2014/15

Annual Report
September 1, 2014 – August 31, 2015

Contents

The year in figures

- Net sales were SEK 7,933 million (7,371).
- Organic sales growth was 5.7 per cent (21.0).
- The gross margin amounted to 14.1 per cent (14.4).
- Adjusted EBITA totalled SEK 354 million (353). Items affecting comparability amounted to a negative SEK 69 million (pos: 1).
- Profit for the period was SEK 125 million (164).
- Earnings per share after dilution totalled SEK 1.75 (2.48).
- Cash flow from operating activities amounted to SEK 59 million (256).
- Net debt in relation to adjusted EBITDA was 2.8 (3.2).
- Return on equity was 9.4 per cent (22.0).
- The proposed dividend amounted to SEK 1.70 (-) per share, a total of SEK 129 million.

Financial key ratios

	2014/15	2013/14
Net sales, SEK million	7,933	7,371
Organic sales growth (%)	5.7	21.0
Gross margin (%)	14.1	14.4
Adjusted EBITA, SEK million	354	353
Adjusted EBITA margin (%)	4.5	4.8
Profit for the period, SEK million	125	164
Earnings per share after dilution, SEK	1.75	2.48
Cash flow from operating activities, SEK million	59	256
Net debt/adjusted EBITDA (multiple)	2.8	3.2
Return on equity (%)	9.4	22.0

Key ratios 2014/15

Net sales
SEK 7,933M

Adjusted EBITA
SEK 354M

Gross margin
14.1 %

Earnings per share
SEK 1.75

Proposed dividend per share
SEK 1.70

Number of employees
944

An eventful year

Dustin further strengthened its market position during the financial year, its first year as a listed company. Our attractive offering, in the form of a broad range, rapid deliveries and a high level of service delivered through a cost-efficient online platform, provides us with the prerequisites to continue to expand with healthy profitability in our addressable market.

Successful stock exchange listing
Firstly, I would like to take this opportunity to welcome all the new shareholders to Dustin. In conjunction with the listing, substantial interest was registered in the company from both institutional and private investors and the offering was heavily oversubscribed. Today we have a solid base comprising more than 6,400 shareholders. We now look forward, together with our shareholders, to continuing to focus on our existing strategy as a listed company to create both short and long-term shareholder value.

Healthy growth in the B2B segment in a challenging market
A challenging market climate marked our first financial year as a listed company. The market data shows that growth in clients, computers and tablets in the Nordic region was negative in terms of volume and value during 2015. The decline was largely due to considerable migration from Windows XP to Windows 8 last year, as well as currency-related price increases from major suppliers early in the calendar year.

Our growth in the B2B segment was driven by an efficient online platform through which an increasing number of companies and to an increasing degree, are choosing to procure IT products and services online. Our online sales, which comprise the base of Dustin's operations, continue to trend favourably and contribute to an increasingly stronger position among small and medium-sized enterprises. In parallel, this provides us with the necessary prerequisites to also serve the large companies segment and the public sector with efficient product deliveries. In the public sector alone, we have won a number of major framework agreements during the year and are thereby continuing to strengthen our market position in this sub-segment from a previously low share.

During the year, organic growth in the B2B segment was almost 9 per cent, with a segment margin of 8 per cent. Given the generally slow market in 2015, our sales trend confirms the robustness of our business model and our continued strong market position.

Profitability before volume in the B2C segment
The B2C segment is a complement to Dustin's core B2B operation and accounted for 8 per cent of the total sales during the year. Sales declined almost 20 per cent, year-on-year, while the margin declined 2 percentage points to 3.1 per cent, which demonstrates our flexibility and cost control. Our strategy to prioritise profitability before volume for this segment stands firm.

Complementary acquisitions to broaden the offering
Our market position benefits from three significant trends. The aforementioned shift to online, whereby an increasing proportion of procurement is carried out online, stronger growth in the small and medium-sized enterprises segment compared with the market as a whole and increased demand for more advanced products and services. The acquisition of Resolute, one of Finland's leading suppliers of network solutions for companies and the public sector, means our position in more advanced products and services was strengthened by the addition of new skills across the entire Group.

In addition, Commsec, a small Swedish company that supplies network and security solutions, was acquired after the end of the financial year. The strong trend within mobility and cloud services entail more stringent requirements for our corporate customers' networks. With these two acquisitions, Dustin has gained a Nordic platform from which to expand and thus meet the increasing demand we have identified in standardised services within networks and security.

Attractive financing offer
In November 2015, we entered into a Nordic partnership agreement with De Lage Landen Finans AB (DLL) in parallel with divesting our financial lease portfolio. The partnership agreement and divestment will enable us to offer attractive online financing to all our corporate customers and to fully focus on our core operations.

New Nordic IT platform
Aside from the stock exchange listing, other milestones during the year included the launch and implementation of our new IT platform. The new IT platform will provide us with the possibility to maximise the advantages of the experience and expertise existing at Dustin and, moving forward, we will be able to export new and existing offerings to all markets in the Group and to leverage additional efficiency gains and economies of scale.

Efforts to integrate operations in Sweden, Denmark and Norway have been completed and during the 2015/16 financial year, the Finnish operation will be integrated to further strengthen our competitiveness by making the central online platform available.

Awards

During the year, Dustin received a number of important awards from its partners, including "Partner of the Year" from HP and "Infrastructure Partner of the Year" from Dell. We also received an award from Microsoft for our work supporting our customers with mobility and cloud services. This confirms that we play an important role in our partners' ability to succeed in the corporate market.

Dustin Expo and Dustin Concept Store

Together with 80 exhibitors and partners, we arranged the 14th Dustin Expo in late March. The trade fair, which was held at the Ericsson Globe in Stockholm, is now the Nordic region's largest IT trade fair with a total of about 10,000 visitors. The event is an important opportunity for us to meet our customers and strengthen our customer relations.

In October, we opened a concept store in Stockholm primarily targeted at our corporate customers. The focus is on advisory services to support our customers in identifying the right combination of products and solutions. We have thereby allowed our online concept to transition to a physical premises, which will become an extension of our successful Dustin Expo, albeit in a smaller format.

Step by step toward a sustainable Dustin

We create long-term value through our sustainability efforts. In the 2014/15 financial year, we took a number of key strategic steps toward a more sustainable Dustin. These steps are described in our Sustainability Report.

Through our active partnership with the Worldwide Fund for Nature (WWF), we have laid the foundation for a collaboration that will enable us to progress toward increasingly climate-friendly and resource-efficient operations. We base our efforts on working together with our customers and suppliers to, step by step, contribute to a more sustainable IT industry and move toward becoming part of a circular economy.

Win as a team

Dustin's success builds on the company's focus on growth and entrepreneurship as well as on long-standing customer relationships. As a company, we have developed in pace with the market. To remain successful, we must work together and win as a team. Our strong corporate culture

and diversity endeavours have improved our position in the competitive market in which we operate.

During an intensive year that included a stock exchange listing, which devoured time, energy and resources, in combination with a challenging market, through our combined strength we have been able to further improve our market position. Therefore, I would like to thank all employees for their efforts and commitment over the past year. Together with you, our broad and loyal customer base, our suppliers and shareholders, I look forward to an exciting new year with new possibilities for continued growth and improved margins in line with our established strategy.

Nacka, November 2015

Georgi Ganev, CEO

Dustin in brief

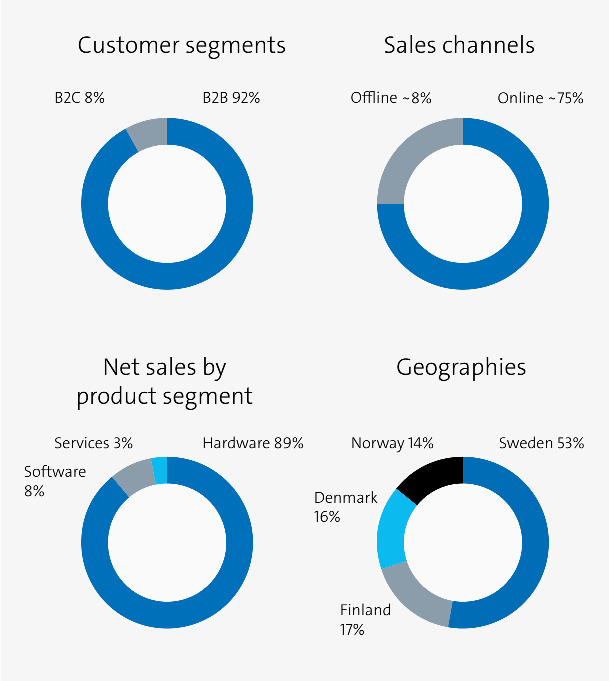
Dustin's customer offering is distinguished by a broad selection of products and services, excellent IT skills, and rapid and reliable deliveries. The customer offering is designed to meet the needs of small and medium-sized enterprises (SMEs), which are typified by purchases to meet immediate needs and small order sizes. The customer offering is also aimed at public organisations and large companies, which primarily make supplementary purchases, and consumers that demand competitive prices and high service levels.

Dustin conducts its operations in two business segments, the B2B segment and the B2C segment, and has posted annual sales growth of almost 15 per cent over the past ten years, of which 8 per cent was organic. The rapid pace of organic growth is attributable to Dustin's market position among online channels and to a competitive customer offering that has made it possible to attract new customers and increase sales to existing customers.

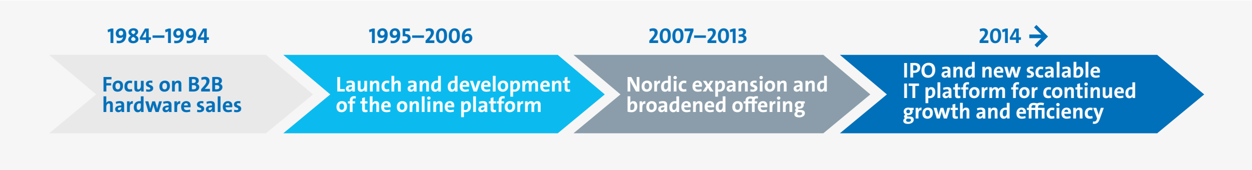
In the 2014/15 financial year, B2B accounted for 92 per cent and B2C accounted for 8 per cent of net sales. About 75 per cent of net sales and 90 per cent of orders are made through Dustin's online platform.

Dustin has about 105,000 active B2B customers in the Nordic region, of which 100,000 belong to the SME segment. In addition, Dustin has approximately 350,000 active B2C customers.

Dustin's range totals more than 200,000 unique products from more than 1,200 brands. Of these, around 15,000 unique items are kept in stock, which account for close to 75 per cent of sales. Each year, the central warehouse in Rosersberg makes a total of about 1.2 million shipments.



History

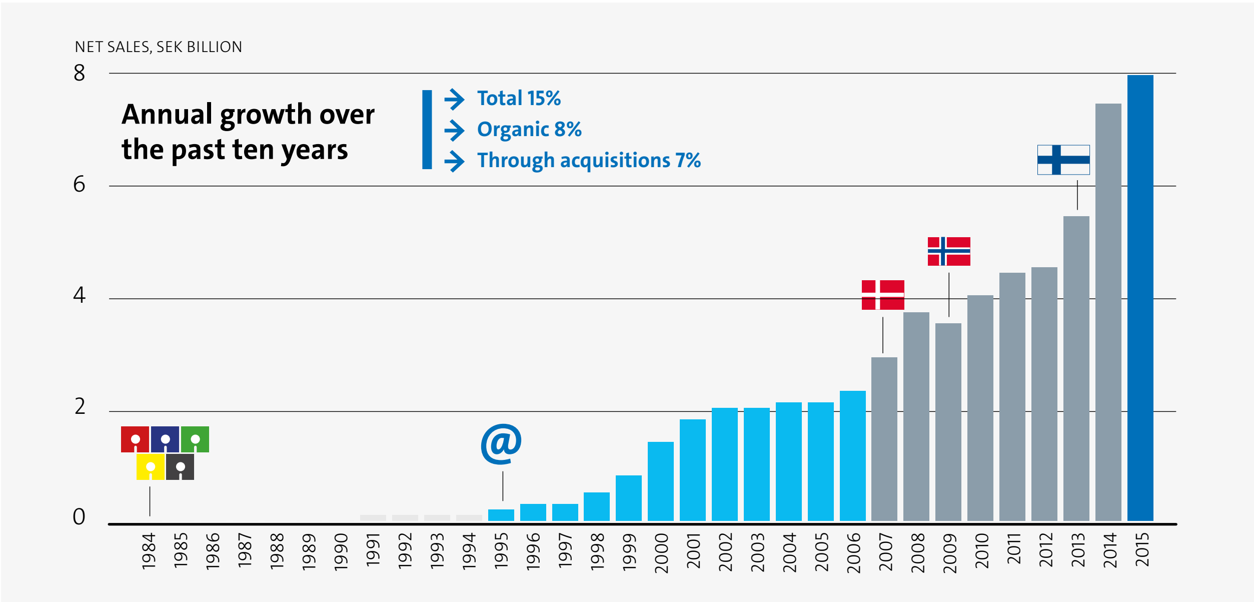


Dustin was established in 1984 by two entrepreneurs, Bo and Ulla Lundevall. At first it was a subsidiary business to their pet shop outside Stockholm. Their business idea was to sell computer accessories via mail order and to use a catalogue as the primary marketing tool. The big seller was colourful floppy disks.

After ten years, the range was broadened from focusing solely on products to also include software licenses. The company began trading online in 1995, the same year as Amazon. Initially, it was aimed at companies but after 20 years, Dustin Home was launched and the offering expanded to also include consumers.

In 2006, Altor Fund II GP Limited became the company's majority owner. From 2007 onwards, Dustin has expanded by entering new markets and making acquisitions in existing markets. The first market outside Sweden was Denmark in 2007, which was followed by Norway two years later where Dustin established its online store.

In 2012, Dustin broadened its competence within services and solutions through three acquisitions. In Sweden the acquisitions were Best Office, specialising in printing solutions, and IT-Hantverkarna, who do everything from helping with installation to acting as an outsourced IT department for SMEs. Norsk Data Senter, with a focus on services and solutions for companies, was acquired in Norway. The year later, Dustin moved into Finland through the acquisition of Businessforum, with a focus on large companies and the public sector. Today Dustin is represented in Sweden, Denmark, Finland and Norway. The core focus is in the offering of products and associated services and solutions to companies, organisations, the public sector and consumers.



Strategy and financial targets

Dustin has a strong position in the Nordic IT market. Through combining a high proportion of online sales with a broad product and service offering, excellent IT skills and rapid and reliable deliveries, Dustin offers a high level of service, particularly for SMEs.

In 2007, Dustin decided on a new strategic plan, which has been successfully pursued since then. Due to the strategy and a favourable market position, the company has been able to post organic net sales growth of 8 per cent annually, since 2004/05.

Dustin intends to continue on its established path and to adapt its efforts in line with the possibilities and conditions that arise. The strategic plan comprises the following key factors:

Customer acquisitions
Dustin has been successful in terms of utilising its online platform to increase the number of customers. Dustin estimates that the company's market-leading position in the Nordic online market, and the high brand awareness in combination with the continued shift to online will continue to contribute to a steady flow of new customers.

Dustin will continue to invest selectively in marketing activities, for example, the Dustin Expo and Dustin Concept Store, to further strengthen the brand. The acquisition of Businessforum in 2013 equipped Dustin with increased know-how about public procurements. Dustin's strategy is to continue to participate in procurements on a selective basis.

Increased sales to existing customers
Dustin estimates that the company's average share of customers' IT purchases is relatively low. Therefore, Dustin aims to increase its share of customers' IT purchases by retaining its leading position in online sales and by developing customer relationships through relationship selling.

Strong position in online
As market leader, Dustin is well positioned to leverage from the ongoing shift to online, where existing customers tend to allocate an increasing share of their IT purchases to the online channel and to concentrate their IT purchases further. In the 2015/16 financial year, Dustin will launch its online offering in the SME market in Finland.

Expanded customer relations through relationship-based sales
Dustin works with relationship-based sales with the aim of capitalising on the potential inherent in its substantial SME customer base. By increasing the number of customers contacted on an ongoing basis by the active sales organisation, potential exists for additional sales of more advanced products and services with generally higher gross margins. In addition, a deeper customer relationship tend to increase online sales.

Of Dustin's approximately 100,000 active customers who are SMEs, currently slightly more than 10,000 customers have been activated in the relationship-based sales channel.

Introduction of the offering across the Nordic region
Dustin estimates that major opportunities exist for the introduction of the entire product and service range in all Nordic countries. While the company has a broad offering in Sweden, its offering in the other Nordic countries is more limited since Dustin has established itself in these markets more recently.

Dustin plans to offer all products and services in all Nordic markets going forward. Some examples of practice in recent knowledge and experience-sharing within the Group include:

- Launch of a shared web platform in Norway and Denmark.
- Utilisation of Finnish public sector procurement processes in Sweden, Norway and Denmark.
- Introduction of the Danish relationship sales model in Sweden.

In addition to introducing the entire customer offering in the Nordic market, Dustin will invest in new products and services that will be added to the existing product and service offering, similar to the acquisition of Resolute and Commsec. By broadening its product base, Dustin can capture a greater share of customers' IT purchases and thereby increase its sales and profitability.

Efficiency enhancements

Dustin has a number of scalable centralised functions to enable serving the entire Nordic region. Among other functions, these include purchasing and product pricing, online, marketing, business support and HR. Dustin's strategy is to leverage these functions to create future economies of scale, with the aim of further reducing operating expenses in relation to net sales when Dustin continues to grow.

Dustin uses well-known methods such as Lean, Six Sigma and the NPS model combined with focused initiatives to create a culture of continuous improvement and customer focus.

Dustin believes that these initiatives will gradually lead to increased efficiency and enable increased profitability.

Acquisitions to support growth and broaden the customer offering

Dustin proceeds to continuously evaluate potential acquisition possibilities to support growth and increase shareholder value.

New acquisitions are evaluated to be able to satisfy a larger proportion of our customers' total IT purchases but, also, to consolidate the company's position in existing markets, broaden the customer base, achieve cost synergies and expand its existing offering.

Financial targets

Growth

Dustin's target is to achieve average annual organic growth of 8 per cent over a business cycle. In addition to this, Dustin intends to expand through acquisitions.

Margin

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

Capital structure

Dustin's capital structure is to facilitate a high degree of financial flexibility, as well as to provide scope for acquisitions. The company's target is for net indebtedness to amount to a multiple of 2.0-3.0 times the adjusted EBITDA for the last 12-month period.

Dividend policy

Dustin's target is to distribute not less than 70 per cent of the net profit. However, the company's financial position, cash flow, acquisition potential and future prospects must be taken into account.

Market

The total B2B market for IT products in the Nordic region comprises hardware, software and services that are offered to the private and public sectors and is estimated at approximately SEK 300 billion. Dustin's addressable B2B market is estimated at about SEK 100 billion and consists of hardware, software and standardized services. The product and service categories not included in Dustin's B2B market comprise advanced consulting services, outsourcing of IT and implementation of ERP systems as well as complex software solutions. Dustin has no plans to offer these products or service categories in the foreseeable future.

Dustin's assessment is that there are three key market trends that will continue to drive underlying growth in specific niches of the Dustin's B2B market:

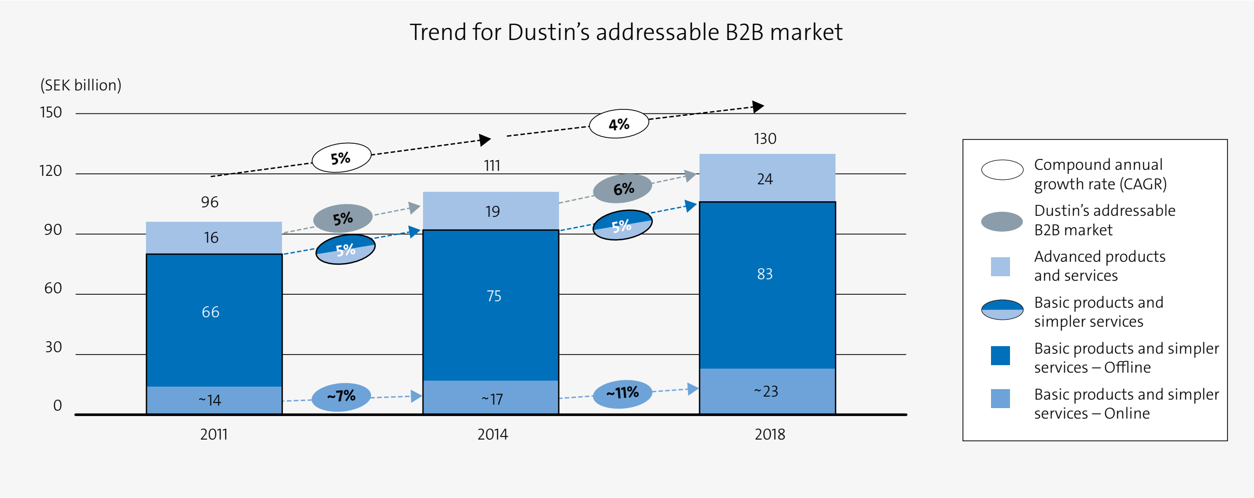
- Increased online sales of IT products and services.
- Technology shifts that drive growth for advanced products and services.
- Higher growth in smaller companies.

Increased online sales of IT products and services

Online sales have increased in significance in recent years and B2B customers are allocating an increasing share of their IT purchases to online alternatives. This trend is primarily due to the advantages online channels provide, mainly for purchases of basic products and standardised services.

These advantages include:

- A broader range compared with conventional channels.
- A more efficient purchasing process when compiling information ahead of purchasing is integrated with the transactions through the same channel.
- Rapid and convenient deliveries that are adaptable to customers' specific requirements.
- Competitive prices due to generally low operating expenses for online companies.



Source: Dustin, based on market statistics from IDC.

Online sales still account for a relatively small share of Dustin's B2B market. For 2014, the online share was estimated at slightly more than SEK 15 billion, corresponding to a penetration rate of about 15 per cent. In comparison, the total B2B market in the US had a penetration rate of 30–40 per cent and the corresponding rate for the consumer home electronics market in the Nordic region was about 45 per cent.

Online shift in the B2B market

The online shift in the B2B market has not been as rapid as the shift in the consumer market. This is partly because corporate customers do not adopt new trends as rapidly as consumers and because many corporate customers still have relationships with small regional retailers that do not offer online as a sales channel.

The online shift in the B2B market is expected to continue as the advantages of the online channel become increasingly clear for corporate customers.

Dustin's addressable market in the Nordic region comprises basic products and standardised services, which correspond to SEK 85 billion. Dustin's assessment is that almost all categories of basic products and standardised services should be possible to manage online. Dustin believes that the online penetration of the B2B market will continue to rise gradually.

Basic products and services include:

- Basic hardware, for example, PCs, laptop computers, tablet devices and printers.
- Basic software, for example, operating systems and Office suites.
- Help desk services.

Shifts in technology

The IT industry is currently undergoing several shifts in technology which, in coming years, are expected to influence the market and drive growth, primarily for certain advanced products and services. These shifts in technology are driven by an increasing demand for mobility and cloud-based solutions.

Access to applications and networks from various locations and with different devices is becoming increasingly important. Demand for security solutions that can protect corporate IT systems is also rising due to growing demand for mobility, access and availability.

EACH CONTACT WITH A CUSTOMER MAKES US BETTER

Jenny Ring, Nordic Contact Center Manager

With one million customer contacts by e-mail, chat and telephone each year, Dustin's Contact Center is a key channel for the company. Each contact is a chance to learn more, and customer feedback about how we can improve is a boon. People are Dustin's most important asset. We can achieve so much through dedication and good leadership. We are a closely knit team that keeps the customer in focus and who is prepared to go the extra mile with each contact.

Age: 37
Title: Nordic Contact Center Manager
Department: Contact Center
Country: Sweden
Time at Dustin: 8 month

Cloud solutions offer mobility and promote a flexible IT environment, in terms of both cost and utilisation. Cloud solutions consist of online solutions where remote servers allow centralised data storage and online access to computer services, resources and data.

In Dustin's assessment, these technology shifts in particular will influence purchasing at SMEs, since smaller firms are generally more flexible regarding their IT procurement, which spurs investments in new technology and new solutions.

Higher growth in smaller companies

According to data from Statistics Sweden (SCB), smaller companies in Sweden have historically recorded higher revenue growth and increased their number of employees at a faster rate than larger companies. New employees comprise an important catalyst for IT purchases.

Consumer market

The Nordic consumer market encompasses IT products and other consumer electronics (excluding domestic appliances) that are offered to private individuals. In 2014, the Nordic consumer market amounted to slightly more than SEK 70 billion according to Euromonitor. Typical customers in this market make a large number of low-value purchase orders. The market is extremely competitive with high price transparency and price pressure. The large number of purchases are largely a result of the market having a high pace of innovation and relatively short product lifecycles.

Sales in the consumer market mainly occur through retail chains and online retailers, where many retail chains also offer online sales. Conventional physical stores still account for the majority of the market, but online sales are increasing rapidly and capturing market shares from other sales channels. The shift to online is also influenced by the composition of the customer base. Compared with older generations, younger people are more used to using the internet.

Although the online consumer market has grown strongly, in recent years, parts of the market have experienced recurring price pressure which, at times, has resulted in low margins for many market participants.

The following diagram illustrates historical sales growth and the number of employees in Swedish companies.

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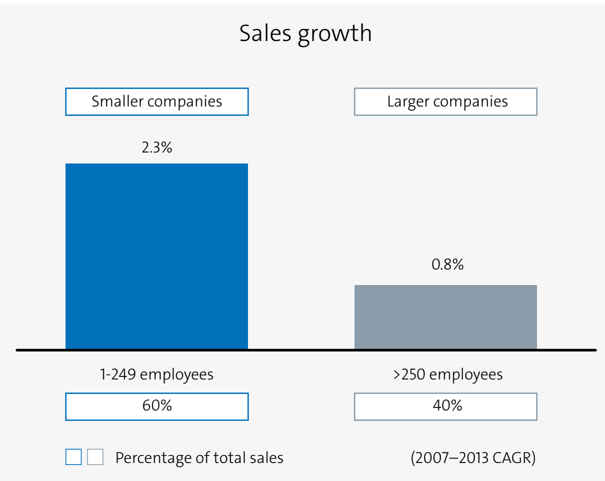
OUR SUSTAINABILITY WORK IS IMPORTANT

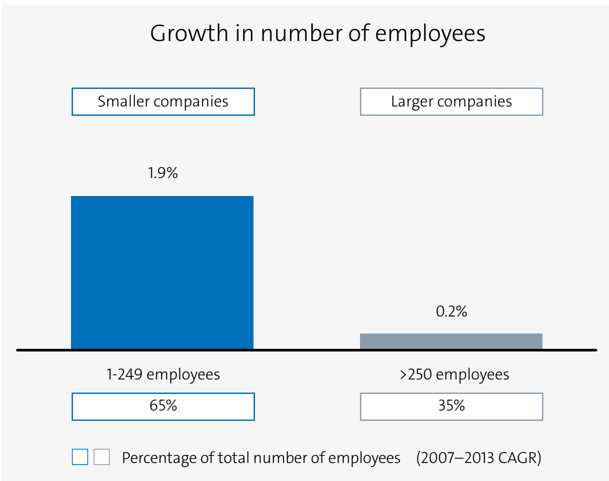
Noppa Srifa, Group Manager Incoming

What sets Dustin apart from my previous employers is, above all, the company's highly developed sustainability work. I think the partnership with the World Wide Fund for Nature (WWF) and the willingness to improve and contribute to a better society is important. I also like the high tempo at the company. For those of us working at the logistics center, this is about continuously optimising our work and working as a team to ensure customers receive their deliveries as quickly as possible. Soon, I will have worked at Dustin for 12 years and the company spirit is the same as it was when the company was family owned. We have many different nationalities that are united by a strong corporate culture under which we all work in sync.

Age: 35
Title: Group Manager Incoming
Department: Nordic Logistics
Country: Sweden
Time at Dustin: 12 years



Source: SEB



Source: SEB

Customer offering

Dustin's customer offering is based on a broad product and service offering, excellent IT skills and rapid and reliable deliveries. The product and service offering covers the majority of customers' needs in terms of hardware and software, and comprises about 200,000 products and supplementary services that are either directly or indirectly influenced by the need for hardware and software.

Dustin's IT expertise characterises all sales channels through which the company interacts with its customers and is customised to meet each customer group's needs. Dustin strives to provide customers with rapid and reliable deliveries.

Broad product and service offering

Dustin offers its customers a broad range of hardware and software products, as well as a large number of services. The services offered by Dustin to its customers are supplementary and aim to support customers in maximising the use of any hardware and software purchased. Dustin offers integrated solutions, such as printing services and network services, to simplify purchasing for customers and to increase their capital efficiency.

Dustin's size, efficiency and low cost base allow it to offer its products and services at competitive prices.

Hardware and software

Hardware and software comprise the foundation of Dustin's offering. The offer includes a broad selection of hardware and software that have been selected to meet the needs of SMEs, as well as public organisations and large companies. Niche products that are not included in Dustin's standard range can be purchased for SMEs that are served through relationship-based sales.

Among other items, Dustin offers the following types of hardware: computers, servers, storage, networking products, printers, cables, keyboards, smartphones, televisions and cameras.

Among other items, Dustin offers the following types of software: operating systems, Office suites, security software, software as a service (SaaS) and infrastructure as a service (IaaS).

Altogether, Dustin offers its customers about 200,000 hardware and software products from more than 1,200 brands. Dustin continues to develop its hardware and software offering and closely monitors upcoming product launches to ensure that new products are offered as quickly as possible. Furthermore, thanks to its size and strong customer base, Dustin is an important partner for product launches.

Customers' purchase patterns are based on needs rather than plans, thus making Dustin an attractive channel for manufacturers' advertising campaigns. Dustin ensures a steady flow of advertising campaigns by maintaining close and frequent dialogues with manufacturers.

Services

Dustin offers services as a complement to customers' hardware and software purchases, thereby helping customers get more from their purchases. Sales of services comprised 4 per cent of net sales in the 2014/15 financial year. The service offering includes supplementary services, which are directly linked to the sale of computer hardware and software, as well as complementary services that are indirectly linked to the sale of computer hardware and software.

Integrated solutions

By combining several different items of hardware, software and services into one integrated solution, Dustin is able to offer simple and effective products to customers. An integrated solution simplifies purchases for customers by solving the needs of an entire IT area in one single purchase.

Excellent IT skills in two sales models

Dustin has been active in the IT sector for 30 years and has an extensive breadth and depth of IT know-how. Many of Dustin's customers are SMEs, which are generally more flexible when making IT purchases. Dustin has prepared its customer offering to provide them with the information they need to make purchases, either through the online platform or through the organisation for relationship-based sales in the case of a more advanced purchase.

We offer packaged and customised print solutions that allow you to take control of your printing costs and, in parallel, to obtain a smarter, more efficient solution that is also better for the environment.

Allow us to help achieve a more streamlined and friction-free solution.

READ MORE AT DUSTIN.SE/SOLUTIONS OR RING +46 (0)8 553 44 773 AND WE WILL HELP YOU IDENTIFY A SOLUTION THAT OFFERS YOUR COMPANY PERFOMANCE AND POWER.

Dustin

Online sales

Dustin has more than 20 years' experience of online sales. The company's online platform is user-friendly, informative, easy to navigate and has inbuilt support functions that provide customers with relevant product information and buying advice. Useful accessories and complementary products are presented together with the selected products and different product features can also be compared. The interface is adapted to each customer based on the visitor's history. Large customers have access to adapted websites with customised product ranges. Existing customers can view previous purchases, make repeat purchases and find accessories and complementary products. During the 2014/15 financial year, Dustin had more than 35 million visits to its website, of which corporate customers accounted for approximately 15 million. The number of visits by companies to the site increased by about one million in the past year.

Relationship-based sales

Dustin has introduced the relationship-based sales to selected SMEs as a core part of its strategy to increase sales to existing customers. These customers are offered an expanded service by Dustin's relationship-based sales channel, where account managers use telemarketing and consultative sales to actively serve about 10,000 customers out of the total customer portfolio of more than 100,000 B2B customers. Unlike those involved in telemarketing, consultative sales manage these customers through customer visits. Consultative sales also pertain to slightly more advanced IT solutions such as printing services and client as a service (CaaS). The aim of relationship-based sales is to capture customers whose purchase levels from Dustin have stagnated and, moreover, if these levels are assessed as low in relation to the customer's total IT purchases. Accordingly, the customer-specific needs cannot be met only through the online channel.

WE HELP ONE ANOTHER

Ruslan Arakelian, Account Manager

What sets Dustin apart for me is the family feeling. I perceive Dustin as a humble company where we care about each other and provide tips and advice when someone needs help. Furthermore, there is a clear focus on the work being done and not on the title being worn. Dustin is growing and extremely large areas exist for development within the company if you have the will and the commitment. If you want to progress, you need to have the right attitude and be clear about what you want.

Age: 29
Title: Account Manager
Department: Dustin Relation Sale
Country: Sweden
Time at Dustin: 1 year

Customer offering contributes to a loyal customer base

Dustin has developed a large and diversified customer base with a high degree of customer loyalty. In the 2014/15 financial year, about 75 per cent of B2B sales was attributable to customers who have been registered with Dustin for at least five years and the corresponding figure for customers of at least one-year's standing was about 90 per cent. Customer loyalty is generally lower with consumers and in B2C the corresponding figures was about 25 per cent for customers of at least five-years' standing and about 55 per cent for customers of at least one-year's standing. A strong link exists in B2B between the length of a customer relationship and average sales per customer. Average sales for a customer of at least five-years' standing is several times higher than sales to a customer that has been added in the past year. This is due both to a higher number of purchases and larger order sizes.

Dustin's role in the value chain

Dustin acts as a link between supply and demand and, through its size and efficiency, can provide products from about 1,200 brands sourced from over 350 vendors to more than 450,000 active customers, of which over 100,000 are B2B customers. Over its 30-year history, Dustin has built up long-term relationships with customers and suppliers, which strengthen the company's position in the value chain.

Supplier relationships

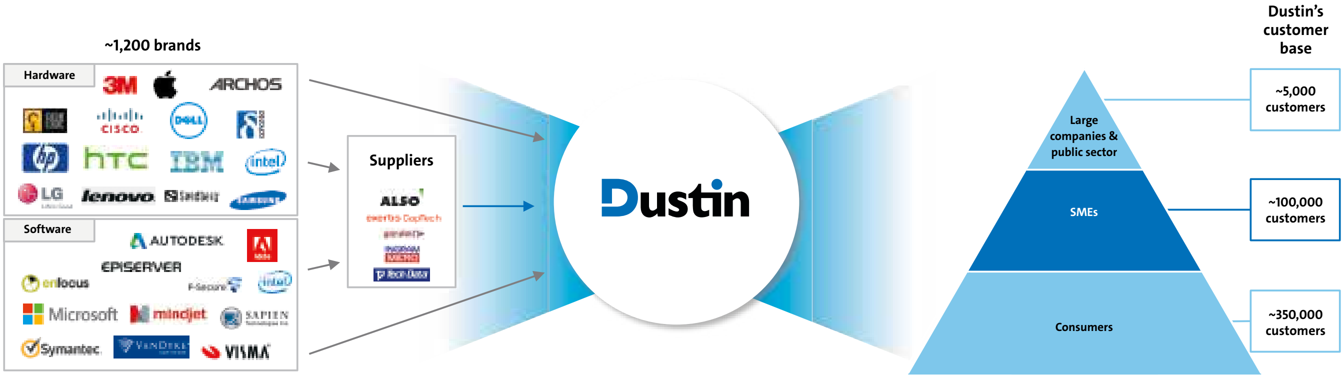
Few of Dustin's suppliers have the organisation and sales force that is required to profitably manage a large number of smaller orders. Dustin offers:

- **Access to customers** – a cost-efficient route to a market that would be difficult for suppliers to serve directly.
- **Large number of loyal customers** – more than 450,000 active customers, of which about 100,000 are B2B customers. In the 2014/15 financial year, about 75 per cent of B2B sales was attributable to customers who have been registered with Dustin for at least five years and the corresponding figure for customers of at least one-year's standing was slightly more than 90 per cent.
- **Partners for advertising campaigns and product launches** – an attractive channel for conducting advertising campaigns and product launches by gathering demand from an extensive customer base that makes purchases based on immediate needs.

Customer offering

Dustin's typical customer places a large number of smaller orders within several product categories. Dustin offers:

- **Broad product and service offering** – Dustin endeavours to meet customers' total need for hardware and software products. In addition, services are provided that are either directly or indirectly driven by demand for hardware and software.
- **Excellent IT skills** – Dustin endeavours to offer professional help linked to all products and services in the range. About 90 per cent of all orders are managed through Dustin's informative website in combination with an efficient call center. The relationship-based sales organisation supports customers when purchasing products that require more advanced advice.
- **Rapid and reliable deliveries** – Dustin endeavours to provide customers with rapid and reliable deliveries. In addition, Dustin coordinates products from multiple suppliers as part of one and the same delivery.



Sustainability efforts create long-term value

Dustin operates in an industry that has a major impact on both the environment and people. Some of the impact is positive in terms of technologies that reduce the need for transport and travel, and increases the ability for people to take part of new social networks. The IT industry also has a major negative environmental impact due to transportation, manufacturing, and an increasing resource utilization.

Dustin sets social, ethical and environmental requirements on suppliers and has developed a code of conduct, with the target that all suppliers will eventually meet the requirements.

In fiscal year 2014/15, Dustin identified five focus areas based on the company's role in the value chain. This work includes continuous cooperation with customers and suppliers in areas such as responsible purchasing and resource management, as well as reduced climate impact. Dustin's sustainability efforts will be explained in the Sustainability Report.

Logistics and procurement

Dustin's logistics system is based on a central warehouse in Sweden, complemented by smaller warehouses in Finland and Norway as well as direct deliveries from suppliers to end customers. In the 2014/15 financial year, about 65 per cent of net sales went through Dustin's central warehouse in Rosersberg outside Stockholm and about 10 per cent of net sales passed through the warehouses in Norway and Finland. The remainder was sent direct from suppliers.

Since purchases are usually based on sudden needs and not on planned replacements, additions or expansion, rapid and reliable deliveries comprise an integral part of Dustin's customer offering. Dustin's customers also place great importance on receiving one combined delivery to reduce the administrative burden.

Efficient logistics platform

The central warehouse in Rosersberg was built in 2008 and has about 20,000 sqm of warehouse space. Dustin has an efficient distribution process that on average handles almost 20,000 products per day. When a customer places an order on the company's website and the purchase has been approved, the order is automatically routed to the central warehouse for picking and shipping. During the 2014/15 financial year, 1.4 million orders were sent from the Rosersberg warehouse, which corresponds to about 5,000 deliveries per day. More than 98 per cent of all orders available for direct delivery were managed by staff at the central warehouse on the same day the order was placed. The warehouse's location enables Dustin to efficiently deliver products throughout the Nordic region and quickly and easily be reached by the company's largest suppliers.

Dustin plans to integrate the smaller warehouses in Norway and Finland with the central warehouse system. The Rosersberg warehouse is currently at about 60 per cent of its capacity and, accordingly, can manage further growth. The central warehouse also carries out customer-specific services, such as configuration, installation and safety labelling. During the 2014/15 financial year, approximately 75,000 such services were carried out and the business area reported strong growth. Currently, configuration is also performed in Finland and Norway in local warehouses, as well as at partners in Denmark. In the future, these may be centralised to Rosersberg. Dustin strives to optimise logistics and inventory levels, driven from both customer and capital-efficiency perspectives.

Broad range

Of the approximately 200,000 products that are available through Dustin's online platform, less than 10 per cent of these products are stored in our own warehouses. In addition, Dustin has integrated its systems with those of many suppliers, thereby obtaining real-time information about product availability. This, combined with Dustin's ability to determine which products should be kept in stock, means that stock levels can be kept low while still offering rapid delivery. In the 2014/15 financial year, Dustin had a stock turnover ratio of 25. Dustin's agreements with many of the suppliers include price protection and product returns. These agreements, combined with rapid stock turnover, result in extremely low stock obsolescence, corresponding to less than 1 per cent of the cost of goods and services sold for the 2014/15 financial year.

In addition to the central warehouse, direct deliveries from selected manufacturers and distributors are also used, thereby allowing Dustin to supply customers with products that do not pass through its own distribution system when this is more efficient. Direct deliveries to customers from selected manufacturers also contribute to the low level of obsolescence. This delivery model, which comprised about 25 per cent of Dustin's net sales for the 2014/15 financial year, was primarily used for large orders from a single supplier and, to a degree, for deliveries of advanced products and services. Direct deliveries are used to a greater extent outside Sweden since this allows for faster deliveries and the possibility of leveraging specific campaigns in the local markets. Dustin is also evaluating the expanded use of direct deliveries, including in situations where supply through the central warehouse can only create limited value, for example, in the case of shipments of televisions and laptops from a single supplier.

Efficient sourcing from multiple suppliers

Efficient sourcing from multiple suppliers comprises a key element of Dustin's ability to offer competitive prices. Dustin is an important sales channel for suppliers and, through its platform and its substantial customer base, offers an efficient and profitable route to markets that could be difficult for these suppliers to serve direct. Dustin's sales model and the large number of customer, who purchase according to needs rather than planned purchases make Dustin an important partner for campaigns and product launches.

Dustin's high sales volumes and market position result in an advantageous position with suppliers, which means consequent advantages, such as volume rebates, advantageous terms for product returns, price protection policies and marketing contributions. In the 2014/15 financial year, about 80 per cent of hardware and software products were purchased from different distributors. The largest distributor represented slightly more than 16 per cent of Dustin's total purchases and together the three largest distributors accounted for about 46 per cent. Dustin does not consider itself highly dependent on any single supplier, since most products are offered by several suppliers.

In addition to those purchases made from distributors, in the 2014/15 financial year, Dustin purchased almost 20 per cent of its hardware and software products direct from the manufacturers, including Hewlett-Packard, Microsoft and Dell. Although several of the brands account for a relatively small share of Dustin's net sales, they contribute to Dustin's strong position as a broad-based IT distributor with a full line product range.

Dustin's trainee programme – a nursery for success

As a CEO trainee at Dustin, you gain a unique insight into how a company is run at management level and are involved in the leadership and development process of a listed company. And after the trainee period, an exciting future awaits at Dustin.

The aim of the Dustin trainee programme is to provide the individuals recruited with the best possible prerequisites over the year-long programme, to grow within the company and identify the right role to support them in their success. Vanessa Palm has been a trainee at Dustin since August. She was attracted by the opportunity to enter at a high level and participate in the strategic agenda.

"The programme represents a unique opportunity to be part of leading a company. How does the Group Management team act and interact, and how do they think tactically? Unlike outright trainee programmes where you move between different departments, you work closely with a CEO for a longer period and get to know the company from a management perspective," she says.

Vanessa Palm felt she was one of the team from day one, and appreciated the clear plan for her future at the company.

"Dustin is a small company inside a large shell. In other words, the managers see the employees and are genuinely interested in everyone developing and finding their right position. When you receive the confidence of your manager, you grow and want to deliver. For myself, Georgi is a pillar of support who, together with the Group Management team, ensures that I develop optimally and we discuss how I will progress within the organisation after the trainee period has ended," she says.

Jenny Litborn and Johan Geiding have both previously undergone the trainee programme and agree that it offered a unique springboard for their careers.

"Much of my role as a process and business developer at Dustin is about having a broad understanding of the Nordic functions to be able to support the organisation with changes in processes. This requires an understanding of how the changes will impact at other levels. My time as a trainee gave me a unique insight into the Group Management team's work and a broad understanding of the company and the direction it was headed, thereby enabling me to take the right decisions," explains Johan Geiding, who remembers in particular being assigned a key role ahead of Dustin's listing.

"I was given a position of great trust in coordinating information flows and data collection from various stakeholders and thereby obtained a broad contact network within the company. Overall, I felt very included during my trainee period."

Jenny Litborn also emphasises the advantage of working so closely with a company leader who shares his thoughts on everything from operative issues to long-term strategies.

"It will take a while before you have the opportunity to join a management meeting for a group that has sales of more than SEK 7 billion again. It defuses the situation when you see that the management are normal people and realise that you can also join their ranks," she says.

Since her trainee year, Jenny Litborn has held a number of different roles within the company, including as business developer and product manager for product-related services. She currently has two roles, with responsibility for Dustin's supplier strategy and service owner for the CaaS offering.

"Among other things, I am responsible for creating a more lifecycle-based and central delivery model for services to SMEs in the Nordic region, with a focus on clients," she says.

Brand and marketing

Dustin has been operating in the Swedish IT market for 30 years and has established a strong market position and a well-known brand. This success builds on the company's core philosophy: to offer customers a broad product range, excellent IT skills and rapid and reliable deliveries.

The Dustin brand

The company's long-term profitable organic growth is largely attributable to the strength of the Dustin brand and awareness of the broad offering. Through the company's position in online retail, Dustin has established a strong brand primarily in Sweden, but also in Denmark and Norway where relatively strong positions have been built up in the last few years.

Dustin uses Net Promoter Score (NPS) as a tool to measure customer loyalty, both in the market and in the customer base in Sweden, Denmark and Norway.

Marketing

Dustin's marketing activities in traditional media are aimed at increasing awareness of and strengthening the Dustin brand, and thereby increasing the company's sales. Marketing mainly targets the B2B market and only to a lesser extent the B2C market. Marketing activities are carried out at a Nordic level and, due to the company's strong relationships with its suppliers, compensation for a large part of its advertising and marketing costs is obtained through advertising collaboration programmes. Even if the marketing and campaigns are at a Nordic level, they are also adapted to local needs.

Dustin's digital marketing is primarily aimed at maximising relevant traffic to the website at as low a cost as possible. Dustin's brand awareness and brand recognition creates favourable prerequisites for generating traffic that is both cost-efficient and which, to a high degree, can be converted into sales. Web traffic can be categorised into two groups: non paid traffic and paid traffic depending on how customers found the site. Non paid traffic includes direct entry (for example, www.dustin.se), free traffic from customer relationship management (CRM), for example, through e-mail or somebody directing to the website, social media and search engine optimisation channels. Keyword targeting comprises the main portion of paid traffic for Dustin, but paid traffic also comprises traffic generated by price comparison websites (primarily the B2C segment).

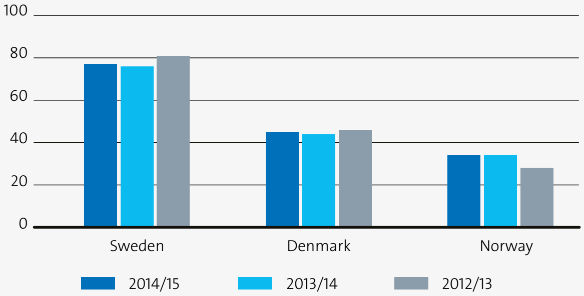
Peter Puggaard, Sales Manager

When I meet my old friends they usually ask why I remain with Dustin after all these years. I explain to them that I have never had a day when I have wanted to stay home and that I actually enjoy my work. But, not everybody wants to be a manager, and that is also alright. The important thing with Dustin's culture is that "everybody is somebody," meaning that everyone is heard and seen, irrespective of their role in the company. I like the way we communicate. Management actually listens if I have suggestions for improvements, and also involves me in the change process. In my world, good results come automatically from such a work environment.

Age: 41
Title: Sales Manager
Department: Sales, SMB Portfolio
Country: Denmark
Time at Dustin: 20 years

Brand awareness

per cent



A market survey was conducted in collaboration with an external party (Mindshare)

Dustin

In the last few years, Dustin has implemented a number of initiatives aimed at further strengthening and increasing the efficiency of the company's online marketing.

These initiatives include:

- Several dedicated internal experts in digital marketing.
- effective bid tools for Keyword targeting.
- implementation of targets, forecasts and follow-up processes.
- enhanced advertising platforms that can better market the right products at the right time.

This has led to improved marketing efficiency in the form of higher conversion rates and larger average orders.

Dustin Expo

Each year, Dustin arranges the Dustin Expo, which is the largest IT trade fair in the Nordic region. From 800 visitors in 2002, visitor numbers have increased substantially and, over three days, the fair attracted more than 10,000 visitors in 2015. Furthermore, this year, we noted record interest in the company days, during which – in addition to the exhibition itself – Dustin also arranged seminars to inspire and support our customers in their efforts to find optimal solutions to their IT challenges.

Dustin Concept Store

In October 2015, Dustin opened a concept store in Stockholm primarily targeted at corporate customers. The focus is on advisory services as a support to customers in identifying the right combination of products and solutions. We have thereby allowed our online concept to transition to a physical premises, which will become an extension of our successful Dustin Expo, albeit in a smaller format.

The Dustin Concept Store is located at Sveavägen 44 in Stockholm and is operated together with four partners: Canon, HP, Microsoft and Samsung. The main target group is SMEs, which can obtain on-the-spot advice and purchase the products, services and solutions they need.

Employees

Our employees are the key to Dustin reaching its goals and strengthening its brand. We believe that satisfied employees will give us satisfied customers. Having a clear human capital agenda provides us with continuity and helps us to attract, recruit and develop employees to, thereby, give them the right prerequisites to develop our business and our customers.

The Dustin way – our culture

Dustin's success builds on the company's focus on growth and entrepreneurship and has developed in pace with the market and our customers' changing needs. To remain successful, we must work together and win as a team. Accordingly, "Win as a team" is our core value.

Win as a team is based on four support values:

Challenge all cost

- We are proud of being smart when we spend money and we have the courage to challenge our own costs. This is about using our resources efficiently, standardising and trying to identify the best solutions. This enables us to offer our customers competitive prices.

Keep it simple

- We have a long history of simplifying and have had an entrepreneurial mind-set ever since the company was founded by selling colourful floppy disks in a pet shop. It is about being pragmatic. We treat everyone the same and do not complicate things more than necessary. This results in Dustin creating smart and simple solutions for customers' IT challenges.

Live up to promises

- If you are to win as a team, you have to trust your team mates. It is about being open about what we are going do and doing what we say. We do not dodge and we have an open and honest communication in which we respect each other's opinions. We keep our promises both internally to our colleagues and externally to our customers and partners.

Strive to improve

- We are characterised by customer-driven changes and continuous improvement. It is about being proactive and acting before problems arise. To learn from our mistakes and not be afraid to change the way we work to become better. In this way, we will remain efficient and competitive in a changing IT world.

Equality and diversity

One of the priority areas of Dustin's sustainability work is equality and diversity. As one of the leading distributors of IT products and related services in the Nordic market, we have the responsibility and opportunity to push for equality in the IT industry. Dustin has the goal that each gender should be represented by at least 40 per cent on all levels of the organization by 2020. To achieve this, we have decided that in all recruiting of managers, there should be at least one man and one woman with equal competence among those deemed to be the prime candidates. In Sweden, we also run the initiative "Women in business" and are committed to Womentor.

Dustin also works to promote greater diversity in terms of age and the proportion of employees with a foreign background. We reject all forms of discrimination. During the financial year, no cases of discrimination was reported.

Business management and development

The development of our corporate culture comes from developing people who in turn shape our culture. Everyone should be aware of our shared goals and our strategy to ensure they are given the right prerequisites to commit and participate in our journey. One element of this is having a clear structure in place for performance and management by objectives for our leaders and employees. Dustin has implemented two methods for strategic target attainment, namely, the Target Management Process and the Talent Management Process. These support the entire process from the setting of strategic targets to developing individuals and attaining the results.

Dustin Target Management

The concept behind the management by objectives process is for senior executives to set overall targets for strategy and annual budget, while middle management and other employees, create activities and then implement and follow up on these. In this manner, clarity is ensured in terms of aims and targets as well as participation in the implementation.

Dustin Talent Management

The talent development process allows the organisation to identify the employees' performance and potential, to help leaders to focus on the future development of their staff and to enable leaders to obtain qualitative input about their staff. In parallel, leaders are helped with providing better and clearer feedback to employees, as well as feedback from employees.

Group structure

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

Within Dustin's primary segment, B2B, customers are served through both the online platform and relationship sales. Dustin's sales model has been adapted to meet customers' needs and potential as efficiently as possible.

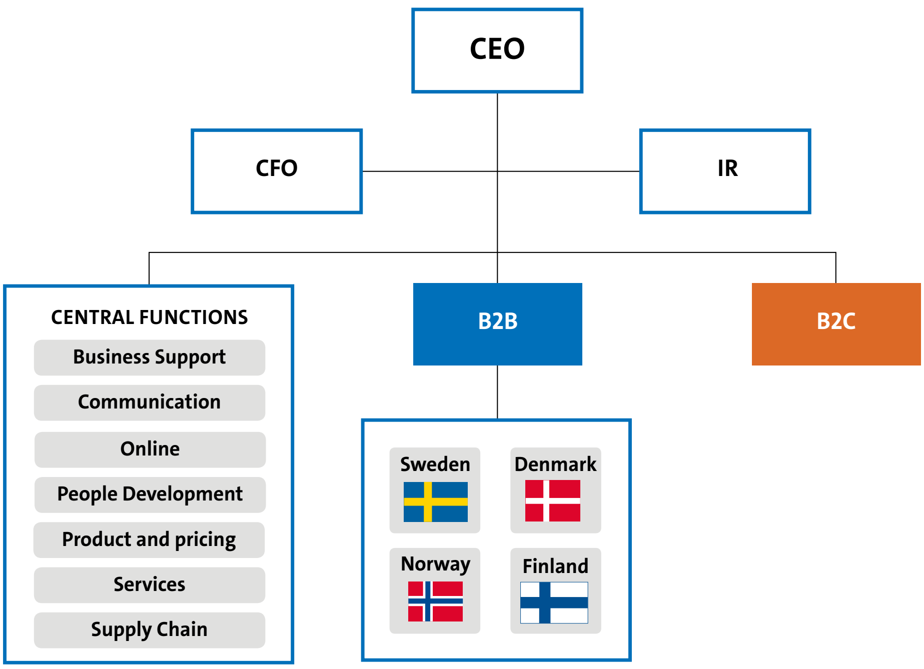
In the B2C segment, customers are only served through the online platform. As a segment, B2C is a complement for Dustin. A number of advantages derive from serving consumers, for example, new insights into trends and pricing from a fast-moving market, as well as economies of scale from a similar product range.

Central functions

The central functions are key to Dustin's ability to deliver its offerings more efficiently in all markets. In recent years, the company made significant investments in the central functions to realise economies of scale and manage the integration of acquired operations. Excluding items affecting comparability, costs for central functions in relation to sales amounted to 3.2 per cent for the period.

Group Management

Dustin's Group Management comprises the CEO together with the heads of the business segments, the heads of the centralised group functions and the B2B segment country sales managers. In each country there is one person responsible for local relationship sales who, together with the Nordic Online Manager, is responsible for total sales in the B2B segment. The structure results in centralised control of the company's two business segments and central functions, in combination with decentralised responsibility for relationship sales in each country.



The share

Dustin's share was listed on Nasdaq Stockholm, Mid Cap segment, on February 13, 2015, at a subscription price of SEK 50. There was substantial interest in the listing and Dustin now has a broad owner base comprising about 6,400 shareholders, of which Altor Fund II GP Limited and Axmedia AB are the two largest. The market capitalization at the end of the period amounted to SEK 4.3 billion.

Share price performance and turnover

The share price of the Dustin share was SEK 56.50 per share at August 31, 2015, which corresponds to a total market capitalisation of SEK 4,304 million and an increase of 13 per cent since the introduction date on February 13, 2015. The average Mid Cap increase on the Nasdaq Stockholm during the corresponding period was 5 per cent.

Since the listing and until the end of the period on August 31, share turnover was 35.7 million at a total value of SEK 2.2 billion. The average daily turnover amounted to slightly more than 260,000 shares, corresponding to a value of close to SEK 16 million.

Dividend

A dividend policy has been adopted by the Board and entails a dividend corresponding to not less than 70 per cent of net profit for the year after tax. The Board of Directors proposes a dividend of SEK 1.70 (-) per share, totalling SEK 129 million for the 2014/15 financial year.

Changes in equity in connection with the listing

In connection with the listing of Dustin's shares on Nasdaq Stockholm, the company's former Series A, B and C shares were converted so that Dustin had only one type of share following the listing.

All warrants previously owned by Altor Fund II GP Limited and a number of current and previous Board members, senior executives and other key employees were used to subscribe for shares. This subscription raised about SEK 211 million for Dustin. Of this amount, SEK 116 million was used to pay the remainder of the shareholder loan that the company had previously raised from Altor Fund II GP Limited. The company also conducted a new share issue comprising 5,000,000 shares, which supplied Dustin with SEK 250 million before issue expenses. Following the consolidation of shares (5:1) and conversion of all outstanding shares to ordinary shares, the subscription of new shares with the support of warrants, and the new share issue in connection with the stock market listing, the total number of shares outstanding amounted to 76,173,115 ordinary shares at the end of the period.

Long-term incentive plan

At an Extraordinary General Meeting on January 30, 2015, the issue of share options as part of an incentive program for senior executives and other key employees, was resolved. In total, the incentive plan include 10 people and 1,053,387 options, corresponding to a market value of SEK 6.2 million. The options may be exercised for subscription of shares during the period from January 30, 2018 to June 30, 2018. Full exercise of the options would result in a dilution of approximately 1.4 per cent.

Share-related key ratios

	2014/15	2013/14
Proposed dividend per share (SEK)	1,70	-
Market capitalisation (SEK million)	4,304	-
Earnings per share after dilution (SEK)	1,75	2,48
Equity per share after dilution (SEK)	18,50	11,24
Cash flow from operating activities per share after dilution (SEK)	0,82	3,87
Average number of shares	71,545,731	66,095,090
Average number of shares after dilution	71,552,025	66,095,090

Shareholders

At the end of the period, the company had a total of 6,436 shareholders. Dustin's shareholder register and holdings in per cent at the end of the period are presented in the following table.

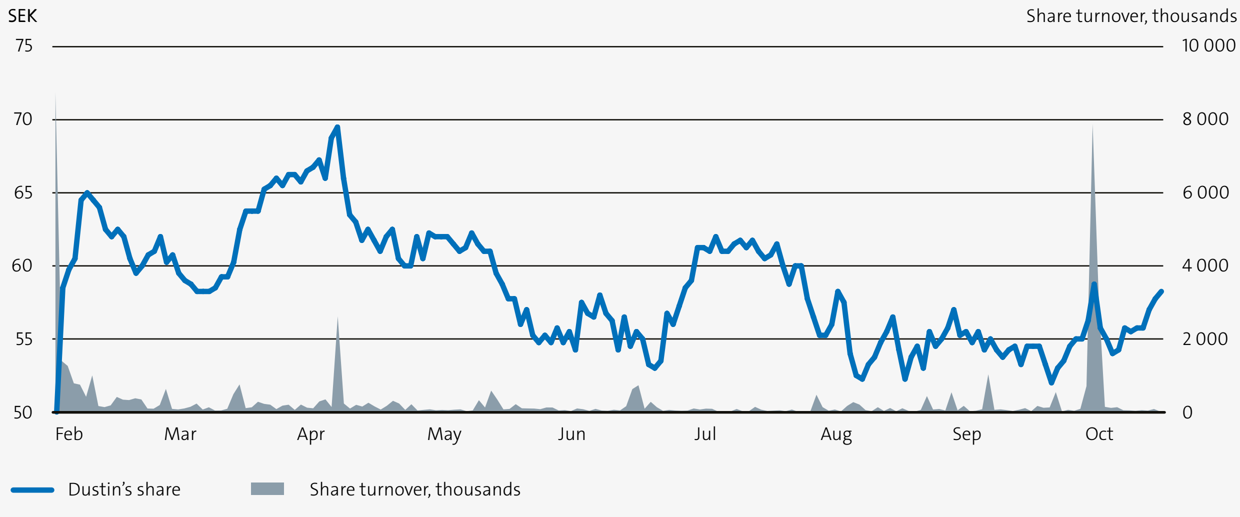
	Number of shares	Holding (%)
Altor Fund II GP Limited	25,872,190	34,0
Axmedia AB	7,617,312	10,0
The Fourth Swedish Pension Insurance Fund	6,116,494	8,0
CBNY-Norges Bank	2,172,399	2,9
Swedbank Robur Småbolagsfond Sverige	2,164,237	2,8
Investeringssällskapet	1,862,838	2,5
Swedbank Robur Småbolagsfond Norden	1,644,419	2,2
Nordea Bank Norway	1,558,648	2,1
Catella Småbolagsfond	1,400,000	1,8
Handelsbanken fonder AB	1,288,961	1,7
Total, ten largest owners	51,697,498	67,9
Other shareholders	24,475,617	32,1
Total	**76,173,115**	**100,0**

After the end of the period, Altor Fund II GP Limited sold shares and as of November 26 owned 20.3 per cent. At the same time, Axmedia AB increased its holding by 10.0 per cent to 20.0 per cent in total.

Analysts who follow Dustin

Anders Hillerborg, ABG Sundal Collier
Mikael Laséen, Carnegie Investment Bank AB
Martin Nilsson, Nordea Bank
Victor Höglund, SEB

Share price trend for Dustin Group



Directors' Report

Overview

Dustin Group AB. Corporate Registration Number 556703-3062.

The Board of Directors and the CEO of Dustin Group AB (publ) hereby submit the Annual Report and Consolidated Financial Statements for the financial year September 1. 2014 to August 31. 2015.

Dustin Group ("Dustin") is a leading online reseller of IT products and services. Dustin provides a comprehensive range of hardware, software and services to a large number of small and medium-sized companies (SMEs), public organisations, large corporates and consumers. Dustin's headquarters is located in Nacka, Sweden.

In this report, comparable figures are provided in parentheses and refer to the same items in the full 2013/14 financial year, unless otherwise stated.

Net sales and earnings

SEK million	14/15	13/14
Net sales	7,933	7,371
Organic sales growth (%)	5.7	21.0
Gross margin (%)	14.1	14.4
EBIT	227	301
Adjusted EBITA	354	353
Adjusted EBITA margin (%)	4.5	4.8
Profit for the period	125	164
Earnings per share (SEK)	1.75	2.48
Earnings per share after dilution (SEK)	1.75	2.48

Net sales

Net sales for the period rose 7.6 per cent to SEK 7,933 million (7,371). Net sales growth is explained by strong online sales within SMEs in Sweden, a positive development within large companies and the public sector, especially in Norway and Sweden, while growth was burdened by continued strong competition within the B2C segment.

Growth

Organic growth in fixed exchange rates amounted to 5.7 per cent (21.0). Acquired growth amounted to 0.6 per cent (14.7) and was attributable to the acquisition of Resolute. Effects from exchange rates was primarily attributable to changes in Swedish krona versus Danish krona and in Swedish krona versus Euro.

Earnings

Gross profit for the IT products and services operations increased SEK 58 million to SEK 1,117 million (1,058). The gross margin declined 0.3 percentage points to 14.1 per cent (14.4). The lower gross margin was partly attributable to a changed sales mix, but also a result of a tougher competitive environment within large companies and the public sector.

EBIT amounted to SEK 227 million (301) and the adjusted EBITA to SEK 354 million (353) during the period. The adjusted EBITA margin was 4.5 per cent (4.8).

Profit for the period amounted to SEK 125 million (164). Earnings per share before dilution totalled SEK 1.75 (2.48). Earnings per share after dilution totalled SEK 1.75 (2.48).

Items affecting comparability

SEK million	14/15	13/14
Within operating profit		
Acquisition-related costs	-4	-10
Costs for integrated IT platform	-32	-88
Change in value of debt for earn-out liability	-	99
Costs attributable to listing	-33	-
Total	**-69**	**1**

Items affecting comparability totalled a negative SEK 69 million (pos: 1). Of items affecting comparability, expenses of SEK 33 million were attributable to the stock exchange listing and expenses of SEK 32 million related to the optimisation of the recently implemented IT platform. Expenses attributable to the acquisition of Resolute amounted to SEK 4 million.

Financial expenses

Financial expenses amounted SEK 69 million (expense: 118) and financial income amounted to SEK 2 million (2). The decrease in expenses was mainly attributable to changes in the financing structure, improved terms and positive currency effects of SEK 4 million (neg: 10).

Taxes

The Group's effective tax rate was 21.6 per cent (11.4). The tax rate for the preceding year was impacted by non-taxable positive items affecting comparability.

Business segments

Dustin operates through two business segments, Business-to-Business (B2B) and Business-to-Consumer (B2C). These two segments are supported by a number of shared centralised Group functions, such as procurement and pricing, marketing, business support and people development.

Net sales by business segment

SEK million	14/15	13/14
B2B	7,327	6,618
B2C	607	753
Total	**7,933**	**7,371**

B2B segment

Net sales for the period increased by 10.7 per cent to SEK 7,327 million (6,618). Organic growth in constant currencies was 8.6 per cent. The growth is explained by strong online sales within SMEs in Sweden and a positive development within large companies and the public sector, especially in Norway and Sweden. Interest surplus for Dustin Financial Services rose during the period by 11.4 per cent to SEK 16 million (14).

B2C segment

Net sales for the period declined 19.4 per cent to SEK 607 million (753), due to the continued competitive environment. Organic growth in constant currencies was a negative 20.2 per cent.

Earnings per business segment

SEK million	14/15	13/14
B2B, segment result	589	553
B2B, segment margin (%)	8.0	8.4
B2C, segment result	19	38
B2C, segment margin (%)	3.1	5.1
Cost for central functions	-254	-238
Cost for central functions, excluding items affecting comparability, in relation to net sales (%)	-3.2	-3.2
Adjusted EBITA	**354**	**353**

B2B segment

The segment results for the period rose SEK 36 million to SEK 589 million (553). The segment margin for the period was 8.0 per cent (8.4). Earnings were positively impacted by a strong sales and gross margin trend in SMEs. A higher proportion of sales to large companies and the public sector combined with a lower initial gross margin in contracts secured during the fiscal year had a negative impact on the segment margin.

B2C segment

The segment results for the period declined SEK 19 million to SEK 19 million (38). The segment margin for the period was 3.1 per cent (5.1) and was negatively impacted by lower sales with a slightly lower gross margin.

Central functions

The central functions are key to Dustin's ability to deliver its offerings more efficiently in all markets. In recent years, the company made significant investments in the central functions to realise economies of scale and manage the integration of acquired operations. Costs for central functions, excluding items affecting comparability, in relation to sales amounted to 3.2 per cent for the period, compared with 3.2 per cent for the full 2013/14 financial year.

Consolidated statement of financial position

SEK million	August 31, 2015	August 31, 2014
Assets		
Goodwill and other surplus values	2,178	2,121
Other non-current assets	335	303
Total assets	**2,513**	**2,424**
Current assets	1,253	1,078
Cash and cash equivalents	78	134
Total current assets	**1,331**	**1,212**
Total assets	**3,844**	**3,636**
Equity and liabilities		
Equity	1,324	743
Loans raised	1,277	1,631
Provisions and other liabilities	1,243	1,262
Total equity and liabilities	**3,844**	**3,636**

Cash and cash equivalents

Cash and cash equivalents amounted to SEK 78 million (134). Dustin also has an unutilised overdraft facility totalling SEK 229 million.

Equity

The increase in equity amounted to SEK 581 million and comprises comprehensive income for the year totalling SEK 121 million, as well as a new share issue of SEK 243 million and share subscription with the support of warrants totalling SEK 217 million.

Net debt

SEK million	August 31, 2015	August 31, 2014
Non-current bank liabilities	1,057	1,169
Current bank liabilities	41	112
Liabilities for financial leasing (short-term and long-term)	180	147
Acquisition-related liabilities	66	89
Cash and cash equivalents	-78	-134
Receivables for financial leasing (short-term and long-term)	-263	-218
Net debt	**1,003**	**1,166**

Net debt includes non-current and current interest-bearing bank liabilities, as well as earn-out liabilities less financial lease receivables and cash and cash equivalents. Net debt amounted to SEK 1,003 million (1,166) at the end of the period. Net debt in relation to adjusted EBITDA was 2.8 (3.2).

Investments

SEK million	2014/15	2013/14
Capitalised expenditure attributable to Long-term strategic IT systems	-17	-25
Other investments in tangible and intangible assets	-11	-7
Total	**-28**	**-32**

Investments for the year totalled SEK 28 million (32). Total investments for the year for long-term strategic systems amounted to SEK 17 million (25). Other investments in tangible and intangible assets include approximately SEK 2 million for cost of improvements on external properties in the Dustin Concept Store, which opened on Sveavägen in Stockholm in October 2015.

Changes in working capital

SEK million	August 31, 2015	August 31, 2014
Inventories	241	218
Accounts receivable	800	689
Tax assets, other current receivables, as well as prepaid expenses and accrued income	148	119
Accounts payable	-735	-772
Tax liabilities, accrued expenses and deferred income, as well as other current liabilities	-297	-247
Total	**158**	**7**

Net working capital amounted to SEK 158 million (7) at the end of the period. The change was partly attributable to the increase in inventories, due to a volume increase in the operations. In addition, accounts receivable rose slightly more than SEK 110 million due to a higher proportion of invoicing to customers in the public sector during the fourth quarter of this year.

Cash flow

Cash flow from operating activities amounted to SEK 59 million (256), which was primarily attributable to changes in working capital. During the preceding year, the cash flow was positively impacted by low working capital at the end of the period, primarily due to higher accounts payable. The increase in the year's working capital was mainly the result of higher accounts receivable related to the change in customer mix.

Cash flow from investing activities amounted to a negative SEK 211 million (neg: 214), mainly impacted during the year by payments of performance-based earn-out liabilities amounting to a negative SEK 89 million (neg: 99), as well as payments totalling approximately a negative SEK 50 million attributable to the acquisition of the Finnish company, Resolute. Furthermore, investing activities were impacted by an increase in the financial lease portfolio, which had a negative impact of SEK 45 million (83) on cash flow.

Cash flow from financing activities rose SEK 12 million to SEK 98 million (86), of which the main portion was attributable to changes in external financing. Most of the new financing was raised through a new share issue yielding net proceeds of SEK 243 million, and the remaining portion through external bank financing. During the period, SEK 256 million pertaining to capitalised interest was repaid. This capitalised interest related to previous shareholder loans. This was a non-recurring item since all capitalised interest has now been repaid.

Cash flow for the year amounted to a negative SEK 55 million (pos: 127).

Significant events during the year

Stock exchange listing

In February 2015, the Dustin Group's share was listed on Nasdaq Stockholm, Mid Cap. The market price amounted to SEK 50 per share and the share price had increased 13 per cent by the balance-sheet date.

In connection with the listing of Dustin shares on Nasdaq Stockholm, the company's former Series A, B and C shares were converted to a single class of shares. All warrants previously owned by Altor Fund II GP Limited and a number of current and previous Board members, senior executives and other key employees were used to subscribe for shares. This subscription contributed about SEK 211 million to Dustin. Of this amount, SEK 116 million was used to pay the remaining amount on the shareholder loan that the company previously received from Altor Fund II GP Limited. The company also conducted a new share issue comprising 5,000,000 shares, which supplied Dustin with SEK 250 million before issue expenses. Following the consolidation of shares (5:1) and conversion of all outstanding shares to ordinary shares, the subscription of new shares with the support of warrants, and the new share issue in connection with the stock market listing, the total number outstanding shares amounts to 76,173,115.

In connection with the listing, a long-term share-based incentive plan was established for the Group Management. The plan includes a total of 1,053,387 options and carries the entitlement to subscribe to as many shares. The duration period for the options is 3.5 years. Full exercise of the options would result in a dilution of approximately 1.4 per cent. For further information concerning remuneration to senior executives, refer to Note 7.

In connection with the listing, Dustin also entered into a new loan agreement with two banks. The facilities thus made available comprise a loan facility of SEK 1,100 million and a guarantee facility of SEK 30 million. In addition, the agreement also includes an overdraft facility totalling SEK 270 million, as well as a loan facility pertaining to Dustin Financial Services AB totalling SEK 200 million. The new financing was used to refinance previous loans, which also resulted in lower financing costs.

Acquisition of the Finnish company, Resolute

During the third quarter, Dustin acquired Resolute, one of Finland's leading suppliers of Internet solutions for companies and the public sector. During 2014, Resolute had sales of EUR 12 million. Through the acquisition, Dustin will further strengthen its position in the Finnish market, and its offering throughout the Nordic region. During the year, the company was gradually integrated into Dustin's Finnish operation, Businessforum, and work with the integration will continue during the next financial year. Resolute has contributed total sales of SEK 46 million and 20 employees.

The purchase consideration comprised an initial purchase consideration of EUR 5.5 million and an earn-out liability based on future earnings of EUR 7 million. The estimated earn-out liability was entered as a liability in Dustin's balance sheet as of the balance-sheet date. The surplus values that arose in connection with this acquisition have been assessed as goodwill. For further information about the acquisition analysis, refer to Note 13 in the Annual Report.

Integrated IT platform

On September 1, 2014, the new integrated IT platform was launched including a Group-wide ERP system, as well as a new web-based customer interface. The launch initially included the entire Group, with the exception of IT-Hantverkarna, Businessforum and Dustin Norway. Following the merger of the Norwegian companies, Dustin Norway also migrated to the new IT platform.

During the year, the Group continued its work to optimise the new IT platform and associated changes in process. This work resulted in expenses of SEK 32 million for the full-year, which were recognised under the item "Items affecting comparability." In addition, SEK 17 million was capitalised for the continued development of strategic long-term systems.

Merger

Two mergers were implemented during the year. During the second quarter, the Swedish IT-Hantverkarna companies were merged with the parent company, IT-Hantverkarna Sverige AB. During the third quarter, the two Norwegian operations were merged with Norsk Data Senter AS. A change of name was implemented in connection with the merger from Norsk Data Senter AS to Dustin Norway AS.

Dustin Expo

Together with 80 exhibitors and partners, Dustin arranged the 14th Dustin Expo in late March. The trade fair, which was held at the Ericsson Globe in Stockholm, has grown to become the largest IT trade fair in the Nordic region. The fair included two company days and one consumer day and attracted a total of about 10,000 visitors.

Dustin Financial Services

During the 2014/15 financial year, Dustin Financial Services increased the size of its lease portfolio driven by higher customer demand. The value of new contracts increased and amounted to SEK 263 million (218), which had a positive impact on EBIT for Dustin Financial Services. Costs remained unchanged during the year, compared with the preceding year. During the year, there were no significant credit losses. The lease operation was discontinued after the end of the period. For further information, refer to "Significant events after balance-sheet date."

Parent Company

The Parent Company, Dustin Group AB (Corp. Reg. No. 556703-3062), which is domiciled in Nacka, Sweden only conducts holding operations. The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act, and the Swedish Financial

Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The share for Dustin Group AB (publ) has been listed on Nasdaq Stockholm since February 2015. Profit for the year amounted to SEK 6 million (loss: 7).

Organisation and employees

Dustin operates through two business segments, Business-to-Business (B2B) and Business-to-Consumer (B2C). These two segments are supported by a number of shared centralised Group functions, such as procurement and pricing, marketing, business support and people development.

Dustin's Group Management consists of the CEO, as well as an additional ten executives with various areas of responsibility. The various areas of responsibility are stated in the corporate governance report. The structure results in centralised control of the company's two business segments and Nordic functions, in combination with decentralised responsibility for relation sales in each country.

Dustin has established a long-term strategy to promote profitable long-term growth. The strategy has been anchored among employees through establishment of a management-by-objectives process through which target fulfilment is controlled. The process takes place twice per year. Employee surveys show that awareness of the strategy has increased among Dustin's employees.

The average number of full-time employees for the period was 944 (910), refer also to Note 7. The increase in the number of employees is related to the acquisition of the Finnish company, Resolute, which had 20 employees.

The share

Dustin's share has been listed on Nasdaq Stockholm since February 2015 and is included in the Mid Cap list. The share price of the Dustin share was SEK 56.50 per share at August 31, 2015, which corresponds to an increase of 13 per cent since the introduction date, February 13, 2015. The average increase in Mid Cap during the corresponding period was 5 per cent.

The share price at the end of the year amounted to SEK 56.50 per share, which corresponds to a total market capitalisation of SEK 4,304 million. Earnings per share before dilution totalled SEK 1.75 (2.48) and after dilution SEK 1.75 (2.48).

At the end of the period, the company had a total of 6,436 shareholders. The company's largest shareholders at the end of the period, representing at least 10 per cent of the share capital each, were Altor Fund II GP Limited (34.0) and Axmedia AB (10.0). After the end of the period, the shareholder Altor Fund II GP Limited sold shares and owned 20.3 per cent on the date of the report. In addition, Axmedia AB increased its holding by approximately 10 per cent. For further information, refer to the section on The Share on page 25–26.

Multi-year overview – Financial key ratios

	2014/15	2013/14	2012/13
Organic sales growth (%)	5.7	21.0	3.0
Gross margin (%)	14.1	14.4	14.0
Adjusted EBITA (SEK million)	354	353	254
Adjusted EBITA margin (%)	4.5	4.8	4.7
Operating cash flow (SEK million)	217	459	175
Cash generation (%)	59.6	126.8	66.0
Net debt (SEK million)	1,003	1,166	1,383
Net debt/adjusted EBITDA (multiple)	2.8	3.2	5.4
Net working capital (SEK million)	158	7	65
Capital employed (SEK million)	293	145	202
Return on equity (%)	9.4	22.0	14.4
Equity/assets ratio (%)	34.4	20.4	17.1

Market overview

Dustin primarily addresses a Nordic B2B market, which was valued at SEK 111 billion in 2015. During the 2014/15 financial year, the B2B segment accounted for approximately 90 per cent of the Group's net sales. Since Dustin is positioned towards the online segment of the market, it is benefiting from the shift in spending from offline to online. Dustin believes that the online segment will continue to grow going forward, as a large part of the addressable IT market can be more efficiently serviced by the online channel. This will entail several customer benefits, including ease in ordering, access to a wide product range, fast and convenient delivery options and competitive prices.

Dustin expects that three key market trends will drive underlying growth in specific niches of the addressable B2B market:

- Increased online sales of IT products and services
- Technological shifts that drive growth for advanced products and services
- Faster growth in IT purchasing among SMEs.

Seasonality

Dustin is impacted by seasonality. Each quarter is fully comparable between the years. Sales volumes are normally higher in November and March and lower during the summer period when sales and marketing activities are reduced. Similar seasonal patterns occur in all geographical markets.

Outlook

Dustin's attractive position offers good prospects to continue to gain market share in the addressable market, mainly due to two broad market trends.

The ongoing trend where an increasing part of companies make their IT procurement online, is expected to continue in coming years. Further, the continuous technology development drives the demand for more sophisticated products and services as well as standardised solutions.

Corporate Governance Report

The Dustin Group prepares a Corporate Governance Report, which is found on pages 35–41 in this Annual Report. This report also contain information about Dustin's Board of Directors.

Guidelines for remuneration of senior executives

Guidelines for remuneration of senior executives are resolved by the shareholders at the Annual General Meeting. The Annual General Meeting, which is to be held on January 19, 2016, will make decisions about the guidelines for remuneration of senior executives. Proposals ahead of the Annual General Meeting are available at www.dustingroup.com.

For further information concerning remuneration of senior executives, refer to Note 7.

Dividend

The Board of Directors proposes a dividend of SEK 1.70 (-) per share, corresponding to a total amount of SEK 129 million.

Significant events after the balance-sheet date

New Nordic partnership agreement

Dustin has decided to consolidate its financial offering to the B2B market in all Nordic countries through a partnership agreement with De Lage Landen Finans AB (DLL). In conjunction with this, the lease portfolio in Dustin's lease operations was divested to DLL. The transaction was completed on November 2, 2015. The sales value of the lease portfolio corresponded to the carrying amount. At the same time, Dustin also signed a three-year Nordic partnership agreement with DLL, whereby Dustin receives remuneration from DLL for newly signed and future contracts.

Acquisitions of subsidiaries

After the end of the period, Commsec was acquired, a small Swedish company that supplies network and security solutions. With the acquisition of Commsec and the previously acquired Finnish company Resolute, Dustin will gain a Nordic platform that will enable the company to expand and meet the increasing demand in network and security. The company was consolidated with the Group from October 1, 2015. The company has about 20 employees and sales of approximately SEK 33 million for 2014/15.

The Group's financial position at August 31, 2015 has not been impacted by the above events after the balance-sheet date.

Proposed appropriation of earnings

The amount of non-restricted equity at the disposal of the Annual General Meeting totals SEK 284,415,344. The Board of Directors proposes that this amount be appropriated as follows:

To be distributed to shareholders SEK 1.70 per share	129,494,296
To be carried forward	154,921,048
Total	**284,415,344**

Risk management and significant risks

Risks are a natural part of all business operations and risk-taking is a prerequisite for financial growth. Dustin's risk management aims to achieve good control of the Group's collective risk exposure and to ensure cost-efficient management of the risks.

Dustin has established a Group-wide risk management process with criteria for evaluation and methods for consolidation of risks. The process provides improved control of the risk exposure and serves as support for decisions and allocation of resources.

Each function monitors and manages existing risks, identifies any new risks and reports this to the Risk Committee. The Risk Committee compiles, coordinates and develops the Group's risk management, after which reports are submitted to the Group Management and the Board of Directors.

The Group's largest risks and the measures for managing these are reported twice per year to the Group Management and at least once per year to the Board of Directors or the Audit Committee.

Risk is defined as a future uncertain event that could have an adverse impact on Dustin's ability to achieve set goals. Dustin allocates the risk into three categories; strategic, operational and external risks.

- The strategic risks are normally identified in conjunction with risk discussions connected to a strategic initiative and are managed by measures that restrict the impact and probability of the risk occurring.
- The operational risks arise in the operations and are identified mainly through process documentation and audits. Management of operational risks focuses on restricting the probability of the risk occurring, for example, through internal controls or procedure descriptions.
- The external risks comprise risks that are outside the control of the Group, for example, changes in regulations or altered market conditions.

The risk allocation provides support in the choice of suitable methods to identify and manage risks, and clarifies the parts of the organisation that should focus on each risk category.

Below is a selection of the largest risk areas that may have a significant impact on Dustin's target fulfilment, and a brief description of the measures for managing the risks.

Strategic risks	Description	Management
Risks related to acquisition of operations	In recent years, Dustin has implemented a number of acquisitions, including Businessforum and Resolute in Finland. If conditions deviate from what was expected at the time of the acquisition (for example, synergy effects), it could have a significant impact on the Group's earnings.	Prior to acquisition and integration, the target company's risks and processes are analysed by internal and/or external experts.
Brand risks	A good reputation is highly significant to Dustin's success. The inability to deliver on time and the right quality could have an adverse impact on Dustin's reputation. The same applies if Dustin, one of the Group's suppliers, distributors, other cooperation partners or employees take steps that conflict with the values that Dustin represents.	Dustin's values comprise the core values "Win as a Team," and its four supporting values; (i) Strive to Improve, (ii) Live up to promises, (iii) Challenge all cost and (iv) Keep it simple. Combined with the guidelines, the values provide support for how Dustin is to act in relationships with customers, suppliers and employees. Compliance with the values is achieved through continuous training programs and operational projects.
Risks related to the customer offering	Dustin's ability to create attractive and profitable customer offerings in a highly dynamic market is very significant to the Group's operations and earnings.	Dustin works intensively to develop new attractive offerings to its customers. To meet the increasing demand for more advanced products and services, Dustin has created a new function, focused on developing and expanding the Group´s range of product and service offerings. Additionally, Dustin has during the year strengthened its competence within network solutions and thereby its offering, through acquisitions in Finland and Sweden.

Operational risks	Description	Management
IT-related risks	The Group's operations are highly dependent on a well-functioning IT infrastructure and IT platform. The inability to ensure a modern and operation-adapted IT infrastructure and IT platform could have a considerable adverse impact on the Group's operations and earnings.	Work is continuously ongoing to restrict the number of disruptions in the system and the consequences of these. Furthermore, regular follow-ups are conducted of customers' view of the availability and response of the IT platform in order to ensure high customer satisfaction.
Employee risks	Dustin's ability to attract competent and committed employees is crucial to driving development in accordance with the strategic plan and achieving set goals. If the Group does not have access to the right competence at the right time, the Group's operations and earnings could be negatively impacted.	Dustin regularly documents the dependency on key personnel, and works continuously on competency development aimed at developing the operations and achieving set goals.
Risks related to the customer satisfaction	The inability to retain and attract new customers could have a significantly adverse impact on the Group's operations and earnings.	Dustin works continuously to follow up and improve customers' experience. Dustin also monitors the trend in Net Promoter Score (NPS), which is a measure of customer satisfaction. In the event the trend is not deemed satisfactory, measures will be taken to increase the NPS.

External risks	Description	Management
Market risks	Dustin's operations are impacted by the general economic climate, structural changes, as well as procurement and distribution costs.	By continuously monitoring the market trend, Dustin strives to adapt prices, range, quality and service to match customers' demands.
Sustainability risks	The inability to conduct effective sustainability work could result in weaker cost efficiency and reduced customer confidence.	Dustin's sustainability work is being continuously developed in order to reduce the climate impact and ensure social responsibility in the distribution chain and with respect to health and well-being. Part of this work is the quality and environmental certifications, and follow-up of suppliers.
Financial risks	The ability to secure the Group's financing and ensure that the financial exposure is in line with policies and guidelines is essential to fulfilling the Group's objectives to provide long-term, favourable and stable return.	The financial risks (for example, currency risk, interest-rate risk, credit risk, liquidity risk) are managed by the Group's central finance department in accordance with the policy annually adopted by the Board of Directors.

Corporate Governance Report

Corporate Governance pertains to the decision-making systems through which the owners, directly or indirectly, govern the company. Good corporate governance is a prerequisite for establishing confidence among shareholders, customers and other external stakeholders and is based on the company's strategies, targets and values permeating the entire organisation.

Introduction

Dustin Group AB ("Dustin") is a Swedish public limited liability company that was listed on Nasdaq Stockholm in February 2015.

Prior to the listing, Dustin's corporate governance was based on Swedish law, the Articles of Association and internal policies, guidelines and procedures. Since the listing, Dustin also complies with Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code ("The Code"). The Corporate Governance Report has been prepared in accordance with the Code and has been reviewed by the company's auditor, Ernst & Young AB, whose report is available as part of the Audit Report.

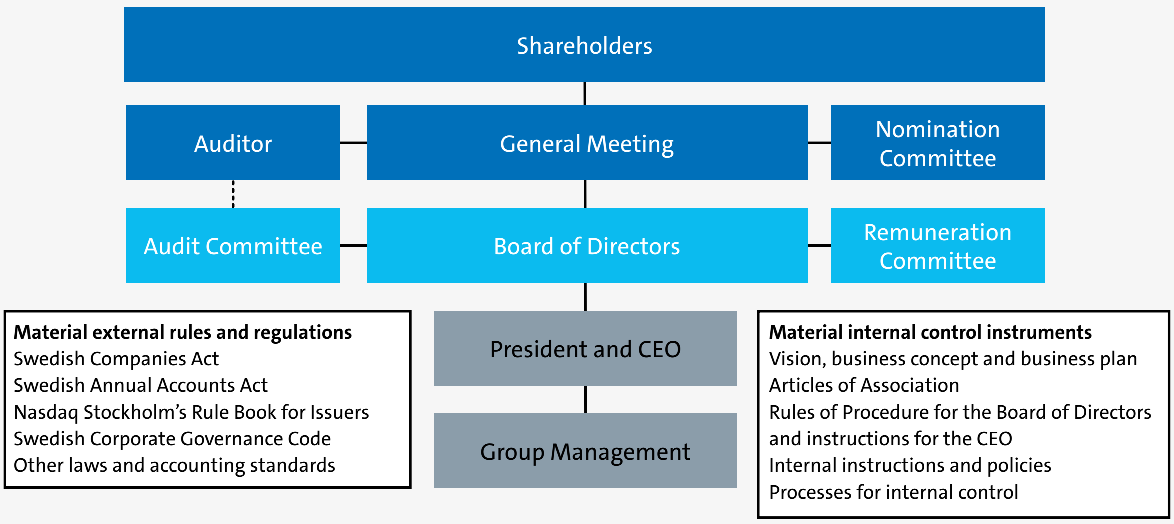
Swedish Corporate Governance Code

The Swedish Corporate Governance Code is applied by all companies that are listed on Nasdaq Stockholm. The aim is to improve corporate governance in listed companies and promote confidence in companies among the general public and the capital market. The Code is based on the "comply or explain" principle, which means that companies may deviate from the Code as long as the reason for the deviation is explained. During the financial year, there were no deviations to the Code.

Applicable regulations for stock trading

Dustin has neither deviated from the Nasdaq Stockholm's Rule Book for Issuers nor from good stock market practice.

Model for Corporate Governance



Shareholders and General Meeting

The general meeting is Dustin's highest decision-making body, with all shareholders entitled to attend, to raise a matter for discussion, ant to exercise voting rights. The Annual General Meeting (AGM) appoints the Board of Directors, external auditors and adopts the annual report. The AGM also resolves on the appointment of the Nomination Committee and remuneration of the Board members, and approved policies on remuneration of the executive management and makes decision regarding dividends.

The number of shareholders was 6,436 at the end of the fiscal year. The company's largest shareholders, representing at least 10 per cent of the share capital each, were Altor Fund II GP Limited (34.0 per cent) and Axmedia AB (10.0 per cent) as of August 31, 2015.

The AGM for fiscal year 2013/14 was held in December 2014. At this point, the company's shares were not yet listed on Nasdaq Stockholm.

Two Extraordinary General Meetings (EGM) were held in January 2015. At this point the company's shares were not yet listed on Nasdaq Stockholm. The EGM resolved on a number of matters, including:

- to adopt new Articles of Association, whereby the provisions regarding serie of share was altered so that the company may only issue ordinary serie A shares, implement a issue of new shares and warrants, and a reverse split.
- to adopt policies for the appointment of the Nomination Committee ahead of the AGM 2014/15.

The Annual General Meeting for the fiscal year 2014/15 will be held in Stockholm, on January 19, 2016.

Nomination Committee

The Nomination Committee is tasked with submitting decisions for the AGM regarding proposals for the chairman of the AGM, Board members, as well as Chairman of the Board, remuneration for work within the Board and Board Committees, election and remuneration of auditors and proposing procedural matters for the Nomination Committee ahead of the next AGM. The Nomination Committee also evaluates the Board's work and assesses its competency.

At an EGM in January 2015, it was resolved that the Nomination Committee ahead of the next AGM shall consist of representatives of the four largest shareholders listed in the shareholders' register maintained by Euroclear Sweden AB as of May 31, 2015, and the chairman of the board.

Since one of Dustin's largest shareholders has declined to be represented in the Nomination Committee, the shareholder next in line in terms of size was contacted.

Dustin's Nomination Committee comprised the following members:

- Fredrik Strömholm, Altor Fund II GP Limited, Chairman of the Nomination Committee
- Paul Schrotti, Axel Johnson AB/Axmedia AB
- Jannis Kitsakis, Fourth Swedish National Pension Fund
- Lennart Francke, Swedbank Robur funds
- Fredrik Cappelen, Dustin's Chairman of the Board

The Nomination Committee has held four meetings to date. The Chairman of the Board has informed the Nomination Committee of the work of the Board and the Committees and presented the Board's evaluation of its work.

Board of Directors

The Board of Directors has overall responsibility for the company's organisation and management by continuously following up the operations and ensuring an appropriate organisation, management, guidelines and internal control. The Board of Directors establishes strategies and goals, and makes decisions concerning major investments and operational changes. The Chairman has a leading role and is responsible for ensuring that the Board's work is well organised and performed efficiently.

Pursuant to the Articles of Association, Dustin's Board of Directors shall comprise a minimum of three and a maximum of ten members with no deputy members. Dustin's Board of Directors currently comprise six members: Fredrik Cappelen (Chairman), Tomas Franzén, Stefan Linder, Mattias Miksche, Risto Siivonen and Maija Strandberg. During the fiscal year, Dustin's Board of Directors complied with the Code's requirement for independence.

Details of the Board members are provided in the table "Board of Directors during fiscal year 2014/15" on page 39.

The Board of Directors has adopted a work procedure that regulates the Board's work methods and assignments, as well as instructions to the CEO, including instructions for financial reporting. The Board has also adopted policies for important parts of the operations, for example, communication publication and ethics. All policies are evaluated when necessary and at least once per year.

The Board does not have any specific internal distribution of work except for the certain issues being addressed by Committees. Dustin has established an Audit Committee and a Remuneration Committee. The members of the Committees are appointed annually and the duties are regulated in the instruction established for each Committee annually. The committees have a preparatory and administrative role. The issues considered at Committee meetings are recorded in minutes and reported at the next Board meeting.

The Work of the Board 2014/15
During the fiscal year, a total of 12 Board meetings were held, including statutory, extraordinary and per capsulam. Ordinary Board meetings follow a calendar that is established annually. In addition to the Board meetings, the Chairman of the Board and the CEO have continuous discussions pertaining to the company. The Board has also conducted an evaluation of Group Management together with the external auditors during the fiscal year.

The company's CEO and CFO are present at all ordinary Board meetings. However, they do not participate in the items on the Board's agenda in which the Board evaluates the CEO, makes decisions about remuneration to the CEO/CFO or meets with the company's auditors to evaluate Group Management team.

Until the company's listing in February 2015, the Board's work focused on streamlining financial reporting and underlying processes, as well as the establishment of control documents and processes that are material to operations, with a focus on information disclosure, ethics, risk management and internal control.

Following the listing, the Board's work has focused on strategy and budget activities, as well as continued follow up of the company's risk management and internal control.

Evaluation of the Work of the Board
The work of the Board of Directors and CEO is evaluated annually through a systematic and structured process. The aim is to prepare a good basis for the Board's own development with respect to work methods and efficiency, as well as to provide the Nomination Committee with a basis for the nomination work. The Chairman of the Board is responsible for the evaluation.

During 2014/15, the evaluation was conducted through discussions between the Chairman of the Board and Board members. Feedback to the Board was provided after the results were compiled, and the Nomination Committee was also informed of the results.

Audit Committee
The main task of the Audit Committee is to ensure the quality of the financial reporting, risk management and efficiency in the company's internal control, and regulatory compliance.

The Committee currently comprises four members: Maija Strandberg (Chairman), Fredrik Cappelen, Stefan Linder and Risto Siivonen. During the 2014/15 fiscal year, the Committee held five meetings, which were documented. The company's CFO, external auditors and representatives from specific functions of the organisation were present at all Committee meetings.

The work of the Committee focused mainly on monitoring improvements pertaining to financial reporting and financial processes, with a special focus on identifying risks and evaluating the internal control environment, as well as following up the results of the review by external auditors. The review of the company's financial reports, examination of company risks, examination and updating of internal control and the follow up of reported whistleblowing cases were standing items on the agenda. During the financial year, the Audit Committee also reviewed the annual impairment testing of goodwill, evaluated the Group's dividend policy, approved the audit plans of the external auditors, as well as evaluated the independence of the auditors.

Remuneration Committee
The main task of the Remuneration Committee is to review and provide recommendations to the Board of Directors pertaining to principles for remuneration of senior executives.

The Committee currently comprises three members: Fredrik Cappelen (Chairman), Stefan Linder and Tomas Franzén. During the 2014/15 fiscal year, the Committee held two meetings and work pertained primarily to planning for remuneration of the CEO and senior executives, as well as the structure for target formulation, financial goals and the performance management model.

The company's CEO and CFO are present at all Committee meetings. However, they do not participate in the items on the agenda that relate to remuneration of the CEO/CFO.

CEO and Group Management
The CEO is responsible for Dustin's day-to-day management and daily operations. Distribution of work between the Board and CEO is outlined in the rules of procedure for the Board and instructions to the CEO.

The CEO reports to the Board of Directors and ensures that the Board receives the information required to be able to make well-founded decisions. Pursuant to the adopted instructions, the CEO must keep the Board continuously informed about the development of the company's operations, the sales trend, the company's earnings and financial position, liquidity forecast, important business events, as well as all other events, circumstances or conditions that may be considered material to the company's operations.

Dustin's CEO leads the Group Management work and makes decisions pertaining to the operations in consultation with others in the management team. At the end of the financial year, Group Management comprised 11 individuals and meetings were held monthly and as otherwise necessary. The meetings focus primarily on strategic and operative monitoring and development, as well as performance follow-up. In addition to these meetings, there is close daily cooperation within management. The presentation of the members of the Group Management is available under the section "Group Management" on page 41.

Auditors

At the 2013/14 AGM, Ernst & Young AB was appointed as the auditing firm, with Hamish Mabon as the auditor in charge. Jennifer Rock-Baley was appointed the auditor in charge during the financial year in conjunction with the stock exchange listing and replaced Dustin's former auditor in charge, Hamish Mabon, Ernst & Young AB.

In addition to the review of the annual accounts, the auditor carried out a review of the interim report for the third quarter. The auditors report on the results of the review of the annual accounts and the consolidated financial statements and the review of the Corporate Governance Report, which are presented to the Annual General Meeting.

When Ernst & Young AB is engaged to provide services other than the ordinary audit, decisions pertaining to the nature, scope and fees for such work are made by the Audit Committee. Details on remuneration to auditors is provided in Note 7 of the Annual Report.

Internal control of the financial reporting

Dustin applies the framework developed by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) to describe how the internal control of the financial reporting is organised. The framework has been designed to ensure that financial reporting and accounting in all material respects are correct and reliable, in accordance with applicable laws and ordinances, accounting standards and other requirements. The framework consists of the following five components: control environment, risk assessment, control activities, information and communication and follow-up.

The Board has overall responsibility for internal control of the financial reporting and has appointed the Audit Committee to be responsible for monitoring the internal control environment. The Committee follows up the financial reporting, and implementation of internal controls with respect to the financial reporting.

Control environment

The Board of Directors has established the principles for internal control at Dustin. In addition, the CEO has issued a directive with specific guidelines for internal control of financial reporting, in which decision-making rights and authorities have been defined. The aim is to generate an environment that contributes to high integrity and quality of the financial reporting.

Risk evaluation

Risk assessment of the financial reporting aims to identify and evaluate material risks that impact the internal control of the financial reporting. In accordance with the rules of procedure, the Board and the Audit Committee conduct a recurring evaluation of the company's identified risks. Measures are established in connection with the evaluation to manage identified risks.

Control activities

During the financial year, Dustin has created a control framework containing control activities in all significant processes to ensure that the operation is run efficiently, and that the financial reporting gives a true and fair overview. The control activities are designed to manage the risks identified in the risk analysis. Tangible examples of controls included in the framework are authorised approval of business transactions, accounts reconciliation, analysis of income statement items and documentation of critical processes. For every control, there is an appointed control owner, who continuously conducts and documents the controls. The control owner continuously evaluates the ability of the control to address the risk and the execution of the control.

Information and communication

Policies and instructions clarify the areas of responsibility and Group-wide guidelines for accounting, reporting and information publication. Dustin's policies and instructions are updated continuously and communicated to all employees on Dustin's intranet. There is also a manual on the intranet containing instructions for the financial reporting.

To ensure that the external information publication is correct, complete and fulfils the requirements for listed companies, there is a communication policy that describes how, by whom and the manner in which external information is to be communicated. All information is to occur in accordance with Nasdaq Stockholm's Rule Book for Issuers for issuers and is to be communicated in a judicious, transparent and clear manner.

Follow up

Dustin has established an internal control function that continuously follows up and evaluates the Group's control environment. Any deviations are reported to the control owner and process owner who are responsible for correcting shortcomings and improving the internal control in their area of responsibility. The development of the internal control is reported on a quarterly basis to the Audit Committee. Furthermore, the company's external auditor reports to the Audit Committee his/her observations from the review and assessment of the internal control environment.

During the financial year, the CEO retained external resources to conduct an independent evaluation of Dustin's control activities, pertaining to design and implementation, as well as operational efficiency. Dustin's internal control function coordinated the work and followed up the result of the independent evaluation. The results were presented to the Audit Committee and to the company's external auditors.

Evaluation of a separate review function

There is currently no internal audit function established at Dustin. The Board has addressed the issue and deemed that it had not been justifiable to establish an internal audit function during the year. Crucial factors in the assessment are that Dustin had introduced and refined its framework and organisation connected to financial control, risk management, internal control of the financial reporting, delegation of authority and the preparation of a financial manual. It is the Board's opinion that the framework, processes and organisation have to be in place for some time before the need for additional control functions should be evaluated. The decision to introduce an internal audit function will be re-examined annually.

Remuneration for Executive Management

Guidelines for remuneration

The AGM 2014/15 will decide on guidelines for remuneration to executive management in Dustin. The Board's proposal for guidelines for the AGM will be made available on www.dustingroup.com.

Board remuneration

Remuneration and fees established, as well as presence at meetings during fiscal year 2014/15 are described in the table below and in Note 7. No separate fees for Committee assignments have been paid during the fiscal year. Board members are not entitled to any benefits after their assignments as Board members has been terminated.

Remuneration to the CEO and Group Management

Remuneration to the CEO consist of fixed salary, pension and other customary benefits as well as variable pay. The CEO is entitled to a fixed annual salary of SEK 4,000,000 and an annual variable bonus target, equivalent to 70 per cent of the fixed salary. The agreed retirement age for the CEO is 65 years. The company shall allocate an amount equal to 30 per cent of the fixed salary each month, in pension, until the agreed retirement age.
Remuneration to the EGroup Management consist of fixed salary, pension and other customary benefits as well as variable bonus pay corresponding to 35-50 per cent of the fixed salary. Pension to the Group Management is set as a percentage of the fixed salary or as a defined pension solution. In fiscal year 2014/15, the total compensation paid to the CEO and Group Management was SEK 33.2 million and is reported in more detail in Note 7.

The CEO has a notice period of twelve months when terminated by the company and six months when terminated by the individual.

The notice period for other members of the Group Management is between six and twelve months when terminated by the company. Upon resignation, the notice period is six months. One of the members in the Group Management team are entitled to severance pay in the form of maximum variable bonus, paid upon termination by the company.

Long-term incentive plan

In connection with the listing, a long-term share-based incentive plan was established for the Executive Management. The plan comprises a total of 1,053,387 options with a maturity of 3.5 years. The purpose of the plan is to increase the share ownership among the senior executives, to motivate them to remain at the company and enhance the long-term commitment to Dustin and its financial performance.

For further information, see Note 7.

Board of Directors during the 2014/15 financial year

		Attendance at meetings					
Board members	Elected	Board of Directors	Audit Committee	Remuneration Committee	Director fees (SEK)	Number of shares	Dependent*
Fredrik Cappelen (Chairman)	2010	11/12	4/5	2/2	750,000	432,746	
Tomas Franzén	2013	11/12	-	2/2	250,000	57,686	
Stefan Linder	2006	12/12	4/5	2/2	-	-	▬
Mattias Miksche	2006	12/12	-	-	250,000	329,469	
Maija Strandberg	2013	12/12	5/5	-	250,000	57,686	
Petter Samlin**	2006	3/4	1/1	-	-	-	▬
Risto Siivonen**	2014	8/8	4/4	-	-	-	▬
Total					**1,500,000**	**877,587**	

▬ = Dependent in relation to major shareholders.

No member is to be considered Dependent in relation to the company or company management.

* According to the definition in the Swedish Corporate Governance Code.

** Risto Siivonen replaced Petter Samlin as member of the Board and the Audit Committee during the year.

Board of Directors

Dustin's Board of Directors comprises six ordinary members, including the Chairman of the Board, with no deputy members, who are elected for the period until the end of the 2014/15 Annual General Meeting.

RISTO SIIVONEN

Born in 1975. Board member since 2014.

Education: MSc in Business and Economics from Hanken School of Economics in Helsinki.

Other current positions: Employed as partner at Altor Equity Partners AB. Board member of HFN Group AS and ONE Nordic Holding AB.

Previous positions (the past five years): Board member of MM Holding AB and several of its subsidiaries.

Shareholding[1]: –

TOMAS FRANZÉN

Born in 1962. Member of the Board since 2013.

Education: MSc in Engineering in Industrial Economics from Linköping University.

Other current positions: President of Bonnier AB.

Previous positions (the past five years): CEO and Chairman of the Board of UPC Digital AB and Com Hem Holding AB.

Shareholding[1]: 57,686

FREDRIK CAPPELEN

Born 1957. Chairman of the Board since 2010.

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

Other current positions: Chairman of the Board of Dometic AB, Terveystalo Oy, as well as Deputy Chairman of the Board of Munksjö Oy and Board member of Securitas AB and Transcom AB.

Previous positions (the past five years): Chairman of the Board of Byggmax Group AB, Sanitec Oy, Svedbergs i Dalstorp AB, Granngården AB, Munksjö AB, Munksjö Holding AB, GG Holding AB, Carnegie Holding AB and Carnegie Investment Bank AB, as well as Board member of Cramo Oyj and WPO Service AB.

Shareholding[1]: 432,746, through companies

MATTIAS MIKSCHE

Born in 1968. Member of the Board since 2006.

Education: MSc in Business and Economics from the Stockholm School of Economics.

Other current positions: CEO and Board member of Stardoll AB. Board member of Avanza Bank Holding AB, Sportamore AB and EuroFlorist Intressenter AB.

Previous positions (the past five years): Board member of Eniro AB.

Shareholding[1]: 329,469

MAIJA STRANDBERG

Born in 1969. Member of the Board since 2013.

Education: MSc in Business and Economics from Turku School of Economics at Turku University.

Other current positions: Vice President Finance of Pulp and Energy Business Line at Valmet Technologies Oy. Board member of Danske Bank Oy, VR Group Oy and FinnSonic Oy.

Previous positions (the past five years): Board member of Vuorenmaa Yhtiöt Oy. Member of Group Management of ALSO Holding AG, CEO of ALSO Nordic Holding Oy and ALSO Finland Oy.

Shareholding[1]: 57,686

STEFAN LINDER

Born in 1968. Member of the Board since 2006.

Education: MSc in Business and Economics from the Stockholm School of Economics.

Other current positions: Employed as partner at Altor Equity Partners AB. Board member of CTEK Group AB.

Previous positions (the past five years): Chairman of Euro Cater A/S. Board member of Apotek Hjärtat Holding AB, Coöperatieve Meyn U.A and Byggmax Group AB.

Shareholding[1]: –

1 Own or by related legal and/or physical holdings as of August 31 th 2015.

Group Management

Dustin's Group Management includes the CEO, Georgi Ganev, and an additional ten executives with various areas of responsibility.

GEORGI GANEV

Born in 1976. President and CEO. Employed at Dustin since 2012.

Education: MSc in Engineering in Information Technology from Uppsala University.

Previous positions: CMO at Telenor Sweden AB, as well as CEO of Bredbandsbolaget AB.

Shareholding[1]: 291,919

Warrants: 278,287

JOHAN KARLSSON

Born in 1965. CFO. Employed at Dustin since 2009.

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

Previous positions: Regional Finance Director at Tech Data AB, as well as CFO at ACO Hud Nordic AB.

Shareholding[1]: 282,734

Warrants: 139,499

NIKLAS ALM

Born in 1967. Head of Investor Relations. Employed at Dustin since 2014.

Education: BSc in Financial Economics from Växjö University and San Francisco State University.

Previous positions: President at Newsec Communication AB, President at Citigate Stockholm AB.

Shareholding[1]: 5,500

Warrants: -

GÖRAN LINDÖ

Born in 1973. Head of Online & B2C. Employed at Dustin since 2007.

Education: MSc in Engineering in Industrial Economics from Chalmers University of Technology.

Previous positions: Director & Co-founder of Cordial AB. Consultant at Boston Consulting Group AB.

Shareholding[1]: 149,052, through companies

Warrants: 92,525

MARCUS LINDQVIST

Born in 1970. Head of B2B Sweden & Products. Employed at Dustin since 2012.

Education: Associate's degree in Business Administration from FEI.

Previous positions: Country Manager Personal Systems Group at HP Sverige AB. Channel Director Nordics at Dell AB.

Shareholding[1]: 78,654

Warrants: 92,525

JENS HAVIKEN

Born 1966. Head of B2B Norway & Services. Employed at Dustin since 2013.

Education: BSc in Information Technology from Østfold University College.

Previous positions: Director Microsoft Enterprise Services Norway at Microsoft AS. Director at Accenture AS.

Shareholding[1]: 18,718, through companies

Warrants: 92,525

MICHAEL HAAGEN PETERSEN

Born in 1971. Head of B2B Denmark & Operational Excellence. Employed at Dustin since 2008.

Education: BSc in Economics from Aarhus University School of Business and Social Science.

Previous positions: Sales Manager at thy:data A/S. Market Manager at Logica A/S.

Shareholding[1]: 179,784

Warrants: 92,525

JUHA KIVIKOSKI

Born in 1970. Head of B2B Finland. Employed at Dustin since 2015.

Education: Master in Business Economics from the University of Helsinki.

Previous positions: Vice President at Intel Security Oy. COO of Stonesoft Oyj. President of Siemens Enterprise Communications Oy.

Shareholding[1]: 22,248

Warrants: 92,525

MORTEN JAKOBI NIELSEN

Born in 1975. Head of Group People Development. Employed at Dustin since 2004.

Education: BSc in History and Society from Aarhus University.

Previous positions: Executive assistant at Dustin A/S. Senior team manager at Computerstore A/S.

Shareholding: 16,935

Warrants: 34,188

CAROLINE RUDBECK

Born in 1981. Head of Group Communication. Employed at Dustin since 2012.

Education: BSc in Media and Communication Studies and a Degree in Business Administration from the University of Stockholm.

Previous positions: Head of Brand Management and CRM Project Manager at Tele2 AB. Marketing Manager at Reklamvision AB.

Shareholding[1]: 116,929

Warrants: 46,263

ROBERT PAP

Born in 1964. Head of Group Supply Chain. Employed at Dustin since 2008.

Education: BSc in Economics from Linköping University.

Previous positions: Managing Director, Spectra Stage & Event Technologies AB. Director Vendor Management, Ingram Micro Nordics. Sales and Marketing Director, Computer 2000 Sweden.

Shareholding[1]: 120,057

Warrants: 92,525

1 Own or by related legal and/or physical holdings as of August 31 th 2015.

Consolidated statement of comprehensive income

All amounts in SEK 000s	Note	2014/15	2013/2014
IT products and services			
Net sales	4	7,933,463	7,370,893
Cost of goods and services sold	3	-6,816,933	-6,312,768
Gross profit		**1,116,530**	**1,058,125**
Selling and administrative expenses	3, 6, 7, 8	-824,510	-774,600
Items affecting comparability	5	-68,654	1,128
Other operating income		16,252	18,201
Other operating expenses		-21,589	-7,906
Operating profit, IT products and services		**218,029**	**294,948**
Financial services			
Interest income		19,633	18,331
Interest expense		-3,620	-3,969
Net interest income		**16,013**	**14,362**
Selling and administrative expenses		-7,531	-8,318
Operating profit, financial services		**8,482**	**6,044**
Operating profit, Group		**226,511**	**300,992**
Financial income and other similar financial items	9	2,084	2,102
Interest expense and similar financial items	9	-69,180	-118,205
Profit after financial items		**159,415**	**184,889**
Tax	19	-34,459	-21,159
PROFIT FOR THE YEAR		**124,956**	**163,730**
Other comprehensive income**			
Translation differences		-3,491	30,823
Cash-flow hedging		-1,030	-12,323
Tax		227	2,711
Other comprehensive income		**-4,294**	**21,211**
COMPREHENSIVE INCOME FOR THE YEAR*		**120,662**	**184,941**
Earnings per share (SEK)	11	1.75	2.48
Earnings per share after dilution (SEK)	11	1.75	2.48

*In its entirety attributable to the shareholders of the Parent Company.

**All items will be transferred to the income statement.

Consolidated statement of financial position

All amounts in SEK 000s	Note	Aug 31, 2015	Aug 31, 2014
Non-current assets			
Goodwill	14	1,771,607	1,660,706
Other intangible assets attributable to acquisitions	14	407,354	460,150
Other intangible assets		98,164	97,789
Tangible assets	15	21,102	18,378
Deferred tax assets	19	11,231	17,261
Receivables pertaining to financial leasing		199,675	165,385
Other assets		3,848	4,534
Total assets		**2,512,981**	**2,424,203**
Current assets			
Inventories		241,116	217,590
Accounts receivable	12	800,437	689,190
Tax assets		29,697	4,457
Other receivables		6,204	3,468
Receivables pertaining to financial leasing	8, 12	63,055	52,227
Prepaid expenses and accrued income	17	112,593	111,148
Cash and cash equivalents		77,800	133,607
Total current assets		**1,330,902**	**1,211,687**
TOTAL ASSETS		**3,843,883**	**3,635,890**

Consolidated statement of financial position

All amounts in SEK 000s	Note	Aug 31, 2015	Aug 31, 2014
EQUITY AND LIABILITIES			
Equity	21		
Share capital		380,866	161,601
Other contributed capital		387,765	146,993
Reserves		2,432	6,726
Profit brought forward including net profit for the year		552,669	427,713
Total equity		**1,323,732**	**743,033**
Non-current liabilities			
Provisions for pensions and similar obligations		408	642
Subordinated shareholder loans	12	-	203,227
Deferred tax liabilities	19	131,409	141,335
Liabilities to credit institutions	12	1,146,749	1,001,620
Acquisition-related liabilities	13	26,577	-
Other non-current liabilities		-	241,023
Total non-current liabilities		**1,305,143**	**1,587,847**
Current liabilities			
Liabilities to credit institutions	12	130,722	185,319
Advance to customers		112	91
Accounts payable		734,950	772,234
Tax liability		21,954	-
Derivative instruments	12	12,645	11,616
Other current liabilities		47,859	84,740
Acquisition-related liabilities	13	39,865	89,252
Accrued expenses and deferred income	20	226,901	161,758
Total current liabilities		**1,215,008**	**1,305,010**
TOTAL EQUITY AND LIABILITIES		**3,843,883**	**3,635,890**

Pledged assets and contingent liabilities are stated in Note 22.

Consolidated statement of changes in equity

All amounts in SEK 000s	Share capital	Other contributed capital	Trans-lation reserve	Hedge reserve	Retained earnings	Total equity
Opening equity, Sep 1, 2014	**161,601**	**146,993**	**15,790**	**-9,064**	**427,713**	**743,033**
Profit for the year					124,956	124,956
Other comprehensive income						
Translation differences	-	-	-3,491	-	-	-3,491
Cash-flow hedging, changes in fair value	-	-	-	-1,030	-	-1,030
Tax	-	-	-	227	-	227
Total other comprehensive income	**-**	**-**	**-3,491**	**-803**	**-**	**-4,294**
Total comprehensive income	**-**	**-**	**-3,491**	**-803**	**124,956**	**120,662**
Subscription with the support of warrants	90,597	126,265	-	-	-	216,862
New share issue	128,668	114,507	-	-	-	243,175
Total transactions with shareholders	**219,265**	**240,772**	**-**	**-**	**-**	**460,037**
Closing equity, Aug 31, 2015*	**380,866**	**387,765**	**12,299**	**-9,867**	**552,669**	**1,323,732**

All amounts in SEK 000s	Share capital	Other contributed capital	Trans-lation reserve	Hedge reserve	Retained earnings	Total equity
Opening equity, Sep 1, 2013	**161,232**	**145,112**	**-15,033**	**548**	**263,983**	**555,842**
Profit for the year					163,730	163,730
Other comprehensive income						
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**
Total comprehensive income	**-**	**-**	**30,823**	**-9,612**	**163,730**	**184,941**
New share issue	369	1,881	-	-	-	2,250
Total transactions with shareholders	**369**	**1,881**	**-**	**-**	**-**	**2,250**
Closing equity, Aug 31, 2014*	**161,601**	**146,993**	**15,790**	**-9,064**	**427,713**	**743,033**

* In its entirety attributable to the shareholders of the Parent Company.

Consolidated statement of cash flow

All amounts in SEK 000s	Note	2014/15	2013/2014
Operating activities			
Profit before financial items		226,511	300,992
Adjustment for non-cash items	23	64,371	-14,008
Interest received	23	2,084	2,102
Interest paid	23	-56 274	-61,934
Paid income tax		-40,040	-76,482
Cash flow from operating activities before changes in working capital		**196,652**	**150,670**
Cash flow from changes in working capital			
Decrease (+)/increase (-) of inventories		-17,447	-26,349
Decrease (+)/increase (-) of receivables		-103,499	-78,667
Decrease (+)/increase (-) of current liabilities		-17,097	210,094
Cash flow from changes in working capital		**-138,043**	**105,078**
Cash flow from operating activities		**58,609**	**255,748**
Investing activities			
Acquisition of intangible assets		-18,473	-25,493
Acquisition of tangible assets		-8,924	-6,587
Acquisition of subsidiaries		-138,578	-99,087
Cash flow from lease portfolio, financial services	23	-45,191	-83,206
Cash flow from investing activities		**-211,166**	**-214,373**
Financing activities			
New share issue		366,957	2,250
Loans raised		1,251,165	121,044
Repayment of debt		-1,289,932	-89,739
Payment of capitalised interest		-255,573	-
Paid liabilities start-up costs		-6,984	-
Cash flow from lease portfolio, financial services	23	31,940	52,141
Cash flow from financing activities		**97,573**	**85,696**
Cash flow for the period		**-54,984**	**127,071**
Cash and cash equivalents at the start of the year		**133,607**	**2,419**
Cash flow for the year		**-54,984**	**127,071**
Exchange-rate differences in cash and cash equivalents		**-823**	**4,117**
Cash and cash equivalents at the end of the year		**77,800**	**133,607**

Parent Company statement of comprehensive income

All amounts in SEK 000s	Note	2014/15	2013/2014
Net sales		397	397
Net sales	4	**397**	**397**
Operating expenses			
Selling and administrative expenses	6, 7	-26,837	-4,463
Other operating expenses		-	-1
Operating profit/loss		**-26,440**	**-4,067**
Financial income and similar financial items	9	988	23
Interest expense and similar financial items	9	-61,487	-92,653
Profit/loss after financial items		**-86,939**	**-96,697**
Appropriations	10	95,331	87,545
Tax on profit for the year	19	-1,909	1,854
PROFIT/LOSS FOR THE YEAR		**6,483**	**-7,298**
Other comprehensive income		**-**	**-**
COMPREHENSIVE INCOME FOR THE YEAR*		**6,483**	**-7,298**

*In its entirety attributable to the shareholders of the Parent Company.

Parent Company statement of financial position

All amounts in SEK 000s	Note	Aug 31, 2015	Aug 31, 2014
Non-current assets			
Participations in Group companies	16	1,221,663	1,221,663
Deferred tax assets	19	-	1,909
Total assets		**1,221,663**	**1,223,572**
Current assets			
Receivables from Group companies		455,848	102,943
Tax assets		23,986	315
Other receivables		-	130
Prepaid expenses and accrued income	17	1,103	-
Cash and bank balances		65,264	77,622
Total current assets		**546,201**	**181,010**
TOTAL ASSETS		**1,767,864**	**1,404,582**

Parent Company statement of financial position

All amounts in SEK 000s	Note	Aug 31, 2015	Aug 31, 2014
Equity and liabilities			
Restricted equity	21		
Share capital		380,866	161,601
Total restricted equity		**380,866**	**161,601**
Non-restricted equity			
Share premium reserve		388,140	146,993
Retained earnings		-110,208	-102,910
Profit/loss for the year		6,483	-7,298
Total non-restricted equity		**284,415**	**36,785**
Total equity		**665,281**	**198,386**
Untaxed reserves	18	-	7,793
Non-current liabilities	12		
Subordinated shareholder loans		-	203,227
Liabilities to credit institutions	12	1,056,856	608,688
Other non-current liabilities		-	241,023
Total non-current liabilities		**1,056,856**	**1,052,938**
Current liabilities			
Liabilities to credit institutions	12	40,884	84,337
Accounts payable		414	-
Other current liabilities		59	189
Earn-out liability	13	-	60,000
Accrued expenses and deferred income	20	4,370	939
Total current liabilities		**45,727**	**145,465**
TOTAL EQUITY AND LIABILITIES		**1,767,864**	**1,404,582**
Pledged assets and contingent liabilities	22		
Pledged assets		10,100	1,221,663
Contingent liabilities		-	-

Parent Company statement of changes in equity

All amounts in SEK 000s	Share capital	Share premium reserve	Retained earnings	Total equity
Opening equity, Sep 1, 2014	**161,601**	**146,993**	**-110,208**	**198,386**
Profit for the year	-	-	6,483	6,483
Total comprehensive income	**-**	**-**	**6,483**	**6,483**
Subscription with the support of warrants	90,597	126,640	-	217,237
New share issue	128,668	114,507	-	243,175
Total transactions with shareholders	**219,265**	**241,147**	**-**	**460,412**
Closing equity, Aug 31, 2015*	**380,866**	**388,140**	**-103,725**	**665,281**

All amounts in SEK 000s	Share capital	Share premium reserve	Retained earnings	Total equity
Opening equity, Sep 1, 2013	**161,232**	**145,112**	**-102,910**	**203,434**
Profit/loss for the year	-	-	-7,298	-7,298
Total comprehensive income	**-**	**-**	**-7,298**	**-7,298**
New share issue	369	1,881	-	2,250
Total transactions with shareholders	**369**	**1,881**	**-**	**2,250**
Closing equity, Aug 31, 2014*	**161,601**	**146,993**	**-110,208**	**198,386**

*In its entirety attributable to the shareholders of the Parent Company.

Parent Company statement of cash flow

All amounts in SEK 000s	Note	2014/15	2013/2014
Operating activities			
Profit/loss before financial items		-26,440	-4,067
Adjustment for non-cash items	23	2,201	-
Interest received	23	988	23
Interest paid	23	-46,638	-45,267
Paid income tax		-23,857	-60
Cash flow from operating activities before changes in working capital		**-93,746**	**-49,371**
Cash flow from changes in working capital			
Decrease (+)/increase (-) of receivables		-266,468	68,105
Decrease (+)/increase (-) of current liabilities		-55,971	-1,090
Cash flow from changes in working capital		**-322,439**	**67,015**
Cash flow from operating activities		**-416,185**	**17,644**
Financing activities			
New share issue		366,957	2,250
Loans raised		1,250,860	120,971
Repayment of debt		-951,433	-63,518
Payment of capitalised interest		-255,573	-
Paid liabilities start-up costs		-6,984	-
Cash flow from financing activities		**403,827**	**59,703**
Cash and cash equivalents at the start of the year		**77,622**	**275**
Cash flow for the year		**-12,358**	**77,347**
Cash and cash equivalents at the end of the year		**65,264**	**77,622**

Note 1 Significant accounting policies

Compliance with standards and legislation

Dustin's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the European Commission for application within the EU. In addition, the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups is applied.

The Parent Company prepares its annual financial statements in accordance with the Swedish Annual Accounts Act (1995: 1554) and the 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 consider the relationship between the accounting policies 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 of all subsidiaries, Dustin prepares its internal financial statements in accordance with IFRS.

Valuation basis in the preparation of the financial statements

The functional currency of the Parent Company is the Swedish krona (SEK), which is also the presentation currency for both the Parent Company and the Group. This means that the financial statements are presented in SEK. All amounts, unless otherwise stated, are rounded to the nearest thousand.

Assets and liabilities are recognised at historical cost, except for certain financial assets and liabilities that are measured at fair value (derivatives). 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 liabilities primarily consist of assets and liabilities that are expected to be recovered or settled within 12 months of the balance-sheet date.

Preparing the financial statements in accordance with IFRS requires management to make estimates and assumptions that impact the application of the accounting policies and the carrying amounts 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 then 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 once 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 to accounting policies

None of the changes and interpretations in existing standards that have been applied from the financial year beginning September 1, 2014 had any impact on the financial statements for the Group or the Parent Company except IFRS 12.

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 required a number of additional disclosures in Dustin's financial statements.

New IFRS and interpretations have been applied during the year but with no effect are as follows:

IAS 32 Financial Instruments: Classification – amendment

The amendment entails a clarification of the application guidance section regarding the offsetting of financial assets and financial liabilities. The amendment had no impact on Dustin's financial statements.

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 had no impact 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 not currently part of any joint arrangements.

IFRIC 21 Levies

The interpretation clarifies when a liability for levies (fees/taxes charged to the company by government or similar body in accordance with laws/ordinances with the exception of income tax and penalties/fines) is to be recognised. The standard had no impact on Dustin's financial statements.

New IFRS and interpretations that are to be applied in coming years:

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. Work to evaluate the effect this standard will have on the company's financial statements will be completed during the 2015/16 financial year. Since the EU has not yet adopted the standard, no decision has been made about when the standard will apply.

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 will be applied from 2018 but has not yet been adopted by the EU.

No new or amended IFRS has been applied in advance.

The company's opinion is that none of the other standards, amendments and IFRIC interpretations are expected to have any material effect on the Group.

Consolidation policies

Subsidiaries

Subsidiaries are all companies in the Group over which the Parent Company exercises control, which means that the Parent Company is exposed to or is entitled to variable returns from subsidiaries and could influence the return through its controlling influence.

When assessing whether an entity has controlling influence over another entity, the existence and effect of potential voting rights that are currently available to utilise or convert is taken into account. The financial statements of subsidiaries are recognised in the consolidated financial statements as of the acquisition date and until the date on which control no longer exists.

Purchase Price Allocation – acquisition analysis

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 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 or 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 assumed 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 the income statement, during the period in which it arises. Transaction costs directly attributable to the acquisition are expensed. The surplus value of assets identified through the PPA analysis is recognised and amortised over the estimated useful life of the asset. Any remaining amounts are recognised as goodwill. Surplus values with indefinite useful lives are impairment tested annually, or whenever there is any indication of impairment.

Non-controlling interests

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 income and 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, income 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 is recognised on the asset.

Income and expenses 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 asset in Dustin Financial Services AB. However, on consolidation in the balance sheet, 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. A central function also exists, to which all non-allocated costs and amortisation/ depreciation are recognised. In the segment reporting, Dustin Financial Services is included in the B2B segment.

Foreign currency

Foreign currency transactions are translated to the functional currency using the exchange rates prevailing on the transaction date. Functional currency is the currency of the primary economic environments in which Dustin companies operate.

The Parent Company (Dustin Group AB), Dustin Financial Services AB, Dustin Aktiebolag, Dustin Sverige AB and IT-Hantverkarna Sverige AB use SEK as their functional currency. Businessforum Oy and Resolute ISMS Oy have EUR, Dustin A/S has DKK and Dustin Norway AS has NOK as their functional currencies.

Upon consolidation, this means that all assets and liabilities included in the subsidiaries' balance sheets are translated at the closing day 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.

Exchange-rate differences attributable to revaluation of borrowings in foreign currencies are recognised under net financial items in profit or loss, while exchange-rate 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 recognised as assets and liabilities of the foreign entity and are therefore translated at the closing day rate.

Income

Income included in operating profit is recognised at the fair value of sold goods and services, excluding discounts, VAT and after eliminating intercompany sales, except for intercompany sales to Dustin Financial Services AB. Income is recognised in profit or loss when the following criteria have been fulfilled:

- it is probable that any future financial benefits associated with the income item will accrue to the entity, and
- the income can be calculated in a reliable manner.

Net sales

Net sales are recognised on 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 income can be measured reliably. The income is reduced by the value of given discounts.

Dustin's sales consist primarily of sales of IT products to companies (B2B) and consumers (B2C). For sales in the B2B segment, the risk passes to the buyer when the goods are delivered to the carrier, and for the B2C segment, the risk passes to the customer when the goods are handed over by the carrier. Financial lease income is not included in net sales.

Cost of goods and services sold

Cost of goods and services sold includes the purchase price, customs, other taxes, distribution costs, payroll expenses for consultants and other directly attributable costs. Discounts, cash discounts, vendor bonuses and similar items reduce the cost of goods and services sold.

Selling and administrative expenses

Selling expenses includes costs directly attributable to sales of goods and services, excluding costs of financing and taxes. This item normally includes the cost of freight to customers, marketing, remuneration to sellers, debt collection, credit information, etc. Administrative expenses include administration costs not attributable to the cost of goods and services sold or selling expenses.

Items affecting comparability

Exceptional items are recognised separately in the financial statements when this is necessary to explain the Group's earnings. Exceptional items pertain to material income and expense items recognised separately due to the significance of their character or amount. Items affecting comparability are specified in the supplementary disclosures, see Note 5.

Comparative information

In the supplementary information of cash flow from operations, the Group has adjusted the previous year's information to achieve comparability between the years. The adjustment relates to the allocation of depreciation of property (SEK 0.4 million) and intangible assets (SEK 0.03 million) and exchange rate differences (SEK 0.5 million). Furthermore, the performance specification of the nature of expense items (Note 3) depreciation and otherwise adjusted by SEK 0.3 million.

Lease accounting

Dustin as a lessor

Financial leasing

A lease contract is classified as financial leasing when the risk and rewards associated with the asset are transferred to Dustin's customer. When the lease term comes into effect, the sales proceeds and a financial receivable are recognised at the present value of future minimum lease payments. The cost of the lease assets is financed through external bank loans and recognised as a liability.

Operating leases

Other lease contracts are classified as operating. Assets held for operational leases are recognised in Dustin's statement of financial position according to the nature of the asset. Lease income is recognised straight line over the leasing period.

Dustin Group as a lessee

Financial leasing

A lease is classified as financial leasing when the risk and rewards associated with ownership have been transferred to Dustin. The assets are recognised as non-current assets and the future payments as liabilities. Depreciation/amortisation and the payments are recognised over the lease term.

Operating leases

Other lease contracts are classified as operating. 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 exchange-rate differences from loans in foreign currencies. The financial income and expenses item also includes amortisation of capitalised borrowing costs.

Financial income and expenses related to Financial Services

Interest income and lease income related to financial leasing with Dustin as the lessor are allocated over the lease period.

Intangible assets – Goodwill

Goodwill arises when the cost of acquisition exceeds the fair value of 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 tested for impairment at least once annually and recognised at cost reduced by accumulated impairment losses. Gains or losses from divestment of an entity include the residual value of goodwill relating to the entity sold.

Other intangible assets

Other intangible assets consist of brands, customer contracts and capitalised IT expenditures. Intangible assets are recognised in the balance sheet if they meet the criteria for intangible assets in IAS 38. The Dustin brand is recognised as an intangible asset with an indefinite useful life and is not amortised.Brands are to be included in the annual impairment testing, or more often if there is any indication of an impairment requirement.

IT expenditures are only capitalised for strategic long-term systems. Expenses for other systems are expensed immediately. Capitalised IT expenditures consist of:

- System development that improves system functionality. System development activities include functional and technical design, development/configuration, deployment, migration and project management of said activities within the framework of the 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.

Tangible assets

Tangible assets are recognised as assets in the balance sheet when it is probable that the future financial benefits associated with the assets will accrue to the company and the cost of the asset can be measured reliably.

Tangible assets 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 tangible assets is derecognised from the balance sheet when the item is disposed of or sold or when no future financial benefits are expected to accrue 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 expenses). Gains or losses are recognised as other operating income/expenses.

Additional expenses are only added to the cost when it is likely that future financial 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

Linear amortisation/depreciation is applied over the estimated useful life of the asset. Estimated useful life (years):

Customer contracts	3–7
ERP platform	15
Web platform	6
BI/BizTalk platform	4
Licenses and hardware	3
Dustin brand	–
Other brands	5–7
Investment in rented premises	5–10
Computers and accessories	3
Equipment, tools, fixtures and fittings	5

The residual value and the useful life of an asset is tested each year.

Impairment of tangible assets and intangible assets

Dustin impairment tests assets in order to ensure that an entity's assets are not recognised at more than their recoverable amount (meaning, the higher of fair value of an asset 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 requirement 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 flows that are largely independent of the other assets or groups of assets. The following assets are identified as CGUs:

- Dustin Norway AS
- Dustin A/S
- IT-Hantverkarna Sverige AB
- Businessforum Oy
- Resolute ISMS Oy
- Dustin AB

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. Impairment is recognised as an expense in profit or loss. Impairment of assets attributable to a cash-generating unit is primarily allocated to goodwill. Thereafter, proportional impairment is made to other assets in the unit.

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, inventory, accounts receivable, personnel receivables, tax assets and accrued receivables. Joint operating liabilities in Dustin include accounts payable, provisions, tax liabilities and deferred tax. Interest-bearing items in the balance sheet 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 asset's carrying amount, after reversal, does not exceed the recognised residual value that would have existed had the impairment occurred.

Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the operating activities, less the estimated costs for completion and for accomplishing a sale. The cost of inventories is measured according to a moving average method. This averaging approach is considered to yield a safe and conservative approach to recognising financial results.

Calculation of the moving average cost is made by dividing the total cost of the items purchased by the number of items in inventories. The average cost includes all 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 accounts receivable that are assessed individually. Since the expected maturity of an account receivable is short, a nominal value without discounting is recognised. Bad debt losses for accounts receivable are recognised as 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 non-current receivables and if not, they are considered other current receivables.

Fair value of financial instruments

Fair value measurement of financial instruments is divided into three different hierarchy levels depending on 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 on 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 (for example, 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 classified 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 accounts receivable and accounts payable, the carrying amounts are considered to approximate the fair value. Since the interest rate for bank loans is variable, the carrying amount of the loans is assessed as being close to the fair value. There are also loans carrying a fixed interest rate which are measured according to Level 3 as per the balance-sheet date.

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 under 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 portion 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.

Borrowing

Borrowing is initially measured at fair value, net after transaction expenses. Borrowing is thereafter recognised at amortised cost and any difference between the amount received (net after transaction expenses) and the repayment amount is recognised in profit or loss distributed over the borrowing period, applying 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 measured at fair value and thereafter at amortised cost applying the effective interest method. Accounts payable are not discounted.

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 tax that is to be paid or received in the current year, with the application of the tax rates that have been decided or decided in practice on the balance-sheet date. This also includes adjustments of current tax attributable to prior periods.

According to the balance-sheet method, deferred tax is recognised on all temporary differences arising between the taxable value 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 as per the balance-sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable surplus will be available for offsetting the temporary differences.

Untaxed reserves include deferred tax. However, in the consolidated financial statements, untaxed reserves are divided into deferred tax liability and equity.

Remuneration of employees

Defined-contribution pension 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 to 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.

Share-based remuneration

A small number of senior executives 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 considered a benefit.

Provisions

A provision is recognised in the statement of financial position when Dustin has an existing legal or informal obligation as a result of a past event, and it is probable that an outflow of financial benefits will be required to settle the obligation and when a reliable estimate of the amount can be made. If the effect of the date of payment 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 is recognised 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 needs to be recognised only if a present obligation (legal or informal) 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.

Earnings per share

The calculation of earnings per share before dilution has been based on net profit for the year in relation to the weighted average number of shares outstanding. When calculating earnings per share after dilution, the weighted average number of shares outstanding is adjusted for the dilution effect of the warrants outstanding held by senior executives.

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 recommendations issued by the Swedish Financial Reporting Board (RFR). The 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 Annual Accounts Act.

Taxes

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.

Shareholders' contributions

Shareholders' contributions are recognised direct against equity for the recipient and capitalised in shares and participations for the donor. Any impairment requirements are taken into account.

Group contributions

Dustin has decided to apply alternative regulations pursuant to RFR 2, which means that Group contributions are recognised as appropriations.

Subsidiaries

Shares in subsidiaries are recognised in the Parent Company according to the cost method. Any dividend from subsidiaries is recognised in profit or loss for the Parent Company. If there are any indications that the value of the shares in the subsidiaries has decreased, an impairment test is to be conducted. Anticipated dividends from subsidiaries are to be recognised in cases where the Parent Company has exclusive rights to decide about the size of the dividend, and whether the Parent Company made a decision about the size of the dividend before the Parent Company published its financial statements.

Note 2 Business segments and sales by geographic area

	Group	
	14/15	**13/14**
Net sales		
B2B	7,326,890	6,617,911
B2C	606,573	752,982
Total net sales	**7,933,463**	**7,370,893**
Segment results		
B2B, Segment results	589,047	553,210
B2B, Segment results, margin (%)	8.0	8.4
B2C, Segment results	18,858	38,140
B2C, Segment results, margin (%)	3.1	5.1
Costs for central functions	-254,372	-237,862
In relation to net sales (%)	-3.2	-3.2
Adjusted EBITA	**353,533**	**353,488**
Reconciliation with operating income		
Items affecting comparability	-68,654	1,128
Amortisation and impairment of intangible assets	-58,368	-53,624
Operating profit, Group	**226,511**	**300,992**
Net sales by geographic area		
Sweden	4,213,993	4,057,298
Finland	1,307,400	1,165,491
Denmark	1,300,541	1,255,229
Norway	1,111,529	892,875
Total net sales	**7,933,463**	**7,370,893**

Business segments

Dustin operates through two business segments, Business-to-Business (B2B) and Business-to-Consumer (B2C). These two segments are supported by a number of shared centralised Group functions, such as procurement and pricing, marketing, business support and people development. These Group functions are referred to above as Costs for central functions.

Note 3 Expenses by type of cost

Cost of goods and services sold, selling and administrative expenses	Group 14/15	13/14
Cost of goods sold – purchase costs	6,764,400	6,171,101
Personnel costs	622,575	624,384
Depreciation/amortisation	69,426	61,965
Other	185,042	229,918
Total	**7,641,443**	**7,087,368**

Note 4 Information on purchases and sales within the Group, etc.

	Parent Company 14/15	13/14
Purchases	0%	0%
Sales	100%	100%

Note 5 Items affecting comparability

	Group 14/15	13/14
Acquisition-related costs	-3,614	-10,007
Costs for implementation of integrated IT platform	-32,002	-87,900
Change in value and currency translation difference of debt for earn-out liability	-	99,035
IPO-related expenses	-33,038	-
Total	**-68,654**	**1,128**

Note 6 Auditor's remuneration and expenses

	Group 14/15	13/14	Parent Company 14/15	13/14
Audit assignment*	3,067	2,299	862	632
Audit activities other than audit assignment	-	453	-	-
Tax consultations	-	198	-	198
Other services	4,723	-	2,764	-
Total	**7,790**	**2,950**	**3,626**	**830**
Other auditing firms				
Other services	5,693	223	5,693	223
Total	**5,693**	**223**	**5,693**	**223**

* Audit assignments are defined as the examination of the Annual Report and accounting records and of the Board of Directors' and CEO's administration of the Company, other tasks incumbent on the auditor, as well as advice and other assistance occasioned by observations made in the course of such examinations or the performance of such other tasks. Audit activities other than the audit assignment pertain mainly to remuneration for advice on accounting issues.

Note 7 Number of employees, employee benefits expense and remuneration to Executive Management

	14/15			13/14		
Average number of employees	**Women**	**Men**	**Total**	**Women**	**Men**	**Total**
Parent Company	-	-	**-**	-	**-**	**-**
Subsidiaries						
Sweden	150	464	**614**	129	451	**580**
Norway	18	99	**117**	22	133	**155**
Finland	17	81	**98**	17	53	**70**
Denmark	19	96	**115**	9	96	**105**
Total in subsidiaries	**204**	**740**	**944**	**177**	**733**	**910**
Total in the Group	**204**	**740**	**944**	**177**	**733**	**910**

Note 7 Cont'd. Number of employees, employee benefits expense and remuneration to Executive Management

Distribution of Company Management at the balance-sheet date	Group 14/15	Group 13/14	Parent Company 14/15	Parent Company 13/14
Women:				
Board members	1	1	1	1
Other members of Executive Management, including CEO	1	1	-	-
Men:				
Board members	5	5	5	5
Other members of Executive Management, including CEO	10	9	1	1
Total	**17**	**16**	**7**	**7**

Payroll expenses	Group 14/15			
Salaries and other remuneration to Group Management and CEO	**CEO and Group Management**	***of which, CEO Georgi Ganev***	**Other employees**	**Total**
Salaries and other remuneration	25,250	*4,873*	467,083	492,333
of which, bonus	3,442	*892*	12,518	15,960
Social security expenses	7,906	*2,493*	128,055	135,961
of which, pension costs	3,300	*994*	31,078	34,378
Total	**33,156**	***7,366***	**595,138**	**628,294**

Payroll expenses	Group 13/14			
Salaries and other remuneration to Group Management and CEO	**CEO and Group Management**	***of which, CEO Georgi Ganev***	**Other employees**	**Total**
Salaries and other remuneration	24,197	*4,490*	457,746	481,943
of which, bonus	7,483	*1,380*	14,602	22,085
Social security expenses	10,850	*1,882*	133,425	144,275
of which, pension costs	2,920	*471*	28,575	31,495
Total	**35,047**	***6,372***	**591,171**	**626,218**

Remuneration to the Board of Directors and senior executives

Guidelines for remuneration of senior executives
Guidelines for remuneration of senior executives are resolved by the shareholders at the Annual General Meeting. The Annual General Meeting, which is to be held on January 19, 2016, will make decisions about the guidelines for remuneration of senior executives. Proposals ahead of the Annual General Meeting are available at www.dustin-group.com.

CEO and other Executive Management
Remuneration to the CEO comprises fixed salary, pension and other standard benefits, as well as variable remuneration. The CEO is entitled to a fixed annual salary of SEK 4,000,000 and an annual bonus target corresponding to 70 per cent of the fixed salary. The retirement age for the CEO is 65. Until the agreed retirement age, the company is to contribute a monthly amount corresponding to 30 per cent of the fixed salary in a pension.

Remuneration to other senior executives comprises fixed salary, pension and other standard benefits, as well as variable remuneration in the form of a bonus of 35-50 per cent of the fixed salary. Pension for other senior executives is paid as a percentage of the fixed salary or premium-based pension scheme.

The CEO has 12 months notice of termination from the company and six months notice on his/her own initiative.

In the event of termination of other senior executives from the company, the notice of termination is six to 12 months. In the event of termination of other senior executive on his/her own initiative, the notice of termination is six months. One of the other senior executives is entitled to severance pay in the form of a maximum variable salary to be paid upon termination from the company.

Long-term incentive programme
In connection with the listing, a long-term employee share option programme was established for senior executives. The programme includes a total of 1,053,387 options and carries the entitlement to subscribe to as many shares. The duration period for the options is 3.5 years. Full exercise of the options would result in a dilution of approximately 1.4 per cent. The aim of the options programme is to increase the proportion of ownership among senior executives, and to motivate them to remain in the company. In addition, the ownership is expected to increase the long-term commitment to Dustin and its performance trend.

Note 7 Cont'd. Number of employees, employee benefits expense and remuneration to Executive Management

Board members

Remuneration and fees that were approved for 2014/15 are described in the table below. No separate remuneration has been paid for Committee work during the financial year.

	Group	
Board remuneration (annual fees)	**14/15**	**13/14**
Fredrik Cappelen	750	750
Maija Strandberg	250	250
Tomas Franzén	250	250
Mattias Miksche	250	250
Risto Siivonen	-	-
Stefan Linder	-	-

Parent Company

Payroll expenses for the Parent Company amount to SEK - (-).

Note 8 Lease agreements

Operating lease agreements (Dustin as a lessee):

The Group's lease expense for the year amounts to SEK 72,373 thousand (72,189).

	Group	
	14/15	**13/14**
Future lease expenses amount to:		
Within 1 year	62,551	81,643
Year 2	51,645	54,419
Year 3	44,815	42,112
After 3 years	78,854	16,396
Total	**237,865**	**194,570**

The Dustin Group leases IT equipment, office equipment, vehicles and premises according to operating lease agreements. Maturity of the lease agreements is usually 36 months, with an option to renew. No lease agreements require extension. When the lease agreements expire, the Group has the option to purchase the equipment at prevailing market prices. There are index clauses in the lease agreements.

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 accounts receivable regarding leasing amounts to SEK 1,722 thousand (2,289).

	Group	
	14/15	**13/14**
Non-current receivables		
Gross financial leasing	244,089	181,844
Unearned financial income	-44,414	-16,459
Total	**199,675**	**165,385**
Current receivables		
Gross financial leasing	77,081	57,425
Unearned financial income	-14,025	-5,198
Total	**63,056**	**52,227**
Gross investment in financial leasing distributed as follows:		
Within 1 year	77,081	57,424
Between 1–5 years	244,089	181,844
More than 5 years	-	-
Total	**321,170**	**239,268**
Net investment in financial leasing distributed as follows:		
Within 1 year	63,055	52,227
Between 1–5 years	199,675	165,385
More than 5 years	-	-
Total	**262,730**	**217,612**

Note 9 Financial items

Interest income and similar income-statement items	Group 14/15	Group 13/14	Parent Company 14/15	Parent Company 13/14
Bank interest	8	309	-	14
Other receivable-related items	2,076	1,793	988	9
Total	**2,084**	**2,102**	**988**	**23**

Interest expense and similar income-statement items	Group 14/15	Group 13/14	Parent Company 14/15	Parent Company 13/14
Bank interest	42,313	60,967	36,140	45,617
Subordinated shareholder loans and other non-current liabilities	21,131	40,859	21,131	40,859
Interest derivative, value changes	7,032	5,098	6,036	3,978
Currency differences on loans and other non-current liabilities	-3,799	9,979	-1,820	2,197
Other liability-related items	2,503	1,302	-	2
Total	**69,180**	**118,205**	**61,487**	**92,653**

Note 10 Appropriations

	Parent Company 14/15	Parent Company 13/14
Group contribution received	92,538	87,545
Group contribution paid	-5,000	-
Reversal of tax allocation reserve	7,793	-
Total	**95,331**	**87,545**

Note 11 Earnings per share

Earnings per share before dilution	Group 14/15	Group 13/14
Profit for the period, SEK 000s	124,956	163,730
Weighted number of shares outstanding	71,545,731	66,095,090
Number of shares when calculating earnings per share	71,545,731	66,095,090
Earnings per share before dilution, SEK	**1.75**	**2.48**

Earnings per share after dilution	14/15	13/14
Profit for the period, SEK 000s	124,956	163,730
Weighted number of shares outstanding	71,545,731	66,095,090
Adjustment for adopted dilution through incentive programme	6,294	-
Number of shares when calculating earnings per share	71,552,025	66,095,090
Earnings per share after dilution, SEK	**1.75**	**2.48**

Earnings per share before dilution
The calculation of earnings per share before dilution has been based on net profit for the year in relation to the weighted average number of shares outstanding according to the above. Changes occurred in the number of shares outstanding in connection with listing. To achieve comparability between the periods, the weighted average number of shares outstanding were restated for earlier periods.

Earnings per share after dilution
When calculating earnings per share after dilution, the weighted average number of shares outstanding according to the above is adjusted for a dilution effect of the warrants outstanding. The total number of warrants outstanding as of August 31, 2015 amounted to 1,053,387 and carried entitlement to subscribe to as many shares. The exercise price for the warrants amounted to SEK 59.50. The exercise price for the warrants was lower than the average share price for the period, which resulted in a dilution effect when calculating earnings per share after dilution.

Note 12 Financial assets and liabilities

Group
Overview of financial assets and liabilities

Aug 31, 2015	Accounts receivable and loans receivable	Financial liabilities	Derivatives used in hedge accounting	Total carrying amount	Fair value
Assets					
Accounts receivable and other receivables	806,641	-	-	806,641	806,641
Cash and cash equivalents	77,800	-	-	77,800	77,800
Receivables pertaining to financial leasing	262,730	-	-	262,730	262,730
Total assets	**1,147,171**	**-**	**-**	**1,147,171**	**1,147,171**
Liabilities					
Liabilities to credit institutions	-	1,277,471	-	1,277,471	1,277,471
Derivative instruments (Level 2)	-	-	12,645	12,645	12,645
Accounts payable	-	734,950	-	734,950	734,950
Other liabilities	-	114,301	-	114,301	114,301
Total liabilities	**-**	**2,126,722**	**12,645**	**2,139,367**	**2,139,367**

Aug 31, 2014	Accounts receivable and loans receivable	Financial liabilities	Derivatives used in hedge accounting	Total carrying amount	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
Receivables pertaining to financial leasing	217,612	-	-	217,612	217,612
Total assets	**1,043,877**	**-**	**-**	**1,043,877**	**1,043,877**
Liabilities in the balance sheet					
Liabilities to credit institutions	-	1,631,189	-	1,631,189	1,779,485
Derivative instruments (Level 2)	-	-	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
For the current financial year, the fair value of financial assets and liabilities is considered to approximate the fair value, whereupon the carrying amount is deemed to be the same as the fair value, except for derivatives which are commented below.

Derivative instruments
Derivative instruments are designated as hedging instruments for external bank loans. The Group applies hedge accounting on derivatives and the fair value is measured at fair value within Level 2 according to the definition in IFRS 7.

Long-term and short-term loans
Since the interest rate for bank loans is variable, the carrying amount of the loans is assessed as being approximate to the fair value. In the preceding year, there were also loans to then-current and former shareholders, with the loans bearing fixed interest for which a fair value valuation was performed. This calculation was based on the current market interest rate at the time until the calculated due date according to the loan agreement.

Contingent earn-out liability
The calculation of contingent earn-out liability is based on the parameters of each acquisition agreement. For this financial year, an earn-out liability for the acquisition of the Finnish company Resolute was recognised (SEK 66 million), with the assessment that the maximum earn-out liability will be paid. The earn-out liability is valued continuously and liabilities settled as required. The earn-out liabilities recognised in the preceding year were fully settled in the current year. For a table of contingent earn-out liabilities, see Note 13 Acquisition of businesses.

Note 12 Cont'd. Financial assets and liabilities

Maturity structure of outstanding accounts receivable	Group Aug 31, 2015	Group Aug 31, 2014
0–30	752,798	670,973
31–90	34,251	17,263
91–	21,686	5,475
Doubtful accounts receivable	-8,298	-4,521
Total	**800,437**	**689,190**

Due to the short-term nature of accounts receivable, the effect of discounting is not deemed to be material and the carrying amount is considered to be consistent with the fair value. This is thus the maximum exposure.

The Group's risk exposure in foreign currencies is deemed to be low.

The provision for doubtful accounts receivable amounted to SEK 8,298 thousand (4,521) and amounted to 1.03 per cent (0.65) in relation to accounts receivable. Dustin has historically low bad debt losses. The company continuously obtains credit information for all corporate customers and does not offer any credit itself to private customers.

Changes in the provision for doubtful accounts receivable	Group Aug 31, 2015	Group Aug 31, 2014
Opening balance	**4,521**	**6,467**
Provision for doubtful accounts receivable	7,090	1,657
Receivables written off during the year	-2,653	-2,019
Reversal of possible bad debt losses for the year	-628	-1,640
Exchange-rate differences	-32	56
Closing balance	**8,298**	**4,521**

Group
Maturity structure of borrowing

Aug 31, 2015	Total borrowing	Maturity within 1 year	Maturity within 1–2 years	Maturity within 2–5 years	Maturity after 5 years
Liabilities to credit institutions	1,277,471	130,722	-	1,146,749	-
Deferred borrowing expenses	-29,063	-6,672	-13,344	-9,046	-
Subordinated shareholder loans	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-
Provisions for pensions and similar obligations	408	408	-	-	-
Deferred income from customers	21,262	21,262	-	-	-
Accounts payable	734,950	734,950	-	-	-
Tax liabilities	21,954	21,954	-	-	-
Other liabilities	60,504	60,504	-	-	-
Acquisition-related liabilities	66,442	39,865	26,577	-	-
Accrued expenses and other deferred income	205,639	205,639	-	-	-
Total	**2,388,630**	**1,215,304**	**26,577**	**1,146,749**	**-**

Note 12 Cont'd. Financial assets and liabilities

Aug 31, 2014	Total borrowing	Maturity within 1 year	Maturity within 1–2 years	Maturity within 2–5 years	Maturity after 5 years
Liabilities to credit institutions	1,186,939	192,386	288,335	706,218	-
Deferred borrowing expenses	-30,031	-7,061	-14,133	-8,832	-
Subordinated shareholder loans	203,227	-	-	203,227	-
Other non-current liabilities	241,023	-	-	241,023	-
Provisions for pensions and similar obligations	642	642	-	-	-
Deferred income from customers	13,520	13,520	-	-	-
Accounts payable	772,234	772,234	-	-	-
Tax liabilities	-	-	-	-	-
Other liabilities	96,356	96,356	-	-	-
Acquisition-related liabilities	89,252	89,252	-	-	-
Accrued expenses and other deferred income	148,238	148,238	-	-	-
Total	**2,751,431**	**1,312,628**	**288,335**	**1,150,468**	**-**

Parent Company

Aug 31, 2015	Total borrowing	Maturity within 1 year	Maturity within 1–2 years	Maturity within 2–5 years	Maturity after 5 years
Liabilities to credit institutions	1,097,740	40,884	-	1,056,856	-
Deferred borrowing expenses	-29,063	-6,672	-13,344	-9,046	-
Subordinated shareholder loans	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-
Other liabilities	-	-	-	-	-
Acquisition-related liabilities	-	-	-	-	-
Accrued expenses and deferred income	4,370	4,370	-	-	-
Total	**1,102,110**	**45,254**	**-**	**1,056,856**	**-**

Aug 31, 2014	Total borrowing	Maturity within 1 year	Maturity within 1–2 years	Maturity within 2–5 years	Maturity after 5 years
Liabilities to credit institutions	693,025	91,324	182,648	419,053	-
Deferred borrowing expenses	-29,694	-6,987	-13,973	-8,734	-
Subordinated shareholder loans	203,227	-	-	203,227	-
Other non-current liabilities	241,023	-	-	241,023	-
Other liabilities	189	189	-	-	-
Acquisition-related liabilities	60,000	60,000	-	-	-
Accrued expenses and deferred income	939	939	-	-	-
Total	**1,198,403**	**152,452**	**182,648**	**863,303**	**-**

Group

Aug 31, 2015	Liabilities to credit institutions	Interest terms	Interest period
Bank loan in SEK	471,420	Stibor + interest margin 0.95–1.80%	3 + 2 years
Bank loan in EUR	27,000	Euribor + interest margin 1.15–1.80%	3 + 2 years
Bank loan in NOK	240,000	Nibor + interest margin 1.15–1.80%	3 + 2 years
Bank loan in DKK	240,008	Cibor + interest margin 1.15–1.80%	3 + 2 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 a fixed interest rate. These swaps mature on May 29, 2018.

Note 13 Acquisition of businesses

All of the shares in the Finnish company Resolute ISMS Oy were acquired on May 18, 2015. The purchase consideration amounted to SEK 129 million, of which SEK 70 million was contingent consideration.

The effects of the acquisition on the Group's financial position are specified below. The acquisition analysis is preliminary and the final analysis of acquired assets will take place within one year from the acquisition date.

No acquisitions took place in the preceding 2013/14 financial year.

Group	Identifiable assets and liabilities
Tangible assets	780
Inventories	5,856
Other current assets	18,404
Cash and cash equivalents	9,197
Other current liabilities	-17,068
Total identifiable assets and liabilities	**17,169**
Consolidated goodwill	112,052
Purchase consideration including estimated contingent consideration	**129,221**
Less:	
Cash balances (acquired)	-9,197
Estimated contingent consideration	-70,335
Net cash outflow	**49,689**

Income and earnings attributable to acquired company
The acquisition of Resolute during the year contributed a total of SEK 46 million to the Group's income and SEK 4 million to the Group's operating profit.

Goodwill
The preliminary acquisition analysis entailed that the acquired surplus value was deemed to be goodwill. Goodwill is deemed to be attributable to employee know-how and expected synergies. Goodwill is not deemed to be tax deductible.

Acquired assets and liabilities
The recognised, acquired assets and liabilities are deemed to correspond to the fair values, which is why they were not adjusted in the acquisition analysis.

Liability for contingent earn-out liability
The increase in the contingent earn-out liability comprises SEK 70 million pertaining to the acquisition of Resolute for the year. The decrease in the liability comprises payments for the year and pertains to acquisitions of businesses that were performed. The agreed contingent consideration pertaining to the acquisition of Resolute for the year is attributable to the earnings trend for the next two years.

Change in earn-out liability	14/15	13/14
Opening balance	**89,252**	**223,847**
Acquisition	70,335	-
Payment attributable to previous acquisitions	-88,342	-99,088
Change in value	-910	-39,035
Translation differences	-3,893	3,528
Closing balance	**66,442**	**89,252**

Note 14 Intangible assets

Group Goodwill	14/15	13/14
Opening cost	**1,660,706**	**1,582,737**
Acquisition of businesses	112,052	-
Change in performance-based earn-out liability	-	60,000
Final adjustment of acquisition analysis	-	-8,951
Exchange-rate differences	-1,151	26,920
Closing residual value according to plan	**1,771,607**	**1,660,706**

The goodwill in Dustin Group is attributable to acquisitions of new entities. Goodwill is allocated to cash-generating units. The cash-generating units are equal to a separate organisational entity in the Dustin Group. The remaining amount in the cash-generating units is based on value in use.

Group Goodwill per cash-generating unit	Aug 31, 2015	Aug 31, 2014
Dustin AB	998,149	998,149
Dustin A/S	257,755	249,730
IT-Hantverkarna	92,444	92,177
Dustin Norway AS	158,969	176,070
Businessforum Oy	149,531	144,580
Resolute ISMS Oy	114,759	-
Total	**1,771,607**	**1,660,706**

Impairment testing is performed every year or when indications of a potential decline in value are identified. When calculating the value in use of the cash-generating units, a discount rate of 9.1–9.8 per cent (10.5–12.3) after tax was used as specified below. The lower discount rate compared with the preceding year was mainly attributable to lower borrowing costs and a reduced size premium. In this year's impairment test, the estimated value exceeded the carrying amount and no impairment was recognised. The underlying estimates when calculating the value of the cash-generating units are based on management's cash flow forecasts for a period of five years. Cash flow for the ensuing years has been extrapolated by applying a growth assumption of 2.5 per cent. The main assumptions used by management in the calculation of forecasts of future cash flows are market growth, the cash-generating units' expected market shares, the trend in product margins and personnel costs. The estimated market was based on external industry estimates. The market share trend, product margin and personnel costs were determined based on previous experience.

A sensitivity analysis was performed on the applied growth assumption and discount rate. The analysis included a calculation involving the discount rate increasing 0–4.7 per cent and the growth assumption falling 0–7.5 per cent. The analysis did not result in any potential impairment requirements.

Group Cash-generating units	Discount rate before tax, % Aug 31, 2015	 Aug 31, 2014
Dustin AB	9.2	11.0
Dustin A/S	9.1	10.5
IT-Hantverkarna	9.2	10.5
Dustin Norway AS	9.8	10.5
Businessforum Oy	9.3	12.3

Note 14 Cont'd. Intangible assets

Group
Other intangible assets attributable to acquisitions

	Customer contracts		Brands		Total Group	
	Aug 31, 2015	Aug 31, 2014	Aug 31, 2015	Aug 31, 2014	Aug 31, 2015	Aug 31, 2014
Opening cost	**284,601**	**262,591**	**318,325**	**318,325**	**602,926**	**580,916**
Acquisition of businesses	-	-	-	-	**-**	**-**
Final adjustment of acquisition analysis	-	11,760	-	-	**-**	**11,760**
Divestments and disposals*	-12,696	-	-	-	**-12,696**	**-**
Exchange-rate differences	-14 697	10,250		-	**-14,697**	**10,250**
Closing accumulated cost	**257,208**	**284,601**	**318,325**	**318,325**	**575,533**	**602,926**
Opening amortisation	**-137,775**	**-88,878**	**-5,001**	**-4,637**	**-142,776**	**-93,515**
Amortisation for the year according to plan	-44,272	-48,314	-330	-364	**-44,602**	**-48,678**
Acquisition of businesses	-	-	-	-	**-**	**-**
Divestments and disposals*	12,696	-	-	-	**12,696**	**-**
Exchange-rate differences	6,503	-583	-	-	**6,503**	**-583**
Closing accumulated amortisation according to plan	**-162,848**	**-137,775**	**-5,331**	**-5,001**	**-168,179**	**-142,776**
Closing residual value according to plan	**94,360**	**146,826**	**312,994**	**313,324**	**407,354**	**460,150**

*Of divestments for the year, SEK 12,696 thousand pertains to disposals.

Brands refer to Dustin's brand (SEK 312 million) and other acquired brands related to IT-Hantverkarna (SEK 1 million). The Dustin brand has a carrying amount of SEK 312 million and was acquired in 2006. This brand has been assigned an indefinite life because the Dustin brand is well established and it is difficult to estimate when it will stop 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 amount. Individual assets may be tested more frequently if there are indications of impairment. The recoverable amounts of the cash-generating units were determined by using the value in use. The brand is part of the cash-generating unit "Dustin AB", see also the note on goodwill.

Group
Other intangible assets

	Capitalised IT development related to integrated IT platform		Other		Total Group	
	Aug 31, 2015	Aug 31, 2014	Aug 31, 2015	Aug 31, 2014	Aug 31, 2015	Aug 31, 2014
Opening cost	**111,664**	**88,584**	**221,849**	**220,238**	**333,513**	**308,822**
Purchases	15,278	23,080	3,297	2,597	**18,575**	**25,677**
Acquisition of businesses	-	-	-	-	**-**	**-**
Final adjustment of acquisition analysis	-	-	-	-	**-**	**-**
Reclassification	-2,464	-	-1,071	-	**-3,535**	**-**
Divestments and disposals*	-	-	-191,949	-1,520	**-191,949**	**-1,520**
Exchange-rate differences	-103	-	-577	534	**-680**	**534**
Closing accumulated cost	**124,375**	**111,664**	**31,549**	**221,849**	**155,924**	**333,513**
Opening amortisation	**-**	**-**	**-212,107**	**-207,776**	**-212,107**	**-207,776**
Amortisation for the year according to plan	-9,224	-	-5,013	-4,914	**-14,237**	**-4,914**
Acquisition of businesses	-	-	-	-	**-**	**-**
Reclassification	-	-	-	-	**-**	**-**
Divestments and disposals*	-	-	191,949	1,706	**191,949**	**1,706**
Exchange-rate differences	-	-	253	-1,123	**253**	**-1,123**
Closing accumulated amortisation according to plan	**-9,224**	**-**	**-24,919**	**-212,107**	**-34,143**	**-212,107**
Opening impairment	**-23,617**	**-**	**-**	**-**	**-23,617**	-
Impairment for the year		-23,617	-	-	**-**	**-23,617**
Closing impairment	**-23,617**	**-23,617**	**-**	**-**	**-23,617**	**-23,617**
Closing residual value according to plan	**91,534**	**88,047**	**6,630**	**9,742**	**98,164**	**97,789**

*Of divestments for the year, SEK 191,949 thousand pertains to disposals.

Note 15 Tangible assets

	Group						Parent Company	
	Cost of improvements on external property		Equipment		Total Group		Equipment	
	Aug 31, 2015	Aug 31, 2014	Aug 31, 2015	Aug 31, 2014	Aug 31, 2015	Aug 31, 2014	Aug 31, 2015	Aug 31, 2014
Opening cost	**23,924**	**22,433**	**57,918**	**51,679**	**81,842**	**74,112**	**65**	**65**
Purchases	3,332	1,344	5,620	6,058	8,952	7,402	-	-
Acquisition of businesses	-	-	780	-	780	-	-	-
Reclassification	-10,095	-	13,630	-	3,535	-	-	-
Divestments and disposals	-21	-	-21,461	-4,066	-21,482	-4,066	-	-
Exchange-rate differences	-107	147	-515	4,247	-622	4,394	-	-
Closing accumulated cost	**17,033**	**23,924**	**55,972**	**57,918**	**73,005**	**81,842**	**65**	**65**
Opening depreciation	**-18,079**	**-15,784**	**-45,385**	**-36,657**	**-63,464**	**-52,441**	**-65**	**-65**
Depreciation for the year according to plan	-2,129	-1,641	-8,458	-6,732	-10,587	-8,373	-	-
Reclassification	10,095	-	-10,095	-	-	-	-	-
Divestments and disposals	21	-	21,422	114	21,443	114	-	-
Exchange-rate differences	268	-654	437	-2,110	705	-2,764	-	-
Closing accumulated depreciation according to plan	**-9,824**	**-18,079**	**-42,079**	**-45,385**	**-51,903**	**-63,464**	**-65**	**-65**
Closing residual value according to plan	**7,209**	**5,845**	**13,893**	**12,533**	**21,102**	**18,378**	**-**	**-**

Note 16 Participations in Group companies

Parent Company's holding of participations	**Aug 31, 2015**	**Aug 31, 2014**
Opening cost	**1,221,663**	**1,161,663**
Earn-out liability	-	60,000
Closing cost	**1,221,663**	**1,221,663**

Company name	**Number of shares**	**Participation**	**Aug 31, 2015 Carrying amount**	**Aug 31, 2014 Carrying amount**
Dustin AB	25,000,000	100%	1,211,563	1,211,563
Dustin Financial Services AB	1,000	100%	10,100	10,100
Total			**1,221,663**	**1,221,663**

Company name	**Corp. Reg. No.**	**Domicile**	**Equity**	**Net profit**
Dustin AB	556237-8785	Stockholm	369,575	79,197
Dustin Financial Services AB	556740-9726	Stockholm	46,246	11,242

The following companies are included in the Group in addition to the Parent Company's direct holdings:

Company name	**Corp. Reg. No.**	**Proportion owned**
Dustin Sverige AB	556666-1012	100%
IT-Hantverkarna Sverige AB	556653-7311	100%
Dustin Norway AS	939483969	100%
Dustin A/S	26092183	100%
Businessforum Oy	0935141-3	100%
Resolute ISMS Oy	2362836-6	100%

Note 17 Prepaid expenses and accrued income

	Group		Parent Company	
	Aug 31, 2015	Aug 31, 2014	Aug 31, 2015	Aug 31, 2014
Prepaid expenses for suppliers	19,427	31,435	-	-
Accrued marketing subsidies	50,868	42,977	-	-
Accrued discounts from suppliers	22,951	28,376	-	-
Accrued lease income	6,711	-	-	-
Accrued income attributable to delivered but not invoiced	4,877	1,999	-	-
Other prepaid expenses and accrued income	7,759	6,361	1,103	-
Total	**112,593**	**111,148**	**1,103**	**-**

Note 18 Untaxed reserves

	Parent Company	
	Aug 31, 2015	Aug 31, 2014
Tax allocation reserve 2009	-	7,793
Total	**-**	**7,793**

Note 19 Taxes

	Group		Parent Company	
Tax expense	**14/15**	**13/14**	**14/15**	**13/14**
The following components are included in the tax expense in the income statement:				
Tax due to changes in tax assessment	164	-1,056	-	-55
Current tax	-39,074	-36,003	-	-
Deferred tax	4,451	15,900	-1,909	1,909
Recognised effective tax	**-34,459**	**-21,159**	**-1,909**	**1,854**
Recognised effective tax rate	21.6%	11.4%	22.7%	20.3%
Recognised profit before tax	159,415	184,889	8,393	-9,152
Reconciliation of effective tax rate				
Tax according to current tax rate	-35,071	-40,676	-1,846	2,013
Tax effect of:				
Non-deductible expenses	-976	-1,918	-45	-78
Non-taxable income	77	21,805	-	-
Standardised income attributable to tax allocation reserve	-146	-347	-11	-26
Adjustment of tax for previous years and others	-603	2,690	-7	-55
Difference in tax rate between Parent Company and subsidiaries	2,266	-2,713	-	-
Changed tax rate	-6	-	-	-
Recognised effective tax	**-34,459**	**-21,159**	**-1,909**	**1,854**

Note 19 Cont'd. Taxes

Deferred tax Group	Other fixed assets	Appropria-tions	Financial instru-ments	Deferred tax liabilities	Other fixed assets	Loss carry-forwards	Deferred tax assets
Opening balance, September 1, 2013	**114,650**	**33,820**	**156**	**148,626**	**8,419**	**-**	**8,419**
Recognised in income statement	-13,106	6,048	**-**	**-7,058**	4,142	4,700	**8,842**
Recognised in statement of financial position	2,478	-	**-**	**2,478**	**-**	**-**	**-**
Recognised in other comprehensive income	**-**	**-**	-2,711	**-2,711**	**-**	**-**	**-**
Closing balance, August 31, 2014	**104,022**	**39,868**	**-2,555**	**141,335**	**12,561**	**4,700**	**17,261**
Opening balance, September 1, 2014	**104,022**	**39,868**	**-2,555**	**141,335**	**12,561**	**4,700**	**17,261**
Recognised in income statement	-10,947	1,248	-	**-9,699**	-4,342	-1,688	**-6,030**
Recognised in statement of financial position	-	-	-	**-**	-	-	**-**
Recognised in other comprehensive income	-	-	-227	**-227**	-	-	**-**
Closing balance, August 31, 2015	**93,075**	**41,116**	**-2,782**	**131,409**	**8,219**	**3,012**	**11,231**

Provision for deferred tax is recognised in its entirety as a non-current liability. The Parent Company has a deferred tax asset amounting to SEK 0 (1,909 thousand).

Dustin has loss carry-forwards of SEK 11,846 thousand (24,781 thousand) in the Group and SEK 0 (8,678 thousand) in the Parent Company. The Group has an unrecognised deferred tax asset amounting to SEK 54 thousand (1,186 thousand). The Parent Company does not have any unrecognised deferred tax assets. Deferred tax assets and tax liabilities were classified as non-current and are expected to be utilised after one to three years.

Note 20 Accrued expenses and deferred income

	Group		Parent Company	
	Aug 31, 2015	**Aug 31, 2014**	**Aug 31, 2015**	**Aug 31, 2014**
Accrued personnel costs	89,320	78,318	39	121
Accrued expenses for suppliers	85,682	14,475	863	340
Accrued discounts to customers	3,330	2,643	-	-
Deferred lease income	21,262	13,520	-	-
Deferred marketing subsidies	5,663	2,139	-	-
Other accrued expenses and deferred income	21,644	30,650	3,468	478
Prepaid costs for integrated IT platform	-	20,013	-	-
Total	**226,901**	**161,758**	**4,370**	**939**

Note 21 Equity

Share capital
There is only one class of share in the Dustin Group and, accordingly, all shares carrying the same number of votes per share. The share capital was increased by warrants of SEK 91 million and a new share issues of SEK 129 million during the year.

Other contributed capital
This item pertains to equity that has been contributed by the owners. Other contributed capital was increased by a share premium reserve of SEK 241 million during the year.

Translation reserve
The translation reserve pertains to all exchange-rate differences arising on the translation of foreign operations that have prepared their financial statements in a currency other than SEK.

Hedge reserve
The hedge reserve includes the effective portion of the fair value measurement of derivatives that were entered into to hedge the variable interest rate on external bank loans.

Retained earnings
Retained earnings include net profit for the year and profit earned in the preceding year in the Parent Company and the Group's subsidiaries.

Note 22 Pledged assets and contingent liabilities

	Group		Parent Company	
	Aug 31, 2015	Aug 31, 2014	Aug 31, 2015	Aug 31, 2014
For loans and bank overdrafts				
Floating mortgages	80,750	96,300	-	-
Shares in subsidiaries	-	1,766,310	10,100	1,221,663
Other pledged assets				
Pledged accounts receivable	-	249,759	-	-
Mortgaged financial customer contracts	197,736	162,164	-	-
Total	**278,486**	**2,274,533**	**10,100**	**1,221,663**

During the fiscal year, Dustin has entered into a new credit facility. The new facility has refinanced earlier external debt and shareholder loans. Dustin has not pledged any collateral for its obligations under the agreement. Moreover, Dustin Financial Services AB (DFS) entered into a credit facility. Dustin has provided a parent company guarantee for DFS obligations under the DFS facility. Furthermore, DFS pledged all financial customer contracts (leases), which pawned in accordance with the terms of the DFS facility. Primarily, these are pledged to Nordea Finans Sweden AB (publ) and secondly to Nordea Bank AB (publ).

Note 23 Cash-flow statement

	Group		Parent Company	
Adjustment for non-cash items	Aug 31, 2015	Aug 31, 2014	Aug 31, 2015	Aug 31, 2014
Depreciation of tangible assets	10,587	8,373	-	-
Amortisation of intangible assets	58,839	53,592	-	-
Impairment of intangible assets, integrated IT platform	-	23,617	-	-
Exchange-rate differences	-5 055	-555	2,201	-
Change in value of contingent earn-out liability	-	-99,035	-	-
Total	**64,371**	**-14,008**	**2,201**	**-**

	Group		Parent Company	
Interest paid and dividends received	Aug 31, 2015	Aug 31, 2014	Aug 31, 2015	Aug 31, 2014
Interest received	2,084	2,102	988	23
Interest paid	-56,274	-61,934	-46,638	-45,267
Total	**-54,190**	**-59,832**	**-45,650**	**-45,244**

	Group	
Cash flow from lease portfolio, Financial Services	Aug 31, 2015	Aug 31, 2014
Investments		
Acquisitions of lease assets	-148,574	-178,710
Depreciation/amortisation	103,383	95,504
Total	**-45,191**	**-83,206**
Financing		
New borrowings	-185,760	-174,204
Repayment of instalment	217,700	122,063
Total	**31,940**	**-52,141**

Note 24 Related-party transactions

Transactions with former and current shareholders	Group	
	Aug 31, 2015	Aug 31, 2014
Recognised in statement of financial position		
Long-term and short-term borrowing	-	-209,808
Accumulated capitalised interest	-	-234,442
Recognised in comprehensive income		
Net sales to related parties	-	-
Finance expenses to related parties	-21,131	-40,859

Transactions with related suppliers and customers

Dustin has transactions with suppliers and customers that have been defined as related parties. These transactions are normal business transactions and the amounts have not been deemed to be material to the Group and thus are not presented. For information regarding remuneration of senior executives, see Note 7.

Note 25 Significant events after the balance-sheet date

New Nordic partnership agreement

Dustin has decided to consolidate its financial offering to the B2B market in all Nordic countries through a partnership agreement with De Lage Landen Finans AB (DLL). In conjunction with this, the lease portfolio in Dustin's lease operations was divested to DLL. The transaction was completed on November 2, 2015, according to the agreement. The sales value of the lease portfolio corresponded to the carrying amount. At the same time, Dustin also signed a three-year Nordic partnership agreement with DLL, whereby Dustin receives remuneration from DLL for future contracts.

Acquisitions of subsidiaries

After the end of the period, Communication & Security i Mälardalen AB (Commsec) was acquired, a small Swedish company that supplies network and security solutions. With the acquisition of Commsec and the previously acquired Finnish company Resolute ISMS Oy, Dustin will gain a Nordic platform that will enable the company to expand and meet the increasing demand in networks and security. The company was consolidated with the Group from October 1, 2015. The company has about 20 employees and sales of approximately SEK 33 million for 2014/15.

The Group's financial position at August 31, 2015 has not been impacted by the above events after the balance-sheet date.

Note 26 Financial risks and important estimates and assessments

Financial risks

Financial risks are managed by the Group's central finance department in accordance with the policy that is adopted annually by the Board of Directors. A description of the management of identified financial risks for the Group is provided below.

Foreign exchange risk

Foreign exchange risk is the risk that foreign exchange rates will negatively impact the income statement, the balance sheet and cash flow. Risks is divided into transaction exposure and translation exposure. Transaction exposure refers to risks associated with purchases and sales in foreign currencies. Translation exposure refers to the exposure of the net assets of the foreign subsidiaries in Denmark, Finland and Norway.

Transaction exposure is limited since the Group primarily operates in the Scandinavian market. In addition, purchases and sales primarily take place in local currencies. Since the risk is considered limited, transactions in foreign currencies are not normally hedged.

The net assets in DKK, EUR and NOK were partly hedged by raising external loans in each currency. The loans for each currency are presented in Note 12.

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 products are sold only to customers with a good payment history. The Group's credit policy includes various credit limits, depending on the size and risk category of the company, and requirements and procedures for doubtful accounts receivable. Credit rating checks are performed on all customers via a direct connection to credit-rating 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 carrying amount recognised in the balance sheet for each financial asset. Dustin has historically had low bad debt losses.

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 its current and short-term payment obligations.

The Group has adopted a finance policy that ensures short and long-term cash flow planning. 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 had been fulfilled as per August 2015. The short and long-term borrowing is specified in the supplementary 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 rate of external bank loans.

Variable interest is hedged (interest-rate swaps) and the Group applies hedge accounting. Interest-rate swaps entail 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 2015, the Group had external bank loans denominated in SEK, NOK and EUR and these are specified in the supplementary disclosures, see Note 12.

Important estimates and assessments

The preparation of these financial statements involves management making estimates and assessments about the future. These assumptions and estimates are based on historical experience and other factors considered for these important areas, and the estimates and assessments are evaluated continuously. The identified important estimates are described below.

Goodwill impairment

The calculated recoverable amount of identified cash-generating units is based on a number of assessments and estimates. Changes to these could result in significant changes in the recoverable amount. The most important factors are growth margin and the discount rate. A lower rate of growth and weaker margin could result in a lower recoverable amount. The same applies if the discount rate were to be increased. The impairment tests for the current financial year did not indicate any impairment requirement.

Note 26 Cont'd. Financial risks and important estimates and assessments

Performance-based contingent earn-out liability

The performance-based earn-out liability includes supplementary purchase considerations for acquisitions of new entities. These earn-outs are based on the future financial performance 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. The earn-out liability for the preceding year was settled during the year. The acquisition of Resolute ISMS Oy during the year led to an increase in the earn-out liability of SEK 70 million on the acquisition date. For further information regarding earn-out liabilities, see Note 13 Acquisition of businesses.

Divestment of lease operations

As stated under "Events after the balance-sheet date state," Dustin divested its lease portfolio to Dustin Financial Services AB on November 2, 2015. This transaction was treated as an event after the balance-sheet date that did not affect the financial reports as per August 31, 2015. The divested operations are not deemed to be assets held for sale as per the balance-sheet date since at that time the transaction was not considered to be probable.

Stockholm, November 26, 2015

Fredrik Cappelen
Chairman

Tomas Franzén

Stefan Linder

Mattias Miksche

Risto Siivonen

Maija Strandberg

Georgi Ganev
CEO

Our audit report was submitted on November 26, 2015
Ernst & Young AB

Jennifer Rock-Baley
Authorized Public Accountant

Auditor's report

To the Annual General Meeting of the shareholders of Dustin Group AB, corporate identity number 556703-3062

Report on the annual accounts and consolidated accounts

We have audited the annual accounts and consolidated accounts of Dustin Group AB for the financial year 2014-09-01–2015-08-31, except for the corporate governance statement on pages 35-39. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 27–74.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act and of the consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 August 2015 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 August 2015 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 35-39. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the Annual General Meeting of shareholders adopt the income statement and balance sheet for the parent company and the group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Dustin Group AB for the financial year 2014-09-01–2015-08-31. We have also conducted a statutory examination of the corporate governance statement.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. The Board of Directors and the Managing Director are responsible for administration under the Companies Act and that the corporate governance statement on pages 35-39 has been prepared in accordance with the Annual Accounts Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence which we have obtained is sufficient and appropriate in order to provide a basis for our opinions.

Furthermore, we have read the corporate governance statement and based on that reading and our knowledge of the company and the group we believe that we have obtained a sufficient basis for our opinion. This means that our statutory examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

Opinions

We recommend to the Annual General Meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

A corporate governance statement has been prepared, and its statutory content is consistent with the other parts of the annual accounts and the consolidated accounts.

Stockholm, November 26, 2015
Ernst & Young AB

Jennifer Rock-Baley
Authorized Public Accountant

2014/15 Annual General Meeting

Dustin's Annual General Meeting will be held on Tuesday, January 19, 2016 at 2:00 p.m. at Biografen Grand, Sveavägen 45 in Stockholm, Sweden. Registration will begin from 1:00 p.m.

Participation

Shareholders wishing to participate at the Annual General Meeting must:

- be entered in the share register maintained by Euroclear AB not later than Wednesday, January 13, 2016
- notify the company of their attendance via e-mail: gm@dustingroup.com or by post to Dustin Group AB (publ), Att: Bolagsstämma, Box 1194, SE-131 27 Nacka Strand, Sweden, not later than Wednesday, January 13, 2016

In their notification to the company, shareholders must state their name, personal identity number or corporate registration number, address and telephone number, registered shareholdings and, where applicable, information regarding proxies and assistants.

If participation is to take place based on a power of attorney, such power of attorney must be dated and signed. The original power of attorney must be sent to Dustin Group AB at the address above in well in advance of the General Meeting.

Power of attorney forms are available at http://www.dustingroup.com/sv/bolagsstamma. Representatives of legal entities must present a certified copy of the registration certificate or equivalent documents of authorisation.

Shareholders are to present identification when registering their arrival at the Meeting.

The notice and other information will be available at http://www.dustingroup.com/sv/bolagsstamma not later than four weeks prior to the Annual General Meeting.

Trustee-Registered Shares

To be entitled to participate at the General Meeting, shareholders who have their shares registered with a trustee must temporarily re-register the shares in their own name in the share registered held by Euroclear Sweden AB prior to Wednesday, January 13, 2016. A request to the trustee for registration in the shareholder's own name should be made well in advance of this date.

Definitions

Return on equity: Net profit for the year as a percentage of equity at the close of the period.

B2B Pertains to all sales to companies and organisations.

B2C Pertains to all sales to consumers.

Gross margin: Gross profit as a percentage of net sales.

Central functions: Includes all non-allocated central expenses, including depreciation/amortisation.

Equity per share: Equity at the close of the period as a percentage of the number of shares at the close of the period.

Adjusted EBITA: EBIT before items affecting comparability, and amortisation and impairment of intangible assets.

Adjusted EBITDA: Operating profit before depreciation/amortisation and impairment and items affecting comparability.

Adjusted EBITA margin: EBITA as a percentage of net sales.

Adjusted EBITDA margin: EBITDA as a percentage of net sales.

Cash flow from operating activities: Cash flow from operating activities, after changes in working capital.

Cash flow from operating activities per share: Cash flow from operating activities as a percentage of the average number of shares outstanding.

Cash-generating: Operating cash flow as a percentage of adjusted EBITDA.

Net working capital: Total current assets less cash and cash equivalents, current financial lease assets and current non-interest-bearing liabilities.

Net debt: Non-current and current interest-bearing bank liabilities, acquisition-related liabilities less cash and cash equivalents and receivables from financial leasing.

Organic growth: Change in net sales for comparable units adjusted for currency effects.

Operating cash flow: Adjusted EBITDA less maintenance investments and cash flow from changes in working capital.

Earnings per share: Net profit in SEK as a percentage of the average number of shares.

Equity/assets ratio: Equity at the close of the period as a percentage of total assets at the close of the period.

Segment results: The segment's operating profit excluding amortisation/depreciation and items affecting comparability.

Capital employed: Working capital plus total assets, excluding goodwill and other surplus values and receivables pertaining to financial leasing (interest-bearing).