



**Inter IKEA Holding B.V.  
PRESS RELEASE**

**12 November 2018  
Delft, The Netherlands**

## **Inter IKEA Group shares FY18 financial results and investments towards a more affordable, accessible and sustainable IKEA**

**Today, Inter IKEA Group shares financial results for financial year 2018 (FY18) as well as investments towards a more affordable, accessible and sustainable IKEA for the future. The Inter IKEA Group financial year runs from 1 September to 31 August.**

As announced in October, IKEA franchisee retail sales grew by 4.5% in local currencies in FY18. Total retail sales, which includes sales of both products and services to IKEA customers, amounted to EUR 38.8 billion.

Growing retail sales mean positive results for Inter IKEA Group. IKEA franchisees buy their products from Inter IKEA Group companies and pay a franchise fee to Inter IKEA Group based on their annual turnover. These and other income resulted in total revenues for Inter IKEA Group of EUR 25.5 billion and a net result of EUR 1.4 billion in FY18.

To meet the challenges of a rapidly changing retail environment, Inter IKEA Group is investing in franchise, product range, supply chain and industrial development. These investments are complemented by development efforts from our franchisees.

"As a private company, we take a long-term view on costs and investments. Today we're devoting significant resources to make IKEA more affordable, accessible and sustainable for IKEA customers. A part of that is developing new store formats and e-commerce capabilities across the IKEA value chain. This of course impacts short-term results," says Inter IKEA Group CFO Martin van Dam.

Increased prices for raw materials and other resources, together with growing tariff charges pressured results in FY18.

"To support IKEA's low price commitment to the consumer, we landed an approximate 1% reduction in our Inter IKEA Group gross margin. Going forward, we continue to reduce costs by developing more efficient supply, logistics and procurement processes."

By 2025, IKEA companies aim to reach and interact with 3 billion people. To make that happen, Inter IKEA Group will continue to invest in new ways to shop, more sustainable ways of working, and an inspiring, functional and affordable IKEA product range.

You can learn more about Inter IKEA Group financial performance in the *Inter IKEA Group Financial Summary FY18* [[link](#)]. On 12 November Inter IKEA Group filed its formal Annual Report with the chamber of commerce in the Netherlands. That document and a list of Inter IKEA Group subsidiaries is also available on [newsroom.inter.IKEA.com](http://newsroom.inter.IKEA.com)

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**Inter IKEA Group** includes Inter IKEA Systems B.V., IKEA of Sweden AB, IKEA Supply AG, IKEA Industry AB related businesses. Inter IKEA Holding B.V. is the holding company for the Inter IKEA Group.