

Item 11

The Board's proposed resolution on disposition of the Company's profits in accordance with the adopted balance sheet

The Board of Directors proposes that the Annual General Meeting vote in favour of a distribution of profits through a cash dividend in the amount of SEK 10.50 per ordinary share.

The Board proposes Tuesday, 11 April 2017 as the record date to receive a dividend.

Payment of dividends is expected to be made via Euroclear Sweden AB on Tuesday, 18 April 2017.

The following funds are at the disposal of the Annual General Meeting (SEK):

Share premium reserve	4,915,938,770
Retained earnings	12,636,089,094
Profit for the year	2,803,133,382
Total	20,355,161,246

The Board of Directors and Chief Executive Officer propose that the earnings be distributed as follows (SEK):

To the shareholders, a dividend of	2,112,041,348
To the share premium reserve	4,915,938,770
To be carried forward	13,327,181,128
Total	20,355,161,246

The Board of Directors' statement on the proposed distribution of profits

This statement has been prepared in accordance with Ch. 18 section 4 of the Swedish Companies Act (Aktiebolagslagen (2005:551)) and constitutes the Board's opinion as to whether the proposed disposition of profits is justifiable with reference to the stipulations set forth in Ch. 17 section 3 paragraphs 2 and 3 of the Companies Act.

The Board of Directors of ICA Gruppen AB proposes an ordinary dividend of SEK 10.50 per ordinary share. The total dividend amounts to SEK 2,112 million, which is 75.3% of the Parent

Company's profit for the financial year. The proposed dividend will reduce the Parent Company's equity/assets ratio from 56.9% to 51.8%, and the Group's equity/assets ratio from 39.0% to 36.2%. The equity/assets ratio is adequate for both the long and short term. The dividend amount corresponds to 61.8% of the Group's profit for the year. The Company's equity would have been SEK 85 million higher, corresponding to approximately +0.4%, had assets and liabilities not been measured at fair value in accordance with Ch. 4 section 14 a of the Annual Accounts Act.

The dividend proposal is adapted to the goal of paying a good and stable dividend over time. ICA Gruppen's dividend target over time is to pay a dividend to shareholders of at least 50% of profit for the year. In the Board's opinion, the proposed dividend is justifiable taking into account the requirements that the nature and scope of the business, as well as the risks associated with it, place on the Group's equity and financial position.

Against the background and in view of the above, the Board of Directors is of the opinion that the proposed disposition of profits is justifiable in view of the requirements set forth in Ch. 17 section 3 paragraphs 2 and 3 of the Companies Act, and that the dividend can be deemed justifiable in view of the requirements that the nature and scope of the business, as well as the risks associated with it, place on the Group's equity and the Company's and the Group's financial strength, liquidity and position in general.

Stockholm, March 2017

The Board of Directors of ICA Gruppen AB