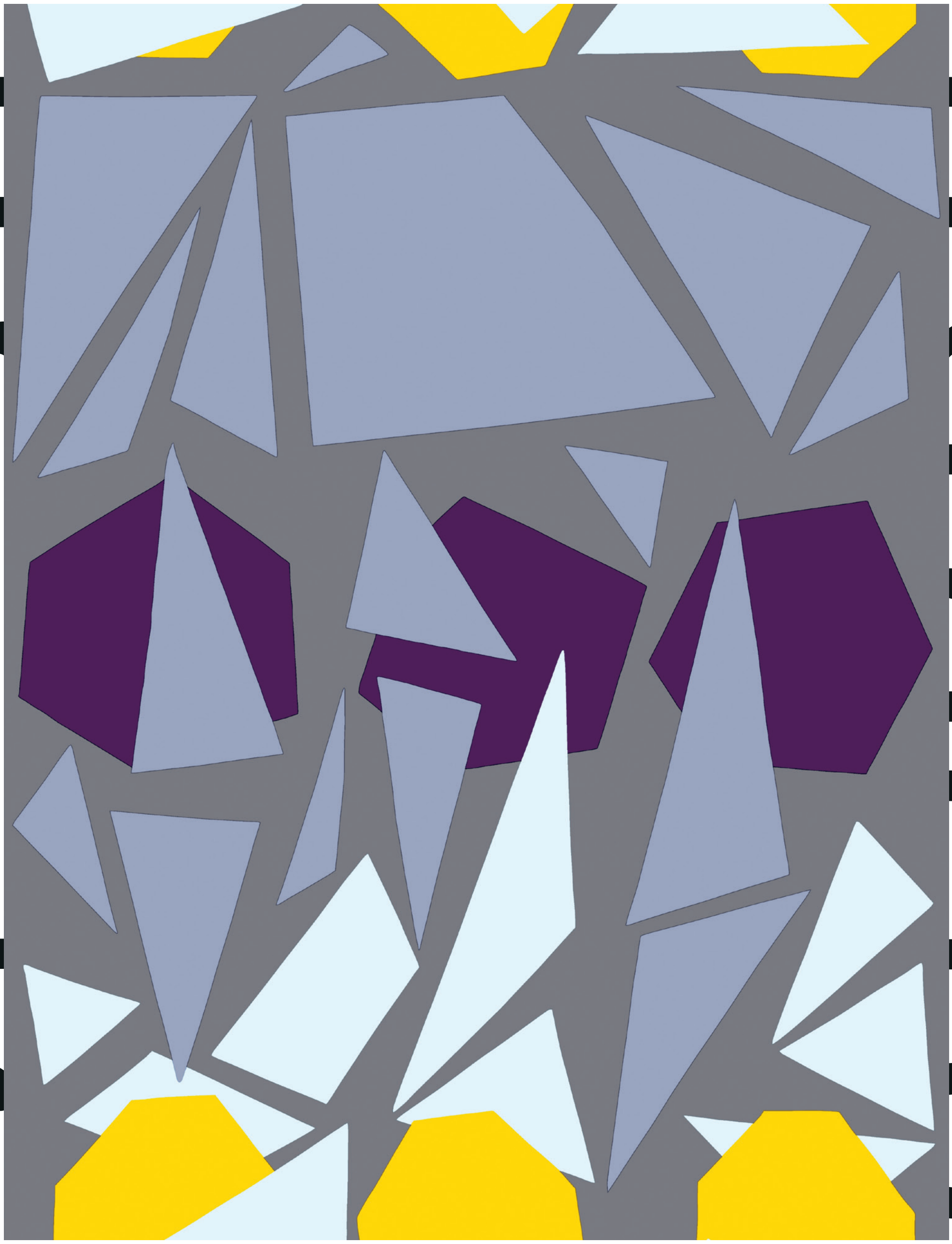
FINANCIAL STATEMENTS 2012



Art of print making since 1951

Marimekko is a Finnish textile and clothing design company. The core of its business is the design and manufacture of timeless and individual, practical and beautiful consumer goods. The array of Marimekko design embraces household products ranging from furnishing fabrics to tableware as well as clothing, bags and other accessories for people of all ages.

When Marimekko was founded in 1951, the unparalleled patterns and colours of its printed fabrics gave it a strong and unique identity. A heritage acquired over decades, with its values and legends, is an inexhaustible treasure from which it is good to draw courage and the strength for renewal, even today. The meaning of Marimekko design is to create aesthetic experiences for every moment in life.

In 2012, brand sales of Marimekko products worldwide amounted to approximately EUR 187 million and the company's net sales were EUR 88 million. Marimekko products are sold in about 40 countries. The number of Marimekko stores totalled 108 at the year end. The key markets are North America, Northern Europe and the Asia-Pacific region. The Group employs around 500 people. The company's share is quoted on NASDAQ OMX Helsinki Ltd.

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Cover:
Musta virta, design by Paavo Halonen & Hanna-Kaisa Korolainen, 2012

Report of the Board of Directors

2012 IN BRIEF

In 2012, the Marimekko Group's net sales grew by 14.2% to EUR 88.5 million (77.4). The growth was driven by international sales, which rose by 30.7% to EUR 36.1 million (27.6). Net sales in Finland grew by 5.1% to EUR 52.3 million (49.8). Brand sales[1] grew by 11.1%, and amounted to EUR 187.2 million (168.6).

Operating profit amounted to EUR 2.0 million (3.5). A drag on operating profit was exerted by the loss posted by stores in the launch phase in Sweden and the United States, expenses related to expansion of business, and a decline in wholesale sales in Finland, Scandinavia and the United States. Operating profit was also substantially burdened by the high expenses and low cost-effectiveness of in-house manufacturing in Finland. Profit after taxes for the financial year was EUR 1.1 million (2.8) and earnings per share were EUR 0.14 (0.35). The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.25 per share be paid for 2012 (0.55).

[1] Estimated sales of Marimekko products at consumer prices. Brand sales are calculated by adding together the company's own retail sales and the estimated retail value of Marimekko products sold by other retailers. The estimate, based on Marimekko's actual wholesale sales to these retailers, is unofficial and does not include VAT. This key figure is not audited.

MARKET SITUATION

The general uncertainty in the global economy continued in 2012, and for this reason consumers' purchasing behaviour was cautious. In Europe, the severe debt crisis afflicting EU states continued and the economic trend was gloomy. The troubles of the euro zone were also worsened by weaker growth. The situation was better in the United States and Asia, although growth was fairly slow.

In Finland, market conditions continued to be moderate, but the economic prospects and consumer confidence deteriorated towards the end of the year. In 2012, Finnish retail net sales were up by 4.4%, but the quantity of sales, which measures real growth, was up by only 0.7%. December's sales volume was down by 1.2%. (Statistics Finland: Turnover of trade, retail trade flash estimate, January 2013). In 2012, retail sales of clothing (excluding sportswear) grew by 1.1%. Sales of womenswear decreased by 0.3%, while sales of menswear rose by 2.2% and sales of childrenswear by 3.9%. Sales of bags grew by 4.3%. (Finnish Textile and Fashion Industries TMA). In the January-October period of 2012, exports of clothing (SITC 84) rose by 10%, while imports fell by 4%; exports of textiles (SITC 65) declined by 3% and imports by 2% (National Board of Customs, monthly review, October 2012).

NET SALES

In 2012, the Marimekko Group's net sales rose by 14.2%, powered by international sales, reaching EUR 88.5 million (77.4).

In Finland, net sales grew by 5.1% to EUR 52.3 million (49.8). Retail sales rose by 20.3%. Sales were boosted by new stores opened in the last quarter of 2011 and in 2012. Comparable growth in sales by company-owned stores was 10.8%. Wholesale sales fell by 14.8%. This was due partly to changes in the retailer network in line with the company's distribution strategy.

International sales rose by 30.7% to EUR 36.1 million (27.6). Sales grew vigorously in North America (56.1%) and in the Asia-Pacific region (50.5%). In North America, the increase in net sales came from the New York flagship store as well as the four stores opened in the latter half of 2012. When measured in the invoicing currency (mainly the US dollar), sales in North America showed growth of about 44%. In the Asia-Pacific area, growth was boosted by the strong trend in wholesale sales. Sales in Scandinavia rose by 4.5% and sales in Central and Southern Europe by 16.3%.

International sales represented 40.8% of the Group's net sales (35.8). As for brand sales, 53.8% of the sales came from abroad (47.5). Net sales by market area were: Finland 59.2%, Scandinavia 8.9%, Central and Southern Europe 8.8%, North America 8.7% and Asia-Pacific 14.4%. The breakdown of the Group's net sales by product line was as follows: clothing 35.0%, interior decoration 43.1% and bags 21.9%.

NET SALES BY MARKET AREA

Finland

In 2012, sales in Finland grew by 5.1% and reached EUR 52.3 million (49.8). Retail sales rose by 20.3%. Sales were boosted by three new stores opened in the last quarter of 2011 and three stores opened in 2012. Comparable growth in sales by company-owned stores was 10.8%. Wholesale sales fell by 14.8%. This was due partly to changes in the retailer network in line with the company's distribution strategy.

Scandinavia

Sales in Scandinavia rose by 4.5%, reaching EUR 7.9 million (7.5). Retail sales grew by 47.2%. Sales were boosted by three stores opened in 2011 and by two stores opened in Sweden in 2012. Comparable sales by company-owned stores fell by 12.2%. Wholesale sales decreased by 13.6%. Consumers' purchasing behaviour continued to be cautious in all countries, but particularly in Sweden.

Central and Southern Europe
In Central and Southern Europe, net sales for 2012 grew to EUR 7.8 million (6.7), which was up by 16.3% on the previous year. Retail sales rose by 7.0% which was attributable to sales by the small company-owned store opened in London near the end of 2011. Comparable growth in sales by company-owned stores was 0.6%. Wholesale sales grew by 19.3%. Sales performed well in Belgium, Germany, the UK and France. The weak Italian economy impacted consumer demand and made itself felt in a downturn in sales.

North America
Net sales in North America grew by 56.1% and were EUR 7.7 million (5.0). When measured in the invoicing currency (mainly the US dollar), sales showed growth of about 44%. The increase in net sales came from the New York flagship store as well as the four stores opened in the latter half of 2012. Marimekko also expanded its distribution in Canada: during 2012, a shop-in-shop was opened in EQ3's new flagship store in Toronto. Wholesale sales fell short of expectations, however, and declined by 6.9%.

Asia-Pacific
The strong trend in wholesale sales seen in the previous year in the Asia-Pacific region continued throughout the financial period. In 2012, sales in the region grew by 50.5% and were EUR 12.7 million (8.5). Wholesale sales rose by

Net sales by market area

EUR million	2012	2011
Finland	52.3	*) 49.8
Retail sales	34.0	28.3
Wholesale sales	17.5	20.6
Royalties	0.8	1.0
Scandinavia	7.9	*) 7.5
Retail sales	3.3	2.2
Wholesale sales	4.6	5.3
Royalties	0.0	0.0
Central and Southern Europe	7.8	*) 6.7
Retail sales	1.5	1.4
Wholesale sales	6.2	5.2
Royalties	0.1	0.1
North America	7.7	*) 5.0
Retail sales	4.0	1.0
Wholesale sales	3.2	3.4
Royalties	0.5	0.6
Asia-Pacific	12.7	*) 8.5
Retail sales	0.7	–
Wholesale sales	12.1	8.5
Royalties	0.0	0.0
International sales, total	36.1	*) 27.6
Retail sales	9.5	4.6
Wholesale sales	26.0	22.3
Royalties	0.6	0.7
Total	88.5	77.4
Retail sales	43.5	32.9
Wholesale sales	43.6	42.9
Royalties	1.4	1.6

*) Due to adjustments made in internal sales reporting structures, the previously reported sales figures by market area have changed.

All figures in the table have been individually rounded to millions of euros, so there may be rounding differences in the totals.

42.9%. Sales exceeded expectations in all countries, but Japan yielded clearly the largest slice of growth. During the year, one new retailer-owned store and a shop-in-shop were opened in Tokyo. Improved sales were also contributed to by a new store opened in Hong Kong. Investments made in Australia made themselves felt, and wholesale sales also grew there. In addition, Marimekko opened two company-owned stores in Australia in the last quarter of the year.

EARNINGS

In 2012, the Group's operating profit was EUR 2.0 million (3.5). Profit after taxes was EUR 1.1 million (2.8) and earnings per share were EUR 0.14 (0.35).

A drag on operating profit was exerted by the loss posted by stores in the launch phase in Sweden and the United States, expenses related to expansion of business, and a decline in wholesale sales in Finland, Scandinavia and the United States. Operating profit was also substantially burdened by the high expenses and low cost-effectiveness of in-house manufacturing in Finland. Operating profit was boosted by wholesale growth in the Asia-Pacific region and in Central and Southern Europe as well as by an improvement in the profitability of retailing in Finland. Average sales margin grew, in spite of the fact that inventories were reduced at the same time.

The Group's marketing expenses for the year totalled EUR 5.1 million (4.1), representing 5.8% of net sales (5.3). As a result of considerable investments, the Group's depreciation grew to EUR 3.6 million (2.2), representing 4.0% of net sales (2.9). Net financial expenses totalled EUR 0.6 million (-0.2), or 0.7% of net sales (0.2).

INVESTMENTS

The Group's gross investments were EUR 7.6 million (9.2), or 8.6% of net sales (11.9). Most of the investments went to building new stores and to refurbishing the property in Herttoniemi, Helsinki.

MARIMEKKO'S EXPANSION AND CHANGES IN THE STORE NETWORK

On the basis of good experiences in Northern Europe and the United States, Marimekko invested more in 2012 in expanding its company-owned store network. This changed the ratio of wholesale to retail and tied up a larger proportion of the company's capital and resources than before.

During 2012, a total of 19 new Marimekko stores and shop-in-shops were opened, of which 12 were outside Finland. The stores opened in the course of the year were divided as follows: 11 company-owned, 4 retailer-owned stores and 4 shop-in-shops. New stores were opened in all the company's main market areas. In Finland, one company-owned store was closed during the financial year.

In Northern Europe, the focus was on expanding the store network in Finland and Sweden. In 2012, three company-owned stores, two retailer-owned Marimekko stores and two shop-in-shops were opened in Finland. In addition, Marimekko's e-commerce, first started in the United States, was expanded to Finland. In Sweden, Marimekko strengthened its position by opening two company-owned stores: in Stockholm and in Gothenburg.

In 2012, Marimekko invested strongly in its network of company-owned stores in the United States by opening four new stores: three in major cities on the East and West Coast – Boston, Palo Alto and Beverly Hills – and one in Manchester, Vermont.

In the Asia-Pacific region, the trend in sales continued to be very strong. During 2012, China was opened up as a new market when Marimekko signed a partnership agreement with Hong Kong-based Sidefame, a company retailing a range of fashion and lifestyle brands. The objective is to open a total of 15 Marimekko stores in China by the end of 2016. The first of these was opened in Hong Kong in May 2012. The expansion of the Marimekko store network in Japan continued with the opening of one new store and a shop-in-shop in Tokyo. Marimekko also invested more than before in Australia, where it opened a company-owned retail store in Sydney and another in Melbourne.

At the end of 2012, there were a total of 108 Marimekko stores and shop-in-shops[2] (90). Of these, 47 were company-owned stores (37).

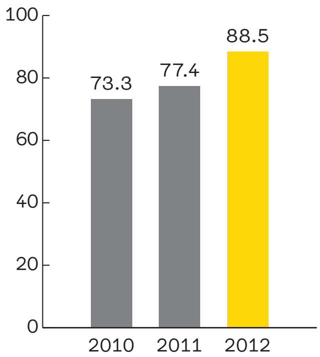
BALANCE SHEET

The Group's balance sheet total as at 31 December 2012 was EUR 55.0 million (48.6). Equity attributable to the equity holders of the parent company was EUR 30.0 million (32.7), or EUR 3.71 per share (4.06).

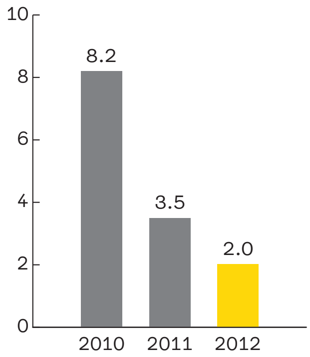
Non-current assets at the end of 2012 were EUR 25.0 million (17.4). As of March 2012, tangible assets include a finance lease asset related to the new 30-year land lease on the property of the Helsinki head office and printing factory. The book value of the finance lease asset at the end of the financial period was EUR 3.3 million.

[2] Includes the company's own retail stores as well as retailer-owned Marimekko stores and shop-in-shops with an area exceeding 30 sqm.

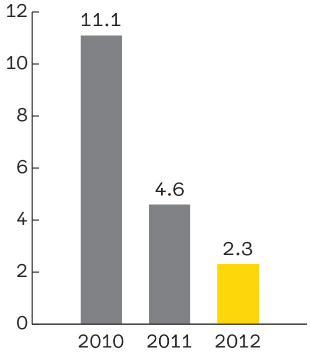
Net sales (EUR million)



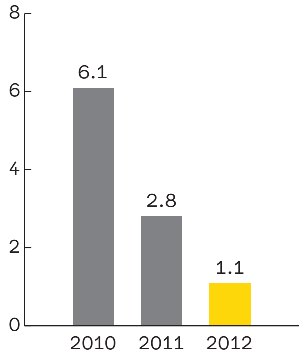
Operating profit (EUR million)



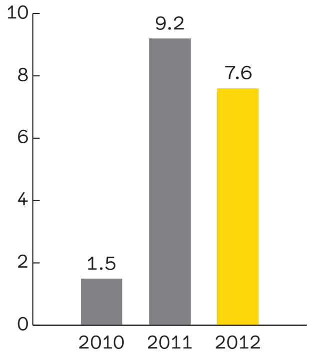
Operating profit (% of net sales)



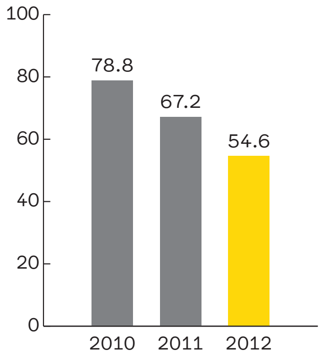
Profit after taxes (EUR million)



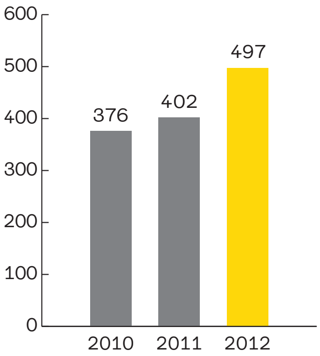
Gross investments (EUR million)



Equity ratio (%)



Average personnel



At the year end, net working capital was EUR 15.0 million (19.2). Inventories were EUR 18.9 million (21.3).

CASH FLOW AND FINANCING

In 2012, cash flow from operating activities was EUR 8.6 million (0.7), or EUR 1.06 per share (0.08). Cash flow before cash flow from financing activities was EUR 1.0 million (-8.6).

The Group's financial liabilities at the end of 2012 were EUR 9.3 million (4.9). As of March 2012, non-current liabilities also include a finance lease liability related to the new 30-year land lease on the property of the Helsinki head office and printing factory. The present value of the finance lease liability at the end of the financial period was EUR 3.4 million.

At the end of 2012, the Group's cash and cash equivalents were EUR 3.1 million (1.6). Additionally, the Group had unused committed credit lines amounting to EUR 10.7 million (5.1).

The Group's equity ratio at the year end was 54.6% (67.2). Gearing was 32.0% (10.2).

SHARES AND SHAREHOLDERS

Shares and share capital

Marimekko Corporation's share is quoted in the Consumer Goods sector of NASDAQ OMX Helsinki Ltd. The company has one series of shares, each conferring the same voting rights to their holders. At the end of the financial year, the company's fully paid-up share capital, as recorded in the Trade Register, amounted to EUR 8,040,000, and the number of shares was 8,089,610.

Share trading

During 2012, a total of 1,788,378 Marimekko shares were traded, representing 22.1% of the shares outstanding. The total value of Marimekko's share turnover was EUR 26,043,996. The lowest price of the Marimekko share was EUR 9.92, the highest was EUR 17.15 and the average price was EUR 14.48. At the year end, the closing price of the share was EUR 14.30. The company's market capitalisation on 31 December 2012 was EUR 115,681,423 (79,435,200).

Shareholdings

According to the book-entry register, Marimekko had 7,417 shareholders at the end of 2012 (6,898). Of the shares, 5.9% were registered in a nominee's name (13.6) and 15.0% were in foreign ownership (15.9). The breakdown of Finnish ownership by owner group was as follows: households 36.0%, non-financial corporations and housing corporations 19.8%, general government 13.7%, financial and insurance corporations 7.4% and non-profit institutions 2.2%.

At the end of the year, the number of shares owned either directly or indirectly by members of the Board of Directors and the President and CEO of the company was 1,338,930 (1,150,930), representing 16.6% of the number and voting rights of the company's shares (14.3).

Marimekko has neither made nor is aware of any shareholder agreements concerning the company's shares or other commitments agreeing on the company's ownership or the use of voting rights.

Further information about shareholdings is available under Share and shareholders on pages 50–53.

Flaggings

SEB Asset Management S.A.'s share of the number and voting rights of Marimekko Corporation's shares declined to 1.64%, or 132,152 shares, due to a stock loan on 11 April 2012 and rose to 6.00%, or 482,752 shares, at the termination of the stock loan on 22 May 2012.

The combined holding of funds administered by ODIN Forvaltning AS in the number and voting rights of Marimekko Corporation's shares declined to less than 5.00% as a result of a transaction concluded on 20 November 2012.

The share of Muotitila Ltd, a company controlled by Mika Ihamuotila, of the number and voting rights of Marimekko Corporation's shares exceeded 3/20, or increased to 16.04%, as a result of a transaction concluded on 20 November 2012. After the transaction, Muotitila Ltd holds 1,297,700 Marimekko shares.

SEB Asset Management S.A.'s share of the number and voting rights of Marimekko Corporation's shares fell below 1/20, or declined to 0.00%, as a result of a transaction concluded on 21 November 2012.

Authorisations

The Annual General Meeting of 17 April 2012 authorised the Board of Directors to decide on a directed offering of shares to the personnel, in deviation from the shareholders' pre-emptive right, in one or more offerings. The total number of new shares to be offered for subscription pursuant to the authorisation may not exceed 150,000 shares, representing approximately 1.9% of the total number of the company's shares. The authorisation includes the right of the Board of Directors to decide on all the other terms of the share issue. The authorisation is in effect for two years from the date of the Annual General Meeting's decision.

At the end of 2012, the Board of Directors had no other valid authorisations to carry out share issues or issue convertible bonds or bonds with warrants, or to acquire or surrender the company's shares. Marimekko Corporation does not own any Marimekko shares.

Personnel share offering
Marimekko Corporation's Board of Directors decided on 13 August 2012 on the terms of a personnel share offering. In the personnel share offering, a total of 150,000 new shares in the company were offered, in deviation from the shareholders' pre-emptive right, to the personnel and designers for subscription in Finland.

The company's Board of Directors approved subscriptions in the personnel share issue for a total of 49,610 new shares, with a subscription price totalling EUR 501,449. The shares subscribed for in the share issue represent a total of 0.61% of the company's shares and the voting rights they confer after the share issue. The majority of those entitled to subscribe took part in the share issue. Subscriptions were placed by 308 company employees and freelance designers out of a total of 510 who were entitled.

PERSONNEL

During 2012, the number of employees averaged 497 (402). At the end of the year, the Group employed 535 (434) people, of whom 103 (63) worked abroad. The number of employees was boosted in particular by the openings of company-owned stores in the United States, Australia and Northern Europe. Salaries, wages and bonuses paid to personnel amounted to EUR 19.5 million (16.4).

In 2012, the continuing development of HR operating models and of tools supporting management work was given particular attention. At the beginning of the year, a broad-based training programme for managers was started, aimed primarily at clarifying leadership at Marimekko as well as enhancing managers' skills and the consistent quality of their work. An international training programme entitled Successful Store Manager was held for store managers. To support the working community at Marimekko, a renewed model for early intervention was also launched. All these measures are aimed at ensuring that every Marimekko employee feels good every day.

The annual job satisfaction survey was carried out in the autumn, with a good response rate of 77%. The overall results were very positive. According to the survey, the personnel's confidence in the management's visions and the company's future was still at an exceptionally high level compared with other service-production organisations (the comparison norm). The internal organisation image was also highly positive; four out of five Marimekko employees were prepared to recommend the company as an employer. The most need for improvement was felt to be in the even-handedness of managers' work and in opportunities for maintaining expertise.

In 2012, the personnel turnover rate was 11.9% for leaving.

THE ENVIRONMENT, HEALTH AND SAFETY

The environment
Responsibility for the environment and nature is an integral aspect of Marimekko's business. Where environmental matters are concerned, the company's business supervision is largely based on legislation and other regulations. The waste generated by Marimekko's production processes is handled and sorted in an appropriate manner. In the interest of monitoring the environmental impact of production and other business operations, the company develops its operating models and conducts regular tests on the materials used in products. Cooperation agreements require Marimekko's subcontractors and other partners to commit themselves to shouldering their environmental responsibilities. The company seeks to save energy by developing its production methods, investing in energy-efficient machinery and equipment, and monitoring energy consumption.

Health and safety
Marimekko monitors and actively works towards enhancing occupational safety and wellbeing at work in cooperation with the workplace safety committee and occupational healthcare. The company purchases occupational healthcare services from external clinics or local healthcare centres. Occupational healthcare focuses on preventive healthcare and monitoring both individual ability to work and the wellbeing of the working community as a whole. The workplace safety committee investigates occupational safety and employee wellbeing issues, provides guidance and organises training. During the 2012 financial year, the sickness absence percentage based on theoretical regular working hours was 3.4% among Marimekko's employees in Finland.

In 2012, Marimekko continued the long-term development of a corporate responsibility management system. Sourcing and design have been chosen as the key areas for the next few years. Marimekko's Yearbook contains a more extensive report on environmental, health and safety issues, and a summary is also included in each interim report. The framework for reporting is provided by the G3 guidelines of the Global Reporting Initiative (GRI).

RESEARCH AND DEVELOPMENT

The company's product planning and development costs arise from the design of collections. Design costs are recorded in expenses.

MANAGEMENT

Board of Directors, management and auditors

Marimekko Corporation's Board of Directors are elected by the Annual General Meeting. According to the Articles of Association, the Board of Directors shall consist of four to seven members. Their term of office ends at the conclusion of the next Annual General Meeting. The Board elects a Chairman from amongst its members.

The duties and responsibilities of the Board of Directors are determined primarily by the Articles of Association and the Finnish Companies Act. The Board deliberates on all matters that are significant to the Marimekko Group's business operations. These include approving strategic policies, budgets and operating plans, and deciding on significant investments, mergers and acquisitions. The Articles of Association do not provide the Board of Directors or the President and CEO with any powers other than those that are customary. Decisions to amend the Articles of Association or to increase the share capital are made pursuant to the provisions of the Finnish Companies Act in force.

The Annual General Meeting appointed six members to the company's Board of Directors. Elina Björklund, Arthur Engel, Ami Hasan, Mika Ihamuotila, Joakim Karske and Pekka Lundmark were re-elected. The Board is chaired by Pekka Lundmark and vice-chaired by Mika Ihamuotila.

The Annual General Meeting resolved that the remuneration to the Chairman of the Board will be EUR 30,000 per year and the remuneration to each one of the other Board members will be EUR 20,000 per year. In addition, the Annual General Meeting resolved that the President and CEO of Marimekko Corporation will not receive remuneration for being a member of the Board.

The Board of Directors elects the President and CEO and decides on the President and CEO's salary and other remuneration. The duties of the President and CEO are set down in the Finnish Companies Act. The post of Marimekko Corporation's President and CEO is held by Mika Ihamuotila.

At the end of the year, the composition of the company's Management Group was as follows: Mika Ihamuotila as Chairman and Tiina Alahuhta-Kasko (marketing), Thomas Ekström (finance and administration), Minna Kemell-Kutvonen (design), Päivi Lonka (sales) and Niina Nenonen (product lines) as members. Marimekko's Marketing Director and member of the Management Group Malin Groop resigned from the company on 15 August 2012. Acting Marketing Director Tiina Alahuhta-Kasko was appointed the Group's Marketing Director and member of the Management Group from 15 August 2012.

The Annual General Meeting re-elected PricewaterhouseCoopers Oy, Authorised Public Accountants, as the company's auditor, with Kim Karhu, Authorised Public Accountant, as chief auditor. It was decided that the auditor's fee will be paid by invoice.

Corporate governance statement

The corporate governance statement is issued separately from this Report of the Board of Directors. It can be found on the company's website at Investors/Management/Corporate Governance.

CHANGES TO THE GROUP STRUCTURE

In 2012, a subsidiary was set up in Australia, Marimekko PTY Ltd, which is wholly owned by Marimekko Corporation.

MAJOR EVENTS AFTER THE CLOSE OF THE FINANCIAL YEAR

Information on Marimekko's expansion and store opening plan for 2013

In its meeting on 30 January 2013, Marimekko's Board of Directors decided that the company would continue to expand its operations in all its main market areas in 2013 and that the main thrust in expansion would be on opening retailer-owned Marimekko stores and shop-in-shops. Moreover, the company will invest in developing the business of the stores it opened in 2012. In Northern Europe, Marimekko is expanding its network of company-owned stores, while in North America the main thrust is on developing shop-in-shop partnerships with local department stores. In the Asia-Pacific region, the main focus for expansion is on China and Japan.

In 2013, the goal is to open a total of 15 to 24 new Marimekko stores and shop-in-shops. Of these, 4 to 6 stores would be Marimekko-owned and the remainder will be retailer-owned stores and shop-in-shops. Over half of the openings have already been confirmed and the dates for the rest will depend on finding suitable retail premises.

In Northern Europe, the aim is to open 4 to 6 new company-owned stores this year: 2 to 3 in Finland and 2 to 3 in Scandinavia. Sales in the region will also be strengthened by the expansion of Marimekko's e-commerce to Sweden. In addition, there are plans to open 3 new shop-in-shops in Finland.

Marimekko's long-term strategic aim in North America is to expand distribution through high-class department stores and specialist retailers as well as to open new Marimekko stores. In 2012, Marimekko invested strongly in its network of company-owned stores in the United States. The purpose of the company-owned stores is also to attract the attention of classy department stores and other retailers to Marimekko's products. So this year, the main thrust in North America will be on actively enhancing partnerships with department stores. A number of new Marimekko shop-in-shops are being opened in Canada and Mexico. The aim of a partnership contract signed by Marimekko and the modern furniture brand EQ3 in 2012 is to open a total of 10 Marimekko shop-in-shops in Canada by the end of 2014. The first of these was opened in September 2012 at EQ3's new flagship store in Toronto. EQ3 intends to open 4 to 6 Marimekko shop-in-shops in its stores during the first half of this year. Marimekko also signed a partnership contract in 2012 with the leading Mexican department store chain El Palacio de Hierro. The department store chain aims in 2013 to open 3 to 4 shop-in-shops focusing on Marimekko's interior decoration products.

In the Asia-Pacific region, China was opened up as a new market in 2012 when Marimekko signed a partnership agreement with Hong Kong-based Sidefame. The objective is to open a total of 15 Marimekko stores in China by the end of 2016. The first of these was opened in Hong Kong in May 2012 and this year it is intended to open 2 to 3 stores. In Japan, Marimekko's local partner Look intends to open 2 new Marimekko stores this year in addition to the 23 stores already open.

MAJOR RISKS AND FACTORS OF UNCERTAINTY

The key strategic risks for the near future are associated with overall economic trends and the consequent uncertainty in the operating environment as well as the management of expansion. The global economic cycle and factors of uncertainty affect consumers' purchasing behaviour and buying power in all of the company's market areas. The severe problems of the international financial markets continue to dampen the prospects for retail sales as well as Marimekko's growth and earnings outlook.

Marimekko is undergoing a phase of extensive internationalisation and change. The distribution of products is being expanded in all key market areas. Unlike before, the focus of growth has increasingly been on opening company-owned stores outside Finland. This calls for larger or brand-new country organisations in these market areas, which will exert a drag on the cost-effectiveness of the company, especially in the early stages of expansion. Moreover, expanding the network of company-owned stores will increase the company's investments, lease liabilities of store premises, and inventories, and it will raise the company's fixed costs. It follows from this that a larger portion of Group net sales will come from sales by the company's own retail stores, which will add to the seasonality of the business and shift the bulk of net sales and profit accumulation to the last quarter, thus having a negative impact on profitability in the first half of the year. Furthermore, significant partnerships and the choice of partners in the company's key market areas also involve risks.

The company's ability to develop and commercialise new products that meet consumers' expectations while maintaining profitable and effective in-house production has an impact on the company's sales and profitability.

The company's key operational risks prominently include those related to the management of expansion projects, the operational reliability of procurement and logistics processes, and changes in cost of raw materials and other procurement items. As a result of new products, the share of in-house production has diminished, and the company uses subcontractors for its manufacturing to an increasing extent. Therefore, the company's dependence on the supply chain has increased. Any delays or disturbances in supply or fluctuations in the quality of products may have a temporary harmful impact on business. As the operations are being expanded and diversified, risks related to the management of inventories also increase.

Among the company's economic risks, those related to the structure of sales, increased investments, price trends for factors of production, changes in cost structure, customers' liquidity, and changes in exchange rates may have an impact on the company's financial status.

A more detailed description of Marimekko's risk management process and the most significant risks is available on the company's website under Investors/Management/ Risk management and risks.

MARKET OUTLOOK AND GROWTH TARGETS

The general uncertainty in the global economy is forecast to continue, and this may impact consumers' purchasing behaviour in all of Marimekko's market areas. The prospects for the European economic trend have deteriorated and growth is slow in the region. In the United States and Asia, economic forecasts are distinctly better than in Europe, but growth is fairly slow. In Finland, market conditions are fair, but the economic prospects for trade and industry in Finland for the next few months have deteriorated markedly and retail sales are forecast to decline. (Confederation of Finnish Industries EK: Business Tendency Survey, November 2012, and Economic Review, December 2012). The weak trend in Marimekko's own stores in Finland at the end of 2012 and lower consumer confidence overshadow prospects for this year in Finland.

The stores opened in 2012 and the other considerable investments made in the expansion of the distribution network will generate a marked increase in sales in 2013. The main thrust in expansion during 2013 will be on openings of retailer-owned Marimekko stores and shop-in-shops. Furthermore, the company will invest in developing the business of the stores it opened in 2012. The aim is to open 15 to 24 Marimekko stores and shop-in-shops this year, 4 to 6 of which will be company-owned.

The planned total investments for 2013 of the Marimekko Group are estimated as being in excess of EUR 3 million. The majority of investments will be directed at building new store premises and purchasing new furniture.

FINANCIAL GUIDANCE

Due to the current market conditions and the change undergone by the company recently, it is very difficult to forecast the financial result for 2013. The Marimekko Group's net sales are estimated to grow by over 5% in 2013 and operating profit is forecast to be, at the most, at the same level as in 2012. The increased proportion of retail sales will further boost the seasonal nature of business, so the major portion of operating profit will, as is typical, accrue in the second half of the year.

THE BOARD OF DIRECTORS' PROPOSAL FOR DIVIDENDS

On 31 December 2012, the parent company's distributable funds amounted to EUR 19,549,850.44, of which EUR 1,957,492.29 was profit for the financial year. The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.25 per share be paid for 2012 to a total of EUR 2,022,403 and that the remaining funds be retained in equity. The proposed dividends represent 178.6% of the Group's earnings per share and 23.5% of the cash flow from operating activities for the financial year 2012. The Board of Directors will propose 26 April 2013 as the dividend record date, and 7 May 2013 as the dividend payout date. No substantial changes in the company's financial position have occurred after the end of the financial year. The company's liquidity is good and, in the view of the Board of Directors, the proposed dividend payout does not jeopardise the company's solvency.

ANNUAL GENERAL MEETING

Marimekko Corporation's Annual General Meeting will be held on Tuesday, 23 April 2013 from 2 p.m. onwards at the company's head office, Puusepänkatu 4, 00880 Helsinki, Finland.

Helsinki, 30 January 2013

Marimekko Corporation
Board of Directors

Consolidated financial statements, IFRS

CONSOLIDATED BALANCE SHEET

(EUR 1,000)		31 Dec. 2012	31 Dec. 2011
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	1.1	2,663	2,296
Tangible assets	1.2	21,976	14,966
Available-for-sale financial assets	1.4	16	16
Deferred tax assets	4.1	322	140
		24,977	17,418
CURRENT ASSETS			
Inventories	2.1	18,947	21,348
Trade and other receivables	2.2	6,571	7,680
Current tax assets		1,360	514
Cash and cash equivalents		3,106	1,620
		29,984	31,162
ASSETS, TOTAL		**54,961**	**48,580**

The notes are an integral part of the financial statements.

Some of the figures in the financial statements have been individually rounded to thousands of euros, so there may be rounding differencies in the totals.

CONSOLIDATED BALANCE SHEET

(EUR 1,000)		**31 Dec. 2012**	**31 Dec. 2011**
SHAREHOLDERS' EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY			
Share capital	3.1	8,040	8,040
Invested unrestricted equity fund	3.1	502	
Translation differences		-8	-18
Retained earnings		21,462	24,641
Shareholders' equity, total		29,996	32,663
NON-CURRENT LIABILITIES			
Deferred tax liabilities	4.1	480	630
Financial liabilities	4.2	9,317	4,944
Finance lease obligations	5.2	3,324	
		13,121	5,574
CURRENT LIABILITIES	5.1		
Trade and other payables		11,775	10,328
Financial lease	5.2	69	
Current tax liabilities			15
		11,844	10,343
Liabilities, total		24,965	15,917
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL		**54,961**	**48,580**

The notes are an integral part of the financial statements.

CONSOLIDATED INCOME STATEMENT

(EUR 1,000)		1 Jan.–31 Dec. 2012	1 Jan.–31 Dec. 2011
NET SALES	10.	88,471	77,442
Other operating income	11.	97	2
Increase (-) / decrease (+) in inventories of completed and unfinished products		2,192	-2,353
Raw materials and consumables	12.	29,515	30,287
Employee benefit expenses	13.	24,384	20,030
Depreciation	14.	3,550	2,216
Other operating expenses	15.	26,908	23,736
OPERATING PROFIT		2,019	3,528
Financial income	16.	48	246
Financial expenses	17.	-654	-59
		-606	187
RESULT BEFORE TAXES		1,413	3,715
Income taxes	18.	313	889
NET RESULT FOR THE PERIOD		1,100	2,826
Distribution of net income to equity holders of the parent company		1,100	2,826
Basic and diluted earnings per share calculated			
on the result attributable to equity holders of the parent companyt, EUR	19.	0.14	0.35

COMPREHENSIVE CONSOLIDATED INCOME STATEMENT

(EUR 1,000)	1 Jan.–31 Dec. 2012	1 Jan.–31 Dec. 2011
Net income for the period	1,100	2,826
Other comprehensive income		
Change in translation difference	10	-28
COMPREHENSIVE RESULT FOR THE PERIOD	1,110	2,798
Distribution of net income to equity holders of the parent company	1,110	2,798

The notes are an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

(EUR 1,000)		**2012**	**2011**
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit for the period		1,100	2,826
Adjustments			
Depreciation according to plan		3,550	2,216
Other non-cash transactions		143	
Unrealised exchange rate gains			-416
Financial income and expenses		606	-187
Taxes		313	890
Cash flow before change in working capital		5,712	5,329
Change in working capital			
Increase (-) / decrease (+) in current non-interest-bearing trade receivables		930	-969
Increase (-) / decrease (+) in inventories		2,401	-4,175
Increase (+) / decrease (-) in current non-interest-bearing liabilities		1,343	1,690
Cash flow from operating activities before financial items and taxes		10,386	1,875
Paid interest and payments on other financial expenses		-650	129
Interest received		47	66
Taxes paid		-1,178	-1,419
CASH FLOW FROM OPERATING ACTIVITIES		**8,605**	**651**
CASH FLOW FROM INVESTING ACTIVITIES			
Investments in tangible and intangible assets	1.1, 1.2	-7,572	-9,220
CASH FLOW FROM INVESTING ACTIVITIES		**-7,572**	**-9,220**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from share issue		502	
Long-term loans drawn		4,373	4,944
Dividends paid		-4,422	-4,422
CASH FLOW FROM FINANCING ACTIVITIES		**453**	**522**
Change in cash and cash equivalents		1,486	-8,047
Cash and cash equivalents at the beginning of the period		1,620	9,667
Cash and cash equivalents at the end of the period		3,106	1,620

The notes are an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Equity attributable to equity holders of the parent company

(EUR 1,000)	Share capital	Invested unrestricted equity fund	Translation differences	Retained earnings	Shareholders' equity, total
Shareholders' equity 1 Jan. 2011	**8,040**		**10**	**26,237**	**34,287**
Comprehensive result					
Net profit for the period				2,826	2,826
Translation differences			-28		-28
Total comprehensive result for the period			**-28**	**2,826**	**2,798**
Transactions with owners					
Dividends paid				-4,422	-4,422
Shareholders' equity 31 Dec. 2011	**8,040**		**-18**	**24,641**	**32,663**
Shareholders' equity 1 Jan. 2012	**8,040**		**-18**	**24,641**	**32,663**
Comprehensive result					
Net profit for the period				1,100	1,100
Translation differences			10		10
Total comprehensive result for the period			**10**	**1,100**	**1,110**
Transactions with owners					
Share issue		502			502
Share-based transactions, personnel share issue				143	143
Dividends paid				-4,422	-4,422
Shareholders' equity 31 Dec. 2012	**8,040**	**502**	**-8**	**21,462**	**29,996**

The notes are an integral part of the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GROUP PROFILE

Marimekko Corporation is a Finnish clothing and textile company. Marimekko Corporation and its subsidiaries form a Group that designs, manufactures and markets clothing, interior decoration products and bags.

Marimekko Corporation's shares are quoted on NASDAQ OMX Helsinki Ltd. The company is domiciled in Helsinki, and its registered address is Puusepänkatu 4, 00880 Helsinki, Finland. The financial year of all Group companies is the calendar year.

Copies of the consolidated financial statements are available at company.marimekko.com and the head office of the Group's parent company at Puusepänkatu 4, 00880 Helsinki, Finland.

Marimekko Corporation's Board of Directors approved these financial statements for publication at its meeting on 30 January 2013. According to the Finnish Companies Act, shareholders have the right to accept or reject the financial statements at the Annual General Meeting held after the publication. The Annual General Meeting may also amend the financial statements.

ACCOUNTING POLICY APPLIED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Accounting policy

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), complying with the IAS and IFRS standards as well as the SIC and IFRIC interpretations in force as at 31 December 2012. In the Finnish Accounting Act and the provisions laid down pursuant to the Act, International Financial Reporting Standards refer to the standards approved for use in the EU in accordance with the procedures laid down in IAS Regulation (EC) 1606/2002 of the European Parliament, and the interpretations of these standards. The notes to the consolidated financial statements also comply with Finnish accounting and company legislation.

The financial statements have been prepared at historical cost with the exception of available-for-sale investments in financial assets, which are measured at fair value. Financial statement information is presented in thousands of euros.

Accounting estimates and judgments

The preparation of financial statements in accordance with IFRS calls for the management to use estimates and assumptions. These estimates and assumptions mainly affect the value of tangible and intangible assets in the balance sheet and depreciation according to plan in the income statement through the determination of the useful economic life of asset items, and credit loss items and income taxes in the income statement. The final amount of the income taxes which will be confirmed after the close of the financial year may differ from the preliminary estimate in the income statement. The Group's management must also make judgments when selecting the accounting policy applied for the financial statements and its application and make estimates for provisions (including provisions for credit loss). The actual figures may deviate from these estimates.

Principles of consolidation

Marimekko's consolidated financial statements include the accounts of the parent company Marimekko Corporation and its subsidiaries. Subsidiaries are companies in which the Group has the right to determine the financial and operating principles of the undertaking or business operations, usually by virtue of a shareholding that entitles to more than half of the voting rights. Intra-Group share ownership has been eliminated using the acquisition cost method. Acquired subsidiaries are consolidated in the Group's financial statements as of the date on which the Group acquired a controlling interest and divested subsidiaries until the date when such control ceases. Intra-Group business transactions, intra-Group profit margins related to inventories and fixed assets, intra-Group receivables and liabilities and intra-Group distribution of profit have been eliminated.

Segment reporting

The Group's business segment is the Marimekko business. Segment information is reported to the chief operational decision-maker in the same way as in internal reporting.

The President and CEO of the company acts as the chief operational decision-maker.

Translation of items denominated in foreign currency

The results and financial position of Group units are measured in the currency used in the primary business environment of the unit in question (functional currency). The consolidated financial statements are presented in euros, the functional and presentation currency of the parent company.

Transactions in foreign currencies are recognised in the functional currency at the exchange rates on the date of transaction. The foreign-currency denominated receivables and liabilities of the parent company and Finnish subsidiaries have been converted to euro amounts using the exchange rates quoted by the European Central Bank on the closing date. The foreign currency-denominated receivables and liabilities of foreign subsidiaries have been converted at the exchange rate of the country in question on the closing date. Foreign exchange differences in business operations are booked in the corresponding income statement accounts above operating profit and foreign exchange differences on financial items in financial income and expenses.

The foreign-currency-denominated income statements of subsidiaries are converted to euro amounts using the average exchange rate for the financial year and the balance sheets at the average rate on the closing date. Differences arising from translation and translation differences in shareholders' equity are recorded as a separate item in shareholders' equity.

Revenue recognition
Sales of products are recognised as income when the significant risks and rewards incident to the ownership of goods have been transferred to the buyer. The Group then relinquishes oversight and control of the product. Mainly, this is the moment when the goods are handed over to the customer as set forth in the agreed delivery clause. The revenue recognition of licensing and royalty income is handled in accordance with the clauses of the agreement between Marimekko and the licensee. The clauses mainly provide for royalties payable to Marimekko for sales of products covered by the agreement, based either on a percentage rate or the number of items. At least the minimum annual royalty as stipulated in the agreement is payable by some of the licensees.

In the calculation of net sales, sales proceeds are adjusted with indirect taxes and sales adjusting items. The distribution costs of products sold are recognised in other operating expenses in the income statement.

Operating profit
IAS 1 Presentation of Financial Statements does not contain a definition of operating profit. The Group has defined this concept as follows: operating profit is the net amount of net sales and other operating income less the purchase expenses adjusted with the expenses incurred due to the increase or decrease in inventories or completed and unfinished products and production for own use, employee benefit expenses, depreciations, possible impairment loss and other operating expenses. Any income statement items other than the above are presented below the operating profit. Foreign exchange differences and changes in the fair value of derivatives are included in the operating profit, provided they are attributable to items related to business operations. Otherwise they are recognised in financial items.

Employee benefits
Pension commitments
The pension security of the personnel of the Group's Finnish companies has been arranged under the Finnish statutory employee pension plan (TyEL) through an external pension insurance company. Foreign subsidiaries have arranged pensions for their personnel in accordance with local legislation. The Group's pension cover is arranged wholly under defined contribution schemes. Under a defined contribution arrangement, the Group pays contributions to publicly or privately managed pension insurances. These contributions are either compulsory, based on an agreement or voluntary. The Group does not have any payment obligations other than these contributions. The contributions are recognised as employee benefit expenses at the time when they become due. Any contributions paid in advance are included in the assets on the balance sheet, insofar as they are recoverable as future refunds or future reductions of contributions.

Share-based payments
The fair value of the long-term bonus system granted to the Management Group by the Board of Directors is recorded as an expense in the income statement to the extent the share-based payments have been vested. The possible bonus will be paid in cash and is recorded as debt which is valued at fair value at each closing date. The estimate of the final cash payment is updated at each closing date. The change in the estimate is recorded in the income statement.

Personnel share issue
The Board of Directors decided, pursuant to the authorisation granted by the Annual General Meeting of Shareholders, to arrange a share issue in which shares were offered for subscription to the personnel and the designers employed by the company on a freelance basis.

The personnel share issue has been treated as a Share-based Payment according to IFRS 2. The total subscription price paid by the subscribers was credited to the reserve of the company's invested non-restricted equity reserve and to the kertyneisiin voittovaroihin in the last quarter of the year. Further information about the personnel share issue is available under the notes to the financial statements on page 31.

Interest income
Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend income
Dividend income is recognised as income when the right to dividends is established.

Income taxes
Taxes on the Group companies' financial results for the period, taxes from previous

periods and the change in deferred taxes are recorded as the Group's taxes. Taxes on the taxable income for the period are calculated on taxable income in accordance with the tax rate in force in the country in question. Deferred taxes are calculated on all temporary differences between the book value and the taxable value. However, a deferred tax liability is not accounted for if it arises from the initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable income. In taxation deferred tax is not recognised for non-deductible goodwill and deferred tax is not recognised for distributable earnings of subsidiaries where it is probable that the difference will not reverse in the foreseeable future. The largest temporary differences are due to the amortisation of fixed assets. Deferred taxes are calculated using the tax rates set by the closing date. Deferred tax assets are recognised to the extent that it is probable that future taxable profit, against which the temporary difference can be utilised, will be available.

Earnings per share
The basic earnings per share are calculated by dividing the profit for the period attributable to equity holders of the parent company by the weighted average of shares outstanding. The weighted average number of shares used to calculate the diluted earnings per share takes into account the diluting effect of the conversion of potential common shares into actual shares during the period.

Intangible assets
Intangible assets with finite useful lives are recognised in the balance sheet at original cost less depreciation. Depreciation of intangible assets is carried out on a straight-line basis over their estimated useful life.

The estimated useful lives are as follows:

- intangible rights 5–10 years
- computer software 3–5 years

The major intangible asset items are trademarks. The Group has not had any such development expenditure that should be recognised as assets under IAS 38 and recorded as amortised expense over their useful life.

Tangible assets
Tangible assets mainly consist of buildings, machinery and equipment. Tangible assets are recorded in the balance sheet at original cost less depreciation. Depreciation of tangible assets is carried out on a straight-line basis over their estimated useful life.

The estimated useful lives are as follows:

- buildings and structures 40 years
- machinery and equipment 3–15 years

The residual value and useful life of assets are checked in connection with each financial statement and if necessary adjusted to reflect changes in the expectation of economic benefit.

If an item of property, plant or equipment consists of several parts with different useful lives, each part is treated as a separate asset. Significant cost of replacing a part is capitalised when the company will derive economic benefit from the asset. Other expenses such as regular maintenance, repair and servicing costs are entered as expenses in the income statement when they are incurred.

Investment aid is recognised as a reduction to investments and the aid recorded in the income statement is booked in other operating income.

Borrowing costs
Borrowing costs are recognised as expenses during the financial year in which they were incurred. Borrowing costs have not been recognised as part of the acquisition cost of the assets.

Impairment
On each closing date, asset items are assessed for indications of impairment. If there are such indications, the recoverable amount of said asset item is estimated. The impairment recognised is the amount by which the book value of the asset item exceeds its recoverable amount, which is the higher of its net selling price or value in use. Value in use is based on discounted future net cash flows as a rule.

Lease agreements
In accordance with IAS 17 Leases, lease agreements in which the Group assumes substantially all the risks and rewards incident to ownership of the asset are classified as finance lease agreements. Assets acquired under finance lease agreements, less accumulated depreciation, are recognised in tangible or intangible assets, and the obligations of the agreements are recognised in interest-bearing liabilities. A finance lease is booked in the balance sheet and recognised at fair value of the asset at the time of entering into the lease agreement or, if lower, at the present value of future minimum lease payments. Finance lease agreements in accordance with IAS 17 are recognised in the balance sheet and are depreciated in line with the Group's depreciation policy over their useful life or lease period, whichever is shorter and any impairment loss is recognised. Rents payable under lease agreements are divided into financial expenses and debt repayment.

Lease agreements in which the risks and rewards incident to ownership are retained by the lessor are treated as other lease agreements. Rents payable under other lease agreements are expenses in the income statement on a straight-line basis over the lease period.

Inventories
Inventories are presented at the acquisition cost or at the lower probable net realisation value. The acquisition cost of manufactured inventories includes not only purchase expenditure on materials, direct labour and other direct costs, but also a share of the fixed and variable general costs of production. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs for completion and selling expenses.

Financial assets
The Group classifies its financial assets in the following categories: loans and other receivables and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired and is determined at initial recognition by the management.

Loans and receivables consist of trade receivables and cash and cash equivalents.

Available-for-sale financial assets comprise shares and they are included in non-current assets, unless it is intended that they will be held for less than 12 months from the closing date, in which case they are included in current assets. Available-for-sale financial assets are measured at fair value or, where the fair value cannot be reliably determined, at acquisition cost. Available-for-sale financial assets on the closing date comprise unlisted shares measured at fair value less possible impairment. The company does not intend to dispose of these shares for the present.

Loans and other receivables are initially recognised at fair value and subsequently at amortised cost using the effective interest method. An impairment of trade receivables is recognised when there is objective evidence that the Group will not receive all of the benefits on the original terms. Indications of the impairment of trade receivables include the significant financial difficulties of the debtor, the likelihood of bankruptcy, failure to make payments, or a delay of over 90 days in paying. Impairment loss is recognised under other operating expenses in the income statement. All of the Group's loans and receivables are included in the balance sheet item trade and other receivables.

Cash and cash equivalents
The Group's cash and cash equivalents include cash at hand and at banks. The Group does not have any other items classified as cash and cash equivalents.

Dividends, shareholders' equity and treasury shares
The Board of Directors' proposal for dividend distribution has not been recognised in the financial statements; the dividends will only be recognised on the basis of the Annual General Meeting's approval.

Outstanding common shares are presented as share capital. Costs related to the granting or acquisition of the company's own equity instruments are presented as equity allowance. If the company purchases its own shares, the price including direct costs is recognised as decrease in equity.

Financial liabilities
Financial liabilities are initially recognised at fair value including transaction costs and subsequently at amortised cost using the effective interest method. Financial liabilities are non-current, unless they are repayable on demand or the Group intends to repay them within the next 12 months.

New standards and interpretations
In preparing these consolidated financial statements, the Group has followed the same accounting policies as in the annual financial statements for 2011 except for the effect of changes required by the adoption of the following new standards, interpretations and amendments to existing standards and interpretations on 1 January 2012. The new standards, interpretations and amendments to existing standards have not had a material impact on the consolidated financial statements.

IFRS 7 (amendment) "Financial Instruments: Disclosures". The amendments promote transparency in the reporting of transfer transactions and improve users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitisation of financial asset.

Below is a list of standards, interpretations and amendments that have been issued and are effective for periods after 1 January 2012. They will be adopted by the Group in 2013 or later. The new standards, interpretations and amendments to existing standards have not had a material impact on the consolidated financial statements.

IAS 12 (amendment) "Income Taxes". The amendment introduces an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property.

IAS 1 (amendment) "Presentation of Financial Statements". The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.

IAS 19 (amendment) "Employee Benefits". These amendments eliminate the corridor approach and calculate finance costs on a net funding basis. All actuarial profits and losses must be accounted immediately in other comprehensive income.

IFRS 7 (amendment) "Financial Instruments: Disclosures – on asset and liability offsetting". This amendment includes new disclosures to facilitate comparison between those entities that prepare IFRS financial statements to those that prepare financial statements in accordance with US GAAP.

IFRS 12 "Disclosures of Interests in Other Entities". The amendments provide additional transition relief to the standards, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied.

IFRS 10 "Consolidated Financial Statements". The objective of the standard is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entity (an entity that controls one or more other entities) to present consolidated financial statements. It defines the principle of control, and establishes controls as the basis for consolidation. It sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee. It also sets out the accounting requirements for the preparation of consolidated financial statements.

IFRS 11 "Joint Arrangements". The standard contains guidelines on how joint arrangements are recognised. The standard focuses on the rights and obligations of the parties to the arrangement rather than its legal form.

IFRS 12 "Disclosures of Interests in Other Entities". The standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.

IFRS 13 "'Fair Value Measurement". The standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements, for use across IFRS. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS.

IAS 27 (revised 2011) "Separate Financial Statements". The revised standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10.

IAS 28 (revised 2011) "Associates and Joint Ventures". The revised standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.

IAS 32 (amendment) Offsetting Financial Assets and Financial Liabilities". The amendment addresses inconsistencies in current practice when applying the offsetting criteria in IAS 32.

IFRS 9 "Financial Instruments". IFRS 9 is the first standard issued as part of a wider project to replace IAS 39. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortised cost and fair value. *)

IASB published the following improvements to standards and interpretations as part of the 2009–2011 annual Improvements to IFRS project, which are mandatory for accounting periods on or after 2013. The changes are presented below but they are not expected to be of material significance to the Group. *)

IFRS 1 "First-time Adoption of International Financial Reporting Standards "

IAS 1 "Presentation of Financial Statements"

IAS 16 "Property, Plant and Equipment"

IAS 32 "Financial Instruments: Presentation"

IAS 34 "Interim Financial Reporting"

*) Not endorsed by the EU.

1. NON-CURRENT ASSETS

1.1 Intangible assets

2012

(EUR 1,000)	Intangible rights	Computer software	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2012	1,468	4,070	856	6,394
Increases	252	1,769	551	2,572
Decreases			-1,242	-1,242
Acquisition cost, 31 Dec. 2012	1,720	5,839	165	7,724
Accumulated depreciation, 1 Jan. 2012	634	3,464		4,098
Depreciation during the financial year	317	646		963
Accumulated depreciation, 31 Dec. 2012	951	4,110		5,061
Book value, 31 Dec. 2012	769	1,729	165	2,663
Book value, 1 Jan. 2012	834	606	856	2,296
Book value, 31 Dec. 2012	769	1,729	165	2,663

2011

(EUR 1,000)	Intangible rights	Computer software	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2011	724	3,768		4,492
Increases	744	302	856	1,902
Decreases				
Acquisition cost, 31 Dec. 2011	1,468	4,070	856	6,394
Accumulated depreciation, 1 Jan. 2011	474	3,149		3,623
Depreciation during the financial year	160	315		475
Accumulated depreciation, 31 Dec. 2011	634	3,464		4,098
Book value, 31 Dec. 2011	834	606	856	2,296
Book value, 1 Jan. 2011	250	619		869
Book value, 31 Dec. 2011	834	606	856	2,296

1.2 Tangible assets

2012

(EUR 1,000)	Land	Buildings and structures	Machinery and equipment	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2012	55	11,974	14,043	1,088	27,160
Increases	3,460	3,673	2,647	1,302	11,082
Decreases				-1,485	-1,485
Acquisition cost, 31 Dec. 2012	3,515	15,647	16,690	905	36,757
Accumulated depreciation, 1 Jan. 2012		3,919	8,275		12,194
Depreciation during the financial year	115	1,050	1,422		2,587
Accumulated depreciation, 31 Dec. 2012	115	4,969	9,697		14,781
Book value, 31 Dec. 2012	3,400	10,678	6,993	905	21,976
Book value, 1 Jan. 2012	55	8,055	5,768	1,088	14,966
Book value, 31 Dec. 2012	3,400	10,678	6,993	905	21,976
Book value of production machinery 31 Dec. 2012			2,858		

2011

(EUR 1,000)	Land	Buildings and structures	Machinery and equipment	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2011	911	8,275	10,564	93	19,843
Increases		2,843	3,479	1,088	7,410
Decreases				-93	-93
Transfers	-856	856			
Acquisition cost, 31 Dec. 2011	55	11,974	14,043	1,088	27,160
Accumulated depreciation, 1 Jan. 2011		3,052	7,401		10,453
Depreciation during the financial year		867	874		1,741
Accumulated depreciation, 31 Dec. 2011		3,919	8,275		12,194
Book value, 31 Dec. 2011	55	8,055	5,768	1,088	14,966
Book value, 1 Jan. 2011	911	5,223	3,163	93	9,390
Book value, 31 Dec. 2011	55	8,055	5,768	1,088	14,966
Book value of production machinery 31 Dec. 2011			2,901		

1.3 Finance lease agreements

Land in tangible assets includes the following assets acquired under finance lease agreements. The finance lease assets constitute the finance lease agreement of the 30-year land lease of the property of the Helsinki head office and printing factory.

2012

(EUR 1,000)	Land	Total
Acquisition cost, 1 Jan. 2012		
Increases	3,460	3,460
Decreases		
Acquisition cost, 31 Dec. 2012	3,460	3,460
Accumulated depreciation, 1 Jan. 2012		
Depreciation during the financial year	115	115
Accumulated depreciation, 31 Dec. 2012	115	115
Book value, 31 Dec. 2012	3,345	3,345
Book value, 1 Jan. 2012		
Book value, 31 Dec. 2012	3,345	3,345

1.4 Available-for-sale financial assets

(EUR 1,000)	2012	2011
Available-for-sale shares		
Acquisition cost, 1 Jan.	16	16
Decreases		
Acquisition cost, 31 Dec.	16	16
Book value, 31 Dec.	16	16
Financial assets, total	16	16

Available-for-sale financial assets comprise unlisted shares, which are presented at cost because their fair values are not reliably known.

2. CURRENT ASSETS

2.1 Inventories

(EUR 1,000)	2012	2011
Raw materials and consumables	5,503	6,354
Incomplete products	136	148
Finished products/goods	12,863	14,258
Total	18,502	20,760

No impairment was recognised on inventories.

2.2 Trade and other receivables

(EUR 1,000)	2012	2011
Trade receivables	5,032	5,827
Prepayments for inventory purchases	445	588
Other reveivables	21	130
Prepaid expenses and accrued income	2,879	2,237
Total	8,377	8,782

Prepaid expenses and accrued income		
Tax assets	1,360	514
Royalty receivables	568	565
Other prepaid expenses and accrued income	951	1 158
Total	2,879	2,237

Impairment of trade receivables		34

Analysis of trade receivables by age

(EUR 1,000)	2012	Impairment loss	Net 2012	2011	Impairment loss	Net 2011
Undue trade receivables	4,228		4,228	5,199		5,199
Overdue						
less than 30 days	285		285	141		141
30–60 days	297		297	396		396
more than 60 days	273	-51	222	125	-34	91
Total	5,083	-51	5,032	5,861	-34	5,827

3. SHAREHOLDERS' EQUITY

3.1 Share capital and invested unrestricted equity fund

	Number of shares	Share capital, EUR	Invested unrestricted equity fund, EUR	Total, EUR
1 Jan. 2011	8,040,000	8,040,000		8,040,000
31 Dec. 2011	8,040,000	8,040,000		8,040,000
1 Jan. 2012	8,040,000	8,040,000		8,040,000
31 Dec. 2012	8,089,610	8,040,000	501,969	8,541,969

Marimekko Corporation's Articles of Association do not specify maximum share capital. Marimekko Corporation has one series of shares; the shares do not have a nominal value. All shares in issue have been paid in full. The Group does not posses any of its own shares. The group does not have any share option schemes. After the closing date, the Board of Directors has proposed that a dividend of EUR 0.25 per share be paid for 2012 (0.55).

The invested unrestricted equity fund contains other equity-like investments and the share subscription price to the extent that this is not entered in share capital under a specific decision.

4. NON-CURRENT LIABILITIES

4.1 Deferred tax assets and liabilities

Deferred tax assets and liabilities are offset against each other where the Group has a legally enforceable right to offset deferred tax assets and liabilities based on taxable earnings for the period against each other and where they relate to income taxes levied by the same taxation authority on the same taxpayer or different taxpayers and the intention is to settle on a net basis. The amounts offset against each other are as follows:

Changes in deferred taxes in 2012

(EUR 1,000)	1 Jan. 2012	Recognised in the income statement	31 Dec. 2012
Deferred tax assets			
Internal margin of inventories	133	195	328
Deferred tax assets on management compensation		37	37
Deferred tax assets on Marimekko North America LLC's losses		318	318
Deferred tax assets on Marimekko AB's losses		4	4
Total	133	554	687
Offsetting deferred tax assets and liabilities			-365
Deferred tax asset	133	554	322
Deferred tax liabilities			
Accumulated depreciation difference	-573	-93	-666
Fixed costs included in inventories	-192	2	-190
Financial lease		12	12
Total	-765	-79	-844
Offsetting deferred tax assets and liabilities			365
Deferred tax liability	-765	-79	-844
Deferred tax liability, net			-479

Changes in deferred taxes in 2011

(EUR 1,000)	1 Jan. 2011	Recognised in the income statement	31 Dec. 2011
Deferred tax assets			
Internal margin of inventories	56	77	133
Deferred tax assets on management compensation		2	2
Deferred tax assets on Marimekko North America LLC's losses		136	136
Deferred tax assets on Marimekko AB's losses		4	4
Total	56	219	275
Offsetting deferred tax assets and liabilities			-135
Deferred tax asset	56	219	140
Deferred tax liabilities			
Accumulated depreciation difference	-545	-28	-573
Fixed costs included in inventories	-162	-30	-192
Total	-707	-58	-765
Offsetting deferred tax assets and liabilities			135
Deferred tax liability	-707	-58	-765
Deferred tax liability, net			-630

4.2 Interest-bearing non-current liabilities

(EUR 1,000)	2012	2011
Financial liabilities	9,317	4,944
Finance lease obligations	3,324	
Total	12,641	4,944

The interest rate of the financial liabilities was 0.676–1.629% (1.356–2.338%). All financial liabilities were euro denominated.

5. CURRENT LIABILITIES

5.1 Current liabilities

(EUR 1,000)	2012	2011
Trade and other payables		
Trade payables	5,189	4,513
Other payables	2,824	2,232
Accrued liabilities and deferred income	3,762	3,598
Finance lease obligations	69	
Current tax liabilities		15
Total	11,844	10,358

Accrued liabilities and deferred income		
Employee benefits	3,356	3,242
Other accrued liabilities and deferred income	406	356
Total	3,762	3,598

5.2 Finance lease obligations

Assets are classified as assets leased under finance lease agreement, if the risks and rewards incidental to ownership of the assets substantially remain with the Group. The lease obligations have efficient security, since the lessor regains the right to the leased asset, if lease payments are neglected. The Group finance lease obligation relates to the land lease of the Helsinki head office and printing factory property.

(EUR 1,000)	2012	2011
Gross amount of finance lease obligations – minimum lease payments by due date:		
No later than 1 year	188	
Later than 1 year – no later than 5 years	753	
Later than 5 years	4,515	
Total	5,456	
Future financial expenses	-2,063	
Current value of the finance lease obligations	3,393	

The current value of the financial lease obligations matures as follows:

(EUR 1,000)	2012	2011
No later than 1 year	69	
Later than 1 year – no later than 5 years	303	
Later than 5 years	3,021	
Current value of the financial lease obligations	3,393	

6. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

(EUR 1,000)	Book value 2012	Fair value 2012	Book value 2011	Fair value 2011
Trade and other receivables	7,932	7,932	8,194	8,194
Cash and cash equivalents	3,106	3,106	1,620	1,620
Financial liabilities	9,317	9,317	4,944	4,944
Financial lease obligations	3,393	3,393		
Trade and other payables	11,775	11,775	10,343	10,343

7. GUARANTEES, CONTINGENT LIABILITIES AND OTHER COMMITMENTS

(EUR 1,000)	2012	2011
Guarantees		153
Other own liabilities and commitments		
Lease liabilities for machinery and equipment	335	411
Liabilities relating to lease agreements for business premises	39,651	27,046
Commitments, total	39,986	27,610
Other lease agreements		
The Group as lessee		
Minimum lease payments under other non-cancellable lease agreements		
No later than 1 year	7,426	4,656
Later than 1 year – no later than 5 years	24,832	13,384
Later than 5 years	7,728	9,417
Total	39,986	27,457

The Group has leased many of its store and some of its office and warehouse premises. Lease agreements are valid either for a fixed period or for the time being. The index, renewal and other terms of the agreements differ.

8. RELATED PARTY TRANSACTIONS

The relationships of the Group's parent company and subsidiaries are as follows:

Parent company

Marimekko Corporation, Helsinki, Finland

Subsidiaries

Company and domicile	Group's holding, %	Share of voting rights, %
Keskinäinen Kiinteistö Oy Marikko, Helsinki, Finland	100	100
Marimekko AB, Stockholm, Sweden	100	100
Marimekko GmbH, Frankfurt am Main, Germany	100	100
Marimekko North America LLC, Delaware, United States	100	100
Marimekko North America Retail LLC, Delaware, United States	100	100
Marimekko North America Holding Co, Delaware, United States	100	100
Marimekko UK Ltd, London, United Kingdom	100	100
Marimekko PTY Ltd, Victoria, Australia	100	100

Marimekko Corporation's fully-owned subsidiaries Decembre Oy, Marimekko Kitee Oy and Marimekko Tuotanto Oy were merged into the parent company on 31 December 2011. Sales of goods and services between related parties are based on fair market prices.

Employee benefits of management

(EUR 1,000)	2012	2011
Salaries and bonuses of the President and CEO		
Mika Ihamuotila	418	358
Total	418	358
Salaries and bonuses of the Board of Directors		
Elina Björklund	19	*) 61
Arthur Engel	19	12
Ami Hasan	19	17
Mika Ihamuotila		
Joakim Karske	19	17
Pekka Lundmark	29	24
Tarja Pääkkönen		5
Total	105	136
Employee benefits of management, total	523	494

*) A fee for the Board membership, EUR 12 thousand, and a consultancy fee of EUR 49 thousand related to a China project and other undertakings.

9. EVENTS AFTER THE CLOSING DATE

The management of the company is not aware of any significant events after the closing date that would have affected the financial statement calculations.

10. SEGMENT INFORMATION

The operational segments are reported to the chief operational decision-maker in the same way as in internal reporting. The chief operational decision-maker monitors Marimekko's business as a whole. The company is domiciled in Finland. Net sales from external customers in Finland totalled EUR 52,344 thousand and from external customers in other countries EUR 36,127 thousand.

The total amount of non-current assets in Finland excluding financial instruments and deferred tax liabilities (the Group has no assets arising from employee benefits or insurance contracts) was EUR 24,655 thousand (17,418) and the total amount of corresponding non-current assets in other countries was EUR 6,697 thousand (4,021).

(EUR 1,000)	2012	2011
Net sales		
Finland	52,344	49,715
Other countries	36,127	27,727
Total	88,471	77,442
Assets		
Finland	41,079	40,152
Other countries	12,971	11,778
Eliminations	911	-3,350
Total	54,961	48,580
Investments		
Finland *)	7,089	5,792
Other countries	3,838	3,428
Total *)	10,927	9,220

*) Investments include the land lease of the property of the Helsinki head office and printing factory acquired under a finance lease agreement in 2012. Further information about the finance lease agreement is available under the notes to the financial statements on page 24.

11. OTHER OPERATING INCOME

(EUR 1,000)	2012	2011
Other income	97	2
Total	97	2

12. RAW MATERIALS AND CONSUMABLES

(EUR 1,000)	2012	2011
Materials and supplies		
Purchases during the financial year	19,467	22,796
Increase (-) / decrease (+) in inventories	55	-1 692
Total	19,522	21,104
External services	9,994	9,183
Total	29,516	30,287

Exchange rate differences included in raw materials and consumables

(EUR 1,000)	2012	2011
Exchange rate gains (-) / losses (+) of purchases	29	30

13. EMPLOYEE BENEFIT EXPENSES

(EUR 1,000)	2012	2011
Salaries, wages and bonuses	19,503	16,407
Share-based remuneration, personnel share issue	143	
Share-based payments (cash settled)	153	6
Pension expenses – defined contribution plans	3,184	2,719
Other indirect social expenditure	1,554	898
Total	24,537	20,030

Average number of employees

	2012	2011
Salaried employees	405	301
Non-salaried employees	92	101
Total	497	402

Share based payments

Management Group's long-term bonus system

On 7 February 2011, the Board of Directors of Marimekko Corporation agreed on establishing a long-term bonus system targeted at the company's Management Group. The system is composed of two earnings periods, which are 1 January 2011–31 October 2014 and 1 January 2011–28 February 2015. The possible bonus for each earnings period will be based on the total yield on Marimekko Corporation's shares, including dividends. The possible bonus will be paid in cash in two batches, one in autumn 2014 and the other in spring 2015. Earning the bonus requires that the person still works for the company at the time of the payment. When receiving the bonus, the person in question commits themselves to using 50% of the net value of the bonus for acquiring the company's shares at transaction price within six months from receiving the bonus. The shares acquired with the bonus cannot be surrendered prior to two years from the time of acquiring the shares. The annual maximum value of the bonus paid to a member of the Management Group in the bonus system cannot exceed the approximate value of fixed annual salary. The system encompasses the Management Group members excluding the President and CEO, a total of five persons.

The fair value of granted share-based payments has been determined using the binary cash-or-nothing call option valuation model. The significant measurement parameters in the model were share price at the commencement date of the earning period, EUR 13.00 added with 10% resulting to EUR 14.30, and volatility 28%. The grant date of the share-based payments is the date of the Board resolution. The fair value of the share-based payments were on average EUR 2.84/option on the grant date whereby the total fair value of the plan amounted to EUR 111,751. Granted share-based payments will be subsequently valued at fair value at each closing date and the change in fair value will be recorded in the income statement to the extent they are vested. Each member to the plan will be compensated for the earnings period with an amount equivalent to 1.5 months' gross salary for each one (1) euro which the closing share price (inclusive of dividends) exceeds the share value of EUR 14.30 at the date of commencement of the plan. Gross salary is defined for the purposes of the plan as the fixed monthly salary, inclusive of fringe benefits, prevailing at the commencement of the plan in January 2011. The expenses incurred from the plan amounted to EUR 152,985 for the financial period.

Personnel share issue

The Board of Directors decided, pursuant to the authorisation granted by the Annual General Meeting of Shareholders, to arrange a share issue in which a total of 150,000 new shares in the company were offered for subscription to the personnel and to designers employed by the company on a freelance basis. The share issue was carried out in September 2012.

The company's Board of Directors approved subscriptions in the personnel share issue for a total of 49,610 new shares, with a subscription price totalling EUR 501,449. The shares subscribed for in the share issue represent a total of 0.61 per cent of the company's shares and the voting rights they confer after the share issue. The majority of those entitled to subscribe took part in the share issue. Subscriptions were placed by 308 company employees and freelance designers out of a total of 510 who were entitled.

The share subscription price was based on the trade volume weighted average share price of the company's share in NASDAQ OMX Helsinki Ltd during the term 2 July 2012–31 July 2012 and on two different discounts calculated from such price. For the first fifty shares subscribed, the discount was 50% of the aforementioned prevailing quotation of the share. The discount for the share subscription price for shares subscribed after the first 50 shares was 10% of the aforementioned prevailing quotation of the share. The subscription price for the first fifty shares was EUR 6.50 per share and the share subscription price for the shares subscribed after the first fifty shares was EUR 11.70 per share. The total subscription price paid by the subscribers was credited to the invested unrestricted equity fund. The subscriber does not have the right to surrender or give as security the shares subscribed at a 50% discount before 31 December 2013.

The personnel share issue has been recognised as a share-based payment according to IFRS 2 and the subscription price discount provided by the company to the subscribers has been recognised in employee benefit expenses in the last quarter. The amount recognised in employee benefit expenses and retained earnings was EUR 142,961.

14. DEPRECIATION

(EUR 1,000)	2012	2011
Intangible assets		
Intangible rights	317	160
Computer software	646	315
Total	963	475
Tangible assets		
Land	115	
Buildings and structures	1,050	867
Machinery and equipment	1,422	874
Total	2,587	1,741
Total	3,550	2,216

No impairment was recognised on non-current assets.

15. OTHER OPERATING EXPENSES

(EUR 1,000)	2012	2011
Leases	6,467	4,115
Marketing	5,132	4,714
Management and maintenance of business premises	1,763	1,767
Administration	4,719	3,936
Other expenses	8,827	9,204
Total	26,908	23,736

Exchange rate differences included in other operating expenses

(EUR 1,000)	2012	2011
Exchange rate gains (-) / losses (+) of sales	58	-205

Auditor's fee *)

(EUR 1,000)	**2012**	**2011**
PricewaterhouseCoopers Oy, Authorised Public Accountants		
Audit	72	61
Other services	52	91
Total	124	152

Others		
Audit	31	21
Total	31	21

*) Included in other expenses in the item other expenses.

16. FINANCIAL INCOME

(EUR 1,000)	**2012**	**2011**
Interest income on loans and other receivables	47	66
Other financial income	1	180
Total	48	246

Exchange rate gains included in financial income		180

17. FINANCIAL EXPENSES

(EUR 1,000)	**2012**	**2011**
Interest expenses on financial liabilities measured at amortised cost	-151	-52
Interest expenses on finance lease obligations	-121	
Other financial expenses	-382	-7
Total	-654	-59

Exchange losses included in financial expenses	-379	

18. INCOME TAXES

(EUR 1,000)	**2012**	**2011**
Taxes on taxable earnings for the period	821	1 049
Deferred taxes	-508	-160
Total	313	889

Reconciliation statement of taxes calculated on the basis of tax expenses in the income statement and the Group's Finnish tax rate (24.5% in 2012 and 26.0% in 2011)

(EUR 1,000)	**2012**	**2011**
Profit before taxes	1,412	3,715
Taxes calculated at the Finnish tax rate	346	966
Different tax rates of foreign subsidiaries	5	2
Adjustment on deferred taxes from tax rate changes		-37
Non-deductible expenses	-38	-42
Taxes in the income statement	313	889

19. EARNINGS PER SHARE

	2012	2011
Net profit for the period, EUR 1,000	1,100	2,826
Weighted average number of shares, 1,000	8,046	8,040
Basic and dilluted earnings per share, EUR	0.14	0.35

20. FINANCIAL RISK MANAGEMENT

During the normal course of its business operations, the Marimekko Group is exposed to financial risks. The principal financial risks are liquidity risk, credit risk, foreign currency risk and interest rate risk.

The company's Board of Directors has confirmed the principles, responsibilities and organisation of risk management for the Group. The Board of Directors also monitors the success of risk management. According to its risk management principles, Marimekko classifies its risks as strategic, operational, economic and accident risks. Economic risks include financial risks. Responsibility for the implementation of risk management measures concerning financial risks lies with the Group's CFO. The main objective of financial risk management is to ensure reasonable-priced financing in all circumstances, and therefore minimise the unfavourable effects, if any, on the Group's financial performance. Marimekko has not used derivative instruments when hedging against risks.

Liquidity risk

The Group continuously seeks to assess and monitor the amount of funding required by the business operations to ensure that sufficient liquid funds are available for the daily business and repayment of maturing debts. The assessment is based on monthly cash flow and liquidity forecasts. The Group aims to maintain a high liquidity level at all times in order to eliminate liquidity risk. In order to minimize the Group's liquidity risk the Group's near term and next few years' financing need is covered by liquid funds as well as long term credit facilities or credit facilities valid until further notice. The Group has access to credit facilities totalling EUR 20 million. Of these facilities EUR 9.3 million were drawn at the end of the financial period. The credit facilities are valid until further notice and they are uncommitted.

Maturity analysis for the Group's financial liabilities; the figures are not discounted, and they include both interest payments and capital repayments.

31 Dec. 2012

(EUR 1,000)	Less than 1 year	1–2 years	2–5 years	Over 5 years
Financial liabilities		9,317		
Finance lease obligations	188	188	564	4 516
Trade and other payables	11,775			
Total	11,963	9,505	564	4,516

31 Dec. 2011

(EUR 1,000)	Less than 1 year	1–2 years	2–5 years	Over 5 years
Financial liabilities		4,944		
Finance lease obligations				
Trade and other payables	10,343			
Total	10,343	4,944		

Credit risk

The trade receivables generated in the Group's wholesale operations are associated with a credit risk, which is reduced by the Group's broad and geographically diverse clientele. Marimekko continuously monitors the credit limits, credit history and financial situation of its customers. The Group has a centralised process in place for this purpose. Responsibility for the credit monitoring process lies with the Group's CFO. The credit risk related to the wholesale business is also reduced by means of advance payments, bank guarantees and letters of credit. During the 2012 financial year, credit loss recognised through profit or loss amounted to EUR 51 thousand (34).

Retail customers pay for their purchases using cash or the most common credit cards.

Note 2.2. (Trade and other receivables) to the consolidated financial statements includes an analysis of trade receivables by age.

Foreign currency risk
The Group's currency risk consists of sales and purchases made in foreign currency as well as balance sheet items and also foreign-currency-denominated net investments in units abroad.

Transaction risk

Marimekko Group's transaction risk derives from currency flows connected with wholesale and retail sales as well as purchases of the Group's business units as well as from from loans and receivables denominated in foreign currency. The Group's principal sales currency is the euro. The other significant sales and invoicing currencies are the US dollar, Swedish krona, Danish krone, Norwegian krone, Australian dollar and Canadian dollar. The principal currencies used for purchases are the euro and, to a lesser extent, the US dollar. In 2012 foreign-currency-denominated sales accounted for approximately 20% of the Group's enire sales and foreign-currency-denominated purchases with a transaction risk made up 6% of the Group's purchases.

Marimekko protects itself against the transaction risk of sales by taking into account the expected exchange rate at the time of sales when carrying out wholesale and retail pricing of products. Foreign subsidiaries are financed primarily in local currency, whereby the foreign subsidiary does not incur significant transaction risk.

Translation risk

The Marimekko Group incurs translation risk when the financial statements of foreign subsidiaries are translated into euro amounts in the consolidated financial statements. For foreign-currency-denominated net investments, the effects of changes in foreign exchange rates appear as the translation difference in the Group's equity. For the time being Marimekko has not hedged translation risk for equity, as the subsidiary sales and net investments are small from the Group's perspective.

Group's foreign exchange position

The foreign-currency-denominated assets and liabilities (cash and cash equivalents, trade receivables and trade payables) converted to euro amounts using the exchange rates quoted on the closing date are as follows:

(EUR 1,000)	2012		2011	
	USD	SEK	USD	SEK
Non-current assets				
Non-current liabilities				
Foreign exchange difference on non-current items				
Current assets	5,875	25,471	949	2,531
Current liabilities	189	256	86	1,178

The following table shows the effects on the Group's result after taxes, if the euro were to weaken or strengthen against the US dollar or the Swedish krona, provided that all other factors would remain unchanged:

	2012		2011	
	USD	SEK	USD	SEK
Change in exchange rate[1], %	10	10	10	10
Effects on profit after taxes	224	-59	181	-114
Shareholders' equity				

[1] Strengthening (+) / weakening (-) of the euro

Interest rate risk
The Group's interest rate risk primarily results from changes in the interest on cash and cash equivalents and on current and non-current interest-bearing liabilities due to changes in market rates. Their combined effect on the Group's profit is has increased due the increase in interest-bearing net debt.

(EUR 1,000)	2012	2011
Cash and cash equivalents	3,106	1,620
Interest-bearing liabilities	9,317	4,944
Finance lease obligations	3,393	

The Group's interest-bearing liabilities at the balance sheet date 31 December, 2012 consisted of drawn credit facilities and finance lease obligations. The Group has access to variable interest rate credit facilities totalling EUR 20 million. A rise of one percentage point in market interest rates would have an imputed effect on Marimekko's profit after taxes of EUR -0.1 million (-0.0). Correspondingly, a decline of one percentage point in market interest rates would have an imputed effect on Marimekko's profit after taxes of EUR +0.1 million (+0.0).

21. CAPITAL MANAGEMENT

The purpose of capital management is to maintain a capital structure that optimally supports the Group's strategic objectives. Efficient capital management measures ensure normal operating conditions for the business and increase the shareholder value in the long term. The principal factors affecting the capital structure are profitability, dividend distribution and investments. The capital managed equals the shareholders' equity shown on the consolidated balance sheet. No external capital requirements are applied to the Group.

The Group continuously monitors the development of its capital structure by means of the equity ratio and gearing. The Group's strategic objective is to maintain the equity ratio at the minimum of 60%. At the end of 2012, the Group's net liabilities amounted to EUR 9,604 thousand (3,324) and gearing was 32% (10).

Gearing

(EUR 1,000)	2012	2011
Interest-bearing liabilities	9,317	4,944
Financial lease obligations	3,393	
deducting cash and cash equivalents	-3,106	-1,620
Net liabilities	9,604	3,324
Shareholders' equity, total	29,996	32,663
Equity, total	39,600	35,987
Gearing, %	32.0	10.2

Assessment of fair value

The following table analyses financial instruments carried at fair value by valuation method. The applied levels have been defined as follows:

- quoted prices in active markets for identical assets and liabilities (Level 1)
- inputs other than quoted prices included in Level 1 that are observable for the asset or liability (Level 2)
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3)

Group's assets and liabilities measured at fair value on 31 December 2012

(EUR 1,000)	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale financial assets				
Equity securities			16	16
Assets, total			16	16

Group's assets and liabilities measured at fair value on 31 December 2011

(EUR 1,000)	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale financial assets				
Equity securities			16	16
Assets, total			16	16

Parent company financial statements, FAS

PARENT COMPANY BALANCE SHEET

(EUR 1,000)			31 Dec. 2012		31 Dec. 2011
ASSETS					
FIXED ASSETS	1.				
Intangible assets	1.1		3,369		3,080
Tangible assets	1.2		4,987		5,241
Investments	1.3				
Participations in Group companies		4,491		4,491	
Other shares and participations		16	4,507	16	4,507
FIXED ASSETS, TOTAL			12,863		12,828
CURRENT ASSETS					
Inventories	2.		16,080		19,265
Current receivables	3.		20,070		13,848
Cash in hand and at banks			917		534
CURRENT ASSETS, TOTAL			37,066		33,647
ASSETS, TOTAL			49,929		46,475

PARENT COMPANY BALANCE SHEET

(EUR 1,000)		31 Dec. 2012	31 Dec. 2011
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY	4.		
Share capital		8,040	8,040
Invested unrestricted equity fund		502	
Retained earnings		17,592	17,951
Net profit for the period		1,957	4,063
SHAREHOLDERS' EQUITY, TOTAL		**28,092**	**30,054**
ACCUMULATED APPROPRIATIONS	5.	**2,302**	**1,984**
LIABILITIES	6.		
Non-current liabilities	6.1	9,317	4,944
Current liabilities	6.2	10,218	9,493
LIABILITIES, TOTAL		**19,535**	**14,437**
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL		**49,929**	**46,475**

PARENT COMPANY INCOME STATEMENT

(EUR 1,000)		1 Jan.–31 Dec. 2012	1 Jan.–31 Dec. 2011
NET SALES	8.	85,383	75,983
Increase (-) or decrease (+) in inventories of completed and unfinished products		2,192	-2,499
Other operating income	9.	97	2
Materials and services	10.	30,239	33,129
Personnel expenses	11.	20,165	13,744
Depreciation and impairment	12.	1,972	1,363
Other operating expenses	13.	27,546	26,240
OPERATING PROFIT		3,366	4,008
Financial income and expenses	14.	-443	222
RESULT BEFORE EXTRAORDINARY ITEMS		2,923	4,230
Extraordinary items	15.		1,122
RESULT BEFORE APPROPRIATIONS AND TAXES		2,923	5,352
Appropriations	16.	-318	-294
Income taxes	17.	-647	-995
NET RESULT FOR THE PERIOD		1,957	4,063

PARENT COMPANY CASH FLOW STATEMENT

(EUR 1,000)	2012	2011
CASH FLOW FROM OPERATIONS		
Net profit for the period	1,957	4,062
Adjustments		
Depreciation according to plan	1,972	1,363
Change in depreciation difference	318	294
Other transactions, not associated with cash payment		-1,316
Financial income and expenses	443	-221
Taxes	647	995
Cash flow before change in working capital	5,338	5,177
Change in working capital		
Increase (-) / decrease (+) in current non-interest-bearing trade receivables	-5,375	-5,103
Increase (-) / decrease (+) in inventories	3,186	-3,365
Increase (+) / decrease (-) in current non-interest-bearing liabilities	737	1,874
Cash flow from operating activities before financial items and taxes	3,886	-1,417
Paid interest and payments on other operational financial expenses	-540	119
Interest received	85	113
Taxes paid	-1 ,494	-1,508
CASH FLOW FROM OPERATIONS	**1,938**	**-2,693**
CASH FLOW FROM INVESTMENTS		
Investments in tangible and intangible assets	-2,007	-6,572
CASH FLOW FROM INVESTMENTS	**-2,007**	**-6,572**
CASH FLOW FROM FINANCING		
Proceeds from share issue	502	
Current loans drawn		
Long-term loans drawn	4,373	4,944
Long-term loans repaid		
Dividends paid	-4,422	-4,422
CASH FLOW FROM FINANCING	**453**	**522**
Change in cash and cash equivalents	383	8,743
Cash and cash equivalents at the beginning of the financial year	534	9,251
Cash and cash equivalents at the end of the financial year	917	534
Cash and cash equivalents acquired through merger		-26

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

ACCOUNTING POLICY

Marimekko Corporation's financial statements have been prepared in accordance with the legislation and regulations that are in force in Finland. The financial year of the company is the calendar year.

Measurement of fixed assets
Fixed assets are recorded in the balance sheet at the original acquisition cost less depreciation according to plan. Depreciation according to plan has been calculated using straight-line depreciation on the estimated useful life of the fixed assets.

Periods of depreciation:

- intangible rights 5-10 years
- other capitalised expenditure 3-10 years
- machinery and equipment 5-15 years.

Inventories
Inventories are presented at the acquisition cost or at the lower probable net realisation value. The value of inventories does not include any share of fixed purchasing and manufacturing costs.

Pension commitments
The pension security of the company's personnel has been arranged under the statutory employee pension plan (TyEL) through a pension insurance company.

Items denominated in foreign currency
The foreign-currency-denominated receivables and liabilities of the company have been converted to euro amounts using the exchange rate quoted by the European Central Bank on the closing date.

Leasing
Leasing payments are treated as rental expenditures.

Appropriations
On the basis of local legislation and accounting practices, companies in Finland and Sweden can, in their separate financial statements, record in appropriations the depreciation difference and the change in voluntary reserves, which are items that mainly have an effect on taxation.

Taxes
Recorded as direct taxes are the direct taxes calculated from the taxable result of the company.

NOTES TO THE BALANCE SHEET

1. FIXED ASSETS

1.1 Intangible assets

2012

(EUR 1,000)	Intangible rights	Other capitalised expenditure	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2012	903	5,918	856	7,677
Increases	244	1,758	551	2,553
Decreases			-1,242	-1,242
Acquisition cost, 31 Dec. 2012	1,147	7,676	165	8,988
Accumulated depreciation, 1 Jan. 2012	521	4,076		4,597
Depreciation during the financial year	135	887		1,022
Accumulated depreciation, 31 Dec. 2012	656	4,963		5,619
Book value, 31 Dec. 2012	491	2,713	165	3,369

2011

(EUR 1,000)	Intangible rights	Other capitalised expenditure	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2011	682	5,049	47	5,778
Increases	221	958	840	2,019
Decreases		-89	-31	-120
Acquisition cost, 31 Dec. 2011	903	5,918	856	7,677
Accumulated depreciation, 1 Jan. 2011	432	3,433		3,865
Depreciation during the financial year	89	643		732
Accumulated depreciation, 31 Dec. 2011	521	4,076		4,597
Book value, 31 Dec. 2011	382	1,842	856	3,080

1.2 Tangible assets

2012

(EUR 1,000)	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2012	38	417	11,016	23	262	11,756
Increases			935	2	220	1,157
Decreases					-460	-460
Acquisition cost, 31 Dec. 2012	38	417	11,951	25	22	12,453
Accumulated depreciation, 1 Jan. 2012			6,515			6,515
Depreciation during the financial year		38	914			952
Accumulated depreciation, 31 Dec. 2012		38	7,429			7,467
Book value, 31 Dec. 2012	38	379	4,522	25	22	4,986

2011

(EUR 1,000)	Land and water areas	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and acquisitions in progress	Total
Acquisition cost, 1 Jan. 2011			7,851	4	45	7,900
Increases	38	417	3,165	19	264	3,903
Decreases					-47	-47
Acquisition cost, 31 Dec. 2011	38	417	11,016	23	262	11,756
Accumulated depreciation, 1 Jan. 2011			5,884			5,884
Depreciation during the financial year			631			631
Accumulated depreciation, 31 Dec. 2011			6,515			6,515
Book value, 31 Dec. 2011	38	417	4,501	23	262	5,241

Book value of production machinery and equipment	
31 Dec. 2011	2,901
31 Dec. 2012	2,858

1.3 Investments

2012

(EUR 1,000)	Shares in Group companies	Other Shares and participations	Total
Acquisition cost, 1 Jan. 2012	4,781	16	4,797
Increases			
Decreases			
Acquisition cost, 31 Dec. 2012	4,781	16	4,797
Accumulated depreciation, 31 Dec. 2011	290		290
Book value, 31 Dec. 2012	4,491	16	4,507

2011

(EUR 1,000)	Shares in Group companies	Other Shares and participations	Total
Acquisition cost, 1 Jan. 2011	2,767	9	2,776
Increases	2,130	7	2,137
Decreases	-116		-116
Acquisition cost, 31 Dec. 2011	4,781	16	4,797
Accumulated depreciation, 31 Dec. 2011	290		290
Book value, 31 Dec. 2011	4,491	16	4,507

Group companies

Company and domicile	Parent company's holding, %	Share of voting rights, %
Keskinäinen Kiinteistö Oy Marikko, Helsinki, Finland	100	100
Marimekko AB, Stockholm, Sweden	100	100
Marimekko GmbH, Frankfurt am Main, Germany	100	100
Marimekko North America LLC, Delaware, United States	100	100
Marimekko North America Retail LLC, Delaware, United States	100	100
Marimekko North America Holding Co, Delaware, United States	100	100
Marimekko UK Ltd, London, United Kingdom	100	100
Marimekko PTY Ltd, Victoria, Australia	100	100

Marimekko Corporation's fully-owned subsidiaries Decembre Oy, Marimekko Kitee Oy and Marimekko Tuotanto Oy were merged into the parent company on 31 December 2011.

2. INVENTORIES

(EUR 1,000)	**2012**	**2011**
Raw materials and consumables	5,503	6,353
Incomplete products	136	147
Finished products/goods	9,996	12,177
Advance payments	445	588
Total	16,080	19,265

3. CURRENT RECEIVABLES

(EUR 1,000)	**2012**	**2011**
Trade receivables	4,865	5,674
Receivables from Group companies		
Trade receivables	6,009	2,168
Loan receivables	2,122	2,033
Prepaid expenses and accrued income	4,678	2,105
Total	12,809	6,306
Other receivables	21	32
Prepaid expenses and accrued income	2,375	1,836
Total	20,070	13,848

Prepaid expenses and accrued income		
Royalty receivables	568	565
Statutory employee pension plan accrual	12	97
Tax assets	1,360	515
Other prepaid expenses and accrued income	435	659
Total	2,375	1,836

4. SHAREHOLDERS' EQUITY

(EUR 1,000)	**2012**	**2011**
Share capital, 1 Jan.	8,040	8,040
Share capital, 31 Dec.	8 040	8 040
Invested unrestricted equity fund, 1 Jan.		
Share issue	502	
Invested unrestricted equity fund, 31 Dec.	502	
Retained earnings, 1 Jan.	22,014	22,373
Dividends paid	-4,422	-4,422
Retained earnings, 31 Dec.	17,592	17,951
Net result for the period	1,957	4,063
Shareholders' equity, total	28,091	30,054

Calculation of distributable funds, 31 Dec.

(EUR 1,000)	**2012**	**2011**
Retained earnings	17,592	17,951
Net result for the period	1,957	4,063
Invested unrestricted equity fund	502	
Total	20,051	22,014

5. ACCUMULATED APPROPRIATIONS

(EUR 1,000)	2012	2011
Accumulated depreciation difference		
Intangible rights	73	58
Other capitalised expenditure	484	221
Machinery and equipment	1,632	1,582
Buildings and structures	113	123
Total	2,302	1,984

6. LIABILITIES

6.1 Interest-bearing liabilities

(EUR 1,000)	2012	2011
Interest-bearing liabilities		
Non-current	9,317	4,944
Total	9,317	4,944
Non-interest-bearing liabilities		
Current	10,218	9,493
Total	10,218	9,493

6.2 Current liabilities

(EUR 1,000)	2012	2011
Advances received	2	4
Trade payables	4,609	4,112
Debts to Group companies		
Trade payables	121	113
Other current liabilities	2,170	2,063
Accrued liabilities and deferred income	3,316	3,201
Total	10,218	9,493
Accrued liabilities and deferred income		
Wages and salaries with social security contributions	3,140	2,794
Accrued income tax liabilities		16
Other accrued liabilities and deferred income	176	391
Total	3,316	3,201

7. GUARANTEES, CONTINGENT LIABILITIES AND OTHER COMMITMENTS

(EUR 1,000)	2012	2011
For the liabilities of the Group company		
Guarantees	9,661	9,788
For the liabilities of other companies		
Guarantees		153
Other own liabilities and commitments		
Leasing liabilities		
Payments due in the following financial year	185	185
Payments due later	151	226
Total	336	411
Liabilities relating to lease agreements		
Payments due in the following financial year	3,740	2,551
Payments due later	11,852	6,992
Total	15,592	9,543

The parent company has no liabilities from derivative contracts.

NOTES TO THE INCOME STATEMENT

8. NET SALES BY MARKET AREA

(EUR 1,000)	2012	2011
Finland	52,344	49,698
Other countries	33,039	26,285
Total	85,383	75,983

9. OTHER OPERATING INCOME

(EUR 1,000)	2012	2011
Other income	97	2
Total	97	2

10. MATERIALS AND SERVICES

(EUR 1,000)	2012	2011
Materials and supplies		
Purchases during the financial year	19,201	22,606
Increase (-) / decrease (+) in inventories	851	-881
Total	20,052	21,725
External services	9,984	11,404
Total	30,036	33,129

11. PERSONNEL EXPENSES

(EUR 1,000)	2012	2011
Salaries, wages and bonuses	16,076	11,224
Pension and pension insurance payments	3,069	1,935
Other indirect social expenditure	1,020	585
Total	20,165	13,744
Salaries and bonuses for management		
Members of the Board of Directors and the President and CEO	523	494
Itemised in the note 8 to the consolidated financial statements.		
Average number of employees		
Salaried employees	319	244
Non-salaried employees	92	
Total	411	244

12. DEPRECIATION AND IMPAIRMENT

(EUR 1,000)	2012	2011
Intangible assets		
Intangible rights	135	90
Other capitalised expenditure	887	642
Total	1,022	732
Tangible assets		
Machinery and equipment	952	631
Total	952	631
Total	1,974	1,363

13. OTHER OPERATING EXPENSES

(EUR 1,000)	2012	2011
Leases	4,894	3,905
Marketing	10,299	6,706
Other expenses	12,564	15,629
Total	27,757	26,240

14. FINANCIAL INCOME AND EXPENSES

(EUR 1,000)	2012	2011
Other interest and financial income		
From Group companies	40	47
From others	684	274
Total	724	321
Interest and other financial expenses		
To Group companies		1
To others	1,168	98
Total	1,168	99
Financial income and expenses, total	-444	222
Financial income and expenses include exchange rate differences (net)		
From others	-310	210
Total	-310	210

15. EXTRAORDINARY ITEMS

(EUR 1,000)	2012	2011
Group contributions		195
Merger gain		1,317
Total		1,122

16. APPROPRIATIONS

(EUR 1,000)	2012	2011
Change in depreciation difference	-318	-294

17. INCOME TAXES

(EUR 1,000)	2012	2011
Income taxes on extraordinary items		-51
Income taxes on operations	647	1,046
Total	647	995

18. AUDITOR'S FEE

(EUR 1,000)	2012	2011
PricewaterhouseCoopers Oy, Authorised Public Accountants		
Audit	72	61
Other services	52	91
Total	124	152

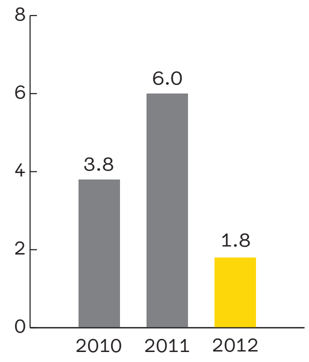
Key figures of the Group

Per-share key figures

	2012	2011	2010
Earnings per share (EPS), EUR	0.14	0.35	0.76
Equity per share, EUR	3.71	4.06	4.26
Dividend per share, EUR	*) 0.25	0.55	0.55
Dividend per profit, %	*) 178.6	157.1	72.8
Effective dividend yield, %	1.8	6.0	3.8
P/E ratio	104.0	28.2	19.0
Share issue adjusted average			
number of shares	8,046,252	8,040,000	8,040,000
Share issue adjusted number of shares			
at the end of the period	8,090,610	8,040,000	8,040,000

*) The Board of Directors' proposal to the Annual General Meeting.

Effective dividend yield (%)

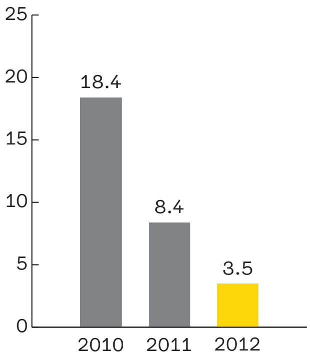


Key financial figures

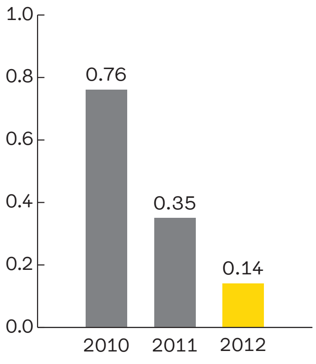
	2012	2011	2010
Net sales, EUR 1,000	88,471	77,442	73,297
Change in net sales, %	14.2	5.7	1.1
Operating profit, EUR 1,000	2,019	3,528	8,169
% of net sales	2.3	4.6	11.1
Financial income, EUR 1,000	48	246	83
Financial expenses, EUR 1,000	-654	-59	-29
Profit before taxes, EUR 1,000	1,413	3,715	8,223
% of net sales	1.6	4.8	11.2
Taxes, EUR 1,000	313	889	2,151
Profit after taxes, EUR 1,000	1,100	2,826	6,072
Balance sheet total, EUR 1,000	54,961	48,580	43,551
Net working capital, EUR 1,000	15,034	19,199	15,026
Interest-bearing liabilities, EUR 1,000	12,641	4,944	-
Shareholders' equity and reserves, EUR 1,000	29,996	32,663	34,287
Return on equity (ROE), %	3.5	8.4	18.4
Return on investment (ROI), %	4.1	11.4	25.0
Equity ratio, %	54.6	67.2	78.8
Gearing, %	32.0	10.2	-28.2
Gross investments, EUR 1,000	*) 7,582	9,220	1,519
% of net sales	8.6	11.9	2.1
Employee salaries, wages and bonuses, EUR 1,000	19,503	16,413	14,126
Average personnel	497	402	376
Personnel at the end of the financial year	535	434	388

*) Does not include the land of the property of the Helsinki head office and printing factory, which was leased in 2012 under a finance lease agreement and is recorded in tangible assets in the balance sheet.

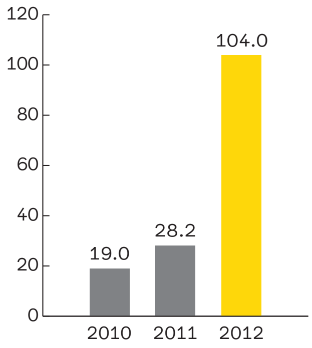
Return on equity (ROE, %)



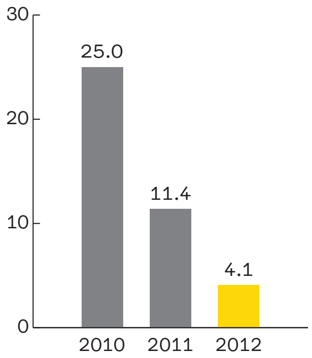
Earnings per share (EUR)



P/E ratio



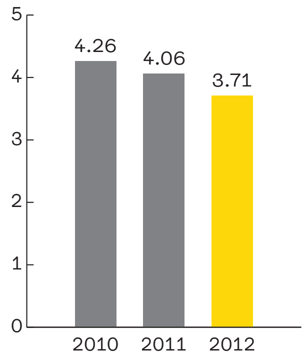
Return on investment (ROI, %)



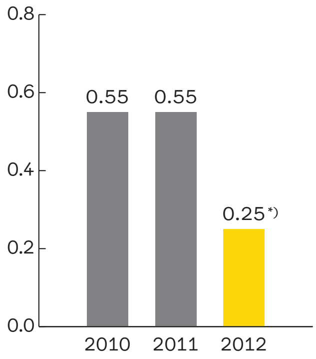
Formulas for the key figures

RETURN ON EQUITY (ROE), %	$\frac{\text{Profit before taxes – income taxes}}{\text{Shareholders' equity (average for the financial year)}} \times 100$
RETURN ON INVESTMENT (ROI), %	$\frac{\text{Profit before taxes + interest and other financial expenses}}{\text{Balance sheet total – non-interest-bearing liabilities (average for the financial year)}} \times 100$
EQUITY RATIO, %	$\frac{\text{Shareholders' equity}}{\text{Balance sheet total – advances received}} \times 100$
EARNINGS PER SHARE (EPS), EUR	$\frac{\text{Profit before taxes – income taxes}}{\text{Share issue adjusted average number of shares}}$
EQUITY PER SHARE, EUR	$\frac{\text{Shareholders' equity}}{\text{Number of shares, 31 Dec.}}$
DIVIDEND PER SHARE, EUR	$\frac{\text{Dividend paid for the financial year}}{\text{Number of shares, 31 Dec.}}$
DIVIDEND PER PROFIT, %	$\frac{\text{Dividend per share}}{\text{Earnings per share (EPS), share issue adjusted}} \times 100$
EFFECTIVE DIVIDEND YIELD, %	$\frac{\text{Dividend per share}}{\text{Adjusted share price, 31 Dec.}} \times 100$
P/E RATIO	$\frac{\text{Adjusted share price, 31 Dec.}}{\text{Earnings per share (EPS), share issue adjusted}}$
NET WORKING CAPITAL, EUR	Inventories + trade and other receivables + current tax assets – trade and other payables
INTEREST-BEARING NET DEBT, EUR	Interest-bearing liabilities – cash in hand and at banks – interest-bearing loan receivables
GEARING, %	$\frac{\text{Interest-bearing net debt}}{\text{Shareholders' equity}} \times 100$

Equity per share (EUR)



Dividend per share (EUR)



*) The Board of Directors' proposal to the Annual General Meeting.

Share and shareholders

Share
Marimekko Corporation's share is quoted in the Consumer Goods sector of NASDAQ OMX Helsinki Ltd. Marimekko Corporation was listed on the I List of the Helsinki Stock Exchange in March 1999 and on the main list on 27 December 2002.

The company has one series of shares, each conferring the same voting rights to their holders. The company's shares have been included in the book-entry register since 17 February 1999.

Share capital and number of shares
At the end of 2012, Marimekko Corporation's fully paid-up share capital, as recorded in the Trade Register, amounted to EUR 8,040,000, and the number of shares was 8,089,610.

Authorisations
The Annual General Meeting of 17 April 2012 authorised the Board of Directors to decide on a directed offering of shares to the personnel, in deviation from the shareholders' pre-emptive right, in one or more offerings. The total number of new shares to be offered for subscription pursuant to the authorisation may not exceed 150,000 shares, representing approximately 1.9% of the total number of the company's shares. The authorisation includes the right of the Board of Directors to decide on all the other terms of the share issue. The authorisation is in effect for two years from the date of the Annual General Meeting's decision.

At the end of 2012, the Board of Directors had no other valid authorisations to carry out share issues or issue convertible bonds or bonds with warrants, or to acquire or surrender Marimekko shares.

Personnel share offering
In the personnel share offering organised by Marimekko Corporation in 2012, the company's Board of Directors approved subscriptions for a total of 49,610 new shares, with a subscription price totalling EUR 501,449. The shares subscribed for in the share issue represent a total of 0.61% of the company's shares and the voting rights they confer after the share issue.

Shareholder agreements
Marimekko has neither made nor is aware of any shareholder agreements concerning the company's shares or other commitments agreeing on the company's ownership or the use of voting rights.

Dividends policy
Marimekko aims to pay a regular dividend every year. The dividends to be paid and their amount and the payout date depend on the company's financial result, financial situation, equity ratio, need for working capital and other factors. Marimekko intends to follow a stable and active dividends policy that by and large reflects the company's earnings trend. Marimekko's goal is to distribute as dividends at least half of earnings per share annually.

Dividends for 2011
A dividend of EUR 0.55 per share to a total of EUR 4,422,000 was paid for 2011 in accordance with the decision of the Annual General Meeting held on 17 April 2012. The dividend was paid out on 3 May 2012.

Proposal for the dividend for 2012
The Board of Directors will propose to the Annual General Meeting that the dividend to be paid for the 2012 financial year be EUR 0.25 per share to a total of EUR 2,022,403. The proposed dividends amount to 178.6% of the Group's earnings per share and 23.5% of the cash flow from operating activities for 2012. The Board will propose 26 April 2013 as the dividend record date and 7 May 2013 as the dividend payout date.

Shareholders
According to the book-entry register, Marimekko Corporation had 7,417 registered shareholders at the end of the 2012 financial year. Of the shares, 5.9% were registered in a nominee's name and 15.0% were in foreign ownership at the year end.

Flaggings
SEB Asset Management S.A.´s share of Marimekko Corporation´s share capital and voting rights decreased to 1.64% or 132,152 shares due to a stock loan on 11 April 2012 and increased to 6.00% or 482,752 shares at the termination of the stock loan on 22 May 2012. SEB Asset Management S.A.'s share of Marimekko Corporation´s shares and voting rights fell below 1/20, or decreased to 0.00%, as a result of a transaction concluded on 21 November 2012.

The share of Muotitila Ltd, a company controlled by Mika Ihamuotila, of Marimekko Corporation´s shares and voting rights exceeded 3/20, or increased to 16.04%, as a result of a transaction concluded on 20 November 2012. After the transaction, Muotitila Ltd holds 1,297,700 Marimekko shares.

The combined share of funds managed by ODIN Forvaltning AS of Marimekko Corporation's shares and voting rights fell below 5.00% as a result of a transaction concluded 20 November 2012.

Management's shareholding
At the end of 2012, members of the Board of Directors and the President and CEO of the company either directly or indirectly owned 1,338,930 shares, i.e. 16.6% of the number and voting rights of the company's shares.

Largest shareholders according to the book-entry register, 31 December 2012

	Number of shares and votes	Percentage of holding and votes
1. Muotitila Ltd	1,297,700	16.04
2. Semerca Investments SA	850,377	10.51
3. Varma Mutual Pension Insurance Company	385,920	4.77
4. ODIN Finland	344,251	4.26
5. Ilmarinen Mutual Pension Insurance Company	265,419	3.28
6. Keva	235,845	2.92
7. Veritas Pension Insurance Company	220,000	2.72
8. Danske Fund Finnish Small Cap	155,000	1.92
9. OP-Finland Small Firm Fund	150,414	1.86
10. Nordea Nordic Small Cap Fund	101,500	1.25
Total	4,006,426	49.53
Nominee-registered	478,419	5.91
Others	3,604,765	44.56
Total	8,089,610	100.00

Marimekko shares owned directly or indirectly by members of the Board of Directors and the President and CEO, 31 December 2012

	Number of shares and votes	Percentage of holding and votes
Pekka Lundmark	5,000	0.06
Mika Ihamuotila	1,297,700	16.04
Elina Björklund	5,000	0.06
Arthur Engel	8,000	0.10
Ami Hasan	23,230	0.29
Joakim Karske	-	-
Total	1,338,930	16.55

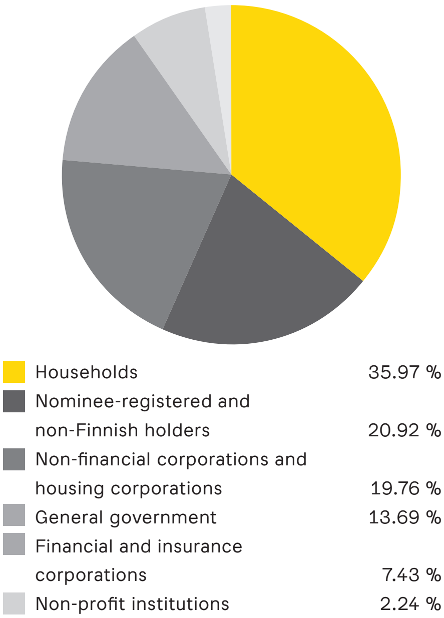
Ownership by size of holding, 31 December 2012

Number of shares	Number of shareholders	%	Number of shares and votes	%
0–100	3,574	48.19	209,654	2.59
101–1,000	3,281	44.24	1,219,928	15.08
1,001–10,000	517	6.97	1,339,236	16.55
10,001–100,000	33	0.44	919,995	11.37
100,001–500,000	10	0.13	2,254,720	27.86
500,001–	2	0.03	2,148,077	26.55
Total	7,417	100.00	8,089,610	100.00

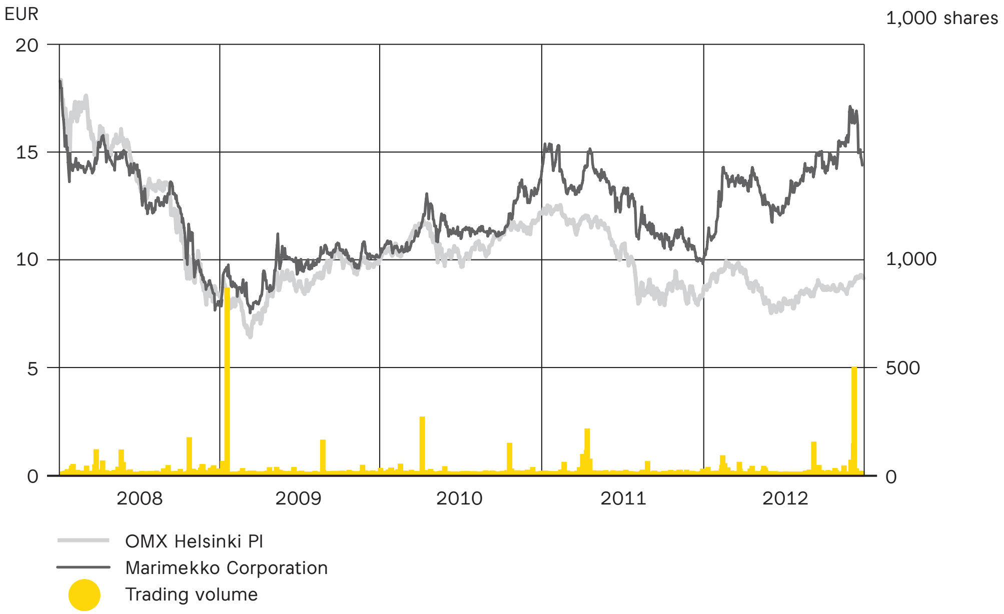
Breakdown of ownership by sector, 31 December 2012

Owner	Number of shares and votes	%
Households	2,909,572	35.97
Financial and insurance corporations	601,047	7.43
Non-financial corporations and housing corporations	1,598,244	19.76
Non-profit institutions	181,338	2.24
General government	1,107,184	13.69
Nominee-registered and non-Finnish holders	1,692,225	20.92
Total	8,089,610	100.00

Breakdown of ownership by sector, 31 December 2012



Share price trend



Share price trend

	2012	2011	2010
Low, EUR	9.92	9.62	10.00
High, EUR	17.15	15.90	14.45
Average, EUR	14.48	12.97	11.66
Closing price (31 Dec.), EUR	14.30	9.88	14.45

Share turnover and market capitalisation

	2012	2011	2010
Share turnover, no. of shares	1,788,378	1,103,125	1,046,014
Share turnover, % of the shares outstanding	22.1	13.7	13.0
Market capitalisation, EUR	115,681,423	79,435,200	115,776,000

Share data

Exchange:	NASDAQ OMX Helsinki Ltd
Trading code:	MMO1V
ISIN code:	FI0009007660
List:	Nordic List
Sector:	Consumer Goods
Listing date:	I list, 12 March 1999, Main list, 27 December 2002

Signatures to the financial statements and the report of the Board of Directors

HELSINKI, 30 JANUARY 2013

Pekka Lundmark
Chairman of the Board

Mika Ihamuotila
Vice Chairman of the Board
President and CEO

Elina Björklund
Member of the Board

Arthur Engel
Member of the Board

Ami Hasan
Member of the Board

Joakim Karske
Member of the Board

Auditor's Report

(Translation from the Finnish original)

To the Annual General Meeting of Marimekko Corporation

We have audited the accounting records, the financial statements, the report of the Board of Directors and the administration of Marimekko Corporation for the year ended 31 December, 2012. The financial statements comprise the consolidated statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements and the report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company or the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or whether they have violated the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the Consolidated Financial Statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Opinion on the Company's Financial Statements and the Report of the Board of Directors

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Helsinki, 28 February 2013

PricewaterhouseCoopers Oy
Authorised Public Accountants

Kim Karhu
Authorised Public Accountant

Corporate Governance

Applicable provisions
Marimekko Corporation is a Finnish public limited company, which applies the Finnish Companies Act, other regulations concerning public listed companies, Marimekko Corporation's Articles of Association and NASDAQ OMX Helsinki Ltd's rules and regulations in its decision-making and administration. Marimekko Corporation also complies with the Finnish Corporate Governance Code for listed companies, effective as of 1 October 2010, in accordance with the 'comply or explain' principle.

Group structure
The Marimekko Group comprises Marimekko Corporation and its subsidiaries. The company's registered office is in Helsinki, Finland.

GENERAL MEETING

Shareholders exercise the highest decision-making authority in Marimekko Corporation through the General Meeting. General Meetings are either Annual General Meetings or Extraordinary General Meetings. The Annual General Meeting shall be held every year within six months of the close of the financial year on the day set by the Board of Directors. Extraordinary General Meetings are convened when necessary. According to the Companies Act, an Extraordinary General Meeting must be held when the Board of Directors considers it advisable or when shareholders representing at least one-tenth of the company's shares request in writing that a meeting be held to deliberate on a specified matter. Shareholders have the right to have items included on the agenda of a General Meeting, provided they present their demand in writing to the Board of Directors well in advance, so that the item can be included in the Notice of the Meeting.

The Annual General Meeting deliberates on matters set out in Article 10 of the Articles of Association as being the business of Annual General Meetings, and other proposals, if any, made to the General Meeting. The company's Board of Directors prepares an agenda for the Meeting. According to the Finnish Companies Act, the Annual General Meeting takes decisions on matters such as:

- adopting the financial statements
- the distribution of profit
- the number of Board members, their election and remuneration
- the number of auditors, their election and remuneration
- amendments to the Articles of Association.

Convening a General Meeting
Shareholders are invited to a General Meeting through a Notice of the General Meeting published on the company's website not earlier than three months and not later than three weeks before the Meeting, but in any case at least nine days prior to the General Meeting's record date. In addition, the Board of Directors may decide to publish the Notice of the General Meeting in one or more newspapers. The Notice of the General Meeting and the Board's proposals to the General Meeting are also published in a stock exchange release.

The following information is also made available on the company's website at least three weeks before the General Meeting:

- the documents to be submitted to the General Meeting
- draft resolutions to the General Meeting.

Right to attend a General Meeting
Shareholders registered in the company's Shareholder Register, maintained by Euroclear Finland Ltd, on the record date notified separately by the company have the right to attend a General Meeting. Shareholders wishing to attend a General Meeting must inform the company of their intention to do so by the deadline specified in the Notice of the Meeting. Shareholders may attend the Meeting themselves or through a representative by proxy, who must present a power of attorney or other reliable proof of their authority to represent the shareholder.

Shareholders can exercise their right to speak and to vote at a General Meeting. Shareholders are entitled to cast the total number of votes conferred by their shareholding as on the record date. One share confers one vote in all matters addressed at the General Meeting. Decisions are made by a simple or qualified majority of votes as provided by law and the Articles of Association.

Record of proceedings at General Meetings
The company prepares minutes of each General Meeting, which, together with voting results and the appendices to the minutes that are part of a decision made by the Meeting, are made available to the shareholders on the company's website within two weeks of the General Meeting. The documents related to the General Meeting will be available on the company's website at least for three months after the Meeting. The company also announces any decisions taken at the General Meeting in a stock exchange release issued promptly after the Meeting.

Presence of administrative bodies at a General Meeting
The company expects all of the members of the Board of Directors and the President and CEO to be present at the Annual General Meeting if possible. Candidates up for election to the Board for the first time should be present at the Meeting in which the election is held, unless their absence is unavoidable

due to particularly compelling reasons. The company's auditor also attends the Meeting.

BOARD OF DIRECTORS

Composition and term of office
The members of Marimekko Corporation's Board of Directors are elected at the Annual General Meeting. The term of office of the Board of Directors expires at the close of the Annual General Meeting following their election. According to the Articles of Association, the Board of Directors comprises a minimum of four and a maximum of seven ordinary members. The number of Marimekko Corporation's Board members is set in proportion to the company's size. The Articles of Association do not set an upper age limit for Board members, restrict the number of their terms of office or in any other way restrict the General Meeting's authority in the election of Board members. There is no particular order governing the appointment of Board members. The Board of Directors elects a Chairman from amongst its members. The company's President and CEO cannot be elected to serve as the Chairman of the Board of Directors.

Members of the Board of Directors
Marimekko Corporation's Annual General Meeting held on 17 April 2012 elected six members to the Board of Directors for a term beginning on 17 April 2012 and ending at the close of the 2013 Annual General Meeting. Elina Björklund, Arthur Engel, Ami Hasan, Mika Ihamuotila, Joakim Karske, and Pekka Lundmark were re-elected as members of the Board of Directors. The Board is chaired by Pekka Lundmark and vice-chaired by Mika Ihamuotila.

The Board members are presented on page 63 and on the company's website under Investors/Management. Up-to-date information about their shareholdings in the company is also available under Investors/Management.

Independence evaluation
The Corporate Governance Code states that the majority of Board members shall be independent of the company. A person without any significant connection to the company other than Board membership is considered independent of the company. In addition, at least two of the Directors representing this majority shall be independent of significant shareholders of the company. The Board evaluates the independence of its members annually. Among the members of Marimekko Corporation's Board of Directors, Elina Björklund, Arthur Engel, Ami Hasan, Joakim Karske and Pekka Lundmark are independent of the company and its significant shareholders. Mika Ihamuotila assumed the position of President and CEO of Marimekko Corporation in 2008. Muotitila Ltd, a company controlled by Mr Ihamuotila, held 16.04% of Marimekko Corporation's shares and voting rights at the end of 2012.

Duties and responsibilities of the Board of Directors
The Board of Directors is responsible for the proper organisation of the company's administration, operations, accounting, and asset management. In addition to the duties specified in the Finnish Companies Act and the Articles of Association, the written rules of procedure adopted by the Board contain further provisions concerning the Board's operating principles and principal duties. The Board reviews and confirms the rules of procedure annually at its constitutive meeting, held following the Annual General Meeting. The Board reviews all matters that are significant to or have long-term effects on the company's business operations. According to the rules of procedure, the Board addresses issues such as the following:

- specifying and confirming strategic objectives and policies for the Group and the various business areas
- reviewing and confirming operating plans and budgets for the Group and the various business areas
- reviewing and approving interim reports, the consolidated financial statements and the report of the Board of Directors
- expanding and downsizing business operations
- considering mergers, acquisitions and demergers and restructuring arrangements
- deciding on investments and the acquisition and sale of assets that are either strategically or financially significant
- deciding on financial policy and contingent liabilities related to financing arrangements
- approving the Group's reporting, risk management and internal control procedures and audit and control systems
- approving the audit plan
- appointing the company's President and CEO and the members of the Management Group and deciding on their remuneration
- providing instructions for the President and CEO.

Since Marimekko does not have a separate audit committee, the Board of Directors is also responsible for the duties of an audit committee. These include the following:

- monitoring the reporting process of financial statements
- supervising the financial reporting process
- monitoring the efficiency of the company's internal control and internal audit, if applicable, and risk management systems
- reviewing the description of the main

features of the internal control and risk management systems pertaining to the financial reporting process, which is included in the company's corporate governance statement
- monitoring the statutory audit of the financial statements and consolidated financial statements
- evaluating the independence of the statutory auditor or audit firm and especially the related services offered to the company
- preparing the proposal for resolution on the election of the auditor.

In 2012, the Board focused on e.g. the following subjects:
- developing the company's strategy and confirming strategic objectives for the various business areas
- monitoring and aligning major business development projects, particularly those related to internationalisation
- monitoring and aligning exceptionally large investments
- monitoring risk management especially related to the company's growth
- developing the remuneration of the personnel
- reviewing and confirming operating plans and budgets.

Meeting procedures and decision-making
The Board of Directors convenes six times a year on average. The Chairman of the Board is responsible for convening and chairing Board meetings. The Board has not assigned responsibility for monitoring any particular aspects of the business to individual Board members. The Board evaluates its performance annually each January under the direction of the Chairman. In 2012, the Board convened eleven times. The Board members' attendance rate at meetings was 92%.

Committees
Considering the nature and extent of the company's business, Marimekko's Board of Directors has not found it necessary to establish separate committees. The company's Board, therefore, manages the tasks that would belong to the audit committee.

MANAGEMENT OF THE GROUP

President and CEO
The Board of Directors elects the company's President and CEO and decides on the terms of the President and CEO's employment. The terms are specified in a written contract which is approved by the Board of Directors. The President and CEO is responsible for the day-to-day management and development of the Group in accordance with the instructions and orders of the Board of Directors. The President and CEO is also responsible for keeping the Board up to date with regard to the development of the company's business and financial situation. Mika Ihamuotila has been the company's President and CEO since 2008. The shareholding of the President and CEO in Marimekko is reported on page 51 and on the company's website under Investors/ Management.

Subsidiary administration
The members of the subsidiaries' Boards of Directors are elected from amongst the Marimekko Group's executive management.

Management Group
The company's business operations have been divided into a number of responsibility areas, the directors of which form the company's Management Group. The company's President and CEO acts as the Chairman of the Management Group. The Board of Directors appoints the members of the Management Group and decides on their remuneration. The Management Group has no authority based on law or the Articles of Association. The Management Group reviews business matters and procedures affecting the entire Group. The Management Group also reviews the operating plans and business development of the various business areas. The Management Group convenes every two weeks on average. Information on the members is presented on page 63 and on the company's website under Investors/Management/ Management Group.

REMUNERATION, REWARDS AND INCENTIVES

The main objectives of remuneration at Marimekko are to promote the competitiveness and long-term financial success of the company, contribute to the favourable development of shareholder value and increase the commitment of the company's key persons.

Remuneration of the members of the Board of Directors
According to the Articles of Association, the Annual General Meeting decides on the remuneration payable to the Board of Directors. The President and CEO receives no fee for Board membership. Neither does the President and CEO receive any fee for the membership of the Board of a Marimekko subsidiary. The Board members receive their remuneration in the form of fixed payments. The Board members have not received any shares, option rights or other special rights to shares as compensation, nor is the Board, as a rule, entitled to any other financial benefits in addition to the fixed annual payment. Marimekko has not issued monetary loans to the Board members or guarantees or other contingent liabilities on their behalf. In 2012, the Annual General Meeting resolved that the annual remuneration payable to the members of the Board be as follows: EUR 30,000

to the Chairman; EUR 20,000 to the other members of the Board, excluding the President and CEO; a total of EUR 110,000. The Board members receive no additional fee for attending board meetings.

Remuneration of the President and CEO and other management

The Board of Directors of Marimekko Corporation decides on the salary and remuneration payable to the President and CEO and the members of the Management Group. The remuneration of the President and CEO consists of a regular salary and fringe benefits as well as an annual bonus. The remuneration of the members of the Management Group consists of a regular salary and fringe benefits, an annual bonus, and a bonus payable on the basis of a long-term bonus system.

Under the contract between the company and Mika Ihamuotila, the President and CEO is, in addition to his regular salary, entitled to an annual bonus, the maximum amount of which corresponds to his regular salary for six months. The principles determining the bonus are confirmed annually by the Board. The annual bonus is based on the growth of the Group's net sales, operating profit and the strategic objectives separately determined by the Board. The President and CEO renounced his right to a contributory pension scheme as of 9 February 2012. The retirement age for the President and CEO is determined by the statutory employee pension plan (TyEL). If the President and CEO resigns of his own accord, his term of notice is six months and he is entitled to a remuneration corresponding to his regular salary for six months. If the company terminates the contract, the President and CEO's term of notice is six months and he is entitled to a remuneration corresponding to his regular salary for twelve months.

Fees received by members of Marimekko's Board of Directors 2011–2012

(EUR 1,000)	Fee for Board work 2012	2011	Other financial benefits 2012	2011	Total compensation in the financial year 2012	2011
Pekka Lundmark	29	24	-	-	29	24
Mika Ihamuotila	-	-	-	-	-	-
Elina Björklund	19	12	-	*) 49	19	61
Arthur Engel	19	12	-	-	19	12
Ami Hasan	19	17	-	-	19	17
Joakim Karske	19	17	-	-	19	17
Tarja Pääkkönen	-	5	-	-	-	5
Total	105	87	-	49	105	136

*) A consultancy fee related to the China project and other undertakings.

Salaries and bonuses paid to the President and CEO and other management 2011–2012

(EUR 1,000)	Salary 2012	2011	Bonus-based salary 2012	2011	Personnel share offering 2012	2011	Other financial benefits 2012	2011	Total compensation in the financial year 2012	2011
President and CEO	311	266	107	92	-	-	-	-	418	358
Management Group	515	471	56	60	1	-	-	-	573	531
Total	826	737	163	152	1	-	-	-	991	889

Auditor's fees 2011–2012

(EUR 1,000)	Audit 2012	2011	Other services 2012	2011	Total compensation in the financial year 2012	2011
PricewaterhouseCoopers Oy	72	61	52	91	124	152
Others	31	21	-	-	31	21
Total	103	82	52	91	155	173

In 2011, the Board of Directors of Marimekko Corporation agreed on establishing a new long-term bonus system targeted at the company's Management Group. The purpose of the bonus system is to encourage the Management Group to operate with a business mentality and to add to the company's value in the long term in particular. The aim is to combine the owners' and the Management Group's targets in order to increase the company's value and to elicit the Management Group's commitment to the company over a span of several years.

The system is composed of two earning periods, which are 1 January 2011 – 31 October 2014 and 1 January 2011 – 28 February 2015. The possible bonus for each earning period will be based on the total yield on Marimekko Corporation's shares, including dividends. The possible bonus will be paid in cash in two batches, one in autumn 2014 and the other in spring 2015. Earning the bonus requires that the person still works for the company at the time of the payment. When receiving the bonus, the person in question commits themselves to using 50% of the net value of the bonus for acquiring the company's shares at transaction price within six months from receiving the bonus. The shares acquired with the bonus cannot be surrendered prior to two years from the time of acquiring the shares. The annual maximum value of the bonus paid to a member of the Management Group in the bonus system cannot exceed the approximate value of fixed annual salary. The system encompasses the Management Group members excluding the President and CEO, a total of five persons.

AUDIT

According to the Articles of Association, the company must have one auditor and, if the auditor is not an audit firm, one deputy auditor. The auditor and deputy auditor must be authorised by the Finnish Central Chamber of Commerce. The auditors are appointed until further notice. The Annual General Meeting held on 17 April 2012 elected PricewaterhouseCoopers Oy, Authorised Public Accountants, as auditor for the Marimekko Group and the Group companies, with Kim Karhu, Authorised Public Accountant, as chief auditor. The Annual General Meeting also decided that the auditor's fee will be paid by invoice.

The auditor issues an audit report in connection with the company's financial statements to the Board of Directors and, as required by law, an auditor's report to the shareholders. The auditor is present at the Board meeting where the annual financial statements are reviewed.

INTERNAL CONTROL, RISK MANAGEMENT AND INTERNAL AUDIT

Internal control, risk management and internal auditing are a crucial element of Marimekko's administration and management. The Board of Directors and the President and CEO have responsibility for organising controls.

Risk management and risks
Risk management at Marimekko is based on the Board-approved risk management policy which defines the Group's risk management principles, objectives and responsibilities as well as the organisation and control of the risk management process.

Risk management principles
Marimekko's risk management aims to safeguard the smooth continuity of business and to ensure stable financial performance for the Group. Comprehensive risk management is an ongoing, systematic process where key risks related to the company's operations and business environment are identified and assessed. Key risks are risks that could prevent Marimekko from exploiting business opportunities, or could jeopardise or prevent the achievement of strategic objectives or the continuity of operations for the Group or part of the Group, or could otherwise have serious consequences for the company, its employees or stakeholders. Risk management is an integral part of the company's management and decision-making process and it covers all of the Group's functions.

The report of the Board of Directors on page 9 describes the most significant risks. A more detailed description of Marimekko's risk management process and the most significant risks is available on the company's website under Investors/Management/ Risk management and risks.

Internal control and internal audit
Considering the nature and extent of the company's business, Marimekko has not found it necessary to establish a separate internal audit function. The Board of Directors reviews the level of the company's internal control activities at least once a year. Where necessary, the Board may purchase internal audit services from an external service provider.

Marimekko applies the company's internal control principles and operating plan for the execution and monitoring of internal control. In the Marimekko Group, internal control is defined as a process effected by the Board of Directors, management and all levels of personnel. The objective of internal control is to provide reasonable assurance that:

- the company's operations are effective and aligned with strategy;
- financial reporting and management information is reliable;
- the Group is in compliance with applicable laws and regulations.

Marimekko's Board of Directors focuses on increasing shareholder value and, in accordance with good corporate governance, ensures that the company has defined internal control principles. The Board of Directors is also responsible for monitoring the efficiency of the company's internal control and risk management.

INSIDER ADMINISTRATION

Marimekko's insider guidelines
Marimekko Corporation's insider guidelines, which have been confirmed by the company's Board of Directors, are based on the insider guidelines issued by NASDAQ OMX Helsinki Ltd, effective as of 9 October 2009. The Board of Directors annually confirms the updated insider guidelines and list of insiders. The company has distributed copies of its insider guidelines to all of its insiders.

Marimekko's insider registers
Marimekko's permanent public insiders comprise the members of the Board of Directors, the President and CEO, the auditor and the company's Management Group. Permanent company-specific insiders include those who due to their position or duties regularly obtain inside information and who are consequently identified by the company as being included in the company's company-specific insiders and not public insiders. Permanent company-specific insiders include the managing directors of subsidiaries and others who, by virtue of their duties, are identified as company-specific insiders. The company assesses whether project-specific insider registers are necessary on a case-by-case basis.

The company's insider register, which includes the lists of permanent public insiders, permanent company-specific insiders and project-specific insiders, is maintained in the SIRE register of Euroclear Finland Ltd. Up-to-date information required by law concerning Marimekko Corporation's permanent public insiders, their related parties and the corporations in which they exercise influence is presented on the company's website under Investors/ Share information /Shareholders/Insiders.

Supervision of insider guidelines
The person in charge of corporate communications is responsible for maintaining the company's insider register and for communicating on insider issues. According to Marimekko Corporation's insider guidelines, permanent insiders, their related parties and corporations controlled by them are permitted to trade in Marimekko's shares during a six-week period after the publication of the company's interim reports and financial statement information. The company announces these publication dates annually in advance in a stock exchange release. The insider guidelines prohibit project-specific insiders from trading in Marimekko shares during the project.

INVESTOR RELATIONS

The Chief Financial Officer is responsible for Marimekko Corporation's investor relations and the content of financial information. Corporate Communications is responsible for the company's stock exchange releases, investor and analyst meeting arrangements and the company's online investor information. Marimekko publishes all of its investor information in Finnish and English.

CORPORATE GOVERNANCE STATEMENT

The corporate governance statement is issued separately from the report of the Board of Directors. It can be found on the company's website under Investors/ Management/ Corporate governance statement.

Board of Directors and management

BOARD OF DIRECTORS

Pekka Lundmark born 1963
Chairman of the Board
M.Sc. (Eng.)
Principal occupation: President and CEO of Konecranes Plc, 2005–

Primary work experience and key positions of trust: Group Executive Vice President of KCI Konecranes, 2004–2005; CEO of Hackman Group, 2002–2004; Managing Partner of Startupfactory, 2000–2002; several executive positions in Nokia Corporation in Finland, Denmark and the United States, 1990–2000; Chairman of the Board of the Federation of Finnish Technology Industries, 2011–2012 and Vice Chairman of the Board, 2013–; Vice Chairman of the Board of the Confederation of Finnish Industries EK 2011–2012

Mika Ihamuotila born 1964
Vice Chairman of the Board
Ph.D. (Econ.)
Principal occupation: President and CEO of Marimekko Corporation, 2008–

Primary work experience and key positions of trust: President and CEO of Sampo Bank plc, 2001–2007; President and CEO of Mandatum Bank Plc, 2000–2001; Executive Director of Mandatum Bank Plc, 1998–2000; Partner of Mandatum & Co Ltd, 1994–1998; visiting scholar of Yale University (USA), 1992–1993; Member of the Board of Elisa Corporation, 2003–2005 and Deputy Chairman of the Board, 2006–2007

Elina Björklund born 1970
M.Sc. (Econ.), IDBM Pro
Principal occupation: CEO of Reima Ltd, 2012–

Primary work experience and key positions of trust: Partner and Director of BletBI Advisors (Shanghai, China), 2011–; CEO and Founding Partner of Ebit Oy, 2010–; Vice President Marketing in Fiskars Corporation's Home division and Member of Executive Board, 2009–2010; several executive positions and Member of Executive Board in Iittala Group Ltd, 2005–2009 and Development Manager, 2004–2005; CEO of Ebit Oy, 2001–2004; Debuty Managing Director of Merita Securities Ltd (current Nordea), 1998–1999 and Chief Equity Analyst, 1996–1999; Equity Analyst of Kansallis-Osake-Pankki Equity Research, 1994–1995; Chairman of the Finance & Investment Committee in the Student Union of the Helsinki School of Economics, 2001–2005; Member of the Board of Art and Design City Ltd, 2006–2008; Member of the Board and the Audit Committee of Finnair Plc, 2009–2012

Arthur Engel born 1967
Economics degree
Principal occupation: CEO of Björn Borg AB, 2008–

Primary work experience and key positions of trust: CEO of GANT Company AB, 2001–2007 and COO, 2000–2001; CEO and several executive positions in Leo Burnett Advertising Agency, 1994–2000; several positions in Statoil Svenska AB, 1991–1994; Member of the Advisory Board for Economic studies at the University of Stockholm; Member of the Board of Reliance Brands (Mumbai, India)

Ami Hasan born 1956
Secondary school graduate
Principal occupation: Chairman of the Board of advertising agency Hasan & Partners Finland Oy, 1997–

Primary work experience and key positions of trust: founder and Managing Director of advertising agency Hasan & Partners Finland Oy, 1991–1997; Member of the Board of Marketing Clinic Ltd, 2004–; Member of the Board of Kiasma Museum of Contemporary Art Foundation, 2008–2009 and Deputy Chairman, 2010–2011; permanent member of the jury for Cresta International Advertising Awards

Joakim Karske born 1963
Master of Arts
Principal occupation: Director, Design Strategy & Portfolio Planning, Nokia Design, 2009–

Primary work experience and key positions of trust: Nokia Mobile Phones and Vertu, Design Director, 2006–2008; various designer and design management positions: Volvo Strategic Design (Barcelona, Spain), 2001–2005; DaimlerChrysler Advanced Design Centre (Tokyo, Japan), 1999–2001; Mercedes-Benz AG (Stuttgart, Germany), 1998–1999; Volvo Cars (Gothenburg, Sweden) 1995–1998; Member of the Board of Korpinen Oy, 2012–

MANAGEMENT GROUP

Chairman:
Mika Ihamuotila born 1964
President and CEO
Employed by the company since 2007

Members:
Tiina Alahuhta-Kasko born 1981
Marketing
Employed by the company since 2005

Thomas Ekström born 1967
Finance and administration, CFO
Employed by the company since 2006

Minna Kemell-Kutvonen born 1969
Design
Employed by the company since 1992

Päivi Lonka born 1962
Sales
Employed by the company since 2004

Niina Nenonen born 1965
Product lines
Employed by the company since 2008

More detailed background information on members of the Management Group as well as up-to-date information on the holdings of public insiders are provided on the company's website under Investors/Management.

Information for shareholders

Schedule for financial reporting in 2013

- Financial Statements Bulletin 2012, Thursday, 31 January 2013
- Financial Statements 2012, week 12
- Interim Reports
    - January–March, Tuesday, 7 May 2013
    - January–June, Thursday, 15 August 2013
    - January–September, Thursday, 7 November 2013.

Annual General Meeting

Marimekko Corporation's Annual General Meeting will be held from 2 p.m. onwards on Tuesday, 23 April 2013 at Marimekko Corporation's head office, Puusepänkatu 4, 00880 Helsinki, Finland. Shareholders who have been registered by the Annual General Meeting's record date of 11 April 2013 at the latest in the company's Shareholder Register kept by Euroclear Finland Ltd have the right to attend the Annual General Meeting. The shareholder in whose name the shares are registered is automatically entered in the company's Shareholder Register.

Shareholders who wish to attend the Annual General Meeting must notify the company of their intention to do so before 10 a.m. on 18 April 2013 at the latest:

- by filling in the registration form on the company's website company.marimekko.com under Investors/Annual General Meeting
- by email to yk@marimekko.fi
- by telephone on +358 9 758 7375 (Minttu Buda).

A holder of nominee-registered shares may participate in the Annual General Meeting with those shares under which the holder would be entitled to be registered in the company's Shareholder Register on 11 April 2013. Additionally, participation requires that the holder of nominee-registered shares is temporarily registered in the Shareholder Register no later than 18 April 2013 at 10 a.m. Temporary registration in the Shareholder Register shall be deemed to be a registration for the Annual General Meeting. A holder of nominee-registered shares is advised to request necessary instructions regarding the temporary registration in the Shareholder Register, the issuing of proxy documents and registration for the General Meeting from their custodian bank well in advance. The account management organisation of the custodian bank will register a holder of nominee-registered shares, who wants to participate in the Annual General Meeting, to be temporarily entered into the company's Shareholder Register by the above-mentioned date.

Any proxy documents should be sent in original to the company before the registration deadline. Notice of the Annual General Meeting and further information is provided on the company's website under Investors/Annual General Meeting.

Dividends

The Board of Directors will propose to the Annual General Meeting that a dividend of EUR 0.25 per share be paid for 2012. The dividend will be paid to shareholders who are registered on the dividend payout record date of 26 April 2013 in the company's Shareholder Register kept by Euroclear Finland Ltd. The Board of Directors will propose to the Annual General Meeting that the dividend be paid on 7 May 2013.

Principles of investor relations

Marimekko Corporation complies with the principles of equity in its investor communications and publishes all its investor information primarily on its website in Finnish and English.

Information sessions and closed period

Information sessions are held at least twice a year for analysts and the media, always when the financial statements and half-year results are released as well as when necessary in connection with the disclosure of other significant matters. Marimekko has a three-week closed period before the publication of earnings reports.

Analysts

A list of banks and securities brokers that actively follow Marimekko's development is available on the company's website under Investors/Marimekko as an investment/Analysts.

Financial reports

Marimekko Corporation's financial statements and interim reports are published in Finnish and English. Printed financial statements 2012 are available upon request. Interim reports are also sent upon request to the address provided by the subscriber. Financial information is posted on the company's website company.marimekko.com.

To order publications, contact:
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