



First quarter 2016

Good quarter amidst tougher competition

First quarter 2016

- Consolidated net sales amounted to SEK 24,761 million (23,673), an increase of 4.6%
- Operating profit excluding non-recurring items totalled SEK 959 million (775). Operating profit for the comparison period included costs of SEK 53 million associated with the acquisition and integration of Apotek Hjärtat
- Profit from continuing operations (ICA Gruppen excl. ICA Norway) was SEK 735 million (529). Profit includes capital gains on sales of non-current assets and impairment losses totalling SEK 17 million, net (2)
- Earnings per share for continuing operations were SEK 3.65 (2.51)
- Cash flow from operating activities for continuing operations amounted to SEK 398 million (221)

Events after the end of the quarter

- On 20 April the Annual General Meeting of ICA Gruppen resolved in favour of the Board's proposal for a shareholder dividend of SEK 10.00 per share

Apotek Hjärtat is included in ICA Gruppen as from 15 January 2015. Cura pharmacies, previously part of ICA Sweden, are included in the pharmacy segment for the entire period. Historical comparative figures for ICA Sweden have been adjusted to exclude Cura pharmacies. ICA Norway is reported as a discontinued operation through 13 April 2015.

SEKm	First quarter		12 months	Full year
	2016	2015	Apr 2015- mar 2016	2015
Group				
Net sales	24,761	23,673	102,309	101,221
Operating profit before depreciation/amortisation (EBITDA)	1,384	1,146	6,429	6,191
Operating profit (EBIT) excluding non-recurring items	959	775	4,322	4,138
Operating profit (EBIT)	976	777	4,793	4,594
Profit before tax	887	686	4,426	4,225
Profit from continuing operations	735	529	3,927	3,721
Profit for the period	735	539	5,109	4,913
Cash flow from operating activities for continuing operations	398	221	5,900	5,723
Cash flow from operating activities	398	316	5,927	5,845
Operating margin excluding non-recurring items, %	3.9	3.3	4.2	4.1
Operating margin, %	3.9	3.3	4.7	4.5
Return on capital employed, %	10.4	10.0	10.4	9.8
Return on equity, %	17.3	10.2	17.3	16.6
Earnings per ordinary share, SEK	3.65	2.56	25.23	24.14
Earnings per ordinary share, continuing operations,	3.65	2.51	19.35	18.21

CEO's comments

The first quarter of the year showed favourable sales and earnings development. ICA Sweden is showing good profit growth, and Rimi Baltic had a very good start to the year, with strong earnings and continued rising market shares. ICA Bank is having a tough time in a difficult market, while other segments are largely performing according to plan. While we continue to see a market with toughening competition, we are focusing on the right things and are maintaining a high pace in our change work.



In Sweden, like-for-like sales growth in stores was good, and on the whole we grew in line with the market. The difference between our like-for-like and total sales is currently low, as most of the stores we plan to open in Sweden this year are scheduled to open after the summer. In Sweden we thus have at present an unusually small sales contribution from new stores. The sharp earnings growth for Rimi Baltic, following a somewhat weak close to 2015, shows that the actions we have taken have generated good results. This applies, for example, to higher profitability in the campaigns carried out.

High pace in our continued change work

Apotek Hjärtat has emerged from a year dominated by integration work. The organisation can now put its full energy into our customer offering, such as by working together with ICA Sweden on developing the Health offering. In addition, we are confident that we will achieve the synergies that we have communicated with full effect in 2019. Apotek Hjärtat is growing faster than the market and gained market shares also during the first quarter. However, our ambition is to present an even more compelling offering of traded goods. Our investment in simpler healthcare services via our "Minute Clinics" has got off to a good start, with high scores in initial customer surveys. Also, in June we are launching our joint loyalty programme for our pharmacies and ICA stores.

ICA Bank is encountering a difficult fixed income market, and its earnings are under pressure. ICA Bank's current focus is on marketing the bank's entire offering to our existing customers. Naturally this includes our new insurance operation, which is developing according to plan. ICA Real Estate has begun the sales process for the Group's large property holdings in Norway following our sale of a few individual properties in late 2015 and early 2016. As for Hemtex, work is under way on devising a new strategy that will enable us to seriously begin to employ measures that will bring Hemtex up to sustainable profitability over the long term. This includes improving clarity surrounding the offering and assortment, reducing the level of campaign sales, adopting a strong online offering, and rolling out the ICA Home by Hemtex concept at ICA Maxi stores.

Digitalisation - again

As I have mentioned on various occasions for some time, the ongoing digitalisation trend represents a major challenge, but also an opportunity for us. Discussions about digitalisation are often limited to online sales. While these are of course a highly significant component, the concept entails so much more. It affects all of our processes - internal and external - along with the full breadth of our customer offering and how we interact with our customers in an increasingly digital world. We will be investing substantial resources to ensure that we stay on the right side of this development. We have also decided to appoint a CDO (Chief Digital Officer), who will coordinate this work at the Group level.

Good quarter

The year has got off to a good start - in fact, a very good start for certain parts of the Group. At the same time, as I noted above there are areas with clear potential for improvement, and the challenges in the market remain. I feel confident, however, that the measures we are working with have the right focus and will generate results, even though it will take some time in certain cases.

Per Strömberg
CEO, ICA Gruppen

Group performance

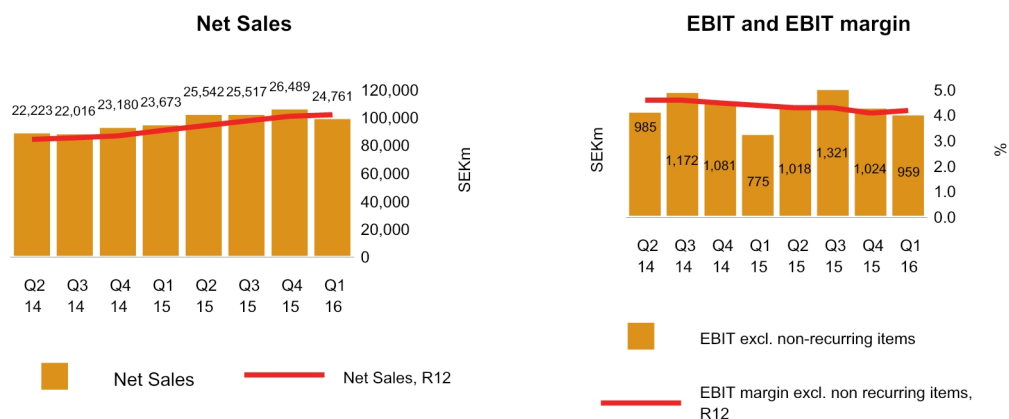
Net sales and earnings

First quarter 2016

Consolidated net sales increased by 4.6% during the quarter compared with 2015. Sales rose for all businesses, except inkClub. The sales growth was driven by higher volumes in ICA Sweden's wholesale operations, strong like-for-like sales for Rimi Baltic, and newly opened stores in the Baltic countries and pharmacies in Sweden. Higher prices in Sweden as well as in Rimi Baltic also contributed to the sales growth.

Operating profit excluding non-recurring items amounted to SEK 959 million (775) during the quarter, an increase of SEK 184 million, or 24%. Operating profit for the first quarter a year ago included costs of SEK 53 million associated with the acquisition and integration of Apotek Hjärtat. Adjusted for these costs, the earnings increase was 16%. The operating margin excluding non-recurring items was 3.9% (3.3). All segments except for ICA Real Estate and ICA Bank contributed to the earnings increase. Logistics costs in ICA Sweden were slightly higher during the quarter, as anticipated, but at the same time, costs were lower in other areas.

Profit for the period from continuing operations - ICA Gruppen excluding ICA Norway - was SEK 735 million (529). Profit includes capital gains on sales of non-current assets and impairment losses totalling SEK 17 million (2) combined. Earnings per share from continuing operations were SEK 3.65 (2.51).



Net sales per segment (SEKm)

SEKm	First quarter		12 months	Full year
	2016	2015	April 2015- March 2016	2015
ICA Sweden	17,571	17,024	73,171	72,624
Rimi Baltic	3,194	2,932	12,894	12,632
Apotek Hjärtat	3,088	2,783	12,595	12,290
ICA Real Estate	589	582	2,389	2,382
ICA Bank	218	206	871	859
Other segments	354	521	1,633	1,800
Other	226	229	929	932
Intra-Group sales	-479	-604	-2,173	-2,298
Net sales	24,761	23,673	102,309	101,221

Operating profit excluding non-recurring items per segment (SEKm)

SEKm	First quarter		12 months	Full year
	2016	2015	April 2015- March 2016	2015
ICA Sweden	769	694	3,441	3,366
Rimi Baltic	95	78	432	415
Apotek Hjärtat ¹⁾	80	25	264	209
ICA Real Estate	96	104	448	456
ICA Bank	15	16	109	110
Other segments	-16	-43	-5	-32
Other	-80	-99	-367	-386
Operating profit excluding non-recurring items	959	775	4,322	4,138

1) Figures for the first quarter of 2015 include acquisition and integration costs of SEK -53 million and SEK -208 million for the full year.

Net financial items and tax

Net financial items amounted to SEK -89 million during the quarter (-91). Net financial items were unchanged despite a lower level of net debt, which is explained by the fact that net debt during the first quarter of 2015 consisted of a greater share of short-term financing with very low interest rates.

The tax expense for the quarter was SEK -152 million (-157), corresponding to a tax rate of 17.1% (22.9%). The lower tax rate is primarily attributable to tax-exempt capital gains on sales of non-current assets. Paid tax during the quarter totalled SEK -196 million (-200).

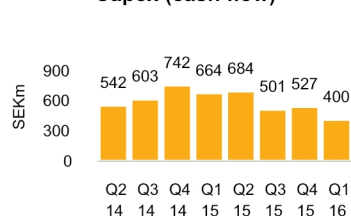
Cash flow

Cash flow from operating activities (excluding ICA Bank) improved to slightly more than SEK 500 million compared with the same period in 2015. A large share of the difference is explained by a negative one-time effect of SEK 385 million that arose in connection with the acquisition of Apotek Hjärtat during the first quarter of 2015. Apart from this effect, the improved cash flow is mainly attributable to the higher earnings. The large change in cash flow before financing activities compared with 2015 is mainly attributable to the acquisition of Apotek Hjärtat.

Consolidated cash flow statement, excluding ICA Bank

SEKmn	First quarter		12 months	Full year
	2016	2015	April 2015- March 2016	2015
Cash flow				
From operating activities before change in working capital	1,088	1,002	4,874	4,788
Change in working capital	-557	-977	178	-242
From operating activities	531	25	5,052	4,546
Investing activities, net	-46	-4,106	2,321	-1,739
Before financing activities	485	-4,081	7,373	2,807

Capex (cash flow)



Excluding approx. SEK 3.5 bn related to acquisitions in Q1 2015

Investments

The Group's investments amounted to SEK 400 million (664) during the quarter. Of this total, SEK 109 million (329) is attributable to the real estate company. The lower level of investments is mainly explained by the completion of the expansion of the warehouse in Längeberga. During the quarter, ICA Real Estate sold properties for SEK 256 million (0). Investments during the quarter consisted mainly of new stores and the start-up of a warehouse expansion in Riga, IT investments, and new pharmacies in Sweden.

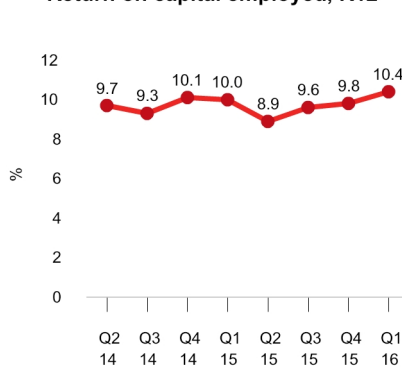
Financial position

Consolidated net debt (excluding ICA Bank and pension liabilities) amounted to SEK 10,987 million (13,596) at the end of the quarter. The lower level of net debt is attributable to completed divestments, ICA Norway, sales of real estate, and a positive earnings development. At 31 March, net debt in relation to EBITDA (rolling 12 months) was 1.7 (2.3), which is in line with the Group's long-term target of <2.0.

Net debt and Net debt/EBITDA



Return on capital employed, R12



Important events during the quarter

- On 20 January 2016, all C shares in ICA Gruppen were converted to ordinary shares.
- ICA Gruppen became the owner of all the shares in Hemtex on 8 March.

Important events after the end of the quarter

- On 20 April the Annual General Meeting resolved in favour of a dividend of SEK 10.00 per share, entailing a total dividend SEK 2,011 million (1,130).

ICA Sweden

ICA Sweden conducts grocery retail business in cooperation with independent ICA retailers. The retailers own and manage their own stores, but have agreements with ICA Sweden in areas such as purchasing, logistics, market communication and store development. ICA Sweden also includes ICA Special, which conducts sales of non-food items at Maxi ICA (Hypermarket)

Net sales and earnings

First quarter 2016

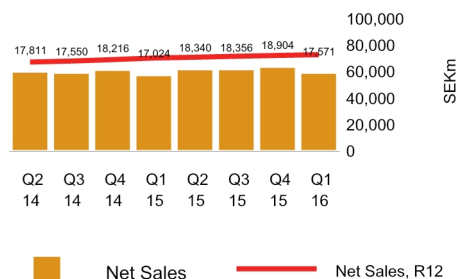
ICA Sweden's net sales increased by 3.2% compared with the same period a year ago. The sales increase was driven mainly by higher sales volume for the wholesale operation. The sales growth was driven by the Fruit & Vegetables, Fresh Foods, Dry Groceries and Non-food categories, as well as by organic products and private label products.

Operating profit excluding non-recurring items increased by 10.8% to SEK 769 million (694), driven primarily by earnings in the wholesale operations, which was tempered by higher logistics costs. A higher profit distribution from retailer-owned stores had a positive effect of SEK 16 million. Calendar effects, including the leap year day in February and Easter falling in April, are estimated to have resulted in a positive earnings contribution of approximately SEK 15 million compared with the corresponding period a year ago. It can also be noted that the quarter included a gain of SEK 27 million related to sales of Group-owned stores to independent retailers. In addition, store costs during the first quarter of 2015 included non-recurring structural costs of approximately SEK 20 million for the re-establishment of a store. The operating margin rose overall by 4.4% (4.1%).

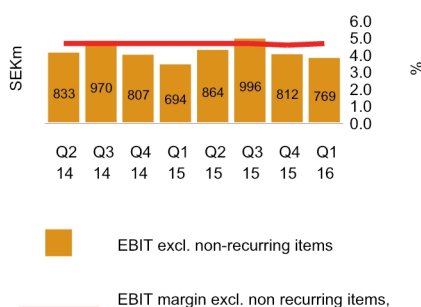
Other

At the end of the period, 178 ICA stores were active with online sales. During the start of the year, focus has been on improving the performance of the online platform.

Net Sales



EBIT and EBIT margin



ICA Sweden

	First quarter		12 months	Full Year
	2016	2015	April 2015-March 2016	2016
Net sales, SEKm	17,571	17,024	73,171	72,624
Operating profit before depreciation/amortisation (EBITDA), SEKm	880	787	3,877	3,784
Operating profit excl. non-recurring items, SEKm	769	694	3,441	3,366
Operating margin excl. non-recurring items, %	4.4	4.1	4.7	4.6
Investments, SEKm	117	196	701	780
Depreciation/amortisation, SEKm	111	93	436	418
Number of employees	7,608	7,956	-	8,242
Private label share of store sales, %	24.5	23.8	-	23.3

The market and ICA store sales

The Swedish grocery retail market grew by 5.3% during the first quarter. The price effect during the quarter was 2.1% (1.8%), which is slightly lower than during the final quarter of 2015, when it was 2.6%.

Sales (excluding VAT) in the Swedish ICA stores increased by 5.1% during the quarter and by 4.7% on a like-for-like basis. The sales growth can be credited to a higher average spend as well as a larger number of customers.

Product categories that performed strongly during the quarter included Seafood, Confectionery and Flowers as well as several non-food categories, such as Toys, Media and Kitchen. Continued growth was noted for organic products. ICA's campaigns during the first quarter focused on price value under the "It pays" (Det lönar sig) concept. Focus was also on organic and health-oriented products under the "Come along & feel good" (Var med & må bra) concept.

Private label products as a share of accumulated sales amounted to 24.5% (23.8).

Given the total market development, the market share for ICA stores was in principal unchanged in the first quarter. Adjusted for price and calendar effects, volume growth was 1.5% for the quarter and 1.1% on a like-for-like basis.

Emphasis in 2016 is on developing and strengthening ICA's offerings in the areas of Health (Hälsa), Organic (Ekologiskt), Local (Lokalproducerade färskvaror) and Price & Promotion (Prisvärdhet) in the four market concepts "Come along & feel good", "Choose organic", "From here" and "It pays". Focus will also be on developing the private label product range and further improving precision in customer-specific offers via the loyalty programme.

The number of new store establishments is expected to increase in 2016, especially during the second half of the year. In all, 15 to 20 new stores are planned to be established in 2016 in accordance with the current long-term plan. No new stores opened during the first quarter.

ICA store sales, incl. retailer-owned stores

Store sales in Sweden

Store sales excl. VAT	First quarter 2016		
	SEKm	Change all stores, %	Change like-for-like, %
Maxi ICA Stormarknad	8,026	6.7	5.3
ICA Kvantum	6,464	5.2	4.9
ICA Supermarket	8,027	3.7	3.8
ICA Nära	3,879	4.3	4.9
Total	26,396	5.1	4.7

Number of stores in Sweden

Format	December 2015	New	Converted	Closed	March 2016
Maxi ICA Stormarknad	81	0	0	0	81
ICA Kvantum	123	0	0	0	123
ICA Supermarket	431	0	0	0	431
ICA Nära	671	0	0	-6	665
Total	1,306	0	0	-6	1,300

Rimi Baltic

Rimi Baltic conducts grocery retail business via 256 wholly owned stores in Estonia, Latvia and Lithuania. Rimi Baltic includes the store formats Rimi Hypermarket, Rimi Supermarket, and the discount chains Säästumarket and Supernetto. Rimi Baltic also includes the properties owned by the Group in the Baltic countries.

Net sales and earnings

First quarter 2016

The total market for three Baltic countries grew by 5.7% in the first quarter, with a price increase rate of roughly 0.6% for the same period. Rate of inflation was somewhat higher at the end of the quarter.

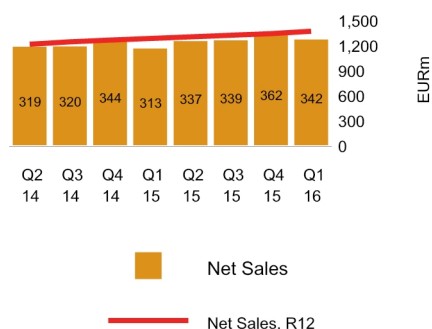
Rimi Baltic's net sales increased by 8.9% during the quarter; in local currency sales increased by 9.6%. The increase was driven above all by volume and the addition of new stores. On a like-for-like basis, sales grew by 3.8%. During the quarter Rimi Baltic opened three new stores, and compared with the same period in 2015 the number of stores increased by 12. Taken overall, Rimi Baltic has steadily increased its market share in the region.

Gross profit improved, and operating profit before non-recurring items rose 22% to SEK 95 million (78). The earnings improvement is attributable to both price and volume. More effective campaigns, improved purchasing prices and higher store productivity are the main factors underlying the earnings growth. This development was countered to some degree by higher store costs, mainly owing to new stores and higher personnel costs. The operating margin widened to 3.0% (2.7%).

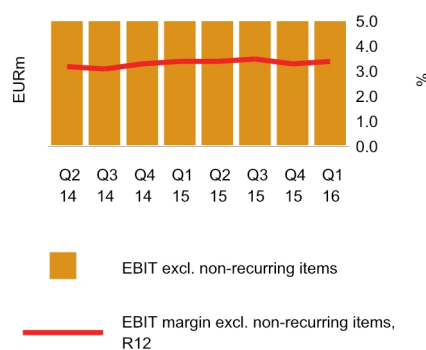
Other

During the quarter, a capital gain of SEK 4 m (-) on the sale of a property was recognised as a non-recurring item.

Net Sales



EBIT and EBIT margin



Rimi Baltic

	First quarter		12 months	Full year
	2016	2015	April 2015-March 2016	2015
Net sales, SEKm	3,194	2,932	12,894	12,632
Operating profit before depreciation/ amortisation (EBITDA), SEKm	173	150	830	807
Operating profit excl. non-recurring items, SEKm	95	78	432	415
Operating margin excl. non-recurring items, %	3.0	2.7	3.4	3.3
Investments, SEKm	94	73	405	384
Depreciation/amortisation, SEKm	74	72	292	290
Number of employees	9,547	9,076	-	9,562
Private label share of sales, %	23.4	21.8	-	21.3
EUR/SEK exchange rate, average	9.3274	9.3796	9.3405	9.3528

Store sales in the Baltic countries

Store sales excl. VAT	First quarter 2016		
	EURm	Change all stores	Change like-for-like, %
Estonia	91	6.1	3.9
Latvia	173	7.8	2.8
Lithuania	76	18.3	6.1
Total	340	9.5	3.8

Number of stores in Baltic countries

Country	December 2015	New	Closed	March 2016
Estonia	87	1	-1	87
Latvia	117	1	0	118
Lithuania	52	1	-2	51
Total	256	3	-3	256

Apotek Hjärtat

Apotek Hjärtat has been part of ICA Gruppen since the start of 2015. With 395 pharmacies in Sweden, Apotek Hjärtat is the second-largest player in the Swedish pharmacy market.

Net sales and earnings

First quarter 2016

The total pharmacy market in Sweden grew by 5.2% during the quarter compared with the same period in 2015. Retail items showed the highest growth, at 9.3%. Apotek Hjärtat's growth was 6.1% for the first quarter compared with a year ago, and like-for-like sales increased by 3.7%.

Net sales for the quarter amounted to SEK 3,088 million (2,783); the increase was driven primarily by new pharmacies. Operating profit excluding non-recurring items was SEK 80 million (25). Operating profit for the corresponding period a year ago included acquisition and integration costs totalling SEK 53 million. The underlying operating profit is thus at the same level as in 2015. Higher sales volume and realised synergies were countered by higher pharmacy costs, mainly owing to more pharmacies. The operating margin was 2.6% (0.9%).

Apotek Hjärtat is consolidated in the Group as from 15 January 2015, and net sales during the period 1 January-15 January 2015 totalled approximately SEK 353 million. Adjusted for this and for the divestment of the Vård & Omsorg (Care & Nursing) segment, like-for-like sales growth was 5.6%. The adjustment had only a marginal impact on the earnings comparison.

Focus in 2016 will be on growing like-for-like sales, continued evaluation of recently opened Minute Clinics, measures taken together with ICA Sweden to strengthen the position in health, the launch of new, co-branded products, increased online activity, and the launch of the new, joint loyalty programme.

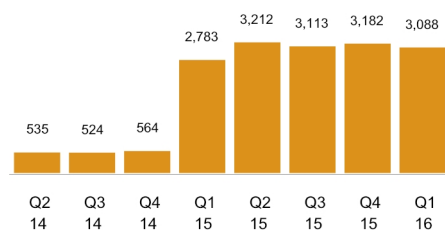
Apotek Hjärtat

	First quarter		12 months	Full year
	2016	2015	April 2015- March 2016	2015
Net sales, SEKm	3,088	2,783	12,595	12,290
Of which prescription drugs	2,294	2,022	9,465	9,193
Of which OTC drugs	353	340	1,358	1,345
Of which other products and services	441	421	1,772	1,752
Operating profit before depreciation/ amortisation (EBITDA), SEKm	112	61	405	354
Operating profit excl. non-recurring items, SEKm	80	25	264	209
Operating margin excl. non-recurring items, %	2.6	0.9	2.1	1.7
Investments, SEKm	45	12	128	95
Depreciation/amortisation, SEKm	32	36	151	155
Number of employees	3,144	2,837	-	3,113
Private label share of other products, %	17.0	14.8	-	14.2

Number of pharmacies

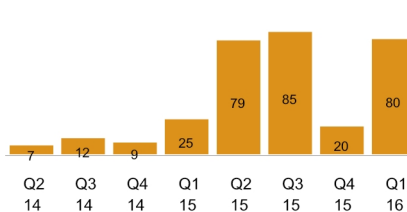
	December 2015	New	Closed	March 2016
Apotek Hjärtat	390	6	-1	395

Net sales



Nettoomsättning (2014 endast Cura)

Operating profit



Rörelseresultatet exkl. engångsposter
(2014 endast Cura)

ICA Real Estate

ICA Real Estate's mission is to satisfy the Group's future needs for premises in the right marketplaces in Sweden. The real estate company is an active buyer and seller of properties and both develops shopping centres from scratch and buys strategic properties with existing ICA stores.

Net sales and earnings

First quarter 2016

Net sales increased slightly during the quarter, to SEK 589 million (582). Rental income from owned properties fell as a consequence of completed property sales, but was largely compensated by higher rental income from the Långeberga warehouse outside of Helsingborg.

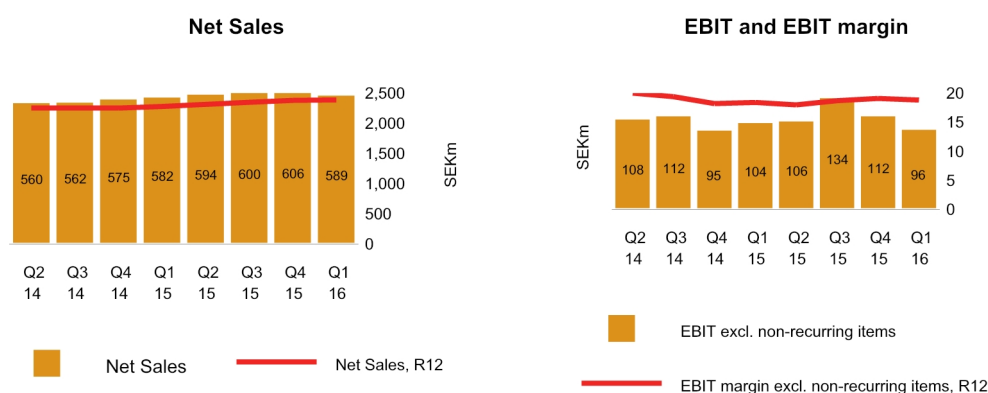
Operating profit excluding non-recurring items was lower than a year ago, SEK 96 million (104). This result was attributable to property sales and to slightly higher operating costs during the quarter, which was partly compensated by lower depreciation.

Investments were lower than in the corresponding period in 2015, which is mainly explained by the completion of the Långeberga warehouse expansion.

Other

Capital gains of SEK 38 million (-) on sales of Norwegian properties and impairment of property values, mainly in Norway, in the amount of SEK -25 million (-) are reported as non-recurring items.

Sales of individual properties in Norway continued during the quarter, and the sales process for the remaining properties has been started. These are thus recognised as assets held for sale as of 31 March 2016 and are at the same time no longer depreciated. The book value is SEK 1.6 million, and during the first quarter, depreciation of these assets amounted to SEK 15 million.



ICA Real Estate

	First quarter		12 months	Full year
	2016	2015	April 2015-March 2016	2015
Net sales, SEKm	589	582	2,389	2,382
Of which, rental income from owned properties, SEKm	277	285	1,179	1,187
Operating profit before depreciation/ amortisation (EBITDA), SEKm	259	234	1,170	1,145
Operating profit excl. non-recurring items, SEKm	96	104	448	456
Operating margin excl. non-recurring items, %	16.3	17.9	18.8	19.1
Investments, SEKm	109	329	704	924
Divestments, SEKm	256	0	1,434	1,178
Depreciation/amortisation, SEKm	125	130	519	524
Yield, %	7.0	6.8	-	7.4
Occupancy rate, %	98.4	98.1	-	98.3
Number of owned properties	173	189	-	175
Number of owned square metres, 000 sq. m.	746	800	-	768
Number of employees	85	82	-	86

ICA Bank

ICA Bank offers a full range of financial services and insurance in Sweden. The goal is to increase customer loyalty to ICA and to reduce transaction costs for ICA stores and ICA Gruppen.

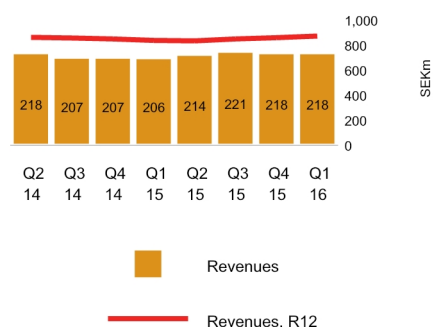
Revenue and earnings

First quarter 2016

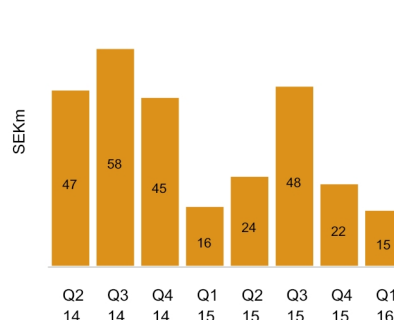
ICA Bank's revenue grew 6% during the quarter, owing to the insurance operations that were started during the autumn of 2015. However, the bank's underlying level of revenue was slightly lower, mainly owing to lower card revenues. Net interest income was at the same level as in 2015. The negative impact of the low repo rate was countered by changed pricing of customer loans, among other things. Total business volume developed favourably, especially with respect to home mortgages and deposits.

Operating profit excluding non-recurring items was level with the same period a year ago. Added to this, lower costs compensated for lower net commissions as well as for costs related to the insurance operations, which were SEK 9 million higher than a year ago.

Revenues



EBIT excl. non-recurring items



ICA Bank

	First quarter		12 months	Full year
	2016	2015	April 2015- March 2016	2015
Revenues, SEKm	218	206	871	859
Of which, net interest income, SEKm	100	98	397	395
Operating profit before depreciation/ amortisation (EBITDA), SEKm	22	23	405	406
Operating profit excl. non-recurring items, SEKm	15	16	109	110
C/I ratio, %	88.5	88.4	-	84.0
Return on equity, %	18.5	9.0	-	19.3
Loan loss ratio, %	-0.5	-0.4	-	1.9
Common Equity Tier I ratio, % (ICA Banken AB)	18.1	16.3	-	18.0
Business volume, SEKm	29,182	26,679	-	28,859
Number of employees	351	330	-	338

Other segments

Hemtex is a home textile retail chain with stores in Sweden, Finland and Estonia. With a total of 161 stores, Hemtex is the Nordic region's leading home textile chain. inkClub conducts online sales of a range of consumables to customers in 10 European countries.

Net sales and earnings

First quarter 2016 - Hemtex

Hemtex's sales remained at the same level as a year ago, with a positive price effect and equally large negative volume effect. A slightly higher gross profit was countered by higher store costs, resulting in an operating profit that was level with the same period a year ago.

A strategic overview is currently being carried out in the aim of achieving long-term sustainable profitability.

First quarter 2016 - inkClub

Sales were SEK 16 million lower than a year ago, of which SEK 3 million is attributable to the divestment of Beauty Planet. Despite this, operating profit grew sharply as a result of lower operating costs.

In March 2016 ICA Gruppen announced that it would be reconsidering its ownership in inkClub. The company is therefore recognised as an asset held for sale as of 31 March 2016.

Other segments

	First quarter		12 months	Full year
	2016	2015	April 2015- March 2016	2015
Net sales, SEKm	354	521	1,633	1,800
Operating profit/loss after depreciation/ amortisation (EBITDA), SEKm	-6	-30	22	-2
Operating profit/loss excl. non-recurring items, SEKm	-16	-43	-5	-32
Operating margin excl. non-recurring items, %	-4.5	-8.3	-0.3	-1.8
Investments, SEKm	5	17	21	33
Depreciation/amortisation, SEKm	10	11	40	41
Number of employees	645	952	-	725

Other segments	First quarter		12 months	Full year
	2016	2015	April 2015- March 2016	2015
Net sales, SEKm				
Hemtex	227	224	1,111	1,108
inkClub	127	143	487	503
Other companies	0	154	35	189
Total	354	521	1,633	1,800

Other segment	First quarter		12 months	Full year
	2016	2015	April 2015- March 2016	2015
Operating profit excl. non-recurring items, SEKm				
Hemtex	-27	-28	-22	-23
inkClub	11	1	24	14
Other companies	0	-16	-7	-23
Total	-16	-43	-5	-32

Store sales

	First quarter 2016		
		Change all stores, %	Change like-for-like, %
Store sales excl. VAT, SEKm			
Hemtex	235	2.5	0.5

Number of stores, incl. franchise stores

	December 2015	New	Closed	March 2016
Hemtex	162	0	-1	161

Other, Group

Seasonal variations

Grocery retail sales are affected by national holidays and when these occur. Christmas and Easter in particular are key holidays. For a large part of the retail sector the fourth quarter is seasonally the strongest quarter of the year.

Risks and uncertainties

ICA Gruppen works at the Group level to systematically identify and manage the risks associated with its operations. The risk management process is an integrated part of the strategy and planning work of each unit. Risks are consolidated, and risk management is reported to and monitored by ICA Gruppen's Executive Management and Board of Directors.

ICA Gruppen has significant exposure to the Swedish and Baltic grocery retail sector, and to the Swedish pharmacy market. Economic downturns and political decisions are factors that could have a negative impact on the Group's sales and earnings. ICA Gruppen's finance policy stipulates how financial risks are to be managed and mitigated. The policy also provides a framework for the Group's treasury management. More information about risk management is provided on pages 54-57 of ICA Gruppen's 2015 Annual Report.

Related party transactions

No significant transactions took place between ICA Gruppen and related parties during the first quarter.

Share information

ICA Gruppen's share capital amounts to SEK 502,866,988, distributed among 201,146,795 shares, each with a share quota value of SEK 2.50. All shares have the same voting rights and carry equal dividend entitlement.

Ownership structure – Largest identified shareholders in ICA Gruppen as per 31 March 2016		
	Number of shares	Share of capital and votes, %
ICA-handlarnas förbund	103 163 599	51,3%
Industrivärden	20 625 000	10,3%
SEB	2 773 142	1,4%
L Jönsson	1 279 601	0,6%
Skandia liv	967 327	0,5%
Pensionskassan SHB försäkringsförening	900 000	0,4%
Folksam	699 620	0,3%
C-G Sylvén	657 889	0,3%
U Davidson	630 000	0,3%
Spiltan fonder	527 509	0,3%
Ten largest shareholders total:	132 223 687	65,7%
Other shareholders	68 923 108	34,3%
Total	201 146 795	100,0%

Source: Euroclear Sweden AB. (The table includes sums of holdings per owner)

Parent Company

As per 1 February 2016 ICA Gruppen AB acquired assets and liabilities from the subsidiary ICA Finans AB as a step in combining ICA Gruppen's entire treasury function within the Group's parent company. All assets and liabilities were acquired at fair market value.

Previously, the Parent Company's revenues from Group companies were recognised as reduced costs. Now, these revenues and expenses are recognised gross. Figures for previous years have been adjusted accordingly. The Parent Company's net sales amounted to SEK 212 million (214) during the first quarter. Profit before tax amounted to SEK 240 million (-185). The acquisition of assets and liabilities from ICA Finans AB has increased total assets by approximately SEK 23 billion and improved net financial items. During the quarter, a dividend of SEK 300 million was received from ICA Bank.

Financial statements

Consolidated statement of comprehensive income

SEKm	Note	First quarter		12 months	Full year
		2016	2015	Apr 2015- mar 2016	2015
Net sales		24,761	23,673	102,309	101,221
Cost of goods sold		-21,521	-20,472	-88,553	-87,504
Gross profit		3,240	3,201	13,756	13,717
Other operating income		136	81	959	904
Selling expenses		-1,671	-1,724	-6,913	-6,966
Administrative expenses		-709	-732	-2,786	-2,809
Other operating expenses		-25	-53	-239	-267
Share of profits of associates and joint ventures	2	5	4	16	15
Operating profit	3	976	777	4,793	4,594
Financial income		11	9	44	42
Financial expenses		-100	-100	-411	-411
Profit before tax		887	686	4,426	4,225
Tax		-152	-157	-499	-504
Profit for the period from continuing operations		735	529	3,927	3,721
Profit/loss from discontinued operations		0	10	1,182	1,192
Profit for the period		735	539	5,109	4,913
Other comprehensive income, items that may not be reclassified to profit or loss					
Remeasurement defined benefit pensions		0	-361	588	227
Other comprehensive income, items that may be reclassified to profit or loss, net after tax					
Change in translation reserve		37	-22	-107	-166
Change in hedging reserve		-24	-88	-25	-89
Share of other comprehensive income of joint ventures		-9	-8	11	12
Total items that may be reclassified to profit or loss		4	-118	-121	-243
Comprehensive income for the period		739	60	5,576	4,897
Profit for the period attributable to					
Owners of the parent		734	515	5,074	4,855
Non-controlling interests		1	24	35	58
Comprehensive income for the period attributable to					
Owners of the parent		743	40	5,541	4,838
Non-controlling interests		-4	20	35	59
Earnings per share before and after dilution, SEK 1					
Ordinary share		3.65	2.56	25.23	24.14
Ordinary share, continuing operations		3.65	2.51	19.35	18.21
Ordinary share, discontinued operations		0.00	0.05	5.88	5.93

¹ Earnings per share have been decreased by an amount corresponding to the dividend to preference shareholders in ICA Fastigheter Sweden AB. The effect is SEK 0.19 per share per quarter through the second quarter of 2015.

Condensed consolidated statement of financial position

	Note	31 March 2016	31 March 2015	31 December 2015
ASSETS				
Non-current assets				
Goodwill		16,301	16,363	16,301
Trademarks		13,325	13,592	13,630
Other intangible assets		937	926	978
Interests in joint ventures and associates	2	751	752	758
Deferred tax assets		460	275	456
Lending and investments in ICA Bank		8,011	7,081	6,962
Land, buildings and investment properties		12,949	16,056	14,546
Other non-current assets		2,117	1,892	2,200
Total non-current assets		54,851	56,937	55,831
Current assets				
Inventories		4,462	4,387	4,452
Lending and investments in ICA Bank		2,514	3,025	2,918
Other current assets		6,249	6,269	6,766
Cash and cash equivalents in ICA Bank		3,428	2,689	3,875
Cash and cash equivalents		366	349	736
Total current assets		17,019	16,719	18,747
Assets held for sale	4	2,075	3,537	338
TOTAL ASSETS		73,945	77,193	74,916
EQUITY AND LIABILITIES				
Equity				
		28,806	27,934	28,075
Non-current liabilities				
Provisions		2,190	2,854	2,159
Deferred tax liabilities		4,637	4,844	4,919
Non-current interest-bearing liabilities		7,700	9,765	7,721
Other non-current liabilities		173	206	146
Total non-current liabilities		14,700	17,669	14,945
Current liabilities				
Deposits ICA Bank		12,048	11,049	11,966
Current interest-bearing liabilities		3,653	4,331	4,712
Other current liabilities		14,420	14,279	15,199
Total current liabilities		30,121	29,659	31,877
Liabilities held for sale	4	318	1,931	19
TOTAL EQUITY AND LIABILITIES		73,945	77,193	74,916
Pledged assets				
		1,263	2,544	1,298
Contingent liabilities				
		95	216	100

Condensed consolidated statement of cash flows

SEKm	Note	First quarter		12 months	Full year
		2016	2015	Apr 2015- mar 2016	2015
Operating profit		976	787	5,939	5,750
Depreciation, amortisation and impairment		408	369	1,636	1,597
Other non-cash items		-78	52	-1,799	-1,669
Income tax paid		-204	-227	-806	-829
Cash flow from operating activities before change in working capital		1,102	981	4,970	4,849
Change in working capital:					
Inventories		-73	-50	-180	-157
Current receivables		414	-501	-135	-1,050
Current liabilities		-485	-255	811	1,041
ICA Bank's net of deposits, lending and investments		-560	141	461	1,162
Cash flow from operating activities		398	316	5,927	5,845
Acquisitions of property, plant and equipment and intangible assets		-400	-664	-2,112	-2,376
Sales of property, plant and equipment and intangible assets		266	31	1,842	1,607
Acquisition of Apotek Hjärtat		0	-3,499	0	-3,499
Sales of subsidiaries		64	6	2,714	2,656
Investments in joint ventures		0	0	-138	-138
Change in financial assets		0	9	-6	3
Interest received		10	9	41	40
Cash flow from investing activities		-60	-4,108	2,341	-1,707
Sale of treasury shares		0	0	43	43
Acquisition of shares in Hemtext AB		0	0	-219	-219
Dividend paid		0	-37	-1,206	-1,243
Redemption of preference shares		0	0	-3,300	-3,300
Change in loans		-1,053	865	-2,698	-780
Interest paid		-51	-82	-337	-368
Cash flow from financing activities		-1,104	746	-7,717	-5,867
Cash flow for the period	5	-766	-3,046	551	-1,729
Cash and cash equivalents at start of period		4,611	6,258	3,189	6,258
Exchange differences in cash and cash equivalents		-51	-23	54	82
Cash and cash equivalents at end of period	5	3,794	3,189	3,794	4,611
Cash and cash equivalents are recognised on the following lines					
Cash and cash equivalents		3,794	3,038	3,794	4,611
Assets held for sale		0	151	0	0
		3,794	3,189	3,794	4,611

Disclosure on cash flow from discontinued operations

ICA Norway's operating profit amounted to SEK 0 million (11) for the first quarter. ICA Norway's cash flow is included in cash flow from operating activities in the amount of SEK 0 million (95) for the first quarter, in cash flow from investing activities in the amount of SEK 0 million (-18) for the first quarter, and in cash flow from financing activities in the amount of SEK 0 (-1) for the first quarter.

Condensed consolidated statement of changes in equity

SEKm	Note	Attributable to owners of the parent	Attributable to non-controlling interests	Total
Opening equity, 1 January 2016		28,041	34	28,075
Change in non-controlling interests			-8	-8
Comprehensive income for the period		743	-4	739
Closing equity, 31 March 2016		28,784	22	28,806

SEKm	Note	Attributable to owners of the parent	Attributable to non-controlling interests	Total
Opening equity, 1 January 2015		24,706	3,205	27,911
Dividend		0	-37	-37
Comprehensive income for the period		40	20	60
Closing equity, 31 March 2015		24,746	3,188	27,934

Supplementary disclosures – Group

NOTE 1, ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting principles and calculation methods are the same as those applied in the 2015 Annual Report. For 2016 only a few amendments have been published by IASB and IFRIC. These amendments have not had any material impact on ICA Gruppen's financial statements.

New standards from IASB with relevance for ICA Gruppen that have not been endorsed by the EU

IFRS 15 *Revenues from Contracts with Customers* was published in May 2014 with a decision in 2015 to push back its effective date to financial years that begin on 1 January 2018 or later. In April 2016 IASB published clarifications of certain parts of IFRS 15. IFRS 15 is expected to be endorsed by the EU during the second half of 2016. Within ICA Gruppen an analysis is being conducted of the effects that implementation will have on the financial statements. This analysis is expected to be completed in 2016. The main source of revenue for ICA Gruppen consists of sales of goods in which ICA Gruppen's performance undertaking is usually clear in its character. However, certain contracts exist in which ICA Gruppen's role needs to be analysed in relation to the rules of IFRS 15 in order to be able to determine the effect of implementation.

IFRS 9 *Financial Instruments* was published in July 2014. The standard will replace IAS 39 *Financial Instruments: Recognition and Measurement*. It contains rules for classification and measurement of financial assets and liabilities, impairment of financial instruments, and hedge accounting. It takes effect for financial years that begin on 1 January 2018 or later. ICA Gruppen is working on assessing the effects of IFRS 9, particularly with respect to the measurement of loan losses. IFRS 9 is expected to be endorsed by the EU during the second half of 2016.

IFRS 16 *Leasing* was published in January 2016. Provided that the EU endorses the standard, IFRS 16 will come into force in 2019. IFRS 16 addresses lessees' reporting of their leases. Lessors are to continue reporting leases in the manner prescribed by the current IAS 17 *Leases*. IFRS 16 requires lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The asset is expensed over the term of the lease. Lease payments are split into an interest component and amortisation of the debt. ICA Gruppen has a large number of lease contracts. In terms of value, the most significant lease contracts pertain to properties that ICA Gruppen leases in and in many cases leases out to non-consolidated ICA retailers. ICA Gruppen began working on implementation of IFRS 16 in 2016. This work involves an analysis of the standard and its effect on ICA Gruppen's financial statements. At present it is not possible to quantify the effects of implementation of IFRS 16, however, implementation will have a significant effect on ICA Gruppen's financial statements.

Important assumptions and assessments

Preparation of the financial statements in accordance with IFRS requires management to make assessments, estimates and assumptions that affect application of the accounting principles and the amounts reported in the income statement and carried on the balance sheet. Estimates and assumptions are based on historical experience and a number of factors that are considered reasonable based on the circumstances. The results of these estimates and assumptions are used to assess the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates and assessments.

NOTE 2, INTERESTS IN JOINT VENTURES AND ASSOCIATES

SEKm	Book value 31 March		Share of profit Jan.- Mar.	
	2016	2015	2016	2015
Trade Press AS	—	13	—	0
Ancore Fastigheter AB	661	737	3	4
Secore Fastigheter AB	87	—	2	—
Fastighetsaktiebolaget Postgården AB	3	—	—	—
Other	0	2	0	0
Total	751	752	5	4

Information regarding Ancore Fastigheter AB

Ancore Fastigheter AB is joint arrangement between the pension insurance company Alecta and ICA Gruppen. The parties each own 50% of the company. All significant decisions about the operations of Ancore must be made as a joint understanding between the two owners. Ancore Fastigheter AB owns and manages 30 properties in Sweden that house ICA stores in which operations are conducted by non-consolidated ICA retailers. Based on this arrangement, Ancore Fastigheter AB constitutes a joint venture. Consolidation is done according to the equity method.

SEKm	First quarter		Full year
	2016	2015	2015
Income	98	96	391
Expenses	-44	-40	-164
Operating profit	54	56	227
Net financial items	-43	-43	-178
Tax	-4	-5	-21
Profit for the period	7	8	28
Other comprehensive income	-19	-7	25
Comprehensive income for the period	-12	1	53
Non-current assets	4,746	4,811	4,772
Current assets	100	139	85
Total assets	4,846	4,950	4,857
Equity	-71	-119	-59
Shareholder loan	1,326	1,526	1,326
Non-current liabilities	3,488	3,135	3,275
Current liabilities	103	408	315
Total equity and liabilities	4,846	4,950	4,857

Information regarding Secore Fastigheter AB

Secore Fastigheter AB is a joint arrangement between Första AP-fonden and ICA Gruppen that was started in December 2015 through Secore's acquisition of 13 store properties from ICA Gruppen. The company's purpose is to acquire and own ICA stores in strategic locations. The stores are operated by non-consolidated ICA retailers. The parties each own 50% of the company. All significant decisions about the operations of Secore must be made as a joint understanding between the two owners. Based on all relevant data in the joint arrangement, Secore Fastigheter AB is classified as a joint venture. Consolidation is done according to the equity method.

SEKm	First quarter		Full year
	2016	2015	2015
Income	19	—	6
Expenses	-11	—	-3
Operating profit	8	—	3
Net financial items	-7	—	-2
Tax	-1	—	-1
Profit for the period	—	—	—
Other comprehensive income	—	—	—
Comprehensive income for the period	—	—	—
Non-current assets	1,108	—	1,113
Current assets	44	—	50
Total assets	1,152	—	1,163
Equity	58	—	58
Shareholder loan	410	—	410
Non-current liabilities	655	—	654
Current liabilities	29	—	41
Total equity and liabilities	1,152	—	1,163

NOTE 3, NON-RECURRING ITEMS

SEKm	First quarter		Full year
	2016	2015	2015
Operating profit excl. non-recurring items	959	775	4,138
Capital gains on sale of non-current assets			
Other segments, Forma	—	—	-7
Other segments, inkClub	—	2	2
Other segments, Cervera	—	—	-8
ICA Real Estate	38	—	165
Rimi Baltic	4	—	102
Apotek Hjärtat	—	—	-10
ICA Bank	—	—	267
Others	—	—	3
Impairment			
ICA Real Estate	-25	—	-49
Rimi Baltic	—	—	-9
Operating profit	976	777	4,594

NOTE 4, ASSETS AND LIABILITIES HELD FOR SALE

As per 31 March 2016, all properties in Norway, one property in Sweden, three properties in the Baltic countries, and the company inkClub are recognised as assets held for sale. Liabilities held for sale pertain to the Norwegian properties and inkClub.

As per 31 March 2015, the operations in ICA Norway and Cervera, and one property in Sweden, were recognised as assets held for sale. Liabilities held for sale consisted of liabilities belonging to the operations of ICA Norway and Cervera.

As per 31 December 2015, 13 properties in Sweden, Norway and the Baltic countries were recognised as assets held for sale. Liabilities held for sale consisted of a provision for a property in Norway.

NOTE 5, CONSOLIDATED CASH FLOW STATEMENT

SEKm	Group 2016	ICA Bank 2016	Group excl. Bank
Cash flow from operating activities before change in working capital	1,102	14	1,088
Change in working capital			
Inventories	-73	0	-73
Current receivables	414	262	152
Current liabilities	-485	151	-636
ICA Bank's net of deposits, lending and investments	-560	-560	0
Cash flow from operating activities	398	-133	531
Cash flow from investing activities	-60	-14	-46
Cash flow from financing activities	-1,104	-300	-804
Cash flow for the period	-766	-447	-319
Cash and cash equivalents at the beginning of the period	4,611	3,875	736
Exchange differences in cash and cash equivalents	-51	0	-51
Cash and cash equivalents at the end of the period	3,794	3,428	366

NOTE 6, FINANCIAL INSTRUMENTS

As per 31 March 2016, financial assets measured at fair value in ICA Gruppen amounted to SEK 3,061 million (2,718). Financial liabilities measured at fair value amounted to SEK 333 million (453) as per 31 March 2016. In the fair value hierarchy, SEK 2,310 million (0) of financial assets are attributable to Level 1 and SEK 751 million (2,718) are attributable to Level 2. The carrying amount corresponds to fair value for all assets and liabilities, except for bond issues, where the fair value exceeds the carrying amount by SEK 162 million (344).

Condensed Parent Company income statement

SEKm	First quarter		12 months	Full year
	2016	2015	Apr 2015- mar 2016	2015
Net sales 1)	212	214	862	864
Cost of services sold	-196	-203	-812	-819
Gross profit	16	11	50	45
Administrative expenses	-92	-113	-403	-424
Operating profit/loss	-76	-102	-353	-379
Profit/loss from participations in Group companies	300	-6	4,014	3,708
Financial income, Group companies	77	0	87	10
Financial income	6	0	6	0
Financial expenses, Group companies	-3	-21	-30	-48
Financial expenses	-64	-56	-235	-227
Profit/loss after financial items	240	-185	3,489	3,064
Appropriations	0	0	594	594
Profit before tax	240	-185	4,083	3,658
Tax	13	38	-15	10
Profit for the period	253	-147	4,068	3,668

1) Of net sales for the first quarter, SEK 198 million (203) pertain to Group companies.

Condensed Parent Company balance sheet

SEKm	31 March 2016	31 March 2015	31 December 2015
ASSETS			
Non-current assets			
Investments in Group companies	30,112	29,794	30,105
Other intangible assets	93	80	103
Deferred tax assets	223	217	223
Other non-current assets	156	127	108
Total non-current assets	30,584	30,218	30,539
Current assets			
Current receivables from Group companies	26,196	3,139	3,264
Other current assets	197	87	107
Cash and cash equivalents	46	—	—
Total current assets	26,439	3,226	3,371
TOTAL ASSETS	57,023	33,444	33,910
EQUITY AND LIABILITIES			
Equity	23,109	20,129	22,857
Provisions	350	321	351
Non-current liabilities			
Non-current interest-bearing liabilities	6,481	8,485	6,478
Liabilities to Group companies	—	3,000	—
Other non-current liabilities	174	—	—
Total non-current liabilities	6,655	11,485	6,478
Current liabilities			
Current interest-bearing liabilities	3,625	1,164	3,859
Current liabilities to Group companies	22,867	9	9
Other current liabilities	417	336	356
Total current liabilities	26,909	1,509	4,224
TOTAL EQUITY AND LIABILITIES	57,023	33,444	33,910

Quarterly overview

	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Net sales, SEKm	22,223	22,016	23,180	23,673	25,542	25,517	26,489	24,761
Operating profit before depreciation/amortisation (EBITDA), SEKm	1,752	1,616	1,423	1,146	1,448	1,708	1,889	1,384
Operating profit (EBIT) excl. non-recurring items, SEKm	985	1,172	1,081	775	1,018	1,321	1,024	959
Operating margin excl. non-recurring items, %	4.4	5.3	4.7	3.3	4.0	5.2	3.9	3.9
Operating profit (EBIT), SEKm	1,424	904	1,065	777	1,065	1,278	1,474	976
Operating margin, %	6.4	4.1	4.6	3.3	4.2	5.0	5.6	3.9
Profit before tax, SEKm	1,338	823	951	686	961	1,185	1,393	887
Profit from continuing operations, SEKm	1,145	676	807	529	786	979	1,427	735
Profit/loss from discontinued operations, SEKm	-151	-181	72	10	1,179	1	2	0
Profit for the period, SEKm	994	495	879	539	1,965	980	1,429	735
Earnings per share, continuing operations, SEK	5.40	3.19	3.74	2.51	3.77	4.83	7.10	3.65
Earnings per share, discontinued operations, SEK	-0.75	-0.90	0.36	0.05	5.86	0.00	0.02	0.00
Earnings per share, SEK	4.65	2.29	4.09	2.56	9.63	4.83	7.12	3.65
Equity per share, SEK	117.33	120.21	122.91	123.12	127.76	132.57	139.41	143.10
Return on equity, %	8.6	7.9	9.3	10.2	15.3	15.4	16.6	17.3
Return on capital employed, %	9.7	9.3	10.1	10.0	8.9	9.6	9.8	10.4
Cash flow from operating activities, continuing operations, SEKm	1,522	395	1,676	221	2,685	955	1,862	398
Cash flow from operating activities, SEKm	1,544	551	1,454	316	2,711	956	1,862	398
Cash flow per share from operating activities, continuing operations, SEKm	7.57	1.96	8.34	1.10	13.35	4.75	9.26	1.98
Cash flow per share from operating activities, SEKm	7.68	2.74	7.23	1.57	13.48	4.75	9.26	1.98
Investing activities, continuing operations (cash flow), SEKm	496	558	682	4,144	684	501	527	400
Investing activities (cash flow), SEKm	542	603	742	4,163	684	501	527	400
Net debt, SEKm	-9,084	-8,276	-7,058	-13,596	-10,845	-14,132	-11,697	-10,987
Net debt/EBITDA	1.7	1.5	1.2	2.3	1.9	2.5	1.9	1.7

Quarterly data by segment

Net sales by segment

SEKm	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
ICA Sweden	17,811	17,550	18,216	17,024	18,340	18,356	18,904	17,571
Rimi Baltic	2,888	2,952	3,195	2,932	3,136	3,196	3,368	3,194
Apotek Hjärtat	535	524	564	2,783	3,212	3,113	3,182	3,088
ICA Real Estate	560	562	575	582	594	600	606	589
ICA Bank	218	207	207	206	214	221	218	218
Other segments	587	579	833	521	393	380	506	354
Other	231	216	207	229	234	232	237	226
Intra-Group sales	-607	-574	-617	-604	-581	-581	-532	-479
Net sales	22,223	22,016	23,180	23,673	25,542	25,517	26,489	24,761

Operating profit before depreciation/amortisation by segment (EBITDA)

SEKm	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
ICA Sweden	914	1,056	909	787	961	1,102	934	880
Rimi Baltic	156	220	218	150	235	182	240	173
Apotek Hjärtat	17	24	14	61	114	125	54	112
ICA Real Estate	238	290	222	234	243	266	402	259
ICA Bank	55	66	52	23	31	55	297	22
Other segments	437	3	125	-30	-51	30	49	-6
Other	-65	-43	-117	-79	-85	-52	-87	-56
Operating profit before depreciation/amortisation (EBITDA)	1,752	1,616	1,423	1,146	1,448	1,708	1,889	1,384

Operating profit excluding non-recurring items by segment

SEKm	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
ICA Sweden	833	970	807	694	864	996	812	769
Rimi Baltic	86	93	145	78	99	110	128	95
Apotek Hjärtat	7	12	9	25	79	85	20	80
ICA Real Estate	108	112	95	104	106	134	112	96
ICA Bank	47	58	45	16	24	48	22	15
Other segments	-14	-13	116	-43	-46	18	39	-16
Other	-82	-60	-136	-99	-108	-70	-109	-80
Operating profit excluding non-recurring items	985	1,172	1,081	775	1,018	1,321	1,024	959

Depreciation/amortisation by segment

SEKm	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
ICA Sweden	83	87	104	93	97	106	122	111
Rimi Baltic	70	74	72	72	72	72	74	74
Apotek Hjärtat	10	12	5	36	35	39	45	32
ICA Real Estate	129	127	130	130	137	129	128	125
ICA Bank	8	8	7	7	7	7	8	7
Other segments	11	11	11	11	10	10	10	10
Other	17	17	19	20	21	19	22	24
Depreciation/amortisation	328	336	348	369	379	382	409	383

Key figures ICA Gruppen

SEKm	First quarter		12 months	Full year
	2016	2015	Apr 2015-mar 2016	2015
Operating profit before depreciation/amortisation (EBITDA), SEKm	1,384	1,146	6,429	6,191
Operating margin excl. non-recurring items, %	3.9	3.3	4.2	4.1
Operating margin, %	3.9	3.3	4.7	4.5
Net margin, %	3.0	2.3	5.0	4.9
Return on capital employed, %	10.4	10.0	10.4	9.8
Return on equity, %	17.3	10.2	17.3	16.6
Equity/assets ratio, %	39.0	36.2	39.0	37.5
Net debt, SEKm	-10,987	-13,596	-10,987	-11,697
Net debt/EBITDA	1.7	2.3	1.7	1.9
Share data				
Earnings per share, continuing operations, SEK	3.65	2.51	19.35	18.21
Earnings per share, discontinued operations, SEK	0.00	0.05	5.88	5.93
Earnings per share, SEK	3.65	2.56	25.23	24.14
Share price at the end of period, SEK	268.60	289.10	268.60	307.40
Dividend per ordinary share, SEK	-	-	-	10.00
Dividend, SEKm	-	-	-	2,011
Dividend payout ratio, %	-	-	-	41
Equity per share, SEK	143.10	123.12	143.10	139.41
Cash flow from operating activities per share, SEK	1.98	1.57	29.47	29.06
Number of ordinary shares	201,146,795	118,937,248	201,146,795	119,078,903
Number of C shares	0	82,067,892	0	82,067,892
Total number of shares at end of period	201,146,795	201,005,140	201,146,795	201,146,795
Average number of shares	201,146,795	201,005,140	201,132,862	201,097,895
Average number of shares after dilution	201,146,795	201,146,795	201,146,795	201,146,795

Definitions of key ratios

Business volume

Sum of lending, deposits, fund savings and home mortgages (including volume intermediated via collaborations).

Capital employed

Equity plus interest-bearing liabilities.

Cash flow from operating activities per share

Cash flow from operating activities for the period divided by the average number of shares outstanding.

C/I ratio (ICA Bank)

Total costs in relation to total income.

Common Equity Tier I ratio (ICA Bank)

The bank's capital base in relation to risk-weighted assets.

Earnings per C share

Same definition as for earnings per ordinary share, since ordinary shares and C shares carry entitlement to equal participation in profit and equity. C shares do not carry entitlement to a cash dividend as from 2016.

Earnings per ordinary share

Profit for the period, excluding non-controlling interests, divided by the average number of shares outstanding.

EBITDA

Operating profit before depreciation, amortisation and impairment (Earnings Before Interest, Taxes, Depreciation and Amortisation).

Equity/assets ratio

Equity including non-controlling interests in relation to total assets.

Equity per share

Equity, excluding non-controlling interests, divided by the total number of shares outstanding.

Gross profit

Net sales less cost of goods sold.

Investments

Investments paid during the period according to the statement of cash flows.

Loan loss ratio (ICA Bank)

Loan losses in relation to average lending.

Net debt

Interest-bearing liabilities excluding pensions, ICA Bank and cash and cash equivalents.

Net interest (ICA Bank)

The difference between the bank's interest income and interest expense.

Net margin

Profit for the period as a percentage of net sales.

Non-recurring items

Gain/loss on disposal of non-current assets, impairment of non-current assets as well as major structural changes.

Occupancy rate (ICA Real Estate)

Market rents for rented properties divided by total rental value (contracted annual rent + market rent for unrented premises).

Operating margin

Operating profit as a percentage of net sales.

Return on capital employed

Profit after financial income in relation to average capital employed. ICA Bank's operations are excluded from both the income statement and balance sheet when calculating return on capital employed.

Return on equity

Profit for the period in relation to average equity. ICA Bank's operations are excluded from both the income statement and balance sheet when calculating return on equity.

Yield (ICA Real Estate)

Operating net in relation to the average book value of properties.

Glossary

Hard discount

Distinctively low price store with limited product range.

Joint venture

A partnership project, a joint venture company.

MTN

A medium-term note (MTN) is a continuously offered debt note with a set maturity date.

Near Food

Items such as household products, pet food and over-the-counter drugs.

Non-food

Items that are not food, such as clothing and footwear.

Private label products

Own-brand products.

Stockholm, 4 May 2016
Per Strömberg
CEO ICA Gruppen

The information in this year-end report is such that ICA Gruppen is obligated to disclose pursuant to the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication at 07.00 CET on Wednesday, 4 May 2016. The report has not been reviewed by the company's auditors.

Contacts and calendar

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Press and analyst meeting

ICA Gruppen is arranging a press and analyst meeting at Tändstickspalatset, Stockholm, on Wednesday, 4 May 2016 at 10.00 CET. CEO Per Strömberg and CFO Sven Lindskog will present the year-end report. The meeting will be webcast and can be followed at www.icagruppen.se/investerare. There is also an opportunity to call in on tel. +46 8 566 426 93, or +44 203 008 9804.

Calendar

August 17, 2016	Interim report January-June 2016
November 9, 2016	Interim report January-September 2016
December 15, 2016	Capital Market Day
February 8, 2016	Year-end report 2016

ICA Gruppen AB (publ) is a leading retail company with a focus on food and health. The Group includes ICA Sweden and Rimi Baltic, which mainly conduct grocery retail, Apotek Hjärtat, which conducts pharmacy operations, ICA Real Estate, which owns and manages properties, and ICA Banken, which offers financial services to the Swedish retail market. The Group also includes the wholly owned companies Hemtex and inkClub.

For more information see icagruppen.se.

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