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CEO

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AAK's Interim Report Third quarter 2013

Agenda

A circular inset image on the left side of the slide shows a close-up of a yellow flower, likely a rapeseed, with a green stem and leaves. The background of the flower is a blurred field of similar flowers under a blue sky.

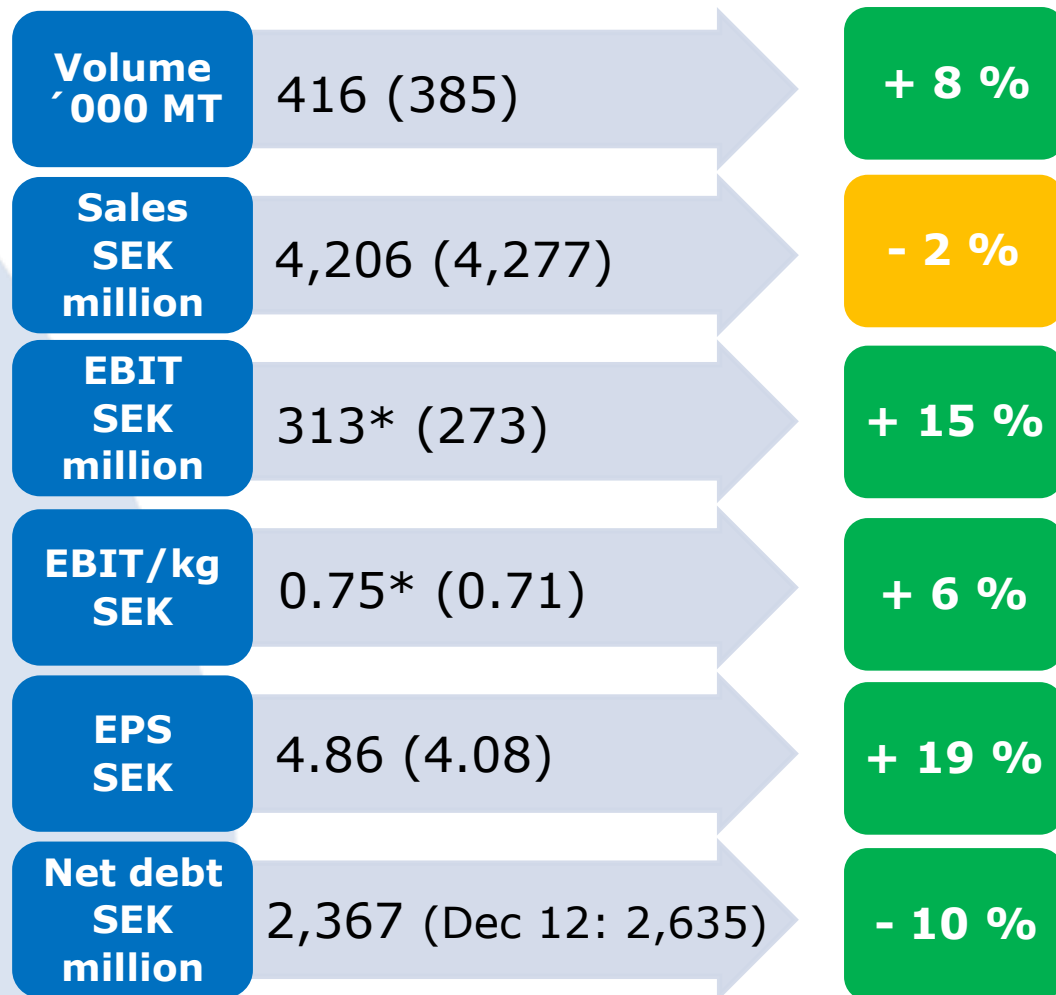
Q3 2013

Business area information

AAK Acceleration

Q & A

Q3 2013



* Adjusted for acquisition costs

Third quarter 2013

• Operating profit AAK Group

- All time record high operating profit in the third quarter 2013
- Operating profit was SEK 303 million (273), an improvement of 11 percent
- Operating profit, excluding acquisition costs of SEK 10 million and adjusted for fixed currency exchange rates operating profit improved by 16 percent
- Operating profit per kilo excluding acquisition costs amounted to 0.75 (0.71)

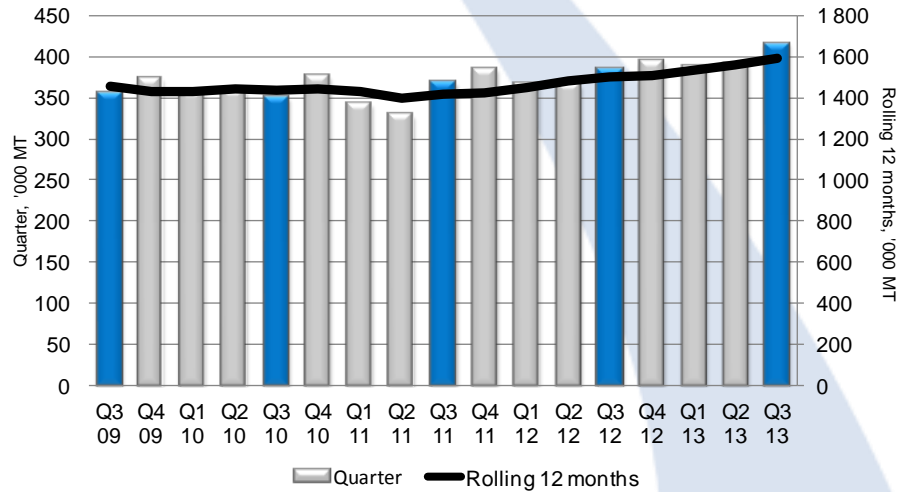
• Operating profit Business areas

- Food Ingredients reached a record high third quarter result of SEK 211 million (190), an improvement by 11 percent
- Chocolate & Confectionery Fats improved by 19 percent and reached SEK 105 million (88)
- Technical Products & Feed improved by 9 percent to SEK 24 million (22)

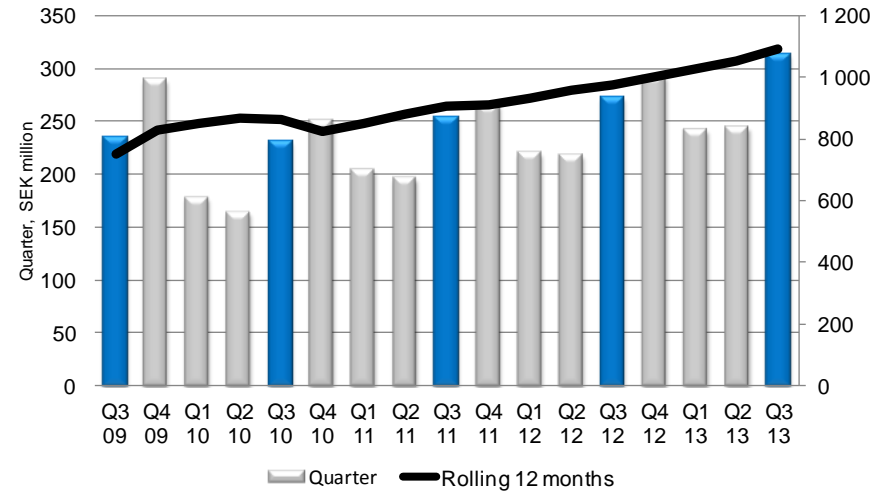
Financial summary



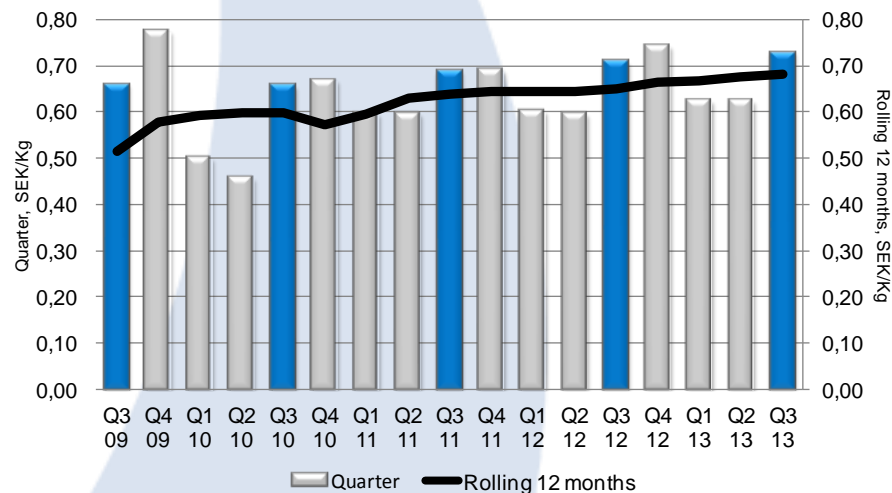
AAK Group - Volume



AAK Group - Operating profit

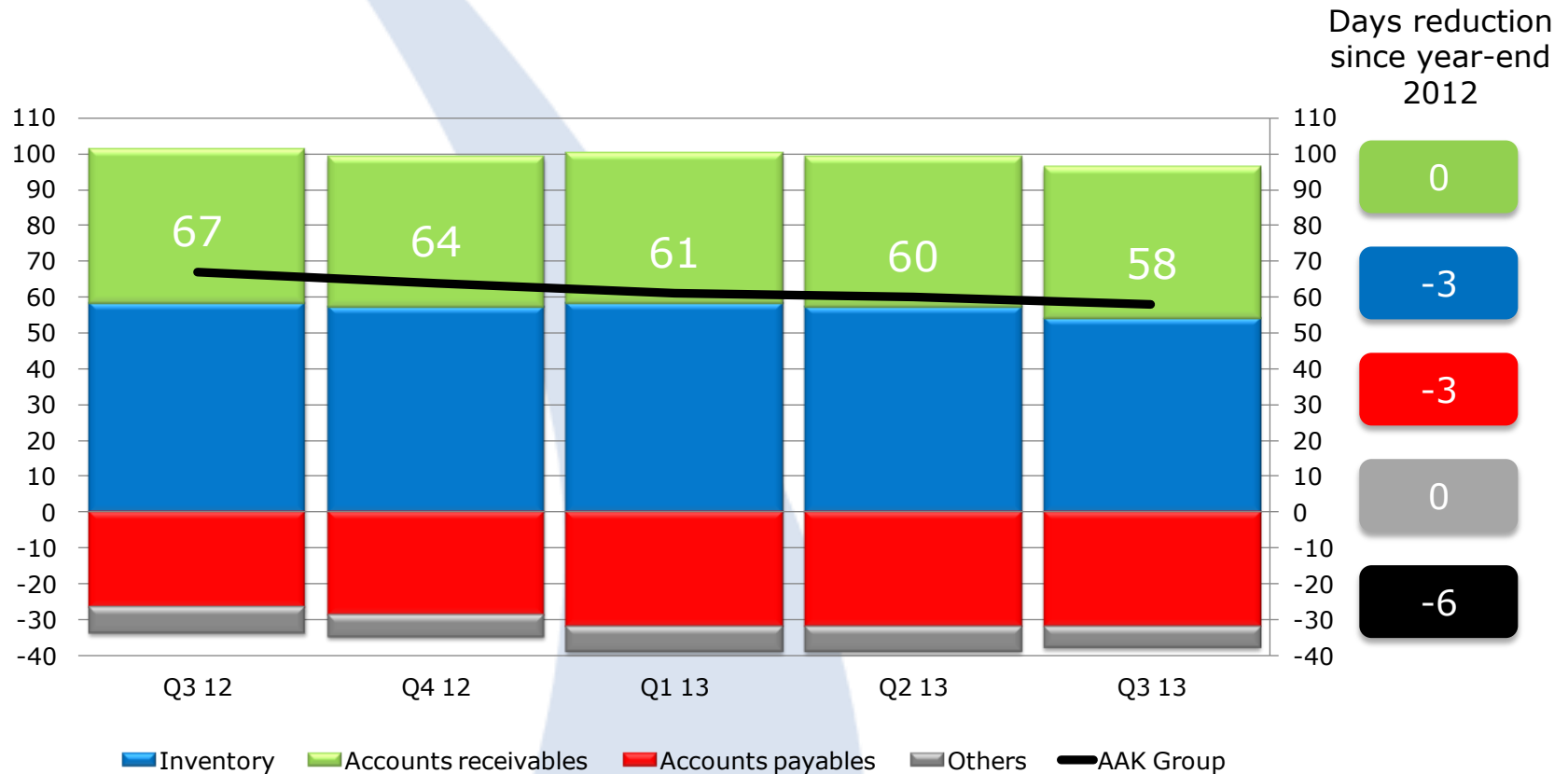


AAK Group - Operating profit per kilo

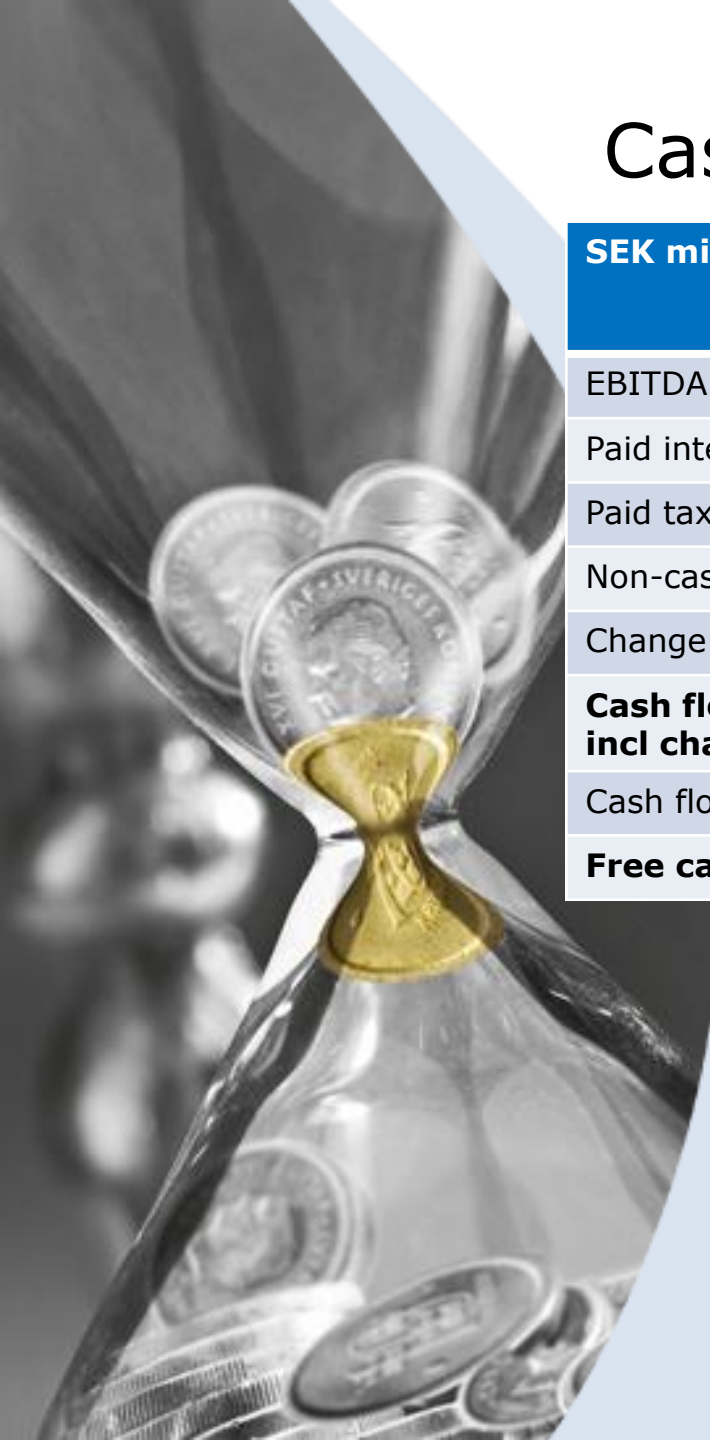


Working capital days

Rolling 12 months



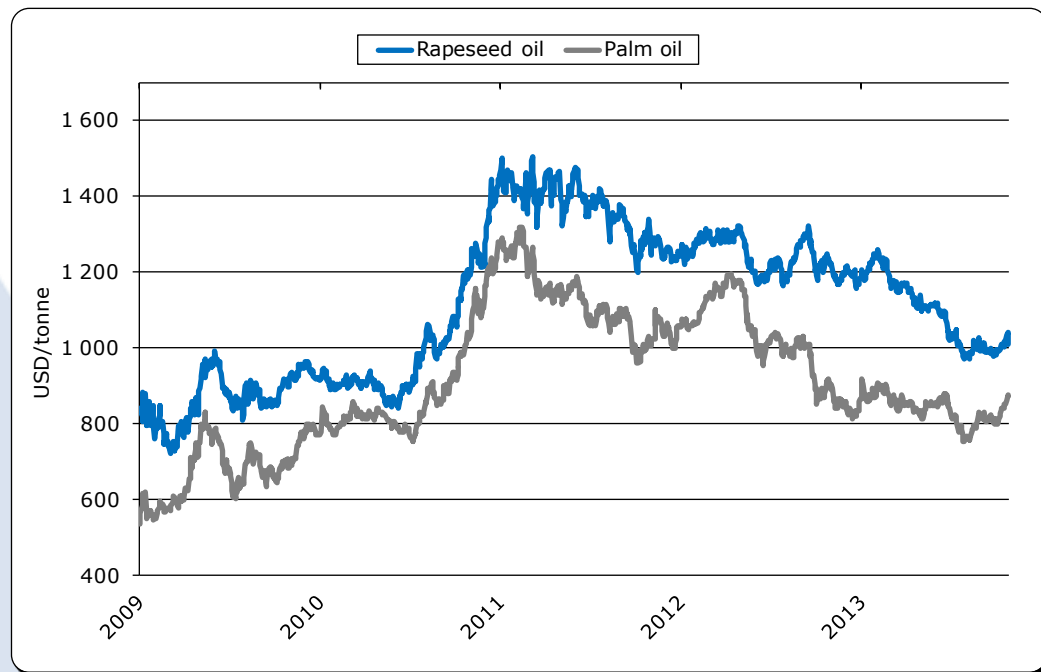
Cash flow



SEK million	Q3 2013	Q3 2012	YTD 2013	YTD 2012
EBITDA	390	361	1,050	965
Paid interest	-27	-31	-80	-89
Paid tax	-55	-111	-209	-259
Non-cash items	7	4	-4	6
Change in working capital	-12	141	335	476
Cash flow from operating activities incl change in working capital	303	364	1,092	1,099
Cash flow from investments	-329	-71	-589	-695
Free cash flow	-26	293	503	404

- Cash flow from operating activities incl changes in working capital amounted to SEK 303 million (364)
 - EBITDA improved by SEK 29 million, from SEK 361 million to SEK 390 million
 - Cash flow from change in working capital was negative SEK 12 million (positive 141)
- During the fourth quarter of 2013 working capital is expected to increase significantly related to the expected volume growth in Chocolate & Confectionary Fats

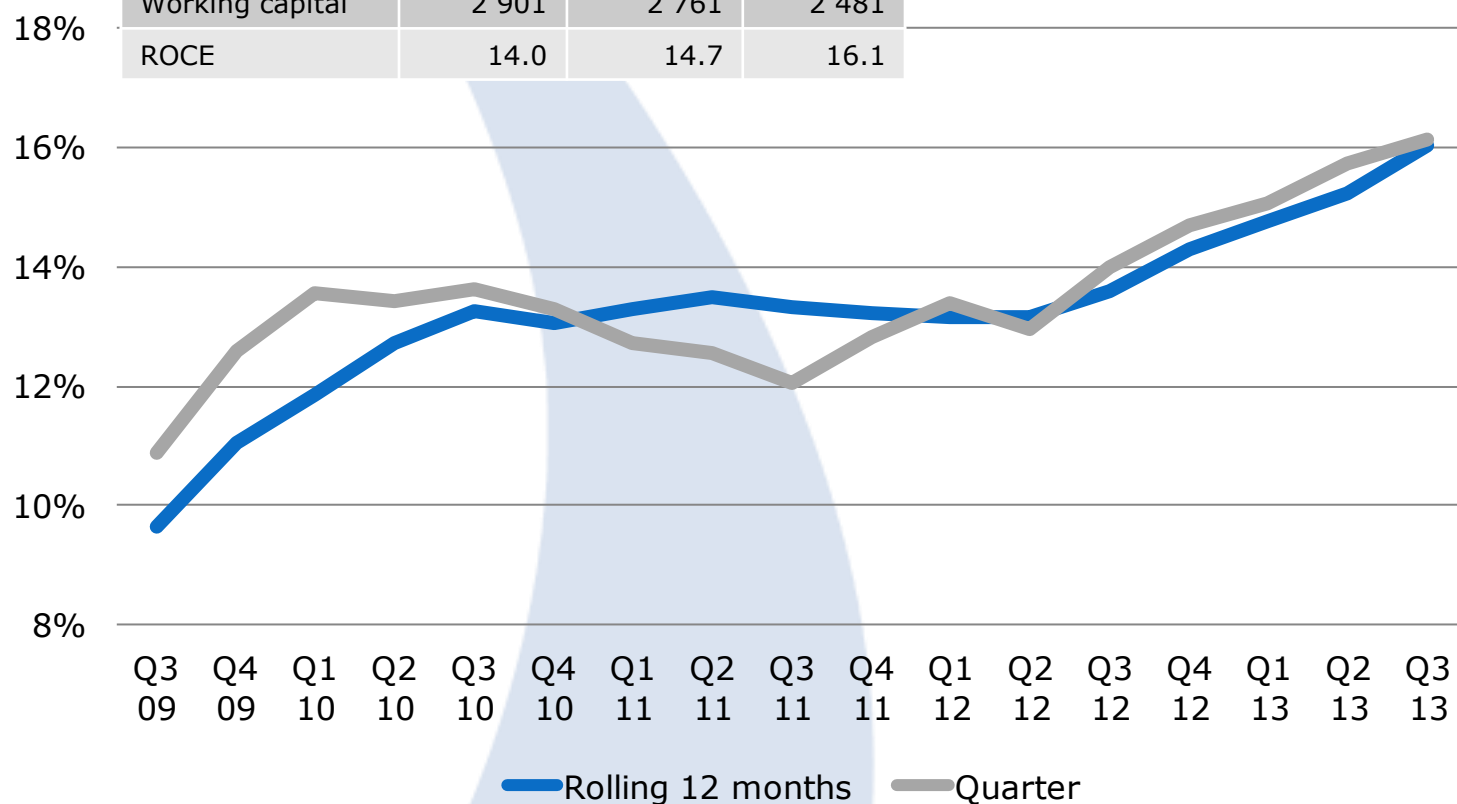
Raw material prices



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

ROCE – 30 September 2013

	Sep 2012	Full year 2012	Sep 2013
EBIT R12M	969	1 003*	1 091*
Fixed assets	4 028	4 067	4 285
Working capital	2 901	2 761	2 481
ROCE	14.0	14.7	16.1



* Adjusted for Sandy and acquisition costs

Business trends year to date



	Share of volume	Nord	WE	UK	USA	CEE	CIS	Asia	LA
Food Ingredients	65 %	→	→	→	→	→	→	→	→
Chocolate & Confectionery Fats	18 %	→	→		→	→	→	→	→
Technical Products & Feed	17 %	→							
AAK Group	100 %	→	→	→	→	→	→	→	→

Food Ingredients

A three-tiered white stand filled with various pastries and cookies. The top tier has chocolate-covered rolls and small round cookies. The middle tier has larger round pastries with pink filling and chocolate-covered rolls. The bottom tier has round cookies and pastries with red jam filling.**+11%****+12%**

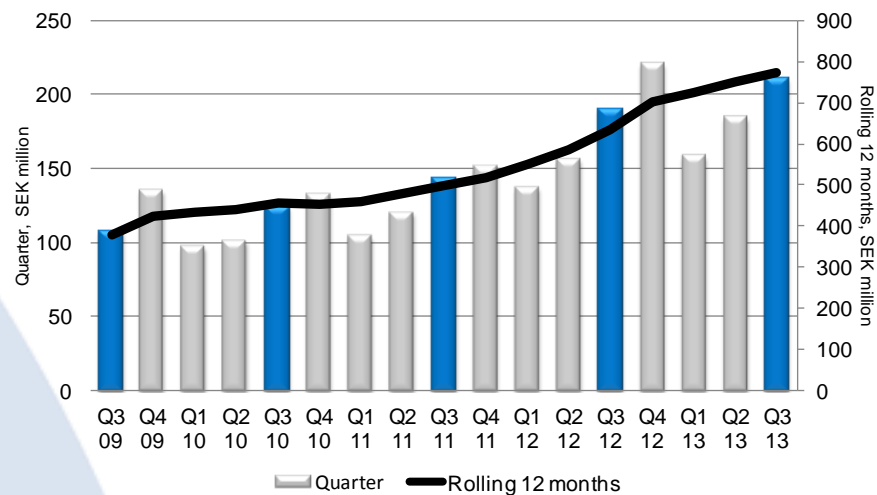
Third quarter 2013

- A record high operating profit reached SEK 211 million (190), an increase by 11 percent
 - Strong organic development in speciality and semi-speciality products
 - Particularly Infant Nutrition, Latin America, Dairy and Bakery together with Food Service continued to develop well
 - Negative currency translation impact of SEK 2 million
 - Operating profit at fixed exchange rates improved by 12 percent
- Operating profit per kilo remained stable at 0.78 (0.78)
- Volume growth by 12 percent
 - We have been particularly successful in semi-speciality in Bakery, Dairy Fat Alternatives and Food Service
 - For comparable units volumes increased by 9 percent

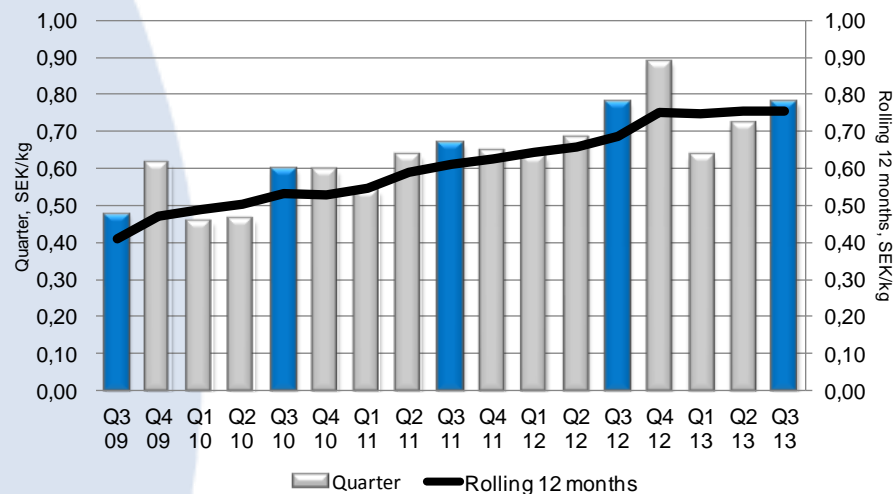
Food Ingredients



Food Ingredients - Operating profit



Food Ingredients - Operating profit per kilo





Chocolate & Confectionery **AAK** Fats

+19%

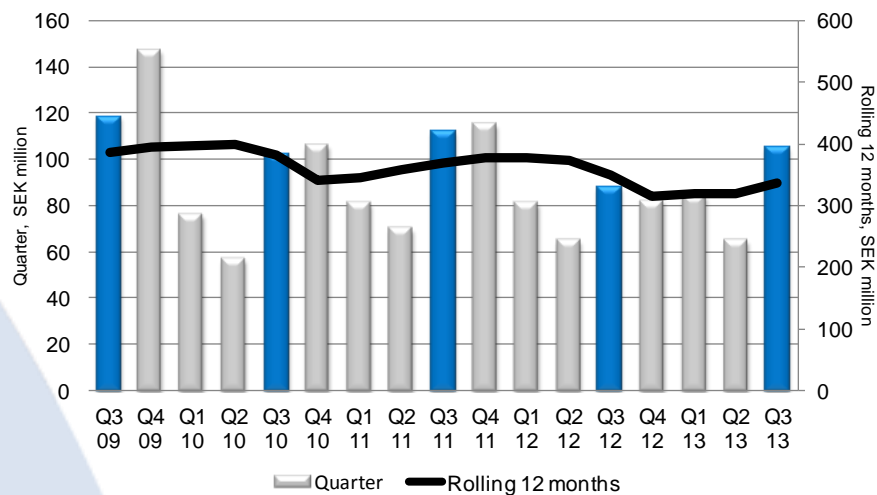
+22%

Third quarter 2013

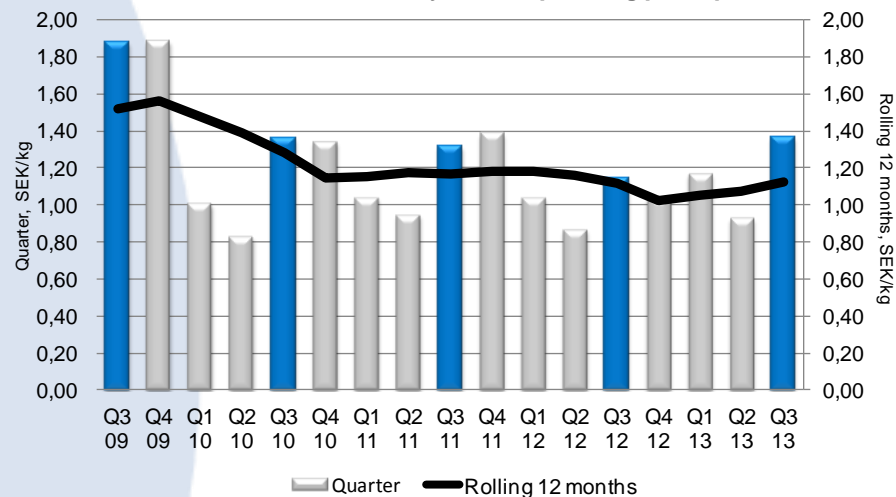
- The operating profit improved strongly and reached an increase of 19 percent at SEK 105 million (88)
 - The underlying Cocoa Butter Equivalent (CBE) margin has improved driven by the increase in cocoa butter prices which have risen significantly over the last 9-12 months
 - Negative currency translation impact of SEK 2 million
 - Operating profit at fixed exchange rates improved by 22 percent
- Operating profit per kilo at SEK 0.93 (0.87)
 - Improved by 19 percent mainly due to a better product mix, increased volume of CBE and Personal Care volumes but lower volume of the low-end product range
- Total volume remained stable

Chocolate & Confectionery Fats

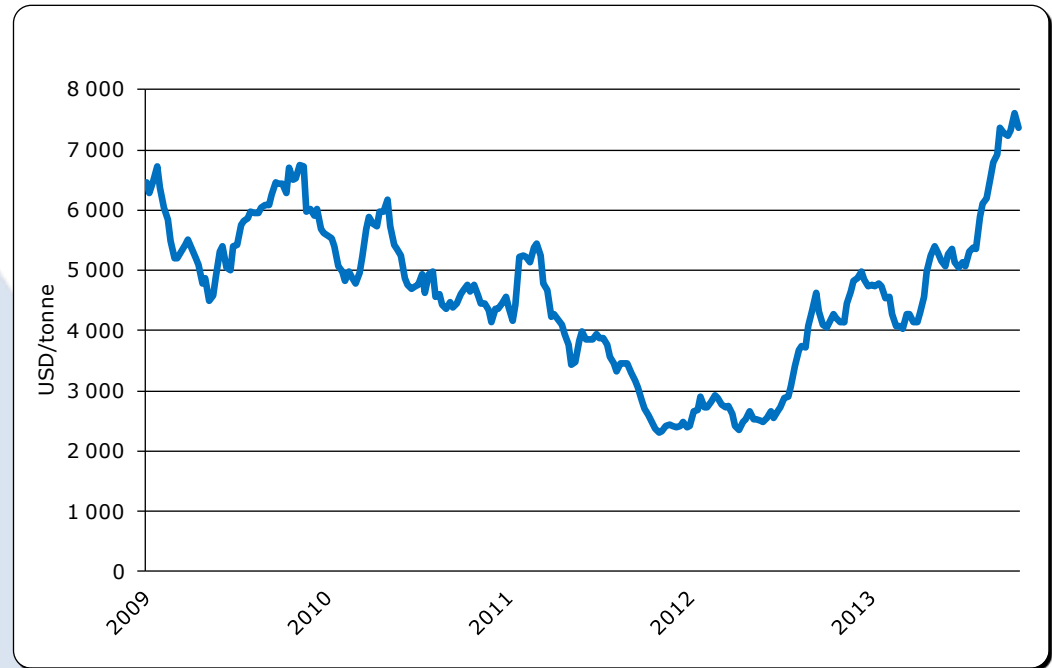
Chocolate & Confectionery Fats - Operating profit



Chocolate & Confectionery Fats - Operating profit per kilo



Cocoa butter price



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

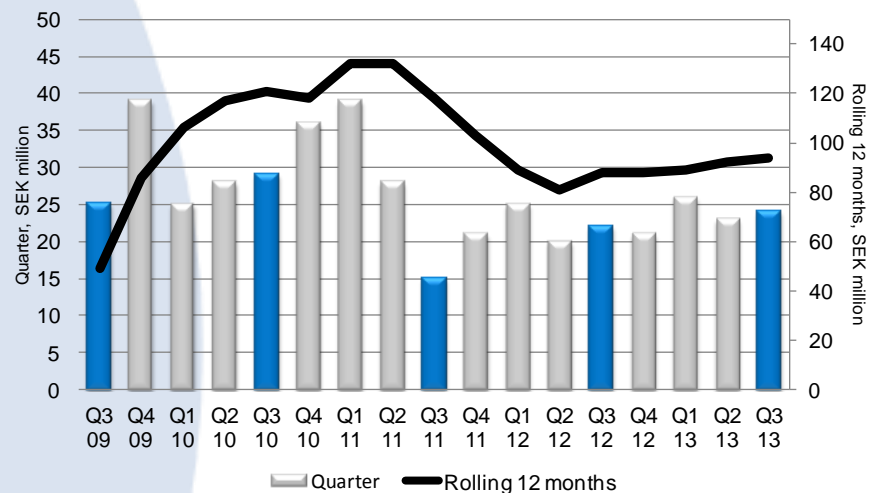
Technical Products & Feed **AAK**

+9%

Third quarter 2013















- Operating profit of SEK 24 million (22)
 - Improvement was mainly due to feed and technical fatty acids businesses
- Volumes increased by 3 percent
 - Mainly driven by increased volumes of feed business

Technical Products & Feed - Operating profit



AAK Acceleration - Growth

AAK Acceleration projects

	KPI Q3 13	KPI Q2 13
Bakery		
Dairy		
CCF		
Infant Nutrition		
Food Service		
Merger & Acquisition	N.A	N.A
Fast-growing economies		
• China		
• Brazil		



Ahead of plan



Slightly ahead of plan



On plan



Behind plan

AAK Acceleration - Efficiency



AAK Acceleration projects

Purchasing

Productivity

KPI
Q3 13



KPI
Q2 13



Ahead of plan



Slightly ahead of plan



On plan



Behind plan

AAK Acceleration - People

AAK Acceleration projects

Sales

Mobilize Ourselves

Internal communication

KPI
Q3 13



KPI
Q2 13



Ahead of plan



Slightly ahead of plan



On plan



Behind plan

Business area guidance



◆ Food Ingredients

- Considering the operating profit for the fourth quarter last year was unusually strong characterized by a very favourable product mix combined with unusually high production yields, we expect the operating profit for the fourth quarter 2013 to be slightly lower than last year
- However, we do not expect any slow-down in the mid to long-term positive business trends for Food Ingredients. We expect the year to year rate of operating profit improvement for the full year 2013 for the business area to be approximately 10 percent

◆ Chocolate & Confectionery Fats

- The performance of the business area is expected to continue its significant recovery

◆ Technical Products & Feed

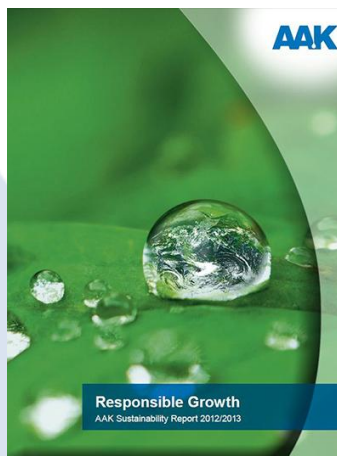
- For the next quarters the operating result is expected to be in line with prior year

Concluding remarks from CEO



- Based on AAK's customer value propositions for
 - Health and reduced costs
 - Customer product co-development and solutions approach
 - AAK Acceleration program
- We continue to remain prudently optimistic for the future
- The main drivers are expected to be
 - Continued strong underlying development in Food Ingredients, however, with a lower operating profit during the fourth quarter 2013 compared to last year, because of the exceptionally strong result in the fourth quarter 2012 for this business area
 - Chocolate & Confectionery Fats is expected to continue its significant recovery

Questions & answers



Financial calendar

Financial calendar 2013

November 12, 2013	Capital Market Day – Stockholm
November 22, 2013	Capital Market Day – London
February 5, 2014	Fourth quarter and year-end report

Financial calendar 2014

April 23, 2014	First quarter 2014
July 17, 2014	Second quarter 2014
October 29, 2014	Third quarter 2014
February 3, 2015	Fourth quarter 2014

A black and white photograph of an hourglass with several coins inside it, positioned on the left side of the slide. The hourglass is tilted, and the coins are visible in both the top and bottom bulbs.

Investor Relations contacts



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