

Press Release

Solna
2020-12-22

ICA Bank signs agreement to acquire Forex's customer portfolios for deposits and lending

ICA Bank has signed an agreement to acquire Forex's customer portfolios for deposits and consumer loans with a combined business volume of approximately SEK 15 billion as per 30 November 2020, and approximately 235,000 customers. The agreement does not cover personnel, IT agreements or other assets or liabilities.

Through the acquisition ICA Bank will gain even greater resources to develop its offering. The transaction will grow ICA Bank's business volume by approximately 35 percent after completion.

"We are very satisfied with this deal. It is a way for ICA Bank to create synergies with its existing operations and achieve economies of scale in development of its own platform," says Per Strömberg, CEO of ICA Gruppen.

"This is an important milestone in ICA Bank's growth journey. This acquisition gives us an opportunity to accelerate growth of our business and strengthen our customer offering. We are also looking forward to welcoming new customers and introducing them to all of the benefits that go along with being part of ICA," says Marie Halling, CEO of ICA Bank.

ICA Bank will work together with Forex to ensure a smooth transition for customers, who will receive detailed information about what ICA Bank and all of ICA Gruppen can offer in addition to their existing products.

The deal is expected to close during the second quarter of 2021. In connection with this, ICA Bank – in accordance with applicable accounting rules – will make a provision for expected credit losses, entailing a one-off accounting effect of approximately SEK 80 million. The credit loss provision will affect ICA Bank's and ICA Gruppen's operating profit excluding items affecting comparability during the quarter. In addition, initial integration costs in 2021 are estimated to amount to approximately SEK 40 million.

Excluding these one-off effects, it is estimated that the acquired portfolio will result in a positive EBIT effect of approximately SEK 100 million in 2021. To meet regulatory capital requirements, ICA Gruppen will make a capital contribution of approximately SEK 800 million to ICA Bank in connection to closing the transaction which, based on Q3 2020, is expected to affect ICA Gruppen's Net debt/EBITDA ratio by slightly less than +0.1.





The deal is subject to and contingent upon customary regulatory approvals.

For more information

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