

Accounting report, Axel Johnson AB, Jan. 1–Dec. 31, 2015

Best earnings ever for Axel Johnson

It is with great pride that I announce that Axel Johnson has reported the best trading results ever from our operations.

2015 was a year of paradoxes. Sweden's growth rate was relatively high, unemployment declined, inflation was low and an increasing number of people had more disposable income. This meant that we could see underlying growth in our business operations. However, at the same time, the European market continued to show stagnant growth. Declining energy and oil prices had a considerable effect on the oil and gas sector but at the same time, margins in energy-intensive industries increased. And many of our employees felt the effects of the refugee crisis.

In the midst of all of this, the companies in our group had a strong position despite increasingly stiff competition.

Axel Johnson International remained strong and managed to skilfully deal with the downturn in the oil and gas sector. Axfood strengthened its position on the convenience goods market and showed impressive growth and a positive earnings trend. Axstores had solid growth during the year but reported negative earnings due to declining profitability at Åhléns. On the other hand, Kicks had a record-breaking year. Dustin, which is an exciting addition to our other business operations, had stable sales and a good operating margin. Martin&Servera reported their best yearly earnings—again. Mekonomen continued to show strong sales but their operating margin declined somewhat year-on-year partially due to negative currency effects and continued weak growth in Denmark. Novax, with focus on small and medium-sized companies with growth potential, made several important acquisitions.

The group has made major investments for the future through acquisitions such as Dustin, ApoEx and Academic Work as well as in existing businesses. For instance, Martin & Servera have invested in a new warehousing system and Åhléns and Kicks have done the same with respect to e-commerce.

The group's total revenues amounted to SEK 69.551 billion (66.528), which is an increase of 5 percent. Profit after net financial items, and adjusted for restructuring charges and the sale of Svensk Bevakningstjänst, amounted to SEK 2.266 billion (2.064), an increase of 10 percent.

I would like to thank all of our employees, the board and not least, our customers, for the past year. Thanks to you, Axel Johnson shows a financial strength that opens up possibilities for development and renewal.

Stockholm, March 9, 2016



Mia Brunell Livfors, President and CEO

Important events in 2015

- Caroline Berg succeeds Antonia Ax:son Johnson as Chairman of the Board at Axel Johnson
- Mia Brunell Livfors becomes CEO
- Axel Johnson acquires 20% of Dustin
- Axfood has its best earnings ever
- Novax invests in Academic Work (14% equity interest) and ApoEx (44% equity interest) and increases equity interest in Filippa K to 72%

Axel Johnson AB is one of Scandinavia's leading trade groups that builds and develops companies in the areas of trade and services on the European market, with focus on Scandinavia. The companies in the group currently include Axel Johnson International, Axstores, Martin & Servera (70%), Novax, and the jointly owned public companies Axfood (approx. 50%), Mekonomen Group (approx 26%) and Dustin (20%). Total sales from the fully and jointly owned companies in Axel Johnson amount to approx. SEK 70 billion and these companies have some 20,000 employees. Axel Johnson is a family company that is now operating in its fourth and fifth generations and is owned by Antonia Ax:son Johnson and her family. www.axeljohnson.se. Axel Johnson is one of four independent groups in the Axel Johnson Group along with the real estate company AxFast, the U.S. company Axel Johnson Inc. and the investment management company AltoCumulus.

- For the first time, Axel Johnson organizes AxLab, the group's own renewal initiative

<i>MSEK</i>	Full year 2015	Full year 2014	Change
Net sales	69,551	66,528	5%
Profit after financial items	2,165	2,425	-11%
Profit after financial items*	2,266	2,064	10%
As % of net sales*	3	3	
EBITDA*	3,867	3,636	6%
EBITA*	2,968	2,718	9%
Total assets	23,221	22,378	
Capital employed	13,086	12,780	
Return on capital employed (%)	17	21	
Equity	11,167	10,775	
Equity ratio (%)	48	48	
Net debt/equity ratio (multiple)	0	0	
Cash flow after investments	768	2,061	
Average number of full-time employees	18,469	19,190	

* Excluding restructuring charges and the sale of Svensk Bevakningstjänst

<i>Group companies</i>	Equity interest	Net sales MSEK		Profit after financial items MSEK	
		2015	2014	2015	2014
Axel Johnson International	100%	6,481	6,499	269	277
Axfood	50.1%	41,247	38,484	1,749	1,430
Axstores	100%	8,046	7,548	-17 ⁴	125
Martin & Servera	70%	12,958	12,516	332	296
Mekonomen Group	26.5%	5,761 ¹	5,390 ¹	594	620
Novax	100%	942 ²	931 ²	52	61
Dustin ³	20%	7,989	7,615	206	221

1) Total revenues (net sales including other operating income). Comparison figures for 2014 have been converted with respect to phased-out operations.

2) Subsidiaries only.

3) Ownership stake since November 2015. 2015 is the period December 2014–November 2015. 2014 is the period December 2013–November 2014.

4) Excluding restructuring charges.

Additional information is available in Axel Johnson's Annual Review for 2015, which will be made public at www.axeljohnson.se on April 8.

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