



PRESS RELEASE 24 October 2018

# Strong growth and investments in the future

## President and CEO Klas Balkow's comments on the third quarter 2018:

“Axfood had good growth during the third quarter, and we strengthened our position in the market. The warm, dry summer had both positive and negative effects on operations. Willys had very strong performance at the same time that Axfood Snabbgross was at the top with growth of more than 11%. For our logistics operations, the summer heat had a negative effect with extra costs that weighed down profitability. Despite this, Axfood posted its best quarterly operating profit since the Group was established.

“In addition I can reveal that Dagab has now embarked on the realization of its logistics vision by drawing up plans for a highly automated warehouse in Stockholm. The warehouse will fulfil orders both to stores and e-commerce customers and our ambition is to have the warehouse in operation by 2023.”

## Third quarter summary

- Consolidated net sales amounted to SEK 12,050 m (11,578), an increase of 4.1%.
- Operating profit was SEK 620 m (604), an increase of 2.6%. The operating margin was 5.1% (5.2%).
- Net profit for the period was SEK 482 m (469), and earnings per share before dilution were SEK 2.24 (2.23).

## Summary of January–September

- Consolidated net sales amounted to SEK 35,715 m (34,142), an increase of 4.6%.
- Operating profit was SEK 1,599 m (1,488), corresponding to an operating margin of 4.5% (4.4%).
- Net profit for the period was SEK 1,249 m (1,157), and earnings per share before dilution were SEK 5.87 (5.51).

No significant events have taken place after the balance sheet date.

Welcome to today's web cast/conference call where President and CEO Klas Balkow together with CFO Anders Lexmon will present the third quarter of 2018. The presentation starts at 9:30 a.m. CET and can be followed via [axfood.se](http://axfood.se) or by phone:

Sweden: +46 8 566 426 91, UK: +44 203 0089 813, USA: +1 855 753 2236.

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The information in this release is such that Axfood AB is obligated to make public in accordance with the EU Market Abuse Act and the Swedish Securities Market Act. The information was presented, through the agency of the contact person above, for publication at 7:00 a.m. CET on 24 October 2018.

At **Axfood** we work with passion for food and people. Food that is good and sustainable. Axfood includes the Willys and Hemköp chains as well as the Tempo, Handlar'n and Direkten chains, which are retailer-owned stores. B2B sales are handled through Axfood Snabbgross, and wholesaling is conducted through Dagab. Axfood is also the owner of Mat.se and Middagsfrid, and a part-owner of Apohem, Eurocash and Urban Deli. Axfood is listed on Nasdaq Stockholm, and the principal owner is Axel Johnson AB. Read more at [axfood.se](http://axfood.se).