

Clas Ohlson's next step in optimising UK store network

As a next step in the optimisation of the UK store network, Clas Ohlson announces plans for the closure of seven stores. Clas Ohlson will focus on accelerating the clustering of new smaller format stores in the London region.

As part of the next step in the optimising of the UK store network, Clas Ohlson is planning to close a total of seven store locations during financial year 2016/17.

"We are in the process of optimising our network of stores in the UK market to improve long term profitability of our UK business. As part of this development we are now taking the opportunity to exit a number of stores that have not met expectations in terms of sales and profitability. However, our commitment to the UK market remains solid. It is our intention to continue our expansion by adding new stores in the London area", says Klas Balkow, President and CEO of Clas Ohlson.

Closure of five stores are confirmed, being Cardiff and Norwich (June 2016), Doncaster (September 2016), Watford (no later than March 2017) and the store in Croydon that is closing as a consequence of the redevelopment of the shopping centre (closure date to be confirmed). Another two store locations are pending closure subject to negotiations.

"We will do our best to support affected employees in finding new employment opportunities, including offering job openings in other Clas Ohlson units where possible", says Klas Balkow.

Cost related to the restructuring of the UK store network is estimated to 107 MSEK being booked as a non-recurring item in the fourth quarter 2015/16. Yearly savings is estimated to 70 MSEK when in full effect as of financial year 2017/18.

Following the opening of the new smaller format stores in St Albans and Ealing earlier this year, where omni channel between stores and e-commerce makes Clas Ohlson's offer more accessible for customers, the plan is to open an additional one to two stores in the London area during financial year 2016/17.

Press and analyst telephone conference 6 April 08:30 CET

A press and analyst telephone conference will be held this morning at 08:30 CET where Klas Balkow, President and CEO of Clas Ohlson, will be available for questions. Please call +46 8 56642664 or +44 20 30089810 to participate.

For more information, please contact:

Sara Kraft Westrell, Director of Information and Investor Relations, phone +46 247 649 13

The information in this press release is such that Clas Ohlson is obligated to publish according to the Securities Market Act. The information was submitted for publication on 6 April 2016 at 7:00 a.m. (CET)

Clas Ohlson was founded in 1918 as a mail order business based in Insjön, Sweden. Today, the company offers products and services for the small everyday practical problems, in five countries via its over 200 stores and online. Clas Ohlson offers a wide range of affordable products in five product areas: Hardware, Electrical, Home, Multimedia and Leisure. The company is listed on Nasdaq Stockholm, has sales of over 7.5 billion SEK and more than 4,700 employees. Visit Clas Ohlson at www.clasohlson.com