

Facts & figures 2014



IKANO®





Our vision

To create possibilities for better living.



Our business idea

Together we create solutions, based on fair terms and simplicity, that bring value to our customers.

We do this by developing and managing companies within financial services, insurance, real estate, and retail.

Hi,

“Ikano is a growth company with more than 3,700 co-workers. We work together to simplify the lives of the many people. When we create possibilities for better living, we grow hand in hand with our customers and partners.

We have a strong company culture and our values guide us in our daily operations. We make decisions based on fair terms, simplicity, and common sense. In doing this, we also dare to think differently and find new ways.

I am proud to share our solid results from 2014. They demonstrate the dedication of all our co-workers to creating solutions that appeal to our customers. They also indicate that we have the opportunity to become better at reaching the many people.

Moreover, the results confirm that we are financially aligned with our overall strategy for the upcoming years: sustainable growth.

While we are always looking for ways to improve, I can firmly say that we are heading in the right direction.”

Mats Håkansson
Vice President & acting CEO, Ikano Group



In it for the long run

We have taken on a great challenge. By 2019, we aim to integrate sustainability in everything we do. Sustainability is something that is often done “on the side” and we see many opportunities to improve and broaden our commitment. Our Only Green Offices project, using renewable energy in operations, and other ways to reduce our carbon footprint are just a few of the initiatives that we are working on.

Increasing the use of the co-workers’ Social Day and supporting even more charity projects are others. All the efforts made will help us to integrate sustainability in everything we do.

Some of our contributions in 2014

- In the aftermath of the Malaysia floods in December, Ikano Retail Asia donated EUR 35,000 to help the victims. Our Ikano Retail Asia co-workers raised another EUR 11,000 and our IKEA Damansara co-workers provided logistical support.
- Together with Nouvelle Planète, we continued to help rural communities in Vietnam by building bridges, nurseries, and schools.
- Our involvement in the Bamboo School project in rural Thailand continues. In 2014 the first phase of the project came to an end, with 100% of first batch students accepted to university. In the second phase we have contributed another EUR 3 million for expanding the project to cover 136 schools.
- The much appreciated Cheese Matters programme, teaching British teenagers how to responsibly handle their personal finances, won several awards in 2014.



Our financial results 2014

“Ikano S.A. Group delivered a strong net result of EUR 147 million in 2014 thanks to the growth in all our business areas. BA Finance increased its loan book by 10%, BA Real Estate grew its rentable areas by 7%, BA Retail Asia enjoyed a 5% turnover boost, and BA Insurance saw a 1% premium volume increase.

The Group exhibits a sound solvency (equity to assets) ratio of 31%. Our owners take great interest in the development of Ikano. They re-invest the profit in our businesses to secure a long-term sustainable company.”

Yohann Adolphe
Group CFO

Total assets EUR 6.9 billion

Net result EUR 147 million

Extracted from the Ikano S.A. audited consolidated annual accounts for the year ending 31st December, 2014.

Business Area Finance

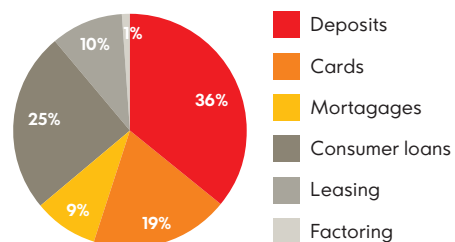
We offer banking and finance services to the many people. We provide simple and fair solutions that bring value to our customers; direct or via partners to consumers and companies. Our offer to consumers includes private label cards, credit cards, loans and savings accounts. We deliver sales finance and customer insight services to retail partners and provide companies with leasing and factoring solutions. We aim to grow significantly in the coming years by focusing on our role as the bank for the many. Our offer makes life easier for people and creates growth opportunities for companies.

Facts at a glance

No. of co-workers: 1,050

Business volume

EUR 5.7 billion



Open accounts

Loans: 640,000

Deposit accounts: 175,000

Leasing contracts: 56,000

Private label cards: 4.8 million

Bonus/loyalty cards: 11.9 million

Visa/MasterCard: 640,000

Our markets

We operate in Austria, Denmark, Finland, Germany, the Netherlands, Norway, Poland, Russia, Sweden and UK. Operations in the Netherlands will be closed in 2015.

The year in brief

- During the year we expanded our customer offer in key markets. We successfully launched savings accounts in Denmark, loans in Norway and leasing in Finland.
- Through an acquisition in Germany, we increased our loan book by one third, with 25,000 new customers.
- As a testament to our strong offer we were awarded the top spot in the 2014 Swedish Quality Index, in the "Personal loans" category. In Denmark we won an award as the best digital supplier of personal loans, and in the UK we won an award for best customer service.
- In Sweden, we were named one of the country's top 100 employers for the third consecutive year.
- We are engaged in various social initiatives related to our business. A good example is "Cheese Matters" which is an educational programme in personal finance for children aged 13–17 in Nottingham, UK. The programme has attracted national attention and has received several awards.



Business Area Insurance

Business Area Insurance offers life and health insurance products such as child, life, and accident insurance to the many people. We also offer payment protection for loan and credit card customers in cooperation with Ikano Bank in Sweden, Norway, and from 2015 in Poland. An important part of our strategy is to continue to develop the successful cooperation between Ikano Insurance and Ikano Bank.

In parallel, we act globally serving selected core clients as reinsurers of substantial risks within the life- and non-life markets.

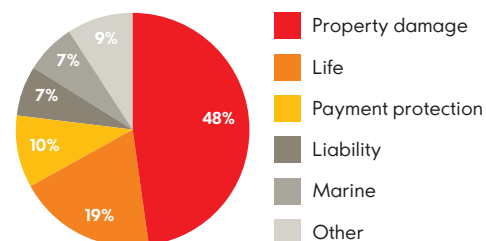
Facts at a glance

No. of co-workers: 60

No. of customers in Sweden and Norway: 264,000

Gross premiums written

EUR 107 million

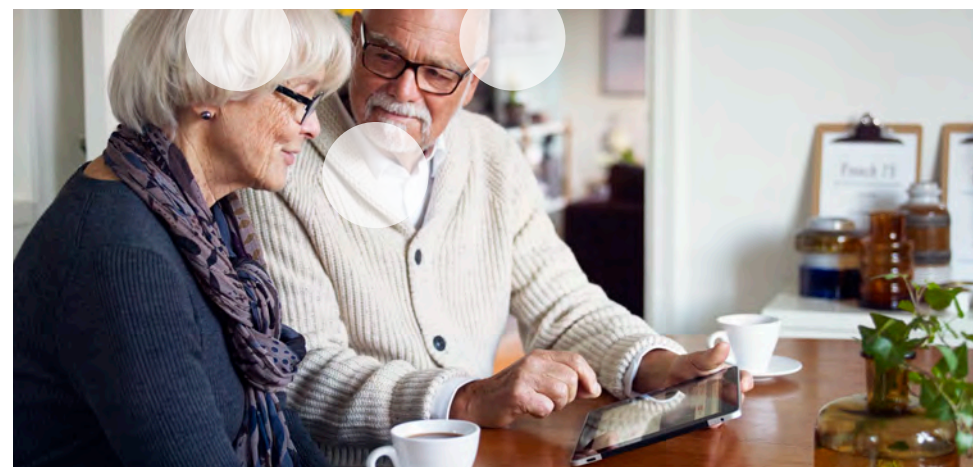


Our markets

We offer life, health, and payment protection insurance in Sweden and Norway (and from 2015 in Poland). We also act globally in the markets of our core corporate customers.

The year in brief

- In 2014 we discontinued the sale of employee benefit insurances through insurance intermediaries. Instead, we are focusing on reaching the many people directly or through close cooperation with Ikano Bank.
- We launched payment protection insurance products for Ikano Bank's loan and credit card customers in Sweden, Norway and, from 2015 in Poland.
- In October 2014, we launched OMIFALL pregnancy and child insurance in Sweden in cooperation with IKEA.
- We continued to serve our corporate clients globally by for example reinsuring property value amounting to EUR 45 billion, construction projects in excess of EUR 1.25 billion, as well as 152,000 individuals.



Business Area Real Estate

We are a long-term owner and developer of residential real estate in the Nordic growth regions. We contribute to the growth of Ikano Group by managing a well-balanced portfolio of sustainable and attractive properties.

Ikano Residential develops, builds and owns both tenant-owned and rental apartments. We offer well-designed, functional, and affordable homes for people at all stages of life.

In March 2015 we sold our Retail Centres business to INGKA Group and we will now put all our focus on developing and managing real estate for the many people.

Facts at a glance

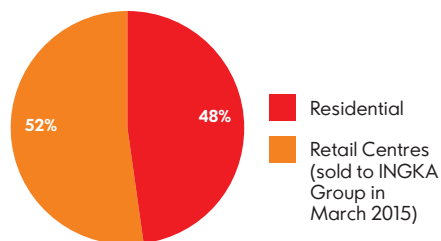
No. of co-workers: 360

Total rental income: 106 MEUR

Total sq.m under management: 812,000

Market value of properties

EUR 1.8 billion



Residential

Sweden: Lund, Malmö, Stockholm, Uppsala, Västerås

Number of apartments: 5,800

Total sq.m: 443,000

Apartments under construction: 1,040

Retail Centres

Shopping centres

Sweden: Linköping, Stockholm, Sundsvall, Västerås

Finland: Kupio

Retail parks

Sweden: Borlänge, Haparanda, Kalmar, Källered, Stockholm, Örebro, Uddevalla, Älmhult

Finland: Vanda

No. of visitors to shopping centres:

18.6 million

Shopping centres and retail parks sq.m: 369,000

Projects under construction sq.m: 49,000

Our markets

Sweden and Finland.

The year in brief

Residential

- We purchased 1,600 building permits in Stockholm, Sweden, to secure future residential development.
- We entered into a new market in Uppsala, Sweden, with a residential development project.
- We bought properties in Danderyd and sold our properties in Helsingborg, both in Sweden.
- We started construction of several residential projects in Malmö, Sweden.

Retail Centres

- We experienced a strong market with good sales for all our shopping centres.
- We opened three new shopping centres in Sweden: Kungens Kurva, Borlänge, and Älmhult.
- We bought Källered retail park in Gothenburg, Sweden, for future development.



Business Area Retail Asia

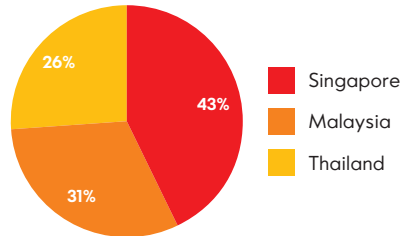
We own the IKEA franchise in Singapore, Malaysia and Thailand. We own develop and manage Shopping Centres anchored by IKEA, and support our retail business by investing in Mixed Use Development: creating destinations for home, work and play. In 2014, we had four IKEA stores and two shopping centres, with another store and centre under construction in the Malaysian capital of Kuala Lumpur. Our multi-national team has several other projects in the pipeline and an ambition to build 10 more IKEA stores in 10 years, supported by five new Shopping Centres.

Facts at a glance

No. of co-workers: 1,770

Turnover

EUR 431 million



IKEA stores (total for all four stores)

No. of catalogues released: 4.0 million

No. of visitors: 17.8 million

No. of children to Småland: 239,000

No. of meatballs sold: 19.8 million

EUR 248,000 to UNHCR and Save the children via LED and Soft Toy campaigns

Shopping Centres

Megabangna, Bangkok, Thailand

No. of visitors: 24.0 million

Gross leasable space sq.m:

190,000 incl. IKEA

No. of tenants: 752

IPC, Kuala Lumpur, Malaysia

No. of visitors: 9.1 million

Gross leasable space sq.m:

73,500 incl. IKEA

No. of tenants: 185

Our markets

Singapore, Malaysia, Thailand.

The year in brief

- The rebuild of our IKEA Damansara store was completed, leading to a 6.4% increase in sales.
- We purchased 990,000 sq. m of land and entered a joint venture to invest in the development of a township in the Malaysian state of Penang while investigating market potential for a new IKEA store and a shopping centre.
- Our Megabangna shopping centre installed 4,000 solar panels on its rooftop, making us one of the first companies in Thailand to feed renewable energy into the city electrical grid.
- We attracted global attention with a witty YouTube ad that re-branded the IKEA catalogue as a "BookBook". The ad generated more than 16 million views.
- More customers took up the IKEA food offering in our stores than anywhere else in the world, earning us a Golden Meatball award from IKEA Food Services AB.
- In Thailand, we took the first step toward a 'multi-channel' IKEA by initiating a Pick-Up Point project delivering IKEA to the many people in smaller markets.
- We initiated a project for a second IKEA store in Bangkok, Thailand, signing an agreement with an external developer to link IKEA to a great shopping centre.

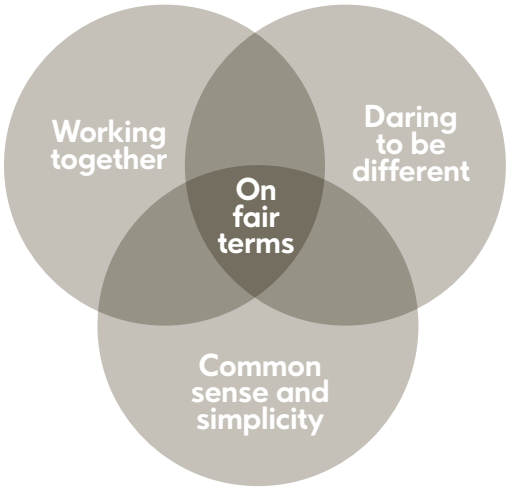




Our people

We are a group of open-minded, enthusiastic people who are encouraged to work together, develop ourselves and contribute to the success of Ikano.

Our values and promise



Operational organisation



Mats Håkansson
Vice President
& acting CEO



Yohann Adolphe
Group CFO



Stefan Nyrinder
BA Finance



Tomas Wittbjer
BA Insurance



Daniel Skoghäll
BA Real Estate



Christian Rojkjaer
BA Retail Asia



Christian Dassonville
Acting Group HR



Marie Gällstad
Group
Communication



Fredrik Åkesson
Group
Sustainability

Supervisory Board

Peter Kamprad
Chairman

Jonas Kamprad
Board Member

Mathias Kamprad
Board Member

Björn Bayley
Board Member

Eva Cederbalk
Board Member

Jens Engwall
Board Member

Måns Hultman
Board Member

Per Karlsson
Board Member

Mikael Ohlsson
Board Member

Management Board

Mats Håkansson
Vice President
& acting CEO

Yohann Adolphe
Group CFO



Simplifying the many people's lives so they can focus on living it.

www.ikanogroup.com

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