



Ingka Group (Ingka Holding BV and its controlled entities)
PRESS RELEASE

Leiden, October 6, 2020

Solid sales performance when life at home has never been more important

Ingka Group today announced strong IKEA retail sales of EUR 35.2 billionⁱ for the financial year 2020ⁱⁱ (EUR 36.7 billion FY19), despite the economic and public health challenges posed by COVID-19. The company continues to transform its business to become more affordable, accessible and sustainable as people's dreams and needs in life at home shift.

2020 will be remembered as a challenging year that has impacted the way people live and socialise as well as how businesses operate. For many weeks during the year, Ingka Group had to close 75% of the IKEA stores it operates across the world due to lockdowns. This is when the company also announced a series of wide-ranging commitments to help and protect the health and livelihoods of those affected by the pandemic. It included a EUR 26 million emergency relief of in-kind donations to support communities as well as providing support to IKEA co-workers by securing income stability, extending parental leave and offering flexible work arrangements. In addition, the company has decided to return the government stimulus support it received for co-worker's wages in the beginning of the pandemic, as the business recovered faster than expected.

"Our strong performance over this unique time, shows the resilience of our business and the impressive leadership among colleagues across IKEA. During the last six months we managed to quickly adapt to meet the new needs of our customers – and even if our values have been put to the test it's clear that our purpose is what unites us. We are determined to create a better everyday life for the many people in a time when home has never been more important," said Jesper Brodin, CEO Ingka Group.

Ingka Group has accelerated its retail transformation over the year, re-purposing its stores to fulfilment units, as well as implementing click&collect services, offering pick-up and drive thru options and in some cases even turning store car parks into COVID-19 testing facilities for the community. Over the year, the company has opened 26 new IKEA locations in cities such as Shanghai, Seoul, Moscow and Tokyo, and developed a more seamless IKEA experience with new digital solutions. It has also invested in real estate such as Kings Mall in London and Rue de Rivoli in Paris while acquiring Geomagical Labs, a 3D and visual AI developer for interactive home furnishing solutions.

As life at home has become more important than ever for people, behaviours and needs have shifted, which has led to a repurposing of the home in many ways. People need their home not only to accommodate their basic needs, but also to act as a workplace, a school or even a gym. The interest to improve the home is growing which has led to strong visitation to both the stores, 706 million (839 million FY19), and IKEA.com, 3.6 billion (2.6 billion FY19). Over the year, the online sales grew by 60% (48% FY19), amounting to about 18% of total sales (11% FY19).

"This year has clearly demonstrated that purpose and profit goes hand in hand. This is the most important decade of humankind and the coming years will be bumpy, but we have it in our own hands to design and invest in a future that leaves no one behind – that is clean, green and more just. Our target is clear, we want to be a part of solving the climate crisis and recover and reset for generations to come," said Jesper Brodin, CEO Ingka Group.

Recently, the company accelerated its efforts in sustainability with an investment of EUR 600 million in order to reach the IKEA ambition to become people and planet positive by 2030, aimed to speed up the

About Ingka Group

Ingka Group (Ingka Holding B.V. and its controlled entities) is one of 12 different groups of companies that own and operate IKEA retail under franchise agreements with Inter IKEA Systems B.V. Ingka Group has three business areas: IKEA Retail, Ingka Investments and Ingka Centres. Ingka Group is a strategic partner in the IKEA franchise system, operating 378 IKEA stores in 30 countries. These IKEA stores had 706 million visits during FY20 and 3.6 billion visits to [IKEA.com](https://www.ikea.com). Ingka Group operates business under the IKEA vision - to create a better everyday life for the many people by offering a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible can afford it.



transition to a net zero carbon economy. This brings its investments into sustainability to a total of EUR 3.8 billion.

Inter IKEA Systems B.V., which is the owner of the IKEA concept and the worldwide IKEA franchisor, also announced today total IKEA retail sales of EUR 39.6 billion across all 12 groups of franchisees.

Read more about how life at home has changed in the newly released report - [Big Home Reboot](#).

For more information contact: Ingka Group Media Relations: + 46 70 9936376 or press.office@ingka.com

ⁱ The (financial) information in this press release is unaudited, Ingka Holding's audited financial statement will become available through the Dutch Chamber of Commerce.

ⁱⁱ Fiscal year: 1 September 2019 - 31 August 2020.

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