



## Fourth Quarter and Year-end Report 2013

CDON Group AB (NASDAQ OMX Stockholm Mid Cap: CDON) today announced its financial results for the fourth quarter and full year 2013.

### Fourth Quarter

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- Net sales amounted to SEK 1,470.6 million. Previous year SEK 1,541.5 million excluding divested operations and SEK 1,572.8 million including divested operations
- Gross margin was 14.5%. Previous year 12.9% excluding non-recurring items and divested operations
- Operating profit amounted to SEK 26.6 million. Previous year SEK 6.7 million excluding non-recurring items and divested operations and SEK -110.7 million including non-recurring items and divested operations
- Net income totalled SEK 15.8 (-90.4) million
- Basic earnings per share amounted to SEK 0.15 (-1.17)

### Full year 2013

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- Net sales excluding divested operations increased by 1.3% to SEK 4,416.8 (4,359.1) million
- Net sales including divested operations amounted to SEK 4,440.5 (4,461.7) million
- Gross profit margin was 13.4% (10.6%) and 14.2% (14.0%) excluding non-recurring items and divested operations
- Operating profit excluding non-recurring items and divested operations amounted to SEK -1.8 (16.7) million
- Operating profit including non-recurring items and divested operations amounted to SEK -48.0 (-173.9) million
- Net income totalled SEK -67.3 (-151.7) million
- Basic earnings per share amounted to SEK -0.74 (-1.91)

### CEO's statement

Paul Fischbein, President and CEO comments: "CDON Group reports positive operating results in all four segments for the fourth quarter. Three of our four segments show sales growth, in particular Sports & Health which maintains a high growth rate of 36 per cent in the quarter, combined with stable margins.

The Group reported an operating profit, excluding non-recurring items, near breakeven for the full year. This was despite the weak start to the year, clearance of overstock at CDON.com during the second half of the year amounting to SEK 20 million, as well as extensive investments in organisational reinforcements. Improved cash flow and strongly reduced inventory levels are further recipes to our efforts. The strong financial position and healthy inventory ensures the Group's settings for an increased focus on growth-oriented initiatives and investments in 2014.

The Group will increase its investments in growth in 2014, mainly in the Fashion and Sport & Health segments. The initiatives, which are in line with the Group's long-term strategy, has already begun through the recently announced geographical expansion of Nelly.com.

The transformation of CDON.com continues according to plan, and in the fourth quarter, CDON.com Marketplace was launched. This was an important strategic step in the transformation of CDON.com to become a leading full-range e-commerce store."



**Forward-looking statement**

The Group's strategy for 2014 is to, in a balanced way, continue to deliver sales growth and increased market shares, especially in the segments Sports & Health and Fashion. Alongside continued sales growth, the Group will continue to focus on underlying earnings improvement.

CDON.com will during 2014 continue to invest in the transformation to become the leading full-range e-commerce store which gradually will offset the continued reduction of sales of media related products.

The goal for the Fashion segment in 2014 is continued growth, particularly through investments in geographical expansion, however in a balanced way.

**Significant events during the fourth quarter 2013**

*Launch of Nelly.com on new markets*

On 5 November, CDON Group AB announced that its subsidiary NLY Scandinavia AB had launched Nelly.com in France. On 20 December, CDON Group also declared that Nelly.com had been launched globally, which means that Nelly.com will be available to approximately 60 new markets outside the EU, including the US and Australia.

*New CEO for CDON.com and Tretti.se*

On 15 November, CDON Group AB announced the appointment of Ola Strömberg as the new CEO of CDON.com and Tretti.se. Ola Strömberg joined with immediate effect and is a member of Group Management.

*Launch of CDON.com's Marketplace*

On 20 November, CDON Group AB announced that its subsidiary CDON.com had launched a marketplace allowing external stores to sell their products via CDON.com.

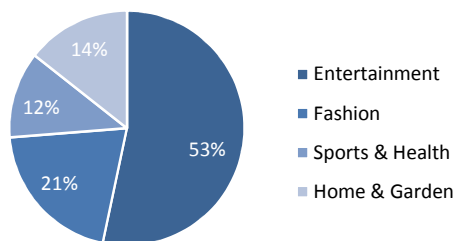
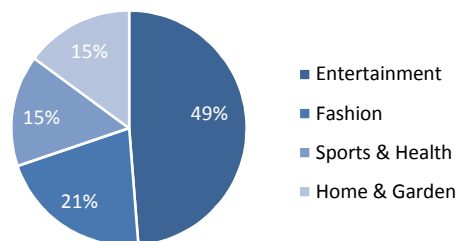
*Members.com launched in the Netherlands*

On 2 December, CDON Group AB announced that its subsidiary NLY Scandinavia AB had launched Members.com in the Netherlands.


**The Group's financial summary, excluding divested operations and non-recurring items\***

(SEK million)	2013 Oct-Dec	2012 Oct-Dec	Change %	2013 Jan-Dec	2012 Jan-Dec	Change %
Net sales	<b>1,470.6</b>	1,541.5	-4.6%	<b>4,416.9</b>	4,359.1	1.3%
Gross profit	<b>213.2</b>	198.4	7.5%	<b>627.0</b>	612.1	2.4%
Gross margin (%)	<b>14.5%</b>	12.9%		<b>14.2%</b>	14.0%	
Operating profit	<b>26.6</b>	6.7	295.8%	<b>-1.8</b>	16.7	-
Operating margin (%)	<b>1.8%</b>	0.4%		<b>-0.0%</b>	0.4%	
Opening inventory balance	<b>569.5</b>	642.0		<b>575.7</b>	438.8	
Closing inventory balance	<b>525.2</b>	575.7	-8.8%	<b>525.2</b>	575.7	-8.8%

\* Divested operations and non-recurring items are detailed on page 5

**Sales per segment, Oct-Dec 2013**

**Sales per segment, Jan-Dec 2013**

**Result summary**

The Group's net sales, excluding divested operations, decreased by 4.6% in the fourth quarter but increased by 1.3% for the full year. Excluding currency effects and divested operations, sales decreased by 2.1% in the fourth quarter and increased by 2.9% for the full year. The Sports & Health segment continued to show strong sales growth in the fourth quarter and increased market shares. The Fashion and Home & Garden segments also reported growth in sales during the quarter. The Group's internet retailers attracted 73.8 (75.0) million visitors in the fourth quarter and generated 2.4 (2.5) million orders during the period. The Group's gross margin, excluding non-recurring items and divested operations, was 14.5% (12.9%) in the fourth quarter and 14.2% (14.0%) for the full year. The improved margin in the fourth quarter is primarily attributable to the Fashion segment and a significant boost in efficiency within logistics operations. The improvement was mainly offset by the dropping share of sales in CDON.com's media-related products and the completed clearance sale of computer products in the fourth quarter, with a negative impact on the result totalling approximately SEK 7 million.

The Group's operating profit, excluding divested operations and non-recurring items, amounted to SEK 26.6 (6.7) million for the quarter and SEK -1.8 (16.7) million for the full year. Including non-recurring items and divested operations, operating profit amounted to SEK 26.6 (-110.7) million for the quarter and SEK -48.0 (-173.9) million for the full year. The Group's financial net amounted to SEK -6.2 (-8.1) million for the quarter, which primarily reflected interest expenses relating to the Group's convertible bond and currency effects. For the full year, financial net totalled SEK -34.1 (-27.3) million, which also includes interest expenses relating to the credit facility and overdraft facility.

Group pre-tax income amounted to SEK 20.4 (-118.8) million in the fourth quarter and SEK -82.1 (-201.2) million for the full year. In the fourth quarter the Group reported a tax expense of SEK -4.7 (income 28.4) million and an income of SEK 14.8 (49.4) million for the full year, as a result of capitalised loss carry forwards.



The Group's net income therefore amounted to SEK 15.8 (-90.4) million in the fourth quarter and SEK -67.3 (-151.7) million for the full year.

Group earnings per share before and after dilution totalled SEK 0.15 (-1.17) in the fourth quarter and SEK -0.74 (-1.91) for the full year.

***Cash flow and financial position***

Consolidated cash flow from operating activities amounted to SEK 29.1 (-15.8) million in the fourth quarter and SEK -54.5 (-97.5) million for the full year. The cash flow impact of changes in working capital amounted to SEK 109.0 (149.2) million for the quarter and SEK -84.0 (-135.1) million for the full year. The change compared with the previous year is primarily attributable to lower cash flow from changes in operating liabilities, which was countered by positive cash flow from less working capital tied up in inventory, but also to a reduction in operating receivables. Group cash flow from operations therefore amounted to SEK 138.0 (133.4) million for the quarter and SEK -138.6 (-232.6) million for the full year.

Group cash flow from investing activities amounted to SEK -15.1 (-17.6) million in the fourth quarter and SEK -36.4 (-57.3) million for the full year. Investments in the business in the fourth quarter were largely attributable to the development of the Group's platforms and logistics operations.

Group cash flow to financing activities amounted to SEK 0.7 (0.0) million in the quarter and SEK 336.7 (0.0) million for the full year. The figure for the full year reflects the issue carried out in the second quarter and restructuring of the Group's non-current debt.

The Group's cash and cash equivalents increased by SEK 123.7 million in the fourth quarter. Including translation differences, cash and cash equivalents increased to SEK 288.9 (126.1) million from SEK 163.8 million at the beginning of the quarter. For the full year, cash and cash equivalents rose by SEK 161.8 (-289.9) million.

At the end of the period the Group had a net cash position of SEK 57.2 (net debt position 246.8) million compared with a net debt position of SEK 65.6 million in the third quarter. The reduction compared with the beginning of the year reflects the issue carried out in the second quarter and restructuring of the Group's non-current debt.

Group total assets on the reporting date grew by 5% to SEK 1,761.6 (1,682.8) million compared with the previous year. Inventory levels decreased by SEK 44 million during the quarter to SEK 525.2 (609.7) million. Capital employed amounted to SEK 633.7 million. The Group's rolling twelve month return on capital employed was negative, which is mainly due to non-recurring items arising in the second quarter.

Equity increased during the quarter to SEK 690.9 (266.4) million from SEK 673.3 million at the end of the third quarter. The increase in the fourth quarter is primarily attributable to earnings for the period. Equity increased compared with the start of the year primarily as a result of the rights issue carried out in the second quarter, which was partly offset by earnings for the year and the acquisition of the remaining minority stake in NLY Scandinavia AB.



### Summary of divested operations and non-recurring items

SUMMARY OF DIVESTED ENTITIES AND ONE OFF ITEMS	2012		2012		2012		2012		2012		2013		2013		2013	
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Dec	
<b>Revenue</b>	15.4	26.9	29.2	31.3	102.6	18.7	4.9	0.0	0.0	23.6						
Divested entity (Heppo)	15.4	26.9	29.2	31.3	102.6	18.7	4.9	0.0	0.0	23.6						
<b>Gross Profit</b>	-11.6	-28.1	-0.8	-100.3	-140.9	2.6	-35.8	0.0	0.0	-33.2						
Nelly	-14.0	-33.9	-6.6	-106.0	-160.5	0.0	0.0	0.0	0.0	0.0						
Gymgrossisten	0.0	0.0	0.0	0.0	0.0	0.0	-4.6	0.0	0.0	-4.6						
CDON	0.0	0.0	0.0	0.0	0.0	0.0	-32.0	0.0	0.0	-32.0						
Divested entity (Heppo)	2.4	5.8	5.8	5.7	19.6	2.6	0.8	0.0	0.0	3.4						
<b>Operating Profit</b>	-19.1	-44.0	-10.1	-117.4	-190.6	-3.6	-42.6	0.0	0.0	-46.2						
Nelly	-14.0	-37.7	-6.6	-112.2	-170.5	0.0	0.0	0.0	0.0	0.0						
Gymgrossisten	0.0	0.0	0.0	0.0	0.0	0.0	-5.6	0.0	0.0	-5.6						
CDON	0.0	0.0	0.0	0.0	0.0	0.0	-32.0	0.0	0.0	-32.0						
Divested entity (Heppo)	-5.1	-6.3	-3.5	-5.2	-20.1	-3.6	-5.0	0.0	0.0	-8.6						

### Development per segment

#### Entertainment\*

(SEK million)	2013 Oct-Dec	2012 Oct-Dec	Change %	2013 Jan-Dec	2012 Jan-Dec	Change %
Net sales	784.5	912.7	-14.0%	2,154.5	2,386.0	-9.7%
Operating profit	9.2	46.8	-80.3%	-0.4	102.3	-100.4%
Operating margin (%)	1.2%	5.1%		-0.0%	4.3%	
Opening inventory balance	243.5	281.1		287.1	218.7	
Closing inventory balance	231.5	287.1	-19.3%	231.5	287.1	-19.3%

\* Excluding non-recurring items, which are detailed on page 5

The Entertainment segment comprises the online stores CDON.com and Lekmer.com. Segment sales decreased by 14% in the fourth quarter and by 10% for the full year. Sales excluding currency effects decreased by 11% in the fourth quarter and by 8% for the full year. The segment accounted for 53% (60%) of total Group sales in the fourth quarter and 49% (55%) of sales for the full year.

CDON.com is a leading Nordic online retailer with a strong market position. From initially only selling media products, the product offering has gradually been broadened and today includes a wide range, featuring everything from consumer electronics to sports & leisure, clothing & shoes and toys. During the fourth quarter, CDON.com took an important step in broadening its approach by becoming an online shopping mall via the launch of external stores on CDON.com. During the year, CDON.com Marketplace generated SEK 98 million in sales for sister companies and external stores. Sales of other products besides media comprised 51% of the segment's total sales in the fourth quarter.

Lekmer.com continued to show solid growth and capitalised on the ongoing transition from bricks-and-mortar retail to e-commerce within the children's goods and toy sector. Sales of children's clothing and prams/car seats displayed considerable growth in the fourth quarter, as did toys, which is the largest product category in the store.

Operating profit was affected by reduced volumes in the media-related product categories, which have a higher margin compared with the segment's other categories, and the completion of the previously announced clearance sale aimed at reducing working capital tied up in computers in inventory. The negative impact on the result from the clearance sale amounted to approximately SEK 7 million in the fourth quarter. The result was also affected by costs relating to the change in CEO for CDON.com, which took place during the quarter.

**Fashion\***

(SEK million)	2013 Oct-Dec	2012 Oct-Dec	Change %	2013 Jan-Dec	2012 Jan-Dec	Change %
Net sales	<b>300.4</b>	296.1	1.5%	<b>932.6</b>	840.3	11.0%
Operating profit	<b>4.0</b>	-23.8	-	<b>-16.0</b>	-77.0	-
Operating margin (%)	<b>1.3%</b>	-8.1%		<b>-1.7%</b>	-9.2%	
Opening inventory balance	<b>183.4</b>	235.3		<b>159.6</b>	111.7	
Closing inventory balance	<b>124.7</b>	159.6	-21.9%	<b>124.7</b>	159.6	-21.9%

\* Excluding divested operations and non-recurring items, which are detailed on page 5

The Fashion segment comprises the online stores Nelly.com and Members.com. Segment sales excluding divested operations increased by 1.5% in the quarter and by 11% for the full year. Sales excluding currency effects grew by 3% in the fourth quarter and by 13% for the full year. The segment accounted for 20% (19%) of total Group sales in the fourth quarter and 21% (19%) of sales for the full year.

The Swedish market accounted for 42% of the segment's total sales volume in the fourth quarter and 43% for the full year. Segment sales outside the Nordic region accounted for 13% in the fourth quarter and 11% for the full year. The Netherlands was the largest market outside the Nordic countries. The segment's product margin was 46% in the fourth quarter and 48% for the full year. Sales of private label products accounted for 33% of total sales in the fourth quarter and 31% for the full year. The return rate during the year was 33%. There was a slight negative impact on Nelly's sales at the beginning of the quarter as a result of the warm autumn, but sales recovered towards the end of the quarter as Nelly's Gross sales grew with 16% in December compared with December last year.

In the fourth quarter, Nelly.com launched a French language version of Nelly.com and a global English language version, which exposed Nelly to an additional 60 markets, including the US and Australia. The fourth quarter also saw the launch of the shopping club Members.com in the Netherlands, which is the store's first market outside the Nordic countries.

During the year Nelly has focussed on strengthening its organisation and enhancing its processes, which has resulted in a considerable improvement in operating profit.

**Sports & Health\***

(SEK million)	2013 Oct-Dec	2012 Oct-Dec	Change %	2013 Jan-Dec	2012 Jan-Dec	Change %
Net sales	<b>175.3</b>	128.9	36.0%	<b>677.4</b>	496.4	36.5%
Operating profit	<b>14.2</b>	12.4	14.2%	<b>60.5</b>	47.3	27.9%
Operating margin (%)	<b>8.1%</b>	9.6%		<b>8.9%</b>	9.5%	
Opening inventory balance	<b>74.9</b>	57.9		<b>63.6</b>	47.6	
Closing inventory balance	<b>85.9</b>	63.6	35.0%	<b>85.9</b>	63.6	35.0%

\* Excluding non-recurring items, which are detailed on page 5

The Sports & Health segment comprises the online stores Gymgrossisten.com, Bodystore.com and Milebreaker.com. Segment sales increased by 36% in the fourth quarter and by just over 36% for the full year. Sales excluding currency effects rose by 37% in the fourth quarter and by 37% for the full year. The segment accounted for 12% (8%) of total Group sales in the fourth quarter and 15% (11%) of sales for the full year.

Growth in sales continued during the fourth quarter. The segment's strategy of establishing a strong local presence with a locally adapted product range, services in local languages and local marketing activities has helped strengthen market positions on all markets.



The broadening of private label products continued in the period. Sales of private label products such as Star Nutrition, Chained Nutrition and SmartSupps accounted for 45% of total sales for the full year.

The segment's operating profit increased by 14% in the fourth quarter. The operating margin dropped slightly in the fourth quarter and for the full year as a result of continued investments in new markets and increased customer service levels.

### Home & Garden

(SEK million)	2013 Oct-Dec	2012 Oct-Dec	Change %	2013 Jan-Dec	2012 Jan-Dec	Change %
Net sales	<b>211.3</b>	197.5	7.0%	<b>658.8</b>	631.6	4.3%
Operating profit	<b>5.3</b>	-3.1	-	<b>0.9</b>	-13.7	-
Operating margin (%)	<b>2.5%</b>	-1.6%		<b>0.1%</b>	-2.2%	
Opening inventory balance	<b>67.7</b>	67.7		<b>65.4</b>	60.9	
Closing inventory balance	<b>83.0</b>	65.4	27.0%	<b>83.0</b>	65.4	27.0%

The Home & Garden segment comprises the online stores Tretti and Rum21. Segment sales increased by 7% in the fourth quarter and by 4% for the full year. Sales excluding currency effects grew by 7% in the fourth quarter and by 5% for the full year. The segment accounted for 14% (13%) of total Group sales in the fourth quarter and 15% (14%) of sales for the full year.

The increase in sales in the segment was fuelled by growth within both the white goods store Tretti and interior design store Room21. Orders via CDON.com Marketplace also contributed to the higher sales figures.

The segment's operating profit grew in both periods compared with the previous year, mainly as a result of an improved gross margin.

### CDON Group Logistics AB

(SEK million)	2013 Oct-Dec	2012 Oct-Dec	Change %	2013 Jan-Dec	2012 Jan-Dec	Change %
Operating profit	<b>0.0</b>	-19.4	-	<b>-21.2</b>	-19.4	-

CDON Group Logistics AB was founded in autumn 2012 when the net assets of the logistics business that operated warehousing for Nelly.com and Lekmer.com at the time were acquired. Following the acquisition, the company acted as an independent internal supplier for the Group. As of the third quarter 2013 the logistics company has become an integral part of each entity where the operational responsibility now lies with each company. As the company achieved the objective of operating at a breakeven level in the fourth quarter the company's result will not be reported separately going forward.

### Parent Company

The CDON Group parent company reported sales of SEK 14.1 (13.7) million in the fourth quarter and SEK 52.1 (54.0) million for the full year. Cash and cash equivalents in the parent company amounted to SEK 267.7 (87.7) million at year-end.



### **Accounting policies**

This report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish 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 2012 annual report contains a more comprehensive description of the risks and uncertainty factors affecting the Group in the Management Report and under Note 20.

### **Transactions with related parties**

Related party transactions for the parent company and the Group are presently of the same character, but less extensive, than described in the 2012 annual report and in the 2013 prospectus for the rights issue.

### **Other information**

#### *2014 Annual General Meeting of Shareholders*

CDON Group's Annual General Meeting of Shareholders will be held on 13 May 2014, in Stockholm, Sweden. Shareholders wishing to have a matter addressed at the AGM should send a written request to [ir@cdongroup.com](mailto:ir@cdongroup.com), or to the Company Secretary, CDON Group AB (publ), Box 385, 201 23 Malmö, Sweden. To be certain that a matter can be included in the notice of the AGM, the request must be received no later than seven weeks prior to the AGM. Further details on how and when to give notice to attend will be published in advance of the AGM.

#### *Dividend*

The Board of Directors will propose to the 2014 AGM that no dividend be paid to shareholders for the fiscal year ending 31 December 2013, and that retained earnings be carried forward into the 2014 accounts.

#### *Nomination Committee for the 2014 AGM*

In accordance with the resolution of the 2013 Annual General Meeting, Cristina Stenbeck, as the representative of the largest shareholder Investment AB Kinnevik, has convened a Nomination Committee consisting of members appointed by the largest shareholders in CDON Group. The Nomination Committee comprises Cristina Stenbeck appointed by Investment AB Kinnevik, Annika Andersson appointed by Swedbank Robur fonder and Frank Larsson appointed by Handelsbanken Fonder AB. At their first meeting the Nomination Committee appointed Cristina Stenbeck as Chair of the Committee. Information about the work of the Nomination Committee can be found on CDON Group's website [www.cdongroup.com](http://www.cdongroup.com).

#### *Annual Report 2013*

The 2013 Annual Report will be made available at [www.cdongroup.com](http://www.cdongroup.com) and can be obtained from the company's head offices at Bergsgatan 20, Malmö, Sweden, at least three weeks prior to the 2014 AGM.





*CDON Alandia*

Finnish customs authorities are investigating a subsidiary of CDON AB, Åland-based CDON Alandia, on suspicion of tax fraud. Like other companies in the industry, CDON.com has chosen to serve its Finnish customers from Åland. The company has been in operation since 2007 and has been fully transparent for the relevant authorities, who have routinely reviewed it, most recently as part of a customs audit in 2010 and a tax audit in 2012. CDON AB is fully assisting in the investigation and is still of the opinion that the company acts in accordance with relevant laws and regulations.

*Results for the first quarter 2014*

CDON Group's results for the first quarter 2014 will be published on 24 April 2014.

This report has not been subject to review by the Group's auditors.

4 February 2014

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Lars-Johan Jarnheimer  
*Chairman of the Board*

Mia Brunell Livfors

Mengmeng Du

Lars Nilsson

David Kelly

Patrick Andersen

Jonas Kjellberg

Paul Fischbein  
*President & CEO*

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The company will host a conference call today at 10:00 CET.

To participate in the conference call, please dial:

Sweden:	+46(0)8 5065 3938
International:	+44(0)20 3427 1906
US:	+1646 254 3363

The pin code to access this call is 8026218.

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

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**For further information, please visit [www.cdongroup.com](http://www.cdongroup.com), or contact:**

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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 expanded its product portfolio and is now a leading e-commerce player in the Entertainment (CDON.com and Lekmer.com), Fashion (Nelly.com and Members.com), Sports & Health (Gymgrossisten.com, Bodystore.com and Milebreaker.com) and Home & Garden (Tretti.com and Room21.com) segments. CDON Group's online stores attracted approximately 247 million site visits and two million unique customers in 2013.*

*The information in this year-end report 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 on 4 February 2014.*



CONDENSED CONSOLIDATED INCOME STATEMENT (SEK million)	2013 Oct-Dec	2012 Oct-Dec	2013 Jan-Dec	2012 Jan-Dec
Net sales	1,470.6	1,572.8	4,440.5	4,461.7
Cost of goods and services	-1,257.4	-1,474.8	-3,846.6	-3,990.5
<b>Gross profit</b>	<b>213.2</b>	<b>98.0</b>	<b>593.8</b>	<b>471.2</b>
Sales and administration expenses	-185.9	-202.3	-637.3	-638.0
Other operating income and expenses, net	-0.7	-6.4	-4.6	-7.2
<b>Operating profit</b>	<b>26.6</b>	<b>-110.7</b>	<b>-48.0</b>	<b>-173.9</b>
Net interest & other financial items	-6.2	-8.1	-34.1	-27.3
<b>Profit before tax</b>	<b>20.4</b>	<b>-118.8</b>	<b>-82.1</b>	<b>-201.2</b>
Tax	-4.7	28.4	14.8	49.4
<b>Net income for the period</b>	<b>15.8</b>	<b>-90.4</b>	<b>-67.3</b>	<b>-151.7</b>
<b>EBITDA</b>	<b>32.5</b>	<b>-106.0</b>	<b>-26.6</b>	<b>-158.2</b>
<i>Attributable to:</i>				
Equity holders of the parent	15.2	-91.5	-66.9	-149.6
Non-controlling interests	0.5	1.1	-0.4	-2.2
Net income for the period	15.8	-90.4	-67.3	-151.7
Basic earnings per share (SEK)*	0.15	-1.17	-0.74	-1.91
Diluted earnings per share (SEK)*	0.15	-1.17	-0.74	-1.91

\* Basic earnings per share for Oct-Dec 2013 and Jan-Dec 2013 have been calculated to reflect completed new share issue by which the number of outstanding shares increased from 66,342,124 to 99,513,183 before dilution and from 72,921,071 to 107,577,702 after dilution. Basic earnings per share for Oct-Dec 2012 and Jan-Dec 2012 have been recalculated to reflect completed new share issue.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME CONDENSED (SEK million)	2013 Oct-Dec	2012 Oct-Dec	2013 Jan-Dec	2012 Jan-Dec
<b>Profit for the period</b>	<b>15.8</b>	<b>-90.4</b>	<b>-67.3</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	0.9	-2.5	0.9	-1.2
<b>Other comprehensive income for the period</b>	<b>0.9</b>	<b>-2.5</b>	<b>0.9</b>	<b>-1.2</b>
<b>Total comprehensive income for period</b>	<b>16.7</b>	<b>-92.9</b>	<b>-66.4</b>	<b>-152.9</b>
<i>Total comprehensive income attributable to:</i>				
Parent company shareholders	16.1	-94.0	-66.0	-150.7
Non-controlling interests	0.5	1.1	-0.4	-2.2
<b>Total comprehensive income for the period</b>	<b>16.7</b>	<b>-92.9</b>	<b>-66.4</b>	<b>-152.9</b>

Shares outstanding at period's end	99,513,186	66,342,124	99,513,186	66,342,124
Shares outstanding at period's end, incl convertible	107,577,702	72,921,071	107,577,702	72,921,071
Average number of shares, basic	99,513,186	66,342,124	90,519,451	66,342,124
Average number of shares, incl convertible	107,577,702	72,921,071	97,944,969	72,921,071



CONSOLIDATED STATEMENT OF FINANCIAL POSITION CONDENSED (SEK million)	2013 31-Dec	2012 31-Dec
<b>Non-current assets</b>		
Goodwill	462.6	461.8
Other intangible assets	175.5	156.5
<b>Total intangible assets</b>	<b>638.1</b>	<b>618.3</b>
Financial non-current assets	1.6	1.6
Tangible non-current assets	21.0	14.3
Deferred tax asset	64.0	44.4
<b>Total non-current assets</b>	<b>724.6</b>	<b>678.5</b>
<b>Current assets</b>		
Inventories	525.2	609.7
Current non-interest bearing receivables	222.9	268.5
<b>Total receivables</b>	<b>222.9</b>	<b>268.5</b>
Cash and cash equivalents	288.9	126.1
<b>Total current assets</b>	<b>1,037.0</b>	<b>1,004.3</b>
<b>Total assets</b>	<b>1,761.6</b>	<b>1,682.8</b>
<b>Equity</b>		
Equity attributable to owners of the parent	688.7	267.1
Non-controlling interest	2.2	-0.7
<b>Total equity</b>	<b>690.9</b>	<b>266.4</b>
<b>Non-current liabilities</b>		
<i>Non interest bearing</i>		
Deferred tax liability	28.6	30.9
Other provisions	3.3	6.0
<i>Interest bearing</i>		
Convertible bond	231.7	223.0
<b>Total non-current liabilities</b>	<b>263.6</b>	<b>259.8</b>
<b>Current liabilities</b>		
Short term interest bearing loans	0.0	150.0
Current interest-bearing liabilities	0.0	15.0
Current non-interest bearing liabilities	807.1	991.6
<b>Total current liabilities</b>	<b>807.1</b>	<b>1,156.6</b>
<b>Total equity and liabilities</b>	<b>1,761.6</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 247.2 million as of December 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	2012	2013	2012
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Cash flow from operating activities	29.1	-15.8	-54.5	-97.5
Changes in working capital	109.0	149.2	-84.0	-135.1
<b>Cash flow from operations</b>	<b>138.0</b>	<b>133.4</b>	<b>-138.6</b>	<b>-232.6</b>
Investments in subsidiaries*	-3.0	-3.0	-18.6	-14.9
Investments in other non-current assets	-17.4	-14.6	-49.9	-42.5
Divested operations**	5.3	0.0	32.1	0.0
Other cash flow from investing activities	0.0	0.0	0.0	0.0
<b>Cash flow to/from investing activities</b>	<b>-15.1</b>	<b>-17.6</b>	<b>-36.4</b>	<b>-57.3</b>
Shareholder dividends and share buy-backs	0.0	0.0	-1.4	0.0
Acquisition of shares from non controlling interest	0.0	0.0	-13.9	0.0
New share issue	0.7	0.0	502.1	0.0
Issue of credit facilities	0.0	0.0	150.0	0.0
Amortisation of credit facilities	0.0	0.0	-300.0	0.0
<b>Cash flow to/from financing activities</b>	<b>0.7</b>	<b>0.0</b>	<b>336.7</b>	<b>0.0</b>
<b>Change in cash and cash equivalents for the period</b>	<b>123.7</b>	<b>115.8</b>	<b>161.8</b>	<b>-289.9</b>
<b>Cash and cash equivalents at period's start</b>	<b>163.8</b>	<b>9.0</b>	<b>126.1</b>	<b>417.4</b>
<b>Translation difference, cash and cash equivalents</b>	<b>1.4</b>	<b>1.4</b>	<b>0.9</b>	<b>-1.4</b>
<b>Cash and cash equivalents at period's end</b>	<b>288.9</b>	<b>126.1</b>	<b>288.9</b>	<b>126.1</b>

\* Investments in subsidiaries Jan-Dec 2013 comprises SEK 12.0 million acquisition of Business Linc BL AB's operations, SEK 4.6 million acquisition of Lekmer AB and SEK 2.0 million acquisition of Rum21 AB.

\*\* Divested operations Jan-Dec 2013 comprises the three first installments of SEK 32.1 million on disposal of Heppo AB's operations.

STATEMENT OF CHANGES IN EQUITY		
CONDENSED (SEK million)		
	2013	2012
	31-Dec	31-Dec
<b>Opening balance</b>	<b>266.4</b>	<b>417.3</b>
Comprehensive income for the period	-66.4	-152.9
Effects of long term incentive program	1.2	0.9
New share issue*	505.0	0.6
Repurchased own shares	-1.4	-0.6
Acquisition of shares from non-controlling interests without a change in control	-13.9	-
Effect of change in tax rate on convertible	-	1.2
<b>Closing balance</b>	<b>690.9</b>	<b>266.4</b>

\* Transaction costs of approximately SEK 13.5 million (SEK 10.5 million net of tax) directly attributable to the issue of new ordinary shares are recognized, net of tax, in equity as a deduction from the proceeds.



NET SALES (SEK million)	2012 Jan-Mar	2012 Apr-Jun	2012 Jul-Sep	2012 Oct-Dec	2012 Full year	2013 Jan-Mar	2013 Apr-Jun	2013 Jul-Sep	2013 Oct-Dec	2013 Full year
Entertainment	484.3	464.1	525.0	912.7	2,386.0	512.4	410.5	447.1	784.5	2,154.5
Fashion	196.4	225.9	193.3	327.3	942.9	223.8	244.1	187.9	300.4	956.2
Sport & Health	127.6	116.4	123.5	128.9	496.4	176.8	156.3	169.0	175.3	677.4
Home & Garden	146.3	146.1	141.6	197.5	631.6	143.2	158.8	145.5	211.3	658.8
<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>	<b>969.7</b>	<b>949.5</b>	<b>1,471.5</b>	<b>4,446.9</b>
Group central operations	13.4	14.5	12.4	60.7	101.1	42.7	46.9	40.5	52.1	182.2
Eliminations	-13.7	-14.9	-13.4	-54.3	-96.2	-47.8	-47.4	-40.4	-53.0	-188.7
<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>969.2</b>	<b>949.6</b>	<b>1,470.6</b>	<b>4,440.5</b>
<b>Intersegment sales</b>										
Entertainment	-	-	0.0	0.5	0.5	8.5	0.8	0.1	1.1	10.6
Fashion	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Sport & Health	0.0	0.0	0.0	0.0	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	0.0	0.0	0.0	0.0
Group central operations	13.4	14.5	12.4	53.2	93.6	39.2	46.6	40.3	52.0	178.1
<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>47.4</b>	<b>40.4</b>	<b>53.0</b>	<b>188.7</b>
<b>OPERATING PROFIT (SEK million)</b>										
	2012 Jan-Mar	2012 Apr-Jun	2012 Jul-Sep	2012 Oct-Dec	2012 Full year	2013 Jan-Mar	2013 Apr-Jun	2013 Jul-Sep	2013 Oct-Dec	2013 Full year
Entertainment	24.1	11.8	19.6	46.8	102.3	13.3	-41.9	-13.0	9.2	-32.4
Fashion	-38.5	-57.5	-30.3	-141.3	-267.6	-17.4	-4.0	-7.1	4.0	-24.6
Sport & Health	13.3	10.9	10.6	12.4	47.3	17.9	8.0	14.8	14.2	54.9
Home & Garden	-5.9	-3.4	-1.3	-3.1	-13.7	-3.4	-0.2	-0.8	5.3	0.9
<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>	<b>-38.1</b>	<b>-6.0</b>	<b>32.6</b>	<b>-1.2</b>
Group central operations	-5.1	-5.3	-6.3	-25.5	-42.2	-18.1	-10.8	-11.9	-6.0	-46.8
<i>Of which CDON Group Logistics AB</i>	-	-	-	-19.4	-19.4	-12.1	-4.3	-4.9	0.0	-21.2
<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>-48.9</b>	<b>-17.9</b>	<b>26.6</b>	<b>-48.0</b>
<b>PROFIT BEFORE TAX (SEK million)</b>										
	2012 Jan-Mar	2012 Apr-Jun	2012 Jul-Sep	2012 Oct-Dec	2012 Full year	2013 Jan-Mar	2013 Apr-Jun	2013 Jul-Sep	2013 Oct-Dec	2013 Full year
Entertainment	23.6	11.7	17.9	46.1	99.3	10.8	-43.2	-15.9	8.2	-40.1
Fashion	-40.5	-58.8	-33.8	-144.1	-277.1	-22.9	-5.8	-9.7	2.1	-36.2
Sport & Health	13.4	11.0	9.1	13.2	46.7	17.2	8.7	14.4	14.0	54.2
Home & Garden	-6.0	-3.4	-1.4	-3.2	-14.1	-3.8	-0.6	-1.1	5.1	-0.4
<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>	<b>-40.9</b>	<b>-12.3</b>	<b>29.4</b>	<b>-22.4</b>
Group central operations	-8.1	-8.9	-8.3	-30.8	-56.0	-21.4	-17.3	-12.0	-9.0	-59.7
<i>Of which CDON Group Logistics AB</i>	-	-	-	-19.5	-19.5	-12.5	-4.8	-5.4	-0.5	-23.1
<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>	<b>-58.2</b>	<b>-24.3</b>	<b>20.4</b>	<b>-82.1</b>
<b>INVENTORIES (SEK million)</b>										
	2012 31-Mar	2012 30-Jun	2012 30-Sep	2012 31-Dec		2013 31-Mar	2013 30-Jun	2013 30-Sep	2013 31-Dec	
Entertainment	221.2	208.5	281.1	287.1		259.0	252.3	243.5	231.5	
Fashion	175.2	205.3	276.2	193.6		238.4	149.3	183.4	124.7	
Sport & Health	48.6	59.8	57.9	63.6		57.9	80.6	74.9	85.9	
Home & Garden	64.6	59.0	67.7	65.4		88.6	67.8	67.7	83.0	
<b>Total operational business areas</b>	<b>509.6</b>	<b>532.6</b>	<b>682.9</b>	<b>609.7</b>		<b>643.9</b>	<b>550.1</b>	<b>569.5</b>	<b>525.2</b>	
Group central operations	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	
<b>CONSOLIDATED TOTAL</b>	<b>509.6</b>	<b>532.6</b>	<b>682.9</b>	<b>609.7</b>		<b>643.9</b>	<b>550.1</b>	<b>569.5</b>	<b>525.2</b>	



PARENT COMPANY INCOME STATEMENT CONDENSED (SEK million)				
	2013 Oct-Dec	2012 Oct-Dec	2013 Jan-Dec	2012 Jan-Dec
Net Sales	14.1	13.7	52.1	54.0
<b>Gross profit</b>	<b>14.1</b>	<b>13.7</b>	<b>52.1</b>	<b>54.0</b>
Administration expenses	-20.1	-19.8	-77.7	-76.9
<b>Operating profit</b>	<b>-6.0</b>	<b>-6.2</b>	<b>-25.6</b>	<b>-22.8</b>
Net interest & other financial items	-2.5	-5.1	-11.0	-13.7
Group contribution received	56.6	148.2	56.6	148.2
Group contribution paid	-263.2	-120.4	-263.2	-120.4
Change in excess depreciation	0.0	0.0	0.0	0.0
<b>Profit before tax</b>	<b>-215.1</b>	<b>16.6</b>	<b>-243.2</b>	<b>-8.7</b>
Tax	47.2	-4.4	53.4	2.3
<b>Net income for the period</b>	<b>-167.9</b>	<b>12.2</b>	<b>-189.9</b>	<b>-6.4</b>
PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME CONDENSED (SEK million)				
<b>Profit for period</b>	<b>-167.9</b>	<b>12.2</b>	<b>-189.9</b>	<b>-6.4</b>
<b>Other comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total comprehensive income for period</b>	<b>-167.9</b>	<b>12.2</b>	<b>-189.9</b>	<b>-6.4</b>



PARENT COMPANY STATEMENT OF FINANCIAL POSITION CONDENSED (SEK million)	2013 31-Dec	2012 31-Dec
<b>Non-current assets</b>		
Other intangible assets	2.1	0.0
Shares and participating interests	832.6	818.2
Equipment	0.3	0.0
Deferred tax asset	54.4	0.0
<b>Total non-current assets</b>	<b>889.4</b>	<b>818.3</b>
<b>Current assets</b>		
Current interest-bearing receivables	208.2	370.0
Current non-interest-bearing receivables	65.4	156.1
Cash and cash equivalents	267.7	87.7
<b>Total current assets</b>	<b>541.4</b>	<b>613.8</b>
<b>Total assets</b>	<b>1,430.8</b>	<b>1,432.0</b>
<b>Equity</b>		
Restricted equity	202.2	134.4
Unrestricted equity	514.1	266.9
<b>Total equity</b>	<b>716.2</b>	<b>401.3</b>
<b>Non-current liabilities</b>		
Convertible bonds	231.7	223.0
Deferred tax liability	4.0	6.0
Provisions	0.9	1.0
<b>Total non-current liabilities</b>	<b>236.6</b>	<b>229.9</b>
<b>Current liabilities</b>		
Short term interest bearing loans	68.0	150.0
Other interest-bearing liabilities	138.7	360.3
Non-interest-bearing liabilities	271.2	290.6
<b>Total current liabilities</b>	<b>477.9</b>	<b>800.8</b>
<b>Total equity and liabilities</b>	<b>1,430.8</b>	<b>1,432.0</b>





KEY RATIOS	2012					2013				
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Full year	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Full year
<b>GROUP</b>										
Sales growth (%)	66.9	38.2	18.9	19.5	31.1	10.1	1.8	-3.3	-6.5	-0.5
Change in operating expenses (%)	63.4	39.3	31.0	30.3	39.1	5.7	6.2	-1.5	-8.1	-0.1
Operating margin (%)	-1.3	-4.6	-0.8	-7.0	-3.9	-0.7	-5.0	-1.9	1.8	-1.1
Gross profit margin (%)	14.2	11.4	13.1	6.2	10.6	14.1	11.9	12.3	14.5	13.4
Return on capital employed (%)	13.1	4.4	1.1	neg	neg	neg	neg	neg	neg	neg
Return on equity (%)	15.0	3.2	neg	neg	neg	neg	neg	neg	neg	neg
Equity/assets ratio (%)	28.1	25.9	23.9	15.8	15.8	15.9	40.5	41.4	39.2	39.2
Net debt (SEK million)	196.1	258.4	361.8	246.8	246.8	590.3	50.0	65.7	-57.2	-57.2
Cash flows from operations (SEK million)	-234.5	-46.0	-92.4	133.4	-239.6	-327.1	36.0	14.6	138.0	-138.6
Earnings per share (SEK)*	-0.15	-0.45	-0.13	-1.17	-1.91	-0.25	-0.62	-0.21	0.15	-0.74
Equity per share (SEK)**	6.09	5.53	5.34	4.02	4.02	3.74	7.12	6.78	6.94	6.94
Depreciation/Net sales (%)	0.3	0.4	0.4	0.3	0.4	0.5	0.5	0.5	0.4	0.5
Capital Expenditure/Net sales (%)	1.3	1.0	0.6	0.9	1.0	0.7	1.4	1.2	1.2	1.1
No. of visits (thousand)***	56,926	52,112	50,666	74,978	234,683	62,622	58,835	52,295	73,814	247,566
No. of orders (thousand)***	1,557	1,399	1,516	2,487	6,959	1,684	1,528	1,483	2,436	7,131
Average shopping basket (SEK)***	580	642	607	587	601	616	631	640	605	621
<b>Entertainment</b>										
No. of visits (thousand)	22,305	19,565	21,830	35,472	99,172	25,938	22,083	23,167	35,832	107,021
No. of orders (thousand)	1,048	868	1,039	1,748	4,702	1,089	904	954	1,616	4,564
Average shopping basket (SEK)	436	508	482	491	480	470	454	469	486	472
<b>Fashion***</b>										
No. of visits (thousand)	28,539	26,872	22,997	32,253	110,662	28,589	29,188	21,848	29,705	109,329
No. of orders (thousand)	274	318	255	475	1,321	297	348	262	508	1,416
Average shopping basket (SEK)	641	621	622	593	615	691	688	716	591	659
<b>Sport &amp; Health</b>										
No. of visits (thousand)	3,497	2,979	3,000	3,477	12,953	4,805	4,112	3,854	4,212	16,984
No. of orders (thousand)	180	158	164	173	676	237	214	209	220	880
Average shopping basket (SEK)	703	733	745	737	729	745	731	807	798	770
<b>Home &amp; Garden</b>										
No. of visits (thousand)	2,585	2,696	2,839	3,775	11,896	3,291	3,451	3,425	4,065	14,232
No. of orders (thousand)	56	55	58	91	259	60	63	57	92	272
Average shopping basket (SEK)	2,574	2,625	2,380	2,120	2,383	2,385	2,528	2,568	2,292	2,425

\* Earnings per share for the periods Jan-Dec 2012 and Jan-Dec 2013 have been calculated on the average number of outstanding shares for the periods. The weighted average number of shares for the full year 2012 is 66,342,124. For the period Oct-Dec 2013 weighted average number of shares amounts to 99,513,186 and for the full year 2013 weighted average number of shares amounts to 90,519,451. Earnings per share for 2012 have been recalculated to reflect completed new share issue.

\*\* Calculated on present number of shares, as per December 2013, amounting to 99,513,186.

\*\*\* Excluding divested operations

#### Definitions

Gross profit margin	Gross profit as a percentage of net sales. Gross profit includes costs directly attributable to the goods sold, fulfillment costs, and shipping costs.
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.



## Note 1

CDON Group AB announced that the company has entered into an agreement to sell the operations of subsidiary Heppo AB to Footway Group AB.

The transaction was made through an asset deal and included the majority of Heppo AB's assets, as well as the liabilities attributable thereto. Heppo AB was part of the Group's fashion segment and reported total net sales of approximately SEK 103 million and an operating result of approximately SEK -20 million in 2012. The purchase price amounted to SEK 42.9 million, of which SEK 32.1 million has been received as per 31 December 2013, and the remainder will be received as three instalments between March and June 2014. The transaction was closed on 18 April and affected second quarter earnings with approximately SEK -3 million.

RESULT FROM DIVESTED OPERATIONS (SEK million)	2013 Full year	2012 Full year
Net sales	23.6	102.6
Expenses	-31.4	-102.6
Profit before tax	-7.8	0.0
Tax	-0.5	0.0
Profit after tax but before capital gain/loss from divested operations	-8.4	0.0
Capital gain/loss from divested operations	-2.5	-
Tax attributable to the above capital gain/loss	0.5	-
Capital gain/loss after tax	-1.9	-
<b>Total income for the period</b>	<b>-10.3</b>	<b>0.0</b>
<i>Net cash flow from divested operations</i>		
Cash flow from operations	-10.6	3.7
Cash flow to/from investing activities	32.1	-2.7
Cash flow to/from financing activities	-	-
<b>Net cash flow from divested operations</b>	<b>21.5</b>	<b>0.9</b>

DIVESTED ASSETS AND LIABILITIES FROM HEPPA AB'S OPERATIONS (SEK million)	Recognised values
Tangible non-current assets	-0.3
Inventories	-42.2
Net identifiable assets and liabilities	-42.6
Purchase price	42.9
Deferred purchase price	-10.7
Net cash flow	32.1

### Deferred purchase price

The purchase price amounts to SEK 42.9 million, half of which was received as a cash consideration at closing, and the remainder received as four installments between September 2013 and June 2014.

SUMMARY DEVELOPMENT OF DIVESTED OPERATIONS (SEK million)	2012 Jan-Mar	2012 Apr-Jun	2012 Jul-Sep	2012 Oct-Dec	2013 Jan-Mar	2013 Apr-Jun	2013 Jul-Sep	2013 Oct-Dec
Net sales	15.4	26.9	29.2	31.3	18.7	4.9	0.0	0.0
Operating profit	-5.1	-6.3	-3.5	-5.2	-3.6	-5.0	0.0	0.0
Closing inventory balance	29.0	28.3	40.9	34.0	47.7	5.0	0.0	0.0