

Year–End Report, Axfood AB

- Axfood's consolidated sales amounted to SEK 33,115 m (32,428), an increase of 2.1%. Retail sales for Axfood's wholly owned businesses in Sweden rose by 9.6% during the year. The increase for the fourth quarter was 7.6%.
- Operating profit for the period January–December was SEK 1,023 m (653). Operating profit for the fourth quarter was SEK 271 m (155), an increase of 75% compared with the same period a year ago. Willys, Dagab and Spar Finland made the strongest contributions to the earnings improvement.
- Profit after net financial items amounted to SEK 919 m (527), an increase of SEK 392 m.
- The fourth quarter entailed a slight improvement for Hemköp. The operating margin rose by 0.4 percentage points, to 2.2% (1.8%).
- Axfood's long–term operating margin target for 2005 has been raised to 3.5%.
- The Board of Directors proposes that the dividend be raised to SEK 5.00 (2.50) per share. The dividend policy is being changed to correspond to an average of 40% of profit after tax (previously a minimum of 30% of profit after tax during a business cycle).