

Stockholm, February 16, 2009

Interim report January 1 – December 31, 2008



Another year of doubled sales and sharply improved profitability

January 1 – December 31, 2008

- Net sales increased by 105 percent to SEK 267.7 million (130.3)
- Gross profit margin rose to 58.3 percent (57.2)
- Operating profit increased to SEK 67.5 million (18.5), corresponding to an operating margin of 24.8 percent (14.2)
- Net profit was SEK 49.8 million (12.9). Net margin rose to 18.6 percent (9.9)
- Earnings per share amounted to SEK 8.66 (2.39) (based on the average number of shares)
- In October, Odd Molly reported an order value for spring/summer 2009 of SEK 138 million, up 12 percent compared with the sales result for the corresponding period in 2008

October 1 – December 31, 2008

- Net sales increased by 88 percent to SEK 43.2 million (23.0)
- Gross profit margin was 61.2 percent (59.9)
- Operating profit amounted to SEK 9.6 million (0.6), corresponding to an operating margin of 20.3 percent (2.6)
- Net profit was SEK 7.8 million (0.1)
- Earnings per share amounted to SEK 1.35 (0.03)
- Decision regarding launch of new product area - skincare
- The Board will propose to the Annual General Meeting a dividend of SEK 3.00 (0.00) per share, corresponding to 35 percent of net profit for the year

Comments from the CEO on trend

A strong end to a fantastic year

We continued to go our own way – and a great deal went our way in 2008. Having closed the fourth quarter, I can say that we more than doubled annual sales and increased profits significantly. Sales rose in all markets and it is clear that the increase in southern European countries was higher than average. However, we must remember that, in terms of profit, we benefitted from an advantageous currency trend.

During the year, we made the decision to open Odd Molly's first proprietary store, expand our product offering to include glasses and skincare, and to contract Helena Christensen for the first advertising campaign in the company's six-year history. In 2008, our chief designer, Karin Jimfelt-Ghatan, received the prestigious Guldknappen (Golden Button) design award from Damernas Värld (a Swedish women's fashion magazine), and Odd Molly was awarded the 2007 Brand of the Year award by the Swedish Trade Federation. The strength of our brand is exemplified by the fact that Odd Molly was the third most searched for term on the Tradera auction website in 2008 (following the words vintage and iPhone).

The fourth quarter was characterized by work on the Odd Molly store, to be officially opened on Saturday, February 14, 2009, and the start-up of the collaboration regarding the new skincare line, which is planned for launch in autumn 2009.

Advancing in the face of adversity

Despite delivering the strongest earnings ever, we are taking an unassuming approach in the face of the turmoil prevailing in most of our markets. We will not be unaffected, but as a feature of Odd Molly's philosophy - to always choose the road less travelled – we will continue to focus on the future. This is done because we have the ability: we have a competent organization, a strong brand name and we are financially very stable. A strong balance sheet provides us with security and at the same time, the opportunity to take another step in our development in terms of being visible and capturing market share, but also negotiating better prices and terms and conditions. Our strong financial position also provides the Board the opportunity to propose a dividend to shareholders at the Annual General Meeting for the first time in the company's history.

Always opportunities – always forward

In October, we announced the order value of the 2009 spring and summer collections, which showed that orders received were 12 percent higher than sales of the corresponding collections in the preceding year. In terms of sales growth, which was previously much higher, and the prevailing market turmoil, we are very satisfied with this development – even if we always want more.

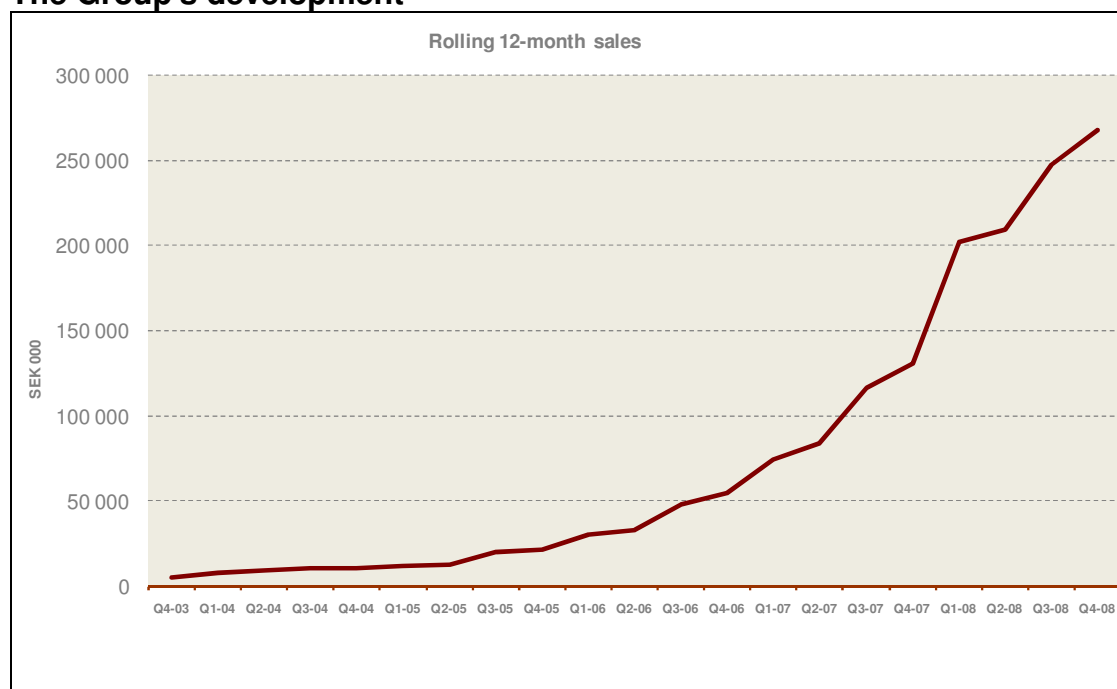
We recently commenced selling the 2009 autumn and winter collections, and I have the feeling that agents and customers are receptive to the collection, but it is still far too early to foresee the tendencies of how purchasers will ultimately arrange their budgets and place orders.

In 2009, we will continue to pursue advances by further strengthening the brand, increasing distribution and markets and identifying and developing potentially beneficial partnerships.

Christina Tillman, President

Key financial ratios	Oct - Dec	Oct - Dec	Change, %	Jan-Dec	Jan-Dec	Change, %
	2008	2007		2008	2007	
Net sales, SEK million	43,2	23,0	88	267,7	130,3	105
Gross profit margin, %	61,2	59,9		58,3	57,2	
Operating profit, SEK million	9,6	0,6	1 497	67,5	18,5	266
Operating margin, %	20,3	2,6		24,8	14,2	
Net profit, SEK million	7,8	0,1	5 288	49,8	12,9	286
Earnings per share, SEK	1,35	0,03	5 288	8,66	2,39	262
No. of shares at end of period (after split)	5 752 000	5 752 000		5 752 000	5 752 000	
Weighted average no. of shares (after split)	5 752 000	5 752 000		5 752 000	5 404 740	

The Group's development



The above diagram shows rolling 12-month sales by quarter for 2003-2008

Net sales

The period January 1 – December 31, 2008

The sales trend remained strong and net sales rose to SEK 267.7 million (130.3), which is an increase of 105 percent compared with the year-earlier period. The combined order value for 2008, which was published earlier was SEK 260 million. The reason sales exceeded this was attributable to exchange-rate effects, the sale of collection samples and a small surplus delivery of goods from some of the company's suppliers.

Fourth quarter October 1 – December 31, 2008

During the fourth quarter, net sales rose 88 percent to SEK 43.2 million (23.0). During the quarter, a planned extra delivery of early-spring goods worth about SEK 6 million took place, which was communicated in the preceding report.

Other operating revenues comprised an exchange-rate net of SEK 4.8 million (neg: 0.3), of which SEK 4.1 million arose in the fourth quarter. The favorable exchange-rate net was the result of rising rates, primarily for the EUR, USD and DKK during the fourth quarter.

Earnings

The period January 1 – December 31, 2008

The gross profit margin rose to 58.3 percent (57.2), as a result of the positive currency effects and also due to excellent sell-through, meaning sales were almost exclusively conducted at recommended retail prices. Operating profit amounted to SEK 67.5 million (18.5), corresponding to an operating margin of 24.8 percent (14.2).

Increased profitability was the result of improved gross profit margins and economies of scale in terms of fixed and semi-fixed expenses in pace with rising sales. Examples of expenses where there are economies of scale include marketing, computer/IT, consulting services and rental costs.

Variable costs, such as distribution of goods, also decreased as a percentage of sales because of improved routines and larger volumes. Other external costs rose to SEK 72.9 million (42.8), which corresponded to 27.2 percent (32.9) of sales.

Personnel expenses were SEK 19.8 million (12.6), which meant a lower share of sales compared with the year-earlier period (7.4 percent in 2008 compared with 9.6 percent in 2007), despite the investments to strengthen the organization that were implemented.

The number of shares outstanding at year-end amounted to 5,752,000. Earnings per share amounted to SEK 8.66 (2.39) based on the average number of shares for the period.

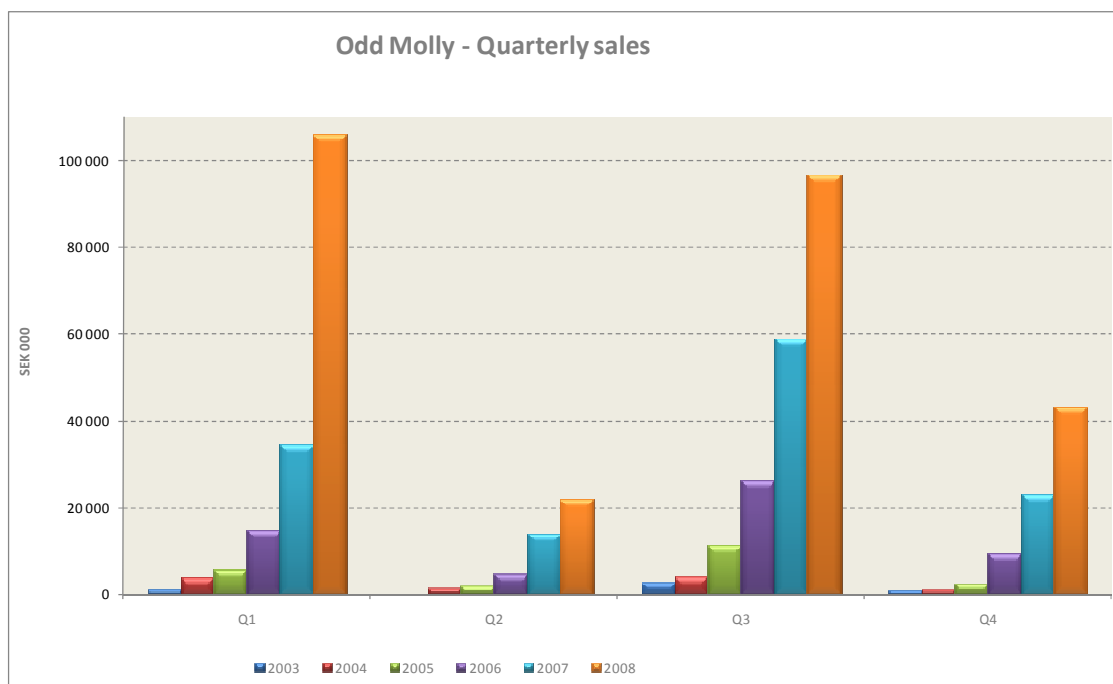
Fourth quarter October 1 – December 31, 2008

The gross profit margin for the fourth quarter was 61.2 percent (59.9), which is considerably higher than normal and primarily the result of favorable currency effects and that a major share of fourth quarter sales comprised high-margin products.

Operating profit for the quarter rose to SEK 9.6 million (0.6), which was due to effective cost control, extra delivery of early-spring goods and the sale of inventory remaining from autumn deliveries. The exchange-rate net had a positive impact on revenue of SEK 4.1 million (neg: 0.1) during the fourth quarter. Net profit was SEK 7.8 million (0.1) and earnings per share amounted to SEK 1.35 (0.03)

Seasonal fluctuations

Odd Molly produces four collections a year (spring, summer, fall and winter), of which the spring and fall have historically been the strongest. Odd Molly's operations are heavily seasonal with strong first and third quarters, while the second and fourth quarters are considerably weaker, which means that Odd Molly's operations, sales and profits are best followed on a semiannual basis. Odd Molly delivers its fall collection between August 1 and September 15 and its winter collection between October 1 and 31, which means that the entire fall collection is delivered in the third quarter and the winter collection is delivered in the fourth quarter. To even out the flow of goods and provide space for expanded sales, Odd Molly has appended two additional deliveries, a pre-spring delivery, which take place at the beginning of December and from 2009 there will also be a pre-autumn delivery taking place in the beginning of July.



The above diagram shows quarterly sales from Q1 2003 to Q4 2008

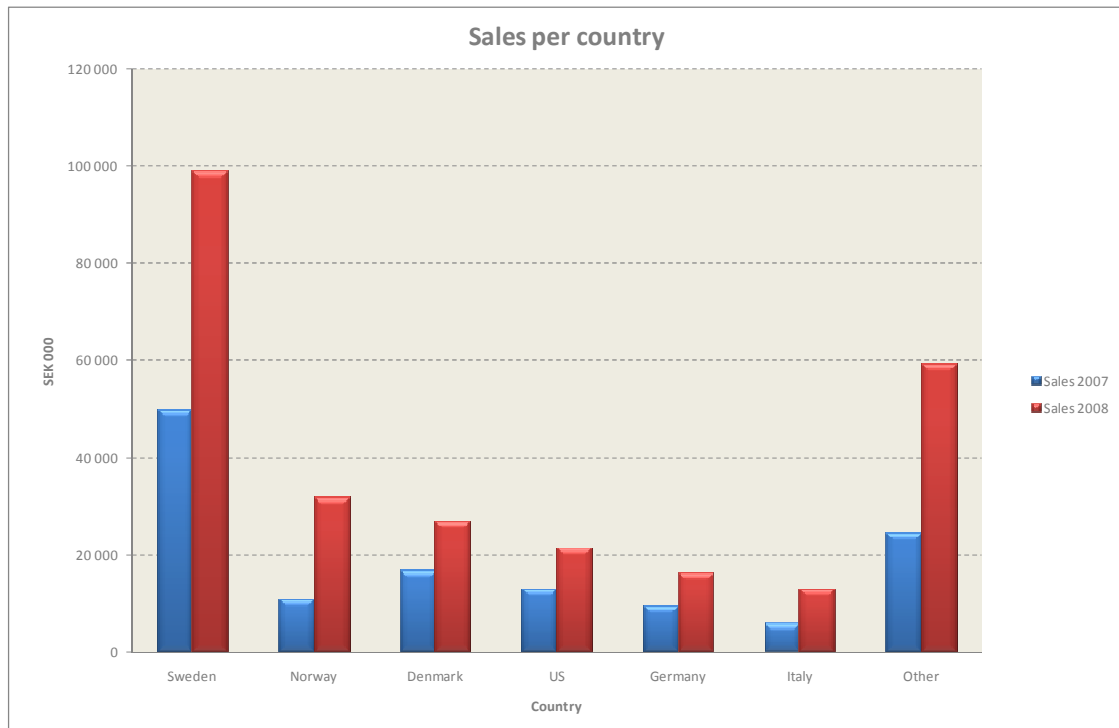
Quarterly Sales - Distribution during year, %					
(% och SEK 000)					
	Q1	Q2	Q3	Q4	Helår
2003	23%	2%	56%	18%	5 028
2004	38%	13%	38%	10%	10 271
2005	27%	8%	53%	11%	21 151
2006	27%	8%	48%	17%	54 477
2007	26%	11%	45%	18%	130 260
2008	40%	8%	36%	16%	267 653
Average	30%	9%	46%	15%	

The above table shows the quarterly share of sales 2003-2008

Odd Molly's markets

In 2008, Odd Molly's clothes were sold in a total of 41 countries. Odd Molly is locally represented in 23 countries through 15 independent agents and three distributors and thus conducted unrepresented sales in 18 countries. In 2008, Odd Molly's 4 largest markets (Sweden, Norway, Denmark and the US) accounted for about 67 percent (69) of total sales.

Sales in Sweden nearly doubled and accounted for about 37 percent (38) of the year's sales. In absolute figures, the strongest sales increases were seen in Sweden, Norway, Denmark and the US, and in terms of percentage increases Spain, Australia, Finland and Japan performed best during 2008. In the US, sales increased 65 percent compared with the year-earlier period, which is a strong performance, but still below the company's expectations. Odd Molly further reinforced its organization in the US at the beginning of 2009 to ensure continued strong development in the US market. In markets in southern Europe, such as Greece, Italy, France, and Portugal, the company also had a favorable trend.



The above diagram shows sales per country 2007-2008

Financial position

The company's total assets amounted to SEK 126.9 million (60.1) at the end of the period. Shareholders' equity totaled SEK 94.9 million at the end of the period, compared with SEK 45.1 million a year earlier. The equity/assets ratio was 75 percent (75) at the end of the quarter. Cash and cash equivalents amounted to SEK 78.3 million (29.8) at December 31, 2008.

Accounts receivable amounted to SEK 23.8 million (12.4) at December 31, 2008, which means that the ratio of accounts receivable to sales for the period declined from slightly more than 10 percent in 2007 to 9 percent in 2008. To minimize the risk of losses from customers, we continuously monitor their credit status.

Inventories amounted to SEK 18.5 million on December 31, 2008, compared with SEK 13.7 million at year-end 2007. As a ratio of sales for the full-year 2008, inventory declined to 6.9 percent, compared with 10.5 percent in the preceding year. In 2009, Odd Molly will build up a proprietary store inventory, which, however, is only expected to have a small impact on inventory as a whole. The value of sample collections increased compared with the preceding year as a result of more and broader collections to a greater number of countries. The share of new goods awaiting distribution at the beginning of January (spring 2009 collection) was approximately 30 percent (70) of total inventory.

Investments and cash flow

The company's investments mainly comprise equipment and further development of IT systems, but are relatively limited. The investments for 2008 included the acquisition of the right of tenancy for the new store. During the fourth quarter, investments totaled SEK 0.6 million (0.2). Total investments for full-year 2008 amounted to SEK 2.6 million (1.2). Cash flow from operating activities amounted to SEK 46.3 million during the fourth quarter, compared with SEK 20.1 million for the corresponding period in 2007. Total cash flow amounted to SEK 48.0 million (26.7) for full-year 2008.

Events after the end of the reporting period

New store opening

Odd Molly opened its first store on Humlegårdsgatan in Stockholm on February 14, 2009.

Advertisements in fashion periodicals

In January and February, Odd Molly advertised in international fashion periodicals for the first time in the company's history.



Number of shares

Odd Molly completed a 41:1 stock split and conducted an issue of 750,000 new shares during the second quarter of 2007. At December 31, 2008 there were 5,752,000 shares outstanding.

Employees

To pave the way for continued strong sales growth and to ensure high quality in every respect, the company hired an additional 11 people in 2008 and now has a total of 33 employees (of which three are in the US). Of the 33 employees, 6 are male and 27 female. The average number of employees in 2008 was 30 (17).

Parent Company

The Parent Company sells to all countries except North America, where sales are conducted by the wholly-owned subsidiary Odd Molly Inc. Odd Molly International AB had net sales of SEK 244.0 million (125.5) in 2008 and reported an operating profit of SEK 66.1 million (19.1). The Parent Company's shareholders' equity amounted to SEK 81.9 million (46.4). Cash and cash equivalents amounted to SEK 75.5 million (26.6).

Outlook

Odd Molly does not intend to issue any forecasts for the coming financial years. However, Odd Molly will announce order values twice a year, in April and October.

Dividend

The Board of Odd Molly will propose to the Annual General Meeting a dividend of SEK 3.00 per share (0.00) for the 2008 fiscal year, which corresponds to 35 percent of net profit. The Board intends to annually test the possibility of paying a dividend and the Board is of the opinion that liquidity not required in operations shall be distributed to shareholders.



Annual Report

Odd Molly's Annual Report will be available at www.oddmolly.com in the week commencing March 23, 2009. It will also be distributed to shareholders in good time prior to the Meeting.

Annual General Meeting

Odd Molly's Annual General Meeting will be held on Thursday, April 23, 2009, at 3:00 p.m. at Södra Teatern in Stockholm, Sweden.

Risk factors

There are a number of factors which can affect Odd Molly's results and operations. A significant amount of the risks can be managed and minimized through internal routines, but there are risks, which to a great extent are governed by external factors. Risk factors arise through currency, fashion, import and export regulations. With the current turbulence in the credit markets and the difficulties in the retail trade, there is also the risk of increased credit losses and a rise in inventories due to customers having payment difficulties. In 2008, realized customer losses were well below 0.5 percent of sales. Another risk is dependence on key personnel at the company. This risk is continuously declining through the creation of a larger and stronger organization which is becoming more independent of individuals. A more comprehensive description of risks and uncertainties to which Odd Molly is exposed was described in the prospectus prior to the First North listing published in May 2007 and is available on Odd Molly's website.

Accounting principles

The company's accounting principles are unchanged compared with the company's most recently published Annual Report and corresponds with Annual Accounts Act and the Swedish Financial Accounting Standards Council's recommendations. This interim report was prepared in accordance with the Swedish Accounting Standards Board's recommendation BFNAR 2007:1.

The consolidated accounts comprise Odd Molly International AB (Parent Company) and Odd Molly Inc., which is consolidated as of May 1, 2007.

In this interim report, "the company" refers to the Odd Molly Group.

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

Consolidated income statement				
	Oct - Dec 2008	Oct - Dec 2007	Jan-Dec 2008	Jan-Dec 2007
SEK in thousands				
<i>Operating revenues</i>				
Net sales	43 202	23 002	267 653	130 260
Other operating revenues	4 096	47	4 794	47
	47 299	23 049	272 447	130 307
<i>Operating expenses</i>				
Goods for resale	-16 753	-9 234	-111 485	-55 704
Other external expenses	-15 347	-9 104	-72 907	-42 842
Personnel expenses	-5 360	-3 862	-19 833	-12 557
Depreciation of tangible and intangible fixed assets	-237	-146	-699	-432
Other operating expenses	-15	-103	-15	-317
	-37 712	-22 449	-204 938	-111 851
Operating profit	9 587	600	67 509	18 457
<i>Profit/loss from financial items</i>				
Interest income	541	345	1 904	606
Interest expenses	0	-29	-39	-284
	541	316	1 864	322
Profit after financial items	10 128	916	69 373	18 779
Taxes	-2 377	-772	-19 545	-5 857
Net profit for the year/period	7 751	144	49 829	12 922
Earnings per share, SEK	1,35	0,03	8,66	2,39

Consolidated balance sheet		
SEK in thousands	Dec 31 2008	Dec 31 2007
ASSETS		
Fixed assets		
<i>Intangible fixed assets</i>	1 933	764
<i>Tangible fixed assets</i>		
Equipment, tools, fixtures and fittings	1 706	881
	1 706	881
<i>Financial fixed assets</i>	0	60
Total fixed assets	3 639	1 705
Current assets		
<i>Inventories, etc.</i>		
Finished products and goods for resale	18 505	13 717
	18 505	13 717
<i>Current receivables</i>		
Accounts receivable	23 758	12 448
Other receivables	468	487
Prepaid expenses and accrued income	2 251	1 885
	26 476	14 819
<i>Cash and bank balances</i>	78 285	29 840
Total current assets	123 266	58 377
TOTAL ASSETS	126 905	60 082
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	575	575
Restricted reserves	1 693	1 660
	2 268	2 235
Unrestricted reserves	42 819	29 922
Net profit for the year/period	49 829	12 922
	92 648	42 844
Total shareholders' equity	94 916	45 079
Provisions		
Deferred tax	4 644	16
Total provisions	4 644	16
Current liabilities		
Liabilities to credit institutions	0	71
Advances from customers	0	18
Accounts payable	5 458	3 789
Current tax liabilities	12 720	3 689
Other liabilities	1 597	2 139
Accrued expenses and the deferred income	7 571	5 280
Total current liabilities	27 346	14 987
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	126 905	60 082
Pledged assets	2 500	2 500
Contingent liabilities	None	None

Summarized changes in the Group's shareholders' equity				
	Jan-Dec	Jan-Dec		
SEK in thousands	2008	2007		
Shareholders' equity at the beginning of period/year	45 079	6 046		
New share issue	0	30 000		
Emissionskostnader	0	-3 915		
Net profit for the year/period	49 829	12 922		
Translation differences	8	27		
Shareholders' equity at end of period/year	94 916	45 079		
Cash flow statement for the Group				
	Oct - Dec	Oct - Dec	Jan-Dec	Jan-Dec
SEK in thousands	2008	2007	2008	2007
Operating activities				
Operating profit	9 587	600	67 509	18 457
Adjustments for items not included in cash flow				
Depreciation/amortization and impairment losses	237	146	699	432
Currency exchange profit	-349	0	-349	0
Capital gains from equipment sales	0	-2	15	-2
Interest received	541	345	1 904	606
Interest paid	0	-29	-39	-284
Income tax paid	-1 355	-1 962	-5 888	-2 040
Cash flow from operating activities before changes in working capital	8 661	-903	63 850	17 168
Changes in working capital				
Change in inventories	5 929	-2 591	-4 364	-12 376
Change in receivables	44 836	28 315	-11 263	-10 007
Change in current liabilities	-13 030	-4 744	2 426	8 542
Cash flow from operating activities	46 396	20 077	50 648	3 326
Investing activities				
Acquisition of intangible fixed assets	0	-121	-1 472	-297
Acquisition of tangible fixed assets	-585	-102	-1 203	-836
Acquisition of financial assets	0	-60	0	-60
Divestment of financial assets	0	0	60	0
Divestment of equipment	0	36	0	36
Cash flow from investing activities	-585	-247	-2 616	-1 157
Financing activities				
New share issue/issue expenses	0	0	0	24 562
Amortization of debt	-71	0	-71	-71
Cash flow from financing activities	-71	0	-71	24 491
Cash flow for the year/period	45 740	19 830	47 961	26 660
Cash and cash equivalents at the beginning of the period	32 191	10 076	29 840	3 274
Exchange-rate difference in cash and cash equivalents	354	-65	484	-94
Cash and cash equivalents at the end of the period	78 285	29 840	78 285	29 840

Parent Company's income statement				
	Oct - Dec 2008	Oct - Dec 2007	Jan-Dec 2008	Jan-Dec 2007
SEK in thousands				
<i>Operating revenues</i>				
Net sales	37 999	21 583	243 958	125 472
Other operating revenues	4 450	1 201	5 631	1 201
	42 449	22 784	249 589	126 673
<i>Operating expenses</i>				
Goods for resale	-14 069	-8 705	-99 044	-53 711
Other external expenses	-13 383	-7 805	-65 610	-40 576
Personnel expenses	-4 823	-3 497	-18 156	-11 764
Depreciation of tangible and intangible fixed assets	-223	-130	-660	-407
Other operating expenses	-15	-101	-15	-314
	-32 513	-20 237	-183 486	-106 772
Operating profit	9 936	2 547	66 103	19 901
<i>Profit/loss from financial items</i>				
Interest income	536	335	1 885	595
Interest expenses	0	-29	-39	-284
	536	306	1 845	312
Profit after financial items	10 472	2 852	67 949	20 213
Appropriations	-17 600	0	-17 600	0
Taxes	1 578	-1 005	-14 847	-5 911
Net profit for the year/period	-5 549	1 847	35 502	14 302

Parent Company's balance sheet		
SEK in thousands	Dec 31 2008	Dec 31 2007
ASSETS		
Fixed assets		
<i>Intangible fixed assets</i>	1 933	764
<i>Tangible fixed assets</i>		
Equipment, tools, fixtures and fittings	1 514	733
	1 514	733
<i>Financial fixed assets</i>		
Shares in subsidiaries	170	170
Receivables with subsidiaries	2 342	0
	2 512	170
Total fixed assets	5 959	1 667
Current assets		
<i>Inventories, etc.</i>		
Finished products and goods for resale	16 000	11 450
	16 000	11 450
<i>Current receivables</i>		
Accounts receivable	21 896	11 746
Receivables from Group companies	4 315	6 651
Other receivables	288	341
Prepaid expenses and accrued income	2 251	1 865
	28 749	20 603
<i>Cash and bank balances</i>	75 465	26 634
Total current assets	120 214	58 687
TOTAL ASSETS	126 173	60 354
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	575	575
Statutory reserve	1 628	1 628
	2 203	2 203
Tax allocation reserve	26 010	26 010
Retained earnings	18 179	3 877
Net profit for the year/period	35 502	14 302
	79 691	44 189
Total shareholders' equity	81 894	46 392
Untaxed reserves	17 656	56
Current liabilities		
Liabilities to credit institutions	0	71
Advances from customers	0	18
Accounts payable	5 349	3 102
Current tax liabilities	12 703	3 683
Other liabilities	1 542	2 109
Accrued expenses and deferred income	7 029	4 922
Total current liabilities	26 623	13 907
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	126 173	60 354
Pledged assets	2 500	2 500
Contingent liabilities	None	None

The Board of Directors and the President certify that the Year-end Report gives a true and fair overview of the operations, financial position and results of the Parent Company and the Group and that it describes the significant risks and uncertainties faced by the Parent Company and the companies in the Group.

Stockholm, February 15, 2009

Christer Andersson, Chairman Karin Wallin-Norman, Board Member

Karin Jimfelt-Ghatan, Board Member Per Holknekt, Board Member

Mia Arnhult, Board Member Patrik Tillman, Board Member

Christina Tillman, President & CEO

About Odd Molly

Odd Molly is a Swedish company which designs, markets and sells fashion for women through retailers worldwide. The brand's signature is beautiful, personal, sensual designs, combined with high quality and a distinctive profile. Odd Molly products will be sold in spring 2009 through 1,550 retailers and one company-owned store in 36 countries around the world, with local representation in 23 of them. Odd Molly currently has 33 employees at offices in Stockholm and Los Angeles. Odd Molly's profitable growth is the result of creative design, consistent branding and a business model that facilitates expansion with limited capital requirements and minimal inventory risk. Odd Molly's Chief Designer received the prestigious "Golden Button" fashion design award from the magazine *Damernas Värld* in August 2008.

Odd Molly's share is traded on First North and its Certified Adviser is Swedbank.

Odd Molly International AB is obligated to publish the information in this press release in accordance with the Securities Market Act and/or the Financial Instruments Trading Act. The information was provided for public release on February 16, 2009 at 8.00 a.m. CET.

Scheduled information dates

- Order values for the fall/winter collections 2009 will be released on April 8, 2009
- The Annual General Meeting will be held on April 23, 2009 at 3:00 p.m. at Södra Teatern in Stockholm, Sweden.
- Interim Report for the period January-March 2009 will be released April 23, 2009.
- The 2008 Annual Report is available at the company's office and on the website during the week commencing March 23, 2009.

For further information, please contact:

Christina Tillman, CEO Odd Molly, phone: +46(0)8-522 28 502 or mobile: +46(0)733-10 60 00

Odd Molly International AB
Kornhamnstorg 6
SE-111 27 STOCKHOLM, SWEDEN
Phone: +46 (0)8 522 28 500
www.oddmolly.com

Press photos can be downloaded from Odd Molly's website at www.oddmolly.com under "press/media."
Odd Molly also produces its own newsletter, which reports on news from around the company. To subscribe, go to www.oddmolly.com and click "sign up for our newsletter."