



## Continued sales growth

*Sales in the first quarter 2013 exceeds one billion Swedish krona*

**CDON Group AB (NASDAQ OMX Stockholm Mid Cap: CDON) announces its financial results for the first quarter, 1 January – 31 March 2013.**

### First Quarter

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- Net sales up 10% year on year to SEK 1,051.1 (954.3) million
- Gross profit of SEK 148.1 (135.6) million with a gross margin of 14.1% (14.2%)\*
- Operating profit of SEK -7.8 (-12.1) million\*
- Net income of SEK -17.3 (-13.1) million\*
- Basic earnings per share of SEK -0.25 (-0.18)\*
- After the end of the quarter, the Board of Directors resolved upon a preferential rights issue of about SEK 500 million

\* Figures for 2012 include SEK -14 million in one off items relating to the Fashion segment

Paul Fischbein, President and CEO of CDON Group commented: "We start 2013 with record sales where we, for the first time, pass one billion krona in net sales for the first quarter. The Group's stores continue their strong development, while we continue our work to enhance customer satisfaction and cost efficiency by improving our internal processes and strengthening our routines.

Gymgrossisten.com continues its positive development and combines an accelerated growth rate with a strong operating profit. Further, Gymgrossisten.com improves its market position by launching new brands and products. Within the Sports & Health segment, we also launched Milebreaker.com two days ago, an online store entirely created for endurance athletes. Cdon.com continues to broaden its range and keeps showing growth despite the continuous decline in media related product sales. Nelly.com also keeps its growth momentum even though sales in the first quarter have been negatively influenced by the long lasting cold winter in the Nordics. The company has strengthened its organisation and delivery capabilities, and we have already seen many of the projects that were initiated a few months ago starting to generate positive results.

Our logistics company continues its improvement work according to plan. Many projects that are meant to increase efficiency were launched during the first quarter and even if the financial result for our logistics operations have improved compared to the fourth quarter of last year we still expect further large result improvements for the logistics company during 2013. A fully efficient and competitive logistics operations will provide us with significant advantages in our future expansion.

E-commerce is a winning sales channel that each year constitutes a larger proportion of the total retail sales. Since its inception in 1999, CDON Group has built well-known brands and established market leading positions in Nordic e-commerce within all our four segments. Our strong market positions in combination with a strengthened infrastructure provides us with a good position to exploit the continued market growth resulting from the growing number of consumers doing an ever increasing amount of their purchases on the internet. To exploit our unique position and potential, our Board of Directors today also announced a resolution to infuse CDON Group additional financial resources in the form of a rights issue for SEK 500 million, with preferential rights for existing shareholders."



### Forward-looking statement

CDON Group operates in a high growth sector and the Group's companies are well positioned to capitalize on this market growth. The Group's strategy is, during 2013, to continue delivering sales growth and increased market shares in a balanced way. This growth is mainly expected to come from our three largest stores CDON.com, Nelly.com and Gymgrossisten.com. In order to facilitate these higher sales volumes another strategic focus is to improve efficiency within the Group's logistics function. Continued investments within the logistics area will therefore be made gradually to ensure a continued high customer satisfaction in combination with a future top of the line cost structure.

### Significant events after the first quarter 2013

#### *Resolution for preferential rights issue*

On 17 April 2013 CDON Group AB announced that the Board of Directors has resolved on a rights issue of shares with preferential rights for existing shareholders of approximately SEK 500 million to strengthen the Group capital structure. The preferential rights issue is subject to approval at an extraordinary general meeting to be held on 14 May 2013, the same day as the annual general meeting.

#### *Launch of Milebreaker.com*

On 15 April 2013 CDON Group AB launched a beta version of the new internet store Milebreaker.com. The store is part of the segment Sports & Health. Milebreaker.com targets endurance athletes and offers supplements, training equipment and training clothes among other things. A full-scale launch is planned within the next few weeks.

### Financial summary

(SEK Million)	2013 Jan-Mar	2012* Jan-Mar	Change (%)
Net sales	<b>1,051.1</b>	954.3	10.1%
Gross profit	<b>148.1</b>	135.6	9.2%
Gross margin (%)	<b>14.1%</b>	14.2%	
Operating profit	<b>-7.8</b>	-12.1	-
Operating margin (%)	<b>-0.7%</b>	-1.3%	
Net interest & other financial items	<b>-12.3</b>	-5.4	-
Income before tax	<b>-20.1</b>	-17.5	-
Net income	<b>-17.3</b>	-13.1	-
Basic earnings per share (SEK)	<b>-0.25</b>	-0.18	
Diluted earnings per share (SEK)	<b>-0.25</b>	-0.18	
Total assets	<b>1,561.7</b>	1,435.6	8.8%

\* Figures for 2012 include SEK -14 million in one off items relating to the Fashion segment

### Group summary

Group net sales were up 10.1% year on year in the quarter, following continued sales growth and market share gains, especially for the Sport & Health and Fashion segments. The Group's sites attracted 64.4 (58.7) million visits during the quarter and generated 1.7 (1.6) million orders in the period.



The Group's gross margin was 14.1% (14.2%) in the quarter. Figures for 2012 include one off items of SEK -14 million relating to the Fashion segment. The lower margin in 2013 reflected the declining media product sales within the Entertainment segment. Sales, general and administrative expenses increased by 6% year on year to SEK 155.7 (147.3) million in the quarter. This cost increase was lower than the increase in sales, which reflects the Group's enhanced cost focus.

The Group therefore reported an operating profit of SEK -7.8 (-12.1) million in the quarter.

The Group's net interest and other financial items amounted to SEK -12.3 (-5.4) million in the first quarter, which primarily reflected interest costs related to the convertible bond, the revolving credit facility and overdraft facility and currency variances

Group pre-tax profits amounted to SEK -20.1 (-17.5) million in the first quarter. The Group reported a positive income tax effect of SEK 2.8 (4.5) million in the quarter as a result of capitalised loss carry forwards. Group consolidated net income therefore totalled SEK -17.3 (-13.1) million in the quarter.

The Group reported basic and diluted earnings per share of SEK -0.25 (-0.18) for the quarter.

### Development per segment

#### Entertainment

(SEK Million)	2013 Jan-Mar	2012 Jan-Mar	Change (%)
Net sales	512.4	484.3	5.8%
Operating profit	13.3	24.1	-44.8%
Operating margin (%)	2.6%	5.0%	

The Entertainment segment comprises the online stores CDON.com and Lekmer.com. The segment's sales were up 6% year on year in the quarter. The segment accounted for 49% (51%) of total Group sales in the first quarter.

The consumer electronics product category displayed a continued growth in a weak market and strengthened its market position and share of the segment's sales in the quarter. Media product sales continue to decline quickly which also explains the decreased profitability compared to the equivalent period last year when good media sales were supported by many strong releases. Toys, baby clothes and other baby products continued to develop strongly and sales grew fast in the quarter.

The integration of the Finnish internet bookstore Bookplus.fi was finalized in the period. The store's visitors are now re-directed to CDON.fi. CDON.com's development towards becoming a store with an ever-wider assortment of consumer goods proceeded according to plan.

The segment's operating profit decreased in the period and the sharp downturn in media products leads to lower gross margins. Fixed costs in relation to net sales continue to decline compared to the same period last year.



### Fashion

(SEK Million)	2013 Jan-Mar	2012 Jan-Mar	Change (%)
Net sales	<b>223.8</b>	196.4	14.0%
Operating profit	<b>-17.4</b>	-38.5*	-
Operating margin (%)	<b>-7.8%</b>	-19.6%	

\* Figures for 2012 include SEK -14 million in one off items

The Fashion segment comprises the online stores Nelly.com, Heppo.com and Members.com. The segment sales were up 14% year on year in the quarter and the segment accounted for 21% (21%) of total Group sales in the period.

The sales trend in the fashion segment remained positive. Nelly.com has, with its new management, focused on ensuring continued sales growth while simultaneously focusing on continued improvements of customer satisfaction, processes and flows. Revenues increase in the Nordics but Nelly.com was also able to show a solid revenue growth on the Dutch market. The segment's sales were negatively affected by the fact that the winter has been longer lasting and colder than expected in the Nordics. This has led to lower than expected sales of 2013 spring/summer products in the first quarter.

During the quarter, Nelly.com launched two major design co-operations and Members.com extended its range by launching Members Sports, a department focused on sportswear and sporting goods.

The segment's operating profit was strengthened compared to the same period last year as a result of improved internal processes within the company that among other things has led to lower return rates. The result was negatively affected as the autumn/winter 2012 sale lasted longer and was more aggressive than anticipated and due to the fact that sales of spring clothes was relatively lower because of to the cold weather.

### Sports & Health

(SEK Million)	2013 Jan-Mar	2012 Jan-Mar	Change (%)
Net sales	<b>176.8</b>	127.6	38.6%
Operating profit	<b>17.9</b>	13.3	34.6%
Operating margin (%)	<b>10.1%</b>	10.4%	

The Sports & Health segment comprises the online stores Gymgrossisten.com (Finesstukku.fi in Finland) and Bodystore.com. The segment's sales were up 39% year on year in the first quarter. The segment accounted for 17% (13%) of total Group sales for the period.

Sales growth was further accelerated in the first quarter, which is normally the strongest period for the segment. Growth comes from all markets and lead to increased market shares and strengthened positions. Demand for protein and supplements continued to increase and the company benefited from the growing market as their private label brands are well established and the Group's stores have market-leading positions.

The continued expansion of private label products gives the segment ability to provide quality products at attractive campaign prices with an active marketing plan. The investments in expanded customer service, new design for the Gymgrossisten store and the launch of Gymgrossisten Magazine, the largest lifestyle magazine for training in Nordic region, helped to further enhance the customer experience.

After the end of the quarter, the Group launched Milebreaker.com, an internet store that sells supplements and training equipment for endurance sports. In order to facilitate a continued growth and long term earning levels within the segment, a planned relocation of the segment's warehouse to a many times larger facility in Trollhättan will be performed during April.



The segment's operating profit increased by 35% in the quarter compared with the previous year. The reduced operating margin was mainly a result of investments in new markets but also due to investments in the online store, logistics and the regulatory department.

#### Home & Garden

(SEK Million)	2013 Jan-Mar	2012 Jan-Mar	Change (%)
Net sales	143.2	146.3	-2.1%
Operating profit	-3.4	-5.9	-
Operating margin (%)	-2.4%	-4.0%	

The Home & Garden segment comprises the online-stores Tretti.com and Rum21.com. The segment's sales accounted for 14% (15%) of total Group sales for the quarter.

The segment's negative growth in the period is partly an effect of the consumer electronics assortment being phased out of Tretti.com's product range and instead lifted over to CDON.com, which is a part of Tretti.com's efforts to increase focus on the core categories white goods, home appliances, household products and home & garden. At the same time, interior design and furniture store Rum21.com reported sales development according to plan through successful product range broadening of affordable design in the upper-medium price range.

Tretti.com's relocation to Malmö was completed in the period with a continued efficiency in operational activities. However, expected trim-effects from system integration and flows of goods from the suppliers had a somewhat negative impact on sales in the period.

The segment's operating profit in the first quarter was negatively impacted by some double costs during the relocation of Tretti.com from Stockholm to Malmö and the efficiency measures implemented in the Rum21.com that have the purpose to ensure a positive result in Rum21.com by the end of 2013.

#### CDON Group Logistics

(SEK Million)	2013 Jan-Mar	2012 Jan-Mar	Change (%)
Operating profit	-12.1	n/a	-

CDON Group Logistics AB was formed during the fall of 2012 in subsequently to the asset acquisition of the logistics business running Nelly's and Lekmer's warehouse among others. The acquisition of the business is part of the Group's ambition to strengthen the value chain and provide high customer satisfaction.

The first quarter has mainly consisted of consolidation and structuring. After the culmination of work load due to Christmas sales at the end of 2012 a thorough effort has been initiated to implement new routines for the entire organization. The business is being streamlined and all processes have been visualized while productivity and output for each department and overall processes are measured against targets and followed up on a daily basis. The business has been stabilized and delivers customer benefit with a high degree of reliability. In total, these measures result in large improvements in productivity and create a stable ground for the continuing improvement work that is on-going and the business is consequently expected to present a break-even result during the latter half of 2013.

The operating profit has been improved by SEK 7 million compared to the fourth quarter of 2012 and amounted to SEK -12.1 million for the first quarter. The result is consolidated in the Group's central functions. All Group companies are charged fair market prices and as efficiency increases losses are anticipated to decrease gradually and to reach a break-even result is expected during the latter half of the year. Of the



current losses approximately 60% is attributable to the Fashion segment, 30% to the Entertainment segment and 10% to external customers.

#### **Financial position**

Group total assets grew by 9% year on year to SEK 1,561.7 (1,435.6) million. During the quarter the Group's cash and cash equivalents decreased by SEK 91.6 million from SEK 126.1 million to SEK 34.5 (170.7) million.

Inventory levels increased year on year to SEK 643.9 (509.6) million. The increase mainly reflected a changed product mix within the segment Entertainment, but also lower spring and summer sales in the fashion segment during the first quarter.

The Group reported a SEK -265.1 (-201.7) million change in working capital in the quarter. Capital employed increased to SEK 873.0 million in the quarter. The Group's rolling twelve-month return on capital employed declined year on year to -22.4% (13.1%) in the first quarter, which mainly reflected the deteriorated operating result.

Group cash flow to investing activities amounted to SEK -10.4 (-12.0) million in the quarter, which primarily reflected investments in the Group's web platforms.

Group cash flow from financing activities amounted to SEK 249.7 (0.0) million in the quarter.

The Group's change in cash and cash equivalents excluding translation differences amounted to SEK -87.8 (-246.6) million in the quarter. The Group had a net debt position of SEK 590.3 (196.1) million at the end of the reporting period, compared to a net debt of SEK 246.8 million at the end of the fourth quarter of 2012.

#### **Parent company**

The CDON Group parent company reported sales of SEK 13.3 (13.4) million in the first quarter. The parent company's cash and cash equivalents amounted to SEK 9.6 (136.3) million at the end of the period.

The parent company invested SEK 0.1 (0.5) million in non-current assets during the quarter.

#### **Accounting policies**

This report has been prepared in accordance with 'IAS 34 Interim Financial Reporting' and the 'Annual Accounts Act'. The interim report for the parent company has been prepared in accordance with the 'Annual Accounts Act'. The accounting policies in the Group's consolidated financial statements and the parent company's financial statements have been prepared according to the same accounting policies and calculation methods as the 2012 annual accounts.

#### **Risks and uncertainties**

Several factors could affect CDON Group's earnings and operations, most of which can be managed through internal procedures but some of which are controlled by external factors. Risks and uncertainties include IT and control systems, suppliers, seasonal variations and currencies, new market entries, changes in market conditions, and changes in e-commerce spending behaviour. The parent company is also subject to interest rate risks. The 2011 Annual Report contains a more comprehensive description of the risks and uncertainty factors affecting the Group in the Management Report and in Note 20.



**Related party transaction**

Related party transactions are presently of the same character, but less extensive, than described in the 2011 Annual Report.

**Other information**

*Second Quarter 2013 Financial Results*

CDON Group's results for the second quarter ending 30 June 2013 will be published on 17 July 2013.

17 April 2013

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Paul Fischbein,  
*President & CEO*

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Corporate ID number: 556035-6940

The company will host a conference call today at 13.00 Stockholm time, 12.00 London time and 07.00 New York time.

To participate in the conference call, please dial:

Sweden:	+46(0)8 505 137 93
International:	+44(0)20 7784 1036
US:	+1 646 254 3363

The access pin code for the conference call is **6760147**.

To listen to the conference call online, please go to [www.cdongroup.com](http://www.cdongroup.com).

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**About CDON Group**

*CDON Group is the leading e-commerce group in the Nordic region. Established in 1999, the Group has continuously expanded its product portfolio and is now a leading e-commerce player in the Entertainment (CDON.COM, Lekmer.com), Fashion (Nelly.com, Heppo.com and Members.com), Sport & Health (Gymgrossisten.com, Bodystore.com and Milebreaker.com) and Home & Garden (Tretti.com and Rum21.se) segments. CDON Group's online stores attracted approximately 244 million site visits and more than two million unique customers in 2012.*

*The information in this announcement is that which CDON Group AB is required to disclose under the Securities Markets Act. This information was released for publication at 08:00 CET 17 April 2013.*





## Report on Review of Interim Financial Information

CDON Group AB (publ)  
Corp. id. 556035-6940

### Introduction

We have reviewed the interim report for CDON Group AB (publ) as of 31 March 2013 and the three-month period which ended on this date. The Board of Directors and the Managing Director is responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of Review

We conducted our review in accordance with the Swedish Standard on Review Engagements (SÖG) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and the generally accepted auditing practice. Consequently a review does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act in the case of the Group and in accordance with the Annual Accounts Act in the case of the parent company.

Stockholm April 17, 2013

KPMG AB  
Åsa Wirén Linder  
Authorized Public Accountant



CONDENSED CONSOLIDATED INCOME STATEMENT (SEK million)	2013 Jan-Mar	2012 Jan-Mar	2012 Jan-Dec
Net sales	1,051.1	954.3	4,461.7
Cost of goods and services	-903.0	-818.7	-3,990.5
<b>Gross profit</b>	<b>148.1</b>	<b>135.6</b>	<b>471.2</b>
Sales and administration expenses	-155.7	-147.3	-638.0
Other operating income and expenses, net	-0.2	-0.4	-7.2
<b>Operating profit</b>	<b>-7.8</b>	<b>-12.1</b>	<b>-173.9</b>
Net interest & other financial items	-12.3	-5.4	-27.3
<b>Profit before tax</b>	<b>-20.1</b>	<b>-17.5</b>	<b>-201.2</b>
Tax	2.8	4.5	49.4
<b>Net income for the period</b>	<b>-17.3</b>	<b>-13.1</b>	<b>-151.7</b>
<b>EBITDA</b>	<b>-2.7</b>	<b>-8.9</b>	<b>-158.2</b>
<i>Attributable to:</i>			
Equity holders of the parent	-16.7	-12.0	-149.6
Non-controlling interests	-0.6	-1.1	-2.2
<b>Net income for the period</b>	<b>-17.3</b>	<b>-13.1</b>	<b>-151.7</b>
Basic earnings per share (SEK)	-0.25	-0.18	-2.25
Diluted earnings per share (SEK)	-0.25	-0.18	-2.25

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME CONDENSED (SEK million)	2013 Jan-Mar	2012 Jan-Mar	2012 Jan-Dec
<b>Profit for the period</b>	<b>-17.3</b>	<b>-13.1</b>	<b>-151.7</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Translation difference for the period	-1.1	-0.4	-1.2
<b>Other comprehensive income for the period</b>	<b>-1.1</b>	<b>-0.4</b>	<b>-1.2</b>
<b>Total comprehensive income for period</b>	<b>-18.4</b>	<b>-13.4</b>	<b>-152.9</b>
<i>Total comprehensive income attributable to:</i>			
Parent company shareholders	-17.8	-12.3	-150.7
Non-controlling interests	-0.6	-1.1	-2.2
<b>Total comprehensive income for the period</b>	<b>-18.4</b>	<b>-13.4</b>	<b>-152.9</b>

Shares outstanding at period's end	66,342,124	66,342,124	66,342,124
Shares outstanding at period's end, incl convertible	72,921,071	72,921,071	72,921,071
Average number of shares, basic	66,342,124	66,342,124	66,342,124
Average number of shares, diluted	72,921,071	72,921,071	72,921,071



CONSOLIDATED STATEMENT OF FINANCIAL POSITION CONDENSED (SEK million)	2013 31-Mar	2012 31-Mar	2012 31-Dec
<b>Non-current assets</b>			
Goodwill	461.2	446.7	461.8
Other intangible assets	157.2	147.2	156.5
<b>Total intangible assets</b>	<b>618.4</b>	<b>593.9</b>	<b>618.3</b>
Financial non-current assets	1.6	7.6	1.6
Tangible non-current assets	15.7	10.3	14.3
Deferred tax asset	44.4	0.0	44.4
<b>Total non-current assets</b>	<b>680.0</b>	<b>611.8</b>	<b>678.5</b>
<b>Current assets</b>			
Inventories	643.9	509.6	609.7
Current interest-bearing receivables	0.0	0.0	0.0
Current non-interest-bearing receivables	203.2	143.5	268.5
<b>Total receivables</b>	<b>203.2</b>	<b>143.5</b>	<b>268.5</b>
Cash and cash equivalents	34.5	170.7	126.1
<b>Total current assets</b>	<b>881.6</b>	<b>823.8</b>	<b>1,004.3</b>
<b>Total assets</b>	<b>1,561.7</b>	<b>1,435.6</b>	<b>1,682.8</b>
<b>Equity</b>			
Equity attributable to owners of the parent	249.5	403.7	267.1
Non-controlling interest	-1.3	0.3	-0.7
<b>Total equity</b>	<b>248.2</b>	<b>404.0</b>	<b>266.4</b>
<b>Non-current liabilities</b>			
<i>Non interest bearing</i>			
Deferred tax liability	30.3	40.2	30.9
Other provisions	1.1	4.9	6.0
<i>Interest bearing</i>			
Long term loans	0.0	150.0	0.0
Convertible bond	225.1	216.8	223.0
<b>Total non-current liabilities</b>	<b>256.5</b>	<b>411.9</b>	<b>259.8</b>
<b>Current liabilities</b>			
Short term interest bearing loans	150.0	0.0	150.0
Current interest-bearing liabilities	264.7	15.0	15.0
Current non-interest-bearing liabilities	642.3	604.7	991.6
<b>Total current liabilities</b>	<b>1,057.0</b>	<b>619.7</b>	<b>1,156.6</b>
<b>Total equity and liabilities</b>	<b>1,561.7</b>	<b>1,435.6</b>	<b>1,682.8</b>

The carrying amounts are considered to be reasonable approximations of fair value for all financial assets and financial liabilities, except for the convertible debt. Fair value of the convertible debt is estimated to be SEK 244,8 million as of March 31, 2013. Fair value of the convertible debt was estimated to be SEK 245,5 million as of 31 December 2012.



CONSOLIDATED STATEMENT OF CASH FLOWS CONDENSED (SEK million)	2013 Jan-Mar	2012 Jan-Mar	2012 Jan-Dec
Cash flow from operating activities	-62.0	-32.8	-97.5
Changes in working capital	-265.1	-201.7	-142.1
<b>Cash flow from operations</b>	<b>-327.1</b>	<b>-234.5</b>	<b>-239.6</b>
Investments in subsidiaries	-3.0	0.0	-7.9
Investments in other non-current assets	-7.4	-12.0	-42.5
Other cash flow from investing activities	0.0	0.0	0.0
<b>Cash flow to/from investing activities</b>	<b>-10.4</b>	<b>-12.0</b>	<b>-50.3</b>
Shareholder dividends and share buy-backs	0.0	0.0	0.0
Acquisition of shares from non controlling interest	0.0	0.0	0.0
Utilized overdraft facility	249.7	0.0	0.0
<b>Cash flow to/from financing activities</b>	<b>249.7</b>	<b>0.0</b>	<b>0.0</b>
<b>Change and cash equivalents for the period</b>	<b>-87.8</b>	<b>-246.6</b>	<b>-289.9</b>
<b>Cash and cash equivalents at period's start</b>	<b>126.1</b>	<b>417.4</b>	<b>417.4</b>
<b>Translation difference, cash and cash equivalents</b>	<b>-3.9</b>	<b>-0.2</b>	<b>-1.4</b>
<b>Cash and cash equivalents at period's end</b>	<b>34.5</b>	<b>170.7</b>	<b>126.1</b>

\* Investments in subsidiaries Jan-Mar 2013 comprises SEK 3.0 million acquisition of Business Linc BL AB's operations.

STATEMENT OF CHANGES IN EQUITY CONDENSED (SEK million)	2013 31-Mar	2012 31-Mar	2012 31-Dec
<b>Opening balance</b>	<b>266.4</b>	<b>417.3</b>	<b>417.3</b>
Profit for the period	-17.3	-13.1	-151.7
Other comprehensive income	-1.1	-0.4	-1.2
Effects of long term incentive program	0.2	0.1	0.9
New share issue	-	-	0.6
Repurchased own shares	-	-	-0.6
Effect of change in tax rate on convertible	-	-	1.2
<b>Closing balance</b>	<b>248.2</b>	<b>404.0</b>	<b>266.4</b>



## SEGMENT REPORTING

NET SALES (SEK million)	2012 Jan-Mar	2012 Apr-Jun	2012 Jul-Sep	2012 Oct-Dec	2012 Full year	2013 Jan-Mar
Entertainment	484.3	464.1	525.0	912.7	2,386.0	512.4
Fashion	196.4	225.9	193.3	327.3	942.9	223.8
Sport & Health	127.6	116.4	123.5	128.9	496.4	176.8
Home & Garden	146.3	146.1	141.6	197.5	631.6	143.2
<b>Total operational business areas</b>	<b>954.6</b>	<b>952.5</b>	<b>983.4</b>	<b>1,566.4</b>	<b>4,456.9</b>	<b>1,056.1</b>
Group central operations	13.4	14.5	12.4	60.7	101.1	42.7
Eliminations	-13.7	-14.9	-13.4	-54.3	-96.2	-47.8
<b>CONSOLIDATED TOTAL</b>	<b>954.3</b>	<b>952.1</b>	<b>982.5</b>	<b>1,572.8</b>	<b>4,461.7</b>	<b>1,051.1</b>
<b>Intersegment sales</b>						
Entertainment	-	-	0.0	0.5	0.5	8.5
Fashion	-	-	-	-	-	-
Sport & Health	0.0	0.0	0.0	0.0	0.0	0.0
Home & Garden	0.2	0.4	0.9	0.6	2.1	0.0
Group central operations	13.4	14.5	12.4	53.2	93.6	39.2
<b>Total</b>	<b>13.7</b>	<b>14.9</b>	<b>13.4</b>	<b>54.3</b>	<b>96.2</b>	<b>47.8</b>
<b>OPERATING PROFIT</b>						
(SEK million)	2012 Jan-Mar	2012 Apr-Jun	2012 Jul-Sep	2012 Oct-Dec	2012 Full year	2013 Jan-Mar
Entertainment	24.1	11.8	19.6	46.8	102.3	13.3
Fashion	-38.5	-57.5	-30.3	-141.3	-267.6	-17.4
Sport & Health	13.3	10.9	10.6	12.4	47.3	17.9
Home & Garden	-5.9	-3.4	-1.3	-3.1	-13.7	-3.4
<b>Total operational business areas</b>	<b>-7.0</b>	<b>-38.2</b>	<b>-1.3</b>	<b>-85.2</b>	<b>-131.6</b>	<b>10.3</b>
Group central operations	-5.1	-5.3	-6.3	-25.5	-42.2	-18.1
<i>Of which CDON Group Logistics AB</i>	-	-	-	-19.4	-19.4	-12.1
<b>CONSOLIDATED TOTAL</b>	<b>-12.1</b>	<b>-43.5</b>	<b>-7.6</b>	<b>-110.7</b>	<b>-173.9</b>	<b>-7.8</b>
<b>PROFIT BEFORE TAX</b>						
(SEK million)	2012 Jan-Mar	2012 Apr-Jun	2012 Jul-Sep	2012 Oct-Dec	2012 Full year	2013 Jan-Mar
Entertainment	23.6	11.7	17.9	46.1	99.3	10.8
Fashion	-40.5	-58.8	-33.8	-144.1	-277.1	-22.9
Sport & Health	13.4	11.0	9.1	13.2	46.7	17.2
Home & Garden	-6.0	-3.4	-1.4	-3.2	-14.1	-3.8
<b>Total operational business areas</b>	<b>-9.4</b>	<b>-39.5</b>	<b>-8.1</b>	<b>-88.0</b>	<b>-145.1</b>	<b>1.4</b>
Group central operations	-8.1	-8.9	-8.3	-30.8	-56.0	-21.4
<i>Of which CDON Group Logistics AB</i>	-	-	-	-19.5	-19.5	-12.5
<b>CONSOLIDATED TOTAL</b>	<b>-17.5</b>	<b>-48.5</b>	<b>-16.4</b>	<b>-118.8</b>	<b>-201.2</b>	<b>-20.1</b>



PARENT COMPANY INCOME STATEMENT CONDENSED (SEK million)			
	2013 Jan-Mar	2012 Jan-Mar	2012 Jan-Dec
Net Sales	13.3	13.4	54.0
<b>Gross profit</b>	<b>13.3</b>	<b>13.4</b>	<b>54.0</b>
Administration expenses	-19.3	-18.5	-76.9
<b>Operating profit</b>	<b>-6.0</b>	<b>-5.1</b>	<b>-22.8</b>
Net interest & other financial items	-2.9	-3.0	-13.7
Group contribution received	0.0	0.0	148.2
Group contribution paid	0.0	0.0	-120.4
Change in excess depreciation	0.0	0.0	0.0
<b>Profit before tax</b>	<b>-8.9</b>	<b>-8.1</b>	<b>-8.7</b>
Tax	2.0	2.1	2.3
<b>Net income for the period</b>	<b>-7.0</b>	<b>-6.0</b>	<b>-6.4</b>
PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME CONDENSED (SEK million)			
<b>Profit for period</b>	<b>-7.0</b>	<b>-6.0</b>	<b>-6.4</b>
<b>Other comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total comprehensive income for period</b>	<b>-7.0</b>	<b>-6.0</b>	<b>-6.4</b>



PARENT COMPANY STATEMENT OF FINANCIAL POSITION CONDENSED (SEK million)	2013 31-Mar	2012 31-Mar	2012 31-Dec
<b>Non-current assets</b>			
Shares and participating interests	818.3	684.4	818.2
Equipment	0.0	0.0	0.0
<b>Total non-current assets</b>	<b>818.4</b>	<b>684.4</b>	<b>818.3</b>
<b>Current assets</b>			
Current interest-bearing receivables	515.8	93.3	370.0
Current non-interest-bearing receivables	159.9	144.5	156.1
Cash and cash equivalents	9.6	136.3	87.7
<b>Total current assets</b>	<b>685.3</b>	<b>374.1</b>	<b>613.8</b>
<b>Total assets</b>	<b>1,503.7</b>	<b>1,058.5</b>	<b>1,432.0</b>
<b>Equity</b>			
Restricted equity	134.4	133.9	134.4
Unrestricted equity	260.1	266.0	266.9
<b>Total equity</b>	<b>394.5</b>	<b>399.9</b>	<b>401.3</b>
<b>Non-current liabilities</b>			
Convertible bonds	225.1	216.8	223.0
Interest-bearing liabilities	0.0	150.0	0.0
Deferred tax liability	5.5	8.7	6.0
Provisions	1.1	4.9	1.0
<b>Total non-current liabilities</b>	<b>231.6</b>	<b>380.5</b>	<b>229.9</b>
<b>Current liabilities</b>			
Short term interest bearing loans	150.0	0.0	150.0
Other interest-bearing liabilities	460.2	238.0	360.3
Non-interest-bearing liabilities	267.3	40.2	290.6
<b>Total current liabilities</b>	<b>877.5</b>	<b>278.2</b>	<b>800.8</b>
<b>Total equity and liabilities</b>	<b>1,503.7</b>	<b>1,058.5</b>	<b>1,432.0</b>



KEY RATIOS	2012 Jan-Mar	2012 Apr-Jun	2012 Jul-Sep	2012 Oct-Dec	2012 Full year	2013 Jan-Mar
<b>GROUP</b>						
Sales growth (%)	66.9	38.2	18.9	19.5	31.1	10.1
Change in operating expenses (%)	63.4	39.3	31.0	30.3	39.1	5.7
Operating margin (%)	-1.3	-4.6	-0.8	-7.0	-3.9	-0.7
Gross profit margin (%)	14.2	11.4	13.1	6.2	10.6	14.1
Return on capital employed (%)	13.1	4.4	1.1	-23.3	-23.3	-22.4
Return on equity (%)	15.0	3.2	-2.6	-41.3	-41.3	-47.0
Equity/assets ratio (%)	28.1	25.9	23.9	15.8	15.8	15.9
Net debt (SEK million)	196.1	258.4	361.8	246.8	246.8	590.3
Cash flows from operations (SEK million)	-234.5	-46.0	-92.4	133.4	-239.6	-327.1
Earnings per share (SEK)*	-0.18	-0.54	-0.16	-1.38	-2.25	-0.25
Equity per share (SEK)*	6.09	5.53	5.34	4.02	4.02	3.74
Depreciation/Net sales (%)	0.3	0.4	0.4	0.3	0.4	0.5
Capital Expenditure/Net sales (%)	1.3	1.0	0.6	0.9	1.0	0.7
No. of visits (thousand)	58,679	54,532	53,332	77,802	244,344	64,394
No. of orders (thousand)	1,579	1,437	1,553	2,527	7,096	1,710
Average shopping basket (SEK)	581	643	611	590	603	618
<b>Entertainment</b>						
No. of visits (thousand)	22,305	19,565	21,830	35,472	99,172	25,938
No. of orders (thousand)	1,048	868	1,039	1,748	4,702	1,089
Average shopping basket (SEK)	436	508	482	491	480	470
<b>Fashion</b>						
No. of visits (thousand)	30,292	29,292	25,663	35,077	120,324	30,361
No. of orders (thousand)	296	356	292	514	1,459	323
Average shopping basket (SEK)	644	628	641	606	626	692
<b>Sport &amp; Health</b>						
No. of visits (thousand)	3,497	2,979	3,000	3,477	12,953	4,805
No. of orders (thousand)	180	158	164	173	676	237
Average shopping basket (SEK)	703	733	745	737	729	745
<b>Home &amp; Garden</b>						
No. of visits (thousand)	2,585	2,696	2,839	3,775	11,896	3,291
No. of orders (thousand)	56	55	58	91	259	60
Average shopping basket (SEK)	2,574	2,625	2,380	2,120	2,383	2,385

\* Earnings per share for the periods Jan-Dec 2012 and Jan-Mar 2013 have been calculated on the average number of outstanding shares for the periods, amounting to 66,342,124.

#### Definitions

Equity/assets ratio	Equity plus non-controlling interests as a percentage of total assets.
Net debt (+) / Net cash (-)	Interest-bearing liabilities less interest-bearing current and non-current assets and cash and cash equivalents.
No. of visits	Gross number of visits to the Groups online stores.
Return on equity	Net income for the last four quarters as a percentage of average equity for the last four quarters.
Return on capital employed	Operating income for the last four quarters as a percentage of average of total non-current assets, cash and cash equivalents, and net working capital reduced for provisions, for the last four quarters
Earnings per share	Earnings for the year attributable to the parent company's shareholders divided by average number of shares.
Equity per share	Equity attributable to the parent company's shareholders divided by average number of shares.
Capital Expenditure/Net Sales	Investments in tangible non-current assets divided by Net sales for the period.