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» Economic benefits, culinary inspiration and sustainable development have been the focus of KF's continued development and renewal in 2010. With the entrepreneurial spirit KF is modernizing the business to meet consumers' evolving needs and creating the leading and most innovative grocery retail company. «

KF AND THE CONSUMER COOPERATIVE MOVEMENT

Over three million people are members of one of the 44 nationwide consumer societies. By the societies' membership in the Swedish Cooperative Union, KF, these societies own the retail group KF with Coop as the core business. The KF Group own just over half of the country's Coop stores. The remainder of the Coop stores are own directly by 39 different consumer societies, known as retail societies. The other five societies are purely member interest societies and do not run any stores. KF and the consumer societies together form the consumer cooperative movement.

2010 in brief

- A new, long-term commercial strategy for the grocery retail group has been formulated.
- Coop Marknad, a joint market company has been formed.
- A modern form of member dividend was introduced.
- Coop Prima, a premium own brand, was launched.
- The grocery retail group's work towards a more effective and sustainable logistics solution and industry leadership is ongoing.
- KF Fastigheter's largest development programme ever, the retail centre Bromma Blocks, is inaugurated.
- KF Media was formed to take advantage of opportunities that exist in the media industry and respond to the changes taking place in the book market.



KEY RATIOS, KF GROUP

| | 2010 | 2009 |
|--|--------|--------|
| Turnover, total, SEK M | 36,659 | 37,209 |
| Balance sheet total SEK M | 21,580 | 21,327 |
| Profit after financial items before non-recurrent costs, SEK M | 479 | 651 |
| Return on capital employed, % | 4.4 | 6.8 |
| Return on equity, % | 1.7 | 3.4 |
| Debt/equity ratio, % | 31.3 | 31.4 |
| Number of stores | 459 | 453 |
| Average number of employees | 8,823 | 8,807 |

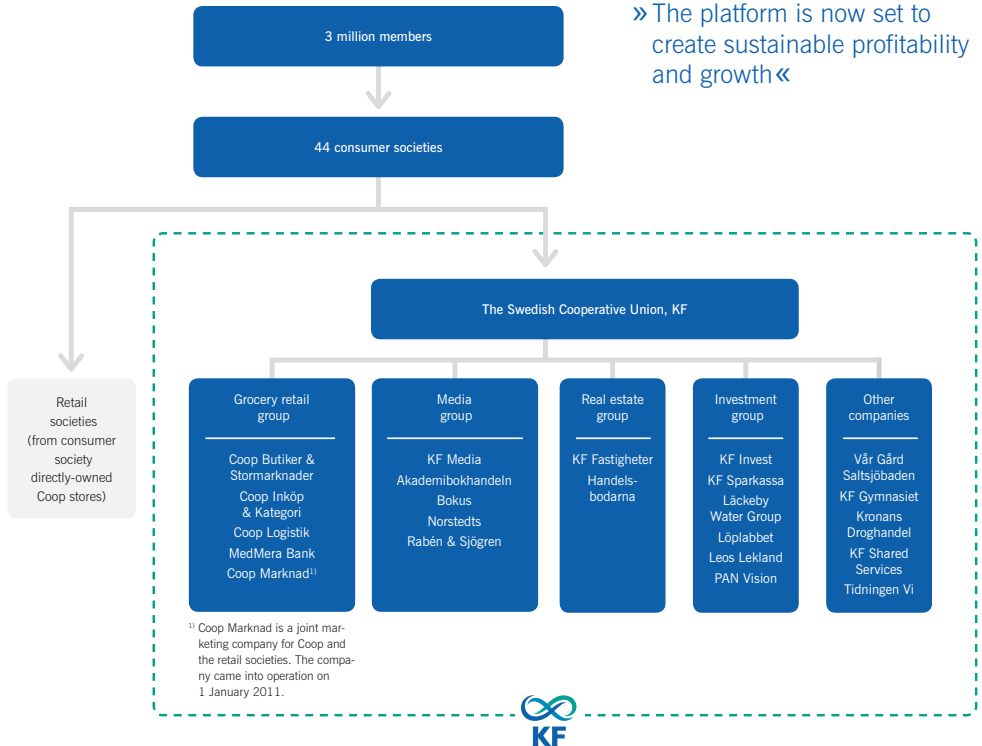
KEY RATIOS, CONSUMER COOPERATIVE MOVEMENT¹⁾

| | 2010 | 2009 |
|--|--------|--------|
| Turnover, total, SEK M | 44,768 | 45,336 |
| Profit after financial net ²⁾ , SEK M | 959 | 1,037 |
| Number of stores | 866 | 863 |
| Average number of employees | 14,638 | 14,803 |

¹⁾ The Consumer cooperative movement's overall performance and turnover is an indicative pro forma. The Consumer cooperative movement includes the Swedish Cooperative Union and consumer societies.

²⁾ Before non-recurrent costs.

» The platform is now set to create sustainable profitability and growth«



KF GROUP

The Swedish Cooperative Union, KF, which is the collective society for the country's 44 consumer societies is also a retail group with grocery retail as its core business. KF has two main business areas – Grocery retail group and Media group.

Grocery retail group

Operational areas within the grocery retail group are: Coop Butiker & Stormarknader, including Coop, Daglivs and Mataffären.se, MedMera Bank AB and Coop Inköp & Kategori with subsidiary Coop Logistik. The Grocery retail group makes up around half of the grocery retail in Sweden's 760 Coop stores. The remainder of the stores are owned and run directly by the retail societies. From 1 January 2011, Coop Marknad AB is also part of the grocery retail group.



GROCERY RETAIL GROUP

| | 2010 | 2009 |
|--|--------|--------|
| Turnover, total, SEK M | 32,536 | 32,921 |
| Operating profit ¹⁾ , SEK M | 478 | 533 |
| Average number of employees | 7,278 | 7,304 |

¹⁾ Before non-recurrent costs and including MedMera Bank's financial net.

Media group

KF Media was formed on 1 July 2010 and includes KF's publishing houses and book stores, that is, Norstedts, Rabén & Sjögren, Akademibokhandeln and Bokus.



MEDIA GROUP

| | 2010 | 2009 |
|--|-------|-------|
| Turnover, total, SEK M | 1,890 | 1,865 |
| Operating earnings ¹⁾ , SEK M | -107 | -23 |
| Average number of employees | 641 | 664 |

¹⁾ Before non-recurrent costs.

Real estate group

Included in the real estate group is KF Fastigheter, which is one of the country's leading property companies. KF Fastigheter manages and develops retail facilities at the same time as providing an important support function for the retail consumer cooperative societies.

Finance group

The finance group includes KF Invest which is the Group's finance function and KF Sparkassa which handles deposits from members and offers savings services at competitive interest rates. This group also includes Löplabbet, civil engineering company Läckby Water Group, Leos Lekland and PAN Vision.

Other companies

Included in the other companies we have our conference facility, Vår Gård Saltsjöbaden, KF Gymnasiet, Tidningen Vi, the internal service and skills company KF Shared Services and the co-ownership of Kronans Droghandel (20 per cent).

REAL ESTATE GROUP

| | 2010 | 2009 |
|--|------|------|
| Turnover, total, SEK M | 553 | 621 |
| Operating earnings ¹⁾ , SEK M | 329 | 267 |
| Average number of employees | 110 | 112 |

¹⁾ Including sales profits and before non-recurrent costs

FINANCE GROUP

| | 2010 | 2009 |
|--|-------|-------|
| Turnover, total, SEK M | 1,954 | 2,177 |
| Profit after financial net ¹⁾ , SEK M | 160 | 321 |
| Average number of employees | 474 | 468 |

¹⁾ Before non-recurrent costs.

OTHER COMPANIES

| | 2010 | 2009 |
|--|------|------|
| Turnover, total, SEK M | 309 | 266 |
| Operating earnings ¹⁾ , SEK M | -26 | -7 |
| Average number of employees | 253 | 204 |

¹⁾ Before non-recurrent costs.

THE NEW DIVIDEND SCHEME

An important part of Coop's new commercial strategy is the reintroduction of the dividend scheme for all members of Coop. In connection with the launch on 1 December 2010, Coop now offers the grocery retail industry's broadest and best loyalty programme.

The new programme means that members receive between 1 and 5 per cent in bonuses depending on how much they buy and that the bonus is paid in cash.

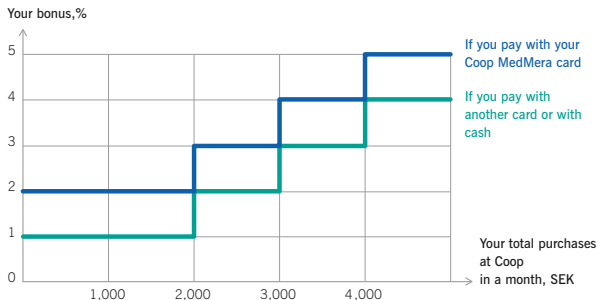
In addition to the bonus, all members receive continuous great deals in Coop stores and hypermarkets, attractive offers from Coop's partners and the opportunity to be involved and have a say.

The new dividend scheme makes it more advantageous to be a loyal Coop member. As more people realize the economic benefits, the idea is that more people will become members, more people will shop at Coop and that casual customers will transform into regulars and consolidate their purchases to Coop. This will make Coop more profitable, making it possible to further improve the stores and offers to members.

The dividend scheme represents a return to cooperative values, adapted to the modern society. The reintroduction of the dividend scheme is an important step in the transformation of KF to an innovative, profitable and leading grocery retail operator. The more members shop at Coop, the more they get back, at the same time the company can drive the development in line with the business concept of creating economic benefits, and facilitating sustainable consumption.



HOW THE MEMBER DIVIDEND SCHEME WORKS



The more the members shop at Coop, the more bonus they receive. Members receive between 1–4%, depending on how much they shop per month at Coop.

SEK 1–1,999 gives 1%
SEK 2,000–2,999 gives 2%
SEK 3,000–3,999 gives 3%
SEK 4,000–50,000 gives 4%

The levels apply from the first shop.

In addition, those who pay at Coop with a Coop MedMera card or Coop MedMera Visa receive an additional 1% bonus, i.e., up to 5%.

Members can also earn bonuses with Coop MedMera Partners and get 1% and pay with their Coop MedMera Visa, worldwide, and get 0.5%.

COOP MEDMERA PARTNERS (Gives 1% bonus on all purchases)

Akademibokhandeln

Sweden's largest bookstore with over 60 stores in Sweden. The company is owned by KF.

Bokus

Online bookstore with Sweden's largest selection of books. The company is owned by KF.

Kronans Droghandel

Sweden's third largest pharmacy chain with over 190 pharmacies. KF owns 20 per cent of the company.

Expert

The home electronics retail chain with over 180 stores in Sweden.

Hertz

The market leader for car rentals with approximately 175 rental offices in 125 locations in Sweden.

Swebus

Operates mainly long-distance coach services in Sweden and to destinations in Norway, Denmark, Germany and the Czech Republic.

COOP MEDMERA PARTNERS (Provides specific offers and discounts but not bonuses)

Apollo

Sweden's third largest tour operator selling package holidays, primarily to sun resorts.

Golf Plaisir

Sweden's largest golf tour operator.

KappAhl

Fashion for the whole family with 160 stores in Sweden.

Telia

Sweden's market leader within mobile communications, fixed telephony, data communications and broadband.

CREATING BENEFITS

Benefits for business, members and society form the comprehensive goal for KF's operations. Benefits for business is about achieving profitable, value-profiled grocery retail trade. Benefits for members means creating a membership which gives a clear added value. Benefits for society aims at contributing to sustainable development, both for people and the environment.

Business concept, vision and value base

Business concept

To create economic benefits and also make it possible for members during their consumption to contribute to sustainable development for people and the environment.

Vision

To be the leading and most innovative grocery retail company and the industry's premier voice and inspiration for sustainable consumption.

Value base

KF's strategic work has its origin in the consumer cooperative movement's 111-year old value base. Even today, these value bases lie behind the formation of the consumer cooperative society:

- Member ownership
- Innovation
- Consideration for people and the environment
- Influence
- Honesty

Objective

Benefits for business

Profitable and value-profiled grocery retail



Benefits for members

Inexpensive, sustainable goods/services and a clear conscience.



Benefits for society

Contributing towards sustainable development for people and the environment.



» The foundation has now been laid for a good development of the collective consumer cooperative movement«



Strategies

KF Group's strategies for 2010–2013 have been grouped under four headings:

Profitability

- Profitability in line with the market for all business areas
- Focus on core business, grocery and retail
- Achieve greater cost-effectiveness through continuous improvement
- Work for increased cooperation within the Group and the consumer cooperative movement in order to benefit from potential synergies

Sustainable development

- Leader in the field of sustainable development – green growth
- Develop the organisation by attracting, nurturing and developing the skills of the employees

Growth

- Create new business opportunities where benefits for business, members and society can interact
- Develop and strengthen the Group's different brands from a portfolio perspective, where the distinct values and the profiles are presented
- Achieve improved cooperation with customers/members and partners through active dialogue and new methods of influence

Innovation

- Pursue active development initiatives

Focus 2011

- Consistent implementation of Coop's commercial strategy
- Continued modernisation of the stores
- New partnerships, which strengthen the member offers
- Complete the process of purchasing advantages, development of the range and the implementation of the new logistics structure
- Secure the best locations for new stores, and increase the pace of development in the property portfolio
- Significant investment in green growth
- Streamline operations and enhance offers within KF Media
- The HR initiatives have continued focus on broad skills and leadership development



» The reintroduction of the member dividend scheme is an important step in the transformation of KF to an innovative, profitable and leading grocery retail operator. The more members shop at Coop, the more they get back, at the same time as the company can drive the development. «

GROCERY RETAIL GROUP

The Grocery retail group's change towards a profitable, value-profiled grocery retail continued in 2010. Work on cost reduction and efficiency improvement continued, but equally important was the task of increasing sales. To become larger, more profitable and to regain market share, the Grocery retail group formulated a new, long-term commercial strategy. An important component was the introduction of a new, modern member dividend scheme.

Grocery retail sector 2010

- Grocery retail sales lower than expected.
- High commodity prices.
- Concentration on fewer and larger stores.
- Trends
 - Focus on sustainability and health.
 - Technology and communication changes the conditions.
 - Inspiration and service increasingly important.

Given the positive economic developments in Sweden in 2010 the retail market developed weaker than expected during the year. The grocery retail sector, which had sales of SEK 277 billion, increased by only 0.5 per cent, while sales of durable goods had a turnover of SEK 340 billion, an increase by as much as 5.6 per cent in fixed prices.

The grocery retail sector's turnover in 2010 amounted to SEK 32, 536 million, which is down 1.2 per cent compared to last year. It is mainly within the non-food range that the group lost sales. Along with the retail societies, the consumer cooperative movement accounts for approximately 21.5 per cent of the grocery market for the largest operators in Sweden.

GROCERY RETAIL GROUP

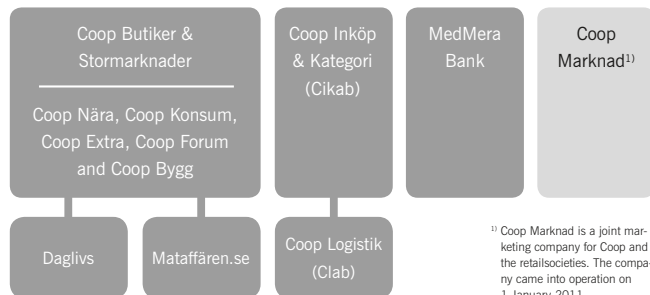
| | 2010 | 2009 |
|--|--------|--------|
| Turnover, total, SEK M | 32,536 | 32,921 |
| Operating earnings before non-recurrent costs, SEK M | 478 | 533 |
| Average number of employees | 7,278 | 7,304 |

PERCENTAGE GROWTH RATE IN THE SWEDISH ECONOMY, FIXED PRICES, RESULT AND FORECASTS

| Annual change, % | 2010 | 2011f | 2012p |
|-----------------------|------|-------|-------|
| GDP | 5.5 | 4.5 | 2.9 |
| Household consumption | 3.5 | 3.5 | 3.0 |
| Total retail trade | 3.3 | 2.5 | 2.5 |
| Everyday commodities | 0.5 | 0.5 | 1.5 |
| Consumer durables | 5.6 | 4.5 | 3.5 |

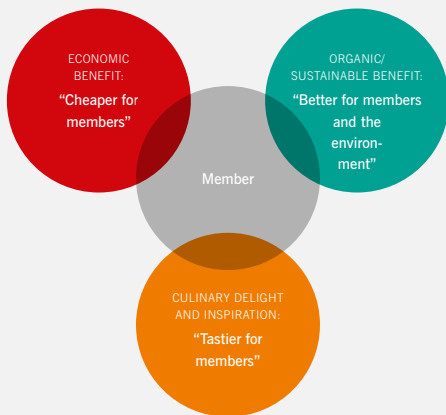
Source: The Swedish Retail Institute (HUI)'s economic forecast, March 2011.

The Grocery retail group includes:



Operational areas within the grocery retail group are:

- Coop Butiker & Stormarknader AB, which operates grocery retail within stores and supermarkets.
- Coop Inköp & Kategori AB (Cikab), with its wholly-owned subsidiary Coop Logistik AB (Clab), which is responsible for purchasing/category and logistics solutions.
- MedMera Bank AB, which manages and operates the Coop loyalty programme and offers financial services.
- Until the turn of 2010/2011, MedMera Bank was also responsible for the nationwide marketing and brand building. A newly formed marketing company, Coop Marknad AB, took over responsibility for these issues from 1 January 2011.



New commercial strategy

Coop's new long-term commercial strategy shall on the basis of the three modern promises deliver:

1. Economic benefit:
Cheaper for members
2. Organic/Sustainable benefit:
Better for both members and the environment
3. Culinary delight and inspiration:
Tastier for members

The single most important measure of the commercial strategy in 2010 was the implementation of the new member dividend scheme.

Focus on modernisation and renovation

Work on the improvement programme that began in the second half of 2008 continued with high intensity in 2009 and 2010. The programme aims to create competitive and profitable grocery retail. It started after a longer period of weak economic growth, with falling sales and operating losses, and covers all

aspects of operations within the Grocery retail group.

In 2010, the most important elements of the change programme were sales, modernisation and renovation. This was given concrete form with a new joint marketing company for Coop in Sweden and a new long-term commercial strategy.

COOP BUTIKER & STORMARKNADER

Board of Directors:

Lars Idermark, Chairperson until 28 February 2011, Johnny Capor, Chairperson as of 1 March 2011, Eivor Andersson, Marie Wiksborg, Jörgen Månsson, Nina Jarlbäck and Leif Linde.

Mats Lundqvist, Håkan Ahlqvist and Jan Sundling resigned from the board on 30 November 2010.

Employee representatives:

Anita Hessler, Kerstin Rosell, Matz Rydstedt and Nina Viberg.

CEO: Jonny Olsson

www.coop.se



COOP BUTIKER & STORMARKNADER

| | 2010 | 2009 |
|------------------------|--------|--------|
| Turnover, total, SEK M | 22,529 | 22,901 |

Under the brand Coop, the Grocery retail group runs several retail chains in Sweden: Coop Forum, Coop Extra, Coop Konsum, Coop Nära and Coop Bygg. The group includes 760 Coop stores in Sweden. Coop Butiker & Stormarknader operates 373 of these and the remainder are operated directly by the retail societies. In addition, Coop Butiker & Stormarknader operates the store Daglivs and the online store Mataffären.se.

Development in 2010

During the year Coop opened five new Coop Forum, two Coop Extra and two Coop Konsum. In addition, several stores were modernized and two were changed to Coop Extra. The new modern shops prioritise culinary delight and inspiration, new design and high quality fresh produce.

Priority activities in 2011

In 2011, the focus is to create member benefits, culinary delight and inspiration,

both in terms of activities in the stores and the presentation of goods. Coop Butiker & Stormarknader will continue to develop so that customers perceive the stores as the most innovative and customer-friendly on the market. Coop's members and customers will continue to be invited to partake in the discussions of the design of the stores' appearance and range. Member dialogue provides Coop with great opportunities to make local adaptations and to implement attractive changes.



Coop Nära

Coop Nära is all about speed, convenience and simplicity, with long opening hours and a good selection of products. 176 stores, of which 91 are a part of Coop Butiker & Stormarknader AB.



Coop Bygg

Coop Bygg offers a broad range of do-it-yourself products and gardening tools. 35 stores, of which 25 are a part of Coop Butiker & Stormarknader AB.



Coop Extra

Coop Extra's objective is to be the best food store in each location, easy and flexible with great ranges of products at great prices. 70 stores, of which 43 are a part of Coop Butiker & Stormarknader AB.



Daglivs

Stockholm store Daglivs is one of the biggest, most successful food stores in Sweden. The store has a range guarantee, which means that customers can order and buy more or less anything they like.



Coop Konsum

Top quality fresh goods and Sweden's broadest range of organic products at reasonable prices are all part of what makes Coop Konsum a healthy business. 383 stores, of which 163 are a part of Coop Butiker & Stormarknader AB.



Mataffären.se

Mataffären.se is an online store which offers a complete range of everyday commodities for home delivery in the Stockholm and Uppsala regions.



Coop Forum

Coop Forum is a hypermarket that offers a broad range of goods, with emphasis on foods, with the markets broadest range of eco-labelled and organic options. 69 supermarkets, of which 46 are a part of Coop Butiker & Stormarknader AB.

Moreover, KF and the consumer societies operate a further 19 grocery stores under other brands.

COOP INKÖP & KATEGORI

Board of Directors: Lars Idermark, Chairperson until 28 February 2011, Nina Jarlbäck, Chairperson and Johnny Capor, board member from 1 March 2011, Jonny Olsson, Thomas Johansson, Håkan Smith och Steve Fredriksson.

Employee representatives: Maria Nordström Andersson and Martin Ångman.

CEO: Jörgen Månsson

www.coop.se



COOP INKÖP & KATEGORI

| | 2010 | 2009 |
|------------------------|--------|--------|
| Turnover, total, SEK M | 25,261 | 25,942 |

Coop Inköp & Kategori AB (Cikab) is responsible for purchasing, category management and logistics for Coop Butiker & Stormarknader, the retail societies and for OKQ8 within the product ranges Non-food and Motorist. 95 per cent of Cikab is owned by KF and 5 per cent by the retail consumer societies. Coop Logistics AB (Clab) is a wholly-owned subsidiary of Cikab responsible for the terminals and distribution of goods under the commission of Coop Inköp & Kategori.

Development in 2010

Initiatives towards industry leadership continued in 2010. Within the framework of the new logistics solution, the number of terminals was consolidated from seven to three.

In addition, a series of measures were conducted, aimed at increasing competitiveness and improving cooperation with external partners

The category work was intense during the year. Among other things, new concepts were developed for meat and bread.

Priority activities in 2011

Cikab has continued to focus on our own brands, where the range is continually expanding. There have been strong investments within category work, with improvements in the quality and range and an increased focus on the entire supply chain with the goal of increasing efficiency. In addition, improvement initiatives have been conducted in the IT systems, working practices and processes to improve the quality of data used by the stores.



Coop

The Coop brand stands for high-quality products at low prices. The product range is wide, ranging from cereals and detergents to tacos and diapers.



Coop Ånglamark

Coop Ånglamark has Sweden's largest range of organic and environmentally-friendly products. Here you will find everything from spicy sausages to chocolate bars with all natural ingredients.



Coop Prima

Coop Prima is a new premium brand that focuses on the individual producer and stands for high quality, culinary delight and inspiration.



X-tra

X-tra is Coop's low price brand, which allows customers to buy good products at low prices.

MEDMERA BANK

Board of Directors: Lars Idermark, Chairperson until 31 December 2010, Johnny Capor, Chairperson as of 1 January 2011, Leif Linde, Eivor Andersson, Birgit Förell and Annica Rutgersson.

Thomas Johansson, Laszlo Kriss, Jonny Olsson, Kent Ryberg and Håkan Smith resigned from the board on 31 December 2010.

Employee representatives: Kjell Birgersson and Torbjörn Eriksson.

CEO: Ivar Fransson up to and including 31 December 2010, acting CEO Birgit Förell as of 1 January 2011.

www.coop.se



MEDMERA BANK

| | 2010 | 2009 |
|------------------------|------|------|
| Turnover, total, SEK M | 343 | 313 |

MedMera Bank AB is responsible for Coop's member dividend scheme and both issues and manages the cooperative's Coop MedMera card.

MedMera Bank was also responsible for Coop's nationwide marketing and brand building until the turn of 2010/2011, when it was transferred to the newly formed Coop Marknad AB. MedMera Bank's main responsibility is therefore to administer and enforce Coop's loyalty programme and to offer financial services to retail stores and supermarkets in the consumer cooperative movement.

Development in 2010

In 2010, MedMera Bank worked primarily with the development of Coop's new loyalty programme with member dividend scheme.

things, E-coupons will be launched in 2011. This means that member discounts will be charged directly to the MedMera card and deducted automatically at checkout. The aim is to simplify the discount process for the members and stores.

Priority activities in 2011

MedMera Bank will continue to develop the loyalty programme with new facilitating features for members. Among other

COOP MARKNAD

Board of Directors: Per-Åke Sandsjö, Chairperson, Johnny Capor, Steve Fredriksson, Thomas Johansson, Laszlo Kriss, Jonny Olsson, Jörgen Månsson, Ronnie Wängdahl and Leif Linde.

CEO: Eivor Andersson

www.coop.se

The work to form a joint market company for Coop and the retail societies was ongoing throughout 2010. The company, which went into full operation on 1 January 2011, is a wholly-owned subsidiary of KF. The company has the overall responsibility for Coop's commercial strategy, pricing strategy, complete membership offers, brands, store concepts, promotions and other marketing communication.

With the new market company the marketing and market communication will be more coordinated and thus clearer and more effective. This will allow Coop to accelerate the development of Coop's offering to more than 3 million members in Sweden. The goal is to give members even greater membership benefits and value.



MEDIA GROUP

KF MEDIA

Board of Directors: Lars Idermark, Chairperson until 28 February 2011, Göran Lindblå, Chairperson as of 1 March 2011, Johnny Capor, Anders Dahlquist-Sjöberg, Sune Dahlqvist, Ulf Ivarsson, Lennart Foss, Maj-Britt Johansson Lindfors and Eva Lindqvist.

Employee representative:
Eva Josefsson

CEO: Maria Hamrefors

www.kfmedia.se

KF Media was formed on 1 July 2010 and includes KF's publishing houses and bookshops, that is, Norstedts, Rabén & Sjögren, Akademibokhandeln and Bokus. The aim of the new organization is to seize the cost synergies and development opportunities that exist in the media industry, as well as to meet the changes taking place in the book market, partly as a result of digital development. KF Media also provides a platform for alliances and acquisitions.

KF Media has a strong position in the market if you look at the entire value chain with the publisher, bookstore, on-line bookstore, book clubs and grocery retail. All activities within KF Media are either number one or number two in their market. In total 20 to 25 per cent of all books in Sweden are sold through one of KF's Media channels.

KFMEDIA

KF MEDIA – THE MEDIA GROUP

| | 2010 | 2009 |
|-----------------------------|-------|-------|
| Turnover, total, SEK M | 1,890 | 1,865 |
| Average number of employees | 641 | 664 |



AKADEMIBOKHANDELN

Business Area Manager: Bo Holmberg

www.akademibokhandeln.se



AKADEMIBOKHANDELSGRUPPEN (INCL. BOKUS)

| | 2010 | 2009 |
|-----------------------------|-------|-------|
| Turnover, total, SEK M | 1,389 | 1,419 |
| Average number of employees | 463 | 493 |

Akademibokhandeln is the leading bookstore chain in Sweden with 65 stores spread across the country. The company offers a wide range of books, complemented with a carefully selected range of paper and office products for residential and small office.

The stores of the book chain are located in strong market places and offer shopping in inspiring environments with advice for customers for facilitating their shopping. In addition to a wide range of stores, in 2010 the customers were offered the entire Bokus range as ordered goods.

Akademibokhandeln accounts for about 40 per cent of the total bookstore market and about 15 per cent of the total book market.



BOKUS

Business Area Manager:
Mats Fagerström

www.bokus.com



Bokus is an online book store which offers over 6 million books, an inspiring website, speedy delivery, attractive prices, a strong knowledge base and a high level of service. Bokus is the second largest in its market.

Bokus is a leading developer of mobile platforms within the book industry and has launched applications (apps) for iPhone, Android and iPad during the year. It is easy to download both e-books and audio books from Bokus to mobile phones, tablets and e-book readers.

During the year, marketing efforts have been developed and Bokus is now continuously meeting customers on social media like Facebook and Twitter and offers book inspiration via its blog.



NORSTEDTS PUBLISHING GROUP

Business Area Manager: Peter Wilcke

www.norstedts.se
www.rabensjogren.se

NORSTEDTS



NORSTEDTS PUBLISHING GROUP

| | 2010 | 2009 |
|-----------------------------|------|------|
| Turnover, total, SEK M | 582 | 504 |
| Average number of employees | 175 | 171 |

Norstedts Publishing Group is one of Sweden's leading publishing houses, publishing a broad range of fiction, non-fiction, dictionaries, maps, audio books, children's books, games and merchandise and digital products. The publishing group, publishes a total of around 500 new titles each year.

Operations are conducted under two publishing names: Norstedts for adult literature and Rabén & Sjögren for children and young people. Norstedts Publishing Group, established in 1823, is Sweden's oldest, and also aims to be the most modern.

Norstedts Publishing Group continues to invest in a broad selection of quality literature in printed and digital formats to accommodate both authors and readers' requests. Aggressive investments in sales and marketing efforts are planned, whilst further developing cooperation with retailers.



REAL ESTATE GROUP

KF FASTIGHETER

Board of Directors: Lars Idermark, Chairperson until 28 February 2011, Anders Stake, Chairperson as of 1 March 2011, Anders Dahlquist-Sjöberg, Johnny Capor, Hans Eklund, Nina Hornewall and Ingrid Karlsson.

Employee representatives: Tom Braathen and Sonja Östlund.

CEO: Bernt-Olof Gustavsson

www.kffastigheter.se

KF Fastigheter manages and develops retail facilities at the same time as providing an important support function for the retail consumer cooperative societies. The Property business involves the management and development of a property portfolio of just over 500,000 square metres of retail space and a market capitalisation of approximately SEK 7 billion. Commercial properties dominate the portfolio. More than SEK 1 billion of the portfolio's value consists of real estate development.

An important part of the business is the

development of the store network for the Grocery retail group, the retail societies and other cooperative retailers. KF Fastigheter provision includes everything from identifying the store locations to the delivery of turnkey and operationally ready stores. The vision is to lay the foundation for Sweden's best trade. This shall be achieved through the highest standard in property management as well as the retail and commerce development. KF Fastigheter shall simultaneously be the operator who is best at integrating trade within society.

KF Fastigheter ➤

KF FASTIGHETER

| | 2010 | 2009 |
|-----------------------------|------|------|
| Turnover, total, SEK M | 553 | 621 |
| Average number of employees | 110 | 112 |



INVESTMENT GROUP

KF INVEST

Board of Directors: Lars Idermark, Chairperson until 28 February 2011, Nina Jarlbäck, Chairperson as of 1 March 2011, Tomas Franzén and Göran Lindblå.

CEO: Johnny Capor

www.kf.se

KF INVEST

| | 2010 | 2009 |
|---|------|------|
| Market value of financial assets under management, SEK billion | 4.4 | 4.5 |
| Accounted value of financial assets under management, SEK billion | 4.4 | 4.5 |
| Total return, % | 5.1 | 8.3 |
| Average number of employees | 10 | 10 |

KF Invest is the the Group's finance function and KF Sparkassa is the Group's deposit business. KF Invest also manages Läckby Water Group, Löplabbet, Leos Lekland and PAN Vision.

All financial activities of the KF Group are managed by a central finance function, KF Invest. The company manages KF's financial assets, amounting to approx. SEK 4.4 billion, and manages all financial risks to which the Group is exposed.

KF Invest also manages the handling of shares in Läckby Water Group, Löplabbet, Leos Lekland and PAN Vision. The portfolio is mainly managed in-house. The main focus is interest-bearing securities. KF's equity investments consist of Swedish and foreign listed companies. The remainder of the portfolio consists of alternative investments such as hedge funds and private equity funds.

KF SPARKASSA

Manager: Manfred Krieger

www.kf.se

KF SPARKASSA

| | 2010 | 2009 |
|-----------------------|------|------|
| Deposits, SEK billion | 3.7 | 3.8 |

KF Sparkassa is the KF Group's deposit business.

KF Sparkassan offers members of the consumer cooperative savings services at competitive interest rates. In turn, the savers support the development of the Swedish consumer cooperative movement.

LÖPLABBET

Board of Directors: Stefan Lambert, Chairperson, Håkan Hven, Mattias Ericsson and Erik Vitez.

CEO: Tom Kellheim

www.loplabbet.se



LÖPLABBET

| | 2010 | 2009 |
|-----------------------------|------|------|
| Turnover, total, SEK M | 139 | 120 |
| Average number of employees | 93 | 86 |

Löplabbet has been a financial holding in KF Invest since 2008. KF Invest owns 70 per cent of the shares.

The leading retail chain in Sweden for the sale of quality running and walking products. In addition to shoes and clothes, orthopedic services are also offered in a number of stores. The high knowledge and service level is the company's primary competitive advantage over other sports shops. The company has 20 retail stores and an online store.

LÄCKEBY WATER GROUP

Board of Directors: Stefan Lambert, Chairperson, Gösta Viking, Anders Wahrolén, Kjell Axelsson and Hans Malm.

Employee representatives:
Peter Mikael Ahlqvist and Bertil Christer Lindblad.

CEO: Peter Hjelm

www.lackebywater.se



LÄCKEBY WATER GROUP

| | 2010 | 2009 |
|-----------------------------|------|------|
| Turnover, total, SEK M | 608 | 665 |
| Average number of employees | 201 | 188 |

Läckeby Water Group has been a financial holding in KF Invest since 2008. KF Invest owns 81 per cent of the shares.

Läckeby Water Group is a leading civil engineering company in Sweden, which works with water and effluent treatment, as well as within the production of biogas from organic waste. The company has built plants in 70 countries worldwide with the main markets being Scandinavia and Asia. The division Läckeby Products also has its own design, development and manufacturing of products for the mechanical processing of sludge and sewage.

LEOS LEKLAND

Board of Directors: Stefan Lambert, Chairperson, Mattias Ericsson and Jonas Rönnqvist.

CEO: Joakim Gunler

www.leoslekland.se



LEOS LEKLAND

| | 2010 |
|-----------------------------|------|
| Turnover, total, SEK M | 13 |
| Average number of employees | 11 |

¹⁾ Turnover from the acquisition date.

Leos Lekland has been a financial holding in KF Invest since 2010. KF Invest owns 80 per cent of the shares.

Leos Lekland operates under its own management and through franchisees, six indoor playgrounds in Umeå, Luleå, Skellefteå, Borås, Kalmar and Växjö. Leos Lekland is the leading operator in the Swedish market for indoor playgrounds.

PAN VISION

Board of Directors: Lars Idermark, Chairperson up to and including 21 December 2010, Johnny Capor, Chairperson as of 1 January 2011, Anders Dahlquist-Sjöberg, Stefan Lambert, Gunnar Bergvall, Johan Åhlander and Jonas Mårtensson.

CEO: Per Almgren

www.panvision.com



PAN VISION

PAN VISION

| | 2010 | 2009 |
|-----------------------------|-------|-------|
| Turnover, total, SEK M | 1 194 | 1 392 |
| Average number of employees | 159 | 184 |

PAN Vision Group is one of the leading Nordic distributors in the home entertainment market. The company has three product groups; TV and computer games, films (DVDs & Blu-Ray) and computer accessories. The games and film product group is made up of both distribution and publishing activities. The computer accessories product group covers only distribution.

PAN Vision operates in all the Nordic countries as well as the Baltic countries. Around 66% of its revenue is derived from the market outside Sweden. Finland is currently by far the biggest market.

OTHER COMPANIES

VÅR GÅRD SALTSJÖBADEN

Board of Directors: Marie Wiksberg, Chairperson, Jan Stenberg, Johan Gustafsson, Paul Svensson and Björn Rietz.

Employee representative:
Milada Jerabek

CEO: Katarina Romell

www.vargard.se



VÅR GÅRD SALTSJÖBADEN

| | 2010 | 2009 |
|-----------------------------|------|------|
| Turnover, total, SEK M | 52 | 47 |
| Average number of employees | 37 | 33 |

Vår Gård Saltsjöbaden is a conference centre with 138 rooms and a meeting capacity for 550 guests. This facility is located in beautiful surroundings at Saltsjöbaden outside Stockholm. The facilities offer an inspiring environment and a unique art collection. Vår Gård Saltsjöbaden has been owned by KF since 1924.

KF GYMNASIET

Board of Directors: Marie Wiksberg, Chairperson, Fredrik Brandel, P-O Höglund, Alice Kuhnke, Kajsa Sandberg and Elsa Brodin.

Employee representative:
Lotta Stolt

www.kfgymnasiet.se



KF GYMNASIET

| | 2010 | 2009 |
|-----------------------------|------|------|
| Turnover, total, SEK M | 17 | 18 |
| Average number of employees | 25 | 23 |

KF Gymnasiet's commission from KF is to create a new generation of employees within the Group. KF Gymnasiet offers a broad economic education with emphasis on trading, finance and management. The school also has an apprenticeship programme in cooperation with Coop. The courses combine and integrate theory with practice in an educational way. Students have access to qualified trainee placements in grocery stores throughout the training.

KRONANS DROGHANDEL

Board of Directors: Eero Hautaniemi, Chairperson, Johnny Capor, Thomas Heinonen, Anna-Carin Andersson, Henrijs Fogels, Petter Sandström, Kimmo Virtanen, Manfred Krieger, Ruth Lindblom and Ingegärd Hallberg.

Employee representatives: Anna-Carin Andersson and Linnea M Lindblom.

CEO: Cecilia Marlow

www.kronansdroghandel.se



Kronans Droghandel operates pharmacies throughout Sweden. The pharmacy chain offers medicine, an inspiring range and a high level of service to its customers. KF owns 20 per cent of the company.

Kronans Droghandel took over 170 pharmacies in the spring of 2010. The company focused on deploying the business, brand building and creating a customer base.

Kronans Droghandel opened a total of 20 new pharmacies in 2010.



KF SHARED SERVICES

Board of Directors: Johnny Capor, Chairperson, Ulrika Bennich, Marie Wiksborg and Mattias Åström.

CEO: Christer Jönsson

KF SHARED SERVICES

| | 2010 | 2009 |
|-----------------------------|------|------|
| Turnover, total, SEK M | 207 | 178 |
| Average number of employees | 174 | 135 |

KF Shared Services AB is an internal service and skills company which provides services within five areas: Finance, IT, HR, Payroll and Internal Services Subsidiary, Tranbodarna AB provides financial and payroll services, and member services to both cooperative associations and external customers.

TIDNINGEN VI

Board of Directors: Maria Hamrefors, Chairperson, Anders Dahlquist-Sjöberg, Kerstin Lager, Jan Wifstrand and Lena Björk.

Acting CEO: Susanne Nibelius. As of 15 March 2011 Sofia Wadensjö Karén will be appointed as CEO and Chief Editor.

Circulation: 41,300 (TS 2010)

Number of readers: 139,000 (Orvesto)

www.vi-tidningen.se



AB TIDNINGEN VI

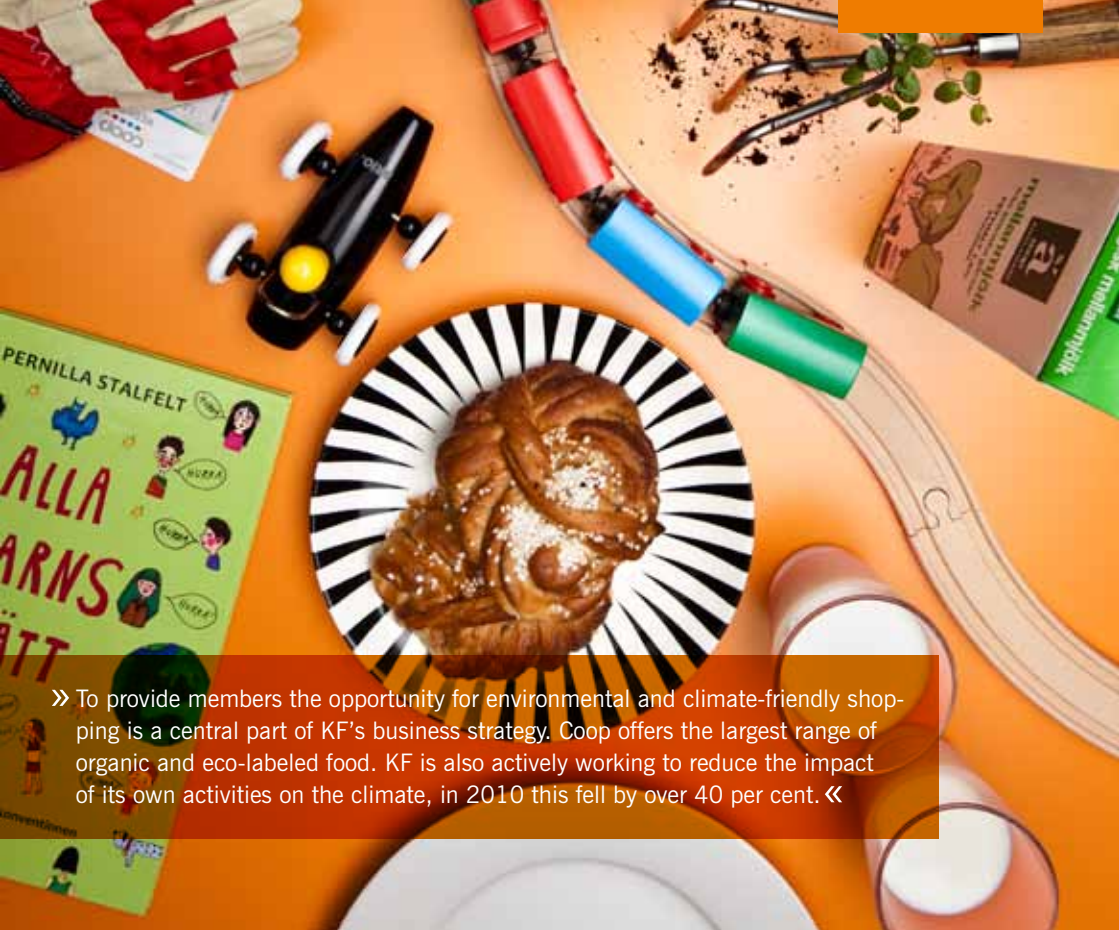
| | 2010 | 2009 |
|-----------------------------|------|------|
| Turnover, total, SEK M | 33 | 28 |
| Average number of employees | 17 | 13 |

AB Tidningen Vi produces and publishes Tidningen Vi, Vi Läser and Vi Biografi.

The company also runs a customer magazine business, a mail order business, ViButiken and a travel business – Reseklubben. Even Vi's literature scholarship, music scholarship award, and Vi's literary båtsalong are recurring annual features of the company's ongoing business. Tidningen Vi has also initiated and collaborated with the Vi Agroforestry Programme and the Foundation Testkedsorden.

Vi is a monthly magazine on culture and society, which was published for the first time in 1913. Vi Läser, is a specialist magazine focusing on books and reading, launched in 2008.





» To provide members the opportunity for environmental and climate-friendly shopping is a central part of KF's business strategy. Coop offers the largest range of organic and eco-labeled food. KF is also actively working to reduce the impact of its own activities on the climate, in 2010 this fell by over 40 per cent. «

FOR SUSTAINABLE CONSUMPTION

Sustainable development is a central part of KF's business concept. The mission of the owners is to create economic benefits, whilst facilitating consumption that is sustainable for both people and the environment. This means that KF should not only pursue its own business that is financially, socially and environmentally sustainable. Through placing demands on suppliers, the forming of public opinion and support to customers, we will also drive the development of sustainable consumption.

MAIN INDICATORS



ENVIRONMENT

The impact on the climate from our own activities decreased by 44 per cent in 2010.



EMPLOYEES

76 per cent of employees are satisfied with their work situation and with the company's sustainability initiatives.



CUSTOMERS

Sweden's largest range of organic and eco-labeled foods grew by 10 per cent to over 2,400 products.



SOCIETY

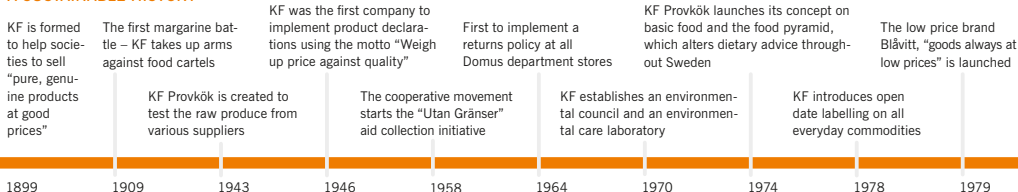
SEK 23.6 million (+11 per cent) was raised for the Swedish Cooperative Centre and the Vi Agroforestry Programme for fighting poverty.



Coop – Sweden's most sustainable brand 2011

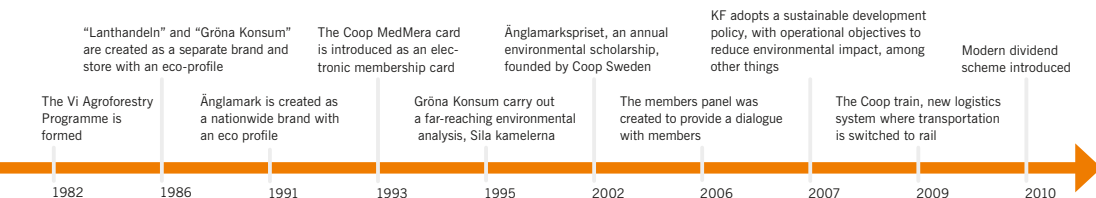
Coop was named Sweden's most sustainable brand by Sustainable Brands, Sweden's largest sustainability consumer survey. Coop was rated highest for both environmental and social responsibility.

A SUSTAINABLE HISTORY



Key events 2010

- Transition to totally renewable electricity in the KF Fastigheter – energy portfolio.
- Climate-smart pilot stores opened in Södertälje and Lund. Vår Gård Saltsjöbaden became the first conference facility in Sweden to be environmentally certified through the initiatives of the ongoing administration.
- Coop introduces a new own brand – Coop Prima – focusing on the individual producer and the origin of the produce.
- A modern dividend scheme is introduced on 1 December.
- In 2010, a critical debate was held on animal welfare. Coop is developing a new animal welfare strategy and the annual Änglamark Price Award focused on good animal welfare initiatives.
- Extensive employee survey shows more satisfied and motivated employees
- E-training programme for all employees in areas such as code of conduct and sustainable development.
- Coop's code of conduct was implemented in all new agreements with national suppliers.



STRATEGIC DIRECTION AND MANAGEMENT

KF's sustainability initiatives are governed by a policy for sustainable development and a number of objectives divided into nine objective areas. Each subsidiary has a responsibility to comply with the policy and its objectives. Climate impact, product development, employee and community relations are the prioritised sustainability issues for KF. Sustainability initiatives are developed through continuous dialogue with the stakeholders.

KF's management of sustainability initiatives

KF's mission, vision and values forms the reference basis for the sustainability initiatives. KF is affiliated with the UN's strategic policy initiative for businesses, Global Compact, and thus is obligated to comply with its principles. On the basis of this, KF has formulated a policy for sustainable development that specifies a set of principles for how the group should act.

The operational management is carried out through nine target areas, some of which apply to all companies while others are specific to the grocery retail sector. The objectives are evaluated and reviewed annually. Each subsidiary is responsible for putting into practice corporate-wide policy and objectives for the management

and monitoring of daily operations. As of the autumn of 2010, the group management has a newly created position – director of sustainable development – who is responsible for the overall management and monitoring of sustainability.

The retail consumer societies are legally independent entities that are not formally controlled by KF's Sustainable Development Policy or KF's operational objectives. However, there is a consensus that KF's Sustainable Development Policy shall also guide the activities of the individual retail consumer societies. The retail consumer societies report certain key indicators for KF sustainability reporting and some societies compile their own environmental or sustainability reports.

KF reports, for the second year, in accordance with the Global Reporting Initiative (GRI), Level C, which is confirmed by KPMG.



KF's RESPONSIBILITIES IN DIFFERENT ROLES



1. Our responsibility as specifier to suppliers and partners

We take responsibility for the entire chain by making demands on our suppliers and partners. We monitor compliance of the demands through our own and third-party audits.

2. Our business responsibility

We take our business responsibility by working actively to reduce our direct impact on the climate and environment and by being a good employer. Priority areas include climate change and energy consumption in our stores.









3. Our responsibility to enable sustainable consumption

We take our responsibility by continually enhancing our product range, services and information to support sustainable consumption for members and customers.

4. Our responsibility in society

We are responsible for maintaining an active dialogue with all concerned parties on how we can create sustainable development for both our own business and society as a whole. Prioritised parties are our members.







OVERVIEW GOALS AND RESULTS 2010

| Goals | Results 2010 |
|---|--|
| Climate impact (wholly-owned subsidiaries) Emissions of greenhouse gases from activities in relation to the (inflation adjusted) financial turnover will be reduced by at least 10 per cent in 2010 and by at least 40 per cent in 2020 compared to 2008. By 2020, the Group will be carbon neutral, by climate offsetting their greenhouse gas emissions. | <ul style="list-style-type: none"> Emissions in relation to the inflation adjusted financial turnover were reduced by 42 per cent during the year and by a total of 48 per cent compared with 2008.  Climate off-setting has not yet started.  |
| Electricity consumption (grocery retail trade) Electricity consumption per square metre of retail space will be reduced by 10 per cent by 2010 and by 30 per cent by 2020, compared to 2008. | <ul style="list-style-type: none"> Consumption per sq.m. of retail space rose by 6 per cent during the year and a total of 3.5 per cent compared with 2008. An area reduction project at Coop Forum increased the relative consumption per sqm. The result of the ongoing energy efficiency initiatives were offset by more chilled and frozen products in the stores.  |
| Freight (grocery retail trade) Total diesel consumption for freight transportation will be reduced by 10 per cent by 2010 and by 30 per cent by 2020, compared to 2008. | <ul style="list-style-type: none"> Diesel consumption in road transport from terminal to store was down by 14 per cent this year and by 20 per cent compared to 2008.  |
| Waste and recycling (grocery retail trade) The amount of recycled waste within each fraction should increase by 10 per cent in 2010 compared to 2008, measured in tonnes. Physical destruction, measured as a percentage of sales, will have decreased by at least 10 per cent in 2010 compared to 2008. | <ul style="list-style-type: none"> The amount of recycled waste was reduced by 2 per cent in 2010 and by 3 per cent compared with 2008. The amount of combustible waste increased while the recycling of organic waste, plastic and cardboard fell. A partial explanation is the increased use of reusable materials such as store packaging.  The physical deterioration increased by 24 per cent during the year compared with 2008, primarily due to changes in procedures for the registration of physical deterioration.  |
| Customer (grocery retail trade) Coop shall be the leading grocer in terms of the range and sale of organic and fair trade products. Sales of organic food as a proportion of total food sales must be at least 10 percent by 2012. | <ul style="list-style-type: none"> We shall have the largest range and highest proportion of sales of both organic and Fair Trade products. The number of organic and eco-labeled foods products grew by 10 per cent to over 2,400 products.  Increasing from 6.7 per cent to 7.1 per cent of the total food sales during 2010.  |

● Goal achieved.
 ● Goal not achieved.
 ● The results are difficult to interpret or the goal has a longer perspective.

| Initiatives 2010 | Focus 2011 and forward |
|---|---|
| <ul style="list-style-type: none"> • Transition to renewable electricity in the KF Fastigheter energy portfolio. • A gradual transition to the new logistics system with new terminal structure where a part of the transportation to the terminal and stores will be transferred on rail. • New business car policy with increased climate requirements. • See also initiatives under Electricity and Freight. | <ul style="list-style-type: none"> • Dialogue with the Vi Agroforestry Programme regarding climate compensation. • Procurement of preventive maintenance and servicing of refrigeration plants. • See also initiatives under Electricity and Freight. |
| <ul style="list-style-type: none"> • Energy-saving pilot stores will open in Lund and Södertälje. • KF Fastigheter is the first in Sweden with the Green Building certification of existing shopping centre (Bäckebol) and conference facility (Vår Gård). • Locks and doors on the refrigerators and freezers as standard in new stores. | <ul style="list-style-type: none"> • Telge Kraft takes over the management of Coop's energy portfolio, providing energy-saving expertise, including tools that enable the daily monitoring of individual units. |
| <ul style="list-style-type: none"> • Continued development of Coop-tåget (Rail solution) as the artery for freight. • Consolidation of the terminal structure. • Increased accountability for all traffic flows between suppliers and stores allowing for more efficient freight. | <ul style="list-style-type: none"> • Combination terminal in Bro for a more optimal utilization of rail transportation. • New freezer terminal opens in Enköping. |
| <ul style="list-style-type: none"> • Reusable materials, for example, Sverige-backen, is used for store packaging for an increasing number of products. • The 'Do not throw food' campaign has contributed to the debate being highlighted both in stores and by individual consumers. • Increased use of container presses and compactors facilitates recycling. • The automatic ordering system (CAO) was introduced in about 260 stores in 2010, which improves the flow of goods and increases the registration of physical destruction. • Läckby Water Group is building Sweden's largest plant for the purification of biogas. | <ul style="list-style-type: none"> • Review of Coop's waste management. • New methods of monitoring of waste and recycling management. • The Ånglamark Award 2011 is given the theme of resource management. • Analysis of the effects of reduced temperature in the refrigerated displays. |
| <ul style="list-style-type: none"> • The new Ånglamark range for baby products, dairy produce and fresh herbs. • Coop introduces a new own brand – Coop Prima. • Winner of the Fair Trade Challenge by inviting 70,000 customers to try Fair Trade coffee. • Implementation of the Action Plan for a living sea. • Analysis and strategy development in matters of animal welfare. | <ul style="list-style-type: none"> • Decisions on new animal welfare strategy and developing of the product range with expanded animal welfare demands. • Continued investment and development of the Coop Ånglamark and Coop Prima range. • Member offers in collaboration with external partners, such as the offer of renewable electricity through Telge Energy. |

OVERVIEW GOALS AND RESULTS 2010, cont.

| Goals | Results 2010 |
|--|---|
| Owners (the consumer cooperative movement) The percentage of members with a positive view on their membership in the consumer cooperative movement should be at least 70 per cent by 2010. The percentage of members who believe that the consumer cooperative movement lives up to the idea of creating economic benefits and contributes to sustainable development for its members should be at least 70 per cent. | <ul style="list-style-type: none"> • A reduction in the calculated index from 62.7 per cent in 2009 to 62.3 per cent in 2010.  • The average grade decreased from 3.4 till 3.2 on a scale of five. This represents a reduction in the index from 59 per cent satisfied in 2009 to 54 per cent in 2010. Slightly more believe that we live up to the economic benefit rather than to contributing to sustainable development.  |
| Employees (all subsidiaries) The percentage of employees satisfied with their work situation and pleased with the sustainable development performance should be at least 70 per cent by 2010. | <ul style="list-style-type: none"> • 76 per cent of employees are satisfied with their work situation in 2010, compared with 50 per cent for Coop in 2008 and 71.7 per cent for other subsidiaries.  • 76 per cent of members are satisfied with the company's sustainability measures in 2010 (55 per cent in 2008).  |
| Suppliers and business partners (wholly-owned subsidiary) All companies within the Group shall place high demands on environmental and social responsibility for the selection of suppliers, partners and the Treasury, and follow up the compliance of the requirements. | <ul style="list-style-type: none"> • Purchase policy or equivalent is in place at all companies. However, the monitoring of compliance varies. Review is conducted by each partner in the MedMera programme. An ethics policy exist with respect to guidelines for the Treasury.  |
| Community relations (the consumer cooperative movement) The consumer cooperative movement's fundraising to the Swedish Cooperative Centre and the Vi Agroforestry Programme should increase by at least 10 per cent in 2010 and by at least 30 per cent in 2020 compared to 2008 (adjusted for inflation). | <ul style="list-style-type: none"> • Contributions increased by 11 per cent during the year and a total of 10 per cent compared to 2008.  |

● Goal achieved.
 ● Goal not achieved.
 ● The results are difficult to interpret or the goal has a longer perspective.

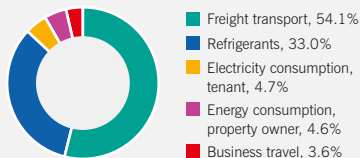
| Initiatives 2010 | Focus 2011 and forward |
|---|--|
| <ul style="list-style-type: none"> • Modern dividend scheme introduced on 1 December. • Premium checks paid out to members in 2010 had a corresponding value of SEK 500 M. The new dividend scheme, in the month of December, amounted to SEK 99 M. • Member-centricity for marketing and product price offers within Coop, including campaigns with half-price for members. • 800 members underwent training to become ambassadors of single issues, such as ecology or Fair Trade. • New digital member point is launched in stores. | <ul style="list-style-type: none"> • Continued efforts to develop the economic benefit for members. • Initiate review of measures to increase real member influence. • Development of member point for increased interactivity. • Development of training initiatives for board members. |
| <ul style="list-style-type: none"> • Corporate-wide employee survey. • E-training programme for all group employees in sustainable development and five other key areas. • A new code of conduct was decided and implemented in the group as a whole. • Restructuring and efficiency measures within, inter alia, Coop Logistik, KF Shared Services and KF Media. • Employee events 'On the right course' within Coop Butiker & Stormarknader and 'On the right path' within Coop Inköp & Kategori. | <ul style="list-style-type: none"> • Four core areas for development measures: skills, leadership, corporate culture and communication and change management. |
| <ul style="list-style-type: none"> • The code of conduct was implemented into all new agreements with suppliers to Coop. • Procurement of indirect goods and services coordinated in areas such as cleaning, IT support and electricity. • The introduction of a supplier portal. • Coop Inköp & Kategori has now completed certification in accordance with the SIQ model. • 500 supplier visits within the project Food from the Region. • 937 conducted audits of supplier factories in the Far East by Intercoop. | <ul style="list-style-type: none"> • Phasing out of ownership in Coop Trading and the strengthening of the national purchasing organisation. • Strengthened cooperation regarding supplier monitoring, inter alia, within the category Fruit & Vegetables. |
| <ul style="list-style-type: none"> • Special fundraising measures for relief efforts in Haiti, generated SEK 2.7 million. • The Vi Agroforestry Programme is the first organisation to conclude an agreement with the World Bank on climate off-setting through sustainable farming methods. • The Ånglamark Award 2010, with focus on good animal welfare. • Participation in the Festival "Stockholm Grönt" with an Ånglamark-pavilion. • Youth activities initiatives through, inter alia, Telge Tillväxt and Fryshuset. | <ul style="list-style-type: none"> • Dialogue with the Swedish Cooperative Centre and the Vi Agroforestry Programme on new methods for Fundraising. • Development of the Ånglamark Award. • Development of the cooperation project with Fryshuset. |

FIGURES AND FACTS

ENVIRONMENT

KF's CLIMATE IMPACT

Climate impact distributed by sources 2010



Substantial change over time

- Transition to renewable electricity in the KF Fastigheter energy portfolio 2010 reduces the calculated climate impact from stores and own property by over 90 per cent.
- Coop Logistik initiated a new logistics system in September 2009 where parts of the freight transport were transferred to rail.
- Reduced climate impact from refrigerant leakage by 8 per cent from 2008 to 2010.
- Reduced emissions from business travel by more than 30 per cent from 2008 to 2010.

Climate change in absolute terms and relative to inflation adjusted turnover

| | 2010 | 2009 | 2008 |
|---|---------------|---------------|---------------|
| Grocery retail group | | | |
| CO ₂ -e (ton) ¹⁾ | 46,231 | 85,206 | 90,398 |
| CO ₂ -e kg/SEK M | 1,439 | 2,581 | 2,857 |
| Other companies | | | |
| CO ₂ -e (tonne) | 5,345 | 6,444 | 7,632 |
| CO ₂ -e kg/SEK M ²⁾ | 1,372 | 1,551 | 1,865 |
| Total | | | |
| CO ₂ -e (tonne) | 51,576 | 91,650 | 98,030 |
| CO ₂ -e kg/SEK M ³⁾ | 1,455 | 2,509 | 2,780 |

¹⁾ Data for the Grocery retail group in 2008–2009 has been adjusted due to changing the system limits for transportation.

²⁾ Figures for Other Companies 2008–2009 have been adjusted due to changes in estimates of turnover.

³⁾ Excluding the part-owned companies but including eliminations.

CUSTOMER

DIFFERENT LABELS' SHARE OF TOTAL SALES (%)

| | Grocery retail group | | Consumer societies | | Coop stores total | |
|--------------------------------|----------------------|------|--------------------|------|-------------------|------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| Food | | | | | | |
| Organic/eco-labelled | 7.1 | 6.7 | 3.9 | 3.4 | 5.8 | 5.6 |
| Fair trade labelled | 0.4 | 0.5 | 0.3 | 0.3 | 0.4 | 0.4 |
| Keyhole labelled ¹⁾ | 20.3 | 22.5 | 15.5 | 17.3 | 18.5 | 20.8 |
| Food from the Region | 1.8 | 1.2 | 11.2 | 10.5 | 5.4 | 4.8 |
| Non-food | | | | | | |
| Eco-labelled | 15.6 | 12.7 | 13.9 | 12.0 | 15.0 | 12.5 |

¹⁾ The keyhole is a Nordic labelling scheme for healthy food.

CUSTOMER

NUMBER OF PRODUCTS IN THE CENTRAL RANGE

| | 2010 | 2009 |
|--|-------|-------|
| Foodstuff | | |
| Organic/eco-labelled ¹⁾ | 2,411 | 2,188 |
| Fair trade labelled | 133 | 128 |
| Keyhole labelled | 3,760 | 3,935 |
| Speciality goods (non-food) | | |
| Eco-labeled ¹⁾ | 2,079 | 1,983 |

¹⁾ The figures for 2009 have been corrected due to the fact that some food labels were incorrectly categorised as special goods.

SOCIETY

FUNDRAISING THROUGH THE CONSUMER COOPERATIVE MOVEMENT (SEK M)

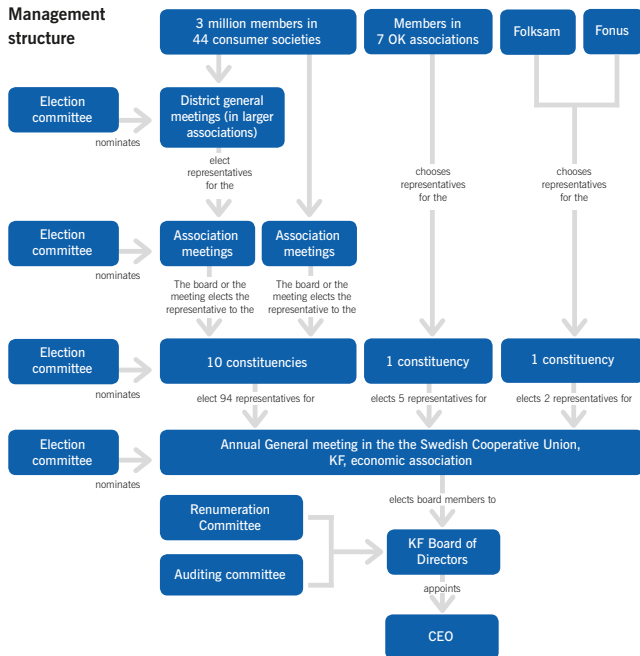
| | Mediation of member contributions | | Contributions from consumer cooperatives | | Total contributions | |
|--|--------------------------------------|-------------|---|------------|---------------------|-------------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| Kooperation Utan Gränser (The Swedish Cooperative Centre) | 8.4 | 6.9 | 6.9 | 6.7 | 15.3 | 13.7 |
| Vi-skogen (the Vi Agroforestry Programme) | 6.2 | 5.6 | 2.2 | 2.1 | 8.3 | 7.6 |
| Emergency Relief to Haiti (The Red Cross) | | | 2.7 | | 2.7 | |
| Världens Barn (Children of the World) | | | 0.5 | 0.3 | 0.5 | 0.3 |
| Pink Ribbon (Swedish Cancer Society) | 1.9 | 0.7 | | | 1.9 | 0.7 |
| Total | 16.5 | 13.1 | 12.3 | 9.1 | 28.7 | 22.3 |



» 2010 was a year when a new modern member dividend scheme was introduced. The number of new members increased by a record 154, 000 and at the end of the year the number of members amounted to more than 3 million. Influence and transparency are becoming increasingly important to consumers, while their demands for accountability and sustainable development are growing. «

OWNER MANAGEMENT WITHIN KF

The activities of consumer societies and the Swedish Cooperative Union, KF, are governed by the Swedish Cooperative Societies' Act. In addition, the Swedish Code of Corporate Governance is applied, in accordance with a resolution in 2007. These rules are incorporated in KF's statutes. KF is owned and run by its members, through consumer societies.





KF is owned by its members. Everyone can become a member of a consumer society. SEK 100 is paid as a membership fee and each member receives a MedMera card confirming membership and entitlement to participation in the member programme.

The number of members at the end of 2010 was just over 3 million.

Consumer societies

There are 44 consumer societies of which 39 operate their own stores and five are member interest societies in the areas where KF runs Coop stores. The two largest societies have over 600,000 members each, and the smallest around 170.

The Swedish Cooperative Union, KF

The Swedish Cooperative Union, KF, gathers the consumer cooperative movement in Sweden. Member societies must meet certain criteria. They must be a legal person, who is a politically and religiously independent legal entity with democratic governance and control. A society must be open to all. Stable

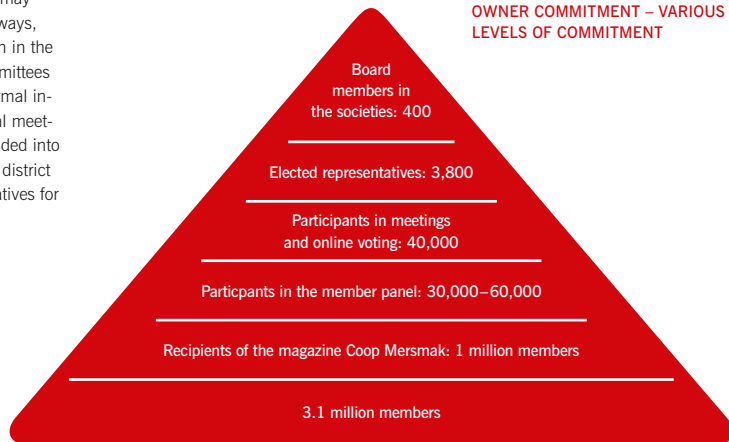
economy and adequate consolidation is also a requirement.

In addition to the 44 consumer societies there are 7 OK associations (petrol stations) as well as Folksam (insurances) and Fonus (funeral care) members.

Member led

Members of a consumer society may influence the business in many ways, perhaps primarily by direct action in the store but also through store committees and membership panels. The formal influence is through annual general meetings. The larger societies are divided into districts. Members participate in district meetings, which elect representatives for the annual general meeting.

The consumer societies' ten constituencies elect 94 delegates for the KF annual general meeting. In addition, a constituency for the OK associations elect five representatives and a constituency for Folksam and Fonus elect two representatives. KF's meeting, in turn elects the KF Board, which in turn recruits the CEO.



CONSUMER SOCIETIES

| Consumer societies | | Number of members |
|--|----------------|-------------------|
| 1. Stockholm, Ktf ¹⁾ | STOCKHOLM | 608,751 |
| 2. Svea, Ktf ¹⁾ | UPPSALA | 588,291 |
| 3. Väst, Kooperativa Ktf ¹⁾ | GÖTEBORG | 353,770 |
| 4. Solidar, Ktf ¹⁾ | MALMÖ | 340,720 |
| 5. Nord, Konsum | UMEÅ | 267,565 |
| 6. Göta, Ktf | VÄXJÖ | 198,995 |
| 7. Värmland, Ktf | KARLSTAD | 142,321 |
| 8. Kristianstad-Blekinge, Ktf | KRISTIANSTAD | 119,829 |
| 9. Gävleborg, Ktf | GÄVLE | 99,644 |
| 10. Bohuslän-Älvsborg, Ktf | UDDEVALLA | 92,424 |
| 11. Norrbotten, Coop | LULEÅ | 90,540 |
| 12. Norrort, Coop Member ¹⁾ | UPPLANDS VÄSBY | 65,884 |
| 13. Oskarshamn, Ktf | OSKARSHAMN | 29,941 |
| 14. Gotland, Ktf | VISBY | 29,329 |
| 15. Malmfälten, Ktf | GÄLLIVARE | 28,167 |
| 16. Norra Östergötland, Kf | FINSPÅNG | 23,469 |
| 17. Karlshamns Ktf | KARLSHAMN | 13,125 |
| 18. Varbergs Ktf | VARBERG | 11,494 |
| 19. Mellersta Nissadalens Ktf | HYLTEBRUK | 4,852 |
| 20. Tabergsdalens Ktf | NORRAHAMMAR | 4,656 |
| 21. Norra Dalarna Ktf | ÄLVDALEN | 3,690 |
| 22. Färingsö, Ktf | STENHAMRA | 3,429 |
| 23. Veberöds Kf | VEBERÖD | 2,795 |
| 24. Mörrum, Ktf | MÖRRUM | 2,846 |
| 25. Dalsjöfors Ktf | DALSJÖFORS | 2,403 |

| Consumer societies | | Number of members |
|-----------------------------------|---------------|-------------------|
| 26. Bjursås, Ktf | BJURSÅS | 1,863 |
| 27. Långsele Kf | LÅNGSELE | 1,694 |
| 28. Forsbacka, Kf | FORSBACKA | 1,432 |
| 29. Lönsboda Kp hf | LÖNSBODA | 1,373 |
| 30. Knäred m o, Kf | KNÄRED | 1,165 |
| 31. Älghult, Coop, Kf | ÄLGHULT | 1,141 |
| 32. Frillesås, Ktf | FRILLESÅS | 1,001 |
| 33. Kågeröds Hf | KÅGERÖD | 998 |
| 34. Getinge Kp hf | GETINGE | 991 |
| 35. Sollerö Ktf | SOLLERÖ | 840 |
| 36. Möja Kf | MÖJA | 637 |
| 37. Morups Hf | GLOMMEN | 613 |
| 38. Hajoms koop handelsförening | HAJOM | 510 |
| 39. Fågelmara Ktf | FÅGELMARA | 434 |
| 40. Styrö Kf | STYRSÖ | 418 |
| 41. Åmots Kp hf | ÅMOTSBRUK | 309 |
| 42. Klippan, Koop handelsförening | BOHUS-MALMÖN | 273 |
| 43. Centrum, Handelsföreningen | KÄLLÖ-KNIPPLA | 180 |
| 44. Sörsjöns koop handelsförening | ÄLVDALEN | 173 |
| Total 44 societies | | 3,144,975 |

¹⁾ Member interest societies, do not run any stores.

BOARD OF DIRECTORS



Nina Jarlbäck
Chair



**Maj-Britt
Johansson Lindfors**
Deputy Chair



Göran Lindblå
Deputy Chair



Sune Dahlqvist
Board member



Hans Eklund
Board member



Glenn Ericsson
Board member



Ingrid Karlsson
Board member



Anders Stake
Board member



**Karl-Petter
Thorwaldsson**
Board member



**Rose-Marie
Borgström**
Employee repre-
sentative



Peter Bergroth
Employee repre-
sentative



Johan Wiberg
Employee repre-
sentative, deputy

MANAGEMENT



Frank Fiskers
President and CEO
from June 1, 2011



Johnny Capor
CFO



Leif Linde
Director,
KF Förbundskansli
(Secretariat)



Marie Wiksborg
Personnel and
HR Director



» KF is only concerned about the interest of its own members. This is what differentiates Coop and the consumer societies from our competitors. KF is owned by over three million members who are also customers. Listening to them and acting on their needs is the very essence of existence for KF. «

INCOME STATEMENT FOR THE KF GROUP

| | 2010 | 2009 |
|--|--------------|--------------|
| SEK M | | |
| Net turnover | 36,659 | 37,209 |
| Costs for sold goods | -29,772 | -29,879 |
| Gross earnings | 6,888 | 7,330 |
| Sales costs | -6,740 | -6,552 |
| Administration costs | -1,041 | -1,126 |
| Other operating incomes | 679 | 489 |
| Other operating expenses | 0 | -47 |
| Earnings from participations in affiliated companies | 46 | -2 |
| Earnings from participations in joint ventures | 71 | 42 |
| Operating profit | -97 | 134 |
| Financial income and expenses | 123 | 117 |
| Earnings after financial items | 26 | 251 |
| Tax | 82 | -22 |
| Withdrawn minority interest | 4 | -5 |
| Year's earnings | 112 | 224 |

BALANCE SHEET FOR THE KF GROUP

| | Dec. 31, 2010 | Dec. 31, 2009 |
|---|------------------|------------------|
| SEK M | | |
| ASSETS | | |
| FIXED ASSETS | | |
| Expenses brought forward for development work | 320 | 321 |
| Patents, licences, brands or similar rights | 55 | 67 |
| Leasehold rights or similar rights | 6 | 8 |
| Goodwill | 451 | 474 |
| Ongoing intangible fixed assets | 73 | 4 |
| Intangible fixed assets | 905 | 874 |
| MATERIAL FIXED ASSETS | | |
| Buildings and land | 4,226 | 3,648 |
| Improvement costs for other property | 15 | 7 |
| Machinery and other technical plant | 80 | 120 |
| Equipment, tools and installations | 2,504 | 2,053 |
| Ongoing new buildings | 158 | 981 |
| Financial leasing | 0 | 2 |
| Other tangible assets | 5 | 1 |
| Material fixed assets | 6,988 | 6,812 |
| FINANCIAL FIXED ASSETS | | |
| Participations in affiliated companies | 263 | 221 |
| Receivables from affiliates, interest-bearing | 9 | 9 |
| Participations in joint ventures | 149 | 172 |
| Receivables in joint ventures, interest-bearing | 151 | 58 |
| Other long-term securities holdings | 240 | 227 |
| Deferred tax receivables | 1,011 | 885 |
| Other long-term receivables, interest-bearing | 304 | 386 |
| Other long-term receivables, non-interest-bearing | 123 | 76 |
| Financial fixed assets | 2,250 | 2,034 |
| Total fixed assets | 10,143 | 9,720 |

| | Dec. 31, 2010 | Dec. 31, 2009 |
|---|------------------|------------------|
| SEK M | | |
| ASSETS, cont. | | |
| CURRENT ASSETS | | |
| Raw materials and requisites | 8 | 7 |
| Goods under production | 90 | 29 |
| Finished goods and commodities | 2,784 | 3,068 |
| Advance to suppliers | 15 | 15 |
| Inventories | 2,896 | 3,119 |
| RECEIVABLES | | |
| Accounts receivable | 1,499 | 1,444 |
| Receivables from affiliates, interest-bearing | 0 | 1 |
| Receivables from affiliates, non-interest-bearing | 1 | 0 |
| Receivables in joint ventures, interest-bearing | 144 | 83 |
| Receivables in joint ventures, non-interest-bearing | 8 | 8 |
| Other short-term receivables, interest-bearing | 460 | 419 |
| Other short-term receivables, non-interest-bearing | 759 | 959 |
| Prepaid expenses and accrued incomes | 881 | 478 |
| Short-term receivables | 3,753 | 3,392 |
| Short-term placements | 4,197 | 4,203 |
| Cash and bank balances | 591 | 892 |
| Total current assets | 11,437 | 11,606 |
| TOTAL ASSETS | 21,580 | 21,327 |

| | Dec. 31, 2010 | Dec. 31, 2009 |
|--|------------------|------------------|
| SEK M | | |
| EQUITY, ALLOCATIONS AND LIABILITIES | | |
| EQUITY | | |
| Investment capital | 2,021 | 1,955 |
| Debenture contributions | 984 | 955 |
| Restricted reserves | 1,068 | 1,031 |
| Restricted equity | 4,073 | 3,941 |
| Non-restricted reserves | 2,503 | 2,473 |
| Year's earnings | 112 | 224 |
| Unrestricted equity | 2,615 | 2,697 |
| Total equity | 6,688 | 6,638 |
| Minority interest | 36 | 36 |
| Guarantee capital | 20 | 20 |
| Allocations for pensions and similar obligations, interest-bearing | 19 | 19 |
| Other allocations, non-interest bearing | 248 | 323 |
| Allocations | 267 | 342 |
| Long-term liabilities, interest-bearing | 2,163 | 2,147 |
| Long-term liabilities, non-interest-bearing | 1 | 1 |
| Long-term liabilities | 2,164 | 2,148 |

| | Dec. 31, 2010 | Dec. 31, 2009 |
|---|------------------|------------------|
| SEK M | | |
| EQUITY, ALLOCATIONS AND LIABILITIES, cont. | | |
| Debts to credit institutes | 260 | 257 |
| Advance payments from customers | 150 | 156 |
| Accounts payable | 3,552 | 3,400 |
| Liabilities to joint ventures, interest bearing | 50 | 125 |
| Liabilities to joint ventures, non-interest bearing | 6 | 4 |
| Tax liability | 12 | 38 |
| Other short-term liabilities, interest-bearing | 5,891 | 5,727 |
| Other short-term liabilities, non-interest-bearing | 692 | 624 |
| Accrued expenses and prepaid incomes | 1,793 | 1,812 |
| Current liabilities | 12,405 | 12,143 |
| TOTAL EQUITY, ALLOCATIONS AND LIABILITIES | 21,580 | 21,327 |
| Memorandum items | | |
| Pledged assets and contingent liabilities | | |
| Pledged assets | 2,526 | 2,400 |
| Contingent liabilities | 801 | 844 |

KEY RATIOS

Definition of key ratios calculated for the group:

SOLIDITY is calculated as the accounted equity, guarantee capital, debenture loan and minority equity in per cent of the balance sheet total.

DEBT/EQUITY RATIO is calculated as the net debt divided by the equity. Net debt is calculated as total interest-bearing liabilities, including guarantee capital and debenture loan, net of total interest-bearing assets.

CAPITAL EMPLOYED is calculated as total assets less non-interest bearing liabilities, including deferred tax liabilities.

RETURN ON CAPITAL EMPLOYED is calculated as earnings before interest expenses and exchange differences on financial liabilities as a percentage of the average capital employed.

INTEREST COVERAGE RATIO is defined as earnings before interest expenses and exchange differences on financial loans divided by total interest expenses and exchange differences on financial loans.

RETURN ON EQUITY is calculated as earnings after tax as a percentage of the average equity.

KF GROUP

| | 2010 | 2009 | 2008 | 2007 | 2006 |
|-------------------------------|------|------|------|------|-------|
| Debt/equity ratio, % | 31.3 | 31.4 | 34.3 | 31.7 | 42.9 |
| Debt/equity ratio, multiple | 0.38 | 0.34 | 0.18 | 0.00 | -0.02 |
| Return on capital employed, % | 4.4 | 6.8 | 7.7 | 5.2 | 7.2 |
| Interest cover rate, multiple | 1.0 | 1.4 | 1.1 | 3.2 | 4.9 |
| Return on equity after tax, % | 1.7 | 3.4 | 1.5 | 5.8 | 9.4 |

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MedMera Bank AB

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Telephone +46 (0) 8-743 10 00
www.coop.se

Coop MedMera Customer Service

Opening hours: Monday-Friday
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kundtjanst@coopmedmera.se

KF Näthandel/Mataffären.se

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Daglivs AB

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KF Media AB

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Akademibokhandelsgruppen AB

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www.bokus.com

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KF Invest AB

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KF Sparkassa Customer Service

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Löplabbet Sverige AB

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Läckeby Water Group AB

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Leos Lekland

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Vår Gård Saltsjöbaden AB

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