

# RNB RETAIL AND BRANDS

## RNB streamlines JC concept

Purchasing patterns among our customers in the JC stores have changed as fashion has become increasingly ageless. Within the JC concept, we are also experiencing higher demand for products in smaller sizes, while demand for products in the J-Store concept has declined.

As a step in addressing the changed purchasing patterns and, at the same time, focusing on the area in which JC is strongest, a decision has been made to offer an extended range that includes smaller sizes and thus replace the current J-Store range, which will be withdrawn from the stores.

The streamlining toward a single range within JC, combined with savings programs announced earlier, means that costs will be reduced by SEK 104 M on an annual basis for JC, with full effect from the 2009/2010 financial year. The effect for the current financial year is expected to be SEK 55 M in reduced costs as a result of cost-savings and streamlining toward a single range. The amount of SEK 55 M is included in the RNB savings program of SEK 110 M that was announced earlier. The assessment is that the effect of the streamlining process on sales will only be marginally negative in the short term.

In total, approximately 24 positions at head office will be affected and these persons will be served notice of termination of employment as a result of the changes at JC.

### **For further information, please contact:**

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*RNB är indelat i två verksamhetsområden – Polarn O. Pyret och en distributionsplattform för nationella och internationella varumärken. Polarn O. Pyret är ett varumärke med inriktning på baby- och barnkläder. Distributionsplattformen består av de två huvudområdena Varuhus och Butikskoncept. Varuhusverksamheten bedrivs genom butiker på varuhusen NK, Steen & Ström, Illum samt Kosta Outlet. Butikskoncepten består av JC, J-Store, Brothers och Sisters.*