

Successful launch of LEGO® Friends

New products targeting girls have sold twice as well as expected – and contribute to an exceptional interim report for the LEGO Group.

The LEGO Group concludes the first half of 2012 with another very strong set of interim accounts. Net sales for the period were DKK 9,134m compared with DKK 7,355m for the same period last year – an increase of more than 24%.

Operating profit (profit before financial items and tax) for first half 2012 was DKK 2,877m compared with DKK 2,030m for first half 2011, an increase of 41.7%. At the same time the company's equity rose from DKK 4,565m at the close of the first half 2011 to DKK 6,031m. Cash flow from operations was DKK 2,230m compared with DKK 1,703m during the first half of 2011.

Commenting on the financial result, LEGO Group CEO Jørgen Vig Knudstorp says:

“Once again the first half of the financial year exceeds our expectations, and the financial result is exceptional - especially in view of general developments in the world toy market. However, it is still too early to provide estimates on the expected result for the full year because the closing months of the year are crucial for our business.”

The LEGO Group's strong result was achieved at a time when the global toy market is declining – it softened by a further 4% during first half 2012.

Astonishing sales on new products

The year's big launch – LEGO® Friends, a product line targeted for girls – has done amazingly well since its launch in January. The Group sold twice as many LEGO Friends sets as expected during the first six months of the year. It has therefore increased production to meet the demand for LEGO Friends in the important Christmas period.

Reflecting on the launch of LEGO Friends, Jørgen Vig Knudstorp says:

“LEGO Friends is a result of four years' development, and it has been amazing to experience the enthusiastic welcome that consumers have given the new range. Sales have been quite astonishing. With LEGO Friends we've managed to make creative construction toys more relevant for girls – and we look forward to developing the product line further in the years ahead.”

LEGO Ninjago, launched in 2011, maintained its success in all markets in 2012, with the ninja theme selling significantly better than expected. Classic lines such as LEGO City and LEGO *Star Wars*™ are still the LEGO Group's biggest-selling product lines.

Broad global strength achieved

So far the weakening toy market has not had an effect on the LEGO Group, which enjoyed double-digit growth rates in consumer sales in virtually all LEGO markets.

The sales increase varies from region to region but is broad based. Sales in European markets rose by an average of just over 10%, while sales in the US increased by 23%. In Asia, sales rose at an even steeper rate, which is a

continuation of the picture from 2011. The sharp rise in Asian sales supports the LEGO Group's long-term ambition for making the region one of its core markets in line with Europe and the US.

Boosted by this growth, the LEGO Group increased its share of the global toy market to more than 8% – one percentage point higher than in first half 2011.

Increased capacity and bigger workforce

The LEGO Group has been expanding capacity in all areas of its business in order to be able to meet growing demand. This has taken place in several countries and the development continues in 2012, with the LEGO Group likely to hire approx. 1,000 new employees.

The LEGO Group's factory in Monterrey, Mexico, has expanded its facilities markedly in recent years and has significantly increased its production capacity. In March 2011 work began on a major expansion of the LEGO factory in Kladno, Czech Republic, and will be officially inaugurated in autumn 2012. A brand-new factory is also planned in Nyíregyháza, Hungary, to replace the existing, rented facility in the same town. And finally, moulding capacity in Billund, Denmark will be increased in autumn 2012.

Activities designed to increase production capacity are expected to continue into 2013, and in addition the LEGO Group will remain focused on making the organization even more adaptable.

For further information contact:

Roar Rude Trangbæk

Tel: +45 7950 4348

Mob: +45 3065 3164

E-mail: Media@LEGO.com