



Stable start to the year – but weak pharmacy market

- Pandemic continues to have impact – weak pharmacy market
- Continued strong growth in sales online
- ICA Sweden – continued growth and stable operating margin
- Covid-19 effects approximately SEK -20 million net (+50)
- Eric Lundberg new CEO of Apotek Hjärtat, takes office on 3 May

Events after the end of the quarter

- The Annual General Meeting on 15 April approved the Board of Directors' proposed dividend of SEK 13 per share
- Charlotte Svensson elected as new board member

Key data

Group, SEKm	First quarter			12 months	Full year
	2021	2020	%	Apr 2020 - Mar 2021	2020
Net sales	30,602	30,366	0.8	126,519	126,283
Operating profit before depreciation/amortisation (EBITDA)	2,631	2,624	0.3	11,148	11,141
Operating profit excluding items affecting comparability	1,264	1,310	-3.5	5,785	5,831
Operating profit	1,290	1,309	-1.5	5,755	5,774
Operating margin excluding items affecting comparability, %	4.1	4.3	—	4.6	4.6
Profit before tax	1,191	1,183	0.7	5,316	5,308
Profit for the period	984	976	0.7	4,181	4,173
Cash flow from operating activities excluding ICA Bank	1,775	2,009	-11.6	10,210	10,444
Return on capital employed, %	9.1	8.2	—	9.1	9.2
Return on equity, %	11.6	10.6	—	11.6	11.7
Earnings per share, SEK	4.86	4.83	0.6	20.67	20.65

CEO's comments

We have had a stable start to the year, with a continued strong impact from the pandemic on our operations. As in the preceding quarter, the impact was positive for ICA Sweden and ICA Real Estate, but negative for our other operations. This applies especially for Apotek Hjärtat, where earnings decreased sharply as a result of a very weak pharmacy market. All in all, however, the earnings effect of the pandemic for the Group as a whole is not that large, SEK -20 million.



The growth rate for ICA Sweden's sales, and for the market, is now lower as we have comparison figures that include pandemic effects. The pandemic will continue to impact the market a bit longer, and depending on its spread and how fast the vaccination programme progresses, it is reasonable to assume that Covid-19 will continue to affect performance at least through the first half of the year. We did not grow as fast as the market for the entire quarter, as we continued to experience negative structural effects related to the pandemic, but in March we were in line with the market.

Apotek Hjärtat – very weak pharmacy market; accelerated pace of change work

It was in the pharmacy market we could see the most dramatic pandemic effects the first quarter. What has accentuated the year-on-year difference further, is that the month of March last year was very strong. Among other factors, a very low incidence of seasonal illnesses, such as the flu, and a lower number of emergency surgeries, led to a sharp decline in sales of medicines, especially over-the-counter drugs for conditions such as the common cold, pain and fever, where sales are down by upwards of 50%. We believe that we have now reached the bottom, but even if it turns, it will take a while before the situation normalises, and then we will have a market in which online accounts for a considerably higher share of sales. For some time we have been conducting cost-cutting as well as efficiency improvements to address this development. Added to this are a number of future-oriented initiatives aimed at developing and strengthening our omnichannel capacity. In this regard our well-working online business and our high-quality pharmacy network give us a strong foundation for continued development. Apotek Hjärtat's new CEO, Eric Lundberg, who takes office on 3 May, will provide key competence and experience in this work going forward.

ICA Sweden – e-commerce warehouse opened in Gothenburg

As we have previously communicated, during the coming two years several important development projects for our online business will be put into operation, and doing this successfully is naturally of major importance for us. The migration to Ocado's e-commerce platform has been started on a small scale, with initial positive feedback from customers, and last week marked the official start of our new e-commerce warehouse in Gothenburg. This is an important step in ramping up our e-commerce capacity in western Sweden and being able to offer the region's ICA retailers and their customers a smooth e-commerce solution. Our growth online remains high, and we continue to take market shares on a steady basis – this quarter included. For nearly a month now we can also offer our customers in the greater Stockholm area co-deliveries of groceries and pharmacy products via our e-commerce warehouse.

Rimi Baltic – sales picking up. ICA Bank – Forex deal set to close

Sales growth for Rimi Baltic is steadily improving, and by our assessment we have taken market shares in both Lithuania and Latvia during the early part of the year. This is a good sign ahead of the date on which Lidl will begin opening stores in Latvia and Estonia, something that has not yet happened. We have also seen a very fast increase in our online sales, which accounted for a relatively large share of year-on-year sales growth.

During the second quarter ICA Bank will close its acquisition of Forex's customer portfolio of more than 200,000 customers, which we announced in December. We will then be able to tangibly see the benefits that we can achieve from the acquisition with respect to growth and greater efficiency for the bank.

Sustainability – reporting of new targets

In this report we are also introducing an updated sustainability section in which we report on our performance in our various and partly new sustainability targets in the focus areas of the Environment, Health, Local, Inclusion & Diversity, and Quality. I hope that they clearly and transparently convey our strong focus and high level of ambition in this area.

We have an important year ahead of us in a general business environment that continues to be turbulent. We have thus far managed to address the challenges well and have achieved good results. I feel strongly confident in our ability this year, too, to deliver on our highly set goals in cooperation with the ICA retailers.

Per Strömberg
CEO ICA Gruppen

Group performance

Net sales

Consolidated net sales increased by 0.8% during the quarter compared with 2020. Excluding currency effects and the leap year day effect a year ago, the increase was 2.1%. This performance is explained by positive volume effects in ICA Sweden's wholesale operation (partly owing to the Easter effect), Rimi Baltic, ICA Real Estate and ICA Bank (ICA Insurance), and to positive price and mix effects in all operations except for ICA Bank. Covid-19–related volume effects were strongly negative for Apotek Hjärtat due to extensive restrictions in society. Overall, Covid-19 is assessed to have impacted consolidated net sales during the first quarter by approximately +1.7%. The corresponding effect during the first quarter of 2020 was approximately +2.9%.

Net sales per segment					
SEKm	First quarter			12 months	Full year
	2021	2020	%	Apr 2020 - Mar 2021	2020
ICA Sweden	22,074	21,430	3.0	92,328	91,684
Rimi Baltic	4,067	4,098	-0.8	16,342	16,373
Apotek Hjärtat	3,706	4,087	-9.3	14,797	15,178
ICA Real Estate	689	700	-1.7	2,829	2,840
ICA Bank	426	417	2.2	1,708	1,699
Other	349	319	9.5	1,312	1,282
Internal sales	-709	-684	3.6	-2,798	-2,773
Net sales	30,602	30,366	0.8	126,519	126,283

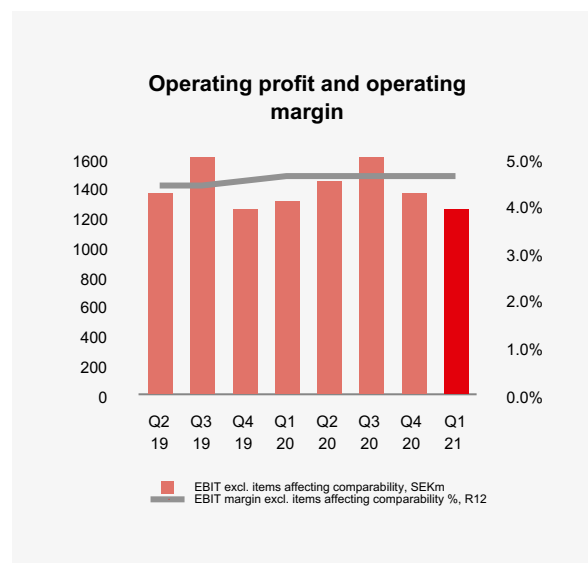
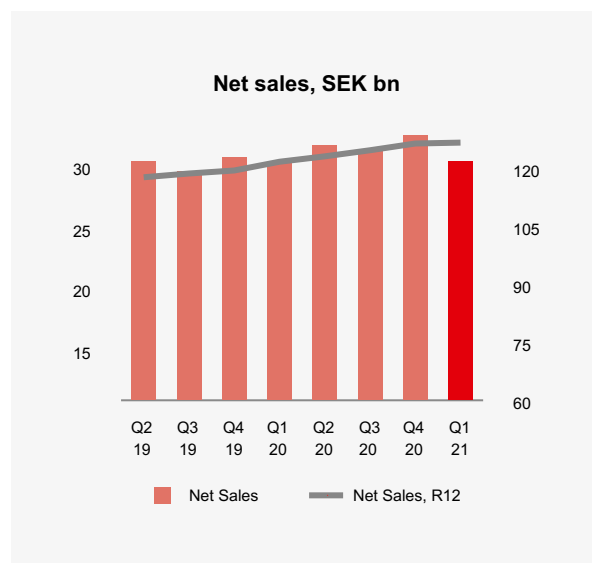
Operating profit

Operating profit excluding items affecting comparability decreased by SEK 46 million to SEK 1,264 million. Operating profit improved for ICA Sweden, ICA Real Estate and ICA Bank, and also for Rimi Baltic in local currency. However, Apotek Hjärtat was strongly negatively affected by the continuing pandemic, and operating profit decreased by SEK 108 million as a result of large, negative volume effects that could only be partly offset by cost-cutting measures. For the Group as a whole the price effect was positive, while the volume effect was negative. The Covid-19 pandemic is estimated to have affected operating profit by approximately SEK -20 million, while the corresponding earnings effect in 2020 was approximately SEK +50 million, driven by customer stockpiling in March 2020. The operating margin excluding items affecting comparability decreased to 4.1% (4.3), and profit for the period totalled SEK 984 million (976). Profit includes the result of divestments and impairment losses totalling SEK 26 million (-1). Earnings per share were largely unchanged at SEK 4.86 (4.83).

Covid-19 effects include certain, general government assistance payments, mainly compensation for sick pay, of approximately SEK 23 million during the quarter.

Operating profit excluding items affecting comparability per segment					
SEKm	First quarter			12 months	Full year
	2021	2020	%	Apr 2020 - Mar 2021	2020
ICA Sweden	942	916	2.8	4,266	4,240
Rimi Baltic	148	152	-2.9	699	703
Apotek Hjärtat	22	130	-82.8	275	383
ICA Real Estate	160	142	12.3	621	603
ICA Bank	29	17	71.7	186	174
Other	-85	-92	-8.0	-439	-446
Operating profit excluding items affecting comparability per segment	1,216	1,266	-3.9	5,607	5,657
IFRS 16 Leases	48	44	7.7	179	175
Operating profit excluding items affecting comparability	1,264	1,310	-3.5	5,785	5,831

IFRS 16 The segments are reported excluding IFRS 16. The total effect of IFRS 16 is reported only on a consolidated basis at the ICA Gruppen level.



Net financial items and tax

Net financial items during the quarter improved by SEK +27 million, mainly owing to lower interest expenses coupled to refinancing of loans at lower interest rates, lower interest on the pension liability and lower interest payments on lease liabilities.

Both the tax cost and effective tax rate were at the same level as in 2020. Paid tax was SEK 122 million lower, however, owing to an extra tax payment during the first quarter of 2020.

Net financial items and tax				
	First quarter		12 months	Full year
	2021	2020	Apr 2020 - Mar 2021	2020
Net financial items, SEKm	-99	-126	-439	-466
Of which, interest expenses, SEKm	-101	-125	-459	-483
Tax cost, SEKm	-208	-207	-1,136	-1,135
Effective tax rate, %	17,4	17,5	21,3	21,4
Paid tax, SEKm	-272	-394	-956	-1,078

Cash flow

Cash flow from operating activities during the quarter (excluding ICA Bank) was SEK 234 million lower than a year ago. The decrease compared with a year ago is attributable to a calendar-related, less favourable development of working capital associated with the Easter holiday. But the difference between the years is also attributable to the strong impact of the pandemic-related stockpiling that took place in March 2020. Lower paid tax countered these effects to some degree.

Cash flow from investing activities was affected by a lower level of investment, especially in Rimi Baltic and ICA Real Estate, and by a higher level of divestments in ICA Real Estate than a year ago. The difference in cash flow from financing activities between the years is mainly explained by last year's issue of two bonds for SEK 2.25 billion in total.

On 25 March ICA Gruppen issued two bonds with three-year tenors for SEK 1,500 million in total. One was for SEK 1,000 million and the other for SEK 500 million.

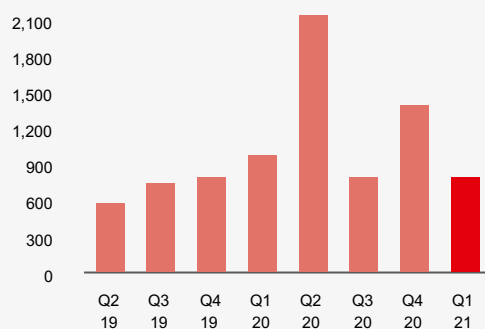
Effect of IFRS 16 on cash flow

During the first quarter of 2021, lease payments (interest and principal) amounted to SEK -944 million (-967).

Cash flow, Group excl. ICA Bank

SEKm	First quarter			12 months	Full year
	2021	2020	%	Apr 2020 - Mar 2021	2020
From operating activities before change in working capital	2,235	2,169	3.0	10,199	10,133
Change in working capital	-460	-161		11	310
From operating activities	1,775	2,009	-11.6	10,210	10,444
Investing activities, net	-538	-862		-4,860	-5,184
Before financing activities	1,237	1,146	7.9	5,350	5,259
Financing activities, net	-615	1,250		-6,667	-4,802
Cash flow for the period	622	2,396	-74.0	-1,317	457

Investments (cash flow), SEKm



Investments and divestments

The Group's investments were SEK 193 million lower than in the same period in 2020. The investment level in Rimi Baltic decreased by SEK -165 m, where the level in 2020 was affected by the then-ongoing investment in the new warehouse in Riga. In ICA Sweden the investment level increased and pertained mainly to ongoing IT and e-commerce projects, and investments in delivery trucks and new establishments.

ICA Real Estate's level of investment was SEK 128 m lower than a year ago. As in the preceding year, major projects include investments in e-commerce logistics and new stores.

Total investments for 2021 are expected to amount to approximately SEK 3.5 billion, including SEK 1.5 billion in ICA Real Estate. Major capex projects include purchases of logistics properties, future store locations, new establishments, investments in the Group's e-commerce and IT investments.

Investments (cash flow) by segment

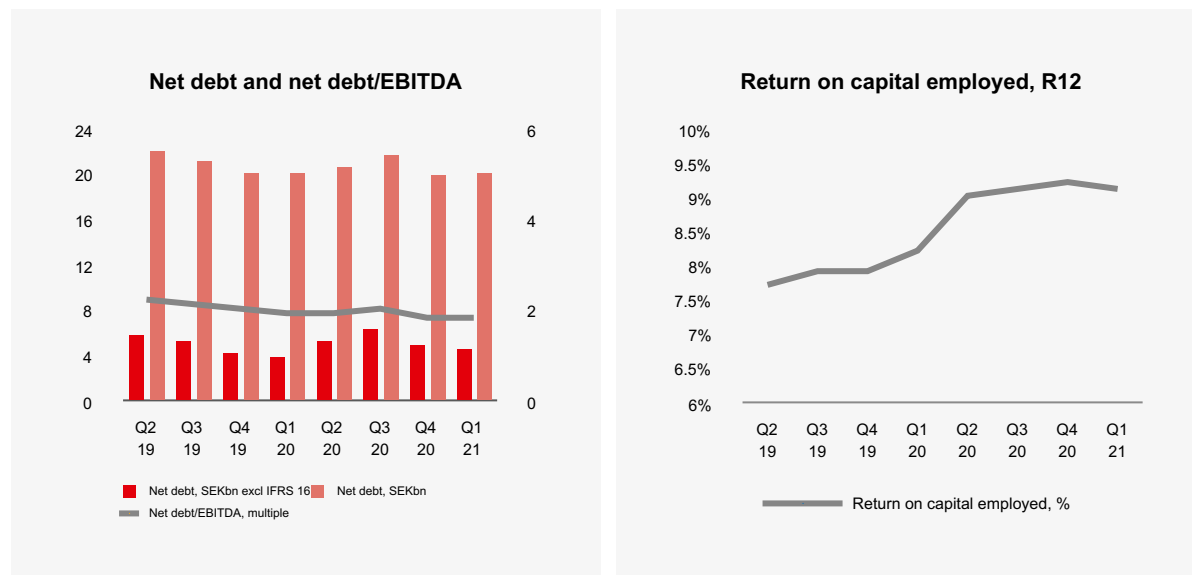
SEKm	First quarter		12 months	Full year
	2021	2020	Apr 2020 - Mar 2021	2020
ICA Sweden	260	164	921	825
Rimi Baltic	129	294	903	1,068
Apotek Hjärtat	52	53	211	212
ICA Real Estate	286	414	2,877	3,005
ICA Bank	25	14	99	88
Other	47	52	169	174
Investments	799	992	5,179	5,372

Depreciation/amortisation by segment

SEKm	First quarter		12 months	Full year
	2021	2020	Apr 2020 - Mar 2021	2020
ICA Sweden	158	144	625	611
Rimi Baltic	109	96	418	405
Apotek Hjärtat	43	38	172	167
ICA Real Estate	144	121	556	533
ICA Bank	4	6	22	24
Other	35	34	145	144
Depreciation/amortisation by segment	493	441	1,936	1,884
IFRS 16 Leases	844	872	3,393	3,421
Depreciation/amortisation	1,337	1,312	5,330	5,305

Net debt and return on capital employed

The Group's net debt (excluding IFRS 16 lease liabilities, ICA Bank and pension liabilities) was approximately SEK 700 million higher at the end of the quarter than a year ago. The higher level of net debt is mainly attributable to the high level of investments in 2020. The Group's net debt including IFRS 16 (excluding ICA Bank and pension liabilities) amounted to SEK 20.2 billion (20.1) at the end of the quarter. At 31 March 2021 net debt in relation to EBITDA was 1.8 (1.9), which is well in line with the Group's long-term target of <3.0. Return on capital employed was 9.1% (8.2) on a rolling 12-month basis.



Net debt and return on capital employed (excl. ICA Bank and pension liability)

SEKm	First quarter		12 months	Full year
	2021	2020	Apr 2020 - Mar 2021	2020
Net debt	-20,165	-20,134	-19,932	-19,901
Net debt excl. IFRS16	-4,610	-3,919	-5,595	-4,904
Net debt/EBITDA	1.8	1.9	1.8	1.8

Important events during the quarter

10 March – Eric Lundberg has been appointed as the new CEO of Apotek Hjärtat and succeeds Anders Nyberg, who will be retiring. Eric Lundberg will assume his position on 3 May. His most recent position was as CEO of the Swedish home electronics retailer Kjell & Company. For more info, see ICA Gruppen's press release 10 March 2021.

Important events after the end of the quarter

15 April – ICA Gruppen's Annual General Meeting approved the Board's proposal for a dividend of SEK 13 per share for the 2020 financial year.

15 April – ICA Gruppen's Annual General Meeting elected Charlotte Svensson as a new board member. She takes Jeanette Jäger's seat on the Board. For more information, visit ICA Gruppen's website, tab Governance.

Sustainability Report

Sustainability is an integral part of the daily activities of all of ICA Gruppen's operations. All segments work actively on improvements in the value chain, by setting standards for and working in cooperation with suppliers, working towards common goals and certifications, and by developing new, sustainable products and services that make it easier for customers to make healthy and sustainable choices. ICA Gruppen's sustainability reporting is broken down into five focus areas: Environment, Health, Local, Inclusion & Diversity, and Quality.

Important events during the quarter

- During the quarter ICA Gruppen increased the number of key indicators that are reported on a quarterly basis. These include several targets within the Group's new health ambition, as well as the targets of the Group's expanded climate ambition.

Environment

"We will minimise our environmental impact, go from climate neutral to net zero emissions in our own operations, and help our customers make more sustainable choices."



Environment indicators

	Q1 2021 (R12)	Q1 2020 (R12)
Net zero emissions from own operations by 2030 (tonnes CO ₂ e)	90,696	119,211
Net zero emissions from own operations by 2030 (tonnes CO ₂ e / SEK turnover)	0.72	0.98
Cut the climate impact of customers' grocery purchases in half by 2030 (kg CO ₂ e/kg sold food)	1.78	1.79 ¹
Cut food waste in half by 2025 (food waste weight share)	1.60%	1.66%
Cut food waste in half by 2025 (development as % relative to base year 2016)	-12%	-9%

¹ Pertains to full year 2020 (data for 2019 not available)

ICA Gruppen's climate impact from its own operations (stores, pharmacies, warehouses, offices and transports) shall be net zero by 2030. This means that emissions are to be reduced as much as possible. At the same time, emissions that cannot be eliminated by 2030 will be offset by measures that result in a net zero effect on the atmosphere. Emissions are reported in absolute figures and are put in relation to ICA Gruppen's turnover. Emissions from own operations amounted to 90,696 tonnes of CO₂ equivalents (CO₂e) for the last 12 months, with Rimi Baltic's transition to renewable energy and the continued conversion of refrigerants as the main contributors to lower emissions.

Food production accounts for roughly a fourth of the global carbon footprint, and ICA Gruppen therefore has the ambition to cut the carbon footprint of customers' grocery purchases in half by 2030. Carbon footprint is calculated based on the RISE (Research Institutes of Sweden) climate database. The benchmark measurement that has been conducted shows an average carbon footprint of 1.79 kg CO₂e per kg sold food in 2020, which thus should decrease to 0.895 kg CO₂e per kg sold food in 2030. Current data pertains to ICA Sweden (Rimi Baltic will be included in future reporting). During the quarter, analyses were performed of which shifts within and between product categories would create conditions for a halving the climate impact by 2030.

ICA shall cut food waste in half by 2025 (base year 2016) and prevention is a top priority. Data-driven analytics give a detailed understanding of where food waste occurs and why. Improved methods for data collection that were introduced during the quarter enable quarterly reporting of waste, and result in more waste being registered correctly, with the effect that more waste was reported than the previous period. In total, food waste amounted to 1.60% of sold food (R12), representing a decrease of 12% since 2016.

Revised packaging target and continued innovation for less use of plastics

The end date for ICA Gruppen's target that all food packaging for private label products shall be recyclable by 2022 at the latest has been adjusted to 2025. This is in line with an industry-wide agreement within the Swedish food retail trade organisation Svensk Dagligvaruhandel (SvDH) against the background of the system and capacity adjustments that are needed to enable achievement of this target.

In the meantime, work continues with packaging development. In Sweden, ICA has changed the packaging of its private label hamburgers from plastic- to paper-based trays, resulting in reduced use of plastic by 80% per package and by a total of 67 tonnes per year. In the Baltics, Rimi was the first grocery store chain in the region to launch zero-waste products in its near-food range. The initiative enables customers to buy everything from shampoo to toilet paper in bulk or using their own containers. Following a first launch in five stores, the range will be further developed during the spring and expanded to more stores.

Partnership with Mycorena to test Swedish mycoprotein

ICA Sweden and the foodtech company Mycorena have entered into a partnership to test-launch a new Swedish mycoprotein (fungal protein) on the market. The partnership is part of the ICA Växa (ICA Grow) initiative, the goal of which is to promote production of sustainable Swedish plant-based foods, and which is a key contributor in the work towards cutting the climate impact of customers' grocery purchases in half by 2030.

ICA Sweden buys its first fully electric truck from Volvo

ICA Sweden has bought a fully electric truck from Volvo Trucks, to be used for refrigerated transports in the greater Stockholm area. The new truck is a result of ICA Sweden and Volvo Trucks' collaboration for greater electrification of road transports that was initiated in November 2020.

Välj med Hjärtat now industry-wide guide for transparency in the pharmaceutical industry

On 11 February 2021 all Swedish pharmacies adopted the common guide and label Välvald (Well chosen) for greater transparency in the pharmaceutical industry. Välvald is a result of and is based on the guide and label Välj med Hjärtat (Choose with your heart) that Apotek Hjärtat launched in 2017 as the first pharmaceutical company.

Health

"We will actively contribute to improved public health by leveraging the strength of our entire organisation."



Health indicators	2021
	Q1
Customers' consumption of fruits and vegetables is to correspond to 500 g per customer and day by 2025, ICA Sweden (grams)	357
Number of new products with reduced or no added sugar, ICA Sweden ¹	3

¹ Target under development.

To estimate how much fruit and vegetables ICA's customers in Sweden consume, a calculation is performed based on sales data for the customers who are assumed to do most of their grocery shopping with ICA. During the quarter, a benchmark measurement was conducted along with analyses to identify the most effective measures in the work towards the target that daily consumption of fruits and vegetables will amount to 500 g per customer by 2025. The benchmark measurement shows that daily consumption during the first quarter of 2021 corresponded to 357 g per person and day.

Against the background of negative public health effects, ICA has long worked to reduce the sugar content in its private label products, both by reducing the sugar content in existing products and by developing alternatives with less or no added sugar. During the first quarter ICA launched hazelnut spread with 30% less sugar, and chilli sauce and flavoured quark with no added sugar.

Cooperation agreement with Mind for mental health support

Apotek Hjärtat has signed a long-term cooperation agreement with the organisation Mind to highlight and increase support for people suffering from mental health issues. The cooperation is based in part on financial support from Apotek Hjärtat for the help lines that Mind offers – a suicide line, a parent line and a senior care line – and in part on jointly communicating, informing and educating in the area of mental health. ICA Stiftelsen already has a cooperation with Mind.

Initiatives for healthier food habits among children and young people

Children and young people are priority target groups in ICA's health ambition. As an example, ICA Sweden participates in a Grand Challenge idea competition within the framework of a national child obesity prevention project called Prevention Barnfetma. The challenge will run during 2021 and 2022, and the focus of ICA's participation is on behavioural change for healthier food habits among children. In Lithuania, Rimi has launched a programme for students in grades 5-8 focusing on inspiring more sound food habits through education on healthy products and cooking. Eight schools have participated in the programme, which will be expanded to more schools in 2021.

Local

"We will actively contribute to the local communities where we operate."



Work begun with safety analyses – Örebro first case

ICA Real Estate has begun working with safety analyses, based on the ambition to be a positive force where we operate. The first safety analysis was started during the quarter in Örebro in connection to ICA Maxi supermarket at Boglundsängen, and an additional three are planned for the year. The analyses are based on BoTryggt2030, a manual for planning safe and secure urban environments, and they aim to analyse the physical environment's significance for people's sense of safety.

Continued support to vulnerable groups in the Baltic countries

Rimi Baltic continues in various ways to support groups of people who have been hard-hit by the effects of the pandemic. In Rimi's e-commerce portal customers can now make donations to Save the Children, Food Bank and Sidabrinė linija (a free-of-charge support line for elderly) directly from the site. In Estonia, Rimi donated 19 tonnes of fruits and vegetables, which were distributed to the parts of the country with the greatest need.

Inclusion & diversity

"We work proactively with openness, diversity and equality in order to be the most inclusive workplace and contribute to a more inclusive society."



Inclusion & diversity indicators

Q1 2021

50/50 gender balance in key positions, ICA Gruppen (women/men, %)

50/50

ICA's target is to achieve a 50/50 gender balance in key positions, which includes approximately 230 positions in the Group. At the end of the quarter the breakdown of these positions was 50% women and 50% men.

Women in Tech

During the quarter ICA participated in the Women in Tech conference, the Nordics' largest technology conference for women. For the second year in a row ICA was a partner to inspire and motivate women to pursue tech careers with the company.

Quality

"We will ensure that quality and social responsibility always guide our operations and our business relationships."



Quality indicators

	12 months	12 months
	Apr 2020-Mar 2021	Apr 2019-Mar 2020
Share of socially audited suppliers of ICA Gruppen's corporate brand products in high-risk countries (%)	92	94
Share of suppliers of ICA Gruppen's corporate brand products in high-risk countries with a valid follow-up social audit (%) ¹	85	88
Share of suppliers of ICA Gruppen's corporate brand products with quality certification (%) ¹	92	87

¹ Reported until further notice, new target under development.

At the end of the quarter, 92% of suppliers of ICA Gruppen's corporate brand products in high-risk countries had been socially audited, and 85% had undergone a valid follow-up social audit. This is slightly lower than in the corresponding period a year ago (R12), as the opportunity to conduct audits is still being negatively affected by the pandemic. 92% of suppliers of ICA Gruppen's corporate brand products were quality-certified.

Criticism, media debates and dialogues

Awards and distinctions

- In the Sustainable Brand Index survey, consumers ranked Rimi as the most sustainable brand in Latvia and ICA as the third most sustainable brand in Sweden. Apotek Hjärtat was ranked as the second most sustainable brand in the pharmacy category, and ICA Banken was ranked as the third most sustainable bank.
- In the survey Sveriges Grönaste Varumärke (Sweden's Greenest Brand) conducted by Differ, Apotek Hjärtat was ranked as Sweden's greenest brand in the pharmacy category.
- Rimi Estonia received the Environmental Act 2020 award from the Union of Estonian Environmental Associations for its decision to implement the Baltic countries' fish guide and stop selling red-listed fish.

About ICA Gruppen's sustainability report

This is a quarterly status report with information about ICA Gruppen's work with sustainability. The report highlights continuing developments during the year and covers all companies in ICA Gruppen. The criteria applied in preparation of this report are based on the annual sustainability report published by ICA Gruppen. ICA Gruppen publishes the actual Sustainability Report once a year, which provides a comprehensive picture of the Group's sustainability work, including boundaries and materiality analysis. The full 2020 report as well as reporting principles can be found at ICA Gruppen's website: <https://www.icagruppen.se/en/sustainability/#/>.

ICA Sweden

ICA Sweden conducts grocery retail business in cooperation with independent ICA retailers. The retailers own and manage their 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 is responsible for sales of non-food items at Maxi ICA (Hypermarket) stores.

Net sales

ICA Sweden's net sales increased by 3.0% during the quarter, of which 1.4% is estimated to be a calendar effect for Easter. In the preceding year, the leap year day created a positive effect of +0.6%. The increase was both volume- and price-driven. The Covid-19 pandemic continues to impact performance and is estimated to have had a positive impact on growth this year of approximately 4%. The Covid-19 effect of stockpiling a year ago was estimated to have affected the first quarter of 2020 by approximately 3%.

Earnings

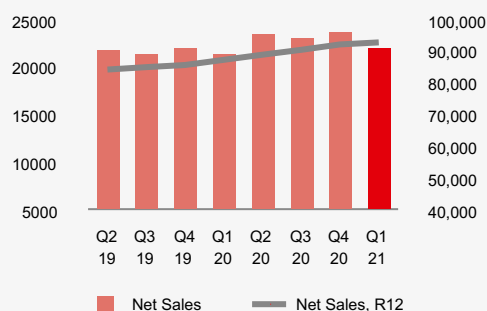
Operating profit excluding items affecting comparability increased by SEK 26 million, and the operating margin was unchanged. The gross margin for the wholesale operations was at the same level as a year ago. Positive volume and price effects with improved earnings in non-food and higher profit distribution from ICA stores were countered by higher costs. These were mainly related to ongoing projects in e-commerce and IT, but also to some extent logistics in connection with the start-up of a new warehouse. In addition, results from divesting store subsidiaries were approximately SEK 25 million lower than a year ago. The Easter effect in operating profit is estimated to be approximately SEK +25 million, while operating profit a year ago included an earnings effect of SEK +15 million from the leap year day. The earnings effect from Covid-19 is estimated to have been higher than a year ago, SEK +100 million compared with SEK +35 million a year ago.

Covid-19 effects for the quarter include certain general government assistance payments – mainly compensation for sick pay – totalling approximately SEK 17 million.

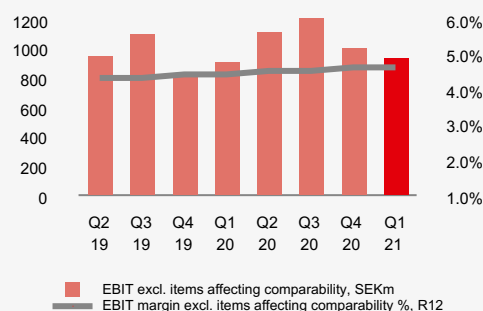
Key data

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Operating profit before depreciation/amortisation (EBITDA), SEKm	1,100	1,061	3.7	4,890	4,851
Operating profit excl. items affecting comparability, SEKm	942	916	2.8	4,266	4,240
Operating margin excl. items affecting comparability, %	4.3	4.3	—	4.6	4.6
Investments, SEKm	260	164	58.8	921	825
Depreciation/amortisation, SEKm	158	144	9.2	625	611
Average number of employees	8,355	8,173	2.2	—	8,412

Net sales, SEKm



EBIT and EBIT margin



ICA store sales and market development

Sales growth and customer behaviours continued to be affected by the Covid-19 pandemic, entailing a sharply higher average spend and a higher number of items purchased per customer visit at the same time that customer visits were fewer. All store formats showed higher sales, with particularly favourable performance for stores located near residential areas in larger cities and small stores in areas with many vacation homes. Market growth during the quarter was 3.0% according to the Food Retail Index (DVI), entailing that growth for ICA stores was slightly lower than for the market as a whole. In March, ICA stores performed in line with the market.

One store was opened during the first quarter and one was closed. A total of eight to twelve new stores are planned to be established in 2021, mainly in metropolitan areas.

E-commerce performance

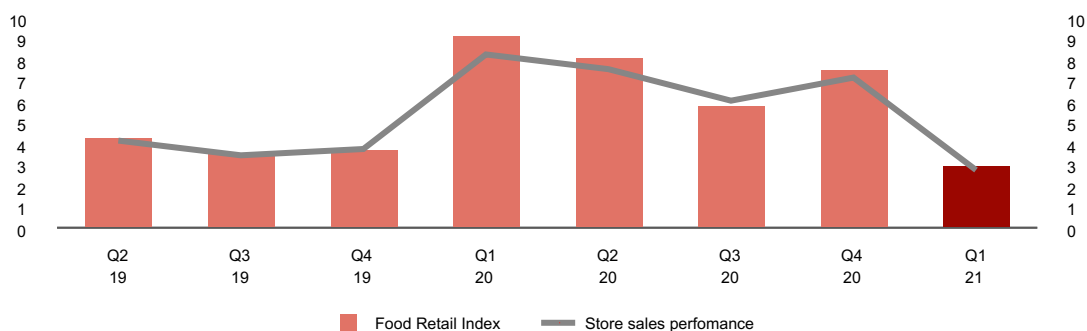
Online sales continued to grow sharply and reached nearly SEK 2 billion during the quarter, an increase of 149.3%. The growing e-commerce share is also a partial explanation for the higher average spend. According to the Food Retail Index (DVI), the market for groceries online in Sweden grew by 127.6% during the first quarter.

Key data, ICA stores

	First quarter		Full year
	2021	2020	2020
Sales growth, all stores	2.7	8.2	7.2
Sales growth, like-for-like stores	2.6	8.0	7.0
Calendar effect, %	-0.5	1.0	0.3
Food price inflation, %	0.6	2.6	2.1
Volume growth, total store sales ¹⁾	2.7	4.6	4.8
Volume growth, like-for-like stores	2.5	4.4	4.6
Private label share, %	27.9	27.8	26.9
Sales online, SEKm	1,910	766	4,975
Share of sales online, %	6.1	2.5	3.8
Number of stores offering e-commerce (groceries online)	394	308	374

¹⁾ Volume- and calendar adjusted.

Store sales performance compared with Food Retail Index*, %



* DVI = Dagligvaruindex (Food Retail Index), which is published monthly by the Swedish Food Retailers Federation and HUI Research.

Store sales and growth in Sweden (incl. retailer-owned stores)

Store sales excl. VAT ¹	First quarter		
	SEKm	All stores, %	Like-for-like stores, %
Maxi ICA Stormarknad	10,143	5.7	4.9
ICA Kvantum	7,682	2.1	2.1
ICA Supermarket	8,902	0.2	0.1
ICA Nära	4,574	2.0	3.4
Total	31,300	2.7	2.6

¹⁾ Starting in 2021, store sales also include online fees, mainly for home delivery. For the sake of comparison, figures for 2020 have been adjusted.

Number of stores in Sweden (incl. retailer-owned stores)

Format	December 2020	New	Converted	Closed	March 2021
Maxi ICA Stormarknad	87	1	0	0	88
ICA Kvantum	129	0	0	0	129
ICA Supermarket	422	0	0	0	422
ICA Nära	628	0	0	-1	627
Total	1,266	1	0	-1	1,266

Rimi Baltic

Rimi Baltic conducts grocery retail business via 284 wholly owned stores in Estonia, Latvia and Lithuania. Store formats include Rimi Hyper, Rimi Super, Rimi Mini and Rimi Express. Rimi Baltic also includes the properties owned by the Group in the three Baltic countries.

Net sales

Rimi Baltic's net sales increased by 4.7% during the quarter (in SEK net sales decreased by 0.8%). The increase was mainly price-driven, but the volume effect was also positive. The estimated Covid-19 effect on sales was approximately -1%. The corresponding effect in the first quarter of 2020 was approximately +1%.

Earnings

Operating profit excluding items affecting comparability increased by 2.8% in local currency during the quarter. However, owing to exchange rate fluctuations, operating profit in SEK was slightly lower than a year ago. A positive volume effect from more stores and positive mix effects related to the range strengthened gross profit and the gross margin. This was partly countered by higher logistics costs related to the start-up and fine-tuning of the new warehouse in Riga, and higher depreciation. Store overheads also increased, mainly pertaining to investments in the store network, including e-commerce, and wage inflation. The estimated Covid-19 effect on operating profit for the first quarter was SEK -20 million. The corresponding effect for the first quarter of 2020 was negligibly negative.

Other

Operating profit for the quarter includes a net result of SEK -4 million (-3) from sales/impairment losses of properties.

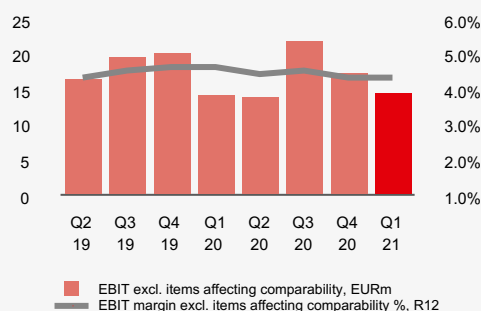
Key data

	First quarter			12 months	Full year
	2021	2020	%	Apr 2020 – Mar 2021	2020
Net sales, SEKm	4,067	4,098	-0.8	16,342	16,373
Operating profit before depreciation/amortisation (EBITDA), SEKm	257	249	3.4	1,119	1,111
Operating profit excl. items affecting comparability, SEKm	148	152	-2.9	699	703
Operating margin excl. items affecting comparability, %	3.6	3.7	—	4.3	4.3
Investments, SEKm	129	294	-56.1	903	1,068
Depreciation/amortisation, SEKm	109	96	13.4	418	405
Average number of employees	11,256	10,439	7.8	—	10,647
EUR/SEK exchange rate, average	10.11	10.67	-5.2	10.35	10.48

Net sales, EURm



EBIT and EBIT margin



Rimi store sales and market development

Information on market growth for the first quarter has not yet been published, and market data will be published in early May. According to preliminary data and analysis by Rimi Baltic, the assumption is that the Baltic market grew by approximately 2.7% in the first quarter and that food inflation was 0.3%.

The Covid-19 pandemic has continued to affect performance, with a sharp drop in the number of customer visits, while the average spend has increased to a corresponding degree. The easing of restrictions in Latvia towards the end of the quarter resulted in a sharp rise in sales of non-food products, for example.

Rimi Baltic opened five stores during the quarter and closed four. A total of 22 to 25 store openings are planned for 2021.

E-commerce performance

Rimi Baltic launched e-commerce in Latvia during the fourth quarter of 2019, and since April 2020 Rimi Baltic offers e-commerce in all three countries, currently with approximately 20 pick-up locations and home delivery in the larger cities. Due to the Covid-19 pandemic, demand for online shopping has grown sharply, and the channel now accounts for approximately 3% of total store sales.

Key data, Rimi stores

	First quarter		Full year
	2021	2020	2020
Sales growth, all stores	4.7	6.1	2.3
Sales growth, like-for-like stores	-1.3	4.2	-1.3
Food price inflation, %	0.3	2.8	1.9
Volume growth, total store sales	4.4	3.4	0.4
Volume growth, like-for-like stores	-1.6	1.4	-3.2
Private label share, %	23.9	24.8	23.4
Sales online, EURm	12.1	1.3	18.7
Share of sales online, %	3.0	0.3	1.2

Store sales performance compared with market development *, %



*) Source: Country statistics. Market data for Q1 2021 is based on a preliminary assessment by Rimi Baltic. Definitive market data will be published in May 2021.

Sales breakdown by country

Store sales excl. VAT	First quarter 2021		
	EURm	All stores, %	Like-for-like stores, %
Estonia	95.1	-1.1	-3.9
Latvia	207.9	5.0	-2.2
Lithuania	95.6	10.4	3.7
Total	398.5	4.7	-1.3

Number of stores per country

Country	December 2020	New	Converted	Closed	March 2021
Estonia	84	0	0	-1	83
Latvia	131	1	0	-2	130
Lithuania	68	4	0	-1	71
Total	283	5	0	-4	284

Apotek Hjärtat

Apotek Hjärtat is the second-largest actor in the Swedish pharmacy market, with 391 pharmacies. Apotek Hjärtat is also a part owner of the digital healthcare company Min Doktor.

Net sales

Net sales decreased during the quarter, owing to the general negative effect that the Covid-19 pandemic is having on the entire pharmacy market. Sales of both prescription and over-the-counter drugs decreased, while sales of traded goods were unchanged. The price effect was positive owing to higher average prices for prescription drugs and the mix in the general product range, but the volume effect was strongly negative. The effect of Covid-19 on sales is estimated at approximately -8%, while the corresponding effect during the first quarter a year ago was approximately +6% owing to extensive customer stockpiling during the month of March. Sales online had positive growth numbers, while sales from physical pharmacies were down sharply.

Earnings

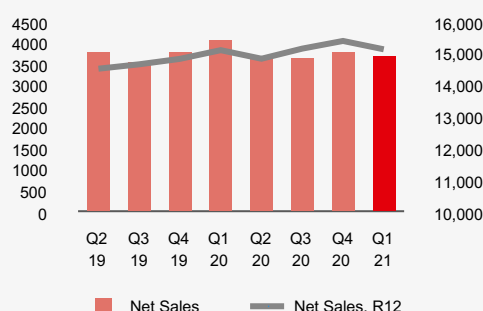
Operating profit excluding items affecting comparability decreased by SEK 108 million to SEK 22 million. Earnings performance can in all essential respects be attributed to continued, strongly negative Covid-19-related volume and margin effects, such as negative product mix effects with a lower share of private label products. The impact of Covid-19 on operating profit for the quarter is estimated to be approximately SEK -90 million, while the corresponding earnings impact in 2020 was positive, approximately SEK +35 million. Improved earnings from e-commerce and cost-cutting measures could only partly compensate for the negative volume development. Further measures to remedy the situation are in progress and address costs in pharmacies, offices and warehouses, but also include to a growing degree future-oriented changes aimed at, for example, improving efficiency and profitability in the e-commerce channel and strengthening the omnichannel capacity. Operating profit for the quarter includes SEK -12 million for Min Doktor, an improvement of SEK 4 million compared with 2020.

Covid-19 effects include certain, general government assistance payments – mainly compensation for sick pay – totalling approximately SEK 5 million during the first quarter.

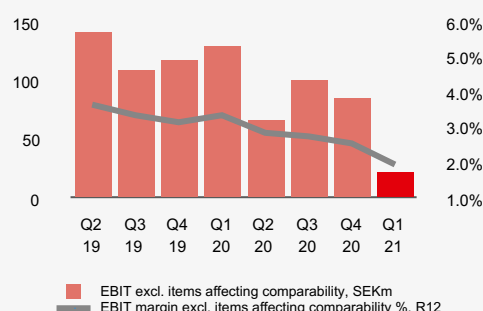
Key data

SEKm	First quarter			12 months	Full year
	2021	2020	%	Apr 2020 - Mar 2021	2020
Net sales, SEKm	3,706	4,087	-9.3	14,797	15,178
Of which, prescription drugs	2,792	3,070	-9.1	11,106	11,384
Of which, OTC drugs	309	413	-25.2	1,285	1,389
Of which, other products and services	604	604	0.0	2,405	2,405
Operating profit before depreciation/amortisation (EBITDA), SEKm	65	168	-61.3	447	550
Of which, share in profit in Min Doktor	-12	-16	-22.6	-39	-43
Operating profit excl. items affecting comparability, SEKm	22	130	-82.8	275	383
Operating margin excl. items affecting comparability, %	0.6	3.2	—	1.9	2.5
Investments, SEKm	52	53	-2.9	211	212
Depreciation/amortisation, SEKm	43	38	11.4	172	167
Average number of employees	2,981	3,061	-2.6	—	3,067

Net sales, SEKm



EBIT and EBIT margin



Pharmacy sales and market development

Growth in the pharmacy market during the first quarter was -6.0%, which is a significant drop compared with the same period a year ago as well as with the preceding quarter. Apotek Hjärtat's pharmacy sales also decreased during the quarter, with a 7.8% decline in sales of prescription drugs and a nearly 25% decline in sales of OTC drugs. Apotek Hjärtat's sales of traded goods were unchanged, while sales for the market as a whole grew 5.4%. Sales for the market from physical pharmacies decreased by approximately 13%. Seen over the last 12-month period, Apotek Hjärtat's market share was slightly lower than a year ago, at just over 30%.

Three pharmacies were opened during the quarter and three were closed. During 2021, six to eight new pharmacies are planned to open, all at locations near ICA stores.

E-commerce performance

The strong shift to the e-commerce channel is continuing, even though the rate of growth during the first quarter, +41.2%, was slightly lower than in the preceding quarter. Apotek Hjärtat continues to take market shares online, with +69.6% growth that is higher than for the market. The e-commerce share for the market continues to rise and was 19.6% for the quarter. Apotek Hjärtat's e-commerce share was 10.6%.

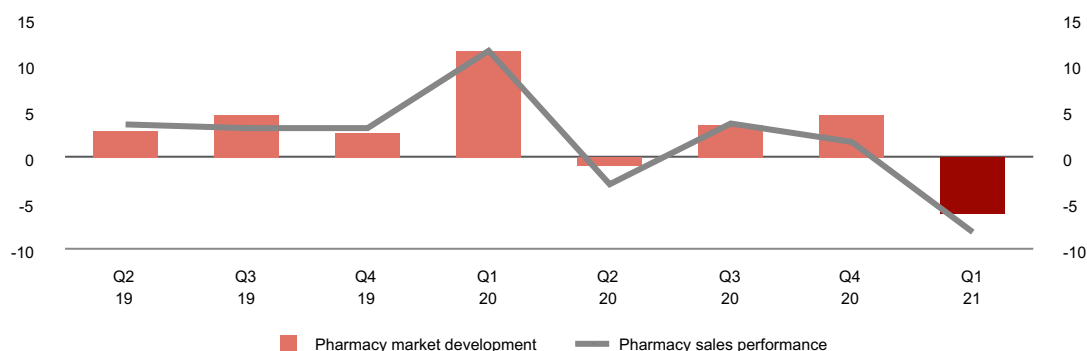
Key data

	First quarter		Full year
	2021	2020	2020
Stores sales	3,687	4,021	15,060
Sales growth, all pharmacies	-8.3	11.4	3.2
Sales growth, like-for-like pharmacies	-8.5	10.2	2.5
Private label share, other products, %	17.2	20.8	18.5
Sales online, SEKm	389	229	1,206
Share of sales online, %	10.6	5.7	8.0

Number of pharmacies

	December 2020	New	Closed	March 2021
Apotek Hjärtat	391	3	-3	391

Pharmacy sales performance compared with pharmacy market development *, %



* Source: Sveriges Apoteksörening.

ICA Real Estate

ICA Real Estate's mission is to satisfy the Group's future need 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

Underlying net sales increased by approximately SEK 50 million, driven by completed investments and higher sales-based rents. The slight decrease in total net sales compared with 2020 is attributable to transfers of leases between ICA Real Estate and ICA Sweden. While these transfers have no earnings effect, they affect the operating margin.

Earnings

Operating profit excluding items affecting comparability increased by SEK 18 million, or 12.7%, during the quarter. The acquisition of the logistics property in Västerås that was carried out during the second quarter of 2020 affected operating profit by just under SEK +13 million. In other respects, the increase in revenue during the quarter was countered by higher depreciation and higher seasonal maintenance costs. Covid-19 effects for the quarter, which were entirely related to increases in sales-based rents, are estimated to be approximately SEK +16 million. During the first quarter of 2020 there was no appreciable Covid-19 effect on ICA Real Estate's operating profit.

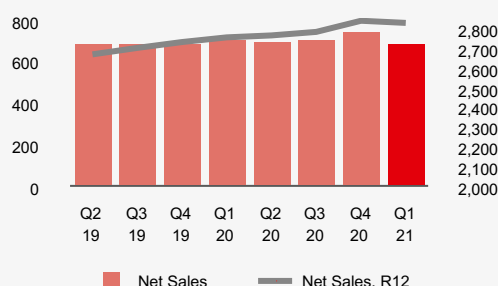
Other and investments

Operating profit for the quarter includes a net earnings effect of SEK 30 million (2) from property sales/impairment losses. Investments during the quarter were lower than a year ago, when a number of large logistics projects were carried out. Divestments were also higher than in the same period a year ago and included sales of logistics properties, building rights, and a store property.

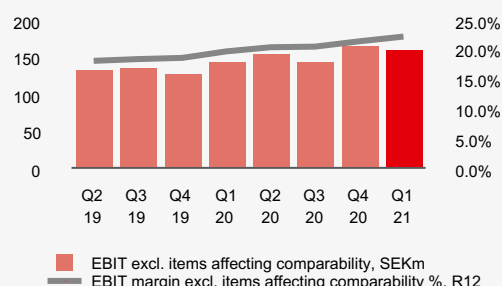
Key data

	First quarter			12 months	Full year
	2021	2020	%	Apr 2020 - Mar 2021	2020
Net sales, SEKm	689	700	-1.7	2,829	2,840
Of which, rental income from owned properties	324	276	17.5	1,261	1,213
Operating profit before depreciation/amortisation (EBITDA), SEKm	334	266	25.6	1,206	1,138
Operating profit excl. items affecting comparability, SEKm	160	142	12.3	621	603
Of which, share in profit of JV companies Ancore and Secore	24	24	0.0	94	94
Operating margin excl. items affecting comparability, %	23.2	20.3	—	22.0	21.2
Investments, SEKm	286	414	-30.8	2,877	3,005
Divestments, SEKm	156	29	443.5	156	29
Depreciation/amortisation, SEKm	144	121	18.9	556	533
Yield, %	6.8	6.9	—	—	7.0
Occupancy rate, %	98.3	98.4	—	—	98.5
Number of owned properties	135	123	9.8	—	136
Number of owned square metres, 000 sq. m.	870	675	28.9	—	822
Average number of employees	116	110	5.6	—	111

Net sales, SEKm



EBIT and EBIT margin



ICA Bank

ICA Bank and ICA Insurance (which is part of ICA Bank's operations) offer 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.

Net sales

ICA Bank's revenue, including ICA Insurance, continued to grow overall. More specifically, however, ICA Bank's revenue was slightly lower as a result of lower commission income, while premium income in ICA Insurance increased by SEK 24 million. The decrease in commission income is partly related to the collaboration with SBAB for home mortgages that was discontinued in 2019. The intention is that ICA Bank will begin offering home mortgages later in 2021 through a newly started joint venture. Consumer loan volumes continue to rise, but Covid-19 is assessed to have had a negative effect on growth.

Earnings

Operating profit excluding items affecting comparability increased by SEK 12 million. The mix in revenue growth had a negative impact, which was more than amply compensated by slightly lower costs and above all by lower loan losses, which were SEK 20 million lower than in the same period in 2020. The outcome a year ago included a Covid-19–related one-off effect of SEK -26 million in loan losses. Underlying loan losses were slightly higher than a year ago. Covid-19 is assessed to have impacted the bank's operating profit for the first quarter by approximately SEK -25 million, mainly owing to lower lending growth and lower card revenue.

Operating profit for ICA Insurance improved, owing to higher income that was partly countered by higher claims experience and a slightly higher level of costs.

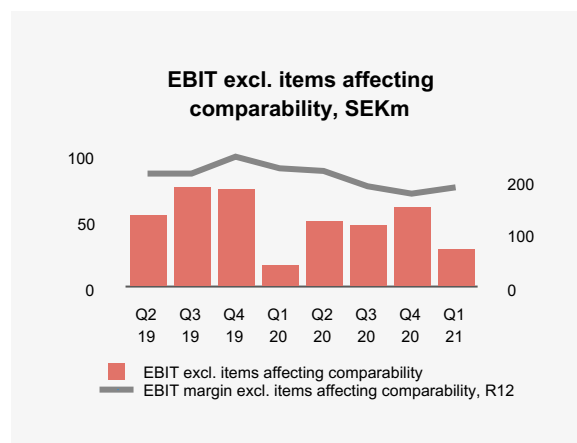
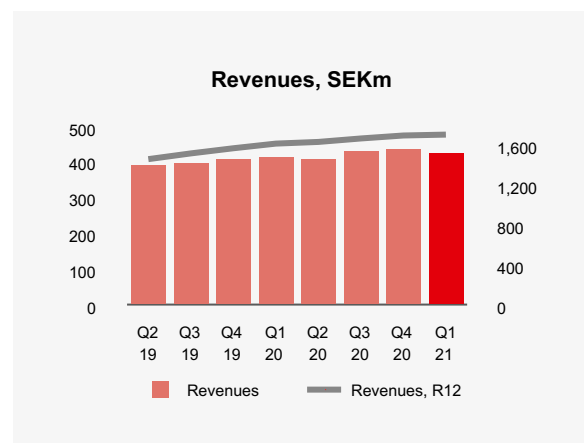
Other

On 22 December 2020 ICA Bank signed an agreement to acquire Forex's customer portfolios for deposits and consumer lending, with combined business volume of approximately SEK 15 billion and approximately 235,000 customers. The deal is expected to close during the second quarter of 2021. See also the ICA Gruppen press release of 22 December 2020 at www.icagruppen.se. Note that in connection with this, a one-off negative accounting effect of approximately SEK 80 million is expected to be recognised during the second quarter of 2021 due to a loan loss provision that must be made in accordance with applicable rules.

Key data

	First quarter			12 months	Full year
	2021	2020	%	Apr 2020 - Mar 2021	2020
Revenue, SEKm	426	417	2.2	1,708	1,699
Of which, net interest income	173	173	0.3	700	700
Of which, net commission income	55	69	-20.4	238	252
Of which, premium revenue	170	146	16.3	658	634
Operating profit before depreciation/amortisation (EBITDA), SEKm	34	23	45.0	208	197
Operating profit before items affecting comparability, SEKm	29	17	71.7	186	174
Of which, ICA Insurance	-7	-10	23.0	3	1
C/I ratio, %	83.2	80.7	—	81.0	78.5
Return on equity, % ¹⁾	6.0	7.9	—	—	5.6
Loan loss ratio, %	-1.1	-1.7	—	—	-1.3
Common Equity Tier 1 ratio, % (ICA Banken AB)	13.6	14.4	—	—	14.0
Business volume, SEKm	40,315	48,924	-17.6	—	38,722
Average number of employees	445	435	2.2	—	440

¹⁾ The calculation of return on equity for ICA Bank is adjusted with the effect of Group contributions. The definition of return on equity for ICA Bank was changed in 2021, and the value for 2020 has been recalculated according to the new definition.



Other, Group

Seasonal variations

Grocery retail sales are affected by the year's 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. An economic downturn 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 43-48 in ICA Gruppen's 2020 Annual Report.

Related party transactions

No significant transactions have taken place between ICA Gruppen and related parties.

Parent Company

First quarter 2021

The Parent Company's net sales amounted to SEK 319 million (294). Profit after financial items totalled SEK -36 million (-56). The change compared with the corresponding period a year ago is mainly attributable to net financial items. Interest expenses attributable to bonds decreased compared with the preceding year is related to financing.

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 entitlement to dividends. During 2021 through 31 March the share price increased by 3.9% to SEK 427. The OMX Stockholm index was +13.7% during the same period.

Ownership structure – largest identified shareholders in ICA Gruppen as per 31 March 2021

	Number of shares	Share of capital and votes, %
ICA-handlarnas Förbund	108,643,330	54.0 %
BlackRock	4,133,601	2.1 %
Spiltan Fonder	3,664,646	1.8 %
Vanguard	2,043,992	1.0 %
Handelsbanken Fonder	1,934,088	1.0 %
Swedbank Robur Fonder	1,363,080	0.7 %
Folksam	1,324,095	0.7 %
Första AP-fonden	1,285,379	0.6 %
Leif Jönsson	1,279,601	0.6 %
Livförsäkringsbolaget Skandia	1,234,586	0.6 %
Ten largest shareholders total	126,906,398	63.1 %
Other shareholders	74,240,397	36.9 %
Total	201,146,795	100.0 %
Of which, foreign shareholders in total	38,889,760	19.3 %

Source: Euroclear Sweden AB and Modular Finance AB (the table may include sums of holdings per owner).

Financial statements

Consolidated statement of comprehensive income

SEKm	Note	First quarter		12 months	Full year
		2021	2020	Apr 2020 - Mar 2021	2020
Net sales		30,602	30,366	126,519	126,283
Cost of goods and services sold		-25,440	-25,109	-105,070	-104,739
Gross profit		5,162	5,258	21,448	21,544
Selling expenses		-3,112	-3,167	-12,514	-12,569
Administration expenses		-911	-882	-3,664	-3,635
Other operating income		113	93	461	441
Other operating expenses		—	—	—	—
Share of profits of associates and joint ventures	2	12	8	54	50
Operating profit (EBIT) excl items affecting comparability		1,264	1,310	5,785	5,831
Capital gains/losses from sale of subsidiaries and non-current assets	3, 4	30	2	34	6
Impairment and impairment reversals	3	-4	-3	-64	-63
Operating profit	7	1,290	1,309	5,755	5,774
Financial income		2	3	16	17
Financial expenses	7	-101	-129	-455	-483
Net financial items		-99	-126	-439	-466
Profit before tax		1,191	1,183	5,316	5,308
Tax		-208	-207	-1,136	-1,135
Profit for the period		984	976	4,181	4,173
Other comprehensive income, items that may not be reclassified to profit or loss, net after tax					
Remeasurement defined benefit pensions		398	—	299	-99
Other comprehensive income, items that may be reclassified to profit or loss, net after tax					
Change in translation reserve		44	156	-187	-75
Change in hedging reserve		168	25	-14	-157
Share of other comprehensive income of joint ventures		—	—	4	4
Total items that may be reclassified to profit or loss		212	181	-197	-228
Comprehensive income for the period		1,594	1,157	4,283	3,846
Profit for the period attributable to					
Owners of the parent		977	972	4,158	4,153
Non-controlling interests		6	5	21	20
Comprehensive income for the period attributable to					
Owners of the parent		1,588	1,151	4,260	3,823
Non-controlling interests		6	6	23	23
Earnings per share, SEK					
Earnings per share		4.86	4.83	20.67	20.65

Condensed consolidated statement of financial position

SEKm	Note	31 March 2021	31 March 2020	31 December 2020
ASSETS				
Non-current assets				
Goodwill		16,301	16,301	16,301
Trademarks		12,911	12,980	12,895
Other intangible assets		2,033	1,866	1,990
Land, buildings and investment properties		18,147	15,856	17,936
Right of use assets	7	15,636	16,440	15,054
Interests in joint ventures and associates	2	1,307	1,244	1,287
ICA Bank's lending and investments		15,161	13,791	15,591
Deferred tax assets		61	71	62
Other non-current assets		2,602	2,536	2,629
Total non-current assets		84,157	81,085	83,744
Current assets				
Inventories		4,819	4,977	4,731
ICA Bank's lending and investments		3,099	3,674	3,063
Other current assets		8,294	7,703	8,108
Assets held for sale	4	25	131	157
ICA Bank's cash and cash equivalents		4,504	2,545	3,276
Cash and cash equivalents		1,937	3,256	1,309
Total current assets		22,678	22,284	20,644
TOTAL ASSETS		106,835	103,368	104,388
EQUITY AND LIABILITIES				
Equity				
Non-current liabilities				
Provisions		3,840	4,015	4,272
Deferred tax liabilities		4,126	3,906	3,970
Non-current interest-bearing liabilities		4,671	3,761	4,173
Non-current lease liabilities		12,265	12,791	11,903
Other non-current liabilities		90	63	183
Total non-current liabilities		24,992	24,536	24,500
Current liabilities				
Current interest-bearing liabilities		1,876	3,414	2,040
Deposits ICA Bank		19,971	17,437	19,293
Current lease liabilities		3,291	3,426	3,096
Other current liabilities		19,886	19,554	20,233
Total current liabilities		45,024	43,831	44,661
TOTAL EQUITY AND LIABILITIES		106,835	103,368	104,388

Condensed consolidated statement of cash flows

SEKm	Note 5	First quarter		12 months	Full year
		2021	2020	Apr 2020 - Mar 2021	2020
Operating profit		1,290	1,309	5,755	5,774
Depreciation, amortisation and impairment		1,341	1,315	5,394	5,368
Dividend from joint ventures		—	—	100	100
Other non-cash items		-101	-58	86	129
Income tax paid		-272	-394	-956	-1,078
Cash flow from operating activities before change in working capital		2,257	2,172	10,378	10,293
Change in working capital:					
Inventories		-132	-352	21	-199
Current receivables		-135	1	-680	-544
Current liabilities		-32	289	822	1,143
ICA Bank's net of deposits, lending and investments		1,077	271	1,756	950
Cash flow from operating activities		3,034	2,381	12,294	11,641
Acquisitions of property, plant and equipment and intangible assets		-799	-992	-5,179	-5,372
Sale of property, plant and equipment and intangible assets		158	60	179	81
Change in financial assets		73	51	107	85
Interest received		1	2	4	5
Investments in joint ventures and associated companies		-5	-11	-102	-108
Cash flow from investing activities		-571	-891	-4,989	-5,309
Dividend paid to shareholders of ICA Gruppen AB		—	—	-2,414	-2,414
Change in loans		348	2,127	-540	1,239
Interest paid		-17	-20	-106	-109
Interest paid lease debts		-76	-83	-314	-321
Amortisation lease debts		-868	-884	-3,239	-3,255
Capital contributions, acquisitions, and dividends relating to non-controlling interests		—	—	-50	-50
Cash flow from financing activities		-613	1,140	-6,664	-4,911
Cash flow for the period		1,850	2,630	642	1,422
Cash and cash equivalents at beginning of period		4,584	3,157	5,801	3,157
Exchange differences in cash and cash equivalents		6	14	-3	5
Cash and cash equivalents at end of period		6,441	5,801	6,441	4,584

Condensed consolidated statement of changes in equity

SEKm	Attributable to owners of the parent	Attributable to non-controlling interests	Total
Opening equity, 1 January 2021	35,013	213	35,226
Comprehensive income for the period	1,588	6	1,594
Closing equity, 31 March 2021	36,601	219	36,820

SEKm	Attributable to owners of the parent	Attributable to non-controlling interests	Total
Opening equity, 1 January 2020	33,604	240	33,844
Comprehensive income for the period	1,151	6	1,157
Closing equity, 31 March 2020	34,755	246	35,001

Supplementary disclosures – Group

NOTE 1 | ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The same accounting principles and calculation methods have been used as in the 2020 Annual Report. There are no new or amended IFRSs or IFRS IC pronouncements that have an effect on the 2021 financial statements. Disclosures in accordance with IAS 34:16A are provided – in addition to in the financial statements – also in other parts of the interim report. All amounts in this report are presented in millions of Swedish kronor (SEKm), unless stated otherwise. Rounding differences may occur.

New IASB standards to be applied after 2021 with relevance for ICA Gruppen

There are no new or amended, endorsed IFRSs that are believed will affect the financial statements after 2021. It is believed that IFRS 17 Insurance Contracts will have a limited effect on ICA Gruppen's financial statements. ICA Gruppen is monitoring the outcome of the approval process for IFRS 17, including the proposed amendments.

Estimated effects of the Covid-19 pandemic

The estimated effects of the Covid-19 pandemic are described in the business review of ICA Gruppen including the segments.

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 to be reasonable based on the current circumstances. Estimated effects of the Covid-19 pandemic have been taken into account. The results of these estimates and assumptions are then used to assess the carrying amounts of assets and liabilities that are now readily apparent from other sources. Actual results may differ from these estimates and assessments.

NOTE 2 | INTERESTS IN JOINT VENTURES AND ASSOCIATES

Share of profit	First quarter		12 months	Full year
SEKm	2021	2020	Apr 2020 - Mar 2021	2020
Ancore Fastigheter AB	15	16	63	64
Secore Fastigheter AB	9	8	31	30
MD International AB (Min Doktor)	-12	-16	-39	-43
Fastighetsaktiebolaget Postgården AB	0	0	0	0
IISÅ Holdco AB	—	—	—	—
Total	12	8	54	50

Book value, SEKm	31 March 2021	31 March 2020	31 December 2020
Ancore Fastigheter AB	743	747	725
Secore Fastigheter AB	147	142	138
MD International AB (Min Doktor)	379	330	391
Fastighetsaktiebolaget Postgården AB	7	7	7
IISÅ Holdco AB	31	17	26
Total	1,307	1,244	1,287

Information regarding Ancore Fastigheter AB

Ancore Fastigheter AB is a 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 properties at 33 marketplaces in Sweden that house ICA stores in which operations are conducted by non-consolidated ICA retailers. Based on all relevant information in the joint arrangement, Ancore Fastigheter AB is classified as a joint venture. Consolidation is done according to the equity method.

Ancore Fastigheter AB	First quarter		12 months	Full year
SEKm	2021	2020	Apr 2020 - Mar 2021	2020
Income	121	123	490	492
Expenses	-62	-54	-219	-211
Operating profit	60	70	271	281
Net financial items	-19	-27	-99	-107
Tax	-10	-11	-43	-44
Profit for the period	31	32	128	129
Other comprehensive income	8	—	16	9
Comprehensive income for the period	37	32	143	138
Non-current assets	5,468	5,508	5,435	5,475
Current assets	202	196	194	188
Total assets	5,670	5,704	5,629	5,663
Equity	1,427	1,433	1,384	1,390
Non-current liabilities	4,113	4,098	4,135	4,120
Current liabilities	130	173	110	153
Total equity and liabilities	5,670	5,704	5,629	5,663

Information regarding Secore Fastigheter AB

Secore Fastigheter AB is a joint arrangement between Första AP-fonden and ICA Gruppen. The parties each own 50% of the company. All significant decisions about the operations of Secore Fastigheter AB must be made as a joint understanding between the two owners. Secore Fastigheter AB owns and manages properties at 40 marketplaces in Sweden that house ICA stores in which operations are conducted by non-consolidated ICA retailers. Based on all relevant information in the joint arrangement, Secore Fastigheter AB is classified as a joint venture. Consolidation is done according to the equity method.

Secore Fastigheter AB	First quarter		12 months	Full year
SEKm	2021	2020	Apr 2020 - Mar 2021	2020
Income	46	46	183	183
Expenses	-23	-23	-100	-100
Operating profit	23	23	84	84
Net financial items	-6	-7	-27	-28
Tax	-4	-4	-15	-15
Profit for the period	13	12	42	41
Other comprehensive income	—	—	—	—
Comprehensive income for the period	13	12	42	41
Non-current assets	2,361	2,352	2,374	2,365
Current assets	59	76	32	49
Total assets	2,421	2,428	2,407	2,414
Equity	800	809	779	788
Non-current liabilities	1,565	1,566	1,564	1,565
Current liabilities	55	54	62	61
Total equity and liabilities	2,421	2,428	2,407	2,414

Information regarding MD International AB (Min Doktor)

MD International AB (Min Doktor) is a joint arrangement between ICA Gruppen and a number of other parties, including EQT Ventures Fund. ICA Gruppen owns, through Apotek Hjärtat, 46.83% of the company. All significant decisions pertaining to the operations of Min Doktor are made through joint agreement between the owners. Min Doktor is one of Sweden's largest actors in digital primary care services and operates a number of drop-in clinics located primarily adjacent to larger ICA stores. Based on all relevant information in the joint arrangement, Min Doktor is an associated company and is consolidated according to the equity method.

Information regarding IISÅ Holdco AB

In partnership with Ålandsbanken, Ikano Bank, Söderberg & Partners and Borgo, ICA Bank has continued work in 2021 on establishing a jointly owned mortgage company in the Swedish market. The necessary permits have been received from the Swedish Financial Supervisory Authority. Operations are planned to commence during the second half of 2021. The jointly owned company is an associated company in ICA Gruppen, and accounting is conducted according to the equity method.

NOTE 3 | ITEMS AFFECTING COMPARABILITY

SEKm	First quarter		Full year
	2021	2020	2020
Capital gains/losses net on sale of subsidiaries and non-current assets			
Rimi Baltic	—	—	3
ICA Real Estate	30	2	2
Other	—	—	1
Total	30	2	6
Impairment and impairment reversals			
Rimi Baltic	-4	-3	-12
ICA Real Estate	—	—	-7
ICA Bank	—	—	-8
Other	—	—	-37
Total	-4	-3	-63
Total items affecting comparability	26	-1	-58

NOTE 4 | ASSETS AND LIABILITIES HELD FOR SALE

Assets held for sale pertain to properties in Sweden and the Baltic countries.

NOTE 5 | CONSOLIDATED CASH FLOW STATEMENT (excl. ICA Bank)

SEKm	First quarter		12 months	Full year
	2021	2020	Apr 2020 - Mar 2021	2020
Cash flow from operating activities before change in working capital	2,235	2,169	10,199	10,133
Change in working capital				
Inventories	-132	-352	21	-199
Current receivables	-124	27	-564	-413
Current liabilities	-204	165	553	922
Cash flow from operating activities	1,775	2,009	10,210	10,444
Cash flow from investing activities	-538	-862	-4,860	-5,184
Cash flow from financing activities	-615	1,250	-6,667	-4,802
Cash flow for the period	622	2,396	-1,317	457
Cash and cash equivalents at the beginning of the period	1,309	846	3,256	846
Exchange differences in cash and cash equivalents	6	14	-3	5
Cash and cash equivalents at the end of the period	1,937	3,256	1,937	1,309

NOTE 6 | FINANCIAL INSTRUMENTS

As per 31 March 2021, financial assets at fair value in ICA Gruppen amounted to SEK 1,998 million (2,315). In the fair value hierarchy, the entire amount is attributable to Level 1. Financial liabilities measured at fair value amounted to SEK 93 million (180) as per 31 March 2021. The carrying amount corresponds to fair value for all assets and liabilities, except for bond issues, where the fair value is higher than the carrying amount by SEK 18 million (less than the carrying amount by 128).

NOTE 7 | LEASES

	First quarter		Full year
	2021	2020	2020
Lease items in the Income statement, SEKm			
Total lease revenue incl variable revenue	751	724	2,914
Variable lease expenses	-25	-24	-115
Interest expenses, lease liabilities	-76	-83	-321

There are leases of low value and leases with a term shorter than 12 months, for which the amounts are immaterial.

	First quarter		Full year
	2021	2020	2020
Total right-of-use assets, SEKm			
At start of year	15,054	16,142	16,142
Changed and new contracts	1,373	995	2,438
Depreciation	-844	-872	-3,421
Translation differences	53	175	-105
Book value	15,636	16,440	15,054

Right-of-use assets consist mainly of properties and premises, but also include forklifts, trucks and passenger cars.

Condensed parent company income statement

	First quarter		12 months	Full year
SEKm	2021	2020	Apr 2020 - Mar 2021	2020
Net sales ¹⁾	319	294	1,217	1,192
Cost of services sold	-289	-274	-1,152	-1,137
Gross profit	30	20	65	55
Administrative expenses	-112	-107	-465	-460
Operating profit/loss	-82	-86	-401	-405
Profit/loss from participations in Group companies	—	—	3,500	3,500
Financial income, Group companies	52	63	276	287
Financial income	9	—	21	12
Financial expenses	-16	-33	-95	-112
Profit/loss after financial items	-36	-56	3,303	3,283
Appropriations	—	—	211	211
Profit before tax	-36	-56	3,514	3,494
Tax	7	11	-4	—
Profit for the period	-29	-44	3,509	3,494

¹⁾ Of net sales for the first quarter, SEK 311 million (293) pertain to Group companies.

Condensed parent company balance sheet

SEKm	31 March 2021	31 March 2020	31 December 2020
ASSETS			
Non-current assets			
Investments in Group companies	29,702	29,702	29,702
Other intangible assets	149	139	143
Deferred tax assets	26	25	28
Non-current receivables from Group companies	1,384	1,188	1,357
Other non-current assets	225	227	223
Total non-current assets	31,486	31,280	31,452
Current assets			
Current receivables from Group companies	16,248	15,296	20,079
Other current assets	334	424	505
Cash and cash equivalents	1,601	2,935	877
Total current assets	18,182	18,656	21,461
TOTAL ASSETS	49,668	49,936	52,912
EQUITY AND LIABILITIES			
Equity	36,667	35,578	36,692
Provisions	460	441	456
Non-current liabilities			
Non-current interest-bearing liabilities	3,750	3,750	3,250
Other non-current liabilities	45	14	136
Total non-current liabilities	3,795	3,764	3,386
Current liabilities			
Current interest-bearing liabilities	1,876	2,501	2,040
Current liabilities to Group companies	6,406	7,003	9,824
Other current liabilities	463	649	514
Total current liabilities	8,746	10,153	12,379
TOTAL EQUITY AND LIABILITIES	49,668	49,936	52,912

Quarterly overview

Quarterly overview key ratios

	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Net sales, SEKm	30,529	29,818	30,850	30,366	31,924	31,400	32,593	30,602
Operating profit before depreciation/amortisation (EBITDA), SEKm	2,284	2,894	2,576	2,624	2,775	3,026	2,716	2,631
Operating profit excl. items affecting comparability, SEKm	1,365	1,599	1,267	1,310	1,452	1,698	1,371	1,264
Operating margin excl. items affecting comparability, %	4.5	5.4	4.1	4.3	4.5	5.4	4.2	4.1
Operating profit, SEKm	975	1,595	1,249	1,309	1,454	1,686	1,325	1,290
Operating margin, %	3.2	5.3	4.0	4.3	4.6	5.4	4.1	4.2
Profit before tax, SEKm	837	1,469	1,122	1,183	1,338	1,572	1,215	1,191
Profit for the period, SEKm	520	1,202	915	976	976	1,302	919	984
Earnings per share, SEK	2.56	5.96	4.52	4.83	4.83	6.45	4.54	4.86
Equity per share, SEK	158.66	163.23	167.06	172.79	169.26	168.75	174.07	181.96
Share price at the end of period, SEK	399.20	454.80	437.20	417.90	441.80	455.30	410.90	427.00
Return on equity, %	9.7	10.0	10.1	10.6	11.8	12.0	11.7	11.6
Return on capital employed, %	7.7	7.9	7.9	8.2	9.0	9.1	9.2	9.1
Cash flow from operating activities, SEKm	3,068	1,915	3,096	2,381	4,021	1,328	3,911	3,034
Cash flow per share from operating activities, SEK	15.25	9.52	15.39	11.84	19.99	6.60	19.45	15.08
Investing activities (cash flow), SEKm	594	762	811	992	2,167	802	1,411	799
Capital employed excl. ICA Bank, average, SEKm	58,866	59,080	59,278	59,799	60,102	60,821	61,355	61,631
Net debt, SEKm	-21,980	-21,233	-20,117	-20,134	-20,573	-21,734	-19,901	-20,165
Net debt/EBITDA	2.2	2.1	2.0	1.9	1.9	2.0	1.8	1.8

Quarterly data by segment

Net sales by segment

SEKm	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
ICA Sweden	21,880	21,494	22,020	21,430	23,496	23,035	23,723	22,074
Rimi Baltic	4,071	4,044	4,279	4,098	4,051	3,946	4,278	4,067
Apotek Hjärtat	3,778	3,553	3,813	4,087	3,638	3,648	3,805	3,706
ICA Real Estate	686	681	688	700	696	699	745	689
ICA Bank	391	399	410	417	408	434	440	426
Hemtex	93	—	—	—	—	—	—	—
Other	299	288	309	319	322	323	318	349
Intra-Group sales	-669	-641	-668	-684	-688	-686	-715	-709
Net sales	30,529	29,818	30,850	30,366	31,924	31,400	32,593	30,602

Operating profit before depreciation/amortisation by segment (EBITDA)

SEKm	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
ICA Sweden	1,087	1,255	980	1,061	1,264	1,361	1,165	1,100
Rimi Baltic	262	300	306	249	250	328	284	257
Apotek Hjärtat	179	146	152	168	107	144	131	65
ICA Real Estate	258	260	248	266	285	282	305	334
ICA Bank	62	83	81	23	56	54	64	34
Hemtex	-11	—	—	—	—	—	—	—
Other	-469	-52	-91	-58	-84	-35	-125	-50
Operating profit before depreciation/ amortisation (EBITDA) by segment	1,369	1,993	1,674	1,709	1,878	2,134	1,825	1,739
IFRS 16	916	901	901	916	896	892	892	892
Operating profit before depreciation/ amortisation (EBITDA)	2,284	2,894	2,576	2,624	2,775	3,026	2,716	2,631

Operating profit excluding items affecting comparability by segment

SEKm	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
ICA Sweden	949	1,111	827	916	1,113	1,208	1,003	942
Rimi Baltic	175	211	213	152	147	227	177	148
Apotek Hjärtat	142	109	117	130	66	101	86	22
ICA Real Estate	133	136	126	142	154	143	164	160
ICA Bank	55	76	74	17	50	47	60	29
Hemtex	-16	—	—	—	—	—	—	—
Other	-115	-85	-133	-92	-120	-71	-163	-85
Operating profit excluding items affecting comparability by segment	1,323	1,558	1,223	1,266	1,409	1,656	1,326	1,216
IFRS 16	42	42	42	44	42	43	46	48
Operating profit excluding items affecting comparability	1,365	1,599	1,267	1,310	1,452	1,698	1,371	1,264

Operating margin by segment

SEKm	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
ICA Sverige	4.3	5.2	3.8	4.3	4.7	5.2	4.2	4.3
Rimi Baltic	4.3	5.2	5.0	3.7	3.6	5.8	4.1	3.6
Apotek Hjärtat	3.8	3.1	3.1	3.2	1.8	2.8	2.2	0.6
ICA Real Estate	19.4	19.9	18.3	20.3	22.1	20.4	22.1	23.2
Group	3.2	5.3	4.0	4.3	4.6	5.4	4.1	4.2

Key figures ICA Gruppen

	First quarter		12 months	Full year
	2021	2020	Apr 2020 - Mar 2021	2020
Operating profit before depreciation/amortisation (EBITDA), SEKm	2,631	2,624	11,148	11,141
Operating margin excl. items affecting comparability, %	4.1	4.3	4.6	4.6
Operating margin, %	4.2	4.3	4.5	4.6
Net margin, %	3.2	3.2	3.3	3.3
Return on capital employed, %	9.1	8.2	9.1	9.2
Return on equity, %	11.6	10.6	11.6	11.7
Equity/assets ratio, %	34.5	33.9	34.5	33.7
Net debt excl IFRS 16, SEKm	-4,610	-3,919	-5,595	-4,904
Net debt, SEKm	-20,165	-20,134	-19,932	-19,901
Net debt/EBITDA	1.8	1.9	1.8	1.8
Average number of employees	23,688	22,720	—	23,196
Share data				
Earnings per share, SEK	4.86	4.83	20.67	20.65
Share price at the end of period, SEK	427.00	417.90	427.00	410.90
Dividend per ordinary share, SEK	—	—	13.00	13.00
Dividend, SEKm	—	—	2,615	2,615
Dividend payout ratio, %	—	—	63	63
Equity per share, SEK	181.96	172.79	181.96	174.07
Cash flow from operating activities per share, SEK	15.08	11.84	61.12	57.88
Number of shares	201,146,795	201,146,795	201,146,795	201,146,795
Average number of shares	201,146,795	201,146,795	201,146,795	201,146,795
Average number of shares after dilution	201,146,795	201,146,795	201,146,795	201,146,795

Financial key ratios

ICA Gruppen relies on a number of financial key ratios in its interim reporting, some of which are not defined in IFRS but are so-called Alternative Performance Measures. The aim is to provide additional information that contributes to a more thorough comparison of year-on-year development and to give an indication of the Group's performance and financial position. The APMs used by ICA Gruppen are generally recognised within the sectors that ICA Gruppen works in. Data on these APMs and definitions is also provided at <https://www.icagruppen.se/en/investors/#!/financial-data/lb/en/investors/financial-data/definitions/>. The most important of these measures are those for which the Board of Directors has set financial targets. These are: to grow faster than the market in the grocery retail and pharmacy businesses; to achieve an operating margin (excluding items affecting comparability) of 4.5%; to achieve a return on capital employed of 7.5%; and to maintain net debt in relation to EBITDA that is lower than a factor of 3. In addition, the Group has set a target to distribute at least 50% of net profit for the year in shareholder dividends. More information about this is available on ICA Gruppen's website, www.icagruppen.se.

Reconciliation EBITDA				
	First quarter		12 months	Full year
SEKm	2021	2020	Apr 2020 - Mar 2021	2020
Operating profit	1,290	1,309	5,755	5,774
Depreciation/amortisation	1,337	1,312	5,330	5,305
Impairment and impairment reversals	4	3	64	63
Operating profit before depreciation/amortisation (EBITDA)	2,631	2,624	11,148	11,141

Avstämning EBITDA								
SEKm	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Operating profit excl IFRS 16	932	1,552	1,207	1,265	1,412	1,643	1,279	1,243
Depreciation/amortisation excl IFRS 16	428	434	452	441	466	477	500	493
Impairment and impairment reversals	8	6	15	3	—	13	47	4
Operating profit before depreciation/amortisation (EBITDA) excl IFRS 16	1,369	1,993	1,674	1,709	1,878	2,134	1,825	1,739
IFRS 16 Operating profit	43	42	42	43	42	43	46	48
IFRS 16 Depreciation/amortisation	873	859	859	872	854	849	846	844
Operating profit before depreciation/amortisation (EBITDA)	2,284	2,894	2,576	2,624	2,775	3,026	2,716	2,631

Reconciliation Net debt excluding ICA Bank								
SEKm	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Non-current interest-bearing liabilities	-4,625	-3,713	-2,713	-3,761	-4,673	-4,173	-4,173	-4,671
Current interest-bearing liabilities	-1,734	-1,926	-2,340	-3,414	-2,512	-3,021	-2,044	-1,875
Cash and cash equivalents	491	334	846	3,256	1,937	827	1,309	1,937
Net debt excl IFRS 16	-5,869	-5,304	-4,207	-3,919	-5,248	-6,367	-4,904	-4,610
Non-current lease liabilities	-12,721	-12,527	-12,521	-12,790	-12,011	-12,063	-11,902	-12,265
Current lease liabilities	-3,390	-3,402	-3,389	-3,425	-3,314	-3,303	-3,095	-3,290
Net debt	-21,980	-21,233	-20,117	-20,134	-20,573	-21,734	-19,901	-20,165

Reconciliation Capital employed excluding ICA Bank								
SEKm	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Equity	32,170	33,075	33,844	35,001	34,277	34,165	35,226	36,820
Provisions for pensions	3,353	3,843	3,928	3,979	4,301	4,623	4,256	3,807
Other provisions	14	8	37	31	30	13	7	24
Non-current interest-bearing liabilities	4,625	3,713	2,713	3,761	4,673	4,173	4,173	4,671
Current interest-bearing liabilities	1,734	1,926	2,340	3,414	2,512	3,021	2,044	1,875
Other non-current liabilities	24	23	87	63	151	137	183	90
Non-current lease liabilities	12,721	12,527	12,521	12,790	12,011	12,063	11,902	12,265
Current lease liabilities	3,390	3,402	3,389	3,425	3,314	3,303	3,095	3,290
Capital employed	58,032	58,517	58,859	62,465	61,270	61,500	60,887	62,843
Average capital employed	58,866	59,080	59,278	59,799	60,102	60,821	61,355	61,631

Definitions of key ratios

Business volume (ICA Bank)

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.

Divestments

Payments received for sold tangible and intangible non-current assets during the period according to the statement of cash flows.

Earnings per 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 losses (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 in tangible and intangible non-current assets during the period according to the statement of cash flows.

Items affecting comparability

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

Like-for-like store/pharmacy sales

Sales for stores/pharmacies that generated sales both in the reporting period and in the comparison period.

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 debt excl. IFRS 16

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

Net debt/EBITDA

Interest-bearing liabilities excluding pensions, ICA Bank and cash and cash equivalents in relation to EBITDA rolling 12 months.

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.

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.

Operating profit/loss

Profit/loss before net financial items and tax.

Return on capital employed

Operating profit plus financial income (rolling 12 months) 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 (rolling 12 months) 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.

This interim report and sustainability report has not been reviewed by the company's auditors.

Stockholm, 29 April 2021

Per Strömberg
CEO ICA Gruppen

Contacts and calendar

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Conference call for the media and financial market

ICA Gruppen will hold a webcast conference call at 10.00 CET on Thursday, 29 April, during which CEO Per Strömberg and CFO Sven Lindskog will present the interim report. The conference call will be conducted in English and can be followed at www.icagruppen.se/investerare. To participate, call tel. Sweden +46856642707 or UK +443333009273.

Calendar

18 August 2021	Q2 interim report
28 October 2021	Q3 interim report
14 December 2021	Capital Markets Day
9 February 2022	Year-end report 2021

The information in this report is such that ICA Gruppen AB is obligated to disclose pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted, by the agency of the contact person above, for publication at 07.00 CET on Thursday, 29 April 2021.

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 Bank, which offers financial services in Sweden.

For more information, visit icagruppen.se.

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