

In the third quarter, Byggmax increased net sales by 4.5 percent and EBIT improved and amounted to SEK 175 M

July 1 - September 30

- Net sales amounted to SEK 1,228.1 M (1,175.2) up 4.5 percent
- Net sales for comparable stores declined 1.6 percent (rose 1.1)
- The gross margin was 31.1 percent (31.2)
- EBIT amounted to SEK 175.0 M (170.0)
- EBIT margin was 14.3 percent (14.5)
- Profit after tax amounted to SEK 129.7 M (130.8)
- Earnings per share totaled SEK 2.1 (2.2)

Significant events during July-September

- Two (five) new stores were opened: one in Sweden and one in Norway.
- Four stores were converted to the Byggmax 2.0 concept during the quarter.
- Mikael Bengtsson will leave the position of Business Manager at his own request at the end of 2014 and will be replaced by Marcus Hed who will move from his current role as Regional Manager at Byggmax.

January 1 - September 30

- Net sales amounted to SEK 2,851.8 M (2,583.2) up 10.4 percent
- Net sales for comparable stores rose 3.8 percent (rose 2.1)
- The gross margin was 30.5 percent (30.3) excluding non-recurring items¹ and 30.8 percent including non-recurring items
- EBIT amounted to SEK 250.2 M (212.4) excluding non-recurring items¹ and SEK 258.9 M including non-recurring items
- EBIT margin was 9.1 percent (8.2)
- Profit after tax excluding non-recurring items¹ amounted to SEK 180.3 M (158.1) and 187.1 including non-recurring items
- Earnings per share totaled SEK 3.1 (2.6)

Significant events during Januari-September

- Seven (eleven) new stores were opened: four in Sweden, two in Norway and one in Finland.
- A total of 20 stores were converted to the Byggmax 2.0 concept during the first three quarters.
- In March, Erik Börjesson assumed the position of IT Manager at Byggmax and became a new member of the Byggmax Group management.
- During the second quarter, Byggmax signed a new three-year financing agreement with 30-percent lower interest expenses on a full-year basis.
- During the second quarter, Karin Hyllgren Jonsson was elected as a new Board member of Byggmax Group AB (publ) and Johannes Lien declined reelection.

Earnings overview	July-September		January-September		12 months	Full year
	2014	2013	2014	2013	Oct 1, 2013- Sep 30, 2014	2013
Net sales, SEK M	1,228.1	1,175.2	2,851.8	2,583.2	3,485.0	3,216.4
Gross margin, percent	31.1	31.2	30.8	30.3	31.1	30.7
EBIT, SEK M	175.0	170.0	258.9	212.4	293.1	246.7
EBIT margin, percent	14.3	14.5	9.1	8.2	8.4	7.7
Profit after tax, SEK M	129.7	130.8	187.1	158.1	213.0	184.0
Earnings per share, SEK	2.1	2.2	3.1	2.6	3.5	3.0
Return on equity, percent	13.6	14.8	18.8	17.0	21.7	19.5
Cash flow from operating activities per share, SEK	-0.9	0.6	6.5	5.9	3.7	3.2
Shareholders' equity per share, SEK	16.8	15.6	16.8	15.6	16.8	16.0
Numbers of stores at the end of the period	112	105	112	105	112	105
New stores opened during the period	2	5	7	11	7	11

¹Disclosures pertaining to non-recurring items can be found under EBIT on page 3.

President's comments on results

Total sales increased 5 percent year-on-year. The strongest month of the quarter was September and the hot weather in July negatively impacted sales.

The gross margin for the quarter was in line with the year-earlier period. Overheads increased during the quarter, mainly due to the rise in the number of stores. Excluding new store openings, overheads decreased.

Strategic business decisions

Two new stores were opened during the quarter and one store was relocated. Byggmax has opened seven new stores in 2014. No new stores will open in the fourth quarter and one store will be relocated within the same area. Byggmax plans to open between seven and 13 stores in 2015.

Byggmax is investing in online shopping, which is growing vigorously. Our aim is to substantially increase the range and presence online in 2015.

Byggmax upgrades store concept and increases store product range – Byggmax 2.0

Byggmax 2.0 is an updated store concept, with more articles and clearer communication, utilizing the same sales area and with improved sales control. The investment cost for converting a store is about SEK 1.7 M.

Byggmax 2.0 stores continue to deliver promising sales increases and improved gross margins following conversion. Four stores were converted during the quarter and a total of 20 stores were converted during the first nine months of the year. In autumn 2014, we intend to convert a further 15 stores. In spring 2015, the plan is to convert another 20 to 30 stores.

Outlook

It is unclear if the weaker start to the quarter was solely attributable to the weather, or if the underlying market trend has also played a part. In the Finnish market, uncertainty continues regarding economic developments.

Our continued capture of market shares in our categories confirms the strength of the Byggmax concept. With an extended network of stores, we reach increasing numbers of consumers in Sweden, Norway and Finland, and as a result of considerable cost awareness, we remain on the side of the customer, with an attractive range at very low prices.

Magnus Agervald
President, Byggmax Group AB (publ)

BYGGmax in brief

Business concept

Byggmax's business concept is to sell high-quality building supplies at the lowest price possible.

Business model and key factors for success

Byggmax offers affordable high-quality products for the most common maintenance and DIY projects. Since the start in 1993, the organization has been characterized by the so called "Byggmax concept" which has been decisive for the company's development. The concept is built on a limited product range, a resource efficient administration, strong company culture and competitive and effective pricing strategy as well as the stores distinguished shape and design.

Goals

Byggmax has determined it's long term goals for the Group as follows:

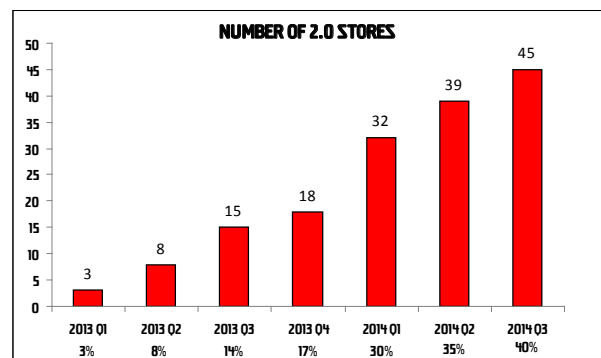
- organic growth to exceed 15 percent per year in net sales through expansion of the chain of stores and increased sales in comparable stores
- attain an EBIT margin in relation to net sales that exceeds 11 percent

Strategies

Byggmax's strategy for achieving its financial goals is to expand the chain of stores in existing markets, to improve operating activities and to maintain continuous focus on business development.

Byggmax organization

Byggmax has a resource-efficient organization with the majority of business activities managed centrally. Aside from the sales force, which is based in Byggmax stores, most business processes, including Byggmax's online sales, are managed function-wide across all stores by the head office in Solna, near Stockholm. Thus, there are no local offices – a feature that contributes to the efficiency and economies of scale that characterize the Byggmax concept.



The image above shows the number of stores that have the 2.0 concept and their proportion of the total number of stores.



In 2014, Byggmax opened seven new stores; four in Sweden, two in Norway and one in Finland. The diagram above shows how the store network has expanded since Byggmax was established in 1993.

Consolidated sales and earnings

July 1 - September 30

Revenues

The operation's net sales totaled SEK 1,228.1 M (1,175.2), up 4.5 percent. Operating revenue was SEK 1,231.8 M (1,176.8), up 4.7 percent. Net sales for comparable stores¹ declined 1.6 percent in local currency. Net sales amounted to SEK 894.0 (856.1) in Sweden and SEK 334.1 M (319.2) in the other Nordic markets. The strongest month of the quarter was September.

The sales increase of 4.5 percent was divided according to the following:	
Comparable stores, local currency, percent	-1.6
Non-comparable units, percent	5.4
Exchange-rate effects, percent	0.7
Total, percent	4.5

The Group opened two (five) new stores during the quarter. Accordingly, the total number of stores in the Group at September 30, 2014 was 112 (105).

EBIT

EBIT amounted to SEK 175.0 M (170.0) M, corresponding to an EBIT margin of 14.3 percent (14.5). The gross margin was 31.1 percent, compared with 31.2 percent in the year-earlier period.

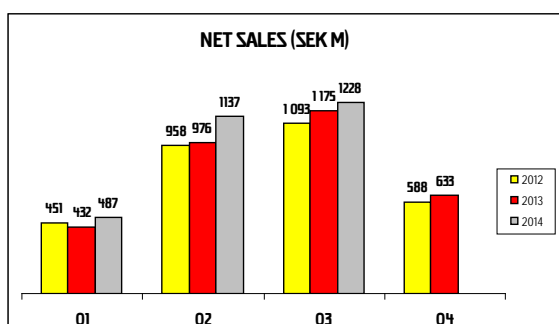
Personnel costs and other external expenses rose a total of SEK 10.5 M. The increase in expenses compared with the year-earlier period was mainly attributable to costs associated with new stores opened after the third quarter of 2013, amounting to SEK 11.8 M.

Profit before tax

Profit before tax amounted to SEK 169.2 M (171.5). Net financial items amounted to an loss of SEK 5.8 M (profit: 1.5). Net financial items for the quarter were negatively impacted by exchange-rate effects of SEK 4.5 M (positive: 4.3).

Taxes

Tax expense for the third quarter of 2014 totaled SEK 39.5 M (expense: 40.7).



¹A store is classified as comparable as of the second year-end after the store was opened. Stores that are relocated to new premises in existing locations are handled in the same manner.

Consolidated sales and earnings

January 1 - September 30

Revenues

The operation's net sales totaled SEK 2,851.8 M (2,583.2), up 10.4 percent. Operating revenue was SEK 2,859.1 M (2,588.1), up 10.5 percent. Net sales for comparable stores rose 3.8 percent in local currency. Net sales amounted to SEK 2,098.4 (1,905.6) in Sweden and SEK 753.3 M (677.6) in the other Nordic markets.

The sales increase of 10.4 percent was divided according to the following:	
Comparable stores, local currency, percent	3.8
Non-comparable units, percent	6.6
Exchange-rate effects, percent	0.0
Total, percent	10.4

The Group opened seven (eleven) new stores during the first three quarters. Accordingly, the total number of stores in the Group at September 30, 2014 was 112 (105).

EBIT

EBIT amounted to SEK 258.9 M (212.4) M, corresponding to an EBIT margin of 9.1 percent (8.2). The gross margin was 30.8 percent, compared with 30.3 percent in the year-earlier period. During the period, management renewed its assessment of the Group's obsolescence reserve, which gave rise to reversals of impairment losses on inventory amounting to SEK 8.7 M and resulted in a positive non-recurring effect in the first quarter of 2014, which in turn strengthened gross profit.

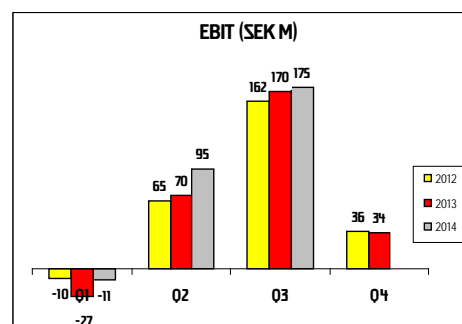
Personnel costs and other external expenses rose a total of SEK 43.8 M. The increase in expenses compared with the year-earlier period was mainly attributable to costs associated with new stores opened after the second quarter of 2013, amounting to SEK 46.2 M. The mild winter had a positive impact on electricity and snow removal costs, which resulted in a SEK 2.7 M reduction in expenses compared with the corresponding period in the preceding year. Investments related to the conversion to Byggmax 2.0 will be capitalized as of January 1, 2014, in accordance with the information previously provided, see page 5.

Profit before tax

Profit before tax amounted to SEK 243.9 M (207.4). Net financial items amounted to an loss of SEK 15.0 M (loss: 5.1). Net financial items for the nine months were negatively impacted by exchange-rate effects of SEK 6.1 M (positive: 6.4).

Taxes

Tax expense for the first nine months of 2014 totaled SEK -56.8 M (-49.3).



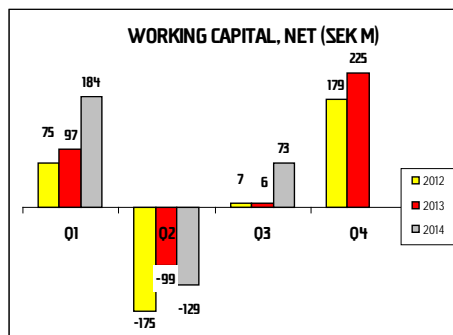
Cash flow and financial position

Cash flow from operating activities for the period July to September was negative in an amount of SEK 51.8 M (positive: 38.1), down SEK 89.9 M year-on-year. This was attributable to Byggmax reducing the proportion of invoices paid cash in the second quarter and many invoices were instead paid in the third quarter. This had a negative impact on third-quarter cash flow. Cash flow for the first nine months rose SEK 33.7 M. At the end of the period, inventory totaled SEK 638.3 M (552.2), which was an increase of SEK 86.1 M year-on-year. Compared with the end of the year-earlier period, seven new stores were added and associated inventory amounted to SEK 33.0 M. The higher inventory value is also attributable to better inventory levels in stores and that inventory was impacted by higher purchasing prices. Distribution inventory was SEK 25.9 M higher year-on-year.

At September 30, 2014, consolidated shareholders' equity amounted to SEK 1,021.2 M (945.4). The net debt of the Group was SEK 319.8 M (295.2), up SEK 24.6 M year-on-year. The equity/assets ratio amounted to 48.4 percent (48.1). Unutilized credits totaled SEK 197.4 M (256.7).

Investments during the third quarter amounted to SEK 24.5 M (15.6). Of these investments, SEK 5.7 M (10.1) pertained to investments in stores opened or stores to be opened during 2014 and SEK 2.4 M (2.2) to IT investments. Investments relating to the conversion of stores to the Byggmax 2.0 concept totaled SEK 3.5 M for the third quarter. Investments for the first nine months of 2014 totaled SEK 97.5 M (79.8). Of these investments, SEK 33.4 M (45.0) pertained to investments in stores opened or stores to be opened during 2014 and SEK 7.4 M (9.3) for IT investments. Investments relating to the conversion of stores to the Byggmax 2.0 concept totaled SEK 28.7 M for the first nine months of 2014. The Group amended the estimated useful life of certain investments made in stores as of January 1, 2014. As a result, approximately 70 percent of the investment in the conversion to Byggmax 2.0 has a depreciation period of five years and 30 percent has a depreciation period of ten years.

Swedish Customs decided to levy an additional charge on Byggmax with respect to customs and anti-dumping duties for 2010. In spring 2013, Swedish Customs reviewed the decision regarding customs and anti-dumping duties and reduced the overall amount by SEK 3.2 M. Following the review, the total amount is SEK 29.3 M. Byggmax has appealed parts of this decision. Byggmax has agreed on future compensation in a corresponding amount with the supplier that sold the products in question to Byggmax. Byggmax paid a total of SEK 23.2 M in customs and anti-dumping duties and the company's exposure to the supplier at September 30, 2014 amounted to SEK 20.5 M.



New store openings and acquisitions

During the period January to September 2014, 7 new stores were opened: Munkedal, Ullstämman (Linköping), Värmdö and Katrineholm in Sweden, Åsane (Bergen) and Tönsberg in Norway and Pirkkala in Finland. The store in Jönköping in Sweden was relocated in the third quarter.

During the fourth quarter, the store in Hudiksvall in Sweden will be relocated. The following stores have been publicly announced and will be opened in 2015: Mariestad in Sweden.

The Byggmax workforce

The number of employees (converted to full-time equivalents) rose to 853 (791) at the end of the period.

Risks and uncertainties

A number of factors can impact Byggmax's earnings and operations. Most of these factors can be managed through internal procedures, while certain factors are largely governed by external circumstances. For a more detailed description of the Group's risks and risk management, refer to the Annual Report for 2012. Apart from the risks described in the Annual Report, no material risks arose during the period.

Seasonal fluctuations

The company's operations are affected by strong seasonal variations controlled by consumer demand for basic building supplies. Due to the weather's impact on demand, Byggmax's sales and cash flow are generally higher in the second and third quarters, when about two thirds of the company's sales are generated, while these usually decline in the fourth and first quarters. Although seasonal variations do not normally affect Byggmax's earnings and cash flow from year to year, earnings and cash flow may be impacted during the year by unusually harsh or mild weather conditions, or by excessive or insufficient precipitation. Byggmax endeavors to balance the seasonal effects by launching new products that are not as susceptible to seasonal variations.

Parent Company

The Parent Company comprises a holding company. The Parent Company's sales for the third quarter amounted to SEK 0.1 M (0.1) and SEK 0.2 M (0.2) for the first three quarters. Income after net financial items was negative in an amount of SEK -1.6 M (-3.1) for the third quarter and SEK -10.7 M (-11.5) for the first nine months.

Events after the close of the reporting period

No significant events have occurred since the end of the reporting period.



Ownership structure

Ownership	Number of shares	Holding (%)
Nordea Investment Funds	5,833,468	9.60
Norges Bank Investment Management	3,384,378	5.57
Handelsbanken Fonder AB	3,324,295	5.47
JP Morgan Asset Management (UK) Ltd.	3,035,975	5.00
SEB Bank Investment Management	2,795,979	4.60
Schroder Investment Management North America, Inc.	2,400,000	3.95
Jarton Management (Göran Peterson)	2,381,296	3.92
Lennebo fonder	2,377,022	3.91
Swedbank Robur fonder	2,150,184	3.54
Öresund Investment AB	1,846,241	3.04
Total of the ten major shareholders	29,528,838	48.62
Total other shareholders	31,208,207	51.38
Total at September 30, 2014	60,737,045	100.00

Value drivers

Byggmax's ability to create value through its business is impacted in the long and short term by various external and internal factors. A selection of these are listed below.

Value drivers – short-term factors

- *Trends in cost prices* – cost prices impact Byggmax's margins. Historically, the market has passed on adjustments in cost prices to the end consumer.
- *Competitors' pricing* – Byggmax prices products based on the prices of the competition with the objective of always being the cheapest. Therefore, the pricing of competitors affects margins.
- *Short-term trends in the DIY market* – Byggmax operates in the DIY market and, accordingly, its trends impact the company.
- *Weather* – Byggmax sells many items for outdoor use and, accordingly, sales are impacted by the weather. Seasonal variations are clearly visible and the company has significantly higher turnover in spring, summer and early autumn.
- *Availability of attractive store locations* – The establishment of new stores is a key element of Byggmax's strategy in both the long and the short-term, thus making attractive store locations of key importance.

Value drivers – long-term factors

- *The ability to maintain the strong corporate culture* – The Byggmax culture plays a key role in the company's success and its retention is a key factor for continued success.
- *The ability to execute the Group's strategy and business concept* – Maintaining stringency levels in the product range and pricing as well as continuing to trim the organization through continuous improvements comprise a few of the key elements for success.
- *The ability to renew the concept and strategies when needed* – The Byggmax concept has remained much the same since it was founded in 1993. However, the concept has developed over time and new ideas have been tested and incorporated or discarded.
- *Long-term development of the DIY market* – Byggmax operates in the DIY market and its long-term trend is important.
- *Trends in the attractiveness of the low-price segment in the DIY*

market – Byggmax's strategy is to become the largest operator in the low-price segment in the Nordic region. Long-term trends are therefore important.

- *The competition's strategies and their execution* – Byggmax operates in a competitive market and the actions of the competition affect the Group.

Accounting policies

Byggmax Group AB (publ) applies International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and RFR 1 Supplementary Accounting Rules for Groups.

The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The same accounting policies were applied for the Parent Company as for the Group, except in the cases stated under Parent Company accounting policies in Note 2.16 of the Annual Report for 2013.

Amended estimated useful life of certain tangible assets

The company has reviewed the useful life of the fixed assets of its stores and deemed certain fixed assets to have a useful life of ten years. The previous estimated useful life for these types of fixed assets was five years. This new ten-year depreciation method applies to investments made from January 1, 2014.

For a more detailed description of the accounting policies applied for the Group and the Parent Company in this interim report, refer to Notes 1-4 of the Annual Report for the 2013 fiscal year.

All of the figures listed above and below in parentheses refer to the corresponding period or date in the preceding year.

Stockholm, October 20, 2014

Magnus Agervald
President of Byggmax Group AB (publ)

Financial calendar

Year-end report 2014 January 26, 2015

Annual General Meeting
The 2014 Annual General Meeting will be held on May 5, 2015 in Stockholm.

Report of Review of Interim Financial Information

Introduction

We have reviewed this report for the period 1 January 2014 to 30 September 2014 for Byggmax Group AB (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 20 October 2014

Öhrlings PricewaterhouseCoopers AB

Ann-Christine Hägglund
Authorised Public Accountant

Consolidated summary of comprehensive income

Amount in SEK M		Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	12 months	Jan - Dec
	Note	2014	2013	2014	2013	Oct 1, 2013 - Sep 30, 2014	2013
Operating income							
Net Sales	1	1,228.1	1,175.2	2,851.8	2,583.2	3,485.0	3,216.4
Other operating income		3.7	1.5	7.3	4.9	9.0	6.6
Total operating income		1,231.8	1,176.8	2,859.1	2,588.1	3,494.0	3,223.0
Operating expenses							
Goods for sale		-845.7	-808.8	1,974.3	-1,800.8	2,401.4	-2,227.6
Other external costs and operating expenses		-102.1	-97.3	-320.5	-302.4	-400.3	-382.2
Personnel costs		-90.9	-85.2	-254.7	-229.0	-334.8	-309.1
Depreciation, amortization of tangible and intangible fixed assets		-18.1	-15.5	-50.7	-43.4	-64.7	-57.4
Total operating expenses		-1,056.8	-1,006.8	-2,600.2	-2,375.6	-3,200.9	-2,976.3
EBIT		175.0	170.0	258.9	212.4	293.1	246.7
Profit/Loss from financial items		-5.8	1.5	-15.0	-5.1	-18.7	-8.7
Profit before tax		169.2	171.5	243.9	207.4	274.4	237.9
Income tax		-39.5	-40.7	-56.8	-49.3	-61.4	-53.9
Profit/loss for the period		129.7	130.8	187.1	158.1	213.0	184.0
Other comprehensive income for the period							
Items that will not be reversed in profit or loss		0.0	0.0	0.0	0.0	0.0	0.0
Items that can later be reversed in profit or loss		0.0	0.0	0.0	0.0	0.0	0.0
Translation differences		2.3	-3.7	3.8	-5.4	2.5	-6.7
Other comprehensive income for the period		2.3	-3.7	3.8	-5.4	2.5	-6.7
Total comprehensive income for the period		132.0	127.1	190.9	152.7	215.5	177.3
Earnings per share before dilution, SEK		2.1	2.2	3.1	2.6	3.5	3.0
Earnings per share after dilution, SEK		2.1	2.1	3.1	2.6	3.5	3.0
Average number of shares, (thousands)		60,737	60,737	60,737	60,737	60,737	60,737
Number of shares at the end of the period, (thousands)		60,737	60,737	60,737	60,737	60,737	60,737

Consolidated summary of statement of financial position

Amounts in SEK M	Note	September 2014	September 2013	Dec 2013
ASSETS				
Fixed assets				
Intangible fixed assets		1,080.9	1,081.4	1,081.4
Tangible fixed assets		242.7	193.3	194.0
Financial fixed assets		23.7	23.5	24.2
Total fixed assets		1,347.3	1,298.2	1,299.6
Current assets				
Inventories		638.3	552.2	538.3
Derivatives		0.0	2.2	0.8
Current receivables		82.7	72.2	73.0
Cash and cash equivalents		41.5	41.1	33.1
Total current assets		762.5	667.6	645.2
TOTAL ASSETS		2,109.8	1,965.9	1,944.8
Amounts in SEK M	Note	September 2014	September 2013	Dec 2013
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity		1,021.2	945.4	970.0
LIABILITIES				
Borrowing from credit institutions		2.6	7.4	5.8
Deferred tax liabilities		78.2	65.3	78.4
Long-term liabilities		80.8	72.8	84.1
Borrowing from credit institutions		358.7	328.8	504.3
Accounts payable		499.3	492.3	284.7
Current tax liabilities		14.7	9.0	0.0
Derivatives		1.1	0.0	0.0
Other liabilities		51.0	42.3	24.9
Accrued expenses and prepaid income		83.1	75.2	76.7
Current liabilities		1,007.9	947.6	890.7
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2,109.8	1,965.9	1,944.8
Pledged assets - Shares in subsidiaries		1,299.4	1,184.6	1,100.2
Pledged assets - Chattel mortgages		120.0	120.0	120.0
Pledged assets - Blocked funds		8.5	8.4	8.4
Contingent liabilities		None	None	None

Consolidated statement of changes in shareholders' equity

Amounts in SEK M	Note	September 2014	September 2013	Dec 2013
Opening balance at the beginning of the period		970.0	914.2	914.2
COMPREHENSIVE INCOME				
Translation differences		3.8	-5.4	-6.7
Profit for the period		187.1	158.1	184.0
Total comprehensive income		190.9	152.7	177.3
TRANSACTIONS WITH SHAREHOLDERS				
Dividend to shareholders		-139.7	-121.5	-121.5
New share issue/share premium reserve		0.0	0.0	0.0
Total transactions with shareholders		-139.7	-121.5	-121.5
Shareholders' equity at the end of the period		1,021.2	945.4	970.0

Consolidated cash flow statement

Amounts in SEK M	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	12 months	Jan - Dec
	2014	2013	2014	2013	Oct 1, 2013 - Sep 30, 2014	2013
Cash flow from operating activities						
EBIT	175.0	170.0	258.9	212.4	293.1	246.7
Non-cash items						
- Depreciation/amortization of tangible and intangible fixed assets	18.5	15.5	51.2	43.4	65.2	57.4
- Other non-cash items	0.9	-1.7	1.5	-1.5	0.3	-2.7
Interest received	2.6	5.3	5.3	8.7	6.9	10.3
Interest paid	-6.4	-5.8	-18.4	-15.8	-22.4	-19.7
Tax paid	-26.1	-31.0	-43.4	-43.1	-45.3	-45.1
Cash flow from operating activities before changes in working capital	164.5	152.3	255.1	204.1	297.9	246.9
Changes in working capital						
Increase/decrease in inventories and work in process	42.5	19.1	-100.1	-87.3	-85.3	-72.5
Increase/decrease in other current receivables	12.2	22.3	-8.3	3.0	-10.0	1.3
Increase/decrease in other current liabilities	-271.0	-155.6	247.0	240.2	23.6	16.7
Cash flow from operating activities	-51.8	38.1	393.8	360.0	226.2	192.5
Cash flow from investing activities						
Investment in intangible fixed assets	-2.4	-2.3	-7.5	-9.8	-10.0	-12.3
Investment in tangible fixed assets	-22.1	-13.2	-90.0	-69.9	-102.4	-82.3
Divestment of tangible fixed assets	0.0	0.0	-0.1	0.0	-0.1	0.0
Investment in other financial fixed assets	0.0	0.1	-0.1	1.8	-0.1	1.9
Investment in subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from sale of subsidiaries	0.0	10.7	0.0	10.7	0.0	10.7
Cash flow from investing activities	-24.5	-4.8	-97.7	-67.3	-112.5	-82.1
Cash flow from financing activities						
Change in overdraft facilities	67.4	-69.0	-139.9	-146.7	38.1	31.4
Dividend to shareholders	0.0	0.0	-139.7	-121.5	-139.7	-121.5
Amortization of loans	-2.2	-4.3	-8.1	-15.5	-11.7	-19.1
Cash flow from financing activities	65.2	-73.3	-287.7	-283.6	-113.3	-109.2
Cash flow for the period	-11.1	-40.0	8.3	9.1	0.3	1.1
Cash and cash equivalents at the beginning of the period ¹	44.1	72.7	24.7	23.6	32.7	23.6
Cash and cash equivalents at the end of the period ¹	33.0	32.7	33.0	32.7	33.0	24.7

¹ Note that cash and cash equivalents in the cash flow are adjusted for restricted bank funds SEK 8.5 M

Parent Company income statement

Amounts in SEK M	Note	Jul-Sep 2014	Jul-Sep 2013	Jan-Sep 2014	Jan-Sep 2013	12 months Oct 1, 2013 - Sep 30, 2014	Jan - Dec 2013
Operating income							
Operating income		0.1	0.1	0.2	0.2	0.3	0.3
Total operating income		0.1	0.1	0.2	0.2	0.3	0.3
Operating expenses							
Other external expenses		-0.9	-0.8	-3.9	-2.8	-4.6	-3.6
Personnel costs		-0.1	-0.1	-0.8	-0.3	-1.2	-0.8
Total operating expenses		-1.0	-0.9	-4.6	-3.1	-5.9	-4.4
EBIT		-1.0	-0.8	-4.4	-2.9	-5.6	-4.1
Profit from financial items		-0.7	-2.2	-6.3	-8.6	106.4	104.1
Profit/loss before tax		-1.6	-3.1	-10.7	-11.5	100.8	100.0
Tax on profit/loss		0.4	0.7	2.4	2.5	-0.2	0.0
Profit for the period		-1.3	-2.4	-8.4	-9.0	100.6	100.0

The profit for the period corresponds with the comprehensive income for the period. The comprehensive income for the period corresponds with the profit for the period.

Parent Company balance sheet

Amounts in SEK M	Note	September 2014	September 2013	Dec 2013
ASSETS				
Fixed assets				
Financial fixed assets		712.1	712.1	712.1
Total fixed assets		712.1	712.1	712.1
Current assets		4.7	4.5	116.6
Total current assets		4.7	4.5	116.6
TOTAL ASSETS		716.7	716.6	828.7
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity		79.8	118.9	227.9
Current liabilities		636.9	597.6	600.8
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		716.7	716.6	828.7
Pledge assets		358.0	358.0	358.0
Contingent liabilities		None	None	None

Notes to the interim report

Note 1 Segments

Amounts in SEK M	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	12 months	Jan - Dec
					Oct 1, 2013 -	
Net sales	2014	2013	2014	2013	Sep 30, 2014	2013
Nordic region	1,228.1	1,175.2	2,851.8	2,583.2	3,485.0	3,216.4

The Group has only one identified operating segment, which is the Nordic segment.

Note 2 Disclosures about transactions with related parties

No transactions occurred between Byggmax and related parties that could significantly impact the Company's position and results.

The 2011 and 2013 annual general meetings resolved to introduce warrants programs for senior executives and other key staff at Byggmax. The warrants were priced at market value, which was based on a valuation made by an independent party. Each warrant entitles its holder to subscribe for one share in the company at the exercise price shown in the table below. The participants of the warrants program have entered into a pre-emption agreement. The 2011 option program expires on October 16, 2014 and will not be exercised as the share price is lower than the exercise price. The 2013 option program expires on November 30, 2017 and redemption is possible as of May 30, 2017.

	2013	2011
Total number	600 000	565 000
Price	2,24	6,77
Exercise price	42,8	63,9
Term	4,5	3,5
Number of participants	27	20

Note 3 Income per quarter

	Q 1	Q 2	Q 3	Q 4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
	2012	2012	2012	2012	2013	2013	2013	2013	2014	2014	2014
Net Sales, SEK M	451.4	958.0	1,093.1	587.9	431.9	976.0	1,175.2	633.2	487.0	1,136.7	1,228.1
Gross margin, percent	29.3	28.7	30.6	32.4	29.9	29.4	31.2	32.6	34.1	28.9	31.1
EBIT, SEK M	-9.6	64.6	161.5	35.8	-27.4	69.9	170.0	34.2	-11.3	95.1	175.0
EBIT margin, percent	-2.1	6.7	14.8	6.1	-6.4	7.2	14.5	5.4	-2.3	8.4	14.3
Working capital, SEK M	74.5	-175.5	7.0	179.2	96.5	-98.5	5.6	224.9	184.3	-129.4	72.9
Return on equity, percent	-1.6	5.4	13.8	4.0	-2.6	5.9	14.8	2.7	-1.4	7.7	13.6
Cash flow from operating activities per share, SEK	1.7	5.0	-0.9	-2.2	0.9	4.4	0.6	-2.8	0.8	6.6	-0.9
Shareholders' equity per share ³ , SEK	13.7	12.6	14.4	15.1	14.6	13.5	15.6	16.0	15.8	14.6	16.8
Number of stores	88	92	94	94	95	100	105	105	107	110	112

Note 4 Fair value disclosures pertaining to financial instruments

The fair value of financial liabilities and assets is estimated as equal to their carrying amounts. All external loans have an interest period of three months, meaning that the carrying amount closely corresponds to fair value.

Note 5 Financial instruments

Byggmax only holds derivative instruments measured at fair value in its financial statements. These instruments are measured at fair value in profit or loss. The value of the derivative instruments is based on observable data for the asset or liability, i.e. level 2. No reclassifications between the various levels took place during the fiscal year.

The information contained in this interim report is disclosed by Byggmax in compliance with the Swedish Securities Market Act (2007:528). The information was released for publication at 8.00 (CET) on October 20, 2014.

Definition of key ratios and figures

Ratios	Definition
Cash flow from operating activities per share:	Cash flow from operations in relation to the number of shares outstanding at the balance-sheet date
Earnings per share:	Profit after tax in relation to the number of shares outstanding at the end of the accounting period
EBIT margin:	EBIT/net sales
Equity/assets ratio:	Shareholders' equity/total assets
Return on equity	Earnings after tax divided by average equity
Shareholders' equity per share:	Shareholders' equity divided by the number of shares on the balance-sheet date
Working capital:	Working capital assets (inventories, current receivables) less working capital liabilities (accounts payable, current tax liabilities, other liabilities, accrued expenses and prepaid income)

Definition of market specific ratios and figures

Ratios	Definition
Comparable stores:	A store is classified as comparable as of the second year-end after the store was opened. Stores that are relocated to new premises in existing locations are handled in the same manner.
Gross margin:	(Net sales less goods for sale) in relation to net sales

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