



Arne Frank
CEO

Fredrik Nilsson
CFO

Interim report Second quarter 2015

Agenda



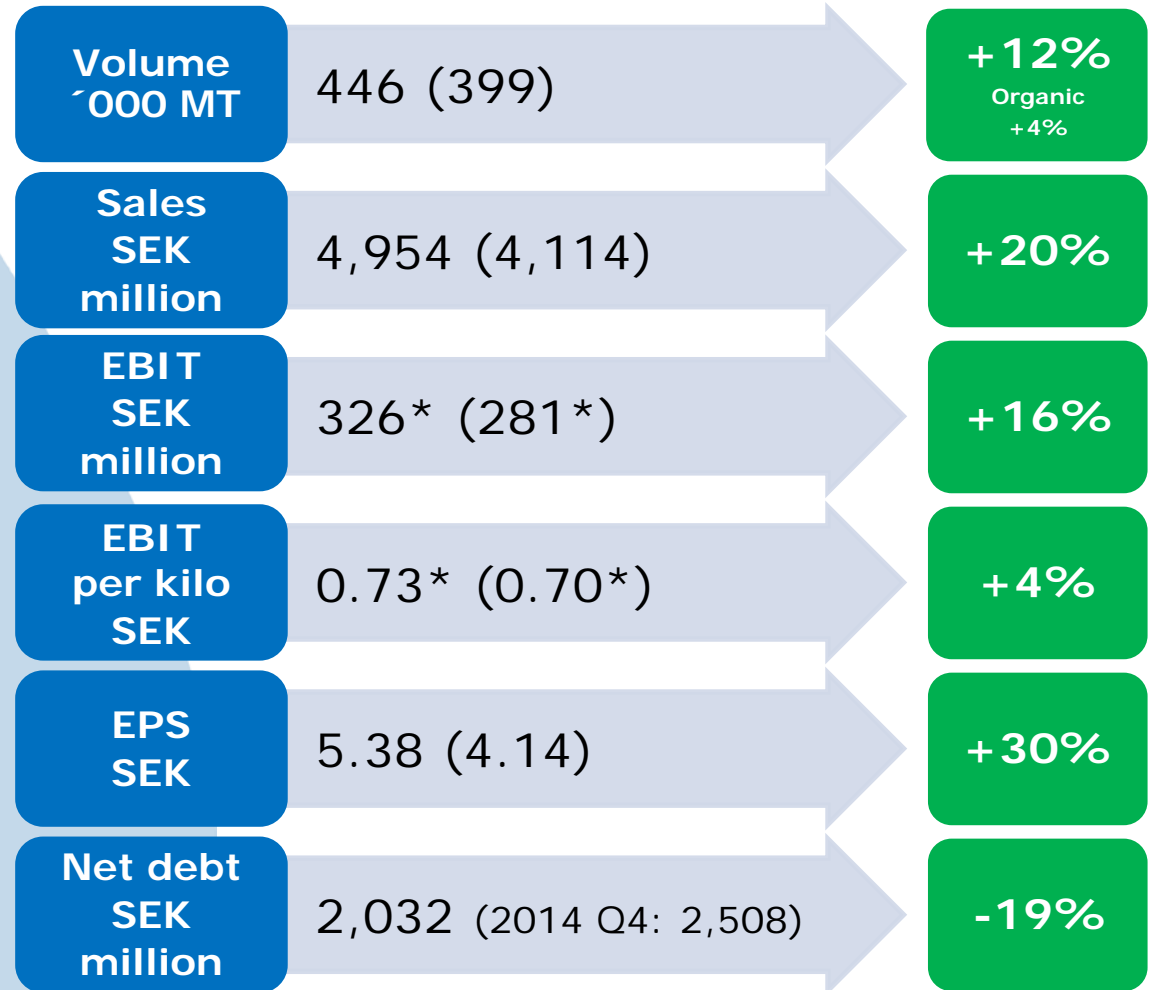
Second quarter 2015

Business area information

AAKtion

Q & A

Second quarter 2015



* Adjusted for non-recurring items

Second quarter 2015



♦ AAK Group – Operating profit

- Operating profit, excluding non-recurring items, reached SEK 326 million (281), an improvement of 16 percent
 - The currency translation impact was positive SEK 39 million
 - Operating profit at fixed foreign exchange rates and adjusted for last year's divestment of Binol improved by 4 percent
- Operating profit per kilo, excluding non-recurring items, reached SEK 0.73 (0.70). The currency translation impact was SEK 0.09 (0.01). Operating profit per kilo was again negatively impacted by;
 - The dilutive effect of the acquisitions in Belgium and Colombia
 - Continued volume growth in commodity products in Food Ingredients

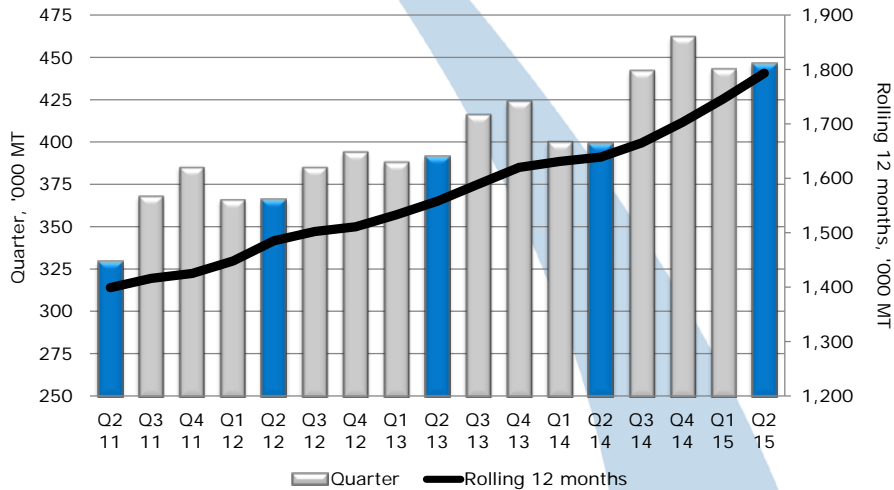
♦ Business areas – Operating profit

- Food Ingredients reached a result of SEK 221 million (198), an improvement of 12 percent
- Chocolate & Confectionery Fats improved with 27 percent and reached SEK 116 million (91)
- Technical Products & Feed reached a result of SEK 22 million (20 adjusted for the Binol divestment)

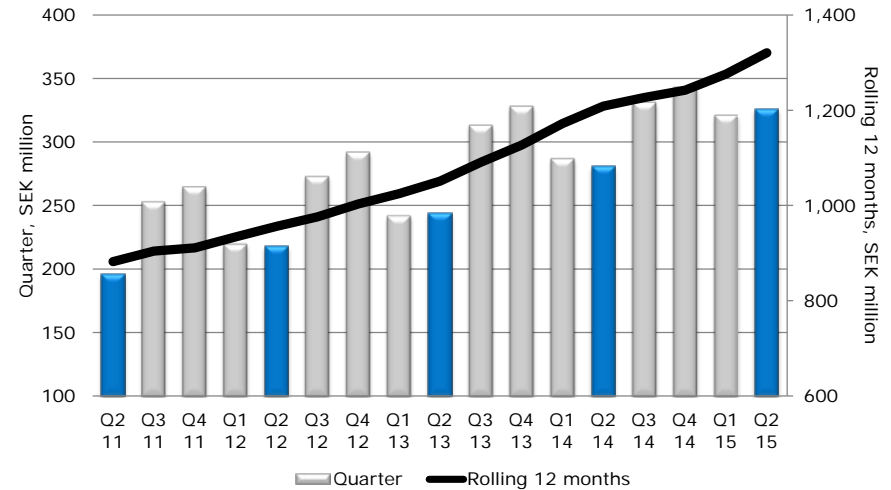
Financial summary – AAK Group



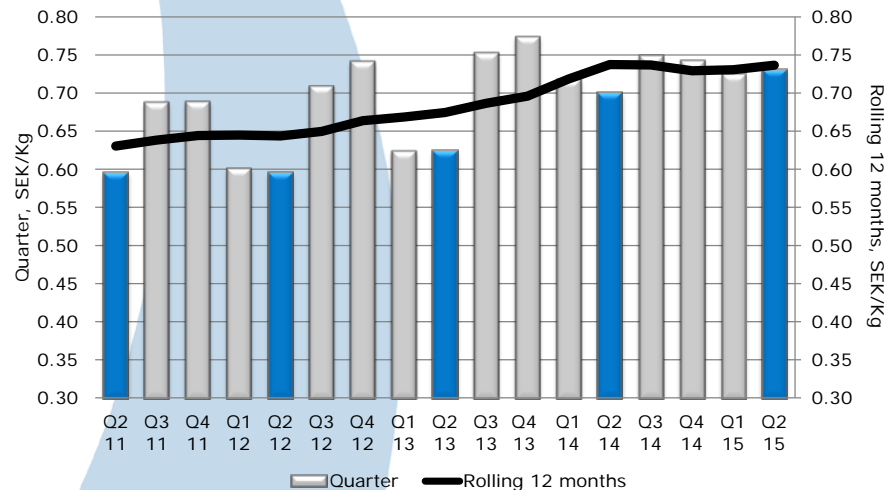
Volume



Operating profit



Operating profit per kilo



Cash flow



SEK million	Q2 2015	YTD 2015	Q2 2014	YTD 2014	FY 2014
EBITDA	445	871	364	742	1,643
Paid interest	-31	-57	-31	-60	-111
Paid tax	-72	-115	-63	-139	-319
Non-cash items	-36	-51	-3	-19	39
Change in working capital (WC)	83	169	-99	-275	-560
Cash flow from operating activities incl change in WC	389	817	168	249	692
Cash flow from investments	-74	-234	-142	-309	-708
Free cash flow	315	583	26	-60	-16

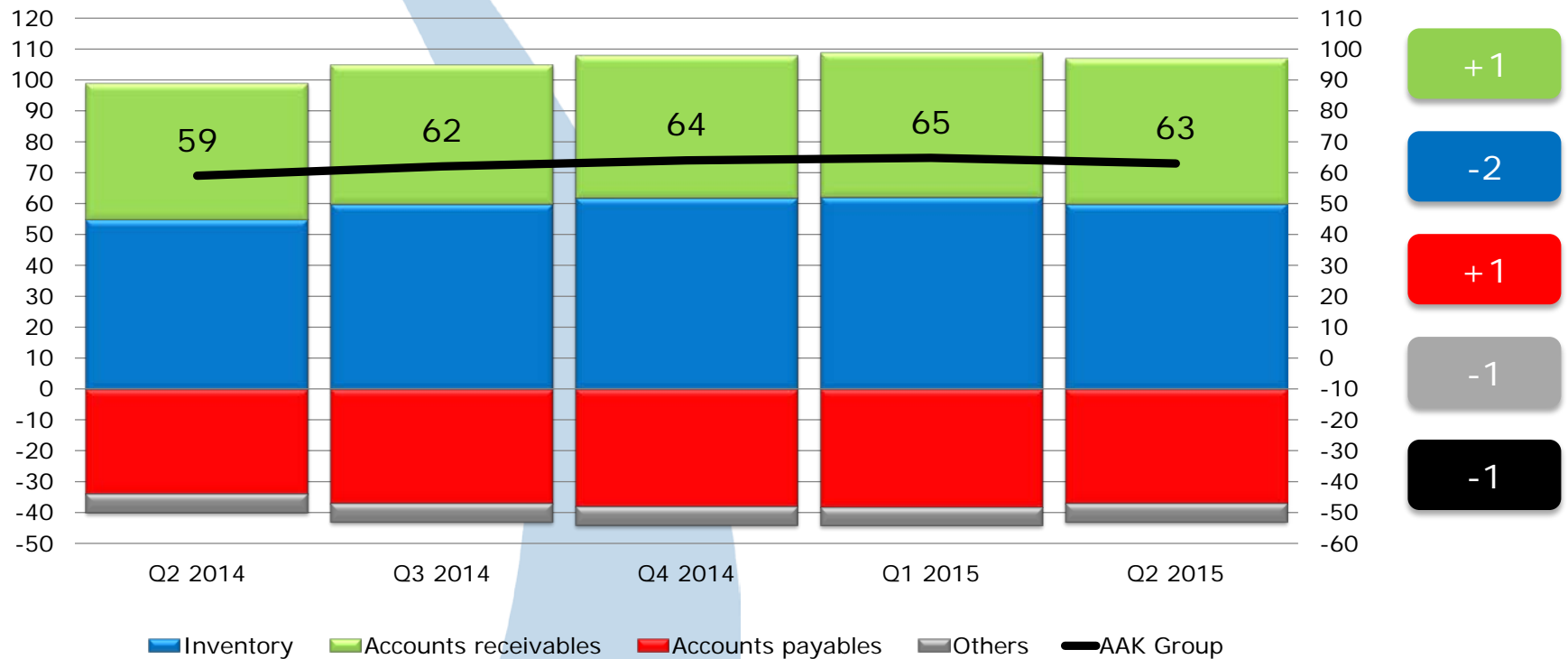
- Operating cash flow including changes in working capital amounted to SEK 389 million (168)
- As predicted previously, cash flow from working capital was positive and amounted to SEK 83 million (-99). Cash flow from inventory was particularly strong in the second quarter

Working capital days

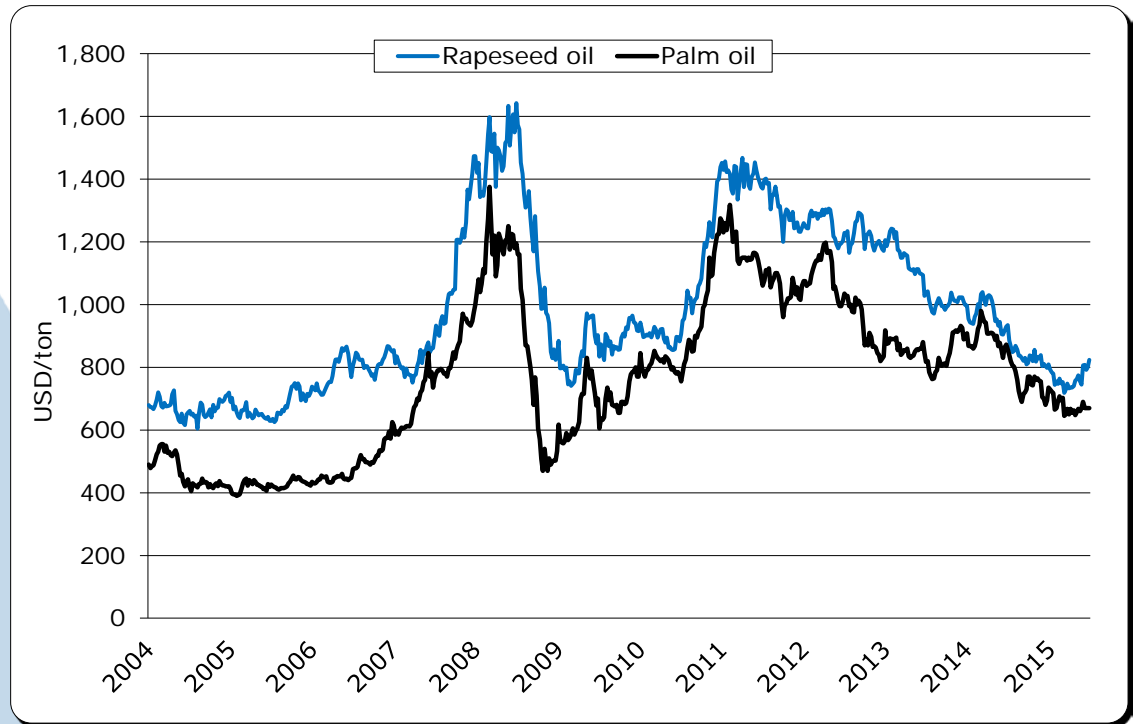
Rolling 12 months



Change since
year-end 2014



Raw material prices

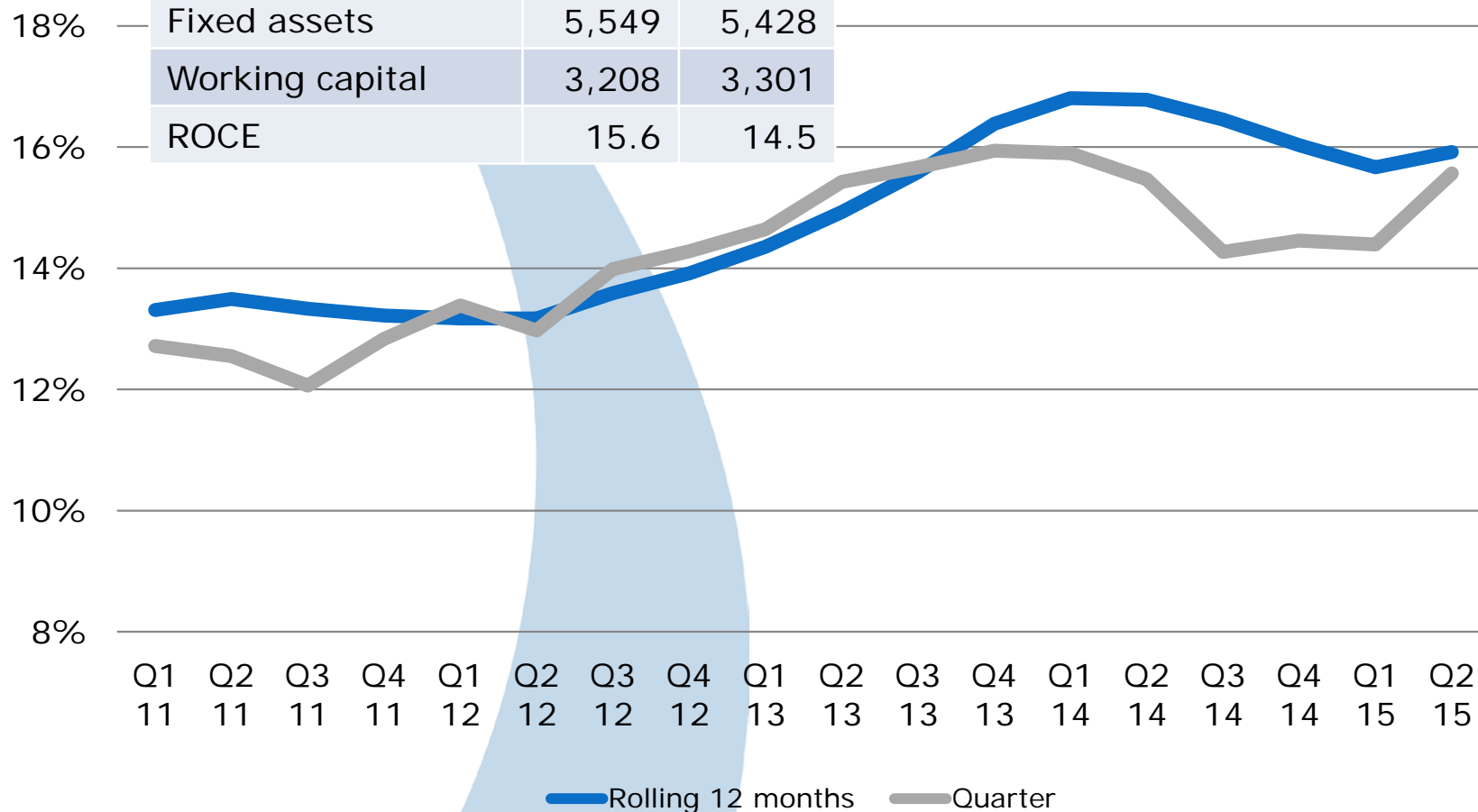


- ◆ 10 percent change in all raw material prices will effect working capital by +/- SEK 250 million
- ◆ Time lag of six to nine months

ROCE – second quarter 2015



Quarter	Q2 2015	FY 2014
EBIT (R12M)	1,363	1,262
Fixed assets	5,549	5,428
Working capital	3,208	3,301
ROCE	15.6	14.5



Business trends - second quarter 2015



	Share of volume	Nordics	WE	UK	USA	CEE	CIS	Asia	LA
Food Ingredients	70%								
Chocolate & Confectionery Fats	16%								
Technical Products & Feed	14%								
AAK Group	100%								

+12%

Second quarter 2015

- ◆ Operating profit improved by 12 percent to SEK 221 million (198)
 - The currency translation impact was SEK 20 million
- ◆ Operating profit per kilo, including the dilutive effect of the acquisitions and the exceptional volume growth in commodity products, declined, as expected, from SEK 0.77 to SEK 0.71
 - Operating profit per kilo, excluding the dilutive effect of the acquisitions mentioned above, would have been SEK 0.08 higher
- ◆ Food Ingredients reported volume growth of 21 percent, partly due to the acquisitions in Belgium and Colombia
 - For comparable units, volumes grew organically by 9 percent



Food Ingredients – organic volume growth

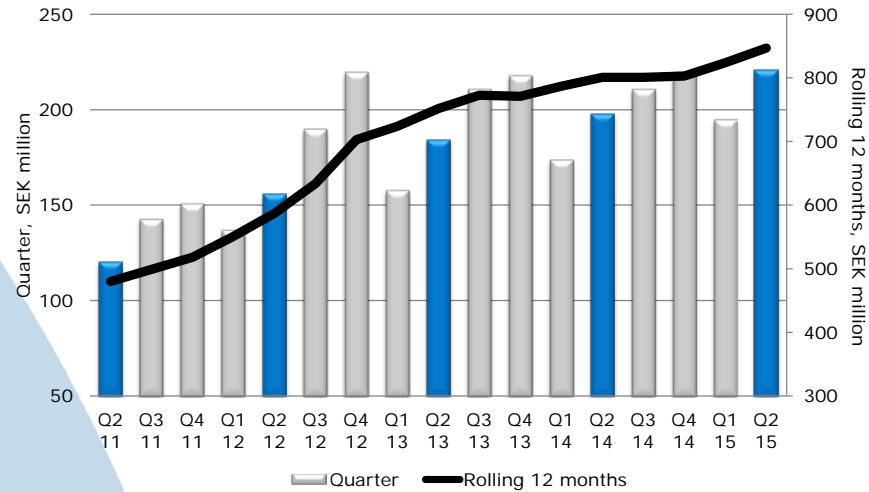


	2015 Q2	2015 Q1	2014 Q2	2014 Q1
Speciality & semi-speciality	+4%	+1%	+1%	+1%
Commodity	+24%	+30%	-10%	-7%
Total	+9%	+8%	-3%	-2%

Food Ingredients

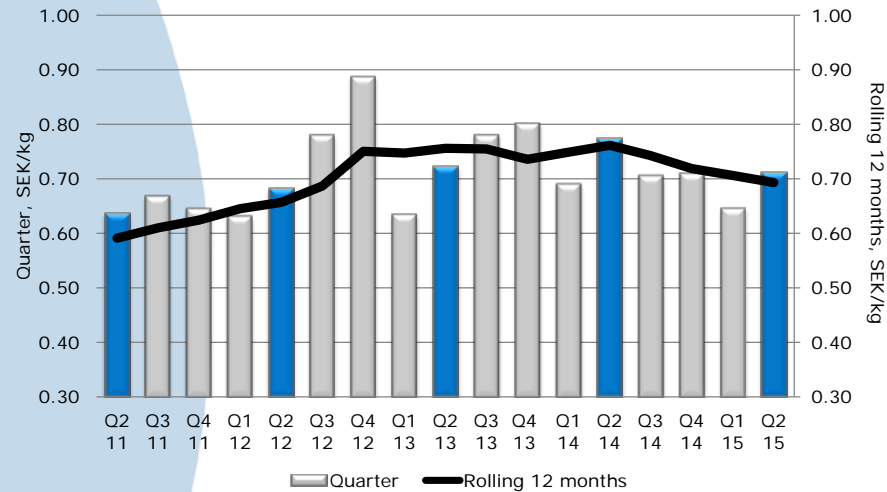


Operating profit



+12%

Operating profit per kilo



-8% *

* Including acquisitions

The first choice for value-added vegetable oil solutions



Chocolate & Confectionery Fats



+27%

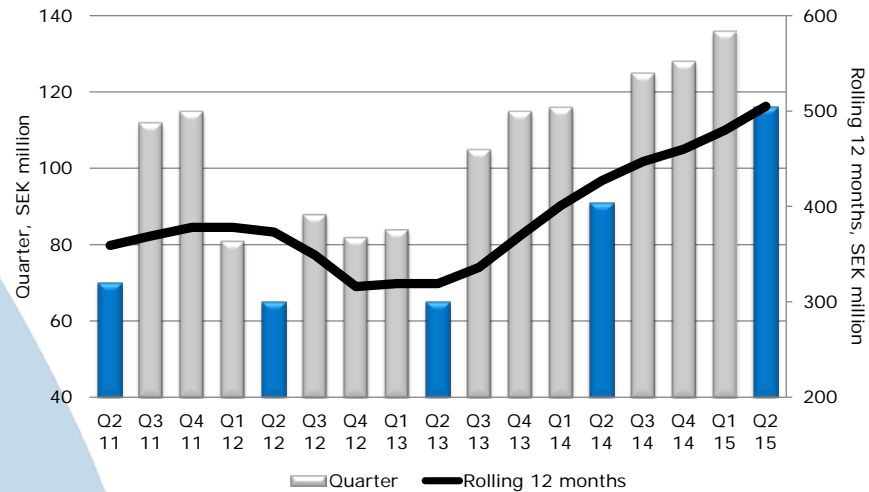
Second quarter 2015

- ◆ As expected, operating profit improved further, by 27 percent, and reached SEK 116 million (91)
 - The currency translation impact was SEK 19 million
- ◆ Operating profit per kilo improved by 31 percent to SEK 1.61 (1.23)
- ◆ Total volumes declined by 3 percent
 - The product mix in Chocolate & Confectionery Fats continued to improve. The business area was however again strongly negatively influenced by the severely deteriorating market conditions in Ukraine and Russia.
 - Low-end products continued to be under very strong competitive pressure, a trend since several quarters, and declined further
 - Excluding Ukraine and Russia, total volumes showed clear growth

Chocolate & Confectionery Fats

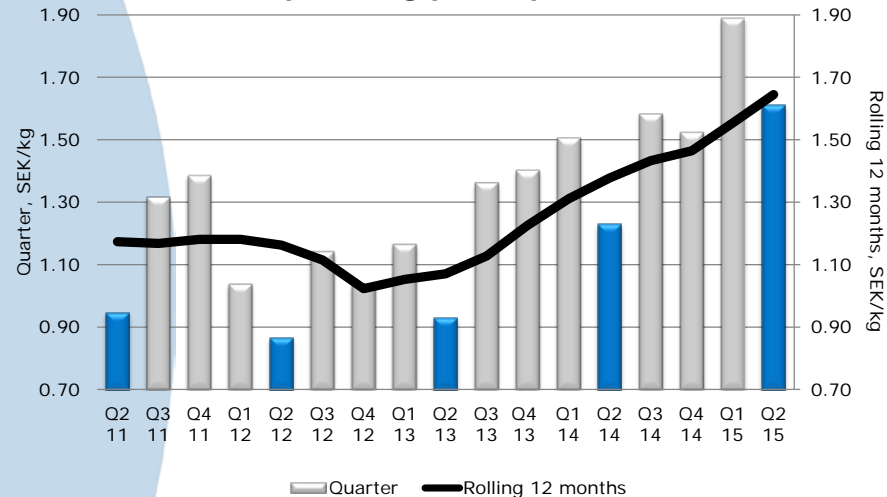


Operating profit



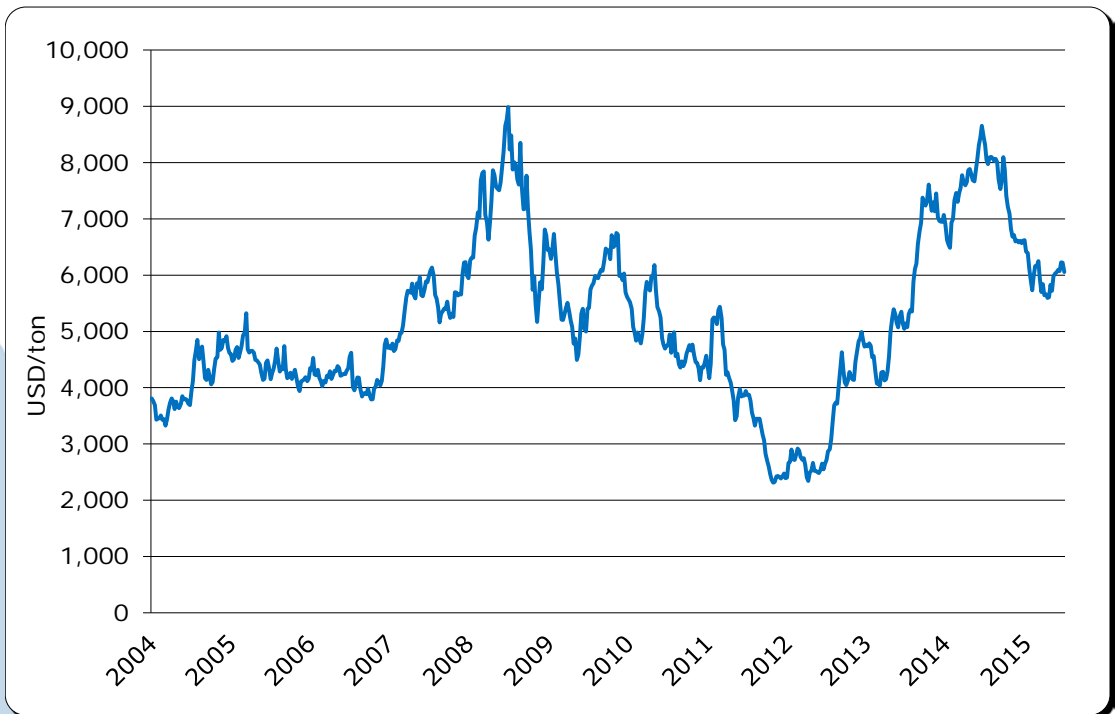
+27%

Operating profit per kilo



+31%

Cocoa butter price



For information regarding cocoa and cocoa butter please refer to information at www.icco.org

Technical Products & Feed

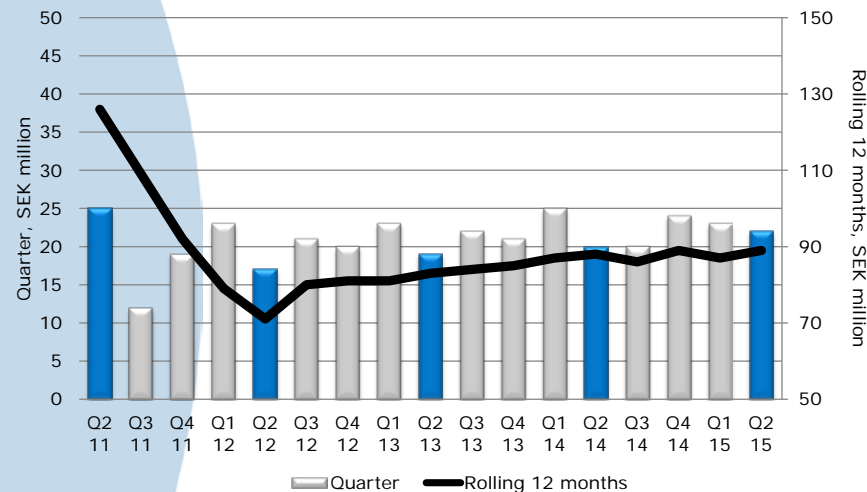


Second quarter 2015

+10%

- Operating profit improved to SEK 22 million (20)
- Volumes decreased by 7 percent
 - Mainly related to lower sales of feed products
 - Most of this is expected to be a matter of timing/phasing of larger customer call-offs
 - However, the product mix improved

Operating profit



+10%

Quarter Rolling 12 months

The first choice for value-added vegetable oil solutions

The first choice for value-added vegetable oil solutions



SALES

Sales



Customer co-development



INNOVATION

Innovation



EXECUTION

Service






Quality



Productivity



PEOPLE

-  Ahead of plan
-  On plan
-  Behind plan

Concluding remarks from CEO



- Based on AAK's customer value propositions for
 - Health and reduced costs
 - Customer product co-development and solutions approach
- We continue to remain prudently optimistic about the future
- The main drivers;
 - We are expecting a continued positive underlying development for Food Ingredients
 - We are expecting continued improvement in Chocolate & Confectionery Fats

Questions & answers



Financial calendar



Financial calendar 2015

October 29, 2015	Third quarter report 2015
November 18, 2015	Capital Market Day, Stockholm
February 3, 2016	Fourth quarter and year- end report 2015

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Further Investor Relations material
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