Dustin

INVITATION TO ACQUIRE SHARES IN DUSTIN GROUP AB (PUBL)

JOINT GLOBAL COORDINATORS AND JOINT BOOKRUNNERS

Carnegie

Nordea

JOINT BOOKRUNNERS

ABG Sundal Collier

SEB

IMPORTANT INFORMATION TO INVESTORS

This offering circular (the "**Offering Circular**") has been prepared in connection with the offering to the public in Sweden and listing on Nasdaq Stockholm (the "**Offering**") of shares in Dustin Group AB (publ) (a Swedish public limited liability company). In the Offering Circular, "**Dustin**" or the "**Group**" refers to Dustin, the group in which Dustin is the parent company or a subsidiary of the group, as the context may require. The "**Principal Owner**" or "**Altor**" refers to Altor Fund II GP Limited (in its capacity as general partner and investment manager to Altor Fund II). The "**Managers**" refer to Carnegie Investment Bank AB (publ) ("**Carnegie**"), Nordea Bank AB (publ) ("**Nordea**"), ABG Sundal Collier AB ("**ABG**") and SEB Corporate Finance, Skandinaviska Enskilda Banken AB (publ) ("**SEB**"). See section "*Definitions*" for the definitions of these and other terms in the Offering Circular.

The figures included in the Offering Circular have, in certain cases, been rounded off and, consequently, the tables contained in the Offering Circular do not necessarily add up. All financial amounts are in Swedish kronor ("**SEK**"), unless indicated otherwise.

Except as expressly stated herein, no financial information in the Offering Circular has been audited or reviewed by Dustin's auditor. Financial information relating to Dustin in the Offering Circular that is not part of the information audited or reviewed by Dustin's auditor as outlined herein originates from Dustin's internal accounting and reporting systems.

The Offering is not directed to the general public in any country other than Sweden. Nor is the Offering directed to such persons whose participation requires additional offering circulars, registrations or measures other than those prescribed by Swedish law. No measures have been or will be taken in any other jurisdiction than Sweden, that would allow any offer of the shares to the public, or allow holding and distribution of the Offering Circular or any other documents pertaining to Dustin or shares in such jurisdiction. Applications to acquire shares that violate such rules may be deemed invalid. Persons into whose possession the Offering Circular comes are required by Dustin and the Managers to inform themselves about and to observe such restrictions. Neither Dustin nor either of the Managers accepts any legal responsibility for any violation by any person, whether or not a prospective investor, of any such restrictions. No action has been or will be taken by Dustin, the Principal Owner or the Managers to permit a public offering in any jurisdiction other than Sweden. For further description of certain restrictions of the Offering and sale of shares, see "*Transfer restriction*". The shares in the Offering have not been recommended by any U.S. federal or state securities commission or regulatory authority. Further, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the Offering Circular. Any representation to the contrary is a criminal offence in the United States. The shares in the Offering have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the "**Securities Act**") or with any securities regulatory authority of any state of the United States, and may not be offered or sold within the United States unless the shares are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. In the United States, the shares will be sold only to persons reasonably believed to be qualified institutional buyers as defined in and in reliance on Rule 144A under the Securities Act or pursuant to another exemption from, or in a transaction not subject to, the requirements of the Securities Act. All offers and sales of shares outside the United States will be made in compliance with Regulation S under the Securities Act. Prospective purchasers that are qualified institutional buyers are hereby notified that the sellers of the shares in the Offering may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. In the United States, the Offering Circular is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider purchasing the particular securities described herein. The information contained in the Offering Circular has been provided by Dustin and other sources identified herein. Distribution of the Offering Circular to any person other than the offeree specified by the Managers or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorised, and any disclosure of its contents, without Dustin's prior written consent, is prohibited. Any reproduction or distribution of the Offering Circular in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. The Offering Circular is personal to each offeree and does not constitute any offer to any other person or to the general public to acquire shares in the Offering.

Prospective investors should only rely on the information in the Offering Circular. No person is authorised to give information or to make any representation concerning Dustin or in connection with the Offering or the sale of the shares other than as contained in the Offering Circular. If any such information is given or made, it must not be relied upon as having been authorised by Dustin, the Principal Owner or the Managers or by any of the affiliates, representatives, advisers or selling agents of any of the foregoing.

No representation or warranty, express or implied, is made by any of the Managers or any selling agent as to the accuracy or completeness of such information, and nothing contained in the Offering Circular is, or shall be relied upon as, a promise or representation by any of the Managers or any selling agent as to the past, present or future. The Managers do not assume responsibility for the accuracy or completeness of the Offering Circular and, accordingly, disclaim to the fullest extent permitted by applicable law, any and all liability, whether arising in tort, contract or otherwise, which they might otherwise be found to have in respect of the Offering Circular or any such statement. Information given or representations made in connection with the Offering that are inconsistent with those contained in the Offering Circular are invalid. Neither the delivery of the Offering Circular nor any sale of shares pursuant to the Offering shall, under any circumstances, create any implication that there has been no change in the business or affairs of Dustin since the date of the Offering Circular or that the information contained herein is correct as of any time subsequent to its date.

The Offering and the Offering Circular are governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any conflict or dispute arising out of or in connection with the Offering or the Offering Circular.

A separate prospectus in Swedish has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) in accordance with Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (1991:1980) (Sw. *lagen (1991:980) om handel med finansiella instrument*). In the event of discrepancies between the Offering Circular and the Swedish prospectus, the Swedish prospectus shall prevail.

The contents of the Offering Circular are not to be construed as legal, business or tax advice. You should consult your own legal, financial, tax or other adviser for legal, financial, tax or other advice in relation to any purchase or proposed purchase of shares. In making an investment decision, you must rely on your own examination, analysis and enquiry of Dustin and the terms of the Offering, including the merits and risks involved. Dustin, the Principal Owner and the Managers are not making any representation to any offeree or purchaser of the shares regarding the legality of an investment by you.

This Offering Circular is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by Dustin, the Principal Owner or the Managers or any of their representatives that any recipient of the Offering Circular should purchase the shares. Prior to making any decision as to whether to purchase the shares, you should read the Offering Circular. You should ensure that you read the whole of the Offering Circular and not just rely on key information or information summarised within it. In making an investment decision, you must rely upon your own examination of Dustin and the terms of the Offering including the risks involved.

The information in the Offering Circular is as of the date printed on the front of the cover, unless expressly stated otherwise. The delivery of the Offering Circular at any time does not imply that there has been no change in Dustin's business or affairs since the date hereof or that the information contained herein is correct as of any time subsequent to the date hereof.

Investors who purchase shares in the Offering will be deemed to have acknowledged that: (i) they have not relied on the Managers or any person affiliated with them in connection with any investigation of the accuracy of any information contained in the Offering Circular or their investment decision; and (ii) they have relied on the information contained in the Offering Circular, and no person has been authorised to give any information or to make any representation concerning Dustin or the shares (other than as contained in the Offering Circular) and, if given or made, any such other information or representation should not be relied upon as having been authorised by or on behalf of Dustin, the Principal Owner or the Managers.

The Managers are acting exclusively for Dustin and the Principal Owner and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of the Offering Circular) as their respective clients in relation to the Offering and will not be responsible to anyone other than Dustin for providing the protections afforded to their respective clients nor for giving advice in relation to the Offering or any transaction or arrangement referred to herein.

In connection with the Offering, the Managers and any of their respective affiliates, acting as investors for their own accounts, may acquire shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such shares and other securities or related investments of Dustin in connection with the Offering or otherwise. Accordingly, references in the Offering Circular to the shares being issued, offered, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or acquisition, dealing or placing by, the Managers and any of their affiliates acting as investors for their own accounts. None of the Managers intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Notice to New Hampshire residents

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ("RSA 421-B") WITH THE STATE OF NEW HAMPSHIRE, NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE, CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF THE STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF

STATE OF THE STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT, ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Notice to investors in the United States

The shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Further, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the Offering Circular. Any representation to the contrary is a criminal offence in the United States.

The shares have not been and will not be registered under the Securities Act and are being (a) sold in the United States only to persons who are QIBs as defined in, and in reliance on, Rule 144A or another available exemption from the registration requirements under the Securities Act, and (b) offered and sold outside the United States in compliance with Regulation S. Prospective investors are hereby notified that sellers of the shares may be relying on the exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A. The shares may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. For certain restrictions on transfer of the shares, see "*Transfer Restriction*".

In the United States, the Offering Circular is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider purchasing the particular securities described herein. The information contained in the Offering Circular has been provided by Dustin and other sources identified herein. Distribution of the Offering Circular to any person other than the offeree specified by the Managers or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorised, and any disclosure of its contents, without Dustin's prior written consent, is prohibited. Any reproduction or distribution of the Offering Circular in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. The Offering Circular is personal to each offeree and does not constitute an offer to any other person or to the public generally to acquire the shares.

Notice to investors in the United Kingdom

This Offering Circular is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "**Order**"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any shares may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**relevant persons**"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Definitions

Certain terms used in the Offering Circular, including all capitalised terms and certain technical and other items, are defined and explained in "*Definitions*".

Stabilisation

In connection with the Offering, the Joint Global Coordinators or any of their agents may (but will be under no obligation to) carry out transactions aimed at supporting the market price of the shares at levels above those which might otherwise prevail in the open market to the extent permitted by law. Such stabilisation transactions may be effected on Nasdaq Stockholm, in the over-the-counter market or otherwise, at any time during the period starting on the date of commencement of trading in the shares on Nasdaq Stockholm and ending no later than 30 calendar days thereafter. There is no assurance that stabilisation will be undertaken.

Stabilisation, if undertaken, may be discontinued at any time without prior notice. In no event will transactions be effected at levels above the price in the Offering. Within one week of the end of the stabilisation period, the Joint Global Coordinators will make public whether or not stabilisation was undertaken, the date at which stabilisation started, the date at which stabilisation last occurred and the price range within which stabilisation was carried out, for each of the dates during which stabilisation transactions were carried out.

Forward-looking statements

The Offering Circular contains certain forward-looking statements and opinions. Forward-looking statements are statements that do not relate to historical facts and events and such statements and opinions pertaining to the future that, by example, contain wording such as "believes", "estimates", "anticipates", "expects", "assumes", "forecasts", "intends", "could", "will", "should", "would", "according to estimates", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "to the knowledge of", or in their negative, or similar expressions, which are intended to identify a statement as forward-looking. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout the Offering Circular and include statements regarding Dustin's intentions, beliefs or current expectations concerning, among other things, Dustin's results of operations, financial condition and performance, liquidity, dividend and distribution policy, working capital, cash flows and capital expenditure, the impact of regulation, general economic trends, the competitive environment in which Dustin operates, prospects, growth, strategies and the industry in which Dustin operates. This applies, in particular, to statements and opinions in the Offering Circular concerning the future financial returns, plans and expectations with respect to the business and management of Dustin, future growth and profitability and general economic and regulatory environment and other matters affecting Dustin.

Forward-looking statements are based on current estimates and assumptions made according to the best of Dustin's knowledge. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause the actual results, including Dustin's cash flow, financial condition and results of operations, to differ materially from the results, or fail to meet expectations expressly or implicitly assumed or described in those statements or to turn out to be less favourable than the results expressly or implicitly assumed or described in those statements. Important risks, uncertainties and other factors that could cause these differences include, but are not limited to:

- The demand for Dustin's products is dependent on general economic conditions;
- Dustin is dependent on the continued growth of online sales of IT products and services;
- Dustin is dependent on the continued of IT spending in smaller companies;
- Damages to Dustin's reputation may result in Dustin losing business or growth opportunities;
- Dustin is dependent on its brand and other intellectual property rights;
- The Nordic IT market is fragmented and competitive;
- Efficient logistics management and capacity is crucial for Dustin's business;
- Dustin is dependent on its ability to expand its customer base and increase net sales to existing customers;
- Dustin is dependent on third parties to be able to deliver products to its customers;
- Dissatisfaction with Dustin's customer service may affect Dustin's ability to retain customers;
- Dustin is dependent on a competitive environment on the supplier market; and

the other risk factors discussed in more detail under "*Risk Factors*".

The foregoing factors should not be construed as exhaustive. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Accordingly, prospective investors should not place undue reliance on the forward-looking statements herein, and are strongly advised to read the Offering Circular, including the following sections: "*Summary*", "*Risk factors*", "*Business overview*" and "*Operating and financial review*", which include more detailed descriptions of factors that might have an impact on Dustin's business and the market in which it operates. None of Dustin, the Principal Owner or any of the Managers can give any assurance regarding the future accuracy of the opinions set forth herein or as to the actual occurrence of any predicted developments.

In light of the risks, uncertainties and assumptions associated with forward-looking statements, it is possible that the future events mentioned in the Offering Circular may not occur. Moreover, the forward-looking estimates and forecasts derived from third-party studies referred to in the Offering Circular may prove to be inaccurate. Actual results, performance or events may differ materially from those in such statements due to, without limitation: changes in general economic conditions, in particular economic conditions in the markets on which Dustin operates, changes affecting interest rate levels, changes affecting currency exchange rates, changes in competition levels, changes in laws and regulations, and occurrence of accidents or environmental damages.

In light of these risks, uncertainties and assumptions, the forward-looking events described in the Offering Circular may not occur. The forward-looking statements contained in the Offering Circular speak only as of the date of the Offering Circular. Dustin, the Principal Owner and the Managers expressly disclaim any obligation or undertaking to update these forward-looking statements contained in the document to reflect any change in their expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law or Nasdaq Stockholm's Rulebook for Issuers. All subsequent written and oral forward looking statements attributable to Dustin or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in the Offering Circular, including those set forth under "*Risk factors*" Investors should note that the contents of these paragraphs relating to forward-looking statements are not intended to qualify the statements made as to sufficiency of working capital in the Offering Circular.

Industry and market data

The Offering Circular includes market share and industry figures derived from Dustin's calculations which draw upon data obtained from a variety of sources including data provided by a third party professional advisor, consultants, internal surveys, customer feedback, and industry reports prepared by management.

The third party sources Dustin has used generally state that the information they contain has been obtained from sources believed to be reliable. These third party sources also state, however, that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on significant assumptions. As Dustin does not have access to the facts and assumptions underlying such market data, or statistical information and economic indicators contained in these third party sources, Dustin is unable to verify such information and, while Dustin believes it to be reliable, Dustin cannot guarantee its accuracy or completeness. In addition, certain information in the Offering Circular is not based on published data obtained from independent third parties or extrapolations therefrom, but rather is based upon Dustin's best estimates, which are in turn based upon information obtained from trade and business organisations and associations, consultants and other contacts within the industries in which Dustin competes, information published by its competitors and Dustin's own experience and knowledge of conditions and trends in the markets in which Dustin operates.

Dustin cannot assure you that any of the assumptions that Dustin has made while compiling this data from third party sources are accurate or correctly reflect Dustin's position in the industry and none of Dustin's internal estimates have been verified by any independent sources. None of Dustin or the Managers makes any representation or warranty as to the accuracy or completeness of this information. None of Dustin nor the Managers have independently verified this information and, while Dustin believes it to be reliable, none of Dustin or the Managers can guarantee its accuracy.

No incorporation of website information

The contents of Dustin's websites, including the contents of the websites of its brands, do not form part of, and are not incorporated by reference into, the Offering Circular.

Currency presentation and exchange rate information

In the Offering Circular, all references to "**SEK**" are to the lawful currency of Sweden, references to "**NOK**" are to the lawful currency of Norway, references to "**DKK**" are to the lawful currency of Denmark, references to "**EUR**" are to the single currency of the participating Member States of the European and Monetary Union of the Treaty Establishing the European Community, as amended from time to time, and references to "**USD**" are to the lawful currency of the United States of America.

The following table sets forth, for the periods indicated, the period end, period average, high and low Bloomberg Composite Rates expressed in USD per SEK 100.00. The Bloomberg Composite Rate is a "best market" calculation, in which, at any point in time, the bid rate is equal to the highest bid rate of all contributing bank indications and the ask rate is set to the lowest rate offered by these banks. The Bloomberg Composite Rate is a mid-value rate between the applied highest bid rates and the lowest ask rate. The Bloomberg Composite Rate of the SEK on 30 January, 2015 was USD 12.0888 per SEK 100.00.

	USD per SEK100.00			
Average	**Period Average**[1)]	**High**	**Low**	**Period End**
Year				
2014	14.6069	15.7850	12.7346	12.8132
2013	15.3544	15.9080	14.6886	15.5630
2012	14.7747	15.3769	13.7443	15.3747
2011	15.4207	16.6720	14.2691	14.5317
2010	13.9132	15.3044	12.3859	14.8701
2009	13.1598	15.7543	10.7602	13.9774
Month				
Dec 2014	13.0801	13.4772	12.7346	12.8132
Nov 2014	13.4826	13.5835	13.3783	13.4089
Oct 2014	13.8117	13.9782	13.3783	13.4089
Sept 2014	14.0197	14.2611	13.7642	13.8565
Aug 2014	14.4936	14.6121	14.3218	14.3218
Jul 2014	14.6615	14.9563	14.4994	14.4994
Jun 2014	14.9544	15.0803	14.8276	14.9499
May 2014	15.2044	15.3976	14.9559	14.9559
Apr 2014	15.2698	15.5061	15.1117	15.3760
Mar 2014	15.6015	15.7858	15.3907	15.4393
Feb 2014	15.4048	15.6028	15.2697	15.6028
Jan 2014	15.4155	15.5697	15.1980	15.2809

1) The average is calculated based on published observations for the daily fixing rates during the period.

The above rates differ from the actual rates used in the preparation of the consolidated financial statements and other financial information appearing in the Offering Circular. The inclusion of the exchange rates is not meant to suggest that the SEK amounts actually represent U.S. dollar amounts or that these amounts could have been converted into U.S. dollars at any particular rate, if at all.

Exchange control regulations in Sweden

There are currently no foreign exchange control restrictions in Sweden, other than in certain national crisis situations, that would restrict the payment of dividends to a shareholder outside Sweden, and there are currently no restrictions that would affect the right of shareholders who are not residents of Sweden to dispose of their shares and receive the proceeds from a disposal of shares outside Sweden. There is no maximum transferable amount either to or from Sweden, although transferring banks are required to report to the Swedish tax authorities any transfers to or from Sweden exceeding SEK 150,000. Such information may also be forwarded to authorities in the countries in which the holders of the shares are resident.

Enforcement of liabilities and service of process

Dustin is organised under the laws of Sweden. All of the members of the Board of Directors and of the management of Dustin are non-residents of the United States. All or a substantial portion of the assets of such non-resident persons and of Dustin are located outside of the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or Dustin or to enforce against them in U.S. courts judgments obtained in such courts. Dustin has been advised that there is doubt as to the enforceability in Sweden, in original actions instituted in U.S. courts, of civil liabilities predicated solely upon the federal securities laws of the United States. Therefore, final judgments for the payment of money rendered by a U.S. court in the United States based on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be automatically enforceable in Sweden.

None of Dustin, the Principal Owner or any of the Managers assumes responsibility for the correctness of any business or market data included in the Offering Circular. Information provided by third parties has been accurately reproduced and, as far as Dustin is aware and has been able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Important information about the selling of shares

The notification of allocation to the public in Sweden will be made through distribution of contract notes. Such contract notes are expected to be distributed on or about 13 February 2015. After payment has been received for allotted shares by either Carnegie, Nordea or Avanza Bank AB ("**Avanza**"), the shares duly paid for will be transferred to the securities account, service account or securities depository account designated by each respective investor. Due to the time required for distribution of contract notes, transfer of funds and transfer of shares acquired to investors of shares in Dustin, the shares acquired will not be available for the investors on the designated securities account, service account or securities depository account until 17 February 2015 or some days thereafter. Customers of Avanza will be able to see and trade with the allocated shares from 13 February 2015. Trading in the shares on Nasdaq Stockholm is expected to commence on or about 13 February 2015. The fact that the shares will not be available on the investor's securities account, service account or securities depository account before, at the earliest, 17 February 2015 may result in the investor being unable to sell the allotted shares on Nasdaq Stockholm on the first day of trading. Instead they may only be able to sell shares once shares are available on their securities account, service account or securities depository account.

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Summary of the Offering

Offering price
SEK 45–51 per share

Application period for the general public
3 February – 11 February, 2015

Announcement of offering price
13 February, 2015

First day of trading in Dustin's shares
13 February, 2015

Settlement date
17 February, 2015

Other information
Ticker: DUST
ISIN code: SE0006625471

Financial calendar

Interim report for the period 1 Sep 2014 – 28 Feb 2015, Q2 .... 22 April 2015

Interim report for the period 1 Sep 2014 – 31 May 2015, Q3 ....7 July 2015

Year-end report for the period 1 Sep 2014 – 31 Aug 2015 ....14 October 2015

Annual report 2014/2015 ....27 November 2015

Interim report for the period 1 Sep 2015 – 30 Nov 2015, Q1 ....19 January 2016

Annual shareholders' meeting 2014/2015 ....19 January 2016

Certain definitions

ABG	ABG Sundal Collier AB.
Dustin or **the Group**	Dustin Group AB (publ), the group in which Dustin Group AB (publ) is the parent company or a subsidiary of the group, as the context may require.
Carnegie	Carnegie Investment Bank AB (publ).
Euroclear Sweden	Euroclear Sweden AB.
Joint Global Coordinator	Carnegie and Nordea.
Managers	Carnegie, Nordea, ABG and SEB.
Nasdaq Stockholm	The regulated market operated by NASDAQ OMX Stockholm AB.
Nordea	Nordea Bank AB (publ).
Principal Owner or **Altor**	Altor Fund II GP Limited (in its capacity as general partner and investment manager to Altor Fund II).
SEB	SEB Corporate Finance, Skandinaviska Enskilda Banken AB (publ).
SEK	Swedish krona.

SUMMARY

The summary is drawn up in accordance with information requirements in the form of a number of “paragraphs” which should include certain information. The paragraphs are numbered in sections A–E (A.1–E.7). This summary contains all the paragraphs required in a summary for the relevant type of security and issuer. However, as certain paragraphs are not required, there may be gaps in paragraph numbering sequences. Even if it is necessary to include a paragraph in the summary for the security and issuer in question, it is possible that no relevant information can be provided for that paragraph. In such instances, the information has been replaced by a brief description of the paragraph, along with the specification “not applicable”.

Section A – Introduction and warnings

A.1	*Introduction and warnings*	This summary should be read as an introduction to the Offering Circular. Any decision to invest in the securities should be based on an assessment of the Offering Circular in its entirety by the investor. Where statements in respect of information contained in an offering circular are challenged in a court of law, the plaintiff investor may, in accordance with member states’ national legislation, be forced to pay the costs of translating the offering circular before legal proceedings are initiated. Under civil law, only those individuals who have produced the summary, including translations thereof, may be enjoined, but only if the summary is misleading, incorrect or inconsistent with the other parts of the offering circular or if it does not, together with other parts of the offering circular, provide key information to help investors when considering whether to invest in the securities.
A.2	*Consent for use of the Offering Circular by financial intermediaries*	Not applicable. Financial intermediaries are not entitled to use the Offering Circular for subsequent trading or final placement of securities.

Section B – Issuer and any guarantor

B.1	*Company and trading name*	Dustin AB (publ), org. no. 556703-3062.
B.2	*Issuer’s registered office and corporate form*	Dustin’s registered office is in Stockholm. Dustin is a Swedish public limited liability company founded in Sweden under Swedish law and operating under Swedish law. Dustin’s form of association is governed by the Swedish Companies Act (2005:551).
B.3	*Description of the Issuer’s operations*	Dustin is a leading online reseller of IT products and services in the Nordic countries. Dustin offers a comprehensive product and service range, primarily through its online platform, to businesses, the public sector and consumers. Dustin’s customer offering is characterised by a wide product and service offering, high IT knowledge and fast and reliable delivery. The customer offering is specifically designed to cater small and medium -sized businesses, which generally make their purchases on a “when needed” basis, and are characterised by small order sizes. The customer offering also caters to replenishment purchases by large corporations and organisations in the public sector, as well as to the consumer market who seek a competitive price and high service level.
B.4a	*Trends influencing the issuer and the industries in which it is active*	Dustin believes that there are three key market trends which are expected to continue to drive the underlying growth in specific niches of the addressable B2B market: • Increased online sales of IT products and services • Technological shifts driving growth particularly within advanced products and services • Higher growth in smaller businesses
B.5	*Description of the Group and the issuer’s position within the Group*	The Group comprises the parent company Dustin Group AB (publ) and 8 directly and indirectly owned subsidiaries.

B.6	*Major shareholders, control over the Group and notifiable individuals, larger shareholders and control*	As at the date for this Offering Circular, Dustin has 58 shareholders. As at the date for this Offering Circular, Dustin's largest shareholders were Altor, holding 22,000,381 shares, corresponding to 68.1 per cent of the shares and votes in Dustin and Investeringsselskabet af 4. juli 2007 Aps, holding 3,774,966 shares, corresponding to 11.7 per cent of the shares and votes in Dustin. As at the date for this Offering Circular, there were no other natural or legal persons who held more than five per cent or more of the shares or votes in Dustin. Axel Johnson AB, The Fourth Swedish National Pension Fund and Swedbank Robur Fonder (the "**Cornerstone Investors**") have agreed to, directly or indirectly through subsidiaries, acquire shares in the Offering to such extent that their ownership in Dustin, following completion of the Offering, will amount to 10, 5 and 5 per cent of the shares and votes in Dustin.
B.7	*Financial information in summary*	The following tables provide a summary of Dustin's historical financial information as of, and for, the periods presented. The selected consolidated financial information presented below has been derived from Dustin's audited consolidated financial statements as for the fiscal years 2013/2014, 2012/2013 and 2011/2012, prepared in accordance with International Financial Reporting Standard as adopted by the EU ("**IFRS**") the financial report can be found elsewhere in this document unless otherwise stated. The information regarding Q1 2013/2014 and Q1 2014/2015 has also been derived from the reviewed interim report for the period 1 September to 30 November, 2014, i.e. Q1 2014/2015, prepared in accordance with IAS 34.

Summary of consolidated income statement

	1 Sep – 30 Nov (unaudited)		1 Sep – 31 Aug (audited)		
SEK million	**Q1 2014/2015**	**Q1 2013/2014**	**2013/2014**	**2012/2013**	**2011/2012**
IT products and services					
Net sales	2,068	1,824	7,371	5,438	4,506
Cost of sales	–1,774	–1,556	–6,313	–4,679	–3,894
Gross profit	**294**	**268**	**1 058**	**759**	**612**
Selling and admin expenses	–212	–191	–775	–573	–418
Items affecting comparability	–11	–47	1	–4	–8
Other operating income and expenses, net	–2	3	10	14	–3
Operating income, IT products and services	**69**	**34**	**295**	**196**	**183**
Financial services					
Interest income	4	5	18	15	9
Interest expense	–1	–1	–4	–3	–2
Interest surplus	**3**	**4**	**14**	**12**	**8**
Selling and admin expenses	–1	–2	–8	–11	–6
Operating income, financial services	**3**	**2**	**6**	**1**	**2**
Operating income Dustin Group	**72**	**36**	**301**	**197**	**185**
Finance costs and other financial items, net	–31	–31	–116	–113	–65
Income before income taxes	**41**	**5**	**185**	**84**	**120**
Income taxes	–9	–1	–21	–7	–35
Net income[1)]	**32**	**4**	**164**	**77**	**85**
Other comprehensive income					
Foreign currency translation differences	–3	14	31	17	–27
Forward contracts – cash flow hedging	0	–7	–12	1	–1
Income taxes not reported in net income	0	2	3	0	0
Total comprehensive income	**–3**	**9**	**21**	**17**	**–28**
TOTAL RESULT FOR THE PERIOD	**28**	**13**	**185**	**95**	**58**

1) Regards of transactions all attributable to the shareholders of the parent company.

Financial information in summary, cont.

Summary of consolidated balance sheet

SEK million	30 Nov (unaudited) Q1 2014/2015	Q1 2013/2014	31 Aug (audited) 2013/2014	2012/2013	2011/2012
ASSETS					
Non-current assets					
Goodwill and other surplus values	2,098	2,023	2,121	2,074	1,474
Other intangible assets	93	126	98	101	70
Property, plant and equipment	22	20	18	22	17
Deferred tax assets and other non-current assets	18	14	22	15	8
Finance lease receivables (interest bearing)	168	149	165	131	52
Total non-current assets	**2,400**	**2,333**	**2,424**	**2,342**	**1,622**
Current assets					
Inventories	269	245	218	190	158
Other receivables[1)]	1,182	878	808	702	370
Finance lease receivables (interest bearing)	53	4	52	3	47
Cash and cash equivalents	31	68	134	2	59
Total current assets	**1,535**	**1,195**	**1,212**	**898**	**634**
TOTAL ASSETS	**3,934**	**3,527**	**3,636**	**3,240**	**2,256**
EQUITY AND LIABILITIES					
Equity attributable to shareholders of the of the parent company	771	569	743	556	522
Total equity	**771**	**569**	**743**	**556**	**522**
Non-current liabilities	1,232	1,178	1,243	1,111	568
Subordinated shareholder loans	207	192	203	188	337
Deferred tax liabilities and other non-current provisions	140	146	142	149	117
Total non-current liabilities	**1,579**	**1,517**	**1,588**	**1,449**	**1,022**
Current liabilities	187	111	185	184	88
Liabilities related to acquisitions	63	224	89	224	15
Other current liabilities[2)]	1,333	1,107	1,030	827	610
Total current liabilities	**1,584**	**1,442**	**1,305**	**1,235**	**712**
TOTAL EQUITY AND LIABILITIES	**3,934**	**3,527**	**3,636**	**3,240**	**2,256**

1) Trade receivables, current tax assets, other receivables, deferred charges and accrued income.
2) Trade debts, tax debts, other current liabilities, accrued costs and deferred income.

Financial information in summary, cont.

Dustin's net debt includes bank debt and a liability relating to Dustin Financial Services' financing less cash and cash equivalents, as well as financial assets relating to Dustin Financial Services' financing. Please see table below for compilations.

	30 Nov (unaudited)		31 Aug (audited)		
SEK million	**Q1 2014/2015**	**Q1 2013/2014**	**2013/2014**	**2012/2013**	**2011/2012**
Financial liabilities					
Non-current liabilities (excl. shareholder loan)	1,153	1,079	1,169	1,111	509
Current liabilities	108	111	112	89	88
Financial lease receivables (non-current and current)	159	100	147	95	59
Acquisition related liabilities	63	224	89	224	15
Total financial liabilities	**1,483**	**1,513**	**1,517**	**1,519**	**671**
Financial assets					
Cash and cash equivalents	31	68	134	2	59
Finance lease receivables (interest bearing)	221	153	218	134	99
Total financial assets	**252**	**221**	**351**	**136**	**158**
Net debt	**1,231**	**1,292**	**1,166**	**1,383**	**513**

Consolidated statement of cash flow

	1 Sep – 30 Nov (unaudited)		1 Sep – 31 Aug (audited)		
SEK million	**Q1 2014/2015**	**Q1 2013/2014**	**2013/2014**	**2012/2013**	**2011/2012**
Operating activities					
Cash flow from operating activities before change in working capital	39	34	151	102	195
Change in working capital	–109	70	105	–83	5
Cash flow from operating activities	**–69**	**104**	**256**	**19**	**200**
Investing activities					
Acquisition of tangible and intangible assets, net	–4	–4	–32	–41	–38
Acquisition of subsidiaries	–26	–1	–99	–392	–28
Cash flow from lease activities, financial services	–4	–19	–83	–36	–35
Cash flow from investing activities	**–33**	**–24**	**–214**	**–468**	**–101**
Financing activities					
Cash flow from financing activities	–12	–20	34	356	–75
Cash flow from lease portfolio, financial services	11	4	52	36	27
Cash flow from financing activities	**–1**	**–15**	**86**	**392**	**–48**
Cash flow for the period	**–103**	**65**	**127**	**–57**	**51**
Cash and cash equivalent, opening balance	134	2	2	59	11
Cash flow for the period	–103	65	127	–57	51
Exchange rate differences	1	1	4	0	–3
Cash and cash equivalent, closing balance	**31**	**68**	**134**	**2**	**59**

Financial information in summary, cont.

Segment information

SEK million (unless otherwise stated)	1 Sep – 30 Nov (unaudited) Q1 2014/2015	Q1 2013/2014	1 Sep – 31 Aug (audited) 2013/2014	2012/2013	2011/2012
Net sales					
B2B	1,915	1,648	6,618	4,786	3,832
B2C	153	176	753	652	674
Total	**2,068**	**1,824**	**7,371**	**5,438**	**4,506**
Organic net sales growth					
B2B	14%	n.a.	21%	4%	n.a.
B2C	–14%	n.a.	16%	–3%	n.a.
Total	**12%**	**n.a.**	**21%**	**3%**	**3%**
Adjusted EBITA					
B2B	160	147	553	424	417
B2C	1	8	38	33	9
Central functions	–64	–57	–238	–203	–196
Total	**97**	**97**	**353**	**254**	**229**
Adjusted EBITA margin					
B2B	8.3%	8.9%	8.4%	8.9%	10.9%
B2C	0.9%	4.4%	5.1%	5.1%	1.3%
Central functions	n.a.	n.a.	n.a.	n.a.	n.a.
Total	**4.7%**	**5.3%**	**4.8%**	**4.7%**	**5.1%**

Distribution of net sales

SEK million (unless otherwise stated)	1 Sep – 31 Aug (audited) 2013/2014	2012/2013	2011/2012
Net sales per geographic area			
Sweden	4,057	3,558	3,422
Denmark	1,255	952	861
Finland	1,166	291	0
Norway	893	636	223
Total	**7,371**	**5,438**	**4,506**
Net sales per geographic area, % of Group	–	–	–
Sweden	55%	65%	76%
Denmark	17%	18%	19%
Finland	16%	5%	0%
Norway	12%	12%	5%
Total	**100%**	**100%**	**100%**

Financial information in summary, cont.

Selected key performance indicators

SEK million (unless otherwise stated)	**1 Sep – 30 Nov (unaudited)** Q1 2014/2015	Q1 2013/2014	**1 Sep – 31 Aug (audited)** 2013/2014	2012/2013	2011/2012
Net sales					
Net sales	2,068	1,824	7,371	5,438	4,506
Net sales growth (%)	*13%*	*54%*	*36%*	*21%*	*3%*
Organic growth (%)	*12%*	*22%*	*21%*	*3%*	*3%*
Profitability					
Gross profit	294	268	1,058	759	612
Gross margin (%)	*14.2%*	*14.7%*	*14.4%*	*14.0%*	*13.6%*
Operational costs[1)]	197	171	705	505	383
Costs related to central functions	64	57	238	203	196
Central functions/net sales (%)	*3.1%*	*3.1%*	*3.2%*	*3.7%*	*4.4%*
Adjusted EBITDA[2)]	100	99	362	262	237
Adjusted EBITDA margin (%)[2)]	*4.8%*	*5.4%*	*4.9%*	*4.8%*	*5.3%*
Adjusted EBITA[2)]	97	97	353	254	229
Adjusted EBITA margin (%)[2)]	*4.7%*	*5.3%*	*4.8%*	*4.7%*	*5.1%*
EBIT	72	36	301	197	185
EBIT margin (%)	*3.5%*	*2.0%*	*4.1%*	*3.6%*	*4.1%*
Return on equity (%)[3)]	25%	n.a.	22%	14%	16%
Return on capital employed (%)[3)]	135%	n.a.	244%	126%	1,632%
Capital structure					
Net debt	1,231	1,292	1,166	1,383	513
Net debt/Adjusted EBITDA (x)[3)]	3.4x	n.a.	3.2x	5.3x	2.2x
Net working capital	129	22	7	65	–81
Net working capital/net sales (%)	*1.7%*	*0.4%*	*0.1%*	*1.2%*	*–1.8%*
Capital employed (at end of period)	263	182	145	202	14
Cash flow					
Operational cash flow	–13	165	459	175	239
Cash conversion (%)	–13%	166%	127%	67%	101%
Maintenance capex	4	4	8	4	2
Maintenance capex /net sales (%)[3)]	*0.1%*	*0.1%*	*0.1%*	*0.1%*	*0.0%*
Maintenance and project related capex	4	4	31	43	38
Maintenance and project related capex/net sales (%)[3)]	*0.1%*	*0.1%*	*0.4%*	*0.8%*	*0.8%*
Per share data					
Shareholder's equity per share	4.77	3.52	4.60	3.45	3.65
Issued shares outstanding (million shares at end of year)	162	162	162	161	143
Earnings per issued share (SEK)	1.18	n.a.	1.01	0.48	0.59

1) Costs for sales and administration plus net of other operating expenses and operating revenues minus operating profit for the financial services and depreciation.
2) Unaudited.
3) Quarterly figures for Q1 2014/2015 and 2013/2014 are in per cent of net sales for the last twelve months.

	Financial information in summary, cont.	**Siginificant events since 30 November 2014** Dustin has the 7 January 2015 applied for a listing of Dustin's shares on Nasdaq Stockholm. Dustin's extraordinary shareholders' meetings in January 2015 resolved on a reverse in January 2015, share split 5:1, whereby 5 shares are consolidated into 1 share, the Conversion and the Set-off Issuance. Dustin has also approved on the Repurchase and the new financing.
B.8	*Pro forma accounting*	Not applicable. The Offering Circular does not contain pro forma accounting.
B.9	*Profit/loss forecast*	Not applicable. Dustin has not presented any profit/loss forecast.
B.10	*Audit remarks*	Not applicable. There are no remarks in the audit reports.
B.11	*Net working capital*	Not applicable. Dustin believes that the existing net working capital is sufficient to meet Dustin's needs over the next twelve month period.

Section C – Securities

C.1	*Securities offered*	Shares in Dustin Group AB (publ), reg. no. 556703-3062. ISIN number SE0006625471.
C.2	*Denomination*	The shares are denominated in SEK.
C.3	*Total number of shares in Dustin*	As at the date for this Offering Circular, there are a total of 32,320,242 outstanding shares in Dustin with a quota value of SEK 5. All shares are paid in full. The total number of shares in Dustin comprises up to 76,728,670 shares after the Offering.
C.4	*Rights associated with the securities*	Each share in Dustin entitles the holder to one vote at shareholders' meetings and each shareholder is entitled to cast votes equal in number to the number of shares held by the shareholder in Dustin. If Dustin issues new shares, warrants or convertibles in a cash issue or a set-off issue, shareholders shall, as a general rule, have preferential rights to subscribe for such securities proportionally to the number of shares held prior to the issue. The shares carry the right to payment of dividend for the first time on the record date for distribution which falls immediately after the listing. All shares in Dustin give equal rights to dividends and Dustin's assets and possible surpluses in the event of liquidation.
C.5	*Restrictions in free transferability*	Not applicable. The shares are not subject to any restrictions on transferability; please see section "*Transfer restriction*".
C.6	*Admission to trading*	Nasdaq Stockholm's listing committee decided on 14 January 2015 to admit Dustin's shares to trading on Nasdaq Stockholm, subject to certain conditions, such as that the distribution requirements in respect of Dustin's shares being fulfilled no later than on the first day of trading. In case Dustin's board of directors ultimately resolves to list Dustin's shares, trading in Dustin's shares is expected to begin on or about 13 February 2015.
C.7	*Dividend policy*	Dustin's objective is to distribute more than 70 per cent of the net profit. However, Dustin's financial position, cash flow, acquisition opportunities and future prospects will be taken into consideration.

Section D – Risks

D.1	*Main risks related to the issuer or the industry*	Dustin's business and market are subject to certain risks which are completely or partly outside the control of Dustin and which could affect Dustin's business, financial condition and results of operations. Described below, in no particular order and without claim to be exhaustive, are some of the risk factors and significant circumstances considered to be material to Dustin's future development. The risk factors related to Dustin and its operations are: • **The demand for Dustin's products is dependent on general economic conditions.** The demand for Dustin's products and services is affected by *inter alia* general economic conditions, general weakening of purchasing power with consumers and corporations and investments in private and public organisations. Uncertainty regarding future economic prospects, including political unrest, that affect customers spending patterns, could have a material adverse effect on consumers' willingness to purchase Dustin's products and an adverse effect on Dustin' sale- and gross margins. • **Dustin is dependent on the continued growth of online sales of IT products and services.** The online sales are estimated to have increased during the last few years and Dustin is affected by continued growth in order to increase its net sales. If the trend of increased online sale should stagnate or is reversed, it could have a material adverse effect on Dustin's business, prospects, results of operations and financial conditions. • **Dustin is dependent on the continued of growth in smaller companies.** Between 2007 and 2013 smaller companies in Sweden had higher growth of IT spending compared to larger companies. If this trend stagnate or cease, it could have a material adverse effect on Dustin's business, prospects, results of operations and financial conditions. • **Damages to Dustin's reputation may result in Dustin losing business or growth opportunities.** Damages to Dustin's reputation may result in Dustin losing business or growth opportunities, which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition. • **Dustin is dependent on its brand and other intellectual property rights.** In case Dustin fails to establish, manage and protect the brand, as well as if Dustin is subject to claims or demands related to brand names or other intellectual property that limit the use of such brand and/or intellectual property or entail significant costs, it could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition. • **The Nordic IT market is fragmented and competitive.** The Nordic market for IT and electronics is fragmented and competitive. Dustin competes with a large number of IT and electronics providers of different size and types, operating under several different business models. The loss of customers to other IT suppliers could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition. • **Efficient logistics management and capacity is crucial for Dustin's business.** Dustin may encounter operational difficulties that could result in shipping delays and customer dissatisfaction or cause Dustin's logistics costs to become high and uncompetitive. Any failure to successfully address such challenges in a cost-effective and timely manner could severely disrupt Dustin's business and harm its reputation and, as a result, have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

	Main risks related to the issuer or the industry, cont.	• **Dustin is dependent on its ability to expand its customer base and increase net sales to existing customers.** In order to reach new customers, and to increase net sales to existing customers, Dustin may need to devote significant management time and resources on an assortment of optimisation and marketing efforts, as well as efforts aimed at product and services innovations and new concepts. These efforts, the use of these resources and the development of new offerings may, however, not result in a sufficient increase in net sales to generate profit, which could be detrimental to Dustin's ability to successfully grow Dustin's business and, accordingly, lead to increased costs and have a material adverse effect on Dustin's business, prospects, results of operations and financial condition. • **Dustin is dependent on third parties to be able to deliver products to its customers.** Strikes, inclement weather, natural disasters or other service interruptions by such logistic companies could have a material adverse effect on Dustin's ability to deliver products on a timely basis, which could have a material adverse effect on Dustin's reputation, business, prospects, results of operations and financial condition. • **Dissatisfaction with Dustin's customer service may affect Dustin's ability to retain customers.** Dissatisfaction with Dustin's customer service may affect Dustin's ability to retain customers, which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition. • **The success of Dustin's business depends on the continuing development, maintenance and operation of Dustin's IT systems.** Any disruption to or infiltration of Dustin's information technology systems and website could have a major impact of Dustin's sales and its ability to service customers' needs, which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition. • **Dustin is dependent on a competitive environment on the supplier market.** Dustin is affected by the prices of products sourced from its suppliers. Thus, Dustin is dependent on the supplier market being competitive. If the competitive environment on the supplier market were to change, for example, due to consolidation between suppliers or a dominant position for any supplier or other factors, the prices of products that Dustin purchases could increase. All of these factors could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.
D.3	*Main risks related to the securities*	Any investment in securities involves risks. Any such risks could also cause the trading price of Dustin's shares to decline significantly and investors could potentially lose all or part of their investment. Risks related to Dustin's shares include: • **An active, liquid and orderly trading market for Dustin's shares may not develop, the price of its shares may be volatile, and potential investors could lose a portion or all of their investment.** There is a risk that an active and liquid market will not develop or, if developed, that it will be sustained after completion of the Offering. Investors may, thus, not be able to resell share at or above the Offering price. • **Sales of shares by existing shareholders could cause the share price to decline.** Subsequent sales of large number of Dustin shares by the Principal Owner or by Dustin's other shareholders, or the understanding that such sale will occur, may have an adverse effect on the market price for Dustin shares. • **The Principal Owner will continue to have substantial influence over Dustin after the Offering and could delay or prevent a change in control over Dustin.** The interests of the Principal Owner may differ significantly from or compete with Dustin's interests or those of the other shareholders, and the Principal Owner could exercise influence over Dustin in a manner that is not in the best interest of the other shareholders.

	Main risks related to the securities, cont.	• **Dustin's ability to pay dividends is dependent upon its future earnings, financial condition, cash flows, net working capital requirements, capital expenditures and other factors.** Dustin also may not have sufficient distributable funds and Dustin's shareholders may not resolve to pay dividends in the future. • **Differences in currency exchange rates may have a material adverse effect on the value of shareholdings or dividends paid.** Dustin's shares will be quoted in SEK only, and any dividends will be paid in SEK. As a result, shareholders outside Sweden may experience adverse effects on the value of their shareholding and their dividends, when converted into other currencies if SEK depreciates against the relevant currency. • **Shareholders in the United States or other countries outside Sweden may not be able to participate in any potential future cash offers.** Dustin's shareholders in jurisdictions outside Sweden are not able to exercise their rights to subscribe for new shares in any future rights issues, their proportional interests in Dustin will be reduced. • **Cornerstone Investors may not fulfil their undertakings.** The Cornerstone Investors undertakings are however not secured through a bank guarantee, blocked funds or pledge of collateral or similar arrangement. Hence, there is a risk that the Cornerstone Investors will not be able to fulfil their undertakings.

Section E – Offering

E.1	*Issue proceeds and issue costs*	In connection with the Offering, Dustin is making a new share issue which is expected to generate gross proceeds of approximately SEK 250 million. Dustin's costs associated with the listing on Nasdaq Stockholm and the Offering are expected to amount to approximately SEK 21 million. Such costs are mainly related to costs for auditors, attorneys, printing of the Offering Circular, costs related to management presentations, etc. Dustin's costs for commission to the Managers will not amount to more than SEK 8.75 million. Dustin will not receive any proceeds from the selling of shares from the Principal Owner in the Offering.
E.2a	*Motive and use of proceeds*	The Offering and the listing will expand the shareholder base and enable Dustin to access the Swedish and international capital markets, which will support Dustin's continued growth and development. The board of directors and executive management of Dustin consider the Offering and listing of Dustin's shares to be a logical and important step in Dustin's development, which will also increase the awareness of Dustin and its operations among current and potential customers and suppliers. Dustin intends to use the proceeds in order to achieve a net debt level that meets the financial goals for the capital structure determined by the board of directors.
E.3	*Offering terms and conditions*	**The Offering:** The Offering comprises up to 5,555,555 newly issued shares offered by Dustin and up to 29,331,828 existing shares offered by the Principal Owner to institutional investors and the public in Sweden. The Principal Owner has issued an option to the Joint Global Coordinators, exercisable in whole or in part for 30 days following the first day of trading in the shares on Nasdaq Stockholm, to purchase up to 5,179,182 additional existing shares from the Principal Owner, equal to 15 per cent of the maximum total number of shares comprised by the Offering, at the Offering price, to cover any potential over-allotment in connection with the Offering. **The Offering price:** The Offering price is expected to be set within the range of SEK 45–51 per share. The Offering price to the general public will not exceed SEK 51 per share. The price range has been set by Dustin's board of directors and the Principal Owner in consultation with the Managers, based on the anticipated investment interest from institutional investors. Brokerage commission will not be charged. The Offering price is expected be announced through a press release on or about 13 February 2015.

	Offering forms and conditions, cont.	**Period for application:** For the public in Sweden, application for acquisition of shares can be made during the period 3 to 11 February 2015. The institutional investors in Sweden and other countries will be given the opportunity to participate in a form of book-building process during the period 3 to 12 February 2015. **Application:** Application for acquisition of shares from the public shall relate to a minimum of 200 shares and a maximum of 10,000 shares in even trading lots of 100 shares. Application for acquisition of shares could be made using a special application form which may be obtained from Carnegie or branches of Nordea as well as ordered from Dustin. Application forms are also available on Dustin's website (www.dustingroup.com), Carnegie's website (www.carnegie.se) and Nordea's website (www.nordea.se). Institutional investors apply for subscription to Carnegie, Nordea, ABG and SEB in accordance with specific instructions. **Allotment:** The allotment of shares in the Offering will be determined by Dustin's board of directors and the Principal Owner in consultation with the Managers. The goal is to achieve a strong institutional ownership base and a broad distribution of shares among retail investors in Sweden in order to facilitate regular and liquid trading in Dustin's shares on Nasdaq Stockholm. The allotment does not depend on when the application is submitted during the application period. In the event of oversubscription, it is possible that no allotment will be made or that fewer shares than applied for will be allotted, and allotment may wholly or partly be made by random selection. Allotment to the institutions submitting expressions of interest will take place on a fully discretionary basis. The Cornerstone Investors are however guaranteed allotment in accordance with their respective undertakings. **Dustin employees:** Dustin employees who wish to acquire shares must follow special instructions from Dustin. **Payment:** Payment for allotted shares through Carnegie shall be made according to the specifications on the contract notes. Full payment for allotted shares shall be paid in cash via bank giro 5294-6902 no later than 17 February 2015. Payment for allotted shares through Nordea funds are expected to be deducted from the bank account or securities depository account/Investeringssparkonto specified in the application on or about 17 February 2015. Customers of Nordea must have sufficient funds available in the specified bank account or securities depository account/Investeringssparkonto from 17:00 CET 11 February 2015 until 24:00 CET 17 February 2015. For institutional investors full payment for allotted shares shall be paid in cash no later than 17 February 2015 in accordance with instructions set out in the dispatched contract note. **Registration:** Registration of allotted and paid shares with Euroclear Sweden AB ("**Euroclear Sweden**") is, for both institutional investors and the public in Sweden, expected to be effected on or about 17 February 2015, after which Euroclear Sweden will dispatch a VP notice showing the number of shares in Dustin which have been registered in the receiver's securities account or service account. Notification to shareholders whose holdings are nominee-registered will take place in accordance with the practices of each nominee. **Conditions regarding completion of the Offering:** The Offering is conditional upon Dustin obtaining proceeds from the new issue of approximately SEK 250 million before issue costs and that Dustin, the Principal Owner and Managers reaching agreement on the placing of shares, which is expected to take place on or about 12 February 2015, that certain terms and conditions in the agreement are fulfilled and that the agreement is not terminated. If the above conditions are not fulfilled and if the agreement is terminated, the Offering may be terminated. In such case, neither delivery nor payment will be carried out in the Offering.

E.4	*Interests and conflict of interests*	Carnegie, Nordea, ABG and SEB act as Managers in connection with the Offering. The Managers provide financial advisory and other services to Dustin and the Principal Owner in connection with the Offering. From time to time, the Managers provide services in the ordinary course of business to the Principal Owner and parties affiliated to the Principal Owner in connection with other transactions. Per the day of the Offering Circular, Nordea Bank Danmark A/S, whose parent company is Nordea Bank AB (publ), indirectly through Nordea Private Equity II Global Fund of Funds K/S and Nordea Private Equity II European Middle Market Buyout K/S, holds shares in Altor Fund II of in total 0.1 per cent. Furthermore, subsidiaries of Nordea Life Holding AB, whose parent company is Nordea Bank AB (publ), indirectly through Nordea Private Equity II Global Fund of Funds K/S and Nordea Private Equity II European Middle Market Buyout K/S, hold shares in Altor Fund II of 0.6 per cent. Carnegie is one of two Joint Global Coordinators in the Offering. Altor Fund III indirectly owns 68 per cent of Carnegie's parent company, Carnegie Holding AB. Altor Equity Partners AB is investment advisor to both the Principal owner and Altor Fund III. Neither Carnegie nor any of its subsidiaries have any direct or indirect ownership in Dustin. Additionally, Nordea is also lender to Dustin.
E.5	*Principal Owner/ Lock-up agreements*	Under the placing agreement which is expected to be entered into on or around 12 February 2015, the Principal Owner, current and certain previous shareholding members of the board of directors and certain shareholding employees within the Group, including executive management, will undertake, with certain exceptions, not to sell their respective holdings for a certain period after trading on Nasdaq Stockholm has commenced (the "**Lock-up Period**"). The Lock-up Period for the Principal Owner and the sellers of Computerstore and Businessforum will be 180 days, and the Lock-up Period for the shareholdings of current or previous members of the board of directors and certain shareholding employees within the Group, including executive management, will be 360 days. At the end of the respective Lock-up Periods, the shares may be offered for sale. Such subsequent sales may affect the market price of the share. Joint Global Coordinators may agree to certain exceptions from these undertakings. Pursuant to the agreement, Dustin will undertake, with certain exceptions, towards the Managers not to, among other things, resolve or propose to the shareholders' meeting an increase of the share capital through issue of shares or other financial instruments for a period of 180 days from the first day of trading of Dustin's shares on Nasdaq Stockholm without a written consent from the Joint Global Coordinators.
E.6	*Dilution effect*	The issue of new shares in connection with the Offering could increase the total amount of shares in Dustin up to 76,728,670, corresponding to a dilution of 7.2 per cent.
E.7	*Costs imposed on investors by the issuer or offerer*	Not applicable. Brokerage commission will not be charged.

RISK FACTORS

An investment in Dustin's shares involves various risks. A number of factors affect, or could affect, Dustin's business, both directly and indirectly. Described below, in no particular order and without claim to be exhaustive, are the risk factors and significant circumstances considered to be material to Dustin's business and future development. The risks described below are not the only risks to which Dustin and its shareholders may be exposed. Additional risks that are not currently known to Dustin, or that Dustin currently believes are immaterial, may also have a material and adverse effect on Dustin's business, results of operations or financial condition. Such risks could also cause the price of Dustin's shares to fall significantly, and investors could potentially lose all or part of their investment.

In addition to this section, investors should also take into consideration the other information contained in the Offering Circular in its entirety. The Offering Circular also contains forward-looking statements that are subject to future events, risks and uncertainties. Dustin's actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the risks described below and elsewhere in the Offering Circular.

Risks related to the industry and Dustin

The demand for Dustin's products is dependent on general economic conditions

Dustin conducts its operations in several Nordic markets and purchases products from suppliers world-wide. For this reason Dustin is, as similar to other corporations, affected by general economic, financial and political conditions on an international level. The demand for products and services offered by Dustin is affected by general macroeconomic circumstances such as recession, inflation or deflation, general weakening of purchasing power with consumers and corporations and investments in private and public organisations. Global conditions and negative development of economies in the Nordic, Europe and worldwide, for example GNP development, could have a material adverse effect on Dustin's business, prospects, results of operations and financial conditions.

For example, Dustin's net sales were adversely affected during the first six month period of 2008 and during 2009 due to the pressure on the capital markets globally. The fiscal year 2008/2009 is the only year since its founding during which Dustin's sales decreased compared to the previous year. Uncertainty regarding future economic prospects, including political unrest, that affect customers spending patterns, could have a material adverse effect on consumers' willingness to purchase Dustin's products and an adverse effect on Dustin' sale and gross margins.

Dustin is dependent on the continued growth of online sales of IT products and services

As an online reseller, Dustin depends on its customers' use of the online channel for purchasing their IT products and services. The online sales are estimated to have increased during the last few years and Dustin is affected by continued increase of online sale of IT products and services in order to increase its net sales. In accordance with the current trend, B2B customers allocate a larger portion of their IT purchase through the online channel, which has a positive effect of Dustin's net sales. If the trend of increased online sale should stagnate or is reversed, it could have a material adverse effect on Dustin's business, prospects, results of operations and financial conditions.

Dustin is dependent on growth in smaller companies

Dustin mainly targets B2B-customers on the Nordic market. Revenue generated from net sales to B2B-customers has in the past, and is in the future expected to, account for a significant part of Dustin's revenue. Between 2007 and 2013 smaller companies in Sweden had higher growth in number of employees and revenues compared to larger companies, which Dustin believes to have had a positive influence. This is considered to have been positive for Dustin since its customer offering is suited for small and medium-sized companies. If this trend stagnate or cease, it could have a material adverse effect on Dustin's business, prospects, results of operations and financial conditions.

Damages to Dustin's reputation may result in Dustin losing business or growth opportunities

Dustin is dependent on its reputation. A company's reputation is important both in relation to new customers and in relation to existing customers when they choose from where to purchase products or services. For example, quality issues, operational or logistics problems and losses of a well-known customer or supplier could result in Dustin's reputation being damaged and, thereby, difficulties in retaining existing or attracting new customers. In addition, Dustin faces the risk that its employees and other persons affiliated with Dustin, may take actions which are unethical, criminal (including, but not limited to, with respect to violation of applicable anti-corruption or anti-bribery legislation) or otherwise contravene Dustin's internal guidelines and policies. Customers or suppliers could associate Dustin with such misconduct, which could have a material adverse effect on Dustin's reputation.

Dustin's code of ethics is one of its most important policies. If the employees of or other persons affiliated with Dustin is unable to comply with Dustin's code of ethics, for whatever reason, there is a risk that Dustin's reputation could be hampered. For example, since Dustin sources its products from suppliers, Dustin may not always be able to control where its products originates from and under what conditions the product is manufactured. As a consequence, there is a risk that some of Dustin's products are produced in countries which Dustin is not allowed to source from (due to international sanctions or contractual restrictions) or that the production is not conducted in accordance with Dustin's code of ethics. In the event that any such misconduct was to be reported by media or otherwise become public knowledge or known to Dustin's customers, it could have a material adverse effect on Dustin's reputation. Damages to Dustin's reputation may result in Dustin losing business or growth opportunities, which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin is dependent on its brand and other intellectual property rights

The "Dustin" brand is one of Dustin's most important business assets. Maintaining the reputation of and value associated with the brand is central to the success of Dustin's business. Brand values could be impaired as a consequence of customer complaints or negative publicity associated with the brand itself or with Dustin as a company (including Dustin's websites, products, delivery times, returns processes, customer data handling and security practices, or customer support, including on internet-based platforms such as blogs, online ratings, review services and social media websites). The value of the brand could also be adversely affected if levels of marketing investment and sales support are too low or due to insufficient continued innovation to keep them relevant to consumers. Impaired visibility or strength of the Dustin brand or negative publicity may lead to higher marketing expenses in order to direct traffic to Dustin's webpage, and may have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin incurs costs for the establishment, protection and enforcement of its brand. In case Dustin fails to establish, manage and protect the brand, as well as if Dustin is subject to claims or demands related to brand names or other intellectual property that limit the use of such brand and/or intellectual property or entail significant costs, it could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

The Nordic IT market is fragmented and competitive

The Nordic market for IT and electronics is fragmented and competitive. Dustin competes with a large number of IT and electronics providers of different size and types, operating under several different business models.

There is a risk that Dustin's competitors will consolidate and, thus, benefit from economies of scale and other competitive advantages and gain market share at Dustin's expenses. In addition, relatively low barriers for competitors currently focused on other customer segments or other geographical markets to offer products and services to customers in Dustin's targeted segment or Dustin's geographical market and therewith further increase competition in Dustin's targeted segment, could result in Dustin losing business opportunities or may be forced to change its business model.

Competitors, including large multi-national corporations, which may be better funded or organised, may engage in pricing tactics, which may lead to Dustin having to reduce its prices to compete. For example, if competitors would lower its prices at the cost of a lower gross margin or offer a wider assortment, Dustin would have difficulties to compete without following suite, which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Additionally and only in relation to for small and medium-sized companies, Dustin often does not enter into formal, written contracts with its customers, and, where applied, such agreements are generally of a shorter duration and without volume commitments, which results in relatively few legal barriers for customers to change IT supplier. The loss of customers to other IT suppliers could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Efficient logistics management and capacity is crucial for Dustin's business

Dustin has designed and built its own logistics infrastructure, including inbound receipt of items for sale, storage systems, packaging, outbound freight and receipt, screening and handling of returns. These processes are complex and depend on sophisticated know-how and computerised systems, which Dustin has tailored to meet the specific needs of its business. Any failure or interruption of these systems, for example as a result of software malfunctions, natural disasters, acts of terrorism, vandalism or sabotage, could impair Dustin's ability to timely deliver its customers' purchases and harm Dustin's reputation. Likewise, if Dustin miscalculates its logistics capacity such that it has overhead it cannot expense or merchandise it cannot ship, it could have a material adverse effect on Dustin's business and reputation.

If Dustin continues to add new businesses, products or service categories with different logistical requirements or changes the mix in products that Dustin sells, Dustin's logistics infrastructure will become increasingly complex and operating it will become even more challenging. Dustin may encounter operational difficulties that could result in shipping delays and customer dissatisfaction or cause Dustin's logistics costs to become high and Dustin to become uncompetitive. Any failure to successfully address such challenges in a cost-effective and timely manner could disrupt Dustin's business and harm its reputation and, as a result, have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin is dependent on its ability to expand its customer base and increase net sales to existing customers

In order to reach new customers, and to increase net sales to existing customers, Dustin may need to devote significant management time and resources on an assortment of optimisation and marketing efforts, as well as efforts aimed at product and services innovations and new concepts. For example, as a part of Dustin's strategy to capture a larger share of its customers' IT purchases, Dustin will continue to rely on relational sales to utilize the potential in the existing customer base. In addition, Dustin is dependent on its ability to develop and carry out new products and services to Dustin's customers while maintaining high quality and high efficiency on such offerings. These efforts, the use of these resources and the development of new offerings may, however, not result in a sufficient increase in net sales to generate profit, which could be detrimental to Dustin's ability to successfully grow Dustin's business and, accordingly, lead to increased costs and have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin is dependent on the prices of products according to agreed specifications decrease to make profit on several contracts with public organisations

In agreements with public organisations, Dustin has undertaken to deliver products according to agreed specifications at pre-determined fixed prices. The terms of such agreements are relatively long and the fixed price is therefore set at levels that initially results in low margins and some products are sold with loss. Historically, prices on products in such agreements decreased over time which meant that margins have increased gradually over the duration of agreements. Nonetheless, there is a risk that the prices of products with the agreed specifications will increase or remain stable in the future, which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin is dependent on third parties to be able to deliver products to its customers

During the last three years, Dustin delivered more than 97 per cent of all orders within the time promised by the logistics partner (the "Promised Delivery Time"), calculated based on the average monthly deliveries during the last three years. To be able to achieve this, Dustin is dependent on its suppliers being able to deliver ordered goods in a timely manner. One important factor for receiving deliveries in time is that the Rosersberg warehouse is located close to important distributors. If any distributor should move, terminate its relationship with Dustin or go into bankruptcy, Dustin may not be able to receive products within the same time frame as is currently possible. In addition, Dustin generally delivers products to its customers via third party logistics companies such as Posten (within Sweden) and Bring (within other Nordic countries). Strikes, inclement weather, natural disasters or other service interruptions by such logistic companies may affect Dustin's ability to deliver products on a timely basis, which could have a material adverse effect on Dustin's reputation, business, prospects, results of operations and financial condition.

Dissatisfaction with Dustin's customer service may affect Dustin's ability to retain customers

A satisfied and loyal customer base is crucial to Dustin's continued growth. Strong customer service is required to ensure customer satisfaction and that customer complaints are dealt with in a timely manner and to the customer's satisfaction. Because Dustin in most cases does not have direct face-to-face contact with customers when placing their orders, the interaction with customers, through its customer service team, is crucial to maintaining continuous and positive customer relationships. Dustin responds to customer requests and inquiries through e-mail and over the phone. Any actual or perceived failure or unsatisfactory response by Dustin's customer service could negatively affect customer satisfaction and harm customer loyalty. The development of Dustin's customer offering to include services and more advanced products is making it more challenging for its customer service function to efficiently satisfy Dustin's customers. Dissatisfaction with Dustin's customer service may affect Dustin's ability to retain customers, which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

The success of Dustin's business depends on the continuing development, maintenance and operation of Dustin's IT systems

Dustin's success is dependent on the reliability, functionality, maintenance, operation and continuing development of its information technology systems, including Dustin's website and business systems, within sales, customer management, financial and accounting, marketing, purchasing, warehouse management, e-commerce and mobile systems, as well as Dustin's operational platforms, including voice and data networks and power systems. The quality and Dustin's utilisation of the information generated by its information technology systems, and Dustin's success in implementing new systems and upgrades, affects, among other things, Dustin's ability to:

- make future sales to its customer;
- conduct business with its customers, including delivering services and solutions to them;
- manage its inventory and accounts receivable;
- purchase, sell, ship and invoice hardware and software products and provide and invoice its services efficiently and on a timely basis; and
- maintain a cost-efficient operating model while scaling the business.

For example, Dustin has during the last three years prepared itself for the implementation of a new IT platform. In 2014, Dustin began to launch the new IT platform, which will be implemented on a group wide basis in the coming two years. The successful implementation and functionality of the platform is crucial for Dustin's future success. If Dustin is not able to implement the system appropriately or to adapt its internal processes to the new technology, for example through an inability to train employees, the introduction of this new system may affect customer experience, lead to inefficiencies or loss of control which in turn could have a material adverse effect on Dustin's internal oversight and proper functioning. In addition, the implementation of the new IT platform can be more costly than anticipated. Any of these risks could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

The integrity of Dustin's information technology systems is vulnerable to disruption due to forces beyond Dustin's control. While Dustin has taken steps to protect its information technology systems from a variety of threats, including computer viruses, malware, phishing, manipulation by employees, unauthorised access and other malicious attacks, both internal and external, and human error, there is a risk that those steps will not be effective. Further, although Dustin has backup system at a separate location to secure its primary systems, there is a risk that these backup systems will not operate properly if and when required. Any disruption to or infiltration of Dustin's information technology systems and website could have a major impact of Dustin's sales and its ability to service customers' needs, which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin is dependent on the continued link between suppliers and customers and the demand for the suppliers' products

Dustin's business model is focused on sales of technology products and services on the Nordic markets and sales are, primarily, conducted online. Since Dustin does not manufacture any products itself, Dustin is acting as an aggregator and a link between suppliers and customers. Consequently there is, for example, a risk that suppliers change strategy and circumvent Dustin to sell its products directly to Dustin's customers. For example, software products that are sold by one key manufacturer may only be available online directly from the manufacturer itself. In addition to deliver products from its central warehouse facility, Dustin uses drop shipment from selected suppliers directly to end customers. By this procedure, Dustin can deliver products to its customers in an efficient manner. There is a risk that suppliers chose not to offer drop shipment services in the future, which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin is dependent on its suppliers' success and Dustin's customers' demand for Dustin's suppliers' products. Dustin cannot control these factors and any decline in the demand for the products of Dustin's suppliers, without replacement demand for other products offered by Dustin could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin is also dependent upon manufacturers' ability to develop and market hardware and software in order to compete effectively with hardware and software of manufacturers whose products and services Dustin does not currently offer or that Dustin is not authorised to offer in one or more customer channels. The IT market is characterised by rapid innovation and the frequent introduction of new and enhanced hardware, software and services offerings, such as "*Mobility as a Service*". Dustin has been, and will continue to be, dependent on innovations in hardware, software and services offerings, as well as the acceptance and demand for those innovations by customers. A decrease in the rate of innovation, or the lack of acceptance of innovations of customers, could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin is dependent on manufacturers and distributors to be able to sell its products

Dustin purchases products for resale from manufacturers, which include *inter alia* HP and Dell, and distributors. For the fiscal year ended on 31 August 2014, Dustin purchased approximately 80 per cent of the products sold from distributors and the remaining amount directly from manufacturers. One of Dustin's biggest competitive advantages is the wide product assortment, and Dustin, is thus, dependent on its suppliers providing such assortment. In addition to offering a wide product assortment, Dustin's distributors offer rebates and return policies which are important to Dustin's business model. If Dustin's distributors would change the current practice and/or terms and conditions, for example regarding payment, it could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin's manufacturers have authorised Dustin to sell all or some of their products. Dustin's authorisation with each manufacturer is subject to specific terms and conditions regarding such as certain certificates or service competence and such requirements could change for example due to technical development, which could entail that Dustin loses its authorisation for certain products. From time to time, manufacturers may terminate or limit Dustin's right to sell some or all of their products or change the terms and conditions or reduce or discontinue the incentives that they offer Dustin. Manufacturers can begin to sell directly to end users or through other resellers than Dustin and if manufacturers decides that certain products are not to be sold online, it may limit or curtail the availability of their products to Dustin. Any such termination or limitation of the implementation of such changes could have a material adverse effect on Dustin's business, results of operations or cash flows. In addition, if Dustin fails to, in a timely manner react to changes in supplier programs or if the manufacturers for any other reasons ceases to sell to Dustin, there is a risk that Dustin will not be able to substitute products from such a manufacturer with another product and Dustin could lose customers which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Inefficiencies in the supply chain may have a material adverse effect on Dustin's results of operations

The operation and optimisation of the existing warehouse are keys to Dustin's business and growth. Dustin's inventory is costly to move, store and handle and an efficient supply chain and inventory management is therefore important to Dustin's business, especially since Dustin over the last three fiscal years delivered more than 97 per cent of all orders within the Promised Delivery Time, calculated based on the average monthly deliveries during the last three years. If Dustin does not operate and optimise its warehouse successfully and efficiently, it could result in excess or insufficient logistical capacity, increased costs or harm Dustin's business in other ways. Any inefficiency in managing inventory (including errors or omissions in forecasting or ordering by Dustin or its customers) may result in Dustin storing wrong, excessive or insufficient inventory of a particular product or group of products. From time to time Dustin may take advantage of cost savings associated with certain opportunistic bulk inventory purchases offered by its suppliers or Dustin may decide to carry high inventory levels of certain products that have limited or no return privileges due to customer demand or request. These bulk purchases could increase Dustin's exposure to inventory obsolescence.

In the event that Dustin does not have the ordered products in store, whether due to wrong products assortment or insufficient inventory, there is a risk that deliveries to customers may be delayed. In addition, any excessive inventory of certain products, whether due to large purchase orders being placed or due to technology innovation (which could render existing products obsolete), could result in a risk that inventory would need to be impaired or discarded due to Dustin's inability to sell such products. The associated costs can be substantial, and there is a risk that Dustin may not be able to recover such costs from its customers, which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin's central warehouse facility or the equipment therein may be damaged and the warehouse facility may have to close

Inventory is an important part of Dustin's operations. Dustin has one central warehouse facility in Rosersberg. At the central warehouse facility, logistics operations include deconsolidation of goods received from suppliers, as well as sorting, packing, assembly, cargo loading, technical configuration and customised distribution and inventory management services. If Dustin's central warehouse facility or the equipment therein would be damaged, for example as a result of fire, or if the warehouse facility would have to close, Dustin may suffer losses and delays in delivery, which in turn could have a material adverse effect on Dustin's business, results of operations and financial condition.

In addition, if the inventory were to be damaged, for example as a result of flooding, Dustin may suffer from write downs and may have to arrange for delivery of ordered products directly from its suppliers, which could lead to increased prices and delayed deliveries. Dustin may not be able to recover such increased costs from its customers, while delayed deliveries could adversely affect Dustin's reputation, both of which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Increases in the prices of energy, fuel and labour costs may affect Dustin's result of operations

Dustin is exposed to fluctuations in the market price of certain commodities such as energy and fuel, which are used for the manufacturing and transport of products Dustin purchases. Any increase in such prices may impact the price for which Dustin purchases its products, and thereby its cost of goods sold. Energy prices impact manufacturing and freight costs, which significantly affect cost of goods sold. Increases in crude oil prices often result in higher energy and freight costs. In addition, labour shortages and labour costs in the countries from which Dustin sources its products may also increase its cost of goods sold. While Dustin endeavours to recover from its customers these increased costs by raising sales prices, Dustin may not always be able to pass these costs on, or may suffer delays or restrictions in such actions. Any such inability or delay could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin is dependent on a competitive environment on the supplier market

Dustin is affected by the prices of products sourced from its suppliers. Thus, Dustin is dependent on the supplier market being competitive. If the competitive environment on the supplier market were to change, for example, due to consolidation between suppliers or a dominant position for any supplier or other factors, the prices of products that Dustin purchases could increase.

Distributors are generally in a better position than Dustin to negotiate prices with manufacturers. If manufacturers would decide to sell their products directly to Dustin, instead of via distributors, the prices of products that Dustin purchases could increase. There is a risk that Dustin may not always be able to compensate for increased prices on products that Dustin purchases from its suppliers by raising prices against Dustin's own customers, or may suffer delays or restrictions in such actions. All of these factors could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Inability to retain and recruit executive management and other key employees could have a material adverse effect on Dustin's operations

Being able to attract develop, engage and retain executive management and other key employees are important to Dustin's future operations and business plan. Dustin is particularly dependent on its executive management and on certain employees within Dustin's purchase, sales and IT functions, who have critical knowledge regarding, and/or have developed strong relationships with, many of Dustin's suppliers and customers. If Dustin cannot attract or retain executive management and other key employees, it could have a material adverse effect on Dustin's relationships with suppliers and customers and Dustin's ability to expand its offerings of value-added services and solutions and, consequently, Dustin's business, prospects, results of operations and financial condition.

Dustin's growth and earnings may be hampered if integration of companies and businesses acquired by Dustin is not successful

Dustin's strategy covers both organic growth and growth through acquisitions and Dustin has made several acquisitions during the last years. In 2013, Dustin acquired Businessforum Oy, a Finnish company, in 2012 Dustin acquired the group IT-Hantverkarna and Norsk Data Senter AS, a Norwegian company and Best Office AB. Acquisitions may expose Dustin to risks, which are primarily related to integration, such as impairment of relationships with key customers, inability to retain key employees and difficulties and higher costs than anticipated for combining operations. For example, following Dustin's acquisition of IT-Hantverkarna in 2012, Dustin failed to retain certain key employees of the target, which reduced the value of the transaction. Failure to implement Dustin's strategy, including in respect of its ability to identify and integrate acquisition targets, could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Threats to data security could significantly impact Dustin's business

If third parties or Dustin's employees are able to penetrate Dustin's network security or otherwise misappropriate Dustin's customers' personal information or credit card information, or such information for which Dustin's customers may be responsible and for which Dustin agrees to be responsible in connection with service contracts Dustin may enter, or if Dustin gives third parties or its employees improper access to any such personal information or credit card information, Dustin could be subject to liability. This liability could include claims for unauthorised purchases with credit card information, identity theft or other similar fraud-related claims. This liability could also include claims for other misuses of personal information, including for unauthorised marketing purposes. Other liability could include claims alleging misrepresentation or Dustin's privacy and data security practices. Any such liability for misappropriation of this information could have a material adverse effect on Dustin's results of operations.

Dustin uses encryption and authentication technology licensed from third parties to provide the security and authentication necessary to effect secure online transmission of confidential information such as customer credit card numbers. Advances in computer capabilities, new discoveries in the field of cryptography or other events or developments may result in a compromise or breach of the algorithms that Dustin uses to protect sensitive customer transaction data. A party who is able to circumvent Dustin's security measures could misappropriate proprietary information or cause interruptions in Dustin's operations. Dustin may be required to expend significant capital and other resources to protect against such security breaches or to alleviate problems caused by such breaches. Dustin's security measures are designed to protect against security breaches, but Dustin's failure to prevent such security breaches could cause Dustin to incur significant expense to investigate and respond to a security breach and correct any problems caused by any breach, subject Dustin to liability, damage Dustin's reputation and diminish the value of Dustin's brand name. Should any of the abovementioned risks materialise, it could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

The interruption of the flow from suppliers could disrupt Dustin's business

A significant portion of the products Dustin sells are manufactured or purchased by Dustin's suppliers primarily in Asia. Political, social or economic instability in China, or in other regions in which Dustin's suppliers purchase or manufacture the products Dustin sells, could cause disruptions in trade, including exports to Europe. Other events that could also cause disruptions to Dustin's supply chain include:

- the imposition of additional trade law provisions or regulations;
- the imposition of additional duties, tariffs and other charges on imports and exports;
- foreign currency fluctuations;
- natural disasters or other adverse occurrences at, or affecting, any of Dustin's suppliers' facilities;
- restrictions on the transfer of funds;
- the financial instability or bankruptcy of manufacturers; and
- significant labour disputes, such as strikes.

Dustin cannot predict whether the countries in which the products Dustin sells are purchased or manufactured, or may be purchased or manufactured in the future, will be subject to new or additional trade restrictions or sanctions imposed by the authorities or foreign governments, including the likelihood, type or effect of any such restrictions. Trade restrictions, including new or increased tariffs or quotas, embargoes, sanctions, safeguards and customs restrictions against the products Dustin sells, as well as foreign labour strikes and work stoppages or boycotts, could increase the cost or reduce the supply of products available to Dustin and have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Liability claims made by customers which Dustin cannot pass on to its suppliers could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition

Under certain customer agreements, Dustin is bound by certain terms and conditions towards its customers. Such terms and conditions may be more extensive and burdensome than the corresponding terms and conditions in Dustin's supplier agreements, such as longer warranties than what is usually attached to the product, penalty for delay in deliveries and obligation to repair certain customers' products within two days. Consequently, there is a risk that Dustin may not be able to fully recover any customer claims from its suppliers, which could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Disputes, claims, investigations and proceedings may lead to Dustin having to pay damages or cease with certain operations

Group companies may become involved in disputes within the framework of their normal business activities and risk being subject to claims in suits concerning agreements, product liability and other claims if the products sold are defective, cause production stops or cause personal or property damage, alleged faults in supplies of goods and services issues. In addition, Group companies (or Group companies' officers, directors, employees or affiliates) may become subject to criminal investigations and proceedings. Disputes, claims, investigations and proceedings of this kind can be time consuming, disrupt normal operations, involve large claim amounts and result in considerable costs. Moreover, it can be difficult to predict the outcome of complex disputes, claims, investigations and proceedings. Future disputes, claims, investigation and proceedings may have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin is exposed to tax related risks

Dustin manages its operations through operating subsidiaries in a number of countries. The business is run and the transfer pricing strategies are utilised according to Dustin's understanding or interpretation of current tax laws, tax treaties, other tax law stipulations and the requirements of the tax authorities concerned. Further, the tax authorities of the countries concerned could make assessments and take decisions which deviate from Dustin's understanding or interpretation of the abovementioned laws, treaties and other regulations. Although, Dustin regularly obtains advice in this regard from independent tax professionals, it is subject to tax reviews from time to time and there is a risk that tax audits or reviews may result in additional taxes to be paid by any company of the Dustin Group, in particular due to the history of its financing, transfer pricing, employees' co-investments, as well as the holding structure of the Group. This could have a material adverse effect on Dustin's financial condition and net income.

Sweden extended the rules limiting the deductibility of certain interest expenses to companies within the community of interest (Sw. *intressegemenskap*) on 1 January 2013. Due to these rules, deductions made in Dustin's tax return 2014 on the interest expense on Dustin's shareholder loan in the period from 1 January – 31 August 2013 (approximately SEK 9 million) may be challenged by the Swedish Tax Agency (Sw. *Skatteverket*). Issues connected to these rules are currently being tried by courts. There is an appealed negative court ruling from the Administrative Court in Stockholm in a case where there are certain similarities to Dustin's structure. In light of the aforementioned, Dustin has submitted an open disclosure in respect of the interest deductions. The Swedish Tax Agency may conduct a reassessment (Sw. *omprövningsbeslut*) denying the deductions within the reassessment period until the end of 2015. The Swedish Tax Agency may in addition conduct an assessment for arrears (Sw. *eftertaxeringsbeslut*) denying the deductions and impose tax penalties until the end of 2019 if they could successfully challenge both the deductibility and the open disclosure. A successful challenge in respect of Dustin's tax return submitted 2014 could also result in the deductibility being challenged and consequently an increased effective tax rate going forward. From 1 September 2013 until the date of this Offering Circular, the accrued interest expenses on Dustin shareholder loan amounts to approximately SEK 22 million. The shareholder loan is expected to be repaid in connection with the trading of Dustin's share on Nasdaq Stockholm. If the Tax Agency was to successfully challenge this, Dustin's overdue tax burden may increase as a consequence thereof, which could have a material adverse effect on Dustin's business, financial condition and net income.

On 12 June 2014, the Swedish Committee on Corporate Taxation delivered a proposal to the Swedish Government on the introduction of a new system for corporate taxation in Sweden. The Committee's main proposal consisted of two parts. Firstly, it was proposed that deductions for net financial costs, such as interest expenses and other financial costs should be discontinued. Secondly, it was proposed that a standard deduction should be introduced at a rate of 25 per cent of the company's entire taxable profit. Further, the Committee proposed that any tax losses carried forward in a company at 31 December 2015 should be reduced by 50 per cent as a one-off occurrence. The proposal has been subject to submissions and is now for review by the government in Sweden. Following such review, the Swedish Government is expected to present a bill to the Swedish Parliament. Since the corporate income taxation, as well as other fiscal charges and contributions, are subject to frequent changes, it cannot be excluded that changes to tax law in the future may lead to increased costs for Dustin and affect the conditions for Dustin's operations. Changes to corporate income tax and other fiscal charges and contributions could have a material adverse effect on Dustin's business, financial condition and results of operations.

Dustin's tax position, both for previous years and the present year, may change as a result of the decisions of the tax authorities concerned or as a result of changed laws, treaties and other regulations. Such decisions or changes, possibly retroactive, could have a material adverse effect on Dustin's business, results of operations and financial condition.

Dustin is exposed to credit risks

Dustin has significant economic exposure to its B2B customers, mainly relating to outstanding trade receivables (as per August 31, 2014, the total outstanding trade receivables including trade receivables from B2C and B2B customers amounted to SEK 689 million), and may be negatively affected if a B2B customer becomes insolvent or goes bankrupt. Dustin extends credit to its B2B customers for a significant portion of Dustin's net sales, typically on 10–30-days payment terms. Dustin is subject to the risk that its customers may not pay for the products they have purchased, or may pay at a slower rate than historically experienced, the risk of which is heightened during periods of economic downturn or uncertainty or, in the case of public organisations, during periods of budget constraints. In addition, Dustin offers financial solutions through its subsidiary Dustin Financial Services AB ("**Dustin Financial Services**"), whereby certain products are leased to the customer which exposes Dustin to larger credit risks for a longer period of time. Should any of the abovementioned risks materialize, they could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin is exposed to interest rate risks

Interest rate risk is the risk that changes to market interest rates cause financial income and expenditure, as well as the values of financial instruments, to fluctuate. The interest rate risk can lead to changes in fair values, changes in cash flows and fluctuations in Dustin's profit. As per 31 August, 2014, Dustin had net debt of SEK 1,166 million. A change of +/– 1 percentage point in the interest rate on the debt would have affected profits for the fiscal year 2013/2014 by SEK +/– 12 million. Changes in interest rates could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin's consolidated balance sheet includes significant goodwill, which could become impaired

As per 31 August 2014, goodwill on Dustin's consolidated balance sheet totalled SEK 1,661 million. The goodwill is a result of the acquisitions during the recent years, of which SEK 872 million is attributable to Dustin's acquisition of Dustin Aktiebolag in 2006. Dustin carries out examinations of impairment needs of Dustin's goodwill items at least annually, or more frequently if there is a need. Examination of impairment needs has been completed in connection with the annual accounts for the period ending 31 August 2014, has been considered by Dustin's board of directors and has not indicated any impairment need. However, goodwill may be impaired if Dustin determines that the fair market value of an asset is lower than Dustin's carried value due to changes in circumstances.

Although Dustin currently does not expect that any goodwill impairment will be necessary, Dustin may have to recognise impairments in the future. If Dustin's goodwill would be significantly impaired, it could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin may not be able to obtain loans at favourable terms, or obtain loans at all

In connection with the listing of Dustin's shares on Nasdaq Stockholm, Dustin's main loan financing will consist of a credit facility with Nordea and Swedbank AB (publ) ("**Swedbank**") to obtain loans of SEK 1 100 million. The purpose of the credit facility is in part to, in connection with the listing; re-finance the current financing for the Group, to repay certain promissory notes and payment of a supplementary purchase price. For financing the Group's operating activities the financing will also contain an overdraft facility of SEK 270 million provided by Nordea, a loan facility connected to Dustin Financial Services of SEK 200 million provided by Nordea Sverige Finans AB and a guaranteed facility of SEK 30 million provided by Swedbank (the terms and conditions for all the above listed facilities are together referred to as "**Credit Facilities**"). Under the Credit Facilities, the Group is subject to certain restrictions primarily relating to the pledging of securities with other banks, raise additional debt in the subsidiaries, arrangements of lending above a certain level and divestments or acquisitions of assets at a value in excess of a specified amount and other customary credit terms and conditions. To the extent any company in the Group makes a capital contribution to Dustin Financial Services, Dustin's own unrestricted equity (Sw. *eget kapital*) shall decrease (or be considered to decrease) with an equivalent value, which implies that Dustin's distributable funds will decrease. The Credit Facilities also contains other covenants, including covenants requiring that certain key ratios, such as, interest coverage ratio and loan value ratio should not adversely deviate from certain levels stated in the Credit Facilities. Dustin Financial Services has provided security over lease agreements with customers.

Dustin's capacity to pay its debts and otherwise comply with Dustin's obligations and the terms and conditions of the credit facility as well as Dustin's general capacity to refinance its loans and make payments in accordance with Dustin's undertakings depend on, among other things Dustin's future results. Some aspects of Dustin's future results depend on economic, financial and competitive factors and other factors beyond Dustin's control. Should

Dustin fail to meet its obligations under Dustin's credit facility or breach any covenant, it could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Dustin is exposed to currency risks

Currency risk refers to the risk that currency exchange rate changes materially adversely affect Dustin's income statement, balance sheet or cash flow. Exposure to currency risks is the results of subsidiaries in the Group making purchases and sales of goods and services in other currencies than the respective subsidiary's local currency (transaction exposure) and of the conversion of the balance sheets and income statements in foreign currencies into SEK (conversion exposure). For example, as a general rule Dustin purchases products in SEK and sells its products based on the local currency. The price lists are adjusted on a monthly basis, but during that time Dustin is exposed to currency risks. Changes in currency exchange rates can also affect Dustin's own and its customers' competitiveness and thus indirectly affect Dustin's sales and profits. Dustin is principally exposed to changes in EUR, NOK and DKK compared to SEK. Accordingly any currency exchange rate fluctuations could have a material adverse effect on Dustin's business, prospects, results of operations and financial condition.

Risks relating to the Offering

An active, liquid and orderly trading market for Dustin's shares may not develop, the price of its shares may be volatile, and potential investors could lose a portion or all of their investment

Prior to the Offering, there is no public market for Dustin's shares. There is a risk that an active and liquid market will not develop or, if developed, that it will be sustained after completion of the Offering. The Offering price will be determined through a book-building procedure and, consequently, based on demand and the overall market conditions. The Offering price will be set by the Principal Owner in consultation with the Managers. This price will not necessarily reflect the price at which investors in the market will be willing to buy and sell the shares following the Offering. Investors may, thus, not be able to resell share at or above the Offering price.

Sales of shares by existing shareholders could cause the share price to decline

The market price of Dustin's share could decline if there are substantial sales of Dustin's shares, particularly sales made by Dustin's directors, executive management, and significant shareholders, or otherwise when a large number of shares are sold. Any sales of substantial amounts of Dustin's shares by the Principal Owner, or the perception that such sales might occur, could cause the market price of Dustin's shares to decline.

The Principal Owner, the current and certain previous members of the board of directors and certain employees of the Group which own Dustin shares, including executive management, have undertaken, with certain exceptions and for a certain period (180 days for the Principal Owner and the sellers of Computerstore and Businessforum and 360 days for other shareholders) not to sell their respective holdings, or otherwise enter into transaction with a similar effect. Although the lock-up arrangements restrict the ability of shareholders subject to any such lock-up (the "Lock-Up") to sell shares during the Lock-Up Period, the Joint Global Coordinators may jointly agree in their discretion to waive the restrictions on the sale of shares during this period and at any time. After the expiry of the relevant lock-up, the shareholders subject to Lock-Up will be free to sell their shares in Dustin. Subsequent sales of large number of Dustin shares by the Principal Owner or by Dustin's other shareholders, after Joint Global Coordinators consent or the understanding that such sale will occur, may have an adverse effect on the market price for Dustin shares.

The Principal Owner will continue to have substantial influence over Dustin after the Offering and could delay or prevent a change in control over Dustin

After completion of the Offering, the Principal Owner will own in aggregate approximately 40.2 per cent of the shares in Dustin (based on full subscription in the Offering and the midpoint of the price range in the Offering SEK 48 and assuming that the Over-allotment option is not exercised). Assuming that the Over-allotment option is exercised in full, the Principal Owner will own in aggregate approximately 34.0 per cent of the shares in Dustin after the Offering (based on full subscription in the Offering and the midpoint of the price range in the Offering SEK 48). Thus, the Principal Owner is likely to continue to have a significant influence over the outcome of matters submitted to Dustin's shareholders for approval, including the election of directors and any merger, consolidation or sale of all or substantially all of Dustin's assets. In addition, the Principal Owner could have significant influence over Dustin's executive management and Dustin's operations.

The interests of the Principal Owner may differ significantly from or compete with Dustin's interests or those of the other shareholders, and the Principal Owner could exercise influence over Dustin in a manner that is not in the best interest of the other shareholders. By example, there could be a conflict between the interests of the Principal Owner on the one hand, and the interests of Dustin or its other shareholders on the other hand with respect to distribution of dividends. Such conflicts could have a material adverse effect on the business, results of operations and financial condition.

Dustin's ability to pay dividends is dependent upon its future earnings, financial condition, cash flows, net working capital requirements, capital expenditures and other factors

The amount of any future dividends that Dustin will pay, if any, will depend upon a number of factors, such as future earnings, financial condition, cash flows, net working capital requirements, capital expenditures and other factors. Dustin also may not have sufficient distributable funds and Dustin's shareholders may not resolve to pay dividends in the future.

Differences in currency exchange rates may have a material adverse effect on the value of shareholdings or dividends paid

The shares will be quoted in SEK only, and any dividends will be paid in SEK. As a result, shareholders outside Sweden may experience adverse effects on the value of their shareholding and their dividends, when converted into other currencies if SEK depreciates against the relevant currency.

Shareholders in the United States or other countries outside Sweden may not be able to participate in any potential future cash offers

If Dustin issues new shares in a cash issue, shareholders shall, as a general rule, have preferential rights to subscribe for new shares proportionally to the number of shares held prior to the issue. Shareholders in certain other countries may, however, be subject to limitations that prevent them from participating in such rights offerings, or that otherwise makes participation difficult or limited. By example, shareholders in the United States may be unable to exercise any such rights to subscribe for new shares unless a registration statement under the Securities Act is effective in respect of such subscription rights and shares or an exemption from the registration requirements under the Securities Act is available. Shareholders in other jurisdictions outside Sweden may be similarly affected if the rights and the new shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction. Dustin is under no obligation to file a registration statement under the Securities Act or seek similar approvals under the laws of any other jurisdiction outside Sweden in respect of any subscription rights and shares and doing so in the future may be impractical and costly. To the extent that Dustin's shareholders in jurisdictions outside Sweden are not able to exercise their rights to subscribe for new shares in any future rights issues, their proportional interests in Dustin will be reduced.

Cornerstone Investors may not fulfil their undertakings

Axel Johnson AB, The Fourth Swedish National Pension Fund and Swedbank Robur Fonder (the "**Cornerstone Investors**") have agreed to, directly or indirectly through subsidiaries, acquire shares in the Offering, on the same terms and conditions as for other investors, corresponding to 10, 5 and 5 per cent of the total number of shares in Dustin after completion of the Offering. The Cornerstone Investors undertakings are however not secured through a bank guarantee, blocked funds or pledge of collateral or similar arrangement. Hence, there is a risk that the Cornerstone Investors will not be able to fulfil their undertakings. Furthermore, the Cornerstone Investors' undertakings are associated with certain conditions relating to, among other things, that a certain dispersion of Dustin's shares is achieved in connection with the Offering. In the event that any of these conditions are not fulfilled, there is a risk that the Cornerstone Investors do not fulfil their undertakings, which could have an adverse effect on the completion of the Offering.

BACKGROUND AND REASONS

Dustin is a leading online reseller of IT products and services in the Nordic countries. With a particular focus on small and medium-sized businesses Dustin offers a comprehensive product and service range, broad IT-competence and fast and reliable deliveries.

Dustin was founded in 1984 by Bo and Ulla Lundevall with a business model focused on selling computer accessories by mail-order and using a catalogue as the primary marketing tool. Dustin was an early adopter of e-commerce as a sales channel and launched its web shop in 1995.

Over the course of the last eight years, Dustin has broadened its geographical footprint from Sweden to Norway, Denmark and Finland, widened the product and service offering partly through acquisitions, completed an expansion of its distribution centre and built robust central functions to enable scalability. During the last ten fiscal years, Dustin has reported an average annual net sales growth rate (CAGR) of 15 per cent (2004/2005–2013/2014), of which the organic growth amounted to 8 per cent (*the organic growth has not been calculated on a constant currency basis and the exchange effect is thereby included*).

Altor's investment strategy is focused on investing in and developing medium sized companies with a Nordic origin and creating long-term enduring values. The investment strategy also entails a subsequent divestment of every acquired company within a certain period. Altor acquired Dustin in 2006. The board of directors and executive management of Dustin now are of the opinion that the time is appropriate for a listing of Dustin. Dustin has established a solid Nordic platform and Dustin has further potential for substantial future growth and improved results during the coming years.

The Offering consists of the offer and sale of existing shares from the Principal Owner and newly issued shares from Dustin. Certain other shareholders will sell shares through the Principal Owner in connection with the Offering. For further information, see section "*Share capital and ownership structure – Changes to the share capital structure in connection with the listing – Existing shareholders' sale and reinvestment*".

The Offering and the listing will expand the shareholder base and enable Dustin to access the Swedish and international capital markets, which will support Dustin's continued growth and development. The board of directors and executive management of Dustin consider the Offering and listing of Dustin's shares to be a logical and important step in Dustin's development, which will also increase the awareness of Dustin and its operations among current and potential customers and suppliers. For these reasons, the board of directors has applied for listing on Nasdaq Stockholm.

Dustin expects to receive proceeds of approximately SEK 250 million from the new issue in connection with the Offering. Dustin intends to use the proceeds in order to achieve a net debt level that meets the financial goals for the capital structure determined by the board of directors. Dustin will not receive any proceeds from the selling of shares from the Principal Owner in the Offering.

In other respects, reference is made to the full particulars of the Offering Circular, which has been prepared by the board of directors of Dustin in connection with the application for listing of Dustin's shares on Nasdaq Stockholm and the Offering made in connection with the listing.

The board of directors of Dustin is responsible for the contents of the Offering Circular. It is hereby assured that all reasonable precautionary measures have been taken to ensure that the information contained in the Offering Circular, as far as the board of directors is aware, corresponds to the facts and that nothing has been omitted that would affect its import.

Stockholm, 2 February 2015

Dustin Group AB (publ)

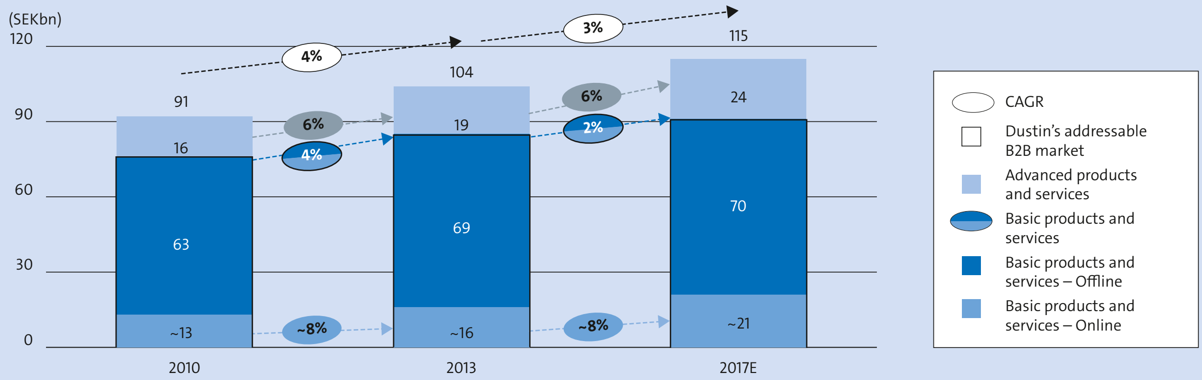
MARKET OVERVIEW

The Offering Circular includes information concerning Dustin's markets. Unless otherwise indicated, the information in the Offering Circular is based on Dustin's evaluation of multiple sources, including a market analysis from a leading third party professional advisor and market information from IDC ("**Market Analysis**"). As Dustin does not have access to the facts and assumptions underlying such market data, or statistical information and economic indicators contained in these third party sources, Dustin is unable to verify such information and, while Dustin believes it to be reliable, Dustin cannot guarantee its accuracy or completeness. As far as Dustin is aware and able to ascertain through comparison with other information published by such sources, no information has been omitted which could render the reproduced information inaccurate or misleading. The market data in this section is presented on a calendar year basis (January-December), which differs from Dustin's fiscal year (September-August). For this reason, the market data presented in the Offering Circular may not be directly comparable to Dustin's results of operations.

Introduction

Dustin is a leading online reseller of IT products and services in the Nordic countries. Dustin primarily addresses customers in a selected part of the Nordic B2B market, the addressable market amounted to SEK 104 billion in 2013 (*Dustin estimates based on, inter alia, the Market Analysis*). The B2B segment accounted for 90 per cent in total of Dustin's net sale in the fiscal year 2013/2014. As an online reseller Dustin benefits from an increased online sale which is at the expense of sale through more traditional channels. The advantages with the online channel includes access to a wider assortment compared to traditional sales channels, a more efficient purchase process, fast and convenient delivery and competitive prices, which encourages the customer to use the online channel for shopping to a larger extent. Customers with internet-enabled mobile phones have constant access to online based resellers, which simplifies the purchase process. As a large part of the addressable IT market (mainly basic product and services) can be served online, Dustin believes that the online sales will have a strong growth in the coming years. In addition to basic products and services, Dustin also offer advanced products and services, a category which Dustin expects to grow faster than the total market.

Dustin's addressable B2B market development



Source: Dustin estimates based on inter alia the Market Analysis.

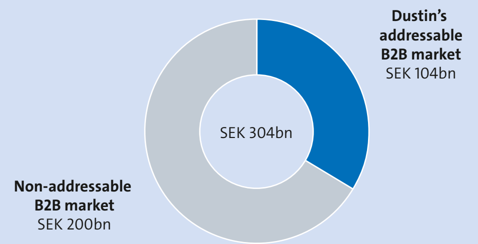
Note: CAGR refers to the compounded annual growth rate, with base year 2010 up to and including 2013, and base year 2013 up to and including 2017. The "Basic products and services – Online " bars represent mid-point values in ranges SEK 9–16 billion for 2010, SEK 12–20 billion for 2013 and SEK 17–25 billion for 2017.

Dustin also addresses consumers on the Nordic consumer market for IT products and other consumer electronics. The online sale on this market amounted to SEK 31 billion in 2013 (Euromonitor). The B2C segment accounted for 10 per cent of Dustin's net sale in the fiscal year 2013/2014.

The Nordic B2B market for IT products

The total Nordic market for IT products consists of hardware, software and services offered to the private as well as the public sector. In 2013, this market amounted to SEK 304 (*Dustin estimates based on inter alia the Market Analysis*) billion, of which Dustin's addressable B2B market was estimated at SEK 104 billion in 2013 and consists of the product- and service categories that Dustin is offering, such as computers, mobile phones and accessories and software along with basic services. Products and services which are not included in Dustin's B2B market include, *inter alia*, consulting services, IT outsourcing, IT implementation as well as more high-end and complex software solutions (such as Enterprise Resource Planning ("ERP") and CRM systems). Dustin does not plan on offering any of these product- or service categories in the foreseeable future.

The total Nordic B2B market 2013



Source: Dustin estimates based on inter alia the Market survey.

Dustin believes that there are three key market trends which are expected to continue to drive the underlying growth in specific fields of the addressable B2B market:

- Increased online sales of IT products and services
- Technological shifts driving growth within advanced products and services
- Higher growth for smaller businesses

Increased online sale of IT products and services

Online sales have grown in importance in recent years and B2B customers continue to allocate an increasing share of their IT purchase to online alternatives. This development largely stems from the attractive value proposition that the online channel offers customers particularly for purchases of basic products and services, including:

- Wider assortment compared to traditional channels.
- More efficient procurement process – information gathering process in connection with a purchase is integrated with the transaction through the same channel.
- Fast and convenient delivery adjustable to the customer's specific needs.
- Competitive prices as a result of lower operating costs in general for online operators.

Online sales in Dustin's B2B market still constitute a relatively small share. In 2013, the online share was estimated to be approximately SEK 16 billion, which corresponds to an online penetration rate of approximately 15 per cent. (*Dustin estimates based on, inter alia, the Market Analysis. Sales online defined as sales not generated through relationship based selling. Online definition also includes inbound calls to customer support*). Compared with more developed online markets, the online penetration rate for Dustin's consumer market is still at a relatively low level. For example, the total U.S. B2B market (*comprising an average of wholesalers and manufacturers in various sectors*) (2012) and the Nordic B2C electronics market (2013) show online penetration rates of approximately 30–40 per cent (2012) (*Dustin estimates. Online is defined as orders derived from computer network e.g. Electronic Data Interchange, e-mail-orders or orders that stem from a website. E-mail orders are excluded in Dustin's definition for the B2B market*.) and 43 per cent online penetration rate for the consumer market for electronics respectively. (*Euromonitor. Exclusive of white goods. Online is defined as orders derived from a website*). The online migration within B2B has not materialised as rapidly as in the consumer market, partly due to B2B customers' reluctance to adopt new trends as fast as customers on the consumer market and many B2B customers still have existing relationships with small local or regional resellers not present online. However, the online migration in the B2B-market is expected to continue as the advantages of online channel become increasingly clear for B2B customers.

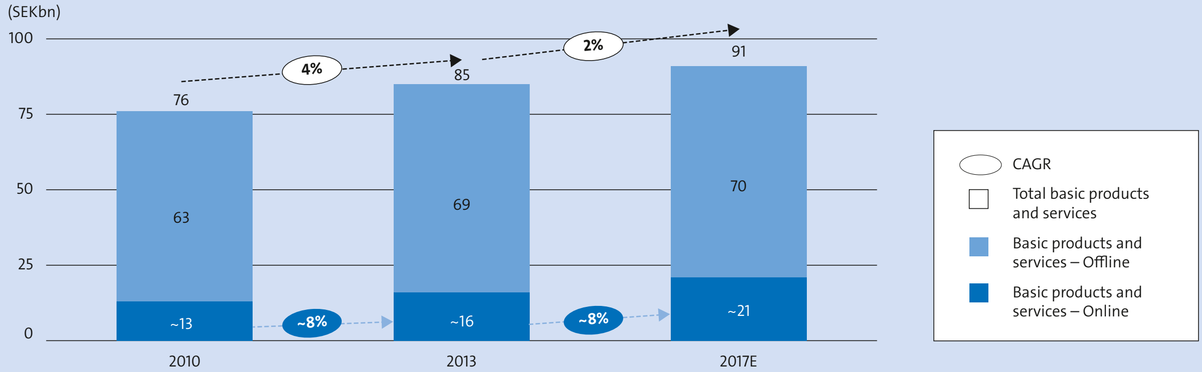
In 2013, the Nordic market for basic products and services represented over 80 per cent of Dustin's B2B market, which corresponded to SEK 85 billion. Dustin believes that almost all categories of basic products and services have the potential to be made online. Basic products and services include:

- Basic hardware, such as PCs, laptops, tablets and printers
- Basic software, such as operating systems and Microsoft Office.
- Helpdesk

Dustin estimates that the online penetration level in its B2B market will continue to increase. Dustin estimates a CAGR of approximately 8 per cent in the online channel for the period 2013–2017, which is in line with the estimated historical growth in the period 2010–2013 and higher than the expected growth rate of Dustin's overall B2B market.

The chart below provides an overview of the development of online and offline sales of basic products and services in Dustin's B2B market.

Basic products and services market development by channel



Source: Dustin estimates based on inter alia the Market Analysis.

Note: CAGR refers to the compounded annual growth rate, with base year 2010 up to and including 2013, and base year 2013 up to and including 2017. The "Online – basic products and services" bars represent mid-point values in ranges SEK 9–16 billion for 2010, SEK 12–20 billion for 2013 and SEK 17–25 billion for 2017.

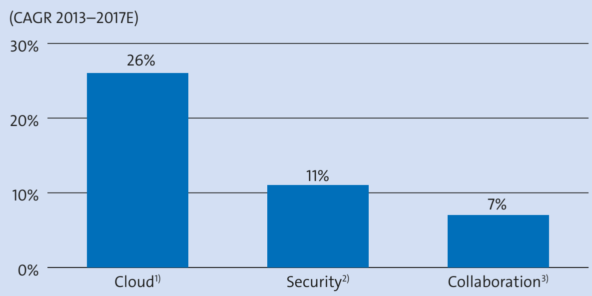
Technological shifts driving growth for advanced products and services

The overall IT industry is currently undergoing a number of technological shifts, which are expected to affect the market and drive growth primarily for certain advanced products and services in the coming years. Advanced products and services, including e.g. cloud computing, security solutions and collaboration solutions, are therefore becoming an increasingly important part of Dustin's B2B market.

The ability to access applications and networks from any place and device is becoming central because of the increased productivity and flexibility it offers. Increased mobility is one of the trends which contribute to that many businesses investing in different mobile solutions for their IT environment.

Cloud solutions enable mobility and contribute to a flexible IT environment both in terms of cost and usage. Cloud computing involves internet-based computing where remote servers allow for centralised data storage and online access to computer services, resources and data. Cloud computing is expected to grow by a CAGR of 26 per cent between 2013 and 2017.

Growth in selected advanced products and services



Source: Kable's Market Opportunity Forecasts (March 2014).

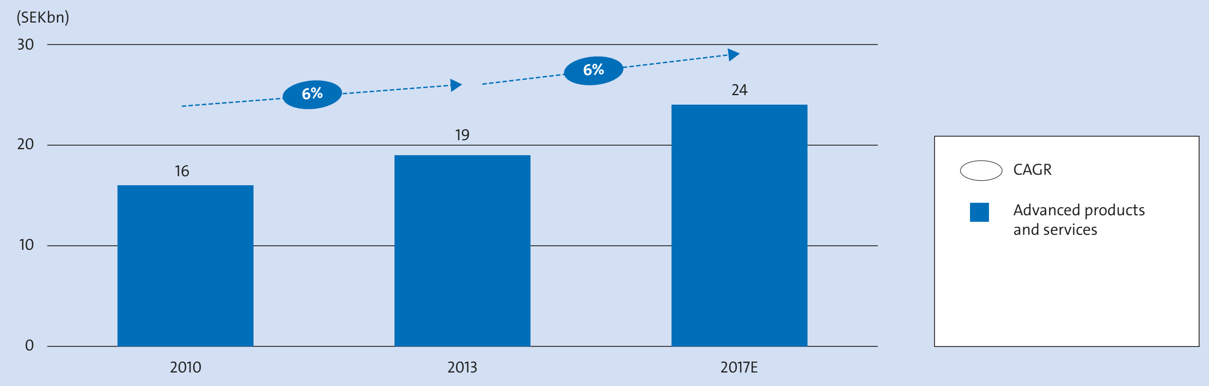
1) Include Software-as-a-Service (SaaS) and Infrastructure-as-a-Service (IaaS).
2) Include security software, security hardware (excluding content-filtering and anti-spam appliances).
3) Include audio conferencing, video conferencing and web conferencing.

The increasing demand for mobility, access and availability also drives the demand for security solutions protecting companies' IT systems and cloud solutions. Between 2013 and 2017, the demand for security solutions is expected to grow by a CAGR of approximately 11 per cent.

In addition, a mobile workplace increases the demand for communication and collaboration tools such as audio and video conferencing systems. The demand for collaboration solutions are expected to grow by a CAGR of approximately 7 per cent between 2013 and 2017.

The chart below provides an overview of the historical and estimated development of advanced products and services sales in Dustin's B2B market. Between 2013 and 2017, advanced products and services sales are expected to grow at a CAGR of 6 per cent, a higher growth rate than for Dustin's overall B2B market.

Advanced products and services market development



Source: Dustin estimates based on inter alia the Market Analysis.

Note: CAGR refers to the compounded annual growth rate, with base year 2010 up to and including 2013, and base year 2013 up to and including 2017.

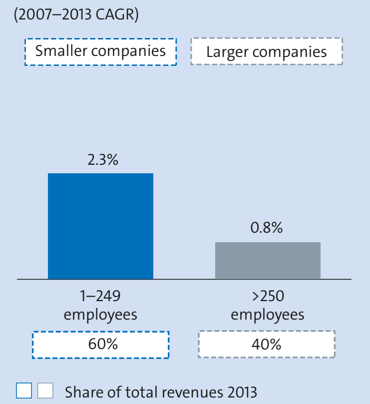
Dustin believes that the technological shifts will be particularly strong among small and medium-sized businesses since smaller companies generally are more flexible regarding their IT spendings, which increase the possibilities to invest in new technology and new solutions. Cloud migration is one example of a trend which is expected to be especially strong among small and medium-sized businesses given a less complex IT environment generally, compared to large corporations. Dustin further believes that many smaller traditional resellers will have a challenge to adjust to these technological shifts and resellers with high IT knowledge, broad full-service offering and resources and ability are expected to have more of the necessary requirements to meet the new market conditions.

Higher growth in smaller businesses

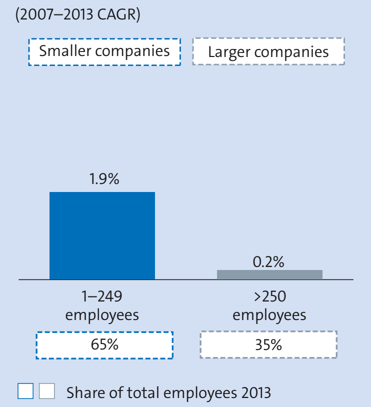
According to data provided by Statistics Sweden (SCB), small businesses in Sweden have historically exhibited higher revenue growth and more rapid expansion in the number of employees in Sweden compared to large businesses. The growth in number of employees constitutes an important catalyst for IT spending.

The charts below illustrate historical growth in revenue and number of employees in Swedish businesses.

Growth in revenues



Growth in number of employees



Note: CAGR refers to the compounded annual growth rate, with base year 2007 up to and including 2013. Data for 2013 is preliminary.

Source: SCB.

High online penetration in the Nordic consumer market

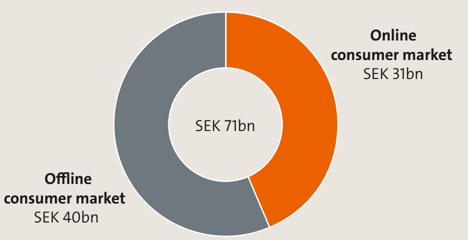
The Nordic consumer market comprises IT products and other consumer electronics (excluding white goods) offered to customers. According to Euromonitor, the Nordic consumer market amounted to approximately SEK 71 billion in 2013. The consumer market customers are characterised by a large aggregate number of purchases with low average order size. Further, the market can be characterised as highly competitive with high price transparency and price pressure among the market participants. The large amount of purchases is largely a result of the high rate of innovation and relatively short product life cycles in the consumer electronics market.

Sales in the consumer market are primarily made through retail chains and online focused retailers where several retail chains also offer online sales. Although traditional sales in brick and mortar stores still represent the largest portion of the market, online sales is growing rapidly and is taking market share from other sales channels. In 2013, Nordic consumer market online penetration was approximately 43 per cent (*online defined as orders from a website*) according to Euromonitor, representing SEK 31 billion.

The Swedish online consumer market, accounting for the majority of Dustin's sales to consumers, has grown by a CAGR of 14 per cent between 2010 and 2013 (*Source: E-barometern. PostNord in corporation with Svensk Digital Handel and HUI Research. Data comprises IT products to B2C customers and other consumer electronics* (*including white goods*). This development has been supported by a growing online product assortment as well as increased efficiency, reliability and price transparency. Online migration is also driven by the composition of the customer base, where younger users are more accustomed to using the internet compared to older generations. According to Eurostat, 85 per cent of the Swedish population between the ages of 25 and 34 ordered goods or services online in the past 12 months compared to 50 per cent of the Swedish population between 65 and 74 years (*Survey conducted in 2014*).

The chart below provides an overview of the historical sales development of IT products and other consumer electronics on the Swedish online consumer market between 2010 and 2013.

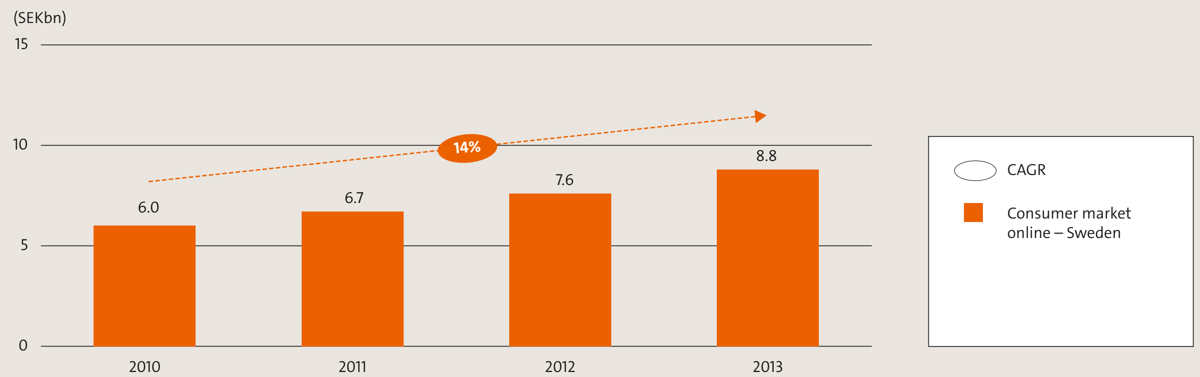
Nordic consumer market 2013



Source: Euromonitor (excl. white goods).

Although the online consumer market has grown at an attractive rate, parts of the market have experienced reoccurring price pressure in recent years, resulting in temporarily low margins for many market participants.

Swedish online consumer market development



Source: E-barometern. PostNord in collaboration with Svensk Digital Media and HUI Research. Data comprises IT products to consumers and other consumer electronics (white goods included).

Value chain

The value chain for IT products is divided into manufacturers, distributors and resellers. Although there are exceptions, companies in the value chain mainly create value within its main focus areas.

Manufacturers are mainly focused on developing and manufacturing products. Thus they generally do not have the product range and sales organisation required to effectively maintain direct contact with end customers. Partly because of this, the majority of the manufacturers' sales are directed to relatively few distributors.

Manufacturers in the value chain consist of large corporations such as Apple, Dell, HP and Microsoft. In addition, there are also smaller niche manufacturers .

Distributors are mainly focused on making large purchases of products from manufacturers to generate economies of scale and achieve efficient and comprehensive logistics, often spread over several countries and sometimes on a global basis. Distributors have the product range required to uphold relationships with end customers but, generally, do not have a sales organisation that allows for such relationships. Partly because of this the majority of the sales from the distributors are directed to a large amount of resellers.

Distributors in the value chain are consolidated and consist of companies such as Ingram Micro, Tech Data and Also.

Resellers are mainly focused on consolidating demand from end customers and provide a wide offer to them. To successfully accomplish this, resellers need to have a large number of contacts with suppliers and efficient sales and support organisations to have a dialogue with end customers. Distributors and resellers sometimes have a close relationship, which means that the reseller can use the distributor's warehouse capacity to deliver products directly to their customers.

The retail value chain is fragmented and is described in detail in the next section.

Competitive retail value chain

The reseller segment in the value chain is fragmented and consists of IT infrastructure and IT service companies that provide services combined with hardware and software and competitors who mainly sell hardware and software. IT infrastructure and IT service companies tend to focus on a high service content, while operators selling mainly hardware and software focus on operational efficiency to offer competitive prices. Dustin is continually working to combine these two focus areas to provide a cost-efficient offering with relevant content to its target groups, small and medium-sized businesses. For more information about Dustin's position see section "*Business overview – Attractive position in the Nordic IT market*".

IT infrastructure and IT service companies

IT infrastructure and IT services companies primarily focus on providing high level services to B2B customers. These companies' profitability is generally higher in consultancy services than in hardware and software which means that the profitability of an agreement depends on the distribution between consultancy services and hardware/software. IT infrastructure and IT service companies can be divided into large IT infrastructure and IT services companies and small IT infrastructure and IT services companies.

Large IT infrastructure and IT services companies market a wide assortment of hardware, software and services by providing a wide base of consultants and its own trading hardware and software. These companies have a strong position in respect of customers who purchase a relatively large proportion of consulting and less strong position in respect of customers who purchase hardware and software without or together with a smaller proportion of services. Such situations include additional purchases of large corporations and general purchases of small and medium-sized companies whose typical IT purchase consists of a high proportion of hardware and software.

There is a relatively small amount of large IT infrastructure and IT services companies active on the Nordic market. Examples of such companies include Atea and Caperio.

Small IT infrastructure and IT services companies market a relatively narrow assortment of products and services by providing a small number of consultants and products via through-invoicing with a small markup. As a result of this, the companies have a less favourable position in respect of major companies with a wider assortment of services and its own product operations, often with a much larger scale. On-going technological shifts in the market promote the companies to change and expand their service offering on short time to meet the customer's needs.

There is a very large number of small IT infrastructure and IT services companies active on the Nordic market. The companies control the majority of the market, especially in respect of small and medium sized companies. Examples of such companies include Advania, Netfarm and Chilit.

Operators who mainly sell hardware and software

Operators who mainly sell hardware and software have a strong focus on operational efficiency to maintain a competitive price level for both B2B customers and consumers. The group can be divided into online operators that primarily market products online and retailers that market products through shop networks.

Online operators mainly focus on selling hardware and software through its website. Generally, these operators have a strong focus on operational efficiency in order to offer a competitive price which is particularly important to consumers. A few operators also offer a relevant measure of services to efficiently address B2B customers. Dustin has a wide assortment of products and services, high IT-knowledge as well as fast and reliable delivery, for more information about Dustin's offering see section "*Business overview – Customer offering*".

Examples of online operators with a main focus on B2B include Dustin and Misco. Examples of online operators with consumer focus include Komplett, NetOnNet, Verkkokauppa and Qliro Group.

Retailers mainly focus on selling hardware and software through a network of shops. The cost of running a network of shops means that retailers generally have a higher cost-base than online operators. Competition and price pressure on the market have led to consolidation under the latest years. Examples of retailers include Elgiganten, SIBA and Mediamarkt.

Robust macro environment in the Nordic region

Dustin believes that the general economic environment is important for the overall development of the IT market. According to data provided by the European Commission, the Nordic countries are among the most robust and prominent in Europe in terms of macroeconomic indicators such as GDP per capita, GDP growth and unemployment rate. Denmark, Norway and Sweden are expected to exhibit GDP growth above the European Union average in 2015, while Finland is expected to show a lower GDP growth.

The level of internet penetration constitutes an important driver of online migration. According to Eurostat, all Nordic countries show internet penetration levels above the European Union average. In addition, consumers in the Nordic countries are more active in purchasing goods and services online compared to the overall population in the European Union.

The following table illustrates selected key macro economic and market indicators in the Nordic countries as well as for the European Union as a whole.

	Denmark	Finland	Norway	Sweden	European Union
GDP/capita (2013 in thousands SEK)[1)]	391	320	657	393	230
GDP growth (2015E in %)	1.7	0.6	2.2	2.4	1.5
Unemployment rate (2013 in %)	7.0	8.2	3.5	8.0	10.8
Households with internet access (2014 in %)	93	90	93	90	81
Individuals who purchased goods or services online in the last 12 months (%)[2)]	78	68	77	75	50

1) Data is converted from EUR to SEK at the following exchange rate: EUR/SEK 8.65. Corresponding to the average EUR/SEK exchange rate in 2013.
2) Survey conducted during 2014.

Source: European Commission, Eurostat and Sweden's Central Bank.

BUSINESS OVERVIEW

Introduction

Dustin is a leading online reseller of IT products and services in the Nordic countries. Dustin offers a comprehensive product and service range, primarily through its online platform, to businesses, public organisations and consumers. For the fiscal year ended August 31, 2014 Dustin reported net sales of SEK 7.4 billion and adjusted EBITA of SEK 353 million, corresponding to an adjusted EBITA (*for a reconciliation of EBIT to adjusted EBITA, see section "Operating and financial review – Non-IFRS metrics"*) margin of 4.8 per cent.

Dustin was founded in 1984 and has its headquarters in Nacka, Sweden. Dustin has operations in Sweden, Denmark, Finland and Norway. As of 30 November 2014 Dustin had 964 employees.

Overview

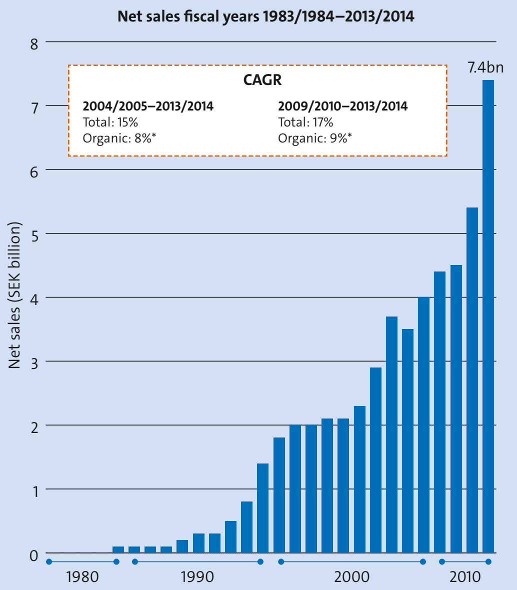
Dustin's customer offering is characterised by a wide product and service offering, high IT knowledge and fast and reliable delivery. The customer offering is designed to cater to small and medium-sized businesses, which generally make their purchases on an immediate "when needed" basis, and are characterised by small order sizes. The customer offering is also directed to public organisations and large corporations who carry out on-going replenishment purchases, as well as to consumer market customers who seek a competitive price and high service level. In the fiscal year 2013/2014, B2B segment and B2C segment represented 90 and 10 per cent of net sales, respectively.

Dustin continuously strives to improve its operational efficiency and leverage its scalable operations. A large share of Dustin's sale is made through Dustin's online platform. In the fiscal year 2013/2014 approximately 75 per cent of net sales and approximately 90 per cent of orders were executed online (*Online sales are sales not generated through relational sales. Online definition includes incoming calls to customer service*). In order to maximise scalability, Dustin operates with a number of central functions including product procurement and pricing, online, marketing, business support and human resources.

Dustin's operations have low investment needs and low level of working capital, which ensure that most of its profit is converted to cash flows. Dustin has a business model with flexible cost structure which is reflected in Dustin's historical stable operating margin. Dustin's well diversified customer base and the customers' low average order value make Dustin's dependence of any single customer low. In addition, with a well-diversified supplier base, comprising both manufacturers and distributors, Dustin is not dependent on any single supplier.

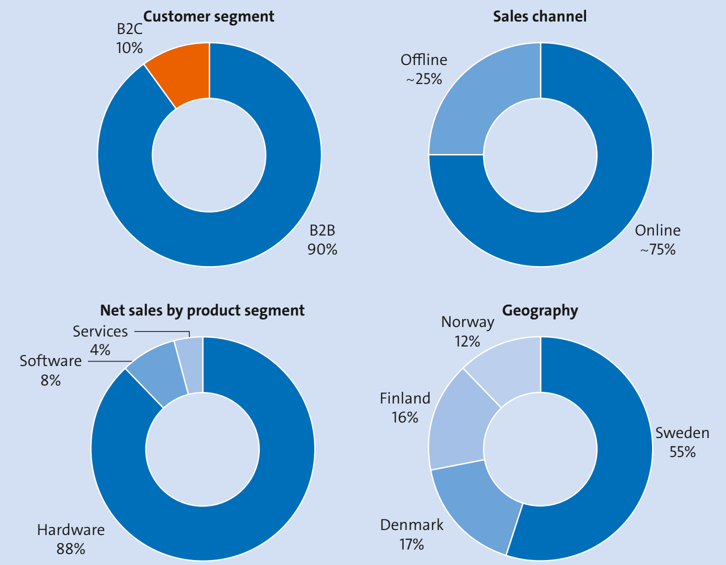
Dustin has a track record of revenue growth. During the period 2004/2005-2013/2014, Dustin achieved a compounded annual growth rate (CAGR) of 15 per cent of which approximately 8 per cent (*the organic growth has not been calculated on a constant currency basis and the exchange effect is thereby included*) was organic and 7 per cent as a result of acquisitions. Dustin's fast organic growth is, according to Dustin, primarily attributable to Dustin's market position in the online segment and its competitive customer offer that has enabled Dustin to attract new customers and take a larger share of existing customers' IT purchases.

Net sales development



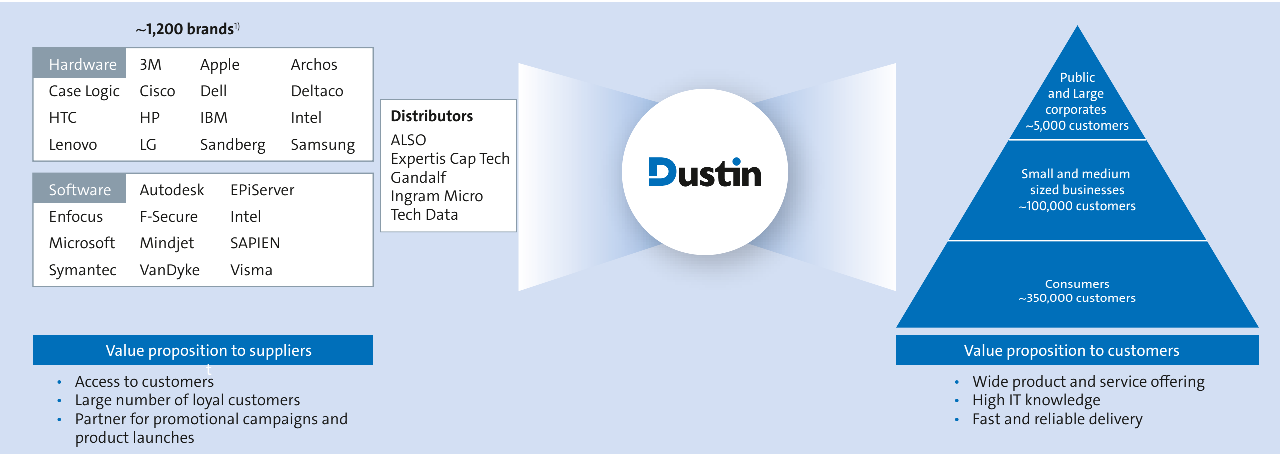
* The organic growth has not been calculated in a constant currency and the exchange effect is thereby included.

Distribution of net sales for the fiscal year 2013/2014



Dustin's role in the value chain

Dustin acts as a link between supply and demand. Because of its scale and efficient operations, Dustin can provide products from approximately 1,200 brands from more than 350 suppliers to more than 450,000 active customers of which approximately 110,000 are B2B customers. With 30 years in business, Dustin has built long-term relations with customers and suppliers alike, which reinforces its position in the value chain.



1) Purchased from 350 suppliers (OEMs or distributors).

Note: Customers are defined as customers that have made at least one purchase during the last 18 months. Mentioned brands and distributors constitute examples.

Value proposition to suppliers

Few of Dustin's suppliers have the necessary organisation and sales force to execute large quantities of small orders while maintaining profitability. By the aggregated demand from its customer base, Dustin offers its suppliers access to a large number of loyal customers that are challenging and expensive for the supplier to serve directly. Dustin's large customer base makes it a relevant partner for promotional campaigns and product launches.

- **Access to customers:** Dustin provides its suppliers with a cost efficient route to a market which is challenging for them to serve directly.
- **Large number of loyal customers:** Dustin has more than 450,000 active customers, of which approximately 110,000 are B2B customers. In 2013/2014, approximately 75 per cent (*Excluding Businessforum, Norsk Data Senter and IT-Hantverkarna*) of the sales within B2B was attributable to customers who have been registered as customers with Dustin for at least five years and more than 90 per cent (*Excluding Businessforum, Norsk Data Senter and IT-Hantverkarna*) who have been registered at least one year.
- **Partner for promotional campaigns and product launches:** Dustin offers its suppliers an attractive channel for executing promotional campaigns and product launches by aggregating demand from a large customer base who purchases on an immediate "when needed basis".

Value proposition to customers

Dustin's average customer places a large number of small orders of different types of product categories, a pattern which makes direct interaction between suppliers and end customers inefficient. Through Dustin's platform, customers have the ability to select products and services from a wide assortment and with access to specialised knowledge and fast and reliable delivery. High internal efficiency enables Dustin to provide competitive prices.

- **Wide product and service offering:** Dustin aims to cover the entire need of its customers for hardware and software products. In addition, Dustin provides services that are either directly or indirectly driven by the need for hardware and software. The product range includes approximately 200,000 hardware and software products and a comprehensive range of supplementary and complementary services and integrated solutions such as configuration, financing, insurance and helpdesk.
- **High IT knowledge:** Dustin aims to offer professional assistance on its entire range of products and services. Dustin's informative website combined with its responsive inbound call centre handle approximately 90 per cent of orders. The relational sales organisation supported by product experts interact with customers purchasing products and services who require more advanced advice.
- **Fast and reliable delivery:** Dustin aims to provide its customers with fast and reliable delivery. In addition, Dustin consolidates products from many suppliers into single consignments. During the last three years, Dustin has been able to deliver more than 97 per cent of all consignments within the Promised Delivery Time, calculated based on the average monthly deliveries during the last three years.

Dustin's history

With 30 years in business, Dustin has been developed to a leading online reseller of IT products and services in the Nordic countries. In addition, net sales have only decreased in the fiscal year 2008/2009 since Dustin's foundation and Dustin has not reported an operating loss since 1988/1989. Dustin's history can essentially be divided into four phases, which are set forth below.

Mail-order business focusing on IT products (1984–1994)

Dustin was founded in 1984 to meet the rising demand for affordable PCs and other IT equipment. The products were initially primarily marketed to B2B customers through mail-order. In 1993, Dustin started eyeing internet as a sales channel and at the same time moved to new offices in Stockholm.

Online platform in Sweden established (1995–2006)

Dustin established itself as a pioneer in Nordic e-commerce by launching its online shop in 1995. Between 1995 and 2004, Dustin grew net sales rapidly by targeting small and medium-sized companies. Dustin Home was launched in 2004, by leveraging the existing online platform to specifically target the B2C segment.

Geographic expansion and broadening of the offering (2007–2013)

In 2007, Dustin initiated an expansion strategy which focused on broadening the geographic footprint and expanding the customer offering to provide services targeting small and medium-sized businesses. Dustin was established in the Danish market through the acquisition of Computerstore in 2007. In 2008, a new central warehouse in Rosersberg was established to increase the distribution capacity. The Norwegian market was entered organically in 2009 and in 2012 Dustin further strengthened the position in Norway through the acquisition of Norsk Data Senter.

During this period Dustin also developed its customer offering to mainly target a larger share of small and medium-sized companies IT spending. This includes, for example, introduction of services related to the supply of hardware and software and a knowledge-based sales model designed to serve different customer needs more efficiently.

Platform to accelerate growth (2013 and onwards)

Dustin's Nordic platform was further enhanced in 2013 as Dustin entered the Finnish market through the acquisition of Businessforum. The acquisition also contributed to increased capacity and knowledge of serving customers in the public sector.

During 2014, Dustin has implemented a new IT platform to enhance operational efficiency and increase efficient coordination in Dustin. Through its Nordic platform, Dustin is now well positioned for continued growth by leveraging its leading position, sales culture and the scalability of its cost base and to experiences from countries where Dustin operates. In addition, Dustin will continue to evaluate possible acquisition targets.

Strengths and competitive advantages

Dustin considers that it has a number of significant strengths and competitive advantages that place Dustin in a good position to carry out its strategy and achieve its financial targets.

High growth position in a large market

In the fiscal year 2013/2014, 90 per cent of Dustin's net sales were attributable to the B2B segment. In 2013, Dustin's addressable market amounted to approximately SEK 104 billion and Dustin estimates that the market will grow approximately 3 per cent every year during the period 2014–2017, which is in line with historical growth (*for further information on market assumptions used in this section, see section "Market overview*). Dustin has been present in the IT market for over 30 years and has developed a market-leading online platform. Dustin believes that it has, as compared with its competitors, proportionally larger exposure to the faster growing segment for small and medium-sized businesses. With a high market share in the online channel, its high brand awareness and competitive customer offering, Dustin believes it has a strong position to continue to benefit from key market trends which include online migration, primarily within basic products and services, technological shifts which drive growth within advanced products and services and rapid growth in smaller business. Consequently, Dustin expects to continue to grow at a premium compared to the market thereby gain market share.

Online migration primarily within basic products and services

Although the online market is typically the most effective way to buy basic products over the internet, only approximately 15 per cent of Dustin's B2B customer's purchases were made through the online channel in 2013. As customers seek to purchase basic products in a more efficient way, Dustin expects customers to continue to allocate an increasing share of their IT spending to online purchasing alternatives. Dustin expects the online sale of basic products to exhibit growth rates of approximately 8 per cent during the period 2013–2017. The market for basic products was estimated by Dustin at approximately SEK 85 billion in 2013, implying that there is significant growth potential for online competitors. Dustin has a high market share of the Nordic online B2B market, and consequently, in a good position to benefit from the expected continuation of online migration.

Technological shifts driving growth within advanced products and services

Dustin estimated that the B2B market for advanced products and services, amounted to approximately SEK 19 billion in 2013. Dustin expects that the market will grow by 6 per cent during the period 2013–2017, which is in line with historical growth. Growth is driven partly by the current technological shifts in areas such as cloud solutions, security solutions and collaboration solutions. Dustin considers itself well positioned to serve its customers in those areas due to its size and competitive customer offering. Dustin considers it has a strong competitive position in the market which is highly fragmented and consists of many small competitors, which Dustin believes are finding it increasingly difficult to compete in terms of service level and price. Therefore Dustin believes it is well positioned to continue to increase its market share on the large and fragmented B2B market for advanced IT products and services. The market for advanced IT products and services has also grown.

Higher growth in smaller businesses

In Sweden, smaller businesses have historically exhibited higher sales growth and more rapid expansion in number of employees compared to larger businesses (*See section "Market overview – Higher growth in smaller businesses*). Dustin estimates that the higher growth in small businesses will continue also in the coming years. Dustin also considers itself well positioned to benefit from this trend due to a customer offering designed to cater to small and medium sized businesses and a large exposure to this customer segment.

Strong position with high barriers to entry

Dustin considers its market leading position to be protected by barriers to entry which are based on Dustin's scale in the Nordic region, market leading brand and experience acquired from its pioneering role in the online market over the last 20 years. Dustin operates in a market which is characterised by relatively low margins. It is, thus, difficult to gain market share and establish profitable operations without the benefit of scale, strong brand and extensive experience.

Scale enabling low cost base and access to attractive purchasing prices

Dustin's scale, online sales platform and centralised organisation enable a low cost base in relation to net sales. This allows Dustin to deliver its customer offering at attractive prices while operating at stable level of profitability. In addition, Dustin's scale enables it to purchase at lower prices in general and opens opportunities for Dustin when suppliers run promotional campaigns or product launches allowing Dustin to sell significant volumes through its online platform. Competitors with less scale in the Nordic region generally operate with a higher cost base in relation to sales, and generally do not have access to the same attractive purchasing prices. The combination of these two factors makes it difficult for these competitors to capture market share and to establish and maintain equally profitable operations.

Market leading brand ensures low cost of acquiring new customers and high customer loyalty

Dustin has a market leading brand which has been built on 30 years of experience in the B2B market for IT products. Its presence on the consumer market has further strengthened the brand awareness. Dustin's low cost of acquiring new customers is partly driven by a high degree of organic (not paid) traffic to the website, amounting to approximately 60 per cent of the traffic to Dustin's website in the fiscal year 2013/2014. Competing businesses with lower or no brand awareness, which is not uncommon for B2B focused resellers, generally have higher costs for customer acquisition and experience generally lower customer loyalty which makes it difficult for such competitors to capture market share and achieve as high profitability.

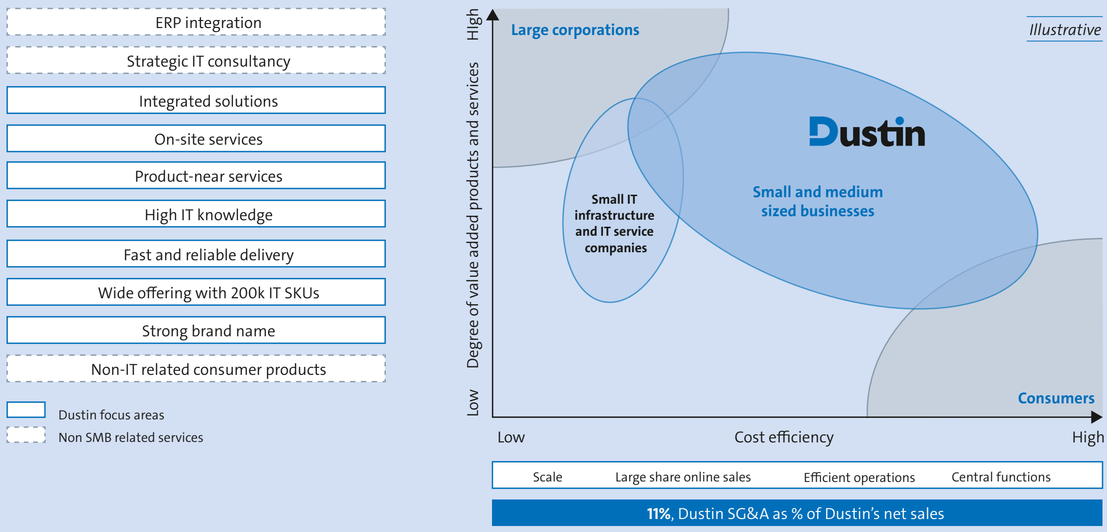
Significant experience built through 30 years as a pioneer in the market

From its long history in the B2B IT market, the online market and the Nordic region, Dustin has gained considerable experience. New entrants with less experience of the B2B and the online market are generally not able to provide a comparable level of service to their customers.

In addition, Dustin's organisation has learnt to leverage its position in the value chain. For example, the purchasing organisation has experience in inventory management while the sales organisation is skilled in marketing Dustin's full offering to customers. Further, Dustin has long-term relationships with customers and suppliers alike, making it more difficult for a new entrant to capture market share from Dustin.

Attractive position in the Nordic IT market

Dustin's customer offering is well suited for small and medium-sized companies. It balances service level with efficiency and price competitiveness. Through the combination of a high share of online sales with a broad product and service offering, high IT knowledge and fast and reliable delivery, Dustin is able to provide a high service level specifically for small and medium-sized companies while operating with efficiency.



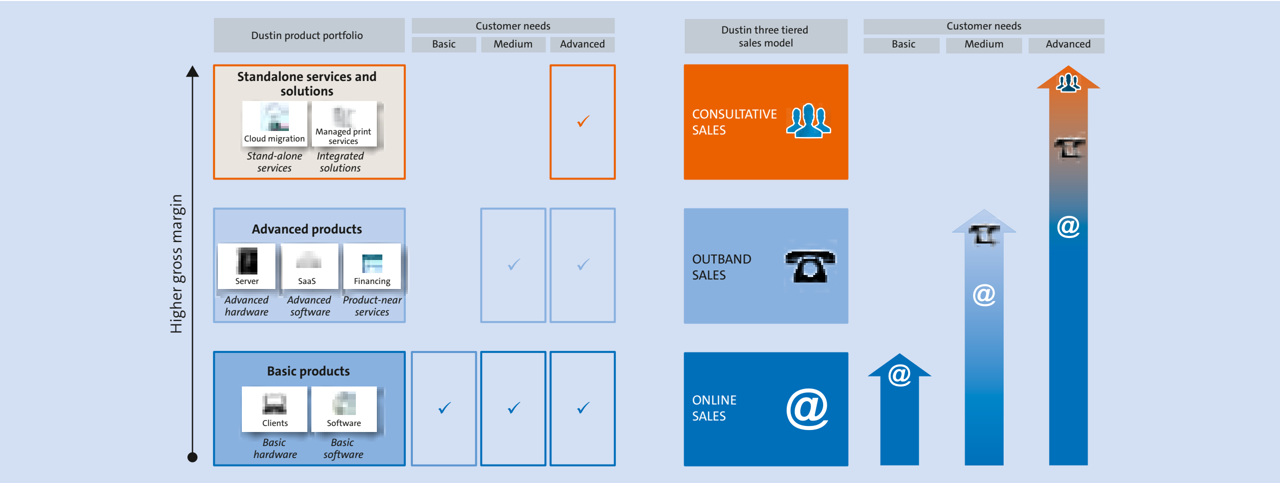
Source: Dustin.

The offering allows Dustin to compete efficiently with IT infrastructure and IT services companies and consumer focused resellers:

- **Small IT infrastructure and IT services companies** are often local and skilled in niche service areas but are generally less cost effective, have low scalability and often lack width in the product and service offering.
- **Large IT infrastructure and IT services companies** generally serve large customers and focus mainly on larger order sizes and more complex product and services rather than executing a large amount of small orders of hardware and software. As a result of high efficiency and automation, Dustin can offer competitive prices on smaller orders which are illustrated by Dustin's lower SG&A expenses as per cent of net sales.
- **Consumer focused resellers** are generally focused on meeting consumers demand for low prices, which requires lean operations with limited or no service elements as a result. Dustin's efficient operations allow Dustin to compete with consumer focused resellers through a generally higher service level while maintaining competitive prices.

Flexible sales model designed to increase share of customers' IT spending

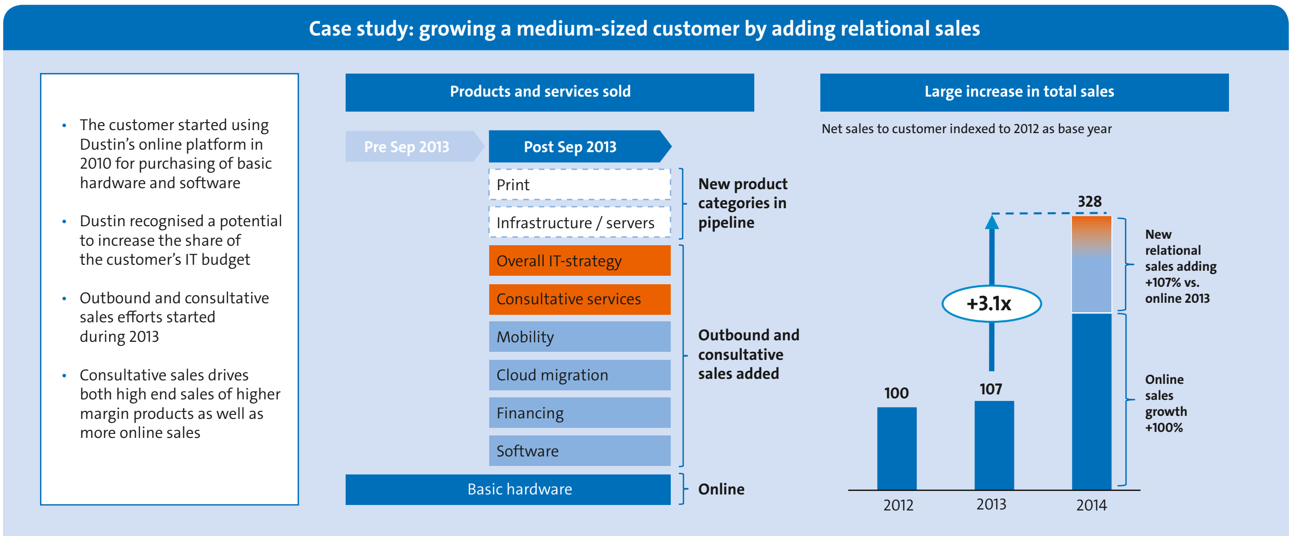
The size of the IT-budgets among Dustin's customers is to a large extent a function of the complexity of their IT environment and the number of employees. Dustin's sales model allows for efficient customer service at low cost. Dustin is targeting the need for basic IT through its online sales channel, while more advanced products and services may require direct interaction through Dustin's relational sales organisation. Such sales allow Dustin to capture a larger share of small and medium-sized businesses IT spending's, which normally operate with higher gross margin, and sell more advanced products and services. In the fiscal year ending 31 August 2014, the online channel and the relational sales channel represented 75 per cent and 25 per cent of Dustin's net sales, respectively. In terms of number of orders, the online channel constituted approximately 90 per cent.



The relational based sale is carried out by knowledgeable sales staff with the ability to serve small and medium-sized businesses with more complex IT needs. It functions as a complement to the online platform where the sales staff proactively targets existing customers. For customers with the most complex IT needs, Dustin has established a consultative sales organisation with high technical competence, which proactively works with selected customers, often by visiting customers, and provides advice on relevant service offerings and integrated solutions. The relational sales teams are supported by product experts.

Dustin has a broad knowledge of its different customer segments. By using a sophisticated customer segmentation model, Dustin can identify which existing customers to proactively target through relational sales. Customers with more specialised needs create potential for Dustin to offer a higher service level.

Dustin's sales model is a key strength, as it allows Dustin in a cost-efficient manner to address a large portion of its customers' IT spending, which often is appreciated by the customers who can make a larger part of their purchase with one supplier. In addition, customer loyalty tends to increase in line with a deeper and more frequent relation with Dustin, which leads to an increase sale of basic products in the online sales channel.



Online engine highly effective for high volume of small orders

With a wide product and service offering, broad IT-competence and fast and reliable deliveries, Dustin's customer offering is attractive to other customer segments than small and medium-sized businesses where spending patterns and preferences are similar to those of small and medium-sized companies. Dustin is well positioned to cater to replenishment IT spending by large corporations and to large public companies and organisations as a secondary supplier. This spending is characterised by a large number of orders with low average order size and requires highly efficient operations, high reliability, short delivery times and proficiency in hardware and software oriented sales. In addition, Dustin believes the business model lends itself well to consumers' who demand a competitive price and a higher degree of service compared to what is provided by the price-focused B2C resellers in general.

Efficient online execution supported by scalable central functions

Dustin operates a business model centred on executing a high share of orders online and using scalable central functions, to enable further sales growth in the Nordic region. The business model forms the foundation which allows Dustin to offer a wide assortment at competitive prices combined with value added services.

High share of transactions online

By providing a customer-friendly and advanced web interface with extensive product information combined with a responsive inbound call centre, online sale accounted for approximately 90 per cent of all orders in the fiscal year 2013/2014 (*Online sales are sales not generated through relational sales. Online definition includes incoming calls*). The high share of online orders allows Dustin to operate with a relative low cost base and facilitates scalability through low transaction costs, low cost of customer acquisition, a central scalable platform and increased margins from additional sales.

Central functions

During the last five years, Dustin has built an organisation which allows it to offer competitive prices and positions Dustin well for future growth. The platform incorporates several central functions including product procurement and pricing, online, marketing, business support and human resources. These functions have been scaled to support further growth.

In 2014, Dustin implemented a new IT business system which is expected to increase the efficiency of the central functions through automation of several processes which have previously been manual – further adding to the scalability of these functions.

Track-record of executing and integrating acquisitions

Dustin has been able to combine a high organic growth with selective strategic acquisitions. Over the period 2007–2014, Dustin has established its ability to enter new geographical markets through acquisitions such as Computerstore (Denmark) and Businessforum (Finland), as well as broadening and strengthening its service offering via the acquisitions of Norsk Data Senter (Norway), and IT-Hantverkarna and Best Office (Sweden). Dustin's ability to identify and integrate acquisitions makes it well positioned to pursue further acquisitions. Adding to this, the implementation of the new business system will facilitate the integration of future acquisitions.

Strategic objectives

Dustin decided on a new strategic platform in 2007 which has since been followed successfully. Dustin has, through the strategic plan and a favourable market position, reported organic net sales growth (CAGR) of on average 8 per cent (*the CAGR has not been calculated on a constant currency basis and the exchange effect is thereby included*) per year since 2004/2005. Going forward, Dustin will use the same strategy and based on the opportunities and economic conditions which may arise. By following the strategic plan Dustin believes it will continue to strengthen its market position and continue to increase its net sales, operating profit and cash flow. The strategic plan encompasses the following key elements.

Customer acquisition

Dustin has been successful in using its online platform to drive customer acquisition. Dustin expects that Dustin's market leading position in the Nordic online IT B2B market and high brand recognition combined with continued online migration will continue to drive a steady flow of new customers to Dustin. Dustin will continue to selectively invest in marketing activities such as Dustin Expo in order to further strengthen its brand equity.

Through the acquisition of Businessforum in 2013, Dustin added experience in participation in procurement processes of public organisations. It is the strategy of Dustin to continue to participate in procurement processes.

Increase net sales with existing customers

It is Dustin's strategy to increase net sales to its customer base by capturing a larger share of customer's IT spending using its existing customer offering. Dustin estimates that its average share of customer's IT spending is low. For this reason, Dustin intends to increase its share of the customer's IT spending through continued online leadership and continue to develop customer relations through relational sales.

Continued online leadership

Dustin has built a market leading position in the Nordic online IT B2B. Dustin plans to continue to develop the online offering in order to reinforce Dustin's position for example by the launch of offering to small and medium-sized companies in Finland. As the market leader, Dustin stands to benefit significantly from the ongoing online migration. When existing customers choose to allocate a larger portion of their IT spending to the online channel and further concentrates their IT purchases, Dustin is well positioned to benefit from such development.

Extended customer relations through relational sales

Dustin will continue to utilise relational sales with the intention to utilise potential in a large customer base of small and medium-sized businesses. By increasing the number of customers that regularly are targeted through the proactive sales teams, Dustin expects to increase its net sales and profitability through selling more advanced products and services which generally generate a higher gross margin. In addition, a deepened customer relationship generally increases net sales and operating profit within online sales as customers become more loyal to Dustin and place a larger share of their purchase with Dustin. Thus, Dustin believes relational sales has the potential to significantly increase share of customer's IT spending, partly by up-scaling sales of advanced products and services, partly by increasing online sales of basic products. Approximately 10,000 of Dustin's more than 100,000 customers which are small and medium-sized businesses are currently active in the relational based sales channel.

Roll-out of offering across the Nordic region

Dustin believes that potential in rolling out the entire customer offering across the entire Nordic region. In Sweden, Dustin has a broad offering whereas the offerings in the other Nordic countries are less extensive, as Dustin has more recently accessed these markets. Dustin plans to offer all of its products and services in all of the Nordic markets the coming years. Examples of recent exchange of knowledge and experience based on best practice between the Nordic countries include:

- Swedish online platform launched in Norway and Denmark
- Finnish procurement processes in public organisations applied in Sweden, Norway and Denmark
- Danish model for relational sales introduced in Sweden

Dustin believes that potential remains to continue to develop these launches. For example, Dustin plans to launch managed print solutions in Norway and Finland and launching its online platform in Finland.

In addition to a roll-out of its offering across the Nordic region, Dustin will invest in adding new products and services to its product and service offering. By widening its product base Dustin is able to target a larger portion of its customers' IT spending and thereby increasing its net sales and increase profitability.

Efficiency improvements

Dustin has several centralised functions, scaled to cater to the entire Nordic region, including, procurement and pricing of products, online, marketing, business support and HR. Dustin's strategy is to leverage on these functions in order to create scale benefits going forward, with the objective to further decrease operating expenses in relation to net sales as Dustin continues to grow.

In addition, Dustin continuously evaluates its cost base and capital intensity to increase efficiency while Dustin intends to maintain high service levels and customer satisfaction. Dustin uses the well-recognised methodologies such as, Lean, Six Sigma and Net Promotor Score Model, to increase process efficiency and reduce operating costs as a percentage of net sales, combined with focused management efforts to care for a culture of continuous improvement and customer focus. Dustin believes that gradually improved efficiency from these initiatives will continue to allow Dustin to improve profitability.

Acquisitions to support growth and broaden customer offering

Dustin continuously evaluates potential acquisition opportunities to support growth and add shareholder value. New acquisitions is evaluated partly in order to enable Dustin to cater a larger portion of its customers' IT spending and partly to consolidate its position in existing markets in order to broaden its customer base, realise cost synergies and to broaden its existing offering.

Summary of strategic objectives per customer category

Dustin's strategic objectives are to a large extent dependent on its market position and current market trends. Dustin has developed certain differentiated strategic and financial objectives in relation to the different customer segments. However, the trend of increased sales through online channels drives increased sale throughout all of Dustin's customer segments. In addition, Dustin's growth potential regarding small and medium-sized businesses is also enhanced due to the growth for advanced products and strong general underlying growth in smaller businesses.

Based on the customer's needs and spending patterns, Dustin's offering differs across the separate customer segments and Dustin has customised its offering and business model mainly for small and medium-sized businesses. Therefore, Custin has a generally higher EBITA margin for this customer category compared to the average for all Dustin's customers and the net sales growth in respect of this customer category is expected to be higher than in respect of other customer categories.

Financial targets

Growth
Dustin's objective is to achieve a compounded average growth rate of 8 per cent. In addition; Dustin intends to grow through acquisitions.

Margin
Dustin's objective is to increase the adjusted EBITA-margin over time and in medium term achieve an adjusted EBITA-margin of 5–6 per cent.

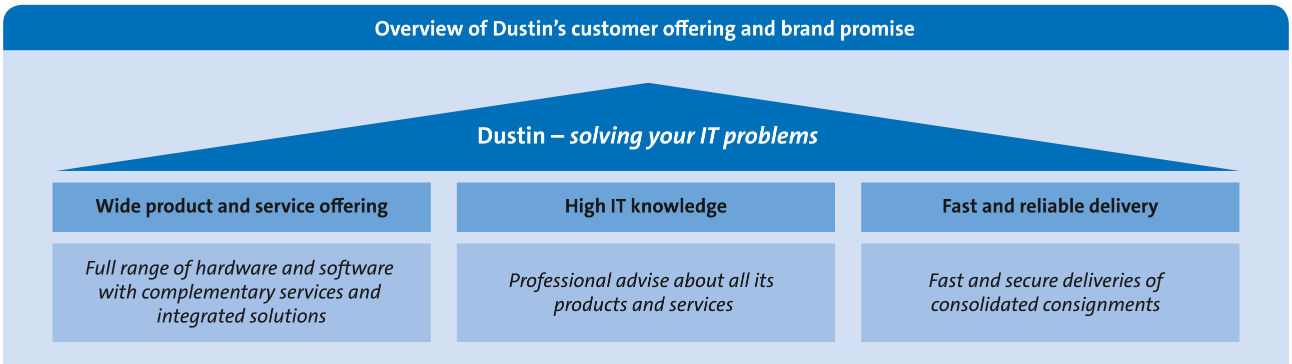
Capital structure
Dustin's capital structure shall enable a high degree of financial flexibility and allow for acquisitions. Dustin's objective is a net indebtedness amounting to 2.0–3.0x adjusted EBITDA for the last 12 months.

Dividend policy
Dustin's objective is to distribute in excess of 70 per cent of the net profit. However, Dustin's financial position, cash flow, acquisition opportunities and future prospects will be taken into consideration.

Dustin's financial targets set forth above constitute forward-looking information that is subject to considerable uncertainty. The financial targets are based upon a number of assumptions relating to, among others, the development of Dustin's industry, business, results of operations and financial condition. Dustin's business, results of operations and financial condition, and the development of the industry and the macroeconomic environment in which Dustin operates, may differ materially from, and be more negative than, those assumed by Dustin when preparing the financial targets set out above. As a result, Dustin's ability to reach these financial targets is subject to uncertainties and contingencies, some of which are beyond its control, and no assurance can be given that Dustin will be able to reach these targets or that Dustin's financial condition or results of operations will not be materially different from these financial targets. See also "Important information to investors – Forward-looking statements".

Customer offering

Dustin's customer offering is based on a wide products and services offering, high IT knowledge and fast and reliable delivery. Products and services offered by Dustin cover the majority of its customers' needs relating to IT hardware and software through approximately 200,000 products and additional services, which are either directly or indirectly driven by the need for hardware and software. Dustin's IT knowledge is an important part in all sales channels where Dustin interacts with its customers and is customised to suit the need of every customer category. Dustin aims to provide its customers with fast and reliable delivery, as evidenced by Dustin, in the last three years, delivered more than 97 per cent of all orders within the Promised Delivery Time, calculated based on the average monthly deliveries during the last three years.

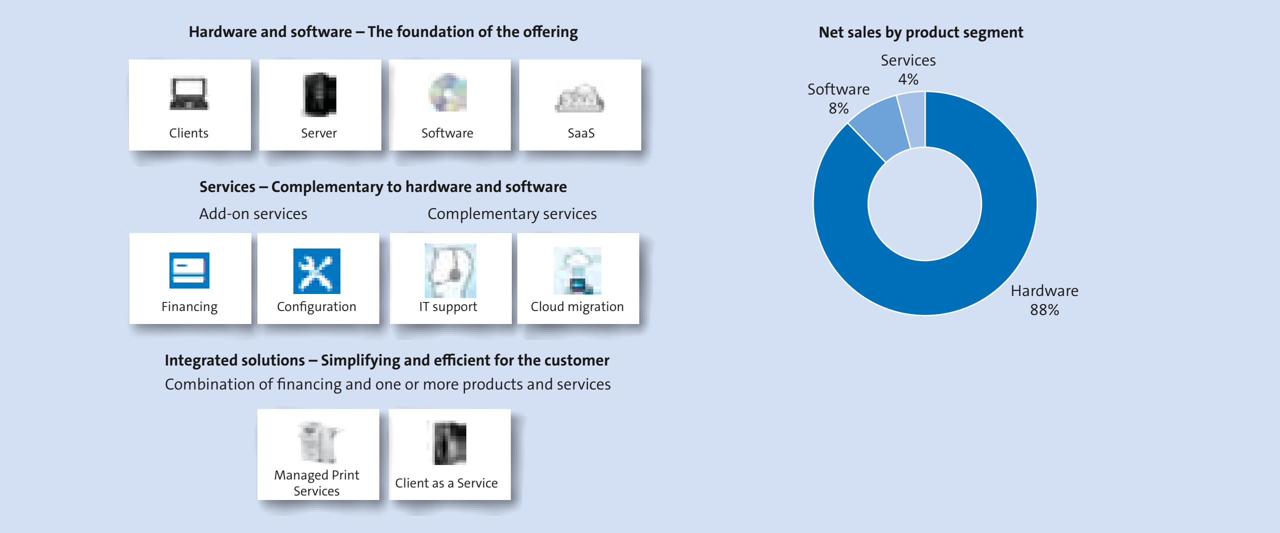


Wide product and service offering

Dustin offers its customers a broad range of hardware and software products and services. The aim of Dustin is to offer its customers an assortment of hardware and software that is wide and deep enough to cover the customers' needs. The services Dustin offers its customers are complementary and aim to help customers to maximise utilisation of their hardware and software purchases. To allow the customers to simplify their purchasing and increase their capital efficiency, Dustin offers integrated solutions, for example Managed print services.

Dustin's scale, efficient operations and low cost base allows Dustin to offer its products and services at competitive prices.

Overview of Dustin's wide offering of products and services



Hardware and software – The foundation of the offering

Hardware and software constitute the foundation of Dustin's offering, hardware represented 88 per cent and software represented 8 per cent of net sales in the fiscal year ending 31 August 2014. The offering includes a broad range of software selected to cater to most small and medium-sized businesses, public organisations and large businesses customer requirements. Niche software which is not included in the range is procured upon request by Dustin small and medium-sized businesses with access to the relational sales organisation. For more information on Dustin's relational sales organisation, see section "*Business overview – Customer offering*". In total Dustin offers its customers approximately 200,000 hardware and software products from more than 1,200 brands.

- Hardware offered by Dustin includes; Computers, Servers, Storage, Network Products, Printers, Cables, Keyboards, Smartphones, TVs and Cameras
- Software offered by Dustin includes; Operating Systems, Office Suites, Security Software, Software-as-a-Service and Infrastructure-as-a-Service

Dustin continuously monitors its offering of hardware and software and carefully maps upcoming product launches to ensure that new products are offered as early as possible. In addition, due to its scale and access to a strong customer base, Dustin is a relevant partner for product launches.

The "when needed" purchasing patterns of its customers, rather than planned purchases, also makes Dustin an attractive channel for running promotional campaigns which enables Dustin to offer certain hardware products at discounted prices sponsored by its suppliers. Dustin ensures that it provides a constant flow of promotional campaigns through close and frequent dialogues with its suppliers.

Services – Complementary to hardware and software

Dustin offers services that complement hardware and software to allow customers to capture the full potential of their purchases. Service represented approximately 4 per cent of net sales in the fiscal year ending 31 August 2014. The service offering includes add-on services, which are directly related to the sale hardware and software, and complementary services that are indirectly related to the sale of hardware and software. Dustin provides services primarily through its configuration centre in Rosersberg, its in-house financing provider Dustin Financial Services and its subsidiaries IT-Hantverkarna in Sweden and Norsk Data Senter in Norway. Dustin also offers certain services through partners, for instance configuration in Denmark.

- Add-on services offered by Dustin include Configuration, Financing, Insurance and Warranties.
- Complementary services offered by Dustin include, Helpdesk and Managed Firewall.

Integrated solutions – Simplifying and efficient for the customer

By combining several items of hardware, software and services into an integrated solution, Dustin offers a simple and efficient product to customers. An integrated solution simplifies purchasing for customers by solving the needs of an entire area of IT in one single purchase. In addition, all integrated solutions are based on financing and, thus, allow customers to release capital. Examples of integrated solutions include managed print services and Client as a Service (CaaS).

- Managed print services is comprised of printers (hardware), financing (add-on service), insurance (add-on service) and print environment analysis (complementary service)
- Client as a service (CaaS) is comprised of computers (hardware), financing (add-on service) and insurance (add-on service)

Integrated solutions are not reported as a separate product segment but as sale of hardware, software and services respectively. Dustin expects demand for integrated solutions to increase going forward and has, thus, established a centralised function that works exclusively to develop new offerings.

High IT knowledge

Dustin, having been active in the sector for thirty years, has a broad and deep IT knowledge. Many of Dustin's customers are small and medium-sized companies and generally more flexible regarding their IT spending. Dustin has developed its customer offering to provide customers with the information necessary to make a purchase either on its online platform, or for more advanced purchases, via its relational sales organisation.

Online sales

Dustin has over 20 years of experience in online sales. Dustin's user-friendly online platform is informative and easy to navigate with built-in support functions that provide customers with relevant product information and purchasing advice. Comparable products are presented with the possibility to compare product features. In addition, useful accessories and complementary products are presented in connection to a selected product and there are also possibilities to compare different product functions. The interface is personalised for each customer based on visit history. Large customers are provided access to personalised sites with tailor-made assortments. Existing customers can easily track previous purchases, perform repeated purchases and find accessories and complementary products. In the fiscal year ending 31 August 2014, Dustin had more than 35 million visits on its web page, of which B2B accounted for approximately 15 million and the number have increased with approximately one million during the last year.

The online platform is well suited for sales of all products, although the sale of more advanced products, services and solutions often require interaction with Dustin's customer support or the relational sales organisation. In the 2013/2014 fiscal year, Dustin's inbound customer support team handled approximately 2000–3000 customer contacts per day through phone, chat, e-mail or social-media channels.

Relational sales

As part of Dustin's strategy to increase sale to existing customers, Dustin has introduced relational based sales to selected small and medium-sized businesses. These customers are offered more extensive services through Dustin's relational based sales channel where account managers, through telephone sale and consultative sales force, actively service approximately 10,000 customers from the total customer portfolio of approximately 110,000 B2B customers. The consultative sale is managing the smaller portfolios by visiting customers as opposed to those who are engaged in telephone sale. The consultative sale concerns slightly more advanced IT solutions, such as managed print services and CaaS. The objective with relation sale is to capture customers with a stagnant level on their purchases with Dustin and on a level that is estimated as low in relation to the customers total IT spending. Consequently, the specific customer needs are assessed not to be met through the online channel only.

The account managers, especially within consultative sale, are supported by a group of product experts, specialised in different product areas, such as cloud solutions, managed print services and server solutions. Every account manager is responsible for a portfolio of customers and is working with pre-set targets designed to increase sales and profit targets. The account managers shall also optimise the allocation between the sale channels; the customer is to experience that the online channel is effective when ordering basic products and services, while contact with the account manager and product experts is initiated when a clear need is identified before larger and more complex purchases. The relational based sale organisation is still in a built-up phase but has shown positive results in Denmark and Sweden, which has contributed to Dustin's choice of continued investments in an extended sales organisation.

Fast and reliable delivery

Dustin's customer offering is characterised by fast and reliable deliveries and response time, important factors when serving customers with, typically, an immediate need of the product. Dustin believes that its fast and reliable deliveries constitute a competitive advantage that separates it from its competitors.

Dustin's online platform is designed to facilitate fast and reliable ordering of products. The website is structured to be informative while at the same time limit the number of steps required to make a purchase. Inventory status and delivery time are presented for the products which is helpful for customers with the immediate need of a particular product. For customers with queries, Dustin's customer service representatives are available via real time chat, by phone, social media channels or e-mail.

Based on Dustin's long history of online and mail-order logistics, it has developed logistics know-how and a system which enable Dustin to distribute its products fast and in one consignment – a service highly appreciated among Dustin's customers. Automated shipment tracking lets the customer self-serve and check the status of their packages. During the last three years, Dustin delivered more than 97 per cent of all orders within the Promised Delivery Time, calculated based on the average monthly deliveries during the last three years, and less than 1 per cent of all orders have led to complaints from customers, such as wrong product, insufficient packing or damaged goods. For more information on Dustin's logistics and procurements functions, see section "*Business overview – Logistics and procurement*".

Customer offering contribute to a loyal customer base

Dustin has developed a large diversified customer base with a high degree of customer loyalty. In the fiscal year 2013/2014, approximately 75 per cent (*Excluding Businessforum, Norsk Data Senter and IT-Hantverkarna*) of sales in B2B were pertaining to customers who have been registered at customers with Dustin for at least five years and approximately 90 per cent (*Excluding Businessforum, Norsk Data Senter and IT-Hantverkarna*) since at least one year. Consumers have in general a lower loyalty and the corresponding figures for customers in B2C were approximately 25 per cent and 55 per cent respectively. Dustin believes that its customers are more loyal compared to the total consumer market.

Within B2B there is a strong connection between the length of the customer relation and the average sale per customer. The average sale for a customer who has been a customer for at least five years is several times higher compared to a customer acquired in later years, both in terms of number of purchases and larger order sizes.

Customer offer per geographical market

In Sweden, Dustin offers the customers all of its products and services whereas the offerings in the other Nordic countries are less extensive, as Dustin has more recently established itself in these markets. In accordance with the strategic objectives, Dustin plans to offer all of its products and services in all of the Nordic markets within the coming years.

Overview of offering for Dustin's geographies

Geography / offering	Sweden	Denmark	Finland	Norway
Basic hardware and software	✓	✓	✓	✓
Advanced hardware	✓	(✓)	(✓)	✓
Advanced software	✓			(✓)
Add-on services	✓	(✓)		(✓)
Complementary services	✓			✓
Integrated solutions	✓			✓
Online platform	✓	✓	(✓)	✓

Basic products
Advanced products
Services
Online offering
✓ = Present
(✓) = Initiated

Logistics and procurement

Efficient logistics platform

Fast and reliable deliveries are an integral part of Dustin's customer offering, as purchases often are based on a "when needed" basis rather than planned replacements or investments. The customers of Dustin place high importance on receiving one single shipment in order to minimise the administrative burden. Dustin's logistics system is based on a central warehouse, complemented with smaller inventories in Finland and Denmark and drop-shipments from suppliers to end customers. Approximately 65 per cent of net sales in the fiscal year ending 31 August 2014 passed through Dustin's central warehouse in Rosersberg, outside Stockholm, and approximately 5 per cent of net sales passed through the warehouses in Norway and Finland.

The central warehouse in Rosersberg was established in 2008 and comprises 20,000 square meters warehouse space. Dustin's distribution process is very efficient which handles in average more than 18,000 products daily. Once an order is placed on Dustin's online platform and the credit is approved, it is automatically routed to the central warehouse for picking and shipping. In the fiscal year 2013/2014, approximately 1.2 million shipments were made from the warehouse in Rosersberg corresponding to approximately 5,000 deliveries per day. In the fiscal year 2013/2014, approximately 99.5 per cent (*Refers to orders of products immediately available for distribution, given that the order is received before a certain break-point for each country (B2B & B2C SE 17:00, B2B & B2C NO 16:00, B2B DK 15:15 & B2C DK 14:00)* of all orders available for direct delivery were handled by the central warehouse staff the same day as the order was placed. The location of the warehouse allows Dustin to efficiently ship products throughout the Nordic region and provides easy and swift access for Dustin's principal supplier. Dustin is planning to integrate its small warehouses in Denmark and Finland into the central warehouse system. The warehouse in Rosersberg is currently operating at a capacity utilisation of approximately 60 per cent and thus, can support future growth.

The central warehouse also performs customer specific services such as configuration, installation and safety marking. During the twelve months ending August 2014, approximately 100,000 of such services were carried and the operation has shown a strong growth which is typically driven by large customers. Configuration is also carried out in Finland (in a local warehouse) and in Denmark (through partner) but these operations may in the future be centralised in Rosersberg.

Dustin strives to optimise logistics and inventory levels, both from a customer perspective as well as a capital efficiency perspective. Of the approximately 200,000 products offered through Dustin's online platform, less than 10 per cent are held in own stock. In addition, Dustin is electronically integrated with several of its suppliers, which provides Dustin with real time product availability information. These arrangements, together with Dustin's ability to determine which products to be kept in stock, allow Dustin to keep low inventory levels, whilst being able to offer fast delivery. This is evidenced through Dustin's high fill rate, which in the fiscal year 2013/2014 was approximately 75 per cent (*fill rate is defined as the share of orders where all products are available for direct distribution, given that the order is received before a certain break-point for each country (B2B & B2C SE 17:00, B2B & B2C NO 16:00, B2B DK 15:15 & B2C DK 14:00*). In the fiscal year ending 31 August 2014, Dustin had an inventory turnover of approximately 30 times. Dustin's agreements with many of its suppliers contain price protection and product return provisions. These agreements, coupled with a fast inventory turnover provide for very low inventory obsolescence, amounting to less than 1 per cent of cost of goods and services sold in the fiscal year 2013/2014 (*inventory obsolescence is defined as the inventory differences in inventories e.g. damaged goods or lost goods*).

In addition to its central warehouse, Dustin uses drop-shipment arrangements with selected manufacturers and distributors, which permit Dustin to offer products to its customers without passing through Dustin's own distribution system when deemed more efficient. Drop-shipments also contribute to the low inventory obsolescence. In the fiscal year 2013/2014, drop-shipment accounted for approximately 30 per cent of Dustin's net sales and drop-shipments is typically used for large orders from a single supplier and to some extent advanced offering. Drop-shipments are used more frequently outside Sweden as they enable faster deliveries to, and the possibility to specific campaigns at, the local markets. Dustin is also considering an increased use of drop-shipments, for example in situations where only limited value can be added, through the central warehouse, such as deliveries of TVs and laptops from a single supplier.

Products efficiently sourced from multiple suppliers

A key element in Dustin's ability to offer competitive prices is through effective sourced from its multiple suppliers. Dustin is an important sales channel for its suppliers and by leveraging on its platform and large customer base, Dustin can provide its suppliers with an efficient and profitable route to market, which is difficult for them to serve directly. Dustin's sales model and large share of customers purchasing products on a "when needed" basis rather than planned purchases, make Dustin an important partner for campaigns and product launches. Dustin's high volume of sales and market position result in significant purchasing power relative to its suppliers, which generally offers benefits such as purchase volume discounts, favourable product return terms, price protection policies and advertising reimbursements.

In the fiscal year 2013/2014, some 80 per cent of the hardware and software products sold were sourced from a large number of distributors. The largest distributor represented approximately 17 per cent of Dustin's total purchases in terms of value and the three largest suppliers accounted for approximately 50 per cent. In Dustin's opinion, Dustin is not exclusively dependent on any individual supplier as many products are offered by a number of suppliers.

In addition to purchasing products from distributors, Dustin purchased approximately 20 per cent of its hardware and software products in 2013/2014 directly from manufacturers, including Hewlett-Packard, Microsoft and Dell. Although several of the suppliers' brands account for relatively small parts of Dustin's net sales, they contribute to Dustin's strong position as a broad IT reseller with a comprehensive assortment.

Brand and marketing

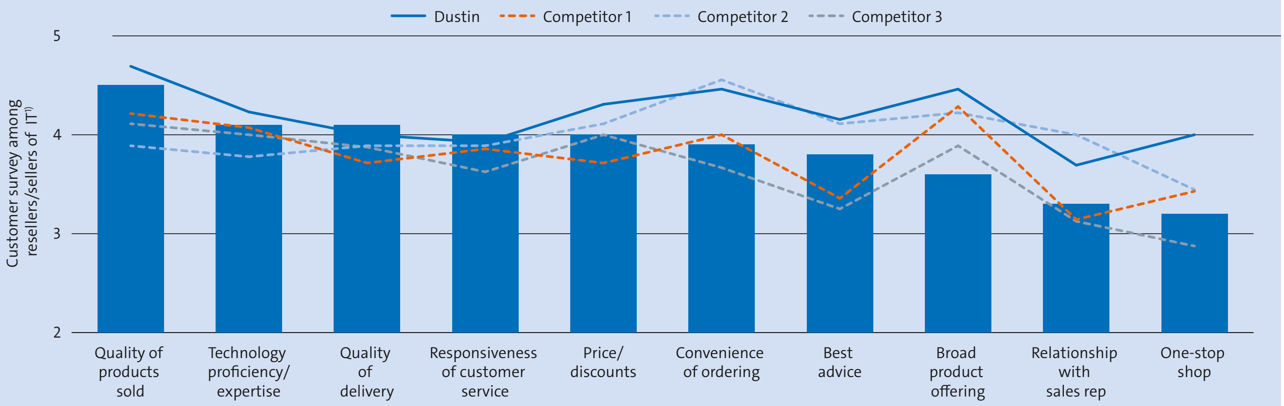
The Dustin brand

Dustin has been active in the Swedish IT-market for 30 years and has established a strong market position and a well-known brand. What Dustin is known for also constitutes Dustin's core philosophy: to offer customers a wide assortment, high IT knowledge and fast and reliable delivery.

The core concept within Dustin's brand promise to B2B customers is "Dustin solves your IT problems". Dustin's brand promise to the consumer market is "Dustin Home is the go-to-guy for all your technology purchases".

Dustin's long-term organic growth is to a large extent dependent of the strength in Dustin's brand and awareness of Dustin's offering. Through Dustin's position in online shopping, Dustin has established a brand name especially in Sweden but also in Denmark and Norway, where a relatively strong position has been built during the last few years. According to a market survey commissioned by Dustin and a third party (Mindshare), the aided brand awareness for the fiscal year 2013/2014 was 76 per cent in Sweden (73 per cent, Q2 2013 and 76 per cent, Q4 2014), 41 per cent in Denmark (29 per cent, Q2 2013 and 39 per cent, Q4 2014) and 28 per cent in Norway (18 per cent, Q2 2013 and 29 per cent, Q4 2014) (*Survey conducted by Dustin in 2014 covering approximately 4,500 decision-makers in IT*). Dustin's offering is also evidenced by the customer's opinion of Dustin according to a customer survey to small and medium-sized companies commissioned by Dustin, where Dustin was ranked high on the five most important purchase criteria.

SMB customer survey (2012)



1) Survey performed in 2012 comprising 115 small and medium sized businesses in Sweden, Denmark and Norway. The survey encompasses resellers/sellers of IT ranked on the above mentioned criteria where "1" is the lowest and "5" is the highest.

Source: Customer survey (2012).

Dustin continuously monitors Net Promoter Score, a tool to measure customer loyalty, in the market as well as within its customer base in Sweden, Denmark and Norway. Dustin considers that it has a strong Net Promoter Score compared to competition.

Marketing

Dustin's marketing activities aim to increase knowledge of and strengthen the brand name Dustin and increase Dustin's sales. The main part of the marketing is directed to the B2B market and only to a lower extent to the consumer market. Marketing is conducted on a Nordic basis and as a result of Dustin's strong relation with its suppliers; a significant share of Dustin's advertising and marketing expenses is recouped through co-operative advertising reimbursement programmes together with suppliers. Despite being conducted on a Nordic basis, marketing and campaigns are tailored to local needs.

Dustin uses marketing both through online and traditional channels, such as print advertisements and TV.

Online marketing

Dustin's online marketing aims to maximise traffic to its website at the lowest possible cost. Dustin's brand recognition and brand perception creates good conditions for generate traffic which is both cheap and to a large extend converted into sales. Web traffic can be characterized into two groups, organic traffic and paid traffic, depending on how the customer is driven into the website. Organic traffic includes direct write-ins (such as www.dustingroup.se), free traffic in relation to Customer Relationship Management (CRM), including e-mail or that a referral to the website, social media and search engine optimizing channels. Google Adwords constitute the main part of paid traffic for Dustin, but paid traffic also comprise of traffic generated by websites for price comparisons (mainly B2C segment). In the fiscal year 2013/2014, organic traffic constituted a larger share of the total traffic within B2B, compared to B2C. The organic traffic within B2B also generates a larger share of online sale, which implies a higher conversion rate compared to the paid traffic for the same segment.

Web traffic and web sales[1] split by organic and paid traffic (2013/2014)

1) Sales via the web platform.

In recent years, Dustin has taken a number of initiatives with the purpose of strengthen its online marketing. These initiatives include:

- Dedicated experts within Dustin;
- Efficient tools for Google Adwords;
- Implementation of objectives, forecasts and follow-up processes; and
- Improved advertising platform which enables better marketing of the right products in the right time.

Dustin uses several tools such as e-mail, social media, organic search optimising and Google Adwords in order to efficiently drive traffic to its website. Dustin also uses display advertisements of its products and services on its own and external websites. Websites for price comparisons are used both to increase the perception of Dustin being a reseller with competitive prices and to drive traffic to Dustin's website. B2B focused operators have generally a limited presence on websites for price comparisons and consequently, Dustin is the only available reseller with products targeting B2B customers. Dustin believes that approximately 30,000 of its products are available on websites for price comparisons.

Other marketing

Other marketing include prints, outdoor marketing, TV and events. Dustin's print activities are primarily used to increase brand awareness, for example Dustin's catalogue in Sweden that is distributed to active B2B customers. Dustin also conducts outdoor as well as TV campaigns to increase brand awareness and expand the customer base. Dustin arranges the annual Dustin Expo, which, according to Dustin, is the largest IT fair in the Nordics. From 800 visitors in 2002, the number of visitors has increased substantially and in 2014, the fair attracted approximately 10,000 visitors to the Ericsson Globe arena in Stockholm.

Dustin as marketing partner

Dustin's market position and size make it a relevant partner for many suppliers who wish to address Dustin's customer base. By marketing products by individual suppliers, the marketing expense is shared with the supplier, for example in connection with banner advertising or paper advertising in which the supplier's product is presented alongside with Dustin's brand. Alongside with Dustin's growth, its importance as a marketing partner has increased, and thereby the share of the marketing budget which is financed by suppliers has increased.

Organisation

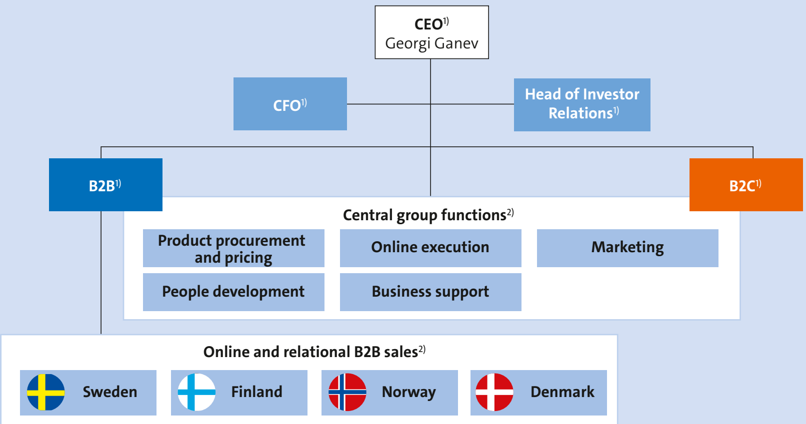
Dustin operates through two business segments, B2B and B2C, which are supported by a number of shared centralised group functions including product procurement and pricing, online execution, marketing and business support.

Dustin's executive management consist of the CEO, the CFO, the Head of Investor Relations and managers for the two business segments B2B and B2C. Further, Dustin has an operating management group including the executive management together with the heads of business segments, the heads of the centralised group functions and the sales managers in the B2B segment.

Each B2B relation sales team in the respective country is led by a country manager who is responsible for the local relation sale and, together with the Nordic online manager, is responsible for the total sale in the B2B segment. All these report to the head of the B2B segment.

The organisational structure allows for a centralised management of Dustin's two business segments and Nordic functions combined with decentralised responsibility for relational sale in the respective country.

The chart below illustrates Dustin's organisational structure.



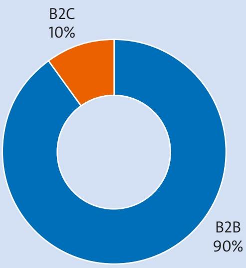
1) Executive management.
2) Members of the operational management group.

Business segments

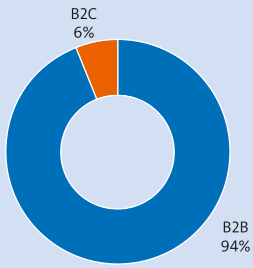
Dustin's diversified customer base includes more than 450,000 active customers of approximately 110,000 are in the B2B segment and the remaining in the B2C segment (*Active customers which have made a purchase in the past 18 months*). The B2B segment comprises small and medium-sized businesses, public organisations and large corporations. Although B2B is Dustin's main target group, there are several advantages to also address consumer customers, primarily an increased insight to new trends and current price levels.

All customers are offered basic products via the online channel. Selected B2B customers of small and medium-size are also offered advanced products and services through relational sales. Dustin's ten largest customers accounted for less than 10 per cent of net sales in the fiscal year 2013/2014 and the largest individual customer represented less than 3 per cent of net sales.

Net sales by business segment (2013/2014)



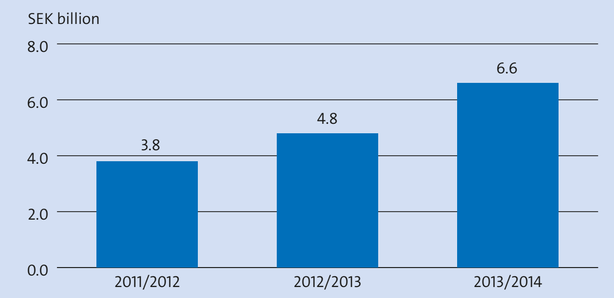
Adjusted EBITA contribution by business segment (2013/2014)



Business-to-business (B2B)

Dustin's largest segment, B2B, represented 90 per cent of net sales in the fiscal year 2013/2014. The B2B segment is further divided in two customer groups; (i) small and medium-sized companies as well as (ii) public sector organisations and large corporations (public organisations/large corporations).

Net sales for the B2B segment



Dustin's B2B customers generally make purchases based on an immediate need purchase behaviour rather than planned purchases and by low average order values in general. Public organisations and large corporate customers generally make replenishment purchases with Dustin.

The B2B segment grew net sales by a CAGR of 31 per cent between the fiscal year 2011/2012 and the fiscal year 2013/2014. The growth in all countries, both organic and through acquisitions, contributed to this. For additional information, see section "*Operating and financial review*".

Small and medium-sized companies

Small and medium-sized companies represented 50 per cent of Dustin's net sales in the fiscal year ending 31 August 2014 and comprise private sector companies with less than 500 employees.

Quick facts – SMB

Number of active customers: ~100,000

Average order size[1]**:** SEK ~6,000

Offered sales channels:

☑ Online ☑ Outbound sales ☑ Consultative sales

Current geographic presence:

☑ Sweden ☑ Denmark ☐ Finland ☑ Norway

1) Refers to Sweden only.
Note: Data refers to 2014.

Small and medium-sized companies plan their IT purchase only to a limited extent. Hence, their purchasing behaviour of IT products and services are often based on immediate needs, rather than planned purchases. This generally results in low average order sizes and requirement of fast delivery. In addition, customers from small and medium-sized companies are often early adopters of new technologies and need access to relevant product information and in certain cases require a higher service level and advice prior to a purchase decision.

Dustin offers all small and medium-sized companies the full basic product and service assortment and selectively offers more advanced products and services, including integrated solutions, to customers with identified need for such product and services. Dustin currently targets customers in Sweden, Denmark and Norway.

Public organisations/large corporations

Public sector organisations and large corporations with more than 500 employees represented approximately 50 per cent of Dustin's B2B net sales in the fiscal year 2013/2014.

Public organisations

The Public customers include municipalities, county councils, armed forces and other public sector organisations in all Nordic countries. Given the large difference in size of public organisations, IT needs vary considerably. Large public organisations usually have more complex IT demands, whereas smaller public organisations are often more similar to customers from small and medium-sized companies as they to a lesser extent are planning their purchase. Public customers usually use a structured tender process in selecting its suppliers. Tendered contracts are often structured as framework agreements and each public customer usually has agreements with multiple suppliers. Dustin does not typically bid in tender processes for one-off sales of large quantities of products and services.

Quick facts – Public/Large Corporate

Public

Number of active customers: ~4,000

Average order size[1]**:** SEK ~8,000

Offered sales channels:

☑ Online ☐ Outbound sales ☐ Consultative sales

Current geographic presence:

☑ Sweden ☑ Denmark ☑ Finland ☑ Norway

Large Corporate

Number of active customers: ~1,000

Average order size[1]**:** SEK ~6,000

Offered sales channels:

☑ Online ☐ Outbound sales ☐ Consultative sales

Current geographic presence:

☑ Sweden ☑ Denmark ☑ Finland ☑ Norway

1) Refers to Sweden only.
Note: Data refers to 2014.

Dustin selectively targets public customers who submit orders of low size and in particular public customers which have similar IT needs as small and medium-sized companies. Price is usually a more important parameter for public organisations compared to other customer groups, which often leads to lower gross margin initially. Agreements with public organisations are often entered with a commitment for Dustin to deliver specified products at fixed and predetermined prices. Initially, such agreements lead to a low or no margin at all, but as the price of functionality decreases the margin increases.

Public customers are primarily offered basic products and basic services, such as configuration, and are mainly served through the online sales channel. Through the acquisition of Businessforum in Finland in 2013, Dustin improved its capabilities in serving public customers.

Large Corporate

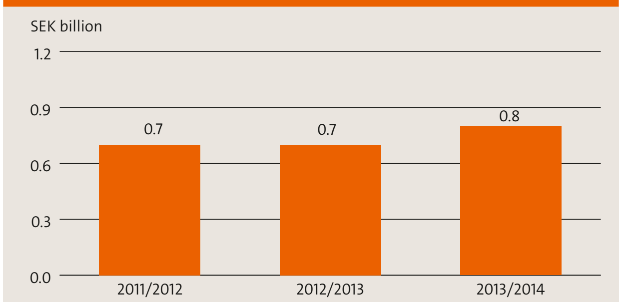
Large corporate customers comprise private companies in the Nordic countries with more than 500 employees. This segment generally has an IT department and require complex IT services that Dustin does not offer, however Dustin is well-positioned to serve these customers in replenishment purchases of hardware and software.

With large corporations, Dustin often serve as a second source supplier which, besides large procurements, on a regular basis delivers single products and accessories with low average order values. Such orders are efficiently handled through Dustin's online platform. Dustin does not typically bid in tender processes for one-off sales of large quantities of products or services.

Business-to-consumer (B2C)

The B2C segment represented 10 per cent of Dustin's net sales in the fiscal year 2013/2014. Sales to consumer customers are marketed under the "Dustin Home" brand in Sweden, Denmark and Norway and the main part of the B2C net sales is generated in Sweden. Dustin believes there is further potential to grow in the other Nordic countries.

Net sales for the B2C segment



Dustin's net sales in the B2C segment grew by a CAGR of 6 per cent in the fiscal years 2011/2012–2013/2014. For additional information, see "*Operating and financial review*".

Purchasing behaviour of consumer customers is often based on immediate needs and on the fact that many customers are early adopters of new technologies. The customers base within B2C is dominated by men aged 20 to 49, with high average order values relative to other consumer customers. Customers typically select Dustin due to its attractive prices and wide product assortment, IT knowledge, fast and reliable delivery and user friendly website with extensive product descriptions. Consumer customers often use price comparison tools in connection with purchase decisions and by serving this market segment, Dustin must increase effectiveness continuously, which leads to enhanced competiveness in other customer segments.

Quick facts – B2C

Number of active customers: ~350,000

Average order size[1]: SEK ~2,000

Offered sales channels:

☑ Online ☐ Outbound sales ☐ Consultative sales

Current geographic presence:

☑ Sweden ☑ Denmark ☐ Finland ☑ Norway

1) Refers to Sweden only.
Note: Data refers to 2014.

Consumer customers are primarily offered basic products through the online channel and the ability to market well-known brands is an important factor in driving traffic to Dustin's online platform.

Centralised group functions

Dustin's group functions coordinate group-wide matters to increase the internal efficiency and are scaled to support further growth. The functions are managed mainly from the head office in Nacka, but include local professionals where deemed appropriate. The centralised group functions support the business segments through product procurement and pricing, online execution, marketing, business support and human resources.

The product procurement and pricing function is managed centrally and is responsible for the product procurement and pricing on a Nordic basis, including relationships with manufacturers and distributors.

Dustin's online execution function is responsible for supporting online sales, including the functionality and maintenance of websites. Dustin applies the same online platform for B2B and consumer customers. The function also supports online sales through the contact centre, which is responsible for inbound sales and help desk.

Dustin's marketing team is responsible for brand management, customer knowledge and insight as well as managing the marketing channels. Dustin's business support function comprises finance, IT, and business development.

Dustin's human resources function is responsible for employee-related administration, talent development and recruiting. Dustin attaches great importance to recruiting and retaining highly competent employees and providing them with the opportunity and motivation to enhance their skills and qualifications, including participation in relevant training programs.

Employees

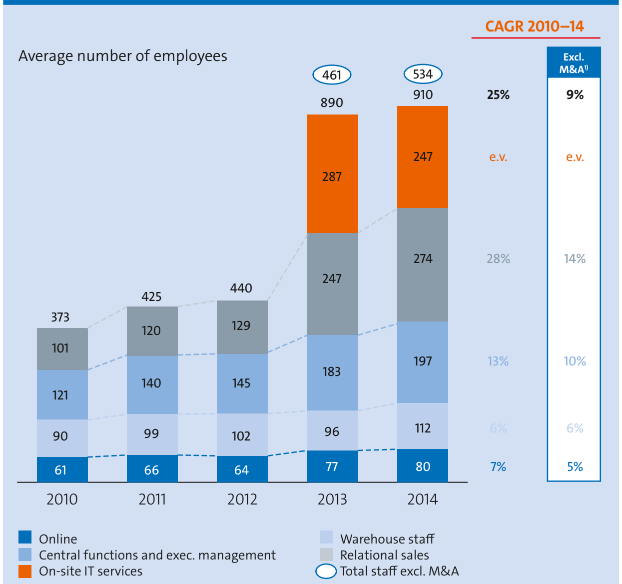
As of 30 November 2014, Dustin had 964 employees, including part-time staff. Since then, there has been no material change in the number of employees until the date of this Offering Circular. The table below lists the number of full time employees in the fiscal year 2011/2012–2013/2014 and as of 30 November 2014.

	As of 31 August,			As of 30 November,
	2012	2013	2014	2014
Sweden	357	565	582	627
Finland	0	63	68	77
Norway	2	155	156	147
Denmark	82	86	104	113
Total number of employees	**441**	**869**	**910**	**964**

Dustin considers its relations with its employees and their unions to be satisfactory.

Below is a summary of the development of the number of employees per category of employees.

Development of number of employees per category



1) Excluding Businessforum, NDS, Best Office and IT-Hantverkarna.

Note: Central functions and exec. Management includes: product procurement and pricing, marketing, HR and business support.

Information systems

Dustin's IT architecture is based on a standard ERP solution supported by integrated systems for supply chain execution, sales, customer service, financial management, CRM, marketing automation and its website. In addition, this infrastructure is integrated with a number of third-party systems including, for example, credit scoring, vendor purchasing and business intelligence. The IT setup is largely cloud-based and supported by separate data centres.

The current IT architecture was implemented during 2014 in Sweden, Denmark and Norway, although it does not yet include IT-Hantverkarna and Norsk Data Senter. Dustin has devised a roadmap to integrate all subsidiaries onto the common platform within the next 24 months. The implementation of the IT platform has not resulted in disruptions affecting the business. Dustin will continue to optimise the IT platform to reach its full potential.

Dustin's website is developed in-house and is integrated with the group's IT infrastructure. However, the website is not dependent on the functioning of the IT platform.

SELECTED FINANCIAL INFORMATION

The following tables provide a summary of Dustin's historical financial information as of, and for, the periods presented. The selected consolidated financial information presented below has been derived from Dustin's audited financial report for the Group for the fiscal years 2013/2014, 2012/2013 and 2011/2012, prepared in accordance with International Financial Reporting Standard as adopted by the EU ("**IFRS**"), the financial report can be found elsewhere in this document, unless otherwise stated. The information regarding Q1 2013/2014 and Q1 2014/2015 has been derived from the reviewed interim report the period 1 September to 30 November, 2014, i.e. Q1 2014/2015, prepared in accordance with IAS 34.

The financial information should be read in conjunction with the sections "*Operating and financial review*", "*Capitalisation, indebtedness and other financial information*", and the financial statements included in the Offering Circular in the F-Pages and Interim Financial Information. For a description of the calculation of the non-IFRS metrics, EBITA, EBITDA, adjusted EBITDA and free cash flow, see section "*Operating and financial review – Non-IFRS metrics*".

Summary of consolidated income statement

	1 Sep – 30 Nov (unaudited)		1 Sep – 31 Aug (audited)		
SEK million	**Q1 2014/2015**	**Q1 2013/2014**	**2013/2014**	**2012/2013**	**2011/2012**
IT products and services					
Net sales	2,068	1,824	7,371	5,438	4,506
Cost of sales	–1,774	–1,556	–6,313	–4,679	–3,894
Gross profit	**294**	**268**	**1,058**	**759**	**612**
Selling and admin expenses	–212	–191	–775	–573	–418
Items affecting comparability	–11	–47	1	–4	–8
Other operating income and expenses, net	–2	3	10	14	–3
Operating income, IT products and services	**69**	**34**	**295**	**196**	**183**
Financial services					
Interest income	4	5	18	15	9
Interest expense	–1	–1	–4	–3	–2
Interest surplus	**3**	**4**	**14**	**12**	**8**
Selling and admin expenses	–1	–2	–8	–11	–6
Operating income, financial services	**3**	**2**	**6**	**1**	**2**
Operating income Dustin Group	**72**	**36**	**301**	**197**	**185**
Finance costs and other financial items, net	–31	–31	–116	–113	–65
Income before income taxes	**41**	**5**	**185**	**84**	**120**
Income taxes	–9	–1	–21	–7	–35
Net income[1)]	**32**	**4**	**164**	**77**	**85**
Other comprehensive income					
Foreign currency translation differences	–3	14	31	17	–27
Forward contracts – cash flow hedging	0	–7	–12	1	–1
Income taxes not reported in net income	0	2	3	0	0
Total comprehensive income	**–3**	**9**	**21**	**17**	**–28**
TOTAL RESULT FOR THE PERIOD	**28**	**13**	**185**	**95**	**58**

1) Regards of transactions all attributable to the shareholders of the parent company.

Summary of consolidated balance sheet

	30 Nov (unaudited)		31 Aug (audited)		
SEK million	Q1 2014/2015	Q1 2013/2014	2013/2014	2012/2013	2011/2012
ASSETS					
Non-current assets					
Goodwill and other surplus values	2,098	2,023	2,121	2,074	1,474
Other intangible assets	93	126	98	101	70
Property, plant and equipment	22	20	18	22	17
Deferred tax assets and other non-current assets	18	14	22	15	8
Finance lease receivables (interest bearing)	168	149	165	131	52
Total non-current assets	**2,400**	**2,333**	**2,424**	**2,342**	**1,622**
Current assets					
Inventories	269	245	218	190	158
Other receivables[1)]	1,182	878	808	702	370
Finance lease receivables (interest-bearing)	53	4	52	3	47
Cash and cash equivalents	31	68	134	2	59
Total current assets	**1,535**	**1,195**	**1,212**	**898**	**634**
TOTAL ASSETS	**3,934**	**3,527**	**3,636**	**3,240**	**2,256**
EQUITY AND LIABILITIES					
Equity attributable to shareholders of the of the parent company	771	569	743	556	522
Total equity	**771**	**569**	**743**	**556**	**522**
Non-current liabilities	1,232	1,178	1,243	1,111	568
Subordinated shareholder loans	207	192	203	188	337
Deferred tax liabilities and other non-current provisions	140	146	142	149	117
Total non-current liabilities	**1,579**	**1,517**	**1,588**	**1,449**	**1,022**
Current liabilities	187	111	185	184	88
Liabilities related to acquisitions	63	224	89	224	15
Other current liabilities[2)]	1,333	1,107	1,030	827	610
Total current liabilities	**1,584**	**1,442**	**1,305**	**1,235**	**712**
TOTAL EQUITY AND LIABILITIES	**3,934**	**3,527**	**3,636**	**3,240**	**2,256**

1) Includes trade receivables, current tax assets, other receivables, deferred charges and accrued income.
2) Includes trade debts, tax debts, other current liabilities, accrued costs and deferred income.

Dustin's net debt includes bank debt and a liability relating to Dustin Financial Service's financing less cash and cash equivalents, as well as financial assets relating to Dustin's Financial Service's financing. Please see table below for compilations.

	30 Nov (unaudited)		31 Aug (audited)		
SEK million	Q1 2014/2015	Q1 2013/2014	2013/2014	2012/2013	2011/2012
Financial liabilities					
Non-current liabilities (excl. shareholder loan)	1,153	1,079	1,169	1,111	509
Current liabilities	108	111	112	89	88
Financial lease receivables (non-current and current)	159	100	147	95	59
Acquisition related liabilities	63	224	89	224	15
Total financial liabilities	**1,483**	**1,513**	**1,517**	**1,519**	**671**
Financial assets					
Cash and cash equivalents	31	68	134	2	59
Finance lease receivables (interest bearing)	221	153	218	134	99
Total financial assets	**252**	**221**	**351**	**136**	**158**
Net debt	**1,231**	**1,292**	**1,166**	**1,383**	**513**

Consolidated statement of cash flow

SEK million	1 Sep – 30 Nov (unaudited) Q1 2014/2015	Q1 2013/2014	1 Sep – 31 Aug (audited) 2013/2014	2012/2013	2011/2012
Operating activities					
Cash flow from operating activities before change in working capital	39	34	151	102	195
Change in working capital	–109	70	105	–83	5
Cash flow from operating activities	**–69**	**104**	**256**	**19**	**200**
Investing activities					
Acquisition of tangible and intangible assets, net	–4	–4	–32	–41	–38
Acquisition of subsidiaries	–26	–1	–99	–392	–28
Cash flow from lease activities, financial services	–4	–19	–83	–36	–35
Cash flow from investing activities	**–33**	**–24**	**–214**	**–468**	**–101**
Financing activities					
Cash flow from financing activities	–12	–20	34	356	–75
Cash flow from lease portfolio, financial services	11	4	52	36	27
Cash flow from financing activities	**–1**	**–15**	**86**	**392**	**–48**
Cash flow for the period	**–103**	**65**	**127**	**–57**	**51**
Cash and cash equivalent, opening balance	134	2	2	59	11
Cash flow for the period	–103	65	127	–57	51
Exchange rate differences	1	1	4	0	–3
Cash and cash equivalent, closing balance	**31**	**68**	**134**	**2**	**59**

Segment information

SEK million (unless otherwise stated)	1 Sep – 30 Nov (unaudited) Q1 2014/2015	Q1 2013/2014	1 Sep – 31 Aug (audited) 2013/2014	2012/2013	2011/2012
Net sales					
B2B	1,915	1,648	6,618	4,786	3,832
B2C	153	176	753	652	674
Total	**2,068**	**1,824**	**7,371**	**5,438**	**4,506**
Organic net sales growth					
B2B	14%	n.a.	21%	4%	n.a.
B2C	–14%	n.a.	16%	–3%	n.a.
Total	**12%**	**n.a.**	**21%**	**3%**	**3%**
Adjusted EBITA					
B2B	160	147	553	424	417
B2C	1	8	38	33	9
Central functions	–64	–57	–238	–203	–196
Total	**97**	**97**	**353**	**254**	**229**
Adjusted EBITA margin					
B2B	8.3%	8.9%	8.4%	8.9%	10.9%
B2C	0.9%	4.4%	5.1%	5.1%	1.3%
Central functions	n.a.	n.a.	n.a.	n.a.	n.a.
Total	**4.7%**	**5.3%**	**4.8%**	**4.7%**	**5.1%**

Distribution of net sales

SEK million (unless otherwise stated)	**1 Sep – 31 Aug (audited)** 2013/2014	2012/2013	2011/2012
Net sales per geographic area			
Sweden	4,057	3,558	3,422
Denmark	1,255	952	861
Finland	1,166	291	0
Norway	893	636	223
Total	**7,371**	**5,438**	**4,506**
Net sales per geographic area, % of Group	–	–	–
Sweden	55%	65%	76%
Denmark	17%	18%	19%
Finland	16%	5%	0%
Norway	12%	12%	5%
Total	**100%**	**100%**	**100%**

Selected key performance indicators

SEK million (unless otherwise stated)	1 Sep – 30 Nov (unaudited) Q1 2014/2015	Q1 2013/2014	1 Sep – 31 Aug (audited) 2013/2014	2012/2013	2011/2012
Net sales					
Net sales	2,068	1,824	7,371	5,438	4,506
Net sales growth (%)	*13%*	*54%*	*36%*	*21%*	*3%*
Organic growth (%)	*12%*	*22%*	*21%*	*3%*	*3%*
Profitability					
Gross profit	294	268	1,058	759	612
Gross margin (%)	*14.2%*	*14.7%*	*14.4%*	*14.0%*	*13.6%*
Operational costs[1]	197	171	705	505	383
Costs related to segment B2B and B2C	*133*	*114*	*467*	*302*	*187*
Costs related to segment B2B and B2C/ Net sales (%)	*6.4%*	*6.3%*	*6.3%*	*5.5%*	*4.1%*
Costs related to central functions	64	57	238	203	196
Central functions/net sales (%)	*3.1%*	*3.1%*	*3.2%*	*3.7%*	*4.4%*
Adjusted EBITDA[2]	100	99	362	262	237
Adjusted EBITDA margin (%)[2]	*4.8%*	*5.4%*	*4.9%*	*4.8%*	*5.3%*
Adjusted EBITA[2]	97	97	353	254	229
Adjusted EBITA margin (%)[2]	*4.7%*	*5.3%*	*4.8%*	*4.7%*	*5.1%*
EBIT	72	36	301	197	185
EBIT margin (%)	*3.5%*	*2.0%*	*4.1%*	*3.6%*	*4.1%*
Return on equity (%)[3]	25%	n.a.	22%	14%	16%
Return on capital employed (%)[3]	135%	n.a.	244%	126%	1,632%
Capital structure					
Net debt	1,231	1,292	1,166	1,383	513
Net debt/Adjusted EBITDA (x)	3.4x	n.a.	3.2x	5.3x	2.2x
Net debt/equity (%)	160%	227%	157%	249%	98%
Equity/asset ratio (%)	19.6%	16.1%	20.4%	17.2%	23.1%
Net working capital	129	22	7	65	–81
Net working capital/net sales (%)[3]	*1.7%*	*0.4%*	*0.1%*	*1.2%*	*–1.8%*
Capital employed (at end of period)	263	182	145	202	14
Cash flow					
Operational cash flow	–13	165	459	175	239
Cash conversion (%)	–13%	166%	127%	67%	101%
Maintenance capex	4	4	8	4	2
Maintenance capex /net sales (%)[3]	*0.1%*	*0.1%*	*0.1%*	*0.1%*	*0.0%*
Maintenance and project related capex	4	4	31	43	38
Maintenance and project related capex/net sales (%)[3]	*0.1%*	*0.1%*	*0.4%*	*0.8%*	*0.8%*
Per share data					
Shareholder's equity per share	4.77	3.52	4.60	3.45	3.65
Issued shares outstanding (million shares at end of year)	162	162	162	161	143
Earnings per issued share (SEK)	1.18	n.a.	1.01	0.48	0.59

1) Costs for sales and administration plus net of other operating expenses and operating revenues minus operating profit for the financial services and depreciation.
2) Unaudited.
3) Quarterly figures for Q1 2014/2015 and 2013/2014 are in per cent of net sales for the last twelve months.

Financial definitions

Adjusted EBITA
EBITA excluding items affecting comparability

Adjusted EBITA margin
Adjusted EBITA as a percentage of net sales

Adjusted EBITDA
EBITDA excluding items affecting comparability

Adjusted EBITDA margin
Adjusted EBITDA as a percentage of net sales

Capital employed
Working capital plus total fixed assets excluding goodwill and other excess values and receivables relating to financial lease (interest bearing)

Cash conversion
Operational cash flow as a percentage of adjusted EBITDA

Central functions
Includes all non-segment allocated central cost, including all depreciation and amortisation of intangible and tangible assets

Costs of central functions
Costs allocated as central costs excluding depreciations

Costs relating to the segments
Operational costs (excluding write downs) less costs of central functions

Compounded annual growth rate (CAGR)
Describes the compounded annual growth rate for a certain period

Earnings per share
Net income in SEK per shares during the last twelve months as a percentage of the number of shares at end period

Operating income (EBIT)
Earnings before interest and taxes

Operating income (EBIT) margin
EBIT as a percentage of net sales

EBITA
Operating income (EBIT) before amportisations

EBITA margin
EBITA as a percentage of net sales

EBITDA
Earnings before interest, taxes, depreciations and amortisations

EBITDA margin
EBITDA as a percentage of the net sales

Equity per share
Equity at the end of the period in relation to the number of shares at the end of the period

Equity/asset ratio
Equity at the end of the period as a percentage of total assets at the end of the period

Gross margin
Gross profit as a percentage of net sales

Gross profit
Net sales less cost of goods and services sold

Maintenance capex/Net sales
Maintenance capex as a percentage of net sales during the last twelve months

Maintenance and project related capex/ Net sales
The total of maintenance and project related capex as a percentage of net sales during the last twelve months

Net debt
Bank debt and liabilities related to Dustin Financial Services less cash and cash equivalents, and financial assets related to Dustin Financial Services

Net debt/Adjusted EBITDA
Net debt divided by adjusted EBITDA for the last reported twelve month period

Net debt/equity
Net debt divided by equity at the end of the period

Net profit
Earnings after tax and net financial items

Operational costs (excluding write downs)
Cost for sales and administration plus net of other operating costs and operating income less net profit for financial services and depreciations

Operational cash flow
Adjusted EBITDA less maintenance capex and cash flow from changes in adjusted working capital

Organic growth
Net sales adjusted for acquired companies. Organic growth includes growth in acquired companies from the date that the acquisition occurred

Project related capex
One-time investments, which under the past three years are solely attributable to the new IT platform

Return on capital employed
Adjusted EBITA for the last twelve months as a percentage of capital employed at the end of the period

Return on equity
Net income for the last twelve months as a percentage of equity at the end of the period

Segment results
EBIT before items affecting comparability, costs for central functions and write downs and depreciations on intangible assets

Working capital
Non-interest bearing current assets less non-interest bearing current non-financial liabilities

Working capital/net sales
Working capital at the end of a period divided by net sales during the last twelve months

OPERATING AND FINANCIAL REVIEW

The information presented below should be read in conjunction with section "*Selected financial information*" and Dustin's audited consolidated financial statements and the reviewed interim report for September – November 2013/2014 included in sections "*Annual financial information*" and "*Interim financial information*", respectively. The information below contains forward-looking statements that are subject to various risks and uncertainties. Dustin's actual results may differ materially from those anticipated in these forward-looking statements as a result of many different factors, including, but not limited to, those described in section "*Important information to investors – Forward-looking statements*" and elsewhere in the Offering Circular, including those in section "*Risk factors*". The audited consolidated financial statements and the reviewed interim report for September – November 2014 have been prepared in accordance with IFRS.

Overview

Dustin is a leading online reseller of IT products and services in the Nordic countries. Dustin offers a comprehensive product and service range, primarily through its online platform, to businesses, public organisations and consumers. For the fiscal year ended August 31, 2014 Dustin reported net sales of SEK 7.4 billion and adjusted EBITA of SEK 353 million, corresponding to an adjusted EBITA margin of 4.8 per cent (*for information about adjusted EBITA, see section "Operating and financial review –Non-IFRS metrics*).

Dustin's financial profile is characterized by the following key characteristics:

Strong and stable historic growth

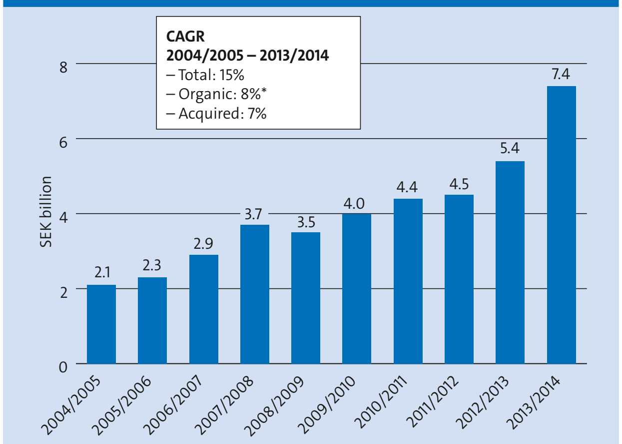
Over the last 10 fiscal years (2004/2005–2013/2014), Dustin has reported net sales CAGR of 15 per cent of which the organic net sales CAGR represented 8 per cent (*the organic growth has not been calculated on a constant currency basis and the exchange effect is thereby included*) and the acquired net sale CAGR represented 7 per cent. Since its founding, Dustin has only reported negative sales in the fiscal year 2008/2009, when Dustin's sales declined by 4 per cent while the market for hardware declined with 16 per cent during 2009 (*Source: IDC*).

Flexible cost base and scalable platform

Dustin estimates that 85 to 90 per cent of Dustin's cost base consists of variable costs. Such cost base enables stable profitability over time. During the period 2009/2010–2013/2014, Dustin has reported an annual adjusted EBITA-margin between 4.6 and 5.1 per cent. As an illustration, if excluding the largest recently made acquisitions (*refers to the acquisitions of Businssforum, Norsk Data Senter and IT-Hantverkarna*) Dustin would have reported a 0.4 percentage points higher EBITA margin for the fiscal year 2013/2014 which is close to the reported EBITA margin for the fiscal year 2011/2012. Dustin has not reported any operational loss since 1989.

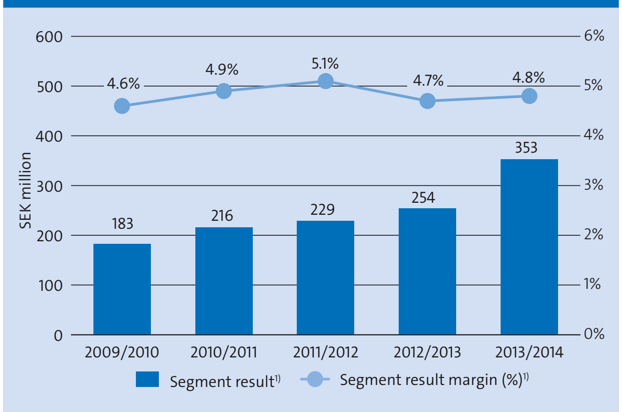
During the last 5 years, Dustin has built central functions with the capacity to assist the Nordic organisation. The scalability of these functions can be illustrated by the decrease of their share of net sales, from 4.4 per cent in 2011/2012 to 3.2 per cent in 2013/2014.

Net sales development 2004/2005–2013/2014



* The organic growth has not been calculated in a constant currency and the exchange effect is thereby included.

Segment result and segment result margin[1)] 2009/2010–2013/2014

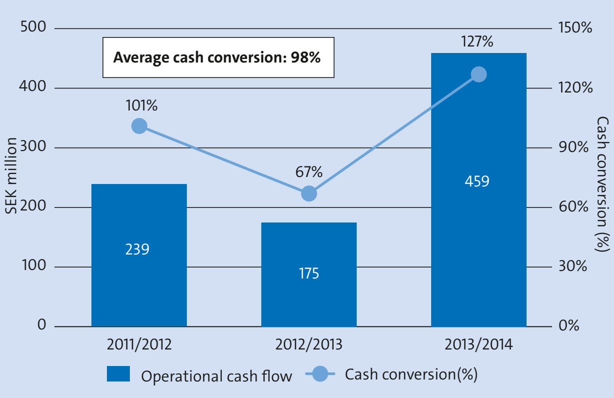


1) Segment result less central functions, excluding items affecting comparability.

High cash conversion

Dustin has low investment needs and has historically demonstrated an average neutral working capital position, which together generates a strong cash conversion. During the period 2011/2012 and 2013/2014 Dustin's average cash conversion amounted to 98 per cent. During specific quarters individual payments from, for example customers in the public sector and payments to major supplier, may affect the working capital, which has been the main reasons for the variations shown below.

Operational cash flow and cash conversion 2011/2012–2013/2014



Factors affecting Dustin's results of operations and cash flow

Dustin's results of operations, financial position and cash flows have been, and are expected to continue to be, affected by certain key factors. The factors that Dustin considers to be most important for its operating profit and cash flow can be divided into factors that affect organic growth, growth by acquisitions, operational efficiency and certain other factors. These factors are discussed in more detail below.

Organic growth

Dustin's ability to increase its net sales through organic growth affects Dustin's results of operations and cash flow. During the period 2004/2005 until 2013/2014, the CAGR has amounted to 8 per cent (*the organic growth has not been calculated on a constant currency basis and the exchange effect is thereby included*). Dustin's organic growth is mainly affected by the demand for Dustin's products, relevant market trends, Dustin's ability to attract new customers and its ability to market and sell products to existing customers in an efficient manner.

Demand in the market for Dustin's products and services

The demand for Dustin's products and services is affected by macroeconomic factors, even though the effect is relatively limited due to the fact that customers make their purchase on a "when needed basis". The demand for Dustin's products and services is affected by technological and product related developments within hardware, software and solutions. The continuous technological and product related development creates an ongoing demand for upgrades. Dustin is not dependent on any specific technology but rather benefits from the demand that new product offerings and new technologies stimulate.

Relevant market trends for Dustin

Dustin is well positioned to take advantage of three market trends; increased online sale of IT products and services, technological shifts driving growth particularly within advanced products and services and higher growth in smaller businesses. The development of these trends affects Dustin's earnings and cash flows. For more information about market trends see section "*Market overview – the Nordic B2B market for IT products*".

- **Increased online sales of IT products and services:** The demand for online operators such as Dustin, is driven by the customer's choice to increase the online share of purchases. This development is driven by the value that online sales offers customers, including wider assortment and more efficient procurement process compared to traditional sales channels, constant availability and competitive prices. The growth rate in online sales was 8 per cent (*Dustin estimate based on for example the Market Analysis*) on Dustin's B2B market and 14 per cent (*Source: HUI Research/E-barometern. Data comprises IT products to B2C customers and other customer electronics* (*including white goods*) in the Swedish consumer market in 2010–2013. Dustin expects that the B2B-market will increase at the same rate in the future.

- **Technological shifts driving growth particularly within advanced products and services:** Dustin believes that more interconnected technological shifts will drive the growth of advanced products in the future. The growth rate in the Swedish market for advanced products during the period 2010–2013 amounted to 8 per cent and is expected to grow at the same rate in the future.

- **Higher growth in smaller businesses:** The demand for Dustin's products and services is affected by the growth rate of Dustin's customer segments. Smaller businesses are an important customer segment for Dustin and have had a high growth. During the period 2007–2013 smaller companies had an annual growth rate of net sales of 2.3 per cent per year (*Source: SCB*), while the annual growth rate for larger companies amounted to 0.8 per cent (*Source: SCB*).

Dustin believes that the higher growth for smaller companies combined with the strong customer offering to this customer segment will result in a higher growth rate in this segment compared to public organisations/large corporations and consumers.

Dustin's ability to market its offering to new customers
Dustin mainly utilises its online platform to attract new customers. Dustin has, during its 20 years on the online market developed substantial knowledge in online marketing. With an efficient marketing, Dustin believes that it can retain the inflow of new customers at a low cost.

New customer relations with public organisations and large corporations are generally carried out through the participation in structured tender processes. Dustin's ability to win procurements in competition with other suppliers, affect Dustin's net income and cash flow. Through the acquisition of Businessforum in 2013, Dustin added experience in participation in procurement processes, mainly for public organisations.

Dustin's ability to market its offering to existing customers
Dustin's ability to market its offering to existing customers in an efficient manner affects Dustin's net income and cash flow. Dustin has a large number of customers but at the same time a relative small share of the average customer IT spending. Dustin intends to increase its share of the average customers IT spending by utilising the continued inline migration, optimise customer interaction with relational sale and by expanding Dustin's offering in the Nordics:

- **Leverage on continued online migration:** As a leading value added reseller in the online IT market B2B segment, Dustin is well positioned to benefit from customers that continue to spend an increasing portion of their online IT spending. Dustin's ability to selectively invest in its online platform to retain and further reinforce its market leading position is an important factor for Dustin in its strategy to increase sales to existing customers.
- **Optimising customer interaction through relational based sale:** Through relational based sales Dustin deepens the relations with selected customers which generally increase the customer spend in all sales channels and thus access a larger portion of the customers' IT spending.
- **Rolling-out its offering across the Nordic region:** Dustin currently has operations in Sweden, Denmark, Finland and Norway, which constitutes a platform for regional growth. In Sweden, Dustin has a broad offering whereas the offerings in the other Nordic countries have room for expansion as presence on these markets are fairly newly established. Dustin sees significant opportunities in developing its complete offering throughout the Nordic countries. In addition to roll-out of its offering, Dustin also has the opportunity to add products and services that are adjacent to its current offering but not currently offered by Dustin.

Growth by acquisitions
Selective acquisitive growth is one of the components of Dustin's strategy. Dustin's ability to identify, acquire and integrate companies which complements Dustin's current operations in its geographic regions affects the Dustin's results of operations and cash flow. During the period 2011/2012–2013/2014, Dustin carried out four acquisitions which have contribute significantly to the Dustin's geographical expansion and have also enabled new customer relationships as well as the possibility of offering new services. As a part of its strategy, Dustin continuously evaluates new acquisition opportunities and considers that its strong market position on a fragmented market combined with strong track-record of acquiring and integrating acquired businesses creates good opportunities for Dustin to grow through acquisitions in the future.

Operational efficiency
Dustin's ability to maintain operational efficiency affects Dustin's results of operations and cash flow. The table below outlines selected operational efficiency ratios, which are further described below.

	1 Sep – 30 Nov (unaudited)		1 Sep – 31 Aug (audited)		
	Q1 2014/2015	Q1 2013/2014	2013/2014	2012/2013	2011/2012
Profitability ratios					
Gross margin (%)	14.2%	14.7%	14.4%	14.0%	13.6%
Costs for central functions/net sales (%)	3.1%	3.1%	3.2%	3.7%	4.4%
Costs related to segments B2B and B2C/net sales (%)	6.4%	6.3%	6.3%	5.5%	4.1%
Operational costs (excluding depreciation and write-down of intangible assets)/net sales (%)	9.5%	9.4%	9.6%	9.3%	8.5%
Capital efficiency					
Net working capital/net sales (%)	1.7%	0.4%	0.1%	1.2%	–1.8%
Maintenance capex/net sales (%)	0.1%	0.1%	0.1%	0.1%	0.0%
Cash conversion (%)	–13%	166%	127%	67%	101%

Gross margin

Dustin has reported increasing gross margins in later years, from 13.6 per cent in 2011/2012 to 14.4 per cent in 2013/2014. The gross margin is mainly impacted by the difference between the sales and sourcing prices and has historically been influenced by differences in the distribution of net sales of different customer segments partly as a result of acquisitions.

Sales prices

Dustin's possibility to maintain favourable prices to its customers is affecting Dustin's result of operations and cash flow. Dustin's position regarding pricing varies between Dustin's customer segments and is mainly affected by the price at which current customers make their purchases and to what extent they purchase advanced products. Increased complexity is generally reflected in a stronger pricing position.

- **Pricing to small and medium-sized businesses:** Dustin generally achieves a slightly higher gross margin for small and medium-sized businesses compered to Dustin's overall gross margin. These customers are in general using Dustin's standard price-current via the online platform and, in addition, purchase more advanced products to a larger extent than other customer groups, partly as a consequence of relational sale.
- **Pricing to public organisations/ large corporations:** Dustin generally achieves a slightly lower gross margin for public organisations/large corporations compared to Dustin's overall gross margin. These customers generally purchase from a customer-specific price-current which is negotiated in connection with procurement. In addition, these customers primarily purchase basic products.
- **Pricing to consumers:** Dustin generally achieves a slightly lower gross margin for consumers compared to Dustin's overall gross margin. These customers are using Dustin's standard price-current via the online channel, but their purchases mainly consist of basic products and they are more focused on campaigns in comparison with other customer segments.

Sales to public organisations and large corporations have increased during the period between 2011/2012 and 2013/2014, which had a negative effect on Dustin's gross margin in total.

Sourcing prices

Dustin's ability to source products from its suppliers at attractive prices affects Dustin's result of operations and cash flow. Dustin is one of the largest buyers in the Nordic IT-market, which gives a strong position in relation to Dustin's suppliers, which enables purchase volume discounts, favorable product return terms, price protection policies and advertising reimbursements. In addition, the customers "when needed" purchase pattern makes Dustin a relevant partner for promotional campaigns and product launches. At such campaigns, Dustin generally achieves low sourcing prices in general. Dustin continuously operates through centralised product procurement and pricing function in order to identify unique offerings and to ensure that procurement cost maintain on a low level.

Operational costs

Dustin's result of operations and cash flow are affected by Dustin's ability to optimise its operational costs. In the fiscal year 2013/2014, selling and administrative expenses amounted to 11 per cent of net sales. Expenses are distributed in part as expenses within B2B and B2C and in part as expenses for central functions and depreciations on intangible fixed assets.

B2B and B2C expenses

Costs within B2B and B2C consist of direct selling expenses. Such expenses are variable and semi-variable and are primarily related to sales and inventory staff and to shipments and marketing. Cost within B2B and B2C is limited by Dustin's high degree of online sale via the cost-effective online platform. However, cost increased from 4.1 per cent of net sales in 2011/2012 to 6.3 per cent of net sales in 2013/2014, as Dustin increased the number of employees in relational sales. Although the sales staffs increases their individual net sales and quickly reach profitability, it often takes years for them to reach their full potential. Therefore, Dustin believes that relational sales have not yet reached their full potential.

Income and costs from financing activities are reported as a net item within costs in B2B and B2C. To what extent Dustin sells products with financing therefore affects costs within B2B and B2C. For further information on Dustin Financial Services, see section "*Operating and financial overview – Dustin Financial Services*".

Central functions

Costs for central functions comprise of fixed costs and semi-variable costs for Dustin's inventories and costs for Group support functions, such as IT department, accounting department and Human Resources. Costs for central functions decreased from 4.4 per cent in 2011/2012 to 3.2 percent in 2013/2014. Dustin believes that costs for central functions will increase at a slower pace than net sales, as these functions have the capacity to support Dustin on a Nordic basis even if the organisation is larger.

Depreciations on intangible fixed assets

In 2013/2014, depreciations on intangible fixed assets amounted to SEK 54 million of which SEK 49 million was attributable to depreciations in connection with acquisitions.

Capital efficiency

Working capital

Dustin's working capital as a percentage of net sales has in average amounted to –0.2 per cent during the period 2011/2012–2013/2014. The low requirement for working capital is enabled by an efficient supply chain and low inventory level. As at 31 August 2014, inventory amounted to SEK 218 million; which corresponded to an average inventory turnover of 31x for the fiscal year 2013/2014. In addition to a low inventory level, Dustin's strong position in the value chain is reflected in relatively attractive payment terms for both accounts receivables and payables.

Investments

Dustin has relative low investment needs. Maintenance investment amounted to 0.1 per cent in average of net sales during the period 2011/2012–2013/2014. Other investments during the period consisted of project related non-recurring investments attributable to Dustin's new IT platform expected to increase the efficiency in the operations. During the period 2011/2012–2013/2014 investments amounted to SEK 98 million. Dustin believes that maintenance investments will amount to 0.2 per cent of net sales in the coming years. In addition to these investments an additional investment of SEK 30 million in total is planned during 2014/2015 and 2015/2016 in order to complete the implementation of the IT platform.

Other factors

Dustin's financial services

The Group's cash flow and result of operations is affected by the change in leasing receivables and to what amount these receivables are pledged and financed in Dustin Financial Services. If the leasing receivables increase, Dustin is required to add funds for the part not financed by borrowing. If leasing receivables decrease cash flow for the part not previous financed by borrowing fall on Dustin. For further information about Dustin Financial Services, see section "*Operating and financial overview – Dustin Financial Services*".

Currency exchange rate effects

As a result of Dustin's international operations, Dustin's results of operations and financial condition are exposed to changes in currency exchange rates primarily between SEK, EUR, NOK, DKK and USD. The currency exposure includes both transaction and translation exposure. Dustin monitors translational currency exchange rate effects in order to assess Dustin's underlying sales development after adjustments for fluctuations in currency exchange rates. However, the transactional currency exchange rate effects may also affect total and segmental net sales in a given period.

Tax expenses

Dustin pays corporate tax in each country where it operates. This means that Dustin's results of operations and cash flow are dependent on local tax rates and changes in these tax rates and of the results of operations in each individual country. A redistribution of the results of operations in each country, but with unchanged comprehensive income for Dustin may thus result in increased or decreased tax expenses.

Interest costs

Dustin is partially funded with bank loans, and accordingly the results of operations and cash flow are affected by changes in interest rates. For more information regarding Dustin's new loan agreement see section "*Capitalisation, indebtedness and other financial information – Capital structure in connection with the listing – Bank debt*".

Results of operations

The three month period ended on 30 November 2014 ("Q1 2014/2015") compared to the three month period ended on 30 November 2013 ("Q1 2013/2014")

Net sales

Net sales for Dustin increased from SEK 1,824 million in the first quarter 2013/2014 to SEK 2,068 million in the first quarter 2014/2015, corresponding to a growth rate of 13 per cent. The organic growth amounted to 12 per cent. The increase was mainly attributable to a strong development in the B2B segment.

Net sales in the B2B segment increased from SEK 1,648 million in the first quarter 2013/2014 to SEK 1,915 million in the first quarter 2014/2015, corresponding to a growth rate of 16 per cent. The organic growth for the B2B segment amounted to 14 per cent. The growth was primarily driven by a strong development in sales to public organisations and large corporations.

The revenue in the B2C segment decreased from SEK 176 million in the first quarter 2013/2014 to SEK 153 million in the first quarter 2014/2015, corresponding to a growth rate of –13 per cent. The organic growth for the B2C segment amounted to –14 per cent. The negative growth was mainly attributable to a more intense competition on the market.

Gross profit

Gross profit increased from SEK 268 million in the first quarter 2013/2014 to SEK 294 million in the first quarter 2014/2015, corresponding to an increase of 10 per cent and a change in gross margin from 14.7 per cent in the first quarter 2013/2014 to 14.2 percent in the first quarter 2014/2015. The decrease in gross margin was mainly attributable to an increased sales to public organisations.

Operating profit (EBIT and segments result)

Dustin's operating profit (EBIT) increased from SEK 34 million in the first quarter 2013/2014 to SEK 69 million in the first quarter 2014/2015, corresponding to an increase in operating margin from 1.9 per cent in the first quarter 2013/2014 to 3.3 percent in the first quarter 2014/2015. The increase was mainly attributable to reduction of items affecting comparability.

Dustin's adjusted EBITA amounted to SEK 97 million both in the first quarter of 2013/2014 and in the first quarter 2014/2015. The adjusted EBITA-margin decreased from 5.3 per cent in the first quarter 2013/2014 to 4.7 per cent in the first quarter 2014/2015.

The segment result for the B2B segment increased from SEK 147 million in the first quarter 2013/2014 to SEK 160 million in the first quarter 2014/2015, corresponding to 9 percent increase. The segment result margin decreased from 8.9 per cent in the first quarter 2013/2014 to 8.3 per cent in the first quarter 2014/2015, mainly attributable to a strong development in the public sector/large corporations sales where the margin is generally lower.

The segment result for the B2C segment decreased from SEK 8 million in the first quarter 2013/2014 to SEK 1 million in the first quarter 2014/2015, corresponding to 82 percent decrease. The segment result margin decreased from 4.4 per cent in the first quarter 2013/2014 to 0.9 per cent in the first quarter 2014/2015, mainly attributable to a more intense competition on the market.

The cost for central functions increased from SEK 57 million in the first quarter 2013/2014 to SEK 64 million in the first quarter 2014/2015 corresponding to a 12 per cent increase. The increase was in line with the increase in net sales during the period. Costs for central functions in relation to net sales remained constant at 3.1 per cent in the first quarter 2013/2014 and in the first quarter 2014/2015.

Financial income and expenses

The net of financial income and expenses amounted to SEK –31 million in the first quarter 2013/2014 and in the first quarter 2014/2015.

Income before taxes

Income before taxes for the first quarter 2014/2015 amounted to SEK 41 million, corresponding to an increase of 705 per cent compared to SEK 5 million in the first quarter 2013/2014.

Taxes

Taxes increased from SEK –1 million in the first quarter 2013/2014 to SEK –9 million in the first quarter 2014/2015, corresponding to an increase of SEK 8 million. The Group's effective tax rate was 23 per cent compared to 22 per cent the same period last year.

Net income

As a result of the above mentioned factors, net income increased from SEK 4 million in the first quarter 2013/2014 to SEK 32 million in the first quarter 2014/2015, corresponding to an increase of 697 per cent. The total net income for the period increased from SEK 13 million in the first quarter 2013/2014 to SEK 28 million under the first quarter 2014/2015, corresponding to an increase of 118 per cent.

The fiscal year ended on 31 August 2014 compared to the fiscal year ended on 31 August 2013

Net sales

Dustin's net sales increased from SEK 5,438 million in 2012/2013 to SEK 7,371 million in 2013/2014, corresponding to a growth rate of 36 per cent. The increase was primarily driven by the organic growth which amounted to 21 per cent and the full year effect from the acquisitions of Businessforum (May 2013) and Norsk Data Senter (December 2012).

Net sales in the B2B segment increased from SEK 4,786 million in 2012/2013 to SEK 6,618 million in 2013/2014, corresponding to a growth rate of 38 per cent. The organic net sales growth was 21 per cent. The increase was driven by strong growth both in small and medium-sized businesses and public organisations/large corporations.

Net sales in the B2C segment increased from SEK 652 million in 2012/2013 to SEK 753 million in 2013/ 2014, corresponding to a growth rate of 16 per cent. The organic net sales growth amounted to 16 per cent and was mainly driven by strong market conditions as well as Dustin's success in launched campaigns.

Gross profit

Gross profit increased from SEK 759 million in 2012/2013 to SEK 1,058 million in 2013/2014, corresponding to an increase of 39.4 per cent and a change in gross margin from 14.0 per cent in 2012/2013 to 14.4 per cent in 2013/2014. The increase in gross margin was mainly due to increased sale to both small and medium-sized businesses and in relation based sale.

Operating profit (EBIT and segment results)

Dustin's operating profit (EBIT) increased from SEK 197 million in 2012/2013 to SEK 301 million in 2013/2014. The corresponding operating profit margin increased from 3.6 per cent in 2012/2013, to 4.1 per cent in 2013/2014. The increase was mainly driven by scale advantages and decreasing selling and admin expenses as per cent of net sales.

Dustin's adjusted EBITA increased from SEK 254 million in 2012/2013 to SEK 353 million in 2013/ 2014, corresponding to a 39 per cent increase. Non-recurring items in 2013/2014 had a positive net effect of SEK 1.1 million, mainly consisting of dissolvent of earn out liabilities and the implementation of Dustin's new ERP system (see section "*Operating and financial review – Non-IFRS metrics*" for further information). The adjusted operating margin increased from 4.7 per cent in 2012/2013, to 4.8 per cent in 2013/2014.

The segment result for the B2B segment increased from SEK 424 million in 2012/2013 to SEK 553 million in 2013/2014, corresponding to an increase of 30 per cent. Segment result margin decreased from 8.9 per cent in 2012/2013 to 8.4 per cent in 2013/2014, mainly due to acquisitions of companies with sales volumes to public organisations in addition to increased costs related to an increase in respect of Dustin's relational based sales.

The segment result for the B2C segment increased from SEK 33 million in 2012/2013 to SEK 38 million in 2013/2014, corresponding to a 15 per cent increase. Segment result margin was unchanged from 5.1 per cent in 2012/2013 and in 2013/2014, where Dustin managed to grow while maintaining a focus on costs.

The cost for central functions increased from SEK 203 million in 2012/2013 to SEK 238 million in 2013/2014, corresponding to a 17 per cent increase. The increase was mainly due to continued investments in Dustin's Nordic platform. Costs for central functions in relation to net sales decreased from 3.7 per cent in 2012/201, to 3.2 per cent in 2013/2014.

Financial income and expenses

The net of financial income and expenses was negative and increased from SEK –113 million in 2012/2013 to SEK –116 million in 2013/ 2014, corresponding to an increase of 3 per cent. The increase was due to increased borrowings from banks, offset by lower interest rates. Accrued interest expenses for the year remained constant compared to 2012/2013 and amounted to SEK 41 million.

Income before taxes

Income before taxes increased from SEK 84 million in 2012/2013 to SEK 185 million in 2013/2014, representing an increase of 120 per cent.

Taxes

Taxes increased from SEK –7 million in 2012/2013 to SEK –21 million in 2013/2014, corresponding to an increase of SEK 14 million. The Group's effective tax rate was 11.4 per cent compared to 8.0 per cent the same period last year. This was due to change in tax rates in Finland and Sweden previous year and a non-taxable item related to an earn-out liability of SEK –99 million.

Net income

As a result of the above mentioned factors, net income increased from SEK 77 million in 2012/2013 2013 to SEK 164 million in 2013/2014, corresponding to an increase of 112 per cent. The net income in total increased from SEK 95 million in 2012/2013 to SEK 185 million in 2013/2014, corresponding to an increase of 95 per cent.

The fiscal year ended on 31 August 2013 compared to the fiscal year ended on 31 August 2012

Net sales

Dustin's net sales increased from SEK 4,506 million in 2011/2012 to SEK 5,438 million in 2012/2013, corresponding to a growth rate of 21 per cent. The increase was primarily driven by the acquisition of Norsk Data Senter in Norway (December 2012), Businessforum in Finland (May 2013) and IT-Hantverkarna in Sweden (eleven subsidiaries acquired throughout the fiscal year). The organic growth rate in total net sales for the Group was 3 per cent during the year.

Net sales in the B2B segment increased from SEK 3,832 million in 2011/2012 to SEK 4,786 million in 2012/2013, corresponding to a growth rate of 25 per cent. The organic growth for the B2B segment was 4 per cent during the year.

Net sales in the B2C segment decreased from SEK 674 million in 2011/2012 to SEK 652 million in 2012/2013, corresponding to a decrease of 3 per cent. The decrease in net sales was mainly attributable to Dustin's focus on higher margins and thereby generated less volume.

Gross profit

Dustin's gross profit increased from SEK 612 million in 2011/2012 to SEK 759 million in 2012/2013, corresponding to an increase of 24 per cent and an increase in gross margin from 13.6 per cent in 2011/2012 to 14.0 per cent in 2012/2013. The increase in gross margin was primarily driven by Dustin's increased focus on profitable products and services with higher gross margin as well as centralised procurement within the Group.

Operating profit (EBIT, adjusted EBITA and segment results)

Dustin's operating profit (EBIT) increased from SEK 185 million in 2011/2012 to SEK 197 million in 2012/2013, corresponding to an operating profit margin decreased from 4.1 per cent in 2011/2012 to 3.6 per cent in 2012/2013. The decrease was primarily a result of increasing selling and administrative expenses as Dustin increased the number of employees to facilitate and to be able to handle future growth.

Dustin's adjusted EBITA increased from SEK 229 million in 2011/2012 to SEK 254 million in 2012/2013, implying an increase of 11 per cent. Non-recurring items in 2012/2013 amounted to SEK 4 million and consisted mainly of acquisition costs, see section "*Operating and financial review – Non-IFRS metrics*" for further information. The corresponding adjusted operating margin decreased from 5.1 per cent in 2011/2012 to 4.7 per cent in 2012/2013.

The segment result for the B2B segment increased from SEK 417 million in 2011/2012 to SEK 424 million in 2012/2013, implying an increase of 2 per cent. The segment result margin decreased from 10.9 per cent in 2011/2012 to 8.9 per cent in 2012/2013 which was due to an increase number of employees within relational based sales.

The segment result for the B2C segment increased by SEK 24 million from SEK 9 million in 2011/2012 to SEK 33 million in 2012/2013. The increase was mainly due to the decision to focus on higher margins and thereby generated less volume. The segment result margin increased from 1.3 per cent in 2011/2012 to 5.1 per cent in 2012/2013.

The cost for central functions increased from SEK 196 million in 2011/2012 to SEK 203 million in 2012/2013, corresponding to an increase of 4 per cent.

Financial income and expenses

The net of financial income and expenses was negative and increased from SEK –65 million in 2012/2013 to SEK –113 million in 2012/2013, corresponding to an increase of 74 per cent. The main contributing factor was increased financial expenses due to a larger amount of bank loans as compared to the previous year.

Income before taxes

Income before taxes amounted to SEK 84 million in 2012/2013 compared to SEK 120 million in 2011/2012, corresponding to a decrease with SEK 36 million.

Taxes

Taxes decreased from SEK –35 million in 2011/2012 to SEK –7 million in 2012/2013. The Group's effective tax rate was 8 per cent in 2012/2013 compared to 29 per cent the same period last year. The decrease was primarily driven by a lower taxable profit before taxes and was positively impacted by a lowering of the Swedish corporate tax rate.

Net income

As a result of the above mentioned net income decreased from SEK 85 million in 2011/2012 to SEK 77 million in 2012/2013, corresponding to a decrease with SEK 8 million. The net income in total increased from SEK 58 million in 2012/2013 to SEK 95 million in 2013/2014, corresponding to a increase of 65 per cent.

Cash flow

The three month period ended on 30 November 2014 (“Q1 2014/2015”) compared to the three month period ended on 30 November 2013 (“Q1 2013/2014”)

Cash flow from operating activities

Cash flow from operating activities decreased from SEK 104 million in the first quarter 2013/2014 to SEK –69 million in the first quarter 2014/2015, corresponding to a decrease of SEK 173 million. The decrease was mainly attributable to an increase in the working capital.

Cash flow from investing activities

The negative cash flow from investing activities increased from SEK –24 million in the first quarter 2013/2014 to SEK –33 million in the first quarter 2014/2015, corresponding to a decrease of 39 per cent. The increase was mainly attributable to the payment of an additional purchase price for a previous acquisition.

Cash flow from financing activities

Cash flow from financing activities increased from SEK –15 million in the first quarter 2013/2014 to SEK –1 million in the first quarter 2014/2015, corresponding to an increase of 97 per cent. The increase was mainly attributable to increased borrowing against Dustin’s financial receivables related to leasing.

Adjusted operational cash flow

The adjusted operational cash flow decreased from SEK 165 million in the first quarter 2013/2014 to SEK –13 million in the first quarter 2014/2015, corresponding to a decrease of SEK 178 million. The decrease was attributable to an increase in the working capital, which contributed to a decrease of SEK 178 million. See section “*Operating and financial review – Non-IFRS metrics*” for further information.

The fiscal year ended on 31 August 2014 compared to the fiscal year ended on 31 August 2013

Cash flow from operating activities

Cash flow from operating activities increased from SEK 19 million in 2012/2013 to SEK 256 million in 2013/2014, corresponding to an increase of SEK 237 million. The increase was mainly due to a higher operating profit and a reduction in working capital by SEK 105 million 2013/2014 compared with an increase by SEK 83 million in 2012/2013.

Cash flow from investing activities

The negative cash flow from investment activities decreased from SEK –468 million in 2012/2013 to SEK –214 million in 2013/2014, corresponding to a decrease of 54 per cent. The decrease was mainly attributable to considerations related to previous acquisitions in 2012/2013 and investment within Dustin Financial Services 2012/2013. Investments in operating activities decreased from SEK 41 million in 2012/2013 to SEK 32 million in 2013/2014. The decrease was mainly due to lower project related investments.

Cash flow from financing activities

Cash flow from financing activities decreased from SEK 392 million in 2012/2013 to SEK 86 million in 2013/2014, corresponding to an decrease of –78 per cent. The increase was primarily driven by the funding raised in connection with the acquisitions in 2012/2013, which had no counterpart in 2013/2014.

Operational cash flow

The operational cash flow increased from SEK 175 million in 2012/2013 to SEK 459 million in 2013/2014, corresponding to an increase of SEK 284 million. The increase was mainly due to increased operating profit and positive changes in working capital. See section “*Operating and financial review – Non-IFRS metrics*” for further information.

The fiscal year ended on 31 August 2013 compared to the fiscal year ended on 31 August 2012

Cash flow from operating activities

Cash flow from operating activities decreased from SEK 200 million in 2011/2012 to SEK 19 million in 2012/2013, corresponding to a decrease of SEK 181 million. The decrease was mainly due to an increase in net working capital of SEK 83 million compared to a decrease of SEK 5 million in 2011/2012. A large portion of the increase of the working capital corresponds to the acquisition of Businessforum and Norsk Data Senter.

Cash flow from investing activities

The negative cash flow from investing activities increased from SEK –101 million in 2011/2012 to SEK –468 million in 2012/2013, corresponding to an increase of SEK 367 million. The increase was mainly attributable to by the acquisitions undertaken in 2012/2013. Investments in operating activities increased from SEK 38 million in 2011/2012 to SEK 41 million in 2012/2013.

Cash flow from financing activities

Cash flow from financing activities increased from SEK –48 million in 2011/2012 to SEK 392 million in 2012/ 2013, corresponding to an increase of SEK 440 million. The increase was mainly attributable to increased debt related to acquisitions.

Operational cash flow

The operational cash flow decreased from 239 million in 2011/2012 to SEK 175 million in 2012/2013, corresponding to a decrease of SEK 64 million. The decrease was mainly due to the cash flow from the changes in working capital amounted to SEK –83 million in 2012/2013. See section “*Operating and financial review – Non-IFRS metrics*” for further information.

Net working capital

Dustin's net working capital requirements are limited, primarily due to Dustin's strong focus on optimising inventory levels and favorable payment terms from certain customer groups. Dustin's net working capital has amounted to about –1.8 per cent to 1.2 per cent on 31 August 2012–2014. Dustin expects net working capital as per cent of net sales to be in line with historic level for the coming years. Dustin believes that the current net working capital is sufficient to cater Dustin's needs during the coming twelve months.

	1 Sep – 30 Nov (unaudited)		1 Sep – 31 Aug (audited)		
SEK million (unless otherwise stated)	**Q1 2014/2015**	**Q1 2013/2014**	**2013/2014**	**2012/2013**	**2011/2012**
Inventories	269	245	218	190	158
Trade receivables	1,007	783	689	613	316
Other working capital assets[1)]	174	95	119	89	54
Working capital assets	1,450	1,123	1,026	892	528
Trade payables	1,108	901	772	632	472
Other working capital liabilities[2)]	213	200	247	196	138
Working capital liabilities	1,321	1,101	1,019	827	610
Net working capital	129	22	7	65	–81
Net working capital/net sales (%)	*1.7%*	*0.4%*	*0.1%*	*1.2%*	*–1.8%*
Inventory turnover (times)[3)]	30x	n.a.	31x	27x	26x
Days sales of inventory (days)[4)]	14	n.a.	12	14	14
Receivables outstanding (days)[5)]	43	n.a.	32	31	26
Payables outstanding (days)[6)]	12	n.a.	41	43	44

1) Tax receivables, pre-payments and accrued income and other receivables.
2) Tax payables, accrued expenses and deferred income and other current liabilities.
3) Cost of goods sold and services for a period of twelve months as a percentage of average book value of inventories (opening and closing balances for the twelve months).
4) Average book value of inventories (opening and closing balances for a twelve month period) divided by cost of sales and services for the twelve month period, multiplied by 365.
5) Average book value of trade receivables (opening and closing balances for a twelve month period) divided by net sales for the twelve month period, multiplied by 365.
6) Average book value of outstanding debt (opening and closing balance for a twelve month period) divided by cost of sales and services for the twelve month period, multiplied by 365.

Investments in operating activities

Dustin's investments in operating activities comprise maintenance and project related investments. Maintenance investments is needed to maintain operating activities. During 2011/2012 to 2013/2014, maintenance investments amounted to approximately 0.1 per cent of net sales. Project related investments are one-time investments, which under the past three years are solely attributable to the new IT platform. During the reported period 2011/2012 to 2013/2014, Dustin invested and expensed approximately SEK 152 million in total in the new IT platform, of which capitalised investments accounted for SEK 98 million. The book value of investment amounted to SEK 88 million as of 31 August 2014. The investment in the new IT platform has been aimed to increase operational efficiency.

Dustin's total capital expenditure in the coming years is estimated to comprise investments related to the IT system and maintenance capex primarily in the central warehouse. Dustin is planning to make project related investment to an amount of approximately SEK 30 million during 2014/2015 and 2015/2016. Dustin believes that maintenance capex will amount to approximately 0.2 percent of net sales in the corresponding period. Dustin further believes that the investment need can be funded by cash flow from operating activities.

	1 Sep – 30 Nov (unaudited)		1 Sep – 31 Aug (audited)		
SEK million	**Q1 2014/2015**	**Q1 2013/2014**	**2013/2014**	**2012/2013**	**2011/2012**
Maintenance related investments	4	4	8	4	2
Project related investments	0	0	23	39	36
Investments in the operating activities in total	4	4	31	43	38

Other investments primarily related to acquisitions

In addition to operating investments, Dustin carries out acquisition related investments. During the period 2011/2012–2013/2014, Dustin's cash flow for acquisition related investments amounted to SEK 519 million.

	1 Sep – 30 Nov (unaudited)		1 Sep – 31 Aug (audited)		
SEK million	**Q1 2014/2015**	**Q1 2013/2014**	**2013/2014**	**2012/2013**	**2011/2012**
Cash flow for acquisition related investments	–26	–1	–99	–392	–28

Dustin Financial Services

Dustin Financial Services is a wholly-owned subsidiary which encompasses financial solutions for Dustin's B2B customers in Sweden. In 2013/2014, 2 per cent of Dustin's net sales related to Dustin Financial Services financing model, whereby customers are offered financing.

The Group's operating results are affected by the net interest income/expense which is driven by the gross return on the invested capital, and by sales and administrative costs which are necessary to operate the business. Net interest income/expense for the fiscal year 2013/2014 amounted to SEK 14 million, corresponding to a gross return on invested capital of 20 per cent. Sales and administrative costs amounted to SEK 8 million, implying an operating profit of SEK 6 million.

The amount of the invested capital is affected by receivables pertaining to financial leases and to the extent these contracts are pledged with payables pertaining to financial leasing. In 2013/2014, receivables pertaining to financial leasing increased by SEK 84 million, while the loan-to-value decreased from 71 per cent as of 31 august 2012 to 68 per cent as of 31 August 2014. As a consequence, Dustin invested SEK 31 million in Dustin Financial Services in the fiscal year 2013/2014. It is Dustin's objective that loan-to-value pertaining to financial leasing should amount to approximately 85 per cent in the coming years.

	1 Sep – 30 Nov (unaudited)		1 Sep – 31 Aug (audited)		
SEK million	**Q1 2014/2015**	**Q1 2013/2014**	**2013/2014**	**2012/2013**	**2011/2012**
Net interest income/expense	3	4	14	12	8
Sale and administrative costs	–1	–2	–8	–11	–6
Operating income	3	2	6	1	2
Receivables, financial leasing	221	153	218	134	99
Liabilities, financial leasing	159	100	147	95	59
Invested capital	62	53	70	39	40
Cash flow from leasing portfolio	–4	–19	–83	–36	–35
Loans for leasing portofolio	11	4	52	36	27
Change in invested capital	8	–14	–31	1	–8
Liabilities/assets	*72%*	*65%*	*68%*	*71%*	*60%*
Gross return on invested capital[1]	*6%*	*n.a.*	*26%*	*30%*	*n.a.*
Growth in financial assets, leasing	*45%*	*n.a.*	*63%*	*36%*	*n.a.*

1) Calculated as net interest income as a percentage of average invested capital over the past 12 months (opening and closing balance).

Non-IFRS metrics

The Offering Circular contains certain key information not prepared in accordance with IFRS, including adjusted EBIT, EBITA, adjusted EBITA, EBITDA, adjusted EBITDA and operational cash flow. Dustin believes that this data provides useful information to investors as it enables more meaningful evaluation of relevant trends when considered in conjunction with (but not in lieu of) other measures that are calculated in accordance with IFRS. However, this key information should not be considered as a replacement to measures calculated in accordance with IFRS. Since listed companies do not always calculate such data in the same manner, the presentation herein may not be comparable to other companies' key information with the same title.

Non-IFRS measures such as adjusted EBIT, EBITA, adjusted EBITA, EBITDA, adjusted EBITDA and operational cash flow are not measurements of Dustin's performance or liquidity under IFRS or any other generally accepted accounting principles. In particular, you should not consider adjusted EBIT, EBITA, adjusted EBITA, EBITDA, adjusted EBITDA and operational cash flow as an alternative to: (i) operating profit or profit for the period (as determined in accordance with IFRS) as a measure of Dustin's operating performance; (ii) cash flows from operating, investing and financing activities as a measure of Dustin's ability to meet its cash needs; or (iii) any other measures of performance under generally accepted accounting principles. Some of the limitations of EBITA, adjusted EBITA, EBITDA, adjusted EBITDA and operational cash flow are:

- they do not reflect Dustin's cash expenditures or future requirements for capital expenditure or contractual commitments;
- they do not reflect changes in, or cash requirements for Dustin's working capital needs; and
- they do not reflect the significant interest expense, or the cash requirements necessary, to service interest or principal payments on Dustin's debts.

EBITA, adjusted EBITA, EBITDA, adjusted EBITDA and operational cash flow for Dustin are calculated for the periods presented, as outlined below.

	1 Sep – 30 Nov (unaudited)		1 Sep – 31 Aug (audited)		
SEK million (unless otherwise stated)	**Q1 2015**	**Q1 2014**	**2014**	**2013**	**2012**
Operating income (EBIT)	72	36	301	197	185
Amortisation of intangible assets	14	14	54	53	36
EBITA	86	50	355	251	221
Depreciation of tangible assets	3	2	9	8	7
EBITDA	89	52	363	259	228
Items affecting comparability					
Acquisition related costs[1)]	–	–	–10	–4	–2
Implementation of IT platform[2)]	–	–47	–88	–	–1
Valuation changes and currency conversion of debt for additional purchase price[3)]	–	–	99	–	–
IPO related costs[4)]	–11	–	–	–	–
Other[5)]	–	–	–	–	–5
Total items affecting comparability	–11	–47	1	–4	–8
Adjusted EBITA[6)]	97	97	353	254	229
Adjusted EBITDA[6)]	100	99	362	262	237
Operational cash flow					
Adjusted EBITDA	100	99	362	262	237
Cash flow from changes in net working capital	–109	70	105	–83	5
Maintenance related investments	–4	–4	–8	–4	–2
Operational cash flow	–13	165	459	175	239
Cash conversion	*–13%*	*166%*	*127%*	*67%*	*101%*

1) Includes transaction costs associated with the acquisitions of Business forum, ITH and NDS.
2) Includes costs for implementation of integrated IT platform.
3) Includes impairment losses related to the estimated value for the additional consideration paid for the acquisition of the Business forum, ITH and NDS.
4) Includes costs in connection with the Offering, including legal fees, audit fees and other expenses.
5) Costs related to severance payments to Dustin's former CEO.
6) Unaudited.

Quarterly financial information

The table below is based on information retrieved from the Dustin's internal accounts, which are not included in the audit reports submitted by the auditor. However, Dustin believes that the information set out below is of significant value to investors, since it enables a better evaluation of the development and seasonality effects for Dustin.

		2013/2014				2012/2013				2011/2012			
MSEK (unless otherwise stated)	**Q1/15**	**Q4/14**	**Q3/14**	**Q2/14**	**Q1/14**	**Q4/13**	**Q3/13**	**Q2/13**	**Q1/13**	**Q4/12**	**Q3/12**	**Q2/12**	**Q1/12**
Net sales	2,068	1,637	1,902	2,007	1,824	1,406	1,413	1,433	1,186	953	1,092	1,256	1,205
Share of net sales for the year (%)	*n.a.*	*22%*	*26%*	*27%*	*25%*	*26%*	*26%*	*26%*	*22%*	*21%*	*24%*	*28%*	*27%*
Growth (compared to previous year)	*13%*	*16%*	*35%*	*40%*	*54%*	*47%*	*29%*	*14%*	*–2%*	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Adjusted EBITA	97	70	80	106	97	59	69	63	63	48	46	68	68
Adjusted EBITA-margin (%)	*4.7%*	*4.3%*	*4.2%*	*5.3%*	*5.3%*	*4.2%*	*4.9%*	*4.4%*	*5.3%*	*5.0%*	*4.2%*	*5.4%*	*5.6%*
Percentage the adjusted EBITA over the year (%)	*n.a.*	*20%*	*23%*	*30%*	*27%*	*23%*	*27%*	*25%*	*25%*	*21%*	*20%*	*29%*	*30%*
B2B segment													
Net sales	1,915	1,457	1,728	1,784	1,648	1,251	1,270	1,240	1,025	790	949	1,073	1,021
Percentage of net sales over the year (%)	*n.a.*	*22%*	*26%*	*27%*	*25%*	*26%*	*27%*	*26%*	*21%*	*21%*	*25%*	*28%*	*27%*
Growth (compared to previous year)	*16%*	*16%*	*36%*	*44%*	*61%*	*58%*	*34%*	*16%*	*0%*	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Segment result	160	116	136	155	147	95	113	109	107	95	99	116	107
Segment margin (%)	*8.3%*	*8.0%*	*7.8%*	*8.7%*	*8.9%*	*7.6%*	*8.9%*	*8.8%*	*10.4%*	*12.1%*	*10.4%*	*10.8%*	*10.4%*
B2C segment													
Net sales	153	180	174	223	176	154	143	192	162	164	143	184	183
Percentage of net sales over the year (%)	*n.a.*	*24%*	*23%*	*30%*	*23%*	*24%*	*22%*	*30%*	*25%*	*24%*	*21%*	*27%*	*27%*
Growth (compared to previous year)	*–13%*	*17%*	*21%*	*16%*	*9%*	*–6%*	*0%*	*5%*	*–12%*	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Segment result	1.4	8.4	9.6	12.5	7.7	8.9	6.3	8.7	9.1	2.8	2.9	1.2	2.0
Segment margin (%)	*0.9%*	*4.7%*	*5.5%*	*5.6%*	*4.4%*	*5.8%*	*4.4%*	*4.5%*	*5.6%*	*1.7%*	*2.0%*	*0.7%*	*1.1%*
Central functions													
Central functions	64	54	66	61	57	45	50	55	54	50	56	50	41
Percentage of central functions over the year (%)	*n.a.*	*23%*	*28%*	*26%*	*24%*	*22%*	*25%*	*27%*	*26%*	*26%*	*28%*	*25%*	*21%*
Percentage of the net sales (%)	*3.1%*	*3.3%*	*3.4%*	*3.0%*	*3.1%*	*3.2%*	*3.6%*	*3.8%*	*4.5%*	*5.3%*	*5.1%*	*4.0%*	*3.4%*
Items affecting comparability													
Items affecting comparability	–11	–46	100	–5	–47	–1	0	0	–2	–2	0	–1	–5

Sensitivity analysis

A sensitivity analysis of important factors affecting Dustin's results of operations is described below. The assessment is based on values as at 31 August 2014 and is assumed that all other factors remain unchanged. The sensitivity analysis does not constitute a forecast.

- A change in the average sales price of +/– 10 per cent would have an approximate impact on operating profit of SEK +/– 103 million.
- A change in the average gross margin of +/– 1 per cent would have an approximate impact on operating profit of SEK +/– 74 million.
- A change by +/– 10 per cent in currency DKK and EUR in relation to SEK would impact the Dustin's operating profit by approximately SEK +/– 7 million and SEK +/– 6 million respectively on an annual basis.
- Personnel expenses are a large proportion of Dustin's cost base. A +/– 1 per cent change increase have an approximate SEK 6 million effect on results.
- Dustin has non-current liabilities to credit institutions. A change by +/– 1 per cent of the interest of the closing net debt has a SEK 11 million impact on the net income.

Significant events since 30 November 2014

Since 30 November 2014, extraordinary shareholders' meetings of Dustin resolved in January on a reverse share split 5:1, whereby 5 shares are consolidated into 1 share, the Conversion and the Set-off Issuance, for more information see section "*Share capital and ownership structure – Changes to the share capital structure in connection with the listing – Share capital structure*". Dustin has also approved on the Repurchase and the new financing. See section "*Capitalisation, indebtedness and other financial information – Capital structure in connection with the listing – Bank debt*".

Future prospects

As a listed company, Dustin does not intend to provide the market with significant economic and/or financial forecast for its future prospects. Dustin's general financial target is described further in the section "*Business overview – Financial targets*".

Key accounting principles for Dustin Group AB

Dustin's accounting and valuation principles, which are in accordance with IFRS as adopted by the European Commission, are described in note 2 in the audited consolidated financial statements included in the section "*Financial information for the fiscal years 2011/2012–2013/2014*". The preparation of these financial statements requires certain estimations and judgements that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. Estimates and judgements are based on historical experience, current conditions and reasonable assumptions of possible future events. Actual results may differ from future estimates given uncertainties in the assumptions made.

CAPITALISATION, INDEBTEDNESS AND OTHER FINANCIAL INFORMATION

The tables in this section describe Dustin's interest-bearing receivables and liabilities at Group level as of, November 30, 2014. See section "*Share capital and ownership structure*" for further information about Dustin's share capital and shares. The tables in this section should be read in conjunction with section "*Operating and financial review*" and Dustin's financial information, including the related notes, which are found elsewhere in the Offering Circular.

In connection with the Offering, Dustin's net indebtedness will be reduced as a result of the receipt of proceeds from the new share issue in the Offering. The capitalisation and indebtedness table below does not reflect these events that followed 30 November 2014.

Capitalisation

SEK million	November 30, 2014
Current debt	**250,580**
Guaranteed	–
Secured[1)]	187,216
Unguaranteed/unsecured	63,364
Total current debt	**250,580**
Non-current debt	**1,439,491**
Guaranteed	–
Secured[1)]	983,926
Unguaranteed/unsecured	455,565
Total non-current debt (excluding current portion of non-current debt)	**1,439,491**
Shareholders' equity	**771,110**
Share capital	161,601
Legal reserve	–
Other reserves	609,509
Total capitalisation	**2,461,181**

1) Primary pledges in shares in subsidiaries, chattel mortage, pledges in customer receivables and leveraged financial customer contracts.

Net indebtedness

	SEK million	November 30, 2014
(A)	Cash	–
(B)	Cash equivalents	31,310
(C)	Trading securities	–
(D)	**Liquidity (A)+(B)+(C)**	**31,310**
(E)	**Current financial receivables**	**220,707**
(F)	Current bank debt	187,216
(G)	Current portion of non-current debt	–
(H)	Other current financial debt	63,364
(I)	**Other current financial debt (F)+(G)+(H)**	**250,580**
(J)	**Net current financial indebtedness (I)–(E)–(D)**	**1,439**
(K)	Non-current bank loans	983,926
(L)	Bonds issued	–
(M)	Other current financial debt	248,252
(N)	**Non-current financial indebtedness (K)+(L)+(M)**	**1,232,178**
(O)	**Net financial indebtedness (J)+(N)**	**1,230,741**

Capital structure in connection with the listing

Bank debt

In connection with the listing of Dustin's shares on Nasdaq Stockholm, Dustin's main loan financing will consist of a credit facility with Nordea and Swedbank AB (publ) ("**Swedbank**") to obtain loan of SEK 1 100 million. The purpose of the credit facility is, in connection with the listing, re-finance the current financing for the Group, to repay certain promissory notes and payment of a supplementary purchase price. The financing will contain of an overdraft facility of SEK 270 million to finance Dustin's operations provided by Nordea, a loan facility in relation to Dustin Financial Services of SEK 200 million provided by Nordea Sverige Finans AB and a guaranteed facility of SEK 30 million provided by Swedbank (the terms and conditions for all the above listed facilities are together referred to as "**Credit Facilities**"). Under the Credit Facilities, the Group is subject to certain restrictions primarily relating to the pledging of securities with other banks, raise additional debt in the subsidiaries, arrangements of lending above a certain level and divestments or acquisitions of assets at a value in excess of a specified amount and other customary credit terms and conditions. To the extent any company in the Group makes a capital contribution to Dustin Financial Services, Dustin's own unrestricted equity (Sw. *eget kapital*) shall decrease (or be considered to decrease) with an equivalent value, which implies that Dustin's distributable funds will decrease. The Credit Facilities also contains certain other covenants, including covenants requiring that certain key ratios, such as, interest coverage ratio and loan value ratio should not adversely deviate from certain levels stated in the Credit Facilities. Dustin Financial Services has provided security over lease agreements with customers.

BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITOR

Board of directors

Dustin's board of directors consists of six ordinary members, including the chairman of the board, with no deputy board members, whose term ends at the date of the 2015 annual shareholders' meeting. The table below shows the members of the board of directors, when they were first elected and whether they are considered to be independent of Dustin and/or the Principal Owner.

			Independent of	
Name	**Position**	**Member since**	**Dustin and executive management**	**The Principal Owner**
Fredrik Cappelen	Chairman	2010	Yes	Yes
Tomas Franzén	Board member	2013	Yes	Yes
Stefan Linder	Board member	2006	Yes	No
Mattias Miksche	Board member	2006	Yes	Yes
Risto Siivonen	Board member	2014	Yes	No
Maija Strandberg	Board member	2013	Yes	Yes

FREDRIK CAPPELEN

Born 1957. Chairman of the board since 2010.

Education: MSc in Economics from Uppsala University. Studies in political science at Uppsala University.

Other current assignments: Chairman of the board of directors of Byggmax Group AB, Sanitec Oy, Terveystalo Oy, Frostbite Holding AB and several of its subsidiaries (including Dometic AB), Eterna Invest AB and Svenska ICC Service AB and vice chairman of the board in Munksjö Oy. Member of the board of directors of Securitas AB, Fedro Fastigheter AB, Baskina AB, Baskina Invest AB and Bodarna på Kallskär AB. Fredrik Cappelen is also an industrial advisor in the Nordic private equity industry and has advisory contracts with several companies, including Altor. Fredrik Cappelen has during 2012 and 2013 been a member of the board of directors of Carnegie Investment Bank (Altor Fund III), Byggmax Group AB (Altor Fund 2003) and Dustin Group AB (Altor Fund II). For this work, Cappelen has received customary remunerations. The only remaining appointment is the board appointment for Dustin Group AB with respect to companies owned by Altor. In addition, Cappelen provided consultancy services to Altor corresponding to approximately 1.5 months' work and received customary consulting fee.

Previous assignments (last five years): Chairman of the board of directors of Svedbergs i Dalstorp AB, Granngården AB, Munksjö AB, Munksjö Holding AB, GG Holding AB, Carnegie Holding AB and Carnegie Investment Bank AB and board member in Cramo Oyj and WPO Service AB.

Shareholding in Dustin: 571,093 held through company.

TOMAS FRANZÉN

Born 1962. Board member since 2013.

Education: Studies in Engineering, Industrial Economy at Linköping University.

Other current assignments: CEO of Bonnier AB and various positions in a number of its subsidiaries. Chairman of the board of directors of OTM Development AB and member of the board of directors of Elajo Invest Aktiebolag (publ), Ovacon AB and Zenterio AB (publ).

Previous assignments (last five years): CEO and chairman of the board of directors of UPC Digital AB, Visit AB, Kungsbacka Kabel-TV AB and Com Hem Holding AB and several of its subsidiaries, CEO and member of the board of directors of NorCell 1B AB (publ) and several of its subsidiaries and NBS Nordic Broadband Services AB. Member of the board of directors of Ornsat, Örnsköldsviks Sattelit- och Kabel-TV Aktiebolag and Niscayah Group AB.

Shareholding in Dustin: 74,398.

STEFAN LINDER

Born 1968. Board member since 2006.

Education: MSc in Economics from Stockholm School of Economics .

Other current assignments: Employed in Altor Equity Partners AB as partner. Member of the board of directors of Byggmax Group AB, Charge Holding AB, Apotek Hjärtat Holding AB, CTEK Group AB, Altor Holding AB, Altor Holdings Limited and several of its subsidiaries, Makamon AB, Kanasch AB, Front Row Asset Management Limited and Jellicoe Limited.

Previous assignments (last five years): Chairman of the board of directors of Byggmax Group AB and Euro Cater A/S. Member of the board of directors of AMNA Holding AB and Coöperatieve Meyn U.A.

Shareholding in Dustin: None.

MATTIAS MIKSCHE

Born 1968. Board member since 2006.

Education: MSc in Economics from Stockholm School of Economics.

Other current assignments: CEO and member of the board of directors of Stardoll AB, Stardoll Inc, Stardoll Entertainment Inc, Stardoll UK Ltd and Membrain Network Capital Aktiebolag. Member of the board of directors of Avanza Bank Holding AB, Sportamore AB and Avanza Bank AB.

Previous assignments (last five years): Chairman of the board of directors of Stardoll AB. Member of the board of directors of Eniro AB, Polar Rose AB, Headweb AB and PMGcom Publishing AB.

Shareholding in Dustin: 434,625.

RISTO SIIVONEN

Born 1975. Board member since 2014.

Education: MSc in Economics from School of Economics in Helsinki.

Other current assignments: Employed as partner in Altor Equity Partners AB and Altor Capital Oy. Member of the board of directors of ONE Nordic Holding AB, Altor Equity Partners Oy, Granskär Invest AB and Tres Partners Oy. Member of the board of directors and managing director of Manihi Holding Oy.

Previous assignments (last five years): Member of the board of directors of MM Holding AB and several of its subsidiaries and chairman of the board of directors of MM PrefCO AB.

Shareholding in Dustin: None.

MAIJA STRANDBERG

Born 1969. Board member since 2013.

Education: MSc in Economics from Turku University.

Other current assignments: Vice President, Finance, in Paper Business Line of Valmet Technologies Oy. Member of the board of directors of Danske Bank Oyj and VR Group Oyj. Chairman of the board of directors of Valmet Italy Spa.

Previous assignments (last five years): Member of the board of directors of Vuorenmaa Yhtiöt Oy and Finnsonic Oy. Member of the group management of ALSO Holding AG and CEO and member of the board of directors of some of its subsidiaries. CEO, chairman of the board of directors and owner of Interma Oy.

Shareholding in Dustin: 74,398.

Executive management

GEORGI GANEV

Born 1976. CEO and Head of B2B since 2012.

Education: MSc in information technology, Uppsala University.

Other current assignments: Chairman of the board of directors of Dustin Financial Services and chairman of the board of directors and CEO of Dustin Aktiebolag and several of its subsidiaries.

Previous assignments (last five years): Chairman of the board of directors and CEO of Dustin Print Solution AB.

Shareholding in Dustin: 377,779.

JOHAN KARLSSON

Born 1965. CFO since 2009.

Education: MSc in Economics and Business Administration from Gothenburg School of Economics.

Other current assignments: Member of the board of directors of Dustin Financial Services AB and Dustin Aktiebolag and several of its subsidiaries.

Previous assignments (last five years): Chairman of the board of directors and CEO of Dustin Sverige AB several of its subsidiaries. Chairman of the board of directors of Dustin Print Solution AB and CEO of Dustin Group AB.

Shareholding in Dustin: 372,694.

GÖRAN LINDÖ

Born 1973. Head of Online and B2C since 2007.

Education: MSc in Industrial Economics from Chalmers Institute of Technology.

Other current assignments: Member of the board of directors of Dustin Financial Services AB, Area 42 AB, Area 42 AS, Dustin Aktiebolag and several of its subsidiaries. CEO and member of the board of directors of Dustin Norway AS.

Previous assignments (last five years): Member of the board of directors of Dustin Print Solutions and alternate in Dustin Aktiebolag, Dustin Sverige AB and Dustin Financial Services AB.

Shareholding in Dustin: 291,427, partly held through company.

NIKLAS ALM
Born 1967. Head of Investor Relations since 2014.
Education: BSc in Business from Växjö University and San Francisco State University.
Other current assignments: Head of IR in Sanitec Corporation and consultant in relation to IR in Gränges AB (publ). Chairman of the board of directors and CEO of Tigerrace AB. Member of the board of directors and CEO of Newsec Communication AB and member of the board of directors of Newsec Advice Oy.
Previous assignments (last five years): Member of the board of directors and CEO of Citigate & Trimedia Norden AB and Citigate Stockholm AB. Member of the board of directors of Newsec Advice AB, Newsec Asset Management AB, Newsec Investment AB, Grayling & Citigate Norden AB and Trimedia Stockholm AB.
Shareholding in Dustin: None.

Other information about the board of directors and executive management

There are no family ties between any of the members of the board of directors or executive management.

There are no conflicts of interest or potential conflicts of interest between the obligations of members of the board of directors and executive management of Dustin and their private interests and/or other undertakings.

During the last five years, none of the members of the board of directors or the members of the executive management have (i) been sentenced for fraud-related offences, (ii) represented a company which has been declared bankrupt or filed for liquidation, (iii) except as set out below been the subject of sanctions or accused by authorities or bodies acting for particular professional groups under public law or (iv) been subject to injunctions against carrying on business.

In connection with the Swedish Tax Agency's review of the Swedish private equity business, Stefan Linder (being employee of Altor Equity Partners AB) has been subject to tax review and thereafter received reassessment decisions for several income years. The Swedish Tax Agency's basic position is that a part of the profit split in the funds (so-called carried interest) is not a capital income for the ultimate recipients but a business income for Altor Equity Partners AB and should be deemed paid out as salary from that company to the individuals who have been the ultimate owners of the carried interest (Stefan Linder being one of them). According to the Swedish Tax Agency, carried interest should therefore be taxed as employment income for the individuals and Altor Equity Partners AB should pay Swedish social security contributions on the same amount. The Swedish Tax Agency has also levied tax surcharges. Stefan Linder has appealed all their reassessment decisions to the Administrative Court, which has declared a stay of proceedings pending a final decision in the proceedings against NC Advisory AB, another Swedish private equity business. Stefan Linder has been granted respite for paying the taxes and tax surcharges pending rulings from the courts. The Administrative Court of Appeal ruled in favour of NC Advisory AB in December 2013. The Swedish Tax Agency appealed the ruling to the Supreme Administrative Court which on 5 November 2014 decided not to grant leave to appeal. The ruling from the Administrative Court of Appeal is therefore final. The ruling should be of relevance for the case concerning Stefan Linder but at the time of the Offering Circular, it is unclear how the Swedish Tax Agency and the courts will proceed.

Stefan Linder has received an assessment of arrears for the income years 2005–2008. The decision was appealed to the Administrative Court and the decision by the Swedish Tax Agency was overruled. The Administrative Court referred the decision regarding the income years 2007 and 2008 back to the Swedish Tax Agency. A new decision has been made by the Swedish Tax Agency and the decision has also been appealed to the Administrative Court. The Swedish Tax Agency has appealed the ruling in respect of the income years for 2005 and 2006 to the Administrative Court of Appeal.

All members of the board of directors and the members of the executive management are available at Dustin's main office at Augustendalsvägen 7, SE 131 52 Nacka Strand, Sweden.

Auditor

Ernst & Young Aktiebolag has been Dustin's auditor since October 2, 2006 and was, at the annual shareholders' meeting 2014, re-elected for a period until the end of the 2015 annual shareholders' meeting. Hamish Mabon (born 1965) is the auditor in charge. Hamish Mabon is an authorised public accountant and a member of FAR (professional institute for authorised public accountants). Ernst & Young Aktiebolag's office address is Jakobsbergsgatan 24, SE-103 99 Stockholm, Sweden. Ernst & Young Aktiebolag has been Dustin's auditor throughout the entire period that the historic financial information in the Offering Circular covers.

CORPORATE GOVERNANCE

Corporate governance

Dustin is a Swedish public limited liability company. Prior to the listing on Nasdaq Stockholm, corporate governance in Dustin was based on Swedish law and internal rules and instructions. Once Dustin is listed on Nasdaq Stockholm, Dustin will also comply with Nasdaq Stockholm's Rule Book for Issuers and be subject to the Swedish Corporate Governance Code (the "**Code**"). The Code applies to all Swedish companies with shares listed on a regulated market in Sweden and shall be fully implemented from the first annual shareholders' meeting held the year following the listing. Dustin is not obliged to comply with every rule in the Code, as the Code itself provides for the possibility to deviate from the rules, provided that any such deviations and the chosen alternative solutions, are described and the reasons therefore are explained in the corporate governance report (the so-called "comply or explain principle").

Dustin will implement the Code from the time of the listing of the shares on Nasdaq Stockholm. Any deviation from the Code will be reported in Dustin's corporate governance report, which will be prepared for the first time for the fiscal year 2014/2015. However, in the first corporate governance report, Dustin is not required to explain non-compliance with rules that have not been applicable during the period covered by the corporate governance report. Currently, Dustin does not expect to report any deviations from the Code in the corporate governance report.

Shareholders' meeting

According to the Swedish Companies Act (2005:551) (Sw. *aktiebolagslagen*), the shareholders' meeting is Dustin's ultimate decision-making body. At the shareholders' meeting, the shareholders exercise their voting rights in key issues, such as approval of annual financial statements, appropriation of Dustin's results, including declaration of dividends, discharge from liability of members of the board of directors and the CEO, election of members of the board of directors and auditors and remuneration to the board of directors and the auditors.

The annual shareholders' meeting must be held within six months from the end of the fiscal year. In addition to the annual shareholders' meeting, extraordinary shareholders' meetings may be convened. According to the articles of association, shareholders' meetings are convened by publication of the convening notice in the Swedish National Gazette (Sw. *Post- och Inrikes Tidningar*) and on Dustin's website. At the time of the notice convening the meeting, information regarding the notice shall be published in Svenska Dagbladet.

Right to participate in shareholders' meetings

Shareholders who wish to participate in a shareholders' meeting must be included in the shareholders' register maintained by Euroclear Sweden on the day falling five workdays prior to the meeting, and notify Dustin of their participation no later than on the date stipulated in the notice convening the meeting. Shareholders may attend the shareholders' meetings in person or by proxy and may be accompanied by a maximum of two assistants. Typically, it is possible for a shareholder to register for the shareholders' meeting in several different ways as indicated in the notice of the meeting. A shareholder may vote on all shares owned or represented by the shareholder.

Shareholder initiatives

Shareholders who wish to have a matter brought before the shareholders' meeting must submit a written request to the board of directors. Such request must normally be received by the board of directors no later than seven weeks prior to the shareholders' meeting.

Nomination committee

Under the Code, Dustin shall have a nomination committee, the purpose of which is to make proposals in respect of the chairman at general meetings, board member candidates including the chairman, fees and other remuneration of each board member as well as remuneration for committee work, election of and remuneration to the external auditor and proposal for nomination committee for the following annual general meeting.

At the extraordinary general meeting held on 30 January, 2015, it was resolved that the nomination committee, ahead of annual general meeting for the fiscal year 2014/2015, shall be composed of representatives of the four largest shareholders listed in the shareholders' register maintained by Euroclear Sweden as of 31 May 2015 and the chairman of the board of directors. The chairman of the board of directors who will also convene the first meeting of the nomination committee. The member representing the largest shareholder shall be appointed chairman of the nomination committee. If earlier than two months prior to the annual general meeting for the fiscal year 2014/2015, one or more of the shareholders having appointed representatives to the nomination committee no longer are among the four largest shareholders, representatives appointed by these shareholders shall resign and the shareholders who then are among the four largest shareholders may appoint their representatives. Should a member resign from the nomination committee before its work is completed and the nomination committee considers it necessary to replace him or her, such substitute member is to represent the same shareholder or, if the shareholder is no longer one of the largest shareholders, the largest shareholder in turn. Changes to the composition of the nomination committee must be announced immediately.

The composition of nomination committee for the annual general meetings shall normally be announced no later than six months before that meeting. Remuneration shall not to be paid to the members of the nomination committee. Dustin is to pay any necessary expenses that the nomination committee may incur in its work. The term of office for the nomination committee ends when the composition of the following nomination committee has been announced.

Board of directors

The board of directors is the second tier decision-making body after the shareholders' meeting. According to the Swedish Companies Act, the board of directors is responsible for the organisation of the company and the overall management of the company's affairs, which means that the board of directors is responsible for, among other things, setting targets and strategies, securing routines and systems for evaluation of targets, continuously assessing the financial condition and profits as well as evaluating the daily management. The board of directors is also responsible for ensuring that annual reports and interim reports are prepared in a timely manner. Moreover, the board of directors appoints the CEO.

Members of the board of directors are normally appointed by a majority of votes on the annual shareholders' meeting for the term until the next annual shareholders' meeting. According to Dustin's articles of association, the members of the board of directors elected on the shareholders' meeting shall be not less than three and not more than ten members with no deputy members.

According to the Code, the chairman of the board of directors is to be elected on the shareholders' meeting and have a special responsibility for leading the work of the board of directors and for ensuring that the work of the board of directors is efficiently organised.

The board of directors must adopt written rules of procedure, which must be revised annually and adopted by the inaugural board meeting every year. Among other things, the rules of procedure govern the practice of the board of directors, functions and the division of work between the members of the board of directors and the CEO. At the inaugural board meeting, the board of directors also adopts instructions for the CEO, including instructions for financial reporting.

The board of directors convenes according to an annual predetermined schedule. In addition to these meetings, additional board meetings can be convened ad hoc to handle issues which cannot be postponed until the next ordinary board meeting. In addition to the board meetings, the chairman of the board of directors and the CEO continuously discuss the management of Dustin.

Currently, Dustin's board of directors consists of six ordinary members elected on the shareholders' meeting. See section "*Board of directors, executive management and auditor*".

Audit committee

Dustin has an audit committee consisting of four members: Maija Strandberg, Fredrik Cappelen, Risto Siivonen and Stefan Linder. The audit committee shall, without affecting the responsibilities and tasks of the board of directors, monitor Dustin's financial reporting, monitor the efficiency of Dustin's internal controls, internal auditing and risk management, keep themselves informed of the auditing of the annual report and the consolidated accounts, review and monitor the impartiality and independence of the auditors and pay close attention to whether the auditors are providing other services besides audit services for Dustin, and assist in the preparation of proposals for the shareholders' meeting's decision on election of auditors.

Remuneration committee

Dustin has a remuneration committee consisting of three members: Fredrik Cappelen, Stefan Linder and Tomas Franzén. The remuneration committee shall prepare matters concerning remuneration principles, remuneration and other employment terms for the CEO and the executive management.

The CEO and other executive management

The CEO is subordinated to the board of directors and is responsible for the daily management and operations of Dustin. The division of work between the board of directors and the CEO is set out in the rules of procedure for the board of directors and the board of directors' instructions to the CEO. The CEO is also responsible for the preparation of reports and information for the board meetings and for the presentation of such materials at the board meetings.

According to the instructions for the financial reporting, which are adopted by the board, the CEO is responsible for the financial reporting in Dustin and consequently must ensure that the board of directors receives adequate information in order for the board of directors to be able to evaluate Dustin's financial condition.

The CEO must continuously keep the board of directors informed of developments in Dustin's operations, the development of sales, Dustin's result and financial condition, liquidity and credit status, important business events and all other events, circumstances or conditions which can be assumed to be of significance to Dustin's shareholders.

The CEO and executive management are presented in section "*Board of directors, executive management and auditor*".

Remuneration to the members of the board of directors, CEO and executive management

Remuneration to the members of the board of directors

Fees and other remuneration to the members of the board of directors, including the chairman, are adopted by the shareholders on the shareholders' meeting. At the annual shareholders' meeting held on December 23, 2014, it was resolved that the fee to the chairman of the board of directors should be SEK 750,000 and that the fee to Mattias Miksche, Tomas Franzén and Maija Strandberg should be SEK 250,000 each. The members of the board of directors are not entitled to any benefits following termination of their assignments as board members.

Remuneration to the board of directors during the fiscal year 2013/2014

The table below presents an overview of remuneration to the board of directors elected by the shareholders for the fiscal year 2013/2014.

Name	Function	Board fee (SEK)
Fredrik Cappelen	Chairman	750,000
Tomas Franzén	Board member	250,000
Stefan Linder	Board member	0
Mattias Miksche	Board member	250,000
Risto Siivonen[1)]	Board member	0
Maija Strandberg	Board member	250,000
Total		**1,500,000**

1) Risto Siivonen was elected as board member on the annual shareholders' meeting on 23 December 2014.

Guidelines for remuneration to the CEO and other executive management

The first annual shareholders' meeting to be held following the listing on Nasdaq Stockholm will resolve on guidelines which shall apply in relation to remuneration to the CEO and the other members of the executive management.

Incentive program

At the extraordinary general meeting held on the 30 January 2015, it was resolved to issue warrants as part of incentive programs for management and key employees. In total the incentive program currently comprises 10 individuals and not more than 1,070,000 warrants. The participants of the incentive program will be offered to acquire warrants at market value corresponding in total to SEK 6 million (based on the midpoint of the price range in the Offering) according to the Black & Scholes valuation principle. The maximum number of warrants that may be acquired by the participants corresponds to 1.5 per cent of Dustin's share capital and votes following the Offering but excluding the shares issued by Dustin in the Offering. The warrants expire on 30 June 2018 and can, under the terms and conditions be exercised to the exercising price corresponding to 119 per cent of the Offering price. If a change of control (as defined in the terms and conditions for the warrants) would occur during the term of the warrants the warrants can immediately be used for subscription to new shares to a re-counted exercising price. Dustin has reserved the right to repurchase the warrants if the participant's employment or assignment in the Group ceases, or if the participant wishes to transfer its warrants.

Current employment agreements for the CEO and other executive management

Decisions as to the current remuneration levels and other conditions for employment for the CEO and the other members of the executive management have been resolved by the board of directors.

The table below presents an overview of remuneration to the CEO and other members of executive management for the fiscal year 2013/2014.

SEK thousand Name	Gross salary	Variable remuneration	Other benefits	Pension costs	Total
Georgi Ganev, CEO	3,000	1,380	110	471	4,961
Other executive management	3,993	1,430	169	628	6,220
Total	**6,993**	**2,809**	**279**	**1,099**	**11,182**

Agreements concerning pensions are and will continue to be, when possible, based on fixed premiums and must be in accordance with the levels, practice and collective bargaining agreements applicable in the country where the relevant member of the executive management is employed.

For members of the executive management domiciled in Sweden, the employee and employer are entitled to a mutual period of notice of six months, except in respect of the CEO where the notice period is twelve months if the employment agreement is terminated by Dustin.

Auditing

The auditor shall review Dustin's annual reports and accounting, as well as the management of the board of directors and the CEO. Following each fiscal year, the auditor shall submit an audit report of Dustin and a consolidated audit report of the Group to the annual shareholders' meeting.

Pursuant to Dustin's articles of association, Dustin shall have not less than one and not more than two auditors and not more than two deputy auditors. Dustin's current auditor is Ernst & Young Aktiebolag, with Hamish Mabon as auditor in charge. Dustin's auditor is presented in more detail in section "*Board of directors, executive management and auditor*".

SHARE CAPITAL AND OWNERSHIP STRUCTURE

General information

Pursuant to Dustin's articles of association, Dustin's share capital may not be less than SEK 150,000,000 and not more than SEK 600,000,000 and the number of shares may not be less than 30,000,000 and not more than 120,000,000. As at the date of the Offering Circular, Dustin has issued a total of 32,320,242 shares. The shares are denominated in SEK and the nominal value of each share is SEK 5.

All shares in Dustin have been issued pursuant to Swedish law. All issued shares have been fully paid and are freely transferrable.

The offered shares are not subject to a mandatory offering, redemption rights, sell-out obligations or similar. No public takeover offer has been made for the offered shares during the current or preceding fiscal year.

Changes in connection with the listing

Share capital structure

In connection with the listing of Dustin's shares on Nasdaq Stockholm, all existing shares of series A, series B and series C will be converted into shares with rights equivalent to the current series A shares (the "**Conversion**"), whereby Dustin will have only one share class following the Offering.

As a result of a previous incentive program, current and certain previous members of the board of directors, members of the executive management, other key employees and the Principal Owner holds warrants in Dustin. Prior to the listing, the Principal Owner will, in two steps, convert its warrants into shares. In the first step, the Principal Owner will set off part of a shareholder loan against the cost of subscribing for new shares based on the warrants (the "**Set-off**"). In the second step, Dustin will repurchase the remaining warrants held by the Principal Owner (the "**Repurchase**"). Through the Repurchase, Dustin will incur a debt towards the Principal Owner, which will be set off by way of an issue of new shares to the Principal Owner (the "**Set-off Issuance**"). Both the Repurchase and the Set-off Issuance will be carried out based on a value corresponding to SEK 51, i.e. the highest price in the price range. In the event that the Offering price is lower than SEK 51, current shareholders (other than the Principal Shareholder) as per the date of the Offering Circular would have been diluted to a greater extent as the Principal Owner would receive more shares than if the Repurchase and the Set-off Issuance were carried out at a share price corresponding to the Offering price. Under an agreement with the respective current shareholders, the Principal Owner will compensate for this dilution by re-allocating existing shares, whereby the value distribution will be the same as if the Repurchase and the Set-off Issuance had been carried out based on a value per share corresponding to the Offering price.

Following the Repurchase and the Set-off Issuance the only warrants outstanding will be held by certain current and previous members of the board of directors, members of the executive management and other key employees. All of these warrants will be exercised by each holder within five days following the completion of the Offering, for more information please see section "*Share Capital and ownership structure – Convertibles, warrants etc.*".

In the Offering Circular ownership and shareholdings are stated based on the assumption that all of the above mentioned measures for converting warrants into shares has been carried out and that the Repurchase and the Set-off Issuance has been carried out based on a value corresponding to the mid-point in the price range.

Existing shareholders' sale and reinvestment

Current and certain previous members of the board of directors, management and other key employees that through ownership of shares and warrants have a significant exposure in Dustin will, in connection with the Offering, be given the opportunity to sell shares to finance the reinvestment required to subscribe for new shares by virtue of the warrants held by them. In addition to the sales made to implement the reinvestment those shareholders also have been offered an opportunity to sell shares equivalent to 25 per cent (three existing shareholders have been offered an opportunity to sell shares equivalent to 50 per cent) of the net value of the shares and warrants.

In connection with Dustin's acquisitions of Computerstore and Businessforum, the sellers was partly paid in shares in Dustin. Such shareholders will, in connection with the Offering, sell the same portion of its shares as the Principal Owner.

To carry out the sales in accordance with the above, these shareholders will sell the shares to be sold in the Offering to the Principal Owner. All existing shares acquired by investors in the Offering will thus be offered by the Principal Owner.

Certain rights associated with the shares

The offered shares are all of the same class. The rights associated with the shares issued by Dustin, including those pursuant to the articles of association, can only be amended in accordance with the procedures set out in the Swedish Companies Act (2005:551).

Voting rights

Each share in Dustin entitle the holder to one vote at shareholders' meetings and each shareholder is entitled to cast votes equal in number to the number of shares held by the shareholder in Dustin.

Preferential rights to new shares etc.

If Dustin issues new shares, warrants or convertibles in a cash issue or a set-off issue, shareholders shall, as a general rule, have preferential rights to subscribe for such securities proportionally to the number of shares held prior to the issue.

Rights to dividends and balances in case of liquidation

All shares give equal rights to dividends and Dustin's assets and possible surpluses in the event of liquidation.

Resolutions regarding dividend are passed on shareholders' meetings. All shareholders registered as shareholders in the share register maintained by Euroclear Sweden on the record date (as adopted on the shareholders' meeting) shall be entitled to receive dividends. Dividends are normally distributed to shareholders as a cash payment per share through Euroclear Sweden, but may also be paid out in a manner other than cash (in-kind dividend). If shareholders cannot be reached through Euroclear Sweden, such shareholder still retains its claim against Dustin to the dividend amount, subject to a statutory limitation of ten years. Upon the expiry of the period of limitations, the dividend amount shall transfer to the company.

There are no restrictions on the right to dividends for shareholders domiciled outside Sweden. Shareholders not resident in Sweden for tax purposes must normally pay Swedish withholding tax, see also section "*Tax considerations – Swedish tax considerations*".

Central securities register

Dustin's shares are registered in a CSD register in accordance with the Swedish Financial Instruments Accounts Act (1998:1479). This register is managed by Euroclear Sweden AB, Box 191, SE-101 23 Stockholm. No share certificates have been issued for Dustin's shares. The account operator is Nordea. The ISIN code for Dustin's shares is SE0006625471.

Share capital development

The below table shows historic changes in Dustin's share capital since 2006, and the changes in the number of shares and the share capital which will be made in connection with the listing of Dustin's shares on Nasdaq Stockholm.

		Change in number of shares				Number of shares after the transaction				Share capital	
Time	Event	Ordinary shares	Class A shares	Class B shares	Class C shares	Ordinary shares	Class A shares	Class B shares	Class C shares	Change	Total
2006-05-04	Formation		100,000	–	–		100,000	–	–	100,000	100,000
2006-10-05	New issue		54,446,670	–	–		54,546,670	–	–	54,446,670	54,546,670
2006-10-05	New issue		51,520,000	–	–		106,066,670	–	–	51,520,000	106,066,670
2007-02-13	New issue		–	8,779,630	–		106,066,670	8,779,630	–	8,779,630	114,846,300
2007-06-21	New issue		–	3,072,871	–		106,066,670	11,852,501	–	3,072,871	117,919,171
2007-06-21	New issue		–	877,963	–		106,066,670	12,730,464	–	877,963	118,797,134
2007-09-11	Issue in kind		–	–	18,874,834		106,066,670	12,730,464	18,874,834	18,874,834	137,671,968
2008-04-22	New issue		–	1,788,758	–		106,066,670	14,519,222	18,874,834	1,788,758	139,460,726
2008-06-18	New issue		–	170,358	–		106,066,670	14,689,580	18,874,834	170,358	139,631,084
2010-05-28	New issue		–	1,656,113	–		106,066,670	16,345,693	18,874,834	1,656,113	141,287,197
2011-08-11	New issue		–	1,793,771	–		106,066,670	18,139,464	18,874,834	1,793,771	143,080,968
2012-10-10	Issue in kind		–	682,283	–		106,066,670	18,821,747	18,874,834	682,283	143,763,251
2012-10-10	Issue in kind		–	2,331,135	–		106,066,670	21,152,882	18,874,834	2,331,135	146,094,386
2013-06-03	New issue		–	419,642	–		106,066,670	21,572,524	18,874,834	419,642	146,514,028
2013-06-04	Set-off issuance		–	10,371,672	–		106,066,670	31,944,196	18,874,834	10,371,672	156,885,700
2013-08-15	Set-off issuance		–	4,346,541	–		106,066,670	36,290,737	18,874,834	4,346,541	161,232,241
2014-03-26	New issue		–	368,973	–		106,066,670	36,659,710	18,874,834	368,973	161,601,214
2015-01-19	Reversed split		−84,853,336	−29,327,768	−15,099,968		21,213,334	7,331,942	3,774,966	–	161,601,214
2015-02-13	Conversion	32,320,242	−21,213,334	−7,331,942	−3,774,996	32,320,242	–	–	–	–	161,601,214
2015-02-13	Subscription based on warrants	9,896,557	–	–	–	42,216,799	–	–	–	49,482,786	211,084,000
2015-02-13	Set-off issuance	20,733,515	–	–	–	62,950,314	–	–	–	103,667,578	314,751,578
2015-02-17	New issue in connection with the Offering[1)]	5,208,333	–	–	–	68,158,647	–	–	–	26,041,666	340,793,578
2015-02-18	Subscription based on warrants	8,222,801	–	–	–	76,381,448	–	–	–	41,114,006	381,907,249

1) Based on full subscription in the Offering and an Offering price set at the midpoint of the price range in the Offering (SEK 48).

Convertibles, warrants, etc.

At the time of the listing of Dustin's shares on Nasdaq Stockholm, there will be 41,114,314 warrants from a previous incentive program outstanding in Dustin. The warrants are held by current and certain previous members of the board of directors, members of the executive management and other key employees and entitle to in aggregate 8,222,801 new shares. The warrant holders have undertaken, within five days from the completion of the Offering, to subscribe for all new shares based on the warrants. The warrant holders will be given the opportunity to, through the Principal Owner, sell shares to cover the subscription for shares based on warrants. By way of the subscription, Dustin will receive SEK 115,695,500, which corresponds to the Set-off issuance amount outstanding under the Principal Owner's shareholder loan following the Set-off.

The board of directors intends to settle the shareholder loan with the proceeds from the subscription of shares based on the warrants.

In the Offering Circular ownership and shareholdings are stated based on the assumption that the above mentioned subscription of shares based on warrants has been carried out.

Except for what is mentioned above and in the section "*Corporate governance – Remuneration to the members of the board of directors, CEO and executive management – Incentive program*", there will be no outstanding warrants, convertibles or other share related instruments in Dustin at the time of the listing of Dustin's shares on Nasdaq Stockholm.

Ownership structure

The table below sets forth Dustin's ownership structure immediately before the Offering, with the assumption that the "Other shareholders" are not selling shares to cover transaction costs and directly after completion of the Offering, based on full subscription in the Offering and an Offering price set at the midpoint of the price range in the Offering SEK 48).

	Shareholding before the Offering[1)]		**After the Offering (if the Over-allotment option is not exercised)**		**After the Offering (if the Over-allotment option is exercised in full)**	
Shareholder	**Number**	**Per cent**	**Number**	**Per cent**	**Number**	**Per cent**
Shareholders with holdings exceeding 5 per cent of the shares						
Altor Fund II GP Limited	52,549,259	73.8	30,711,593	40.2	25,973,913	34.0
Investeringsselskabet af 4. juli 2007 Aps	3,791,491	5.3	2,225,165	2.9	1,885,351	2.5
Shareholding members of the Board of Directors and executive management and other shareholders						
Fredrik Cappelen, held through company	574,099	0.8	431,326	0.6	431,326	0.6
Tomas Franzén	74,973	0.1	56,373	0.1	56,373	0.1
Mattias Miksche	436,931	0.6	328,275	0.4	328,275	0.4
Maija Strandberg	74,973	0.1	56,373	0.1	56,373	0.1
Georgi Ganev	380,556	0.5	286,111	0.4	286,111	0.4
Johan Karlsson	374,701	0.5	281,528	0.4	281,528	0.4
Göran Lindö, partly held through company	293,303	0.4	147,589	0.2	147,589	0.2
Other shareholders	10,216,321	14.4	7,485,461	9.8	7,407,209	9.7
Total	**68,766,607**	**96.6**	**42,009,794**	**55.0**	**36,854,048**	**48.2**
Shares sold to finance reinvestment	2,406,508	3.4	–	–	–	–
New shareholders[2)]	–	–	34,371,654	45.0	39,527,400	51.8
Total	**71,173,115**	**100.0**	**76,381,448**	**100.0**	**76,381,448**	**100.0**

1) Includes shares that holders of warrants have undertaken to, shortly after the listing, subscribe for based on warrants. Shares sold to finance such subscription has been placed under "Shares sold to finance reinvestment".
2) New shareholders includes Cornerstone Investors.

Lock up-arrangements, etc.

Under the placing agreement which is expected to be entered into on or around 12 February, 2015, the Principal Owner, current and certain previous shareholding members of the board of directors and certain shareholding employees within the Group, including executive management, will undertake, with certain exceptions, not to sell their respective holdings for a certain period after trading on Nasdaq Stockholm has commenced (the "**Lock-up Period**"). The Lock-up Period for the Principal Owner and the sellers of Computerstore and Businessforum will be 180 days, and the Lock-up Period for the shareholdings of current and certain previous members of the board of directors and certain shareholding employees within the Group, including executive management, will be 360 days. At the end of the respective Lock-up Periods, the shares may be offered for sale. Such subsequent sales may affect the market price of the share. Joint Global Coordinators may agree to certain exceptions from these undertakings. Pursuant to the agreement on placing of shares, Dustin will undertake, with certain exceptions, towards the Managers not to, among other things, resolve or propose to the shareholders' meeting an increase of the share capital through issuance of shares or other financial instruments for a period of 180 days from the first day of trading of Dustin's shares on Nasdaq Stockholm without a written consent from the Joint Global Coordinators. See section "*Legal considerations and supplementary information – Placing agreement*".

ARTICLES OF ASSOCIATION

Articles of association for Dustin Group AB (publ), registration number 556703-3062, adopted by the extraordinary shareholders' meeting on 30 January 2015.

1 § Name
The company's name is Dustin Group AB. The company is a public limited liability company (publ).

2 § Registered office
The board of directors' registered office shall be situated in Stockholm, Sweden.

3 § Object of the company's business
The object of the company's business is to, directly or indirectly through subsidiaries, (i) carry out trade in goods and services in the IT and electronics industry, (ii) carry out leasing of movable property and other financial operations, (iii) own and administer securities and (iv) carry out other activities compatible therewith.

4 § Share capital and shares
The share capital shall be not less than SEK 150,000,000 and not more than SEK 600,000,000. The number of shares shall be not less than 30,000,000 and not more than 120,000,000.

5 § Euroclear company
The company's shares shall be registered in a securities register in accordance with the Swedish Financial Instruments Accounts Act (1998:1479).

6 § Board of directors
The board of directors elected by the shareholders' meeting shall consist of not less than three (3) and not more than ten (10) with no deputy members.

7 § Auditor
The company shall have not less than one (1) and not more than two (2) auditors and not more than two (2) deputy auditors. As auditor and, when applicable, deputy auditor, an authorised public accountant or a registered public accounting firm shall be elected.

8 § Notice of shareholders' meeting
Notice of shareholders' meetings shall be published in the Swedish Official Gazette and be kept available on the company's website. At the time of the notice, an announcement with information that the notice has been issued shall be published in Svenska Dagbladet.

9 § Participation in shareholders' meetings
A shareholder, who wants to participate in a shareholders' meeting must be registered as shareholder in such a transcription or report of the entire share register as referred to in Chapter 7 Section 28 third paragraph of the Swedish Companies Act (2005:551), as regards the fact five weekdays prior to the meeting, and notify the company not later than on the day specified in the notice of the meeting. The aforementioned day must not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and not fall earlier than the fifth weekday prior to the meeting. If a shareholder wishes to be joined by counsel (not more than two counsels) at the shareholders' meeting, the number of counsels must be stated in the notice of participation.

10 § Place for shareholders' meetings
Shareholders' meetings shall be held in Stockholm or Nacka.

11 § Business at shareholders' meetings
The following business shall be addressed at annual shareholders' meetings:

1. election of a chairman of the meeting;
2. preparation and approval of the voting list;
3. approval of the agenda;
4. election of one or two persons who shall approve the minutes of the meeting;
5. determination of whether the meeting was duly convened;
6. submission of the annual report and the auditors' report and, where applicable, the consolidated financial statements and the auditors' report for the group;
7. resolutions regarding:
    a. adoption of the income statement and the balance sheet and, when applicable, the consolidated income statement and the consolidated balance sheet;
    b. allocation of the company's profits or losses in accordance with the adopted balance sheet;
    c. discharge of the members of the board of directors and the managing director from liability;
8. determination of the number of members and deputy members of the board of directors to be elected by the shareholders' meeting and the number of auditors and, where applicable, deputy auditors;
9. determination of fees for members of the board of directors and auditors;
10. election of the members of the board of directors
11. election of auditors and, where applicable, deputy auditors;
12. other matters, which should be resolved by the shareholders' meeting according to the Swedish Companies Act or the company's articles of association.

12 § Fiscal year
The company's fiscal year shall be 0901-0831.

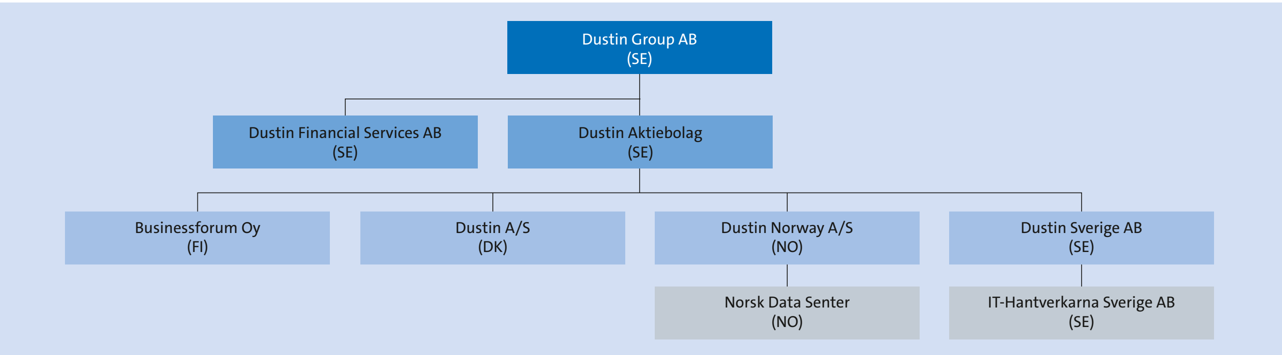
LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

Legal group structure

Dustin's business is conducted in accordance with the Swedish Companies Act. The parent company Dustin Group AB (publ) (registration number 556703-3062) is a Swedish public limited liability company which was founded on 11 April 2006 and registered with the Swedish Companies Registration Office on 4 May 2006. Dustin's registered office is situated in Stockholm, Sweden.

Dustin is currently the parent company of 8 subsidiaries, including subsidiaries in Finland, Norway and Denmark.

The Group structure after the completion of the merger is shown in the chart below.



Material agreements

Companies within the Group purchase products (such as hardware and software) from a number of suppliers and sell such products – as a one-stop-shop – to a large number of customers. In addition, the Group offers add-on services and complementary services to its customers.

Supply agreements

The Group sources products from both manufacturers and distributors. The supply agreements differ in degrees of details from only a few sentences stating only the agreed "kick-back bonus"-level to detailed agreements that include provisions on the use of the supplier's brands and/or the allowed forms and methods of selling the products. The Group aims to put Nordic-wide supplier agreements in place. Currently, supplier agreements are entered into by the relevant subsidiary of Dustin.

The supply agreements that concern the products and services sold by Dustin are typically so-called "call on" agreements, i.e. agreements pursuant to which the Group is not required to purchase minimum or fixed volumes of certain products or services from any supplier. Instead, Dustin or the subsidiary which has entered into the agreement can choose when and how many products or services to order on the agreed terms. Generally, manufacturers dictate more of their own terms, while a Dustin standard supply agreement has been used for the majority of the distributors.

Due to the agreements being framework agreements, most agreements do not include prices. However, there are a number of agreements (including Dustin's standard template) which offer price protection, meaning that if the supplier lowers its prices for products that are still held in stock by Dustin, Dustin is compensated. This protection typically lasts the first 60 days following the time when the Dustin received the product.

Generally, the suppliers offer a warranty on functionality to the end-customer which is valid for one or two years for B2B and consumer customers respectively. Dustin's possibility to be indemnified for damages (for example resulting out of claims from end-customers) as a result of selling those products or services is capped by several of the larger suppliers, who have capped their liability towards Dustin in relation to the total amount purchased, the price of the order of a product or service or any other amount.

Dustin is not limited in respect of purchasing products from different suppliers. However, many agreements contain a "kick-back bonus" which incentivise Dustin to use that supplier. Dustin is not exclusively dependent on any supplier in respect of a product as Dustin can change supplier due to substantial product overlap among suppliers.

Customer agreements

Small and medium-sized companies and consumers

In general, Dustin's sales made to small and medium-sized companies and consumers are made in accordance with Dustin's general terms and conditions which are relatively balanced. The agreements are usually entered into by Dustin Aktiebolag or the relevant foreign subsidiary of Dustin.

Large corporations and public organisations

Customer agreements with large corporations and public organisations, which are typically not based on the Group's general terms, and are usually entered into using the customers' templates and can be considered as relatively customer friendly with respect to sanctions and other undertakings.

Many of the large corporations and public organisations make their purchases with orders based on framework agreements that are signed in relation to certain type of product. In respect of authorities and municipalities, with procurement needs such entities can, based on the framework agreement, enter into individual agreements with Dustin on the same general terms and conditions, without going through the process mandated by the public procurement rules. Public organisations that sign such an individual tag-along agreement will then be able to negotiate its specific terms, such as the length of the contract, quantity, price and any other terms specific to, and needed by, that customer. Dustin is not obligated to enter into individual agreements with new public organisations but failure to do so, or to perform adequately under the agreements, might result in an early termination of the framework agreement. Some examples of this type of agreements are Dustin's framework agreement with Kammarkollegiet, Businessforum's framework agreements with the municipal procurement company KL-Kuntahankinnat and the government's procurements organisation Hansel. The total net sales under these agreements were approximately SEK 470 million, approximately EUR 60 million and approximately EUR 23 million respectively under the fiscal year 2013/2014. The agreements will expire between 2015 and 2018. Two of the agreements with Kammarkollegiet will expire in July 2015. During the fiscal year 2013/2014 the two agreements amounted to approximately SEK 80 million of the total net sales in respect of Kammarkollegiet. Dustin has been given notice that these agreements will not be extended.

The Group's framework agreements with both large corporations and public organisations often contain certain terms and conditions which the Group cannot direct towards its suppliers, such as longer warranties than what is usually attached to the product, penalty for delay in deliveries and obligation to repair certain customers' products within two days.

Share purchase agreement in respect of Dustin's acquisition of Dustin Aktiebolag

Under the share purchase agreement regarding transfer of the shares in Dustin Aktiebolag (the then parent company in the Group) entered into on 2 August 2006 the sellers, Investment Stångsundet AB and Lennart Laurén, are entitled to an additional purchase price of up to SEK 125 million, contingent on the Principal Owner's return on the investment in Dustin. On 19 December 2012 Dustin paid SEK 65 million of the additional purchase price. The final calculation of the additional purchase price will be made following the listing, but Dustin's assessment is that the highest additional amount, i.e. SEK 60 million, will have to be paid. Dustin has made reservations for that entire amount in its financial statements.

Financing agreements

For information regarding Dustin's financing arrangements, see "*Capitalisation, indebtedness and other financial information – Capital structure in connection with the listing – Bank debt*".

Intellectual property

The Group is the registered owner of several domain names, such as, dustin.se, dustinhome.se, dustingroup.se, dustinexpo.se, ithantverkarna.se and it-hantverkarna.se.

Dustin has registered DUSTIN and DUSTIN HOME as trademarks (word and device) in Denmark and in Norway. Dustin has also made applications for registration of DUSTIN and DUSTIN HOME as trademarks in Sweden and in Finland and as a Community Trademark (which covers all EU countries), however these have not been granted registration due to earlier Community Trademark registrations with the wording DUSTIN which are held by El Corte Inglés, S.A. ("**El Corte Inglés**"), a company incorporated in Spain. The application regarding registration of DUSTIN (the word mark) as a Community Trademark has been refused and as regards the other applications a stay in the proceedings have been decided while awaiting decisions since Dustin has applied for cancellation of El Corte Inglés trademark registrations in relevant classes (due to non-use).

Since some time Dustin is discussing with El Corte Inglés the possibility of entering into a co-existence agreement. Should the parties not enter into such co-existence agreement, it is likely that Dustin will not succeed in having its applications for trademark registrations registered and there is a risk that Dustin can be prevented from using the trademark DUSTIN within the EU-area. In Sweden, Dustin has some protection through a trade name registration which is registered earlier than El Corte Inglés Community Trademark registrations.

Insurance

The Group has insurance against property damage including goods, machinery and equipment, and business interruption losses. In addition, there are insurance policies for liability, personnel, legal protection, crime against property, fire, water damage, business travels, directors & officers and customer accident.

Dustin assesses that its insurances are adequate for the risks normally associated to Dustin's business. However, there is no guarantee that Dustin will not suffer losses not covered by insurances.

Legal proceedings

Dustin is involved in a number of legal proceedings that have arisen in the ordinary course of the business. Dustin does not expect the legal proceedings in which Dustin or any Group company is involved or with which Dustin has been threatened to have a material adverse effect on Dustin's business or consolidated financial condition. The outcome of legal proceedings, however, can be extremely difficult to predict with certainty, and Dustin can offer no assurances in this regard. For further information see "*Risk factors – Disputes, claims, investigations and proceedings may lead to Dustin having to pay damages or cease with certain operations*".

Placing agreement

According to the terms of an agreement on placing of shares which is intended to be signed on or around 12 February 2015 between Dustin, the Principal Owner and the Managers (the "**Placing agreement**"), the Principal Owner and Dustin undertake to divest respective issue the shares included in the Offering respectively divest and to the purchasers indicated by the Managers. If the Managers fail to indicate sufficient purchasers, the Managers have undertaken to acquire the necessary amount of shares comprised by the Offering. The Principal Owner also intends to grant an Over-allotment option, whereby it pledges at the request of the Joint Global Coordinators at the latest 30 days from the first day of trading in Dustin's shares to divest an additional amount of up to 15 per cent of the shares, corresponding to approximately 6.7 per cent of the total number of shares in Dustin. The Over-allotment option may only be exercised in order to cover possible over-allotments in the Offering.

Pursuant to the Placing agreement, Dustin makes customary representations and warranties to the Managers, primarily in relation to the information in the Offering Circular being correct, the Offering Circular and the Offering fulfilling requirements in laws and regulation no legal, or other, hindrances persisting for Dustin to enter into the agreement or for the completion of the Offering. Pursuant to the Placing agreement, the Managers' commitment to indicate purchasers to or, if the Managers fail to do so, themselves acquire the shares comprised by the Offering is conditional upon, among other things, the representations and warranties of Dustin and the Principal Owner being correct. Pursuant to the Placing agreement, Dustin will, subject to customary qualifications, undertake to indemnify the Managers against certain claims under certain conditions.

Pursuant to the Placing agreement, the Principal Owner undertakes, with customary conditions, not to sell its shares during the lock-up period (see further in section "*Share capital and ownership structure – Lock up-arrangements, etc.*"). Pursuant to the Placing agreement, Dustin also undertakes, not to (i) issue, offer, pledge, sell, undertake to sell or otherwise transfer or divest, directly or indirectly, any shares in Dustin or any other securities which are convertible to or can be exercised or exchanged for such shares, or (ii) purchase or sell options or other instruments or enter into swap agreements or other arrangements which wholly or partly assign financial risk associated with ownership of Dustin to another party prior to 180 days at the earliest after the date when trading starts on Nasdaq Stockholm. The Joint Global Coordinators are entitled, however, to grant exemptions from these limitations.

Stabilisation

In connection with the Offering, the Joint Global Coordinators, or person acting on their behalf, may engage in transactions aimed at supporting the market price of the shares at levels above those which might otherwise prevail in the open market. Such stabilisation transactions may be effected on Nasdaq Stockholm, in the over-the-counter market or otherwise, at any time during the period starting on the date of commencement of trading in the shares on Nasdaq Stockholm and ending not later than 30 calendar days thereafter. The Joint Global Coordinators are, however, not required to undertake any stabilisation and there is no assurance that stabilisation will be undertaken.

Stabilisation, if undertaken, may be discontinued at any time without prior notice. In no event will transactions be effected at levels above the Offering price. Within one week of the end of the stabilisation period, the Joint Global Coordinators will make pubic whether or not stabilisation was undertaken, the date at which stabilisation started, the date at which stabilisation last occurred and the price range within which stabilisation was carried out, for each of the dates during which stabilisation transactions were carried out.

Related party transactions

Dustin carries out transactions with certain suppliers and customers defined as affiliated parties. These transactions are part of Dustin's normal business transactions and the aggregate amount is not significant. For further information on transaction with affiliated parties, see section "*Borrowing and related party transactions*" in the Interim financial information for the period 1 September – 30 November 2014 on page F-11] and note 34 in the audited financial information on page F-56 together with note 7 in the audited financial information in pages F-41–F-42 regarding employees, personnel costs, pensions and remuneration to the board of directors. See also section "*Legal considerations and supplementary information – Interests of advisors*".

After November 30, 2014 no transactions with related parties have occurred that have not been normal business transactions with significant amounts.

All transactions with related parties has been carried out at arm's length.

Interests of advisors

The Managers provide financial advisory and other services to Dustin and the Principal Owner in connection with the Offering, for which they will receive a commission from the Principal Owner and Dustin equal to 2 per cent of the gross proceeds of the shares sold in the Offering. In addition, Dustin and the Principal Owner may choose to pay to the Managers a discretionary fee, the amount and allocation of which is to be determined on the first day of trading in Dustin's shares on Nasdaq Stockholm. The total compensation received by the Managers is dependent on the success of the Offering. Dustin's share of the commission to the Managers corresponds to the proportion of the Offering which consists of newly issued shares.

From time to time, the Managers provide services in the ordinary course of business to the Principal Owner and parties affiliated to the Principal Owner in connection with other transactions.

Per the day of the Offering Circular, Nordea Bank Danmark A/S, whose parent company is Nordea Bank AB (publ), indirectly through Nordea Private Equity II Global Fund of Funds K/S and Nordea Private Equity II European Middle Market Buyout K/S, has economic interest in Altor Fund II corresponding to a total of 0.1 per cent. Furthermore, subsidiaries of Nordea Life Holding AB, whose parent company is Nordea Bank AB (publ), indirectly through Nordea Private Equity II Global Fund of Funds K/S and Nordea Private Equity II European Middle Market Buyout K/S, have economic interest in Altor Fund II corresponding to 0.6 per cent.

Carnegie is one of two Joint Global Coordinators in the Offering. Altor Fund III indirectly owns 68 per cent of Carnegies parent company, Carnegie Holding AB. Altor Equity Partners AB is investment advisor to both the Principal Owner and Altor Fund III. Neither Carnegie nor any of its subsidiaries have any direct or indirect ownership in Dustin.

Additionally, Nordea is also lender to Dustin.

Income and costs related to the Offering

Dustin's gross revenue from the Offering amounts to approximately SEK 250 million. Dustin will not receive any proceeds from the selling of shares from the Principal Owner in the Offering and the proceeds Dustin receives from the subscription of shares by the utilisation of warrants the board of directors intends to settle the shareholder loan, which is discussed in the section "*Share capital and ownership structure*" is separated from the Offering.

Dustin's costs associated with the listing on Nasdaq Stockholm and the Offering are expected to amount to approximately SEK 21 million. Such costs are mainly related to costs for auditors, attorneys, printing of the Offering Circular, costs related to management presentations, etc. Dustin's costs for commission to the Managers will not amount to more than SEK 8.75 million. As consideration for Managers work in connection with the admission to trading on Nasdaq Stockholm and the Offering, the Managers will be, subject to certain reservations, be reimbursed by Dustin for certain costs incurred by them.

Documents available for inspection

Dustin's (i) articles of association, and (ii) annual reports for the fiscal years 2011/2012–2013/2014, including auditors' reports, are available for inspection during office hours at Dustin's head office at Augustendalsvägen 7, SE 131 52 Nacka Strand, Sweden.

Subscription undertakings

Axel Johnson AB, The Fourth Swedish National Pension Fund and Swedbank Robur Fonder have on 30 January 2015 agreed with the Joint Global Coordinators, the Principal Owner and Dustin to, directly or indirectly through subsidiaries, acquire shares in the Offering, on the same terms and conditions as for other investors, corresponding to 10, 5 and 5 per cent of the total number of shares in Dustin after completion of the Offering. Hence, the Offering is secured up to approximately 38.6 per cent (provided full exercise of the Over-allotment option and an Offering price set at the midpoint of the price range (SEK 48)).

The Cornerstone Investors will not receive any compensation for their respective undertakings and the Cornerstone Investors' investments are made on the same terms and conditions as for other investors in the Offering. The Joint Global Coordinators, the Principal Owner and Dustin's board of directors deem the Cornerstone Investors' credit worthiness sound and that they meet their respective undertakings. The Cornerstone Investors' undertakings are however not secured through a bank guarantee, blocked funds or pledge of collateral or similar arrangement. The Cornerstone Investors undertakings are associated with certain conditions relating to, among other things, that a certain dispersion of Dustin's shares is achieved in connection with the Offering. In the event that any of these conditions are not fulfilled, there is a risk that the Cornerstone Investors do not fulfil their undertakings.

Cornerstone Investor	Subscription undertaking (% of the total number of shares in Dustin after completion of the Offering)	Number of shares[1)]
Axel Johnson AB	10	7,638,144
The Fourth Swedish National Pension Fund	5	3,819,072
Swedbank Robur Fonder	5	3,819,072
Total	**20**	**15,276,288**

1) Based on full subscription in the Offering and the midpoint of the price range in the Offering (SEK 48).

Description of Cornerstone Investors

Axel Johnson AB

Axel Johnson is one of the leading retail groups in the Nordic region. During 2013 the wholly and partly owned companies in Axel Johnson had an annual sales of SEK 71 billion and approximately 22,000 employees.

The Fourth Swedish National Pension Fund

The Fourth Swedish National Pension Fund is a Swedish government authority with the mission of contributing to the stability of the retirement pension system through the management of the fund capital. The fund is focused on creating long-term returns through active management and at the end of 2013 the fund had SEK 276 billion under management.

Swedbank Robur Fonder

Swedbank Robur Fonder is one of Scandinavia's largest mutual fund managers and a wholly owned subsidiary of Swedbank. Swedbank Robur offers savings products for private individuals and institutional clients through investment funds and discretionary investment management.

TAX CONSIDERATIONS

Swedish tax considerations

Below is a summary of certain Swedish tax issues related to the Offering and the admission for trading of the shares in Dustin on Nasdaq Stockholm for private individuals and limited liability companies that are residents of Sweden for tax purposes, unless otherwise stated. The summary is based on current legislation and is intended to provide general information only regarding the shares in Dustin as from the admission for trading on Nasdaq Stockholm.

The summary does not cover:

- *situations where shares are held as current assets in business operations;*
- *situations where shares are held by a limited partnership or a partnership;*
- *situations where shares are held in an investment savings account (Sw. investeringssparkonto);*
- *the special rules regarding tax-free capital gains (including non-deductible capital losses) and dividends that may be applicable when the investor holds shares in Dustin that are deemed to be held for business purposes (for tax purposes);*
- *the special rules which in certain cases may be applicable to shares in companies which are or have been so-called close companies or to shares acquired by means of such shares;*
- *the special rules that may be applicable to private individuals who make or reverse a so-called investor deduction (Sw. investeraravdrag);*
- *foreign companies conducting business through a permanent establishment in Sweden; or*
- *foreign companies that have been Swedish companies.*

Further, special tax rules apply to certain categories of companies. The tax consequences for each individual shareholder depend to some extent on the holder's particular circumstances. Each shareholder is advised to consult an independent tax advisor as to the tax consequences that could arise from the Offering and the admission for trading of the shares in Dustin on Nasdaq Stockholm, including the applicability and effect of foreign tax legislation (including regulations) and provisions in tax treaties for the avoidance of double taxation.

Private individuals

For private individuals resident in Sweden for tax purposes, capital income such as interest income, dividends and capital gains is taxed in the capital income category. The tax rate in the capital income category is 30 per cent.

Capital losses on listed shares may be fully offset against taxable capital gains the same year on shares, as well as on listed securities taxed as shares (however not mutual funds (Sw. *värdepappersfonder*), or hedge funds (Sw. *specialfonder*) containing Swedish receivables only (Sw. *räntefonder*)). Capital losses not absorbed by these set-off rules are deductible at 70 per cent in the capital income category.

Should a net loss arise in the capital income category, a reduction is granted of the tax on income from employment and business operations, as well as national and municipal property tax. This tax reduction is 30 per cent of the net loss that does not exceed SEK 100,000 and 21 per cent of any remaining net loss. A net loss cannot be carried forward to future tax years.

For private individuals resident in Sweden for tax purposes, a preliminary tax of 30 per cent is withheld on dividends. The preliminary tax is normally withheld by Euroclear Sweden or, in respect of nominee-registered shares, by the nominee.

Allotments of shares to employees

Normally, the allotment of shares is not a taxable event. However, for employees allotment of shares may in certain situations give rise to benefits taxation. Benefits taxation should, however, not occur if the employees (including Directors and alternate Directors and existing shareholders), on the same terms and conditions as others, acquire not more than 20 per cent of the total number of shares offered and the employee does not acquire shares for more than SEK 30,000.

Limited liability companies

For limited liability companies (Sw. *aktiebolag*) all income, including taxable capital gains and taxable dividends, is taxed as income from business operations at a rate of 22 per cent.

Deductible capital losses on shares may only be offset against taxable capital gains on shares and other securities taxed as shares. A net capital loss on shares that cannot be utilised during the year of the loss, may be carried forward (by the limited liability company that has suffered the loss) and offset against taxable capital gains on shares and other securities taxed as shares in future years, without any limitation in time. If a capital loss cannot be deducted by the company that has suffered the loss, it may be deducted from another legal entity's taxable capital gains on shares and other securities taxed as shares, provided that the companies are entitled to tax consolidation (through so-called group contributions) and both companies request this for a tax year having the same filing date for each company (or, if one of the companies' accounting liability ceases, would have had the same filing date). Special tax rules may apply to certain categories of companies or certain legal persons, e.g. investment companies.

Shareholders with limited tax liability in Sweden

For shareholders not resident in Sweden for tax purposes that receive dividends on shares in a Swedish limited liability company, Swedish withholding tax is normally withheld. The same withholding tax applies to certain other payments made by a Swedish limited liability company, such as payments as a result of redemption of shares and repurchase of shares through an offer directed to all shareholders or all holders of shares of a certain class. The tax rate is 30 per cent. The tax rate is, however, generally reduced through tax treaties for the avoidance of double taxation. In Sweden, withholding tax deductions are normally carried out by Euroclear Sweden or, in respect of nominee-registered shares, by the nominee.

Shareholders not resident in Sweden for tax purposes – which are not conducting business through a permanent establishment in Sweden – are normally not liable for capital gains taxation in Sweden upon disposals of shares. Shareholders may, however, be subject to taxation in their country of residence.

According to a special rule, private individuals not resident in Sweden for tax purposes are, however, subject to Swedish capital gains taxation upon disposals of shares in Dustin, if they have been residents of Sweden due to a habitual abode in Sweden or a stay in Sweden for six consecutive months at any time during the calendar year of disposal or the ten calendar years preceding the year of disposal. In a number of cases though, the applicability of this rule is limited by tax treaties for the avoidance of double taxation.

Certain U.S. federal income tax considerations

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of shares by a U.S. Holder (as defined below). This summary deals only with initial purchasers of shares that are U.S. Holders and that will hold the shares as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of shares by particular investors, and does not address state, local, foreign or other tax laws, including the Medicare tax on net investment income. This summary also does not address tax considerations applicable to investors that own (directly or indirectly) 10 per cent or more of the voting stock of Dustin, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, investors liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold the shares as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes or U.S. Holders whose functional currency is not the U.S. dollar).

The summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, as well as the income tax treaty between the United States and Sweden (the "**Treaty**"), all as of the date hereof and all subject to change at any time, possibly with retroactive effect. Any change could apply retroactively and could affect the continued validity of this summary. Dustin has not sought any ruling from the U.S. Internal Revenue Service ("**IRS**") with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS will agree with such statements and conclusions or that a court will not sustain any challenge by the IRS in the event of litigation.

As used herein, the term "**U.S. Holder**" means a beneficial owner of shares that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in a partnership that holds shares will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are partnerships or partners in partnerships should consult their tax advisors concerning the U.S. federal income tax consequences of the acquisition, ownership and disposition of shares.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE SHARES, INCLUDING THEIR ELIGIBILITY FOR THE BENEFITS OF THE TREATY, THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Distributions

Subject to the discussion below under "*Tax considerations – Certain U.S. federal income tax considerations – Passive foreign investment company considerations*", the gross amount of any distribution of cash or property with respect to the shares generally will be included in a U.S. Holder's income as dividend income in the taxable year in which the dividends are actually or constructively received to the extent such distributions are paid out of Dustin's current or accumulated earnings and profits as determined under U.S. federal income tax principles. Dustin's dividends will not be eligible for the dividends received deduction generally allowed to corporate U.S. Holders. To the extent, if any, that the amount of any distribution exceeds Dustin's current and accumulated earnings and profits as determined under U.S. federal income tax principles, it will be treated first as a tax-free return of capital to the extent of the U.S. Holder's adjusted tax basis in its shares and thereafter as capital gain. Dustin does not maintain calculations of earnings and profits under U.S. federal income tax principles. Accordingly, U.S. Holders should assume that any distribution made by Dustin will be treated as a dividend for U.S. federal income tax purposes. Dividends received by individuals and other non-corporate U.S. Holders of Dustin's shares generally will be eligible for beneficial rates of taxation provided Dustin is eligible for the benefits of the Treaty, is not a passive foreign investment company ("**PFIC**") during the year in which the dividend is paid or the prior taxable year and certain other requirements, including stock holding period requirements, are satisfied by the recipient. Dustin expects to be eligible for the benefits of the Treaty. U.S. Holders should consult their tax advisors regarding the application of the relevant rules to their particular circumstances.

The amount of a dividend on Dustin's shares will include any amounts that Dustin withholds in respect of Swedish taxes. The amount of the dividend will be treated as foreign-source dividend income. The amount of any dividend income paid in foreign currency will be the U.S. dollar amount calculated by reference to the spot market exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder should not be required to recognise foreign currency gain or loss in respect of the dividend income. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt, which gain or loss will be U.S. source ordinary income or loss.

Subject to generally applicable conditions and limitations, some of which vary depending upon the U.S. Holder's circumstances, Swedish income taxes withheld from dividends on Dustin's shares may be creditable against the U.S. Holder's U.S. federal income tax liability.

In lieu of claiming a foreign tax credit, U.S. Holders may, at their election, deduct foreign taxes, including any Swedish tax withheld from dividends on Dustin's shares, in computing their taxable income, subject to generally applicable limitations under U.S. federal income tax law. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all taxes paid or accrued in the taxable year to foreign countries and possessions of the United States. The rules governing foreign tax credits and deductions for foreign taxes are complex, and U.S. Holders should consult their tax advisors regarding the creditability or deductibility of foreign taxes in their particular circumstances.

Sale or exchange of the shares

Subject to the discussion below under "*Tax considerations – Certain U.S. federal income tax considerations – Passive foreign investment company considerations*" a U.S. Holder generally will recognise gain or loss on the sale or exchange of the shares equal to the difference between the amount realised on such sale or exchange and the U.S. Holder's adjusted tax basis in such shares. Such gain or loss generally will be capital gain or loss. Such capital gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period for the shares exceeds one year. The deductibility of capital losses is subject to significant limitations. Any gain or loss will generally be U.S. source gain or loss for foreign tax credit purposes.

A U.S. Holder's initial tax basis in the shares generally will be the U.S. dollar value of the foreign currency denominated purchase price of the shares on the date of purchase. If the shares are treated as traded on an "established securities market," a cash basis U.S. Holder or, if it elects, an accrual basis U.S. Holder, will determine the U.S. dollar value of the cost of such shares by translating the amount paid at the spot rate of exchange on the settlement date of the purchase. Such an election by an accrual basis U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS. The amount realised generally will be the U.S. dollar value of the payment received determined on (1) the date of receipt of payment in the case of a cash basis U.S. Holder and (2) the date of disposition in the case of an accrual basis U.S. Holder. If the shares are treated as traded on an established securities market, a cash basis taxpayer, or, if it elects, an accrual basis taxpayer, will determine the U.S. dollar value of the amount realised by translating the amount received at the spot rate of exchange on the settlement date of the sale.

On the settlement date, the U.S. Holder will recognise U.S. source foreign currency gain or loss (taxable as ordinary income or loss) equal to the difference (if any) between the U.S. dollar value of the amount received based on the exchange rates in effect on the date of sale or other disposition and the settlement date. However, in the case of shares traded on an established securities market that are sold by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects), the amount realised will be based on the exchange rate in effect on the settlement date for the sale, and no exchange gain or loss will be recognised at that time.

Passive foreign investment company considerations

A non-U.S. corporation will be a PFIC for U.S. federal tax purposes in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable look-through rules, either:

(i) at least 75 per cent of its gross income is "passive income;" or
(ii) at least 50 per cent of the average quarterly value of its gross assets (which may be determined in part by the market value of ordinary shares, which is subject to change) is attributable to assets that produce "passive income" or are held for the production of "passive income."

Passive income for this purpose generally includes dividends, interest, royalties, rents and certain gains from commodities (other than commodities sold in an active trade or business) and securities transactions.

Dustin believes that it was not a PFIC for its most recently completed taxable year and based on the nature of Dustin's business, the projected composition of Dustin's income and the projected composition and estimated fair market values of its assets, Dustin does not expect to be a PFIC in its current taxable year or the foreseeable future. However, PFIC status depends upon the composition of a company's income and assets, the market value of its assets (including, among others, less than 25 per cent owned equity investments), the market capitalisation and Dustin's activities from time to time. Thus, there can be no assurance that Dustin will not be considered a PFIC for any taxable year.

If Dustin was a PFIC for any taxable year during which a U.S. Holder holds Dustin's shares, gain recognised by a U.S. Holder upon a disposition (including, under certain circumstances, a pledge) of Dustin's shares would be allocated rateably over the U.S. Holder's holding period for such shares. The amounts allocated to the taxable year of disposition and to years before Dustin became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and an interest charge would be imposed on the tax attributable to the allocated amount. Further, to the extent that any distribution received by a U.S. Holder on Dustin's shares exceeds 125 per cent of the average of the annual distributions on such shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner as gain, described immediately above. Certain elections may be available that would result in alternative treatments (such as mark-to-market treatment) of the shares. Dustin does not intend to prepare or provide the information that would enable U.S. Holders to make a "qualified electing fund" election. U.S. Holders should consult their tax advisors to determine whether any of these elections would be available and, if so, what the consequences of the alternative treatments would be in their particular circumstances.

U.S. Holders should be aware, however, that if Dustin is determined to be a PFIC, the general tax treatment for U.S. Holders described in this subsection would apply to indirect distributions and gains deemed to be realised by U.S. Holders in respect of any of Dustin's subsidiaries that also may be determined to be PFICs. If a U.S. Holder owns Dustin's shares during any year in which Dustin is a PFIC, the U.S. Holder generally may be required to file an IRS Form 8621 with respect to Dustin, generally with the U.S. Holder's U.S. federal income tax return for that year. U.S. Holders should consult their tax advisors regarding whether Dustin is a PFIC and the potential application of the PFIC rules.

Information reporting and backup withholding

In general, payments of dividends and other proceeds with respect to the shares held by a U.S. Holder may be required to be reported to the IRS unless the U.S. Holder is an exempt recipient and, when required, demonstrates this fact. In addition, a U.S. Holder that is not an exempt recipient may be subject to backup withholding unless it provides a taxpayer identification number and otherwise complies with applicable certification requirements.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. Holder's U.S. federal income tax liability and may entitle a U.S. Holder to a refund, provided that the appropriate information is timely furnished to the IRS.

Foreign financial asset reporting

U.S. taxpayers that own certain foreign financial assets, including shares of foreign entities, with an aggregate value in excess of USD$50,000 at the end of the taxable year or USD$75,000 at any time during the taxable year (or, for certain individuals living outside the United States and married individuals filing joint returns, certain higher thresholds) may be required to file an information report with respect to such assets with their tax returns. The shares are expected to constitute foreign financial assets subject to these requirements unless the shares are held in an account at certain financial institutions (in which case the account may be reportable if maintained by a foreign financial institution). U.S. holders should consult their tax advisors regarding the application of the rules relating to foreign financial asset reporting.

TRANSFER RESTRICTION

General

No action has been or will be taken by Dustin in any country or jurisdiction other than Sweden that would, or is intended to, permit a public offering of the shares, or the possession or distribution of the Offering Circular or any other offering material, in any country or jurisdiction where action for that purpose is required.

Persons into whose hands the Offering Circular comes are required by Dustin, the Principal Shareholder and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver shares or have in their possession or distribute such offering material, in all cases at their own expense.

United States

The shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States for offer or sale as part of their distribution and may not be offered or sold within the United States except in certain transactions exempt from the registration requirements of the Securities Act.

The shares may only be resold: (i) in the United States to QIBs in reliance on Rule 144A under the Securities Act or pursuant to another exemption from the registration requirements of the Securities Act; and (ii) outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and in accordance with applicable law. Any offer or sale of shares in reliance on Rule 144A or pursuant to another exemption from, or transaction not subject to, the registration requirements of the Securities Act will be made by broker dealers who are registered as such under the Exchange Act. Terms used above shall have the meanings given to them by Regulation S and Rule 144A under the Securities Act.

European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "Relevant Member State") other than Sweden, the offer of shares will only be made:

i. to any legal entity which is a qualified investor as defined in the Prospectus Directive;
ii. to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior written consent of the Managers nominated by Dustin for any such offer; or
iii. in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of shares shall require Dustin, Principal Shareholder or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

United Kingdom

Any offer or sale of the shares must:

i. only be communicated or caused to be communicated and any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("FSMA")) in connection with the issue or sale of the shares must only be communicated or caused to be communicated in circumstances in which Section 21(1) of the FSMA does not apply to Dustin; and
ii. comply with all applicable provisions of the FSMA with respect to anything done in relation to the shares in, from or otherwise involving the United Kingdom.

Transfer Restrictions

The shares have not been, and will not be, registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.

Each purchaser of the shares within the United States purchasing pursuant to Rule 144A or another exemption from the registration requirements of the Securities Act will be deemed to have represented and agreed that it has received a copy of the Offering Circular and such other information as it deems necessary to make an informed investment decision and that:

i. the purchaser acknowledges that the shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on transfer;
ii. the purchaser (i) is a QIB, (ii) is aware that the sale to it is being made in reliance on Rule 144A or pursuant to another exemption from, or a transaction not subject to, the registration requirements of the Securities Act, and (iii) is acquiring such shares for its own account or for the account of a QIB;
iii. the purchaser is aware that the shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the Securities Act;
iv. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such shares, such shares may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/

or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) in accordance with Regulation S, or (iii) in accordance with Rule 144 (if available), in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction;

v. the shares are "restricted securities" within the meaning of Rule 144(a)(3) and no representation is made as to the availability of the exemption provided by Rule 144 for resale of any shares;

vi. the purchaser will not deposit or cause to be deposited such shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such shares are "restricted securities" within the meaning of Rule 144(a)(3); and

vii. Dustin shall not recognise any offer, sale pledge or other transfer of the shares made other than in compliance with the above-stated restrictions.

Each purchaser of the shares in compliance with Regulation S will be deemed to have represented and agreed that it has received a copy of the Offering Circular and such other information as it deems necessary to make an informed investment decision and that:

i. the purchaser acknowledges that the shares have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to significant restrictions on transfer;

ii. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the shares was, located outside the United States at the time the buy order for the shares was originated;

iii. the purchaser acknowledges that the shares have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state of the United States, and, subject to certain exceptions, may not be offered or sold within the United States;

iv. the purchaser is aware of the restrictions on the offer and sale of the shares pursuant to Regulation S described in this document; and

v. Dustin shall not recognise any offer, sale, pledge or other transfer of the shares made other than in compliance with the above-stated restrictions.

Each person in a Relevant Member State, other than persons receiving offers contemplated in the Swedish language prospectus in Sweden, who receives any communication in respect of, or who acquires any shares under, the offers contemplated hereby will be deemed to have represented, warranted and agreed to and with each of the Managers, the Principal Shareholder and Dustin that:

i. it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and

ii. in the case of any shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the shares acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in other circumstances falling within Article 3(2) of the Prospectus Directive and the prior consent of the Joint Global Coordinators has been given to the offer or resale; or (ii) where shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those shares to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of this provision, the expression an "offer" in relation to any of the shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase the shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

DEFINITIONS

The terms defined below are used in the Offering Circular:

ABG
ABG Sundal Collier AB.

Avanza
Avanza Bank AB.

Dustin or **the Group**
Dustin AB (publ), the group in which Dustin AB (publ) is the parent company or a subsidiary of the group, as the context may require.

CaaS
Client as a Service.

CAGR
The compounded annual growth rate for a certain period.

Carnegie
Carnegie Investment Bank AB (publ).

Code
The Swedish Code of Corporate Governance.

Conversion
In connection with the listing of Dustin's shares on Nasdaq Stockholm, all existing shares of series B and series C will be converted into shares with rights equivalent to the current series A shares.

Cornerstone Investors

Axel Johnson AB, The Fourth Swedish National Pension Fund and Swedbank Robur Fonder.

CRM
Customer relationship management.

DKK
Danish kroner.

Dustin Financial Services
Dustin Financial Services AB.

EUR
Euro.

Euroclear Sweden
Euroclear Sweden AB.

IFRS
International Financial Reporting Standard.

IRS
The U.S. Internal Revenue Service.

Joint Global Coordinators
Carnegie and Nordea.

Managers
Carnegie, Nordea, ABG and SEB.

Market Analysis
A market study commissioned by Dustin from a leading international third party consultancy firm which include market- and other information based on and information otherwise obtained from, among others, IDC.

Nasdaq Stockholm
The regulated market operated by Nasdaq OMX Stockholm AB.

NOK
Norwegian kroner.

Nordea
Nordea Bank AB (publ).

Offering
The offer of shares as set out in the Offering Circular.

Offering Circular
This Offering Circular.

Offering price
The final offering per share price which is expected to be determined within the range of SEK 45–51.

Over-allotment option
An option granted by the Principal Owner to the Joint Global Coordinators, whereby it pledges at the request of the Joint Global Coordinators at the latest 30 days from the first day of trading in Dustin's shares to purchase up to 5,179,833 additional shares from the Principal Owner, corresponding to 15 per cent of the highest total number of shares comprised in the Offering, at a price corresponding to the Offering price to cover any potential over-allotment in the Offering.

Principal Owner or **Altor**
Altor Fund II GP Limited (in its capacity as general partner and investment manager to Altor Fund II).

Promised Delivery Time
The time of delivery of the customer's order promised by Dustin's logistics partners.

Repurchase
Dustin will repurchase the remaining warrants held by the Principal Owner in connection with the listing.

SEB
SEB Corporate Finance, Skandinaviska Enskilda Banken AB (publ).

Securities Act
U.S. Securities Act of 1933, as amended.

SEK
Swedish krona.

Set-off
The Principal Owner will set off part of a shareholder loan against the cost of subscribing for new shares based on the warrants.

Set-off Issuance
Issue of shares to the Principal Owner where the debt arising from the Repurchase sett-off against new shares.

Small and medium-sized companies
Companies with 0–500 employees.

Smaller companies
Companies with 1–249 employees.

USD
U.S. Dollar.

HISTORICAL FINANCIAL INFORMATION

Interim financial information

Summary of first quarter of 2014/15

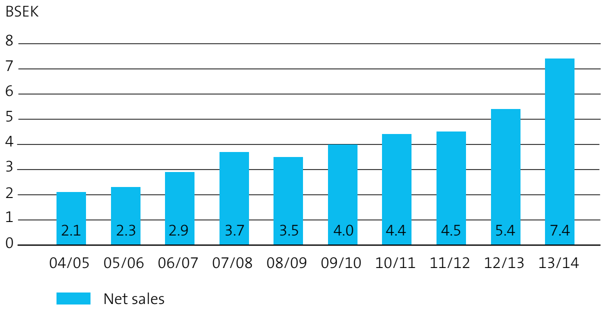
First quarter

- Net sales for the quarter increased 13 per cent to SEK 2,068 million (1,824). Organic growth in constant currency was 12 per cent.
- Gross margin declined and amounted to 14.2 per cent (14.7).
- Adjusted EBITA remained unchanged and amounted to SEK 97 million (97). Items affecting comparability amounted to a negative SEK 11 million (-47).
- Operating profit for the period amounted to SEK 31 million (4).
- Earnings per share amounted to SEK 0.19 (0.02).
- Cash flow from operating activities amounted to a negative SEK 69 million (104).
- Net debt in relation to adjusted EBITDA* in the past 12 month period was 3.4 (3.2).

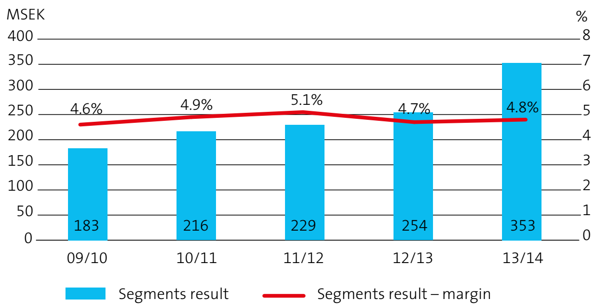
Operations

All amounts in SEK m, unless otherwise indicated	Q1 14/15	Q1 13/14	Q2 13/14–Q1 14/15	Full-year 13/14
Net sales	2,068	1,824	7,615	7,371
Organic sales growth, %	12	23	-	21
Gross margin (%)	14.2	14.7	14.2	14.4
Adjusted EBITA	97	97	353	353
Adjusted EBITA margin (%)	4.7	5.3	4.6	4.8
Profit for the period	31	4	191	164
Earnings per share (SEK)	0.19	0.02	1.18	1.01
Cash flow from operating activities	-69	104	-	256
Net debt/Adjusted EBITDA (multiple)	-	-	3.4	3.2
Return on equity (%)	-	-	28.5	25.2

Average annual growth (CAGR) over the past ten years amounted to 15%.



Segment result 2010–2014



* Operating profit (EBIT) before items affecting comparability, depreciation and amortisation.

Strenghtened position

Dustin can look back on yet another quarter with a positive trend. Sales rose 13 per cent compared with the year-earlier period. This shows that we have an attractive offering, a successful and efficient business model, and that our market share in the corporate market continues to increase.

Focus on small and medium companies

It has been more than 30 years since Dustin was founded, which means that we have had a long time to build up experience and expertise about online trading. The fact is that we were the pioneers in online trading when we started our online store already in 1995. Over the years, we have also built up extensive expertise and a major customer base in the small and medium companies segment. It is one of the most rapidly expanding segments in the market and where we have our main focus. It is a customer group that requires a high degree of service, while it demands cost-efficient solutions. We have created a model where we are able to deliver both of these parameters and thus solve companies' IT challenges and provide our customers with the opportunity to focus on their core operations. The combination of online and focus on small and medium companies makes Dustin unique and provides us with the perfect prerequisites to continue to capture market shares.

Strong development within the public sector

Our online platform also provides us with good opportunities to also serve other such segments as large companies and the public sector with efficient product deliveries. The segment displayed strong growth during the quarter, which was mainly due to the exchange of previously secured framework agreements in the public sector, and that our current market share was relatively low in this area.

New IT platform

During the quarter, we focused on implementing our new IT platform, which is an investment in Dustin's future growth. The new IT platform will provide us with the opportunity to maximise the advantages of the experience and expertise existing at Dustin by being able to export new and existing offerings to all markets in the Group. Furthermore, we will have the right prerequisites to fully integrate our acquired companies, Norsk Data Senter and Finnish Businessforum, in the Group and thus achieve additional synergies.

At the same time, we have launched a new and improved customer interface, with which many of our consumer customers were initially unfamiliar and thus unable to do business in the same way as in the past. Since all transactions in the B2C segment are made online, this is also part of the reason for the sales decline in the segment for the quarter.

Challenging consumer market

Price is a key parameter for end customers and competition is tough. We see that traditional store chains are focusing more on online offerings at bargain prices, which place increasingly higher demand on our pricing policy. The B2C segment is responsible for nearly 10 per cent of Dustin's sales and should be seen as a complement to our core operations. However, having a competitive consumer offering will provide us with a number of advantages since we must be in the forefront in terms of prices and trends, which will give us valuable information to make our B2B offering even more attractive.

Financial development

The organic growth amounted to 12 per cent during the quarter, primarily driven by a strong sales trend to the public sector. Our focus area on small and medium companies expanded in line with the financial targets. The adjusted EBITA margin declined slightly due to a larger proportion of sales to the public sector, continued investment in our sales staff directed at small and medium companies, and lower earnings in the consumer segment.

The IPO work to prepare the company for listing is progressing with the aim to be ready if and when our owner decides to make such a decision. In the past quarters, we have strengthened our organisation with a number of key positions and focused on additional structure and harmonisation in our financial processes.

Nacka, 19 December 2014

Georgi Ganev, CEO

Dustin Group is one of the leading Nordic resellers of IT solutions and services to companies, the public sector and private individuals. Having its core business within e-commerce, Dustin functions as a bridge between the manufacturer's large selection and the customer's needs where our employees help customers find the right solution for their needs. Dustin is a one-stop-shop that offers approximately 200,000 products with associated services, functions and solutions. The operation is conducted in Sweden, Denmark, Norway and Finland. Besides Dustin and Dustin Home, the Group also includes Norsk Data Senter (Norway), BusinessForum (Finland) and IT-Hantverkarna (Sweden). The Group has approximately 900 employees. Sales during the 2013/14 financial year amounted to approximately SEK 7.4 billion. About 90 per cent of Dustin's income derives from the corporate market with a focus on small and medium companies. Dustin is owned by Altor Fund II and has its head office in Nacka in Stockholm.

Financial overview

First quarter

Net sales

Net sales for the quarter increased 13 per cent to SEK 2,068 million (1,824). Organic growth in constant currency was 12 per cent. Growth in the B2B segment was 16 per cent, of which the organic growth in constant currency was 14 per cent. Net sales in the B2C customer segment declined 13 per cent; measured in constant currency the decline was 14 per cent.

Gross profit

Gross profit for the IT products and services operations increased SEK 26 million to SEK 294 million (268). The gross margin declined 0.5 percentage points and amounted to 14.2 per cent (14.7), as a result of higher sales growth in large companies and the public sector.

Adjusted EBITA and operating profit for the Group

Adjusted EBITA amounted to SEK 97 million (97) during the quarter. The adjusted EBITA margin amounted to 4.7 per cent (5.3). Items affecting comparability amounted to a negative SEK 11 million (-47). Costs were attributable to preparing the company for a possible listing (-11). Items affecting comparability were specified on page 11.

Operating profit for the Group amounted to SEK 71 million (36).

Financial items

Net financial income and expenses amounted to SEK 31 million (31). During the quarter, SEK 11 million (10) of the interest cost was capitalised.

Taxes

The Group's effective tax rate was 22.7 per cent for the quarter, compared to 22.0 per cent in the year-earlier period.

Profit for the period

Profit for the period amounted to SEK 31 million (4). Earnings per share increased to SEK 0.19 (0.02).

Net debt and cash and cash equivalents

Net debt includes long-term and current interest-bearing liabilities, as well as liabilities for supplementary purchase considerations less receivables from financial leasing and cash and cash equivalents. The net debt amounted to SEK 1,231 million (1,292).

The net debt in relation to the adjusted EBITDA was 3.4 (3.2) measured over the past 12-month period.

Total cash and cash equivalents for the quarter amounted to SEK 31 million (68), down SEK 37 million.

Cash Flow

Cash flow from operating activities amounted to a negative SEK 69 million (104), due to higher working capital totalling a negative SEK 109 million (-69) primarily due to increased accounts receivable and higher inventories. The increased accounts receivable are primarily due to a higher proportion of sales to large companies and the public sector, and temporary increase attributable to the implementation of the new IT-platform and the built-up of inventories ahead of the end of the year.

Cash flow from investing activities amounted to a negative SEK 33 million (-24) and comprised maintenance investments totalling an expense of negative SEK 4 million (-4). It also includes payment of performance-based supplementary purchase considerations of SEK -26 million (-1), as well as an expanded financial leasing portfolio totalling an expense of SEK -4 million (-19).

Cash flow from financial activities rose SEK 14 million to an expense of SEK 1 million (-15), of which the main portion was attributable to financing of the financial lease portfolio by SEK 11 million (4).

Cash flow for the period amounted to a negative SEK 103 million (65).

Employees

The average number of full-time employees for the quarter was 940 (871). The number of full-time employees has increased in line with the Group´s overall growth, both organically and through acquisitions.

Significant events during the first quarter

On 1 September 2014, Dustin launched a new integrated IT platform including a Group-wide ERP system, as well as a new web-based customer interface. The launch comprises the entire Group, with the exception of the acquired companies IT-Hantverkarna, Businessforum and Norsk Data Senter. The new integrated IT platform is intended to contribute to increasing internal efficiency, facilitate the integration of acquired operations, as well as to facilitate the export of new and existing offerings to all markets within the Group.

During the quarter, the Group had SEK 21 million in expenditure for commissioning and optimising the new IT platform, which has been offset against earlier provisions. Dustin estimates that additional expenses related to the implementation work totalling approximately SEK 10 million will be charged against the second quarter.

Dustin Financial Services received a new credit facility of SEK 50 million during the quarter to meet higher demand for the company's financing services.

During the quarter, Dustin continued to invest in relationship selling. This includes some 20 additional sellers and specialists recruited in Sweden, Norway and Finland. Accordingly, Dustin is able to better serve the principal target group of small and medium companies, as well as meet the increasing demand for more advanced products and services.

Work to get Dustin ready for a potential listing has intensified during the quarter, which resulted in a co-ordinated corporate governance and financial reporting structure.

During the quarter, the Board proposed long-term financial objectives, as well as a dividend policy according to the following:

Growth – Dustin's target is to achieve average annual organic net sales growth amounting to 8 percent over an economic cycle. In addition, Dustin targets to grow through selected acquisitions.

Margin – Dustin's target is to increase adjusted EBITA margin over time and in the medium term achieve 5-6 percent adjusted EBITA margin.

Capital structure – Dustin´s capital structure shall provide a high degree of financial flexibility and allow for acquisitions. Dustin targets to have financial debt, over time, amounting to 2.0-3.0 times adjusted EBITDA for the last twelve months.

Dividend policy – Dustin's target is to distribute a dividend corresponding to more than 70 percent of net profit. The dividend shall take into account acquisitions, the Company's financial position, cash flow and future growth opportunities

Events after balance-sheet date

Dustin has secured a framework agreement in the Norwegian market for computers, screens and Windows-based tablets for 65 hospitals throughout the country. The framework agreement will initially extend for two years with the option to extend for an additional two years with an estimated annual income of approximately SEK 80 million.

Seasonal variations

Dustin is impacted by seasonal variations. Each quarter is fully comparable between the years. Sales volumes are normally higher in November and December and lower during the summer periods when sales and marketing activities are reduced. Similar seasonal variations occur in all geographical markets.

Parent Company

Dustin Group AB (Corporate Reg. No. 556703-3062), which is domiciled in Nacka, Sweden, only conducts holding operations. The principal owner of Dustin Group AB is Altor Fund II GP Ltd., as a general partner and investment manager to Altor Fund II. Net sales amounted to SEK 0.1 million (0.1). A loss of SEK 23 million (-16) was posted for the quarter.

Accounting policies

Financial reporting for the Dustin Group has been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. The annual report of the Parent Company, Dustin Group AB, has been prepared in accordance with the Swedish Annual Accounts Act, and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. This report has been prepared in accordance with IFRS applying IAS 34 Interim Financial Reporting and the Annual Accounts Act. The accounting policies are consistent with those presented in the Group's annual report for the 2013/2014 financial year. The new and revised IFRS standards that came into force in 2014 had no impact on this interim report.

Risks and uncertainties

Dustin has established a framework for risk management in order to regularly identify, analyse, assess and report business, financial, as well as ethical and sustainability risks and uncertainties, and to mitigate such risks when appropriate.

The results of this risk management process are described in the Group's most recent annual report.

Review of business segments

Dustin's operations are divided into two business areas: B2B (including the entire Dustin Financial Services, DFS) and B2C.

Within B2B, customers are served both through the online platform and relationship selling. Dustin's sales model has been adapted to meet customers' needs and potential as efficiently as possible. Although B2B is Dustin's core segment, there are several advantages to also serving B2C customers, such as similar product range, limited additional costs, as well as new insights into trends and pricing. In the B2C segment, customers are only served through the online platform.

B2B segment

Net sales

Net sales for the first quarter increased 16 per cent to SEK 1,915 million (1,648). Organic growth in constant currency was 14 per cent. Growth was primarily due to a strong trend in large companies and the public sector. In small and medium companies, growth was in line with Dustin's financial growth objective.

Segment results

Segment results for the first quarter increased SEK 13 million to SEK 160 million (147). The increase was due to the strong sales trend primarily in large companies and the public sector, mainly in Sweden and Norway. The margin was negatively impacted by investments in additional sales resources and a higher proportion of sales attributable to large companies and the public sector. The segment margin for the quarter was 8.3 per cent (8.9).

B2C segment

Net sales

Net sales declined 13 per cent in the first quarter to SEK 153 million (176). Organic growth in constant currency was a negative 14 per cent. The decline was partly due to the implementation of a new customer interface launched during the quarter. Since customers were unable to conduct transactions as in the past and the fact that all transactions occur online in the segment, this had a negative impact on the sales trend. The decline was also due to tough competition since traditional store chains are increasing their focus on online offerings and driving the flow using specially reduced prices.

Segment results

The segment results for the first quarter declined SEK 7 million to SEK 1 million (8) and were negatively impacted by the drop in sales, mainly in conjunction with the switch of the customer interface in Swedish and Danish companies. The segment margin for the quarter was 0.9 per cent (4.4).

Central functions

The central functions are key to Dustin's ability to deliver its offerings more efficiently in all markets. During the past years, the company made significant investments in the central functions to realise economies of scale and manage the integration of acquired operations.

Costs for the central functions, excluding items affecting comparability, in relation to sales remained unchanged and amounted to 3.1 per cent (3.1) for the quarter.

Segment summary All amounts in SEK 000s	**Q1 14/15**	**Q1 13/14**	**Q2 13/14– Q1 14/15**	**Full year 2013/14**
Net sales				
B2B	1,914,572	1,648,027	6,884,451	6,617,906
B2C	152,971	175,905	730,053	752,987
Total	**2,067,543**	**1,823,932**	**7,614,504**	**7,370,893**

Segment results				
B2B	159,735	146,556	566,389	553,210
B2B, segment margin (%)	8.3	8.9	8.2	8.4
B2C	1,366	7,673	31,834	38,140
B2C, segment margin (%)	0.9	4.4	4.4	5.1
Central functions	-64,191	-57,212	-244,841	-237,862
Costs for central functions, excluding items affecting comparability in relation to net sales (%)	3.1	3.1	3.2	3.2
Adjusted EBITA	**96,910**	**97,016**	**353,382**	**353,488**

Reconciliation with operating income				
Items affecting comparability	-10,895	-47,178	37,411	1,128
Amortisation of intangible assets	-14,651	-13,794	-54,481	-53,624
Group operating profit	**71,362**	**36,044**	**336,312**	**300,992**

Nacka, 19 December 2014

Georgi Ganev
CEO

This interim report has been reviewed by Ernst & Young AB.

Consolidated statement of comprehensive income

All amounts in SEK 000s	Q1 14/15	Q1 13/14	Q2 13/14– Q1 14/15	Full year 2013/14
IT Products and Services				
Net sales	2,067,543	1,823,932	7,614,504	7,370,893
Cost of goods sold	-1,773,657	-1,555,587	-6,530,838	-6,312,768
Gross profit	**293,886**	**268,345**	**1,083,666**	**1,058,125**
Selling and admin expenses	-212,130	-190,504	-796,226	-774,600
Items affecting comparability	-10,895	-47,178	37,411	1,128
Other operating income and expenses, net	-2,081	3,126	5,089	10,296
Operating profit, IT products and services	**68,780**	**33,789**	**329,940**	**294,949**
Financial Services				
Interest income	4,471	4,873	17,929	18,331
Interest expense	-1,075	-879	-4,165	-3,969
Net interest income	**3,396**	**3,994**	**13,764**	**14,362**
Selling and admin expenses	-813	-1,739	-7,392	-8,318
Operating profit, financial services	**2,583**	**2,255**	**6,372**	**6,044**
Group operating profit	**71,362**	**36,044**	**336,312**	**300,992**
Financial expenses and other financial items	-30,629	-30,985	-115,746	-116,102
Profit after financial items	**40,734**	**5,059**	**220,566**	**184,890**
Tax	-9,274	-1,113	-29,320	-21,159
Profit for the period*	**31,460**	**3,946**	**191,246**	**163,731**
Other comprehensive income				
Exchange-rate differences	-3,165	14,130	13,526	30,822
Cash-flow hedging	-279	-7,056	-5,546	-12,323
Tax	61	1,856	916	2,711
TOTAL COMPREHENSIVE INCOME	**28,077**	**12,876**	**200,142**	**184,941**
Earnings per share (SEK)	0.19	0.02	1.18	1.01

* Transactions are attributable in their entirety to the Parent Company shareholders.

Consolidated statement of financial position

All amounts in SEK 000s	30 November 2014	30 November 2013	31 August 2014
Assets			
Goodwill and other surplus values	2,098,293	2,023,478	2,120,856
Other intangible assets	93,421	126,376	97,789
Tangible fixed assets	21,959	20,134	18,378
Deferred tax assets and other fixed assets	18,230	13,677	21,795
Receivables pertaining to financial leasing	167,737	148,842	165,385
Total fixed assets	**2,399,641**	**2,332,507**	**2,424,203**
Inventories	268,913	244,582	217,590
Receivables, tax assets, other receivables, prepaid expenses and accrued income	1,181,582	878,294	808,263
Receivables pertaining to financial leasing	52,970	3,661	52,227
Cash and cash equivalents	31,310	68,315	133,607
Total current assets	**1,534,775**	**1,194,852**	**1,211,687**
Total assets	**3,934,415**	**3,527,359**	**3,635,890**
Equity and liabilities			
Equity attributable to owners of the Parent Company	771,110	568,718	743,033
Total equity	**771,110**	**568,718**	**743,033**
Long-term liabilities	1,232,180	1,178,432	1,242,643
Subordinated shareholder loans	207,313	191,951	203,227
Deferred tax and other long-term provisions	139,864	146,483	141,977
Total long-term liabilities	**1,579,357**	**1,516,866**	**1,587,847**
Current liabilities	187,216	110,950	185,319
Acquisition-related liabilities	63,364	223,508	89,252
Accounts payable, tax liabilities, other current liabilities, accrued expenses and deferred income	1,333,367	1,107,317	1,030,439
Total current liabilities	**1,583,948**	**1,441,775**	**1,305,010**
Total equity and liabilities	**3,934,415**	**3,527,359**	**3,635,890**

Consolidated statement of cash flow

All amounts in SEK 000s	Q1 14/15	Q1 13/14	Full year 2013/14
Cash flow from operating activities			
Cash flow from operating activities before changes in working capital	39,263	34,235	150,670
Changes in working capital	-108,722	69,736	105,078
Cash flow from operating activities	**-69,459**	**103,971**	**255,748**
Cash flow from investing activities			
Acquisition of tangible and intangible assets, net	-3,918	-4,327	-32,080
Cash flow from other investing activities	-25,888	-1,093	-99,087
Cash flow from leasing activities, financial services	-3,509	-18,572	-83,206
Cash flow from investing activities	**-33,315**	**-23,992**	**-214,373**
Financing activities			
Cash flow from external financing activities, net	-11,569	-19,568	33,555
Cash flow from leasing activities, financial services	11,049	4,243	52,141
Cash flow from financing activities	**-520**	**-15,325**	**85,696**
Cash flow for the period	**-103,293**	**64,654**	**127,071**
Cash and cash equivalents at beginning of period	**133,607**	**2,419**	**2,419**
Cash flow for the period	-103,293	64,654	133,607
Exchange-rate differences in cash and cash equivalents	997	1,242	4,117
Cash and cash equivalents at the close of the period	**31,310**	**68,315**	**133,607**

Consolidated statement of changes in equity

All amounts in SEK 000s	30 November 2014	31 August 2014
Opening balance	**743,033**	**555,842**
Total comprehensive income	28,077	12,876
Closing balance	**771,110**	**568,718**

Number of shares issued in Dustin Group AB

30 November 2014: 161,601,214 shares issued

31 August 2014: 161,601,214 shares issued

Net debt calculation

	30 November 2014	30 November 2013	31 August 2014
Long-term liabilities (excluding shareholder loans)	1,152,888	1,078,665	1,168,932
Current liabilities	107,927	110,950	111,608
Liabilities pertaining to financial leasing (short-term and long-term)	158,579	99,767	147,422
Acquisition-related liabilities	63,364	223,508	89,252
Cash and cash equivalents	-31,310	-68,315	-133,607
Receivables pertaining to financial leasing (short-term and long-term)	-220,707	-152,503	-217,612
Net debt	**1,230,741**	**1,292,072**	**1,165,995**

Items affecting comparability

All amounts in SEK 000s	Q1 14/15	Q1 13/14	Q2 13/14- Q1 14/15	Full year 13/14
Included in operating profit				
Acquisition-related expenses	-	-	-10,007	-10,007
Costs for implementation of integrated IT platform	-	-47,178	-40,722	-87,900
Change in value and currency translation difference of debt for supplementary purchase consideration	-	-	99,035	99,035
IPO-related expenses	-10,895	-	-10,895	-
Total	**-10,895**	**-47,178**	**37,411**	**1,128**

Investments

All amounts in SEK 000s	Q1 14/15	Q1 13/14	Full year 2013/14
Investments			
Intangible fixed assets	-1,836	-4,004	-25,493
Tangible fixed assets	-2,082	-323	-6,585
Acquisitions			
Acquisition of new units	-	-	-
Total	**-3,918**	**-4,327**	**-32,078**

Investments in intangible assets were mainly related to the capitalisation of costs for the integrated IT platform. The differences between investments in the cash-flow statement and total investments in intangible assets, tangible assets according to the above specifications pertain to the disposal of tangible assets.

Calculation of net working capital

All amounts in SEK 000s	30 November 2014	30 November 2013	31 August 2014
Inventories	268,913	244,582	217,590
Accounts receivable	1,007,250	783,373	689,190
Tax assets, prepaid expenses and accrued income, as well as other current receivables	174,333	94,920	119,073
Accounts payable	-1,108,289	-901,181	-772,234
Tax liabilities, accrued expenses and deferred income, as well as other current liabilities	-213,185	-199,787	-246,505
Total	**129,022**	**21,907**	**7,114**

Liabilities and related-party transactions

All amounts in SEK 000s	Q1 14/15	Q1 13/14	Q2 13/14- Q1 14/15	Full year 13/14
Long-term and short-term loans (last day)	-209,808	-209,808	-209,808	-209,808
Accumulated capitalised interest (last day)	-245,758	-203,798	-245,758	-234,442
Net sales to related party (period)	-	-	-	-
Financial expense for related party (period)	-11,316	-10,215	-41,961	-40,859

Related party transactions have been defined as transactions with current and former shareholders. Transactions with customers and suppliers owned by the current shareholders are not reported since these transactions are not normal business transactions and are not significant.

Financial instruments

All amounts in SEK 000s 30 November 2014	Loans and receivables	Derivatives for hedging	Total	Fair value
Assets in the balance sheet				
Accounts receivable and other receivables	1,001,132	0	1,001,132	1,001,132
Cash and cash equivalents	31,310	0	31,310	31,310
Total assets	**1,032,442**	**0**	**1,032,442**	**1,032,442**
Liabilities in the balance sheet				
Loans raised	1,626,709	-	1,626,709	1,785,029
Derivatives		11,894	11,894	11,894
Accounts payable	1,108,289	-	1,108,289	1,108,289
Other current liabilities	98,419	-	98,419	98,419
Total liabilities	**2,833,417**	**11,894**	**2,845,311**	**3,003,631**

All amounts in SEK 000s 31 August 2014	Loans and receivables	Derivatives for hedging	Total	Fair value
Assets in the balance sheet				
Accounts receivable and other receivables	692,658	-	692,658	692,658
Cash and cash equivalents	133,607	-	133,607	133,607
Total assets	**826,265**	**-**	**826,265**	**826,265**
Liabilities in the balance sheet				
Loans raised	1,631,189	-	1,631,189	1,779,485
Derivatives	-	11,616	11,616	11,616
Accounts payable	772,234	-	772,234	772,234
Other current liabilities	173,992	-	173,992	173,992
Total liabilities	**2,577,415**	**11,616**	**2,589,031**	**2,737,327**

Calculation of fair value

Fair value for financial assets and liabilities are an estimate of the fair value, except for external loans to current and former shareholders with a fixed interest rate.

Derivatives

Derivative instruments are designated as hedging instruments for external bank loans. The Group applies hedge accounting for derivatives and the fair value is measured within level 2 according to the definition in IFRS 13.

Long-term and short-term loans

The interest rate for bank loans is variable and the carrying amount of these loans is therefore considered close to the fair value, hence no fair value adjustment has been made. The interest rate for loans to current and former shareholders is fixed and a fair value calculation as per balance-sheet date has been done. The fair value calculation is done based on current market rate of interest up to the end of duration according to the loan conditions.

Financial key ratios

	Q1 14/15	Q1 13/14	Q2 13/14-Q1 14/15	Full year 13/14
Organic sales growth (%)	12	23	-	21
Adjusted EBITDA (SEK m)	100	99	362	362
Adjusted EBITA margin (%)	4.7	5.3	4.6	4.8
Net debt (SEK m)	1,231	1,292	1,231	1,166
Net debt/Adjusted EBITDA (multiple)	-	-	3.4	3.2
Net working capital (SEK m)	129	22	129	7
Return on equity (%)	-	-	28.5	25.2
Earnings per share (SEK)	0.19	0.02	1.18	1.01
Equity per share (SEK)	4.77	3.53	4.79	4.60
Cash flow from operating activities per share (SEK)	-0.43	0.64	0.51	1.58

Condensed income statements Parent Company

All amounts in SEK 000s	Q1 14/15	Q1 13/14	Q2 13/14-Q1 14/15	Full year 13/14
Net sales	99	99	397	397
Operating profit	-4,142	-601	-7,608	-4,067
Profit after financial items	-28,073	-21,111	-103,658	-96,696
Earnings before tax*	-28,073	-21,111	-16,114	-9,152
Profit for the period	**-22,755**	**-15,793**	**-14,260**	**-7,298**

*Group contributions affecting the net results amount to:
1 Sept 2013-31 Aug 2014: 87,545

Condensed balance sheets Parent Company

All amounts in SEK 000s	30 November 2014	31 August 2014
Fixed assets	1,223,572	1,223,572
Current assets	158,308	181,010
Total assets	**1,381,880**	**1,404,582**
Shareholders' equity	176,489	198,386
Untaxed reserves	7,793	7,793
Long-term liabilities	1,111,140	1,052,938
Current liabilities	82,598	84,337
Other current liabilities	4,505	61,128
Total equity and liabilities	**1,381,880**	**1,404,582**

Auditor's report regarding historical interim financial information

Review report

Dustin Group AB, corporate identity number 556703-3062

Introduction

We have reviewed the condensed interim report for Dustin Group AB as at November 30, 2014 and for the three months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, December 19, 2014

Ernst & Young AB

Hamish Mabon
Authorized Public Accountant

Annual financial information for the fiscal years 2011/2012–2013/2014

Consolidated income statement

All amounts in TSEK	Note	2013-09-01 2014-08-31	2012-09-01 2013-08-31	2011-09-01 2012-08-31
IT Products and Services				
Net sales	3, 4	7,370,893	5,438,248	4,506,405
Cost of Sales	3, 36	-6,312,768	-4,679,435	-3,894,022
Gross profit		**1 058,125**	**758,813**	**612,383**
Selling and administrative expenses	5, 6, 7, 36	-774,600	-572,637	-418,143
Items affecting comparability	37	1 128	-3,587	-8,192
Other operating income and expenses, net		10,295	13,610	-3,233
Operating income, IT product and services		**294,948**	**196,199**	**182,815**
Financial Services				
Interest income		18,331	14,702	9,452
Interest expense		-3,969	-2,866	-1,834
Interest surplus		**14,362**	**11,836**	**7,618**
Selling and administrative expenses		-8,318	-10,861	-5,540
Operating income, Financial Services		**6,044**	**975**	**2,078**
Operating income, Group		**300,992**	**197,174**	**184,893**
Interest income and other financial items	8	2,102	1,928	2,554
Interest expense and other financial items	9	-118,205	-115,034	-67,508
Income before income taxes		**184,889**	**84,068**	**119,939**
Income taxes	11	-21,159	-6,736	-34,825
NET INCOME FOR THE YEAR*		**163,730**	**77,332**	**85,114**
Other comprehensive income				
(All items will be reclassified subsequently to profit or loss)				
Foreign currency translation differences		30,823	16,925	-26,663
Forward Contracts-Cash flow hedging		-12,323	688	-1,136
Income taxes	24	2,711	-151	298
Sum of other comprehensive income		**21,211**	**17,462**	**-27,501**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**184,941**	**94,794**	**57,613**

*All attributable to the shareholders of the parent company.

Consolidated statement of financial position

All amounts in TSEK	Note	2014-08-31	2013-08-31	2012-08-31
ASSETS				
Non-current assets				
Goodwill and other surplus values	13, 14, 16	2,120,856	2,074,059	1,474,134
Other intangible assets	12, 15, 17	97,789	101,046	70,447
Property, plant and equipment	18, 19	18,378	21,671	16,775
Deferred tax assets	24	17,261	8,419	5,423
Finance lease receivables	6	165,385	130,687	52,191
Derivatives	26	-	708	19
Other assets		4,534	5,602	2,867
Total non-current assets		**2,424,203**	**2,342,192**	**1,621,856**
Current assets				
Inventories		217,590	189,689	157,947
Trade receivables	21	689,190	613,307	315,754
Current tax assets		4,457	4,309	503
Other receivables		3,468	1,073	899
Finance lease receivables	6	52,227	3,226	46,502
Prepaid expenses and accrued income	22	111,148	83,681	53,071
Cash and cash equivalents		133,607	2,419	59,436
Total current assets		**1,211,687**	**897,704**	**634,112**
TOTAL ASSETS		**3,635,890**	**3,239,896**	**2,255,968**

Consolidated statement of financial position

All amounts in TSEK	Note	2014-08-31	2013-08-31	2012-08-31
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent company				
Share capital	33	161,601	161,232	143,081
New share issue in progress		-	-	3,013
Other contributed equity		146,993	145,112	94,876
Reserves		6,726	-14,485	-31,947
Retained earnings		427,713	263,983	312,557
Total equity		**743,033**	**555,842**	**521,580**
Non-current liabilities				
Provisions for pensions and similar obligations		642	742	-
Subordinated shareholder borrowings	25	203,227	188,192	336 684
Deferred tax liabilities	24	141,335	148,626	117,008
Liabilities to credit institutions	25, 38	1,001,620	896,107	376,098
Other liabilities	25	241,023	215,199	192 142
Total non-current liabilities		**1,587,847**	**1,448,866**	**1,021,933**
Current liabilities				
Liabilities to credit institutions	25, 38	185,319	184,172	87,809
Advance payments from customers		91	3,739	6,051
Trade payables		772,234	631,646	471,891
Current tax liabilities		-	40,559	52,479
Derivatives	26	11,616	-	-
Other liabilities		84,740	49,527	15,275
Acquisition related liabilities	32, 35	89,252	223,847	15,000
Accrued expenses and deferred income	27	161,758	101,698	63,950
Total current liabilities		**1,305,010**	**1,235,188**	**712,455**
TOTAL EQUITY AND LIABILITIES		**3,635,890**	**3,239,896**	**2,255,968**
Pledged assets and contignent liabilites				
Pledged assets	28	2,274,533	1,994,122	1,726,792
Contignent liabilites	28	-	-	342,500

Consolidated statement of changes in equity

All amounts in TSEK	Share capital	New share issue in progress	Other contributed equity	Translation reserve	Hedge reserve	Retained earnings	Total equity
Opening balance 2011-09-01	**143,081**	**-**	**84,639**	**-5,295**	**849**	**227,443**	**450,717**
Other Comprehensive income							
Foreign currency translation differences	-	-	-	-26,663	-	-	-26,663
Cash flow hedging changes in fair value	-	-	-	-	-1,136	-	-1,136
Tax	-	-	-	-	298	-	298
Total other comprehensive income	**-**	**-**	**-**	**-26,663**	**-838**	**-**	**-27,501**
Net income for the year	-	-	-	-	-	85,114	85,114
Total comprehensive income	**-**	**-**	**-**	**-26,663**	**-838**	**85,114**	**57,613**
Transactions with shareholders							
New share issue	-	3,013	10,237	-	-	-	13,250
Total transactions with shareholders	**-**	**3,013**	**10,237**	**-**	**-**	**-**	**13,250**
Closing balance 2012-08-31	**143,081**	**3,013**	**94,876**	**-31,958**	**11**	**312,557**	**521,580**
Opening balance 2012-09-01	**143,081**	**3,013**	**94,876**	**-31,958**	**11**	**312,557**	**521,580**
Other comprehensive income							
Foreign currency translation differences	-	-	-	16,925	-	-	16,925
Cash flow hedging changes in fair value	-	-	-	-	688	-	688
Tax	-	-	-	-	-151	-	-151
Total other comprehensive income	**-**	**-**	**-**	**16,925**	**537**	**-**	**17,462**
Net income for the year	-	-	-	-	-	77,332	77,332
Total comprehensive income	**-**	**-**	**-**	**16,925**	**537**	**77,332**	**94,794**
Transactions with shareholders							
Repurchase of warrants	-	-	-	-	-	-125,906	-125,906
New share issue	18,151	-3,013	49,096	-	-	-	64,234
Warrants	-	-	1,140	-	-	-	1,140
Total transactions with shareholders	**18,151**	**-**	**50,236**	**-**	**-**	**-125,906**	**-**
Closing balance 2013-08-31	**161,232**	**-**	**145,112**	**-15,033**	**548**	**263,983**	**555,842**

Consolidated statement of changes in equity

All amounts in TSEK	Share capital	Other contributed equity	Translation reserve	Hedge reserve	Retained earnings	Total equity
Opening balance 2013-09-01	**161,232**	**145,112**	**-15,033**	**548**	**263,983**	**555,842**
Other comprehensive income						
Foreign currency translation differences	-	-	30,823	-	-	30,823
Cash flow hedging changes in fair value	-	-	-	-12,323	-	-12,323
Tax	-	-	-	2,711	-	2,711
Total other comprehensive income	**-**	**-**	**30,823**	**-9,612**	**-**	**21,211**
Net income for the year	-	-	-	-	163,730	163,730
Total comprehensive income	**-**	**-**	**30,823**	**-9,612**	**163,730**	**184,941**
Transactions with shareholders						
New share issue	369	1,881	-	-	-	2,250
Total transactions with shareholders	**369**	**1,881**	**-**	**-**	**-**	**-**
Closing balance 2014-08-31	**161,601**	**146,993**	**15,790**	**-9,064**	**427,713**	**743,033**

Consolidated statement of cash flow

All amounts in TSEK	Note	2013-09-01 2014-08-31	2012-09-01 2013-08-31	2011-09-01 2012-08-31
Operating activities				
Operating income		300,992	197,174	184,893
Adjustments of items, not included in cash flow	29	-14,008	62,367	43,534
Interest received		2,102	1,928	2,554
Interest paid		-61,934	-128,475	-8,942
Paid income tax	30	-76,482	-30,729	-26,672
Cash flow from operating activities before changes in working capital		**150,670**	**102,265**	**195,367**
Decrease(+)/increase(-) of inventories		-26,349	6,002	-18,155
Decrease(+)/increase(-) of receivables		-78,667	-57,077	6,570
Decrease(+)/increase(-) of current liabilities		210,094	-32,145	16,171
Cash flow from changes in working capital		**105,078**	**-83,220**	**4,586**
Cash flow from operating activities		**255,748**	**19,045**	**199,953**
Investing activities				
Acquisitions of intangible assets		-25,493	-39,864	-35,717
Acquisitions of property, plant and equipment, net		-6,587	-1,120	-2,226
Cash flow from other investing activites		-99,087	-391,618	-27,906
Cash flow from lease portfolio, Financial Services	31	-83,206	-35,592	-35,111
Cash flow from investing activities		**-214 373**	**-468 194**	**-100 960**
Financing activities				
New share issue and warrants		2,250	5,215	-
New borrowings		121,044	1,107,822	-
Repayment of debt		-89,739	-587,957	-45,880
Bank overdraft facility utilized		-	-	-28,832
Share-option plan		-	1,140	-
Paid liabilities startup costs		-	-44,619	-
Repurchase of warrants		-	-125,873	-
Cash flow from lease portfolio, Financial Services	31	52,141	36,266	27,180
Cash flow from financing activities		**85,696**	**391,994**	**-47,532**
Cash flow for the year		**127,071**	**-57,155**	**51,461**
Cash and cash equivalents, opening balance		**2,419**	**59,436**	**11,235**
Exchange rate differences in cash and cash equivalent		**4,117**	**138**	**-3,260**
Cash and cash equivalents, closing balance		**133,607**	**2,419**	**59,436**

Parent Company income statement

All amounts in TSEK	Note	2013-09-01 2014-08-31	2012-09-01 2013-08-31	2011-09-01 2012-08-31
Net sales	4	397	265	397
Gross profit		**397**	**265**	**397**
Operating expenses				
Selling and administrative expenses	5, 7	-4,463	-3,968	-2,657
Other operating income and expenses, net		-1	98	-
Operating income		**-4,067**	**-3,605**	**-2,260**
Interest income and other financial items	8	23	11	640
Interest expense and other financial items	9	-92,653	-82,601	-62,403
Net income after financial items		**-96,697**	**-86,195**	**-64,023**
Appropriations	10	87,545	86,158	64,023
Income taxes	11	1,854	-	-
NET INCOME FOR THE YEAR		**-7,298**	**-37**	**0**
Other comprehensice income				
Net income of the year		-7,298	-37	0
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**-7,298**	**-37**	**0**

Parent Company balance sheet

All amounts in TSEK	Note	2014-08-31	2013-08-31	2012-08-31
ASSETS				
Non-current assets				
Shares in group companies	20	1,221,663	1,161,663	1,096,663
Deferred tax assets	24	1,909	-	-
Total non-current assets		**1,223,572**	**1,161,663**	**1,096,663**
Current assets				
Receivables from group companies		102,943	82,780	20,690
Current tax assets		315	542	542
Other receivables		130	126	640
Prepaid expenses and accrued income		-	181	960
Cash and cash equivalents		77,622	275	246
Total current assets		**181,010**	**83,904**	**23,078**
TOTAL ASSETS		**1,404,582**	**1,245,567**	**1,119,741**

Parent Company balance sheet

All amounts in TSEK	Note	2014-08-31	2013-08-31	2012-08-31
Equity and liabilities				
Restricted equity				
Share capital	33	161,601	161,232	143,081
New share issue in progress		-	-	3,013
		161,601	**161,232**	**146,094**
Non-restricted equity				
Share premium reserve		146,993	145,112	94,876
Retained earnings		-102,910	-102,873	23,033
Net income of the year		-7,298	-37	-
		36,785	**42,202**	**117,909**
Total equity		**198,386**	**203,434**	**264,003**
Untaxed reserves	23	7,793	7,793	7,793
Non-current liabilities	25			
Subordinated shareholder borrowings		203,227	188,192	336,684
Liabilities to credit institutions		608,688	566,496	316,650
Other liabilities		241,023	215,199	192,142
Total non-current liabilities		**1,052,938**	**969,887**	**845,477**
Current liabilities				
Liabilities to credit institutions	25	84,337	62,550	-
Trade payables		-	435	1,530
Other liabilities		189	620	48
Acquisition related liabilities		60,000	-	-
Accrued expenses and deffered income	27	939	848	890
Total current liabilities		**145,465**	**64,453**	**2,468**
TOTAL EQUITY AND LIABILITIES		**1,404,582**	**1,245,567**	**1,119,741**
Pledged assets and contignent liabilites				
Pledged assets	28	1,221,663	1,161,663	1,096,663
Contingent liabilites	28	-	-	-

Parent Company statement of changes in equity

All amounts in TSEK	Share capital	New share issue in progress	Share premium reserve	Retained earnings	Net income of the year	Total equity
Opening balance 2011-09-01*	**143,081**	**-**	**84,639**	**23,219**	**-186**	**250,753**
New share issue in progress	-	3,013	10,237	-	-	13,250
Warrants	-	-	-	-	-	-
Net income allocation according to decision from annual general meeting	-	-	-	-186	186	-
Net income of the year				-	0	0
Closing balance 2012-08-31	**143,081**	**3,013**	**94,876**	**23,033**	**0**	**264,003**
Opening balance 2012-09-01	**143,081**	**3,013**	**94,876**	**23,033**	**-**	**264,003**
New share issue	18,151	-3,013	49,096	-	-	64,234
Repurchase of warrants	-	-	-	-125,906	-	-125,906
Warrants	-	-	1,140	-	-	1,140
Net income allocation according to decision from annual general meeting	-	-	-	-	-	-
Net income of the year	-	-	-	-	-37	-37
Closing balance 2013-08-31	**161,232**	**-**	**145,112**	**-102,873**	**-37**	**203,434**
Opening balance 2013-09-01	**161,232**	**-**	**145,112**	**-102,873**	**-37**	**203,434**
New share issue	369	-	1,881	-	-	2,250
Net income allocation according to decision from annual general meeting	-	-	-	-37	37	-
Net income of the year	-	-		-	-7,298	-7,298
Closing balance 2014-08-31	**161,601**	**-**	**146,993**	**-102,910**	**-7,298**	**198,386**

* Reporting of group contribution has changed. Previous fiscal year have been restated.

Parent Company cash flow statement

All amounts in TSEK	Note	2013-09-01 2014-08-31	2012-09-01 2013-08-31	2011-09-01 2012-08-31
Operating activities				
Operating income		-4,067	-3,606	-2,260
Adjustments of items, not included in cash flow	29	-	-	13,259
Interest received		23	722	640
Interest paid		-45,267	-99,672	-14,857
Paid income tax	30	-60	-4	-342
Cash flow from operating activities before changes in working capital		**-49,371**	**-102,560**	**-3,560**
Decrease(+)/increase(-) of receivables		68,105	-150,393	-16,186
Decrease(+)/increase(-) of current liabilities		-1,090	175,191	42 263
Cash flow from changes in working capital		**67,015**	**24,798**	**25,851**
Cash flow from operating activities		**17,644**	**-77,762**	**22,517**
Operating cash flow		**17,644**	**-77,762**	**22,517**
Investing activities				
Acquisitions of intangible assets		-	-65,000	-
Cash flow from investing activities		**-**	**-65,000**	**-**
Financing activities				
New share issue and warrants	33	2,250	65,373	-
New liabilities		120,971	651,001	-
Repayment of debt		-63,518	-447,678	-22,500
Repurchase of warrants		-	-125,905	-
Cash flow from financing activities		**59,703**	**142,791**	**-22,500**
Cash flow for the year		**77,347**	**29**	**17**
Cash and cash equivalents, opening balance		**275**	**246**	**229**
Cash and cash equivalents, closing balance		**77,622**	**275**	**246**

Notes

NOTE 1 Risks and uncertainties

In the course of its operations, Dustin Group is exposed to a number of risks and uncertainties and management of these risks is a natural part of Dustin Group´s business. Dustin's risk management framework encompasses four main categories of risks and uncertainties:

- Industry and market risks
- Business model risks
- Operating model risks
- Compliance and financial reporting risks

Dustin Group has defined risk as anything that could have a material adverse effect on the achievement of Dustin's goals. Risks can be threats, uncertainties or lost opportunities impacting Dustin's current or future operations or activities.

Dustin Group has recently established a risk management framework in order to regularly identify, analyse, assess and report business, financial, ethics-related and sustainability risks and uncertainties, and to mitigate such risks when appropriate. Risk management is an integral part of Dustin's business planning process and monitoring of business performance.

High-level risks and uncertainties that could impact the results of operations during 2014/15 include:

Industry and market risks

Industry and market risks are related to risks outside of Dustin's operations, i.e. external risks facing Dustin's business based on what is happening in the industry and the markets in which Dustin Group competes.

Economic downturn and/or financial crisis

One external risk is a general downturn in the economy, reducing the ability of consumers and corporations to purchase IT-related products and services. During the most recent financial crisis, Dustin Group perceived a notable drop in IT purchases, which negatively affected net sales and earnings. The management of Dustin Group performs regular external market analyses to monitor general market trends and improve readiness to adapt to new market conditions.

Change of market strategy among manufacturers

Another threat to Dustin's operations could materialize if manufacturers/Original Equipment Manufacturers (OEMs) change their business model and choose to sell directly to end customers without using intermediates such as Dustin Group. Initiatives have been made by certain manufacturers, but management assessment is that this scenario is becoming increasingly unlikely the more complex the products and services become on the market. As an intermediate, Dustin Group knows the customers well and is better positioned to promote the manufacturers' products and services on the market.

The behaviour of competitors could be an uncertainty, particularly in the segment of small and midsize businesses. Management performs regular monitoring of the above-mentioned segment to improve readiness to adapt to competitors' behaviour.

Business model risks

Business model risks relate to Dustin's business model and how the Group chooses to compete and market its products and services.

Decreased customer loyalty

Dustin Group may fail to establish and maintain customer loyalty resulting in reduced customer retention. To manage this risk, Dustin Group places considerable emphasis on getting to know the customers and their preferences in order to be successful in creating and delivering attractive offerings to customers.

Pricing model

Dustin Group may not have adequate processes and system support, nor appropriate models for the pricing of products and services. To mitigate this risk, management applies a well-defined pricing process and adopts established pricing models, which are regularly reviewed to enable continuous optimisation of the company's pricing.

Turnaround in Norway

In 2012, Dustin Group acquired Norsk Data Senter AS. Profitability in Norway has yet to meet expectations and a main focus for Dustin Group is currently to succeed with a turnaround in Norway. Management has established a plan for the turnaround including tangible measures, which are being closely monitored.

Ability to generate new, profitable offerings
Dustin's overall objective is to provide a total-package IT offering to the market. Insufficient capacity to generate new, profitable offerings could lead to reduced growth. Accordingly, management has established a special function, the Services and Solutions function, with the overall mission of generating new offerings that meet market requirements. The Services and Solutions function consist of members skilled in both technology and marketing capabilities and serves as the focal point for business operations involving these issues.

Operating model risks

Operating model risks relate to risks and uncertainties associated with Dustin's operations e.g. that are related to the organisation, people, processes or systems.

Quality of operations
Dustin has traditionally been very strong in product sales and the main focus at present is specifically to secure high-quality in the standardized operations for processes in the growing area of services, e.g. processes for after sales support. An overall risk for Dustin arises if the company fails to establish standardised, efficient processes and systems that facilitate high quality in the company's services, such as accurate and on-time delivery. As the company grows and moves towards being a complex, full-range supplier on the market, the need to enforce quality and scalability in the operations increases.

Capacity of the sales force
Implementation of Dustin's new services portfolio strategy is associated with a risk that the sales force lacks the capacity to sell all parts of the offering as our products and services require more specialised skills. Management mitigates this risk by focusing on securing the competence and technical proficiencies of the company's sales force. Regular reviews of available competencies and licensees are made, which are followed-up with concrete development plans for the sales personnel.

Business continuity
Business interruptions in the online store or at the contact centre, for example, if phone and Internet connectivity is lost, are apparent risks to the operations, which could harm Dustin's ability to stay connected and provide customer services. Dustin invests in IT security such as firewalls, anti-virus programs and other protection against external threats. Management also continuously secures the quality and speed of IT systems and on-line stores, and has concluded that Dustin applies best practice processes in this area.

Implementation of a fully integrated IT-platform
On September 1, 2014, a fully integrated IT platform, featuring a new ERP system, a new Web platform and a corresponding business intelligence platform, was launched. The objectives are to obtain improved support in the expansion of Dustin's operations and to become a full-service provider. However, as with all new ERP systems, there is always uncertainty that that the new system will not be successfully implemented, which could harm the ability to operate efficiently. To manage the risk of unsuccessful implementation, management has established relevant procedures and dedicated full-time resources to secure successful implementation.

Quality of management analysis
If critical management data is not perceived as reliable and does not fulfil the needs of the business, there is a risk that this could negatively impact Dustin's operations and future expansion. This could happen in the event of, for example, substandard reports concerning products, services and customers. To manage this risk, management are now implementing a new ERP system including common definitions of master data objects.

Change management
Dustin is currently implementing a new strategy focusing beyond traditional product sales aimed at becoming a full-service provider. A risk here is that management at all levels is not adequately aware of the strategy, which could harm our implementation ability. To manage this risk, cross-Nordic initiatives have been launched for middle management and top management to regularly meet and discuss the vision, strategy and core values to enable a shared view and a "one Dustin" Group.

Compliance and financial reporting risks

This category refers to risks and uncertainties that Dustin does not comply with laws and regulations or does not provide financial reporting statements that show a fair and true view.

Violations of the Code of Business Ethics
If Dustin employees act in violation of the Group's Code of Conduct and Business Ethics, this could harm the operations and the brand. Management has communicated the Code of Conduct and Business Ethics to all employees and the Code is available to all employees on the intranet. Training is also regularly provided to employees, especially in critical areas, such as the sales force, procurement and the finance department.

Violations of the Supplier Code of Conduct

If suppliers violate Dustin's Supplier Code of Conduct, this could also harm the operations and the company's reputation even though the supplier is outside of Dustin's sphere of control. All suppliers have to sign the Supplier Code of Conduct. Management places great emphasis on communication of the Supplier Code of Conduct and continuously maintains a dialogue with suppliers.

Information ownership and Information leakage

This pertains to governance and ownership of information not being sufficiently clear, which could lead to regulatory breaches and/or that sensitive information is too widely communicated. The uncertainty also includes Dustin's failure to protect leakage of sensitive and critical business information outside the company. To manage this uncertainty, management has implemented a communication and information policy.

Possibility to deduct interest expenses paid to shareholders

Dustin has applied the principle of deducting the interest expenses paid to shareholders. This principle has been reviewed by external advisors and the assessment is that the principle is correct from a legal perspective. However, if it is not determined as correct by the tax authorities, this could lead to penalty fees and increased tax expenses. Since the applied principle has been recommended by external advisors, no provision has been made in the financial statements.

NOTE 2 Dustin's accounting policies

Statement of compliance

Dustin's consolidated financial statements are prepared in accordance with multiple accounting legislation and standards:

- the International Financial Reporting Standards (IFRS) as adopted by the European Union
- the Swedish Financial Reporting Board's Recommendations RFR 1 and RFR 2.
- the Annual Accounts Act

The Parent Company prepares its annual financial statements in accordance with the Annual Accounts Act (1995: 1554) and the Swedish Financial Reporting Board's recommendation RFR 2 "Accounting for legal entities". RFR 2 states that a parent company must, to the extent possible within the framework of the Swedish Annual Accounts Act apply IFRSs and other interpretations adopted by the European Union. The Parent Company must also consid er the relationship between the accounting standards and taxation. Furthermore, the recommendation specifies permissible exceptions from IFRS, as well as additions to IFRS that are required in order for the Parent Company to be compliant with Swedish legislation.

To facilitate consolidation, all subsidiaries of the Dustin Group prepare their internal financial statements to the Dustin Group in accordance with IFRS.

DUSTIN'S ACCOUNTING POLICIES

Basis of preparation for the consolidated financial statement

The functional currency of the Parent Company is the Swedish krona (SEK), which is also the reporting currency for both the Parent Company and the Dustin Group. Thus all financial statements are presented in SEK. All amounts, unless otherwise stated, are rounded to the nearest thousand.

Non-current assets and liabilities consist primarily of assets and liabilities that are expected to be recovered or settled more than 12 months after the balance sheet date. Current assets and current liabilities, however, primarily consist of assets and liabilities that are expected to be recovered or settled within 12 months of the balance sheet date.

In order to prepare the financial statements in accordance with IFRS, management is required to make estimations and assumptions that impact application of the accounting policies as well as the amounts reported for assets, liabilities, income and expenses. These estimates and assumptions are based on historical experience and various other factors that under current circumstances seem reasonable. The outcome of these estimates and assumptions is used to determine the carrying amounts of assets and liabilities that are not significantly clarified from other sources. The actual outcome may differ from these estimates and assumptions, but not significantly.

The estimates and assumptions are updated at least annually, or whenever something happens that affects the initial assumption. A change in estimates is recognised in the period in which the change occurred.

Changes in accounting policies

Segment reporting

Dustin has amended its method of segment recognition effective from the third quarter 2014. As of the third quarter 2014, the new method of segment recognition reflects the company's actual internal reporting of B2B and B2C. Furthermore, central costs are no longer allocated since these costs are not included in B2B or B2C in the internal reporting. These changes affect the figures presented for prior financial years. The changes are made to harmonise the segment recognition with the new internal reporting structure used by Group Management.

Consolidated Statement of Comprehensive Income

The presentation of comprehensive income has been changed and is now classified by function. The changes have been performed to ensure transparent presentation of the business and are deemed to provide a true and fair view of the Group.

New IFRS and interpretations to be applied in future periods

The new standards IFRS 10, 11 and 12 will be applied as of 1 September 2014.

IFRS 10 Consolidated Financial Statements

The standard contains uniform rules for determining which units are to be consolidated and supersedes large parts of IAS 27 – Consolidated and Separate Financial Statements. The rules in IFRS 10 regarding consolidation and when consolidated financial statements are to be prepared have been transferred unchanged from IAS 27. The new standard is not expected to have any significant effect on Dustin's financial statements.

IFRS 11 Joint Arrangements

The standard addresses the reporting of joint arrangements, i.e., arrangements in which two or more parties have joint control, and supersedes IAS 31 – Interests in Joint Ventures. Dustin is currently not part of any joint arrangements.

IFRS 12 Disclosure of Interests in Other Entities

Disclosure requirements regarding subsidiaries, joint arrangements and associates have been gathered in a single standard. The standard requires a number of additional disclosures in Dustin's financial statements.

IFRS 9 Financial Instruments

The standard replaces IAS 39 Financial Instruments: Recognition and Measurement. It contains rules for classification and measurement of financial assets and liabilities, impairment of financial instruments and hedge accounting. The standard has to be applied as of 2018 but the EU's plans for approving it have not yet been announced.

IFRS 15 Revenue from Contracts with Customers

The standard deals with the accounting of revenues from contracts and from the sale of certain non-financial assets. It replaces IAS 11 Construction Contracts and IAS 18 Revenue and relating interpretations. The standard has to be applied as of 2017 but the EU's plans for approving it have not yet been announced.

Standards, amendments and interpretations that became effective during the period

IFRS 7 Financial Instruments: Disclosures - amendments

The amendment entails that further disclosures are to be provided about financial instruments recognised net in accordance with the rules of IAS 32 and also addresses financial assets and liabilities covered by master netting agreements and similar.

IFRS 13 Fair Value Measurement

The standard includes uniform rules for measuring fair value when another IFRS requires fair value measurement or disclosures about fair value measurement. New types of disclosures are required to clarify which valuation techniques and which inputs are used.

IAS 19 Employee Benefits - amendments

Significant changes, mainly pertaining to the recognition of defined benefit pension plans. The Group currently has no defined benefit pension plans and the effects of the amendments are limited.

IAS 36 Impairment of assets
The amendment of IAS 36 regarding transparency of the recoverable amount of cash-generating units is mandatory as of 1 January 2014. The Dustin Group is applying the amendment as the fiscal year beginning 1 September 2013.

Accounting policies for the Parent Company
The Parent Company Dustin Group AB's financial statements have been prepared in accordance with the Swedish Annual Accounts Act (1195:1554), the standard RFR 2 Accounting for Legal Entities and other statements issued by the Swedish Financial Reporting Board (RFR). RFR requires that to the extent possible financial statements for the parent company should comply with all IFRS standards and interpretations approved by the EU. The differences between the accounting policies for the Group and the Parent Company are:

Financial Instruments
The Parent Company does not apply IAS 39 Financial Instruments. Financial instruments are recognised at cost in accordance with the Swedish Annual Accounts Act.

Tax
The Parent Company has recognised untaxed reserves (appropriations) and deferred tax liabilities. In the consolidated financial statements, untaxed reserves are recognised as deferred tax liability and equity.

Group contributions
Group contributions are recognised under the heading Appropriations in the income statement.

Consolidation policies

Subsidiaries
Subsidiaries are all companies in the Group over which the Parent Company exercises control. Control is the power to either directly or indirectly govern the financial and operating policies of an entity in order to obtain economic benefits from its activities.

When assessing whether an entity has control over another entity, the existence and effect of potential voting rights currently exercisable or convertible is considered. The financial statements of subsidiaries are recognised in the consolidated financial statements as of the acquisition date and until the time when control no longer exists.

Purchase Price Allocation - PPA
Subsidiaries are recognised in accordance with the purchase method. The consolidated cost is established through a Purchase Price Allocation (PPA). Using this method, the acquisition of a subsidiary is regarded as a transaction whereby the Dustin indirectly acquires the subsidiary's assets and assumes its liabilities and contingent liabilities. The cost is determined by an analysis of the acquisition. The analysis determines the cost of the shares of the business and the fair value at the acquisition date of identifiable assets, liabilities and contingent liabilities. The cost of the business consists of the fair value of the acquired or taken over assets and liabilities. If the cost exceeds the net value of the assets, liabilities and contingent liabilities, the difference is recognised as goodwill. Any negative difference is recognised directly in profit or loss.

Transaction costs/Goodwill
Transaction costs directly attributable to the acquisition are expensed. For costs exceeding the net carrying amount of the acquired identifiable assets and assumed liabilities, the difference is recognised as goodwill in the balance sheet. When the difference is negative, it is recognised directly in profit or loss during the period when it arises. The surplus value of assets identified as part of the PPA is recognised and amortised over the estimated life of the asset. Any remaining amount represents goodwill. Surplus value with an indefinite useful life is impairment tested annually, or whenever there is any indication of impairment.

Non-controlling interest
The portion of equity attributable to non-controlling interests is recognised as a separate component of equity. The statement of comprehensive income contains information about the portion of the income and the comprehensive income attributable to non-controlling interests. Losses attributable to a non-controlling interest have a negative effect on total equity.

Transactions that are eliminated upon consolidation
Intra-group receivables and payables, revenues and expenses, and unrealised gains arising from intra-group transactions are eliminated when preparing the consolidated financial statements. Unrealised losses are eliminated to the extent that no impairment has occurred.

Revenue and related cost of sales connected to the sale of equipment to Dustin Financial Services AB are not eliminated in the consolidated financial statements. The equipment is recognised as a tangible fixed asset Dustin Financial Services AB. On consolidation in the balance sheet, however, reclassification to financial non-current assets is required.

Segment reporting

In Dustin, segment reporting is based on the Group's end-customers and on the internal report structure used by management, the Board of Directors and the chief operating decision maker (the CEO). Dustin has identified two segments; B2B and B2C. The B2B segment includes all sales and transactions with businesses and the B2C segment includes sales and transactions with consumers. The segments are followed up using the key performance indicators of net sales and segment earnings; refer to separate section for definitions for explanation of segment earnings. Cost is also allocated to a central function, which accounts for all non-allocated costs and amortisation/depreciation. In the segment reporting, Dustin Financial Services is included in the B2B segment.

Foreign currency

Foreign currency transactions are translated to the functional currency at the exchange rate prevailing on the date of the transaction. Functional currency is the currency of the primary economic environments in which Dustin companies operate.

The Parent Company, Dustin Financial Services AB, Dustin Aktiebolag, Dustin Sverige AB and IT Hantverkarna Sverige AB use the Swedish Krona (SEK) as their functional currency. Businessforum OY has EURO (EUR), Dustin Denmark A/S has Danish Krone (DKK) and Dustin Norway AS and Norsk Data Senter AS have the Norwegian Krona (NOK) as their functional currency.

Upon consolidation, this means that all assets and liabilities included in the subsidiaries' balance sheets are translated at the closing day exchange rate and all profit or loss items are translated at the average exchange rate. Any exchange rate differences that arise are recognised in other comprehensive income and accumulated in the translation reserve in equity.

Foreign exchange differences arising from revaluation of borrowings in foreign currencies are recognised under finance net in the income statement and foreign exchange differences arising from translation of equity are recognised in other comprehensive income and accumulated in the translation reserve in equity. Goodwill and adjustments of fair value arising from the acquisition of a foreign entity are considered assets and liabilities of the foreign entity and are translated at the closing day rate.

Revenues

Revenues included in operating profit are measured at the fair value of sold goods and services net of discounts, excluding VAT and after eliminating intercompany sales, except for intercompany sales to Dustin Financial Services AB. Revenues are recognised in profit or loss recognised when the following criteria are satisfied:

- it is probable that any future economic benefit associated with the item of revenue will flow to the entity, and
- the amount of revenue can be measured reliably.

Net sales

Net sales are recognised upon delivery to the customer in accordance with the terms of sale, when the material rights and obligations associated with the transfer of ownership to the buyer and the amount of revenue can be measured reliably. Revenues are reduced by the value of given discounts.

Dustin's sales consist primarily of sales of electronics to both B2B and B2C. In B2B, the risk passes to the buyer when the goods are delivered to the carrier, and for B2C, the risk passes to the buyer when the goods are handed over by the carrier. Financial lease income is not included in net sales.

Cost of sales

Cost of sales includes the purchase price, customs, other taxes, distribution costs and other directly attributable costs. Discounts, cash discounts, vendor bonuses and similar items reduce the cost of sales.

Selling and administrative expenses

Selling expenses includes costs directly attributable to sales of goods and services, excluding costs of financing and taxes. Selling expenses normally include the cost of freight to customers, marketing, employee benefits to sellers, collection, credit information, etc. Administration expenses includes administration costs not applicable to cost of sales or selling expenses.

Items affecting comparability

Items affecting comparability between years refer to non-recurring items. They are presented separately in the consolidated statement of comprehensive income and specified in the disclosures.

Lease accounting

Dustin Group as a lessor

Financial lease

A lease contract is classified as financial when the risk and rewards associated with the asset are transferred to Dustin's customer. At the beginning of the lease term, sales revenue and a financial receivable amounting to the present value of future minimum lease payments are recognised. The cost of the lease assets is financed by external bank loans and recognised as a liability. The difference between the sales revenue and the cost of the lease assets is recognised as income and classified as interest surplus for financial services in the statement of comprehensive income.

Operating lease

Other lease contracts are classified as operating. Assets held for operational leases are presented in Dustin's statement of financial position according to the nature of the asset. Lease income is recognised straight-line over the lease term, unless another systematic basis is more representative of the time pattern.

Dustin Group as a lessee

Financial lease

A lease is classified as financial when the risk and rewards associated with the ownership have been transferred to Dustin. The assets are recognised as tangible assets and the future payments as liabilities. The depreciation/amortisation and the payments are recognised in accordance with the lease term.

Operating lease

Other contracts are classified as operating. No asset is recognised for operating lease agreements. The lease payments are expensed straight-line according to the lease term.

Financial income and expenses

Financial income and expenses consist of interest income from bank deposits and receivables, interest expenses from bank credits and loans and the foreign currency exchange-rate effect of financial non-Swedish loans.

Financial income and expenses related to Financial Services

Interest income and lease income related to financial leases with Dustin as the lessor are allocated over the lease period.

BALANCE SHEET

Intangible assets

Goodwill

Goodwill arises when the cost of acquisition exceeds the fair value on Dustin's share of the acquired subsidiary's identifiable net assets on the acquisition date. Goodwill on the acquisition of subsidiaries is recognised as an intangible asset. Goodwill items are impairment tested at least annually and recognised at cost reduced by accumulated impairment losses. Profit or losses from disposal of an entity include the remaining carrying amount of goodwill relating to the entity sold.

Other intangible assets

Other intangible assets consist of customer contracts and capitalised IT expenditures. Intangible assets are recognised in the balance sheet if they meet the criteria in IAS 38 for intangible assets. The Dustin trademark is recognised as an intangible asset with an indefinite useful life and is not amortised. Trademarks are to be impairment tested every year, or more often if there is any indication of an impairment need.

IT expenditures are only capitalised in the event of strategic long-term systems. Strategic long-term systems include AX 2012 BI and the web platform. Expenses arising from other systems are expensed immediately. Capitalised IT expenditures consist of:

- System development that improves system functionality. System development activities include functional design, technical design, development/ configuration, deployment, migration and project management of said activities within the framework of architecture principles.
- Work to upgrade platforms, modules or systems in order to gain significant new functionality.
- Work to expand the use of the platforms to new parts of the organisation.

Property, plant and equipment

Items of property, plant and equipment are recognised as assets in the balance sheet when it is probable that the future economic benefits associated with the assets will flow to the company and the cost of the asset can be measured reliably.

Property, plant and equipment are recognised at cost less accumulated depreciation and impairment losses. Cost includes the purchase price and costs directly attributable to the asset for delivering it to its intended place and in a condition that matches the intended purpose. Examples of directly attributable costs included in cost are costs for delivery and handling, installation, consulting services and legal services.

The carrying amount of property, plant and equipment is derecognised from the balance sheet when the item is disposed of or sold or when no future economic benefits are expected to flow from the asset. Gains or losses on the sale or disposal of an asset are calculated as the difference between the selling price and the carrying amount of the asset (less direct selling costs). Gains or losses are recognised in operating income as other operating income/ expenses.

Additional expenses are only added to the cost when it is likely that future economic benefits associated with the asset will accrue to the company and the cost can be measured reliably. All other subsequent expenditure is recognised as an expense in the period it occurs.

Amortisation and depreciation

Depreciation is applied straight-line over the asset's estimated useful life. Estimated useful lives: (years)

Customer contracts	3–7
ERP platform	15
Web platform	6
BI platform	4
Licenses & hardware	3

Brands

Dustin	0
Other brands	5–7

Investment in rented premises	5–10
Computers and accessories	3
Equipment, tools and installation	5

The residual value and the useful life of an asset are tested each year.

Impairment of assets

Dustin impairment tests assets in order to ensure that an entity's assets are not recognised at more than their recoverable amount (i.e. the higher of fair value less costs of disposal and value in use). Impairment testing is conducted when there is an indication of impairment. Impairment of goodwill is tested annually during the third quarter or whenever indication of an impairment need arises.

If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the asset's cash-generating unit (CGU) is to be determined. The CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The following assets are identified as CGUs:

- Norsk Data Senter
- Dustin A/S
- IT-Hantverkarna
- Businessforum
- Dustin AB and license business

The recoverable amount of the CGU is based on value in use. An impairment loss is recognised whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount. Such impairment loss is recognised in profit or loss. Impairment of assets attributable to a cash-generating unit (group of units) is primarily allocated to goodwill. Secondarily, proportional impairment is made to other assets in the unit (group of units).

Calculation of recoverable amount

When impairment testing, goodwill must be allocated to each of the acquirer's cash-generating units, or groups of cash-generating units that are expected to benefit from the synergies of the business combination, irrespective of whether or not other assets or liabilities of the acquiree are assigned to those units or groups of units.

The cash-generating units to which goodwill has been allocated are to be impairment tested by comparing the carrying amount of the unit, including the goodwill, with the recoverable amount of the unit.

When impairment testing goodwill, the recoverable amount of the operating capital, including goodwill, is compared with the carrying amount. Operating capital is defined as the net of operating assets and operating liabilities. Joint operating assets in Dustin include goodwill, properties, inventory, trade receivables, personnel receivables, tax assets and accrued receivables. Joint operating liabilities in Dustin include trade payables, provisions, tax liabilities and deferred tax. Items in the balance sheet that carry interest are normally not included in working capital.

The valuation is based on a business plan and a discounted cash flow analysis, as the main approach in estimating the recoverable amount.

A sensitivity analysis of the discount rate and growth assumptions is made after each impairment test in order to determine whether the remaining surplus value (the difference between the recoverable amount and the carrying amount) is material.

Reversal of impairment

An impairment of assets in accordance with IAS 36 is reversed only when there is no longer any indication of impairment and the assumptions used as the basis for calculating the recoverable amount have changed. However, impairment of goodwill is never reversed. An impairment loss is only reversed to the extent that the increased carrying amount does not exceed the recognised residual value that would have existed had the impairment had not been recognised.

Inventories

Inventories are measured at the lowest of cost and net realisable value (NRV). The net realisable amount is based on the estimated sales price in the ordinary course of business less the estimated costs to bring about a sale. The cost of inventories is measured according to the moving average inventory method. This averaging approach is considered to yield a safe and conservative approach to recognising financial results.

Calculation of moving average cost is made by dividing the total cost of the items purchased by the number of items in stock. The average cost includes each inventory items in stock and is re-calculated after every inventory purchase.

Accounts receivable

Accounts receivable are recognised at the amount expected to be received less doubtful receivables that are assessed individually. Because the receivables are current in nature, they are recognised at nominal amounts without any discounting. Bad debt losses for accounts receivable are recognised in selling and administrative expenses.

Cash and cash equivalents

Cash and cash equivalents include cash and bank balances as well as short-term investments with a due date within three months. These items are generally recognised at amortised cost.

Non-current receivables and other current receivables

Non-current receivables and other current receivables are receivables that arise when the company provides resources with no intention of trading the receivable. If the expected holding period exceeds one year, they are considered as non-current receivables and if not, they are considered as other current receivables.

Fair value measurement of financial instruments

Fair value measurement of financial instruments is divided into three different hierarchy levels depending of the nature of the financial instrument:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – On the basis of observable market data that is not included in Level 1, either direct (market prices) or indirect (derived from market prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices from a stock exchange, stockbroker, industry group, pricing service or the official authority are easily and regularly available and if those prices represent actual and regularly occurring market transactions at an arm's length. The quoted market price used for financial assets is the current bid price. These instruments are included in Level 1.
The fair value of financial instruments not traded in an active market (e.g. OTC derivatives) is determined by using valuation techniques. Available market information is used to the greatest extent possible and company-specific information is used to the smallest extent possible. If all significant inputs that are required for valuation of fair value measurement of an instrument are observable, the instrument is categorised at Level 2.

In cases where one or more significant inputs are not based on observable market data, the instrument is classified in Level 3.

For financial assets and liabilities with a short duration, such as trade receivables and trade payables, the carrying amounts are considered to approximate fair value. Because the interest rate for bank loans is variable, the carrying amount of the loans is assessed as being close to fair value. There are also loans carrying a fixed interest rate which are measured according to Level 3 as per balance sheet day.

Derivatives and hedge accounting

Derivative instruments are recognised on the contract date and are measured at fair value, both initially and in subsequent revaluations. The Group applies hedge accounting for derivatives and the fair value is measured within Level 2, according to the definition in IFRS 7.

The part of the change in fair value of the hedging instrument that is determined to be 'effective' is recognised in Other comprehensive income. The part of the value change that is not considered to be an effective hedge is recognised in financial income/expense. If the effect of the revaluation of the hedging instrument exceeds the effect of the revaluation of the hedged item during the same time period, the excess part is recognised in profit or loss.

If the hedge accounting ceases, the cumulative gain or loss on the hedging instrument remains. If the forecast transaction is no longer expected to occur, the cumulative gain or loss on the hedging instrument is immediately recognised in profit or loss.

Share capital

Ordinary shares are classified as equity. Transaction costs directly attributable to the issue of new shares or options are recognised (net of tax) in equity as a deduction from the issue proceeds.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs. Borrowings are subsequently recognised at amortised cost and any difference between the proceeds (net of transaction costs) and the nominal amount is recognised in profit or loss over the maturity of the loan using the effective interest method. Liabilities are classified as current liabilities unless Dustin has an unconditional right to defer payment of the liability for at least 12 months after the balance sheet date.

Accounts payable

Accounts payable are initially recognised at fair value and are subsequently recognised at amortised cost using the effective interest method.

Income taxes

Dustin's total income tax charge consists of current and deferred tax. Income tax is recognised in profit or loss, except when the underlying transaction is recognised in other comprehensive income or directly in equity, in which case the related tax effect is recognised in other comprehensive income or directly in equity.

Current tax is the tax payable or refundable for the current year, using enacted or essentially enacted tax rates at the balance sheet date, including adjustment of current tax attributable to previous periods.

According to the balance sheet method, deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred tax arises from a transaction constituting the initial reporting of an asset or liability that is not a business combination and affects neither accounting nor taxable profit during the time of the transaction, it is not recognised. Deferred tax is calculated using the tax rates and tax regulations that have been decided or announced at year-end. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available for offsetting the temporary differences.

Untaxed reserves include deferred tax. In the consolidated financial statement, untaxed reserves are divided between deferred tax liability and equity.

Employee benefits

Defined contribution plans

Defined contribution plans are plans under which the company's obligations are limited to the payment of fixed contributions. The Group only has defined contribution pension plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into an external legal entity. Dustin has no legal or informal obligations to pay further contributions should the fund not have sufficient assets to pay all employee benefits relating to employee service in current and prior periods. For defined contribution plans, Dustin pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The contributions are recognised as expenses for employee benefits when the amounts become due for payment. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments accrues to Dustin.

Termination benefits

Termination benefits are payable if employment is terminated before the normal retirement date or in cases where an employee accepts voluntary retirement from employment in exchange for such benefits. Dustin recognises a cost for termination benefits only when the Group is demonstrably committed to either terminate employment according to a detailed formal plan without possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months from the balance sheet date are discounted to present value.

Share-based benefits

A small number of managers has been allotted warrants at market value; accordingly, no personnel expense arose. Dustin's warrants are not subject to IFRS 2 because the price of the warrants matched the market value at the time of subscription and it was therefore not a benefit.

Provisions

A provision is recognised in the Statement of Financial Position when Dustin has an existing legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and when a reliable estimate of the amount can be made. If the effect of the time value of money is material, provisions are calculated by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Contingent liabilities

A contingent liability exists when there is a possible obligation depending on whether some uncertain future event occurs or when there is an existing obligation for which payment is not probable or the amount cannot be measured reliably. A provision need be recognised if and only if a present obligation (legal or constructive) has arisen as a result of a past event (the obligating event), the payment is probable (more likely than not) and the amount can be estimated reliably.

FINANCIAL RISK

The financial risks identified for the Group are foreign exchange risk, credit risk, liquidity risk and interest rate risk. Responsibility for the Group's financial transactions and risks is managed centrally by Dustin AB's finance department in cooperation with the operating units. The overall aim of the finance department is to provide a cost-effective financing and to minimise negative effects from market fluctuations that can impact the Group profit. The Group's finance policy for managing financial risk has been prepared by the Board and provides a framework of rules and guidelines regarding risk mandates and limits for financial activities.

Foreign exchange risk

The foreign exchange risk is the risk that foreign exchange rates will negatively impact profit or loss, the balance sheet and cash flow. The risk is split into transaction differences and translation differences.

The transactions differences are limited since the Group mainly operates on the Scandinavian market. Purchases are mainly done in local currencies. Since the risk is considered limited, transactions in foreign currencies are normally not hedged. The translation differences involve exposure of the net assets of the foreign entities in Denmark, Finland and Norway. Hedging is currently not applied for translation differences.

Credit risk

Credit and counterparty risk refers to the risk that the counterparty to a transaction fails to meet its obligations, thereby resulting in a loss for the Group. The Group has established procedures to ensure that sales of products are made only to customers with good payment history. The Group's credit policy includes various credit limits, depending on the size and risk category, and requirements and procedures for doubtful debts. Credit is tested for all customers via a direct connection to credit reporting agencies. Private customers pay in cash or through credit. When private customers use credit, they are transferred to an external partner who bears the entire credit risk. The maximum credit risk exposure is the amount recognised in the balance sheet for each financial asset.

Liquidity risk

The Group's liquidity risk pertains to the risk of not being able to reach agreements on external credit facilities and external bank loans. There is also a risk that the Group will be unable to finance the current and short-term payment obligations. The Group has adopted a finance policy that ensures short and long-term planning of cash flow. The current financing for the Group is based on external bank loans, which are subject to covenants that are reported to the banks. The covenants as per August 2014 had been fulfilled. The short and long-term borrowing is specified in the disclosures.

Interest rate risk

The Group's interest rate risk pertains to the risk that material changes in market interest rates will affect the variable interest payable to external bank loans. Variable interest is hedged (interest rate swaps) and the Group applies hedge accounting. Interest rate swaps means that the Group agrees with other parties to exchange, at specified intervals (generally quarterly), the difference between the fixed interest amount, according to fixed contract rates, and the variable interest amount, calculated on the contractual nominal amount. As of August 2014, the Group had external bank loans denominated win SEK, NOK and EUR and these are specified in the disclosures.

KEY ESTIMATES

The preparation of financial statements requires management to make assumptions and estimates. These assumptions and estimates are based on historical experience and other factors considered for these key estimate areas. The identified key estimates are:

Impairment of assets

The calculated recoverable amount of identified cash-generating units is based on a number of judgments and estimations. Changes in these could result in significant changes in the recoverable amount. The key parameters are the growth margin and the discount rate. The impairment tests for the current financial year did not indicate any need of impairment.

Earn-out liability

The earn-out liability includes supplementary purchase considerations for acquisitions of new entities. These earn-outs are based on the future financial development of the acquired businesses. The actual earnings of the businesses could differ from the estimated outcome and result in deviations between the recognised liability and the actual payment. During the year, the estimated earn-out liability for Norsk Data Senter and IT-Hantverkarna had an impact of SEK 99 million on the statement of comprehensive income, which was reported as an item affecting comparability due to changes in the estimated outcome.

NOTE 3 Net sales and operating income per segment and geographical market

Dustin's business is divided into two main segments, Business to Business (B2B) where Dustin Financial Services (DFS) is fully allocated and Business to Consumer (B2C).

Segment summary

All amounts in SEK thousands	**13/14**	**12/13**	**11/12**
Net Sales			
B2B	6,617,911	4,786,431	3,832,158
B2C	752,982	651,817	674,247
Total net sales	**7,370,893**	**5,438,248**	**4,506,405**
Segment results			
B2B, Segment results	553,210	424,115	416,726
B2B, Segment results, margin (%)	8.4%	8.9%	10.9%
B2C, Segment results	38,140	33,072	8,846
B2C, Segment results, margin (%)	5.1%	5.1%	1.3%
Central functions	-237,862	-203,085	-196,092
Sub – total	**353,488**	**254,102**	**229,480**
Tie in to operating income			
Items affecting comparability	1,128	-3,587	-8,192
Depreciation and amortisation intangible assets	-53,624	-53,341	-36,395
Operating income Dustin Group	**300,992**	**197,174**	**184,893**

		Koncernen	
	13/14	**12/13**	**11/12**
Information of net sales per geographic market			
Sweden	4,057,298	3,558,071	3,421,758
Denmark	1,255,229	952,236	861,316
Finland	1,165,491	291,412	-
Norway	892,875	636,529	223,331
Total net sales	**7,370,893**	**5,438,248**	**4,506,405**

NOTE 4 Information of purchase and sales within the Group etc.

The largest group to which the company belongs to (Dustin Group AB with subsidiaries)	Parent Company 13/14	12/13	11/12
Purchases	0.0%	0.0%	0.0%
Sales	100.0%	100.0%	100.0%

NOTE 5 Auditor's remuneration and expenses

	Group			Parent Company		
	13/14	**12/13**	**11/12**	**13/14**	**12/13**	**11/12**
Ernst & Young AB						
Remuneration for audit assignment	2,299	1,547	1,714	632	588	314
Audit business outside the audit assignment	453	628	326	-	-	-
Tax consultancy	198	6	113	198	-	-
Other services	-	2,300	-	-	-	-
Total	**2,950**	**4,481**	**2,153**	**830**	**588**	**314**

NOTE 6 Lease agreements

Operational lease agreements (Dustin as a lessee):
The Group's lease expense for the year amount 45 540 TSEK (7 578 and 2 193).
Future lease expenses amount to:

	13/14	12/13	11/12
Within 1 year	33,660	15,673	3,857
Year 2	16,266	7,174	1,482
Year 3	7,545	2,099	924
After 3 years	3,975	384	552
Total	**61,446**	**25,330**	**6,815**

Dustin Group leases IT-equipment, office-equipment and cars as operating leases-agreements. Maturity of leasing agreements is usually 36 months, with an option to renew. No contracts require extension. When the leases expire, the Group has the option to purchase the equipment at prevailing market prices. There are index clauses in the leases.

Financial lease agreements (Dustin as a lessor):
The Group enters into financial lease agreements with customers through the subsidiary Dustin Financial Services AB.

The provision for doubtful trade receivables regarding leasing amounts to 2,289 TSEK (820 and 675).

	13/14	12/13	11/12
Non-current receivables			
Gross financial leasing	181,844	145,089	56,484
Unearned financial income	-16,459	-14,402	-4,293
Total	**165,385**	**130,687**	**52,191**
Current receivables			
Gross financial leasing	57,425	3,582	52,331
Unearned financial income	-5,198	-356	-5,829
Total	**52,227**	**3,226**	**46,502**
Gross investment in financial leasing is distributed as follows:			
Within 1 year	57,424	3,582	52,331
Between 1-5 years	181,844	145,089	56,484
More than 5 years	-	-	-
Total	**239,268**	**148,671**	**108,815**
Net investment in financial leasing is distributed as follows:			
Within 1 year	52,227	3,226	46,502
Between 1-5 years	165,385	130,687	52,191
More than 5 years	-	-	-
Total	**217,612**	**133,913**	**98,693**

NOTE 7 Employees, employee benefits expense and renumeration to Senior management

	13/14		212/13		11/12	
Average number of full-time employees	**Numbers of employees**	**Numbers of men**	**Numbers of employees**	**Numbers of men**	**Numbers of employees**	**Numbers of men**
Parent Company	-	-	-	-	-	-
Subsidiary						
Sweden	580	451	576	449	357	246
Norway	155	133	161	138	1	1
Finland	70	53	63	48	-	-
Denmark	105	96	90	82	82	79
Total in subsidiaries	**910**	**733**	**890**	**717**	**440**	**326**
Total in the Group	**910**	**733**	**890**	**717**	**440**	**326**

	Group			Parent Company		
Distribution of board members and Senior Management team at the balance sheet date	**14-08-31**	**13-08-31**	**12-08-31**	**14-08-31**	**13-08-31**	**12-08-31**
Women:						
Board members	1	-	2	1	-	2
Other members of Senior Management, including CEO	1	1	-	-	-	-
Men:						
Board members	5	4	4	5	4	4
Other members of Senior Management, including CEO	9	8	4	1	1	1
Total	**16**	**13**	**10**	**7**	**5**	**7**

Employee benefits expense	13/14	12/13	11/12
Wages salaries and other remunerations			
Board, CEO and management team	24,197	17,948	11,808
whereof bonus	7,483	2,449	6,049
Social security costs	9,439	5,409	3,274
whereof pensions	2,920	2,496	742
Other employees	457,746	321,872	184,258
whereof bonus	14,602	7,943	1,654
Social security costs	133,425	88,685	51,534
whereof pensions	28,575	16,105	10,504
Total			
Wages salaries and other remunerations	481,943	339,820	196,066
whereof bonus	22, 085	10,392	7,703
Social security costs	142,864	94,094	54,808
whereof pensions	31,495	18,601	11,246

Renumeration for the Board of Directors	13/14 Annual fee	12/13 Annual fee	11/12 Annual fee
Fredrik Cappelen	750	750	750
Cecilia Eriksson	-	-	250
Tomas Franzén	250	-	-
Mattias Miksche	250	250	250
Maija Strandberg	250	-	-

Remuneration and benefits for CEO	Year	Gross salary*	Bonuses	Pension expenses	Total
Georgi Ganev	13/14	3,110	1,380	471	4,961
Georgi Ganev	12/13	3,380	423	481	4,284
Georgi Ganev	11/12	258	1,500	-	1,758
Per Eriksson	11/12	1,506	3,255	218	4,979

*These amounts include holiday pay supplement, car compensation, daily allowance in TSEK:

13/14	110
12/13	380
11/12	514

Remuneration and benefits to Senior Management Team	Year	Gross salary*	Bonuses	Pension expenses	Total
Senior Management Team	13/14	12,104	5,680	2,449	20,233
Senior Management Team	12/13	11,056	2,449	2,015	15,520
Senior Management Team	11/12	2,745	1,294	524	4,563

*These amounts include holiday pay supplement, car compensation, daily allowance and lunch benefit totalling TSEK:

13/14	2,820
12/13	1,337
11/12	105

0 TSEK (0) of the Parent Company's pension expenses relates to the board and CEO of the Group.

471 TSEK (481) of the Group's pension expenses relates to the board and CEO of the Group.

Georgi Ganev has a six-month notice of termination on his own initiative and twelve months termination from the Company. Salary and pension are payable during the termination time. Upon notice by the Company, bonus and/or other incentives are only payable to such extent they have been accrued at the date that Georgi Ganev is released from his duties. Upon notice from Georgi Ganev, bonus and/or other incentives are only payable up to the end of the calendar year preceding the notice.

Member of Senior Management have a six-month notice of termination on his/her own initiative and six-month termination from the Company. Salary and pension are payable during the termination time. Upon notice by the Company, bonus and/or other incentives are only payable to such extent they have been accrued at the date that the member is released from his/her duties. Upon notice from the member, bonus and/or other incentives are only payable up to the end of the calendar year preceding the notice.

Dustin's CEO, selected members of Board of Directors, members of Senior Management and certain present and former officers of the Group have been given an opportunity to iinvest on incentive program, where about 35 people are currently participating. This program offered an investment in a combination of shares and warrants, where each warrant gives the opportunity to subscribe to one new share, depending on the company's value development. Maturity of the options extends to at least to 2015 and at most until 2017. All warrants have been issued at market price.

A part of the Parent Company's costs for salaries, other benefits and social securities contributions are included under other external costs, since the chairman invoices his fees.

NOTE 8 Interest income and other financial items

	Group			Parent Company		
	13/14	**12/13**	**11/12**	**13/14**	**12/13**	**11/12**
Bank interest	309	1,916	1,636	14	7	16
Other receivable-related items	1,793	-	-	9	-	-
Net income by sale of securities	-	8	-	-	-	-
Interest derivative	-	4	918	-	4	624
Total	**2,102**	**1,928**	**2,554**	**23**	**11**	**640**

0 TSEK (0) of the Parent Company's interest income and other financial items consist of income from other Group companies.

NOTE 9 Interest expense and other financial items

	Group			Parent Company		
	13/14	**12/13**	**11/12**	**13/14**	**12/13**	**11/12**
Bank interest	60,967	53,359	21,822	45,617	37,681	16,871
Subordinated shareholder liabilities and other long-term liabilities	40,859	41,065	45,526	40,859	41,065	45,526
Interest derivative	5,098	1,544	149	3,978	1,148	-
Exchange rate loss/profit on liabilities	9,979	18,952	-129	2,197	2,707	-
Profit(loss) from sales of participations in group companies	-	104	-	-	-	-
Other liability-related items	1,302	10	140	2	-	6
Total	**118,205**	**115,034**	**67,508**	**92,653**	**82,601**	**62,403**

55,460 TSEK (49,479) of the Group's interest expenses represents paid interest. 0 TSEK (0) of the Parent Company's interest expense and other financial items consist of income from other Group companies.

NOTE 10 Appropriations

	Parent Company		
	13/14	**12/13**	**11/12**
Group contribution received	87,545	86,158	64,023
Total	**87,545**	**86,158**	**64,023**

NOTE 11 Income taxes

	Group			Parent Company		
	13/14	**12/13**	**11/12**	**13/14**	**12/13**	**11/12**
Following components are included in the tax expense:						
Tax due to changes in tax assessment	-1,056	-	-8	-55	-	-
Current tax	-36,003	-33,208	-46,189	-	-	-
Deferred tax	15,900	26,472	11,372	1,909	-	-
Income taxes	**-21,159**	**-6,736**	**-34,825**	**1,854**	**-**	**-**
Income after financial items	184,889	84,068	119,939	-9,152	-37	-
Reconciliation of the effective tax rate						
Tax according to current tax rate	-40,676	-22,110	-31,544	2,013	10	-
Tax effect of:						
Non-deductible expenses	-1,918	-1,848	-424	-78	-	-
Non taxable income	21,805	116	-262	-	1	-
Standardized income of tax allocation reserve	-347	-292	-505	-26	-22	-
Adjustment of tax for previous years and others	2,690	-1,779	-2,573	-55	-	-
Difference in tax rate between Parent Company and subsidiaries	-2,713	1,342	413	-	-	-
Changed tax rate	-	17,835	70	-	11	-
Income taxes	**-21,159**	**-6,736**	**-34,825**	**1,854**	**-**	**-**

NOTE 12 Intangible assets – Capitalized IT-development expenditure

	Group		
	14-08-31	13-08-31	12-08-31
Cost of acquisition, opening balance	**29,996**	**21,929**	**18,781**
Purchases	2,597	1,032	-
Acquisition of businesses	-	7,054	3,158
Disposals	-1,520	-	-
Exchange difference	120	-19	-10
Cost of acquisition, closing balance	**31,193**	**29,996**	**21,929**
Amortization, opening balance	-18,258	-11,056	-8,076
Acquisition of businesses	-	-3,676	-
Disposals	1,706	-	-
Amortization of the year according to plan	-5,029	-3,535	-2,983
Exchange difference	-142	9	3
Amortization according to plan, closing balance	**-21,723**	**-18,258**	**-11,056**
Carrying amount, closing balance	**9,470**	**11,738**	**10,873**

Purchases over the year relates to the acquired companies' software. Investments in development of a new business intelligence tools, and development of the search engine on the home page were made during previous year. Previous investments relate to applications for mobile phones, CRM (Customer Relationship Management) and financial systems.

NOTE 13 Customer contracts

	Group		
	14-08-31	13-08-31	12-08-31
Cost of acquisition, opening balance	**262,591**	**64,696**	**64,696**
Acquisition of businesses	-	197,895	-
Final PPA adjustments	11,760	-	-
Acquisition cost, closing balance	**274,351**	**262,591**	**64,696**
Amortization according to plan, opening balance	**-88,878**	**-48,920**	**-42,699**
Amortization of the year according to plan	-47,865	-39,958	-6,256
Amortization according to plan, closing balance	**-136,743**	**-88,878**	**-48,955**
Translation difference	9,218	3,922	35
Carrying amount, closing balance	**146,826**	**177,635**	**15,776**

NOTE 14 Brands

	Group		
	14-08-31	13-08-31	12-08-31
Cost of acquisition, opening balance	**318,325**	**313,933**	**312,000**
Acquisition of businesses	-	4,392	1,933
Acquisition cost, closing balance	**318,325**	**318,325**	**313,933**
Amortization according to plan, opening balance	**-4,637**	**-**	**-**
Acquisition	-	-4,637	-
Amortization of the year according to plan	-364	-	-
Amortization according to plan, closing balance	**-5,001**	**-4,637**	**-**
Carrying amount, closing balance	**313,324**	**313,688**	**313,933**

Brands refer to Dustin's brand (312 MSEK) and other acquired brands related to IT-Hantverkarna (1 MSEK). The brand Dustin has a carrying value of MSEK 312 million and was acquired in 2006. This brand has been assigned an indefinite life because the brand Dustin is well established and it is difficult to estimate when it stops generating revenues. All intangible assets with indefinite useful lives are tested at least each year to ensure that the value does not deviate negatively from the current carrying value. Individual assets can be tested more frequently if there are indications of impairment. The recoverable amounts of the cash generating units have been determined by using value in use. The brand is part of the cash-generating unit "Dustin AB", see Note 16 Goodwill.

NOTE 15 Licences

	Group		
	14-08-31	13-08-31	12-08-31
Cost of acquisition, opening balance	**190,242**	**189,840**	**191,401**
Purchases	-	77	-
Disposals	-	-	-808
Exchange difference	414	325	-753
Cost of acquisition, closing balance	**190,656**	**190,242**	**189,840**
Amortocation according to plan, opening balance	**-189,518**	**-180,018**	**-154,448**
Disposals	-	-	808
Amortization of the year according to plan	-467	-9,203	-27,040
Exchange difference	-399	-297	662
Amortization according to plan, closing balance	**-190,384**	**-189,518**	**-180,018**
Carrying amount, closing balance	**272**	**724**	**9,822**

NOTE 16 Goodwill

	Group		
	14-08-31	**13-08-31**	**12-08-31**
Cost of acquisition, opening balance	**1,582,737**	**1,144,364**	**1,110,446**
Acquisition of businesses	-	428,465	55,588
Change in earn-out	60,000	-	-
Final PPA adjustments	-8,951	-	-
Translation difference	26,920	9,908	-21,670
Carrying amount, closing balance	**1,660,706**	**1,582,737**	**1,144,364**

The goodwill in Dustin Group is mostly related to acquisitions of new entities. Goodwill is allocated to cash-generating units. The cash-generating units is equal to a separate entity within the Dustin Group except for the goodwill related to the License business which is included in Dustin AB. The recoverable amount of the cash-generating units is based on value in use.

Cash generating unit (MSEK)	14-08-31	13-08-31	12-08-31
Dustin AB	872	812	754
Licens	126	126	126
Dustin A/S	250	237	204
IT-Hantverkarna	91	94	60
Norsk Data Senter	177	168	-
Businessforum	145	145	-
	1,661	**1,582**	**1,144**

The test of impairment is done on a yearly basis or when indications of potential write-downs are identified. When calculating the value in use of the cash-generating units, a discount rate of 10.5–12.3 % (9) after tax was used as specified below. At this year's impairment test, the estimated value exceeded the carrying value and no impairment has been recorded. The underlying estimates when calculating the value in use of the cash-generating units are based on management's cash flow forecasts for a period of 5 years. Cash flow for the ensuing years have been extrapolated by using a growth assumption of 2.5–3.0 %. The main assumptions that the management has used in the calculations of forecasts of future cash flows are estimated market growth, the cash-generating units expected market shares, the development of product margins and personnel costs. The estimated market has been based on external industry estimates. Market share development, product margin and personnel costs have been assessed based on previous experience.

A sensitivity analysis was performed on the used growth assumption and discount rate. The analysis covered a calculation were the discount rate was increased with 0–2 % and the growth assumption were decreased with 0–5 %. The analysis resulted in no potential write-down.

	Discount rate before tax, %		
Cash generating unit	**14-08-31**	**13-08-31**	**12-08-31**
Dustin AB	11.0	9.0	9.0
Licens	10.5	9.0	9.0
Dustin A/S	10.5	9.0	9.0
IT-Hantverkarna	10.5	-	-
Norsk Data Senter	10.5	-	-
Businessforum	12.3	-	-

NOTE 17 Intangible asset – Capitalised due to integrated IT-platform

	Group		
	14-08-31	13-08-31	12-08-31
Cost of acquisition, opening balance	**88,584**	**49,752**	**14,035**
Investments during the year	23,080	38,832	35,717
Write-downs	-23,617	-	-
Carrying amount, closing balance	**88,047**	**88,584**	**49,752**

Capitalised IT-development includes cost related to the new integrated IT-platform launched September 1, 2014. During 2013/2014 management has made new estimates of capitalised IT-expenditures. Historically Dustin Group has capitalised almost all IT-development as intangible assets. In 2013/14 the Company has written down 24 MSEK not related to the long term integrated IT-plattform.

NOTE 18 Cost of improvements on external property

	Group		
	14-08-31	13-08-31	12-08-31
Cost of acquisition, opening balance	**22,433**	**20,758**	**21,371**
Purchase	807	176	108
Acquisition of businesses	-	1,618	63
Disposals	-182	-	-
Exchange differences	209	-119	-112
Reclassifications	-	-	-672
Acquisition values, closing balance	**23,267**	**22,433**	**20,758**
Depreciation, opening balance	**-15,784**	**-12,141**	**-9,701**
Disposals	219	-	-
Acquisition of businesses	-	-555	-
Exchange differences	-101	59	102
Reclassifications	-	-	672
Depreciation of the year according to plan	-1,837	-3,147	-3,214
Depreciation, closing balance	**-17,503**	**-15,784**	**-12,141**
Carrying amount, closing balance	**5,764**	**6,649**	**8,617**

NOTE 19 Equipment

	Group			Parent Company		
	14-08-31	13-08-31	12-08-31	14-08-31	13-08-31	12-08-31
Cost of acquisition, opening balance	**51,679**	**30,150**	**31,843**	**65**	**65**	**65**
Purchase	4,879	3,207	2,118	-	-	-
Acquisition of businesses	-	17,896	274	-	-	-
Disposals	-3,884	-	-3,978	-	-	-
Reclassifications	-	-	-	-	-	-
Exchange differences	1,128	426	-107	-	-	-
Acquisition values, closing balance	**53,802**	**51,679**	**30,150**	**65**	**65**	**65**
Depreciation according to plan, opening balance	**-36,657**	**-21,992**	**-22,107**	**-65**	**-65**	**-55**
Disposals	3,218	-	3,982	-	-	-
Acquisition of businesses	-	-9,481	-			
Reclassifications	-	350	-	-	-	-
Depreciation of the year according to plan	-6,962	-5,219	-3,917	-	-	-10
Exchange differences	-787	-315	50	-	-	-
Depreciation according to plan, closing balance	**-41,188**	**-36,657**	**-21,992**	**-65**	**-65**	**-65**
Carrying amount, closing balance	**12,614**	**15,022**	**8,158**	**0**	**0**	**0**

NOTE 20 Participations in Group Companies

	Parent Company		
	14-08-31	13-08-31	12-08-31
Cost of acquisition, opening balance	1,161,663	1,096,663	1,096,663
Additional earn-out	60,000	65,000	-
Cost of acquisition, closing balance	**1,221,663**	**1,161,663**	**1,096,663**

Company name	Nr of shares	Share of eq. %	Carrying value	Carrying value	Carrying value
Dustin AB	25,000,000	100%	1,211,563	1,151,563	1,086,563
Dustin Financial Services AB	1,000	100%	10,100	10,100	10,100
Total			**1,221,663**	**1,161,663**	**1,096,663**

Company name	Corp. Id. Nr	Domicile	Equity	Net income
Dustin AB	556237-8785	Stockholm	287,257	50,913
Dustin Financial Services AB	556740-9726	Stockholm	35,004	13,644

NOTE 21 Trade receivables

	Group			Parent Company		
	14-08-31	**13-08-31**	**12-08-31**	**14-08-31**	**13-08-31**	**12-08-31**
Gross trade receivables	693,711	619,774	317,974	-	-	-
Provision for doubtful receivables	-4,521	-6,467	-2,220	-	-	-
Carrying amount	**689,190**	**613,307**	**315,754**	**-**	**-**	**-**

The Group	**14-08-31**		**13-08-31**		**12-08-31**	
Aging structure of outstanding trade receivables	**Trade receivables**	**(of which prov.)**	**Trade receivables**	**(of which prov.)**	**Trade receivables**	**(of which prov.)**
Invoices, not matured	553,264	-	538,617	-	279,542	-
Aging up to 10 days	102,476	-	42,221	-	18,186	-
Aging from 10 up to 20 days	8,134	-	7,890	-	4,880	-
Aging from 20 up to 30 days	7,099	-	4,285	-	4,002	-
Aging from 30 up to 90 days	16,621	-642	18,516	-4,855	8,345	-1,991
Aging from 90 up to 180 days	1,321	-1,755	1,472	-989	663	-211
Aging more than 180 days	275	-2,124	306	-623	138	-18
Total	**689,190**	**-4,521**	**613,307**	**-6,467**	**315,756**	**-2,220**

	Group			Parent Company		
Changes in the provision for doubtful receivables	**14-08-31**	**13-08-31**	**12-08-31**	**14-08-31**	**13-08-31**	**12-08-31**
Opening balance	**6,467**	**2,220**	**1,750**	**-**	**-**	**-**
Provision for doubtful receivables	1,657	7,152	2,220	-	-	-
Receivables written off during the year	-2,019	-2,175	-4,440	-	-	-
Reversal of bad debt loss over the year	-1,640	-730	2,690	-	-	-
Exchange rate difference	56	-	-	-	-	-
Closing balance	**4,521**	**6,467**	**2,220**	**-**	**-**	**-**

Because of the short-term nature of trade receivables, the carrying value is considered as consistent with the actual value. The same applies for other receivables, prepayments and accrued income. Thus, this is the maximum exposure. The company's receivables consist of SEK 51 % (51 and 79), DDK 15% (15 and 18), EUR 19% (16 and 0) and NOK 16% (18 and 3).

Dustin AB leaves approximately 80 % of all Swedish trade receivable as pledge for utilization of bank credit.

The Company receives regular credit reports on all corporate customers. Dustin does not offer credit to private customers.

NOTE 22 Prepaid expenses and accrued income

	Group			Parent Company		
	14-08-31	**13-08-31**	**12-08-31**	**14-08-31**	**13-08-31**	**12-08-31**
Rent	2,889	4,396	2,927	-	-	-
Interest	212	40	48	-	-	-
Market contributions	32,456	21,955	19,490	-	-	-
Credit notes and rebates from suppliers	33,517	23,572	16,284	-	-	-
Prepaid market expenses	2,909	1,722	-	-	-	-
Prepaid leasing rents	11,554	14,567	-	-	-	-
Other prepaid expenses and accrued income	27,611	17,429	14,322	-	181	960
Total	**111,148**	**83,681**	**53,071**	**-**	**181**	**960**

NOTE 23 Untaxed reserves

	Parent Company		
	14-08-31	13-08-31	12-08-31
Tax allocation reserve 2009	7,793	7,793	7,793
Total	**7,793**	**7,793**	**7,793**

NOTE 24 Deferred tax, the Group

	Other non-current assets	Appropria-tions	Deferred tax liability financial instru-ments	Subtotal tax liability	Other non-cur-rent assets	Deferred tax asset, loss carry forward	Subtotal tax asset	Total deferred Tax
Opening balance 2011-09-01	**87,561**	**35,390**	**304**	**123,255**	**-**	**-**	**-**	**123,255**
Recorded in consolidated income statement	-2,469	-3,480	-	-5,949	4790	633	5,423	-11,372
Reported in other compre-hensive income	-	-	-298	-298	-	-	-	-298
Closing balance 2012-08-31	**85,092**	**31,910**	**6**	**117,008**	**4,790**	**633**	**5,423**	**111,585**
Opening balance 2012-09-01	**85,092**	**31,910**	**6**	**117,008**	**4,790**	**633**	**5,423**	**111,585**
Recorded in consolidated income statement	-25,386	1,910	-	-23,476	3 629	-633	2,996	-26,472
Recorded in consolidated sta-tement of financial position	54,944	-	-	54,944	-	-	-	54,944
Recorded in other compre-hensive income	-	-	150	150	-	-	-	150
Closing balance 2013-08-31	**114,650**	**33,820**	**156**	**148,626**	**8,419**	**-**	**8,419**	**140,207**
Opening balance 2013-09-01	**114,650**	**33,820**	**156**	**148,626**	**8,419**	**-**	**8,419**	**140,207**
Recorded in consolidated income statement	-13,106	6,048	-	-7,058	4 142	4,700	8,842	-15,900
Recorded in consolidated sta-tement of financial position	2,478	-	-	2,478	-	-	-	2,478
Recorded in other compre-hensive income	-	-	-2,711	-2,711	-	-	-	-2,711
Closing balance 2014-08-31	**104,022**	**39,868**	**-2,555**	**141,335**	**12,561**	**4,700**	**17,261**	**124,074**

Provision for deferred tax is reported in full as a non-current liability. The Parent Company has a deferred tax asset amounting to 1,909 TSEK (0).

Dustin has loss carry-forward of 24,871 (4,363) in the Group and 8,678 TSEK (43) in the Parent Company.

There are 1,186 unreported deferred tax assets in the Group and no unreported tax assets in the Parent Company.

Recorded deferred tax assets are expected to be utilized within 1–3 years.

NOTE 25 Maturity in liabilities

2014-08-31	Total amount	Maturity within 1 year	Maturity within 1-2 years	Maturity within 3-5 years	Maturity after 5 years
Liabilities to credit institutions	1,216,970	192,386	288,335	736,249	-
Subordinated shareholder borrowings	203,227	-	-	203,227	-
Other non-current liabilities	241,023	-	-	241,023	-
Deferred borrowing expenses	-30,031	-7,066	-14,133	-8,832	-
Provisions for pensions and similar obligations	642	642	-	-	-
Advance payments from customers	91	91	-	-	-
Trade payables	772,234	772,234	-	-	-
Current tax liabilities	-	-	-	-	-
Other liabilities	96,356	96,356	-	-	-
Acquisition related liabilities	89,252	89,252	-	-	-
Accrued expenses and deferred income	161,758	161,758	-	-	-
Total	**2,751,522**	**1,305,653**	**274,202**	**1,171,667**	**-**

2013-08-31	Total amount	Maturity within 1 year	Maturity within 1-2 years	Maturity within 3-5 years	Maturity after 5 years
Liabilities to credit institutions	1,119,207	193,331	173,716	752,160	-
Subordinated shareholder borrowings	188,192	-	-	188,192	-
Other non-current liabilities	215,199	-	-	215,199	-
Deferred borrowing expenses	-38,928	-9,159	-18,319	-11,450	-
Provisions for pensions and similar obligations	742	742	-	-	-
Advance payments from customers	3,739	3,739	-	-	-
Trade payables	631,646	631,646	-	-	-
Current tax liabilities	40,559	40,559	-	-	-
Other liabilities	49,527	49,527	-	-	-
Acquisition related liabilities	223,847	223,847	-	-	-
Accrued expenses and deferred income	101,698	101,698	-	-	-
Total	**2,535,428**	**1,235,930**	**155,397**	**1,144,101**	**-**

2012-08-31	Total amount	Maturity within 1 year	Maturity within 1-2 years	Maturity within 3-5 years	Maturity after 5 years
Liabilities to credit institutions	467,257	89,819	377,438	-	-
Subordinated shareholder borrowings	336,684	-	336,684	-	-
Other long-term liabilities	192,142*	-	192,142		
Deferred borrowing expenses	-3,350	-2,010	-1,340	-	-
Advance payments from customers	6,051	6,051	-	-	-
Trade payables	471,891	471,891	-	-	-
Current tax liabilities	52,479	52,479	-	-	-
Other liabilities	15,275	15,275	-	-	-
Acquisition related liabilities	15,000	15,000	-	-	-
Accrued expenses and deferred income	63,950	63,950	-	-	-
Total	**1,617,380**	**712,455**	**904,925**	**-**	**-**

* A reclassification has been made compared with the previous year in respect of shareholder loans.

Parent Company

2014-08-31	Total amount	Maturity within 1 year	Maturity within 1-2 years	Maturity within 3-5 years	Maturity after 5 years
Liabilities to credit institutions	722,719	91,324	182,648	448,747	-
Subordinated shareholder borrowings	203,227	-	-	203,227	-
Other non-current liabilities	241,023	-	-	241,023	-
Deferred borrowing expenses	-29,694	-6,987	-13,973	-8,734	-
Other liabilities	189	189	-	-	-
Acquisition related liabilities	60,000	60,000	-	-	-
Accrued expenses and deferred income	939	939	-	-	-
Total	**1,198,403**	**145,465**	**168,675**	**884,263**	**-**

2013-08-31	Total amount	Maturity within 1 year	Maturity within 1-2 years	Maturity within 3-5 years	Maturity after 5 years
Liabilities to credit institutions	667,589	71,619	143,238	452,732	-
Subordinated shareholder borrowings	188,192	-	-	188,192	-
Other non-current liabilities	215,199	-	-	215,199	-
Deferred borrowing expenses	-38,543	-9,069	-18,138	-11,336	-
Trade payables	435	435	-	-	-
Other liabilities	620	620	-	-	-
Accrued expenses and deferred income	848	848	-	-	-
Total	**1,034,340**	**64 453**	**125,100**	**844,787**	**-**

2012-08-31	Total amount	Maturity within 1 year	Maturity within 1-2 years	Maturity within 3-5 years	Maturity after 5 years
Liabilities to credit institutions	320,000	-	320,000	-	-
Subordinated shareholder borrowings	336,687	-	336,687	-	-
Other long term liabilities	192,142*	-	192,142		
Deferred borrowing expenses	-3,350	-2,010	-1,340	-	-
Trade payables	1,530	1,530	-	-	-
Other liabilities	48	48	-	-	-
Accrued expenses and deferred income	890	890	-	-	-
Total	**847,945**	**458**	**847,487**	**-**	**-**

* A reclassification has been made compared with the previous year in respect of shareholder loans.

Group and Parent Company	Interest terms	Interest period
Bank loan SEK	Stibor + interest margin 3.00-4.25%	3 years
Bank loan EUR	Euribor + interest margin 3.25-4.00%	3 years
Bank loan NOK	Nibor + interest margin 3.00-4.25%	3 years
Subordinated shareholder loans	Payment-In-Kind interest 8% and 12%	3 years

In order to hedge the Group's cash flow interest rate risk, Dustin has entered into interest rate swaps, whereby variable interest rate is converted into fixed interest rate. The swaps matures in May 2016 and August 2016. Borrowing is in SEK, NOK and EUR.

NOTE 26 Financial instruments by category

2014-08-31	Financial assets and liabilities	Derivatives used for hedging	Total	Fair value
Assets in the Balance Sheet				
Trade receivables and other receivables	692,658	-	692,658	692,658
Cash and cash equivalents	133,607	-	133,607	133,607
Total assets	**826,265**	**-**	**826,265**	**826,265**
Liabilities in the Balance Sheet				
Borrowings	1,631,189	-	1,631,189	1,779,485
Derivates	-	11,616	11,616	11,616
Trade payables	772,234	-	772,234	772,234
Other current liabilities	173,992	-	173,992	173,992
Total liabilities	**2,577,415**	**11,616**	**2,589,031**	**2,737,327**

2013-08-31	Financial assets and liabilities	Derivatives used for hedging	Total	Fair value
Assets in the Balance Sheet				
Trade receivables and other receivables	614,380	-	614,380	614,380
Derivates	-	708	708	708
Cash and cash equivalents	2,419	-	2,419	2,419
Total assets	**616,799**	**708**	**617,507**	**617,507**
Liabilities in the Balance Sheet				
Borrowings	1,483,002	-	1,483,002	1,625,977
Trade payables	631,646	-	631,646	631,646
Other current liabilities	273,374	-	273,374	273,374
Total liabilities	**2,388,022**		**2,388,022**	**2,530,997**

2012-08-31	Financial assets and liabilities	Derivatives used for hedging	Total	Fair value
Assets in the Balance Sheet				
Trade receivables and other receivables	315,754	-	315,754	315,754
Derivates	-	19	19	19
Cash and cash equivalents	59,436	-	59,436	59,436
Total assets	**375,190**	**19**	**375,209**	**375,209**
Liabilities in the Balance Sheet				
Borrowings	992,734	-	992,734	1,009,112
Trade payables	471,891	-	471,891	471,891
Other current liabilities	30,275	-	30,275	30,275
Total liabilities	**1,494,900**	**-**	**1,494,900**	**1,511,278**

Calculation of fair value
Fair value for financial assets and liabilities are considered to approximate fair value except for external loans to current and former shareholders with a fixed interest rate.

Derivatives
Derivative instruments are designated as hedging instruments for external bank loans. The Group is applying hedge accounting on derivatives and the fair value is measured at fair value within level 2 according to the definition in IFRS 7.

Long- and short term loans
The interest rate for bank loans is variable and the book value of these loans is therefore concluded to be close to fair value hence no fair value adjustment is done. The interest rate for loans to current and former shareholders is fixed and fair value calculation as per balance sheet day is done. The fair value calculation is done based on current market rate of interest until the day of duration according to the loan agreements.

Additional purchase price (Earn-outs)
Calculation of earn-outs are done based on the parameters in the agreements. As for the earn-out related to IT-Hantverkarna the actual payment of the earn-out liability was done in September 2014 hence the actual amount of the debt was known. Regarding the earn-out related to Dustin Group AB (60 MSEK) the calculation is done based on that all parameters in the agreement are fulfilled and the maximum liability is recorded.

NOTE 27 Accrued expenses and deferred income

	Group			Parent Company		
	14-08-31	13-08-31	12-08-31	14-08-31	13-08-31	12-08-31
Accrued wages and salaries and vacation pays	53,853	42,737	19,531	82	0	301
Accrued social security contributions	20,592	9,709	8,650	39	20	39
Payroll taxes	3,873	6,275	4,826	-	-	-
Accrued market contribution	2,139	2,520	1,101	-	-	-
Mails	4,297	632	4,652	-	-	-
Deferred rent income	2,622	3,349	3,511	-	-	-
Deferred other income	19,263	1,527	-	-	-	-
Interests	1,158	15,314	11,014	382	586	-
Accrued audit expenses	1,024	470	1,282	340	-	550
Accrued purchase of goods and services, Dustin Print	1,324	6,068	-	-	-	-
Accrued rebate to customer (Kammarkollegiet)	2,643	843	-	-	-	-
Integrated IT-platform	20,013	-	-	-	-	-
Loss provision	5,567	-	-	-	-	-
Other items	23,390	12,254	9,383	96	242	-
Total	**161,758**	**101,698**	**63,950**	**939**	**848**	**890**

NOTE 28 Pledged assets and contingent liabilities

	Group			Parent Company		
	14-08-31	13-08-31	12-08-31	14-08-31	13-08-31	12-08-31
For loans and bank overdraft						
Chattel mortgage	96,300	96,300	75,750	-	-	-
Shares in subsidiaries	1,766,310	1,514,071	1,354,240	1,221,663	1,161,663	1,096,663
Other pledged assets						
Pledged trade receivables	249,759	278,052	227,420	-	-	-
Leveraged financial customer contracts	162,164	105,699	69,382	-	-	-
Total	**2,274,533**	**1,994,122**	**1,726,792**	**1,221,663**	**1 161 663**	**1,096,663**
Contingent liabilities						
General hedging of the Parent Company as a debtor	-	-	342,500	-	-	-
Total	**-**	**-**	**342,500**	**-**	**-**	**-**

The pledged trade receivables are used as collateral for a bank credit in Swedbank.

NOTE 29 Items not included in cash flow

	Group			Parent Company		
	14-08-31	**13-08-31**	**12-08-31**	**14-08-31**	**13-08-31**	**12-08-31**
Depreciation, amortisation and write-downs	85,027	62,367	43,534	-	-	10
Of which:						
Depreciation tangible assets	8,799	8,366	7,131	-	-	-
Depreciation intangible assets	53,624	53,341	36,395	-	-	-
Amortisation intangible assets – capitalised IT-development integrated IT-platform	23,617	-	-	-	-	-
Exchange differences	-1,013	660	8	-	-	-
Change in earn-outs liability	-99,035	-	-	-	-	-
Total	**-14,008**	**62,367**	**43,534**	**-**	**-**	**10**

NOTE 30 Income tax paid in cash flow

	Group			Parent Company		
	13/14	**12/13**	**11/12**	**13/14**	**12/13**	**11/12**
Paid tax	76,481	30,729	26,672	60	-4	-342

NOTE 31 Cash flow from lease portfolio, Financial Services

	Group		
Investments	**13/14**	**12/13**	**11/12**
Acquisitions of lease receivables	-178,710	-144,438	-87,641
Amortization	95,504	108,846	52,530
Total	**-83,206**	**-35,592**	**-35,111**
Financing	**13/14**	**12/13**	**11/12**
New borrowings	-174,204	-157,900	-105,082
Repayment of instalment	122,063	121,634	77,902
Total	**-52,141**	**-36,266**	**-27,180**

NOTE 32 Acquisition of businesses

No acquisition of businesses have been made during this fiscal year. Additional purchase price, which was contingent by the development in the acquired companies that were acquired 2012/2013 and 2011/2011, amounting to 99 MSEK was paid during the fiscal year. Net dissolvement of earn-out amounting to 39 MSEK, of which 60 MSEK affecting goodwill and remaning 99 MSEK has been reported in the result.

Change in Earn-out liability	**2013/2014**
Opening balance	**223,847**
Acquisitions	-
Payments	-99,088
Change in valuation	-39,035
Translation differences	3,528
Closing balance	**89,252**

Acquisitions 2012/2013

During fiscal year 2013/2014 the purchase price allocation for Businessforum Oy and IT-Hantverkarna Uppsala AB has been settled. This has resulted in a decrease in goodwill related to the acquisition of Businessforum Oy of 8,020 TSEK allocated to customer contracts and deferred tax and a decrease of goodwill related to the acquisition of IT-Hantverkarna Uppsala of 1,741 TSEK allocated to customer contracts and deferred tax.

NOTE 33 Share capital and other contributed capital

	Number of shares (thousands)	Share capital	New share issue in progress	Other contributed capital	Total
At 31 August 2011	**143,081**	**143,081**	**-**	**84,639**	**227,720**
New share issue in progress	-	-	3,013	10,237	13,250
At 31 August 2012	**143,081**	**143,081**	**3,013**	**94,876**	**240,970**
New share issue	18,151	18,151	-3,013	50,236	65,374
At 31 August 2013	**161,232**	**161,232**	**0**	**145,112**	**306,344**
New share issue	369	369	-	1,881	2,250
At 31 August 2014	**161,601**	**161,601**	**-**	**146,993**	**308,594**

Total number of shares in thousands are 161,601 shares (161,232 and 143,081) with a quota value of 1 SEK per share (1 SEK per share). All issued shares are fully paid.
During the period the parent company has issued 368,973 numbers of shares to new shareholders, which increased equity with 2 MSEK. In connection 1,106,919 numbers of warrants has also been issued.

NOTE 34 Related party transactions

Transactions with former and current shareholders	14-08-31	13-08-31	12-08-31
Long-term and short-term borrowing	-209,808	-209,808	-312,133
Accumulated capitalized interest	-234,442	-193,583	-216,693
Net Sales to related party	-	-	-
Finance costs to related party	-40,859	-41,065	-45,526

Transactions with related vendors and customers
Dustin has transactions with vendors and customers, which has been defined as related party. These transactions are normal business transactions and the amounts are not significant.

NOTE 35 Acquisition related liabilities

Acquisition related liabilities	14-08-31	13-08-31	12-08-31
Opening balance	223,847	15,000	-
Payments	-99,088	-76,555	-
Earn-out liabilities acquisitions of new entities	-	285,402	15,000
Change in valuation reported in the balance sheet	60,000	-	-
Change in valuation reported in the income statement	-99 035	-	-
Exchange differences	3 528	-	-
Closing balance	**89,252**	**223,847**	**15,000**

NOTE 36 Expenses by nature

	14-08-31	13-08-31	12-08-31
Cost of sales - purhase costs	6,171,101	4,564,314	3,894,022
Salary	624,384	433,914	250,874
Depreciation and amortization	62,252	65,699	43,410
Other	229,631	188,145	123,859
Total cost of sales and selling and administration costs	**7,087,368**	**5,252,072**	**4,312,165**

NOTE 37 Items affecting comparability

	14-08-31	13-08-31	12-08-31
Acquisition related costs	-10,007	-3,587	-2,362
Cost of Implementation of integrated IT-platform	-87,900	-	-1,039
Dissolvement of earn-out liability	99,035	-	-
Other	-	-	-4,791
Total	**1,128**	**-3,587**	**-8,192**

NOTE 38 Financial services – Liabilities to credit institutions

	14-08-31	13-08-31	12-08-31
Long- and short-term liabilities to credit institutions	147,422	95,080	59,015

NOTE 39 Events after the balance sheet date

Dustin has won a framework agreement on the Norwegian market. The framework agreement relate to computers, screens and Windows based e-readers in respect of 65 hospitals around the country. The framework agreement will have an initial term of two years with the possibility to extend the agreement for two additional years and has an estimated annual turnover of approximately SEK 80 carried out certain issues of shares and other changes to the number of shares.

Auditors' report regarding historical annual financial information for the fiscal years 2011/2012–2013/2014

To the Board of Directors of Dustin Group AB (publ), corporate identity number 556703-3062

Auditor's Report on historical financial statements

We have audited the financial statements for Dustin Group AB (publ) on pages F-16–F-57, which comprise the statements of financial position as of August 31, 2014, 2013 and 2012 and the statements of income, cash flows and changes in equity for the company and the group for the years then ended, and a summary of significant accounting policies and other explanatory notes.

The Board of Directors' and the Managing Director's responsibility for the financial statements

The Board of Directors and the Managing Director are responsible for the preparation and the fair presentation of the financial position, financial performance, statement of changes in equity and cash flows in accordance with International Financial Reporting Standards as adopted by the EU and the Annual Accounts Act and additional applicable framework. This responsibility includes designing, implementing and maintaining internal control relevant to preparing and appropriately presenting financial statements that are free from material misstatement, whether due to fraud or error. The Board is also responsible for the preparation and fair presentation of the financial statements in accordance with the requirements in the Commission Regulation (EC) No 809/2004.

The auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with FAR's Recommendation RevR 5 *Examination of Financial Information in Prospectuses*. This recommendation requires that we comply with ethical requirements and have planned and performed the audit to obtain reasonable assurance that the financial statements are free from material misstatements.

An audit in accordance with FAR´s Recommendation RevR 5 *Examination of Prospectuses* involves performing procedures to obtain audit evidence corroborating the amounts and disclosures in the financial statements. The audit procedures selected are based on our assessment of the risks of material misstatements in the financial statements, whether due to fraud or error. In making those risk assessments, we consider the internal control relevant to the company's preparation and fair presentation of the financial statements as a basis for designing audit procedures that are applicable under those circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also involves evaluating the accounting policies applied and the reasonableness of the significant accounting estimates made by the Board of Directors and the Managing Director and evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements of the company and the group give a true and fair view in accordance with the Annual Accounts Act and International Financial Reporting Standards as adopted by the EU and additional applicable framework, respectively, of the financial position of the company and the group as of August 31, 2014, 2013 and 2012 and their financial performance, statement of changes in equity and cash flows for these years.

Stockholm, February 2, 2015

Ernst & Young AB

Hamish Mabon
Authorized Public Accountant

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