



Billund, Denmark – 27 February 2019

The LEGO Group returns to growth in 2018

In 2018, the LEGO Group bucked toy industry trends to increase its market share in all major markets. Revenue grew 4 percent to DKK 36.4 billion; operating profit grew 4 percent.

2018 Performance Highlights:

- Global consumer sales grew 3 percent in 2018 compared with 2017.
- Revenue for the full year grew 4 percent to DKK 36.4 billion. In constant currency, revenue grew 7 percent compared with 2017.
- Operating profit grew 4 percent to DKK 10.8 billion. Net profit was DKK 8.1 billion, an increase of 3.5 percent.
- Cash flow from operating activities remained strong at DKK 9.8 billion.
- Market share grew in all major markets, bucking overall industry trends.

BILLUND: February 27, 2019: The LEGO Group today reported earnings for the full year ending December 2018. Global consumer sales grew 3 percent, while revenue for the full year grew 4 percent to DKK 36.4 billion, up from 35.0 billion in 2017. In constant currency, revenue grew 7 percent compared with 2017.

Operating profit was DKK 10.8 billion compared with 10.4 billion in 2017 an increase of 4 percent. The growth was due to increased sales, balanced with a continued focus on investing for the future. Cash flow from operating activities remained strong at DKK 9.8 billion, although it was 8 percent lower than the DKK 10.7 billion in 2017 due to changes in working capital in line with business momentum.

LEGO Group CEO, Niels B Christiansen said: “We set out with one aim in 2018, to stabilise the business. We are pleased to have achieved this, and to have delivered modest top and bottom-line growth.

“We are especially encouraged by our progress given the challenges facing the toy industry and the departure of specialist retailers such as Toys R Us. These shifts gave us the opportunity to strengthen our partnerships with retailers and find new ways to connect with shoppers and consumers across digital and physical channels. We also grew market share in our largest markets around the world, bucking industry trends.

“We’d like to thank our talented colleagues who did an outstanding job executing plans during the peak holiday season.”

Revenue growth in all market groups

Revenue in all market groups grew. In established markets, such as the United States and Western Europe, growth was in the low-single digits. In China, a strategic growth market for the Group, revenue grew strong double-digits as the brand expanded into new cities and built its presence on e-commerce, digital and physical platforms.



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The top selling themes in 2018 in no particular order were LEGO® City, LEGO® Technic™, LEGO® Star Wars™, LEGO® Friends and LEGO® NINJAGO®. LEGO® Harry Potter™, LEGO® Jurassic World™, LEGO® Classic and LEGO® Creator also performed strongly.

The LEGO Group's portfolio also comprised new products which blended the brick with digital play.

Christiansen said: "Our challenge each year is to create play experiences that are more exciting, more relevant and more fun than the year before.

"Last year, we were pleased with the response to our homegrown themes such as LEGO City and LEGO Technic. We were also encouraged by the positive reaction to new products and experiences which integrated digital play, such as the augmented reality app, AR Playgrounds, the DUPLO Cargo Train, which introduces coding to our youngest fans and LEGO BOOST which makes robotics intuitive and fun. We will continue to invest in both our core and in new technology which brings the brick to life in wonderful and unexpected ways."

The LEGO Group will also continue to invest to grow in newer markets as part of its ambition to reach more children around the world. In China, the company will accelerate expansion and open 80 stores in 18 cities during 2019, starting with a new flagship store in Beijing which opened on February 22. The Group will further expand its presence in the Middle East and explore opportunities in new markets where there is a large and growing middle class population, such as India.

A positive impact on society and the planet

During 2018, the LEGO Group continued to live by its Planet Promise and its aspiration to have a positive impact on the society and the world children will inherit.

During the year, the company introduced the first elements made from plant-based plastics and pledged to use 100 percent sustainable packaging by 2025. It also installed one of Denmark's largest rooftop solar panel systems which will provide 50 percent of the energy requirements to its new Campus building in Billund. This investment contributes to the LEGO Group's continued ability to meet its commitment to be 100 percent balanced by renewable energy.

The LEGO Group colleagues also brought play to children in need. The company organised play events and hosted a holiday Build to Give campaign which, combined, engaged more than 840,000 children in 26 countries.

Christiansen said: "It is a privilege to work for a brand that is so deeply purpose driven and committed to having a positive impact on society. What motivates our colleagues around the world is the role they can play, big and small, in helping more and more children around the world learn through play."

For further information:

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