



TRADEDOUBLER INTERIM REPORT
JANUARY – SEPTEMBER 2018

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The third quarter July - September 2018

- Net sales amounted to SEK 292 M (258). Net sales adjusted for change related items were SEK 292 M (258), an increase of 14% or 5% adjusted for changes in exchange rates.
- Gross profit adjusted for change related items was SEK 65 M (60), an increase of 8% or 0% adjusted for changes in exchange rates. Gross margin adjusted for change related items was 22.3% (23.4).
- Operating costs excluding depreciation and change related items were SEK 52 M (54), a decrease of 3%.
- EBITDA amounted to SEK 12 M (10). Adjusted for change related items, EBITDA was SEK 13 M (7).
- Capitalised expenses for product development were SEK 5 M (5).
- Cash flow from operating activities was SEK -2 M (-29) and the sum of cash and interest-bearing financial assets was SEK 47 M (61) at the end of the third quarter. Net cash in the third quarter decreased by SEK 8 M to SEK -69 M.
- Earnings per share, before and after dilution were SEK 0.03 (0).

The interim period January - September 2018

- Net sales amounted to SEK 863 M (878). Net sales adjusted for change related items were SEK 863 M (878), which was a decrease of 2%.
- Gross profit adjusted for change related items was SEK 196 M (195), an increase of 1% or a decrease of 5% adjusted for changes in exchange rates. Gross margin adjusted for change related items was 22.7% (22.2).
- Operating costs excluding depreciation and change related items were SEK 168 M (178), a decrease of 6%.
- EBITDA amounted to SEK 25 M (17). Adjusted for change related items, EBITDA was SEK 28 M (17).
- Capitalised expenses for product development were SEK 13 M (15).
- Cash flow from operating activities was SEK -11 M (-84).
- Earnings per share, before and after dilution were SEK 0.24 (0).
- In March Tradedoubler announced a tender offer and a written procedure of its outstanding bonds due in 2018.
- The final result of the tender offer and written procedure was announced in April where the request received acceptance by 100 per cent. Approx. 96 per cent of the adjusted nominal amount participated in the written procedure and approx. 95 per cent of the adjusted nominal amount did also tender their bonds. Payment to the bondholders was made on May 16 2018.

- In May Tradedoubler signed a new financing agreement with a Swedish credit institution of SEK 71. In addition, the company entered into a loan agreement with its principal owner Reworld Media S.A for SEK 40 M. Tradedoubler also announced that conditions are examined for a preferential share issue in the nearer future. The conditions have now been examined and it is concluded not to do this now, however the company keeps the option open to act if needed in the future.

Important events after the balance sheet date

- On 10 October 2018 Tradedoubler received a letter of intent from its largest shareholder Reworld Media S.A concerning an indicative interest concerning a public takeover offer for the company's shares.

FINANCIAL OVERVIEW

SEK M	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Change in %	Full year 2017
Net sales adjusted for change related items	292	258	863	878	-1.7%	1,173
Gross profit adjusted for change related items	65	60	196	195	0.6%	260
Gross margin (%)	22.3%	23.4%	22.7%	22.2%		22.2%
Operating costs excl. depr. and change related costs	-52	-54	-168	-178	-5.6%	-239
EBITDA adjusted for change related items	13	7	28	17		22
EBITDA-margin (%)	4.4%	2.6%	3.3%	2.0%		1.8%
Change related items ¹	-1	4	-3	0		2
EBITDA	12	10	25	17		23
Operating profit (EBIT)	6	4	8	0		-4
Net profit	2	0	12	0		-10
Net investments in non-financial fixed assets	-5	-5	-13	-15		-18
Cash flow from operating activities	-2	-29	-11	-84		-74
Liquid assets incl. financial investments, at period's end	47	61	47	61		69
Net cash ² , at period's end	-69	-72	-69	-72		-64

¹ For more information regarding change related items see page 10

² Current investment and liquid assets less interest-bearing liabilities

CEO Matthias Stadelmeyer's comments

"Tradedoubler's results in the third quarter 2018 are on similar levels as in the second quarter with some further improvements on revenue and EBITDA. The results confirm the improved trend we see in our business.

The positive development of revenue with a currency adjusted increase of 5 per cent in Q3 compared to the same quarter last year is linked to additional business both from new and from existing clients. As the new business we won is from larger clients it has lower margins which is the reason for a lower effect on gross profit and a slightly decreased margin compared to last year.

Stable gross profit of SEK 65 M and lower operational costs of SEK 52 M result in an EBITDA of SEK 13 M. The improvement on costs is linked to previously taken measures to improve our way of working as well as to seasonality in Q3. The cost base we work on now in 2018 is generally on the level we expect it to be which is also the case for capitalised expenses.

As previously communicated we examined the conditions of implementing a preferential share issue. While we concluded not to do this now, we keep the option open to act if we think it is needed in the future."

Stockholm – 8 November 2018

Matthias Stadelmeyer



Tradedoubler - Connect and Grow

For advertisers and publishers, who want to grow their business, Tradedoubler offers performance marketing and technology solutions powering a unique network of connections. Combining 19 years of digital marketing innovation and expertise, global presence and a market leading technology platform we offer tailored performance solutions based on our clients' needs.

- **Industry-leading affiliate marketing network:** Affiliate marketing is a risk-free solution for advertisers looking to increase sales or leads as they only pay for results.
- **Private-label partner management platform:** Our award winning technology platform allows advertisers, publishers or agencies to manage partnerships directly themselves or setup and run their own private affiliate network.
- **Campaign management:** We offer performance-based campaigns tailored to our client's needs and based on programmatic and non-programmatic inventory. From lead generation to display, native advertisement, video and app install.
- **Market-leading business intelligence:** Data driven insights including user journey reporting and analysis to optimize digital ad spend for the best return across all channels.

Building and growing relations is our lifeblood and our key expertise for almost 20 years. 260 employees based in 15 offices connect advertisers and publishers in more than 80 countries around the globe to grow their business.

With our performance marketing solutions and through our network of 180.000 publishers we have generated over 8 billion Euro in revenue, more than 3 billion clicks and 58 million conversions for our clients in 2017.

The Group's Results

If not explicitly stated, the disclosed financial information refers to reported numbers that are not adjusted for change related items nor changes in exchange rates. For more information regarding change related items see page 10.

Consolidated net sales during the interim period were SEK 863 M (878), which was a decline of 2 per cent or 7 per cent adjusted for changes in exchange rates.

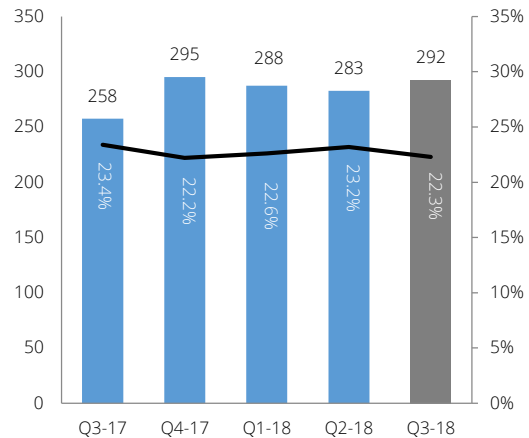
Consolidated net sales during the third quarter were SEK 292 M (258), which was an increase of 14 per cent or 5 per cent adjusted for changes in exchange rates. The increase is mainly related to strong growth within the operational segments Nordics and France & Benelux.

Gross profit during the interim period was SEK 196 M (195), which was an increase of 1 per cent or a decrease of 5 per cent adjusted for changes in exchange rates.

Gross profit during the third quarter was SEK 65 M (60) which was an increase of 8 per cent or 0 per cent adjusted for changes in exchange rates. The growth is somewhat lower compared to the net sales growth due to margin pressure from the existing customer base.

Gross margin, adjusted for change related items, was during the interim period 22.7 per cent (22.2) and 22.3 per cent (23.4) during the third quarter.

NET SALES (SEK M) / GROSS MARGIN (%), adjusted for change related items



Operating costs, excluding depreciation, amounted to SEK 171 M (178) during the interim period. Operating costs, excluding change related items and depreciation, were SEK 168 M (178). This was a decrease of 6 per cent or 9 per cent adjusted for changes in exchange rates.

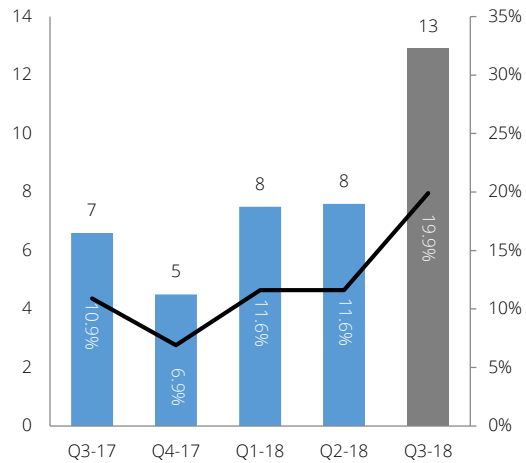
Operating costs, excluding depreciation, amounted to SEK 54 M (50) during the third quarter. Operating costs, excluding change related items and depreciation, were SEK 52 M (54). This was a decrease of 3 per cent or 9 per cent adjusted for changes in exchange rates. The reduced costs are a result of the reduction of the number of employees and various efficiency projects that have been put in place and are finalised by now.

Operating profit before depreciation and amortisation (EBITDA) during the interim period was SEK 25 M (17). Adjusted for change related items, EBITDA was SEK 28 M (17). Depreciation and amortisation was SEK 17 M (16) and operating profit (EBIT) amounted to SEK 8 M (0.3).

Operating profit before depreciation and amortisation (EBITDA) in the third quarter was SEK 12 M (10). Adjusted for change related items, EBITDA was SEK 13 M (7). This was the tenth consecutive quarter with positive EBITDA after adjustment for change related items.

Depreciation and amortisation was SEK 5 M (7) and operating profit (EBIT) amounted to SEK 6 M (4).

EBITDA (SEK M) / EBITDA/GP (%),
adjusted for change related items



Net financial items during the interim period were SEK 5 M (5) where of exchange rates effects were SEK -1.8 M (-1.9). Financial income and expenses amounted to SEK 7 M (6) and were affected by interest income, interest expenses and profit on repurchase of own bonds below nominal value.

Net financial items in the third quarter were SEK -4 M (-2.9) where of exchange rates effects were SEK 0.6 M (-0.2). Financial income and expenses amounted to SEK -5 M (-2.6).

Profit after tax for the interim period amounted to SEK 11 M (0), corporate income tax was SEK -2.4 M (-5). In the third quarter corporate income tax was SEK -0.9 M (-1) and profit after tax was SEK 1.5 M (0).

Operational segments

If not explicitly stated, the disclosed financial information refers to reported numbers that are not adjusted for change related items nor changes in exchange rates. For more information regarding change related items see page 10.

Tradedoubler's operational segments is presented at a regional level where Tradedoubler's segments consists of DACH (Germany, Switzerland and Austria), France & Benelux (France and Netherlands), Nordics (Sweden, Norway, Denmark, Finland and Poland), South (Italy, Brazil and Spain) and UK & Ireland (UK).

Net sales

Net sales during the interim period amounted to SEK 863 M (878), which was a decrease of 2 per cent or 7 per cent adjusted for changes in exchange rates.

Net sales during the third quarter amounted to SEK 292 M (258), which was an increase of 14 per cent or 5 per cent adjusted for changes in exchange rates. The largest contributing factor to the increase is related to the operational segments Nordics and France & Benelux. The remaining segments still report negative growth when adjusting for changes in exchange rates.

EBITDA

All segments report higher EBITDA compared to the same quarter last year. This is mainly explained by efficiency improvements and increased revenue in some of the segments.

Costs for group management and support functions during the interim period amounted to SEK 49 M (43), an increase of 16 per cent or 15 per cent adjusted for changes in exchange rates. Costs during the third quarter were SEK 16 (7), an increase of 120 per cent or

114 per cent adjusted for changes in exchange rates, which is explained by the positive revaluation of contingent additional purchase price in the acquisition of R-Advertising that affected the result in the third quarter 2017.

SEK M	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Net Sales					
DACH	33	34	105	126	165
France & Benelux	79	67	232	222	301
Nordics	85	66	247	219	304
South	38	36	110	111	150
UK & Ireland	57	55	169	200	254
Total Net Sales	292	258	863	878	1,173
EBITDA					
DACH	3	2	13	11	14
France & Benelux	8	3	19	11	16
Nordics	7	5	17	17	23
South	6	5	15	15	19
UK & Ireland	3	2	11	5	6
Total	27	18	74	59	79
Group mgmt & support functions	-16	-7	-49	-43	-55
Total EBITDA	12	10	25	17	23
Depreciation and impairment	-5	-7	-17	-16	-28
Operating profit as in consolidated income statement	6	4	8	0	-4
EBITDA/Net sales, %					
DACH	9.5	7.3	12.2	8.5	8.7
France & Benelux	10.6	3.9	8.4	4.9	5.2
Nordics	8.0	7.9	6.7	7.7	7.7
South	15.2	13.9	13.3	13.9	12.8
UK & Ireland	5.4	4.1	6.9	3.7	4.0
Total EBITDA Margin	3.9	4.1	2.9	1.9	2.0

Segments include change related items, see page 10 for more details about the segments affected.

CASH FLOW

Cash flow from operating activities before changes in working capital amounted to SEK -4 M (-11) during the interim period and related to EBITDA reduced with paid taxes, paid interest and non-cash items. Changes in working capital were SEK -7 M (-73). During the second quarter Tradedoubler paid SEK 12 M to the Spanish tax authority, an amount assessed as outstanding tax in a tax audit of the Spanish subsidiary for the years 2011-2012

Net investments in tangible and intangible assets during the interim period, mainly related to product development, amounted to SEK 13 M (15). Cash flow amounted to SEK -23 M (-117) and net cash decreased by SEK 5 M (88).

Cash flow from operating activities before changes in working capital was SEK 7 M (-7) in the third quarter 2018 and related to EBITDA reduced with paid taxes, paid interest and non-cash items. Changes in working capital were SEK -9 M (-22).

Net investments in tangible and intangible assets during the third quarter, mainly related to product development, amounted to SEK 5 M (5). Cash flow amounted to SEK -7 M (-35). Net cash decreased with SEK 8 M (37).

Tradedoubler previously invested parts of the proceeds from the bond issue in December 2013 in interest bearing financial instruments. At the end of the third quarter 2018 a total of SEK 0 M (10) was placed in interest bearing financial instruments.

FINANCIAL POSITION

Cash and cash equivalents at the end of the interim period 2018 amounted to SEK 47 (51) M and were affected by translation differences of SEK 1.7 M (-1.5). In addition, SEK 0 M (10) was invested in interest-bearing financial instruments. The sum of cash and cash equivalents and interest-bearing financial assets was therefore SEK 47 M (61). Interest-bearing liabilities amounted to SEK 114 M (133) and related to the loan

agreements signed in May. SEK 71 M (of which book value amounts to SEK 69 M at the end of the interim period) refers to the loan with a Swedish credit institution, the loan has a contractual term of three years at marked fixed interest rate where customary financial covenants exist. SEK 40 M is related to the loan with the principal owner Reworld Media, which has been signed on similar terms as the loan with the credit institution, with the exception of covenants. In addition, the remainder of the five-year unsecured bond issue with maturity date in the fourth quarter 2018. Net cash hence amounted to SEK -69 M (-72) at the end of the interim period 2018.

As previously communicated Tradedoubler has examined the conditions of implementing a preferential share issue. The company has decided to not do this now, but to keep the option open to act if needed in the future.

Consolidated shareholders' equity amounted to SEK 233 M (208) at the end of the interim period 2018 and the equity/asset ratio was 31.9 per cent (30.2). The return on equity during the rolling 12 months ending September 2018 was 0.4 per cent (neg).

CHANGE RELATED ITEMS

For comparability reasons and to indicate the underlying performance, Tradedoubler adjust for change related items. The following items affect the comparability in this report.

During the interim period 2018 change related items amounted to SEK -2.8 M and related to reduced costs for the long-term incentive programme of SEK 0.7 M (Group Management), severance payments of in total SEK -2.9 M split over all segments and a revaluation effect in the contingent additional purchase price regarding R-Advertising acquisition of SEK -0.6.

During the interim period 2017 change related items amounted to SEK -0.4 M which related to costs for the long-term incentive programme of SEK -0.6 M (Group management), cost for renovation of old office of SEK -0.5 (France & Benelux), severance payments of SEK -2 M

(UK & Ireland), SEK -2 M (France & Benelux), SEK -1 (DACH) and SEK -0.5 M (Group management) and a revaluation of contingent additional purchase price regarding R-Advertising acquisition of SEK 6 M.

SEASONAL VARIATIONS

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

THE PARENT COMPANY

The parent company's net sales amounted to SEK 52 M (50) during the interim period and to SEK 18 M (13) during the third quarter. Revenue primarily consisted of internal licensing revenue to subsidiaries.

Operating profit (EBIT) was SEK -9 M (-11) during the interim period and SEK -1 M (-1.7) during the third quarter.

Net financial items amounted to SEK 9 M (10) during the interim period and to SEK 0.4 M (2.1) during the third quarter. Dividends from group companies impacted the interim period with SEK 6 M (5). Changes in exchange rates impacted with SEK -3 M (-0.5).

Corporate taxes were SEK 0 M (0) during the interim period and SEK 0 M (0) during the third quarter. Profit after tax was SEK -0.2 M (-0.8) during the interim period and SEK -0.5 M (0.4) during the third quarter.

The parent company's receivables from group companies amounted to SEK 95 M (68) at the end of the third quarter 2018, of which none (0) were non-current. The parent company's liabilities to group companies were SEK 68 M (58), of which none (0) were non-current. Cash and cash equivalents amounted to SEK 20 M (24) at the end of the interim period 2018.

During the fourth quarter 2013 the parent company issued a bond loan with the nominal value of SEK 250 M, which matures during the fourth quarter 2018. Tradedoubler have repurchased parts of its own bond hence the remaining nominal value at the end of the first quarter 2018 amounted to SEK 7 M.

Deferred tax assets amounted to SEK 14 M (14) at the end of the interim period 2018 and related to previous Group loans. No capitalisation of deferred tax on loss has been made since the assessment of the possibility of using deferred tax on loss carry forwards is unchanged compared to previous period.

EMPLOYEES

At the end of the third quarter 2018, Tradedoubler's staff corresponded to 244 (283) full-time equivalents (FTE) and included permanent and temporary employees as well as consultants.

RISKS AND UNCERTAINTY FACTORS

Tradedoubler divides risks into market-related risks, operational risks, financial risks and legal risks. These risks are described on page 7 in the 2017 Annual Report. No significant risks and uncertainty factors have arisen in addition to those described in the 2017 annual report.

CRITICAL ESTIMATES AND JUDGEMENTS

For information regarding critical estimates and judgements in the financial statements, see note C2 in the 2017 annual report. No critical estimates or judgements are considered to have arisen since the latest submitted annual report.

TRANSACTIONS WITH RELATED PARTIES

Aside from transactions in the normal course of business, to board and senior executives the following third party transactions have occurred during the first quarter 2018. Reworld Media has, as a publisher in France received remuneration of 33 KEUR. Since January 2016 Reworld Media is providing HR-support to the French subsidiary at a cost that currently amounts to 4

KEUR per month. Reworld Media has during 2018 been invoiced for purchased services from Tradedoubler France of 50 KEUR in total and from R-Advertising of 373 KEUR in total. Since mid-September 2017 the French Tradedoubler subsidiary is based in the Reworld Media office. In May Tradedoubler entered into a loan agreement with Reworld Media of SEK 40 M on market terms, interest expense during the interim period amounted to 2 MSEK. The arm's length principle has been applied on all of these transactions.

ANNUAL GENERAL MEETING

The Annual General Meeting was held on 3 May 2018 at the company's premises on Birger Jarlsgatan 57A. Pascal Chevalier, Gautier Normand, Nils Carlsson, Jérémy Parola and Erik Siekmann were re-elected as board members. Pascal Chevalier was re-elected as chairman of the board of directors.

The annual general meeting resolved on remuneration to the board of directors where remuneration of SEK 763,000 shall be paid to each of Pascal Chevalier and Gautier Normand, and remuneration of SEK 180,000 shall be paid to each of Nils Carlsson, Jérémy Parola and Erik Siekmann. The annual general meeting resolved to re-elect EY as auditor until the close of the next AGM.

The annual general meeting resolved to authorise the board of directors, until the next annual general meeting, on one or several occasions, with or without deviation from the shareholders' preferential rights, to resolve on new issues of shares, warrants and/or convertibles to a maximum fifty (50) per cent of the total number of outstanding shares in the company per the date of the annual general meeting notice. The authorization shall also include the right to resolve on new issues where the shares, warrants or convertibles are to be paid for with non-cash consideration, through set-off or otherwise with conditions pursuant to the Swedish Companies Act. Cash or offset issues deviating from shareholders' preferential right must take place on market terms.

The annual general meeting resolved to authorise the board of directors, until the next annual general

meeting, on one or several occasions, to resolve on the acquisition of a maximum number own shares so that, after the purchase, the company holds not more than ten per cent of the total number of shares in the company.

The annual general meeting resolved to authorise the board of directors, until the next annual general meeting, on one or several occasions, to resolve on the transfer of shares in the company. The shares may only be transferred in conjunction with the financing of company acquisitions and other types of strategic investments and acquisitions, and the transfers may not exceed the maximum number of shares held by the company at any given time.

For more information, minutes from the Annual General Meeting is available on www.tradedoubler.com/en/about/investors/corporate-governance/annual-general-meeting/

The Annual General Meeting 2019 will be held on 15 May 2019 at Tradedoubler's premises on Birger Jarlsgatan 57 A, Stockholm.

FOREIGN EXCHANGE RISK

Foreign exchange risk refers to the risk that changes in exchange rates may affect the consolidated income statement, balance sheet and cash flow statement. Foreign exchange risk exists in the form of transaction risk and translation risk. Tradedoubler is exposed to foreign exchange risk in 14 countries involving eight different currencies, with Euro (EUR) and British pounds (GBP) representing the majority share. During the third quarter 2018 approximately 52 (52) per cent of group sales were made in EUR and approximately 19 (21) per cent in GBP. Approximately 42 (53) per cent of the group's operational costs were in EUR and approximately 14 (16) per cent in GBP. Net investments in foreign currency or transaction risks are not currently hedged. Exposure attributable to exchange rate fluctuation in client and supplier invoices is limited since invoicing to customers and from suppliers largely occurs in local currency for all companies in the group.

Miscellaneous

Significant events after the balance sheet date

On 10 October 2018 Tradedoubler received a letter of intent from its largest shareholder Reworld Media S.A concerning an indicative interest concerning a public takeover offer for the company's shares. Besides an indicative interest and that such offer could be announced in early November, the letter does not contain any price indications or other terms and conditions for a potential offer.

Accounting policies

This interim report is prepared in accordance with IAS 34, interim financial reporting and the Swedish annual accounts act. In addition to changes in the outstanding bond loan, the extent and nature of financial assets and liabilities are of the same nature and level as reported on 31 December 2017. Financial liabilities carrying values are the same as the fair values. No new or amended standards have been applied in 2018.

For information on the accounting policies applied, see the 2017 annual report.

IFRS 16 Leases replaces IAS 17 from January 1, 2019. According to the new standard, the lessee must report the obligation to pay leasing fees as a lease liability in the balance sheet. The right to use the underlying asset during the lease period is reported as an asset. Depreciation of the asset is reported in the income statement as well as interest on the lease liability. Remaining leasing fees are reported partly as payment of interest and partly as amortization of leasing debt, which will affect the financial position and key ratios. Tradedoubler are currently analysing the effects of the new standard. The standard excludes leases with a lease term of less than 12 months and lease contracts for which the underlying asset is of low value. From 1 January 2019, Tradedoubler will apply IFRS 16 according to the modified retrospective approach, which means that it will be reported retroactively with the cumulative

effect of an initial application of the standard on the first date of application. The company's operational leasing agreements are mainly related to leasing of office premises.

The share

The total number of shares at the end of the interim period 2018 was 45,927,449 (45,927,449), of which 1,060,473 (2,010,473) were in own custody after use of own shares in the third quarter for the final contingent additional purchase price in the R-Advertising acquisition. The average number of outstanding shares during the interim period 2018 was 43,941,606 (43,447,487).

Earnings per share, before and after dilution, amounted to SEK 0.24 (0) during the interim period and to SEK 0.03 (0) during the third quarter. Equity per share amounted to SEK 5.08 (4.53) at the end of the interim period.

The share price closed at SEK 2.70 on the final trading day of the interim period 2018, which was lower than at year-end 2017 when the share price closed at SEK 3.15.

Long-term incentive programme

The annual general meeting 2015 resolved on a share price related incentive programme for senior executives. Allocation in the programme was contingent upon that the share price, including dividends, in Tradedoubler increased with more than 100 per cent during the performance period starting on 1 June 2015 and ending 31 May 2018. This requirement was not met and thus no allocation was granted in the programme.

Long term financial targets

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

Annual report

The annual report 2017 is available on Tradedoubler´s website. Shareholders who would like to receive the annual report by post are requested to contact Tradedoubler at ir@tradedoubler.com or by telephone +46 8 405 08 00.

Financial information

Year-end report 2018 7 February 2019

Interim report Jan-Mar 2018 15 May 2019

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English version

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

Other

Tradedoubler discloses the information provided herein pursuant to the EU Market Abuse Regulation and the Swedish Securities Markets Act. The information was released for publication on 8 November 2018 at 07.00 a.m. CET. Numerical data in brackets refers to the corresponding periods in 2017 unless otherwise stated. Rounding off differences may arise.

Review

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

The Board of Directors' declaration

The Board of Directors and the CEO declare that the interim report for the period January to September 2018 provides a true and fair overview of the Parent Company's and the Group's operations, financial position and results of operations as well as describing the material risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, 8 November 2018

Pascal Chevalier	Gautier Normand
Chairman	Board member

Jérémy Parola	Erik Siekmann
Board member	Board member

Nils Carlsson	Matthias Stadelmeyer
Board member	President and CEO

Consolidated income statement

SEK 000s	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Net Sales	292,352	257,631	862,781	877,684	1,173,025
Cost of goods sold	-227,274	-197,252	-666,990	-682,979	-912,738
Gross profit	65,078	60,379	195,792	194,704	260,287
Selling expenses	-37,814	-43,142	-120,429	-135,389	-180,923
Administrative expenses	-13,835	-11,846	-45,207	-44,179	-59,813
Development expenses	-6,534	-7,688	-21,186	-21,016	-33,466
Other income and expenses	-556	6,204	-556	6,204	9,481
Operating profit	6,340	3,907	8,414	324	-4,435
Net financial items	-3,926	-2,866	4,695	4,519	1,170
Profit before tax	2,413	1,041	13,109	4,843	-3,265
Tax	-888	-1,088	-2,426	-4,883	-6,571
Net Profit	1,525	-47	10,683	-40	-9,836

Consolidated statement of comprehensive income

SEK 000s	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Profit for the period, after tax	1,525	-47	10,683	-40	-9,836
Other comprehensive income					
<i>Items that subsequently will be reversed in the income statement</i>					
Translation difference, net after tax	-1,785	-4,496	14,391	-3,004	4,117
Total comprehensive income for the period, after tax	-260	-4,543	25,074	-3,044	-5,719
<i>Comprehensive income attributable to:</i>					
Parent company shareholders	-260	-4,543	25,074	-3,044	-5,719

Earnings per share

SEK	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Earnings per share	0.03	0.00	0.24	0.00	-0.23
Number of Shares					
Weighted average	43,990,865	43,916,976	43,941,606	43,447,487	43,564,859

Key ratios Group

	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Gross profit (GP) / revenue (%)	22.3	23.4	22.7	22.2	22.2
EBITDA / revenue (%)	3.9	4.1	2.9	1.9	2.0
EBITDA / gross profit (GP) (%)	17.7	17.3	12.9	8.6	8.9
Equity/assets ratio (%)	31.9	30.2	31.9	30.2	28.7
Return on equity (12 months) (%)	0.4	-7.5	0.4	-7.5	-4.8
Average number of employees	253	284	259	309	304
Return on Capital Employed (12 months) (%)	6.3	1.8	6.3	1.8	2.8
Working Capital end of period (SEK M)	-85	-81	-85	-81	-93
Cash flow from operating activities per share, SEK	-0.1	-0.7	-0.3	-1.9	-1.7
Equity per share, SEK	5.1	4.5	5.1	4.5	4.5
Stock price at the end of the period, SEK	2.7	4.0	2.7	4.0	3.2

Consolidated statement of changes in equity

SEK 000s	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Opening balance	230,915	212,418	205,521	206,529	206,529
Total comprehensive income for the period	-260	-4,543	25,074	-3,044	-5,719
Equity-settled share-based payments	-	111	60	355	564
Decrease of shares in own custody	2,556	-	2,556	4,147	4,147
Closing balance	233,211	207,987	233,211	207,987	205,521

Consolidated statement of financial position

SEK 000s	30 Sep 2018	30 Sep 2017	31 Dec 2017
Assets			
Non-current assets			
Goodwill	293,885	273,618	280,388
Intangible fixed assets	42,760	52,502	45,805
Tangible fixed assets	2,270	4,034	3,184
Other non-current receivables	4,945	5,392	4,693
Shares and participation in other companies	11,128	11,128	11,128
Deferred tax assets	30,477	18,437	18,177
Total non-current assets	385,464	365,112	363,375
Accounts receivable	267,765	236,081	250,703
Tax assets	7,363	7,738	7,821
Other current receivables	22,771	21,132	27,510
Short term investments	-	10,399	-
Cash & cash equivalents	47,009	50,656	68,662
Total current assets	344,909	326,005	354,695
Total assets	730,374	691,117	718,070
Shareholders' equity and liabilities			
Shareholders' equity			
Deferred tax liabilities	1,383	1,310	1,383
Other provisions	1,742	1,131	1,290
Bond loan	-	132,674	-
Contingent additional purchase price long term	-	1,600	1,600
Other interest-bearing debts	109,159	-	-
Total non-current liabilities	112,284	136,715	4,272
Accounts payable	7,318	8,965	12,696
Current liabilities to publishers	282,490	240,125	257,942
Bond loan	5,014	-	132,946
Tax liabilities	2,943	2,805	2,581
Contingent additional purchase price short term	1,565	5,310	2,033
Other current liabilities	85,548	89,210	100,079
Total current liabilities	384,879	346,415	508,277
Total shareholder's equity and liabilities	730,374	691,117	718,070

Consolidated statement of cash flows

SEK 000s	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
<i>Operating activities</i>					
Profit before tax	2,413	1,041	13,109	4,843	-3,265
Adjustments for items not included in cash flow	5,352	-3,917	-3,711	-10,476	-1,097
Income taxes paid/received	-1,068	-3,847	-13,604	-5,189	-6,696
Cash flow from operating activities before changes in working capital	6,698	-6,723	-4,207	-10,822	-11,058
Changes in working capital	-9,118	-22,129	-6,804	-72,816	-62,620
Cash flow from operating activities	-2,421	-28,852	-11,011	-83,639	-73,678
<i>Investing activities</i>					
Investments in intangible assets	-4,495	-3,949	-12,328	-14,096	-17,632
Investments in tangible assets	-76	-592	-447	-646	-729
Investments in financial assets	9	-465	-52	-588	248
Acquisition and disposal of subsidiaries	-	-1,423	-	-1,423	-1,423
Sale of short term investments	-	-	-	30,430	40,468
Cash flow from investing activities	-4,562	-6,332	-12,827	13,677	20,932
<i>Financing activities</i>					
Newly raised loan	-	-	111,000	-	-
Repurchase of own bond	-	-	-110,490	-47,098	-47,098
Payment of additional contingent purchase price	-	-	-68	-	-
Cash flow from financing activities	0	0	442	-47,098	-47,098
Cash flow for the period	-6,983	-35,185	-23,396	-117,059	-99,844
<i>Cash and cash equivalents</i>					
On the opening date	53,010	87,143	68,662	169,198	169,198
Translation difference in cash and cash equivalents	982	-1,303	1,744	-1,482	-692
Cash and cash equivalents on the closing date	47,009	50,656	47,009	50,656	68,662
<i>Adjustments for non-cash items</i>					
Depreciation and impairment	5,189	6,560	16,847	16,377	27,629
Other	163	-10,476	-20,558	-26,854	-28,725
Total non-cash items	3,924	-3,917	-5,140	-10,476	-1,097

Income statement Parent company

SEK 000s	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Net Sales	17,622	12,582	51,854	50,124	67,568
Cost of goods sold	-970	-2,148	-4,817	-6,312	-8,709
Gross profit	16,652	10,434	47,037	43,812	58,859
Selling expenses	-94	-124	-206	-157	-283
Administrative expenses	-12,538	-5,755	-39,817	-38,069	-60,170
Development expenses	-4,982	-6,292	-16,047	-16,526	-27,322
Operating profit	-962	-1,737	-9,033	-10,940	-28,918
Net financial items	415	2,088	8,876	10,160	12,818
Profit before tax	-547	351	-157	-780	-16,099
Tax	-	-	-	-	-29
Net profit	-547	351	-157	-780	-16,129

Balance sheet Parent company

SEK 000s	30 Sep 2018	30 Sep 2017	31 Dec 2017
Assets			
Intangible assets	42,325	51,975	45,283
Equipment, tools, fixtures and fittings	759	1,611	1,398
Participation in group companies	186,449	192,645	183,163
Deferred tax assets	14,004	14,033	14,004
Total non-current assets	243,537	260,264	243,848
Accounts receivable	159	415	498
Receivables from Group companies	94,664	67,950	78,342
Tax assets	1,181	952	1,014
Other current receivables	4,737	5,962	4,603
Short term investments	-	10,399	-
Cash & cash equivalents	20,064	23,539	34,381
Total current assets	120,804	109,217	118,838
Total assets	364,341	369,481	362,686
Shareholders' equity and liabilities			
Shareholders' equity	84,842	97,523	82,383
Bond loan	-	132,674	-
Contingent additional purchase price long term	-	1,600	1,600
Other interest-bearing debts	109,159	-	-
Total non-current liabilities	109,159	134,274	1,600
Accounts payable	2,305	2,611	3,687
Liabilities to Group companies	67,925	58,455	57,620
Bond loan	5,014	-	132,946
Contingent additional purchase price short term	1,565	5,310	2,033
Other liabilities	93,530	71,307	82,416
Total current liabilities	170,340	137,684	278,702
Total shareholder´s equity and liabilities	364,341	369,481	362,686

Quarterly summary

Consolidated income statement

SEK 000s	Jul-Sep 2018	Apr-Jun 2018	Jan-Mar 2018	Oct-Dec 2017	Jul-Sep 2017	Apr-Jun 2017	Jan-Mar 2017	Oct-Dec 2016
Net Sales	292,352	282,895	287,534	295,341	257,631	284,487	335,566	346,128
Cost of goods sold	-227,274	-217,256	-222,460	-229,758	-197,252	-222,296	-263,431	-265,049
Gross profit	65,078	65,639	65,075	65,583	60,379	62,191	72,134	81,079
Total costs	-58,738	-65,131	-63,507	-70,341	-56,472	-67,953	-69,954	-114,399
Operating profit	6,340	507	1,567	-4,759	3,907	-5,763	2,180	-33,320
Net financial items	-3,926	12,838	-4,216	-3,349	-2,866	10,199	-2,813	22,427
Profit before tax	2,413	13,345	-2,649	-8,108	1,041	4,436	-633	-10,893
Tax	-888	-645	-893	-1,688	-1,088	-2,871	-924	-5,208
Net profit	1,525	12,700	-3,541	-9,796	-47	1,565	-1,557	-16,101

Consolidated statement of financial position

SEK 000s	30 Sep 2018	30 Jun 2018	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016
Assets								
Intangible fixed assets	336,645	338,375	336,387	326,193	326,120	328,966	326,484	325,298
Other fixed assets	48,820	49,559	37,189	37,182	38,992	39,387	40,208	41,337
Current receivables	297,900	295,966	299,215	286,033	264,950	262,443	266,262	293,851
Short term investments	-	-	-	-	10,399	10,399	15,412	40,622
Cash & cash equivalents	47,009	53,010	47,792	68,662	50,656	87,143	159,475	169,198
Total assets	730,374	736,909	720,583	718,070	691,117	728,337	807,841	870,306
Shareholders' equity and liabilities								
Shareholders' equity	233,211	230,915	215,186	205,521	207,987	212,418	205,519	206,529
Long-term non-interest bearing debt	3,125	2,991	2,852	2,672	2,441	2,470	16,122	14,078
Long-term interest bearing debt	109,159	108,981	-	-	132,674	132,401	193,129	193,856
Current non-interest bearing debt	379,865	389,280	369,327	376,930	348,015	381,048	393,072	455,843
Current interest bearing debt	5,014	4,741	133,219	132,946	-	-	-	-
Total shareholder's equity and liabilities	730,374	736,909	720,583	718,070	691,117	728,337	807,841	870,306

Consolidated statement of cash flows

SEK 000s	Jul-Sep 2018	Apr-Jun 2018	Jan-Mar 2018	Oct-Dec 2017	Jul-Sep 2017	Apr-Jun 2017	Jan-Mar 2017	Oct-Dec 2016
<i>Operating activities</i>								
Profit before tax	2,413	13,345	-2,649	-8,108	1,041	4,436	-633	-10,908
Adjustments for items not included in cash flow	5,352	-14,571	5,507	9,380	-3,917	-11,947	5,387	14,904
Tax paid	-1,068	-11,410	-1,127	-1,507	-3,847	-2,117	776	-366
Cash flow from changes in working capital	-9,118	21,619	-19,305	10,196	-22,129	-15,406	-35,281	16,194
Cash flow from operating activities	-2,421	8,983	-17,573	9,960	-28,852	-25,034	-29,752	19,825
Cash flow from investing activities	-4,562	-4,621	-3,644	7,254	-6,332	-479	20,488	-4,091
Cash flow from financing activities	0	510	-68	0	0	-46,562	-536	-28,552
Cash flow for the period	-6,983	4,872	-21,285	17,215	-35,185	-72,075	-9,799	-12,818
Cash and cash equivalents								
On the opening date	53,010	47,793	68,662	50,656	87,143	159,475	169,198	182,904
Translation difference	982	346	415	792	-1,303	-258	76	-888
Cash and cash equivalents on the closing date	47,009	53,010	47,792	68,662	50,656	87,143	159,475	169,198

Key ratios Group

	Jul-Sep 2018	Apr-Jun 2018	Jan-Mar 2018	Oct-Dec 2017	Jul-Sep 2017	Apr-Jun 2017	Jan-Mar 2017	Oct-Dec 2016
Gross profit (GP) / revenue (%)	22.3	23.2	22.6	22.2	23.4	21.9	21.5	23.4
EBITDA / revenue (%)	3.9	2.2	2.6	2.2	4.1	-0.4	2.2	-0.6
EBITDA / gross profit (GP) (%)	17.7	9.3	11.7	9.9	17.3	-1.7	10.1	-2.7
Equity/assets ratio (%)	31.9	31.3	30.0	28.7	30.2	29.2	25.4	23.7
Return on equity last 12 months (%)	0.4	-0.3	-5.6	-4.8	-7.5	-10.3	-16.0	-22.0
Average number of employees	253	259	266	289	284	305	339	346
Return on Capital Employed last 12 months (%)	6.3	5.5	2.4	2.8	1.8	0.7	-2.8	-5.4
Working capital at the end of the period (SEK M)	-85	-94	-72	-93	-81	-109	-125	-162
Cash flow from operating activities per share, SEK	-0.1	0.2	-0.4	0.2	-0.7	-0.6	-0.7	0.5
Equity per share, SEK	5.1	5.0	4.7	4.5	4.5	4.6	4.5	4.5
Stock price at the end of the period, SEK	2.7	1.9	2.2	3.2	4.0	5.0	5.0	4.9

Segments

SEK M	Jul-Sep 2018	Apr-Jun 2018	Jan-Mar 2018	Oct-Dec 2017	Jul-Sep 2017	Apr-Jun 2017	Jan-Mar 2017	Oct-Dec 2016
DACH								
Net sales	33.3	35.2	36.2	39.2	33.8	41.1	51.2	51.4
EBITDA	3.2	4.6	5.0	3.7	2.5	3.3	5.0	1.8
France & Benelux								
Net sales	79.2	74.8	77.9	79.1	66.8	68.9	85.9	79.4
EBITDA	8.4	5.9	5.2	4.7	2.6	2.6	5.6	4.3
Nordics								
Net sales	85.2	80.0	81.8	84.4	66.2	72.5	80.5	92.1
EBITDA	6.8	4.6	5.1	6.5	5.3	4.2	7.4	8.6
South								
Net sales	37.9	34.6	37.4	38.9	36.1	36.1	38.8	40.7
EBITDA	5.7	4.9	4.0	3.7	5.0	5.4	5.1	3.6
UK & Ireland								
Net sales	56.8	58.3	54.4	53.7	54.8	65.7	79.1	82.6
EBITDA	3.1	4.3	3.7	0.9	2.2	0.8	2.2	-0.1
Group management & support functions								
Net sales	-	-	-	-	-	-	-	-
EBITDA	-15.6	-18.1	-15.5	-12.9	-7.1	-17.4	-18.0	-20.4
Total								
Net sales	292.4	282.9	287.5	295.3	257.6	284.5	335.6	346.1
EBITDA	11.5	6.1	7.6	6.5	10.5	-1.0	7.3	-2.2

Key ratios

Tradedoubler uses the key ratios of capital employed and equity to enable the reader to assess the possibility of dividend, implementation of strategic investments and the group's ability to meet financial commitments. Further, Tradedoubler use the key ratio EBITDA excluding change related items for investors to be able to understand the underlying business performance.

Definitions

Average number of employees

Average FTE (full-time employees) for the period, which includes permanent, temporary and hired consultants.

Capital employed

Total assets less current and long-term noninterest-bearing liabilities, including deferred tax liabilities.

Cash flow from operating activities per share

Cash flow from operating activities divided by average number of outstanding shares.

Change related items

The purpose of disclosing change related items separately is to make it easier for the reader to understand the underlying year-on-year development.

EBITDA

EBITDA is revenue before tax, net financial items and depreciation/amortization and impairment.

EBITDA / Gross profit

EBITDA divided by gross profit.

EBITDA-margin

EBITDA as a percentage of revenue

EBITDA / Revenue

EBITDA divided by net sales

Equity/assets ratio

Shareholders' equity as a percentage of total assets.

Equity per share

Shareholders' equity divided by the number of outstanding shares.

Gross profit (GP) / Revenue

Gross profit divided by net sales

Net margin

Profit after tax as a percentage of sales

Operating margin

Operating profit as a percentage of revenue.

Return on shareholders' equity

Revenue for the period as a percentage of the average shareholders' equity, calculated as open and closing shareholders' equity divided by two.

Return on capital employed

Operating profit plus interest income as a percentage of average capital employed, calculated as opening and closing capital employed divided by two.

Revenue per share

Revenue of the year divided by the average number of shares

Revenue per share before and after dilution

Revenue of the year divided by the average number of shares after full dilution

Share price / equity

Share price divided by shareholders' equity per share

Stock price at the end of the period

Tradedoubler's share price last trading day for the period

Working capital

Total current assets less cash and cash equivalents, short term investments and total current liabilities.

