



22 June 2012

ICELAND AGAIN DELIVERS RECORD RESULTS

Iceland Foods Group Limited, the holding company for the Iceland Foods and Cooltrader chains, today announces its results for the 53 weeks ended 30 March 2012.

HIGHLIGHTS:

- **EBITDA* up 22.5% to £230.2 million (2011: £187.9 million)**
- **Net profit before tax up 18.5% to £184.3 million (2011: £155.5 million)**
- **Sales up 9.4% to £2.614 billion (2011: £2.388 billion)**
- **Like-for-like sales up 6.0% (2011: 2.1%)**
- **18 net new stores opened: 1,000 new jobs created**
- **Named 'Best Large Company to Work For in the UK'**
- **£1.55billion management buyout completed**

* Excluding exceptional items

Iceland Chairman & Chief Executive Malcolm Walker CBE commented:

Results

It is fantastic to be able to report the **seventh consecutive set of record results** since I returned to the business in 2005. I am particularly pleased that we have achieved this exceptional performance not by chasing short-term profit targets, but by resolutely doing the right things for our staff and customers for the longer term.

We delivered **strong like-for-like sales growth of 6%** in a highly competitive market place, increasingly dominated by short-term promotional activity by the major multiples. We achieved this by consistently offering our customers great everyday value in frozen foods and for their daily purchases of grocery and chilled foods, underlined by our round sum pricing policy.

Products

As well as offering great value, Iceland has continued to strengthen its customer appeal through an exciting programme of new product development. We remain the principal driver of innovation in the UK frozen food market, launching more than 230 new products under our own brand during the year. This once again reaffirmed

our position as **the UK's leading frozen food retailer**, unsurpassed in range, value and innovation.

Stores

During the year we opened a total of **21 new stores**, 16 under the Iceland fascia and five under Cooltrader. We ended the year with a total of 814 stores, a **net increase of 18** year on year. This expansion created around **1,000 new jobs**.

Customers

Our store standards and customer service have again improved year on year, as measured by independent mystery shop results. We have also continued to expand and develop our **Bonus Card** loyalty scheme, which is the gateway to our unique home delivery service and also provides access to offers and prizes throughout the year.

Colleagues

We have continued to achieve record levels of staff satisfaction and engagement. In our most recent staff survey, 93% of our 24,000 colleagues told us that they enjoy the work they do, and 94% recommend Iceland as a good place to work. These results were independently confirmed by the 2012 Sunday Times Best Companies Survey, which named Iceland **The Best Big Company to Work For in the UK**. Once again, I would like to thank all our staff throughout the Group for their contributions to another very successful year.

Community

Iceland has continued to make a great contribution to the wider community through the active involvement of our company and its people in charitable activities. Last year we raised over £1.2 million for our Charity of the Year, **Alzheimer's Research UK**, through the successful Iceland Everest Expedition and the heroic fundraising efforts of our colleagues and customers during our annual August charity week. This year we have again named Alzheimer's Research UK as our Charity of the Year and are committed to raising at least another £1 million for this excellent cause, through initiatives including our **Cycle Britain** sponsored bike ride around the UK.

Management buyout

Shortly before the end of the financial year, on 9 March 2012, my colleagues and I completed a **£1.55 billion management buyout** of the company, with the support of three new outside co-investors: Brait S.A., Lord Kirkham and The Landmark Group. All three are like-minded retail entrepreneurs who understand our way of working and share our belief in doing the right things for the long term.

The future

Our strategic priorities remain unchanged. The key benchmarks for Iceland will not be short term performance but satisfying our customers by continuing to offer **great value**, maintaining the **quality** of our products, keeping up the pace of **innovation** and providing great **service** by well rewarded and highly motivated colleagues. We will also make our products available to more customers through continued expansion of our store network in the UK and by exploring opportunities for further development of our offer overseas, with the support of our new investors.

ENQUIRIES:

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NOTE TO EDITORS:

At 30 March 2012 the Group comprised a total of 814 (2011: 796) stores, comprising 757 (2009: 742) Iceland stores and 57 (2011: 54) under the Cooltrader fascia.

Following the management buyout on 9 March 2012, a new holding company for the Group was created, Oswestry Topco Limited. Consolidated results for the new Group will be prepared for the financial period ending 29 March 2013.

For more information on Iceland Foods, please visit www.iceland.co.uk