



31% sales growth for the full year

The results are burdened by non-recurring items in the fourth quarter

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

Fourth Quarter

- Net sales up 19.5% year on year to SEK 1,572.8 (1,316.4) million
- Gross profit of SEK 98.0 (229.5) million with a gross margin of 6.2%; when excluding non-recurring items of SEK -106.0 million the gross margin was 13.0%**
- Operating profit of SEK -110.7 (71.3) million and operating margin of -7.0%; when excluding non-recurring items of SEK -112.2 million the operating margin was 0.1%**
- Net income of SEK -90.4 (48.4) million
- Basic earnings per share of SEK -1.38 (0.73)

Full year

- Net sales up 31.1% year on year to SEK 4,461.7 (3,403.7) million and organic growth of 35.9%*
- Gross profit of SEK 471.2 (587.3) million with a gross margin of 10.6%; when excluding non-recurring items of SEK -160.5 million the gross margin was 14.2%**
- Operating profit of SEK -173.9 (129.2) million and operating margin of -3.9%; when excluding non-recurring items of SEK -170.5 million the operating margin was -0.1%**
- Net income of SEK -151.7 (83.0) million
- Basic earnings per share of SEK -2.25 (1.26)

* Excluding Tretti AB for the period Jan-May 2012 ** There are non-recurring items of SEK -112.2 million in the Group's result for the fourth quarter mainly attributed to value adjustments of Nelly's inventories and thereto related balance sheet items. The result for the full year also included further non-recurring costs of SEK -58.3 million, whereof SEK -54.5 million affected gross profit.

CEO's statement

Paul Fischbein, President and CEO of CDON Group commented: "CDON Group's total sales reached new record levels both during the fourth quarter and the full year 2012. The revenue grew by 19% year-on-year in the fourth quarter and by 31% for the full year, which affirms the Group's strong underlying business.

E-commerce continued to take shares from traditional retail during 2012, and we see a continued strong demand in all of our four segments. Two of our core assets, CDON.com and Gymgrossisten, continued their impressive sales growth whilst also delivering solid operating profits.

In the fourth quarter Nelly strengthened its market position with a sales growth of 22%. When completing the year-end closure within Nelly, negative non-recurring items of SEK 112 million were identified affecting the result in the fourth quarter. Nelly has a fundamentally strong business with high growth and a leading market position. The company has expanded intensely under entrepreneurial forms, and as a consequence, the company's former administrative procedures, financial management and controls had not been properly dimensioned for the fast growth. Since a few months, a large proportion of Nelly's management has been replaced and major improvement initiatives have been launched. These measures will provide the company with future stability and growth capacity.

Despite this being a challenging year for our fashion segment, we enter the future with confidence. Our stores have strong market positions, they are poised for growth and they deliver underlying profits."



Forward-looking statement

CDON Group operates in a sector with high market growth and the Group's companies are well positioned to capitalise on this momentum. The Group's strategy is to, in a balanced way, continue to deliver sales growth and increased market shares. This growth is mainly expected to be generated from our three main assets; CDON.com, Nelly.com & Gymgrossisten.com. In order to facilitate these higher sales volumes, another key strategic focus is to further enhance the efficiency of the Group's logistics. One step in this new strategic direction was the acquisition of the warehouse operations in Falkenberg, Sweden. The expected outcome of this strategic effort is to secure a retained high customer satisfaction in combination with future best in class cost effectiveness.

Significant events during and after the fourth quarter and full year 2012

Warehouse relocation for Nelly.com

In order to effectively facilitate the continued expansion of the Fashion segment, Nelly.com relocated its warehouse from Borås to Business Linc's facilities in Falkenberg during the first six months of 2012. Nelly.com's operations and sales volumes were severely affected by the move up until the end of November 2012.

CDON Group acquired Business Linc's logistical operations in Falkenberg, Sweden

On 28 September 2012, CDON Group announced that it had signed an agreement to acquire Business Linc BL AB's operations in Falkenberg, Sweden, through an asset deal. The acquisition of the logistical operations was an important step towards strengthening the Group's value chain and deliver a high level of customer satisfaction. CDON Group took over the operations on 1 October 2012, which were integrated into the newly formed company CDON Group Logistics AB.

Overdraft facility

In the fourth quarter, CDON Group increased its overdraft facility with SEK 200.0 million, where after the Group's total overdraft facility amounted to SEK 320.0 million. After the fourth quarter the overdraft facility was reduced by SEK 50.0 million. The overdraft facility was unutilised at the balance date.

Management changes

During the year, changes were made to the Group's board of executive and non-executive directors. On 8 May 2012, the AGM appointed Lars-Johan Jarnheimer as Chairman of the Board of directors. Lars-Johan replaced Hans-Holger Albrecht who had declined re-election. On 16 July 2012, CDON Group announced the appointment of Magnus Månsson as new CEO of Nelly.com and Head of the Group's fashion segment. Magnus assumed his position on 22 October 2012. On 21 August 2012, CDON Group announced the appointment of Nicolas Adlercreutz as CFO. Nicolas assumed his position on 7 February 2013. On 4 September 2012, CDON Group announced the appointment of Patrick Illerstig as Head of Business Development. Patrik assumed his position on 1 October 2012. On 20 December 2012, CDON Group announced the appointment of Birgitta Elfversson as Head of Logistics and CEO of the newly formed subsidiary CDON Group Logistics AB; she will assume her position on 1 April 2013. The latter two positions are new additions to the Group's executive management team.

Launches

One of the Group's strategic focus areas is the broadening of CDON.com's customer offering in order to become a complete e-commerce shopping mall for consumer products. During the year, several steps were taken in broadening of the assortment, which further consolidated the store's leading market position in the Nordic region. On 13 July 2012, CDON.com announced the launch of Tretti.com's assortment of white goods, household appliances and outdoor products on CDON.com. On 11 September 2012, CDON.com announced the launch of Sports & Leisure products as a new category at CDON.com. On 27 November 2012, CDON Group announced the launch of Nelly.coms and Heppo.coms range of fashion products and shoes on CDON.com.



Furthermore, on 10 April 2012, CDON Group announced the launch of a local version of Nelly.com in the UK as part of the company's international expansion.

Arbitration for compulsory redemption of outstanding shares of Tretti AB completed

On 25 January 2012, CDON Group announced that the arbitration process relating to the compulsory redemption of the outstanding shares in Tretti AB had been completed.

Financial summary

(SEK Million)	2012 Oct-Dec	2011 Oct-Dec	Change (%)	2012 Jan-Dec	2011 Jan-Dec	Change (%)
Net sales	1,572.8	1,316.4	19.5%	4,461.7	3,403.7	31.1%
Gross profit	98.0	229.5	-57.3%	471.2	587.3	-19.8%
Gross margin (%)	6.2%	17.4%		10.6%	17.3%	
Operating profit	-110.7	71.3	-	-173.9	129.2	-
Operating margin (%)	-7.0%	5.4%		-3.9%	3.8%	
Net interest & other financial items	-8.1	-5.4		-27.3	-18.2	
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 (SEK)	-1.38	0.70	-	-2.25	1.26	-
Total assets	1,682.8	1,625.3	3.5%	1,682.8	1,625.3	3.5%

The Group's net sales increased by 19% to SEK 1,572.8 (1,316.4) million in the fourth quarter and by 31% to SEK 4,461.7 (3,403.7) million for the full year.

Operating profit in the fourth quarter was negatively affected by non-recurring items of SEK 112 million in the subsidiary NLY Scandinavia ("Nelly.com"). These items were identified upon completing the year-end closure and the controls associated to it.

Group summary

Group net sales were up 19% year on year in the quarter and 31% for the full year. The Group's sites attracted 77.8 million visits during the quarter and generated 2.5 million orders during the period. A total of 244.3 million visits and 7.1 million orders were registered during 2012.

The Group's gross margin was 6.2% (17.4%) in the quarter and 10.6% (17.3%) for the full year. Excluding non-recurring costs of SEK -106.0 million, the gross margin was 13.0% in the fourth quarter and excluding non-recurring costs of SEK -160.5 million the gross margin was 14.2% for the full year.

Sales, general and administrative expenses increased by 30% year on year to SEK 202.3 (155.3) million in the quarter and by 39% to SEK 638.0 (458.8) million for the full year, which mainly reflected the continued increased sales volumes from all segments.

The Group therefore reported an operating profit of SEK 1.5 (71.3) million with an operating margin of 0.1% (5.4%) in the quarter excluding non-recurring costs, and SEK -110.7 (71.3) million including non-recurring costs with an operating margin of -7.0% (5.4%). The Group's operating profit excluding non-recurring costs for the



full year was SEK -3.4 (149.0) million with an operating margin of -0.1% (4.4%) and SEK -173.9 (129.2) million with an operating margin of -3.9% (3.8%) when including non-recurring costs.

The Group's net interest and other financial items amounted to SEK -8.1 (-5.4) million in the fourth quarter and SEK -27.3 (-18.2) million for the full year, which primarily reflected interest costs related to the Group's convertible bond, the revolving credit facility and overdraft facility.

Group pre-tax losses amounted to SEK -118.8 (65.9) million in the fourth quarter and SEK -201.2 (111.0) million for the full year. The Group reported a tax income of SEK 28.4 (-17.5) million in the fourth quarter and SEK 49.4 (-28.0) million for the full year. Group consolidated net income therefore totaled SEK -90.4 (48.4) million in the quarter and SEK -151.7 (83.0) million for the full year.

Development per segment

Entertainment

(SEK Million)	2012 Oct-Dec	2011 Oct-Dec	Change (%)	2012 Jan-Dec	2011 Jan-Dec	Change (%)
Net sales	912.7	772.1	18.2%	2,386.0	1,928.9	23.7%
Operating profit	46.8	50.5	-7.3%	102.3	102.3	0.0%
Operating margin (%)	5.1%	6.5%		4.3%	5.3%	

The Entertainment segment comprises the online stores CDON.com, BookPlus.fi and Lekmer.com. The segment's sales were up 18% year-on-year for the quarter and up 24% for the full year. The segment accounted for 58% (59%) of total Group sales in the fourth quarter and 53% (57%) of total Group sales for the full year.

The product categories Consumer Electronics and Toys showed continued strong growth and increased their share of segment sales in the quarter, while the product category Media continued to have a slightly negative development compared to the same period last year. CDON.com continued to strengthen its customer offering by expanding its product range. The range expansion continued in the fourth quarter as assortments from Nelly.com and Heppo.com were added. Previously, the assortments from Bookplus.fi, which is now fully integrated as a book department at CDON.fi, Lekmer.com and Tretti.com had been added to CDON.com, thus further consolidating its position as the leading online shopping mall in the Nordic region.

The segment's operating profit declined slightly in the fourth quarter but was unchanged for the full year. The shift from Media to Consumer Electronics went as planned during the quarter, which is reflected in a lower gross margin and operating margin for each period compared to equivalent periods last year.

Fashion

(SEK Million)	2012 Oct-Dec	2011 Oct-Dec	Change (%)	2012 Jan-Dec	2011 Jan-Dec	Change (%)
Net sales	327.3	275.1	19.0%	942.9	728.2	29.5%
Operating profit	-141.3	13.5	-	-267.6	19.8	-
Operating margin (%)	-43.2%	4.9%		-28.4%	2.7%	

The Fashion segment comprises the online stores Nelly.com, Heppo.com and Members.com. The segment's sales were up 19% year on year for the quarter and 30% for the full year. The segment accounted for 21% (21%) of total Group sales in the fourth quarter and 21% (21%) of total Group sales for the full year.

Segment growth in the fourth quarter was mainly due to an increase in market shares for Nelly.com in the Nordic markets. Despite the warehouse relocation, which affected Nelly.com's growth during most of the year, the store reported a sales growth of 22% in the fourth quarter and 28% for the full year compared to last year,



thus further consolidating its market leading position. During June 2012, Heppo.nl was test-launched in the Netherlands. After a period of evaluation, Heppo.nl was closed in January 2013.

Segment profitability was negatively impacted by non-recurring items of SEK 112.2 million in the fourth quarter and SEK 170.5 million for the full year in Nelly.com. The non-recurring items are 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 approximately SEK 40 million are attributable to 2011 or earlier.

Sports & Health

(SEK Million)	2012 Oct-Dec	2011 Oct-Dec	Change (%)	2012 Jan-Dec	2011 Jan-Dec	Change (%)
Net sales	128.9	97.1	32.7%	496.4	377.1	31.6%
Operating profit	12.4	10.3	20.4%	47.3	39.7	19.1%
Operating margin (%)	9.6%	10.6%		9.5%	10.5%	

The Sports & Health segment comprises the online stores Gymgrossisten.com (Fitnessstukku.fi in Finland, Bodystore.dk in Denmark and Bodystore.de in Germany) which mainly sells supplements as well as the Swedish site Bodystore.com which is an online health food store. The segment's sales were up 33% year-on-year for the quarter and 32% for the full year. The segment accounted for 8% (7%) of total Group sales in the fourth quarter and 11% (11%) of total Group sales for the full year.

Sales growth in the periods is a result of a broader product assortment and a continued positive sales trend in all markets. The stores in the new markets Germany and Denmark developed according to plan.

The on-going extension of private label brands has resulted in a growing assortment and a larger proportion of private label sales in all markets, which affects the gross margin positively.

The segment's operating profit increased by 20% in the fourth quarter. The operating margin was somewhat moderated as a result of continued investments in the new markets as well as investments in the regulatory operations.

Home & Garden

(SEK Million)	2012 Oct-Dec	2011 Oct-Dec	Change (%)	2012 Jan-Dec	2011 Jan-Dec	Change (%)
Net sales	197.5	172.1	14.8%	631.6	369.5	70.9%
Operating profit	-3.1	1.2	-	-13.7	5.3	-
Operating margin (%)	-1.6%	0.7%		-2.2%	1.4%	

* 2011 figures for the Home & Garden segment comprise Room21 from February 2011 and Tretti from June 2011

The Home & Garden segment comprises the online stores Tretti.com and Room21.com. The segment's sales were up 15% year-on-year for the quarter. The segment accounted for 13% (13%) of total Group sales for the quarter and 14% (11%) of total Group sales for the full year.

The positive sales development for Tretti.com is a result of range expansion and a strong sales growth in the Norwegian market. Room21.com has also broadened its product range and reported high growth in all Nordic markets.

Starting 1 January 2013, the majority of Tretti.com's organization has been relocated to Malmö from Stockholm in order to realise Group synergies with CDON.com, as the companies' business models are increasingly similar.



The change creates opportunities for strengthening the stores' competitiveness, growth prospects and profitability. Room21.com continued to add new suppliers of quality furniture and fittings.

The segment's operating losses in the fourth quarter were primarily due to market investments in the positioning of Room21 and costs associated with Tretti.com's relocation to Malmö. However, Tretti reported a positive underlying operating profit for the fourth quarter.

CDON Group Logistics

On 1 October 2012, CDON Group acquired the logistics operations of the company Business Linc BL AB in Falkenberg. The acquisition of the logistics operations is part of the Group's efforts to strengthen the value chain and deliver high customer satisfaction. Business Linc was the logistics partner for four of the Group's stores and following the acquisition CDON Group now operates the logistics of eight of the Group's ten stores in-house.

Immediately after the acquisition, focus was put on ensuring higher levels of service and a positive customer experience. After the fourth quarter, a comprehensive improvement program has been launched, and is expected to have positive quality and cost effects in 2013.

The operating profit of CDON Group Logistics AB was SEK -18.9 million and is included in the accounts of the Group's central businesses.

Birgitta Elfversson has been appointed new Head of Logistics, as well as CEO of the newly formed subsidiary CDON Group Logistics AB. Birgitta, who will assume her position on 1 April 2013 will lead the efforts to ensure a long-term cost-effective logistics solution that also allows for market leading service levels for CDON Group's customers.

Financial position

Group total assets grew by 3.5% year on year to SEK 1,682.8 (1,625.3) million. At the end of the third quarter 2012, the Group's total assets amounted to SEK 1,482.3 million.

Inventory levels increased year on year to SEK 609.7 (459.1) million in the period, compared to SEK 682.9 million at the end of the third quarter 2012. The increase, compared to the same period last year, was mainly related to the higher overall sales volumes and the changed product mix within the Entertainment segment with a higher share of consumer electronics.

The Group reported a SEK 149.2 (231.6) million change in working capital in the quarter and SEK -142.1 (71.6) million for the full year. Capital employed decreased by SEK 86.0 million, to SEK 654.3 million in the quarter.

Group cash flow to investing activities amounted to SEK -17.6 (-22.3) million in the quarter and SEK -50.3 (-345.8) million for the full year.

Group cash flow from financing activities amounted to SEK 0.0 (0.0) million in the quarter and SEK 0.0 (136.2) million for the full year.

The Group's total interest-bearing loans amounted to SEK 373.0 (364.8) million at the end of the period compared to SEK 370.9 million at the end of the third quarter 2012.

The Group's available overdraft facility increased during the fourth quarter by SEK 200.0 million to SEK 320.0 million, of which SEK 0.0 million was utilized at the end of the period. After the end of the period, the Group's total overdraft facility has been reduced to SEK 270.0 million.



The Group's cash and cash equivalents increased by SEK 117.1 (281.9) million to SEK 126.1 (417.4) million at the end of the quarter, compared to SEK 9.0 million at the end of the third quarter 2012. The Group therefore had a net debt position (defined as long term interest-bearing liabilities less cash and cash equivalents) of SEK 246.8 (-52.6) million at the end of the reporting period, compared to SEK 361.8 million at the end of the third quarter 2012.

Parent company

The CDON Group parent company reported sales of SEK 13.7 (14.1) million in the fourth quarter and SEK 54.0 (42.4) million for the full year. The parent company's cash and cash equivalents amounted to SEK 87.7 (356.3) million at the end of the period.

The parent company invested SEK 108.9 (43.4) million in non-current assets during the quarter and SEK 109.3 (403.6) for the full year. Investments during the fourth quarter mainly represent a shareholder contribution to NLY Scandinavia AB.

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 2011 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 and the Group are 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 for the parent company and the group in the period are of the same character and approximate amounts as the transactions described in the 2011 Annual Report.

Other information

Annual General Meeting of shareholders 2013

CDON Group's 2013 Annual General Meeting of shareholders will be held on 14 May 2013 in Stockholm. Shareholders that would like to have matters addressed at the Annual General Meeting shall send a request in writing to ir@cdongroup.com or to the Company Secretary, CDON Group AB (publ), Box 385, SE-201 23 Malmö, Sweden. To be certain that a matter can be included in the notice of the Annual General Meeting, the request must have been received at least seven weeks before the Annual General Meeting. Further details on how and when to give notice to attend will be published in advance of the Annual General Meeting.

Dividend

The Board of Directors will propose to the 2013 Annual General Meeting of shareholders that no dividend is to be paid to shareholders for the financial year ended 31 December 2012, and that retained earnings for the year be carried forward into the accounts for 2013.



Nomination Committee for the 2013 Annual General Meeting of shareholders

In accordance with the resolution of the 2012 Annual General Meeting, Cristina Stenbeck has convened a Nomination Committee consisting of members representing the largest shareholders in CDON Group. The Nomination Committee is comprised of Cristina Stenbeck on behalf of Investment AB Kinnevik; Ryan Schaper on behalf of Point Lobos Capital LLC; Frank Larsson on behalf of Handelsbanken Fonder AB; and Jan Särilvik on behalf of Nordea Investment Funds. The members of the Committee appointed Cristina Stenbeck as the Committee Chairman at their first meeting.

Annual Report

The 2012 Annual Report & Accounts will be made available at www.cdongroup.com and at the Company's head office at Bergsgatan 20, Malmö, Sweden, at least three weeks before the Annual General Meeting.

First Quarter 2013 Financial Results

CDON Group's results for the first quarter 2013 will be published on 17 April 2013.

08 February 2013

Lars-Johan Jarnheimer
Chairman of the Board

Mia Brunell Livfors

Mengmeng Du

Lars Nilsson

Henrik Persson

Florian Seubert

Paul Fischbein,
President & CEO

CDON Group AB (publ.)
Bergsgatan 20
Box 385
SE-201 23 Malmö
Corporate ID number: 556035-6940

The company will host a conference call today at 15.00 Stockholm time, 14.00 London time and 09.00 New York time.

To participate in the conference call, please dial:

Sweden: +46 (0)8 505 137 93
International: +44 (0) 20 336 453 81
US: +1 212 444 04 12

The access pin code for the conference call is 6468601.

To listen to the conference call online, please go to www.cdongroup.com.



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

Paul Fischbein, President & Chief Executive Officer
Phone: +46 (0) 10 703 20 00

Press, Investor and analysts enquiries:

Fredrik Bengtsson, Head of Communications
Phone: +46 (0) 700 80 75 04
E-mail: press@cdongroup.com, ir@cdongroup.com

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, BookPlus.fi and Lekmer.com), Fashion (Nelly.com, Heppo.com and Members.com), Sports & Health (Gymgrossisten.com and Bodystore.com) and Home & Garden (Tretti.com and Room21.com) segments. CDON Group's ten online stores attract approximately 244 million site visits and more than two million unique customers during 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 13:00 CET 8 February 2013.



CONDENSED CONSOLIDATED INCOME STATEMENT (SEK million)	2012 Oct-Dec	2011 Oct-Dec	2012 Jan-Dec	2011 Jan-Dec
Net sales	1,572.8	1,316.4	4,461.7	3,403.7
Cost of goods and services	-1,474.8	-1,086.9	-3,990.5	-2,816.4
Gross profit	98.0	229.5	471.2	587.3
Sales and administration expenses	-202.3	-155.3	-638.0	-458.8
Other operating income and expenses, net	-6.4	-2.9	-7.1	0.7
Operating profit	-110.7	71.3	-173.9	129.2
Net interest & other financial items	-8.1	-5.4	-27.3	-18.2
Profit before tax	-118.8	65.9	-201.2	111.0
Tax	28.4	-17.5	49.4	-28.0
Net income for the period	-90.4	48.4	-151.7	83.0
EBITDA	-106.0	74.6	-158.1	139.7
Attributable to:				
Equity holders of the parent	-91.5	48.2	-149.6	83.3
Non-controlling interests	1.1	0.2	-2.2	-0.3
Net income for the period	-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 (SEK)*	-1.38	0.70	-2.25	1.26

* Basic earnings per share for all periods has been calculated on the average number of outstanding shares for the periods, amounting to 66,342,124. Diluted earnings per share for all periods has been calculated on the average number of outstanding shares after dilution for the periods, amounting to 72,921,071.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME CONDENSED (SEK million)	2012 Oct-Dec	2011 Oct-Dec	2012 Jan-Dec	2011 Jan-Dec
Profit for the period	-90.4	48.4	-151.7	83.0
Other comprehensive income				
Translation difference for the period	-2.5	-1.2	-1.2	-3.3
Other comprehensive income for the period	-2.5	-1.2	-1.2	-3.3
Total comprehensive income for period	-92.9	47.2	-152.9	79.8
Total comprehensive income attributable to:				
Parent company shareholders	-94.0	47.0	-150.7	87.6
Non-controlling interests	1.1	0.2	-2.2	-0.6
Total comprehensive income for the period	-92.9	47.2	-152.9	87.0

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



CONSOLIDATED STATEMENT OF FINANCIAL POSITION CONDENSED (SEK million)	2012 31-Dec	2011 31-Dec
Non-current assets		
Goodwill	461.8	447.0
Other intangible assets	156.5	138.0
Total intangible assets	618.3	584.9
Financial non-current assets	1.6	1.6
Tangible non-current assets	14.3	10.8
Deferred tax asset	44.4	6.0
Total non-current assets	678.5	603.3
Current assets		
Inventories	609.7	459.1
Current interest-bearing receivables	0.0	0.0
Current non-interest-bearing receivables	268.5	145.6
Total receivables	268.5	145.6
Cash and cash equivalents	126.1	417.4
Total current assets	1,004.3	1,022.1
Total assets	1,682.8	1,625.3
Equity		
Equity attributable to owners of the parent	267.1	415.8
Non-controlling interest	-0.7	1.4
Total equity	266.4	417.3
Non-current liabilities		
<i>Non interest bearing</i>		
Deferred tax liability	30.9	40.8
Other provisions	6.0	4.9
<i>Interest bearing</i>		
Long term loans	0.0	150.0
Convertible bond	223.0	214.8
Total non-current liabilities	259.8	410.4
Current liabilities		
Short term interest bearing loans	150.0	0.0
Current interest-bearing liabilities	15.0	15.0
Current non-interest-bearing liabilities	991.6	782.6
Total current liabilities	1,156.6	797.6
Total equity and liabilities	1,682.8	1,625.3



CONSOLIDATED STATEMENT OF CASH FLOWS CONDENSED (SEK million)		2012 Oct-Dec	2011 Oct-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
Investments in subsidiaries		-3.0	-13.8	-7.9	-323.9
Investments in other non-current assets		-14.6	-8.4	-42.5	-21.9
Other cash flow from investing activities		0.0	0.0	0.0	0.0
Cash flow to/from investing activities		-17.6	-22.3	-50.3	-345.8
Shareholder dividends and share buy-backs		0.0	0.0	0.0	0.0
Acquisition of shares from non controlling interest		0.0	0.0	0.0	-13.8
Other cash flow from/to financing activities		0.0	0.0	0.0	150.0
Cash flow to/from 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 period's start		9.0	135.5	417.4	431.3
Translation difference, cash and cash equivalents		1.4	-0.5	-1.4	-0.1
Cash and cash equivalents at period's end		126.1	417.4	126.1	417.4

* Investments in subsidiaries Jan-Dec 2012 comprises SEK 4,889 thousand acquisition of Rum21 AB and SEK 3,000 thousand acquisition of Business Linc BL AB's operations.

STATEMENT OF CHANGES IN EQUITY CONDENSED (SEK million)		2012 31-Dec	2011 31-Dec
Opening balance		417.3	346.5
Profit for the period		-151.7	83.0
Other comprehensive income		-1.2	-0.2
Effects of long term incentive program		0.9	0.3
New share issue		0.6	0.4
Repurchased own shares		-0.6	-0.4
Acquisition of non-controlling interests with a change in control		-	1.5
Acquisition of shares from non-controlling interests without a change in control		-	-13.8
Effect of change in tax rate on convertible		1.2	-
Closing balance		266.4	417.3



SEGMENT REPORTING

NET SALES (SEK million)	2011 Jan-Mar	2011 Apr-Jun	2011 Jul-Sep	2011 Oct-Dec	2011 Full year	2012 Jan-Mar	2012 Apr-Jun	2012 Jul-Sep	2012 Oct-Dec	2012 Full year
Entertainment	361.2	365.8	429.8	772.1	1,928.9	484.3	464.1	525.0	912.7	2,386.0
Fashion	111.5	184.4	157.2	275.1	728.2	196.4	225.9	193.3	327.3	942.9
Sport & Health	96.7	90.0	93.4	97.1	377.1	127.6	116.4	123.5	128.9	496.4
Home & Garden	2.4	48.9	146.0	172.1	369.5	146.3	146.1	141.6	197.5	631.6
Total operational business areas	571.8	689.1	826.4	1,316.4	3,403.8	954.6	952.5	983.4	1,566.4	4,456.9
Group central operations	8.0	11.6	8.6	14.1	42.4	13.4	14.5	12.4	60.7	101.1
Eliminations	-8.0	-11.6	-8.6	-14.1	-42.4	-13.7	-14.9	-13.4	-54.3	-96.2
CONSOLIDATED TOTAL	571.8	689.1	826.4	1,316.4	3,403.7	954.3	952.1	982.5	1,572.8	4,461.7
Intersegment sales										
Entertainment	0.0	-	-	-	0.0	-	-	0.0	0.5	0.5
Fashion	-	-	-	-	-	-	-	-	-	-
Sport & Health	-	-	-	-	-	0.0	0.0	0.0	0.0	0.0
Home & Garden	-	-	-	-	-	0.2	0.4	0.9	0.6	2.1
Group central operations	7.9	11.6	8.6	14.1	42.3	13.4	14.5	12.4	53.2	93.6
Total	8.0	11.6	8.6	14.1	42.4	13.7	14.9	13.4	54.3	96.2
OPERATING PROFIT (SEK million)										
Entertainment	18.2	9.9	23.7	50.5	102.3	24.1	11.8	19.6	46.8	102.3
Fashion	-4.4	8.3	2.3	13.5	19.8	-38.5	-57.5	-30.3	-141.3	-267.6
Sport & Health	10.8	9.6	9.0	10.3	39.7	13.3	10.9	10.6	12.4	47.3
Home & Garden	0.1	0.6	3.3	1.2	5.3	-5.9	-3.4	-1.3	-3.1	-13.7
Total operational business areas	24.8	28.4	38.4	75.5	167.1	-7.0	-38.2	-1.3	-85.2	-131.6
Group central operations	-4.6	-9.3	-19.8	-4.1	-37.8	-5.1	-5.3	-6.3	-25.5	-42.2
CONSOLIDATED TOTAL	20.1	19.1	18.7	71.3	129.2	-12.1	-43.5	-7.6	-110.7	-173.9
PROFIT BEFORE TAX (SEK million)										
Entertainment	17.9	10.1	24.2	48.6	100.8	23.6	11.7	17.9	46.1	99.3
Fashion	-5.3	8.2	1.4	11.2	15.5	-40.5	-58.8	-33.8	-144.1	-277.1
Sport & Health	10.8	9.6	8.7	10.5	39.7	13.4	11.0	9.1	13.2	46.7
Home & Garden	0.1	0.8	3.2	1.1	5.2	-6.0	-3.4	-1.4	-3.2	-14.1
Total operational business areas	23.5	28.8	37.5	71.5	161.3	-9.4	-39.5	-8.1	-88.0	-145.1
Group central operations	-6.8	-13.6	-24.2	-5.6	-50.2	-8.1	-8.9	-8.3	-30.7	-56.0
CONSOLIDATED TOTAL	16.7	15.1	13.3	65.9	111.0	-17.5	-48.5	-16.4	-118.8	-201.2



PARENT COMPANY INCOME STATEMENT				
CONDENSED (SEK million)				
	2012	2011	2012	2011
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net Sales	13.7	14.1	54.0	42.4
Gross profit	13.7	14.1	54.0	42.4
Administration expenses	-19.8	-20.5	-76.9	-61.9
Operating profit	-6.2	-6.4	-22.8	-19.6
Net interest & other financial items	-5.1	-1.5	-13.7	-12.6
Group contribution received	148.2	124.0	148.2	124.0
Group contribution paid	-120.4	-16.0	-120.4	-16.0
Change in excess depreciation	0.0	0.0	0.0	0.0
Profit before tax	16.6	100.1	-8.7	75.8
Tax	-4.4	-26.4	2.3	-20.1
Net income for the period	12.2	73.7	-6.4	55.7
PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME				
CONDENSED (SEK million)				
Profit for period	12.2	73.7	-6.4	55.7
Other comprehensive income	0.0	0.0	0.0	0.0
Total comprehensive income for period	12.2	73.7	-6.4	55.7



PARENT COMPANY STATEMENT OF FINANCIAL POSITION CONDENSED (SEK million)	2012 31-Dec	2011 31-Dec
Non-current assets		
Shares and participating interests	818.2	683.9
Equipment	0.0	0.0
Total non-current assets	818.3	683.9
Current assets		
Current interest-bearing receivables	370.0	17.7
Current non-interest-bearing receivables	156.1	131.5
Cash and cash equivalents	87.7	356.3
Total current assets	613.8	505.5
Total assets	1,432.0	1,189.4
Equity		
Restricted equity	134.4	133.9
Unrestricted equity	266.9	271.8
Total equity	401.3	405.7
Non-current liabilities		
Convertible bonds	223.0	214.8
Interest-bearing liabilities	0.0	150.0
Deferred tax liability	6.0	9.3
Provisions	1.0	4.9
Total non-current liabilities	229.9	378.9
Current liabilities		
Short term interest bearing loans	150.0	0.0
Other interest-bearing liabilities	360.3	344.7
Non-interest-bearing liabilities	290.6	60.0
Total current liabilities	800.8	404.8
Total equity and liabilities	1,432.0	1,189.4



KEY RATIOS

KEY RATIOS	2011 Jan-Mar	2011 Apr-Jun	2011 Jul-Sep	2011 Oct-Dec	2011 Full year	2012 Jan-Mar	2012 Apr-Jun	2012 Jul-Sep	2012 Oct-Dec	2012 Full year
GROUP										
Sales growth (%)	21.7	50.6	60.9	71.2	54.0	66.9	38.2	18.9	19.5	31.1
Change in operating expenses (%)	27.8	65.3	66.8	49.7	59.6	63.4	39.3	31.0	30.3	39.1
Operating margin (%)	3.5	2.8	2.3	5.4	3.8	-1.3	-4.6	-0.8	-7.0	-3.9
Gross profit margin (%)	19.2	18.3	14.7	17.4	17.3	14.2	11.4	13.1	6.2	10.6
Return on capital employed (%)	27.0	20.6	15.8	18.7	18.7	13.1	4.4	1.1	-23.3	-23.3
Return on equity (%)	35.4	24.1	17.5	22.0	22.0	15.0	3.2	-2.6	-41.3	-41.3
Equity/assets ratio (%)	38.4	29.2	28.9	25.7	25.7	28.1	25.9	23.9	15.8	15.8
Net debt (SEK million)	-52.2	187.1	227.3	-52.6	-52.6	196.1	258.4	361.8	246.8	246.8
Cash flows from operations (SEK million)	-161.9	80.4	-28.4	304.7	194.7	-234.5	-46.0	-92.4	133.4	-239.6
Earnings per share (SEK)*	0.19	0.16	0.18	0.73	1.26	-0.18	-0.54	-0.16	-1.38	-2.25
Equity per share (SEK)*	5.43	5.68	5.86	6.29	6.29	6.09	5.53	5.34	4.02	4.02
Depreciation/Net sales (%)	0.3	0.3	0.4	0.2	0.3	0.3	0.4	0.4	0.3	0.4
Capital Expenditure/Net sales (%)	0.4	0.2	1.2	0.6	0.6	1.3	1.0	0.6	0.9	1.0
No. of visits (thousand)	34,092	35,611	41,289	60,765	171,758	58,679	54,532	53,332	77,802	244,344
No. of orders (thousand)	1,250	1,235	1,358	2,151	5,996	1,579	1,437	1,553	2,527	7,096
Average shopping basket (SEK)	438	536	588	587	546	581	643	611	590	603
Entertainment										
No. of visits (thousand)	18,864	16,061	18,991	27,519	81,436	22,305	19,565	21,830	35,472	99,172
No. of orders (thousand)	935	818	954	1,494	4,201	1,048	868	1,039	1,748	4,702
Average shopping basket (SEK)	363	424	429	484	433	436	508	482	491	480
Fashion										
No. of visits (thousand)	12,848	16,814	17,892	27,426	74,980	30,292	29,292	25,663	35,077	120,324
No. of orders (thousand)	173	271	224	445	1,113	296	356	292	514	1,459
Average shopping basket (SEK)	643	657	686	608	641	644	628	641	606	626
Sport & Health										
No. of visits (thousand)	2,380	2,036	2,207	2,863	9,486	3,497	2,979	3,000	3,477	12,953
No. of orders (thousand)	142	132	129	142	545	180	158	164	173	676
Average shopping basket (SEK)	681	679	723	688	692	703	733	745	737	729
Home & Garden										
No. of visits (thousand)	170	699	2,199	2,958	5,856	2,585	2,696	2,839	3,775	11,896
No. of orders (thousand)	2	14	51	71	136	56	55	58	91	259
Average shopping basket (SEK)	2,056	3,377	2,781	2,450	2,696	2,574	2,625	2,380	2,120	2,383

* Earnings per share for the periods Jan-Dec 2011 and Jan-Dec 2012 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.



NOTES

Note 1

On 28 September 2012, CDON Group announced that it had signed a deal to acquire Business Linc BL AB's operations. Business Linc is a third-party logistics company with focus on the e-commerce market. The company operates approximately 50,000 sq. m. of warehousing space in Falkenberg. The acquisition is structured as an asset deal and all approximately 340 personnel will be offered employment in CDON Group. External customers outside CDON Group will be phased out.

The acquisition of the logistics operations is an important step towards strengthening the Group's value chain and delivering a high level of customer satisfaction. CDON Group completed the acquisition on 1 October and at 31 December SEK 3 million of the purchase price had been paid.

Accrued goodwill in 2012 consists of strategic advantages and synergies. All part of recognised goodwill is expected to be deductible.

PURCHASE PRICE ALLOCATION FOR BUSINESS LINC BL AB'S OPERATIONS	Recognised values
Tangible non-current assets	5.7
Trade creditors and other short term debts	-6.4
Net identifiable assets and liabilities	-0.7
Goodwill on acquisition	15.7
Consideration transferred	15.0
Deferred purchase price	-7.0
Provision, contingent consideration	-5.0
Net cash flow	3.0

Contingent consideration

The acquisition agreement states that a contingent consideration is to be paid to the former owners of the operation based on certain conditions, including the transfer to CDON Group of existing rental contracts with unchanged terms for the operations.