

AAK's Interim Report for the first quarter, 2012

Chief Executive's comments

Record high first quarter results and again strong growth in Food Ingredients

Operating profit for the first quarter of 2012 reached SEK 220 million (204), an improvement of 8 percent compared with the corresponding quarter in 2011.

Business Area operating profit:

- Food Ingredients reached a record high first quarter of SEK 137 million (104), an improvement of 32 percent.
- Chocolate & Confectionery Fats was stable at SEK 81 million (81).
- Technical Products & Feed had another challenging quarter but reached SEK 25 million (39).

Operating profit per kilo continued to improve, from SEK 0.59 to SEK 0.60 due to a higher proportion of value added products.

We also recorded, as predicted, a record high first quarter cash flow of SEK 384 million.

Earnings per share increased, from SEK 3.38 to SEK 3.43 despite higher interest costs.

Sales amounted to SEK 4,222 million (3,843) in the first quarter.

Volume and business development

The first quarter was characterized by a Group volume growth of 7 percent. Food Ingredients reported volume up by 12 percent compared to last year, comprising increased value added products and the impact of the Golden Foods/ Golden Brands acquisition (now renamed AAK Louisville). This is fully in line with the strategy

and the action plans defined in AAK Acceleration. Volumes in Chocolate & Confectionery Fats were stable (unchanged). Commodity volumes in Technical Products & Feed were down.



AAK – Ongoing rationalization programs

The ongoing productivity improvements in the Scandinavian and UK units continue in line with plans.

AAK Acceleration

We continue to see very positive effects of the AAK Acceleration program, in terms of organic growth in speciality products, acquisitive growth and in productivity.

Concluding remarks

The impact on our industry from the more difficult general economy in Europe is difficult to predict. However, based on AAK's customer value propositions for health and reduced costs, customer product co-development and solutions approach, and the AAK Acceleration program (Growth-Efficiency-People), we remain prudently optimistic for the future mainly driven by a very strong Food Ingredients business.



Arne Frank
CEO and President

Financial overview

SEK Million	Q1 2012	Q1 2011	Δ%	Rolling 12 mth	Full year 2011
Volumes	366	343	+7	1,449	1,426
Net Sales	4,222	3,843	+10	17,074	16,695
Operating profit	220	204	+8	927	911
Operating profit per kilo	0.60	0.59	+2	0.64	0.64
Net financial cost	-24	-15	-60	-107	-98
Net result	141	139	+1	606	604
Earnings per share	3.43	3.38	+1	14.77	14.72

The AAK Group, first quarter 2012

Volumes

Volumes increased by 7 percent due to higher speciality volumes and the impact of AAK Louisville, whilst commodity volumes were down, particularly in the UK.

Net sales

Net sales increased by SEK 379 million mainly due to increased volumes; a better product mix; and a minor positive currency translation impact of SEK 40 million.

Operating result

A record high operating profit for the first quarter reached SEK 220 million (204), an improvement of 8 percent. The impact of currency translation was negligible.

AAK Louisville has started to contribute to the Group result according to plan.

Operating profit per kilo increased from SEK 0.59 to SEK 0.60.

Speciality volumes continued to increase whilst low margin commodity volumes decreased.

Net financial cost

Net financial cost amounted to SEK 24 million (15), mainly as a consequence of the January 2011 refinancing. The first quarter of 2011 was impacted positively by effects of financial

derivatives, mainly of a non-recurring nature.

Investments

Group investments amounted to SEK 108 million (68), mainly routine maintenance investments and the capacity expansion in the US.

Cash flow

Cash flow from operating activities excluding changes in working capital amounted to SEK 245 million (204). Further positive cash flow arose from a reduction in working capital by SEK 139 million in the first quarter (negative 562).

Cash flow from operating activities including changes in working capital was SEK 384 million (negative 358).

After net investments of SEK 107 million (68), positive cash flow amounted to SEK 277 million (negative 426).

Since year end 2011 the main raw material prices have increased by slightly more than 10 percent which most likely will have an impact, with a time lag of six to nine months, increasing working capital during the later part of 2012 and the beginning of 2013.

Financial position

The equity/assets ratio amounted to 39 percent (36 percent at 31 December 2011). Net debt at 31 March 2012 amounted to SEK 2,858 million (SEK 3,141 million on 31 December 2011). At 31 March 2012, the Group had total credit facilities of SEK 6,000 million.

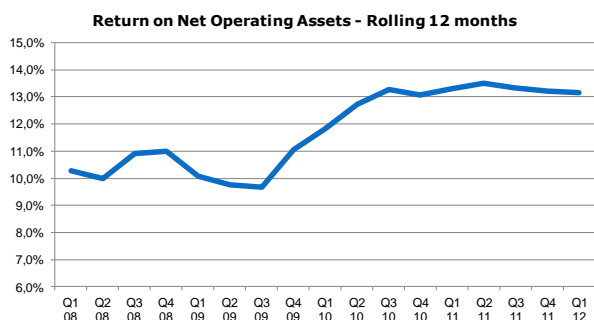
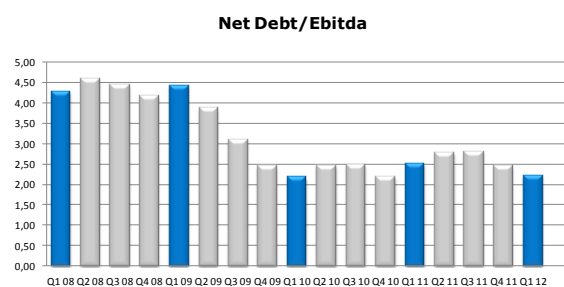
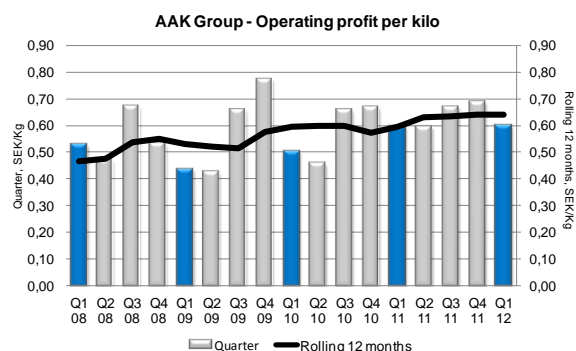
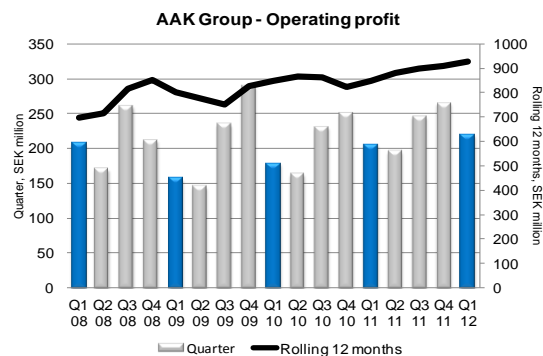
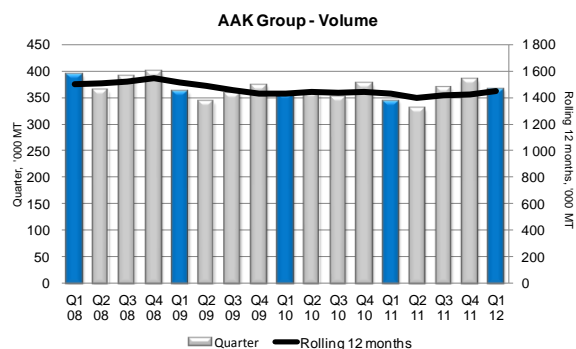
Employees

The average number of employees at 31 March 2012 was 2,056 (2,065 on 31 December 2011). The net change consists of a reduction in Scandinavia and the UK in line with the restructuring programs, offset by increases in focused growth markets.

The Parent Company and Group Functions

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

Group – Q1 2012



Business Area Food Ingredients, Q1 2012

SEK Million	Q1 2012	Q1 2011	Δ %	Rolling 12 mth	Full year 2011
Volumes ('000 tonnes)	217	193	+12	855	831
Net sales	2,600	2,251	+16	10,425	10,076
Operating profit	137	104	+32	551	518
Operating profit per kilo	0.63	0.54	+17	0.64	0.62

Volumes

In the first quarter the business area reported significant volume growth of 12 percent compared to the corresponding quarter in 2011.

The volume growth comprised increased speciality volumes and new volumes from the acquisition of AAK Louisville which was partly offset by refocusing in the UK market on speciality products and consequently reduced commodity volumes.

Net sales

Net sales increased by SEK 349 million mainly due to

increased volumes, a better product mix and a minor positive currency translation impact.

Operating result

A record high operating profit for the first quarter reached SEK 137 million (104), an increase of 32 percent. The impact of currency translation was negligible.

The first quarter continued to demonstrate strong development in many speciality product areas, in particular Bakery, Dairy Fat Alternatives and Infant Nutrition.

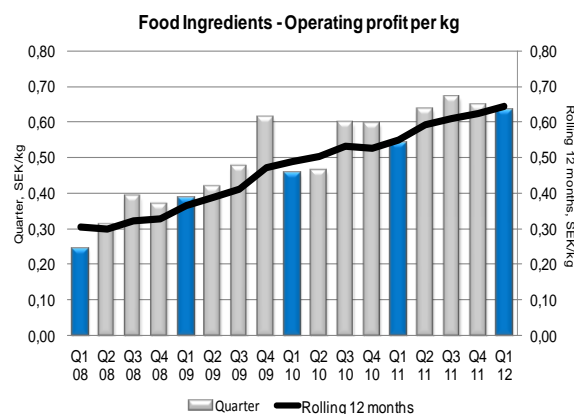
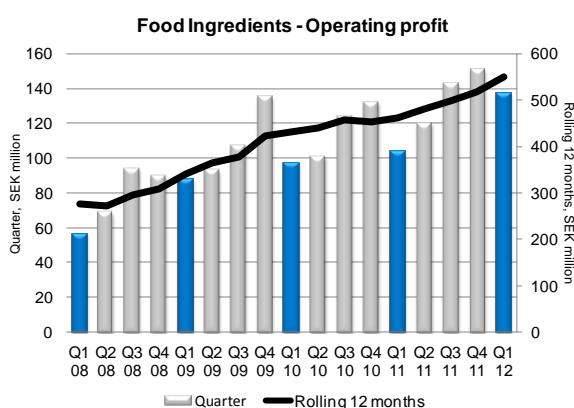
Accordingly, operating profit per kilo in this business area continued to improve, up 17 percent from SEK 0.54 per kilo to 0.63 SEK per kilo.

We remain clearly optimistic for the future mainly driven by this business area.

AAK Louisville

AAK Louisville has started to contribute to the Group result according to plan.

The AAK Louisville integration is continuing in line with plan.



Business Area Chocolate & Confectionery Fats, Q1 2012

SEK Million	Q1 2012	Q1 2011	Δ %	Rolling 12 mth	Full year 2011
Volumes ('000 tonnes)	78	78	+0	320	320
Net sales	1,224	1,157	+6	5,021	4,954
Operating profit	81	81	+0	378	378
Operating profit per kilo	1.03	1.03	+0	1.18	1.18

Volumes

Volumes remained stable during the quarter, as earlier predicted.

remained stable as earlier predicted. The impact of currency translation was negligible.

The management for the business area have very professionally succeeded in diversifying the business by taking it more into a solutions approach.

Net sales

Net sales for the business area increased by SEK 67 million mainly due to higher raw material prices and a minor positive currency translation impact.

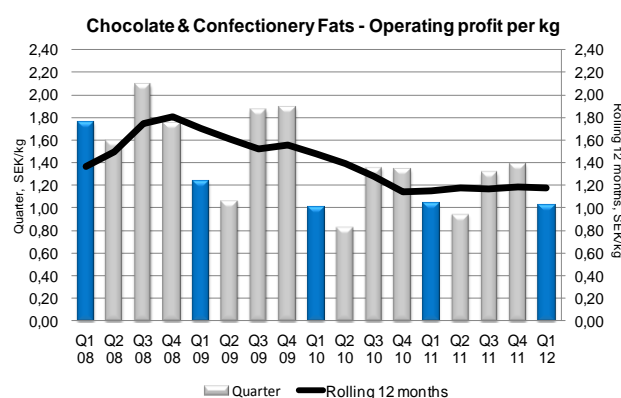
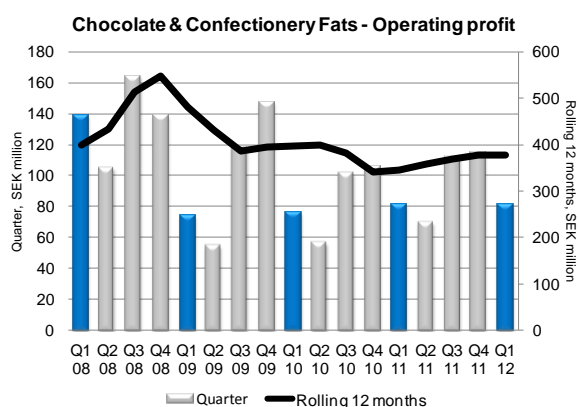
Operating profit per kilo was stable at SEK 1.03 (1.03).

The continued record low cocoa butter price (minus approximately 30-40 % versus a three year average) represents a clear challenge for the business area in the short to medium term.

We expect the business area to remain approximately stable or somewhat challenged during the next quarters.

Operating result

The operating profit reached SEK 81 million (81) and



Business Area Technical Products & Feed, Q1 2012

SEK Million	Q1 2012	Q1 2011	Δ %	Rolling 12 mth	Full year 2011
Volumes ('000 tonnes)	71	72	-1	274	275
Net sales	398	435	-9	1,628	1,665
Operating profit	25	39	-36	89	103
Operating profit per kilo	0.36	0.54	-33	0.32	0.37

Volumes

Volumes in the first quarter decreased by 1 percent compared to the corresponding quarter last year, which mainly was due to lower fatty acid volumes.

Net sales

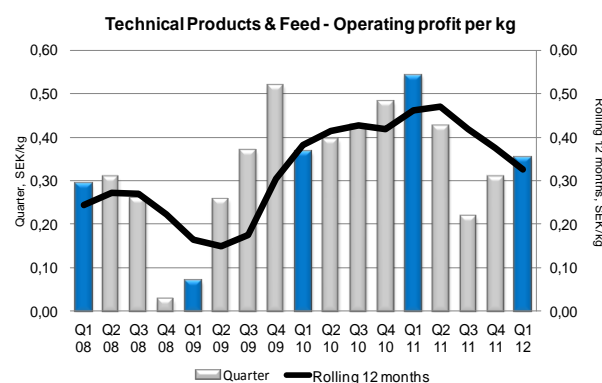
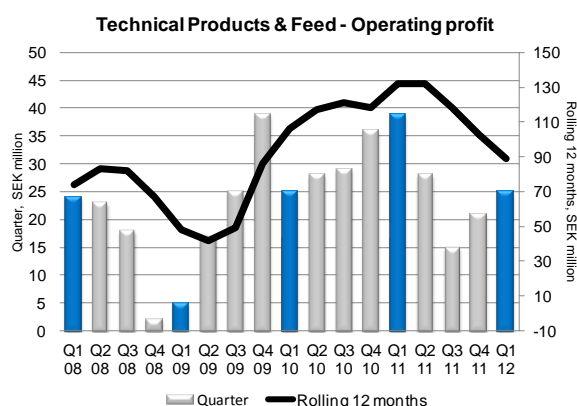
Net sales for the business area decreased by SEK 37 million or by 9 percent due to mix changes.

Operating result

Operating profit of SEK 25 million (39) decreased by SEK 14 million compared to the corresponding quarter last year.

The reduced profitability in the business area during the first quarter was due to continued pressure on margins for fatty acids and in crushing.

The underlying trend in the first quarter 2012 was still very challenging but slightly less challenging than during the third and fourth quarter 2011. As earlier communicated the next quarter/quarters will continue to be challenging but the situation is expected to gradually improve somewhat during the third and fourth quarter.



General information

Related parties

No significant changes have taken place in relations or transactions with related parties since 2011.

Risk and uncertainty factors

AAK is a global group represented in around 40 countries and is as such exposed to a number of commercial and financial risks. Accordingly, risk management is an important process for AAK in its work to achieve established targets. Efficient risk management is an ongoing process conducted within the framework of business control, and is part of the ongoing review of operations and forward-looking assessment of operations.

AAK's long-term risk exposure is assumed not to deviate from the inherent exposure associated with AAK's ongoing business operations. For a more in-depth analysis of risks, refer to AAK's Annual Report for 2011.

Accounting principles in 2012

This interim report is prepared in accordance with the Swedish Annual Accounts Act and IAS 34, Interim Financial Reporting. For information regarding the accounting policies applied, see the 2011 Annual Report. The accounting policies are unchanged, compared with those applied in 2011.

Definitions

For definitions see the 2011 Annual Report.

The Parent Company

The Parent Company's invoiced sales during first quarter 2012 were SEK 12 million (11). The result for the Parent Company after financial items amounted to negative SEK 9 million (negative 7).

Interest-bearing liabilities minus cash and cash equivalents and interest-bearing assets totalled positive SEK 71 million (positive 101 as at 31 December 2011). Investments in intangible and tangible assets amounted to SEK 0 million (0).

The Parent Company's balance sheet and income statement are shown on pages 13-14.

Accounting policies

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

Changes in the balance sheet

No major changes since year-end.

Malmö, May 3, 2012



Arne Frank
Chief Executive Officer and President

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

The information is that which AarhusKarlshamn AB (publ) is obliged to publish under the provisions of the Stock Exchange and Clearing Operations Act and/or the Trading in Financial Instruments Act. The information was released to the media for publication on 3 May 2012 at 11.00 am CET.

AAK Group - Consolidated income statement

SEK Million	Q1 2012	Q1 2011	Rolling 12 mth	Full year 2011
Net sales	4,222	3,843	17,074	16,695
Other operating income	10	12	104	106
Total operating income	4,232	3,855	17,178	16,801
Raw materials and supplies	-3,374	-3,069	-13,655	-13,350
Other external expenses	-283	-239	-1,121	-1,077
Cost for remuneration to employees	-270	-256	-1,113	-1,099
Amortisation and impairment losses	-85	-84	-351	-350
Other operating expenses	0	-3	-8	-11
Total operating income	-4,012	-3,651	-16,248	-15,887
Operating result (EBIT)	220	204	930	914
Interest income	2	1	7	6
Interest expense	-27	-18	-103	-94
Other financial items	1	2	-11	-10
Total financial net	-24	-15	-107	-98
Result before tax	196	189	823	816
Income tax	-55	-50	-217	-212
Net result	141	139	606	604
Attributable to non-controlling interests	1	1	2	2
Attributable to the Parent company's shareholders	140	138	604	602

AAK Group – Comprehensive income

SEK Million	Q1 2012	Q1 2011	Rolling 12 mth	Full year 2011
Income for the period	141	139	606	604
Exchange differences on translation of foreign operations	-28	-66	3	-35
Fair value changes in cash flow hedges	17	-	-2	-19
Tax related to fair value changes in cash flow hedges	-4	-	1	5
Total comprehensive income for the period	126	73	608	555
Attributable to non-controlling interests	2	0	1	-1
Attributable to the Parent company's shareholders	124	73	607	556

AAK Group – Condensed balance sheet

SEK Million	31.3.2012	31.3.2011	31.12.2011
Assets			
Goodwill	719	575	733
Other intangible assets	88	97	94
Tangible assets	2,804	2,670	2,801
Financial assets	164	134	144
Total non-current assets	3,775	3,476	3,772
Inventory	2,499	2,543	2,884
Current receivables	2,873	2,748	2,987
Cash and cash equivalents	215	207	331
Total current assets	5,587	5,498	6,202
Total assets	9,362	8,974	9,974
Equity and liabilities			
Shareholders' equity	3,671	3,247	3,547
Non-controlling interests	20	24	18
Total equity including non-controlling interests	3,691	3,271	3,565
Total non-current liabilities	3,386	3,544	3,799
Accounts payable	1,186	708	1,331
Other current liabilities	1,099	1,451	1,279
Total current liabilities	2,285	2,159	2,610
Total equity and liabilities	9,362	8,974	9,974

No changes have arisen in contingent liabilities.

AAK Group – Change in equity

SEK Million	Total equity capital	Non-controlling interests	Total equity incl. non-controlling interests
Openings equity 1 January 2012	3,547	18	3,565
Profit for the period	140	1	141
Other comprehensive income	-16	1	-15
Total comprehensive income	3,671	20	3,691
Closing equity 31 March 2012	3,671	20	3,691

SEK Million	Total equity capital	Non-controlling interests	Total equity incl. non-controlling interests
Openings equity 1 January 2011	3,164	24	3,188
Profit for the period	138	1	139
Other comprehensive income	-65	-1	-66
Total comprehensive income	3,237	24	3,261
Stock options	10	-	10
Closing equity 31 March 2011	3,247	24	3,271

AAK Group – Cash flow statement

SEK Million	Q1 2012	Q1 2011	Full year 2011
Operating activities			
Cash flow from operating activities before change in working capital	245	204	902
Changes in working capital	139	-562	-613
Cash flow from operating activities	384	-358	289
Investing activities			
Cash flow from investing activities	-107	-68	-670
Cash flow after investing activities	277	-426	-381
Financing activities			
Cash flow from financing activities	-389	105	183
Cash flow for the period	-112	-321	-198
Cash and cash equivalents at start of period	331	540	540
Exchange rate difference for cash equivalents	-4	-12	-11
Cash and cash equivalents at end of period	215	207	331

AAK Group – Share data

SEK Million	Q1 2012	Q1 2011	Full year 2011
Number of shares, thousand	40,898	40,898	40,898
Earnings per share, SEK*	3.43	3.38	14.72
Earnings per share incl dilution, SEK**	3.42	-	-
Earnings per share incl full dilution, SEK***	3.34	-	-
Equity per share, SEK	89.76	79.38	86.72
Market value on closing date	209.00	180.00	199.50

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

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

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

Quarterly data – Business areas

Operating profit

SEK Million	2011				Full year	2012
	Q1	Q2	Q3	Q4		Q1
Food Ingredients	104	120	143	151	518	137
Chocolate & Confectionery Fats	81	70	112	115	378	81
Technical Products & Feed	39	28	15	21	103	25
Group Functions	-20	-22	-24	-22	-88	-23
Total AAK Group	204	196	246	265	911	220
Insurance compensation	-	48	-	-	48	-
Non-recurring items	-	-45	-	-	-45	-
Total legal operating profit AAK Group	204	199	246	265	914	220
Financial net	-15	-30	-52	-1	-98	-24
Result before tax	189	169	194	264	816	196

Parent company - Income statement

SEK Million	Q1 2012	Q1 2011	Full year 2011
Net sales	12	11	47
Other operating income	0	0	4
Total operating income	12	11	51
Other external expenses	-12	-12	-55
Cost for remuneration to employees	-10	-7	-36
Amortisation and impairment losses	0	0	-2
Other operating expenses	0	0	0
Total operating expenses	-22	-19	-93
Operating result (EBIT)	-10	-8	-42
Income from shares in group companies	-	-	149
Interest income	39	41	164
Interest expense	-38	-40	-160
Other financial items	-	-	-
Total financial net	1	1	153
Result before tax	-9	-7	111
Income tax	0	0	-3
Net result	-9	-7	108

Parent company – Comprehensive income

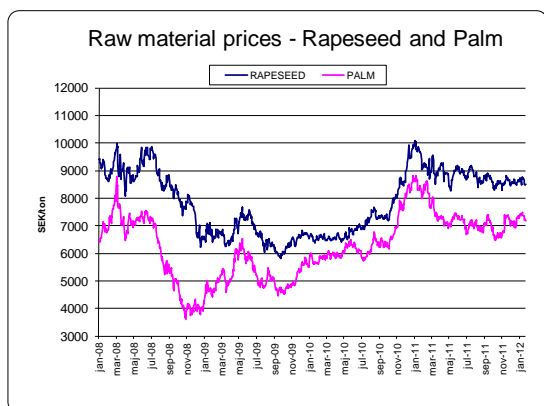
SEK Million	Q1 2012	Q1 2011	Full year 2011
Net result for the period	-9	-7	108
Other comprehensive income	-	-	-
Total comprehensive income for the period	-9	-7	108

Parent company – Condensed balance sheet

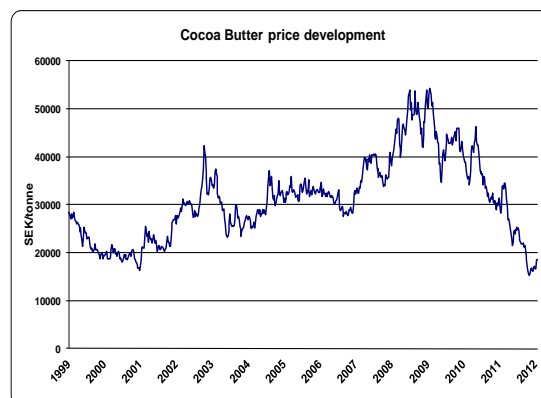
SEK Million	31.3.2012	31.3.2011	31.12.2011
Assets			
Other intangible assets	1	1	1
Tangible assets	3	4	3
Financial assets	7,064	7,659	7,055
Total non-current assets	7,068	7,664	7,059
Current receivables	62	65	35
Cash and cash equivalents	0	0	0
Total current assets	62	65	35
Total assets	7,130	7,729	7,094
Equity and liabilities			
Shareholders' equity	4,089	4,167	4,098
Total equity	4,089	4,167	4,098
Total non-current liabilities	2,900	3,401	2,900
Accounts payable	3	10	14
Other current liabilities	138	151	82
Total current liabilities	141	161	96
Total equity and liabilities	7,130	7,729	7,094

Raw material price trends

Rapeseed and Palm



Cocoa Butter



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

AAK in brief

AarhusKarlshamn is the world's leading producer of high value-added speciality vegetable fats. These fats are characterized by a high technological content and are used as substitute for butter-fat and cocoa butter, transfree solutions for fillings in chocolate and confectionery products, and in the cosmetics industry. AarhusKarlshamn has production facilities in Denmark, Mexico, the Netherlands, Sweden, Great Britain, Uruguay and the US. The company is organised in three Business Areas; Food Ingredients, Chocolate and Confectionery Fats and Technical Products & Feed. Further information on AarhusKarlshamn can be found on the company's website www.aak.com.

Press and analyst conference

In connection with the release of AarhusKarlshamn AB's interim report for the first quarter 2012, we invite you to a "Press & Analyst Conference" by telephone. The conference will be chaired by Arne Frank, President and CEO. Time: Thursday 3 May, 2012 at 1 pm, CET.

How to register in advance: A link will be published on our website, www.aak.com. Please click on the section Investor. Those wishing to attend the conference are kindly asked to click on the link for registration and fill in your details and from which country you will call. To participate in the conference call, you must dial the conference number provided in the confirmation, no later than five minutes before 1 pm on 3 May 2012.

At the same time, a link to the presentation material will be available on the section Investor on www.aak.com.

Publication dates

The interim report for the first quarter for 2012 will be published on 3 May, 2012.

The interim report for the second quarter for 2012 will be published on 19 July, 2012.

The interim report for the third quarter for 2012 will be published on 7 November, 2012.

The fourth quarter and full-year report for 2012 will be published on 7 February 2013.

The annual and quarterly reports are also published on www.aak.com

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