



Capital Markets Day Atria Scandinavia

Tomas Back, 4 December 2012



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Atria Scandinavia Review 1 January – 30 September 2012

€ Million	Q3 2012	Q3 2011	Q1-Q3 2012	Q1-Q3 2011	2011
Net sales	100.1	93.5	284.6	277.1	374.9
EBIT	4.4	4.7	6.3	9.7	13.8
EBIT %	4.3	5.0	2.2	3.5	3.7
Extraordinary items*	0.0	0.0	0.0	0.0	0.7

*Extraordinary items are included in the reported figures.

- **Atria Scandinavia's** Q3/2012 net sales increased by EUR 6.6 million year-on-year.
- EBIT was EUR 0.3 million lower than in the comparative period.
- Net sales for January–September increased by EUR 7.5 million.
- EBIT for January–September was EUR 3.4 million lower than in the comparative period.
- The reason for this decrease was the higher price of meat raw material. Atria has not been able to pass on all of the increased raw material costs to sales prices.

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- A strong upward trend continued in the sale of Atria's own brands. The growth of Atria's market share in meat products exceeded the market growth.
- The sale of Foodservice products increased markedly.
- Atria Concept has increased it's Sibylla Shop in Shop concept distribution in 341 outlets since the beginning of the year (+11%) and sales has increased by 10,5 % year to date. Atria Concept operates in 9 European countries. The development in Russia is particularly strong.
- The market shares of the Lönneberga and 3-Stjernet cold cut products strengthened*

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* source: AC Nielsen

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Cold Cuts R12 (w 44)	Result	Change
Total Swedish market (ton)	30 944	+ 1,7 %
Atria volume (ton)	3 417	+ 9,8 %
Atria volume share	11,0 %	+ 0,8 % points
Total Swedish market (mkr)	4 009	+ 2,2 %
Atria value (mkr)	555	+ 15,0 %
Atria value share	13,9 %	+ 1,6 % points



Sausage R12 (w 44)	Result	Change
Total Swedish market (ton)	70 629	- 1,0%
Atria volume (ton)	8 195	+ 1,3%
Atria volume share	11,6 %	+ 0,3 % points
Total Swedish market (mkr)	3 481	+ 1,7%
Atria value (mkr)	421	+ 2,7%
Atria value share	12,1 %	+ 0,1 % points



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Source: AC Nielsen

Swedish Market

- Atria Scandinavia is number two in the Swedish and Danish markets and market leader in several categories. Small businesses with fewer than 50 million in sales control about 40 % of the Swedish cold cuts and sausage market. Private label accounts for approx 25 % of this market. (source: AC Nielsen)
- The consumption of meat has increased steadily over the years, but during the first eight months 2012 the volumes of processed meat fell by 2.5%, while average prices went up by 2.1%. (source Gfk)
- The price for Swedish pork raw material has increased by approx. 30% in the last 18 months (source: Atria). The price for beef raw material has gone up by some 25% in the same period (source: Atria).
- The pork production volume in Sweden has continued to drop in 2012. During the first 9 months this year pork slaughtering volumes have diminished by 9,6% (source: KCF). The pork meat self sufficiency in Sweden is approx 70% (source: Svenskt kött).

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Atria Scandinavias way to no 1



Strategy statement:

To be market leader or to have a strong second position in cold cuts, sausage and delicatessen in our markets in Scandinavia through strong brands, innovation and successful sales.

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Category leadership

1 COMMERCIAL EXCELLENCE

- **Strong brands**

Strengthen our brands with clear consumer promise.



- **Market research, consumer insight and passion for innovation** will lead to product development and launches with high consumer demand and customer acceptance.
- **Our strong customer relationships** will lead to closer cooperation with our customers to jointly develop our targeted categories bringing mutual profitability.

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Operational efficiency to improve margins

1 EFFICIENCY

- During the last four years we reduced the number of factories from 18 to 9, which has been important steps towards a more efficient supply chain.
- During 2012 the manufacturing of ham products and the slicing of cold cuts was transferred from the Halmstad plant to the Malmö plant. The programme is expected to generate annual cost savings of approximately EUR 1.5 million. The savings will begin to materialise in 2012 and will be fully effective from the beginning of 2013.
- 2013 focus will be to improve efficiencies in our two biggest plants in Sköllersta (mainly sausages) and Malmö (e.g. cold cuts)

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Unify the way we work and
create bold, high performance culture

1 ATRIA WAY OF WORK

- **Leadership**
We develop a leadership that supports our strategy and our values.
Example: Atria Leadership Programme
- **Training & Development**
We invest in development and talent management. 5 training programs during 2012 with 158 participants.
Example: Atria Sales Academy => cooperation with customers developed and improved significantly in 2012

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