



Interim report January - September 2015

October 23, 2015

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Summary January – September 2015

In the third quarter, Byggmax's net sales increased 16 percent and profit after tax rose 18 percent

- Net sales amounted to SEK 1,427.3 M (1,228.1), up 16.2 percent for the third quarter, and to SEK 3,291.8 M (2,851.8), up 15.4 percent for the first nine months.
- Net sales for comparable stores rose 13.5 percent (declined 1.6) for the third quarter and rose 12 percent (rose 3.8) for the first nine months.
- The gross margin was 30.0 percent (31.1) for the third quarter and 30.1 percent (30.5) for the first nine months. For the first nine months of 2014, the gross margin was 30.8 percent including non-recurring items.
- EBIT amounted to SEK 181.6 M (175.0) for the third quarter and SEK 296.2 M (250.2) for the first nine months of 2014. EBIT was SEK 258.9 M including non-recurring items.
- The EBIT margin was 12.7 percent (14.3) for the third quarter and 9.0 percent (9.1) for the first nine months.
- The profit after tax was SEK 153.0 M (129.7) for the third quarter and SEK 233.5 M (180.3) for the first nine months of 2014. The profit after tax was SEK 187.1 M including non-recurring items.
- Earnings per share totaled SEK 2.5 (2.1) and 3.8 (3.1) for the first nine months.

Summary January – September 2015

- Six (seven) new stores were opened: three in Sweden and three in Norway.
 - One new store was opened in the first quarter: one in Sweden
 - Four new stores were opened in the second quarter: two in Sweden and two in Norway.
 - One new store was opened in the third quarter: one in Norway
- No stores were converted to the Byggmax 2.0 concept during the quarter and 25 stores were converted during the first nine months of the year.
- The subsidiary Lännersta 14:1 AB, owning a property in Nacka, was sold during the quarter. This generated a capital gain of SEK 11.8 M.
- On October 16 Byggmax signed an agreement with Buildor to acquire Buildor AB as of November 2, 2015. Byggmax acquires Buildor for a total of SEK 130 M, in a combination of initial price and earn-out. SEK 70 M is paid initially for a debt free company, and the earn-out is based on future sales and profits.
- 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 second quarter, a number of key individuals subscribed for warrants in accordance with the incentive program resolved on by the Annual General Meeting.

Events after the close of the reporting period

- In October, a new three-year banking agreement was signed with Svenska Handelsbanken AB. This agreement means that Byggmax does not need to pledge collateral in the form of subsidiaries or chattel mortgages.

Byggmax

Stores: 7 openings planned for 2015 and 10-15 openings for 2016

	Sweden	Norway	Finland
Number of stores, Q3 2015	0	1	0
Planned openings, Q4 2015	1	0	0
Opened stores, 2015	3	3	0

Store network at September 30, 2015

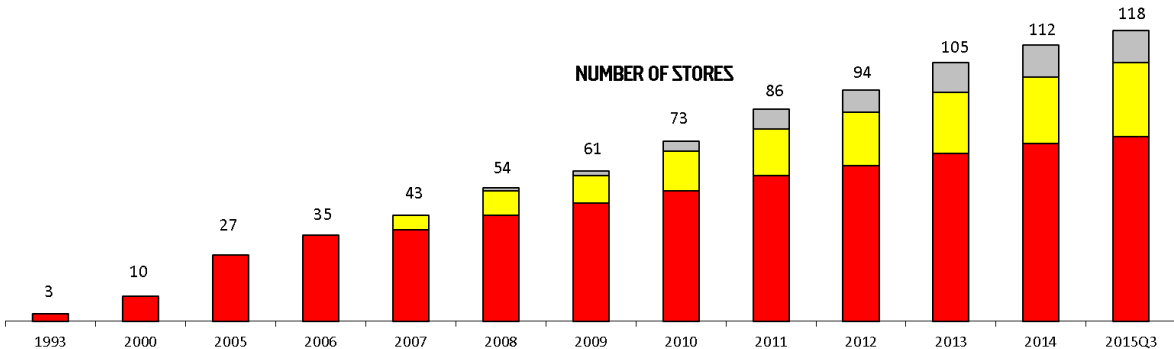
The following stores have been opened in 2015:

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

The following stores have been announced and will be opened in 2015 and 2016:

Sweden: Falköping (2015) and Eurostop Arlandastad (2016)

Stores are announced when the contracts have been signed and the municipal permits secured.



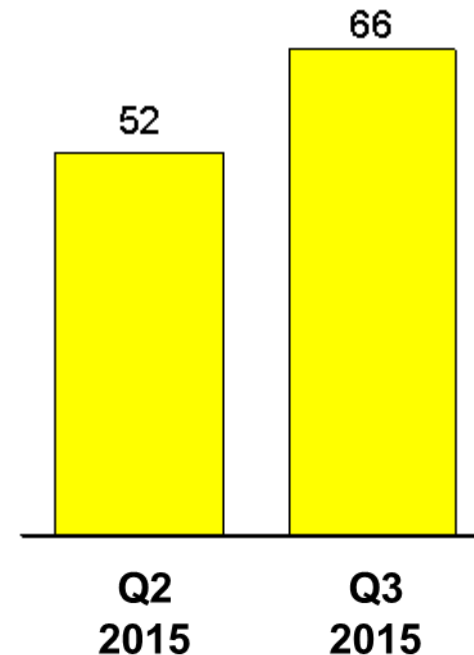
Accelerating growth in online sales

The product range is steadily increasing and we now have 15,000 online goods in Sweden, and are on our way to 20,000 by the end of the year. The product range has also increased substantially in Norway and Finland.

In the second quarter Byggmax Online grew 52%.

In the third quarter Byggmax Online grew 66%.

Sales growth, %,
compared with the same
quarter in 2014



Bygghmax will continue to invest in increased growth

Bygghmax has a number of investment areas: expansion in Finland, the online store and construction 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. During the past 12 months, the charge was 2.4 percent.

The aim is for the effect on the EBIT margin in 2015 not to exceed three percentage points.



Showroom for online goods in Bygghmax 2.0

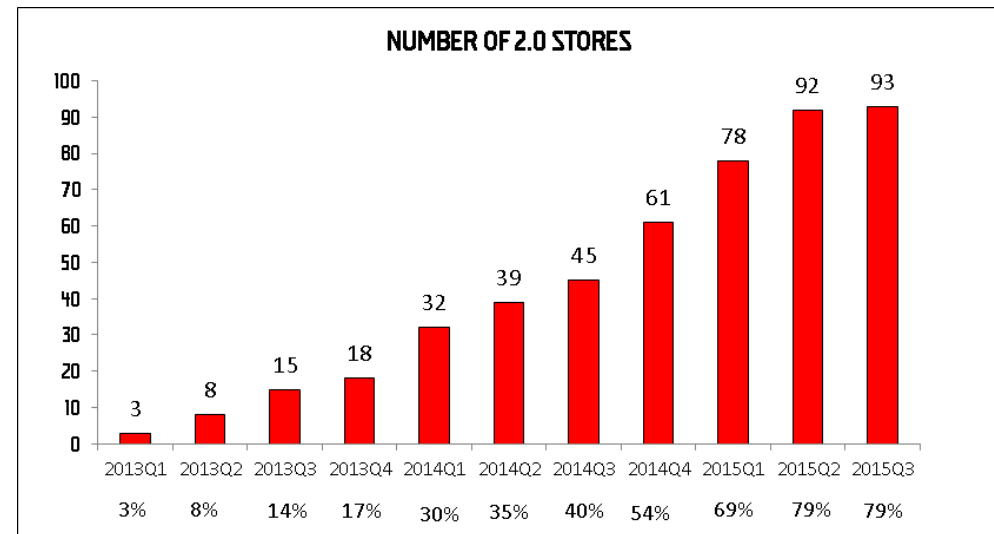
Byggmax

93 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. No stores were converted during the quarter and 25 were converted in the first nine months.

In the fourth quarter of 2015, the plan is to convert 13 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.



Financial information

October 23, 2015

Results trend

Earnings overview	July - September		January - September		12 months	Full year
	2015	2014	2015	2014	Oct 2014 - Sep 2015	2014
Net sales, SEK M	1,427.3	1,228.1	3,291.8	2,851.8	3,987.2	3,547.2
Gross margin, percent	30.0	31.1	30.1	30.8	30.5	31.1
EBIT, SEK M	181.6	175.0	296.2	258.9	334.1	296.8
EBIT margin, percent	12.7	14.3	9.0	9.1	8.4	8.4
Profit after tax, SEK M	153.0	129.7	233.5	187.1	264.4	217.9
Earnings per share, SEK	2.5	2.1	3.8	3.1	4.4	3.6
Return on shareholders' equity	14.6	13.6	21.6	18.8	24.4	21.6
Cash flow from operating activities per share, SEK	3.2	-0.9	12.7	6.5	11.3	5.1
Shareholders' equity per share, SEK	18.4	16.8	18.4	16.8	18.4	17.2
Number of stores at the end of the period	118	112	118	112	118	112
New stores opened during the period	1	2	6	7	6	7

- Net sales increased by 16.2 percent in Q3 and increased by 15.4 percent for the first nine months.
- Overheads increased during the third quarter. This was mainly due to costs for stores opened after the third quarter of 2014 and the investments being made as well as the weakening in the NOK, this has created exchange-rate differences in accounts payable, which the Norwegian subsidiary pays in SEK.

Sales trend

The sales increase was divided according to the following:	July – September 2015	January – September 2015
Comparable stores, local currency, percent	13.5	12.0
Non-comparable units, percent	4.4	4.2
Currency effects, percent	-1.7	-0.7
Total, percent	16.2	15.4

- The operation's net sales amounted to SEK 1,427.3 M (1,228.1) for the third quarter, up 16.2 percent and SEK 3,291.8 M (2,851.8), up 15.4 percent for the first nine months.
- Net sales for comparable stores increased 13.5 percent (declined: 1.6) in local currency for the third quarter and increased 12.0 percent (increased: 3.8) for the first nine months.
- Net sales for the third quarter totaled SEK 1,036.4 M (894.0) in Sweden and SEK 390.8 M (334.1) in the other countries in the Nordic market and for the first nine months amounted to SEK 2,416.5 M (2,098.4) in Sweden and SEK 875.4 (753.3) in the other Nordic markets.

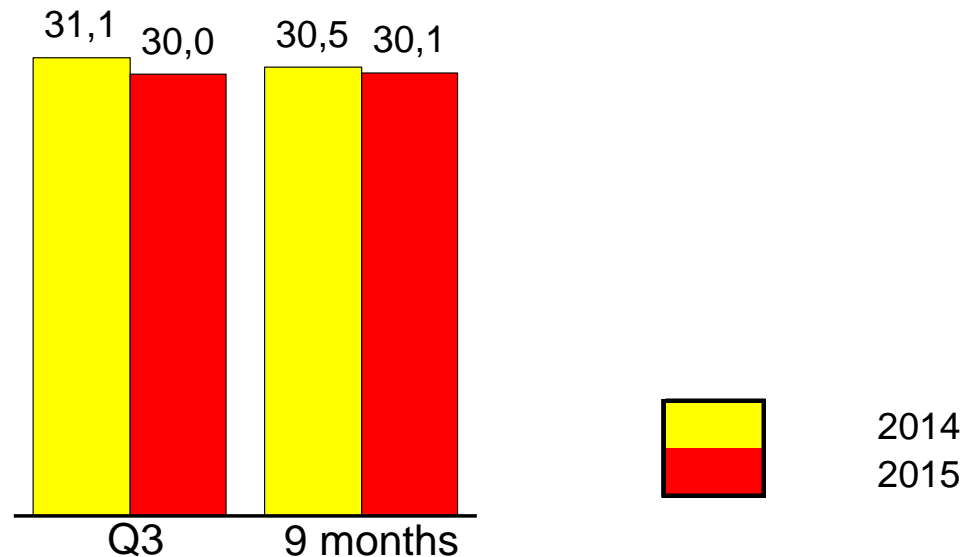
Gross margin

Third quarter

- The gross margin was 30.0 percent (31.1).
- Stores that have converted to Byggmax 2.0 have a higher gross margin than those that have not been converted, while we are selling more online goods with a lower gross margin.

First nine months

- The gross margin was 30.1 percent (30.5). Including non-recurring items the gross margin was 30.8 for the first nine months of 2014.



Operating expenses

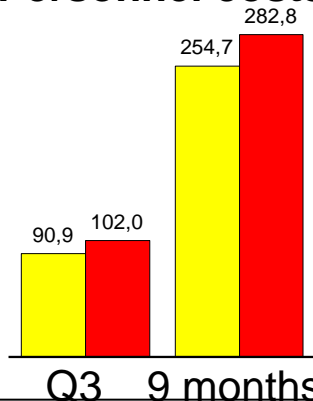
Third quarter

- Personnel costs and other external expenses rose a total of SEK 33.6 M.
- This was mainly attributable to expenses of SEK 9.8 M for stores opened after the third 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.
- Operating costs also increased due to currency fluctuations, primarily a weaker Norwegian krona, since changes in the value of account payable are recognized as operating costs. This change was in total SEK 9.0 M in the quarter.

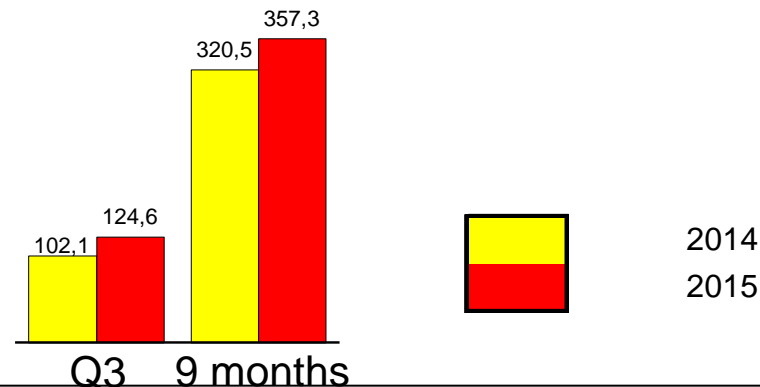
Nine months

- Personnel costs and other external expenses rose a total of SEK 65.0 M.
- This was mainly attributable to expenses of SEK 38.9 M for stores opened after the third 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	July - September		January - September		Full year
SEK M	2015	2014	2015	2014	2014
Group					
Profit from participations in Group companies	11.8	0.0	11.8	0.0	0.0
Comprehensive income from participations in Group companies	11.8	0.0	11.8	0.0	0.0
Financial income					
Exchange-rate gains	3.1	2.6	6.2	5.7	7.2
Changes in fair value – interest swaps and currency derivatives	4.5	0.1	10.2	5.6	8.1
Interest income	0.0	0.0	0.2	-0.5	-0.4
Other financial income	0.0	0.0	0.0	0.0	0.1
Total financial income	7.6	2.7	16.6	10.9	15.0
Financial expenses					
Exchange-rate losses	-1.2	-5.1	-7.1	-9.9	-11.0
Changes in fair value – interest swaps and currency derivatives	0.0	-2.2	-7.8	-7.5	-7.6
- interest expenses, bank loans	0.2	-1.1	-4.6	-7.7	-9.0
- financial leasing, reversal of discounting effect	0.0	-0.1	-0.1	-0.3	-0.4
Other financial expenses	-0.1	-0.2	-0.3	-0.5	-0.5
Total financial expenses	-1.3	-8.6	-19.9	-25.9	-28.6
Profit/loss from financial items	18.1	-5.8	8.5	-15.0	-13.6

- Net financial items for the quarter were impacted by exchange-rate effects of SEK 6.4 M (negative 4.5) and SEK 1.6 M (negative 6.1) for the first nine months.
- The subsidiary Lännersta 14:1 AB, owning a property in Nacka, was sold during the quarter. This generated a capital gain of SEK 11.8 M.

Financial position and cash flow

Amounts in SEK M	Jul 1, 2015 Sep 30 2015	Jul 1, 2014 Sep 30 2014	Jan 1, 2015 Sep 30, 2015	Jan 1, 2014 Sep 30, 2014	12 months Oct 1, 2014 Sep 30, 2015	Full year 2014
Cash flow from operating activities before changes in working capital	190.3	164.5	306.9	255.1	360.8	309.0
Changes in working capital	6.4	-216.3	461.7	138.6	325.1	2.1
Cash flow from operating activities	196.6	-51.8	768.5	393.8	685.9	311.1
Cash flow from investing activities	4.9	-24.5	-95.8	-97.7	-145.1	-147.1
Cash flow from financing activities	12.6	65.2	-433.9	-287.7	-312.4	-166.2
Cash flow for the period	214.2	-11.1	238.9	8.3	228.4	-2.2
Cash and cash equivalents at the beginning of the period	47.2	44.1	22.5	24.7	33.0	24.7
Cash and cash equivalents at the end of the period	261.4	33.0	261.4	33.0	261.4	22.5

- Cash flow from operating activities for the third quarter increased SEK 248.4 M and for the first nine months increased SEK 374.8 M year-on-year.
- Investments relating to the conversion of stores to the Bygghmax 2.0 concept totaled SEK 3.4 M (3.5) for the third quarter and SEK 44.4 M (28.7) for the first nine months.



Condensed financial statements January – September 2015

October 23, 2015

Income statement

	Jul 01, 2015	Jul 01, 2014	Jan 01, 2015	Jan 01, 2014	Oct 01, 2014	Jan 01, 2014
Amounts in SEK M	Sep 30, 2015	Sep 30, 2014	Sep 30, 2015	Sep 30, 2014	Sep 30, 2015	Dec 31, 2014
Net sales	1,427.3	1,228.1	3,291.8	2,851.8	3,987.2	3,547.2
Other operating income	2.5	3.7	7.4	7.3	12.2	12.2
Operating income	1,429.7	1,231.8	3,299.2	2,859.1	3,999.5	3,559.4
Operating expenses						
Goods for sale	-999.7	-845.7	-2,301.2	-1,974.3	-2,770.6	-2,443.6
Other external and operating expenses	-124.6	-102.1	-357.3	-320.5	-446.5	-409.6
Personnel costs	-102.0	-90.9	-282.8	-254.7	-367.9	-339.7
Depreciation, amortization and impairment of intangible and tangible fixed assets	-21.8	-18.1	-61.6	-50.7	-80.4	-69.6
Total operating expenses	-1,248.2	-1,056.8	-3,002.9	-2,600.2	-3,665.4	-3,262.6
EBIT	181.6	175.0	296.2	258.9	334.1	296.8
Profit/loss financial items	18.1	-5.8	8.5	-15.0	9.9	-13.6
Profit before tax	199.7	169.2	304.7	243.9	344.0	283.2
Income tax	-46.6	-39.5	-71.2	-56.8	-79.6	-65.2
Profit for the period	153.0	129.7	233.5	187.1	264.4	217.9

Bygghmax

Balance sheet

Amounts in SEK M	Sep 30, 2015	Sep 30, 2014	Dec 31, 2014	Amounts in SEK M	Sep 30, 2015	Sep 30, 2014	Dec 31, 2014
ASSETS				SHAREHOLDERS' EQUITY AND LIABILITIES			
Fixed assets				Shareholders' equity	1,118.4	1,021.2	1,047.6
Intangible fixed assets	1,086.1	1,080.9	1,082.6				
Tangible fixed assets	281.0	242.7	267.4	Liabilities			
Financial fixed assets	22.2	23.7	25.5	Borrowing from credit institutions	0.2	2.6	1.8
Total fixed assets	1,389.2	1,347.3	1,375.5	Deferred tax liabilities	94.4	78.2	95.6
				Long-term liabilities	94.6	80.8	97.4
Current assets							
Inventories	689.4	638.3	612.7	Borrowing from credit institutions	203.3	358.7	480.5
Derivatives	3.7	0.0	1.3	Accounts payable	813.7	499.3	370.4
Current receivables	76.2	82.7	99.1	Current tax liabilities	37.9	14.7	6.7
Cash and cash equivalents	269.7	41.5	30.9	Derivatives	0.0	1.1	0.0
Total current assets	1,039.0	762.5	744.0	Other liabilities	56.7	51.0	29.1
				Accrued expenses and deferred income	103.7	83.1	87.8
TOTAL ASSETS	2,428.3	2,109.8	2,119.5	Current liabilities	1,215.3	1,007.9	974.5
				TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	2,428.3	2,109.8	2,119.5
				Pledged assets – Shares in subsidiaries	1,382.4	1,299.4	1,147.4
				Pledged assets – Chattel mortgages	120.0	120.0	120.0
				Pledged assets – Blocked funds	8.3	8.5	8.4
				Contingent liabilities	None	None	None

Cash-flow statement

Amounts in SEK M	Jul 1, 2015 - Sep 30, 2015	Jul 1, 2014 - Sep 30 2014	Jan 1, 2015 - Sep 30, 2015	Jan 1, 2014 - Sep 30, 2014	12 months Oct 2014 - Sep 2015	Full year 2014
Cash flow from operating activities						
EBIT	181.6	175.0	296.2	258.9	334.1	296.8
Non-cash items						
-Depreciation/amortization and impairment of intangible and tangible fixed assets	21.8	18.5	61.6	51.2	80.4	69.6
- Other non-cash items	-3.1	0.9	-6.2	1.5	-6.9	1.4
Interest received	3.1	2.6	6.4	5.3	8.0	6.9
Interest paid	-1.3	-6.4	-12.1	-18.4	-14.7	-21.0
Tax paid	-11.9	-26.1	-39.0	-43.4	-40.3	-44.6
Cash flow from operating activities before changes in working capital	190.3	164.5	306.9	255.1	360.8	309.0
Changes in working capital						
Increase/decrease in inventories and work in progress	30.6	42.5	-75.8	-100.1	-54.1	-78.3
Increase/decrease in other current receivables	29.6	12.2	50.2	-8.3	38.0	-20.5
Increase/decrease in other current liabilities	-53.8	-271.0	487.3	247.0	341.2	100.9
Cash flow from operating activities	196.6	-51.8	768.5	393.8	685.9	311.1

Cash-flow statement, continued

Amounts in SEK M	Jul 1, 2015 - Sep 30, 2015	Jul 1, 2014 - Sep 30, 2014	Jan 1, 2015 - Sep 30, 2015	Jan 1, 2014 - Sep 30, 2014	12 months Oct 2014 - Sep 2015	Full year 2014
Cash flow from investing activities						
Investment in intangible fixed assets	-2.5	-2.4	-13.7	-7.5	-18.3	-12.0
Investment in tangible fixed assets	-24.0	-22.1	-114.0	-90.0	-158.4	-134.5
Divestment of tangible fixed assets	0.0	0.0	0.0	-0.1	-0.5	-0.6
Investment in other financial fixed assets	-0.4	0.0	0.1	-0.1	0.2	0.0
Investments in subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from the sale of subsidiaries	31.8	0.0	31.8	0.0	31.8	0.0
Cash flow from investing activities	4.9	-24.5	-95.8	-97.7	-145.1	-147.1
Cash flow from financing activities						
Change in overdraft facility	14.2	67.4	-276.7	-139.9	-153.5	-16.7
Issue of warrants	-0.6	0.0	3.9	0.0	3.9	0.0
Dividend to shareholders	0.0	0.0	-157.9	-139.7	-157.9	-139.7
Amortization of loans	-1.0	-2.2	-3.1	-8.1	-4.9	-9.8
Cash flow from financing activities	12.6	65.2	-433.9	-287.7	-312.4	-166.2
Cash flow for the period	214.2	-11.1	238.9	8.3	228.4	-2.2
Cash and cash equivalents at the beginning of the period	47.2	44.1	22.5	24.7	33.0	24.7
Cash and cash equivalents at the end of the period	261.4	33.0	261.4	33.0	261.4	22.5

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

Largest shareholders at September 30, 2015

Name	Number of shares	Holding (%)
Nordea Investment Funds	6,067,124	9.33
Swedbank Robur fonder	5,830,474	9.60
SEB Investment Management	4,118,985	6.78
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	2,308,531	3.80
Threadneedle Asset Management Ltd.	2,184,640	3.60
JPM CHASE NA	2,069,635	3.41
T. Rowe Price International Ltd.	1,704,968	2.81
Total ten largest shareholders (grouped by shareholders) – based on holding	32,101,628	52.85
Total other shareholders	28,635,417	47.15
Total, September 30, 2015	60,737,045	100.00