

Fourth Quarter and Full Year 2014



Highlights

- Total sales growth of 15 % and all segments showed sales growth.
- EBITDA, excluding non-recurring items, SEK 49 million for 2014.
- Positive cash flow from operations, excluding Qliro Financial Services' loan book, amounting to SEK 75 million in 2014.
- Successful launch of Qliro Payment Solution.
- Name change from CDON Group to Qliro Group.
- Completion of SEK 647 million rights issue and early redemption of SEK 250 million convertible bond.

FINANCIALS

Income Statement

- Net sales increased by 15% for Q4 and the full year.
- Operating profit, adjusted for Qliro Financial Services, amounted to SEK 21,9 million for Q4.
- The Group's financial net amounted to SEK -6,6 million for Q4.
- Profit before tax totalled SEK 8.3 million for the full year and EPS SEK 0,02

Excluding divested entities and non-recurring items

(SEK million)	2014 Q4	2013 Q4	2014 Jan-Oct	2013 Jan-Oct
Net Sales	1 649,6	1 438,7	4 966,8	4 326,8
Gross profit	218,7	206,2	710,4	608,7
<i>Gross margin (%)</i>	13,3%	14,3%	14,3%	14,1%
EBITDA	15,2	30,8	34,6	20,3
<i>EBITDA margin (%)</i>	0,9%	2,1%	0,7%	0,5%
EBIT	8,0	25,0	8,6	-0,3
<i>EBIT margin (%)</i>	0,5%	1,7%	0,2%	0,0%

Including divested entities and non-recurring items

EBIT	-3,6	26,6	33,0	-48,0
Financial Net	-6,6	-6,2	-24,6	-34,1
Income before tax	-10,2	20,4	8,3	-82,1
Net income	-7,0	15,8	5,4	-67,3
Basic earnings per share (SEK)	-0,06	0,13	0,02	-0,65
Diluted earnings per share	-0,06	0,13	0,02	-0,65

Cash Flow

- Cash flow from operations excluding Qliro Financial Services' loan book improved to SEK 256,4 million and SEK 86,6 million including the loan book.
- Cash flow from investing activities in Q4 amounted to SEK -30.4 million.
- Cash flow from financing activities in Q4 amounted to SEK 374.8 million including rights issue.

(SEK million)	2014 Q4	2013 Q4	2014 Jan-Oct	2013 Jan-Oct
Cash flow from operating activities	6,4	29,1	16,0	-54,5
Changes in working capital	80,2	109,0	-122,5	-84,0
Cash flow from operations	86,6	138,0	-106,5	-138,6
Cash flow from/to investing activities	-30,4	-15,1	-19,0	-36,4
Cash flow from/to financing activities	374,8	0,7	368,3	336,7
Change in cash and cash equivalents for the period	431,0	123,7	242,8	161,8
Cash and cash equivalents at the period's start	102,4	163,8	288,9	126,1
Translation difference	0,5	1,4	2,3	0,9
Cash and cash equivalents at the period's end	534,0	288,9	534,0	288,9

Financial Position

- Inventories increased by 30%.
- Group cash and cash equivalents increased to SEK 534.0 (288.9) million in Q4.
- The Group had no liabilities at year end.
- Loans to the public (Qliro Financial Services) amounted to SEK 181,2 million.
- Consolidated equity increased in Q4 to SEK 1,314.3 million, compared with SEK 698.9 million at the end of the Q3.

	2014	2013
(SEK million)	31-dec	31-dec
Total non-current assets	780,2	724,6
Inventories	657,9	525,2
Loans to the public	181,2	0,0
Current non-interestbearing receivables	207,7	222,9
Cash and cash equivalents	534,0	288,9
Total assets	2 360,8	1 761,6
Total equity	1 314,3	690,9
Interest bearing liabilities	0,0	231,7
Non-interest bearing liabilities	1 046,5	839,0
Total equity and liabilities	2 360,8	1 761,6

BUSINESS SEGMENTS


Qliro Financial Services

- Successful launch across Tretti, Lekmer, CDON and Nelly.
- Processed 407 000 orders in Q4.
- Business volume of SEK 323,5 million.
- Public lending totalled SEK 181,2 million.
- Next steps includes launch on Gymgrossisten in Sweden and full launch in Finland.

	Qliro	
	Q4 14	FY 14
Total operating income	2,2	2,3
EBIT (SEK million)	-13,9	-14,2
Loans to the public	181,2	181,2
Business volume	323,5	343,6
Order (thousands)	407	428
Average shopping basket (SEK)	794	802

Lekmer

- Sales increased by 44% in Q4 and 53% for the full year.
- Lekmer's operating profit (EBIT) improved significantly during Q4.
- In January, Lekmer announced a relocation of the warehouse operations.
- Total relocation cost SEK 15-20 million. Fully offset by annual cost savings.

						
	Q4 14	Q4 13	Growth	FY 14	FY 13	Growth
Net sales (SEK million)	243,2	169,2	44%	484,0	317,0	53%
EBITDA (SEK million)	10,7	5,5		2,2	-1,5	
EBITDA margin (%)	4,4%	3,3%		0,5%	-0,5%	
EBIT (SEK million)	10,2	5,2		0,5	-2,6	
EBIT margin (%)	4,2%	3,0%		0,1%	-0,8%	
Active customers (thousand)	408	299	37%	408	299	37%
Visits (thousand)	10 808	8 070	34%	25 348	18 542	37%
Orders (thousand)	389	270	44%	782	534	46%
AOV (SEK)	637	629	1%	630	592	6%




Nelly

- Sales increased by 14% in Q4 and 18% for the full year.
- Product margin of 43% (45%) in Q4.
- Sales of private label products accounted for 33% of total sales in Q4.
- Profitable in Sweden and the Nordics.
- Negative EBIT due to warm weather and negative currency effects of approximately SEK 4 million in Q4.

	NLY MAN		NELLY.COM		M	
	Q4 14	Q4 13	Growth	FY 14	FY 13	Growth
Net sales (SEK million)	343,7	300,4	14%	1 102,0	932,6	18%
EBITDA (SEK million)	-0,8	4,9		-10,0	-13,7	
EBITDA margin (%)	-0,2%	1,6%		-0,9%	-1,5%	
EBIT (SEK million)	-2,3	3,9		-14,7	-16,0	
EBIT margin (%)	-0,7%	1,3%		-1,3%	-1,7%	
Active customers (thousand)	1 229	972	26%	1 229	972	26%
Visits (thousand)	40 406	29 705	36%	135 082	109 329	24%
Orders (thousand)	823	687	20%	2 681	2 078	29%
AOV (SEK)	573	615	-7%	585	631	-7%


Gymgrossisten

- Sales increased by 14% in Q4 and 23% for the full year.
- Full year EBIT margin of 7,9%.
- Sales of private label products accounted for 40% of total sales in Q4. Full year the share of private label sales increased from 42% to 43%.
- The number of customers, orders and visits displayed a solid increase during Q4.

	  					
	Q4 14	Q4 13	Growth	FY 14	FY 13	Growth
Net sales (SEK million)	200,2	175,3	14%	831,1	677,4	23%
EBITDA (SEK million)	14,8	15,2		68,9	64,2	
EBITDA margin (%)	7,4%	8,7%		8,3%	9,5%	
EBIT (SEK million)	14,0	14,2		65,9	60,5	
EBIT margin (%)	7,0%	8,1%		7,9%	8,9%	
Active customers (thousand)	527	442	19%	527	442	19%
Visits (thousand)	5 014	4 212	19%	20 090	16 984	18%
Orders (thousand)	271	220	23%	1 087	880	23%
AOV (SEK)	741	786	-6%	768	762	1%

Tretti

- Sales increased by 8% in Q4 and 18% for the full year.
- In Q4, Tretti showed growth within all product categories.
- Tretti celebrated 10th anniversary in November.

						
	Q4 14	Q4 13	Growth	FY 14	FY 13	Growth
Net sales (SEK million)	193,6	179,4	8%	668,7	568,8	18%
EBITDA (SEK million)	2,2	4,5		6,5	6,1	
EBITDA margin (%)	1,1%	2,5%		1,0%	1,1%	
EBIT (SEK million)	1,5	3,7		3,4	2,4	
EBIT margin (%)	0,8%	2,1%		0,5%	0,4%	
Active customers (thousand)	282	222	27%	282	222	27%
Visits (thousand)	3 392	3 027	12%	11 946	10 136	18%
Orders (thousand)	113	109	3%	336	295	14%
AOV (SEK)	1 754	1 709	3%	2 058	2 011	2%

CDON Marketplace

- Sales increased by 9% in Q4 and 3% for the full year.
- Improved operating profit (EBIT) vs Q4 last year.
- 402 merchants have signed up for CDON Marketplace.
- CDON Marketplace generated SEK 145 (98) million in sales.
- Cost of consolidation of warehouse amounted to SEK 11,6 million in Q4 reported as non-recurring item.

	CDON.COM					
	Q4 14	Q4 13	Growth	FY 14	FY 13	Growth
Net sales (SEK million)	672,6	616,4	9%	1 887,8	1 839,3	3%
EBITDA (SEK million)	7,9	5,8		4,0	9,8	
EBITDA margin (%)	1,2%	0,9%		0,2%	0,5%	
EBIT (SEK million)	5,7	4,0		-4,0	2,2	
EBIT margin (%)	0,9%	0,7%		-0,2%	0,1%	
Active customers (thousand)	1 733	1 818	-5%	1 733	1 818	-5%
Visits (thousand)	28 228	27 762	2%	82 857	87 887	-6%
Orders (thousand)	1 314	1 345	-2%	3 647	4 044	-10%
AOV (SEK)	556	481	15%	551	468	18%

Forward looking statement

- Increased focus of market related investments in the Nordics.
- CDON's warehouse consolidation is expected to amount to a total of SEK 15-20 million. The remaining SEK 3.4-8.4 million will be reported separately in 2015.
- Lekmer's warehouse relocation is expected to amount to SEK 15-20 million and will affect earnings in Q1 2015. The relocation cost is expected to, on an annual basis, be fully offset by the savings.
- Qliro Financial Services is expected to generate positive earnings for the full year 2016 and contribute approximately SEK 100 million for the full year 2018.

Thank you!

Next report: 21 April 2015



nasdaq symbol QLRO



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