SALLING GROUP POSTS STRONG FINANCIAL RESULTS 2019

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Salling Group emerged stronger from 2019 after growing revenue and with a profit margin ratio that now accounts for 4.1% of revenue.

Salling Group can look back on 2019 as a year where revenue and earnings increased in several chains, and where the annual profit was the second-best in the history of the company.

In 2019, revenue increased by DKK 838 million to DKK 56.7 billion after deducting the activities in the former Netto Sweden, which Salling Group divested last year to the Swedish group Coop Butiker & Stormarknader. The operating profit increased to DKK 2.272 billion.

The profit for the year before tax was DKK 1.716 billion.

Per Bank, CEO of Salling Group, was extremely satisfied with the accounts for 2019.

“It has been a strong year, with progress being driven by our core business in Denmark and abroad. Netto Denmark had its best ever year in the history of the chain and, like føtex, posted record earnings. At the same time, Netto Poland and Salling department stores also finished the year with record revenues.”

“Backed by this development, we can continue to invest in lower prices and better shopping experiences for customers across our chains, just as it enables us – together with our suppliers and partners – to take even more responsibility for the societies in which we operate,” says Per Bank.

NEW CONCEPTS

In 2019, Salling Group added the sale of toys via the BR chain to its activities.

The inventory and rights to the BR brand were acquired, enabling Salling Group to open 26 toy stores throughout Denmark as well as a BR online store.

Rolling out BR and the new Netto 3.0 concept, where the stores are designed to be more inviting, modern and with greater focus on fruit and vegetables as well as organic food, will continue this year.

In 2020, Salling Group plans to invest more than DKK 1 billion in rolling out the new Netto concept across Denmark, Sweden and Poland.

PROFITS BACK TO SOCIETY

This year, Salling Group has launched a wide range of initiatives aimed at mitigating the effects of the COVID-19 crisis – for example disregarding the credit period for invoices already submitted by small and medium-sized suppliers and, in addition, immediately disbursing DKK 500 million to improve liquidity for these suppliers.

The current situation does not change the stated strategy of the Salling Group that, as a foundation-owned company, some of its profits are re-invested in the business and some are returned to society through the Salling Foundations, which are the sole owners of the Salling Group. In 2019, the foundations undertook to make donations totalling DKK 175 million.

Since 2012, the Salling Foundations have distributed more than DKK 1 billion to culture, sports, education, churches and other charitable or not-for-profit causes.