

cdongroup

COON.COM

nelly

GYM GROSSISTEN

Lekmer.se

RUM21
form-funktion-själ

bodystore.com

LibriLenta.com

BookPlus
KINJAMAILMA

Heppo.com

First Quarter 2011 Financial Results

19 April 2011

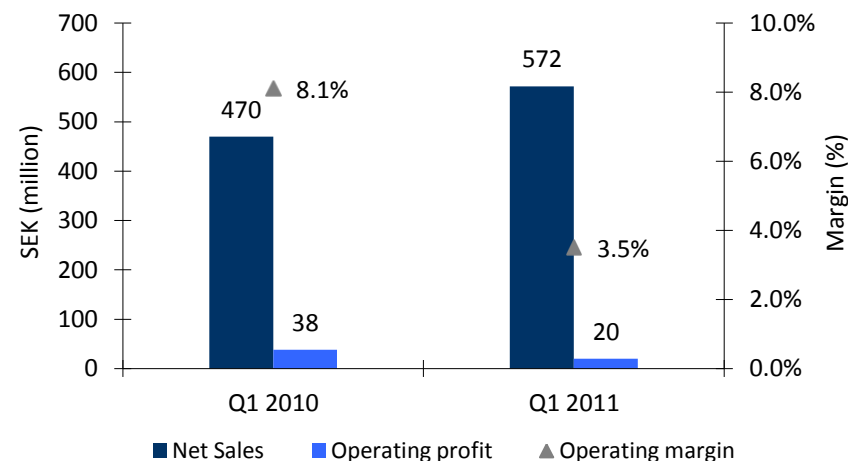


Record first quarter sales in first full quarter as a listed company

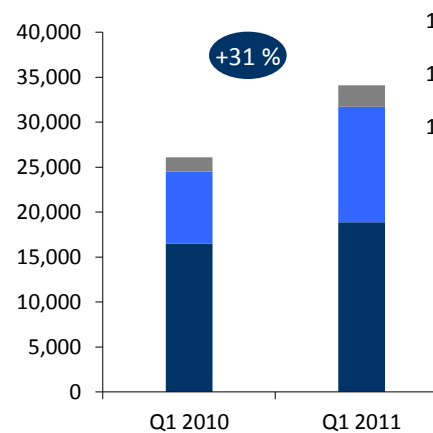
Results demonstrate scalability of CDON platform & continued focus on developing and growing the Group's businesses across the Nordics

- Net sales up 22% y/y to SEK 571.8 mn
- Gross profit up 17.4% y/y to SEK 109.9 mn
 - Gross margin of 19.2%
- Operating profit of SEK 20.1 (37.9) mn with an operating margin of 3.5%
- Pre-tax profit of SEK 16.7 (32.3) mn
- Net income of SEK 12.7 (25.0) mn
- Earnings per share of SEK 0.19
- Acquisition of online designer brand furniture and interior decoration retailer RUM21.se

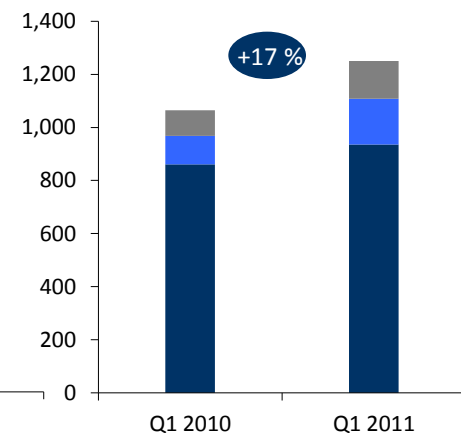
Operating development



No. of website visits ('000)



No. of orders ('000)



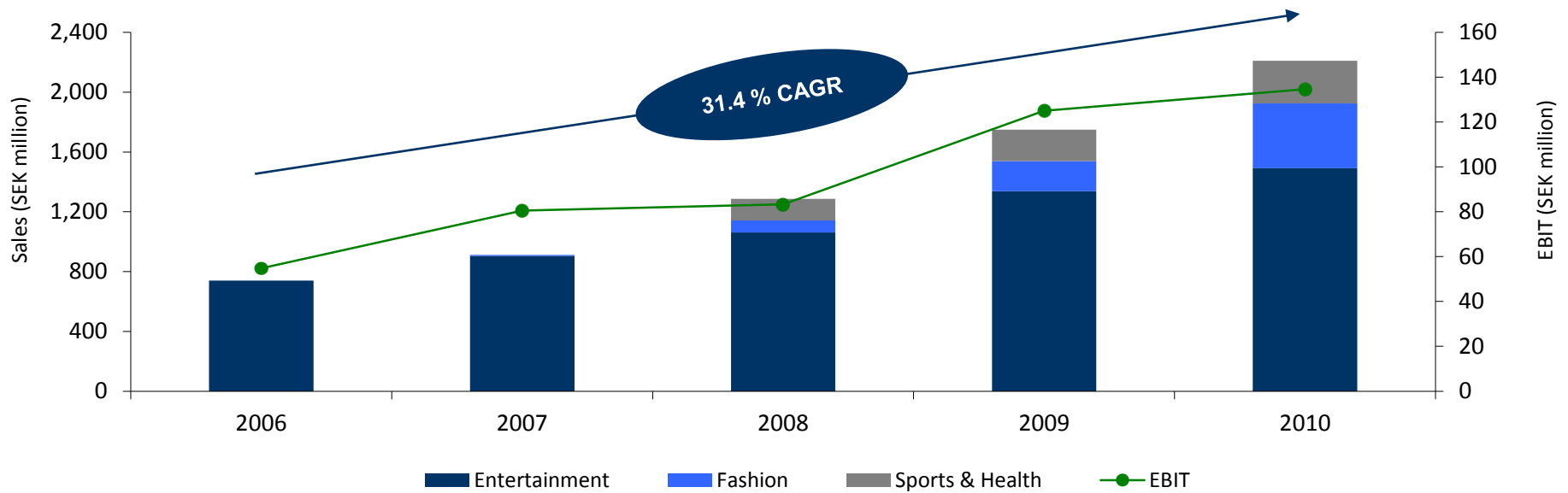
■ Entertainment ■ Fashion

■ Sports & Health

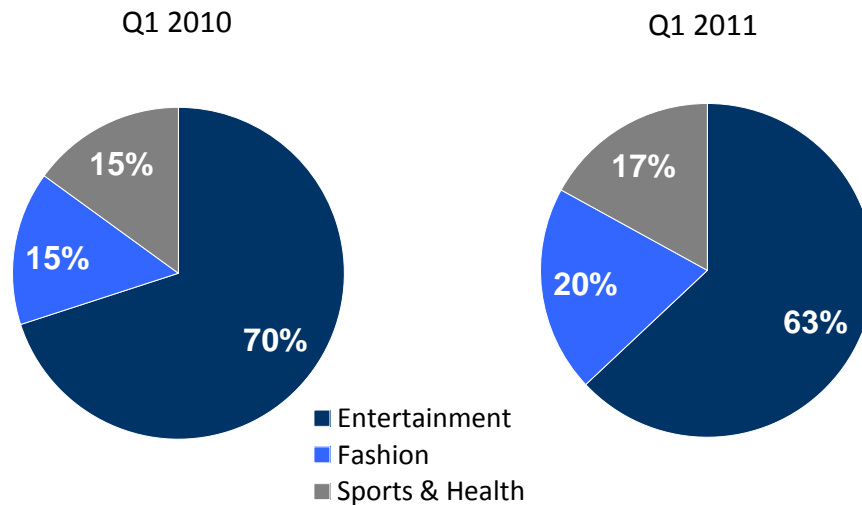
■ Entertainment ■ Fashion

■ Sports & Health

Consistent revenue growth with healthy profitability levels



First quarter sales by segment

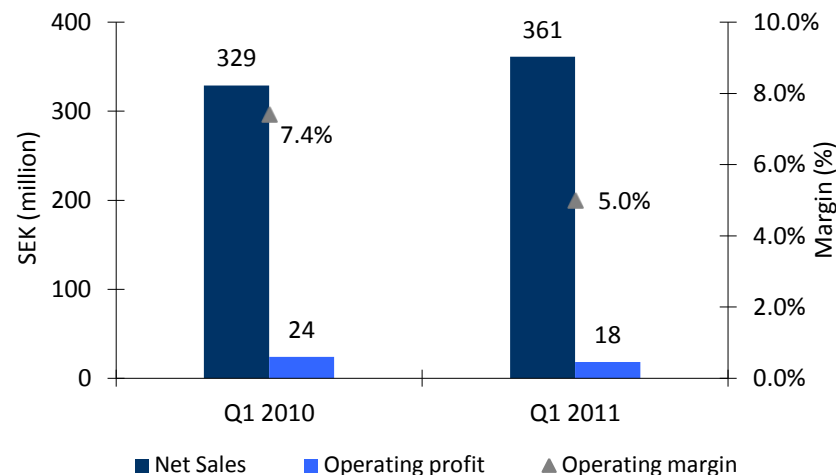


Business Profile & Performance

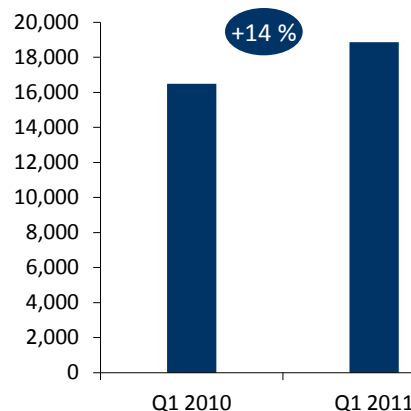
10% year on year sales growth in Q1 with 5% operating margin, with ongoing & accelerated shift towards more sustainable future segments

- Sales up 10% y/y in Q1
 - Strong growth despite ongoing shift from media products to future growth areas.
- Entertainment segment represented 63% (70%) of Group sales in Q1.
- Operating costs of SEK 343 (305) mn in Q1
 - Ongoing shift in product category mix
 - Investments in expansion of both existing and newly acquired businesses
 - Y/Y appreciation of the Group's reporting currency (SEK) against other operating currencies
- Operating profits down -24.8% y/y in Q1 & operating margin of 5.0% (7.4%)

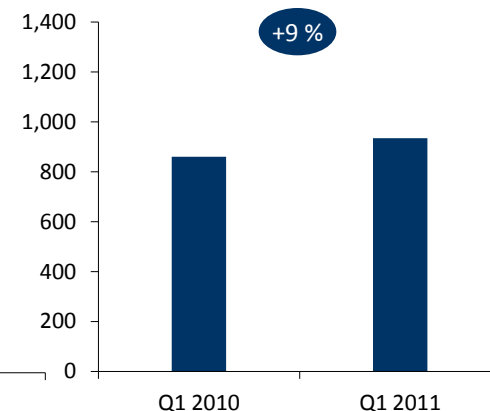
Operating development



No. of website visits ('000)



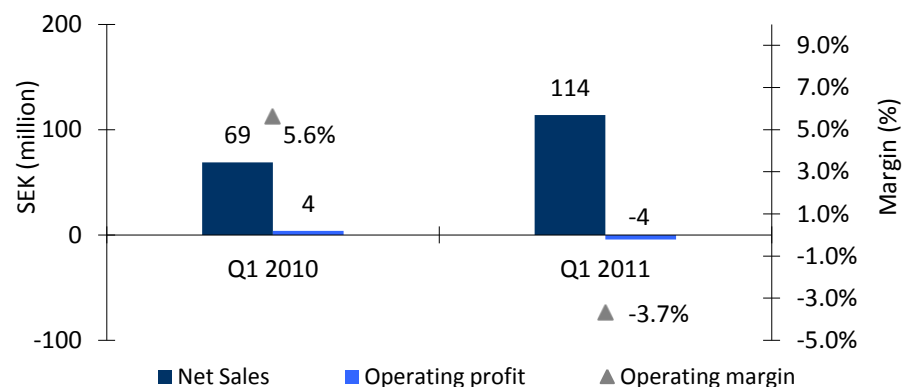
No. of orders ('000)



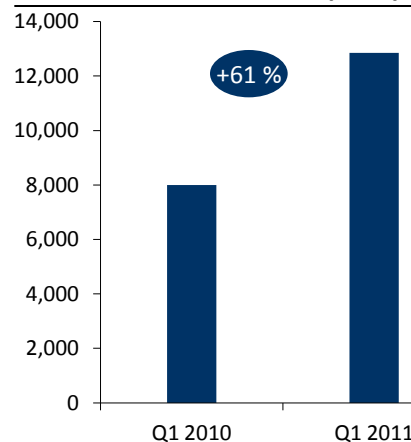
65% year on year revenue growth in Q1 & ongoing geographical and M&A driven expansion and diversification of product offering

- Sales increased by 65% y/y in Q1
 - Strong growth from Nelly.com , which expanded outside the Nordic region through German establishment as well as test operations in the Netherlands and Austria
 - Heppo.com continues to develop according to plan
 - RUM21.se acquired and was consolidated as of 1 February 2011
- Fashion segment represented 20% (15%) of Group sales in Q1
- Operating costs of SEK 118 (65) mn in Q1
 - Increased marketing costs for roll-out of Heppo.com
 - Launch of Nelly.com in Germany
 - Integration of RUM21.se
- Operating profits down to SEK -4 mn in Q1 & operating margin of -3.7% (5.6%)

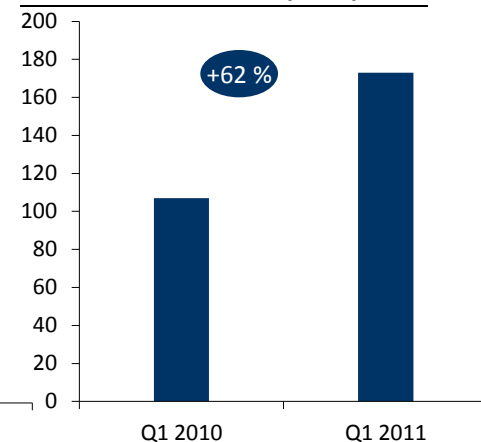
Operating development



No. of website visits ('000)

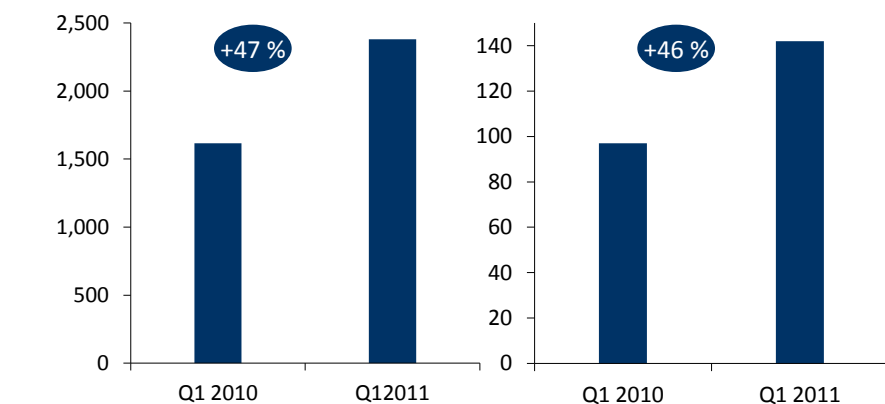
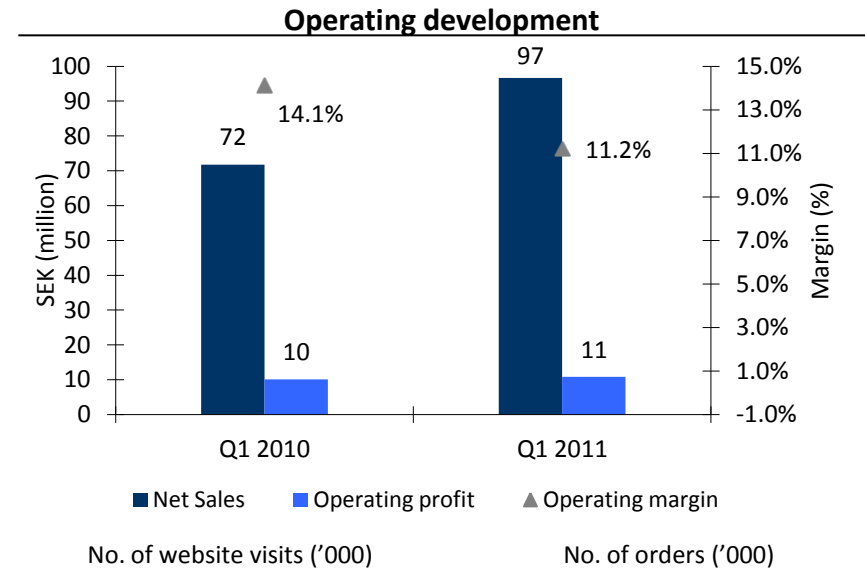


No. of orders ('000)



35% year on year revenue growth with increased operating profits despite geographical and operational expansion

- Sales up 35% y/y
 - Market share gains for Gymgrossisten.com in all geographical markets
 - Gymgrossisten.com launched in Denmark under Bodystore.dk name
- Sports & Health segment represented 17% (15%) of Group sales in Q1
- Operating costs of SEK 86 (62) mn in Q1
 - Investments related to launch in Denmark and market share increasing activates for new markets
- Operating profits up 7% y/y in Q1 & operating margins of 11.2% (14.1%)
- Extended warehouse and handling equipment in main distribution hub in Trollhättan, doubling storage capacity for the segment



Financial Performance & Position

- Net interest & other financial items of SEK -3.4 (-5.6) mn in Q1 reflected:
 - Net cash position as at 31 March 2011, compared to net debt position at the end of Q1 2010
 - Interest costs related to the convertible bond issued in December 2010
- Tax expenses of SEK -4,0 (-7.3) mn in Q1 - effective tax rate of 24% (23%)

CONDENSED CONSOLIDATED INCOME STATEMENT (SEK thousand)	2011 Jan-Mar	2010 Jan-Mar	2010 Jan-Dec
Net sales	571,821	469,733	2,210,034
Cost of goods and services	-461,924	-376,162	-1,789,814
Gross profit	109,897	93,571	420,220
Sales and administration expenses	-90,180	-55,200	-287,382
Other operating income and expenses, net	421	-460	1,790
Operating profit	20,138	37,911	134,628
Net interest & other financial items	-3,444	-5,595	-18,799
Profit before tax	16,694	32,316	115,829
Tax	-4,025	-7,303	-25,595
Net income for the period	12,669	25,013	90,234
Attributable to:			
Equity holders of the parent	12,817	24,731	90,835
Non-controlling interests	-148	282	-601
Net income for the period	12,669	25,013	90,234
Basic earnings per share (SEK)*	0.19	49.46	5.00
Diluted earnings per share (SEK)*	0.18	49.46	4.90

- Cash flow from operating activities before changes in working capital declined y/y to SEK 2.2 (31.3) mn
 - SEK 18.9 mn tax payment related to performance in 2010
- Cash flow to investing activities of SEK -7.3 (-1.4) mn in Q1
 - SEK -5.3 million impact from acquisition of RUM21.se in February
- SEK -164.1 (-96.6) million change in working capital in Q1
 - Higher inventory levels due to increase of more inventory intensive Fashion and Sports & Health segments as proportions of total Group revenues

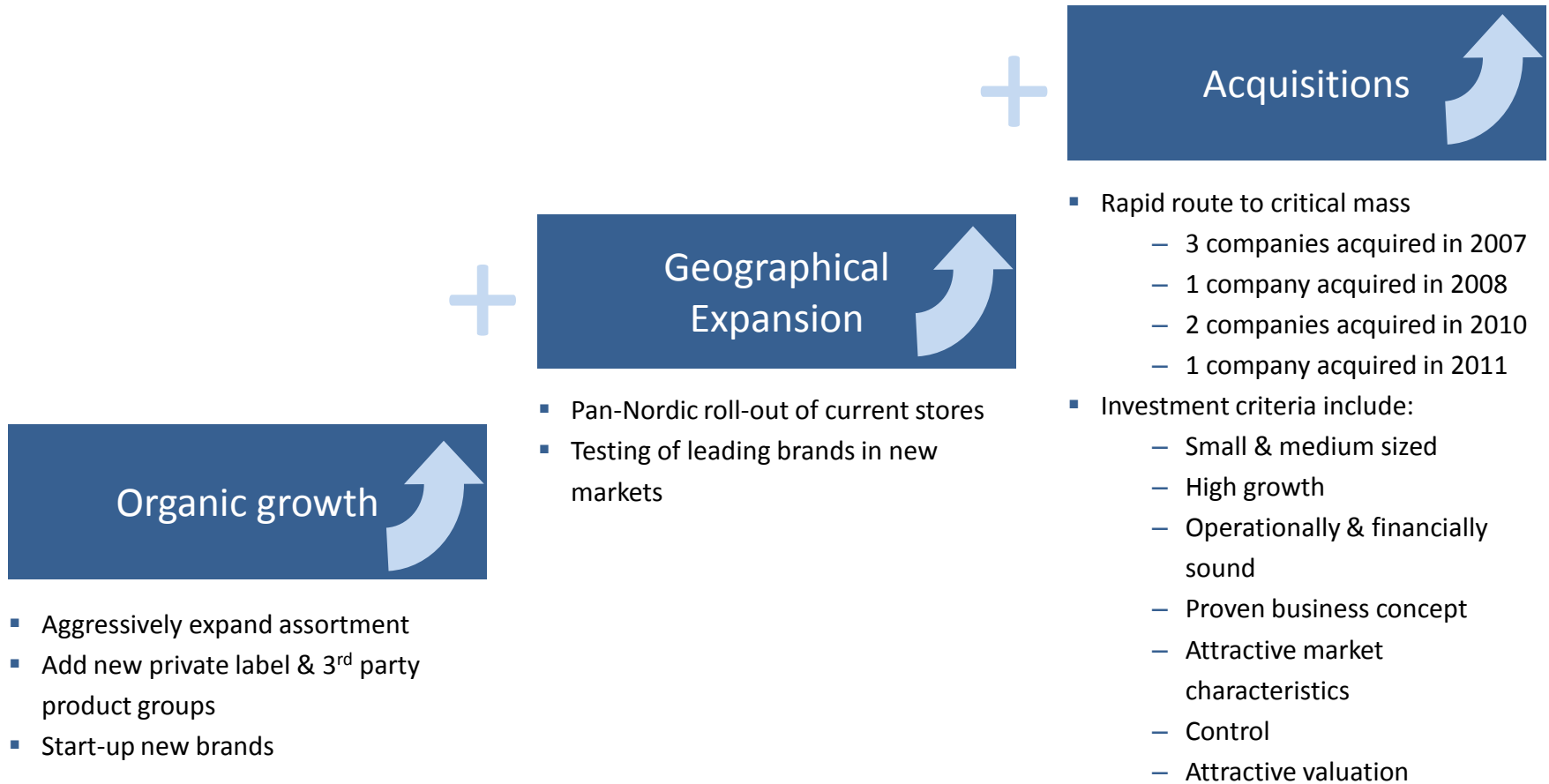
CONSOLIDATED STATEMENT OF CASH FLOWS CONDENSED (SEK thousand)	2011 Jan-Mar	2010 Jan-Mar	2010 Jan-Dec
Cash flow from operating activities	2,150	31,271	126,162
Changes in working capital	-164,056	-96,600	-32,876
Cash flow from operations	-161,906	-65,329	93,286
Investments in subsidiaries*	-5,303	-1,067	-4,459
Investments in other non-current assets	-2,026	-347	-5,373
Other cash flow from investing activities	0	-16	0
Cash flow to/from investing activities	-7,329	-1,430	-9,832
Other cash flow from/to financing activities	0	75,532	353,808
Cash flow to/from financing activities	0	75,532	353,808
Change and cash equivalents for the period	-169,235	8,773	437,262
Cash and cash equivalents at period's start	431,343	3,045	3,045
Translation difference, cash and cash equivalents	-821	0	-8,964
Cash and cash equivalents at period's end	261,287	11,818	431,343

* Investments in subsidiaries 2011 comprises SEK 5.303 thousand acquisition of Rum21 AB, see Note 1.

- Capital employed up by SEK 259.1 mn y/y to SEK 569.6 mn as at 31 Mar 2011
 - The SEK 250 mn convertible bond issue in December 2010
 - Higher inventory levels due to increased proportion of Group sales in more inventory intensive Fashion and Sports & Health segments
- Return on capital employed down to 27% (41.3%) as at 31 Mar 2011
- Total interest bearing borrowings of SEK 209.0 (278.4) million as at 31 Mar 2011
- Net cash position of SEK 52.2 (-186.9) mn as at 31 Mar 2011
- Cash and cash equivalents of SEK 261.3 (11.8) million as at 31 March 2011

CONSOLIDATED STATEMENT OF FINANCIAL POSITION CONDENSED (SEK thousand)	2011 31-Mar	2010 31-Mar	2010 31-Dec
Non-current assets			
Goodwill	197,101	189,548	188,966
Other intangible assets	71,952	61,461	65,878
Total intangible assets	269,053	251,009	254,844
Tangible assets	4,947	2,058	3,660
Total non-current assets	274,000	253,067	258,504
Current assets			
Inventories	295,832	169,344	251,284
Current interest-bearing receivables	0	79,615	0
Current non-interest-bearing receivables	106,627	62,791	73,066
Total receivables	106,627	142,406	73,066
Cash and cash equivalents	261,287	11,818	431,343
Total current assets	663,746	323,568	755,693
Total assets	937,746	576,635	1,014,197
Equity			
Equity attributable to owners of the parent	358,275	29,096	345,665
Non-controlling interest	2,266	3,033	879
Total equity	360,541	32,129	346,544
Non-current liabilities			
<i>Non interest bearing</i>			
Deferred tax liability	28,111	14,850	26,748
Other provisions	4,708	1,326	2,397
<i>Interest bearing</i>			
Convertible bond	209,047	0	207,204
Total non-current liabilities	241,866	16,176	236,349
Current liabilities			
Current interest-bearing liabilities	0	278,407	0
Current non-interest-bearing liabilities	335,339	249,923	431,304
Total current liabilities	335,339	528,330	431,304
Total equity and liabilities	937,746	576,635	1,014,197

To become a leading e-commerce player in each of the Group's operating market segments & territories

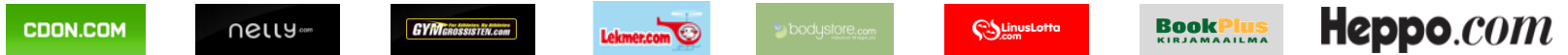


Objectives

- To generate sustainable and long term shareholder value
- To continue to grow organically at least in line with the growth of each of the Group's operating market segments in each operating territory
- To continue to start-up or acquire new brands
- To generate margins that are in line or above the average of the Group's competitors in each operating market segment, when excluding the impact of new start-ups & acquisitions

Key Investment Highlights

- 1 Uniquely well-positioned market-leading Nordic online retailer
- 2 Taking advantage of exponential development of e-commerce
- 3 Track record of profitable organic growth
- 4 Successfully entering new markets & integrating acquisitions
- 5 Clear strategy
- 6 Experienced management team



For further information, please visit www.cdongroup.com or contact:

CDON Group Investor Relations

+ 46 (0) 10 703 21 68

ir@cdongroup.com