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ICELAND FOODS GROUP APPOINTS NEW CHAIRMAN

Iceland Foods Group Limited (“Iceland Foods”) is pleased to announce the appointment of a new Non-Executive Chairman: Baldvin Valtýsson, head of the London office of Icelandic bank Landsbanki, who has been a Non-Executive Director of Iceland Foods since June 2008.

His appointment follows the resignation from the Board of Jón Ásgeir Jóhannesson, a Non-Executive Director since 2005 and Non-Executive Chairman since 2008.

Iceland Foods Chief Executive Malcolm Walker said: “I am delighted to welcome Baldvin Valtýsson to his new role as our Chairman, and I and the rest of the Iceland Foods management team look forward to continuing to work with him to pursue our successful strategy of the last five years.

“We are sorry that Jón Ásgeir has been obliged to step down to focus on defending himself against the recent lawsuit lodged against him in New York, and in the light of the related action taken to freeze his assets in the UK.

“Jón Ásgeir was the first outsider to spot the huge turnaround potential of The Big Food Group as long ago as 2002, when Baugur made its first investment in the company, and he played the central role in completing the takeover of the company by a consortium of principally Icelandic investors in 2005. History will relate that this has been one of the most successful public-to-private transactions in the history of UK retailing, with Iceland Foods in 2009 achieving record profits and securing recognition as one of the Best Big Companies to Work For in the UK.

“We will always be hugely grateful to Jón Ásgeir for everything he has done to make the amazing Iceland Foods recovery story possible, for the faith he placed in me and the rest of the returning senior management team, and for his contribution to our Board since 2005.”