

ICA AB grows in Latvia; Acquires 13 shops from Interpegro Group

ICA AB has signed a final sales and purchase agreement with the Interpegro Group to acquire 13 food-retail shops and some related real estate properties in Latvia.

- Latvias population of 2,5 million represents a major market opportunity for ICA. The agreement with the Interpegro Group will give us opportunity to increase our market share significantly, says Svante Nilsson, President of ICA AB.
- The Interpegro Group fits perfectly to our growth strategy in the Baltic states, and the acquisition will give us large synergies, and thus lower prices and added value to the Latvian consumer, says Executive Vice President of ICA AB Peter A. Ruzicka, who has been in charge of negotiations with the Interpegro Group.

With its 13 stores Interpegro is the largest food retailer in the Latvian market.

- Our aim has been to sell the company to a professional partner capable of further development of the group, secure employment and create value and benefit for the Latvian society. This will give us the opportunity to invest in other lines of business that we see as more interesting for us in the future, says President of the Interpegro Group Venjamin Gurevich.

The Latvian food retail market is characterised by increased competition after RIMI's establishment in the market in 1996/97, where traditionally open markets have played an important role. During the last years, however, we have seen a development towards larger self-service supermarkets.

The agreement between ICA AB and the Interpegro Group has been approved by the Board of both companies and by relevant authorities in Latvia.

Facts:

With a total retail sale of more than SEK 120 billion annually ICA AB is the largest retailer and distributor of food in Scandinavia through its 4.600 stores in Sweden, Norway, Denmark and the Baltics.

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