

IKEA buys second UK shopping centre in estimated £145m deal

IKEA has purchased a second UK shopping centre amid plans to open its first British city store outside of London.

The Ingka Group, which owns [IKEA](#), confirmed it will open a store in Brighton city centre after buying Churchill Square Shopping Centre for an estimated £145m.

Investment company Abrdn had originally hoped to sell the centre for around £250m, according to reports.

An empty former Debenhams store situated inside the mall is to be converted into a new IKEA store.

The deal comes after the firm's acquisition in January 2020 of the Kings Mall in Hammersmith, west London.

The shopping centre – which was renamed Livat – saw IKEA move into a former Debenhams outlet and was recognised as the start of a strategy to introduce more of the Swedish furniture company's stores into city centres.

The [Debenhams chain closed in 2021](#), bringing an end to more than 240 years of retail history and leaving many empty outlets across the UK.

IKEA's owners will be hoping to rejuvenate the Churchill Square complex as around a third of its shopping spaces remain empty.

At Hammersmith, it also brought in other tenants, such as Lidl.

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Alongside Hammersmith and Brighton, IKEA also has a third city store lined up as it is currently converting [a former Topshop outlet](#) in London's Oxford Circus, which is expected to open in 2024.

In October, IKEA promised to cut furniture prices as part of efforts to pass on cost savings to customers.

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IKEA's UK and Ireland chief executive, Peter Jelkeby, said: "Despite economic and geopolitical instabilities, we remain committed to making a positive difference in our customers' lives – especially for those with the thinnest wallets.

"Over the past year, we have made significant investments on this journey to create a more accessible, affordable and sustainable IKEA, to meet the evolving needs of UK households."

It came as IKEA – the world's largest furniture retailer – announced a 11.9% rise in turnover in the last financial year to £2.5bn.

Globally, Ingka Group's retail sales rose 5.7% to £36bn.

The company said that 38.5% of its UK sales had been made online, up from 35.8% a year earlier.