

Lantmännen Year-end Report January-December

2015



**We create
thriving farming**


Lantmännen

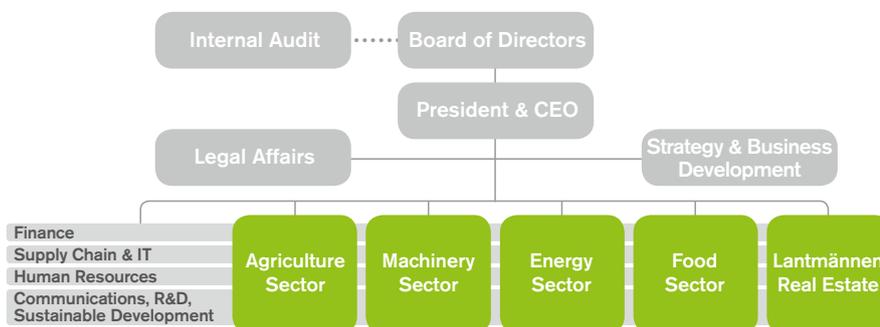


Lantmännen is an agricultural cooperative and Northern Europe's leader in agriculture, machinery, bioenergy and food products. Owned by 27,000 Swedish farmers, we have 10,000 employees, operations in over 20 countries and an annual turnover of SEK 37 billion. With grain as our basis, we process arable land resources to make farming thrive. Some of our best-known food brands are AXA, Kungsörnen, GoGreen, Schulstad, GooH, Finn Crisp and Bonjour. Our company is founded on knowledge and values built up through generations of owners. Having research, development and operations throughout the value chain means that we can take responsibility together – from field to fork.

For more information: lantmannen.se/en

Follow us on [facebook.com/jordtillbord](https://www.facebook.com/jordtillbord) and twitter.com/lantmannen

Lantmännen's organization



Financial reporting and publication orders

Annual Report with Sustainability Report 2015 and Annual Review 2015 • February 22, 2016.
Interim 1st four months • June 2, 2016. Interim 2nd four months • October 5, 2016.

The Annual Report with Sustainability Report, Appendix – Sustainability-Related Indicators, interim reports and other reports are available in English and Swedish. All reports can be downloaded from ► www.lantmannen.se/ekonomi

President's overview

2015 has in many ways been a unique year for Lantmännen, and efforts within the framework of our long term strategy, Strategy 2020, have produced good effects. All Sectors increased their operating income from the previous year and the Board proposes an increased refund and final price adjustment.

Lantmännen's income for 2015, after financial items and adjusted for items affecting comparability, is the best we have ever achieved: MSEK 1,246 compared with MSEK 740 the previous year. Adjusted for items affecting comparability, the result is still at a historically high level: MSEK 1,246, which is comparable to MSEK 1,342 the previous year when we reported significant capital gains on the Scandi Standard IPO and other items.

We achieved our long-term objective for both our return on equity and equity ratio objectives during the year. We have vigorously continued to implement Strategy 2020, including measures to create added value from Swedish grain and to improve the efficiency of sourcing and logistics in the grain operations. We have strengthened our customer focus and reduced the cost base for our agribusinesses in both Lantmännen Lantbruk and Lantmännen Maskin, to the benefit of Swedish agriculture. With the Vaasan acquisition, an important step has been taken to strengthen Lantmännen in the grain value chain and consolidate our food position in the Baltic region.

All of Lantmännen's Sectors reported a higher operating income than in the previous year. Particular improvements were noted in the Agriculture and Food Sectors, with the businesses multiplying their earnings compared with the previous year. The Machinery and Food Sectors and Lantmännen Real Estate also showed a significant increase in earnings and continue to deliver at a high, stable level.

The strong improvement in earnings in the Agriculture Sector's Swedish operations is primarily due to a very well-implemented cost and efficiency program. An increased customer focus and a large harvest in 2015 also contributed to the earnings improvement.

Earnings increased in all of the Machinery Sector's three business areas. The Swedish farm machinery business showed a significant improvement in earnings despite another year in which the total market declined.

All businesses within the Energy Sector showed a strong improvement in earnings compared with the previous year, with the exception of the partly-owned Agroenergi Neova Pellets. Lantmännen Agroetanol has shown strong growth in earnings as a result of continued efficiency measures, a more diversified raw materials base and the introduction of new products. An important breakthrough has occurred in Germany, where



demand for more sustainable ethanol with a low climate impact has worked in Lantmännen Agroetanol's favor.

The Food Sector's improved results are mainly driven by production efficiencies, new innovative customer offerings and the Vaasan acquisition.

Lantmännen Real Estate has continued to develop well during the year, strengthening its results both in current operations and from property development projects.

In view of the historically high results, the Board has decided to increase the refund and final price adjustment on trade with Lantmännen Lantbruk in Sweden to 2.0 percent (1.5 percent previous year). The Board has also decided to pay a refund of 0.5 (0.5) percent on purchases from the Machinery Sector's Swedish operations. The total refund and final price adjustment is estimated at MSEK 189 (135). In addition to this, the Board proposes that the AGM adopt a contribution dividend and contribution issue totaling MSEK 243.

While the results for 2015 are among Lantmännen's strongest ever, we have also strategically positioned Lantmännen to continue to achieve profitable growth for our businesses. We have taken major steps forward in several areas, and it particularly heartening to have regained our position as one of the most customer-oriented and cost-effective agricultural enterprises in our industry. In the grain value chain, our new joint grain unit has further strengthened our platform for the future.

The Vaasan acquisition, which is the largest transaction Lantmännen has conducted, is another milestone in our development and an important part of Strategy 2020. The integration of the operations into Lantmännen Cerealia and Lantmännen Unibake has proceeded very well. With Vaasan's and Lantmännen's combined resources and expertise, we have created an even stronger food operation in the grain value chain in the Baltic area, and a good platform for exports to other important markets.

Stockholm, February 2016

Per Olof Nyman
President & CEO, Lantmännen

The year in brief, January-December 2015

Net sales for the Group amounted to MSEK 12,491 (10,977) for the third four-month period and MSEK 35,660 (32,666) for the full year 2015.

Operating income for the four-month period was MSEK 372 (276) and adjusted for items affecting comparability MSEK 372 (355). Operating income for the full year was MSEK 1,351 (1,453) and adjusted for items affecting comparability MSEK 1,351 (851).

Cash flow from operating activities for the year was MSEK 2,167 (1,767). Net investments for the year had an effect of MSEK -4,841 (310) on cash flow. Investments in non-current assets totaled MSEK 1,256 (1,087). The acquisition of the Vaasan bakery group has had a significant effect on cash flow. The acquisition was mainly financed with own funds. Total cash flow including financing activities was MSEK -1,775 (778).

Dividend The Board has decided to increase the refund and final price adjustment on trade with Lantmännen Lantbruk Sverige by 0.5 percent to 2.0 (1.5) percent. The Board has also decided to pay a refund of 0.5 (0.5) percent on purchases from the Machinery Sector's Swedish operations. The total refund and final price adjustment is estimated at MSEK 189 (135).

The Board proposes that the AGM adopt a contribution dividend of 9 (9) percent, totaling MSEK 193 (178), and

a contribution issue of MSEK 50 (150). In total, the proposed contribution dividend and contribution issue amount to 11 (17) percent of the association's contributed capital. The total dividend to the owners is therefore expected to be MSEK 432 (463). The Board also proposes that the AGM adopt a 6.5 (9) percent dividend on subordinated debentures, totaling MSEK 16 (5).



Lantmännen's key figures

	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec
Net sales, MSEK	12,491	10,977	35,660	32,666
Operating income, MSEK	372	276	1,351	1,453
Operating margin, %	3.0	2.5	3.8	4.4
Income after financial items, MSEK	338	224	1,246	1,342
Net income for the period, MSEK	309	139	1,090	1,225
Cash flow before financing activities, MSEK	363	1 219	-2,674	2,077
Return on equity, %	7.3	3.4	8.9	10.6
Return on operating capital, %	5.5	5.1	7.5	9.1
Total assets, MSEK			30,081	27,131
Equity ratio, %			42.2	43.8
Investments, MSEK	412	380	1,256	1,087
Net debt, MSEK			6,476	3,674
Interest coverage ratio, times			6.9	6.9
Average number of employees			8,911	8,311
Adjusted for items affecting comparability,				
Operating income, MSEK	372	355	1,351	851
Operating margin, %	3.0	3.2	3.8	2.6
Income after financial items, MSEK	338	303	1,246	740
Net income for the year	309	201	1,066	595
Return on equity, %	7.3	5.0	8.7	5.1
Return on operating capital, %	5.5	6.6	7.5	5.3

Business environment, sales and earnings

Market and business environment

Global growth in 2015 was relatively weak. The beginning of the year saw an economic downturn in the United States, while the Eurozone was occupied with crisis management of the Greek economy. Developments in the United States took a slight upward turn in the latter part of the year, and the US central bank raised interest rates for the first time in 10 years in December. Growth in countries such as China and Russia was weaker than expected towards the end of the year, with significant uncertainties. Falling oil prices are having adverse consequences for many oil and commodity-producing countries, while other countries are benefiting from lower production costs.

The ongoing refugee crisis, with millions of displaced people, mainly in the Middle East and Europe, has contributed to an unstable security situation, which in turn has created uncertainty in many markets. Complex political situations have also arisen in, and between, many countries with regard to how the large flows of refugees should be managed. Despite this, global growth is expected to be back on an upward trajectory in 2016.

In Sweden, the refugee catastrophe in Syria has caused the largest migration in modern times. In the short term, this is expected to increase Swedish growth, which would help boost Sweden's low inflation and in turn push interest rates up. In the slightly longer term, the consequences of the large inflow of migrants are less certain and depend largely on how the new arrivals are integrated. The National Institute of Economic Research's forecast for 2016 indicates GDP growth of approximately 3 percent, unemployment down to about 7 percent and inflation of just over 1 percent.

The 2015 grain harvest was one of the largest in many years, both in Sweden and globally. It was also the third consecutive harvest in which world stocks were replenished, bringing a gradual decline in prices during the year. Currency trends play a major role in the global market. Weak currencies such as the Russia and Brazil currencies strengthen the com-

petitiveness of these countries, while the US's strong dollar means lower prices for farmers.

In the euro area, prices are higher than in the United States, but lower than in the Black Sea countries and South America. In Sweden, there are still large unsold volumes on farms, and the availability of grain in the trading market is beginning to decrease.

According to LRF Dairy Sweden's most recent report, there is still a situation of imbalance and increased stock levels in the global dairy market, which is resulting in continuing pressure on profitability for dairy companies. There is great uncertainty about future developments for global milk production. Swedish milk production in 2015 fell by 0.2 percent. Despite a reduced number of cows, the milk volume was largely unchanged due to an increased average milk yield per cow.

Because of newly introduced regulations, the country's farmers will receive their EU compensatory payments later than usual in 2016. A partial payment of 85 percent is expected to be made in March/April, with the remainder being delayed until November.

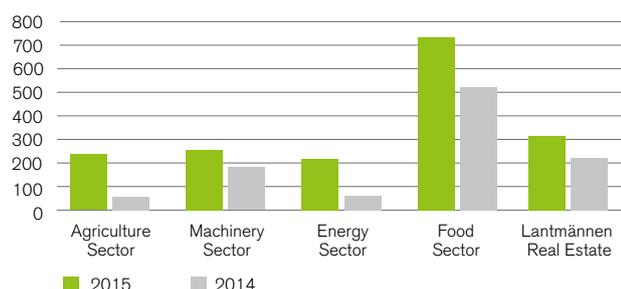
The tractor market in Sweden declined by about 6 percent in 2015. The markets in Norway and Denmark have also continued to decline. The shrinking market is driving further structural changes and consolidation in the industry.

Developments in the Swedish mining industry are still weak, but new investments, mainly in the infrastructure and construction sectors, have brought increased demand for construction machinery in Sweden.

According to HUI Research, Sweden's growth in fast-moving consumer goods (FMCG) is continuing, with the forecast for the full year 2015 indicating growth of about 4 percent. The forecast for Norway points to growth of 2.7 percent, and for Denmark 1.8 percent. Finland shows negative growth of around 1.9 percent for the year. Consumers are increasingly shopping for food online. In 2015, online sales increased by about 40 percent from a low level.

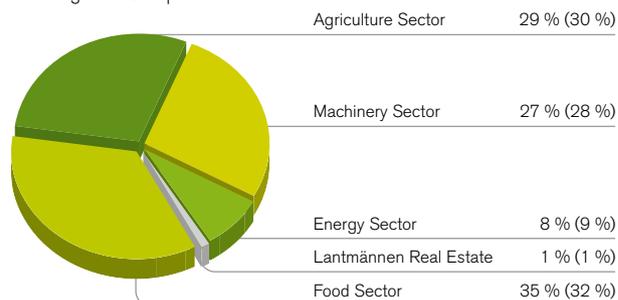
Operating income per Sector, accumulated January-December

Adjusted for items affecting comparability, MSEK



Distribution of Group's sales

Including intra-Group sales





Loading of oats at Djurön

Interest in quality and premium products in the FMCG sector remains strong, as does demand for products with a high food safety level and clear origin labeling. Swedish raw materials, health, origin and organics continue to be attractive to consumers.

The Group's net sales and earnings January-December 2015

Net sales

Lantmännen's net sales for the third four-month period amounted to MSEK 12,491 (10,977), an increase of 14 percent. Sales increased in the Agriculture, Energy and Food Sectors. The Food Sector's increase was attributable to the acquired Vaasan Group.

Net sales for the full year 2015 were MSEK 35,660 (32,666), an increase of 9 percent.

Adjusted for acquired and divested operations, net sales increased by 6 percent for both the four-month period and the full year. Currency effects did not have any impact on net sales for the four-month period, but had a positive impact of 1 percent on net sales for the full year 2015.

Operating income

Operating income for the third four-month period was MSEK 372 (276) and adjusted for items affecting comparability MSEK 372 (355).

Operating income for the full year was MSEK 1,351 (1,453) and adjusted for items affecting comparability MSEK 1,351 (851). Items affecting comparability consist of a capital gain of MSEK 110 on the divestment of Lantmännen Doggy, restructuring costs of MSEK -45 in the Agriculture Sector and costs of MSEK -65 associated with the integration of Lantmännen and Vaasan's operations. Total items affecting comparability amounted to MSEK 0 (602). The previous year's items affecting comparability consisted of capital gains on the Scandi Standard IPO and the sale of Lantmännen's German and Polish plant breeding and seed operations and restructuring costs in the Agriculture and Food Sectors. Operating income improved in all Sectors, with the largest increase in the Agriculture and Energy Sectors.

Operating income adjusted for acquired and divested operations and non-recurring items was MSEK 1,292 (877) for the full year.

Currency effects had an impact of MSEK -5 on operating income for the four-month period and MSEK 3 on operating income for the full year.

Net financial income and income after financial items

Net financial income for the third four-month period was MSEK -34 (-52)

Income after financial items for the four-month period was MSEK 338 (224) and adjusted for items affecting comparability MSEK 338 (303).

Net financial income for the full year 2015 amounted to MSEK -105 (-111). Net financial income for the year has been affected by both negative and positive factors. Net debt has increased with the acquisition of Vaasan, while market interest rates have fallen. In addition, a change to the loan structure has meant that loans with higher interest rates have been replaced by loans with lower rates. Net financial income has also benefited from higher dividends and improved foreign exchange gains/losses.

Income after financial items for the full year was MSEK 1,246 (1,342) and adjusted for items affecting comparability MSEK 1,246 (740).

Tax and income after tax

Tax expense for the year was MSEK 156 (117). Lantmännen's tax expense was affected by a non-taxable capital gain and the fact that dividends, including refunds and final price adjustments, from Lantmännen ek för are tax deductible.

The Group's income after tax amounted to MSEK 1,090 (1,225), with MSEK 1,088 (1,217) of this figure attributable to members of the economic association and MSEK 2 (8) to non-controlling interests (minority ownership) in the Group's subsidiaries.

Cash flow

Cash flow from operating activities for the year was MSEK 2,167 (1,767). The cash operating surplus contributed

MSEK 2,159 (1,362) to the figure, while cash flow from working capital contributed MSEK 8 (405).

Investments in non-current assets were MSEK –1,256 (–1,087), while sales of non-current assets amounted to MSEK 445 (390), which meant that net investments for the year were MSEK –811 (–697).

Acquisitions and divestments of operations generated a cash flow of MSEK –4,154 (1,065). Cash flow was affected by the acquisition of Vaasan and the divestment of Doggy. The Vaasan acquisition was mainly financed with own funds.

Cash flow before financing activities was MSEK –2,674 (2,077), while total cash flow including financing activities for the year was MSEK –1,775 (778).

Financial position

Equity at December 31 amounted to MSEK 12,681 (11,876), MSEK 21 (17) of which is attributable to owners other than members of the economic association, i.e. the minority interest in Group companies.

Net debt increased by MSEK 2,802 and was MSEK 6,476 (3,674) at December 31. The increase is primarily attributable to the Vaasan acquisition. During the four-month period, Lantmännen issued MTNs (medium term notes) of MSEK 1,250.

Cash & cash equivalents were MSEK 1,252 (3,058) at December 31.

Total assets amounted to MSEK 30,081 (27,131). The equity ratio was 42.2 (43.8) percent.

Risks and uncertainties

All business activity is subject to risk. The risks in Lantmännen's operations are strategic risks associated with trademarks, external regulations, the economy, operational risks (e.g., fluctuating energy, ethanol and commodity prices) and financial risks. The risks are described in detail in Lantmännen's Annual Report.

The main uncertainty concerning Lantmännen's operations and earnings still relates to the profitability of Lantmännen Agroetanol, which is highly dependent on ethanol price trends and the price of grain. If the liter price of ethanol changes by SEK 1, at full capacity utilization, annual earnings will be affected by just over MSEK 200 at constant prices for inputs and feed. It is estimated that a change of SEK 0.50 per kilo change in the price of grain will affect annual earnings by approximately MSEK 200, provided the price of feed correlates with the price of grain.

Changes in the Group

The Vaasan bakery group was acquired in June. The acquisition was announced at the beginning of the year and the relevant competition authorities approved the transaction in spring. With the acquisition, an important step has been taken to strengthen Lantmännen in the grain supply chain and consolidate Lantmännen Unibake's position in the Baltic region. Vaasan is the world's largest producer of thin crisp products and the world's second largest crispbread producer. The company is also a major bake-off player in the Nordic region and has a significant presence in the fresh bread segment. Vaasan had a turnover of about EUR 400 million (approximately SEK 4 billion)

at the time of the acquisition and about 2,700 employees in Finland, Estonia, Latvia, Lithuania, Sweden and Norway. Vaasan is part of the Food Sector.

Lantmännen Doggy was divested in July. The sale, which was part of Lantmännen's portfolio strategy for value creation, generated a capital gain of MSEK 110. The divested operation's annual turnover had been approximately MSEK 560, with total assets of MSEK 200. The average annual number of employees was 160. In connection with the divestment of Doggy, the industrial properties in Vårgårda where the operation is conducted were also sold.

In May, Lantmännen acquired Crop Tailor, a Swedish biotech company which has developed technology for fast, high-precision breeding of oats. The acquisition was part of Lantmännen's strategic focus on oats. The company is in the development stage and has limited operations.

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

Human resources

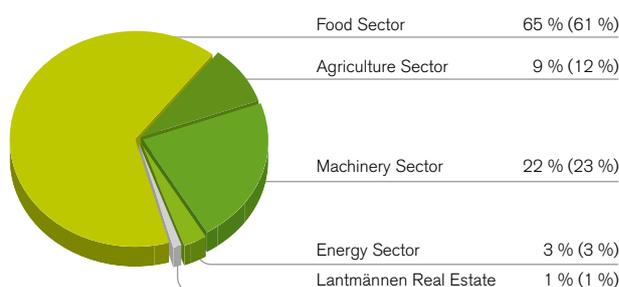
The average number of employees during the year was 8,911 (8,311), while the number of full-time employees at December 31 was 9,706 (8,085). The number of employees increased with the acquisition of Vaasan, although the number decreased following the divestment of operations and as a result of efficiency measures in the Agriculture and Food Sectors.

Other significant events in the third four-month period

In October, Lantmännen and AGCO, a global leader in agricultural equipment, signed a new long-term cooperation agreement that involves changes to Lantmännen Maskin's operations in Sweden, Norway and Denmark. In Sweden, Lantmännen Maskin will take over the Massey Ferguson imports, with the nationwide distribution network of private dealers remaining in place. Under the agreement, Lantmännen Maskin will be marketing Fendt's entire product program. The current contract with Claas will not be extended when it expires, which is 2016 for Norway and 2018 for Sweden and Denmark.

Lantmännen Maskin and KUHN, a leading global manufacturer of agricultural equipment, have signed a distribution agreement whereby Lantmännen Maskin becomes the general agent, importer and distributor for KUHN's range of equipment in Sweden.

Distribution of Group's employees



Lantmännen Maskin has received a major order from the Swedish armed forces covering 38 Valtra N Series tractors.

An agreement has been signed with the property company Besqab on the transfer of industrial properties in Uppsala where Lantmännen Lantbruk and Lantmännen Cerealia currently operate. The transaction will be completed in March 2016, but some of Lantmännen's operations in the properties will continue for another few years. The transaction also means that Lantmännen acquires two properties that are residential care homes in Lidingö and Norrtälje.

Lantmännen ek för has established a medium term note program to broaden the Group's financing. Lantmännen has a facility to borrow a total of SEK 3 billion under the program. The first issue of MSEK 1,250 was conducted on November 30, 2015. The issued bonds are listed on Nasdaq OMX Stockholm.

In December 2015, the EU's competition authority announced that they will continue their investigation of a number of ethanol producers for suspected violations of EU competition laws. Lantmännen Agroetanol is one of three manufacturers concerned by the investigation. Lantmännen is cooperating fully with the authorities in the investigation.

Events after the end of the reporting period

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

Lantmännen Maskin acquired Kalmar Lantmän's machinery business on January 1. Stocks and inventories were taken over and all 40 or so employees in Kalmar Lantmän's machinery operations were offered employment in Lantmännen Maskin. The business has a turnover of approximately

MSEK 160. Lantmännen Lantbruk is also increasing its presence in the Kalmar region, and Lantmännen's owner organization has been strengthened by the recruitment of a member services officer for the region.

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

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

Lantmännen's partly-owned company HaGe Kiel in Germany has acquired all of the remaining shares in Roth Agrarhandel GmbH, making it the sole shareholder of the company. The acquisition gives HaGe Kiel further scope for increasing efficiency in its operations and for its customers. Roth Agrarhandel GmbH is one of Germany's leading private agricultural companies in the areas of inputs and grain. The company had a turnover of EUR 427.5 million in 2014. The acquisition requires approval from the European competition authorities.



Farmers at Rödåbergets Gärd

Agriculture Sector

Key figures Agriculture Sector

	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec	Change Jan-Dec
Net sales, MSEK	3,925	3,343	10,907	10,337	6 %
Operating income, MSEK	111	67	192	6	186
Operating margin, %	2.8	2.0	1.8	0.1	
Return on operating capital, %	7.3	4.5	4.6	0.1	
Operating income, adjusted for items affecting comparability, MSEK	111	67	237	56	181
Operating margin, adjusted for items affecting comparability, %	2.8	2.0	2.2	0.5	
Return on operating capital, adjusted for items affecting comparability, %	7.3	4.5	5.7	1.4	
Average number of employees			818	962	-15 %

Key figures Lantmännen Lantbruk Sweden

	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec	Change Jan-Dec
Net sales, MSEK	3,887	3,322	10,798	10,097	7 %
Operating income, MSEK	42	-1	96	-42	138
Operating margin, %	1.1	0.0	0.9	-0.4	
Return on operating capital, %	3.8	-0.2	3.2	-1.5	
Operating income, adjusted for items affecting comparability, MSEK	42	-1	141	8	133
Operating margin, adjusted for items affecting comparability, %	1.1	0.0	1.3	0.1	
Return on operating capital, adjusted for items affecting comparability, %	3.8	-0.2	4.7	0.3	
Average number of employees			789	878	-10 %

The Agriculture Sector's net sales for 2015 were somewhat higher than in the previous year, and operating income adjusted for items affecting comparability was considerably higher at MSEK 237 (56). The strong improvement is mainly due to continued efficiency measures and cost savings that were implemented during the year, together with extensive efforts to strengthen Lantmännen's position and customer proximity in the market. Production costs continued to decline in 2015. The year's large harvest has also contributed to some extent, through increased volumes mainly in the grain business.

The 2015 Swedish harvest was the largest in a very long time: a total of 2.7 million tonnes were delivered to Lantmännen's grain receiving facilities, which is almost 500,000 tonnes more than the previous year. Lantmännen's harvesting has progressed well, with generally satisfied customers and suppliers, which shows that Lantmännen has the capacity to handle even very large grain volumes efficiently.

The seed and forages area shows stable development, and sales of seed for next year began during the last four-month period of the year with good results. The feed business has also developed positively during the year, particularly due to the successful launch of a new Nötfor range, which was well received. The new range provides higher feed efficiency, which contributes to better conditions for profitable milk production. The merchandise business has shown a stable trend, with good fertilizer sales during the third four months.

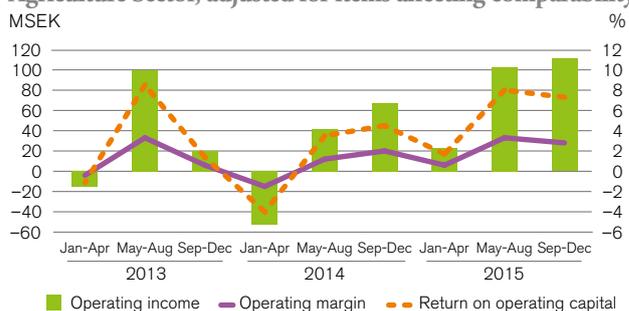
Scandagra Group, the Sector's partly-owned holding in the Baltic region, developed very positively, with increased market shares and new customers.

The earnings trend for HaGe Kiel, Lantmännen's partly-owned company in Germany, was weaker than expected. Several initiatives are being implemented to increase efficiency and reduce the company's costs, and new management took over in fall 2015.

The process of implementing Lantmännen's long-term strategy – Strategy 2020 – in the Agriculture Sector is continuing as planned. A particularly strong focus is being placed on contributing to value creation in Swedish agriculture. Important areas include continued measures to further strengthen customer proximity in the sales organization and simplification of the entire business process for Lantmännen's customers in all business areas.

Lantmännen will offer the owners better opportunities to take advantage of the scope that digitalization gives for using new technology to strengthen the competitiveness and profitability of their farms.

Agriculture Sector, adjusted for items affecting comparability



Machinery Sector

Key figures Machinery Sector

	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec	Change Jan-Dec
Net sales, MSEK	3,475	3,432	10,323	9,484	9 %
Operating income, MSEK	133	93	255	181	74
Operating margin, %	3.8	2.7	2.5	1.9	
Return on operating capital, %	23.2	13.6	14.0	8.6	
Average number of employees			1,869	1,836	2 %

Key figures Lantmännen Maskin Sweden

Net sales, MSEK	1,010	929	3,137	2,955	6 %
Operating income, MSEK	-6	-29	-10	-38	28
Operating margin, %	-0.6	-3.1	-0.3	-1.3	
Return on operating capital, %	-2.1	-10.3	-1.2	-4.6	
Average number of employees			749	729	3 %

The Machinery Sector's net sales for 2015 were higher than in the previous year. Operating income amounted to MSEK 255, which is a considerable improvement from MSEK 181 in 2014.

The tractor market in the Nordic region continues to decline. Total tractor sales in Sweden in 2015 fell by 6 percent compared with the previous year, and the overall market has declined by about 30 percent over the last three years. In Denmark, the 2015 market showed a 5 percent decline from the previous year, while in Norway, the market declined by about 2 percent.

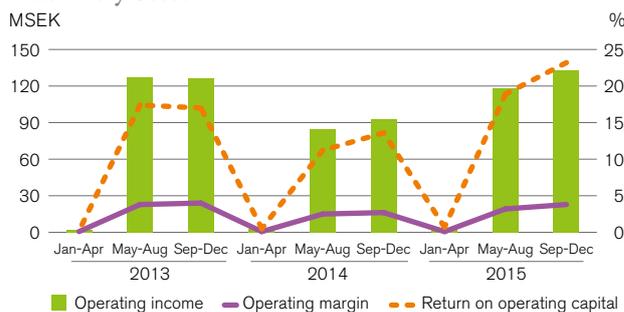
To counteract the effects of the market decline, all businesses have been conducting extensive measures to increase efficiency and strengthen availability to customers, and this has been a major contributing factor to the improved financial results. Lantmännen maintains its leading position in the shrinking Swedish market and Valtra was back as market leader in 2015 with a market share of approximately 24 percent. In the second four-month period, cooperation began with a number of independent workshops in Sweden, which now offer spare parts from Lantmännen for all manufacturers' models, and this has been well received. During the third four-month period, an enhanced cooperation agreement was signed with the machinery manufacturer AGCO in Scandinavia. Under the agreement, Lantmännen takes over responsibility for imports of Massey Ferguson's entire product range, with the nationwide distribution network of private dealers remaining in place. In addition to Massey Ferguson and Valtra, Lantmännen will also be able to offer customers the entire Fendt product range. The current contract with Claas will not be extended when it expires, which is 2016 for Norway and 2018 for Sweden and Denmark. During the third four-month period, Lantmännen also signed an agreement to take over Kalmar Lantmän's machinery operations with effect from January 1, 2016.

In December, Lantmännen Maskin received a major order from the Swedish armed forces, which includes 38 Valtra N Series tractors.

Swecon continues to develop positively, particularly in Sweden, where the construction machinery market has recovered more quickly than expected. This is partly because customers have been waiting for the launch of new machine models, but it is also due to several newly-started infrastructure and construction projects, mainly in metropolitan areas. Swecon's used spare parts business in Sweden, which began in the second four-month period, has been successful so far. Reusing used spare parts helps to reduce parts costs for owners of older machines and is positive from a sustainability perspective. The German market remains stable, although competition has continued to intensify. Swecon's Baltic operations continue to develop according to plan.

The cooperation between Agro Oil's lubricant operations and Lantmännen Maskin and Swecon was increased during the year, with a view to improving coordination of sales activities and increasing proximity to customers.

Machinery Sector





Lantmännen Aspen

Energy Sector

Key figures Energy Sector¹⁾

	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec	Change Jan-Dec
Net sales, MSEK	963	752	2,874	2,985	-4 %
Operating income, MSEK	79	38	218	61	157
Operating margin, %	8.2	5.1	7.6	2.0	
Return on operating capital, %	21.3	10.3	19.2	5.2	
Average number of employees			228	270	-15 %

¹⁾ Lantmännen's heating operations were part of the Energy Sector in 2014, but are included in Lantmännen Real Estate from 2015. The figures for 2014 have been adjusted.

The Energy Sector's net sales for 2015 were similar to the previous year. Operating income amounted to MSEK 218, which is a strong improvement from MSEK 61 for the previous year. The higher operating income is mainly attributable to strong growth in earnings for Lantmännen Agroetanol. Lantmännen Aspen and Lantmännen Reppe also performed positively.

Lantmännen Agroetanol continuously improved its earnings during the year. The new German policy instruments for biofuels, which were introduced earlier this year and reward environmental performance rather than volumes, have been a major contributory factor. An increased proportion of produced ethanol is now being sold in the German market, where demand for Agroetanol's sustainable ethanol has continued to rise. Intensive work has also been implemented to reduce costs, use alternative raw materials and utilize by-products from ethanol production. Sales of Agro Cleanpower 95, an ethanol fuel for buses and trucks, increased during the year.

Lantmännen Reppe was quickly back in full production after the explosion that occurred at one of the company's facilities in May, and the facility is producing at full capacity again. The focus on more high value-added products has continued as planned, with good results, and sales of starch to the paper industry began during the year.

Lantmännen Aspen continues to deliver good results and has shown growth in sales from the previous year, mainly through successful customer development and growth initiatives in several markets. Sweden, the Netherlands, Norway and Denmark are among the markets that have shown the strongest growth during the year.

Energy Sector, adjusted for items affecting comparability





GoGreen Black Bean Burgers

Food Sector

Key figures Food Sector

	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec	Change Jan-Dec
Net sales, MSEK	4,722	3,895	13,073	11,180	17 %
Operating income, MSEK	178	78	692	442	250
Operating margin, %	3.8	2.0	5.3	4.0	
Return on operating capital, %	4.5	3.0	6.7	5.7	
Operating income, adjusted for items affecting comparability, MSEK	219	157	733	521	212
Operating margin, adjusted for items affecting comparability, %	4.6	4.0	5.6	4.7	
Return on operating capital, adjusted for items affecting comparability, %	5.5	6.0	7.1	6.7	
Average number of employees			5,687	4,911	16 %

The Food Sector's net sales for 2015 were considerably higher than in the previous year. This is largely due to the acquisition of the Vaasan bakery group, which has been part of the Sector since June 2015. The Sector's operating income adjusted for items affecting comparability was also significantly higher than in the previous year at MSEK 733 (521). The increase is largely attributable to continuing improvements in earnings for Lantmännen Unibake and the additional income from Vaasan.

The Sector's composition has changed considerably during 2015. This is partly due to the Vaasan acquisition in June and partly due to the divestment of Lantmännen Doggy, which was also conducted during summer. The integration of the operations into Lantmännen Cerealia and Lantmännen Unibake has proceeded very well.

Lantmännen Cerealia is showing stable development and a number of initiatives for the future were started during the year. These include investments in Strängnäs Valskvarn and the pancake business in Laholm. A strong focus was also placed on innovative customer offerings and product development, resulting in several new product launches. Examples include the "Go Raw" food concept and nut-based smoothies from GoGreen, Swedish-grown beans and Kungörsören's new wheat flour that reduces the carbon footprint throughout the chain from field to fork by up to 20 percent. In the third four month-period, Lantmännen was also granted an import permit for processed oat products by the Chinese authorities, which represents an opportunity for further growth in a new market for Cerealia.

Lantmännen Unibake has further strengthened its earnings during the year, mainly in the international operations. Continuous improvements have been made in the operations during the year, largely through increased production efficiency and lower purchase costs. The higher earnings are also due to the majority of the growth being in more high value-added categories and countries with higher margins.

In October, the first ground was broken for a new, modern bakery in Nowa Sól in Poland, which will include three high-efficiency production lines. In June, a fire broke out at Unibake's production facility in Londerzeel in Belgium, totally destroying the bakery. Despite the fire, Unibake was able to maintain deliveries to customers, and the plant was insured for property damage and production interruption costs. A new, ultra-modern bakery will be rebuilt in 2016.

Food Sector, adjusted for items affecting comparability





Lantmännen Real Estate

Key figures Lantmännen Real Estate¹⁾

	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec	Change Jan-Dec
Net sales, MSEK	155	168	454	470	-3 %
Operating income excluding property sales, MSEK	67	60	187	168	19
Operating income, MSEK	69	115	314	223	91
Return on operating capital, excluding property sales, %	12.9	12.3	12.0	11.7	
Average number of employees			39	43	-10 %

¹⁾ Lantmännen's heating operations were part of the Energy Sector in 2014, but are included in Lantmännen Real Estate from 2015. The figures for 2014 have been adjusted.

Lantmännen Real Estate's net sales for 2015 were in line with the previous year. Operating income excluding property sales was MSEK 187 (168). The higher income is partly due to an increase in the proportion of external leasing compared with the previous year and partly due to improved results for the heating operations compared with the previous year.

A number of property transactions were conducted during the year. In connection with the divestment of Doggy, the industrial properties in Vårgårda where Doggy's operations are conducted were sold and a food retail property in Avesta was acquired. In addition, a property company with an industrial building in Valla was sold.

Earlier in the year, a new sustainable energy installation was opened at Lantmännen Maskin in Uppsala, which uses solar energy to provide electricity to the premises.

Lantmännen Real Estate's heating operations showed positive development, and continue to focus on attracting new subscribers.

Lantmännen Real Estate, excluding property sales





Lantmännen's international ownership

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

HaGe Kiel holding 40 %

Hauptgenossenschaft Nord AG (HaGe Kiel) has an annual turnover of approximately EUR 2.7 billion and about 1,700 employees. Lantmännen's owns 40 percent of HaGe Kiel, while DLG (Dansk Landbrugs Grovvarselsskab) owns 54 percent. Operations include grain trading and the sale of farm inputs and the business is part of the Agriculture Sector. HaGe Kiel has well developed logistics chains and port terminals located in Hamburg, Kiel, Rostock which supply the market with grain and oilseeds, both locally and internationally. HaGe Kiel has feed factories that produce high quality feed. It also trades in agricultural goods, machinery, sells leisure, garden products and markets products in organic farming.

Scandagra Group holding 50 %

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

Scandagra Polska holding 50 %

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

Agroenergi Neova Pellets holding 50 %

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

Viking Malt holding 38 %

Viking Malt produces malt in Finland, Sweden and Lithuania. The company has an annual turnover of approximately EUR 140 million and about 140 employees. Viking Malt is an advanced refiner of grain, supplying 360,000 tonnes of malt and services annually to breweries, and distilleries in northern Europe and to selected users across the world. Lantmännen owns 38 percent of the company, with the remainder being owned by the Finnish company Polttimo. Viking Malt is part of the Food Sector. In January, Viking Malt signed an agreement to acquire Danish Malting Group (DMG) from Carlsberg. DMG has one malting plant in Denmark and two in Poland, a turnover of DKK 700 million and 88 employees. The acquisition strengthens Viking Malt's position as the leading malting player in northern Europe.

Condensed consolidated income statement

MSEK	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec
Net sales	12,491	10,977	35,660	32,666
Other operating income	158	186	796	1,187
Changes in inventories of finished goods and work in progress	-203	-19	57	-15
Capitalized work for own account	0	1	0	2
Raw materials and consumables	-3,798	-4,138	-11,384	-12,312
Goods for resale	-3,838	-2,844	-11,508	-8,894
Employee benefits expense	-1,792	-1,577	-5,169	-4,741
Other operating expenses	-2,286	-1,933	-5,982	-5,439
Share of income of associates	54	52	103	102
Depreciation, amortization and impairment	-414	-429	-1,222	-1,103
Operating income	372	276	1,351	1,453
Finance income	28	12	106	118
Finance costs	-62	-64	-211	-229
Income after financial items	338	224	1,246	1,342
Tax	-29	-85	-156	-117
Net income for the period after tax	309	139	1,090	1,225
Net income for the period attributable to:				
Members of the economic association	309	140	1,088	1,217
Non-controlling interests	0	-1	2	8

Condensed consolidated statement of comprehensive income

MSEK	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec
Net income for the period after tax	309	139	1,090	1,225
Other comprehensive income				
<i>Items that will not be reclassified to the income statement</i>				
Actuarial gains and losses on defined benefit pension plans, net of tax	372	-176	211	-313
Tax on actuarial gains and losses	-81	40	-46	70
Total	291	-136	165	-243
<i>Items that will be reclassified to the income statement</i>				
Available-for-sale financial assets, net of tax	19	-20	13	24
Cash flow hedges, net of tax	-56	-94	62	7
Exchange differences on translation of foreign operations	-158	66	-189	182
Net gain on hedge of net investment in foreign operations, net of tax	28	-88	56	-174
Tax attributable to items that will be reclassified	-3	40	-34	37
Total	-170	-96	-92	76
<i>Share of OCI in companies accounted for using the equity method</i>				
Items that will be reclassified to profit or loss	-32	16	-12	27
Total	-32	16	-12	27
Other comprehensive income for the period, net of tax	89	-216	61	-140
Total comprehensive income for the period	398	-77	1,151	1,085
Total comprehensive income for the period attributable to:				
Members of the economic association	398	-76	1,149	1,077
Non-controlling interests	0	-1	2	8

Condensed consolidated four-monthly income statements

MSEK	2015 Sep-Dec	2015 May-Aug	2015 Jan-Apr	2014 Sep-Dec	2014 May-Aug	2014 Jan-Apr
Net sales	12,491	12,105	11,064	10,977	11,184	10,505
Other operating income	158	448	190	186	884	117
Changes in inventories of finished goods and work in progress	-203	751	-491	-19	228	-224
Capitalized work for own account	0	0	0	1	0	1
Raw materials and consumables	-3,798	-4,194	-3,392	-4,138	-4,432	-3,742
Goods for resale	-3,838	-4,226	-3,444	-2,844	-3,141	-2,909
Employee benefits expense	-1,792	-1,802	-1,575	-1,577	-1,589	-1,575
Other operating expenses	-2,286	-1,938	-1,758	-1,933	-1,730	-1,776
Share of income of associates	54	21	28	52	35	15
Depreciation, amortization and impairment	-414	-477	-331	-429	-332	-342
Operating income	372	688	291	276	1,107	70
Finance income	28	46	32	12	49	57
Finance costs	-62	-64	-85	-64	-76	-89
Income after financial items	338	670	238	224	1,080	38
Tax	-29	-108	-19	-85	-49	17
Net income for the period after tax	309	562	219	139	1,031	55
Net income for the period attributable to:						
Members of the economic association	309	562	217	140	1,023	54
Non-controlling interests	0	0	2	-1	8	1

The Group's items affecting comparability

MSEK	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec
Recognized operating income	372	276	1,351	1,453
<i>Items affecting comparability in operating income:</i>				
Capital gains on sale of operations	-	-	110	731
Restructuring costs, Agriculture Sector	-	-	-45	-50
Restructuring costs, Food Sector	-	-79	-	-79
Restructuring costs, Vaasan acquisition ¹⁾	-	-	-65	-
<i>Total items affecting comparability in operating income</i>	<i>-</i>	<i>-79</i>	<i>-</i>	<i>602</i>
Operating income, adjusted for items affecting comparability	372	355	1,351	851
Recognized income after financial items	338	224	1,246	1,342
Items affecting comparability in operating income according to above	-	-79	-	602
Income after financial items adjusted for items affecting comparability	338	303	1,246	740
Return on equity, adjusted for items affecting comparability, %	7.3	5.0	8.7	5.1
Return on operating capital, adjusted for items affecting comparability, %	5.5	6.6	7.5	5.3

¹⁾ MSEK 41 of which is reported in the Food Sector

Condensed consolidated statement of financial position

MSEK	2015 Dec 31	2014 Dec 31
ASSETS		
Property, plant and equipment	7,113	6,612
Investment properties	586	566
Goodwill	4,424	2,915
Other intangible assets	2,782	752
Investments in associates	1,690	1,512
Non-current financial assets	711	918
Non-current financial assets	371	322
Other non-current assets	8	10
Total non-current assets	17,685	13,607
Inventories	5,545	5,379
Trade and other receivables	5,407	4,723
Current interest-bearing assets	174	345
Current tax assets	18	19
Cash and cash equivalents	1,252	3,058
Total current assets	12,396	13,524
TOTAL ASSETS	30,081	27,131
EQUITY AND LIABILITIES		
Equity attributable to members of the economic association	12,660	11,859
Non-controlling interests	21	17
Total equity	12,681	11,876
Non-current interest-bearing liabilities ¹⁾	4,897	2,600
Provisions for pensions	360	517
Deferred tax liabilities	612	200
Other non-current provisions	227	227
Other non-current liabilities	39	54
Total non-current liabilities	6,135	3,598
Current interest-bearing liabilities	3,230	4,601
Trade and other payables	7,608	6,573
Current tax liabilities	73	59
Current provisions	354	424
Total current liabilities	11,265	11,657
TOTAL EQUITY AND LIABILITIES	30,081	27,131
Equity ratio	42.2	43.8
¹⁾ Including subordinated debentures, MSEK	250	-

Condensed consolidated statement of cash flows

MSEK	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec
Income after financial items	338	224	1,246	1,342
Adjustment for non-cash items ¹⁾	447	249	1,012	97
Taxes paid	-34	-33	-99	-77
Cash flow from operating activities before change in working capital	751	440	2,159	1,362
Change in working capital	60	492	8	405
Cash flow from operating activities	811	932	2,167	1,767
Acquisitions and divestments including capital contributions	-70	98	-4,154	1,065
Investments in non-current assets	-412	-380	-1,256	-1,087
Sale of non-current assets	63	222	445	390
Change in financial investments	-29	347	124	-58
Cash flow from investing activities	-448	287	-4,841	310
Cash flow before financing activities	363	1,219	-2,674	2,077
Change in contributed capital	2	3	19	75
Dividend paid	-4	0	-314	-305
Change in loans	-1,004	-427	1,194	-1,069
Cash flow from financing activities	-1,006	-424	899	-1,299
Cash flow for the period	-643	795	-1,775	778
Cash and cash equivalents at beginning of period	2,018	2,282	3,058	2,295
Exchange differences	-123	-19	-31	-15
Cash and cash equivalents at the end of the period	1,252	3,058	1,252	3,058
¹⁾ Depreciation and impairment of non-current assets	414	429	1,222	1,103
Less share of income in associates	-54	-50	-86	-86
Capital gains on sale of non-current assets and operations	100	-78	-190	-801
Other non-cash items	-13	-52	66	-119
Total adjustment for non-cash items	447	249	1,012	97

Condensed consolidated statement of changes in equity

MSEK	2015 Jan-Dec			2014 Jan-Dec		
	Association members	Non- controlling interests	Total equity	Association members	Non- controlling interests	Total equity
Opening balance, January 1	11,859	17	11,876	11,016	28	11,044
Total comprehensive income for the period	1,149	2	1,151	1,077	8	1,085
Distribution to owners	-367		-367	-308	-3	-311
Contributed capital paid in by members	123		123	138		138
Contributed capital paid out to members	-104		-104	-64		-64
Other changes relating to non-controlling interests		2	2		-16	-16
Closing balance	12,660	21	12,681	11,859	17	11,876
Equity attributable to members of the economic association						
Contributed capital, paid in	986			931		
Contributed capital, issued	1,160			1,046		
Other equity	10,514			9,882		
Total equity attributable to members of the economic association	12,660			11,859		

Segment information, adjusted for items affecting comparability

(Comparative figures for 2014 for the Energy Sector and Lantmännen Real Estate have been adjusted to reflect the inclusion of heating operations in Lantmännen Real Estate from 2015.)

Net sales per segment

MSEK	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec	Change %
Agriculture Sector	3,925	3,343	10,907	10,337	6 %
Machinery Sector	3,475	3,432	10,323	9,484	9 %
Energy Sector	963	752	2,874	2,985	-4 %
Food Sector	4,722	3,895	13,073	11,180	17 %
Lantmännen Real Estate	155	168	454	470	-3 %
Other operations	146	173	438	508	-14 %
Eliminations	-895	-786	-2,409	-2,298	5 %
Lantmännen total	12,491	10,977	35,660	32,666	9 %

Operating income per segment, adjusted for items affecting comparability

MSEK	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec
Agriculture Sector	111	67	237	56
Machinery Sector	133	93	255	181
Energy Sector	79	38	218	61
Food Sector	219	157	733	521
Lantmännen Real Estate ¹⁾	69	115	314	223
Other operations	-87	-104	-214	-220
Group items	-152	-11	-192	29
Lantmännen total	372	355	1,351	851
¹⁾ Including capital gain on sale of property	2	56	127	56

Operating margin per segment, adjusted for items affecting comparability

%	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec
Agriculture Sector	2.8	2.0	2.2	0.5
Machinery Sector	3.8	2.7	2.5	1.9
Energy Sector	8.2	5.1	7.6	2.0
Food Sector	4.6	4.0	5.6	4.7
Lantmännen total	3.0	3.2	3.8	2.6

Return on operating capital adjusted for items affecting comparability

%	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec
Division Lantbruk	7.3	4.5	5.7	1.4
Machinery Sector	23.2	13.6	14.0	8.6
Energy Sector	21.3	10.3	19.2	5.2
Food Sector	5.5	6.0	7.1	6.7
Lantmännen Real Estate ¹⁾	12.9	12.3	12.0	11.7
Lantmännen total	5.5	6.6	7.5	5.3

¹⁾ Adjusted for gain on sale of property.

Segment information

(Comparative figures for 2014 for the Energy Sector and Lantmännen Real Estate have been adjusted to reflect the inclusion of heating operations in Lantmännen Real Estate from 2015.)

Net sales per segment

MSEK	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec	Change %
Agriculture Sector	3,925	3,343	10,907	10,337	6 %
Machinery Sector	3,475	3,432	10,323	9,484	9 %
Energy Sector	963	752	2,874	2,985	-4 %
Food Sector	4,722	3,895	13,073	11,180	17 %
Lantmännen Real Estate	155	168	454	470	-3 %
Other operations	146	173	438	508	-14 %
Eliminations	-895	-786	-2,409	-2,298	5 %
Lantmännen total	12,491	10,977	35,660	32,666	9 %

Operating income per segment

MSEK	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec
Agriculture Sector	111	67	192	6
Machinery Sector	133	93	255	181
Energy Sector	79	38	218	61
Food Sector	178	78	692	442
Lantmännen Real Estate ¹⁾	69	115	314	223
Other operations	-87	-104	-214	-220
Group items	-111	-11	-106	760
Lantmännen total	372	276	1,351	1,453
¹⁾ Including capital gain on sale of property	2	56	127	56

Operating margin per segment

%	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec
Agriculture Sector	2.8	2.0	1.8	0.1
Machinery Sector	3.8	2.7	2.5	1.9
Energy Sector	8.2	5.1	7.6	2.0
Food Sector	3.8	2.0	5.3	4.0
Lantmännen total	3.0	2.5	3.8	4.4

Return on operating capital

%	2015 Sep-Dec	2014 Sep-Dec	2015 Jan-Dec	2014 Jan-Dec
Agriculture Sector	7.3	4.5	4.6	0.1
Machinery Sector	23.2	13.6	14.0	8.6
Energy Sector	21.3	10.3	19.2	5.2
Food Sector	4.5	3.0	6.7	5.7
Lantmännen Real Estate ¹⁾	12.9	12.3	12.0	11.7
Lantmännen total	5.5	5.1	7.5	9.1

¹⁾ Adjusted for gain on sale of property.

Parent Company

Parent Company

The activities of the Parent Company Lantmännen ek för consist of Lantmännen's core operations in the Agriculture Sector, Agro Oil and the corporate functions.

The Parent Company's net sales amounted to MSEK 11,267 (10,602), while operating income was MSEK -97 (-180). Income from financial items was MSEK 941 (-140), resulting in income after financial items of MSEK 844 (-320).

Net financial income for the year includes a dividend of MSEK 917 (20), the majority of which is from Lantmännen Kycklinginvest AB and Lantmännen SW Seed AB. Net financial income was also affected by exchange gains/losses of MSEK 53 (-196), MSEK 16 of which relates to a realized exchange gain on the acquisition of Vaasan. Other currency changes were a result of the stronger Swedish krona.

Investments in non-current assets amounted to MSEK 415 (164). The increase from 2014 was due to internal acquisitions of intangible assets.

New subordinated debentures of MSEK 250 were issued in January 2015. The debentures have a term of 5 years and mature on December 30, 2019. Previously issued subordinated debentures of MSEK 56 matured on December 30, 2014.

The equity ratio at the end of the year was 44.1 (43.5) percent.

The average number of employees in the Parent Company was 1,049 (1,161).

Dividend

The Board has decided to pay a 2.0 (1.5) percent refund on members' purchases of inputs from Lantmännen Lantbruk Sweden and a 0.5 (0.5) percent refund on their purchases from the Machinery Sector's Swedish operations. The Board has also decided that a final price adjustment of 2.0 (1.5) percent will be paid for delivered grain, oilseed and grass seed. The total refund and final price adjustment is estimated at MSEK 189 (135).

The Board proposes that the AGM adopt a contribution dividend of 9 (9) percent, totaling MSEK 193 (178), on paid-in and issued contributions to direct members, organization members and local associations.

The Board proposes that the Annual General Meeting adopt a contribution issue of MSEK 50 (150). The issue capital will be distributed as follows: 75 percent based on the members' paid-in and issued contributed capital and 25 percent on the members' contribution-based turnover with the association in 2015.

In total, the proposed contribution dividend and contribution issue amount to 11 (17) percent of the association's contributed capital.

The total dividend to the owners is therefore expected to be MSEK 432 (463).

Dividend

MSEK	2015	2014
Refund and final price adjustment	189	135
Contribution dividend	193	178
Contribution issue	50	150
Total	432	463

The Board also proposes that the AGM adopt a 6.5 (9) percent dividend on subordinated debentures, a total of MSEK 16 (5), in accordance with the conditions in the subordinated debenture offer.

Due to the fact that there is trading in contribution issues, the Board has decided that the date on which the holding gives entitlement to a dividend (contribution dividend and contribution issue) will be the date of the Annual General Meeting, which is May 12, 2016.

Lantmännen's Annual General Meeting

The Annual General Meeting will be held at the Hilton Stockholm Slussen Hotel, Guldgränd 8, Stockholm, on Thursday May 12, 2016.

Parent Company condensed income statement

MSEK	2015 Jan-Dec	2014 Jan-Dec
Net sales, external	9,209	8,765
Net sales, intra-Group	2,058	1,837
Net sales, total	11,267	10,602
Change in products in progress, finished goods and work in progress for third parties	165	-86
Capitalized work for own account	0	1
Other operating income	198	251
	11,630	10,768
Operating expenses		
Raw materials and consumables	-7,518	-6,667
Goods for resale	-1,742	-1,676
Other external costs	-1,511	-1,582
Employee benefits expense	-803	-872
Depreciation, amortization and impairment	-153	-151
Total operating expenses	-11,727	-10,948
Operating income	-97	-180
Income from financial items	941	-140
Income after financial items	844	-320
Refund and final price adjustment	-189	-137
Group contributions	862	326
Tax	-122	31
Net income for the period	1,395	-100

Parent Company condensed statement of financial position

MSEK	2015 Dec 31	2014 Dec 31
ASSETS		
Intangible assets	478	185
Property, plant and equipment	863	917
Investments in Group companies	7,561	6,843
Investments in associates	1,183	1,063
Non-current receivables from Group companies	667	1,066
Other securities held as non-current assets	113	290
Other non-current receivables	179	301
Total non-current assets	11,044	10,665
Inventories	2,270	2,252
Current receivables from Group companies	12,349	8,068
Other current receivables	2,077	1,971
Short-term investments, incl. cash and bank balances	243	1,954
Total current assets	16,939	14,245
TOTAL ASSETS	27,983	24,910
EQUITY AND LIABILITIES		
Equity	12,084	10,603
Untaxed reserves	311	311
Provisions	141	164
Non-current liabilities	4,449	2,443
Current liabilities to Group companies	6,308	6,092
Other current liabilities	4,690	5,297
TOTAL EQUITY AND LIABILITIES	27,983	24,910
Equity ratio, %	44.1	43.5

Notes

Accounting policies

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

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

The accounting policies applied for the interim report correspond with those applied in preparing the 2014 Annual Report. No new or amended standards effective from 2015 have had a significant effect on Lantmännen's financial reporting.

Financial assets and liabilities measured at fair value, December 31, 2015

MSEK	Total carrying amount	Fair value
Assets		
Other shares and interests	456	456
Financial investments	255	255
Trade and other receivables	4,816	4,816
Interest-bearing receivables	172	172
Cash and bank balances	1,252	1,252
Total financial assets	6,951	6,951
Liabilities		
Non-current interest-bearing liabilities	4,897	4,912
Other non-current liabilities	41	41
Current interest-bearing liabilities	3,230	3,230
Trade and other payables	5,135	5,135
Total financial liabilities	13,303	13,318

Financial assets and liabilities measured at fair value, by measurement level, December 31, 2015

MSEK	Level 1	Level 2	Level 3	Total
Assets				
Derivatives with positive fair value	13	67	-	80
Other financial assets measured at fair value	444	38	125	607
Total assets	457	105	125	687
Liabilities				
Derivatives with negative fair value	48	61	-	109
Other financial liabilities measured at fair value	-	-	-	-
Total liabilities	48	61	-	109

Financial assets and liabilities measured at fair value, December 31, 2014

MSEK	Total carrying amount	Fair value
Assets		
Other shares and interests	682	682
Financial investments	236	236
Trade and other receivables	3,836	3,836
Interest-bearing receivables	345	345
Cash and bank balances	3,058	3,058
Total financial assets	8,157	8,157
Liabilities		
Non-current interest-bearing liabilities	2,600	2,614
Other non-current liabilities	5	5
Current interest-bearing liabilities	4,601	4,601
Trade and other payables	3,953	3,953
Total financial liabilities	11,159	11,173

Financial assets and liabilities measured at fair value, by measurement level, December 31, 2014

MSEK	Level 1	Level 2	Level 3	Total
Assets				
Derivatives with positive fair value	85	57	-	142
Other financial assets measured at fair value	456	38	276	770
Total assets	541	95	276	912
Liabilities				
Derivatives with negative fair value	95	133	-	228
Other financial liabilities measured at fair value	-	-	-	-
Total liabilities	95	133	-	228

Fair value hierarchy with information on inputs used to measure fair value

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
 Level 2: Inputs other than the quoted prices included in level 1 that are observable for the asset or liability, i.e. quoted prices or data derived therefrom.
 Level 3: Unobservable inputs for measurement of the asset or liability.

There has not been any movement between levels.

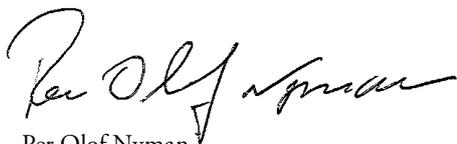
Acquisition of Vaasan

The acquisition of the Vaasan group (parent company Pane Lux 1 Sarl) was a major acquisition during the year. The acquisition is part of Lantmännen's strategy to strengthen the position in the northern European markets within Lantmännen Cerealia and Lantmännen Unibake. Vaasan conducts bakery operations in the areas of bake-off, crispbread and fresh bread.

Lantmännen's and Vaasan's operations complement each other well and Lantmännen sees the acquisition providing great potential to create an even more competitive food company with the right conditions for expanded market positions, particularly in the Baltic region. The assets and liabilities acquired are as follows: goodwill MSEK 1,677, other intangible assets MSEK 2,155, property, plant & equipment MSEK 813, cash & cash equivalents MSEK 247 and other net assets MSEK -433.

On assignment for the Board of Directors

Stockholm, February 8, 2016



Per Olof Nyman

President & CEO

Lantmännen

Auditors' Review Report

This year-end report has not been audited by the company's auditors.

For more information, please contact

Per Olof Nyman

President & CEO

per.olof.nyman@lantmannen.com

Ulf Zenk

CFO

ulf.zenk@lantmannen.com

*This information has been disclosed in accordance with the Swedish Securities Market Act (2007:528).
The information was submitted for publication at 08.30 on February 9, 2016.*





Together we take responsibility from field to fork

