

Financial Results for the Fourth Quarter and Full Year 2012

8 February 2013



- Continued strong year on year sales growth of 19 % in the fourth quarter and 31% for the full year
- CDON.com and Gymgrossisten.com show continued strong performance
- The results in the fashion segment are burdened by negative non-recurring items in the fourth quarter
- Launch of Nelly.com's and Heppo.com's assortment on CDON.com in the fourth quarter
- Acquisition of logistics operations in Falkenberg, Sweden
- Strengthening of CDON Group's management team



Forward looking statement

- Use strong market positions to capitalize on high online market growth
- Focus on continued balanced sales growth and increased market shares, mainly from our three core assets; CDON.com, Nelly.com & Gymgrossisten.com
- Further enhance the efficiency of the Group's logistics to secure a retained high customer satisfaction in combination with future best in class cost effectiveness



Financial Summary

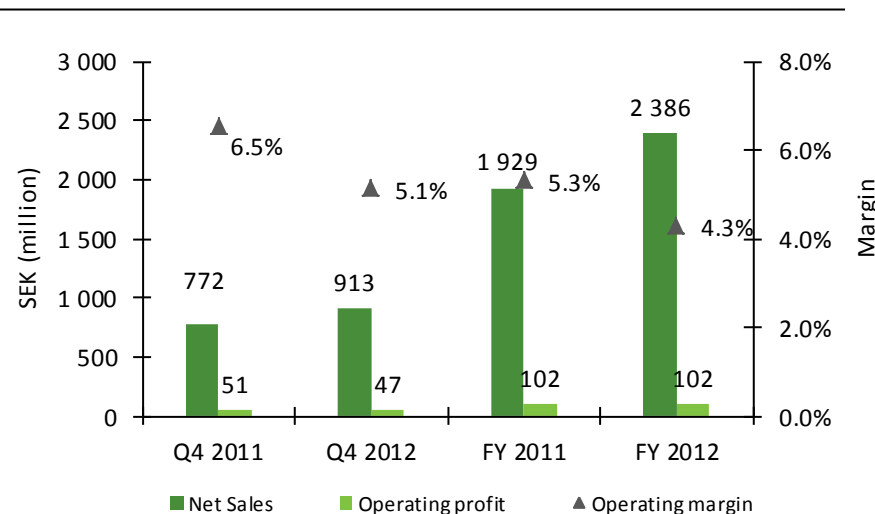
	Entertainment		Fashion		Sports & Health		Home & Garden		cdongroup	
	Q4	FY12	Q4	FY12	Q4	FY12	Q4	FY12	Q4	FY12
Net sales (mn)	912.7	2,386.0	327.3	942.9	128.9	496.4	197.5	631.6	1,572.8	4,461.7
Growth yoy	18%	24%	19%	29%	33%	32%	15%	71%	19%	31%
Sales share	58%	53%	21%	21%	8%	11%	13%	14%	100%	100%
EBIT (mn)	46.8	102.3	-141.3	-267.6	12.4	47.3	-3.1	-13.7	-110.7	-173.9
EBIT margin	5.1%	4.3%	-43.2%	-28.4%	9.6%	9.5%	-1.6%	-2.2%	-7.0%	-3.9%
Visits (mn)	35.5	99.2	35.1	120.3	3.5	13.0	3.8	11.9	77.8	244.3
Orders (mn)	1.7	4.7	0.5	1.5	0.2	0.7	0.1	0.3	2.5	7.1



CDON.com continues to strengthen its customer offering

- Segment sales up 18% y/y in Q4 and 24% y/y FY
- The product assortment was further broadened with products from Nelly.com's and Heppo.com's assortment in Q4
- The product categories Consumer Electronics and Toys continued to increase their share of sales in the quarter, whilst the category Media decreased slightly
- Operating profits of SEK 46.8 (50.5) mn in Q4 and SEK 102.3 (102.3) mn FY
 - Operating margin of 5.1% (6.5%) in Q4 and 4.3% (5.3%) FY

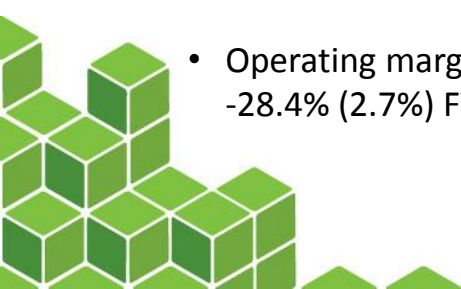
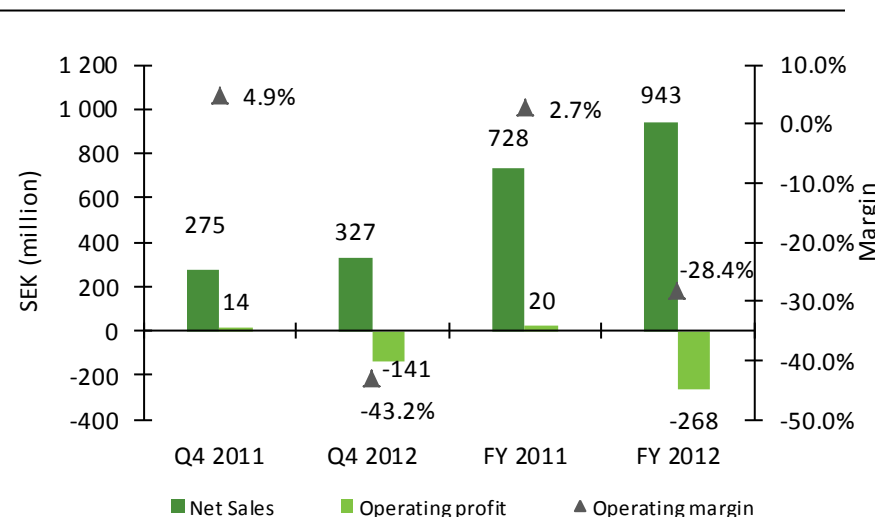
Operating development



The segment's results was burdened by non-recurring items

- Sales increased by 19% y/y in Q4 and by 29% y/y FY
- Segments sales still severely affected in the quarter by the warehouse relocation
- Nelly.com reported record sales in both November and December
- Non-recurring items of SEK 112.2 mn in Q4 and 170.5 mn FY, mainly related to the warehouse relocation performed during 2012, write-down of overstock, as well as write-downs and adjustments of balance sheet items and inventory discrepancies, of which SEK 40 mn are attributed to 2011 or earlier
- Operating profits of SEK -141.3 (13.5) mn in Q4 and SEK -267.6 (19.8) mn FY including non-recurring items
- Operating margin of -43.2% (4.9%) in Q4 and -28.4% (2.7%) FY including non-recurring items

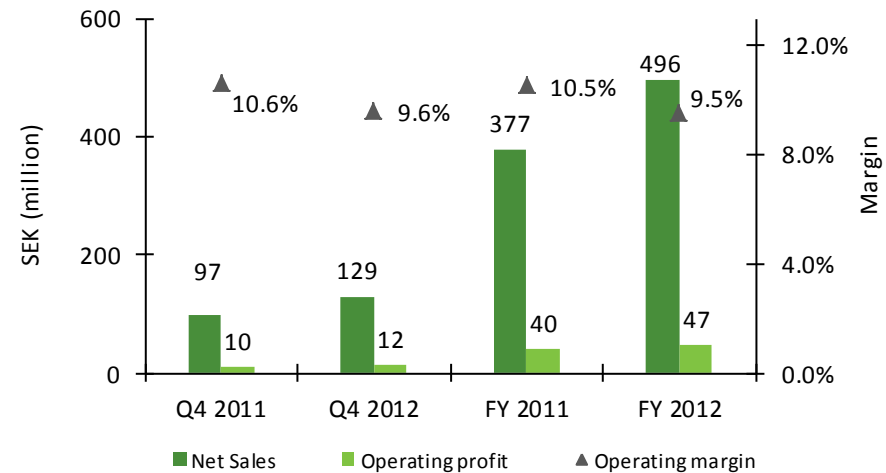
Operating development



33% year on year revenue growth in Q4

- Sales up 33% y/y in Q4 and 32% y/y FY
- Broader product assortment and continued positive sales trend in all markets
- Operating profits of SEK 12.4 (10.3) mn in Q4 and SEK 47.3 (39.7) mn FY
- Operating margins of 9.6% (10.6%) in Q4 and margins of 9.5% (10.5%) FY

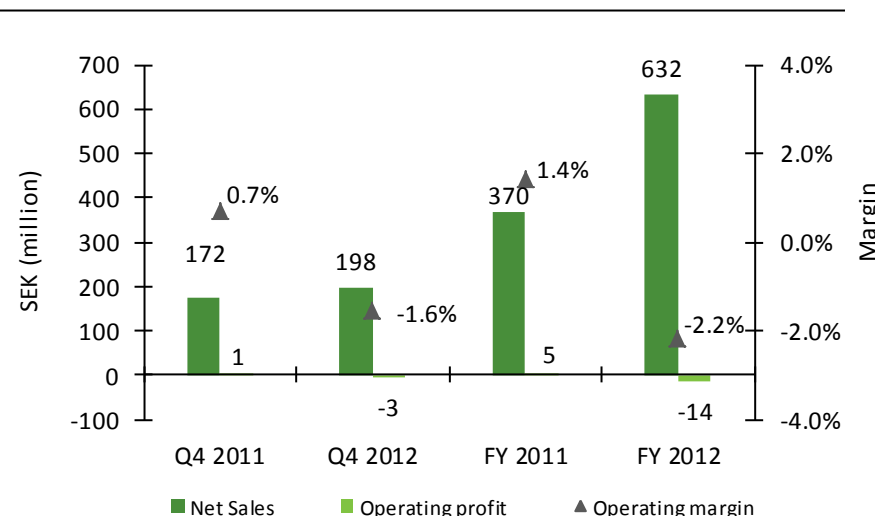
Operating development



Relocation of Tretti's operations from Stockholm to Malmö

- The segment's sales amounted to SEK 197.5 (172.1) mn in Q4 and to SEK 631.6 (369.5) mn FY
- Sales growth of 15% y/y in Q4 driven by both Tretti and Room21
- Operating profit of SEK -3.1 (1.2) mn in Q4 and of SEK -13.7 (5.3) mn FY
- Operating margins of -1.6% (0.7%) in Q4 and of -2.2% (1.4%) FY
- Operating margins were under pressure as a result of investments in Room21.com, as well as the relocation of Tretti.com from Stockholm to Malmö

Operating development



- On 1 October 2012 CDON Group acquired the logistics operations of the Business Linc BL AB in Falkenberg, which was integrated into the formed company CDON Group Logistics AB
- The operating profit of CDON Group Logistics AB was SEK -18.9 mn in Q4
- Going forward, focus will be on ensuring a long-term cost-effective logistics solution that also allows for market leading service levels for CDON Group's customers
- Break-even is expected in Q3 2013



Financial Performance & Position



Income Statement

- Net interest & other financial items of SEK -8.1 (-5.4) mn in Q4 mainly due to interest costs from:
 - The Group's revolving credit facility
 - The Groups overdraft facility
 - The Group's convertible bond issued in December 2010
- Positive income tax effect of SEK 28.4 (-17.5) mn in the quarter

(SEK million)	2012 Okt-Dec	2011 Okt-Dec	2012 Jan-Dec	2011 Jan-Dec
Net Sales	1,572.8	1,316.4	4,461.7	3,403.7
Gross profit	98.0	229.5	471.2	587.3
<i>Gross margin (%)</i>	6.2%	17.4%	10.6%	17.3%
Operating profit excl non-recurring items	1.5	71.3	-3.4	149.0
<i>Operating margin%</i>	0.1%	5.4%	-0.1%	4.4%
Operating profit incl non-recurring items	-110.7	71.3	-173.9	129.2
<i>Operating margin%</i>	-7.0%	5.4%	-3.9%	3.8%
Income before tax	-118.8	65.9	-201.2	111.0
Net income	-90.4	48.4	-151.7	83.0
Basic earnings per share (SEK)	-1.38	0.73	-2.25	1.26
Diluted earnings per share	-1.38	0.70	-2.25	1.26

Financial Position

- Inventories at SEK 609.7 (459.1) mn, mainly due to increased sales and change of product mix in the Entertainment segment
- Total interest bearing loans of SEK 373.0 (364.8) mn at the end of Q4
- Net debt position of SEK 246.8 (-52.6) mn at the end of Q4, compared to SEK 361.8 at the end of Q3
- Cash and cash equivalents increased to SEK 126.1 (417.4) mn at the end of Q4, compared to SEK 9.0 mn at the end of Q3

(SEK million)	2012 31-dec	2011 31-Dec
Total non-current assets	678.5	603.3
Inventories	609.7	459.1
Total receivables	268.5	145.6
Cash and cash equivalents	126.1	417.4
Total assets	1 682.8	1 625.3
Total equity	266.4	417.3
Interest bearing liabilities	373.0	364.8
Non-interest bearing liabilities	1 043.5	843.3
Total equity and liabilities	1 682.8	1 625.3

Cash Flow

- Cash flow from operating activities before changes in working capital of SEK -15.8 (73.1) mn in Q4
- SEK 149.2 (231.6) million change in working capital in Q4
- Cash flow to investing activities of SEK -17.6 (-22.3) mn in Q4

(SEK million)	2012 Okt-Dec	2011 Okt-Dec	2012 Jan-Dec	2011 Jan-Dec
Cash flow from operating activities	-15.8	73.1	-97.5	124.3
Changes in working capital	149.2	231.6	-142.1	71.6
Cash flow from operations	133.4	304.7	-239.6	195.9
Cash flow from/to investing activities	-17.6	-22.3	-50.3	-345.8
Cash flow from/to financing activities	0.0	0.0	0.0	136.2
Change and cash equivalents for the period	115.8	282.4	-289.9	-13.8
Cash and cash equivalents at the period's start	9.0	135.5	417.4	431.3
Translation difference	1.4	-0.5	-1.4	-0.1
Cash and cash equivalents at the period's end	126.1	417.4	126.1	417.4





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

CDON Group Investor Relations

+ 46 (0) 70 080 75 04

ir@cdongroup.com



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