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IKEA UK & Ireland reports growth

Despite the tough economic climate, IKEA UK & Ireland has reported that total sales for the year to 31 August 2009 rose by 1.1% to £1.2 billion.

This follows news that fiscal year 2009 was also a year of growth for the IKEA Group, which recently reported record sales of 21.5 billion Euros, with sales rising by 1.4%. In terms of total sales, IKEA UK is the fourth biggest country for IKEA globally behind Germany, USA and France.

According to the latest figures from market intelligence specialists Verdict Consulting, IKEA has also continued to see an upward trend in its market share. From 2007 to 2008 IKEA UK saw a market share uplift of 0.2 percentage points leading to a total market share of 5.4%. Up to the end of quarter three 2009, the company has seen a further shift of 0.7 percentage points to 6.1%.

Over the course of the company's fiscal year, the company invested £157.5 million in improving its customers' shopping experience and making IKEA stores more accessible to customers in the UK and most recently Ireland - the 25th new market for the global business. This included opening two new stores - IKEA Southampton in February 2009 and IKEA Dublin in July 2009, bringing the total number of stores in its portfolio to 19.

Other initiatives included an on-going store refurbishment programme which in 2009 helped to improve up to half of IKEA UK's stores, as well as introducing self serve checkouts in eight stores to give customers alternative payment options.

IKEA also invested £2.9 million in stores throughout the UK and Ireland to help reduce the company's environmental impact, with a focus on installing measures to make all stores more energy efficient as well as recycling facilities. Since opening earlier this year, IKEA Dublin is recycling 90% of all its waste, compared to the retail industry average of 45%. The UK & Ireland IKEA business currently recycles 85% of all its waste.

The number of customers buying from the IKEA range of more than 8,500 home furnishing products has increased by 2% compared to the previous year.

Martin Hansson, IKEA UK & Ireland's Country Manager said: "Over the last year IKEA has had to adapt to tough market conditions but at the same time we have delivered a good set of results. This has been achieved by maximising efficiencies in our running operations, focusing the organisation on being closer to the shop floor as well as taking the IKEA offer to new markets with our store openings in Southampton and Dublin. These results are proof that the actions we are taking are working.

"It's a year in which we've seen growth in our market share as more people are realising they can get value for money at IKEA. We will never let go of our commitment to giving our customers the lowest price on the market for every area of the home.

"In light of the current economic uncertainty I can't say for sure what is around the corner but we will continue to focus on putting our customers and co-workers at the heart of everything we do, and providing great products and home furnishing inspiration at the lowest prices on the market".

The fiscal year for IKEA UK & Ireland is 1 September 2008 – 31 August 2009. The IKEA Group operates 267 IKEA stores in 25 countries. In addition there are 34 IKEA stores that are owned and run by franchisees by the IKEA Group in 16 countries/territories.

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