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## NEW ANNUAL REPORT FROM KAPPAHL

*presenting results and sustainability work 2016/2017*

*KappAhl have published its Annual Report for the fiscal year 2016/2017. Again this year, the fashion chain has chosen to combine the financial annual report and the sustainability report.*

In the report, President and CEO Danny Feltmann summarizes the year with the words "We have confirmation that our efforts are having effect and our development work is now continuing at a sustained pace. The pace of investment will continue to be high as we adapt the store network and develop omni-channel services. In addition, Newbie Stores continues to expand in both existing markets and the UK. A guiding star in the ongoing work is the right fashion for our customer, when and how the customer chooses. KappAhl is to be our customer's first choice! "

In brief the past year summes up as follows

- Success factors including active work on price and campaign strategies and good cost control have affected the result positively. The operating margin was 9,1 per cent.
- The Newbie brand is successful on its own. Seven new Newbie Stores opened in Sweden, Norway and Finland. It was decided that in the autumn of 2017, Newbie Store will open in Poland and the UK, which was also carried out after the end of the fiscal year.
- Digital development is moving forward, including customer-appreciated services like Click&Collect and Shop Online in Store.
- The continued prioritized sustainability work has been strengthened with the new Responsible Fashion sustainability strategy. The proportion of sustainably labelled fashion has increased to 53 (38) per cent. The launch of One Bag Habit together with industry colleagues reduced the use of bags by over fifty percent in the first three months, June-August.

**The Annual Report** published today is the Swedish version. The English version will be published on 23 November. The Annual Report is produced in two parts. Part 1 describes the business including the sustainability work and is available to download as well as to order printed copies of at [www.kappahl.com/ir](http://www.kappahl.com/ir). Part 2 is available to download on [www.kappahl.com/ir](http://www.kappahl.com/ir) and includes the official Annual Report, the GRI Index, the materiality analysis and corporate governance report, etc.

### For more information

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*KappAhl was founded in Gothenburg in 1953 and is a leading fashion chain in the Nordic region with 370 KappAhl and Newbie stores and Shop Online in Sweden, Norway, Finland, Poland and Great Britain. Our business idea is to offer value-for-money fashion of our own design to the many people. Sustainability-labeled fashion accounts for 53 per cent of the range. Sales for 2016/2017 totaled SEK 4.9 billion and the company has approx. 4,000 employees in nine countries. KappAhl is quoted on Nasdaq Stockholm. More information at [www.kappahl.com](http://www.kappahl.com).*