

Qliro Group

Interim report for 1 January – 30 June 2016

Second quarter*

- Net sales for continuing operations increased by 3%, amounting to SEK 1,018.5 (988.3) million
- EBITDA for continuing operations amounted to SEK 2.3 (-6.7) million
- Operating earnings (EBIT) for continuing operations amounted to SEK -11.8 (-15.4) million
- Net income after tax for continuing operations amounted to SEK -11.5 (-10.8) million
- Earnings per share for continuing operations amounted to SEK -0.08 (-0.07)
- Net income after tax, including discontinued operations, amounted to SEK -120.2 (-10.8) million
- Excluding changes in Qliro Financial Services' loans to the public, cash flow from continuing operations amounted to SEK 67.2 (55.5) million

First six months*

- Net sales for continuing operations increased by 1%, amounting to SEK 2,028.0 (2,012.7) million
- EBITDA for continuing operations, excluding non-recurring items, amounted to SEK -17.2 (-15.7) million
- Operating earnings (EBIT) for continuing operations, excluding non-recurring items, amounted to SEK -44.9 (-32.7) million
- Net income after tax for continuing operations amounted to SEK -50.6 (-40.9) million
- Earnings per share for continuing operations amounted to SEK -0.34 (-0.27)
- Net income after tax, including discontinued operations, amounted to SEK -160.7 (-40.2) million
- Excluding changes in Qliro Financial Services' loans to the public, cash flow from continuing operations amounted to SEK -188.6 (-169.6) million

*During the second quarter Qliro Group entered into an agreement to sell its subsidiary Tretti AB. Continuing operations thus excludes Tretti, which is recognized as a Discontinued operation in the Group's reports regarding income statement, financial position and cash flow. Historical comparison numbers in income statements and cash flow statements have been adjusted accordingly.

CEO statement

Paul Fischbein, CEO comments: "The second quarter was eventful and characterised by positive news. We see that the actions taken to increase profitability are showing results, not least within Nelly and Gymgrossisten. Nelly's focus on efficiency and profitability has resulted in a significant earnings improvement and EBITDA improved by more than SEK 10 million compared to the second quarter last year. Gymgrossisten also reported improved margins and the EBITDA-margin in the second quarter increased to around 7%. Both Nelly and Gymgrossisten now have stable foundations in place which we can continue to develop.

Another pleasing fact is that Lekmer, excluding currency effects, reported growth in the second quarter. The quality of the warehouse operations in Arlandastad is good and the customers have confidence in Lekmer. We have after the end of the quarter also reached a new agreement with the third-party supplier of warehousing services which is expected to lead to gradually decreased fulfilment costs for Lekmer.

Within CDON Marketplace, sales generated for external merchants grew by around 35% in the second quarter. As a step in the transformation of the company, the partnership with Adlibris was also launched in the end of the quarter. CDON Marketplace thus continues to develop well.

The single biggest news in the quarter was that we sold Tretti for a total cash consideration of SEK 250 million. The transaction, which is expected to be completed during the third quarter, is important from several perspectives. We free up capital for continued investments and increased focus on the development of the other companies within Qliro Group and at the same time WhiteAway – including Tretti – becomes a client and partner to both Qliro Financial Services and CDON Marketplace.

Qliro Financial Services continues to develop in line with our expectations. Total operating income increased by 111% in the quarter and the company improved its result. Thus, we see continued positive development and

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progress within Qliro Financial Services, and look forward to the launch in Norway and the introduction of additional financial services when the company receives approval from Finansinspektionen (the Swedish Financial Supervisory Authority) to become a credit market company. Our estimate is that the license will be received in the second half of 2016. Additionally, we have entered into partnership agreements with new external merchants and recently introduced a new exciting product in the market – Qliro One, a complete checkout solution for digital commerce.

This is my last interim report as CEO of Qliro Group, and I can conclude that the actions we have taken are paying off. The companies' earnings improvements, and the addition of the funds from the sale of Tretti, entail that we have a strong financial foundation and position in place for the future. I would like to thank all customers, shareholders, colleagues and partners for the trust you have shown and on 1 August I hand over the role as CEO to Marcus Lindqvist".

Forward-looking statement

Qliro Group's long-term sales goal is growth that is consistent with or above that of the market for each segment.

Qliro Group's long-term profitability targets:

Segment	EBITDA-margin
CDON Marketplace	2-3%
Nelly	5-7%
Gymgrossisten	7-9%
Lekmer	3-5%

Provided that the subsidiaries deliver sales volumes in line with their business plans, the objective for Qliro Financial Services is, as previously announced, to generate positive earnings for the full year 2016 and contribute approximately SEK 100 million to consolidated earnings before tax (EBT) for the full year 2018. During 2016, we expect the same seasonality pattern as 2015 which means that the result within Qliro Financial Services is expected to gradually improve during 2016, after the negative result in the first and second quarter.

Lekmer's sales growth slowed as a result of the operational challenges at the warehouse in 2015. Growth began increasing again during the second quarter 2016. During the second half of the year, Lekmer's sales growth is expected to increase on a quarterly basis. Lekmer is expected to require an additional quarter in 2016 to stabilise the warehouse operations in terms of efficiency and costs. EBITDA in the third quarter 2016 is expected to improve compared to the second quarter and EBITDA in the fourth quarter is expected to be positive. This forward-looking statement replaces the previous forward-looking statement regarding Lekmer*.

No forecast is otherwise being submitted for 2016.

*Forward-looking statement related to Lekmer from previous interim report: Lekmer's sales growth has slowed as a result of the operational challenges at the warehouse. Growth is expected to gradually start increasing again during the second quarter 2016. Lekmer is expected to require at least another quarter in 2016 to stabilise the warehouse operations in terms of efficiency and costs. Thereafter, Lekmer's quarterly earnings are expected to be in line with 2014.

Significant events during and after the second quarter 2016

New board member

Qliro Group AB announced on 19 April that the Nomination Committee proposed electing Caren Genthner-Kappesz as a new Board member ahead of the Annual General Meeting of Qliro Group held on 23 May 2016. The AGM voted in line with the proposal. Mengmeng Du and Jens Grede declined re-election.

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Qliro Group sells Tretti

On 15 June, Qliro Group AB announced that the company entered into an agreement to sell the subsidiary Tretti AB to WhiteAway for a total cash consideration of SEK 250 million. Tretti will remain a partner to Qliro Financial Services and CDON Marketplace after the transaction. Also WhiteAway will become a partner of Qliro Financial Services regarding payment solution services for its online store in Sweden and join CDON Marketplace as a new merchant.

The transaction is subject to approval from the Swedish Competition Authority and is expected to be completed during the third quarter 2016. The earnings impact from the disposal of Tretti, including Tretti's operating earnings, amounted to SEK -108.8 million for the second quarter and SEK -110.0 million for the first six months.

Magnus Månsson to step down as CEO of Nelly

On 7 July, Qliro Group AB announced that Magnus Månsson intends to step down as CEO of the subsidiary Nelly. Magnus will remain in his current role until further notice and has a six month notice period. Qliro Group has initiated the process to find a successor.

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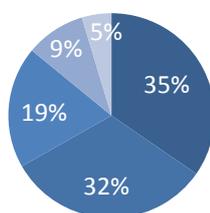
Consolidated financial information in brief, excluding non-recurring items* and discontinued operations

(SEK million)	2016	2015	Change	2016	2015	Change
	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun	
Net sales	1,018.5	988.3	3%	2,028.0	2,012.7	1%
Gross profit	182.9	164.7	11%	338.3	324.9	4%
Gross margin (%)	18.0%	16.7%		16.7%	16.1%	
EBITDA	2.3	-6.7		-17.2	-15.7	
EBITDA margin (%)	0.2%	-0.7%		-0.9%	-0.8%	
EBIT	-11.8	-15.4		-44.9	-32.7	
EBIT margin (%)	-1.2%	-1.6%		-2.2%	-1.6%	
Cash flow from operations, excl. QFS* loans to the public	67.2	55.5		-188.6	-169.6	
Cash flow from operations, incl. QFS loans to the public	-25.0	-38.2		-229.2	-264.8	
QFS loans to the public **	568.5	276.5		568.5	276.5	
of which externally financed	408.6	34.5		408.6	34.5	
Opening inventory balance	598.2	562.6	6%	622.2	596.4	4%
Closing inventory balance	500.6	508.5	-2%	500.6	508.5	-2%

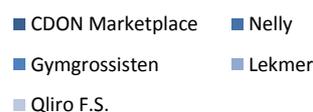
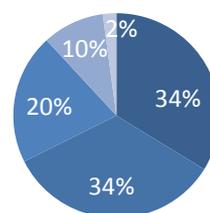
*Presented on page 6

**QFS = Qliro Financial Services

Net sales by segment, Apr-Jun 2016



Net sales by segment, Apr-Jun 2015



During the quarter Qliro Group entered into an agreement to sell its subsidiary Tretti AB. Thus, Tretti is recognised as a Discontinued operation in the Group's reports regarding income statement, financial position and cash flow. Historical comparison numbers in income statements and cash flow statements have been adjusted accordingly. Continuing operations are presented below unless otherwise stated.

Earnings summary

Consolidated net sales increased by 3% in the second quarter compared to the same period last year. The increase was 1% for the first half of the year. Excluding exchange rate effects, sales increased by 5% over the quarter and by 3% over the first six months. The weakened Norwegian krone affected net sales negatively, compared to the previous year.

Consolidated gross margin improved to 18.0% (16.7%) during the quarter. The gross margin for the first half of the year amounted to 16.7% (16.1%).

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Consolidated EBITDA amounted to SEK 2.3 (-6.7) million for the second quarter. Consolidated operating earnings (EBIT) amounted to SEK -11.8 (-15.4) million.

Consolidated net financial items amounted to SEK -2.9 (0.7) million for the quarter and were attributed mainly to interest expenses related to Qliro Financial Services and costs for credit facilities.

Consolidated earnings before tax amounted to SEK -14.7 (-14.8) million for the quarter. The Group recognised tax income of SEK 3.2 (4.0) million for the quarter as a result of capitalised loss carryforwards.

Earnings after tax for continued operations totalled SEK -11.5 (-10.8) million and basic and diluted earnings per share totalled SEK -0.08 (-0.07) for the quarter.

The earnings impact from the disposal of Tretti, including Tretti's operating earnings, was recognised as Earnings from discontinued operations and amounted to SEK -108.8 million for the quarter. During the first six months the corresponding earnings impact amounted to SEK -110.0 million.

Earnings after tax for continuing and discontinued operations amounted to SEK -120.2 (-10.8) million for the quarter. Basic and diluted earnings per share amounted to SEK -0.81 (-0.07) for the quarter.

Cash flow and financial position

Consolidated cash flow from operating activities amounted to SEK -4.3 (-11.1) million for the quarter. Cash flow from operating activities for the first six months amounted to SEK -42.1 (-38.1) million.

Excluding changes in Qliro Financial Services' loans to the public, cash flow from changes in working capital improved somewhat, and amounted to SEK 71.5 (66.6) million. Working capital changes during the quarter consisted mainly of reduced inventory levels, which were partly offset by higher accounts receivable and lower accounts payable. Cash flow from operations improved and amounted to SEK 67.2 (55.5) million for the quarter.

Qliro Financial Services' loans to the public increased during the quarter, which resulted in a cash flow effect of SEK -92.2 (-93.7) million. Loans to the public amounted to SEK 568.5 (276.5) million at the end of the quarter. Including Qliro Financial Services' loans to the public, cash flow from operations amounted to SEK -25.0 (-38.2) million. Cash flow from operations for the first six months improved to SEK -229.2 (-264.8) million.

Consolidated cash flow to investing activities totalled SEK -21.3 (-28.8) million for the quarter, of which the majority is attributable to the continued product development within Qliro Financial Services.

Cash flow from financing activities, consisting of Qliro Financial Services' utilisation of credit facilities, amounted to SEK 75.9 (34.5) million during the quarter.

Cash flow from Discontinued operations (Tretti) for the quarter amounted to SEK -21.1 (17.1) million. The positive cash flow effect from the sale of Tretti is expected in the third quarter.

Consolidated cash and cash equivalents, including exchange rate differences, amounted to SEK 144.9 million at the end of the quarter. Including Discontinued operations, the previous year's cash and cash equivalents amounted to SEK 271.6 million. Besides Qliro Financial Services' utilisation of SEK 408.6 (34.5) million in credit facilities, the Group had no financial liabilities at the end of the quarter.

Total consolidated assets at the end of the reporting period, including discontinued operations, amounted to SEK 2,237.4 (2,087.4) million. The increase is primarily attributable to Qliro Financial Services' increase in loans to the public.

Consolidated equity amounted to SEK 1,049.1 (1,272.5) million at the end of the quarter, compared with SEK 1,205.4 million at the end of the fourth quarter of 2015. The decrease is chiefly attributable to the earnings impact from the disposal of Tretti.

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Summary of non-recurring items*

SUMMARY OF NON-RECURRING ITEMS (SEK million)	2016	2016	2015	2015	2015
	Apr-Jun	Jan-Jun	Apr-Jun	Jan-Jun	Jan-Dec
Operating Profit	0.0	-15.3	0.0	-17.9	-57.1
CDON	0.0	-15.3	0.0	-1.4	-9.8
Lekmer	0.0	0.0	0.0	-16.5	-42.7
Gymgrossisten	0.0	0.0	0.0	0.0	-4.6

*Excluded from the section "Development by segment" on pages 7-11.

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Development by segment

Since the Group entered into an agreement to sell Tretti, Tretti is recognised as a discontinued operation and is therefore not included in the segment reporting below.

CDON Marketplace*

(SEK million)	2016	2015	Change	2016	2015	Change
	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun	
Gross Merchandise Value, external merchants	59.2	43.9	35%	110.2	86.9	27%
Total Gross Merchandise value**	410.5	378.2	9%	859.4	840.8	2%
Net sales	356.9	337.6	6%	759.9	760.1	0%
EBITDA	-7.6	-3.8		-13.6	-0.9	
EBITDA margin (%)	-2.1%	-1.1%		-1.8%	-0.1%	
EBIT	-11.6	-5.8		-21.6	-5.0	
EBIT margin (%)	-3.3%	-1.7%		-2.8%	-0.7%	
Cash flow from operations	18.6	10.9		-148.8	-122.3	
Investments (CAPEX)	-3.7	-8.3		-4.8	-14.0	
Cash flow after investments	14.9	2.6		-153.6	-136.4	
Opening inventory balance	186.8	170.3	10%	236.2	237.9	-1%
Closing inventory balance	163.4	164.2	0%	163.4	164.2	0%
Active customers (thousand)***	1,710	1,732	-1%	1,710	1,732	-1%
Visits (thousand)	16,110	16,613	-3%	36,569	36,700	0%
Orders (thousand)	664	652	2%	1,454	1,488	-2%
Average shopping basket (SEK)	620	583	6%	594	566	5%

* Excluding non-recurring items, which are detailed on page 6

** Commission income is replaced with gross merchandise value from external merchants

*** Past twelve months

CDON Marketplace is a leading marketplace in the Nordics with a product range that covers everything from home electronics to sports & leisure, clothing & shoes and toys. Gross merchandise value, i.e. net sales including sales generated for external merchants, increased by 9% in the quarter and by 2% in the first six months. Net sales increased by 6% in the second quarter, and excluding currency effects, sales increased by 8%. Sales generated for external merchants increased during the quarter by 35% to SEK 59.2 (43.9) million, and by 27% to SEK 110.2 (86.9) million in the first six months.

The partnership with Adlibris.com was launched in the latter part of the second quarter and entails that Adlibris' assortment of books will be made available on CDON Marketplace and that CDON will phase out its own book sales, which amounted to SEK 200-250 million on an annual basis. In addition to this, CDON Marketplace entered into partnership agreements with several new external merchants, including WhiteAway, during the second quarter.

Sales of media-related products amounted to 30% (30%) of total net sales during the quarter and to 30% (30%) in the first six months. The gross margin decreased in the second quarter primarily due to campaign-driven sales in books and clothing & shoes. The successful initiative Green Friday contributed to a reduction in inventory levels in the second quarter. Clearance sales of books in preparation for the launch of Adlibris also contributed to the reduction.

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Nelly*

(SEK million)	2016	2015	Change	2016	2015	Change
	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun	
Net sales	331.0	337.7	-2%	599.0	592.1	1%
EBITDA	15.9	5.0		13.6	-2.5	
EBITDA margin (%)	4.8%	1.5%		2.3%	-0.4%	
EBIT	10.6	3.2		2.9	-6.0	
EBIT margin (%)	3.2%	1.0%		0.5%	-1.0%	
Cash flow from operations	42.0	28.8		-1.3	-12.1	
Investments (CAPEX)	-3.6	-5.2		-7.8	-10.9	
Cash flow after investments	38.5	23.6		-9.1	-23.1	
Opening inventory balance	244.5	252.3	-3%	189.8	196.2	-3%
Closing inventory balance	191.2	205.0	-7%	191.2	205.0	-7%
Active customers (thousand)**	1,178	1,288	-9%	1,178	1,288	-9%
Visits (thousand)	28,607	35,999	-21%	55,122	72,130	-24%
Orders (thousand)***	770	779	-1%	1,371	1,417	-3%
Average shopping basket (SEK)	634	636	0%	632	605	5%

*As of the first quarter of 2016 the segment includes 100% of warehousing operations in Falkenberg (CGL)

**Past twelve months

***Recognised before returns

Nelly comprises the online stores Nelly.com, NLYman.com and Members.com. Nelly's net sales decreased by 2% during the quarter but increased by 1% in the first six months. Sales excluding currency effects was in line with the previous year in the quarter and increased by 3% in the first six months.

Nelly's sales in Sweden increased and the share of sales increased to 53% (49%) in the second quarter. In the second quarter, growth in the Nordic countries amounted to 1%, primarily driven by growth in Sweden of 6%. Nelly's growth in Norway was positive in the second quarter, but the weakening of the Norwegian krone entailed that growth was negative when translated into SEK. In the first six months, growth in the Nordic countries amounted to 4%, primarily driven by growth in Sweden of 11% and growth in Finland. Nelly's growth in Norway was positive in the first six months, but was negative when translated into SEK. Nelly's total growth continued to be dampened by lower sales in markets outside of the Nordics. The share of private label sales amounted to 40% (35%) in the second quarter. Nelly's marketing efforts continue to focus more on existing customers, which resulted in a lower number of visits in the second quarter.

The operating margin increased in the second quarter, primarily driven by more efficient marketing and purchasing, and EBITDA amounted to SEK 15.9 million compared to SEK 5.0 million in the same period last year. In the second quarter, Nelly gave notice to approximately 35 employees in order for Nelly to attain the right organisational and cost structure going forward.

Other data	2016	2015	Change	2016	2015	Change
	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun	
Share, private label sales	40%	35%	5%	39%	36%	3%
Return ratio*	33%	33%	0%	33%	33%	0%
Product margin	45%	44%	1%	45%	46%	-1%
Fulfillment and distribution costs	21%	21%	0%	22%	22%	0%
Nordics, share of net sales	92%	90%	2%	91%	89%	2%

*Past twelve months

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Gymgrossisten

(SEK million)	2016	2015	Change	2016	2015	Change
	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun	
Net sales	198.1	205.5	-4%	416.9	451.4	-8%
EBITDA	13.7	11.3		30.8	31.1	
EBITDA margin (%)	6.9%	5.5%		7.4%	6.9%	
EBIT	12.9	10.6		29.2	29.6	
EBIT margin (%)	6.5%	5.1%		7.0%	6.5%	
Cash flow from operations	16.8	12.4		37.9	50.0	
Investments (CAPEX)	-1.8	-2.3		-2.8	-3.4	
Cash flow after investments	15.0	10.1		35.1	46.6	
Opening inventory balance	92.3	80.4	15%	112.2	97.1	16%
Closing inventory balance	84.9	81.4	4%	84.9	81.4	4%
Active customers (thousand)*	560	565	-1%	560	565	-1%
Visits (thousand)	5,685	6,062	-6%	12,403	12,571	-1%
Orders (thousand)	289	280	3%	600	612	-2%
Average shopping basket (SEK)	688	738	-7%	700	743	-6%

*Past twelve months

Gymgrossisten comprises the online stores Gymgrossisten, Bodystore and Milebreaker. The segment's sales decreased by 4% during the second quarter and by 8% in the first six months. Excluding currency effects, sales decreased by 2% during the second quarter and by 6% in the first six months.

The measures taken by Gymgrossisten to ensure continued high profitability continue to show results, which among other things can be seen in the higher product margin in the second quarter. The higher margin compensated for the lower sales in the second quarter and the EBITDA-margin increased to 6.9% compared to 5.5% the previous year.

The development of the company's franchise stores and sales to grocery stores has continued to strengthen the company's position in the market. The natural products and food as well as clothing categories showed positive development during the quarter. The broadened range within these categories has been well received by the customers. Bodystore, which focuses on health foods, has also shown good progress in the second quarter.

Other data	2016	2015	Change	2016	2015	Change
	Apr-Jun	Apr-Jun	%-units	Jan-Jun	Jan-Jun	%-units
Share, private label sales	45%	43%	1%	46%	44%	1%
Product margin	37%	34%	3%	37%	34%	3%
Fulfillment and distribution costs	14%	14%	1%	14%	13%	1%

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Lekmer*

(SEK million)	2016	2015	Change	2016	2015	Change
	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun	
Net sales	96.8	97.2	0%	187.3	192.1	-3%
EBITDA	-12.7	-2.5		-31.6	-5.9	
EBITDA margin (%)	-13.1%	-2.5%		-16.9%	-3.1%	
EBIT	-13.3	-2.8		-32.8	-6.7	
EBIT margin (%)	-13.8%	-2.9%		-17.5%	-3.5%	
Opening inventory balance	74.6	59.5	25%	84.0	65.0	29%
Closing inventory balance	61.0	57.8	6%	61.0	57.8	6%
Active customers (thousand)**	410	435	-6%	410	435	-6%
Visits (thousand)	5,895	5,869	0%	12,285	12,005	2%
Orders (thousand)	155	170	-9%	316	327	-3%
Average shopping basket (SEK)	633	587	8%	609	604	1%

*Excluding non-recurring items, which are detailed on page 6

**Past twelve months

Lekmer includes the online store Lekmer.com and Lekmer's physical store in Barkarby outside of Stockholm. Lekmer's sales in the second quarter were in line with last year and the company reported a 3% decrease in sales during the first six months. Excluding currency effects, sales increased by 1% in the second quarter and decreased by 1% in the first six months.

The average shopping basket increased during the second quarter, which compensated for a lower number of orders compared to the same period last year. Lekmer's sales showed improvement compared with the first quarter and sales in the second quarter were in line with the same period last year.

Campaign-driven sales affected the gross margin negatively in the second quarter but decreased the inventory balance to more normal levels from a high level at the beginning of the quarter.

The lower operating earnings in the second quarter compared with the previous year is mainly attributable to the lower gross margin and higher fulfilment costs, which increased by around SEK 6 million. The quality of the deliveries from Lekmer's new warehouse in Arlandastad is now good and customer ratings are high. During the beginning of the third quarter, the company entered into a new agreement with the third-party supplier of warehousing services. This is expected to lead to gradual decreases in fulfilment costs and, in comparison with the second quarter, gradually improved earnings.

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Qliro Financial Services

(SEK million)	2016	2015	Change	2016	2015	Change
	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun	
Interest income	13.9	3.7		26.1	5.2	
Other income	34.9	19.4		69.7	35.8	
Total operating income	48.8	23.1	111%	95.8	41.1	133%
Administrative expenses*	-25.9	-19.0	36%	-54.7	-36.8	49%
Other operating expenses	-23.9	-12.7	88%	-44.3	-24.6	80%
EBTDA**	-1.1	-8.6		-3.2	-20.4	
EBT**	-4.1	-10.4		-8.9	-23.7	
Loans to the public	568.5	276.5		568.5	276.5	
of which externally financed	408.6	34.5		408.6	34.5	
Business volume	737	583	26%	1,418	1,031	38%
Orders (thousand)	830	715	16%	1,620	1,270	28%
Average shopping basket (SEK)	888	816	9%	875	813	8%

*Historical figures adjusted for comparability; please see the segment table on page 17

**EBT and EBTDA recognised instead of the previous EBIT and EBITDA

Qliro Financial Services comprises the payment and consumer financing solution Qliro. Qliro is a service that enables safe online shopping for customers and makes it possible for them to pay for their purchases by invoice or by instalment.

Qliro Financial Services developed according to plan and the business volume in the second quarter increased by 26% compared with the same period last year. Total operating income increased by 111% during the second quarter and by 133% in the first six months. Loans to the public amounted to SEK 568.5 (276.5) million at the end of the second quarter. The lending was financed in the amount of SEK 408.6 (34.5) million via a contracted credit facility and the remainder via own funding.

During the quarter, Qliro was launched on Lyko, one of Sweden's leading companies within hair care and beauty, and a partnership agreement was signed with WhiteAway AB for Qliro to become a supplier of invoice and instalment services in the Swedish market. A new service – Qliro One – which is a complete checkout solution for digital commerce which will give merchants increased conversion rates and an improved customer experience, was presented during the quarter. Qliro One is expected to be launched soon. Preparations also continued for the launch of Qliro in Norway pending the expected approval from Finansinspektionen (the Swedish Financial Supervisory Authority) to become a credit market company.

The segment had around 120 full-time employees at the end of the quarter. During the quarter, Lennart Francke was elected as a new director of Qliro AB's board. The Board of Directors of Qliro AB thus consists of Peter Sjunnesson, Paul Fischbein, Lennart Francke, Helena Nelson and Patrik Illerstig.

Condensed financial position (SEK million)	2016 Jun	2015 Jun	2015 Dec
Current- and non-current assets	46.9	41.8	60.5
Loans to the public	568.5	276.5	527.8
Cash and cash equivalents	44.8	0.0	0.0
Total assets	660.2	318.3	588.3
Equity	213.5	-8.9	49.4
Short term interest bearing loans, external	408.6	34.5	328.0
Short term interest bearing loans, internal	0.0	267.0	177.7
Other liabilities	38.1	25.7	33.2
Total equity and liabilities	660.2	318.3	588.3

Qliro Group

Parent company

The parent company, Qliro Group AB, reported sales of SEK 3.1 (2.4) million in the second quarter and SEK 8.2 (9.0) million for the first half of the year. Cash and cash equivalents in the parent company amounted to SEK 132.1 (212.9) million at the end of the quarter.

Accounting policies

This report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The interim report for the parent company has been prepared in accordance with the Annual Accounts Act. The accounting policies in the Group's consolidated financial statements and the parent company's financial statements have been prepared according to the same accounting policies and calculation methods as the 2015 annual accounts.

Risks and uncertainties

Several factors could affect Qliro Group's earnings and operations, most of which can be managed through internal procedures but some of which are largely controlled by external factors. Risks and uncertainties include IT and control systems, suppliers, seasonal variations and currencies, new market entries, changes in market conditions and changes in e-commerce spending behaviour. The parent company is also subject to interest rate risks. The 2015 annual report contains a more comprehensive description of the risks and uncertainty factors affecting the Group in the Management Report and under Note 21.

Transactions with related parties

Related party transactions for the parent company and the Group are presently of the same character as described in the 2015 annual report.

Other information

CDON Alandia AB

Finnish customs authorities are investigating a subsidiary of CDON AB, Åland-based CDON Alandia, on suspicion of tax fraud. Like other companies in the industry, CDON.com has chosen to serve its Finnish customers from Åland. The company has been in operation since 2007 and has been fully transparent for the relevant authorities, who have routinely reviewed it, most recently as part of a customs audit in 2010 and a tax audit in 2012. CDON AB is fully assisting in the investigation and is still of the opinion that the company acts in accordance with relevant laws and regulations.

In late 2015, the Finnish Tax Administration ordered a supplementary tax on CDON AB's Finnish subsidiary CDON Alandia AB for the 2012 financial year in the amount of about EUR 3.8 million and imposed tax surcharges of about EUR 1.9 million on the company. CDON Alandia asserts that the company acted correctly and is in compliance with applicable legislation, and in the first quarter of 2016 it appealed the decision to the administrative court in Helsinki, Finland.

Results for the third quarter 2016

Qliro Group's results for the third quarter and first nine months ending 30 September 2016 will be published on 20 October 2016.

Qliro Group

This report has not been subject to review by the Group's auditor.
14 July 2016

Lars-Johan Jarnheimer
Chairman of the Board

Caren Genthner-Kappesz
Board member

Patrick Andersen
Board member

Peter Sjunnesson
Board member

David Kelly
Board member

Paul Fischbein
President and CEO

Lorenzo Grabau
Board member

Daniel Mytnik
Board member

Qliro Group AB (publ.)
Sveavägen 151
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SE-104 32 Stockholm
Corporate ID number: 556035-6940

The company will host a conference call today at 10:00 CET.

To participate in the conference call, please dial:

Sweden: +46 (0)8 5033 6539
International: +44 (0)20 3427 1919
US: +1 646 254 3366

The pin code to access this call is 5448643.

To listen to the conference call online, please go to www.qlirogroup.com.

For additional information, please visit www.qlirogroup.com or contact:

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About Qliro Group

Qliro Group is a leading e-commerce group in the Nordic region. Established in 1999, the Group has expanded its product portfolio and is now a leading e-commerce player within consumer goods and lifestyle products through CDON.com, Lekmer, Nelly (Nelly.com, NLYman.com, Members.com), Gymgrossisten (Gymgrossisten.com/Gymsector.com, Bodystore.com, Milebreaker.com) and Tretti. The payment service solution Qliro is also part of the Group. In 2015, the Group generated revenue of SEK 5.2 billion. Qliro Group's shares are listed on the Nasdaq Stockholm MidCap list under the ticker symbol "QLRO".

This information is information that Qliro Group AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CET on 14 July 2016.

Qliro Group

CONDENSED CONSOLIDATED INCOME STATEMENT (SEK million)	2016 Apr-Jun	2015 Apr-Jun	2016 Jan-Jun	2015 Jan-Jun	2015 Jan-Dec
Net sales	1,018.5	988.3	2,028.0	2,012.7	4,430.6
Cost of goods and services	-835.6	-823.6	-1,689.7	-1,705.1	-3,798.3
Gross profit	182.9	164.7	338.3	307.6	632.3
Sales and administration expenses	-195.7	-183.4	-403.4	-363.5	-772.0
Other operating income and expenses, net	1.0	3.3	4.8	5.3	15.9
Operating profit / loss	-11.8	-15.4	-60.3	-50.6	-123.8
Net interest & other financial items	-2.9	0.7	-4.1	-3.1	-7.0
Profit / loss before tax	-14.7	-14.8	-64.3	-53.7	-130.9
Tax	3.2	4.0	13.7	12.8	28.5
Net profit / loss for continued operations	-11.5	-10.8	-50.6	-40.9	-102.4
Net profit / loss for discontinued operations	-108.8	0.0	-110.0	0.7	0.7
Total net profit / loss for continued and discontinued operations	-120.2	-10.8	-160.7	-40.2	-101.6
EBITDA	2.3	-6.7	-32.6	-33.6	-85.1
Attributable to:					
Equity holders of the parent	-120.2	-10.1	-160.0	-39.5	-101.6
Non-controlling interests	0.0	-0.7	-0.7	-0.7	0.0
Net income for the period	-120.2	-10.8	-160.7	-40.2	-101.6
Basic earnings per share (excluding discontinued operations) before and after dilution (SEK)	-0.08	-0.07	-0.34	-0.27	-0.69
Basic earnings per share (including discontinued operations) before and after dilution (SEK)	-0.81	-0.07	-1.08	-0.27	-0.68

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME CONDENSED (SEK million)	2016 Apr-Jun	2015 Apr-Jun	2016 Jan-Jun	2015 Jan-Jun	2015 Jan-Dec
Profit / loss for the period	-120.2	-10.8	-160.7	-40.2	-101.6
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Translation difference for the period	2.0	-0.9	3.3	-1.4	-7.9
Other comprehensive income for the period	2.0	-0.9	3.3	-1.4	-7.9
Total comprehensive income for period	-118.3	-11.7	-157.3	-41.6	-109.4
Total comprehensive income attributable to:					
Parent company shareholders	-118.3	-11.0	-156.6	-40.9	-109.4
Non-controlling interests	0.0	-0.7	-0.7	-0.7	0.0
Total comprehensive income for the period	-118.3	-11.7	-157.3	-41.6	-109.4

Shares outstanding at period's end	149,269,779	149,269,779	149,269,779	149,269,779	149,269,779
Average number of shares, basic and diluted	149,269,779	149,269,779	149,269,779	149,269,779	149,269,779

Qliro Group

CONSOLIDATED STATEMENT OF FINANCIAL POSITION CONDENSED (SEK million)	2016 30-Jun	2015 30-Jun	2015 31-Dec
Non-current assets			
Goodwill	206.3	455.5	455.3
Other intangible assets	259.6	260.7	294.2
Total intangible assets	465.9	716.1	749.5
Tangible non-current assets	28.5	1.6	37.1
Financial non-current assets	-	33.5	0.0
Deferred tax asset	116.9	83.6	95.2
Total non-current assets	611.3	834.8	881.7
Current assets			
Inventories	500.6	585.6	702.0
Loans to the public	568.5	276.5	527.8
Current non-interest bearing receivables	75.4	119.0	215.3
Cash and cash equivalents	144.9	271.6	324.2
Total current assets	1,289.2	1,252.6	1,769.3
Total assets held for sale	336.9	-	-
Total assets	2,237.4	2,087.4	2,651.1
Equity			
Equity attributable to owners of the parent	1,049.1	1,272.5	1,204.8
Non-controlling interest	0.0	0.0	0.7
Total equity	1,049.1	1,272.5	1,205.4
Non-current liabilities			
<i>Non interest bearing</i>			
Deferred tax liability	12.6	22.7	23.4
Other provisions	0.9	3.8	3.3
Total non-current liabilities	13.4	26.5	26.7
Current liabilities			
Short term interest bearing loans	408.6	34.5	328.0
Current non-interest bearing liabilities	679.4	753.9	1,091.0
Total current liabilities	1,088.1	788.4	1,419.0
Total liabilities related to assets held for sale	86.9	-	-
Total equity and liabilities	2,237.4	2,087.4	2,651.1

The carrying amounts are considered to be reasonable approximations of fair value for all financial assets and financial liabilities.

Qliro Group

CONSOLIDATED STATEMENT OF CASH FLOWS CONDENSED (SEK million)	2016 Apr-Jun	2015 Apr-Jun	2016 Jan-Jun	2015 Jan-Jun	2015 Jan-Dec
Cash flow from operating activities	-4.3	-11.1	-42.1	-38.1	-94.5
Changes in working capital	-20.7	-27.0	-187.2	-226.7	-308.3
Cash flow from operations	-25.0	-38.2	-229.2	-264.8	-402.9
Investments in subsidiaries*	0.0	0.0	0.0	-0.5	-0.5
Investments in other non-current assets	-21.3	-28.8	-39.1	-52.5	-112.0
Cash flow to/from investing activities	-21.3	-28.8	-39.1	-53.0	-112.5
Utilised credit facilities**	75.9	34.5	77.6	34.5	330.3
Cash flow to/from financing activities	75.9	34.5	77.6	34.5	330.3
Change in cash and cash equivalents for the period from continued operations	29.7	-32.5	-190.7	-283.4	-185.1
<i>Cash flow from discontinued operations</i>					
Cash flow from operations	-20.0	18.7	15.2	25.4	-17.1
Cash flow from investing activities	-1.1	-1.6	-1.8	-3.9	-5.2
Cash flow from financing activities	-	-	-	-	-
Change in cash and cash equivalents for the period from discontinued operations	-21.1	17.1	13.4	21.5	-22.3
Change in cash and cash equivalents for the period	8.5	-15.4	-177.4	-261.9	-207.4
Cash and cash equivalents at period's start	138.7	287.3	324.2	534.0	534.0
Translation difference, cash and cash equivalents	0.6	-0.3	1.0	-0.5	-2.3
Less cash from discontinued operations	-3.0	-	-3.0	-	-
Cash and cash equivalents at period's end	144.9	271.6	144.9	271.6	324.2

* Investments in subsidiaries Jan-Dec 2015 comprises SEK 0.5 million acquisition of Fitness Market Nordic AB.

** Utilised credit facilities within Qliro Financial Services

STATEMENT OF CHANGES IN EQUITY CONDENSED (SEK million)	2016 30-Jun	2015 30-Jun	2015 31-Dec
Opening balance	1,205.4	1,314.5	1,314.5
Comprehensive income for the period	-157.3	-41.6	-109.5
Effects of long term incentive program	1.0	-0.4	0.5
Closing balance	1,049.1	1,272.5	1,205.4

Qliro Group

NET SALES BY SEGMENT (SEK million)	2016 Apr-Jun	2016 Jan-Mar	2016 Jan-Jun	2015 Oct-Dec	2015 Jul-Sep	2015 Apr-Jun	2015 Jan-Mar	2015 Jan-Jun	2015 Full year
CDON	356.9	403.1	759.9	706.9	386.6	337.6	422.5	760.1	1,853.5
Lekmer	96.8	90.6	187.3	203.1	86.6	97.2	95.0	192.1	481.8
Nelly *	331.0	268.0	599.0	358.4	246.5	337.7	254.4	592.1	1,197.0
Gymgrossisten	198.1	218.8	416.9	203.4	197.1	205.5	245.9	451.4	851.9
Total operational business areas	982.7	980.5	1,963.1	1,471.7	916.7	978.0	1,017.8	1,995.8	4,384.2
Qliro Financial Services	47.9	41.3	89.2	34.6	25.3	21.2	16.3	37.5	97.5
Group central operations	1.8	2.0	3.8	34.6	26.9	34.2	35.8	70.0	131.6
<i>Of which CGL AB *</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>31.7</i>	<i>26.9</i>	<i>34.2</i>	<i>35.8</i>	<i>70.0</i>	<i>128.7</i>
Eliminations	-13.8	-14.3	-28.1	-53.4	-38.7	-45.0	-45.6	-90.6	-182.7
CONSOLIDATED TOTAL	1,018.5	1,009.4	2,028.0	1,487.6	930.3	988.3	1,024.4	2,012.7	4,430.6
Intersegment sales from other segments									
CDON	4.8	6.5	11.3	10.1	6.3	5.3	5.8	11.1	27.6
Lekmer	1.1	1.1	2.2	2.1	0.9	1.0	1.2	2.2	5.2
Nelly *	4.9	3.5	8.3	4.7	3.4	3.5	2.8	6.3	14.4
Gymgrossisten	1.0	1.1	2.1	1.1	1.1	0.8	0.1	0.9	3.1
Qliro Financial Services	0.3	0.3	0.5	0.7	0.2	0.1	0.1	0.2	1.1
Group central operations *	1.8	1.9	3.7	34.8	26.7	34.2	35.6	69.8	131.3
Total	13.8	14.3	28.1	53.4	38.7	45.0	45.6	90.6	182.7
OPERATING PROFIT BY SEGMENT (SEK million)									
	2016 Apr-Jun	2016 Jan-Mar	2016 Jan-Jun	2015 Oct-Dec	2015 Jul-Sep	2015 Apr-Jun	2015 Jan-Mar	2015 Jan-Jun	2015 Full year
CDON	-11.6	-25.4	-37.0	15.2	-9.7	-5.8	-0.6	-6.4	-0.9
Lekmer	-13.3	-19.4	-32.8	-41.5	-12.9	-2.8	-20.4	-23.3	-77.7
Nelly *	10.6	-7.7	2.9	-4.1	-9.4	3.2	-9.2	-6.0	-19.4
Gymgrossisten	12.9	16.3	29.2	10.0	8.0	10.6	19.0	29.6	47.6
Total operational business areas	-1.5	-36.2	-37.7	-20.3	-24.1	5.2	-11.2	-6.1	-50.4
Qliro Financial Services	-2.4	-3.7	-6.0	1.1	-6.2	-10.2	-13.1	-23.3	-28.3
Eliminations**	0.9	1.3	2.2	-2.8	-1.0	-1.4	-1.9	-3.4	-7.2
Group central operations *	-8.8	-9.9	-18.8	-10.0	-9.9	-8.9	-9.0	-17.9	-37.9
CONSOLIDATED TOTAL	-11.8	-48.5	-60.3	-32.0	-41.2	-15.4	-35.2	-50.6	-123.8
INVENTORIES BY SEGMENT (SEK million)									
	2016 30-Jun	2016 31-Mar		2015 31-Dec	2015 30-Sep	2015 30-Jun	2015 31-Mar		
CDON	163.4	186.8		236.2	192.2	164.2	170.3		
Lekmer	61.0	74.6		84.0	79.2	57.8	59.5		
Nelly *	191.2	244.5		189.5	258.3	205.0	252.3		
Gymgrossisten	84.9	92.3		112.2	78.6	81.4	80.4		
Total operational business areas	581.1	683.5		701.7	690.7	585.4	637.0		
Group central operations *	0.0	0.0		0.3	0.2	0.2	0.1		
CONSOLIDATED TOTAL	581.1	683.5		702.0	691.0	585.6	637.1		
CONSOLIDATED TOTAL	500.6	598.2		622.2	608.6	508.5	562.6		

* CDON Group Logistics (CGL) included in Nelly as from Q1 2016, as CGL only conducts warehouse operations for Nelly (after CDON's and Lekmer's move from the warehouse in Falkenberg during 2015).

** Elimination of transactions between Qliro Financial Services and internal clients, due to differences in phasing of revenues/costs.

Qliro Group

PARENT COMPANY INCOME STATEMENT					
CONDENSED (SEK million)					
	2016	2015	2016	2015	2015
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Net Sales	3.1	2.4	8.2	9.0	19.9
Gross profit	3.1	2.4	8.2	9.0	19.9
Administration expenses	-12.1	-14.4	-27.1	-29.9	-61.0
Operating loss	-8.9	-11.9	-18.8	-20.9	-41.1
Profit / loss from shares in subsidiaries	-102.1	-	-102.1	-	-25.8
Net interest & other financial items	-1.7	6.4	-2.5	7.7	17.5
Profit / loss after financial items	-112.7	-5.6	-123.4	-13.2	-49.4
Group contribution received	-	-	-	-	41.9
Group contribution paid	-	-	-	-	-154.1
Profit before tax	-112.7	-5.6	-123.4	-13.2	-161.6
Tax	2.3	1.2	4.7	2.9	29.7
Net income for the period	-110.4	-4.3	-118.8	-10.3	-131.9
PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME					
CONDENSED (SEK million)					
Profit for period	-110.4	-4.3	-118.8	-10.3	-131.9
Other comprehensive income	-	-	-	-	-
Total comprehensive income for period	-110.4	-4.3	-118.8	-10.3	-131.9

Qliro Group

PARENT COMPANY STATEMENT OF FINANCIAL POSITION CONDENSED (SEK million)	2016 30-Jun	2015 30-Jun	2015 31-Dec
Non-current assets			
Other intangible assets	1.6	1.6	1.6
Equipment	2.0	2.2	2.5
Shares and participating interests in group companies	932.9	848.6	863.0
Deferred tax asset	98.0	66.5	93.3
Total non-current assets	1,034.6	919.0	960.4
Current assets			
Current non-interest-bearing receivables	5.5	4.8	6.7
Receivables in Group companies	280.8	575.1	343.0
Total current receivables	286.3	579.9	349.8
Cash and bank	132.1	212.9	280.6
Total cash and cash equivalents	132.1	212.9	280.6
Total current assets	418.4	792.8	630.3
Total assets	1,453.0	1,711.8	1,590.8
Equity			
Restricted equity	301.7	301.7	301.7
Unrestricted equity	767.4	1,005.9	885.2
Total equity	1,069.1	1,307.6	1,186.9
Provisions			
Other provisions	0.9	1.3	0.9
Total provisions	0.9	1.3	0.9
Current liabilities			
Short term interest bearing loans	90.0	90.0	90.0
Liabilities to Group companies	284.2	300.4	297.1
Non-interest-bearing liabilities	8.8	12.5	16.0
Total current liabilities	383.0	402.9	403.0
Total liabilities	383.9	404.2	403.9
Total equity and liabilities	1,453.0	1,711.8	1,590.8

Pledged assets and contingent liabilities - parent company

Pledged assets	None	None	None
Contingent liabilities	170.4	150.7	203.5

Qliro Group

KEY RATIOS	2016	2016	2016	2015	2015	2015	2015	2015	2015
	Apr-Jun	Jan-Mar	Jan-Jun	Oct-Dec	Jul-Sept	Apr-Jun	Jan-Mar	Jan-Jun	Full year
GROUP									
Sales growth (%)	3.1	-2.1	0.8	2.2	-0.4	5.8	5.6	5.7	3.2
Change in operating expenses (%)	6.7	13.9	11.0	15.5	24.0	6.9	13.9	10.3	14.7
Operating margin (%)	-1.2	-4.2	-3.0	-1.9	-3.7	-1.3	-2.9	-2.1	-2.4
Gross profit margin (%)	18.0	14.2	16.7	11.9	13.2	15.2	13.1	14.1	13.2
Return on capital employed (%)	neg	neg	neg	neg	neg	neg	neg	neg	neg
Return on equity (%)	neg	neg	neg	neg	neg	neg	neg	neg	neg
Equity/assets ratio (%)	46.9	50.3	46.9	45.5	54.1	61.0	62.0	61.0	45.5
Net debt (SEK million)	263.8	191.9	263.8	3.8	-74.4	-237.1	-287.3	-237.1	3.8
Cash flows from operations (SEK million)	-25.0	-169.0	-229.2	-47.3	-133.2	-19.5	-219.9	-239.4	-420.0
Earnings per share (SEK)*	-0.08	-0.27	-0.34	-0.20	-0.21	-0.07	-0.20	-0.26	-0.68
Equity per share (SEK)**	7.03	7.82	7.03	8.08	8.31	8.52	8.61	8.52	8.08
Depreciation/Net sales (%)	1.4	1.2	1.4	0.8	0.9	0.8	0.8	0.8	0.8
Capital Expenditure/Net sales (%)	2.1	1.6	1.9	1.9	2.5	2.6	2.2	2.4	2.3
No. of active customers (thousand)	3,858	3,914	3,858	3,957	3,985	4,020	3,980	4,020	3,957
No. of visits (thousand)	56,297	60,082	116,379	81,396	57,690	64,543	68,863	133,406	272,494
No. of orders (thousand)	1,878	1,862	3,741	2,723	1,698	1,881	1,962	3,844	8,266
Average shopping basket (SEK)	637	616	626	625	603	628	595	612	620
CDON									
No. of active customers (thousand)	1,710	1,705	1,710	1,729	1,723	1,732	1,739	1,732	1,729
No. of visits (thousand)	16,110	20,459	36,569	31,236	18,830	16,613	20,087	36,700	86,767
No. of orders (thousand)	664	790	1,454	1,285	726	652	836	1,488	3,500
Average shopping basket (SEK)	620	573	594	616	527	583	552	566	590
Lekmer									
No. of active customers (thousand)	410	411	410	414	438	435	420	435	414
No. of visits (thousand)	5,895	6,390	12,285	10,513	6,331	5,869	6,136	12,005	28,849
No. of orders (thousand)	155	161	316	366	166	170	157	327	859
Average shopping basket (SEK)	633	585	609	556	546	587	622	604	572
Nelly									
No. of active customers (thousand)	1,178	1,237	1,178	1,243	1,261	1,288	1,271	1,288	1,243
No. of visits (thousand)	28,607	26,515	55,122	34,067	27,186	35,999	36,131	72,130	133,383
No. of orders (thousand)	770	601	1,371	804	545	779	638	1,417	2,766
Average shopping basket (SEK)	634	631	632	627	646	636	567	605	620
Gymgrossisten									
No. of active customers (thousand)***	560	561	560	570	563	565	550	565	570
No. of visits (thousand)	5,685	6,718	12,403	5,580	5,343	6,062	6,509	12,571	23,495
No. of orders (thousand)	289	310	600	268	261	280	331	612	1,140
Average shopping basket (SEK)	688	711	700	753	760	738	747	743	749

* Earnings per share for the periods Jan-Jun 2016 and Jan-Dec 2015 have been calculated on the average number of outstanding shares for the respective periods. The weighted average number of shares for the period Jan-Jun 2016 is 149,269,779 and for the full year 2015 the weighted average number of shares amounted to 149,269,779.

** Calculated on present number of shares, which per June 2016 amounts to 149,269,779.

*** Historical numbers adjusted due to updated methodology for calculation of active customers.

Definitions

Gross profit margin	Gross profit as a percentage of net sales. Gross profit includes costs directly attributable to the goods sold, fulfillment costs,
Equity/assets ratio	Equity plus non-controlling interests as a percentage of total assets.
Net debt (+) / Net cash (-)	Interest-bearing liabilities less interest-bearing current and non-current assets and cash and cash equivalents.
Return on equity	Net income for the last four quarters as a percentage of average equity for the last four quarters.
Return on capital employed	Operating income for the last four quarters as a percentage of average capital employed for the last four quarters.
Earnings per share	Earnings for the period attributable to the parent company's shareholders divided by average number of shares for the period.
Equity per share	Equity attributable to the parent company's shareholders divided by the number of shares at the end of the period.
Capital Expenditure/Net Sales	Investments in tangible non-current assets divided by Net sales for the period.
No. of active customers	Number of customers that have shopped at least once during the past 12 months.
No. of visits	Gross number of visits to the Groups online stores.
Average shopping basket	(Internet sales + postage income) / No. Incoming orders

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BRIDGE TO NON-GAAP FINANCIAL MEASURES

Certain key figures set out in this Report and Accounts include measures which are not defined by generally accepted accounting principles (GAAP) such as IFRS. We consider the following, so called Non-GAAP financial measures, to be useful to investors because it provides a basis for measuring our operating performance – together with comparable GAAP financial measures.

Non-GAAP financial measures should not be considered isolated from, or as a substitute for, financial information presented in compliance with GAAP.

Non-GAAP measures reported by us may not be comparable with similarly titled amounts reported by other companies.

EBITDA

EBITDA is a measure that Qliro Group considers to be relevant to an investor who wants to understand the generation of earnings before depreciation related to investments in tangible and intangible assets. Qliro Group defines *Earnings Before Interest, Tax, Depreciation and Amortization* (EBITDA) as operating profit from continuing operations excluding depreciation of tangible and intangible assets

EBITDA (Jan-Jun 2016) (SEK million)	CDON	Nelly	Gymgrossisten	Lekmer	Qliro FS	Central operations	Group
EBITDA, continued operations	-28.9	13.6	30.8	-31.6	1.9	-18.4	-32.6
Non-recurring items	-15.3	-	-	-	-	-	-15.3
Adjusted EBITDA, continued operations	-13.6	13.6	30.8	-31.6	1.9	-18.4	-17.2
Depreciation, continued operations	-8.1	-10.7	-1.6	-1.2	-5.7	-0.5	-27.7
EBIT, continued operations	-37.0	2.9	29.2	-32.8	-3.9	-18.8	-60.3
Adjusted EBIT, continued operations	-21.6	2.9	29.2	-32.8	-3.9	-18.8	-44.9

EBITDA (Apr-Jun 2016) (SEK million)	CDON	Nelly	Gymgrossisten	Lekmer	Qliro FS	Central operations	Group
EBITDA, continued operations	-7.6	15.9	13.7	-12.7	1.5	-8.6	2.3
Non-recurring items	-	-	-	-	-	-	-
Adjusted EBITDA, continued operations	-7.6	15.9	13.7	-12.7	1.5	-8.6	2.3
Depreciation, continued operations	-4.1	-5.4	-0.8	-0.6	-3.0	-0.2	-14.1
EBIT, continued operations	-11.6	10.6	12.9	-13.3	-1.5	-8.8	-11.8
Adjusted EBIT, continued operations	-11.6	10.6	12.9	-13.3	-1.5	-8.8	-11.8

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Note 1

Disclosures in accordance with IAS 34.16A found on pages before the statement of earnings and comprehensive income.