

AarhusKarlshamn AB (publ) Financial Statement, January – December, 2006*

- Net sales totalled SEK 10,929 (10,515) million.
- The operating profit, excluding effects of IAS 39 of SEK 44 million and excluding non-recurring items of SEK 157 million, amounted to SEK 455 (530) million.
- In 2005 the profit from subcontracted processing within the Chocolate & Confectionery Fats business area was SEK 60 million for the full year. This activity was discontinued at the end of 2005.
- The operating profit including non-recurring items and after adjustment for IAS 39 amounted to SEK 298 million.
- Profit after tax was SEK 177 million.
- Earnings per share amounted to SEK 4.18.
- The first wave of synergies is generating SEK 175 million, per annum, with full effect as from 2008. The total non-recurring cost for the programme is SEK 248 million (2005: SEK 91 million and 2006: SEK 157 million).
- The Board of Directors of AAK propose a dividend of SEK 4.00 (4.00) per share.

"I am pleased with the merger activities carried out in the Group during 2006. Additional synergies will come primarily from specialization and optimisation of the large Swedish and Danish production units. These improvements will be implemented over the next two years. Some of the synergies will however be offset by higher costs, for example energy and inflation costs", says Jerker Hartwall, President and CEO in a comment about the report.

Interim report for the period October-December 2006

- Net sales totalled SEK 3,057 (3,008) million.
- The operating profit, excluding effects of IAS 39 of SEK 42 million and excluding non-recurring items of SEK 40 million, amounted to SEK 108 (153) million.
- In 2005, the profit from subcontracted processing within the Chocolate & Confectionery Fats business area was SEK 60 million for the full year and SEK 15 million for the fourth quarter. This activity was discontinued at the end of 2005.
- The operating profit including non-recurring and after adjustment for IAS 39 amounted to SEK 68 million.
- Profit after tax was SEK 58 million.
- Earnings per share amounted to SEK 1.38.

* Comparable figures in brackets refer to 2005 pro forma.

The President's comments

Continued merger activities

In the autumn of 2005, Aarhus United and Karlshamns merged to form the world's leading producer of value added vegetable oil solutions. During the past year, the implementation of the merger has led to extensive changes throughout the Group.

The first wave of synergies is generating SEK 175 million, per annum, with full effect from 2008. The positive impact in 2006 was SEK 75 million. The total non-recurring cost for the programme was SEK 248 million. (2005: SEK 91 million and 2006: SEK 157 million).

Additional synergies will come primarily from improving cost efficiency based on further specialization and optimisation of the large Swedish and Danish production units. These improvements will be implemented over the next two years, but it is still too early to estimate the final financial impact thereof. Some of the synergies will be offset by higher costs, for example energy and inflation costs.

Strategic business decisions

In parallel with the merger process, vital strategic decisions have been taken to consolidate the speciality product strategy:

- the significant expansion of CBE (Cocoa Butter Equivalent) capacity,
- the expansion of new trans-free solutions in the US,
- the acquisition of the "wet foods" division of Lion Food in Great Britain, forward integration to reduce the dependence on simple bulk oils.

AAK's strategy is to develop speciality products based on vegetable oils where a high-technology content and/or value-added services promote attractive margins and strong growth.

As support for the strategy AAK has launched a new vision:

- The first choice for value added vegetable oil solutions -

Impact from external factors

- The greatest external change for AAK is the accelerating consumption of vegetable oils in the energy sector. This has driven up the raw material prices of the Group, and the trend will probably continue.

- In combination with the competitive price pressure in the retail trade, this means that every player in the food industry value chain is under strong pressure, and the need for innovative solutions to reduce costs is increasing.

- Health is a strong driving force, for the vegetable oil industry and the greatest change at present is the switch from trans-fats to trans-free alternatives, particularly in the US. AAK has successfully exploited this during 2006. For the vegetable oil industry and the food processing sector, this means, in many cases, switching to simple trans-free solutions, while in other cases, more complex speciality solutions are required.

- For AAK the world leader in the CBE sector for chocolate, shea nuts are a key raw material. Although there is a good organic supply of nuts in West Africa, the logistics in the entire supply chain from tree to factory must be further developed in order to satisfy AAKs need for shea nuts. For the next coming years a limited supply of shea nuts might form a restriction on AAKs expansion in this segment.

Outlook for 2007

We expect a clear EBIT-improvement, primarily due to the cost synergies resulting from the merger.

Operations

All amounts are exclusive IAS 39 effects on pages 3-6.

Commencing from the fourth quarter the business area Lipids for Care will be shown together with business area Chocolate & Confectionery Fats. Hitherto Lipids for Care has been reported under Other business which has change name to Group functions.

Group

	3 months	3 months	12 months	Pro forma
(SEK million)	Oct-Dec	Oct-Dec	Jan-Dec	12 months
	2006	2005	2006	Jan-Dec
				2005
Net sales	3,057	3,008	10,929	10,515
Gross contribution	747	796	2,723	2,802
Operating profit excl non-recurring costs	108	153	455	530
Operating profit incl non-recurring costs	68	-48	298	329

Full year 2006

Group sales increased by SEK 414 million. Adjusted for currency effects, sales rose by SEK 435 million.

The gross contribution, fell by SEK 79 million, due primarily to results for 2005 including temporary subcontracted processing within Chocolate & Confectionery Fats in the amount of SEK 60 million. The higher gross contribution within Food Ingredients is due to an increase in the share of speciality products.

Non-recurring items amounting SEK 157 million include phasing out distributors SEK 72 million, personnel redundancy SEK 46 million and extra merger related costs SEK 39 million. See table on page 7.

The operating profit before adjusting for the effect of IAS 39 of SEK 44 (0) million, and excluding non-recurring items of SEK 157 (201) million amounted to SEK 455 (530) million.

The fourth quarter, October – December

The Group's total sales increased by SEK 49 million. After adjusting for currency effects sales increased by SEK 176 million.

The gross contribution fell by SEK 49 million. Excluding currency effects, the gross contribution fell by SEK 24 million, primarily due to the fact that 2005 including temporary subcontracted processing within Chocolate & Confectionery Fats amounted to SEK 15 million. Gross contribution per tonne within Food Ingredients is due to an increase in the proportion of speciality products.

The operating profit, before the impact of IAS 39 of SEK 42 (8) million and excluding non-recurring items of SEK 40 million, amounted to

SEK 108 (153) million. Non-recurring costs of SEK 40 million includes, personnel redundancy of SEK 34 million and other merger related costs of SEK 6 million.

Chocolate & Confectionery Fats

(including Lipids for Care)

	3 months	3 months	12 months	Pro forma
(SEK million)	Oct-Dec	Oct-Dec	Jan-Dec	12 months
	2006	2005	2006	Jan-Dec
				2005
Net sales	912	1,001	3,351	3,377
Gross contribution	261	301	1,019	1,102
Operating profit excl non-recurring costs	27	50	164	230
Operating profit incl non-recurring costs	24	50	89	230
Volume (000 tonnes)	67	71	290	306

With effect from the fourth quarter the business area Lipids for Care will be shown together with business area Chocolate & Confectionery Fats. Hitherto Lipids for Care has been reported under Other business.

The full year 2006

Sales for 2006 were lower than the preceding year due to lower sales of CBE caused by raw material shortage. Sales volumes for other speciality fats have increased, particularly within the CBS (Cocoa Butter Substitute) area in the US, and fats for confectionery fillings ("high end"). Sales in Lipids for Care enjoyed continued good growth.

Although there was a strong demand for CBE, AAKs growth during the year was hampered by the shortage of shea nuts, one of the principal raw materials. CBE volumes during the first nine months were in line with last year, while CBE volumes in the fourth quarter were significantly lower than in the equivalent period 2005.

The gross contribution declined by SEK 83 million. As was previously reported, the gross contribution was affected primarily by the phasing out of distributors, which cost amounted to SEK 72 million, along with temporary subcontracted processing totalling SEK 60 million. Lipids for Care have had a positive effect on gross contribution. The gross contribution per tonne fell compared with last year, due to the above-mentioned factors.

Operating profit, excluding non-recurring items, decreased by SEK 66 million compared with last year. Operating profit for Chocolate & Confectionery Fats decreased while Lipids for Care increased.

Operating profit, including non-recurring items of SEK 75 million, decreased by SEK 141 million compared with last year.

The fourth quarter, October – December

Total sales and gross contribution declined during the fourth quarter, due to significantly lower CBE volumes in comparison with the corresponding quarter of last year as a result of the shortage of shea. In contrast, the figures for other speciality products rose during the quarter. Sales for Lipids for Care increased during fourth quarter.

The gross contribution fell by SEK 40 million. Because of lower CBE volumes, gross contribution per tonne also fell in comparison with the preceding quarter. In addition, no subcontracted processing took place during the quarter.

Profit excluding non-recurring items fell by SEK 23 million due to lower profits in Chocolate & Confectionery Fats while profit for Lipids for Care increased compared with last year.

Food Ingredients

	3 months Oct-Dec 2006	3 months Oct-Dec 2005	12 months Jan-Dec 2006	Pro forma 12 months Jan-Dec 2005
(SEK million)				
Net sales	1,775	1,685	6,177	5,934
Gross contribution	431	435	1,461	1,424
Operating profit excl non-recurring costs	89	102	268	272
Operating profit incl non-recurring costs	62	102	235	272
Volume (000 tonnes)	240	247	884	911

The full year 2006

Total sales increased by SEK 243 million. Significant sales successes have been achieved, for example, in the US, particularly for low trans-fat or trans-free products.

The speciality product strategy was successful during the year in areas such as baby food, functional food and dairy fat alternatives. Food Ingredients is the business area with the largest proportion of bulk products.

AAK is working constantly on innovative solutions to create added value and good margins in a market which is generally growing by 2-3 percent, per annum. Some of these improvements will, however, be offset by increased market pressure to commoditize speciality solutions.

The gross contribution increased during the year by SEK 37 million and the gross contribution per tonne improved during the year as a consequence of the higher proportion of speciality products. The business area is, however, facing strong competition, with innovations rapidly becoming standard products.

The operating profit excluding non-recurring items, decreased by SEK 4 million. The operating profit was charged with higher costs in connection with the consolidation of plants in the UK. Operating profit, including non-recurring items of SEK 33 million, amounted to SEK 235 million, compared with SEK 272 million last year.

The fourth quarter, October - December

Total sales rose by SEK 90 million as a consequence of the higher proportion of speciality products related to bulk products. Overall, volumes were slightly lower than last year. The fourth quarter included a negative currency which in operating terms increased by SEK 155 million.

On the other hand, the gross contribution per tonne continued to increase as a consequence of a higher proportion of speciality products.

The operating profit, excluding non-recurring items, decreased by SEK 13 million. The operating profit, after charging non-recurring items of SEK 27 million, amounted to SEK 62 million, which is SEK 40 million lower than the figure for last year.

Food Ingredients Continental Europe

Sales rose both during the year and in the fourth quarter due to the higher proportion of speciality products. The proportion of speciality products, particularly in baby food, functional food and dairy fat alternatives, has continued to increase. Gross contribution per tonne increased steadily over the year.

Capacity extension - speciality fats for baby food

It has been decided to construct a new production line for speciality oils to the strategically important baby food segment, in which AAK is one of the leading suppliers in the world.

Food Ingredients UK

Sales increased during the year. The gross contribution per tonne improved compared with last year.

The restructuring of the plants continues as planned. The acquisition of the Lion Food operations in April represents a strategically important step for our FoodService activities in the UK. The restructuring of the plants and the acquisition of Lion Food temporarily led to higher re-organisation and operating costs.

Food Ingredients Americas, USA

Sales increased during the year, with higher volumes of trans-free speciality products. The operating profit improved as a result of the increased sales.

Food Ingredients Americas, Mexico

Sales rose marginally during the year. Profit has declined compared with last year due to rising transport costs of raw materials as a result of last year's hurricane, which destroyed roads and bridges.

Technical Products & Feed

	3 months Oct-Dec 2006	3 months Oct-Dec 2005	12 months Jan-Dec 2006	Pro forma 12 months Jan-Dec 2005
(SEK million)				
Net sales	296	237	1,057	963
Gross contribution	52	46	202	195
Operating profit excl non-recurring costs	15	10	53	55
Operating profit incl non-recurring costs	7	10	45	55
Volume (000 tonnes)	74	62	261	266

Full year 2006

Sales increased by SEK 94 million. A relatively long stoppage exerted a negative impact on both sales and profit.

Operating profit excluding non-recurring costs amounted to SEK 53 million, a marginally lower figure than last year. Profit including non-recurring costs of SEK 8 million amounted to SEK 45 million.

The fourth quarter, October - December

The operating profit excluding non-recurring items for the business area increased in comparison with last year. Along with the figures for the third quarter, this represents a break in the trend, which had previously seen quarterly results falling in relation to the corresponding periods of last year. Profit, including non-recurring costs of SEK 8 million, totalled SEK 7 million.

Tefac, full year

Sales increased on an annual basis. The gross contribution is unchanged. Profit is marginally lower than last year.

Tefac, The fourth quarter, October - December

Sales of fatty acids increased, largely as a result of increased volumes of speciality fatty acids. The gross contribution declined as a consequence of higher raw material costs. It was, however, possible to pass on the higher raw material costs to customers toward the end of the period.

Binol, full year and the fourth quarter

Binol continues to strengthen its position in the Nordic Region as the leading supplier of specialised, environmentally friendly lubricants for the manufacturing industry. Both sales and volumes are unchanged, while gross contribution and profit have improved.

Feed Materials, full year

Sales increased during the year. A relatively long stoppage for maintenance in the summer had a negative effect on both sales and profit.

Feed Materials, The fourth quarter, October - December

Sales rose, while the profit was unchanged compared with last year.

Group function

	3 months Oct-Dec 2006	3 months Oct-Dec 2005	12 months Jan-Dec 2006	Pro forma 12 months Jan-Dec 2005
(SEK million)				
Net sales	75	85	345	241
Gross contribution	3	15	41	81
Operating profit excl non-recurring costs	-23	-9	-30	-26
Operating profit incl non-recurring costs	-25	-9	-71	-26

With effect from the fourth quarter the group function will include mainly group head office and also Ceylon Trading.

Headquarter included SEK 41 million in non-recurring costs. During earlier periods Other business has included group functions as described above and the cosmetic operations Lipids for Care, BSP Pharma which was divested in the third quarter, Fontannaz Ltd which was divested during fourth quarter and depreciation of price allocations.

The total depreciation of purchase price allocation for 2006 amounted to SEK 20 million which has been reclassified and accounted for under business area Chocolate & Confectionery Fats SEK 12 million and Food Ingredients SEK 8 million. See table on page 7.

Ceylon Trading Company Ltd.

Ceylon Trading Company Ltd is a holding company with the number of subsidiaries that are not wholly-owned.

Ceylon Trading's business activity is the manufacture and export of rubber goods, and the manufacture and distribution of food products and freight and shipping operations for vegetable oils. Sales and profit both improved.

Items affecting comparability and reclassification bridge 2006

MSEK	Chocolate & Confectionery	Food	Technical Products & Feed	Group Functions	Total
	Fats	Ingredients			
Operating profit Q1*	72	49	12	-19	114
PPA depreciation Q1	-3	-2	0	5	0
Non-recurring items Q1	0	0	0	5	5
Adjusted Operating profit Q1	69	47	12	-9	119
Operating profit Q2*	-44	58	14	-29	-1
PPA depreciation Q2	-3	-2	0	5	0
Non-recurring items Q2	72	6	0	24	102
Adjusted Operating profit Q2	25	62	14	0	101
Operating profit Q3*	46	72	12	-13	117
PPA depreciation Q3	-3	-2	0	5	0
Non-recurring items Q3	0	0	0	10	10
Adjusted Operating profit Q3	43	70	12	2	127
Operating profit Q4*	27	64	7	-30	68
PPA depreciation Q4	-3	-2	0	5	0
Non-recurring items Q4	3	27	8	2	40
Adjusted Operating profit Q4	27	89	15	-23	108
Operating profit 2006*	101	243	45	-91	298
PPA depreciation 2006	-12	-8	0	20	0
Non-recurring items 2006	75	33	8	41	157
Adjusted Operating profit 2006	164	268	53	-30	455

* Excluding IAS 39

EBIT Reconciliation 12 months

MSEK	2006	2005
Per Operations (in the report)	342	329
Adjustment to IAS 39	-44	0
IFRS base*	298	329
Non recurring items	157	201
Per bullet point operating profit**	455	530
Adjustment subcontracting	-	-60
"Underlying profitability"	455	470

* excluding IAS 39

** excluding IAS 39 and non recurring

EBIT Reconciliation Q4

MSEK	2006	2005
Per Operations (in the report)	110	-56
Adjustment to IAS 39	-42	8
IFRS base*	68	-48
Non recurring items	40	201
Per bullet point operating profit**	108	153
Adjustment subcontracting	-	-15
"Underlying profitability"	108	138

* excluding IAS 39

** excluding IAS 39 and non recurring

Specification of non recurring items 2006

MSEK	Total	CCF	FI	TPF	Group functions
Termination of distributors	72	72			
Personnel reduction	46	1	24	4	17
Integration costs	39	2	9	4	24
Total 12 months non recurring	157	75	33	8	41
Termination of distributors	0				
Personnel reduction	34	3	27	4	
Integration costs	6			4	2
Total Q4 non recurring	40	3	27	8	2

Financial Statement, January-December

The Group

Profit after financial items

The Group's profit after financial items was SEK 268 million. This result includes the effect of IAS 39 (fluctuations in raw materials and currency derivatives) which had a positive effect on earnings of SEK 44 million. Net financial items amounted to SEK -74 million.

Capital expenditure

The Group's investment in fixed assets amounted to SEK 501 (485) million. The Group's investments in fixed assets in the fourth quarter totalled SEK 129 (159) million.

Cash flow

Cash flow from operating activities amounted to SEK 177 million, and, for the fourth quarter, to SEK 50 million.

Financial position

The Group's shareholders' equity as at 31 December 2006 amounted to SEK 2,287 (3,504) million after a total dividend of SEK 1,180. Total assets were SEK 6,933 million. The equities/assets ratio was 33 percent.

The Group's net borrowing totalled SEK 3,036 million as at 31 December 2006. Non-utilised credit facilities were SEK 786 million.

Acquisitions and disposals - January to December 2006

AAK UK acquired the "wet foods" operations of Lion Food Ltd on 13 April 2006. The division has sales of about GBP 14 million and will give a substantial boost to AAK UK's operation in the sauces, dressings and marinades sector. The deal includes the rights to the long-established Lion brand name for "wet foods". The new operation will be run under the AAK Food name from the plant in Runcorn in the UK, with about 130 employees. During the second quarter, negative goodwill of SEK 10 million was amortised. The acquisition of Lion Food expected a marginally negative impact on results during 2006. This operation has had corresponding operating loss during 2006.

The purchase price includes the following components (SEK million):

Paid in cash	35
<u>Direct costs in connection with the acquisition</u>	<u>2</u>
Total purchase price	37
<u>Fair value for net assets acquired</u>	<u>47</u>
Negative goodwill	10

The development company BSP Pharma was sold in the third quarter at a small loss. The disposal has had a negligible effect on the consolidated balance sheet and income statement. The company was not part of the Group's core activities. A supply agreement, which may generate future earnings, has been signed with the new owners. During the fourth quarter, the brokerage operation at Frank Fontannaz Commodities Ltd was disposed of. The disposal of Frank Fontannaz Commodities Ltd has had a negligible effect on the Group's results and financial position.

Personnel

The average number of employees in the group as at 31 December 2006 was 2,529 (2,479). The rise of personnel is totally assignable to activity in Ceylon Trading and not in the core business.

Parent Company

The profit after financial items for the Parent Company was SEK 75 million for 2006, which includes dividends from subsidiaries of SEK 127 million. The Parent Company started trading on 29 September 2005. No comparative figures can, therefore, be reported. The Parent Company is a holding company for the AAK Group. The activities of the Parent Company are primarily concerned with the Group's development and administration.

Accounting policies

AAKs consolidated financial statements, since the launch of the new Group on 30 September 2005, are prepared in accordance with International Financial Reporting Standards (IAS/IFRS as endorsed by the European Union) issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), as well as with the Swedish Annual Accounts Act. Financial statement is prepared in accordance with IAS 34 and RR 31 (financial statement reporting). The most important accounting policies under IFRS, which is the basis for the preparation of this financial statement, are set out in Note 2 on page 59 of the Annual Report for 2005.

Principles for pro forma 2005

Pro forma accounts have been prepared to illustrate how the merger of Karlshamns and Aarhus United would appear if it had taken place at an earlier point in time. Pro forma accounts have only been prepared for illustrative purposes, and are not intended to present the financial position or the operating profit that could have been achieved if the merger had been completed at the pro forma reporting dates; nor do they indicate the financial position or operating profit for any future point in time or period. The pro forma accounts for January – September 2005 are based on unaudited accounts prepared for Karlshamn in accordance with IFRS, and for Aarhus United in accordance with Danish GAAP. Income statements and balance sheets are, therefore, not fully comparable with accounts for the period January – September 2005. Further details are set out on page 41 of the Annual Report for 2005.

Compulsory redemption

AarhusKarlshamn AB (publ) currently owns 98.4 percent of the share capital of the subsidiary AarhusKarlshamn Sweden AB (formerly Karlshamns AB). The minority shareholders in this company own approximately 358,000 shares, which are now subject to compulsory redemption. The compulsory redemption procedure is expected to be completed at some point during the first six months of 2007. Through advance access to the minority shareholdings in June 2006, AarhusKarlshamn AB (publ) consolidated all shares in AarhusKarlshamn Sweden AB in the accounts of the company and the Group.

Annual general meeting 2007

The annual general meeting will be held on Monday 21 May, 2007 in the afternoon, in Europaporten, in Malmö, Sweden. The latest notification date for attendance at the meeting is 15 May. The notification date to vote at the meeting is 14 May 2006.

Proposed dividend

The Board of Directors and the President and CEO propose that a dividend of SEK 4.00 (4.00) per share be paid for the financial year 2006, a total of SEK 164 (164) million. During 2006, AAK paid an extra dividend of SEK 25.00 per share on behalf of the Group, in addition to the ordinary dividend of SEK 4.00 per share, with the aim of achieving a better capital structure. The proposed notification dated for the dividend is 24 May, and it is expected that the dividend will reach shareholders on 29 May.

Reporting schedule

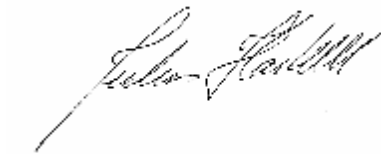
The interim report for the first quarter will be published on 21 May, 2007.

The annual general meeting of shareholders will be held on 21 May, 2007 in Malmö, Sweden.

The interim report for the second quarter will be published on 15 August, 2007

The interim report for the third quarter will be published on 1 November, 2007.

Malmö, 23 February 2007

A handwritten signature in black ink, appearing to read 'Jerker Hartwall', written in a cursive style.

Jerker Hartwall
President and CEO

For further information, please call: +46 40 627 83 00

This financial statement has been examined by the Company's auditors.

Summary income statement for the Group

(SEK million)	3 months Oct-Dec 2006	3 months Oct-Dec 2005	12 months Jan-Dec 2006
Net sales	3,057	3,008	10,929
Other operating income	33	11	44
Total operating income	3,090	3,019	10,973
Raw materials, consumable and goods for resale	-2,316	-2,361	-8,061
Other external costs	-270	-298	-1,186
Costs for remuneration to employees	-303	-264	-1,063
Depreciation and impairment losses	-81	-141	-306
Other operating costs	-10	-11	-15
Total operating costs	-2,980	-3,075	-10,631
Operating profit	110	-56	342
Interest income	6	12	15
Interest expense	-37	-22	-102
Other financial items	15	2	13
Pre-tax profit	94	-64	268
Tax	-36	18	-91
Net profit	58	-46	177
Attributable to:			
Minority interest	2	1	6
Parent company shareholders	56	-47	171

SHARE DATA

Number of shares (000)	41,384	41,384	41,384
There of own shares (000)	539	589	539
Earning per share, SEK*	1.38	-1.12	4.18
Shareholders' equity per share, SEK	56.01	85.88	56.01

The calculation of earnings per share has been done on an awaiting amount of shares during 2006.
The Group currently does not have any outstanding conversion loans nor any outstanding subscription options.

PROFIT AFTER NET FINANCIAL ITEMS, QUARTERLY

(SEK million)	2006			
	Q1	Q2	Q3	Q4
Net sales	2,797	2,599	2,476	3,057
Gross contribution inclusive IAS 39	687	567	652	788
Operating profit	126	-2	108	110
Net financial items	-20	-16	-22	-16
Profit after net financial items	106	-18	86	94
-of which fair value movements in raw materials and currency derivatives	12	-1	-9	42

Summary balance sheet for the Group

(SEK million)	31.12.2006	31.12.2005
ASSETS		
Goodwill	579	593
Other intangible fixed assets	59	92
Tangible fixed assets	2,752	2,670
Financial fixed assets	164	108
Total fixed assets	3,554	3,463
Inventories	1,512	1,429
Current receivables	1,738	1,732
Cash and cash equivalents	129	211
Total current assets	3,379	3,372
TOTAL ASSETS	6,933	6,835
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	2,287	3,504
Minority shareholding	32	50
Total shareholders' equity incl. minority share	2,319	3,554
Long-term liabilities	2,732	1,401
Accounting payable - trade	502	550
Other current liabilities	1,380	1,330
Total current liabilities	1,882	1,880
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	6,933	6,835

No changes have arisen in contingent liabilities, nor have any transactions with closely related parties occurred during the period.

CHANGES IN SHAREHOLDERS' EQUITY

(SEK million)	Total equity	Minority	Total shareholders' equity incl. minority
Shareholders' equity opening balance, 1.1.2006	3,504	50	3,554
Purchase of minority in AAK Sweden AB	-39	-19	-58
Disposal of own shares	8	-	8
Translation differences	-177	-5	-182
Dividend	-1,180	-	-1,180
Net profit	171	6	177
Shareholders' equity, closing balance	2,287	32	2,319

Summary cash flow statement for the Group

(SEK million)	Full year 2006
Operating activities	
Cash flow from operating activities before changes in net operating assets	502
Changes in net operating assets	-325
Cash flow from operating activities	177
Investing activities	
Cash flow from investing activities	-501
Financing activities	
Cash flow from financing activities	254
Cash flow for the year	-70
Liquid funds, opening balance	211
Translation differences	-11
Liquid funds, closing balance	130

Changes in working capital are minus SEK 324 million including unfavourable translations differences of SEK 96 million.

Summary income statement and key figures, January – December 2006

(SEK million)	Full year 2006	Full year 2005
Net sales	10,929	10,515
Gross contribution exclusive IAS 39	2,723	2,802
Gross contribution, %	25	26
Operating profit excl non-recurring costs and IAS 39	455	530
Operating profit, %, excl non-recurring cost and IAS 39	4	5
Operating profit incl non-recurring cost excl IAS 39	298	329
Operating profit, %, incl non-recurring cost excl IAS 39	3	3
Operating profit incl non-recurring and IAS 39	342	329
Operating profit, %, incl non-recurring and IAS 39	3	3
Net profit	177	340
Of which related to the parent company's shareholders	171	324
Of which related to minority shareholders	6	16
Operating profit before depreciation (EBITDA)	648	837
Operating cash flow after investments	-325	3
Capital expenditure	501	485
Shareholders' equity	2,287	3,504
Minority share	32	50
Net borrowings	3,036	1,629
Equity/assets ratio, %	33	52
Net debt/equity ratio, multiple	1.31	0.46
Capital employed	5,830	5,581
Earnings per share, SEK*	4.18	8.35
Total number of shares, closing balance (000)	41,384	41,384
Thereof own shares (000)	539	589

* The calculation of earnings per share has been done an awaiting amount of shares during 2006.

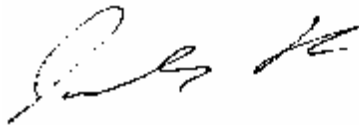
Auditors' review report

We have carried out a review of the financial statement for 2006 of AarhusKarlshamn AB (publ). The Company's management is responsible for drawing up and presenting this financial statement in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a view on this financial statement on the basis of our review.

We have carried out our review in accordance with the Standard for Reviews *SÖG 2410 Limited review of the financial statement carried out by the company's elected auditors*, issued by FAR (the Institute for the Accountancy Profession in Sweden). A review involves making enquiries, in the first place of the individuals responsible for financial and accounting matters, carrying out an analytical review and taking other measures associated with a review. A review has a different aim and a significantly more restricted scope than an audit in accordance with Audit Standards in Sweden (RS) and generally accepted auditing standards in general. The review measures taken during a review do not permit us to have the same degree of certainty that we are aware of all important circumstances that would have been identified if we had carried out an audit. The view expressed on the basis of a review does not, therefore, have the same degree of certainty as a view expressed on the basis of an audit.

On the basis of our review, nothing has emerged to suggest that the financial statement, in all essentials, has not been drawn up in accordance with IAS 34 and the Swedish Annual Accounts Act.

Malmö, 23 February 2007
PricewaterhouseCoopers AB



Anders Lundin
Auktoriserad revisor

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Address
World Trade Center
Skeppsgatan 19
SE-211 19 Malmö, Sweden

Telephone
+46406278300

Fax
+46406278311

Corp.reg.no
556669-2850

E-mail
info@aak.com