

BORÅS, Sweden--([BUSINESS WIRE](#))--Regulatory News:

Forceful action programme from MQ's new CEO

As the new CEO of MQ, Christina Ståhl is now implementing a forceful seven-stage action programme with a focus on sales-promotion and cost-saving measures – a programme that entails both accelerating and applying the brakes. Under the first stage of the programme, an SEK 50 million savings programme will be launched for the financial year 2013/2014. The focus is on turning MQ's negative trend around step by step. The vision is distinct and the potential will be harnessed.

Fourth quarter (June 2013-August 2013)

- Net sales totalled SEK 349 million (386), down 9.6 percent. Sales in comparable stores fell 11.7 percent (the Swedish Retail Institute Index rose 1.2 percent).
- The gross margin was 51.6 percent (51.1).
- Including an SEK 7 million severance payment for the former CEO, operating profit was SEK 5 million (21), corresponding to an operating margin of 1.4 percent (5.3). Excluding the severance payment, operating profit was SEK 12 million, equal to an operating margin of 3.4 percent.
- Profit after tax amounted to SEK 36 million (12), corresponding to SEK 1.03 (0.35) per share after dilution. Profit includes a positive effect of SEK 35 million on deferred tax, resulting from a change in the corporate tax rate.
- Cash flow from operating activities was a negative SEK 15 million (pos: 19).

12-month period (September 2012-August 2013)

- Net sales amounted to SEK 1,463 million (1,534), down 4.6 percent. Sales in comparable stores fell 7.4 percent (the Swedish Retail Institute Index was down 0.4 percent).
- The gross margin was 55.3 percent (55.6).
- Operating profit amounted to SEK 50 million (98), equal to an operating margin

of 3.4 percent (6.4). Excluding the severance payment, operating profit was SEK 57 million, corresponding to an operating margin of 3.9 percent.

- Profit after tax amounted to SEK 62 million (61), corresponding to SEK 1.79 (1.75) per share after dilution. Profit includes a positive effect of SEK 35 million on deferred taxes, resulting from a change in the corporate tax rate.
- Cash flow from operating activities was 57 million (103).
- The Board of Directors proposes a dividend of SEK 0.39 (0.87) per share, corresponding to 50 percent of the year's profit after tax excluding deferred tax revenues.

Events during the fourth quarter

- Christina Ståhl took office as CEO on 19 August
- The Filippa K, Whyred and Elvine external brands were launched in MQ stores
- MQ opened a new store in Västervik and closed a store in Skien, Norway. The store in Täby Centrum was remodelled and moved to larger premises.

Events after the end of the reporting period

- A comprehensive seven-stage action programme has been formulated with a focus on sales-promotion and cost-saving measures. As a feature of the programme – which entails both accelerating and applying the brakes – measures to cut costs by SEK 50 million are being launched as the first of the seven stages
- Design Manager Lotta Lindsten has decided to leave MQ

MQ is one of Sweden's leading brand chains. Through a mix of proprietary and external brands, MQ offers men's and women's clothing with a high degree of fashion in attractive stores. The store chain currently includes 122 stores and the aim is to establish MQ as the leading brand chain in the Nordic region. The MQ share has been listed on NASDAQ OMX Stockholm since 18 June 2010. For more information, please visit: www.MQ.se

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