



Strong quarter with increased profit

	Third quarter (March-May)			Nine months (September-May)		
	2013/2014	2012/2013	Change	2013/2014	2012/2013	Change
Net sales, SEK m	1 201	1 210	-9	3 558	3 603	-45
Operating profit excluding non-recurring items, SEK m	101	76	25	203	145	58
Operating profit/loss, SEK m	101	64	37	203	209	-6
Gross margin %	62,7	61,2	1,5	61,4	60,0	1,4
Operating margin excluding non-recurring items, %	8,4	6,3	2,1	5,7	4,0	1,7
Profit after tax, SEK m	42	32	10	97	83	14
Earnings per share after dilution, SEK (Note 1)	0.56	0.43	0.13	1.28	1.25	0.03
Cash flow from operating activities, SEK m	271	191	80	345	215	130

- Net sales in comparable stores increased by 0.9 per cent during the quarter and 0.5 per cent in September-May.
- During the quarter the gross margin improved by 1.5 percentage points compared with the previous year.
- Operating profit improved by 58 per cent for the quarter.
- A cost of SEK 29 million for all interest swaps is charged to net financial income for the quarter.

“KappAhl has continued to perform better than the market. The cautious consumption at the start of the quarter turned into very good sales at the end when range and campaigns matched demand in the warm early summer weather...”

Johan Åberg, President and CEO. Read the full CEO statement on the next page.

There will be a telephone conference and webcast for analysts, media and investors today at 9.00. To participate in the conference call +46 8 519 990 30 about 5 minutes before the start. The telephone conference can also be followed via a webcast on www.kappahl.com/presentations, where the broadcast will also be saved for viewing later.

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• JOHAN ÅBERG, PRESIDENT AND CEO, ANSWERS QUESTIONS •



Johan Åberg
President and CEO

How do you sum up the quarter for KappAhl?

The third quarter had a strong close when campaigns, consumption and weather matched after a weak start with negative calendar effects and cautious consumption.

KappAhl's sales increased in the quarter by 0.9 per cent in comparable stores; the accumulated increase is 0.5 per cent in comparable stores. In total during the quarter there has been a decrease in sales of 0,7 per cent which should be seen in the light of 14 fewer stores than a year ago. Sales in Shop Online have continued to develop at a very good pace. The gross margin is strong partly as a result of a lower reduction level than the previous year.

Total costs have continued to fall as a result of our measures to improve efficiency, decreasing by about SEK 30 million since the start of the fiscal year.

We land at an operating profit that is considerably higher than the previous year. KappAhl is on plan towards the target of 10 per cent operating margin; after nine months it is 5.7 (4.0) per cent. The sales trend over the rolling four quarters is -0.7 per cent.

What has had an impact on earnings?

KappAhl has continued to perform better than the market. The cautious consumption at the start of the quarter turned into very good sales at the end when range and campaigns matched demand in the warm early summer weather.

Customers have on the whole appreciated our range; the exception was knitted garments and outerwear that last year reached an all-time-high in the third quarter. The warm weather made sure this was not the case this year. The themed collection Vintage Stories was longed for and again a success. The spring sustainable collection in recycled polyester was appreciated but the flowery theme did not fully match the weather. Sales of summer goods got off to a flying start in the warm weather.

What will KappAhl do in the autumn?

The première for KappAhl's new store concept at the opening of the flagship store in Oslo City in May was a success. We are now entering the next phase and continue to roll out the concept in a fast pace, starting already this autumn.

The continued tough market requires further action to create incentives that attract customers. Our digital initiative is continuing. First out will be our customer club Life&Style that is expanding to Norway in August, with the launch of a unique digital solution. The expansion of Shop Online to Norway and Finland is going according to plan and will open this autumn. An increased focus on service- and sales culture is also one of the long-term brand strengthening projects this autumn. The internal effectiveness action plans are continuing throughout the organisation.

I look forward to the autumn's new features from KappAhl, both in terms of range and other initiatives. We will be presenting both classics and unexpected innovations.

Johan Åberg
President and CEO

KappAhl, founded in 1953, is one of the leading Nordic fashion chains with about 400 stores in Sweden, Norway, Finland and Poland, as well as Shop Online. KappAhl offers value-for-money fashion in its own design to many people - women, men and children, with a particular focus on women in the prime of life. 18 per cent of the range has sustainable fashion labelling. In 2012/2013 sales were SEK 4.8 billion and the number of employees about 4,500. KappAhl is listed on NASDAQ OMX Stockholm. For more information, please visit www.kappahl.se.

• COMMENTS ON THE THIRD QUARTER •

+0.9 %

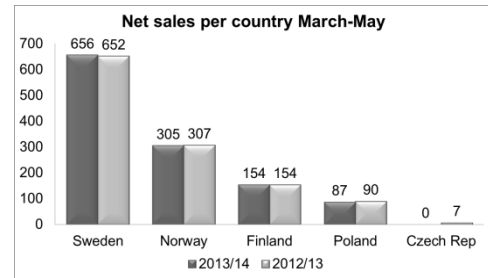
Sales in comparable stores

+1.5 %

Increased gross margin

Net sales and profit

KappAhl's net sales for the quarter amounted to SEK 1,201 (1,210) million, a decrease of 0.7 per cent. The development is explained by the effect of new and closed stores, -2.0 per cent, change in comparable stores, +0.9 per cent and translation differences in currencies totalling +0.4 per cent.



Gross profit for the quarter was SEK 753 (740) million, which corresponds to a gross margin of 62.7 (61.2) per cent. Among others a good balance in inventories combined with a strong range has contributed to the stronger gross margin.

Selling and administrative expenses for the quarter were SEK 652 (664) million, excluding non-recurring items for the previous year. The non-recurring item of SEK 12 million referred to the cost of staff cuts of about 40 positions in central functions. Including non-recurring items, selling and administrative expenses were SEK 652 (676) million in the third quarter.

The operating profit was SEK 101 (64) million, including non-recurring items for the previous year. This corresponds to an operating margin of 8.4 (5.3) per cent or 8.4 (6.3) per cent excluding non-recurring items.

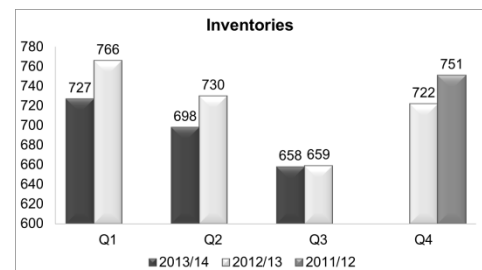
Depreciation according to plan was SEK 32 (33) million.

Net financial income was SEK -38 (-21) million for the quarter. The net financial income was affected by reversals of negative market value during the quarter of SEK 29 million due to all interest swaps, see Note 2 on page 13.

Profit/loss after financial items was SEK 63 (43) million and profit/loss after estimated tax was SEK 42 (32) million. Earnings per share after dilution for the quarter were SEK 0.56 (0.43).

Inventories

At the close of the period inventories amounted to SEK 658 (659) million. Overall, the size and composition of inventories are considered to be satisfactory.



Cash flow

KappAhl's cash flow from operating activities amounted to SEK 271 (191) million during the quarter and cash flow after investments amounted to SEK 240 (169) million. Working capital developed more normally this year than last year, which was characterised by a substantial decrease in previous surplus inventories.

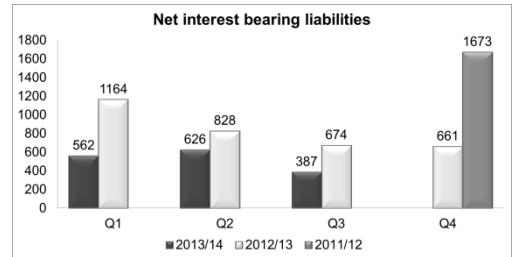
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42.6 %

Reduction in net debt compared with previous year

Financing and liquidity

At the end of the period net interest-bearing liabilities amounted to SEK 387 (674) million. The net interest-bearing liabilities/EBITDA ratio was 1.0 at the close of the period, compared with 1.7 as at 31 May 2013. The equity/assets ratio increased to 55.9 (47.6).



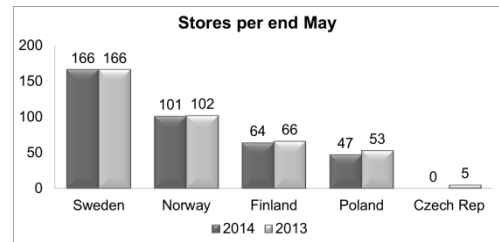
Cash and cash equivalents amounted to SEK 46 (48) million as at 31 May 2014. At the period close there were unutilised credit facilities of about SEK 690 (400) million.

55.9 %

Current equity/assets ratio

Store network and expansion

At the end of the period the total number of stores was 378 (392). Of these, 166 were in Sweden, 101 in Norway, 64 in Finland and 47 in Poland. One store was opened during the quarter and two were closed.



Operations in the Czech Republic were completely wound up as at 31 December 2013.

An internal project aimed at improving profitability in unprofitable stores was launched in the previous quarter and will continue throughout the financial year.

The work of finding attractive store sites in existing markets and expanding e-commerce is proceeding according to plan. Apart from the stores in operation on 31 May there are currently contracts for six new stores. Shop Online will expand to Norway and Finland at the end of 2014.

Parent company

The Parent Company's net sales for the quarter were SEK 4 (0) million and profit after financial items was SEK -16 (-32) million. The Parent Company did not make any investments during the period.

+0.5 %

Sales in comparable stores

+1.4 %

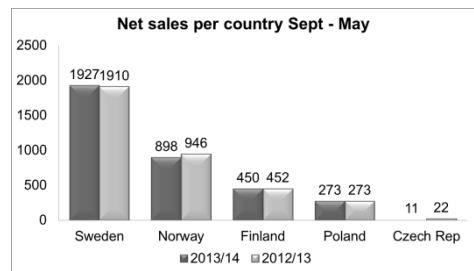
Increased gross margin

2.3 %

Costs lower than last year

Net sales and profit

KappAhl's net sales were SEK 3,558 (3,603) million for the nine month period. This is a decrease of 1.2 per cent compared with the previous year. The development is explained by: new and closed stores, -0.8 per cent; change in comparable stores, +0.5 per cent; and translation differences, -0.9 per cent.



For the period the gross profit was SEK 2,183 (2,160) million, which corresponds to a gross margin of 61.4 (60.0) per cent.

Selling and administrative expenses for the period were SEK 1,980 (2,027) million.

The operating profit was SEK 203 (209) million. This is equivalent to an operating margin of 5.7 (5.8) per cent. The operating profit for the previous year includes a non-recurring item referring to a capital gain of SEK 76 million, attributable to the sale of the company's real property, as well as SEK-12 million for staff cuts of about 40 positions in central functions. Excluding non-recurring items, the operating margin was 5.7 (4.0) per cent.

Depreciation according to plan was SEK 95 (104) million, which was affected by restraint in new investment.

Net financial income was SEK -58 (-81) million for the nine-month period. The net financial income was affected by reversals of negative market value during the third quarter of SEK 29 million due to all interest swaps, see Note 2 on page 13.

Profit/loss after financial items was SEK 145 (128) million and the profit/loss after estimated tax was SEK 97 (83) million.

Earnings per share after dilution for the period were SEK 1.28 (1.25).

Taxes

The Group has net deferred tax assets of SEK 60 (173) million. The change is due to reduced untaxed reserves, utilised loss carry-forwards and a changed tax rate. In Sweden the deferred tax assets are attributable to blocked deficits that can start to be utilised in part as of the current year.

Investments

Investments of SEK 69 (79) million were made during the period, mainly in existing and newly opened stores.

Cash flow

KappAhl's cash flow from operating activities amounted to SEK 345 (215) million during the none-month period and cash flow after investments was SEK 276 (623) million. Inventories decreased during the year by SEK 64 million.

Parent company

The Parent Company's net sales for the period were SEK 14 (9) million and profit after financial items was SEK -40 (4) million. The Parent Company did not make any investments during the period.

• OTHER INFORMATION •

Related party transactions

There were no transactions with related parties during the third quarter.

Risks and uncertainties

The most important strategic and operative risks that affect KappAhl's operations and industry are described in detail in the annual report for 2012/2013. The risks include competition in the fashion industry, economic fluctuations, fashion trends, store location and store expansion. The company's risk management is also described in the corporate governance report in the same annual report, under the section "Report on internal controls". The same applies to the Group's management of financial risks, which are described in the annual report for 2012/2013, Note 17. The reported risks are considered to be substantially unchanged.

Post balance sheet events

New three-year loan agreements were signed with a total credit of SEK 1.000 million after the close of the quarter. The new borrowing potential gives KappAhl good freedom of action for investment, for example in the new store concept.

No other significant events have taken place after the balance sheet date up to the date on which this report was signed.

Financial calendar

Year-end report (September 2013-August 2014)	9 October 2014
Annual General Meeting	3 December 2014

This report has not been reviewed by the company's auditors.

Möln dal, 26 June 2014
KappAhl AB (publ)

Johan Åberg
President

KappAhl

Group income statement - Summary (SEK million)	Q3	Q3	Sep-May	Sep-May	Latest	
	2013/2014	2012/2013	2013/2014	2012/2013	12 months June-May	
Net sales	1 201	1 210	3 558	3 603	4 706	
Cost of goods sold	-448	-470	-1 375	-1 443	-1 869	
Gross profit	753	740	2 183	2 160	2 837	
Selling expenses	-617	-627	-1 871	-1 913	-2 446	
Administrative expenses	-35	-49	-109	-114	-145	
Other operating income	0	0	0	76	0	
Operating profit	101	64	203	209	246	
Financial income	0	0	0	0	1	
Financial expenses	-38	-21	-58	-81	-65	
Profit after financial items	63	43	145	128	182	
Tax	-21	-11	-48	-45	-77	
Result for the period	42	32	97	83	105	
Profit attributable to parent company shareholders	42	32	97	83	105	
Earnings per share before dilution, SEK	Note 1	0,56	0,43	1,29	1,25	1,40
Earnings per share after dilution, SEK	Note 1	0,56	0,43	1,28	1,25	1,39
Earnings per share after new share issue, SEK		0,56	0,43	1,29	1,25	1,40

Statements of comprehensive income (SEK million)	Q3	Q3	Sep-May	Sep-May	Latest
	2013/2014	2012/2013	2013/2014	2012/2013	12 months June-May
Result for the period	42	32	97	83	105
Items not to be recognised in income					
Actuarial gains/losses	-	-	-	-	8
Total items not to be recognised in income	-	-	-	-	8
Items to be recognised in income					
Translation differences for the period	3	-1	5	0	5
Cash flow hedges – value change	33	20	0	38	23
Tax attributable to other comprehensive income	-7	-3	0	-8	-10
Total items to be recognised in income	29	16	5	30	18
Total comprehensive income attributable to parent company's shareholders	71	48	102	113	131

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Group Balance Sheet - Summary (SEK million)	2014-May-31	2013-May-31	2013-Aug-31
ASSETS			
Non-current assets			
Intangible assets*	1 340	1 340	1 338
Tangible assets	407	445	431
Deferred tax assets	60	173	90
Total non-current assets	1 807	1 958	1 859
Current assets			
Inventories	658	659	722
Other operating receivables	143	175	158
Cash and cash equivalents	46	48	58
Total current assets	847	882	938
Total assets	2 654	2 840	2 797
EQUITY AND LIABILITIES			
Equity	1 484	1 353	1 382
Non-current liabilities			
Interest-bearing long-term liabilities	43	672	644
Non-interest-bearing long-term liabilities	44	71	27
Total non-current liabilities	87	743	671
Current liabilities			
Interest-bearing current liabilities	390	50	75
Non-interest-bearing current liabilities	693	694	669
Total current liabilities	1 083	744	744
Total equity and liabilities	2 654	2 840	2 797
*of which goodwill	696	696	696
*of which trademarks	610	610	610

Group cash flow statement - Summary (SEK million)	Q3 2013/2014	Q3 2012/2013	Sep-May 2013/2014	Sep-May 2012/2013
Cash flow from operating activities before changes in working capital	95	73	245	139
Changes in working capital	176	118	100	76
Cash flow from operating activities	271	191	345	215
Sale of property	-	-	-	487
Cash flow from investing activities	-31	-22	-69	-79
Cash flow from investing activities	-31	-22	-69	408
Change in bank overdraft facility	-222	-169	-288	-995
New share issue	-	-1	-	374
Cash flow from financing activities	-222	-170	-288	-621
Cash flow for the period	18	-1	-12	2
Cash and cash equivalents at beginning of the period	28	49	58	46
Cash and cash equivalents at the end of the period	46	48	46	48

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Specification of changes in the Group's equity	Q3 2013/2014	Q3 2012/2013	Sep-May 2013/2014	Sep-May 2012/2013
Opening equity	1 413	1 305	1 382	866
New share issue - after issue expenses and tax	-	-	-	374
Total comprehensive income	71	48	102	113
Closing equity	1 484	1 353	1 484	1 353

Number of stores per country	2014-May-31	2014-Feb-28	2013-Nov-30	2013-Aug-31	2013-May-31
Sweden	166	165	166	165	166
Norway	101	103	104	103	102
Finland	64	64	65	65	66
Poland	47	47	49	52	53
Czech Republic	-	-	5	5	5
Total	378	379	389	390	392

Sales per country (SEK million)	Q3 2013/2014	Q3 2012/2013	Change SEK %	Change local currency %
Sweden	656	652	0,6%	0,6%
Norway	305	307	-0,7%	2,3%
Finland	154	154	0,0%	-5,8%
Poland	87	90	-3,3%	-8,5%
Czech Republic	0	7	-100,0%	-93,5%
Total	1 201	1 210	-0,7%	-

Sales per country (SEK million)	Sep-May 2013/2014	Sep-May 2012/2013	Change SEK %	Change local currency %
Sweden	1 927	1 910	0,9%	0,9%
Norway	898	946	-5,1%	1,2%
Finland	450	452	-0,4%	-4,4%
Poland	273	273	0,0%	-2,6%
Czech Republic	11	22	-50,0%	-49,3%
Total	3 558	3 603	-1,2%	-

Geografic reporting (SEK million)	Net sales Q3 2013/2014	Net sales Q3 2012/2013	Operating income Q3 2013/2014	Operating income Q3 2012/2013
Nordic countries	1 114	1 113	155	141
Other	87	97	-10	-19
Intercompany expenses	-	-	-44	-58
Total	1 201	1 210	101	64

Geografic reporting (SEK million)	Net sales Sep-May 2013/2014	Net sales Sep-May 2012/2013	Operating income Sep-May 2013/2014	Operating income Sep-May 2012/2013
Nordic countries	3 274	3 308	369	336
Other	284	295	-27	-62
Intercompany expenses	-	-	-139	-65
Total	3 558	3 603	203	209

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Quarterly income statement (SEK million)	2013/2014			2012/2013				2011/2012				2010/2011				2009/2010			
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	1 243	1 114	1 201	1 245	1 148	1 210	1 148	1 193	1 119	1 146	1 129	1 341	1 188	1 237	1 208	1 344	1 256	1 221	1 290
Cost of goods sold	-456	-471	-448	-457	-516	-470	-494	-496	-538	-469	-485	-491	-508	-493	-556	-470	-531	-432	-521
Gross profit	787	643	753	788	632	740	654	697	581	677	644	850	680	744	652	874	725	789	769
Selling expenses	-651	-603	-617	-650	-636	-627	-575	-648	-685	-615	-579	-669	-624	-651	-616	-630	-615	-639	-583
Administrative expenses	-37	-37	-35	-34	-31	-49	-36	-33	-34	-33	-36	-35	-40	-36	-33	-37	-34	-38	-30
Other operating income	0	0	0	77	-1	0	0	-	-	-	-	-	-	-	-	-	-	-	-
Operating profit	99	3	101	181	-36	64	43	16	-138	29	29	146	16	57	3	207	76	112	156
Financial income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	0
Financial expenses	-12	-8	-38	-43	-17	-21	-7	-26	-47	-34	-59	-17	-15	-22	-18	-18	-23	-24	-24
Profit after financial items	87	-5	63	138	-53	43	36	-10	-185	-5	-30	129	1	35	-14	189	54	88	132
Tax	-25	-2	-21	-23	-11	-11	-3	-1	22	-5	-10	-34	0	-9	-40	-11	-20	-23	-7
Net profit	62	-7	42	115	-64	32	33	-11	-163	-10	-40	95	1	26	-54	178	34	65	125
Operating margin	8,0%	0,3%	8,4%	8,3%*	-3,1%	5,3%	3,7%	1,3%	-12,3%	2,5%	2,6%	10,9%	1,3%	4,6%	0,2%	15,4%	6,1%	9,2%	12,1%
Earnings per share after dilution, SEK	0,83	-0,09	0,56	2,35	-0,85	0,43	0,09	-0,49	-3,33	-1,46	-0,82	4,16	0,03	1,15	-2,36	7,79	1,49	2,86	5,47
Number of stores	389	379	378	395	391	392	390	381	381	386	388	360	360	367	369	337	336	344	345

* ex cl. sales of property

Yearly income statement (SEK million)	Sep-Aug 2012/2013	Sep-Aug 2011/2012	Sep-Aug 2010/2011	Sep-Aug 2009/2010	Sep-Aug 2008/2009
Net sales	4 751	4 587	4 974	5 111	4 866
Cost of goods sold	-1 937	-1 988	-2 048	-1 954	-1 893
Gross profit	2 814	2 599	2 926	3 157	2 973
Selling expenses	-2 488	-2 527	-2 560	-2 467	-2 315
Administrative expenses	-150	-136	-144	-139	-132
Other operating income	2)	76	-	-	-
Operating profit	252	-64	222	551	526
Financial income	1	0	1	1	1
Financial expenses	-88	-166	-72	-89	-84
Profit after financial items	165	-230	151	463	443
Tax	1)	-74	6	-83	-128
Net profit	91	-224	68	402	315
Operating margin	3,7%	-1,4%	4,5%	10,8%	10,8%
Earnings per share, SEK	Not 1	1,32	-5,30	2,98	13,79

1) Deferred tax credit SEK 107 million 2009/10

2) Capital gain sale of property Q1 2012/13

Parent company income statement - Summary (SEK million)	Q3 2013/2014	Q3 2012/2013	Sep-May 2013/2014	Sep-May 2012/2013	Latest 12 months June-May
Net sales	4	0	14	9	28
Gross profit	4	0	14	9	28
Selling expenses	-	-	-	93	-2
Administrative expenses	-5	-10	-19	-24	-31
Operating profit	-1	-10	-5	78	-5
Result from participations in group companies	23	-	23	-	134
Financial income	6	5	19	13	28
Financial expenses	-44	-27	-77	-87	-91
Profit after financial items	-16	-32	-40	4	66
Tax	8	6	11	23	-15
Net profit	-8	-26	-29	27	51

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Parent company Balance Sheet - Summary (SEK million)

	2014-May-31	2013-May-31	2013-Aug-31
ASSETS			
Non-current assets			
Financial assets	2 913	2 876	2 913
Deferred tax assets	14	36	7
Total non-current assets	2 927	2 912	2 920
Current assets			
Other operating receivables	536	214	684
Cash and cash equivalents	86	-	-
Total current assets	622	214	684
Total assets	3 549	3 126	3 604
EQUITY AND LIABILITIES			
Equity	2 358	2 281	2 372
Untaxed reserves	8	8	8
Interest-bearing long-term liabilities	-	616	1 000
Current liabilities			
Interest-bearing current liabilities	1 048	50	75
Non-interest-bearing current liabilities	135	171	149
Total current liabilities	1 183	221	224
Total equity and liabilities	3 549	3 126	3 604

Key ratios		Q3	Q3	Sep-May	Sep-May	Latest
		2013/2014	2012/2013	2013/2014	2012/2013	12 months June-May
Growth in sales		-0,7%	5,6%	-1,2%	4,2%	-0,5%
Earnings per share before dilution, SEK	Not 1	0,56	0,43	1,29	1,25	1,40
Earnings per share after dilution, SEK	Not 1	0,56	0,43	1,28	1,25	1,39
Total depreciation/amortisation		32	33	95	104	135
Operating result (EBIT)		101	64	203	209	246
Gross margin		62,7%	61,2%	61,4%	60,0%	60,3%
Operating margin excl. sale of property		8,4%	5,3%	5,7%	3,7%	5,2%
Operating margin		8,4%	5,3%	5,7%	5,8%	5,2%
Interest coverage ratio		-	-	3,8	1,7	3,8
Net interest-bearing liabilities		387	674	387	674	387
Net interest-bearing liabilities, excl. Buildings		-	-	1,0	1,7	1,0
Equity/assets ratio		55,9%	47,6%	55,9%	47,6%	55,9%
Equity per share before dilution, SEK		19,78	18,03	19,78	18,03	18,42
Equity per share after dilution, SEK		19,64	18,03	19,65	18,03	18,32
Return on equity		-	-	-	-	7,4%
Return on capital employed		-	-	-	-	12,4%
Number of shares before dilution		75 040 000	75 040 000	75 040 000	75 040 000	75 040 000
Number of shares after dilution		75 555 395	75 040 000	75 528 529	75 040 000	75 441 628

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Definitions

Earnings per share	Profit after tax / average number of shares
Earnings per share after dilution	Profit after tax / average number of shares after full dilution
Interest coverage ratio	EBITDA / Net interest income excluding one-off items, for the previous twelve-month period
Net interest-bearing liabilities	Interest-bearing liabilities less liquid funds
Net interest-bearing liabilities/EBITDA	Net interest-bearing liabilities / EBITDA for the previous twelve-month period
EBITDA	Operating profit before depreciation / amortisation
Equity/assets ratio	Equity divided by balance sheet total
Equity per share	Equity / average number of shares
Return on equity	Net result in per centage of average equity
Return on capital employed	Operating profit/loss plus financial income in percentage of capital employed
Capital employed	Balance sheet total less non interest bearing deferred tax liability.

	Number of shares	Percentage of shares and votes 2014-May-31	Change compared with 2014-Feb-28
KappAhl's 20 largest shareholders, 31 May 2014			
Melby Gård AB	15 209 245	20,27	0
Handelsbanken Fonder AB RE JPMEL	4 347 732	5,79	2 272 169
Dutot Limited	3 715 000	4,95	0
Swedbank Robur Sverigefond	3 552 096	4,73	0
Svenskt Näringsliv	2 400 000	3,20	0
Försäkringsaktiebolaget, Avanza Pension	2 123 541	2,83	172 697
Svolder Aktiebolag	1 759 772	2,35	89 544
JPM Chase NA	1 582 872	2,11	10 884
Andra AP-fonden	1 120 383	1,49	971 691
Liv & Pension, Nordea	979 174	1,30	262 173
Catella Småbolagsfond	896 550	1,19	52 550
Fjärde AP-fonden	862 628	1,15	862 628
Robur Försäkring	849 224	1,13	-55 619
Nordnet Pensionsförsäkring AB	820 417	1,09	213 012
S-kon Fastigheter AB / Danica	794 298	1,06	794 298
Länsförsäkringar Småbolag Sverige	700 000	0,93	700 000
State Street Bank & Trust Com., Boston	531 651	0,71	31 651
Jula AB	506 881	0,68	0
Teknikföretagen	500 000	0,67	0
Tredje AP-fonden	440 275	0,59	-97 018
Övriga	31 348 261	41,78	-6 280 660
Total	75 040 000	100,00	0,00

KappAhl

Accounting policies

The Group applies International Financial Reporting Standards, IFRS, as adopted by the EU.

The accounting policies applied are consistent with what is stated in the annual report of 31 August 2013, apart from IFRS 13 Fair value measurement and IAS 19R Employee benefits.

IFRS 13 has not had any impact on the valuation of the Group's financial instruments, although the standard requires enhanced disclosures.

IAS 19R has not had any material impact on the Group's earnings and financial position on the basis that the Group already recognises actuarial gains and losses related to defined benefit plans in other comprehensive income. For further information, please refer to the annual report.

This report has been prepared in accordance with IAS 34. For the Parent Company the report is presented in accordance with the Swedish Annual Accounts Act and recommendation RFR 2 of the Swedish Financial Reporting Board.

The company has no outstanding convertible debt instruments. There are 6,744,000 warrants. These can be exercised in January-February 2015. One option gives the right to subscribe for 0.27 shares at SEK 28.80

Note 1 Calculation of earnings per share

Earnings per share have been restated for comparison periods. The number of shares has been adjusted to allow for rights issues and consolidation of shares.

Note 2 Financial assets and liabilities measured at fair value

The Group's financial instruments consist of trade receivables, other receivables, cash and cash equivalents, trade payables, interest bearing liabilities, currency derivatives and interest rate derivatives. The derivatives are recognised at fair value based on level 2 inputs in the fair value hierarchy. The carrying amounts of trade receivables and trade payables represent a reasonable estimate of their fair values. Group loans are measured at amortised cost.

The Group uses derivative financial instruments to manage interest rate and currency risks. Hedge accounting is applied when there is an effective link between hedged flows and financial derivatives. As at the balance sheet date a transfer was made between other comprehensive income and the income statement of SEK 29 million. These are no longer part of an effective hedge relationship. The fair value of financial derivative instruments was SEK 0 (15) million for currency forwards and SEK - (-36) million for interest swaps. Group hedges currency flows in USD, EUR, NOK and PLN for which currency forwards have maturities of up to 12 months