

## Decreasing net sales, partly offset by lower costs

### THE FIRST QUARTER JANUARY - MARCH 2014

- Net sales were SEK 445 M (528), a decrease of 16 per cent year on year, or 19 per cent adjusted for changes in exchange rates.
- Almost half of the revenue decline versus Q1 2013 was due to the following previously communicated factors; lower revenues from two large pan-European customers, a decline in France largely related to market specific reductions in the e-mail channel, reductions in non-core business and markets where offices recently were closed.
- Gross margin amounted to 22.7 (22.6) per cent and gross profit was SEK 101 M (119), a decrease with 15 per cent. Adjusted for changes in exchange rates the decrease was 18 per cent. The gross profit generation relating to the above mentioned pan-European customers ceased during the latter part of the interim period. Gross profit relating to them amounted to SEK 5 M during the quarter.
- Operating cost decreased by SEK 11 M compared to the first quarter 2013 and amounted to SEK 89 (100) M. The reduction was primarily a result of a significant reduction of staff to 367 (476). The decrease was mainly attributed to the restructuring programme announced at the end of last year.
- EBITDA amounted to SEK 12 (19) M, lower costs compensated for more than half of the gross profit decline.
- Cash flow from operating activities was SEK -75 M (5). The development during the quarter was due to a normalization of working capital.
- Earnings per share, before and after dilution, amounted to SEK 0.10 (0.28).
- Richard Julin was appointed to the new role Chief Revenue Officer and Tomas Ljunglöf was appointed as new CFO.

### SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

Matthias Stadelmeyer has been appointed acting President and CEO of Tradedoubler while the recruitment process of a permanent CEO is ongoing. The Board decided in April that Rob Wilson would leave his position as President and CEO of Tradedoubler.

FINANCIAL OVERVIEW, SEK M	Jan-Mar	Jan-Mar	Change % <sup>2</sup>	Full Year
	2014	2013		2013
Net sales	445	528	-19%	2,001
Gross profit	101	119	-18%	455
<i>Gross margin</i>	22.7%	22.6%		22.7%
Total costs excluding depreciation	-89	-100	-14%	-402
EBITDA	12	19	-42%	53
<i>EBITDA margin</i>	3%	4%		3%
Operating profit (EBIT)	7	15	-58%	24
Net investments in fixed assets	-4	-9		-32
Cash-flow from operating activities	-75	5		126
Liquid assets incl financial investments, at period's end	429	150		506
Net cash <sup>1</sup> , at period's end	184	150		262

<sup>1</sup>Current investment and liquid assets excluding interest-bearing liabilities

<sup>2</sup>Per cent changes are adjusted for changes in exchange rates

### ACTING CEO MATTHIAS STADELMEYER'S COMMENTS ON THE FIRST QUARTER 2014

"Tradedoubler is showing a continued decrease in net sales in the first quarter, while total market reported increasing revenues. The reduction in costs is explained by the recent restructure of the company. The execution has gone according to plan and is still expected to reduce operating costs by SEK 55 M on an annual basis, with full impact from second half of 2014.

The company's short term focus is to improve top-line developments and operational efficiency. Several projects have already been initiated with the aim to streamline internal processes, free up time for more client facing activities and improving operational performance. I see a substantial potential for further improvements.

I am proud of recently having been appointed acting CEO. Our solid financial position, active owners and dedicated personnel as well as our strong product offering and large pan European network of advertisers and publishers give us a good foundation to increase market share and turn the negative revenue trend around."

**TRADEDOUBLER IN BRIEF:** Tradedoubler is a leading European performance marketing company. It runs campaigns for over 2,000 advertisers through its network of more than 130,000 publishers in over 30 countries. In 2013 it generated SEK 27bn incremental revenue for its clients. Working through Tradedoubler's advanced technology platform, publishers select ads and place them on their websites. These ads drive traffic back to the advertiser's website and if this results in the desired transaction the publisher is paid by the advertiser. Tradedoubler gets a commission for successful transactions. This business model is distinct from other forms of online marketing in that the advertiser only pays for results.

## MARKET AND PRODUCT DEVELOPMENT

Tradedoubler's assessment of the market continues to be in line with the view recently outlined in the annual report for 2013. The combination of increased online and mobile commerce and digital advertising spend implies continued growth for performance marketing in Europe. However, growth is expected to be lower than the near double digit growth in total online marketing spend and margin pressure is expected to continue as the sector matures.

Within product development Tradedoubler continues to focus on developing its unique offering, including both affiliate and white-label technology. During the quarter the main focus has been to improve the company's mobile tracking and usage of data in performance marketing.

For further information see the Market and Product development sections in the 2013 annual report.

## THE GROUP'S RESULTS

Consolidated net sales during the first quarter 2014 amounted to SEK 445 M (528), a decrease of 16 per cent or 19 per cent adjusted for changes in exchange rates. The decline versus the first quarter of 2013 is to a large extent due to the previously communicated factors; reduction of the e-mail channel in France, lower revenues from two large pan-European customers and reductions in non-core business and markets where offices were recently closed.

Gross profit during the quarter was SEK 101 M (119), a decrease by 15 per cent. Adjusted for changes in exchange rates the decrease was 18 per cent. The gross margin increased to 22.7 per cent (22.6). The gross profit generation relating to the above mentioned pan-European customers ceased during the latter part of the interim period. Gross profit relating to them amounted to SEK 5 M during the quarter.

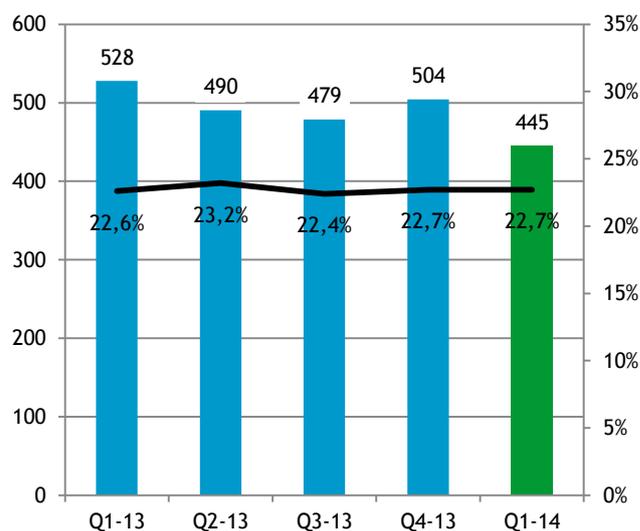
In the first quarter operating costs, excluding depreciation, amounted to SEK 89 M (100). The restructuring programme communicated at year-end 2013 has progressed as planned and impacted the run-rate for the quarter positively. The programme will have full impact from second half of 2014.

Operating profit before depreciation and amortisation (EBITDA) during the quarter was SEK 12 M (19). Depreciation, amortisation and impairment losses was SEK 5 M (4) and operating profit (EBIT) amounted to SEK 7 M (15).

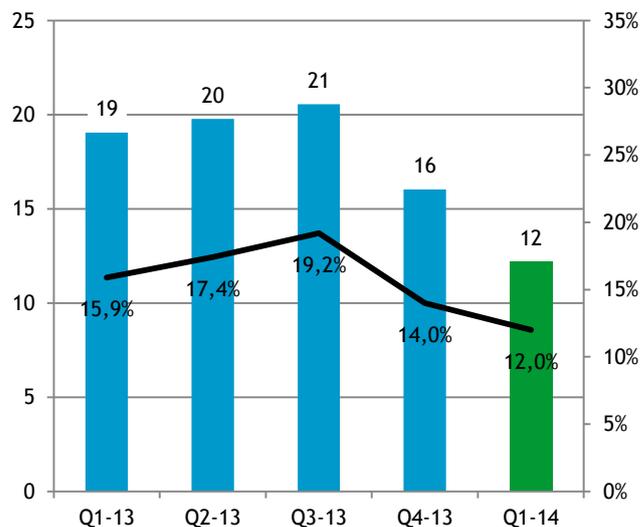
Financial income and expenses amounted to SEK -0.3 M (2.7) during the quarter. Financial income and expenses is driven by interest income and revaluations of the short term investments, which during the quarter has covered the interest expense related to the bond issue. Exchange rate effects has affected the quarter by SEK -0.7 M (2.7).

Profit after tax for the quarter amounted to SEK 4 M (12). Tax affected profit by SEK -2.4 M (-5.6).

## NET SALES (SEK M) GROSS MARGIN (%)



## ADJUSTED EBITDA (SEK M) ADJUSTED EBITDA/GP (%)



## OPERATIONAL SEGMENTS

### Performance Marketing

In Tradedoubler’s core business, performance marketing, net sales during the first quarter amounted to SEK 431 M (502), which was a decline of 14 per cent. Adjusted for changes in exchange rates the decline was 18 per cent. Net sales within Affiliate declined 18 per cent whilst Technology declined 10 per cent adjusted for changes in exchange rates.

The decline within Affiliate is to a large extent due to lower volumes from two large pan-European clients combined with a weak performance in France, related to the significant reduction within the e-mail channel from the second quarter of 2013 and onwards. Also, the recent closure of offices in Denmark and Finland has impacted revenue negatively.

EBITDA for performance marketing during the first quarter was SEK 45 M (58). The decline in EBITDA is mainly due to the decline in net sales. Gross margin for Affiliate was the same as during the first quarter 2013 and the restructuring communicated and executed around year-end has not compensated for the decline in net sales. EBITDA for Technology grew by 2 per cent adjusted for changes exchange rates.

### Other

Net sales within Tradedoubler’s non-core business, “Other”, during the first quarter amounted to SEK 15 M (26), which was a decline of 43 per cent. Adjusted for changes in exchange rates the decline was 45 per cent. “Other” is primarily constituted of the non-strategic campaigns business which has declined rapidly.

EBITDA during the first quarter was SEK 1.2 M (-1.2). The EBITDA-level was maintained through reductions of the cost base.

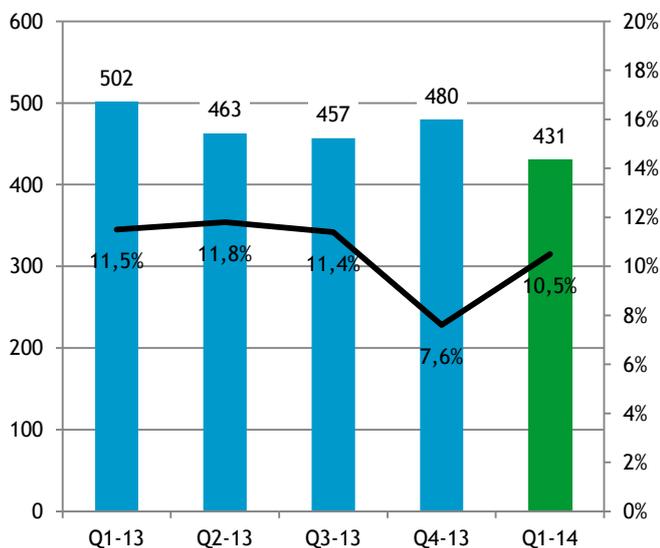
### Group management and support functions

Costs for group management and support functions during the first quarter amounted to SEK 34 M (38), a reduction of 9 per cent. Adjusted for changes in exchange rates the costs were reduced by 10 per cent. The costs for group management and support functions have been positively impacted by the restructuring programme communicated at year-end 2013.

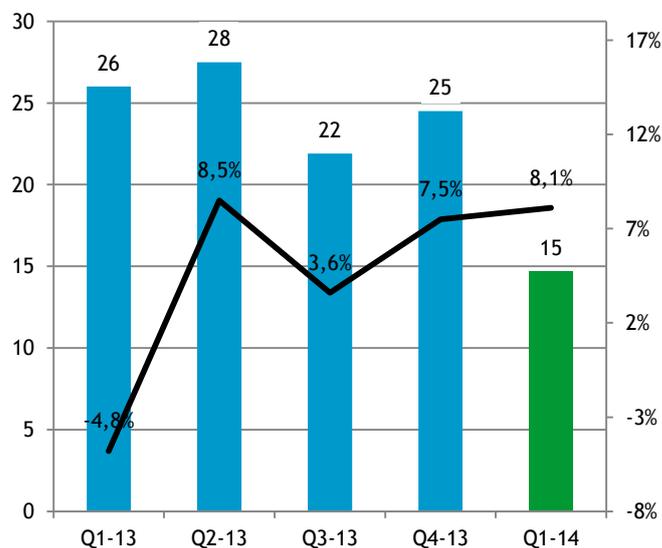
### Changes in segment reporting

As from the 1<sup>st</sup> of January 2014 Tradedoubler has changed its segment reporting. Tradedoubler will report the geographical segments within Affiliate, the segments Technology and Other. With the changes to the segment reporting the geographical segments within Affiliate and Technology are summing up to the core business, Performance marketing. As the campaigns business is considered non strategic it is reported separately as part of Other.

### NET SALES PERFORMANCE MARKETING (SEK M) EBITDA MARGIN (%)



### NET SALES OTHER (SEK M) EBITDA MARGIN (%)



## Segments and market units

SEK M	Jan-Mar 2014	Jan-Mar 2013	Full year 2013
<b>Net Sales</b>			
DACH	60	72	262
France & Benelux	117	148	500
North	81	84	344
South	51	58	238
UK & Ireland	108	126	497
<b>Affiliate</b>	<b>417</b>	<b>487</b>	<b>1,842</b>
Technology	14	15	60
<b>Total Performance Marketing</b>	<b>431</b>	<b>502</b>	<b>1,902</b>
Other	15	26	100
<b>Total Net Sales</b>	<b>445</b>	<b>528</b>	<b>2,001</b>
<b>EBITDA</b>			
DACH	6	10	29
France & Benelux	9	17	45
North	8	8	29
South	4	7	22
UK & Ireland	7	6	33
<b>Affiliate</b>	<b>34</b>	<b>48</b>	<b>158</b>
Technology	11	10	43
<b>Total Performance Marketing</b>	<b>45</b>	<b>58</b>	<b>201</b>
Other	1	-1	4
Group mgmt & support functions	-34	-38	-151
<b>Total EBITDA</b>	<b>12</b>	<b>19</b>	<b>53</b>
<b>EBITDA/Net sales, %</b>			
DACH	10.3	13.9	11.1
France & Benelux	7.7	11.2	9.0
North	9.8	9.7	8.4
South	7.6	12.2	9.4
UK & Ireland	6.8	4.8	6.6
<b>Affiliate</b>	<b>8.2</b>	<b>9.8</b>	<b>8.6</b>
Technology	76.9	67.5	71.6
<b>Total Performance Marketing</b>	<b>10.5</b>	<b>11.5</b>	<b>10.6</b>
Other	8.1	-4.8	3.7
<b>Total EBITDA Margin</b>	<b>2.7</b>	<b>3.6</b>	<b>2.7</b>

## CASH FLOW

Cash flow from operating activities before changes in working capital amounted to SEK 7 M (15) in the first quarter.

Changes in working capital during the quarter was SEK -82.6 M (-10.6). The favourable change in accounts receivable, publisher debt as well as prepayments from clients that contributed to the strong development in the fourth quarter was normalized during the first quarter, impacting working capital negatively. Cash flow from operating activities, after changes in working capital, amounted to SEK -75 M (5), compared to SEK 74 M in the fourth quarter 2013.

Net investments in intangible assets during the quarter amounted to SEK -4 M (-8), of which SEK -1.0 M (-1.9) relates to capitalised expenses for own personnel. These investments mainly consist of improvements to production and business systems as well as product development.

Tradedoubler invests the proceeds from the bond issue finalized in December 2013 in interest-bearing financial instruments. Net investments in short term investments amounted to SEK 52 M (0) during the quarter.

Cash flow during the quarter amounted to SEK -131 M (-4).

## FINANCIAL POSITION

Cash and cash equivalents at the end of the quarter amounted to SEK 173 M (150) after being affected by translation differences of SEK 0 M (-10.0).

Interest bearing debt amounted to SEK 245 M (0) and was in full related to the five year senior unsecured bond loan issued during the fourth quarter 2013.

Net debt amounted to SEK 184 M (150).

Consolidated shareholders' equity amounted to SEK 512 M (482) at end of the quarter. The return on equity for the rolling 12 months period was 0.7 per cent (-1.5) and the equity/asset ratio has decreased to 37.5 per cent (43.4) which is due to the bond issue.

### SEASONAL VARIATIONS

Tradedoubler's operations, particularly within Performance Marketing, fluctuate with the development of e-commerce and online advertising. There are seasonal variations particularly within e-commerce. The highest level of activity is before Christmas, which implies that the fourth quarter is normally the strongest for Tradedoubler.

### THE PARENT COMPANY

The parent company's net sales amounted to SEK 28 M (31) during the first quarter 2014. Revenue primarily consisted of licensing revenue and remuneration from subsidiaries for centrally performed services.

Operating profit (EBIT) amounted to SEK -4 M (2).

Financial income and expenses amounted to SEK -1 M (7) during the quarter. Financial income and expenses is driven by interest income and revaluations of the short term investments which during the quarter has more than covered the interest expense related to the bond issue. Dividends from group companies amounted to SEK 0 M (3). Changes in exchange rates has impacted the quarter with SEK -1 M (3).

Profit after tax amounted to SEK -4 M (8) during the quarter.

The parent company's receivables from group companies amounted to SEK 106 M (102) at quarter-end, of which none (0) were non-current. The parent company's liabilities to group companies amounted to SEK 151 M (160), of which none (0) were non-current. Cash and cash equivalents amounted to SEK 84 M (30).

During the fourth quarter 2013 the parent company issued a bond loan with the nominal value of SEK 250 M. The proceeds from the bond loan and excess cash have been invested in short term investments and commercial paper. Short term commercial paper are disclosed in cash and cash equivalents.

Deferred tax assets amounted to SEK 29 M (24) at the end of the quarter. The deferred tax receivables are mainly related to carry-forwards of SEK 13 M and deferred tax receivables related to previous Group loans of SEK 14 M. For more information, see notes to the consolidated financial statements, note C2 Critical estimates and judgements in the Annual Report 2013.

### EMPLOYEES

At the end of the first quarter Tradedoubler's staff corresponded to 367 (476) full-time equivalents (FTE), which includes full-time, temporary and contract employees.

Staff reductions from the restructuring programme announced at the end of the fourth quarter 2013 has in material aspects been executed during the first quarter and reduced the FTE's from 449 at year-end 2013.

### RISKS AND UNCERTAINTY FACTORS

Tradedoubler divides risks into market-related risks, operational risks, financial risks and legal risks. These risks are described on page 9 in the 2013 Annual Report.

No significant risks and uncertainty factors are considered to have arisen since the latest submitted annual report.

### CRITICAL ESTIMATES AND JUDGEMENTS

For information regarding critical estimates and judgements in the financial statements see note C2 in the 2013 Annual Report.

No critical estimates or judgements are considered to have arisen since the latest submitted annual report.

### TRANSACTIONS WITH RELATED PARTIES

No transactions between Tradedoubler and related parties impacting the company's financial position and results have taken place, aside from remuneration to board and senior executives.

### MISCELLANEOUS

#### Significant events after the balance sheet date

Matthias Stadelmeyer has been appointed acting President and CEO of Tradedoubler while the recruitment process of a permanent CEO is ongoing. The Board decided in April that Rob Wilson would leave his position as President and CEO of Tradedoubler.

### ACCOUNTING POLICIES

This interim report is prepared in accordance with IAS 34, Interim Financial Reporting and the Swedish Annual Accounts Act.

The nature of financial assets and liabilities are essentially the same as at December 31, 2013 and the carrying values are the same as the fair values.

For information on the accounting policies applied, see the 2013 Annual Report.

## THE SHARE

The total number of shares at the end of the first quarter 2014 amounted to 42,807,449 of which 475,000 were in own custody. The average number of outstanding shares during the quarter was 42,332,449.

Earnings per share amounted to SEK 0.10 (0.28) during the first quarter. Equity per share amounted to SEK 12.1 (11.3) at the end of the quarter.

The share price closed at SEK 16.90 on the final trading day of the first quarter 2014, which was lower than at year-end 2013 when the share price closed at SEK 18.70.

## LONG TERM FINANCIAL TARGETS

The Board's long term financial targets are to grow net sales in excess of 5 per cent annually in local currency and deliver an EBITDA/Gross profit-ratio in excess of 20 per cent over a business cycle.

## PRESENTATION OF THE INTERIM REPORT

This interim report will be presented at a teleconference on the 6<sup>th</sup> of May 2014 at 10.00 a.m. CET. The presentation will be held in English and may be followed via webcast on the website:

<http://financials.tradedoubler.com/en-gb/investorrelations>

and by telephone:

Sweden: +46 8 505 982 61  
UK: +44 207 660 20 79  
US: +1 855 716 15 92

The presentation material will be published concurrently with the interim report.

## FINANCIAL INFORMATION

Interim report Jan - Jun 2014	25 July 2014
Interim report Jan - Sep 2014	29 October 2014
Year-end report 2014	6 February 2015

## CONTACT INFORMATION

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## ENGLISH VERSION

Both an English version and a Swedish version of this report have been prepared. In the event of a difference between the two reports, the Swedish version shall prevail.

## OTHER

Tradedoubler discloses the information provided herein pursuant to the Swedish Securities Markets Act. The information was released for publication on 6th of May 2014 at 08.00 a.m. CET. Numerical data in brackets refers to the corresponding period in 2013 unless otherwise stated. Rounding off differences may arise.

## REVIEW

This interim report has not been subject to review by the company's auditor Ernst & Young AB.

Stockholm, 6 May 2014

**Matthias Stadelmeyer**  
Acting President and CEO

## Consolidated income statement

SEK 000s	Jan-Mar 2014	Jan-Mar 2013	Full year 2013
Net Sales	445,267	527,863	2,001,339
Cost of goods sold	-344,005	-408,395	-1,546,038
<b>Gross profit</b>	<b>101,262</b>	<b>119,468</b>	<b>455,301</b>
Selling expenses	-55,554	-64,960	-254,911
Administrative expenses	-29,623	-29,924	-136,675
Development expenses	-9,231	-9,668	-40,207
<b>Operating profit</b>	<b>6,854</b>	<b>14,915</b>	<b>23,508</b>
Net financial items	-291	2,687	-3,413
<b>Profit before tax</b>	<b>6,563</b>	<b>17,602</b>	<b>20,096</b>
Tax	-2,431	-5,571	-8,702
<b>Net Profit</b>	<b>4,132</b>	<b>12,031</b>	<b>11,393</b>

All earnings accrue to the parent company's shareholders.

## Consolidated statement of comprehensive income

SEK 000s	Jan-Mar 2014	Jan-Mar 2013	Full year 2013
<b>Profit for the period, after tax</b>	<b>4,132</b>	<b>12,031</b>	<b>11,393</b>
<b>Other comprehensive income</b>			
<i>Items that subsequently will be reversed in the income statement</i>			
Translation difference, net after tax	1,178	-18,361	12,650
<b>Total comprehensive income for the period, after tax</b>	<b>5,310</b>	<b>-6,330</b>	<b>24,043</b>
<i>Comprehensive income attributable to:</i>			
Parent company shareholders	5,310	-6,330	24,043

## Earnings per share

SEK	Jan-Mar 2014	Jan-Mar 2013	Full year 2013
Earnings per share	0.10	0.28	0.27
<b>Number of Shares</b>			
Weighted average	42,332,449	42,677,449	42,500,116

The earnings per share above apply before and after dilution.

## Key ratios - Group

	Jan-Mar 2014	Jan-Mar 2013	Full year 2013
Gross profit (GP) / revenue (%)	22.7	22.6	22.7
EBITDA / revenue (%)	2.7	3.6	2.7
EBITDA / gross profit (GP) (%)	11.9	15.9	11.7
Equity/assets ratio (%)	37.5	43.4	34.5
Return on equity (12 months) (%)	0.7	-1.5	2.3
Average number of employees	389	472	463
Return on Capital Employed (12 months) (%)	3.3	0.6	3.8
Working Capital end of period (SEK M)	-143	-116	-227
Cash-flow from operating activities per share, SEK	-1.78	0.11	2.95
Equity per share, SEK	12.1	11.3	12.0
Stock price at the end of the period, SEK	16.9	15.0	18.7

## Consolidated statement of financial position

SEK 000s	31 Mar 2014	31 Mar 2013	31 Dec 2013
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible fixed assets	424,280	400,799	423,569
Tangible fixed assets	5,060	9,045	5,909
Other non-current receivables	4,207	3,547	4,228
Deferred tax assets	40,607	34,540	40,125
<b>Total non-current assets</b>	<b>474,154</b>	<b>447,931</b>	<b>473,832</b>
Accounts receivable	420,971	471,226	459,910
Tax assets	13,345	8,671	7,284
Other current receivables	27,386	33,360	21,436
Short term investments	255,820	-	201,794
Cash & cash equivalents	173,366	150,302	304,662
<b>Total current assets</b>	<b>890,888</b>	<b>663,559</b>	<b>995,085</b>
<b>Total assets</b>	<b>1,365,042</b>	<b>1,111,490</b>	<b>1,468,917</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>511,917</b>	<b>482,052</b>	<b>506,535</b>
Deferred tax liabilities	4,597	4,597	4,597
Other provisions	1,137	971	945
Bond loan	244,859	-	244,586
<b>Total long-term liabilities</b>	<b>250,593</b>	<b>5,568</b>	<b>250,128</b>
Accounts payable	14,620	7,135	21,689
Current liabilities to publishers	399,448	377,891	451,261
Tax liabilities	10,700	2,944	4,020
Other current liabilities	177,764	235,900	235,284
<b>Total current liabilities</b>	<b>602,532</b>	<b>623,870</b>	<b>712,254</b>
<b>Total shareholder 's equity and liabilities</b>	<b>1,365,042</b>	<b>1,111,490</b>	<b>1,468,917</b>

## Consolidated statement of changes in equity

SEK 000s	Jan-Mar 2013	Jan-Mar 2013	Full year 2013
Opening balance	506,535	488,382	488,382
Total comprehensive income for the period	5,310	-6,330	24,043
Equity-settled share-based payments	71	-	181
Repurchase of shares	-	-	-6,071
Dividend	-	-	-
<b>Closing balance</b>	<b>511,917</b>	<b>482,051</b>	<b>506,535</b>

All capital accrues to the parent company's shareholders.

## Consolidated statement of cash flows

SEK 000s	Jan-Mar 2014	Jan-Mar 2013	Full year 2013
<i>Operating activities</i>			
Profit before tax	6,563	17,602	20,096
Adjustments for items not included in cash flow	2,997	2,349	54,004
Income taxes paid	-2,239	-4,594	-10,241
<b>Cash flow from operating activities before changes in working capital</b>	<b>7,321</b>	<b>15,357</b>	<b>63,859</b>
Changes in working capital	-82,577	-10,603	61,682
<b>Cash flow from operating activities</b>	<b>-75,256</b>	<b>4,754</b>	<b>125,541</b>
<i>Investing activities</i>			
Net investments in intangible assets	-4,120	-8,160	-29,834
Net investments in tangible assets	-53	-714	-1,559
Net investments in financial assets	25	-30	-446
Net investments in short term investments	-51,965	-	-203,098
<b>Cash flow from investing activities</b>	<b>-56,113</b>	<b>-8,904</b>	<b>-234,937</b>
<i>Financing activities</i>			
External loans	-	-	244,586
Repurchase of own shares	-	-	-6,071
Dividend paid to parent company's shareholders	-	-	-
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-</b>	<b>238,515</b>
<b>Cash flow for the period from continuing operations</b>	<b>-131,369</b>	<b>-4,150</b>	<b>129,119</b>
<b>Cash flow for the period</b>	<b>-131,369</b>	<b>-4,150</b>	<b>129,119</b>
Cash and cash equivalents			
On the opening date	304,662	164,445	164,445
Translation difference in cash and cash equivalents	73	-9,993	11,098
<b>Cash and cash equivalents on the closing date</b>	<b>173,366</b>	<b>150,302</b>	<b>304,662</b>
<i>Adjustments for non-cash items</i>			
Depreciation	5,215	4,135	29,892
Other	-2,218	-1,786	24,112
<b>Total non-cash items</b>	<b>2,997</b>	<b>2,349</b>	<b>54,004</b>

## Income statement - Parent company

SEK 000s	Jan-Mar 2014	Jan-Mar 2013	Full year 2013
Net Sales	27,913	31,408	121,568
Cost of goods sold	-69	-107	-1,831
<b>Gross profit</b>	<b>27,845</b>	<b>31,301</b>	<b>119,737</b>
Selling expenses	-1,104	-79	-1,099
Administrative expenses	-24,875	-22,310	-107,498
Development expenses	-6,136	-6,924	-28,312
<b>Operating profit</b>	<b>-4,270</b>	<b>1,988</b>	<b>-17,173</b>
Net financial items	-642	6,869	63,849
<b>Profit before tax</b>	<b>-4,912</b>	<b>8,857</b>	<b>46,676</b>
Tax	1,048	-1,243	3,499
<b>Net profit</b>	<b>-3,863</b>	<b>7,614</b>	<b>50,175</b>

## Balance sheet - Parent company

SEK 000s	31 Mar 2014	31 Mar 2013	31 dec 2013
<b>Assets</b>			
Intangible assets	60,525	60,024	60,624
Equipment, tools, fixtures and fittings	795	2,775	1,047
Participation in group companies	160,881	198,105	160,881
Deffered tax assets	29,369	23,579	28,321
<b>Total non-current assets</b>	<b>251,571</b>	<b>284,483</b>	<b>250,872</b>
Accounts receivable	4,581	4,851	4,430
Receivables from Group companies	105,550	101,601	109,888
Tax assets	990	3,064	1,599
Other current receivables	11,900	9,598	8,763
Short term investments	255,820	-	201,794
Cash & cash equivalents	83,980	30,245	154,374
<b>Total current assets</b>	<b>462,820</b>	<b>149,359</b>	<b>480,847</b>
<b>Total assets</b>	<b>714,390</b>	<b>433,843</b>	<b>731,719</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders equity</b>	<b>212,597</b>	<b>179,719</b>	<b>216,390</b>
Bond loan	244,859	-	244,586
Accounts payable	9,199	3,183	11,291
Liabilities to Group companies	150,799	159,864	156,205
Other liabilities	96,936	91,077	103,247
<b>Total current liabilities</b>	<b>501,793</b>	<b>254,123</b>	<b>515,329</b>
<b>Total shareholder 's equity and liabilities</b>	<b>714,390</b>	<b>433,843</b>	<b>731,719</b>

## Pledged assets and contingent liabilities

SEK 000s	31 Mar 2014	31 Mar 2013	31 dec 2013
<b>Group</b>			
Pledged assets	none	none	none
Rent deposits	5,737	3,547	5,759
Contingent liabilities	none	none	none
<b>Parent company</b>			
Pledged assets	none	none	none
Rent deposits	1,530	none	1,530
Contingent liabilities	2,970	2,088	2,715

## Quarterly summary

### Consolidated income statement

	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
SEK 000s	2014	2013	2013	2013	2013	2012	2012	2012
Net Sales	445,267	504,323	478,835	490,318	527,863	567,738	526,115	573,660
Cost of goods sold	-344,005	-389,640	-371,637	-376,367	-408,395	-433,151	-406,399	-432,873
<b>Gross profit</b>	<b>101,262</b>	<b>114,683</b>	<b>107,198</b>	<b>113,951</b>	<b>119,468</b>	<b>134,587</b>	<b>119,715</b>	<b>140,786</b>
Total costs	-94,407	-136,830	-91,735	-98,674	-104,553	-136,711	-127,475	-143,549
<b>Operating profit</b>	<b>6,854</b>	<b>-22,147</b>	<b>15,463</b>	<b>15,277</b>	<b>14,915</b>	<b>-2,124</b>	<b>-7,760</b>	<b>-2,763</b>
Net financial items	-291	-3,474	1,074	-3,700	2,687	-1,092	2,223	-1,088
<b>Profit before tax</b>	<b>6,563</b>	<b>-25,620</b>	<b>16,537</b>	<b>11,577</b>	<b>17,602</b>	<b>-3,216</b>	<b>-5,537</b>	<b>-3,852</b>
Tax	-2,431	5,229	-4,011	-4,348	-5,571	4,365	-5,041	-6,988
<b>Net profit</b>	<b>4,132</b>	<b>-20,392</b>	<b>12,525</b>	<b>7,229</b>	<b>12,031</b>	<b>1,149</b>	<b>-10,577</b>	<b>-10,839</b>

### Consolidated statement of financial position

	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
SEK 000s	2014	2013	2013	2013	2013	2012	2012	2012
<b>Assets</b>								
Intangible fixed assets	424,280	423,569	420,936	420,267	400,799	408,364	423,595	427,356
Other fixed assets	49,875	50,263	42,673	45,682	47,132	49,771	51,320	42,277
Current receivables	461,703	488,630	517,463	503,181	513,257	567,494	553,547	622,317
Short term investments	255,820	201,794	-	-	-	-	-	-
Cash & cash equivalents	173,366	304,662	186,303	166,592	150,302	164,445	173,288	179,352
<b>Total assets</b>	<b>1,365,042</b>	<b>1,468,917</b>	<b>1,167,375</b>	<b>1,135,723</b>	<b>1,111,490</b>	<b>1,190,074</b>	<b>1,201,749</b>	<b>1,271,302</b>
<b>Shareholders' equity and liabilities</b>								
Shareholders' equity	511,917	506,535	513,107	503,439	482,052	488,382	497,734	522,329
Long-term non-interest bearing debt	5,734	5,542	5,441	5,605	5,568	5,609	7,743	8,479
Long-term interest bearing debt	244,859	244,586	-	-	-	-	-	-
Current non-interest bearing debt	602,532	712,254	648,826	626,680	623,870	696,083	696,272	740,494
<b>Total shareholder 's equity and liabilities</b>	<b>1,365,042</b>	<b>1,468,917</b>	<b>1,167,375</b>	<b>1,135,723</b>	<b>1,111,490</b>	<b>1,190,074</b>	<b>1,201,749</b>	<b>1,271,302</b>

## Consolidated statement of cash flows

SEK 000s	Jan-Mar 2014	Oct-Dec 2013	Jul-Sep 2013	Apr-Jun 2013	Jan-Mar 2013	Oct-Dec 2012	Jul-Sep 2012	Apr-Jun 2012
<i>Operating activities</i>								
Profit before tax	6,563	-25,620	16,537	11,577	17,602	-3,216	-5,537	-3,851
Adjustments for items not included in cash flow	2,997	39,648	4,861	7,145	2,349	22,867	3,815	21,373
Tax paid	-2,239	-4,694	-3,563	2,612	-4,594	-4,381	-7,355	-291
Cash flow from changes in working capital	-82,577	64,894	11,571	-4,180	-10,603	-21,870	22,515	-29,978
<b>Cash flow from operating activities</b>	<b>-75,256</b>	<b>74,228</b>	<b>29,406</b>	<b>17,153</b>	<b>4,754</b>	<b>-6,600</b>	<b>13,438</b>	<b>-12,747</b>
Cash flow from investing activities	-56,113	-210,651	-6,765	-8,617	-8,904	-8,428	-10,629	-9,596
Cash flow from financing activities	-	244,586	-	-6,071	-	-	-	-64,016
<b>Cash flow for the period</b>	<b>-131,369</b>	<b>108,163</b>	<b>22,641</b>	<b>2,465</b>	<b>-4,150</b>	<b>-15,028</b>	<b>2,809</b>	<b>-86,359</b>
Cash and cash equivalents								
On the opening date	304,662	186,303	166,592	150,302	164,445	173,287	179,352	268,222
Translation difference	73	10,196	-2,930	13,825	-9,993	6,187	-8,873	-2,511
<b>Cash and cash equivalents on the closing date</b>	<b>173,366</b>	<b>304,662</b>	<b>186,303</b>	<b>166,592</b>	<b>150,302</b>	<b>164,445</b>	<b>173,287</b>	<b>179,352</b>

## Key ratios - Group

	Jan-Mar 2014	Oct-Dec 2013	Jul-Sep 2013	Apr-Jun 2013	Jan-Mar 2013	Oct-Dec 2012	Jul-Sep 2012	Apr-Jun 2012
Gross profit (GP) / revenue (%)	22.7	22.7	22.4	23.2	22.6	23.7	22.8	24.5
EBITDA / revenue (%)	2.7	-1.2	4.3	4.0	3.6	1.2	-0.6	0.0
EBITDA / gross profit (GP) (%)	11.9	-5.2	19.2	17.4	15.9	5.2	-2.6	0.2
Equity/assets ratio (%)	37.5	34.5	44.0	44.3	43.4	41.0	41.4	41.1
Return on equity last 12 months (%)	0.7	2.3	6.5	1.9	-1.5	-1.9	4.9	10.7
Average number of employees	389	454	455	470	472	479	489	487
Return on Capital Employed last 12 months (%)	3.3	3.8	8.8	4.1	0.6	0.2	7.9	15.2
Working capital at periods end (SEK M)	-143	-227	-133	-123	-116	-134	-140	-124
Cash-flow from operating activities per share, SEK	-1.78	1.75	0.69	0.40	0.11	-0.15	0.31	-0.30
Equity per share, SEK	12.1	12.0	12.1	11.9	11.3	11.4	11.7	12.2
Stock price at the end of the period, SEK	16.9	18.7	21.0	17.1	15.0	12.5	14.0	16.9

## Segments

SEK M	Jan-Mar 2014	Oct-Dec 2013	Jul-Sep 2013	Apr-Jun 2013	Jan-Mar 2013	Oct-Dec 2012	Jul-Sep 2012	Apr-Jun 2012
<b>DACH</b>								
Net sales	60.3	62.7	61.7	66.2	71.7	76.3	63.9	68.6
EBITDA	6.2	4.1	6.9	8.0	10.0	8.2	7.5	9.0
<b>France &amp; Benelux</b>								
Net sales	116.6	124.0	109.0	119.9	147.5	147.5	129.6	135.7
EBITDA	9.0	8.2	8.7	11.7	16.6	13.3	11.6	12.7
<b>North</b>								
Net sales	80.9	94.4	83.5	81.8	84.2	91.3	78.0	86.5
EBITDA	7.9	3.3	9.3	8.0	8.2	9.2	8.2	8.7
<b>South</b>								
Net sales	50.6	56.2	64.1	60.0	57.9	63.5	66.2	69.8
EBITDA	3.9	2.3	6.6	6.3	7.1	7.3	7.4	10.6
<b>UK &amp; Ireland</b>								
Net sales	108.0	127.5	123.8	120.0	125.6	135.7	144.8	152.3
EBITDA	7.3	8.9	9.1	9.0	6.0	8.1	2.8	8.6
<b>Technology</b>								
Net sales	14.1	15.1	14.9	14.9	15.1	16.0	14.2	17.5
EBITDA	10.8	9.6	11.6	11.5	10.2	10.6	9.2	12.2
<b>Other</b>								
Net sales	14.7	24.5	21.9	27.5	26.0	37.5	29.4	43.2
EBITDA	1.2	1.8	0.8	2.3	-1.2	-1.5	-2.6	1.4
<b>Group management &amp; support functions</b>								
Net sales	-	-	-	-	-	-	-	-
EBITDA	-34.3	-44.3	-32.4	-37.1	-37.6	-48.3	-47.1	-62.9
<b>Total</b>								
Net sales	445.3	504.3	478.8	490.3	527.9	567.7	526.1	573.7
EBITDA	12.1	-6.0	20.6	19.8	19.1	6.9	-3.1	0.3

## KEY RATIOS - DEFINITIONS

**Return on equity.** Profit for the period as a per centage of average equity calculated as opening plus closing equity divided by two.

**Return on capital employed.** Operating profit plus interest income as a per centage of average capital employed calculated as opening plus closing capital employed divided by two.

**Equity per share.** Equity divided by the number of outstanding shares on the balance sheet date.

**Earnings per share.** Net profit for the period attributable to the parent company's shareholders divided by the average number of shares.

**Earnings per share after full dilution.** Net profit/loss for the period divided by the average number of shares calculated after full dilution.

**Cash flow per share.** Cash flow divided by the average number of outstanding shares.

**Operating margin.** Operating profit as a per centage of sales.

**Equity/assets ratio.** Equity as a per centage of the balance sheet total.

**Capital employed.** Total assets less current and non-current non interest-bearing liabilities including deferred tax liabilities.

**Working capital.** Total current assets less cash and cash equivalents, short term investments, tax assets and total current liabilities plus tax liabilities.

## GLOSSARY

**AdCode.** An ad display system which is used in order to optimise and display the best ad on a publisher's website.

**Affiliate.** Used for a website which via adverts directs Internet visitor traffic to the advertising company's website.

**Affiliate network.** A system where advertisers that want to boost their Internet sales are matched together with website owners that want to boost their advertising revenue by means of an affiliate programme.

**Affiliate programme.** An agreement where the advertiser pays a fee to the publisher in order to relay traffic to the advertiser's website.

**App download tracking.** Software that enables the advertiser to monitor and obtain statistics about when consumers download and install software from the advertiser and how they use the software afterwards.

**Cost-per-action (CPA).** Means that the advertisers pay a fee which either is based on the sales generated by the advertising or on the number of leads (principally registrations) generated by the advert.

**Cost-per-click (CPC).** This pricing model means that advertisers pay a fee based on the number of clicks or unique visitors generated by the advertising.

**Cost-per-lead (CPL).** Means that the advertisers pay a fee which is based on the number of leads (primarily registrations) generated by the advert.

**Cost-per-thousand impressions (CPM).** A pricing model where advertisers pay a fee based on the number of views of an advert.

**E-mail publishers.** Use e-mail to send out targeted offers to a list of recipients.

**EBIT.** Earnings before interest and tax.

**EBITDA.** Earnings before interest, tax, depreciation and amortisation.

**Full-time equivalent (FTE) or full-time employees.** The total number of full-time and temporary as well as contract employees.

**Performance-based.** Collective term for marketing activities on the Internet where publishers only get paid when a predetermined transaction is generated.

**Product feed.** A distribution system where advertisers can upload their product databases in order to enable publishers to create content and ads on their websites.

**Publisher.** (Also called affiliate) Websites that agree on display of adverts and direct Internet visitor traffic to the Advertising company's website.

**Trackability.** The process and method for follow-up of website traffic, primarily through use of cookies.

**Portals.** Websites which act as a gateway to the Internet and offer broad content and large volumes of traffic. On the portal, there are several links, a search engine and other services, for instance, free e-mail or filters and blocking possibilities.

**Search engine optimizing publishers.** Own websites which use search engines, e.g. Google and Yahoo!, in combination with their own knowledge about the search engine and the advertiser in order to display the advertiser high up in the search results list. These publishers help to generate greater volumes.

**Voucher code.** Voucher codes that are created and easily distributed to consumers via a publisher's website. The consumer can then use the voucher code when purchasing a product/service from the advertiser.

## THIS IS TRADEDUBLER

Tradedoubler is a leading international performance marketing and technology company which generated more than SEK 27 bn incremental revenue for its clients in 2013 through e- and m-commerce.

- Number of advertisers: 2,000
- Number of publishers: 130,000
- Net sales 2013: SEK 2,001.3M
- Gross profit margin 2013: 22.7 per cent
- Market capitalization (close of quarter): SEK 715 M

### Business Model

Tradedoubler devises and implements performance marketing strategies for companies who want to boost their online revenue.

Working through Tradedoubler's advanced performance marketing technology platform, publishers select advertisements and place them on their websites. These advertisements drive traffic back to the advertiser's website and if that traffic results in the desired transaction the publisher receives a payment from the advertiser. Tradedoubler is paid a commission for every successful transaction. This business model is distinct from other forms of online marketing such as display and search in that the advertiser only pays for results.

### Performance marketing - Tradedoubler's core business

Tradedoubler's core business is based on its Technology Platform which gives the advertisers a broad range of technical possibilities combined with a vast range of publishers connected to the network. The performance marketing business is measuring what activity is generated by the advertisement enabling payment to be linked to a specific action, such as a sale or lead.

One of the key competitive advantages of Tradedoubler's performance marketing solution is its ability to track across between online, mobile web and app solutions.

Tradedoubler's international network enables it to help its advertisers expand into markets where they do not have a physical presence. Its client services team can offer a single point of contact for advertisers requiring account management across multiple markets. Tradedoubler has vertical expertise in travel, fashion, health & beauty, retail, electronic consumer goods, finance and telecoms and counts some of the most renowned companies in the world among its clients.

## The Technology Offering

The Tradedoubler Technology Platform is also offered as an advanced, Software-as-a-Service solution that provides larger advertisers and digital media agencies with the means to manage performance marketing programmes in-house. More than 200 clients currently use the company's technology platform.

Tradedoubler's powerful Technology Platform enables clients to run their own private network. Alternatively, they can combine their own private network with the reach and performance benefits of Tradedoubler's fully managed international publisher network. The company's ability to offer larger clients a powerful technology solution is vital in order to achieve the goal of creating long-term and strategic added value for clients.

The Tradedoubler Technology Platform supports the administration and management of performance marketing programmes as well as tracking of other online marketing channels such as email, search and display campaigns. Advertisers can benefit from lower costs, direct contact with their partners and the mapping of the entire customer journey across all channels, with real-time monitoring and reporting.

### Tradedoubler's market units

Tradedoubler is organized into five market units: DACH, France & Benelux, North, South and UK & Ireland.

