

Second quarter

- Sales increased by 2% to 1,999 MSEK (1,957), up 3% in local currencies
- Operating profit amounted to 125 MSEK (127)
- Profit after tax totalled 96 MSEK (96)
- Earnings per share amounted to 1.52 SEK (1.53).
- The store portfolio was expanded by 5 stores (net)
- Lotta Lyrå took office as the new President and CEO on 1 August 2017
- The franchise partnership in Dubai ended



During the second quarter the range of all sorts of storage has been very popular.

Six months

- Sales increased by 2% to 3,782 MSEK (3,720), up 2% in local currencies
- Operating profit increased by 11% to 225 MSEK (202)
- Profit after tax increased by 12% to 173 MSEK (154)
- Earnings per share increased by 12% to 2.74 SEK (2.44)
- Cash flow from operating activities totalled 187 MSEK (44)

+2%
Sales growth

Events after the end of the reporting period

- Sales in November amounted to 889 MSEK (908)
- The store portfolio was expanded by 4 stores (net)

	3 Months			6 Months			12 Months	
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	Percentage change	May 2017 - Oct 2017	May 2016 - Oct 2016	Percentage change	Nov 2016 - Oct 2017	May 2016 - Apr 2017
Sales, MSEK	1 999	1 957	2	3 782	3 720	2	8 052	7 990
Operating profit, MSEK	125	127	-2	225	202	11	633	610
Profit before tax, MSEK	124	127	-2	224	202	11	631	609
Profit after tax, MSEK	96	96	-1	173	154	12	498	479
Gross margin, %	41,2	41,5	-0,3 p.e	40,9	40,4	0,5 p.e	41,4	41,2
Operating margin, %	6,2	6,5	-0,3 p.e	5,9	5,4	0,5 p.e	7,9	7,6
Return on capital employed, %	-	-	-	-	-	-	28,8	28,4
Return on equity, %	-	-	-	-	-	-	22,6	22,4
Equity/assets ratio, %	50,0	49,3	0,7 p.e	50,0	49,3	0,7 p.e	50,0	57,7
Earnings per share before dilution, SEK	1,52	1,53	-1	2,74	2,44	12	7,89	7,59

The 2017/18 financial year comprises the period from 1 May 2017 to 30 April 2018. This interim report has been prepared in Swedish and translated into English. In the event of any discrepancies between the Swedish and the translation, the former shall have precedence.
This is such information that Clas Ohlson AB (publ) is obliged to publish pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. This information was submitted for publication by the abovementioned contact person on 6 December 2017 at 07:00 a.m. (CET).

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A challenging quarter but full of energy for the future

Second quarter sales were 1,999 MSEK, up 2 per cent year-on-year. The strategic review initiated in September is progressing as planned and a number of strategy-related measures have already been initiated.

In terms of sales, we had a weak second quarter with growth of 3 per cent in local currencies and, year-on-year, unchanged sales in comparable units. Traffic to our stores remains a challenge and we have taken extra commercial measures during the period to strengthen our offering to our customers.

The slow sales trend continued into November and we are now reporting monthly sales of 889 MSEK, in line with the strong November of last year.

Full of energy for "100 more years"

Since September, we have been working intensively on the strategic review we have called "100 more years" to which there is considerable commitment within the organisation. The work on strategy will result in a new strategic plan for the company's continued development and growth.

We believe that, going forward, future growth for Clas Ohlson will need to take place in partially new ways. Accordingly, we are evaluating alternatives for capitalising on our strong brand in the Nordic markets – where we continue to see great potential – and a number of different business models for supplementing our current business. We will present and launch the plan in full during spring, and also send invitations to a capital markets day on 3 May 2018. We have, however, already taken a number of initial measures during the quarter.

First phase in the strategic review

Regarding the store expansion in the Nordic markets, we have decided to focus on testing new store formats instead of continuing to open the current form of stores. We will also review and optimise our store locations.

Naturally, the ability to deliver our offering digitally is also key and a prioritised part of the strategic review and, accordingly, we started efforts to develop this area as an integrated part of the strategic plan.

We have ended the franchise partnership with SYH Retail, part of the Al Homaizi Group of companies, which was started in 2013, and as a result the two franchise stores in Dubai will close before the end of the year.

Next year we turn 100 years. And we intend to celebrate this together with all our stakeholders, which we are greatly looking forward to. It will be an intensive and exciting year, which will act as an excellent kick-off for our next 100 years.



Lotta Lyrå
President and CEO of Clas Ohlson AB



We have had a slow second quarter with traffic challenges for stores and a consequently

weak sales trend. We look ahead, full of energy, toward the new strategic plan that will be presented in May 2018.

Financial information

Current financial information is available at about.clasohlson.com under "Investors."

Press and analyst conference

The interim report will be presented on Wednesday, 6 December at 8:30 a.m. in the store at Drottninggatan 53 in Stockholm, Sweden, and can be followed via about.clasohlson.com or www.financialhearings.com

Calendar

14 Mar 2018	Nine-month Report 2017/18
8 Jun 2018	Year-end Report 2017/18
5 Sep 2018	Three-month Report 2018/19
8 Sep 2018	Annual General Meeting 2018
5 Dec 2018	Six-month Report 2018/19
13 Mar 2019	Nine-month Report 2018/19

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Operations

Clas Ohlson is an international retail company with the business concept of selling a broad range of products at attractive prices that make it easy for people to solve everyday practical problems. The concept is unique and is highly attractive in established markets and has the potential for expansion into new markets and new customer segments.

Clas Ohlson sells products in the categories of Hardware, Electrical, Multimedia, Home and Leisure. Activities are conducted in Sweden, Norway, Finland, the UK and Germany via stores and online shopping.

Business environment and market¹

Retail in Sweden increased by 2.6 per cent at current prices compared with the same quarter in the preceding year. During the quarter, consumer confidence in Sweden was 2.9, a decrease compared with the preceding quarter (3.5) and an increase compared with the same quarter in the preceding year (0.3).

Retail in Norway increased by 1.2 per cent at current prices compared with the same quarter in the preceding year. During the quarter, consumer confidence in Norway amounted to 11.6, an increase compared with the preceding quarter (11.1) and with the same quarter in the preceding year (5.7).

Retail in Finland remained unchanged at current prices compared with the same quarter in the preceding year. During the quarter, consumer confidence in Finland amounted to 23.4, a decrease compared with the preceding quarter (23.6) and an increase compared with the same quarter in the preceding year (15.3).

Retail in the UK increased by 4.4 per cent at current prices compared with the same quarter in the preceding year. During the quarter, consumer confidence in the UK was -9.7, a decline compared with the preceding quarter (-9.0) and a decrease compared with the same quarter in the preceding year (-3.7).

Sales

Second quarter

Sales increased to 1,999 MSEK, up 2 per cent compared with 1,957 MSEK in the year-earlier period. Sales in local currencies rose 3 per cent.

During the quarter, the net store portfolio was expanded by 5 stores (1). At the end of the quarter, the total number of stores was 223, representing a net increase of 15 stores compared with the year-earlier period (6).

Six months

Sales increased to 3,782 MSEK, up 2 per cent compared with 3,720 MSEK in the year-earlier period. Measured in local currencies, sales increased by 2 per cent.

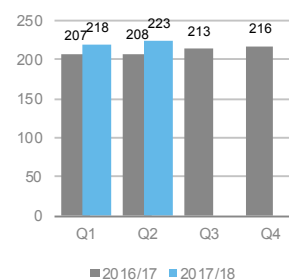
During the first six months of the financial year, the net store portfolio was expanded by 7 stores (3).

Distribution of sales

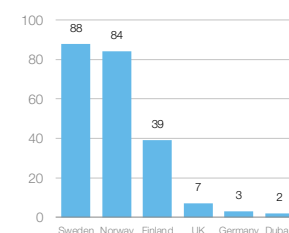
MSEK	3 Months				6 Months			
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	Percentage change		May 2017 - Oct 2017	May 2016 - Oct 2016	Percentage change	
			SEK	local currency			SEK	local currency
Sweden	898	879	2	2	1 715	1 704	1	1
Norway	794	779	2	4	1 503	1 457	3	3
Finland	243	223	9	9	443	409	8	7
Outside Nordic countries*	64	75	-14	-12	121	150	-19	-17
Total	1 999	1 957	2	3	3 782	3 720	2	2

*Effected by store optimization in the UK

Total number of stores

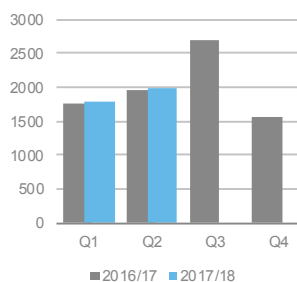


Distribution of numbers of stores

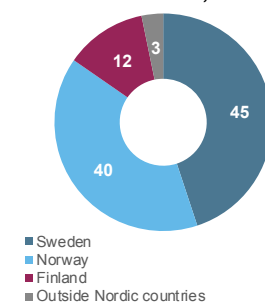


*Franchise stores

Sales, MSEK



Distribution of sales, %



¹ Source: HUI, National Institute of Economic Research, Office for National Statistics, Opinion, Statistics Finland, Statistics Norway, Trading Economics.

Distribution of sales increase

Per cent	3 Months	6 Months
	Aug 2017 - Oct 2017	May 2017 - Oct 2017
Comparable units in local currency	0	-1
New stores	3	3
Exchange-rate effects	-1	0
Total	2	2

Results

Second quarter

The gross margin decreased to 41.2 per cent, down 0.3 percentage points year-on-year (41.5). The gross margin was negatively affected by the stronger USD, increased commercial investments and the weaker NOK during the quarter, which was largely offset by currency hedges (NOK) and exchange-rate effects related to the delay in inventory.

The share of selling expenses decreased by 0.8 percentage points to 31.6 per cent (32.4). The share decreased primarily as a result of reduced costs in the UK.

Administrative expenses increased by around 10 MSEK as a result of the “100 more years” strategic review. Administrative expenses were also impacted by the 5 MSEK donation to the Clas Ohlson Foundation decided by the 2017 AGM.

Operating profit decreased by 2 per cent to 125 MSEK (127).

The operating margin fell by 0.3 percentage points to 6.2 per cent (6.5). Profit after financial items totalled 124 MSEK (127).

Depreciation for the period amounted to 57 MSEK (58).

Spot exchange rates for key currencies averaged 1.02 for NOK and 8.12 for USD, compared with 1.04 and 8.60, respectively, in the year-earlier period. Currency hedging was undertaken in USD and NOK. The company’s policy is to hedge 50 per cent of the expected flow in each currency every month, with six-month maturities.

Six months

The gross margin increased to 40.9 per cent, up 0.5 percentage points year-on-year (40.4). The gross margin was positively affected by currency hedging (NOK) and exchange-rate effects related to delays in inventory during the period. The increase was somewhat offset by a stronger USD.

The share of selling expenses decreased by 0.3 percentage points to 31.9 per cent (32.2). The share decreased mainly as a result of reduced costs in the UK, which were partly offset by the decreased sales in comparable units.

Administrative expenses increased by around 10 MSEK as a result of the “100 more years” strategic review and the 5 MSEK donation to the Clas Ohlson Foundation decided by the 2017 AGM.

Operating profit increased by 11 per cent to 225 MSEK (202).

The operating margin increased by 0.5 percentage points to 5.9 per cent (5.4). Profit after financial items increased by 11 per cent to 224 MSEK (202).

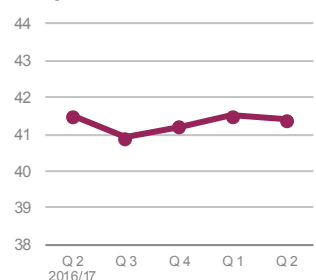
Depreciation for the period amounted to 113 MSEK (116).

Spot exchange rates for key currencies averaged 1.02 for NOK and 8.36 for USD, compared with 1.03 and 8.48, respectively, in the year-earlier period. Currency hedging was undertaken in USD and NOK. The company’s policy is to hedge 50 per cent of the expected flow in each currency every month, with six-month maturities.

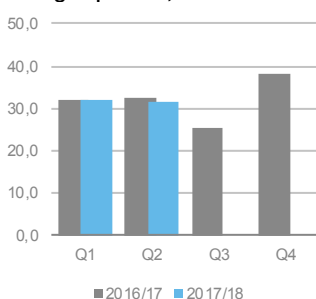
Investments

During the six-month period, investments totalled 125 MSEK (126). Of this amount, investments in new or refurbished stores accounted for 50 MSEK (64). Other investments were primarily IT and replacement investments. During the six-month period, investments in IT systems amounted to 54 MSEK (44).

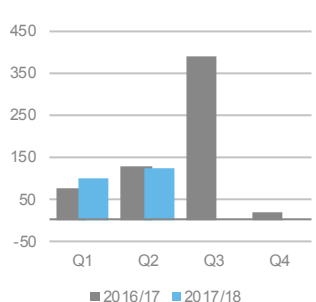
Gross margin rolling 12 months, %



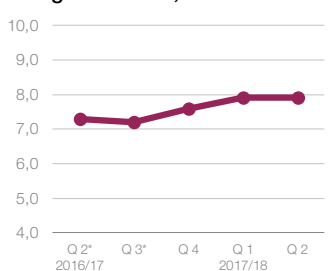
Share of selling expenses, %



Operating profit, MSEK



Operating margin rolling 12 months, %



* Excluding a non-recurring expense of 107 MSEK

Financing and liquidity

Cash flow from operating activities during the six-month period totalled 187 MSEK (44). The increase was mainly attributable to a positive change in working capital. Cash flow for the period, after investing and financing activities, was -329 MSEK (-389). The cash dividend paid to Clas Ohlson's shareholders in September 2017 totalled 395 MSEK (362).

The average 12-month value of inventories was 1,740 MSEK (1,706). Over a rolling 12-month period, the stock turnover rate at the distribution centre was 6.8 times (6.4).

At the end of the quarter, the value of inventories was 2,068 MSEK (1,989). Compared with the preceding year, 15 stores, net, were added.

During the period, buy-backs of the company's own shares to secure the LTI 2017 (Long Term Incentive Plan 2017) amounted to 21 MSEK (76).

The Group's net cash holdings, meaning cash and cash equivalents less interest-bearing liabilities, amounted to 296 MSEK (100) at the end of the period. The equity/assets ratio was 50 per cent (49).

Employees

The average number of employees in the Group was 2,872 (2,814). The increase was mainly related to new stores.

Parent Company

Parent Company sales during the six-month period amounted to 3,154 MSEK (3,116) and profit after financial items totalled 181 MSEK (230).

Investments during the period totalled 78 MSEK (76). Contingent liabilities for the Parent Company amounted to 248 MSEK (254).

Events after the end of the reporting period

Sales in November

Sales in November amounted to 889 MSEK (908). In local currencies, sales are unchanged compared with the preceding year. The sales trend in comparable units and in local currency was -3 per cent.

Compared with the same month of the preceding year, the store portfolio was expanded net by 15 stores (7). At the end of the period, the total number of stores was 227.

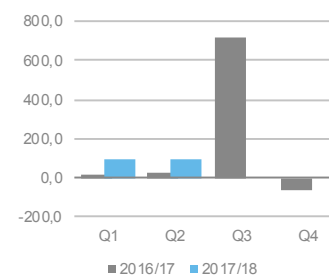
Distribution of sales

MSEK	Nov 2017	Nov 2016	Percentage change	
			SEK	local currency
Sweden	395	410	-4	-4
Norway	356	360	-1	5
Finland	112	109	3	3
Outside Nordic countries*	27	28	-5	-3
Total	889	908	-2	0

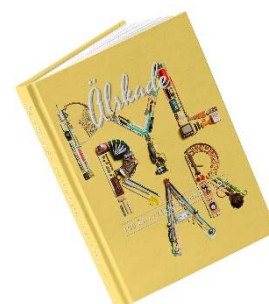
*Effected by store optimization in the UK

In the first seven months of the financial year (May-November), total sales increased by 1 per cent to 4,671 MSEK (4,628). Sales in local currencies increased by 1 per cent.

Cash flow, MSEK*



* from operating activities



The book *Ålskade prylar* ("Beloved Gadgets"), together with the podcast of the same name, was recently released and is based on the development of Clas Ohlson's offering over time

The strategic review “100 more years”

Strategy efforts were initiated in September to further develop and grow Clas Ohlson. In conjunction with the above, the Group Management’s composition was adjusted to lead strategy efforts and the company moving forward. The “100 more years” strategic review will result in a strategic plan for the company and impacted second-quarter earnings with a cost of approximately 10 MSEK.

The first phase of the strategic review has resulted in a number of initial measures. The franchise partnership with SYH Retail, part of the Al Homaizi Group of companies, which was entered into by Clas Ohlson in 2013, has been ended. As a consequence, the two franchise stores in Dubai are closing on 7 December and 31 December 2017, respectively.

With the exception of the 11 stores already contracted, we are pausing our normal store expansion in our Nordic markets. However, tests of new store formats and concepts, together with the review and optimisation of store locations, will be intensified.

Moreover, efforts has been initiated as part of the “100 more years” strategic plan related to our digital offering and we are currently evaluating different opportunities on how to strengthen our digital capability.

A capital markets day will be arranged for 3 May 2018 in Stockholm, in conjunction with the launch of Clas Ohlson’s new strategic plan and revised financial targets.

Update on new business system

Clas Ohlson’s implementation of the new sCORE IT platform is a strategically important initiative and a programme that runs from the 2013/14 financial year until the 2018/19 financial year, and entails an investment of around 70 MSEK per year over a five-year period. Furthermore, an upgrade of the IT environment is being carried out connected to the inventory and logistics system, customer data and online shopping with an annual investment rate of 75 MSEK over a two-year period.

Update on store expansion

During the 2017/18 financial year, openings are planned for 10-15 new stores, net. In the first six months of the financial year 7 new stores were opened, net. The number of forthcoming, contracted store openings amounted to 11 stores. These are detailed in the store overview on page 22.

As part of the first phase of the strategic review, we are pausing the normal store expansion in our Nordic markets. However, tests of new store formats and concepts, together with the review and optimisation of store locations will be intensified.

Update on establishment in Germany

On 30 November 2017, Clas Ohlson established its fourth store in Germany, on Spitalerstraße in central Hamburg, which complements the first phase of our establishment in the German market.

Update on optimisation of UK store network

As part of the optimisation of the existing store network, Clas Ohlson closed six stores in the UK during the 2016/17 financial year. One additional store (Croydon) will close (date not confirmed).

Total annual cost savings related to the closure of all seven stores are an estimated 70 MSEK when the restructuring has been fully realised during the 2017/18 financial year. While the store in Croydon remains open, the total cost savings are estimated at 60 MSEK on an annual basis.



At the end of November we opened our new pop-up store in Tyresö Centrum, Sweden, where we during a limited period of time offer our customers a Christmas inspired assortment.

Changes to Clas Ohlson's Board of Directors and management

Lotta Lyrå took office as the new President and CEO on 1 August 2017 following an introduction period that started in June. Additions to the Group Management during the quarter comprised the recruitment of Jesper Smith as HR Director and Jacob Sten as Chief Growth Officer who will take up his position on 1 February 2018.

In conjunction with the 2017 Annual General Meeting, held on 9 September, Charlotte Strömberg and Anne Thorstvedt Sjöberg were elected as new members of Clas Ohlson's Board of Directors.

Risks and uncertainties

Clas Ohlson's operations entail risks that could negatively impact the Group to varying extents. Work is continuously carried out to update the Group's risk situation through a documented and systematic process in which risks are identified, assessed, monitored and reported. Those risks deemed to have the greatest negative potential based on the probability of occurrence and their possible impact on operations are prioritised. This work contributes to the strategic and operational management of the company.

Operational risks primarily comprise establishments in new markets, purchasing in Asia, IT systems, competition, logistics, strikes, key employees, social responsibility, product range and shrinkage, while financial risks mainly comprise economic conditions, wage inflation, raw-material prices, transport costs and exchange-rate exposure.

For a detailed description of the Group's risks and risk management, refer to pages 76-79 of the 2016/17 Annual Report. Apart from the risks described in the Annual Report, no other significant risks have arisen.

Assurance

The six-month report provides a fair review of the Parent Company's and the Group's operations, position and earnings and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Insjön, Sweden, 6 December 2017

Lotta Lyrå
President and CEO

Kenneth Bengtsson
Chairman of the Board

Ros-Marie Grusén

Mathias Haid

Cecilia Marlow

Göran Näsholm

Charlotte Strömberg

Göran Sundström

Anne Thorstvedt Sjöberg

Henrik Andersson
Employee representative
Unionen

Joe Eriksson
Employee representative
Handels

Review report

Introduction

We have reviewed the interim report for Clas Ohlson AB (publ) for the period 1 May-31 October 2017. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Insjön, Sweden, 6 December 2017

Deloitte AB

Kent Åkerlund
Authorized Public Accountant

Financial statements

Consolidated Income Statement

	3 Months		6 Months		12 Months	
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	May 2017 - Oct 2017	May 2016 - Oct 2016	Nov 2016 - Oct 2017	May 2016 - Apr 2017
MSEK						
Sales	1,999.1	1,956.6	3,781.6	3,720.0	8,051.6	7,990.1
Cost of goods sold	-1,175.7	-1,144.1	-2,235.6	-2,218.6	-4,715.5	-4,698.6
Gross profit	823.3	812.5	1,546.0	1,501.4	3,336.1	3,291.5
Selling expenses	-632.3	-634.4	-1,204.9	-1,197.3	-2,492.8	-2,485.2
Administrative expenses	-65.9	-49.4	-115.7	-98.8	-210.1	-193.1
Other operating income/expenses	-0.2	-1.8	-0.4	-3.0	-0.8	-3.4
Operating profit	124.9	127.0	225.0	202.3	632.5	609.9
Financial income	0.1	0.1	0.2	0.3	0.6	0.7
Financial expense	-0.5	-0.5	-0.8	-0.6	-1.8	-1.6
Profit after financial items	124.5	126.5	224.4	202.0	631.3	608.9
Income tax	-28.7	-30.2	-51.3	-47.8	-133.7	-130.2
Profit for the period	95.8	96.4	173.1	154.2	497.6	478.7

Consolidated Comprehensive Income Statement

	3 Months		6 Months		12 Months	
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	May 2017 - Oct 2017	May 2016 - Oct 2016	Nov 2016 - Oct 2017	May 2016 - Apr 2017
MSEK						
Profit for the period	95.8	96.4	173.1	154.2	497.6	478.7
Other comprehensive income, net of tax:						
Items that later can be reversed back to the Consolidated income statement:						
Exchange rate differences	4.5	35.4	-4.5	47.4	-29.0	22.9
Cash flow hedging	22.0	-20.3	-6.1	2.2	13.3	21.6
Total	26.5	15.1	-10.7	49.6	-15.7	44.5
Items that later can not be reversed back to the Consolidated income statement:						
Reevaluation of net pension obligations	0.0	0.0	0.0	0.0	0.0	0.0
Total	0.0	0.0	0.0	0.0	0.0	0.0
Total other comprehensive income, net of tax	26.5	15.1	-10.7	49.6	-15.7	44.5
Total comprehensive income for the period	122.2	111.5	162.5	203.8	481.9	523.2

Data per share

	3 Months		6 Months		12 Months	
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	May 2017 - Oct 2017	May 2016 - Oct 2016	Nov 2016 - Oct 2017	May 2016 - Apr 2017
Number of shares before dilution	63,200,863	62,952,770	63,194,651	63,119,614	63,091,378	63,052,803
Number of shares after dilution	63,379,786	63,184,710	63,379,577	63,376,226	63,234,700	63,254,614
Number of shares at end of period	63,202,135	62,956,869	63,202,135	62,956,869	63,202,135	63,083,438
Earnings per share before dilution, SEK	1.52	1.53	2.74	2.44	7.89	7.59
Earnings per share after dilution, SEK	1.51	1.53	2.73	2.43	7.87	7.57
Comprehensive income per share, SEK	1.93	1.77	2.57	3.23	7.64	8.30

Consolidated Balance Sheet

MSEK	31 Oct 2017	31 Oct 2016	30 Apr 2017
Assets			
Intangible assets	376.4	297.6	340.2
Tangible assets	1,037.7	1,101.8	1,064.3
Non-current receivables	18.5	18.6	18.5
Inventories	2,067.8	1,988.8	1,630.7
Other receivables	257.8	269.0	220.6
Liquid assets	295.8	220.2	625.1
Total assets	4,054.1	3,896.0	3,899.4
Equity and liabilities			
Equity	2,026.3	1,921.0	2,250.7
Long-term liabilities, Non-interest-bearing	236.0	174.4	226.8
Current liabilities, interest-bearing	0.0	120.3	0.0
Current liabilities, Non interest-bearing	1,791.9	1,680.3	1,421.9
Total equity and liabilities	4,054.1	3,896.0	3,899.4

Consolidated Cash Flow

MSEK	3 Months		6 Months		12 Months	
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	May 2017 - Oct 2017	May 2016 - Oct 2016	Nov 2016 - Oct 2017	May 2016 - Apr 2017
Operating profit	124.9	127.0	225.0	202.3	632.5	609.9
Adjustment for items not included in cash flow	50.7	60.1	116.9	108.8	220.6	212.5
Interest received	0.1	0.1	0.2	0.3	0.6	0.7
Interest paid	-0.5	-0.5	-0.8	-0.6	-1.8	-1.6
Tax paid	-25.6	-32.6	-55.1	-73.6	-142.4	-160.8
Cash flow from operating activities before changes in working capital	149.6	154.0	286.2	237.2	709.5	660.6
Change in working capital	-56.4	-125.9	-99.6	-193.3	132.1	38.4
Cash flow from operating activities	93.1	28.2	186.6	43.9	841.6	698.9
Investments in intangible assets	-24.8	-20.5	-54.4	-43.9	-116.5	-105.9
Investments in tangible assets	-47.4	-45.0	-70.5	-81.7	-146.5	-157.6
Change in current investments	0.0	0.0	0.1	0.1	0.1	0.1
Cash flow from investing activities	-72.2	-65.4	-124.9	-125.5	-262.9	-263.5
Change in current liabilities, interest-bearing	0,0	120.3	0,0	120.3	-120.3	0,0
Repurchase of own shares	0,0	0,0	-20.9	-75.7	-20.9	-75.7
Sale of own shares	0.5	0.9	25.6	10.1	35.1	19.7
Dividend to shareholders	-395.0	-362.0	-395.0	-362.0	-395.0	-362.0
Cash flow from financing activities	-394.5	-240.8	-390.3	-307.2	-501.1	-418.0
Cash flow for the period	-373.5	-278.0	-328.6	-388.8	77.6	17.5
Liquid assets at the start of the period	668.4	494.7	625.1	604.3	220.2	604.3
Exchange rate difference for liquid assets	1.0	3.5	-0.6	4.6	-1.9	3.3
Liquid assets at the end of the period	295.8	220.2	295.8	220.2	295.8	625.1

Sales by segment

	3 Months		6 Months	
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	May 2017 - Oct 2017	May 2016 - Oct 2016
MSEK				
Sweden	898,0	879,4	1 714,6	1 704,3
Norway	794,3	779,4	1 503,2	1 456,9
Finland	242,7	223,2	442,7	408,8
Outside Nordic countries*	64,0	74,6	121,2	150,1
Group functions	823,5	833,7	1 437,5	1 405,1
Sales to other segments	-823,5	-833,7	-1 437,5	-1 405,1
Total	1 999,1	1 956,6	3 781,6	3 720,0

* Effected by store optimization in the UK

Operating profit by segment

	3 Months		6 Months	
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	May 2017 - Oct 2017	May 2016 - Oct 2016
MSEK				
Sweden	36.8	34.3	70.3	66.6
Norway	33.5	31.4	63.3	58.7
Finland	7.7	6.9	14.0	12.6
Outside Nordic countries	1.9	2.1	3.6	4.3
Group functions	45.0	52.3	73.8	60.1
Total	124.9	127.0	225.0	202.3

Specification of change in profits*

	3 Months	6 Months
	Aug 2017 - Oct 2017	May 2017 - Oct 2017
MSEK		
Profit from sales	17,5	-2,1
Change in gross margin	-6,6	19,7
Increased administrative expenses**	-16,5	-17,0
Decreased expansion costs stores***	0,7	16,6
Decreased depreciation	1,2	2,8
Change in other operating income/expense	1,6	2,6
Change in financial income/expense	0,1	-0,2
Change in profit after financial items	-2,0	22,4

*The table shows the change in profit after financial items compared with previous year.

** Includes costs for strategic review for about 10 MSEK and donation to the Clas Ohlson Foundation for about 5 MSEK.

*** During the first quarter 2016/17 includes start-up costs for the business operations in Germany.

Change in equity

(attributable to the Parent company shareholders)

MSEK	6 Months	
	May 2017 - Oct 2017	May 2016 - Oct 2016
Equity brought forward	2,250.7	2,138.8
Dividend to shareholders	-395.0	-362.0
Repurchase of own shares	-20.9	-75.7
Sale of own shares	25.6	10.1
Paid-in option premiums:		
Value of employee services	3.4	5.9
Total comprehensive income	162.5	203.8
Equity carried forward	2,026.3	1,921.0

Forward contracts

As per balance-sheet date, outstanding cash-flow hedging existed according to the following table per currency pair (carrying amount and fair value)

MSEK	31 Oct 2017	31 Oct 2016
Sell/buy		
NOK/SEK	-1.2	-19.2
NOK/USD	-0.2	0.7
SEK/USD	0,0	0.2
Total	-1.4	-18.3

Forward contracts belong to the derivate category, which is used for hedging purposes. All derivatives are measured at fair value, established by using forward contract prices on balance-sheet date, meaning, level 2 in the fair value hierarchy according to IFRS 13. As per 31 October 2017 there are both positive and negative market values in the currency pairs. Forward contracts with negative market value totalled 7.2 MSEK (20.7), which was recognized in the item Current liabilities, non-interest-bearing. Forward contracts with positive market values amounted to 5.8 MSEK (2.4), which is recognized in the item Other receivables. The company hedge the expected flow in each currency every month, with six-month maturities. A deferred tax asset of 0.3 MSEK (4.0) was taken into account and the remaining fair value of -1.1 MSEK (-14.3) was recognized in the hedging reserve within equity. The amount for forward contracts NOK/USD of -0.2 MSEK (0.7) is allocated on the currency pair NOK/SEK with 0.6 MSEK (-26.8) and on the currency pair SEK/USD with -0.8 MSEK (27.5).

Key ratios

	3 Months		6 Months		12 Months	
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	May 2017 - Oct 2017	May 2016 - Oct 2016	Nov 2016 - Oct 2017	May 2016 - Apr 2017
Sales growth, %	2,2	6,0	1,7	2,9	4,5	5,1
Gross margin, %	41,2	41,5	40,9	40,4	41,4	41,2
Operating margin, %	6,2	6,5	5,9	5,4	7,9	7,6
Return on capital employed, %	-	-	-	-	28,8	28,4
Return on equity, %	-	-	-	-	22,6	22,4
Equity/assets ratio, %	50,0	49,3	50,0	49,3	50,0	57,7
Sales per sq.m in stores, SEK thousand	-	-	-	-	31	31
Number of stores at period end	223	208	223	208	223	216
Number of employees at period end	2 872	2 814	2 872	2 814	2 872	2 835
Data per share						
Number of shares before dilution	63 200 863	62 952 770	63 194 651	63 119 614	63 091 378	63 052 803
Number of shares after dilution	63 379 786	63 184 710	63 379 577	63 376 226	63 234 700	63 254 614
Number of shares at period end	63 202 135	62 956 869	63 202 135	62 956 869	63 202 135	63 083 438
Earnings per share before dilution, SEK	1,52	1,53	2,74	2,44	7,89	7,59
Earnings per share after dilution, SEK	1,51	1,53	2,73	2,43	7,87	7,57
Comprehensive income per share, SEK	1,93	1,77	2,57	3,23	7,64	8,30
Cash flow per share*, SEK	1,47	0,45	2,95	0,70	13,34	11,08
Equity per share, SEK	32,06	30,51	32,06	30,51	32,06	35,68

* From the operating activities

Quarterly overview

MSEK	Q2 15/16	Q3 15/16	Q4* 15/16	Q1 16/17	Q2 16/17	Q3 16/17	Q4 16/17	Q1 17/18	Q2 17/18
Sales	1 846,5	2 481,5	1 503,9	1 763,5	1 956,6	2 695,2	1 574,8	1 782,6	1 999,1
Cost of goods sold	-1 035,4	-1 396,1	-890,8	-1 074,5	-1 144,1	-1 567,3	-912,7	-1 059,9	-1 175,7
Gross profit	811,1	1 085,4	613,1	689,0	812,5	1 127,9	662,2	722,7	823,3
Selling expenses	-617,4	-651,8	-590,3	-563,0	-634,4	-684,7	-603,2	-572,6	-632,3
Administrative expenses	-49,2	-49,0	-43,2	-49,4	-49,4	-51,3	-43,0	-49,8	-65,9
Other operating income/expenses	0,0	-2,2	-105,8	-1,2	-1,8	-1,9	1,5	-0,2	-0,2
Operating profit	144,5	382,3	-126,2	75,4	127,0	390,0	17,5	100,1	124,9
Financial income	0,5	0,6	0,4	0,2	0,1	0,0	0,4	0,1	0,1
Financial expense	-0,3	-0,2	-0,1	-0,1	-0,5	-0,5	-0,5	-0,3	-0,5
Profit after financial items	144,8	382,7	-126,0	75,5	126,5	389,5	17,4	99,9	124,5
Income tax	-33,7	-88,3	18,6	-17,6	-30,2	-84,6	2,2	-22,5	-28,7
Profit for the period	111,1	294,4	-107,4	57,9	96,4	305,0	19,5	77,4	95,8

Assets

Intangible assets	209,7	244,4	270,6	285,6	297,6	321,3	340,2	360,8	376,4
Tangible assets	1 158,0	1 137,8	1 127,2	1 104,6	1 101,8	1 075,8	1 064,3	1 036,3	1 037,7
Non-current receivables	11,5	11,4	18,1	18,2	18,6	18,4	18,5	18,5	18,5
Inventories	1 763,6	1 540,2	1 639,2	1 720,6	1 988,8	1 616,6	1 630,7	1 695,6	2 067,8
Other receivables	288,4	266,6	263,4	263,8	269,0	213,3	220,6	230,4	257,8
Liquid assets	353,6	861,4	604,3	494,7	220,2	753,3	625,1	668,4	295,8
Total assets	3 784,9	4 061,8	3 922,8	3 887,4	3 896,0	3 998,8	3 899,4	4 010,1	4 054,1

Equity and liabilities

Equity	1 989,1	2 252,5	2 138,8	2 166,8	1 921,0	2 218,9	2 250,7	2 297,7	2 026,3
Long-term liabilities, Non-interest-bearing	221,1	208,7	195,1	197,1	174,4	214,3	226,8	233,4	236,0
Current liabilities, interest-bearing	0,0	0,0	0,0	0,0	120,3	0,0	0,0	0,0	0,0
Current liabilities, Non interest-bearing	1 574,7	1 600,6	1 588,9	1 523,6	1 680,3	1 565,5	1 421,9	1 479,0	1 791,9
Total equity and liabilities	3 784,9	4 061,8	3 922,8	3 887,4	3 896,0	3 998,8	3 899,4	4 010,1	4 054,1

Key ratios for the period

Gross margin, %	43,9	43,7	40,8	39,1	41,5	41,8	42,0	40,5	41,2
Operating margin, %	7,8	15,4	-8,4	4,3	6,5	14,5	1,1	5,6	6,2
Earnings per share before dilution, SEK	1,76	4,66	-1,70	0,91	1,53	4,84	0,31	1,22	1,52
Earnings per share after dilution, SEK	1,75	4,65	-1,69	0,91	1,53	4,83	0,31	1,22	1,51
Equity per share, SEK	31,52	35,68	33,75	34,42	30,51	35,22	35,68	36,36	32,06

* During the fourth quarter 2015/16 a non-recurring cost of 107.0 MSEK related to the restructuring of the store network in the UK affected the result. In addition, there was a tax effect on non-deductible expenses estimated to 7.1 MSEK.

Seasonal fluctuations

Clas Ohlson's market and operations are influenced by consumer purchasing behaviour. The company's product range is particularly well suited to Christmas preparations and Christmas shopping, which means that the third quarter (November-January) is generally the strongest quarter of the financial year. This is followed by the second and first quarters and, finally, the fourth quarter, which is the weakest in terms of sales and profit.

Parent Company Income Statement

MSEK	Note	3 Months		6 Months		12 Months	
		Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	May 2017 - Oct 2017	May 2016 - Oct 2016	Nov 2016 - Oct 2017	May 2016 - Apr 2017
Sales		1,723.0	1,716.8	3,154.4	3,116.0	6,422.5	6,384.2
Cost of goods sold	1	-1,261.3	-1,205.3	-2,302.7	-2,235.7	-4,646.7	-4,579.7
Gross profit		461.7	511.5	851.7	880.3	1,775.8	1,804.5
Selling expenses	1	-295.7	-301.5	-573.3	-572.2	-1,152.0	-1,150.9
Administrative expenses	1	-57.7	-38.5	-100.7	-77.0	-172.8	-149.1
Other operating income/expenses		0.1	-0.1	0.2	-0.4	-1.2	-1.8
Operating profit		108.3	171.4	177.8	230.6	449.9	502.7
Dividends from group companies		3.9	0.0	3.9	0.0	107.2	103.2
Financial income		0.1	0.2	0.2	0.2	0.5	0.4
Financial expense		-0.7	-0.8	-1.2	-1.0	-2.4	-2.2
Profit after financial items		111.6	170.8	180.8	229.8	555.1	604.1
Appropriations		0.0	0.0	0.0	0.0	-76.2	-76.2
Profit before tax		111.6	170.8	180.8	229.8	478.9	527.9
Income tax		-24.2	-38.7	-39.9	-52.0	-79.6	-91.7
Profit for the period		87.3	132.1	140.8	177.7	399.4	436.3

Parent Company Comprehensive Income Statement

MSEK	3 Months		6 Months		12 Months	
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	May 2017 - Oct 2017	May 2016 - Oct 2016	Nov 2016 - Oct 2017	May 2016 - Apr 2017
Profit for the period	87.3	132.1	140.8	177.7	399.4	436.3
Other comprehensive income, net of tax:						
Items that later can be reversed back to the Consolidated income statement:						
Income from hedge of net investment in foreign operations	3.8	0.7	-1.0	2.2	-0.9	2.4
Other comprehensive income, net of tax	3.8	0.7	-1.0	2.2	-0.9	2.4
Total comprehensive income	91.1	132.8	139.8	180.0	398.5	438.7

Note 1 Depreciations

	3 Months		6 Months		12 Months	
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	May 2017 - Oct 2017	May 2016 - Oct 2016	Nov 2016 - Oct 2017	May 2016 - Apr 2017
Depreciations for the period	38.3	39.7	76.6	79.3	154.8	157.5

Parent Company Balance Sheet

MSEK	31 Oct 2017	31 Oct 2016	30 Apr 2017
Assets			
Intangible assets	376.4	297.6	340.2
Tangible assets	740.4	807.3	775.6
Financial assets	185.9	186.2	186.3
Inventories	1,345.6	1,298.9	1,062.0
Other receivables	340.1	327.0	205.2
Liquid assets	230.7	145.0	540.9
Total assets	3,219.1	3,062.0	3,110.2
Equity and liabilities			
Equity	751.3	729.4	998.5
Untaxed reserves	1,048.5	972.3	1,048.5
Provisions	46.5	50.0	46.0
Long-term liabilities, Non-interest-bearing	5.0	5.0	5.0
Current liabilities, interest-bearing	0.0	120.3	0.0
Current liabilities, Non interest-bearing	1,367.7	1,184.9	1,012.2
Total equity and liabilities	3,219.1	3,062.0	3,110.2

Accounting policies

Clas Ohlson applies the International Financial Reporting Standards (IFRS) adopted by the EU. This interim report has been prepared in accordance with the Swedish Annual Accounts Act, IAS 34 Interim Financial Reporting and RFR 1 Supplementary Accounting Rules for Groups. Disclosures in accordance with IAS 34 Interim Financial Reporting are provided in the notes and elsewhere in this interim report.

The Parent Company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's Recommendation RFR 2. The same accounting policies are applied as for the Group, except in those cases described under the section headed "Parent Company accounting policies" in the 2016/17 Annual Report on page 103. The same accounting policies and calculation methods are applied as in the latest annual report.

New and revised IFRSs and interpretations applied from 1 May 2017 did not have any discernible effect on the consolidated financial statements.

For a more detailed description of the accounting policies applied to the Group and Parent Company in this interim report, refer to the 2016/17 Annual Report, pages 100-104.

Key ratio definitions

Clas Ohlson uses certain financial measures in this interim report that are not defined in accordance with IFRS. Clas Ohlson believes that these key ratios are relevant to users of the financial report as a supplement for assessing Clas Ohlson's performance. These financial measures are not always comparable with the measures used by other companies since not all companies calculate such financial measures in the same way. Accordingly, these financial measures are not to be regarded as a replacement for measures defined according to IFRS. The measures not defined according to IFRS are presented below, unless otherwise stated.

Average inventory value

Average inventory value is calculated as the total inventories for the most recent 12 months divided by 12.

Capital employed

Balance-sheet total (total assets) less current liabilities and non-current liabilities, non-interest-bearing liabilities.

Cash flow from operating activities

Operating profit adjusted for items not included in cash flow, interest, paid tax and change in working capital.

Cash flow from operating activities per share

Cash flow from operating activities divided by the average number of shares before dilution.

Comprehensive income per share

Comprehensive income divided by average number of shares before dilution.

Dividend yield

Dividend per share divided by the year-end share price.

Equity/assets ratio

Equity at the end of the period divided by the balance-sheet total (total assets).

Equity per share

Equity divided by the number of shares outstanding at the end of the period.

Earnings per share (before and after dilution)*

Profit for the period divided by the number of shares (before and after dilution).

Gross margin

Gross profit divided by sales for the period.

Gross profit

Gross profit is calculated as the total of sales less cost of goods sold.

Operating margin

Operating profit divided by sales for the period.

Operating profit

Operating profit comprises profit before financial items and tax.

Payout ratio

Dividend divided by earnings per share before dilution.

P/E ratio

Share price at year-end divided by earnings per share before dilution.

Return on capital employed

Operating profit plus financial income expressed as a percentage of average capital employed. Average capital employed is calculated as the total capital employed for the most recent 12 months divided by 12.

*Defined in accordance with IFRS.

Return on equity

Net profit for the period expressed as a percentage of average equity. Average equity is calculated as the total equity for the most recent 12 months divided by 12.

Sales growth

Sales in relation to sales during the year-earlier period.

Working capital

The total of current assets, minus cash and cash equivalents (inventories and current receivables), less current non-interest-bearing liabilities.

Glossary

Average receipt

Average amount per purchase.

Clas Office

Our concept that facilitates purchases for our corporate customers.

Club Clas

Our loyalty program, our loyalty club.

Code of Conduct

The standards we set for ourselves, and the suppliers of our products and services, regarding working conditions, workplace health and safety and the environment.

Comparable units

Units that have been in operation during the current period and the entire year-earlier period.

Conversion rate

The percentage of visitors who make a purchase.

Franchise

Concept whereby we “rent” our brand to an external player, who operates a store under our name.

GRI

The Global Reporting Initiative, a global standard for sustainability reporting.

Nasdaq Stockholm

Marketplace for trading with securities, where Clas Ohlson’s Series B share is listed.

Omni-channel

A shopping experience where customers perceive a seamless interaction between physical stores, the online store and telephone sales.

Products for a more sustainable lifestyle

Products with a positive, or significantly lower, environmental impact throughout their life cycle than a standard product.

Sales per square metre

Store sales in relation to the effective retail space. For new stores, a conversion has been made in relation to how long the store has been open.

sCORE

Systems for Clas Ohlson Retail Efficiency, our project for the introduction of a new business system.

Store traffic

Number of visitors.

Alternative performance measures

This section contains a reconciliation of certain alternative performance measures (APMs) with the closest reconcilable items in the financial statements. As analysis tools, APMs are limited, and must be considered in their context and not as a replacement of financial measures prepared in accordance with IFRS. APMs are presented to improve an investor's evaluation of the operations, as an aid in forecasts of forthcoming periods, and to simplify meaningful comparisons of earnings between periods. Management uses these APMs, for example, to evaluate the operating activities compared with previous results, for internal planning and forecasts and to calculate certain performance-related remuneration. For definitions, refer to page 18. The APMs recognised in this quarterly report may differ from similarly named measures used by other companies.

	3 Months		6 Months		12 Months	
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	May 2017 - Oct 2017	May 2016 - Oct 2016	Nov 2016 - Oct 2017	May 2016 - Apr 2017
Return on equity						
Net profit for the period	-	-	-	-	497,6	478,7
Average equity	-	-	-	-	2 198,6	2 136,8
Return on equity	-	-	-	-	22,6%	22,4%
Reason for use:	Return on equity is a measure of profitability in relation to the carrying amount of equity. Return on equity is also a measure of how investments are used to generate increased income					
Return on capital employed						
Operating profit	-	-	-	-	632,5	609,9
Interest income	-	-	-	-	0,6	0,7
Average capital employed	-	-	-	-	2 198,6	2 146,8
Return on capital employed	-	-	-	-	28,8%	28,4%
Reason for use:	Return on capital employed is a measure of profitability after taking into account the amount of capital used. A higher return on capital employed indicates that capital is used more efficiently.					
Gross margin						
Gross profit	823,3	812,5	1 546,0	1 501,4	3 336,1	3 291,5
Sales	1 999,1	1 956,6	3 781,6	3 720,0	8 051,6	7 990,1
Gross margin	41,2%	41,5%	40,9%	40,4%	41,4%	41,2%
Reason for use:	Gross margin shows the difference between net sales and the cost of goods sold expressed as a percentage of net sales. Gross margin is affected by several factors, for example, product mix, price trend and cost reductions.					
Gross profit, MSEK						
Sales	1,999.1	1,956.6	3,781.6	3,720.0	8,051.6	7,990.1
Cost of goods sold	-1,175.7	-1,144.1	-2,235.6	-2,218.6	-4,715.5	-4,698.6
Gross profit	823.3	812.5	1,546.0	1,501.4	3,336.1	3,291.5
Equity per share, SEK						
Total equity	2 026,3	1 921,0	2 026,3	1 921,0	2 026,3	2 250,7
Number of shares at end of period (millions of share)	63,20	62,96	63,20	62,96	63,20	63,08
Equity per share	32,06	30,51	32,06	30,51	32,06	35,68
Reason for use:	Equity per share measures the company's net value per share and determines whether a company increases its shareholders capital over time.					
Sales growth						
Sales actual period	1 999,1	1 956,6	3 781,6	3 720,0	8 051,6	7 990,1
Sales previous period	1 956,6	1 846,5	3 720,0	3 616,3	7 705,4	7 601,6
Sales growth	2,2%	6,0%	1,7%	2,9%	4,5%	5,1%
Reason for use:	The change in sales reflects the company's realised sales growth over time.					
Average inventory value, MSEK						
Average inventory value	-	-	-	-	1 739,6	1 739,2

	3 Months		6 Months		12 Months	
	Aug 2017 - Oct 2017	Aug 2016 - Oct 2016	May 2017 - Oct 2017	May 2016 - Oct 2016	Nov 2016 - Oct 2017	May 2016 - Apr 2017
Cash flow from operating activities per share, SEK						
Cash flow from operating activities	93,1	28,2	186,6	43,9	841,6	698,9
Number of shares before the dilution (millions of share)	63,20	62,95	63,19	63,12	63,09	63,05
Cash flow from operating activities per share	1,47	0,45	2,95	0,70	13,34	11,08

Reason for use: Cash flow from operating activities per share measures the cash flow that the company generates per share before capital investments and cash flows attributable to the company's financing.

Working capital, MSEK

Total current assets	2 621,5	2 477,9	2 621,5	2 477,9	2 621,5	2 476,4
-Cash and cash equivalents	-295,8	-220,2	-295,8	-220,2	-295,8	-625,1
-Current non-interest-bearing liabilities	-1 791,9	-1 680,3	-1 791,9	-1 680,3	-1 791,9	-1 421,9
Working capital	533,8	577,5	533,8	577,5	533,8	429,3

Reason for use: Working capital is used to measure the company's ability to meet short-term capital requirements.

Operating margin

Operating profit	124,9	127,0	225,0	202,3	632,5	609,9
Sales	1 999,1	1 956,6	3 781,6	3 720,0	8 051,6	7 990,1
Operating margin	6,2%	6,5%	5,9%	5,4%	7,9%	7,6%

Reason for use: The operating margin shows operating profit as a percentage of net sales and shows operational profitability.

Equity/assets ratio

Total equity	2 026,3	1 921,0	2 026,3	1 921,0	2 026,3	2 250,7
Total assets	4 054,1	3 896,0	4 054,1	3 896,0	4 054,1	3 899,4
Equity/Assets ratio	50,0%	49,3%	50,0%	49,3%	50,0%	57,7%

Reason for use: A high equity/assets ratio provides the financial scope and independence required for conducting the operations and managing variations in the need for working capital and for capitalising on business opportunities.

Capital employed, MSEK

Total assets	4 054,1	3 896,0	4 054,1	3 896,0	4 054,1	3 899,4
Long-term non-interest-bearing liabilities	-236,0	-174,4	-236,0	-174,4	-236,0	-226,8
Current non-interest-bearing liabilities	-1 791,9	-1 680,3	-1 791,9	-1 680,3	-1 791,9	-1 421,9
Capital employed	2 026,3	2 041,3	2 026,3	2 041,3	2 026,3	2 250,7

Reason for use: Capital employed measures the company's ability, in addition to cash balances and cash and cash equivalents, to meet the needs of the operations.

Comprehensive income per share, SEK

Comprehensive income for the period	122,2	111,5	162,5	203,8	481,9	523,2
Average number of shares before dilution (millions of share)	63,20	62,95	63,19	63,12	63,09	63,05
Comprehensive income per share	1,93	1,77	2,57	3,23	7,64	8,30

Earnings per share (before and after dilution), SEK*

Net profit for the period	95,8	96,4	173,1	154,2	497,6	478,7
Number of shares before dilution (millions of share)	63,20	62,95	63,19	63,12	63,09	63,05
Number of shares after dilution (millions of share)	63,38	63,18	63,38	63,38	63,23	63,25
Number of shares before dilution	1,52	1,53	2,74	2,44	7,89	7,59
Number of shares after dilution	1,51	1,53	2,73	2,43	7,87	7,57

*Defined in accordance with IFRS

Store overview

New stores, second quarter

- Kempele, Finland, opened in August 2017
- Varberg, Sweden, opened in September 2017
- Askim, Norway, opened in October 2017
- Trondheim (City Lade), Norway, opened in October 2017
- Leira, Norway, opened in October 2017

New stores after the end of the period

- Stjørdal, Norway, opened in November 2017
- Stathelle, Norway, opened in November 2017
- Bergen, Norway, opened in November 2017
- Hamburg, Germany, opened in November 2017

Future store openings

- Bodø, Norway, scheduled to open in February 2018
- Sortland, Norway, scheduled to open in March 2018
- Husnes, Norway, scheduled to open in March 2018
- Bærum, Norway, scheduled to open in March 2018
- Tampere, Finland, scheduled to open in April 2018
- Gothenburg, Sweden, scheduled to open in April 2018
- Märsta, Sweden, scheduled to open in April 2018
- Tyresö, Sweden, scheduled to open in May 2018
- Helsinki, Finland, scheduled to open in September 2018
- Kungälv, Sweden, scheduled to open in March 2019
- Helsinki, Finland, scheduled to open in autumn of 2019

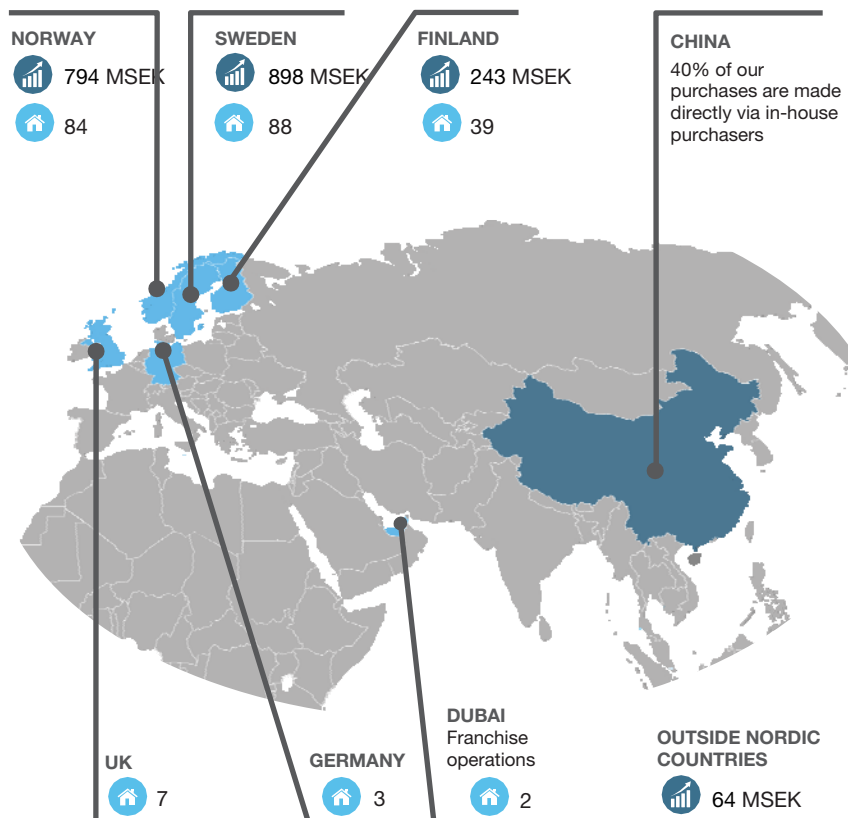


In November, a new store was opened at the Torgkvartalet Shopping center in Stjørdal in Norway.



At the end of November, we opened our fourth store in central Hamburg, which complements the first phase of our establishment in the German market.

For more information, refer to the detailed list on the website about.clasohlson.com



The share

Clas Ohlson Series B shares have been listed on Nasdaq Stockholm since 1999 and are included in the Consumer Services sector index. The price paid on 31 October 2017 was 145 SEK per share.

Number of shares

The number of registered shares totalled 65,600,000, unchanged from the preceding year. On 31 October 2017, the company held 2,397,865 shares (2,643,131) corresponding to 4 per cent (4) of the total number of registered shares. At the end of the period, the number of shares outstanding, net after buy-back, was 63,202,135 (62,956,869).

Dividend policy

Clas Ohlson's dividend policy is that the dividend is to comprise at least 50 per cent of earnings per share after tax, taking into account the company's financial position.

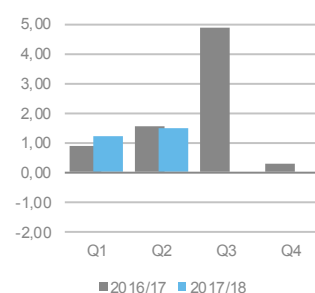
The largest shareholders 31 October 2017

Owner	Number of A-shares	Number of B-shares	Equity, %	Votes, %
Helena Tidstrand	1,368,060	6,179,828	12	17
Björn Haid	1,007,960	4,732,834	9	13
Johan Tidstrand	1,368,060	900,000	3	12
Peter Haid	1,007,960	3,785,243	7	12
Claus-Toni Haid	1,007,960	3,465,916	7	12
Nordea	0	3,546,897	5	3
If Skadeförsäkring AB	0	3,114,337	5	3
Afa Försäkring	0	2,812,472	4	2
Odin Sverige	0	1,762,392	3	2
Norges Bank	0	1,400,314	2	1
Other shareholders	0	28,139,767	43	24
Total	5,760,000	59,840,000	100	100

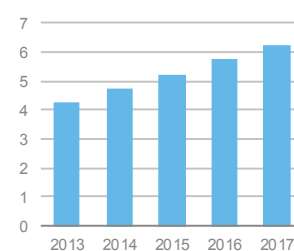
Share data

Listing	Nasdaq Stockholm Mid Cap
Ticker	Clas B
Industry	Consumer Services
ISIN code	SE0000584948

Earnings per share, SEK



Dividend per share, SEK



clas ohlson in brief

OUR MISSION IS TO HELP AND INSPIRE to improve their everyday life by offering smart, simple, practical solutions at attractive prices.

The customers are the focus of our business model. We base everything on our customers and their needs, and offer smart, simple and practical solutions at attractive prices that help make and inspire a simpler everyday life and a more sustainable lifestyle. Our values and our strong corporate culture feature in all that we do and we endeavour to integrate sustainability aspects across the entire value chain. Our operations are based on clear and efficient processes for the customer offering, customer interaction, purchasing and distribution.

Strategic focus areas

Our way of working

We will rationalise and simplify our way of working

Our people

We will be high performers and customer-oriented

Customer offering

We will be the natural choice for practical solutions and sustainable solutions

Customer interaction

We will increase customer loyalty and attract new customers

Supply chain

We will optimise our supply chain – both purchasing and distribution.

Expansion

We will expand, while also reducing our CO₂ emissions in relation to our net sales.

Our mission

To help and inspire people to improve their everyday life by offering smart, simple, practical solutions at attractive prices

Financial objectives

- Annual sales growth in comparable units of at least 2 per cent
- Establishment of 10-15 new stores net during 2017/18
- An operating margin of at least 10 per cent
- The dividend is to comprise at least 50 per cent of earnings per share after tax, with consideration for the company's financial position. This is our dividend policy

Sustainability targets

- The proportion of products for a more sustainable lifestyle will represent at least 25 per cent of sales by 2020
- CO₂ emissions will gradually reduce relative to our sales
- 98 per cent of suppliers are to comply with the requirements of our Code of Conduct



Our business concept

We will sell dependable products at low prices and with the right quality according to need.

www.clasohlson.com

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