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Good growth

Full year report: September 2009 – August 2010

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Agenda

- Q4 2009/2010
- Financial year 2009/2010
- Market situation
- Conclusions
- Questions

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Highlights full year

- Good sales increase from new stores
- Profits
  - Strong for the Nordic region and improving
  - New markets in a build-up fase
- Further improved financial position
- Continued strong cash flow

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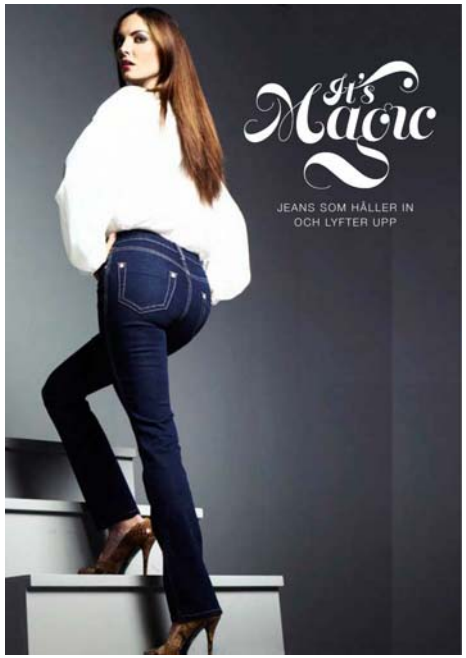
Campaigns during period



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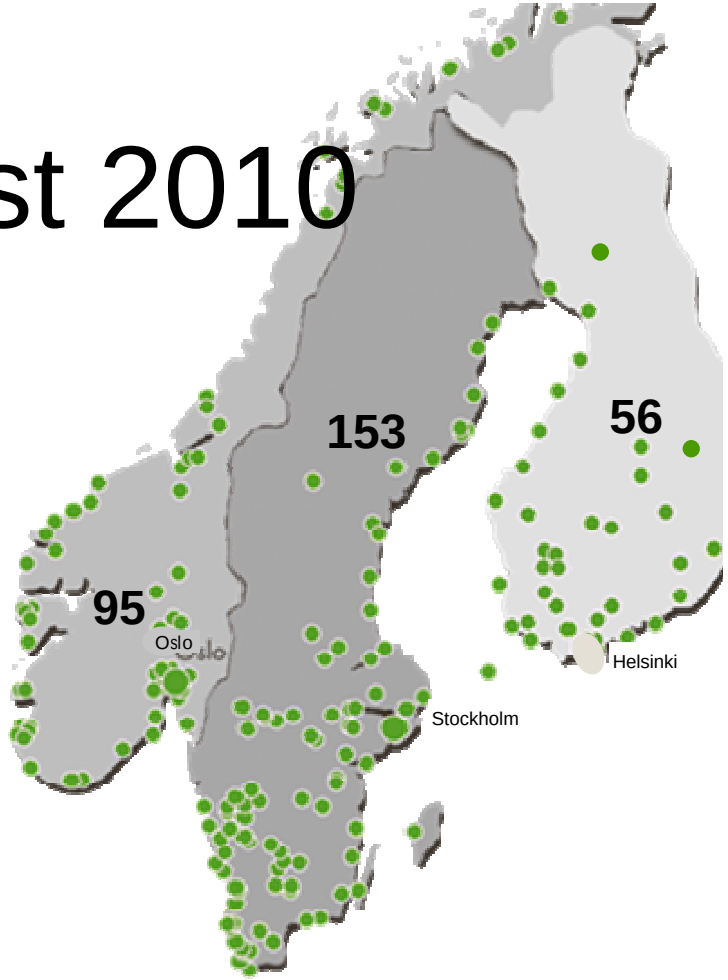
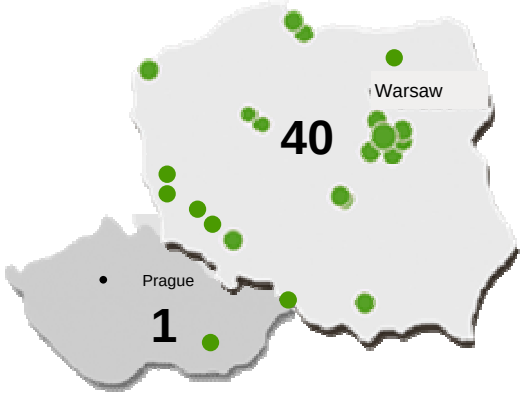
Stores August 2010

- 345 stores
- 26 new stores this year
- Significant contribution from new stores in sales and profit
- New market: Czech Republic
- 55 new stores under contract
  - 16 during Q1
  - 25 during 2010/11





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Financial highlights, Q4

June - August 2010

- Net sales MSEK 1 290 (1 226), +5,2%
- Operating profit MSEK 156 (176), -11%
- Gross margin 59,6 (61,4)%
- Operating margin 12,1 (14,4)%
- Net profit MSEK 125 (106), equivalent to SEK 1.67 (1.41) per share, of which deferred taxes 45 MSEK
- Cash flow from continuing operations MSEK 222 (100)

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Income statement, Q4

June - August 2010

MSEK	2009/10	2008/09
Net Sales	1 290	1226
Cost of goods sold	-521	-473
Gross profit	**769**	**753**
Selling expenses	-583	-549
Administrative expenses	-30	-28
Operating profit	**156**	**176**
Financial income	0	0
Financial expense	-24	-23
Profit before tax	**132**	**153**
Tax expense	-7	-47
Net profit	**125**	**106**

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Sales, Q4

June - August 2010

	MSEK	%
Net sales Q4 2008/09	1 226	
New stores net		5,1
Like For Like		1,8
Currency effect		-1,7
Net sales Q4 2009/10	1 290	5,2

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Financial highlights – full year

September 2009 - August 2010

- Net sales MSEK 5 111 (4 866), + 5,0%
- Operating profit MSEK 551 (526), +4,8%
- Gross margin 61,8 (61,1)%
- Operating margin 10,8 (10,8)%
- Net profit 402 (315) MSEK, equivalent to SEK 5.36 (4.20) per share, of which deferred taxes 84 MSEK
- Cash flow from continuing operations MSEK 507 (504)

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Income statement, full year

September 2009 - August 2010

MSEK	2009/10	2008/09
Net Sales	5 111	4 866
Cost of goods sold	-1 954	-1 893
Gross profit	**3 157**	**2 973**
Selling expenses	-2 467	-2 315
Administrative expenses	-139	-132
Operating profit	**551**	**526**
Financial income	1	1
Financial expense	-89	-84
Profit before tax	**463**	**443**
Tax expense	-61	-128
Net profit	**402**	**315**

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Sales, full year

September 2009 - August 2010

	MSEK	%
Net sales 2008/09	4 866	
New stores net		6,3
Like For Like		-0,7
Currency effect		-0,6
Net sales 2009/10	5 111	5,0

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Sales breakdown, full year

September 2009 - August 2010

MSEK	2009/10	2008/09	Change in SEK	Local currency
Sweden	2 696	2 572	4,8%	4,8%
Norway	1 419	1 357	4,6%	3,1%
Finland	658	664	-0,9	5,3%
Poland	331	273	21,2	26,2%
Czech Republic	7	-	-	-
Total	**5 111**	**4 866**	**5,0%**	**-**

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Present market situation

- From macro economy a key issue is the need for public savings
  - However in our markets this is not an issue
- Still high level of unemployment
  - Starting to improve
- Increasing sourcing costs is a concern
- Private consumption should continue well

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Autum 2010

- Woman
  - Vintage Stories
  - Shape up
  - Magic jeans
  - Sentimental Journey
- Man
  - Hampton Republic 27
- Children
  - Woxo and Proxtec

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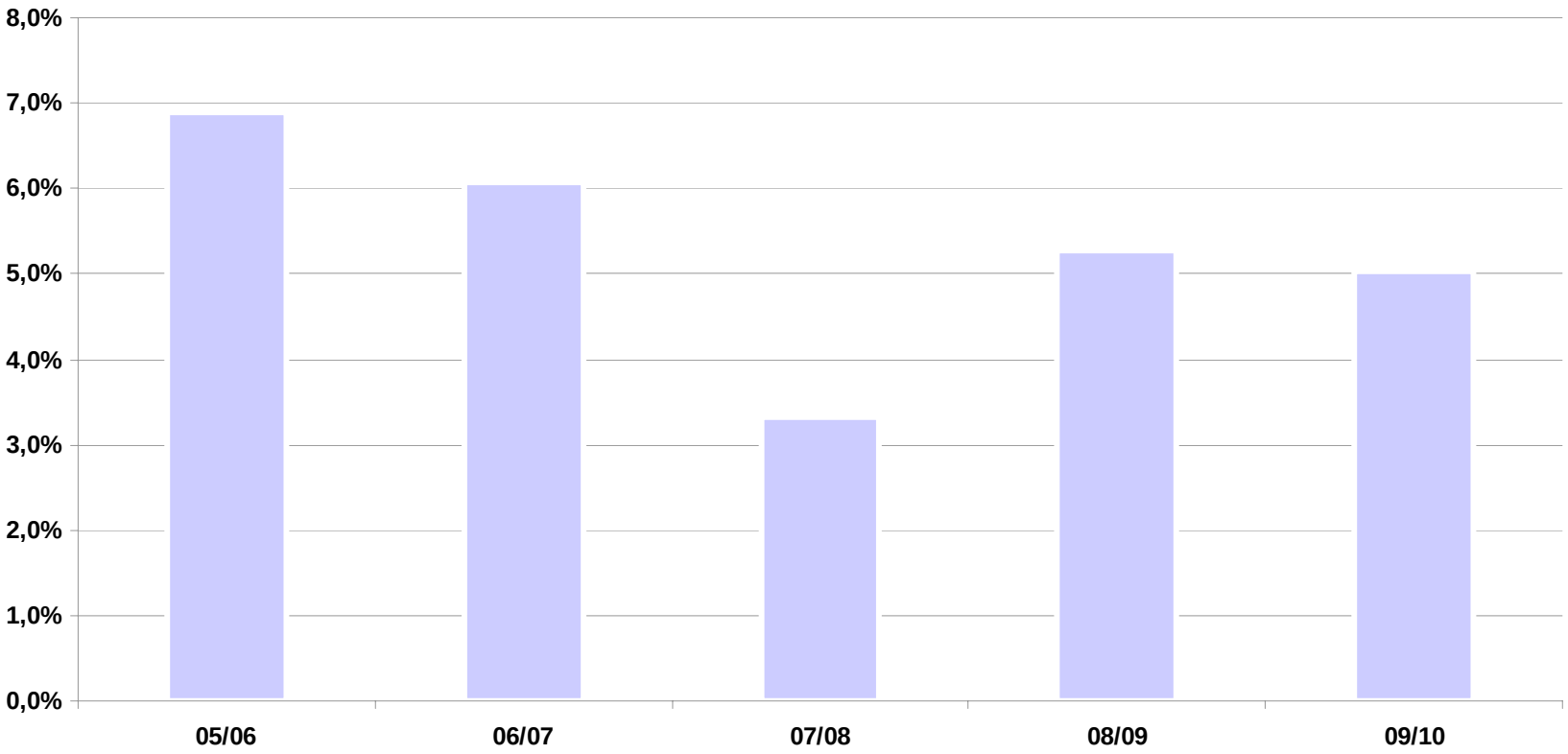
Five year summary – Sales growth



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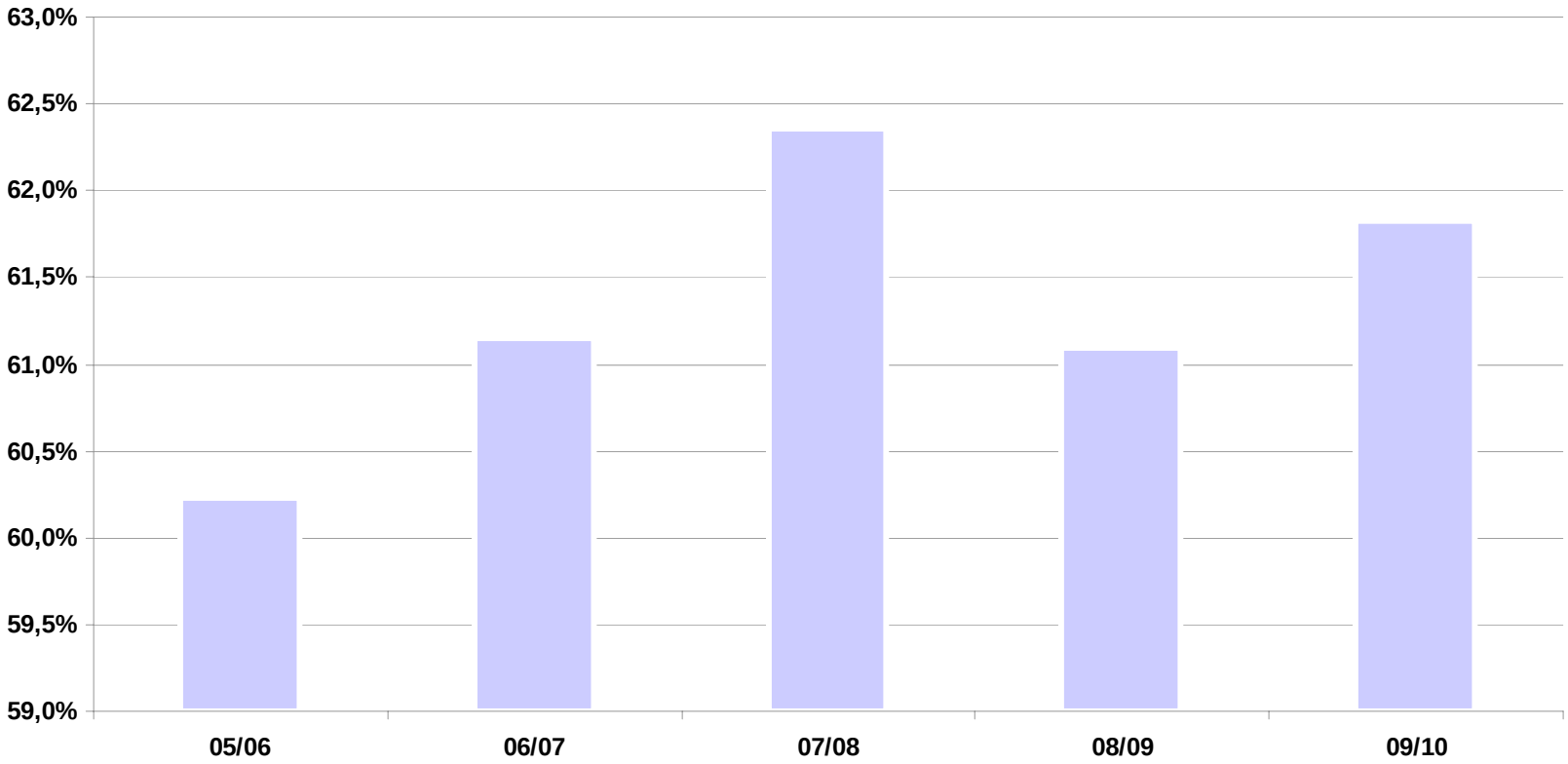
Five year summary – Gross margin



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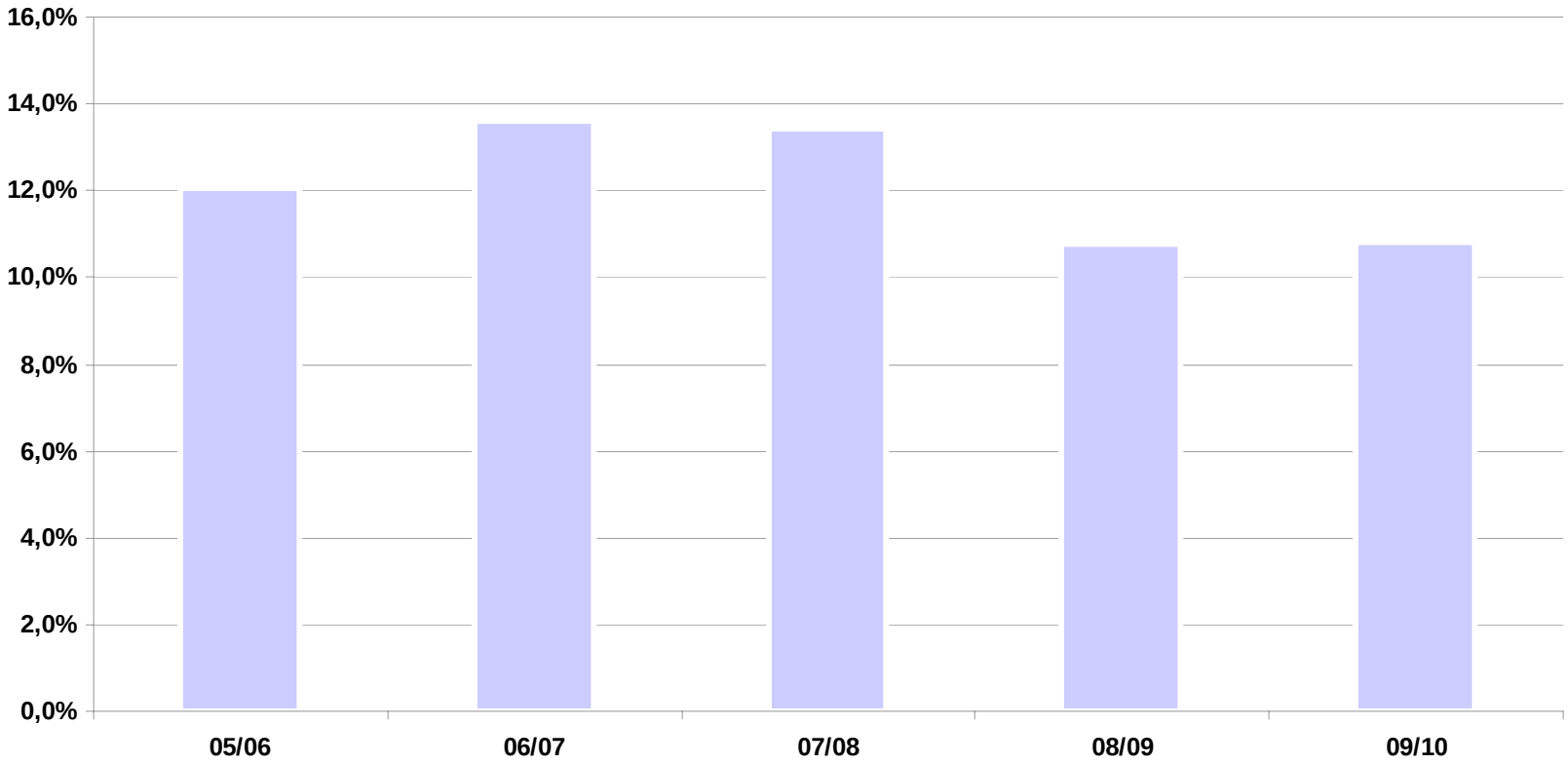
Five year summary – Operating margin

excl. one-offs



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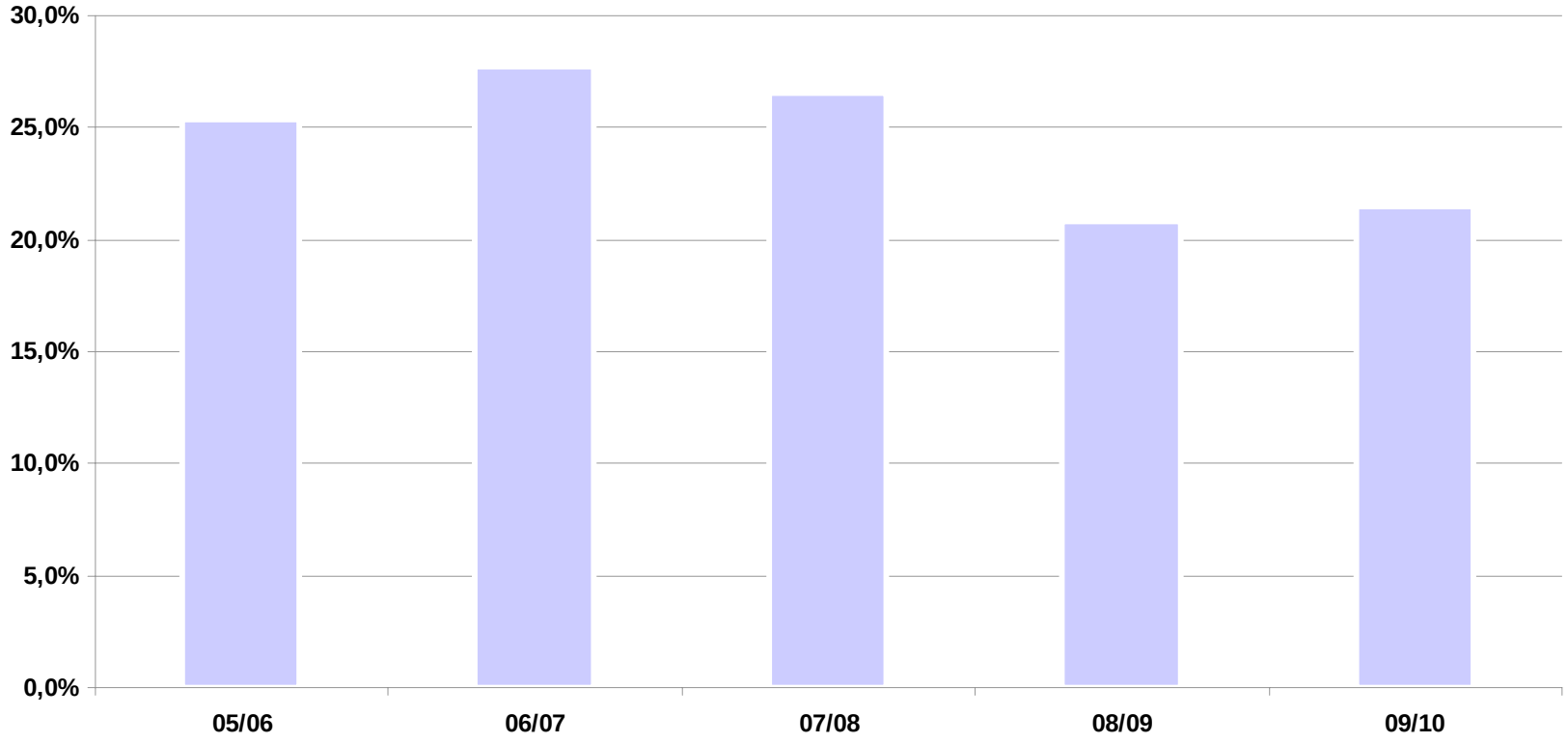
Five year summary – Return on capital/employed



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Key conclusion

- Business concept – proven long term stability
- Like-for-like – key focus going forward
- Strong gross margin
- Strong cash flow
  - Reduced tax payment going forward
- Expansion plans continues

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A THOUSAND AND SECOND NIGHTS
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