

Lantmännen Year-end Report January-December

2014



**We make
farming thrive**


Lantmännen

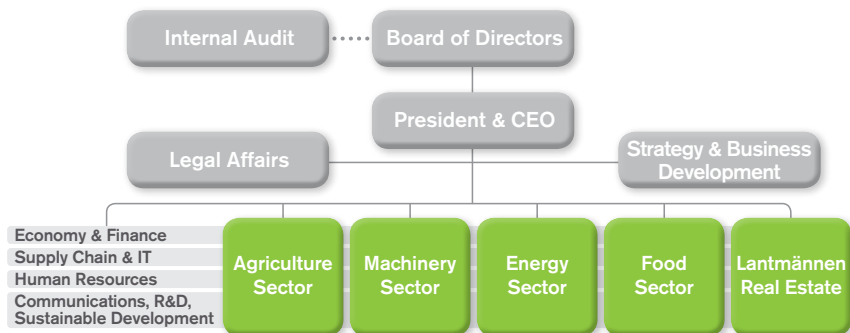


Lantmännen is an agricultural cooperative and Northern Europe's leader in agriculture, machinery, bioenergy and food products. Owned by 29,000 Swedish farmers, we have 8,000 employees, operations in over 20 countries and revenues of SEK 33 billion. With grain as our basis, we process arable land resources for economically viable farming. Some of our best-known food brands are AXA, Kungsörnen, GoGreen, Hatting, Schulstad and Gooh. Our company is founded on knowledge and values built up through generations of owners. Having research, development and operations throughout the value chain means that we can take responsibility together – from field to fork.

To learn more, go to lantmannen.se/en

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Lantmännen's organization



Financial reporting and publication orders

Annual Report with Sustainability Report 2014 and Annual Review 2014 • February 23, 2015 at lantmannen.se/ekonomi
Interim 1st four months • June 3, 2015. Interim 2nd four months • Oct 1, 2015

Lantmännen's reports can be downloaded from ► lantmannen.se/ekonomi

President's overview

Lantmännen's income after net financial items, adjusted for items affecting comparability, for 2014 was MSEK 740 – an improvement of MSEK 57 compared with the previous year. The higher income was mainly due to profitability improvements in the Food and Energy Sectors.

Lantmännen continued to develop positively in 2014, with all Sectors showing positive results. Many of our businesses have taken further steps to improve their operations, and the work on Lantmännen's long-term, growth-oriented strategy – "Strategy 2020" – has begun to produce results in several areas.

Items affecting comparability for the year had a positive effect of MSEK 602 on income. The items include capital gains on Scandi Standard's IPO and the sale of the German and Polish plant breeding and seed operations, as well as restructuring costs in the Agriculture and Food Sectors. Lantmännen's income after net financial items, including these items, was MSEK 1,342.

Operating income for the Agriculture Sector is lower than in the previous year, largely due to lower spring seed sales and an intensifying competitive situation in the Swedish operations. Income improved in the latter part of the year. The grain business has performed well, mainly thanks to the large harvest this year. The feed business is also developing positively, and Lantmännen has strengthened its market position despite intense price competition. Earnings for the Sector's international interests have shown a slight decline.

In January 2015, it was announced that the boards of Lantmännen and Kalmar Lantmän have proposed a merger between the two associations. The merger proposal will be decided on by Kalmar Lantmän's general meeting and dealt with at Lantmännen's annual general meeting. A combined Lantmännen and Kalmar Lantmän – if the merger is adopted – will result in an even more competitive company with roots and ownership among Swedish farmers. The merger is subject to approval by the Swedish Competition Authority.

Both the farm machinery and construction machinery markets have been weak during the year and the Machinery Sector is working intensively on measures to adapt to the fall in demand. Measures include the launch of a new savings program aimed at reducing the Sector's structural costs.

The businesses in the Energy Sector continue to perform



well. Lantmännen Aspen has increased its sales and exports, while Lantmännen Reppe has reduced its costs and increased sales. Lantmännen Agroetanol still faces challenges in terms of very low ethanol prices and a lack of political clarity regarding long-term energy and climate policies.

The Food Sector continues to develop positively. Several major corporate transactions were completed during the year, all in line with Strategy 2020. Lantmännen Cerealia has implemented a number of successful product launches and continued its focus on developing grain concepts that are attractive to both customers and growers. Lantmännen Unibake has shown positive growth during the year, with sales continuing to increase – particularly in the UK, the Benelux area, Finland and the United States.

In January 2015, it was announced that Lantmännen has signed an agreement with Lion Capital to acquire the Finnish company Vaasan, which has operations in bake-off, crispbread and fresh bread. The acquisition is subject to customary approval.

Lantmännen Real Estate has continued to perform well and has delivered stable results.

Cash flow for the year was SEK 2.1 billion. The Group's net debt was reduced by approximately SEK 1.3 billion during 2014 and currently stands at approximately SEK 3.7 billion. This resulted in a stronger equity ratio, which ended the year at 43.8 percent. This means that Lantmännen has further strengthened its already strong financial position, and is well positioned for future growth. The Board's proposal to the Annual General Meeting is for a total dividend of MSEK 463, which is a historically high dividend.

Per Olof Nyman
President & CEO, Lantmännen

The year in brief

January-December 2014

Net sales for the Group amounted to MSEK 10,977 (10,752) for the third four-month period and MSEK 32,666 (33,802) for the full year 2014. Currency effects had a positive impact of 2 percent on net sales for both the four-month period and the full year. After adjustment for acquired and divested operations, net sales were 6 percent higher for the period and 3 percent higher for the full year.

Operating income was MSEK 276 (-525) for the third four-month period and MSEK 1,453 (89) for the full year 2014. Items affecting comparability had an impact of MSEK -79 (-804) on operating income for the period and MSEK 602 (-716) for the year. These items consisted of capital gains and restructuring costs. Operating income after adjustment for items affecting comparability amounted to MSEK 355 (279) for the four-month period and MSEK 851 (805) for the full year.

Income after financial items was MSEK 224 (-555) for the third four-month period and MSEK 1,342 (85) for the full year. Last years financial net includes a capital gain of MSEK 143 on the sale of investment shares, of which MSEK 118 was affecting comparability.

Cash flow before financing activities was MSEK 1,219 (453) for third four-month period and MSEK 2,077 (2,450) for the full year 2014.

Investments amounted to MSEK 380 (333) for the four-month period and MSEK 1,087 (1,043) for the full year.

Dividend The Board has decided to pay a dividend of a 1.5 (1.5) percent refund on members' purchases from Lantmännen Lantbruk Sweden and 0.5 (0.5) percent on purchases from the Machinery Sector's Swedish operations. The Board has also decided that a final price adjustment of 1.5 (1.5) percent will be paid for delivered grain, oilseed and grass seed. The total refund and final price adjustment is estimated at MSEK 135 (129).

The Board proposes that the AGM adopt a contribution dividend of 9 (9) percent, a total of MSEK 178 (171), and a contribution issue of MSEK 150 (0). In total, the proposed contribution dividend and contribution issue amount to 17 (9) percent of the association's contributed capital. The Board proposes a dividend on subordinated debentures of 9 (3) percent, totaling MSEK 5 (2).



Lantmännen's key figures

	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec
Net sales, MSEK	10,977	10,752	32,666	33,802
Operating income, MSEK	276	-525	1,453	89
Operating margin, %	2.5	-4.9	4.4	0.3
Income after financial items, MSEK	224	-555	1,342	85
Net income for the period, MSEK	139	-517	1,225	100
Cash flow before financing activities, MSEK	1,219	453	2,077	2,450
Return on equity, %	3.4	-13.3	10.6	0.9
Return on operating capital, %	5.1	-9.5	9.1	0.5
Total assets, MSEK			27,131	26,001
Equity ratio, %			43.8	42.5
Investments, MSEK	380	333	1,087	1,043
Net debt, MSEK			3,674	4,963
Interest coverage ratio, times			6.9	1.3
Average number of employees			8,311	9,133
Operating income, excluding items affecting comparability, MSEK	355	279	851	805
Income after financial items, excluding items affecting comparability, MSEK	303	249	740	683

Business environment, sales and earnings

Business environment and market

Global economic trends remain multifaceted, and a number of influencing factors have had a greater impact during the final months of the year. The economy is strengthening steadily in the United States, while the euro area is considerably weaker – and China has also seen a certain slowdown in growth. The sharp fall in oil prices has had a major impact on global development, as have the recent difficult security situation and ongoing geopolitical conflicts.

The lower oil prices are positive for the overall global economy, but will benefit the United States more than Europe. On the one hand, the weakening euro against the dollar means that the price decline will not be as sharp, while on the other hand, it will have negative effects on the euro area's key export markets. In December 2014, eurozone deflation, largely due to the lower energy prices, resulted in the ECB (European Central Bank) reducing its 2015 growth forecast. In late January 2015, the ECB launched a massive stimulus package of bond purchases of up to EUR 60 billion per month, aimed primarily at boosting European exports and inflation. The plan is for the stimulus program to continue until September 2016, by which time it will correspond to a total of EUR 1,260 billion.

Exports from Europe to Russia continue to be adversely affected by the sanctions on agricultural and food products imposed on August 7. In addition, the ruble's sharp decline against the euro has reduced Russian purchasing power and therefore its imports from Europe.

The government's growth forecast issued in January 2015 predicts a slow Swedish recovery during the mandate period, partly due to weaker international trends, but also a decline in private consumption in Sweden. Unemployment is expected

to fall more slowly than indicated in earlier forecasts, and public finances are expected to show a deficit until the end of 2018.

According to the European Commission's assessment of the outlook for EU arable crop, meat and dairy producers, the world market appears good in the longer term. Wheat prices rose in the last months of the year, and the European Commission believes that prices will remain stable with solid global demand. Global meat prices have risen, while dairy prices have fallen sharply – largely due to the Russian import sanctions. World prices for dairy products fell by over 40 percent in 2014, and the Swedish milk settlement price declined. The market appears more positive in the longer term, with growing international demand.

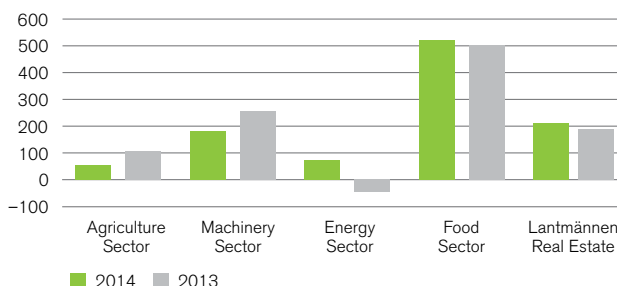
The farm machinery markets in Sweden, Norway and Denmark all slowed towards the end of 2014, largely due to the lower milk prices, and this is having an adverse impact on the agricultural sector's investment capacity. In the Swedish construction machinery market, reduced activity in the mining sector and delayed decisions in several major infrastructure projects resulted in a continuing decline.

New biofuel policy instruments, which promote fuels with higher greenhouse gas benefits, are being introduced in Germany in 2015. The goal is to cost effectively reduce the transport sector's greenhouse gas emissions.

According to HUI Research/Statistics Sweden, Swedish retail sales increased by 2.2 percent in 2014. Retail sales are expected to grow at the same rate in 2015. Consumer trends in food remain the same – healthy and convenient products continue to be important, while demand for sustainably produced products is increasing both among consumers and in the B2B market. The strong organic trend continues, with sales of

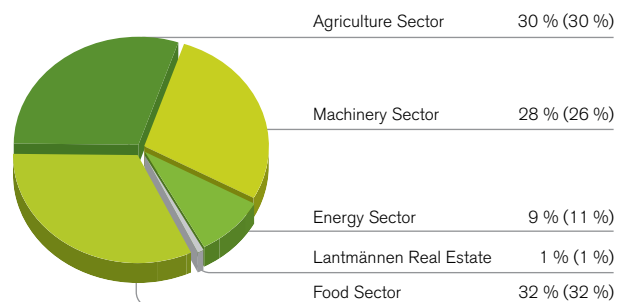
Operating income per sector,

Adjusted for items affecting comparability, MSEK



Sales per sector ¹⁾

Including intra-Group sales



¹⁾ The 2013 figures have been adjusted for the divested Kronfågel Group.

organic products increasing sharply both in retail stores and restaurants. Demand for gluten-free products continues to increase. E-commerce in food is growing faster than in other sectors.

The Group's net sales and earnings January-December 2014

Net sales

Net sales for the third four-month period amounted to MSEK 10,977 (10,752), an increase of 2 percent. Sales increased in all Sectors apart from the Energy Sector.

Net sales for the full year 2014 were MSEK 32,666 (33,802), a decline of 3 percent.

Adjusted for acquired and divested operations, sales increased by 3 percent for 2014 and 6 percent for the four-month period.

Currency effects had a positive impact of 2 percent on net sales for both the four-month period and the full year.

Operating income

Operating income for the third four-month period was MSEK 276 (-525). Items affecting comparability had an impact of MSEK -79 (-804) on operating income and consisted of restructuring costs in the Food Sector. After adjustment for items affecting comparability, operating income for the period was MSEK 355 (279).

Operating income for the full year 2014 was MSEK 1,453 (89) and after adjustment for items affecting comparability it was MSEK 851 (805). The net total for these items was MSEK 602 (-716) and comprised capital gains of MSEK 584 on the IPO of Scandi Standard, MSEK 147 on the sale of Lantmännen's German and Polish plant breeding and seed operations, and restructuring costs of MSEK -50 in the Agriculture Sector and MSEK -79 in the Food Sector. Items affecting comparability in 2013 totaled MSEK -716, of which MSEK -800 was impairment of Lantmännen's ethanol plant. Operating income for the year improved in the Energy and Food Sectors, while for Agriculture and Machinery Sectors it was below the level for the same period the previous year.

Adjusted for acquired and divested operations and non-recurring items, operating income was MSEK 349 (226) for the four-month period and MSEK 858 (702) for the full year 2014.

Currency effects had an impact of MSEK 4 on operating income for the four-month period and MSEK 7 for the full year.

Net financial income and income after financial items

Net financial income for the third four-month period was MSEK -52 (-30) and for the full year 2014 MSEK -111 (-4). The figure for 2013 includes a capital gain of MSEK 143 on the sale of investment shares, of which MSEK 118 was non-recurring. Adjusted for items affecting comparability, net financial income for 2014 was MSEK -111 (-122).

The improvement compared with 2013 is mainly due to lower borrowing rates and reduced net debt as a result of the proceeds received in connection with Scandi Standard's IPO

and the sale of the German and Polish plant breeding and seed operations.

Income after financial items was MSEK 224 (-555) for the four-month period and MSEK 1,342 (85) for the full year.

Income after net financial items, adjusted for items affecting comparability, was MSEK 303 (249) for the four-month period and MSEK 740 (683) for the full year.

Tax and income after tax

The total tax for the year was MSEK -117 (+15). The tax was affected by a non-taxable capital gain and the fact that dividends, including refunds and final price adjustments, from Lantmännen ek för are tax deductible.

The Group's net income after tax for the full year amounted to MSEK 1,225 (100), of which MSEK 1,217 (100) was attributable to members of the economic association and MSEK 8 (0) to non-controlling interests (minority owners) in the Group's subsidiaries.

Cash flow

Cash flow from operating activities during the year was MSEK 1,767 (2,294). The cash operating surplus contributed MSEK 1,362 (1,570) to the figure, while the change in working capital had a positive effect of MSEK 405 (724). Cash flow from operating activities for the four-month period was MSEK 889 (753).

Investments in non-current assets for the year totaled MSEK -1,087 (-1,043). Sales of non-current assets during the year amounted to MSEK 390 (181). Net investments in non-current assets for the year amounted to MSEK -697 (-862). Acquisitions and divestments of operations generated a positive net cash flow of MSEK 1,065 (1,196). Financial investments amounted to MSEK -58 (-178).

Cash flow before financing activities was MSEK 2,077 (2,450) for the full year and MSEK 1,219 (453) for the four-month period.

Total cash flow including financing activities amounted to MSEK 778 (1,943) for the year and MSEK 795 (163) the four-month period.

Financial position

Equity at December 31, 2014 was MSEK 11,876 (11,044), of which MSEK 17 (28) is attributable to owners other than members of the economic association, i.e. the minority interest in Group companies. The Group's financial position improved further during the year. Net debt was MSEK 3,674 (4,963), a net decline of MSEK 1,289 despite an increase of MSEK 349 in pension liabilities. The increase in pension liabilities is largely due to the effects of changed calculation conditions, i.e. actuarial assumptions, for discount rates, life expectancy etc.

The Group's liquidity is good. Cash & cash equivalents were MSEK 3,058 (2,295) at December 31, 2014.

The equity ratio ended the year at 43.8 (42.5) percent. Total assets increased to MSEK 27,131 (26,001) during the year.



Risks and uncertainties

All business activity is subject to risk. The risks in Lantmännen's operations are strategic risks associated with trademarks, external regulations, the economy, operational risks (e.g., fluctuating energy, ethanol and commodity prices) and financial risks. The risks are described in detail in the Annual Report.

The main uncertainty concerning Lantmännen's operations and earnings still relates to the profitability of Lantmännen Agroetanol, which is highly dependent on ethanol price trends and the price of grain. If the liter price of ethanol changes by SEK 1, at full capacity utilization, annual earnings will be affected by just over MSEK 200 at constant prices for inputs and feed. It is estimated that a change of SEK 0.50 per kilo change in the price of grain will affect annual earnings by approximately MSEK 200, provided the price of feed correlates with the price of grain.

Changes in the Group

Lantmännen Lantbruk's German and Polish plant breeding and seed operations were sold to Syngenta in July. At the same time, a strategic partnership began in which Lantmännen gains access to Syngenta's knowledge and varieties, and the company's extensive research and development activities. The sale generated a capital gain of MSEK 147 and a positive cash flow of MSEK 403. The divested operations' annual turnover had been approximately MSEK 200, with total assets of MSEK 200. The average annual number of employees was 70.

Borga Gruppen took over the construction operations of Lantmännen Bygglant in May in 2014.

The merger of Lantmännen Agroenergi's pellet operations in Sweden and Latvia and Neova's corresponding operations in Sweden was completed in June. Lantmännen owns 50

percent of the merged company. Agroenergi Neova Pellets AB is accounted for as an associate, which means that Lantmännen's share of the company's income after tax is recognized in operating income. The company is expected to have an annual turnover of approximately SEK 1 billion and has about 160 employees. Lantmännen's pellet operations in Sweden and Latvia had an annual turnover of approximately MSEK 600, with total assets of MSEK 400. The average annual number of employees was 100.

Scandi Standard AB was listed on June 27, 2014 and a large proportion of Lantmännen's holding in the company was divested at the same time. The remaining ownership interest in Scandi Standard amounts to 13.5 percent. The transaction resulted in a capital gain, including revaluation effect, of MSEK 584 and a cash flow of MSEK 801. Consequently, the holding in Scandi Standard moves from being an associate to a capital investment holding.

In October, Lantmännen Cerealia sold the minced meat operations in Laholm to Orkla Foods.

The acquisition of 50 percent of the shares in the Polish agricultural company HaGe Polska was completed in July. The company's name was changed to Scandagra Polska. The company is jointly owned (50-50) by Lantmännen and DLG of Denmark. Scandagra Polska is a merchant of grain and other inputs in the Polish agricultural market and has a turnover of approximately SEK 1.1 billion.

Lantmännen Cerealia acquired Strängnäs Valskvarn AB in August. The company has a turnover of approximately MSEK 150 and 22 employees.

In June, Lantmännen Cerealia acquired the pancake business of Björnerud Gård AB in Färgelanda. Lantmännen Cerealia took over the employees, machinery and customer

contracts. The business has 15 employees and a turnover of approximately MSEK 40.

In December, Lantmännen Real Estate acquired the property company Galgvreten 3:5 AB, with a property in Enköping. In the same month, the property companies Insjövasen AB, with building rights in Norrtälje, and Kalmarsand AB, with properties in Håbo, were sold.

The acquisition balance sheets for the acquired companies are still preliminary.

Human resources

The average number of employees during the year was 8,311 (9,133). The decrease is a result of efficiency measures in the Agriculture Sector and corporate functions, and is also attributable to divested operations. The number of full-time employees at December 31, 2014 was 8,085 (8,456).

Other significant events in the third four-month period

Lantmännen entered into a new strategic partnership in plant breeding with the French company Secobra. At the same time, Lantmännen transferred its southern spring barley program to Secobra.

Lantmännen Agroetanol's and AGA Gas's new carbon dioxide facility in Norrköping, Norlic AB, was opened in September. Lantmännen's ownership share is 9.9 percent.

During October 2014, the EU Commission conducted inspections at a number of companies in Europe in the bio-energy sector, among them Lantmännen Agroetanol. The European Commission has not provided any feedback from the inspection.

Lantmännen Unibake has continued to streamline its production platform and has decided to move personnel and production from one of Unibake's bakeries in Örebro to two other bakeries in Örebro and Mantorp. In addition, negotiations to close the bakery in Suhl in Germany have begun.

In the fall, the Group's Board decided to grant membership of Lantmännen ek för to two local associations, Vinbergsortens Lantmannaförening and Köingeortens Lantmän. Membership provides opportunities to develop cooperation and business relations.

Lantmännen's program of subordinated debentures, which started in 2009, matured in December and MSEK 56 was repaid to investors. New subordinated debentures totaling MSEK 250 were issued in January 2015.

During the fall, after a period of discussion at membership meetings and in the council of trustees, as well as several consultation processes, the Board decided on a new membership organization comprising 19 districts and with renewed forms of work. The new organization will be introduced in 2016.

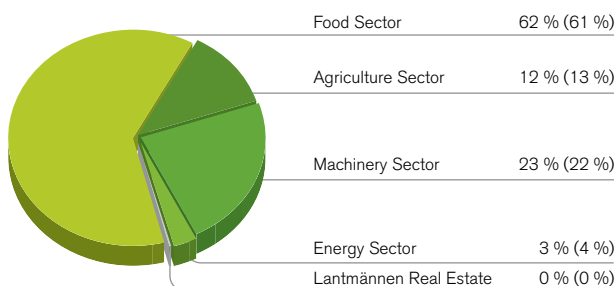
Events after the end of the reporting period

The boards of Lantmännen and Kalmar Lantmän have proposed a merger between the associations. If the merger goes ahead, the members of Kalmar Lantmän will become members of Lantmännen ek för and will therefore receive the same conditions that apply to other members. Kalmar Lantmän is at present an organization member of Lantmännen ek för. The merger proposal will be decided on by Kalmar Lantmän's general meeting and dealt with at Lantmännen ek för's annual general meeting. The merger is subject to the approval of the Swedish Competition Authority. Kalmar Lantmän is an agricultural cooperative with operations in agriculture, machinery and retail stores. The association is owned by 1,800 farmers, has 190 employees and a turnover of SEK 1.2 billion.

Lantmännen has signed an agreement to acquire the Finnish bakery company Vaasan Group Oy. Vaasan is the world's largest producer of thin crisp products and the world's second largest crispbread producer. The company is also a major bake-off player in the Nordic region and has a significant presence in the fresh bread segment. The acquisition of Vaasan is subject to the approval of the relevant authorities and the transaction is expected to be completed in the middle of 2015. Lantmännen already indirectly owns 8 percent of the shares in Vaasan and the remainder will be acquired through the planned transaction. Vaasan has a turnover of just over EUR 400 million (approximately SEK 4 billion) and about 2,700 employees in Finland, Estonia, Latvia, Lithuania, Sweden and Norway.

The 2015 Signum Prize is one of the many awards won by Lantmännen. The prize, awarded at the Trademark Day in Stockholm, goes to the Nordic company that has shown the best brand management and care.

Average number of employees per sector ¹⁾



¹⁾ The 2013 figures have been adjusted for the divested Kronfågel Group.

Agriculture Sector

Agriculture Sector

	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec	Change Jan-Dec
Net sales, MSEK	3,343	3,282	10,337	10,294	0 %
Operating income, MSEK	67	15	6	67	-61
Operating margin, %	2.0	0.5	0.1	0.7	
Return on operating capital, %	4.5	1.0	0.1	1.7	
Operating income, adjusted for items affecting comparability, MSEK	67	20	56	105	-49
Operating margin, adjusted for items affecting comparability, %	2.0	0.6	0.5	1.0	
Return on operating capital, adjusted for items affecting comparability, %	4.5	1.4	1.4	2.6	
Average number of employees			962	1,118	-14 %

Lantmännen Lantbruk Sweden

	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec	Change Jan-Dec
Net sales, MSEK	3,322	3,065	10,097	9,817	3 %
Operating income, MSEK	-1	-48	-42	12	-54
Operating margin, %	0.0	-1.6	-0.4	0.1	
Return on operating capital, %	-0.2	-4.6	-1.5	0.4	
Operating income, adjusted for items affecting comparability, MSEK	-1	-44	8	49	-41
Operating margin, adjusted for items affecting comparability, %	0.0	-1.4	0.1	0.5	
Return on operating capital, adjusted for items affecting comparability, %	-0.2	-4.2	0.3	1.7	
Average number of employees			878	965	-9 %

The Agriculture Sector's net sales for the third four-month period were slightly higher than in the same period the previous year, while net sales for the full year were in line with the previous year. Operating income for the third four-month period, adjusted for items affecting comparability, was much higher than in the same period the previous year at MSEK 67 (20). Operating income for the full year was MSEK 56 (105). The decline for the year is mainly due to challenges in the seed business at the beginning of the year, including lower spring seed sales and an intensifying competitive situation in the Swedish market. Earnings for international interests were lower than in the previous year.

The grain business performed well throughout the year, mainly thanks to the large harvest this year. The intensive work on the harvest was productive, with large volumes, generally good quality and satisfied suppliers. The effects of the successful harvest continued to be seen in the third four-month period. These included large deliveries of wheat and oats, while the weak quality of the French harvest resulted in increased export demand from southern Europe and Africa.

The year's spring seed campaigns began in October with the market launch of two new varieties – Nike forage oat and

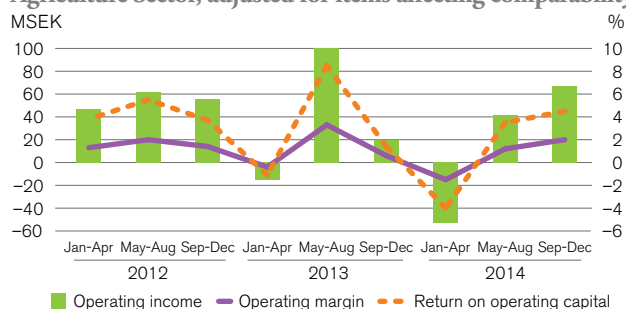
Ingrid pea. Lantmännen's strong grain concepts produced good effects, including "Climate and nature" and "100% Oats". Market demand was generally good. In October, operations started at Lantmännen's new Thermoseed facility in Eslöv, where heat-treated seed is produced.

Feed operations performed well during the year, with Lantmännen's market position strengthening in the face of continuing intense competition. The challenging situation for milk producers in particular has led to a stronger focus on price.

Fertilizer sales volumes were high towards the end of 2014, primarily driven by fears of the return of the fertilizer tax. Following the government's statement that this will not happen until 2016, the market has slowed somewhat. Price pressure on commodities remains strong.

At the end of the second four-month period a number of changes in the Sector had been implemented. These included cost adjustments within the salaried-employee organization, divestment of Bygglant's construction operations and the sale of the German and Polish plant breeding and seed operations. These changes brought reduced costs and a more efficient organization, thereby strengthening the Sector's competitiveness. 2015 will see a continuation of efforts to achieve cost leadership and create long-term, viable and profitable agricultural activities that promote Swedish agriculture.

Agriculture Sector, adjusted for items affecting comparability



Machinery Sector

Machinery Sector

	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec	Change Jan-Dec
Net sales, MSEK	3,432	3,133	9,484	8,934	6 %
Operating income, MSEK	93	126	181	255	-74
Operating margin, %	2.7	4.0	1.9	2.9	
Return on operating capital, %	13.6	17.0	8.6	11.5	
Operating income, adjusted for items affecting comparability, MSEK	93	126	181	255	-74
Operating margin, adjusted for items affecting comparability, %	2.7	4.0	1.9	2.9	
Return on operating capital, adjusted for items affecting comparability, %	13.6	17.0	8.6	11.5	
Average number of employees			1,836	1,813	1 %

	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec	Change Jan-Dec
Net sales, MSEK	929	956	2,955	2,766	7 %
Operating income, MSEK	-29	1	-38	-13	-25
Operating margin, %	-3.1	0.1	-1.3	-0.5	
Return on operating capital, %	-10.3	0.2	-4.6	-1.7	
Operating income, adjusted for items affecting comparability, MSEK	-29	1	-38	-13	-25
Operating margin, adjusted for items affecting comparability, %	-3.1	0.1	-1.3	-0.5	
Return on operating capital, adjusted for items affecting comparability, %	-10.3	0.2	-4.6	-1.7	
Average number of employees			729	723	1 %

The Machinery Sector's net sales were higher than in the previous year, both for the third four-month period and the full year 2014. Operating income for the third four-month period was lower than in the same period the previous year at MSEK 93 (126). Operating income for the full year was MSEK 181 (255). The result was affected by significant reorganization costs, primarily in Lantmännen Maskin Sweden.

Total tractor sales in Sweden continued to slow in the third four-month period. Lantmännen has a strong market position and has increased its market share in Sweden, but despite this, operating income was lower than in the previous year due to reduced demand and the reorganization costs. Total sales for Norway and Denmark also fell sharply during the year. Lantmännen gained market share in Denmark, but Norway showed a decline in market share. However, at the end of the year, a slight improvement in Lantmännen's sales in Norway was noted, and additional projects are underway to improve profitability. These include cost reduction measures, increased marketing efforts and a restructuring of the sales force.

The construction machinery market in Sweden was weak throughout the year, mainly as a result of decreased activity in the mining sector and delayed political decisions in

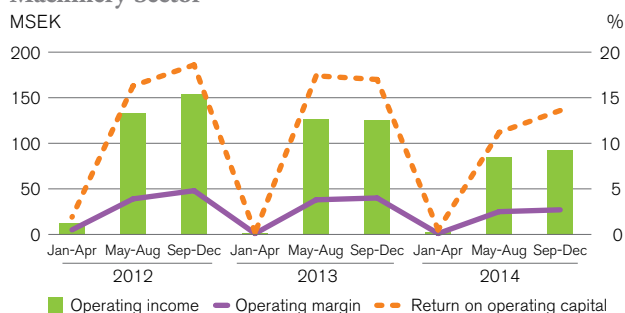
a number of major infrastructure projects. In contrast, the parts and servicing market in Sweden continued to develop positively. Market development in Germany is relatively stable, and Swecon's German operations performed positively during the year.

Both Lantmännen Maskin and Swecon are working on comprehensive action programs to reduce costs and increase operational efficiency in order to adjust to the weaker market conditions. At the same time, the focus on aggressive marketing continues.

As a result of Lantmännen Maskin's targeted work on price negotiations with suppliers during the year, Swedish farmers are now being offered corresponding European prices for machinery.

Lantmännen Classic, the servicing concept for older tractors which was launched in the spring, has been positively received and there are plans to expand it to Norway and Denmark. A similar concept, Volvo Classic, has been created for construction equipment. Lantmännen Maskin continues to establish collaboration with servicing, repair and spare parts partners throughout Sweden with the aim of further improving customers' proximity to workshops and spare parts.

Machinery Sector



Energy Sector

Energy Sector

	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec	Change Jan-Dec
Net sales, MSEK	782	1,130	3,059	3,723	-18 %
Operating income, MSEK	44	-791	72	-846	918
Operating margin, %	5.6	-70.0	2.4	-22.7	
Return on operating capital, %	10.8	-119.6	5.5	-40.5	
Operating income, adjusted for items affecting comparability, MSEK	44	9	72	-46	118
Operating margin, adjusted for items affecting comparability, %	5.6	0.8	2.4	-1.2	
Return on operating capital, adjusted for items affecting comparability, %	10.8	1.3	5.5	-2.2	
Average number of employees			280	345	-19 %

The Energy Sector's net sales were lower than in the previous year, both for the third four-month period and for the full year 2014, and this was largely attributable to the divested pellet business. Operating income for the third four-month period, adjusted for items affecting comparability, was much higher than in the same period the previous year at MSEK 44 (9). Operating income for the full year was MSEK 72 (-46).

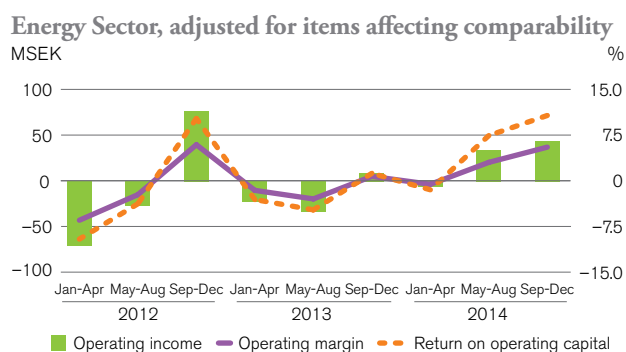
Market conditions for Lantmännen Agroetanol were more unfavorable in 2014 than in the previous year, with low ethanol prices in Europe. During the fall, lower grain prices after the year's large harvest had a certain positive impact on earnings for the business. The increase in operating income for the ethanol business is also attributable to reduced depreciation of the ethanol plant after the impairment loss that was recognized in the 2013 financial statements, as well as continuing improvements in productivity at the plant, optimization of the organization, increased resource efficiency and new approaches to alternative production materials.

Lantmännen Aspen continued to show strong growth, increasing its sales during the year. This was due to a combination of a stronger sales focus and increased exports, and favorable weather in the form of a mild winter and a warm spring. There was also a focus on strengthening product development. One result of this is the new alkylate petrol "Aspen 2 Full Range Technology", which has been well received by customers.

Lantmännen Reppe also developed positively during the year, partly through cost savings and productivity improvements, but also through increased sales. The investments in production efficiency have produced the expected effect.

The process of merging and integrating Lantmännen Agroenergi's and Neova's wood pellet operations into the newly formed company Agroenergi Neova Pellets AB continued during the latter part of the year.

All of the Sector's businesses have continued to work intensively on measures to create growth by improving and increasing sales. The work includes the creation of a common sales methodology, in order to get even closer to the customer and further improve the quality of customer contact.



Food Sector

Food Sector

Net sales, MSEK	3,895	3,708	11,180	12,593	-11 %
Operating income, MSEK	78	145	442	373	69
Operating margin, %	2.0	3.9	4.0	3.0	
Return on operating capital, %	3.0	5.6	5.7	4.5	
Operating income, adjusted for items affecting comparability, MSEK	157	152	521	503	18
Operating margin, adjusted for items affecting comparability, %	4.0	4.1	4.7	4.0	
Return on operating capital, adjusted for items affecting comparability, %	6.0	5.9	6.7	6.1	
Average number of employees			4,911	5,524	-11 %

	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec	Change Jan-Dec
Net sales, MSEK	3,895	3,708	11,180	12,593	-11 %
Operating income, MSEK	78	145	442	373	69
Operating margin, %	2.0	3.9	4.0	3.0	
Return on operating capital, %	3.0	5.6	5.7	4.5	
Operating income, adjusted for items affecting comparability, MSEK	157	152	521	503	18
Operating margin, adjusted for items affecting comparability, %	4.0	4.1	4.7	4.0	
Return on operating capital, adjusted for items affecting comparability, %	6.0	5.9	6.7	6.1	
Average number of employees			4,911	5,524	-11 %

The Food Sector's net sales for the third four-month period were slightly higher than the same period the previous year. However, net sales for the full year were lower than in the previous year, and this was fully explained by the divestment of Kronfågel Group. Operating income for the third four-month period, adjusted for items affecting comparability, was a little higher than in the same period the previous year at MSEK 157 (152). Operating income for the full year was MSEK 521 (503).

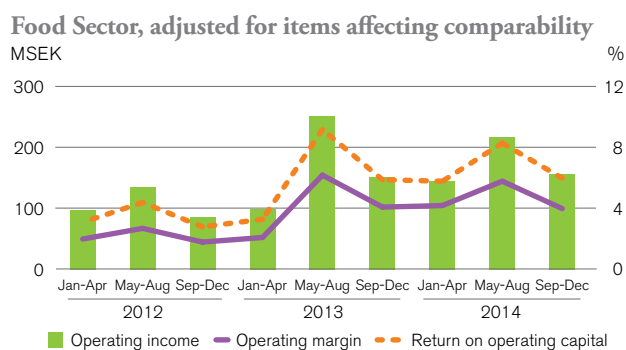
A number of major transactions concerning Lantmännen Cerealia were conducted during the year – the divestment of the mince operations in Laholm was completed in the third four month-period, while earlier in the year Björnerud Gård's pancake business and Strängnäs Valskvarn were acquired, both of which are important parts of Cerealia's future strategy and plant structure. Work on cost savings continues as planned, as does the focus on grain concepts that connect customers and growers more closely – for example, the "Climate and nature" concept – and an increased focus on Swedish oats. The situation in the B2B market remains challenging, with increased competition, notably from Denmark and Germany. GoGreen continues to perform well, and the product launches during the year, which included Swedish-grown white, black and kidney beans, have been well received. Gooh also developed positively.

Lantmännen Unibake performed positively during the year, with good sales growth – particularly in the UK, the Benelux area, Finland and the United States. Long-term efforts to further strengthen competitiveness and growth in all

markets continue as planned, and Unibake has consolidated its market position as the customers' primary business partner. Unibake continued its strong focus on creating innovative and value-creating solutions to meet consumers' needs. In the four-month period, it was decided to move personnel and production from one of Unibake's bakeries in Örebro to two other bakeries in Örebro and Mantorp as part of ongoing efficiency work. In addition, negotiations to close production in Suhl in Germany began. In November, a new production line was opened in St. Petersburg, Florida, which more than doubles the capacity and creates new business and growth opportunities.

During the four-month period, Lantmännen Doggy completed the process of winding up its partnership with a major private label operator. Consequently, and as expected, sales were down on the previous year, particularly in specialist retail stores in the Nordic region and Germany. New product development for the specialist retail sector continues. In addition, efforts to develop work in the new retail trade sales force continue, with a particular focus on strengthening distribution to more stores.

The unrest in Ukraine has not affected Lantmännen's operations to any significant extent so far. However, both Lantmännen Cerealia and Lantmännen Unibake are keeping a close eye on developments and maintaining close contact with their employees in Ukraine and Russia.



Lantmännen Real Estate

Lantmännen Real Estate

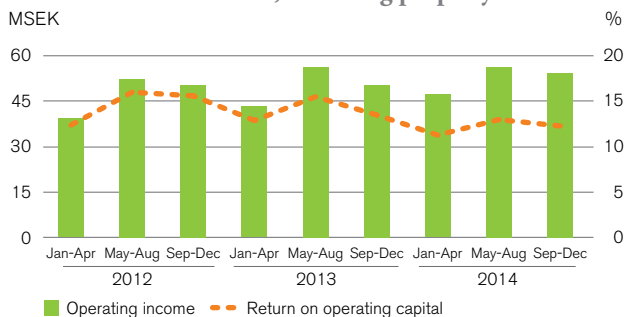
Net sales, MSEK	139	111	394	364	8 %
Operating income excluding property sales, MSEK	54	50	157	149	8
Operating income, MSEK	108	78	212	190	22
Return on operating capital, excluding property sales, %	12.2	13.4	12.1	13.9	
Average number of employees			33	26	24 %

	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec	Change Jan-Dec
Net sales, MSEK	139	111	394	364	8 %
Operating income excluding property sales, MSEK	54	50	157	149	8
Operating income, MSEK	108	78	212	190	22
Return on operating capital, excluding property sales, %	12.2	13.4	12.1	13.9	
Average number of employees			33	26	24 %

Lantmännen Real Estate's net sales were higher both for the third four-month period and for the full year 2014 compared with the same periods the previous year. Lantmännen Real Estate's operating income, excluding property sales, was slightly higher than in the previous year at MSEK 54 (50). Operating income for the full year was MSEK 157 (149).

A number of property transactions were conducted in the third four-month period. These included the sale of building rights in Norrtälje and a contractual agreement to acquire a property that houses City Gross and Burger King in Helsingborg. Lantmännen Real Estate continues to work actively on property development and increased the proportion of external rental income further during the year.

Lantmännen Real Estate, excluding property sales



International ownership

The Agriculture, Energy and Food Sectors are partners in a number of international companies. These companies' operations are primarily located in Germany, Poland and the Baltic countries.

HaGe Kiel (40%)

Hauptgenossenschaft Nord AG (HaGe Kiel) has a turnover of approximately EUR 2.8 billion and about 1,600 employees. Lantmännen's holding in HaGe Kiel is 40 percent. DLG (Dansk Landbrugs Grovvarereselskab) owns 54 percent and the remaining shares are owned by different investors. Operations include grain trading and the sale of inputs in the agricultural market.

Scandagra Group (50%)

Scandagra Group operates in the three Baltic countries. The Group has a turnover of approximately SEK 2 billion and about 225 employees. The company is jointly owned (50-50) by Lantmännen and DLG. Its operations comprise the sale of inputs in the agricultural market and grain trading.

Scandagra Polska (50%)

Scandagra Polska is a merchant of grain and other inputs in the Polish agricultural market and has a turnover of approximately SEK 1.1 billion. The company is jointly owned (50-50) by Lantmännen and DLG with effect from July 2014.

Agroenergi Neova Pellets (50%)

Agroenergi Neova Pellets manufactures and sells solid biofuels, such as wood pellets, has a turnover of approximately SEK 1 billion and about 160 employees. The company has a strong position in the Swedish market and in the Baltic region. The company is jointly owned (50-50) by Lantmännen and Neova with effect from June 2014.

Viking Malt (38%)

Viking Malt produces malt in Finland, Sweden and Lithuania. The company has a turnover of approximately EUR 140 million and about 140 employees. The company supplies approximately 330,000 tonnes of malt annually to breweries, distilleries and selected companies. Lantmännen owns 38 percent of the company, with the remainder being owned by the Finnish company Polttimo.

Condensed consolidated income statement

MSEK	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec
Net sales	10,977	10,752	32,666	33,802
Other operating income	186	196	1,187	816
Changes in inventories of finished goods and work in progress	-19	-376	-15	-241
Capitalized work for own account	1	3	2	6
Raw materials and consumables	-4,138	-4,008	-12,312	-13,332
Goods for resale	-2,844	-2,423	-8,894	-8,121
Employee benefits expense	-1,577	-1,570	-4,741	-4,938
Other operating expenses	-1,933	-1,988	-5,439	-5,939
Share of income of associates	52	67	102	140
Depreciation, amortization and impairment	-429	-1,178	-1,103	-2,104
Operating income	276	-525	1,453	89
Finance income	12	67	118	333
Finance costs	-64	-97	-229	-337
Income after financial items	224	-555	1,342	85
Tax	-85	38	-117	15
Net income for the period after tax	139	-517	1,225	100
Net income for the period attributable to:				
Members of the economic association	140	-516	1,217	100
Non-controlling interests	-1	-1	8	0

Condensed consolidated statement of comprehensive income

MSEK	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec
Net income for the period after tax	139	-517	1,225	100
Other comprehensive income				
<i>Items that will not be reclassified to the income statement</i>				
Actuarial gains and losses on defined benefit pension plans, net of tax	-176	54	-313	307
Tax on actuarial gains and losses	40	-12	70	-68
Total	-136	42	-243	239
<i>Items that will be reclassified to the income statement</i>				
Available-for-sale financial assets, net of tax	-20	-7	24	-119
Cash flow hedges, net of tax	-94	-111	7	8
Exchange differences on translation of foreign operations	82	83	209	92
Net gain on hedge of net investment in foreign operations, net of tax	-88	-63	-174	-86
Tax attributable to items that will be reclassified	40	42	37	44
Total	-80	-56	103	-61
Other comprehensive income for the period, net of tax	-216	-14	-140	178
Total comprehensive income for the period	-77	-531	1,085	278
Total comprehensive income for the period attributable to:				
Members of the economic association	-76	-530	1,077	278
Non-controlling interests	-1	-1	8	0

Condensed consolidated four-monthly income statements

MSEK	2014 Sep-Dec	2014 May-Aug	2014 Jan-Apr	2013 Sep-Dec	2013 May-Aug	2013 Jan-Apr
Net sales	10,977	11,184	10,505	10,752	11,023	12,027
Other operating income	186	884	117	196	534	86
Changes in inventories of finished goods and work in progress	-19	228	-224	-376	546	-411
Capitalized work for own account	1	0	1	3	2	1
Raw materials and consumables	-4,138	-4,432	-3,742	-4,008	-4,593	-4,731
Goods for resale	-2,844	-3,141	-2,909	-2,423	-2,888	-2,810
Employee benefits expense	-1,577	-1,589	-1,575	-1,570	-1,603	-1,765
Other operating expenses	-1,933	-1,730	-1,776	-1,988	-1,964	-1,987
Share of income of associates	52	35	15	67	62	11
Depreciation, amortization and impairment	-429	-332	-342	-1,178	-523	-403
Operating income	276	1,107	70	-525	596	18
Finance income	12	49	57	67	91	175
Finance costs	-64	-76	-89	-97	-118	-122
Income after financial items	224	1,080	38	-555	569	71
Tax	-85	-49	17	38	-7	-16
Net income for the period after tax	139	1,031	55	-517	562	55
Net income for the period attributable to:						
Members of the economic association	140	1,023	54	-516	563	53
Non-controlling interests	-1	8	1	-1	-1	2

The Group's items affecting comparability

MSEK	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec
Recognized operating income	276	-525	1 453	89
<i>Items affecting comparability in operating income:</i>				
Capital gains on sale of operations	-	-	731	363
Impairment of assets in Lantmännen Agroetanol's operations	-	-800	-	-800
Restructuring costs, Agriculture Sector	-	-5	-50	-38
Restructuring costs, Food Sector	-79	-7	-79	-130
Restructuring costs, other	-	8	-	-111
<i>Total items affecting comparability in operating income</i>	<i>-79</i>	<i>-804</i>	<i>602</i>	<i>-716</i>
Operating income, adjusted for items affecting comparability	355	279	851	805
Recognized income after financial items	224	-555	1 342	85
Items affecting comparability in operating income according to above	-79	-804	602	-716
<i>Items affecting comparability in financial items:</i>				
Capital gain on disposal of shares	-	118	-	118
<i>Total items affecting comparability in net financial income</i>	<i>-</i>	<i>118</i>	<i>-</i>	<i>118</i>
Income after financial items adjusted for items affecting comparability	303	249	740	683
Return on equity, adjusted for items affecting comparability, %	5.0	3.0	5.1	4.4
Return on operating capital, adjusted for items affecting comparability, %	6.6	5.0	5.3	4.7

Condensed consolidated statement of financial position

MSEK	2014 Dec 31	2013 Dec 31
ASSETS		
Property, plant and equipment	6,612	7,040
Investment properties	566	297
Goodwill	2,915	2,594
Other intangible assets	752	814
Investments in associates	1,512	1,460
Non-current financial assets	918	782
Deferred tax assets	322	223
Other non-current assets	10	77
Total non-current assets	13,607	13,287
Inventories	5,379	5,249
Trade and other receivables	4,723	4,866
Current interest-bearing assets	345	288
Current tax assets	19	16
Cash and cash equivalents	3,058	2,295
Total current assets	13,524	12,714
TOTAL ASSETS	27,131	26,001
EQUITY AND LIABILITIES		
Equity attributable to members of the economic association	11,859	11,016
Non-controlling interests	17	28
Total equity	11,876	11,044
Non-current interest-bearing liabilities ¹⁾	2,600	4,334
Provisions for pensions	517	168
Deferred tax liabilities	200	151
Other non-current provisions	227	249
Other non-current liabilities	54	37
Total non-current liabilities	3,598	4,939
Current interest-bearing liabilities	4,601	3,546
Trade and other payables	6,573	6,212
Current tax liabilities	59	58
Current provisions	424	202
Total current liabilities	11,657	10,018
TOTAL EQUITY AND LIABILITIES	27,131	26,001
Equity ratio	43.8	42.5
¹⁾ Including subordinated debentures, MSEK	0	56

Condensed consolidated statement of cash flows

MSEK	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec
Income after financial items	224	-555	1,342	85
Adjustment for non-cash items ¹⁾	249	1,179	97	1,589
Taxes paid	-33	-37	-77	-104
Cash flow from operating activities before change in working capital	440	587	1,362	1,570
Change in working capital	449	166	405	724
Cash flow from operating activities	889	753	1,767	2,294
Acquisitions and divestments	98	-114	1,065	1,196
Investments in non-current assets	-380	-333	-1,087	-1,043
Sale of non-current assets	222	175	390	181
Change in financial investments	390	-28	-58	-178
Cash flow from investing activities	330	-300	310	156
Cash flow before financing activities	1,219	453	2,077	2,450
Change in contributed capital	3	-1	75	54
Dividend paid	0	-118	-305	-208
Change in loans	-427	-171	-1,069	-353
Cash flow from financing activities	-424	-290	-1,299	-507
Cash flow for the period	795	163	778	1,943
Cash and cash equivalents at beginning of period	2,282	2,127	2,295	352
Exchange differences	-19	5	-15	0
Cash and cash equivalents at the end of the period	3,058	2,295	3,058	2,295
¹⁾ Depreciation and impairment of non-current assets	429	1,178	1,103	2,104
Less share of income in associates	-50	-67	-86	-109
Capital gains on sale of non-current assets and operations	-78	-5	-801	-384
Other non-cash items	-52	73	-119	-22
Total adjustment for non-cash items	249	1,179	97	1,589

Condensed consolidated statement of changes in equity

MSEK	Jan-Dec 2014			Jan-Dec 2013		
	Association members	Non-controlling interests	Total equity	Association members	Non-controlling interests	Total equity
Opening balance, January 1	11,016	28	11,044	10,899	33	10,932
Total comprehensive income for the period	1,077	8	1,085	278	0	278
Distribution to owners	-308	-3	-311	-215	-1	-216
Contributed capital paid in by members	138		138	103		103
Contributed capital paid out to members	-64		-64	-49		-49
Other changes relating to non-controlling interests		-16	-16		-4	-4
Closing balance	11,859	17	11,876	11,016	28	11,044
Equity attributable to members of the economic association						
Contributed capital, paid in	931			829		
Contributed capital, issued	1,046			1,074		
Other equity	9,882			9,113		
Total equity attributable to members of the economic association	11,859			11,016		

Segment information, adjusted for items affecting comparability

(Comparative figures for 2013 for the Food Sector and Other operations have been adjusted to reflect the associate Viking Malt's inclusion in the Food Sector from 2014.)

Net sales per segment

MSEK	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec	Change %
Agriculture Sector	3,343	3,282	10,337	10,294	0 %
Machinery Sector	3,432	3,133	9,484	8,934	6 %
Energy Sector	782	1,130	3,059	3,723	-18 %
Food Sector ¹⁾	3,895	3,708	11,180	12,593	-11 %
Lantmännen Real Estate	139	111	394	364	8 %
Other operations	173	159	508	441	15 %
Eliminations	-787	-771	-2,296	-2,547	-10 %
Total	10,977	10,752	32,666	33,802	-3 %

¹⁾ Kronfågel Group was included until the end of May 2013.

Operating income per segment, adjusted for items affecting comparability

MSEK	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec
Agriculture Sector	67	20	56	105
Machinery Sector	93	126	181	255
Energy Sector	44	9	72	-46
Food Sector	157	152	521	503
Lantmännen Real Estate ¹⁾	108	78	212	190
Other operations	-104	-103	-220	-222
Group items	-10	-3	29	20
Total	355	279	851	805
	54	28	55	41

¹⁾ Including capital gain on sale of property

Operating margin per segment, adjusted for items affecting comparability

%	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec
Agriculture Sector	2.0	0.6	0.5	1.0
Machinery Sector	2.7	4.0	1.9	2.9
Energy Sector	5.6	0.8	2.4	-1.2
Food Sector	4.0	4.1	4.7	4.0
Total	3.2	2.6	2.6	2.4

Return on operating capital adjusted for items affecting comparability

%	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec
Agriculture Sector	4.5	1.4	1.4	2.6
Machinery Sector	13.6	17.0	8.6	11.5
Energy Sector	10.8	1.3	5.5	-2.2
Food Sector	6.0	5.9	6.7	6.1
Lantmännen Real Estate ¹⁾	12.2	13.4	12.1	13.9
Total	6.6	5.0	5.3	4.7

¹⁾ Adjusted for gain on sale of property.

Segment information

(Comparative figures for 2013 for the Food Sector and Other operations have been adjusted to reflect the associate Viking Malt's inclusion in the Food Sector from 2014.)

Net sales per segment

MSEK	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec	Change %
Agriculture Sector	3,343	3,282	10,337	10,294	0 %
Machinery Sector	3,432	3,133	9,484	8,934	6 %
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Total	10,977	10,752	32,666	33,802	-3 %

¹⁾ Kronfågel Group was included until the end of May 2013.

Operating income per segment

MSEK	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec
Agriculture Sector	67	15	6	67
Machinery Sector	93	126	181	255
Energy Sector	44	-791	72	-846
Food Sector	78	145	442	373
Lantmännen Real Estate ¹⁾	108	78	212	190
Other operations	-104	-103	-220	-222
Group items	-10	5	760	272
Total	276	-525	1,453	89
	54	28	55	41

¹⁾ Including capital gain on sale of property

Operating margin per segment

%	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec
Agriculture Sector	2.0	0.5	0.1	0.7
Machinery Sector	2.7	4.0	1.9	2.9
Energy Sector	5.6	-70.0	2.4	-22.7
Food Sector	2.0	3.9	4.0	3.0
Total	2.5	-4.9	4.4	0.3

Return on operating capital

%	2014 Sep-Dec	2013 Sep-Dec	2014 Jan-Dec	2013 Jan-Dec
Agriculture Sector	4.5	1.0	0.1	1.7
Machinery Sector	13.6	17.0	8.6	11.5
Energy Sector	10.8	-119.6	5.5	-40.5
Food Sector	3.0	5.6	5.7	4.5
Lantmännen Real Estate ¹⁾	12.2	13.4	12.1	13.9
Total	5.1	-9.5	9.1	0.5

¹⁾ Adjusted for gain on sale of property.

Parent Company

Parent Company

The activities of the Parent Company Lantmännen ek för consist of Lantmännen's core operations in the Agriculture Sector, Lantmännen's lubricating oil operations and the corporate functions.

The Parent Company's net sales amounted to MSEK 10,602 (10,278), while operating income was MSEK –180 (–255). Income from financial items was MSEK –140 (1,010), which meant that income after financial items was MSEK –320 (755).

Net financial income for the year includes a capital gain of MSEK 39 (1,105) from the sale of shares, dividends of MSEK 20 (109) and impairment of shares totaling MSEK –51 (–222). Net financial income was also affected by a foreign exchange loss of MSEK –196 (–97) due to the weaker Swedish krona.

The previous year's capital gain comprised the sale of Kronfågel Group, MSEK 962, and the sale of investment shares, MSEK 143. Impairment of shares in 2013 related primarily to the holding in Lantmännen Agroetanol AB.

Investments in non-current assets for the year totaled MSEK 164 (180).

Lantmännen ek för's subordinated debentures of MSEK 56 from the 2009 issue expired and were repaid on December 30, 2014. New subordinated debentures totaling MSEK 250 were issued on January 15, 2015. The new subordinated debentures have a term of 5 years and expires on 30 December 30, 2019.

The equity ratio at the end of the year was 43.5 (39.7) percent.

The average number of employees in the Parent Company was 1,161 (1,262).

Dividend

The Board has decided to pay a 1.5 (1.5) percent refund on members' purchases of inputs from Lantmännen Lantbruk Sweden and 0.5 (0.5) percent on their purchases from the Machinery Sector's Swedish operations. The Board has also decided that a final price adjustment of 1.5 (1.5) percent will be paid for delivered grain, oilseed and grass seed. The total refund and final price adjustment is estimated at MSEK 135 (129). The actual outcome of the 2013 refunds and final price adjustments was MSEK 129, compared with MSEK 127 allocated in the 2013 financial statements.

The Board proposes that the AGM adopt a contribution dividend of 9 (9) percent, a total of MSEK 178 (171), on paid-in and issued contributions to direct members, organization members and local associations.

The Board proposes that the Annual General Meeting adopt a contribution issue of MSEK 150 (0). The issue capital will be distributed as follows: 75 percent based on the members' paid-in and issued contributed capital and 25 percent on the members' contribution-based turnover with the association in 2014.

In total, the proposed contribution dividend and contribution issue amount to 17 (9) percent of the association's contributed capital.

Dividend

MSEK	2014	2013
Refund, final price adjustment	135	129
Contribution dividend	178	171
Contribution issue	150	0
Total	463	300

The Board proposes a dividend on subordinated debentures of 9 (3) percent, which gives a dividend of MSEK 5 (2).

Due to the fact that there is trading in contribution issues, the Board has decided that the date on which the holding gives entitlement to a dividend (contribution dividend and contribution issue) will be the date of the Annual General Meeting, which is May 5, 2015.

Parent Company condensed income statement

MSEK	2014 Jan-Dec	2013 Jan-Dec
Net sales, external	8,765	8,067
Net sales, intra-Group	1,837	2,211
Net sales, total	10,602	10,278
Change in products in progress, finished goods and work in progress for third parties	-86	-17
Capitalized work for own account	1	5
Other operating income	251	212
	10,768	10,478
Operating expenses		
Raw materials and consumables	-6,667	-6,351
Goods for resale	-1,676	-1,798
Other external costs	-1,582	-1,431
Employee benefits expense	-872	-950
Depreciation, amortization and impairment	-151	-203
Total operating expenses	-10,948	-10,733
Operating income	-180	-255
Income from financial items	-140	1,010
Income after financial items	-320	755
Refund and final price adjustment	-137	-127
Group contributions	326	-339
Tax	31	163
Net income for the period	-100	452

Parent Company condensed consolidated income statement

MSEK	2014 Dec 31	2013 Dec 31
ASSETS		
Intangible assets	185	223
Property, plant and equipment	917	818
Investments in Group companies	6,843	6,572
Investments in associates	1,063	1,065
Non-current receivables from Group companies	1,066	1,411
Other securities held as non-current assets	290	684
Other non-current receivables	301	310
Total non-current assets	10,665	11,083
Inventories	2,252	2,008
Current receivables from Group companies	8,068	10,973
Other current receivables	1,971	2,128
Short-term investments, incl. cash and bank balances	1,954	1,784
Total current assets	14,245	16,893
TOTAL ASSETS	24,910	27,976
EQUITY AND LIABILITIES		
Equity	10,603	10,858
Untaxed reserves	311	311
Provisions	164	209
Non-current liabilities	2,443	4,129
Current liabilities to Group companies	6,092	8,167
Other current liabilities	5,297	4,302
TOTAL EQUITY AND LIABILITIES	24,910	27,976
Equity ratio, %	43.5	39.7

Notes

Accounting policies

Lantmännen applies International Financial Reporting Standards (IFRS), as adopted by the EU. For the Group, this interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act, and for the Parent Company in accordance with the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities and the Swedish Annual Accounts Act.

There have been no changes to the accounting and valuation policies as described in Note 1 of the 2013 annual report.

Financial assets and liabilities measured at fair value, December 31, 2014

MSEK	Total carrying amount	Fair value
Assets		
Other shares and interests	682	682
Financial investments	236	236
Trade and other receivables	3,836	3,836
Interest-bearing receivables	345	345
Cash and bank balances	3,058	3,058
Total financial assets	8,157	8,157
Liabilities		
Non-current interest-bearing liabilities	2,600	2,614
Other non-current liabilities	5	5
Current interest-bearing liabilities	4,601	4,601
Trade and other payables	3,953	3,953
Total financial liabilities	11,159	11,173

Financial assets and liabilities measured at fair value, by measurement level, December 31, 2014

MSEK	Level 1	Level 2	Level 3	Total
Assets				
Derivatives with positive fair value	85	57	-	142
Other financial assets measured at fair value	456	38	276	770
Total assets	541	95	276	912
Liabilities				
Derivatives with negative fair value	95	133	-	228
Other financial liabilities measured at fair value	-	-	-	-
Total liabilities	95	133	0	228

Related party transactions

Lantmännen's 46-percent interest in the associate company Scandi Standard AB (publ), formerly Scandinavian Standard AB, is owned by the subsidiary Lantmännen Kycklinginvest AB (publ) with effect from January 2014. In fall 2013, Lantmännen's members, Board and management were offered the opportunity to become shareholders of Kycklinginvest. A total of 34 persons accepted the offer and in January 2014, Lantmännen sold them 1.9 percent of its holding in Kycklinginvest at market terms and conditions. In June 2014, in connection with Scandi Standard's IPO, Kycklinginvest divested a large part of its shareholding in the company. Lantmännen ek then acquired the minority shares in Kycklinginvest. The acquisition was conducted at the same conditions that applied to Lantmännen for Scandi Standard's IPO.

Financial assets and liabilities measured at fair value, December 31, 2013

MSEK	Total carrying amount	Fair value
Assets		
Other shares and interests	308	308
Financial investments	474	474
Trade and other receivables	4,046	4,046
Interest-bearing receivables	288	288
Cash and bank balances	2,595	2,295
Total financial assets	7,411	7,411
Liabilities		
Non-current interest-bearing liabilities	4,334	4,331
Other non-current liabilities	11	11
Current interest-bearing liabilities	3,546	3,546
Trade and other payables	3,737	3,737
Total financial liabilities	11,628	11,625

Financial assets and liabilities measured at fair value, by measurement level, December 31, 2013

MSEK	Level 1	Level 2	Level 3	Total
Assets				
Derivatives with positive fair value	29	4	-	33
Other financial assets measured at fair value	87	-	279	366
Total assets	116	4	279	399
Liabilities				
Derivatives with negative fair value	54	33	-	87
Other financial liabilities measured at fair value	-	-	-	-
Total liabilities	54	33	-	87

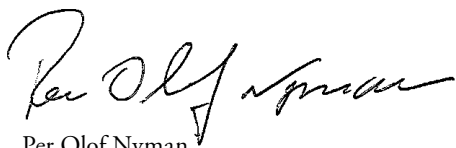
Fair value hierarchy with information on inputs used to measure fair value

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
 Level 2: Inputs other than the quoted prices included in level 1 that are observable for the asset or liability, i.e. quoted prices or data derived therefrom.
 Level 3: Unobservable inputs for measurement of the asset or liability.

There has not been any movement between levels.

On assignment for the Board of Directors

Stockholm, February 6, 2015



Per Olof Nyman

President & CEO

Lantmännen

Auditors' Review Report

This year-end report has not been audited by the company's auditors.

For more information, please contact

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Good food from Lantmännen

The green sprout emblem on our packaging guarantees responsibly produced food. Food that we make an effort to provide in a sustainable manner, from field to fork.

Read more about good food on lantmannen.se/en

