

HIGHLIGHTS

- Total revenues of NOK 1 684 million (NOK 1 369 million), up 23 per cent
- Like-for-like growth of 11 per cent
- EBITDA of NOK 101 million (NOK 95 million)
- Sweden standing out with strong results

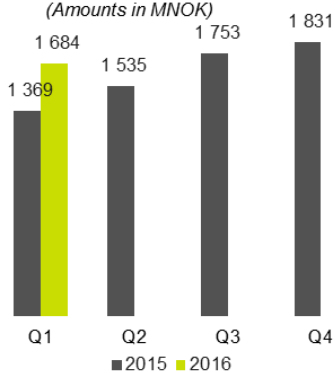


Q1 Growth

Revenue **+23%**
EBITDA **+7%**

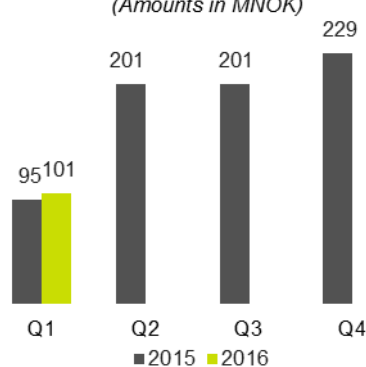
OPERATING REVENUES

(Amounts in MNOK)

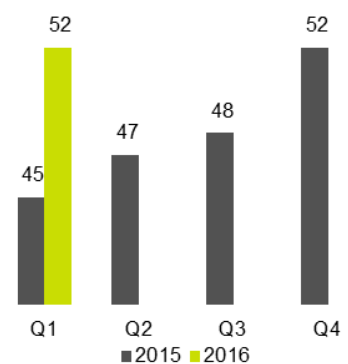


EBITDA

(Amounts in MNOK)



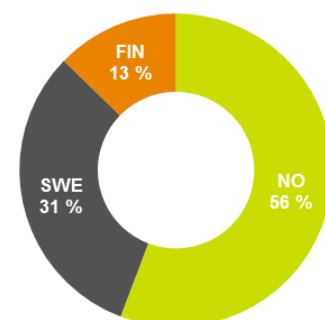
NUMBER OF STORES



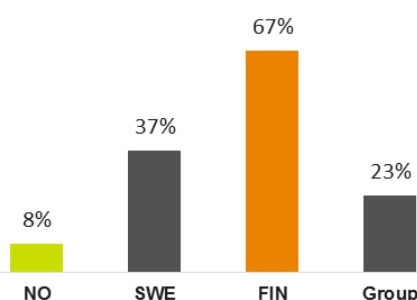
KEY FIGURES

(Amounts in NOK million)	Q1 2016	Q1 2015	FY 2015 Audited
GROUP			
Operating revenue	1 684	1 369	6 487
Growth (%)	23,0 %	32,3 %	24,4 %
Gross profit*	624	510	2 579
Gross margin (%)	37,0 %	37,3 %	39,8 %
EBITDA ²	101	95	725
EBITDA margin (%)	6,0 %	6,9 %	11,2 %
EBIT ¹	75	74	634
EBIT margin	4,4 %	5,4 %	9,8 %
**Basic Earnings per share (NOK)	0,34	0,25	3,08
**Average number of shares (1 000 shares)	138 512	138 512	138 512
Net cash flow from operating activities	-38	47	352
Like for like revenue growth	11,2 %	8,5 %	7,7 %
Number of stores at quarter end	52	45	52
SEGMENT			
Norway			
Operating revenue	882	813	3 617
Growth (%)	8,4 %	12,4 %	8,3 %
Gross profit*	342	321	1 529
Gross margin (%)	38,8 %	39,5 %	42,3 %
EBITDA	141	142	763
EBITDA margin (%)	16,0 %	17,5 %	21,1 %
Number of stores at quarter end	24	23	24
Sweden			
Operating revenue	563	412	2 045
Growth (%)	36,6 %	32,5 %	29,2 %
Gross profit*	210	143	783
Gross margin (%)	37,3 %	34,7 %	38,3 %
EBITDA	45	13	188
EBITDA margin (%)	8,1 %	3,2 %	9,2 %
Number of stores at quarter end	20	17	20
Finland			
Operating revenue	240	144	825
Growth (%)	67,0 %	N/A	182,6 %
Gross profit*	72	45	268
Gross margin (%)	29,9 %	31,7 %	32,5 %
EBITDA	-6	-3	19
EBITDA margin (%)	-2,6 %	-2,3 %	2,3 %
Number of stores at quarter end	8	5	8
HQ & logistics			
Operating revenue	0	0	0
EBITDA ²	-79	-57	-244
EBITDA margin (% of Group revenues)	-4,7 %	-4,2 %	-3,8 %

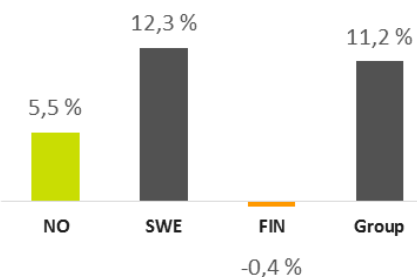
REVENUE SPLIT Q1 2016



GROWTH BY COUNTRY



GROWTH BY COUNTRY, LIKE FOR LIKE (LOCAL CURRENCY)



**Earnings per share: See Note 5.

Footnotes and definitions are described in the end of the report

Broad based growth where Sweden is standing out

Oslo, 26 April 2016: In the first quarter 2016 XXL ASA delivered a growth rate of 23 per cent compared to the same quarter last year. Under various winter conditions XXL succeeded to grow sales but at lower gross margin. However, focus on clearance of seasonal products resulted in a good and healthy inventory situation. EBITDA amounted to NOK 101 million with a corresponding margin of 6 per cent, impacted by the increase in digital marketing costs and the higher costs after doubling the capacity at the central warehouse in Sweden. Overall the Swedish results are standing out with a revenue growth of 25 per cent and a positive like-for-like growth of 12 per cent in local currency.

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

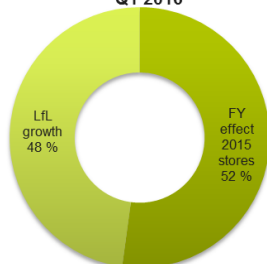
First quarter performance

XXL Group delivered a growth of 23.0 per cent in the first quarter 2016 and total operating revenues ended at NOK 1 684 million (NOK 1 369 million). January was impacted by good winter conditions in most of Norway, Sweden and Finland. However, these conditions did not continue in February, especially not for Finland. March last year experienced strong sales related to products for the spring season, which was not the case this year. March 2016 was a month characterized by winter clearance campaigns in all three markets which resulted in lower gross margins, but a good and healthy inventory situation.

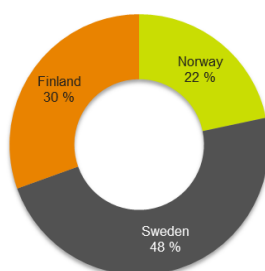
GROWTH DRIVERS
Q1 2015 - 2016
(Amounts in MNOK)



SHARE OF GROWTH BY MATURITY
Q1 2016



SHARE OF GROWTH BY GEOGRAPHY
Q1 2016



Norway reported 8.4 per cent revenue growth, whilst the Swedish operation achieved 36.6 per cent growth and Finland 67.0 per cent. The growth is driven by stores that opened in 2015 and like-for-like growth. There have not been any new store openings so far in 2016. E-commerce had a growth of 56.8 per cent, representing 18.3 per cent of the total growth of the Group. XXL Group delivered a like-for-like growth of 11.2 per cent in the quarter. Norway had a like-for-like growth of 5.5 per cent. Sweden delivered a like-for-like growth of 12.3 per cent in local currency. Finland had a negative like-for-like growth of 0.4 per cent in local currency, impacted by cannibalization in both Helsinki and Tampere.

XXL succeeded to grow sales in the quarter, despite the various winter conditions and missing sales of spring related products but at reduced gross margins. Gross margin for the Group declined to 37.0 per cent (37.3 per cent) due to lower gross margins in Norway and Finland. In Sweden the gross margin improved due to good sales of winter related products in January and thereby lower share of clearance sales compared to the same period last year.

Operating expenses before depreciation as percentage of sales increased from 30.3 per cent in the first quarter 2015 to 31.0 per cent in the first quarter 2016, driven by an increase in digital marketing costs and higher costs related to the central warehouse in Sweden after doubling the capacity from 20 000 to 40 000 square meters late in 2015.

The Group EBITDA in the first quarter 2016 was NOK 101 million (NOK 95 million). This gave an EBITDA-margin of 6.0 per cent compared to 6.9 per cent in the same quarter last year.

The financial position is good. Total liquidity reserves as of 31 March 2016 amounted to NOK 613 million. Total credit facilities equal NOK 700 million, whereof NOK 87 million was used as of 31 March 2016. The equity ratio ended at 59.0 per cent and the leverage ratio at 1.6x.

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

Total operating revenues from the XXL's operations in Norway was NOK 882 million (NOK 813 million) which corresponded to a growth of 8.4 per cent compared to the same quarter last year. The growth was driven by one new store that opened in 2015 and a like-for-like growth of 5.5 per cent.

Overall the Norwegian market experienced winter conditions equal to last year. However, the early signs of spring that Norway experienced in the first quarter last year did not recur this year. As a result the end of the period was characterized by higher share of clearance sales than sales for a new season. This impacted the gross margin negatively and the gross margin was reduced from 39.5 per cent in Q1 2015 to 38.8 per cent in Q1 2016.

EBITDA amounted to NOK 141 million on par with last year (NOK 142 million) and the corresponding margin was 16.0 per cent (17.5 per cent). The decline in margin is due to the lower gross margin as described above as well as increased costs related to more digital marketing activities. Operating expenses as percentage of sales equaled 22.8 per cent in the first quarter this year compared to 22.1 per cent last year.

In March 2016 XXL won several price tests against the main competitor G-Sport/G-Max. These tests were broadcasted by the national TV station TV 2 in Norway and concluded that XXL was 11-19 per cent cheaper. XXL is pleased with this achievement of delivering on the price promise at all times.

Sweden

Sales of winter related products responded well when the snow and cold arrived in January. At the same time the Swedish sporting goods market has experienced solid growth in the period and according to market figures from HUI Research the sale of sporting goods in Sweden increased by 15.0 per cent in January and 14.4 per cent in February compared to the same months last year.

Total operating revenues amounted to NOK 563 million, representing a growth rate of 36.6 per cent in the fourth quarter (24.5 per cent in local currency). The main drivers were growth from new stores that opened last year and a like-for-like growth of 12.3 per cent in local currency.

The gross margin improved to 37.3 per cent in the quarter compared to 34.7 per cent in the same quarter last year. Due to better winter conditions XXL had lower share of clearance sales this year which resulted in higher gross

margins. The improvement in gross margin is also a result of better overall store operations.

Operating expenses as percentage of sales were 29.8 per cent in the quarter (31.6 per cent). The improvement in the operating expenses is a result of scale in the organization and more cost efficiency. This is done despite negative effects of increased social security tax for younger employees and increased costs of digital marketing. The EBITDA-margin improved from 3.2 per cent in Q1 2015 to 8.1 per cent in Q1 2016. EBITDA amounted to NOK 45 million (NOK 13 million).

In March 2016 the XXL store in Linköping was awarded the Chain Store of the Year at Handelsgalan proving the XXL concept of high degree of service from enthusiastic, hard working and educated employees.

Finland

Total operating revenues from the Finnish operations amounted to NOK 240 million in the quarter, representing a growth of 67.0 per cent (53.1 per cent in local currency). The challenging macro situation, combined with lack of snow and cold, impacted sales volumes negatively in the quarter. Cannibalization effects in both Helsinki and Tampere contributed to a negative like-for-like figure of 0.4 per cent (in local currency).

Gross margin was affected by the difficult selling conditions and the later start of spring this year compared to last year. The gross margin declined from 31.7 per cent in Q1 2015 to 29.9 per cent in Q1 2016 driven by a high share of clearance discounts on winter products.

The cost position improved and total operating expenses amounted to 32.5 per cent of sales compared to 33.9 per cent in the first quarter last year. The improvement is driven by increased scale from a higher store base and no costs related to store openings in the first quarter this year. Despite this the EBITDA was negative of NOK 6 million.

E-commerce

Please note that E-commerce is not a separate segment in the financial reporting but is reported under each country segment. Currently XXL has an online offering in Norway, Sweden and Finland through xxl.no, xxl.se and xxl.fi respectively.

E-commerce sales comprised 9.5 per cent of total Group operating revenues in Q1 2016 compared to 7.5 per cent in Q1 2015. The first quarter 2016 showed another quarter with strong growth and operating revenues increased by 56.8 per cent to NOK 160 million (NOK 102 million). All three markets experienced high growth, in particular Sweden where a new organization is in place. The E-commerce organization is working on many new initiatives to improve the user experience further. These include building a customer database and increasing the number of available online products, as well as investing in scalable infrastructure and digital marketing.

HQ and Logistics

The HQ and Logistics segment consists of costs related to the Group's headquarter and logistics operations, as well as costs related to the centralized E-commerce management and all financial income and financial expenses.

Operating expenses were NOK 79 million (NOK 57 million) in the quarter. This equals 4.7 per cent of total Group operating revenue. The corresponding figure for the first quarter last year was 4.2 per cent. The increased costs are related to the expansion of the central warehouse in Sweden from 20 000 to 40 000 square meters, which was finalized and handed over in late November 2015. This provided for higher rental and personnel costs in the first quarter 2016.

Financials

Consolidated income statement

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

Operating revenues increased by 23.0 per cent to NOK 1 684 million (NOK 1 369 million). The growth is driven by stores that opened in 2015 and like-for-like growth. At the end of the quarter, XXL operated 52 stores compared to 45 stores at the end of the first quarter 2015.

Gross profit was NOK 624 million (NOK 510 million) this quarter, an increase of 22.3 per cent compared to the same period last year. The gross margin for the Group decreased to 37.0 per cent (37.3 per cent) due to significant share of clearance sales of winter related products and less sale of spring related goods.

Operating expenses excluding depreciation equaled NOK 522 million (NOK 415 million) in the first quarter. As percentage of total operating revenues of the Group, operating expenses increased from 30.3 per cent last year to 31.0 per cent this year. This is due to increased digital marketing costs and higher costs after doubling the capacity at the central warehouse in Sweden.

Net financial expenses amounted to NOK 14 million for the first quarter (NOK 30 million). The financial expenses include a negative currency effect of 3.4 million compared to NOK 20.9 million effects in the same quarter last year. Net interest expenses equaled NOK 4.7 million in the quarter.

Tax expenses for the first quarter were NOK 14 million and the effective tax rate was estimated to 23.3 per cent.

Net profit ended at NOK 47 million (NOK 34 million).

Consolidated cash flow

Cash used by operating activities ended at NOK 38 million in Q1 2016 compared to positive cash from operating activities of NOK 47 million in Q1 2015. The main reason for the negative deviation is the changes in accounts payable. XXL has increased cash discount received, which is positive

for gross margin, but negative for accounts payable.

The inventory increased from NOK 1 609 million at the end of Q1 2015 to 1 978 million at the end of Q1 2016 due to new products coming in for the new season, growth and currency effects. Inventory per store (including E-commerce) equaled NOK 36.6 million (NOK 34.2 million) by the end of Q1 2016. Currency effects equal NOK 1.6 million of the increase. The inventory is healthy and winter related products are at a low level.

Cash used by investing activities was NOK 44 million (NOK 25 million) in 2015. This is related to investments in new stores and investments in central warehouses and IT.

Cash provided from financing activities amounted to NOK 64 million of which NOK 69 million is related to proceeds from a new short term loan. Interest payments amounted to NOK 5 million compared to NOK 15 million in the first quarter last year.

Financial position and liquidity

As of 31 March 2016, total assets amounted to NOK 5 792 million (NOK 5 486 million). Total equity was NOK 3 416 million (NOK 3 246 million), resulting in an equity ratio of 59.0 per cent (59.2 per cent). Net interest bearing debt increased to NOK 1 121 million (NOK 874 million) due to dividend payment of NOK 277 million in July 2015.

The Group had cash and cash equivalents of NOK 69 million (NOK 229 million) as of 31 March 2016, of which NOK 9 million was restricted cash. The Group's liquidity reserves include total credit facilities of NOK 700 million whereof NOK 87 million was used as of 31 March 2016. Available liquidity reserves as of 31 March 2016 were NOK 613 million.

Settlement of tax dispute

XXL settled an agreement with Skatt Øst (Norwegian tax authorities) in March 2016 regarding the income tax for the years 2010-2013. Under the agreement the net tax effect for XXL was NOK 38 million, which was booked in the annual accounts for 2015. The cash effect will be booked in Q2 2016.

Long term incentive programs

In accordance with the resolution made by the Annual General Meeting in XXL ASA on 27 May 2015, a share option program for the management team and key employees was implemented on 25 February 2016. The strike price was NOK 93.10, equal to the volume weighted average price in the market from 19 February 2016 to 25 February 2016. In total 430 125 options were granted. The options are exercisable after three years, subject to a key performance criteria (EBITDA-target according to business plan) being met and subject to the holder at the time of exercise is employed in XXL. The value of the share option program is NOK 8.5 million and the costs related to this will be booked over the duration period of three years with effect from 25 February 2016.

In accordance with the resolution made by the Annual General Meeting in XXL ASA on 27 May 2015, a program of restricted share units for around 140 employees was implemented on 25 February 2016. The allocation price was NOK 93.10, equal to the volume weighted average price in the market from 19 February 2016 to 25 February 2016. In total 97 000 shares were allocated to employees. The shares are exercisable after three years subject to the holder at the time of exercise is employed in the company. All shares related to the program has been covered for by acquiring own shares in the market. In the period 29 February 2016 to 31 March 2016 XXL acquired a total of 97 000 shares in the market at an average price of NOK 97.69 per share and for an aggregate consideration of NOK 9.5 million. The value of the restricted share units program is NOK 9.0 million and the costs related to this will be booked over the duration period of three years with effect from 25 February 2016.

Outlook

XXL has signed 10 new lease agreements for store openings for 2016 where of 6 in Norway. The target for 2016 is 10-12 new stores in total.

In addition XXL will launch an e-commerce offering in Denmark in 2016. The launch will be colored by aggressive pricing and high marketing spending and will return negative profits the first years of operation. The business case has minor initial CAPEX but the total investment should be considered as a small store outside Norway with 4-5 years of pay-back.

Due to more stores and growth in e-commerce in Norway XXL will invest in the central warehouse. The central warehouse in Norway will increase from approximately 24 000 square meters to 32 000 square meters. In addition, XXL will increase the capacity of the Autostore system in

Sweden. Total infrastructure investments will be in the range of NOK 50-65 million in 2016.

The distribution channels for XXL marketing material is under substantial change where the existing print and TV marketing is under pressure. XXL will focus more on digital marketing channels in addition to the existing channels. The new strategy will increase the marketing cost in per cent of sales in all countries in a transition period by approximately 0.5 percentage points year over year.

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

- Like-for-like growth of mid-single digits over time including e-commerce
- 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. Due to the demanding macro in Finland the lift to high 30's may take longer time than in Sweden
- 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.

Oslo, 26 April 2016
Board of Directors, XXL ASA

Condensed consolidated financial statements

UNAUDITED, FOR THE PERIOD ENDED March 31, 2016

Condensed Consolidated Interim Income Statement

<i>(Amounts in NOK million)</i>	Q1 2016	Q1 2015	FY 2015 Audited
Total Operating Revenue	1 684	1 369	6 487
Cost of goods sold	1 060	859	3 908
Personnel expenses	278	223	991
Depreciation	26	21	91
Other operating expenses	244	192	863
Total Operating Expenses	1 609	1 294	5 853
Operating Income	75	74	634
Total Financial Income	39	14	142
Total Financial Expense	52	44	170
Net Financial Income (+) / Expense (-)	-14	-30	-28
Profit before income tax	61	44	606
Income tax expense	14	10	179
Profit for the period	47	34	427
Basic Earnings per share (NOK)	0,34	0,25	3,08
Diluted Earnings per share (NOK)	0,34	0,25	3,07
Other comprehensive income			
<u>Items that may be subsequently reclassified to profit or loss</u>			
Foreign currency rate changes	0	1	0
Total Other Income and Expense	0	1	0
Total comprehensive income for the period	47	35	427

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

Condensed Consolidated Interim Statement of Financial Position

<i>(Amounts in NOK million)</i>	31.3.16	31.3.15	31.12.2015 Audited
NON CURRENT ASSETS			
Intangible Assets			
Goodwill	2 734	2 734	2 734
Other intangible assets	231	220	225
Total Intangible Assets	2 965	2 954	2 959
Fixed Assets	571	468	569
Total Non Current Assets	3 536	3 422	3 529
CURRENT ASSETS			
Inventory	1 978	1 609	1 928
Trade and Other Receivables	209	226	296
Cash and Cash Equivalents	69	229	87
Total Current Assets	2 256	2 064	2 310
TOTAL ASSETS	5 792	5 486	5 839
SHAREHOLDERS' EQUITY			
Paid-in Capital	2 888	2 882	2 886
Retained Earnings	527	364	480
Total Shareholders' Equity	3 416	3 246	3 366
LIABILITIES			
Deferred tax liability	71	56	61
Other provisions	-	-	3
Total Provisions	71	56	64
Other long-term debt			
Interest bearing long-term debt	1 102	1 103	1 121
Total other long-term debt	1 102	1 103	1 121
Total long-term debt	1 173	1 159	1 185
Short-term debt			
Accounts payable	483	619	578
Short-term borrowings	87	-	-
Tax payable	186	52	193
Public duties payable	132	149	228
Other short-term debt	315	262	289
Total short-term debt	1 203	1 082	1 287
TOTAL LIABILITIES	2 376	2 241	2 472
TOTAL EQUITY AND LIABILITIES	5 792	5 486	5 838

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

Condensed consolidated interim statement of cash flows

<i>(Amounts in NOK million)</i>	Q1 2016	Q1 2015	FY 2015 Audited
Operating Activities			
Profit before income tax	61	44	606
<i>Adjustments for:</i>			
Income tax paid	-4	-23	-73
Depreciation	26	21	91
Items classified as investments or financing	5	15	42
Amortisation of capitalised transaction costs	2	2	8
Fair value movement of financial derivatives	4	-3	-1
<i>Changes in working capital:</i>			
Changes in inventory	-50	-212	-531
Changes in accounts receivable	87	59	-11
Changes in accounts payable	-95	164	124
Prepayments of financial leases	-3	-3	-11
Changes in other assets and liabilities	-70	-18	108
Cash provided (used) by operating activities	-38	47	352
Investing Activities			
Acquisition of fixed assets and intangible assets	-44	-17	-162
Proceeds from disposal of financial assets	0	0	1
Purchase of own shares/other equity transactions	0	-8	-8
Cash provided (used) by investing activities	-44	-25	-169
Financing Activities			
Payments on long/short term debt	0	0	-787
Proceeds from new long/short-term debt	69	0	787
Interest payments	-5	-15	-42
Dividend	0	0	-277
Cash provided (used) by financing activities	64	-15	-319
Net Change in Cash and Cash Equivalents	-18	7	-135
Cash and cash equivalents - beginning of period	87	222	222
Cash and Cash Equivalents - End of Period	69	229	87
<i>The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements</i>			

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 01.01.15	2 890	329	1	3 219
Net income YTD 2015		427		427
Purchase own shares	-8			-8
Employee share incentive program	4			4
Dividend		-277		-277
Foreign currency rate changes			0	0
Shareholders' Equity 31.12.15	2 886	479	1	3 366
Shareholders' Equity 01.01.16	2 886	479	1	3 366
Net income YTD 2016		47		47
Employee share incentive program	2			2
Foreign currency rate changes			0	0
Shareholders' Equity 31.03.16	2 888	526	1	3 416

The share capital as of 31.03.2016 is 55.4 million NOK

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 2016 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 2015, 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 2015.

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 31.12.2015.

Note 5 Earnings per share

	Q1 2016	Q1 2015	YE 2015
Total profit (in NOK million)	47	34	427
Weighted average number of ordinary shares in issue	138 512 123	138 512 123	138 512 123
Adjustment for:			
Effect share options	1 055 790	0	625 665
Weighted number of ordinary shares in issue for diluted earnings per share	139 567 913	138 512 123	139 137 788
Basic Earnings per share (in NOK)	0,34	0,25	3,08
Diluted Earnings per share (in NOK)	0,34	0,25	3,07

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 operating segment:

Q1 2016

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics	Total
Operating revenue	882	563	240	-	1 684
Gross profit	342	210	72	-	624
EBITDA ²	141	45	-6	-79	101
Operating Income	133	38	-9	-87	75

Q1 2015

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics	Total
Operating revenue	813	412	144	-	1 369
Gross profit	321	143	45	-	510
EBITDA ²	142	13	-3	-57	95
Operating Income	135	7	-5	-63	74

01.01.2015 - 31.12.2015

<i>Amounts in NOK million</i>	Norway	Sweden	Finland	HQ & Logistics	Total
Operating revenue	3 617	2 045	825	-	6 487
Gross profit	1 529	783	268	-	2 579
EBITDA ²	763	188	19	-244	725
Operating Income	735	161	10	-272	634

Note 7 Related Party Transactions

The Group's related parties include its associates, key Management, members of the Board of Directors 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 Fixed Assets and intangible assets

Property, plant and equipment and intangible assets

<i>(Amounts in NOK million)</i>	PPE	Goodwill	Other intangible assets
Balance 01.01.2016	569	2 734	225
Additions	36	0	8
Disposals and write-downs	0	0	0
Depreciation and amortisation	-24	0	-2
Net exchange differences	-10	0	0
Balance 31.03.2016	571	2 734	231

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 01.01.2015	474	2 734	221
Additions	18	0	1
Disposals and write-downs	0	0	0
Depreciation and amortisation	-18	0	-2
Net exchange differences	-5	0	0
Balance 31.03.2015	468	2 734	220

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

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

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FINANCIAL CALENDAR	
Annual General Meeting:	03.06.2016
Q2 2016 results:	22.07.2016
Q3 2016 results:	26.10.2016

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