CURRENT FINANCIAL POSITION

Göran Melin
Solid sales development

- Solid sales growth driven by new stores and supported by healthy LFL-growth
- Weaker LFL growth due to changes in consumer buying patterns during 2017/18
Increased e-com sales

- E-com sales growth outperforming market development, but from low levels
- E-com share of sales R12 2017/18 was 3.5%
Sales share per market

- Sweden: 45%
- Norway: 40%
- Finland: 12%
- Outside Nordic countries: 3%

* Number of stores 3 May 2018
Stable profit development

- Operating margin at healthy levels, affected by expansion into new markets
- Turbulent currency situation NOK and USD
- Substantial commercial investments due to intense commercial climate impacting gross margin since Q3 2017/18
- One off costs related to strategic review as previously communicated

*15/16 excluding one-off restructuring costs in UK
Investments in fixed assets

Higher investments during last couple of years due to new IT platform sCORE
Capex development

MSEK
500
400
300
200
100
0

13/14 14/15 15/16 16/17 R12 Jan-18

MatHem
Other investments
IT-systems
New and refurbished stores
Strong cash flow

- Strong cash flow
- Q2 2016/17 timing effects accounts payables
- Q3 2017/18 including acquisition of shares in MatHem and planned inventory build up
## Balance sheet – strong financial position

<table>
<thead>
<tr>
<th>Assets</th>
<th>31 Jan 2018</th>
<th>31 Jan 2017</th>
<th>30 Apr 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets</td>
<td>401</td>
<td>321</td>
<td>340</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>1,029</td>
<td>1,076</td>
<td>1,064</td>
</tr>
<tr>
<td>Securities held as fixed assets</td>
<td>224</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Non-current receivables</td>
<td>18</td>
<td>18</td>
<td>19</td>
</tr>
<tr>
<td>Inventories</td>
<td>1,880</td>
<td>1,617</td>
<td>1,631</td>
</tr>
<tr>
<td>Other receivables</td>
<td>223</td>
<td>213</td>
<td>221</td>
</tr>
<tr>
<td>Liquid assets</td>
<td>584</td>
<td>753</td>
<td>625</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>4,360</strong></td>
<td><strong>3,999</strong></td>
<td><strong>3,899</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equity and liabilities</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>2,285</td>
<td>2,219</td>
<td>2,251</td>
</tr>
<tr>
<td>Long-term liabilities, Non-interest-bearing</td>
<td>231</td>
<td>214</td>
<td>227</td>
</tr>
<tr>
<td>Current liabilities, Interest bearing</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Current liabilities, Non-interest bearing</td>
<td>1,843</td>
<td>1,566</td>
<td>1,422</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td><strong>4,360</strong></td>
<td><strong>3,999</strong></td>
<td><strong>3,899</strong></td>
</tr>
</tbody>
</table>

- Strong financial position
- Planned increased of inventory
- Net cash position
- Equity/asset ratio >50%
Inventory at steady levels

- Inventory at steady levels as share of sales
- Increased levels in Q3 2017/18, risk mitigation when implementing new IT system
Net cash position

- Positive cash position last 4 years
Equity/assets ratio % – small fluctuations

- Equity/asset ratio >50%
- Small fluctuations
Increased dividend

- Dividend pay out ratio in line with dividend policy >50% of net profit
- Yearly increase in dividend per share during the past five years

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend per share, SEK</th>
<th>Payout ratio, % of net profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/13</td>
<td>4.0</td>
<td>81%</td>
</tr>
<tr>
<td>13/14</td>
<td>4.6</td>
<td>74%</td>
</tr>
<tr>
<td>14/15</td>
<td>5.3</td>
<td>72%</td>
</tr>
<tr>
<td>15/16</td>
<td>6.0</td>
<td>96%</td>
</tr>
<tr>
<td>16/17</td>
<td>6.9</td>
<td>82%</td>
</tr>
</tbody>
</table>
We have strong financials to build from

- An equity/asset ratio above 50%
- A strong cash flow
- A strong cash position