



Åhléns group

Year-end report 1 January – 31 December 2008

Stockholm, 13 February 2009

Year-end report 2008 – Åhléns group

- **Sales:** Net sales rose by 2 percent in 2008 to SEK 5,789 million (5,683).
- **Earnings:** Operating profit amounted to SEK 206 million (280). Earnings were negatively affected by a strong rate of expansion and a weakened business climate.
- **Financial position:** Equity amounted to SEK 883 million (862) at year-end and the company's equity ratio decreased to 36.2 percent (38.1).
- **Operations:** As a result of newly opened stores and acquisitions, the Åhléns group added 38 new units in Sweden, Norway and Finland. The Kicks cosmetics chain entered an additional new market by setting up four stores in Norway. Development work is under way within all store and department store concepts and, for example, Åhléns department stores have strengthened their offering within womenswear and succeeded in showing a better sales index than the industry as a whole.

Key figures

Amounts in SEK million

| | 2008 | 2007 |
|------------------------------|-------|-------|
| Net sales | 5 789 | 5,683 |
| Operating profit | 206 | 280 |
| Operating margin, % | 3.6 | 4,9 |
| Profit after financial items | 188 | 266 |
| Profit after tax | 129 | 188 |
| Equity | 883 | 862 |
| Equity ratio, % | 36,2 | 38.1 |
| Gross profit margin, % | 46.1 | 46.5 |
| Average number of employees | 3,471 | 3,394 |

Comments by President & CEO Thomas Axén:

Despite a generally weak trend for the retail trade in 2008, particularly in the final quarter, the Åhléns group maintained a high establishment rate and opened 38 new stores and department stores. Compared with the strong year in 2007, earnings weakened.

The Åhléns department stores showed stable development and as a result of ongoing efforts to strengthen the offering within beauty and fashion, this positive trend is expected to continue in 2009.

Kicks strengthened its position as the leading Nordic cosmetics chain during the year, among other things through acquisition of the Parfymeri Mitti store chain and by opening new stores in the Norwegian market. Competition within the cosmetics segment is expected to rise.

During 2009 the Åhléns group plans to continue its Nordic expansion. All store and department store concepts expect to open new units.

Comments on operations:

Åhléns department stores: Åhléns department stores showed stable development during the year. New department stores were opened in Sundsvall, Uppsala and Gothenburg. During the year the department store chain focused on strengthening its offering within beauty and womenswear, including an expanded and more fashion-oriented product range. These efforts meant that the department stores' sales of fashion products in 2008 showed a better index figure than the industry as a whole.

Kicks: Kicks strengthened its product range and continued its high rate of expansion during the year. During 2008 Kicks opened 21 new stores: twelve in Sweden, five in Finland and four in Norway. By setting up operations in Norway, Kicks is now established in three countries. Kicks also acquired the Parfymeri Mitti chain, with five stores, which strengthened its position in southern Sweden.

Lagerhaus: The home furnishings chain's offering and store concept were strengthened during the year and new stores were opened in Helsingborg, Gothenburg, Sundsvall and Luleå. At the end of 2008, Lagerhaus had 26 stores in Sweden.

Åhléns Norwegian interior decor chain: The interior decor chain continued its expansion and opened three new stores. At year-end Åhléns interior decor chain had 26 stores in Norway.

myself & friends: The myself & friends fashion chain opened two new stores during the year, in Västerås and in Vällingby in Stockholm. At year-end myself & friends had six stores in Sweden.

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Åhléns group

Åhléns group is one of the leading retail trading groups in the Nordic region with department stores and specialty stores within Fashion, Beauty and Homeware comprising the Åhléns department store chain, specialty chain stores Kicks, Lagerhaus, myself & friends and Åhléns Norway. In over 290 department stores and stores in Sweden, Finland and Norway, Åhléns group meets more than 300,000 customers every day. Keywords for the group are Simplicity, Clarity, Results and Commitment which permeate the working day for the approximately 5,000 employees within Åhléns group.

www.ahlens.com

Åhléns group is part of the family company **Axel Johnson AB** together with Axel Johnson International, Novax, Servera and Svensk BevakningsTjänst, as well as the partly owned listed companies Axfood and Mekonomen. The Axel Johnson Group is owned by Antonia Ax:son Johnson and her family.

www.axeljohnson.se