



Welcome!

Presentation

**Third Quarter Report for the
period**

Q3 March – May 2009

Q1-Q3 Sept 08 – May 2009

Third Quarter Report

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Christian W. Jansson,
CEO



Håkan Westin,
CFO

Highlights - Third Quarter Report

March to May 2009

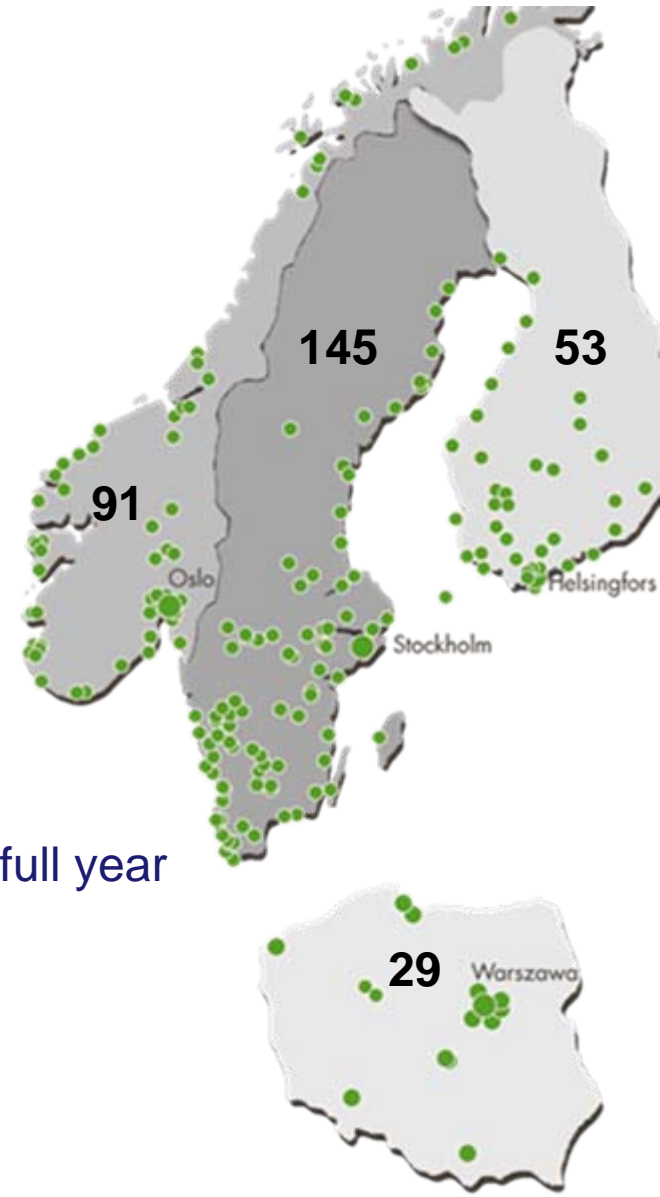


- Satisfactory profitability in a weak market
- Increased market share
- Balanced stock level

Stores May 2009



- 318 stores
- Close to 50 new stores under contract
- 13 new stores during Q3
- Significant contribution from new stores in sales and profit
- 29 new stores net for the full year



Marketing spring 2009 – succesfull kids campaigns



Financial highlights – Q3

March to May 2009



- Net sales MSEK 1 206 (1 140), an increase of 5.8 percent
- Operating profit MSEK 109 (145), a decrease of 25 percent
- Gross margin 60,4 (63,8) percent and operating margin 9.0 (12.7) percent
- Net profit MSEK 62 (112), equivalent to SEK 0.83 (1.49) per share
- Cash flow from continuing operations MSEK 144 (221)

Income Statement – Q3

March to May 2009



MSEK	2008/09	2007/08
Net sales	1206	1140
Cost of goods sold	-478	-413
Gross profit	728	727
Selling expenses	-.587	-547
Administrative expenses	-32	-35
Other operating income	-	-
Operating profit	109	145
Financial income	0	24
Financial expense	-23	-21
Profit before tax	86	148
Tax expense	-24	-36
Net profit	62	112

Cash flow – Q3

March to May 2009



MSEK	2008/09	2007/08
Cash flow from continuing operations before changes in working capital	108	156
Changes in working capital	36	65
Cash flow from continuing operations	144	221
Cash flow from investment activities	-42	-529
Cash flow after investments	102	-308
Change bank overdraft facility	-103	304
Dividend / Redemption of shares	0	0
Other from financial activities	0	0
Cash flow for the period	-1	-4

Net debt reduced by MSEK 100

Sales – Q3

March to May 2009



	MSEK	%
<u>Net sales Q3 2007/08</u>	<u>1 140</u>	
<u>New stores net</u>		<u>+6.9</u>
<u>Like For Like</u>		<u>-3.6</u>
<u>Currency effect</u>		<u>+2.5</u>
Net sales Q3 2008/09	1 206	+5.8

Profitability drivers – Q3

March to May 2009



	2008/09
Sales	5.8%
Gross profit	0.1%
Costs	6.4%
Operating income	-24.8%

- *USD impact*
- *Discounts*
- *Cost containment*

Marketing spring 2009 – focusing trousers, 15 000 sold per day



Financial Highlights – Q1-Q3

September 2008 to May 2009



- Net sales 3 640 (3 519) MSEK, an increase of 3.4 percent
- Operating profit 350 (469) MSEK, a decrease of 25 percent
- Gross margin 61.0 (62.5) percent and operating margin 9.6 (13.3) percent.
- Net profit 209 (324) MSEK, equivalent to SEK 2.79 (4.32) per share.
- Cash flow from continuing operations MSEK 404 (600).

Income Statement – Q1-Q3

September 2008 to May 2009



MSEK	2008/09	2007/08
Net sales	3 640	3 519
Cost of goods sold	-1 420	-1 320
Gross profit	2 220	2 199
Selling expenses	-1766	-1 626
Administrative expenses	-104	-104
Other operating income	-	-
Operating profit	350	469
Financial income	1	30
Financial expense	-61	-57
Profit before tax	290	442
Tax expense	-81	-118
Net profit	209	324

Cash flow– Q1-Q3

September 2008 to May 2009



MSEK	2008/09	2007/08
Cash flow from continuing operations before changes in working capital	396	522
Changes in working capital	8	78
Cash flow from continuing operations	404	600
Cash flow from investment activities	-208	-644
Cash flow after investments	196	-44
Change bank overdraft facility	124	841
Dividend / Redemption of shares	-338	-825
Other from financial activities	-214	16
Cash flow for the period	-18	-28

Sales – Q1-Q3

September 2008 to May 2009

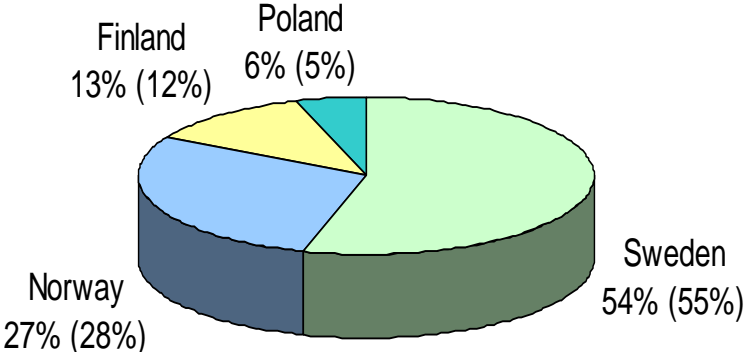


	MSEK	%
Net sales 2007/08	3 519	
New net stores		+5.5
Like For Like		-3.8
Currency effect		+1.7
Net sales 2008/09	3 640	+3.4

Sales breakdown per country – Q1-Q3

September 2008 to May 2009

MSEK	2008/09	2007/08	Growth	
			SEK	Local currency
Sweden	1 952	1947	0.3%	0,3%
Norway	994	986	0.8%	-0.7%
Finland	487	416	17.1%	4.1%
Polen	207	170	21.8%	23.2%
Totalt	3 640	3 519	3,4%	



Profitability drivers – Q1-Q3

September 2008 to May 2009



	2008/09
Sales	3.4%
Gross profit	1.0%
Costs	8.1%
Operating income	-25.6%

Comments on the present market situation



- ✓ The customer uncertainty will continue, ongoing weak demand in the market
- ✓ Our concept help us to increase market shares
- ✓ Our store expansion continues and is in the short and long term important for the profitability

Future approach



- ✓ Balance sales volumes and margins in a weak market
- ✓ Ongoing cost containment supports good margins
- ✓ Continue strong store network expansion
- ✓ Introducing a fifth market in October. First new store in Brno, south in The Czech Republic

Key conclusion

Reached both operational and financial targets



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Questions?

