



Interim report January-June 2011

July 14, 2011

Magnus Agervald and Pernilla Walfridsson

Summary January – June 2011

In the second quarter, Byggmax's sales increased by 5,0 percent

- Net sales amounted to SEK 899.3 M (856.2) in Q2 and SEK 1,268.8 M (1,180.7) for the first six months of the year.
- EBIT totaled SEK 83.7 M (82.6) in Q2 and SEK 70.6 M (71.5) for the first six months of the year.
- The EBIT margin was 9.3 percent (9.6) in Q2 and 5.6 percent (6.0) for the first six months of the year.
- Earnings per share amounted to SEK 0.9 (0.9) per share in Q2 and to SEK 0.6 (0.7) per share for the first six months of the year.

Summary January – June 2011

- Eight (seven) new stores were opened
 - Three (two) stores were opened in the first quarter: Pori, Porvoo (Finland) and Lidköping (Sweden).
 - Five (five) stores were opened in the second quarter: Ängelholm, Avesta, Enköping, Bollnäs (Sweden) and Raisio (Finland).
- During the second quarter, a number of key employees subscribed for options under the incentive program adopted by the Annual General Meeting.

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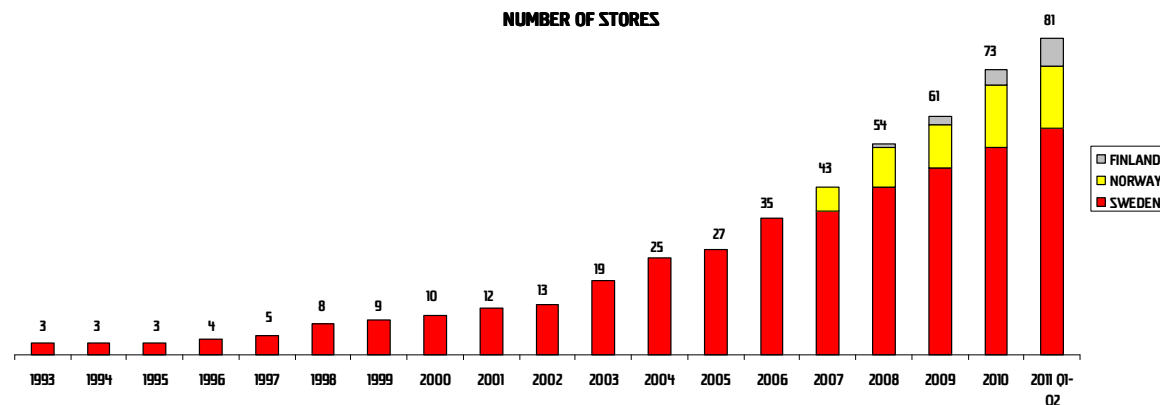
Stores – eight stores opened in the first six months, five more planned for the third quarter 2011

	Sweden	Norway	Finland
Number of stores, Q2 2011	58	16	7
Planned openings Q3 2011	1	3	1
Planned openings, 2011	6	3	4

Store network at June 30, 2011

The following establishments have been announced:

- Sweden: Norrtälje opened July 1. (already opened: Lidköping, Bollnäs, Ängelholm, Avesta, Enköping) .
 - Norway: Lillehammer opened July 1, Arendal opened July 8, Trondheim expected in September.
 - Finland: Vanda expected in July 22 (already opened: Pori, Porvoo and Raisio (Turku)).
- The stores will be announced when the contracts have been signed and the municipal permits are finalized.



June, 2011

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The new website with 3D instructions launched

- The new website was launched during the quarter. It is more easily navigated and can handle more visitor traffic.
- It is also more personal; for example, it features a photo of the store manager on the home page.
- At the end of the quarter, Byggmax launched a 3D house with animated instructions for the various items required to construct the house.
- The advantage of animated instructions is that they can be made extremely concise. There are currently about 20 instructions.
- The 3D house will be integrated with the rest of the website and Byggla.



Financial objectives and dividend policy

- Byggmax's financial objectives are:
 - Annual growth in excess of 15%
 - EBIT margin in excess of 11%
- Dividend policy
 - Dividend of at least 50% of the preceding year's net profit
- Dividend of SEK 1.50 per share for 2010



Comments on financial objectives for 2011

- Interest rates have risen in the Nordic economies, primarily in Sweden. This is having a negative impact on disposable income and the housing market.
- The consumption is also adversely affected in several industries, including building materials and supplies.
- Byggmax has historically, with its low-price concept, strengthened its market position in a weaker economic environment.
- At the same time, Byggmax is not unaffected, and that the sales growth was lower than the targets in the second quarter was communicate June 15.





Financial information

July 14, 2011

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Results trend

Earnings overview	April-June		January-June		12 months	Full year
	2011	2010	2011	2010	July 2010 - June 2011	2010
Net sales, SEK M	899.3	856.2	1,268.8	1,180.7	2,861.0	2,773.0
Gross margin, percent	29.1	29.1	29.1	29.2	29.7	29.7
EBIT, SEK M	83.7	82.6 (96.2 ¹)	70.6	71.5 (88.2 ¹)	273.9	274.8 (291.5 ¹)
EBIT margin, percent	9.3	9.6 (11.2 ¹)	5.6	6.0 (7.5 ¹)	9.6	9.9 (10.5 ¹)
Profit after tax, SEK M	52.3	55.6 (64.1 ¹)	37.3	41.1 (51.6 ¹)	168.4	172.2 (182.7 ¹)
Earnings per share, SEK	0.9	0.9 (1.1 ¹)	0.6	0.7 (0.9 ¹)	2.8	2.8 (3.0 ¹)
Return on shareholders' equity	7.3	11.7	5.1	8.6	25.5	31.7
Cash flow operating activities per share	5.6	5.5	4.6	4.8	3.3	3.4
Shareholders' equity per share	11.5	10.2	11.5	10.2	11.5	12.3
Number of stores at the end of the period	81	68	81	68	81	73
New stores opened during the period	5	5	8	7	13	12

- Net sales rose 5.0 percent in Q2 and 7.5 percent for the first six months
- The gross margin was lower than in the year-earlier period.
- Overheads increased in the second quarter, due primarily to the additional costs for stores opened after the second quarter of 2010.

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Sales trend

The sales increase was divided according to the following:	Apr-Jun 2011	Jan - Jun 2011
Comparable stores, local currency, percent	-3,0	-0.9
Noncomparable units, percent	9,4	9.9
Exchange-rate effects, percent	-1,3	-1.5
Total, percent	5,0	7.5

- The operation's net sales rose by 5.0 percent to SEK 899.3 M (856.2) in Q2, and by 7.5 percent to SEK 1,268.8 M (1,180.7) for the first six months of 2011.
- Net sales for comparable stores declined 3.0 percent in local currency in Q2, and declined 0.9 percent during the first six months of 2011.
- In Q2, net sales amounted to SEK 704.2 M (690.5) in Sweden and to SEK 195.0 M (165.7) in the other countries in the Nordic markets. First six months of the year: in Sweden to SEK 1,001.7 M (957.7) and in other countries in the Nordic markets to SEK 267.1 M (223.0).

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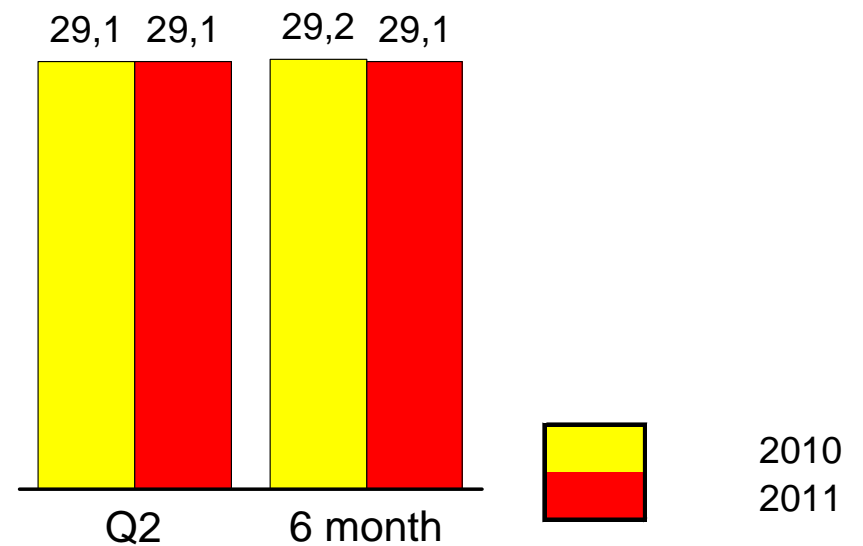
Gross margin

Q2

- The gross margin amounted to 29.1 percent (29.1)

First six months of the year

- Gross margin 29.1 percent (29.2).



Operating expenses

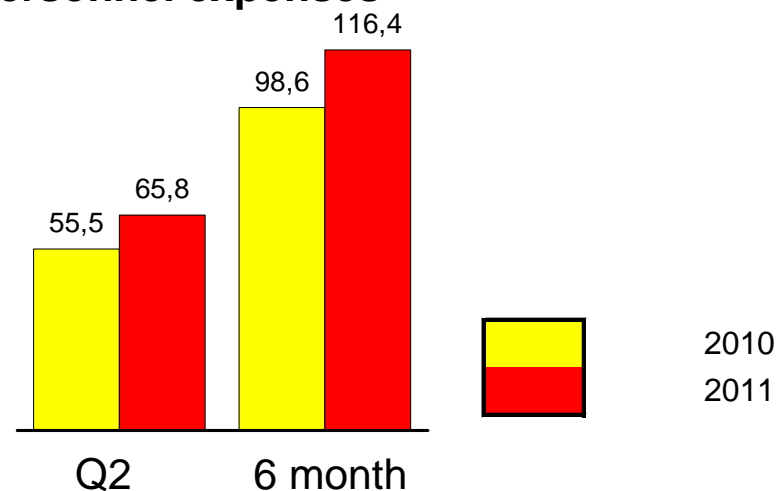
Q2

- Personnel costs and other operating expenses rose a total of SEK 11.3 M.
- This was primarily due to expenses (of SEK 22.1 M) for stores opened after the second quarter of 2010.
- The outcome for the corresponding period in 2010 was charged with expenses connected to the stock exchange listing (amounting to SEK 13.6 M).

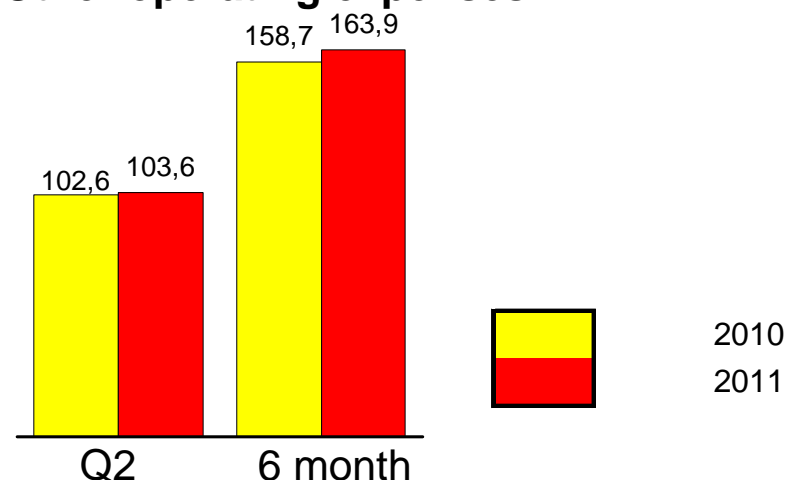
First six months of the year

- Personnel costs and other operating expenses rose a total of SEK 23.0 M.
- This was primarily due to expenses (of SEK 35.1 M) for stores not opened in the corresponding period of 2010.
- The outcome for the corresponding period in 2010 was charged with expenses connected to the stock exchange listing (amounting to SEK 16.7 M).

Personnel expenses



Other operating expenses



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Financial items

Loss from financial items	April-June		January-June	
SEK M	2011	2010	2011	2010
Financial Income				
Exchange-rate gains	1.5	1.6	2.5	3.7
Changes in fair value - interest swaps	0.0	1.7	0.0	4.7
Interest income	0.0	0.2	0.3	0.4
Other financial income	0.0	0.0	0.0	0.0
Total	1.5	3.5	2.7	8.8
Financial expenses				
Exchange-rate losses	-3.0	-1.1	-5.4	-4.2
Changes in fair value - interest swaps	-4.7	0.0	-5.3	0.0
- interest expenses, bank loans	-4.8	-5.7	-10.0	-12.7
- interest expenses, loans from related parties	0.0	-4.5	0.0	-14.1
- interest expenses, reversal of discounting effect on loans from related parties	0.0	-0.7	0.0	-2.0
- financial leasing, reversal of discounting effect	-0.4	-0.4	-0.8	-0.9
Other financial expenses	-0.0	-0.0	-0.4	-0.0
Total	-12.9	-12.4	-21.8	-33.9
Loss from financial items	-11.4	-8.9	-19.0	-25.1

Financial position and cash flow

Amounts in SEK M	Apr-Jun 2011	Apr-Jun 2010	Jan-Jun 2011	Jan-Jun 2010	12 months July 2010 - June 2011	Jan - Dec 2010
Cash flow from operating activities before changes in working capital	74.2	79.3	16.6	61.1	197.0	241.6
Changes in working capital	263.8	253.6	261.6	227.6	0.9	-33.2
Cash flow from operating activities	338.0	332.9	278.2	288.7	197.9	208.4
Cash flow from investing activities	-6.6	-20.5	-12.1	-18.2	-28.5	-34.7
Cash flow from financing activities	-310.7	-291.8	-246.0	-253.8	-173.3	-181.1
Cash flow for the period	20.7	20.6	20.1	16.7	-4.0	-7.4
Cash and cash equivalents at the beginning of the period	20.2	24.3	20.9	28.2	44.9	28.2
Cash and cash equivalents at the end of the period	40.9	44.9	40.9	44.9	40.9	20.9

- Cash flow from operating activities for the second quarter increased by SEK 5.1 M compared with the year-earlier period



Condensed financial statements January – June 2011

July 14, 2011

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Income statement

Amounts in SEK M	Apr-Jun 2011	Apr-Jun 2010	Jan-Jun 2011	Jan-Jun 2010	12 months July 2011- June 2011	Jan-Dec 2010
Net sales	899.3	856.2	1,268.8	1,180.7	2,861.0	2,773.0
Other operating income	1.9	1.2	2.4	1.8	3.6	3.1
Operating income	901.1	857.4	1,271.1	1,182.5	2,864.7	2,776.1
Operating expenses						
Goods for sale	-637.4	-607.3	-899.5	-835.5	-2,012.3	-1,948.2
Other external and operating expenses	-103.6	-102.6	-163.9	-158.7	-304.4	-299.1
Personnel costs	-65.8	-55.5	-116.4	-98.6	-232.6	-214.7
Depreciation, amortization and impairment of tangible and intangible fixed assets	-10.7	-9.4	-20.7	-18.3	-41.6	-39.2
Total operating expenses	-817.5	-774.8	-1,200.5	-1,111.1	-2,590.8	-2,501.3
EBIT	83.7	82.6	70.6	71.5	273.9	274.8
Loss after financial items	-11.4	-8.9	-19.0	-25.1	-31.3	-37.4
Profit before tax	72.3	73.7	51.5	46.4	242.6	237.4
Income tax	-19.9	-18.1	-14.3	-5.3	-74.2	-65.2
Profit for the period	52.3	55.6	37.3	41.1	168.4	172.2

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Balance sheet

Amount in SEK M	June 2011	June 2010	Amount in SEK M	June 2011	June 2010
ASSETS			SHAREHOLDERS' EQUITY AND LIABILITIES		
Fixed assets			Shareholders' equity	699.8	619.5
Intangible fixed assets	1,068.5	1,061.4	Liabilities		
Tangible fixed assets	135.8	118.0	Borrowing from credit institutions	201.7	274.5
Financial fixed assets	18.5	11.8	Loans from related parties	0.0	0.0
Total fixed assets	1,222.8	1,191.2	Derivative instruments	0.0	0.1
Current assets			Deferred tax liabilities	53.8	40.1
Inventories	453.4	378.3	Long-term liabilities	255.5	314.6
Derivatives	0.0	3.0	Borrowing from credit institutions	135.0	115.1
Current receivables	100.0	81.3	Accounts payable	621.5	552.6
Cash and cash equivalents	47.8	58.2	Current tax liabilities	0.0	22.3
Total current assets	601.1	520.8	Derivative instruments	6.7	2.5
TOTAL ASSETS	1,823.9	1,712.0	Other liabilities	41.0	25.1
			Accrued expenses and deferred income	64.5	60.3
			Current liabilities	868.7	777.9
			TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,823.9	1,712.0
			Pledged assets - Shares in subsidiaries	707.0	524.3
			Pledge assets - Chattel mortgages	120.0	120.0
			Contingent liabilities	None	None

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Cash-flow statement

Amounts in SEK M	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	12 months	Jan-Dec
	2011	2010	2011	2010	Jul 2010- Jun 2011	2010
Cash flow from operating activities						
EBIT	83.7	82.6	70.6	71.5	273.9	274.8
Non-cash items						
- Depreciation/amortization of tangible and intangible fixed assets	10.7	9.2	20.7	18.1	41.6	38.9
- Capital gains from divestment of subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
- Other non-cash items	1.5	-0.3	1.1	-1.6	0.9	-1.8
Interest received	2.5	1.5	3.8	5.0	5.5	6.8
Interest paid	-9.3	-10.0	-17.5	-18.7	-31.1	-32.3
Tax paid	-14.9	-3.8	-62.1	-13.3	-93.7	-44.8
Cash flow from operating activities before changes in working capital	74.2	79.3	16.6	61.1	197.0	241.6
Changes in working capital						
Increase/decrease in inventories and work in progress	-95.7	-59.6	-125.5	-81.3	-98.0	-53.8
Increase/decrease in other current receivables	-5.9	-17.4	-17.1	18.9	-2.0	34.0
Increase/decrease in other current liabilities	365.4	330.6	404.2	290.0	100.9	-13.4
Cash flow from operating activities	338.0	332.9	278.2	288.7	197.9	208.4

Cash-flow statement continued

Amounts in SEK M	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	12 months	Jan-Dec
	2011	2010	2011	2010	Jul 2010- Jun 2011	2010
Cash flow from investing activities						
Investment in intangible fixed assets	-3.9	-1.5	-6.7	-1.7	-11.9	-7.0
Investment in tangible fixed assets	-9.0	-8.9	-11.7	-13.2	-23.1	-24.5
Divestment of tangible fixed assets	-0.1	0.9	-0.1	0.9	0.0	0.9
Acquisition of financial fixed assets	0.0	0.0	0.0	0.1	0.0	0.0
Investment in other financial fixed assets	6.4	-10.0	6.4	-10.5	6.4	-10.4
Investment in subsidiaries	0.0	-1.0	0.0	6.2	0.0	6.2
Cash flow from investing activities	-6.6	-20.5	-12.1	-18.2	-28.5	-34.7
Cash flow from financing activities						
New share issue/ dividend to shareholders	3.8	0.0	3.8	0.0	3.8	0.0
Change in overdraft facility	-217.5	47.2	-146.4	90.3	-62.5	174.2
Borrowings	0.0	249.7	0.0	249.7	0.0	249.7
Shareholders' dividends paid	-91.1	0.0	-91.1	0.0	-91.1	0.0
Amortization of loans	-6.0	-588.7	-12.4	-593.8	-23.6	605.0
Cash flow from financing activities	-310.7	-291.8	-246.0	-253.8	-173.3	-181.1
Cash flow for the period	20.7	20.6	20.1	16.7	-4.0	-7.4
Cash and cash equivalents at the beginning of the period	20.2	24.3	20.9	28.2	44.9	28.2
Cash and cash equivalents at the end of the period	40.9	44.9	40.9	44.9	40.9	20.9

¹ Note that cash and cash equivalents in the cash flow are adjusted for blocked bank funds

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Largest shareholders at June 30, 2011

Name/Address	Number of shares	Holding (%)
ALTOR 2003 Sarl	21 720 908	35,76%
SCHRODER	3 457 568	5,69%
Lannebo fonder	3 098 227	5,10%
ZAMGATE INVESTMENTS (Stig Notlöv)	3 078 042	5,07%
JARRTON MANAGEMENT (Göran Peterson)	2 381 296	3,92%
Swedbank Robur fonder	1 791 892	2,95%
LIVFÖRSÄKRINGSAB SKANDIA (PUBL)	1 623 015	2,67%
ULSLANE HOLDINGS (Lars Lindberg)	1 363 910	2,25%
THREADNEEDLE	1 362 125	2,24%
GAM London Ltd.	1 033 150	1,70%
Total ten largest shareholders (grouped by shareholders) – based on holding	40 910 133	67,36%
Total other shareholders	19 826 912	32,64%
Total, June 30, 2011	60 737 045	100.00%

Source: Euroclear. For foreign shareholders, the information above is based on available information (for example, information on shareholdings Schroder is from April 30, 2011 and Threadneedle from December 31, 2010).

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