Interim report

1 September – 31 December 2011

QUARTER

1 OCTOBER – 31 DECEMBER 2011

Net sales	SEK 272 M	(318)
of which, Cloetta products	SEK 243 M	(281)
Operating profit	SEK 9 M	(22)
Operating margin	3.3%	(6.9)
Profit before tax	SEK 9 M	(21)
Profit after tax	SEK 6 M	(16)
Earnings per share		
basic	SEK 0.26	(0.65)
diluted	SEK 0.26	(0.65)

FOUR-MONTH PERIOD[1)]

1 SEPTEMBER – 31 DECEMBER 2011

Net sales	SEK 364 M	(413)
of which, Cloetta products	SEK 322 M	(365)
Operating profit	SEK 20 M	(33)
Operating margin	5.5%	(8.0)
Profit before tax	SEK 20 M	(32)
Profit after tax	SEK 14 M	(24)
Earnings per share		
basic	SEK 0.61	(0.97)
diluted	SEK 0.61	(0.95)

1) This interim report is being published in order to synchronise the reporting periods with the quarters of the calendar year.

Comments from the CEO

This interim report is the result of a decision by the Annual General Meeting in December 2011 to change the company's financial year to the calendar year. Our most recent interim report, which was published on 19 December 2011, was for the period from September to November 2011. This interim report covers the period from September to December 2011, meaning that December is the additional month included in this report.

Total sales for December were down mainly as a result of our choice not to focus on filled chocolate boxes to the same extent as last year, as well as lower sales in the Private Label segment. Gross profit was on par with the previous year and gross margin was higher owing to a decreased share of Private Labels. Operating profit for December was unchanged from the year-earlier level.

This meant that our operating profit for the quarter from October to December reached SEK 9 million (22), where the drop in earnings is attributable to October and November as previously reported.

In the first quarter of 2012 we will launch several new products in our important countline segment, including new items under the Kexchoklad, Sportlunch and Pops brands. We intensified our product development and marketing activities during the fourth quarter and will also do so in connection with the upcoming launches.

Thanks to these efforts, we are well equipped for 2012 with new product offerings – including new products, packaging sizes, designs and prices – in the three segments of chocolate bags, countlines and seasonal products, where we have a strong focus and are market-leaders. This has enabled us to enter 2012 with a strong product range. Sell-in activities during January 2012 were highly successful and the month has shown sales growth of 10%.

In a press release issued on 16 December 2011, we presented a proposal for a merger between Cloetta and LEAF that will be voted on by an extraordinary general meeting on 15 February 2012. Together with LEAF's attractive brand and product portfolio, we will gain at least five complementary segments where we are market-leaders in Sweden and a very firm footing in the Nordic market. In addition, LEAF's presence in countries like the Netherlands and Italy will create new opportunities for business outside the Nordic region.

Curt Petri, Managing Director and CEO

About Cloetta

*Founded in 1862, Cloetta is the oldest confectionery company and will celebrate its 150th anniversary in 2012. The Cloetta brand stands for responsibility and quality, but is also strongly associated with happiness, enjoyment and energy. The company's key brands are **Kexchoklad, Center, Plopp, Polly, Tarragona, Guldnougat, Bridge, Juleskum, Sportlunch** and **Extra Starka**. Cloetta has two production units in Sweden, one in Ljungsbro and one in Alingsås.*

Financial information

		Quarter		Four months		Calendar year		Full year 2010/2011
		Oct–Dec 2011	Oct–Dec 2010	Sep–Dec 2011	Sep–Dec 2010	Jan–Dec 2011	Jan–Dec 2010	Sep 2010–Aug 2011
Net sales	SEK M	272	318	364	413	938	1,056	987
Operating profit	SEK M	9	22	20	33	14	31	27
Operating margin	%	3.3	6.9	5.5	8.0	1.5	2.9	2.7
Profit before tax	SEK M	9	21	20	32	14	27	26
Profit for the period	SEK M	6	16	14	24	8	20	18
Cash flow from operating activities	SEK M	62	61	51	43	84	68	76

Financial overview

THE FINANCIAL YEAR COVERS THE PERIOD FROM 1 SEPTEMBER 2011 TO 31 DECEMBER 2012.

The Annual General Meeting on 19 December 2011 approved an amendment to the Articles of Association regarding the company's financial year. The Articles of Association have been changed so that the company's financial year covers the period from 1 January to 31 December, i.e. the calendar year, instead of the period from 1 September to 31 August. This will result in an extended financial year covering the period from 1 September 2011 to 31 December 2012. This interim report is being published in order to synchronise the reporting periods with the quarters of the calendar year.

Seasonal variations

Cloetta's business follows a seasonal cycle in which the period from September to November, leading up to Christmas, is the strongest. To a large extent, the company's full-year profit is therefore dependent on sales during this period. The Easter holiday, which is the second peak season in the confectionery market, affects sales to a varying degree from year to year depending on whether Easter falls in March or April. The period from June to August is the weakest of the year in relative terms, as consumption of confectionery is lower during the summer months.

QUARTER (OCTOBER – DECEMBER 2011)

Net sales

Sales of Cloetta's products amounted to SEK 243 million (281). Net sales for the quarter totalled SEK 272 million (318), of which products manufactured on contract accounted for SEK 29 million (37).

Sales in the Swedish market were down for the quarter. The decrease is mainly attributable to weaker development in the service trade than in the same period of last year. Furthermore, this year we have chosen to lessen our focus on filled chocolate boxes. Sales in our important countline segment increased somewhat and sales of the Polly and Sportlunch brands grew during the quarter.

In the autumn Cloetta launched Polly Rocks and Center Kokos, both of which had a positive impact on sales for the quarter. The top-selling Christmas product Juleskum was launched during the period in a new flavour – Polka – which also made a positive contribution to sales.

Sales in Cloetta's other markets were on par with the previous year despite lower sales to IKEA, which has chosen to sell only its own brands. In September Polly was launched in Norway under the name of Popsy with strong and attention-getting media support, which has contributed positively to sales.

PROFIT

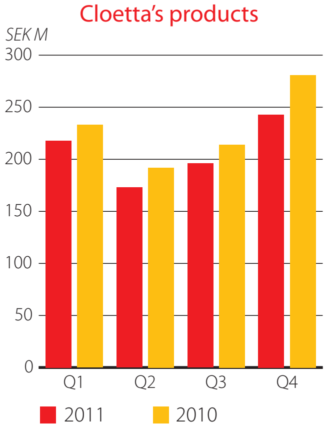
Gross profit

Gross profit for the period was SEK 95 million (102), which is equal to a gross margin of 34.9% (32.1).

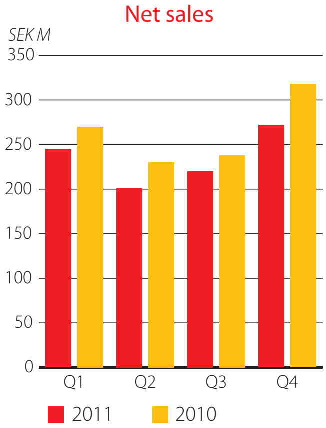
Operating profit

Overhead expenses rose by SEK 4 million to SEK 85 million (81). The higher amount is explained by major marketing investments, primarily through TV advertisements in Norway in connection with the launch of Popsy in Norway during September 2011. In the Swedish market, Polly and Tarragona were promoted through outdoor advertisements during October 2011.

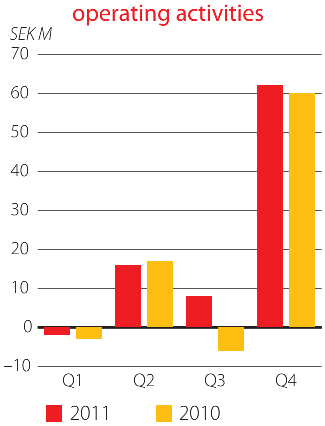
Sales of Cloetta's products



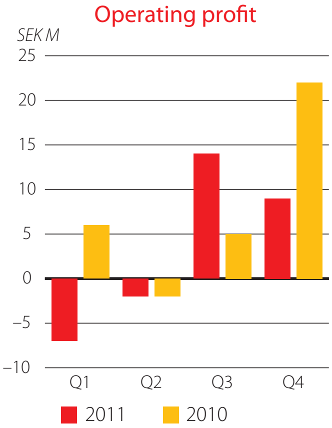
Net sales



Cash flow from operating activities



Operating profit



Operating profit was SEK 9 million (22) and operating margin for the quarter was 3.3% (6.9). Operating profit before amortisation, depreciation and impairment amounted to SEK 23 million (37), equal to an operating margin of 8.5% (11.6).

Operating profit was affected by foreign exchange differences of SEK –1 million (1) that are reported together with other operating income and expenses.

Profit before tax

Profit before tax is reported at SEK 9 million (21). Net financial items totalled SEK 0 million, compared to SEK –1 million the year before.

Profit for the period

Profit after tax was SEK 6 million (16), which is equal to earnings per share of SEK 0.26 (0.65) before and SEK 0.26 (0.65) after dilution. The period's income tax expense was SEK 3 million (5).

FOUR MONTHS (SEPTEMBER – DECEMBER 2011)

Net sales

Sales of Cloetta's products amounted to SEK 322 million (365). Net sales for the four-month period totalled SEK 364 million (413), of which products manufactured on contract accounted for SEK 42 million (48).

The total Swedish market for chocolate confectionery (according to Nielsen week 35–52) is showing modest growth. The grocery retail trade is growing, while the service trade has continued to decline. In the Swedish market, Cloetta's sales fell during the four-month period. The decrease is explained by weaker development in the service trade than in the same period of last year together with the previous year's sell-in volumes of the then newly launched Tarragona bars. Furthermore, this year we have chosen to lessen our focus on filled chocolate boxes. Sales in the chocolate bags segment rose during the four-month period.

In the autumn Cloetta launched Polly Rocks and Center Kokos, both of which had a positive impact on sales for the four-month period. The top-selling Christmas product Juleskum was launched during the period in a new flavour – Polka – which has made a positive contribution to sales.

Sales in Cloetta's other markets improved somewhat over the previous year despite lower sales to IKEA, which has chosen to sell only its own brands. In September Polly was launched in Norway under the name of Popsy with strong and attention-getting media support, which has contributed positively to sales. The rest of the product range in Norway is also contributing to the increase.

PROFIT

Gross profit

Gross profit for the period was SEK 130 million (138), which is equal to a gross margin of 35.7% (33.4).

Operating profit

Overhead expenses rose by SEK 6 million to SEK 110 million (104). The higher amount is explained by major marketing investments, primarily through TV advertisements in Norway in connection with the launch of Popsy in Norway during September 2011. In the Swedish market, Polly was supported by Web TV in September 2011 and both Polly and Tarragona were promoted through outdoor advertisements in October 2011.

Operating profit was SEK 20 million (33) and operating margin for the four-month period was 5.5% (8.0). Operating profit before amortisation, depreciation and impairment amounted to SEK 38 million (52), equal to an operating margin of 10.4% (12.6).

Operating profit was affected by foreign exchange differences of SEK 0 million (–1) that are reported together with other operating income and expenses.

Profit before tax

Profit before tax is reported at SEK 20 million (32). Net financial items totalled SEK 0 million, compared to SEK –1 million the year before.

Profit for the period

Profit after tax was SEK 14 million (24), which is equal to earnings per share of SEK 0.61 (0.97) before and SEK 0.61 (0.95) after dilution. The period's income tax expense was SEK 6 million (8).

CALENDAR YEAR (JANUARY – DECEMBER 2011)

Net sales

Sales of Cloetta's products amounted to SEK 831 million (920). Net sales for the calendar year totalled SEK 938 million (1,056), of which products manufactured on contract accounted for SEK 107 million (136).

In the Swedish market, Cloetta's sales for the calendar year were down partly as a result of the volumes from the Wedding Series that were delivered in the previous year. The decrease is also attributable to weaker development in the service trade than in the same period of last year and to the previous year's sell-in volumes of the then newly launched Tarragona bars. Furthermore, this year we have chosen to lessen our focus on filled chocolate boxes.

Robin Söderling and Kexchoklad in new partnership
Cloetta has established a partnership with professional tennis player Robin Söderling. Kexchoklad will be the main sender, which will be visible in both in retail outlets and on the package.

Sales in Cloetta's other markets rose somewhat compared to the previous year despite lower sales to IKEA, which as of September 2011 has chosen to sell only its own brands. In September 2011 Polly was launched in Norway under the name of Popsy, with strong and attention-getting media support, which has contributed positively to sales.

PROFIT

Gross profit

Gross profit for the period was SEK 296 million (330), which is equal to a gross margin of 31.6% (31.3).

Operating profit

Overhead expenses decreased by SEK 8 million to SEK 293 million (301).

Operating profit was SEK 14 million (31) and operating margin for the calendar year was 1.5% (2.9). Operating profit before amortisation, depreciation and impairment amounted to SEK 68 million (84), equal to an operating margin of 7.2% (8.0).

In August 2011 income of SEK 5 million was recognised following the Swedish Tax Agency's approval of a contractual item from the demerger of Cloetta Fazer relating to a deduction for group contributions to a Polish subsidiary. The amount is recognised together with other operating income.

Operating profit was affected by foreign exchange differences of SEK 6 million (3) that are reported together with other operating income and expenses.

Profit before tax

Profit before tax is reported at SEK 14 million (27). Net financial items totalled SEK 0 million, compared to SEK –4 million the year before.

Profit for the period

Profit after tax was SEK 8 million (20), which is equal to earnings per share of SEK 0.37 (0.77) before and SEK 0.37 (0.77) after dilution. The period's income tax expense was SEK 6 million (7).

Financing and liquidity

Cash and cash equivalents and short-term investments amounted to SEK 305 million (254).

Cloetta's working capital requirement is exposed to seasonal variations, partly resulting from a build-up of inventories in preparation for increased sales during the Christmas holiday. This means that the working capital requirement is normally highest during the autumn and lowest at year-end.

Cash flow from operating activities for the period from September to December 2011 was SEK 51 million (43). The corresponding figure for the period from October to December 2011 was SEK 62 million (61). The improved cash flow is mainly attributable to a decrease in working capital compared to the same period of last year. Net cash of SEK 10 million (16) was utilised for investments in property, plant and equipment during the four-month period and SEK 9 million (15) during the quarter. Other cash flow from investing activities consists of ongoing investments. Interest-bearing assets exceeded interest-bearing liabilities by SEK 206 million (151) on the balance sheet date. The equity/assets ratio was 67.4% (66.7).

Investments

Investments in property plant and equipment totalled SEK 10 million (16) during the four-month period and SEK 9 million (15) during the quarter, and included both efficiency-enhancing and replacement investments. Depreciation amounted to SEK 18 million (19) for the four-month period and SEK 14 million (15) for the quarter.

OTHER DISCLOSURES

Employees

The average number of employees during the period from September to December 2011 was 420 (446) and the corresponding figure for the period from October to December 2011 was 418 (446). The decrease is explained by reductions in the production staff in Ljungsbro as announced in the autumn of 2010.

Parent Company

Cloetta AB's primary activities include head office functions such as group-wide management and administration. The comments below refer to the period from September to December 2011.

Net sales in the Parent Company reached SEK 8 million (8) and referred mainly to intra-group services. Operating profit was SEK –1 million (–1).

Net financial items totalled SEK 0 million (0). Profit before tax was –1 million (–1) and profit after tax was SEK –1 million (–1). Cash and cash equivalents and short-term investments amounted to SEK 49 million (32).

Cloetta's SEK 30 million convertible note programme for the employees runs from 14 May 2009 to 30 March 2012 and bears interest at a rate equal to STIBOR plus 2.5 percentage points. The convertible notes can be converted to class B shares in Cloetta during the period from 25 February 2011 to 25 February 2012 at a conversion rate of SEK 30.40, which upon full conversion will increase the number of class B shares by 1,004,889. The interest rate for the period from 10 November 2011 to 30

CHOKLADKEXCHOKLAD or KEXCHOKLADCHOKLAD?
Cloetta is launching a new snack product shaped as a chocolate bar with visible pieces of Kexchoklad. It is a significantly more "chocolately" Kexchoklad than the original. Whether it will be called Chokladkexchoklad or Kexchokladchoklad is up to consumers to decide through a product naming contest.

March 2012 has been set at 5.11%. The next interest instalment is due for payment on 30 March when the loan expires.

A total of 199,990 shares have been converted, which is equal to an increase in the share capital of SEK 1 million and an increase in the share premium reserve of SEK 5 million.

The Cloetta share

Trading of the class B share of Cloetta AB (publ) on NASDAQ OMX Stockholm commenced on 16 February 2009. The share is traded under the ticker symbol CLA B with ISIN code SE0002626861. During the period from 1 September to 31 December 2011, a total of 1,775,274 shares were traded, equal to around 8% of the total number of class B shares. The highest quoted bid price was SEK 35.90 and the lowest was SEK 25.40. The share price on 30 December 2011 was SEK 33.70 (last price paid).

Shareholders

AB Malfors Promotor is the principal shareholder in Cloetta AB (publ). At 31 December 2011 Cloetta AB had 4,233 shareholders and the principal shareholder Malfors Promotor held 74.3% of the votes and 51.9% of the share capital. Other institutional investors held 12.5% of the votes and 23.5% of the share capital. The number of shares amounted to 24,319,186, of which 21,959,186 were of class B and 2,360,000 were of class A.

Related party transactions

The principal shareholder is AB Malfors Promotor and any buying and selling of goods and services between Cloetta and the principal shareholder are regarded as related party transactions. During the period the Parent Company made purchases from related parties of SEK 0 million (0), equal to 0% (0) of the Group's total purchases during the period from September to December 2011.

The Parent Company has related party transactions with subsidiaries in the Group. The majority of such transactions refer to the sale of services, which for the period from September to December 2011 amounted to SEK 8 million (8), equal to 100% of each period's total sales.

At 31 December 2011 the Parent Company's receivables from subsidiaries amounted to SEK 28 million (47) and liabilities to subsidiaries amounted to SEK 0 million (0). Transactions with related parties are priced on market-based terms.

Merger

On 16 December 2011 a proposed merger was announced between Cloetta and LEAF. The merger is conditional on the approval of Cloetta's shareholders at an extraordinary general meeting and the approval of the relevant competition authorities. For further information see www.cloetta.com.

Events after the balance sheet date

On 16 January 2012 Cloetta called the shareholders to attend an extraordinary general meeting (EGM) on 15 February 2012, 2:00 p.m. at Näringslivets hus, Storgatan 19, in Stockholm. The EGM will authorise the Board to decide on a new share issue of approximately SEK 1,050 million (the Rights Issue) to finance the merger with LEAF Holland B.V. (LEAF). The decision is conditional on the approval of the Swedish Competition Authority.

On 24 January 2012 the Board of Cloetta announced the terms of the Rights Issue.

On 6 February 2012 the Board of Cloetta announced that the Swedish Competition Authority had on 3 February 2012 granted permission for a merger between Cloetta and LEAF.

After the end of the reporting period, no additionalh significant events have taken place that could affect the company's operations.

Sportlunch Powerbreak
With the new Sportlunch Powerbreak, Cloetta has strengthened its offering in the snack segment – for active people who need to quickly recharge their energy.

Juleskum
Sales of Juleskum once again reached new record levels, partly aided by the year's new product Juleskum Polka.

The Board of Directors and the Managing Director hereby give their assurance that the interim report provides a true and fair view of the business activities, financial position and results of operations of the Group and the Parent Company, and describes the significant risks and uncertainties to which the Parent Company and the Group companies are exposed.

Ljungsbro, 10 February 2012

Cloetta AB (publ)

Olof Svenfelt
Chairman

Lennart Bohlin
Board member

Johan Hjertonsson
Board member

Ulrika Stuart Hamilton
Board member

Mikael Svenfelt
Board member

Meg Tivéus
Board member

Lena Grönedal
Employee representative

Birgitta Hillman
Employee representative

Curt Petri
Managing Director and CEO

The information in this interim report had not been reviewed by the company's auditors at 10 February 2012.

Summary consolidated profit and loss accounts

SEK M	Quarter Oct–Dec 2011	Quarter Oct–Dec 2010	Four months Sep–Dec 2011	Four months Sep–Dec 2010	Calendar year Jan–Dec 2011	Calendar year Jan–Dec 2010	Full year 2010/2011 Sep 2010–Aug 2011
Net sales	272	318	364	413	938	1,056	987
Cost of goods sold	–177	–216	–234	–275	–642	–726	–683
Gross profit	**95**	**102**	**130**	**138**	**296**	**330**	**304**
Other operating income	–1	0	0	0	10	4	10
Selling and administrative expenses	–85	–81	–110	–104	–293	–301	–287
Other operating expenses	0	1	0	–1	1	–2	0
Operating profit	**9**	**22**	**20**	**33**	**14**	**31**	**27**
Financial items	**0**	–1	0	–1	0	–4	–1
Profit before tax	**9**	**21**	**20**	**32**	**14**	**27**	**26**
Income tax expense	–3	–5	–6	–8	–6	–7	–8
Profit for the period	**6**	**16**	**14**	**24**	**8**	**20**	**18**
Profit for the period attributable to:							
Owners of the Parent Company	6	16	14	24	8	20	18
Earnings per share							
basic	0.26	0.65	0.61	0.97	0.37	0.77	0.73
diluted	0.26	0.65	0.61	0.95	0.37	0.77	0.73
Number of shares at end of period	24,319,186	24,119,196	24,319,186	24,119,196	24,319,186	24,119,196	24,319,186
Average number of shares	24,319,186	24,119,196	24,319,186	24,119,196	24,319,186	24,119,196	24,280,284

Consolidated statements of comprehensive income

SEK M	Quarter Oct–Dec 2011	Quarter Oct–Dec 2010	Four months Sep–Dec 2011	Four months Sep–Dec 2010	Calendar year Jan–Dec 2011	Calendar year Jan–Dec 2010	Full year 2010/2011 Sep 2010–Aug 2011
Profit for the period	**6**	**16**	**14**	**24**	**8**	**20**	**18**
Other comprehensive income							
Translation differences	0	0	0	0	0	0	0
Other comprehensive income for the period	0	0	0	0	0	0	0
Total comprehensive income for the period	**6**	**16**	**14**	**24**	**8**	**20**	**18**
Comprehensive income for the period attributable to:							
Owners of the Parent Company	6	16	14	24	8	20	18

Quarterly data

		2011				2010			
		Q4 Oct–Dec	Q3 Jul–Sep	Q2 Apr–Jun	Q1 Jan–Mar	Q4 Oct–Dec	Q3 Jul–Sep	Q2 Apr–Jun	Q1 Jan–Mar
Net sales	SEK M	272	220	201	245	318	238	230	270
Of which, Cloetta products	SEK M	243	196	173	219	281	214	192	233
Operating profit/loss	SEK M	9	14	–2	–7	22	5	–2	6
Operating margin	%	3.3	6.4	neg	neg	6.9	2.1	neg	2.2
Operating profit before depreciation, amortisation and impairment	SEK M	23	27	13	5	37	18	11	18
Operating margin before depreciation, amortisation and impairment	%	8.5	12.3	6.5	2.0	11.6	7.6	4.8	6.7
Earnings per share									
basic	SEK	0.26	0.36	–0.04	–0.21	0.65	0.09	–0.10	0.13
diluted	SEK	0.26	0.36	–0.04	–0.21	0.65	0.09	–0.10	0.13

Summary consolidated balance sheets

SEK M	2011 31 Dec	2010 31 Dec	2011 31 Aug
ASSETS			
Non-current assets			
Intangible assets	143	144	143
Property, plant and equipment	437	458	445
Financial assets	6	1	6
Total non-current assets	**586**	**603**	**594**
Current assets			
Inventories	112	131	111
Current receivables	114	109	125
Short-term investments	–	9	–
Cash and cash equivalents	305	254	264
Total current assets	**531**	**503**	**500**
TOTAL ASSETS	**1,117**	**1,106**	**1,094**
EQUITY AND LIABILITIES			
Equity	753	739	739
Non-current liabilities			
Deferred tax liability	102	103	103
Other provisions	79	75	79
Total non-current liabilities	**181**	**178**	**182**
Current liabilities			
Convertible debenture loan	24	28	24
Other current liabilities	159	161	149
Total current liabilities	**183**	**189**	**173**
TOTAL EQUITY AND LIABILITIES	**1,117**	**1,106**	**1,094**
Pledged assets	0	1	0
Contingent liabilities	2	2	2

Consolidated statements of changes in equity

	Quarter		Four months		Calendar year		Full year 2010/2011
SEK M	Oct–Dec 2011	Oct–Dec 2010	Sep–Dec 2011	Sep–Dec 2010	Jan–Dec 2011	Jan–Dec 2010	Sep 2010–Aug 2011
Equity at beginning of period	747	741	739	733	739	737	733
Total comprehensive income for the period	6	16	14	24	8	20	18
Dividend	–	–18	–	–18	–	–18	–18
Conversion of convertible debenture loan	–	–	–	–	6	–	6
Equity at end of period	**753**	**739**	**753**	**739**	**753**	**739**	**739**

Summary consolidated cash flow statements

SEK M	Quarter Oct–Dec 2011	Quarter Oct–Dec 2010	Four months Sep–Dec 2011	Four months Sep–Dec 2010	Calendar year Jan–Dec 2011	Calendar year Jan–Dec 2010	Full year 2010/2011 Sep 2010–Aug 2011
Cash flow from operating activities before changes in working capital	24	24	39	44	61	75	66
Changes in working capital	38	37	12	–1	23	–7	10
Cash flow from operating activities	**62**	**61**	**51**	**43**	**84**	**68**	**76**
Net investments in property, plant and equipment	–9	–15	–10	–16	–33	–46	–39
Other cash flow from investing activities	–	20	–	50	–	21	50
Cash flow after investing activities	**53**	**66**	**41**	**77**	**51**	**43**	**87**
Cash flow from financing activities	–	–18	–	–18	–	–18	–18
Cash flow for the period	**53**	**48**	**41**	**59**	**51**	**25**	**69**
Cash and cash equivalents at beginning of period	252	206	264	195	254	229	195
Cash and cash equivalents at end of period	**305**	**254**	**305**	**254**	**305**	**254**	**264**
Cash, cash equivalents and short-term investments < 3 months	305	254	305	254	305	254	264
Short-term investments > 3 months	–	–	–	–	–	–	–
	305	**254**	**305**	**254**	**305**	**254**	**264**

Key ratios per share

		Quarter Oct–Dec 2011	Quarter Oct–Dec 2010	Four months Sep–Dec 2011	Four months Sep–Dec 2010	Calendar year Jan–Dec 2011	Calendar year Jan–Dec 2010	Full year 2010/2011 Sep 2010–Aug 2011
Operating profit	SEK M	9	22	20	33	14	31	27
Operating margin	%	3.3	6.9	5.5	8.0	1.5	2.9	2.7
Operating profit before depreciation, amortisation and impairment	SEK M	23	37	38	52	68	84	82
Operating margin before depreciation, amortisation and impairment	%	8.5	11.6	10.4	12.6	7.2	8.0	8.3
Profit before tax	SEK M	9	21	20	32	14	27	26
Earnings per share								
basic	SEK	0.26	0.65	0.61	0.97	0.37	0.77	0.73
diluted	SEK	0.26	0.65	0.61	0.95	0.37	0.77	0.73
Return on capital employed[1)]	%	2.4	4.1	2.4	4.1	2.4	4.1	3.9
Return on equity after tax[1)]	%	1.2	2.5	1.2	2.5	1.2	2.5	2.4
Cash flow from operating activities	SEK M	62	61	51	43	84	68	76
Cash flow after investments in property, plant and equipment	SEK M	53	46	41	27	51	22	37
Net receivable	SEK M	206	151	206	151	206	151	167
Equity/assets ratio	%	67.4	66.7	67.4	66.7	67.4	66.7	67.5
Equity per share	SEK	30.92	30.59	30.92	30.59	30.92	30.59	30.34
Average number of employees		418	446	420	446	428	449	437
Number of shares at end of period		24,319,186	24,119,196	24,319,186	24,119,196	24,319,186	24,119,196	24,319,186
Average number of shares		24,319,186	24,119,196	24,319,186	24,119,196	24,319,186	24,119,196	24,280,284

1) Refers to the rolling 12-month period.

For definitions of key ratios, see page 105 of the 2011 annual report.

Summary parent company profit and loss accounts

SEK M	Quarter Oct–Dec 2011	Quarter Oct–Dec 2010	Four months Sep–Dec 2011	Four months Sep–Dec 2010	Calendar year Jan–Dec 2011	Calendar year Jan–Dec 2010	Full year 2010/2011 Sep 2010–Aug 2011
Net sales	6	6	8	8	26	31	26
Costs for property management and sold services	0	0	0	0	–1	–1	–1
Gross profit	**6**	**6**	**8**	**8**	**25**	**30**	**25**
Administrative expenses	–7	–7	–9	–9	–24	–28	–24
Other operating income and expenses	0	0	0	0	5	0	5
Operating profit	**–1**	**–1**	**–1**	**–1**	**6**	**2**	**6**
Other financial income and expenses	0	0	0	0	–1	–1	–1
Profit before tax	**–1**	**–1**	**–1**	**–1**	**5**	**1**	**5**
Appropriations	–	–	–	–	–2	–1	–2
Income tax expense	0	0	0	0	–1	0	–1
Profit for the period	**–1**	**–1**	**–1**	**–1**	**2**	**0**	**2**

Summary parent company balance sheets

SEK M	2011 31 Dec	2010 31 Dec	2011 31 Aug
ASSETS			
Non-current assets			
Property, plant and equipment	4	4	4
Financial assets	546	540	546
Total non-current assets	**550**	**544**	**550**
Current assets	79	80	82
TOTAL ASSETS	**629**	**624**	**632**
EQUITY AND LIABILITIES			
Equity			
Restricted equity	122	121	122
Non-restricted equity	469	462	470
Total equity	**591**	**583**	**592**
Untaxed reserves	4	2	4
Non-current liabilities	1	1	1
Current liabilities			
Convertible debenture loan	24	28	24
Other current liabilities	9	10	11
Total current liabilities	**33**	**38**	**35**
TOTAL EQUITY AND LIABILITIES	**629**	**624**	**632**
Pledged assets	None	None	None
Contingent liabilities	84	76	84

Operating and financial risks in the Group and the Parent Company

Through its operations, the Cloetta Group is exposed to both operating and financial risks. The operating risks are handled by the operating units and the financial risks by the central finance function.

The Group's manufacturing costs account for approximately 65% of total costs. Of total manufacturing costs, raw materials and packaging make up approximately 60%. The most significant raw materials in terms of value are cocoa, sugar and milk products. The prices of our most important raw materials, such as cocoa, remain high. Due to the use of delivery contracts, the impact of price changes on earnings is somewhat delayed. Price development for raw materials is monitored and analysed continuously.

The Group's financial risks consist primarily of currency risk, interest rate risk and credit risk. Cash and cash equivalents and short-term investments at 31 December 2011 amounted to SEK 305 million. The Group's investment strategies are based on the guidelines set out in the Board's finance policy. With regard to the Group's currency hedging, 62% of the forecasted net flows at 31 December 2011 were hedged for a period of nine months forward, which is in line with the Group's finance policy. Due to the use of forward exchange contracts, exchange rate fluctuations affect profit at a certain delay.

Because the Parent Company's operations consist mainly of group-wide management and administration, its risks are limited to interest rate risk and liquidity risk. However, these risks are minor in view of the company's low interest expenses and good liquidity. For further information about risk management, see the annual report for 2011 at www.cloetta.com.

Accounting policies and other disclosures

The consolidated financial statements are presented in accordance with the International Financial Reporting Standards (IFRS) established by the International Accounting Standards Board (IASB) and the interpretations issued by the IFRS Interpretations Committee (IFRIC) which have been endorsed by the European Commission for application in the EU. The applied standards and interpretations are those that were in force and had been endorsed by the EU at 1 September 2011. Furthermore, the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups, has been applied.

The consolidated interim report is presented in accordance with IAS 34 Interim Financial Reporting and in compliance with the relevant provisions in the Swedish Annual Accounts Act and the Swedish Securities Market Act. The same accounting and valuation methods have been applied as in the most recent annual report. The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, which are consistent with the provisions in recommendation RFR 2, Accounting for Legal Entities. The same accounting and valuation methods have been applied as in the most recent annual report.

For detailed information about the accounting policies, see Cloetta's annual report for 2011 at www.cloetta.com.

Critical accounting estimates and assumptions

The preparation of financial statements in conformity with IFRS requires the management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual outcomes may differ from these estimates and assumptions.

The estimates and assumptions are evaluated on a regular basis. Changes in estimates are reported in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both.

Cloetta team sponsor of the Swedish Olympic Committee!
Ahead of the Olympic Games in 2012, Cloetta has entered into a multi-year partnership with the Swedish Olympic Committee under which it has exclusive rights in the confectionery area. With Kexchoklad® as sender, it will be possible to increase the brand's presence and visibility in a natural and dynamic manner on a year-round basis.

Relax and recharge!
The new product Pops Crunchy will be launched alongside Sportlunch Powerbreak in the expanding snack segment.

Financial calendar*

2012	Jan		
	Feb	Interim report Q4, Sep – Dec 2011	10 Feb 2012
	Mar		
	Apr	Interim report Q1	27 Apr 2012
	May		
	Jun		
	Jul		
	Aug	Interim report Q2	23 Aug 2012
	Sep		
	Oct	Interim report Q3	18 Oct 2012
	Nov		
	Dec		
2013	Jan		
	Feb	Year-end report 2012	14 Feb 2013
	Mar		
	Apr	Annual report 2012	Apr 2013
		Annual General Meeting	Apr 2013

** The publications dates are preliminary and may be subject to change.*

For additional information contact

Managing Director and CEO Curt Petri, mobile +46 (0)70-593 21 69 or CFO Kent Sandin, mobile +46 (0)70-582 77 95.

The annual report and interim reports are also published on www.cloetta.com

Key events during the quarter

- *Announcement of a proposed merger between Cloetta and LEAF.*
- *Cloetta launches a chocolate bar with pieces of Kexchoklad.*
- *A new snack bar – Sportlunch Powerbreak.*
- *Pops is launched as a countline.*
- *Cloetta is named team sponsor of the Swedish Olympic Committee.*
- *Cloetta begins collaboration with professional tennis player Robin Söderling.*
- *Kexchoklad once again sponsors the Swedish National Alpine Ski Team.*
- *Polly Rocks is launched successfully.*
- *Popsy is successful in Norway and wins awards for its advertising films.*
- *Cloetta and Löfbergs Lila establish a new partnership.*
- *Kexchoklad is given a new more visible design.*
- *Juleskum sets new a sales record, partly thanks to the new flavor Juleskum Polka.*

Cloetta AB (publ) • CIN 556308-8144 • SE-590 69 Ljungsbro, Sweden

Tel +46 (0)13-28 50 00 • Fax +46 (0)13-655 60 • www.cloetta.com