

RNB RETAIL AND BRANDS

First Quarter Result 2007/2008

September 1 – November 30 2007

Mikael Solberg, CEO

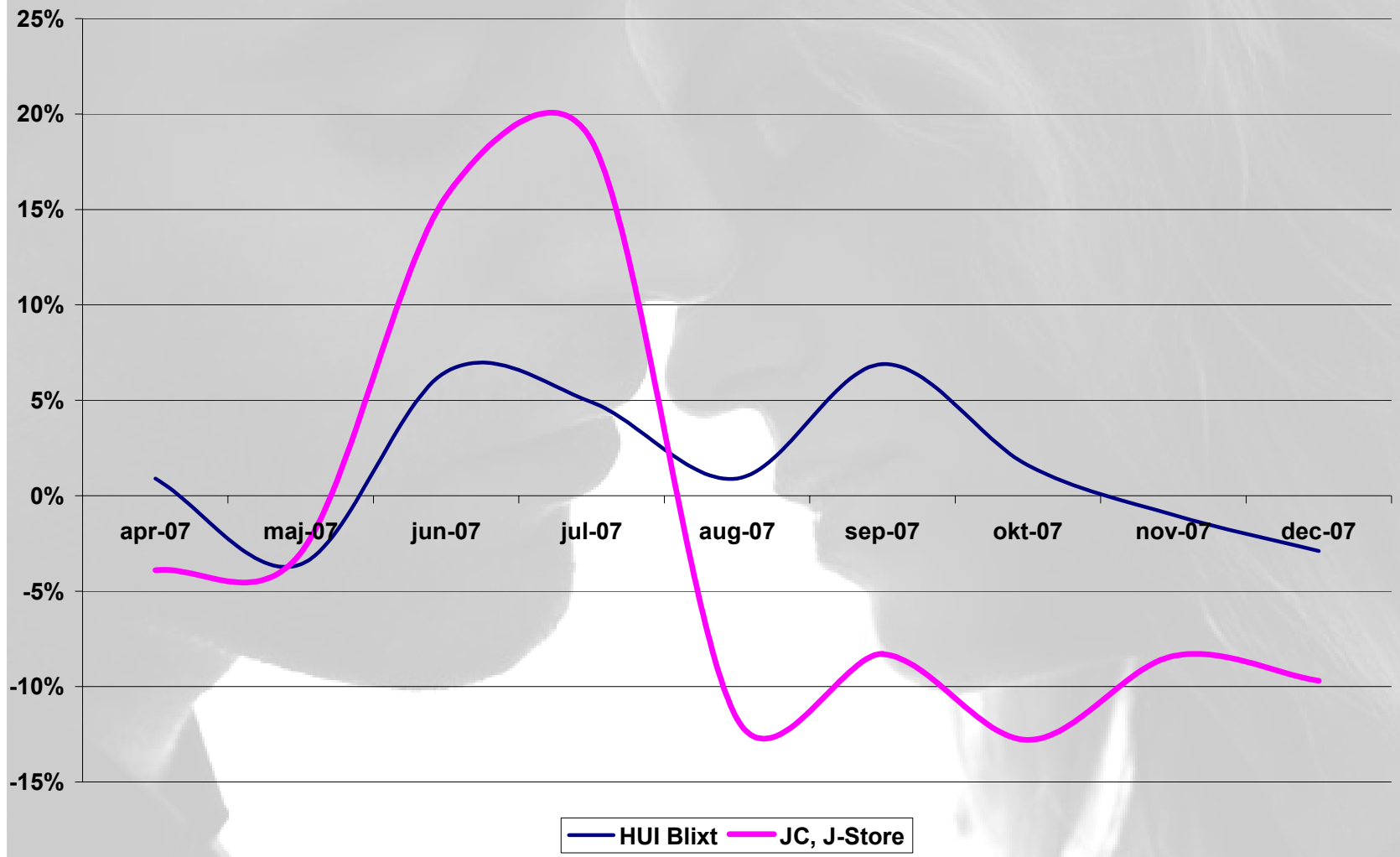
Göran Blomberg, CFO

Cecilia Lannebo, IR



What has happened?

JC, J-Store 1-f-1 vs. HUI





What actions have we taken?

Could we have acted differently?

Polarn O. Pyret

- Sales 109,1Mkr (107,5)
 - EBIT 24Mkr (20,4)
 - EBIT margin 22% (19%)
- Comments**
- 1.5% up, -0.9% like-for-like (strong l-f-l comps, +25,3%)
 - 7 new international stores opened in the quarter
 - Improved gross margins

Department Stores

Comments

- Sales 289Mkr (233,6)
 - EBIT 16,6Mkr (20,4)
 - EBIT margin 5.7% (8.7)
- 23,4% up, +10,3% I-f-I
 - Loss at Illum and Steen & Ström of 7Mkr in the first quarter
 - EBIT increase of 10.3% in old entities
 - EBIT margin of 9.3% in Q1 in old entities

Stores

- Sales 527,8Mkr (548,8 excl. Solo/Saks 504,3)
- EBIT 46,2Mkr (42,6, excl. Solo/Saks 38,7)
- EBIT margin 8.8% (7.8%, excl. Solo/Saks 7.7%)

Comments

- -3.8% down, -6,2% I-f-I
- JC, J-Store isolated sales down some 10% in I-f-I in the quarter
- Sales drop in JC, J-Store has lowered expected EBIT by 30Mkr
- Synergies according to plan
- Brothers positive development

Issues

- Weaker-than-expected sales trend in JC, J-Store will persist into Q2
- Illum
- Cash flow 0,5Mkr (62,0)
 - capital tied up in new units and increased inventories within JC and J-Store

Consolidated income statement

	3M	3M	12M
	Sep-Nov	Sep-Nov	Sep-Aug
Income statement (MSEK)	07/08	06/07	06/07
Turnover	924	890	3.468
Operating result	81,5	86,8	342,2
Financial items	-11,2	-9,5	-36,4
Result after fin. items	70,3	77,3	305,8
Result for period	54,8	62,2	255,8

Consolidated balance sheet

(MSEK)	30/11/07	30/11/06
Intangible assets	1.866,6	1.870,9
Tangible assets	281,2	205,5
Financial assets	15,4	12,0
Inventories	568,0	512,4
Other current assets	328,9	299,7
Total assets	3.060,1	2.900,5
Equity	1.620,8	1.350,7
Convertible debenture	0	40,0
Long-term liabilities, interest bearing	597,9	655,2
Other long-term liabilities	168,3	179,2
Short-term liabilities, interest bearing	225,7	244,4
Other short-term liabilities	447,4	431,0
Total equity and liabilities	3.060,1	2.900,5

Key figures

Key figures	30/11/07	30/11/06
Gross profit margin (%)	48.2	48.5
Operating margin (%)	8.8	9.8
Net profit margin (%)	5.8	6.9
Equity (Mkr)	1.620,8	1.339,7
Solidity (%)	53.0	46.6
Average number of employees	1 451	1 332
Number of stores	463	454



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Thank you!