

Verkkokauppa.com Oyj Q3/2016,
21.10.2016, Samuli Seppälä, CEO

TODAY'S STOREFRONT

RETAIL IS GOING ONLINE. COME ALONG.

Verkkokauppa
PROBABLY ALWAYS CHEAPER **.com**



NASDAQ
FIRST NORTH

Verkkokauppa.com Q3/2016

**Good growth, profitability
and market share gains
in tough retail market**

**Revenue +11%, €92.6m (€83.2m)
EBITDA +32%, €4.2m (€3.2m)
EPS €0.07 (€0.05)**

Verkkokauppa.com Q3/2016 Income Statement

	Q3/2016	Q3/2015	Change%
Revenue, € million	92.6	83.2	+11%
Gross profit	14.5	12.3	+17%
Gross margin	15.6%	14.8%	
Personnel expenses	5.3	5.2	+3%
Other opex	4.9	3.9	+25%
EBITDA	4.2	3.2	+32%
EBITDA margin	4.6%	3.9%	
Depreciation and amortiz.	0.3	0.3	+1%
EBIT	3.9	2.9	+36%
Net profit	3.1	2.3	+34%

"Verkkokauppa.com enjoyed good sales growth and improved its profit and market share"



Verkkokauppa.com Q3/2016 Balance Sheet

- Inventory 40.3 (36.0) million euros on 30.9.16, change +12%.
- Cash flow from operat. activities 1-9/2016 was 6.1 (-4.1) million euros.
- Capex 1-9/2016 were 0.7 (1.0) million euros .
- Equity ratio 42.6% (45.7%)
- Cash 29.4 (23.2) million euros, change +27%. No interest bearing debt.

”On 30 September 2016, Verkkokauppa.com had a revolving credit facility of 15 million euros, which had not been utilized.”



We are
the most
transparent
low cost online
retailer

.. while
being probably
always cheaper

Verkkokauppa
PROBABLY ALWAYS CHEAPER **.com**

**Most
transparent**

**New
in Nov! In-store
maps + product
locations**

**“Customer’s
best friend”**

**New
in Nov! Price
barometer and
market price**

**New
in Nov! Zip-code
based delivery
estimates**

**Best
Finnish-language
product information and
most reviews**

**Return
and service%**

**Sold &
received orders
and units**

**No
commission
salaries**

**Lower
costs**

Finland's best
self-service driven
by technology

Highly efficient
logistics

Three
high volume
megastores

"Probably
always
cheaper"

Cheaper prices
enabled by lowest
fixed costs

We
don't sell
products that can't be
handled highly efficiently;
clothing, fresh food,
sub-10e products

Retail
market in 2021

€40b
in Finland

Share
of online retail
over 15% in Finland
(now 10%)

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Retail in future
will be super-
transparent!

Mostly
vendor supported
products will be shown
in stores

Value of trust
increases

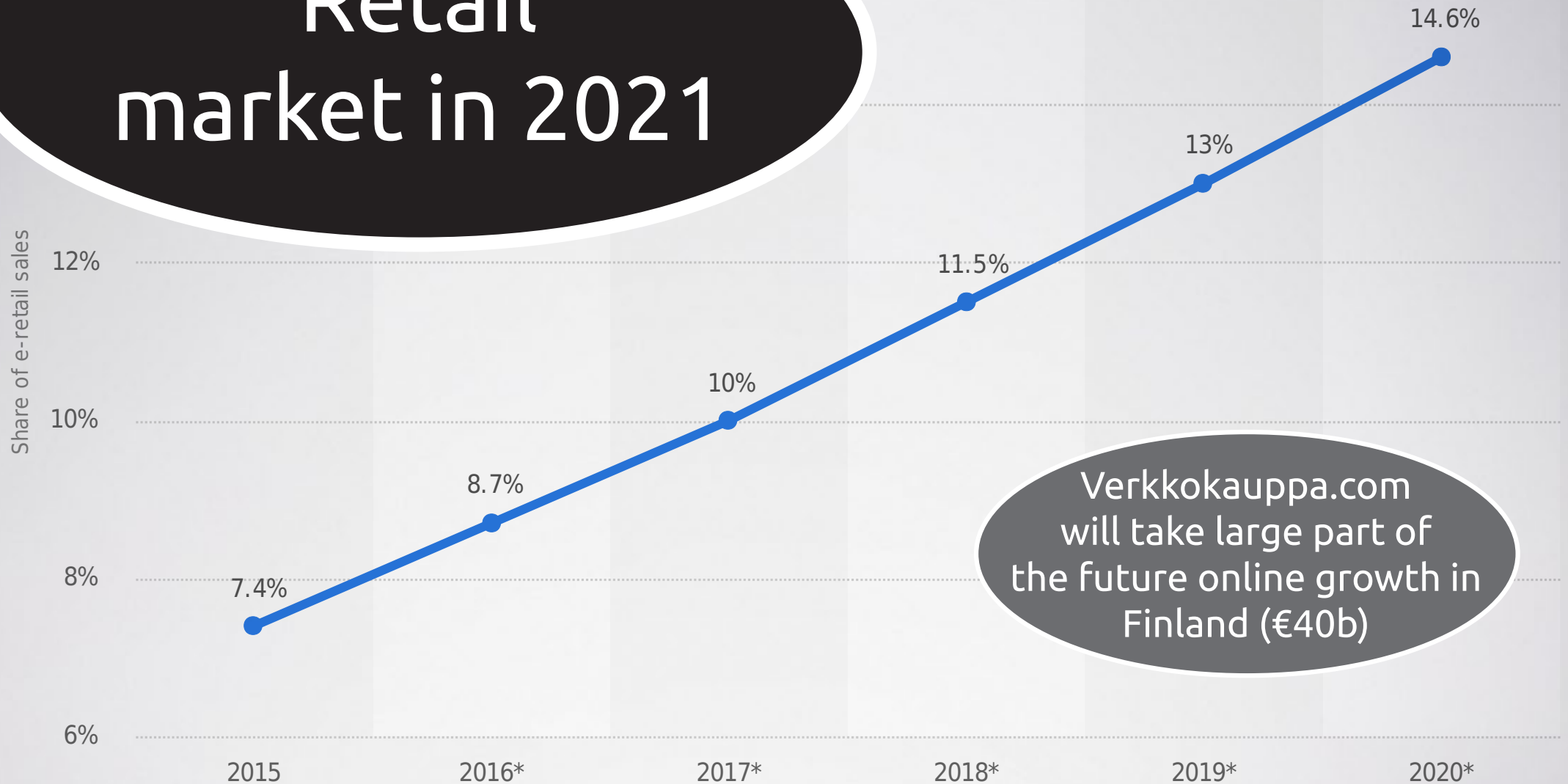
Price
comparison
increases

Department
stores closed

Only larger consumer elec-
tronics stores are profitable

Global online share forecast 2015-2020

Retail market in 2021



Verkkokauppa.com will take large part of the future online growth in Finland (€40b)

* Forecast.

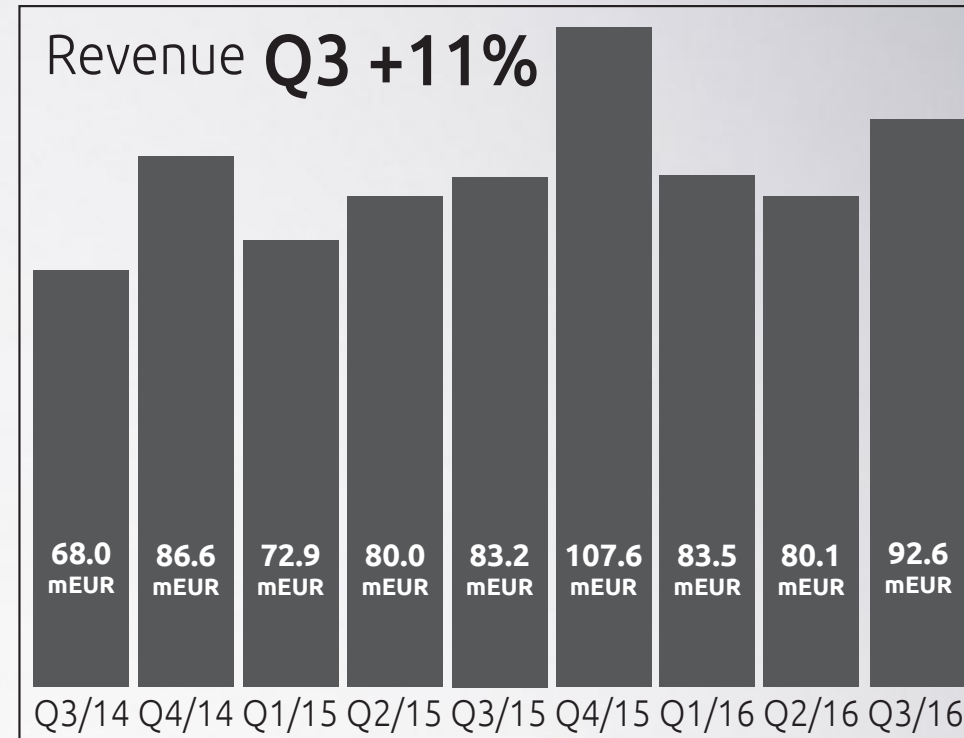
Source:
eMarketer
© Statista 2016

Additional Information:
Worldwide; eMarketer; 2015 to 2016

Includes products or services ordered using the internet via any device, regardless of the method of payment or fulfillment; excludes travel and event tickets.

Verkkokauppa.com Q3/2016 sales drivers

- Good CE-market development +11%*
- Verkkokauppa.com's trusted concept
- Increasing price competition
- Retail continues going online
- Easy and convenient experience



Additional future growth drivers:

- Increasing market shares in existing categories
- Launching new main product categories
- B2B and wholesale trade business
- Recent changes in the department store segment

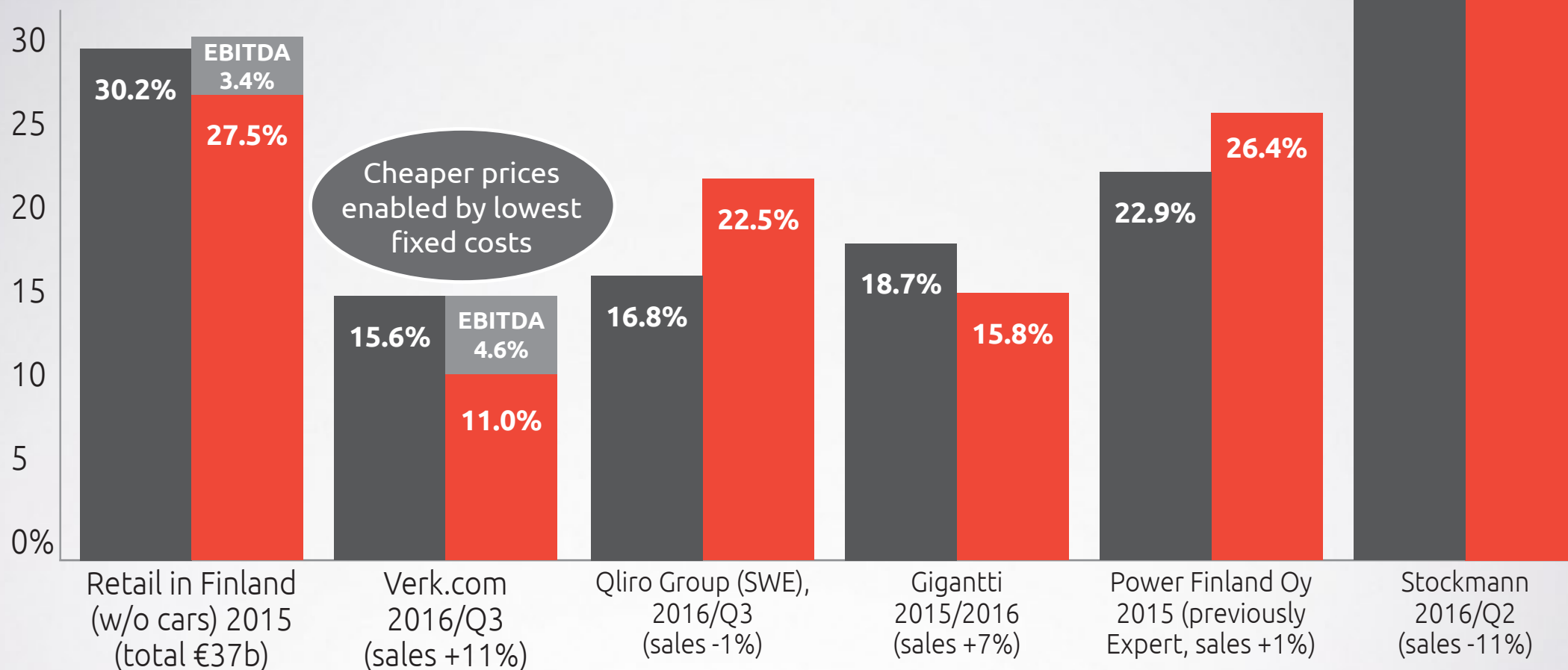
*) Source: GfK

"An estimated 1% or 400 million euros, of retail sales move online every year in Finland, from the current estimated level of 10% or 4 billion euros."



Verkkokauppa.com's gross margin and fixed costs

■ Gross margin %
■ Fixed costs % of sales



"The company expects to improve its EBITDA margin in the medium term by increasing share of higher margin categories and private labels in the sales mix and the increasing the share of the Apuraha consumer financing services."

Sources: Statistics Finland, Soliditet and D&B. Gross margin includes changes in the inventory and outside services. EBITDA excluding non-recurring items.



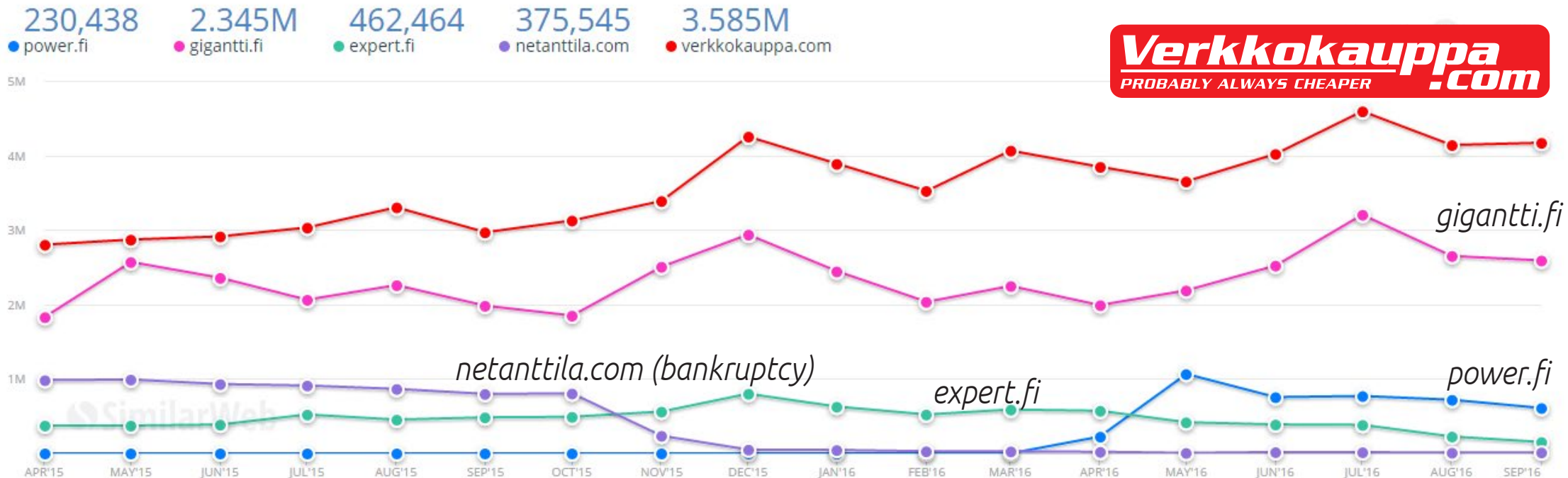
Engagement ⓘ

Apr 2015 - Sep 2016, 🌐 WorldWide

Domain	📄 Monthly Visits	🕒 Avg. Visit Duration	📄 Pages/Visit	🏠 Bounce Rate
power.fi	230,438	00:04:07	4.41	35.51%
gigantti.fi	2.345M	00:04:31	4.77	32.30%
expert.fi	462,464	00:03:40	3.91	37.75%
netanttila.com	375,545	00:03:53	4.53	42.17%
verkkokauppa.com	🏆 3.585M	🏆 00:05:34	🏆 7.16	🏆 30.08%

Web visits last 18 months

"The current intense price competition is unlikely to continue as business will probably not be sustainable for the industry overall"





Web visits last 18 months





 Finland

 zalando.fi	9.43%
 stockmann.com	3.94%
 amazon.com	23.88%
 gigantti.fi	23.06%
 verkkokauppa.com	39.68%

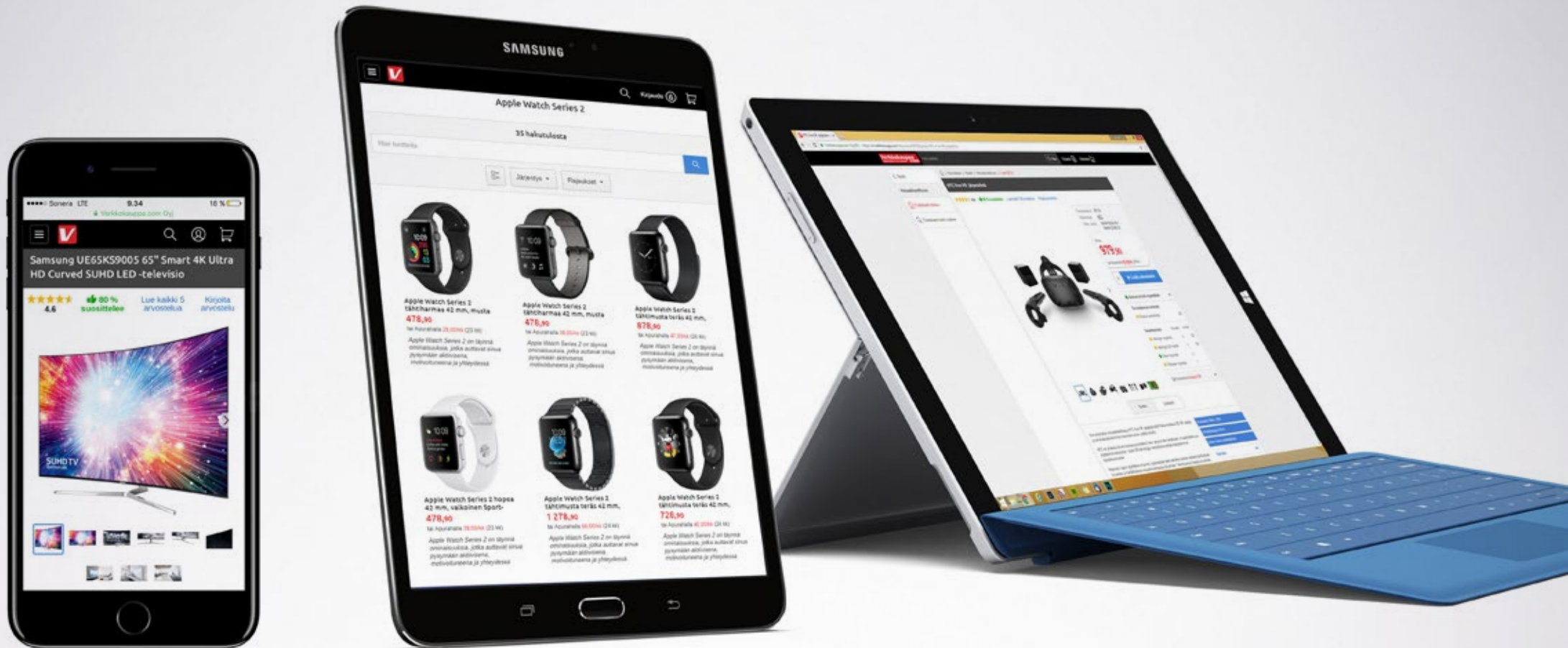


Web visits last 3 months

 Finland

 zalando.fi	8.73%
 stockmann.com	3.09%
 amazon.com	22.91%
 gigantti.fi	23.70%
 verkkokauppa.com	41.56%

New website with new features



New
in Nov! In-store
maps + product
locations

New
in Nov! Price
barometer and
market price

New
in Nov! Zip-code
based delivery
estimates

Singles' Day 11.11.



Apuraha

"The company expects to improve its EBITDA margin in the medium term by increasing share of higher margin categories and private labels in the sales mix and the increasing the share of the Apuraha consumer financing services."

Don't fiddle
with your
finances.
Apply for
Apuraha.

You can
apply for an
Apuraha-grant
24h a day.

Apuraha gives you more time to pay
and more to choose from.

Verkkokauppa.com
TODENNÄKÖISESTI AIKAA HALVEMPI

Medium-term targets

The company retains its existing targets:

- The company strives to grow faster than its operating market and targets an annual revenue growth of over 10 per cent in the medium term.
- The company's objective is to improve its EBITDA margin in the medium term when compared to the level of 2013.
- The company strives to secure a sufficient equity ratio to finance the growth of its business and aims to maintain an equity ratio of over 25 per cent taking into consideration the nature and seasonality of the company's business.

Business outlook and financial guidance

Verkkokauppa.com Oyj's business operations are estimated to develop positively within a medium-term time frame. In 2016 the company revenue and comparable operating profit are expected to exceed the level of 2015.

Largest owners on 30 Sep 2016

	Shares	%
1 Seppälä Sipi Samuli	22 487 496	49.9
2 Keskinäinen Eläkevakuutusyhtiö Ilmarinen	2 612 728	5.798
3 Rite Ventures Finland Ab	2 367 576	5.254
4 Keva	2 138 000	4.744
5 Keskinäinen Työeläkevakuutusyhtiö Varma	2 065 932	4.584
6 Op-Delta -Sijoitusrahasto	1 262 485	2.801
7 Fondita Nordic Micro Cap Placeringsf	1 030 000	2.286
8 Sijoitusrahasto Evli Suomi Pienyhtiöt	647 441	1.437
9 Skogberg Ville Johannes	634 266	1.407
10 Sr Danske Invest Suomi Yhteisöosake	522 500	1.159
11 Sr Danske Invest Suomen Pienyhtiöt	511 378	1.135

Administrative registered:

1 Nordea Pankki Suomi Oyj	3 664 091	8.131
2 Skandinaviska Enskilda Banken Ab (Publ)	1 008 994	2.23

Source: www.verkkokauppa.com/fi/investors/osakkeenomistajat

Last traded on 2016-10-18 00:00:00

6.55

(0%)

Currency in EUR

Today	-	Shares ¹	45,065,130	Week	-1.06
52 Week	6.03 - 8.2	Mkt Cap		Month	2.66
Year	6.1 - 8.2	Liquidity Provider	No	3 month	-4.8
Opening price		Market Name		6 month	-12.55
Vol.		ICB Code	5300	Year Change	6.5
No. of trades		Sector	Retail	Year start change	-9.03
		Segment			

Note

¹ Shares listed on Nasdaq Nordic

Share development last 6 months (19 Oct 2016)

Show intraday

Zoom: **1m** 3m 6m 1y YTD All

Period: from - to

Adjusted



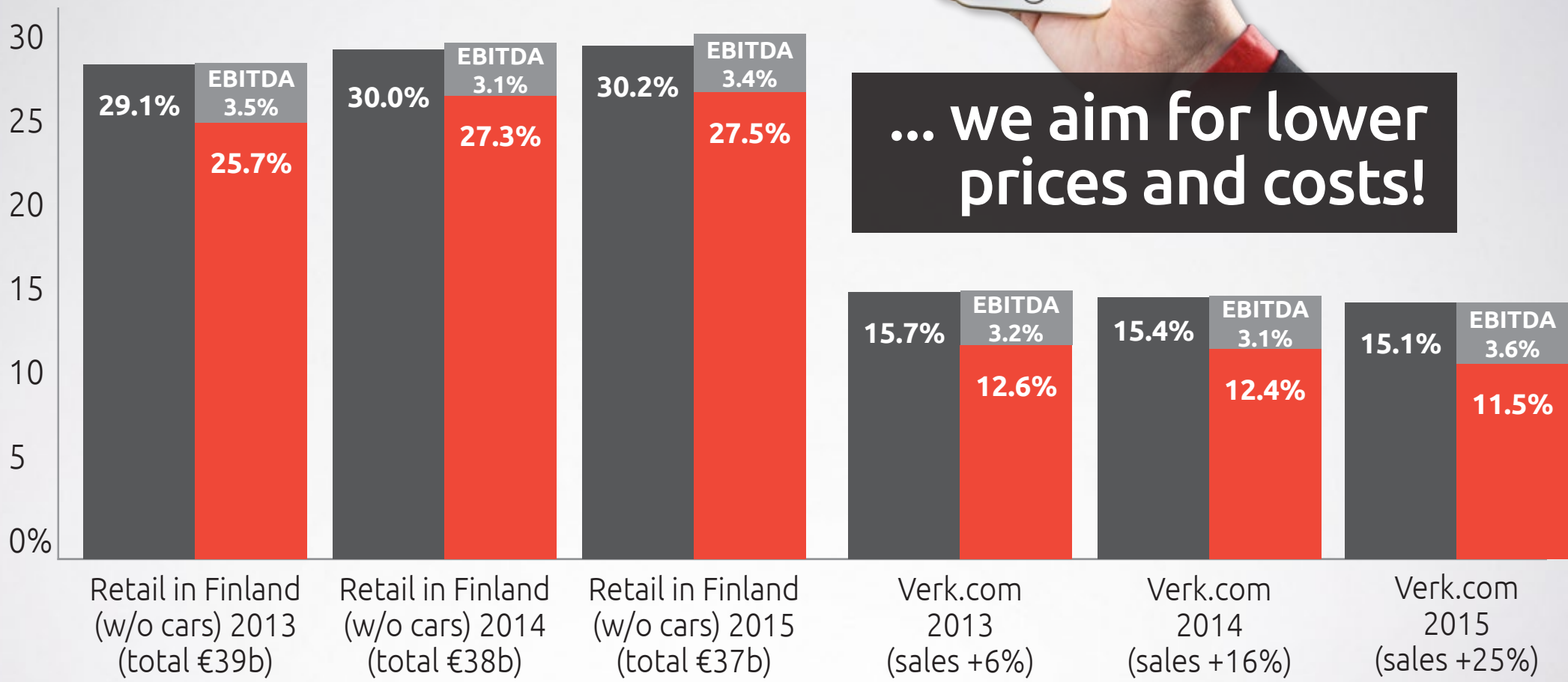
Search



While traditional retail sector is increasing gross margin and fixed costs ...



... we aim for lower prices and costs!



Sources: Statistics Finland, Soliditet and D&B. Gross margin includes changes in the inventory and outside services. EBITDA and fixed costs excluding non-recurring items.

Q&A

Upcoming events:

- Q4/2016, Friday 10 February 2017
- Q1/2017, Friday 28 April 2017
- Q2/2017, Friday 14 July 2017
- Q3/2017, Friday 20 October 2017

Quick links:

- Investors English Summary - www.verkinvest.com
- Company Releases mailing list in English - www.joinverk.com
- Company Investor Webcasts - www.verklive.com

Contacts:

- Samuli Seppälä, CEO, samuli.seppala@verkkokauppa.com
- Jussi Tallgren, CFO, jussi.tallgren@verkkokauppa.com
- investors@verkkokauppa.com





Electrolux UltraOne Origin+
pölynimuri

★★★★★ 4.8 100 %

229,90

tai Apurahalla 19,00/kk (17 kk)

- Puhdistus kovalta lattialta A
- Puhdistus matolta B



Electrolux UltraOne Quattro
pölynimuri

★★★★★ 3.8 75 %

449,90

tai Apurahalla 26,00/kk (24 kk)

- Energialuokka A
- Puhdistus matolta A



Electrolux UltraOne Ergo+
pölynimuri

★★★★★ 4.3 81 %

199,90

tai Apurahalla 17,00/kk (18 kk)

- Puhdistus lattialta A
- Suodatus A



Electrolux UltraSilencer ZEN
Animal -pölynimuri

★★★★★ 5.0 100 %

249,90

tai Apurahalla 17,00/kk (22 kk)

- Puhdistus kovalta lattialta A
- Puhdistus matolta C
- Suodatus A
- Äänitehotaso 58 dB

Product highlight - vacuum cleaners!



Electrolux UltraOne Green+
pölynimuri

219,90

tai Apurahalla 18,00/kk (18 kk)

- Puhdistus kovalta lattialta A
- Suodatus A
- Energialuokka A



Electrolux UltraSilencer ZEN
Deluxe -pölynimuri

★★★★★ 5.0 100 %

299,90

tai Apurahalla 19,00/kk (23 kk)

- Puhdistus kovalta lattialta A
- Puhdistus matolta C



Electrolux SilentPerformer
Animal -pölynimuri

★★★★★ 4.5 100 %

179,90

tai Apurahalla 16,00/kk (17 kk)

- Puhdistus kovalta lattialta: A
- Puhdistus matolta: B



Electrolux UltraSilencer ZEN
All Floor -pölynimuri

229,90

tai Apurahalla 19,00/kk (17 kk)

- Puhdistus kovalta lattialta A
- Puhdistus matolta C
- Suodatus A

Get
the big
picture...

propably
always
cheaper*

THANK YOU!

Verkkokauppa
PROBABLY ALWAYS CHEAPER **.com**



LG 55LF592V 55" Smart Full HD LED televisio

Hinta
599,90 €
tai Apurahalla **33,00 €/kk** (24 kk)
% sis 24 % alv.

*verk.com/hintapuntari