

Supplement 2014:1 to base prospectus regarding ICA Gruppen Aktiebolag (publ)'s MTN-programme

Supplement to base prospectus regarding ICA Gruppen Aktiebolag (publ)'s ("ICA Gruppen") MTN-programme, approved and registered by the Swedish Financial Supervisory Authority (the "SFSA") on 3 June 2013 (ref. no. 13-5302) (the "Base Prospectus").

This supplement has been prepared in accordance with Chapter 2 Section 34 in the Swedish Financial Instruments Trading Act (1991:980) (*Sw. lag (1991:980) om handel med finansiella instrument*) and approved and registered by the SFSA on 12 March 2014 and published on ICA Gruppen's website on 12 March 2014.

Rights for investors who have agreed to purchase or subscribe for transferable securities under the Base Prospectus to withdraw their acceptances by reason of the publication of this supplement shall be exercised no later than two (2) business days from the publication, *i.e.*, no later than on 14 March 2014.

This supplement is a part of, and shall be read together with, the Base Prospectus.

Publication of ICA Gruppen's Year-end Report and Annual Report

On 12 February 2014, ICA Gruppen published its Year-end Report for the period 1 January – 31 December 2013 and on 6 March 2014 its Annual Report for the financial year 2013. By this supplement, the Year-end Report and the Annual Report are implemented in, and made parts of, the Base Prospectus.

Konkurransetilsynet's stop notice

On 13 February 2014, the Norwegian Competition Authority (*Konkurransetilsynet*) issued an advance notice that it intends to stop the cooperation agreement between ICA Norge AS and NorgesGruppen ASA.

Refinancing of bridge loan

On 10 February 2013, the Company entered into a bridge loan agreement with Handelsbanken and Nordea for the purpose of part-financing the acquisition of 60 percent of the shares in ICA. When the Company acquired the shares in ICA on 27 March 2013, SEK 19,000 million was borrowed under the agreement (the "Bridge Loan"). The loan was divided into four tranches: tranche A of SEK 5,000 million, tranche B of SEK 2,000 million, tranche C of SEK 8,000 million and tranche D of SEK 4,000 million. Tranches A and B have been fully refinanced previously, and the remaining loan sums have been refinanced in February through a new operating credit.

Updates to the Base Prospectus

The Year-end Report and the Annual Report

The above mentioned publication of ICA Gruppen's Year-end Report and Annual Report for the financial year 2013 causes an update of the headings "Summary", "Risk factors", "Selected historical financial information" and "Other information" of the Base Prospectus.

Furthermore, the section "Income statement – ICA Gruppen Group" at page 61 of the Base Prospectus is supplemented by the column "2013" from the section "Statement of comprehensive income" at page 113 of the Annual Report, that the section "Balance sheet – ICA Gruppen Group" at page 62 of the Base Prospectus is supplemented by the column "31 Dec. 2013" from the section "Consolidated statement of financial position" on page 114-115 of the Annual Report, that the section "Statement of cash flows – ICA Gruppen Group" at page 63 of the Base Prospectus is supplemented by the column "2013" from the section "Consolidated statement of cash flows" at page 117 of the Annual Report, and that the section "Key figures – ICA Gruppen Group" at page 63 of the Base Prospectus is supplemented by the column "January – December 2013" from the section "Financial summary – Key figures" at page 88 of the Annual Report.

The heading "Summary" of the Base Prospectus is updated with the updated historical financial information in "Section B – Issuer". The point that is updated is B.12 which is updated as follows. The section "Income statement" is supplemented by the column "2013" from the section "Statement of comprehensive income" at page 113 of the Annual Report, the section "Balance sheet" is supplemented by the column "31 Dec. 2013" from the section "Consolidated statement of financial position" on page 114-115 of the Annual Report, the section "Statement of cash flow" is supplemented by the column "2013" from the section "Consolidated statement of cash flows" at page 117 of the Annual Report, and the section "Key figures" is supplemented by the column "January – December 2013" from the section "Financial summary – Key figures" at page 88 of the Annual Report.

B.12

Selected
historical
financial
information:

INCOME STATEMENT

SEK m	2013	SEK million	Jan-Mar		Full year		
			2013	2012	2012	2011	2010
Net sales	77,702	Net sales	1,883	626	2,726	2,498	2,663
Cost of sales	-46,074	Cost of goods sold	-1,421	-351	-1,494	-1,399	-1,462
Gross profit	11,628	Gross profit	462	275	1,232	1,099	1,201
Other operating income	191	Other operating income	13	14	73	67	64
Selling expenses	-2,271	Selling expenses ¹	-388	-294	-1,147	-1,056	-1,283
Administrative expenses	-2,446	Administrative expenses	-126	-87	-372	-361	-297
Share of profits from associated companies and joint ventures	121	Share of profit of companies accounted for using the equity method	99	176	376	553	212
Effects of acquisition of ICA AB	8,051	Effects of acquisitions	8,652	—	—	—	—
Operating profit	10,274	Profit/loss from investments in group companies	—	—	94	—	—
Financial income	63	Goodwill impairment	—	—	—	—	-284
Financial expense	-512	Operating profit	8,712	84	256	302	-387
Net financial items	-449	Financial income	8	9	42	45	31
Profit before tax	9,825	Financial expenses	-11	-6	-31	-31	-34
Tax	-379	Profit/loss from investments in group companies	—	—	—	9	—
PROFIT FOR THE YEAR	9,446	Change in fair value of financial instruments	16	15	21	-73	49
		Profit before tax	8,725	102	288	252	-341
Other comprehensive income, items that may not be reclassified to profit or loss		Tax	5	-8	18	23	-12
Revaluation of defined benefit pension plans, net after tax	214	Profit for the period from continuing operations	8,730	94	306	275	-353
Other comprehensive income, items that may be reclassified to profit or loss		Profit/loss for the period from discontinued operations	—	—	—	-216	-38
Change in translation reserve, net after tax	81	Profit for the period	8,730	94	306	59	-391
Change in fair value reserve, net after tax	3	Profit/loss for the period attributable to					
Change in hedging reserve, net after tax	20	Owners of the parent	8,742	104	324	99	-303
Items reclassified to profit or loss at acquisition of ICA AB	-259	Non-controlling interests	-12	-10	-18	-40	-88
Total items that may be reclassified to profit or loss	-158	Change in translation reserve, net after tax	-84	-2	-28	-9	-395
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	9,502	Change in fair value reserve, net after tax	21	0	8	1	-8
Profit for the year attributable to:		Change in hedge reserve, net after tax	-196	7	-7	-8	-8
Owners of the parent	9,439	Comprehensive income for the period	8,471	99	279	43	-802
Non-controlling interests	7	Earnings per share, before and after dilution, SEK					
Total comprehensive income for the period attributable to:		Ordinary Share	54.41	0.65	2.02	0.62	-1.89
Owners of the parent	9,495	C Share,	54.41	0.65	2.02	0.62	-1.89
Non-controlling interests	7	Ordinary Share, continuing operations	54.41	0.65	2.02	1.97	-1.65
Earnings per share before dilution, SEK		C Share, continuing operations	54.41	0.65	2.02	1.97	-1.65
Ordinary share	49.68						
C share	49.68						

1. For full year 2010, 2011 and 2012 the item selling expenses also includes the item Other operating expenses.

BALANCE SHEET

Assets SEK m	31 Dec. 2013	ASSETS, SEK million	Mar 31		Dec 31		
			2013	2012	2012	2011	2010
Non-current assets		Non-current assets					
Intangible non-current assets		Goodwill	14,116	688	574	687	431
Goodwill	11,807	Trademarks	13,149	967	935	967	604
Trademarks	11,055	Interests in companies recognized according to the equity method	772	6,367	5,721	6,185	6,818
IT systems	548	Deferred tax assets	238	210	223	237	225
Other	222	Non-current receivables ICA Bank	5,541	—	—	—	—
	25,702	Land and buildings	18,105	—	—	—	—
Tangible non-current assets		Other non-current assets ¹	3,276	147	136	156	194
Land and buildings	13,838	Total non-current assets	55,197	8,379	7,589	8,232	8,362
Investment properties	1,513	Current assets					
Leasehold improvements	874	Inventories	4,463	521	433	496	550
Equipment	2,468	Short-term investments	6	814	1,155	753	1,070
Construction in progress	553	Current receivables ICA Bank	3,130	—	—	—	—
	19,246	Other current assets ²	5,868	312	295	331	381
Financial non-current assets		Cash and cash equivalents ICA Bank	2,709	—	—	—	—
Interests in joint ventures and associated companies	712	Cash and cash equivalents	1,791	195	291	248	147
ICA Bank's investments	1,204	Total current assets	17,967	1,842	2,174	1,828	2,154
ICA Bank's lending	5,066	TOTAL ASSETS	73,164	10,221	9,763	10,060	10,516
Other financial non-current assets	45						
Other receivables	8						
Deferred tax assets	369	EQUITY AND LIABILITIES, SEK million					
	52,352						
Total non-current assets							
Current assets							
Inventories	4,253						
Current receivables							
Trade receivables	2,926	Equity	16,882	8,712	8,403	8,613	8,944
Tax assets	15	Provisions³	2,597	225	234	233	175
ICA Bank's investments	50	Non-current liabilities					
ICA Bank's lending	2,881	Deferred tax liabilities	4,835	239	212	259	180
Short-term investments	1	Non-current interest-bearing liabilities	12,677	131	186	15	49
Receivables from related parties	1	Non-current liabilities attributable to sale & leaseback	3,763	—	—	—	—
Other receivables	52	Other non-current liabilities ⁴	14	—	1	18	2
Prepaid expenses and accrued income	1,839	Total non-current liabilities	21,289	370	399	292	231
	7,965	Current liabilities					
Cash and cash equivalents	3,948	Deposits ICA Bank	10,352	—	—	—	—
	15,966	Current interest-bearing liabilities	7,108	241	61	198	387
Total current assets		Current liabilities attributable to sale & leaseback	190	—	—	—	—
Assets held for sale	643	Other non-current liabilities ⁵	14,746	673	666	724	779
TOTAL ASSETS	68,961	Total current liabilities	32,396	914	727	922	1,166
Equity and liabilities		TOTAL EQUITY AND LIABILITIES	73,164	10,221	9,763	10,060	10,516
SEK m	31 Dec. 2013						
Equity							
Share capital	503						
Other capital contributed	7,694						
Reserves	801						
Retained earnings	15,065						
Equity attributable to owners of the parent	23,363						
Non-controlling interests	3,178						
Total equity	26,541						
Non-current liabilities							
Provisions for pensions	1,862						
Deferred tax liabilities	4,925						
Bond	5,000						
Other interest-bearing liabilities	1,770						
Other provisions	47						
Other liabilities	8						
Total non-current liabilities	13,612						
Current liabilities							
Interest-bearing liabilities	3,523						
Trade payables	9,364						
Deposits, ICA Bank	10,600						
Liabilities to related parties	6						
Tax liabilities	243						
Other liabilities	1,860						
Provisions	250						
Accrued expenses and deferred income	2,450						
Total current liabilities	28,296						
Liabilities held for sale	512						
TOTAL EQUITY AND LIABILITIES	68,961						

1. For full-year 2010, 2011 and 2012 the item Other non-current assets includes the items Other intangible assets, Equipment, and Other non-current receivables.
2. For full-year 2010, 2011 and 2012 the item Other current assets includes the items Trade and other receivables, Receivables from companies recognized according to the equity method, Tax assets, Other current receivables, and Prepaid expenses.
3. For full-year 2010, 2011 and 2012 the item Provisions includes the items Provisions for pensions and similar commitments, Current provisions, and part of Other non-current liabilities (SEK 28 million in 2012, SEK 27 million in 2011 and SEK 13 million in 2010).
4. For full-year 2010, 2011 and 2012 the item Other non-current liabilities includes the remaining part not classified as Provisions.
5. For full-year 2010, 2011 and 2012 the item Other current liabilities includes the items Advance payments from customers, Current tax liabilities, Other current liabilities, Trade and other payables, and Deferred income.

STATEMENT OF CASH FLOWS		Jan-Mar		Full year				
		2013	2012	2012	2011	2010		
SEK m	2013	SEK million	2013	2012	2012	2011	2010	
Operating activities		Cash flow from operating activities	-226	-134	825	659	534	
Operating profit/loss	10,274	Cash flow from investing activities	-14,610	-51	-308	9	-311	
Effects of acquisition of ICA AB	-8,061	Cash flow from financing activities	19,045	132	-474	-577	-300	
Dividend from joint ventures	24	Cash flow for the period	4,209	-53	43	101	-77	
Adjustments for non-cash items	1,403	Cash and cash equivalents at beginning of period	291	248	248	147	226	
Income tax paid	-429	Exchange differences in cash and cash equivalents	0	0	0	0	-2	
Cash flow from operating activities before change in working capital	3,221	Cash and cash equivalents at end of period	4,500	195	291	248	147	
Change in working capital								
Inventories (increase - /decrease +)	-37	Cash flow from investing activities during 2012 includes acquisition of the remaining shares in ICA with SEK -15,739 million (0), changes in short-term investments with SEK 1,143 million (-45) and acquisition of non-current assets with SEK -14 million (-6). Cash flow from financing activities consists of change in interest-bearing liabilities.						
Current receivables (increase - /decrease +)	822	Hanna's cash flow was included in 2011 with SEK -30 million (-19) in the item Cash flow from operating activities, with SEK -8 million (-5) in the item ICA Bank's net deposits, lending and investments						
Current liabilities (increase + /decrease -)	252							
ICA Bank's net deposits, lending and investments	-283							
Cash flow from operating activities	3,975							
Investing activities								
Purchase of tangible and intangible non-current assets	-2,540							
Sale of tangible and intangible non-current assets	507							
Loans issued	-8							
Repayment of loans issued	11							
Other financial non-current assets (increase /decrease -)	1,168							
Interest received and dividends	35							
Investments in joint ventures	-30							
Acquisition of ICA AB	-15,739							
Divestment of subsidiaries	11							
Cash flow from investing activities	-16,585							
Financing activities								
Borrowings	36,775							
Repayment of borrowings	-18,112							
Interest paid	-477							
Dividend paid	0							
New share issue	5,017							
New share issue of preference shares in subsidiaries	3,000							
Cash flow from financing activities	16,203							
Cash flow for the year	3,593							
Cash and cash equivalents at beginning of year	291							
Exchange differences in cash and cash equivalents	64							
Cash and cash equivalents at year end	3,948							
KEY FIGURES								
Key figures		January-December		Jan-Mar		Full year		
SEK m	2013	2013	2012	2012	2011	2010		
Net sales	77,702	Gross margin, %	24.5	43.9	45.2	44.0	45.1	
Operating profit/loss excl. non-recurring items	2,554	Operating margin, %	3.2	13.4	9.4	12.1	-14.5	
Operating profit/loss ¹⁾	2,223	Net margin, %	4.1	15.0	11.2	2.4	-14.7	
Profit before tax ¹⁾	1,774	Return on capital employed, %	1.1	4.4	3.6	1.1	-3.2	
Profit for the year ¹⁾	1,395	Return on equity, %	2.3	2.3	3.9	3.0	-3.0	
		Equity/assets ratio, %	23.1	85.2	86.1	83.6	85.0	
Cash flow from operating activities	3,975	1. Excluding positive effect of acquisition of SEK 8,728 million.						
Operating margin excl. non-recurring items, %	3.3							
Operating margin, % ¹⁾	2.9							
Return on capital employed, % ¹⁾	6.6							
Return on equity, % ¹⁾	6.5							
Earnings per ordinary share, SEK ¹⁾	7.31							
Earnings per C share, SEK ¹⁾	7.31							
¹⁾ Excluding the effects of the acquisition of ICA AB								
No material adverse changes to the Company have taken place since the latest audited financial report was announced.								

The heading "Risk factors" of the Base Prospectus is updated by the subheading "Real estate related risks – Sale and lease back" being updated as set forth in [Appendix 1](#).

The headings "Historical financial information" and "Age of the most recent financial information" of the Base Prospectus' title "Selected historical financial information" are updated as set forth in [Appendix 2](#).

The headings "Material changes in the issuer's financial position", "Documents incorporated through reference" and "Documents available for inspection" of the Base Prospectus' title "Other information" are updated as set forth in [Appendix 3](#).

Konkurransetilsynet's stop notice and the refinancing of the Bridge Loan

The above mentioned stop notice from the Norwegian Competition Authority (*Konkurransetilsynet*) regarding the authority's intention to suspend the cooperation agreement between ICA Norge AS and NorgesGruppen ASA, and the above mentioned refinancing of the Bridge Loan, causes update to the headings "Summary", "Risk factors", "Description of ICA Gruppen's MTN Program" and "Other information" of the Base Prospectus. The heading "Summary" of the Base Prospectus is updated under "Section D – Risks" and "Section E – Offering". The updated items are D.2 and E.4 that are updated as set forth below.

D.2	Significant risks associated with the Company:	<p>Before an investor decides to invest in MTNs, it is important to carefully analyze the risks that are associated with the Company and the industry in which the Company operates. The main categories of risk factors that may affect the Company's operations, profits and/or financial position are described below. They are in no particular order and there is no claim as to the completeness of the information.</p> <p>Financial risks include risks relating to the Company's financing and refinancing, exchange rate risks and risks relating to the Group's sales and earnings.</p> <p>Market-related risk includes changes in consumer behavior and competition resulting from an increase in online sales.</p> <p>Operational risks include risks relating to having suppliers and operations in multiple countries (including the risk of changes in trade-related regulations in different jurisdictions), logistics risks (including warehousing and transports to stores), increased production and distribution costs, increased competition, damaged reputation (mainly due to independent producers, suppliers, distributors or ICA retailers acting in ways that conflict with the values represented by the Company's brands, or breaking laws or deviating from ethical labor practices, quality or environmental requirements or from international labor norms), complex or changing regulations primarily in the retail sector but also in the bank sector, risks relating to agreements with individual ICA retailers and franchisees, risks relating to ICA's Norwegian operations, risks relating to property management and property exploitation, risks relating to information and IT systems, dependence on group management, ICA retailers and other key individuals, risks relating to decisions by competition authorities (including the Norwegian competition authority deciding to stop the cooperation agreement with NorgesGruppen, something which has also been notified of in a stop notice).</p> <p>There may be risks relevant to the Company that are not known to the Company at this time.</p>
E.4	Interests and conflicts of interest:	<p>The Issuing Agents have and may in the future have relations with the Group other than those arising from their roles in the MTN Program. An Issuing Agent may, for example, provide services related to financing other than through the MTN Program. Svenska Handelsbanken AB and Nordea Bank AB are currently lending banks under loan facilities with the Company, each of which amount to significant sums. Consequently, it cannot be guaranteed that conflicts of interest do not exist or will not arise in the future.</p> <p><i>Other than as stated above, as far as the Company is aware, no person involved in the issue of the Loan has any interest that is relevant to the Loan or that represents a</i></p>

		<i>conflict of interest of any kind./[*].</i>
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The heading "Risk factors" of the Base Prospectus is updated under the subheadings "Risks related to the ICA's Norwegian operation", "Risks related to competition law", "Risks related to refinancing" and "Conflicts of interest", as set forth in Appendix 1.

The heading "Description of ICA Gruppen's MTN Program" of the Base Prospectus is updated under the subheading "General" as set forth in Appendix 4.

The heading "Other information" of the Base Prospectus is updated under the subheadings "Legal proceedings and arbitration proceedings" and "Revolving credit facility" as set forth in Appendix 5, and by deleting the section "Bridge Loan agreement with Handelsbanken and Nordea" in its entirety.

Solna 12 March 2014

APPENDIX 1

Risks related to ICA's Norwegian operations

ICA's Norwegian operations have been reporting a loss for a long period. ICA has drawn up a strategic business plan for the years ahead which involves substantial challenges, particularly with respect to the Norwegian operations. If the Company does not succeed in implementing the strategic business plan there is a risk that the Norwegian operations will continue to make a loss in the future, or that ICA will decide to leave the Norwegian market entirely or in part, resulting in losses. A significant part of the strategic business plan involves cooperation with NorgesGruppen on sourcing and distribution. As set forth in the section *Regulatory risks – Risks related to competition law* below, the Norwegian Competition Authority (*Konkurransetilsynet*) has given a stop notice declaring that it intends to suspend the implementation of the cooperation agreement. ICA Norge and NorgesGruppen have the opportunity to leave comments to the authority until 25 April 2014. The authority will then announce its final decision. The cooperation agreement with NorgesGruppen is intended above all to contribute to lower sourcing and distribution costs, but good store management and increased store sales are also needed if ICA Norway is to perform profitably.

If the Norwegian Competition Authority's final decision is to stop the implementation of the cooperation agreement with NorgesGruppen, there is a great risk that this will negatively impact the Group's operations, earnings and financial position.

Risks related to competition law

In recent years, competition authorities in the countries where the Group operates

ICA has entered into a cooperation agreement with NorgesGruppen for some parts of sourcing and distribution in Norway, as announced on 14 January 2013. This cooperation agreement was subsequently reported to the Norwegian Competition Authority (*Konkurransetilsynet*). On 13 February 2014 the Norwegian Competition Authority gave a stop notice declaring that it intends to stop the implementation of the cooperation agreement. ICA Norway and NorgesGruppen have until 25 April 2014 to leave comments. The authority will then give its final decision. Should the Norwegian Competition Authority's decision to stop the cooperation agreement become final, this could necessitate changes in significant aspects of the way that ICA and NorgesGruppen cooperate or prevent such cooperation from taking place, which could negatively impact the Group's operations, earnings and financial position.

Furthermore, the Swedish Competition Authority (*Konkurrensverket*) has on its own initiative previously investigated ICA Sweden's business relations with ICA retailers. Although the Swedish Competition Authority has not taken any action against ICA in conjunction with these investigations, it cannot be ruled out that new investigations may be conducted in the future.

The competition authorities in the Baltic States pay close attention to the retail sector and on a number of occasions have initiated actions against operators in the market, including Rimi Baltic's national company, often based on market dominance of the operator in question. As elsewhere in Europe, the competition rules also allow the authority to impose antitrust penalties on companies that are deemed to have infringed the regulations laid down in competition law, something which may have a negative impact on the Group's operations, earnings and financial position.

From time to time the Group considers various other acquisitions, mergers and partnerships that require approvals from competition authorities in the jurisdictions concerned. In the event that such approvals are not given, or are given only on

condition that the Group makes changes that the Group is not willing to implement, the Group's expansion and other development may be restricted, which could have a negative impact on the Company's operations, earnings and financial position.

Sale and lease back

When ICA sells a property that is then leased back by ICA in order to be leased out in turn to an independent ICA retailer, an assessment is made of which party bears the main risks and benefits and whether ICA still has a significant involvement in the property. This assessment is based on current rules, facts and circumstances and where ICA has a significant involvement, no sale is regarded as having taken place. ICA has during the financial year 2013, as described in note 1 in the Year-end Report and the Annual Report for the financial year 2013, changed the accounting principles regarding sale and lease back transactions. Further changes in rules or circumstances may lead to changes in financial reporting, which could negatively impact the Group's earnings and financial position.

Risks related to refinancing

The Company's operation is financed partly by loan from external lenders (see, e.g., the section *Operating credit* below). The capital and credit markets remain turbulent, which may make refinancing more difficult or impossible. If the Company is unable to refinance its external loans or can only refinance the external loans on unfavourable terms, this may have a substantial negatively impact on the Company's operation, earning and financial position.

Conflicts of interest

The Issuing Agents have and may in the future have relations with the Group other than those arising from their roles in the MTN-programme. An Issuing Agent may, for example, provide services related to financing other than through the MTN Program. Svenska Handelsbanken AB and Nordea Bank AB are currently lending banks under loan facilities with the Company, each of which amount to significant sums. Consequently, it cannot be guaranteed that conflicts of interest do not exist or will not arise in the future.

APPENDIX 2

HISTORICAL FINANCIAL INFORMATION

The Company's Annual Reports for 2010, 2011, 2012 and 2013, ICA's Annual Reports for 2010, 2011 and 2012, the Company's interim report for the period January – March 2012 and 2013 and Year-end Report for the period 1 January – 31 December 2013, and ICA's interim report for the period January – March 2012 and 2013 are incorporated into the Base Prospectus by reference. The documents incorporated are to be read as part of this Base Prospectus. All the reports are available on the Company's website www.icagruppen.se and can also be obtained from the Company in hard copy. Other information, if not available in electronic format at www.icagruppen.se, can be obtained from the Company as a hard copy.

The Company's and ICA AB's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations provided by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU. Furthermore, the Group also applies the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups.

The Company's and ICA AB's Annual Reports for 2010, 2011, 2012 and 2013, together with ICA AB's Annual Reports for 2013, 2011 and 2012, were prepared in accordance with the recommendations and statements issued by the Swedish Financial Accounting Standards Council.

Other than the auditing of the Company's Annual Reports and the review of interim reports (excluding the Year-end Report for the period 1 January – 31 December 2013) and pro forma financial information, the Company's accountants have not audited or reviewed any part of this Base Prospectus.

ICA's income statement, balance sheet and statement of cash flows for the period January – March 2013 and the period January – March 2012 can be found in the Company's interim report for the period January – March 2013:

- income statement, page 14;
- balance sheet, page 15; and
- statement of cash flows, page 16.

ICA's income statement, balance sheet and statement of cash flows for 2011 and 2012 can be found in the Company's Annual Report for 2012:

- income statement, page 73;
- balance sheet, page 74;
- statement of changes in equity, page 76; and
- statement of cash flows, page 77.

AGE OF THE MOST RECENT FINANCIAL INFORMATION

The most recent financial information has been taken from the Annual Report for 2013, which was published on 6 March 2014.

APPENDIX 3**MATERIAL CHANGES IN THE ISSUER'S FINANCIAL POSITION**

There has been no adverse material change in the Group's financial position or position in the market that could affect the market's view of the Company since the publication of the Annual Report for the financial year 2013.

DOCUMENTS INCORPORATED THROUGH REFERENCE

The following documents have incorporated in the Base Prospectus through reference:

- the Company's audited Annual Report and audit report for fiscal years 2010, 2011, 2012 and 2013;
- ICA AB's audited Annual Report and audit report for fiscal years 2010, 2011 and 2012;
- the Company's interim report for the period January 1 – March 31, 2012 and 2013;
- the Company's Year-end Report for the period January 1 – March 31, 2013; and
- ICA AB's interim report for the period January 1 – March 31, 2012 and 2013.

DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available in electronic form on the Company's website www.icagruppen.se. Copies of the documents are also available at the Company's head office at Svetsarvägen 16, SE-171 93 Solna, Sweden, on weekdays during the Company's regular office hours throughout the period of validity of the Base Prospectus.

- the Company's articles of association;
- the Company's audited Annual Report and audit report for fiscal years 2010, 2011, 2012 and 2013;
- ICA AB's audited Annual Report and audit report for fiscal years 2010, 2011 and 2012;
- the Company's interim report for the period January 1 – March 31, 2012 and 2013;
- the Company's Year-end Report for the period 1 January – March 31, 2013;
- ICA AB's interim report for the period January 1 – March 31, 2012 and 2013;
- this Base Prospectus; and
- approval decision by the Swedish Financial Supervisory Authority for this Base Prospectus.

APPENDIX 4**GENERAL**

This MTN Program forms part of the Company's debt financing and provides a framework within which ICA Gruppen AB (publ), in accordance with the decision by the board of directors on 29 May 2013, can take out Loans in Swedish kronor (SEK) or euros (EUR) with a minimum term of one year on the capital market on an ongoing basis. The total outstanding Nominal Amount of MTNs may not exceed SEK 10,000,000,000 or the equivalent in EUR ("the Program Amount") as of the date of agreement between the Company and the Issuing Agent concerning placement of MTNs.

Loans are taken out through the simultaneous issue of multiple account-based unilateral debt instruments with identical wording, known as Medium Term Notes ("MTNs"). MTNs may be issued at a Nominal Amount lower than EUR 100,000 (or the equivalent amount in SEK). For the Company, the MTN Program is one element of the refinancing of the SEK 19 billion bridge loan taken out with Svenska Handelsbanken AB (publ) and Nordea Bank AB (publ) in conjunction with the Company's acquisition of 60 per cent of the shares in ICA AB from Ahold J.V. NV. The MTN Program is aimed at capital market investors. Decisions to take out Loans are made by the Company's board of directors.

Loans under the MTN Program may be issued with fixed interest, floating interest or no interest (known as a zero coupon structure).

The General Terms appended hereto shall apply to all MTNs issued under this MTN Program. In addition, supplementary Final Terms shall apply to each MTN; together with the General Terms, these constitute the full Loan Terms for the Loan in question. Each Loan issued under the MTN Program is given a loan number.

The Company has appointed Svenska Handelsbanken AB (publ) ("Lead Bank") and Nordea Bank AB (publ) as Issuing Agents under the MTN Program.

The Issuing Agents have and may in the future have relations with the Group other than those arising from their roles in the MTN Program. An Issuing House may, for example, provide services related to financing other than through the MTN program. Svenska Handelsbanken AB and Nordea Bank AB are currently lending banks under loan facilities with the Company, each of which amount to significant sums. Consequently, it cannot be guaranteed that conflicts of interest do not exist or will not arise in the future.

APPENDIX 5

LEGAL PROCEEDINGS AND ARBITRATION PROCEEDINGS

On 4 October 2012, the Administrative Court of Appeal confirmed an administrative decision from December 2010 in which ICA was refused interest deductions of around SEK 3.4 billion for the years 2004-2008 and also imposed a tax surcharge for the 2007 assessment year. The total tax claim amounted to around SEK 1.3 billion; for ICA Gruppen, this reduced operating profit by SEK 512 million in the third quarter 2012. The Administrative Court of Appeal's ruling has acquired legal effect.

On 14 January 2013, ICA announced that it had entered into a cooperation agreement with NorgesGruppen for some parts of sourcing and distribution in Norway. This cooperation agreement was subsequently reported to the Norwegian Competition Authority (*Konkurransetilsynet*). On 13 February 2014 the Norwegian Competition Authority gave a stop notice declaring that it intended to suspend the implementation of the cooperation agreement. ICA Norway and NorgesGruppen have until 25 April 2014 to leave comments. The authority will then give its final decision.

Other than the above, the Company is not, nor has it been, a party in any legal proceedings or arbitration proceedings over the past twelve months that have had or could be deemed to have a material effect on the Company's financial position or profitability. Nor has the Company been informed of any claims that could lead to the Company being a party in such proceedings.

Revolving credit facility

On 27 March 2013, the Company entered into a revolving credit facility agreement of SEK 4,000 million. The agreement was renegotiated on 10 June 2013 so that, *inter alia*, the Company was made sole borrower and the credit sum was extended to SEK 5,000 million. The agreement is valid until 27 March 2016 and replaces the ICA Group's previous revolving credit agreement. The loan agreement also contains customary terms, warranties and engagements, including restrictions on further borrowing, guarantee commitments, pledges and significant changes in the business. The Company also undertakes, as customary, to achieve certain levels of key financial ratios (net debt in relation to operating profit before depreciation and amortization (EBITDA) and also EBITDA in relation to net financial items) and the agreement contains provisions concerning the banks' right to terminate the operating credit in the event of a breach of contract by the Company. The loan agreement also contains a provision entitling the banks to terminate the operating credit should the Company be delisted or should ICA-handlarnas Förbund cease to own and control more than 50 per cent of the shares and votes in the Company, should events occur that have a material negative impact on the ability to meet payment commitments under the credit facility agreement or on the Group's financial position as a whole, or if a Group Company is not able to meet its commitments to other creditors, known as "cross default".

In February 2014, the Company has also entered into a new revolving credit of SEK 2,300 million, which mainly contains equivalent terms, warranties and engagements as the agreement that was entered in on 27 March 2013.