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IKEA to Close Russian Stores – Vedomosti

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Moskva News Agency

Home retail giant IKEA is moving to close its stores in Russia nearly four months into the country's invasion of Ukraine, the Vedomosti daily reported Wednesday.

IKEA has notified landlords at 10 Moscow shopping malls that it will terminate its lease agreements before they expire, the newspaper cited commercial real estate sources as saying.

Three of the shopping centers are owned by IKEA store operator Ingka, which said last week it would keep open its 14 Russian malls that operate under the Mega brand.

The lease terminations could cost the Swedish furniture retailer its deposit and up to six months of rent, experts told Vedomosti.

IKEA has not yet publicly disclosed its plans for its retail stores after pausing its Russia and Belarusian operations over the Ukraine conflict in March and announcing a scale-down last Wednesday.

Brand owner Inter IKEA said it would start looking for buyers of four of its factories, cut staff and close two offices in Moscow and Minsk.

Vedomosti reports that IKEA owns 26 stores and studios in 12 Russian cities.

The Swedish group was one of the largest Western employers in Russia since establishing its presence there in 2000.

The company is reportedly expected to lay off at least half of its 15,000 Russia-based employees by the end of the summer.

Vedomosti reported earlier that IKEA management told labor union representatives that it will hold an online sale of its home goods currently stocked in its Russian warehouses from July 1.

The Baza Telegram channel reported later Wednesday that a staff-only sale will be held between June 27 and July 1.

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