
PRESS RELEASE

Möln dal 13 November 2017

KAPPAHL ESTIMATES LOWER SALES DURING THE FIRST QUARTER

KappAhl AB (publ.) estimates that their operating profit for the first quarter 2017/2018 will be lower than the first quarter 2016/2017.

– Sales during the quarter has not lived up to our expectations so far. This is mainly depending on our price- and campaign strategy that has not given the effect we wished for in the tough market climate during the fall, says KappAhl's President and CEO Danny Feltmann.

KappAhl estimates that the operating profit for the first quarter 2017/2018 will be approximately 100 MSEK, compared to 145 MSEK for the first quarter 2016/2017.

Sales during the quarter has not lived up to the company's expectations so far. A lower consumption in general during the warm fall has resulted in reduced traffic.

– With these insights we see that we did not adapt our price- and campaign strategy, aiming to increase full price sales, quickly enough. Going forward we will adjust our price- and campaign strategy at a pace more adapted to the market as well as keeping a continued good cost control, says Danny Feltmann.

KappAhl's financial report for the first quarter, September-November 2017, will be published as planned on 20 December at 07.30, followed by a telephone conference at 09.00 o'clock the same day.

This information is information that KappAhl AB is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was released for public disclosure through the agency of President and CEO Danny Feltmann on 13 November 2017 at 07.30 CET.

For further 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.