



FOURTH QUARTER

SEPTEMBER 1, 2015 – AUGUST 31, 2016

“Strong finish of the financial year”

Dustin

Year-end report, September 2015–August 2016

Fourth quarter

- Net sales for the quarter rose 11.0 per cent to SEK 1,952 million (1,759).
- Organic growth in fixed exchange rates was 10.2 per cent (5.6).
- The gross margin increased to 15.3 per cent (14.2).
- Adjusted EBITA increased to SEK 81 million (67).
- EBIT totalled SEK 65 million (46).
- Items affecting comparability amounted to SEK - million (neg: 5).
- Profit for the period totalled SEK 25 million (30).
- Earnings per share, before and after dilution, including discontinued operations, amounted to SEK 0.33 (0.39).
- Cash flow from operating activities was a negative SEK 75 million (neg: 23).

September 2015–August 2016

- Net sales for the period rose 4.6 per cent to SEK 8,301 million (7,934).
- Organic growth in fixed exchange rates was 4.4 per cent (5.7).
- The gross margin increased to 15.0 per cent (14.1).
- Adjusted EBITA increased to SEK 390 million (354).
- EBIT totalled SEK 324 million (218).
- Items affecting comparability amounted to a negative SEK 5 million (neg: 69).
- Profit for the period totalled SEK 225 million (125).
- Earnings per share, before and after dilution, including discontinued operations, amounted to SEK 2.95 (1.75).
- Cash flow from operating activities increased to SEK 447 million (59).
- Net debt in relation to adjusted EBITDA was 2.1 (2.6).
- The Board of Directors proposes a dividend per share of SEK 2.40 (1.70), corresponding to SEK 183 million (129).

Financial key ratios

All amounts in SEK million, unless otherwise indicated	Q 4 15/16	Q 4 14/15	Full-year 15/16	Full-year 14/15
Net sales	1,951.8	1,758.7	8,300.8	7,933.5
Organic sales growth (%)	10.2	5.6	4.4	5.7
Gross margin (%)	15.3	14.2	15.0	14.1
Adjusted EBITA	80.7	67.3	389.6	353.5
Adjusted EBITA margin (%)	4.1	3.8	4.7	4.5
EBIT	64.7	45.6	323.5	218.0
Profit for the period	25.1	29.5	224.9	125.0
Earnings per share, including discontinued operations, before and after dilution, (SEK)*	0.33	0.39	2.95	1.75
Cash flow from operating activities	-74.8	-22.7	447.2	58.6
Net debt/adjusted EBITDA (x)**	2.1	2.6	2.1	2.6
Return on equity (%)	-	-	15.8	9.4

* The average number of shares has been restated based on historic figures to obtain comparability between periods.

** The definition of net debt was updated in the second quarter. Acquisition-related contingent liabilities are now excluded from the calculation. Refer to New accounting policies in Note 1 and Definitions on page 23.

Strong finish of the financial year

Dustin reported a strong finish of the financial year, which included a sharply improved growth rate and a continued favourable earnings trend. Despite this higher rate of growth, the gross margin and operating margin were strengthened during the fourth quarter compared with the same period last year.

Robust sales growth in the fourth quarter

We reported organic sales growth of just over 10 per cent in the fourth quarter, mainly driven by strong sales to the large companies and public sector customer group in addition to continued solid online sales to the small and medium-sized businesses customer group. The B2C segment reported growth for the second consecutive quarter following a number of quarters of declining sales.

Sales in Sweden continued to demonstrate stable growth, while the trend in Denmark and Norway was weaker. The positive trend in Finland persisted, with robust growth in the fourth quarter driven by a surge in demand for network solutions.

Improved margins

The gross margin strengthened during the quarter, primarily due to a continued favourable product mix with a larger share of more advanced products and services commanding higher margins. Previously completed acquisitions made a positive contribution to the favourable trend. Adjusted EBITA increased 20 per cent year on year to SEK 81 million.

IT platform integrated in Finland

The integration of the Finnish operation into Dustin's Nordic IT platform was completed in October, after the end of the period, and thus the entire Finnish operation is now operating under the Dustin brand. This will bolster the competitiveness of the Finnish operation and ultimately reduce costs for the Group. The online platform was launched earlier in the year and will now play an increasingly important role.

Acquisition in Norway

In September, after closing the accounts, we acquired the Norway-based IKT Gruppen specialised in sales and operations of standardised IT services for small and medium-sized businesses. The acquisition further expands Dustin's customer offering and strengthens its position as the leading IT reseller to small and medium-sized businesses in the Nordic region.

Dividend

The Board of Directors proposes a dividend of SEK 2.40 (1.70) per share, corresponding to a total dividend of SEK 183 million, which is in line with our dividend policy to distribute more than 70 per cent of net profit. Net debt in relation to adjusted EBITDA of 2.1 is at the lower end of the interval for our financial target for net debt (2.0-3.0), thus providing scope for further growth, both organic and acquired, and a good dividend increase in the years ahead.

Outlook

Organic sales growth was 4.4 per cent for the 2015/16 financial year, with stable online sales to the small and medium-sized businesses customer group during the year. The assessment is that growth in the large companies and public sector customer group will remain volatile between quarters. Overall, we expect slightly higher organic sales growth in the financial year ahead. Our financially robust position provides us with the scope to further strengthen our position in the Nordic IT market and expand our range of more advanced products and services, both organic and by continued acquisitions.

Nacka, October 2016.
Georgi Ganev, CEO

Financial overview

Income statement items and cash flows are compared with the corresponding period last year. Balance-sheet items pertain to the position at the end of the period and are compared with the corresponding year-earlier date. The quarter refers to June 2016 – August 2016.

Fourth quarter

Net sales

Net sales for the quarter rose 11.0 per cent to SEK 1,952 million (1,759), mainly due to a continued positive trend for online sales to the small and medium-sized business customer group and strong sales to the large companies and public sector customer group during the quarter. Organic growth in fixed exchange rates was 10.2 per cent (5.6).

Gross profit

During the quarter, gross profit rose SEK 49 million to SEK 298 million (249), up 19.6 per cent. The gross margin increased 1.1 percentage points to 15.3 per cent (14.2), mainly related to positive effects from implemented pricing projects, a favourable customer mix and a positive product mix from acquired companies.

Adjusted EBITA

Adjusted EBITA for the quarter increased 19.8 per cent to SEK 81 million (67). The adjusted EBITA margin increased to 4.1 per cent (3.8). Adjusted EBITA excludes items affecting comparability. While there were no items of this nature during the quarter, the same period last year contained an expense of SEK 5 million. Items affecting comparability are specified in Note 3 Items affecting comparability. For a comparison of adjusted EBITA and EBIT, see Note 2 Segments.

EBIT

EBIT for continuing operations amounted to SEK 65 million (46). The year-on-year improvement was the result of higher sales and gross margin. Historically, EBIT has also included Financial Services. This operation was discontinued during the first quarter of the financial year, which is why EBIT attributable to Financial Services is recognised separately. For more information, refer to the section on

Divestment of leasing operations and Note 4 Discontinued operations.

Financial items

Financial expenses amounted to SEK 29 million (13) and financial income to SEK 0.5 million (1.1). The financial expenses item and other similar income-statement items primarily relate to currency effects on external financing of a negative SEK 21 million (5), and interest expense of SEK 8 million (12). Lower interest expense, due to lower interest rates, had a positive impact compared with the same period last year.

Effective from the first quarter of 2016/17, currency effects on external financing will be recognised in other comprehensive income in conjunction with the application of hedging of net investments in foreign subsidiaries, in accordance with IAS 39 Financial Instruments: Recognition and Measurement.

Tax

During the quarter, the effective tax rate for continuing operations was 29.0 per cent, compared with 17.3 per cent in the same period last year. The higher effective tax rate for the quarter is attributable to retroactive tax expenses of SEK 5 million relating to non-deductible interest for shareholder loans raised previously. The retroactive tax expense relates to paid tax for the 2013/14 financial year and a tax provision for the 2014/15 financial year pursuant to a ruling by the Swedish Tax Agency. All shareholder loans were settled in conjunction with the stock-market listing in February 2015.

Profit for the period

Profit for the period, including discontinued operations, totalled SEK 25 million (30). Earnings per share amounted to SEK 0.33 (0.39), before and after dilution.

Cash flow

Cash flow for the quarter was negative SEK 91 million (neg: 2).

Cash flow from operating activities was negative SEK 75 million (neg: 23), mainly due to a negative change of SEK 166 million (neg: 90) in working capital. The change in working capital is primarily related to seasonally lower accounts payable.

Cash flow from investing activities amounted to a negative SEK 14 million (neg: 27), most of which was attributable to settlement of the purchase consideration for the acquisition of Idenet. Investments in tangible and intangible assets amounted to a negative SEK 5 million (neg: 7), of which a negative SEK 3 million (neg: 5) pertained to development expenditure for the IT platform. In the fourth quarter, investments in the integrated IT platform mainly relate to the continued process of migrating the entire Finnish operation (Businessforum). Investments in other tangible and intangible assets primarily pertained to the ongoing investment of SEK 1 million (2) in Dustin's pricing platform.

Cash flow from financing activities amounted to a negative SEK 2 million (neg: 48).

Significant events during fourth quarter

New framework agreement

During the quarter, Dustin announced that it had signed a new framework agreement for servers and storage, including associated services, with the Swedish Armed Forces and FMV. Annual sales are estimated at approximately SEK 100 million. The initial term of the contract is two years, with an additional five-year renewal option.

New customer agreement

During the quarter, Dustin secured a new customer agreement with an international Group. Deliveries include clients and mobile telephones. Annual sales are estimated at approximately SEK 100 million and the agreement has a two-year term.

September 1, 2015 – August 31, 2016 period

Net sales

Net sales for the period rose 4.6 per cent to SEK 8,301 million (7,934), mainly due to solid growth in online sales to the small and medium-sized businesses customer group. Organic growth in fixed exchange rates was 4.4 per cent (5.7).

Gross profit

During the period, gross profit rose SEK 130 million, corresponding to 11.6 per cent, to SEK 1,246 million (1,117). The gross margin rose 0.9 percentage points to 15.0 per cent (14.1), mainly attributable to the small and medium-sized businesses customer group in Sweden and the large companies and public sector customer group in Finland and Sweden.

Adjusted EBITA

During the period, adjusted EBITA rose 10.2 per cent to SEK 390 million (354). The adjusted EBITA margin increased to 4.7 per cent (4.5). Adjusted EBITA includes EBIT from Financial Services, but excludes items affecting comparability, which amounted to a negative SEK 5 million (neg: 69) and is specified in Note 3 Items affecting comparability. For a comparison of adjusted EBITA and EBIT, see Note 2 Segments.

EBIT

EBIT for continuing operations amounted to SEK 324 million (218). The year-on-year improvement was the result of higher sales and gross margin in addition to lower recognized non-recurring items. Historically, EBIT has also included Financial Services. This operation was discontinued during the first quarter of the financial year, which is why EBIT attributable to Financial Services is recognised separately. For more information, refer to the section on Divestment of leasing operations and Note 4 Discontinued operations.

Financial items

Financial expenses amounted to SEK 38 million (69), and financial income to SEK 1 million (2). The financial expenses item and other similar income-statement items primarily relate to interest expense of SEK 32 million (70), and a negative currency effect of SEK 3 million (19) on external financing. The lower interest expense is due to a change in the financing structure, with improved terms and lower interest rates, compared with the same period last year.

Effective from the first quarter of 2016/17, currency effects on external financing will be recognised in other comprehensive income in conjunction with hedging of net investments in foreign subsidiaries, in accordance with IAS 39 Financial Instruments: Recognition and Measurement.

Tax

During the period, the effective tax rate for continuing operations was 21.6 per cent, compared with 21.6 per cent in the same period last year.

Profit for the period

Profit for the period, including discontinued operations, totalled SEK 225 million (125). Earnings per share amounted to SEK 2.95 (1.75), before and after dilution.

Cash flow

Cash flow for the period was SEK 168 million (neg: 55). In the second quarter, shareholder dividends had a negative impact of SEK 129 million (-) on cash flow.

Cash flow from operating activities was SEK 447 million (59), which was mainly attributable to the higher EBIT and a change of SEK 105 million (neg: 138) in working capital. The change in working capital is primarily related to higher accounts payable. The higher level of accounts payable was impacted by temporarily more favourable credit terms.

Cash flow from investing activities was SEK 80 million (neg: 211) and was mainly affected by the acquisition of subsidiaries, including a contingent earn-out payment of a negative SEK 148 million (neg: 139), and divestment of subsidiaries, amounting to SEK 249 million (-). Acquisition of subsidiaries pertains to the acquisitions of Commsec SEK 23 million and Idenet SEK 86 million. The contingent earn-out payment pertains to Resolute SEK 39 million. Divestment of subsidiaries refers to the purchase consideration received on the divestment of leasing operations. Investments in tangible and intangible assets amounted to a negative SEK 36 million (neg: 27), of which a negative SEK 19 million (neg: 17) pertained to development expenditure for the integrated IT platform. In addition, the investment in Dustin's pricing platform amounted to a negative SEK 12 million (neg: 2) during the period. Cash flow from leasing operations pertains to the period until the operations were transferred.

Cash flow from financing activities was a negative SEK 359 million (pos: 98), pertaining to shareholder dividends of SEK 129 million (-) and consideration payments of SEK 4 million (367) for warrants and a new share issue, and was negatively impacted by a previously utilised overdraft facility. During the period, cash flow from financing activities was also impacted by a repayment of a negative

SEK 11 million (-) on interest-rate derivatives in the third quarter. For further information on financial instruments, refer to Note 6 Financial instruments. In connection with divestment of the leasing operations, a credit facility of SEK 180 million was repaid.

Net working capital

At the end of the period, net working capital amounted to a SEK 32 million (158). The change was primarily due to an increase in accounts payable resulting from temporarily more favourable credit terms. Adjusted for this factor, the net working capital was largely on a par with the same period last year.

SEK million	Aug 31, 2016	Aug 31, 2015
Inventories	229.3	241.1
Accounts receivable	877.7	800.4
Tax assets, other current receivables, as well as prepaid expenses and accrued income	148.2	148.5
Accounts payable	-912.8	-735.0
Tax liabilities, other current liabilities and accrued expenses and deferred income	-310.7	-296.8
Net working capital	31.6	158.3

Net debt and cash and cash equivalents

Net debt includes current and non-current interest-bearing liabilities, excluding acquisition-related contingent liabilities (such as performance-based earn-outs), that have been reduced with cash and cash equivalents and receivables from finance leasing. At the end of the period, net debt amounted to SEK 826 million (937). Lower net debt compared with the same period last year was mainly the result of a higher cash balance due to a reduction in working capital.

Net debt in relation to adjusted EBITDA was 2.1 (2.6) at the end of the period.

SEK million	Aug 31, 2016	Aug 31, 2015
Non-current liabilities	1,066.4	1,056.9
Current liabilities	-	40.9
Liabilities for financial leasing (short-term and long-term)	-	179.7
Finance lease liabilities	2.8	-
Cash and cash equivalents	-242.9	-77.8
Receivables for financial leasing (short-term and long-term)	-	-262.7
Net debt	826.3	936.9

Total, cash and cash equivalents amounted to SEK 243 million (78), up SEK 165 million for the period. At the end of the period, there was also an unutilised overdraft facility of SEK 270 million.

Divestment of leasing operations

The leasing operations were divested during the first quarter of the financial year, yielding total sales proceeds of SEK 308 million. In connection with the divestment, a repayment of SEK 174 million was made on external loans. The net increase in cash and cash equivalents, before settlement of the VAT liability, was therefore SEK 134 million. The capital gain on the divestment amounted to SEK 1 million before tax.

Employees

The average number of full-time employees was 944 (909). The increase is primarily attributable to completed acquisitions.

Events after the balance-sheet date

Change in Executive Management

Dustin has recruited Rebecca Tallmark as VP Product Marketing and head of Dustin's product, analysis and marketing organisation. Rebecca will also serve as a member of Executive Management as of the 1st of January 2017.

Acquisition in Norway

In September 2016, Dustin signed an agreement to acquire the Norway-based IKT Gruppen specialised in sales and operations of standardised IT services for small and medium-sized businesses. The acquisition is part of Dustin's strategy to broaden its customer offering and strengthen its position in the Nordic IT market.

IKT Gruppen was founded in 2013 and was acquired from the owner constellation comprising most of the company's ten employees. In 2015, the company reported sales of about NOK 18 million. The acquisition is expected to have a marginal impact on Dustin's earnings per share during the current financial year and is not considered to be material from a financial perspective.

Seasonal variations

Dustin is impacted by seasonal variations. Each quarter is comparable between years. Sales volumes are normally higher in November and March, and lower during the summer months when sales and marketing activities are less intense. Similar seasonal variations occur in all geographical markets.

Parent Company

Dustin Group AB (Corp. Reg. No. 556703-3062), which is domiciled in Nacka, Sweden, only conducts holding operations. Net sales amounted to SEK 0.4 million (0.4). Profit for the period totalled SEK 160 million (6) and the year-on-year change was attributable to a negative net currency position of SEK 11 million (pos: 2), interest expense of SEK 30 million (63), appropriations of SEK 197 million (95) and items affecting comparability at the amount of SEK -19 million during last year.

Alternative performance measures

On July 3, 2016, the EU introduced new guidelines for alternative performance measures (key ratios that are not specifically defined by IFRS). The Swedish Financial Supervisory Authority (Finansinspektionen) has decided to apply the guidelines from the date they become effective. The guidelines are designed to make alternative performance measures more comprehensible, reliable and comparable, thus promoting their usability, and mean that all key ratios in this report will be derivable. To meet the requirements, more information has been provided in the table containing key ratios on page 21–22 of this interim report. Information has been submitted for the current and all comparative periods. The key ratios that Dustin has chosen to present are relevant in relation to its operations and in relation to the company's financial targets for growth, margins, capital structure and dividend policy.

Risks and uncertainties

Dustin has a structured and Group-wide process to identify, classify, manage and monitor a number of strategic, operational and external risks.

- Strategic risks are usually identified in the risk discussions related to strategic initiatives. Risks include acquisition and integration projects and the development of profitable and attractive customer offers.
- Operational risks arise within the business and are primarily identified through process reviews. Such risks include the ability to attract and retain customers.
- The external risks include risks that are beyond the Group's direct control. Such risks include regulatory changes or changes in market conditions.

For a detailed description of the risks deemed to be essential to the future development, see Dustin's Annual Report for 2014/15. Dustin's assessment is that there is no material change in the risk assessment as outlined in the Annual Report for 2014/15.

Liabilities and related-party transactions

At August 31, 2016, the Group had no current or non-current liabilities due to related-parties, nor at August 31, 2015. There were no significant related-party transactions during the period.

The share

The Parent Company's share has been listed on Nasdaq Stockholm since February 13, 2015 and is included in the Mid Cap index. At August 31, 2016, the price was SEK 60.0 per share, representing a total market capitalisation of SEK 4,570 million.

At the end of the period, the company had a total of 5,822 shareholders. At August 31, 2016, the company's three largest shareholders were Axmedia AB (Axel Johnson AB) (25.00 per cent), DG Holding S.à.r.l. (Altor Fund II GP Limited) (10.04 per cent) and the Fourth Swedish National Pension Fund (9.89 per cent).

Dustin's shareholder register with the largest shareholders is presented on the company's website.

2015/2016 Annual General Meeting (AGM)

Dustin's AGM will be held in Stockholm on December 13, 2016. Shareholders who wish to have a matter considered should submit a written request to the Board by October 25, 2016 at the latest to ensure that the matter is included in the notice convening the AGM. Requests should be addressed to Dustin Group AB (publ), Att: Sara Edlund, Box 1194, SE-131 27 Nacka Strand or by e-mail to: sara.edlund@dustin.se. Information on how shareholders can notify the company of their attendance at the meeting will be published prior to the AGM.

Nomination Committee ahead of the 2016 AGM

The Nomination Committee ahead of the AGM on December 13, 2016 comprises the following members:

- Paul Schrotti, Chairman of the Nomination Committee, appointed by Axmedia AB (Axel Johnson AB)
- Risto Siivonen, appointed by DG Holding S.à.r.l. (Altor Fund II GP Limited)
- Jannis Kitsakis, appointed by The Fourth Swedish Pension Insurance Fund
- Lennart Francke, appointed by Swedbank Robur funds
- Fredrik Cappelen, Chairman of the Board of Dustin Group AB

The Nomination Committee will prepare motions for the 2015/16 AGM relating to the Chairman of the Meeting, Chairman of the Board, Board members, remuneration for Board and Committee work, fees to auditors and, where necessary, proposal for changes to terms of reference for the Nomination Committee.

Proposed dividend

The Board of Directors proposes a dividend of SEK 2.40 (1.70) per share, corresponding to SEK 183 million.

Review of business segments

Dustin's operations are divided into two business areas: B2B and B2C. Within B2B, customers are served through both the online platform and relationship selling. Dustin's sales model has been adapted to meet customer needs as efficiently as possible. Although B2B is Dustin's core segment, there are several advantages to also serving private customers, such as a similar product range, limited additional costs and insights into trends and pricing. In the B2C segment, customers are only served through the online platform.

B2B segment

B2B SEK million	Q 4 15/16	Q 4 14/15	Change %	Full-year 15/16	Full-year 14/15	Change %
Net sales	1,806.2	1,620.5	11.5	7,703.3	7,326.9	5.1
Segment results	150.3	117.5	27.9	660.3	589.0	12.1
Segment margin (%)	8.3	7.3	n/a	8.6	8.0	n/a

Net sales

Net sales for the quarter increased 11.5 per cent to SEK 1,806 million (1,621). Organic growth in fixed exchange rates was 10.6 per cent. Growth was attributable to a healthy trend in online sales to the small and medium-sized businesses customer group and strong sales to the large companies and public sector customer group, mainly in Finland and Sweden, during the quarter.

Segment result

The segment result for the quarter rose SEK 33 million to SEK 150 million (118). The increase was the result of higher sales and an improved gross margin. The higher gross margin was predominantly attributable to positive effects from implemented pricing projects, a favourable customer mix and a positive product mix related to acquired companies. Synergies from the integration of acquisitions completed earlier in Finland also contributed positively. The segment margin increased to 8.3 per cent (7.3).

B2C segment

B2C SEK million	Q 4 15/16	Q 4 14/15	Change %	Full-year 15/16	Full-year 14/15	Change %
Net sales	145.6	138.2	5.3	597.5	606.6	-1.5
Segment results	5.6	4.8	17.4	22.4	18.9	18.8
Segment margin (%)	3.8	3.4	n/a	3.7	3.1	n/a

Net sales

Net sales for the quarter increased 5.3 per cent to SEK 146 million (138). Organic growth in fixed exchange rates was 5.5 per cent. Growth was largely due a positive sales trend in Norway in addition to the launch of our online platform in Finland.

Segment result

In the fourth quarter, the segment result increased SEK 1 million to SEK 6 million (5), positively impacted by an improved gross margin in all markets. The segment margin was 3.8 per cent (3.4).

Central functions

Dustin's central functions hold the key to efficient delivery of the Group's offerings in all markets, the generation of economies of scale and the simplification of the integration of acquired operations.

Total costs for the financial year for central functions, excluding items affecting comparability and in relation to sales, amounted to 3.5 per cent (3.2).

For additional financial data on the segments, refer to Note 2 Segments, and to Segment information by quarter on page 23.

The undersigned certify that this year-end report gives a true and fair presentation of the Parent Company's and the Group's operations, financial position and performance and describes the material risks and uncertainties facing the Parent Company and the companies in the Group.

Nacka, October 19, 2016

Georgi Ganev, CEO

In accordance with authorisation by the Board of Directors

This report has not been reviewed by the company's auditors.

Consolidated income statement

SEK million	Note	Q 4 15/16	Q 4 14/15	Full-year 15/16	Full-year 14/15
Continuing operations:					
Net sales	2	1,951.8	1,758.7	8,300.8	7,933.5
Cost of goods and services sold		-1,653.8	-1,509.5	-7,054.7	-6,816.9
Gross profit		298.1	249.2	1 246.1	1 116.5
Selling and administrative expenses		-229.5	-198.4	-911.5	-824.5
Items affecting comparability	3	-	-4.6	-5.0	-68.7
Other operating income		-0.4	3.2	5.6	16.3
Other operating expenses		-3.4	-3.7	-11.6	-21.6
EBIT	2	64.7	45.6	323.5	218.0
Financial income and other similar income-statement items		0.5	1.1	1.4	2.1
Financial expenses and other similar income-statement items		-29.4	-12.6	-38.2	-69.2
Profit after financial items		35.9	34.2	286.8	150.9
Tax attributable to continuing operations		-10.4	-5.9	-62.1	-32.6
Profit for the period from continuing operations		25.5	28.3	224.7	118.3
Discontinued operations:					
Profit for the period from discontinued operations	4	-0.4	1.2	0.2	6.6
Profit for the period		25.1	29.5	224.9	125.0
Other comprehensive income (all items that will be transferred to the income statement)					
Translation differences		21.0	-2.2	2.9	-3.5
Cash-flow hedging		-3.1	-1.2	-5.4	-1.0
Tax		0.6	0.3	1.2	0.2
Other comprehensive income		18.4	-3.1	-1.3	-4.3
Comprehensive income for the period is attributable in its entirety to Parent Company shareholders		43.5	26.4	223.6	120.7
Comprehensive income for the period attributable to Parent Company shareholders arose from:					
Continuing operations		43.9	25.2	223.4	114.0
Discontinued operations		-0.4	1.2	0.2	6.6
Total comprehensive income		43.5	26.4	223.6	120.7
Earnings for continuing operations per share (SEK)		0.33	0.37	2.95	1.65
Earnings for continuing operations per share after dilution (SEK)		0.33	0.37	2.95	1.65
Earnings per share, including discontinued operations (SEK)		0.33	0.39	2.95	1.75
Earnings per share after dilution including discontinued operations (SEK)		0.33	0.39	2.95	1.75

Condensed consolidated balance sheet

SEK million	Note	Aug 31, 2016	Aug 31, 2015
Non-current assets			
Goodwill		1,894.7	1,771.6
Other intangible assets attributable to acquisitions		364.4	407.4
Other intangible assets	5	112.2	98.2
Tangible assets	5	20.3	21.1
Deferred tax assets		6.5	11.2
Receivables pertaining to financial leasing		-	199.7
Other non-current assets		2.7	3.8
Total non-current assets		2,400.8	2,513.0
Current assets			
Inventories		229.3	241.1
Accounts receivable		877.7	800.4
Tax assets		6.2	29.7
Other receivables		4.0	6.2
Receivables pertaining to financial leasing		-	63.1
Prepaid expenses and accrued income		138.0	112.6
Cash and cash equivalents		242.9	77.8
Total current assets		1,498.0	1,330.9
Total assets		3,898.9	3,843.9
Equity and liabilities			
Equity attributable to Parent Company shareholders		1,422.2	1,323.7
Total equity		1,422.2	1,323.7
Non-current liabilities			
Deferred tax and other long-term provisions		122.3	131.8
Liabilities to credit institutions		1,066.4	1,146.7
Acquisition-related liabilities		26.0	26.6
Total non-current liabilities		1,214.7	1,305.1
Current liabilities			
Liabilities to credit institutions		-	130.7
Accounts payable		912.8	735.0
Tax liabilities		35.9	22.0
Derivative instruments	6	9.0	12.6
Other current liabilities		68.3	48.0
Acquisition-related liabilities		26.6	39.9
Accrued expenses and deferred income		209.3	226.9
Total current liabilities		1,262.0	1,215.0
Total equity and liabilities		3,898.9	3,843.9

Consolidated statement of changes in equity

SEK million	Aug 31, 2016	Aug 31, 2015
Opening balance	1,323.7	743.0
Profit for the period	224.9	125.0
Other comprehensive income		
Translation differences	2.9	-3.5
Cash flow hedging, changes in fair value	-5.4	-1.0
Tax	1.2	0.2
Total other comprehensive income	-1.3	-4.3
Total comprehensive income	223.6	120.7
Dividends	-129.5	-
Subscription with the support of warrants	4.3	216.9
New share issue	-	243.2
Total transactions with shareholders	-125.2	460.0
Closing equity *	1,422.2	1,323.7

* Attributable to Parent Company shareholders in its entirety.

Consolidated statement of cash flow

SEK million	Note	Q 4 15/16	Q 4 14/15	Full-year 15/16	Full-year 14/15
Operating activities					
Profit before financial items including EBIT from discontinued operations		64.8	47.3	323.9	226.5
Adjustment for non-cash items		18.7	9.2	71.6	64.4
Interest received		0.5	1.1	1.4	2.1
Interest paid		-4.6	-13.5	-26.2	-56.3
Income tax paid		11.6	22.9	-28.9	-40.0
Cash flow from operating activities before changes in working capital		91.0	66.9	341.9	196.7
Cash flow from changes in working capital					
Decrease (+)/increase (-) in inventories		13.2	28.8	12.1	-17.4
Decrease (+)/increase (-) in receivables		0.6	67.8	-86.4	-103.5
Decrease (-)/increase (+) in current liabilities		-179.6	-186.2	179.5	-17.1
Cash flow from changes in working capital		-165.8	-89.6	105.2	-138.0
Cash flow from operating activities		-74.8	-22.7	447.2	58.6
Cash flow from investing activities					
Acquisition of intangible assets	5	-4.2	-7.2	-32.1	-18.5
Acquisition of tangible assets	5	-0.8	-0.1	-3.8	-8.9
Acquisition of operations		-9.3	-	-109.4	-49.7
Divestment of operations		-	-	248.7	-
Contingent consideration paid		-	-	-38.8	-88.9
Cash flow from leasing activities, financial services		-	-19.8	15.1	-45.2
Cash flow from investing activities		-14.4	-27.1	79.7	-211.2
Financing activities					
Cash flow from issues		-	0.0	4.3	367.0
Loans raised		-	41.1	-	1,251.2
Repayment of debt		-1.9	0.0	-54.4	-1,289.9
Payment of capitalised interest		-	-	-	-255.6
Paid liabilities start-up costs		-	-	-	-7.0
Dividends		-	-	-129.5	-
Cash flow from leasing activities, financial services		-	7.0	-179.7	31.9
Cash flow from financing activities		-1.9	48.1	-359.3	97.6
Cash flow for the period		-91.1	-1.7	167.5	-55.0
Cash and cash equivalents at beginning of period					
		333.9	81.0	77.8	133.6
Cash flow for the period		-91.1	-1.7	167.5	-55.0
Exchange-rate differences in cash and cash equivalents		0.0	-1.5	-2.5	-0.8
Cash and cash equivalents at the close of the period		242.9	77.8	242.9	77.8

Note 1 Accounting policies and other information

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This report has been prepared in accordance with IFRS, applying IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The accounting policies are consistent with those presented in the Group's Annual Report for the 2014/15 financial year. The Parent Company, Dustin Group AB, applies the Swedish Annual Accounts Act, and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

In connection with the IPO in the preceding financial year, a number of transactions were carried out that changed the number of shares outstanding. The number of shares has therefore been restated for preceding years to achieve comparability between the periods.

During the period, the operation previously reported as Financial Services was divested through a business transfer to an external party. This means that the operation is now defined as a discontinued operation in accordance with IFRS 5 Non-current Asset Held for Sale and Discontinued Operations. As a result, this part of the operations has been recognised on a separate line in the income statement for the current and comparable periods. The line for discontinued operations is specified in Note 4 Discontinued operations.

This report has been prepared in SEK million, unless otherwise stated. Rounding-off differences may occur in this report.

Hedge accounting of net investments

As of the first quarter of the 2016/17 financial year, hedge accounting according to IAS 39 Financial Instruments: Recognition and Measurement will be applied to net investments in foreign subsidiaries. As a consequence of this, currency translation of external loans in foreign currencies will be recognised in other comprehensive income instead of being included in financial items in the income statement. The change is prospective and adjustments will not be made retroactively.

Seasonal variations

Information on the impact of seasonal variations on Dustin is presented on page 7.

Events after the balance-sheet date

Events after the close of the period are detailed on page 7.

Note 2 Segments

All amounts in SEK million, unless otherwise indicated	Q 4 15/16	Q 4 14/15	Full-year 15/16	Full-year 14/15
Net sales				
B2B	1,806.2	1,620.5	7,703.3	7,326.9
B2C	145.6	138.2	597.5	606.6
Total	1,951.8	1,758.7	8,300.8	7,933.5
Segment results				
B2B	150.3	117.5	660.3	589.0
B2B, segment margin (%)	8.3	7.3	8.6	8.0
B2C	5.6	4.8	22.4	18.9
B2C, segment margin (%)	3.8	3.4	3.7	3.1
Central functions	-75.2	-55.0	-293.1	-254.4
Costs for central functions, excluding items affecting comparability in relation to net sales (%)	-3.9	-3.1	-3.5	-3.2
Adjusted EBITA	80.7	67.3	389.6	353.5
Reconciliation with EBIT				
Items affecting comparability	-	-4.6	-5.0	-68.7
Amortisation and impairment of intangible assets	-15.9	-15.4	-60.6	-58.4
Less: Operating profit attributable to discontinued operations included in segment results for B2B	0.0	-1.6	-0.4	-8.5
EBIT	64.7	45.7	323.5	218.0

Note 3 Items affecting comparability

SEK million	Q 4 15/16	Q 4 14/15	Full-year 15/16	Full-year 14/15
Within EBIT				
Acquisition and divestment-related expenses	-	-	-5.0	-3.6
Costs for integrated IT platform	-	-4.6	-	-32.0
IPO-related expenses	-	-	-	-33.0
Total	-	-4.6	-5.0	-68.7

Note 4 Discontinued operations

The income and expenses related to the Financial Services operation have been recognised under discontinued operations. Dustin has decided to consolidate its financial offering to the B2B market in all Nordic countries through a partnership agreement with De Lage Landen Finans AB (DLL).

SEK million	Q 4 15/16	Q 4 14/15	Full-year 15/16	Full-year 14/15
Financial services				
Interest income	0.0	4.9	5.7	19.6
Interest expense	0.0	-0.8	-0.4	-3.6
Net interest income	0.0	4.1	5.3	16.0
Selling and administrative expenses	0.0	-2.5	-6.3	-7.5
EBIT, financial services	0.0	1.6	-0.9	8.5
Capital gains from divestment of operations	0.0	-	1.3	-
Income tax	-0.4	-0.3	-0.2	-1.9
Profit/loss for the period from discontinued operations	-0.4	1.2	0.2	6.6

Note 5 Investments

SEK million	Q 4 15/16	Q 4 14/15	Full-year 15/16	Full-year 14/15
Investments				
Capitalised expenditure for IT development attributable to integrated IT platform	-3.1	-4.5	-19.1	-16.6
Other investments in tangible and intangible assets	-2.0	-5.9	-16.9	-10.9
Total	-5.0	-10.3	-36.0	-27.5

Differences in earlier periods in investments in the cash flow statement compared with total investments in intangible and tangible assets, in accordance with the above specification, relate to the divestment of tangible assets.

The investments outlined in the quarterly report for the third quarter of the preceding year have been adjusted, resulting in a SEK 3 million reduction in the investments.

Note 6 Financial instruments

In conjunction with securing new bank financing in the second quarter of 2015, all liabilities to former shareholders were settled. Current financing is fully external, on market terms and with variable interest rates.

Derivative instruments have been structured as hedges for interest on external bank loans. The Group applies hedge accounting for derivatives and the fair value measurement is Level 2, according to the definition in IFRS 13. The valuation level is unchanged compared with August 31, 2015. At August 31, 2016, the fair value of liabilities for derivative instruments was SEK 9 million (13).

During the financial year, some parts of former derivatives were repaid prematurely and replaced with new interest-rate derivatives. This was mainly done to achieve greater maturity spreads. The amount repaid totalled SEK 11 million. Refer also to the section on cash flow on page 6.

Parent Company income statement

SEK million	Q 4 15/16	Q 4 14/15	Full-year 15/16	Full-year 14/15
Net sales	0.1	0.1	0.4	0.4
Operating expenses				
Selling and administrative expenses	-1.7	-2.4	-6.7	-26.8
Other operating expenses	0.0	-	0.0	0.0
EBIT	-1.6	-2.3	-6.3	-26.4
Financial income and other similar income-statement items	48.4	0.4	48.7	1.0
Financial expenses and other similar income-statement items	-29.3	-16.1	-41.0	-61.5
Profit/Loss after financial items	17.5	-18.0	1.4	-86.9
Appropriations	196.5	95.3	196.5	95.3
Tax on profit for the year	-41.9	-17.1	-38.3	-1.9
Profit/Loss for the period	172.2	60.2	159.6	6.5

Parent Company statement of comprehensive income

SEK million	Q 4 15/16	Q 4 14/15	Full-year 15/16	Full-year 14/15
Profit for the period	172.2	60.2	159.6	6.5
Other comprehensive income	-	-	-	-
Comprehensive income for the year	172.2	60.2	159.6	6.5

Parent company balance sheet

SEK million	Aug 31, 2016	Aug 31, 2015
Assets		
Participations in Group companies	1,221.7	1,221.7
Total non-current assets	1,221.7	1,221.7
Receivables from Group companies	460.9	455.8
Tax assets	-	24.0
Prepaid expenses and accrued income	10.0	1.1
Cash and bank balances	147.4	65.3
Total current assets	618.3	546.2
Total assets	1,839.9	1,767.9
Equity and liabilities		
Restricted equity		
Share capital	380.9	380.9
Total restricted equity	380.9	380.9
Non-restricted equity		
Share premium reserve	388.1	388.1
Retained earnings	-229.9	-110.2
Profit for the year	159.6	6.5
Total non-restricted equity	317.9	284.4
Total equity	698.7	665.3
Untaxed reserves	50,586	-
Non-current liabilities to credit institutions	1,066.5	1,056.9
Total non-current liabilities	1,066.5	1,056.9
Current liabilities to credit institutions	-	40.9
Accounts payable	0.1	0.4
Other current liabilities	0.2	0.1
Accrued expenses and deferred income	1.6	4.4
Total current liabilities	24.1	45.7
Total equity and liabilities	1,839.9	1,767.9

Key ratios

All amounts in SEK million, unless otherwise indicated

	Q 4 15/16	Q 4 14/15	Full-year 15/16	Full-year 14/15
Financial key ratios				
Organic sales growth (%)	10.2	5.6	4.4	5.7
Gross margin (%)	15.3	14.2	15.0	14.1
Adjusted EBITDA	83.2	69.0	400.2	364.1
Adjusted EBITA	80.7	67.3	389.6	353.5
Adjusted EBITA margin (%)	4.1	3.8	4.7	4.5
Net working capital	31.6	158.3	31.6	158.3
Capital employed	173.3	292.6	173.3	292.6
Net debt*	826.3	936.9	826.3	936.9
Net debt/adjusted EBITDA (x)*	2.1	2.6	2.1	2.6
Operating cash flow	-83.4	-24.5	500.7	217.2
Maintenance investments	-0.8	-3.9	-4.7	-8.9
Return on equity (%)	-	-	15.8	9.4
Equity/assets ratio (%)	-	-	36.5	34.4
The share				
Earnings per share, including discontinued operations before dilution (SEK)	0.33	0.39	2.95	1.75
Earnings per share, including discontinued operations after dilution (SEK)	0.33	0.39	2.95	1.75
Equity per share before and after dilution (SEK)	18.67	17.38	18.67	17.38
Cash flow from operating activities per share before dilution (SEK)	-0.98	-0.30	5.87	0.82
Cash flow from operating activities per share after dilution (SEK)	-0.98	-0.30	5.87	0.82
Average number of shares	76,173,115	76,173,115	76,173,115	71,552,025
Average number of shares after dilution	76,173,115	76,173,115	76,173,115	76,173,115
Number of shares issues at end of period	76,173,115	76,173,115	76,173,115	76,173,115

Key ratios

All amounts in SEK million, unless otherwise indicated	Q 4 15/16	Q 4 14/15	Full-year 15/16	Full-year 14/15
Financial data				
EBIT continuing operations	64.7	45.7	323.5	218.0
EBIT discontinued operations	0.0	1.6	0.4	8.5
EBIT	64.8	47.3	323.9	226.5
Items affecting comparability	-	4.6	5.0	68.7
Amortisation of intangible assets	15.9	15.4	60.6	58.4
Adjusted EBITA	80.7	67.3	389.6	353.5
Depreciation of tangible assets	2.5	1.7	10.6	10.6
Adjusted EBITDA	83.2	69.0	400.2	364.1
Sales growth (%)	11.0	7.4	4.6	7.6
Acquired growth (%)	-1.1	-1.8	-1.2	-0.6
Currency effects in sales growth (%)	0.3	0.0	1.0	-1.3
Organic sales growth (%)	10.2	5.6	4.4	5.7
Profit before financial items including EBIT for discontinued operations				
EBIT continuing operations	64.7	45.6	323.5	218.0
EBIT discontinued operations	0.0	1.6	0.4	8.5
Total	64.8	47.3	323.9	226.5

Segment information by quarter

All amounts in SEK million, unless otherwise indicated	Q 4 15/16	Q 3 15/16	Q 2 15/16	Q 1 15/16	Q 4 14/15	Q 3 14/15	Q 2 14/15	Q 1 14/15	Q 4 13/14	Q 3 13/14	Q 2 13/14	Q 1 13/14
Net sales	1,951.8	1,988.9	2,236.6	2,123.6	1,758.7	1,918.8	2,188.4	2,067.5	1,637.3	1,902.5	2,007.2	1,823.9
Organic sales growth (%)	10.2	3.6	2.4	2.5	5.6	-1.1	7.0	12.0	16.3	25.2	15.4	23.0
Gross margin (%)	15.3	15.4	14.7	14.8	14.2	14.2	13.8	14.2	14.6	13.6	14.6	14.7
Adjusted EBITA	80.7	91.4	112.7	104.8	67.3	81.8	107.5	96.9	70.3	79.7	106.5	97.0
Adjusted EBITA margin (%)	4.1	4.6	5.0	4.9	3.8	4.3	4.9	4.7	4.3	4.2	5.3	5.3
B2B segment												
Net sales	1,806.2	1,847.6	2,069.4	1,980.1	1,620.5	1,779.4	2,012.4	1,914.6	1,457.3	1,728.4	1,784.1	1,648.0
Segment results	150.3	155.6	183.2	171.1	117.5	141.6	170.2	159.7	116.3	135.6	155.0	146.6
Segment margin (%)	8.3	8.4	8.9	8.6	7.3	8.0	8.5	8.3	8.0	7.8	8.7	8.9
B2C segment												
Net sales	145.6	141.3	167.2	143.4	138.2	139.4	176.0	153.0	180.0	174.0	223.1	175.9
Segment results	5.6	6.7	6.0	4.1	4.8	6.2	6.5	1.4	8.4	9.6	12.5	7.7
Segment margin (%)	3.8	4.7	3.6	2.9	3.4	4.5	3.7	0.9	4.7	5.5	5.6	4.4
Central functions												
Central functions	-75.2	-70.9	-76.5	-70.4	-55.0	-66.0	-69.2	-64.2	-54.1	-65.5	-61.1	-57.2
Percentage of net sales	-3.9	-3.6	-3.4	-3.3	-3.1	-3.4	-3.2	-3.1	-3.3	-3.4	-3.0	-3.1

Definitions

Return on equity: Net profit for the year in relation to equity at the end of the period.

B2B: Pertains to all sales to companies and organisations.

B2C: Pertains to all sales to consumers.

Gross margin: Gross profit in relation to net sales.

Central functions: Includes all non-allocated central expenses, including amortisation and depreciation and excluding items affecting comparability.

Equity per share: Equity at the end of the period in relation to the number of shares at the end of the period.

Adjusted EBITA EBIT according to the income statement and EBIT for Financial Services, which is recognised under discontinued operations, before items affecting comparability and amortisation and impairment of intangible assets.

Adjusted EBITDA: EBIT according to the income statement and EBIT for Financial Services, which is recognised under discontinued operations, before items affecting comparability and amortisation and depreciation and impairment of tangible and intangible assets.

Items affecting comparability: Items affecting comparability refer to material income or expense items that are recognised separately due to the significance of their nature and amounts, and that are also considered non-recurring, unusual or infrequent.

Cash flow from operating activities: Cash flow from operating activities, after changes in working capital.

Cash flow from operating activities per share: Cash flow from operating activities as a percentage of the average number of shares outstanding.

Net working capital: Total current assets less cash and cash equivalents, current financial lease assets and current non-interest-bearing liabilities, at the end of the period.

Net debt: Current and non-current interest-bearing liabilities, excluding acquisition-related liabilities and shareholder loans, less cash and cash equivalents and receivables from finance leasing, at the end of the period.

Organic growth: Change in net sales for comparable units adjusted for currency effects.

Operating cash flow: Adjusted EBITDA less maintenance investments plus cash flow from changes in working capital.

Earnings per share: Net profit/loss in relation to average number of shares, according to IAS 34.

EBIT: Is a measurement of the company's earnings before income tax and financial items.

Equity/assets ratio: Equity at the end of the period in relation to total assets at the end of the period.

Segment results: The segment's EBIT excluding amortisation and depreciation and items affecting comparability.

Capital employed: Working capital plus total assets, excluding goodwill and other intangible assets attributable to acquisitions, and interest-bearing receivables pertaining to finance leasing, at the end of the period.

Maintenance investments: Investments required to maintain current operations.

Calendar

November 18, 2016

2015/2016 Annual Report

December 13, 2016

Annual General Meeting, Dustin Group AB

January 11, 2017

Interim report for Sep 1, 2016- Nov 30, 2016

Dustin in brief

Dustin is one of the leading Nordic resellers of IT products with associated services to companies, the public sector and private individuals. With its core business in e-commerce, Dustin functions as a bridge between the manufacturer's wide-ranging offerings and customer requirements, in which Dustin's employees support customers in finding the appropriate solution for them. Dustin is a

one-stop-shop that offers some 200,000 products with associated services, features and solutions. Operations are conducted in Sweden, Denmark, Norway and Finland.

The Group has approximately 944 employees. Sales during the 2015/16 financial year amounted to approximately SEK 8.3 billion. About 90 per cent of Dustin's income derives from the B2B market with a focus on small and medium-sized businesses. Dustin Group has been listed on Nasdaq Stockholm since 2015 and has its head office in Nacka, Stockholm.

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