



Interim report January - June 2015

July 15, 2015

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Summary January – June 2015

In the second quarter, Byggmax's net sales increased 14 percent and profit after tax rose 37 percent

- Net sales amounted to SEK 1,294.6 M (1,136.7), up 13.9 percent for the second quarter, and to SEK 1,864.6 M (1,623.7), up 14.8 percent for the first six months.
- Net sales for comparable stores rose 10.3 percent (8.3) for the second quarter and rose 14.8 percent (8.1) for the first six months.
- The gross margin was 29.3 percent (28.9) for the second quarter and 30.2 percent (30.0) for the first six months. For the first six months of 2014, the gross margin was 30.5 percent including non-recurring items.
- EBIT amounted to SEK 130.8 M (95.1) for the second quarter and SEK 114.7 M (75.1) for the first six months. EBIT was 83.9 percent including non-recurring items.
- The EBIT margin was a 10.1 percent (8.4) for the second quarter and 6.2 percent (5.2) for the first six months.
- The profit after tax was SEK 97.4 M (71.4) for the second quarter and SEK 80.5 M (50.6) for the first six months. The profit after tax was SEK 57.4 M including non-recurring items.
- Earnings per share totaled SEK 1.6 (1.2) and 1.3 (0.9) for the first six months.

Summary January – June 2015

- Five (five) new stores were opened: three in Sweden and two in Norway.
 - One new store were opened in the first quarter: one in Sweden
 - Four new stores were opened in the second quarter: two in Sweden and two in Norway.
- Nine stores were converted to the Byggmax 2.0 concept during the quarter and 25 stores were converted during the first six months of the year.
- During the second quarter, Daniel Mühlbach and Hannele Kemppainen were elected as new Board members of Byggmax Group AB (publ), while Fredrik Cappelen and Stefan Linder declined re-election.
- During the quarter, a number of key persons subscribed for warrants in accordance with the incentive program resolved on by the Annual General Meeting.

Stores: seven or eight openings planned for 2015

	Sweden	Norway	Finland
Number of stores, Q2 2015	2	2	0
Planned openings, Q3 2015	0	1	0
Opened stores, 2015	3	2	0

The following stores have been opened in 2015:

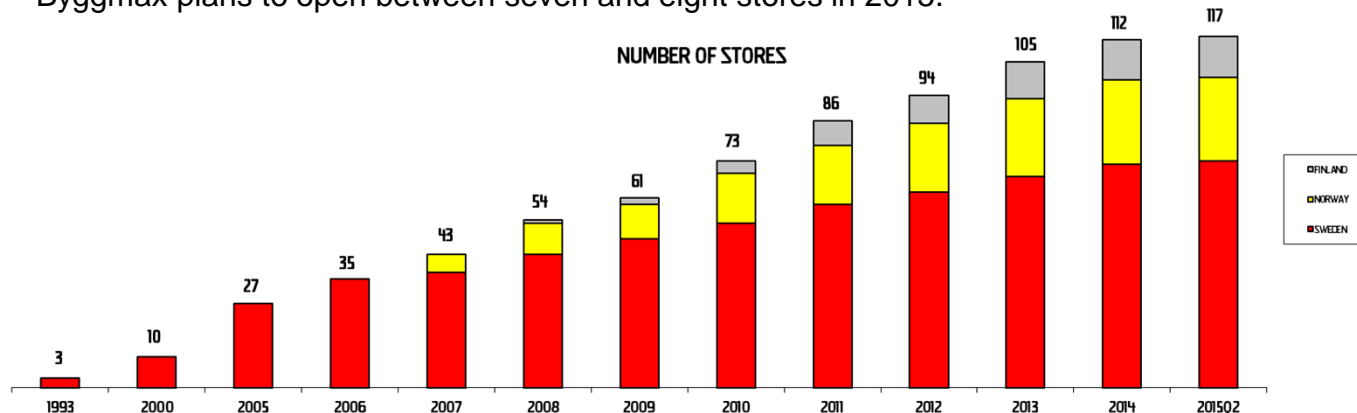
- Sweden: Mariestad, Nacka and Vetlanda
- Norway: Drøbak and Krokstad Senter (Drammen)

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

Sweden: Falköping

Norway: Halden

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



Store network at June 30, 2015



Byggmax has launched Building Planner – a simpler and more fun way to renovate!

During the quarter, we launched Building Planner for rooms. A whole new way of renovating!

Using Building Planner, you can design your room as you want by selecting flooring, colors, borders, etc. You can see an image of the finished results when making your selections and automatically receive a list with the correct number of products and building services that you will need to execute your dream project.

You can see the price for your complete project during the entire process.

See our website for more details.

BYGGVAROR
Hela vårt sortiment

BYGGPLANERAREN
Räkna och designa

GÖR DET SJÄLV
Instruktion och inspiration

PROFFSBYGGT
Byggtjänster till fast pris

Hem > Byggplaneraren

BYGGPLANERAREN

Äntligen kan du genomföra ett byggprojekt från ax till limpa, från ritning till resultat med bara några få knapptryck. Snabbt och roligt!

- 1**

Ange mått
Med enkla verktyg anger du form och mått för ditt bygge.
- 2**

Välj material
Välj material och se hur dina val ser ut i en inspirerande miljö.
- 3**

Vem ska göra jobbet?
Gör jobbet själv eller anlita våra proffsbyggare - till fast pris.
- 4**

Klart!
Du ser vilka varor du behöver, beställ och få allt hemlevererat.

FIXA VÄGGAR

FIXA LISTER

Byggmax to relocate to a larger warehouse from January 1, 2016

Byggmax is to relocate its picking warehouse to Växjö from January 1, 2016, with a new third-party solution.

The new warehouse will provide better opportunities for combined shipping and more efficient logistics. The new warehouse will also support Byggmax's expansion by providing more space when needed.



Byggmax continues its aggressive investments, which is impacting the margin

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

In 2014, these areas impacted the operating margin after depreciation and amortization in a total of 2.1 percent, In other words, without these investments, the operating margin would be 2.1 percent higher. In the past 12 months, the impact was 2.3 percent.

The goal is for that the impact on the operating margin should not exceed three percentage points in 2015.



Showroom items that can be ordered in Byggmax 2.0

Byggmax

92 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. nine stores were converted during the quarter and 25 the first six months.

In the third quarter of 2015, the plan is to convert one store and then increase the pace in the fourth quarter.



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



Financial information

July 15, 2015

Byggmax

Results trend

Earnings overview	April – June		January - June		12 months	Full year
	2015	2014	2015	2014	July 2014 - June 2015	2014
Net sales, SEK M	1,294.6	1,136.7	1,864.6	1,623.7	3,788.1	3,547.2
Gross margin, percent	29.3	28.9	30.2	30.5	30.9	31.1
EBIT, SEK M	130.8	95.1	114.7	83.9	327.6	296.8
EBIT margin, percent	10.1	8.4	6.2	5.2	8.6	8.4
Profit/loss after tax, SEK M	97.4	71.4	80.5	57.4	241.1	217.9
Earnings per share, SEK	1.6	1.2	1.3	0.9	4.0	3.6
Return on shareholders' equity	9.7	7.7	7.7	6.2	24.2	21.6
Cash flow from operating activities per share, SEK	7.9	6.6	9.4	7.3	7.2	5.1
Shareholders' equity per share, SEK	16.0	14.6	16.0	14.6	16.0	17.2
Number of stores at the end of the period	117	110	117	110	117	112
New stores opened during the period	4	3	5	5	7	7

- Net sales increased by 13.9 percent in Q2 and increased by 14.8 percent for the first six months.
- Overheads increased during the second quarter. This was mainly due to costs for stores opened after the second quarter of 2014 and the investments made.

Byggmax

Sales trend

The sales increase was divided according to the following:	April-June 2015	January – June 2015
Comparable stores, local currency, percent	10.3	10.8
Non-comparable units, percent	3.8	4.0
Currency effects, percent	-0.3	0.0
Total, percent	13.9	14.8

- The operation's net sales amounted to SEK 1,294.6 M (1,136.7) for the second quarter, up 13.9 percent and SEK 1,864.6 M (1,623.7), up 14.8 percent for the first six months.
- Net sales for comparable stores increased 13.9 percent (8.3) in local currency for the second quarter and increased 14.8 percent (increased: 8.1) for the first six months.
- Net sales for the second quarter totaled SEK 951.5 M (835.6) in Sweden and SEK 343.1 M (301.1) in the other countries in the Nordic market and for the first six months amounted to SEK 1,380.0 M (1,204.4) in Sweden and SEK 484.6 (419.3) in the other Nordic markets.

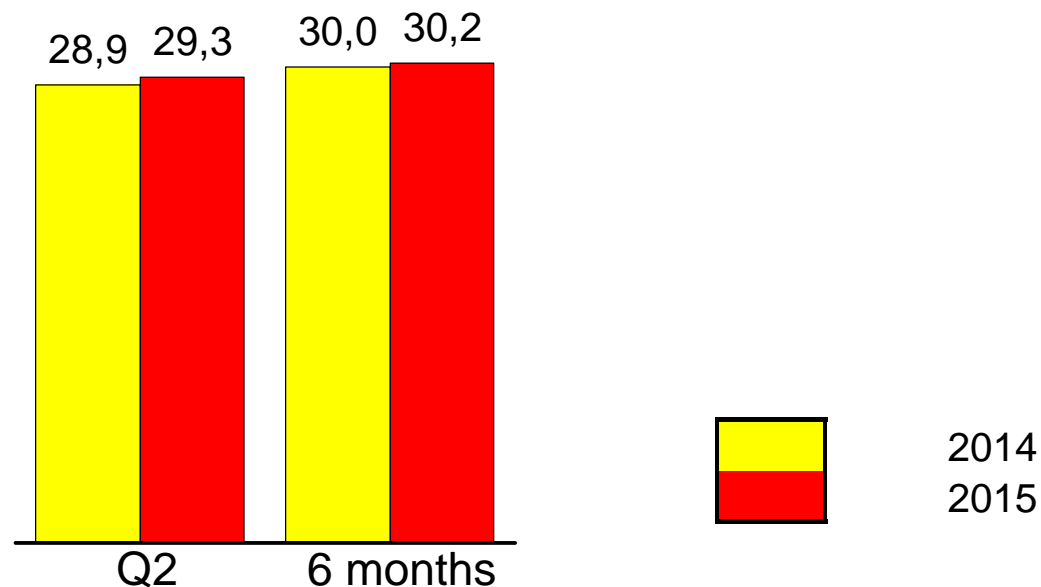
Gross margin

Second quarter

- The gross margin was 29.3 percent (28.9).
- Stores that have converted to Byggmax 2.0 have a higher gross margin than those that have not converted, while we are selling more online goods with a lower gross margin.

First six months

- The gross margin was 30.2 percent (30.0). Excluding non-recurring items the gross margin was 30.5 for the first six months 2014.



Operating expenses

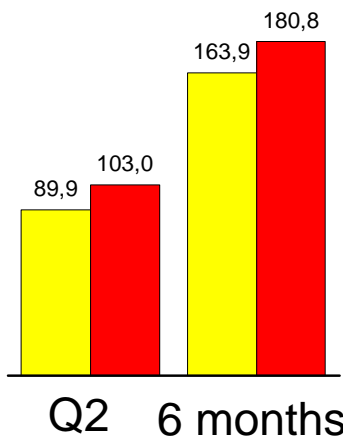
Second quarter

- Personnel costs and other external expenses rose a total of SEK 13.4 M.
- This was mainly attributable to expenses of SEK 9.7 M for stores opened after the second 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.

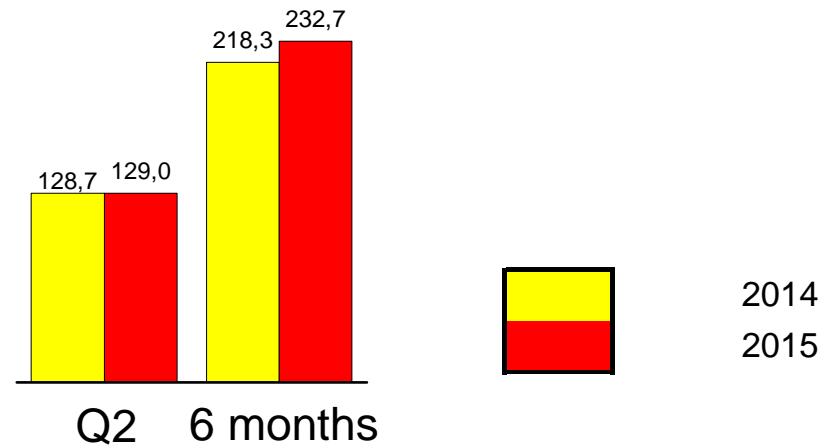
Six months

- Personnel costs and other external expenses rose a total of SEK 31.4 M.
- This was mainly attributable to expenses of SEK 16.2 M for stores opened after the second 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	April - June		January - June		Full year
SEK M	2015	2014	2015	2014	2014
Group					
Profit/loss from participations in Group companies	0.0	0.0	0.0	0.0	0.0
Comprehensive income from participations in Group companies	0.0	0.0	0.0	0.0	0.0
Financial income					
Exchange-rate gains	0.9	1.4	3.1	3.1	7.2
Changes in fair value – interest swaps and currency derivatives	5.8	5.3	5.8	5.5	8.1
Interest income	0.0	-0.6	0.2	-0.5	-0.4
Other financial income	0.0	0.0	0.0	0.0	0.1
Total financial income	6.7	6.1	9.1	8.2	15.0
Financial expenses					
Exchange-rate losses	-4.8	-4.4	-5.9	-4.9	-11.0
Changes in fair value – interest swaps and currency derivatives	-2.9	-1.7	-7.8	-5.3	-7.6
- interest expenses, bank loans	-2.5	-2.1	-4.8	-6.6	-9.0
- financial leasing, reversal of discounting effect	0.0	-0.1	-0.1	-0.2	-0.4
Other financial expenses	0.0	-0.1	-0.2	-0.4	-0.5
Total financial expenses	-10.4	-8.4	-18.7	-17.4	-28.6
Profit/loss from financial items	-3.7	-2.2	-9.6	-9.2	-13.6

- Net financial items for the quarter were impacted by exchange-rate effects of SEK -1.1 M (0.7) and SEK -4.8 M (-1.6) for the first six months.

Financial position and cash flow

Amounts in SEK M	Apr 1, 2015 Jun 30 2015	Apr 1, 2014 Jun 30 2014	Jan 1, 2015 Jun 30, 2015	Jan 1, 2014 Jun 30, 2014	12 months July 1, 2014 June 30, 2015	Full year 2014
Cash flow from operating activities before changes in working capital	115.3	85.7	116.2	90.5	334.6	309.0
Changes in working capital	366.4	314.1	455.3	355.0	102.4	2.1
Cash flow from operating activities	481.7	399.8	571.5	445.5	437.0	311.1
Cash flow from investing activities	-49.3	-31.4	-100.7	-73.2	-174.5	-147.1
Cash flow from financing activities	-414.3	-356.3	-446.1	-352.9	-259.4	-166.2
Cash flow for the period	18.1	12.2	24.7	19.4	3.1	-2.2
Cash and cash equivalents at the beginning of the period	29.1	31.9	22.5	24.7	44.1	24.7
Cash and cash equivalents at the end of the period	47.2	44.1	47.2	44.1	47.2	22.5

- Cash flow from operating activities for the second quarter increased SEK 81,9 M and for the first six months increased SEK 126 M year-on-year .
- Investments relating to the conversion of stores to the Byggmax 2.0 concept totaled SEK 16.5 M (7.2) for the second quarter and SEK 41.0 M (21.5) for the first six months.



Condensed financial statements January – June 2015

July 15, 2015

Byggmax

Income statement

	Apr 01, 2015	Apr 01, 2014	Jan 01, 2015	Jan 01, 2014	Jul 01, 2014	Jan 01, 2014
Amounts in SEK M	Jun 30, 2015	Jun 30 2014	Jun 30, 2015	Jun 30, 2014	Jun 30, 2015	Dec 31, 2014
Net sales	1,294.6	1,136.7	1,864.6	1,623.7	3,788.1	3,547.2
Other operating income	4.0	2.2	4.9	3.6	13.5	12.2
Operating income	1,298.6	1,138.9	1,869.5	1,627.3	3,801.6	3,559.4
Operating expenses						
Goods for sale	-915.2	-807.9	-1,301.5	-1,128.6	-2,616.6	-2,443.6
Other external and operating expenses	-129.0	-128.7	-232.7	-218.3	-424.0	-409.6
Personnel costs	-103.0	-89.9	-180.8	-163.9	-356.7	-339.7
Depreciation, amortization and impairment of intangible and tangible fixed assets	-20.6	-17.3	-39.7	-32.6	-76.7	-69.6
Total operating expenses	-1,167.8	-1,043.7	-1,754.8	-1,1543.4	-3,474.0	-3,262.6
EBIT	130.8	95.1	114.7	83.9	327.6	296.8
Profit/loss financial items	-3.7	-2.2	-9.6	-9.2	-14.0	-13.6
Profit/loss before tax	127.1	92.9	105.1	74.7	313.6	283.2
Income tax	-29.7	-21.5	-24.6	-17.2	-72.5	-65.2
Profit/loss for the period	97.4	71.4	80.5	57.4	241.1	217.9

Byggmax

Balance sheet

Amounts in SEK M	Jun 30, 2015	Jun 30, 2014	Dec 31, 2014	Amounts in SEK M	Jun 30, 2015	Jun 30, 2014	Dec 31, 2014
ASSETS				SHAREHOLDERS' EQUITY AND LIABILITIES			
Fixed assets				Shareholders' equity	971.4	889.2	1,047.6
Intangible fixed assets	1,087.0	1,081.2	1,082.6				
Tangible fixed assets	324.4	235.3	267.4	Liabilities			
Financial fixed assets	23.1	23.6	25.5	Borrowing from credit institutions	0.5	3.5	1.8
Total fixed assets	1,434.5	1,340.1	1,375.5	Deferred tax liabilities	94.8	78.5	95.6
				Long-term liabilities	95.3	82.0	97.4
Current assets							
Inventories	720.5	675.9	612.7	Borrowing from credit institutions	189.0	293.1	480.5
Derivatives	0.0	1.2	1.3	Accounts payable	860.4	772.6	370.4
Current receivables	78.2	99.1	99.1	Current tax liabilities	3.4	0.0	6.7
Cash and cash equivalents	55.1	52.6	30.9	Derivatives	0.7	0.0	0.0
Total current assets	853.8	828.6	744.0	Other liabilities	52.3	35.2	29.1
				Accrued expenses and prepaid income	115.8	96.6	87.8
TOTAL ASSETS	2,288.3	2,168.7	2,119.5	Current liabilities	1,221.6	1,197.5	974.5
				TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	2,288.3	2,168.7	2,119.5
				Pledged assets – Shares in subsidiaries	1,234.6	1,166.2	1,147.4
				Pledged assets – Chattel mortgages	120.0	120.0	120.0
				Pledged assets – Blocked funds	7.9	8.5	8.4
				Contingent liabilities	None	None	None

Cash-flow statement

Amounts in SEK M	Apr 1, 2015 - Jun 30, 2015	Apr 1, 2014 - Jun 30 2014	Jan 1, 2015 - Jun 30, 2015	Jan 1, 2014 - Jun 30, 2014	12 months Jul 2014 - Jun 2015	Full year 2014
Cash flow from operating activities						
EBIT	130.8	95.1	114.3	83.9	327.2	296.8
Non-cash items						
-Depreciation/amortization of intangible and tangible fixed assets	20.6	17.3	39.7	32.6	77.1	69.6
- Other non-cash items	-4.3	0.2	-3.1	0.6	-2.9	1.4
Interest received	1.0	0.8	3.3	2.7	7.6	6.9
Interest paid	-7.5	-6.6	-10.9	-12.0	-19.8	-21.0
Tax paid	-25.3	-21.1	-27.1	-17.2	-54.5	-44.6
Cash flow from operating activities before changes in working capital	115.3	85.7	116.2	90.5	334.6	309.0
Changes in working capital						
Increase/decrease in inventories and work in progress	-16.2	-50.1	-106.4	-142.6	-42.1	-78.3
Increase/decrease in other current receivables	5.4	-13.2	20.6	-20.4	20.5	-20.5
Increase/decrease in other current liabilities	377.3	377.5	541.1	518.0	124.0	100.9
Cash flow from operating activities	481.7	399.8	571.5	445.5	437.0	311.1

Cash-flow statement, continued

Amounts in SEK M	Apr 1, 2015 - Jun 30, 2015	Apr 1, 2014 - Jun 30, 2014	Jan 1, 2015 - Jun 30, 2015	Jan 1, 2014 - Jun 30, 2014	12 months Jul 2014 - Jun 2015	Full year 2014
Cash flow from investing activities						
Investment in intangible fixed assets	-7.6	-2.4	-11.3	-5.1	-18.2	-12.0
Investment in tangible fixed assets	-41.8	-28.8	-89.9	-67.9	-156.5	-134.5
Divestment of tangible fixed assets	0.0	-0.1	0.0	-0.1	-0.5	-0.6
Investment in other financial fixed assets	0.0	0.0	0.5	-0.1	0.6	0.0
Investments in subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from the sale of subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	-49.3	-31.4	-100.7	-73.2	-174.5	-147.1
Cash flow from financing activities						
Change in overdraft facility	-259.6	-214.7	-290.9	-206.1	-100.3	-16.7
Issue of warrants	4.4	0.0	4.4	0.0	4.4	0.0
Dividend to shareholders	-157.9	-139.7	-157.9	-139.7	-157.9	-139.7
Amortization of loans	-1.3	-1.9	-1.7	-7.1	-5.6	-9.8
Cash flow from financing activities	-414.3	-356.3	-446.1	-352.9	-259.4	-166.2
Cash flow for the period	18.1	12.2	24.7	19.4	3.1	-2.2
Cash and cash equivalents at the beginning of the period	29.1	31.9	22.5	24.7	44.1	24.7
Cash and cash equivalents at the end of the period	47.2	44.1	47.2	44.1	47.2	22.5

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

Largest shareholders at June 30, 2015

Name	Number of shares	Holding (%)
Nordea Investment Funds	6 142 824	10,11
Swedbank Robur fonder	5 941 413	9,78
SEB Investment Management	3 437 031	5,66
JPMorgan Asset Management (UK) Ltd.	3 035 975	5,00
Schroder Investment Management North America, Inc.	2 400 000	3,95
Jarrton Management (Göran Peterson)	2 381 296	3,92
Handelsbanken Fonder AB	2 373 178	3,91
Öresund Investment AB	2 028 730	3,34
Norges Bank Investment Management	1 873 787	3,09
LINDBERG LARS /ULSLANE/	1 715 000	2,82
Total ten largest shareholders (grouped by shareholders) – based on holding	31 329 234	51,59
Total other shareholders	29 407 811	48,42
Total, June 30, 2015	60 737 045	100,00