

Odd Molly International AB (publ)

Stockholm, April 23, 2009

Interim report January 1- March 31, 2009



CONTINUED STRONG SALES – GROSS PROFIT MARGIN AFFECTED NEGATIVELY BY EXCHANGE RATE EFFECTS

January 1 – March 31, 2009

- Net sales increased by 29.1 percent to SEK 136.7 million (105.9)
- The gross profit margin was 53.6 percent (58.5)
- Operating profit increased to SEK 33.4 million (32.9), corresponding to an operating margin of 24.2 percent (31.1)
- Net profit amounted to SEK 24.9 million (23.3). The net profit margin was 18.2 percent (22.0)
- Earnings per share amounted to SEK 4.33 (4.05)
- Odd Molly opened its first store in February
- In April Odd Molly reported an order value for fall/winter 2009 of SEK 158 million, representing an increase of 23 percent compared with the same period of 2008. Based on orders placed for all of the year's main collections, the order value for the full-year 2009 will be around SEK 296 million, compared with sales of nearly SEK 268 million in 2008.

Key financial ratios	Jan-Mar 2009	Jan-Mar 2008	Change %	Full-year 2008	April 2008- Mar 2009
Net sales, SEK million	136.7	105.9	29	267.7	298.4
Gross profit margin, %	53.6	58.5		58.3	56.1
Operating profit, SEK million	33.4	32.9	1	67.5	68.0
Operating margin, %	24.2	31.1		25.2	22.8
Net profit, SEK million	24.9	23.3	7	49.8	51.5
Earnings per share, SEK	4.33	4.05	7	8.66	8.95
Number of shares at end of period	5,752,000	5,752,000		5,752,000	5,752,000
Weighted average number of shares	5,752,000	5,752,000		5,752,000	5,752,000

Comment from the CEO

This spring has begun well, with higher sales orders, quick deliveries and a positive energy.

Looking at profit, we remain at a high level, even though margins were lower than the previous year in percentage terms. This is mainly due to unfavorable exchange rates, though also to aggressive measures we had previously planned. Among other things, we launched our first major international advertising campaign during the spring, with supermodel Helena Christensen as the face of the brand. Great energy has also been devoted for some time to the preparation and launch of Odd Molly's first store, which opened its doors in Stockholm in February. At the same time we have strengthened the organization to create opportunities for continued growth.

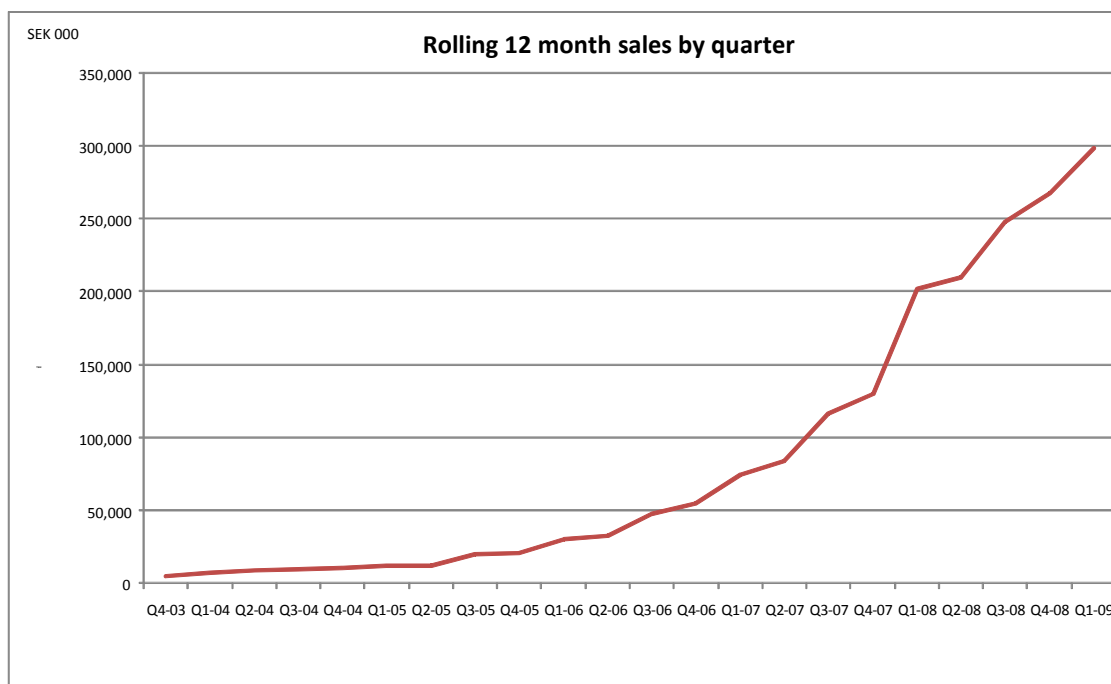
During the first quarter we delivered and invoiced the entire spring collection and a larger part of the summer collection than in previous years. This means that sales during the second quarter will be lower year-over-year. As I have noted previously, it makes more sense to measure Odd Molly's development on a semiannual basis, rather than by individual quarter. Profit will be weaker during the second quarter than in previous years due to the lower percentage of the season's total sales and further investments in future expansion.

As I have said before, 2008 was an exceptionally good year when almost everything went our way – from exchange rates to fantastic awards. Sales orders for the fall and winter collections increased 23 percent. The total order value for the current year is approximately SEK 296 million, compared with SEK 268 million in 2008.

We are very pleased to have started the year by delivering continued growth, strong profitability and positive order numbers, particularly in light of turbulent market conditions at present. Our aim is to remain aggressive in an increasingly tough market climate. We also want to focus on higher quality, future development and opportunities to gain market share; in the organization, our international representation, the store, marketing and in our new alliances.

Christina Tillman, President and CEO

The Group's development



The above diagram shows rolling 12-month sales by quarter Q4 2003-Q1 2009

Net sales

First quarter January 1– March 31, 2009

Net sales increased during the first quarter by 29.1 percent to SEK 136.7 million (105.9). The entire spring collection and the large part of the summer collection were delivered and invoiced during the quarter, which represents a higher share of our total spring/summer collection than in previous years. This means that the second quarter 2009 will have a lower percentage of the first half year's sales than the corresponding period of 2008.

Earnings

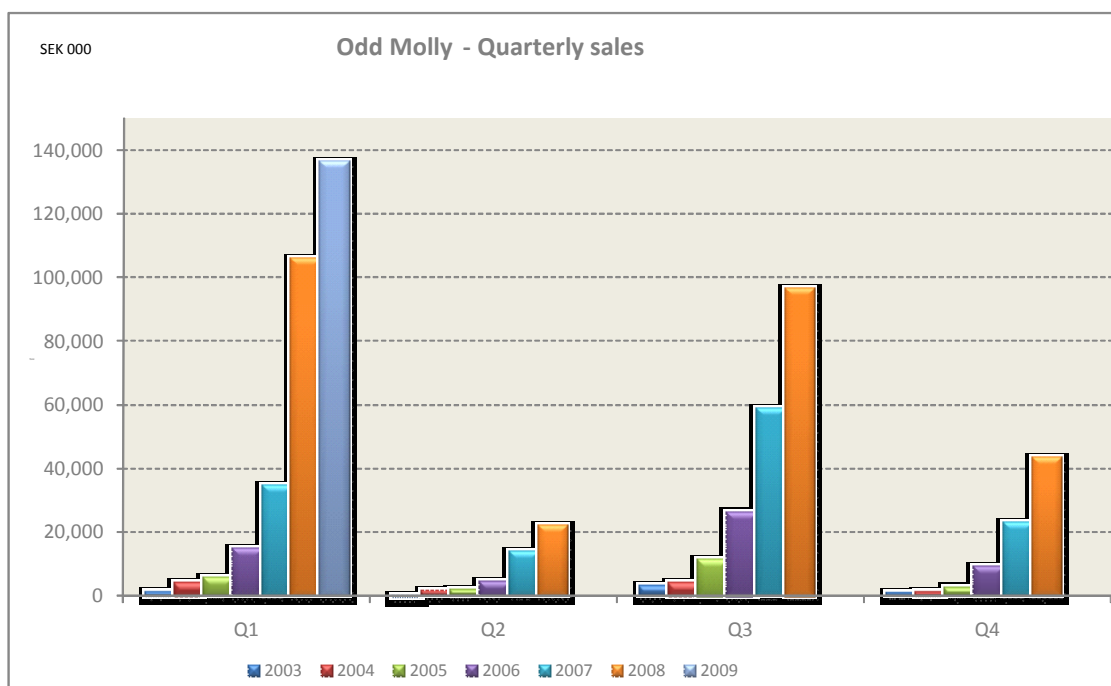
First quarter January 1– March 31, 2009

The gross profit margin for the first quarter fell to 53.6 percent (58.5), mainly due to negative exchange rate effects resulting from a stronger euro and dollar than in the summer 2008, when prices and margins were calculated. Rising exchange rates also increased the sales value to countries where Odd Molly sells in euro and USD, which affected gross profit in SEK positively.

Operating profit amounted to SEK 33.4 million (32.9) during the quarter, which means that the operating margin was 24.2 percent (31.1). Expenses increased mainly for marketing, owing to the company's first international advertising campaign. Other expenses include expenses for the new store. Personnel expenses represented 4.0 percent (3.9) of net sales during the first quarter and include store employees. Net exchange rate gains and losses, which are reported among other operating revenues, affected earnings positively by SEK 1.4 million (–1.0) during the first quarter. This is due to a positive exchange rate effect arising between the time invoices were registered and when they were paid.

Net profit amounted to SEK 24.9 million (23.3). Earnings per share amounted to SEK 4.33 (4.05).

Seasonal fluctuations



The above diagram shows quarterly sales Q1 2003-Q1 2009

Financial position

The company's total assets amounted to SEK 164.1 million (112.3) at the end of the quarter. Shareholders' equity totaled SEK 119.8 million, compared with SEK 68.3 million at year-end 2008. The equity/assets ratio was 73 percent (61) on March 31, 2009, while cash and cash equivalents amounted to SEK 36.8 million (21.3).

The Board of Directors has proposed that the Annual General Meeting approve a dividend of SEK 3.00 (0.00) per share for 2008, or a total dividend of SEK 17.2 million.

Accounts receivable amounted to SEK 90.8 million (69.5) on March 31, 2009, which means that accounts receivable as a ratio of sales was 66.5 percent for the quarter, compared with 65.6 percent a year earlier. To minimize the risk of customer losses, credit checks are performed on a continuous basis.

Inventories amounted to SEK 25.2 million on March 31, 2009, against SEK 18.0 million a year earlier. As a ratio of sales for the period, inventory amounted to 18.4 percent, compared with 16.9 percent for the same quarter of 2008. Inventory consists of summer merchandise that has not yet been distributed, collection samples, merchandise from the spring and summer collections, and a small amount of old merchandise.

Investments and cash flow

The company's investments mainly comprise equipment, IT development and investments in the newly opened store, but are relatively limited. During the first quarter investments amounted to SEK 1.0 million (0.4).

Cash flow from operating activities amounted to SEK -40.7 million during the first quarter, compared with SEK -8.0 million in the corresponding period of 2008, which is due to the high share of deliveries invoiced during the first quarter 2009. Cash flow for the quarter totaled SEK -41.7 million (-8.3).

Events during the period

Odd Molly opened its first store in Stockholm in February 2009. An alliance has been established with L'Oréal where Odd Molly has designed a limited edition of the classic hairspray Elnett. Sales orders were taken during the spring for the new skincare line, which was developed in cooperation with CCS and is scheduled for launch in stores in fall 2009.



Events after the conclusion of the period

Order value for fall/winter 2009

On April 8 Odd Molly reported an order value for fall/winter 2009 of SEK 158 million, representing an increase of 23 percent compared with the order value for the same period of 2008. The increase includes a positive exchange rate effect of approximately SEK 5 million.

Based on orders placed for the year's main collections, the order value for the full-year 2009 will be around SEK 296 million, compared with 2008 sales of nearly SEK 268 million.

Nomination for export award

In April Odd Molly was one of six companies nominated for Stora Exportpriset ("Major Export Award") by the Swedish Trade Council.

Number of shares

As of March 31, 2009 there were 5,752,000 shares outstanding.

Employees

As of March 31 the company had a total of 34 employees (27) (including three in the U.S.), of whom 6 are men and 28 are women. The average number of employees during the quarter was 33 (26).

Parent Company

The Parent Company sells to all countries outside North America, where sales are managed by the wholly owned subsidiary Odd Molly Inc. During the quarter Odd Molly International AB reported sales of SEK 128.7 million (93.4), with operating profit of SEK 31.6 million (29.2). The Parent Company's adjusted shareholders' equity amounted to SEK 118.2 million (67.6). Cash and cash equivalents amounted to SEK 35.5 million (18.4).

Outlook

The company does not intend to issue any forecasts for the current financial year. Odd Molly announces order values twice a year, in April and October.

Risk factors

A number of factors could affect Odd Molly's results and operations. Although a large part of these risks can be managed and minimized through internal procedures, there are others beyond the company's control. Risk factors arise due to currency, fashion,

import and export regulations. Given the current turbulence in credit markets and difficulties faced by retailers, there is also a risk of increased credit losses as well as higher inventories due to payment difficulties on the part of customers. In 2008 actual customer losses were held well below 0.5 percent of sales. Another risk is the dependence on key persons within the company. This risk is continuously reduced by building a larger, stronger organization that is less dependent on specific individuals. A more detailed description of risks and uncertainties that Odd Molly is exposed to are described in the prospectus for the listing on First North, which was published in May 2007, and in the annual report for 2008, both of which are available on Odd Molly's website.

Accounting principles

This interim report is prepared in accordance with the same accounting principles and calculation methods used in the company's most recent annual report and fulfills the requirements of the Swedish Accounting Standards Board's recommendation BFAR 2007:1.

The consolidated accounts are prepared according to the Swedish Financial Accounting Standards Council's recommendation RR1:00 and apply the purchase method. 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			
	Jan-Mar 2009	Jan-Mar 2008	Full-year 2008
SEK in thousands			
<i>Operating revenues</i>			
Net sales	136 665	105 949	267 653
Other operating revenues	1 369	0	4 794
	138 035	105 949	272 447
<i>Operating expenses</i>			
Goods for resale	-63 450	-43 985	-111 485
Other external expenses	-35 563	-23 712	-72 906
Personnel expenses	-5 407	-4 182	-19 833
Depreciation/amortization of intangible and intangible fixed assets	-264	-134	-699
Other operating expenses		-1 038	-15
	-104 684	-73 050	-204 938
Operating profit	33 351	32 899	67 509
<i>Profit/loss from financial items</i>			
Interest income	319	307	1 904
Interest expenses	-22	-33	-39
	297	274	1 865
Profit after financial items	33 648	33 173	69 374
Taxes	-8 734	-9 904	-19 545
Net profit for the year/period	24 914	23 269	49 829
Earnings per share, SEK	4,33	4,05	8,66

Consolidated balance sheet			
SEK in thousands	March 31	March 31	
	2009	2008	Dec 31 2008
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Tenancy rights and other intangible fixed assets	1 809	797	1 933
	1 809	797	1 933
<i>Tangible fixed assets</i>			
Equipment, tools, fixtures and fittings	2 617	1 072	1 706
	2 617	1 072	1 706
Total fixed assets	4 426	1 869	3 639
Current assets			
<i>Inventories, etc.</i>			
Finished products and goods for resale	25 159	17 953	18 505
	25 159	17 953	18 505
<i>Current receivables</i>			
Accounts receivable	90 825	69 489	23 758
Other receivables	4 932	525	468
Prepaid expenses and accrued income	1 945	1 169	2 251
	97 701	71 182	26 476
<i>Cash and bank balances</i>			
	36 807	21 309	78 285
Total current assets	159 667	110 445	123 266
TOTAL ASSETS	164 094	112 313	126 905
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	575	575	575
Restricted reserves	14 677	1 647	14 664
	15 253	2 222	15 239
Unrestricted reserves			
Net profit for the year/period	79 654	42 836	29 848
	24 914	23 269	49 829
	104 567	66 105	79 677
Total shareholders' equity	119 820	68 327	94 916
Provisions			
Deferred tax	4 644	16	4 644
Total provisions	4 644	16	4 644
Current liabilities			
Advances from customers	58	0	0
Accounts payable	13 393	16 926	5 458
Current tax liabilities	6 875	10 511	12 720
Other liabilities	777	1 668	1 597
Accrued expenses and deferred income	18 526	14 866	7 571
Total current liabilities	39 630	43 971	27 346
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	164 094	112 313	126 905
Pledged assets	2 500	2 500	2 500
Contingent liabilities	None	None	None

Summarized changes in the Group's shareholders' equity

SEK in thousands	Jan-Mar 2009	Jan-Mar 2008	Full-year 2008
Shareholders' equity at the beginning of period/year	94 916	45 079	45 079
Net profit for the year/period	24 914	23 269	49 829
Translation differences	-10	-21	8
Shareholders' equity at the end of the period/year	119 820	68 327	94 916

Cash flow statement for the Group

SEK in thousands	Jan-Mar 2009	Jan-Mar 2008	Full-year 2008
Operating activities			
Operating profit	33 351	32 899	67 509
Adjustments for items not included in cash flow			
Depreciation/amortization and impairment of losses	264	134	699
Exchange rate gains	-160	0	-349
Capital gains from equipment sales	0	0	15
Interest received	319	307	1 904
Interest paid	-22	-33	-39
Income tax paid	-14 579	-2 995	-5 888
Cash flow from operating activities before changes in working capital	19 173	30 312	63 851
Changes in working capital			
Change in inventories	-6 511	-4 419	-4 364
Change in receivables	-71 158	-56 819	-11 263
Change in current liabilities	17 838	22 959	2 426
Cash flow from operating activities	-40 657	-7 967	50 648
Investing activities			
Acquisition of intangible fixed assets	0	0	-1 472
Acquisition of tangible fixed assets	-1 039	-371	-1 203
Divestment of financial assets	0	60	60
Cash flow from investing activities	-1 039	-311	-2 616
Financing activities			
Amortization of debt	0	0	-71
Cash flow from financing activities	0	0	-71
Cash flow for the year/period	-41 696	-8 278	47 961
Cash and cash equivalents at the beginning of the period	78 285	29 840	29 840
Exchange rate difference in cash and cash equivalents	217	-253	484
Cash and cash equivalents at the end of the period	36 807	21 309	78 285

Parent Company income statement			
	Jan-Mar	Jan-Mar	Full-year
SEK in thousands	2009	2008	2008
<i>Operating revenues</i>			
Net sales	128 691	93 406	243 958
Other operating revenues	1 458	0	5 631
	130 149	93 406	249 589
<i>Operating expenses</i>			
Goods for resale	-59 968	-38 563	-99 044
Other external expenses	-33 433	-21 211	-65 610
Personnel expenses	-4 922	-3 847	-18 156
Depreciation/amortization of tangible and intangible fixed assets	-252	-126	-660
Other operating expenses	0	-507	-15
	-98 576	-64 254	-183 486
Operating profit	31 574	29 152	66 103
<i>Profit/loss from financial items</i>			
Interest income	349	304	1 885
Interest expenses	-22	-33	-39
	328	271	1 845
Profit after financial items	31 901	29 423	67 949
Appropriations	0	0	-17 600
Taxes	-8 603	-8 237	-14 847
Net profit for the year/period	23 298	21 186	35 502

Parent Company balance sheet			
	Mar 31	Mar 31	Dec 31
SEK in thousands	2009	2008	2008
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Tenancy rights and other intangible fixed assets	1 809	797	1 933
	1 809	797	1 933
<i>Tangible fixed assets</i>			
Equipment, tools, fixtures and fittings	2 423	910	1 514
	2 423	910	1 514
<i>Financial fixed assets</i>			
Shares in subsidiaries	170	170	170
Receivables from subsidiaries	2 486	0	2 342
	2 656	170	2 512
Total fixed assets	6 888	1 877	5 959
Current assets			
<i>Inventories, etc.</i>			
Finished products and goods for resale	20 397	15 937	16 000
	20 397	15 937	16 000
<i>Current receivables</i>			
Accounts receivable	83 849	62 012	21 896
Receivables from Group companies	5 199	6 614	4 315
Other receivables	4 739	391	288
Prepaid expenses and accrued income	1 945	1 149	2 251
	95 732	70 166	28 749
<i>Cash and bank balances</i>	35 524	18 425	75 465
Total current assets	151 654	104 528	120 214
TOTAL ASSETS	158 542	106 405	126 173
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	575	575	575
Statutory reserve	1 628	1 628	1 628
	2 203	2 203	2 203
Tax allocation of reserve	26 010	26 010	26 010
Retained earnings	53 681	18 179	18 179
Net profit for the year/period	23 298	21 186	35 502
	102 989	65 375	79 691
Total shareholders' equity	105 192	67 578	81 894
Untaxed reserves	17 656	56	17 656
Current liabilities			
Advances from customers	58	0	0
Accounts payable	10 938	14 775	5 349
Current tax liabilities	6 827	8 986	12 703
Other liabilities	718	1 640	1 542
Accrued expenses and deferred income	17 152	13 370	7 029
Total current liabilities	35 694	38 771	26 623
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	158 542	106 405	126 173
Pledged assets	2 500	2 500	2 500
Contingent liabilities	None	None	None

The Board of Directors and the President certify that the interim 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, April 23, 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 are sold through 1,550 retailers and one company-owned store in 36 countries around the world, with local representation in 24 of them. Odd Molly has 34 employees at offices in Stockholm and Los Angeles, as well as the company-owned store in Stockholm. Sales amounted to SEK 268 million in 2008 with operating profit of SEK 68 million. 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 in August 2008 from the magazine Damernas Värld.

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 interim report in accordance with the Securities Market Act and/or the Financial Instruments Trading Act. The information was provided for public release on April 23, 2009 at 8.00 a.m. CET.

Scheduled information dates

- The interim report for the second quarter, April-June 2009, will be released on August 20.
- Order values for the first half year 2010 (summer and spring collections) will be released on October 8.
- The interim report for the third quarter, July-September 2009, will be released on October 29.

For further information, please contact:

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