

# Deltaco AB (publ)

Year-end report January - December 2012

## Strong Q4 for both SweDeltaco and Alcadon

- Net sales increase by 49%, gross margin improves by approximately 2% and operating profit/loss increases by around 55% in Q4.
- Alcadon shows strength in first quarter report. 35.2% in gross margin and 10.3% in operating margin.
- Board of Directors proposes that dividend payments be raised to SEK 1.20 (1.00) per share.

1 October - 31 December	2012	2011
Net sales, SEK M	175.9	117.9
Gross margin, %	27.3	25.4
Operating profit/loss before depreciation, SEK M	12.2	6.9
Operating profit/loss after depreciation, SEK M	9.6	6.2
Operating margin, %	5.5	5.3
Earnings per share after paid tax, SEK	0.32	0.43
Cash flow from operating activities, SEK M	-0.2	18.1

January 1 - December 31	2012	2011
Net sales, SEK M	494.4	411.3
Gross margin, %	24.2	24.9
Operating profit/loss before depreciation, SEK M	23.9	23.6
Operating profit/loss after depreciation, SEK M	19.0	21.0
Operating margin, %	3.9	5.1
Earnings per share after paid tax, SEK	0.96	1.58
Cash flow from operating activities, SEK M	-6.9	31.4

Deltaco shall acquire, own and develop niche distributors within IT, Mobility, Home electronics, Networks and Data communication in the Nordic region and surrounding areas. Companies within the Deltaco group deliver both B2B and B2C products to the IT markets in the Nordic and Baltic regions. The group has approximately 124 employees and is active in all Nordic countries and has sales of approximately SEK 650 M annually. Deltaco's shares are quoted on First North under the abbreviation DELT, and the company's Certified Adviser is Remium Nordic AB. For additional information visit [www.deltacoab.se](http://www.deltacoab.se).

Consolidated key figures	Quarter		Full year	
	Oct-Dec 2012	Oct-Dec 2011	2012	2011
Net sales (SEK M)	175.9	117.9	494.4	411.3
Operating profit/loss before depreciation (SEK M)	12.2	6.9	23.9	23.6
Operating profit/loss after depreciation (SEK M)	9.6	6.2	19.0	21.0
Profit/loss after tax (SEK M)	-1.3	2.8	4.4	12.8
Gross margin (%)	27.3	25.4	24.2	24.9
Operating margin (%)	5.5	5.3	3.9	5.1
Profit margin (%)	2.2	2.3	2.3	4.5
Equity/assets ratio (%)	53.8	65.0	53.8	65.0
Return on equity (%)	-0.8	1.6	2.5	6.2
Net interest-bearing liabilities (SEK M)	28.3	-1.2	28.3	-1.2
Number of employees at end of period	124	77	124	77
Average number of employees	122	74	122	74
Number of shares at the end of the period	11,053,961	11,053,961	11,053,961	11,053,961
Equity per share (SEK)	15.54	16.15	15.54	16.15
Earnings per share after paid tax (SEK)	0.32	0.43	0.96	1.58
Earnings per share after full tax (SEK)	-0.12	0.25	0.40	1.16
Cash flow from operating activities (SEK M)	-0.2	18.1	-6.9	31.4

SweDeltaco	Oct-Dec 2012
Net sales (SEK M)	120.0
Gross margin (%)	22.0
Operating profit/loss after depreciation (SEK M)	4.5*
Operating margin (%)	3.8*
Profit margin (%)	13.2**

Alcadon	Oct-Dec 2012
Net sales (SEK M)	55.6
Gross margin (%)	35.2
Operating profit/loss after depreciation (SEK M)	5.7
Operating margin (%)	10.3
Profit margin (%)	9.3

\* SweDeltaco has been charged with SEK 1.8 M in non-recurring costs regarding termination costs for the former Managing Director. Operating profit/loss before non-recurring costs is SEK 6.3 M and the operating margin before non-recurring costs is 5.25%.

\*\* The profit margin has been improved through the divestment of the subsidiary, Genetikern 2, to the parent company, Deltaco AB at groupwise value. Excluding the divestment effect, the profit margin is 3.6%.



## MANAGING DIRECTOR'S COMMENTS

The fourth quarter showed strong profit growth for Deltaco's subsidiaries SweDeltaco and Alcadon. Operating profit/loss before depreciation was SEK 12.2 M (6.9), an upturn of 55% compared with 2011. Cash flow from current operations reflect the acquisition of Alcadon. Both companies are well-positioned in their markets with an active product selection and in-house developed brands. The companies have taken advantage of the increased purchasing incentive during the fourth quarter, which was the best quarter of the past year.

### Our subsidiaries

Alcadon was acquired on October 1, 2012 and their first quarter in the Deltaco group was excellent. Alcadon's sales in the fourth quarter totalled SEK 55.6 M and the operating profit/loss after depreciation was SEK 5.7 M. Alcadon's customers primarily consist of installers within data/telecommunication. The market for Alcadon's offer is stable and profitable. Alcadon's management has a great deal of experience in the market and their competence will play an important role in the company's development in the coming years.

SweDeltaco is continuing its successful history and is showing profitability for the 21st consecutive year. It is an exception in a truly tough market. The company is showing a high degree of flexibility and is adapting well to swings in the market. SweDeltaco's sales for the fourth quarter totalled SEK 120.0 M and operating profit/loss after depreciation was SEK 4.5 M. Earnings are significantly better than for the second and third quarter. This is a result of the company's new strategy of focusing on profitability.

### Growth and Acquisitions

2012 was a historic year for Deltaco and we succeeded in making our first acquisition. Deltaco's strategy consists of organic growth through acquisitions. Deltaco shall acquire, own, and develop distributors within IT accessories and data communication in the Nordic and Baltic regions. Our ambition is to actively participate in the ongoing consolidation in the IT industry. Nearly all players in different parts of the hardware market are showing weak or negative results and the need for consolidation and rationalisation in the industry is obvious. Deltaco AB shall be a leading player within the distribution of IT accessories and try to realise the potential in smaller and mid-size niched distributors.

Our governance model consists of independent profit centres that retain their company's culture, strategies, management and organisation.

At the same time there is a great deal of natural synergies between wholesalers and distributors in the IT industry such as freight, logistics, purchasing, etc., which can be realised in a closer cooperation between different companies in the same group. In the group, we are already seeing the positive effects of the cooperation between SweDeltaco and Alcadon. In 2013 we will look at additional acquisition possibilities in the market. Target companies shall be able to complement Deltaco's offer in regard to selection, geographic presence and customer documentation.

21 YEARS  
OF PROFITABILITY

STRONG  
FOURTH QUARTER

SEK 12.2 M  
OPERATING  
PROFIT/  
LOSS BEFORE  
DEPRECIATION  
IN Q4

MORE  
ACQUISITIONS  
IN 2013

**Trends**

The IT market is dynamic and eventful. Thousands of new products come out on the market every month and a huge number of new brands are fighting every year for the market's attention. Our purchasers are thorough about identifying trends in the IT market in order to be able to decide what products are best suited to our customers in the Nordic region.

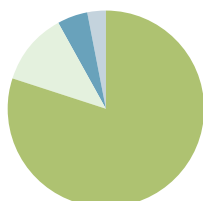
Trends that we have identified in the accessory market right now are:

- Sales of surf tablets and smartphones increased dramatically in the consumer market in 2012. The next step will be different usage areas within the corporate market (manufacturing industry and service sector), the public sector and also educational entities.
- The new 4G technology is spreading rapidly throughout the entire Nordic region and will soon be the most common broadband technology for homes and businesses.
- Apple is beginning to lose its position to several alternative companies with Samsung leading the way.
- Consolidation in the market increased. Onoff and Expert declared bankruptcy, Deltaco acquired Alcadon and the distributor, Captech, purchased the Swedish operation of the Norwegian distributor, Hattelco.
- The server market has weakened. Demand has decreased at the same time that software is utilising the hardware more efficiently.
- Despite enormous investments and massive marketing efforts, 3D and LED-TV have not succeeded in convincing consumers to replace their newly-purchased LCD TVs.
- Video-streaming became simpler and more popular in 2012. Expensive rental services have been replaced by cheap subscription services.
- Products are becoming less expensive and product lifetimes are becoming shorter. Users are replacing their technical gadgets more often and also own more.
- Alternative products offer excellent functionality but significantly lower prices, for example, Google's Chrome Book or Amazon's Kindle Fire (approx. retail price USD 199) instead of iPad or Galaxy Tab. Raspberry PI (approx. price SEK 400) has sold more than one million units since it was launched.

These trends benefit the accessory market either directly or indirectly and drive sales forward. We mainly focus on stable products that generate good profits over a longer period of time.

**Markets**

■ Sweden	74%
■ Finland	18%
■ Denmark	6%
■ Norway	2%

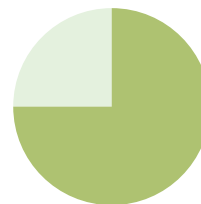


Sweden is our subsidiaries' foremost market. Approximately

74% of sales come from Sweden, 18% from Finland, 6% from Denmark and 2% from Norway.

**Sales**

■ B2B	75%
■ B2C	25%



Approximately 75% of the group's products are sold to customers that are active in the B2B market, with both physical shops and e-commerce or consultants and systems integrators. Our exposure towards retail trade is approximately 25%.

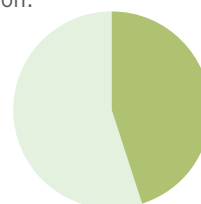
**Our brand DELTACO™ and ECS**

■ DELTACO™	25%
■ Direct import	25%
■ Other brands	50%



SweDeltaco's own brand is showing growth of around 7% and stable profit development. Around 25% (SEK 110 M) of SweDeltaco's sales come from DELTACO™ and the margin is better than for other products. In 2013 we will invest in the parts of the DELTACO™ selection that is providing more profit and strengthen our position in the B2B and SMB markets. It is our assessment that we can take larger market share in the B2B and SMB markets with smaller investments as compared with the B2C market. Right now there is tough competition among a series of B2C manufacturers in order to be able to establish their brands as market leaders. The majority are international companies with enormous marketing resources. We are consciously staying away from active and expensive marketing of DELTACO's B2C products. We are trying to be selective and invest in those areas of the DELTACO™ selection that requires less marketing resources or that are less exposed to competition.

■ ECS	45%
■ Other	55%



Alcadon's own brand is called ECS (European Cabling System) and consists of a cable system for networks and infrastructure in properties and industrial areas. ECS has been installed for more than ten years in the Scandinavian market, and with 2,000,000 installed links and 3,000 licensed installers, ECS is a qualified success. Around 45% (SEK 90 M) of Alcadon's sales come from ECS, and in this area our subsidiaries also have better margins than for other products.

**Siamak Alian**  
Managing Director and CEO

# ALCADON

## Business concept and vision

Alcadon's business concept is to meet the market's demands for components and systems for data communication and also be a natural cooperative partner for companies that work with network solutions for current and future needs.

The vision is to:

- be the leading supplier of products for data and telecommunication solutions.
- offer a wide selection, high accessibility and reliable delivery at a reasonable price.
- maintain in-depth knowledge about the selection from suppliers and market developments in order to offer goods and services that strengthen customers' business opportunities.

## Operation

Alcadon AB started its operation in 1988 as a distributor/wholesaler of products for data and telecommunications in the Nordic region.

Alcadon has established itself as a leading distributor and wholesaler of products for data and telecommunication in the Nordic region. The strength in Alcadon's business concept lies in extensive competence and comprehensive experience within data and network communication. The company offers cost-efficient solutions and first-class service and support.

With the help of the best components and products from world-leading suppliers, Alcadon offers a wide selection of products for both passive and active infrastructure. With this portfolio, the company can help customers and offer them comprehensive solutions that take future network technologies into consideration. Since 1997, Alcadon has developed and delivered ECS (European Cabling Systems), a structured cabling system for passive infrastructure in buildings and industrial areas.

The installation industry is undergoing a structural transformation where the major companies are growing through acquisitions. The reason for this is an increased demand for comprehensive solutions within coordinated installations that requires several different occupational disciplines.

Telecommunications, data, alarms and security are forecast to have a slight reduction in volume in 2013, but this will mean that the market is still expected to remain at 2011 levels.

The market for LAN-fibre is expanding and the market for xDSL is shrinking. The market for ethernet (copper networks) is also increasing where it is converting to fibre with so-called "mobile backhaul" solutions. The need for more broadband is increasing and helping Alcadon's operation to grow within all its segments.



In 2014-2015, it is expected that the electrical installation market will be back at the same level it was prior to the downturn in the business cycle, but fixed broadband installations with fibre have continued to increase.

The driving forces for active products (switches, converters, wireless products, etc.) are:

- Broadband
- Mobile backhaul (Link between mobile stations and fixed networks)
- WDM (Wavelength Division Multiplexing = Wavelength multiplexing)

The driving forces for passive products (tools, instruments, cables, etc.) is:

- The fibre network when it converts from a copper access network
- FTTH (Fibre To The Home) is increasing
- Continuing large volume for the copper network

## Market trends

The trend for market development is that mobile broadband is growing rapidly and the new technology with 4G will expand. This means that the infrastructure must be based on fibre in order to handle the higher bandwidth requirements that the new applications in telephones/hand-held computers require.

For companies, this means that they have to upgrade wiring with fibre or Cat-6A (copper cables) that can handle the speeds on the cable lengths that are needed in office buildings.

The need and demand for higher bandwidth also means that the infrastructure needs to be upgraded. This will mean that the existing copper network will be upgraded to new standards such as Cat-6/Cat-7 or changed to fibre-optic.

In other words, bandwidth is a strong driving force in the market.

There is still a very large market for broadband installations, especially for the service offer, which is increasing all the time and enhances interest for households to obtain good broadband.

Fibre-optic infrastructure is growing rapidly and an increasing number of companies are choosing to use web hotels/storage spaces and the need for Internet and higher bandwidth is constantly increasing.

### Challenges

Alcadon's business model is to work as a distributor and wholesaler to installers, telecommunications operators, system integrators and major end users.

Historically, expansion has been brought about through the following factors:

- Time to market - getting the products out at the right time
- Maintaining customers through continuous
- Maintaining close contact with customer thanks to our
- Right products in stock
- Competitive prices

### Competitive advantages

Alcadon's strength is comprehensive expertise and long experience within network communication.

Alcadon can offer its customers and partners cost-efficient solutions, superior service and support, a high level of accessibility, fast deliveries and competitive prices. This will be achieved with a large selection of products for both active and passive infrastructure, with the help of the best components and products from world-leading suppliers as well as in-house brand goods.

To offer customers a high level of delivery preparedness and accessibility, Alcadon has offices with their own warehouses throughout the entire Nordic region.

### Continued expansion

To continue to grow within the active product areas such as switches, converters and wireless products, there is a continuous identification of new products and also an establishment in the SMB market (Small Medium Business) with products from different suppliers.

The largest proportion of Alcadon's customers currently work in the corporate market and it is the company's task to train installers' customers to sell active products and various system solutions. This can be achieved through technical support and arranged educational/training programs for customers. We see an opportunity to increase our market share within this segment. We are also focusing on the surveillance market, volume sales for patch cables and other accessories that will be suitable for the above markets.

We will continue to work with the telecommunication operator market with suitable products.

The next standard in the segment's structured cable system is Cat-6A 10G and OM4 fibre cable. Broadband services for installations in the home, both for copper and fibre optic cable will be affected by the new standard, which will give us an opportunity for expansion within this segment.

Alcadon will continue to find new business areas as well as successful products through its own product development and by scanning the market in order to improve and expand its selection.

Focus will also be put on sales through the web shop in order to attract new customers.

### Alcadon's market and sales

Since its start in 1988, we have established offices, subsidiaries and sales organisations throughout the entire Nordic region. Alcadon AB is located in Stockholm (main office), Malmö and Gothenburg. Alcadon A/S is located in Oslo. The company also has sales representatives in Copenhagen and Helsinki.

From our offices in Sweden or from our central warehouse in Stockholm, we can provide quick delivery to the entire country as well as to other offices and customers in the Nordic region. Alcadon has over 2,000 customers and supplies more than 3,500 products

### Alcadon's customers

Our customers are companies with installation operations, system integrators, and companies that carry out and/or own data and telecommunications networks.

Sales are divided into 2 main areas:

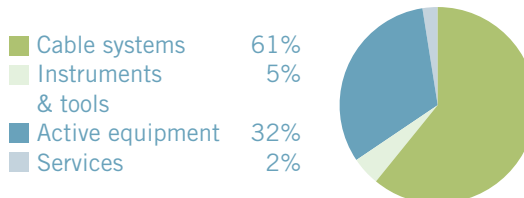
#### Passive products

- Installation materials such as copper, etc. & fibre cable, outlets and contacts
- Test instruments and tools
- Technical support and training

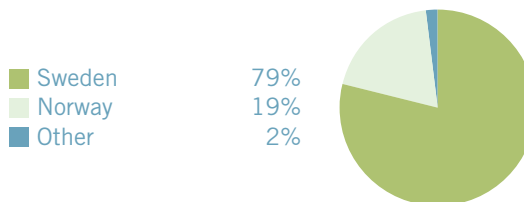
#### Active products

- Active products (Switches, Converters, SFP/XFPs and wireless products)
- Technical support and training

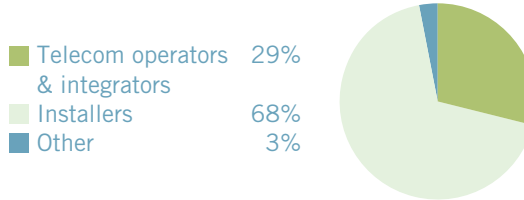
### Product groups



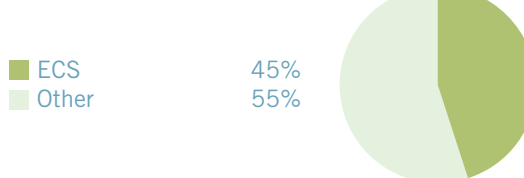
### Markets



### Customer segments



### Our brand





## SWEDELTAACO

SweDeltaco is a leading distributor and supplier of IT accessories in the Nordic region. The business model is to offer a wide and attractive selection of computer accessories, cables, network products, peripheral equipment, smartphones and surf tablets with short delivery times and at competitive prices.

SweDeltaco has efficient purchasing channels in several countries in Asia combined with a modern logistics centre and broad distribution channels to the majority of large, Nordic retailers. The company has shown continuous, stable growth with profitability since it was founded 21 years ago.

### Markets

SweDeltaco is now represented in Sweden, Finland, Denmark and Norway. The main office and warehouse is located in Tullinge in Stockholm with sales offices in Helsinki, Copenhagen and Oslo. Our presence in the Nordic region facilitates cooperation with our suppliers and also benefits our customers. Our subsidiaries in Finland and Denmark continued to show good growth in 2012.

### Customers

SweDeltaco's customers consist of both B2C and B2B customers with a relative equal distribution between the two. Customers are located in all Nordic countries but around 73% of sales originate in Sweden. Finland is our second largest market with 20% and Denmark is third with 6%. Our presence in Norway is relatively new and we hope to be able to make significant progress in the Norwegian market in 2013.

Examples of customers:

#### B2B:

Atea, Caperio, Office IT Partner, Koneo, Dialect, Oulun Edumedia (Finland)

#### B2C:

Webhallen, Kjell o Co, TeknikMagasinet, Alina Systems, Verkkokauppa (Finland), Proshop (Denmark)

#### Superstores and other retailers:

GeKås, Jula, Dollarstore, ICA, Coop, Tokmanni (Finland)

#### E-commerce:

Dustin, Netonet, Verkukappe, Jimms PC (Finland), Hardwarestore (Denmark)

Dustin is our largest customer and accounts for approximately 15% of our sales. Our 50 largest customers account for 50% of our sales.

### The DELTACO™ brand

Our commitment to the DELTACO™ brand is long-term and strategic. Our margins are significantly better on DELTACO™ products than other brands that we sell. In 2012 we sold 4.3 million DELTACO™ products with sales totalling SEK 110 M. That is an upturn of 7% in a weak market for IT and home electronics. Cables account for a large part of our sales and profits. We will expand our investments in cables with even more resources, especially within SMB and B2B but also in other markets.

The selection is constantly changing with daily additions and launches of new products. Currently, the DELTACO™ selection consists of 2,500 articles and we have expanded our selection with 300 new cables and adapters over the past year. At the end of 2012 DELTACO™ PRIME was launched. These are cables that are attractively packaged that are targeted to the most discriminating consumers. The market for Mobility with smartphones, surf tablets and ultrabooks is growing quickly and we introduced hundreds of new DELTACO™ products within Mobility.

Our cables have a lifetime guarantee as proof of quality and other products have a three-year guarantee. That is one year more than the Swedish Consumer Agency's recommendation and is perceived as generous by retailers and customers. Our new website for DELTACO™, [www.deltaco.eu](http://www.deltaco.eu), assists end customers with information and technical support.

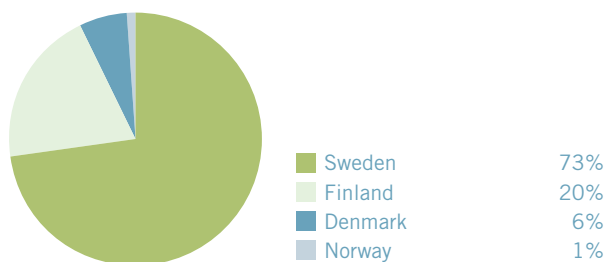
4.3 MILLION  
DELTAACO™  
PRODUCTS SOLD

50 CUSTOMERS  
ACCOUNTED FOR  
50% OF SALES

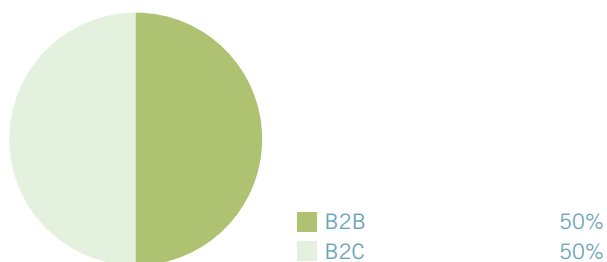
SEK 110 M IN  
SALES OF  
DELTAACO™

DELTAACO™ PRIME  
CABLES WITH  
HIGH QUALITY

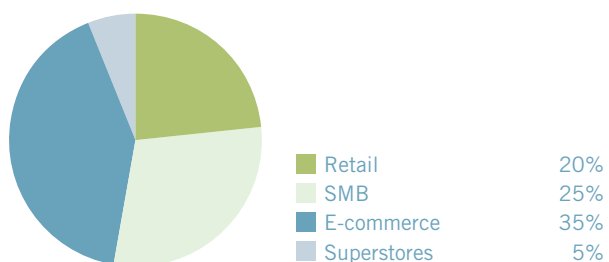
### Markets-Countries



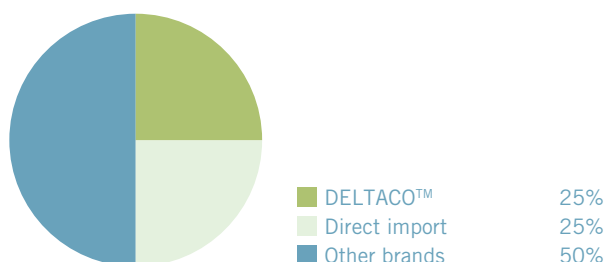
### Markets-Customer segments



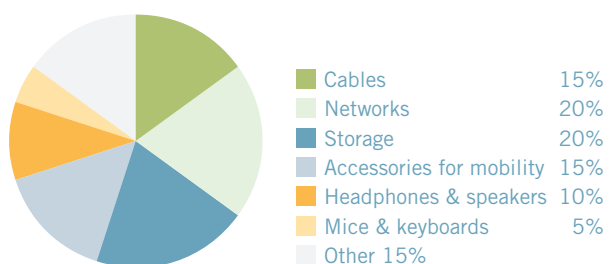
### Sales-Customer categories



### Sales-Brands

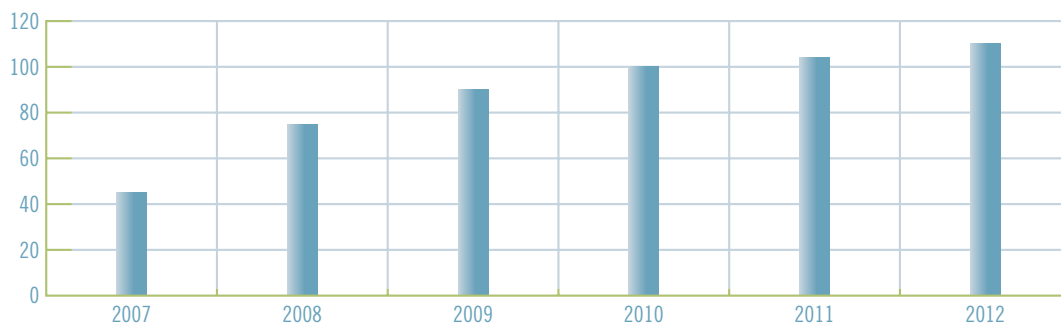


### Selection-Product types



### Sales of the brand, DELTACO™

SEK M





# FINANCIAL INFORMATION

## Cash flow and liquid funds

Cash flow from operating activities during the period totalled SEK -6.9 M (31.4). Cash flow from investing activities during the period totalled SEK -11.5 M (-3.6). Cash flow from financing activities totalled SEK -20.4 M (-35.5) during the period. As of December 31, 2012, net debt totalled SEK 28.3 M (-1.2), of which convertible loans totalled SEK 22.5 M (22.5). At the end of the period, liquid funds totalled SEK 48.2 M (46.2), and unused credit reserves totalled SEK 20.0 M (10.0). The group's total disposable liquid funds was therefore SEK 68.2 M (56.2).

## Deferred tax assets

Deferred tax assets attributable to deficit deductions are reported as assets to the extent that it is likely that the deficit deductions can be offset against a surplus for future taxation. At the end of the period, the group's accumulated deficit deductions totalled approximately SEK 52 M. On the balance sheet, the current assessed value of these deficits is reported at 11.5 M (17.9).

## Investments and financing

Investments in tangible fixed assets during the period totalled a net of SEK -3.2 M (-5.2). The equity/assets ratio totalled 53.8 percent (65.0) as of December 31, 2012. During the period, the group's liabilities have increased by SEK 31.5 M and totalled SEK 76.5 M (40.7) as of December 31, 2012. No changes have occurred in reported contingent liabilities.

## Personnel

The total number of employees at the end of the period was 124 (77). The average number of employees during the period totalled 122 persons (74).

## Parent company

Operations at the parent company include group management, finance and IR/PR. The parent company's net sales, which are entirely internal within the group, totalled SEK 2.3 M (3.1) for the period. Profit/loss after financial income and expenses totalled SEK -3.6 M (-0.0). The profit/loss includes a write-down of receivables at QD Systems AB (Uppsala) in the amount of SEK 4.3 M. Net investment in tangible fixed assets totalled SEK 0.0 M (0.0). As of December 31, 2012, liquid funds totalled SEK 0.5 M (2.7). The total number of employees at the parent company at the end of the period was 0 (0).

## Deltaco stock

Since April 19, 2011, the Deltaco share has been listed on NASDAQ OMX First North. Share prices during the period have fluctuated between a low of SEK 11.90 to a high of SEK 17.50. Deltaco's market value as of December 31, 2012 totalled SEK 177 M. The number of shareholders in Deltaco as of December 31, 2012 totalled 8,406. Of these, more than 391 had more than 1,000 shares. On December 31, 2012, Deltaco's capital stock totalled SEK 22,107,922, divided among 11,053,961 total shares.

## Disputes

In 2010, Alcadon delivered fibre cable to the Regional Council Södra Småland. After delivery and their own installation, the Regional Council cancelled the purchase. The Regional Council's reason for cancellation is the assertion that the delivered fibre cable does not meet the contracted standards. In addition, the Regional Council has made claims for damages against Alcadon due to the cancellation. In total, they are demanding SEK 2,152,977 plus interest. Alcadon has contested the claim. The basis for the contest is that the cables were not defective upon delivery and that possible defects in the cables arose during installation. The dispute is being dealt with in the Växjö District Court. On April 4, 2013, an oral hearing will be held and it is possible that a main trial will be held in the fall of 2013 unless unexpected circumstances arise.

## Financial calendar 2013

[Annual General Meeting 2013](#)

[Interim report January-March 2013](#)  
April 29, 2013

[Interim report January-June 2013](#)  
August 13, 2013

[Interim report January - September 2013](#)  
November 6, 2013

## Annual General Meeting 2013

The Annual General Meeting in Deltaco AB (publ) will be held Monday, April 29, 2013 at 2:00 pm in the company's office at Alfred Nobles Allé 109, Tullinge. Deltaco's complete Annual Report will be available as of April 3 on the Deltaco website and at the company's office at Alfred Nobles Allé 109 in Tullinge.

# AUDITOR'S REPORT

## Introduction

We have carried out a review of the year-end report for Deltaco AB (publ.) for the period, January 1 through December 31, 2012. It is the Board of Directors and the Managing Director who have responsibility to prepare and present this year-end report in accordance with the Annual Accounts Act. Our duty is to express our findings regarding this year-end report based on our review.

## Aim and scope of the review

We have conducted our review in accordance with International Standards for reviews (SÖG) 2410, Review of Interim Financial Information by the Independent Auditor of the Entity. A review consists of making inquiries, primarily to individuals who are responsible for financial and accounting matters, conducting an analytical audit and adopting other review procedures. A review has a different aim and a significantly smaller scope compared to the aim and scope of an audit in accordance with ISA and

generally accepted auditing standards. The procedures used in a review do not allow us the certainty of being aware of all of the important circumstances which would have otherwise been identified if an audit was conducted. The expressed findings based on a review therefore do not carry the same certainty as expressed findings based on an audit do.

## Conclusion

Based on our review, no improprieties have emerged that give cause for us to assume that the year-end report has not been prepared in accordance with the Annual Accounts Act.

Stockholm- February 15, 2013  
Grant Thornton Sweden AB

**Mats Fridblom**  
**Authorised public accountant**

INCOME STATEMENT GROUP (SEK M)	Quarter		Full year	
	Oct-Dec 2012	Oct-Dec 2011	2012	2011
Net sales	175.9	117.9	494.4	411.3
Other income	0.0	0.0	0.0	0.0
<b>Total income</b>	<b>175.9</b>	<b>117.9</b>	<b>494.4</b>	<b>411.3</b>
Operating expenses	-163.7	-111.0	-470.5	-387.7
<b>Operating profit/loss before depreciation</b>	<b>12.2</b>	<b>6.9</b>	<b>23.9</b>	<b>23.6</b>
Depreciation of tangible assets	-2.6	-0.7	-4.9	-2.6
Depreciation of intangible assets	0.0	0.0	0.0	0.0
<b>Operating profit/loss after depreciation</b>	<b>9.6</b>	<b>6.2</b>	<b>19.0</b>	<b>21.0</b>
Profit/loss from financial investments	-5.7	-1.1	-7.4	-2.4
<b>Profit/loss after financial items</b>	<b>3.9</b>	<b>5.1</b>	<b>11.6</b>	<b>18.6</b>
Minority shares	-0.9	0.0	-0.9	0.0
Tax on profit/loss for the year	-4.3	-2.3	-6.3	-5.8
<b>Profit/loss for the period</b>	<b>-1.3</b>	<b>2.8</b>	<b>4.4</b>	<b>12.8</b>

BALANCE SHEET GROUP (SEK M)	Full year	
	2012	2011
<b>Fixed assets</b>		
Goodwill	8.3	0.0
Other intangible assets	14.7	0.0
Tangible fixed assets	50.8	52.6
Financial assets	11.6	21.2
<b>Total fixed assets</b>	<b>85.4</b>	<b>73.8</b>
<b>Current assets</b>		
Stock-in-trade	98.5	94.9
Other current assets	7.5	1.7
Accounts receivable	79.5	58.2
Cash and bank balances	48.2	46.2
<b>Total current assets</b>	<b>233.7</b>	<b>201.0</b>
<b>TOTAL ASSETS</b>	<b>319.1</b>	<b>274.8</b>

<b>BALANCE SHEET GROUP (SEK M)</b>	<b>2012</b>	<b>Full year 2011</b>
<b>Equity</b>		
Share capital	22.1	22.1
Restricted equity	0.0	0.0
Non-restricted reserves	145.3	143.6
Profit/loss for the period	4.4	12.8
<b>Total equity</b>	<b>171.8</b>	<b>178.5</b>
<b>Minority</b>		
Minority liabilities	2.9	0.0
<b>Total minority liabilities</b>	<b>2.9</b>	<b>0.0</b>
<b>Long-term liabilities</b>		
Interest-bearing liabilities	44.0	18.2
Convertible loans	22.5	22.5
<b>Total long-term liabilities</b>	<b>66.5</b>	<b>40.7</b>
<b>Current liabilities</b>		
Accounts payable	39.2	31.7
Interest-bearing liabilities	10.0	4.2
Other current liabilities	28.7	19.7
<b>Total current liabilities</b>	<b>77.9</b>	<b>55.6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>319.1</b>	<b>274.8</b>

<b>CONSOLIDATED CASH FLOW IN SUMMARY (SEK M)</b>	<b>Oct-Dec 2012</b>	<b>Quarter Oct-Dec 2011</b>	<b>2012</b>	<b>Full year 2011</b>
Operating profit/loss	9.6	6.3	19.0	21.0
Reversals of depreciation/amortization and impairment	2.6	0.7	4.9	2.6
Adjustments for items not included in cash flow	6.8	0.0	6.8	0.0
Net financial income/expense	-5.7	-1.2	-7.4	-2.4
Paid taxes	-0.4	1.0	-1.0	0.2
Change in operating capital	-13.1	11.4	-29.2	10.0
<b>Cash flow from current operations</b>	<b>-0.2</b>	<b>18.2</b>	<b>-6.9</b>	<b>31.4</b>
Operational investments	-10.5	-2.1	-11.5	-5.2
Financial assets	0.0	1.3	0.0	1.6
<b>Cash flow from investment activities</b>	<b>-10.5</b>	<b>-0.8</b>	<b>-11.5</b>	<b>-3.6</b>
Changes in loans	30.7	-1.1	31.5	-8.5
Repaid shareholders' contributions	0.0	0.0	0.0	0.0
Subscription premiums received	0.0	0.0	0.0	0.0
New share issue	0.0	0.0	0.0	0.0
Dividends	0.1	0.0	-11.1	-27.0
<b>Cash flow from financing activities</b>	<b>30.8</b>	<b>-1.1</b>	<b>20.4</b>	<b>-35.5</b>
<b>Change in liquid funds</b>	<b>20.1</b>	<b>16.3</b>	<b>2.0</b>	<b>-7.7</b>
<b>Reconciliation of change in liquid funds</b>				
Opening balance for liquid funds	28.1	29.8	46.2	53.9
Closing balance for liquid funds	48.2	46.1	48.2	46.2
<b>Change in liquid funds</b>	<b>20.1</b>	<b>16.3</b>	<b>2.0</b>	<b>-7.7</b>

CHANGES IN THE GROUP EQUITY	Quarter		2012	Full year 2011
	Oct-Dec 2012	Oct-Dec 2011		
Opening equity	173.1	175.7	178.5	232.1
Dividends	0.0	0.0	-11.1	-66.4
Profit/loss for the period	-1.3	2.8	4.4	12.8
<b>Closing equity</b>	<b>171.8</b>	<b>178.5</b>	<b>171.8</b>	<b>178.5</b>

INCOME STATEMENT PARENT COMPANY (SEK M)	Quarter		2012	Full year 2011
	Oct-Dec 2012	Oct-Dec 2011		
Net sales	0.0	0.0	2.3	3.1
Other income	0.0	0.0	0.0	0.0
<b>Total income</b>	<b>0.0</b>	<b>0.0</b>	<b>2.3</b>	<b>3.1</b>
Operating expenses	-0.6	-0.4	-2.8	-1.7
Depreciation of tangible assets	0.0	0.0	0.0	0.0
Depreciation of intangible assets	0.0	0.0	0.0	0.0
<b>Operating profit/loss</b>	<b>-0.6</b>	<b>-0.4</b>	<b>-0.5</b>	<b>1.4</b>
Profit/loss from financial investments	-0.1	0.0	-3.1	-1.4
<b>Profit/loss after financial items</b>	<b>-0.7</b>	<b>-0.4</b>	<b>-3.6</b>	<b>0.0</b>
Tax on profit/loss for the year	0.0	0.0	-1.9	-0.4
<b>Profit/loss for the period</b>	<b>-0.7</b>	<b>-0.4</b>	<b>-5.5</b>	<b>-0.4</b>

BALANCE SHEET PARENT COMPANY (SEK M)	Full year	
	2012	2011
<b>Fixed assets</b>		
Goodwill	0.0	0.0
Other intangible assets	0.0	0.0
Tangible fixed assets	0.0	0.0
Shares in subsidiaries	179.4	126.2
Other long-term receivables	0.0	4.8
Deferred tax assets	11.5	16.3
<b>Total fixed assets</b>	<b>190.9</b>	<b>147.3</b>
<b>Current assets</b>		
Stock-in-trade	0.0	0.0
Receivables in group companies	74.0	130.3
Other receivables	1.1	0.2
Accounts receivable	0.0	0.0
Cash and bank balances	0.5	2.7
<b>Total current assets</b>	<b>75.6</b>	<b>133.2</b>
<b>TOTAL ASSETS</b>	<b>266.5</b>	<b>280.5</b>

<b>BALANCE SHEET</b>	<b>Full year</b>	
<b>PARENT COMPANY (SEK M)</b>	<b>2012</b>	<b>2011</b>
<b>Equity</b>		
Share capital	22.1	22.1
Restricted equity	0.0	0.0
Non-restricted reserves	225.1	228.3
Profit/loss for the period	-5.5	-0.4
<b>Total equity</b>	<b>241.7</b>	<b>250.0</b>
<b>Long-term liabilities</b>		
Interest-bearing liabilities	0.0	0.0
Convertible loans	22.5	22.5
<b>Total long-term liabilities</b>	<b>22.5</b>	<b>22.5</b>
<b>Current liabilities</b>		
Accounts payable	0.2	0.0
Interest-bearing liabilities	0.0	0.0
Liabilities to group companies	1.5	6.8
Other current liabilities	0.6	1.2
<b>Total current liabilities</b>	<b>2.3</b>	<b>8.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>266.5</b>	<b>280.5</b>

## DEFINITIONS

<b>Gross margin:</b>	Gross profit/loss as a percentage of the period's net sales
<b>Gross profit/loss:</b>	Net sales minus costs for sold goods.
<b>Equity:</b>	Reported equity including 78 percent of untaxed reserves.
<b>Equity per share:</b>	Equity divided by the number of shares at the end of the period.
<b>Earnings per share after paid tax:</b>	The period's earnings after paid tax divided by the average number of shares during the period.
<b>Earnings per share after full tax:</b>	The period's earnings after full tax divided by the average number of shares during the period.
<b>Return on equity:</b>	Profit/loss for the period as a percentage of equity
<b>Operating margin:</b>	Operating profit/loss after depreciation as a percentage of the period's net sales
<b>Equity/assets ratio</b>	Equity as a percentage of the balance sheet total at the end of the period
<b>Profit margin:</b>	Profit/loss for the period before tax as a percentage of net sales

# Deltaco's share and shareholders

## Exchange listing

Since April 19, 2011, Deltaco's stock has been quoted on NASDAQ OMX First North. For companies associated with NASDAQ OMX First North, a Certified Adviser is required who shall monitor and supervise to a certain extent. Remium Nordic AB is Deltaco's Certified Adviser.

## Share information

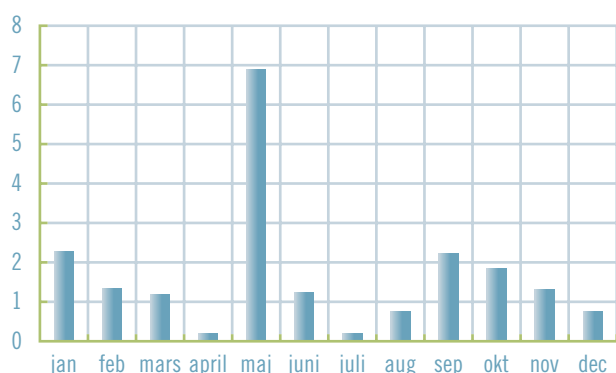
Abbreviation	DELT
ISIN code	SE0003883800
Number of shares	11,053,961
Standard trading unit	1 share
Voting rights	1 vote per share

## Share data

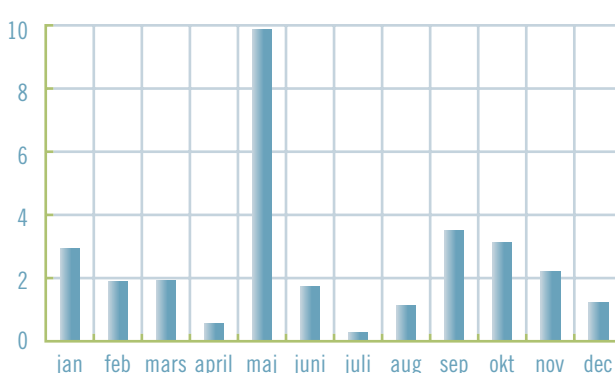
The highest price paid for a share for the year was SEK 17.50 on October 12, 2012 and the lowest price paid for a share was SEK 11.90 on January 2, 2012. The closing price on the last trading day of the year (December 28, 2012) was SEK 16.50. Deltaco's market value on the last trading day of the year (December 28, 2012) totalled SEK 182.4 M. The number of shareholders in Deltaco as of December 31, 2012 totalled 8,406. Of these, more than 391 had more than 1,000 shares each. On average, 8,600 shares were traded per trading day.

On December 31, 2012, Deltaco's capital stock totalled SEK 22,107,922, divided among 11,053,961 total shares.

## Sales (100,000s)



## Sales value (SEK M)



## Ownership structure Deltaco AB (publ) as of December 28, 2012

Name	Number of shares	Capital and votes (%)
Försäkringaktiebolaget, Avanza pension	1,404,384	12.70
Nordent Pensionsförsäkring AB	893,100	8.08
Catella Fondförvaltning	771,354	6.98
UBS AG Clients Account	511,855	4.63
Ribbskottet AB	489,187	4.43
Hajskäret Invest AB	458,459	4.15
Pictet & Cie	385,025	3.48
Jeansson, Theodor	380,501	3.44
Mårtensson, Jonas	370,092	3.35
Tamt AB	350,000	3.17
Jeansson, Kristofer	250,000	2.26
Jeansson, Cecilia	228,900	2.07
Dirbal AB	200,000	1.81
Hanell, Mikael	176,000	1.59
Alian, Siamak	172,000	1.56
United Computer Ssystems	170,001	1.54
Jeansson, Anna	150,000	1.36
JP Morgan Bank	150,000	1.36
Rapp, Marianne	145,920	1.32
Ulti AB	120,000	1.09
Wiikström, Jonas	100,000	0.90
Kihlberg, Jan	90,294	0.82
Danielsson, Jerker	76,000	0.69
Jeansson, Katarina	75,191	0.68
Guldbrand, Mats	71,780	0.65
<b>Total of the 25 largest shareholders</b>	<b>8,190,043</b>	<b>74.09</b>
Total other shareholders	2,863,918	25.91
<b>Total</b>	<b>11,053,961</b>	<b>100.00</b>

# Deltaco AB (publ)

Year-end report January - December 2012

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