



Interim report January - March 2015

April 20, 2015

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Summary January – March 2015

In the first quarter, Byggmax's net sales increased 17 percent

- Net sales amounted to SEK 570.0 M (487.0) up 17.0 percent
- Net sales for comparable stores rose 12.0 percent (up 7.6)
- The gross margin was 32.2 percent (32.4). For the first quarter of 2014, the gross margin was 34.1 percent including non-recurring items.
- EBIT amounted to a negative SEK -16.1 M (neg: -20.0). For the first quarter of 2014, EBIT was -11.3 percent including non-recurring items.
- The EBIT margin was a negative -2.8 percent (neg: -2.3).
- The loss after tax was SEK -16.9 M (loss -20.7). For the first quarter of 2014, the loss after tax was SEK 13.9 M including non-recurring items.
- Earnings per share totaled SEK -0.3 (-0.2)

Byggmax

Stores: One new store was opened in 2015 and openings are planned for seven to ten stores in 2015.

	Sweden	Norway	Finland
Number of stores, Q1 2015	1	0	0
Planned openings, Q2 2015	2	2	0
Opened stores, 2015	1	0	0

The following stores have been opened in 2015:

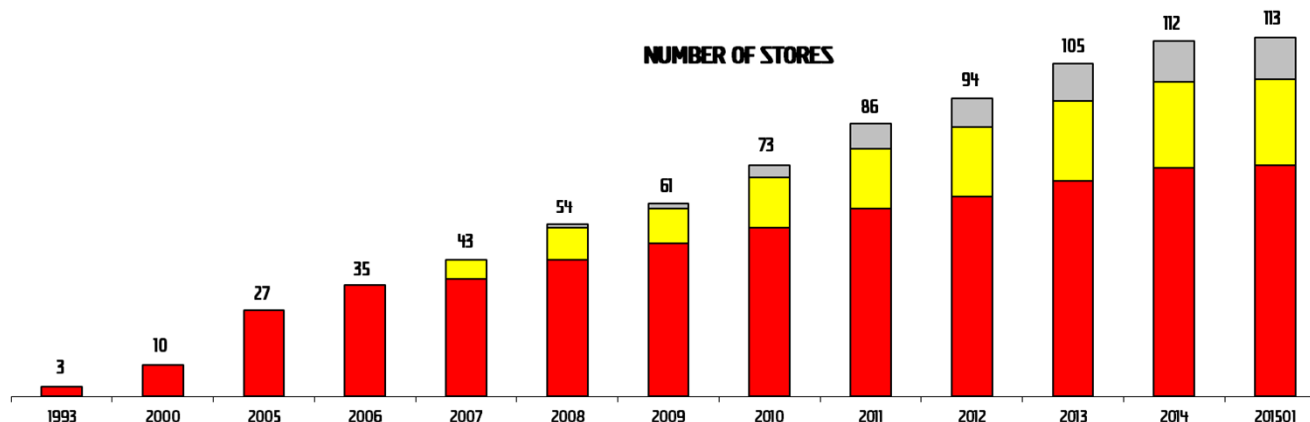
- Sweden: Mariestad

The following stores have been publicly announced and will be opened in 2015:

Sweden: Nacka and Vetlanda

Norway: Dröbak and Krokstad Senter (Drammen)

Stores are announced when the contracts have been signed and the municipal permits secured. Byggmax plans to open between seven and ten stores in 2015.



Store network at March 31, 2015



Byggmax will continue to invest in increased growth

Byggmax has a number of investment areas: expansion in Finland, the online store and services.

In 2014, after depreciation and amortization, these areas resulted in a total charge of 2.1% on the EBIT margin. In other words, if these investments are disregarded, the EBIT margin would be 2.1% higher.

We will continue to invest to grow and capture market shares in 2015.

The aim is for the effect on the EBIT margin in 2015 to remain less than 3 percentage points.



Showroom for online goods in Byggmax 2.0

Political decisions can negatively impact Byggmax

In Sweden, a number of political decisions have been taken or are indicated, which could have a negative impact on Byggmax.

These proposed decisions pertain to the implementation of capital repayment requirements on mortgages for housing from August 2015 and the lowering of the ROT tax deduction (for repairs, maintenance, conversion or extension work) from 50 percent to 30 percent of the total sum of the services purchased with planned implementation from January 1, 2016.

Furthermore, the government has proposed raising social security contributions for young adults from August 2015 with a further increase in July 2016.

The impact of the increase in social security contributions in August 2015 will add SEK 7 M to Byggmax's costs on an annual basis, and the proposed increase in July 2016 will have a further impact of SEK 4 M.

The screenshot shows the Byggmax website interface. At the top, there's a navigation bar with 'Om Byggmax', 'Logga in', and 'KUNDTJÄNST'. Below this is a banner for 'Bra billiga Byggvaror' and the Byggmax logo. A search bar is present with the text 'Sök på byggmax.se'. The main content area displays a product page for flooring, featuring a large image of wooden planks and a 'Testfakta Bäst i test' badge. The price is listed as 139.00/m² and 129.00/m². A banner at the bottom says 'Bra golv behöver inte kosta skjortan.' The right sidebar shows a shopping cart with 1 item, a total price of 69.90 kr, and a 'GÅ TILL KASSAN' button. The bottom navigation bar includes categories like VIRKE, GJUTNING OCH HUSGRUND, and GOLV.

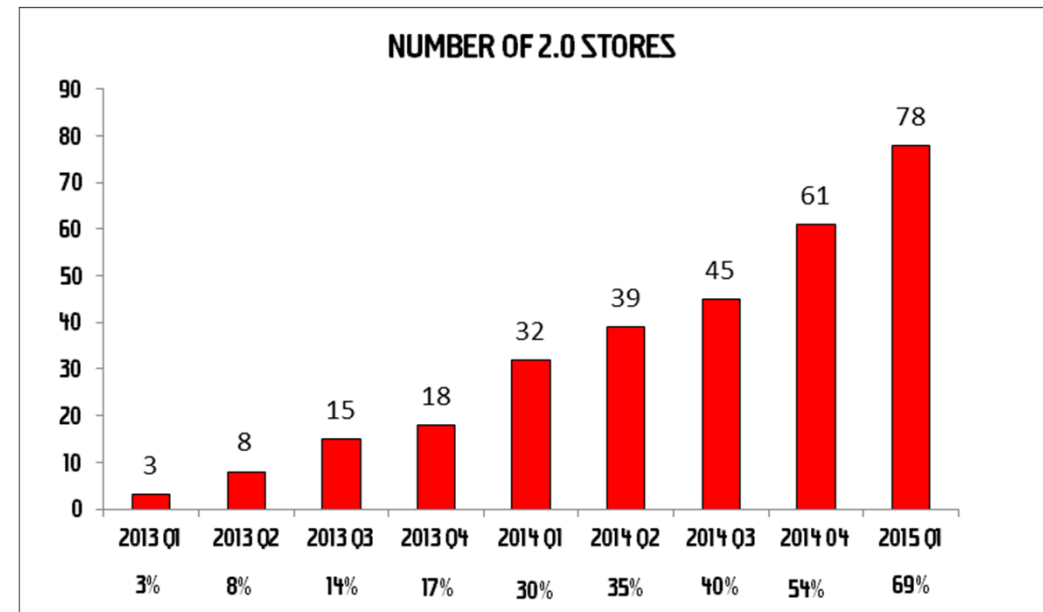
Byggmax

78 stores converted to 2.0

Byggmax 2.0 is an updated store concept, with more articles and clearer communication, utilizing the same sales area and with substantially improved sales control.

Byggmax 2.0 stores continue to deliver promising sales increases following conversion. 16 stores were converted during the quarter.

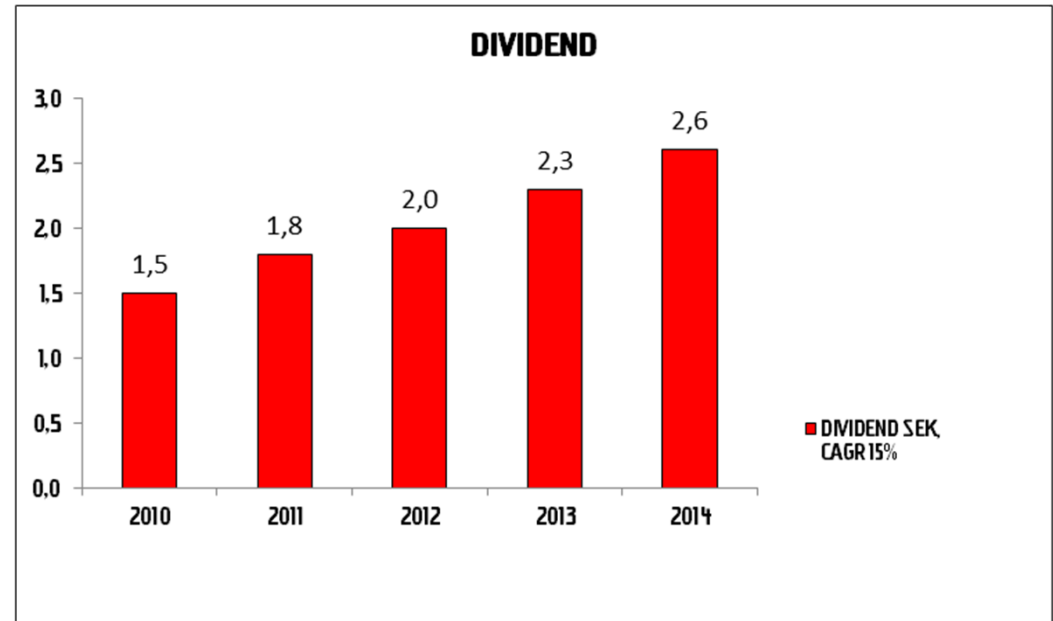
In spring 2015, the plan is to convert another 20 to 30 stores.



The diagram above shows the number of stores using the 2.0 concept, as well as the proportion of the total number of stores.

The Board of Directors proposes a dividend of SEK 2.6 per share

- The Board of Directors proposes a dividend of SEK 2.6 (2.3) per share
- Byggmax dividend policy is to distribute at least 50 percent of net profits for the year





Financial information

April 20, 2015

Bygghmax

Results trend

Earnings overview	January - March		12 months April 2014 - March 2015	Full year
	2015	2014		2014
Net sales, SEK M	570.0	487.0	3,630.2	3,547.2
Gross margin, percent	32.2	34.1	30.9	31.1
EBIT, SEK M	-16.1	-11.3	291.9	296.8
EBIT margin, percent	-2.8	-2.3	8.0	8.4
Profit/loss after tax, SEK M	-16.9	-13.9	215.0	217.9
Earnings per share, SEK	-0.3	-0.2	3.5	3.6
Return on shareholders' equity	-1.6	-1.4	22.4	21.6
Cash flow from operating activities per share, SEK	1.5	0.8	5.8	5.1
Shareholders' equity per share, SEK	17.0	15.8	17.0	17.2
Number of stores at the end of the period	113	107	113	112
New stores opened during the period	1	2	6	7

- Net sales increased by 17.0 percent in Q1.
- The gross margin was 1.9 percent higher in the first quarter compared with the year-earlier period, primarily attributable to a non-recurring effect in 2014.
- Overheads increased during the first quarter. This was mainly due to costs for stores opened after the first quarter of 2014 and the investments made.

Sales trend

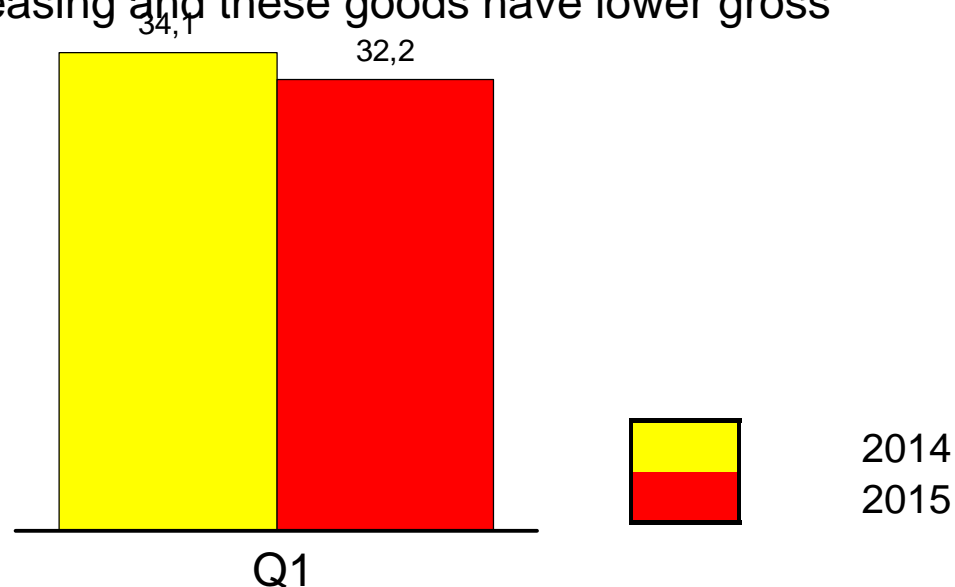
The sales increase was divided according to the following:	January – March 2015
Comparable stores, local currency, percent	12.0
Non-comparable units, percent	4.4
Currency effects, percent	0.6
Total, percent	17.0

- The operation's net sales amounted to SEK 570.0 M (487.0) for the first quarter, up 17.0 percent.
- Net sales for comparable stores increased 12.0 percent (7.6) in local currency for the first quarter.
- Net sales for the first quarter totaled SEK 428.5 M (368.8) in Sweden and SEK 141.4 M (118.2) in the other countries in the Nordic market.

Gross margin

First quarter

- The gross margin was 32.2 percent (34.1). Excluding non-recurring items the gross margin was 32.4 for the first quarter 2014.
- The lower gross margin in the quarter was mainly attributable to a reviewed assessment regarding the Group's obsolescence reserve by the management in the first quarter of 2014, which gave rise to reversals of impairment losses on inventory amounting to SEK 8.7 M.
- Sales of online goods are increasing and these goods have lower gross margins.

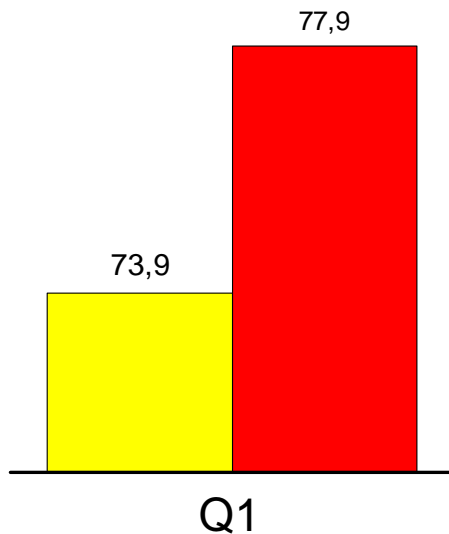


Operating expenses

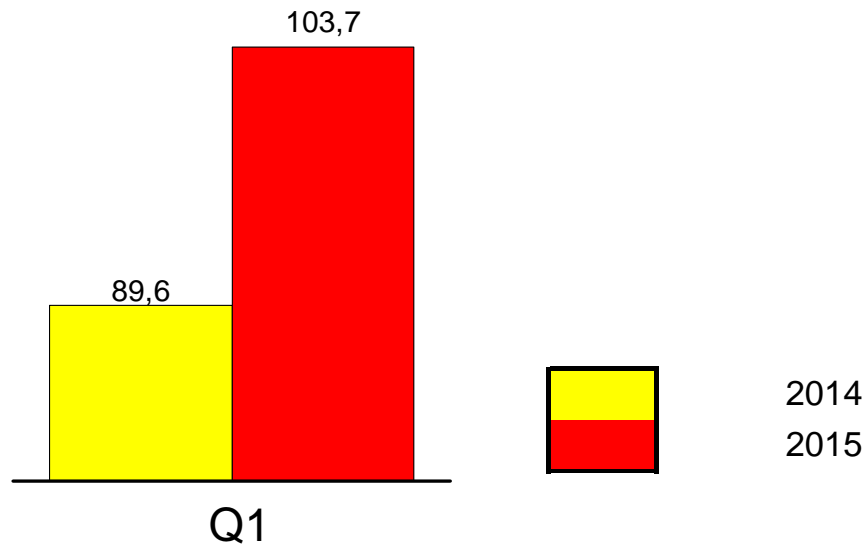
First quarter

- Personnel costs and other external expenses rose a total of SEK 18.0 M.
- This was mainly attributable to expenses of SEK 6.5 M for stores opened after the first quarter of 2014.
- The increase in costs during the quarter, other than for new stores, was attributable to expenses associated with the investments being made, the online store and building services.

Personnel costs



Other operating expenses



Net financial items

Profit/loss from financial items SEK M	January - March		Full year
	2015	2014	2014
Group			
Profit/loss from participations in Group companies	0.0	0.0	0.0
Comprehensive income from participations in Group companies	0.0	0.0	0.0
Financial income			
Exchange-rate gains	2.2	1.7	7.2
Changes in fair value – interest swaps and currency derivatives	0.0	0.2	8.1
Interest income	0.2	0.1	-0.4
Other financial income	0.0	0.0	0.1
Total financial income	2.3	2.0	15.0
Financial expenses			
Exchange-rate losses	-1.0	-0.5	-11.0
Changes in fair value – interest swaps and currency derivatives	-4.9	-3.6	-7.6
- interest expenses, bank loans	-2.3	-4.5	-9.0
- financial leasing, reversal of discounting effect	0.0	-0.1	-0.4
Other financial expenses	0.0	-0.3	-0.5
Total financial expenses	-8.3	-9.0	-28.6
Profit/loss from financial items	-5.9	-7.0	-13.6

- Net financial items for the quarter were impacted by exchange-rate effects of SEK -3.7 M (-2.2).

Financial position and cash flow

Amounts in SEK M	Jan 1, 2015 Mar 31, 2015	Jan 1, 2014 Mar 31, 2014	12 months Apr 1, 2014 – Mar 31, 2015	Full year 2014
Cash flow from operating activities before changes in working capital	0.9	4.9	305.0	309.0
Changes in working capital	88.8	40.8	50.1	2.1
Cash flow from operating activities	89.7	45.7	355.1	311.1
Cash flow from investing activities	-51.4	-41.9	-156.6	-147.1
Cash flow from financing activities	-31.7	3.4	-201.3	-166.2
Cash flow for the period	6.6	7.2	-2.8	-2.2
Cash and cash equivalents at the beginning of the period	22.5	24.7	31.9	24.7
Cash and cash equivalents at the end of the period	29.1	31.9	29.1	22.5

- Cash flow from operating activities for the first quarter increased SEK 44.0 M year-on-year, which was primarily attributable to calendar effects linked to supplier payments.
- Investments relating to the conversion of stores to the Byggmax 2.0 concept totaled SEK 24.5 M (18.0) for the first quarter.



Condensed financial statements January – March 2015

April 20, 2015

Byggmax

Income statement

	Jan 01, 2015	Jan 01, 2014	Apr 01, 2014	Jan 01, 2014
Amounts in SEK M	Mar 31, 2015	Jan 01, 2014	Mar 31, 2015	Jan 31, 2014
Net sales	570.0	487.0	3,630.2	3,547.2
Other operating income	0.9	1.5	11.7	12.2
Operating income	570.9	488.4	3,641.8	3,559.4
Operating expenses				
Goods for sale	-386.3	-320.7	-2,509.2	-2,443.6
Other external and operating expenses	-103.7	-89.6	-423.7	-409.6
Personnel costs	-77.9	-73.9	-343.6	-339.7
Depreciation, amortization and impairment of intangible and tangible fixed assets	-19.1	-15.4	-73.3	-69.6
Total operating expenses	-587.0	-499.7	-3,349.9	-3,262.6
EBIT	-16.1	-11.3	291.9	296.8
Profit/loss financial items	-5.9	-7.0	-12.6	-13.6
Profit/loss before tax	-22.0	-18.2	279.3	283.2
Income tax	5.2	4.3	-64.3	-65.2
Profit/loss for the period	-16.9	-13.9	215.0	217.9

Byggmax

Balance sheet

Amounts in SEK M	Mar 31, 2015	Mar 31, 2014	Dec 31, 2014	Amounts in SEK M	Mar 31, 2015	Mar 31, 2014	Dec 31, 2014
ASSETS				SHAREHOLDERS' EQUITY AND LIABILITIES			
Fixed assets				Shareholders' equity	1,031.4	956.9	1,047.6
Intangible fixed assets	1,083.2	1,081.5	1,082.6				
Tangible fixed assets	299.0	220.9	267.4	Liabilities			
Financial fixed assets	25.1	24.9	25.5	Borrowing from credit institutions	1.2	4.5	1.8
Total fixed assets	1,407.3	1,327.2	1,375.5	Deferred tax liabilities	95.1	78.6	95.6
				Long-term liabilities	96.3	83.2	97.4
Current assets							
Inventories	701.7	628.2	612.7	Borrowing from credit institutions	449.1	509.1	480.5
Derivatives	0.0	0.0	1.3	Accounts payable	525.3	420.8	370.4
Current receivables	85.5	83.0	99.1	Current tax liabilities	0.0	0.0	6.7
Cash and cash equivalents	37.0	40.3	30.9	Derivatives	3.6	2.7	0.0
Total current assets	824.2	751.5	744.0	Other liabilities	27.0	16.2	29.1
				Accrued expenses and prepaid income	98.9	89.9	87.8
TOTAL ASSETS	2,231.5	2,078.8	2,119.5	Current liabilities	1,103.9	1,038.7	974.5
				TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	2,231.5	2,078.8	2,119.5
				Pledged assets – Shares in subsidiaries	1,133.3	1,090.6	1,147.4
				Pledged assets – Chattel mortgages	120.0	120.0	120.0
				Pledged assets – Blocked funds	7.9	8.4	8.4
				Contingent liabilities	None	None	None

Cash-flow statement

Amounts in SEK M	Jan 1, 2015 - Mar 31, 2015	Jan 1, 2014 - Mar 31, 2014	12 months Apr 2014 - Mar 2015	Full year 2014
Cash flow from operating activities				
EBIT	-16.5	-11.3	291.5	296.8
Non-cash items				
-Depreciation/amortization of intangible and tangible fixed assets	19.1	15.4	73.8	69.6
- Other non-cash items	1.2	0.4	1.6	1.4
Interest received	2.3	1.9	7.4	6.9
Interest paid	-3.4	-5.4	-19.0	-21.0
Tax paid	-1.8	3.8	-50.3	-44.6
Cash flow from operating activities before changes in working capital	0.9	4.9	305.0	309.0
Changes in working capital				
Increase/decrease in inventories and work in progress	-90.2	-92.5	-76.0	-78.3
Increase/decrease in other current receivables	15.2	-7.2	1.9	-20.5
Increase/decrease in other current liabilities	163.8	140.5	124.3	100.9
Cash flow from operating activities	89.7	45.7	355.1	311.1

Cash-flow statement, continued

Amounts in SEK M	Jan 1, 2015 - Mar 31, 2015	Jan 1, 2014 - Mar 31, 2014	12 months Apr 2014 - Mar 2015	Full year 2014
Cash flow from investing activities				
Investment in intangible fixed assets	-3.7	-2.6	-13.1	-12.0
Investment in tangible fixed assets	-48.2	-39.1	-143.5	-134.5
Divestment of tangible fixed assets	0.0	-0.1	-0.5	-0.6
Investment in other financial fixed assets	0.5	0.0	0.5	0.0
Investments in subsidiaries	0.0	0.0	0.0	0.0
Proceeds from the sale of subsidiaries	0.0	0.0	0.0	0.0
Cash flow from investing activities	-51.4	-41.9	-156.6	-147.1
Cash flow from financing activities				
Change in overdraft facility	-31.3	7.4	-55.5	-16.7
Dividend to shareholders	0.0	0.0	-139.7	-139.7
Amortization of loans	-0.4	-4.0	-6.2	-9.8
Cash flow from financing activities	-31.7	3.4	-201.3	-166.2
Cash flow for the period	6.6	7.2	-2.8	-2.2
Cash and cash equivalents at the beginning of the period	22.5	24.7	31.9	24.7
Cash and cash equivalents at the end of the period	29.1	31.9	29.1	22.5

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

Largest shareholders at March 31, 2015

Name	Number of shares	Holding (%)
Nordea Investment Funds	6 139 854	10,11
Swedbank Robur fonder	5 941 413	9,78
SEB Investment Management	3 378 632	5,56
JPMorgan Asset Management (UK) Ltd.	3 035 975	5,00
Norges Bank Investment Management	2 724 616	4,49
Schroder Investment Management North America, Inc.	2 400 000	3,95
Jarrton Management (Göran Peterson)	2 381 296	3,92
HANDELSBANKEN FONDER AB RE JPMEL	2 344 215	3,86
ÖRESUND, INVESTMENT AB	2 062 119	3,40
Skandinaviska Enskilda Banken AB (Denmark)	1 850 491	3,047
Total ten largest shareholders (grouped by shareholders) – based on holding	32 258 611	53,11
Total other shareholders	28 478 434	46,89
Total, March 31, 2015	60 737 045	100,00