

# Lantmännen Interim Report January-April

# 2016



**We create  
thriving farming**



Lantmännen



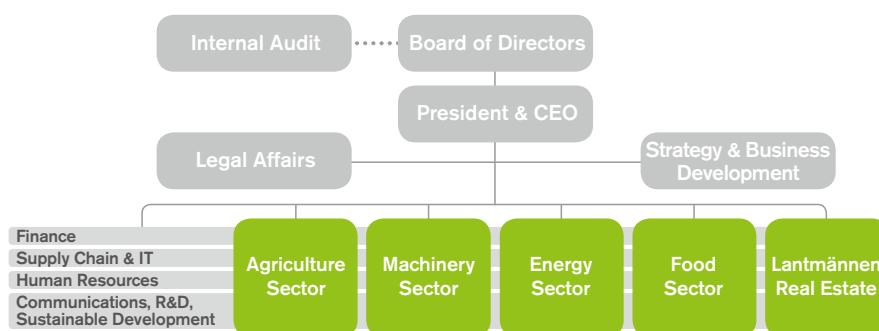
**Lantmännen is an agricultural cooperative and Northern Europe's leader in agriculture, machinery, bioenergy and food products. Owned by 27,000 Swedish farmers, we have 10,000 employees, operations in over 20 countries and an annual turnover of SEK 37 billion. With grain as our basis, we process arable land resources to make farming thrive. Some of our best-known food brands are AXA, Kungsörnen, GoGreen, Schulstad, GooH, Finn Crisp and Bonjour. 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.**

**For more information: [lantmannen.com/en](http://lantmannen.com/en)**

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### Lantmännen's organization

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### Financial reporting and publication orders

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Interim 2nd four months • October 5, 2016. Year-end report 2016 • February 7, 2017.

The Annual Report with Sustainability Report, Appendix – Sustainability-Related Indicators, interim reports and other reports are available in English and Swedish. All reports can be downloaded from ► [lantmannen.com/en/reports](http://lantmannen.com/en/reports)

## President's overview

**Lantmännen's income after net financial items for the first four months is MSEK 304, compared with MSEK 238 for the same period the previous year. The positive momentum we had last year is continuing, and we show higher income for most of our businesses.**

The Agriculture Sector improved its operating income significantly compared with the previous year. An increased customer focus and stronger local presence has enabled Lantmännen to strengthen its position in the competitive Swedish agricultural market. The higher operating income is also due to the large efficiency measures and restructuring cost reductions implemented over the last two years, which have now produced full effects.

Developments in the Machinery Sector are positive, despite a turbulent and still cautious agricultural machinery market. Our market position in construction machinery has been strengthened in both the Swedish and German markets. In agricultural machinery, there has been a strong focus on the new agreement with AGCO coming into effect – and on integration of the newly acquired machinery operations in Kalmar.

The Energy Sector shows a strong improvement in operating income from the previous year, mainly due to higher income for Lantmännen Agroetanol. Successful efforts to increase sales of what we call ethanol with added value have continued – for example, in the form of ethanol exports to Germany and sales of more value-added products, such as ED95 fuel for diesel engines. Income for the Energy Sector's other operations is developing according to plan.

The Food Sector also shows higher operating income than in the previous year, which is mainly due to continuing improvements in income for Lantmännen Unibake, particularly in the international operations – and the additional income from Vaasan, which has been part of the Sector since June 2015. Viking Malt's acquisition of Danish Malting Group from Carlsberg has now been approved by the relevant competition authorities. With the acquisition, Viking Malt becomes world leader in specialty malts, and the world's ninth largest malting house.

Lantmännen Real Estate's operating income excluding property sales is in line with the previous year. The share of external leasing continues to increase, and a number of property transactions were conducted during the four-month period. However, in terms of value they were slightly lower than the previous year.

### Lantmännen continues to make a difference

I want to thank everyone who participated in our Annual General Meeting in mid-May. The discussions at the meeting were, as usual, very productive and included Lantmännen's continuing path ahead. Our long-term strategy, Strategy 2020, stands firm.



We have come a long way and in 2016 we will continue the process of implementing the strategy.

An important area is Lantmännen's international agricultural holdings, which are important in also strengthening our competitiveness on our home ground. By broadening the base for grain purchases, we can more easily find the right qualities for our own industries, while laying a stable foundation for our grain exports. Another area is the feed business, on which we continue to place great emphasis. Good value, quality feed products that give a high yield are an important aspect in helping to increase the profitability of our owners' farms.

Exporting grain and grain products is an area that we want to continue developing. At Cerealia, work on exporting processed oat products to China has begun, and the aim for 2016 is to increase these volumes. A Chinese delegation visited Sweden in April, in order to review Swedish food safety prior to a possible approval of the country for oat exports to China. Lantmännen participated as a practical example of the chain from field to fork – it was a very interesting and worthwhile visit, and we eagerly await the outcome. The visit was arranged by the National Food Agency and the Swedish Board of Agriculture.

At Unibake, we continue to strengthen our market position around the Baltic Sea, where we are already a leading player in several segments. The Vaasan acquisition has given us even better opportunities in terms of production and distribution, and we are keen to strengthen our position through additional investments, including in Poland. This lays the foundation for eventual growth in the international market, with the aim of becoming a globally leading bakery player.

In summary, it is very pleasing to report that we continue to deliver results that are in line with the strong full-year results for 2015. Lantmännen continues to stand on a strong platform, with strong finances and a good market position in many areas, which gives confidence for the future. Our strong position means that Lantmännen can continue to make a difference by creating conditions for thriving and competitive Swedish farming!

A handwritten signature in black ink, reading "Per Olof Nyman". The signature is written in a cursive, flowing style.

Per Olof Nyman  
President & CEO, Lantmännen

# The period in brief January-April 2016

**Net sales** amounted to MSEK 11,680 (11,064), an increase of 6 percent.

**Operating income** amounted to MSEK 365 (291), an improvement of MSEK 74 or 25 percent from the previous year. Operating income increased in all Sectors.

**Income after financial items** was MSEK 304 (238).

**Cash flow before financing activities** amounted MSEK 641 (384).

**Investments** totaled MSEK 641 (374).

**Lantmännen's AGM** in May adopted a contribution dividend and contribution issue which with the final price adjustment and refund represents a dividend of MSEK 432 to members.

## Lantmännen's key figures

	2016 Jan-Apr	2015 Jan-Apr	2015 Jan-Dec
Net sales, MSEK	11,680	11,064	35,660
Operating income, MSEK	365	291	1,351
Operating margin, %	3.1	2.6	3.8
Income after financial items, MSEK	304	238	1,246
Net income for the period, MSEK	278	219	1,090
Cash flow before financing activities, MSEK	641	384	-2,674
Return on equity, %	6.5	5.5	8.9
Return on operating capital, %	5.6	5.7	7.5
Total assets, MSEK	30,955	28,224	30,081
Equity ratio, %	41.9	42.7	42.2
Investments, MSEK	641	374	1,256
Net debt, MSEK	5,913	3,509	6,476
Interest coverage ratio, times	4.0	3.8	6.9
Average number of employees	9,874	8,056	8,911
<b>Adjusted for items affecting comparability,</b>			
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# Business environment and market

Global economic growth has been relatively subdued during the first four-month period. Political risks have led to caution and turmoil in the markets: including the “Brexit” and “Grexit” discussions, Spanish elections and the US presidential election. The global monetary policy is also clouded by uncertainty, and the large central banks are generally showing caution. In April, the ECB launched its expanded bond purchasing program, which now also includes corporate bonds. The Swedish krona strengthened against both the dollar and the euro during the first four months, which according to several analysts could result in measures from the Swedish Central Bank in the near future.

The Swedish economy is developing strongly: household consumption is continuing, while public investments and public consumption have shown a strong increase – particularly as a result of rapid population growth, which has brought an increased need of housing, infrastructure and public services. Swedish GDP growth was 4.1 percent in 2015. The rate of inflation has increased slightly during the first four months, mainly due to higher domestic prices for services. However, inflation has continued to be erratic. Growth is expected to remain strong in 2016, with GDP growth of 3.5-4.0 percent.

Growth in the Nordic countries was lower than in Sweden in 2015: 1.9 percent in Norway, 1.3 percent in Denmark and 0.1 percent in Finland. However, it should be noted that the recovery in the Danish economy continues, consumption growth in Norway is positive and Finland is back to modest growth and showing a certain increase in consumption.

The 2015 grain harvest was one of the largest for many years, both in Sweden and globally. It was also the third consecutive harvest in which world stocks grew, bringing a gradual decline in prices. In Sweden there are large volumes on the farms, where space will have to be prepared for the coming harvest during the next few months. Global grain trade is expected to grow in the years leading up to 2020, particularly in terms of exports to Asia and Africa from other regions. However, the growth is based on a relatively low trade forecast

for 2015/2016. Trade in barley is expected to show annual growth of about 2 percent between 2017 and 2020, as a result of increased demand for both feed and malting barley.

According to LRF Dairy Sweden’s most recent report, there is still an imbalance in the global dairy market, with supply outstripping demand, and Swedish dairy companies are being squeezed by persistently low milk prices. The increase in production is mainly in the EU area – notably in the Netherlands, Ireland and Denmark. The Russian trade embargo from the EU is still in place, which is having an adverse impact on demand for dairy products in particular. One glimmer of light is that China increased its imports at the beginning of the year. Demand for organic milk is increasing, both nationally and globally. Several retail chains and consumers are also demanding milk from cows that have been given non-GMO feed, and Arla has recently introduced a premium on such milk.

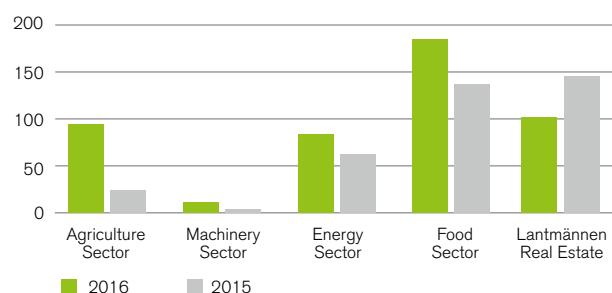
Low global prices of agricultural commodities are contributing to increased turmoil in the market for farm machinery, including a decline in sales. The shrinking market is driving further structural changes and consolidation in the industry, particularly in Sweden.

New investments, mainly in the infrastructure and construction sectors in Sweden, have led to increased demand for construction machinery. Developments in the mining sector are still weak.

According to HUI Research, Sweden’s retail trade growth is continuing: growth in 2015 was 4.0 percent at current prices. Discount products and organic goods are the driving forces, together with a general increase in demand as a result of the increasing immigration. The growth forecast for 2016 is 3.5 percent. Online food shopping is showing a strong increase – sales grew by 40 percent in 2015. Food retail development is also relatively good in Norway, with growth of 2.8 percent in 2015, and in Denmark, with growth of 1.8 percent in 2015. However, the Finnish market declined by 2.1 percent during the full year 2015.

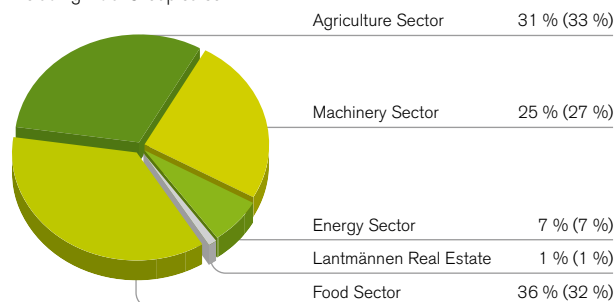
## Operating income per Sector, January-April

Adjusted for items affecting comparability, MSEK



## Distribution of Group’s sales

Including intra-Group sales



# Comments on the interim period

## The Group's net sales and earnings January-April 2016

### Net sales

Lantmännen's net sales for the first four months amounted to MSEK 11,680 (11,064), an increase of 6 percent.

The main increase in sales was in the Food Sector, as a result of the acquisition of the Vaasan bakery group, although sales were also affected by the divestment of Doggy. Currency effects had a negative impact of 2 percent on net sales.

### Operating income

Operating income for the period amounted to MSEK 365 (291), an increase of MSEK 74 or 25 percent. All Sectors showed improved operating income from the previous year. Lantmännen Real Estate reported a decline in operating income as a result of lower income from the sale of properties, MSEK 41 (83). Currency effects had an impact of MSEK -7 on operating income.

### Net financial income and income after financial items

Net financial income amounted to MSEK -61 (-53). The change is mainly due to increased borrowing in connection with the Vaasan acquisition. The effects of the increased borrowing have been offset by a positive cash flow from operations and falling market rates. Income after financial items was MSEK 304 (238).

### Tax and income after tax

Tax expense for the period was MSEK 26 (19). Tax is calculated using the estimated tax rate for the full year.

Income after tax amounted to MSEK 278 (219), with MSEK 277 (217) of this figure attributable to members of the economic association and MSEK 1 (2) to non-controlling interests (minority ownership) in the Group's subsidiaries.

### Cash flow

Cash flow from operating activities was MSEK 1,015 (637). The operating surplus contributed MSEK 522 (480) to the figure, while cash flow from working capital contributed MSEK 493 (157). The increase in cash flow from working capital is mainly attributable to the decrease in inventories.

Investments in non-current assets were MSEK -641 (-374), while sales of non-current assets amounted to MSEK 287 (175), which meant that net investments for the period were MSEK -354 (-199). Investments were made in a number of bakeries, notably in Poland and Belgium, in the mill in Strängnäs and in property.

Cash flow before financing activities was MSEK 641 (384), while total cash flow including financing activities was MSEK 737 (216).

### Financial position

Equity at April 30 was MSEK 12,976 (12,681 at January 1). This includes MSEK 22 (21 at January 1) attributable

to owners other than members of the economic association, i.e. the minority interest in Group companies. Net debt has fallen by MSEK 563 since January 1, and ended the period at MSEK 5,913 (6,476 at January 1).

Cash & cash equivalents at April 30 were MSEK 2,009 (1,252 at January 1). Total assets amounted to MSEK 30,955 (30,081 at January 1). The equity ratio was 41.9 percent (42.2 at January 1).

### 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 Lantmännen's Annual Report.

### Changes in the Group

Kalmar Lantmän's machinery business was acquired in January. The acquisition included inventories, equipment and about 40 employees. The business has an annual turnover of approximately MSEK 160.

A number of industrial properties in Eskilstuna and Norrtälje were divested in January.

A number of industrial properties in Uppsala where Lantmännen Lantbruk and Lantmännen Cerealia currently operate were divested in March. Some of Lantmännen's operations in the properties will continue for another few years.

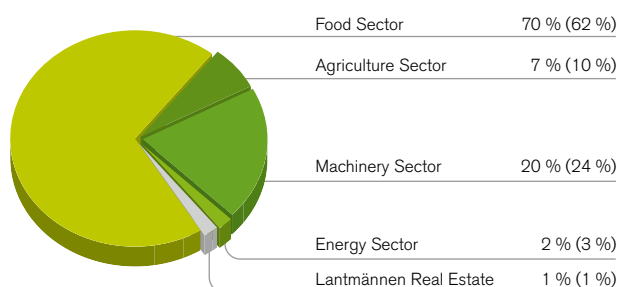
The acquisition balance sheets for the acquired companies are still preliminary.

### Human resources

The average number of employees was 9,874 (8,056) and the number of full-time employees at April 30, 2016 was 9,748 (8,025).

The number of employees increased with the acquisition of Vaasan and Kalmar Lantmän's machinery business, but decreased following the divestment of operations and as a result of efficiency measures in the Agriculture and Food Sectors.

### Distribution of Group's employees





*Per Olof Nyman, President & CEO, Bengt-Olov Gunnarson, Chairman, and Sven-Erik Bucht, Sweden's Minister for Rural Affairs, in conversation at Lantmännen's AGM.*

### Other important events

From 2016, Lantmännen's member organization is divided into 19 districts with new forms of work and closer cooperation with Lantmännen Lantbruk and Lantmännen Maskin.

Lantmännen Lantbruk is increasing its presence in the Kalmar region, and Lantmännen's owner organization has been strengthened by the recruitment of a member services officer for the region. On April 26, Kalmar Lantmän requested to leave Lantmännen ek för.

In late April, Sweden and Lantmännen were visited by a Chinese delegation, which was in the country to ensure Swedish control of food safety for oats from field to fork. The National Food Agency and the Swedish Board of Agriculture were official hosts for the visit – while Lantmännen was a practical example of how the work is conducted in the chain from field to fork. During their four-day visit to Lantmännen, the Chinese visitors had the opportunity to see virtually the entire value chain for oats.

Lantmännen and the Danish agricultural company DLG (Dansk Landbrugs Grovvaeselskab) are strengthening and expanding the existing agricultural cooperation by establishing a new jointly-owned company for international operations, Lantmännen DLG International (LDI). Lantmännen and DLG will each own 50 percent of the new company. The purpose of the new company is both to expand the position in markets and businesses where Lantmännen and DLG already have a strong partnership and to expand into new, mainly European, markets by concentrating efforts in the joint company. The expanded international cooperation does not affect the two companies' home markets.

Lantmännen's partly-owned company HaGe Kiel in Germany acquired all of the remaining shares in Roth Agrarhandel GmbH, making it the sole shareholder of the company. The acquisition gives HaGe Kiel further scope for increasing efficiency in its operations and for its customers. Roth Agrarhandel GmbH is one of Germany's leading private agricultural companies in the areas of inputs and grain.

In January, Lantmännen's partly-owned company Viking Malt signed an agreement to acquire Danish Malting Group (DMG) from Carlsberg. DMG has one malting plant in Denmark and two in Poland, a turnover of approximately DKK 700 million and 88 employees. The transaction was completed in May as all of the relevant competition authorities had given their approval.

In the Sustainable Brand Index survey for Sweden, Lantmännen took second place in the food category, and tenth place overall. In Denmark and Norway, Lantmännen came fourth and ninth in the food category. Vaasan took fifth place both in the food category and overall in Finland. Kungsörnen came seventh and Axa ninth in the food category in Sweden. The survey is conducted in all of the Nordic countries among a total of 30,000 respondents.

### Events after the end of the period

In May, Lantmännen Unibake acquired the Russian company Unihold, giving Unibake ownership of the property in Moscow, where it has conducted bakery production over a long period.

Lantmännen Cerealía has decided to close its facility in Odense and transfer the production of cake and bread mixes to Sweden. The decision affects 20 employees.

### *Lantmännen's Annual General Meeting*

Pauline Lindwall was elected to the Board at the Annual General Meeting in May, replacing Helle Kruse Nielsen who did not seek re-election. At the meeting, Ulf Gundemark, Thomas Magnusson and Björn Wallin were re-elected to the Board. The meeting adopted a contribution dividend and contribution issue which with the final price adjustment and refund represents a dividend of MSEK 432 to members.

At the statutory Board meeting, Bengt-Olov Gunnarson was elected Chairman and Per Lindahl Vice Chairman.



## Agriculture Sector

### Key figures Agriculture Sector

	2016 Jan-Apr	2015 Jan-Apr	Change Jan-Apr
Net sales, MSEK	3,785	3,886	-3 %
Operating income, MSEK	94	23	71
Operating margin, %	2.5	0.6	
Return on operating capital, %	7.0	1.7	
Average number of employees	702	779	-10 %

### Key figures Lantmännen Lantbruk Sweden

	2016 Jan-Apr	2015 Jan-Apr	Change Jan-Apr
Net sales, MSEK	3,741	3,851	-3 %
Operating income, MSEK	86	19	67
Operating margin, %	2.3	0.5	
Return on operating capital, %	9.5	1.9	
Average number of employees	671	751	-11 %

The Agriculture Sector's net sales are in line with the previous year, while operating income is MSEK 94, which is a strong improvement from MSEK 23 the previous year.

The improved operating income is largely due to the efficiency and structural improvements implemented in the Swedish operations during the previous year which have now produced full effects. In addition, the new, more business-oriented organization has further strengthened Lantmännen's position and customer proximity in the competitive agricultural market.

Volumes in the grain business are lower than in the previous year, as a result of relatively low grain prices. There are still large volumes from last year's harvest on the farms, both in Sweden and Europe as a whole.

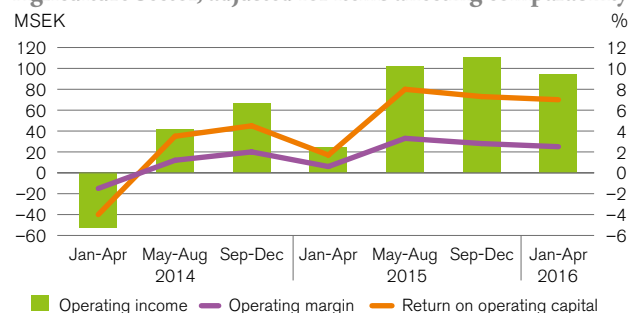
In the feed business, sales for all animal feed varieties have shown positive growth, and the new Nötfor range launched in 2015 has been very well received. The situation for milk producers remains challenging, which is having a negative effect on sales volumes. Swedish pig production has shown improved profitability, resulting in increased investments and higher demand for feed. There have been a number of large investments in egg and chicken production, contributing to increased feed volumes.

Significant improvements in logistics, production and sales in the seed and forages business during the period have enabled Lantmännen to strengthen its market share. Market demand is generally good.

Lantmännen established an office in Kalmar during the four-month period, and now has a presence with sales personnel in the area. Kalmar is an important region for Lantmännen, and further market initiatives are planned during the year.

Income from Lantmännen's international holdings is somewhat better than in the previous year, mainly due to improvements that have been initiated at HaGe Kiel. A new management team for the company was appointed in fall 2015, and several initiatives are now being implemented to increase efficiency and reduce the company's costs. Scandagra Group continues to develop positively.

### Agriculture Sector, adjusted for items affecting comparability







## Machinery Sector

### Key figures Machinery Sector

	2016 Jan-Apr	2015 Jan-Apr	Change Jan-Apr
Net sales, MSEK	3,150	3,111	1 %
Operating income, MSEK	11	4	7
Operating margin, %	0.3	0.1	
Return on operating capital, %	1.8	0.7	
Average number of employees	1,912	1,847	4 %

### Key figures Lantmännen Maskin Sweden

	2016 Jan-Apr	2015 Jan-Apr	Change Jan-Apr
Net sales, MSEK	944	963	-2 %
Operating income, MSEK	-33	-28	-5
Operating margin, %	-3.5	-2.9	
Return on operating capital, %	-10.0	-9.4	
Average number of employees	771	737	5 %

The Machinery Sector's net sales were in line with the previous year. Operating income amounted to MSEK 11, an improvement from MSEK 4 for the same period the previous year.

The Swedish tractor market, measured by the number of tractors, grew by 1.9 percent in the period. However, this was largely due to a few suppliers deciding to substantially reduce their prices, and should not be seen as a certain trend reversal from the continuously shrinking market in recent years. The Danish tractor market declined by 21 percent during the same period, while the Norwegian market grew by 8.5 percent. Lantmännen Maskin's new range of equipment, including new equipment suppliers, has attracted keen interest in the market.

The shrinking farm machinery market has resulted in a turbulent market and consolidation among many distributors. The turbulent situation has been exacerbated by several machinery manufacturers taking the opportunity to push for exclusivity among distributors, and to make their own structural changes. For Lantmännen's part, preparations prior to the entry into force of the new expanded agreement signed with AGCO last year are continuing.

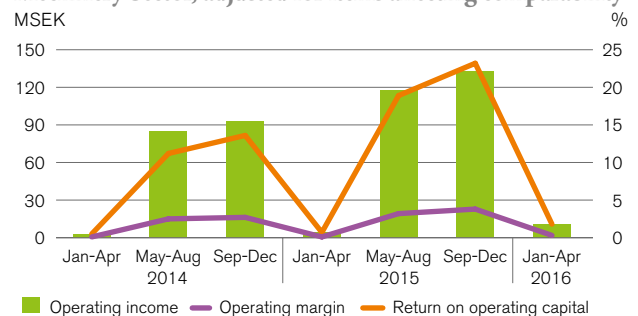
On January 1, Lantmännen took over Kalmar Lantmän's machinery business. The process of integrating the new operations is in progress, and a review will be conducted to evaluate how Lantmännen's market presence and customer proximity should be developed.

Swecon continues to develop positively – particularly in Sweden, where demand has increased as a result of several large

infrastructure projects. The market is driven primarily by demand in the urban regions, while development in the mining sector is still weak. An initiative has been started with Volvo aimed at looking into how the sales organization can better respond to requirements of customers in the urban regions. The used spare parts business, which was started last year, is showing positive growth and has been well received by customers.

The construction machinery market in Germany remains stable, and Swecon has increased its market share. The large machinery trade fair Bauma, which is held every three years, took place in Munich in April – with more than 3,000 exhibitors. Swecon's participation in the trade fair was successful, which was reflected by a higher order intake. Developments in the Baltic region are weaker than in Sweden and Germany, with low volumes and a weak investment appetite.

### Mechinery Sector, adjusted for items affecting comparability





Lantmännen Agroetanol, Norrköping

## Energy Sector

### Key figures Energy Sector

Net sales, MSEK  
 Operating income, MSEK  
 Operating margin, %  
 Return on operating capital, %  
 Average number of employees

	2016 Jan-Apr	2015 Jan-Apr	Change Jan-Apr
Net sales, MSEK	809	838	-3 %
Operating income, MSEK	84	62	22
Operating margin, %	10.4	7.4	
Return on operating capital, %	22.7	16.2	
Average number of employees	228	224	2 %

The Energy Sector's net sales for the first period were in line with the previous year, while operating income was MSEK 84 – a marked improvement from MSEK 62 for the same period the previous year. The improvement is primarily attributable to significantly higher operating income for Lantmännen Agroetanol.

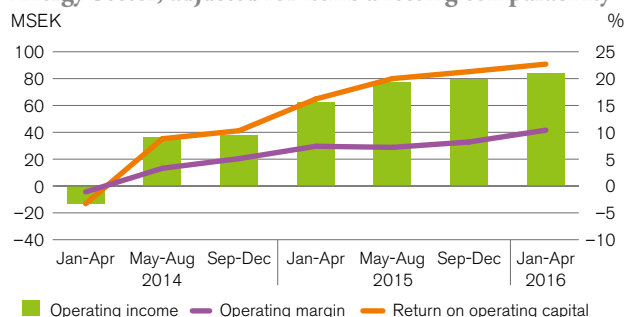
Lantmännen Agroetanol benefited from lower grain prices and well executed raw material purchases during the period, which explains some of the improvement. Ethanol prices also improved during the latter part of the four-month period, although the price trend is still very volatile. The higher operating income was also due to the continuing success of ethanol exports to Germany, and increased sales of more value-added products – such as ED95 fuel for diesel engines.

During the period, Agroetanol and the truck manufacturer Scania launched the Etha cooperation, which provides a simple total solution for carriers. The Etha offering comprises the latest generation of ethanol trucks from Scania, which are optimized for Agroetanol's ED95 fuel. Combined with customized distribution and tank solutions, this means that it is possible to reduce carbon dioxide emissions by 90 percent. Arla is one of the largest customers to have signed up to Etha so far.

During the period, Lantmännen Reppe faced challenges in terms of a lower starch yield as a result of the quality of the grain raw material from the 2015 harvest, which had an adverse impact on earnings.

Lantmännen Aspen is moving towards its peak season in late spring and summer. The traditional spring campaign, which is an important part of Aspen's marketing, was conducted with good results this spring. More active marketing was also started internationally in order to increase the presence and proximity to customers – particularly in Finland and Norway.

### Energy Sector, adjusted for items affecting comparability





## Food Sector

### Key figures Food Sector

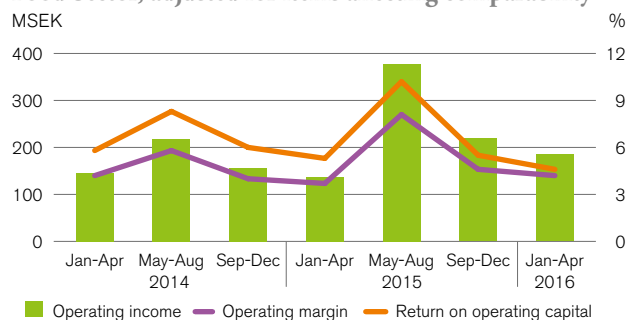
	2016 Jan-Apr	2015 Jan-Apr	Change Jan-Apr
Net sales, MSEK	4,424	3,690	20 %
Operating income, MSEK	185	137	48
Operating margin, %	4.2	3.7	
Return on operating capital, %	4.6	5.3	
Average number of employees	6,722	4,891	37 %

The Food Sector's net sales were higher than in the previous year, largely due to the acquisition of the Vaasan bakery group, which has been part of the Sector since June 2015. Operating income amounted to MSEK 185, an improvement from MSEK 137 for the same period the previous year. The higher operating income is largely attributable to continuing improvements in income for Lantmännen Unibake and the additional income from Vaasan.

Lantmännen Cerealia continues its stable development, with a strong focus on developing innovative customer offerings and products. Work on the investment in Strängnäs Valskvarn, which was announced last year, is proceeding according to plan. Investments were also made in Järna, in order to increase the production capacity for chilled ready meals from Gooh and Kungsörnen. There were several successful product launches in the first four-month period, including granola products and HavreKvikk from AXA, bean pasta and ready meals from Kungsörnen and new dishes from Gooh. AXA's granola was named "Best in test" by the Norwegian food website bramat.no.

Lantmännen Unibake strengthened its operating income during the period – partly due to continuing production efficiency, and also through further growth in income from international operations. The integration of Vaasan, which began last year, has proceeded very well. A number of investments were initiated during the first four months, including the process of building a new bakery in Londerzeel in Belgium to replace the bakery that burned down last year. When completed, the facility will be Europe's most modern baguette bakery. The launch of colored hamburger buns has been successful: black and red buns were offered for a short period, with high demand from customers.

### Food Sector, adjusted for items affecting comparability





## Lantmännen Real Estate

### Key figures Lantmännen Real Estate

	2016 Jan-Apr	2015 Jan-Apr	Change Jan-Apr
Net sales, MSEK	165	157	5 %
Operating income excluding property sales, MSEK	61	62	-1
Operating income, MSEK	102	145	-43
Return on operating capital, excluding property sales, %	11.1	12.2	
Average number of employees	39	40	-3 %

Net sales for Lantmännen Real Estate were higher than in the previous year, while operating income excluding property sales was in line with the previous year: MSEK 61 (62). Income from property sales was MSEK 41 (83).

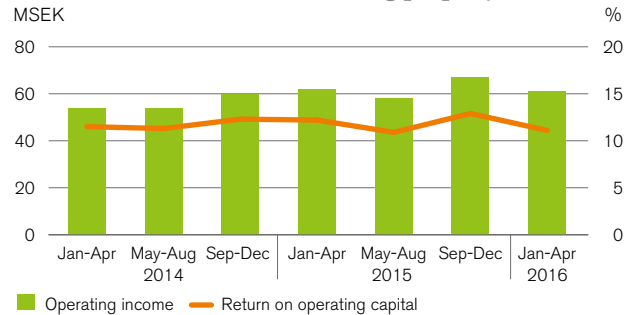
The share of external leasing continued to increase during the four-month period, and there is high market activity at present.

A number of property transactions were conducted during the period. In Uppsala, Lantmännen sold a centrally located property which will be developed for residential use – the transaction is a good example of how work on property development creates value. Income from the transaction is dependent on how the future project develops and will be reported for several years to come.

The property Najaden in Eskilstuna, which includes Lantmännen Maskin's facility, has been sold to the owner of the adjacent properties, enabling more efficient property management and development. Two retirement homes in Norrtälje and Lidingö were acquired during the period.

The heating operations continue to develop positively, and showed slightly higher income for the period compared with the previous year. During the period, Lantmännen received approval for building district heating systems at two locations in the municipality of Skurup.

### Lantmännen Real Estate, excluding property sales





Viking Malt

## Lantmännen's international ownership

*The Agriculture, Energy and Food Sectors have ownership interests in a number of international companies. These companies' operations are primarily located in the Nordic region, Germany, Poland and the Baltic countries. With these ownership interests, Lantmännen is well positioned to offer customers in Sweden and in export markets long-term business relationships with stable delivery performance. Lantmännen's share of income is reported in each Sector.*

### **HaGe Kiel holding 41 %**

Hauptgenossenschaft Nord AG (HaGe Kiel) has an annual turnover of approximately EUR 2.6 billion and about 1,700 employees. Lantmännen owns 41 percent of HaGe Kiel, while DLG (Dansk Landbrugs Grovvareselskab) owns 54 percent. Operations include grain trading and the sale of farm inputs and the business is part of the Agriculture Sector. HaGe Kiel has well developed logistics chains and port terminals in Hamburg, Kiel and Rostock which supply the market with grain and oilseeds, both locally and internationally. HaGe Kiel has feed factories that produce high quality feed, and also trades in agricultural goods, machinery, sales of leisure and garden products and markets products in organic farming.

### **Scandagra Group holding 50 %**

Scandagra Group AB operates in the three Baltic countries. The Group has an annual turnover of approximately EUR 240 million and about 250 employees. The company, which is jointly owned (50-50) by Lantmännen and DLG, is part of the Agriculture Sector. The operations are conducted through three sales companies – Scandagra Eesti, Scandagra Lietuva and Scandagra Latvia. The sales companies engage in the sale of crop production inputs and the purchase and sale of grain. Scandagra Eesti also has a feed plant with a production capacity of just over 100,000 tonnes.

### **Scandagra Polska holding 50 %**

Scandagra Polska, which is a merchant of grain and other inputs in the Polish agricultural market, has an annual turnover of approximately SEK 1.2 billion and about 120 employees. The company, which is jointly owned (50-50) by Lantmännen and DLG, is part of the Agriculture Sector. Scandagra Polska is one of many traders in the large and diversified Polish market.

### **Agroenergi Neova Pellets holding 50 %**

Agroenergi Neova Pellets, which manufactures and sells solid biofuels, primarily wood pellets, has an annual turnover of approximately SEK 1 billion and about 130 employees. The company has a strong position in the Swedish market and in the Baltic region. Lantmännen and Neova each own 50 percent of the company. The company is part of the Energy Sector.

### **Viking Malt holding 38 %**

Viking Malt has strengthened its position as the leading malting player in Northern Europe by acquiring Danish Malting Group (DMG) from Carlsberg in May. After the acquisition, Viking Malt produces malt in Finland, Sweden, Denmark, Poland and Lithuania. The company has an annual turnover of approximately EUR 250 million and about 240 employees. Viking Malt is an advanced refiner of grain, supplying about 600,000 tonnes of malt and services annually to breweries and distilleries in northern Europe, and to selected users around the world. Lantmännen owns 38 percent of the company, with the remainder being owned by the Finnish company Polttime. Viking Malt is part of the Food Sector.

## Condensed consolidated income statement

MSEK	2016 Jan-Apr	2015 Jan-Apr	May 2015- Apr 2016	2015 Jan-Dec
<b>Net sales</b>	<b>11,680</b>	<b>11,064</b>	<b>36,276</b>	<b>35,660</b>
Other operating income	146	190	752	796
Changes in inventories of finished goods and work in progress	-858	-491	-310	57
Capitalized work for own account	0	0	0	0
Raw materials and consumables	-2,871	-3,392	-10,863	-11,384
Goods for resale	-3,639	-3,444	-11,703	-11,508
Employee benefits expense	-1,802	-1,575	-5,396	-5,169
Other operating expenses	-1,955	-1,758	-6,179	-5,982
Share of income of associates	29	28	104	103
Depreciation, amortization and impairment	-365	-331	-1,256	-1,222
<b>Operating income</b>	<b>365</b>	<b>291</b>	<b>1,425</b>	<b>1,351</b>
Finance income	42	32	116	106
Finance costs	-103	-85	-229	-211
<b>Income after financial items</b>	<b>304</b>	<b>238</b>	<b>1,312</b>	<b>1,246</b>
Tax	-26	-19	-163	-156
<b>Net income for the period after tax</b>	<b>278</b>	<b>219</b>	<b>1,149</b>	<b>1,090</b>
<b>Net income for the period attributable to:</b>				
Members of the economic association	277	217	1,148	1,088
Non-controlling interests	1	2	1	2

## Condensed consolidated statement of comprehensive income

MSEK	2016 Jan-Apr	2015 Jan-Apr	May 2015- Apr 2016	2015 Jan-Dec
<b>Net income for the period after tax</b>	<b>278</b>	<b>219</b>	<b>1,149</b>	<b>1,090</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified to the income statement</i>				
Actuarial gains and losses on defined benefit pension plans, net of tax	-41	-164	334	211
Tax on actuarial gains and losses	9	36	-73	-46
<b>Total</b>	<b>-32</b>	<b>-128</b>	<b>261</b>	<b>165</b>
<i>Items that will be reclassified to the income statement</i>				
Available-for-sale financial assets, net of tax	19	10	22	13
Cash flow hedges, net of tax	20	108	-26	62
Exchange differences on translation of foreign operations	7	-30	-152	-189
Net gain on hedge of net investment in foreign operations, net of tax	-26	58	-28	56
Tax attributable to items that will be reclassified	-2	-37	1	-34
<b>Total</b>	<b>18</b>	<b>109</b>	<b>-183</b>	<b>-92</b>
<i>Share of OCI in equity accounted companies</i>				
Items that will be reclassified to profit or loss	2	-22	12	-12
<b>Total</b>	<b>2</b>	<b>-22</b>	<b>12</b>	<b>-12</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>-12</b>	<b>-41</b>	<b>90</b>	<b>61</b>
<b>Total comprehensive income for the period</b>	<b>266</b>	<b>178</b>	<b>1,239</b>	<b>1,151</b>
<b>Net income for the period attributable to:</b>				
Members of the economic association	265	176	1,238	1,149
Non-controlling interests	1	2	1	2

## Condensed consolidated four-monthly income statements

MSEK	2016 Jan-Apr	2015 Sep-Dec	2015 May-Aug	2015 Jan-Apr
<b>Net sales</b>	<b>11,680</b>	<b>12,491</b>	<b>12,105</b>	<b>11,064</b>
Other operating income	146	158	448	190
Changes in inventories of finished goods and work in progress	-858	-203	751	-491
Capitalized work for own account	0	0	0	0
Raw materials and consumables	-2,871	-3,798	-4,194	-3,392
Goods for resale	-3,639	-3,838	-4,226	-3,444
Employee benefits expense	-1,802	-1,792	-1,802	-1,575
Other operating expenses	-1,955	-2,286	-1,938	-1,758
Share of income of associates	29	54	21	28
Depreciation, amortization and impairment	-365	-414	-477	-331
<b>Operating income</b>	<b>365</b>	<b>372</b>	<b>688</b>	<b>291</b>
Finance income	42	28	46	32
Finance costs	-103	-62	-64	-85
<b>Income after financial items</b>	<b>304</b>	<b>338</b>	<b>670</b>	<b>238</b>
Tax	-26	-29	-108	-19
<b>Net income for the period after tax</b>	<b>278</b>	<b>309</b>	<b>562</b>	<b>219</b>
<b>Net income for the period attributable to:</b>				
Members of the economic association	277	309	562	217
Non-controlling interests	1	0	0	2

## The Group's items affecting comparability

MSEK	2016 Jan-Apr	2015 Jan-Apr	2015 Jan-Dec
<b>Recognized operating income</b>	<b>365</b>	<b>291</b>	<b>1,351</b>
<i>Items affecting comparability in operating income:</i>			
Capital gains on sale of operations	-	-	110
Restructuring costs, Agriculture Sector	-	-	-45
Restructuring costs, Vaasan acquisition <sup>1)</sup>	-	-	-65
<i>Total items affecting comparability in operating income</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Operating income, adjusted for items affecting comparability</b>	<b>365</b>	<b>291</b>	<b>1,351</b>
<b>Recognized income after financial items</b>	<b>304</b>	<b>238</b>	<b>1,246</b>
Items affecting comparability in operating income according to above	-	-	-
<i>Total items affecting comparability in net financial income</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Income after financial items adjusted for items affecting comparability</b>	<b>304</b>	<b>238</b>	<b>1,246</b>
Return on equity, adjusted for items affecting comparability, %	6.5	5.5	8.7
Return on operating capital, adjusted for items affecting comparability, %	5.6	5.7	7.5

<sup>1)</sup> MSEK 41 of which is reported in the Food Sector



## Condensed consolidated statement of financial position

MSEK	2016 Apr 30	2015 Apr 30	2015 Dec 31
<b>ASSETS</b>			
Property, plant and equipment	7,136	6,562	7,113
Investment properties	777	611	586
Goodwill	4,400	2,907	4,424
Other intangible assets	2,768	735	2,782
Investments in associates	1,745	1,603	1,690
Non-current financial assets	707	985	711
Deferred tax assets	212	436	371
Other non-current assets	37	9	8
<b>Total non-current assets</b>	<b>17,782</b>	<b>13,848</b>	<b>17,685</b>
Inventories	5,252	5,241	5,545
Trade and other receivables	5,688	5,582	5,407
Current interest-bearing assets	186	226	174
Current tax assets	38	23	18
Cash and cash equivalents	2,009	3,304	1,252
<b>Total current assets</b>	<b>13,173</b>	<b>14,376</b>	<b>12,396</b>
<b>TOTAL ASSETS</b>	<b>30,955</b>	<b>28,224</b>	<b>30,081</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to members of the economic association	12,954	12,035	12,660
Non-controlling interests	22	19	21
<b>Total equity</b>	<b>12,976</b>	<b>12,054</b>	<b>12,681</b>
Non-current interest-bearing liabilities <sup>1)</sup>	3,952	2,304	4,897
Provisions for pensions	388	664	360
Deferred tax liabilities	389	298	612
Other non-current provisions	329	244	227
Other non-current liabilities	39	58	39
<b>Total non-current liabilities</b>	<b>5,097</b>	<b>3,568</b>	<b>6,135</b>
Current interest-bearing liabilities	4,350	4,780	3,230
Trade and other payables	8,042	7,353	7,608
Current tax liabilities	118	70	73
Current provisions	372	399	354
<b>Total current liabilities</b>	<b>12,882</b>	<b>12,602</b>	<b>11,265</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>30,955</b>	<b>28,224</b>	<b>30,081</b>
Equity ratio	41.9	42.7	42.2
<sup>1)</sup> Including subordinated debentures, MSEK	250	250	250

## Condensed consolidated statement of cash flows

MSEK	2016 Jan-Apr	2015 Jan-Apr	2015 Jan-Dec
Income after financial items	304	238	1,246
Adjustment for non-cash items <sup>1)</sup>	282	287	1,012
Taxes paid	-64	-45	-99
<b>Cash flow from operating activities before change in working capital</b>	<b>522</b>	<b>480</b>	<b>2,159</b>
Change in working capital	493	157	8
<b>Cash flow from operating activities</b>	<b>1,015</b>	<b>637</b>	<b>2,167</b>
Acquisitions and divestments including capital contributions	-25	-86	-4,154
Investments in non-current assets	-641	-374	-1,256
Sale of non-current assets	287	175	445
Change in financial investments	5	32	124
<b>Cash flow from investing activities</b>	<b>-374</b>	<b>-253</b>	<b>-4,841</b>
<b>Cash flow before financing activities</b>	<b>641</b>	<b>384</b>	<b>-2,674</b>
Change in contributed capital	0	1	19
Dividend paid	0	0	-314
Change in loans	96	-169	1,194
<b>Cash flow from financing activities</b>	<b>96</b>	<b>-168</b>	<b>899</b>
<b>Cash flow for the period</b>	<b>737</b>	<b>216</b>	<b>-1,775</b>
Cash and cash equivalents at beginning of period	1,252	3,058	3,058
Exchange differences	20	30	-31
<b>Cash and cash equivalents at end of period</b>	<b>2,009</b>	<b>3,304</b>	<b>1,252</b>
<sup>1)</sup> Depreciation and impairment of non-current assets	365	331	1,222
Less share of income in associates	-29	-26	-86
Capital gains on sale of non-current assets and operations	-42	-83	-190
Other non-cash items	-12	65	66
<b>Total adjustment for non-cash items</b>	<b>282</b>	<b>287</b>	<b>1,012</b>

## Condensed consolidated statement of changes in equity

MSEK	2016 Jan-Apr			2015 Jan-Apr			2015 Jan-Dec		
	Association members	Non- controlling interests	Total equity	Association members	Non- controlling interests	Total equity	Association members	Non- controlling interests	Total equity
Closing balance	12,660	21	12,681	11,859	17	11,876	11,859	17	11,876
Changes due to amended accounting policies in associates	66	-	66	-	-	-	-	-	-
<b>Opening balance, January 1</b>	<b>12,726</b>	<b>21</b>	<b>12,747</b>	<b>11,859</b>	<b>17</b>	<b>11,876</b>	<b>11,859</b>	<b>17</b>	<b>11,876</b>
<b>Total comprehensive income for the period</b>	<b>265</b>	<b>1</b>	<b>266</b>	<b>176</b>	<b>2</b>	<b>178</b>	<b>1,149</b>	<b>2</b>	<b>1,151</b>
Distribution to owners	-	-	-	-	-	-	-367	-	-367
Contributed capital paid in by members	-	-	-	-	-	-	123	-	123
Contributed capital paid out to members	-	-	-	-	-	-	-104	-	-104
Other change <sup>1)</sup>	-37	-	-37	-	-	-	-	2	2
<b>Closing balance</b>	<b>12,954</b>	<b>22</b>	<b>12,976</b>	<b>12,035</b>	<b>19</b>	<b>12,054</b>	<b>12,660</b>	<b>21</b>	<b>12,681</b>
<b>Equity attributable to members of the economic association</b>									
Contributed capital, paid in	986			931			986		
Contributed capital, issued	1,160			1,046			1,160		
Other equity	10,808			10,058			10,514		
<b>Total equity attributable to members of the economic association</b>	<b>12,954</b>			<b>12,035</b>			<b>12,660</b>		
<sup>1)</sup> Of which associates' acquisition of NCI in subsidiaries	-37		-37						
Of which other change relating to non-controlling interests								2	2

## Segment information, adjusted for items affecting comparability

### Net sales per segment

MSEK	2016 Jan-Apr	2015 Jan-Apr	Change %	May 2015- Apr 2016	2015 Jan-Dec
Agriculture Sector	3,785	3,886	-3	10,806	10,907
Machinery Sector	3,150	3,111	1	10,362	10,323
Energy Sector	809	838	-3	2,845	2,874
Food Sector	4,424	3,690	20	13,807	13,073
Lantmännen Real Estate	165	157	5	462	454
Other operations	137	144	-5	431	438
Eliminations	-790	-762	4	-2,437	-2,409
<b>Lantmännen total</b>	<b>11,680</b>	<b>11,064</b>	<b>6</b>	<b>36,276</b>	<b>35,660</b>

### Operating income per segment, adjusted for items affecting comparability

MSEK	2016 Jan-Apr	2015 Jan-Apr		May 2015- Apr 2016	2015 Jan-Dec
Agriculture Sector	94	23		308	237
Machinery Sector	11	4		262	255
Energy Sector	84	62		240	218
Food Sector	185	137		781	733
Lantmännen Real Estate <sup>1)</sup>	102	145		271	314
Other operations	-78	-68		-224	-214
Group items	-33	-12		-213	-192
<b>Lantmännen total</b>	<b>365</b>	<b>291</b>		<b>1,425</b>	<b>1,351</b>
<sup>1)</sup> Including capital gain on sale of property	41	83		85	127

### Operating margin per segment, adjusted for items affecting comparability

%	2016 Jan-Apr	2015 Jan-Apr		May 2015- Apr 2016	2015 Jan-Dec
Agriculture Sector	2.5	0.6		2.9	2.2
Machinery Sector	0.3	0.1		2.5	2.5
Energy Sector	10.4	7.4		8.4	7.6
Food Sector	4.2	3.7		5.7	5.6
<b>Lantmännen total</b>	<b>3.1</b>	<b>2.6</b>		<b>3.9</b>	<b>3.8</b>

### Return on operating capital adjusted for items affecting comparability

%	2016 Jan-Apr	2015 Jan-Apr		May 2015- Apr 2016	2015 Jan-Dec
Agriculture Sector	7.0	1.7		7.4	5.7
Machinery Sector	1.8	0.7		14.7	14.0
Energy Sector	22.7	16.2		21.3	19.2
Food Sector	4.6	5.3		6.7	7.1
Lantmännen Real Estate <sup>1)</sup>	11.1	12.2		11.6	12.0
<b>Lantmännen total</b>	<b>5.6</b>	<b>5.7</b>		<b>7.3</b>	<b>7.5</b>

<sup>1)</sup> Adjusted for gain on sale of property.

## Segment information

### Net sales per segment

MSEK	2016 Jan-Apr	2015 Jan-Apr	Change %	May 2015- Apr 2016	2015 Jan-Dec
Agriculture Sector	3,785	3,886	-3	10,806	10,907
Machinery Sector	3,150	3,111	1	10,362	10,323
Energy Sector	809	838	-3	2,845	2,874
Food Sector	4,424	3,690	20	13,807	13,073
Lantmännen Real Estate	165	157	5	462	454
Other operations	137	144	-5	431	438
Eliminations	-790	-762	4	-2,437	-2,409
<b>Lantmännen total</b>	<b>11,680</b>	<b>11,064</b>	<b>6</b>	<b>36,276</b>	<b>35,660</b>

### Operating income per segment

MSEK	2016 Jan-Apr	2015 Jan-Apr	May 2015- Apr 2016	2015 Jan-Dec
Agriculture Sector	94	23	263	192
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<sup>1)</sup> Including capital gain on sale of property	41	83	85	127

### Operating margin per segment

%	2016 Jan-Apr	2015 Jan-Apr	May 2015- Apr 2016	2015 Jan-Dec
Agriculture Sector	2.5	0.6	2.4	1.8
Machinery Sector	0.3	0.1	2.5	2.5
Energy Sector	10.4	7.4	8.4	7.6
Food Sector	4.2	3.7	5.4	5.3
<b>Lantmännen total</b>	<b>3.1</b>	<b>2.6</b>	<b>3.9</b>	<b>3.8</b>

### Return on operating capital

%	2016 Jan-Apr	2015 Jan-Apr	May 2015- Apr 2016	2015 Jan-Dec
Agriculture Sector	7.0	1.7	6.3	4.6
Machinery Sector	1.8	0.7	14.7	14.0
Energy Sector	22.7	16.2	21.3	19.2
Food Sector	4.6	5.3	6.3	6.7
Lantmännen Real Estate <sup>1)</sup>	11.1	12.2	11.6	12.0
<b>Lantmännen total</b>	<b>5.6</b>	<b>5.7</b>	<b>7.3</b>	<b>7.5</b>

<sup>1)</sup> Adjusted for gain on sale of property.

## Parent Company

The activities of the Parent Company Lantmännen ek för consist of Lantbruk Sverige, Agro Oil and the corporate functions.

The Parent Company's net sales amounted to MSEK 3,891 (3,998), while operating income was MSEK 62 (-58). The improved income is mainly attributable to Lantbruk Sverige.

Income from financial items was MSEK 42 (1), comprising interest income of MSEK 14 (9) and exchange gains of MSEK 28 (-10).

Income after financial items was MSEK 104 (-57).

Net investments in non-current assets for the year amounted to MSEK 27 (37).

The equity ratio was 44.3 percent (44.1 at January 1).

The average number of employees in the Parent Company was 929 (1,018).

## Parent Company condensed income statement

MSEK	2016 Jan-Apr	2015 Jan-Apr
Net sales, external	3,208	3,356
Net sales, intra-Group	683	642
<b>Net sales, total</b>	<b>3,891</b>	<b>3,998</b>
Change in products in progress, finished goods and work in progress for third parties	-479	-677
Capitalized work for own account	0	0
Other operating income	123	62
	<b>3,535</b>	<b>3,383</b>
<b>Operating expenses</b>		
Raw materials and consumables	-1,871	-1,978
Goods for resale	-806	-665
Other external costs	-478	-463
Employee benefits expense	-264	-286
Depreciation, amortization and impairment	-54	-49
<b>Total operating expenses</b>	<b>-3,473</b>	<b>-3,441</b>
<b>Operating income</b>	<b>62</b>	<b>-58</b>
Income from financial items	42	1
<b>Income after financial items</b>	<b>104</b>	<b>-57</b>
Refund and final price adjustment		
Appropriations		
Group contributions		
Tax	-10	12
<b>Net income for the period</b>	<b>94</b>	<b>-45</b>

## Parent Company condensed statement of financial position

MSEK	2016 Apr 30	2015 Apr 30
<b>ASSETS</b>		
Intangible assets	462	190
Property, plant and equipment	830	901
Investments in Group companies	7,561	6,904
Investments in associates	1,184	1,148
Non-current receivables from Group companies	639	890
Other securities held as non-current assets	112	261
Other non-current receivables	169	313
<b>Total non-current assets</b>	<b>10,957</b>	<b>10,607</b>
Inventories	1,496	1,682
Current receivables from Group companies	12,355	8,680
Other current receivables	2,484	2,448
Short-term investments, incl. cash and bank balances	733	2,516
<b>Total current assets</b>	<b>17,068</b>	<b>15,326</b>
<b>TOTAL ASSETS</b>	<b>28,025</b>	<b>25,933</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	12,178	10,807
Untaxed reserves	311	311
Provisions	130	146
Non-current liabilities	3,449	1,902
Current liabilities to Group companies	5,963	6,754
Other current liabilities	5,994	6,013
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>28,025</b>	<b>25,933</b>
Equity ratio	44.3	42.6



# Notes

## Accounting policies

Lantmännen applies International Financial Reporting Standards (IFRS), as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. Reporting for the Parent Company is in accordance with the Swedish Financial Reporting Board's

recommendation RFR 2 Accounting for Legal Entities and the Swedish Annual Accounts Act.

The accounting policies applied for the interim report correspond with those applied in preparing the 2015 Annual Report. No new or amended standards effective from 2016 have had a significant effect on Lantmännen's financial reporting.

## Financial assets and liabilities with information on fair value, April 30, 2016

MSEK	Total carrying amount	Fair value
<b>Assets</b>		
Other shares and interests	477	477
Financial investments	231	231
Trade and other receivables	5,561	5,561
Current interest-bearing receivables	184	184
Cash and bank balances	2,009	2,009
<b>Total financial assets</b>	<b>8,462</b>	<b>8,462</b>
<b>Liabilities</b>		
Non-current interest-bearing liabilities	3,952	3,967
Other non-current liabilities	40	40
Current interest-bearing liabilities	4,350	4,350
Trade and other payables	5,812	5,812
<b>Total financial liabilities</b>	<b>14,154</b>	<b>14,169</b>

## Financial assets and liabilities measured at fair value, by measurement level, April 30, 2016

MSEK	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Derivatives with positive fair value	55	42	-	97
Other financial assets measured at fair value	451	43	125	619
<b>Total assets</b>	<b>506</b>	<b>85</b>	<b>125</b>	<b>716</b>
<b>Liabilities</b>				
Derivatives with negative fair value	28	77	-	105
Other financial liabilities measured at fair value	-	-	-	-
<b>Total liabilities</b>	<b>28</b>	<b>77</b>	<b>-</b>	<b>105</b>

## Financial assets and liabilities with information on fair value, April 30, 2015

MSEK	Total carrying amount	Fair value
<b>Assets</b>		
Other shares and interests	796	796
Financial investments	189	189
Trade and other receivables	4,615	4,615
Current interest-bearing receivables	226	226
Cash and bank balances	3,304	3,304
<b>Total financial assets</b>	<b>9,130</b>	<b>9,130</b>
<b>Liabilities</b>		
Non-current interest-bearing liabilities	2,304	2,324
Other non-current liabilities	8	8
Current interest-bearing liabilities	4,780	4,780
Trade and other payables	4,621	4,621
<b>Total financial liabilities</b>	<b>11,713</b>	<b>11,733</b>

## Financial assets and liabilities measured at fair value, by measurement level, April 30, 2015

MSEK	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Derivatives with positive fair value	130	56	-	186
Other financial assets measured at fair value	578	42	276	896
<b>Total assets</b>	<b>708</b>	<b>98</b>	<b>276</b>	<b>1,082</b>
<b>Liabilities</b>				
Derivatives with negative fair value	56	79	-	135
Other financial liabilities measured at fair value	-	-	-	-
<b>Total liabilities</b>	<b>56</b>	<b>79</b>	<b>-</b>	<b>135</b>

### 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.

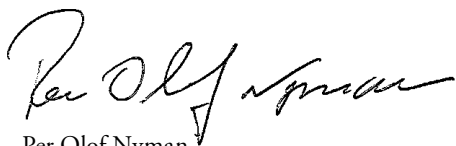
There has not been any movement between levels.

## Ongoing EU investigation

In December 2015, the EU's competition authority announced that it was continuing its investigation of a number of ethanol producers for suspected violation of EU competition laws. Lantmännen Agro-ethanol is one of three manufacturers under investigation. Lantmännen is cooperating fully with the authorities in the investigation.

On assignment for the Board of Directors

Stockholm, June 1, 2016



Per Olof Nyman

*President & CEO*

*Lantmännen*

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## Auditors' Review Report

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

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## For more information, please contact

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*This information has been disclosed in accordance with the Swedish Securities Market Act (2007:528).  
The information was submitted for publication at 08.30 on June 2, 2016.*



