



LOWER SALES AS COMPETITION TOUGHENS

“...Sales during the quarter did not live up to our expectations... The strategy of changing the price and campaign structure has not lived up to our expectations in the same way as in the previous year, in part due to a tougher market climate. Our assessment is that it is partly due to warmer weather during the autumn, but also a change in purchasing behaviors with accelerated online shopping.”

Read the CEO statement on the next page.

- Sales decreased by 7.5 per cent to SEK 1,166 (1,261) million during the quarter and the gross margin decreased by 0.7 percentage points to 64.6 (65.3) per cent.
- In order to promote seamless shopping, services such as Click&Collect, Shop Online in Store and the payment service Klarna In-Store were launched.
- Twelve KappAhl stores were upgraded and three new stores opened. Six new Newbie Stores were opened, including online shopping and a first Newbie Store in the United Kingdom.
- The operating margin was 7.8 (11.4) per cent.

	First Quarter (Sep-Nov)		
	2017/2018	2016/2017	Change
Net sales, SEK million	1 166	1 261	-95
Operating profit/loss, SEK million	90	144	-54
Gross margin, %	64,6	65,3	-0,7
Operating margin, %	7,8	11,4	-3,6
Profit after tax, SEK million	77	107	-30
Earnings per share, SEK	1,00	1,39	-0,39
Cash flow from operating activities, SEK million	138	162	-24

For further information
and images

Danny Feltmann, President & CEO. Tel. +46 31 771 56 61.
Torbjörn Gustafsson, acting CFO Q1. Tel. + 46 704 71 57 13.

Charlotte Högberg, Head Corporate Communications. Tel. +46 704 71 56 31.
Email charlotte.hogberg@kappahl.com.

DANNY FELTMANN, PRESIDENT: LOWER SALES AS COMPETITION TOUGHENS



Danny Feltmann
President and Chief Executive
Officer

KappAhl, founded in 1953 in Gothenburg, is one of the leading Nordic fashion chains with 363 KappAhl and Newbie stores in Sweden, Norway, Finland, Poland and the United Kingdom, as well as Shop Online.

Our mission is to offer value-for-money fashion of our own design with wide appeal. Today 53 % of the company's products are sustainability labelled.

In 2016/2017 net sales were SEK 4.9 billion and the number of employees was about 4,000 in ten countries. KappAhl is listed on Nasdaq Stockholm. More information can be found at www.kappahl.com

In the first quarter of 2017/2018 KappAhl's sales decreased by 7.5 per cent to SEK 1,166 (1,261) million. The gross margin was 64.6 (65.3) per cent and the operating profit was SEK 90 (144) million. The operating margin was 7.8 (11.4) per cent.

Sales during the quarter did not live up to our expectations since the autumn range and the way it was presented to the market did not appeal sufficiently to our customer. The strategy of changing price and campaign structure has not lived up to our expectations in the same way as in the previous year, in part due to a tougher market climate. Our assessment is that it is partly due to warmer weather during the autumn, but also a change in purchasing behavior with accelerated online shopping.

For the autumn, we chose to further test our price and campaign strategy that contributed to our successes during the past year, while the market climate became even tougher. Our assessment is that it is partly a consequence of warmer weather during parts of the autumn, but also changing buying patterns with online shopping accelerating.

Our intensive digitalisation work was well received in the quarter. The services we launched during the autumn contributed to the important work of creating seamless shopping experiences. More than half of our online customers choose to collect their goods in our stores through Click&Collect and many decide to buy more when they get to the store. Since October our employees have been able to help customers via Shop Online in Store to make 7,000 direct online orders in store when a product isn't available in store. With the Klarna In-Store service we are the first major fashion chain to offer the opportunity of mobile payments in store via Klarna. The service was immediately adopted by our customers and we are seeing a steady increase in its use since the service was launched at the end of November.

During the quarter we upgraded twelve and opened three new KappAhl stores and opened six new Newbie Stores. **Newbie's online shopping in the UK** started in October and in November we opened our first NewbieStore in Richmond, London. So far the Newbie Store has been well received by customers in the United Kingdom.

Our assessment is that KappAhl's sales will continue to be under pressure in the coming quarter, partly as a consequence of the change in buying patterns. For the spring, we will focus more on targeting consumers who still prioritize shopping in physical stores while continuing to develop KappAhl's digital platform in parallel as well as continued focus on the Newbie concept.

The work of connecting up range, communication and product presentation in an attractive way at the right time for our customer is crucial to our business. Our price and campaign strategy has been adapted to a greater extent to the market situation. We are strengthening our sound cost control, while a strong balance sheet allows continued investment in digitalisation. We are entering December with satisfactory inventory levels, SEK 697 (817) million, which is a result of the long-term sourcing and inventory control that has been in progress for a long time. The work of developing KappAhl as our customer's first choice continues. It takes time and many challenges remain. We are taking them on with an agile approach and great energy.

Danny Feltmann
President and Chief Executive Officer

COMMENTS ON THE FIRST QUARTER

Net sales and profit

KappAhl's net sales for the quarter amounted to SEK 1,166 (1,261) million, a decrease of 7.5 per cent. The development, compared to the first quarter last year, is explained by the effect of new and closed stores, -1.2 per cent, change in comparable stores, -5.3 per cent and translation differences in currencies totalling -1.0 per cent.

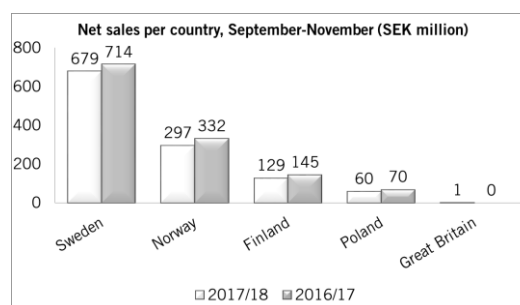
Gross profit for the quarter was SEK 753 (824) million, which corresponds to a gross margin of 64.6 (65.3) per cent.

Selling and administrative expenses for the quarter amounted to SEK 663 (680) million, which is equivalent to a percentage of sales of 56.9 (53.9) per cent.

The operating profit was SEK 90 (144) million, equivalent to an operating margin of 7.8 (11.4) per cent.

Depreciation was SEK 32 (29) million.

Net financial income was SEK 1 (-1) million for the quarter. Profit before tax was SEK 91 (143) million and profit after tax was SEK 77 (107) million. Earnings per share for the quarter were SEK 1.00 (1.39).



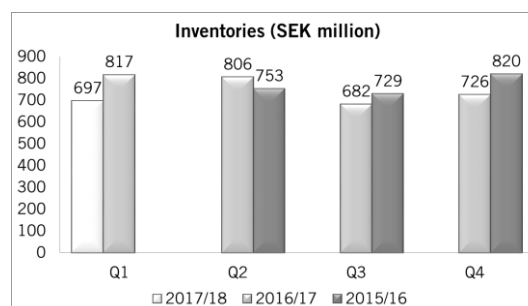
Taxes

The Group has net deferred tax assets of SEK 59 (32) million and deferred tax liabilities of SEK 148 (157) million.

Deferred tax assets referring to losses in Poland are not currently measured.

Inventories

At the close of the period inventories amounted to SEK 697 (817) million, a decrease of SEK 120 million compared with the previous year. The decrease in inventories is a result of KappAhl's long-term sourcing and inventory control work.



Cash flow

KappAhl's cash flow from operating activities before changes in working capital was SEK 88 (170) million. The deterioration is mainly due to a fall in operating profit. Cash flow from changes in working capital was SEK 50 (-8) million. Cash flow from investing activities was SEK -58 (-42) million.

**SEK 249
million**

Net financial assets

70.1%

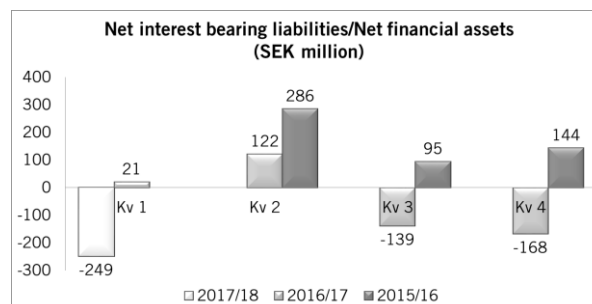
Equity-assets ratio

Financing and liquidity

At the close of the period net financial assets amounted to SEK 249 million, compared with net interest bearing liabilities of SEK 21 million as at 30 November 2016. At the close of the period net financial assets/EBITDA

were -0.5, compared with (0.04) as at 30 November 2016. The equity/assets ratio increased to 70.1 (59.4) per cent.

As at 30 November 2017, cash and cash equivalents amounted to SEK 302 million (434). At the close of the period there was about SEK 992 (594) million in unutilised credit. After the close of the quarter the Annual General Meeting resolved to transfer SEK 499 million to shareholders in the form of a redemption procedure combined with a share split.

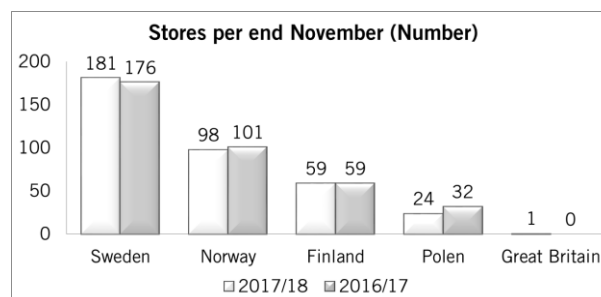


Store network and expansion

At the close of the period the total number of stores was 363 (368). Of these, 181 were in Sweden, 98 in Norway, 59 in Finland and 24 in Poland. Nine stores were opened during the quarter, including the first store in the United Kingdom, completed with

e-commerce on the UK market. One store was closed in Sweden.

The work to optimize the store network is proceeding. It involves seeking new attractive store locations, relocating existing stores, adapting store space and winding up non-profitable units.



Parent company

Parent company net sales for the quarter were SEK 6 (6) million and profit before tax was SEK -13 (-6) million. The parent company did not make any investments during the period.

OTHER INFORMATION

Related party transactions

There were no transactions with related parties during the first quarter.

Risks and uncertainties

The most important strategic and operative risks that affect KappAhl's operations and industry are described in detail in the annual report for 2016/2017. The risks include competition in the fashion industry, economic fluctuations, fashion trends, changed buying patterns, weather conditions, store locations, store expansion and significant exchange rate fluctuations in currencies important for the company. The company's risk management is also described in the corporate governance report in the same annual report, under the section "Report on internal controls". The same applies to the Group's management of financial risks, which are described in the annual report for 2016/2017, Note 18. The reported risks are otherwise deemed to be unchanged in all essentials.

Post balance sheet events

After the close of the quarter the Annual General Meeting resolved to transfer SEK 499 million to shareholders in the form of a redemption procedure combined with a share split.

This report has not been reviewed by the company's auditors.

Mölnadal, 20 December 2017

KappAhl AB (publ)

Danny Feltmann, *President and Chief Executive Officer*

This information is information that KappAhl AB is obliged to disclose pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was released for public disclosure through the agency of President and CEO Danny Feltmann on 20 December 2017 at 07.30 CET.

Financial calendar

Second quarter 2017/2018 (December-February)	23 March 2018
Third quarter 2017/2018 (March-May)	27 June 2018
Fourth quarter 2017/2018 (June - September)	11 October 2018

Presentation of the report

A presentation of the report will be broadcast via the web and as a telephone conference today, 20 December at 09.00. To participate by telephone please call +44 203 008 9801 about 5 minutes before the start. The webcast can be accessed via www.kappahl.com, under the heading "Financial information", select "[Reports & Presentations](#)".

CONSOLIDATED INCOME STATEMENT

Amounts in SEK million	Sep-Nov 2017/2018	Sep-Nov 2016/2017	Latest 12 months Dec-Nov
Net sales	1 166	1 261	4 820
Cost of goods sold	-413	-437	-1 835
Gross profit	753	824	2 985
Selling expenses	-607	-626	-2 383
Administrative expenses	-56	-54	-207
Other operating income	-	-	-
Other operating expenses	0	0	0
Operating profit	90	144	395
Financial income	2	4	3
Financial expenses	-1	-5	-22
Total net financial expense	1	-1	-19
Profit/loss before taxes	91	143	376
Taxes	-14	-36	-43
Net profit/loss for the period	77	107	333
Profit attributable to parent company shareholders	77	107	333
Earnings per share, SEK	Note 2 1,00	1,39	4,33

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK million	Sep-Nov 2017/2018	Sep-Nov 2016/2017	Latest 12 months Dec-Nov
Net profit/loss for the period	77	107	333
Items not to be recognised in net profit for the year			
Actuarial gains/losses	-	-	-2
Tax relating to actuarial gains/losses	-	-	0
Total items not to be recognised in net profit for the year	-	-	-2
Items to be recognised in income			
Cash flow hedges – value change	6	19	-37
Cash flow hedges returned to profit	16	-7	13
Translation differences for the period	-1	5	-7
Tax attributable to other comprehensive income	-5	-3	5
Total items that have been reposted or may be reposted to the net profit for the year	16	14	-26
Total comprehensive income attributable to parent company's shareholders	93	121	305

CONSOLIDATED BALANCE SHEET

Amounts in SEK million

2017-Nov-30 2016-Nov-30 2017-Aug-31

ASSETS			
Non-current assets			
Intangible assets*	1 372	1 361	1 369
Tangible assets	460	431	436
Deferred tax assets	59	32	58
Total non-current assets	1 891	1 824	1 863
Current assets			
Inventories	697	817	726
Other operating receivables	156	165	201
Cash and cash equivalents	302	434	238
Total current assets	1 155	1 416	1 165
Total assets	3 046	3 240	3 028
EQUITY AND LIABILITIES			
Equity	2 135	1 926	2 042
Non-current liabilities			
Interest-bearing long-term liabilities	45	449	45
Deferred tax liabilities	148	157	148
Total non-current liabilities	599	606	193
Current liabilities			
Interest-bearing current liabilities	8	6	25
Non-interest-bearing current liabilities	710	702	768
Total current liabilities	718	708	793
Total equity and liabilities	3 046	3 240	3 028
*of which goodwill	696	696	696
*of which trademarks	610	610	610

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in SEK million	Sep-Nov 2017/2018	Sep-Nov 2016/2017	Sep-Aug 2016/2017
Opening equity	2 042	1 805	1 805
Net profit/loss for the year	77	107	333
Other comprehensive income			
Cash flow hedges - value changes	6	19	-27
Cash flow hedges - recognized in income	16	-7	13
Year's translation differences	-1	5	-1
Actuarial gains/losses	-	-	-2
Tax attributable to item in other comprehensive income	-5	-3	5
Total comprehensive income	93	121	321
Transactions with shareholders			
Dividend	-	-	-96
Total transactions with shareholders	-	-	-96
Closing equity	2 135	1 926	2 030

CONSOLIDATED CASH FLOW STATEMENT

Amounts in SEK million	sep-nov 2017/2018	Sep-Nov 2016/2017
Cash flow from operating activities before changes in working capital	88	170
Changes in working capital	50	-8
Cash flow from operating activities	138	162
Cash flow from investing activities	-58	-42
Cash flow from investing activities	-58	-42
Change in bank overdraft facility	-17	-
Dividend	-	-
Cash flow from financing activities	-17	-
Cash flow for the period	63	120
Cash and cash equivalents at beginning of the period	238	314
Exchange rate differences in cash and cash equivalents	1	-
Cash and cash equivalents at the end of the period	302	434

PARENT COMPANY INCOME STATEMENT

Amounts in SEK million	Sep-Nov 2017/2018	Sep-Nov 2016/2017	Latest 12 months Dec- Nov
Net sales	6	6	30
Gross profit	6	6	30
Other operating charges	-9	-9	-37
Operating profit	-3	-3	-7
Result from participations in group companies	-	-	-405
Financial income	3	4	7
Financial expenses	-13	-7	-17
Profit/loss before taxes	-13	-6	-422
Taxes	3	1	3
Net profit/loss for the period	-10	-5	-419

STATEMENT OF COMPREHENSIVE INCOME FOR THE PARENT COMPANY

Amounts in SEK million	Sep-Nov 2017/2018	Sep-Nov 2016/2017	Latest 12 months Dec- Nov
Net profit/loss for the period	-10	-5	-419
Items not to be recognised in net profit for the year	-	-	-
Total items not to be recognised in net profit for the year	-	-	-
Items to be recognised in income	-	-	-
Total items to be recognised in income	-	-	-
Total other comprehensive income	-10	-5	-419

PARENT COMPANY BALANCE SHEET - SUMMARY

Amounts in SEK million	2017-Nov-30	2016-Nov-30	2017-Aug-31
ASSETS			
Non-current assets			
Financial assets	2 711	3 144	2 711
Deferred tax assets	4	2	1
Total non-current assets	2 715	3 146	2 712
Current assets			
Other operating receivables	36	109	37
Cash and cash equivalents	7	4	16
Total current assets	43	113	53
Total assets	2 758	3 259	2 765
EQUITY AND LIABILITIES			
Equity	1 951	2 467	1 961
Non-current liabilities			
Interest-bearing long-term liabilities	-	400	-
Total non-current liabilities	-	400	-
Current liabilities			
Interest-bearing current liabilities	-	27	-
Non-interest-bearing current liabilities	807	365	804
Total current liabilities	807	392	804
Total equity and liabilities	2 758	3 259	2 765

NOTES

Note 1 Accounting policies

The Group applies International Financial Reporting Standards, IFRS, as adopted by the EU.

The accounting policies applied are consistent with what is stated in the annual report of 31 August 2017. Several standards, interpretations and amendments have been published that are not yet in force or adopted by the EU.

IFRS 9 "Financial Instruments" will replace the current IAS 39 "Financial Instruments: Recognition and measurement". The company management assesses that application of IFRS 9 will impact the Group's financial statements. KappAhl has not yet finished analysing the consequences IFRS 9 will have for its own operations, but work is in progress. The standard is applicable to financial years starting on or after 1 January 2018.

IFRS 15 "Revenue from contracts with customers" will replace IAS 18 "Revenue" and IAS 11 "Construction contracts" and will come into force on 1 January 2018. The current assessment by the company's management is that the standard will not entail any material difference for the Group.

IFRS 16 "Leases" will replace IAS 17 "Leases". The standard comes into force on 1 January 2019 but early application is permitted. The company management assesses that the standard will have a material effect on the Group's reported assets and liabilities referring to the Group's tenancy agreements for premises, but has not yet quantified its effects. For further information please refer to the annual report.

This report was prepared in accordance with IAS 34. The report for the parent company was prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2, Accounting for Legal Entities.

KappAhl currently has no outstanding share-based incentive programmes.

Note 2 Calculation of earnings per share

Earnings per share is restated for comparison periods. The number of shares has been adjusted to allow for the effect of the rights issue and reverse split of shares as well as redemption of warrants.

Note 3 Financial assets and liabilities measured at fair value

The Group's financial instruments consist of trade receivables, other receivables, cash and cash equivalents, trade payables, interest-bearing liabilities, currency derivatives and interest rate derivatives. The carrying amounts of trade receivables and trade payables are considered to represent a reasonable estimate of their fair values. Group loans are measured at amortised cost.

Fair value hierarchy:

The Group holds financial instruments in the form of interest rate derivatives and currency derivatives that are recorded at fair value in the balance sheet. Fair value measurement of currency forwards is based on published forward rates on an active market. Measurement of currency options is based on observable data such as risk-free interest and volatility. Measurement of interest swaps is based on forward rates derived from observed yield curves. The derivatives are recognised at fair value based on level 2 inputs in the fair value hierarchy.

The Group uses the following hierarchy to classify the instruments on the basis of the valuation technique:

1. Quoted prices (unadjusted) on active markets for identical assets or liabilities.
2. Other inputs than the quoted prices included in Level 1, that are observable for the asset or liability either direct (i.e. as prices) or indirect (i.e. derived from prices).
3. Inputs for the asset or liability in question that are not based on observable market data (non-observable inputs).

The Group uses derivative financial instruments to manage interest rate and currency risks. Hedge accounting is applied when there is an effective link between hedged flows and derivative financial instruments. The fair value of financial derivative instruments was SEK -5 (21) million for currency forwards, SEK 2 (-) million for currency options and SEK -0 (-6) million for interest swaps. The Group hedges currency flows in USD using currency derivatives with maturities of up to 6 months.

NUMBER OF STORES PER COUNTRY

	2017-Nov-30	2017-Aug-31	2017-May-31	2017-Feb-28	2016-Nov-30
Sweden	181	179	178	176	176
Norway	98	96	97	98	101
Finland	59	59	59	58	59
Poland	24	22	23	25	32
Great Britain	1	0	0	0	0
Total	363	356	357	357	368

SALES PER COUNTRY

Amounts in SEK million	Sep-Nov 2017/2018	Sep-Nov 2016/2017	Change SEK %	Change local currency %
Sweden	679	714	-4,9%	-4,8%
Norway	297	332	-10,5%	-6,8%
Finland	129	145	-11,0%	-11,2%
Poland	60	70	-14,2%	-15,5%
Great Britain	1	-	-	-
Total	1 166	1 261	-7,5%	-

GEOGRAFIC REPORTING

Amounts in SEK million	Net sales Sep-Nov 2017/2018	Net sales Sep-Aug 2016/2017	Operating income Sep-Aug 2017/2018	Operating income Sep-Aug 2016/2017
Nordic countries	1 105	1 191	90	150
Other	61	70	0	-6
Total	1 166	1 261	90	144

QUARTERLY INCOME STATEMENT

Amounts in SEK million	2017/2018					2016/2017					2015/2016					2014/2015					2013/2014				
	Q1	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	1 166	1 261	1 189	1 217	1 248	1 165	1 116	1 195	1 248	1 174	1 133	1 132	1 149	1 243	1 114	1 201	1 185								
Cost of goods sold	-413	-437	-489	-442	-491	-401	-462	-420	-524	-431	-478	-433	-490	-456	-471	-448	-482								
Gross profit	753	824	700	775	757	764	654	775	724	743	655	699	659	787	643	753	703								
Selling expenses	-607	-626	-602	-606	-568	-597	-570	-614	-574	-606	-604	-612	-563	-651	-603	-617	-598								
Administrative expenses	-56	-54	-51	-50	-50	-50	-53	-58	-51	-42	-42	-45	-44	-37	-37	-35	-36								
Other operating income	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								
Operating profit	90	144	47	119	139	117	31	103	99	95	9	42	52	99	3	101	69								
Financial income	2	4	4	0	0	0	0	0	1	0	0	0	1	0	0	0	0								
Financial expenses	-1	-5	0	-9	-15	-2	-2	0	-5	-8	-3	-5	-6	-12	-8	-38	-10								
Total net financial expense	1	-1	4	-9	-15	-2	-2	0	-4	-8	-3	-5	-5	-12	-8	-38	-10								
Profit/loss before taxes	91	143	51	110	124	115	29	103	95	87	6	37	47	87	-5	63	59								
Taxes	-14	-36	-17	-29	17	-32	-15	-14	-36	-26	-9	-14	-17	-25	-2	-21	-27								
Net profit	77	107	34	81	141	83	14	89	59	61	-3	23	30	62	-7	42	32								
Operating margin	7,8%	11,4%	4,0%	9,8%	11,1%	10,0%	2,8%	8,6%	7,9%	8,1%	0,8%	3,7%	4,5%	8,0%	0,3%	8,4%	5,8%								
Earnings per share, SEK	1,00	1,39	0,44	1,05	1,00	1,08	0,18	1,16	0,77	0,81	-0,04	0,30	0,39	0,83	-0,09	0,56	0,42								
Number of stores	363	368	357	357	356	373	370	373	368	377	373	372	368	389	379	378	377								

YEARLY INCOME STATEMENT

Amounts in SEK million	Sep-Aug 2016/2017	Sep-Aug 2015/2016	Sep-Aug 2014/2015	Sep-Aug 2013/2014	Sep-Aug 2012/2013
Net sales	4 916	4 724	4 588	4 743	4 751
Cost of goods sold	-1 860	-1 806	-1 832	-1 857	-1 937
Gross profit	3 056	2 918	2 756	2 886	2 814
Selling expenses	-2 403	-2 356	-2 385	-2 469	-2 488
Administrative expenses	-205	-212	-173	-145	-150
Other operating income	1) -	-	-	-	76
Operating profit	448	350	198	272	252
Financial income	1	1	1	0	1
Financial expenses	-22	-10	-22	-68	-88
Total net financial expense	-21	-9	-21	-68	-87
Profit/loss before taxes	427	341	177	204	165
Taxes	-63	-96	-66	-75	-74
Net profit/loss for the year	364	245	111	129	91
Operating margin	9,1%	7,4%	4,3%	5,7%	5,3%
Earnings per share after dilution, SEK	Note 2 4,74	3,19	1,45	1,71	1,32

1) Capital gain sale of property Q1 2012/13

DEFINITIONS

Some information in this report used by company management and analysts to assess the Group's development has not been prepared in accordance with IFRS.

The company management considers that this information makes it easier for investors to analyse the Group's performance and financial structure. Investors should regard this information as a complement to rather than a replacement for financial reporting in accordance with IFRS.

Key figures and ratios	Definition/calculation	Purpose
Margins		
Gross margin	Gross profit as a percentage of net sales	Gross margin is used to measure profitability of goods distribution
Operating margin	Operating profit as a percentage of net sales	Operating margin is used to measure operative profitability
Return		
Return on equity	12-month rolling profit for the period as a percentage of average equity	This key ratio shows return on owners' invested capital from the point of view of the owners
Return on capital employed	12-months rolling operating profit plus financial income as a percentage of capital employed	This key ratio is the central measure of return on all capital used in the business
Capital structure		
Net interest-bearing liabilities	Interest-bearing liabilities minus cash and cash equivalents	Used to measure the capacity for repaying interest-bearing liabilities with available cash and cash equivalents if these fell due on the date of the calculation
Net interest-bearing liabilities/EBITDA (multiple)	Net interest bearing liabilities / EBITDA for immediately preceding twelve-month period	Net debt / EBITDA gives an estimate of the company's capacity to pay its interest bearing liabilities
Equity-assets ratio	Equity / balance sheet total at the close of the period	This key ratio shows financial risk, expressed as the proportion of total capital that is financed by the owners
Average equity	Equity at the close of the period and equity at the close of the period of comparison in the previous year, divided by two	Average equity is used when calculating the key ratio return on equity
Capital employed	Balance sheet total less non-interest bearing debt including deferred tax liabilities at the close of the period and for the period of comparison in the previous	Capital employed measures the use of capital and effectiveness
Data per share		
Equity per share	Equity / number of shares	Equity per share measures the company's net value per share and determines whether a company increases the shareholders' wealth over time
Earnings per share	Profit after tax / average number of shares	This key ratio is used to assess the development of the investment from the point of view of the owners
Earnings per share after dilution	Profits after tax / average number of shares after full dilution	This key ratio is used to assess the development of the investment from the point of view of the owners
Other definitions		
Gross profit	Net sales less cost of goods sold	Gross profit is used to measure profitability of goods distribution
Operating profit (EBIT)	Profit before net financial income and income tax (EBIT= earnings before interest and taxes)	This key ratio makes it possible to compare profitability regardless of corporate tax rate and independent of the company's financing structure
Operating profit (EBITDA)	Operating profit before amortisation and impairment (EBITA = earnings before interest, tax, depreciation and amortisation)	This key ratio is used to measure cash flow from operating activities, regardless of the effects of financing and valuation of non-current assets
Sales in comparable stores	Change in sales in comparable units (on a like-for-like basis) after adjustment for opened/closed stores and foreign exchange effects	This key ratio makes it possible to analyse sales excluding opened/closes stores and foreign exchange effects
Interest coverage ratio (multiple)	Operating profit plus interest income / interest expense, for the preceding twelve-month period	This key ratio shows the company's capacity to cover its financial expenses
Overhead expenses as a percentage of sales	Selling expenses and administration expenses / Net sales	The key ratio shows shows the realiton of the company's overhead expenses to sales

KEY RATIOS

	Sep-Nov 2017/2018	Sep-Nov 2016/2017	Latest 12 months Dec-Nov
Earnings per share, SEK	1,00	1,39	4,33
Total depreciation	32	29	124
Operating result (EBIT)	90	144	395
Gross margin	64,6%	65,3%	61,9%
Operating margin	7,8%	11,4%	8,2%
Interest coverage ratio	-	31,8	20,4
Net interest-bearing liabilities	-249	21	-249
Net interest-bearing liabilities/EBITDA	-	0,0	-0,5
Equity/assets ratio	70,1%	59,4%	67,4%
Equity per share, SEK	27,79	25,07	26,58
Return on equity	-	-	17,3%
Return on capital employed	-	-	17,0%
Number of shares	76 820 380	76 820 380	-26

RECONCILIATION BETWEEN IFRS AND USED KEY RATIO DEFINITIONS

OPERATING PROFIT (EBITDA)

Amounts in SEK million	Sep-Nov 2017/2018	Sep-Nov 2016/2017	Latest 12 months Dec-Nov
Operation profit	90	144	448
Depreciations and write-downs	32	29	124
Operation profit (EBITDA)	122	173	572

KAPPAHL'S 20 LARGEST SHAREHOLDERS, 30 NOVEMBER 2017

	Number of shares	Percentage of shares and votes 2017-Nov-30	Change compared with 2017-Aug-31
Mellby Gård AB	18 759 875	24,42	0
Swedbank Robur fonder	5 122 454	6,67	567 626
Handelsbanken fonder	3 587 314	4,67	-537
Fidelity Funds - Nordic Fund	3 509 664	4,57	198 660
SEB Investment Management	1 650 944	2,15	184 645
MSIL IPB Client Account	1 641 250	2,14	26 582
CBLDN-OM GLBAL Investors Series PLC	1 568 936	2,04	235 736
CBNY-DFA-INT SML CAP V	1 450 979	1,89	35 313
State Street Bank	1 403 203	1,83	-23 729
Försäkringsaktiebolaget, Avanza Pension	1 333 473	1,74	278 478
JP Morgan Bank Luxembourg S.A.	1 078 392	1,40	388 371
CBNY-Norges Bank	900 466	1,17	48 430
Nordea Investment Funds	890 338	1,16	6 809
BNYMSANV RE GCLB RE BNY GCM CLIENT	755 850	0,98	-212 289
The Nomura Trust and Banking CO.LTD, RE FID EUR	644 516	0,84	220 593
Morgan Stanley & CO INTL PLC, W-8BEN	591 977	0,77	408 393
Nordea Livförsäkring Sverige AB	579 730	0,75	-498 870
Fidelity Funds European Smaller, Companies Pool	572 434	0,75	25 426
JP Morgan Securities LLC, W9	461 772	0,60	-178 697
JPMC:Escrow Swiss resident account	448 115	0,58	288 087
Other	29 868 698	38,88	-1 999 027
Total	76 820 380	100,00	0,00