Fredrikstad, 31 October 2018 (OSE:EPR):

Group revenues for the third quarter of 2018 were NOK 1,352 million, up by 5.8 per cent from NOK 1,278 million in the same period of 2017. The exceptionally warm summer had a negative effect on sales in the first half of the quarter, but these normalised in the second half. Group revenues increased by 4.9 per cent during the first nine months.

The gross margin in the third quarter was better than in the same period of last year, at 43.6 per cent (2017: 42.1 per cent). Adjusted for positive stocktaking of NOK 24 million and one-off costs related to franchise takeovers, the gross margin was 42 per cent.

Operating expenditure excluding nonrecurring items came to NOK 471 million (2017: NOK 421 million) in the quarter, an increase of 11.9 per cent, while the number of directly operated stores rose by 9.5 per cent. The timing of freight cost recognition in the accounts was changed during the quarter. This resulted in a one-off cost of NOK 14 million for the period.

Adjusted EBITDA was NOK 119 million for the third quarter, up by 1.8 per cent from NOK 117 million in the same period of last year.

Adjusted net profit for the third quarter amounted to NOK 61 million, down by six per cent owing to an unrealised foreign currency loss. Group net profit for the first nine months increased by 6.6 per cent to NOK 206 million.

Europris opened one new store in the quarter and concluded two franchise takeovers.

"I'm very pleased that we continued to deliver on growth and improve margins despite the difficult weather conditions in the first half of the quarter," says CEO Pål Wibe.

"The positive development in gross margin is a result of the shrinkage-reduction programme in our stores. As a discount retailer, it's important to maintain a strict focus on costs in all parts of the value chain."

Please find the report and presentation for the third quarter 2018 enclosed.

For further information, please contact:

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About Europris

Europris is Norway's largest discount variety retailer by sales. The company offers its customers a broad range of quality own brands and brand-name merchandise. Its merchandise is sold through the Europris chain, which consists of a network of 257 stores throughout Norway. Of these, 219 are directly operated by the company and 38 operate as franchises. The company's headquarters are located in Fredrikstad, Norway.

This information is subject to the disclosure requirements specified in section 5-12 of the Norwegian Securities Trading Act.

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