



PRESS RELEASE

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Inter IKEA Systems B.V., owner of the IKEA Concept and the worldwide IKEA franchisor, is today summarising the IKEA financial year 2017 (FY17) and looking ahead.

## **Creating the IKEA of the future – more accessible, affordable and sustainable**

**In the past year, 194,000 IKEA co-workers all over the world have contributed to a better everyday life for the many people through a stronger home furnishing offer and an improved customer meeting. IKEA attracted 2.3 billion website visits and 936 million visits to 403 IKEA stores in 49 markets. During FY17, 14 new IKEA stores opened and IKEA e-commerce is now available in most markets. In addition, Serbia joined as a new IKEA market. Total retail sales for all IKEA franchisees amounted to EUR 38.3 billion.**

Going forward the IKEA Concept and product range is being developed to create an IKEA of the future that is more sustainable, accessible and affordable to the many people.

“Society is continuously developing. We see how technology and urbanisation are strongly influencing consumer behaviours and how their expectations on businesses are changing. We want people to be able to interact with and experience IKEA when, where and how they want, and to have access to home furnishing products with long-lasting value at even lower prices,” says Torbjörn Lööf, CEO of Inter IKEA Group.

One example of better accessibility is the past year’s exciting new development in digital technology. The recently launched *IKEA Place* augmented reality (AR) app lets you virtually place furniture in your home. IKEA is one of the first home furnishing brands in the world to bring AR technology to the global retail market. This will change the way people get inspired, plan and in the future purchase home furnishing products.

IKEA wants to create a positive impact for people, society and the planet. Five equally important dimensions are combined in the product development: form, function, quality, sustainability and a low price.

“One of our biggest ambitions for the future is to transform IKEA into a circular business. Recently, the first IKEA kitchen fronts made from recycled wood and recycled plastic were launched. Today, customers can purchase LED bulbs at historically low prices. *RYET* LED bulb was introduced in most markets at a price of around one euro, enabling more people to save energy and money. Thanks to the fact that the IKEA product range only offer LED lighting IKEA customers have been able to contribute to an estimated annual energy reduction of 3.3 billion kWh, which is equivalent to the yearly consumption of

more than 200,000 households. We strongly believe that sustainability and good design should not be a luxury that only a few can afford," says Torbjörn Lööf.

In FY18, 22 new IKEA stores are planned, which includes new markets in India and Latvia, as well as continued roll out of new formats and expanded e-commerce activities. Long term, we continue to explore new ways to meet customers in existing and potential new markets with a focus on South East Asia and South America.

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The IKEA financial year runs from 1 September to 31 August. Total IKEA retail sales includes the sale of services to IKEA customers.

### **About IKEA**

IKEA offers well-designed, functional and affordable, high-quality home furnishing, produced with care for people and the environment. There are several companies with different owners, working under the IKEA Brand, all sharing the same vision: to create a better everyday life for the many people.

The IKEA retail business is operated through a franchise system with franchisees that are authorised to market and sell the IKEA product range within specified geographical territories. 11 different groups of companies own and operate IKEA sales channels under franchise agreements with Inter IKEA Systems B.V.

Inter IKEA Systems B.V. is the owner of the IKEA Concept and the worldwide IKEA franchisor, who also assigns different IKEA companies to develop range, supply and communication. These assignments are carried out by IKEA of Sweden AB, IKEA Supply AG, IKEA Food Services AB and IKEA Communications AB. These entities, together with Inter IKEA Systems B.V., IKEA Industry Holding AB and related companies are owned by Inter IKEA Holding B.V. and together form the Inter IKEA Group. Torbjörn Lööf is CEO of both Inter IKEA Systems B.V. and Inter IKEA Holding B.V.

Visit [IKEA Facts & Figures FY17 on highlights.IKEA.com](https://www.IKEA.com).