

# *Loetta*

**Q4 2013 results – 14 February 2014**

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# Q4 highlights

## Maintained sales growth and increased profitability

- Net sales of SEK 1,441m (1,404)
- Underlying EBIT of SEK 231m (200)
- Items affecting comparability of SEK -56m (-118)
- Operating profit (EBIT) of SEK 175m (82)
- Cash flow from operating activities was SEK 116m (147)
- Factory restructurings proceeding according to plan – production in Gävle was terminated at year end
- Amortisation of SEK 68m of debt
- Net debt/underlying EBITDA decreased to 4.2x (5.1)
- Acquisition of Alrifai Nutisal AB completed on 8 January

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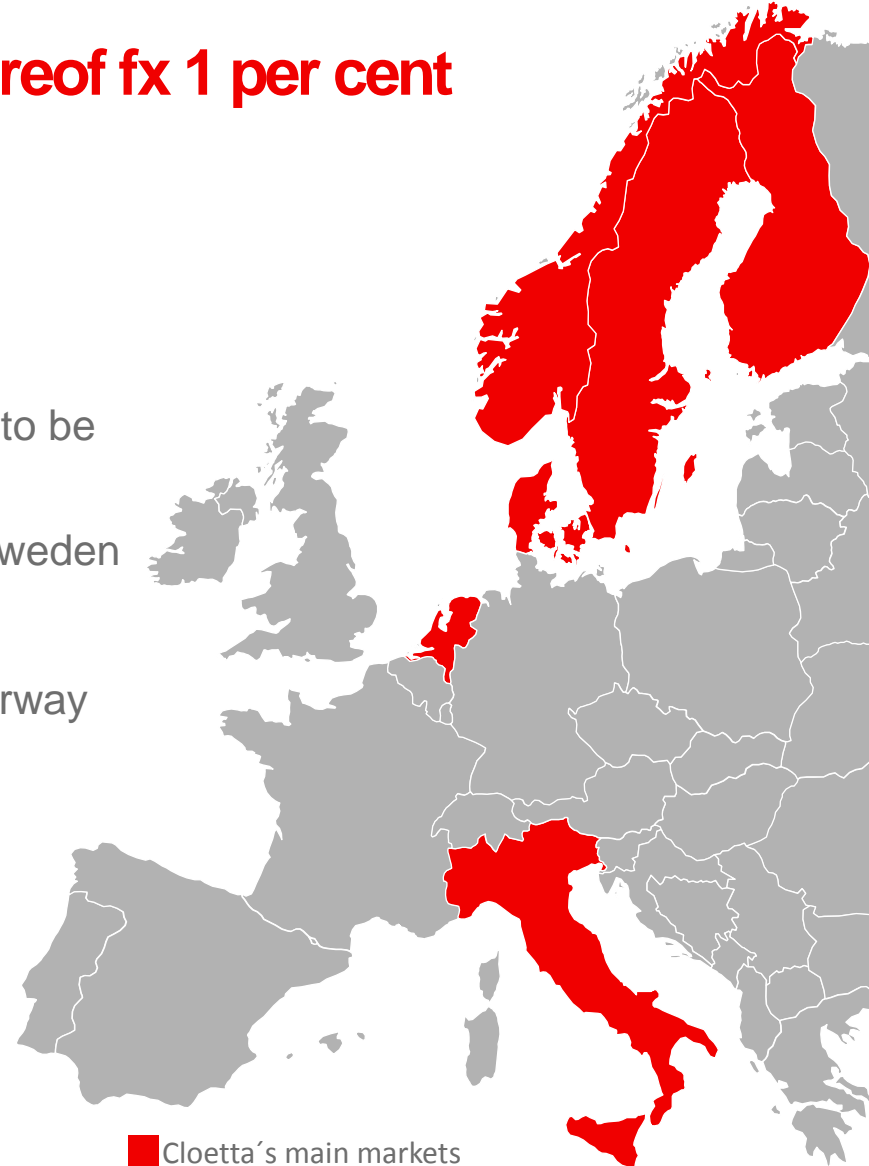


# Overall sales and market development

Sales growth of 2.6 per cent – whereof fx 1 per cent

- Recovery and stabilised market in Italy
- Finland returned to positive development
- The Dutch chewing gum market continued to be weak
- Positive development within chocolate in Sweden
- Successful product launches in Finland
- Discontinuation of a third party brand in Norway

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■ Cloetta's main markets

# Q4 Net sales and EBIT

SEKm	Oct-Dec 2013	Margin %	Change %	Oct-Dec 2012	Margin %
Net sales	1,441		2.6	1,404	
Underlying EBIT <sup>1)</sup>	231	16.1	15.5	200	14.6
Operating profit (EBIT)	175	12.1	113.4	82	5.7
Profit for the period	186		20.0	155	

1) Based on constant exchange rates, the current Group structure and excluding items affecting comparability related to restructurings.

Changes in net sales, %	Oct-Dec 2013
<b>Total</b>	<b>2.6%</b>
Changes in exchange rates	1.0%
Structural changes	0.0%
Organic growth	1.6%

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# Full year Net sales and EBIT

SEKm	Jan-Dec 2013	Margin %	Change %	Jan-Dec 2012	Margin %
Net sales	4,893		0.7 <sup>3)</sup>	4,859	
Underlying EBIT <sup>1)</sup>	591	12.0	39.7	423	8.7
Operating profit (EBIT)	418	8.5	234.4	125	2.6
Profit for before tax	210		N/A	-140	
Profit for the period	264		N/A	-73	
Earnings per share, basic and diluted, SEK <sup>2)</sup>	0.92		N/A	-0.26	

1) Based on constant exchange rates, the current Group structure and excluding items affecting comparability related to restructurings.

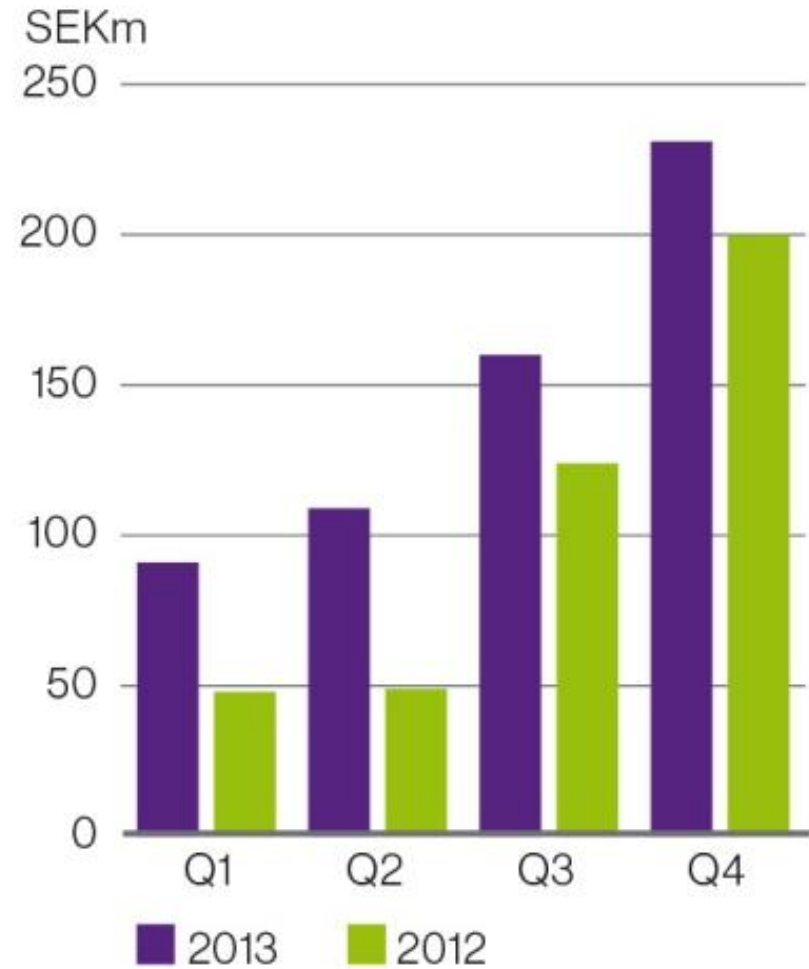
2) Comparative earnings per share are not representative for the current Group due to a different equity structure before the merger between Cloetta and LEAF and the effect on the rights issue which was carried out in the second quarter of 2012.

3) Organic growth at constant exchange rates and comparable units was -1.0% for the full year.

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# Underlying EBIT



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# Q4 cash flow

SEKm	Oct-Dec 2013	Oct-Dec 2012
Cash flow from operating activities before changes in working capital	232	113
Cash flow from changes in working capital	-116	34
<b>Cash flow from operating activities</b>	<b>116</b>	<b>147</b>
Cash flows from investments in property, plant and equipment and intangible assets	-61	-116
Other cash flow from investing activities	0	17
<b>Cash flow from investing activities</b>	<b>-61</b>	<b>-99</b>
<b>Cash flow from operating and investing activities</b>	<b>55</b>	<b>48</b>

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# Acquisition of Nutisal

- Nutisal was acquired on 8 January 2014
- A significant step into a new Munchy Moment in Cloetta home markets
- The nuts segment is growing by 5-8 % in Cloetta home markets
- Nutisal should benefit from Cloetta's strong route to market in core geographies
- Nutisal will contribute approximately 1 percentage point of growth per year in the next 3-5 years
- Integration under way – merging sales forces and taking over distribution from external distributors

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# Synergy and factory restructuring program

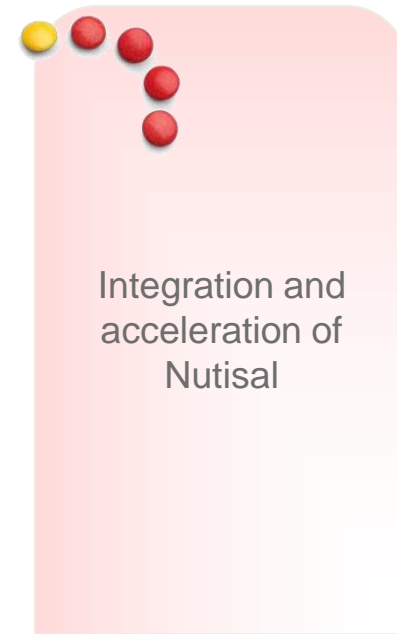
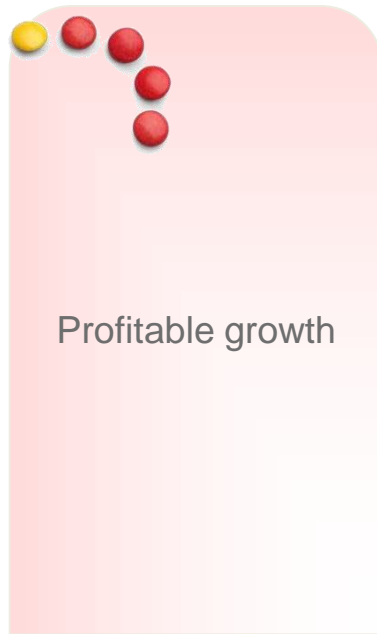
## Progress

- Factory restructurings proceeding according to plan
  - Production was terminated in the factory in Gävle at year-end 2013
  - Ramp-up of production in Levice and Ljungsbro towards full capacity ongoing
  - Final relocation of equipment and clean up in Gävle during Q1 2014
  - Savings will be fully realised towards the end of 2014
- Tupla insourcing to Ljungsbro proceeding according to plan
  - Expected to be finalised Q3 2014



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# In focus



# Q4 selection of product launches

SWEDEN



Juleskum Knäck

FINLAND



Läkerol Dents Mango  
TV Mix Fantasy

NETHERLANDS



Red Band Sweet 'n Pure  
Venco Dropmix

SALES REST OF THE WORLD



Läkerol Fruit Drops  
Mynton Peppermint  
Fünf Kräuter



**Q&A**

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