



## Chief Executive's comments

### Record high second quarter operating profit driven by continued strong performance in Food Ingredients

Operating profit was at a record high for a second quarter, at SEK 244 million (218), an improvement of 12 percent compared to the corresponding quarter in 2012. Due to the strengthening of the Swedish krona there was a negative currency translation impact of SEK 6 million. Operating profit at fixed exchange rates improved by 15 percent. Last year the reported operating profit for the second quarter amounted to SEK 218 million excluding acquisition related costs of SEK 7 million.

Operating profit per kilo amounted to SEK 0.62 (0.60), a continued improvement largely attributable to a higher proportion of speciality and semi-speciality products.

Business Area operating profit:

- Food Ingredients reached a record high of SEK 184 million (156), an improvement by 18 percent, or 21 percent at fixed exchange rates.
- Chocolate & Confectionery Fats remained stable at SEK 65 million (65), up 3 percent at fixed exchange rates.
- Technical Products & Feed improved by 15 percent at SEK 23 million (20).

Earnings per share increased by 19 percent, to SEK 3.74 (3.14).

Sales amounted to SEK 4,034 million (4,207), the decrease was mainly due to the effect of lower raw material prices and a negative currency translation impact of SEK 106 million.

### Very strong operational cash flow

Operating cash flow including changes in working capital amounted to SEK 576 million (351). As expected working capital decreased significantly by SEK 343 million (196).

### Continued strong ROCE evolution

Return on Capital Employed (ROCE), calculated on a rolling 12 month basis was 15.2 percent compared to 14.2 percent at year-end and 13.2 percent at the corresponding quarter last year.



### Business development

During the second quarter Group volumes increased by 7 percent. For comparable units, organic growth, mainly driven by Food Ingredients, was 1 percent.

Food Ingredients continued to demonstrate very strong development, particularly in Infant Nutrition and Latin America. Food Service and Bakery also showed volume growth while Dairy and commodity volumes in the UK and Scandinavia continued to decline somewhat. Technical Products & Feed improved while Chocolate & Confectionery Fats volumes continued to decline slightly.

### AAK Acceleration

We continue to see positive effects of the AAK Acceleration program (Growth-Efficiency-People).

### Concluding remarks

Based on AAK's customer value propositions for health and reduced costs, our customer product co-development and solutions approach, and the AAK Acceleration program, we continue to remain prudently optimistic for the future. The main drivers are expected to be the strong Food Ingredients business and the expected recovery in the second half of 2013 for Chocolate & Confectionery Fats.



Arne Frank  
CEO and President

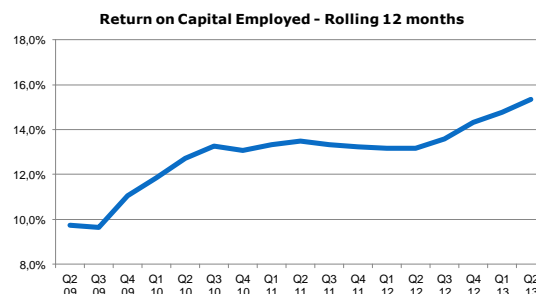
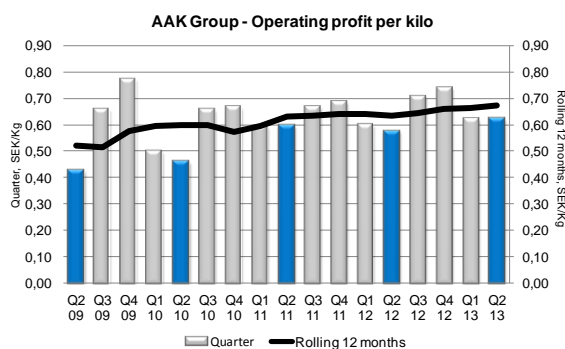
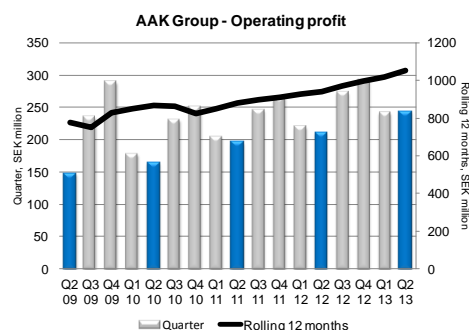
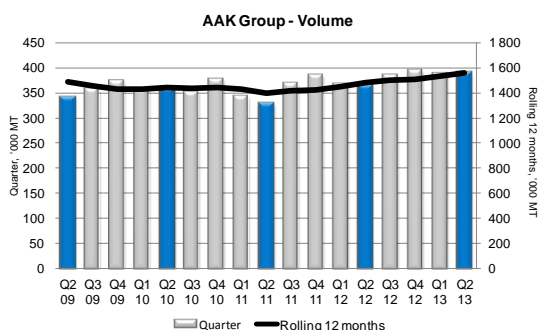
## Financial highlights and key ratios

SEK million	Q2 2013	Q2 2012	Δ %	Q1-2 2013	Q1-2 2012	Δ %	Full year 2012	
<b>Income statement</b>								
Volumes (MT)	391	366	+7	780	732	+7	1,511	
Operating profit (EBIT)*	244	211	+16	486	431	+13	975	***
Net profit	154	129	+19	311	270	+15	647	
<b>Financial position</b>								
Total assets	9,418	9,989	** -6	9,418	9,989	** -6	9,760	**
Equity	3,996	3,598	** +11	3,996	3,598	** +11	3,836	**
Net working capital	2,448	3,043	-20	2,448	3,043	-20	2,761	
Net interest-bearing debt	2,328	3,283	** -29	2,328	3,283	** -29	2,635	**
<b>Cash flow</b>								
EBITDA	330	299	+10	660	604	+9	1,322	
Cash flow from operating activities	576	351	+64	789	735	+7	1,539	
Cash flow from investing activities	-164	-517	+32	-259	-623	+42	-794	
Free cash flow	412	-166	n/a	530	112	+373	745	
<b>Earnings per share</b>								
Earnings per share before dilution	3.74	3.14	+19	7.53	6.57	+15	15.66	
Earnings per share after dilution	3.69	3.12	+18	7.43	6.54	+14	15.56	
<b>Key figures</b>								
Volume growth, %	+7	+11	N/A	+7	+9	N/A	+6	
Operating profit per kilo	0.62	0.58	+7	0.62	0.59	+5	0.66	
Return on Capital Employed	15.2	13.2	+16	15.2	13.2	+16	14.2	
Net debt / EBITDA	1.69	2.45	** -31	1.69	2.45	** -31	1.92	**

\*) The full year 2012 includes SEK 7 million acquisition related costs incurred in the second quarter 2012.

\*\*) Restated figures according to revised accounting standard IAS19 pension, see Attachment 1 of this report.

\*\*\*) Hurricane Sandy had a negative impact on operating profit in the fourth quarter 2012 by an estimated SEK 21 million. All volumes in this report have been adjusted to include lost shipments covered by insurance compensation. See further page 9.



## The AAK Group, second quarter 2013

### Volumes

Volume increased by 7 percent compared to the second quarter 2012 mainly due to acquisitions and increased specialty and semi-specialty volumes, partly offset by somewhat lower commodity volumes in the UK and Scandinavia. For comparable units, organic growth in volumes was 1 percent.

### Net sales

Net sales decreased by SEK 173 million mainly due to the negative impact of currency translation by SEK 106 million. The positive impact of recent acquisitions has been largely offset by lower raw material prices.

### Operating profit

The operating profit for the second quarter was at a record high, reaching SEK 244 million (218), an improvement by 12 percent. The impact of currency translation was negative SEK 6 million following the strengthening of the Swedish krona. Operating profit at fixed exchange rates improved by 15 percent. Last year the reported operating profit for the second quarter amounted to SEK 218 million excluding acquisition related costs of SEK 7 million.

Operating profit per kilo continued to improve from SEK 0.60 to SEK 0.62 per kilo, an improvement by 3 percent. All business areas improved. Food Ingredients improved from SEK 0.68 to SEK 0.72 per kilo. Operating profit per kilo in Chocolate & Confectionary Fats improved by 7 percent from SEK 0.87 to 0.93 per kilo mainly as a result of a higher proportion of semi specialty and specialty products. Technical Products & Feed improved by 9 percent from SEK 0.32 to SEK 0.35 per kilo.

### Net financial cost

The net financial cost was SEK 28 million (31), an improvement mainly due to lower borrowings.

### Cash flow and Investments

Operating cash flow in the second quarter amounted to SEK 576 million (351). Working capital decreased as expected by SEK 343 million (196). During the second half of 2013 working capital will be negatively affected by the expected volume growth in Chocolate & Confectionary Fats.

After net investments amounting to SEK 164 million (517), cash flow was positive SEK 412 million (negative 166).

### Financial position

The equity/assets ratio amounted to 42 percent (39\* percent at 31 December 2012). Net debt at 30 June 2013, amounted to SEK 2,328 million (SEK 2,635\* million on 31 December 2012). During the second quarter the company paid a dividend of SEK 215 million. At 30 June 2013, the Group had total credit facilities of approximately SEK 5,670 million.

### Employees

The average number of employees at 30 June 2013 was 2,163 (2,211 on 31 December 2012). The reduction was mainly related to the ongoing restructuring of the UK operations.

### Hurricane Sandy

There was no exceptional impact on the operating profit related to the Hurricane Sandy in the second quarter 2013. However, insurance compensation has been recorded, please see further comments on pages 9 and 11.

\*) Restated figures according to revised accounting standard IAS19 pension, see Attachment 1 of this report.



## Business Area Food Ingredients, Q2 2013

Operating profit

**+18 %**

Operating profit per kilo

**+6 %**

	Q2 2013	Q2 2012	Δ %	Q1-2 2013	Q1-2 2012	Δ %	Rolling 12 mth	Full year 2012
SEK million								
Volumes	255	229	+11	505	446	+13	996	937
Net sales	2,659	2,726	-2	5,211	5,326	-2	10,614	10,729
Operating profit	184	156	+18	342	293	+17	752	703
Operating profit per kilo	0.72	0.68	+6	0.68	0.66	+3	0.76	0.75

### Volumes

Food Ingredients reported a volume growth of 11 percent compared to the corresponding quarter in 2012, attributable mainly to acquired businesses and increases in semi-specialty and specialty products. For comparable units volume increased by 2 percent.

### Net sales

Net sales decreased by SEK 67 million mainly due to the negative currency translation impact of SEK 76 million. The positive impact of recent acquisitions has been largely offset by lower raw material prices.

### Acquisitions

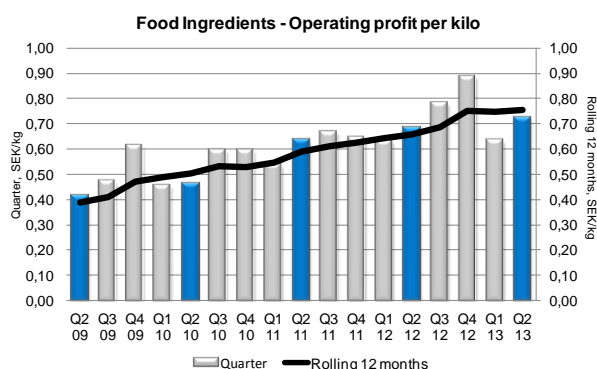
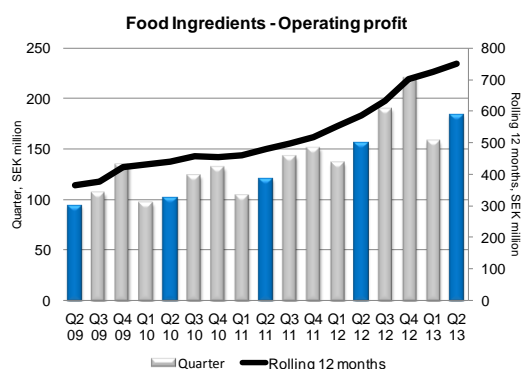
The integration of acquisitions completed in the second quarter 2012, Oasis Food Company in the US and Crown Foods A/S in Denmark, are progressing according to plan.

### Operating profit

Operating profit was a record high for a second quarter at SEK 184 million (156), an increase by 18 percent due to the acquisitions and a continued very strong organic development, particularly in Infant Nutrition and Latin America. Food Service and Bakery also showed growth while Dairy and commodity volumes in the UK and Scandinavia continued to decline somewhat. The impact of currency translation was negative by SEK 4 million. Operating profit at fixed exchange rates improved by 21 percent.

Operating profit per kilo in Food Ingredients improved from SEK 0.68 to SEK 0.72 per kilo an improvement by 6 percent.

We continue to remain optimistic for the future, however, we expect the rate of operating profit improvement for the full year 2013 to be low-end double digits.



# Business Area Chocolate & Confectionery Fats, Q2 2013

		Q2 2013	Q2 2012	Δ %	Q1-2 2013	Q1-2 2012	Δ %	Rolling 12 mth	Full year 2012
Operating profit	SEK million	<b>70</b>	75	-7	<b>141</b>	153	-8	297	309
<b>0 %</b>	Volumes	<b>964</b>	1,102	-13	<b>2,000</b>	2,326	-14	4,257	4,583
Operating profit per kilo	Operating profit	<b>65</b>	65	0	<b>149</b>	146	+2	319	316
<b>+7 %</b>	Operating profit per kilo	<b>0.93</b>	0.87	+7	<b>1.06</b>	0.95	+12	1.07	1.02

## Volumes

Total volume declined by 7 percent mainly as a result of very low prices of cocoa butter in 2011 and the first three quarters of 2012, which continues to affect sales of specialty and semi-specialty products negatively.

## Net sales

Net sales for Chocolate & Confectionery Fats decreased by SEK 138 million mainly as a consequence of lower raw material prices and an unfavourable currency translation impact of SEK 30 million.

## Operating profit

As expected operating profit during the second quarter remained stable compared to previous year at SEK 65 million. The underlying Cocoa Butter Equivalent (CBE) margin has not yet improved to any material extent because of deliveries out of an existing contract backlog.

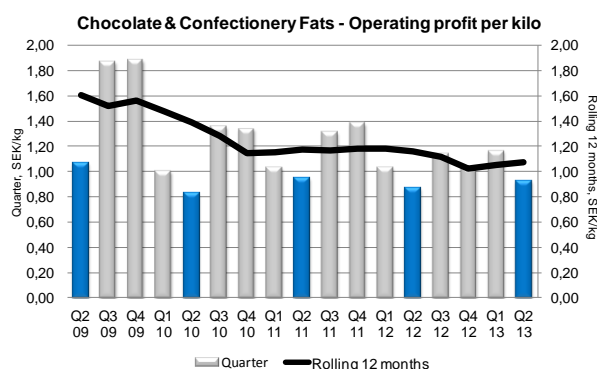
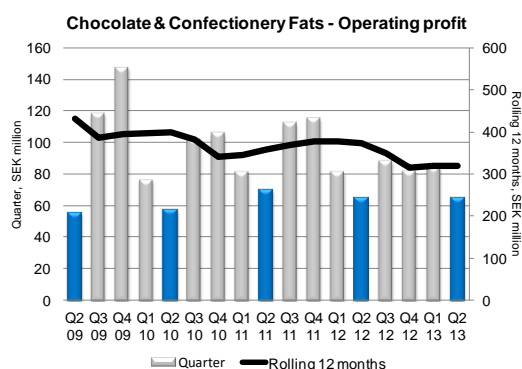
During the third and fourth quarter of 2013 CBE margins are expected to start improving.

The impact of currency translation was negative SEK 2 million. Operating profit at fixed exchange rates improved by 3 percent.

Operating profit per kilo improved 7 percent to SEK 0.93 (0.87) mainly due to a better product mix.

The cocoa butter price remained stable during the second quarter.

The performance of the business area is expected to improve significantly during the second half of 2013.



# Business Area Technical Products & Feed, Q2 2013

	SEK million	Q2 2013	Q2 2012	Δ %	Q1-2 2013	Q1-2 2012	Δ %	Rolling 12 mth	Full year 2012
Operating profit									
<b>+15 %</b>	Volumes	<b>66</b>	62	+6	<b>134</b>	133	+1	266	265
	Net sales	<b>411</b>	379	+8	<b>834</b>	777	+7	1,656	1,599
Operating profit per kilo	Operating profit	<b>23</b>	20	+15	<b>49</b>	46	+7	91	88
<b>+9 %</b>	Operating profit per kilo	<b>0.35</b>	0.32	+9	<b>0.37</b>	0.35	+6	0.34	0.33

## Volumes

Volumes increased by 6 percent compared to the corresponding quarter in 2012. The increase was partly due to a longer maintenance stop in the production facility last year.

## Net sales

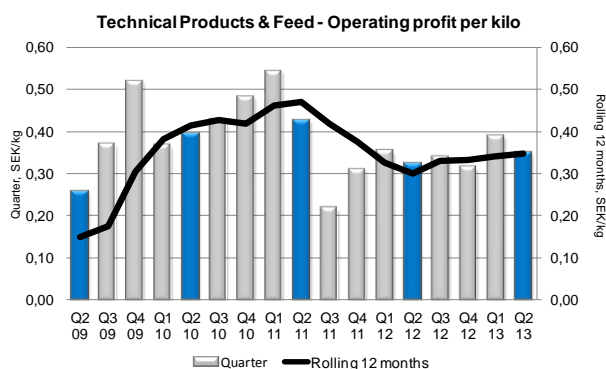
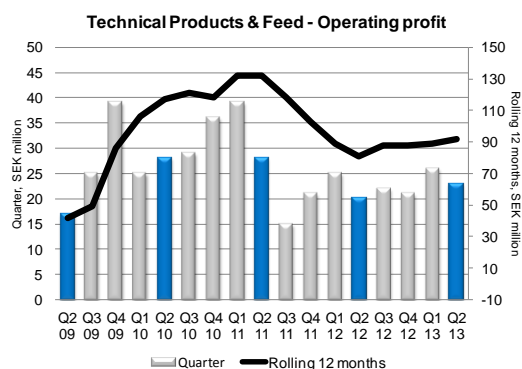
Net sales for the business area increased by SEK 32 million or by 8 percent.

## Operating profit

Operating profit improved to SEK 23 million (20). The improvement was mainly due to the longer maintenance stop in the production facility with consequent low profitability last year.

Operating profit per kilo at SEK 0.35 (0.32) improved by 9 percent mainly due to better pricing obtained in some areas of the business.

The next quarters will continue to be challenging and the operating result is expected to be stable.



## *The AAK Group, first six months 2013*

### **Volume**

Volume increased by 7 percent during the first six months due to both acquisitions and organic growth.

### **Net sales**

Net sales decreased by SEK 384 million mainly due to lower raw material prices and a negative currency translation impact of SEK 201 million despite a positive impact from the recent acquisitions.

### **Operating result**

Operating profit for the first six months of 2013 before acquisition related costs was a record high, reaching SEK 486 million (438), an improvement of 11 percent. The impact of currency was negative SEK 12 million. At fixed

exchange rates operating profit improved by 14 percent.

Last year the reported operating profit for the first six months amounted to SEK 438 million excluding acquisition related costs of SEK 7 million.

### **Net financial cost**

Net financial cost was lower at SEK 51 million (55). Borrowings were lower than last year.

### **Cash flow**

Cash flow after changes in working capital for the first six months of 2013 amounted to SEK 789 million (735), including improvements in working capital of SEK 347 million (335).



## General information

### Related parties

The ongoing business with Unitata Berhard in Malaysia, has ceased to qualify as related party transactions since Carl Bek-Nielsen and Martin Bek-Nielsen have resigned from the AAK Board. There are no other significant changes that have taken place in relations or transactions with related parties since 2012.

### Hurricane Sandy and insurance compensation

AAK's two plants in the New Jersey area were temporarily shut down on October 29, 2012 due to Hurricane Sandy. No employees were injured at either of the plants.

The plant in Port Newark was back in production (with reduced capacity) on November 26, 2012 and was by the end of the year 2012 back at almost full capacity. At the end of the first quarter 2013 the plant was back at full capacity.

AAK has insurance cover for property damage and business interruption.

The recorded insurance claim during the second quarter reported under "Other income" in the Income statement, amounted to approximately SEK 20 million, and has been reflected in the appropriate business area results. Reported volumes have been adjusted for lost shipments to reflect normalized operations. During the second quarter of 2013 there were no exceptional effects on operating profit related to Hurricane Sandy.

It is not likely that the insurance settlement will be finalized until after the fiscal year 2013.

### Risk and uncertainty factors

AAK is a global company represented in many countries and as such is exposed to a number of commercial and financial risks. Accordingly, risk management is an important process for AAK in its work to achieve established targets.

Efficient risk management is an ongoing process conducted within the framework of business control, and is part of the ongoing review of operations and forward-looking assessment of operations.

AAK's long-term risk exposure is assumed not to deviate from the inherent exposure associated with AAK's ongoing business operations.

For a more in-depth analysis of risks, refer to AAK's Annual Report for 2012.

### Accounting principles in 2013

This interim report is prepared in accordance with the Swedish Annual Accounts Act and IAS 34, Interim Financial Reporting. For information regarding the accounting policies applied, see the Annual Report for 2012. The accounting policies are unchanged, compared with those applied in 2012.

### IAS 19 (Pension) disclosure

Effective as of January 1, 2013 the company has implemented the IAS 19 accounting for pension obligations in line with the IFRS accounting requirements. There is no significant impact on the balance sheet or key ratios related to this change in accounting principles. Please refer to Attachment 1 of this report showing the impact of the restatement.

### Definitions

For definitions see the 2012 Annual Report.

### The Parent Company and Group Functions

The Parent Company is a holding company for the AAK Group. Its functions are primarily activities related to the development and administration of the Group.

The Parent Company's invoiced sales during the first six months 2013 were SEK 29 million (23). The result for the Parent Company after financial items amounted to SEK 77 million (negative 23).

Interest-bearing liabilities minus cash and cash equivalents and interest-bearing assets totalled negative SEK 657 million (negative 626 as at 31 December 2012). Investments in intangible and tangible assets amounted to SEK 0 million (0).

The Parent Company's balance sheet and income statement are shown on pages 11-12.

### Accounting policies

AarhusKarlshamn AB (publ) is the Parent Company of the AAK Group. The company has prepared its financial reports in accordance with the Annual Accounts Act and RFR 2 Reporting for legal entities.

Malmö, July 22 2013



Melker Schörling  
Chairman of the Board



Märta Beckeman  
Board member



Ulrik Svensson  
Board member



Märta Schörling  
Board member



Lillie Li Valeur  
Board member



Arne Frank  
Chief Executive Officer  
and President



Annika Westerlund  
Trade union  
representative



Leif Håkansson  
Trade union  
representative

This report has not been reviewed by the company's auditors.

The information is that which AarhusKarlshamn AB (publ) is obliged to publish under the provisions of the Stock Exchange and Clearing Operations Act and/or the Trading in Financial Instruments Act. The information was released to the media for publication on July 22, 2013 at 13.00 am CET.

## Income statement

SEK million	Group					Parent			
	Q2 2013	Q2 2012	Q1-2 2013	Q1-2 2012	Rolling 12 mth	Full year 2012	Q1-2 2013	Q1-2 2012	Full year 2012
Net sales	4,034	4,207	8,045	8,429	16,527	16,911	29	23	50
Other operating income *	32	14	86	24	170	108	0	0	5
<b>Total operating income</b>	<b>4,066</b>	<b>4,221</b>	<b>8,131</b>	<b>8,453</b>	<b>16,697</b>	<b>17,019</b>	<b>29</b>	<b>23</b>	<b>55</b>
Raw materials and supplies	-3,137	-3,352	-6,288	-6,726	-12,950	-13,388	-	-	-
Other external expenses	-310	-274	-601	-557	-1,217	-1,173	-28	-25	-72
Cost for remuneration to employees	-288	-291	-579	-561	-1,137	-1,119	-26	-20	-47
Amortisation and impairment losses	-86	-88	-174	-173	-348	-347	-1	-1	-1
Other operating expenses	-1	-5	-3	-5	-15	-17	0	0	0
<b>Total operating costs</b>	<b>-3,822</b>	<b>-4,010</b>	<b>-7,645</b>	<b>-8,022</b>	<b>-15,667</b>	<b>-16,044</b>	<b>-55</b>	<b>-46</b>	<b>-120</b>
<b>Operating result (EBIT)</b>	<b>244</b>	<b>211</b>	<b>486</b>	<b>431</b>	<b>1,030</b>	<b>975</b>	<b>-26</b>	<b>-23</b>	<b>-65</b>
Income from shares in group companies	-	-	-	-	-	-	115	-	185
Interest income	1	3	3	5	6	8	-11	77	156
Interest expense	-19	-26	-38	-53	-87	-102	0	-77	-156
Other financial items	-10	-8	-16	-7	-24	-15	-1	0	0
<b>Total financial net</b>	<b>-28</b>	<b>-31</b>	<b>-51</b>	<b>-55</b>	<b>-105</b>	<b>-109</b>	<b>103</b>	<b>0</b>	<b>185</b>
<b>Result before tax</b>	<b>216</b>	<b>180</b>	<b>435</b>	<b>376</b>	<b>925</b>	<b>866</b>	<b>77</b>	<b>-23</b>	<b>120</b>
Income tax	-62	-51	-124	-106	-237	-219	-	-	-4
<b>Net result</b>	<b>154</b>	<b>129</b>	<b>311</b>	<b>270</b>	<b>688</b>	<b>647</b>	<b>77</b>	<b>-23</b>	<b>116</b>
Attributable to non-controlling interests	1	1	3	2	8	7	-	-	-
Attributable to the Parent company's shareholders	153	128	308	268	680	640	77	-23	116

\*) include insurance compensation related to Hurricane Sandy.

## Comprehensive income

SEK million	Group					Parent			
	Q2 2013	Q2 2012	Q1-2 2013	Q1-2 2012	Rolling 12 mth	Full year 2012	Q1-2 2013	Q1-2 2012	Full year 2012
Income for the period	154	129	311	270	688	647	77	-23	116
Exchange differences on translation of foreign operations	93	30	39	2	-61	-98	-	-	-
Revaluation of defined benefit schemes	-	-16	-	-32	-32	-64	-	-	-
Fair value changes in cash flow hedges	19	-13	29	4	12	-13	-	-	-
Tax related to fair value changes in cash flow hedges	-5	3	-7	-1	-3	3	-	-	-
<b>Total comprehensive income for the period</b>	<b>261</b>	<b>133</b>	<b>372</b>	<b>243</b>	<b>604</b>	<b>475</b>	<b>77</b>	<b>-23</b>	<b>116</b>
Attributable to non-controlling interests	3	1	6	3	9	6	-	-	-
Attributable to the Parent company's shareholders	258	132	366	240	595	469	77	-23	116

## Condensed balance sheet

	Group			Parent		
SEK million	30.6.2013	30.6.2012*	31.12.2012*	30.6.2013	30.6.2012	31.12.2012
<b>Assets</b>						
Goodwill	1,076	1,070	1,045	-	-	-
Other intangible assets	78	83	87	1	1	1
Tangible assets	2,926	2,869	2,800	2	3	2
Financial assets	149	195	135	4,532	7,064	7,060
<b>Total non-current assets</b>	<b>4,229</b>	<b>4,217</b>	<b>4,067</b>	<b>4,535</b>	<b>7,068</b>	<b>7,063</b>
Inventory	2,330	2,752	2,583	-	-	-
Current receivables	2,605	2,743	2,780	39	101	134
Cash and cash equivalents	254	277	330	0	0	0
<b>Total current assets</b>	<b>5,189</b>	<b>5,772</b>	<b>5,693</b>	<b>39</b>	<b>101</b>	<b>134</b>
<b>Total assets</b>	<b>9,418</b>	<b>9,989</b>	<b>9,760</b>	<b>4,574</b>	<b>7,169</b>	<b>7,197</b>
<b>Equity and liabilities</b>						
Shareholders' equity*	3,966	3,577	3,812	3,882	3,881	4,020
Non-controlling interests	30	21	24	-	-	-
<b>Total equity including non-controlling interests</b>	<b>3,996</b>	<b>3,598</b>	<b>3,836</b>	<b>3,882</b>	<b>3,881</b>	<b>4,020</b>
<b>Total non-current liabilities*</b>	<b>2,863</b>	<b>3,879</b>	<b>3,257</b>	<b>-</b>	<b>2,500</b>	<b>2,500</b>
Accounts payables	1,534	1,462	1,480	6	2	12
Other current liabilities	1,025	1,050	1,187	686	786	665
<b>Total current liabilities</b>	<b>2,559</b>	<b>2,512</b>	<b>2,667</b>	<b>692</b>	<b>788</b>	<b>677</b>
<b>Total equity and liabilities</b>	<b>9,418</b>	<b>9,989</b>	<b>9,760</b>	<b>4,574</b>	<b>7,169</b>	<b>7,197</b>

No changes have arisen in contingent liabilities.

\*) Restated figures according to revised accounting standard IAS19 pension, see Attachment 1 of this report.

## AAK Group – Change in equity

SEK million	Total equity capital	Non-controlling interests	Total equity incl. non-controlling interests
Openings equity 1 January 2013	3,812	24	3,836
Profit for the period	308	3	311
Other comprehensive income	58	3	61
<b>Total comprehensive income</b>	<b>4,178</b>	<b>30</b>	<b>4,208</b>
Stock options	3	-	3
Dividend	-215	-	-215
<b>Closing equity 30 June 2013</b>	<b>3,966</b>	<b>30</b>	<b>3,996</b>

SEK million	Total equity capital*	Non-controlling interests	Total equity incl. non-controlling interests
Openings equity 1 January 2012*	3,524	18	3,542
Profit for the period	268	2	270
Other comprehensive income*	-28	1	-27
<b>Total comprehensive income</b>	<b>3,764</b>	<b>21</b>	<b>3,785</b>
Stock options	7	-	7
Dividend	-194	-	-194
<b>Closing equity 30 June 2012</b>	<b>3,577</b>	<b>21</b>	<b>3,598</b>

\*) Restated figures according to revised accounting standard IAS19 pension, see Attachment 1 of this report.

## Financial instruments

SEK million	Asset	Liability
<b>Financial instruments reported in balance sheet 30 June 2013</b>		
Raw material hedge contracts	271	85
FX hedge contracts	26	38
Interest rate swaps	-	54
<b>Total derivatives financial instruments</b>	<b>297</b>	<b>177</b>
Fair value adjustment inventory	5	28
<b>Total financial instruments</b>	<b>302</b>	<b>205</b>



## AAK Group – Cash flow statement

SEK million	Q2 2013	Q2 2012	Q1-2 2013	Q1-2 2012	Full year 2012
<b>Operating activities</b>					
Cash flow from operating activities before changes in working capital	233	155	442	400	950
Changes in working capital	343	196	347	335	589
<b>Cash flow from operating activities</b>	<b>576</b>	<b>351</b>	<b>789</b>	<b>735</b>	<b>1,539</b>
<b>Investing activities</b>					
Cash flow from investing activities	-164	-517	-259	-623	-794
<b>Cash flow after investing activities</b>	<b>412</b>	<b>-166</b>	<b>530</b>	<b>112</b>	<b>745</b>
<b>Financing activities</b>					
Cash flow from financing activities	-445	227	-610	-163	-730
<b>Cash flow for the period</b>	<b>-33</b>	<b>61</b>	<b>-80</b>	<b>-51</b>	<b>15</b>
Cash and cash equivalents at start of period	282	215	330	331	331
Exchange rate difference for cash equivalents	5	1	4	-3	-16
<b>Cash and cash equivalents at end of period</b>	<b>254</b>	<b>277</b>	<b>254</b>	<b>277</b>	<b>330</b>

## AAK Group – Share data

	Q2 2013	Q2 2012	Q1-2 2013	Q1-2 2012	Full year 2012
Number of shares, thousand	40,898	40,898	40,898	40,898	40,898
Earnings per share, SEK*	3.74	3.14	7.53	6.57	15.66
Earnings per share incl dilution, SEK**	3.69	3.12	7.43	6.54	15.56
Earnings per share incl full dilution, SEK***	3.62	3.04	7.28	6.37	15.18
Equity per share, SEK	96.97	88.81	96.97	88.81	95.32
Equity per share, SEK****	-	87.46	-	87.46	93.18
Market value on closing date	342.00	236.50	342.00	236.50	276.00

\* The calculation of earnings per share is based on weighted average number of outstanding shares.

\*\* The calculation of earnings per share is based on weighted average number of outstanding shares including dilution from outstanding subscription options (in accordance with IAS 33).

\*\*\* Earnings per share after full dilution is calculated by dividing net income for the period by the total number of average outstanding shares for the period including a conversion of all outstanding share options to ordinary shares.

\*\*\*\* Restated figures according to revised accounting standard IAS19 pension, see Attachment 1 of this report.

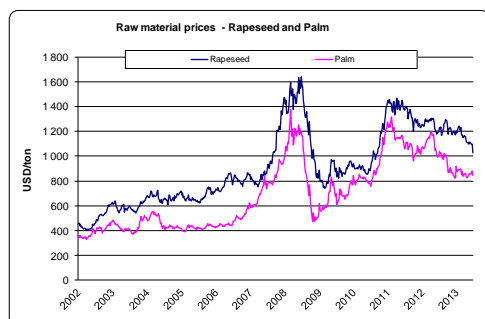
## Quarterly data – Business areas

### Operating profit

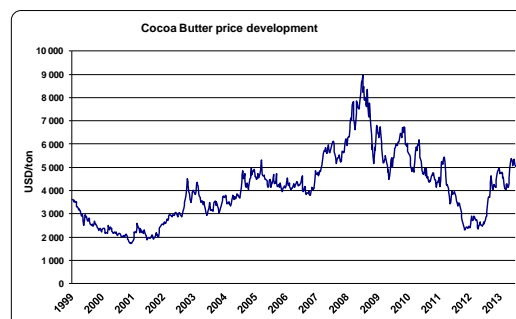
	2012					2013	
SEK million	Q1	Q2	Q3	Q4	Full year	Q1	Q2
Food Ingredients	137	156	190	220	703	158	184
Chocolate & Confectionery Fats	81	65	88	82	316	84	65
Technical Products & Feed	25	20	22	21	88	26	23
Group Functions	-23	-30	-27	-31	-111	-26	-28
<b>Total AAK Group</b>	<b>220</b>	<b>211</b>	<b>273</b>	<b>292</b>	<b>996</b>	<b>242</b>	<b>244</b>
Non-recurring items: Impact related to Sandy	-	-	-	-21	-21	0	0
<b>Total legal operating profit AAK Group</b>	<b>220</b>	<b>211</b>	<b>273</b>	<b>271</b>	<b>975</b>	<b>242</b>	<b>244</b>
Financial net	-24	-31	-32	-22	-109	-23	-28
<b>Result before tax</b>	<b>196</b>	<b>180</b>	<b>241</b>	<b>249</b>	<b>866</b>	<b>219</b>	<b>216</b>

## Price trends in raw materials

### Palm and Rapeseed



### Cocoa Butter



For information regarding cocoa and cocoa butter please refer to information at [www.icco.org](http://www.icco.org).

## *Additional information*

### **Press and analyst conference**

AAK will host a conference call on July 22, 2013 at 2 pm CET. The conference call can be accessed via our home page [www.aak.com](http://www.aak.com).

### **Financial calendar 2013**

The interim report for the third quarter 2013 will be published on October 30, 2013.

The interim report for the fourth quarter and year-end report for 2013 will be published on February 5, 2014.

Capital market day in Stockholm November 12, 2013.

Capital market day in London November 22, 2013.

The annual and quarterly reports are also published on [www.aak.com](http://www.aak.com)

### **Forward-looking statements**

This report contains forward looking statements. Such statements are subject to risks and uncertainties as various factors, many of which are beyond the control of AarhusKarlshamn AB (publ), may cause actual developments and results to differ materially from the expectations expressed in this report.

### **Governing text**

The report has been translated from Swedish. The Swedish text shall govern for all purposes and prevail in the event of any discrepancy between the versions.

### **Investor Relations contact:**

Fredrik Nilsson, Director Group Controlling and Investor Relations

Phone: + 46 40 627 83 34

Mobile: + 46 708 95 22 21

E-mail: [fredrik.nilsson@aak.com](mailto:fredrik.nilsson@aak.com)

## Attachment 1 - IAS 19 (Pension) disclosure

Effective as of January 1, 2013 the company has implemented the IAS 19 accounting for pension obligations in line with the IFRS accounting requirements. There is no significant impact on the balance sheet or key ratios related to this change in accounting principles as can be seen from the tables below.

### **Employee benefits – defined benefit schemes**

In the second quarter of 2013, the financial reporting has been impacted by mandatory changes in Accounting standard IAS 19 *Employee Benefits*. The changes refer to the reporting of defined benefit pension plans.

The impact of the changes implies briefly:

- Minor increase in net pension provisions, including special employers' contributions, SEK 31 million
- Immaterial impact on equity/assets ratio, less than 1 percent, from 39.4 percent to 39.0 percent
- The pension costs for AAK will increase in the future

The amendment to IAS 19 eliminates the possibility of applying the corridor method, that is, the possibility of only reporting a portion of actuarial gains and losses as income or expenses as earlier applied by AAK. Instead, all actuarial gains and losses are reported in "Other comprehensive income" when they arise.

The amended standard also implies that the return on plan assets is not reported, as previously, together with the expected return on plan assets but, instead, is reported in the income statement as interest income, calculated according to the discount rate applying at the beginning of the year.

The accounting principles for defined benefit pension plans are, therefore, changed compared with the Group's accounting principles in the annual financial statements for 2012 and compared with interim reports previously reported in 2012. The new principles impact the accounting retroactively and, consequently, the opening balance as of January 1 2012 has been re-calculated. Furthermore, the comparative figures for the quarters have been adjusted.

The transition to the new mandatory accounting principles has implied that net pension provisions, including special employers' contributions, increased by SEK 31 million as of January 1 2012. This increase in the provision has been reported against profit brought forward, that is in equity, implying that the Group's total equity decreased by SEK 23 million after deferred tax.

The equity/assets ratio has been impacted negatively by 1 percent during the quarter.

Revaluation effects of the next quarters 2012 please see table below:

SEK million	Total equity capital	Non-controlling interests	Total equity incl. non-controlling interests
Openings equity January 1, 2012	3,547	18	3,565
Revaluation of defined benefit schemes	-23	-	-23
<b>Adjusted openings balance January 1, 2012</b>	<b>3,524</b>	<b>18</b>	<b>3,542</b>
Profit for the period	140	1	141
Other comprehensive income	-32	1	-31
<b>Total comprehensive income</b>	<b>3,632</b>	<b>20</b>	<b>3,652</b>
<b>Closing equity March 31, 2012</b>	<b>3,632</b>	<b>20</b>	<b>3,652</b>
Profit for the period	128	1	129
Other comprehensive income	4	-	4
<b>Total comprehensive income</b>	<b>132</b>	<b>1</b>	<b>133</b>
Stock options	7	-	7
Dividend	-194	-	-194
<b>Closing equity June 30, 2012</b>	<b>3,577</b>	<b>21</b>	<b>3,598</b>
Profit for the period	167	4	171
Other comprehensive income	-127	-1	-128
<b>Total comprehensive income</b>	<b>40</b>	<b>3</b>	<b>43</b>
Stock options	6	-	6
<b>Closing equity September 30, 2012</b>	<b>3,623</b>	<b>24</b>	<b>3,647</b>
Profit for the period	205	1	206
Other comprehensive income	-16	-1	-17
<b>Total comprehensive income</b>	<b>189</b>	<b>0</b>	<b>189</b>
<b>Closing equity December 31, 2012</b>	<b>3,812</b>	<b>24</b>	<b>3,836</b>

Equity asset ratio, %	As reported earlier	Adjusted
March 31, 2012	39.4	39.0
June 30, 2012	36.6	36.0
September 30, 2012	38.1	37.4
December 31, 2012	40.2	39.3





## The first choice for value-added vegetable oil solutions

AarhusKarlshamn AB (AAK) is one of the world's leading producers of high value-added speciality vegetable fats. Development and production of these fats require significant technological know-how and they are used in various applications within bakery, infant nutrition, dairy, cosmetics, chocolate and confectionery. AAK has production facilities in Denmark, Great Britain, Mexico, the Netherlands, Sweden, Uruguay and the US. The company is organised in three Business Areas; Food Ingredients, Chocolate & Confectionery Fats and Technical Products & Feed. Further information can be found on the company's website [www.aak.com](http://www.aak.com).

### **Investor Relations contact:**

Fredrik Nilsson, Director Group Controlling and Investor Relations

Phone: + 46 40 627 83 34

Mobile: + 46 708 95 22 21

E-mail: [fredrik.nilsson@aak.com](mailto:fredrik.nilsson@aak.com)

### **AarhusKarlshamn AB (publ)**

Jungmansgatan 12, 211 19 Malmö, Sweden

Phone: + 46 40 627 83 00, Reg. No. 556669-2850, [www.aak.com](http://www.aak.com)