



Odd Molly International AB (publ)

Stockholm, Sweden, April 25, 2013



Interim report January 1 – March 31, 2013

Sales in line with order value

January 1 – March 31, 2013

- Net sales amounted to SEK 77.2 million (95.8)
- The gross profit margin was 53.6 percent (55.8)
- Operating profit amounted to SEK 1.6 million (12.5), corresponding to an operating margin of 2.0 percent (13.0)
- Net profit amounted to SEK 1.0 million (8.9)
- Earnings per share amounted to SEK 0.17 (1.55)

Events during the report period

- In March Odd Molly reported an order value for fall/winter 2013 of approximately SEK 95 million, compared with approximately SEK 87 million for the same period in 2012
- Odd Molly opened shop-in shops in two department stores: Åhléns City in Stockholm and Illum in Copenhagen
- In February Odd Molly launched an updated website, www.oddmolly.com

Key financial ratios	Jan-Mar 2013	Jan-Mar 2012	Change	Full-year 2012	April 2012- March 2013
Net sales, SEK million	77.2	95.8	-19%	223.7	205.1
Gross profit margin, %	53.6%	55.8%		53.6%	52.5%
Operating profit/loss, SEK million	1.6	12.5	-88%	0.2	-10.7
Operating margin, %	2.0%	13.0%		0.1%	-5.2%
Profit/loss after tax, SEK million	1.0	8.9	-89%	3.0	-5.0
Earnings per share before and after dilution, SEK	0.17	1.55	-89%	0.52	-0.86
Number of shares at end of period	5,752,000	5,752,000		5,752,000	5,752,000
Number of shares before and after dilution	5,752,000	5,752,000		5,752,000	5,752,000

Comment from the CEO

The first quarter met our expectations, which in Odd Molly's case largely relates to known order values. Sales amounted to SEK 77 million, compared with SEK 96 million for the same quarter in 2012. As a result of the lower volume and slightly weaker gross margin, operating profit declined.

In March Odd Molly announced the order value for the fall and winter 2013 collections, which amounted to around SEK 95 million, compared with SEK 87 million in the previous year. This is the first time since 2010 that the order value has increased compared with the same collection a year earlier, which is positive even if we have our sights set significantly higher. The improvement should also be seen against the backdrop of a continued tough market climate. In the long-term we will reach considerably higher levels.

We are seeing the impact of the earlier decline in order values. The work we are now doing will impact future purchases and revenues. In implementing the changes, our biggest focus so far has been on the collections, and it feels great that the changes we have made have been positively received by retailers and that we managed to adapt our supply chain in line with the new collections. During the season we fulfilled our promise to deliver the spring and summer merchandise on schedule – despite new routines for releases in season.

Our own channels are performing well and we have seen that the current collection is selling. The web shop and shop-in-shops, with good locations at Åhléns City in Stockholm and Illum in Copenhagen (which opened in February), are contributing to sales and helping to strengthen the brand. As a whole, the progress we have made gives us the confidence to further invest in channels where we feel we can have an impact and drive sales. In addition to further improving the collections, the focus going forward is to review our distribution in order to maximize long-term sales and profitability. I see great potential to strengthen sales work by what we do ourselves and how we are represented by agents in our network. During the quarter we terminated the cooperation agreements with our agents in Norway and Denmark, where we see the potential to increase sales in other forms.

We continue to strengthen the organization and welcome Anna Bonnevier, who in May will take over as Odd Molly's chief designer. She will work closely with our creative design manager, Karin Jimfelt-Ghatan, and will be responsible for the design team's work. Anna worked most recently as a concept designer for H&M. In the days ahead, we will also be joined by our new sales manager, Kent-Jonas Lundqvist, who has extensive experience mainly from Levi's European operations.

We look forward to a busy spring.

Anna Attemark, CEO

The Group's development

Net sales

First quarter January 1 – March 31, 2013

Net sales amounted to SEK 77.2 million (95.8) during the first quarter. The level of net sales is in line with the order value for the spring and summer collections, which amounted to SEK 95 million for the first half-year 2013.

Earnings

First quarter January 1 – March 31, 2013

The gross profit margin for the first quarter was 53.6 percent (55.8). The large part of the decline in the gross profit margin was due to a change in the principle for expensing the sample collections.

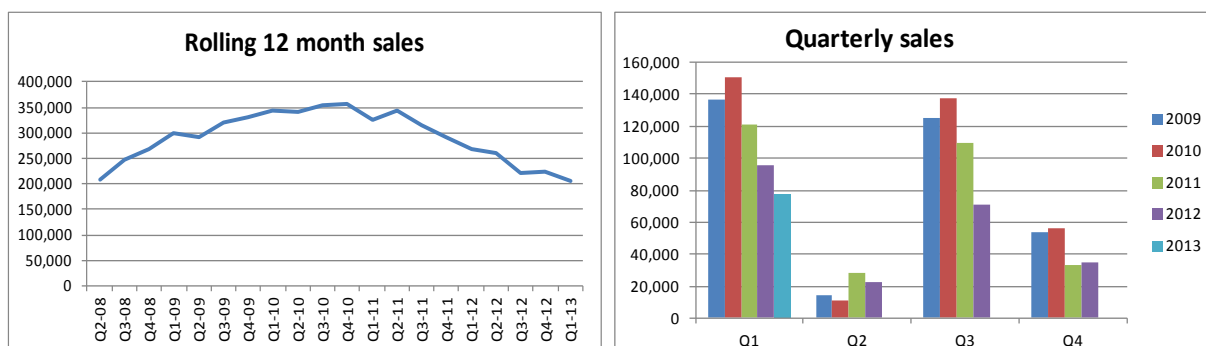
Operating profit amounted to SEK 1.6 million (12.5), corresponding to an operating margin of 2.0 percent (13.0). Personnel expenses amounted to 14 percent (11) of net sales and include expenses for retail staff.

The company's other external expenses amounted to SEK 26.2 million, compared with SEK 29.3 million in the same period in 2012. The large part of cost reduction is due to sales-related expenses such as agent commissions and distribution expenses.

Net profit amounted to SEK 1.0 million (8.9) and earnings per share were SEK 0.17 (1.55).

Seasonal fluctuations

Odd Molly's operations are highly seasonal; the first and third quarters are generally strong, while the second and fourth quarters are significantly weaker. This means that it is best to follow the company's operations, sales and profits on a semiannual basis.



The above diagram shows rolling 12-month quarterly sales, Q2 2008-Q1 2013

The above diagram shows quarterly sales, Q1 2009-Q1 2013

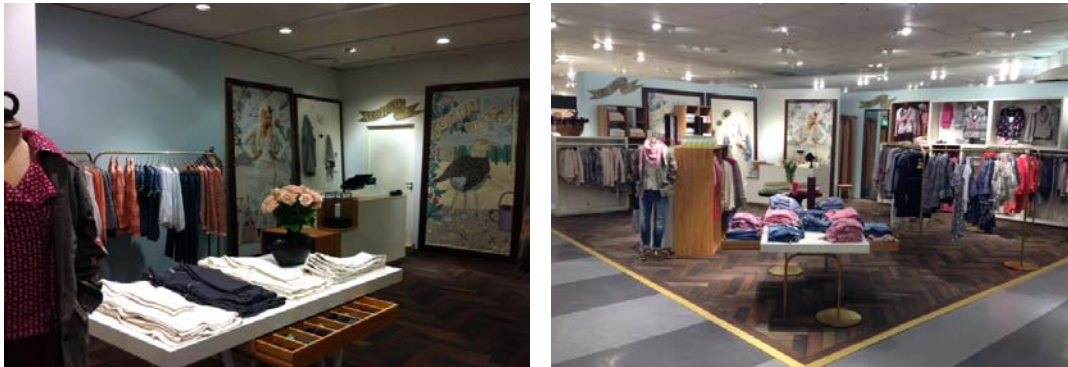
Financial position

The company's total assets amounted to SEK 147.7 million (169.7) on March 31, 2013. Shareholders' equity was SEK 111.6 million on the same date, compared with SEK 134.4 million on March 31, 2012. The equity/assets ratio was 76 percent (79). Cash and cash equivalents amounted to SEK 69.7 million (73.6) on March 31, 2013.

The Board of Directors will propose to the Annual General Meeting on April 25, 2013 a dividend of SEK 1.50 (3.00) per share for the financial year 2012, or a total dividend of SEK 8.6 million (17.3), for payment during the second quarter.

Accounts receivable amounted to SEK 48.7 million (54.3) on March 31, 2013. The ratio of accounts receivable to sales was 63 percent for the quarter, compared with 57 percent a year earlier.

Inventory amounted to SEK 22.4 million on March 31, 2013, compared with SEK 25.2 million a year earlier. As a share of sales for the period, inventory was 29 percent, against 26 percent in the same quarter in 2012.



Images from Odd Molly's new shop-in-shops at Illum in Copenhagen and Åhléns City in Stockholm

Investments and cash flow

As in the previous year, Odd Molly did not make any investments during the first quarter.

Cash flow from operating activities amounted to SEK -5.9 million (-7.1) during the first quarter. Total cash flow amounted to SEK -5.9 million (-7.1). The main reason why the first quarter generally has a negative cash flow is that the merchandise shipped to customers during the period has already been paid for, but payments from the customers generally are not received until the second quarter.

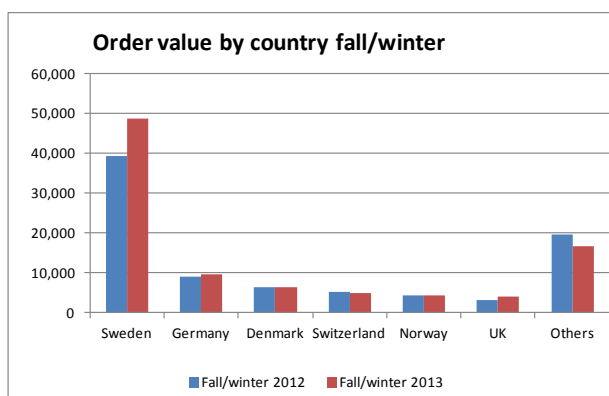
Events after the conclusion of the period

Shop-in-shops

In January Odd Molly opened shop-in-shops in two department stores: Åhléns City in Stockholm and Illum in Copenhagen.

Order value for fall/winter 2013 amounted to SEK 95 million

In March Odd Molly's announced to the order value for the fall/winter 2013 collections. The order value amounted slightly over SEK 95 million, compared with an order value of approximately SEK 87 million for the same collections in 2012.



Order values for the six largest countries for the fall and winter 2013 collections and same collections in 2012



Updated website

In February Odd Molly launched an updated website.

Number of shares

As of March 31 2013 there were 5,752,000 shares outstanding.

Employees

The total number of employees at the end of the quarter was 57 (57), of whom 8 are men and 49 are women. The average number of employees during the quarter was 55 (57).

Parent Company

Sales in the U.S. are through the wholly owned subsidiary Odd Molly Inc. Odd Molly also has a subsidiary in Denmark, Odd Molly Denmark ApS, which is responsible for retail operations in the Danish market. All other sales are through the Parent Company.

The Parent Company reported net sales during the quarter of SEK 75.2 million (94.3) and operating profit of SEK 2.7 million (13.5). The Parent Company's adjusted shareholders' equity amounted to SEK 105.3 million (126.8). Cash and cash equivalents amounted to SEK 67.2 million (71.9).

Outlook

Odd Molly does not intend to issue forecasts for the current financial year. However, Odd Molly publishes its order values twice a year, generally in April and October.

Financial instruments

Currency derivatives are measured at market value within level 2, according to the definition in IFRS 7, i.e., fair value determined based on valuation methods using observable market data. Other financial assets have been classified as loans and accounts receivable. Other financial liabilities have been classified as other financial liabilities at amortized cost. All financial assets and liabilities have short maturities, based on which their book value is considered to approximately correspond to fair value.

Risk factors

A number of factors can 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 that are largely beyond the company's control.

A detailed description of the risks and uncertainties to which Odd Molly is exposed is provided in the Board of Directors' report and in note 25 in Odd Molly's annual report for 2012, which is available on Odd Molly's website.

Accounting principles

As of January 1, 2008 the Group applies the International Financial Reporting Standards (IFRS) as adopted by the EU. This report is prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act.

Further, the consolidated statements are prepared in accordance with Swedish law by applying the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary accounting rules for groups. The Swedish Financial Reporting Board's recommendation RFR 2 Reporting for legal entities has been applied in the preparation of the Parent Company's financial statements.

The accounting principles applied in this interim report are those described on pages 31-33 of the annual report for 2012. The accounting principles are unchanged compared with the previous year's annual report. New and amended accounting standards and interpretations that apply for 2013 are very limited in scope and are not considered to affect Odd Molly's financial reports.

The consolidated statements comprise Odd Molly International AB (Parent Company), Odd Molly Inc., which is consolidated as of May 1, 2007, and Odd Molly Denmark ApS, which is consolidated as of March 1, 2010. Reference to the company in this year-end report pertains to the Odd Molly Group. This report has not been reviewed by the company's auditors.

Consolidated statement of comprehensive income	Jan-Mar	Jan-Mar	Full-year
SEK in thousands	2013	2012	2012
<i>Operating revenues</i>			
Net sales	77,184	95,786	223,724
Other operating revenues	88	105	429
	77,272	95,891	224,153
<i>Operating expenses</i>			
Cost of goods sold	-35,775	-42,299	-103,897
Other external expenses	-26,167	-29,268	-73,251
Personnel expenses	-11,092	-10,943	-42,737
Depreciation/amortization	-712	-837	-3,164
Other operating expenses	-1,969	-66	-884
Operating profit/loss	1,556	12,477	220
<i>Result from financial items</i>			
Interest income	158	363	1,416
Interest expenses	-3	-4	-30
Profit/loss after financial items	1,711	12,836	1,606
Taxes	-758	-3,919	1,387
Net profit/loss attributable to Parent Company's shareholders	953	8,917	2,993
<i>Other comprehensive income</i>			
<i>Items that will be reclassified to profit or loss</i>			
Translation difference	3	-431	-531
Cash flow hedges	173	-1,440	-2,197
Tax effect fair value cash flow hedges	-38	379	539
Total comprehensive income attributable to Parent Company's shareholders	1,091	7,424	805
Earnings per share before and after dilution, SEK	0.17	1.55	0.52

Consolidated balance sheet	March 31	March 31	Dec 31
SEK in thousands	2013	2012	2012
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>	672	1,917	980
Tangible fixed assets	1,980	3,910	2,431
Financial fixed assets	0	0	0
Current assets	2,653	5,827	3,411
Inventories	22,405	25,151	22,569
Accounts receivable	48,669	54,300	29,730
Current receivables	4,358	10,818	8,678
Cash and bank balances	69,659	73,615	76,543
	145,092	163,883	137,520
TOTAL ASSETS	147,745	169,710	140,932
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	111,621	134,406	110,531
Long-term liabilities	8,191	9,846	8,177
Current liabilities	27,933	25,458	22,224
	147,745	169,710	140,932
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	147,745	169,710	140,932
Pledged assets	2,500	2,500	2,500

Changes in the Group's shareholders' equity	March 31	March 31	Dec 31
SEK in thousands	2013	2012	2012
Attributable to Parent Company's shareholders			
Shareholders' equity at the beginning of the period/year	110,531	126,981	126,981
Dividend	0	0	-17,256
Other paid-in capital	0	0	0
Total comprehensive income for the year /period	1,091	7,424	805
Shareholders' equity at the end of the year/period	111,621	134,406	110,531

Cash flow statement for the Group	Jan-Mar	Jan-Mar	Full-year
SEK in thousands	2013	2012	2012
Operating activities			
Operating profit	1,556	12,477	220
Adjustments for items not included in cash flow			
Depreciation/amortization and impairment losses	712	837	3,164
Exchange rate gains/losses	852	-1,160	1,555
Capital gain/loss on sale of equipment	0	0	34
Interest received	158	363	1,416
Interest paid	-3	-4	-30
Income tax paid	-496	-210	5,494
Cash flow from operating activities before changes in working capital	2,779	12,303	11,853
Changes in working capital			
Change in inventories	2,967	11,686	11,446
Change in receivables	-17,764	-29,210	-2,094
Change in current liabilities	6,162	-1,914	-7,532
Cash flow from operating activities	-5,856	-7,135	13,674
Investing activities			
Acquisition of intangible fixed assets	0	0	0
Acquisition of tangible fixed assets	0	0	0
Cash flow from investing activities	0	0	0
Financing activities			
Dividend paid	0	0	-17,256
Shareholders' contribution warrants	0	0	0
Cash flow from financing activities	0	0	-17,256
Cash flow for the year/period	-5,856	-7,135	-3,582
Cash and cash equivalents at the beginning of the period	76,543	80,680	80,680
Exchange rate difference in cash and cash equivalents	-1,028	70	-555
Cash and cash equivalents at the end of the period	69,659	73,615	76,543

Parent Company income statement	Jan-Mar 2013	Jan-Mar 2012	Full-year 2012
SEK in thousands			
<i>Operating revenues</i>			
Net sales	75,228	94,248	218,410
Other operating revenues	83	105	567
	75,311	94,353	218,977
<i>Operating expenses</i>			
Cost of goods sold	-34,412	-41,478	-101,524
Other external expenses	-25,267	-28,312	-72,210
Personnel expenses	-10,454	-10,379	-40,799
Depreciation/amortization of tangible and intangible fixed assets	-552	-654	-2,452
Other operating expenses	-1,969	-69	-821
Operating profit	2,657	13,461	1,170
<i>Result from financial items</i>			
Interest income	158	363	1,416
Interest expenses	-3	-4	-23
Profit after financial items	2,812	13,819	2,564
Appropriations	0	0	-200
Profit before tax	2,812	13,819	2,364
Taxes	-783	-4,052	-235
Net profit	2,029	9,768	2,129
<i>Other comprehensive income</i>			
<i>Items that will be reclassified to profit or loss</i>			
Cash flow hedges	173	-1,440	-2,197
Tax effect cash flow hedges	-38	379	539
Total comprehensive income for the period	2,164	8,706	472

Parent Company balance sheet	March 31 2013	March 31 2012	Dec 31 2012
SEK in thousands			
ASSETS			
<i>Fixed assets</i>			
Intangible fixed assets	672	1,917	980
Tangible fixed assets	622	1,727	866
Financial fixed assets	3,712	3,791	3,854
	5,006	7,435	5,700
<i>Current assets</i>			
Inventory	20,997	22,895	20,528
Accounts receivable	48,447	53,736	28,868
Short-term receivables	4,161	10,456	8,354
Cash and bank balances	67,187	71,870	74,720
	140,792	158,957	132,470
TOTAL ASSETS	145,798	166,391	138,170
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	75,068	98,395	72,904
Untaxed reserves	38,700	38,500	38,700
Deferred tax	0	0	0
Long-term liabilities	0	0	0
Current liabilities	32,029	29,496	26,566
	145,798	166,391	138,170
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	145,798	166,391	138,170
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 25, 2013

Christer Andersson, Chairman

Karin Wallin-Norman, Board Member

Lennart Björk, Board Member

Mia Arnhult, Board Member

Patrik Tillman, Board Member

Nils Vinberg, Board Member

Anna Attemark, President & CEO

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About Odd Molly

Odd Molly is a Swedish company that designs, markets and sells fashion. Odd Molly products are sold through retailers in around thirty countries around the world. In addition, Odd Molly currently has four of its own physical stores in Stockholm, Kungsbacka, Barkarby and Copenhagen, a web shop and three shop-in-shops. Odd Molly has 57 employees. The company's historically profitable growth is the result of creative design, consistent branding and a business model that facilitates expansion with limited capital requirements and low inventory risk. Odd Molly's share is traded as of June 21, 2010 on NASDAQ OMX Stockholm.

Scheduled information dates

- The Annual General Meeting will be held on April 25, 2013
- The interim report for April-June 2013 will be released on August 20, 2013
- The order value for the first half of 2014 (spring and summer collections) will be announced on September 27, 2013
- The interim report for July-September 2013 will be released on October 18, 2013

The information in this press release has been published by Odd Molly International AB (publ) on April 25, 2013 at 8.00 am CET in accordance with the Securities Market Act and/or the Financial Instruments Trading Act.

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