



Fredrik Nilsson, CFO

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CFO Update

Good progress in the focus areas presented at the CMD 2014

◆ Strengthen growth through:

◆ Organic growth



- ◆ Customer co-development

- ◆ New markets

◆ Selective acquisitions



◆ Capital efficiency



- ◆ Working capital management





AAK's Performance from January 2010 a history of success

Operating profit
improvement*

+10%

Dividend increase*

~ +9%

EPS
improvement*

+15%

Market capitalization
multiplied by

3.2x

* Average January 2010 – December 2015 (analyst consensus, 8 November 2015)

Key financial disclosures

| | Q1-3 2015 | Q1-3 2014 | Change | % |
|-------------------------------------|--------------|--------------|--------|-------|
| Income statement | | | | |
| Volumes ('000 MT) | 1 342 | 1 241 | 101 | +8% |
| Sales | 14 848 | 12 958 | 1 890 | +15% |
| Operating profit* | 1 023 | 899 | 124 | +14% |
| Operating profit per kilo* | 0,76 | 0,72 | 0,04 | +5% |
| Earnings per share | 16,52 | 14,03 | 2,49 | +18% |
| Financial position | | | | |
| Equity ratio | 50% | 42% | 8% | - |
| Net working capital | 3 309 | 3 406 | -97 | -3% |
| Net interest-bearing debt | 2 035 | 2 886 | -851 | -29% |
| Net debt / EBITDA | 1,12 | 1,79 | -0,67 | -37% |
| Cash flow | | | | |
| Cash flow from operating activities | 1 075 | 197 | 878 | +446% |
| Cash flow from investing activities | -467 | -661 | 194 | -29% |
| Free cash flow | 608 | -464 | 1 072 | - |

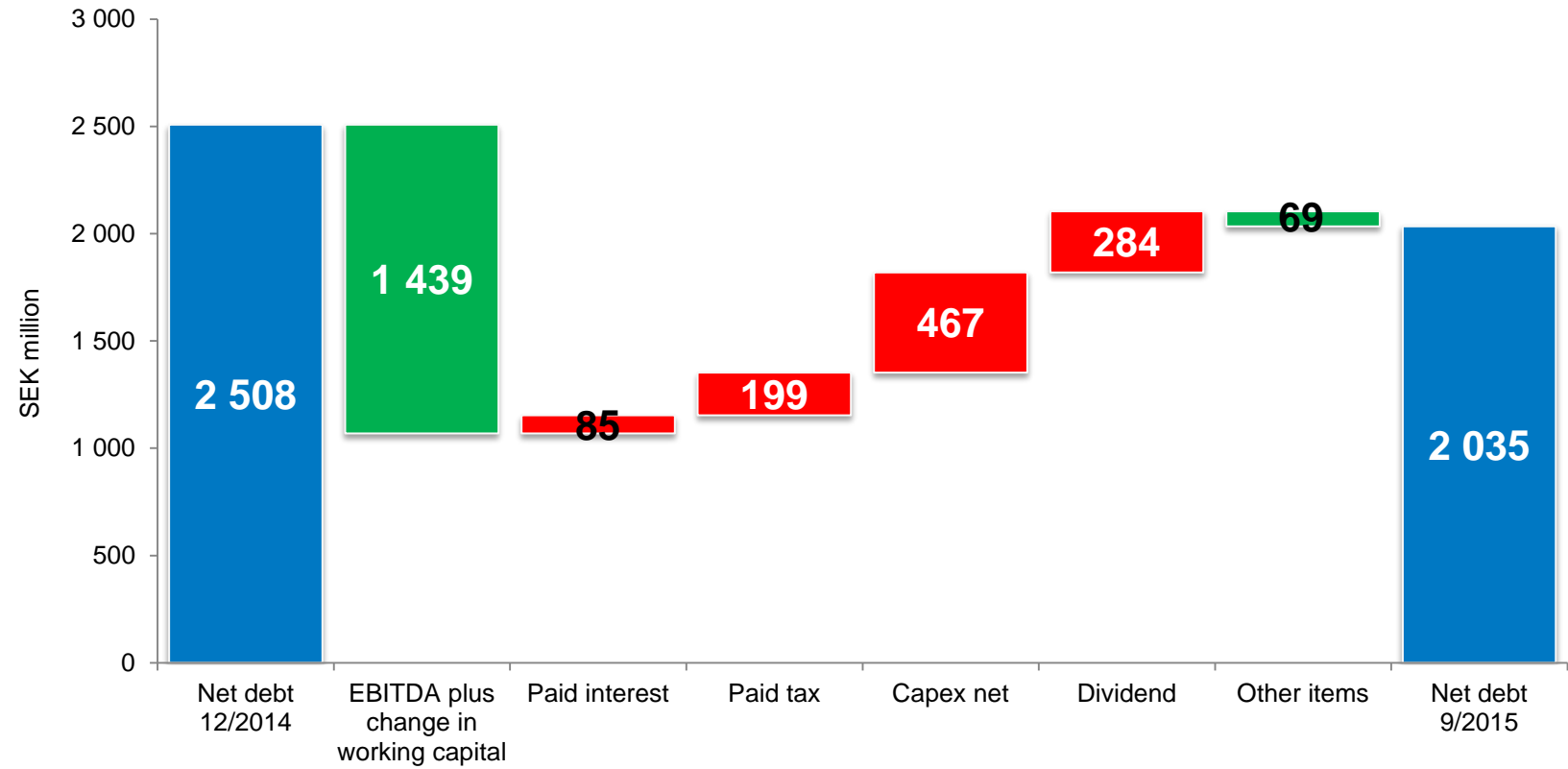
* Excl non-recurring items

Continuous y/y improvements

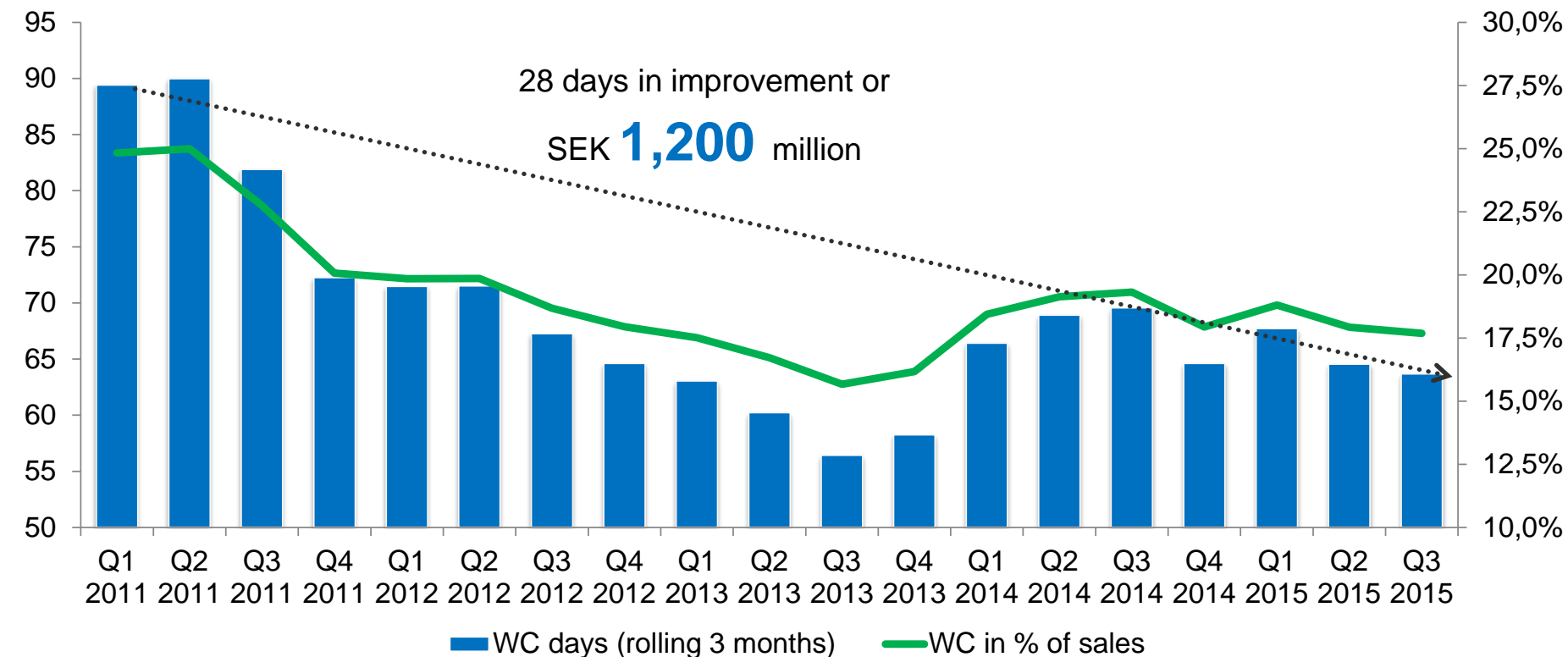


| | | YTD | Q3 | Q2 | Q1 |
|-----------------------------------|-----------------------------|-------------|------|------|------|
| Volume (’000 MT) | Reported | +8% | +2% | +12% | +11% |
| | Organic | +4% | +3% | +4% | +3% |
| Operating profit (SEK million) | Reported | +14% | +14% | +16% | +12% |
| | Fixed FX and comp. units | +4% | +7% | +4% | +1% |
| EPS (SEK) | | +18% | +12% | +30% | +12% |

Net debt has decreased due to strong operating cash flow

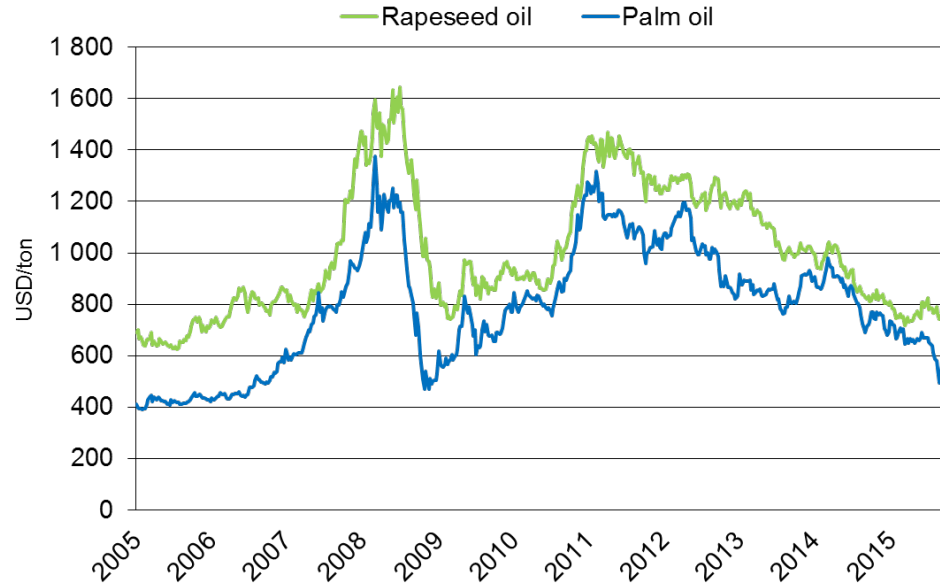


Working capital days* – rolling 3 months



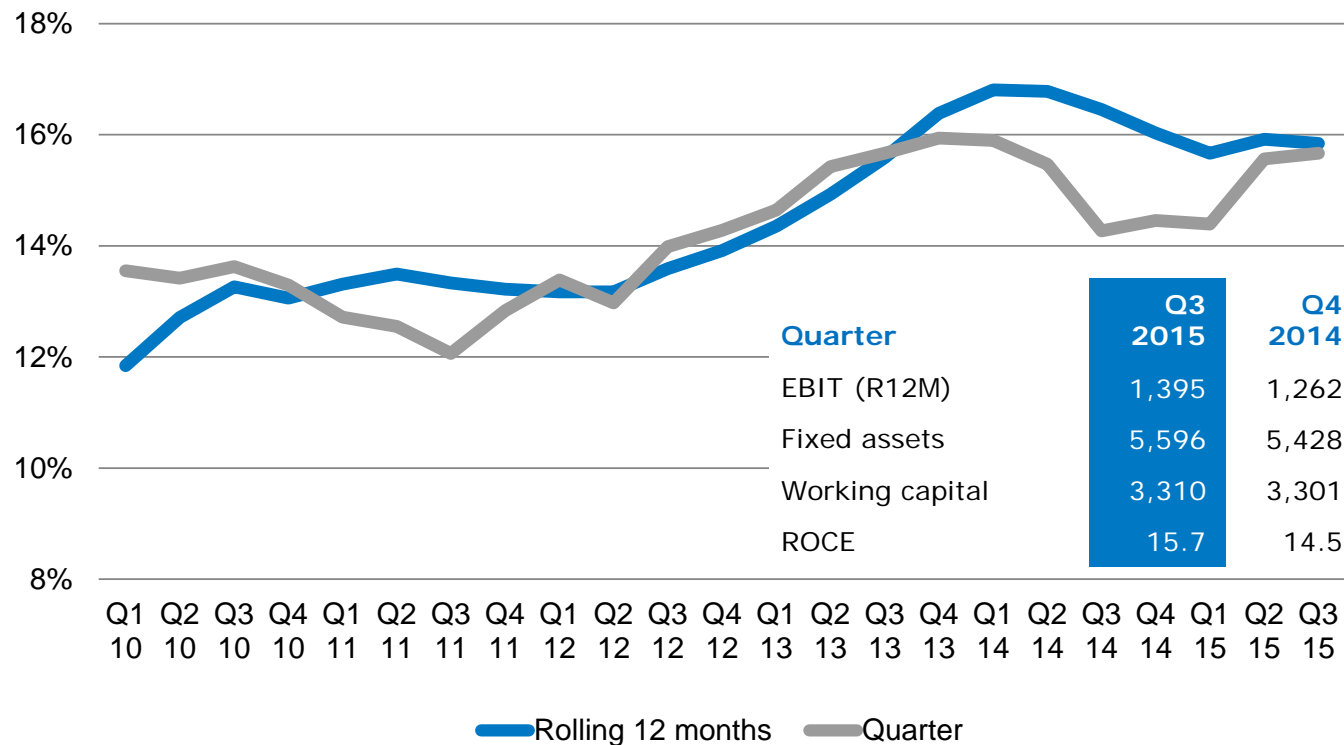
* Inventory + Accounts receivables - Accounts payables

Raw material prices



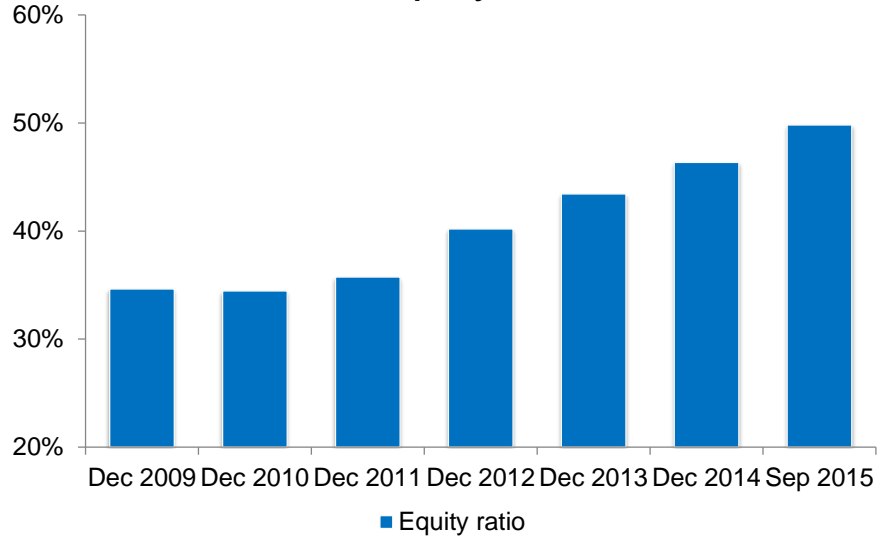
- ◆ 10 percent change in all raw material prices will effect working capital by +/- SEK 250 million
- ◆ Time lag of six to nine months

ROCE

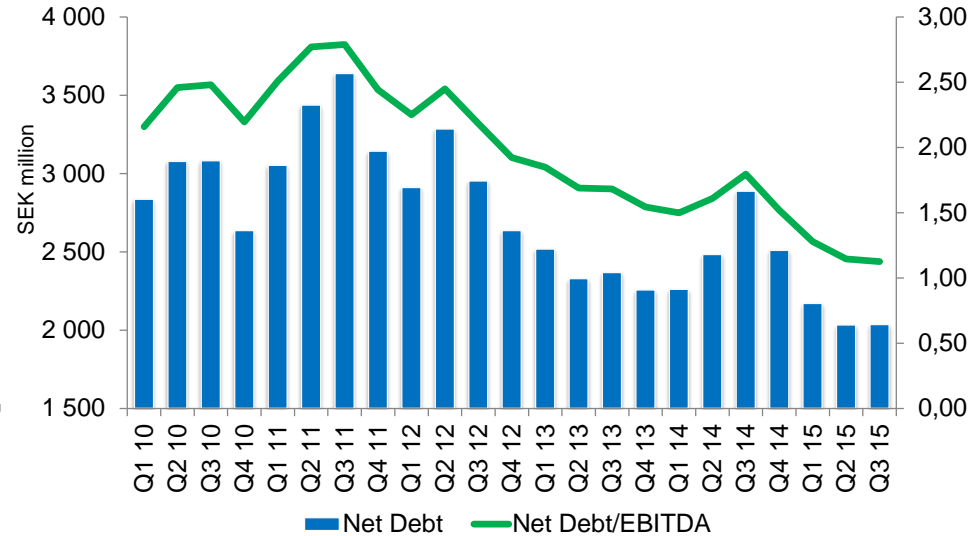


Strong financial foundation supports strategy execution

Equity ratio



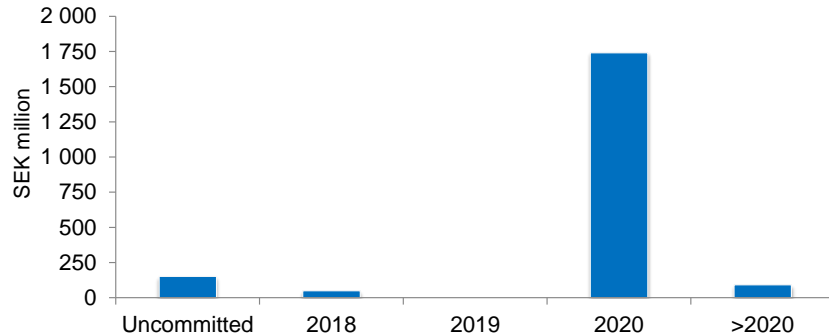
Net Debt and Net Debt/EBITDA



Structure of loans and borrowings

Net debt end of September SEK 2,035 million

Maturity profile of interest-bearing debt (SEK million)



Average maturity of long-term loans is 4.6 years

Main financing sources

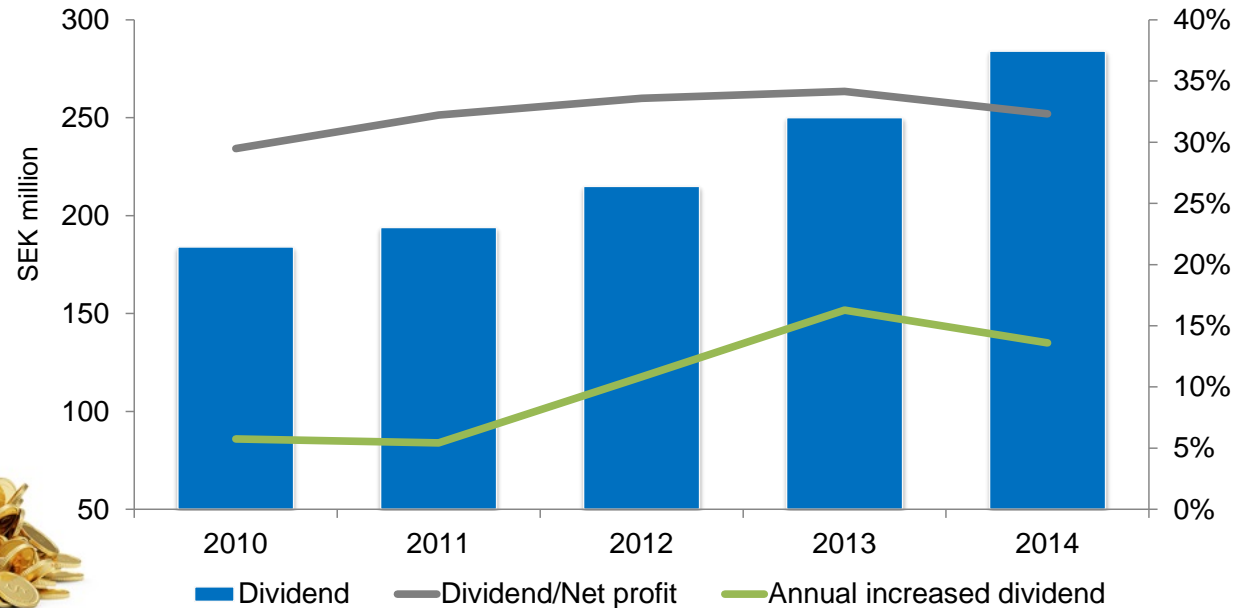
- EUR 400 million club loan
 - Maturing in H1/2020 + 1Y
- SEK 1 400 million multi currency facility
 - Maturing in H1/2018 + 1Y

Other facilities

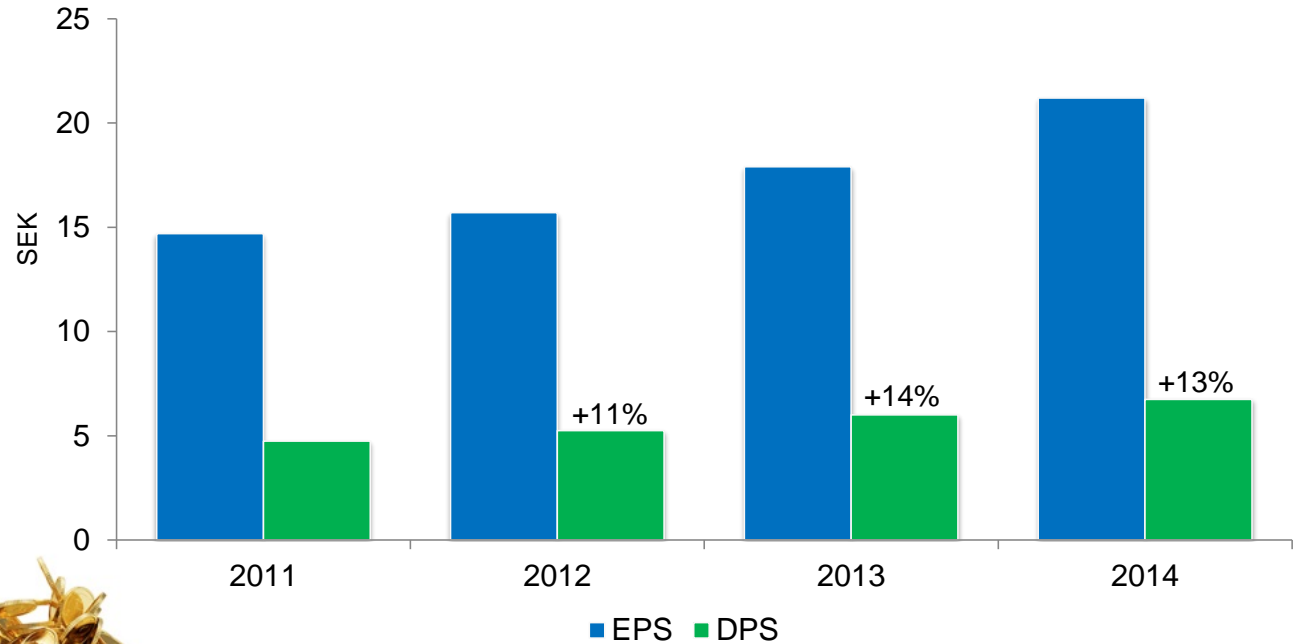
- SEK 500 million, mortgage loan
- SEK 350 million, other facilities

Dividend policy

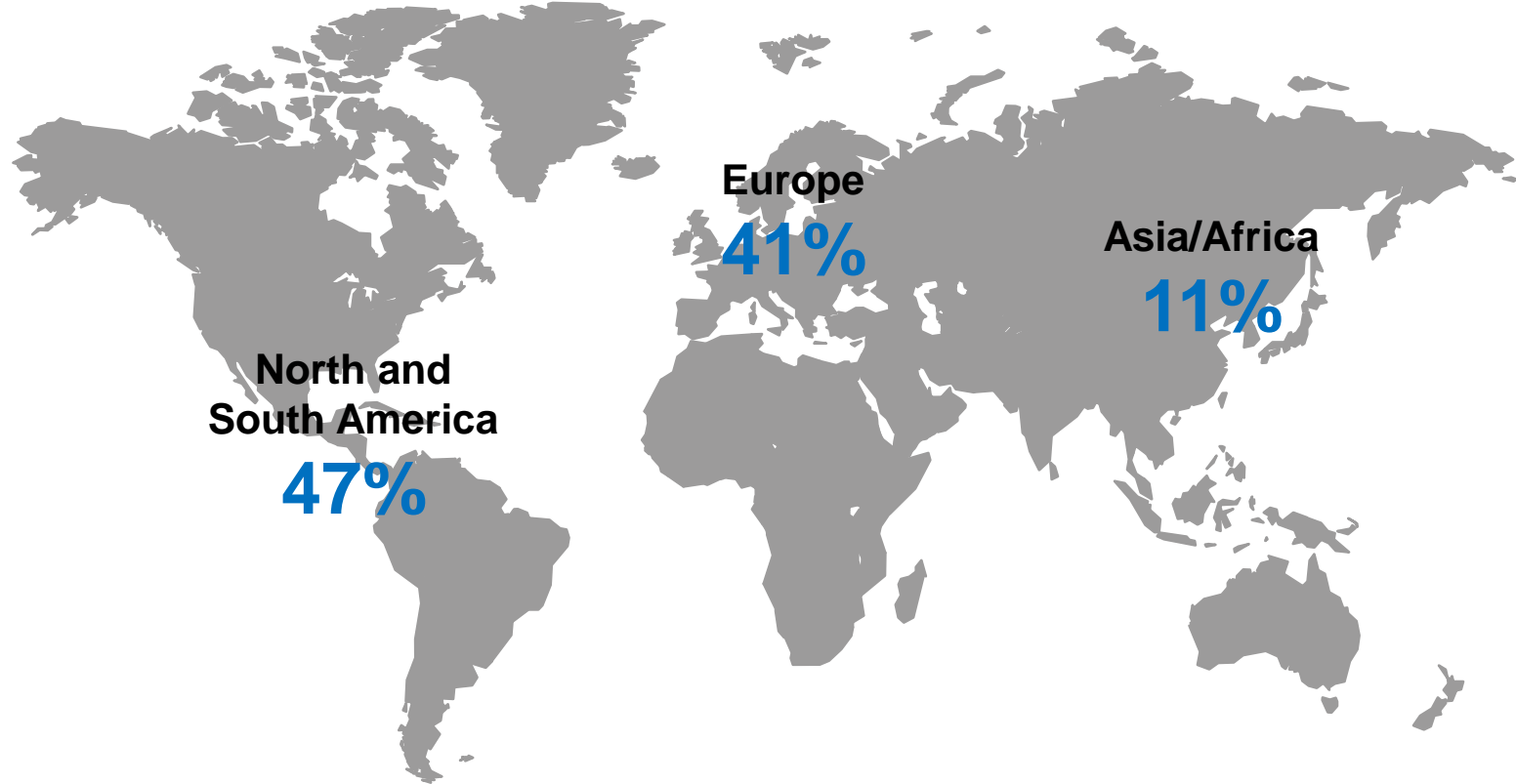
- ◆ Strive to pay stable dividend linked to the long term performance – 30 to 50% of the consolidated profit after tax



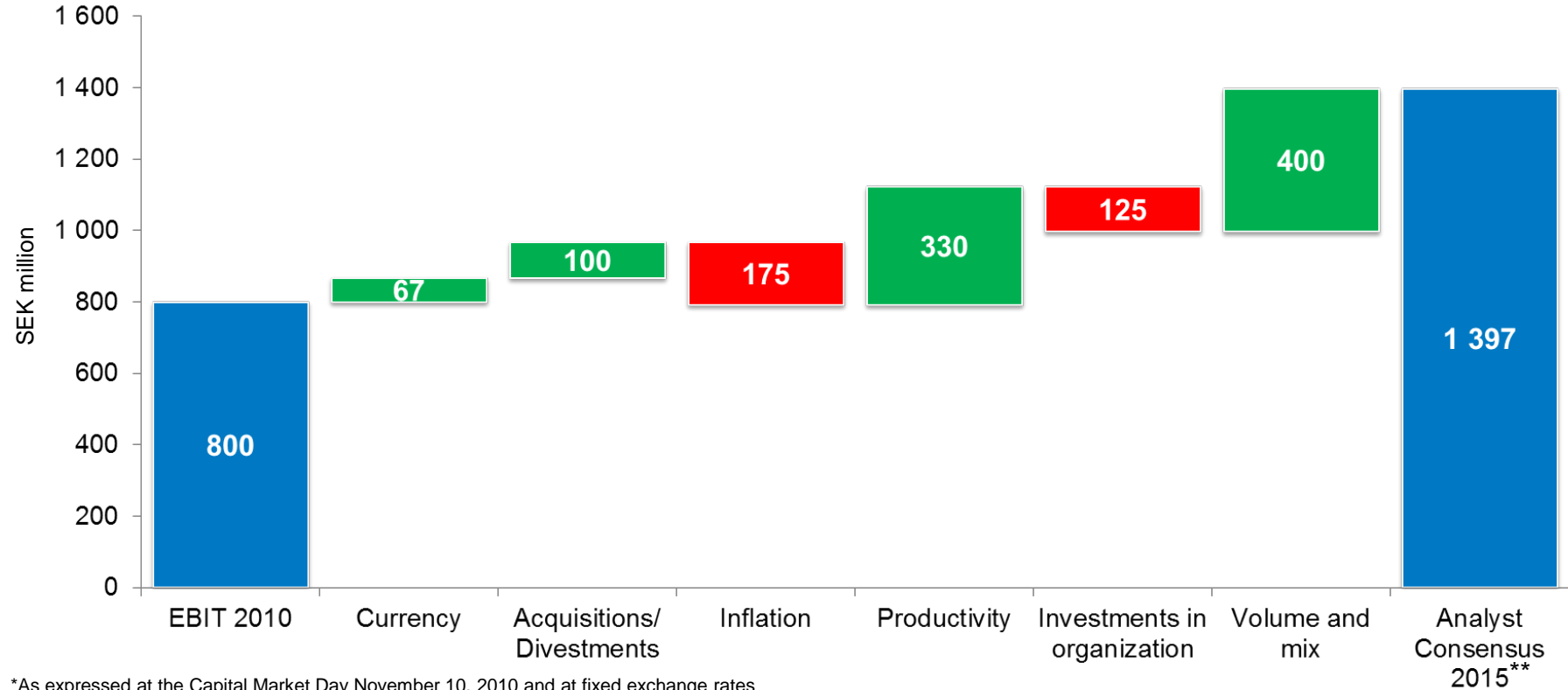
EPS and DPS evolution



Geographical profit generation



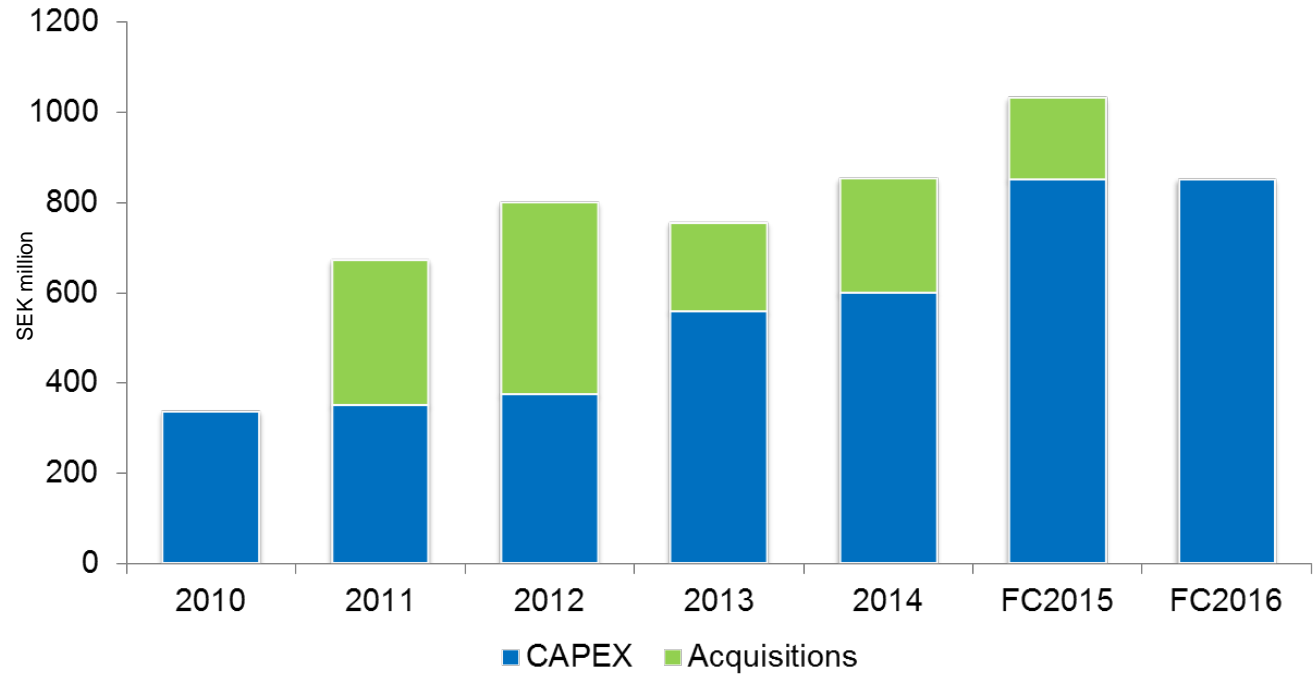
Follow up on the "Management ambition"*



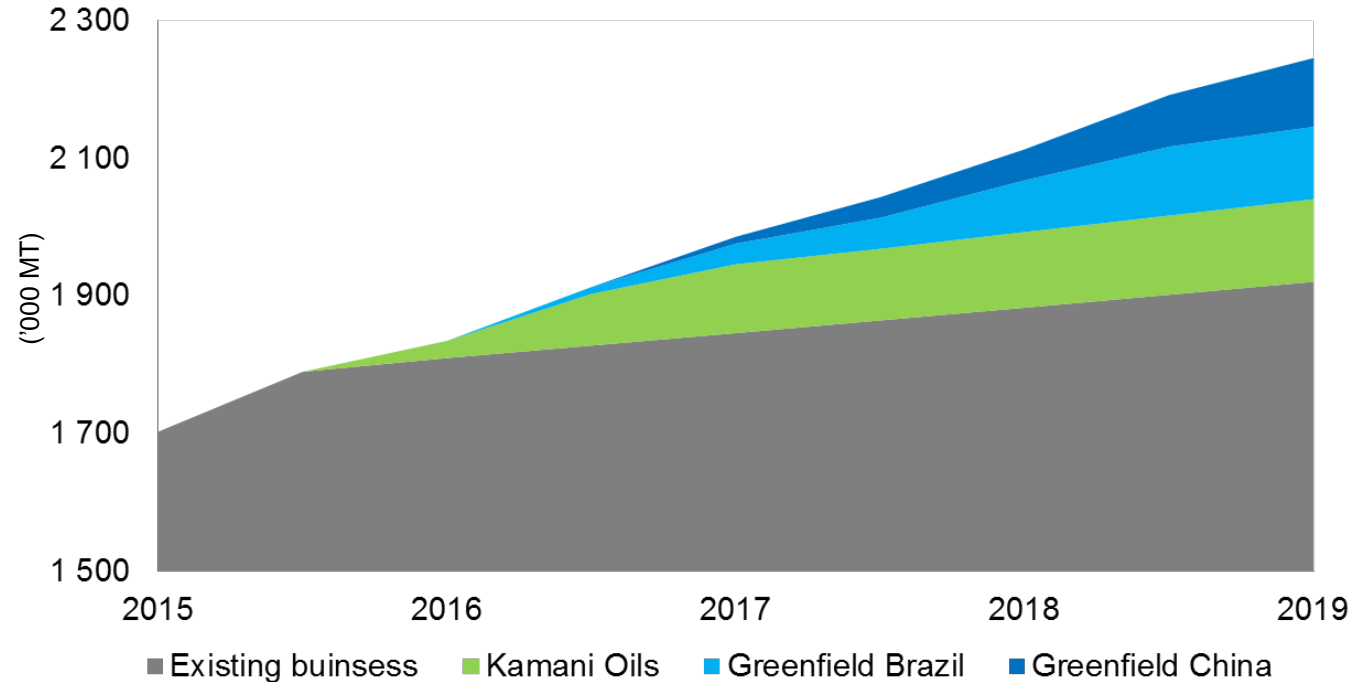
*As expressed at the Capital Market Day November 10, 2010 and at fixed exchange rates

** November 8, 2015, excl. estimated acquisition costs in Q4 2015: SEK 12-15 million

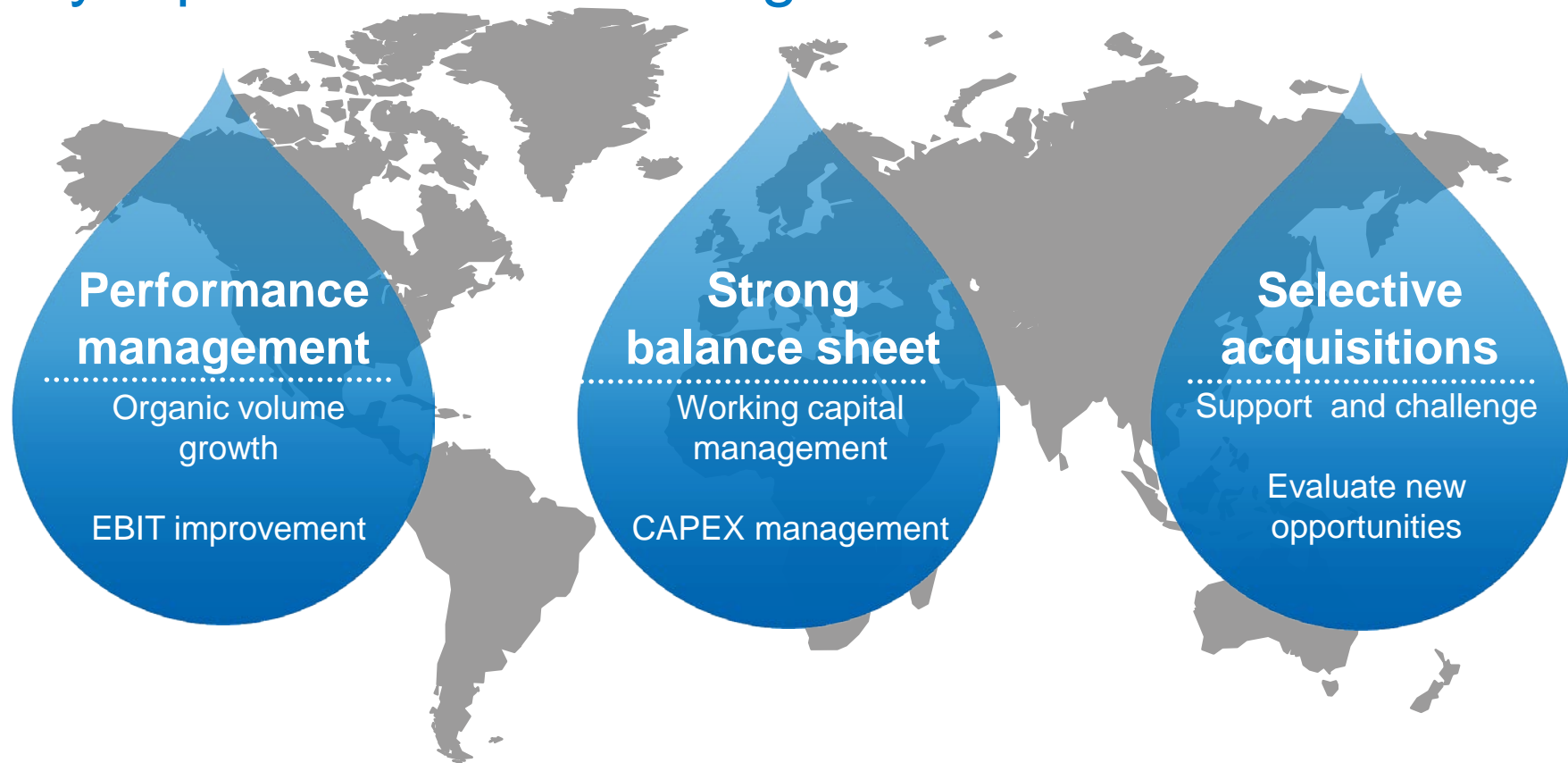
Investing for future growth



Possible volume growth from acquisitions and greenfields



Key topics on the CFO's agenda



The background is a blurred photograph of a modern industrial facility, likely a pharmaceutical or food processing plant. In the lower right foreground, a person wearing a white lab coat and a hairnet is looking down at their work. The background shows multiple levels of the building with glass railings and bright lighting.

Q & A

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