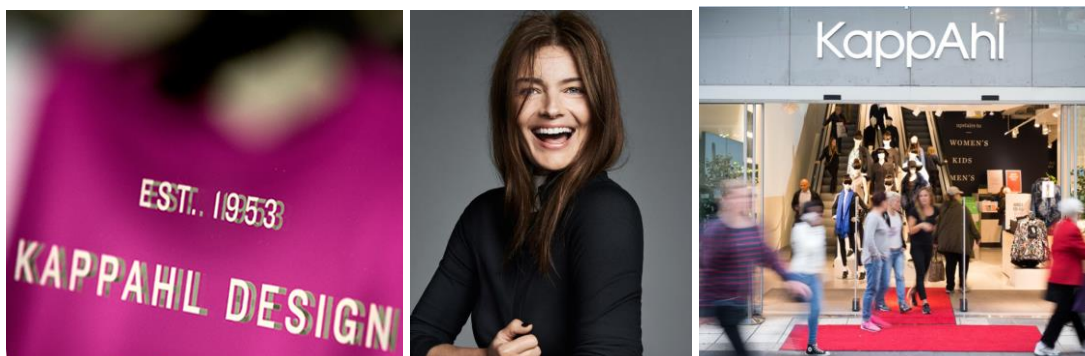

PRESS RELEASE

Möln dal 6 December 2016



KAPPAHL BULLETIN ANNUAL GENERAL MEETING 2016

KappAhl AB (publ) held its Annual General Meeting on Tuesday 6 December 2016 in Möln dal. The following resolutions were passed at the Meeting:

- *A cash dividend of SEK 1.25 per share. Record day for the dividend is Thursday 8 December 2016.*
- *Determination of fees.*
- *Resolution on adoption of the accounts and discharge from liability*
- *Re-election of four Board members including Chairman of the Board and new election of Göran Bille and Cecilia Kocken as members of the Board*
- *Election of PricewaterhouseCoopers AB as new accounting firm, with Eva Carlsvi as the principally responsible auditor.*
- *Instructions for the Nominations Committee*
- *Remuneration policy for company management*

A summary is given below of the resolutions passed, which are all in line with the main resolution proposals made available to the shareholders before the Annual General Meeting.

Resolution on adoption of the accounts and discharge from liability

The income statement and balance sheet and consolidated income statement and balance sheet were adopted and the meeting discharged the Board of Directors and Chief Executive Officers from liability for the financial year.

Resolution regarding dividend

The Annual General Meeting resolved on that a cash dividend of SEK 1.25 per share is distributed for 2015/2016, corresponding to a total of SEK 96,025,475. The remaining profit is carried forward. Record day for the dividend is Thursday 8 December 2016. Expected date of payment via Euroclear is Tuesday 13 December 2015.

PRESS RELEASE

Determination of fees to the Board of Directors and the Auditor

The meeting resolved that the fee to the Board of Directors and its committees shall be SEK 1,819,000. The resolution means that the Chairman of the Board is awarded SEK 400,000, that each other elected member of the Board is awarded SEK 200,000, that the chairman of the Audit Committee is awarded SEK 160,000 that one other member of the Audit Committee is awarded SEK 100,000, that the chairman of the Remuneration Committee is awarded SEK 35,000 and that one other member of the Remuneration Committee is awarded SEK 12,000. It was resolved that the fee to the accounting firm shall be unchanged in accordance with customary standards and approved invoice.

Re-election and election of the Board of Directors

Four ordinary members of the Board, including Chairman of the Board, were re-elected in accordance with the recommendation of the Nominations Committee. Christian W. Jansson had declined re-election. The Annual General Meeting elected Göran Bille and Cecilia Kocken as new ordinary members of the Board. Consequently, the members of the Board of Directors elected by the Annual General Meeting are Anders Bülow (Chairman), Pia Rudengren, Susanne Holmberg, Kicki Olivensjö, Göran Bille and Cecilia Kocken.

Election of accounting firm

PwC (PricewaterhouseCoopers AB) was elected new accounting firm, with Eva Carlsvi as the principally responsible auditor. The engagement will run until the next Annual General Meeting.

Instructions for the Nominations Committee

The Nominations Committee's proposed instructions and rules of procedure for the Nominations Committee were adopted. The Nominations Committee shall consist of four ordinary members, who shall be appointed by the four largest shareholders as of April 30. The term largest shareholders refers to shareholders registered with Euroclear Sweden AB and grouped by ownership as of April 30.

Remuneration policy for company management

The meeting adopted the Board's proposed remuneration policy for the management team. The policy implies that a bonus of a maximum of 50 per cent of fixed salary can be payable. The remuneration policy is substantially the same as the one adopted by the previous Annual General Meeting.

All the resolutions of the Annual General Meeting were passed with the requisite majority.

The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

For further information, please contact:

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KappAhl was founded in Gothenburg in 1953 and is a leading fashion chain in the Nordic region with 380 stores in Sweden, Norway, Finland and Poland as well as Shop Online. Our business idea is to offer value-for-money fashion of our own design to the many people. Sustainability-labeled fashion accounts for 38 per cent of the range. Sales for 2015/2016 totaled SEK 4.7 billion and the company has approx. 4,000 employees in nine countries. KappAhl is quoted on Nasdaq Stockholm. More information at www.kappahl.com.