

RNB

INTERIM REPORT

1 SEPTEMBER 2016 – 30 NOVEMBER 2016

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RNB RETAIL AND BRANDS

POLARN O. PYRET
DEPARTMENTS & STORES

BROTHERS

Earnings increase by more than 50 percent

Operating income during the first quarter amounted to SEK 46 million, an improvement of SEK 16 M in total, compared to the first quarter of the previous year. The performance was strong with a strengthened positive momentum. Sales developed better than the market, despite the fact that the weather was challenging early in the quarter. The reorientation work relating to Polarn O. Pyret is now delivering positive results and Brothers is continuing to increase its sales and earnings. The challenges in Departments & Stores are expected to dampen from the second quarter.

FIRST QUARTER SEPTEMBER 1, 2016 – NOVEMBER 30, 2016 IN SUMMARY

- Sales in comparable stores in Sweden decreased during the quarter by 1.4 percent, which was a better development – compared to the market’s decrease of 2.1 percent (Swedish Retail and Wholesale Trade Research Institute (HUI)).
- Net sales totaled SEK 584 M (556), an increase of 5.0 percent.
- Operating income increased to SEK 46 M (30).
- Operating income before amortization for the latest 12-month period totaled SEK 105 M (103).
- Profit after tax amounted to SEK 58 M (30), which corresponds to SEK 1.71 (0.90) per share.
- Cash flow from operating activities was SEK 38 M (16)
- Polarn O. Pyret’s operations in the Netherlands were closed down during the quarter.

CONTACT

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PRESS AND ANALYST MEETING

RNB will hold a press and analyst conference in connection with publication of today’s interim report for the first quarter 2016/2017. The conference will be presented by Magnus Håkansson, President and CEO and Kristian Lustin, CFO, today, December, 2016 at 10.00 a.m. and can be followed through a teleconference/audiodocast.

To participate in the teleconference please call before the opening of the conference:

+46 8 566 426 94 (Sweden)
+44 20 300 898 06 (UK)
+1 855 831 59 46 (US)

Or through the following link: <http://www.rnb.se/Investor-relations/>

FINANCIAL CALENDAR

Annual General Meeting 2015/2016	December 21, 2016
Interim report, second quarter 2016/2017	Mars, 27 2017
Interim report, third quarter 2016/2017	June, 21 2017
Interim report, fourth quarter 2016/2017	October, 12 2017

This information is such that RNB RETAIL AND BRANDS AB is required to disclose according to the EU’s Market Abuse Regulation and the Swedish Securities Markets Act. The information was submitted for publication, through the agency of the above contact persons, on December 21, 2016 at 7:30 a.m. CET.

Both an English version and a Swedish version of this report have been prepared. In the event of a difference between the two reports, the Swedish version shall prevail.

Comments from the CEO

EARNINGS INCREASE BY MORE THAN 50 PERCENT

The major cause for rejoicing during the first quarter of the year was without doubt the strong earnings trend. RNB reported operating income for the quarter of SEK 46 million, an improvement of SEK 16 M in total. The challenges in the quarter were mainly related to the traffic disruption and chaos caused by the massive roadworks on Hamngatan in Stockholm which burdened Departments & Stores. Polarn O. Pyret now has a positive earnings trend and Brothers is continuing its strong trend.

The record warm weather early in the quarter meant that the market, according to HUI, contracted by 2.1 percent in our first quarter. Overall for RNB, sales fell in comparable stores in Sweden by 1.4 percent, which therefore was a better performance than the market as a whole.

BROTHERS – A SHINING STAR

Brothers improved its earnings during the quarter by SEK 10 M and reported operating income of SEK 15 M. Sales were better than the market and gross margins strengthened. In both the e-commerce business and the physical stores, Brothers showed a positive increase in visitor figures.

The development of the casual fashion range East West is starting to bear fruit, which will serve as a growth engine for the next development phase. Meanwhile, intensive efforts are ongoing with the development of Brothers' market-leading service concept and digitalization, which also means further significant potential. With higher earnings, increased sales and strengthened gross margins, Brothers is a shining star with a strong momentum.

DEPARTMENTS & STORES – LOWER VISITOR NUMBERS IN THE STORES IN STOCKHOLM

Departments & Stores' earnings decreased by SEK 10 M and it reported operating income of SEK 11 M. Despite the fact that a large number of newly built departments entered into operation during the quarter, Departments & Stores did not manage to compensate weak visitor numbers in the beginning of the quarter to the department stores and its retail stores. The positive trend for the operations at NK in Gothenburg only offset part of the weaker performance in Stockholm as the operations at NK in Stockholm represent a much larger share of the total sales. As the construction project on Hamngatan in Stockholm gradually diminishes in size, the weak earnings and visitors trend dampened in the end of the quarter. Earnings in the quarter were also to a large extent affected negatively by cost increases and one-off items.

POLARN O. PYRET – ON THE RIGHT PATH AFTER RESTRUCTURING

Polarn O. Pyret improved its earnings during the quarter by SEK 18 M and reported operating income of SEK 30 M. After the large number of changes Polarn O. Pyret carried out with regard to the international structure, organization and value proposition, the first positive effects are now becoming apparent. The fashion range is working well with a stable sales

trend despite much lower price reductions. Gross margins are continuing to improve, mainly driven by an improved working method combined with better marketing precision. The new organization is now in place, but roles and responsibilities are still under development. The organizational changes have reduced the cost base for the business area's central functions and also in the stores.

During the quarter, the closure was completed of the operations in Holland, which already had a slightly positive effect on earnings in the quarter but more significant positive effects will come in the coming quarters. The closure costs were equivalent to the provisions already made in the annual financial statements for the 2015/2016 fiscal year. Polarn O. Pyret Finland made a positive contribution to the performance and strong growth was seen in the e-commerce business in all countries. The renewal of the fashion range that is underway combined with more efficient sourcing work and an updated digital marketing strategy, gradually delivers results during the 2016/2017 fiscal year. Overall, there is good potential to continue the improvements in earnings during the year.

POSITIVE FULL – YEAR EXPECTATIONS

RNB as a Group has three strong concepts, a good sales trend and strengthened margins. The Group's performance is clearly positive – the reorientation work relating to Polarn O. Pyret is delivering positive results, Brothers continues to have a strong momentum and the earnings decline in Departments & Stores will probably dampen. All of this combined with a record-strong performance in the first quarter gives us a good overall basis to deliver a significant improvement in earnings in 2016/2017 compared to 2015/2016.

Magnus Håkansson
President and CEO



BROTHERS

DEPARTMENTS & STORES

POLARN O. PYRET

RNB RETAIL AND BRANDS owns, operates and develops fashion, ready-to-wear clothing, accessories, jewelry and cosmetics stores that focus on providing excellent service and a world-class shopping experience. RNB has operations in 11 countries. The total number of stores in the RNB Group amounts to 261, of which 65 are operated by franchisees. The RNB RETAIL AND BRANDS share has been listed on the NASDAQ Stockholm Exchange since 2001 in the Small Cap segment, retail sector under the ticker RNBS.

The store concept strategy is to offer attractive and target-group-oriented ranges of fashion and accessories in major cities, towns and shopping centers. The Brothers business area is a fashion

concept for men and offers a mix of strong proprietary and external brands.

In the Department & Stores business area, RNB focuses on the customer interface and on providing high-quality product ranges and store environments. The stores offer fashion for women, men and children, as well as accessories, jewelry and cosmetics for customers demanding top-class service and quality. Sales are conducted in the NK department stores in Stockholm and Gothenburg.

Polarn O. Pyret is the leading brand and store concept for baby and children's wear in the quality segment of the Swedish market and also has a growing international presence.

Revenue and earnings, RNB Group

FIRST QUARTER, SEPTEMBER 1, 2016 – NOVEMBER 30, 2016

Reported net sales for the Group's concepts during the first quarter of the year increased, from SEK 556 M in the previous year to SEK 584 M, equivalent to an increase of 5.0 percent. The business areas Brothers and Polarn O. Pyret increased their sales while Departments & Stores reported slightly lower sales during the quarter. For comparable stores in Sweden, the sales decrease was 1.4 percent (HUI -2.1 percent) and in all countries the decrease was 1.1 percent, calculated in Swedish kronor.

In late August, the e-commerce concept Man of a kind (www.manofakind.se) was launched. Sales and earnings for Man of a kind are reported under the business area Other and were marginal during the quarter.

Gross margin for the Group increased during the quarter to 54.9 percent (52.2), where Brothers and Polarn O. Pyret increased their margins, while the gross margin in Departments & Stores fell slightly.

Total overhead costs increased compared to the previous year mainly due to the consolidation of Polarn O. Pyret's operations in Finland, which were acquired during the third quarter of the previous year. Excluding the operations in Finland, overhead costs were at a stable level compared to the year-earlier period.

Operating income increased by SEK 16 M to SEK 46 M (30), i.e. equivalent to an increase of 55 percent.

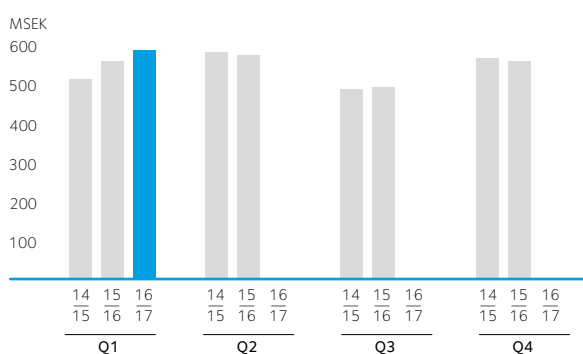
Net financial items amounted to SEK 13 M (1) and profit after tax amounted to SEK 58 M (30). Unrealized results on futures contracts affected net financial items by SEK 15 M (4).

Group overview

	3 months		12 months	
	Sep 2016 -Nov 2016	Sep 2015 -Nov 2015	Dec 2015 -Nov 2016	Sep 2015 -Aug 2016
Net sales, SEK M	584	556	2,201	2,173
Gross margin (%)	54.9	52.2	51.1	50.3
Operating income, SEK M	46	30	53	36
Profit before tax, SEK M	59	30	54	26
Profit after tax, SEK M	58	30	54	26
Operating margin (%)	7.9	5.4	2.4	1.7
Earnings per share, SEK	1.71	0.90	1.60	0.76
Cash flow from operating activities, SEK M	38	16	86	64
Number of stores	261	267	261	263

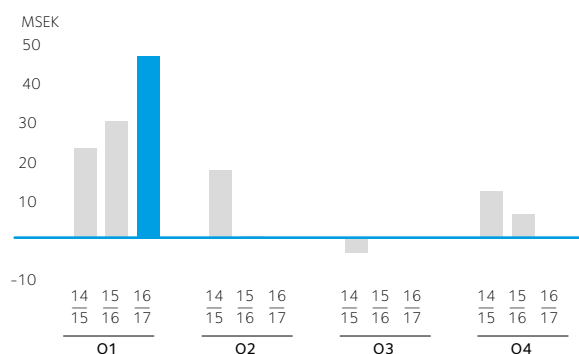
Net sales per quarter

excluding writedown of goodwill and divested operation






Operating income per quarter

excluding writedown of goodwill and divested operation



Financial overview business areas

RNB RETAIL AND BRANDS reports sales and results for three business areas: Brothers, Departments & Stores and Polarn O. Pyret.

Business area	Net sales, interim period	Share, %	Operating income, interim period	Stores
BROTHERS	130 MSEK	 22%	15 MSEK	Total 72 Sweden 60 of which 20 franchise Finland 12 of which 0 franchise
DEPARTMENTS & STORES	235 MSEK	 40%	11 MSEK	Total 42 NK Stockholm 25 NK Gothenburg 17
POLARN O. PYRET	219 MSEK	 38%	30 MSEK	Total 146 of which 45 franchise Sweden 64 of which 7 franchise Norway 29 of which 0 franchise Finland 18 of which 3 franchise England 20 of which 20 franchise USA 5 of which 5 franchise Estonia 4 of which 4 franchise Ireland 2 of which 2 franchise Scotland 2 of which 2 franchise Iceland 1 of which 1 franchise Latvia 1 of which 1 franchise
Total RNB RETAIL AND BRANDS	584 MSEK		46 MSEK	261 stores 10 countries

Net Sales and Operating Income per Business Area	3 months		12 months	
	Sep 2016 –Nov 2016	Sep 2015 –Nov 2015	Dec 2015 –Nov 2016	Sep 2015 –Aug 2016
Net sales, SEK M				
Brothers	130.1	127.9	528.2	526.0
Departments & Stores	235.0	238.2	955.4	958.6
Polarn O. Pyret	218.8	190.3	717.0	688.5
Other	0.4	0.0	0.0	0.0
Total	584.3	556.4	2,200.6	2,173.1
Operating income, SEK M				
Brothers	14.9	4.6	23.1	12.8
Departments & Stores	11.1	20.7	48.4	58.0
Polarn O. Pyret	29.6	11.5	12.8	-5.3
Other	-9.3	-7.0	-31.5	-29.2
Total	46.3	29.8	52.8	36.3

BROTHERS

Brothers is a fashion concept for men and has a total of 72 (78) stores and e-commerce. Of the total number of stores 20 (25) are operated by franchisees.

FIRST QUARTER, SEPTEMBER 1, 2016 – NOVEMBER 30, 2016

Net sales for Brothers totaled SEK 130 M (128), an increase of 1.7 percent. Net sales during the quarter displayed increases in proprietary stores, both recently opened and comparable stores and also in the e-commerce business. Sales on the franchise side remained at the same level as the year-earlier period, despite five fewer franchise stores.

Sales in comparable proprietary stores in Sweden and Finland increased by 3.2 percent. The number of paying customer in the stores was in line with the same quarter of last year while the average spend increased. Total brand sales (total sales to consumers, excluding VAT, in all markets and distribution channels) amounted to SEK 615 M (609), measured on a rolling 12-month basis.

Gross margin for the business area increased during the quarter compared to the previous year. The increased gross margin was due a higher proportion of proprietary brand sales and less price activities. The increased sales at a higher margin meant a higher gross profit.

Overheads costs for Brothers fell compared to the year-earlier period.

Operating income was positive during the quarter and amounted to SEK 15 M (5), i.e. an increase of SEK 10 M, which meant an operating margin of 11.4 percent (3.7). Both of the operations in Sweden and Finland reported significantly improved operating income during the quarter.

Inventories decreased during the quarter and were also lower than the year-earlier period, which was partly explained by less goods in transit on the last day of the quarter. The inventory level is of a good quality and corresponds to the planned product demand.



DEPARTMENTS & STORES

The business area comprises operations at the department stores NK Stockholm and NK Gothenburg. The number of proprietary stores at the end of the period was 42 (44).

FIRST QUARTER, SEPTEMBER 1, 2016 – NOVEMBER 30, 2016

Net sales in the Departments & Stores business area amounted to SEK 235 M (238), a decrease of 1.3 percent. The number of visitors to the department stores decreased in the beginning of the quarter compared with the year-earlier period but was almost fully compensated by an increase towards the end of the quarter. The number of customers was slightly lower during the quarter but an increased average spend contributed to a stable sales trend.

Gross margin fell slightly compared to same quarter of the previous year, mainly due to slightly more price activities, the sales mix and non-recurring costs.

Overhead costs were higher than the previous year where the largest change was due to higher costs for premises related to expanded retail space, increased rents and effects of allocation to particular periods.

Operating income amounted to SEK 11 M (21), with an operating margin of 4.7 percent (8.7).

Inventories in the business area increased during the quarter and were slightly higher at the end of the quarter than the same quarter of last year. The increase in inventories was a result of deliveries ahead of the next season, new premium brands, more exclusive and expensive products and altered contractual terms, which combined led to increased inventory values.



POLARN O. PYRET

Polarn O. Pyret is a brand focused on baby and children's wear. The concept comprises e-commerce and 146 stores, of which 45 are franchise stores. Today, Polarn O. Pyret is established in 10 countries.

FIRST QUARTER, SEPTEMBER 1, 2016 – NOVEMBER 30, 2016

Net sales during the quarter amounted to SEK 219 M (190), with slightly lower sales in comparable stores but offset by a larger increase in new stores and continued strong growth in e-commerce sales. Sales in comparable proprietary stores and e-commerce for all countries increased by 1.8 percent, year-on-year. The average spend increased in all markets during the quarter. Brand sales (total sales to consumers, excluding VAT, in all markets and distribution channels) amounted to SEK 871 M (884), measured on a rolling 12-month basis.

Gross margin during the quarter increased clearly compared to the same quarter of the previous year, which was mainly due to a limited number of price reduction activities in all markets and the product mix. Gross profit increased during the quarter as a consequence.

Overhead costs in the quarter were higher due to the acquisition in Finland. However, comparable overhead costs, excluding the Finnish company, were lower than the year-earlier period.

Operating income amounted to SEK 30 M (12), i.e. an increase of SEK 18 M, equivalent to an operating margin of 13.5 percent (6.0). Operating income for the Swedish operations rose sharply during the quarter and the Finnish business also made a significant contribution to the improved earnings.

Inventories in the business area were unchanged during the quarter and were higher at the end of the quarter than the previous year due to the acquisition of the Finnish company. Current inventory levels are considered to be effective and of good quality.



Financial position and liquidity

The Group had total assets of SEK 1,142 M compared to SEK 1,103 M at the end of the previous fiscal year. Shareholders' equity amounted to SEK 380 M at the end of the period, and to SEK 323 M at the end of the previous fiscal year, providing an equity/assets ratio of 33.3 percent (29.3).

At November 30, 2016, inventories totaled SEK 423 M (413), where two business areas increased their inventory levels compared to the previous year. The increase was due to the consolidation of Polarn O. Pyret's Finnish operations, currency effects, additional purchasing and ongoing deliveries of the fall and winter collections.

Cash flow from changes in working capital was negative at SEK -21 M (-22), mainly due to increased inventories. Cash flow from operating activities amounted to SEK 38 M (16) during the period. Cash flow after investments amounted to SEK 21 M (4), which was equivalent to an improvement of SEK 17 M compared to the previous year.

Net debt amounted to SEK 352 M compared to SEK 379 M at the end of the previous fiscal year.

The Group's cash and cash equivalents at the end of the period, including unutilized overdraft facilities, amounted to SEK 145 M compared to SEK 124 M at the end of the previous fiscal year. Blocked funds relating to hedging were reclassified in the third quarter 2015/2016 from cash and cash equivalents to non-current receivables, which decreased the balance-sheet item "cash and cash equivalents" compared to the previous year.

INVESTMENTS AND DEPRECIATION / AMORTIZATION

Investments during the period, excluding investment in subsidiaries totaled SEK 16 M (12). Depreciation /amortization totaled SEK -12 M (-12).

EMPLOYEES

The average number of employees during the period was 1,027 (1,008), whereof 48 were employed by Polarn O. Pyret in Finland.

RELATED-PARTY TRANSACTIONS

No transactions were conducted between the RNB Group and related parties, which have materially impacted the Group's financial position and results. The company has two loans from Konsumentföreningen Stockholm, the company's principal shareholder, totaling SEK 385 M. For further information on transactions with related parties, see the Annual Report 2015/2016, Note 4.

TAXES

During the period, the Group paid tax totaling SEK 1 M (0). As the company has existing loss carryforwards of SEK 739 M, no tax expense was charged to the period. Tax expenses are expected to remain low due to existing loss carryforwards. For further information see the 2015/2016 Annual Report, Note 11.

PARENT COMPANY

Net sales in the Parent Company amounted to SEK 28 M (24). The result after net financial items amounted to SEK -11 M (-9). Investments totaled SEK 2 M (2).

ACCOUNTING POLICIES

This report was prepared in accordance with IAS 34, Interim Financial Reporting and the Swedish Annual Accounts Act. The interim report for the Parent Company was prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 – Accounting for Legal Entities. The accounting policies applied correspond with those presented in the 2015/2016 Annual Report. In the interim report, consolidated gross profit is recognized exclusively in comprehensive income. This differs from the format in the annual report. In the interim report, unrealized results and futures contracts are also recognized on a separate line in net financial items.

RISKS AND UNCERTAINTIES

RNB is exposed to a number of risk factors that are wholly or partly beyond the company's control, but which could affect the Group's earnings and operations.

Financial risks

- Currency exposure related to purchase of goods and sales in international markets.
- Interest-rate exposure associated with the Group's net debt. Financial covenants to lenders.

Strategic and operational risks

- Demand for RNB's products, like general demand in the retail sector, is affected by changes in overall market conditions, consumer behavior and the weather situation. Competition from other players active in the same segment as RNB.
- Identification of constantly shifting fashion trends and customer preferences.

In other respects, refer to the detailed description of the Group's management of financial risks in the 2015/2016 Annual Report.

REVIEW

This interim report has not been subject to review by the company's auditors.

Stockholm December 21, 2016

RNB RETAIL AND BRANDS (publ), corp Id No556495-4682

Magnus Håkansson
President & CEO

Reconciliation of key ratios

SEK M	3 months		12 months	
	Sep 2016 –Nov 2016	Sep 2015 –Nov 2015	Dec 2015 –Nov 2016	Sep 2015 –Aug 2016
Net sales	584.3	556.4	2,201.0	2,173.1
Goods for resale	-263.4	-265.8	-1,077.1	-1,079.5
Gross profit	320.9	290.6	1,123.9	1,093.6
Other operating income	4.4	4.3	16.8	16.7
Other external expenses	-128.7	-119.7	-486.4	-477.4
Personnel expenses	-138.1	-133.6	-549.2	-544.7
Depreciation and impairment of non-current assets	-12.2	-11.8	-52.3	-51.9
Operating income (EBIT)	46.3	29.8	52.8	36.3
Interest income and similar profit/loss items	2.2	0.2	3.9	1.9
Interest expenses and similar profit/loss items	-4.7	-3.3	-14.0	-12.6
Unrealized profit/loss on futures contracts	15.1	3.7	11.7	0.3
Net financial items	12.6	0.6	1.6	-10.4
Profit/loss after financial items	58.9	30.4	54.4	25.9
Adjustments:				
Tax on net profit/loss for the period	-1.0	0.0	-1.0	0.0
Net income for the period	57.9	30.4	53.4	25.9
Operating income	46.3	29.8	52.8	36.3
Depreciation and impairment of non-current assets	12.2	11.8	52.3	51.9
Operating income before depreciation, amortization and impairment of non-current assets (EBITDA)	58.5	41.6	105.1	88.2
Loans	385.0	385.0	385.0	385.0
Contingent consideration	16.7	0.0	16.7	16.7
Other non-current interest-bearing liabilities	0.1	0.0	0.1	0.1
Non-current liabilities	401.8	385.0	401.8	401.8
Loans	385.0	385.0	385.0	385.0
Contingent consideration	16.7	0.0	16.7	16.7
Other non-current interest-bearing liabilities	0.1	0.0	0.1	0.1
Other current interest-bearing liabilities	1.0	2.2	1.0	1.3
Cash and cash equivalents	-45.0	-50.6	-45.0	-24.2
Net debt	357.8	336.6	357.8	378.9
Equity, opening balance	323.5	305.7	336.5	305.7
Equity, closing balance	380.1	336.5	380.1	323.5
Average equity	351.8	321.1	358.3	314.6
Net income for the period	57.9	30.4	54.4	25.9
Average equity	351.8	321.1	358.3	314.6
Return on equity, %	16.5	9.5	15.2	8.2
Total assets	1,142.4	1,080.5	1,142.4	1,102.6
Trade payables	-162.4	-181.8	-162.4	-180.5
Other current liabilities	-197.1	-175.3	-197.1	-195.5
Capital employed	782.9	723.4	782.9	726.6
Capital employed, opening balance	726.6	693.4	723.4	693.4
Capital employed, closing balance	782.9	723.4	782.9	726.6
Average capital employed	754.7	708.4	753.2	710.0
Interest expenses and similar profit/loss items	-4.7	-3.3	-14.0	-12.6
Unrealized expense on futures contracts	0.0	0.0	0.0	0.0
Average capital employed	746.4	708.4	753.2	710.0
Profit before tax from continuing operations	58.9	30.4	54.4	25.9
Return on capital employed, %	8.5	4.8	9.1	5.4
Operating income	46.3	29.8	52.8	36.3
Interest income and similar profit/loss items	2.2	0.2	3.9	1.9
Unrealized income on futures contracts	15.1	3.7	11.7	0.3
Result after financial income	63.6	33.7	68.4	38.5

Definition of key ratios

This report contains financial metrics, which are not defined in IFRS. These financial metrics are used to follow-up, analyze and control the operations and to provide the Group's stakeholders with financial information about the Group's financial position, results and performance. These financial targets are considered necessary in order to follow and control the development of the Group's financial goals and are thus relevant to present on a continual basis.

A list of definitions follows below of the key ratios used in this report.

MARGIN METRICS

Gross profit margin

Net sales less goods for resale in relation to net sales.

Operating margin

Operating income as a percentage of net sales.

RETURN METRICS

Return on equity

Net income excluding minority interests as a percentage of average equity. Average equity is calculated as equity attributable to the parent company's shareholders at the beginning of the year plus equity attributable to the parent company's shareholders at year-end divided by two.

Return on capital employed

Result after net financial items plus financial expenses as a percentage of average capital employed. Average capital employed is calculated as capital employed at the beginning of the year plus capital employed at year-end divided by two. Capital employed is calculated as equity plus interest-bearing liabilities.

FINANCIAL METRICS

Equity/assets ratio

Shareholders' equity in relation to total assets.

Net debt

Loans and other current and non-current interest-bearing liabilities less financial assets including cash and cash equivalents.

Net debt/equity ratio

Net debt as a percentage of equity attributable to the parent company's shareholders.

Interest coverage ratio

Result after net financial items plus financial expenses divided by financial expenses and the expense for unrealized results on futures contracts.

SHARE-BASED METRICS

Equity per share

Equity attributable to the parent company's shareholders divided by the number of shares at the end of the period.

Earnings per share

Net income divided by the weighted average number of shares during the period.

OTHERS TERMS

Number of full-time employees

Total number of hours of attendance during the past 12-month period divided by the normal hours worked per year in each country.

Average number of shares

Weighted average of outstanding ordinary shares during the period.

Consolidated Income Statement

SEK M	3 months		12 months	
	Sep 2016 –Nov 2016	Sep 2015 –Nov 2015	Dec 2015 –Nov 2016	Sep 2015 –Aug 2016
Net sales	584.3	556.4	2,201.0	2,173.1
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Other external expenses	-128.7	-119.7	-486.4	-477.4
Personnel expenses	-138.1	-133.6	-549.2	-544.7
Depreciation and impairment of non-current assets	-12.2	-11.8	-52.3	-51.9
Operating income	46.3	29.8	52.8	36.3
Financial income	2.2	0.2	3.9	1.9
Financial expenses	-4.7	-3.3	-14.0	-12.6
Unrealized profit/loss on futures contracts	15.1	3.7	11.7	0.3
Net financial items	12.6	0.6	1.6	-10.4
Profit before tax from continuing operations	58.9	30.4	54.4	25.9
Tax on net income for the period	-1.0	0.0	0.0	0.0
Net income for the period	57.9	30.4	54.4	25.9
Other comprehensive income				
<i>Other comprehensive income, which will be reclassified to net income in subsequent periods</i>				
Translation differences	-1.3	0.4	0.4	-2.7
Comprehensive income for the period	56.6	30.8	54.8	23.2
Net income for the period attributable to:				
Parent Company's shareholders	57.9	30.4	54.4	25.9
	57.9	30.4	54.4	25.9
Comprehensive income attributable to:				
Parent Company's shareholders	56.6	30.8	54.8	23.2
	56.6	30.8	54.8	23.2
Earnings per share before and after dilution (SEK)	1.71	0.90	1.60	0.76
Average number of shares, (000s)	33,912	33,912	33,912	33,912

Consolidated Cash Flow Statement, in summary

SEK M	3 months		12 months	
	Sep 2016 –Nov 2016	Sep 2015 –Nov 2015	Dec 2015 –Nov 2016	Sep 2015 –Aug 2016
Operating activities				
Operating income	46.3	29.8	52.8	36.3
Interest received and other financial income	2.2	0.2	3.9	1.9
Interest paid	-4.7	-3.3	-13.5	-12.1
Adjustment for non-cash items	14.9	11.2	53.5	49.8
Cash flow before change in working capital	58.7	37.9	96.7	75.9
Cash flow from changes in working capital				
Change in inventories	-18.6	-12.1	2.8	9.3
Decrease (+)/increase (-) in current receivables	6.3	9.9	-9.8	-6.2
Decrease (-)/increase (+) in current liabilities	-8.8	-20.0	-3.9	-15.1
Change in working capital	-21.1	-22.2	-10.9	-12.0
Cash flow from operating activities	37.6	15.7	85.8	63.9
Cash flow from investing activities	-16.8	-11.9	-83.0	-78.1
Cash flow after investments	20.8	3.8	2.8	-14.3
Financing activities				
Change in liabilities to financial institutions	-0.2	0.0	-0.5	-0.3
Amortization of loan	0.0	0.0	0.0	0.0
Paid dividend	0.0	0.0	-8.5	-8.5
Cash flow from financing activities	-0.2	0.0	-9.0	-8.8
Cash flow during the period	20.6	3.8	-6.2	-23.1
Cash and cash equivalents at beginning of period	24.2	47.2	50.6	47.2
Exchange difference in cash and cash equivalents	0.2	-0.4	0.6	0.0
Cash and cash equivalents at end of period	45.0	50.6	45.0	24.2

Consolidated Balance Sheet, in summary

SEK M	Nov 30, 2016	Nov 30, 2015	Aug 31, 2016
Assets			
Intangible assets	422.2	405.1	422.7
Tangible assets	80.8	85.0	90.3
Financial assets	22.8	5.7	22.8
Total non-current assets	525.8	495.8	535.8
Inventories	423.1	413.0	404.0
Current receivables	148.4	121.1	138.6
Cash	45.0	50.6	24.2
Total current assets	616.5	584.7	566.8
Total assets	1,142.4	1,080.5	1,102.6
Shareholders' equity and liabilities			
Equity attributable to the Parent Company's shareholders	380.1	336.5	323.5
Total equity	380.1	336.5	323.5
Non-current liabilities	401.8	385.0	401.8
Current liabilities	360.5	359.3	377.3
Total liabilities	762.3	744.3	779.1
Total equity and liabilities	1,142.4	1,080.8	1,102.6

Changes in shareholders' equity, in summary

SEK M	Sep 2016 –Nov 2016	Sep 2015 –Nov 2015	Sep 2015 –Aug 2016
Opening balance	323.5	305.7	305.7
Net income for the period	57.9	30.4	25.9
Other comprehensive income	-1.3	0.4	0.4
Total comprehensive income for the year	56.6	30.8	26.3
Paid dividend	0.0	0.0	-8.5
Balance at end of period	380.1	336.5	323.5

Income Statement per quarter, Group

SEK M	2016 Sep-Nov	2016 Jun-Aug	2016 Mar-May	2015/2016 Dec-Feb	2015 Sep-Nov	2015 Jun-Aug
Net sales	584,3	555,3	488,9	572,5	556,4	563,6
Goods for resale	-263,4	-286,9	-223,6	-303,2	-265,8	-294
Gross profit	320,9	268,4	265,3	269,3	290,6	269,6
Gross profit margin	54,9%	48,3%	54,3%	47,0%	52,2%	47,8%
Other operating income	4,4	4,2	5,9	2,3	4,3	1,1
Other external expenses	-128,7	-119,9	-121,5	-116,3	-119,7	-111,1
Personnel expenses	-138,1	-130,1	-137,6	-143,4	-133,6	-136,3
Depreciation and impairment of non-current assets	-12,2	-16,6	-12,1	-11,4	-11,8	-11,5
Operating income	46,3	6,0	0,0	0,5	29,8	11,8
Financial income	2,2	0,9	0,4	0,4	0,2	1,5
Financial expenses	-4,7	-3,9	-3,1	-2,3	-3,3	-2
Unrealized profit/loss on futures contracts	15,1	7,4	-7,6	-3,2	3,7	-5,4
Result after net financial items	58,9	10,4	-10,3	-4,6	30,4	5,9
Tax	-1,0	0,0	0,0	0,0	0,0	0,0
Net income for the period	57,9	10,4	-10,3	-4,6	30,4	5,9
Other comprehensive income						
Translation differences	-1,3	0,6	-0,7	0,1	0,4	-1,1
Comprehensive income for the period	56,6	11,0	-11,0	-4,5	30,8	4,8

Key ratios

SEK M	Sep 2016 -Nov 2016	Sep 2015 -Nov 2015	Dec 2015 -Nov 2016	Sep 2015 -Aug 2016
Gross margin, %	54.9	52.2	51.1	50.3
Operating margin, %	7.9	5.4	2.4	1.7
Equity/assets ratio, %	33.3	31.1	33.3	29.3
Interest coverage ratio, x	13.5	10.2	4.9	3.1
Net debt, MSEK	357.8	336.6	394.5	378.9
Net debt/equity ratio, %	92.7	100.0	121.9	117.1
Return on equity, %	16.5	9.5	15.8	8.2
Return on capital employed, %	8.5	5.5	9.1	5.4
Average number of shares, 000s	33,912	33,912	33,912	33,912
Number of shares at end of period, 000s	33,912	33,911	33,912	33,912
Profit after tax per share, SEK	1.71	0.90	1.60	0.76
Equity per share at end of period, SEK	11.21	9.92	9.54	9.54
Average number of employees, full time	1,027	1,008	1,048	1,047

Income Statement Parent Company

SEK M	3 months		12 months	
	Sep 2016 –Nov 2016	Sep 2015 –Nov 2015	Dec 2015 –Nov 2016	Sep 2015 –Aug 2016
Net sales	28.0	23.6	102.4	98.0
Other operating income	0.2	0.9	4.9	5.6
	28.2	24.5	107.3	103.6
Operating expenses				
Other external expenses	-16.0	-16.1	-64.8	-64.9
Personnel expenses	-16.5	-14.0	-61.8	-59.3
Depreciation and impairment of non-current assets	-2.8	-2.0	-8.9	-8.1
Operating income	-7.1	-7.6	-28.2	-28.7
Result from participations in group companies	0.0	0.0	39.4	39.4
Financial income	0.2	0.0	0.4	0.2
Financial expenses	-4.0	-1.6	-12.3	-9.9
Result after financial items	-11.0	-9.2	-0.7	1.0
Taxes	-	-	-	-
Net income for the period	-11.0	-9.2	-0.7	1.0

Comprehensive income for the period corresponds to net income for the period

Balance Sheet Parent Company, in summary

SEK M	Nov 30, 2016	Nov 30, 2015	Aug 31, 2016
Assets			
Intangible assets	20.8	15.0	21.7
Property, plant and equipment	5.6	2.7	5.9
Financial assets	576.6	561.7	576.7
Deferred tax assets	90.6	49.4	81.1
Other current assets	34.8	34.1	10.8
Total assets	728.4	662.9	696.2
Shareholders' equity and liabilities			
Equity	245.5	254.9	256.7
Non-current liabilities	385.0	385.0	385.0
Current liabilities	97.8	23.0	54.5
Total equity and liabilities	728.4	662.9	696.2

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