



AAK
J. Peeters

Interim report

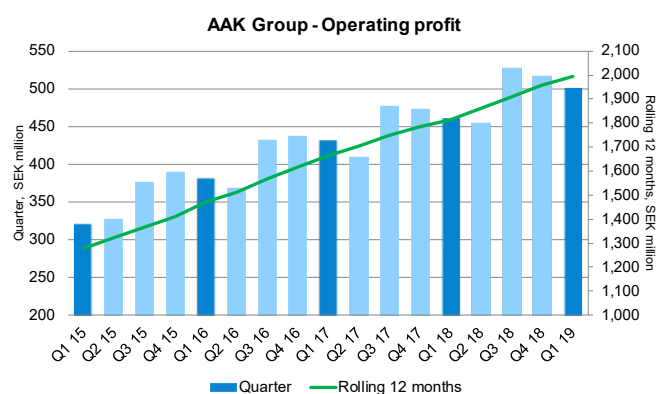
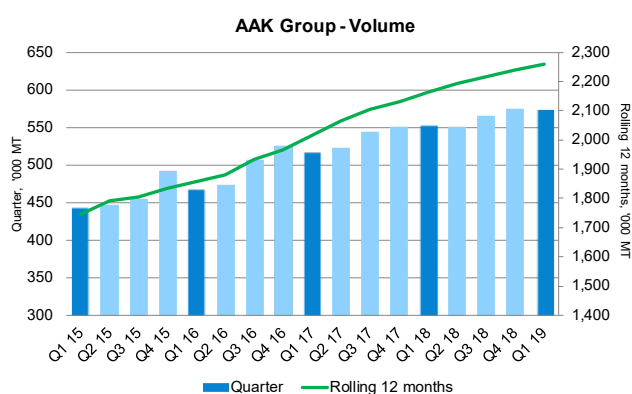
First quarter, 2019

AAK

Financial highlights, Q1 2019

- Total volumes for the quarter amounted to 572,000 MT (551,000), organic growth of 4 percent (7).
- Operating profit, excluding acquisition costs of SEK 9 million, reached SEK 509 million (460), a year-over-year improvement by 11 percent. Including acquisition costs, operating profit increased by 9 percent.
- Net result amounted to SEK 352 million (317), an improvement by 11 percent.
- Earnings per share increased by 9 percent, to SEK 1.35 (1.24).
- Cash flow from operating activities amounted to SEK 394 million (negative 396).
- Return on Capital Employed (ROCE), R12M, was 15.4 percent (15.8 at December 31, 2018)

	Q1 2019	Q1 2018	Δ %	R12 months	Full year 2018
Volumes, '000 MT	572	551	+4	2,260	2,239
Operating profit, SEK million	500	460	+9	1,996	1,956
Operating profit excl. acquisition costs, SEK million	509	460	+11	2,005	1,956
Operating profit per kilo, SEK	0.87	0.83	+5	0.88	0.87
Operating profit per kilo excl. acquisition costs, SEK	0.89	0.83	+7	0.89	0.87
Net result, SEK million	352	317	+11	1,375	1,340
Earnings per share, SEK	1.35	1.24	+9	5.32	5.21
Return on Capital Employed (R12M), percent	15.4	15.4	+0	15.8	15.8



Strong organic growth and strategic investments

The consistent positive trend in organic volume and profit growth continued during the first quarter. Food Ingredients was the main driver for our profit growth with good contributions from all segments.

Organic volume growth was 4 percent (7). Business area Chocolate & Confectionery Fats accounted for the strongest volume growth, reporting an increase of 13 percent compared to last year.

Operating profit, excluding acquisition costs, amounted to SEK 509 million, an improvement of 11 percent compared to last year and a record-high operating profit for a first quarter. Earnings per share and operating cash flow were also good in the quarter.

Food Ingredients had a strong start to the year with a 14 percent growth in operating profit. Dairy and Foodservice led the way, but Bakery and Special Nutrition also contributed. All geographic markets showed good progress during the quarter.

Chocolate & Confectionery Fats had a good quarter with continued profit growth and we continue to see strong demand for high-end solutions. As expected, volatility in raw material yields continued during the quarter, impacting operating profit negatively. Our investment projects to increase capacity and strengthen our supply chain are progressing according to plan.

Business area Technical Products & Feed had a stable quarter following a very strong performance in 2018. There was continued good momentum in the business area, but the number of production days was slightly lower than normal due to a longer maintenance stop.

Key strategic events

We have seen strong growth within our European business over the past years and with the acquisition of Dutch company MaasRefinery B.V. we will not only increase capacity but also support existing production facilities and enable continued growth. The acquisition will furthermore strengthen our capabilities within organic oils and fats, a key focus area for AAK.

To build and drive our customer co-development strategy and broaden our capabilities within our foodservice offerings, we have also acquired British company BD Foods Ltd., a producer of tailor-made restaurant quality meal accompaniments. This acquisition is a good fit with our global foodservice expansion and will provide a complementary range of products at the premium end of the foodservice market.



We also continue to grow steadily in China where there are very attractive opportunities for continued sustainable and profitable growth. To capture these opportunities, we have decided to make add-on investments in our production facility in Zhangjiagang, China. These investments will increase our capacity and support the expected future volume growth for, in particular, our Special Nutrition and Bakery segments.

The AAK Way

Our company program The AAK Way, now in its final year, is progressing well and yielding good results, particularly within our plant-based food activities.

During the year, we will not only conclude The AAK Way in the best possible way, we will also start to plan for our next strategic company program. We will share more information about this during the latter part of the year.

Concluding remarks

We offer plant-based, healthy, high value-adding oils and fats solutions by using our customer co-development approach and we see favorable underlying trends in our markets. Thus, we continue to remain prudently optimistic about the future.

Johan Westman
President and CEO

AAK Group, Q1 2019

Volumes

Volumes continued to grow, by 4 percent (7). Organic volume growth was 4 percent (7). Speciality and semi-speciality products grew organically by 3 percent (7).

Net sales

Sales amounted to SEK 7,031 million (6,637). There was an underlying growth in sales due to organic volume growth, a higher proportion of speciality solutions and a positive currency translation impact of SEK 245 million. This was partly offset by lower raw material prices.

Operating profit

Operating profit reached SEK 500 million (460), an improvement of 9 percent compared to the corresponding quarter in 2018. Excluding acquisition costs of SEK 9 million, operating profit improved by 11 percent.

The currency translation impact was positive SEK 20 million. SEK 12 million was related to Food Ingredients and SEK 9 million to Chocolate & Confectionery Fats, while Group functions was negative SEK 1 million. Operating profit at fixed foreign exchange rates improved by 4 percent.

Operating profit per kilo reached SEK 0.87 (0.83), an increase of 5 percent. Excluding acquisition costs, operating profit per kilo improved by 7 percent. The currency translation impact was SEK 0.03. At fixed foreign exchange rates operating profit per kilo increased by 1 percent.

Net financial cost

Net financial cost increased and amounted to SEK 30 million (24). The new accounting standard for leases, IFRS 16, has resulted in additional interest expenses of SEK 8 million compared to the corresponding quarter last year.

Tax costs

Reported tax costs corresponded to an average tax rate of 25 percent (27). A lower corporate tax rate in Sweden combined with further optimization of capital structure in the Group have reduced the average tax rate.

Earnings per share

Earnings per share increased by 9 percent, to SEK 1.35 (1.24), due to increased operating profit combined with lower tax costs.

Cash flow and investments

Operating cash flow including changes in working capital amounted to SEK 394 million (negative 396).

Cash flow from working capital amounted to negative SEK 67 million (negative 643). Continued volume growth impacted cash flow from inventory and accounts receivables negatively. This was partly offset by higher accounts payables.

Cash outflow from investment activities amounted to SEK 296 million (130), whereof SEK 169 million (0) was related to acquisitions. Capital expenditure was mainly related to regular maintenance investments and capacity increases.

Acquisitions

On February 20, AAK announced its acquisition of Dutch company MaasRefinery B.V. and on February 27, the acquisition of British foodservice company BD Foods Ltd. was announced. MaasRefinery had revenues of SEK 50 million in 2018 and BD Foods' revenues for the same year amounted to SEK 120 million. Both transactions were completed during the quarter and have no significant impact on AAK's earnings.

Due to the complexity of calculating a fair value of the assets and liabilities in the acquired companies, AAK has made a very preliminary assessment. This assessment has resulted in moderate goodwill.

Acquisition-related costs of SEK 9 million have been charged to Group functions during the quarter.

Return on Capital Employed (ROCE)

Calculated on a rolling 12 months basis, Return on Capital Employed (ROCE) was 15.4 percent (15.8 at December 31, 2018). ROCE was negatively impacted by 0.1 percent due to the new accounting standard for leases, IFRS 16. ROCE for the first quarter was 14.1 percent compared to 14.4 percent for the corresponding quarter 2018.

Financial position

The equity/assets ratio amounted to 49 percent (50 percent at December 31, 2018). Net debt at March 31, 2019 amounted to SEK 2,676 million (SEK 2,667 million at December 31, 2018). At March 31, 2019 the Group had total committed credit facilities of SEK 8,195 million (6,339 as of December 31, 2018), with SEK 7,026 million of unused committed credit facilities.

Employees

The number of employees at March 31, 2019 was 3,751 (3,609 at December 31, 2018). The increase is mainly due to recent acquisitions.

Selected key events

To add capacity and secure support for continued growth, AAK acquired Dutch company MaasRefinery B.V. in February. MassRefinery, specialized in toll refining of vegetable oils and fats for the food industry, is located next to a deep-sea terminal in the Port of Rotterdam and has a capacity of approximately 40,000 MT with room for expansion. The plant had revenues of SEK 50 million in 2018 and has 20 full-time employees.

At the end of February, AAK acquired British foodservice company BD Foods Ltd. BD Foods, located in St-Leonards-on-Sea on the south coast of England. The company is a producer of tailor-made restaurant quality meal accompaniments and had revenues of approximately SEK 120 million in 2018. The acquisition is a very good fit with our global foodservice expansion and will provide a complementary range of products at the premium end of the foodservice market.



AAK's production facility in Zhangjiagang, China.

In March, AAK decided to further invest in its production facility in Zhangjiagang, China to increase capacity and support future volume growth for, in particular, its Special Nutrition and Bakery segments. The investments, estimated at approximately SEK 300 million, include a stand-alone processing plant for Special Nutrition, focusing on the production of infant nutrition speciality solution INFAT®, sold through Advanced Lipids, a joint venture between AAK and IFF. AAK will also add additional capacity in the Bakery segment to meet the strong demand for the company's high-end bakery solutions. Furthermore, AAK will invest in production equipment and infrastructure to accommodate the general domestic growth.

In mid-March, AAK issued a senior unsecured bond for a total of SEK 500 million with a tenor of five years. The bond carries a floating interest rate of three months STIBOR plus 130 basis points. The transaction generated strong investor demand and was oversubscribed. AAK established an MTN program (Medium Term Note) in November 2018 with a framework amount of SEK 4,000 million. In addition to the above-mentioned bond, the company issued a senior unsecured bond for a total of SEK 1,100 million with a tenor of three years in December 2018.



Food Ingredients, Q1 2019

Operating profit
+ 14%

Operating profit per kilo
+ 13%

	Q1 2019	Q1 2018	Δ %	R12 months	Full year 2018
Volumes, '000 MT	378	374	+1	1,512	1,508
Net sales, SEK million	4,649	4,458	+4	18,659	18,468
Operating profit, SEK million	308	271	+14	1,242	1,205
Operating profit per kilo, SEK	0.81	0.72	+13	0.82	0.80

Volumes

Food Ingredients reported organic volume growth of 1 percent (9). The volume growth for speciality and semi-speciality products was marginally positive. However, there was a favorable development of the product mix within the segments.

The Bakery segment continued its positive trend with particularly strong growth in Asia. North Latin America and South Latin America also reported volume growth while other markets showed limited or no volume growth. The trend towards a greater proportion of customer co-developed solutions continued.

Dairy reported a stable quarter with strong growth in North Latin America and South Latin America. Our plant-based solutions also showed good development in the quarter. Volumes of low-end semi-speciality products continued to decrease.

Special Nutrition continued to have a favorable mix within Infant Nutrition with a higher sale of concentrated solutions compared to blended ones. With this change in mix, volume growth was proportionately lower. Although from a small base, the positive trend within Medical and Senior Nutrition continued.

Foodservice reported minor organic volume growth but with strong growth in the Nordics.

Commodity products reported organic volume growth of 3 percent (12). Last year's volume growth was favorably impacted by some good spot opportunities.

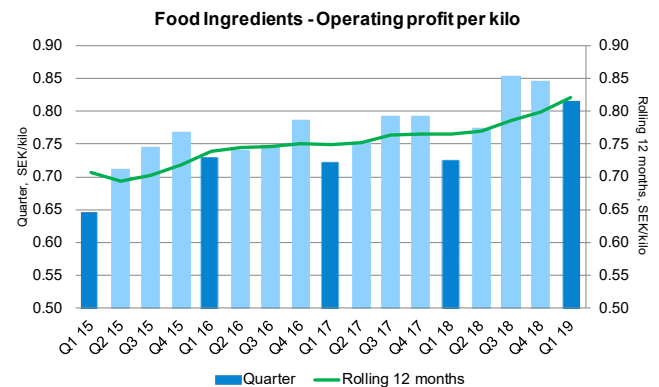
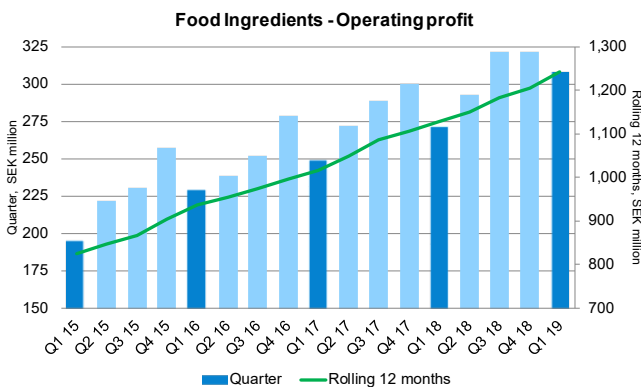
Net sales

Sales amounted to SEK 4,649 million (4,458), an increase by SEK 191 million. The currency translation impact was SEK 193 million in the quarter. Underlying sales continued to grow due to organic volume growth, a higher proportion of speciality solutions, and acquisitions. This growth was offset by lower raw material prices.

Operating profit

Operating profit improved by 14 percent to SEK 308 million (271). This was driven by a higher proportion of customer co-developed solutions. The currency translation impact was positive SEK 12 million. At fixed foreign exchange rates operating profit increased by 9 percent.

Operating profit per kilo improved by 13 percent and reached SEK 0.81 (0.72). The currency translation impact was SEK 0.03. At fixed foreign exchange rates operating profit per kilo improved by 8 percent.





Chocolate & Confectionery Fats, Q1 2019

Operating profit
+ 8%

Operating profit
per kilo
- 4%

	Q1 2019	Q1 2018	Δ %	R12 month	Full year 2018
Volumes, '000 MT	115	102	+13	443	430
Net sales, SEK million	1,993	1,799	+11	7,805	7,611
Operating profit, SEK million	206	190	+8	763	747
Operating profit per kilo, SEK	1.79	1.86	-4	1.72	1.74

Volumes

There was significant organic volume growth for the business area in the quarter. The increase was 13 percent (4). There was strong volume growth for both high-end and low-end semi-speciality products.

The demand for high-end solutions remains high. As earlier communicated, we have decided on investments to strengthen our supply chain and increase capacity in our existing production facilities in order to support current and expected future volume growth. These investment projects are progressing according to plan.

Net sales

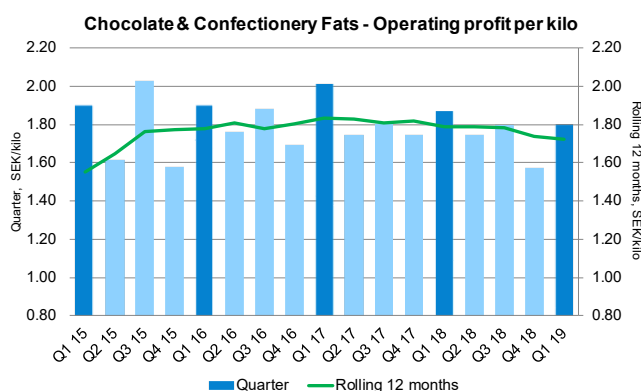
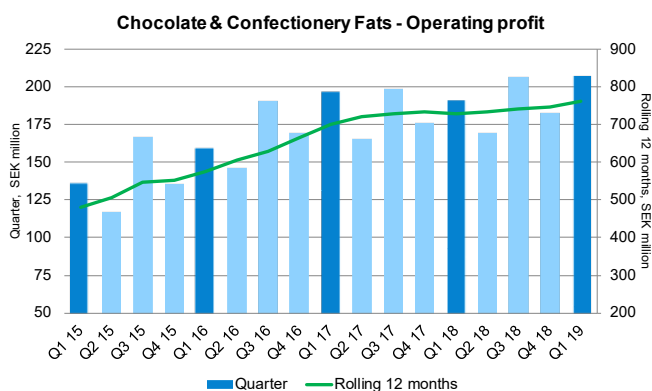
Net sales for the business area increased by SEK 194 million, mainly due to organic volume growth, a higher proportion of speciality solutions and a positive currency translation impact of SEK 52 million. This was partly offset by lower raw material prices.

Operating profit

Operating profit reached SEK 206 million (190), an improvement by 8 percent. The currency translation impact was positive SEK 9 million. At fixed foreign exchange rates operating profit increased by 4 percent.

As previously projected and communicated, volatility in raw material yields continue to give lower output and higher production costs. This has, however, to some extent been offset by the price development on high-end solutions being slightly positive in the quarter.

Operating profit per kilo reached SEK 1.79 (1.86), a decrease of 4 percent. This was due to higher production costs as mentioned above. The currency translation impact was SEK 0.08. At fixed foreign exchange rates operating profit per kilo decreased by 8 percent.





Technical Products & Feed, Q1 2019

Operating profit
+ 0%

Operating profit
per kilo
- 4%

	Q1 2019	Q1 2018	Δ %	R12 months	Full year 2018
Volumes, '000 MT	79	75	+5	305	301
Net sales, SEK million	389	380	+2	1,522	1,513
Operating profit, SEK million	36	36	+0	155	155
Operating profit per kilo, SEK	0.46	0.48	-4	0.51	0.51

Volumes

Volumes increased by 5 percent (4), mainly driven by the Feed business. Our fatty acids business also reported volume growth, this despite a very strong corresponding quarter last year.

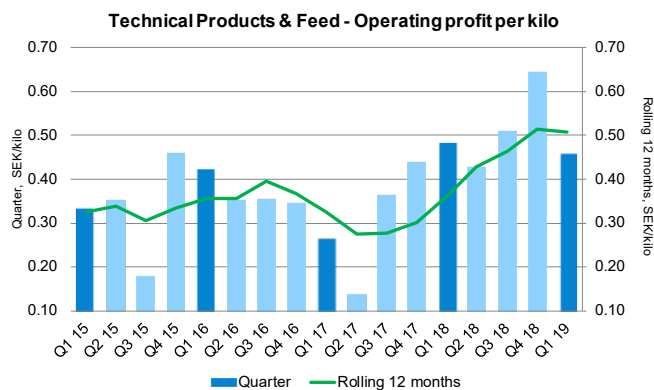
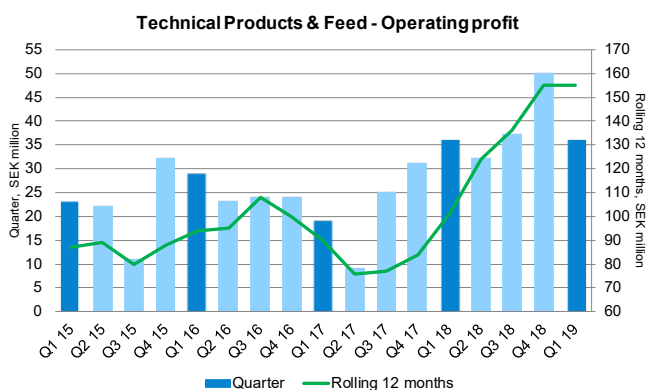
Net sales

Net sales for the business area increased by SEK 9 million, mainly due to the volume growth.

Operating profit

Operating profit was stable, reaching SEK 36 million (36). There was continued good momentum in both our fatty acids and feed business, but the number of production days was slightly lower than normal due to a longer maintenance stop.

The business area reported an operating profit per kilo of SEK 0.46 (0.48), a decrease by 4 percent.



General information

Related parties

No significant changes have taken place in relations or transactions with related parties since 2018.

Risks and uncertainty factors

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

Efficient risk management is an ongoing process conducted within the framework of business control, and is part of the ongoing review 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, please refer to AAK's Annual Report.

Accounting policies in 2019

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, please see our Annual Report.

IFRS 16 replaces IAS 17 as of January 1, 2019. According to the new standard, almost all leases is recognized on the balance sheet as a right-of-use asset and a lease liability. In the income statement depreciation is recognized in operating income and interest expenses in net financial result. The Group is affected primarily by lease agreements of rental for premises and lease of vehicles.

The Group have adopted IFRS 16 using the modified retrospective approach with the cumulative effect initially recognized on January 1, 2019, which means the comparatives for 2018, in accordance with the standard, is not restated. The Group have adopted the majority of the practical expedients allowed for the first time that IFRS 16 was applied, the most significant being to account for leases with a remaining lease term of less than 12 months as at January 1, 2019 as short-term leases. The Group will also, after initial application, apply the practical expedients of accounting for leases with a lease term of 12 months or less and leases of low value as an expense on a straight-line basis in the income statement. The calculations of the transition effects have now been completed and the lease liability and right-of-use asset as at January 1, 2019 amounted to SEK 741 million. Equity was not affected in the transition to IFRS 16.

The lease liability as at March 31, 2019 is SEK 751 million and the right-of-use asset SEK 748 million. The new standard has impacted Amortization and

impairment losses negatively by SEK 23 million and Other external expenses positively by SEK 26 million, with a net positive effect on EBIT by SEK 3 million. Interest expenses was impacted negatively by SEK 8 million. For further information about current lease agreements, see note 28 in the Annual Report.

Alternative Performance Measures (APMs)

AAK presents APMs to reflect underlying business performance and to enhance comparability from period to period. APMs should not be considered as a substitute for measures of performance in accordance with the IFRS.

Definitions of Alternative Performance Measures can be found at www.aak.com under the Investor tab. For reconciliation of Alternative Performance Measures, see pages 18–19.

Definitions

For definitions, please see our Annual Report.

Annual General Meeting

The Annual General Meeting will be held on May 15, 2019 at 2 p.m. CET in Malmö, Sweden (Malmö Arena). The Annual Report for 2018 was published at www.aak.com on April 11, 2019 and was distributed to shareholders during the end of the week starting with April 15, 2019. The report will at that time also be available at AAK's headquarters.

Shareholders who wish to participate at the Annual General Meeting must be registered in the share register maintained by Euroclear Sweden AB on May 9, 2019. To be eligible to participate in the Annual General Meeting, shareholders with nominee-registered holdings should temporarily re-register their shares in their own names through the agency of their nominees so that they are recorded in the share register in good time before May 9, 2019. Notification of attendance should be made to AAK's head office no later than 4 p.m. CET on May 9, 2019.

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Telephone: +46 8 402 90 45
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Events after the reporting period

In mid-April, AAK acquired an additional 0.78 percent of the shares of AAK Kamani in India. AAK now owns 51.78 percent of AAK Kamani.

The Parent Company and Group Functions

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

The result for the Parent Company after financial items amounted to negative SEK 29 million (negative 19). Interest-bearing liabilities minus cash and cash equivalents and interest-bearing assets totalled a positive of SEK 1,847 million (1,710 as of December 31, 2018). Investments in intangible and tangible assets amounted to SEK 2 million (2).

The Parent Company's balance sheet and income statement are shown on pages 21–22.

Accounting policies

AAK 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 change in the parent company since year-end.

Audit review

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

Malmö, April 23, 2019

Johan Westman
President and CEO

For further information, please contact:

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The information is information that AAK AB (publ.) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 11:00 a.m. CET on April 23, 2019.

AAK Group

Condensed Income statement

SEK million	Q1 2019	Q1 2018	Full year 2018
Net sales	7,031	6,637	27,592
Other operating income	39	41	180
Total operating income	7,070	6,678	27,772
Raw materials and supplies	-5,172	-5,023	-20,723
Other external expenses*	-664	-577	-2,462
Cost for remuneration to employees	-564	-483	-2,073
Amortization and impairment losses*	-166	-135	-552
Other operating expenses	-4	0	-6
Total operating costs	-6,570	-6,218	-25,816
Operating profit (EBIT)	500	460	1,956
Interest income	2	1	6
Interest expense*	-35	-24	-124
Other financial items	3	-1	-9
Total financial net	-30	-24	-127
Result before tax	470	436	1,829
Income tax*	-118	-119	-489
Net result	352	317	1,340
Attributable to non-controlling interests	9	3	18
Attributable to the Parent company's shareholders	343	314	1,322

* Impact in the Income statement related to accounting standard IFRS 16 Leases

Other external expenses	+26	-	-
Amortization and impairment losses	-23	-	-
Interest expense	-8	-	-
Income tax	+1	-	-

Comprehensive income

SEK million	Q1 2019	Q1 2018	Full year 2018
Profit for the period	352	317	1,340
Items that will not be reclassified to profit or loss:			
Remeasurements of post-employment benefit obligations	-	-	-28
	-	-	-28
Items that may subsequently be reclassified to profit or loss:			
Translation differences	417	410	362
	417	410	362
Total comprehensive income for the period	769	727	1,674
Attributable to non-controlling interests	12	3	18
Attributable to the Parent company's shareholders	757	724	1,656

Condensed balance sheet

SEK million	31.03.2019	31.03.2018	31.12.2018
Assets			
Goodwill	1,779	1,646	1,666
Other intangible assets	380	347	333
Tangible assets	5,791	5,353	5,468
Right of use asset	748	-	-
Financial assets	33	41	30
Deferred tax assets	93	125	61
Total non-current assets	8,824	7,512	7,558
Inventory	4,899	4,964	4,705
Accounts receivables	3,731	3,548	3,441
Current receivables	1,751	1,645	1,594
Cash and cash equivalents	814	669	737
Total current assets	11,195	10,826	10,477
Total assets	20,019	18,338	18,035
Equity and liabilities			
Shareholders' equity	9,665	8,388	8,908
Non-controlling interests	100	73	88
Total equity including non-controlling interests	9,765	8,461	8,996
Liabilities to banks and credit institutions	2,791	3,186	2,551
Pension liabilities	210	168	206
Deferred tax liabilities	477	502	490
Lease liabilities	659	-	-
Non-interest-bearing liabilities	442	383	434
Total non-current liabilities	4,579	4,239	3,681
Liabilities to banks and credit institutions	496	575	661
Accounts payables	2,839	3,162	2,685
Lease liabilities	92	-	-
Other current liabilities	2,248	1,901	2,012
Total current liabilities	5,675	5,638	5,358
Total equity and liabilities	20,019	18,338	18,035

No changes have arisen in contingent liabilities.

Condensed change in equity

2019

SEK million	Shareholders' equity	Non-controlling interests	Total equity incl. non-controlling interests
Opening balance January 1, 2019	8,908	88	8,996
Profit for the period	343	9	352
Other comprehensive income	414	3	417
Total comprehensive income	757	12	769
Closing balance March 31, 2019	9,665	100	9,765

2018

SEK million	Shareholders' equity	Non-controlling interests	Total equity incl. non-controlling interests
Opening balance January 1, 2018	7,664	70	7,734
Profit for the period	314	3	317
Other comprehensive income	410	-	410
Total comprehensive income	724	3	727
Closing balance March 31, 2018	8,388	73	8,461

Financial instruments

SEK million	Asset	Liability
Financial instruments reported in balance sheet March 31, 2019		
Sales and purchase contracts	545	175
Currency hedge contracts	156	87
Total derivatives financial instruments	701	262
Fair value adjustment inventory	48	-10
Total financial instruments	749	252

Condensed cash flow statement

SEK million	Q1 2019	Q1 2018	Full year 2018
Operating activities			
Operating profit	500	460	1,956
Depreciation and amortization	166	135	552
Other non-cash items	-27	-219	-278
Cash flow before interest and tax	639	376	2,230
Interest paid and received	-51	-17	-102
Tax paid	-127	-112	-483
Cash flow before changes in working capital	461	247	1,645
Changes in inventory	-28	-171	63
Changes in accounts receivables	-152	-254	-208
Changes in accounts payables	50	-63	-538
Changes in other working capital items	63	-155	128
Changes in working capital	-67	-643	-555
Cash flow from operating activities	394	-396	1,090
Investing activities			
Acquisition of intangible and tangible assets	-127	-130	-725
Acquisition of operations and shares, net of cash acquired	-169	-	-
Proceeds from sale of property, plant and equipment	0	0	2
Cash flow from investing activities	-296	-130	-723
Cash flow after investing activities	98	-526	367
Financing activities			
Changes in loans	-18	700	289
Amortization of lease liability	-26	-	-
Dividend paid	-	-	-412
Cash flow from financing activities	-44	700	-123
Cash flow for the period	54	174	244
Cash and cash equivalents at start of period	737	480	480
Exchange rate difference for cash equivalents	23	15	13
Cash and cash equivalents at end of period	814	669	737

Key ratios

SEK million (unless otherwise stated)	Q1 2019	Q1 2018	Δ %	Full year 2018
Income statement				
Volumes, '000 MT	572	551	+4	2,239
Operating profit	500	460	+9	1,956
Operating profit excl. acquisition costs	509	460	+11	1,956
Net result	352	317	+11	1,340
Financial position				
Total assets	20,019	18,338	+9	18,035
Equity	9,765	8,461	+15	8,996
Net working capital	5,290	5,057	+5	5,062
Net interest-bearing debt	2,676	3,205	+8	2,667
Cash flow				
EBITDA	666	595	+12	2,508
Cash flow from operating activities	394	-396	-	1,090
Cash flow from investing activities	-296	-130	-	-723
Free cash flow	98	-526	-	367
Share data*				
Number of shares, thousand	253,731	253,731	+0	253,731
Earnings per share, SEK**	1.35	1.24	+9	5.21
Earnings per share incl dilution, SEK***	1.35	1.24	+9	5.21
Earnings per share incl full dilution, SEK****	1.35	1.24	+9	5.21
Equity per share, SEK	38,09	33,06	+15	35,11
Market value on closing date, SEK	138,68	122,83	+13	122,70
Other key ratios				
Volume growth, percent	+4	+7	-	+5
Operating profit per kilo, SEK	0.87	0.83	+5	0.87
Operating profit per kilo excl. acquisition costs, SEK	0.89	0.83	+7	0.87
Return on Capital Employed (R12 months), percent	15.4	15.4	+0	15.8
Net debt / EBITDA, multiple	1.04	1.38	-25	1.06

* Share data recalculated in accordance with the decided share split (6:1) by the Annual General Meeting on May 30, 2018.

** 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 by business area

Operating profit

SEK million	2018 Q1	Q2	Q3	Q4	Full year	2019 Q1
Food Ingredients	271	292	321	321	1,205	308
Chocolate & Confectionery Fats	190	169	206	182	747	206
Technical Products & Feed	36	32	37	50	155	36
Group Functions	-37	-39	-38	-37	-151	-50
Operating profit AAK Group	460	454	526	516	1,956	500
Financial net	-24	-31	-37	-35	-127	-30
Result before tax	436	423	489	481	1,829	470

Net sales by market

2019

SEK million	Food Ingredients	Chocolate & Confectionery Fats	Technical Products & Feed	Total
Europe	2,058	940	389	3,387
North and South America	1,937	798	0	2,735
Asia	590	211	0	801
Other countries	64	44	0	108
Net sales	4,649	1,993	389	7,031

Alternative Performance Measures (APMs)

Organic volume growth

Percent	Q1 2019	Q1 2018	Full year 2018
Food Ingredients			
Organic volume growth	1	8	4
Acquisitions/divestments	-	-	-
Volume growth	1	8	4
Chocolate & Confectionery Fats			
Organic volume growth	13	4	6
Acquisitions/divestments	-	-	-
Volume growth	13	4	6
Technical Products & Feed			
Organic volume growth	5	4	8
Acquisitions/divestments	-	-	-
Volume growth	5	4	8
AAK Group			
Organic volume growth	4	7	5
Acquisitions/divestments	-	-	-
Volume growth	4	7	5

EBITDA

SEK million	Q1 2019	Q1 2018	Full year 2018
Operating profit (EBIT)	500	460	1,956
Add back depreciation and amortization	166	135	552
EBITDA	666	595	2,508

Return on Capital Employed (ROCE)

SEK million	31.03.2019	31.03.2018	R12M 31.03.2019	R12M 31.12.2018
Total assets	20,019	18,338	18,631	18,004
Cash and cash equivalents	-814	-669	-763	-696
Financial assets	-17	-61	-53	-51
Accounts payables	-2,839	-3,162	-2,873	-2,931
Other non-interest-bearing liabilities	-2,235	-1,877	-1,972	-1,935
Capital employed	14,114	12,569	12,970	12,391
Operating profit (Rolling 12 months)	1,996	1,815	1,996	1,956
Return on Capital Employed (ROCE), percent	14.1	14.4	15.4	15.8

Net working capital

SEK million	31.03.2019	Full year 2018
Inventory	4,899	4,705
Accounts receivables	3,731	3,441
Other current receivables, non-interest-bearing	1,738	1,574
Accounts payables	-2,839	-2,685
Other current liabilities, non-interest-bearing	-2,239	-1,973
Net working capital	5,290	5,062

Net interest-bearing debt

SEK million	31.03.2019	Full year 2018
Current interest-bearing receivables	17	20
Cash and cash equivalents	814	737
Pension liabilities	-210	-205
Non-current liabilities to banks and credit institutions	-2,791	-2,551
Current liabilities to banks and credit institutions	-496	-661
Other interest-bearing liabilities	-10	-7
Net debt	-2,676	-2,667

Equity to assets ratio

SEK million	31.03.2019	Full year 2018
Shareholders' equity	9,665	8,908
Non-controlling interests	100	88
Total equity including non-controlling interests	9,765	8,996
Total assets	20,019	18,035
Equity to assets ratio, percent	48.8	49.9

Acquisitions

During the first quarter 2019, AAK acquired the Dutch company MaasRefinery B.V. and the British foodservice company BD Foods Ltd. The effect on AAK's Balance sheet and Cash flow is shown below.

SEK million	Q1 2019
Fair value of acquired assets and liabilities	
Intangible fixed assets	39
Tangible fixed assets	128
Other non-current assets	5
Total fixed assets	172
Total current assets	56
Total assets	228
Total non-current liabilities	40
Total current liabilities	52
Total liabilities	92
Fair value of acquired assets and liabilities	136
Goodwill	47
Total purchase consideration transferred	183
Less cash and cash equivalents in acquired companies	-14
Cash flow from acquisition of operations and shares	169

Income statement – Parent company

SEK million	Q1 2019	Q1 2018	Full year 2018
Net sales	33	32	119
Total operating income	33	32	119
Other external expenses	-29	-17	-105
Cost for remuneration to employees	-26	-29	-100
Amortization and impairment losses	-1	-1	-3
Total operating costs	-56	-47	-208
Operating profit (EBIT)	-23	-15	-89
Dividend from group companies	-	-	2,110
Income from shares in group companies	-	-	119
Interest income	1	0	4
Interest expense	-6	-4	-17
Other financial items	-1	0	-5
Total financial net	-6	-4	2,211
Result before tax	-29	-19	2,122
Income tax	6	3	-11
Net result	-23	-16	2,111
Attributable to non-controlling interests	-	-	-
Attributable to the Parent company's shareholders	-23	-16	2,111

Comprehensive income – Parent company

SEK million	Q1 2019	Q1 2018	Full year 2018
Profit for the period	-23	-16	2,111
Items that will not be reclassified to profit or loss:			
	-	-	-
Items that may subsequently be reclassified to profit or loss:			
	-	-	-
Total comprehensive income for the period	-23	-16	2,111
Attributable to non-controlling interests	-	-	-
Attributable to the Parent company's shareholders	-23	-16	2,111

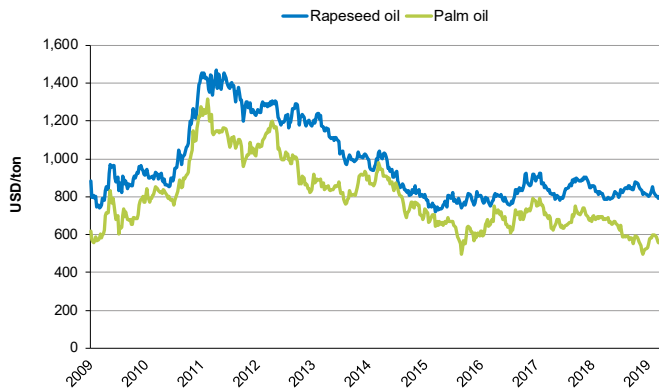
Condensed balance sheet – Parent company

SEK million	31.03.2019	31.03.2018	31.12.2018
Assets			
Other intangible assets	11	8	11
Tangible assets	3	3	2
Financial assets	7,180	5,333	7,044
Deferred tax assets	3	7	3
Total non-current assets	7,197	5,351	7,060
Accounts receivables	-	42	-
Current receivables	81	22	170
Cash and cash equivalents	0	0	0
Total current assets	81	64	170
Total assets	7,278	5,415	7,230
Equity and liabilities			
Shareholders' equity	5,590	3,899	5,613
Non-controlling interests	-	-	-
Total equity including non-controlling interests	5,590	3,899	5,613
Liabilities to banks and credit institutions	1,600	-	1,499
Other non-current liabilities	24	14	26
Total non-current liabilities	1,624	14	1,525
Accounts payables	9	12	18
Other current liabilities	55	1,490	74
Total current liabilities	64	1,502	92
Total equity and liabilities	7,278	5,415	7,230

No changes have arisen in contingent liabilities.

Price trends in raw materials

Rapeseed oil and palm oil



Cocoa butter



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

Additional information

Press and analyst conference

AAK will host a conference call on April 23, 2019 at 1 p.m. CET. The conference call can be accessed via our website, www.aak.com.

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

Financial calendar 2019

The Annual General Meeting will be held on May 15, 2019.

The interim report for the second quarter 2019 will be published on July 16, 2019.

The interim report for the third quarter 2019 will be published on October 24, 2019.

The fourth quarter and year-end report for 2019 will be published in February 2020.

Forward-looking statements

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

Governing text

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

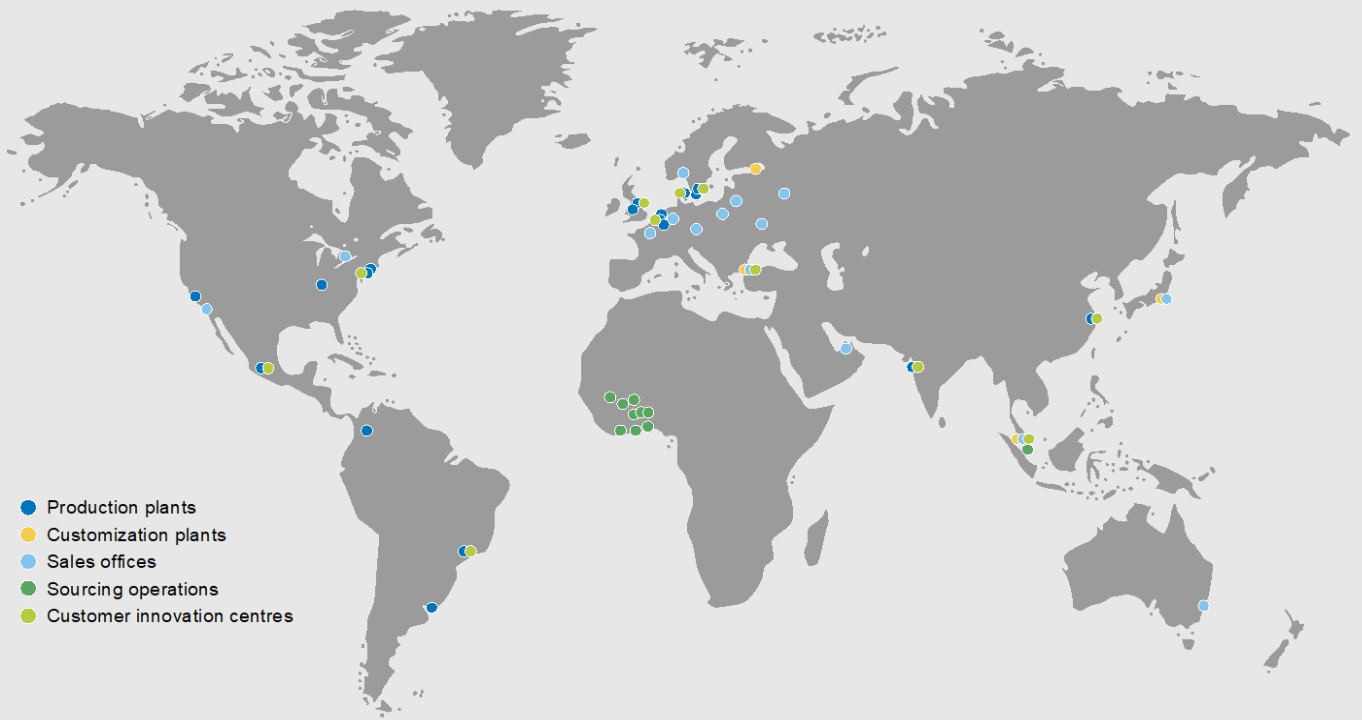
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The first choice for value-adding vegetable oil solutions

We develop and provide value-adding vegetable oil solutions in close collaboration with our customers, enabling them to achieve long lasting business results.

We do so through our in-depth expertise in oils & fats within food applications, working with a wide range of raw materials and broad process capabilities.

Through our unique co-development approach we bring together our customers' skills and know-how with our capabilities and mindset. By doing so, we solve customer specific needs across many industries – Chocolate & Confectionery, Bakery, Dairy, Special Nutrition, Foodservice, Personal Care, and more.

AAK's proven expertise is based on more than 140 years of experience within oils & fats. With our headquarters in Malmö, Sweden, more than 20 production facilities and customization plants, and sales offices in more than 25 countries, our more than 3,700 employees are dedicated to providing innovative value-adding solutions to our customers.

So no matter where you are in the world, we are ready to help you achieve long lasting results.

We are AAK – The Co-Development Company.

Explore more at
www.aak.com

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