

Agenda

- Q1 2011/12 (May-July)
- Events after period-end
- Update on strategic priorities
- Q&A

Clas Ohlson today

- A retail chain with 145 stores in four countries
- Sales of SEK 5,9 billion
- 4,000 employees
- 64 million visitors – 31 million customers
- Product range that solves small practical problems of everyday life



Q1 2011/12
(May-July)

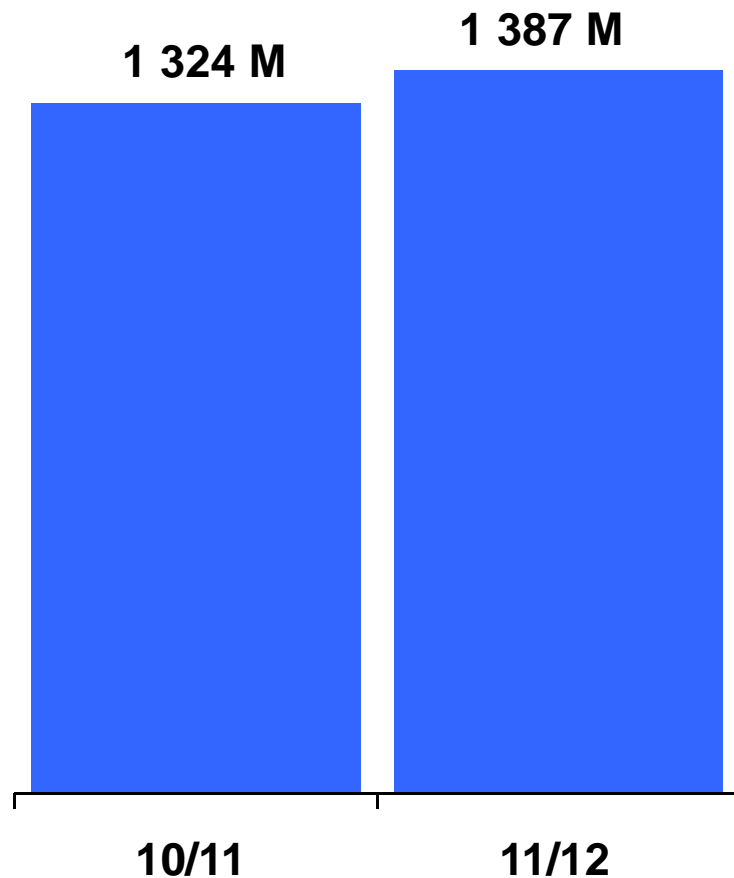
Herb Scissors.

The 5 blades make cutting fresh herbs simple and easy and adds a new dimension to food. Stainless steel with soft plastic handle. Length: 20 cm

No. 34-9735 **Price: SEK 59**



Sales – Q1

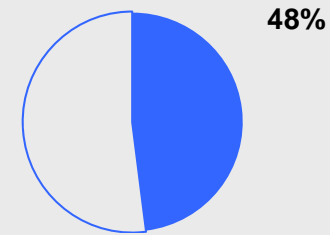


- Sales up 5% to SEK 1 387 M, +7% in local currencies
- 22 (13) more stores vs. July 10
 - Comparable stores in local currency -4%
 - New stores +11%
 - Currency effects -2%
- Mail order/Internet SEK 18 M (19 M)

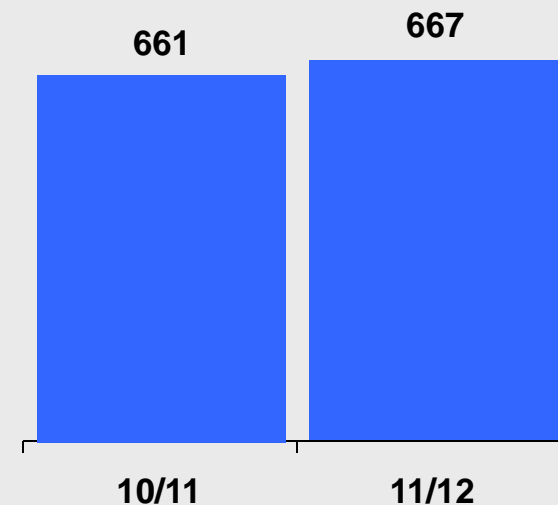
Sweden – Q1

- Sales +1%
 - 1 new store during Q1.
Total of 62
 - 6 more stores compared to preceding Q1
- Soft overall market development
- Majority of new stores double establishments

Portion of sales



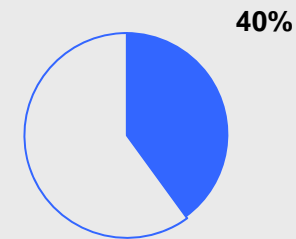
Sales, SEK M



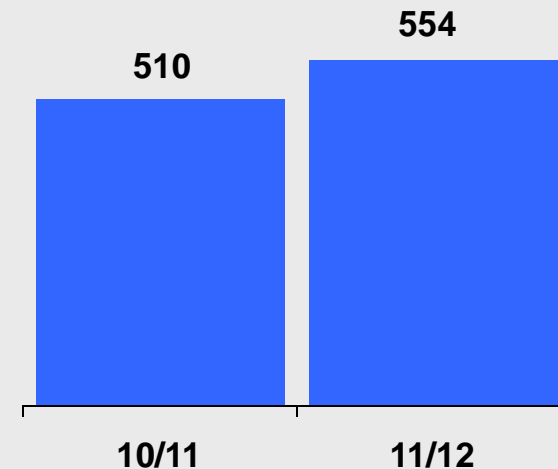
Norway – Q1

- Sales in SEK +9%
 - +12% in local currency
 - 2 new stores during Q1. Total of 52
 - 10 more stores compared to preceding Q1
- Negative currency effect
- Fairly positive market during quarter. July influenced by the tragic event in Norway

Portion of sales



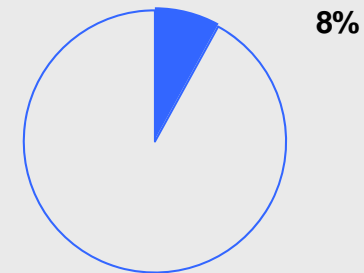
Sales, SEK M



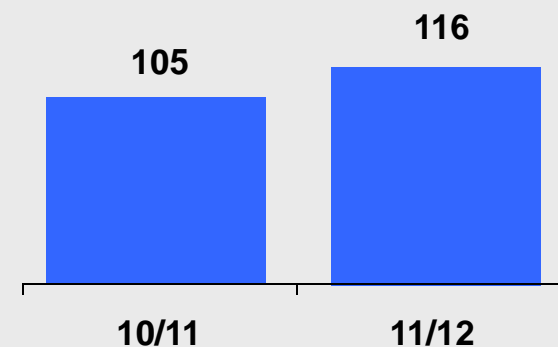
Finland – Q1

- Sales in SEK +11%
 - +17% in local currency
 - One new store during Q1. Total of 18
 - 2 more stores compared to preceding Q1
- Positive sales trend while growth still influenced by negative currency effect
- Increased market share

Portion of sales



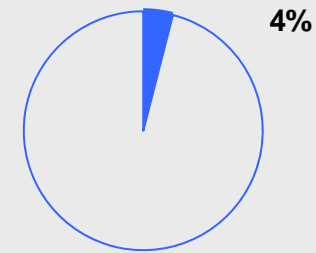
Sales, SEK M



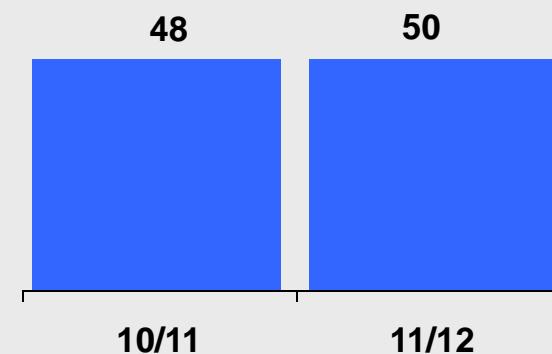
UK – Q1

- Sales in SEK +4%
 - +16% in local currency
 - No new stores during Q1.
Total of 11 stores
 - 4 more stores compared to preceding Q1
- Negative currency effect
- UK-market burdened by weak economy, financial pressure on households and increased VAT

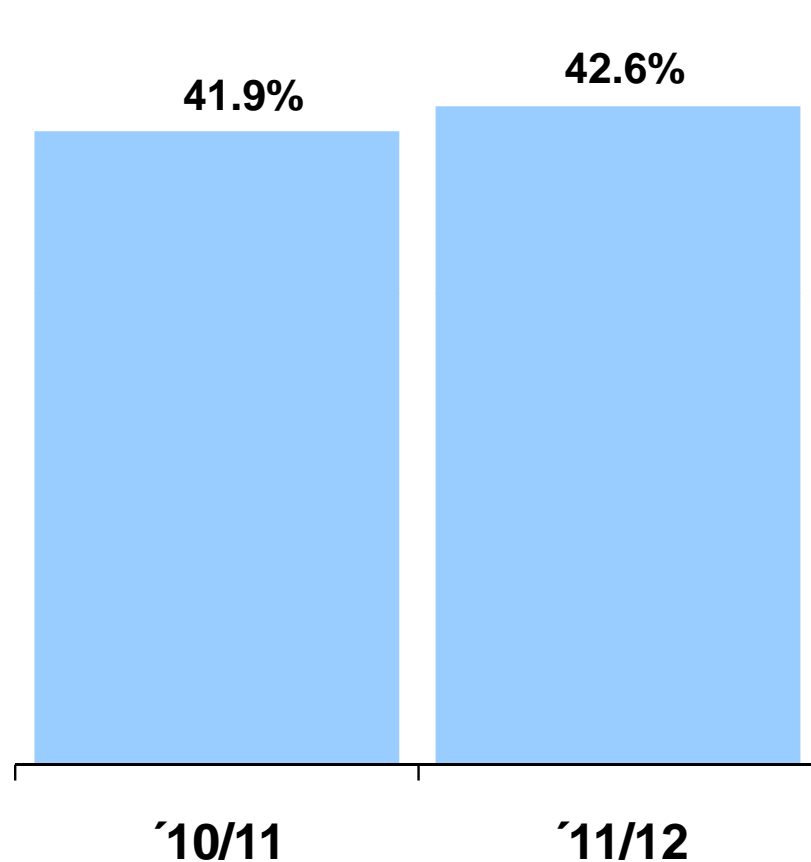
Portion of sales



Sales, SEK M



Gross margin – Q1



- Gross margin up 0.7 percentage points to 42.6%
- + Positive sales mix impact
 - + Increased share of direct purchasing
 - Currency effects

Currency effects: Q1 11/12 vs. Q1 10/11

NOK/SEK

Sales:
Instant

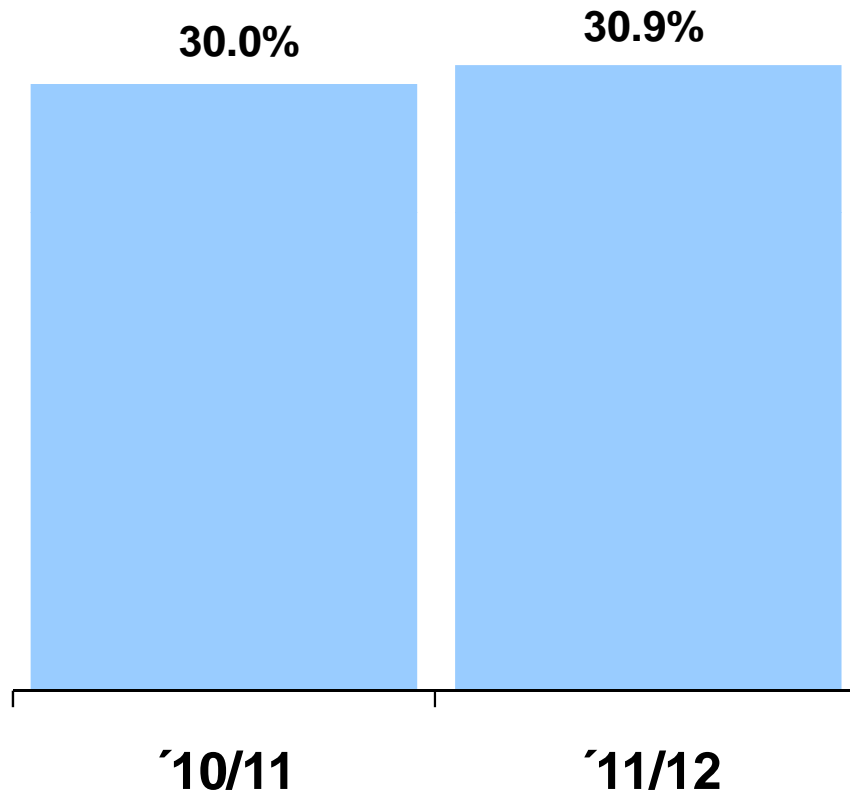


USD/SEK

Purchasing:
Time lag



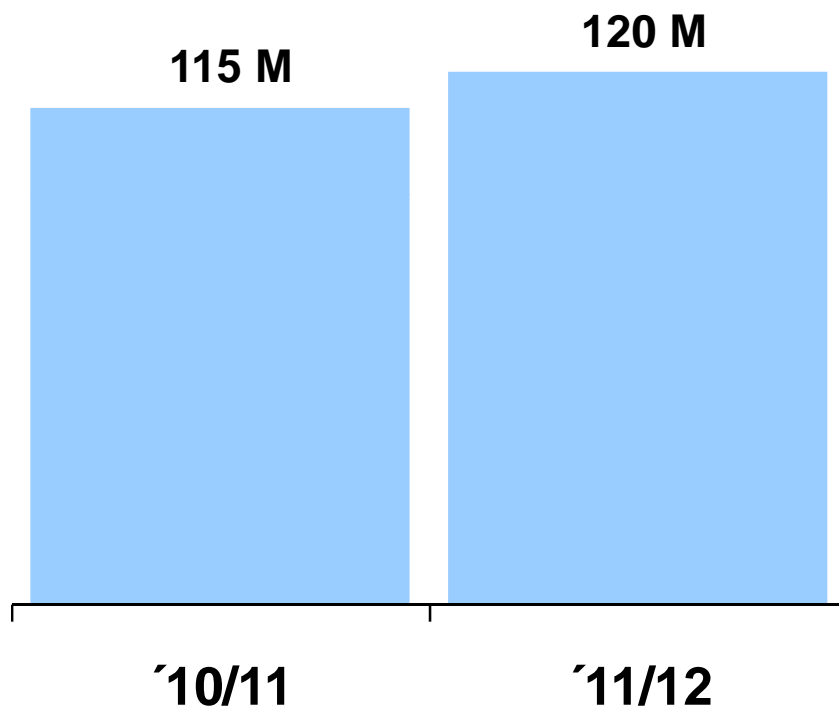
Share of sales costs – Q1



Share of sales costs up 0.9 percentage points to 30.9%

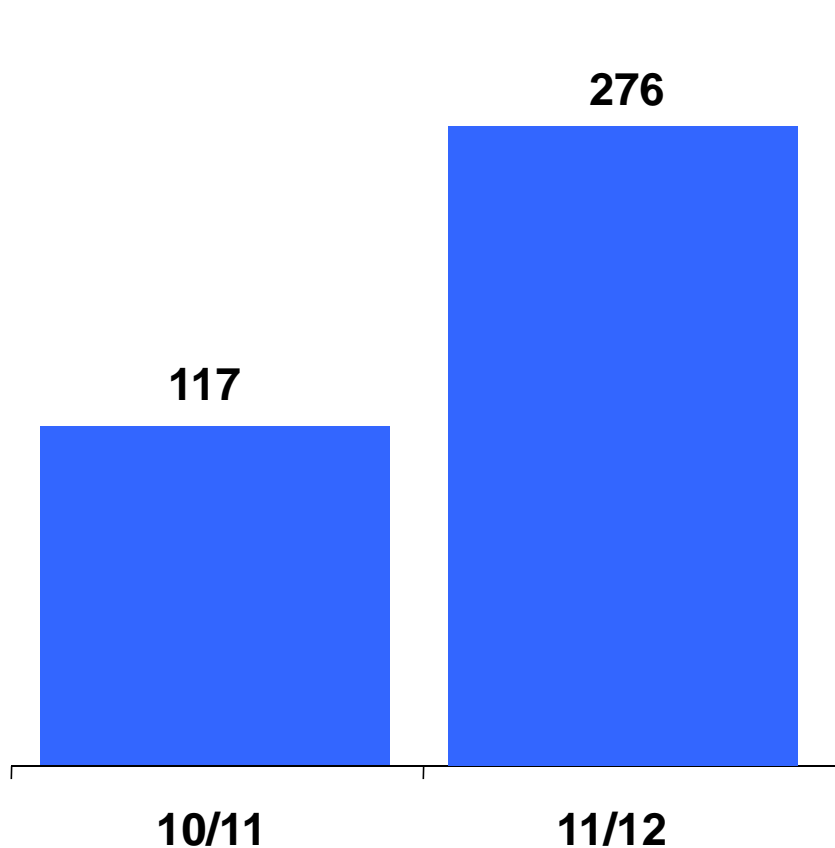
- Lower sales in comparable stores
- Higher share of sales costs new markets (UK)
- + Increased productivity

Profit – Q1



- Operating profit SEK 120 M (115)
- Profit after financial items SEK 116 M (114)
- Profit per share SEK 1.33 (1.32)

Cash flow and inventory – Q1

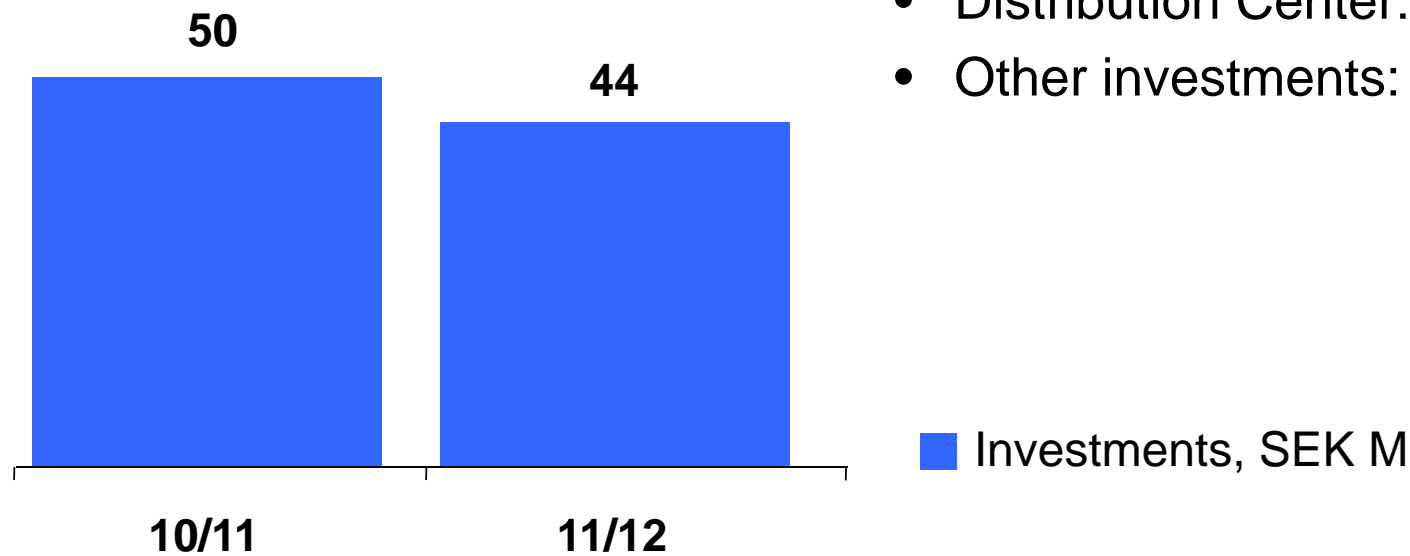


- Cash flow from operating activities SEK 276 M (117)
- Inventory: SEK 1 321 M (1 279)
 - Average inventory R12 +18%
 - 22 new stores compared to 2010/11
- Cash flow for the period SEK 163 M (118)

■ Cash flow from operating activities, SEK M

Investments – Q1

- Investments of SEK 44 M (50) of which:
 - New/refurb. Stores: SEK 21 M (23)
 - Distribution Center: SEK 0 M (4)
 - Other investments: SEK 23 M (23)



Events after period-end

Inspection Camera.

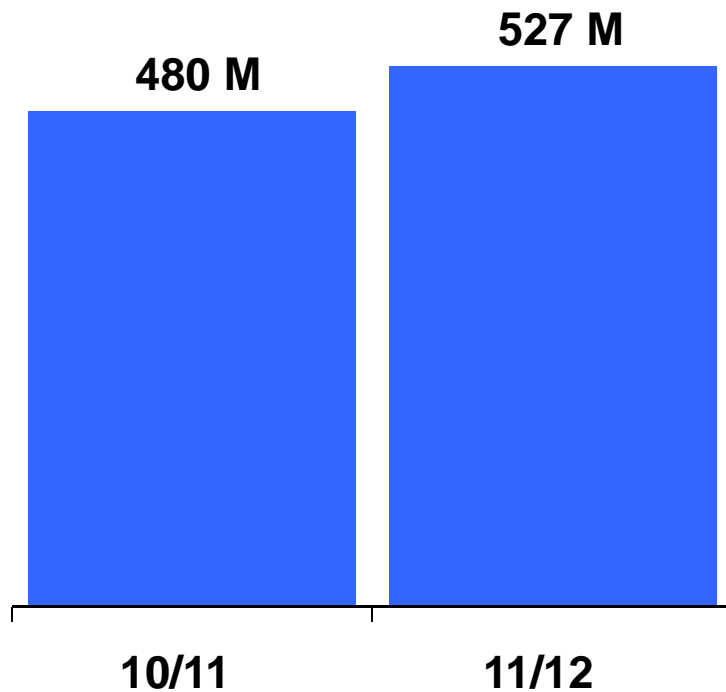
Handheld camera with 90 cm flexible arm for inspecting hard-to-reach places such as wall cavities, ceilings, etc. LED lighting on camera head. Can record still pictures or video sequences onto built-in memory or external SD card. USB port for connection to PC and TV-out for viewing on external TV/monitor. Camera head diameter: 16 mm.

No. 36-4279

Price: SEK 999



Sales – August



- Sales up to SEK 527 M (480) +10%.
+11% in local currencies
- 23 (14) more stores vs. August 2010
- Sales in local currency:
 - Sweden + 5%
 - Norway +17%
 - Finland +12%
 - UK +28%
- Mail order/Internet: SEK 6 M (7)

Update on strategic priorities

Cocraft Fibreglass Tape Measure.

50 m. Soft, 2 coloured fibreglass blade with both metric and imperial graduations. Tough ABS plastic housing. The winding handle can disengage for unwinding. Geared rewind for quicker tape retrieval. End hook and end loop. Blade width: 15 mm.

No. 40-7724

Price: SEK 199



Long term vision

Vision:

To develop Clas Ohlson into a European Modern Hardware retailer with high profitability and good growth in value for our shareholders...

...through being the preferred retailer for consumers to solve the small practical problems of everyday life



Finland – positive development

- Positive sales trend past 2 years
- New MD, Sampo Päällysaho
- Record store opening Mikkeli
- New stores
 - Mikkeli (June 2011)
 - Jyväskylä, Palokka (Sept 2011)
 - Lahti (Nov 2011)
 - Hyvinge (October 2012)
 - Myyrmanni, Helsinki (December 2011)



...in a challenging market

- Austerity measures affecting disposable income and consumer confidence
- Continued pressure on UK retail market
- Riots in August put additional pressure on UK retail market



UK – balanced expansion

- Overall positive feedback from customers regarding range, stores, prices and service
- Number of visitors higher than group average. Conversion rate and average purchase lower
- Current 12 stores reach over 1/3 of UK population (30 min drive)
- Focus on development of existing stores
- Balancing expansion plans to market development (1-4 stores during 2011/12)



hello UK,
goodbye problems
(well, the practical ones at least)

Work gloves
5 for £5.99
(£4.99 each)
40-7515

after nearly 100 years in sweden,
we've finally brought our huge range
of practical products to the UK

home | multimedia | electrical | leisure | hardware

Stores in: Cardiff • Crendon • Doncaster • Hingston • Leeds
Liverpool • Manchester • Mary Hill • Norwich • Reading
Watford • Newcastle (opens 24th August)

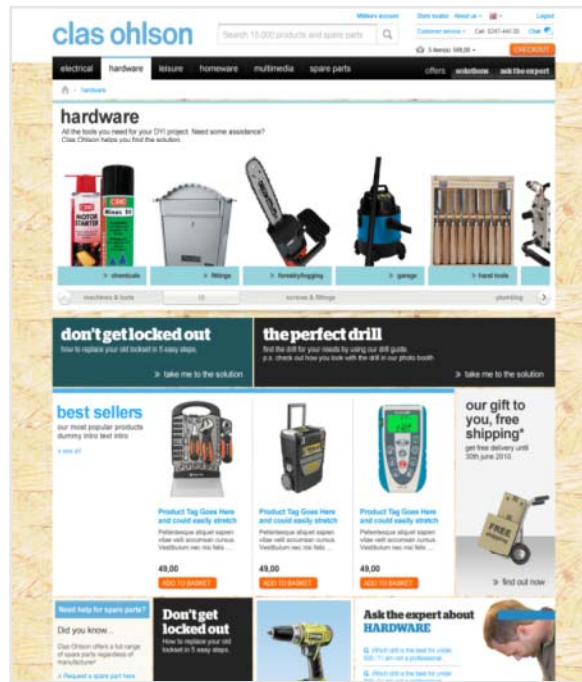
clas ohlson
from homeware to hardware since 1918

Our potential in multichannel retailing

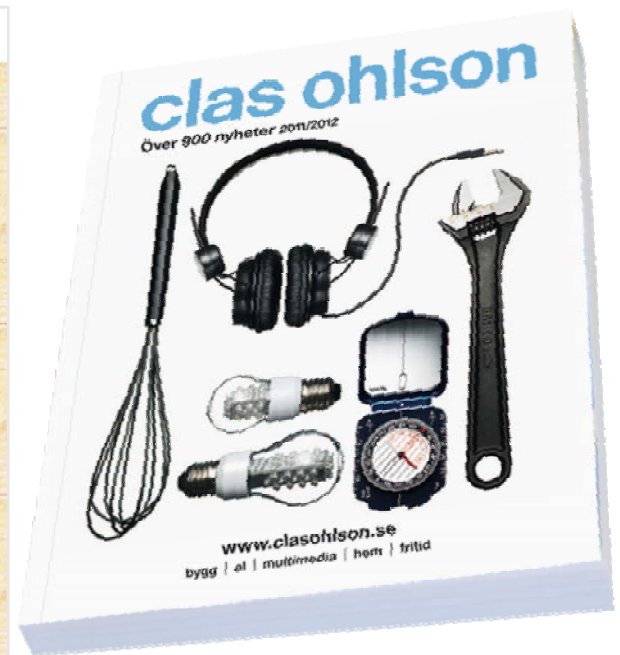
145 stores



E-commerce



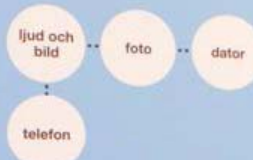
Catalogue/phone



hitta Store development



multimedia



bygg



fritid

VVS
766

767

768



fynd hörnan

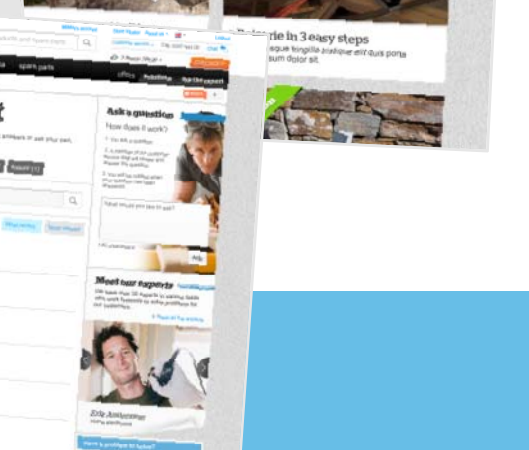
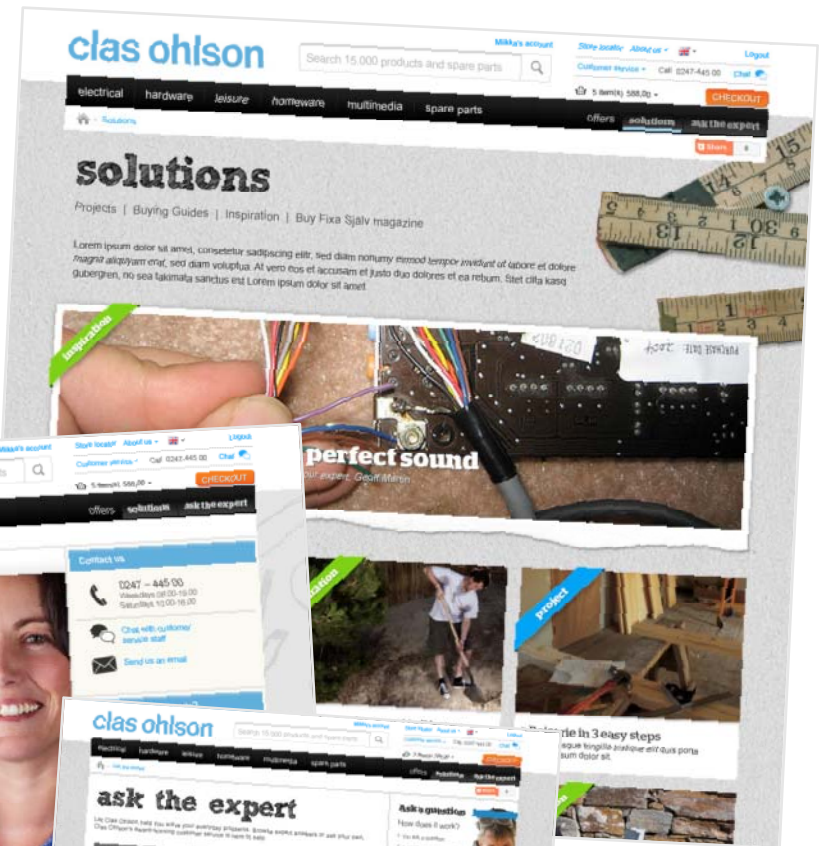
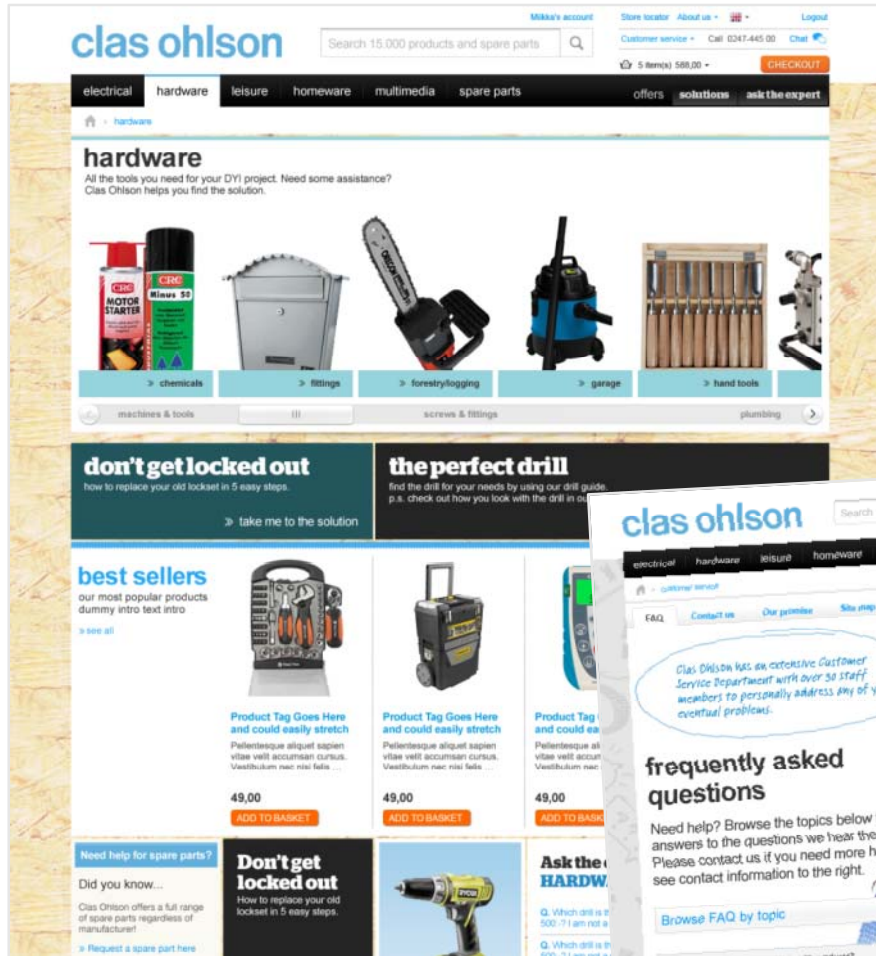
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ohlson

Store expansion – pipeline and plans



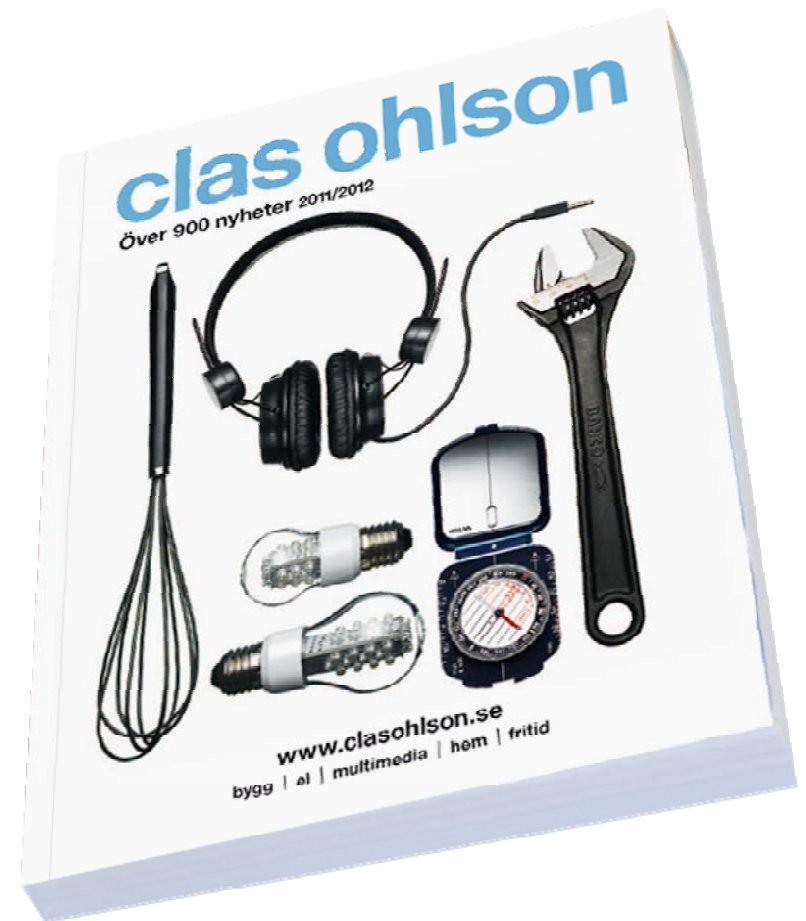
- Target of 17-22 new stores during 2011/12 of which 2-4 in Finland and 1-4 in UK
- 6 new stores opened during financial year as of September 7
- 18 new stores contracted of which 12 opening in 2011/12 and 6 in 2012/13

E-commerce in all markets



Catalogue and telephone orders

- Catalogue: Important brand builder and appreciated by customers
- Launch of 97th issue of the Clas Ohlson catalogue late August
- 900+ product news
- Increased opening hours for telephone orders



Outlook

- Continued focus on long term profitable growth in Europe in accordance with financial targets
- Strong position in our established markets
- Business plan to invest in new markets (currently UK)
 - annual impact of up to 2-3 percentage points on EBIT-margin
- Further potential to increase sales via developed product assortment and sales channels in the Nordic region

Q&A

Bear Grylls Survival Kit.

8-piece. Contains: Folding knife, whistle, fire starter, matches, snare wire, cord, cotton balls and waterproof pouch.

Size: 114x127 mm. Weight: 119 g

No. 31-2153 **Price: SEK 279**



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www.clasohlson.se