



*Arne Frank*  
*CEO*

Capital Market Day  
November 12, 2014

# Forward-looking statements

This presentation includes forward-looking statements that are subject to risks and uncertainties, including those pertaining to the anticipated benefits to be realized from the proposals described herein.

This presentation contains a number of forward-looking statements including, in particular, statements about future events, future financial performances, plans, strategies, expectations, prospects, competitive environment, regulation and supply and demand. AAK has based these forward-looking statements on its views with respect to future events and financial performance. Actual financial performance of the entities described herein could differ materially from that projected in the forward-looking statements due to the inherent uncertainty of estimates, forecasts and projections, and financial performance may be better or worse than anticipated.

Given these uncertainties, readers should not put undue reliance on any forward-looking statements. Forward-looking statements represent estimates and assumptions only as of the date that they were made. The information contained in this presentation is subject to change without notice and AAK does not undertake any duty to update the forward-looking statements, and the estimates and assumptions associated with them, except to the extent required by applicable laws and regulations.

# Agenda

10.00 – 10.40

## **AAKtion**

Arne Frank, CEO

10.40 – 11.00

## **Financial update**

Fredrik Nilsson, CFO

11.00 – 11.25

## **Infant Nutrition**

Karel Stoschek, Director Infant Nutrition

11.25 – 11.40

## **Short break with samples**

11.40 – 12.10

## **Dairy**

Lena Ingvarsson, Marketing Director Dairy

12.10 – 12.35

## **Chocolate & Confectionery Fats**

Anne Mette Olesen, CMO

12.35 – 13.05

## **Q&A**

13.10 – 14.10

## **Lunch**

14.15 – 16.15

## **Plant visit**

# AAK participants



Arne Frank  
President and CEO



Fredrik Nilsson  
CFO



Karel Stoschek  
Director Infant  
Nutrition



Lena Ingvarsson  
Marketing Director  
Dairy

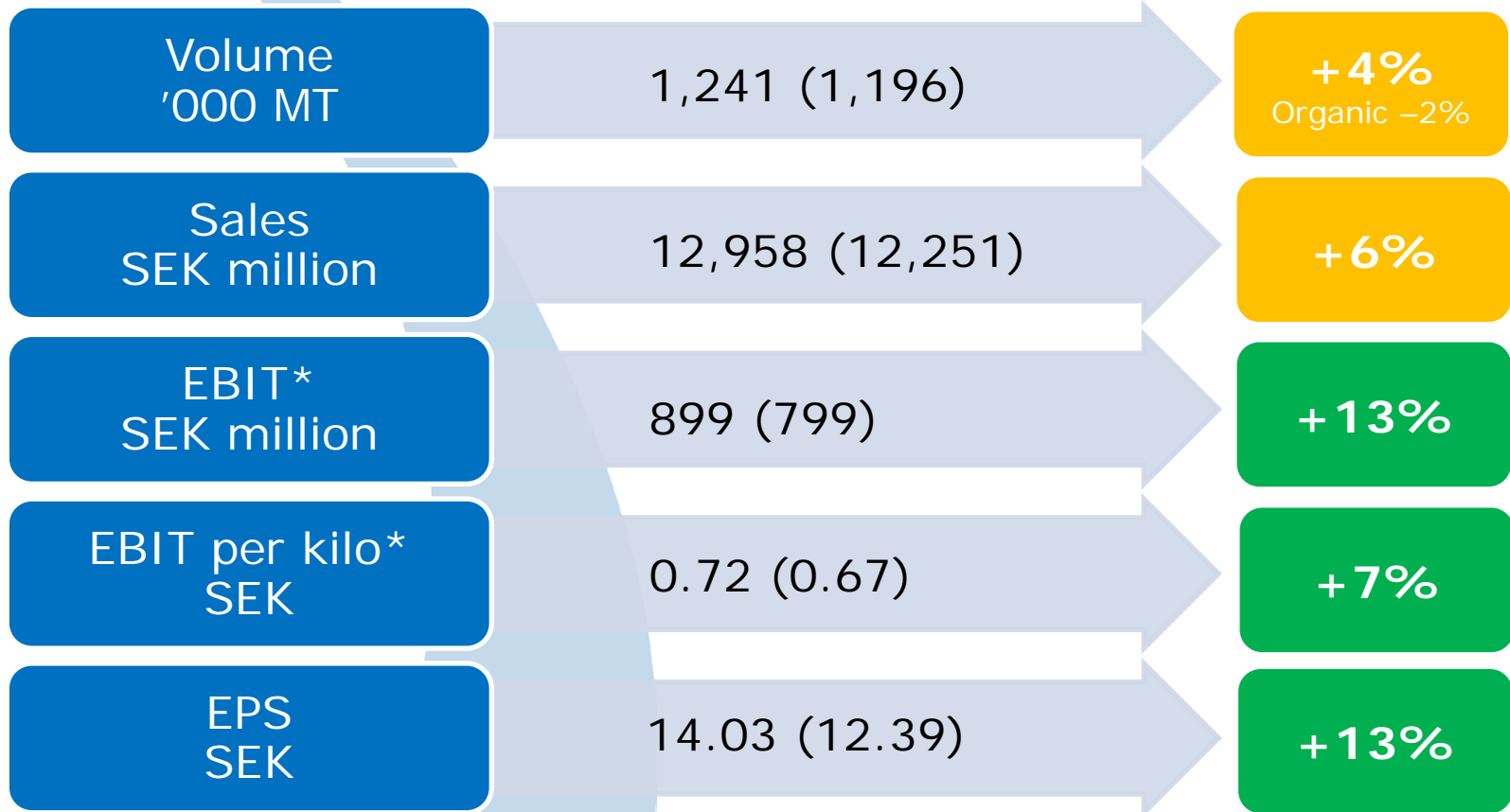


Anne Mette Olesen  
CMO



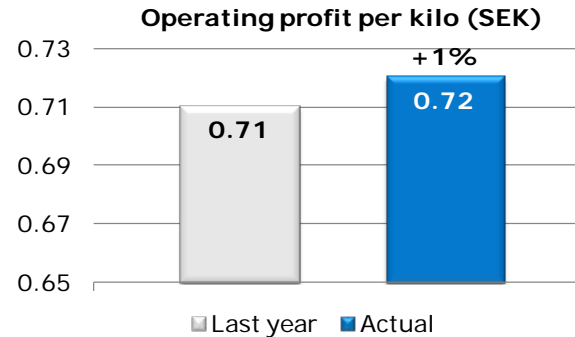
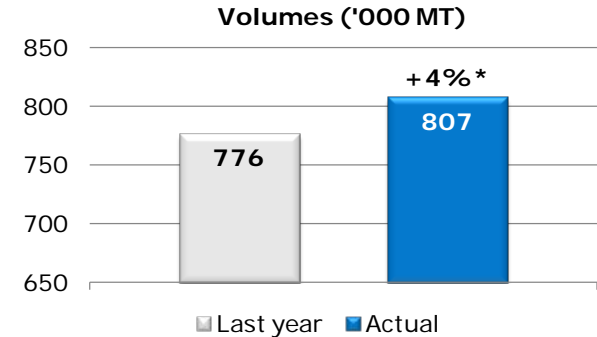
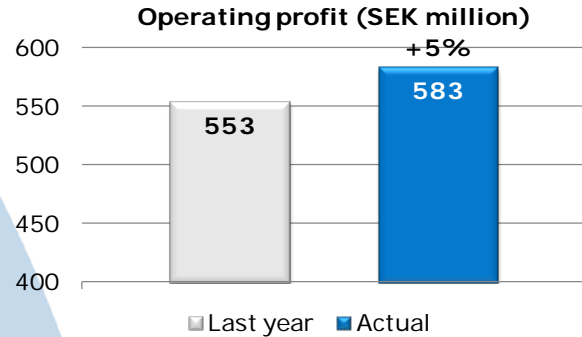
Anders Byström  
Director IR

# January – September



\* Excluding acquisition costs and non-recurring items

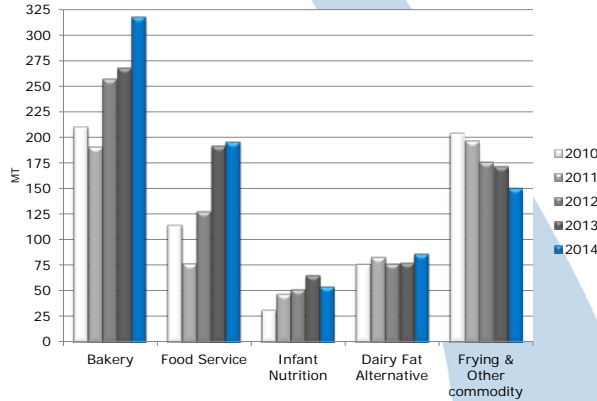
# FI – January to September



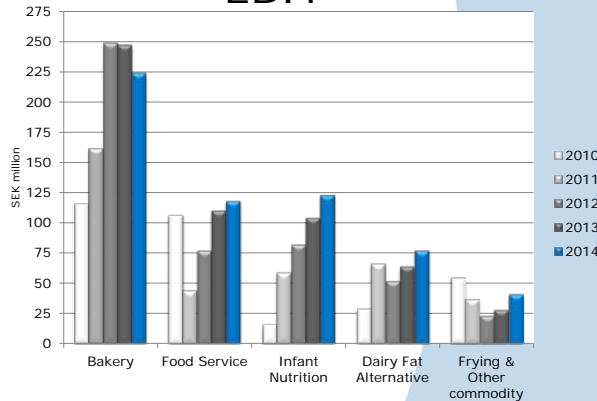
\* For comparable units, volumes decreased by 3 percent

# FI – January to September

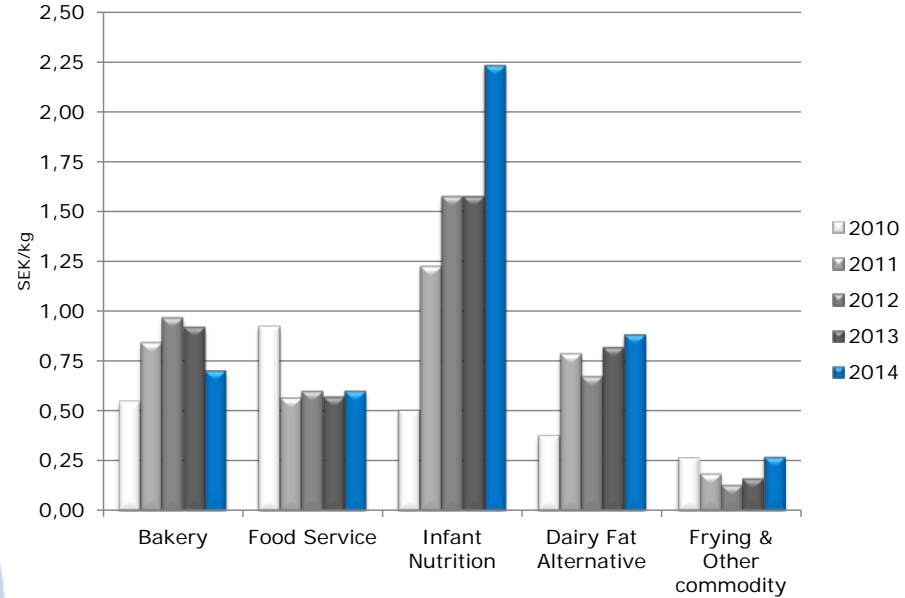
## Volume



## EBIT

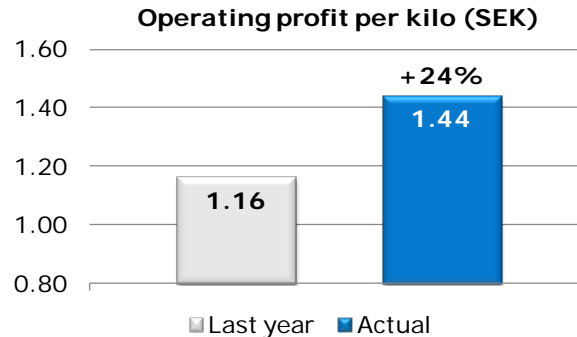
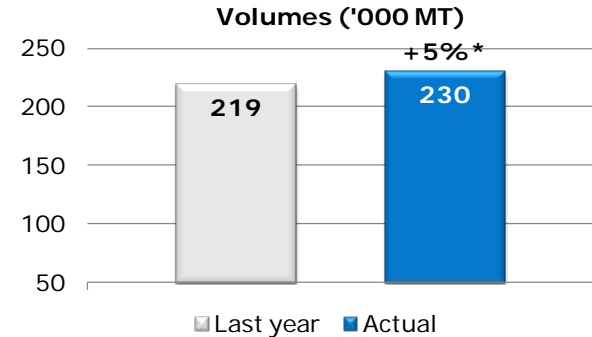


## EBIT/kg





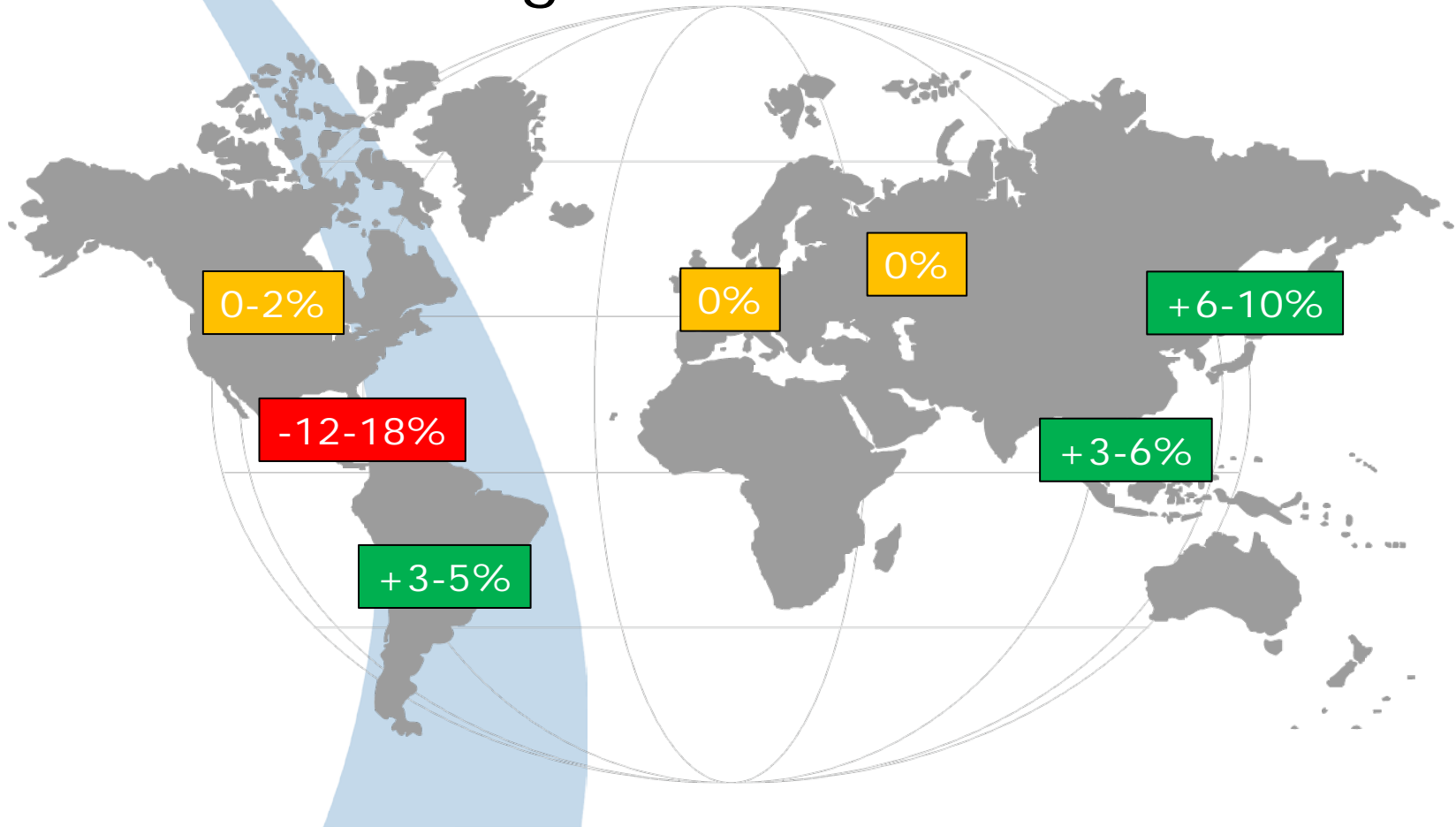
# CCF – January to September



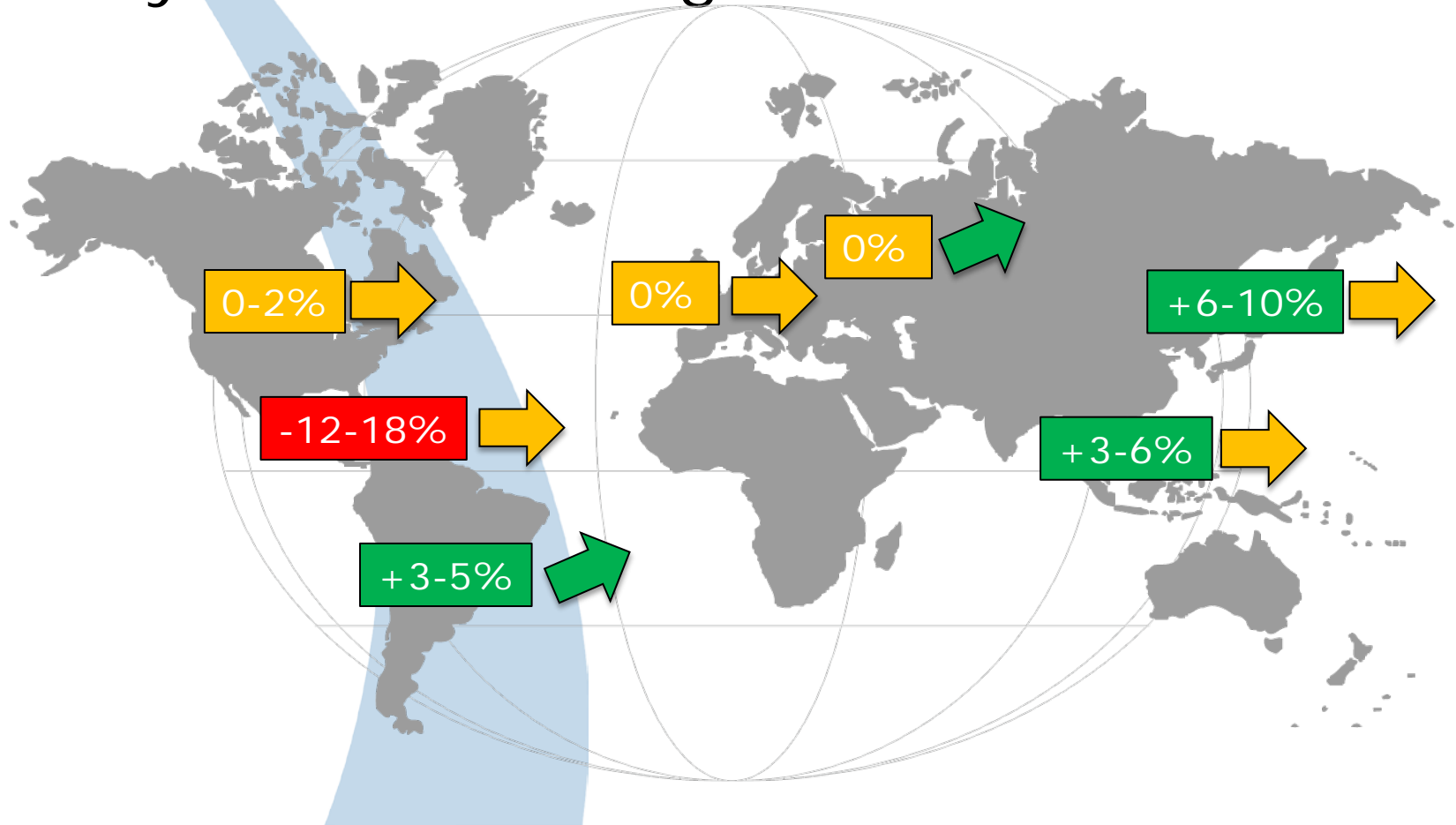
\* For comparable units, volumes decreased by 1 percent



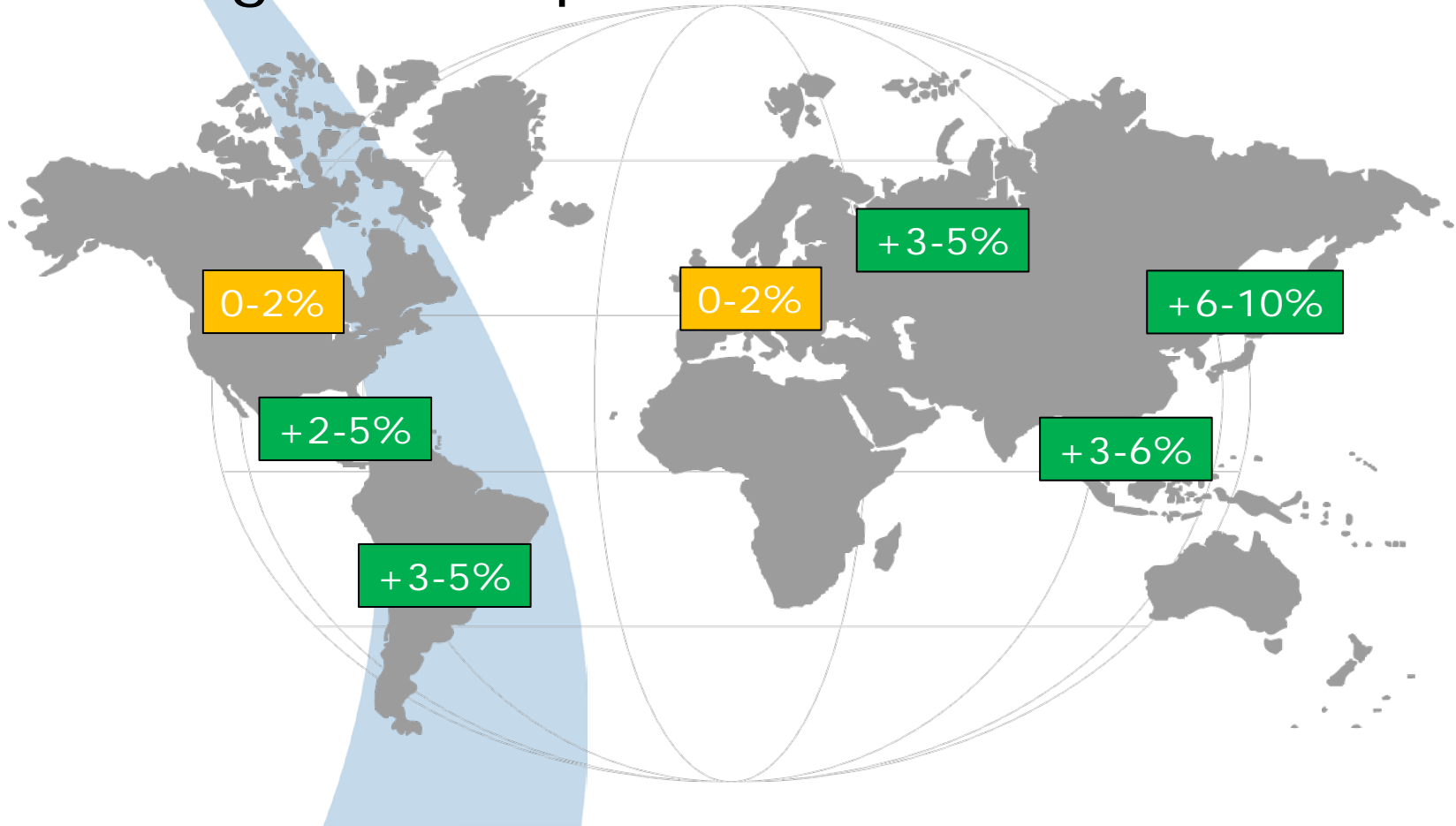
# Current market growth estimates



# AAK y t d vs market growth



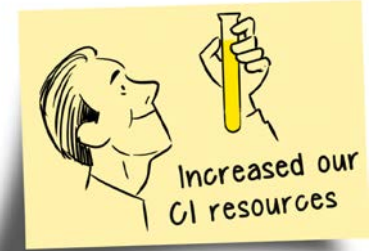
# Mid/long term expectations



# Since last Capital Market Day

- ◆ AAKtion
- ◆ Acquisitions
  - CSM Oils & Fats Benelux NV, Belgium
  - Fanagra, Colombia
  - Additional brand from Unilever, Turkey
- ◆ Divestment
  - Binol
- ◆ Greenfields
  - Brazil
  - China
- ◆ Product development

# AAK Acceleration



**Focused Segment approach**

Bakery	Shaded	Shaded	Shaded	Shaded	Shaded	Shaded	Shaded
CCF	Shaded	Shaded	Shaded	Shaded	Shaded	Shaded	Shaded
Dairy	Shaded	Shaded	Shaded	Shaded	Shaded	Shaded	Shaded
Infant	Shaded	Shaded	Shaded	Shaded	Shaded	Shaded	Shaded
TPF	Shaded	Shaded	Shaded	Shaded	Shaded	Shaded	Shaded
FS	Shaded	Shaded	Shaded	Shaded	Shaded	Shaded	Shaded

# The first choice for value-added vegetable oil solutions



## SALES

Sales



Customer co-development



## INNOVATION

Innovation



## EXECUTION

Service



Quality

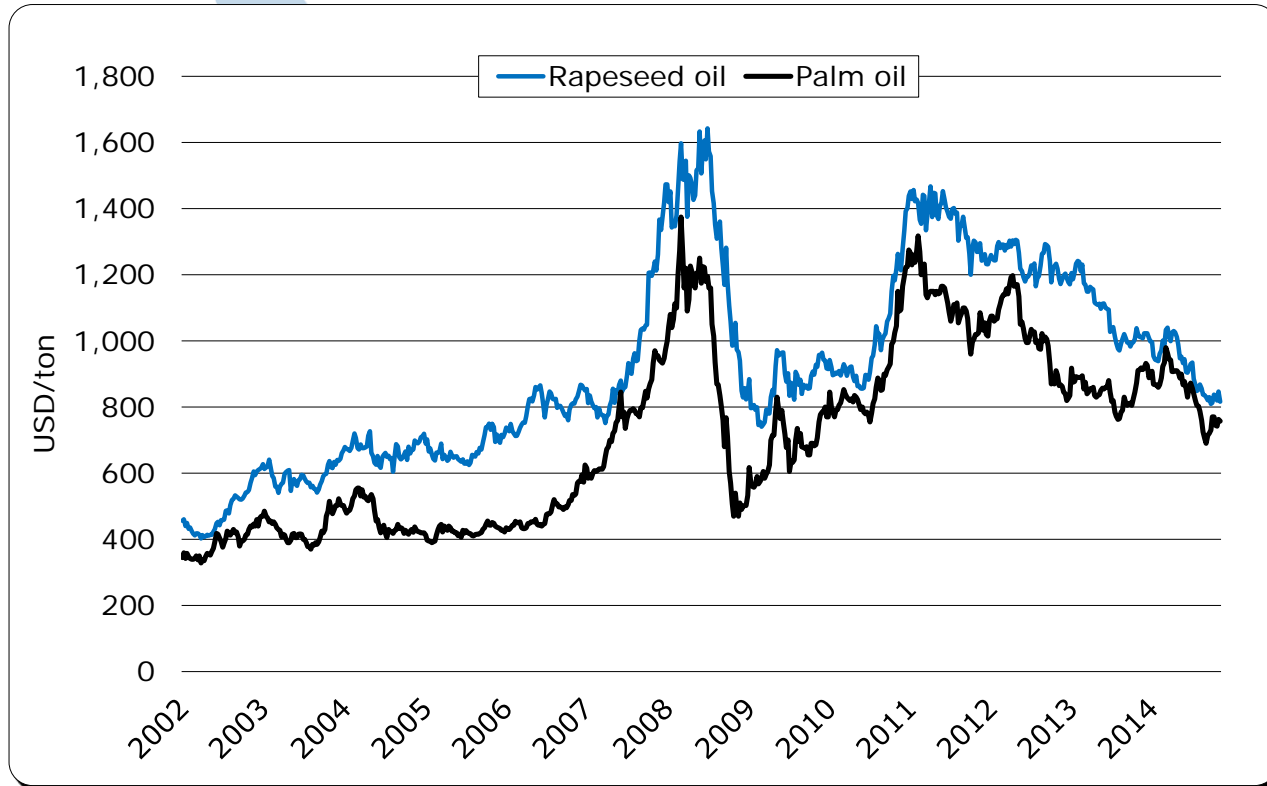


Productivity



## PEOPLE

# Raw material prices

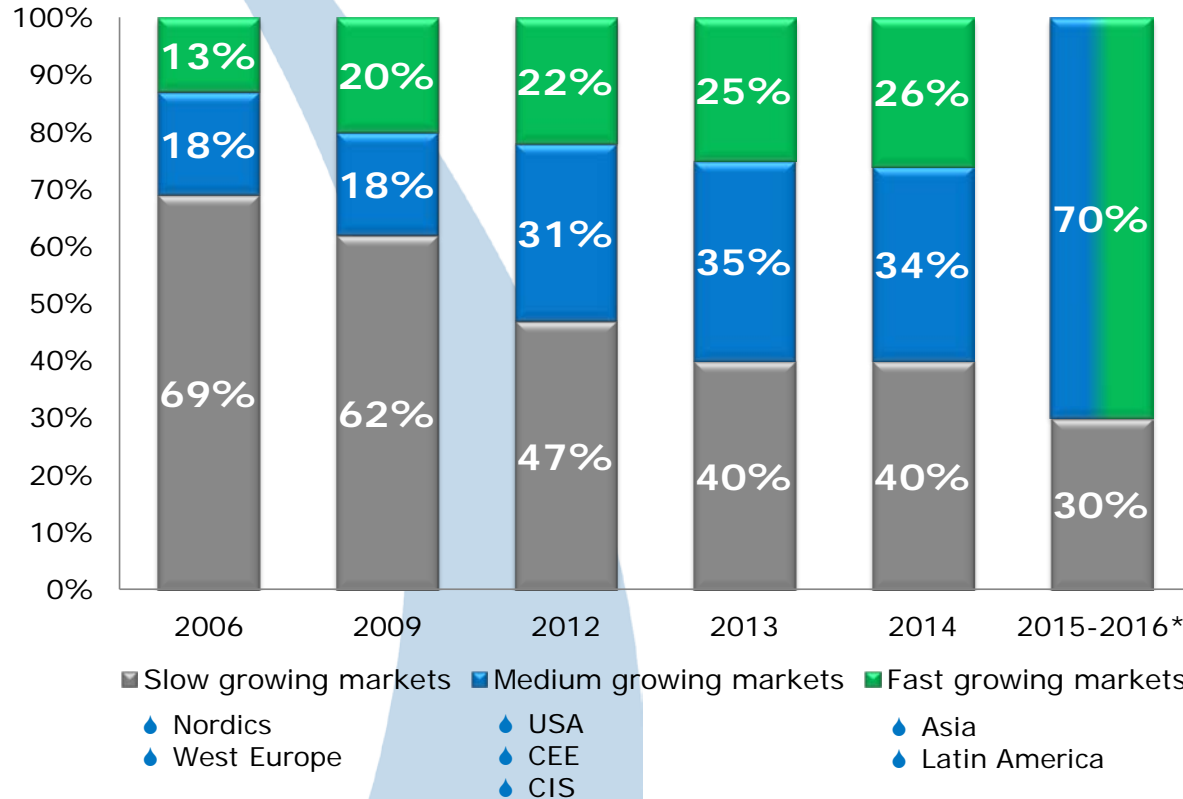




# Cocoa butter price



# Medium and fast growing markets\*



\* Management ambition – edible oil volumes

# AAK investing in Brazil



- ◆ A new speciality and semi-speciality edible oils factory in Jundiaí, São Paulo, Brazil
- ◆ This investment is expected to amount to approx. SEK 400 million over a two-year period
- ◆ The main start-up of the new factory is planned for the latter part of 2015
- ◆ The factory will strengthen our ability to locally supply Bakery and Dairy solutions as well as further develop our CCF business in Brazil
- ◆ The new factory will include a state of the art Innovation Center

# AAK investing in China

- ◆ A new speciality and semi-speciality edible oils factory in Zhangjiagang
  - The region has the highest GDP per capita in mainland China
  - Chinese center for inbound and outbound logistics for efficient national coverage
- ◆ The investment is expected to amount to approx. SEK 400 million over a two-year period
- ◆ The start-up of the new factory is planned for the beginning of 2016
- ◆ Fully utilized, the capacity will be approx. 100,000 MT, with room for further expansion at a later stage
- ◆ The plant will be able to serve our Bakery, Dairy, Infant Nutrition and CCF segments



# Fabrica Nacional de Grasas S.A. (FANAGRA)



- ◆ Located in Colombia
  - Headquartered in Bogotá
  - Factory in Villavicencio
- ◆ Specializes in vegetable oils and fats for the bakery segment
- ◆ Revenues of approximately SEK 270 million in 2013
- ◆ Annual volume of 30,000 MT
- ◆ Employs 155 people
- ◆ Limited impact on 2014 operating profit
- ◆ Will fully contribute starting January 2015

# AAK has acquired bakery fats specialist in Belgium



- CSM, a leading bakery fats supplier to the bakery markets in Belgium, the Netherlands, France and Germany
- The acquired business had revenues of approx. SEK 970 million and volumes of approx. 100,000 MT in 2013
- The transaction includes:
  - Production facility in Merksem, Belgium
  - Variety of bakery fat solutions, margarines and pumpable shortenings
  - Experienced sales force
  - Team of application specialists
  - Bakery innovation center



# Product development – FI



- ◆ Akopastry – Low fat
  - Going from typical 82% fat to 60% fat
  - No loss in functionality, appearance or taste
- ◆ Akomix LS 25
  - Developed for ice cream products
  - Reduces the SAFA with more than 70%
  - Nominated for FIE award, Dairy Innovation of the year





# Product development – CCF



- Illexao™ MT 20
  - Improved milk fat tolerance resulting in improved processing
- Chocofill™ NH 110
  - For steep melting non-hydrogenated fillings without tempering
  - Nominated for Confectionery Innovation of the year at FIE





# Product development – PC

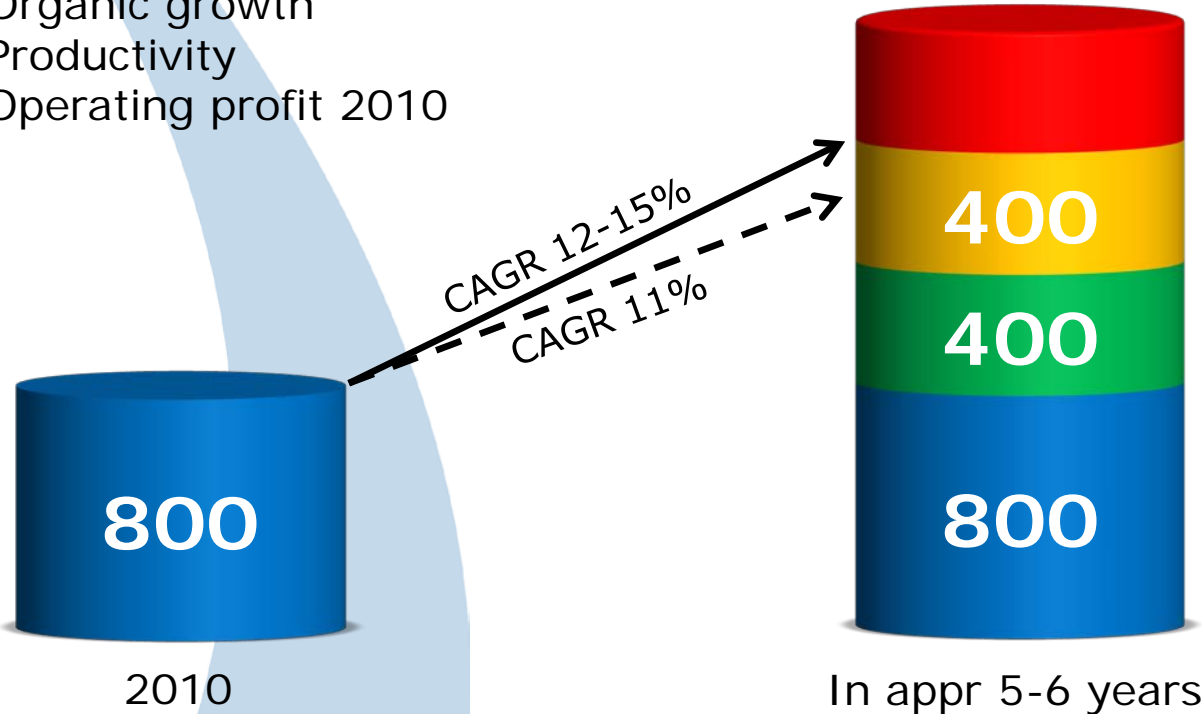


## 💧 Lipex SheaLight™

- New sustainable light emollient ester derived from natural resources
- An ideal emollient for skin, hair care and sun care
- Very first shea product that maintains the skin nourishing properties of shea, while leaving the skin with a dry and powdery feel
- Shea emollients known for their skin nourishing, moisturising and anti-inflammatory properties
- Good solubiliser of UV filters in sunscreens

# Management growth ambition\*

- Acquisitions
- Organic growth
- Productivity
- Operating profit 2010



\*As expressed at the Capital Market Day November 10, 2010 and at fixed exchange rates.



## 2015 – Organic growth

