



marimekko®

INTERIM REPORT 1-9/2010

JANUARY-SEPTEMBER 2010

- In the January-September period of 2010, the Marimekko Group's net sales fell by 1.0% to EUR 51.2 million (EUR 51.8 million).
- Operating profit increased by 51.9% to EUR 6.0 million (EUR 3.9 million).
- Profit after taxes for the period was EUR 4.4 million (EUR 3.0 million) and earnings per share were EUR 0.55 (EUR 0.37).
- Due to better-than-expected average sales margin and cost development, the company revised its operating profit estimate for 2010 on 25 October 2010. Operating profit is expected to be better than in 2009. Operating profit is also expected to be slightly better than the 2009 operating profit excluding non-recurring items. Operating profit for 2009 included a EUR 0.5 million non-recurring cost related to personnel cuts.
- The net sales estimate remains unchanged. Net sales for 2010 are expected to be approximately at the same level as in 2009.

MARKET SITUATION

- In early autumn, economic growth accelerated in Finland and the rest of Europe. A strong recovery was seen in the Finnish economy during the summer.
- Economic growth in the United States has slowed down, which is considered a bad sign. US consumer confidence has at no point risen to the European level; the direction of the country's economic development depends on domestic demand and employment trends.
- Economic growth also slowed down in Japan.
- In Finland, retail sales expectations are positive, and sales are anticipated to pick up somewhat towards Christmas.

NET SALES 7-9/2010

- Marimekko Group's net sales decreased by 0.1% to EUR 19.5 million (EUR 19.5 million).
 - **Sales in Finland** fell by 2.5% to EUR 13.8 million (EUR 14.2 million). The difference in relation to the comparison period is due to revenues from a one-off promotion in the corresponding period of the previous year.
 - **International sales** increased by 6.2% to EUR 5.6 million (EUR 5.3 million). The growth was generated by the delivery of initial inventories to two new retailer-owned Marimekko stores.

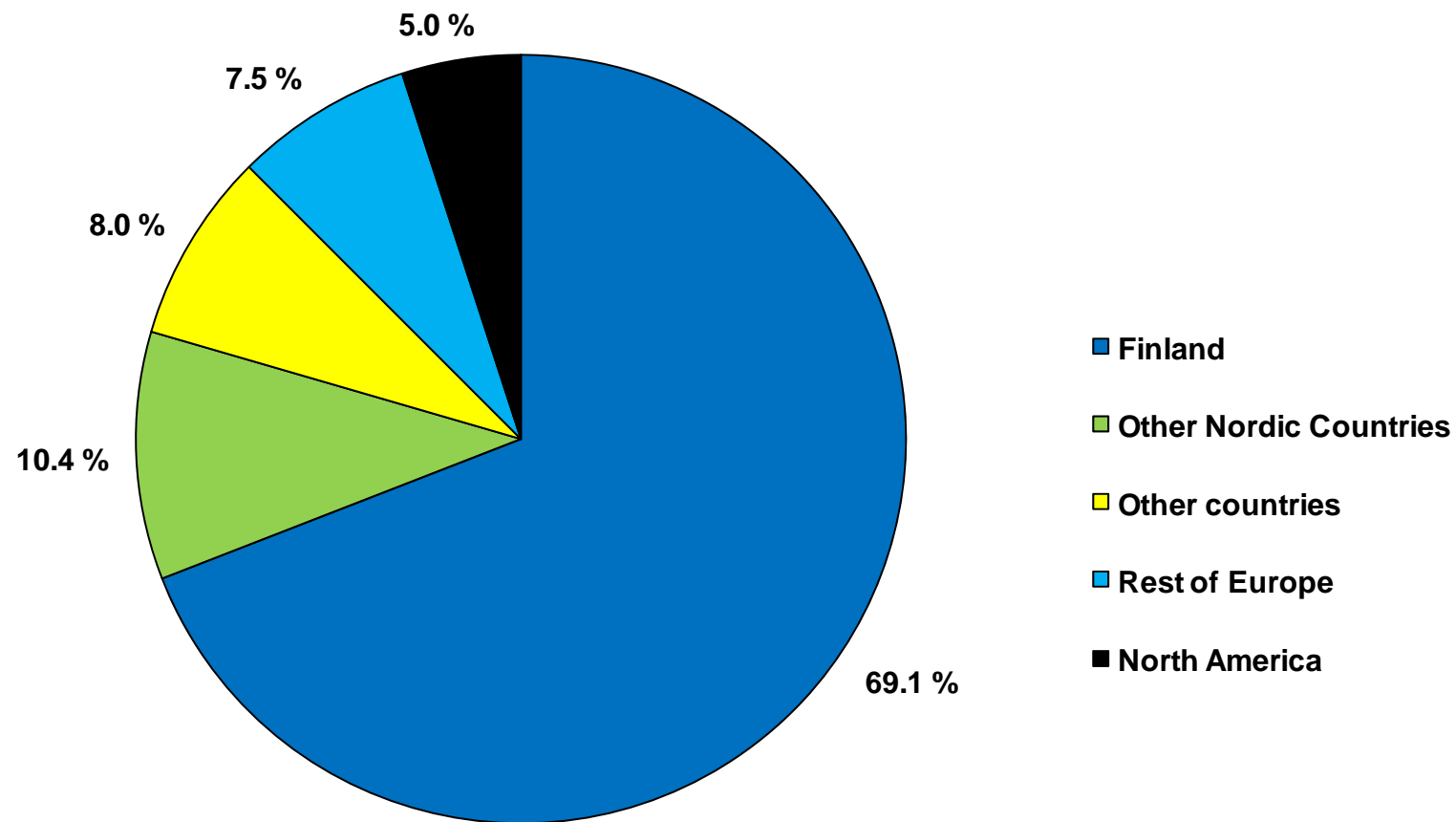
NET SALES 1-9/2010

- Marimekko Group's net sales decreased by 1.0% to EUR 51.2 million (EUR 51.8 million).
- **Net sales in Finland** fell by 2.1% to EUR 35.4 million (EUR 36.2 million). The decline was partly attributable to an extensive price-led promotion organised in the first quarter of 2009 to reduce inventories. In addition, in 2009, net sales for the corresponding period included higher revenues from individual promotions than this year.
 - Retail sales, i.e. sales by Marimekko's own retail shops in Finland, fell by 3.7%.
 - Domestic wholesale sales decreased by 1.9%.
- **International sales** increased by 1.4% to EUR 15.8 million (EUR 15.6 million). The growth was generated by the delivery of initial inventories to two new retailer-owned Marimekko stores in the third quarter.

NET SALES BY MARKET AREA

(EUR 1,000)	1-9/2010	1-9/2009	Change %	1-12/2009
Finland	35,426	36,173	-2.1	52,711
Other Nordic countries	5,315	5,317	0.0	7,042
Rest of Europe	3,830	3,843	-0.3	4,821
North America	2,546	2,309	10.3	3,003
Other countries	4,106	4,112	-0.1	4,896
Total	51,223	51,754	-1.0	72,473

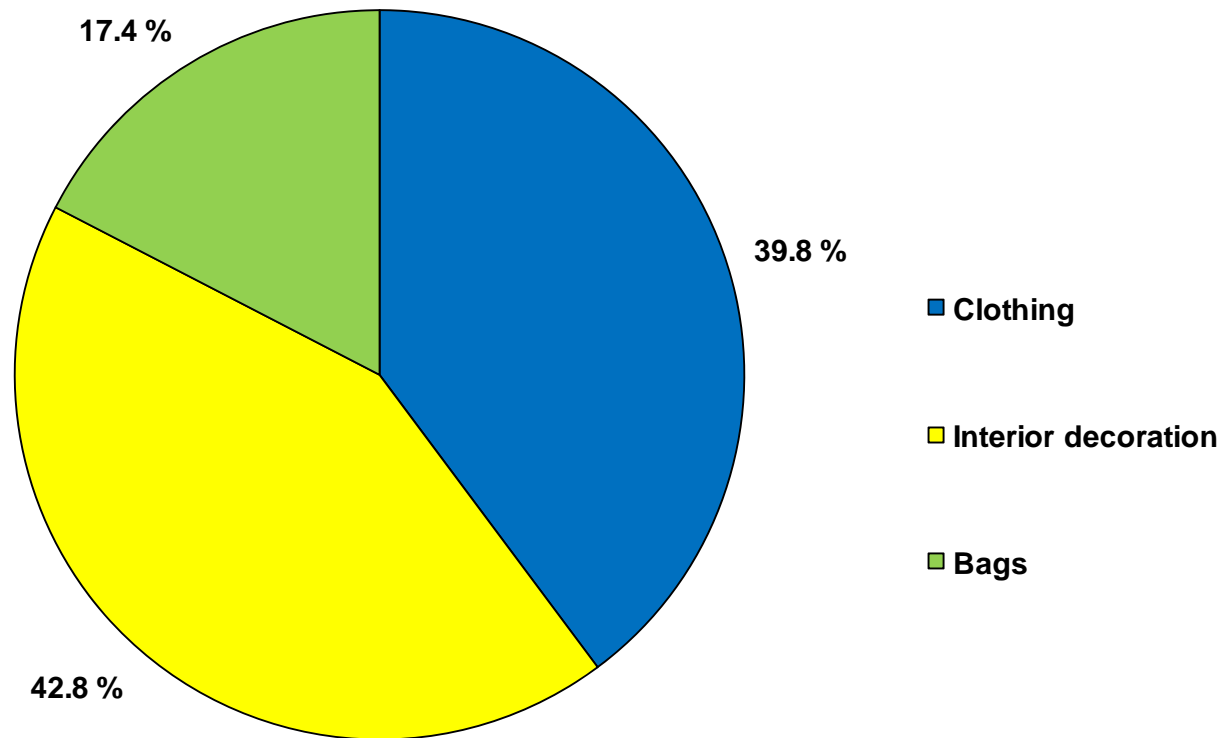
NET SALES BY MARKET AREA 1-9/2010



NET SALES BY PRODUCT LINE

(EUR 1,000)	1-9/2010	1-9/2009	Change %	1-12/2009
Clothing	20,376	21,253	-4.1	27,466
Interior decoration	21,906	21,029	4.2	32,687
Bags	8,941	9,472	-5.6	12,320
TOTAL	51,223	51,754	-1.0	72,473

NET SALES BY PRODUCT LINE 1-9/2010



EARNINGS 7-9/2010

- In the July-September period of 2010, the Group's operating profit increased by 43.7% from the comparison period to EUR 4.2 million (EUR 2.9 million).
- Earnings per share were EUR 0.38 (EUR 0.27).
- Operating profit for the corresponding period in 2009 included a EUR 0.5 million non-recurring cost related to personnel cuts.
- Earnings for the period were boosted by an increase in average sales margin, lower operating expenses and higher royalty income. During the current year, revenues generated from one-off promotions were lower than in the corresponding period of the previous year, which weakened earnings.

EARNINGS 1-9/2010

- In the January-September period of 2010, the Group's operating profit increased by 51.9% to EUR 6.0 million (EUR 3.9 million).
- Operating profit as a percentage of net sales was 11.7% (7.6%).
- Marketing expenses for the period amounted to EUR 1.9 million (EUR 2.2 million), representing 3.7% (4.3 %) of the Group's net sales.
- Profit for the period after taxes stood at EUR 4.4 million (EUR 3.0 million), representing 8.6% (5.7%) of net sales.
- Earnings per share were EUR 0.55 (EUR 0.37).
- Earnings for the period were boosted by an increase in average sales margin as well as the fact that operating and marketing expenses were lower and royalty income was higher than in the comparison period. Full-year marketing expenses are expected to be at the same level as in 2009.
- Investments in product development and building up the company's international distribution network, on the other hand, weighed down earnings. During the current year, revenues generated from one-off promotions were lower than in the corresponding period of the previous year, which also weakened earnings.

INTERNATIONAL PROJECTS

- On 12 August 2010, Marimekko announced that it will carry out significant international projects during the remainder of 2010.
- In the United States, a subsidiary, Marimekko North America LLC, was established in October 2010 to manage and develop the local operations in collaboration with the brand management firm C2Group. The renowned home furnishings retailer Crate and Barrel opened a Marimekko shop-in-shop in its Soho store in New York in mid-October. Marimekko and Crate and Barrel are also exploring further opportunities for collaboration, including additional US shop-in-shops and ecommerce. Marimekko's long-term goal is to expand the distribution of its products in the United States through high-end department and specialty stores as well as by increasing the number of Marimekko stores.
- The first Marimekko concept store in South Korea was opened in Seoul in mid-October. The store is owned by I.D. Look Co., Ltd., a subsidiary of Marimekko's Japanese distributor Look Inc.
- In November 2010, Marimekko will open its own retail shops in Berlin and Malmö.

marimekko®



New York, USA

marimekko®



Seoul, South Korea

MARIMEKKO DESIGNERS HONOURED

- Marimekko's designer Mika Piirainen won the Golden Hanger 2010 Award. The award was presented to Mika Piirainen at the Fashion 2010 fair in Helsinki on 15 November 2010. In its award citation, the jury says that the clothes and accessories designed by Piirainen are of high quality, in keeping with the spirit of the times, and successful among consumers.
- Textile designer Maija Louekari received the Fashion influencer of the year award at Finland's second Elle Style Awards on 20 October 2010. The award is meant for a person working in fashion, who cherishes handicraft and the special know-how of the clothing industry. Vuokko Eskolin-Nurmesniemi, the designer behind several Marimekko classics, was rewarded the Ethical fashion achievement of the year award. Also honoured at the gala was Julia Lundsten, designer behind Marimekko's Mari's New Shoes collection, who was given the Accessories designer of the year award.

OUTLOOK FOR THE REMAINDER OF 2010

- Marimekko Corporation operates in a field where economic trends affect its business activities. In the January-September period of 2010, net sales decreased slightly, while operating profit improved clearly. Earnings for the period were boosted by an increase in average sales margin as well as the fact that operating and marketing expenses were lower and royalty income was higher than in the comparison period. Full-year marketing expenses are expected to be at the same level as in 2009. Investments in product development and building up the company's international distribution network, on the other hand, weighed down earnings. During the current year, revenues generated from one-off promotions were lower than in the corresponding period of the previous year, which also weakened earnings.
- The majority of the Group's net sales are generated in Finland. In recent years, however, international sales have increasingly been driving Marimekko's net sales growth. During 2010, international sales are estimated to grow slightly. In 2009, the Group's net sales and earnings included significant revenues generated from individual promotions. This year, similar revenues that increase net sales and improve earnings are estimated to be lower. In the second and third quarters, earnings were depressed by additional investments in product development and building up the company's international distribution network. These investments will continue to have an impact on the Group's earnings for the remainder of the year.

OUTLOOK FOR THE REMAINDER OF 2010

- The company revised its operating profit estimate for 2010 on 25 October 2010 due to better-than-expected average sales margin and cost development. Operating profit is expected to be better than in 2009. Operating profit is also expected to be slightly better than the 2009 operating profit excluding non-recurring items. Operating profit for 2009 included a EUR 0.5 million non-recurring cost related to personnel cuts.
- The net sales estimate provided in the interim review on 12 August 2010 remains unchanged. Net sales for 2010 are expected to be approximately at the same level as in 2009.
- Due to the seasonality of Marimekko's business, the major portion of the company's net sales and earnings are traditionally generated during the last two quarters of the year. In the last quarter, a significant share of sales is accounted for by retail sales.

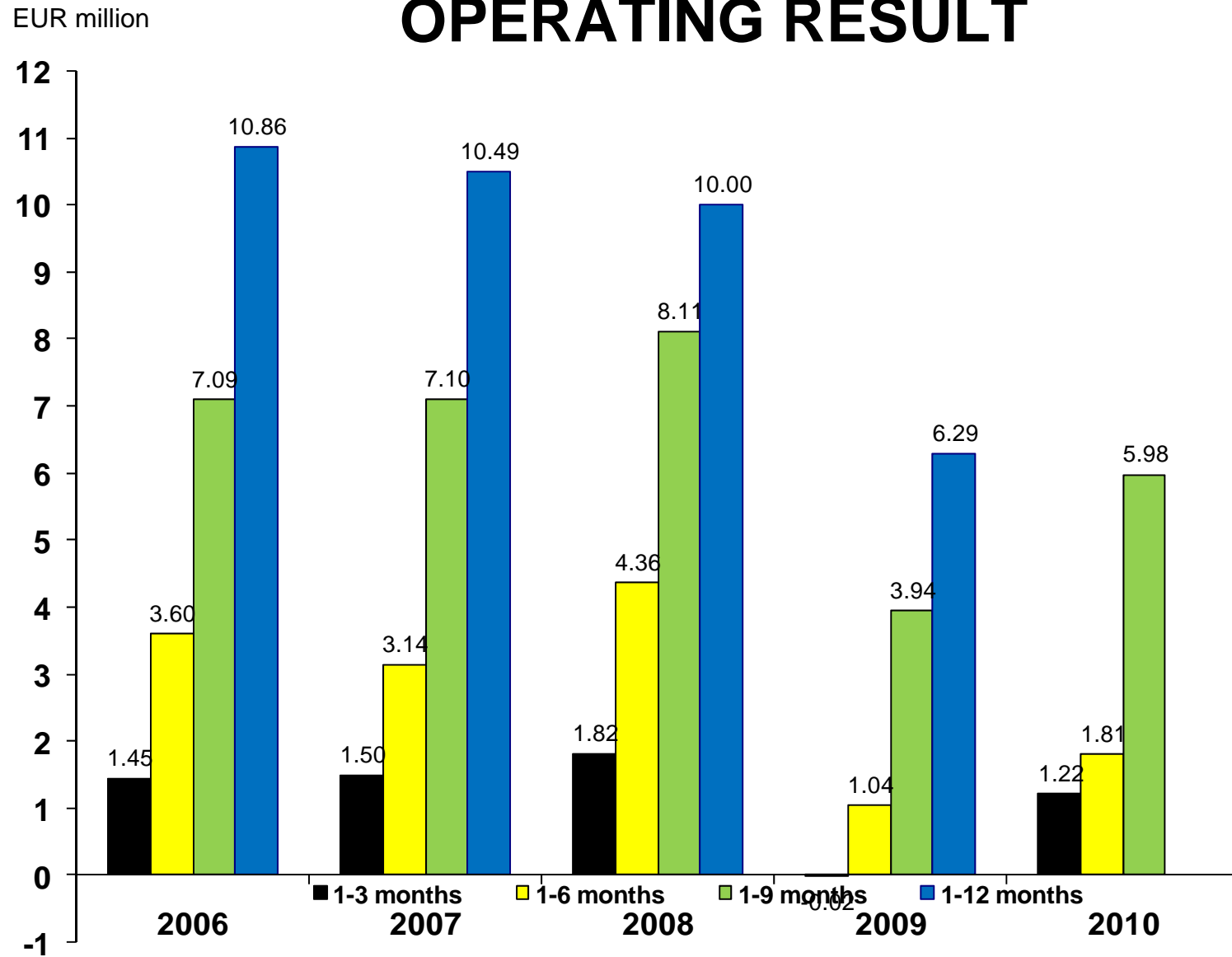
NET SALES – SALES IN FINLAND 1-9/2010

- In the January-September period of 2010, Marimekko's retail sales, i.e. sales by Marimekko's own retail shops in Finland, fell by 3.7%. Domestic wholesale sales decreased by 1.9%.
- The decline in retail sales was partly due to changes in sales areas in the Helsinki shops.
- Both retail and wholesale sales in Finland were adversely affected by the extensive price-led promotion organised in the first quarter of 2009 to reduce inventories.

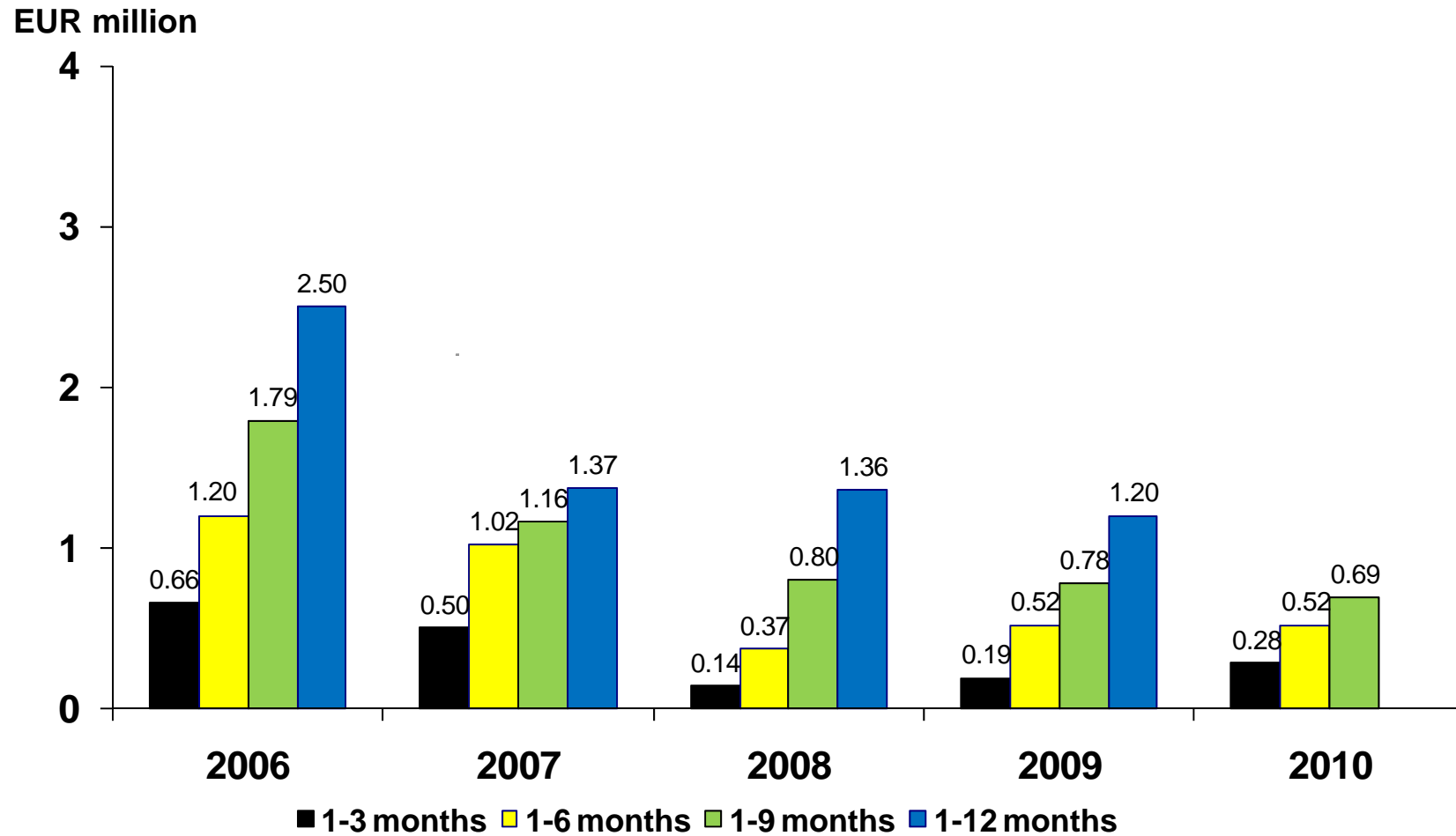
NET SALES – INTERNATIONAL SALES 1-9/2010

- In the January-September period of 2010, Marimekko's international sales increased by 1.4% to EUR 15.8 million (EUR 15.6 million).
- The growth was generated by the delivery of initial inventories to two new retailer-owned Marimekko stores in the third quarter.
- Net sales in North America rose by 10.3% to EUR 2.5 million (EUR 2.3 million).
- Sales in other export markets were at the same level as in the comparison period.

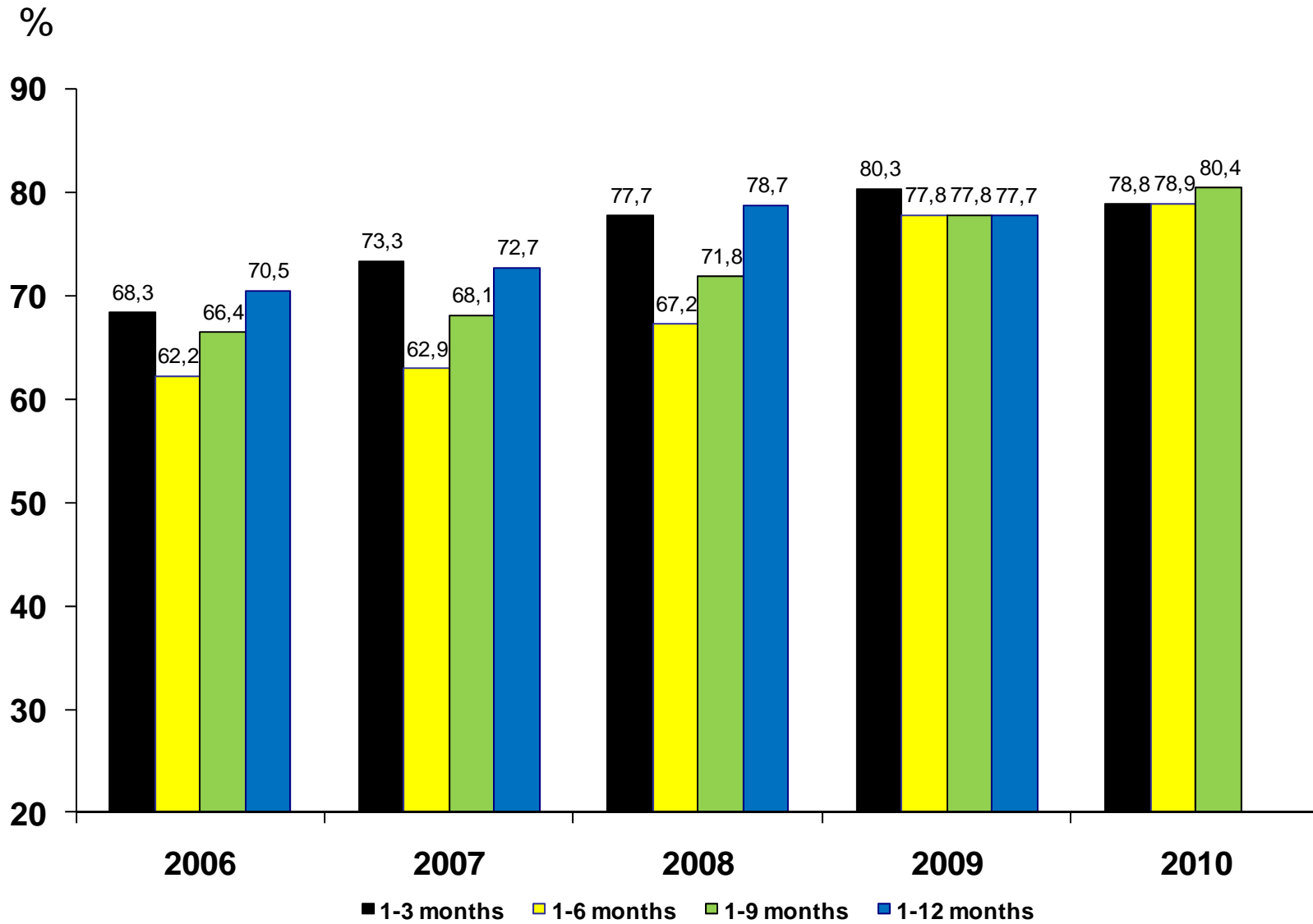
OPERATING RESULT



GROSS INVESTMENTS



EQUITY RATIO



KEY INDICATORS

	1-9/2010	1-9/2009	Muutos, %	1-12/2009
Earnings per share, EUR	0.55	0.37	48.6	0.59
Equity per share, EUR	4.06	3.74	8.6	3.96
Return on equity (ROE), %	18.3	12.8		14.8
Return on investments (ROI), %	24.8	17.3		20.1
Equity ratio, %	80.4	77.8		77.7
Gearing, %	-21.0	-20.3		-32.2
Gross investments, EUR 1,000	689	782	-11.9	1,202
Gross investments, % of net sales	1.3	1.5		1.7
Contingent liabilities, EUR 1,000	9,142	16,828	-45.7	11,306
Average personnel	372	408	-8.8	400
Personnel at the end of the period	378	403	-6.2	370