

KappAhl Exits Czech Republic

Written by Australian Business

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

As part of its continuous assessment of stores and ongoing action programme, KappAhl has decided to close down its five stores in the Czech Republic. The general market situation in the Czech Republic has deteriorated since KappAhl opened its first store there in 2009. The stores in the Czech Republic have not achieved the expected profitability.

The exit from the Czech Republic is expected to have a marginal effect on the operating profit and should be completed before the end of 2013.

KappAhl maintains a stable platform in close to 400 stores in four countries. Management focus will now be directed towards the markets where KappAhl already has a well-established network of stores and where work with the ongoing action programme is expected to have a greater impact.

“We regularly review the profitability of our stores and at the present time we are not in a position to achieve a profit in the Czech Republic within a reasonable timescale and with reasonable resources. We want to focus our efforts on the markets where we can see results quickly,” says Johan Åberg, President and CEO.

KappAhl was established in 1953 and is a leading fashion chain with close to 400 stores and 4,500 employees in Sweden, Norway, Finland, Poland and the Czech Republic. KappAhl sells value-for-money fashion with a wide appeal – to women, men and children – and focuses in particular on women aged 30-50 with families. All clothes are from our own designers. KappAhl was the first fashion chain to achieve environmental certification in 1999. In the 2012/2013 financial year KappAhl's net sales were SEK 4.8 billion. KappAhl is listed on NASDAQ OMX Stockholm. More information can be found at www.kappahl.com.

This information was brought to you by Cision <http://news.cision.com>

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