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RECORD SALES AND PROFITS FOR ICELAND

Iceland Foods Group Limited, the holding company for the Iceland Foods and Cooltrader chains, today announces its results for the 52 weeks ended 27 March 2009.

HIGHLIGHTS:

- **Sales up 16% to £2.081 billion (2008: £1.789 billion)**
- **Iceland Foods like-for-like sales up 16%**
- **Fourth consecutive year of double digit like-for-like growth**
- **EBITDA* up 36% to £163.0 million (2008: £119.8 million)**
- **Net profit* before tax up 84% to £113.7 million (2008: £61.7 million)**
- **70 new Iceland stores to open this year**

* EBITDA excluding joint ventures and associates; net profit excluding amortisation.

Iceland Chief Executive Malcolm Walker CBE said: "These record results underline the scale of the sustained recovery we have achieved at Iceland since I and my senior management colleagues returned to the business in February 2005. The key to our success has been a simple strategy of focusing on the things we do best as the UK's acknowledged expert in frozen food.

"We have worked hard to ensure that our range of frozen food is unsurpassed in value, quality growth and innovation, and also offer our customers excellent everyday value in their daily purchases of grocery and chilled foods. We have continued to increase our market share and our shoppers are spending more of their weekly budget at Iceland than ever before. Our Bonuscard loyalty scheme, launched nationally during the year, already has more than 2.5 million members.

"In January we announced the acquisition of 51 former Woolworths outlets which will be re-opening as Iceland stores during the current year, in addition to the 20 new stores we had already planned. This will create a total of some

3,500 new jobs across the UK. We also have a further 20 – 30 new stores in the pipeline to continue our ambitious opening programme into 2010.

“We were pleased to receive recognition earlier this year as one of the Best 20 Large Companies to Work For in the UK, and also by the contribution that the success of the business has allowed us to make to the wider community. Since 2005 we have raised more than £2 million for Europe’s largest children hospital, Alder Hey in Liverpool – a million of that last year alone.

“More and more customers are rediscovering the benefits of frozen food: no mess, no fuss, no waste. This is helping Iceland to maintain strong progress even in the current difficult economic climate, with like-for-like sales currently showing double digit growth for the fifth consecutive year. I would like to thank all our staff for their contributions to this remarkable and continuing British retail success story.”

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NOTE TO EDITORS:

At 27 March 2009 the Group comprised 663 Iceland and 45 Cooltrader stores. A further 15 new Iceland stores and one new Cooltrader store have opened in the current financial year to date.