

# YEAR-END REPORT

## 1 MAY 2007 - 30 APRIL 2008



This photo has been modified

- 4th quarter**
- \* Sales totalled SEK 987 M (871), up 13%
  - \* Operating profit amounted to SEK 50 M (61), down 19%.
  - \* Profit after tax was SEK 37 M (44), down 15%
  - \* Earnings per share amounted to SEK 0.57 (0.67), down 15%
  - \* Resolution concerning new remuneration principles for senior executives, including a long-term share-related bonus programme, passed at Extraordinary General Meeting in April
  - \* In June, after the close of the report period, terms have been agreed for the grant of a lease to Clas Ohlson of a retail store in Croydon, England
- 12 months**
- \* Sales totalled SEK 4,662 M (4,101), up 14%
  - \* Operating profit amounted to SEK 578 M (531), up 9%
  - \* Profit after tax was SEK 422 M (386), up 9%
  - \* Earnings per share amounted to SEK 6.43 (5.88), up 9%
  - \* Dividend of SEK 5.00 per share (4.50) is proposed, up 11%
  - \* Establishment of 15 new stores

*"During the fourth quarter, both growth and profit were affected by the slowdown in retail sales in Sweden. The lower results were also attributable to accounting effects of a nonrecurring nature and to increased purchasing costs. Cash flow for the quarter improved, due to efficient warehouse management," says Klas Balkow, President and CEO of Clas Ohlson.*

*"We have now made an agreement for lease regarding our first contract for a store in the UK, with store opening scheduled for the third quarter of 2008/09. This will be an important milestone in our development towards becoming a European retail company. We will continue to capture shares in all markets but will simultaneously work on enhancing our efficiency to adapt to new market conditions," adds Klas Balkow.*

## 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. Activities are pursued in Sweden, Norway and Finland. The number of stores at the end of the period was 86, including 45 in Sweden, 29 in Norway and 12 in Finland.

During the fourth quarter, four new stores were opened, three in Sweden and one in Norway. During the financial year, 15 new stores were opened, comprising seven in Sweden, five in Norway and three in Finland. In addition, one store in Helsinki was relocated to new premises (1 April).

## Sales and profits

### Fourth quarter (February - April 2008)

Sales in the fourth quarter amounted to SEK 987.4 M, up 13 per cent compared with SEK 870.9 M in the year-earlier period.

Clas Ohlson continues to grow and to capture market shares. The trend in Norway remains strong. In Finland, we continue to grow, although sales per square metre remain lower than in corresponding stores in Sweden and Norway. The Swedish operations were impacted by the slowdown in retail sales. In Sweden, competition is intensifying as a result of the opening of new stores and shopping centres, while Clas Ohlson's gradually increasing market penetration entails certain internal competition. As a result, sales in comparable stores were lower than in the year-earlier period.

Sales were distributed as follows:

	2007/08	2006/07	Percentage change
<u>Sales channels</u>			
Stores	962.1	847.8	+13
Mail order/Internet	25.3	23.1	+10
	<u>987.4</u>	<u>870.9</u>	<u>+13</u>
<u>Country</u>			
Sweden	534.9	494.7	+8
Norway	374.6	312.6	+20
Finland	77.9	63.6	+22
	<u>987.4</u>	<u>870.9</u>	<u>+13</u>

The 13 per cent increase in sales by the stores was distributed as follows:

Comparable stores in local currencies	- 1 per cent
New stores	+ 12 per cent
Exchange-rate effects	+ 2 per cent
Total	<u>+ 13 per cent</u>

The gross margin for the fourth quarter was 38.1 per cent, compared with 39.2 in the year-earlier period. The margin was affected positively by exchange-rate effects, while a number of factors had a negative impact. The deterioration was due primarily to accounting items of a nonrecurring nature (1.2 percentage points compared to the corresponding period last year concerning internal prices in inventories and holiday pay expenses), as well as to higher purchasing costs from Asia.

The share of selling expenses rose by 1.0 percentage points to 30.3 per cent (29.3). The increase was due partly to the decrease in sales in comparable stores. The increase was also due to relocating costs pertaining to a store in Finland and increased staff costs and rental costs. Start-up costs for new stores amounted to SEK 13.8 M (15.3). During the quarter, four new stores were opened (five stores were opened in the year-earlier period).

Operating profit for the fourth period amounted to SEK 49.8 M, down 19 per cent on the year-earlier period (SEK 61.5 M). Operating profit was SEK 47.9 M (60.7) for stores and SEK 1.9 M (0.8) for

mail order/Internet sales. The drop in profits was due to a lower gross margin, combined with reduced sales in comparable stores. Furthermore, new smaller stores show lower profitability than the existing stores. In addition, Clas Ohlson has had start up costs for establishing operations in the UK and in Shanghai, China.

The operating margin was 5.0 per cent (7.1). The operating margin for stores was 5.0 per cent (7.2), while that for mail order/Internet channels was 7.5 per cent (3.5).

Profit after financial items amounted to SEK 53.6 M, down 15 per cent compared with the year-earlier period (SEK 63.1 M).

Depreciation for the period totalled SEK 21.7 M, compared with SEK 20.0 M for the year-earlier period.

Exchange rates for key currencies averaged SEK 1.17 for NOK and SEK 6.10 for USD, compared with SEK 1.14 and SEK 6.90, respectively, in the year-earlier period. Currency hedging was undertaken in USD, HKD and NOK. These hedges had an impact on earnings of SEK -11.0 M, compared with the outcome had the Group only traded at overnight exchange rates (year-earlier period: SEK -1.8 M). The company's policy is to hedge 50 per cent of expected flows during the catalogue period, meaning August 2007 - August 2008. At the end of the reporting period there were no outstanding currency futures contracts, which is unchanged compared to the same period last year.

### Financial year 2007/2008 (May - April)

Sales totalled SEK 4,661.6 M, up 14 per cent on the preceding financial year (SEK 4,101.2 M).

Sales were distributed as follows:

	2007/08	2006/07	Percentage change
<u>Sales channels</u>			
Stores	4 540.6	3 985.7	+14
Mail order/Internet	121.0	115.5	+5
	<u>4 661.6</u>	<u>4 101.2</u>	<u>+14</u>
<u>Country</u>			
Sweden	2 585.9	2 345.4	+10
Norway	1 716.8	1 458.2	+18
Finland	358.9	297.6	+21
	<u>4 661.6</u>	<u>4 101.2</u>	<u>+14</u>

The 14 per cent increase in sales by the stores was distributed as follows:

Comparable stores in local currencies	0 per cent
New stores	+ 12 per cent
Exchange-rate effects	+ 2 per cent
Total	<u>+ 14 per cent</u>

The average increase in price during the financial year amounted to 2 per cent.

The gross margin was 40.2 per cent, compared with 39.7 per cent in the preceding financial year. The improvement was primarily attributable to changes in exchange rates and more efficient logistics. The gross margin was negatively impacted by accounting items of a nonrecurring nature (0.2 percentage points compared to the corresponding period last year concerning internal prices in inventories and holiday pay expenses), as well as to higher purchasing costs from Asia.

The share of selling expenses increased by 1.1 percentage points to 25.4 per cent (24.3). The increase was due largely to sales in comparable stores remaining unchanged. Furthermore, the share of selling expenses in new stores is higher. Start-up costs for new stores amounted to SEK 50.9 M (38.5). During the financial year, 15 new stores were opened (12 in the preceding financial year) and one store was relocated.

Operating profit amounted to SEK 577.5 M, up 9 per cent compared with the preceding financial year (SEK 530.9 M). The rise in profit was due primarily to higher sales combined with an improved gross margin. Operating profit amounted to SEK 566.0 M (525.0) for stores and SEK 11.5 M (5.9) for mail order/Internet channels. The result has been impacted by start up costs for operations in Shanghai (purchasing office) and in the UK.

The operating margin was 12.4 per cent (12.9). The operating margin was 12.5 per cent (13.2) for stores and 9.5 per cent (5.1) for mail order/Internet channels.

Profit after financial items for the financial year totalled SEK 587.8 M, up 9 per cent on the preceding financial year (SEK 537.8 M).

Depreciation for the period totalled SEK 83.7 M, compared with SEK 75.0 M in the preceding financial year.

A provision was posted in full, totalling SEK 10.9 M, for remuneration up to the retirement date in September 2008 for the previous CEO Gert Karnberger, which was expensed among administrative expenses and recognized as a nonrecurring item. The preceding financial year included a nonrecurring expense of SEK 9.4 M for pension payments (Björn Haid).

Exchange rates for the key currencies averaged SEK 1.17 for NOK and SEK 6.50 for USD, compared with SEK 1.13 and SEK 7.20, respectively, in the preceding financial year.

Currency hedging was undertaken in USD, HKD and NOK. These hedges had a negative impact on earnings of SEK 28.2 M compared with the outcome had the Group only traded at overnight exchange rates (positive: SEK 10.2 M in the preceding financial year). The company's policy is to hedge 50 per cent of expected flows during the catalogue period, meaning August 2007 – August 2008. Beginning 2008/2009, Clas Ohlson will issue two catalogues per year instead of one. At the end of the reporting period there were no outstanding currency futures contracts, which is unchanged compared to the same period last year.

## Investments

During the financial year, new investments totalled SEK 251.6 M (126.3). Of this, SEK 67.5 M (49.2) related to investments in new and planned stores. An additional SEK 143.3 M (35.0) pertained to investment in the expansion of the distribution centre at Insjön. Other investments were mainly replacement investments.

## Financing and liquidity

Cash flow from operating activities in the fourth quarter was a negative SEK 5.2 M (neg: 51.6). After deductions for investments, cash flow was a negative SEK 83.7 M (neg: 70.3).

Cash flow from operating activities during the financial year was SEK 480.0 M (405.1). After deductions for investments, cash flow was SEK 229.4 M (280.0).

Inventories during the financial year increased by SEK 125.9 M or 15 per cent to SEK 952.6 M. Of this, SEK 80.6 M pertained to inventories in the 15 new stores that opened during the financial year.

Cash and cash equivalents totalled SEK 280.3 M (347.9). There were no interest-bearing liabilities. The equity/assets ratio was 68.4 per cent (70.6).

## Number of shares

The number of shares is 65,600,000, unchanged compared with the preceding year.

## Employees

The number of employees in the Group averaged 1,801 (1,647), of whom 731 (659) were women. The distribution by country was 1,264 (1,131) in Sweden, 385 (370) in Norway and 152 (146) in Finland.

## Parent Company

Parent Company sales amounted to SEK 4,062.8 M (3,424.7) and profit after financial items totalled SEK 721.0 M (491.0). Profit was positively affected by higher dividends from subsidiaries and changes in intra-Group prices.

Liquidity remained favourable. Investments for the year totalled SEK 197.4 M (99.1). Ansvarsförbindelser for the parent company amounted to SEK 165.1 M (158.0 M).

## Extraordinary General Meeting

An Extraordinary General Meeting was held on 10 April 2008 in Stockholm. The Meeting adopted new principles for remuneration of senior executives, including a long-term share-related bonus programme. To secure the company's commitment, the Meeting also authorized the Board to make decisions regarding the repurchase of up to 800,000 shares during the period ending at the 2009 Annual General Meeting. The bonus programme was implemented in May and all invited participants in the programme have chosen to fulfil the requirement of making an initial individual investment in Clas Ohlson shares corresponding to a sum of between 5 to 10 per cent of their gross salary.

## Events after the close of the period

Sales during May amounted to SEK 330.4 M, up 6 per cent compared with SEK 313.0 M in the preceding financial year. Compared with the year-earlier period, 15 new stores were added. Sales were distributed as follows:

	2008	2007	Percentage change
<b>Sales channels</b>			
Stores	322.4	305.0	+6
Mail order/Internet	8.0	8.0	0
	<u>330.4</u>	<u>313.0</u>	+6
<b>Countries</b>			
Sweden	185.9	186.4	0
Norway	118.1	104.6	+13
Finland	26.4	22.0	+20
	<u>330.4</u>	<u>313.0</u>	+6

## First store in the UK

Terms have been agreed for the grant of a lease to Clas Ohlson of a retail store in Croydon, England. The new store will be located in the Whitgift Shopping Centre in Croydon in the south eastern part of London with 1 900 square meters of store space. The catchment area for the store amounts to 512,000 inhabitants. The shopping centre has a total of 140 stores, 7000 parking spots and 25 million visitors per year. The new Clas Ohlson store is scheduled to be opened during the third quarter of 2008/2009.

## New Business Area Manager, Sweden

Peter Jelkeby, Director of Operations, has been appointed acting Business Area Manager for Sweden. Mikael Palmberg, who had been Sweden Business Area Manager since 2005, left the company at the end of May 2008. The recruitment process for a new Business Area Manager has been initiated and is expected to be completed during the first quarter.

## Utilization of authorization to repurchase shares

The Board has decided to utilize its authority granted at the extra general meeting in April to repurchase shares to ensure the company's commitment in connection with the introduction of a share-related bonus programme, LTI 2008. The authorization implies the repurchase of a maximum of 645,000 shares up to the 2009 Annual General Meeting. The shares will be purchased on the Nasdaq

OMX Nordic Exchange Stockholm at a price within the registered share price interval on each occasion.

### Personnel conference – 90th anniversary

In conjunction with the company celebrating its 90th anniversary, all employees were invited to Insjön in Dalarna. This is a traditional activity that has been carried out every five years since the start of operations in 1918. The activity is an opportunity for all employees to receive information on the aims, strategies and plans established during the financial year. At the conference, approximately 2,100 people participated and the cost, which totalled about SEK 6 M, was charged against the first quarter of 2008/2009.

### Outlook

During the 2007/2008 financial year, Clas Ohlson's Board and executive management conducted a review of the strategic focus, which led to the conclusion that the company had the potential to continue to expand in existing and new markets and to develop into a European retailer. Market surveys indicate that consumers are looking for a chain of stores similar to Clas Ohlson and that the company has a unique position in this niche. Clas Ohlson's concept is deemed to be competitive and distinctive in the European context, permitting expansion into a number of new markets in the future.

To capitalize on the existing business potential, the Board and executive management wish to raise the Group's level of activity in a number of areas. By strengthening and developing the organization, brand, market concept, warehousing and distribution capacity and processes, Clas Ohlson plans to create conditions for maintaining continuing high growth and favourable profitability in the long term. In addition, the company intends to adapt its product range to facilitate more rapid international expansion.

During the financial year, Clas Ohlson has initiated the establishment of a purchasing organization in Shanghai, China, whose operations will increase successively in coming years. The objective is to further strengthen the company's competitiveness during its continued expansion. To facilitate closer cooperation with suppliers and improve the possibility of affecting suppliers' work environment programmes, the number of suppliers will be reduced. In addition, we will gradually establish our own CSR organization in China. The goal is to recruit 5 – 10 CSR auditors, who, jointly with Clas Ohlson's purchasers, will control and support our suppliers in the further development of their working conditions, work environment and environmental impact. As of 1 June 2008, four CSR auditors had been recruited.

Clas Ohlson is investing a total of SEK 615 M in a distribution centre in Insjön in two phases. The first phase entails the extension of the delivery and handling facility, which is expected to be completed in the spring of 2009. Phase two, which is now being planned, is to expand the high-stack warehouse at Insjön to increase warehouse capacity and efficiency. Following this investment, the storage and distribution centre at Insjön will be fully built, with a capacity to distribute and store goods for at least 150 stores and offer considerable efficiency.

### 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 during the period is to achieve a minimum operating margin of 10 per cent.

For the 2008/2009 financial year, the opening of 20 – 25 new stores is planned, including 2 – 4 in the UK. To date, 16 new stores have been contracted, comprising three in Sweden, nine in Norway and four in Finland. In addition, terms have been agreed for the grant of a lease to Clas Ohlson of a retail store in England scheduled to open

during the third quarter 2008/09.

### Risks and uncertainties

There are a number of factors that can 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. The company works continually on these issues.

Clas Ohlson's business is subject to financial and operational risks. Financial risks relate primarily to exchange-rate exposure while operational risks relate to the product range, competition, economic conditions, Christmas trading and the establishment of a presence in the UK. A presentation and calculation of the financial risks can be found in the annual report for 2006/07 in not 2 and on page 37. Operational risks are described on page 36. Apart from the risks described in the annual report, no additional risks have been identified.

### Accounting policies

Clas Ohlson applies the International Financial Reporting Standards (IFRS) adopted by the EU. This year-end report has been prepared in accordance with the Swedish Annual Accounts Act, IAS 34 Interim Financial Reporting and RR 31 Interim Reporting for Groups. New or revised IFRS standards or IFRIC interpretations that have come into force since 1 January 2007 do not have any significant impact on the consolidated income statement or balance sheet. Accounting policies in accordance with IFRS are described in the annual report for 2006/2007 financial, pages 51-53.

The Parent Company's accounts have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Accounting Standards Council's Recommendation 32:06. 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 annual report for 2006/2007, page 53.

In respect of segment reporting, the operation entirely comprises the sale of products for house and home, technology and hobbies, which is therefore regarded as the primary segment.

### Dividends

The Board of Directors proposes that the Annual General Meeting resolve a dividend for 2007/2008 of SEK 5,00 per share (SEK 4,50 in the preceding financial year). The proposed dividend will total SEK 328 M (295.2 M).

### Financial information and the Annual General Meeting

Up-to-date financial information is available from Clas Ohlson AB's head office at Insjön, telephone +46 (0) 247-444 00, fax +46 (0)247-444 25 and on the company's website: [www.clasohlson.se](http://www.clasohlson.se).

Clas Ohlson's annual report for the 2007/2008 financial year will be published on the company's website and distributed to shareholders in mid-August 2008.

The interim report for the first quarter of 2008/2009 will be published on 9 September, 2008.

The Annual General Meeting will be held on Saturday, 13 September 2008 at Insjön. The invitation to the Meeting is expected to be issued during the second week of August. Information regarding the Nomination Committee and notification of attendance at the Meeting is available at Clas Ohlson's website, address: [www.clasohlson.se](http://www.clasohlson.se) under Financial Information – Annual General Meeting.

Insjön, 12 June, 2008

Klas Balkow  
Chief Executive Officer

## Consolidated Income Statement

SEKm	3 months 01/02/08- 30/04/08	3 months 01/02/07- 30/04/07	12 months 01/05/07- 30/04/08	12 months 01/05/06- 30/04/07	12 months 01/05/05- 30/04/06
Sales	987.4	870.9	4 661.6	4 101.2	3 567.6
Cost of goods sold	-611.3	-529.3	-2 788.7	-2 474.1	-2 144.5
Gross profit	376.1	341.6	1 872.9	1 627.1	1 423.1
Selling expenses	-298.8	-255.5	-1 183.1	-996.4	-855.6
Administrative expenses	-26.0	-24.7	-110.9	-100.0	-80.6
Other operating income/expense	-1.5	0.1	-1.4	0.2	-2.4
Operating profit	49.8	61.5	577.5	530.9	484.5
Net financial income/expense	3.8	1.6	10.3	6.9	6.5
Profit after financial items	53.6	63.1	587.8	537.8	491.0
Tax	-16.5	-19.1	-166.0	-152.0	-138.9
Profit for the period	37.1	44.0	421.8	385.8	352.1
Gross margin (%)	38.1	39.2	40.2	39.7	39.9
Operating margin (%)	5.0	7.1	12.4	12.9	13.6
Operating margin stores (%)	5.0	7.2	12.5	13.2	13.8
Operating margin mail order/Internet (%)	7.5	3.5	9.5	5.1	8.6
Return on capital employed (%)	-	-	41.0	40.9	42.4
Return on equity (%)	-	-	29.4	29.4	30.4
Equity/assets ratio (%)	68.4	70.6	68.4	70.6	70.4
Sales per sq.m in stores. SEK thousand	-	-	44	45	48
Data per share:					
Number of shares at end of period	65.6 milj	65.6 milj	65.6 milj	65.6 milj	65.6 milj
Earnings per share (SEK)	0.57	0.67	6.43	5.88	5.37
Gross cash flow per share (SEK)	0.90	0.98	7.71	7.02	6.32
Equity per share (SEK)	22.86	20.84	22.86	20.84	19.16
Share price 30 April (SEK)	-	-	98.25	150.50	149
Dividend per share (SEK)	-	-	5.00*	4.50	4.00
P/E ratio	-	-	15	26	28
Price/gross cash flow	-	-	13	21	24
Price/equity	-	-	430%	722%	778%
Yield	-	-	5.1%	3.0%	2.7%
Dividend proportion	-	-	78%	77%	74%

\* proposed dividend

## Consolidated Balance Sheet

SEKm	30/04/08	30/04/07	30/04/06
<b>Assets</b>			
Tangible assets	848.7	678.7	637.2
Financial assets	3.3	4.8	5.4
Inventories	952.6	826.7	749.0
Other receivables	107.1	79.6	55.3
Liquid assets. current investments	280.3	347.9	338.4
Total assets	2 192.0	1 937.7	1 785.3
<b>Equity and liabilities</b>			
Equity	1 499.5	1 367.3	1 256.9
Long-term liabilities. Non-interest-bearing	26.9	23.9	22.8
Current liabilities. Non-interest-bearing	665.6	546.5	505.6
Total equity and liabilities	2 192.0	1 937.7	1 785.3

## Specification of change i results

(After financial items. in SEKm)	3 months 01/02/08- 30/04/08	12 months 01/05/07- 30/04/08
Profit from sales	3.1	56.7
Change in gross profit margin	-11.7	23.5
Change in administrative expenses	-1.3	-9.4
Difference in non-recurring pension costs	0.0	-1.5
Change in expansion costs new stores	1.5	-12.4
Increased depreciation	-1.7	-8.7
Change in financial income/expense	2.2	3.4
Other	-1.6	-1.6
Total	-9.5	50.0

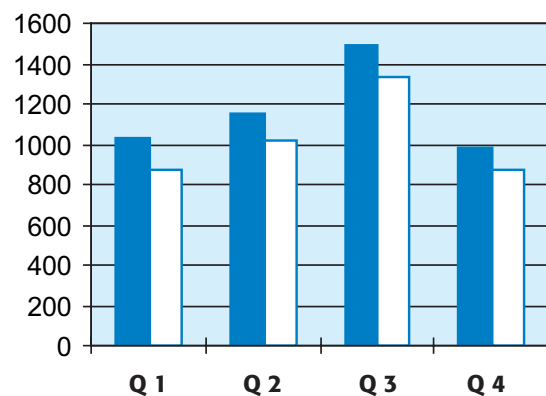
## Change in equity

SEKm	12 months 01/05/07- 30/04/08	12 months 01/05/06- 30/04/07
Equity brought forward	1 367,3	1 256,9
Dividends paid	-295,2	-262,4
Cash flow hedging recognised in equity, after tax	-26,8	9,1
Cash flow hedging recognised in income statement, after tax	21,2	-7,5
Cash flow hedging included in inventories	5,6	-1,6
Change in translation difference	5,6	-13,0
Net profit for the period	421,8	385,8
Equity carried forward	1 499,5	1 367,3

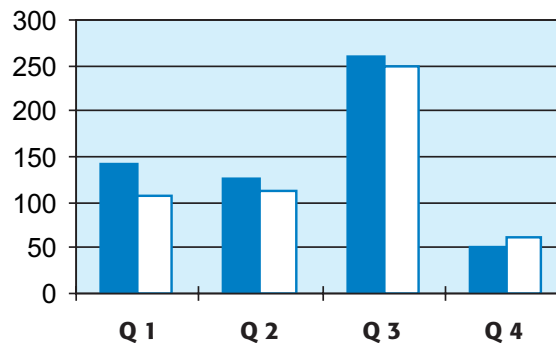
## Results per quarter (SEKm)

	Q 4 05/06	Q 1 06/07	Q 2 06/07	Q 3 06/07	Q 4 06/07	Q 1 07/08	Q 2 07/08	Q 3 07/08	Q 4 07/08
Sales	763.0	878.7	1 020.4	1 331.2	870.9	1 031.9	1 146.1	1 496.2	987.4
Cost of goods sold	-465.9	-540.1	-616.0	-788.7	-529.3	-624.9	-676.8	-875.7	-611.3
Other operating expenses	-252.0	-230.5	-293.1	-292.5	-280.1	-265.2	-344.3	-359.6	-326.3
Operating profit	45.1	108.1	111.3	250.0	61.5	141.8	125.0	260.9	49.8
Operating margin	5.9%	12.3%	10.9%	18.8%	7.1%	13.7%	10.9%	17.4%	5.0%

### Sales (SEKm)



### Operating profit (SEKm)



Shaded bar = Financial year 01/05/07 – 30/04/08  
White bar = Financial year 01/05/06 – 30/04/07

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

### Annual General Meeting

The Annual General Meeting will be held at Insjön on 13 September 2008. It is anticipated that the notice of the AGM will be distributed in the second week of August and posted to all shareholders.

### Coming information

The annual report will be available in mid-August at the Clas Ohlson AB's head office at Insjön, telephone +46 247-444 00, fax +46 247 444 25. Annual reports and other relevant financial information are also available on our website at [www.clasohlson.se](http://www.clasohlson.se). The interim report for the first quarter of 2008/09 will be issued on 9 September 2008. The interim report for the second quarter of 2008/09 will be issued on 5 December 2008. The interim report for the third quarter of 2008/09 will be issued on 11 March 2009. The full year report of 2008/09 will be issued on 11 June 2009.

## Parent company Income Statement

SEKm	Note	3 months 01/02/08- 30/04/08	3 months 01/02/07- 30/04/07	12 months 01/05/07- 30/04/08	12 months 01/05/06- 30/04/07
Sales		844.4	745.2	4 062.8	3 424.7
Cost of goods sold	1	-587.1	-508.0	-2 750.8	-2 450.3
Gross profit		257.3	237.2	1 312.0	974.4
Selling expenses	1	-165.5	-147.1	-665.4	-561.5
Administrative expenses	1	-23.0	-21.9	-97.6	-84.9
Other operating income/expenses		0.2	0.0	0.3	0.3
Operating profit		69.0	68.2	549.3	328.3
Dividend from Group companies		-	-	165.8	159.4
Net financial items		2.8	1.6	5.9	3.3
Profit after financial items		71.8	69.8	721.0	491.0
Appropriations		-16.0	-26.9	-16.0	-26.9
Profit before tax		55.8	42.9	705.0	464.1
Income tax		-17.0	-13.3	-152.4	-86.7
Net profit for the year		38.8	29.6	552.6	377.4

## Parent company Balance Sheet

SEKm	30/04/08	30/04/07
<b>Assets</b>		
Tangible assets	704.7	567.8
Financial assets	34.5	30.5
Inventories	703.9	636.1
Other receivables	317.4	103.1
Liquid assets	194.8	200.4
Total assets	1 955.3	1 537.9
<b>Equity and liabilities</b>		
Equity	1 278.6	1 021.1
Untaxed reserves	152.6	136.6
Provisions	11.5	10.6
Current liabilities. Non-interest-bearing	512.6	369.6
Total equity and liabilities	1 955.3	1 537.9
Pledged assets	67.0	67.0
Contingent liabilities	165.1	158.0

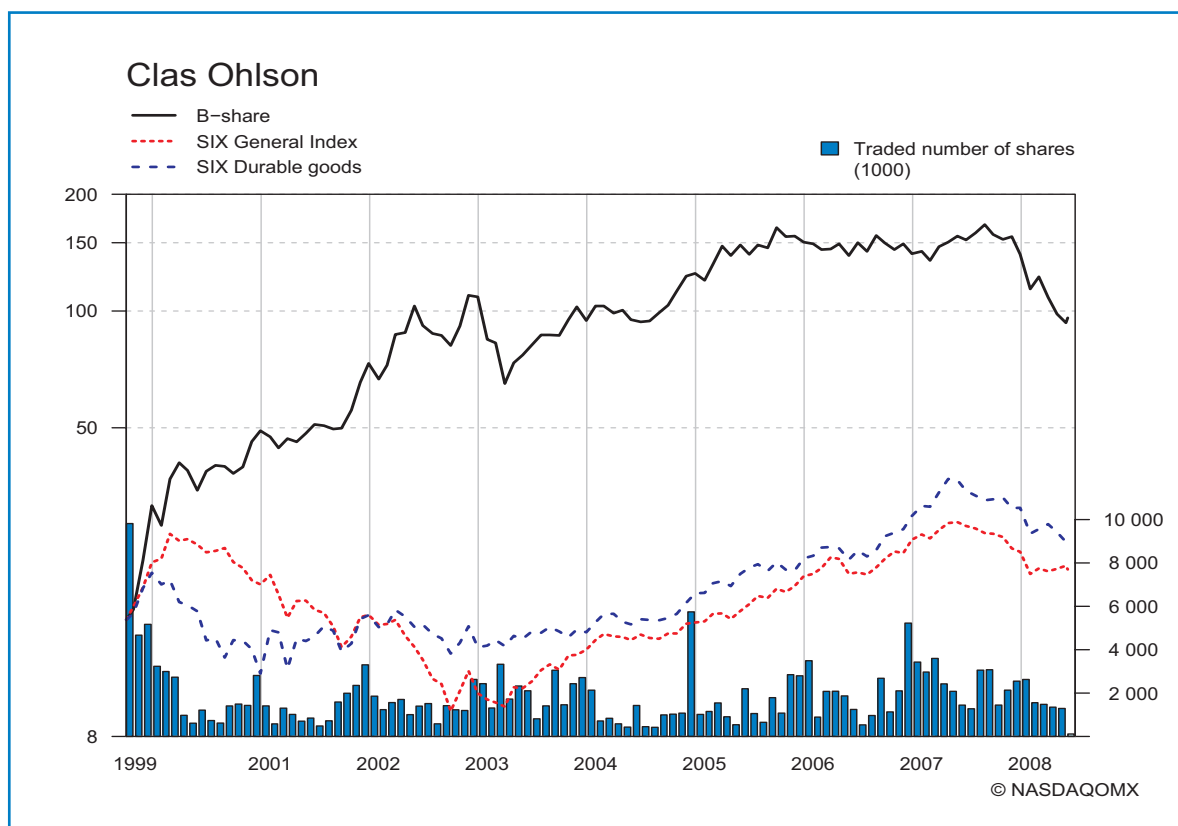
### Note 1 Depreciation

Depreciation in Parent Company during the twelve months amounts to 59.8 SEKm (54.3 SEKm).

Depreciation for the fourth quarter amounts to 15.1 SEKm (14.7 SEKm).

## Consolidated Cash Flow

SEKm	3 months 01/02/08- 30/04/08	3 months 01/02/07- 30/04/07	12 months 01/05/07- 30/04/08	12 months 01/05/06- 30/04/07
Operating profit	49.8	61.5	577.5	530.9
Adjustment for items not included in cash flow	24.0	19.9	86.0	75.2
Interest received	2.4	0.9	9.2	6.3
Interest paid	0.0	-0.1	-0.6	-0.2
Tax paid	-76.6	-81.0	-150.3	-143.2
<b>Cash flow from operating activities before changes in working capital</b>	<b>-0.4</b>	<b>1.2</b>	<b>521.8</b>	<b>469.0</b>
Change in working capital	-4.8	-52.8	-41.8	-63.9
<b>Cash flow from operating activities</b>	<b>-5.2</b>	<b>-51.6</b>	<b>480.0</b>	<b>405.1</b>
Investments	-78.7	-19.8	-251.6	-126.3
Change in current investments	0.2	1.1	1.0	1.1
Change in financial assets	0.0	0.0	0.0	0.1
<b>Cash flow from investing activities</b>	<b>-78.5</b>	<b>-18.7</b>	<b>-250.6</b>	<b>-125.1</b>
Dividend to shareholders	-	-	-295.2	-262.4
<b>Cash flow from financing activities</b>	<b>0.0</b>	<b>0.0</b>	<b>-295.2</b>	<b>-262.4</b>
<b>Cash flow for the period</b>	<b>-83.7</b>	<b>-70.3</b>	<b>-65.8</b>	<b>17.6</b>
Liquid assets at the start of the period	364.7	413.3	347.9	338.4
Exchange rate difference for liquid assets	-0.7	4.9	-1.8	-8.1
Liquid assets at the end of the period	280.3	347.9	280.3	347.9



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