



KESKO CORPORATION INSIDER INFORMATION 15.4.2021 AT 19.30

# **Kesko Corporation issues a positive profit warning and provides preliminary information on its first-quarter net sales and comparable operating profit**

Kesko raises its guidance for its comparable operating profit in 2021. The company now estimates that its comparable operating profit in 2021 will be in the range of €570-670 million. Before, the company estimated that the comparable operating profit would be in the range of €520-620 million. The guidance upgrade is based on better-than-anticipated sales development in all divisions and a more positive outlook for the remainder of the year. The illustrative comparable operating profit in 2020 was €554 million.

Kesko's net sales for the first quarter of 2021 totalled approximately €2,539 million and its comparable operating profit approximately €116 million. The illustrative net sales for the first quarter of 2020 totalled €2,356 million and the illustrative comparable operating profit €64.6 million.

In the first quarter, net sales and comparable operating profit grew in all divisions. The figures are based on preliminary unaudited information. Kesko will publish its first-quarter interim report on 28 April 2021.

## **Guidance upgrade rationale**

Retail sales have continued strong in the grocery trade, while the foodservice business has remained profitable despite the difficult market situation. In the building and technical trade, growth has continued better than anticipated in both B2B and B2C trade. Car trade has also grown compared to last year. At the same time, Kesko has managed to further improve cost efficiency. Expectations for the grocery trade and building and technical trade regarding the remainder of the year are more positive than before.

It is still difficult to anticipate the impacts of the Covid-19 pandemic, and consequently the range for the 2021 comparable operating profit guidance remains wide.

## **The previous outlook and profit guidance for 2021 issued by the company on 3 February 2021 in connection with the financial statements release:**

### **"OUTLOOK AND GUIDANCE FOR 2021**

Kesko Group's outlook is given for the year 2021, in comparison with the year 2020.

Kesko estimates that its comparable operating profit in 2021 will be in the range of €520-620 million. The illustrative comparable operating profit in 2020 was €553.6 million.

The range for Kesko Group's 2021 profit guidance is wide due to the uncertainties related to the Covid-19 pandemic. The pandemic situation and progress with vaccinations have a significant impact on the overall economy, consumer behaviour and trading sector demand in Kesko's operating countries. During the pandemic, household consumption has focused on domestic purchases, which is expected to have a positive impact on some of Kesko's businesses also in 2021.

Overall, the outlook for Kesko's business in 2021 is positive. We anticipate moderate growth in Finnish grocery trade. Recovery in the foodservice business largely depends on the pandemic

situation. Renovation building is expected to grow in the Northern European construction market. In housing construction, new construction volumes are expected to decrease overall, but to remain stable in the construction of small housing and vacation homes. The Finnish car trade market is expected to grow in 2021.”

**Further information** is available from Jukka Erlund, Executive Vice President, Chief Financial Officer, tel. +358 105 322 113, Eva Kaukinen, Vice President, Group Controller, tel. +358 105 322 338, and Hanna Jaakkola, Vice President, Investor Relations, tel. +358 105 323 540.

Kesko Corporation

DISTRIBUTION

Nasdaq Helsinki Ltd  
Main news media  
[www.kesko.fi](http://www.kesko.fi)