



Odd Molly International AB (publ)

Stockholm, Sweden, April 29 april, 2015



Interim report January 1 – March 31, 2015

A strong quarter with increased growth and higher profitability

January 1 – March 31, 2015

- Net sales amounted to SEK 100.7 million (82.8), an increase of 22 percent.
- The gross profit margin was 54.2 percent (53.8).
- Operating profit amounted to SEK 9.5 million (3.5).
- Net profit amounted to SEK 7.6 million (2.5).
- Earnings per share before dilution amounted to SEK 1.33 (0.44).

Events during and after the quarter

- In February Odd Molly opened a store at Åhléns in Göteborg.
- After the end of the quarter the company took over responsibility for the Odd Molly store in Bromma Blocks, which had previously been managed by an external retailer.
- After the quarter two shop-in-shops were opened in Oslo, Norway and Villmanstrand, Finland, both managed by external retailers.

Key financial ratios	Jan-Mar	Jan-Mar	Full Year	Oct 2013-
	2015	2014	2013	Sep 2014
Net sales, SEK million	100.7	82.8	294.3	312.2
Gross profit margin, %	54.2	53.8	54.1	54.2
Operating profit/loss, SEK million	9.5	3.5	5.5	11.5
Operating margin, %	9.4	4.3	1.9	3.7
Net profit/loss, SEK million	7.6	2.5	4.1	9.2
Earnings per share before dilution, SEK	1.33	0.44	0.71	1.60
Earnings per share after dilution, SEK	1.33	0.44	0.71	1.60
Weighted average number of shares, before dilution	5,752,000	5,752,000	5,752,000	5,752,000
Weighted average number of shares, after dilution	5,752,000	5,768,484	5,761,677	5,757,143

Comment from the CEO

It is wonderful when things look brighter – and for Odd Molly the positive trend continues. During the first quarter 2015 we increased sales significantly and delivered a very strong result. It has been a really good start to the new year and shows that the changes we are making are clearly having results, though we fully understand that it is a continuing process.

In accordance with our strategy, the share of sales we generate ourselves has risen and the trend surpassed our high expectations, not least with regard to Odd Molly's web shop. During the quarter we also continued to roll out our retail concept in more stores and shop-in-shops in Sweden, Norway and Finland. Sales to external retailers are a stable base and our own retail operations continue to rise substantially and contribute greatly to the company's profitability.

The new product groups, Home and Swimwear, are attracting plenty of media attention, which strengthens Odd Molly as a lifestyle concept and brand. The expanded product range is now in stores and selling well – even if volumes are small so far.

In other words, very positive signs and a strong quarter.

At the same time it is important to reiterate that Odd Molly still has large seasonal variations and should be analyzed over longer cycles than quarterly. The first quarter is generally our strongest, and this year was no exception. All our spring merchandise was shipped to retailers during the first quarter, so the second quarter will be a little thin. We are working diligently to reduce fluctuations between quarters, by increasing our own sales to the consumer.

In summary, Odd Molly is developing in the right direction. For me as a leader of a creative, publicly listed company that has to have both innovation and business acumen, it is comforting to have clear values to guide us. We will continue to create value – and inspire all the Mollys out there to realize their dreams.

Anna Attemark, CEO



The Group's development

Net sales

First quarter January 1 - March 31, 2015

Net sales for the first quarter of the year amounted to SEK 100.7 million (82.8), an increase of 22 percent compared with the same period in 2014. Revenue in the wholesale operations (sales to retailers) rose from SEK 65.9 million to SEK 71.7 million. The sales increase is in line with the increase in the order value for the spring/summer 2015 season, taking into account early shipments invoiced before year-end and the fact that all our spring merchandise had been shipped by the end of the quarter. The company's retail operations (Group sales to consumers) increased from SEK 17.2 million to SEK 29.1 million. Growth was driven by sales in January as well as more new stores and continued growth in the company's web shop.

Earnings

First quarter January 1 - March 31, 2015

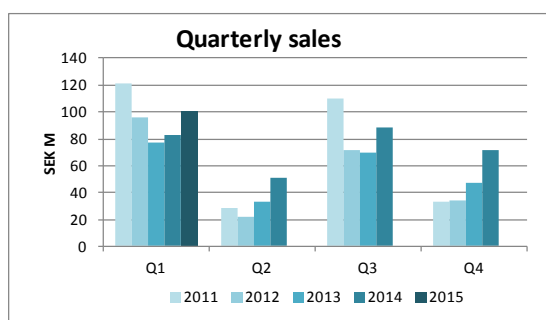
The gross profit margin for the first quarter was 54.2 percent (53.8).

Operating profit amounted to SEK 9.5 million (3.5). Other external expenses rose by SEK 2.2 million to SEK 29.9 million (27.7) for the first quarter. Personnel expenses amounted to SEK 13.1 million (12.3), up SEK 0.8 million. The increases in other external expenses and personnel expenses are mainly due to operating expenses for new stores.

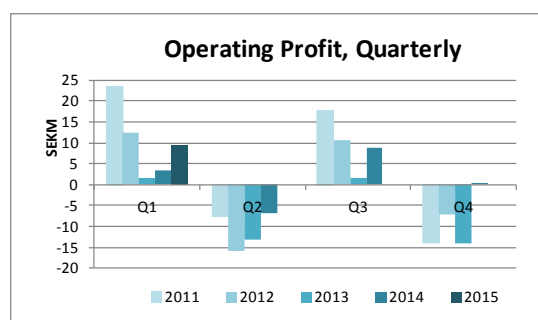
Net profit for the quarter amounted to SEK 7.6 million (2.5) and earnings per share before dilution amounted to SEK 1.33 (0.44).

Seasonal fluctuations

Odd Molly's operations are highly seasonal, with the strongest sales in the first and third quarters, while the second and fourth quarters are significantly weaker. As a result, the company's operations, sales and profits are best followed on a semiannual basis.



The above diagram shows quarterly sales, Q1 2011-Q1 2015



The above diagram shows quarterly operating profit, Q1 2011-Q1 2015

Financial position

The company's total assets amounted to SEK 144.4 million (137.5) on March 31, 2015. Shareholders' equity was SEK 98.7 million on the same date, compared with SEK 85.7 million on March 31, 2014. The equity/assets ratio was 68 percent (62) at the end of the quarter and cash and cash equivalents amounted to SEK 26.1 million (25.2).

Accounts receivable amounted to SEK 56.8 million on March 31, 2015, compared with SEK 54.9 million a year earlier.

Inventory amounted to SEK 38.2 million (35.4) on March 31, 2015.

Investments and cash flow

During the quarter the company's investments totaled SEK 0.1 million (13.7). Cash flow from operating activities amounted to SEK -13.2 million (-10.0). Total cash flow amounted to SEK -13.3 million (-23.8) for the first quarter 2015.

Events during and after the quarter

Stores and shop-in-shops

The company closed a shop-in-shop at Illum in Copenhagen in January and opened a store in Ähléns, Göteborg in February.

After the end of the quarter the company took over management of the Odd Molly store in Bromma Blocks, which had previously been managed by an external retailer.

In April two shop-in-shops were opened in Oslo, Norway and Villmanstrand, Finland, both managed by external retailers.

Order value

Presentation of the fall/winter 2015 season was completed during the quarter and in addition to orders for the growing retail operations resulted in a total order value for the wholesale operations of SEK 103 million (96).

Number of shares

As of March 31, 2015 there were 5,752,000 shares outstanding.

Employees

The total number of employees at the end of the quarter was 71 (60), of whom 7 were men and 64 women. The average number of employees during the quarter was 71 (60). 21 (17) of these were employed in the company's own stores.

Parent Company

The Parent Company reported net sales of SEK 99.2 million (80.7) during the period, with operating profit of SEK 7.6 million (4.0). The Parent Company's adjusted shareholders' equity amounted to SEK 85.2 million (78.6). Cash and cash equivalents amounted to SEK 22.8 million (23.0).

Sales in the U.S. are through the wholly owned subsidiary Odd Molly Inc. Odd Molly also has subsidiaries in Denmark, Norway and Sweden that are responsible for operations in their respective markets. All other sales are through the Parent Company.

Segments

The company reports revenues and operating results for two segments: wholesale and retail. The wholesale segment comprises sales to Odd Molly's retailers through agents, distributors or its own sales corps. The stores and shop-in-shops managed by retailers are included in the wholesale segment. The retail segment refers to sales to consumers through the company's own channels: physical stores, outlets, shop-in-shops and web shops where Odd Molly has its own personnel. Operating results for each segment are charged with direct expenses for the segment and common Group expenses proportionate to the segment's share of the total cost of goods sold.

Risk factors

A number of factors can impact 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 27 in Odd Molly's annual report for 2014, which is available on Odd Molly's website. No changes have taken place with respect to the assessment of risks and uncertainties.

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 Financing 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 described on pages 31-33 of the annual report for 2013. The accounting principles are unchanged compared with the previous year's annual report. New and revised accounting standards and interpretations that apply to 2014 are not considered to materially affect the company's financial reports.

The acquisition of the Swedish agent, where Odd Molly took over responsibility for sales work in the Swedish market, is treated in the consolidated accounts as an intangible fixed asset in accordance with IAS 38.

Currency derivatives are measured at fair value within level 2, according to the definition in IFRS 7, i.e., fair value based on valuation models 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 approximate fair value.

The consolidated statements comprise Odd Molly International AB (Parent Company), Odd Molly Sverige AB, Odd Molly Inc, Odd Molly Denmark ApS and Odd Molly Norway A/S. Reference to the company in this year-end report pertains to the Odd Molly Group.

Consolidated statement of comprehensive income	Jan-Mar	Jan-Mar	Full Year	Apr 2014 -
SEK in thousands	2015	2014	2014	Mar 2015
<i>Operating revenues</i>				
Net sales	100,665	82,789	294,298	312,174
Other operating revenues	92	307	655	441
	100,757	83,096	294,953	312,615
<i>Operating expenses</i>				
Cost of goods sold	-46,114	-38,248	-135,122	-142,988
Other external expenses	-29,874	-27,738	-99,793	-101,929
Personnel expenses	-13,093	-12,256	-49,743	-50,580
Depreciation/amortization	-1,117	-1,181	-4,479	-4,415
Other operating expenses	-1,054	-142	-301	-1,213
Operating profit/loss	9,505	3,532	5,516	11,489
<i>Result from financial items</i>				
Interest income	174	75	232	331
Interest expenses	-13	-13	-98	-98
Profit/loss after financial items	9,667	3,594	5,649	11,722
Taxes	-2,020	-1,048	-1,554	-2,526
Net profit/loss attributable to Parent Company's shareholders	7,647	2,546	4,095	9,196
<i>Other comprehensive income</i>				
<i>Items that will be reclassified to profit or loss</i>				
Translation difference	1,036	3	1,678	2,711
Cash flow hedges	226	219	1,110	1,118
Tax effect fair value cash flow hedges	-50	-48	-244	-246
Total comprehensive income attributable to Parent Company	8,860	2,719	6,639	12,779
Earnings per share before dilution, SEK	1.33	0.44	0.71	1.60
Earnings per share after dilution, SEK	1.33	0.44	0.71	1.60

Consolidated balance sheet	March 31	March 31	December 31
SEK in thousands	2015	2014	2014
ASSETS			
<i>Fixed assets</i>			
Intangible fixed assets	10,483	13,631	11,229
Tangible fixed assets	2,718	2,647	2,967
Financial fixed assets	1,050	806	2,457
	14,251	17,084	16,654
<i>Current assets</i>			
Inventories	38,233	35,444	39,945
Accounts receivable	56,812	54,917	32,002
Current receivables	9,022	4,856	9,833
Cash and bank balances	26,056	25,227	39,015
	130,124	120,445	120,795
TOTAL ASSETS	144,375	137,529	137,449
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	98,714	85,716	89,854
Deferred tax	4,932	4,642	4,882
Current liabilities	40,730	47,171	42,713
	144,375	137,529	137,449
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	144,375	137,529	137,449
Pledged assets	25,050	2,500	25,050

Changes in the Group's shareholders' equity	March 31	March 31	December 31
SEK in thousands	2015	2014	2014
Attributable to Parent Company's shareholders			
Shareholders' equity at the beginning of the period/year	89,854	82,998	82,998
Other contributed capital	0	0	218
Total comprehensive income for the year/period	8,860	2,719	6,639
Shareholders' equity at the end of the year/period	98,714	85,717	89,854

Cash flow statement for the Group	Jan-Mar	Jan-Mar	Full Year
SEK in thousands	2015	2014	2014
Operating activities			
Operating profit/loss	9,505	3,532	5,516
Adjustments for items not included in cash flow	1,645	2,064	4,722
Interest received	174	75	232
Interest paid	-13	-13	-98
Income tax paid	-1,526	-892	-1,050
Cash flow from operating activities before changes in working capital	9,786	4,766	9,322
Changes in working capital			
Change in inventories	1,896	-1,612	-5,829
Change in receivables	-22,856	-19,772	206
Change in current liabilities	-2,027	6,586	-98
Cash flow from operating activities	-13,201	-10,033	3,601
Investing activities			
Acquisition of intangible fixed assets	0	-13,723	-13,673
Acquisition of tangible fixed assets	-120	0	-858
Acquisition of financial fixed assets	0	0	-398
Cash flow from investing activities	-120	-13,723	-14,929
Financing activities			
Shareholders' contribution, warrants	0	0	218
Cash flow from financing activities	0	0	218
Cash flow for the year/period	-13,321	-23,756	-11,111
Cash and cash equivalents at the beginning of the period	39,015	48,999	48,999
Exchange rate difference in cash and cash equivalents	361	-15	1,127
Cash and cash equivalents at the end of the period	26,056	25,227	39,015

Revenue and operating result by segment	Jan-Mar	Jan-Mar	Full Year	Apr 2014 -
SEK in thousands	2015	2014	2014	Mar 2015
Wholesale				
Revenue	71,663	65,943	205,611	211,330
Operating result	4,716	1,451	-8,583	-4,951
Retail				
Revenue	29,094	17,152	89,342	101,284
Operating result	4,789	2,081	14,098	16,297
Total				
Revenue	100,757	83,096	294,953	312,615
Operating result	9,505	3,532	5,516	11,346

Parent Company income statement	Jan-Mar	Jan-Mar	Full Year
SEK in thousands	2015	2014	2014
<i>Operating revenues</i>			
Net sales	99,186	80,665	285,555
Other operating revenues	31	0	478
	99,217	80,665	286,034
<i>Operating expenses</i>			
Cost of goods sold	-45,152	-37,052	-130,078
Other external expenses	-32,504	-28,066	-107,485
Personnel expenses	-12,196	-11,486	-45,484
Depreciation/amortization of tangible and intangible fixed assets	-429	-329	-1,220
Other operating expenses	-1,296	307	431
Operating profit/loss	7,639	4,039	2,197
<i>Result from financial items</i>			
Interest income	174	75	232
Interest expenses	-9	-6	-87
Profit/loss after financial items	7,805	4,109	2,342
Appropriations	0	0	-200
Profit/loss before tax	7,805	4,109	2,142
Taxes	-1,400	-1,065	-208
Net profit/loss	6,404	3,043	1,934
<i>Other comprehensive income</i>			
<i>Items that will be reclassified to profit or loss</i>			
Cash flow hedges	226	219	1,110
Tax effect cash flow hedges	-50	-48	-244
Total comprehensive income for the period	6,581	3,214	2,800

Parent Company balance sheet	December 31	December 31	December 31
SEK in thousands	2015	2014	2014
ASSETS			
<i>Fixed assets</i>			
Intangible fixed assets	241	594	301
Tangible fixed assets	2,706	1,865	2,955
Financial fixed assets	18,717	18,191	18,817
	21,663	20,650	22,073
<i>Current assets</i>			
Inventory	35,390	33,573	38,486
Accounts receivable	56,345	53,741	31,201
Short-term receivables	8,867	4,324	10,847
Cash and bank balances	22,770	23,037	35,973
	123,371	114,676	116,506
TOTAL ASSETS	145,035	135,326	138,579
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	68,570	62,186	61,989
Untaxed reserves	21,300	21,100	21,300
Deferred tax	246	0	196
Current liabilities	54,919	52,041	55,094
	145,035	135,326	138,579
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	145,035	135,326	138,579
Pledged assets	25,050	2,500	25,050

The Board of Directors and the CEO 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 29, 2015

Patrik Tillman, Chairman

Lennart Björk, Board Member

Christer Andersson, Board Member

Kia Orback, Board Member

Mia Arnhult, Board Member

Nils Vinberg, Board Member

Anna Attemark, President & CEO

For further information, please contact:

Anna Attemark, CEO, phone: +46-8-522 28 502

Henrik Fredin, CFO, phone: +46-8-522 28 514

About Odd Molly

Odd Molly is a Swedish company that designs, markets and sells distinctive fashion. The company's products are mainly sold through agents to retailers in around thirty countries around the world, which facilitates expansion with limited capital requirements. Odd Molly is responsible for selling to external retailers in the Scandinavian market and also manages eight of its own physical stores and its own web shop. Odd Molly has approximately 70 employees. The Odd Molly share is traded as of June 21, 2010 on Nasdaq Stockholm.

Scheduled information dates

- The Annual General Meeting will be held on April 29, 2015.
- The interim report for April-June 2015 will be released on August 20.
- The interim report for July-September 2015 will be released on October 21.

The information in this press release has been published by Odd Molly International AB on April 29, 2015 at 8.00 am CET in accordance with the Securities Market Act and/or the Financial Instruments Trading Act.

Odd Molly International AB, Kornhamnstorg 6, SE-111 27 STOCKHOLM, Sweden

Phone: +46 8 522 28 500

www.oddmolly.com

Press photos can be downloaded from Odd Molly's website at www.oddmolly.com under "press".
Odd Molly also produces a newsletter with reports on daily operations. To subscribe, go to www.oddmolly.com