



Billund, Denmark, 4 September 2014

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Global LEGO sales up 15 percent in first half of 2014

Double-digit growth across all regions delivered a turnover of 11,504m DKK in the first half of 2014, fueled by the success of The LEGO® Movie products.

Key financial figures from the interim result:

- Revenue in first half of 2014 increased 15% compared with the same period last year measured in local currency (i.e. excluding the impact of foreign exchange rate changes).
- Revenue for the first half of 2014 increased by 11% in DKK to DKK 11,504m compared with DKK 10,408m for the same period last year.
- Operating profit (profit before financial items and tax) for first half 2014 was DKK 3,632m compared with DKK 3,246m for first half 2013, an increase of 12% year over year
- Net profit for first half of 2014 was DKK 2,715m compared with DKK 2,381m for first half 2013
- Cash flow from operating activities was DKK 3,383m compared with DKK 2,908m during the first half of 2013.

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

"Our revenue in the first half of 2014 has more than tripled compared to first half year revenue six years ago, in 2008. It is a very satisfactory result that shows our significant growth in recent years in a tough economic environment. The result for the first half of 2014 is an outcome of our ability to develop, launch and distribute LEGO® products, which children all over the world put at the top of their wish lists. We are particularly pleased that classics such as LEGO City, LEGO Creator, LEGO Technic, and LEGO Star Wars™ continue to deliver very strong growth globally."



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LEGO Movie product line exceeded expectations

A significant contributor to sales growth in the first half of 2014 was the LEGO Movie products launched in conjunction with the release of the LEGO Movie in theaters across the world in early 2014.

"We are thrilled by the reception of the LEGO Movie products that provided a significant boost to our sales during the first half of 2014," says Executive Vice President and CFO John Goodwin adding:

"The LEGO Movie celebrated the creative potential in us all, which is also the foundation of any LEGO product we develop. Every LEGO set must offer a versatile play experience that fosters creative building, and this is what we continually strive to deliver to children all over the world."

Strong growth in all regions

In the first half of 2014 the LEGO Group experienced broad based sales momentum in the regions where it operates.

"Consumer sales growth in Europe, the Americas, and Asia was in the double digits, which is very satisfactory in the light of the global toy market which experienced a slow start in 2014," says John Goodwin, adding:

"It is too early to say if the strong performance will be reflected in the full year results as the majority of LEGO sales to consumers happen in the second half of the calendar year in a short time-span of a few weeks leading up to the holiday season. The strong performance of the LEGO Movie products had a positive effect during the first half of 2014, and it remains to be seen how the line will continue to develop behind the highly anticipated launch of the LEGO Movie on DVD in the 2nd half of 2014."



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Global presence a successful strategy

In the Asian region growth in LEGO sales varied from market to market. China saw the most significant growth in consumer sales in the region by more than 50%. This supports the LEGO Group's ambitions to further globalise the company and make Asia a significant contributor to future growth.

During April 2014 two significant celebrations marked this intent; the official ground breaking of the first LEGO factory in China, located in Jiaxing, and the inauguration of a new office in Shanghai, which is one of five main offices globally for the LEGO Group.

"There is a huge potential in Asia, and we are still learning and in the process of building our capabilities in the region. The factory and the office represent a significant expansion of our physical presence in the region. Alongside our other main office in Singapore, the Shanghai office and the new factory enable strategically important functions to be located close to our customers as well as children and parents in China and Asia," says Bali Padda Executive Vice President and COO.

The decision to place a LEGO Factory in China is a direct consequence of the LEGO Group's ambition to have production placed close to core markets.

"This enables us to deliver LEGO products to retailers and ultimately to children all over the world very fast, offering a world class service to our customers and consumers. This has proven to be a successful strategy for us, and by further globalising the LEGO Group, we hope to reach even more children around the world with a creative play experience," says Bali Padda.

In the first half of 2014 other significant milestones on the LEGO Group's journey towards that ambition were achieved.



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In Europe, expansions of the LEGO factory in the Czech Republic continued, while a brand new factory was inaugurated in Nyíregyháza, Hungary in March. Alongside the LEGO factory in Denmark, these mainly supply LEGO products to children in the European markets.

In Mexico, expansion of the LEGO factory in Monterrey was completed and inaugurated in June. The Mexican factory mainly supplies the American markets, and the expansion is expected to create more than 1,000 new jobs.

"We have been investing and we will continue to invest significant resources in further globalising the company, which is a precondition for our future ability to not only create great LEGO experiences for children all over the world, but also our ability to build a culturally diverse organisation where we can attract and develop global talent. Ultimately this is what will ensure the future success of the LEGO Group," says Jørgen Vig Knudstorp.

Read more:

[http://aboutus.lego.com/en-gb/news-](http://aboutus.lego.com/en-gb/news-room/2014/april/jiaxing_ground_braking)

[room/2014/april/jiaxing_ground_braking](http://aboutus.lego.com/en-gb/news-room/2014/april/jiaxing_ground_braking)

<http://aboutus.lego.com/en-gb/news-room/2014/june/2014-mexico-factory>

<http://aboutus.lego.com/en-gb/news-room/2014/march/nyiregyhaza-lego-factory-opening>

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