



PRESS RELEASE

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Axfood sells its Swedish real estate holdings – capital gain of SEK 110 m

A purchase agreement has been signed by Axfood and Crown Properties Holding AB, under which Crown Properties as from 30 April is acquiring Axfood's Swedish real estate portfolio. The deal covers 93 properties, of which 18 are rented by companies in the Axfood Group. The purchase price for the properties is SEK 627 m, and the capital gain is estimated at SEK 110 m.

“The sale of our real estate holdings is a good example of how Axfood is focusing on its core business: developing and running retail food chains. The capital that will now be released will enable us to strongly pursue Axfood's long-term strategy,” says Mats Jansson, President and CEO of Axfood.

A Letter of Intent was signed by the two parties on 12 November 2002. The transaction will be carried out on 30 April. Leasing contracts in force have not been revised as a result of the sale.

Crown Properties Holding AB is 100%-owned by Crown North Corp Ltd, England.

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Axfood AB is one of the largest listed food wholesale and retail companies in the Nordic market. The company conducts wholesale and retail trading under a number of brand names, including the wholly owned store chains Hemköp, Willys and Willys Hemma, and the Spar and Tempo franchise concepts. Consolidated annual sales are approximately SEK 33 billion, with over 8,000 full-time employees. The company has approximately 700 stores in Sweden, of which 250 are wholly or partly owned. The remainder are run by independent grocers tied to the company through agreements. Axfood has some 300 stores in Finland, of which 80 are wholly owned and the remainder operated by independent grocers. The market share is nearly 20% in Sweden and approximately 10% in Finland. Axfood AB is listed on the O-list, Attract 40, of the Stockholm Stock Exchange. Axel Johnson AB is the principal owner, with approximately 45% of the shares.