

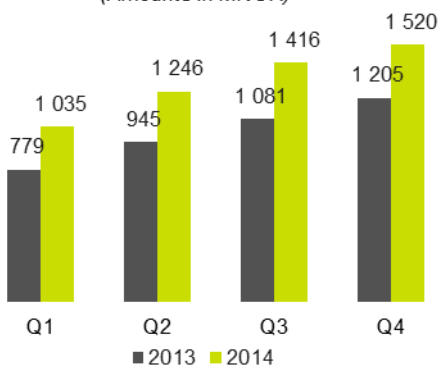
HIGHLIGHTS

- Total revenues of NOK 1 520 million (NOK 1 205 million), up 26 per cent
- E-commerce growth of 88 per cent
- Gross margin of 42.5 per cent, improvement in all markets
- EBITDA* increased by 38 per cent to NOK 206 million
- Opened four new stores
- Dividend proposal of NOK 2.00 per share for 2014



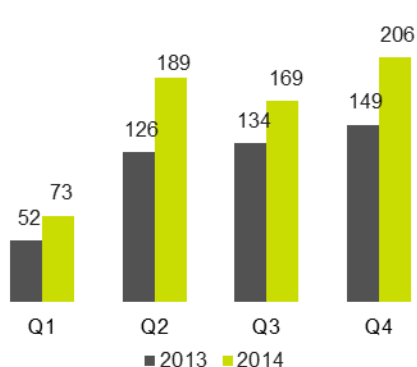
OPERATING REVENUES

(Amounts in MNOK)

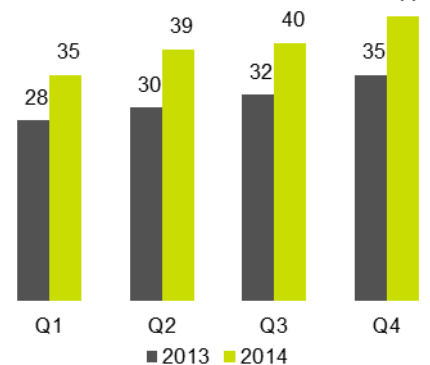


EBITDA*

(Amounts in MNOK)



NUMBER OF STORES

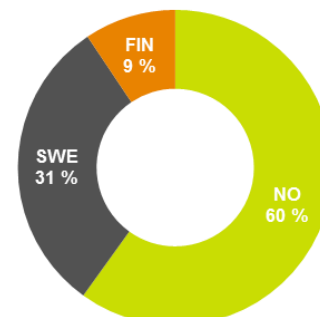


*) EBITDA before one off cost

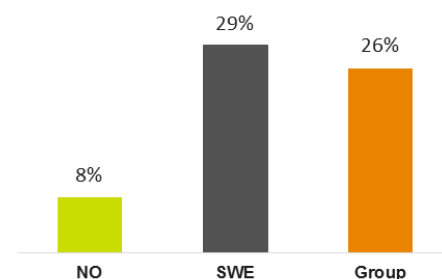
KEY FIGURES

(Amounts in NOK million)	Q4 2014	Q4 2013	YTD 2014	FY 2013 Audited
GROUP				
Operating revenue	1 520	1 205	5 215	4 010
Growth (%)	26,1 %	27,6 %	30,1 %	29,1 %
Gross profit [†]	646	505	2 132	1 611
Gross margin (%)	42,5 %	41,9 %	40,9 %	40,2 %
EBITDA [‡]	206	149	636	460
EBITDA margin (%)	13,5 %	12,4 %	12,2 %	11,5 %
One-offs	-21	0	-36	0
EBITDA [‡] (incl. One-offs)	185	149	601	460
EBITDA margin (%) (incl. one-offs)	12,2 %	12,4 %	11,5 %	11,5 %
EBIT [†]	158	132	521	401
EBIT margin	10,4 %	11,0 %	10,0 %	10,0 %
**Basic Earnings per share (NOK)	0,92	0,23	1,52	0,11
**Average number of shares (1 000 shares)	138 512	273 612	171 434	1 094 450
Net cash flow from operating activities			325	407
Like for like revenue growth	1,3 %	3,0 %	5,7 %	3,0 %
Number of stores at quarter end	44	35	44	35
SEGMENT				
Norway				
Operating revenue	911	845	3 341	2 883
Growth (%)	7,9 %	20,2 %	15,9 %	19,8 %
Gross profit [†]	421	376	1 449	1 223
Gross margin (%)	46,2 %	44,5 %	43,4 %	42,4 %
EBITDA	230	194	741	588
EBITDA margin (%)	25,3 %	22,9 %	22,2 %	20,4 %
One-offs	-15	0	-15	0
EBITDA [‡] (incl. One-offs)	215	194	726	588
EBITDA margin (%) (incl. one-offs)	23,6 %	22,9 %	21,7 %	20,4 %
Number of stores at quarter end	23	22	23	22
Sweden				
Operating revenue	466	360	1 582	1 125
Growth (%)	29,3 %	40,4 %	40,7 %	60,6 %
Gross profit [†]	175	127	592	386
Gross margin (%)	37,6 %	35,3 %	37,4 %	34,3 %
EBITDA	34	11	112	26
EBITDA margin (%)	7,4 %	3,1 %	7,1 %	2,3 %
Number of stores at quarter end	17	13	17	13
Finland				
Operating revenue	143	0	292	0
Growth (%)	N/A	N/A	N/A	N/A
Gross profit [†]	50	0	91	0
Gross margin (%)	35,1 %	0,0 %	31,2 %	0
EBITDA	5	-2	-6	-4
EBITDA margin (%)	3,7 %	0,0 %	-2,2 %	0,0 %
Number of stores at quarter end	4	0	4	0
HQ & logistics				
Operating revenue	0	0	0	2
EBITDA [‡]	-64	-54	-210	-150
EBITDA margin (%)	-4,2 %	-4,5 %	-4,0 %	-3,7 %
One-offs	-6	0	-21	0
EBITDA [‡] (incl. One-offs)	-70	-54	-231	-150
EBITDA margin (%) (incl. one-offs)	-4,6 %	-4,5 %	-4,4 %	-3,7 %

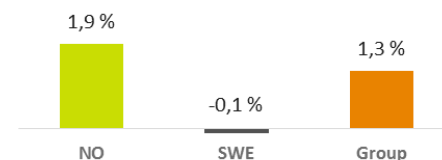
REVENUE SPLIT Q4



GROWTH BY COUNTRY Q4



GROWTH BY COUNTRY Q4, LIKE FOR LIKE (LOCAL CURRENCY)



**Earnings per share: See Note 5.

Footnotes and definitions are described in the end of the report

Further growth and margin improvements

Oslo, 24 February 2015: XXL ASA delivered a growth of 30 per cent for the year 2014, driven by new store openings, E-commerce and like-for-like growth. The establishment in Finland is a success with four stores delivering NOK 292 million in revenues, where the first store opened in April 2014. XXL are proud of the expansion into Finland, producing positive EBITDA in the fourth quarter 2014.

The fourth quarter showed a revenue growth of 26 per cent for the Group compared to the same period last year, and the EBITDA-margin* improved by 1.1 percentage points to 13.5 per cent. This improvement was driven by both better gross margin and lower cost percentage, and is achieved despite the establishment in Finland with lower margins.

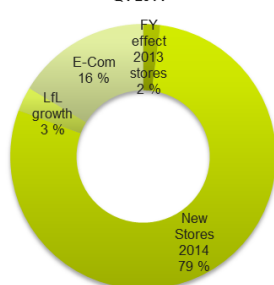
The Board of Directors proposes a dividend of NOK 2.00 per share for 2014.

(Figures in brackets = same quarter previous year, unless otherwise specified)

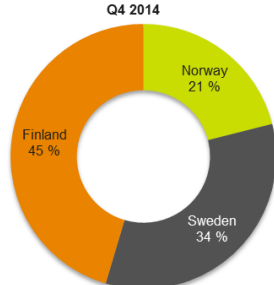
Fourth quarter performance

Total operating revenue in the fourth quarter 2014 ended at NOK 1 520 million (NOK 1 205 million), which is a growth of 26.1 per cent compared to the fourth quarter last year. The growth was broad-based driven by the new stores opened in 2014 and E-commerce. Finland opened two new stores in the quarter and delivered 45 per cent of the total growth in the Group. The growth in E-commerce for the quarter was 88.0 per cent, representing 16 per cent of the total growth. Operations in Sweden reported a 29.3 per cent revenue growth and XXL opened two new stores in Sweden in the fourth quarter 2014. The Norwegian operation achieved a 7.9 per cent growth.

SHARE OF GROWTH BY MATURITY
Q4 2014



SHARE OF GROWTH BY GEOGRAPHY
Q4 2014



Gross margin for the Group in the fourth quarter increased from 41.9 per cent last year to 42.5 per cent this year. This improvement was driven by more goods through the central warehouses, several improvements in the value chain and Nordic purchasing synergies. The Finnish operation is still in an early phase but the gross margin has improved significantly since the last quarter. Gross margin in Finland was 35.1 per cent and is colored by the opening sales of the new stores opened in the quarter. Sweden delivered gross margin of 37.6 per cent which is up from 35.3 per cent the same quarter last year. The gross margin in Norway

improved from 44.5 per cent in the fourth quarter last year to 46.2 per cent in the fourth quarter this year.

Operating expenses before depreciation and one off cost in the fourth quarter 2014 increased to NOK 440 million (NOK 356 million) which is an increase of 23.6 per cent compared to the same period last year. The increase is mainly driven by higher sales, increase in number of stores and also the start-up of the business in Finland. In addition XXL has changed the policy of accruing employee bonuses from taking all costs in December to accruing every month. Making the figures for 2013 comparable, the bonus accrual in December 2013 was NOK 19.6 million, compared to NOK 10.9 million in the fourth quarter 2014. Operating expenses adjusted for periodization of employee bonuses are 29.0 per cent compared to 28.8 per cent the same quarter last year. The increase is related to the start-up in Finland. Both Norway and Sweden have improved cost percentage. One off cost in the fourth quarter was NOK 21 million, of which NOK 24 million is related to the IPO process of XXL ASA, NOK 15 million is accruals for the old store location in Kristiansand (Norway) and NOK 18 million is a reversal of accruals related to the previous central warehouse facility in Norway.

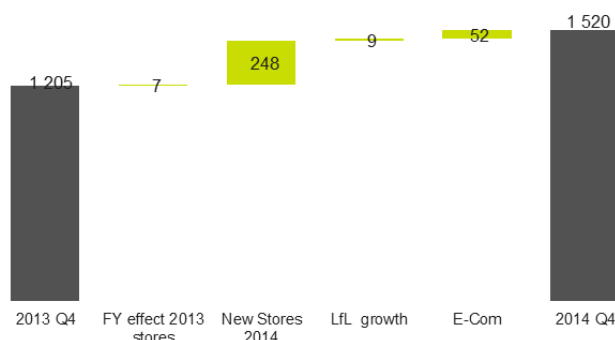
The Group EBITDA before one off cost in the fourth quarter 2014 was NOK 206 million, up from NOK 149 million in the same quarter last year, which is an increase of 38.3 per cent. This leads to an EBITDA margin of 13.5 per cent this quarter compared to 12.4 per cent the same quarter last year. The EBITDA-margin was 12.2 per cent in the quarter when including one off cost.

The Group had net financial income in the quarter of NOK 2 million (NOK -49 million), the improvement is due to repayment of a shareholder loan at the time of the IPO in early October 2014 and a restructuring of the bank loan in July 2014 at improved terms. In addition the Group had a positive effect of currency of NOK 17 million. Net profit for the quarter doubled to NOK 125 million, compared to a profit of NOK 63 million in the same period last year.

The inventory level was stable in the quarter of NOK 1 397

million, but decreasing to a level of around NOK 30 million per store as XXL opened four new stores in the quarter. E-commerce is calculated as two stores, as the distribution is handled by both central warehouses, demanding a certain inventory level to secure fast delivery. The financial position is good. Total liquidity reserves as of year end 2014 totaled NOK 522 million and the equity ratio stands at 60 per cent.

GROWTH DRIVERS
Q4 2013 - 2014
(Amounts in MNOK)



Financial performance 2014 – preliminary results

(Figures in brackets = previous year, unless otherwise specified)

Overall, XXL had a good year in 2014, with solid revenue growth and profitability improvements. The XXL Group posted a preliminary consolidated net profit of NOK 258 million for 2014 (NOK 125 million).

Total operating revenues for the year 2014 increased by 30.1 per cent to NOK 5 215 million. XXL delivered solid growth in both Norway and Sweden and the establishment in Finland contributed significantly. E-commerce reported a growth rate of 90.7 per cent for the year, Sweden 40.7 per cent and Norway 15.9 per cent. The growth is driven by a combination of new store openings, full year effects of stores opened during the last year, like-for-like growth and E-commerce. Finland contributed to 24 per cent of the growth for the Group in 2014, being in operation for only three quarters of the year. Like-for-like growth for the year equalled 5.7 per cent, driven by Norway of 6.5 per cent. Like-for-like growth in Sweden was 1.7 per cent for the year in local currency, impacted by cannibalization in Stockholm and Linköping.

One important parameter for XXL is to have the operating expenses (OPEX)/Sales ratio below 29 per cent on an annualized basis. For 2014 the OPEX/Sales ratio equalled 28.7 per cent, on par with last year, but including start-up costs and establishment of the Finnish operation but before one off cost.

EBITDA before one off cost for the year 2014 came in at NOK 636 million (NOK 460 million), representing a growth of 38.3 per cent and a margin of 12.2 per cent (11.5 per cent). Including one off cost, the EBITDA-margin was 11.5 per cent. When adjusting for one offs and the start-up in Finland the EBITDA-margin for the year 2014 stands at 12.3 per cent (11.6 per cent).

The Board of Directors proposes a dividend of NOK 2.00 per share for 2014, representing 79 per cent of preliminary consolidated net income for 2014 adjusted for the interests on the shareholder loan. The dividend policy is still at least 40 per cent of net income. However, the financial position is strong and the Board of Director has proposed a higher dividend pay-out ratio this year. There is no change in the growth strategy.

Strategy and operations

The XXL Group operates a retail chain with large, fully-owned sporting goods stores. As of 31 December 2014, the group operated 23 stores in Norway, 17 stores in Sweden, 4 in Finland, plus E-commerce in all three countries.

Delivering growth and efficiency

XXL's objective is to be the leading distribution channel for a unique range of branded sports, outdoors and wilderness products at the lowest prices in the market. To meet this objective, XXL's strategy is to capitalize on the expected growth of the sports retail market and improve its competitive position by taking advantage of the scalability of its operations in terms of supply chain operations, IT systems and store concepts. The strategy is to maintain and grow the Group's key strengths including:

- Continued store roll-out in existing markets
- Developing and improve the E-commerce and omni-channel platform
- Focusing on XXL's customer proposition to drive like-for-like growth
- Cost focus throughout the value chain

Enthusiastic and sales oriented organization

XXL has established a strong, performance-based culture throughout the organization. The culture revolves around customer satisfaction and cost consciousness. Competent and motivated employees are crucial to maximize customer satisfaction. The business is based on trained, skilled and enthusiastic employees strengthening the XXL brand every day.

Market conditions

XXL operates in the three Nordic markets Norway, Sweden and Finland. The Nordic populations have a high degree of sports interests and are perceived as physically active and equipment focused. The markets are characterized by having the same climate and seasons but to some extent different economic strength and consumer behavior.

The wide range of sports undertaken by the Norwegian, Swedish and Finnish populations is driven by the climate

conditions in the region and seasonal changes. The demand for sports goods, and consequently the store inventory, changes dependent on the time of the year. Unfavorable weather conditions can affect demand in certain regions and product categories. The fully integrated model of XXL with a central purchasing function is to some extent less exposed to these seasonal trends, having the ability to shift goods to the regions with highest demand and rapidly switching from winter to summer assortment. The fourth quarter 2014 was impacted by mild weather for October and November in the entire Nordic region, but with more cold in the latest part of December. Reporting like-for-like growth under difficult conditions proves that the XXL concept is dynamic and not dependent on perfect seasonal conditions.

Operating segments

(Figures in brackets = same quarter previous year, unless otherwise specified)

The Group's reporting structure comprises three operational segments based on XXL's operations in Norway, Sweden and Finland, in addition to HQ and Logistics.

Norway

XXL's operation in Norway showed a growth of 7.9 per cent in the fourth quarter of 2014 compared to the same quarter last year. The growth was driven by E-commerce, one new opened store this year, full year effect of stores opened last year and a like-for-like growth of 1.9 per cent.

Total operating revenues in the quarter was NOK 911 million (NOK 845 million). Mild autumn weather and late arrival of the winter impacted the sales figures of winter related products, but other categories compensated. Sales volumes responded well to the snowy weather in many parts of Norway in the days just prior to Christmas Eve. Both increased traffic in stores and higher conversion rates are still the key drivers behind the like-for-like growth.

EBITDA before one off cost increased to NOK 230 million (NOK 194 million) in the fourth quarter 2014 because of both higher sales and better margins. The corresponding EBITDA-margin was 25.3 per cent in the quarter (22.9 per cent). There is a one off cost of NOK 15 million related to an accrual for the old store locations in Kristiansand (Norway). After this accrual the margin was 23.6 per cent.

XXL believes it has strengthened the market leader position in 2014 with a strong growth of 15.9 per cent and a healthy like-for-like growth of 6.5 per cent for the year. Total operating revenues in Norway in 2014 was NOK 3 341 million. XXL is pleased with the profitability in Norway, improving both gross margins and OPEX percentage. This is driven by cost focus throughout the organization, more goods through the central warehouse and purchasing synergies across the Group. The gross margin increased from 42.4 per cent in 2013 to 43.4 per cent in 2014, whilst the EBITDA-margin including one off cost improved with 1.3 percentage points to 21.7 per cent.

Sweden

The Swedish sporting goods market is very volatile and the growth of XXL in Sweden is strong on a relative basis. According to market figures from HUI Research the sales of sporting goods in Sweden were down 0.7 per cent in October, down 3.5 per cent in November but up 5.8 per cent in December compared to the same months in 2013. XXL has been aggressive on campaigns to drive volume with especially good response in the after Christmas sales period. Operating revenues in Sweden in fourth quarter 2014 amounted to NOK 466 million (NOK 360 million), which equals a growth of 29.3 per cent. In local currency the operating revenues increased by 28.6 per cent, driven by four new stores opened this year and full year effect of stores opened last year. The like-for-like growth including cannibalized stores was down 0.1 per cent in local currency, as another store in Stockholm opened in the fourth quarter.

The new central warehouse in Sweden contributed to improved margins with better gross margin, more effective handling costs and lower customs duties. The stores in Sweden have become more effective as they have matured. Adding more stores in Stockholm has led to cannibalization of sales, but has improved the synergies of marketing significantly. EBITDA-margin increased from 3.1 per cent in the fourth quarter last year to 7.4 per cent this year. EBITDA amounted to NOK 34 million (NOK 11 million). The EBITDA margin is down from last quarter due to more campaigns as stated above and due to costs and discounted sales related to two new store openings in late November 2014.

Although Sweden experienced a more volatile market in the 2H 2014, total operating revenues from the Swedish operation came in at NOK 1 582 million in 2014, a growth of 40.7 per cent (38.2 per cent in local currency). This was driven by E-commerce, new stores but also a like-for-like growth of 1.7 per cent (local currency) including cannibalized stores. According to market figures from HUI Research for 2014 the sales of sporting goods increased by 1.9 per cent, and have to be compared to 40.7 per cent growth for XXL. Improved operations and effects of the new central warehouse improved the EBITDA-margin from 2.3 per cent in 2013 to 7.1 per cent in 2014.

Finland

On 8 October 2014 XXL opened a new store in Kaleva (Tampere) and on 5 November 2014 a new store in Kluuvi (down town Helsinki), totaling four stores in Finland. Together with E-commerce, the Finnish stores continued to deliver strong sales figures. Operating revenue for the quarter was NOK 143 million. XXL is constantly working on increasing perception and taking position in the market, attracting customers with aggressive campaigns. Increased volume, and revenue contribution from all four stores in the quarter, improved the profitability. The Finnish operation delivered the second quarter with positive EBITDA, amounted to NOK 5 million.

XXL is still in an establishing phase in Finland. The entry strategy is to be the cheapest sports retailer in the market. Large volumes due to low prices are affecting the gross

margins. However, after only three quarters of operation the Finnish team has delivered NOK 292 million in operating revenues and a slightly negative EBITDA of NOK 6 million. XXL is proud of the entry into Finland.

E-Commerce

The growth from E-commerce continues to be strong. Operating revenues increased by 88.0 per cent to NOK 110 million (NOK 59 million). This corresponds to 7.2 per cent of total Group revenues in the fourth quarter 2014 compared to 4.9 per cent last year. All three markets showed high growth.

E-commerce is included in the country figures, but is managed by a specialized E-commerce team. XXL is continuously working on improving the online offering. Many new initiatives are being introduced, like pick up at store with pilot this autumn and roll-out during spring, improved customer support and establishment of easier payment solutions.

HQ and Logistics

The HQ and Logistics segment consists of costs related to the Group's headquarter and logistics operations, as well as centralized E-commerce management and all financial income and financial expenses. Operating expenses before one off cost of these functions were NOK 64 million (NOK 54 million) in the quarter, decreasing by 0.3 percentage points to 4.2 per cent of total Group operating revenue. The two central warehouses are handling more goods compared to the same quarter last year.

One off cost in the fourth quarter was NOK 6 million of which NOK 24 million is related to the IPO process of XXL ASA and cost reduction of NOK 18 million is a reversal of costs related to the previous central warehouse facility in Norway. Operating expenses including one off cost totaled NOK 70 million in the quarter.

For 2014, the operating expenses before one off cost amounted to NOK 210 million, up from 150 million in 2013. This equaled 4.0 per cent of total operating revenues of the Group, an increase of 0.3 percentage points from 2013. This is driven by one more central warehouse in nine months of the year, opened October 2013.

Financials

(Figures in brackets = same quarter previous year, unless otherwise specified)

Consolidated income statement

Operating revenues were NOK 1 520 million (NOK 1 205 million), an increase of 26.1 per cent. The growth is driven by new stores, like-for-like growth and E-commerce. At the end of the year, XXL operated 44 stores compared to 35 at year end 2013.

Gross profit amounted to NOK 646 million (NOK 505 million) this quarter, an increase of 27.9 percent compared to the same period last year, impacted by both higher operating revenues and higher gross margins in all markets.

The Group handled more goods through the central warehouses and improved purchasing synergies across the Nordic countries. Gross margin in Norway improved from 44.5 per cent in the fourth quarter last year to 46.2 per cent in the fourth quarter this year. Gross margin in Sweden amounted to 37.6 per cent, up from 35.3 per cent in the same quarter last year. Gross margin in Finland was 35.1 per cent in the quarter despite opening two additional stores with discounted opening sales. Overall the gross margin for the Group improved from 41.9 per cent last year to 42.5 per cent this year.

Operating expenses including one off cost equaled NOK 462 million (NOK 356 million) in the fourth quarter. The main drivers behind the development are higher sales, new stores and one off cost. All the new established stores in the quarter opened in Finland and Sweden where the operating expenses are higher than in Norway.

Net financial income amounted to NOK 2 million for the fourth quarter (NOK -49 million). This reduction is due to the repayment of a shareholder loan of NOK 1 794 million at the time of the IPO of XXL ASA in October 2014 and refinancing of existing debt facilities in July 2014 at better terms. The interest expenses of the shareholder loan was NOK 38 million in the fourth quarter 2013. The net financial income includes a positive currency effect of NOK 17 million.

Tax expenses for the fourth quarter were NOK 35 million (NOK 20 million). The effective tax rate for the financial year 2014 ended at 23.9 per cent.

XXL has received a notification of reassessment from the Norwegian tax office (Skatt Øst) regarding income year 2012 and 2013. In the notification it is stated that the tax office is considering increasing the Groups income related to tax deductions for interest charges on loans to associated parties. Potential increase in income is NOK 210 million. XXL does not agree with the tax office's position and has opposed the notification letter. This is an ongoing case as described in the IPO-prospectus.

Net profit improved from NOK 63 million to NOK 125 million as a result of the reasons stated above.

Consolidated cash flow

Cash provided by operating activities ended at NOK 325 million which is NOK 82 million lower than 2013. The main reason for the negative deviation is periodization differences in accounts payables. Inventory per store is down by 9 per cent compared to the third quarter 2014, whilst the inventory per store increased by 8 per cent in the same period in 2013.

Cash used by investing activities was NOK 152 million

(NOK 152 million). This is related to investments in new stores, increased capacity at central warehouses and the establishment of XXL Children Foundation of NOK 10 million.

Cash used by financing activities amounted to NOK 121 million (NOK 140 million), primarily due to payments on long term debt and interest payments.

Financial position and liquidity

As of 31 December 2014, total assets amounted to NOK 5 333 million (NOK 4 834 million). Total equity were NOK 3 212 million (NOK 1 173 million), giving an equity ratio of 60.2 per cent (24.3 per cent). Net interest bearing debt decreased to NOK 882 million (NOK 2 538 million) due to repayment of a shareholder loan. At the IPO on 3 October 2014 the shareholder loan of NOK 1 794 million was partly repaid and partly converted to equity.

On 16 July 2014 the Group refinanced its bank debt, comprising a NOK 1 087 million senior facility which has been used to refinance the Group's prior senior facility. The new loan agreement has no fixed repayment schedule, thus all debt are classified as long-term debt in the balance sheet. (NOK 139 million was classified as short-term borrowings in the fourth quarter 2013).

The Group had cash and cash equivalents of NOK 222 million (NOK 169 million) as of 31 December 2014, of which NOK 16 million was restricted cash. The group's liquidity reserves include a total credit facility of NOK 300 million, of which was unused at 31 December 2014.

Outlook

Total operating revenue in January 2015 grew by 22.2 per cent, to NOK 503 million. The start of the year was impacted by the late arrival of winter in Norway and lack of snow in Sweden and Finland.

XXL have signed 7 new lease agreements for new store openings in 2015, and aims for 8-9 new stores in total. The Group expects the new store openings to be back-end loaded. The first new store is expected to be opened during spring in Finland.

The main share of the growth will be outside Norway. Finland is still under establishment and it will be an achievement to deliver positive EBITDA in 2015. Sweden had a good improvement in the margin in 2014 due to the new central warehouse. Margin improvement going forward will not be in the same pace as in 2014.

The Group maintains the following long term objectives (as compared to 2013 figures):

- Like-for-like growth of mid-single digits over time
- E-commerce share of total revenues of low double digits
- Gross margins to be stable. For Norway maintained at the same level, increasing to high 30's in Sweden and Finland
- EBITDA-margin stable as a result of stable gross margins and operating expenses. In Norway at low 20's, in Sweden low double digits and in Finland high single digits.
- Reduction in effective tax rate targeted at mid 20's (already achieved).

Oslo, 24 February 2015
Board of Directors, XXL ASA

Condensed consolidated financial statements

UNAUDITED, FOR THE PERIOD ENDED DECEMBER 31, 2014

Condensed Consolidated Interim Income Statement

<i>(Amounts in NOK million)</i>	Q4 2014	Q4 2013	YTD 2014	FY 2013 Audited
Total Operating Revenue	1 520	1 205	5 215	4 010
Cost of goods sold	873	700	3 083	2 399
Personnel expenses	240	196	799	606
Depreciation	26	17	80	59
Other operating expenses	222	160	732	544
Total Operating Expenses	1 361	1 073	4 695	3 609
Operating Income	158	132	521	401
Total Financial Income	59	6	101	29
Total Financial Expense	57	55	283	254
Net Financial Income (+) / Expense (-)	2	-49	-182	-225
Profit before income tax	160	83	339	176
Income tax expense	35	20	81	51
Profit for the period	125	63	258	125
Basic Earnings per share (NOK)	0,90	0,23	1,51	0,11
Diluted Earnings per share (NOK)	0,90	0,23	1,51	0,11
Other comprehensive income				
<u>Items that may be subsequently reclassified to profit or loss</u>				
Foreign currency rate changes	-7	-0	-3	1
Total Other Income and Expense	-7	-0	-3	1
Total comprehensive income for the period	118	63	255	126

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements

Earnings per share: See also Note 5 Earnings per share. The financial- and share structure has changed due to the IPO 3 October 2014.

Condensed Consolidated Interim Statement of Financial Position

31.12.2013

<i>(Amounts in NOK million)</i>	31.12.14	Audited
NON CURRENT ASSETS		
Intangible Assets		
Goodwill	2 734	2 734
Other intangible assets	221	214
Total Intangible Assets	2 955	2 948
Fixed Assets	474	413
Noncurrent Financial Assets	0	4
Total Non Current Assets	3 429	3 365
CURRENT ASSETS		
Inventory	1 397	1 073
Trade and Other Receivables	285	227
Cash and Cash Equivalents	222	169
Total Current Assets	1 904	1 469
TOTAL ASSETS	5 333	4 834
SHAREHOLDERS' EQUITY		
Paid-in Capital	2 890	1 096
Retained Earnings	323	78
Total Shareholders' Equity	3 212	1 173
LIABILITIES		
Deferred tax liability	63	41
Total Provisions	63	41
Other long-term debt		
Other long-term debt	1 104	1 038
Loan from shareholder	-	1 669
Total other long-term debt	1 104	2 707
Total long-term debt	1 167	2 747
Short-term debt		
Accounts payable	455	415
Short-term borrowings	-	139
Derivatives	-	4
Tax payable	70	48
Public duties payable	185	120
Other short-term debt	245	188
Total short-term debt	954	913
TOTAL LIABILITIES	2 121	3 660
TOTAL EQUITY AND LIABILITIES	5 333	4 834

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements

Condensed consolidated interim Statement of Changes in Equity

<i>(Amounts in NOK million)</i>	Paid-in Capital	Retained earnings	Foreign Currency Rate Changes	Total Shareholders' Equity
Shareholders' Equity 01.01.13	1 096	-48	0	1 048
Net income YTD 2013		125		125
Foreign currency rate changes			1	1
Shareholders' Equity 31.12.13	1 096	77	1	1 173
Shareholders' Equity 01.01.14	1 096	77	1	1 173
Net income YTD 2014		258		258
Equity transaction*		-10		-10
Reduction in share capital ¹	-1 120			-1 120
Proceeds from shares issued (private placement) ¹	1 120			1 120
Proceeds from shares issued (private placement) ²	600			600
Proceeds from shares issued (Initial public offering) ³	1 194			1 194
Foreign currency rate changes			-3	-3
Shareholders' Equity 31.12.14	2 890	325	-2	3 212

The share capital as of 31.12.2014 is 55.4 million NOK

* Contribution to XXL Children Foundation

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements

1) Restructuring of the company's share capital, including (i) the redemption of the Company's class C shares; (ii) a share capital increase in which holders of class C shares subscribed for new ordinary shares in which the redemption amount received for the class C shares was set off against the consideration for the new ordinary shares

2) Share capital increase in which XIN Holding Guernsey Limited (an entity controlled by EQT V Limited, advised by EQT Partners) subscribed for new shares for an amount equal to the interest portion of the Company's outstanding debt to EQT V and the consideration payable for such ordinary shares was settled by way of set off against EQT V's entitlement to such interest amount.

3) In the Offering, XXL issued a total of 20,595,620 new shares, of which 20,501,708 shares issued to investors at a subscription price of NOK 58 and 93,912 shares issued to employees at a subscription price of NOK 52.1860, each with a par value of NOK 0.40, in connection with completion of the Offering.

Condensed consolidated interim statement of cash flows

<i>(Amounts in NOK million)</i>	YTD 2014	FY 2013 Audited
Operating Activities		
Profit before income tax	339	176
<i>Adjustments for:</i>		
Income tax paid	-48	-25
Depreciation	74	59
Impairment of non-current assets	6	1
Interest payments	53	80
Interest expense on shareholder loan	125	152
Amortisation of capitalised transaction costs	8	8
Fair value movement of financial derivatives	-4	-8
<i>Changes in working capital:</i>		
Changes in inventory	-324	-295
Changes in accounts receivable	60	55
Changes in accounts payable	40	147
Prepayments of financial leases	-7	40
Changes in other assets and liabilities	4	17
Cash provided (used) by operating activities	325	407
Investing Activities		
Acquisition of fixed assets and intangible assets	-147	-152
Proceeds from disposal of financial assets	5	0
Equity transaction	-10	0
Cash provided (used) by investing activities	-152	-152
Financing Activities		
Payments on long-term debt	-68	-60
Interest payments	-53	-80
Payment of shareholder loan	-1 794	0
Proceeds from issuance of new shares	1 794	0
Cash provided (used) by financing activities	-121	-140
Net Change in Cash and Cash Equivalents	52	114
Cash and cash equivalents - beginning of year	170	57
Effect of foreign currency rate changes on cash and equivalents	0	-2
Cash and Cash Equivalents - End of Period	222	170

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements

Notes to the interim financial statements

Note 1 General information

XXL ASA and its subsidiaries' (together the "company" or the "Group") operating activities are related to the resale of sports and leisure equipment in the Nordic countries.

All amounts in the interim financial statements are presented in NOK million unless otherwise stated. Due to rounding, there may be differences in the summation columns.

These condensed interim financial statements have not been audited.

Note 2 Basis of preparation

These condensed interim financial statements for the three months ended 31 December 2014 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed interim financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2013, which have been prepared in accordance with IFRS as adopted by the European Union ('IFRS').

Note 3 Accounting policies

The accounting policies applied in the preparation of the condensed consolidated interim financial statements are consistent with those applied in the preparation of the annual IFRS financial statements for the year ended 31 December 2013, except for the adoption of amended standards and new interpretations which are mandatory from 1 January 2014. These are described below:

- IFRS 10 *Consolidated Financial Statements* builds on

existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. Adoption of IFRS 10 did not have any material effect on these financial statements.

IFRS 12 *Disclosures of Interest in Other Entities* includes the disclosure requirements for all forms of interest in other entities, including joint arrangements, associates, structured entities and other off-balance sheet vehicles. Adoption of IFRS 12 did not have any material effect on these financial statements.

Note 4 Estimates, judgments and assumptions

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31.12.2013.

Note 5 Earnings per share

	Q4 2014	Q4 2013	YTD 2014	YTD 2013
Total profit (in NOK million)	127	63	260	125
Weighted average number of ordinary shares in issue	138 512 123	273 612 375	171 434 193	273 612 375
Adjustment for:				
Weighted number of ordinary shares in issue for diluted earnings per share	138 512 123	273 612 375	171 434 193	273 612 375
Basic Earnings per share (in NOK)	0,92	0,23	1,52	0,46
Diluted Earnings per share (in NOK)	0,92	0,23	1,52	0,46

Reconciliation weighted average number of ordinary shares

	Q4 2014	Q4 2013	YTD 2014	YTD 2013
Number of shares opening	1 094 449 501	1 094 449 501	1 094 449 501	1 094 449 501
Share issue 15.09.2014	43	0	43	0
Share consolidation (4:1 ratio) 15.09.2014 *	-820 837 158	-820 837 126	-820 837 158	-820 837 126
Share capital reduction	-185 355 705		-185 355 705	
Share issue private placement	19 318 007		19 318 007	
Share issue private placement	10 341 815		10 341 815	
Share issue Initial public offering	20 595 620		20 595 620	
Number of shares closing	138 512 123	273 612 375	138 512 123	273 612 375
Weighted average	138 512 123	273 612 375	171 434 193	273 612 375

Note 6 Operating Segments

The Group's business is the sale of sports and leisure equipment. Segment performance is reviewed by Management and the Board of Directors as three reportable geographical segments and HQ & Logistics segment. The following presents the Group's revenue by geographic segment:

Q4 2014

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics	Total
Operating revenue	911	466	143	0	1 520
Gross profit	421	175	50	-	646
EBITDA ²	215	34	5	-70	185
Operating Income	203	28	4	-76	158

Q4 2013

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics	Total
Operating revenue	845	360	-	0	1 205
Gross profit	376	127	-	2	505
EBITDA ²	194	11	-2	-54	149
Operating Income	186	5	-2	-58	132

01.01.2014 - 31.12.2014

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics	Total
Operating revenue	3 341	1 582	292	0	5 215
Gross profit	1 449	592	91	-	2 132
EBITDA ²	726	112	-6	-231	601
Operating Income	693	89	-8	-252	521

01.01.2013 - 31.12.2013

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics	Total
Operating revenue	2 883	1 125	-	2	4 010
Gross profit	1 223	386	-	2	1 611
EBITDA ²	588	26	-4	-150	460
Operating Income	560	8	-4	-163	401

Note 7 Related Party Transactions

The Group's related parties include its associates, key management, members of the board and majority shareholders.

None of the Board members have been granted loans or guarantees in the current year. Furthermore, none of the Board members are included in the Group's pension or bonus plans.

Note 8 Commitments

The Group has entered into agreements with fixed payment commitments in respect of the following as of 31.12.2014:

Long term lease contracts for new stores in Norway, Sweden and Finland, total commitments of NOK 231 million for the next 7-10 years.

Note 9 Fixed Assets and intangible assets

<i>(Amounts in NOK million)</i>	PPE	Goodwill	Other intangible assets
Balance 01.01.2014	413	2 734	214
Additions	132	0	14
Disposals and write-downs	-6	0	0
Depreciation and amortisation	-67	0	-7
Net exchange differences	1	0	0
Balance 31.12.2014	474	2 734	221

Additions mainly related to purchase of fixtures and fittings in new and existing stores.

<i>Amounts in NOK million</i>	PPE	Goodwill	Other intangible assets
Balance 01.01.2013	325	2 734	200
Additions	133	0	19
Disposals	0	0	0
Depreciation and amortisation	-53	0	-5
Net exchange differences	8	0	0
Balance 31.12.2013	413	2 734	214

Additions mainly related to purchase of fixtures and fittings in new and existing stores.

Note 10 Subsequent Events

None

Disclaimer

This report includes forward-looking statements which are based on our current expectations and projections about future events. All statements other than statements of historical facts included in this notice, including statements regarding our future financial position, risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, including our plans for future costs savings and synergies may be deemed to be forward-looking statements. Words such as “believe,” “expect,” “anticipate,” “may,” “assume,” “plan,” “intend,” “will,” “should,” “estimate,” “risk” and similar expressions or the negatives of these expressions are intended to identify forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. You should not place undue reliance on these forward-looking statements. In addition any forward-looking statements are made only as of the date of this notice, and we do not intend and do not assume any obligation to update any statements set forth in this notice.

Footnotes/Definitions

Non – GAAP Measures

Certain financial measures and ratios related thereto in this quarterly report, including growth, gross profit, gross margin, EBIT, EBIT margin, EBITDA, EBITDA margin, working capital and net interest bearing debt (collectively, the “Non-GAAP Measures”), are not specifically defined under IFRS or any other generally accepted accounting principles. These measures are presented in this quarterly report because they are among the measures used by management to evaluate the cash available to fund ongoing, long-term obligations and they are frequently used by other interested parties for valuation purposes or as a common measure of the ability of a company to incur and meet debt service obligations. These measures may not be comparable to other similarly titled measures of other companies and are not measurements under IFRS or other generally accepted accounting principles, and you should not consider such items as alternatives to profit for the year, total operating revenues, operating income or any other performance measures derived in accordance with IFRS, and they may be different from similarly titled measures used by other companies.

¹⁾ **EBIT**

Our EBIT represents operating income.

²⁾ **EBITDA**

Our EBITDA represents operating income plus depreciation.

³⁾ **Like for Like**

Like for Like or Comparable stores are stores that have been open all months of the current year and all months of the previous year. Stores that have been relocated or significantly expanded are excluded from Like for Like stores.

⁴⁾ **Gross profit**

Gross profit represents operating revenue less cost of goods sold.

⁵⁾ **Working capital**

Working capital consists of accounts receivables, accounts payables, inventory, other receivables and other current liabilities.

⁶⁾ **Net interest bearing debt**

Net interest bearing debt is defined as total other long-term debt and short-term borrowings less cash and cash equivalents

⁷⁾ **EBITDA adjusted**

EBITDA before one off cost

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FINANCIAL CALENDAR	
Q4 2014 and full year results:	25.02.2015
Q1 2015 results:	29.04.2015
Annual General Meeting:	27.05.2015

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