110m on EBITDA-level**

Total implementation costs of appr. SEK 80m

Announced restructuring program

- Decision to close the factories in Aura, Finland, Gävle and Alingsås, Sweden.
- Decision to streamline warehouse operations in Scandinavia
- New Scandinavian warehouse structure in place
- Products transferred from Alingsås
- Products transferred from Aura
- Products transferred from Gävle

- Completed
- On-going

**Annual savings of approx.
SEK 100m on EBITDA-level**

Total implementation costs of SEK appr. 320-370m

Q2 Net sales and EBITA

SEKm	Reported			Underlying			
	Apr-Jun 2012	Apr-Jun 2011	change, %	Apr-Jun 2012	Apr-Jun 2011	change, %	Full year 2011
Net sales	1,212	1,120	+8.3	1,206	1,243	-3.0	5,242
EBITA	-54	72	neg	53	112	-53	548



Q2 Items affecting comparability

SEKm	Apr-Jun 2012	Jan-Jun 2012
EBITA	-54	-47
Supply chain restructuring	58	68
Integration expenses	42	50
Other items affecting comparability	3	38
Cloetta prior to merger	0	-9
Exchange rate differences	0	-1
Other	4	4
Underlying EBITA	53	103



Q2 cash flow

SEKm	Apr-Jun 2012	Apr-Jun 2011
Operating cash flow before changes in working capital	-32	66
Change in working capital	134	77
Cash flow from operating activities	102	143
Investments in property, plant and equipment and intangibles (capex)	-50	-50
Other cash flow from investing activities	29	-20
Cash from from investing activities	-21	-70
Financing activities	-181	-91
Total cash flow for the period	-100	-18

During the quarter the Group repaid loans of SEK 180m

In focus

- Integration process
- Restructuring process
- Pricing strategy

Q2 Selection of key product launches

Finland



Italy



The Netherlands



Sweden



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