

Press release

Solna, 16 April 2014

ICA Gruppen sells Kjell & Company, capital gain c. SEK 440 million

ICA Gruppen is selling its 50% holding in Kjell & Company to FSN Capital for SEK 630 million. The sale is expected to generate a capital gain for ICA Gruppen of approximately SEK 440 million.

ICA Gruppen has signed an agreement with FSN Capital to sell its 50% holding in Kjell & Company for a cash consideration of SEK 630 million. The capital gain is expected to amount to approximately SEK 440 million after deduction for costs and will be recognised in the second quarter of 2014.

ICA Gruppen's CEO, Per Strömberg, comments: "The divestment of Kjell & Company is in line with the plan we presented in November last year which means that we are focusing our non-food offering. This is a good moment for a change of ownership in Kjell & Company."

Last year, ICA Gruppen performed an evaluation of the portfolio companies in parallel with the formulation of a new non-food strategy for the Group. As a result of this evaluation it was decided to initiate a divestment process for Kjell & Company. In the year-end report for 2013 the holding in Kjell & Company was recognised among assets held for sale.

ICA Gruppen, formerly Hakon Invest, has been an owner of Kjell & Company since 2006, when 50% of the company was acquired from the founders. Since this investment was made, Kjell & Company has grown from 15 stores with annual sales of SEK 255 million to 74 stores with annual sales of SEK 931 million in 2013.

In conjunction with this transaction, the other shareholders will sell shares in Kjell & Company on the same terms as ICA Gruppen. The founders will remain as significant owners of the company.

The sale, which is subject to approval from the Swedish Competition Authority, is expected to be completed in the second quarter of 2014.

For more information

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ICA Gruppen AB discloses the information provided herein pursuant to the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication at 08.30 CET on Wednesday, 16 April 2014.