

Press release

Stockholm, February 26, 2010

“A good year in the face of a challenging economy”

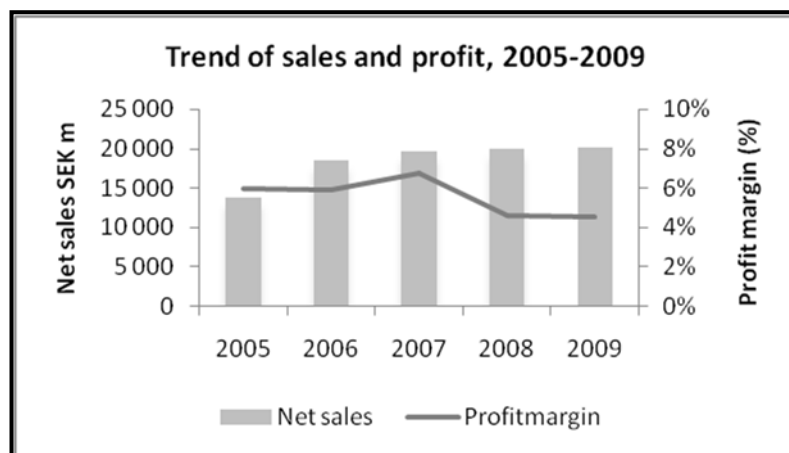
- Five of seven group companies performed better than last year, and several companies increased their market shares in declining markets.
- Within Axfood, Willys defended its low-price offering, and steadily increased its number of customers. Hemköp reversed its trend of earnings during the year and reported a profit.
- As a result of its focus on fashion, Åhléns became the fourth largest fashion player in Sweden during the year. In December, the first two Åhlens Apoteken (pharmacies) opened in Norrköping and in the department store at Skanstull in Stockholm.
- Mekonomen reported record-high earnings and increased its shares in a weak market. Mekonomen Direkt, the new telephone service, has achieved a strong impact and more than 80 percent that have used the service are new customers.
- Sales by Servera rose by 7 percent in a declining market.
- The companies within Axel Johnson International were impacted severely by the economic downturn. However, the market for spare parts and service, as well as offshore and wind power, showed continued favorable growth.
- Svensk BevakningsTjänst reported an 81 percent increase in operating profit, compared with 2008, and is approaching its long-term objective of becoming Sweden’s second largest security company.
- Novax completed a favorable transaction in WeSC through the divestment of 50 percent of the shares in the company.

Financial information

- The Axel Johnson group’s consolidated sales totaled SEK 20,073 million (19,881). Operating profit amounted to SEK 914 million (993) and profit after net financial items to SEK 916 million (909).
- The group’s financial position remained strong. Reported shareholders’ equity amounted to SEK 6,258 million (5,894). Cash and cash equivalents at year-end totaled SEK 2,869 million (2,569) and net cash assets amounted to SEK 2,303 million.

Axel Johnson in brief

Key figures	2009	2008
Net sales	20,073	19,981
Sales growth, %	1	1.7
Operating profit	914	993
Operating margin, %	5	5
Profit after net financial items	916	909
Net profit for the year	601	515
Equity	6,258	5,894
Equity ratio, %	61	56
Return on equity, %	9.9	9.0



CEO's comments

During 2009, we have been focused on acting fast and, at the same time, we remained consistent and continued to pursue what we believe is our most prudent long-term course of action. Our energy was concentrated on what we can influence in our businesses, rather than waiting for the effects of the economic downturn. During times of uncertainty it is a strength to have a long-term and stable owner, it creates a favorable working environment and the opportunity to grow during times of adversity. We have successfully focused on developing more favorably than our competitors and capturing market shares.

Five of seven group companies improved their results compared to last year, and most of our companies performed better than the competitors. This proves that we have the ability to grow in a weak market without compromising the profitability and service to our customers.

As we enter 2010, we have all the capabilities required to continue to grow and to successfully develop our businesses. With leading companies and a strong balance sheet, as well as knowledgeable and committed employees, we will capitalize on the market shares we gained during 2009. We shall continue to make every effort to exceed customer expectations. These are the factors that made us competitive during 2009 and that will continue to determine our success in 2010.

Stockholm, February 26, 2010

Fredrik Persson,
President and CEO

Axel Johnson AB is one of the Nordic region's largest groups building and developing profitable businesses within trade and services in the European market, with the emphasis on the Nordic region.

Group companies currently comprise Axel Johnson International, Novax, Servera, Svensk BevakningsTjänst, the Åhlens group and the partly owned listed companies Axfood and Mekonomen. The wholly and partly owned companies in the Axel Johnson group have a total annual sale of approximately SEK 56 billion, and about 17,000 employees (2009). Axel Johnson is a family-owned company in the fourth and fifth generation and is owned by Antonia Ax:son Johnson and her family. www.axeljohnson.se

The Axel Johnson group companies

Financial information

Group companies#	Net sales SEK m		Sales growth, %	Profit after net financial items		Profit margin, %	
	2009	2008	2009	2009	2008	2009	2008
Axel Johnson International	5 299	6 065	-13%	110	284	2,1%	4,7%
Axfood (46 %)*	32 378	31 663	2%	1 082	1 011	3,3%	3,2%
Mekonomen (29 %)*	3 129	2 646	18%	323	261	10,3%	9,9%
Servera	7 303	6 857	7%	150	166	2,1%	2,4%
Svensk BevakningsTjänst	756	636	19%	76	42	10,1%	6,6%
Åhléns Group	6 202	5 789	7%	216	187	3,5%	3,2%

*Figures within parentheses indicate the share of ownership.

AXEL JOHNSON INTERNATIONAL

Challenging economy

Operations in 2009

- Sales totaled SEK 5,299 million (6,065) and profit after net financial items SEK 110 million (284).
- The Axel Johnson International group strengthened its position in the offshore and wind power sectors. Demand for spare parts and service is favorable, which particularly benefited AxIndustries and AxFlow, where the aftermarket accounts for 55 percent and 35 percent of sales, respectively.
- Most of the industrial sectors in which Axel Johnson International's key customers operate, such as the transport and automotive industry, the chemical industry and the steel and metals industry, have been impacted strongly by the weak economy. Comprehensive efforts were made during the year to offset lower order bookings, which resulted in favorable sales and earnings for Axel Johnson International, compared with its competitors.
- During 2009, AxFlow acquired the UK company TAPS, which conducts operations in service and flow equipment in northern England. AxIndustries acquired Halmstad EI & Pump, which was integrated with Elektro Dynamo. Net sales for the acquired companies' totals SEK 35 million.

Entering 2010

A somewhat improved market for the industry could have a favorable impact on the operations of Axel Johnson International. The aftermarket and service sectors show strong growth potential for several of the companies within the Axel Johnson International group.

Axel Johnson International is an active owner of value creating companies in the marketing and distribution business. Focused on industrial and consumer products in Europe, the operations consist of four business areas: Forankra, AxFlow, AxIndustries and AxImage.



Continued growth

Operations in 2009

- Sales totaled SEK 32,378 million (31,663) and profit after net financial items SEK 1,082 million (1,011).
- Hemköp reported a profit and during the year focus was on cost control, improved gross profit and development of price and product range strategies. Sales and earnings within Willys were stable, and the number of customers increased steadily. Dagab's sales and earnings developed favorably and the cooperation with the Vi-butikerna, consisting of 60 stores, was resumed in early November.
- Axfood launched two new private label brands during the year, Garant and AWARE, a Fairtrade certified private label. The percentage of sales from its private label brands continued to increase during 2009.

Entering 2010

Priority areas include further improvements of the store experience and upgraded price and product range strategies as part of its efforts to exceed customer expectations and stimulate sales growth. Willys' new cooperation with the Swedish Society for Nature Conservation and environmental product labeling reflect a continued strong focus on sustainability issues throughout Axfood.

Axfood (ownership share about 46 percent) is one of the Nordic region's largest publicly listed companies in the food sector, with both retail and wholesale operations. Retail sales are conducted through the proprietary food store chains Willys, Hemköp and PrisXtra, and wholesale operations are conducted through Dagab and Axfood Närlivs.

Mekonomen

Stronger market position

Operations in 2009

- Sales totaled SEK 3,129 million (2,646) and profit after net financial items SEK 323 million (261).
- Mekonomen continued to improve its customer offering in 2009, including changes in store layout, new concepts and increased market communications. Mekonomen Mega and Medium expanded during 2009 to comprise 60 units. The number of repair shops affiliated with Mekonomen's concept grew steadily during 2009 with the addition of about 200 shops.
- Mekonomen Direkt, a 24/7 telephone service launched in early 2009, was received favorably by customers. A new cooperation with Svenska Bil was launched in the beginning of the year involving conversion of its units into Mekonomen Mega and Medium units. The first four units were converted during the autumn.

Entering 2010

During 2010, Mekonomen will continue to focus strongly on efforts to reach new customer groups through innovative, attractive and easily accessible customer offerings. Greater priority will also be placed on services and products with environmental profile. Reduced sales of new cars, combined with an older fleet of cars and more environmentally aware consumers will benefit Mekonomen's offering.

Mekonomen (ownership share 29 percent) is Sweden's largest car parts chain, with customer offerings both for private and corporate sectors. With more than 215 repair shops and over 1,200 affiliated workshops, the objective is to make the CarLife easier for all customer groups.



Stable development

Operations in 2009

- All companies within the Novax group showed profitability, strong financial positions and favorable liquidity. The divestment of 50 percent of the shareholding in WeSC generated a significant capital gain. Filippa K reported a sharp improvement in profitability. During the year DesignTorget established shops in city locations with high customer traffic in Stockholm and Oslo, and unprofitable shops were closed.

Entering 2010

With a strong financial base and a comprehensive network of growth companies, Novax foresees favorable potential to find new investments during 2010.

Novax invests in and develops growth companies in consumer-related retail, services and business-to-business trade. Through its active and long-term ownership, Novax creates value in the wholly and partly owned companies, that currently consists of Filippa K, DesignTorget, Himla and WeSC.



Strong sales

Operations in 2009

- Sales totaled SEK 7,303 million (6,857) and profit after net financial items SEK 150 million (166).
- Servera's sales focus led to a 7 percent sales increase in a declining market.
- The newly constructed distribution center in Halmstad was put into operation and will deliver goods throughout all of Sweden. With a total surface area of 45,000 square meters, the center further increases the level of service to Servera's customers, enhances its logistics efficiency and support Servera's efforts to halve its environmental impact.
- The launch of a new training and quality portal that offers customers accessible and cost-efficient training is an important feature in Servera's strategy to increase its customers' profitability.

Entering 2010

Specialization in terms of both purchasing and sales continues, with the aim of further improving Servera's customer offering. Nearly 1,000 restaurants will be affiliated with the new training and quality portal. Moreover, sustainability issues will remain a priority area in 2010.

Servera is Sweden's leading wholesaler and specialist for restaurants and the food service sector. The company's 16,000 customers cover the entire range of professional kitchens, from the neighborhood day-care center to trendy, luxury restaurants. Servera has four subsidiaries: Grönsakshallen Sorunda, Fällmans Kött, RP Frukt and Matsäljarna Väst.

Strong growth and record earnings

Operations in 2009

- Sales totaled SEK 756 million (636) and profit after net financial items SEK 76 million (42).
- The strategy of growing together with customers resulted in strong sales during the year. This strategy combined with the security contract during Sweden's EU Chairmanship, enabled Svensk BevakningsTjänst to increase its earnings by 81 percent.
- In December, a five-year agreement with E. ON and Svensk Kärnbränslehantering AB (Swedish Nuclear Fuel and Waste Management Company) was signed for surveillance and security at units including Oskarshamnsverket, OKG AB and the Clab installation owned by Svenska Kärnbränslehantering. The company also received prolonged commitments from most of its major customers, including Vattenfall.
- Högestad Security was acquired in April which strengthens Svensk BevakningsTjänst's position in Southern Sweden.

Entering 2010

Svensk BevakningsTjänst will continue its geographical expansion and further increase the presence outside the Stockholm area. The security sector is normally affected relatively late in the business cycle and, consequently, 2010 may be a slightly weaker year for the industry as a whole.

Svensk BevakningsTjänst is Sweden's third largest security company. With its qualified and environmentally certified operations and nearly 2,000 highly trained employees, the company provides 24-hour security to companies, public authorities and private individuals. Services include alarm devices, surveillance, personal protection, fire protection, advisory services and training.

ÅHLÉNSGRUPPEN

Stronger position in fashion

Operations in 2009

- Sales totaled SEK 6,202 million (5,789) and profit after net financial items SEK 216 million (187).
- The Åhlens group continued its comprehensive strategy and transformation project to further define and improve its customer offering. Major efforts were during the year put on sustainability issues, with particular focus on the purchasing organization and supplier control.
- The department stores increased the shares in the fashion market and advanced the position from Sweden's sixth largest to the fourth largest player in fashion. In December, the first two Åhlens Apotek (pharmacies) were opened in Norrköping and in the department store at Skanstull in Stockholm.
- Kicks strengthened its position as Sweden's no 1 beauty destination, and 16 new shops were opened during the year. Lagerhaus reported favorable sales growth and opened five new stores in 2009.

Entering 2010

- Åhléns will strengthen its position within fashion, and the establishment of Åhléns Apotek in the department stores will continue. Kicks will continue to develop unique customer offerings as part of the efforts to strengthen the position as the number one beauty destination. The outlook is favorable for increased sales volumes for all sectors within the Åhléns group.

The Åhléns group, one of the Nordic region's leading retail companies, comprises the Åhléns department stores, the beauty specialist Kicks, the Lagerhaus home decorating chain and Åhléns home stores in Norway. Every day, more than 300,000 people visit one of the Åhléns group's stores or shops.

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