

# Clas Ohlson: Interim report

## 1 May 2010 – 31 July 2010

### 1st quarter

- \* Sales totalled SEK 1,324 M (1,288), up 3%
- \* Operating profit amounted to SEK 115 M (141), down 18%
- \* Profit after tax amounted to SEK 84 M (101), down 17%
- \* Earnings per share amounted to SEK 1.32 (1.56), down 15%

### Events after the end of the reporting period

- \* Sales in August totalled SEK 480 M (446), up 8%

### **CEO Klas Balkow comments:**

“Sales growth during the quarter was impacted by a lower rate of expansion among new stores in our domestic markets. Furthermore, sales during the summer did not reach the same strong figures as in the year-earlier period in comparable units. We are once again increasing our store expansion and expect to open 17 to 22 stores during the current financial year, of which 15 stores will open before Christmas.

“Since growth in our domestic markets was relatively low, the Group’s earnings were weaker than in the year-earlier period, which is due to our current investments in the UK market. The weak retail trend in the UK is creating opportunities for us to expand in attractive store locations. We now have seven stores in the UK and plan to open another six to ten stores during the current financial year.”

	3 months 01/05/10- 31/07/10	3 months 01/05/09- 31/07/09	Rolling 12 months 01/08/09- 31/07/10	Latest annual accounts 01/05/09- 30/04/10
Sales, SEK M	1,324	1,288	5,591	5,556
Operating profit, SEK M	115	141	565	591
Profit after tax, SEK M	84	101	416	433
Gross margin, %	41.9	39.5	41.4	40.8
Operating margin, %	8.7	11.0	10.1	10.6
Equity/assets ratio, %	55	58	55	58
Earnings per share before dilution, SEK	1.32	1.56	6.48	6.72

## Operations

Operations comprise the sale of products for house and home, as well as technology and hobby items, through the company's own retail outlets and via mail order/Internet channels. The product range focuses on attractively priced products for everyday use. Activities are pursued in Sweden, Norway, Finland and the UK. The number of stores at the end of the period was 121, of which 56 were in Sweden, 42 in Norway, 16 in Finland and seven in the UK.

During the first quarter, one new store (2) was opened in Norway.

## Sales and profits

### The first quarter (May-July)

Sales totalled SEK 1,324 M, up 3 per cent compared with SEK 1,288 M in the year-earlier period. In local currencies, sales increased 4 per cent. Compared with the same period in the preceding year, 13 new stores (20) were added and the total number of stores on 31 July 2010 was 121. Mail order/Internet sales amounted to SEK 19 M (19).

Sales growth during the first quarter was impacted by the opening of fewer new stores compared with the year-earlier period, lower sales in comparable stores and negative exchange-rate effects.

Sales were distributed as follows:

<u>Sales areas (SEK M)</u>	2010/11	2009/10	Percentage change	Percentage change, local currency
<u>Countries</u>				
Sweden	661	653	+ 1	+ 1
Norway	510	509	0	0
Finland	105	109	- 4	+ 8
UK	<u>48</u>	<u>17</u>	<u>+ 181</u>	<u>+ 205</u>
	1,324	1,288	+ 3	+ 4

The sales increase of 3 per cent was distributed as follows:

Comparable stores in local currency	- 3 per cent
New stores	+ 7 per cent
<u>Exchange-rate effects</u>	<u>- 1 per cent</u>
Total	+ 3 per cent

The gross margin was 41.9 per cent, 2.4 percentage points higher than in the year-earlier period. The margin was positively impacted mainly by exchange-rate effects (USD), sales mix (countries/products) and an increased proportion of direct purchasing through Clas Ohlson's purchase company in Shanghai.

The share of selling expenses increased 3.8 percentage points to 30.0 per cent (26.2). The increase was primarily due to lower sales in comparable stores, higher costs deriving from store establishment in the UK compared with the year-earlier period, higher marketing spending in established markets and higher start-up costs.

During the quarter, one new store was opened (year-earlier period: 2). In addition, three existing stores were converted to the new store concept (year-earlier period: 0). The start-up costs for new and renovated stores, including the scrapping of fittings, amounted to SEK 13 M (4).

Depreciation/amortisation for the period amounted to SEK 37 M compared with SEK 28 M for the corresponding year-earlier period. The increase was mainly attributable to new and renovated stores as well as the commissioning of Clas Ohlson's new crane/automated warehouse (January 2010).

Operating profit amounted to SEK 115 M (141). The decline was due to costs related to expansion in the UK as well as a decrease in sales in comparable stores.

The operating margin was 8.7 per cent (11.0).

Profit after financial items amounted to SEK 114 M (140).

Spot exchange rates for key currencies averaged SEK 1.20 for NOK and 7.66 for USD compared with SEK 1.21 and SEK 7.70 in the year-earlier period. Currency hedging was undertaken in USD, HKD and NOK. The company's policy is to hedge 50 per cent of expected flows during a catalogue period.

## **Investments**

During the quarter, investments totalled SEK 50 M (84). Of this amount, investments in new or renovated stores accounted for SEK 23 M (3). An additional SEK 4 M (65) pertained to expansion of the distribution centre in Insjön. On 31 July 2010, SEK 576 M of current investments totalling SEK 615 M had been utilised. Other investments were mainly head office and replacement investments.

Clas Ohlson's new store concept was launched in November 2008 and is being implemented in all new stores. Existing stores will gradually be converted. During the quarter, the number of conversions totalled three stores (0). On 31 July 2010, 31 of Clas Ohlson's 121 stores had applied the new store concept.

## **Financing and liquidity**

Cash flow from operating activities for the quarter was SEK 117 M (199). The change was primarily due to lower operating profit and negative changes in working capital. After investments and financing activities, cash flow for the period was SEK 118 M (69).

The average 12-month value of inventories was SEK 1,194 M (1,080), up 11 per cent.

At the end of the period, the value of inventories was SEK 1,279 M (1,093). Compared with the same month a year earlier, 13 new stores were added.

During the first quarter of the financial year, buy-backs of the company's own shares to secure the Long Term Incentive Program 2010 (LTI 2010) amounted to SEK 62 M (73).

The Group's net debt, meaning interest-bearing liabilities less cash and cash equivalents, increased by SEK 26 M to SEK 172 M (146) compared with the preceding year. The equity/assets ratio was 55 per cent (58).

## **Number of shares**

The number of registered shares is 65,600,000, unchanged compared with the year-earlier period. On 31 July 2010, the company held 1,890,000 shares (1,320,000) corresponding to 3 per cent of the total number of registered shares (2). The number of shares outstanding, net excluding treasury shares, was 63,710,000 at the end of the period.

To secure the company's commitment regarding conditional matching shares and employee warrants in connection with LTI 2010, Clas Ohlson bought back 570,000 shares during the first quarter of the 2010/11 financial year for a total of SEK 62 M at an average price of approximately SEK 109 per share.

## **Long-term incentive program LTI 2010**

In May 2010, the long-term incentive program LTI 2010 was introduced. A total of 44 employees are participating in the program by making an initial investment in Clas Ohlson shares corresponding to between 5 and 10 per cent of employees' annual gross earnings. In May 2010, employees purchased a total of 30,614 shares. Participants who, after three years, are still employed in the company and hold initially invested shares will be allotted, free of charge, matching shares corresponding to the number of initially purchased shares. Depending on the degree of target fulfillment (growth in sales and increase in earnings per share), 0-15 options per share may be exercised. The exercise price for the conditional employee stock options has been established at SEK 141.30 per share, with exercise possible, following the three-year qualification period, between June 2013 and April 2017.

## Employees

The number of employees in the Group averaged 2,035 (1,927), of whom 875 (790) were women. The distribution by country was 1,275 (1,265) in Sweden, 481 (458) in Norway, 164 (174) in Finland and 115 (30) in the UK.

## Parent Company

Parent Company sales totalled SEK 1,142 M (994) and profit after financial items was SEK 178 M (72).

Investments for the year totalled SEK 30 M (79). Contingent liabilities for the Parent Company amounted to SEK 225 M (177).

## Events after the end of the reporting period

Sales during August increased 8 per cent to SEK 480 M (446). In local currencies, sales increased 8 per cent. Compared with the same month in the preceding year, 14 new stores (20) were added bringing the total number of stores to 122 as of 31 August 2010. Mail order/Internet sales amounted to SEK 7 M compared with SEK 8 M a year earlier.

Sales were distributed as follows:

<u>Sales areas (SEK M)</u>	2010	2009	Percentage change	Percentage change, local currency
<u>Countries</u>				
Sweden	239	227	+ 5	+ 5
Norway	189	178	+ 6	+ 5
Finland	36	35	+ 2	+10
UK	<u>16</u>	<u>6</u>	<u>+ 180</u>	<u>+ 190</u>
	480	446	+ 8	+ 8

## Management changes

Clas Ohlson has appointed Catharina Bengtsson as Director of Supply Chain. Catharina joins the company from her position as Business Development Manager at IKEA. Catharina Bengtsson will assume her new position by 1 October 2010.

Göran Melin has been appointed new CFO for Clas Ohlson. He joins the company from Öhrlings PricewaterhouseCoopers in Falun where he has been an authorized Public Accountant since 1991 and partner since 2001. Göran Melin will assume his new position on 1 November 2010.

## Leasing of retail space on Drottninggatan in Stockholm

In April 2010, Clas Ohlson signed a contract for a new store at Drottninggatan 53 in central Stockholm. The total floor space is 7,300 square metres of which Clas Ohlson will utilise 3,490 square metres on street level for its own retail activities, which will open at the end of October 2010. The sales space for the new Clas Ohlson store is estimated at approximately 2,600 square metres, while the remaining space will be used for store inventories and offices.

On 1 September 2010, after the close of the reporting period, a contract was signed with Intersport Sweden AB regarding the subleasing of 3,452 square metres of retail space at Drottninggatan 53. The contract becomes effective on 1 September 2010. Of the total retail space of 7,300 square metres, 358 square metres thus remains available for subleasing to another tenant.

## **New stores in the UK**

Clas Ohlson has opened seven stores in the UK market (Croydon, Manchester, Reading, Kingston, Watford, Liverpool and Leeds). Another four contracts have been signed with planned store openings in Birmingham, Norwich, Cardiff and Doncaster during November/December 2010.

Customers are responding positively to the new store openings in the UK and to date, the number of visitors and customers has been higher than the Group average. The conversion rate and average purchase in the UK have been lower than the Group average, which is generally the case when penetrating new markets. Clas Ohlson anticipates that establishing its brand name and position in a completely new market will take time and that the conversion rate, average purchase value and sales will gradually increase in coming years.

Start-up costs for the new stores in the UK amount to approximately SEK 5-6 M per store compared with approximately SEK 2 M in the Nordic markets. The higher costs are primarily due to the need for more extensive marketing activities when establishing the Clas Ohlson brand in a new market where it is not well-known. The share of selling expenses in relation to sales will initially be higher in the UK compared with Nordic markets where the company is already established. Consequently, Clas Ohlson expects that reaching the break-even point for a new store in the UK will take significantly longer, given the higher rental and marketing costs necessary, compared with opening a new store in the established markets in the Nordic region.

## **Outlook**

Clas Ohlson's business concept of offering a broad and attractively priced product range to conveniently solve the little practical problems of everyday life is highly attractive in established markets. The concept is unique in Europe and offers potential for expansion to several countries and for increasing market shares in existing markets.

During the coming years, establishment in new markets (currently the UK) is expected to have a negative impact of up to two to three percentage points on Clas Ohlson's operating margin during a financial year. Growth in the new markets in Europe is to take place in accordance with with the long-term financial objectives.

During the 2010/11 financial year, Clas Ohlson plans to establish 17-22 new stores, including six to ten in the UK.

Introduction of Clas Ohlson's new store concept in new and existing stores, together with new store formats, creates additional growth opportunities for the company in its primary markets in the Nordic countries, where Clas Ohlson has achieved high market penetration.

Clas Ohlson will continue its endeavours to simplify and enhance the efficiency of its entire operations and adapt costs to the trend in the retail sector and the growth rate of the company.

## **Long-term financial objectives**

The objective for long-term sales growth is 15 per cent, measured as the average annual sales increase over a five-year period. The profitability objective is to achieve an operating margin of at least 10 per cent annually.

## **Risks and uncertainties**

A number of factors could affect the company's profits and operations. Most of these are managed through internal procedures, while others are governed to a greater degree by external circumstances. Clas Ohlson's business operations are exposed to financial and operational risks. Financial risks comprise primarily wage inflation, raw-material prices and exchange-rate exposure, while operational risks relate to establishment in the UK, purchasing in China, economic conditions, competition, logistics, strikes, key employees, social responsibilities, product range and shrinkage.

For a more detailed description of the Group's risks and risk management, refer to the 2009/10 Annual Report. Apart from the risks described in the Annual Report, no other significant risks have arisen.

## Accounting policies

Clas Ohlson applies the International Financial Reporting Standards (IFRS) adopted by the EU. This interim report has been prepared in accordance with the Swedish Annual Accounts Act, IAS 34 Interim Financial Reporting and RFR 1.3 Supplementary Accounting Rules for Groups.

The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's Recommendation RFR 2.3. The same accounting policies are applied as for the Group, except in those cases indicated in the section headed "Parent Company accounting policies" in the 2009/10 Annual Report on page 66.

The IASB (International Accounting Standards Board) has issued new and revised IFRSs and interpretations that apply from 1 January 2010. However, these have had no discernible effect on the consolidated income statement or balance sheet.

For a more detailed description of the accounting policies applied by the Group and Parent Company in this interim report, refer to the 2009/10 Annual Report, pages 64-66.

## Financial information and Annual General Meeting

Up-to-date financial information is available on Clas Ohlson's website: <http://om.clasohlson.com> under "shareholders" and from Clas Ohlson AB's head office in Insjön, telephone +46 (0)247-444 00, fax +46 (0)247-444 25.

The Annual Report for 2009/10 was published in August 2010 on the company's website and distributed to the shareholders who have requested information from Clas Ohlson via e-mail, or a printed Annual Report via traditional mail.

The Annual General Meeting will be held on Saturday, 11 September 2010, at 11:00 a.m. at Clas Ohlson's Distribution Centre in Insjön. Official notification of the Annual General Meeting was issued on 13 August 2010. Information regarding the Nomination Committee and registration for the Annual General Meeting is available on Clas Ohlson's website at <http://om.clasohlson.com> under the "shareholders" tab.

- The interim report for the second quarter of 2010/11 will be published on 14 December 2010.
- The interim report for the third quarter of 2010/11 will be published on 9 March 2011.
- The year-end report for 2010/11 will be published on 8 June 2011.

This report is unaudited.

Insjön, 8 September 2010

Klas Balkow  
Chief Executive Officer

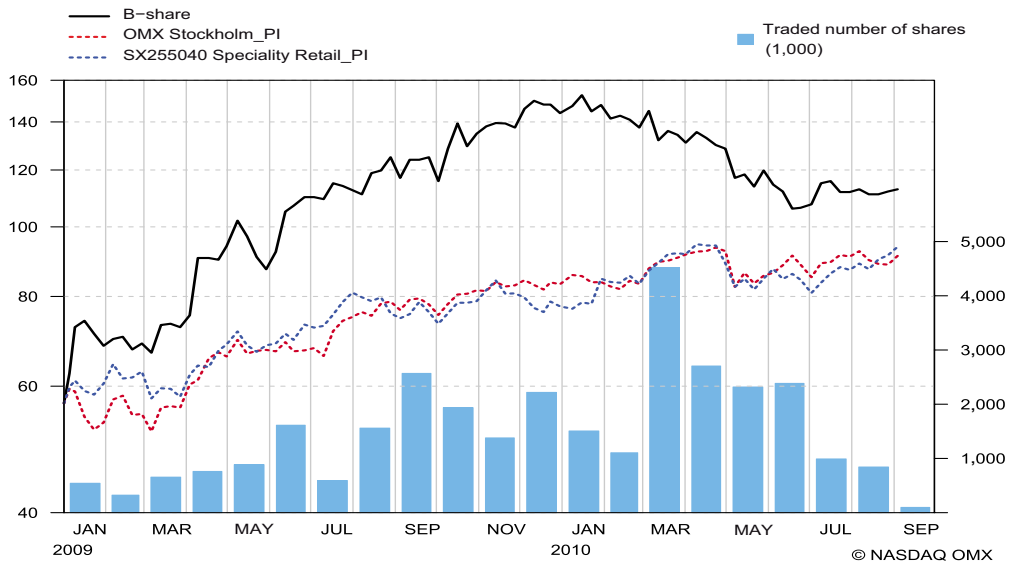
For more information, contact:

Klas Balkow, President and CEO +46 (0)247-444 00

John Womack, Information and IR Manager +46 (0)247-444 05

The information in this interim report is such that Clas Ohlson is obligated to publish according to the Securities Market Act. This information was submitted for publication on 8 September 2010 at 8:00 a.m. (CET).

# Clas Ohlson



## Consolidated Income Statement

	<b>3 months</b> <b>01/05/10-</b> <b>31/07/10</b>	3 months 01/05/09- 31/07/09	<b>Rolling 12</b> <b>months</b> <b>12 months</b> <b>01/08/09-</b> <b>31/07/10</b>	Latest annual accounts 12 months 01/05/09- 30/04/10	12 months 01/05/08- 30/04/09
SEKm					
Sales	<b>1,323.5</b>	1,288.3	<b>5,591.0</b>	5,555.8	4,930.2
Cost of goods sold	<b>-769.0</b>	-779.7	<b>-3,277.2</b>	-3,287.9	-2,916.5
Gross profit	<b>554.5</b>	508.6	<b>2,313.8</b>	2,267.9	2,013.7
Selling expenses	<b>-396.9</b>	-337.8	<b>-1,590.8</b>	-1,531.7	-1,388.7
Administrative expenses	<b>-40.2</b>	-30.6	<b>-148.0</b>	-138.4	-119.4
Other operating income/expense	<b>-1.9</b>	1.0	<b>-10.2</b>	-7.3	-2.8
Operating profit	<b>115.5</b>	141.2	<b>564.8</b>	590.5	502.8
Net financial income/expense	<b>-1.2</b>	-0.8	<b>-2.7</b>	-2.3	1.0
Profit after financial items	<b>114.3</b>	140.4	<b>562.1</b>	588.2	503.8
Tax	<b>-29.9</b>	-39.2	<b>-146.1</b>	-155.4	-138.3
Profit for the period	<b>84.4</b>	101.2	<b>416.0</b>	432.8	365.5
Gross margin (%)	<b>41.9</b>	39.5	<b>41.4</b>	40.8	40.8
Operating margin (%)	<b>8.7</b>	11.0	<b>10.1</b>	10.6	10.2
Return on capital employed (%)	-	-	<b>30.3</b>	32.6	32.6
Return on equity (%)	-	-	<b>26.4</b>	28.0	24.4
Equity/assets ratio (%)	<b>54.7</b>	57.9	<b>54.7</b>	57.9	58.1
Sales per sq.m in stores, SEK thousand	-	-	<b>37</b>	38	38
<b>Data per share:</b>					
Number of shares before dilution	<b>64,075,911</b>	64,692,236	<b>64,228,558</b>	64,383,906	65,065,008
Number of shares after dilution	<b>64,127,853</b>	64,721,906	<b>64,282,405</b>	64,432,321	65,075,701
Number of shares at end of period	<b>63,710,000</b>	64,280,000	<b>63,710,000</b>	64,280,000	64,955,000
Earnings per share before dilution (SEK)	<b>1.32</b>	1.56	<b>6.48</b>	6.72	5.62
Earnings per share after dilution (SEK)	<b>1.32</b>	1.56	<b>6.47</b>	6.72	5.62
Equity per share (SEK)	<b>25.96</b>	23.45	<b>25.96</b>	25.61	22.99

## Consolidated comprehensive income statement

	<b>3 months</b> <b>01/05/10-</b> <b>31/07/10</b>	3 months 01/05/09- 31/07/09	<b>Rolling 12</b> <b>months</b> <b>12 months</b> <b>01/08/09-</b> <b>31/07/10</b>	Latest annual accounts 12 months 01/05/09- 30/04/10	12 months 01/05/08- 30/04/09
SEKm					
Profit for the period	<b>84.4</b>	101.2	<b>416.0</b>	432.8	365.5
Other comprehensive income, net of tax:					
Exchange differences on translating foreign operations	<b>-13.7</b>	-14.3	<b>-19.3</b>	-19.9	10.1
Cash flow hedging	<b>-2.0</b>	-0.6	<b>0.0</b>	1.4	-0.7
Other comprehensive income	<b>-15.7</b>	-14.9	<b>-19.3</b>	-18.5	9.4
Total comprehensive income for the period	<b>68.7</b>	86.3	<b>396.7</b>	414.3	374.9



## Consolidated Balance Sheet

SEKm	31/07/10	31/07/09	30/04/10
<b>Assets</b>			
Tangible assets	1,373.6	1,246.8	1,365.5
Financial assets	1.4	0.1	1.0
Inventories	1,279.4	1,093.0	1,204.1
Other receivables	156.8	110.2	173.4
Liquid assets	212.7	154.1	98.8
Total assets	3,023.9	2,604.2	2,842.8
<b>Equity and liabilities</b>			
Equity	1,654.2	1,507.4	1,646.1
Long-term liabilities, Non-interest-bearing	92.1	61.5	90.3
Long-term liabilities, Interest-bearing	300.0	300.0	100.0
Current liabilities, Interest-bearing	85.1	-	171.4
Current liabilities, Non-interest-bearing	892.5	735.3	835.0
Total equity and liabilities	3,023.9	2,604.2	2,842.8

## Consolidated Cash Flow

SEKm	3 months 01/05/10- 31/07/10	3 months 01/05/09- 31/07/09	12 months 01/05/09- 30/04/10
Operating profit	115.5	141.2	590.5
Adjustment for items not included in cash flow	44.0	33.0	142.7
Interest received	0.4	0.5	1.0
Interest paid	-1.6	-1.3	-4.7
Tax paid	-30.3	-34.1	-96.5
<b>Cash flow from operating activities before changes in working capital</b>	<b>128.0</b>	<b>139.3</b>	<b>633.0</b>
Change in working capital	-11.5	59.4	-30.2
<b>Cash flow from operating activities</b>	<b>116.5</b>	<b>198.7</b>	<b>602.8</b>
Investments	-50.1	-83.9	-316.7
Change in current investments	0.0	0.4	0.9
Change in financial assets	0.1	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-50.0</b>	<b>-83.5</b>	<b>-315.8</b>
Change in current liability, Interest-bearing	-86.2	-208.6	-37.2
Change in long-term liabilities, Interest-bearing	200.0	235.0	35.0
Repurchase of own shares	-62.4	-72.9	-72.9
Dividend to shareholders	-	-	-192.8
<b>Cash flow from financing activities</b>	<b>51.4</b>	<b>-46.5</b>	<b>-267.9</b>
<b>Cash flow for the period</b>	<b>117.9</b>	<b>68.7</b>	<b>19.1</b>
Liquid assets at the start of the period	98.8	92.0	92.0
Exchange rate difference for liquid assets	-4.0	-6.6	-12.3
Liquid assets at the end of the period	212.7	154.1	98.8

## Turnover by segments

SEKm	3 months 01/05/10- 31/07/10	3 months 01/05/09- 31/07/09
Sweden	661.1	652.7
Norway	510.0	509.3
Finland and UK	152.4	126.3
Group functions	481.1	341.7
Sales to other segments	-481.1	-341.7
Total	1,323.5	1,288.3

## Specification of change in results

(After financial items. in SEKm)	3 months 01/05/10- 31/07/10
Profit from sales	-27.1
Change in gross profit margin	32.0
Change in administrative expenses	-9.6
Change in expansion costs stores	-9.2
Increased depreciation	-8.9
Change in financial income/expense	-0.4
Other	-2.9
Total	-26.1

## Operating profits by segments

SEKm	3 months 01/05/10- 31/07/10	3 months 01/05/09- 31/07/09
Sweden	24.8	25.5
Norway	18.6	21.4
Finland and UK	4.1	3.5
Group functions	68.0	90.8
Total	115.5	141.2

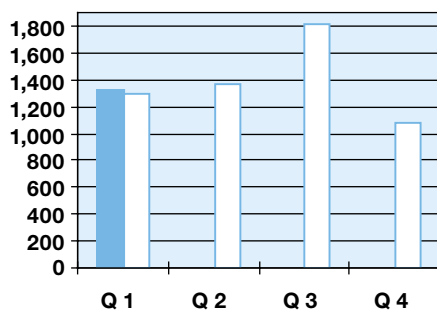
## Change in equity

SEKm	3 months 01/05/10- 31/07/10	3 months 01/05/09- 31/07/09
Equity brought forward	1,646.1	1,493.1
Repurchase of own shares	-62.4	-72.9
Paid-in option premiums	1.8	0.9
Total comprehensive income	68.7	86.3
Equity carried forward	1,654.2	1,507.4

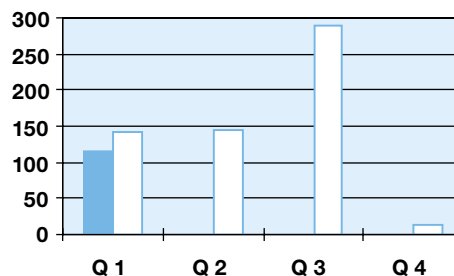
## Results per quarter

SEKm	Q 1 08/09	Q 2 08/09	Q 3 08/09	Q 4 08/09	Q 1 09/10	Q 2 09/10	Q 3 09/10	Q 4 09/10	Q 1 10/11
Sales	1,114.3	1,223.9	1,538.6	1,053.4	1,288.3	1,372.5	1,817.3	1,077.7	1,323.5
Cost of goods sold	-669.6	-724.6	-888.9	-633.4	-779.7	-816.1	-1,049.6	-642.5	-769.0
Other operating expenses	-337.2	-384.1	-408.0	-381.6	-367.4	-411.0	-477.9	-421.1	-439.0
Operating profit	107.5	115.2	241.7	38.4	141.2	145.4	289.8	14.1	115.5
Operating margin	9.6%	9.4%	15.7%	3.6%	11.0%	10.6%	15.9%	1.3%	8.7%

## Sales (SEKm)



## Operating profit (SEKm)



Shaded bar = Financial year  
01/05/10- 30/04/11  
White bar = Financial year  
01/05/09 - 30/04/10

Quarter 1 relates to period May-Jul,  
quarter 2 Aug-Oct, quarter 3 Nov-Jan  
and quarter 4 the period Feb-Apr.

## Parent company Income Statement

SEKm	Note	Rolling 12 months			Latest annual accounts
		3 months 01/05/10- 31/07/10	3 months 01/05/09- 31/07/09	12 months 01/08/09- 31/07/10	12 months 01/05/09- 30/04/10
Sales		1,142.3	994.4	4,900.9	4,753.0
Cost of goods sold	1	-738.0	-719.9	-3,219.6	-3,201.5
Gross profit		404.3	274.5	1,681.3	1,551.5
Selling expenses	1	-191.7	-175.8	-767.7	-751.8
Administrative expenses	1	-32.1	-26.7	-114.1	-108.7
Other operating income/expenses		-0.7	1.0	-7.7	-6.0
Operating profit		179.8	73.0	791.8	685.0
Dividend from Group companies		-	-	0.1	0.1
Net financial items		-1.7	-1.3	-3.6	-3.2
Profit after financial items		178.1	71.7	788.3	681.9
Appropriations		-	-	-210.6	-210.6
Profit before tax		178.1	71.7	577.7	471.3
Income tax		-46.9	-18.9	-152.8	-124.8
Profit for the period		131.2	52.8	424.9	346.5

## Parent company Balance Sheet

SEKm	31/07/10	31/07/09	30/04/10
<b>Assets</b>			
Tangible assets	1,132.0	1,030.0	1,127.4
Financial assets	355.5	272.4	360.5
Inventories	960.0	821.7	866.3
Other receivables	304.6	62.0	191.6
Liquid assets	139.6	11.5	62.1
Total assets	2,891.7	2,197.6	2,607.9
<b>Equity and liabilities</b>			
Equity	1,216.5	1,056.3	1,150.8
Untaxed reserves	459.6	249.0	459.6
Provisions	16.4	16.4	12.6
Long-term liabilities, Interest-bearing	300.0	300.0	100.0
Current liabilities, Interest-bearing	85.1	39.3	171.4
Current liabilities, Non-interest-bearing	814.1	536.6	713.5
Total equity and liabilities	2,891.7	2,197.6	2,607.9
Pledged assets	97.0	97.0	97.0
Contingent liabilities	224.6	176.6	226.8

### Note 1 Depreciation

Depreciation for the first quarter amounts to 26.0 SEKm (18.7 SEKm).

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Clas Ohlson AB (publ), 793 85 INSJÖN  
 Telefon 0247- 444 00 • Telefax 0247- 444 25  
 E-post: ir@clasohlson.se • Internet: om.clasohlson.com  
 Org. nr: 556035-8672