

PRESS RELEASE, 3 April 2019

Hemköp and Östenssons begin cooperation

Hemköp welcomes nine new stores to the chain through the start of cooperation with Östenssons, an independent grocery store chain with nine successful stores in Sweden's Östergötland region. The strong Östenssons brand will remain, and the stores will become independent retailers in Hemköp.

The cooperation will start on 1 September and covers purchasing and logistics via Axfood's logistics company Dagab, IT, Hemköp's loyalty programme and marketing. The well known and established Östenssons brand will live on with a clear coupling to Hemköp.

"We are happy to welcome nine well-managed stores to the Hemköp family and our retailer association. Östenssons' stores are a good fit with Hemköp's concept. They feature a wide product assortment and an inspiring experience with an emphasis on fresh and local ingredients," comments Thomas Gäreskog, President of Hemköp.

The family company Östenssons was established in 1963 by Gösta Östenson and is now owned by his daughter Karina Lindblad and her husband Håkan Lindblad. The company had sales of SEK 600 m in 2018, with 240 employees. Östenssons has four stores in Motala, with the rest located in Linköping, Vadstena, Skänningen and Borensberg. In addition to its stores Östenssons has a bakery, a central butchering operation and a catering business.

"We are looking forward to our alliance with Hemköp, which will add new competence and give us tools for continued growth. Our passion for food and care in selection of food ingredients are core values we share with Hemköp," says Anders Lindblom, President of Östenssons.

Hemköp comprises nearly 200 stores. Approximately two-thirds of these are retailer-owned, which will be the case for the Östenssons stores. The rest are owned by Axfood.

For further information, please contact:

Cecilia Ketels, Head of Investor Relations, Axfood AB, tel. +46 72 23 606 43

Elin Jarl, Press Officer, Hemköp, tel. +46 8 553 996 80

Anders Lindblom, President, Östenssons, tel. +46 70 190 29 20

This press release was submitted for publication at 7 a.m. CET on 3 April 2019.

Axfood aspires to be the leader in good and sustainable food. Our family of companies includes the store chains Willys and Hemköp as well as Tempo, Handlar'n and Direkten. B2B sales are handled through Axfood Snabbgross, and our support company Dagab is responsible for the Group's product development, purchasing and logistics. The Axfood family also includes Mat.se, Middagsfrid and Urban Deli as well as the partly owned companies Apohem and Eurocash. Together the Group has more than 10,000 employees and sales of nearly SEK 50 bn. Axfood has been listed on Nasdaq Stockholm since 1997, and the principal owner is Axel Johnson AB. Read more at www.axfood.se.