

Fredrikstad, 5 July 2016: Europris (OSE: EPR) is pleased to announce that the company has decided on a new warehouse facility. The new capital light central warehouse solution will provide Europris with the foundation for continued cost-efficient growth. The warehouse will be among the largest ever built in Norway and the building is expected to be completed during the second half of 2019.

Europris has decided to locate its new central warehouse at Moss Næringspark, close to the city of Moss.

"We are very happy to have landed on a modern and provident logistical solution for Europris. The new central warehouse will provide the foundation for continued cost-efficient growth going forward. A lot of hard work is ahead of us, but with this decision we have strengthened the long-term competitiveness of Europris", says CEO Pål Wibe.

During the past year, Europris has spent significant time analysing and evaluating the different types of warehouse models and logistical setups appropriate for the company in the years to come, including finding the best location.

Rigorous analyses and consideration form the basis of the decision. Both economic and qualitative factors were taken into account when concluding on the best solution for Europris in the longer term.

An effective and efficient supply chain from the factory to the end consumer is paramount to securing continued success and progress for Europris going forward. As such, the most important decision criteria have been focused around securing (i) the right economic terms for the project; (ii) a modern and cost-efficient warehouse with an efficient layout; as well as (iii) a location with proximity to both the harbour and the majority of the store estate.

As a result of the process above, Europris has decided to enter into a rental agreement with the real estate developer Fabritius Gruppen AS, who will be the owner of and responsible for constructing the new warehouse at Moss Næringspark. The warehouse, which will be among the largest ever built in Norway, will be approx. 60 000 m<sup>2</sup> in total size. The building will consist of c. 46 500 m<sup>2</sup> of traditional warehousing, c. 10 000 m<sup>2</sup> dedicated to a modern high bay warehouse facility and the remaining c. 3 000 m<sup>2</sup> reserved for offices and service areas. An estimated c. 250 employees are expected to work in the new facility once completed.

The current logistics solution is expected to remain solid and effective in the period up until relocation to the new warehouse in 2019. However, the current setup is likely to become more inefficient with time, as volumes increase in line with the company's growth, and current warehouse capacities are exceeded. While the new central warehouse will provide a better solution for Europris longer term, it is too early to accurately estimate the financial effects this will have going forward.

The agreement is conditional on local rezoning of the land area.

For further information, please contact

Pål Wibe

CEO, Europris ASA

Phone: +47 99119891

[paal.wibe@europris.no](mailto:paal.wibe@europris.no)

Martin Bjørklund

Director of Group Projects & IR, Europris ASA

Phone: +47 48405197

[martin.bjorklund@europris.no](mailto:martin.bjorklund@europris.no)

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