



WELCOME INSIDE
2011

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A better everyday life for the many people

Mikael Ohlsson, President and Chief Executive Officer for the IKEA Group

Welcome to the 2011 IKEA Yearly Summary. In times when many nations and people face economic challenges, our vision of creating a better everyday for the many people is more relevant than ever. We are constantly engaged in learning about the different ways people experience life at home and what their needs are. And we know people are becoming more value conscious. We develop our range for people with normal incomes. To make it possible to furnish functionally, individually and sustainably – even when the economy is tight. We strive to become more accessible through lowering our prices, improving our stores, opening new stores and adding new services that make it easier for our customers to buy at IKEA. Home is the most important place in the world and we want to stimulate people's interest and knowledge in home furnishing.

Continued growth

During the year we have been fortunate to continue to grow. Our total sales increased by 6.9% and our existing stores grew with 2.7%. We have gained market share in more or less all markets. Despite price increases for many raw materials, we have lowered prices to our customers with 2.6%, while the quality of our products has improved. This is due to lower costs through our complete value chain, inside IKEA and with our suppliers. The cost savings we make, we pass on to our customers – thereby strengthening IKEA's competitiveness.

A good result – investing in the future

We reached a good financial result for FY11. A result that gives us resources to continue to invest in the future. During the year, we opened 7 new stores and relocated 2 old

stores in existing markets. We made big investments in many of our existing stores to show our range in the best possible way, to offer a good shopping environment and to secure good working conditions for our co-workers. We develop and design all our approximately 9,500 articles ourselves based on people's needs, making the most of production conditions and looking for opportunities in materials. This stimulates innovation, creativity and development – in some cases small revolutions. We continue to invest in material and technique development as well as production technologies in our industries.

This also opens up new opportunities to build platforms, create new industrial development and find more sustainable and better ways of distributing our products.

We see endless opportunities to find new ways of economizing with resources and to eliminate as many unnecessary costs as possible. All of this is to provide customers with the best possible value. During the year we have also invested in renewable energy. The largest programs include Photovoltaic energy production on the roof of many of our stores, as well as purchasing wind parks in several countries. We are, already now, half way to our goal of 100% renewable energy.

Responsible business practices and a sustainable future

Our vision of a better everyday life for the many people can also be seen from a broader perspective. We have great opportunities to inspire our visitors to live a more sustainable life at home and to provide products for that. We always prioritize healthy and safe products by eliminating hazardous materials and we use rigorous safety norms and tests, especially for all Children's products.

We work on lowering our own emissions and invest in renewable energy sources. Protecting Earth's resources is an important part of how we operate. We work hard to find sustainable solutions, alternative raw materials, creating more with less, and working conditions at our suppliers.

A better everyday for the people that have the least

Through the IKEA Foundation and in collaboration with partners such as UNICEF, Save the Children, UNDP and UNHCR as well as other NGOs, we continue to contribute to a better everyday life for the people that have the least. The IKEA Foundation dramatically increased their donations during FY11 and will contribute to a better life for 100 million

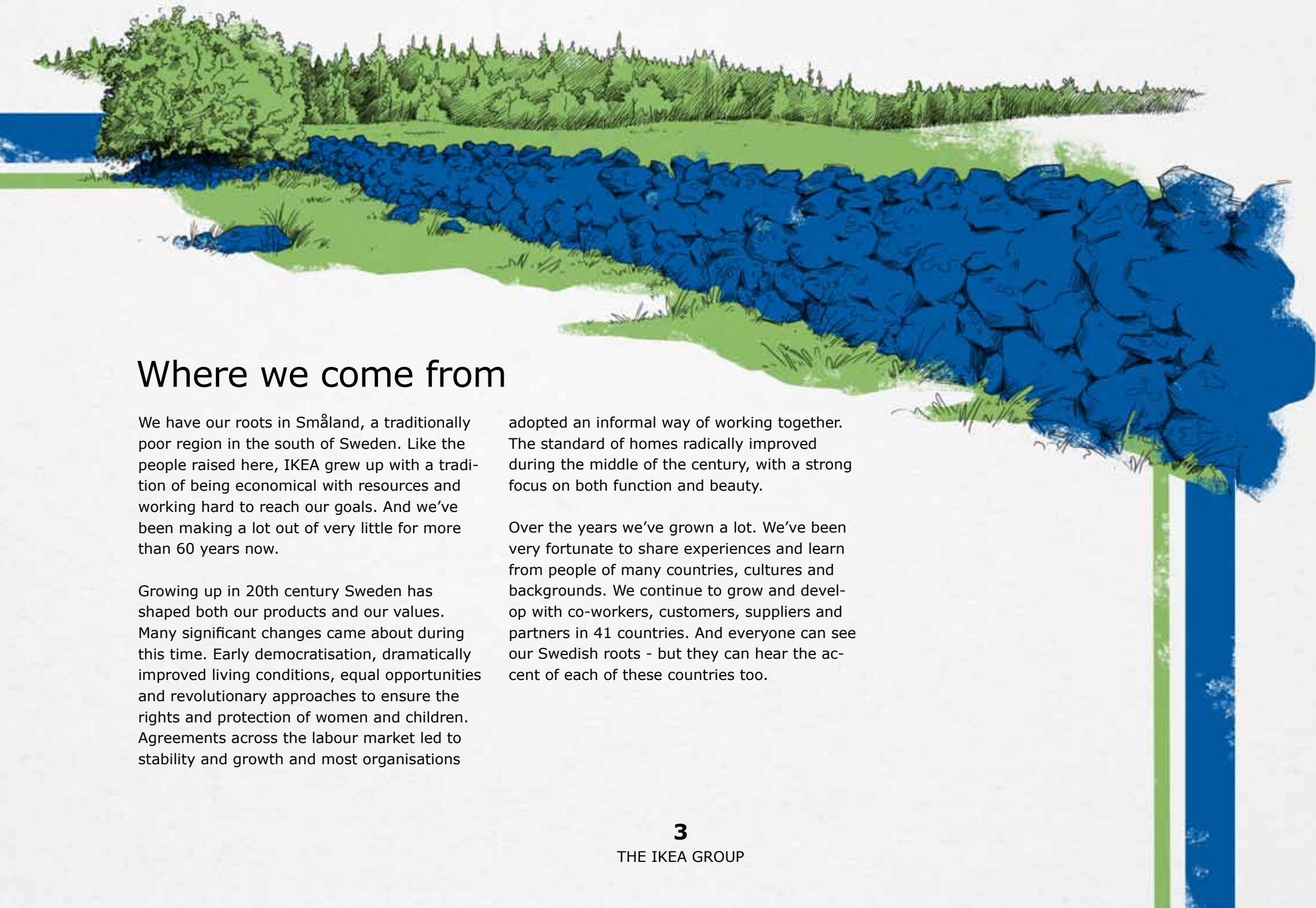
people by 2015. Together with our customers the "one Euro is a fortune activity" gave a record EUR 11 million for additional educational programs together with our partners.

Our people

Our co-workers are the strength of IKEA and we recruit based on values. We live by them. We believe in diversity and inclusion and want our co-workers to mirror our customer base in order to best understand and serve our customers. We focus much of our attention to our culture, the IKEA-Spirit, competence development and leadership development.

This enables us to work in an environment where everybody takes responsibility and contributes together. We economize with resources and have a positive outlook on the opportunities, knowing that most things remain to be done. During the year, I have visited many parts of IKEA all over the world and always met a fantastic spirit and ambition to make IKEA a good contributor to people's life at home and society. Thank you all! You are the ones that make IKEA special and unique as we are *Growing IKEA-Together*.

Mikael



Where we come from

We have our roots in Småland, a traditionally poor region in the south of Sweden. Like the people raised here, IKEA grew up with a tradition of being economical with resources and working hard to reach our goals. And we've been making a lot out of very little for more than 60 years now.

Growing up in 20th century Sweden has shaped both our products and our values. Many significant changes came about during this time. Early democratisation, dramatically improved living conditions, equal opportunities and revolutionary approaches to ensure the rights and protection of women and children. Agreements across the labour market led to stability and growth and most organisations

adopted an informal way of working together. The standard of homes radically improved during the middle of the century, with a strong focus on both function and beauty.

Over the years we've grown a lot. We've been very fortunate to share experiences and learn from people of many countries, cultures and backgrounds. We continue to grow and develop with co-workers, customers, suppliers and partners in 41 countries. And everyone can see our Swedish roots - but they can hear the accent of each of these countries too.

Who we are

We're a values-driven company on a never ending journey to be the leader in life at home. We have a passion for this and see home as the most important place in the world. Our promise to deliver well designed, functional and sustainable products at the lowest possible price means we're always developing with this in mind. Because we're owned by a foundation, we don't need to show the stock market quick results and can focus on our customers and their needs instead.

We're very cost conscious – not just in our own manufacture and supply – but also with the end cost to our customers. We stay in touch with the financial challenges being faced by the many people. And we connect their dreams and needs with production methods on the factory floor.

We care about the healthy development of children. We put a lot of time and resources into staying involved with the latest research and share what we learn with our customers.

We are also our co-workers who are a big part of making this such a unique company. We come from all around the world, yet share common values. You won't find much prestige or many big egos here. But you will find a lot of passionate and diverse people who understand the value of listening, sharing and helping others.





What we do and how

Our product range is our identity. We develop it from understanding the different living situations of people all over the world. So, we visit homes around the globe to talk with people, see how they live and listen to their thoughts and needs. We believe that, even with a thin wallet, people should be able to have a beautiful and functional home. So, starting with low price in mind, product developers and designers work to combine design, function, quality and sustainability to develop our range of products. The result is a range that reflects our values. Like simplicity with functionality, honesty and clarity and maintaining a sense of being personal with a unique IKEA expression.

Our complete, integrated supply chain includes our own industrial groups – Swedwood, Swedspan and IKEA Industry Investment and Development (IIID). This means we take responsibility for the entire chain of processes that lead to a product on the shelf. By being directly involved in all stages of the supply chain we can constantly search for better ways to do things and make improvements that will lead to lower prices for our customers. It also allows us to monitor the ways our materials are being sourced, manufactured and transported. We work with a supplier development program and continue to strengthen our partnership with suppliers that complement our goals and strategies.

Cost consciousness has been a foundational principle of this company since the very beginning. We earn our money before we spend it and reinvest our profits to secure a future where we can continue to grow and lower prices. Part of keeping our prices low is about having a partnership with our customers. They contribute by collecting, transporting and assembling the products themselves and, together, we save money.

Our code of conduct – IWAY – ensures fair and decent conditions for workers are practiced and that our supply chain has as little environmental impact as possible. We are constantly developing new methods for sustainability and

environmental responsibility. IKEA focuses (together with partners such as WWF, UNICEF, UNDP and Save the Children) on responsible forestry, water treatment, cotton grown in a more sustainable way and improving the lives of many of the poorest children in the world.

Our vision and business idea

Our vision is a better everyday life for the many people. What does this mean? It means thinking about home furnishing beyond form and visual appeal and designing products in a way that really does solve some of life's daily challenges. It means reaching out to as many people as possible and helping them achieve their dream home at the lowest possible cost. Just look at our business idea:

To offer a wide range of well designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them.

Our vision and business idea are inseparable from each other. They're at the heart of our company and are what drives our many co-workers, suppliers and partners. Everyday.

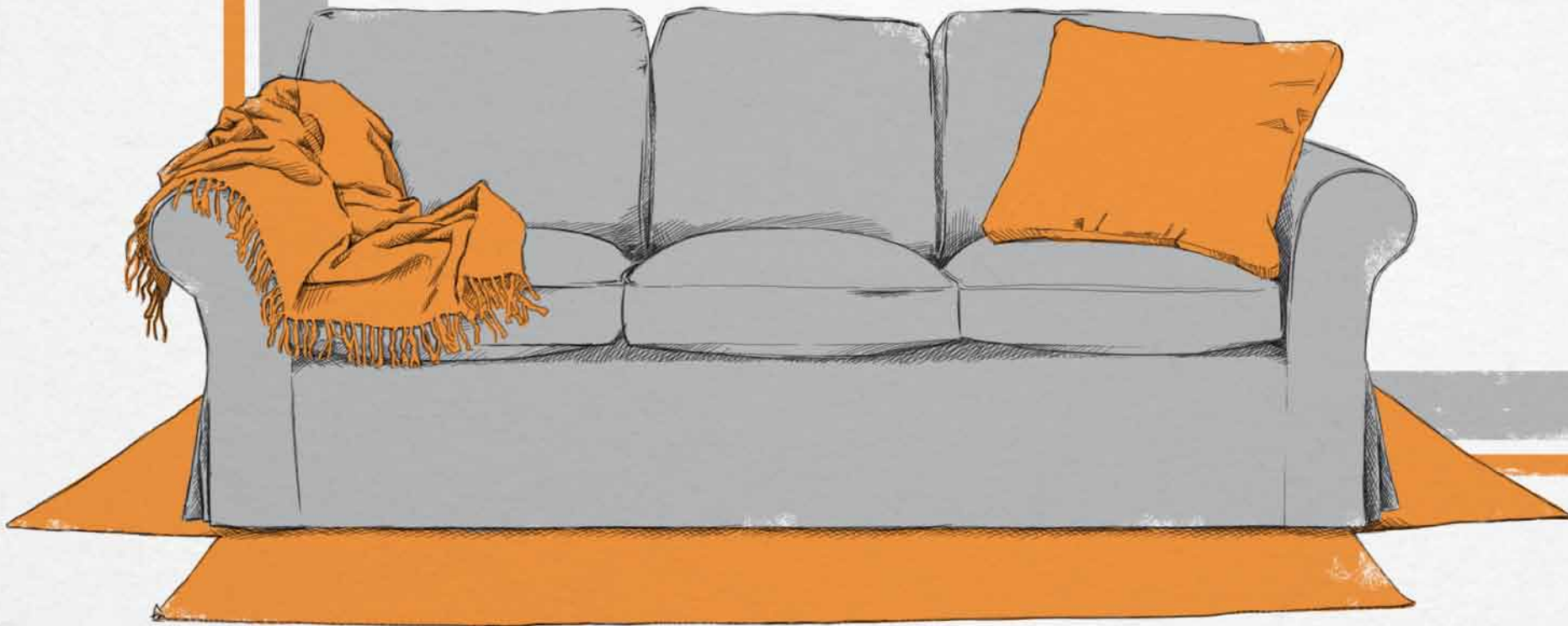
The IKEA Group

IKEA Group works in four basic areas: range strategy & product development, production, supply and retail. The parent company of the IKEA Group of Companies, INGKA Holding B.V., is owned by Stichting INGKA Foundation in the Netherlands. The Stichting INGKA Foundation was established in 1982 by the founder of IKEA, Ingvar Kamprad, to create an ownership structure and organization that stand for independence and taking a long-term approach. It has two purposes – to reinvest in the IKEA Group and to fund charity through the Stichting IKEA Foundation.



EKTORP – a story of innovation in action

One day some customers bought a sofa from the IKEA store in Älmhult. An EKTORP – one of the most popular models. But before they could enjoy it, they had to get it home - which was easier said than done, because not only was EKTORP one of the biggest sellers, it was also one of the biggest packages. In the end the two of them managed to fit it into their trailer, but not before they dropped it. At least three times...



An idea is born

Many people saw their struggle that day but one of them happened to be Jens Bengtsson, Product Developer at IKEA of Sweden. As he watched he thought, "Here's another return in the making. That sofa's already taken a beating, but how's it going to look after it's been unloaded and carried up the stairs?"

As a product developer he knew how important it was to produce quality products. As an IKEA customer he also knew the value of providing a quality shopping experience - from beginning to end. A trip to IKEA should be something you look forward to. EKTORP had to become more customer-friendly.

Jens was busy with another project, but in his spare time he and a colleague began playing with ideas for the new EKTORP. He set his goals. To begin with it, it should be easily handled by two people. Secondly, turning it into a self-assembly item should make the customer's life easier. Finally, to ensure lowest costs and best quality it should be suitable for robotic production.

Huge savings

Working with manufacturers in Poland, UK and Canada they concluded that if the sofa was "knocked down" into pieces it could actually be flatpacked - they just had to find the most customer-friendly design. After looking at many alternatives they settled on a hinged back and

detachable arm rests. This meant an assembly time for the customer including unpacking of around 15 minutes. The new package size was 50% smaller, which not only made it easier for customers to handle, but also slashed transport and storage costs. The robotic production process saved money too. And all these savings could be passed on to the customer. Also environmentally, the new EKTORP was much better, removing 7,477 trucks from the roads and reducing CO2 emissions by 4,700 tons per year.

Walking the talk

In many ways the EKTORP story embodies the values that make IKEA what it is. It was a great sofa to begin with and the story could have stopped there. But Jens and his team saw a customer need and took responsibility for meeting it. They challenged conventional thinking, used their resources in the smartest possible way and made a great product even better.

1996

EKTORP introduced as a stand-alone sofa in "Swedish Cottage" collection.
Price: €599

2001

Quality improvements made to secure the sofa's trademark comfort.
Price: €399

2003

Because EKTORP was so popular with families with children we decided to make the sofa one for everyday use. Durable, machine-washable slipcovers introduced.

2008

EKTORP becomes the speaker for 10 year Everyday Quality Guarantee, EKTORP features durable frames, seat cushions that retain their shape and machine-washable slipcovers.
Price: €349

2010

EKTORP becomes a customer assembly sofa. Price: €299



IKEA People

Our co-workers are our most valuable asset. The common values we share are even more important than the skills we bring to IKEA. Skills can be taught and talent developed, but it is our values that are the base for how we do things at IKEA. It's about simplicity, a desire to learn and a willingness to help others. We believe in each person's ability to develop and grow – both personally and professionally. Growth is a life-long journey and, at IKEA, people and business grow together. We “learn by doing” on the job and take responsibility for our own career. IKEA offers a lot of development possibilities all over the world.

The many opportunities

As IKEA grows, so do we as co-workers. The IKEA ambition is to promote from within and offer many opportunities for co-workers to advance in the career. Sometimes this progression is a straight line of promotion within a particular area. Other times, we choose to re-evaluate our career path and start working in a completely new role within IKEA or even in a different country.

As of September 2011, there are nearly 1000 co-workers gaining invaluable knowledge and experience from working abroad. And more than 85% of our country managers work

somewhere other than their home country. The Backpacker Journey is an example of how IKEA encourages personal development and sharing of experience. This one year development journey can be applied for by any of our co-workers at the beginning of their career. The backpackers get to work within different fields in two different countries over a year. Returning with new knowledge and experience, they will move into leadership roles, enlarging the pool of highly skilled, international IKEA managers of the future. There are now 88 co-workers on this journey with 69 more currently being recruited. There are 25 countries involved in the Backpacker program.

Diversity and inclusion

Diversity and inclusion are essential for our business success - meeting our customers, developing our co-workers, and cooperating with our global business partners. Our culture promotes togetherness; realizing that each individual adds value to the team. We know our strength comes from building on and valuing co-workers' differences and similarities. Inclusion means encouraging all co-workers from different backgrounds to be themselves and apply their own unique perspectives. Our co-workers come from a variety of

backgrounds and life situations. Today, 131,000 people from 48 different nationalities work at IKEA. Of our top 200 managers, about 40% are women – and, obviously, we’re striving for at least 50% here.

A great place to work

At IKEA, we support a healthy balance between work and personal time. We also have a strong dedication to doing good and responsible business, creating trust and building strong relationships both inside and outside the company.

Latest results from our internal co-worker satisfaction survey, VOICE, show a very high level of satisfaction among co-workers. VOICE is not just about seeing what we’re doing right. It’s also about identifying any areas where we might need to improve.

It’s encouraging to hear IKEA named “Employer of Choice” in many markets. Universum recently published its index, “The World’s Most Attractive Employers 2011”. Based on the preferences of over 160,000 career seekers from the world’s 12 largest economies, IKEA is listed at number 20.

All of this is positive and shows that, although there is still much to be done, we are certainly heading in the right direction.



At IKEA Funabashi in Japan, co-workers can leave their kids at the workplace day-care facility.



Putting sustainability at the heart of our business

Steve Howard, Chief Sustainability Officer for IKEA Group.

In January 2011 I had the privilege of joining IKEA Group: a people-centered and values-driven company with a strong positive culture. This is clearly shown by sustainability being a core element of our long-term strategy.

We are having an impact. Since IWAY (our code of conduct) began, we've seen more than 165,000 improvements in factories that benefit workers and the environment. Factory managers and external auditors tell me IKEA stands out in its commitment to securing good working conditions. On average, we daily add enough renewable energy to power 500-1,000 homes. I have seen fantastic recycling rates, charging stations for electric vehicles, LED lights in our stores and PV solar panels on more stores and buildings. We are at the beginning of a new industrial revolution - a clean revolution.

Our challenge is great. The world is currently on track to warm by 4 degrees C. To turn this around, carbon emissions must peak by 2020 and then decline. Resources are becoming scarce. Billions more people enter the con-

sumer society in the coming decades. This is cause for celebration as people come out of poverty, but we cannot use twentieth century approaches to meet twenty first century demands. Only transformational change will do - small steps will not get us where we need. It requires a willingness to unlearn old ways and make new, innovative and positive changes.

Reducing carbon emissions

To slow global climate change we must lower carbon emissions. Our goal is to get 100% of our energy from renewable sources. It's an ambitious goal but we're making good progress. 51% of our energy use in 2011 was supplied through renewable sources - at the current rate of progress we expect to achieve 70-80% by 2015. By the end of FY11, 60 of our wind turbines were up and running with 9 under construction. This will bring our total to 69 - generating enough electricity to meet the needs of 15% of our stores and distribution centers. Solar photovoltaic (PV) systems have been installed in 40 IKEA units with a further 84 approved for installation, and we see great potential in this plentiful energy source.



In addition, we also have geothermal and biomass systems operating in 9 countries. We work with our products and how we transport them. Re-designing the EKTORP sofa to make it flat-pack allowed us to reduce the associated carbon emissions by 75%. We also swapped traditional wooden pallets for newly designed paper ones.

Responsibly sourced materials

Two of our most important raw materials are wood and cotton. We work with WWF and the Forestry Stewardship Council (FSC) to ensure our wood comes from responsibly managed forests. The share of FSC certified solid wood in the IKEA range increased to 16.2% in FY11, up from 15.8% in the previous year. This amounts to over 2.2 million cubic metres of wood. We're also making good progress in increasing the availability of sustainable cotton. We help to educate cotton farmers in India, Pakistan, China and Turkey to grow cotton us-

ing sustainable methods. This involves reducing water, pesticide and fertilizer use. It is not only good for the environment, it also decreases farmers' costs and therefore improves their earnings, helping us to keep prices low for our customers and increase our range of sustainable products. The number of IKEA products using sustainably grown cotton increased from 13% in FY10 to 24% in FY11.

Towards a more sustainable range

Our customers shouldn't have to choose between sustainability, form, function and price. During 2012, we will evaluate the sustainability characteristics of all IKEA products using a unique scorecard method. We're also working with a lifecycle analysis and a material guide that will apply to 100 of our most common materials to continuously improve the sustainability of our products. We 'price invest' in next-generation, energy-efficient technologies like LED light bulbs and induction cookers.

Buying in large quantities lowers our prices so our customers can afford this technology, save money on their energy bills and lead more sustainable lives at home.

Moving forward together

Sustainability is integrated into our business and can be seen at all stages of our supply chain. And, by co-operating with others, we can achieve so much more than we could working alone. Working with local governments, we are encouraging the use of public transport and electric vehicles for our customers. With partners like WWF, UNICEF and Save the Children, we are developing meaningful environmental and social programs.

We will continue to strengthen our sustainability direction and keep it at the heart of our business. We can have a positive impact on people and the planet. What could be more important?

LED lighting – a bright, green future

Imagine a world where homes and workspaces are so ergonomic they actually help you get the most out of your day. Where products have such a long life span that the need for raw materials drops dramatically. Where appliances use practically no energy at all. Sound too good to be true?

Well, we're actually almost there. At least when it comes to lighting.

Recent advances in lighting technology have put all these things within reach and have created the perfect launching pad for a more sustainable future. And IKEA is helping to lead the way.

First we replaced our incandescent light source range with low energy alternatives. These use up to 85% less energy than traditional bulbs – a huge step in the right direction. Now we are taking things even further by investing in LED lighting, the most sustainable of all lighting technologies.

In 2010 IKEA launched the LED bulb series LEDARE (meaning "Leader") with a view to making LED lighting available to as many people as possible.

- **Energy efficient**

LED bulbs use up to 85% less energy than traditional bulbs.

- **Longest lifespan**

Will last for about 20,000 hrs. If you use a bulb for an average of 3 hrs a day you won't have to change it for around 20 years!

- **No mercury**

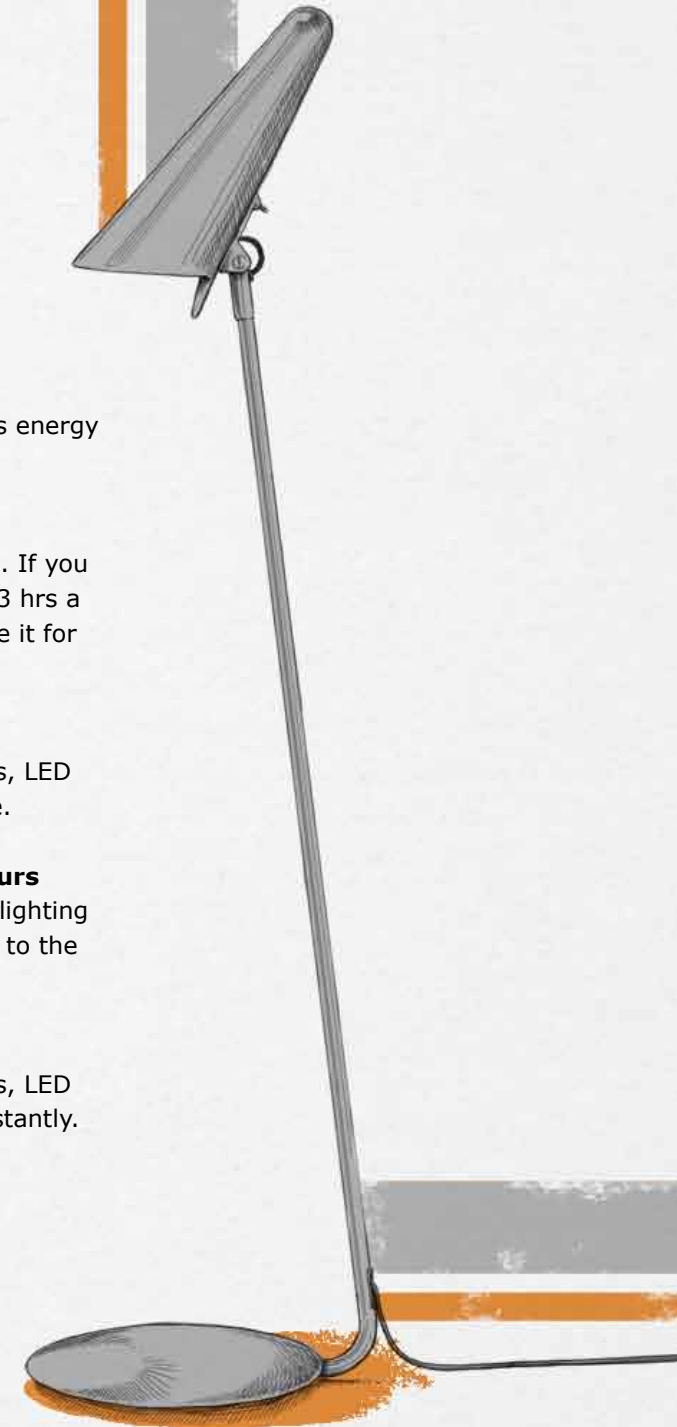
Unlike other low energy bulbs, LED bulbs are 100% mercury free.

- **Warm light, natural colours**

The latest generation of LED lighting gives off a warm light similar to the old incandescent bulbs.

- **Instant start up**

Unlike other low energy bulbs, LED bulbs go to full brightness instantly.





Sustainable Growth

Søren Hansen, Vice-President, IKEA Group

FY11 has been a challenging period for many of us. Not only for governments and corporations, but also for individuals and families trying to manage their own budgets. Being cost conscious is part of the IKEA DNA and we're fortunate to have the resources to safely navigate uncertain economic climates. We've been able to continue investing in existing stores, new stores and in our supply chain including the Industry group. Despite the higher cost of most raw materials, we continued to lower the prices to our customers.

Our way

The main financial principles of the IKEA Group secure our financial stability, flexibility and independence. We believe in growing from our own resources, enabling us to make long term decisions. To put it another way, we earn our money before we spend it. Another key principle is owning the land and buildings of our operations. We continuously strive for lower relative cost, which enables us to reduce

prices to our customers. On average we lower our sales prices with 2-3% per year. These simple principles, combined with reinvesting our profits into the core business, secure the foundation for future growth and sustainable profitability.

Investments in FY11

Consistent with our commitment, we lowered prices by 2.6%. We continued to expand with the opening of 7 new stores, bringing the total to 287. Investments in existing and new stores amounted to EUR 1.4 billion and a further EUR 0.3 billion invested in our industrial group. We invested EUR 40 million in solar panels and renewable installations in new-built stores. This will lower our electricity costs and reduces our carbon footprint. Our wind turbines fleet at August 31, 2011 can generate the equivalent of approximately 15% of our electricity needs. We intentionally increased our inventory levels to ensure improved stock availability to our customers. Inventory amounted to EUR 4.4 billion.

Strong results and growth

Despite economic challenges, we have maintained stable growth and profitability. Sales grew in almost all countries with our biggest gains being in Russia, China and Poland. Sales increased with 6.9% to a total of EUR 24.7 billion. Total revenue for FY11 amounted to EUR 25.2 billion. As a franchisee of the IKEA concept, IKEA Group pays a franchise fee of 3% of sales to the concept owner Inter IKEA Systems B.V.

The gross margin reduced to 44.2% as a result of increased purchase prices and our continued price investments. Operating costs, including one-off items, went slightly down. Financial net improved due to lower interest expenses. Net income increased by 10.3% to EUR 2.97 billion. Our portfolio of cash and securities slightly decreased to EUR 16.8 billion. We had no counterparty losses in the portfolio. We have financed all FY11 investments out of our own cash flow. Furthermore, we prepaid and amortized loans for a net amount of EUR 1.6 billion.

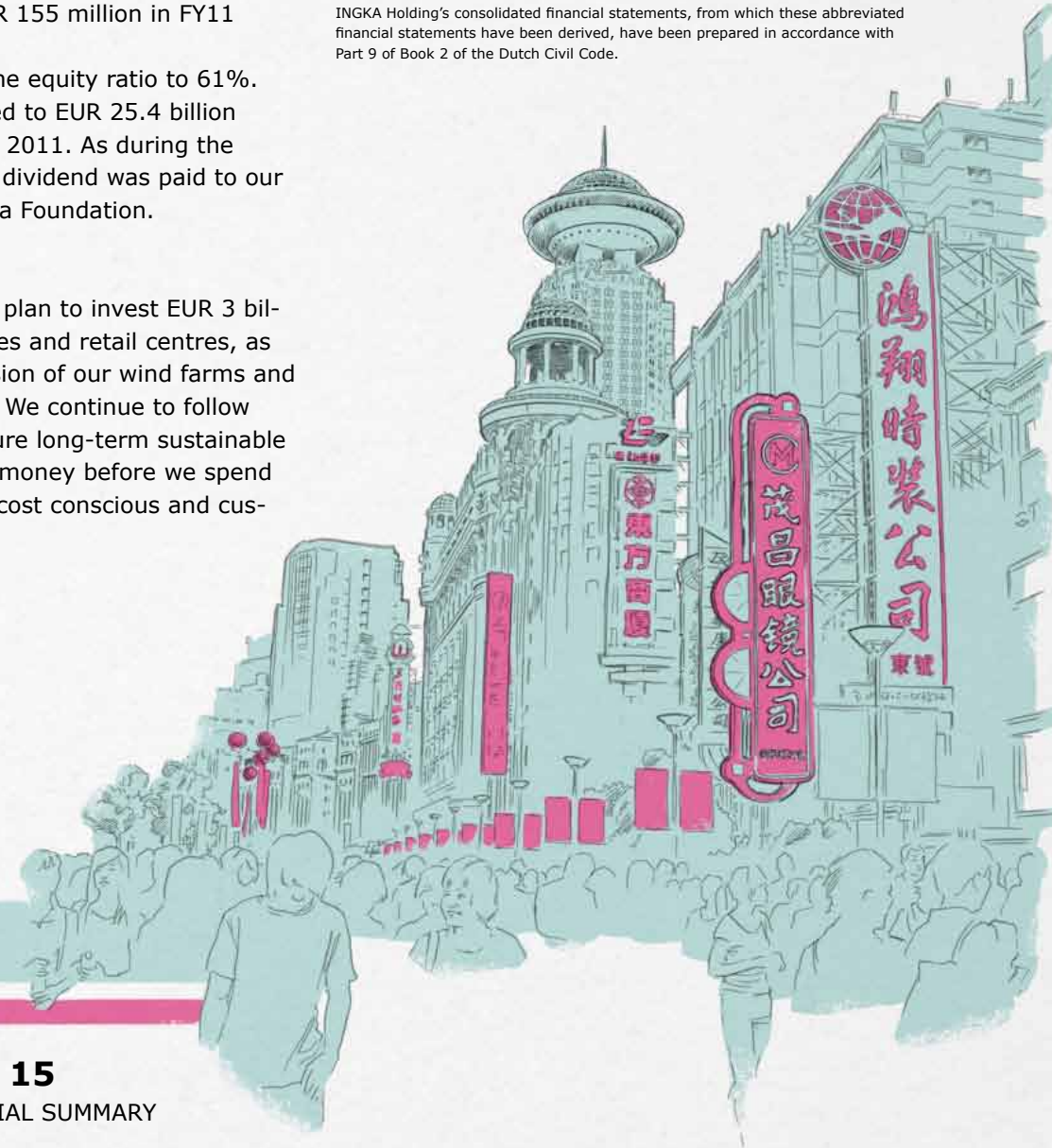
The effective tax rate for FY11 (20.8%) is higher than last year (17.6%) and corporate income taxes amounted to EUR 781 million. Property tax was EUR 155 million in FY11 (FY10 150 million).

We have increased the equity ratio to 61%. Total equity amounted to EUR 25.4 billion million at August 31, 2011. As during the previous 5 years, no dividend was paid to our owner Stichting Ingka Foundation.

Moving forward

This coming year we plan to invest EUR 3 billion in stores, factories and retail centres, as well as in the expansion of our wind farms and solar power sources. We continue to follow our principles to secure long-term sustainable growth; earning our money before we spend it, being innovative, cost conscious and customer focused.

The following financial statements are an abbreviated version of the consolidated financial statement of INGKA Holding B.V. as included in the Annual Report for the financial year 2010/2011. An unqualified auditor's report dated December 5, 2011 was issued on these financial statements. INGKA Holding's Annual Report for the financial year 2010/2011 is available through the Dutch Chamber of Commerce. INGKA Holding's consolidated financial statements, from which these abbreviated financial statements have been derived, have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code.



Consolidated Income statement

SEPTEMBER 1 - AUGUST 31

(IN MILLION OF EURO)	2011	2010
Revenue	25,173	23,539
Cost of sales	13,773	12,454
Gross profit	11,400	11,085
Operating cost	7,808	7,888
Operating income	3,592	3,197
Total financial income and expence	165	76
Income before minority interests and taxes	3,757	3,273
Tax	781	577
Income before minority interests	2,976	2,696
Minority interests	(10)	(8)
Net income	2,966	2,688



Total Revenue in EUR billion 2001-2011

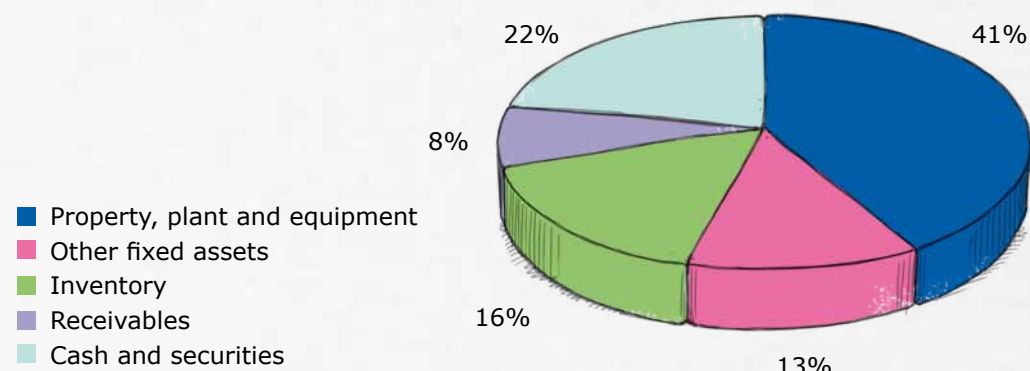
Consolidated Balance sheet -Assets

AUGUST 31

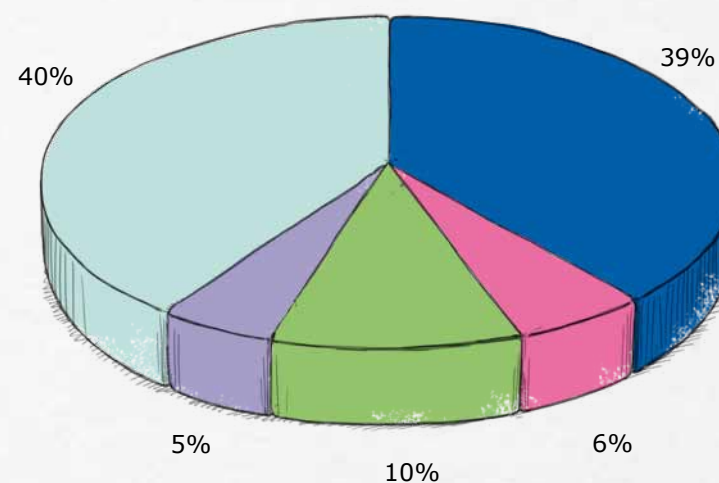
(IN MILLION OF EURO)

	2011	2010
Property, plant and equipment	16,173	15,982
Other fixed assets	2,416	2,683
Total fixed assets	18,589	18,665
Inventory	4,387	3,415
Receivables	2,077	2,238
Cash and securities	16,828	16,955
Total current assets	23,292	22,608
Total assets	41,881	41,273

2011 - Total Assets - EUR 11,605



2011 - Total Assets - EUR 41,881



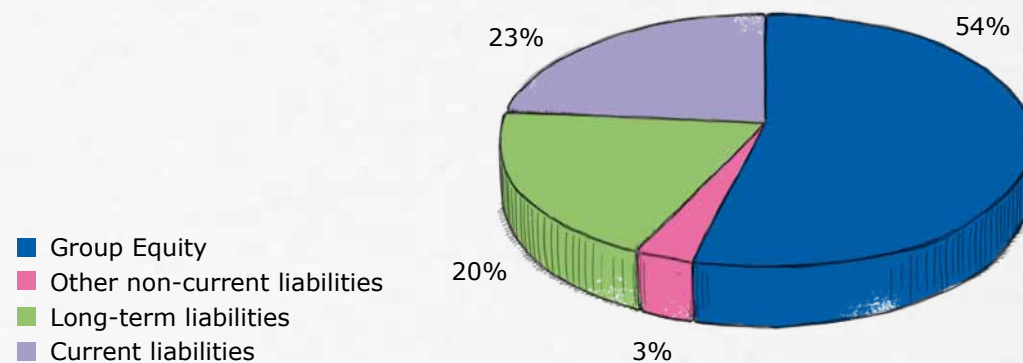
Consolidated Balance sheet -Equity and liabilities

AUGUST 31

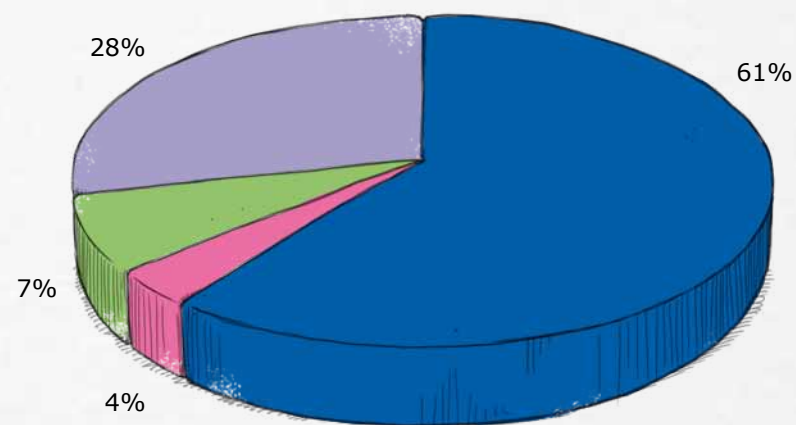
(IN MILLION OF EURO)

	2011	2010
Group equity	25,411	22,841
Long-term liabilities	3,123	4,296
Other non-current liabilities	1,469	1,325
Total non-current liabilities	4,592	5,621
Short-term liabilities	7,107	7,724
Other payables	4,771	5,087
Total current liabilities	11,878	12,811
Total equity and liabilities	41,881	41,273

2001 - Total Equity and Liabilities - EUR 11,605



2011 - Total Equity and Liabilities - EUR 41,881



Making a difference

IKEA Foundation is the charitable arm of Stichting INGKA Foundation and works towards positive and long-term change in disadvantaged communities. The focus is on children and four key areas of their lives: a place to call home, a healthy start in life, a quality education and a sustainable family income. Our aim is to give these children a life beyond temporary shelters, handouts, lack of education and healthcare.

The projects are many. Like the IKEA Soft Toys for Education Campaign. One euro from every soft toy, children's book or kid's meal sold during the 9 weeks before Christmas, is donated to UNICEF and Save the Children. In 2011 this campaign raised approx EUR 11.4 million to provide books, classrooms and teachers to nearly 2.8 million children in 20 countries.

Another example is a USD 62 million dollar donation to the United Nations High Commission for Refugees (UNHCR). The largest private donation to UNHCR ever, it will fund expansion of the Dadaab Kambioos refugee camp in Kenya to provide for 120,000 refugee families. It will also fund a 3-year partnership between UNHCR and IKEA Foundation to provide refugee children and families with accommodation,



life skills and economic independence. In areas from women's empowerment and education to disease prevention and disaster relief, IKEA Foundation can be found making a difference to people all around the world. In 2011, approximately EUR 65 million has been donated to fund various projects around the world.

IKEA co-workers and IKEA Group also help local communities. Like Safe Home Philadelphia which helps homeless families into a new place to live. Local IKEA co-workers help to ensure the kids have everything they need to make a fresh start. IKEA donates beds, sheets, chairs, storage, etc to help them feel at home in their new place.

Following the earthquake, tsunami and nuclear disaster in Japan, local co-workers gave immediate aid with food, water, blankets and toys. Around 7,000 temporary homes were furnished for people made homeless by the tragedy. Other products were donated to a further 15,000 homes. An IKEA store opened in one of the worst affected areas to help the local economy and create new jobs. The co-workers of IKEA Japan have been highly praised, their support and unity being an inspiration to many people.

IKEA Foundation, IKEA Group and co-workers continue to be involved with initiatives around the world whose first priority is always the rights and needs of children.

Executive Management of the IKEA Group

- Looking back over 2011, what stands out for you?

Søren Hansen

Vice President

"In tough times and times of uncertainty, team work, celebrating successes and sharing happy moments with family, friends and colleagues are becoming more and more important."

Helen Duphorn

Global Corporate Communications Manager

"The privilege of closely following our expansion in China, with all its learnings, has been very exciting and energizing."

Torbjörn Lööf

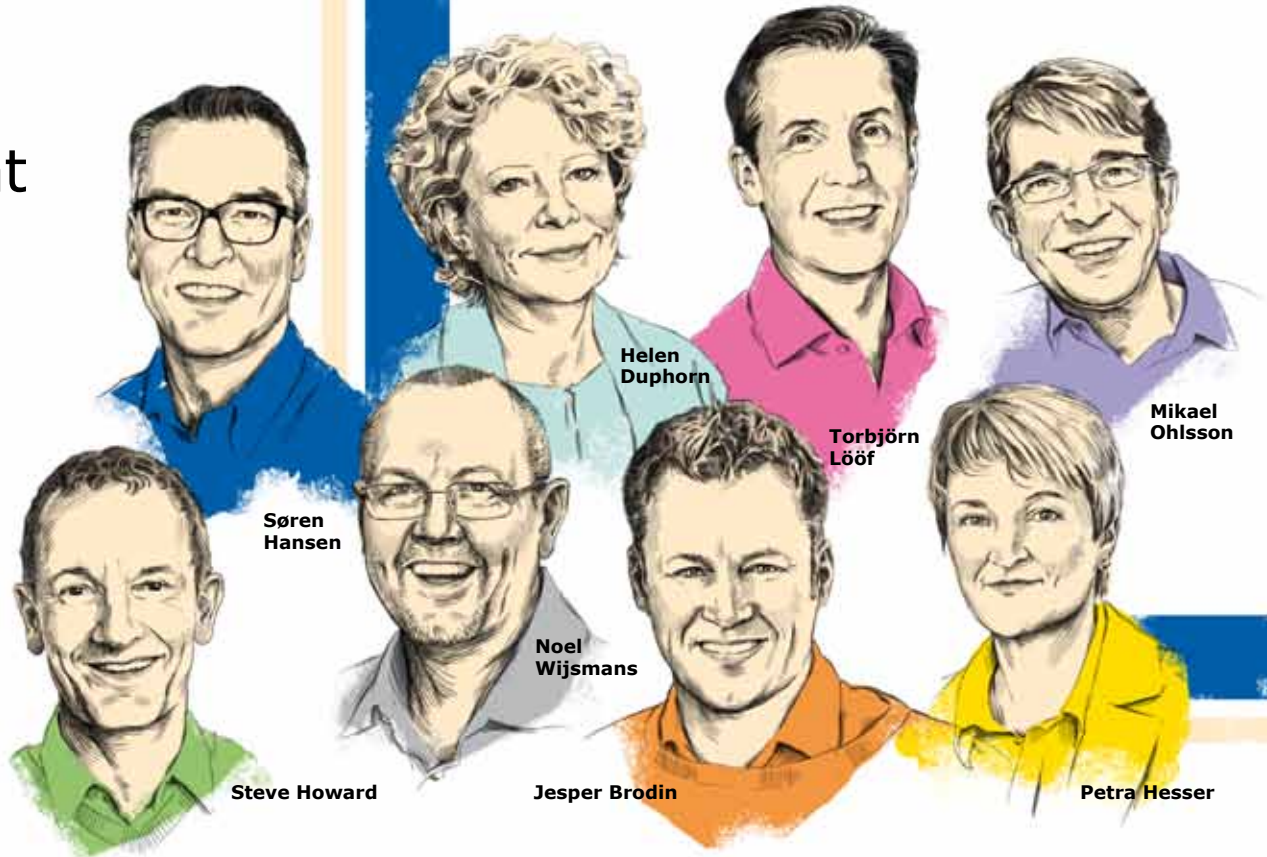
Managing Director, IKEA of Sweden

"In 2011, I participated in workshops, visited stores and suppliers and met people in many places. And all these meetings have one thing in common – people are motivated and engaged in making IKEA become an even better company in the future!"

Mikael Ohlsson

Chief Executive Officer

"2011 reminded me what a privilege it is to be part of this together with so many IKEA co-workers. It has been joy to meet and learn from you at IKEA units all over the world. Despite the challenging conditions on many markets we have continued to grow. We have continued to lower our prices, improve our quality and continued our investments, not least in renewable energy, still with sustained profitability. This is good for our future!"



Steve Howard

Chief Sustainability Officer

"At a presentation on sustainability at my son's school, a young man asked me "if we do all those things, renewable energy, more from less, zero waste - will we all be okay?" There is no question more important for us to answer."

Noel Wijmans

Global Retail Manager

"Following the earthquake/tsunami in Japan, the generosity, unity and courage of the Japanese people is something that will always inspire and stay with me."

Jesper Brodin

Global Supply Chain Manager

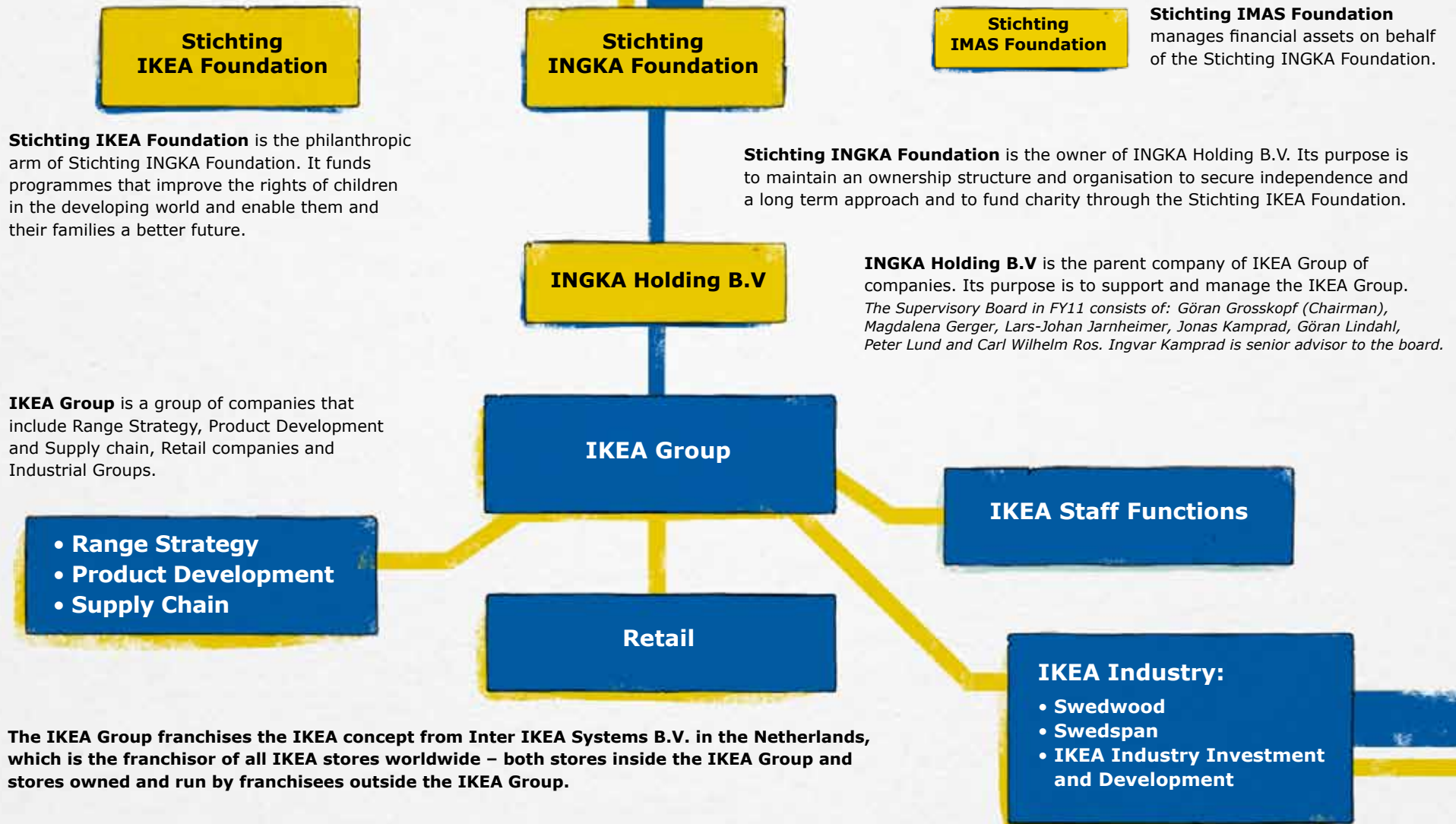
"My biggest learning came from my 8 year old daughter who studied conflicts and peace at school. She said if we learn to manage different views in a constructive way, we get better results. As the future in IKEA is all about creating results together across borders, I'm planning on following her advice."

Petra Hesser

Global Human Resources Manager

"FY 2011 has been my year of change. A new home, a new country, a new job, a new way of working, a new team. I am grateful and happy for these experiences that further enrich my life."

The IKEA group structure



IKEA at a glance 2011

TOP SELLING COUNTRIES

Germany 15%
USA 11%
France 10%
Italy 7%
Sweden 6%

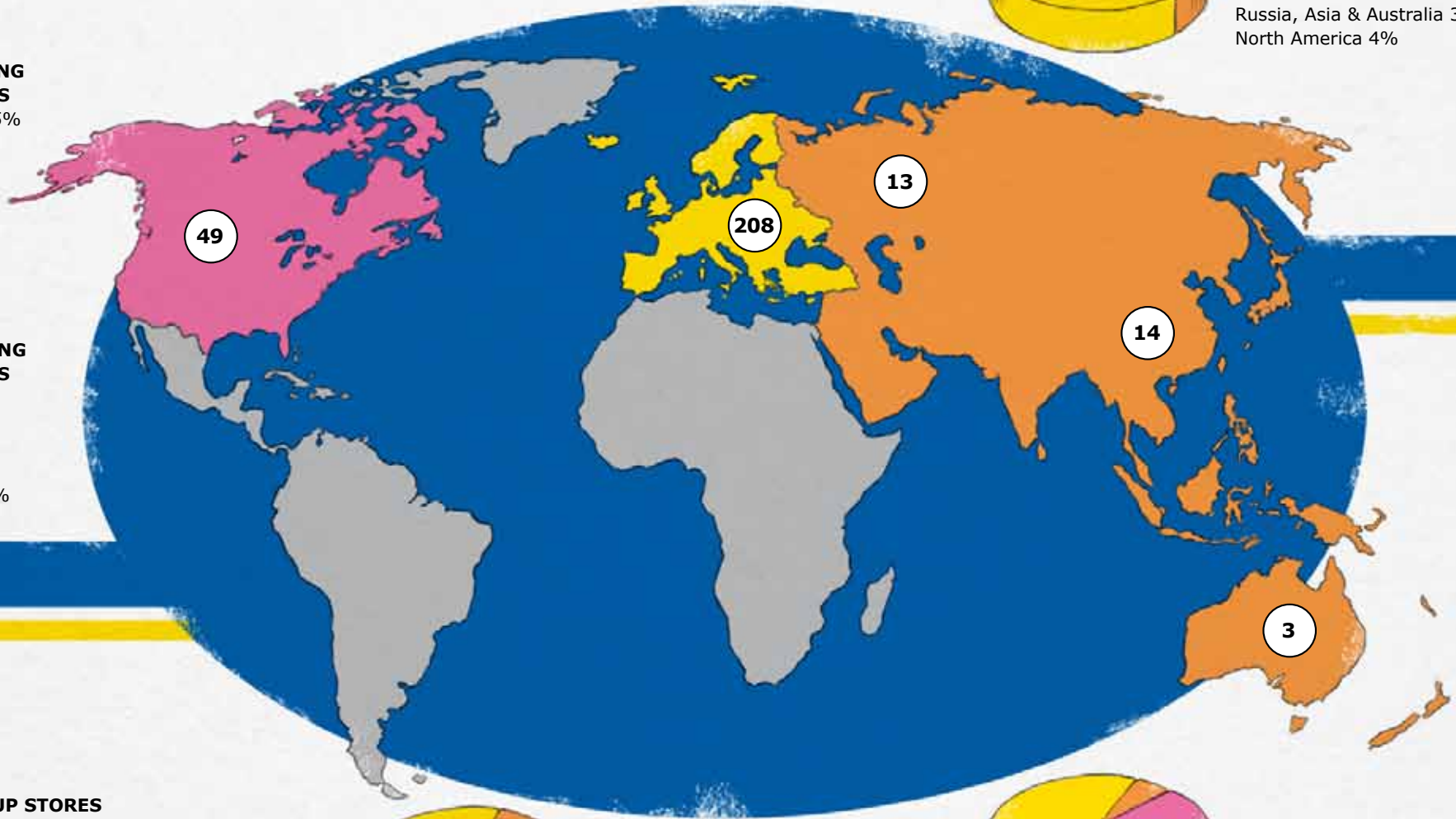
TOP 5 PURCHASING COUNTRIES

China 22%
Poland 18%
Italy 8%
Sweden 5%
Germany 4%

287

IKEA GROUP STORES WORLDWIDE

In 2011, the IKEA Group opened 7 new stores in 7 countries. As of 31st August 2011, the IKEA Group had a total of 287 stores in 26 countries.



PURCHASING PER REGION

Europe 63%
Russia, Asia & Australia 33%
North America 4%



CO-WORKERS PER REGION

Europe 106,500
North America 16,500
Russia, Asia & Australia 8,000



SALES PER REGION

Europe 79%
North America 14%
Russia, Asia & Australia 7%

22



STORE VISITS

In 2011, the IKEA Group stores had 655 million visits.

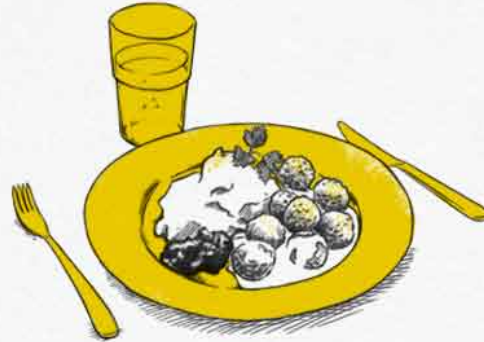
TOTAL SALES FY11

Sales increased by 6.9% compared to 2010. Total sales amounted to EUR 24.7 billion.



IKEA.COM

IKEA websites had 870 million visits in 2011.



IKEA FOOD SERVICES

IKEA food turnover for the year was EUR 1.2 billion.

CO-WORKERS PER FUNCTION

Purchasing, distribution, wholesale, range & other: 14,300
Retail: 100,000
Swedwood: 16,000
Swedspan: 700
Total co-workers in FY11 131,000



PRODUCTS

The IKEA range consists of approximately 9,500 products.

PRINTED CATALOGUES, LANGUAGES & EDITIONS

The IKEA catalogue was printed in more than 208 million copies in 30 languages and 59 editions.



THE IKEA GROUP

The IKEA Group has operations in 41 countries. 29 Trading offices are located in 25 of these countries. The remaining 16 countries are home to 26 Distribution Centres and 11 Customer Distribution Centres.

INDUSTRIAL GROUPS

Swedwood, a manufacturing group within the IKEA Group, had 16,000 co-workers and 33 production units in 10 countries.

Swedspan, an industrial supplier within the IKEA Group, had 700 co-workers and 5 production units in 5 countries.

SUPPLIERS IN 2011 IKEA had 1,018 suppliers in 53 countries.

IKEA Industry Investment & Development (IIID) is an advisory and investment service company and has 13 co-workers.



Growing IKEA together